1. Stockmann Group 2009

+ Reasonable result after a very difficult year
+ Earnings turned upward in Q4
+ Effective implementation of countermeasures in declining markets
  level of relative gross margin maintained (48.1 vs 48.3 in 2008)
  operating costs down EUR 53.7 on the figure in 2008
+ Equity increased in summer → partly repayment of the acquisition loan for Lindex
+ Equity ratio 44.1 (39.0), gearing down to 72.1 (107.4)
+ The programme to release capital (EUR 84.4 million) guaranteed strong positive
  cash flow (EUR 72.5 million) after high investments (EUR 152.8 million)
+ Financial expenses considerably smaller than in 2008
+ EPS up to 0.82 (0.65)
Stockmann Group 2009

+ Lindex the star of the Group → all time high EBITin local currencies in a very difficult market environment
+ All divisions improved their EBIT(excl non recurring expenses) in Q4
+ Stock level healthy in all divisions → gross margin will remain at a good level
+ Big investment projects proceed (Helsinki, St Petersburg) as planned and on schedule

- Full-year sales decreased by 9.6 per cent
- Full-year operating profit declined to EUR 85.3 million (EUR 121.9 mill. in 2008)
- Devaluation of central currencies; Russian rouble, Swedish krona and Norwegian krone
- Collapse of the market in the Baltic countries
Sales and operating profit 2009

**SALES (incl. VAT)**

- **EUR 2 048.2 mill.** (EUR 2 265.8 mill.)
  - **-9.6%**

**Department Store Division**

- **EUR 1 068.9 mill.** (EUR 1 218.9 mill.)
  - 

**Lindex**

- **EUR 655.1 mill.** (EUR 672.5 mill.)

**Hobby Hall**

- **EUR 155.9 mill.** (EUR 191.0 mill.)
  - **8%**

**Seppälä**

- **EUR 168.1 mill.** (EUR 182.6 mill.)
  - **8%**

**OPERATING PROFIT**

- **EUR 85.3 mill.** (EUR 121.9 mill.)
  - **-30.0%**

**Department Store Division**

- **EUR 24.5 mill.** (EUR 54.0 mill.)

**Lindex**

- **EUR 62.4 mill.** (EUR 58.7 mill.)
  - **67%**

**Hobby Hall**

- **EUR -1.7 mill.** (EUR 0.8 mill.)
  - **8%**

**Seppälä**

- **EUR 8.0 mill.** (EUR 14.6 mill.)
  - **9%**

**Department Store Division**

- **EUR 24.5 mill.** (EUR 54.0 mill.)
  - **26%**
Distribution of sales by market 2009, Stockmann Group

Sales (incl. VAT): EUR 2 048.2 million
Sales, Stockmann Group

EUR mill.

-15%  -11%  -11%  -3%

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

2007  2008  2009
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**

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<th>1-12/09</th>
<th>1-12/08</th>
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<tr>
<td>Sales</td>
<td>EUR mill.</td>
<td>2 048.2</td>
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<td>Operating profit</td>
<td>EUR mill.</td>
<td>85.3</td>
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<td>Profit before taxes</td>
<td>EUR mill.</td>
<td>61.3</td>
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<td>Earnings per share</td>
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<td>Cash flow from operating activities</td>
<td>EUR mill.</td>
<td>146.8</td>
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<td>Equity ratio</td>
<td>%</td>
<td>44.1</td>
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<td>Gearing</td>
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<td>ROCE</td>
<td>%</td>
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<td>Board’s proposal for dividend</td>
<td>EUR</td>
<td>0.72</td>
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</table>
Sales, Stockmann Group

EUR mill.

- Divestment of car business March 2006
- Acquisition of Lindex December 2007

- 2005
- 2006
- 2007
- 2008
- 2009
Profit before taxes, Stockmann Group

EUR mill.

- 2005
- 2006
- 2007
- 2008
- 2009

Other operating income
Dividend proposal

- Proposal per share: EUR 0.72 (87.8% of EPS)
- Total amount of proposed dividend: EUR 51.2 mill.

