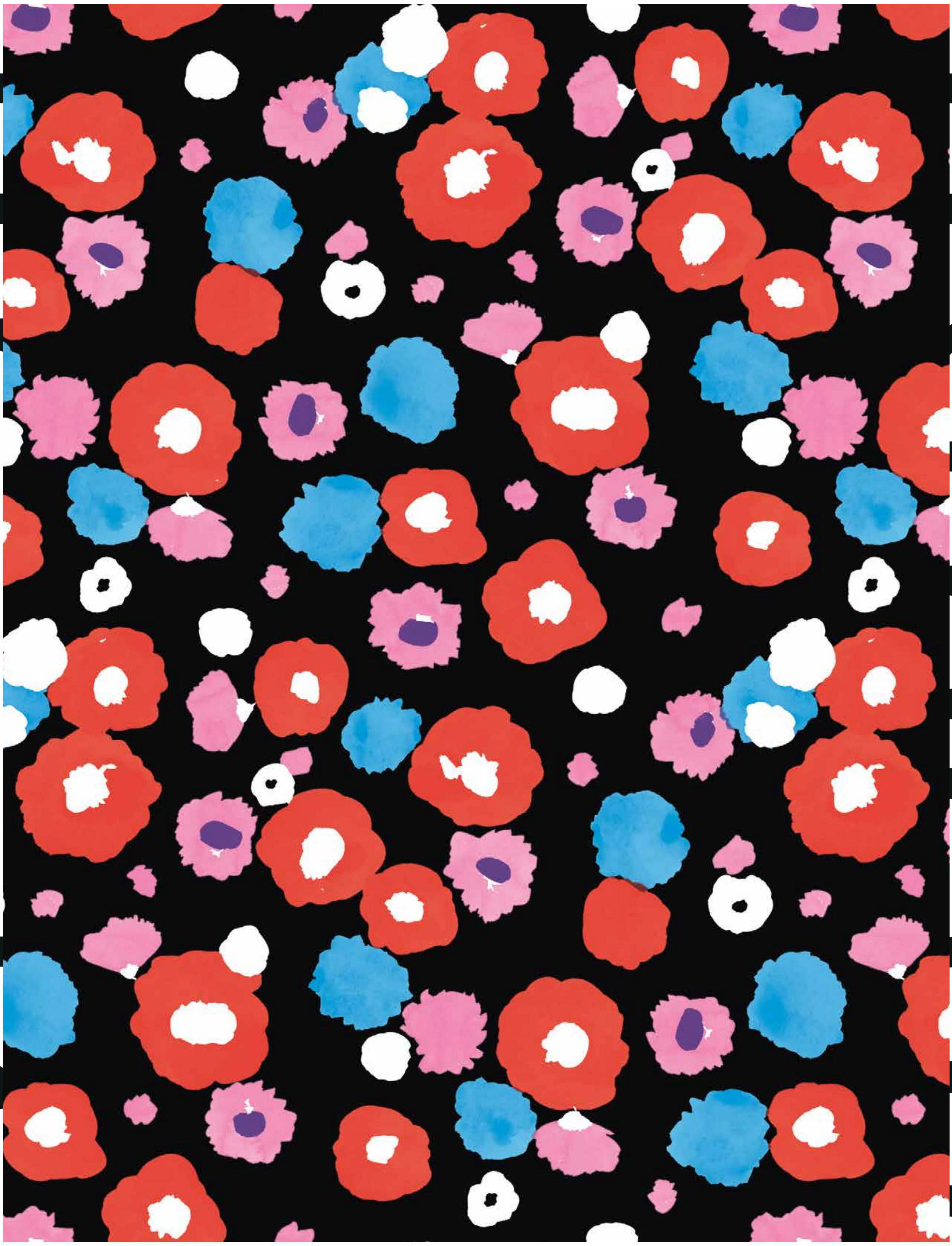
FINANCIAL STATEMENTS 2014



Art of print making since 1951

Marimekko is a Finnish design company. The core of its business is the design and manufacture of timeless and individual, practical and beautiful consumer goods. The array of Marimekko design embraces high-quality clothing, bags and accessories as well as home décor items ranging from textiles to tableware.

When Marimekko was founded in 1951, the unparalleled patterns and colours of its printed fabrics gave it a strong and unique identity. A heritage acquired over decades, with its values and legends, is an inexhaustible treasure from which it is good to draw courage and the strength for renewal, even today. The meaning of Marimekko design is to create aesthetic experiences for every moment in life.

In 2014, brand sales of Marimekko products worldwide amounted to approximately EUR 187 million and the company's net sales were EUR 94 million. Marimekko products are sold in about 40 countries. The number of Marimekko stores totalled 144 at the year end. The key markets are Northern Europe, North America and the Asia-Pacific region. The Group employs around 500 people. The company's share is quoted on NASDAQ OMX Helsinki Ltd.

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Report of the Board of Directors

2014 IN BRIEF

In 2014, the Marimekko Group's net sales held steady at the previous year's level and were EUR 94.2 million (94.0). In Finland, net sales amounted to EUR 52.0 million (52.2). International sales were EUR 42.1 million (41.8). Retail sales grew in all market areas, partly due to additional sales by stores opened in 2013 and 2014. Marimekko product brand sales[1] fell to EUR 186.8 million (191.1).

Marimekko posted strong results in difficult market conditions. Operating profit was EUR 5.6 million (0.1). Operating profit includes a nonrecurring expense of EUR 0.7 million connected with downsizing resulting from the consultative negotiations completed in March 2014. Operating profit excluding nonrecurring items was EUR 6.3 million (1.4). The results were boosted by reorganisations and cost savings implemented in Finland and the United States in 2013 and 2014, nonrecurring promotions in Finland, and increased licensing income. Moreover, operating profit for the comparison year was weakened by write-downs on the tangible assets of the company-owned stores in Beverly Hills, Boston and Oslo during the final quarter, totalling EUR 1.5 million. A drag was exerted on operating profit by a downturn in wholesale sales in all market areas. Profit after tax for the year was EUR 4.1 million (-1.0) and earnings per share were EUR 0.51 (-0.12). The Board of Directors will propose to the Annual General Meeting that a dividend of EUR 0.35 per share be paid for 2014 (0.25).

[1] Estimated sales of Marimekko products at consumer prices. Brand sales are calculated by adding together the company's own retail sales and the estimated retail value of Marimekko products sold by other retailers. The estimate, based on Marimekko's actual wholesale sales to these retailers, is unofficial and does not include VAT. This key figure is not audited.

MARKET SITUATION

Widespread uncertainty over the global economy continued in 2014 as in the previous year. A budding recovery in Europe ended in the autumn. Services and retailing deteriorated along with industry. However, growth is expected to start from export demand, which the depreciation of the euro will promote. The action to stimulate recovery initiated by the European Central Bank at the beginning of 2015 is also expected to improve the situation. However, growth will be sluggish. In the United States, consumer expectations have gained strength in spite of low corporate forecasts, and as a whole the economy is growing moderately. The pace of the global economy is being maintained by developing countries, mainly in Asia and South America.

In Finland, the economic trend faltered in the second half of the year and consumer confidence declined rapidly. Economic prospects have deteriorated and expectations of a fast turnaround have become muted. Domestic demand is on the decline as unemployment rises and purchasing power falls in other respects as well. In retailing, where confidence has fallen the most, the situation remained difficult, and this tendency appears to be continuing. Sales expectations are rather weak, and sales are forecast to decline during the spring. In December, retail trade confidence in Finland was clearly the lowest in the EU. The state of the domestic market is not forecast to pick up until 2016. (Confederation of Finnish Industries EK: Economic Review, 20 January 2015; Confidence Indicators, January 2015; Business Tendency Survey, November 2014.)

In 2014, the value of retail sales in Finland fell by 1 percent and the volume of sales – which measures real growth in sales – declined by 1.2 percent (Statistics Finland: Turnover of Trade, retail trade flash estimate, January 2015).

INTERNATIONALISATION AND CHANGES IN THE STORE NETWORK

Marimekko is undergoing a phase of dynamic internationalisation. In 2014, the main thrust in Marimekko's expansion was on openings of retailer-owned Marimekko stores. The company also focused on enhancing the operations and profitability of company-owned stores opened in recent years.

In 2014, a total of 19 new Marimekko stores were opened, divided as follows: four company-owned and seven retailer-owned stores, and eight shop-in-shops. Five stores were closed during the year: a company-owned store in the UK, a retailer-owned store in South Korea, and three shop-in-shops in the United States. Furthermore, three retailer-owned stores in Norway added other brand products to their ranges, so they are no longer counted as Marimekko stores.

In the past three years, new markets have been opened up in China, Hong Kong and Taiwan, and the number of Marimekko stores in the Asia-Pacific region has doubled to 46. The opportunities of the growing consumer markets of Asia play an important role in Marimekko's internationalisation, particularly now that retailing conditions are forecast to continue to be difficult in the company's biggest market area, Finland. Half of the new Marimekko stores opened in 2014 were in the Asia-Pacific region: two in Hong Kong, one in mainland China, two in South Korea and two in Japan. In Australia, Marimekko opened a company-owned store in Melbourne. Two shop-in-shops were also opened, one in New Zealand and the other in Singapore. In 2015, expansion in new markets will continue when retailer-owned Marimekko stores are opened in Singapore and Bangkok in Southeast Asia.

In North America, the focus of expansion was on developing shop-in-shop partnerships. Three new shop-in-shops were opened. The Mexican department store chain El Palacio de Hierro opened two Marimekko shops and the Canadian furniture brand EQ3 opened one in San Francisco in the United States. The shop-in-shop partnership with the US home furnishings retailer Crate and Barrel ended in summer 2014. However, Crate and Barrel continues to retail Marimekko products.

In Northern Europe, the company concentrated on developing the operations of its own stores, e-tailing and department store partnerships. In Finland, Marimekko opened three company-owned stores and three shop-in-shops were also opened.

At the end of 2014, the number of Marimekko stores and shop-in-shops totalled 144 (133)[2]. Of these, 54 (51) were company-owned stores.

NET SALES

In 2014, the Marimekko Group's net sales held steady at the previous year's level and were EUR 94.2 million (94.0).

In Finland, net sales were on a par with the previous year at EUR 52.0 million (52.2). Retail sales rose by 1 percent; comparable retail sales

[2] Includes the company's own retail stores, retailer-owned Marimekko stores, and shop-in-shops with an area exceeding 30 sqm.

Net sales by market area

(EUR million)	**2014**	**2013**
Finland	52.0	52.2
Retail sales	35.4	35.1
Wholesale sales	16.2	16.5
Royalties	0.4	0.6
Scandinavia	8.5	8.2
Retail sales	5.2	4.4
Wholesale sales	3.3	3.8
Royalties	-	-
EMEA *)	7.6	7.7
Retail sales	1.5	1.4
Wholesale sales *)	5.9	6.2
Royalties	0.2	0.1
North America	8.6	8.5
Retail sales	6.0	5.6
Wholesale sales	2.0	2.5
Royalties	0.6	0.4
Asia-Pacific *)	17.5	17.5
Retail sales	2.7	2.3
Wholesale sales *)	14.8	15.2
Royalties	0.0	0.0
International sales, total	42.1	41.8
Retail sales	15.3	13.7
Wholesale sales	26.0	27.7
Royalties	0.8	0.5
Total	94.2	94.0
Retail sales	50.7	48.8
Wholesale sales	42.2	44.2
Royalties	1.2	1.1

All figures in the table have been individually rounded to millions of euros, so there may be rounding differences in the totals.

*) Previously reported comparison figures for net sales by market area have been adjusted because the market area of Central and Southern Europe referred to in Marimekko's financial disclosures has changed to EMEA (Europe and Middle East Area).

were at the same level as in 2013. Wholesale sales fell by 1 percent in spite of considerable nonrecurring promotional deliveries in the second half of the year.

International sales rose by 1 percent to EUR 42.1 million (41.8). In the Asia-Pacific region, sales held steady at the previous year's level. Sales in North America were up 1 percent and growth in Scandinavia was 4 percent. In EMEA, sales declined by 2 percent. The market area of Central and Southern Europe previously referred to in Marimekko's financial disclosures has changed to EMEA (Europe and Middle East Area) as a result of a partnership initiated in the Middle East during the second quarter of the year.

International sales represented 45 percent of the Group's net sales (45). As for brand sales, 61 percent of the sales were generated abroad (60). Net sales by market area were: Finland 55 percent, Scandinavia 9 percent, EMEA 8 percent, North America 9 percent, and Asia-Pacific 19 percent. The breakdown of the Group's net sales by product line was as follows: fashion 39 percent, home 40 percent, and bags & accessories 21 percent.

NET SALES BY MARKET AREA

Finland
In 2014, sales in Finland were on a par with the previous year, at EUR 52.0 million (52.2). Retail sales rose by 1 percent; comparable retail sales were at the same level as in 2013. Wholesale sales fell by 1 percent in spite of considerable nonrecurring promotional deliveries during the second half of the year.

Scandinavia
In Scandinavia, sales grew by 4 percent relative to the previous year and amounted to EUR 8.5 million (8.2). Retail sales rose by 18 percent. Retail sales were boosted by two new Marimekko stores opened in 2013 as well as the extension of Marimekko's e-commerce into Sweden and Denmark. Comparable growth in retail sales was 7 percent denominated in euros and 13 percent in terms of the sales currencies. Wholesale sales fell by 13 percent, partly due to a change in the rhythm of deliveries for the spring collection.

EMEA
In EMEA, net sales fell by 2 percent to EUR 7.6 million (7.7). Retail sales grew by 7 percent. Wholesale sales fell by 5 percent on the previous year, partly due to a change in the rhythm of deliveries for the spring collection.

North America
In North America, net sales grew by 1 percent and were EUR 8.6 million (8.5). In terms of the sales currency (mostly the US dollar), sales were on a par with the previous year. Retail sales rose in euro terms by 7 percent and in US dollar terms by 6 percent. The ending of the shop-in-shop partnership between Marimekko and the home furnishings retailer Crate and Barrel in summer 2014 made itself felt in the form of a marked downturn in the quantity of products delivered during the financial year.

Asia-Pacific
Net sales in the Asia-Pacific region held steady at the previous year's level and were EUR 17.5 million (17.5). Wholesale sales fell by 2 percent, partly due to a change in the rhythm of deliveries for the spring collection during the first quarter. Moreover, the appreciation of the euro against the yen and an increase in sales tax which came into effect in Japan in spring 2014 exerted a drag on wholesale sales in Japan. Retail sales (Australian stores in Sydney and Melbourne) grew by 16 percent in euro terms; in terms of the sales currency (the Australian dollar), sales were up by 23 percent. Comparable retail sales fell in euro terms by 1 percent and rose in terms of the sales currency by 5 percent.

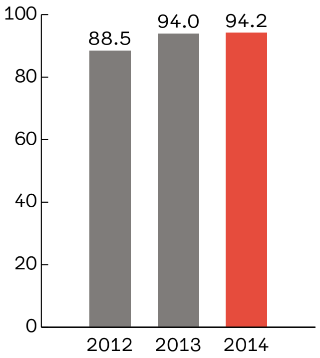
FINANCIAL RESULT

In 2014, the Group's operating profit was EUR 5.6 million (0.1). Result after taxes was EUR 4.1 million (-1.0) and earnings per share were EUR 0.51 (-0.12).

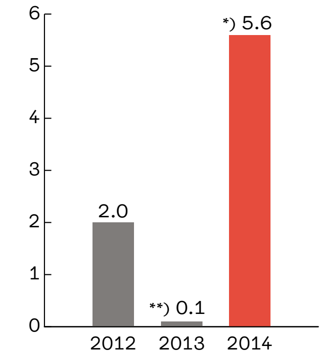
Operating profit includes a nonrecurring expense of EUR 0.7 million connected with downsizing resulting from the consultative negotiations completed in March 2014. Operating profit for the comparison period included EUR 1.3 million in nonrecurring expenses. Operating profit excluding nonrecurring items was EUR 6.3 million (1.4). Operating profit was boosted by reorganisations and cost-cutting effected in Finland and the United States in 2013 and 2014, nonrecurring promotional deliveries in Finland, and increased licensing income due to the Banana Republic Marimekko collection for summer 2014. Moreover, operating profit for the comparison year was weakened by write-downs on the tangible assets of the company-owned stores in Beverly Hills, Boston and Oslo during the final quarter, totalling EUR 1.5 million. A drag was exerted on operating profit by a downturn in wholesale sales in all market areas.

Marketing expenses for the year totalled EUR 4.7 million (4.2), or 5 percent of the Group's net sales (4). Net financial expenses were EUR 0.1 million (0.9), or 0 percent of net sales (1).

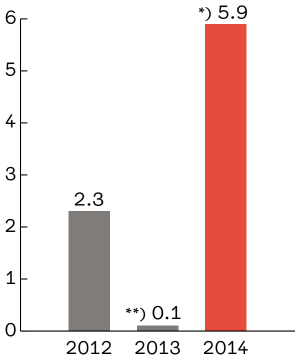
Net sales (EUR million)



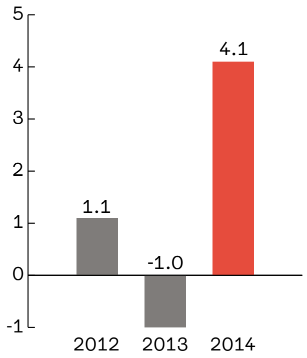
Operating profit (EUR million)



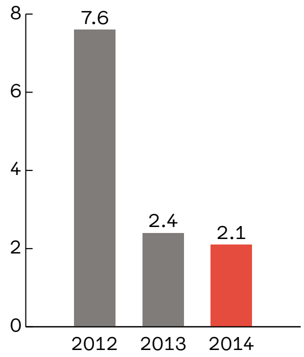
Operating profit margin (%)



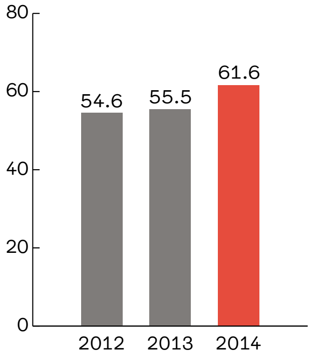
Result after taxes (EUR million)



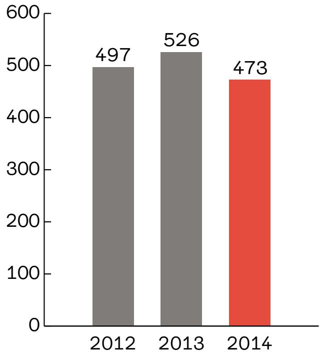
Gross investments (EUR million)



Equity ratio (%)



Average personnel



*) Includes a nonrecurring expense of EUR 0.7 million connected with downsizing resulting from the consultative negotiations completed in March 2014.

**) Includes EUR 1.3 million in nonrecurring expenses due to arrangements arising from the statutory consultative negotiations concluded during the second quarter of 2013. Of these expenses, EUR 1.0 million are included in EBITDA.

Depreciation and impairments
The Group's depreciation and impairments totalled EUR 4.3 million (6.8), or 5 percent of net sales (7). The figure for 2013 includes write-downs on the tangible assets of company-owned stores in Beverly Hills, Boston and Oslo totalling EUR 1.5 million. These write-downs reduced the Group's 2014 depreciation by roughly EUR 0.4 million. Depreciation was also reduced by smaller investments than in previous years.

BALANCE SHEET

The consolidated balance sheet total as at 31 December 2014 was EUR 47.2 million (48.6). Equity attributable to the equity holders of the parent company was EUR 29.0 million (27.0), or EUR 3.59 per share (3.34).

Non-current assets at the end of 2014 were EUR 18.3 million (20.2).

At the end of the year, net working capital was EUR 14.0 million (15.4). Inventories were EUR 17.6 million (18.1).

CASH FLOW AND FINANCING

In 2014, cash flow from operating activities was EUR 9.9 million (5.4), or EUR 1.22 per share (0.67). Cash flow before cash flow from financing activities was EUR 7.8 million (3.1).

The Group's financial liabilities at the end of the year stood at EUR 7.1 million (11.6).

At the end of the year, the Group's cash and cash equivalents amounted to EUR 4.1 million (3.0). In addition, the Group had unused committed long- and short-term credit lines of EUR 22.3 million (17.8).

