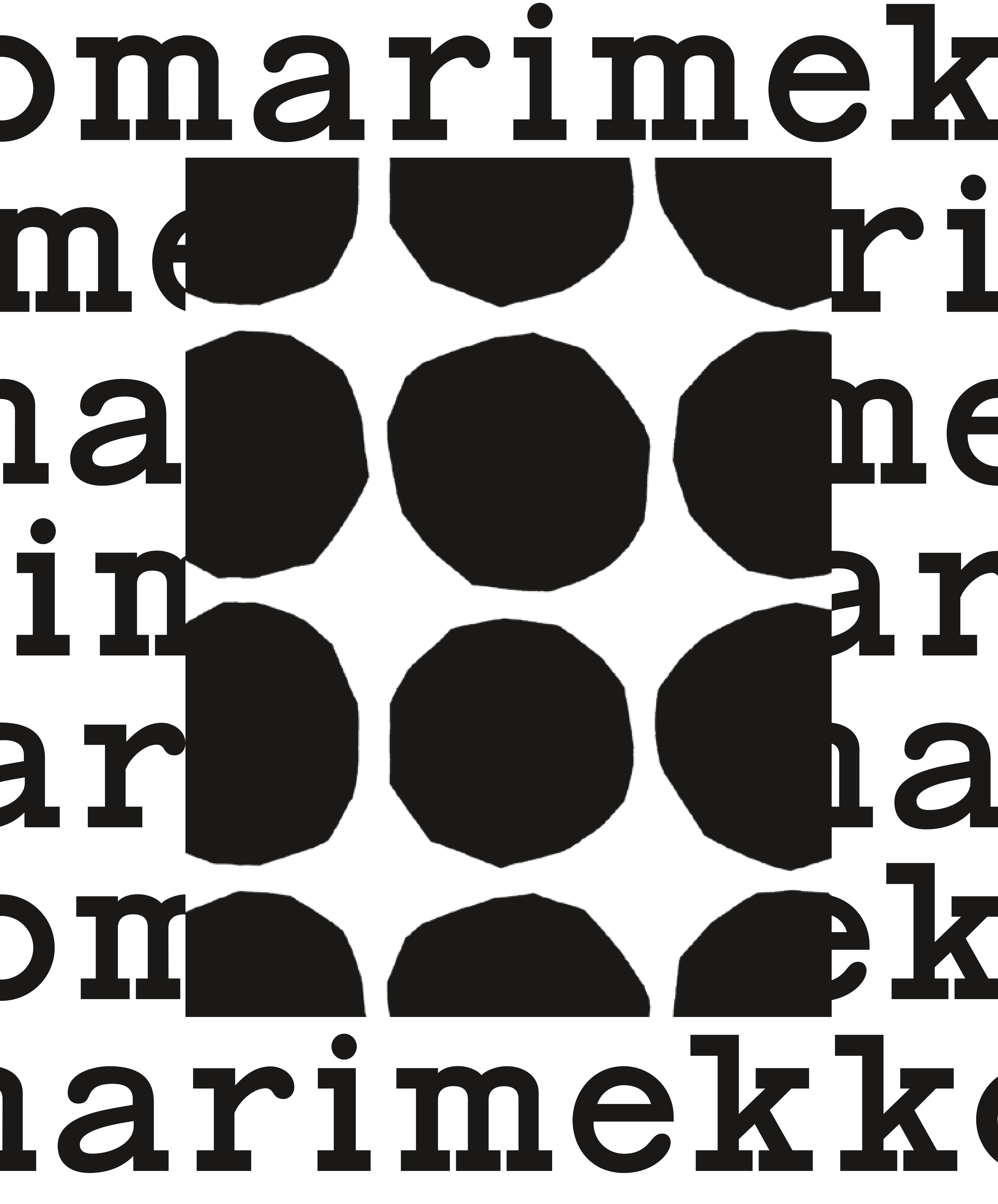
Financial Statements 2015



Art of print making since 1951

Marimekko is a Finnish 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 high-quality clothing, bags and accessories as well as home décor items ranging from textiles to tableware.

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 2015, brand sales of Marimekko products worldwide amounted to approximately EUR 186 million and the company's net sales were approximately EUR 96 million. Marimekko products are sold in about 40 countries. The number of Marimekko stores totalled 154 at the year end. The key markets are Northern Europe, North America and the Asia-Pacific region. The Group employs around 500 people. The company's share is quoted on Nasdaq Helsinki Ltd.

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CONTENTS

From the President

Everything starts with the customer and the product. This is especially true for a company like Marimekko, which operates in the heavily competed global consumer market. Marimekko's strengths in intense competition are the uniqueness of our brand and our recognisable design language. From the first years of our company we have stayed faithful to our original purpose of bringing joy to people's everyday lives.

In 2015, our operations were strongly focused on renewing the lifestyle brand in addition to enhancing the customer experience and product assortment. We concentrated on design work and product development and we invested in creating even more attractive design and collections. We particularly dedicated effort to fashion, bags and accessories. I believe that the collection renewal in line with our new direction will make Marimekko brand even more attractive both to our existing and to new customers around the world. In the long run it will also improve the visibility of our lifestyle brand and increase opportunities to utilise it.

During the year, we focused on further strengthening the customer experience through various projects. We continued investing in digital business. Our upgraded online store was opened in the fall and it expanded to eight new countries in Europe. At the end of the year, Marimekko's online store reached customers in 12 countries.

Our aim is to make the customer experience even more fascinating and

”We are focusing more strongly on our profitability and competitiveness.”

seamless between the online and bricks-and-mortar stores. As part of this goal, we updated our store concept, the objective of which is to give customers a more inspiring and high-service ensemble. Our stores are like a joyful and colourful homes - places where our customers want to spend time and find inspiration. The first store to be opened in line with the new concept was the Helsinki flagship store towards the end of the year.

The year 2015 was very challenging in terms of market conditions – the year was overshadowed by an uncertain global economy and Finland’s increasingly difficult retail environment. However, in this challenging situation, we succeeded in increasing our net sales. I am particularly pleased by the fact that our retail sales in Finland increased, whereas at the same time, sales of the entire Finnish fashion industry declined. In spite of this, the company’s operating profit declined in accordance with expectations.

During the year, we continued our expansion in accordance with our internationalisation strategy, especially in the Asia-Pacific region. New markets were opened up in Bangkok and Singapore, as well as in Dubai in the Middle East. All in all, during the year 18 Marimekko stores were opened, nine of which were in our growth market of the Asia-Pacific region.

The current year does not seem to be bringing relief to the global economy. Uncertainty over the economic situation is also expected to continue in Finland and it is believed that the situation in the retail trade will continue to be challenging. However, we do not intend to be discouraged, and we are focusing more strongly on our profitability and competitiveness. For Marimekko, 2016 is a year of building and improving efficiency. We will continue to update our brand and to develop even more attractive products. The first collections created entirely under the direction of our new Creative Director were launched in the beginning of the year and we are now getting valuable feedback from consumers, on the basis of which we can further develop our collections.

The main thrust in our operations this year is on improving efficiency and profitability. We believe that securing Marimekko’s international competitiveness will enable stronger growth potential in the years ahead. Unfortunately, in connection with the reorganizations announced at the beginning of the year, it was necessary to engage in consultative negotiations. The new organizational model built as a result of the negotiations will ensure processes and procedures that are cost-efficient and appropriate for an international company. I believe that with these developments, we have the ability to meet the needs of our global customer base even better and in a more agile way in the fast-changing operating environment revolutionised by digitalisation.

Tiina Alahuhta-Kasko

Report of the Board of Directors

2015 IN BRIEF

In 2015, the Marimekko Group's net sales grew slightly on the previous year and were EUR 95.7 million (94.2). In Finland, net sales amounted to EUR 52.7 million (52.0). International sales were EUR 43.0 million (42.1). Retail sales rose by 4 percent; growth was supported by the additional sales of the stores opened in 2014 and 2015, and an increase in discount-driven sales by Finnish outlet stores and online shop, combined with a strong US dollar. Marimekko product brand sales[1] fell to EUR 185.5 million (186.8).

Marimekko's operating profit declined in line with expectations. Operating profit was EUR 1.5 million (5.6). Operating profit for the comparison period included nonrecurring expenses in the amount of EUR 0.7 million. Operating profit excluding nonrecurring items for the comparison period was EUR 6.3 million, and it was improved by considerable, nonrecurring promotional deliveries in Finland during the last two quarters. A drag was exerted on the 2015 operating profit by the substantial expenses of closing the Beverly Hills store in the first quarter, a decline in wholesale sales in Finland, Scandinavia and the Asia-Pacific region, a downturn in relative wholesale margins, a deterioration in the profitability of retail sales, and increased design and marketing investments in building and launching new collections. On the other hand, operating profit was improved by an increase in royalty income in North America and by the additional sales of new stores. Profit after tax for the year was EUR 0.8 million (4.1) and earnings per share EUR 0.10 (0.51). The Board of Directors will propose to the Annual General Meeting that a dividend of EUR 0.35 per share be paid for 2015 (0.35).

OPERATING ENVIRONMENT

The general uncertainty in the global economy is forecast to continue, but the global growth is still expected to be moderate. In the United States the growth continues, but strong US dollar and tightening monetary policy cause uncertainty. In spite of this, consumer confidence is at a strong level. The presidential elections are believed to guarantee a moderate economic trend, which also supports consumption demand. In China, the pace is slowing down, but the real economy has held steady in spite of fluctuations in the financial market. In Europe, the growth has sparked and consumer confidence has increased.

In Finland, the prevailing uncertain economic conditions of 2015 are expected to continue and the situation for retail trade is likely to remain challenging. Retail trade confidence improved at the beginning of 2016, but it is still slightly short of the long-term average. Sales expectations are still cautious, but no dip in sales of the kind seen last autumn is expected. In December, retail trade confidence in Finland was the lowest in the EU. Consumer confidence has strengthened since late 2015. Especially views on the Finnish economy and general unemployment have improved. Also, consumers' expectations of their own finances rose slightly in January. Demand is still weak and profitability is expected to decrease due to lower sales prices. (Confederation of Finnish Industries EK: Economic Review, 26 January 2016; Confidence Indicators, January 2016; Business Tendency Survey, February 2016; Statistics Finland: Consumer Survey, January 2016)

In 2015, retail trade sales in Finland fell by 0.8 percent, but the volume of sales – which measures real growth in sales – rose by 0.4 percent (Statistics Finland: Turnover of Trade, retail trade flash estimate, December 2015).

CHANGES IN THE STORE NETWORK

In 2015, the main thrust in expanding the Marimekko store network was on openings of retailer-owned Marimekko stores, especially in the Asia-Pacific region. The company also continued to enhance the operations and profitability of company-owned stores opened in recent years.

In 2015, a total of 18 new Marimekko stores were opened, divided as follows: four

[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.

company-owned and nine retailer-owned, and five shop-in-shops. Of the stores opened, nine were in the company's growth market of the Asia-Pacific region. In 2015, Singapore and Thailand (Bangkok) were opened as new markets in the Asia-Pacific region, and Dubai in the Middle East.

In the course of 2015, a total of eight Marimekko stores and shop-in-shops were closed. Of these, three were company-owned stores, and they were located in London, Beverly Hills and Helsinki, where the flagship store was closed for relocation in the third quarter. In the closing quarter of the year, Marimekko opened a flagship store based on its new store concept in a new address in Helsinki.

At the end of 2015, the number of Marimekko stores and shop-in-shops totalled 154 (144)[2]. Of these, 55 (54) were company-owned stores.

In 2015, Marimekko expanded its online business by opening an online shop in France, the UK, Germany, Italy, Spain, the Netherlands, Belgium and Norway. The company also has online stores in Finland, Sweden, Denmark and the United States.
At the end of 2015, Marimekko's e-commerce reached customers in 12 countries.

NET SALES

In 2015, the Marimekko Group's net sales grew by 2 percent on the previous year, being EUR 95.7 million (94.2).

In Finland, net sales rose by 1 percent and were EUR 52.7 million (52.0). Retail sales grew by 6 percent; comparable retail sales 2 percent. Wholesale sales fell by 10 percent. In 2014, wholesale sales were boosted by considerable, nonrecurring promotional deliveries.

International sales rose by 2 percent to EUR 43.0 million (42.1). In the Asia-Pacific region, sales grew by 1 percent, sales in North America were up 7 percent and growth in EMEA was 10 percent. In Scandinavia, sales declined 8 percent.

International sales represented 45 percent of the Group's net sales (45). As for brand sales, 62 percent of the sales were generated abroad (61). Net sales by market area were: Finland 55 percent, Scandinavia 8 percent, EMEA 9 percent, North America 10 percent, and Asia-Pacific 18 percent. The breakdown of the Group's net sales by product line was as follows: fashion 41 percent, home 36 percent, and bags & accessories 23 percent.

Net sales by market area

(EUR million)	2015	2014
Finland	52.7	52.0
Retail sales	37.6	35.4
Wholesale sales	14.7	16.2
Royalties	0.4	0.4
Scandinavia	7.8	8.5
Retail sales	4.8	5.2
Wholesale sales	2.9	3.3
Royalties	-	-
EMEA	8.3	7.6
Retail sales	1.2	1.5
Wholesale sales	6.9	5.9
Royalties	0.2	0.2
North America	9.2	8.6
Retail sales	5.9	6.0
Wholesale sales	2.4	2.0
Royalties	0.9	0.6
Asia-Pacific	17.7	17.5
Retail sales	3.2	2.7
Wholesale sales	14.5	14.8
Royalties	-	0.0
International sales, total	43.0	42.1
Retail sales	15.1	15.3
Wholesale sales	26.7	26.0
Royalties	1.2	0.8
Total	95.7	94.2
Retail sales	52.7	50.7
Wholesale sales	41.4	42.2
Royalties	1.6	1.2

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

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

NET SALES BY MARKET AREA

Finland

In 2015, net sales in Finland rose by 1 percent to EUR 52.7 million (52.0). The trend in net sales was supported by 6 percent growth in retail sales and reduced by a 10 percent fall in wholesale sales. Wholesale sales for 2014 were increased by considerable, nonrecurring promotional deliveries in the last two quarters. Comparable retail sales grew by 2 percent. Sales were boosted in particular by a rise in discount-driven sales by outlet stores and the online shop as well as successful holiday sales. Retail sales were further increased by the new stores opened in 2014 and 2015 as well as by the pop-up store opened for the summer season at Helsinki-Vantaa Airport.

Scandinavia

Net sales in Scandinavia fell by 8 percent and amounted to EUR 7.8 million (8.5). Net sales at comparable exchange rates declined by 4 percent. Retail sales in euros fell by 6 percent and at comparable exchange rates by 3 percent. Wholesale sales declined by 11 percent.

EMEA

Net sales in EMEA grew by 10 percent to EUR 8.3 million (7.6). Wholesale sales rose by 17 percent, including large one-off deliveries to France and Belgium. Wholesale sales were also boosted by start-up stock deliveries to two retailer-owned stores in the United Arab Emirates. Retail sales fell by 20 percent, which was due to the closure of two stores in London in November 2014 and March 2015. Comparable retail sales were at the same level as in the previous year.

