

Tokmanni Group financial statements bulletin 2009

Net sales up by 5%

Tokmanni's mission, to offer an extensive product range at affordable prices, was especially relevant in this period of economic stringency, and this can be seen in the Group's net sales, which were up by five per cent in 2009.

The number of customer visits to the Tokmanni Group's stores totalled more than 50 million in 2009, and the number of paying customers was up despite the economic downturn. This is an indicator of the general consumer trend towards shopping at lower price stores, which is a further factor adding promise for Tokmanni's future.

Consolidated net sales grew by EUR 26 million to a total of EUR 601.2 million. Net sales grew steadily throughout the year, indicating that the company attracted a large number of new customers. The Group is especially satisfied with the sales growth achieved, as 2009 was also a year of major development projects at the company, including renewal of computer systems and operating structures.

EUR 23.8 million in earnings before interest, taxes and amortization (EBITA)

Price competition in the Finnish retail market intensified significantly in 2009, and as a result the Group's campaign products accounted for a higher proportion of total sales during the year. The Group fared well in this competition and adjusted its operating model in line with the economic situation. The Group's sales growth was the result of successful sales campaigns and was a clear indicator that the product mix was meeting customer expectations. The sales growth distinguished Tokmanni as a positive exception among Finnish retailers.

Consolidated interest-bearing debt reduced by EUR 28.2 million

The Group is continuing to increase its retail floor space by establishing new stores in completely new locations, mainly in central Finland and on the west coast, and by relocating existing stores to larger premises within the same area. In 2010, the Group's new store openings will include stores in Äänekoski and Jyväskylä, while Mikkeli is among the number of store relocations planned. In addition to agreements already made, the aim is to open a further 2-3 new stores.

The Tokmanni Group is a firm believer in locating stores close to its customers, as this is to everyone's advantage. People need - and deserve - to have their basic shopping requirements met at a competitive price close to home. This is why the Group's store network covers the whole of Finland, representing regional policy at its best.

The company's solvency position is now strong, having been strengthened through more effective working capital and a share issue of EUR 12 million. This will enable rapid growth in the coming years.

Higher net sales and improved result expected for 2010

Finns are typically economical and cautious in their purchasing and have an eye for detail. Tokmanni aims to be the best by earning the trust of consumers through satisfying the tough demands set by Finnish consumers.

Though a challenging year, 2009 has provided a good basis for work on our product selection in 2010. We have been able to enhance our understanding of what types of product customers wish to buy during economically tough times as well.

Our aim is to offer customers a wide range of appealing products suited to their needs. In order to achieve this we need to take local preferences into account on a continuous basis, and we need to respond quickly to changes in demand.

The growth in 2009 provides a strong basis for further development and provides the confidence for this, as well as bringing in new customers.

The company's annual report will be published on the Tokmanni Group website, www.tokmanni-group.fi, in the early part of April 2010.

Mäntsälä, 24 March 2010

CEO

Heikki Väänänen

FURTHER INFORMATION:

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The Tokmanni Group is Finland's biggest discount retailer. The Group consists of 139 stores operating under seven different brands: Tokmanni, Tarjoustalo, Vapaa Valinta, Robinhood, Maxi-Makasiini, Maxi Kodintukku and Säästöporssi. The Group's store network covers the entire country, from south to north and east to west. The northernmost store is in Keminmaa and the southernmost in Hanko. The Tokmanni Group's consolidated net sales in 2009 amounted to EUR 601.2 million. The company currently employs approximately 2,800 people.