

marimekko®

ANNUAL REPORT 2004



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Maija Isola – Life, Art, Marimekko

Exhibition at the Design Museum in Helsinki, 25 May – 4 Sept. 2005

Maija Isola (1927–2001) designed her first printed textiles in 1949 for Printex Oy, Marimekko's predecessor. She worked as head designer of Marimekko's interior fabrics until 1987. She also had an illustrious career as a visual artist.

Maija Isola was a tremendously versatile and bold artist. She interpreted the events of her era from her own unique perspective and foresaw future trends. Her body of work includes over 500 prints – a brilliant selection of patterns representing different themes and techniques. She drew inspiration from traditional folk art, modern visual art, nature and her countless trips around the world. In 1970, Maija Isola wrote to her daughter from Paris:

"Bon soir children. I'm having a wonderful time these days. I've started working. Once again, I feel as if I'll never find the time to do even a fraction of all the things I want to do. -- I had a huge floral still-life of sorts spread out wet on the floor, waiting to be rolled up ... paints in yoghurt pots, and newspaper everywhere, and flowers in vases on the floorboards. I bought those to paint from on Pentecost. Large deep-red roses, small and fragrant, curiously furry pink roses, yellow, orange and white poppies, cowslips in various shades of purple, black tulips and tiny carmine flowers whose name I don't know."





marimekko®

Marimekko Corporation 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.

The factors behind Marimekko's success and competitiveness are its business idea that lives with the times, its strong brand, a distinct product concept embodying the company's core philosophy, flexible business operations, and a corporate culture that fosters creativity.

In 2004, the company had net sales of EUR 64.6 million. Exports and income from international operations accounted for 22.2% of the Group's net sales. The company had a payroll of 355 at the end of 2004. Marimekko's share has been quoted on the Helsinki Stock Exchange since 1999.

Another name for business could be “life”

“My management philosophy – management by emotions – is based first and foremost on respecting people and the belief that everyone has unique gifts, unique creativity, unique skills. At Marimekko, our most important working method is doing things together. Teamwork brings joy, at times even rapture.

Creativity cannot be delegated. And creativity is not fostered by planning or organising, even though people often seem to think that is the case. Great talent is not easily steered to the extreme by means of reason alone. When reason says that it is time to stop, a strong instinct gives the permission and order to carry on. Genuine, creative talent can withstand time. Often the passing of time only enhances a talent’s splendour.”

**“I think another name
for business could be ‘life’.
A good and ethical corporate
culture embodies the same values
as our everyday life.”**

{ KIRSTI PAAKKANEN, 2004 }

Marimekko's core values

● Ethics

Ethics means respecting the individuality of different cultures and people as well as bearing the social, financial and cultural responsibilities of the company. Business thinking always involves emotions and caring as well.

● Genuineness and honesty

All of Marimekko's business operations – its products, services and corporate communications alike – must clearly be identified with Marimekko's core values.

● Freedom of creativity, courage and responsibility

Marimekko's strength and the cornerstone of its success is creative design.

Free rein has been given to creativity – but everyone must always be aware of their responsibilities, too.

The ideas that are realised must have a clear connection to business realities and objectives.

● Enthusiasm, commitment and goal-orientation

Enthusiasm is the desire to improve oneself and create something new. Commitment means making consistent progress towards objectives and shouldering one's responsibilities in the achievement of objectives.

● Positivity, aestheticism

The basic philosophy informing Marimekko's business operations includes a positive attitude to life and the sensitivity to seeing and expressing beauty.



First Person

President's review



Marimekko is in an excellent position as we start out the 2005 financial year. The consistent progress we have made in business development during the past few years has yielded favourable results. Our finances are robust and Marimekko's internationalisation process has got up to speed.

The profile of Marimekko design and its worldwide recognition have increased dramatically in recent years, raising the value of the brand. I experienced this personally in 2004 at many international design events to which I had the honour of being invited to talk about Marimekko as a design company. The most important of these events were the INTERIEUR design biennial in Kortrijk, Belgium, and the FutureDesignDays festival in Stockholm. An extensive Marimekko exhibition, "Five decades of courage", was presented at both events, and was extremely well received.

Marimekko is recognised as one of the few companies that has managed to combine creativity and financial success. Internationally, this is referred to as the "Marimekko miracle". It is considered miraculous that a company based in a small, and in many ways peripheral, country has achieved global success in such a demanding niche business. The "miracle" also refers to Marimekko's excellent financial performance as a listed company.

When the legendary Armi Ratia founded Marimekko and steered it to unbelievable success in tough times, her driving idea was not the pursuit of profits, but to give people joy and experiences, to make everyday life beautiful. The early years of Marimekko were marked by courage, unbridled youthful energy and creativity that did not care about the rules. Eventually this boundless creativity turned into a profitable business.

Courage was required once again when I acquired Marimekko in 1991. Firstly, the bureaucracy that had entrenched itself in the company had to be dismantled. The employees' faith in the future and enthusiasm for regeneration had to be rekindled. We had to establish a working environment in which creativity could flourish.

We drafted new operating plans. The key plan was a strategy highlighting the connection between design and economics. Designers had to create works that were not only distinctive, but also profitable.

A creative company can succeed only if its finances are on a stable footing – at Marimekko, all employees have taken this principle to heart. In 2004, we once again succeeded together. Our business operations developed in accordance with plans and we achieved our key objectives. Marimekko's sales grew well in almost all market areas. In Finland, growth remained strong thanks to our comprehensive distribution network, successful product launches and effective marketing. We achieved better sales than in the previous year in export markets, too.

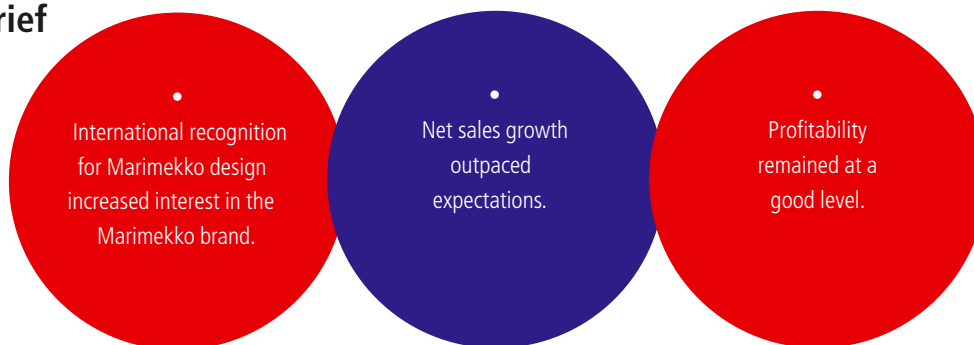
Last year, we also made a significant investment that has a major bearing on Marimekko's future. We acquired a new state-of-the-art printing machine and screen-making equipment for our textile printing factory in Herttoniemi. By overhauling printing production, we gained greatly needed additional capacity. Moreover, the new machines and equipment will give our designers more latitude for bringing their ideas to life.

2005 is the year of design in Finland. At Marimekko, the most important of the many events in celebration of the theme year is the exhibition "Maija Isola – Life, Art, Marimekko", to be opened at the Design Museum in Helsinki at the end of May. This unique exhibition, accompanied by a richly illustrated book, will provide a sweeping overview of Maija Isola's body of work. In the spring, we will also unveil many special collections based on prints designed by Maija Isola: textiles and other home decoration products as well as gorgeous clothing collections by Jaana Parkkila and Samu-Jussi Koski. This year, Marimekko design will also be impressively showcased at many events abroad.

Thanks to the outlays we have made on design, marketing and production during the past few years, we are now well poised to grow in the international arena as well. In 2005, we will hone our export strategy and other business plans as well.

I would like to extend my warmest thanks to Marimekko's fabulous employees, brilliant designers and good customers for the year now ended. I would also like to thank our Board of Directors, retailers, shareholders and all our partners for fruitful co-operation and their confidence in the company.

2004 in brief



Business trends

- The Group's net sales increased by 14.1%.
 - Net sales of Marimekko products rose by 16.1%.
- Exports and income from international operations accounted for 22.2% of the Group's net sales.
- Growth in net sales by product line
 - clothing 7.4%
 - interior decoration 17.0%
 - bags 33.7%.
- Strong growth continued in Finland.
 - Marimekko's own shops in Finland increased their sales by 7.2%.
 - Sales to retailers in Finland were up 25.7%.
- Sales growth accelerated in all product lines in export markets.
 - In the case of Marimekko products, exports and income from international operations grew by 14.6%.
- The distribution network expanded; new retailers in Finland and abroad.
- Good growth in licensing; new licensed products.

Key figures

	2004	2003	Change, %
Net sales, EUR 1,000	64,592	56,587	14.1
Share of exports and international operations, % of net sales	22.2	23.5	
Operating profit, EUR 1,000	*) 8,896	8,849	0.5
% of net sales	*) 13.8	15.6	
Operating profit, EUR 1,000	***) 10,131	8,849	14.5
% of net sales	***) 15.7	15.6	
Profit before extraordinary items and taxes, EUR 1,000	8,741	8,537	2.4
% of net sales	13.5	15.1	
Earnings per share, EUR	*) 0.72	0.75	-4.5
Earnings per share, EUR	***) 0.87	0.75	15.9
Dividend per share, EUR	***) 0.50	1.00	
Return on investment (ROI), %	34.5	34.6	
Return on equity (ROE), %	28.1	30.6	
Equity ratio, %	60.6	64.5	
Personnel at the end of the financial year	355	365	-2.7

*) Includes a non-recurring capital loss of EUR 1,235 thousand on the sale of the shares in Grünstein Product Oy.

***) Exclusive of a non-recurring capital loss of EUR 1,235 thousand on the sale of the shares in Grünstein Product Oy.

***) Proposal by the Board of Directors.

The formulas for the key figures are presented on page 44.

Marimekko's visions

"Marimekko's visions for the future are being forged through young designers, just like in Marimekko's early years in the 1950s. We have faith in young talented designers, both from Finland and abroad; we trust that they will boldly create something new and avant-garde. However, we are committed to Marimekko's basic philosophy – design is inspired by beautiful everyday life. We have a dual strategy: we create top design, but the designs must also be financially profitable."

(Kirsti Paakkanen, 2004)

Objectives

Marimekko's objective is to grow and succeed in the international arena as a Finnish design company that has a strong identity. Business development primarily focuses on organic growth. The brand is built in a controlled manner. When expanding into new product and business areas, the company is committed to its core business idea.

Strategy

- Maintaining superior and innovative design expertise as a factor that strengthens competitiveness.
- Product range development that is committed to the core business concept.
- Developing and expanding distribution channels that support the brand's image in both Finland and abroad.
- Maintaining a strong market position and steady growth in Finland.
- Expanding exports and international operations by slightly over one-fifth annually compared with the previous year.
- Stable dividends policy.
- Fostering an inspiring corporate culture that values the expertise of each and every employee.

Financial objectives

Ensuring profitable growth

- annual growth in net sales over 10%
- operating profit as a share of net sales 10%
- return on equity over 15%
- equity ratio 60%

Generating financial added value on the capital invested into the company by its shareholders

- dividends from earnings per share at least 50%

Marimekko's business operations

NET SALES BY MARKET AREA AND PRODUCT LINE

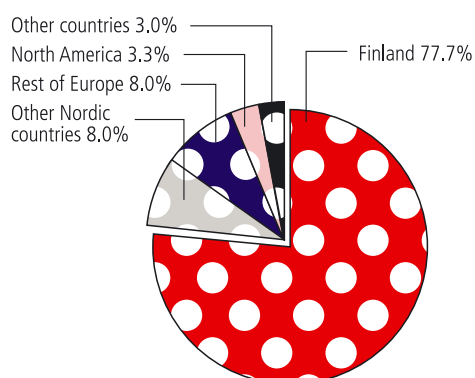
By market area

(EUR 1,000)	2004	2003	Change, %
Finland	50,244	43,297	16.0
Other Nordic countries	5,136	4,160	23.5
Rest of Europe	5,183	5,568	-6.9
North America	2,120	1,942	9.2
Other	1,909	1,620	17.8
TOTAL	64,592	56,587	14.1

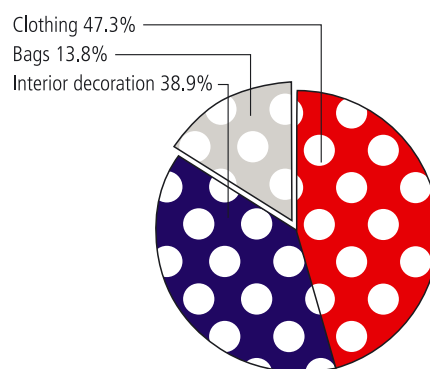
By product line

(EUR 1,000)	2004	2003	Change, %
Clothing	30,594	28,479	7.4
Interior decoration	25,100	21,451	17.0
Bags	8,898	6,657	33.7
TOTAL	64,592	56,587	14.1

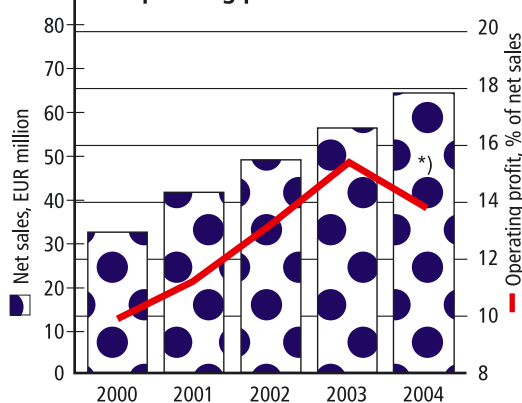
Net sales by market area 2004



Net sales by product line 2004

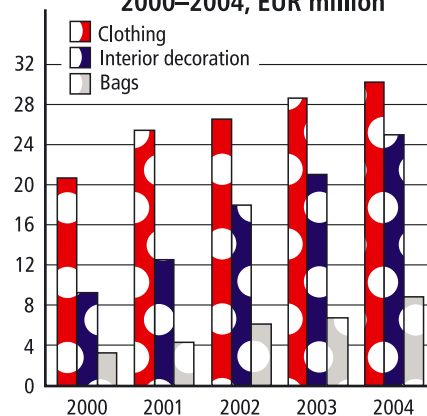


Trend in net sales and operating profit 2000–2004



*) Includes a non-recurring capital loss of EUR 1.2 million on the sale of the shares in Grünstein Product Oy.

Trend in net sales by product line 2000–2004, EUR million



Achievement of objectives 2000–2004

	2000	2001	2002	2003	2004
Annual growth in net sales, %	25.1	27.1	17.4	14.7	14.1
Operating profit as a share of net sales, %	9.8	11.2	13.1	15.6	*) 13.8
Return on equity (ROE), %	16.7	21.5	26.5	30.6	28.1
Equity ratio, %	54.3	58.3	61.1	64.5	60.6
Dividend per share, EUR	0.17	**) 0.22	0.28	1.00	**) 0.50
Dividend per earnings, %	61.0	**) 56.5	51.8	133.0	**) 69.6

*) Includes a non-recurring capital loss of EUR 1,235 thousand on the sale of the shares in Grünstein Product Oy.