North America

In North America, net sales grew by 7 percent, reaching EUR 9.2 million (8.6). Net sales at comparable exchange rates declined by 10 percent; retail sales fell but wholesale sales rose. The downturn in retail sales was due to the closure of the Beverly Hills store in March as well as a 2 percent fall in sales in comparable stores. Sales were also impacted by changes and construction works in the vicinity of some stores, which reduced footfall.

Asia-Pacific region

Net sales in the Asia-Pacific region grew by 1 percent to EUR 17.7 million (17.5). Wholesale sales fell by 2 percent. In the most important country in this market area, Japan, wholesale sales fell by 7 percent, due partly to an increase in sales tax which came into force in spring 2014, which has reduced top-up orders. Retail sales (Australian stores in Sydney and Melbourne) grew by 18 percent thanks to the additional sales of the store opened in Melbourne in 2014. Sales in comparable stores fell in euro terms by 9 percent and in terms of the sales currency by 8 percent. The decrease derived from opening a new store near an already existing one in Melbourne.

FINANCIAL RESULT

In 2015, the Group's operating profit was EUR 1.5 million (5.6). Result after taxes was EUR 0.8 million (4.1) and earnings per share were EUR 0.10 (0.51).

Operating profit for the comparison period included nonrecurring expenses in the amount of EUR 0.7 million. Operating profit excluding nonrecurring items for the comparison period was EUR 6.3 million, and it was improved by considerable, nonrecurring promotional deliveries in Finland during the last two quarters. A drag was exerted on the 2015 operating profit by the substantial expenses of closing the Beverly Hills store in the first quarter, a decline in wholesale sales in Finland, Scandinavia and the Asia-Pacific region, a downturn in relative wholesale margins, a deterioration in the profitability of retail sales, and increased design and marketing expenses. On the other hand, operating profit was improved by an increase in royalty income in North America in the first and third quarters and by the additional sales of new stores.

Marketing expenses for the year 2015 totalled EUR 5.1 million (4.7) or 5 percent of the Group's net sales (5). Net financial expenses were EUR 0.2 million (0.1) or 0 percent of net sales (0).

Depreciation and impairments

The Group's depreciation and impairments in 2015 totalled EUR 4.5 million (4.3) or 5 percent of net sales (5).

BALANCE SHEET

The consolidated balance sheet total as of 31 December 2015 was EUR 46.1 million (47.2). Equity attributable to the equity holders of the parent company was EUR 27.1 million (29.0) or EUR 3.35 per share (3.59).

Non-current assets at the end of 2015 stood at EUR 17.4 million (18.3).

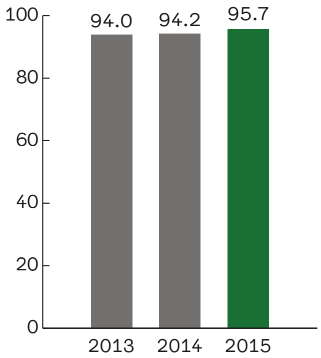
At the end of 2015, net working capital was EUR 13.0 million (14.0). Inventories were EUR 18.5 million (17.6).

CASH FLOW AND FINANCING

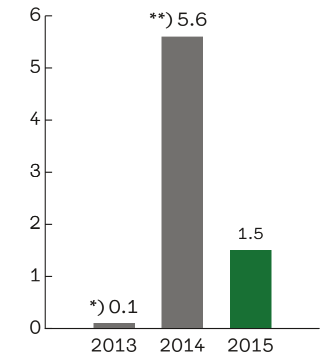
In 2015, cash flow from operating activities was EUR 6.3 million (9.9) or EUR 0.78 per share (1.22). Cash flow before cash flow from financing activities was EUR 3.1 million (7.8).

The Group's financial liabilities at

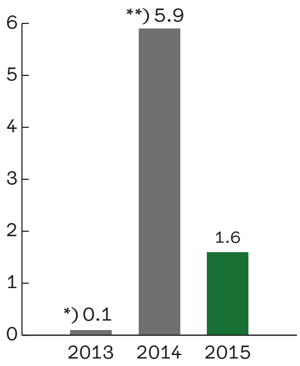
Net sales (EUR million)



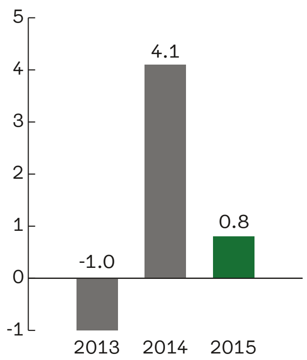
Operating profit (EUR million)



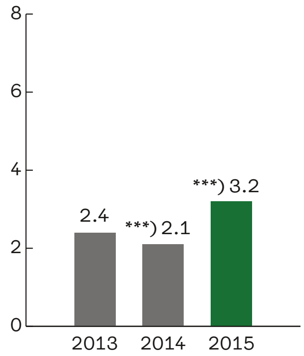
Operating profit margin (%)



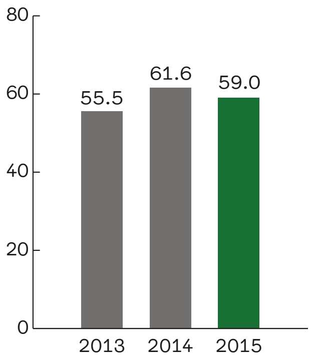
Result after taxes (EUR million)



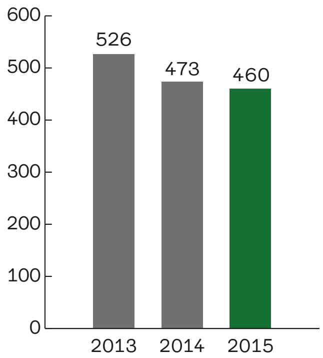
Gross investments (EUR million)



Equity ratio (%)



Average personnel



*) Includes EUR 1.3 million in nonrecurring expenses due to arrangements arising from the statutory consultative negotiations concluded during the second quarter of 2013. Of these expenses, EUR 1.0 million are included in EBITDA.

**) Includes a nonrecurring expense of EUR 0.7 million connected with downsizing resulting from the statutory consultative negotiations completed in March 2014.

***) Excluding finance lease investments.

the end of 2015 were EUR 7.3 million (7.1).

At the end of the year, the Group's cash and cash equivalents amounted to EUR 4.2 million (4.1). In addition, the Group had unused committed long- and short-term credit lines of EUR 15.2 million (22.3).

The Group's equity ratio at the end of the year was 59.0 percent (61.6). Gearing was 11.3 percent (10.5).

INVESTMENTS

The Group's gross investments in 2015 were EUR 3.2 million (2.1) or 3 percent of net sales (2). Most of the investments were devoted to IT systems and building store premises.

SHARES AND SHAREHOLDERS

Shares and share capital

Marimekko Corporation's share is quoted in the Consumer Goods sector of Nasdaq 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 and the company's market capitalisation

In 2015, a total of 1,062,373 (716,614) Marimekko shares were traded, representing 13.1 percent of the shares outstanding. The total value of Marimekko's share turnover was EUR 10,088,409. The lowest price of the Marimekko share was EUR 8.20, the highest was EUR 10.94 and the average price was EUR 9.50. At the end of the year, the closing price of the share was EUR 8.30. The company's market capitalisation on 31 December 2015 was EUR 67,143,763 (71,997,529).

Shareholdings

According to the book-entry register, Marimekko had 7,084 shareholders at the end of 2015 (7,112). Of the shares, 20.1 percent were owned by nominee-registered or non-Finnish holders (21.5). The breakdown of Finnish ownership by owner group was as follows: households 35.5 percent, nonfinancial corporations and housing corporations 25.9 percent, general government 10.2 percent, financial and insurance corporations 6.1 percent, and non-profit institutions 2.2 percent.

On 31 December 2015, the number of shares owned either directly or indirectly by members of the Board of Directors and the President of the company was 1,325,806 (1,328,598), representing 16.4 percent of the number and voting rights of the company's shares (16.4).

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 Shares and shareholders on pages 54-57.

Flaggings

Marimekko did not receive any flagging notifications during 2015.

Authorisations

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

PERSONNEL

During 2015, the number of employees averaged 460 (473). At the end of the year, the Group had 476 (479) employees, of whom 126 (129) worked abroad. Salaries, wages and bonuses paid to personnel amounted to EUR 20.4 million (19.5).

During the year, personnel work focused in particular on management training, on-the-job wellness and close cooperation with occupational healthcare as well as ensuring processes and procedures that are appropriate and cost-effective. In addition to training programmes for managers, long-term training programmes for sales personnel continued. All these measures are aimed at ensuring that Marimekko employees are well, fit for work and able to achieve results.

In 2015, the turnover of employees leaving was 9.2 (12.9) percent.

THE ENVIRONMENT, HEALTH AND SAFETY

The environment

Care for the environment is one of the cornerstones of Marimekko's operations. The environmental aspects of Marimekko's in-house manufacturing are related to the operations of the textile printing factory in Herttoniemi, Helsinki. Operating methods are improved constantly for the monitoring and minimising of environmental impacts of manufacturing and other business operations. Subcontractors are contractually obligated to commit themselves to shouldering their environmental responsibilities. Marimekko seeks to mitigate climate change through energy efficiency and by using renewable energy sources, by reducing water consumption, and by minimising, recycling and repurposing waste. The goal is to continuously reduce environmental impacts and to enhance resource efficiency. Results are achieved through close collaboration between design, product development and manufacturing.

Health and safety
Safety and well-being in the workplace are actively monitored and improved at Marimekko, in collaboration with the workplace safety committee and occupational healthcare. Occupational wellness is supported by promoting the employees' health, job and functional capacity as well as their quality of life in many ways. For instance, Marimekko applies an early-intervention model with the aim of promoting working fitness. Securing a safe working environment means the advance prevention of accidents as well as recognising and avoiding hazards and near-misses. In order to prevent potential hazards, personnel are trained in issues of occupational safety and safety risks are regularly monitored. During 2015, the sickness absence percentage based on theoretical regular working hours was 2.6 (3.7) percent among Marimekko's employees in Finland.

The essential themes for Marimekko's sustainability work in 2015 were sustainable design, responsible sourcing, the environmental impacts of manufacturing, personnel wellness and skills, and responsible business. The development of a corporate sustainability strategy for the period 2016-2020 was also continued in 2015. Marimekko reports in greater detail on its sustainability work and on issues of the environment, health and safety in a separate sustainability review issued annually. The review can be read on the company's website company.marimekko.com under the heading Sustainability / Sustainability review. The basis for reporting is the 'core' level of the GRI G4 guidelines.

RESEARCH AND DEVELOPMENT

Marimekko'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 among 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, Mika Ihamuotila, Joakim Karske and Catharina Stackelberg-Hammarén were re-elected. Mikko-Heikki Inkeroinen was elected to the Board of Directors as a new member. The Board is chaired by Mika Ihamuotila and vice-chaired by Elina Björklund.

From among its members, the Board of Directors elected Elina Björklund as Chairman and Joakim Karske and Catharina Stackelberg-Hammarén as members of the Audit and Remuneration Committee.

The Annual General Meeting resolved that the annual remuneration payable to the members of the Board of Directors will be as follows: EUR 40,000 to the Chairman, EUR 30,000 to the Vice Chairman and EUR 22,000 to the other members of the Board. Approximately 40 percent of the annual remuneration would be paid in Marimekko Corporation's shares acquired from the market and the rest in cash. In addition, the Annual General Meeting resolved that persons who have a full-time employment or service relationship with the company receive no remuneration for their board membership or chairmanship. The Annual General Meeting further resolved that no separate remuneration be paid for committee work to persons elected to any committee. In the remuneration payable to the Vice Chairman of the Board, the possible acting as the Chairman of the Audit and Remuneration Committee has been taken into account.

The Board of Directors elects the President and CEO and decides on the President and CEO's salary and other remuneration on the basis of the proposal of the Audit and Remuneration Committee. The duties of the President and CEO are set down in the Finnish Companies Act. The post of Marimekko Corporation's President is held by Tiina Alahuhta-Kasko.

The following changes took place in the company's management in 2015. On 11 February 2015, the Board of Directors of Marimekko Corporation resolved to appoint Tiina Alahuhta-Kasko as the President of Marimekko. The Board of Directors simultaneously decided on a full-time executive service agreement with Mika Ihamuotila regarding his role as CEO. Both appointments entered into force on 9 April 2015. Lasse Lindqvist started on 10 August 2015 as Marimekko's Chief Marketing Officer (CMO) and member of the Management Group. Elina Aalto was appointed the company's Chief Financial Officer (CFO) and member of the Management Group as of 11 December 2015.

At the end of the year, the composition of the company's Management Group was as follows: Tiina Alahuhta-Kasko as Chairman and Elina Aalto (finance and administration), Lasse Lindqvist (marketing), Päivi Lonka (sales), Niina Nenonen (product lines) and Anna Teurnell (design) as members.

The Annual General Meeting reelected PricewaterhouseCoopers Oy, Authorised Public Accountants, as the company's auditor, with Ylva Eriksson, 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.

OTHER EVENTS DURING 2015

Changes in governance structure
On 11 February 2015, the Board of Directors of Marimekko Corporation resolved to appoint Tiina Alahuhta-Kasko as the President of Marimekko. The Board of Directors simultaneously decided on a full-time executive service agreement with Mika Ihamuotila regarding his role as CEO. His duties include, e.g., responsibility for the development of Marimekko's strategy and its implementation together with the President and the Management Group, as well as an active senior role in managing the company's financial affairs and stakeholder relations. Furthermore, Mika Ihamuotila has a senior role in developing leadership within the Marimekko Group. Ihamuotila's executive agreement or his duties thereunder are not dependent on his position as a member or Chairman of Marimekko's Board of Directors.

Both appointments entered into force on 9 April 2015 as of the close of the Annual General Meeting of Shareholders. In the Board of Directors' constitutive meeting held after the Annual General Meeting, Mika Ihamuotila was elected the Chairman of the Board of Directors, and his title and position became Chairman and CEO.

In February 2015, the Board of Directors also passed a resolution that, as part of the change in Marimekko's governance structure, an Audit and Remuneration Committee be established in the company, all members of which would be independent of the company and its major shareholders. The Board of Directors elected at the Annual General Meeting of 9 April 2015 appointed the first Audit and Remuneration Committee from among its membership. In addition to the conventional duties and supervision allotted to the Audit and Remuneration Committee, the committee also deals with and prepares matters related to the terms of contract and remuneration of Marimekko's executive management.

EVENTS AFTER THE CLOSE OF THE FINANCIAL YEAR

Consultative negotiations and streamlining of operations
On 13 January 2016, the Board of Directors of Marimekko Corporation resolved to initiate consultative negotiations in order to improve the company's profitability. The consultative negotiations include all operations in Finland with the exception of the personnel in company-owned retail stores. As part of measures to improve profitability, Marimekko is planning to streamline its operations and cost structure, which is estimated to result in the elimination of a maximum of 55 jobs in Finland. All of the company's fixed costs will also be scrutinised. If implemented to its full extent, the reorganisation can yield annual savings in costs estimated at roughly EUR 2.4 million and an improvement in operating result.

