Positive points

1. 

+ Lindex is the star of the Group; operating profit and market share in the main markets increased, profitability excellent

+ Group’s costs down by EUR 46.0 million compared with 1-9/2008 → target for the year already exceeded

+ Relative gross margin in 1-9/2009 healthy 47.3 % (47.8 % in 2008) despite continuing heavy competitive discounting in all markets

+ Stock level healthy, Group’s inventories down EUR 21.3 million despite expansion

+ Financial expenses distinctly lower than in 2008 (EUR 18.8 million vs. EUR 37.4 in 1-9/2008)

+ Profit for the third quarter increased to EUR 16.9 million (EUR 15.6 million in 2008), thanks to a decline in deferred taxes
Positive points

+ Stronger balance sheet, equity ratio 43.4 (36.2) and net gearing 94 (130.7), thanks to
  - successful equity issues in August and September
  - continued capital release programme EUR 84.4 million; e.g. Helsinki parking
    facilities sold; net investments in 1-9/2009 only EUR 20.6 million

+ Construction work of Stockmann Nevsky Centre in St Petersburg continues
  according to plan

+ Helsinki main department store expansion and refurbishment project will be
  completed before the Christmas season 2010

+ Preparations for the integration of Hobby Hall into the Department Store Division
  proceed as planned

+ The best thing about Q3/2009 was that it ended; management believes that there are
  good opportunities to reach last year’s sales level in Q4 and to improve operating
  profit; good start for Q4 in all businesses

Negative points

- The economic downturn affected operations in all markets → however, there are signs of improving consumer confidence
- Indian summer, i.e. extremely warm weather until the last week of September affected sales of Autumn collections especially in department stores and Seppälä
- Swedish krona, Norwegian krone and Russian rouble clearly weaker than in 1-9/2008
- Difficult market situation especially in the Baltic countries continues
- Department Store Division’s franchising operations clearly loss making
- Operating profit in Q3/2009 EUR 17.7 million (EUR 34.6 in 2008)
Sales, Stockmann Group

EUR mill.

-15%  -11%  -11%

1-3  4-6  7-9  10-12

2007  2008  2009
Operating profit, Stockmann Group

Q1/2008 operating profit is burdened by Lindex’s EUR 4.5 mill. IFRS related expenses.

Other operating income
Provision for closing down the Smolenskaya dpt store

EUR mill.
Profit before taxes, Stockmann Group

Q1/2008 operating profit is burdened by Lindex’s EUR 4.5 mill. IFRS related expenses

- Other operating income
- Provision for closing down the Smolenskaya dpt store.
# Key figures, Stockmann Group

<table>
<thead>
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</thead>
<tbody>
<tr>
<td>Sales (EUR mill.)</td>
<td>1 415.0</td>
<td>1 613.0</td>
<td>2 265.8</td>
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<tr>
<td>Operating profit (EUR mill.)</td>
<td>24.3</td>
<td>63.5</td>
<td>121.9</td>
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<tr>
<td>Net financial expenses (EUR mill.)</td>
<td>-18.8</td>
<td>-37.4</td>
<td>-50.1</td>
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<tr>
<td>Profit before taxes (EUR mill.)</td>
<td>5.5</td>
<td>26.1</td>
<td>71.7</td>
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<tr>
<td>Equity ratio (%)</td>
<td>43.4</td>
<td>36.2</td>
<td>39.0</td>
</tr>
<tr>
<td>Net gearing (%)</td>
<td>94.0</td>
<td>130.7</td>
<td>107.4</td>
</tr>
<tr>
<td>ROCE (%)</td>
<td>5.1</td>
<td>12.2</td>
<td>8.3</td>
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Stockmann Group, full-year outlook

• Visibility still weakish but improving
• All market areas in recession in 2009, worst situation in the Baltic countries
• In Russia, the trend in economy is to a great extent dependent on the price of energy → the present price level enables a firm rouble, and the immediate pressure to devaluation has diminished
• No major changes anticipated in the valuation of the Swedish krona during Q4
• According to present estimates, it is possible that sales in Q4 reach last year’s level and that the operating profit will improve in Q4
• Sales and operating profit for the whole year will be lower than in 2008
• Financial expenses will be distinctly lower than in 2008
• The objective is a positive cash flow after net capital expenditure
Sales, Department Store Division

EUR mill.

-19%  -13%  -15%

1-3   4-6   7-9   10-12

2007  2008  2009
Sales, Department Store Division

- Q3 sales were down 15% to EUR 225.7 million
- Sales down 11% in Finland, 28% in the Baltic countries, in Russia 2% in roubles and 21% in euros
- Share of international operations 27% (30% in Q3/2008)
Sales, Department Store Division

- Exceptionally warm weather in August-September disrupted the sales for outerwear, knitwear and other "heavy" fashion products. Season started only in mid-September in Finland and the Baltic countries, and in September in Russia.
- In August, the Helsinki Department Store was suffering from several ongoing department relocations.