**) Included an additional dividend of EUR 0.05 in honour of the 50th jubilee year.

**) Proposal by the Board of Directors.

MARIMEKKO – coexistence of classics and modern fashion design





Clothing

Marimekko's ready-to-wear collections offer high-quality, functional clothing for different age groups and occasions, including business, leisure and evening wear. In addition to new seasonal products, the clothing line includes classics and other basic products that are always available.

The numerous structural changes in the textile industry in recent years have posed greater challenges to the clothing business. Competition has heated up in the market due to the expansion of international chains and the growing supply. The market has also been impacted by fluctuations in consumption demand due to the uncertainty of the global economy. In 2004, retail sales of clothing grew by 4.4% in Finland. Womenswear sales increased by 6.1% and menswear sales by 3.6%. International chains and department stores achieved the greatest increase in sales (Association of Textile and Footwear Importers and Wholesalers). In the January-November period of 2004, exports of clothing (SITC 84) grew by 6.0% and imports by 4.0% (National Board of Customs, monthly review, November 2004).

Sales of Marimekko clothing have grown steadily each year. In 2004, the Group's net sales of clothing amounted to EUR 30.6 million. Sales of Marimekko clothing were up 10.5% on the previous year. Sales growth in Finland continued to be excellent. In export markets, growth also outpaced the previous year. The classics and other basic products remained in high demand and their sales rose steadily. Sales of business wear also developed well thanks to the broader clientele. The new children's collections enjoyed excellent success. In 2004, the largest export countries for Marimekko clothing were Sweden, the United States, Germany, Norway, the Netherlands and Denmark.

Marimekko develops its clothing collections in tune with the spirit of the day. To bolster its brand and seek new target groups, the company maintains a diverse design portfolio and renews its designs regularly. The clothing collections for 2005 distinctly showcase each designer's personal ability to first draw on ideas from different eras and cultures and then intriguingly adapt them to our own time. Great examples of this are the special spring collections by Samu-Jussi Koski and Jaana Parkkila, which fabulously combine Maija Isola's prints with modern fashion design.

Competition is continuing to heat up in the clothing sector. However, Marimekko is in a good position, because of its top-notch design expertise and strong, internationally known brand. Thanks to its own production and flexible outsourcers, Marimekko is very well poised to react quickly to customers' wishes and to launch new products when necessary.

The designers of the clothing collections for 2005 are Ritva Falla, Samu-Jussi Koski, Naoto Niidome, Jaana Parkkila, Miika Piirainen, Jukka Rintala and Matti Seppänen.

MARIMEKKO sets its own interior decoration trends



Interior decoration

Cotton and linen fabrics that are printed at Marimekko's own textile printing factory are the main interior decoration products. In addition, the collections include a variety of ready-made goods such as kitchen and tabletop products, bed linen and bathroom textiles. The interior decoration line comprises both classic products and new seasonal collections.

Sales of Marimekko's interior decoration products have surged in the past few years. Growth has been fuelled by the generally solid trends in interior decoration as well as fashions that favour Marimekko design. Both in Finland and the rest of the world, people wish to spend more time and money on living and home comfort. In 2004, net sales of Marimekko's interior decoration products grew by 17.0% to EUR 25.1 million. Growth picked up the pace towards the end of the year in the case of all interior decoration products in both Finland and export markets. The use of textiles in the interior decoration of homes and public premises has increased continuously, which was also evident in the brisker sales of Marimekko's fabrics during the report year. Sales of ready-made goods, such as bed linen, bathroom textiles and tabletop products, also continued to grow well. Exports and income from international operations accounted for 20.4% of net sales of interior decoration products. The major countries for exports were Sweden, the United States, Norway, Japan, Denmark and Germany.

Marimekko's rich world of textile patterns, overhauled printing production and profound design expertise provide the interior decoration line with excellent avenues for developing new products for both its own collections and licensed manufacture. When developing new collections, Marimekko fashions its own interior decoration style, which can be called the Marimekko trend. The company always seeks a unifying element for its collections – something that identifies them with the Marimekko brand. The themes for the prints are drawn from life and the world: nature, events and people. The designers' creative expertise is manifested in their ability to discover ideas and transform them into products in a bold and distinctive manner.

Marimekko design is now making its mark in public spaces as well. The decoration of public premises is a new and

intriguing growth area for Marimekko in both Finland and export markets. In autumn 2004, Marimekko launched a collection of flame-retardant Trevira CS curtain fabrics, which was immediately welcomed by the market. A co-operation project with Save the Children Finland on the organisation's "Tiukula House" is another example of Marimekko's entering the contract furnishing market. The artist Oiva Toikka designed a fabric called "The African Queen" for the House. It was also included in Marimekko's collection. Marimekko will donate part of the revenue from sales of the fabric to Save the Children Finland.

The furniture industry is also interested in Marimekko design. New partnership ideas have come in from both Finnish and foreign manufacturers. In December 2004, the Flakes and Chip chairs manufactured by Piironen Oy were unveiled. The chairs feature Marimekko fabric pressed into glass fibre. The Flakes chair won an honorary mention in the Fennia Prize 2005 competition organised by Design Forum Finland and the Fennia Group.

Marimekko design is highly valued the world over. Its success has been given wings by the many international design events where Marimekko has been featured during the past years. For Marimekko's interior decoration line, the controlled expansion of the product range on the basis of design and the strong brand opens up excellent opportunities for sales growth in export markets as well.

The unifying theme of Marimekko's interior decoration collections in 2005 is a love for nature and concern for preserving its beauty. In the prints, nature makes itself felt in many ways: in a poetic, graphic, painterly or photography-inspired fashion. The patterns have also been influenced by the world's cultures. In celebration of the year of design, Marimekko wants to highlight the life's work of Maija Isola and brings to market an extensive special collection featuring some of her never-before-seen designs.

The interior decoration collections for 2005 include designs by the following artists: Maija Isola, Kristina Isola, Fujiwo Ishimoto, Annika Rimala, Anna Danielsson, Nora Fleming, Erja Hirvi, Maija Louekari, Teresa Moorhouse, Tanja Orsjoki, Oiva Toikka and Marjaana Virta.

Bags

Marimekko's bag collection comprises classics and seasonal models that co-ordinate with Marimekko's clothing and interior decoration collections. The bag line also includes colourful umbrellas featuring Marimekko prints.

Marimekko's bags have been highly successful around the world, even though growing supply has heated up market competition. Young consumers in particular find Marimekko bags very trendy. As the popularity of the bags has increased, their sales have grown buoyantly in both Finland and export markets in recent years. In 2004, net sales of bags grew by 33.7% to EUR 8.9 million. In relative terms, the fastest growth was seen in sales of bags made of printed fabrics; sales of other models remained good as well. In 2004, umbrellas with colourful patterns comprised a new successful product group in the bag line. Due to the rainy weather, a record number of umbrellas were sold, especially in Finland. In 2004, the major countries for exports of bags were Japan, Sweden, the United States, the UK, Denmark and Norway.

The growth outlook for Marimekko's bags is upbeat. Fashion trends favour bags that co-ordinate with clothing outfits, encouraging Marimekko to keep designing matching bags and garments. Business-to-business sales are also an attractive and growing area for the bags. Top-notch design products are not only greatly in demand as business gifts, but also very popular campaign products. Companies are using them in greater quantities to boost their marketing.

In addition to classics, Marimekko's bag collections for 2005 comprise a great variety of new bags made from both solid-coloured and printed fabrics. Mika Piirainen's new bag designs include the feminine "Femme" series as well as printed fabric bags featuring classic patterns by Annika Rimala and Maija Isola and the modern "Dogs" print by Teresa Moorhouse. Jukka Rintala and Ritva Falla have designed new sporty bags. In addition, the collections include bags designed by Bo Haglund, Jaana Parkkila, Ristomatti Ratia and Marjaana Virta.

Marimekko bags
successful around
the world




Retail sales

Marimekko has 25 shops of its own in Finland, and one in Stockholm, Sweden. The shops have an extensive product range and a visual image that reflects the brand – both the range and the image are based on the coherent Marimekko concept. The shops are situated in key business locations in the largest cities and growth areas.

At its own shops, Marimekko creates an atmosphere that communicates to customers the company's whole core business idea and values in their authentic and original form. The look of the stores combines Marimekko's unique history and visions of the future. At Marimekko stores, shoppers are welcomed by professional and friendly staff whose warm-hearted service nurtures long and loyal customer relationships.

In 2004, sales by Marimekko's own shops amounted to EUR 26.3 million. Sales by the stores in Finland grew by 7.2%. In Finland, the number of shoppers grew at all of the stores compared with the previous year. However, the average purchase per shopper declined slightly. At Marimekko's own shop in Sweden, sales and the number of customers both grew substantially.



Company-owned shops are an important element in Marimekko's brand identity

In 2004, the development of Marimekko's own shops focused on increasing the flexibility and efficiency of day-to-day functions, with the aim of improving the management of the order-delivery chain and guiding personnel to monitor goods flows more accurately. For greater on-the-job variety, the salespeople's areas of responsibility were reorganised. In addition, many training events on current issues were held for sales staff during the report year.

The key goal for 2005 is to enhance customer service. Marimekko is revamping its loyal customer system. In the February of this year, the company launched a new loyal customer card and the versatile Marimekko MasterCard, a global credit and debit card which also imparts all the benefits of Marimekko's loyal customer programme. By means of the overhauled loyal customer programme, the company can target its marketing better and provide more individual service to customers.


Retail competition will continue to heat up in Finland during the next few years as international chains expand. However, international trends indicate that specialist shops that rely on a strong brand and a distinct product concept have a firm foothold in the market. At specialist shops, customers appreciate the expertise of the staff and personal service. Accordingly, in the development of its stores, Marimekko will devote even greater outlays on raising the profile of its brand. The company expands its shop network and overhauls its premises in line with the market situation.

Domestic wholesale

In Finland, Marimekko has a retailer network covering the entire country. It includes both department stores and specialist shops. Some of the specialist shops operate under the full Marimekko concept, while some only sell selected products that are an ideal match for the retailer's own business concept. The retailer network has been renewed and expanded in line with the evolution of Marimekko's business operations. At the end of 2004, Marimekko had 130 retailers in Finland, of which 12 were new Marimekko concept shops opened during the report year. Marimekko's sales to domestic retailers have grown very well in recent years. Sales growth in 2004 amounted to 25.7% compared with the previous year. The new Marimekko concept stores that were opened during the financial year contributed to growth.

Marimekko is developing its retailer network as an integral part of its distribution policy. The objective is to set up, alongside Marimekko's own shops, an active network of retailers that can flexibly meet the challenges of Marimekko's business operations and commit to the values of the Marimekko brand in their own business.

In the past few years, the solid development of Marimekko's business operations and the growing recognition for the brand have interested a greater number of entrepreneurs in opening a Marimekko shop. New product launches have also opened up opportunities for broadening the distribution network. Controlled progress will be made in the expansion of the retailer network during the next few years. As the Finnish network is already comparatively extensive, the primary goal is to engage in even closer co-operation with the present retailers and unify the profile of the Marimekko brand in different distribution channels, rather than seeking to expand distribution channels rapidly.



Controlled building of the retailer network

Exports and international operations

Marimekko has subsidiaries in Sweden and Germany. In addition, the company has its own retail shop in Stockholm, Sweden. Exports to other countries are handled directly or through local agents and importers. Marimekko also engages in licensed sales abroad. The largest export countries for Marimekko products in 2004 were Sweden, the United States, Japan, Norway, Germany and Denmark.

Marimekko has made sustained efforts to increase its exports. The company's objective has been to lay a strong foundation for growth. In recent years, the development of exports has mainly focused on solidifying sales in key market areas and increasing awareness of the Marimekko brand.

In 2004, growth in Marimekko's exports and income from international operations improved significantly compared with the previous year. Participation in international fairs, exhibitions and events has increased interest in Marimekko products. In 2004, Marimekko product exports and income from international operations saw growth of 14.6%. The rate of sales growth accelerated in all product lines. Sales increased in almost all market areas, and surged in all Scandinavian countries. The best sales growth was seen in Sweden, where both sales by the company's own shop and sales to retailers increased substantially compared with the previous year. Good trends continued in Japan and the United States as well. In the market area referred to as "the rest of Europe", sales varied by country. Sales continued to grow well in France, Italy and Russia. Consumption demand was muted in Germany, the Netherlands and Switzerland, and consequently sales were lower than expected. Growth slackened slightly in the UK.

The key strategy underlying Marimekko's exports and international operations is to leverage the brand's strong image and promote wider awareness of Marimekko as a company. Growth is sought by developing exports and licensing in tandem with each other. The company expands its distribution network by stepping up the number of Marimekko concept stores and shop-in-shops set up by independent retailers. In 2004, the number of foreign retailers grew significantly. Three new Marimekko concept shops were opened: in Gothenburg and Piteå, Sweden, and in Tromsø, Norway. Iceland's first Marimekko concept shop will be opened in Reykjavik in spring 2005.

During the next few years, a greater share of the resources allocated to developing Marimekko's exports will be channelled into pursuing closer co-operation with retailers that have growth potential. When seeking to achieve the objectives set for exports, it is of ever-greater importance to familiarise the entire distribution channel with Marimekko's corporate philosophy. The aim is to create a structurally diverse and extensive distribution network in export markets, which supports the Marimekko brand. In addition to growth, a major objective is to safeguard the profitability of exports.

Marimekko's growth outlook is good in export markets. Marimekko design is valued – the brand has become intriguing.

Good trends in export markets

Licensing

In licensing, Marimekko utilises its design expertise and the high profile of the Marimekko brand. Marimekko products are manufactured under licence in Finland, the United States, Japan and Denmark.

Sales of Marimekko's licensed products have grown extremely well in both Finland and abroad during the past few years. Close co-operation with good licensed manufacturers has ensured steady growth. The growing recognition for Marimekko design and brand on the market has opened up opportunities for expanding licensing into new product areas.

In the development of licensing, Marimekko seeks controlled growth. The expansion of licensing prioritises products that naturally complement Marimekko's own product concept and add value to the Marimekko brand. In licensing, Marimekko concentrates on market areas where the Marimekko brand is already known. When entering into a new licensing partnership, Marimekko requires the licensee to have the readiness to engage in long-term co-operation, have high-calibre design and manufacturing expertise as well as a sufficiently extensive distribution network that complements the Marimekko brand's image.

In 2004, Marimekko's royalty earnings from sales of licensed products grew substantially. The fastest growth was seen in Finland. Good development also continued in both Japan and the United States. During the financial year, Marimekko made a licensing agreement with the US company Kenlo International Corporation concerning the manufacture and distribution of umbrellas and bags. In Finland, Smead Paperisto Oy started up the production of notebooks and binders under licence from Marimekko. Nordic walking poles, manufactured by the Finnish company ONE WAY Sport Oy, represent an entirely new product area in Marimekko's licensing. The first Marimekko walking pole collection, "Unikko", was launched internationally in September. At the end of the financial year, licensing partnerships were agreed with the Finnish company Berner Oy and the Danish company Le Klint A/S. Berner will start the manufacture and marketing of Marimekko-patterned pacifiers and baby bottles, and Le Klint will unveil lampshades.

