INTERIM REPORT
1 (19)
21 August 2008 at 8.30 a.m.

MARIMEKKO CORPORATION'S INTERIM REPORT, 1 JANUARY - 30 JUNE 2008

NET SALES UP NEARLY 10\%; EARNINGS IMPROVE NOTABLY

In the January-June period of 2008, the Marimekko Group's net sales rose by 9.5\% to EUR 37.1 million (EUR 33.9 million). Operating profit improved by 39.0\% to EUR 4.4 million (EUR 3.1 million). Profit after taxes for the period grew by $39.6 \%$ to EUR 3.2 million (EUR 2.3 million). Earnings per share rose to EUR 0.40 (EUR 0.29). Deliveries for individual promotions in Finland and one-off income from sales of licensed products had a favourable impact on net sales growth and earnings. The full-year estimate remains unchanged. In 2008, net sales growth and the Group's relative profitability are expected to remain at the same level as in 2007.

| $1-6 /$ | $1-6 /$ | Change, | $1-12 /$ |
| :---: | :---: | ---: | ---: |
| 2008 | 2007 | $\%$ | 2007 |
| 37,133 | 33,909 | 9.5 | 77,264 |


| Net sales, EUR 1,000 | 37,133 | 33,909 | 9.5 | 77,264 |
| :---: | :---: | :---: | :---: | :---: |
| Exports and income from international operations, \% of net sales | 31.0 | 27.9 |  | 26.5 |
| Operating profit, EUR 1,000 | 4,364 | 3,140 | 39.0 | 10,487 |
| Profit before taxes, EUR 1,000 | 4,378 | 3,136 | 39.6 | 10,442 |
| Profit for the period, EUR 1,000 | 3,237 | 2,319 | 39.6 | 7,717 |
| Earnings per share, EUR | 0.40 | 0.29 | 37.9 | 0.96 |
| Equity per share, EUR | 3.40 | 2.98 | 14.1 | 3.66 |
| Return on equity (ROE), \% | 22.8 | 18.2 |  | 27.4 |
| Return on investment (ROI), \% | 28.1 | 21.8 |  | 35.0 |
| Equity ratio, \% | 67.2 | 62.9 |  | 72.7 |

Marimekko's President and CEO Mika Ihamuotila:
"Trends in Marimekko's business operations during the January-June period of 2008 were in line with estimates. Sales growth was seen in all key markets. In Finland, net sales growth was wholly generated by deliveries for individual promotions. Buoyant growth continued in exports. Growth was, however, overshadowed by the slowdown of the world economy; its impact on consumption demand was evident in several markets during the second quarter.

The Group's profitability remained at a good level throughout the review period. Earnings for the period were improved by sales growth, one-off income from sales of licensed products, and a reduction in marketing costs on the comparison period.

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Earnings trends were, however, burdened by increased operating expenses.

Long-term development of the company's operations has started off well. The results of this development work will be seen in a few years' time.

In spite of slowed economic growth, we are keeping our full-year estimate unchanged. We forecast net sales growth and profitability to remain at the same level as in 2007. Earnings trends and net sales growth for the remainder of 2008 will be supported by a substantial promotional delivery in Finland and the opening of four new Marimekko concept stores in Japan."

Marimekko's interim report for the January-September period of 2008 will be published on Wednesday 5 November at 8:30 a.m.

All of Marimekko's stock exchange releases are available on the company's website www.marimekko.com under Investors/Stock Exchange Releases.

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Marimekko is a leading Finnish textile and clothing design company that was established in 1951. The company designs, manufactures and markets high-quality clothing, interior decoration textiles, bags and other accessories under the Marimekko brand, both in Finland and abroad. Marimekko products are also manufactured under license in various countries. In 2007, the company's net sales amounted to EUR 77.3 million. Exports and income from international operations accounted for $26.5 \%$ of the Group's net sales. The Group employs about 400 people. The company's share is quoted on the OMX Nordic Exchange Helsinki. For further information, visit www.marimekko.com

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MARIMEKKO CORPORATION'S INTERIM REPORT, 1 JANUARY - 30 JUNE 2008

## ACCOUNTING PRINCIPLES

This interim report has been prepared in accordance with IAS 34: Interim Financial Reporting and applying the same accounting policy as for the 2007 financial statements. The information presented in this interim report has not been audited.

