Financial Statements 2011
9 February 2012

Hannu Penttilä
CEO
2011 in brief

- Revenue grew by 10.1% to all-time high, EUR 2 005.3 (EUR 1 821.9 million)
- Operating profit EUR 70.1 million (EUR 88.8 million)
- Earnings performance improved significantly towards the end of the year, in Q4 operating profit clearly better than in 2010 – up 22.1%
- Earnings per share EUR 0.43 (EUR 1.10)
- Number of shareholders grew to 56 000 shareholders, mainly due to exercise of Loyal Customer share options
- Celebrating the 150th anniversary in 2012
Background for 2011

• Stockmann’s major capital expenditure projects (Nevsky Centre, Helsinki enlargement, Ekaterinburg) completed in late 2010 and early 2011
  → Costs all year in 2011, though revenue not sufficient to cover the costs before Q4 2011
• Exceptionally weak affordable fashion market in particular in Sweden
  → Lindex has gained market share and succeeded well in the tough market
• Increased uncertainty in the market after the second quarter, due to the unresolved European debt crisis
• Positive market development continued in Russia and the Baltic countries
Revenue and operating profit in 2011

**REVENUE (excl. VAT)**
- **EUR 2 005.3 mill. (EUR 1 821.9 mill.)**
- **+10.1%**

<table>
<thead>
<tr>
<th>Department</th>
<th>Revenue (EUR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Store Division</td>
<td>1 236.9</td>
</tr>
<tr>
<td>Lindex</td>
<td>624.1</td>
</tr>
<tr>
<td>Seppälä</td>
<td>143.8</td>
</tr>
</tbody>
</table>

**OPERATING PROFIT**
- **EUR 70.1 mill. (EUR 88.8 mill.)**
- **-21.0%**

<table>
<thead>
<tr>
<th>Department</th>
<th>Profit (EUR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Store Division</td>
<td>35.2</td>
</tr>
<tr>
<td>Lindex</td>
<td>41.2</td>
</tr>
<tr>
<td>Seppälä</td>
<td>1.4</td>
</tr>
</tbody>
</table>

9.2.2012
Revenue by market in 2011

- Finland: 51%
- Sweden and Norway: 25%
- Russia and Ukraine: 17%
- Baltic countries and Central Europe: 7%
Stockmann today: over 700 stores in 15 countries

**FINLAND**
- 7 Department stores
- 7 Academic Bookstores
- Hobby Hall mail order sales and 1 store
- 13 Stockmann Beauty stores
- 4 Zara stores
- 1 Outlet store
- 56 Lindex stores
- 138 Seppälä stores

**LATVIA**
- 1 Department store
- 7 Lindex stores
- 11 Seppälä stores

**LITHUANIA**
- 10 Lindex stores
- 10 Seppälä stores

**RUSSIA**
- 7 Department stores
- 1 Shopping centre
- 1 Concept store
- 17 Lindex stores
- 48 Seppälä stores
- 18 Bestseller stores
- 1 Outlet store

**SLOVAKIA**
- 4 Lindex stores

**POLAND**
- 4 Lindex stores

**BOSNIA AND HERZEGOVINA**
- 3 Lindex franchising stores

**ICELAND**
- 1 Lindex franchising store

**SAUDI ARABIA**
- 18 Lindex franchising stores

**UNITED ARAB EMIRATES**
- 2 Lindex franchising stores

**ONLINE STORES**
- stockmann.com in Finland
- akateeminen.com in Finland
- hobbyhall.fi in Finland
- lindex.com in the EU area and Norway
- seppala.fi in Finland

**SWEDEN**
- 208 Lindex stores

**NORWAY**
- 97 Lindex stores

**ESTONIA**
- 1 Department store
- 7 Lindex stores
- 20 Seppälä stores
- 1 Outlet store

**UKRAINE**
- 2 Seppälä stores

**CZECH REPUBLIC**
- 13 Lindex stores

**ICELAND**
- 1 Department store
- 7 Lindex stores
- 11 Seppälä stores

**LITHUANIA**
- 10 Lindex stores
- 10 Seppälä stores

**SLOVAKIA**
- 4 Lindex stores

**POLAND**
- 4 Lindex stores

**BOSNIA AND HERZEGOVINA**
- 3 Lindex franchising stores

**ICELAND**
- 1 Lindex franchising store

**SAUDI ARABIA**
- 18 Lindex franchising stores

**UNITED ARAB EMIRATES**
- 2 Lindex franchising stores

**ONLINE STORES**
- stockmann.com in Finland
- akateeminen.com in Finland
- hobbyhall.fi in Finland
- lindex.com in the EU area and Norway
- seppala.fi in Finland