Apart from possible job reductions, the negotiations will also consider possible changes to job descriptions, working methods and the organisation of work, which would have a significant effect on the position of employees, as well as possible outsourcing of some functions.

MAJOR RISKS AND FACTORS OF UNCERTAINTY

The major strategic risks for the near future are associated with the weakening of consumer confidence, overall economic trends, and the consequent uncertainty in the operating environment especially in Finland. Near-term strategic risks also include risks related to the management of the company's expansion, digitalisation of retailing, and changes in Marimekko's design, product assortment and the focal points of collections.

Marimekko products are sold in approximately 40 countries. The key markets are Northern Europe, North America and the Asia-Pacific region. There are Marimekko stores in 17 countries. In addition to Finland, Marimekko has company-owned stores in other Nordic countries, Germany, the United States and Australia. The global economic cycle and factors of uncertainty affect consumers' purchasing behaviour and buying power in all of the company's market areas. The long-term problems in the global economy continue to overshadow the retail outlook as well as Marimekko's prospects for growth and earnings.

Marimekko is undergoing a phase of internationalisation and change. The distribution of products is being expanded in all key market areas. Growth is based on opening retailer-owned Marimekko stores and shop-in-shops as well as on setting up company-owned stores and expanding e-commerce.

In recent years, expansion has called for larger or entirely new country organisations, which burdens the cost-effectiveness of the company. Expanding the network of company-owned stores and building international e-commerce have increased the company's investments, lease liabilities of store premises and inventories as well as the company's fixed costs. Furthermore, partnership agreements, the selection of partners as well as store lease agreements in the company's key market areas involve risks. Maintaining competitiveness demands efficiency and constant re-evaluation of operations.

The company's ability to design, develop and commercialise new products that meet consumers' expectations while maintaining profitable in-house production, sustainable sourcing and effective logistics has an impact on the company's sales and profitability. Moreover, intellectual property rights play a vital role in the company's success, and the company's ability to manage these rights may have an impact on the company's value. Agreements with freelance designers and fees paid to designers based on these agreements are also an essential part of the management of the intellectual property rights.

The company's operational risks prominently include those related to the management and success of expansion projects, the operational reliability of procurement and logistics processes and information systems, and changes in the prices of raw materials and other procurement items. As a result of new products, the share of in-house production has decreased, 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 momentary 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, increased operational costs, customers' liquidity, changes in exchange rates (particularly the US dollar, Swedish krona and Australian dollar), and taxation may have an impact on the company's financial status.

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

MARKET OUTLOOK AND GROWTH TARGETS IN 2016

The general uncertainty in the global economy is forecast to continue, and this is reflected in consumers' purchasing behaviour and consumption habits in all of Marimekko's market areas. The main thrust for Marimekko's operations in 2016 is on improving efficiency and results. Securing competitiveness will facilitate stronger growth potential in future years. Growth is forecast to be modest in 2016 and to be mainly driven by retailer-owned Marimekko stores. Retailers' wariness towards additional purchases and in selecting new suppliers continues to be reflected in Marimekko's wholesale expectations in 2016. Furthermore, developing the company's own online store and utilising other online sales channels is growing in importance. The first collections created entirely under the direction of new Creative Director were brought to the market at the beginning of 2016. With the updated collections Marimekko is reaching out to also new target groups in addition to the company's current customers.

The situation in the retail trade has become even more difficult especially in Marimekko's important domestic market, Finland. Consumer confidence being lower than the long-term average, weak purchasing power, and uncertainty in the labour market continue to cast a shadow over Marimekko's prospects for 2016. Potential nonrecurring promotional deliveries could have a positive effect on the company's sales this year.

The Asia-Pacific region, Marimekko's second-biggest market, plays an important part in the company's internationalisation. In recent years, new markets have opened up in China, Hong Kong, Taiwan, Singapore and Thailand. Although sales in these markets are expected to grow, their combined proportion of Marimekko's net sales is still relatively small compared with Japan, which is clearly the most important single country in this region to the company. Sales in Japan are forecast to take a more modest trend than in recent years and they are expected to be generated increasingly by organic growth, which will be promoted by enhancing the operations of Marimekko stores in the country and by optimising the product offering. New stores will be opened in Japan at an estimated rate of a few stores per year. In addition, shop-in-shops located mainly in department stores are also planned to be opened in Japan. In Australia, the outlook is positive and the market is expected to grow through in-house retailing, quality department stores and online channels. The company will open its own online store in Australia in 2016. Most of the Marimekko stores to be opened in 2016 will be in the Asia-Pacific region.

The US economy has been growing as a whole, and Marimekko's foreign-currency-denominated retail and wholesale sales in North America are expected to increase slightly. The company will continue to improve the profitability of its existing stores and to lighten the operational cost structure while seeking new sales channels. Cooperation based on a licensing agreement concluded in 2015 is expected to support the company in building international recognition for its brand during the current year.

Sales expectations in Scandinavia are modest. A positive trend can be seen in the Swedish market. In Norway and Denmark, an update of the distribution channel structure is still under way. However, these markets are expected to offer potential for the brand in the long term.

Sales expectations are also modest in EMEA market. In order to raise the global profile of the brand and to promote growth, Marimekko continues to focus on cooperation with well-known department stores and other distribution channels in this market area.

The main thrust in expansion in 2016 will continue to be on openings of retailer-owned Marimekko stores. The aim is to open around 10-20 new Marimekko stores and shop-in-shops. Of these, 1–2 would be company-owned. Also, the company focuses strongly on the operational enhancement and the improvement of profitability of Marimekko stores opened in recent years.

The expenses of marketing operations in 2016 are expected to be at the same level or lower than in 2015 (EUR 5.1 million). The total investments for 2016 of the Marimekko Group are estimated at approximately EUR 3 million (3.2). Most of the investments will be devoted to acquiring a new washing machine for the company's printing factory in Helsinki, building new store premises and purchases of fittings, as well as improving data systems supporting business operations.

FINANCIAL GUIDANCE FOR 2016

The Marimekko Group's net sales for 2016 are forecasted to be at the same level as in 2015. Operating profit excluding restructuring costs is expected to be higher than in the previous year.

THE BOARD OF DIRECTORS' PROPOSAL FOR THE DIVIDEND FOR THE 2015 FINANCIAL YEAR

On 31 December 2015, the parent company's distributable funds amounted to EUR 14,736,541.31; profit for the financial year was EUR 1,403,845.22. The Board of Directors will propose to the Annual General Meeting that a dividend of EUR 0.35 per share be paid for 2015 to a total of EUR 2,831,364 and that the remaining funds be retained in equity. The Board will propose 13 April 2016 as the dividend record date, and 20 April 2016 for 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 Monday, 11 April 2016 from 2 p.m. onwards at the company's head office, Puusepänkatu 4, 00880 Helsinki, Finland.

Helsinki, 10 February 2016

Marimekko Corporation
Board of Directors

Consolidated financial statements, IFRS

CONSOLIDATED BALANCE SHEET

(EUR 1,000)		31 Dec. 2015	31 Dec. 2014
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	1.1	1,856	1,561
Tangible assets	1.2	15,486	16,702
Available-for-sale financial assets	1.4	16	16
		17,359	18,279
CURRENT ASSETS			
Inventories	2.1	18,488	17,558
Trade and other receivables	2.2	5,966	7,286
Cash and cash equivalents		4,249	4,079
		28,703	28,924
ASSETS, TOTAL		**46,061**	**47,203**

The notes are an integral part of the financial statements.

CONSOLIDATED BALANCE SHEET

(EUR 1,000)		31 Dec. 2015	31 Dec. 2014
SHAREHOLDERS' EQUITY AND LIABILITIES			
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY			
Share capital	3.1	8,040	8,040
Reserve for invested non-restricted equity	3.1	502	502
Translation differences		38	-74
Retained earnings		18,549	20,577
Shareholders' equity, total		27,129	29,045
NON-CURRENT LIABILITIES			
Deferred tax liabilities	4.1	9	4
Provisions	4.2	190	190
Finance liabilities	4.3	3,834	3,696
Finance lease obligations	5.2	3,231	3,261
		7,264	7,150
CURRENT LIABILITIES	5.1		
Trade and other payables		11,189	10,053
Current tax liabilities		226	778
Finance lease obligations	5.2	253	176
		11,668	11,008
Liabilities, total		18,932	18,158
SHAREHOLDERS' EQUITY AND LIABILITIES, TOTAL		**46,061**	**47,203**

The notes are an integral part of the financial statements.

CONSOLIDATED INCOME STATEMENT

(EUR 1,000)		1 Jan.–31 Dec. 2015	1 Jan.–31 Dec. 2014
NET SALES	9.	**95,652**	**94,150**
Other operating income	10.	335	230
Increase (-) / decrease (+) in inventories of completed and unfinished products		367	-692
Raw materials and consumables	11.	-35,208	-32,767
Employee benefit expenses	13.	-26,232	-25,543
Depreciation and impairments	14.	-4,511	-4,283
Other operating expenses	15.	-28,861	-25,503
OPERATING PROFIT		**1,542**	**5,592**
Financial income	16.	49	252
Financial expenses	17.	-297	-360
		-247	-108
RESULT BEFORE TAXES		**1,294**	**5,485**
Income taxes	18.	-491	-1,370
NET RESULT FOR THE PERIOD		**803**	**4,114**
Distribution of net result to equity holders of the parent company		803	4,114
Basic and diluted earnings per share calculated on the result attributable to equity holders of the parent company, EUR	19.	0.10	0.51

COMPREHENSIVE CONSOLIDATED INCOME STATEMENT

(EUR 1,000)	1 Jan.–31 Dec. 2015	1 Jan.–31 Dec. 2014
Net result for the period	803	4,114
Items that could be reclassified to profit or loss at a future point in time		
Change in translation difference	112	-36
COMPREHENSIVE RESULT FOR THE PERIOD	**915**	**4,078**
Distribution of net result to equity holders of the parent company	915	4,078

The notes are an integral part of the financial statements.

CONSOLIDATED CASH FLOW STATEMENT

(EUR 1,000)		2015	2014
CASH FLOW FROM OPERATING ACTIVITIES			
Net profit for the period		803	4,114
Adjustments			
Depreciation and impairments		4,511	4,283
Other non-cash transactions		0	89
Financial income and expenses		247	108
Taxes		491	1,370
Cash flow before change in working capital		6,054	9,965
Change in working capital			
Increase (-) / decrease (+) in current non-interest-bearing trade receivables		1,216	-460
Increase (-) / decrease (+) in inventories		-930	547
Increase (+) / decrease (-) in current non-interest-bearing liabilities		1,216	-42
Cash flow from operating activities before financial items and taxes		7,556	10,010
Paid interest and payments on other financial expenses		-305	-360
Interest received		49	45
Taxes paid		-986	156
CASH FLOW FROM OPERATING ACTIVITIES		**6,313**	**9,851**
CASH FLOW FROM INVESTING ACTIVITIES			
Investments in intangible assets	1.1.	-1,036	-611
Investments in tangible assets	1.2.	-2,136	-1,451
CASH FLOW FROM INVESTING ACTIVITIES		**-3,171**	**-2,063**
CASH FLOW FROM FINANCING ACTIVITIES			
Long-term loans drawn		139	
Payments of long-term loans			-4,538
Payments of finance lease liabilities		-280	-150
Dividends paid		-2,831	-2,022
CASH FLOW FROM FINANCING ACTIVITIES		**-2,973**	**-6,710**
Change in cash and cash equivalents		170	1,078
Cash and cash equivalents at the beginning of the period		4,079	3,001
Cash and cash equivalents at the end of the period		4,249	4,079

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	Reserve for invested non-restricted equity	Translation differences	Retained earnings	Shareholders' equity, total
Shareholders' equity 1 Jan. 2014	**8,040**	**502**	**-38**	**18,485**	**26,989**
Comprehensive result					
Net result for the period				4,114	4,114
Translation differences			-36		-36
Total comprehensive result for the period			**-36**	**4,114**	**4,078**
Transactions with owners					
Dividends paid				-2,022	-2,022
Shareholders' equity 31 Dec. 2014	**8,040**	**502**	**-74**	**20,577**	**29,045**
Shareholders' equity 1 Jan. 2015	**8,040**	**502**	**-74**	**20,577**	**29,045**
Comprehensive result					
Net result for the period				803	803
Translation differences			112		112
Total comprehensive result for the period			**112**	**803**	**915**
Transactions with owners					
Dividends paid				-2,831	-2,831
Shareholders' equity 31 Dec. 2015	**8,040**	**502**	**38**	**18,549**	**27,129**

The notes are an integral part of the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

COMPANY 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 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 10 February 2016. 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 2015. 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 which complements IFRS regulations.

The financial statements have been prepared at historical cost. 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 with regard to the future. The estimates and assumptions included in the financial statements are based on the best knowledge of the management as at the closing of the books. These estimates and assumptions affect the value of tangible and intangible assets in the balance sheet and the income and expenses for the year in the income statement. Discretion also has to be exercised when the accounting conventions for the financial statements are selected and applied, and estimates have to be made, for example, of depreciation periods, any impairments, valuation of inventories, income taxes, deferred tax assets and provisions (including credit loss provisions). 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. The segment information presented by the Group is based on internal reporting to the chief operational decision-maker, in which the management’s assessment of the segment’s profitability is based on monitoring of the segment’s operating profit and in which the valuation principles for assets and liabilities are in accordance with IFRS regulations.

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 its Finnish subsidiary 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 and net sales

Most of the Group's income is comprised of wholesale and retail sales of products plus royalties. 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. In wholesale, this is mainly the moment when the goods are handed over to the customer as set forth in the agreed delivery clause. In retail where cash or a credit card is used as the means of payment, the income is recognised at the time of sale. 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 in the licensing agreements 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 such as discounts granted. The distribution costs of products sold are recognised in other operating expenses in the income statement.

Other operating income

Other operating income includes, for example, rental income from lease agreements classified as other lease agreements, insurance payouts and sales proceeds of fixed assets.

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 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 long-term bonus systems granted to the Management Group by the Board of Directors are valued at fair value at each closing date and the change in fair value is recorded as an employee benefit expense in the income statement to the extent the share-based payments have been vested. The possible bonus will be paid in cash.

The bonus systems are described in greater detail in Note 13 to the consolidated financial statements.

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. During the financial year the company did not have any potential shares.

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. Other intangible assets are computer software and information systems. 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 also include expenditures on conversions and renovations of leased premises comprising, for example, completion work on business interiors in rented premises. 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 tangible assets are checked in connection with closing of each financial year and if necessary adjusted to reflect changes in the expectation of economic benefit.

If a tangible asset 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.

Provisions and contingent liabilities
A provision is recognised when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

A restructuring provision is recognised when the Group has compiled a detailed restructuring plan, launched its implementation or informed the parties concerned.

