

STOCKMANN plc STOCK EXCHANGE BULLETIN August 16, 2001, 13.00 p.m.

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The Stockmann Group's sales grew by 5.7 % to EUR 745.5 million (FIM 4,433 million). Profit before extraordinary items was EUR 12.2 million (FIM 72 million), an increase of EUR 1.1 million (FIM 6 million) on the comparison period. The earnings estimate for 2001 is unchanged.

Sales and result

During the first six months of the year Stockmann's sales grew by 5.7 per cent, or EUR 40.0 million (FIM 238 million) to EUR 745.5 million (FIM 4,433 million). Net turnover was up EUR 34.4 million (FIM 204 million), or 5.9 per cent, and was EUR 619.7 million (FIM 3,685 million).

Consolidated operating profit improved by EUR 2.8 million (FIM 17 million) and was EUR 9.9 million (FIM 59 million). The relative gross margin on operations improved from 29.0 per cent to 29.6 per cent. The gross margin increased by EUR 13.3 million (FIM 79 million) and was EUR 183.3 million (FIM 1,090 million). Fixed costs were up EUR 15.6 million (FIM 93 million) and depreciation increased by EUR 0.3 million (FIM 3 million). Second-quarter operating profit net of capital gains improved on the previous year's figure.

Other operating income of EUR 6.3 million (FIM 38 million) came from capital gains on sales of shares. During the comparison period other operating income was EUR 0.9 million (FIM 5 million).

Net financial income diminished by EUR 1.8 million (FIM 11 million) from the same period a year earlier and was EUR 2.3 million (FIM 14 million).

Profit before extraordinary items was EUR 12.2 million (FIM 72 million), or EUR 1.1 million (FIM 6 million) greater than a year ago. Direct taxes were EUR 3.5 million (FIM 21 million), as against EUR 3.2 million (FIM 19 million) a year ago. Net profit for the report period was EUR 8.7 million (FIM 51 million), compared with EUR 7.9 million (FIM 47 million) a year earlier.

Earnings per share grew to EUR 0.17 (FIM 1.01), as against EUR 0.15 (FIM 0.91) a year earlier. Equity per share was EUR 9.34 (FIM 55.52), compared with EUR 9.38 (FIM 55.75) a year earlier.

Sales and earnings trend by division

The Department Store Division's sales grew by 4 per cent to EUR 341.2 million (FIM 2,029 million). The share of International Operations within the Department Store Division's sales increased

to 14.1 per cent, from 13.7 per cent. Thanks to the trend in the relative gross margin and good cost management, the Department Store Division's result improved markedly both in Finland and abroad. Operating profit improved by EUR 4.4 million (FIM 26 million) and was EUR 7.6 million (FIM 45 million).

Despite the nearly one-quarter drop in motor vehicle market, sales by Stockmann's Automotive Sales Division grew by 4 per cent to EUR 223.4 million (FIM 1,328 million). This was attributable in particular to the good sales of the Ford Mondeo. The division's operating profit was EUR 0.5 million (FIM 3 million) smaller than in the comparison period and was EUR 1.8 million (FIM 11 million). Earnings were weakened by the slowdown in sales of new vehicles other than Fords as well as by non-recurring write-downs on the stocks of trade-in vehicles, whereas operating profit from aftersales marketing increased on the comparison period. Stockmann is in negotiations on relinquishing the Mitsubishi-Skoda dealership.

The Hobby Hall Division's sales grew by 17 per cent from the corresponding period a year ago and totalled EUR 120.2 million (FIM 715 million). The Group's operating result weakened by EUR 3.4 million (FIM 20 million) and was EUR 2.6 million (FIM 15 million) in the red. The weakening in the operating result was due to the strong increase in costs, primarily owing to inputs into expanding the business.

The Seppälä Division's sales declined slightly from the corresponding period a year ago and totalled EUR 60.8 million (FIM 361 million). The division's result was burdened by exceptionally large price reductions during the winter discount sale and by the expansion of operations in Sweden. The Seppälä Division's operating result weakened by EUR 2.0 million (FIM 12 million) and was a loss of EUR 2.9 million (FIM 18 million). Lifted by an improved relative gross margin and the cost-cutting that has been done, the second-quarter result nevertheless already showed an improvement on the previous year.

To improve the earnings trend of the Hobby Hall and Seppälä Divisions, action programmes have been launched, and their full impact on earnings will show up for the most part during the last quarter of the year.

Financing

Stockmann's liquidity was good. Liquid funds amounted to EUR 19.2 million (FIM 114 million) as against EUR 41.7 million (FIM 248 million) at the end of 2000.

Loan repayments during the first part of the year amounted to EUR 9.1 million (FIM 54 million). No new long-term loans were drawn

down. The amount of long-term loans at the end of June was EUR 43.8 million (FIM 260 million).