The Group's equity ratio at the end of the year was 61.6 percent (55.5). Gearing was 10.5 percent (31.7).

INVESTMENTS

The Group's gross investments in 2014 were EUR 2.1 million (2.4), or 2 percent of net sales (3). Most of the investments were devoted to building store premises, IT systems, and other building expenses.

SHARES AND SHAREHOLDERS

Shares and share capital
Marimekko Corporation's share is quoted in the Consumer Goods sector of NASDAQ OMX Helsinki Ltd. The company has one series of shares, each conferring the same voting rights to their holders. At the end of the financial year, the company's fully paid-up share capital, as recorded in the Trade Register, amounted to EUR 8,040,000, and the number of shares was 8,089,610.

Share trading
In 2014, a total of 716,614 Marimekko shares were traded, representing 8.9 percent of the shares outstanding. The total value of Marimekko's share turnover was EUR 6,980,725. The lowest price of the Marimekko share was EUR 8.54, the highest was EUR 10.50 and the average price was EUR 9.74. At the end of the year, the closing price of the share was EUR 8.90. The company's market capitalisation on 31 December 2014 was EUR 71,997,529 (79,682,659).

Shareholdings
According to the book-entry register, Marimekko had 7,112 shareholders at the end of 2014 (7,424). Of the shares, 21.5 percent were owned by nominee-registered or non-Finnish holders (21.0). The breakdown of Finnish ownership by owner group was as follows: households 35.9 percent, non-financial corporations and housing corporations 22.7 percent, general government 12.6 percent, financial and insurance corporations 5.3 percent, and non-profit institutions 2.0 percent.

At the end of the year, the number of shares owned either directly or indirectly by members of the Board of Directors and the President and CEO of the company was 1,328,598 (1,343,930), representing 16.4 percent of the number and voting rights of the company's shares (16.6).

Marimekko 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.

Further information about shareholdings is available under Shares and shareholders on pages 52–55.

Flaggings
Marimekko did not receive any flagging notifications during 2014.

Authorisations
At the end of the 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 or surrender Marimekko shares. Marimekko Corporation does not own any Marimekko shares.

PERSONNEL

During 2014, the number of employees averaged 473 (526). At the end of the year, the Group had 479 (502) employees, of whom 129 (124) worked abroad. Salaries, wages and bonuses paid to personnel amounted to EUR 19.5 million (21.5).

During the year, personnel work focused in particular on management training, on-the-job wellness and human resource planning. Training programmes for managers as well as long-term training programmes for sales personnel continued. Training for managers related to the early intervention model launched in support of Marimekko's working community was continued in Finland. The model is also applied internationally. All these measures are aimed at ensuring that Marimekko employees are well, fit for work and able to achieve results.

In spring 2014, Marimekko conducted consultative negotiations in Finland to streamline operations and improve profitability. As a result of the negotiations, a reorganisation was effected which led to the termination of a total of 28 people's employment contracts. Working hour arrangements were also made.

A broad range of support was provided for those included in the scope of the negotiations in cooperation with occupational healthcare, and support for re-employment was also offered.

With the downsizing and working hour arrangements in Finland, Marimekko aimed to achieve annual cost savings of an estimated total of EUR 1.5 million. The savings were realised gradually, starting with the second quarter of 2014, and the full effect on the bottom line began to be felt in the final quarter of 2014. Due to the arrangements, the company incurred nonrecurring expenses in the amount of EUR 0.7 million in the first quarter of 2014.

In 2014, the turnover of employees leaving was 12.9 (10.4) percent.

THE ENVIRONMENT, HEALTH AND SAFETY

The environment

Care for the environment is one of the cornerstones of Marimekko's business. The main environmental aspects of Marimekko's in-house manufacturing are related to the operations of the textile printing factory in Herttoniemi. The waste generated in Marimekko's manufacturing is handled and sorted appropriately. Operating methods are improved constantly for the monitoring of environmental impacts of manufacturing and other business operations. Subcontractors and other partners are contractually obligated to commit themselves to shouldering their environmental responsibilities. Marimekko seeks to mitigate climate change through energy efficiency and by using renewable energy sources, by reducing water consumption, and by minimising, recycling and repurposing waste. A considerable proportion of Marimekko's environmentally related operational monitoring is based on legislation and other official regulations. The goal is the constant reduction of environmental impacts. Results are achieved through close collaboration between design, product development and manufacturing.

Health and safety

Safety and well-being in the workplace are actively monitored and improved at Marimekko, in collaboration with the workplace safety committee and occupational healthcare. Occupational wellness is supported by promoting the employees' health, job and functional capacity as well as their quality of life in many ways. For instance, Marimekko applies an early-intervention model with the aim of promoting working fitness. Securing a safe working environment means the advance prevention of accidents as well as recognising and avoiding hazards and near-misses. In order to prevent potential hazards, personnel are trained in issues of occupational safety and safety risks are regularly monitored. During 2014, the sickness absence percentage based on theoretical regular working hours was 3.7 (3.4) percent among Marimekko's employees in Finland.

In 2014, Marimekko continued the long-term development of a corporate responsibility management system and initiated the drafting of a responsibility strategy for the period 2016–2020. The essential themes for Marimekko's responsibility work in 2014 were as follows: sustainable design, responsible sourcing, the environmental impacts of manufacturing, personnel wellness and skills, and responsible business. Marimekko reports in greater detail on its responsibility work and on issues of the environment, health and safety in a separate sustainability review issued annually. The review can be read on the company's website company.marimekko.com under the heading Corporate responsibility / Sustainability review. The basis for reporting is the 'core' level of the GRI G4 guidelines.

RESEARCH AND DEVELOPMENT

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

MANAGEMENT

Board of Directors, management and auditors

Marimekko Corporation's Board of Directors are elected by the Annual General Meeting. According to the Articles of Association, the Board of Directors shall consist of four to seven members. Their term of office ends at the conclusion of the next Annual General Meeting. The Board elects a Chairman from amongst its members.

The duties and responsibilities of the Board of Directors are determined primarily by the Articles of Association and the Finnish Companies Act. The Board deliberates on all matters that are significant to the Marimekko Group's business operations. These include approving strategic policies, budgets and operating plans, and deciding on significant investments, mergers and acquisitions. The Articles of Association do not provide the Board of Directors or the President and CEO with any powers other than those that are customary. Decisions to amend the Articles of Association or to increase the share capital are made pursuant to the provisions of the Finnish Companies Act in force.

The Annual General Meeting appointed six members to the company's Board of Directors. Elina Björklund, Arthur Engel, Mika Ihamuotila, Joakim Karske and Pekka Lundmark were re-elected. Catharina Stackelberg-Hammarén was elected to the Board of Directors as a new member. The Board is chaired by Pekka Lundmark and vice-chaired by Mika Ihamuotila.

The Annual General Meeting resolved that the remuneration to the Chairman of the Board will be EUR 30,000 per year and the remuneration to each one of the other Board members will be EUR 20,000 per year. Approximately 40 percent of the annual remuneration would be paid in Marimekko Corporation's shares acquired from the market and the rest in cash. In addition, the Annual General Meeting resolved that the President and CEO of Marimekko Corporation will not receive remuneration for being a member of the Board.

The Board of Directors elects the President and CEO and decides on the President and CEO's salary and other remuneration. The duties of the President and CEO are set down in the Finnish Companies Act. The post of Marimekko Corporation's President and CEO is held by Mika Ihamuotila.

The following changes took place in the company's management in 2014. Anna Teurnell started on 15 July 2014 as Marimekko's Creative Director and member of the Management Group. She leads the Marimekko design team and is in charge of the company's design strategy for clothing, bags and accessories, and home products. The former Creative Director, Minna Kemell-Kutvonen, continues on the design team with responsibility for pattern design. Marimekko's Chief Marketing Officer Tiina Alahuhta-Kasko was appointed the company's Chief Operating Officer (COO) as of 20 August 2014. This is a new post, and its purpose is to bind together the operations of the different units so that the products represent the brand more strongly and are in line with the strategy all the way from the drawing board to the consumer. Alahuhta-Kasko also continues to be in charge of the company's marketing.

At the end of the year, the composition of the company's Management Group was as follows: Mika Ihamuotila as Chairman and Tiina Alahuhta-Kasko (operational activities and marketing), Thomas Ekström (finance and administration), Päivi Lonka (sales), Niina Nenonen (product lines) and Anna Teurnell (design) as members.

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

Management Group's long-term bonus system

The Board of Directors of Marimekko Corporation decided in May 2014 on a new long-term bonus system targeted at the company's Management Group. The purpose of the bonus system is to encourage the Management Group to operate with a business mentality and to add to the company's value in the long term in particular. The aim is to combine the owners' and the Management Group's targets in order to increase the company's value and to elicit the Management Group's commitment to the company over a span of several years. A more detailed description of the system is available in the notes to the consolidated financial statements on pages 32–33.

Corporate governance statement

The corporate governance statement is issued separately from this Report of the Board of Directors. It can be found on the company's website at Investors/Management/Corporate Governance.

OTHER EVENTS DURING 2014

Reorganisations in Finland and the United States

In the spring, consultative negotiations took place at Marimekko which applied to all operations in Finland with the exception of the personnel at the textile printing factory in Helsinki. The operational reorganisation and streamlining ultimately resulted in the termination of 28 jobs. In addition, a maximum of 35 employees' contracts in Marimekko-owned stores were altered to a part-time basis or their contractual working hours were reduced. Work was also reduced through the expiration of fixed-term employment contracts. The scope of the negotiations covered 378 employees of whom 151 worked at stores in Finland. It was also decided to carry out reorganisations in the United States. In respect of these, negotiations on the termination of the lease on the Beverly Hills store and its possible relocation are still in progress. The intention is to effect annual savings of roughly EUR 1.0 million through the already completed restructuring of the country organisation plus the closure or relocation of the store.

Expansion to the Middle East
In June, Marimekko signed a partnership contract with BinHendi Enterprises. The aim of this partnership is to open a total of eight Marimekko stores in the Middle East by the end of 2018. The first stores will be opened in Dubai in spring 2015. The intention is to extend operations to include Kuwait, Qatar and Saudi Arabia in the next few years.

MAJOR RISKS AND FACTORS OF UNCERTAINTY

The key strategic risks for the near future are associated with the weakening of consumer confidence, overall economic trends, and the consequent uncertainty in the operating environment especially in Finland. Near-term strategic risks also include risks related to the management of the company's expansion, digitalisation of retail, and changes in Marimekko's design and product assortment.

Marimekko products are sold in approximately 40 countries. The key markets are Northern Europe, North America and the Asia-Pacific region. There are Marimekko stores in 16 countries. In addition to Finland, Marimekko has company-owned stores in other Nordic countries, Germany, the United Kingdom, the United States and Australia. The global economic cycle and factors of uncertainty affect consumers' purchasing behaviour and buying power in all of the company's market areas. The long-term problems in the global economy continue to dampen the prospects for retail as well as Marimekko's prospects for growth and earnings.

Marimekko is undergoing a phase of extensive internationalisation and change. The distribution of products is being expanded in all key market areas. Growth is based on opening retailer-owned Marimekko stores and shop-in-shops as well as on setting up company-owned stores and expanding e-commerce. In recent years, expansion has called for larger or new country organisations, which burdens the cost-effectiveness of the company. Expanding the network of company-owned stores and building international e-commerce have increased the company's investments, lease liabilities of store premises and inventories as well as the company's fixed costs. Furthermore, partnership agreements, the choice of partners as well as store lease agreements in the company's key market areas involve risks.

The company's ability to design, develop and commercialise new products that meet consumers' expectations while maintaining profitable in-house production, sustainable sourcing and effective logistics has an impact on the company's sales and profitability. Moreover, intellectual property rights play a vital role in the company's success, and the company's ability to manage these rights may have an impact on the company's value. Agreements with freelance designers and fees paid to designers based on these agreements are an essential part of the management of the intellectual property rights.

The company's operational risks prominently include those related to the management and success of expansion projects, the operational reliability of procurement and logistics processes and information systems, and changes in the prices of raw materials and other procurement items. As a result of new products, the share of in-house production has diminished, and the company uses subcontractors for its manufacturing to an increasing extent. Therefore, the company's dependence on the supply chain has increased. Any delays or disturbances in supply, or fluctuations in the quality of products, may have a momentary harmful impact on business. As the operations are being expanded and diversified, risks related to the management of inventories also increase.

Among the company's economic risks, those related to the structure of sales, increased investments, price trends for factors of production, changes in cost structure, increased operational costs, customers' liquidity, changes in exchange rates (particularly the US dollar, Swedish krona and Australian dollar), and taxation may have an impact on the company's financial status.

A more detailed description of Marimekko's risk management process is available on the company's website under Investors/Management/Risk management and risks.

MARKET OUTLOOK AND GROWTH TARGETS

The general uncertainty in the global economy is forecast to continue, and this may impact consumers' purchasing behaviour in all of Marimekko's market areas.

The situation has remained difficult in retailing in Finland, which is particularly important for Marimekko as its domestic market, and this trend appears to be continuing. In December and during the first weeks of the current year, comparable retail sales in Finland have declined by approximately 5 percent. Lower consumer confidence, a downturn in purchasing power, and rising unemployment cast a significant shadow over Marimekko's retail sales expectations for 2015 and make themselves felt in cautious restocking by retailers. No significant nonrecurring promotional deliveries are in sight which would support wholesale sales. On the other hand, sales are boosted by the stores opened in 2014.

The Asia-Pacific region, Marimekko's second biggest market, plays an important part in the company's internationalisation, and the company still sees growing demand for its products in this area. In recent years, new markets have opened up in China, Hong Kong and Taiwan, and the number of Marimekko stores in the region has doubled to 46. In 2015, at least Singapore and Thailand (Bangkok) will be opened as new markets. In Australia, the outlook is bright and Marimekko's retail sales have developed well, even exceeding expectations. Although sales in these countries are expected to grow, their combined proportion of Marimekko's net sales is still relatively small compared with Japan, which is clearly the most important single country in this region to the company. The appreciation of the euro against the yen and an increase in sales tax which came into effect in Japan in spring 2014 exerted a drag on Marimekko's wholesale sales in Japan in 2014. During the current year and in the next few years, sales in Japan are forecast to take a more modest trend than in recent years. Sales growth will be generated increasingly by organic growth, and new stores will be opened at a rate of a few per year.

The US economy is growing as a whole, but the trend in Marimekko's foreign-currency-denominated net sales in North America is expected to be roughly on a par with the previous year. The appreciation of the US dollar is expected to boost sales markedly in euro terms. Due to the loss-making nature of operations in North America, the appreciation of the dollar will have a negative impact on Marimekko's operating result in 2015, however. Efforts are being made to close the store in Beverly Hills this year, which if accomplished will mean considerable expenses.

Sales expectations in Scandinavia and EMEA are moderate. In the Middle East, two new stores will open in Dubai in spring 2015.

The main thrust in expansion in 2015 will be on openings of retailer-owned Marimekko stores. The aim is to open a total of 10–20 new Marimekko stores and shop-in-shops, 1–3 of which would be company-owned. Also, the company will continue the operational enhancement and the improvement of profitability of company-owned stores opened in recent years. Changes in business locations of company-owned stores may have a deleterious effect on sales during the current year.

The expenses of marketing operations scheduled for 2015 are expected to be markedly higher than in the previous year, that is approximately EUR 5.5 million (4.7). The total investments for 2015 of the Marimekko Group are estimated as being in excess of EUR 3 million. Most of the investments will be devoted to building new retail facilities and purchases of fittings as well as improving data systems supporting business operations.

FINANCIAL GUIDANCE FOR 2015

Based on the market outlook, estimated sales development in the company's market areas, especially in Finland, the company's growth targets as well as other estimated factors, the Marimekko Group's year 2015 net sales are forecast to be at the same level as in 2014 or lower. Operating profit excluding nonrecurring items in 2015 is estimated to be lower than in 2014.

THE BOARD OF DIRECTORS' PROPOSAL FOR THE DIVIDEND FOR THE 2014 FINANCIAL YEAR

On 31 December 2014, the parent company's distributable funds amounted to EUR 16,164,059.59, of which EUR 5,096,205.19 was profit for the financial year. The Board of Directors will propose to the Annual General Meeting that a dividend of EUR 0.35 per share be paid for 2014 to a total of EUR 2,831,364 and that the remaining funds be retained in equity. The Board will propose 13 April 2015 as the dividend record date, and 20 April 2015 as the dividend payout date. No substantial changes in the company's financial position have occurred after the end of the financial year. The company's liquidity is good and, in the view of the Board of Directors, the proposed dividend payout does not jeopardise the company's solvency.

ANNUAL GENERAL MEETING

Marimekko Corporation's Annual General Meeting will be held on Thursday, 9 April 2014 from 2 p.m. onwards at the company's head office, Puusepänkatu 4, 00880 Helsinki, Finland.

Helsinki, 9 February 2015

Marimekko Corporation
Board of Directors

Consolidated financial statements, IFRS

CONSOLIDATED BALANCE SHEET

(EUR 1,000)		**31 Dec. 2014**	**31 Dec. 2013**
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	1.1	1,561	1,976
Tangible assets	1.2	16,702	18,245
Available-for-sale financial assets	1.4	16	16
		18,279	20,237
CURRENT ASSETS			
Inventories	2.1	17,558	18,106
Trade and other receivables	2.2	7,286	6,622
Current tax assets			682
Cash and cash equivalents		4,079	3,001
		28,924	28,411
ASSETS, TOTAL		**47,203**	**48,648**

The notes are an integral part of the financial statements.

CONSOLIDATED BALANCE SHEET

(EUR 1,000)		31 Dec. 2014	31 Dec. 2013
SHAREHOLDERS' EQUITY AND LIABILITIES			
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY			
Share capital	3.1	8,040	8,040
Reserve for invested non-restricted equity	3.1	502	502
Translation differences		-74	-38
Retained earnings		20,577	18,485
Shareholders' equity, total		29,045	26,989
NON-CURRENT LIABILITIES			
Deferred tax liabilities	4.1	4	11
Provisions	4.2	190	101
Financial liabilities	4.3	3,696	8,234
Finance lease obligations	5.2	3,261	3,252
		7,150	11,598
CURRENT LIABILITIES	5.1		
Trade and other payables		10,053	9,989
Finance lease obligations	5.2	176	72
Current tax liabilities		778	
		11,008	10,061
Liabilities, total		18,158	21,659
SHAREHOLDERS' EQUITY AND LIABILITIES, TOTAL		**47,203**	**48,648**

The notes are an integral part of the financial statements.

CONSOLIDATED INCOME STATEMENT

(EUR 1,000)		1 Jan.–31 Dec. 2014	1 Jan.–31 Dec. 2013
NET SALES	9.	94,150	94,007
Other operating income	10.	230	246
Increase (-) / decrease (+) in inventories of completed and unfinished products		-692	527
Raw materials and consumables	11.	-32,767	-33,547
Employee benefit expenses	13.	-25,543	-27,059
Depreciation and impairments	14.	-4,283	-6,772
Other operating expenses	15.	-25,503	-27,320
OPERATING PROFIT		5,592	82
Financial income	16.	252	67
Financial expenses	17.	-360	-953
		-108	-886
RESULT BEFORE TAXES		5,485	-804
Income taxes	18.	-1,370	-151
NET RESULT FOR THE PERIOD		4,114	-955
Distribution of net result to equity holders of the parent company		4,114	-955
Basic and diluted earnings per share calculated on the result attributable			
to equity holders of the parent companyt, EUR	19.	0.51	-0.12

COMPREHENSIVE CONSOLIDATED INCOME STATEMENT

(EUR 1,000)	1 Jan.–31 Dec. 2014	1 Jan.–31 Dec. 2013
Net result for the period	4,114	-955
Items that could be reclassified to profit or loss at a future point in time		
Change in translation difference	-36	-30
COMPREHENSIVE RESULT FOR THE PERIOD	4,078	-985
Distribution of net result to equity holders of the parent company	4,078	-985

The notes are an integral part of the financial statements.