A contingent liability is a potential liability based on previous events. It depends on the realisation of an uncertain future event beyond the Group's control. Contingent liabilities also include obligations which will most likely not lead to a payment or the amount of which cannot be reliably determined. Contingent liabilities are disclosed in the notes.

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 financial 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. Financial 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, other 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 historical cost less any 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.

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 2014 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 2015. The new standards, interpretations and amendments to existing standards have not had a material impact on the consolidated financial statements.

- IASB published the following

improvements to standards and interpretations as part of the 2011–2013 annual Improvements to IFRS project. The changes are presented below but they are not expected to be of material significance to the Group:

IFRS 3 ”Business Combinations”
IFRS 13 ”Fair Value Measurement”
IAS 40 ”Investment Property”

- IFRIC 21 ”Levies” This is an interpretation of IAS 37 ”Provisions, contingent liabilities and contingent assets”. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event). The interpretation addresses what the obligating event is that gives rise to the payment of a levy and when a liability should be recognised.

- IASB published the following improvements to standards and interpretations as part of the 2010–2012 annual Improvements to IFRS project. These improvements took effect on 1 July 2014. The changes are presented below but they are not expected to be of material significance to the Group:

IFRS 2 ”Share-based Payment”
IFRS 3 ”Business Combinations”
IFRS 8 ”Operating Segments”
IFRS 13 ”Fair Value Measurement”
IAS 16 ”Property, Plant and Equipment” and IAS 38 ”Intangible Assets”
IAS 24 ”Related Party Disclosures”

- IAS 19 (amendment) ”Employee benefits”. The amendment applies to contributions from employees or third parties to defined benefit plans and clarifies the treatment of such contributions. The amendment distinguishes between contributions that are linked to service only in the period in which they arise and those linked to service in more than one period.

Below is a list of standards, interpretations and amendments that have been issued and are effective for periods after 1 January 2015. They will be adopted by the Group in 2016 or later. The new standards, interpretations and amendments to existing standards are not expected to have a material impact on the consolidated financial statements.

- IAS 16 (amendment) ”Property, plant and equipment” and IAS 38 (amendment), ”Intangible assets”. This amendment clarifies that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset.

- IFRS 11 (amendment) ”Joint arrangements”. This amendment provides new guidance on how to account for the acquisition of an interest in a joint venture operation that constitutes a business. The amendments require an investor to apply the principles of business combination accounting when it acquires an interest in a joint operation that constitutes a business.

- IAS 1 (amendment) “Disclosure Initiative” The amendment aim at preparers exercising their judgement in presenting their financial reports.

- IFRS 15 ”Revenue from Contracts with Customers”. The new standard provides a comprehensive framework for recognizing revenue and the amount and timing of the revenue. IFRS 15 replaces the effective guidelines for recognition, such as IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programmes. According to IFRS 15, Revenue is recognised when a customer obtains control of a good or service. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the good or service. The core principle of IFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. *)

- IFRS 9 ”Financial instruments”. The new standard replaces most of the guidance in IAS 39. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through OCI and fair value through P&L. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. The standard’s requirements related to general hedge accounting have also been revised. IAS 39’s requirements for recognition and derecognition of financial instruments have been retained. *)

- IASB published the following improvements to standards and interpretations as part of the 2012–2014. These improvements will be effective in 2016 or later. The changes are presented below but they are not expected to be of material significance to the Group:

IFRS 5 ”Non-current assets held for sale and discontinued operations
”IFRS 7 ”Financial instruments: Disclosures”
IAS 19 ”Employee benefits”
IAS 34 ”Interim financial reporting”

*) This standard, interpretation or amendment is still subject to EU endorsement.

1. NON-CURRENT ASSETS

1.1 Intangible assets

2015

(EUR 1,000)	Intangible rights	Computer software	Advance payments and acquisitions in progress	Total
Acquisition cost, 1 Jan. 2015	2,001	6,362	458	8,822
Translation differences	192	179	-1	370
Increases	85	328	617	1,030
Decreases			-48	-48
Transfers		759	-759	0
Acquisition cost, 31 Dec. 2015	2,278	7,628	268	10,174
Accumulated depreciation, 1 Jan. 2015	1,494	5,766		7,260
Translation differences	154	26		180
Depreciation during the financial year	203	674		877
Accumulated depreciation, 31 Dec. 2015	1,851	6,467		8,317
Book value, 31 Dec. 2015	428	1,161	268	1,856
Book value, 1 Jan. 2015	507	596	458	1,561
Book value, 31 Dec. 2015	428	1,161	268	1,856

2014

(EUR 1,000)	Intangible rights	Computer software	Advance payments and acquisitions in progress	Total
Acquisition cost, 1 Jan. 2014	1,940	6,301	57	8,298
Increases	61	61	401	523
Acquisition cost, 31 Dec. 2014	2,001	6,362	458	8,822
Accumulated depreciation, 1 Jan. 2014	1,306	5,016		6,322
Depreciation during the financial year	188	750		938
Accumulated depreciation, 31 Dec. 2014	1,494	5,766		7,260
Book value, 31 Dec. 2014	507	596	458	1,561
Book value, 1 Jan. 2014	634	1,285	57	1,976
Book value, 31 Dec. 2014	507	596	458	1,561

1.2 Tangible assets

2015

(EUR 1,000)	Land	Buildings and structures	Machinery and equipment	Advance payments and acquisitions in progress	Total
Acquisition cost, 1 Jan. 2015	3,515	18,076	18,572	176	40,339
Translation differences		453	134		587
Increases		1,531	693	228	2,453
Decreases				-86	-86
Acquisition cost, 31 Dec. 2015	3,515	20,060	19,400	318	43,292
Accumulated depreciation, 1 Jan. 2015	345	9,083	14,209		23,637
Translation differences		356	179		535
Depreciation during the financial year	115	2,027	1,492		3,634
Accumulated depreciation, 31 Dec. 2015	460	11,466	15,880		27,806
Book value, 31 Dec. 2015	3,054	8,594	3,520	318	15,486
Book value, 1 Jan. 2015	3,169	8,993	4,363	176	16,702
Book value, 31 Dec. 2015	3,054	8,594	3,520	318	15,486
Book value of production machinery 31 Dec. 2015			1,473		

2014

(EUR 1,000)	Land	Buildings and structures	Machinery and equipment	Advance payments and acquisitions in progress	Total
Acquisition cost, 1 Jan. 2014	3,515	16,670	18,053	299	38,537
Increases		741	266	795	1,802
Transfers		665	253	-918	0
Acquisition cost, 31 Dec. 2014	3,515	18,076	18,572	176	40,339
Accumulated depreciation, 1 Jan. 2014	230	7,174	12,888		20,292
Depreciation during the financial year	115	1,909	1,321		3,345
Accumulated depreciation, 31 Dec. 2014	345	9,083	14,209		23,637
Book value, 31 Dec. 2014	3,169	8,993	4,363	176	16,702
Book value, 1 Jan. 2014	3,285	9,496	5,165	299	18,245
Book value, 31 Dec. 2014	3,169	8,993	4,363	176	16,702
Book value of production machinery 31 Dec. 2014			1,914		

1.3 Finance lease agreements

Land as well as machinery and equipment in tangible assets include the following assets acquired under finance lease agreements. The finance lease assets constitute the land lease agreement of the property of the Helsinki head office and printing factory as well as machinery and equipment leased as finance leases since 1 January 2014.

2015

(EUR 1,000)	Land	Machinery and equipment	Total
Acquisition cost, 1 Jan. 2015	3,460	261	3,721
Increases		327	327
Acquisition cost, 31 Dec. 2015	3,460	588	4,048
Accumulated depreciation, 1 Jan. 2015	346	78	424
Depreciation during the financial year	115	208	324
Accumulated depreciation, 31 Dec. 2015	461	286	747
Book value, 31 Dec. 2015	2,999	302	3,301
Book value, 1 Jan. 2015	3,114	183	3,297
Book value, 31 Dec. 2015	2,999	302	3,301

2014

(EUR 1,000)	Land	Machinery and equipment	Total
Acquisition cost, 1 Jan. 2014	3,460		3,460
Increases		270	270
Decreases		-9	-9
Acquisition cost, 31 Dec. 2014	3,460	261	3,721
Accumulated depreciation, 1 Jan. 2014	230		230
Depreciation during the financial year	115	78	193
Accumulated depreciation, 31 Dec. 2014	346	78	424
Book value, 31 Dec. 2014	3,114	183	3,297
Book value, 1 Jan. 2014	3,230	0	3,230
Book value, 31 Dec. 2014	3,114	183	3,297

1.4 Available-for-sale financial assets

(EUR 1,000)	2015	2014
Available-for-sale shares		
Acquisition cost, 1 Jan.	16	16
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)	2015	2014
Raw materials and consumables	5,334	5,362
Incomplete products	103	51
Finished products/goods	13,052	12,145
Total	18,488	17,558

No impairment was recognised on inventories.

2.2 Trade and other receivables

(EUR 1,000)	2015	2014
Trade receivables	4,414	4,797
Prepayments for inventory purchases	310	597
Other reveivables	33	69
Prepaid expenses and accrued income	1,208	1,824
Total	5,966	7,286

Prepaid expenses and accrued income		
Royalty receivables	267	271
Employee benefits	229	626
VAT receivables		286
Other prepaid expenses and accrued income	713	641
Total	1,208	1,824

Impairment of trade receivables	99	24

Analysis of trade receivables by age

(EUR 1,000)	2015	Impairment loss	Net 2015	2014	Impairment loss	Net 2014
Undue trade receivables	3,061		3,061	4,025		4,025
Overdue						
less than 30 days	1,029		1,029	467		467
30–60 days	281		281	205		205
more than 60 days	143	-99	44	125	-24	101
Total	4,513	-99	4,414	4,821	-24	4,797

3. SHAREHOLDERS' EQUITY

3.1 Share capital and reserve for invested non-restricted equity

	Number of shares	Share capital, EUR	Reserve for invested non-restricted equity, EUR	Total, EUR
1 Jan. 2014	8,089,610	8,040,000	501,969	8,541,969
31 Dec. 2014	8,089,610	8,040,000	501,969	8,541,969
1 Jan. 2015	8,089,610	8,040,000	501,969	8,541,969
31 Dec. 2015	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 0.35 per share be paid for 2015 (0.35).

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 2015

(EUR 1,000)	1 Jan. 2015	Recognised in the income statement	31 Dec. 2015
Deferred tax assets			
Internal margin of inventories	509	-102	407
Deferred tax assets on management compensation	6	4	10
Provisions	38		38
Total	553	-98	455
Offsetting deferred tax assets and liabilities			-455
Deferred tax asset	553	-98	0
Deferred tax liabilities			
Accumulated depreciation difference	-440	96	-345
Fixed costs included in inventories	-144	-11	-155
Finance lease	28	9	37
Total	-557	94	-463
Offsetting deferred tax assets and liabilities			455
Deferred tax liability	-557	94	-463
Deferred tax liability, net			-9

Confirmed losses are recognized as deferred tax assets to the extent that the tax benefit is likely to be received based on taxable earnings. Deferred tax assets amounting to EUR 133 thousand (240) have not been recognized.

Changes in deferred taxes in 2014

(EUR 1,000)	1 Jan. 2014	Recognised in the income statement	31 Dec. 2014
Deferred tax assets			
Internal margin of inventories	604	-95	509
Deferred tax assets on management compensation	15	-9	6
Provisions	20	18	38
Total	639	-86	553
Offsetting deferred tax assets and liabilities			-553
Deferred tax asset	639	-86	0
Deferred tax liabilities			
Accumulated depreciation difference	-514	74	-440
Fixed costs included in inventories	-155	11	-144
Finance lease	19	9	28
Total	-650	93	-557
Offsetting deferred tax assets and liabilities			553
Deferred tax liability	-650	93	-557
Deferred tax liability, net			-4

4.2 Non-current provisions

(EUR 1,000)	2015	2014
Provision for restructuring cost		
Book value, 1 Jan.	190	101
Increases	0	89
Book value, 31 Dec.	190	190

The non-current provisions are related to the company's possible future obligation to pay the employer's liability component within the unemployment insurance contribution. This future payment obligation to the Unemployment Insurance Fund was born when the company dismissed employees in Finland in connection with the restructuring negotiations held in 2013, 2014 and 2015. The payment obligation materializes for the most part within two years after the ending of the employment of the employee meeting the requirements of the employer's liability component.

4.3 Interest-bearing non-current liabilities

(EUR 1,000)	2015	2014
Financial liabilities	3,834	3,696
Finance lease obligations	3,231	3,261
Total	7,065	6,957

The interest rate of the financial liabilities was 0.348–0.964% (0.577–1.688%). All financial liabilities were euro denominated.

5. CURRENT LIABILITIES

5.1 Current liabilities

(EUR 1,000)	2015	2014
Trade and other payables		
Trade payables	5,342	3,863
Other payables	2,429	2,731
Accrued liabilities and deferred income	3,418	3,460
Finance lease obligations	253	176
Current tax liabilities	226	778
Total	11,668	11,008

Accrued liabilities and deferred income		
Employee benefits	2,954	3,246
Other accrued liabilities and deferred income	464	214
Total	3,418	3,460

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 obligations relates to the land lease of the Helsinki head office and printing factory property as well as machinery and equipment leased as finance leases since 1 January 2014.

Gross amount of finance lease obligations – minimum lease payments by due date:

(EUR 1,000)	2015	2014
No later than 1 year	417	360
Later than 1 year – no later than 5 years	918	922
Later than 5 years	3,951	4,139
Total	5,285	5,421
Future financial expenses	-1,801	-1,984
Current value of the finance lease obligations	3,484	3,437

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

(EUR 1,000)	2015	2014
No later than 1 year	253	176
Later than 1 year – no later than 5 years	466	407
Later than 5 years	2,765	2,854
Current value of the financial lease obligations	3,484	3,437

6. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

The company's financial assets consist of short term trade and other receivables as well as cash equivalents. Therefore the book value of these assets is a fair assumption of their fair value. The book value of trade and other payables is also a fair assumption of their fair value.

The book values and fair values of financial liabilites and financial lease liabilities are presented below:

(EUR 1,000)	Book value 2015	Fair value 2015	Book value 2014	Fair value 2014
Financial liabilities	3,834	3,834	3,696	3,696
Financial lease obligations	3,484	3,484	3,437	3,437

The company has determined the fair value based on the discounted cash flows using the market rate and credit risk premium at the end of the financial period. The fair values have benn classified at level 3 of the fair value hierarchy as they include management's judgement. The levels of the fair value hiearchy are presented below:

- 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).

7. GUARANTEES, CONTINGENT LIABILITIES AND OTHER COMMITMENTS

(EUR 1,000)	2015	2014
Other own liabilities and commitments		
Lease liabilities for machinery and equipment	558	330
Liabilities relating to lease agreements for business premises	35,693	28,559
Commitments, total	36,252	28,889
Other lease agreements		
The Group as lessee		
Minimum lease payments under other non-cancellable lease agreements		
No later than 1 year	9,691	8,664
Later than 1 year – no later than 5 years	22,825	16,306
Later than 5 years	3,735	3,919
Total	36,252	28,889

The Group has leased several of its store, office and warehouse premises. These lease agreements are valid either for a fixed period or for the time being. The rent icrease index, renewal and other terms of the agreements vary. The 2015 income statement includes EUR 10,573 thousand (9,287) in rental expenses paid on the basis of other non-cancellable lease agreements.