The equity ratio was EUR 67.4 per cent, the same figure as in the comparison period. The equity ratio at the end of 2000 was 67.2 per cent.

Total contingent liabilities increased by EUR 10.5 million (FIM 61 million) from the end of 2000 and were EUR 63.2 million (FIM 375 million). Stockmann has no associated companies whose contingent liabilities must be disclosed.

Capital expenditures

Capital expenditures during the report period totalled EUR 14.3 million (FIM 85 million), compared with EUR 21.9 million (FIM 130 million) in the comparison period.

Investments by the Department Store Division during the report period totalled EUR 6.7 million (FIM 40 million). The division's most important capital expenditure was for the department store that is to be opened in Oulu at the beginning of September. The project is being carried out in cooperation with the landlord. Stockmann's capital expenditures on the Oulu department store will come to a total of about EUR 9.9 million (FIM 59 million).

The expansion of the Turku department store is continuing with an enlargement of the Delicatessen Department which will be completed in September. The Delicatessen Department of the Tallinn department store was also expanded and renewed. The Helsinki department store is being expanded with about 1,000 square metres of additional premises located in the Rautatalo Building across the street, including a connecting tunnel that will run under Keskuskatu. The extension will go into use in September. The department store in the Itäkeskus shopping centre was expanded by about 1,400 square metres of new space in July.

In January a memorandum of intent was signed on the transfer of tenancy rights to a plot of land located in the centre of Riga, Latvia's capital city, to a company owned by Stockmann and Rautakirja Oyj. A new building with total floor space of about 38,000 square metres will be erected on the plot. The building will house Stockmann's full-scale department store having about 11,000 square metres of retail space and, among other things, a 15-cinema film centre that is to be operated by a Latvian company belonging to the Rautakirja Group. According to plans, the building will be completed in spring 2003. Stockmann's total capital expenditures on the project will be about EUR 23.5 million (FIM 140 million).

Stockmann and the Inditex Group of Spain, which owns the international chain of ZARA fashion stores, have signed an

agreement under which Stockmann will open, by the next spring season, Finland's first ZARA store in Aleksanterinkatu right across from the Stockmann department store. Based on the results of this pilot launch, Stockmann will decide on expanding the chain.

Stockmann has decided to set up a new chain of cosmetics shops in Finland, with the first units scheduled to open in spring 2002. According to plans, there will be 20 shops operating under the name Stockmann Beauty and the sales target of the chain, when completed, is about EUR 20 million (about FIM 120 million).

The Automotive Sales Division's capital expenditures during the report period amounted to EUR 0.4 million (FIM 3 million).

The Hobby Hall Division's capital expenditures totalled EUR 2.2 million (FIM 13 million) in the report period. Outlays were made on developing Hobby Hall Online's Internet e-commerce system, the store in Tampere that was opened in February and starting up mail order sales in Latvia.

The Seppälä Division's capital expenditures during the report period totalled EUR 1.7 million (FIM 10 million). During the report period Seppälä opened four new stores in Sweden, one store in Finland and one in Estonia.

Shares and shareholders

The company's market capitalization at the end of June was EUR 518 million, or FIM 3,081 million. At the end of 2000 the market capitalization was EUR 559 million, or FIM 3,324 million. Stockmann's shares outperformed the HEX General Index during the report period. The price of the Series A share at the end of June was EUR 10.05, or FIM 59.75, whereas at the end of 2000 it was EUR 11.39 (FIM 67.72), and the price of the Series B share was EUR 10.12, or FIM 60.17, as against EUR 10.40 (FIM 61.84) at the end of 2000.

The number of the company's shares outstanding at June 30, 2001, was 51,382,977, which is divided into 24,868,893 Series A shares and 26,514,084 Series B shares.

At the end of June 2001 Stockmann held 163,000 of its own Series A shares and 250,000 of its own Series B shares. The nominal value of these shares is a total of EUR 826,000 (FIM 4,911,173), and they represent 0.8 per cent of all the shares outstanding as well as 0.7 per cent of all the votes. The purchase price of these shares was a total of EUR 6.2 million (FIM 37.0 million).

The company's Board of Directors does not have valid authorizations to increase the share capital or to float issues of

convertible bonds or bonds with warrants or to buy back its own shares.

At the end of June the company had 12,840 shareholders (12,708 at the end of June 2000).

Foreign shareholders held 3.6 per cent of the company's shares at the end of June 2001 (5.4 per cent at the end of June 2000).

Personnel strength

During the report period Stockmann had an average payroll of 7,838 employees, or 408 more than in the comparison period, when the average number of staff was 7,430. Converted to full-time staff, the average number of employees increased by 278 and was 6,373. The parent company employed an average of 5,025 people. In the comparison period the parent company had an average payroll of 4,913 employees, or 112 people more than at the corresponding time a year ago. In the parent company, the average number of employees converted to full-time staff increased by 88 and was 4,004.