CONSOLIDATED CASH FLOW STATEMENT

(EUR 1,000)		**2014**	**2013**
CASH FLOW FROM OPERATING ACTIVITIES			
Net result for the period		4,114	-955
Adjustments			
Depreciation and impairments		4,283	6,772
Other non-cash transactions		89	101
Financial income and expenses		108	886
Taxes		1,370	151
Cash flow before change in working capital		9,965	6,954
Change in working capital			
Increase (-) / decrease (+) in current non-interest-bearing trade receivables		-460	133
Increase (-) / decrease (+) in inventories		547	396
Increase (+) / decrease (-) in current non-interest-bearing liabilities		-42	-2,193
Cash flow from operating activities before financial items and taxes		10,010	5,290
Paid interest and payments on other financial expenses		-360	-355
Interest received		45	67
Taxes paid		156	422
CASH FLOW FROM OPERATING ACTIVITIES		**9,851**	**5,424**
CASH FLOW FROM INVESTING ACTIVITIES			
Investments in intangible assets	1.1.	-611	-645
Investments in tangible assets	1.2.	-1,451	-1,708
CASH FLOW FROM INVESTING ACTIVITIES		**-2,063**	**-2,353**
CASH FLOW FROM FINANCING ACTIVITIES			
Payments of long-term loans		-4,538	-1,083
Payments of finance lease liabilities		-150	-69
Dividends paid		-2,022	-2,022
CASH FLOW FROM FINANCING ACTIVITIES		**-6,710**	**-3,175**
Change in cash and cash equivalents		1,078	-105
Cash and cash equivalents at the beginning of the period		3,001	3,106
Cash and cash equivalents at the end of the period		4,079	3,001

The notes are an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Equity attributable to equity holders of the parent company

(EUR 1,000)	Share capital	Reserve for invested non-restricted equity	Translation differences	Retained earnings	Shareholders' equity, total
Shareholders' equity 1 Jan. 2013	**8,040**	**502**	**-8**	**21,462**	**29,996**
Comprehensive result					
Net result for the period				-955	-955
Translation differences			-30		-30
Total comprehensive result for the period			**-30**	**-955**	**-985**
Transactions with owners					
Dividends paid				-2,022	-2,022
Shareholders' equity 31 Dec. 2013	**8,040**	**502**	**-38**	**18,485**	**26,989**
Shareholders' equity 1 Jan. 2014	**8,040**	**502**	**-38**	**18,485**	**26,989**
Comprehensive result					
Net result for the period				4,114	4,114
Translation differences			-36		-36
Total comprehensive result for the period			**-36**	**4,114**	**4,078**
Transactions with owners					
Dividends paid				-2,022	-2,022
Shareholders' equity 31 Dec. 2014	**8,040**	**502**	**-74**	**20,577**	**29,045**

The notes are an integral part of the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

COMPANY PROFILE

Marimekko Corporation is a Finnish clothing and textile company. Marimekko Corporation and its subsidiaries form a Group that designs, manufactures and markets clothing, interior decoration products and bags.

Marimekko Corporation's shares are quoted on NASDAQ OMX Helsinki Ltd. The company is domiciled in Helsinki, and its registered address is Puusepänkatu 4, 00880 Helsinki, Finland. The financial year of all Group companies is the calendar year.

Copies of the consolidated financial statements are available at company.marimekko.com and the head office of the Group's parent company at Puusepänkatu 4, 00880 Helsinki, Finland.

Marimekko Corporation's Board of Directors approved these financial statements for publication at its meeting on 9 February 2015. According to the Finnish Companies Act, shareholders have the right to accept or reject the financial statements at the Annual General Meeting held after the publication. The Annual General Meeting may also amend the financial statements.

ACCOUNTING POLICY APPLIED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Accounting policy

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), complying with the IAS and IFRS standards as well as the SIC and IFRIC interpretations in force as at 31 December 2014. In the Finnish Accounting Act and the provisions laid down pursuant to the Act, International Financial Reporting Standards refer to the standards approved for use in the EU in accordance with the procedures laid down in IAS Regulation (EC) 1606/2002 of the European Parliament, and the interpretations of these standards. The notes to the consolidated financial statements also comply with Finnish accounting and company legislation which complements IFRS regulations.

The financial statements have been prepared at historical cost. Financial statement information is presented in thousands of euros.

Accounting estimates and judgments

The preparation of financial statements in accordance with IFRS calls for the management to use estimates and assumptions with regard to the future. The estimates and assumptions included in the financial statements are based on the best knowledge of the management as at the closing of the books. These estimates and assumptions affect the value of tangible and intangible assets in the balance sheet and the income and expenses for the year in the income statement. Discretion also has to be exercised when the accounting conventions for the financial statements are selected and applied, and estimates have to be made, for example, of depreciation periods, any impairments, valuation of inventories, income taxes, deferred tax assets and provisions (including credit loss provisions). The actual figures may deviate from these estimates.

Principles of consolidation

Marimekko's consolidated financial statements include the accounts of the parent company Marimekko Corporation and its subsidiaries. Subsidiaries are companies in which the Group has the right to determine the financial and operating principles of the undertaking or business operations, usually by virtue of a shareholding that entitles to more than half of the voting rights. Intra-Group share ownership has been eliminated using the acquisition cost method. Acquired subsidiaries are consolidated in the Group's financial statements as of the date on which the Group acquired a controlling interest and divested subsidiaries until the date when such control ceases. Intra-Group business transactions, intra-Group profit margins related to inventories and fixed assets, intra-Group receivables and liabilities and intra-Group distribution of profit have been eliminated.

Segment reporting

The Group's business segment is the Marimekko business. The segment information presented by the Group is based on internal reporting to the chief operational decision-maker, in which the management's assessment of the segment's profitability is based on monitoring of the segment's operating profit and in which the valuation principles for assets and liabilities are in accordance with IFRS regulations.

The President and CEO of the company acts as the chief operational decision-maker.

Translation of items denominated in foreign currency

The results and financial position of Group units are measured in the currency used in the primary business environment of the unit in question (functional currency). The consolidated financial statements are presented in euros, the functional and presentation currency of the parent company.

Transactions in foreign currencies are recognised in the functional currency at the exchange rates on the date of transaction. The foreign-currency denominated receivables and liabilities of the parent company and its Finnish subsidiary have been converted to euro amounts using the exchange rates quoted by the European Central Bank on the closing date. The foreign currency-denominated receivables and liabilities of foreign subsidiaries have been converted at the exchange rate of the country in question on the closing date. Foreign exchange differences in business operations are booked in the corresponding income statement accounts above operating profit and foreign exchange differences on financial items in financial income and expenses.

The foreign-currency-denominated income statements of subsidiaries are converted to euro amounts using the average exchange rate for the financial year and the balance sheets at the average rate on the closing date. Differences arising from translation and translation differences in shareholders' equity are recorded as a separate item in shareholders' equity.

Revenue recognition and net sales
Most of the Group's income is comprised of wholesale and retail sales of products plus royalties. Sales of products are recognised as income when the significant risks and rewards incident to the ownership of goods have been transferred to the buyer. The Group then relinquishes oversight and control of the product. In wholesale, this is mainly the moment when the goods are handed over to the customer as set forth in the agreed delivery clause. In retail where cash or a credit card is used as the means of payment, the income is recognised at the time of sale. The revenue recognition of licensing and royalty income is handled in accordance with the clauses of the agreement between Marimekko and the licensee. The clauses in the licensing agreements mainly provide for royalties payable to Marimekko for sales of products covered by the agreement, based either on a percentage rate or the number of items. At least the minimum annual royalty as stipulated in the agreement is payable by some of the licensees.

In the calculation of net sales, sales proceeds are adjusted with indirect taxes and sales adjusting items such as discounts granted. The distribution costs of products sold are recognised in other operating expenses in the income statement.

Other operating income
Other operating income includes, for example, rental income from lease agreements classified as other lease agreements, insurance payouts and sales proceeds of fixed assets.

Operating profit
IAS 1 Presentation of Financial Statements does not contain a definition of operating profit. The Group has defined this concept as follows: operating profit is the net amount of net sales and other operating income less the purchase expenses adjusted with the expenses incurred due to the increase or decrease in inventories or completed and unfinished products and production for own use, employee benefit expenses, depreciations, possible impairment loss and other operating expenses. Any income statement items other than the above are presented below the operating profit. Foreign exchange differences are included in the operating profit, provided they are attributable to items related to business operations. Otherwise they are recognised in financial items.

Employee benefits
Pension commitments
The pension security of the personnel of the Group's Finnish companies has been arranged under the Finnish statutory employee pension plan (TyEL) through an external pension insurance company. Foreign subsidiaries have arranged pensions for their personnel in accordance with local legislation. The Group's pension cover is arranged wholly under defined contribution schemes. Under a defined contribution arrangement, the Group pays contributions to publicly or privately managed pension insurances. These contributions are either compulsory, based on an agreement or voluntary. The Group does not have any payment obligations other than these contributions. The contributions are recognised as employee benefit expenses at the time when they become due. Any contributions paid in advance are included in the assets on the balance sheet, insofar as they are recoverable as future refunds or future reductions of contributions.

Share-based payments
The long-term bonus systems granted to the Management Group by the Board of Directors are valued at fair value at each closing date and the change in fair value is recorded as an employee benefit expense in the income statement to the extent the share-based payments have been vested. The possible bonus will be paid in cash.

The bonus systems are described in greater detail in Note 13 to the consolidated financial statements.

Interest income
Interest income is recognised on a time-proportion basis using the effective interest method.

Dividend income
Dividend income is recognised as income when the right to dividends is established.

Income taxes
Taxes on the Group companies' financial results for the period, taxes from previous periods and the change in deferred taxes are recorded as the Group's taxes. Taxes on the taxable income for the period are calculated on taxable income in accordance with the tax rate in force in the country in question. Deferred taxes are calculated on all temporary differences between the book value and the taxable value. However, a deferred tax liability is not accounted for if it arises from the initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable income. In taxation deferred tax is not recognised for non-deductible goodwill and deferred tax is not recognised for distributable earnings of subsidiaries where it is probable that the difference will not reverse in the foreseeable future. The largest temporary differences are due to the amortisation of fixed assets. Deferred taxes are calculated using the tax rates set by the closing date. Deferred tax assets are recognised to the extent that it is probable that future taxable profit, against which the temporary difference can be utilised, will be available.

Earnings per share
The basic earnings per share are calculated by dividing the profit for the period attributable to equity holders of the parent company by the weighted average of shares outstanding. The weighted average number of shares used to calculate the diluted earnings per share takes into account the diluting effect of the conversion of potential common shares into actual shares during the period.

Intangible assets
Intangible assets with finite useful

lives are recognised in the balance sheet at original cost less depreciation. Depreciation of intangible assets is carried out on a straight-line basis over their estimated useful life.

The estimated useful lives are as follows:
- intangible rights 5–10 years
- computer software 3–5 years.

The major intangible asset items are trademarks. Other intangible assets are computer software and information systems. The Group has not had any such development expenditure that should be recognised as assets under IAS 38 and recorded as amortised expense over their useful life.

Tangible assets
Tangible assets mainly consist of buildings, machinery and equipment. Tangible assets also include expenditures on conversions and renovations of leased premises comprising, for example, completion work on business interiors in rented premises. Tangible assets are recorded in the balance sheet at original cost less depreciation. Depreciation of tangible assets is carried out on a straight-line basis over their estimated useful life.

The estimated useful lives are as follows:
- buildings and structures 40 years
- machinery and equipment 3–15 years.

The residual value and useful life of tangible assets are checked in connection with each financial statement and if necessary adjusted to reflect changes in the expectation of economic benefit.

If a tangible asset consists of several parts with different useful lives, each part is treated as a separate asset. Significant cost of replacing a part is capitalised when the company will derive economic benefit from the asset. Other expenses such as regular maintenance, repair and servicing costs are entered as expenses in the income statement when they are incurred.

Investment aid is recognised as a reduction to investments and the aid recorded in the income statement is booked in other operating income.

Borrowing costs
Borrowing costs are recognised as expenses during the financial year in which they were incurred. Borrowing costs have not been recognised as part of the acquisition cost of the assets.

Provisions and contingent liabilities
A provision is recognised when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

A restructuring provision is recognised when the Group has compiled a detailed restructuring plan, launched its implementation or informed the parties concerned.

A contingent liability is a potential liability based on previous events. It depends on the realisation of an uncertain future event beyond the Group's control. Contingent liabilities also include obligations which will most likely not lead to a payment or the amount of which cannot be reliably determined. Contingent liabilities are disclosed in the notes.

Impairment
On each closing date, asset items are assessed for indications of impairment. If there are such indications, the recoverable amount of said asset item is estimated. The impairment recognised is the amount by which the book value of the asset item exceeds its recoverable amount, which is the higher of its net selling price or value in use. Value in use is based on discounted future net cash flows as a rule.

In 2013, the Group booked write-downs totalling EUR 1,480 thousand on the tangible assets of the company-owned stores in Beverly Hills, Boston and Oslo. The write-downs were due to these stores' poor profitability. The stores recoverable amount is based on the value in use. Further information about impairments is available in Note 1.2.

Lease agreements
In accordance with IAS 17 Leases, lease agreements in which the Group assumes substantially all the risks and rewards incident to ownership of the asset are classified as finance lease agreements. Assets acquired under finance lease agreements, less accumulated depreciation, are recognised in tangible or intangible assets, and the obligations of the agreements are recognised in interest-bearing liabilities. A financial lease is booked in the balance sheet and recognised at fair value of the asset at the time of entering into the lease agreement or, if lower, at the present value of future minimum lease payments. Financial lease agreements in accordance with IAS 17 are recognised in the balance sheet and are depreciated in line with the Group's depreciation policy over their useful life or lease period, whichever is shorter and any impairment loss is recognised. Rents payable under lease agreements are divided into financial expenses and debt repayment.

Lease agreements in which the risks and rewards incident to ownership are retained by the lessor are treated as other lease agreements. Rents payable under other lease agreements are expenses in the income statement on a straight-line basis over the lease period.

Inventories
Inventories are presented at the acquisition cost or at the lower probable net realisation value. The acquisition cost of manufactured inventories includes not only purchase expenditure on materials, direct labour and other direct costs, but also a share of the fixed and variable general costs of production. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs for completion and selling expenses.

Financial assets
The Group classifies its financial assets in the following categories: loans and other receivables and available-for-sale financial assets. The classification depends on the purpose for which the

financial assets were acquired and is determined at initial recognition by the management.

Loans and receivables consist of trade receivables, other receivables and cash and cash equivalents.

Available-for-sale financial assets comprise shares and they are included in non-current assets, unless it is intended that they will be held for less than 12 months from the closing date, in which case they are included in current assets. Available-for-sale financial assets are measured at fair value or, where the fair value cannot be reliably determined, at acquisition cost. Available-for-sale financial assets on the closing date comprise unlisted shares measured at historical cost less any impairment. The company does not intend to dispose of these shares for the present.

Loans and other receivables are initially recognised at fair value and subsequently at amortised cost using the effective interest method. An impairment of trade receivables is recognised when there is objective evidence that the Group will not receive all of the benefits on the original terms. Indications of the impairment of trade receivables include the significant financial difficulties of the debtor, the likelihood of bankruptcy, failure to make payments, or a delay of over 90 days in paying. Impairment loss is recognised under other operating expenses in the income statement.

Cash and cash equivalents

The Group's cash and cash equivalents include cash at hand and at banks. The Group does not have any other items classified as cash and cash equivalents.

Dividends, shareholders' equity and treasury shares

The Board of Directors' proposal for dividend distribution has not been recognised in the financial statements; the dividends will only be recognised on the basis of the Annual General Meeting's approval.

Outstanding common shares are presented as share capital. Costs related to the granting or acquisition of the company's own equity instruments are presented as equity allowance. If the company purchases its own shares, the price including direct costs is recognised as decrease in equity.

Financial liabilities

Financial liabilities are initially recognised at fair value including transaction costs and subsequently at amortised cost using the effective interest method. Financial liabilities are non-current, unless they are repayable on demand or the Group intends to repay them within the next 12 months.

New standards and interpretations

In preparing these consolidated financial statements, the Group has followed the same accounting policies as in the annual financial statements for 2013 except for the effect of changes required by the adoption of the following new standards, interpretations and amendments to existing standards and interpretations on 1 January 2014. The new standards, interpretations and amendments to existing standards have not had a material impact on the consolidated financial statements.

Amendment to IFRSs 10, 11 and 12 on transition guidance. These amendments provide additional transition relief to IFRSs 10, 11 and 12, limiting the requirement to provide adjusted comparative information to only the preceding comparative period. For disclosures related to unconsolidated structured entities, the amendments will remove the requirement to present comparative information for periods before IFRS 12 is first applied.

IFRS 10 ”Consolidated financial statements”. The objective of IFRS 10 is to establish principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entity (an entity that controls one or more other entities) to present consolidated financial statements. It defines the principle of control, and establishes control as the basis for consolidation. It sets out how to apply the principle of control to identify whether an investor controls an investee and therefore must consolidate the investee. It also sets out the accounting requirements for the preparation of consolidated financial statements.

IFRS 11 ”Joint arrangements”. The standard contains guidelines on how joint arrangements are recognised. The standard focuses on the rights and obligations of the parties to the arrangement rather than its legal form.

IFRS 12 ”Disclosures of Interests in Other Entities”. The standard includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles.

IAS 28 (revised 2011) ”Associates and Joint Ventures”. The revised standard includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of IFRS 11.

IAS 32 (amendment) ”Offsetting Financial Assets and Financial Liabilities”. The amendment addresses inconsistencies in current practice when applying the offsetting criteria in IAS 32.

IAS 36 (amendment) ”Impairment of assets”. The amendment addresses the disclosure requirements of the recoverable amount when an asset or CGU's recoverable amount has been determined on the basis of fair value less costs of disposal.

IAS 39 (amendment) ”Financial Instruments: Recognition and Measurement”. Under the amendment there would be no need to discontinue hedge accounting if a hedging derivative was novated, provided certain criteria are met. A novation indicates an event where the original parties to a derivative agree that one or more clearing counterparties replace their original counterparty to become the new counterparty to each of the parties.

Below is a list of standards, interpretations and amendments that have been issued and are effective for periods after 1 January 2014. They will be adopted by the Group in 2015 or later. The new standards, interpretations and amendments to existing standards are not expected to have a material impact on the consolidated financial statements.

IFRIC 21 ”Levies” This is an interpretation of IAS 37 ”Provisions, contingent liabilities and contingent assets”. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event). The interpretation addresses what the obligating event is that gives rise to the payment of a levy and when a liability should be recognised.

IAS 19 (amendment) ”Employee benefits”. The amendment applies to contributions from employees or third parties to defined benefit plans and clarifies the treatment of such contributions. The amendment distinguishes between contributions that are linked to service only in the period in which they arise and those linked to service in more than one period.

IAS 16 (amendment) ”Property, plant and equipment” and IAS 38, ”Intangible assets”. This amendment clarifies that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. *)

IFRS 11 (amendment) ”Joint arrangements”. This amendment provides new guidance on how to account for the acquisition of an interest in a joint venture operation that constitutes a business. The amendments require an investor to apply the principles of business combination accounting when it acquires an interest in a joint operation that constitutes a business. *)

IFRS 10 (amendment) ”Consolidated Financial Statements” and IAS 28 (amendment) ”Associates and Joint Ventures”. These amendments address an inconsistency between IFRS 10 and IAS 28 in the sale or contribution of assets between an investor and its associate or joint venture. A full gain or loss is recognised when a transaction involves a business. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if those assets are in a subsidiary. *)

IFRS 15 ”Revenue from Contracts with Customers”. The new standard provides a comprehensive framework for recognizing revenue and the amount and timing of the revenue. IFRS 15 replaces the effective guidelines for recognition, such as IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programmes. According to IFRS 15, Revenue is recognised when a customer obtains control of a good or service. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the good or service. The core principle of IFRS 15 is that an entity recognises reve-nue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. *)

IFRS 9 ”Financial instruments”. The new standard replaces most of the guidance in IAS 39. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through OCI and fair value through P&L. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. The standard’s requirements related to general hedge accounting have also been revised. IAS 39’s requirements for recognition and derecognition of financial instruments have been retained. *)

IASB published the following improvements to standards and interpretations as part of the 2010-2012 annual Improvements to IFRS project. These improvements have become effective on 1 July 2014. The changes are presented below but they are not expected to be of material significance to the Group:

IFRS 2 ”Share-based Payment”
IFRS 3 ”Business Combinations”
IFRS 8 ”Operating Segments”
IFRS 13 ”Fair Value Measurement”
IAS 16 ”Property, Plant and Equipment” and IAS 38 ”Intabgible Assets”
IAS 24 ”Related Party Disclosures”

IASB published the following improvements to standards and interpretations as part of the 2011-2013 annual Improvements to IFRS project. These improvements have become effective on 1 July 2014. The changes are presented below but they are not expected to be of material significance to the Group:

IFRS 3 ”Business Combinations”
IFRS 13 ”Fair Value Measurement”
IAS 40 ”Investment Property”

IASB published the following improvements to standards and interpretations as part of the 2012-2014 *) annual Improvements to IFRS project which are mandatory for accounting periods on or after 2016. The changes are presented below but they are not expected to be of material significance to the Group:

IFRS 5 ”Non-current assets held for sale and discontinued operations”
IFRS 7 ”Financial instruments: Disclosures”
IAS 19 ”Emplyoee benefits”
IAS 34 ”Interim financial reporting”

*) This standard, interpretation or amendment is still subject to EU endorsement.