The Group has no liabilities resulting from derivative contracts, and there are no outstanding guarantees or any other contingent liabilities which have been granted on behalf of the management of the company or its shareholders.

8. RELATED PARTY TRANSACTIONS

The Group's related party constitute the members of the Board of Directors and Management Group as well as the parent company and subsidiaries.

The following members of the Board of Directors and Management Group were related parties to the Group in 2015:

Mika Ihamuotila, Chairman of the Board starting 9 April 2015 and member of the Board
Pekka Lundmark, Chairman of the Board until 9 April 2015
Elina Björklund, vice-Chairman of the Board starting 9 April 2015 and member of the Board
Arthur Engel, member of the Board
Mikko-Heikki Inkeroinen, member of the Board starting 9 April 2015
Joakim Karske, member of the Board
Catharina Stackelberg-Hammarén, member of the Board
Tiina Alahuhta-Kasko, President starting 9 April 2015 and member of the Management Group
Elina Aalto, CFO and member of the Management Group starting 11 December 2015
Thomas Ekström, CFO and member of the Management Group until 30 October 2015
Lasse Lindqvist, CMO and member of the Management Group starting 10 August 2015
Päivi Lonka, CSO and member of the Management Group
Niina Nenonen, CPO and member of the Management Group
Anna Teurnell, Creative Director and member of the Management Group

The following members of the Board of Directors and Management Group were related parties to the Group in 2014:

Pekka Lundmark, Chairman of the Board
Mika Ihamuotila, President and CEO, Vice Chairman and member of the Board
Elina Björklund, member of the Board
Arthur Engel, member of the Board
Ami Hasan, member of the Board until 23 April 2014
Joakim Karske, member of the Board
Catharina Stackelberg-Hammarén, member of the Board starting 23 April 2014
Tiina Alahuhta-Kasko, COO and member of the Management Group
Thomas Ekström, CFO and member of the Management Group
Päivi Lonka, CSO and member of the Management Group
Niina Nenonen, CPO and member of the Management Group
Anna Teurnell, Creative Director and member of the Management Group

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 Services Oy, Helsinki, Finland	100	100
Marimekko AB, Stockholm, Sweden *)	100	100
Marimekko Australia PTY Ltd, Victoria, Australia	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 AB has branches in Norway and Denmark.

The following transactions were carried out with related parties:

Management's employee benefits

Emoluments

Employee benefits of the President and CEO as well as other members of the Management Group in 2015

(EUR 1,000)	Salaries, wages and bonuses	Share-based bonus plan *)	Pension expenses - defined contribution plans	Total
Mika Ihamuotila, CEO and Chairman of the board [1]	478	5	86	569
Tiina Alahuhta-Kasko, President [2]	178	2	32	212
Other members of the Management Group	676	4	104	784
Total	1,333	12	222	1,565

Remuneration to the Board of Directors in 2015:

(EUR 1,000)	Fixed annual remuneration
Elina Björklund	30
Arthur Engel [3]	61
Mikko-Heikki Inkeroinen	22
Mika Ihamuotila [1]	0
Joakim Karske	22
Pekka Lundmark [4]	8
Catharina Stackelberg-Hammarén	22
Total	165

Employee benefits of the management in 2015, total	**1,730**

[1] CEO and Chairman of the Board starting 9 April 2015
[2] President starting 9 April 2015
[3] Board remuneration EUR 22 thousand and payments for consulting services EUR 39 thousand.
[4] Chairman of the Board of Directors until 9 April 2015

Employee benefits of the President and CEO as well as other members of the Management Group in 2014:

(EUR 1,000)	Salaries, wages and bonuses	Share-based bonus plan *)	Pension expenses - defined contribution plans	Total
Mika Ihamuotila, CEO	435	-15	77	497
Other members of the Management Group	671	-29	119	761
Total	1,106	-44	196	1,258

*) Cash setteled plan

Remuneration to the Board of Directors in 2014:

(EUR 1,000)	Fixed annual remuneration
Elina Björklund	20
Arthur Engel	20
Ami Hasan	6
Mika Ihamuotila	-
Joakim Karske	20
Pekka Lundmark	30
Catharina Stackelberg-Hammarén	14
Total	110

Employee benefits of the management in 2014, total	1,368

The pension benefits include only statutory pension payments. The management does not have additional pension benefits.

Related parties are beneficiaries of share-based bonus systems. The management's long-term bonus systems are presented further under note 13 to the financial statements.

Other related party transactions

Marimekko Corporation paid consultancy fees amounting to EUR 52 thousand (7) to Oy H. Ihamuotila Ab in 2015. Oy H. Ihamuotila Ab is owned by Helena Ihamuotila, wife of CEO Mika Ihamuotila. The consultancy assignments constituted separately determined PR assignments.

9. 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 52,690 thousand and from external customers in other countries EUR 42,962 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 15,382 thousand (15,523) and the total amount of corresponding non-current assets in other countries was EUR 1,977 thousand (2,756).

(EUR 1,000)	**2015**	**2014**
Net sales		
Finland	52,690	52,034
Other countries	42,962	42,116
Total	95,652	94,150
Assets		
Finland	37,677	37,253
Other countries	8,384	9,950
Total	46,061	47,203
Investments		
Finland	2,772	1,648
Other countries	399	415
Total	3,171	2,063

(EUR 1,000)	**2015**	**2014**
Net sales		
Product sales	94,089	92,914
Licence income	1,563	1,237
Total	95,652	94,150

10. OTHER OPERATING INCOME

(EUR 1,000)	**2015**	**2014**
Rental income	248	203
Other income	87	27
Total	335	230

11. RAW MATERIALS AND CONSUMABLES

(EUR 1,000)	**2015**	**2014**
Materials and supplies		
Purchases during the financial year	23,092	20,723
Increase (-) / decrease (+) in inventories	-323	31
Total	22,769	20,754
External services	12,440	12,013
Total	35,208	32,767

Exchange rate differences included in raw materials and consumables

(EUR 1,000)	**2015**	**2014**
Exchange rate gains (-) / losses (+) of purchases	93	92

12. SALES MARGIN

(EUR 1,000)	2015	2014
Net sales	95,652	94,150
Raw materials and consumables (including external services)	35,208	32,767
Sales margin	60,443	61,383
Sales margin, % of net sales	63.2	65.2

13. EMPLOYEE BENEFIT EXPENSES

(EUR 1,000)	2015	2014
Salaries, wages and bonuses	20,392	19,475
Share-based payments (cash settled)	12	-44
Pension expenses – defined contribution plans	3,053	4,167
Other indirect social expenditure	2,774	1,945
Total	26,232	25,543

Average number of employees

	2015	2014
Salaried employees	430	433
Non-salaried employees	30	40
Total	460	473

Share based payments

Management Group's long-term bonus systems

During the financial year, the Marimekko Group had two long-term bonus systems targeted at the Management Group.

Bonus system 1: 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 return 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 persons in question commits themselves to using 50% of the net value of the bonus for acquiring the company's shares at market 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 based on the bonus system cannot exceed the approximate value of fixed annual salary. The system encompasses the Management Group members excluding the Creative Director, 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 are the share price at the commencement date of the earning period, EUR 13.00 added with 10% resulting to EUR 14.30, as well as 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 bonus system amounted to EUR 112 thousand. 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 bonus system 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 bonus system. Gross salary is defined for the purposes of the bonus system as the fixed monthly salary, inclusive of fringe benefits, prevailing at the commencement of the bonus system in January 2011. At the end of 2014 the fair value of share-based payments booked as current liabilities to the extent they are vested, was 0 euro. Bonus system 1 has no balance sheet value at balance sheet date as the earnings period of Bonus system 1 ended on 28 February 2015.

Bonus system 2: On 7 May 2014, the Board of Directors of Marimekko Corporation agreed on establishing a second long-term bonus system targeted at the company's Management Group. The system is composed of two earnings periods, which are 8 May 2014 – 31 October 2017 and 8 May 2014 – 28 February 2018. 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 2017 and the other in spring 2018. 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 9.55 added with 10% resulting to EUR 10.50, 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 1.05/option on the grant date whereby the total fair value of the plan amounted to EUR 313 thousand. 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 10.50 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 May 2014. At the end of 2015 the fair value of share-based payments booked as current liabilities to the extent they are vested, was EUR 51 thousand (39). This EUR 12 thousand increase in fair value of the share-based payments in 2015 was booked as an increase of employee benefit expenses in the consolidated income statement.

14. DEPRECIATION AND IMPAIRMENTS

(EUR 1,000)	2015	2014
Intangible assets		
Intangible rights	203	188
Computer software	674	750
Total	877	938
Tangible assets		
Land	115	115
Buildings and structures	2,027	1,909
Machinery and equipment	1,492	1,321
Total	3,634	3,345
Total	4,511	4,283

15. OTHER OPERATING EXPENSES

(EUR 1,000)	2015	2014
Leases	10,573	9,287
Marketing	5,063	4,674
Management and maintenance of business premises	1,834	1,572
Administration	5,661	4,682
Other expenses	5,730	5,288
Total	28,861	25,503

Exchange rate differences included in other operating expenses

(EUR 1,000)	2015	2014
Exchange rate gains (-) / losses (+) of sales	-318	-414

Auditor's fee *)

(EUR 1,000)	2015	2014
PricewaterhouseCoopers Oy, Authorised Public Accountants		
Audit	119	72
Other services	98	36
Total	217	108

Others		
Audit	44	49
Total	44	49

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

16. FINANCIAL INCOME

(EUR 1,000)	2015	2014
Interest income on loans and other receivables	49	45
Other financial income	0	207
Total	49	252

Exchange rate gains included in financial income	8	204

17. FINANCIAL EXPENSES

(EUR 1,000)	2015	2014
Interest expenses on financial liabilities measured at amortised cost	-74	-121
Interest expenses on financial lease obligation	-124	-121
Other financial expenses	-98	-118
Total	-297	-360

18. INCOME TAXES

(EUR 1,000)	2015	2014
Taxes on taxable earnings for the period	485	1,377
Deferred taxes	6	-7
Total	491	1,370

Reconciliation statement of taxes calculated on the basis of tax expenses in the income statement and the Group's Finnish tax rate (20% in 2015 and 20% in 2014)

(EUR 1,000)	2015	2014
Profit before taxes	1,294	5,485

Taxes calculated at the Finnish tax rate	259	1,097
Different tax rates of foreign subsidiaries	-61	-33
Unrecognised deferred tax assets from losses in taxation	133	240
Non-deductible expenses	160	66
Taxes in the income statement	491	1,370

19. EARNINGS PER SHARE

	2015	2014
Net result for the period, EUR 1,000	803	4,114
Weighted average number of shares, 1,000	8,090	8,090
Basic and diluted earnings per share, EUR	0.10	0.51

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 can be covered by liquid funds as well as long term commited credit facilities or credit facilities valid until further notice. The Group had at the end of the financial period access to credit facilities totalling EUR 19 million out of which EUR 6 million where committed credit facilities and EUR 13 million facilities valid until further notice. The committed credit facilities are due as follows: EUR 6 million in 2016. At the end of the financial period facilities valid until further notice amounting to EUR 3.7 million were drawn. No committed credit facilities were drawn at the end of the financial period.

Marimekko Group's borrowing is unsecured. However, the committed credit facilities include two financial covenants: The ratio of net debt excluding finance lease debt to EBITDA as well as the Group's equity ratio. The conditions in the loan agreements have been met during the financial year.

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

31 Dec. 2015

(EUR 1,000)	Less than 1 year	1–2 years	3–5 years	Over 5 years
Finance liabilities	27	3,848		
Finance lease obligations	430	455	564	3,763
Trade and other payables	11,189			
Total	11,646	4,302	564	3,763

31 Dec. 2014

(EUR 1,000)	Less than 1 year	1–2 years	3–5 years	Over 5 years
Finance liabilities	46	3,719		
Finance lease obligations	360	296	625	4,139
Trade and other payables	10,053			
Total	10,459	4,015	625	4,139

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 2015 financial year, credit loss recognised through profit or loss amounted to EUR 99 thousand (24).

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 and operative expenses 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 2015 foreign-currency-denominated sales accounted for approximately 23.8 percent (14) of the Group's enire sales and foreign-currency-denominated purchases with a transaction risk made up 16.9 percent (7) 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.

Group's transaction exposure

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)		**2015**			**2014**	
	USD	SEK	AUD	USD	SEK	AUD
Current assets	5,821	2,665	2,114	6,365	2,766	1,818
Current liabilities	-96	-9	-18	-281	0	-17
Foreign currency exposure in the balance sheet	5,725	2,656	2,096	6,084	2,766	1,801

Sensitivity analysis, effect on result after taxes

The strengthening or weakening of the euro against the US dollar, the Swedish krona or the Australian dollar would, given that all other factors remain unchanged, impact the Group's result after taxes as follows. The impact portrays the Group's transaction risk:

		2015			**2014**	
	USD	SEK	AUD	USD	SEK	AUD
Change in exchange rate, +10% *)	10	10	10	10	10	10
Impact after tax, EUR 1,000	33	213	202	-26	-85	-162

*) Strengthening of the euro

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.

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. The changes in the interest rates of these assets and liabilities has an impact on the Group's profit.

(EUR 1,000)	2015	2014
Cash and cash equivalents	4,249	4,079
Interest-bearing liabilities	3,834	3,696
Finance lease obligations	3,484	3,437

The Group's interest-bearing liabilities at the end of the financial year consisted of drawn credit facilities and finance lease obligations. The Group has access to totalling EUR 19 million, of which EUR 13 million were either commited credit facilities or valid until futher notice. At the end of the financial period facilities valid until further notice amounting to EUR 3.8 million (3.7) were drawn. A rise of one percentage point in market interest rates would have an imputed effect on Marimekko's profit after taxes of EUR -0.0 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 +0.0 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 50 percent. In 2015 the targeted equity ratio was 60 percent. At the end of 2015, the Group's net liabilities amounted to EUR 3,070 thousand (3,054) and gearing was 11,3 percent (10,5).

Gearing

(EUR 1,000)	2015	2014
Interest-bearing liabilities	3,834	3,696
Financial lease obligations	3,484	3,437
deducting cash and cash equivalents	-4,249	-4,079
Net liabilities	3,070	3,054
Shareholders' equity, total	27,129	29,045
Equity, total	30,199	32,099
Gearing, %	11.3	10.5

22. EVENTS AFTER THE CLOSING DATE

On 14 January 2016, Marimekko announced the introduction of measures to improve the company's profitability. As part of these measures, the company is planning to streamline its operations and cost structure, which is estimated to lead to a reduction of a maximum of 55 jobs in Finland. The company will also scrutinise all its fixed costs. The initiated consultative negotiations apply to all of Marimekko's functions in Finland with the exception of the personnel in company-owned retail stores.