9.2.2012

Status as of 31 December 2011
Revenue in 2011

• Revenue in Q4 up 8.5% to EUR 626.1 million (EUR 576.9 million)
  – Record-high Crazy Days campaign in October
  – Christmas sales in line with expectations
  – Lindex’s revenue improved towards the end of the year
  – Strong cash flow from operating activities, EUR 179.8 million (EUR 108.2 million)

• 2011 revenue up 10.1% to all-time high, EUR 2005.3 million (EUR 1821.9 million)
  – Substantial growth in the Russian market due to Nevsky Centre, Ekaterinburg and Moscow department stores
  – Enlarged Helsinki flagship
  – Expansion and success of the Lindex fashion chain
  – Good performance of all divisions in the Baltic countries
  – Strengthened Swedish krona and Norwegian krone
Quarterly revenue, Stockmann Group

EUR mill.

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
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</thead>
<tbody>
<tr>
<td>1-3</td>
<td></td>
<td></td>
<td>+9%</td>
</tr>
<tr>
<td>4-6</td>
<td></td>
<td>+13%</td>
<td></td>
</tr>
<tr>
<td>7-9</td>
<td></td>
<td></td>
<td>+10%</td>
</tr>
<tr>
<td>10-12</td>
<td>+9%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

+9% for 2009 to 2010
+13% for 2010 to 2011
+10% for 2011 to 2012
Development of revenue, Stockmann Group

Acquisition of Lindex December 2007

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue (EUR mill.)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>1500</td>
<td>+8%</td>
</tr>
<tr>
<td>2008</td>
<td>2000</td>
<td>+34%</td>
</tr>
<tr>
<td>2009</td>
<td>1800</td>
<td>-10%</td>
</tr>
<tr>
<td>2010</td>
<td>1900</td>
<td>+7%</td>
</tr>
<tr>
<td>2011</td>
<td>2000</td>
<td>+10%</td>
</tr>
</tbody>
</table>
Operating profit in 2011

- Operating profit in Q4 increased by 22.1% to EUR 59.3 million (EUR 48.5 million)
  - Growth of operating costs slowed down
  - Department Store Division and Lindex increased their operating profit
  - Q4 represented 85% of the full-year operating profit
- Operating profit in 2011 decreased to EUR 70.1 million (EUR 88.8 million) due to weak performance in Q1
  - Costs and depreciation significantly up due to expansion
  - Improved performance in the Department Store Division
- Full-year relative gross margin 48.7% (49.9%)
  - Decrease mainly in affordable fashion businesses
Quarterly operating profit, Stockmann Group

![Graph showing quarterly operating profit for Stockmann Group from 2009 to 2011. The x-axis represents the quarters (1-3, 4-6, 7-9, 10-12) and the y-axis represents the profit in EUR million. The years 2009, 2010, and 2011 are indicated for each quarter. The graph is color-coded for each year: 2009 in light green, 2010 in dark green, and 2011 in dark green.](image-url)
Development of operating profit, Stockmann Group

EUR mill. %

2007 2008 2009 2010 2011

- Operating profit
- Other operating income
- % of revenue
Profit for 2011

- Poor H1 pressing down the figures
- Net financial expenses EUR 34.4 million (EUR 14.6 million)
  - Increased interest-bearing liabilities
  - Higher market interest rates
  - Non-recurring foreign exchange losses EUR 1.1 million (vs. gains EUR 7.2 million in 2010)
- Profit before taxes EUR 35.7 million (EUR 74.2 million)
  - In 2010 the positive effect of taxes EUR 4.2 million
- Profit for the year EUR 30.8 million (EUR 78.3 million)
- Earnings per share EUR 0.43 (EUR 1.10)
Earnings per share and dividend

- Dividend proposal per share: EUR 0.50 (116.2% of EPS)
- Total amount of proposed dividend: EUR 35.9 million