NET SALES

## April-June

In the April-June period of 2008, the Marimekko Group's net sales rose by 9.1\% to EUR 18,539 thousand (EUR 16,997 thousand). Net sales in Finland rose by $4.5 \%$ to EUR 13, 415 thousand (EUR 12,834 thousand). Exports and income from international operations increased by $23.1 \%$ and totalled EUR 5,124 thousand (EUR 4,163 thousand).

January-June
In the January-June period of 2008, the Marimekko Group's net sales rose by 9.5\% to EUR 37,133 thousand (EUR 33,909 thousand). Net sales in Finland rose by $4.9 \%$ to EUR 25,637 thousand (EUR 24,443 thousand). Exports and income from international operations increased by $21.4 \%$ and totalled EUR 11,496 thousand (EUR 9,466 thousand). Exports and income from international operations accounted for $31.0 \%$ (27.9\%) of the Group's net sales.

The breakdown of the Group's net sales by product line was as follows: clothing, 41.3\%, interior decoration, 40.3\%, and bags, 18.4\%. Net sales by market area were: Finland, 69.0\%, the other Nordic countries, 14.1\%, the rest of Europe, 6.6\%, North America, $5.2 \%$, and other countries (Japan and other regions outside Europe and North America), 5.1\%.

During the review period, sales in Marimekko's own retail stores in Finland rose by $0.7 \%$ (2.1\%). Sales to retailers in Finland fell by $0.8 \%(-5.8 \%)$.

## MARKET SITUATION

The international economic outlook continued to weaken during the second quarter of 2008. Increasing economic uncertainty was reflected in the United States as well as in Europe. There was a notable decline in both companies' and consumers' confidence in the development of the economy. The business climate outlook for the Finnish textile and clothing industry weakened, and production costs continued to rise sharply. (Confederation of Finnish Industries/Business cycle barometer/August 2008). In the JanuaryJune period of 2008, the value of retail sales in Finland was up 7.8\% (Statistics Finland: Retail net sales index, June 2008).

According to data collected by the Textile and Fashion Industries TMA, retail sales of clothing rose by 0.1\%. Sales of womenswear were down $0.1 \%$ and menswear $0.9 \%$, while sales of childrenswear grew by $1.5 \%$. Sales of bags rose by $10.5 \%$ and home textiles by $5.4 \%$. In the January-May period of 2008 , exports of clothing (SITC 84) remained at the same level as in the previous year and imports rose by $3 \%$. Exports of textiles (SITC 65) rose by 3\%, while imports fell by 5\% (National Board of Customs, monthly review, May/2008).

REVIEWS BY BUSINESS UNIT

## Clothing

In the January-June period of 2008 , net sales of clothing rose by $1.6 \%$ to EUR 15,351 thousand (EUR 15,102 thousand). There was a clear fall in sales in Finland. Trends in exports varied between markets. A sharp rise in sales was seen in the market area referred to as "the other Nordic countries", where growth was boosted by one-off royalty income from licensing cooperation with $H$ \& M Hennes \& Mauritz AB. Buoyant growth continued in North America, while sales fell in the market areas referred to as "the rest of Europe" and "other countries". Exports and income from international operations accounted for $29.6 \%$ of net sales of clothing.

## Interior decoration

Net sales of interior decoration products grew by 8.2\% to EUR 14,965 thousand (EUR 13, 827 thousand). Sales rose both in Finland and abroad. The majority of the growth seen in Finland was generated by deliveries for individual promotions. Growth continued in all key export markets. The briskest growth was seen in Japan, although solid growth also continued in the United States and the market area referred to as "the other Nordic countries". When compared to the corresponding period of last year, a contraction in income from licensing operations both in Finland and abroad had an unfavourable impact on growth in sales of interior decoration products. Exports and income from international operations accounted for $33.2 \%$ of net sales of interior decoration products.

## Bags

Net sales of bags increased by $36.9 \%$ to EUR 6,817 thousand (EUR 4,980 thousand). Growth picked up both in Finland and export markets. Sales in Finland were boosted by a substantial delivery for a one-off promotional campaign. Brisk growth was seen in all export markets except North America, which experienced a distinct fall in sales. In relative terms, the highest increase in bag sales was seen in the market areas referred to as "other countries" and "the other Nordic countries". Exports and income from international operations accounted for $29.3 \%$ of net sales of bags.