*) Proposal to the AGM
Outlook for 2010

1. Year 2010 still a challenging year

2. Signs of slow recovery and increasing consumer confidence in the Nordic and Russian markets

3. Development in Russia very much dependent on the price of crude oil
   → present level enough for a slow growth and a stable or appreciating rouble

4. In the Baltic countries the situation remains difficult
   → free fall has stopped but no growth to be expected, Estonia might recover first

5. Stockmann expects sales to start to pick up gradually, new openings will boost sales towards the end of the year

6. Investments will still be at a high level in 2010, approximately EUR 150 million

7. Tight cost control will continue

8. Operating result in Q1/2010 will be negative due to normal seasonality but will improve on the same quarter 2009

9. Full-year objective to achieve better operating profit than 2009
Outlook for 2010

Post-2010

• Yearly investment level approx. EUR 90-100 million lower than in the recent years
• Full utilization of the Nevsky Centre and the Helsinki expansion
Sales, Department Store Division

EUR mill.

-19% -13% -15% -5%

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

2007 2008 2009
Development of sales, Department Store Division

Sales by the Zara business in Russia that was divested at the beginning of 2006

* Continuing operations
Sales Q4/2009, Department Store Division

- Q4 sales EUR 351.7 million
  - in Finland EUR 264.9 million, -2.6%
  - in International operations EUR 86.8 million, -13.1%

+ Successful Crazy Days campaign in October
+ Good level of Christmas sales with less discounting
+ The new Metropolis department store performed better than expected
+ Loyal customer sales better than average in all markets
+ Rouble-denominated sales in Russia increased by 14.9%

- The Baltic countries are still struggling
Sales 01-12/2009, Department Store Division

- 01-12/2009 sales EUR 1,068.9 million
  - in Finland EUR 792.8 million, -8.7%
  - in International operations EUR 276.1 million, -21.2%
  - Rouble denominated sales in Russia decreased by 2.4%
  - Share of international operations 26% (29% in 2009)

- In Finland a change in the food VAT: 17% → 12% 1 October 2009
- Global economic downturn affected consumer demand heavily in all markets
- The devaluation of the rouble is clearly visible in the euro-denominated sales in the Russian markets
- Q1-Q3 were extremely challenging, some light visible in Q4

- Price-driven campaigns to boost sales were executed throughout the year both in Finland and International operations
- Concentration in campaigns targeted at loyal customers
Operating profit, Department Store Division

EUR mill.

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

- Operating profit
- Other operating income
- % of revenue
Operating profit Q4/2009, Department Store Division

- Q4 operating profit EUR 31.7 million, -9.2%.
  The 2008 figure includes cancellation of the EUR 4.7 million provision for the closure of Smolenskaya.
  Nike franchising operation in Russia was discontinued 31 December 2009 – EUR 1.5 million closing-down costs are included in Q4 operating profit.

  + Improved sales margin thanks to fewer price-driven campaigns and a clearly lower stock level going to sale campaign
  + Costs were tightly under control and cost savings will continue
  + Steady rouble rate
  + Improved stock turnover

- The development trend of the franchising unit was still negative
- The situation in the Baltic countries was difficult as expected despite the extensive cost-cutting and very tight stock control
Operating profit 01-12/2009, Department Store Division

- 01-12/2009 operating profit EUR 24.5 million, -54.6%

+ Sales margin% only slightly below the 2008 level
+ At the end of the year stocks were significantly below the 2008 level and stock turnover was at the same level than the year before
+ Cost savings exceeded clearly the targets that were set in the beginning of the year

- Sales volume in Q1-Q3 not enough to reach a satisfactory operating profit
- In Russia franchising suffered heavily from the financial crisis and the devaluation of the rouble
- The Baltic countries in a deep recession along with the retail market as a whole – weakest development against 2008
Hobby Hall

• 2009 sales EUR 155.9 million, -18.4%
  - In Finland EUR 144.3 million, -8.4%
  - Baltic operations were discontinued by 31 August 2009

• 2009 operating profit EUR -1.7 million, -312.9%, mainly due to the Baltic operations which were closed down

+ Profitable result in Finnish operations
+ Operations were re-organized and integrated into the Department Store Division as from 1 January 2010
+ Opening of the renewed e-commerce platform in June
+ The discontinuation of the Baltic operations gives a better starting point for development
+ Stock levels were significantly down on the previous year
+ Cost savings exceeded targets clearly

- Closing down of the Baltic operations affected the 2009 operating profit
- Electronics merchandise area has been in a very challenging market situation
Sales, Hobby Hall

Hobby Hall withdraws from the Baltics

EUR mill.