* Dividend proposal to the AGM

Earnings per share and Dividend per share
### Key figures in 2011

<table>
<thead>
<tr>
<th></th>
<th>1-12/2011</th>
<th>1-12/2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>EUR mill.</td>
<td>2 005.3</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>EUR mill.</td>
<td>70.1</td>
</tr>
<tr>
<td><strong>Profit before taxes</strong></td>
<td>EUR mill.</td>
<td>35.7</td>
</tr>
<tr>
<td><strong>Earnings per share</strong></td>
<td>EUR</td>
<td>0.43</td>
</tr>
<tr>
<td><strong>Cash flow from operating activities</strong></td>
<td>EUR mill.</td>
<td>66.2</td>
</tr>
<tr>
<td><strong>Equity ratio</strong></td>
<td>%</td>
<td>42.2</td>
</tr>
<tr>
<td><strong>Gearing</strong></td>
<td>%</td>
<td>95.3</td>
</tr>
<tr>
<td><strong>ROCE</strong></td>
<td>%</td>
<td>4.1</td>
</tr>
<tr>
<td><strong>Board’s proposal for dividend</strong></td>
<td>EUR</td>
<td>0.50</td>
</tr>
</tbody>
</table>
Strategy 2012–2016: Heading for profit

- The slow market development affects the strategy but the core remains as it is – profitable growth in present and new markets
- Capital expenditure to decrease and be clearly below depreciation in 2012–2014, after the major investment programme
- Focus on utilizing the full potential of existing assets
- Close follow-up of costs and inventories
- Long-term financial targets remain unchanged, but the timetable is challenging if the present market development continues
- Enlargements and renovations of current department stores: Tampere 2014, Tapiola 2016
- Expansion of Lindex in particular to continue
  - Focus on Russia and Eastern Central Europe (Czech Republic, Poland, and Slovakia)
## Revenue in January 2012

<table>
<thead>
<tr>
<th>EUR mill, exclusive of VAT</th>
<th>1/2012</th>
<th>Change, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department Store Division, Finland</td>
<td>61.1</td>
<td>2.9</td>
</tr>
<tr>
<td>Department Store Division, international operations</td>
<td>35.7</td>
<td>24.3</td>
</tr>
<tr>
<td>Department Store Division, total</td>
<td>96.8</td>
<td>9.9</td>
</tr>
<tr>
<td>Lindex, Finland</td>
<td>5.1</td>
<td>9.1</td>
</tr>
<tr>
<td>Lindex, international operations</td>
<td>37.9</td>
<td>7.3</td>
</tr>
<tr>
<td>Lindex, total</td>
<td>42.9</td>
<td>7.5</td>
</tr>
<tr>
<td>Seppälä, Finland</td>
<td>7.0</td>
<td>15.4</td>
</tr>
<tr>
<td>Seppälä, international operations</td>
<td>4.2</td>
<td>24.4</td>
</tr>
<tr>
<td>Seppälä, total</td>
<td>11.3</td>
<td>18.7</td>
</tr>
<tr>
<td>Operations in Finland, total</td>
<td>73.2</td>
<td>4.4</td>
</tr>
<tr>
<td>International operations, total</td>
<td>77.8</td>
<td>15.4</td>
</tr>
<tr>
<td>Stockmann Group total</td>
<td>151.0</td>
<td>9.8</td>
</tr>
</tbody>
</table>
Outlook for 2012

• Challenging to assess the outlook due to unstable world economy and the unresolved European debt crisis
• Visibility in the retail market continuously weak: high uncertainty and low consumer confidence may affect consumers’ willingness to purchase
• Market in Russia and the Baltic countries likely to continue to grow
• Affordable fashion market expected to improve compared to 2011
• Discontinuation of Bestseller franchising business in 2012 to improve the operating profit in the future: targeting a positive operating result in Russia excluding Bestseller operations in 2012
• Capital expenditure clearly below depreciation, approx. EUR 50 million
• Stockmann Group’s revenue expected to grow in 2012, operating profit expected to be above the figure for 2011
  – Provided that market sentiment does not significantly worsen
• Q1 operating result negative due to normal seasonal variation
Department Store Division