Recognition for Marimekko's design and brand boosts licensing sales

Design

Every year, Marimekko launches dozens of new fabric patterns. The journey of each new print from a designer's sketch to a product starts at a concept session. During these sessions, the designer and the team in charge of Marimekko's interior decoration collections exchange visions in order to determine in what form the pattern would be most functional and most fascinating, what kind of soul it would have, and which collection it would be part of. Designers are not given instructions or restrictions beforehand – they are allowed to create freely and infuse their patterns with their own life experience and impressions of trends. This provides Marimekko's collections with a diverse and rich range of patterns and colours.

The creative spark of a designer gives birth to a new textile pattern, but the process is only finished when the feasibility of the designer's ideas has been tested with production professionals. Even though each new textile is first and foremost the creation of its designer, the final look and spirit of the textile are decided upon in co-operation with the people who work in the screen-making department, at the colour laboratory and by the printing machine. All the people who work in the product

manufacturing process at Marimekko are professionals in their own fields – and it is a matter of pride for them to team up with the designer to find the best technical solutions for turning new ideas into a reality. At Marimekko, design and production have always gone hand in hand.

Marimekko design represents the highest standard in artistic and technical expertise

Production

At Marimekko, the company's own manufacturing operations have always played a key role in the creation and development of design. Through its own production, the company maintains a good grip on both the technical expertise required in the manufacture of design products and the financial significance of production.

Marimekko has three factories of its own. All of them are located in Finland: a textile printing factory in Helsinki, a clothing factory in Kitee and a bag factory in Sulkava. In addition to its own production, Marimekko outsources products from both Finnish and foreign suppliers. Product characteristics, production volumes and delivery times influence the choice of manufacturing location. As a Finnish company, Marimekko strives to find Finnish manufacturers for its products in the first instance. Slightly under half of the Marimekko products sold in 2004 were manufactured at the company's own factories. Following the rapid growth in sales, outsourcing from Finnish and foreign suppliers grew in all product lines.

The most significant production investment in 2004 comprised the modernisation of the Herttoniemi textile printing factory. This was a replacement investment including the acquisition of a new printing machine and screen-making equipment. The investment ensures the continuity of the company's own printing production, as the old printing machine, dating back to 1973, will be phased out in the next few years. The new machine is a 12-colour flat screen printing machine manufactured by the Austrian company J. Zimmer Maschinenbau GmbH. The machine also features a rotary printing module. The new digital screen-making equipment was developed and manufactured by the Swiss company Lüscher AG.

Sales growth will continue to increase Marimekko's need to outsource from both Finnish and foreign manufacturers. In the development of its own production during the next few years, the company will focus on its textile printing factory. The aim is to fully harness the state-of-the-art technology of the new textile printing machine.

Marimekko's own production maintains creative manufacturing expertise


Personnel

Skilled and committed employees are Marimekko's strength and competitive factor on the market. The company's business operations are based on controlled growth whereby it seeks to create a secure and supportive workplace atmosphere for employees. Business thinking always involves emotions and caring as well.

Marimekko values creativity, initiative and individual knowhow. The company seeks to keep the organisation flat and flexible. It is important that personnel feel that they are valued at Marimekko, yet understand their responsibilities as Marimekko employees. Clear objectives have been set for business operations. Personnel are given extensive freedom in the performance of their duties – but this freedom always entails responsibility as well. At Marimekko, everything is based on teamwork and playing by the same rules. Individual and collective responsibility are equally important.

Marimekko is considered to be an appealing and pleasant workplace. In 2004, personnel turnover was 9.5%. Due to the sale of Grünstein Product Oy, the entire Group's payroll declined by 2.7% compared with the previous year. The number of Marimekko employees rose by 30 during the financial year. At the end of 2004, the Marimekko Group had 355 employees. The number of salaried employees was 219 and that of other staff 136. Of the Group's employees, 89.5% were women and 10.5% were men. The average age of employees was 41.

Due to Marimekko's strong growth and expanding international presence, the company's business operations are becoming increasingly diverse and the challenges are mounting. This means that Marimekko's personnel must be enthusiastic and willing to acquire new skills. Many training events were organised in the 2004 financial year. For instance, a seminar on the theme of "The Power of Teamwork" was held in the spring. In addition to Marimekko's personnel, retailers participated in the seminar. Numerous training events on individual job tasks were also held during the report year.



**At Marimekko,
everything is based
on teamwork**

Risk management

Operative management is responsible for risk management. The Board of Directors supervises risk management. Appropriate insurance policies have been taken out to protect the company against substantial business risks.

Production

In order to ensure delivery reliability and the flexibility of the production structure, Marimekko both manufactures and outsources products. All of the company's own production plants are located in Finland. In addition, the company uses many subcontractors both in Finland and abroad. Warehousing has been partially outsourced.

Financing

The Group's long-term financing has been arranged through the parent company. The financing of subsidiaries is arranged by means of intra-Group loans. The Group's liabilities include both long-term and short-term loans. All the loans are denominated in euros.

The foreign currency risk primarily comprises sales denominated in foreign currencies. Purchases denominated in foreign currencies reduce foreign currency risks. The most important currency in sales and purchases is the euro. Foreign currency risks mainly involve purchases and sales in the US dollar. The company protects itself against the foreign currency risks of sales by taking exchange rate fluctuations into account when pricing its products.

The company seeks to minimise credit loss risks by setting credit limits and actively keeping track of the payment behaviour of customers.

Demand and competition

Marimekko operates in a field in which the sales trend is sensitive to cyclical fluctuations in demand. Competition in the textile and clothing business has tightened strongly in recent years as the supply has grown. Marimekko seeks to meet market challenges by focusing on top-notch design and quality. The diversity of Marimekko's product range levels off the seasonal variations in sales of individual product groups.

Key employees

Product design plays a decisive role in Marimekko's business operations. In order to safeguard design continuity, Marimekko employs numerous designers. To discover young new talents, the company works in close co-operation with the field's educational institutions.

Social responsibility

Financial responsibility

Marimekko seeks to grow and evolve in a controlled manner, thus ensuring the smooth continuity of its business operations. By keeping its finances on a solid foundation, the company can provide steady returns to its shareholders and fulfil its obligations as a responsible employer.

Marimekko has set clear financial objectives for its business operations. These objectives and their realisation are detailed on pages 8 and 9. The company aims to follow a stable and active dividends policy. The company's dividends policy is presented on page 41. Information on the company's shares and shareholders is given on pages 40–43.

Social responsibility

Marimekko's business ethics emphasise respecting the individuality of different cultures and people. Quality is important to Marimekko in all its business areas. In its customer relationships, the company aims to engage in long-term, confidential co-operation, to the mutual satisfaction and success of all the parties involved. Marimekko monitors its product supply chains and requires its partners to commit themselves to being socially responsible in their operations.

Culture

Marimekko promotes the development of Finnish design. The company's business concept and competitiveness are based on creative design. Marimekko fosters its strong cultural heritage by engaging in close co-operation with the field's educational institutions and associations. Co-operation includes coaching for students, projects related to the promotion of design, competitions and participation in exhibitions and other design events.

**Marimekko promotes
the development of
Finnish design**

The environment

Responsibility for the environment and nature is an integral aspect of Marimekko's operations. A major component of the company's business supervision in environmental matters is based on legislation. Environmental legislation and impacts are taken into consideration in the choice of raw materials, chemicals and working methods. The materials used in the products are tested regularly. Marimekko's bed linen and the stripy knitted cotton fabric used for jerseys have been granted the Öko-Tex Standard 100 environmental certificate. Marimekko's subcontractors and other partners are also required to commit themselves to shouldering their environmental responsibilities.

In 2004, an environmental permit application based on the regulations of the Environmental Protection Act (86/2000) and the Environmental Protection Decree (169/2000) was submitted for the Herttoniemi printing factory and its operations. At that time, a permit was also sought for the use of the new printing machine.

Energy

The company seeks to save energy by developing its production methods, investing in energy-efficient machinery and equipment, and monitoring energy consumption. The new printing machine inaugurated in autumn 2004 features better energy efficiency than its predecessor. Moreover, it consumes less water and printing chemicals. Ventilation conversion works were carried out at the Herttoniemi property in 2004, improving air quality and decreasing heating costs.

Wastes and sorting

Marimekko's production does not generate wastes that can be classified as hazardous or wastes that are detrimental to health. Mixed waste is minimised by recycling, and the wastes that cannot be recycled are sorted. The generation, recycling and sorting of wastes are monitored with reports and statistics on operations. Marimekko attends to the waste recycling of packaging in accordance with Decision 962/97 of the Council of State and the EU Packaging Directive.

Corporate governance

Applicable provisions

Marimekko Corporation is a Finnish public limited company. The Finnish Companies Act, other regulations concerning public listed companies and Marimekko Corporation's Articles of Association are complied with in its decision-making and administration. In its operations, Marimekko Corporation also complies with the Guidelines for Insiders drafted by HEX plc, the Central Chamber of Commerce and the Confederation of Finnish Industry and Employers TT and the Corporate Governance Recommendation for Listed Companies published in December 2003. The principles of corporate governance were published on the company's Internet site on 1 July 2004.

Group structure

The Marimekko Group comprises Marimekko Corporation and its subsidiaries.

General Meeting

Marimekko Corporation's highest decision-making authority is exercised by the company's shareholders at the General Meeting. General Meetings are either Annual or Extraordinary General Meetings. According to the Articles of Association, the Annual General Meeting shall be held annually by the end of June on the day set by the Board of Directors. According to the Articles of Association, the Notice of General Meeting shall be given to shareholders by means of an advertisement in at least one daily newspaper which is published in Helsinki and which has been determined by the Board of Directors, not earlier than two (2) months and not later than seventeen (17) days before the meeting. 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 to do so or when shareholders owning 1/10 of the shares demand, in writing, that a meeting be held to deliberate on a specified matter. Shareholders have the right to have items included in the agenda of the General Meeting, provided they demand, in writing, the Board of Directors to do so early enough that the item can be included in the Notice of Meeting. The Notice of Meeting is usually drafted about four (4) weeks before a General Meeting.

The Annual General Meeting deliberates on the matters that are specified as being the business of Annual General Meetings in Section 12 of the Articles of Association as well as any other possible proposals made to the General Meeting. The company's Board of Directors prepares an agenda for the meeting. As specified in the Companies Act, the Annual General Meeting takes decisions on matters such as:

- approving the financial statements
- the distribution of profit
- the number of Board members, their election and the remuneration to be paid to them
- the number of auditors, their election and the remuneration to be paid to them
- amendments to the Articles of Association.

Marimekko Corporation's Articles of Association do not include a redemption clause. The company is not aware of any shareholder agreements concerning the use of voting rights or restrictions on the conveyance of the company's shares.

Election of Board members and their term of office

The members of Marimekko Corporation's Board of Directors are elected by the Annual General Meeting. Their term of office ends at the conclusion of the next Annual General Meeting. According to the Articles of Association, the Board of Directors shall include a minimum of three and a maximum of five 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. The Board of Directors elects a chairman from amongst its members for a period of a year.

Marimekko Corporation's Annual General Meeting held on 16 March 2004 elected three members to the Board of Directors for a term beginning on 16 March 2004 and ending at the conclusion of the 2005 Annual General Meeting. Mr Kari Miettinen, B.Sc. (Econ.), Authorised Public Accountant, Mr Matti Kavetvuo, M.Sc. (Eng.), B.Sc. (Econ.), and Mrs Kirsti Paakkanen, President, were re-elected as members of the Board of Directors. The Board of Directors elected Kari Miettinen as Chairman of the Board. Of the Board's current three members, Kirsti Paakkanen is Marimekko Corporation's president. Kari Miettinen and Matti Kavetvuo are independent of the company. The number of Marimekko shares owned by Board members is reported on page 41 of the Annual Report.

Duties and responsibilities of the Board of Directors

The Board of Directors is responsible for the company's administration and the proper organisation of operations. The duties of Marimekko Corporation's Board of Directors primarily comprise the Board duties specified in the Companies Act and the Articles of Association. All matters that are significant to the company's business operations are deliberated on by the Board. Matters to be handled at Board meetings include:

- specifying and ratifying the company's strategic policies
- deliberating on and approving the annual operating plan and budget
- deliberating on and approving Interim Reports, the consolidated financial statements and the Board's report
- deciding on investments and the acquisition and sale of assets that are either strategically or financially significant
- deciding on funding-related contingent liabilities
- approving the Group's risk management and reporting procedures
- the election of the president and deciding on the remuneration of the president.

Meeting procedures and decision-making

The Board of Directors convenes six times a year on average. In 2004, the Board convened eight times. The participation rate of Board members in the meetings has been 100%.

Committees

Due to the small size of its Board of Directors, Marimekko has no separate committees.

President

The Board of Directors elects the company's president and decides on the terms of the president's employment. The president is responsible for the Group's operative management and development in line with the instructions and regulations laid down by the Board of Directors. Kirsti Paakkanen has served as the company's president since 1991.

Management group

The company's business operations have been divided into responsibility areas. The persons in charge of them comprise the company's management group. The company's president is the chairman of the management group. The members of the management group are listed on page 47 of the Annual Report.

Bonuses and other benefits

In accordance with the Articles of Association, the bonuses of the Board of Directors are set by the Annual General Meeting. In 2004, the Board of Directors was paid a total of EUR 50,000 in annual bonuses. The bonus of the chairman of the Board amounted to EUR 20,000 and the bonus of each Board member to EUR 15,000 per year.

Marimekko Corporation's Board of Directors decides on the president's salary and remuneration. In 2004, the salary paid to Marimekko Corporation's president for attending to the duties of president amounted to EUR 100,000. No agreement has been made with President Kirsti Paakkanen concerning her retirement age.

The company has no share or equity-derivative bonus systems.

Audit

According to the Articles of Association, the company must have one auditor and, if this auditor is not a firm of auditors, one deputy auditor. The auditor and deputy auditor must be authorised by the Central Chamber of Commerce. The auditors are appointed to their tasks for an indefinite term. Tilintarkastus Logos Oy, Authorised Public Accountants, is responsible for the auditing of the Marimekko Group and the Group companies, with Seppo Tervo, Authorised Public Accountant, as chief auditor. The company's deputy auditor is Matti Hartikainen, Authorised Public Accountant. In the 2004 financial year, the auditors of the Marimekko Group were paid a total of EUR 36,000 in fees.

Reporting

The realisation of Marimekko Corporation's financial objectives is monitored by means of financial reporting covering the entire Group. Sales reports are drafted, as applicable, on a daily, weekly and monthly basis. Consolidated result and balance sheet reports are drafted on a monthly basis.

Supervision and risk management

The Board of Directors supervises and evaluates the sufficiency, appropriateness and effectiveness of the Group's risk management, supervision and administration process. Business operations and asset management are monitored using the above-mentioned reports. Appropriate insurance policies have been taken out to protect the company against asset, loss-of-profits and liability risks arising from its business operations.

Insider administration

Marimekko Corporation's Board of Directors confirmed the company's insider regulations on 29 February 2000. The regulations comply with the Helsinki Stock Exchange's Guidelines for Insiders. Marimekko's permanent insiders are the members of the Board of Directors, the president and the auditor. The managing directors of the subsidiaries and persons responsible for the company's financial reporting, production and communications are also permanent insiders.