Business-to-business sales
Business-to-business sales (previously "business gifts and contract sales") rose by $101.2 \%$. This growth was generated by a delivery for an individual promotional campaign.

Exports and international operations
Exports and income from international operations rose by $21.4 \%$ to EUR 11,496 thousand (EUR 9,466 thousand). Growth continued in all key markets. However, growth rates slowed in several countries during the second quarter due to the weaker economic outlook. The major export countries were Sweden, the United States, Japan, Denmark, Norway and Germany.

In the market area referred to as "the other Nordic countries", net sales rose by $35.8 \%$ to EUR 5,248 thousand (EUR 3,865 thousand). Sales improved in all product lines. The greatest relative growth was seen in sales of clothing and bags. Sales of interior decoration products also grew well. One-off income from licensing cooperation with $H$ \& $M$ Hennes \& Mauritz AB contributed to the substantial growth in clothing sales during the second quarter.

Growth was sluggish in the market area referred to as "the rest of Europe". Net sales rose by 1.1\% to EUR 2, 451 thousand (EUR 2,424 thousand). Sales of bags continued to grow well. Sales of interior decoration products rose slightly, but clothing sales declined.

Growth continued in North America, albeit at a slower rate than in the previous year. Net sales rose by $11.7 \%$ to EUR 1,913 thousand (EUR 1,713 thousand). The greatest relative increase was seen in sales of interior decoration products. Clothing sales also continued to grow well, but bags experienced a notable fall in sales.

In the market area referred to as "other countries", in which Japan is the major export country, net sales rose by $28.7 \%$ to EUR 1,884 thousand (EUR 1,464 thousand). Growth was generated by sales of interior decoration products and bags, while sales of clothing contracted slightly. At the end of the period, there were a total of eleven Marimekko concept stores and shop-in-shops in Japan. In February 2008, Marimekko's Japanese partner Look Inc. opened a Marimekko concept store in Sapporo.

## Licensing

Royalty earnings from sales of licensed products rose substantially during the period. This growth was wholly generated during the second quarter through one-off income from licensing cooperation with the Swedish company $H$ \& M Hennes \& Mauritz AB. In Finland and the United States, royalty earnings fell significantly.

Production
During the review period, the production volume of the company's factories remained at the same level as in the corresponding period of the previous year.

## EARNINGS

April-June
In the April-June period, the Group's operating profit rose by $54.6 \%$ on the comparison period to EUR 2,540 thousand (EUR 1,643 thousand). Earnings per share rose to EUR 0.23 (EUR 0.15). In addition to growth in exports, earnings for the period were improved by sales growth in Finland generated by individual promotions, substantial one-off income from sales of licensed products, and reduced marketing expenses. Earnings trends weakened by increased operating expenses.

January-June
In the January-June period of 2008 , the Group's operating profit improved by $39.0 \%$ to EUR 4,364 thousand (EUR 3,140 thousand). Operating profit as a percentage of net sales was $11.8 \%$ (9.3\%). The Group's marketing expenses for the period totalled EUR 1,667 thousand (EUR 2,067 thousand), representing 4.5\% (6.1\%) of net sales.

The Group's depreciation amounted to EUR 655 thousand (EUR 655 thousand), or $1.8 \%$ (1.9\%) of net sales. Net financial income totalled EUR 14 thousand (net financial expenses: EUR 4 thousand), representing $0.0 \%$ ( $0.0 \%$ ) of net sales.

Profit for the period after taxes rose by 39.6\% to EUR 3,237 thousand (EUR 2,319 thousand), or $8.7 \%$ (6.8\%) of net sales. Earnings per share improved to EUR 0.40 (EUR 0.29).

In addition to growth in exports, earnings for the period were improved by sales growth in Finland generated by individual promotions, substantial one-off income from sales of licensed products, and reduced marketing expenses. Earnings trends weakened by increased operating expenses.

## INVESTMENTS

The Group's gross investments amounted to EUR 368 thousand (EUR 1,024 thousand), representing $1.0 \%$ ( $3.0 \%$ ) of net sales. The major investments were made in renovations to the Herttoniemi property, the acquisition of equipment and information management systems, as well as in the construction of the Turku store, which will open at the end of August 2008.