Maisa Romanainen
Executive Vice President
Director of Department Store Division
Highlights in 2011

January
Moscow logistics centre moved to Shodnaya

February
Loyalty level ‘First’ introduced in Finland

March
Opening of the Ekaterinburg Department Store

April
First Crazy Days in St Petersburg

October
First Crazy Days in Ekaterinburg

ERP renewal project with Oracle
Department Store Division’s revenue in Q4 2011

• Revenue up 9.4% to EUR 408.5 million (EUR 373.4 million)
  – Finland up 2.8%
  – International operations up 28.1%
• Share of international operations 31.1% (26.6%)
• Helsinki department store continued its good performance
• All Russian department stores showed growth – St Petersburg the largest department store outside Finland
• Nevsky Centre’s retail space 100% occupied
Department Store Division’s revenue in Q4 2011

- Clear growth in the Baltic countries, both in Tallinn and Riga
- Successful Crazy Days with a growth of 19%
- E-commerce growth stronger than the retail average, including Hobby Hall, Stockmann.com and Akateeminen.com.
- Fashion and sports market challenging due to weather conditions
- Bestseller’s performance weak
Hobby Hall has been integrated into the Department Store Division since 1 January 2010. The Department Store Division’s figures and indexes include Hobby Hall (exclusive of HH’s closed international operations).
Department Store Division’s operating profit in Q4 2011

- Relative gross margin 42.1% (42.9%)
- Gross margin remained good in all markets despite of market driven sales boosting activities and the challenging rouble rate
- Operating profit clearly up by EUR 8.7 million to EUR 39.6 million (EUR 30.9 million)
- Operating profit improved clearly in all markets: Finland, Baltics and Russia
- Strong cost control; lower share of costs than in Q4 2010
- Depreciations increased by 30% y-o-y
- Bestseller’s performance weak
Quarterly operating profit, Department Store Division

EUR mill.

2009 2010 2011

1-3 4-6 7-9 10-12
Department Store Division’s full year revenue

- The Department Store Division’s revenue up 12.5% to EUR 1,236.9 million (EUR 1,099.9 million)

- Revenue in Finland up 4.2% to EUR 861.4 million (EUR 826.4 million)
  - Good development in the enlarged Helsinki flagship department store
  - Success of the Crazy Days campaigns in April and October

- Revenue in international operations up 37.3% to EUR 375.6 million (EUR 273.6 million)
  - 30.4% (24.9%) of the Division’s total revenue
  - Baltic countries up 11.5% to EUR 91.3 million
  - Russia up 48.3% to EUR 284.3 million

- Revenue in Russia significantly up thanks to the new department stores in St Petersburg and Ekaterinburg as well as good performance in Moscow units
Development of revenue, Department Store Division

- 2007: +9%
- 2008: ±0%
- 2009: -12%
- 2010: +8%
- 2011: +12%
Department Store Division’s full year gross margin

- Relative gross margin on a good level, at 41.2% (41.7%).
- Move of the Russian logistics centre in the beginning of the year caused pressure for gross margin as spring merchandise arrived late to the stores.
- Market pressure for sales boosting was high throughout the year in Finland and Russia.
- Customer loyalty remained at a very high level, and the amount of loyal customers grew to 2.6 million (2.3 million in 2010).
- 58% of loyal customers live outside Finland.
Department Store Division’s full year operating profit

- Operating profit increased to EUR 35.2 million (EUR 32.9 million).
- After weak Q1, earnings started to improve and the important Q4 was clearly better than in 2010
- 139,000 sqm of new retail space during the enlargement period
- Depreciations increased by 39% to EUR 43.2 million (EUR 31 million), mainly due to enlargement projects
- Stock rotation has remained good and the opening stock for 2012 is on planned level
Development of operating profit, Department Store Division

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating profit</th>
<th>Other operating income</th>
<th>% of revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>90</td>
<td>10</td>
<td>13%</td>
</tr>
<tr>
<td>2008</td>
<td>60</td>
<td>10</td>
<td>9%</td>
</tr>
<tr>
<td>2009</td>
<td>20</td>
<td>10</td>
<td>3%</td>
</tr>
<tr>
<td>2010</td>
<td>20</td>
<td>10</td>
<td>3%</td>
</tr>
<tr>
<td>2011</td>
<td>20</td>
<td>10</td>
<td>3%</td>
</tr>
</tbody>
</table>

EUR mill.
Projects

• Opening of the Tampere department store enlargement and renewal in rented premises estimated to take place in 2014 due to delays in detail planning process. The enlarged store to have 15 000 sqm of retail space (now 11 000 sqm).