1. NON-CURRENT ASSETS

1.1 Intangible assets

2014

(EUR 1,000)	Intangible rights	Computer software	Advance payments and acquisitions in progress	Total
Acquisition cost, 1 Jan. 2014	1,940	6,301	57	8,298
Increases	61	61	401	523
Acquisition cost, 31 Dec. 2014	2,001	6,362	458	8,822
Accumulated depreciation, 1 Jan. 2014	1,306	5,016		6,322
Depreciation during the financial year	188	750		938
Accumulated depreciation, 31 Dec. 2014	1,494	5,766		7,260
Book value, 31 Dec. 2014	507	596	458	1,561
Book value, 1 Jan. 2014	634	1,285	57	1,976
Book value, 31 Dec. 2014	507	596	458	1,561

2013

(EUR 1,000)	Intangible rights	Computer software	Advance payments and acquisitions in progress	Total
Acquisition cost, 1 Jan. 2013	1,720	5,839	165	7,724
Increases	220	462	67	749
Transfers		175	-175	
Acquisition cost, 31 Dec. 2013	1,940	6,301	57	8,298
Accumulated depreciation, 1 Jan. 2013	951	4,110		5,061
Depreciation during the financial year	355	906		1,261
Accumulated depreciation, 31 Dec. 2013	1,306	5,016		6,322
Book value, 31 Dec. 2013	634	1,285	57	1,976
Book value, 1 Jan. 2013	769	1,729	165	2,663
Book value, 31 Dec. 2013	634	1,285	57	1,976

1.2 Tangible assets

2014

(EUR 1,000)	Land	Buildings and structures	Machinery and equipment	Advance payments and acquisitions in progress	Total
Acquisition cost, 1 Jan. 2014	3,515	16,670	18,053	299	38,537
Increases		741	266	795	1,802
Transfers		665	253	-918	
Acquisition cost, 31 Dec. 2014	3,515	18,076	18,572	176	40,339
Accumulated depreciation, 1 Jan. 2014	230	7,174	12,888		20,292
Depreciation during the financial year	115	1,909	1,321		3,345
Accumulated depreciation, 31 Dec. 2014	345	9,083	14,209		23,637
Book value, 31 Dec. 2014	3,169	8,993	4,363	176	16,701
Book value, 1 Jan. 2014	3,285	9,496	5,165	299	18,245
Book value, 31 Dec. 2014	3,169	8,993	4,363	176	16,702
Book value of production machinery, 31 Dec. 2014			1,914		

2013

(EUR 1,000)	Land	Buildings and structures	Machinery and equipment	Advance payments and acquisitions in progress	Total
Acquisition cost, 1 Jan. 2013	3,515	15,647	16,690	905	36,757
Increases		1,681	1,363	299	3,343
Decreases		-1,563			-1,563
Transfers		905		-905	
Acquisition cost, 31 Dec. 2013	3,515	16,670	18,053	299	38,537
Accumulated depreciation, 1 Jan. 2013	115	4,969	9,697		14,781
Depreciation during the financial year	115	2,024	1,668		3,807
Impairments		181	1,523		1,704
Accumulated depreciation, 31 Dec. 2013	230	7,174	12,888		20,292
Book value, 31 Dec. 2013	3,285	9,496	5,165	299	18,245
Book value, 1 Jan. 2013	3,400	10,678	6,993	905	21,976
Book value, 31 Dec. 2013	3,285	9,496	5,165	299	18,245
Book value of production machinery, 31 Dec. 2013			2,377		

In 2013, impairments on buildings and structures were related to the closed factory in Kitee and impairments on machinery and equipment were related to the Beverly Hills, Boston and Oslo stores.

1.3 Finance lease agreements

Land as well as machinery and equipment in tangible assets include the following assets acquired under finance lease agreements. The finance lease assets constitute the land lease agreement on the property of the Helsinki head office and printing factory as well as machinery and equipment leased under finance lease agreement since 1 January 2014.

2014

(EUR 1,000)	Land	Machinery and equipment	Total
Acquisition cost, 1 Jan. 2014	3,460		3,460
Increases		270	270
Decreases		-9	-9
Acquisition cost, 31 Dec. 2014	3,460	261	3,721
Accumulated depreciation, 1 Jan. 2014	230		230
Depreciation during the financial year	115	78	193
Accumulated depreciation, 31 Dec. 2014	346	78	424
Book value, 31 Dec. 2014	3,114	183	3,297
Book value, 1 Jan. 2014	3,230		3,230
Book value, 31 Dec. 2014	3,114	183	3,297

2013

(EUR 1,000)	Land	Machinery and equipment	Total
Acquisition cost, 1 Jan. 2013	3,460		3,460
Acquisition cost, 31 Dec. 2013	3,460		3,460
Accumulated depreciation, 1 Jan. 2013	115		115
Depreciation during the financial year	115		115
Accumulated depreciation, 31 Dec. 2013	230		230
Book value, 31 Dec. 2013	3,230		3,230
Book value, 1 Jan. 2013	3,345		3,345
Book value, 31 Dec. 2013	3,230		3,230

1.4 Available-for-sale financial assets

(EUR 1,000)	2014	2013
Available-for-sale shares		
Acquisition cost, 1 Jan.	16	16
Acquisition cost, 31 Dec.	16	16
Book value, 31 Dec.	16	16
Financial assets, total	16	16

Available-for-sale financial assets comprise unlisted shares, which are presented at cost because their fair values are not reliably known.

2. CURRENT ASSETS

2.1 Inventories

(EUR 1,000)	2014	2013
Raw materials and consumables	5,362	4,917
Incomplete products	51	65
Finished products/goods	12,145	13,124
Total	17,558	18,106

No impairment was recognised on inventories.

2.2 Trade and other receivables

(EUR 1,000)	2014	2013
Trade receivables	4,797	4,868
Prepayments for inventory purchases	597	619
Other reveivables	69	57
Prepaid expenses and accrued income	1,824	1,080
Total	7,286	6,622

Prepaid expenses and accrued income		
Royalty receivables	271	360
Employee benefits	626	222
VAT receicables	286	
Other prepaid expenses and accrued income	641	498
Total	1,824	1,080

Impairment of trade receivables	24	13

Analysis of trade receivables by age

(EUR 1,000)	2014	Impairment loss	Net 2014	2013	Impairment loss	Net 2013
Undue trade receivables	4,025		4,025	4,035		4,035
Overdue						
less than 30 days	467		467	500		500
30–60 days	205		205	178		178
more than 60 days	125	-24	101	168	-13	155
Total	4,821	-24	4,797	4,881	-13	4,868

3. SHAREHOLDERS' EQUITY

3.1 Share capital and reserve for invested non-restricted equity

	Number of shares	Share capital, EUR	Reserve for invested non-restricted equity, EUR	Total, EUR
1 Jan. 2013	8,089,610	8,040,000	501,969	8,541,969
31 Dec. 2013	8,089,610	8,040,000	501,969	8,541,969
1 Jan. 2014	8,089,610	8,040,000	501,969	8,541,969
31 Dec. 2014	8,089,610	8,040,000	501,969	8,541,969

Marimekko Corporation's Articles of Association do not specify maximum share capital. Marimekko Corporation has one series of shares; the shares do not have a nominal value. All shares in issue have been paid in full. The Group does not possess any of its own shares. The Group does not have any share option schemes. After the closing date, the Board of Directors has proposed that a dividend of EUR 0.35 per share be paid for 2014 (0.25).

The reserve for invested non-restricted equity contains other equity-like investments and the share subscription price to the extent that this is not entered in share capital under a specific decision.

4. NON-CURRENT LIABILITIES

4.1 Deferred tax assets and liabilities

Deferred tax assets and liabilities are offset against each other where the Group has a legally enforceable right to offset deferred tax assets and liabilities based on taxable earnings for the period against each other and where they relate to income taxes levied by the same taxation authority on the same taxpayer or different taxpayers and the intention is to settle on a net basis. The amounts offset against each other are as follows:

Changes in deferred taxes in 2014

(EUR 1,000)	1 Jan. 2014	Recognised in the income statement	31 Dec. 2014
Deferred tax assets			
Internal margin of inventories	604	-95	509
Deferred tax assets on management compensation	15	-9	6
Provisions	20	18	38
Total	639	-86	553
Offsetting deferred tax assets and liabilities			-553
Deferred tax asset	639	-86	
Deferred tax liabilities			
Accumulated depreciation difference	-514	74	-440
Fixed costs included in inventories	-155	11	-144
Finance lease	19	9	28
Total	-650	93	-557
Offsetting deferred tax assets and liabilities			553
Deferred tax liability	-650	93	-557
Deferred tax liability, net			-4

Confirmed losses are recognized as deferred tax assets to the extent that the tax benefit is likely to be received based on taxable earnings. Deferred tax assets amounting to EUR 240 thousand have not been recognized.

Changes in deferred taxes in 2013

(EUR 1,000)	1 Jan. 2013	Recognised in the income statement	31 Dec. 2013
Deferred tax assets			
Internal margin of inventories	328	276	604
Deferred tax assets on management compensation	37	-22	15
Provisions		20	20
Deferred tax assets on losses of affiliated companies	322	-322	
Total	687	-48	639
Offsetting deferred tax assets and liabilities			-639
Deferred tax asset	687	-48	
Deferred tax liabilities			
Accumulated depreciation difference	-666	152	-514
Fixed costs included in inventories	-190	35	-155
Finance lease	12	7	19
Total	-844	194	-650
Offsetting deferred tax assets and liabilities			639
Deferred tax liability	-844	194	-650
Deferred tax liability, net			-11

4.2 Non-current provisions

(EUR 1,000)	2014	2013
Provision for restructuring cost		
Book value, 1 Jan.	101	
Increases	89	101
Book value, 31 Dec.	190	101

The non-current provisions are related to the company's possible future obligation to pay the employer's liability component within the unemployment insurance contribution. This future payment obligation to the Unemployment Insurance Fund was born when the company dismissed employees in Finland in connection with the consultative negotiations held in 2013 and 2014. The payment obligation materialises for the most part within two years after the ending of the employment of the employee meeting the requirements of the employer's liability component.

4.3 Interest-bearing non-current liabilities

(EUR 1,000)	2014	2013
Financial liabilities	3,696	8,234
Finance lease obligations	3,261	3,252
Total	6,957	11,486

The interest rate of the financial liabilities was 0.577–1.688% (0.078–1.446). All financial liabilities were euro denominated.

5. CURRENT LIABILITIES

5.1 Current liabilities

(EUR 1,000)	2014	2013
Trade and other payables		
Trade payables	3,863	4,211
Other payables	2,731	2,230
Accrued liabilities and deferred income	3,460	3,549
Finance lease obligations	176	72
Current tax liabilities	778	
Total	11,008	10,061

Accrued liabilities and deferred income		
Employee benefits	3,246	3,345
Other accrued liabilities and deferred income	214	204
Total	3,460	3,549

5.2 Finance lease obligations

Assets are classified as assets leased under finance lease agreement, if the risks and rewards incidental to ownership of the assets substantially remain with the Group. The lease obligations have efficient security, since the lessor regains the right to the leased asset, if lease payments are neglected. The Group's finance lease obligations relate to the land lease of the Helsinki head office and printing factory property as well as machinery and equipment leased under finance lease agreement since 1 January 2014.

Gross amount of finance lease obligations – minimum lease payments by due date:

(EUR 1,000)	2014	2013
No later than 1 year	360	188
Later than 1 year – no later than 5 years	922	753
Later than 5 years	4,139	4,327
Total	5,421	5,268

Future financial expenses	-1,984	-1,944
Current value of the finance lease obligations	3,437	3,324

The current value of the financial lease obligations matures as follows:

(EUR 1,000)	2014	2013
No later than 1 year	176	72
Later than 1 year – no later than 5 years	407	313
Later than 5 years	2,854	2,939
Current value of the financial lease obligations	3,437	3,324

6. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

The company's financial assets consist of short term trade and other receivables as well as cash and cash equivalents. Therefore the book value of these assets is a fair assumption of their fair value. The book value of trade and other payables is also a fair assumption of their fair value.

The book values and fair values of financial liabilities and financial lease liabilities are presented below:

(EUR 1,000)	Book value 2014	Fair value 2014	Book value 2013	Fair value 2013
Financial liabilities	3,696	3,696	8,234	8,234
Finance lease obligations	3,437	3,437	3,324	3,324

The company has determined the fair value based on the discounted cash flows using the market rate and credit risk premium at the end of the financial period. The fair values have been classified at level 3 of the the fair value hierarchy as they include management's judgement. The levels of the fair value hierarchy are presented below:
– quoted prices in active markets for identical assets and liabilities (Level 1).
– inputs other than quoted prices included in Level 1 that are observable for the asset or liability (Level 2).
– inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

7. GUARANTEES, CONTINGENT LIABILITIES AND OTHER COMMITMENTS

(EUR 1,000)	2014	2013
Other own liabilities and commitments		
Lease liabilities for machinery and equipment	672	411
Liabilities relating to lease agreements for business premises	33,638	36,955
Commitments, total	34,310	37,365
Other lease agreements		
The Group as lessee		
Minimum lease payments under other non-cancellable lease agreements		
No later than 1 year	9,024	8,368
Later than 1 year – no later than 5 years	17,228	19,040
Later than 5 years	8,058	9,957
Total	34,310	37,365

The Group has leased several of its store, office and warehouse premises. These lease agreements are valid either for a fixed period or for the time being. The rent icrease index, renewal and other terms of the agreements vary. The 2014 income statement includes EUR 9,287 thousand in rental expenses paid on the basis of other non-cancellable lease agreements.

The Group has no liabilities resulting from derivative contracts, and there are no outstanding guarantees or any other contingent liabilities which have been granted on behalf of the management of the company or its shareholders.

8. RELATED PARTY TRANSACTIONS

The Group's related parties include the members of the Board of Directors and Management Group as well as the parent company and subsidiaries.

The following members of the Board of Directors and Management Group were related parties to the Group in 2014:

Pekka Lundmark, Chairman of the Board
Mika Ihamuotila, President and CEO, Vice Chairman of the Board
Elina Björklund, member of the Board
Arthur Engel, member of the Board
Ami Hasan, member of the Board until 23 April 2014
Joakim Karske, member of the Board
Catharina Stackelberg-Hammarén, member of the Board starting 23 April 2014
Tiina Alahuhta-Kasko, COO and member of the Management Group
Thomas Ekström, CFO and member of the Management Group
Päivi Lonka, CSO and member of the Management Group
Niina Nenonen, CPO and member of the Management Group
Anna Teurnell, Creative Director and member of the Management Group

The following members of the Board of Directors and Management Group were related parties to the Group in 2013:

Pekka Lundmark, Chairman of the Board
Mika Ihamuotila, President and CEO, Vice Chairman of the Board
Elina Björklund, member of the Board
Arthur Engel, member of the Board
Ami Hasan, member of the Board
Joakim Karske, member of the Board
Tiina Alahuhta-Kasko, Marketing Director and member of the Management Group
Thomas Ekström, CFO and member of the Management Group
Päivi Lonka, Sales Director and member of the Management Group
Niina Nenonen, Product Director and member of the Management Group
Minna Kemell-Kutvonen, Creative Director and member of the Management Group

The relationships of the Group's parent company and subsidiaries are as follows:

Parent company

Marimekko Corporation, Helsinki, Finland

Subsidiaries

Company and domicile	**Group's holding, %**	**Share of voting rights, %**
Keskinäinen Kiinteistö Oy Marikko, Helsinki, Finland	100	100
Marimekko Services Oy, Helsinki, Finland	100	100
Marimekko AB, Stockholm, Sweden *)	100	100
Marimekko Australia PTY Ltd, Victoria, Australia	100	100
Marimekko GmbH, Frankfurt am Main, Germany	100	100
Marimekko North America LLC, Delaware, United States	100	100
Marimekko North America Retail LLC, Delaware, United States	100	100
Marimekko North America Holding Co, Delaware, United States	100	100
Marimekko UK Ltd, London, United Kingdom	100	100

* Marimekko AB has branches in Norway and Denmark.

The following transactions were carried out with related parties:

Management's employee benefits

Emoluments

Employee benefits of the President and CEO and other members of the Management Group in 2014:

(EUR 1,000)	President and CEO	Other members of the Management Group	Total
Salaries and bonuses	435	671	1,106
Share-based bonus system (cash settled)	-15	-29	-44
Pension expenses – defined contribution plans *)	77	119	196
Total	497	761	1,258

*) The pension benefits include only statutory pension payments. The management does not have additional pension benefits.

Remuneration to the Board of Directors in 2014:

(EUR 1,000)	Fixed annual remuneration
Elina Björklund	20
Arthur Engel	20
Ami Hasan	6
Mika Ihamuotila	-
Joakim Karske	20
Pekka Lundmark	30
Catharina Stackelberg-Hammarén	14
Total	110

Employee benefits of the management in 2014, total	1,368

Employee benefits of the President and CEO and other members of the Management Group in 2013:

(EUR 1,000)	President and CEO	Other members of the Management Group	Total
Salaries and bonuses	414	568	982
Share-based bonus system (cash settled)	-29	-48	-77
Pension expenses – defined contribution plans *)	70	95	165
Total	455	615	1,070

*) The pension benefits include only statutory pension payments. The management does not have additional pension benefits.

Remuneration to the Board of Directors in 2013:

(EUR 1,000)	Fixed annual remuneration
Elina Björklund	20
Arthur Engel	20
Ami Hasan	20
Mika Ihamuotila	-
Joakim Karske	20
Pekka Lundmark	30
Total	110

Employee benefits of the management in 2013, total	1,180

Related parties are beneficiaries of share-based bonus systems. The management's long-term bonus systems are presented in greater detail under note 13 to the financial statements.

Other related party transactions

Marimekko Corporation paid consultancy fees amounting to EUR 7 thousand to Oy H Ihamuotila Ab in 2014. Oy H Ihamuotila Ab is owned by Helena Ihamuotila, wife of President and CEO Mika Ihamuotila. The consultancy assignments constituted separately determined PR assignments.

9. SEGMENT INFORMATION

The operational segments are reported to the chief operational decision-maker in the same way as in internal reporting. The chief operational decision-maker monitors Marimekko's business as a whole. The company is domiciled in Finland. Net sales from external customers in Finland totalled EUR 52,034 thousand (52,159) and from external customers in other countries EUR 42,116 thousand (41,848).

The total amount of non-current assets in Finland excluding financial instruments and deferred tax liabilities (the Group has no assets arising from employee benefits or insurance contracts) was EUR 15,523 thousand (16,613) and the total amount of corresponding non-current assets in other countries was EUR 2,756 thousand (3,624).