At the end of June 2001 the number of staff working abroad was 1,244 people. At the end of June of last year Stockmann had 1,124 people working abroad.

Long-term financial targets

Stockmann's Board of Directors has set the Group's long-term financial targets as follows:

- return on investment of at least 15 per cent,
- operating profit of at least five per cent of net turnover,
- sales growth faster than the sector average.

The Board of Directors has set the dividend payout target at a minimum of half of the earnings for the financial year derived from the company's core business activities. The financing required for business growth will nevertheless be taken into account in setting the level of dividends.

The Board of Directors has also sharpened the focus of the company's real-estate strategy. Under the new formulation the company can dispose of non-strategic real-estate holdings and continue to operate in leased premises.

Full-year outlook

Although forecasts for overall economic growth have been revised downward substantially as the business cycle has weakened, it is estimated that consumers' strong confidence in their own financial position will support the growth trend in private consumption.

Of the Stockmann Group's business units, the outlook for the Department Store Division is particularly positive because the Oulu department store and the other expansion investments will go into operation during the autumn. The Automotive Sales Division is likely to continue to grow at a faster rate than the market average. The effect of the revamping of operations at the Hobby Hall and Seppälä Divisions will show up mainly in the last quarter of the year.

The Group's third-quarter operational result is estimated to be on a par with the previous year's result, owing to factors such as the costs of opening the Oulu department store, whereas the result for the last quarter, in the light of the outlook at the present time, is likely to improve compared with the previous year's figure.

Sales in 2001 are estimated to be about EUR 1.6 billion, or about FIM 9.3 billion. The earnings estimate for 2001, which was stated in the Annual Report, is unchanged. The target is that the result for 2001 after financial items will improve on the corresponding result for 2000.

Helsinki, August 16, 2001

STOCKMANN plc

Profit and loss account, EUR mill.

	1-6/01 EUR mill.	1-6/00 EUR mill.	Change EUR mill.	Change %	1-12/00 EUR mill.
Net turnover	619.7	585.4	34.4	6	1 220.5
Other operating income	6.3	0.9	5.5		2.8
Raw materials and services	436.5	415.4	21.1	5	847.4
Staff expenses	85.9	78.7	7.2	9	164.8
Depreciation	13.9	13.6	0.3	2	25.8
Other operating expenses	79.9	71.5	8.4	12	149.5
Operating profit	9.9	7.0	2.8	40	35.7
Financial income and expenses, total	2.3	4.1	-1.8	-43	5.5
Profit before extraordinary items	12.2	11.1	1.1	10	41.2
Extraordinary items	0.0	0.0	0.0		-0.6
Profit before taxes	12.2	11.1	1.1	10	40.6
Direct taxes	3.5	3.2	0.3	9	12.8

(corresponding to
net profit)

Minority interest	0.0	0.0	0.0		0.0
Profit for the period	8.7	7.9	0.8	10	27.9

Profit and loss account, FIM mill.

	1-6/01 FIM mill.	1-6/00 FIM mill.	Change FIM mill.	Change %	1-12/00 FIM mill.
Net turnover	3 685	3 480	204	6	7 257
Other operating income	38	5	33		16
Raw materials and services	2 595	2 470	126	5	5 039
Staff expenses	511	468	43	9	980
Depreciation	83	81	3	2	153
Other operating expenses	475	425	50	12	889
Operating profit	59	42	17	40	212
Financial income and expenses, total	14	24	-11	-43	33
Profit before extraordinary items	72	66	6	10	245
Extraordinary items	0	0	0		-3
Profit before taxes	72	66	6	10	241
Direct taxes (corresponding to net profit)	21	19	2	9	76
Minority interest	0	0	0		0
Profit for the period	51	47	5	10	166

Profit and loss account, quarterly, EUR mill.

	1-3/01 EUR mill.	1-3/00 EUR mill.	Change EUR mill.
Net turnover	300.6	285.0	15.6
Other operating income	6.3	0.3	6.0
Raw materials and services	217.5	207.2	10.3
Staff expenses	42.3	38.2	4.0
Depreciation	6.8	6.8	0.1
Other operating expenses	40.1	35.0	5.2
Operating profit	0.2	-1.8	2.0
Financial income and expenses, total	0.8	1.9	-1.1
Profit before extraordinary items	1.0	0.1	0.9
Extraordinary items	0.0	0.0	0.0
Profit before taxes	1.0	0.1	0.9

Direct taxes (corresponding to net profit)	0.3	0.0	0.3
Minority interest	0.0	0.0	0.0
Profit for the period	0.7	0.1	0.7

Profit and loss account, quarterly, EUR mill.