Parent company financial statements, FAS

PARENT COMPANY BALANCE SHEET

(EUR 1,000)			31 Dec. 2015		31 Dec. 2014
ASSETS					
FIXED ASSETS	1.				
Intangible assets	1.1		3,665		2,707
Tangible assets	1.2		2,955		3,575
Investments	1.3				
Participations in Group companies		3,630		4,274	
Other shares and participations		16	3,646	16	4,290
FIXED ASSETS, TOTAL			**10,267**		**10,571**
CURRENT ASSETS					
Inventories	2.		16,033		15,843
Current receivables	3.		14,201		11,453
Cash in hand and at banks			1,519		1,861
CURRENT ASSETS, TOTAL			**31,753**		**29,158**
ASSETS, TOTAL			**42,020**		**39,729**

PARENT COMPANY BALANCE SHEET

(EUR 1,000)		31 Dec. 2015	31 Dec. 2014
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY	4.		
Share capital		8,040	8,040
Reserve for invested non-restricted equity		502	502
Retained earnings		12,831	10,566
Net profit for the period		1,404	5,096
SHAREHOLDERS' EQUITY, TOTAL		22,777	24,204
ACCUMULATED APPROPRIATIONS	5.	1,556	1,911
PROVISIONS	6.		
Other mandatory provisions		190	190
LIABILITIES	7.		
Non-current liabilities	7.1	3,834	3,696
Current liabilities	7.2	13,663	9,729
LIABILITIES, TOTAL		17,497	13,424
SHAREHOLDERS' EQUITY AND LIABILITIES, TOTAL		42,020	39,729

PARENT COMPANY INCOME STATEMENT

(EUR 1,000)		1 Jan.–31 Dec. 2015	1 Jan.–31 Dec. 2014
NET SALES	9.	**88,110**	**85,915**
Increase (+) or decrease (-) in inventories of completed and unfinished products		367	-692
Other operating income	10.	278	214
Materials and services	11.	-35,354	-31,786
Personnel expenses	12.	-18,084	-18,513
Depreciation and impairment	13.	-2,373	-2,345
Other operating expenses	14.	-31,510	-26,842
OPERATING PROFIT		**1,434**	**5,953**
Financial income and expenses	15.	26	124
RESULT BEFORE EXTRAORDINARY ITEMS		**1,459**	**6,077**
RESULT BEFORE APPROPRIATIONS AND TAXES		**1,459**	**6,077**
Appropriations	16.	355	325
Income taxes	17.	-410	-1,305
NET PROFIT FOR THE PERIOD		**1,404**	**5,096**

PARENT COMPANY CASH FLOW STATEMENT

(EUR 1,000)	2015	2014
CASH FLOW FROM OPERATIONS		
Net result for the period	1,404	5,096
Adjustments		
Depreciation according to plan	2,373	2,345
Change in depreciation difference	-355	-325
Other non-cash transactions	0	89
Financial income and expenses	-26	-124
Taxes	410	1,305
Cash flow before change in working capital	3,807	8,386
Change in working capital		
Increase (-) / decrease (+) in current non-interest-bearing trade receivables	-1,967	-431
Increase (-) / decrease (+) in inventories	-190	351
Increase (+) / decrease (-) in current non-interest-bearing liabilities	4,562	328
Cash flow from operating activities before financial items and taxes	6,212	8,635
Paid interest and payments on other operational financial expenses	-162	-230
Interest received	47	41
Taxes paid	-986	156
CASH FLOW FROM OPERATIONS	**5,110**	**8,602**
CASH FLOW FROM INVESTMENTS		
Investments in tangible and intangible assets	-2,759	-1,273
CASH FLOW FROM INVESTMENTS	**-2,759**	**-1,273**
CASH FLOW FROM FINANCING		
Long-term loans drawn	139	
Long-term loans repaid	0	-4,538
Dividends paid	-2,831	-2,022
CASH FLOW FROM FINANCING	**-2,692**	**-6,560**
Change in cash and cash equivalents	-342	769
Cash and cash equivalents at the beginning of the financial year	1,861	1,092
Cash and cash equivalents at the end of the financial year	1,519	1,861

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

2015

(EUR 1,000)	Intangible rights	Computer software	Other capitalised expenditure	Advance payments and acquisitions in progress	Total
Acquisition cost, 1 Jan. 2015	1,517	4,206	4,839	459	11,021
Increases	85	328	1,348	616	2,377
Transfers between groups		758		-758	0
Decreases				-48	-48
Acquisition cost, 31 Dec. 2015	1,601	5,292	6,187	269	13,350
Accumulated depreciation, 1 Jan. 2015	1,010	3,612	3,692		8,314
Depreciation during the financial year	193	648	530		1,370
Accumulated depreciation, 31 Dec. 2015	1,203	4,260	4,222		9,684
Book value, 31 Dec. 2015	399	1,033	1,965	269	3,665

2014

(EUR 1,000)	Intangible rights	Computer software	Other capitalised expenditure	Advance payments and acquisitions in progress	Total
Acquisition cost, 1 Jan. 2014	1,360		8,608	58	10,026
Increases	157		438	401	996
Acquisition cost, 31 Dec. 2014	1,517		9,045	459	11,021
Accumulated depreciation, 1 Jan. 2014	826		6,145		6,971
Depreciation during the financial year	185		1,158		1,343
Accumulated depreciation, 31 Dec. 2014	1,010		7,304		8,314
Book value, 31 Dec. 2014	507		1,742	459	2,707

1.2 Tangible assets

2015

(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. 2015	38	417	12,664	28	156	13,303
Increases			222		161	383
Acquisition cost, 31 Dec. 2015	38	417	12,886	28	317	13,687
Accumulated depreciation, 1 Jan. 2015		257	9,472			9,729
Depreciation during the financial year		3	1,000			1,003
Accumulated depreciation, 31 Dec. 2015		260	10,472			10,732
Book value, 31 Dec. 2015	38	157	2,414	28	317	2,955

2014

(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. 2014	38	417	12,464	25	72	13,016
Increases			200	3	489	692
Decreases					-405	-405
Acquisition cost, 31 Dec. 2014	38	417	12,664	28	156	13,303
Accumulated depreciation, 1 Jan. 2014		257	8,472			8,729
Depreciation during the financial year		0	1,000			1,000
Accumulated depreciation, 31 Dec. 2014		257	9,472			9,729
Book value, 31 Dec. 2014	38	160	3,192	28	156	3,575

Book value of production machinery and equipment	
31 Dec. 2015	1,473
31 Dec. 2014	1,914

1.3 Investments

2015

(EUR 1,000)	Shares in Group companies	Other shares and participations	Total
Acquisition cost, 1 Jan. 2015	4,564	16	4,580
Impairments	-643		-643
Acquisition cost, 31 Dec. 2015	3,921	16	3,937
Accumulated depreciation, 31 Dec. 2015	290		290
Book value, 31 Dec. 2015	3,631	16	3,647

The 2015 impairments on shares in Group companies are related to Marimekko Corporation's investments in the Group's US subsidiary.

2014

(EUR 1,000)	Shares in Group companies	Other shares and participations	Total
Acquisition cost, 1 Jan. 2014	4,307	16	4,323
Increases	1,450		1,450
Impairments	-1,194		-1,194
Acquisition cost, 31 Dec. 2014	4,564	16	4,580
Accumulated depreciation, 31 Dec. 2014	290		290
Book value, 31 Dec. 2014	4,274	16	4,290

The 2014 impairments on shares in Group companies are related to Marimekko Corporation's investments in the Group's US subsidiaries.

Group companies

Company and domicile	Group's holding, %	Share of voting rights, %
Keskinäinen Kiinteistö Oy Marikko, Helsinki, Finland	100	100
Marimekko Services Oy, Helsinki, Finland	100	100
Marimekko AB, Stockholm, Sweden *)	100	100
Marimekko Australia PTY Ltd, Victoria, Australia	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 AB has branches in Norway and Denmark.

2. INVENTORIES

(EUR 1,000)	2015	2014
Raw materials and consumables	5,334	5,362
Incomplete products	103	51
Finished products/goods	10,287	9,833
Advance payments	310	597
Total	16,033	15,843

3. CURRENT RECEIVABLES

(EUR 1,000)	2015	2014
Trade receivables	4,248	4,571
Receivables from Group companies		
Trade receivables	579	490
Loan receivables	5,672	3,213
Prepaid expenses and accrued income	2,879	2,009
Total	9,130	5,712
Other receivables	22	35
Prepaid expenses and accrued income	801	1,135
Total	14,201	11,453

Prepaid expenses and accrued income		
Royalty receivables	267	271
Statutory employee pension plan accrual	124	343
Tax assets	105	0
Other prepaid expenses and accrued income	306	521
Total	801	1,135

In 2015, Marimekko Corporation reversed impairment bookings made in 2013 amounting to EUR 661 thousand. The impairment reversal was made on trade receivables, loan receivables and prepaid expenses and accrued income from the US, UK and Swedish subsidiaries.

In 2014, Marimekko Corporation reversed impairment bookings made in 2013 amounting to EUR 1,204 thousand. The impairment reversal was made on trade receivables, loan receivables and prepaid expenses and accrued income from the US and Swedish subsidiaries.

4. SHAREHOLDERS' EQUITY

(EUR 1,000)	2015	2014
Share capital, 1 Jan.	8,040	8,040
Share capital, 31 Dec.	8,040	8,040
Reserve for invested non-restricted equity, 1 Jan.	502	502
Reserve for invested non-restricted equity, 31 Dec.	502	502
Retained earnings, 1 Jan.	15,662	12,588
Dividends paid	-2,831	-2,022
Retained earnings, 31 Dec.	12,831	10,566
Net result for the period	1,404	5,096
Shareholders' equity, total	22,777	24,204

Calculation of distributable funds, 31 Dec.

(EUR 1,000)	2015	2014
Retained earnings	12,831	10,566
Net result for the period	1,404	5,096
Reserve for invested non-restricted equity	502	502
Total	14,737	16,164

5. ACCUMULATED APPROPRIATIONS

(EUR 1,000)	2015	2014
Accumulated depreciation difference		
Intangible rights	84	87
Other capitalised expenditure	690	581
Machinery and equipment	642	1,157
Buildings and structures	139	86
Total	1,556	1,911

6. PROVISIONS

(EUR 1,000)	2015	2014
Provision for restructuring cost		
Book value, 1 Jan.	190	101
Increases	0	89
Book value, 31 Dec.	190	190

7. LIABILITIES

7.1 Interest-bearing and non-interest bearing liabilities

(EUR 1,000)	2015	2014
Interest-bearing liabilities		
Non-current	3,834	3,696
Total	3,834	3,696

Non-interest-bearing liabilities		
Current	13,663	9,729
Total	13,663	9,729

7.2 Current liabilities

(EUR 1,000)	2015	2014
Advances received		20
Trade payables	4,800	3,545
Debts to Group companies		
Trade payables	541	90
Accrued liabilities and deferred income	3,403	569
Other current liabilities	1,887	1,846
Accrued liabilities and deferred income	3,032	3,658
Total	13,663	9,729

Accrued liabilities and deferred income		
Wages and salaries with social security contributions	2,526	2,817
Accrued income tax liabilities	151	778
Other accrued liabilities and deferred income	355	63
Total	3,032	3,658

8. GUARANTEES, CONTINGENT LIABILITIES AND OTHER COMMITMENTS

(EUR 1,000)	2015	2014
For the liabilities of the Group company		
Guarantees	11,357	10,333

Other own liabilities and commitments		

Leasing liabilities		
Payments due in the following financial year	448	309
Payments due later	505	363
Total	953	672

Liabilities relating to lease agreements		
Payments due in the following financial year	5,600	4,596
Payments due later	16,166	7,585
Total	21,765	12,181

The parent company has no liabilities from derivative contracts.

NOTES TO THE INCOME STATEMENT

9. NET SALES BY MARKET AREA

(EUR 1,000)	2015	2014
Finland	52,690	52,034
Other countries	35,420	33,881
Total	88,110	85,915

10. OTHER OPERATING INCOME

(EUR 1,000)	2015	2014
Rental income	248	203
Other income	30	11
Total	278	214

11. MATERIALS AND SERVICES

(EUR 1,000)	2015	2014
Materials and supplies		
Purchases during the financial year	22,953	20,606
Increase (-) / decrease (+) in inventories	-109	-446
Total	22,844	20,160
External services	12,510	11,626
Total	35,354	31,786

12. PERSONNEL EXPENSES

(EUR 1,000)	2015	2014
Salaries, wages and bonuses	14,610	14,934
Pension and pension insurance payments	2,629	2,709
Other indirect social expenditure	844	870
Total	18,084	18,513
Salaries and bonuses for management		
Members of the Board of Directors and the President and CEO	773	504
Itemised in the note 8 to the consolidated financial statements.		
Average number of employees		
Salaried employees	312	317
Non-salaried employees	30	40
Total	342	357

13. DEPRECIATION AND IMPAIRMENT

(EUR 1,000)	2015	2014
Intangible assets		
Intangible rights	193	190
Other capitalised expenditure	1,177	1,160
Total	1,370	1,350
Tangible assets		
Buildings and structures	3	0
Machinery and equipment	1,000	995
Total	1,003	995
Total	2,373	2,345

14. OTHER OPERATING EXPENSES

(EUR 1,000)	2015	2014
Leases	6,961	6,035
Marketing	12,451	9,995
Other expenses	12,098	10,812
Total	31,510	26,842

15. FINANCIAL INCOME AND EXPENSES

(EUR 1,000)	2015	2014
Other interest and financial income		
From Group companies	115	105
From others	55	246
Total	170	351
Interest and other financial expenses		
Impairment of non-current assets	643	1,194
Impairment of Group receivables	-661	-1,204
To others	162	236
Total	144	226
Financial income and expenses, total	26	124
Financial income and expenses include exchange rate differences (net)		
From others	8	204
Total	8	204

16. APPROPRIATIONS

(EUR 1,000)	2015	2014
Change in depreciation difference	355	325

17. INCOME TAXES

(EUR 1,000)	2015	2014
Income taxes on operations	410	1,305

18. AUDITOR'S FEE

(EUR 1,000)	2015	2014
PricewaterhouseCoopers Oy, Authorised Public Accountants		
Audit	119	73
Other services	98	36
Total	217	109

Key figures of the Group

Per-share key figures

	2015	2014	2013
Earnings per share (EPS), EUR	0.10	0.51	-0.12
Equity per share, EUR	3.35	3.59	3.34
Dividend per share, EUR	*) 0.35	0.35	0.25
Dividend per profit, %	*) 352.5	68.6	neg.
Effective dividend yield, %	*) 4.2	3.9	2.5
P/E ratio	83.6	17.5	neg.
Share issue adjusted average number of shares	8,089,610	8,089,610	8,089,610
Share issue adjusted number of shares at the end of the period	8,089,610	8,089,610	8,089,610

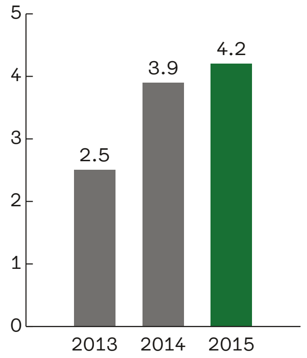
*) The Board of Directors's proposal to the Annual General Meeting.