Marimekko Corporation's insider regulations prohibit permanent insiders, parties under their guardianship and their controlled corporations from trading in Marimekko shares during the 30-day period preceding the publication of the company's Interim Reports and financial statement information. The need for project-specific insider registers is evaluated on a case-by-case basis. The person in charge of corporate communications and investor relations is responsible for maintaining the company's insider register and for insider communications. The company's insider register is maintained in Finnish Central Securities Depository Ltd's SIRE register. Marimekko Corporation's insiders and their shareholdings are listed on the company's Internet site under Investor information/Information on Marimekko's shares/Marimekko's permanent insiders and their shareholding.

Investor relations

The management of Marimekko Corporation's investor relations is co-ordinated by the person in charge of corporate communications. Corporate communications is responsible for the company's stock exchange releases, organising meetings with investors and analysts, and the company's online investor information.

Marimekko publishes all its investor information in Finnish and English on the company's Internet site. The English versions are located under Investor relations/Financial releases. The company's printed Annual Report is published in Finnish and English.

Report of the Board of Directors

In 2004, growth in the Marimekko Group's net sales outperformed the forecast; earnings remained good. The Group's net sales grew by 14% to EUR 64.6 million (EUR 56.6 million). Operating profit improved by 14% to EUR 10.1 million (EUR 8.8 million), exclusive of a non-recurring capital loss of EUR 1.2 million on the sale of shares. Exclusive of the non-recurring capital loss, the Group's earnings per share improved by 16% to EUR 0.87 (EUR 0.75). Including the capital loss, earnings per share were EUR 0.72 (EUR 0.75). The Board of Directors will propose to the Annual General Meeting that a dividend of EUR 0.50 per share be paid for 2004. In 2005, the Group's net sales are estimated to grow by about 10% in comparable terms, with profitability remaining at a good level.

General overview

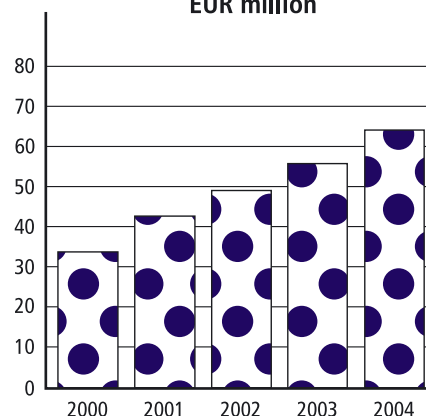
Economic growth in Finland continued strong in 2004 and accelerated towards the end of the year. Consumers remained confident in their own finances and the country's economy. Growth in the euro area remained slow due to weak private consumption demand. Favourable economic growth continued in the United States and Asian countries. According to Statistics Finland, the value of retail sales in Finland in the January-November period of 2004 was 4.2% higher than in the previous year. In 2004, textile production rose by 7.1%; clothing production contracted by 26.8% (Statistics Finland). Sales of clothing in Finland grew by 4.4%, home textiles by 2.8% and bags by 10.6% (Association of Textile and Footwear Importers and Wholesalers). In the January-November period of 2004, exports of clothing (SITC 84) increased by 6.0% and imports by 4.0%. Exports of textiles (SITC 65) declined by 9.0% and imports by 3.0% (National Board of Customs, monthly review, Nov./2004).

Net sales grow faster than expected

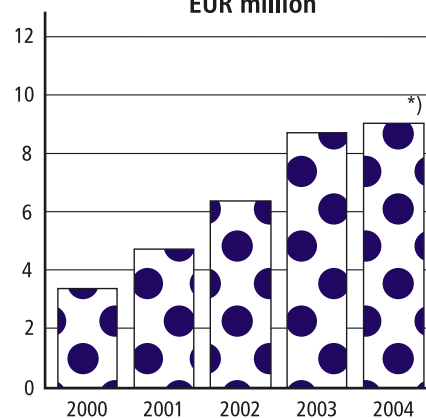
In 2004, the Marimekko Group's net sales rose by 14.1% to EUR 64,592 thousand (EUR 56,587 thousand). Exports and income from international operations accounted for 22.2% (23.5%) of the Group's net sales. Net sales of Marimekko products saw growth of 16.1%; exports and income from international operations grew by 14.6% compared with the previous year. In Finland, sales of all Marimekko products grew very well. Trends were also favourable in export markets; sales in all product lines saw significantly faster growth than a year earlier.

Grünstein Product Oy's shares outstanding were sold on 17 December 2004. Grünstein Product is included in the consolidated figures until 30 November 2004. In the period from 1 January to 30 November 2004, Grünstein Product Oy's net sales amounted to EUR 3,120 thousand (EUR 3,671 thousand in 1 Jan.–31 Dec. 2003), of which exports accounted for EUR 2,765 thousand.

Net sales 2000–2004,
EUR million



Operating profit 2000–2004,
EUR million



*) Includes a non-recurring capital loss of EUR 1.2 million on the sale of the shares in Grünstein Product Oy.

Clothing accounted for 47.3% of the Group's net sales, interior decoration products for 38.9% and bags for 13.8%. The breakdown of net sales by market area was: Finland, 77.7%, the other Nordic countries, 8.0%, the rest of Europe, 8.0%, North America, 3.3%, and other countries (regions outside Europe and North America), 3.0%.

In 2004, Marimekko's own retail shops in Finland increased their sales by 7.2% (9.6%). Sales by the company's own shops totalled EUR 26,279 thousand (EUR 24,445 thousand). Sales to retailers in Finland rose by 25.7% (40.1%).

Net sales and earnings in Q4

During the final quarter of 2004, net sales of Marimekko products rose by 18.2% to EUR 17,814 thousand (EUR 15,072 thousand). Consolidated net sales grew by 12.5% and amounted to EUR 18,679 thousand (EUR 16,600 thousand). The Group's operating profit improved by 2.3% to EUR 3,117 thousand (EUR 3,047 thousand), exclusive of a non-recurring capital loss of EUR 1,235 thousand on the sale of shares.

Profit before extraordinary items and taxes was EUR 1,836 thousand (EUR 2,956 thousand, including business interruption insurance indemnity of EUR 549 thousand). The Group's profit after taxes declined to EUR 902 thousand (EUR 2,082 thousand). The decline was due to a non-recurring capital loss of EUR 1,235 thousand on the sale of Grünstein Product Oy, which was booked in other operating expenses.

Reviews by business unit

Clothing

In 2004, the Group's net sales of clothing increased by 7.4% to EUR 30,594 thousand (EUR 28,479 thousand). Net sales of Marimekko clothing were up 10.5%. Solid growth continued in domestic clothing sales. Exports and income from international operations saw slightly better growth than a year earlier, but total growth fell noticeably short of expectations. Exports and income from international operations accounted for 23.8% of net sales of clothing.

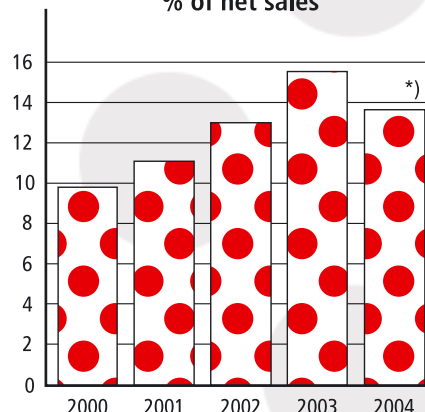
Interior decoration

In 2004, net sales of interior decoration products increased by 17.0% to EUR 25,100 thousand (EUR 21,451 thousand). In Finland, sales of interior decoration products grew well. Growth in export markets was even faster and sales rose significantly compared with the previous year. In relative terms, the highest growth in exports was seen in the market areas referred to as "other Nordic countries" and "other countries". Exports and income from international operations accounted for 20.4% of net sales of interior decoration products.

Bags

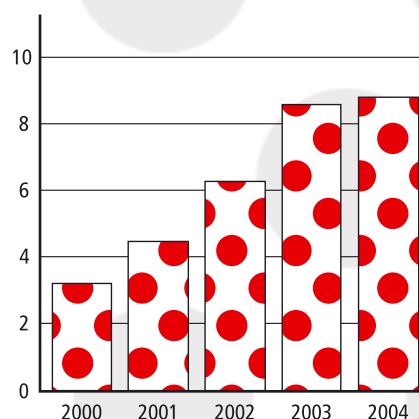
In 2004, a record number of Marimekko bags were sold in both Finland and export markets. Net sales of bags increased by 33.7% compared with the previous year and amounted to EUR 8,898 thousand (EUR 6,657 thousand).

Operating profit 2000–2004,
% of net sales



*) Includes a non-recurring capital loss of EUR 1.2 million on the sale of the shares in Grünstein Product Oy.

Profit before extraordinary items
and taxes 2000–2004, EUR million



Especially strong growth in exports and income from international operations was seen in the market area referred to as "other countries". Exports and income from international operations accounted for 21.9% of net sales of bags.

Business gifts and contract sales

Sales of business gifts and contract sales increased by 23.1% from the previous year.

Exports and international operations

In the case of Marimekko products, exports and income from international operations grew by 14.6% compared with the previous year, amounting to EUR 11,583 thousand (EUR 10,106 thousand) in 2004. Sales increased in all Marimekko product lines. The Group's exports and income from international operations grew by 8.0% to EUR 14,348 thousand (EUR 13,290 thousand).

In the market area referred to as "other Nordic countries", the Group's exports and income from international operations rose by 23.5%. Sales grew well in all product lines. By far the fastest growth was achieved in sales of interior decoration products. The strongest sales increase was seen in Sweden, where sales by Marimekko's own retail shop as well as sales to retailers were notably higher than in the previous year.

In the market area referred to as "the rest of Europe", the Group's exports and income from international operations declined by 6.9%, which was entirely due to the decrease in the exports of Grünstein Product Oy. Bag sales grew well, while sales of clothing and interior decoration products declined slightly. The trend in Italy, France and Russia remained favourable and sales increased significantly compared with the previous year. The market situation remained weak in Germany, the Netherlands and Switzerland, and sales underperformed expectations. Growth in the UK also slackened compared with the previous year.

In North America, the Group's exports and income from international operations were up 9.2%. Exports of Marimekko products to the United States increased by 21.7% measured in US dollars. The highest growth in North America was seen in sales of interior decoration products and bags.

In the market area referred to as "other countries", the Group's exports and income from international operations rose by 17.8%. The greatest growth was achieved in Japan, where sales of bags in particular surged.

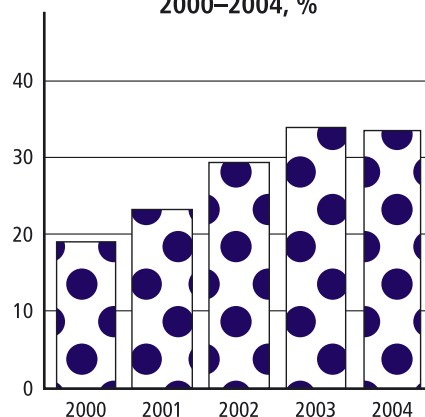
Licensing

In 2004, royalty earnings from sales of licensed products increased considerably compared with the previous year, particularly in Finland. Good growth continued in the United States and Japan as well.

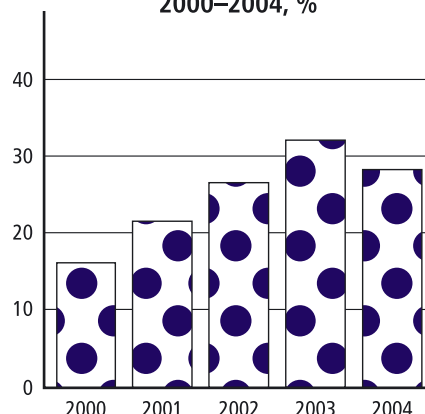
Production

The major production investment in the 2004 financial period was the modernisation of the Herttoniemi textile printing factory. This was a replacement investment valued at EUR 1.8 million. The modernisation of printing production progressed in line with

Return on investment (ROI)
2000–2004, %



Return on equity (ROE)
2000–2004, %



plans; a new printing machine was brought into use at the end of September, and new digital screen-making equipment in June.

In 2004, the production volume of the Herttoniemi textile printing factory increased by 26.0% due to the additional capacity provided by the new printing machine. Production volumes at the Kitee clothing factory and the Sulkava bag factory were at the previous year's level. Towards the end of the year, demand for printed textiles and ready-made interior decoration products surged. Although outsourcing from domestic and foreign manufacturers was stepped up significantly, the company experienced difficulties with the delivery of certain products.

Earnings improve significantly, exclusive of a non-recurring capital loss on a sale

The Group's operating profit improved by 14.5% to EUR 10,131 thousand (EUR 8,849 thousand), exclusive of a non-recurring capital loss on the sale of shares. Including the capital loss on the sale, the Group's operating profit amounted to EUR 8,896 thousand. Exclusive of the non-recurring capital loss, operating profit represented 15.7% (15.6%) of net sales. Marketing expenses during the financial period totalled EUR 3,436 thousand (EUR 2,862 thousand), or 5.3% (5.1%) of the Group's net sales.

The Group's depreciation amounted to EUR 785 thousand (EUR 933 thousand), or 1.2% (1.6%) of the Group's net sales. Net financial expenses came to EUR 155 thousand (EUR 312 thousand), or 0.2% (0.6%) of the Group's net sales.

The Group's profit after taxes for the financial year declined by 4.5% to EUR 5,774 thousand (EUR 6,045 thousand), representing 8.9% (10.7%) of the Group's net sales. The decline was due to a capital loss of EUR 1,235 thousand on the sale of the shares outstanding in Grünstein Product Oy, which was booked as a non-recurring item in other operating expenses. The transaction price of the shares outstanding amounted to EUR 2,304 thousand, including EUR 1,304 thousand in interest-bearing liabilities. Exclusive of the non-recurring capital loss on the sale, the Group's earnings per share improved by 15.9% to EUR 0.87 (EUR 0.75). Including the capital loss, the Group's earnings per share were EUR 0.72.

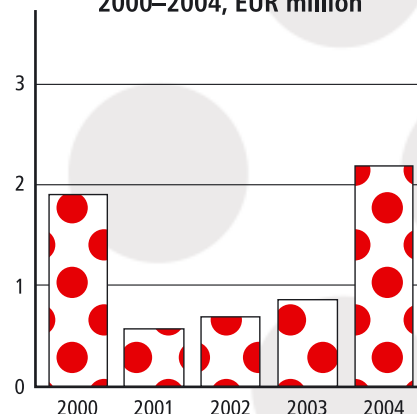
Investments

Gross investments during the financial year amounted to EUR 2,234 thousand (EUR 893 thousand), representing 3.5% of the Group's net sales. The investments were used to modernise the printing machine and screen-making equipment at the Herttoniemi textile printing factory and to rebuild the company's premises in Loviisa.

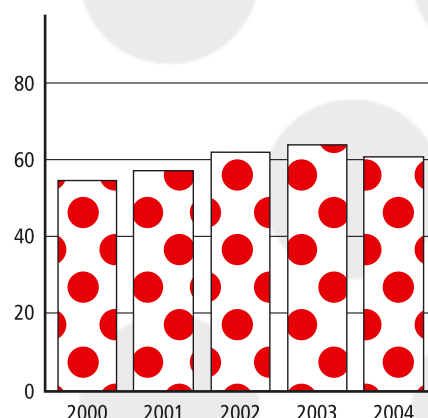
Equity ratio and financing

The Group's equity ratio was 60.6% (64.5% on 31 Dec. 2003). Gearing was -15.0% (-11.8% on 31 Dec. 2003). At the end of the financial period, the Group's interest-bearing liabilities amounted to EUR 4,746 thousand (EUR 6,004 thousand).