(EUR 1,000)	**2014**	**2013**
Net sales		
Finland	52,034	52,159
Other countries	42,116	41,848
Total	94,150	94,007
Assets		
Finland	37,253	37,770
Other countries	9,950	10,878
Total	47,203	48,648
Investments		
Finland	1,648	1,836
Other countries	415	518
Total	2,063	2,354

(EUR 1,000)	**2014**	**2013**
Net sales		
Product sales	92,914	92,907
Licence income	1,237	1,100
Total	94,150	94,007

10. OTHER OPERATING INCOME

(1 000 euroa)	**2014**	**2013**
Rental income	203	184
Other income	27	62
Total	230	246

11. RAW MATERIALS AND CONSUMABLES

(EUR 1,000)	**2014**	**2013**
Materials and supplies		
Purchases during the financial year	20,723	21,300
Increase (-) / decrease (+) in inventories	31	659
Total	20,754	21,960
External services	12,013	11,587
Total	32,767	33,547

Exchange rate differences included in raw materials and consumables

(EUR 1,000)	**2014**	**2013**
Exchange rate gains (-) / losses (+) of purchases	92	30

12. SALES MARGIN

(EUR 1,000)	2014	2013
Net sales	94,150	94,007
Raw materials and consumables (including external services)	32,767	33,547
Sales margin	61,383	60,461
Sales margin, % of net sales	65.2	64.3

13. EMPLOYEE BENEFIT EXPENSES

(EUR 1,000)	2014	2013
Salaries, wages and bonuses	19,475	21,487
Share-based payments (cash settled)	-44	-77
Pension expenses – defined contribution plans	4,167	4,354
Other indirect social expenditure	1,945	1,295
Total	25,543	27,059

Average number of employees

	2014	2013
Salaried employees	433	444
Non-salaried employees	40	82
Total	473	526

Share-based payments

Management Group’s long-term bonus systems

During the financial year, the Marimekko Group had two long-term bonus systems targeted at the Management Group.

Bonus system 1: On 7 February 2011, the Board of Directors of Marimekko Corporation agreed on establishing a long-term bonus system targeted at the company’s Management Group. The system is composed of two earnings periods, which are 1 January 2011 – 31 October 2014 and 1 January 2011 – 28 February 2015. The possible bonus for each earnings period will be based on the total return on Marimekko Corporation’s shares, including dividends. The possible bonus will be paid in cash in two batches, one in autumn 2014 and the other in spring 2015. Earning the bonus requires that the person still works for the company at the time of the payment. When receiving the bonus, the persons in question commits themselves to using 50% of the net value of the bonus for acquiring the company’s shares at market price within six months from receiving the bonus. The shares acquired with the bonus cannot be surrendered prior to two years from the time of acquiring the shares. The annual maximum value of the bonus paid to a member of the Management Group based on the bonus system cannot exceed the approximate value of fixed annual salary. The system encompasses the Management Group members excluding the Creative Director, a total of five persons.

The fair value of granted share-based payments has been determined using the binary cash-or-nothing call option valuation model. The significant measurement parameters in the model are the share price at the commencement date of the earning period, EUR 13.00 added with 10% resulting to EUR 14.30, as well as volatility 28%. The grant date of the share-based payments is the date of the Board resolution. The fair value of the share-based payments were on average EUR 2.84/option on the grant date whereby the total fair value of the bonus system amounted to EUR 112 thousand. Granted share-based payments will be subsequently valued at fair value at each closing date and the change in fair value will be recorded in the income statement to the extent they are vested. Each member to the bonus system will be compensated for the earnings period with an amount equivalent to 1.5 months’ gross salary for each one (1) euro which the closing share price (inclusive of dividends) exceeds the share value of EUR 14.30 at the date of commencement of the bonus system. Gross salary is defined for the purposes of the bonus system as the fixed monthly salary, inclusive of fringe benefits, prevailing at the commencement of the bonus system in January 2011. At the end of 2014 the fair value of share-based payments booked as current liabilities to the extent they are vested, was 0 euro. At the end of 2013 the fair value of share-based payments booked as current liabilities to the extent they are vested, was EUR 83 thousand. This EUR 83 thousand decrease in fair value of the share-based payments in 2014 was booked as a decrease of employee benefit expenses in the consolidated income statement. In 2013 a fair value decrease of EUR 77 thousand was booked as a decrease of employee benefit expenses in the consolidated income statement.

Bonus system 2: On 7 May 2014, the Board of Directors of Marimekko Corporation agreed on establishing a second long-term bonus system targeted at the company’s Management Group. The system is composed of two earnings periods, which are 8 May 2014 - 31 October 2017 and 8 may 2014 - 28 February 2018. The possible bonus for each earnings period will be based on the total yield on Marimekko Corporation’s shares, including dividends. The possible bonus will be paid in cash in two batches, one in autumn 2017 and the other in spring 2018. Earning the bonus requires that the person still works for the company at the time of the payment. When receiving the bonus, the person in question commits themselves to using 50% of the net value of the bonus for acquiring the company’s shares at market price within six months from receiving the bonus. The shares acquired with the bonus cannot be surrendered prior to two years from the time of acquiring the shares. The annual maximum value of the bonus paid to a member of the Management Group based on the bonus system cannot exceed the approximate value of the fixed annual salary. The system encompasses the Management Group members excluding the Creative Director, a total of five persons.

The fair value of granted share-based payments has been determined using the binary cash-or-nothing call option valuation model. The significant measurement parameters in the model are the share price at the commencement date of the earnings period, EUR 9.55 added with 10% resulting to EUR 10.50, and volatility 28%. The grant date of the share-based payments is the date of the Board resolution. The fair value of the share-based payments were on average EUR 1.05/option on the grant date whereby the total fair value of the Bonus system amounted to EUR 313 thousand. Granted share-based payments will be subsequently valued at fair value at each closing date and the change in fair value will be recorded in the income statement to the extent they are vested. Each member to the bonus system will be compensated for the earnings period with an amount equivalent to 1.5 months' gross salary for each one (1) euro which the closing share price (inclusive of dividends) exceeds the share value of EUR 10.50 at the date of commencement of the bonus system. Gross salary is defined for the purposes of the bonus system as the fixed monthly salary, inclusive of fringe benefits, prevailing at the commencement of the bonus system in May 2014. At the end of 2014 the fair value of share-based payments booked as current liabilities to the extent they are vested, was EUR 39 thousand. This EUR 39 thousand increase in fair value of the share-based payments in 2014 was booked as an increase of employee benefit expenses in the consolidated income statement.

14. DEPRECIATION AND IMPAIRMENTS

(EUR 1,000)	**2014**	**2013**
Intangible assets *)		
Intangible rights	188	355
Computer software	750	906
Total	938	1,261
Tangible assets *)		
Land	115	115
Buildings and structures	1,909	2,205
Machinery and equipment	1,321	3,191
Total	3,345	5,511
Total	4,283	6,772
Impairments on non-current assets:		
Buildings and structures		181
Machinery and equipment		1,523
Total		1,704

*) The grouping of the 2013 depreciation has been changed to correspond to the grouping of depreciation in 2014.
Further information about the impairments is available under note 1.2, Tangible assets.

15. OTHER OPERATING EXPENSES

(EUR 1,000)	**2014**	**2013**
Leases	9,287	8,634
Marketing	4,674	4,179
Management and maintenance of business premises	1,572	1,706
Administration	4,682	5,684
Other expenses	5,288	7,117
Total	25,503	27,320

Exchange rate differences included in other operating expenses

(EUR 1,000)	**2014**	**2013**
Exchange rate gains (-) / losses (+) of sales	-414	638

Auditor's fee *)

(EUR 1,000)	2014	2013
PricewaterhouseCoopers Oy, Authorised Public Accountants		
Audit	72	76
Other services	36	5
Total	108	81
Others		
Audit	49	55
Total	49	55

*) Included in other expenses in the item other operating expenses.

16. FINANCIAL INCOME *)

(EUR 1,000)	2014	2013
Interest income on loans and other receivables	45	67
Other financial income	207	
Total	252	67
Exchange rate gains included in financial income	204	

*) The grouping of financial income and expenses in 2013 has been changed to correspond to the grouping of financial income and expenses in 2014.

17. FINANCIAL EXPENSES *)

(EUR 1,000)	2014	2013
Interest expenses on finance liabilities measured at amortised cost	-121	-160
Interest expenses on financial lease obligations	-121	-119
Other financial expenses	-118	-674
Total	-360	-953
Exchange losses included in financial expenses		-584

*) The grouping of financial income and expenses in 2013 has been changed to correspond to the grouping of financial income and expenses in 2014.

18. INCOME TAXES

(EUR 1,000)	2014	2013
Taxes on taxable earnings for the period	1,377	298
Deferred taxes	-7	-147
Total	1,370	151

Reconciliation statement of taxes calculated on the basis of tax expenses in the income statement and the Group's Finnish tax rate (20% in 2014 and 24.5% in 2013)

(EUR 1,000)	2014	2013
Result before taxes	5,485	-804
Taxes calculated at the Finnish tax rate	1,097	-197
Different tax rates of foreign subsidiaries	-33	10
Unrecognised deferred tax assets from losses in taxation	240	
Taxes from losses of previous years		321
Adjustment on deferred taxes from tax rate changes		-88
Non-deductible expenses	66	105
Taxes in the income statement	1,370	151

19. EARNINGS PER SHARE

	2014	2013
Net result for the period, EUR 1,000	4,114	-955
Weighted average number of shares, 1,000	8,090	8,090
Basic and dilluted earnings per share, EUR	0.51	-0.12

20. FINANCIAL RISK MANAGEMENT

During the normal course of its business operations, the Marimekko Group is exposed to financial risks. The principal financial risks are liquidity risk, credit risk, foreign currency risk and interest rate risk.

The company's Board of Directors has confirmed the principles, responsibilities and organisation of risk management for the Group. The Board of Directors also monitors the success of risk management. According to its risk management principles, Marimekko classifies its risks as strategic, operational, economic and accident risks. Economic risks include financial risks. Responsibility for the implementation of risk management measures concerning financial risks lies with the Group's CFO. The main objective of financial risk management is to ensure reasonable-priced financing in all circumstances, and therefore minimise the unfavourable effects, if any, on the Group's financial performance. Marimekko has not used derivative instruments when hedging against risks.

Liquidity risk

The Group continuously seeks to assess and monitor the amount of funding required by the business operations to ensure that sufficient liquid funds are available for the daily business and repayment of maturing debts. The assessment is based on monthly cash flow and liquidity forecasts. The Group aims to maintain a high liquidity level at all times in order to eliminate liquidity risk. In order to minimise the Group's liquidity risk, the Group's financing needs for the near term and next few years' can be covered by liquid funds as well as long-term committed credit facilities or credit facilities valid until further notice. At the end of the financial period, the Group had access to credit facilities totalling EUR 26 million out of which EUR 13 million were committed credit facilities and EUR 13 million facilities valid until further notice. The committed credit facilities are due as follows: EUR 7 million in 2015 and EUR 6 million in 2016. At the end of the financial period, facilities valid until further notice amounting to EUR 3.7 million were drawn. No committed credit facilities were drawn at the end of the financial period.

The Marimekko Group's borrowing is unsecured. However, the committed credit facilities include two financial covenants: the ratio of net debt excluding finance lease debt to EBITDA as well as the Group's equity ratio. The conditions in the loan agreements have been met during the financial year.

Maturity analysis for the Group's financial liabilities; the figures are not discounted, and they include both interest payments and capital repayments:

31 Dec. 2014

(EUR 1,000)	Less than 1 year	1–2 years	2–5 years	Over 5 years
Financial liabilities	46	3,719		
Finance lease obligations	360	296	625	4,139
Trade and other payables	10,053			
Total	10,459	4,015	625	4,139

31 Dec. 2013

(EUR 1,000)	Less than 1 year	1–2 years	2–5 years	Over 5 years
Financial liabilities	88	8,278		
Finance lease obligations	188	188	564	4,327
Trade and other payables	9,989			
Total	10,265	8,466	564	4,327

Credit risk
The trade receivables generated in the Group's wholesale operations are associated with a credit risk, which is reduced by the Group's broad and geographically diverse clientele. Marimekko continuously monitors the credit limits, credit history and financial situation of its customers. The Group has a centralised process in place for this purpose. Responsibility for the credit monitoring process lies with the Group's CFO. The credit risk related to the wholesale business is also reduced by means of advance payments, bank guarantees and letters of credit. During the 2014 financial year, credit loss recognised through profit or loss amounted to EUR 24 thousand (13).

Retail customers pay for their purchases using cash or the most common credit cards.

Note 2.2. (Trade and other receivables) to the consolidated financial statements includes an analysis of trade receivables by age.

Foreign currency risk
The Group's currency risk consists of sales and purchases made in foreign currency as well as balance sheet items and also foreign-currency-denominated net investments in units abroad.

Transaction risk

The Marimekko Group's transaction risk derives from currency flows connected with wholesale and retail sales as well as purchases and operating expenses of the Group's business units as well as from from loans and receivables denominated in foreign currency. The Group's principal sales currency is the euro. The other significant sales and invoicing currencies are the US dollar, Swedish krona, Danish krone, Norwegian krone, Australian dollar and Canadian dollar. The principal currencies used for purchases are the euro and, to a lesser extent, the US dollar. In 2014 foreign-currency-denominated sales accounted for approximately 14 percent (16) of the Group's total sales and foreign-currency-denominated purchases with a transaction risk made up 7 percent (8) of the Group's purchases.

Marimekko protects itself against the transaction risk of sales by taking into account the expected exchange rate at the time of sales when carrying out wholesale and retail pricing of products. Foreign subsidiaries are financed primarily in local currency, whereby the foreign subsidiary does not incur significant transaction risk.

The Group's transaction exposure

The foreign-currency-denominated assets and liabilities (cash and cash equivalents, trade receivables and trade payables) converted to euro amounts using the exchange rates quoted on the closing date are as follows:

(EUR 1,000)		2014			2013	
	USD	SEK	AUD	USD	SEK	AUD
Current assets	6,365	2,766	1,818	7,309	3,097	1,311
Current liabilities	-281	-	-17	-172	-2	-15
Foreign currency exposure in the balance sheet	6,084	2,766	1,801	7,137	3,095	1,296

Sensitivity analysis, effect on result after taxes

The strengthening or weakening of the euro against the US dollar, the Swedish krona or the Australian dollar would, given that all other factors remain unchanged, impact the Group's result after taxes as follows. The impact portrays the Group's transaction risk.

		2014			2013	
	USD	SEK	AUD	USD	SEK	AUD
Change in exchange rate, %	10	10	10	10	10	10
Effects on result after taxes, EUR 1,000 [1]	-26	-85	-162	255	-91	-138

[1] Strengthening (+) / weakening (-) of the euro

Translation risk

The Marimekko Group incurs translation risk when the financial statements of foreign subsidiaries are translated into euro amounts in the consolidated financial statements. For foreign-currency-denominated net investments, the effects of changes in foreign exchange rates appear as the translation difference in the Group's equity. For the time being, Marimekko has not hedged translation risk for equity, as the subsidiary sales and net investments are small from the Group's perspective.

Interest rate risk
The Group's interest rate risk primarily results from changes in the interest on cash and cash equivalents and on current and non-current interest-bearing liabilities due to changes in market rates. The changes in the interest rates of these assets and liabilities has an impact on the Group's profit.

(EUR 1,000)	**2014**	**2013**
Cash and cash equivalents	4,079	3,001
Interest-bearing liabilities	3,696	8,234
Finance lease obligations	3,437	3,324

The Group's interest-bearing liabilities at the end of the financial year consisted of drawn credit facilities and finance lease obligations. The Group has access to variable-interest-rate long-term commited credit facilities or credit facilities valid until further notice totalling EUR 26 million. At the end of the financial period, facilities valid until further notice amounting to EUR 3.7 million were drawn. A rise of one percentage point in market interest rates would have an imputed effect on Marimekko's profit after taxes of EUR -0.0 million (-0.1). Correspondingly, a decline of one percentage point in market interest rates would have an imputed effect on Marimekko's profit after taxes of EUR +0.0 million (+0.1).

21. CAPITAL MANAGEMENT

The purpose of capital management is to maintain a capital structure that optimally supports the Group's strategic objectives. Efficient capital management measures ensure normal operating conditions for the business and increase the shareholder value in the long term. The principal factors affecting the capital structure are profitability, dividend distribution and investments. The capital managed equals the shareholders' equity shown on the consolidated balance sheet. No external capital requirements are applied to the Group.

The Group continuously monitors the development of its capital structure by means of the equity ratio and gearing. The Group's strategic objective is to maintain the equity ratio at the minimum of 60 percent. At the end of 2014, the Group's net liabilities amounted to EUR 3,054 thousand (8,557) and gearing was 10.5 percent (31.7).

Gearing

(EUR 1,000)	**2014**	**2013**
Interest-bearing liabilities	3,696	8,234
Finance lease obligations	3,437	3,324
Deducting cash and cash equivalents	-4,079	-3,001
Net liabilities	3,054	8,557
Shareholders' equity, total	29,045	26,989
Equity, total	32,099	35,546
Gearing, %	10.5	31.7

22. EVENTS AFTER THE CLOSING DATE

The management of the company is not aware of any significant events after the closing date.

Parent company financial statements, FAS

PARENT COMPANY BALANCE SHEET

(EUR 1,000)			31 Dec. 2014		31 Dec. 2013
ASSETS					
FIXED ASSETS	1.				
Intangible assets	1.1		2,707		3,055
Tangible assets	1.2		3,575		4,287
Investments	1.3				
Participations in Group companies		4,274		4,017	
Other shares and participations		16	4,290	16	4,033
FIXED ASSETS, TOTAL			10,571		11,375
CURRENT ASSETS					
Inventories	2.		15,843		16,194
Current receivables	3.		11,453		11,534
Cash in hand and at banks			1,861		1,092
CURRENT ASSETS, TOTAL			29,158		28,821
ASSETS, TOTAL			39,729		40,196

PARENT COMPANY BALANCE SHEET

(EUR 1,000)		31 Dec. 2014	31 Dec. 2013
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY	4.		
Share capital		8,040	8,040
Reserve for invested non-restricted equity		502	502
Retained earnings		10,566	17,527
Net result for the period		5,096	-4,939
SHAREHOLDERS' EQUITY, TOTAL		**24,204**	**21,130**
ACCUMULATED APPROPRIATIONS	5.	**1,911**	**2,235**
PROVISIONS	6.		
Other mandatory provisions		190	101
LIABILITIES	7.		
Non-current liabilities	7.1	3,696	8,234
Current liabilities	7.2	9,729	8,496
LIABILITIES, TOTAL		**13,424**	**16,730**
SHAREHOLDERS' EQUITY AND LIABILITIES, TOTAL		**39,729**	**40,196**

PARENT COMPANY INCOME STATEMENT

(EUR 1,000)		1 Jan.–31 Dec. 2014	1 Jan.–31 Dec. 2013
NET SALES	9.	**85,915**	**88,536**
Increase (+) or decrease (-) in inventories of completed and unfinished products		-692	527
Other operating income	10.	214	215
Materials and services	11.	-31,786	-32,819
Personnel expenses	12.	-18,513	-20,521
Depreciation and impairments	13.	-2,345	-2,619
Other operating expenses	14.	-26,842	-31,992
OPERATING PROFIT		**5,953**	**1,326**
Financial income and expenses	15.	124	-6,074
RESULT BEFORE APPROPRIATIONS AND TAXES		**6,077**	**-4,748**
Appropriations	16.	325	67
Income taxes	17.	-1,305	-259
NET RESULT FOR THE PERIOD		**5,096**	**-4,939**

PARENT COMPANY CASH FLOW STATEMENT

(EUR 1,000)	2014	2013
CASH FLOW FROM OPERATIONS		
Net result for the period	5,096	-4,939
Adjustments		
Depreciation according to plan	2,345	2,619
Change in depreciation difference	-325	-67
Other non-cash transactions	89	101
Financial income and expenses	-124	6,074
Taxes	1,305	259
Cash flow before change in working capital	8,386	4,046
Change in working capital		
Increase (-) / decrease (+) in current non-interest-bearing trade receivables	-431	2,433
Increase (-) / decrease (+) in inventories	351	-114
Increase (+) / decrease (-) in current non-interest-bearing liabilities	328	-1,775
Cash flow from operatings before financial items and taxes	8,635	4,590
Paid interest and payments on other operational financial expenses	-230	-227
Interest received	41	56
Taxes paid	156	422
CASH FLOW FROM OPERATIONS	**8,602**	**4,841**
CASH FLOW FROM INVESTMENTS		
Investments in tangible and intangible assets	-1,273	-1,561
CASH FLOW FROM INVESTMENTS	**-1,273**	**-1,561**
CASH FLOW FROM FINANCING		
Long-term loans repaid	-4,538	-1,083
Dividends paid	-2,022	-2,022
CASH FLOW FROM FINANCING	**-6,560**	**-3,105**
Change in cash and cash equivalents	769	175
Cash and cash equivalents at the beginning of the financial year	1,092	917
Cash and cash equivalents at the end of the financial year	1,861	1,092

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

ACCOUNTING POLICY

Marimekko Corporation's financial statements have been prepared in accordance with the legislation and regulations that are in force in Finland. The financial year of the company is the calendar year.