+ Electronics, food, books and stationery all performed as forecasted, sales close to last year’s level.
+ Fast fashion, trendy items and premium brands performed as forecasted → since the opening of the new departments in Helsinki performing well.
+ Clear change in demand mid-end September: sales coming close to last year’s level or slightly above it in most areas → this trend continues in October as well.
Operating profit, Department Store Division

- Other operating income
- Provision for closing down the Smolenskaya dpt store.
Operating profit, Department Store Division

- Q3 operating profit EUR -1.9 million (EUR 13.5 million in 2008). The 2008 figure includes cancellation of the EUR 3.3 million provision for the closure of Smolenskaya

- Price competition and stock reductions in all markets affected sales volume and sales margins heavily

- Low volume of new autumn fashion sales had the biggest effect. Best performing areas have the lowest gross margins

+ Stock level down by 22% compared with last year
+ Sales margin 39.8%, last year 40.9% \(\rightarrow\) drop only 1.1%
+ Cost savings will continue and amount will exceed the plan
Outlook for the rest of the year 2009

- Sales have improved in October especially in Finland and in Russia
- Sales of Q4 are forecasted to be close to 2008 level
Crazy Days campaign, autumn 2009

FINLAND  SALES INDEX: 103 (autumn 2008)

BALTICS  SALES INDEX: 79 (autumn 2008)

RUSSIA  SALES INDEX EUR:  97 (autumn 2008)
        SALES INDEX RUR:  120 (autumn 2008)

- Total campaign sales on 2008 level amounting to EUR 63.4 million
- In Finland, good performance in all merchandise areas – best index 109 in electronics
- Russian sales index exceeded the 2007 level by 3% – Metropolis performing well
Crazy Days campaign, autumn 2009

Print ads

Bus stop banners

Newsletter

New food
extra leaflet
New openings - All-Time Stockmann Helsinki

Men’s fashion and shop-in-shops 08-09/2009

Ladies’ shoes 08/2009

Large household appliances and Basement 09/2009

New escalator to Delicatessen 10/2009
All-Time Stockmann Helsinki – openings in 2010

- New Delicatessen 1st phase 03/2010
- Children’s world 2nd phase 06/2010
- Ladies’ fashion 06/2010
- F8 restaurant à la carte summer/2010
- New Delicatessen 2nd phase 09/2010
  → New lifts from Q-Park 09/2010
- Cosmetics, pharmacy, confectionary K1 09/2010
- Grand opening 11/2010
  → Keskuskatu becomes a pedestrian street
Nevsky Centre project in St Petersburg

Opening November 2010

9 Oct 2009 Construction site from crane

9 Oct 2009 (+12.70m) Height nearly exceeding neighbouring building in Vosstanya 4

9 Oct 2009 (+12.70m) Atrium
New department stores in Rostokino shopping mall
Moscow and Ekaterinburg, Russia

Rostokino Moscow opening 4 March 2010
Ekaterinburg opening 03/2011
Christmas campaign 2009
New private label Decor for home in 2010
Lindex Q3/2009

- All-time high operating result in the quarter
- Increased sales in all business areas
- Gross margin is at a very good level and on a par with the previous year
- Stock situation is healthy
- Continued cost control
Sales development in Q3/2009

- In local currencies, sales increased by 5%
- Lindex’s euro-denominated sales decreased by 2.9%
- In local currencies, all business areas increase. Very positive development in Ladies’ Wear.
- In local currencies, all markets increase, except Latvia
- Gained market share in comparable stores in Sweden, Lindex’s main market

- 9 new stores opened during Q3
- 24 new Lindex stores in 1-9/2009
- Lindex opened a new store in Slovakia in September and is now represented in 10 markets
- One new store opening in Moscow in November
- Further expansion in all markets
Estimated number of new stores 2009

2009: 24 new stores opened during the year. 10 new stores will open before the year 2009 expires.

2010: Lindex will continue to expand and open new stores
Sales, Lindex

In local currencies, sales increased by 5% during Q3

EUR mill.