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EQUITY RATIO AND FINANCING

Equity ratio was $67.2 \%$ at the end of the period (62.9\% on 30 June 2007, 72.7\% on 31 December 2007). The ratio of interest-bearing liabilities minus financial assets to shareholders' equity (gearing) was 2.6\%, while it was 9.9\% at the same time in the previous year (-15.2\% on 31 December 2007).

At the end of the period, the Group's financial liabilities amounted to EUR 4,970 thousand (EUR 5,712 thousand). The Group's financing from operations was EUR 3,893 thousand (EUR 2,974 thousand) and its financial assets amounted to EUR 4,251 thousand at period's end (EUR 3,343 thousand).

## SHARES AND SHARE PRICE TREND

Share capital
At the end of the period, 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 totalled 8,040,000.

Shareholdings
According to the book-entry register, Marimekko had 5,877 (5,266) registered shareholders at the end of the review period. 17.0\% of the shares were registered in a nominee's name and $14.8 \%$ were in foreign ownership. At the end of the period, the number of shares owned either directly or indirectly by members of the Board of Directors and the president of the company was 1,045,900, representing $13.0 \%$ of the total share capital and - taking into account the voting authorisation granted by Workidea Oy to Muotitila Ltd on 31 October 2007 - $23.0 \%$ of the votes conferred by the company's shares.

Largest shareholders according to the book-entry register on 30 June 2008

1. Muotitila Ltd
2. Fautor S.P.R.L.
3. Workidea Oy
4. ODIN Finland
5. Evli Select Fund
6. Varma Mutual Employment

Pension Insurance Company
7. Ilmarinen Mutual Pension Insurance Company
8. Foundation for Economic Education
9. Miettinen Kari
10. Scanmagnetics Oy
11. Fromond Elsa
12. Westerberg Olof
13. Karvonen Eero
14. Mäki Uolevi
15. Esr Eq Pikkujättiläiset

Nominee-registered
Others
Total

Percentage of holding and votes
13.00 *) 23.00
10.58
10.58
10.00 *) 0.00
$4.14 \quad 4.14$
1.87 1.87
$1.34 \quad 1.34$
$0.89 \quad 0.89$
$0.62 \quad 0.62$
$0.60 \quad 0.60$
$0.50 \quad 0.50$
$0.40 \quad 0.40$
$0.37 \quad 0.37$
$0.35 \quad 0.35$
$0.34 \quad 0.34$
$0.31 \quad 0.31$
*) Taking into account the voting authorisation granted by Workidea Oy to Muotitila Ltd on 31 October 2007. Detailed information on the authorisation was given in the section "Share and Shareholders/Flagging notifications" in Marimekko's 2007 Annual Report.

Flaggings
Morgan Stanley \& Co Incorporated's share of Marimekko Corporation's share capital and voting rights rose to 5.44\%, or 438,083 shares, as a result of a transaction made on 7 April 2008; and then fell to $0.90 \%$, or 73,083 shares, as a result of a transaction made on 9 April 2008.

Authorisations
At the end of the review period, 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.

Share trading
During the review period, a total of 852,290 Marimekko shares were traded, representing $10.6 \%$ of the shares outstanding. The total
value of Marimekko's share turnover was EUR 12,425,045. The lowest price of the Marimekko share was EUR 13.35, the highest was EUR 18.20, and the average price was EUR 14.57. At the end of the review period, the final price of the share was EUR 13.35. The
company's market capitalisation on 30 June 2008 was EUR 111,756,000 (EUR 118,188,000 on 30 June 2007, EUR 146,328,000 on 31 December 2007).

## PERSONNEL

The number of Marimekko personnel increased by 1.7\% in the January-June period of 2008. During the period, the number of employees averaged 411 (402). At the end of the period, the Group employed 407 (400) people, of whom 16 (17) worked abroad.

CHANGES IN THE COMPANY'S MANAGEMENT

On 1 February 2008, Mika Ihamuotila, Ph.D. (Econ.), became the company's new president. As of 1 February 2008, the company's management group comprises Mika Ihamuotila as Chairman with members Thomas Ekström (Chief Financial Officer), Marja Korkeela (Group communications and investor relations), Päivi Lonka (exports and licensing sales), Sirpa Loukamo (clothing and accessories), Mervi Metsänen-Kalliovaara (domestic wholesale, business-to-business sales, sales development), Piia Rossi (company-owned retail stores), Kirsi Räikkönen (brand and marketing communications) and Helinä Uotila (production, purchases, and interior decoration). Sirpa Loukamo will retire on 1 September 2008. Her work will be continued by Niina Nenonen, who joined the management group and assumed responsibility for the company's clothing portfolio and its profitability on 1 August 2008.