Measurement of fixed assets
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 useful life of the fixed assets.

Periods of depreciation:

- intangible rights 5–10 years
- other capitalised expenditure 3–10 years
- machinery and equipment 5–15 years.

Inventories
Inventories are presented at the acquisition cost or at the lower probable net realisation value. The value of inventories does not include any share of fixed purchasing and manufacturing costs.

Pension commitments
The pension security of the company's personnel has been arranged under the statutory employee pension plan (TyEL) through a pension insurance company.

Items denominated in foreign currency
The foreign-currency-denominated receivables and liabilities of the company have been converted to euro amounts using the exchange rate quoted by the European Central Bank on the closing date.

Leasing
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.

Taxes
Recorded as direct taxes are the direct taxes calculated from the taxable result of the company.

NOTES TO THE BALANCE SHEET

1. FIXED ASSETS

1.1 Intangible assets

2014

(EUR 1,000)	Intangible rights	Other capitalised expenditure	Advance payments and acquisitions in progress	Total
Acquisition cost, 1 Jan. 2014	1,360	8,608	58	10,026
Increases	157	438	401	996
Acquisition cost, 31 Dec. 2014	1,517	9,045	459	11,021
Accumulated depreciation, 1 Jan. 2014	826	6,145		6,971
Depreciation during the financial year	185	1,158		1,343
Accumulated depreciation, 31 Dec. 2014	1,010	7,304		8,314
Book value, 31 Dec. 2014	507	1,742	459	2,707

2013

(EUR 1,000)	Intangible rights	Other capitalised expenditure	Advance payments and acquisitions in progress	Total
Acquisition cost, 1 Jan. 2013	1,147	7,676	165	8,988
Increases	213	932	67	1,212
Decreases			-174	-174
Acquisition cost, 31 Dec. 2013	1,360	8,608	58	10,026
Accumulated depreciation, 1 Jan. 2013	656	4,963		5,619
Depreciation during the financial year	170	1,182		1,352
Accumulated depreciation, 31 Dec. 2013	826	6,145		6,971
Book value, 31 Dec. 2013	535	2,463	58	3,055

1.2 Tangible assets

2014

(EUR 1,000)	Land and water areas	Buildings and structures	Machinery and equipment	Other tangible assets	Advance payments and acquisitions in progress	Total
Acquisition cost, 1 Jan. 2014	38	417	12,464	25	72	13,016
Increases			200	3	489	692
Decreases					-405	-405
Acquisition cost, 31 Dec. 2014	38	417	12,664	28	156	13,303
Accumulated depreciation, 1 Jan. 2014		257	8,472			8,729
Depreciation during the financial year			1,000			1,000
Accumulated depreciation, 31 Dec. 2014		257	9,472			9,729
Book value, 31 Dec. 2014	38	160	3,192	28	156	3,575

2013

(EUR 1,000)	Land and water areas	Buildings and structures	Machinery and equipment	Other tangible assets	Advance payments and acquisitions in progress	Total
Acquisition cost, 1 Jan. 2013	38	417	11,951	25	22	12,453
Increases			513		639	1,152
Decreases					-590	-590
Acquisition cost, 31 Dec. 2013	38	417	12,464	25	72	13,016
Accumulated depreciation, 1 Jan. 2013		38	7,429			7,467
Depreciation during the financial year		38	997			1,035
Impairments		181	46			227
Accumulated depreciation, 31 Dec. 2013		257	8,472			8,729
Book value, 31 Dec. 2013	38	160	3,992	25	72	4,287

Impairments on buildings and structures during 2013 are related to the property of the closed factory in Kitee and impairments on machinery and equipment to the closure of the production plants in Kitee and Sulkava.

Book value of production machinery and equipment	
31 Dec. 2014	1,914
31 Dec. 2013	2,377

1.3 Investments

2014

(EUR 1,000)	Shares in Group companies	Other shares and participations	Total
Acquisition cost, 1 Jan. 2014	4,307	16	4,323
Increases	1,450		1,450
Impairments	-1,194		-1,194
Acquisition cost, 31 Dec. 2014	4,564	16	4,580
Accumulated depreciation, 31 Dec. 2014	290		290
Book value, 31 Dec. 2014	4,274	16	4,290

The 2014 impairments on shares in Group companies are related to Marimekko Corporation’s investments in the Group’s US subsidiary.

2013

(EUR 1,000)	Shares in Group companies	Other shares and participations	Total
Acquisition cost, 1 Jan. 2013	4,781	16	4,797
Increases	380		380
Impairments	-853		-853
Acquisition cost, 31 Dec. 2013	4,307	16	4,323
Accumulated depreciation, 31 Dec. 2013	290		290
Book value, 31 Dec. 2013	4,017	16	4,033

The 2013 impairments on shares in Group companies are related to Marimekko Corporation’s investments in the Group’s US and Swedish subsidiaries.

Group companies

Company and domicile	Group's holding, %	Share of voting rights, %
Keskinäinen Kiinteistö Oy Marikko, Helsinki, Finland	100	100
Marimekko Services Oy, Helsinki, Finland	100	100
Marimekko AB, Stockholm, Sweden *)	100	100
Marimekko Australia PTY Ltd, Victoria, Australia	100	100
Marimekko GmbH, Frankfurt am Main, Germany	100	100
Marimekko North America LLC, Delaware, United States	100	100
Marimekko North America Retail LLC, Delaware, United States	100	100
Marimekko North America Holding Co, Delaware, United States	100	100
Marimekko UK Ltd, London, United Kingdom	100	100

*) Marimekko AB has branches in Norway and Denmark.

2. INVENTORIES

(EUR 1,000)	2014	2013
Raw materials and consumables	5,362	4,917
Incomplete products	51	65
Finished products/goods	9,833	10,593
Advance payments	597	619
Total	15,843	16,194

3. CURRENT RECEIVABLES

(EUR 1,000)	2014	2013
Trade receivables	4,571	4,462
Receivables from Group companies		
Trade receivables	490	838
Loan receivables	3,213	2,803
Prepaid expenses and accrued income	2,009	1,833
Total	5,712	5,473
Other receivables	35	16
Prepaid expenses and accrued income	1,135	1,583
Total	11,453	11,534

Prepaid expenses and accrued income		
Royalty receivables	271	360
Statutory employee pension plan accrual	343	
Tax assets		682
Other prepaid expenses and accrued income	521	541
Total	1,135	1,583

In 2014, Marimekko Corporation reversed impairment bookings made in 2013 amounting to EUR 1,204 thousand. The impairment reversal was made on trade receivables, loan receivables and prepaid expenses and accrued income from the US and Swedish subsidiaries.

In 2013, Marimekko Corporation booked an impairment of EUR 4,571 thousand on trade receivables, loan receivables and prepaid expenses and accrued income from its US, Swedish and UK subsidiaries.

4. SHAREHOLDERS' EQUITY

(EUR 1,000)	2014	2013
Share capital, 1 Jan.	8,040	8,040
Share capital, 31 Dec.	8,040	8,040
Reserve for invested non-restricted equity, 1 Jan.	502	502
Reserve for invested non-restricted equity, 31 Dec.	502	502
Retained earnings, 1 Jan.	12,588	19,549
Dividends paid	-2,022	-2,022
Retained earnings, 31 Dec.	10,566	17,527
Net result for the period	5,096	-4,939
Shareholders' equity, total	24,204	21,130

Calculation of distributable funds, 31 Dec.

(EUR 1,000)	2014	2013
Retained earnings	10,566	17,527
Net result for the period	5,096	-4,939
Reserve for invested non-restricted equity	502	502
Total	16,164	13,090

5. ACCUMULATED APPROPRIATIONS

(EUR 1,000)	2014	2013
Accumulated depreciation difference		
Intangible rights	87	85
Other capitalised expenditure	581	567
Machinery and equipment	1,157	1,484
Buildings and structures	86	99
Total	1,911	2,235

6. PROVISIONS

(EUR 1,000)	2014	2013
Provision for restructuring cost		
Book value, 1 Jan.	101	
Increases	89	101
Book value, 31 Dec.	190	101

7. LIABILITIES

7.1 Interest-bearing and non-interest bearing liabilities

(EUR 1,000)	2014	2013
Interest-bearing liabilities		
Non-current	3,696	8,233
Total	3,696	8,233
Non-interest-bearing liabilities		
Current	9,729	8,496
Total	9,729	8,496

7.2 Current liabilities

(EUR 1,000)	2014	2013
Advances received	20	20
Trade payables	3,545	3,709
Debts to Group companies		
Trade payables	90	169
Accrued liabilities and deferred income	569	
Other current liabilities	1,846	1,446
Accrued liabilities and deferred income	3,658	3,152
Total	9,729	8,496
Accrued liabilities and deferred income		
Wages and salaries with social security contributions	2,817	2,980
Accrued income tax liabilities	778	
Other accrued liabilities and deferred income	63	172
Total	3,658	3,152

8. GUARANTEES, CONTINGENT LIABILITIES AND OTHER COMMITMENTS

(EUR 1,000)	2014	2013
For the liabilities of the Group company		
Guarantees	10,333	9,461
Other own liabilities and commitments		
Leasing liabilities		
Payments due in the following financial year	309	207
Payments due later	363	204
Total	672	411
Liabilities relating to lease agreements		
Payments due in the following financial year	4,596	4,331
Payments due later	7,585	9,765
Total	12,181	14,096

The parent company has no liabilities from derivative contracts.

NOTES TO THE INCOME STATEMENT

9. NET SALES BY MARKET AREA

(EUR 1,000)	2014	2013
Finland	52,034	52,159
Other countries	33,881	36,377
Total	85,915	88,536

10. OTHER OPERATING INCOME

(EUR 1,000)	2014	2013
Rent income	203	184
Other income	11	31
Total	214	215

11. MATERIALS AND SERVICES

(EUR 1,000)	2014	2013
Materials and supplies		
Purchases during the financial year	20,606	20,937
Increase (-) / decrease (+) in inventories	-446	586
Total	20,160	21,523
External services	11,626	11,296
Total	31,786	32,819

12. PERSONNEL EXPENSES

(EUR 1,000)	2014	2013
Salaries, wages and bonuses	14,934	16,831
Pension and pension insurance payments	2,709	2,746
Other indirect social expenditure	870	945
Total	18,513	20,521
Salaries and bonuses for management		
Members of the Board of Directors and the President and CEO	504	519
Itemised in the note 8 to the consolidated financial statements.		
Average number of employees		
Salaried employees	317	335
Non-salaried employees	40	82
Total	357	417

13. DEPRECIATION AND IMPAIRMENTS

(EUR 1,000)	2014	2013
Intangible assets		
Intangible rights	190	170
Other capitalised expenditure	1,160	1,182
Total	1,350	1,352
Tangible assets		
Buildings and structures		219
Machinery and equipment	995	1,048
Total	995	1,267
Total	2,345	2,619

14. OTHER OPERATING EXPENSES

(EUR 1,000)	2014	2013
Leases	6,035	5,759
Marketing	9,995	12,908
Other expenses	10,812	13,325
Total	26,842	31,992

15. FINANCIAL INCOME AND EXPENSES *)

(EUR 1,000)	2014	2013
Other interest and financial income		
From Group companies	105	114
From others	246	57
Total	351	171
Interest and other financial expenses		
Impairment of non-current assets	1,194	853
Impairment of Group receivables	-1,204	4,571
To others	236	821
Total	226	6,245
Financial income and expenses, total	124	-6,074
Financial income and expenses include exchange rate differences (net)		
From others	204	-584
Total	204	-584

*) The grouping of financial income and expenses in 2013 has been changed to correspond to the grouping of financial income and expenses in 2014.

16. APPROPRIATIONS

(EUR 1,000)	2014	2013
Change in depreciation difference	325	67

17. INCOME TAXES

(EUR 1,000)	2014	2013
Income taxes on operations	1,305	259

18. AUDITOR'S FEE

(EUR 1,000)	2014	2013
PricewaterhouseCoopers Oy, Authorised Public Accountants		
Audit	73	76
Other services	36	5
Total	109	81

Key figures of the Group

Per-share key figures

	2014	2013	2012
Earnings per share (EPS), EUR	0.51	-0.12	0.14
Equity per share, EUR	3.59	3.34	3.71
Dividend per share, EUR	*) 0.35	0.25	0.25
Dividend per profit, %	*) 68.6	neg.	178.6
Effective dividend yield, %	3.9	2.5	1.8
P/E ratio	17.5	neg.	104.0
Share issue adjusted average			
number of shares	8,089,610	8,089,610	8,046,252
Share issue adjusted number of shares			
at the end of the period	8,089,610	8,089,610	8,090,610

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

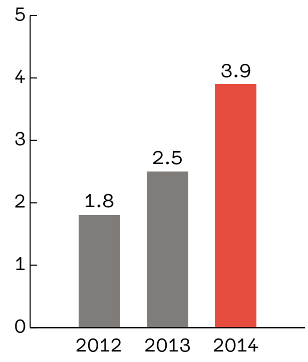
Key financial figures

	2014	2013	2012
Net sales, EUR 1,000	94,150	94,007	88,471
Change in net sales, %	0.0	6.3	14.2
Operating profit, EUR 1,000	5,592	82	2,019
Operating profit margin, %	5.9	0.1	2.3
Financial income, EUR 1,000	252	67	48
Financial expenses, EUR 1,000	-360	-953	-654
Result before taxes, EUR 1,000	5,485	-804	1,413
% of net sales	5.8	-0.9	1.6
Taxes, EUR 1,000	1,370	-151	-313
Result after taxes, EUR 1,000	4,114	-955	1,100
Balance sheet total, EUR 1,000	47,203	48,648	54,961
Net working capital, EUR 1,000	14,013	15,421	15,103
Interest-bearing liabilities, EUR 1,000	7,133	11,557	12,710
Shareholders' equity and reserves, EUR 1,000	29,045	26,989	29,996
Return on equity (ROE), %	14.7	-3.4	3.5
Return on investment (ROI), %	15.6	-1.1	4.1
Equity ratio, %	61.6	55.5	54.6
Gearing, %	10.5	31.7	32.0
Gross investments, EUR 1,000	*) 2,063	2,353	**) 7,582
% of net sales	2.2	2.5	8.6
Employee salaries, wages and bonuses, EUR 1,000	19,475	21,487	19,646
Average personnel	473	526	497
Personnel at the end of the financial year	479	502	535

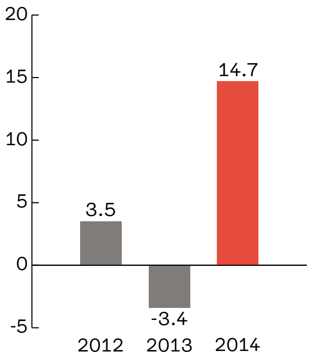
*) Does not include machinery leased under finance lease agreements in 2014, which are included in tangible assets in the consolidated balance sheet.

**) Does not include the land of the property of the Helsinki head office and printing factory, which was leased in 2012 under a finance lease agreement and is recorded in tangible assets in the balance sheet.

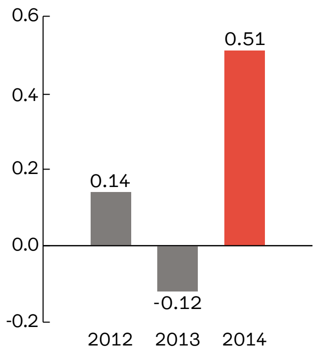
Effective dividend yield (%)



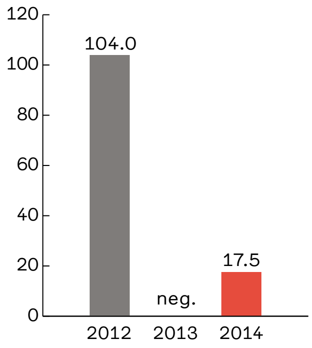
Return on equity (ROE, %)



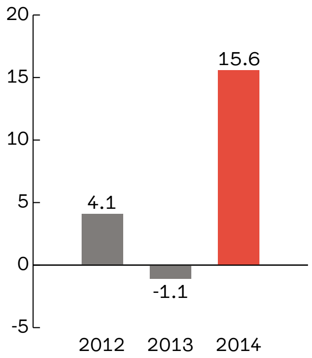
Earnings per share (EUR)



P/E ratio



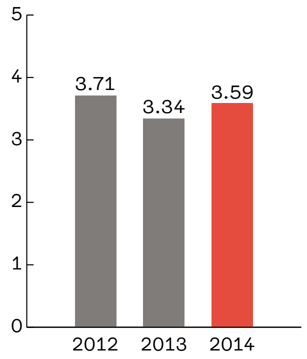
Return on investment (ROI, %)



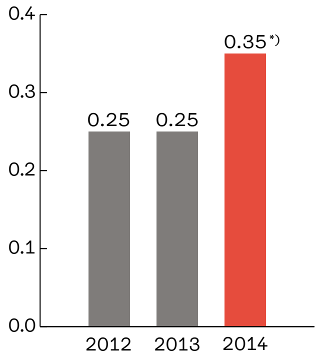
Formulas for the key figures

RETURN ON EQUITY (ROE), %	$\frac{\text{Profit before taxes – income taxes}}{\text{Shareholders' equity (average for the financial year)}} \times 100$
RETURN ON INVESTMENT (ROI), %	$\frac{\text{Profit before taxes + interest and other financial expenses}}{\text{Balance sheet total – non-interest-bearing liabilities (average for the financial year)}} \times 100$
EQUITY RATIO, %	$\frac{\text{Shareholders' equity}}{\text{Balance sheet total – advances received}} \times 100$
EARNINGS PER SHARE (EPS), EUR	$\frac{\text{Profit before taxes – income taxes}}{\text{Share issue adjusted average number of shares}}$
EQUITY PER SHARE, EUR	$\frac{\text{Shareholders' equity}}{\text{Number of shares, 31 Dec.}}$
DIVIDEND PER SHARE, EUR	$\frac{\text{Dividend paid for the financial year}}{\text{Number of shares, 31 Dec.}}$
DIVIDEND PER PROFIT, %	$\frac{\text{Dividend per share}}{\text{Earnings per share (EPS), share issue adjusted}} \times 100$
EFFECTIVE DIVIDEND YIELD, %	$\frac{\text{Dividend per share}}{\text{Adjusted share price, 31 Dec.}} \times 100$
P/E RATIO	$\frac{\text{Adjusted share price, 31 Dec.}}{\text{Earnings per share (EPS), share issue adjusted}}$
NET WORKING CAPITAL, EUR	Inventories + trade and other receivables + current tax assets – trade and other payables
INTEREST-BEARING NET DEBT, EUR	Interest-bearing liabilities – cash in hand and at banks – interest-bearing loan receivables
GEARING, %	$\frac{\text{Interest-bearing net debt}}{\text{Shareholders' equity}} \times 100$

Equity per share (EUR)



Dividend per share (EUR)



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

Share and shareholders

Share
Marimekko Corporation's share is quoted in the Consumer Goods sector of NASDAQ OMX Helsinki Ltd. Marimekko Corporation was listed on the I List of the Helsinki Stock Exchange in March 1999 and on the main list on 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 and number of sharess
At the end of 2014, Marimekko Corporation's fully paid-up share capital, as recorded in the Trade Register, amounted to EUR 8,040,000, and the number of shares was 8,089,610.

Authorisations
At the end of 2014, the Board of Directors had no valid authorisations to carry out share issues or issue convertible bonds or bonds with warrants, or to acquire or surrender Marimekko shares.

Shareholder agreements
Marimekko 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.

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 2013
A dividend of EUR 0.25 per share to a total of EUR 2,022,403 was paid for 2013 in accordance with the decision of the Annual General Meeting held on 23 April 2014. The dividend was paid out on 7 May 2014.

Proposal for the dividend for 2014
The Board of Directors will propose to the Annual General Meeting that the dividend to be paid for the 2014 financial year be EUR 0.35 per share to a total of EUR 2,831,364. The Board will propose 13 April 2015 as the dividend record date and 20 April 2015 as the dividend payout date.

Shareholders
According to the book-entry register, Marimekko Corporation had 7,112 registered shareholders at the end of 2014. Of the shares, 21.5 percent were owned by nominee-registered or non-Finnish holders at the year end.

Flaggings
Marimekko did not receive any flagging notifications during 2014.