	4-6/01 EUR mill.	4-6/00 EUR mill.	Change EUR mill.
Net turnover	319.1	300.3	18.8
Other operating income	0.0	0.5	-0.5
Raw materials and services	219.0	208.2	10.8
Staff expenses	43.7	40.5	3.2
Depreciation	7.1	6.8	0.3
Other operating expenses	39.7	36.5	3.2
Operating profit	9.7	8.8	0.8
Financial income and expenses, total	1.5	2.2	-0.7
Profit before extraordinary items	11.2	11.0	0.2
Extraordinary items	0.0	0.0	0.0
Profit before taxes	11.2	11.0	0.2
Direct taxes (corresponding to net profit)	3.2	3.2	0.0
Minority interest	0.0	0.0	0.0
Profit for the period	7.9	7.8	0.1

Profit and loss account, quarterly, EUR mill.

	7-9/00 EUR mill.	10-12/00 EUR mill.	1-12/00 EUR mill.
Net turnover	284.5	350.7	1 220.5
Other operating income	0.5	1.4	2.8
Raw materials and services	198.8	233.3	847.4
Staff expenses	37.4	48.7	164.8
Depreciation	7.1	5.1	25.8
Other operating expenses	34.9	43.1	149.5
Operating profit	6.8	21.9	35.7
Financial income and expenses, total	1.2	0.2	5.5
Profit before extraordinary items	8.1	22.0	41.2
Extraordinary items	0.0	-0.6	-0.6
Profit before taxes	8.1	21.4	40.6
Direct taxes (corresponding to net profit)	2.3	7.3	12.8
Minority interest	0.0	0.0	0.0
Profit for the period	5.7	14.3	27.9

Profit and loss account, quarterly, FIM mill.

	1-3/01	1-3/00	Change
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	FIM mill.	FIM mill.	FIM mill.
Net turnover	1 787	1 695	93
Other operating income	37	2	35
Raw materials and services	1 293	1 232	61
Staff expenses	251	227	24
Depreciation	41	40	1
Other operating expenses	239	208	31
Operating profit	1	-11	12
Financial income and expenses, total	5	11	-6
Profit before extraordinary items	6	1	5
Extraordinary items	0	0	0
Profit before taxes	6	1	5
Direct taxes (corresponding to net profit)	2	0	2
Minority interest	0	0	0
Profit for the period	4	0	4

Profit and loss account, quarterly, FIM mill.

	4-6/01 FIM mill.	4-6/00 FIM mill.	Change FIM mill.
Net turnover	1 897	1 786	112
Other operating income	0	3	-3
Raw materials and services	1 302	1 238	64
Staff expenses	260	241	19
Depreciation	42	41	2
Other operating expenses	236	217	19
Operating profit	58	53	5
Financial income and expenses, total	9	13	-4
Profit before extraordinary items	66	66	1
Extraordinary items	0	0	0
Profit before taxes	66	66	1
Direct taxes (corresponding to net profit)	19	19	0
Minority interest	0	0	0
Profit for the period	47	46	1

Profit and loss account, quarterly, FIM mill.

	7-9/00 FIM mill.	10-12/00 FIM mill.	1-12/00 FIM mill.
Net turnover	1 692	2 085	7 257
Other operating income	3	8	16
Raw materials and services	1 182	1 387	5 039
Staff expenses	222	290	980
Depreciation	42	30	153

Other operating expenses	208	256	889
Operating profit	41	130	212
Financial income and expenses, total	7	1	33
Profit before extraordinary items	48	131	245
Extraordinary items	0	-3	-3
Profit before taxes	48	127	241
Direct taxes (corresponding to net profit)	14	43	76
Minority interest	0	0	0
Profit for the period	34	85	166

Balance sheet, EUR mill.

	30.6.01	%	30.6.00	%	31.12.00
	EUR		EUR		EUR
	mill.		mill.		mill.
Non-current assets	345	48	337	47	347
Current assets					
Stocks	178	25	169	24	175
Debtors	169	24	163	23	183
Liquid funds	19	3	47	7	42
Total assets	712	100	716	100	747
Capital and reserves	480	67	482	67	502
Minority interest	0	0	0	0	0
Deferred tax liability	26	4	25	3	26
Non-current creditors	44	6	9	1	44
Current creditors	162	23	200	28	175
Total assets	712	100	716	100	747

Balance sheet, FIM mill.