-9%  -17%  -26%  -22%

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

2007  2008  2009

STOCKMANN
Operating profit, Hobby Hall

Hobby Hall withdraws from the Baltics
Main challenges for 2010

- Sunday opening was decontrolled in Finland
- 1.3.2010 opening of the new, enlarged Delicatessen (1st phase) in Helsinki
- Launching of the new loyal customer media "Premiere"
- 4.3.2010 opening of Rostokino department store in Moscow
- Opening of Delicatessen in Helsinki, totally renovated and enlarged
- 27.11.2010 opening of enlarged and renovated Helsinki flagship department store
- 11.11.2010 opening of the Nevsky Centre department store and shopping centre in St Petersburg

- February
- September
"All-time Stockmann" project in Helsinki

- The project is progressing ahead of schedule
- Investment of the enlargement approx. EUR 200 million after divestment of the car park
- The operation of the car park has shown a very positive development
- All areas renovated / opened in 2009 are showing growth

New areas opening in 2010:

03/2010: new food department, 1st part
09/2010: total, enlarged food department including direct connection to Q-Park
11/2010: grand opening of renewed, enlarged Helsinki flagship department store

Also during the year:

- major changes in cosmetics, daily cosmetics, women’s fashion and accessories, children’s department, paper, home decoration and gardening
- enlargement of F8 with fine dining and relaxed family restaurant areas
- Keskuskatu street renovation to be completed and to be used for commercial purposes
Nevsky Centre project in St Petersburg

• The project is progressing on schedule
• Cost estimate EUR 185 million
• Commercial opening is targeted by Christmas 2010. Official opening ceremony 11 November 2010
• Leasing of the premises is proceeding and rents are at an expected level
• The department store brand mix is at a flagship level and most agreements have been settled
Nevsky Centre, atrium
Nevsky Centre, gallery
www.stockmann.com

• The Stockmann department stores’ e-commerce to be started in Finland in autumn 2010
• Uses Hobby Hall’s IT platform and logistics support
• A genuinely multichannel solution integrating e-commerce and department stores
• Wide brand selection and fashion approach as in department stores, selection includes also home decoration and electronics
• Targeted at the existing Stockmann loyal customers – and also new customers outside the cities where the department stores are located
• The Hobby Hall brand continues and has a major market share of distance retailing in Finland
Department store to be opened in Moscow, Golden Babylon shopping centre in March 2010

- Stockmann department store with about 10 000 sqm
- 6 500 parking spaces
- Largest shopping centre in Moscow with 170 000 sqm
- Seppälä, Lindex and Bestseller already operate in the shopping centre
Other

• Bestseller: 20 stores 1 January 2010
  - target to open 3 new units in 2010: Greenwich Jekaterinburg, Nevsky Centre St Petersburg and Mega Mall Samara
  - re-organized under the department stores in Russia and new management
  - strong joint efforts with the franchising partner to improve results
• Zara: 4 stores in Finland 1 January 2010
  - no new openings forthcoming
  - result improved in co-operation with Inditex already in 2009 – this to be continued
• Jekaterinburg / Greenwich Department Store
  - target to open in May 2011
Outlook for 2010

• Another challenging year with several major openings scheduled

• Sales volume expected to be steady or turn to slow growth in Finland and Russia – Baltic countries’ situation still difficult

• Costs of all major projects are burdening the operating profit especially in the beginning of the year

• Tight control of all operating costs as well as stock levels continues

• The aim at increased efficiency in the supply chain – several projects initiated

• Continuing strong focus on the loyal customer programme with a new look, increased benefits and further improved customer service

• Building a bridge to 2011

• Full-year objective to achieve better operating profit than 2009
Financial highlights 2009

- Operating result for 2009 was the best ever
- Strong gross margin
- Increased market shares in Lindex’s main markets
- Increased sales in comparable stores
- Profitable expansion, Lindex’s first established stores in Russia and the Czech Republic show a positive result
Sales development in Q4

• Very strong sales in Q4
• Sales increased in all business areas and in all markets except Latvia
• Slightly weaker gross margin, due to the effect of US Dollar
• Continued cost control
• Stock situation is healthy. Lower stock level in comparable stores
Sales, Lindex

In local currencies, sales increased by 9.7% during Q4 compared to the same period 2008.
Development of sales, Lindex

In local currencies sales increased by 5.1% and in comparable stores sales increased by 1.5%
Operating profit, Lindex

The operating profit was adversely affected by the conversion rate EUR-SEK by EUR 2.6 mill.