Gross investments
2000–2004, EUR million



Equity ratio 2000–2004, %



The Group's financing from operations was EUR 6,558 thousand (EUR 6,978 thousand). At the end of the financial period, the Group's liquid assets amounted to EUR 7,646 thousand (EUR 8,550 thousand).

Shares and share performance

At the end of the 2004 financial year, the company's paid-in share capital, as recorded in the Trade Register, was EUR 8,040,000 and the total number of shares 8,040,000. The accounting counter-value of a share is one (1) euro.

According to the book-entry register, the company had 4,582 registered shareholders at the end of the financial period. 16.2% of the shares were registered in a nominee's name and 2.4% were in foreign ownership. The number of shares owned either directly or indirectly by members of the Board of Directors and the president of the company was 2,644,500, representing 32.9% of the total votes conferred by the company's shares.

Flagging notifications

ODIN Forvaltning AS's share of Marimekko Corporation's share capital and voting rights declined to 2.57%, or 206,700 shares, as a result of a transaction made on 19 August 2004.

At the end of the report 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 Marimekko shares.

During the financial year, a total of 4,613,588 Marimekko shares were traded, representing 57.4% of the shares outstanding. The total value of Marimekko's share turnover was EUR 53,997,594. The company's market capitalisation at the end of the 2004 financial year was EUR 118,188,000. At the end of 2003, the company's market capitalisation was EUR 73,566,000. In 2004, the lowest price of the Marimekko share was EUR 8.80, the highest was EUR 15.45, and the average price was EUR 11.70. At the end of the year 2004, the final price of the share was EUR 14.70.

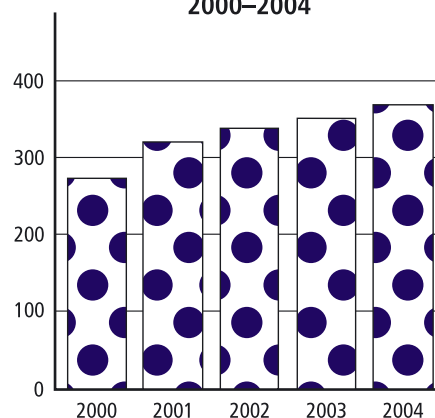
Personnel

In 2004, the number of Marimekko personnel grew by 30. The sale of Grünstein Product Oy reduced the Group's payroll by 40 people. During the report period, the Group's number of employees averaged 375 (356). At the end of the financial year, the Group employed 355 (365) people, of whom 10 (10) worked abroad.

Board of Directors and auditors

The Annual General Meeting of 16 March 2004 resolved that the company's Board of Directors shall have three members. Mr Kari Miettinen, B.Sc. (Econ.), Authorised Public Accountant, Mr Matti Kavetvuo, M.Sc. (Eng.), B.Sc. (Econ.), and Mrs Kirsti Paakkanen, President, were re-elected as members of the Board of Directors until the end of the next Annual General Meeting.

Average personnel
2000–2004



At its organisation meeting held after the Annual General Meeting, the Board of Directors elected Kari Miettinen as Chairman of the Board.

The Annual General Meeting also confirmed that Tilintarkastus Logos Oy, Authorised Public Accountants, with Mr Seppo Tervo, Authorised Public Accountant, as chief auditor, will continue as the company's regular auditor and Mr Matti Hartikainen, Authorised Public Accountant, as deputy auditor.

Extraordinary General Meeting

Marimekko Corporation's Board of Directors convened an Extraordinary General Meeting for 8 December 2004 to decide on the payment of an additional dividend. The meeting resolved to pay an extra dividend of EUR 0.50 per share for the 2003 financial year in addition to the dividend of EUR 0.50 per share decided on by the Annual General Meeting of 16 March 2004.

Adoption of IFRS

Marimekko Corporation will adopt International Financial Reporting Standards (IFRS) in its interim reports and consolidated financial statements in 2005. Preparations for IFRS reporting have progressed in accordance with plans. In 2004, the effects of the changeover to IFRS on the Group's accounting principles were examined and preliminary assessments of the essential effects were carried out. The assessment indicates that the changeover to IFRS will not have a significant effect on the Group's key figures.

The Board of Directors' proposal for the dividend for the 2004 financial year

A dividend of one euro per share was paid for 2003 to a total of EUR 8,040,000. The Board of Directors will propose to the Annual General Meeting that a dividend of EUR 0.50 per share be paid for 2004. The proposed dividends represent 69.6% of the Group's earnings per share for the financial year. On 31 December 2004, the Group's distributable funds amounted to EUR 10,258,917.45 and the parent company's distributable funds to EUR 9,339,625.94. The Board will propose 12 April 2005 as the dividend record date and 19 April 2005 as the dividend payout date.

Outlook for 2005

At the end of 2004, the cyclical outlook for the global economy in 2005 weakened slightly (The Research Institute of the Finnish Economy ETLA, "Suhdanne" 2004/4). According to ETLA's estimate, total output in Finland will grow by about 3% in 2005. In the euro area, growth is expected to stall at slightly under 2%. Total output in the United States is anticipated to increase by 3%. Good growth is expected to continue in Asia. On the basis of the economic outlook for the field, the Marimekko Group's net sales are expected to grow, in comparable terms, by about 10% in 2005. The Group's profitability is forecast to remain at a good level.

Income statement

(EUR 1,000)

		Group		Parent company	
		2004	2003	2004	2003
NET SALES	1.	64 592	56 587	60 888	52 341
Increase or decrease in inventories of completed and unfinished products		533	33	467	-181
Other operating income	2.	18	561	19	12
Materials and services	3.	26 083	21 603	27 305	22 393
Personnel expenses	4.	13 625	12 270	7 422	6 732
Depreciation and value adjustments	5.	785	933	506	464
Other operating expenses	6.	15 754	13 526	17 152	14 703
OPERATING PROFIT		8 896	8 849	8 989	7 880
Financial income and expenses	7.	-155	-312	-78	-150
PROFIT BEFORE EXTRAORDINARY ITEMS		8 741	8 537	8 911	7 730
Extraordinary items	8.				-11
PROFIT BEFORE APPROPRIATIONS AND TAXES		8 741	8 537	8 911	7 719
Increase in depreciation difference	9.			-332	-28
Direct taxes	10.	2 967	2 492	2 791	2 237
NET PROFIT FOR THE PERIOD		5 774	6 045	5 788	5 454

Statement of changes in financial position

(EUR 1,000)

	Group		Parent company	
	2004	2003	2004	2003
CASH FLOW FROM OPERATIONS				
Profit before extraordinary items	8 741	8 537	8 911	7 730
Adjustments				
Depreciation according to plan	785	933	506	464
Financial income and expenses	155	312	78	150
Capital gains (-)/losses (+) from the sale of shares in subsidiaries and other shares, net	926		1 005	
Cash flow before change in working capital	10 607	9 782	10 500	8 344
Change in working capital	351	336	241	281
Cash flow from operations before financial items and taxes	10 958	10 118	10 741	8 625
Paid interest and payments on other operational financial expenses	-229	-389	-201	-276
Dividends received from operations	2			
Interest received from operations	48	57	115	100
Direct taxes paid	-2 346	-2 070	-2 270	-2 024
CASH FLOW FROM OPERATIONS	8 433	7 716	8 385	6 425
CASH FLOW FROM INVESTMENTS				
Investments in tangible and intangible assets	-1 871	-893	-1 656	-704
Capital gains from the transfer of shares in Group companies	487		1 005	
Capital gains from the transfer of other investments	40		40	
CASH FLOW FROM INVESTMENTS	-1 344	-893	-611	-704
CASH FLOW FROM FINANCING				
Short-term loans drawn down	700	2 500	700	2 500
Short-term loans repaid		-2 500		-2 500
Long-term loans drawn down		2 000		2 000
Long-term loans repaid	-653	-1 512	-648	-666
Dividends paid and other distribution of profit	-8 040	-2 278	-8 040	-2 278
CASH FLOW FROM FINANCING	-7 993	-1 790	-7 988	-944
Change in financial assets	-904	5 033	-214	4 777
Financial assets at the beginning of the financial period	8 550	3 517	7 665	2 888
Financial assets at the end of the financial period	7 646	8 550	7 451	7 665

Balance sheet

(EUR 1,000)

		Group		Parent company	
		31 Dec. 2004	31 Dec. 2003	31 Dec. 2004	31 Dec. 2003
ASSETS					
FIXED ASSETS	11.				
Intangible assets	11.1	1 642	1 738	512	574
Consolidated goodwill	11.1		194		
Tangible assets	11.2	6 849	5 902	3 032	1 819
Investments	11.3, 12.	20	58	2 494	4 544
		<hr/>	<hr/>	<hr/>	<hr/>
		8 511	7 892	6 038	6 937
CURRENT ASSETS					
Inventories	13.	12 290	11 949	12 033	10 795
Current receivables	14.	3 558	5 201	5 411	5 114
Cash in hand and at banks		7 646	8 550	7 451	7 665
		<hr/>	<hr/>	<hr/>	<hr/>
		23 494	25 700	24 895	23 574
ASSETS, TOTAL					
		<hr/>	<hr/>	<hr/>	<hr/>
		32 005	33 592	30 933	30 511

Balance sheet

(EUR 1,000)

		Group		Parent company	
		31 Dec. 2004	31 Dec. 2003	31 Dec. 2004	31 Dec. 2003
LIABILITIES					
SHAREHOLDERS' EQUITY 15.					
Share capital		8 040	8 040	8 040	8 040
Share premium fund					
Reserve fund					
Retained earnings		5 574	7 568	3 551	6 138
Profit for the period		5 774	6 045	5 788	5 453
Shareholders' equity, total		19 388	21 653	17 379	19 631
ACCUMULATED APPROPRIATIONS 16.					
				1 043	711
CREDITORS 17.					
Imputed tax liability	17.1	381			
Non-current liabilities	17.2	2 828	5 351	2 828	4 047
Current liabilities	17.3	9 408	6 588	9 683	6 122
Creditors, total		12 617	11 939	12 511	10 169
LIABILITIES, TOTAL					
		32 005	33 592	30 933	30 511

NOTES TO THE FINANCIAL STATEMENTS

Accounting policy

Marimekko Corporation's financial statements and consolidated financial statements have been prepared in accordance with the legislation and regulations that are in force in Finland. The financial statements of foreign subsidiaries have been arranged to correspond with the Finnish Accounting Act. The financial period of all Group companies is the calendar year.

Extent of the consolidated financial statements

The consolidated financial statements comprise the parent company Marimekko Corporation together with those Finnish and foreign subsidiaries in which Marimekko Corporation holds either directly or indirectly over 50% of the votes conferred by the shares at the end of the financial year. Grünstein Product Oy and Marimekko International Oy are included in the consolidated figures until 30 November 2004. The subsidiaries included in the consolidated financial statements and the parent company's holding are listed in section 12 of the notes to the financial statements.

Consolidation policy

The consolidated financial statements are based on the separate financial statements of the Group companies and have been prepared using the acquisition cost method.

Intra-Group share ownership, internal transactions, internal margins included in inventories, intercompany receivables and liabilities, and internal distribution of profit have been eliminated.

Marimekko AB's income statement has been converted to euros at the average rate for the financial year and the balance sheet at the rate on the closing day. Differences arising from translation and translation differences in shareholders' equity are recorded under retained earnings.

Fixed assets and depreciation

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 economic life of the fixed assets.

Periods for depreciation:

Intangible rights	5–10 years
Other long-term expenditure	3–10 years
Goodwill on consolidation	5 years
Buildings and structures	40 years
Machinery and equipment	5–10 years

Inventories

Inventories are presented in accordance with the FIFO principle at the acquisition cost or at the lower replacement cost or the probable market price. The value of inventories does not include any share of fixed purchasing and manufacturing costs.

Pension commitments

The pension security of the employees of the Group's Finnish companies has been arranged as statutory employment pension through a pension insurance company. Foreign subsidiaries have handled the retirement plans of their employees in accordance with local legislation.

Items denominated in foreign currency

The foreign-currency-denominated receivables and liabilities of the Group's Finnish companies have been converted to euro amounts using the average exchange rates quoted on the closing date.

Leasing

Operational 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. The consolidated income statement and balance sheet are presented without appropriations. In the consolidated financial statements, the depreciation difference is divided between shareholders' equity and the imputed tax liability.

Taxes

Recorded as the Group's direct taxes are the direct taxes calculated from the results of Group companies, the change in the imputed tax liability and the change in the imputed tax credit. The imputed tax credit is recorded only if it is likely to materialise. In the balance sheet, the tax credit and liability are recorded as net amounts.

Notes to the income statement

(EUR 1,000)

	Group		Parent company	
	2004	2003	2004	2003
1. NET SALES BY MARKET AREA AND PRODUCT LINE				
By market area				
Finland	50 244	43 297	49 896	42 875
Other Nordic countries	5 136	4 160	4 392	3 437
Rest of Europe	5 183	5 568	2 836	2 829
North America	2 120	1 942	2 120	1 950
Other	1 909	1 620	1 644	1 250
	<u>64 592</u>	<u>56 587</u>	<u>60 888</u>	<u>52 341</u>
By product line				
Clothing	30 594	28 479	27 216	24 586
Interior decoration	25 100	21 451	24 881	21 249
Bags	8 898	6 657	8 791	6 506
	<u>64 592</u>	<u>56 587</u>	<u>60 888</u>	<u>52 341</u>
2. OTHER OPERATING INCOME				
Rental income	3	12	4	12
Insurance indemnity		549		
Sale of fixed assets	10		10	
Other income	5		5	
Total	<u>18</u>	<u>561</u>	<u>19</u>	<u>12</u>
3. MATERIALS AND SERVICES				
Materials and supplies				
Purchases during the financial period	19 072	14 967	18 014	14 000
Change in inventories	-716	188	-652	-182
Total	<u>18 356</u>	<u>15 155</u>	<u>17 362</u>	<u>13 818</u>
External services	7 727	6 448	9 943	8 575
Total	<u>26 083</u>	<u>21 603</u>	<u>27 305</u>	<u>22 393</u>
4. PERSONNEL EXPENSES				
Salaries, wages and bonuses	11 184	10 019	6 118	5 506
Pension and pension insurance payments	1 835	1 655	955	920
Other personnel expenses	606	596	349	306
Total	<u>13 625</u>	<u>12 270</u>	<u>7 422</u>	<u>6 732</u>
Salaries and bonuses for management				
Members of the Board of Directors and presidents	293	306	150	150
Average personnel				
Salaried employees	219	206	177	163
Workers	156	150		
Total	<u>375</u>	<u>356</u>	<u>177</u>	<u>163</u>
5. DEPRECIATION AND VALUE ADJUSTMENTS				
Intangible assets				
Intangible rights	22	19	22	19
Consolidated goodwill		117		
Other capitalised expenditure	187	289	153	172
Total	<u>209</u>	<u>425</u>	<u>175</u>	<u>191</u>
Tangible assets				
Buildings and structures	144	145		
Machinery and equipment	432	363	331	273
Total	<u>576</u>	<u>508</u>	<u>331</u>	<u>273</u>
Total	<u>785</u>	<u>933</u>	<u>506</u>	<u>464</u>