Key financial figures

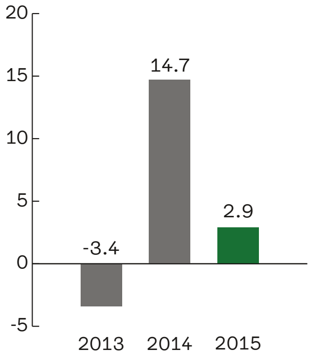
	2015	2014	2013
Net sales, EUR 1,000	95,652	94,150	94,007
Change in net sales, %	1.6	0.2	6.3
Operating profit, EUR 1,000	1,542	5,592	82
Operating profit margin, %	1.6	5.9	0.1
Financial income, EUR 1,000	49	252	67
Financial expenses, EUR 1,000	-297	-360	-953
Result before taxes, EUR 1,000	1,294	5,485	-804
% of net sales	1.4	5.8	-0.9
Taxes, EUR 1,000	491	1,370	151
Result after taxes, EUR 1,000	803	4,114	-955
Balance sheet total, EUR 1,000	46,061	47,203	48,648
Net working capital, EUR 1,000	13,039	14,013	15,421
Interest-bearing liabilities, EUR 1,000	7,318	7,133	11,557
Shareholders' equity, EUR 1,000	27,129	29,045	26,989
Return on equity (ROE), %	2.9	14.7	-3.4
Return on investment (ROI), %	4.5	15.6	-1.1
Equity ratio, %	59.0	61.6	55.5
Gearing, %	11.3	10.5	31.7
Gross investments, EUR 1,000	*) 3,171	*) 2,063	2,353
% of net sales	3.3	2.2	2.5
Employee salaries, wages and bonuses, EUR 1,000	20,392	19,475	21,487
Average personnel	460	473	526
Personnel at the end of the financial year	476	479	502

*) Excluding financial leases which are included in tangible assets in consolidated financial statements.

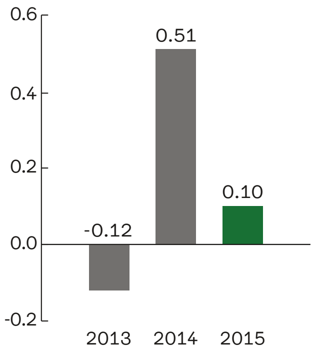
Effective dividend yield (%)



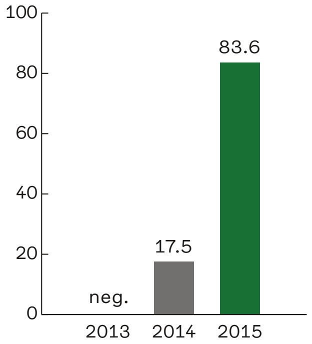
Return on equity (ROE, %)



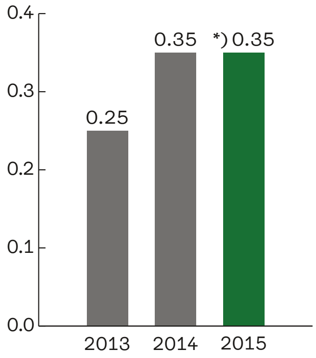
Earnings per share (EUR)



P/E ratio



Dividend per share (EUR)



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

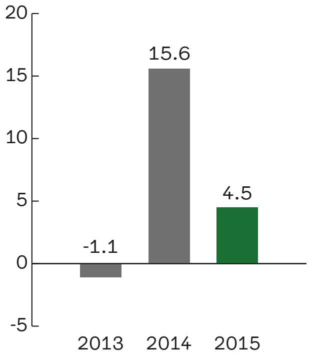
Financial goals for 2016

Marimekko's financial goals focus on securing the company's profitable growth. The company's most important financial goals are as follows:

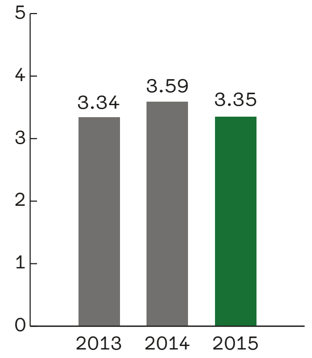
- annual growth in consolidated net sales over 10%
- operating profit margin 10%
- return on equity (ROE) over 15%
- equity ratio 50%

Marimekko updated its goal for equity ratio for 2016. The company's previous goal was 60%.

Return on investment (ROI, %)



Equity per share (EUR)



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 – current tax liabilities – trade and other payables
INTEREST-BEARING NET DEBT, EUR	Interest-bearing liabilities – cash in hand and at banks – interest-bearing loan receivables
GEARING, %	$\frac{\text{Interest-bearing net debt}}{\text{Shareholders' equity}} \times 100$

Share and shareholders

Share
Marimekko Corporation's share is quoted in the Consumer Goods sector of Nasdaq 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 2015, 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
At the end of 2015, the Board of Directors had no valid authorisations to carry out share issues or issue convertible bonds or bonds with warrants, or to acquire or surrender Marimekko shares.

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.

Dividend 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.

Dividend for 2014
A dividend of EUR 0.35 per share to a total of EUR 2,831,364 was paid for 2014 in accordance with the decision of the Annual General Meeting held on 9 April 2015. The dividend was paid out on 20 April 2015.

Proposal for the dividend for 2015
The Board of Directors will propose to the Annual General Meeting that the dividend to be paid for the 2015 financial year be EUR 0.35 per share to a total of EUR 2,831,364. The Board will propose 13 April 2016 as the dividend record date and 20 April 2016 as the dividend payout date.

Shareholders
According to the book-entry register, Marimekko Corporation had 7,084 registered shareholders at the end of 2015. Of the shares, 20.1 percent were owned by nominee-registered or non-Finnish holders at the year end.

Flaggings
Marimekko did not receive any flagging notifications during 2015.

Management's shareholding
At the end of 2015, members of the Board of Directors and the President of the company either directly or indirectly owned 1,325,806 shares, i.e. 16.4 percent of the number and voting rights of the company's shares.

Largest shareholders according to the book-entry register, 31 December 2015

	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	231,601	2.86
5. Oy Etra Invest Ab	222,754	2.75
6. Veritas Pension Insurance Company	220,000	2.72
7. Ilmarinen Mutual Pension Insurance Company	215,419	2.66
8. Mutual Fund Tapiola Finland	136,395	1.69
9. Sijoitusrahasto Aktia Europe Small Cap	120,000	1.48
10. OP-Finland Small Firm Fund	110,266	1.36
Total	3,790,432	46.86
Nominee-registered and non-Finnish holders	1,627,339	20.12
Others	6,462,271	79.88
Total	8,089,610	100.00

Marimekko shares owned directly or indirectly by members of the Board of Directors and the President, 31 December 2015

	Number of shares and votes	Percentage of holding and votes
Mika Ihamuotila	1,297,700	16.04
Elina Björklund	7,783	0.10
Arthur Engel	8,000	0.10
Mikko-Heikki Inkeroinen	1,407	0.02
Joakim Karske	8,792	0.11
Catharina von Stackelberg-Hammarén	1,674	0.02
Tiina Alahuhta-Kasko	450	0.00
Total	1,325,806	16.39

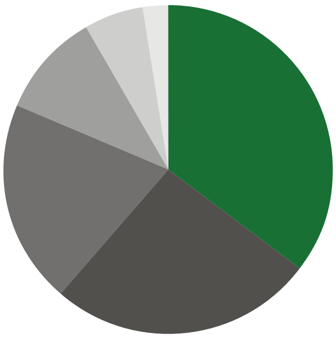
Ownership by size of holding, 31 December 2015

Number of shares	Number of shareholders	%	Number of shares and votes	%
1–100	3,520	49.69	199,537	2.47
101–1,000	3,039	42.90	1,115,639	13.79
1,001–10,000	471	6.65	1,226,505	15.16
10,001–100,000	42	0.59	1,324,192	16.37
100,001–500,000	10	0.14	2,075,660	25.66
500,001–	2	0.03	2,148,077	26.55
Total	7,084	100.00	8,089,610	100.00

Breakdown of ownership by sector, 31 December 2015

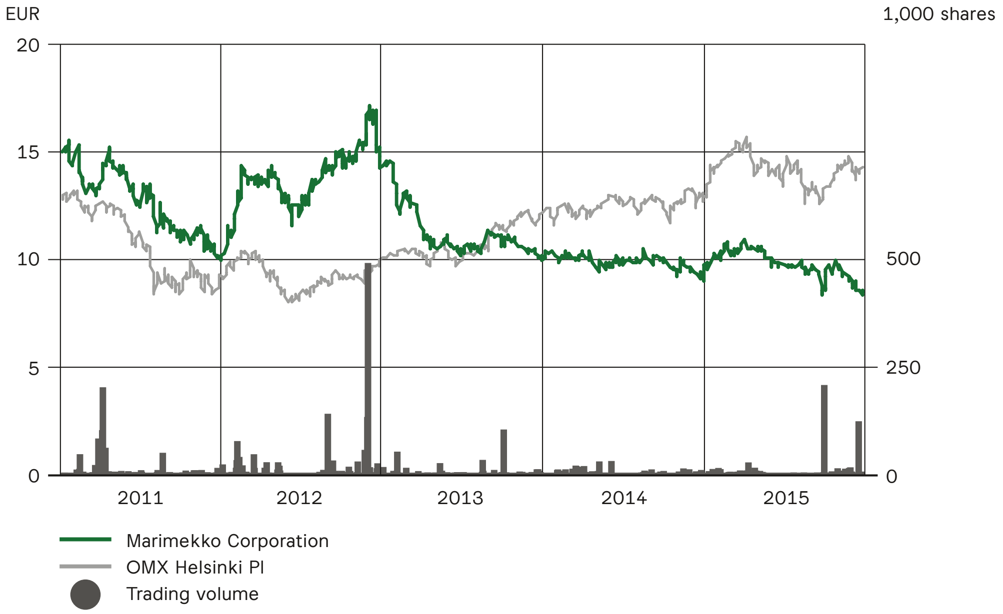
Owner	Number of shares and votes	Percentage holding and votes
Households	2,869,984	35.48
Financial and insurance corporations	493,063	6.10
Corporations and housing corporations	2,097,727	25.93
Non-profit institutions	180,158	2.23
General government	821,339	10.15
Nominee-registered and non-Finnish holders	1,627,339	20.12
Total	8,089,610	100.00

**Breakdown of ownership by sector,
31 December 2015**



Households	35.48%
Corporations and housing corporations	25.93%
Nominee-registered and non-Finnish holders	20.12%
General government	10.15%
Financial and insurance corporations	6.10%
Non-profit institutions	2.23%

Share price trend



Share price trend

	2015	2014	2013
Low, EUR	8.20	8.54	9.82
High, EUR	10.94	10.50	14.54
Average, EUR	9.50	9.74	11.17
Closing price (31 Dec.), EUR	8.30	8.90	9.85

Share turnover and market capitalisation

	2015	2014	2013
Share turnover, no. of shares	1,062,373	716,614	760,976
Share turnover, % of the shares outstanding	13.1	8.9	9.4
Market capitalisation, EUR	67,143,763	71,997,529	79,682,659

Share data

Exchange:	Nasdaq 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, 10 February 2016

Mika Ihamuotila
Chairman of the Board

Elina Björklund
Vice Chairman of the Board

Mikko-Heikki Inkeroinen
Member of the Board

Arthur Engel
Member of the Board

Joakim Karske
Member of the Board

Catharina Stackelberg-Hammarén
Member of the Board

Tiina Alahuhta-Kasko
President

THE AUDITORS' NOTE

Our auditors' report has been issued today.

Helsinki, March 2, 2016

PricewaterhouseCoopers Oy
Authorised Public Accountants

Ylva Eriksson
Authorised Public Accountant

Auditor’s Report

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, 2015. 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, 2 March 2016

PricewaterhouseCoopers Oy
Authorised Public Accountants

Ylva Eriksson
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 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 the 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 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. In accordance with the Finnish Corporate Governance 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 the 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 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 the General Meeting must inform the company of their intention to do so by the deadline specified in the Notice of 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 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 the General Meeting, which, together with voting results and the appendices of 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 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 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 9 April 2015 elected six members to the Board of Directors for a term beginning on 9 April 2015 and ending at the close of the 2016 Annual General Meeting. Elina Björklund, Arthur Engel, Mika Ihamuotila, Joakim Karske and Catharina Stackelberg-Hammarén were re-elected as members of the Board of Directors. Mikko-Heikki Inkeroinen was elected as a new member of the Board of Directors. The Board is chaired by Mika Ihamuotila and vice-chaired by Elina Björklund.

The Board members are presented on page 70 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, Joakim Karske, Catharina Stackelberg-Hammarén and Mikko-Heikki Inkeroinen are independent of the company and its significant shareholders. Mika Ihamuotila held the position of President of Marimekko Corporation from 2008 until 9 April 2015, when he was nominated as CEO. Muotitila Ltd, a company controlled by Mr Ihamuotila, held 16.04% of Marimekko Corporation's shares and voting rights in the end of 2015.

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 that 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 Corporate Governance 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 procedures and internal control procedures and audit and control systems
- approving the audit plan
- appointing the company's President and the members of the Management Group and deciding on their remuneration
- providing instructions for the President and CEO.

In 2015, the Board was focusing on e.g. the following subjects:

- development of Marimekko Corporation's strategy as well as confirming strategic objectives for the various businesses
- reforming the corporate governance model of the company
- guiding and supporting the new Creative Director and the new President
- monitoring the challenging market situation, re-organization of operations and adapting the company cost level to the current market conditions, and
- 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 2015, the Board convened ten times. The Board members' attendance rate at meetings was 98 percent.

Committees

The Board of Directors elected by the Annual General Meeting of Shareholders on 9 April 2015 has nominated from among its members the first Audit and Remuneration Committee. The Board elected Elina Björklund as the Chairman and Joakim Karske and Catharina Stackelberg-Hammarén as members of the Audit and Remuneration Committee.

The Board of Directors has not established any other committees.

The Audit and Remuneration Committee will handle and prepare matters relating to the terms and remuneration of Marimekko's executive management as well as other tasks typically assigned to audit and remuneration committees and supervision.

These include, for example, 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
- preparation of the proposal for resolution on the election of the auditor.

MANAGEMENT OF THE GROUP

President

The Board of Directors elects the company's President and decides on the terms of the President's employment. The terms are specified in a written contract which is approved by the Board of Directors. The President 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 is also responsible for keeping the Board up to date with regard to development of the company's business and financial situation.

Tiina Alahuhta-Kasko has been the company's President since 9 April 2015. Mika Ihamuotila, who acted as President and CEO until 9 April 2015, has a full-time executive service agreement as CEO. His duties include, e.g., responsibility for the development of Marimekko's strategy and its implementation together with the President and the Management Group, as well as an active senior role in managing the company's financial affairs and stakeholder relations. Ihamuotila's executive agreement or his duties thereunder are not dependent on his position as a member or Chairman of Marimekko's Board of Directors *).