	30.6.01	%	30.6.00	%	31.12.00
	FIM		FIM		FIM
	mill.		mill.		mill.
Non-current assets	2 052	48	2 003	47	2 062
Current assets					
Stocks	1 061	25	1 002	24	1 039
Debtors	1 005	24	970	23	1 091
Liquid funds	114	3	279	7	248
Total assets	4 232	100	4 254	100	4 440
Capital and reserves	2 853	67	2 864	67	2 983
Minority interest	1	0	1	0	1
Deferred tax liability	153	4	147	3	153
Non-current creditors	260	6	54	1	261

Current creditors	965	23	1 188	28	1 042
Total assets	4 232	100	4 254	100	4 440

Average number of employees, converted to full-time staff

	1-6/01	1-6/00	Change	1-12/00
Department Store Division	4 049	3 988	61	4 092
Automotive Sales Division	804	754	50	768
Hobby Hall	682	553	129	592
Seppälä	747	702	45	748
Management and administration	91	98	-7	95
Total	6 373	6 095	278	6 295

Major shareholders at June 30, 2001

	Number of votes %	Number of shares %
1 Föreningen Konstsamfundet	14.9	11.6
2 Svenska litteratursällskapet i Finland	14.0	8.6
3 Niemistö grouping	10.2	7.9
4 Etola companies	7.1	5.5
5 Stiftelsen för Åbo Akademi	6.7	5.0
6 Sampo-Varma Group	4.9	3.7
7 Samfundet Folkhälsan i svenska Finland	3.2	2.9
8 Wilhelm och Else Stockmanns Stiftelse	2.6	1.6
9 Jenny ja Antti Wihurin rahasto	2.4	2.4
10 Helene och Walter Grönqvists Stiftelse	1.7	1.1
Total	67.6	50.3

Sales, EUR mill.

	1-6/01 EUR mill.	1-6/00 EUR mill.	Change EUR mill.	Change %	1-12/00 EUR mill.
Department Store Division	341.2	326.8	14.4	4	712.7
Automotive Sales Division	223.4	214.4	9.0	4	402.2
Hobby Hall	120.2	102.8	17.4	17	214.9
Seppälä	60.8	61.0	-0.2	0	137.4
Real Estate	0.0	0.6	-0.6		0.7
Total	745.5	705.5	40.0	6	1 467.9

Sales, FIM mill.

	1-6/01 FIM mill.	1-6/00 FIM mill.	Change FIM mill.	Change %	1-12/00 FIM mill.
Department Store Division	2 029	1 943	86	4	4 238
Automotive Sales Division	1 328	1 275	53	4	2 391
Hobby Hall	715	611	103	17	1 278
Seppälä	361	362	-1	0	817
Real Estate	0	3	-3		4
Total	4 433	4 195	238	6	8 728

Sales, quarterly, EUR mill.

	1-3/01 EUR mill.	1-3/00 EUR mill.	Change %
Department Store Division	166.6	159.5	4
Automotive Sales Division	103.8	105.4	-2
Hobby Hall	63.5	50.8	25
Seppälä	26.7	26.5	1
Real Estate	0.1	0.5	
Total	360.7	342.7	5

Sales, quarterly, EUR mill.

	4-6/01 EUR mill.	4-6/00 EUR mill.	Change %
Department Store Division	174.5	167.3	4
Automotive Sales Division	119.6	109.1	10
Hobby Hall	56.7	52.0	9
Seppälä	34.0	34.5	-1
Real Estate	-0.2	0.0	
Total	384.8	362.8	6

Sales, quarterly, EUR mill.

	7-9/00 EUR mill.	10-12/00 EUR mill.	1-12/00 EUR mill.
Department Store Division	163.2	222.7	712.7
Automotive Sales Division	96.6	91.1	402.2
Hobby Hall	47.4	64.7	214.9
Seppälä	35.2	41.2	137.4
Real Estate	0.0	0.2	0.7
Total	342.4	419.9	1 467.9

Net turnover, EUR mill.

	1-6/01 EUR mill.	1-6/00 EUR mill.	Change EUR mill.	Change %	1-12/00 EUR mill.
Department Store Division	286.8	274.4	12.4	5	599.1
Automotive Sales Division	184.1	176.3	7.8	4	331.0
Hobby Hall	99.3	84.7	14.6	17	176.9
Seppälä	49.9	50.1	-0.2	0	112.9
Real Estate	12.1	11.6	0.5	4	23.2
Eliminations	-12.5	-11.7	-0.9	7	-22.5
Total	619.7	585.4	34.4	6	1 220.5

Net turnover, FIM mill.

	1-6/01 FIM mill.	1-6/00 FIM mill.	Change FIM mill.	Change %	1-12/00 FIM mill.
Department Store Division	1 706	1 632	74	5	3 562
Automotive Sales Division	1 095	1 048	47	4	1 968
Hobby Hall	590	504	87	17	1 052
Seppälä	297	298	-1	0	671
Real Estate	72	69	3	4	138
Eliminations	-74	-69	-5	7	-134
Total	3 685	3 480	204	6	7 257

Net turnover, quarterly, EUR mill.

	1-3/01 EUR mill.	1-3/00 EUR mill.	Change %
Department Store Division	141.5	134.6	5
Automotive Sales Division	85.3	86.6	-1
Hobby Hall	52.2	41.8	25
Seppälä	22.0	21.8	1
Real Estate	6.0	5.8	3
Eliminations	-6.4	-5.7	12
Total	300.6	285.0	5

Net turnover, quarterly, EUR mill.