Notes to the income statement

(EUR 1,000)

	Group		Parent company	
	2004	2003	2004	2003
6. OTHER OPERATING EXPENSES				
Rents	2 485	2 387	2 810	2 660
Marketing	3 436	2 862	3 234	2 736
Other expenses	9 833	8 277	11 108	9 307
Total	15 754	13 526	17 152	14 703
7. FINANCIAL INCOME AND EXPENSES				
Dividend income				
From Group companies				
From others	2			
Total	2			
Other interest and financial income				
From Group companies			34	46
From others	49	67	82	64
Total	49	67	116	110
Interest income and other financial income, total	51	67	116	110
Interest expenses and other financial expenses				
For Group companies			27	3
For others	206	379	167	257
Total	206	379	194	260
Financial income and expenses, total	-155	-312	-78	-150
Financial income and expenses include gains/losses on exchange rate differences (net)				
From Group companies				-2
From others	1	-54	-11	-37
Total	1	-54	-11	-39
8. EXTRAORDINARY ITEMS				
Extraordinary expenses				
Group contribution				-11
Total				-11
9. APPROPRIATIONS				
Change in depreciation difference			-332	-28
10. DIRECT TAXES				
Income taxes for the present year	2 864	2 283	2 791	2 237
Change in the imputed tax liability	101	26		
Change in the imputed tax credit	2	183		
Total	2 967	2 492	2 791	2 237
Taxes on extraordinary items				-3

Notes to the balance sheet

(EUR 1,000)

	Group		Parent company	
	2004	2003	2004	2003
11. FIXED ASSETS				
11.1 Intangible assets				
Intangible rights				
Acquisition cost, 1 Jan.	1 160	1 131	262	233
Increases	35	29	35	29
Acquisition cost, 31 Dec.	1 195	1 160	297	262
Accumulated depreciation, 1 Jan.	197	178	155	136
Depreciation during financial period	22	19	22	19
Accumulated depreciation, 31 Dec.	219	197	177	155
Book value, 31 Dec.	976	963	120	107
Consolidated goodwill				
Acquisition cost, 1 Jan.	584	584		
Decreases	-584			
Acquisition cost, 31 Dec.	0	584		
Accumulated depreciation, 1 Jan.	390	273		
Accumulated depreciation of decreases and transfers	-390			
Depreciation during financial period		117		
Accumulated depreciation, 31 Dec.	0	390		
Book value, 31 Dec.	0	194		
Other capitalised expenditure				
Acquisition cost, 1 Jan.	2 987	2 877	2 167	2 122
Increases	80	110	78	45
Decreases	-28			
Acquisition cost, 31 Dec.	3 039	2 987	2 245	2 167
Accumulated depreciation, 1 Jan.	2 212	1 923	1 700	1 528
Accumulated depreciation of decreases and transfers	-26			
Depreciation during financial period	187	289	153	172
Accumulated depreciation, 31 Dec.	2 373	2 212	1 853	1 700
Book value, 31 Dec.	666	775	392	467
Intangible assets, total	1 642	1 932	512	574
11.2 Tangible assets				
Land and water				
Acquisition cost, 1 Jan.	54	54		
Decreases	-35			
Acquisition cost, 31 Dec.	19	54		
Book value, 31 Dec.	19	54		
Buildings and structures				
Acquisition cost, 1 Jan.	4 221	4 202		
Increases	575	19		
Decreases	-659			
Acquisition cost, 31 Dec.	4 137	4 221		
Accumulated depreciation, 1 Jan.	704	559		
Accumulated depreciation of decreases and transfers	-29			
Depreciation during financial period	145	145		
Accumulated depreciation, 31 Dec.	820	704		
Book value, 31 Dec.	3 317	3 517		

(EUR 1,000)

	Group		Parent company	
	2004	2003	2004	2003
Machinery and equipment				
Acquisition cost, 1 Jan.	4 977	4 567	3 994	3 685
Increases	2 078	474	1 852	309
Decreases	-418	-64		
Acquisition cost, 31 Dec.	6 637	4 977	5 846	3 994
Accumulated depreciation, 1 Jan.	2 970	2 607	2 495	2 223
Accumulated depreciation of decreases and transfers	-266			
Depreciation during financial period	432	363	331	272
Accumulated depreciation, 31 Dec.	3 136	2 970	2 826	2 495
Book value, 31 Dec.	3 501	2 007	3 020	1 499
Book value of production machinery and equipment, 31 Dec.	1 966	390	1 868	193
Advance payments and acquisitions in progress				
Buildings and structures				
Acquisition cost, 1 Jan.				
Increases	332	220		
Decreases	-332	-220		
Book value, 31 Dec.	0	0		
Machinery and equipment				
Acquisition cost, 1 Jan.	324		320	
Increases		324		320
Decreases	-312		-308	
Book value, 31 Dec.	12	324	12	320
Tangible assets, total	6 849	5 902	3 032	1 819
11.3 Investments				
Shares in Group companies				
Acquisition cost, 1 Jan.			4 716	4 716
Decreases			-2 021	
Acquisition cost, 31 Dec.			2 695	4 716
Accumulated depreciation, 31 Dec.			218	218
Book value, 31 Dec.			2 477	4 498
Other shares and participations				
Acquisition cost, 1 Jan.	129	129	117	117
Decreases	-38		-29	
Acquisition cost, 31 Dec.	91	129	88	117
Accumulated depreciation, 31 Dec.	71	71	71	71
Book value, 31 Dec.	20	58	17	46
Investments, total	20	58	2 494	4 544
12. INVESTMENTS				
Group companies			Group's holding, %	Parent company's holding, %
Company and domicile				
Decembre Oy, Helsinki, Finland			100	100
Keskinäinen Kiinteistö Oy Marikko, Helsinki, Finland			100	100
Marimekko AB, Stockholm, Sweden			100	100
Marimekko GmbH, Düsseldorf, Germany			100	100
Marimekko Kitee Oy, Kitee, Finland			100	100
Marimekko Tuotanto Oy, Helsinki, Finland			100	100

(EUR 1,000)

	Group		Parent company	
	2004	2003	2004	2003
13. INVENTORIES				
Raw materials and consumables	4 111	4 119	4 091	3 439
Incomplete products	172	184	112	114
Finished products/goods	7 723	7 480	7 546	7 076
Advance payments	284	166	284	166
Total	<u>12 290</u>	<u>11 949</u>	<u>12 033</u>	<u>10 795</u>
14. CURRENT RECEIVABLES				
Sales receivables	2 914	3 568	2 898	2 346
Receivables from Group companies				
Sales receivables			622	704
Loan receivables			1 350	1 500
Total			<u>1 972</u>	<u>2 204</u>
Other receivables	32	27	28	17
Prepaid expenses and accrued income	612	1 606	513	547
Total	<u>3 558</u>	<u>5 201</u>	<u>5 411</u>	<u>5 114</u>
Prepaid expenses and accrued income				
Interest receivables	15	12	15	12
Royalty receivables	378	379	378	379
Social security contribution insurance		7		
Tax assets	5	105		
Imputed tax credit *)		424		
Transfer from imputed tax liability (appropriations)		-327		
Insurance indemnity		652		
Other prepaid expenses and accrued income	214	354	120	156
Total	<u>612</u>	<u>1 606</u>	<u>513</u>	<u>547</u>
*) Imputed tax credit				
From consolidation adjustments		49		
From periodisation differences		375		
Total		<u>424</u>		
15. SHAREHOLDERS' EQUITY				
Share capital, 1 Jan.	8 040	5 360	8 040	5 360
Bonus issue, 4 April 2003		2 680		2 680
Share capital, 31 Dec.	<u>8 040</u>	<u>8 040</u>	<u>8 040</u>	<u>8 040</u>
Share premium fund, 1 Jan.		1 353		1 353
Bonus issue, 4 April 2003		-1 353		-1 353
Share premium fund, 31 Dec.		<u>0</u>		<u>0</u>
Reserve fund, 1 Jan.		782		782
Bonus issue, 4 April 2003		-782		-782
Reserve fund, 31 Dec.		<u>0</u>		<u>0</u>
Retained earnings, 1 Jan.	13 614	10 391	11 591	8 961
Dividend payout	-8 040	-2 278	-8 040	-2 278
Bonus issue, 4 April 2003		-545		-545
Retained earnings, 31 Dec.	<u>5 574</u>	<u>7 568</u>	<u>3 551</u>	<u>6 138</u>
Net profit for the period	5 774	6 045	5 788	5 453
SHAREHOLDERS' EQUITY, TOTAL	<u>19 388</u>	<u>21 653</u>	<u>17 379</u>	<u>19 631</u>
Share of accumulated appropriations recorded in shareholders' equity	1 089	801		
Distributable funds in shareholders' equity	10 259	12 812	9 339	11 591

(EUR 1,000)

	Group		Parent company	
	2004	2003	2004	2003
16. ACCUMULATED APPROPRIATIONS				
Accumulated depreciation difference				
Intangible rights	7	3	7	3
Other capitalised expenditure	96	85	96	86
Buildings and structures	309	295		
Machinery and equipment	1 104	745	940	622
Total	1 516	1 128	1 043	711
Imputed tax liability	427	327		
Share recorded in shareholders' equity	1 089	801		

The imputed tax liability of the Finnish companies has been calculated using a 26% tax base with respect to the change in 2004. The imputed tax liability of foreign subsidiaries has been calculated using the local tax base.

17. LIABILITIES

Interest-bearing liabilities

Non-current	2 828	5 351	2 828	4 047
Current	1 918	653	1 918	648
Total	4 746	6 004	4 746	4 695

Non-interest-bearing liabilities

Non-current	381			
Current	7 490	5 935	7 765	5 474
Total	7 871	5 935	7 765	5 474

17.1 Imputed tax liability

From appropriations	427			
From consolidation adjustments	-46			
Total	381			

17.2 Non-current liabilities

Loans from financial institutions	1 428	2 000	1 428	2 000
Pension loans	1 400	3 351	1 400	2 047
Total	2 828	5 351	2 828	4 047

Non-current liabilities include debts that fall due more than five years from now.

Pension loans		915		269
Total		915		269

(EUR 1,000)

	Group		Parent company	
	2004	2003	2004	2003
17.3 Current liabilities				
Loans from financial institutions	571	4	571	
Pension loans	647	649	647	649
Trade payables	2 186	1 485	2 156	1 309
Debts to Group companies				
Trade payables			1 657	1 301
Other current liabilities			45	38
Accrued liabilities and deferred income			33	86
Total			1 735	1 425
Other current liabilities	3 028	1 976	2 546	1 283
Accrued liabilities and deferred income	2 976	2 474	2 028	1 456
Total	9 408	6 588	9 683	6 122
Accrued liabilities and deferred income				
Interest	29	51	29	35
Annual holiday pay, with social security contributions	1 479	1 473	903	812
Periodised wages and salaries	218	243	113	133
Taxes	646	152	637	140
Other accrued liabilities and deferred income	604	555	346	336
Total	2 976	2 474	2 028	1 456
18. GUARANTEES, CONTINGENT LIABILITIES AND OTHER COMMITMENTS				
For own liabilities				
Pledges given	9	9	9	9
Guarantees	688	593	530	436
Corresponding commitments	697	602	539	445
Corporate mortgage and mortgaged promissory notes	5 214	5 214	1 514	1 514
Corresponding pension loan	2 047	2 695	2 047	2 695
For the liabilities of the Group company				
Guarantees			158	1 473
For the liabilities of other companies				
Guarantees	1 304		1 304	
Other liabilities and commitments		721		721
Leasing liabilities				
Payments due in the following financial year	158	233	153	219
Payments due later	156	260	148	249
Total	314	493	301	468

The Group has no liabilities 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.

Shares and share capital

Shares

Marimekko Corporation was listed on the I List of the Helsinki Stock Exchange in March 1999. In the public offering, the sales and subscription price was EUR 2.42 per share. The share has been quoted on the Main List of the Helsinki Stock Exchange since 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

Marimekko Corporation's paid-in share capital, as recorded in the Trade Register, amounts to EUR 8,040,000, consisting of 8,040,000 shares, each having an accounting countervalue of one (1) euro. According to the Articles of Association, the minimum share capital is EUR 3,000,000 and the maximum share capital is EUR 12,000,000. The minimum number of shares is 5,000,000 and the maximum number is 20,000,000.

Changes in the share capital

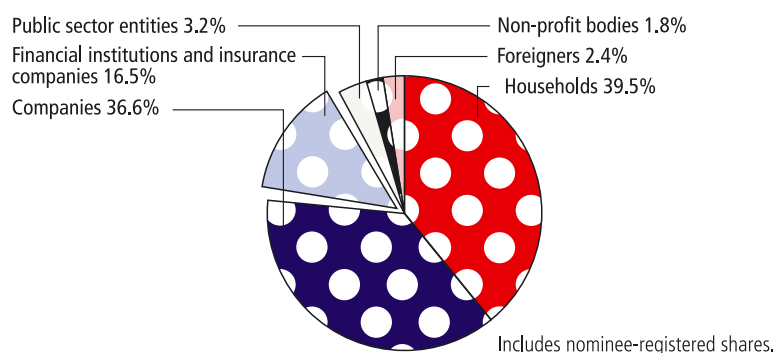
Split

In 2003, the company's number of shares was doubled (split), without increasing the share capital, in proportion to the existing holdings of shareholders. Due to doubling the number of shares, each share with an accounting countervalue of two (2) euros was split into two shares with an accounting countervalue of one (1) euro each.

Bonus issue

In 2003, the company's share capital was increased by means of a bonus issue of EUR 2,680,000, from EUR 5,360,000 to EUR 8,040,000. In the bonus issue, 2,680,000 new shares with an accounting countervalue of one (1) euro were issued. The bonus issue was implemented by transferring EUR 2,680,000 to the share capital so that the funds from the premium fund and reserve fund were transferred in full and the rest from retained earnings. In the bonus issue, a shareholder received, without consideration, one (1) new share for each two (2) post-split shares with an accounting countervalue of one (1) euro. Trading in the split and bonus issue shares began on the Helsinki Stock Exchange on 7 April 2003.

Breakdown of ownership by owner group,
31 Dec. 2004



Ownership by size of holding, 31 Dec. 2004

Shares	Shareholders		Shares		Votes	
	No.	%	No.	%	No.	%
1 – 100	1,189	25.95	96,693	1.20	96,693	1.20
101 – 1,000	2,704	59.01	1,163,286	14.47	1,163,286	14.47
1,001 – 10,000	649	14.17	1,571,629	19.55	1,571,629	19.55
10,001 – 100,000	36	0.79	1,007,710	12.53	1,007,710	12.53
100,001 – 1,000,000	2	0.04	379,500	4.72	379,500	4.72
1,000,001 –	2	0.04	3,821,182	47.53	3,821,182	47.53
TOTAL	4,582	100	8,040,000	100	8,040,000	100

Authorisations

The Board of Directors has no valid authorisations to carry out a share issue or issue of convertible bonds or bonds with warrants, or to acquire the company's shares. Marimekko Corporation does not own any Marimekko shares.

Dividends 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.