The shareholding of the President in Marimekko is reported on page 55 and on the company's website under Investors/Management.

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

*) According to the stock exchange release related to a change in the company's governance model published on 23 February 2016, the role of Tiina Alahuhta-Kasko will incorporate the duties of both the President and the CEO. Mika Ihamuotila will continue to be employed by the company pursuant to his full-time executive service agreement. Also, he has announced that he will be available for re-election as Chairman of the Board of Directors. In the event that Mika Ihamuotila is elected as Chairman of the Board of Directors, he will be full-time Chairman of the Board. The changes will take effect after the Annual General Meeting on 11 April 2016.

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 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 of the various business areas and business development. The Management Group convenes every two weeks on average. Tiina Alahuhta-Kasko, as President, acts as the chairman of Marimekko's Management Group. To discuss significant strategic matters, the Management Group will convene under the chairmanship of Mika Ihamuotila at regular intervals. Information on the members is presented on page 71 and on the company's website under Investors/Management/Management Group.

REMUNERATION

The main objectives of remuneration at Marimekko Corporation are to promote 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
In accordance with the Articles of Association, the Annual General Meeting decides on the remuneration payable to the Board of Directors. A person serving the company under an employment or service agreement (including Mika Ihamuotila during the term of his CEO agreement) receives no fee for Board chairmanship or membership. Furthermore, a person serving the company under an employment or service agreement receives no fee for the membership of the Board of a Marimekko subsidiary. According to the resolution by the Annual General Meeting 9 April 2015, approximately 40 percent of the annual remuneration to the Board of Directors in 2015 will be paid in Marimekko Corporation's shares acquired from the market and the rest in cash. The shares will be acquired directly on behalf of the Board members within two weeks from the release of the interim report for 1 January–31 March 2015 or if this is not possible taken into account the insider rules, as soon as possible thereafter. The Board is not, 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 2015, the Annual General Meeting resolved that the annual remuneration payable to the members of the Board be as follows: EUR 40,000 to the Chairman; EUR 30,000 to the Vice Chairman, EUR 22,000 to the other members of the Board; a total of EUR 158,000. A person serving the company under an employment or service agreement receives no fee for Board chairmanship or membership. The

Board receives no additional fee for attending board meetings or working in a committee. The fee of the Vice Chairman of the Board includes working as a Chair of the Audit and Remuneration Committee.

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, the CEO and the members of the Management Group. The Audit and Remuneration Committee of the company handles and prepares matters relating to the terms and remuneration of Marimekko's executive management. All members of the Audit and Remuneration Committee are independent of the company and its significant shareholders.

Remuneration of President Tiina Alahuhta-Kasko as of 9 April 2015: The remuneration of the President consists of a regular salary and fringe benefits, an annual bonus as well as the so-called long-term bonus system. Under the contract between the company and Tiina Alahuhta-Kasko, the President is, in addition to her regular salary, entitled to an annual bonus, the maximum amount of which corresponds to her regular salary for four months. The principles determining the bonus are confirmed annually by the Board based on a proposal by the Audit and Remuneration Committee. The pension is determined by the statutory employee pension plan (TyEL). If the President resigns of her own accord, her term of notice is six months and she is entitled to a remuneration corresponding to her regular salary for six months. If the company terminates the contract, the President's term of notice is six months and she is entitled to a remuneration corresponding to her regular salary for six months. The remuneration in case of termination is tied to a fixed-term non-compete obligation.

Fees to members of Marimekko's Board of Directors 2014-2015

(EUR 1,000)	Fee for Board work 2015	Fee for Board work 2014	Other financial benefits 2015	Other financial benefits 2014	Total compensation in the financial year 2015 **)	Total compensation in the financial year 2014
Pekka Lundmark [1]	8	30	-	-	8	30
Mika Ihamuotila	-	-	-	-	-	-
Elina Björklund	30	20	-	-	30	20
Arthur Engel	22	20	39 *)	-	61	20
Mikko-Heikki Inkeroinen [2]	22	-	-	-	22	-
Joakim Karske	22	20	-	-	22	20
Catharina Stackelberg-Hammarén [3]	22	14	-	-	22	14
Ami Hasan [4]	-	6	-	-	-	6
Total	126	110	39	-	165	110

[1] Member of the board until 9 April 2015

[2] Member of the board from 9 April 2015

[3] Member of the board from 23 April 2014

[4] Member of the board until 23 April 2014

*) Consultancy compensation

**) In accordance with the resolution regarding the annual remuneration to the Board of Directors by the Annual General Meeting 9 April 2015, the Vice Chairman of the Board received 1,141 shares and the other members 837 shares each as part of their annual remuneration.

Salaries and bonuses to the President and CEO and other management 2014–2015

(EUR 1,000)	Salary 2015	Salary 2014	Annual bonus 2015	Annual bonus 2014	Total compensation in the financial year 2015	Total compensation in the financial year 2014
CEO *)	331	-	147	-	478	-
President **)	168	328	12	107	178	435
Management Group	648	629	28	42	676	671
Total	~ 1,146	957	187	149	~ 1,333	1,106

*) 1 January–8 April 2015 President and CEO, 9 April–31 December 2015 CEO

**) 1 January–8 April 2015 Member of the management group, 9 April–31 December 2015 President

Remuneration of CEO Mika Ihamuotila as of 9 April 2015 *):
The remuneration of the CEO consists of a regular salary and fringe benefits, an annual bonus as well as the so-called long-term bonus system. Under the contract between the company and Mr Ihamuotila, the CEO is, in addition to his regular salary, entitled to an annual bonus, the maximum amount of which corresponds to his regular salary for twelve months. The principles determining the bonus are confirmed annually by the Board based on a proposal by the Audit and Remuneration Committee. The CEO renounced his right to a contribution pension scheme as of 9 February 2012. The retirement age for the CEO is determined by the statutory employee pension plan (TyEL). If the 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 CEO's term of notice is six months and he is entitled to a remuneration corresponding to his regular salary for twelve months.

The remuneration of the members of the Management Group consists of a regular salary and fringe benefits, an annual bonus as well as the so-called long-term bonus system. The annual bonus is based on the growth of the company´s consolidated net sales, operating result and individual objectives separately determined by the Board of Directors. The members of the Management Group fall within the scope of the statutory employee pension plan (TyEL).

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 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 percent 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, including the President and CEO but excluding the Creative Director, a total of five persons.

The Board of Directors of Marimekko Corporation decided on 7 May 2014 on a second bonus system. The system is composed of two earnings periods, which are 8 May 2014–31 October 2017 and 8 May 2014–28 February 2018. 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 2017 and the other in spring 2018. Earning the bonus requires

*) If Mika Ihamuotila is elected to the Board of Directors and to the Chairman of the Board of Directors in the Annual General Meeting on 11 April 2016, he will receive additionally to the annual remuneration of a Chairman of the Board a monthly compensation of EUR 8,800 on the basis of a separate service agreement due to his full-time chairmanship from the date of 11 April 2016. The Audit and remuneration committee evaluates the conditions of the above mentioned service agreement.

Auditors' fees 2014–2015

	Audit		Other services		Total compensation in the financial year	
(EUR 1,000)	2015	2014	2015	2014	2015	2014
PricewaterhouseCoopers Oy	119	72	98	36	217	108
Others	44	49	-	-	44	49
Total	163	121	98	36	261	157

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 percent 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, including the President and CEO but excluding the Creative Director, 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 9 April 2015 elected PricewaterhouseCoopers Oy, Authorised Public Accountants, as auditor for the Marimekko Group and the Group companies, with Ylva Eriksson, 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 auditor's report in connection with the company's financial statements to the board of Directors and, as required by law, an audit 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 crucial elements of Marimekko's administration and management. The Board of Directors and the President bear responsibility for organising controls. The Audit and Remuneration Committee will handle and prepare matters relating to risk management.

Risk management and risks

Marimekko Corporation's risk management is based on the risk management policy confirmed by the company's Board of Directors, which defines the principles, objectives and responsibilities of risk management, as well as the organisation and control of the risk management process.

Risk management principles

Marimekko Corporation's risk management aims to safeguard the smooth continuity of business operations and ensure stable profit development for the company.

Comprehensive risk management is an ongoing, systematic process which involves identifying and evaluating risks associated with the company's operations and operating environment. The company's key risks comprise risks which could prevent company from exploiting business opportunities or jeopardise or prevent the achievement of the strategic objectives of the Group or a Group company, or the continuity of operations or would otherwise have significant consequences for the company, its personnel or stakeholders. Risk management is an integral element of the company's management and decision-making process, covering all of the Group's functions.

The report of the Board of Directors on page 11 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 together with the Audit and Remuneration Committee the level of the company's internal control activities at least once a year. Where necessary, internal audit services may be purchased from an external service provider.

Marimekko applies the internal control principles and an 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
- Code of Conduct and ethical values are established.

Marimekko's Board of Directors focuses on increasing shareholder value and, in accordance with good governance, ensures that principles on internal control exist within the company. The Audit and Remuneration Committee monitors the efficiency of internal controls 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, 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. 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 General Counsel of Marimekko is responsible for the company´s insider matters. 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 Board of Directors' Report. It can be found on the company's website under Investors/Management/Corporate governance statement.

Board of Directors and management, 31 Dec. 2015

BOARD OF DIRECTORS

Mika Ihamuotila born 1964
Chairman of the Board
Ph.D. (Econ.)
Principal occupation: Chairman of the Board and CEO of Marimekko Corporation, 2015–

Primary work experience and key positions of trust:
President and CEO of Marimekko Corporation and Vice Chairman of the Board, 2008–2015; 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 Sanoma Corporation, 2013–; Member of the Board of Rovio Entertainment Ltd, 2013–

Elina Björklund born 1970
Vice Chairman of the Board
Chairman of the Audit and Remuneration Committee
M.Sc. (Econ.), IDBM Pro
Principal occupation: CEO of Reima Ltd, 2012–

Primary work experience and key positions of trust:
Partner and Director of BletBl Advisors (Shanghai, China), 2011–2012;
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 Ltd, 2001–2004; Deputy 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; Member of the Board of Directors and Audit Committee of Finnair Plc 2009–2012; Member of the Board of the HSE Foundation, 2013–, Member of the Board of The Finnish-Russian Chamber of Commerce 2016–, Member of EVA Supervisory Board 2016–

Arthur Engel born 1967
Member of the Board of Directors
Economics degree
Principal occupation: Non executive Board Portfolio and independent advisor and investor at Hilaritas AB, 2013–

Primary work experience and key positions of trust:
CEO of Björn Borg AB, 2008–2013; CEO of GANT Company AB, 2001–2007 and COO, 2000–2001; CEO and several executive positions in Leo Burnett Advertising Agency, 1994–2000; Statoil Svenska AB, 1991–1994; Chairman of the Board of Directors of Caliroots AB 2013–; Member of the Board of Directors of MQ, 2014–; Member of the Advisory Board for Economic studies at the University of Stockholm; Chairman of the Board of Directors of Rapunzel of Sweden 2015–,Chairman of the Board of Directors of OnePiece AS, 2015–; Chairman of the Board of Directors of Five AB, 2016–; Member of the Board of Directors of Eton AB, 2016–;

Mikko-Heikki Inkeroinen born 1987
Member of the Board of Directors
M. Soc.Sc
Principal occupation: Head of Digital Commerce of Expert AS, 2015–

Primary work experience and key positions of trust:
Marketing & E-commerce manager and a member of company steering group of Expert ASA Oy, 2010–2015; Member of the Board of Suomen Kierrätysyhteisö Oy, 2014–2015; Member of the Board of Finnish Conscript Union, 2008–2009; Member of the Board of Union of Finnish Upper Secondary School Students, 2006–2007

Joakim Karske born 1963
Member of the Board of Directors
Member of the Audit and Remuneration Committee
Master of Arts
Principal occupation: Senior Vice President, Brands & customer experience, OP Financial Group, 2014-

Primary work experience and key positions of trust:
Interim head of the Nokia brand, 2014; Head of Design Strategy at Nokia, 2009–2013; Nokia Mobile Phones and Vertu, Head of Design, 2006–2008; various designer and chief designer 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, 2012–2015; Association of Finnish Work, board member 2015–

Catharina Stackelberg-Hammarén born 1970
Member of the Board of Directors
Member of the Audit and Remuneration Committee
M.Sc. (Econ.)
Principal occupation: Founder and Managing Director of Marketing Clinic, 2004–

Primary work experience and key positions of trust:
Managing Director of Coca-Cola Finland, 2003–2004 & 2000–2002; Managing Director of Coca-Cola AB, 2002–2003; Marketing Director of Coca-Cola Nordic & Baltic Division (Copenhagen, Denmark), 2000; Consumer Marketing Manager of Coca-Cola Finland, 1996–2000; Marketing Manager of Sentra plc, 1994–1996; Member of the Board of Mint of Finland Ltd, 2004–2011; Member of the Board of Tradedoubler Ltd, 2006–2007; Member of the Board of Cision AB, 2013–2014; Member of the Board of Jokerit Hockey Club Oy, 2013–2014; ;Member of the Board of Scan Securities Ab 1996–; Member of the Board of Alma Media Corporation, 2009–;Member of the Board of Stiftelsen Svenska Handelshögskolan, 2011–; Member of the Board of Aktia Bank p.l.c., 2012–

MANAGEMENT GROUP

Tiina Alahuhta-Kasko born 1981
President
Employed by the company since 2005

Elina Aalto born 1968
CFO
Employed by the company since 2015

Lasse Lindqvist born 1981
Marketing
Employed by the company since 2015

Päivi Lonka born 1962
Sales
Employed by the company since 2004

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

Anna Teurnell born 1966
Design
Employed by the company since 2014

The company announced on 12 February 2015, 11 June 2015, and 13 August 2015 changes in management. For additional information see the Report of the Board of Directors, Management at page 10.

More detailed background information on members of Board of Directors and 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 2016

- Financial Statements Bulletin 2015, Thursday, 11 February 2016
- Financial Statements 2015, week 12, at the latest
- Interim Reports
    - January–March, Thursday, 12 May 2016
    - January–June, Thursday, 11 August 2016
    - January–September, Thursday, 3 November 2016.

Annual General Meeting

Marimekko Corporation's Annual General Meeting will be held from 2 p.m. onwards on Monday, 11 April 2016 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 30 March 2016 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 4 p.m. on 6 April 2016 at the latest:

- by filling in the registration form on the company's website company.marimekko.com under Investors/Management/General Meeting;
- by email to yk@marimekko.com;
- by telephone on +358 20 770 6893.

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 30 March 2016. Additionally, participation requires that the holder of nominee-registered shares is temporarily registered in the Shareholder Register no later than 6 April 2016 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/Management/General Meeting.

Dividends

The Board of Directors will propose to the Annual General Meeting that a dividend of EUR 0.35 per share be paid for 2015. The dividend will be paid to shareholders who are registered on the dividend payout record date of 13 April 2016 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 20 April 2016.

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 2015 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 under Releases and publications.

To order publications, contact:

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