RISK MANAGEMENT AND MAJOR RISKS

Marimekko's risk management policy and the major risks to the company's business operations have been detailed in the 2007 Annual Report. No notable changes in these risks occurred during the review period.

## RESEARCH AND DEVELOPMENT

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

## ENVIRONMENT

Responsibility for the environment and nature is an integral aspect of Marimekko's business. Cooperation agreements require Marimekko's subcontractors and other partners to commit themselves to shouldering their environmental responsibilities. In environmental matters, the company's business supervision is largely based on legislation and other regulations. Marimekko's production processes do not generate any waste that is classified as hazardous or detrimental to health. The environmental impacts
of production and other business operations are monitored regularly by testing the materials used in the products and developing production processes and methods. In late 2007, the company launched a project to establish a social responsibility management system for the entire Group. This project will be continued during the 2008 financial year.

DECISIONS OF THE ANNUAL GENERAL MEETING
Marimekko Corporation's Annual General Meeting, held on 3 April 2008, adopted the company's accounts for 2007, discharged the President and members of the Board from liability, and approved the Board of Directors' proposal for payment of a dividend for 2007 of EUR 0.65 per share, totalling EUR 5,226,000.00. The record date was 8 April 2008 and the dividend payout date 15 April 2008.

The Annual General Meeting resolved that the company's Board of Directors shall have five (5) members. Tarja Pääkkönen was reelected to the Board of Directors. Ami Hasan, Mika Ihamuotila, Joakim Karske and Pekka Lundmark were elected as new members. At its organisation meeting held after the Annual General Meeting, the Board of Directors elected Pekka Lundmark as Chairman and Mika Ihamuotila as Vice Chairman of the Board. The Board of Directors' term of office runs until the end of the next Annual General Meeting.

The Annual General Meeting also resolved that the remuneration of the Chairman of the Board will be EUR 20,000 per year and the remuneration of each other Board member EUR 15,000 per year. The President of Marimekko Corporation will not receive remuneration for being a member of the Board.

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

## MAJOR EVENTS AFTER THE CLOSE OF THE REVIEW PERIOD

Disagreement concerning the Unikko trademark
In a stock exchange release dated 2 July 2008, Marimekko announced that Dolce \& Gabbana S.r.l. and Dolce \& Gabbana Industria S.p.A. had submitted an application to the Office for Harmonisation in the Internal Market (OHIM) for a declaration of invalidity concerning Marimekko's red figure mark Unikko in classes 24 (Textiles and textile goods) and 25 (Clothing and headgear). Marimekko has the right to respond to this application on or before 25 September 2008.

As part of the regular monitoring and protection of its intellectual property rights, Marimekko had already reacted to the
use of a flower pattern in certain Dolce \& Gabbana products during spring and summer 2008. Marimekko has not authorised the set use, and the company has taken action in Germany to terminate such use. On the basis of Marimekko's application, the District Court of Hamburg has imposed a sales and marketing injunction on certain Dolce \& Gabbana products in Germany. Marimekko is now considering further action.

Marimekko currently estimates that there are no grounds for Dolce \& Gabbana's application for a declaration of invalidity and that this issue does not affect either Marimekko's operations or the company's assessment of the outlook for the remainder of 2008. Marimekko will continue to monitor and protect its intellectual property rights and will respond to the application within the set time limit. The company will report on any developments primarily within regular disclosure obligations and will publish separate releases only as required under the applicable rules.

OUTLOOK FOR THE REMAINDER OF 2008

The international economic outlook has continued to weaken and economic growth is forecast to slow even further in the coming months. Marimekko operates in an industry in which changes in the business climate are reflected in consumption demand. In recent years, exports have increasingly been driving net sales growth.

