

## Good EBIT growth in Q2

Marimekko's Q2 revenue increased by 3% and was EUR 29.1m vs. EUR 31.1m/29.8m Evli/cons. Adj. EBIT was EUR 3.7m vs. EUR 3.5m/3.2m Evli/cons. Revenue was mainly driven by improved relative sales margin and sales growth. Marimekko reiterated its guidance for 2019E.

- Finland: revenue was EUR 16.8m vs. EUR 16.7m Evli view. Revenue increased by 4%. Retail sales increased by 17%. Wholesale sales decreased by 18%.
- International: revenue was EUR 12.4m vs. EUR 13.4m Evli view. Revenue increased by 2%. Retail sales decreased by 1% and wholesale sales increased by 6%.
- Q2 operating profit was EUR 3.7m (12.7% margin) vs. EUR 3.5m/3.2m (11.3%/10.6% margin) Evli/cons.
- Q2 EPS was EUR 0.32 vs. EUR 0.34/0.30 Evli/cons.
- Guidance for 2019: net sales in 2019E are forecasted to be higher than in the previous year and adj. EBIT is expected to be higher than in the previous year, amounting at most to approx. EUR 15m.

**Rating** 🟡 HOLD

Marimekko				
Q2 2019	Actual	Evli	Cons	Year ago
Net sales	29.1	31.1	29.8	28.2
EBIT ex NRI	3.7	3.5	3.2	3.1
EBIT-margin	12.7 %	11.3 %	10.6 %	11.0 %
EPS (reported)	0.32	0.34	0.30	0.16

*\*Bloomberg (3-4 estimates mean)*

 Share price, EUR (Last trading day's closing price) 28.60

 Target price, EUR 26.0

 Latest change in rating 16-May-19

 Latest report on company 23-Jul-19

 Research paid by issuer: YES

 No. of shares outstanding, '000's 8,130

 No. of shares fully diluted, '000's 8,130

 Market cap, EURm 233

 Free float, % 84.0

 Exchange rate 0.000

 Reuters code MM01V.HE

 Bloomberg code MM01V FH

 Average daily volume, EURm na.

 Next interim report 15-Aug-19

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+ BUY 🟡 HOLD - SELL

### PRE-REPORT KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	Ptx profit EURm	EPS EUR	P/E (x)	EV/Sales (x)	P/CF (x)	EV/EBIT (x)	DPS EUR
2017	102	9	8.4%	7	0.73	13.8	0.8	7.4	9.2	0.50
2018	112	12	10.9%	12	1.01	20.5	1.3	13.1	11.9	1.85
2019E	125	14	11.3%	14	1.38	20.8	2.0	11.4	17.9	0.70
2020E	132	16	12.3%	15	1.49	19.1	1.9	9.3	15.3	0.80
2021E	138	17	12.5%	16	1.61	17.8	1.8	9.8	14.1	0.90

Market cap, EURm	233	BV per share 2019E, EUR	4.5	CAGR EPS 2018-21, %	16.7
Net debt 2019E, EURm	21	Price/book 2019E	6.3	CAGR sales 2018-21, %	7.2
Enterprise value, EURm	253	Dividend yield 2019E, %	2.4	ROE 2019E, %	29.1
Total assets 2019E, EURm	100	Tax rate 2019E, %	20.2	ROCE 2019E, %	23.5
Goodwill 2019E, EURm	0	Equity ratio 2019E, %	36.8	PEG, P/E 19/CAGR	2.9

All the important disclosures can be found on the last pages of this report.

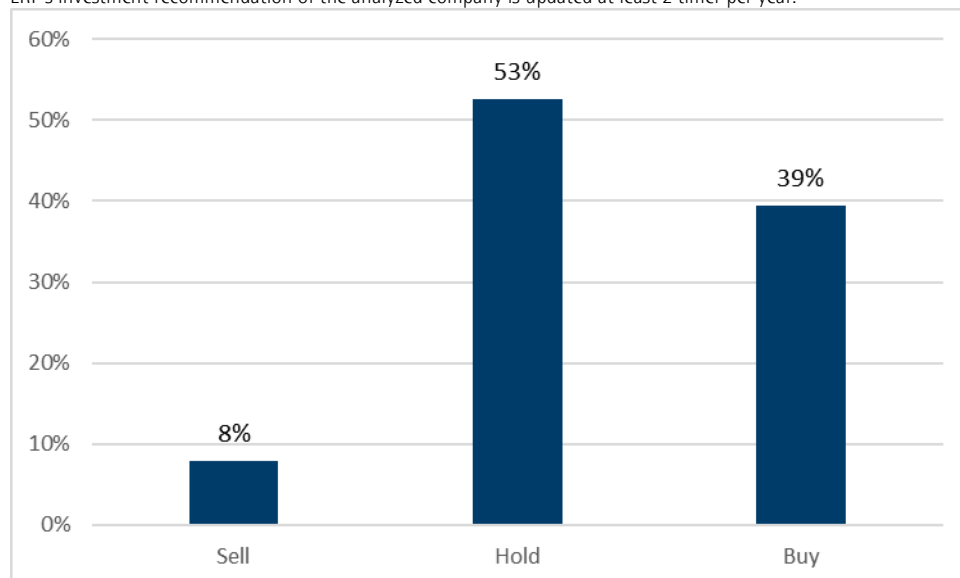
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Investment recommendations are defined as follows:

Target price compared to share price	Recommendation
< -10 %	SELL
-10 – (+10) %	HOLD
> 10 %	BUY

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Name(s) of the analyst(s): Rissanen

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