Management's shareholding
At the end of 2014, members of the Board of Directors and the President and CEO of the company either directly or indirectly owned 1,328,598 shares, i.e. 16.4 percent of the number and voting rights of the company's shares.

Largest shareholders according to the book-entry register, 31 December 2014

		Number of shares and votes	Percentage of holding and votes
1.	Muotitila Ltd	1,297,700	16.04
2.	Semerca Investments SA	850,377	10.51
3.	Varma Mutual Pension Insurance Company	385,920	4.77
4.	ODIN Finland	344,251	4.26
5.	Veritas Pension Insurance Company	220,000	2.72
6.	Ilmarinen Mutual Pension Insurance Company	215,419	2.66
7.	Keva	197,754	2.44
8.	OP-Finland Small Firm Fund	151,197	1.87
9.	Mutual Fund Tapiola Finland	136,395	1.69
10.	Drumbo Oy	85,000	1.05
Total		3,884,013	48.01
Nominee-registered and non-Finnish holders		1,735,850	21.46
Others		2,469,747	30.53
Total		8,089,610	100.00

Marimekko shares owned directly or indirectly by members of the Board of Directors and the President and CEO, 31 December 2014

	Number of shares and votes	Percentage of holding and votes
Pekka Lundmark	7,464	0.09
Mika Ihamuotila	1,297,700	16.04
Elina Björklund	6,642	0.08
Arthur Engel	8,000	0.10
Joakim Karske	7,955	0.10
Catharina Stackelberg-Hammarén	837	0.00
Yhteensä	1,328,598	16.41

Ownership by size of holding, 31 December 2014

Number of shares	Number of shareholders	Percentage of holding and votes	Number of shares and votes	Percentage of holding and votes
1–100	3,489	49.06	200,681	2.48
101–1,000	3,075	43.24	1,137,815	14.07
1,001–10,000	496	6.97	1,308,939	16.18
10,001–100,000	41	0.58	1,212,579	14.99
100,001–500,000	9	0.13	2,081,519	25.73
500,001–	2	0.03	2,148,077	26.55
Total	7,112	100.00	8,089,610	100.00

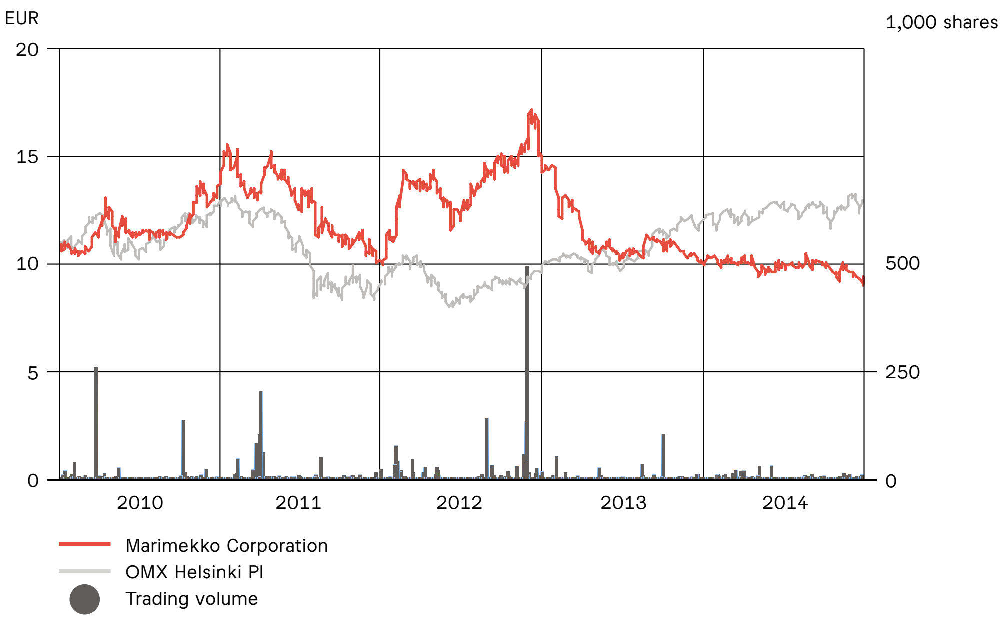
Breakdown of ownership by sector, 31 December 2014

Owner	Number of shares and votes	Percentage of holding and votes
Households	2,909,233	35.96
Financial and insurance corporations	426,266	5.27
Non-financial corporations and housing corporations	1,835,711	22.69
Non-profit institutions	163,457	2.02
General government	1,019,093	12.60
Nominee-registered and non-Finnish holders	1,735,850	21.46
Total	8,089,610	100.00

Breakdown of ownership by sector, 31 December 2014

Households	35.96%
Non-financial corporations and housing corporations	22.69%
Nominee-registered and non-Finnish holders	21.46%
General government	12.60%
Financial and insurance corporations	5.27%
Non-profit institutions	2.02%

Share price trend



Share price trend

	2014	2013	2012
Low, EUR	8.54	9.82	9.92
High, EUR	10.50	14.54	17.15
Average, EUR	9.74	11.17	14.48
Closing price (31 Dec.), EUR	8.90	9.85	14.30

Share turnover and market capitalisation

	2014	2013	2012
Share turnover, no. of shares	716,614	760,976	1,788,378
Share turnover, % of the shares outstanding	8.9	9.4	22.1
Market capitalisation, EUR	71,997,529	79,682,659	115,681,423

Share data

Exchange:	NASDAQ OMX Helsinki Ltd
Trading code:	MMO1V
ISIN code:	FI0009007660
List:	Nordic List
Sector:	Consumer Goods
Listing date:	I list, 12 March 1999
	Main list, 27 December 2002

Signatures to the financial statements and the report of the Board of Directors

HELSINKI, 9 FEBRUARY 2015

Pekka Lundmark
Chairman of the Board

Mika Ihamuotila
Vice Chairman of the Board
President and CEO

Elina Björklund
Member of the Board

Arthur Engel
Member of the Board

Joakim Karske
Member of the Board

Catharina Stackelberg-Hammarén
Member of the Board

Auditor’s Report

To the Annual General Meeting of Marimekko Corporation
We have audited the accounting records, the financial statements, the report of the Board of Directors and the administration of Marimekko Corporation for the year ended 31 December 2014. The financial statements comprise the consolidated statement of financial position, income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows, and notes to the consolidated financial statements, as well as the parent company’s balance sheet, income statement, cash flow statement and notes to the financial statements.

Responsibility of the Board of Directors and the Managing Director
The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, as well as for the preparation of financial statements and the report of the Board of Directors that give a true and fair view in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The Board of Directors is responsible for the appropriate arrangement of the control of the company’s accounts and finances, and the Managing Director shall see to it that the accounts of the company are in compliance with the law and that its financial affairs have been arranged in a reliable manner.

Auditor’s Responsibility
Our responsibility is to express an opinion on the financial statements, on the consolidated financial statements and on the report of the Board of Directors based on our audit. The Auditing Act requires that we comply with the requirements of professional ethics. We conducted our audit in accordance with good auditing practice in Finland. Good auditing practice requires that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the report of the Board of Directors are free from material misstatement, and whether the members of the Board of Directors of the parent company or the Managing Director are guilty of an act or negligence which may result in liability in damages towards the company or whether they have violated the Limited Liability Companies Act or the articles of association of the company.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the report of the Board of Directors. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation of financial statements and report of the Board of Directors that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the report of the Board of Directors.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on the Consolidated Financial Statements
In our opinion, the consolidated financial statements give a true and fair view of the financial position, financial performance, and cash flows of the group in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

Opinion on the Company’s Financial Statements and the Report of the Board of Directors
In our opinion, the financial statements and the report of the Board of Directors give a true and fair view of both the consolidated and the parent company’s financial performance and financial position in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The information in the report of the Board of Directors is consistent with the information in the financial statements.

Helsinki, 16 March 2015

PricewaterhouseCoopers Oy
Authorised Public Accountants

Kim Karhu
Authorised Public Accountant

Corporate Governance

Applicable provisions
Marimekko Corporation is a Finnish public limited company, which applies the Finnish Companies Act, other regulations concerning public listed companies, Marimekko Corporation's Articles of Association and NASDAQ OMX Helsinki Ltd's rules and regulations in its decision-making and administration. Marimekko Corporation also complies with the Finnish Corporate Governance Code for listed companies, effective as of 1 October 2010, in accordance with the 'comply or explain' principle.

Group Structure
The Marimekko Group comprises Marimekko Corporation and its subsidiaries. The company's registered office is in Helsinki, Finland.

GENERAL MEETING

Shareholders exercise the highest decision-making authority in Marimekko Corporation through the General Meeting. General Meetings are either Annual General Meetings or Extraordinary General Meetings. The Annual General Meeting shall be held every year within six months of the close of the financial year on the day set by the Board of Directors. 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 or when shareholders representing at least one-tenth of the company's shares request in writing that a meeting be held to deliberate on a specified matter. Shareholders have the right to have items included on the agenda of the General Meeting, provided they present their demand in writing to the Board of Directors well in advance, so that the item can be included in the Notice of Meeting.

The Annual General Meeting deliberates on matters set out in Article 10 of the Articles of association as being the business of Annual General Meetings, and other proposals, if any, made to the General Meeting.

The company's Board of Directors prepares an agenda for the meeting. In accordance with the Finnish Corporate Governance Companies Act, the Annual General Meeting takes decisions on matters such as:

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

Convening a General Meeting
Shareholders are invited to the General Meeting through a Notice of the General Meeting published on the company's website not earlier than three months and not later than three weeks before the meeting, but in any case at least nine days prior to the General Meeting's record date. In addition, the Board of Directors may decide to publish the Notice of the General Meeting in one or more newspapers. The Notice of the General Meeting and the Board's proposals to the General Meeting are also published in a stock exchange release.

The following information is also made available on the company's website at least three weeks before the General Meeting:

- the documents to be submitted to the General Meeting
- draft resolutions to the General Meeting.

Right to attend a General Meeting
Shareholders registered in the Shareholder Register, maintained by Euroclear Finland Ltd, on the record date notified separately by the company have the right to attend a General Meeting. Shareholders wishing to attend the General Meeting must inform the company of their intention to do so by the deadline specified in the Notice of Meeting. Shareholders may attend the meeting themselves or through a representative by proxy, who must present a power of attorney or other reliable proof of their authority to represent the shareholder.

Shareholders can exercise their right to speak and to vote at a General Meeting. Shareholders are entitled to the total number of votes conferred by their shareholding as on the record date. One share confers one vote in all matters addressed at the General Meeting. Decisions are made by a simple or qualified majority of votes as provided by law and the Articles of Association.

Record of proceedings at General Meetings
The company prepares minutes of the General Meeting, which, together with voting results and the appendices of minutes that are part of a decision made by the meeting, are made available to the shareholders on the company's website within two weeks of the General Meeting. The documents related to the General Meeting will be available on the company's website at least for three months after the meeting. The company also announces any decisions taken at the General Meeting in a stock exchange release issued promptly after the meeting.

Presence of administrative bodies at a General Meeting
The company expects all of the members of the Board of Directors and the President to be present at the Annual General Meeting if possible. Candidates up for election to the Board for the first time should be present at the meeting in which the election is held, unless their absence is unavoidable due to particularly compelling reasons. The company's auditor also attends the meeting.

BOARD OF DIRECTORS

Composition and term of office

The members of Marimekko Corporation's Board of Directors are elected at the Annual General Meeting. The term of office of the Board of Directors expires at the close of the Annual General Meeting following their election. According to the Articles of Association, the Board of Directors comprises a minimum of four and a maximum of seven 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. There is no particular order governing the appointment of Board members. The Board of Directors elects a Chairman from amongst its members. The company's President cannot be elected to serve as the Chairman of the Board of Directors.

Members of the Board of Directors

Marimekko Corporation's Annual General Meeting held on 23 April 2014 elected six members to the Board of Directors for a term beginning on 23 April 2014 and ending at the close of the 2015 Annual General Meeting. Elina Björklund, Arthur Engel, Mika Ihamuotila, Joakim Karske and Pekka Lundmark were re-elected as members of the Board of Directors. Catharina Stackelberg-Hammarén was elected as a new member of the Board of Directors. The Board is chaired by Pekka Lundmark and vice-chaired by Mika Ihamuotila.

The Board members are presented on page 66 and on the company's website under Investors/Management. Up-to-date information about their shareholdings in the company is also available under Investors/Management.

Independence evaluation

The Corporate Governance Code states that the majority of Board members shall be independent of the company. A person without any significant connection to the company other than Board membership is considered independent of the company. In addition, at least two of the directors representing this majority shall be independent of significant shareholders of the company. The Board evaluates the independence of its members annually. Among the members of Marimekko Corporation's Board of Directors, Elina Björklund, Arthur Engel, Joakim Karske, Pekka Lundmark and Catharina Stackelberg-Hammarén are independent of the company and its significant shareholders. Mika Ihamuotila assumed the position of President of Marimekko Corporation in 2008. Muotitila Ltd, a company controlled by Mr Ihamuotila, held 16.04 percent of Marimekko Corporation's shares and voting rights at the end of 2014.

Duties and responsibilities of the Board of Directors

The Board of Directors is responsible for the proper organisation of the company's administration, operations, accounting and asset management. In addition to the duties specified in the Finnish Companies Act and the Articles of Association, the written rules of procedure adopted by the Board contain further provisions concerning the Board's operating principles and principal duties. The Board reviews and confirms the rules of procedure annually at its constitutive meeting, held following the Annual General Meeting. The Board reviews all matters that are significant to or that have long-term effects on the company's business operations.

According to the rules of procedure, the Board addresses issues such as the following:

- specifying and confirming strategic Corporate Governance objectives and policies for the Group and the various business areas
- reviewing and confirming operating plans and budgets for the Group and the various business areas
- reviewing and approving interim reports, the consolidated financial statements and the Report of the Board of Directors
- expanding and downsizing business operations
- considering mergers, acquisitions and demergers and restructuring arrangements
- deciding on investments and the acquisition and sale of assets that are either strategically or financially significant
- deciding on financial policy and contingent liabilities related to financing arrangements
- approving the Group's reporting, risk management procedures and internal control procedures and audit and control systems
- approving the audit plan
- appointing the company's President and the members of the Management Group and deciding on their remuneration
- providing instructions for the President.

Since Marimekko does not have a separate audit committee, the Board of Directors is also responsible for the duties of an audit committee. [1]

[1] As disclosed in the stock exchange release on 12 February 2015, as part of revising Marimekko's governance structure, the Board of Directors has resolved that an Audit and Remuneration Committee will be established. All members of the committee will be independent of Marimekko and its major shareholders. The first Audit and Remuneration Committee will be elected from among its members by the new Board of Directors elected by the Annual General Meeting of Shareholders to be held on 9 April 2015. In addition to tasks typically assigned to audit and remuneration committees and supervision, the Audit and Remuneration Committee will handle and prepare matters relating to the terms and remuneration of Marimekko's executive management.

These include the following:

- monitoring the reporting process of financial statements
- supervising the financial reporting process
- monitoring the efficiency of the company's internal control and internal audit, if applicable, and risk management systems
- reviewing the description of the main features of the internal control and risk management systems pertaining to the financial reporting process, which is included in the company's corporate governance statement
- monitoring the statutory audit of the financial statements and consolidated financial statements
- evaluating the independence of the statutory auditor or audit firm and especially the related services offered to the company
- preparation of the proposal for resolution on the election of the auditor.

In 2014, the Board was focusing on e.g. the following subjects:

- development of Marimekko Corporation's strategy as well as confirming strategic objectives for the various business areas with focus on design and product development, especially in fashion
- monitoring risks especially related to growth and the challenging market situation
- implementation and monitoring of the reorganisation of operations with the aim of adapting the company cost level to the current market conditions and improving the profitability of the Group
- reviewing and confirming operating plans and budgets.

Meeting procedures and decision-making
The Board of Directors convenes six times a year on average. The Chairman of the Board is responsible for convening and chairing Board meetings. The Board has not assigned responsibility for monitoring any particular aspects of the business to individual Board members. The Board evaluates its performance annually each January under the direction of the Chairman. In 2014, the Board convened nine times. The Board members' attendance rate at meetings was 100 percent.

Committees
Considering the nature and extent of the company's business, Marimekko's Board of Directors has not found it necessary to establish separate committees. The company's Board, therefore, manages the tasks that would belong to the audit committee.

MANAGEMENT OF THE GROUP

President
The Board of Directors elects the company's President and decides on the terms of the President's employment. The terms are specified in a written contract which is approved by the Board of Directors. The President is responsible for the day-to-day management and development of the Group in accordance with the instructions and orders of the Board of Directors. The President is also responsible for keeping the Board up to date with regard to development of the company's business and financial situation. Mika Ihamuotila has been the company's President since 2008. [2] The shareholding of the President and CEO in Marimekko is reported on page 53 and on the company's website under Investors/ Management.

Subsidiary administration
The members of the subsidiaries' Boards of Directors are elected from amongst the Marimekko Group's executive management.

Management Group
The company's business operations have been divided into a number of responsibility areas, the directors of which form the company's Management Group. The company's President acts as the Chairman of the Management Group. The Board of Directors appoints the members of the Management Group and decides on their remuneration. The Management Group has no authority based on law or the Articles of Association. The Management Group reviews business matters and procedures affecting the entire Group. The Management Group also reviews the operating plans of the various business areas and business development. The Management Group convenes every two weeks on average. Information on the members is presented on page 66 and on the company's website under Investors/ Management/Management Group. [3]

[2] As disclosed in the stock exchange release on 12 February 2015, the Board of Directors of Marimekko resolved to appoint Ms Tiina Alahuhta-Kasko as the new President of Marimekko. The Board of Directors of Marimekko simultaneously decided on a full-time executive service agreement with Mika Ihamuotila regarding his role as CEO. His duties will include, e.g., responsibility for the development of Marimekko's strategy and its implementation together with the President and the Management Group, as well as an active senior role in managing the company's financial affairs and stakeholder relations. Furthermore, Mika Ihamuotila will have a senior role in developing leadership within the Marimekko Group. Ihamuotila's executive agreement or his duties thereunder are not dependent on his position as a member or Chairman of Marimekko's Board of Directors. Both appointments will enter into force on 9 April 2015 as of the close of the Annual General Meeting of Shareholders.

[3] As disclosed in the stock exchange release on 12 February 2015, Tiina Alahuhta-Kasko, as President, will act as the chairman of Marimekko's Management Group as of 9 April 2015. The responsibilities of the members of the Management Group will otherwise remain unchanged. To discuss significant strategic matters, the Management Group will convene under the chairmanship of Mika Ihamuotila at regular intervals.

REMUNERATION

The main objectives of remuneration at Marimekko Corporation are to promote competitiveness and long-term financial success of the company, contribute to the favourable development of shareholder value and increase the commitment of the company's key persons.

Remuneration of the members of the Board of Directors
In accordance with the Articles of Association, the Annual General Meeting decides on the remuneration payable to the Board of Directors. The President and CEO receives no fee for Board membership. [4] Furthermore, the President and CEO receives no fee for the membership of the Board of a Marimekko subsidiary. According to the resolution by the Annual General Meeting 23 April 2014, approximately 40 percent of the annual remuneration to the Board of Directors in 2014 will be paid in Marimekko Corporation's shares acquired from the market and the rest in cash. The shares will be acquired directly on behalf of the Board members within two weeks from the release of the interim report for 1 January – 31 March 2014 or if this is not possible taken into account the insider rules, as soon as possible thereafter. The Board is not, as a rule, entitled to any other financial benefits in addition to the fixed annual payment. Marimekko has not issued monetary loans to the Board members or guarantees or other contingent liabilities on their behalf.

In 2014, the Annual General Meeting resolved that the annual remuneration payable to the members of the Board be as follows: EUR 30,000 to the Chairman; EUR 20,000 to the other members of the Board, excluding the President and CEO; a total of EUR 110,000. The Board receives no additional fee for attending board meetings.