Earnings trends and net sales growth for the remainder of 2008 will be supported by a substantial promotional delivery in Finland and the opening of four new Marimekko concept stores in Japan. Based on the business climate outlook and Marimekko's business estimates, the Group's net sales growth and relative profitability for the 2008 financial year are forecast to remain at 2007 levels. Deliveries for individual promotions in Finland and one-off income from sales of licensed products will have a significant impact on full-year net sales growth and earnings. Earnings trends are burdened by increased operating expenses.

Helsinki, 21 August 2008

MARIMEKKO CORPORATION
Board of Directors

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## GENERAL CLAUSE

This interim report contains forward-looking statements that are based on the factors and assumptions currently available to Marimekko's management as well as on the company's current decisions and plans. Forward-looking statements contain assumptions that are subject to uncertainties. Actual results may therefore deviate substantially from these assumptions.
Uncertainty factors include changes in general economic trends, the market situation, competition, currency exchange rates and the company's own business operations.

APPENDICES TO THE INTERIM REPORT
Consolidated income statement
Consolidated balance sheet
Consolidated cash flow statement
Consolidated statement of changes in shareholders' equity
Key indicators
Consolidated net sales by market area and product line
Segment information
Quarterly trend in net sales and earnings

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CONSOLIDATED INCOME STATEMENT

| (EUR 1,000) | $\begin{aligned} & 4-6 / \\ & 2008 \end{aligned}$ | $\begin{aligned} & 4-6 / \\ & 2007 \end{aligned}$ | $\begin{aligned} & 1-6 / \\ & 2008 \end{aligned}$ | $\begin{aligned} & 1-6 / \\ & 2007 \end{aligned}$ | $\begin{array}{r} 1-12 / \\ 2007 \end{array}$ |
| :---: | :---: | :---: | :---: | :---: | :---: |
| NET SALES | 18,539 | 16,997 | 37,133 | 33,909 | 77,264 |
| Other operating income | 14 | 17 | 24 | 35 | 74 |
| Increase or decrease in inventories of completed and unfinished products | 703 | 67 | 2,564 | 924 | 642 |
| Raw materials and consumables | 7,534 | 6,793 | 16,751 | 14,045 | 31,626 |
| Employee benefit expenses | 4,786 | 4,194 | 9,208 | 8,240 | 16,799 |
| Depreciation | 326 | 333 | 655 | 655 | 1,338 |
| Other operating expenses | 4,070 | 4,118 | 8,743 | 8,788 | 17,730 |
| OPERATING PROFIT | 2,540 | 1,643 | 4,364 | 3,140 | 10,487 |
| Financial income | 48 | 36 | 101 | 82 | 153 |
| Financial expenses | -57 | -56 | -87 | -86 | -198 |
|  | -9 | -20 | 14 | -4 | -45 |
| PROFIT BEFORE TAXES | 2,531 | 1,623 | 4,378 | 3,136 | 10,442 |
| Income taxes | 669 | 428 | 1,141 | 817 | 2,725 |
| NET PROFIT FOR |  |  |  |  |  |
| THE PERIOD | 1,862 | 1,195 | 3,237 | 2,319 | 7,717 |
| Distribution <br> To equity holders of the parent company | 1,862 | 1,195 | 3,237 | 2,319 | 7,717 |
| Basic and diluted earnings per share calculated on the profit attributable to equity holders of the parent company, EUR | 0.23 | 0.15 | 0.40 | 0.29 | 0.96 |

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CONSOLIDATED BALANCE SHEET
(EUR 1,000)
30.6 .2008
30.6 .2007
31.12 .2007

ASSETS

NON-CURRENT ASSETS
Tangible assets
Intangible asset
Available-for-sa
investments
CURRENT ASSETS

| 9,691 | 10,402 | 9,956 |
| ---: | ---: | ---: |
| 389 | 306 | 411 |
|  |  | 20 |
| 20 | 20 | 10,387 |

Inventories
20,274
17,422
18,281
Trade and other
receivables
5,755
6,022
5,533
Current tax assets
501
4,251
627
220
3,343
6,269
30,781
27,414
30,303

40,881
38,142
40,690

SHAREHOLDERS' EQUITY
AND LIABILITIES

EQUITY ATTRIBUTABLE TO EQUITY
HOLDERS OF THE PARENT COMPANY
Share capital
Translation differences
Retained earnings
8, 040
8, 040
8, 040
6
4
3
19,363
15,954
21,352
Shareholders' equity, total
27,409
23,998
29,395

NON-CURRENT LIABILITIES
Deferred tax liabilities
721
185
637
676
Financial liabilities
906
841
185
1,478
861
CURRENT LIABILITIES
Trade and other payables
7,781
7,795
8,810
18
Current tax liabilities
Financial liabilities

Liabilities, total
13,472
14,144
11,295

SHAREHOLDERS' EQUITY AND
LIABILITIES, TOTAL
40,881
38,142
40,690

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.