• Plans for the new Tapiola department store proceeding and the new store targeted to be opened in 2016, depending on the overall city planning. Stockmann to operate in current premises until new rented premises are opened.

• Akateeminen.com webstore for books under reconstruction and to be re-opened in autumn 2012.
Ending the Bestseller franchising in Russia

• As announced earlier, Stockmann and Bestseller A/S have agreed to end the loss-making franchising co-operation in Russia by the end of 2012.

• Revenue of Bestseller franchising stores in Russia in 2011 amounted to EUR 22.5 million (EUR 25.5 million) with an operating result of EUR -5.7 million (EUR -1.3 million). The business has made loss for Stockmann every year since it started in 2005.

• Three stores were closed during the year. Remaining 18 stores will be either turned to Lindex stores or discontinued during 2012.

• Strong co-operation continues with Bestseller’s fashion brands in all department stores in all markets.
Outlook for 2012

• Stockmann department stores celebrate the 150 years of history with customers throughout the year – the anniversary is visible in all activities.

• In the continuously challenging market situation, department stores aim to improve profitability, improve efficiency and develop the newly opened and enlarged stores further.

• E-commerce will be further strengthened and its revenue is targeted to grow.

• On-going ERP project and process development aim at improving efficiency – the project will be finalized in the coming years.
Göran Bille
Managing Director
Highlights in Q4

• New store concept launched at Karl Johan in Oslo, Norway
• Pink Ribbon campaign – 8.3 MSEK
• Successful opening and sales record for Lindex Iceland
• Very successful Christmas campaign
• Focus on “Service & Sale” in stores
Revenue in Q4 2011

• Sales improved during the quarter
• Euro-denominated revenue up 7.1%
  – In local currencies revenue up 5.2%
• Sales increased in all business areas with the strongest performance in children’s wear
• Strong sales increase in all markets except Sweden (-1.9%)
  – Excluding Sweden revenue up 16.5% in local currencies
• Increased market shares in all main markets
Quarterly revenue, Lindex

In local currencies, revenue increased by 5.2% in Q4/2011
Development of revenue, Lindex

In local currencies, revenue increased by 3.4% in 2011
Operating profit in Q4 2011

- Operating profit EUR 20.4 million (EUR 17.1 million)
- Share of costs decreased due to the cost cutting programme
- Gross margin lower than last year, at 61.3% (62.2 %) due to increased purchasing prices
- Stock level is higher than in 2010 due to lower sales than planned, new stores, and the strengthening of the Swedish and Norwegian currencies
Quarterly operating profit, Lindex

EUR mill.

2009  2010  2011

1-3  4-6  7-9  10-12
Full year 2011 performance

- Euro-denominated revenue up 7.8 % in 2011
  - In local currencies revenue up 3.4%
  - Strong sales development in all markets except Sweden
  - Lindex has gained market share in all markets
- Gross margin lower than last year at 61.3% (63.1%) mainly due to increased purchase prices
- Cost cutting programme in effect in H2, with the full effect during Q4
- Operating profit decreased in all quarters except in Q4
- Stock level is higher than expected and higher than in 2010 mainly due to lower sales than planned and the strengthening of the Swedish and Norwegian currencies
Relative gross margin, Lindex

<table>
<thead>
<tr>
<th>Year</th>
<th>% of revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007 Pro forma</td>
<td>60.3%</td>
</tr>
<tr>
<td>2008</td>
<td>63.9%</td>
</tr>
<tr>
<td>2009</td>
<td>62.9%</td>
</tr>
<tr>
<td>2010</td>
<td>63.1%</td>
</tr>
<tr>
<td>2011</td>
<td>61.3%</td>
</tr>
</tbody>
</table>
Development of operating profit, Lindex

- Operating profit recorded for the Stockmann Group
- Pro forma operating profit
- % of revenue