Dividends for 2003

A dividend of EUR 0.50 per share was paid for 2003 in accordance with the decision of the Annual General Meeting held on 16 March 2004. The dividend was paid out on 26 March 2004. Moreover, the Extraordinary General Meeting held on 8 December 2004 decided that an additional dividend of EUR 0.50 per share be paid for the 2003 financial year. The additional dividend was paid on 20 December 2004. The total dividends paid for 2003 were EUR 8,040,000, representing 133.0% of the Group's earnings per share in the financial year.

Proposal for the dividend for the 2004 financial year

The Board of Directors will propose to the Annual General Meeting that the dividend to be paid for the 2004 financial year be EUR 0.50 per share. The proposed dividends amount to 69.6% of the Group's earnings per share for 2004.

Shareholders

According to the book-entry register, Marimekko Corporation had 4,582 registered shareholders at the end of the financial year. At the turn of the year, 16.2% of the shares were registered in a nominee's name and 2.4% were owned by foreigners.

Flagging notifications

ODIN Forvaltning AS's share of Marimekko Corporation's share capital and voting rights declined to 2.57%, or 206,700 shares, as a result of a transaction made on 19 August 2004.

Largest shareholders according to the book-entry register, 31 Dec. 2004

	Percentage of holding and votes
1. Workidea Oy	32.28
2. Varma Mutual Employment Pension Insurance Company	2.48
3. Odin Finland Oy	2.24
4. EVK-Capital Oy	0.87
5. Westerberg Olof	0.82
6. Laakkonen Mikko	0.81
7. Vidgrén Einari	0.80
8. Foundation for Economic Education	0.75
9. Mutual Insurance Company Pension-Fennia	0.71
10. Miettinen Kari	0.60
11. Scanmagnetics Oy	0.49
12. Moisio Martti	0.39
13. Karvonen Eero	0.36
14. Mäki Uolevi	0.34
15. Hydro-Invest Oy	0.31
Other	55.75
Nominee-registered	16.22

Management's shareholding

At the end of the financial year, the total number of shares owned either directly or indirectly by members of the Board of Directors and the president was 2,644,500, representing 32.9% of the total votes conferred by the company's shares.

Marimekko shares owned directly or indirectly by members of the Board of Directors, 31 Dec. 2004

	Shares	Percentage of holding and votes
Matti Kavetvuo	1,500	0.02
Kari Miettinen	48,000	0.60
Kirsti Paakkanen	2,595,000	32.28

Shareholder agreements

The company 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.

Share turnover

In 2004, a total of 4,613,588 Marimekko shares were traded, representing 57.4% of the shares outstanding. The total value of share turnover was EUR 53,997,594. The company's market capitalisation at the end of the 2004 financial year was EUR 118,188,000 (EUR 73,566,000 on 31 Dec. 2003).

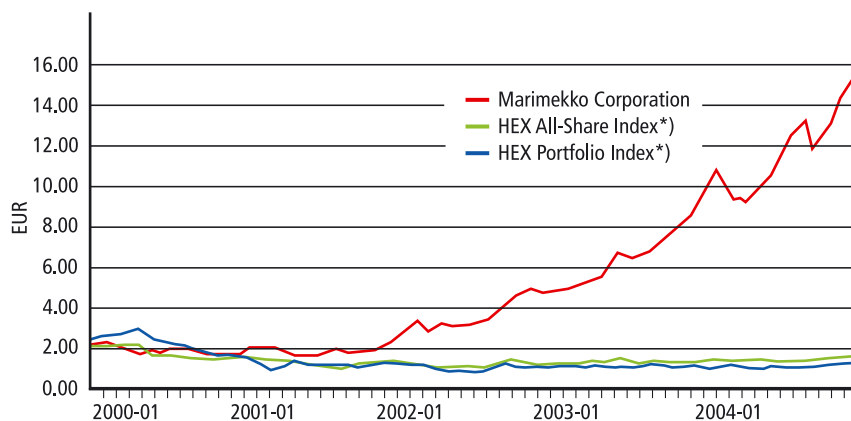
General share price trends

In 2004, share prices rose by 3.6% on the Helsinki Stock Exchange as measured by the HEX All-Share Index and by 14.6% measured with the Portfolio Index. Total share turnover on the Helsinki Stock Exchange was valued at EUR 181 billion.

Trend in Marimekko's share price

	2004	2003
Low, EUR	8.80	4.25
High, EUR	15.45	9.55
Average, EUR	11.70	6.49
Closing price (31 Dec.), EUR	14.70	9.15

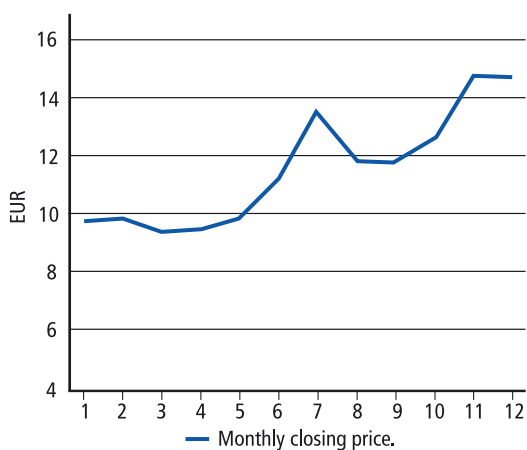
Share price trend 2000–2004



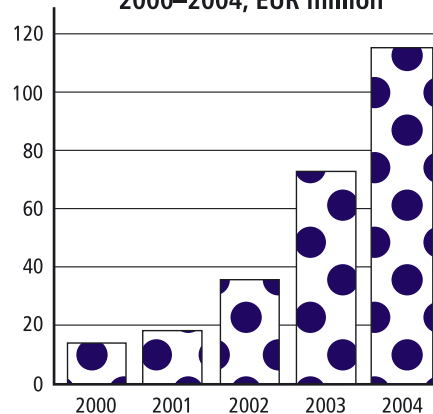
*) The Helsinki Stock Exchange indices have been adjusted to Marimekko's share price trend.

Trading code: MMO1V
 ISIN code: FI0009007660
 Round lot: 100 shares
 Business sector: Other industries
 Taxable value of the share
 in 2004: EUR 10.19

Share price trend 2004, EUR



Market capitalisation 2000–2004, EUR million



Per-share data

	2000	2001	2002	2003	2004
Earnings per share (EPS), EUR	0.27	0.38	0.55	0.75	*) 0.72
Equity per share, EUR	1.68	1.90	2.22	2.69	2.41
Dividend per share, EUR	0.17	**) 0.22	0.28	1.00	**) 0.50
Dividend per profit, %	61.0	**) 56.5	51.8	133.0	**) 69.6
Effective dividend yield, %	10.0	9.0	5.9	10.9	3.4
P/E ratio	6.1	6.3	8.7	12.2	20.4
Adjusted average					
number of shares, 1,000	8,040	8,040	8,040	8,040	8,040
Adjusted number of shares at the end of the period, 1,000	8,040	8,040	8,040	8,040	8,040

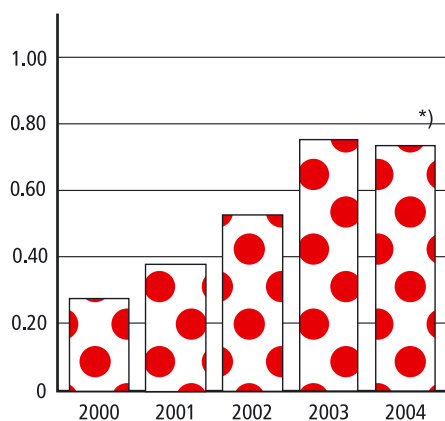
*) Includes a non-recurring capital loss of EUR 1,235 thousand on the sale of the shares in Grünstein Product Oy.

**) Included an additional dividend of EUR 0.05 in honour of the 50th jubilee year.

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

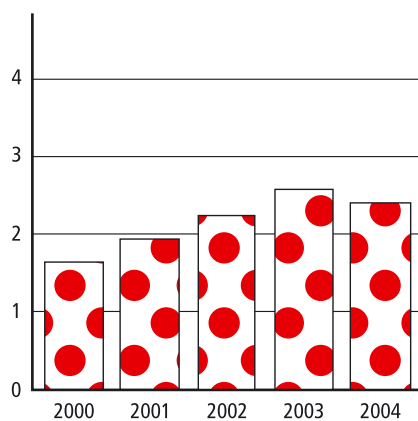
The formulas for the key figures are on page 44.

Earnings per share 2000–2004, EUR

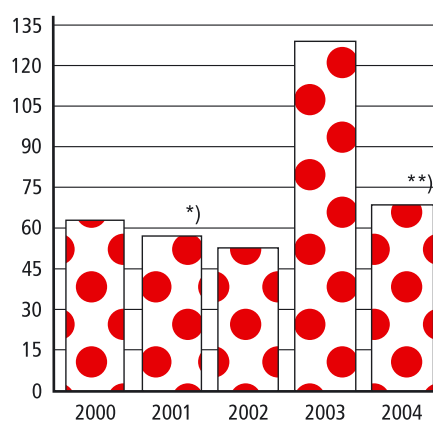


*) Includes a non-recurring capital loss of EUR 1.2 million on the sale of the shares in Grünstein Product Oy.

Equity per share 2000–2004, EUR

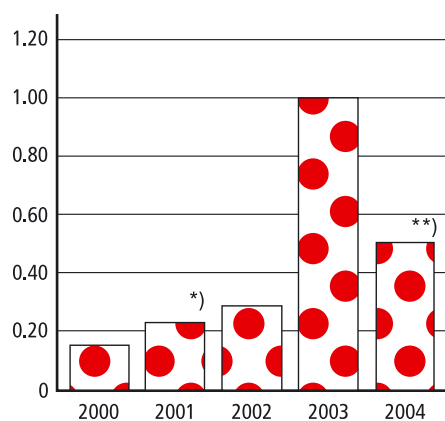


Dividend per profit 2000–2004, %



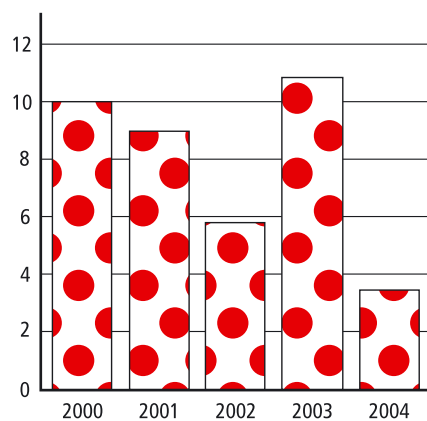
*) Included an additional dividend of EUR 0.05 in honour of the 50th jubilee year.
**) Proposal by the Board of Directors.

Dividend per share 2000–2004, EUR

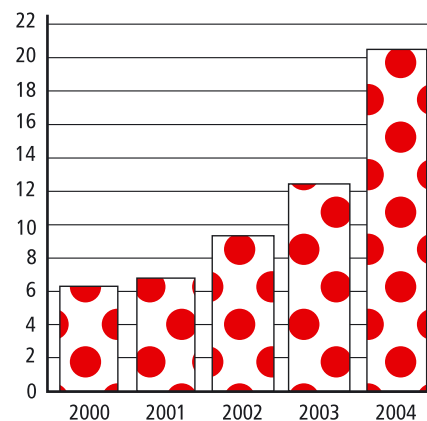


*) Included an additional dividend of EUR 0.05 in honour of the 50th jubilee year.
**) Proposal by the Board of Directors.

Effective dividend yield 2000–2004, %



P/E ratio 2000–2004



Formulas for the key figures

Return on equity (ROE), %:	$\frac{\text{Profit before extraordinary items – taxes (excl. of taxes on extraordinary items)}}{\text{Shareholders' equity (average for the financial year)}} \times 100$
Return on investment (ROI), %:	$\frac{\text{Profit before extraordinary items + interest and other financial expenses}}{\text{Balance sheet total – non-interest-bearing liabilities (average for the financial year)}} \times 100$
Equity ratio, %:	$\frac{\text{Shareholders' equity}}{\text{Balance sheet total – advances received}} \times 100$
Earnings per share (EPS), EUR:	$\frac{\text{Profit before extraordinary items – taxes (excl. of taxes on extraordinary items)}}{\text{Number of shares (average for the financial year)}}$
Equity per share, EUR:	$\frac{\text{Shareholders' equity}}{\text{Number of shares, 31 December}}$
Dividend per share, EUR:	$\frac{\text{Dividend paid for the financial year}}{\text{Number of shares, 31 December}}$
Dividend per profit, %:	$\frac{\text{Dividend paid for the financial year}}{\text{Profit (as in the key figure for earnings per share)}} \times 100$
Effective dividend yield, %:	$\frac{\text{Dividend per share}}{\text{Adjusted share price, 31 December}} \times 100$
P/E ratio:	$\frac{\text{Adjusted share price, 31 December}}{\text{Earnings per share (EPS)}}$
Interest-bearing net debt:	Interest-bearing liabilities – cash in hand and at banks – interest-bearing loan receivables
Gearing, %:	$\frac{\text{Interest-bearing net debt}}{\text{Shareholders' equity}} \times 100$

Quarterly trends 2003–2004

	Jan.–Mar.		Apr.–June		July–Sept.		Oct.–Dec.	
	2004	2003	2004	2003	2004	2003	2004	2003
Net sales, EUR 1,000	14,109	12,081	15,402	13,112	16,402	14,794	18,679	16,600
Operating result, EUR 1,000	1,524	651	2,140	2,240	3,350	2,911	*) 1,882	**) 3,047
Profit before extraordinary items and taxes, EUR 1,000	1,494	583	2,098	2,166	3,313	2,832	*) 1,836	2,956
Net result, EUR 1,000	1,047	414	1,483	1,538	2,342	2,011	*) 902	2,082
Earnings per share, EUR	0.13	0.05	0.18	0.19	0.30	0.25	*) 0.11	0.26
Equity per share, EUR	2.32	2.28	2.51	2.18	2.80	2.43	2.41	2.69

*) Includes a non-recurring capital loss of EUR 1,235 thousand on the sale of the shares in Grünstein Product Oy.

**) Includes EUR 549 thousand in business interruption insurance indemnity.

Five-year review

	2000	2001	2002	2003	2004
Net sales, EUR 1,000	33,052	42,003	49,318	56,587	64,592
Change in net sales, %	25.1	27.1	17.4	14.7	14.1
Operating profit, EUR 1,000	3,253	4,720	6,450	8,849	*) 8,896
% of net sales	9.8	11.2	13.1	15.6	*) 13.8
Financial income and expenses, EUR 1,000	-156	-329	-290	-312	-155
Profit before extraordinary items and taxes, EUR 1,000	3,097	4,391	6,160	8,537	8,741
% of net sales	9.8	10.4	12.5	15.1	13.5
Taxes, EUR 1,000	843	1,303	1,771	2,492	2,967
Profit after taxes, EUR 1,000	2,015	3,088	4,389	6,045	5,774
Balance sheet total, EUR 1,000	24,830	26,119	29,271	33,592	32,005
Interest-bearing liabilities, EUR 1,000	5,952	5,238	5,515	6,004	4,746
Shareholders' equity and reserves, EUR 1,000	13,492	15,239	17,887	21,653	19,388
Return on equity (ROE), %	16.7	21.5	26.5	30.6	28.1
Return on investment (ROI), %	18.5	23.8	29.5	34.6	34.5
Equity ratio, %	54.3	58.3	61.1	64.5	60.6
Gearing, %	23.6	25.5	11.2	-11.8	-15.0
Gross investments, EUR 1,000	1,933	546	626	893	2,234
% of net sales	5.8	1.3	1.3	1.6	3.5
Average personnel	274	317	333	356	375
Personnel at the end of the financial year	306	324	344	365	355

*) Includes a non-recurring capital loss of EUR 1,235 thousand on the sale of the shares in Grünstein Product Oy.