-11%

-8%

-3%

1-3

4-6

7-9

10-12

200

150

100

50

0

2007 Pro forma

2008

2009
The operating profit for Q3 is negatively affected by EUR 2.6 million due to currency effects.

Q1/2008 operating profit is burdened by EUR 4.5 mill. IFRS related expenses.
Successful autumn for Lindex

• Successful PR events that have created a good buzz in fashion press and bloggers throughout the Nordic countries
• Lindex Norway celebrates its 40 years of operation
• Lindex is nominated as a candidate for the best fashion store and best store interior in Sweden
• Lindex opened store no 200 in Sweden 22 October 2009
Sales Q3 and 1-9/2009, Seppälä

- Sales 1-9/2009  EUR 122 million, down 7%
- Sales Q3/2009  EUR 44 million, down 12%

Abroad 1-9/2009
- sales were down 12%
- sales decreased heavily in the Baltic countries
- in Russia, rouble-denominated sales increased by 18%
- two new stores each in Russia, Latvia and Lithuania,
  one new store in Ukraine
- one store closing in Russia
- share of sales abroad 33% (34%)

Finland 1-9/2009
- sales were down 5% on the previous year
- good sales development in women’s clothing continued
- start of autumn outerwear sales postponed to October
- two new stores opened and two stores closed
Sales, Seppälä

EUR mill.

-3%  -5%  -12%

1-3  4-6  7-9  10-12

2007  2008  2009
Operating profit Q3 and 1-9/2009, Seppälä

- Operating profit 1-9/2009  EUR 3.1 million (EUR 10.4 million)
- Operating profit Q3/2009  EUR 2.9 million (EUR  5.9 million)

Factors that affected the result:
- Weakened consumer demand in the Baltic countries  
  → increased low-price campaign sales
- Weakening of Russian rouble
- Visitors in shopping centres and stores declined,  
  → conversion rate at the previous year’s level
- The adjustment of purchases and allocations started 
  to have an effect  on stock level in July  
  → stock level below last year at the end of September
- Lag in sales caused growth in stock until July  
  → big discounts were needed for stock reductions
- Starting costs of new stores increased costs and depreciations
- The cost-cutting programme started to have an effect in May  
  → costs below last year
Operating profit, Seppälä

EUR mill.

-3 -1 0 1 2 3 4 5 6 7 8 9

1-3 4-6 7-9 10-12

2007 2008 2009
Full-year outlook, Seppälä

- Sales with healthy margins have improved in October
- Profitability to remain at a good level
- Opening of 4 new stores; Finland 2, Russia 1, Estonia 1
- The current financial climate gives more potential for medium and lower price fashion categories
- Purchases downsized to correspond the weakened demand
- Change in the product mix to take the market situation into account
- Fashion Hit of the week → tactical sales boosting campaign with fashion touch
- Cost cuts in every sector and in every market
Seppälä has 209 stores in over a hundred cities in six countries

- Finland: 132 stores
- Russia: 35 stores
- Estonia: 18 stores
- Latvia: 11 stores
- Lithuania: 11 stores
- Ukraine: 2 stores

- St Petersburg: 12 stores
- Moscow: 7 stores
- Kolomna: 1 store
- Nizhny Novgorod: 2 stores
- Yaroslavl: 1 store
- Voronezh: 1 store
- Rostov-on-Don: 2 stores
- Samara: 1 store
- Volgograd: 1 store
- Volzhskiy: 1 store
- Novosibirsk: 1 store
- Yaroslav: 1 store
- St Petersburg: 12 stores
- Moscow: 7 stores
- Kolomna: 1 store
- Nizhny Novgorod: 2 stores
- Yaroslavl: 1 store
- Voronezh: 1 store
- Rostov-on-Don: 2 stores
- Samara: 1 store
- Volgograd: 1 store
- Volzhskiy: 1 store
- Novosibirsk: 1 store
- Yaroslav: 1 store

20.10.2009
Anne Lindberg By Seppälä
Teija Laaksamo By Seppälä
Raija-Leena Söderholm
Managing Director

Q3 Sales Hobby Hall
EUR 30.9 million (-26%)
All functions in the Baltic countries closed down by the end of August

Q3 Sales Finland
EUR 30.4 million (-12%)

January - September sales
EUR 114.1 million (-17%)

January - September sales in Finland
EUR 102.5 million (-9%)
Sales, Hobby Hall

EUR mill.

-9%
-17%
-26%

2007  2008  2009

Q3 operating profit
Operating profit EUR -0.9 million (0.7 previous year)

January – September operating profit
Operating profit EUR -3.5 million (-0.8 previous year)

- Operating profit mainly affected by the non-profitable Baltic operations, now closed
- Stock level under the previous years’ level
- Gross margin % in Finland increased compared with the previous year
- Cost-savings programme proceeding as planned
Operating profit, Hobby Hall
Stock development 2007-2009, EUR million
Outlook for the end of the year, Hobby Hall

• Concentration only on the Finnish market during Q4
• Hobby Hall’s Hämeentie store to be closed by the end of year 2009
• Cost-savings programme proceeding as planned
• The integration of Hobby Hall into the Department Store Division is proceeding as planned
• Finnish market is estimated to make positive Ebit for the full year 2009