9.2.2012
International expansion

Q4 2011
9 openings
2 closures

January-December 2011
30 openings
6 closures

Preliminary target for 2012
Openings:
4 Scandinavia, 8 Central Europe, 5 Russia
Closures:
5 Norway, 1 Baltics
Outlook for 2012

• Holly & Whyte – a new concept with timeless fashion classics with a twist. Presented by a famous talent…
• Exciting design collaboration in the coming autumn
• Market development expected to remain challenging in Sweden; positive outlook in new markets
• Cost cutting program of 2011 will have a positive effect on H1 earnings
Highlights in Q4

- Good sales development continued in the Baltic countries
- Market share increased in Finland
- Very successful Christmas campaign
- Boosting strong active selling culture in the stores
- Online shop opened in Finland in November 2011
- Paola Suhonen by Seppälä launch
Revenue in Q4 and full year 2011

- Q4 revenue up 6% to EUR 40.0 million
  - Up 6% in Finland, up 5% abroad
- Jan-Dec revenue up 0.4% to 143.8 million
  - Down 1% in Finland, up 3% abroad
  - Share of revenue abroad 35% (34%)
- Poor sales performance in Russia
- Market for affordable fashion weaker than expected
  - Increased competition
  - Number of visitors decreased in all market areas
  - Unseasonably warm weather in the autumn
Quarterly revenue, Seppälä

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-3</td>
<td></td>
<td></td>
<td>-9%</td>
</tr>
<tr>
<td>4-6</td>
<td></td>
<td></td>
<td>+2%</td>
</tr>
<tr>
<td>7-9</td>
<td></td>
<td></td>
<td>+2%</td>
</tr>
<tr>
<td>10-12</td>
<td></td>
<td></td>
<td>+6%</td>
</tr>
</tbody>
</table>

EUR mill.
Development of revenue, Seppälä

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>+11%</td>
</tr>
<tr>
<td>2008</td>
<td>+5%</td>
</tr>
<tr>
<td>2009</td>
<td>-8%</td>
</tr>
<tr>
<td>2010</td>
<td>+3%</td>
</tr>
<tr>
<td>2011</td>
<td>±0%</td>
</tr>
</tbody>
</table>
Operating profit in Q4 and full year 2011

- Operating profit EUR 2.2 million (EUR 2.8 million) in Q4 and EUR 1.4 million (EUR 9.0 million) in 2011
- Relative gross margin 58.9% (61.1%) in Q4 and 58.5% (59.8%) in 2011
- Price driven campaigns needed to boost sales
- Increased competition in Russia and Finland
- Good performance in the Baltic countries
- Costs and depreciation up due to store openings, refurbishments, and increased store rental costs mainly in Russia
- Stock level higher than in 2010 due to lower sales than planned
Quarterly operating profit, Seppälä
Relative gross margin, Seppälä

% of revenue

<table>
<thead>
<tr>
<th>Year</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>57.9</td>
<td>57.9</td>
<td>58.2</td>
<td>59.8</td>
<td>58.5</td>
</tr>
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</table>

9.2.2012
Development of operating profit, Seppälä

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating profit</th>
<th>% of revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>20 EUR mill.</td>
<td>15%</td>
</tr>
<tr>
<td>2008</td>
<td>15 EUR mill.</td>
<td>12%</td>
</tr>
<tr>
<td>2009</td>
<td>7 EUR mill.</td>
<td>5%</td>
</tr>
<tr>
<td>2010</td>
<td>8 EUR mill.</td>
<td>6%</td>
</tr>
<tr>
<td>2011</td>
<td>2 EUR mill.</td>
<td>4%</td>
</tr>
</tbody>
</table>

9.2.2012
International expansion

• 9 store openings in 2011
  – Finland 4
  – Russia 5
• 4 closings in Finland and 1 in Estonia
• 18 stores renovated or relocated
229 Seppälä stores
in over 100 cities in six countries

Finland 138
Russia 48
Estonia 20
Latvia 11
Lithuania 10
Ukraine 2
Outlook for 2012

• Market environment will stay challenging, especially in Russia and Finland

• Focus points in 2012:
  – Improve comparable sales and profitability
  – Significantly lower investments than in 2011
  – Cost control
  – Opening and closing stores when needed
  – Internal development projects such as better customer experience and developing purchasing processes