The Board of Directors' proposal for the distribution of profit

The Group's distributable funds on 31 December 2004 amounted to EUR 10,258,917.45.

Marimekko Corporation's distributable funds on 31 December 2004 amounted to EUR 9,339,625.94, of which the profit for the financial period accounts for EUR 5,788,177.35.

The Board of Directors will propose to the Annual General Meeting that a dividend of EUR 0.50 per share be paid for the financial year to a total of EUR 4,020,000.00 and that the rest be retained as earnings.

Helsinki, 27 January 2005

Kari Miettinen

Matti Kavetvuo

Kirsti Paakkanen

President

Auditors' report

To the shareholders of Marimekko Corporation

We have audited the accounting, the financial statements and the corporate governance of Marimekko Corporation for the financial period from 1 January to 31 December 2004. The financial statements, which include the report of the Board of Directors, consolidated and parent company income statements, balance sheets and notes to the financial statements, have been prepared by the Board of Directors and the President. Based on the audit, we express an opinion on these financial statements and on the corporate governance of the parent company.

We have conducted the audit in accordance with Finnish Auditing Standards. Those standards require that we perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. The purpose of the audit of corporate governance is to examine that the Board of Directors and the President of the parent company have legally complied with the rules of the Companies Act.

In our opinion, the financial statements have been prepared in accordance with the Accounting Act and other rules and regulations governing the preparation of financial statements. The financial statements give a true and fair view, as defined in the Accounting Act, of both the consolidated and parent company's result of operations as well as of the financial position. The financial statements with the consolidated financial statements can be adopted and the members of the Board of Directors and the President of the parent company can be discharged from liability for the period audited by us. The proposal by the Board of Directors regarding the distribution of retained earnings is in compliance with the Companies Act.

Helsinki, 3 February 2005

Tilintarkastus Logos Oy
Authorised Public Accountants

Seppo Tervo
Authorised Public Accountant

Administration and auditors

Board of Directors

Kari Miettinen, born 1951
B.Sc. (Econ.), Authorised Public Accountant
Chairman of the Board since 1991
Term of office 2004

Matti Kavetvuo, born 1944
M.Sc. (Eng.), B.Sc. (Econ.)
Member since 1997
Term of office 2004

Kirsti Paakkanen
Marimekko Corporation's president since 1991
Member since 1991
Term of office 2004

Auditors

Regular auditor
Tilintarkastus Logos Oy
Chief auditor: **Seppo Tervo**,
Authorised Public Accountant

Deputy auditor
Matti Hartikainen,
Authorised Public Accountant

Management group, 1 January 2005

Chairman:
Kirsti Paakkanen, President
Employed by the company since 1991

Members:
Raija Anjala, finance and administration
Employed by the company since 1999

Riitta Koljonen, product information
Employed by the company since 1986

Marja Korkeela, corporate communications and
investor relations, licensing sales
Employed by the company since 1999

Päivi Lonka, exports
Employed by the company since 2004

Sirpa Loukamo, product development, clothing
Employed by the company since 1973

Merja Puntila, domestic wholesale
Employed by the company since 1970

Piia Rossi, retail sales
Employed by the company since 1988

Ritva Schoultz, personnel affairs
Employed by the company since 1982

Helinä Uotila, production and purchases
Employed by the company since 1972

Information for shareholders

Schedule of financial reporting in 2005

Financial statement bulletin for the 2004 financial year	Thursday, 27 Jan. 2005
Annual Report 2004	week 10
Interim Report Jan.–March	Tuesday, 10 May 2005
Interim Report Jan.–June	Thursday, 18 Aug. 2005
Interim Report Jan.–Sept.	Thursday, 27 Oct. 2005

Annual General Meeting

Marimekko Corporation's Annual General Meeting will be held from 14.00 onwards on Thursday, 7 April 2005 at Marimekko Corporation's head office, Puusepänkatu 4, 00880 Helsinki, Finland.

Right to attend the Annual General Meeting

Shareholders who have been registered by 24 March 2005 at the latest in the company's Shareholder Register, which is kept by Finnish Central Securities Depository Ltd, have the right to attend the Annual General Meeting.

Registration in the Shareholder Register

The shareholder in whose name the shares are registered is automatically entered in the company's Shareholder Register. Those owners of nominee-registered shares who wish to participate in the Annual General Meeting can be temporarily recorded in the Shareholder Register. This must be done by 24 March 2005 at the latest. For temporary registration, shareholders must contact their account operator.

Notice of attendance at the Annual General Meeting

Shareholders who wish to attend the Annual General Meeting must notify the company of their intention to do so before 16:00 on 1 April 2005 at the latest, either in writing or by telephone:

Marimekko Corporation, Share Register, P.O. Box 107, 00811 Helsinki, Finland, tel. +358 9 758 7238 (Marja Korkeela), fax +358 9 759 1676, email: marja.korkeela@marimekko.fi.

Dividends

The Board of Directors will propose to the Annual General Meeting that a dividend of EUR 0.50 per share be paid for 2004. The dividend will be paid to shareholders who are registered, on the dividend payout record date of 12 April 2005, in the company's Shareholder Register kept by Finnish Central Securities Depository Ltd. The Board of Directors will propose to the Annual General Meeting that the dividend be paid on 19 April 2005.

Financial reports

Marimekko Corporation's Annual Report and Interim Reports are published in Finnish and English. Annual Reports are mailed to all shareholders. Interim Reports are sent, upon request, to the address provided by the subscriber.

Financial information is also posted on Marimekko Corporation's site: www.marimekko.com.

To order publications, contact:

Address Marimekko Corporation, Communications,
P. O. Box 107, 00811 Helsinki, Finland
Tel. +358 9 758 71, +358 9 758 7238
(Communications)
Fax +358 9 755 3051, +358 9 759 1676
(Communications)
E-mail info@marimekko.fi

Changes in personal information and addresses

We kindly request shareholders to submit changes of address either to their bank or to Finnish Central Securities Depository Ltd, depending on where their book-entry accounts are held.

Information on Marimekko as an investment

Investor relations

Marja Korkeela, corporate communications
Address Marimekko Corporation, Communications,
P.O. Box 107, 00811 Helsinki, Finland
Tel. +358 9 758 7238
Fax +358 9 759 1676
E-mail marja.korkeela@marimekko.fi

Raija Anjala, finance and administration
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Tel. +358 9 758 7261
Fax +358 9 759 1676
E-mail raija.anjala@marimekko.fi

Principles of investor relations

Marimekko Corporation complies with the principle of equity in its investor communications and publishes all its investor information primarily on its Internet site in Finnish and English.

Financial reports

Marimekko Corporation's Annual Report, financial statement bulletin and Interim Reports are published in Finnish and English. Financial information is also posted on Marimekko Corporation's site: www.marimekko.com.

To order publications, contact:

Address Marimekko Corporation, Communications,
P.O. Box 107, 00811 Helsinki, Finland
Tel. +358 9 758 71, +358 9 758 7238
(Communications)
Fax +358 9 755 3051, +358 9 759 1676
(Communications)
E-mail info@marimekko.fi

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.

Stock exchange releases in 2004

23 Jan. 2004	Financial statement bulletin, 1 January – 31 December 2003
30 Jan. 2004	Correction of false information regarding Marimekko Corporation's shares
24 Feb. 2004	Notice of Annual General Meeting on 16 March 2004
16 Mar. 2004	Resolutions of the Annual General Meeting
6 May 2004	Interim Report 1 January – 31 March 2004
19 Aug. 2004	Interim Report 1 January – 30 June 2004
20 Aug. 2004	Disclosure of change in ownership of Marimekko Corporation
28 Oct. 2004	Interim Report 1 January – 30 September 2004
16 Nov. 2004	The Board of Directors' proposal to Extraordinary General Meeting for an additional dividend to be paid for the 2003 financial year
16 Nov. 2004	Notice of Extraordinary General Meeting on 8 December 2004
8 Dec. 2004	Extraordinary General Meeting's decision to distribute an additional dividend
17 Dec. 2004	Marimekko sells the share capital of Grünstein Product Oy

Securities brokers analysing Marimekko

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Evli Bank Plc
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Tel. +358 9 476 690
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FIM Securities Ltd
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ADDRESSES

MARIMEKKO CORPORATION

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Corporate site: <http://www.marimekko.com>

MARIMEKKO STORES

Finland

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Eteläesplanadi 14,
00130 Helsinki,
tel. +358 9 170 704
Pohjoisesplanadi 2,
00130 Helsinki,
tel. +358 9 622 2317
Forum Shopping Mall,
Mannerheimintie 20,
00100 Helsinki,
tel. +358 9 694 1498
Hakaniemi Market Hall,
00530 Helsinki,
tel. +358 9 753 6549
Itäkeskus Shopping Mall,
Itäkatu 1-5 a 27,
00930 Helsinki,
tel. +358 9 323 1772
Factory shop,
Kirvesmiehenkatu 7,
00880 Helsinki,
tel. +358 9 758 7244
Espoo:
Kulttuuriauquio,
02100 Espoo,
tel. +358 9 463 230
Vantaa:
Helsinki-Vantaa Airport,
01530 Vantaa,
tel. +358 9 870 2110
Hummppila:
Factory shop,
Hummppilan Lasi,
31640 Humppila,
tel. +358 3 437 8702

Joensuu:

Metropol Shopping Mall,
Torikatu 29,
80100 Joensuu,
tel. +358 13 224 141

Jyväskylä:

Torikulma,
Asemakatu 12,
40100 Jyväskylä,
tel. +358 14 337 3400

Kitee:

Factory shop,
Karhutie 1,
82500 Kitee,
tel. +358 13 414 761

Kyyjärvi:

Factory shop,
Paletti Shopping Mall,
Vaasantie 2 H 146,
43700 Kyyjärvi,
tel. +358 14 471 784

Lahti:

Vesijärvenkatu 22,
15140 Lahti,
tel. +358 3 782 9455

Rovaniemi:

Sampokeskus
Shopping Mall,
Koskikatu 17,
96200 Rovaniemi,
tel. +358 16 346 844
Factory shop,
Napapiirin Lasi,
96930 Napapiiri,
tel. +358 16 356 1186

Sulkava:

Factory shop,
Alanteentie 3,
58700 Sulkava,
tel. +358 15 676 283

Tampere:

Koskikeskus
Shopping Centre,
33100 Tampere,
tel. +358 3 223 7627
Aleksanterinkatu 25,
33100 Tampere,
tel. +358 3 222 9909
Sokos Department Store,
Hämeenkatu 21,
33200 Tampere,
tel. +358 10 765 2262

Turku:

Aurakatu 10,
20100 Turku,
tel. +358 2 274 0900
Kristiinankatu 9,
20100 Turku,
tel. +358 2 274 0915

Vaasa:

Rewell Center 125,
Ylätori,
65100 Vaasa,
tel. +358 6 312 4488

Virrat:

Factory shop,
Palmroth Center,
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Sweden

Stockholm:

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SUBSIDIARIES

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AGENTS AND IMPORTERS

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Importer: bags, ready-made
interior decoration products

Austria

apres*nord
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8042 Graz
Austria
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apresnord.at
Agent: interior fabrics

Doris Grüger
Weingartshofstrasse 10
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E-mail:
doris.grueger@utanet.at
Agent: clothing, bags,
ready-made interior
decoration products

Belgium

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Tel. +32 9 252 56 06
Fax +32 9 252 59 32
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Agent: bags,
interior decoration products

Denmark

Match Interiör
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8220 Brabrand
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Fax +45 86 26 16 31
E-mail:
bs@match-interieur.dk
Agent: clothing, bags,
interior decoration products

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1149 Budapest
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Fax +36 1 2730720
Importer: clothing, bags,
ready-made interior decoration
products

Italy

Piccolo Museo
Via Gherla 46
31017 Crespano del Grappa
Italy
Tel. & fax:
+39 0423 538230
E-mail:
jacques.toussaint@libero.it
Agent: clothing, bags,
interior decoration products

Japan

Chelsea International, Inc.
4-45 Minami-Motomachi
Shinjuku-ku
Tokyo 160-0012
Japan
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Fax +81 3 3341-3641
E-mail: n.miyashita@
chelsea-international.com
Importer: interior fabrics

M-aalto Corporation
Ginza Wakaho Bldg. 2F
5-14-8, Ginza
Chuo-ku
Tokyo 104-0061
Japan
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Fax +81 3 3541-1711
E-mail: tanahashi@m-aalto.co.jp
Importer: clothing, bags

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products

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interior decoration
products

**Russia, Belarus,
Ukraine, Kazakhstan,
Latvia, Lithuania**

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products

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products

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products

LICENSING PARTNERS**Denmark**

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Finland

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Baby bottles, pacifiers

Iittala Oy Ab
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Glassware

Nokia Corporation
Nokia Mobile Phones
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Finland
Tel. +358 7180 08000
Fax +358 7180 42400
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juha.murtopuro@nokia.com
Mobile phone covers

ONE WAY Sport Oy
Sörnäisten rantatie 27 A
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Fax +358 9 790 190
E-mail: andreas.bennert@
onewaysport.fi
Poles for Nordic walking

Pyrollpack Oy
Teollisuuskyläntie 2
37500 Lempäälä
Finland
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Fax +358 3 383 7750
E-mail: erja.sulasaari-maki@
pyroll.com
Multipurpose decorative
paper

Smead Paperisto Oy
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Fax +358 14 749 3499
E-mail: arto.yliherne@
smead-paperisto.fi
Notebooks, binders

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Fax +358 5 350 4450
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Paper napkins and table-
cloths, disposable plates
and cups

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Fax +81 3 3664-8193
Bed linen, home textiles

USA

Crate & Barrel
1250 Techny Road
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Tel. +1 847 272-2888
Fax +1 847 272-3607
Interior textiles

DelGreco Textiles, Inc.
232 East 59th Street
Ground Floor
New York, N.Y. 10022
USA
Tel. +1 212 688-5310
Fax +1 212 688-5207
Fabrics for outdoor use

Kenlo International Corp.
306 Fifth Avenue
New York, N.Y. 10001
USA
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Fax +1 212 695-0213
Umbrellas, bags

Revman Industries, Inc.
1211 Avenue of the
Americas, 30th Floor
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Fax +1 212 840-8446
Bed linen, bathroom
textiles

Sweet Potatoes, Inc.
2390 Fourth Street
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USA
Tel. +1 510 982-4600
Fax +1 510 982-4651
Children's clothing

WallCandy LLC
Allison Epstein
9 Barrow Street
New York, N.Y. 10014
USA
Tel. +1 212 367-8872
Fax +1 212 367-8899
Decorative posters

Zak Designs Inc.
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Fax +1 509 244-0704
Plastic tabletop products

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