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CONSOLIDATED CASH FLOW STATEMENT
(EUR 1,000)
1-6/2008
1-6/2007
1-12/2007

CASH FLOW FROM OPERATING
ACTIVITIES

| Net profit for the period | 3,237 | 2,319 | 7,717 |
| :---: | :---: | :---: | :---: |
| Adjustments |  |  |  |
| Depreciation according to plan | 655 | 655 | 1,338 |
| Financial income and expenses | -14 | 4 | 45 |
| Taxes | 1,141 | 817 | 2,725 |
| Cash flow before change |  |  |  |
| Change in working capital | -3,219 | -1,123 | -598 |
| Cash flow from operating activities before |  |  |  |
| financial items and taxes | 1,800 | 2,672 | 11,227 |
| Paid interest and payments |  |  |  |
| Interest received | 96 | 79 | 150 |
| Taxes paid | -1,422 | -1,934 | -3,094 |
| CASH FLOW FROM |  |  |  |
| OPERATING ACTIVITIES | 396 | 734 | 8,076 |
| CASH FLOW FROM |  |  |  |
| INVESTING ACTIVITIES |  |  |  |
| Investments in tangible |  |  |  |
| CASH FLOW FROM |  |  |  |
| INVESTING ACTIVITIES | -368 | -1,024 | -1,519 |
| CASH FLOW FROM |  |  |  |
| FINANCING ACTIVITIES |  |  |  |
| Short-term loans drawn | 4,600 | 4,000 | 4,150 |
| Short-term loans repaid | -950 | -400 | -4,000 |
| Long-term loans repaid | -470 | -470 | -941 |
| Finance leasing debts paid | - | -60 | -60 |
| Dividends paid | $-5,226$ | $-5,226$ | -5,226 |
| CASH FLOW FROM |  |  |  |
| FINANCING ACTIVITIES | -2,046 | -2,156 | -6,077 |
| Change in cash and |  |  |  |
| Cash and cash equivalents at the beginning of the period | 6,269 | 5,789 | 5,789 |
| Cash and cash equivalents at the end of the period | 4,251 | 3,343 | 6,269 |

## marimekko

| Equity | tributab | to equity ho | ers of th | parent company |
| :---: | :---: | :---: | :---: | :---: |
| (EUR 1,000) | Share capital | Translation differences | Retained earnings | Shareholders' equity, total |
| ```Shareholders' equity 1 Jan. 2007``` | 8,040 |  | 18,861 | 26,901 |
| Translation differences |  | 4 |  | 4 |
| Net profit for the period |  |  | 2,319 | 2,319 |
| Dividends paid |  |  | -5,226 | -5,226 |
| Shareholders' equity <br> 30 June 2007 | 8,040 | 4 | 15,954 | 23,998 |
| Shareholders' equity <br> 1 Jan. 2008 | 8,040 | 3 | 21,352 | 29,395 |
| Translation differences |  | 3 |  | 3 |
| Net profit for the period |  |  | 3,237 | 3,237 |
| Dividends paid |  |  | -5,226 | -5,226 |
| Shareholders' equity |  |  |  |  |
| 30 June 2008 | 8,040 | 6 | 19,363 | 27,409 |