Q1/2008 operating profit is burdened by EUR 4.5 mill. IFRS related expenses
The operating profit was adversely affected by the conversion rate EUR-SEK by EUR 6.8 mill.
Gross margin %, Lindex

% of revenue

80

60

40

20

0

2007 Pro forma  2008  2009

62%  64%  63%
Strong expansion during 2009

- 395 stores in total (including 10 franchise stores)
- 34 new stores during 2009
- 1 new market: Slovakia

Norway: 93 stores
Sweden: 203 stores
Finland: 56 stores
Russia: 6 stores
Estonia: 6 stores
Latvia: 7 stores
Lithuania: 7 stores
Czech Republic: 5 stores
Slovakia: 2 stores
Saudi Arabia: 10 stores

Franchise:

Stockmann
Successful year 2009

- Lindex won the award for the best fashion store and the best interior design in Sweden

- Opening Slovakia

- E-commerce opened in Denmark

- Store No. 200 was opened in Sweden

- Successful design collaboration with designer Ewa Larsson and Emma Wiklund
Expansion plan 2010

- New Lindex stores
  - Old markets: 10-15
    - Central Europe: 10
    - Russia: 5-10
  - Via Franchise
    - Saudi Arabia, Bosnia Herzegovina, Egypt and Dubai: 5-10

- In total
  - Approximately 40 new Lindex stores

* Estimated number of new stores
Major events in 2010

• Opening in Bratislava and Prague, capitals of Czech Republic and Slovakia

• Opening in new franchise markets, Egypt, Dubai and Bosnia Herzegovina

• E-commerce in Finland

• Continued exciting design collaborations

• Finland, ongoing refurbishment project

• Full-year objective to achieve better operating profit than 2009
Sales 2009, Seppälä

• Sales 2009 EUR 168 million, down 8%

• Abroad 2009
  - sales were down 13% on the previous year
  - share of sales abroad 32% (34%)
  - sales decreased heavily in the Baltic countries
  - in Russia, rouble-denominated sales increased by 15%
  - new stores: Russia 4, Latvia 2, Lithuania 2, Estonia 1, Ukraine 1
  - one store was closed in Russia and one in Lithuania

• Finland 2009
  - sales were down 5 % on the previous year
  - four new stores were opened and two closed
  - good sales development in women’s clothing
    → market share increased
Sales, Seppälä

EUR mill.

-3%  -5%  -12%  -10%

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

2007  2008  2009
Development of sales, Seppälä
Sales in Finland and abroad

**2007**
- Sales in Finland: 70%
- International operations: 30%

**2008**
- Sales in Finland: 66%
- International operations: 34%

**2009**
- Sales in Finland: 68%
- International operations: 32%
Operating profit Q4/2009, Seppälä

• Good operating profit in Q4
  → EUR 4.9 million (EUR 4.2 million)
    - good sales of the Christmas collection
    - good sales of new products
    - fewer discount campaigns
    - less merchandise on sale
    - remarkable increase in relative gross margin
    - costs decreased significantly
Operating profit 1–12/2009, Seppälä

- Operating profit 2009 EUR 8.0 million (EUR 14.6 million)
- Operating profit on ordinary operations 5.7% of revenue (9.6%)
- Relative gross margin increased 58.2% (57.9%)
- Weakened consumer demand in the Baltic countries
- Weakening of the Russian rouble
- The adjustment of purchases and allocations started to have an effect on stock level in July → stock level below the previous year’s level
- The cost-cutting programme started to have an effect in May → costs below the previous year’s figure
- Starting costs of new stores increased depreciations
Gross margin %, Seppälä

<table>
<thead>
<tr>
<th>Year</th>
<th>% of revenue</th>
</tr>
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<tbody>
<tr>
<td>2005</td>
<td>58.5</td>
</tr>
<tr>
<td>2006</td>
<td>56.9</td>
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<tr>
<td>2007</td>
<td>57.9</td>
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<tr>
<td>2008</td>
<td>57.9</td>
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<tr>
<td>2009</td>
<td>58.2</td>
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</table>
Development of operating profit, Seppälä

- Operating profit
- Other operating income
- % of revenue
Operating profit, Seppälä

EUR mill.

2007  |  2008  |  2009

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

-3    |  0     |  0     |  0
Outlook for 2010, Seppälä

• Profitability to stay at a good level
  - moderate investment programme
  - approximately 6 - 8 new stores
  - optimizing of the product mix
  - continued cost control
  - the current financial climate gives more potential for medium and lower price fashion categories

• Good start for 2010
  - Sales of new products have increased
  - Discount sales started with lower stocks

• Full-year objective to achieve better operating profit than 2009
Seppälä has 214 stores
in over a hundred cities in six countries