	4-6/01 EUR mill.	4-6/00 EUR mill.	Change %
Department Store Division	145.3	139.8	4
Automotive Sales Division	98.8	89.7	10
Hobby Hall	47.1	42.9	10
Seppälä	27.9	28.3	-1

Real Estate	6.1	5.7	7
Eliminations	-6.2	-6.0	3
Total	319.1	300.3	6

Net turnover, quarterly, EUR mill.

	7-9/00 EUR mill.	10-12/00 EUR mill.	1-12/00 EUR mill.
Department Store Division	136.8	187.8	599.1
Automotive Sales Division	79.4	75.3	331.0
Hobby Hall	39.0	53.2	176.9
Seppälä	29.0	33.9	112.9
Real Estate	5.6	6.0	23.2
Eliminations	-5.3	-5.5	-22.5
Total	284.5	350.7	1 220.5

Operating profit, EUR mill.

	1-6/01 EUR mill.	1-6/00 EUR mill.	Change EUR mill.	1-12/00 EUR mill.
Department Store Division	7.6	3.2	4.4	28.2
Automotive Sales Division	1.8	2.2	-0.5	3.9
Hobby Hall	-2.6	0.9	-3.4	0.6
Seppälä	-2.9	-0.9	-2.0	1.4
Real Estate	8.7	8.1	0.6	15.9
Other operating income	6.3	0.9	5.5	2.8
Eliminations	-9.0	-7.3	-1.8	-17.0
Total	9.9	7.0	2.8	35.7

Operating profit, FIM mill.

	1-6/01 FIM mill.	1-6/00 FIM mill.	Change FIM mill.	1-12/00 FIM mill.
Department Store Division	45	19	26	168
Automotive Sales Division	11	13	-3	23
Hobby Hall	-15	5	-20	4
Seppälä	-18	-6	-12	8
Real Estate	52	48	4	94
Other operating income	38	5	33	16
Eliminations	-54	-43	-11	-101
Total	59	42	17	212

Operating profit, quarterly, EUR mill.

	1-3/01 EUR	1-3/00 EUR	Change EUR
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	mill.	mill.	mill.
Department Store Division	-0.5	-2.3	1.9
Automotive Sales Division	0.9	1.1	-0.3
Hobby Hall	-1.2	0.0	-1.2
Seppälä	-5.0	-2.9	-2.1
Real Estate	4.3	4.1	0.3
Other operating income	6.3	0.3	6.0
Eliminations	-4.6	-2.2	-2.5
Total	0.2	-1.8	2.0

Operating profit, quarterly, EUR mill.

	4-6/01 EUR mill.	4-6/00 EUR mill.	Change EUR mill.
Department Store Division	8.1	5.6	2.5
Automotive Sales Division	0.9	1.1	-0.2
Hobby Hall	-1.4	0.9	-2.2
Seppälä	2.1	1.9	0.2
Real Estate	4.4	4.0	0.4
Other operating income	0.0	0.5	-0.5
Eliminations	-4.4	-5.1	0.7
Total	9.7	8.8	0.8

Operating profit, quarterly, EUR mill.

	7-9/00 EUR mill.	10-12/00 EUR mill.	1-12/00 EUR mill.
Department Store Division	5.9	19.1	28.2
Automotive Sales Division	1.4	0.2	3.9
Hobby Hall	-1.2	1.0	0.6
Seppälä	0.1	2.2	1.4
Real Estate	3.6	4.2	15.9
Other operating income	0.5	1.4	2.8
Eliminations	-3.5	-6.2	-17.0
Total	6.8	21.9	35.7

Capital expenditures, gross, EUR mill.

	1-6/01 EUR mill.	1-6/00 EUR mill.	Change EUR mill.	Change %	1-12/00 EUR mill.
Department Store Division	6.7	8.6	-2.0	-23	14.7
Automotive Sales Division	0.4	1.5	-1.1	-72	2.5
Hobby Hall	2.2	2.0	0.1	7	3.9
Seppälä	1.7	1.7	0.1	5	5.2
Real Estate	1.3	4.8	-3.5	-73	9.9

Others	2.0	3.2	-1.2	-37	8.8
Total	14.3	21.9	-7.5	-34	45.1

Capital expenditures, gross, FIM mill.