Remuneration of the President and CEO and other management
The Board of Directors of Marimekko Corporation decides on the salary and remuneration payable to the President and CEO and the members of the Management Group. [5]

The remuneration of the President and CEO consists of a regular salary and fringe benefits, an annual bonus as well as the so-called long-term bonus system. Under the contract between the company and Mr Ihamuotila, the President and CEO is, in addition to his regular salary, entitled to an annual bonus, the maximum amount of which corresponds to his regular salary for nine months. The principles determining the bonus are confirmed annually by the Board. The annual bonus is based on the growth of the company's consolidated net sales, operating result and the strategic objectives separately determined by the Board. The President and CEO renounced his right to a contribution pension scheme as of 9 February 2012. The retirement age for the President and CEO is determined by the statutory employee pension plan (TyEL). If the President and CEO resigns of his own accord, his term of notice is six months and he is entitled to a remuneration corresponding to his regular salary for six months. If the company terminates the contract, the President and CEO's term of notice is six months and he is entitled to a remuneration corresponding to his regular salary for twelve months. [6]

The remuneration of the members of the Management Group consists of a regular salary and fringe benefits, an annual bonus as well as the so-called long-term bonus system. The annual bonus is based on the growth of the company´s consolidated net sales, operating result and individual objectives separately determined by the Board of Directors. The members of the Management Group fall within the scope of the statutory employee

[4] With reference to the stock exchange release published on 12 February 2015, the corresponding practice is also applied to other persons serving the company under an employment or service agreement (including Mika Ihamuotila during the term of his CEO agreement).

[5] As disclosed by the company on 12 February 2015, the new Audit and Remuneration Committee will handle and prepare matters relating to the terms and remuneration of Marimekko's executive management (including President, CEO and Management Group). All members of the committee will be independent of Marimekko and its major shareholders.

[6] Remuneration of President Tiina Alahuhta-Kasko as of 9 April 2015:
The remuneration of the President consists of a regular salary and fringe benefits, an annual bonus as well as the so-called long-term bonus system. Under the contract between the company and Tiina Alahuhta-Kasko, the President is, in addition to her regular salary, entitled to an annual bonus, the maximum amount of which corresponds to her regular salary for four months. The principles determining the bonus are confirmed annually by the Board based on a proposal by the Audit and Remuneration Committee. The pension is determined by the statutory employee pension plan (TyEL). If the President resigns of her own accord, her term of notice is six months and she is entitled to a remuneration corresponding to her regular salary for six months. If the company terminates the contract, the President's term of notice is six months and she is entitled to a remuneration corresponding to her regular salary for six months. The remuneration in case of termination is tied to a fixed-term non-compete obligation.

Remuneration of CEO Mika Ihamuotila as of 9 April 2015:
The remuneration of the CEO consists of a regular salary and fringe benefits, an annual bonus as well as the so-called long-term bonus system. Under the contract between the company and Mr Ihamuotila, the CEO is, in addition to his regular salary, entitled to an annual bonus, the maximum amount of which corresponds to his regular salary for twelve months. The principles determining the bonus are confirmed annually by the Board based on a proposal by the Audit and Remuneration Committee. The CEO renounced his right to a contribution pension scheme as of 9 February 2012. The retirement age for the CEO is determined by the statutory employee pension plan (TyEL). If the CEO resigns of his own accord, his term of notice is six months and he is entitled to a remuneration corresponding to his regular salary for six months. If the company terminates the contract, the CEO's term of notice is six months and he is entitled to a remuneration corresponding to his regular salary for twelve months.

Fees to members of Marimekko's Board of Directors 2013–2014

(EUR 1,000)	Fee for Board work 2014	2013	Other financial benefits 2014	2013	Total compensation in the financial year 2014*)	2013
Pekka Lundmark	30	30	-	-	30	30
Mika Ihamuotila	-	-	-	-	-	-
Elina Björklund	20	20	-	-	20	20
Arthur Engel	20	20	-	-	20	20
Catharina Stackelberg-Hammarén [1)]	14	-	-	-	14	-
Joakim Karske	20	20	-	-	20	20
Ami Hasan [2)]	6	20	-	-	6	20
Total	110	110	-	-	110	110

1) Member of the board from 23 April 2014
2) Member of the board 1 January – 23 April 2014
*) In accordance with the resolution regarding the annual remuneration to the Board of Directors by the Annual General Meeting on 23 April 2014, the Chairman of the Board received 1,256 shares and the other members 837 shares as part of their annual remuneration.

Salaries and bonuses to the President and CEO and other management 2013–2014

(EUR 1,000)	Salary 2014	2013	Bonus-based salary 2014	2013	Other financial benefits 2014	2013	Total compensation in the financial year 2014	2013
President and CEO	328	334	107	80	-	-	435	414
Management Group	629	534	42	34	-	-	671	568
Total	957	868	149	114	-	-	1,106	982

Auditors' fees 2013–2014

(EUR 1,000)	Audit 2014	2013	Other services 2014	2013	Total compensation in the financial year 2014	2013
PricewaterhouseCoopers Oy	72	76	36	5	108	81
Others	49	55	-	-	49	55
Total	121	131	36	5	157	136

pension plan (TyEL).

In 2011, the Board of Directors of Marimekko Corporation agreed on establishing a new long-term bonus system targeted at the company's Management Group. The purpose of the bonus system is to encourage the Management Group to operate with a business mentality and to add to the company's value in the long term in particular. The aim is to combine the owners' and the Management Group's targets in order to increase the company's value and to elicit the Management Group's commitment to the company over a span of several years.

The system is composed of two earning periods, which are 1 January 2011 – 31 October 2014 and 1 January 2011 – 28 February 2015. The possible bonus for each earnings period will be based on the total yield on Marimekko Corporation's shares, including dividends. The possible bonus will be paid in cash in two batches, one in autumn 2014 and the other in spring 2015. Earning the bonus requires that the person still works for the company at the time of the payment. When receiving the bonus, the person in question commits themselves to using 50 percent of the net value of the bonus for acquiring the company's shares at transaction price within six months from receiving the bonus. The shares acquired with the bonus cannot be surrendered prior to two years from the time of acquiring the shares. The annual maximum value of the bonus paid to a member of the Management Group in the bonus system cannot exceed the approximate value of fixed annual salary. The system encompasses the Management Group members, including the President and CEO but excluding the Creative Director, a total of five persons. [7]

The Board of Directors of Marimekko Corporation decided on 7 May 2014 on a second bonus system.

The system is composed of two earnings periods, which are 8 May 2014 – 31 October 2017 and 8 May 2014 – 28 February 2018. The possible bonus for each earnings period will be based on the total yield on Marimekko Corporation's shares, including dividends. The possible bonus will be paid in cash in two batches, one in

7 As of 9 April 2015, the system encompasses the CEO, the President and the Management Group members, excluding the Creative Director, a total of five persons.

autumn 2017 and the other in spring 2018. Earning the bonus requires that the person still works for the company at the time of the payment. When receiving the bonus, the person in question commits themselves to using 50 percent of the net value of the bonus for acquiring the company's shares at transaction price within six months from receiving the bonus. The shares acquired with the bonus cannot be surrendered prior to two years from the time of acquiring the shares. The annual maximum value of the bonus paid to a member of the Management Group in the bonus system cannot exceed the approximate value of fixed annual salary. The system encompasses the Management Group members, including the President and CEO but excluding the Creative Director, a total of five persons. [8]

AUDIT

According to the Articles of Association, the company must have one auditor and, if the auditor is not an audit firm, one deputy auditor. The Auditor and Deputy Auditor must be authorised by the Finnish Central Chamber of Commerce. The auditors are appointed until further notice. The Annual General Meeting held on 23 April 2014 elected PricewaterhouseCoopers Oy, Authorised Public Accountants, as auditor for the Marimekko Group and the Group companies, with Kim Karhu, Authorised Public Accountant, as chief auditor. The Annual General Meeting also decided that the auditor's fee will be paid by invoice.

The auditor issues an auditor's report in connection with the company's financial statements to the board of Directors and, as required by law, an audit report to the shareholders. The auditor is present at the Board meeting where the annual financial statements are reviewed.

INTERNAL CONTROL, RISK MANAGEMENT AND INTERNAL AUDIT

Internal control, risk management and internal auditing are crucial elements of Marimekko's administration and management. The Board of Directors and the President bear responsibility for organising controls. [9]

Risk management and risks
Marimekko Corporation's risk management is based on the risk management policy confirmed by the company's Board of Directors, which defines the principles, objectives and responsibilities of risk management, as well as the organisation and control of the risk management process.

Risk management principles
Marimekko Corporation's risk management aims to safeguard the smooth continuity of business operations and ensure stable profit development for the company. Comprehensive risk management is an ongoing, systematic process which involves identifying and evaluating risks associated with the company's operations and operating environment. The company's key risks comprise risks which could prevent company from exploiting business opportunities or jeopardise or prevent the achievement of the strategic objectives of the Group or a Group company, or the continuity of operations or would otherwise have significant consequences for the company, its personnel or stakeholders. Risk management is an integral element of the company's management and decision-making process, covering all of the Group's functions.

The report of the Board of Directors on page 10 describes the most significant risks. A more detailed description of Marimekko's risk management process is available on the company's website under Investors/Management/Risk management and risks.

Internal control and internal audit
Considering the nature and extent of the company's business, Marimekko has not found it necessary to establish a separate internal audit function. The Board of Directors reviews the level of the company's internal control activities at least once a year. Where necessary, the Board may purchase internal audit services from an external service provider.

Marimekko applies the internal control principles and an operating plan for the execution and monitoring of internal control. In the Marimekko Group, internal control is defined as a process effected by the Board of Directors, management and all levels of personnel. The objective of internal control is to provide reasonable assurance that:

- the company's operations are effective and aligned with strategy
- financial reporting and management information is reliable
- the Group is in compliance with applicable laws and regulations
- Code of Conduct and ethical values are established.

Marimekko's Board of Directors focuses on increasing shareholder value and, in accordance with good

[8] As of 9 April 2015, the system encompasses the CEO, the President and the Management Group members, excluding the Creative Director, a total of five persons.

[9] As disclosed in the stock exchange release on 12 February 2015, as part of revising Marimekko's governance structure, the Board of Directors has resolved that an Audit and Remuneration Committee will be established. All members of the committee will be independent of Marimekko and its major shareholders. The first Audit and Remuneration Committee will be elected from among its members by the new Board of Directors elected by the Annual General Meeting of Shareholders to be held on 9 April 2015. In addition to supervision, the Audit and Remuneration Committee will handle and prepare matters relating to risk management.

governance, ensures that principles on internal control exist within the company. The Board of Directors is also responsible for monitoring the efficiency of internal controls and risk management.

INSIDER ADMINISTRATION

Marimekko's insider guidelines

Marimekko Corporation's insider guidelines, which have been confirmed by the company's Board of Directors, are based on the insider guidelines issued by NASDAQ OMX Helsinki Ltd, effective as of 9 October 2009. The Board of Directors annually confirms the updated insider guidelines. The company has distributed copies of its insider guidelines to all of its insiders.

Marimekko's insider registers

Marimekko's permanent public insiders comprise the members of the Board of Directors, the President, the auditor and the company's Management Group. Permanent company-specific insiders include those who due to their position or duties regularly obtain inside information and who are consequently identified by the company as being included in the company's company-specific insiders and not public insiders. The company assesses whether project-specific insider registers are necessary on a case-by-case basis.

The company's insider register, which includes the lists of permanent public insiders, permanent company-specific insiders and project-specific insiders, is maintained in the SIRE register of Euroclear Finland Ltd. Up-to-date information required by law concerning Marimekko Corporation's permanent public insiders, their related parties and the corporations in which they exercise influence is presented on the company's website under Investors/Share information/ Shareholders/Insiders.

Supervision of insider guidelines

The General Counsel of Marimekko is responsible for the company´s insider matters. According to Marimekko Corporation's insider guidelines permanent insiders, their related parties and corporations controlled by them are permitted to trade in Marimekko's shares during a six-week period after the publication of the company's interim reports and financial statement information. The company announces these publication dates annually in advance in a stock exchange release. The insider guidelines prohibit project-specific insiders from trading in Marimekko shares during the project.

INVESTOR RELATIONS

The Chief Financial Officer is responsible for Marimekko Corporation's investor relations and the content of financial information. Group Communications is responsible for the company's stock exchange releases, investor and analyst meeting arrangements and the company's online investor information. Marimekko publishes all of its investor information in Finnish and English.

CORPORATE GOVERNANCE STATEMENT

The corporate governance statement is issued separately from the report of the Board of Directors. It can be found on the company's website under Investors/Management/Corporate governance statement.

Board of Directors and management, 31 Dec. 2014

BOARD OF DIRECTORS

Pekka Lundmark born 1963
Chairman of the Board
M.Sc. (Eng.)
Principal occupation: President and CEO of Konecranes Plc, 2005–

Primary work experience and key positions of trust: Group Executive Vice President of KCI Konecranes, 2004–2005; CEO of Hackman Abp, 2002–2004; Managing Partner of Startupfactory, 2000–2002; several executive positions in Nokia Corporation, 1990–2000; Member of the Board of The Federation of Finnish Technology Industries, 2012–; Chairman of the Board of The Federation of Finnish Technology Industries, 2011–2012; Member of the Board of Valmet Corporation, 2013–

Mika Ihamuotila born 1964
Vice Chairman of the Board
Ph.D. (Econ.)
Principal occupation: President and CEO of Marimekko Corporation, 2008–

Primary work experience and key positions of trust: President and CEO of Sampo Bank plc, 2001–2007; President and CEO of Mandatum Bank Plc, 2000–2001; Executive Director of Mandatum Bank Plc, 1998–2000; Partner of Mandatum & Co Ltd, 1994–1998; visiting scholar of Yale University (USA), 1992–1993; Member of the Board of Sanoma Corporation 2013–; Member of the Board of Rovio Entertainment Ltd 2013–

Elina Björklund born 1970
M.Sc. (Econ.), IDBM Pro
Principal occupation: CEO of Reima Ltd, 2012–

Primary work experience and key positions of trust: Partner and Director of BletBI Advisors (Shanghai, China), 2011–2012; Vice President Marketing in Fiskars Corporation's Home division and Member of Executive Board, 2009–2010; several executive positions and Member of Executive Board in Iittala Group Ltd, 2005–2009 and Development Manager, 2004–2005; CEO of Ebit Oy, 2001–2004; Deputy Managing Director of Merita Securities Ltd (current Nordea), 1998–1999 and Chief Equity Analyst, 1996–1999; Equity Analyst of Kansallis-Osake-Pankki Equity Research, 1994–1995; Member of the Board of the HSE Foundation, 2013–

Arthur Engel born 1967
Economics degree
Principal occupation: Non-executive Board Portfolio and independent advisor and investor at Hilaritas AB, 2013–

Primary work experience and key positions of trust: CEO of Björn Borg AB, 2008–2013; CEO of GANT Company AB, 2001–2007 and COO, 2000–2001; CEO and several executive positions in Leo Burnett Advertising Agency, 1994–2000; several positions in Statoil Svenska AB, 1991–1994; Member of the Board of Directors of MQ, 2014–; Chairman of the Board of Directors of Caliroots AB; Member of the Advisory Board for Economic studies at the University of Stockholm; Member of the Board of Reliance Brands (Mumbai, India); Chairman of the Board of Directors of Rapunzel of Sweden 2015–

Joakim Karske born 1963
Master of Arts
Principal occupation: Senior Vice President, Brands & Design of OP Financial Group, 2014–

Primary work experience and key positions of trust: 2014 Interim head of the Nokia brand, 2013–2014, Head of Design Strategy at Nokia, 2009–2013, Nokia Mobile Phones and Vertu, Head of Design, 2006–2008; various designer and chief designer positions: Volvo Strategic Design (Barcelona, Spain), 2001–2005; DaimlerChrysler Advanced Design Centre (Tokyo, Japan), 1999–2001; Mercedes-Benz AG (Stuttgart, Germany), 1998–1999; Volvo Cars (Gothenburg, Sweden) 1995–1998; Member of the Board of Korpinen Oy, 2012–; Association of Finnish Work, Board Member 2014–

Catharina Stackelberg-Hammarén born 1970
M.Sc. (Econ.)
Principal occupation: Founder and Managing Director of Marketing Clinic, 2004–

Primary work experience and key positions of trust: Managing Director of Coca-Cola Finland, 2003–2004 & 2000–2002; Managing Director of Coca-Cola AB, 2002–2003; Marketing Director of Coca-Cola Nordic & Baltic Division (Copenhagen, Denmark), 2000; Consumer Marketing Manager of Coca-Cola Finland, 1996–2000; Marketing Manager of Sentra plc, 1994–1996; Member of the Board of Cision AB, 2013–2014; Member of the Board of Jokerit Hockey Club Oy, 2013–2014; Member of the Board of Aktia Bank p.l.c., 2012–; Member of the Board of Stiftelsen Svenska Handelshögskolan, 2011–; Member of the Board of Alma Media Corporation, 2009–; Member of the Board of Scan Securities Ab 1996–

MANAGEMENT GROUP

Chairman:
Mika Ihamuotila born 1964
President and CEO
Employed by the company since 2007

Members:
Tiina Alahuhta-Kasko born 1981
Operational activities and Marketing
Employed by the company since 2005

Thomas Ekström born 1967
CFO
Employed by the company since 2006

Päivi Lonka born 1962
Sales
Employed by the company since 2004

Niina Nenonen born 1965
Product lines
Employed by the company since 2008

Anna Teurnell born 1966
Design
Employed by the company since 2014

On 16 April 2014 and 14 August 2014, the company announced changes in its management. For additional information, see the Report of the Board of Directors, Management on page 9.

More detailed background information on members of the Board of Directors and the Management Group as well as up-to-date information on the holdings of public insiders are provided on the company's website under Investors/Management.

Information for shareholders

Schedule for financial reporting in 2015
– Financial Statements Bulletin 2014, Tuesday, 10 February 2015
– Financial Statements 2014, week 12, at the latest
– Interim Reports
  - January–March, Tuesday, 12 May 2015
  - January–June, Wednesday, 19 August 2015
  - January–September, Thursday, 5 November 2015

Annual General Meeting
Marimekko Corporation's Annual General Meeting will be held from 2 p.m. onwards on Thursday, 9 April 2015 at Marimekko Corporation's head office, Puusepänkatu 4, 00880 Helsinki, Finland. Shareholders who have been registered by the Annual General Meeting's record date of 26 March 2015 at the latest in the company's Shareholder Register kept by Euroclear Finland Ltd have the right to attend the Annual General Meeting. The shareholder in whose name the shares are registered is automatically entered in the company's Shareholder Register.

Shareholders who wish to attend the Annual General Meeting must notify the company of their intention to do so before 4 p.m. on 2 April 2015 at the latest:
- by filling in the registration form on the company's website company.marimekko.com under Investors/Annual General Meeting;
- by email to yk@marimekko.com;
- by telephone on +358 20 770 6893

A holder of nominee-registered shares may participate in the Annual General Meeting with those shares under which the holder would be entitled to be registered in the company's Shareholder Register on 26 March 2015. Additionally, participation requires that the holder of nominee-registered shares is temporarily registered in the Shareholder Register no later than 2 April 2015 at 10 a.m. Temporary registration in the Shareholder Register shall be deemed to be a registration for the Annual General Meeting. A holder of nominee-registered shares is advised to request necessary instructions regarding the temporary registration in the Shareholder Register, the issuing of proxy documents and registration for the General Meeting from their custodian bank well in advance. The account management organisation of the custodian bank will register a holder of nominee-registered shares, who wants to participate in the Annual General Meeting, to be temporarily entered into the company's Shareholder Register by the above-mentioned date.

Any proxy documents should be sent in original to the company before the registration deadline. Notice of the Annual General Meeting and further information is provided on the company's website under Investors/Annual General Meeting.

Dividends
The Board of Directors will propose to the Annual General Meeting that a dividend of EUR 0.35 per share be paid for 2014. The dividend will be paid to shareholders who are registered on the dividend payout record date of 13 April 2015 in the company's Shareholder Register kept by Euroclear Finland Ltd. The Board of Directors will propose to the Annual General Meeting that the dividend be paid on 20 April 2015.

Principles of investor relations
Marimekko Corporation complies with the principles of equity in its investor communications and publishes all its investor information primarily on its website in Finnish and English.

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.

Analysts
A list of banks and securities brokers that actively follow Marimekko's development is available on the company's website under Investors/Marimekko as an investment/Analysts.

Financial reports
Marimekko Corporation's financial statements and interim reports are published in Finnish and English. Printed financial statements 2014 are available upon request. Interim reports are also sent upon request to the address provided by the subscriber. Financial information is posted on the company's website company.marimekko.com.

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