## marimekkoo

|  | $\begin{aligned} & 1-6 / \\ & 2008 \end{aligned}$ | $\begin{aligned} & 1-6 / \\ & 2007 \end{aligned}$ | Change, \% | $\begin{array}{r} 1-12 / \\ 2007 \end{array}$ |
| :---: | :---: | :---: | :---: | :---: |
| Earnings per |  |  |  |  |
| Equity per share, EUR | 3.40 | 2.98 | 14.1 | 3.66 |
| Share of exports and international operations, |  |  |  |  |
| ```Return on equity (ROE), %``` | 22.8 | 18.2 |  | 27.4 |
| Return on |  |  |  |  |
| Equity ratio, \% $67.2 \quad 62.9$ <br> Gross investments, |  |  |  | 72.7 |
| Gross investments, EUR 1,000 | 368 | 1,024 | -64.0 | 1,365 |
| Gross investments, |  |  |  |  |
| Contingent liabilities, |  |  |  | 18,710 |
| Personnel at the end |  |  |  |  |
|  |  |  |  |  |
| Number of shares at the end of |  |  |  |  |
| Number of shares outstanding, |  |  |  |  |
| ```Earnings per share (EPS), EUR: (Profit before extraordinary items - taxes (excl. of taxes on extraordinary items)) / Number of shares (average for the financia period)``` |  |  |  |  |
| Equity per share, EUR: <br> Shareholders' equity / Number of shares, 30 June |  |  |  |  |
| ```Return on equity (ROE), %: (Profit before extraordinary items - taxes (excl. of taxes on extraordinary items)) X 100 / Shareholders' equity (average for th financial period)``` |  |  |  |  |
| ```Return on investment (ROI), %: (Profit before extraordinary items + interest and other financial expenses) X 100 / (Balance sheet total - non-interest-bearing liabilities (average for the financial period))``` |  |  |  |  |
| Equity ratio, \%: <br> Shareholders' equity X | / (Ba | ce shee | otal - adv | es rece |
| Gearing, \%: <br> Interest-bearing net | $\text { X } 100$ | Sharehol | equity |  |

## marimekko

NET SALES BY MARKET AREA AND PRODUCT LINE

BY MARKET AREA, APRIL-JUNE
(EUR 1,000)
$4-6 / 2008$

13,415
Finland
Other Nordic countries
Rest of Europe
2,594 889
North America
Other countries
TOTAL
18,539
$4-6 / 2007$

BY PRODUCT LINE, APRIL-JUNE
$4-6 / 2008$

7,513
7,377
3,649
18,539

12,834
1,796
861
814
692
16,997
$4-6 / 2007$

7,395
7,029
2,574
16,997
Change, \%
1.6
5.0
41.8
9.1
4.5
44.4
3.2
0.1
19.3
9.1

1
$1-12 / 2007$

30,036
35, 813
11,415
77,264

BY MARKET AREA, JANUARY-JUNE
(EUR 1,000)

Finland
Other Nordic countries
Rest of Europe
North America
Other countries
TOTAL
$1-6 / 2008$

25,637
5, 248
2,451
1,913
1,884
37,133

1-6/2007

24,443
3,865
2,424
1,713
1,464
33,909

BY PRODUCT LINE, JANUARY-JUNE
(EUR 1,000)
$1-6 / 2008$

$$
1-6 / 2007
$$

15,102
15,351
13,827
6,817 4,980
37,133
33,909

Change, \%
4.9
35.8
1.1
11.7
28.7
9.5
$1-12 / 2007$

56,826
8,581
4,725
4, 067
3, 065
77,264

Change, \%
$1-12 / 2007$

```
1.6
30,036
8.2
36.9
9.5
```

35,813
11,415
77,264

## marimekko

SEGMENT INFORMATION
(EUR 1,000)

Net sales
Finland
Other countries
Total

Assets
Finland
Other countries Eliminations
Total
$1-6 / 2008$
1-6/2007

25,637
24,443
11,496 9,466
37,133 33,909

40,340 37,962
2,086 1,663
$-1,545 \quad-1,483$
$40,881 \quad 38,142$

368
972
Finland
52
1, 024
368
21.4

20,438
9.5

77,264

39,094
2,469
-873
40,690

1,303
62
1,365

QUARTERLY TREND IN NET SALES AND EARNINGS
(EUR 1,000)

Net sales
Operating profit
Earnings per share, EUR
(EUR 1,000)

Net sales
Operating profit
Earnings per share, EUR

16,997
16,912
$1,6431,497$
0.15
0.14

4-6/
1-3/
2008

18,594
1, 824
0.17

1-3/
2007

10-12/
7-9/
2007

22,656
20,699
3,965
0.31
0.36

| $10-12 /$ | $7-9 /$ |
| ---: | :--- |
| 2006 | 2006 |

20,142
18,357

3,776
0.35

3,492
0.32