	1-6/01 FIM mill.	1-6/00 FIM mill.	Change FIM mill.	Change %	1-12/00 FIM mill.
Department Store Division	40	51	-12	-23	88
Automotive Sales Division	3	9	-7	-72	15
Hobby Hall	13	12	1	7	23
Seppälä	10	10	0	5	31
Real Estate	8	29	-21	-73	59
Others	12	19	-7	-37	52
Total	85	130	-45	-34	268

Key figures

	1-6/01	1-6/00	Change	1-12/00
Share issue-adjusted earnings per share, EUR	0.17	0.15	0.02	0.55
Share issue-adjusted earnings per share, diluted, EUR	0.17	0.15	0.02	0.55
Share issue-adjusted earnings per share, FIM	1.01	0.91	0.10	3.28
Share issue-adjusted earnings per share, diluted, FIM	1.01	0.91	0.10	3.28
Share issue-adjusted equity per share, EUR	9.34	9.38	-0.04	9.76
Share issue-adjusted equity per share, FIM	55.52	55.75	-0.23	58.06
Interest-bearing net debt, EUR mill.	-32.7	-39.0	6.3	-77.1
Interest-bearing net debt, FIM mill.	-194.4	-231.7	37.3	-458.5
Return on equity, %, moving 12 months	6.0	11.7	-5.7	5.6
Return on investment, %, moving 12 months	9.0	14.3	-5.3	8.4
Equity ratio %	67.4	67.4	0.0	67.2
Gearing %	16.0	13.3	2.7	9.2
Cash flow per share EUR	0.10	-0.25	0.35	0.49
Cash flow per share FIM	0.61	-1.49	2.10	2.93
Number of shares at June 30, 2001, thousands	51 383	51 383	0	51 383
Weighted average number of shares, thousands	50 970	51 383	-413	51 237
Share turnover				
Series A				
EUR mill.	15.0	15.4	-0.5	27.5

FIM mill.	89.0	91.8	-2.8	163.3
Thousands	1 213	925	288	1 756
%	4.9	3.7	1.2	7.1
Series B				
EUR mill.	22.1	35.2	-13.0	64.0
FIM mill.	131.5	209.1	-77.6	380.8
Thousands	1 946	2 311	-365	4 464
%	7.3	8.7	-1.4	16.8
Investments in fixed assets, EUR mill.	14.3	21.9	-7.5	45.1
Investments in fixed assets, FIM mill.	85.3	129.9	-44.6	268.0
Average number of employees, converted to full-time staff	6 373	6 095	278	6 295

Funds statement, EUR mill.

	1-6/01 EUR mill.	1-6/00 EUR mill.	1-12/00 EUR mill.
Cash flow from operations	5.3	-12.9	25.2
Cash flow into and from investments	-5.4	-16.4	-36.6
Financial cash flow			
Dividend paid	-30.6	-30.9	-30.9
Change in long-term loans	-9.1	-3.4	-19.0
Change in short-term loans	17.4	25.1	17.6
Financial cash flow, total	-22.3	-9.2	-32.3
Change in cash funds	-22.5	-38.5	-43.7
Cash funds at start of the financial year	41.7	85.3	85.3
Cash funds at end of the financial year	19.2	46.8	41.7

Funds statement, FIM mill.

	1-6/01 FIM mill.	1-6/00 FIM mill.	1-12/00 FIM mill.
Cash flow from operations	31	-77	150
Cash flow into and from investments	-32	-97	-218
Financial cash flow			
Dividend paid	-182	-184	-184
Change in long-term loans	-54	-20	-113
Change in short-term loans	103	149	105
Financial cash flow, total	-133	-55	-192
Change in cash funds	-134	-229	-260
Cash funds at start of the financial year	248	507	507
Cash funds at end of the financial year	114	279	248

Contingent liabilities, EUR mill.

30.6.01 30.6.00 31.12.00

	EUR mill.	EUR mill.	EUR mill.
Mortgages on land and buildings	3.5	3.5	3.5
Pledges	0.1	0.1	0.1
Guarantees	0.5		
Other commitments	59.2	46.1	49.1
Total	63.2	49.7	52.7

Contingent liabilities, FIM mill.

	30.6.01 FIM mill.	30.6.00 FIM mill.	31.12.00 FIM mill.
Mortgages on land and buildings	21	21	21
Pledges	0	1	0
Guarantees	3		
Other commitments	352	274	292
Total	375	296	314

Derivative instruments

	Underlying amount June 30, 2001		remaining open	
	EUR mill.	FIM mill.	EUR mill.	FIM mill.
Interest rate derivatives				
Forward agreements	42.0	250		
Foreign exchange derivatives				
Forward agreements	29.7	177	29.7	177

If all the derivative instruments had been closed on June 30, 2001, their net impact on earnings would have been a decrease of EUR 1.4 million (FIM 8.2 million).

Part of the open contracts relate to the hedging of future cash flows from operations.

Increases in share capital

Subscribed

1997

With warrants of the 1994 bond issue

Subscription period

Jan. 2, 1997

-Oct. 31, 1997

Subscription price, EUR

37.95

Subscription price, FIM

225.67

Number of new shares, thousands

15 B

Additional share capital, EUR mill.

0.1

Additional share capital, FIM mill.

0.3

New total share capital, EUR mill.	48.6
New total share capital, FIM mill.	288.9

1998

With warrants of the 1994 bond issue	
Subscription period	Jan. 2, 1998 -Apr. 12, 1998
Subscription price, EUR	40.37
Subscription price, FIM	240.00
Number of new shares, thousands	240 B
Additional share capital, EUR mill.	0.8
Additional share capital, FIM mill.	4.8
New total share capital, EUR mill.	49.4
New total share capital, FIM mill.	293.7

1998

Halving of par value	
Subscription period	May 12, 1998
Number of new shares, thousands	8 290 A
Number of new shares, thousands	6 395 B
New total share capital, EUR mill.	49.4
New total share capital, FIM mill.	293.7

1998

Bonus issue 2 A/B : 1 A/B	
Subscription period	May 12, 1998
Number of new shares, thousands	8 290 A
Additional share capital, EUR mill.	13.9
Additional share capital, FIM mill.	82.9
Number of new shares, thousands	6 395 B
Additional share capital, EUR mill.	10.7
Additional share capital, FIM mill.	63.9
New total share capital, EUR mill.	74.1
New total share capital, FIM mill.	440.5

1998

Share issue 4 A/B : 1 B	
Subscription period	May 14, 1998 -June 12, 1998
Subscription price, EUR	12.61
Subscription price, FIM	75.00
Number of new shares, thousands	7 329 B
Additional share capital, EUR mill.	12.3
Additional share capital, FIM mill.	73.3
New total share capital, EUR mill.	86.4
New total share capital, FIM mill.	513.8

2000

Bonus issue, increasing of the par value	
Subscription period	September 1, 2000
Additional share capital, EUR mill.	16.3

Additional share capital, FIM mill.	97.2
New total share capital, EUR mill.	102.8
New total share capital, FIM mill.	611.0

Coming issues with warrants*

2000-2004

With warrants of the 1997 bond issue

Subscription period	Apr. 1, 2000 -Jan. 31, 2004
Subscription price, EUR	16.75 less dividends after May 1, 1998 (1)
Subscription price, FIM	99.57 less dividends after May 1, 1998 (1)
Number of new shares, thousands	1 260 B
Additional share capital, EUR mill.	2.5
Additional share capital, FIM mill.	15.0
New total share capital, EUR mill.	105.3
New total share capital, FIM mill.	626.0
Holding, %	2.4
Proportion of votes, %	0.5

2001-2005

Subscr. with 1999 Loyal Customer options

Subscription period	May 1, 2001 -May 31, 2005
Subscription price, EUR	15.70 less dividends after April 1, 1999 (2)
Subscription price, FIM	93.35 less dividends after April 1, 1999 (2)
Number of new shares, thousands	1 383 B
Additional share capital, EUR mill.	2.8
Additional share capital, FIM mill.	16.4
New total share capital, EUR mill.	108.0
New total share capital, FIM mill.	642.4
Holding, %	2.7
Proportion of votes, %	0.5

2003-2007

Subscr. with key employee options
granted in 2000

Subscription period	Apr. 1, 2003 -Apr. 1, 2007
Subscription price, EUR	20.00 A less dividends after April 11, 2000 (3)
Subscription price, FIM	118.91 A less dividends after April 11, 2000 (3)
Number of new shares, thousands	625 B
Subscription price, EUR	21.00 B less dividends after April 11, 2000 (4)
Subscription price, FIM	124.86 B less dividends after April 11, 2000 (4)

Number of new shares, thousands	625 B
Subscription price, EUR	22.00 C less dividends after April 11, 2000 (5)
Subscription price, FIM	130.81 C less dividends after April 11, 2000 (5)
Number of new shares, thousands	1 250 B
Additional share capital, EUR mill.	5.0
Additional share capital, FIM mill.	29.7
New total share capital, EUR mill.	113.0
New total share capital, FIM mill.	672.1
Holding, %	4.6
Proportion of votes, %	0.9

*If all options are exercised

- (1) Subscription price after 2001 dividend payout: EUR 14.71
- (2) Subscription price after 2001 dividend payout: EUR 13.66
- (3) Subscription price after 2001 dividend payout: EUR 18.80
- (4) Subscription price after 2001 dividend payout: EUR 19.80
- (5) Subscription price after 2001 dividend payout: EUR 20.80

The figures in this Interim Report are unaudited.

The figures in this report are based on accounts stated in Finnish markkaa, from which the figures in euros have been calculated by applying the conversion rate 5.94573.

Helsinki, August 16, 2001

STOCKMANN plc

Hannu Penttilä
Managing Director

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A press and analyst conference will be held today, August 16, 2001, at 3 p.m. at the World Trade Center, Aleksanterinkatu 17, Helsinki.