Financial Statements

January-December 2010

3 February 2011

CFO Arja Talma

KESKO

Kesko's profit performance for 2010 was excellent

- In the food trade, market share increased and profit improvement continued, K-food stores' customer satisfaction increased markedly, competitive advantage projects and capital expenditure generate healthy growth
- The profit of the home and speciality goods trade at record level, thanks to improved productivity and more efficient purchasing
- The positive upturn in the building and home improvement trade was reinforced
- The car and machinery trade on a strong growth path, significant profit improvement
- Solvency and liquidity at excellent levels
- Electronic customer communications and e-commerce launched as the Group's strategic projects
- The number of K-Plussa cards reached 3.6 million (up 131,000)
- The Board's proposal for dividend is 1.30 euros per share
- The Kesko Group's net sales are expected to grow during the next twelve months. Throughout 2010, Kesko's profitability performance has been excellent, except for the building and home improvement trade. During the next twelve months, the store site network will be significantly expanded, regardless of which, the operating profit excluding non-recurring items is expected to remain at the achieved level.

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Net sales by division 1.10.-31.12. (M€)

	2010	2009	Change,%
Food trade	1,022	970	5.3
Home and speciality goods trade	501	500	0.1
Building and home improvement trade	625	525	19.1
Car and machinery trade	203	205	-1.0 [1]
Common operations and eliminations	-42	-47	-11.5
Total	2,310	2,153	7.3

[1] Comparable net sales change:
Car and machinery trade 19.2%

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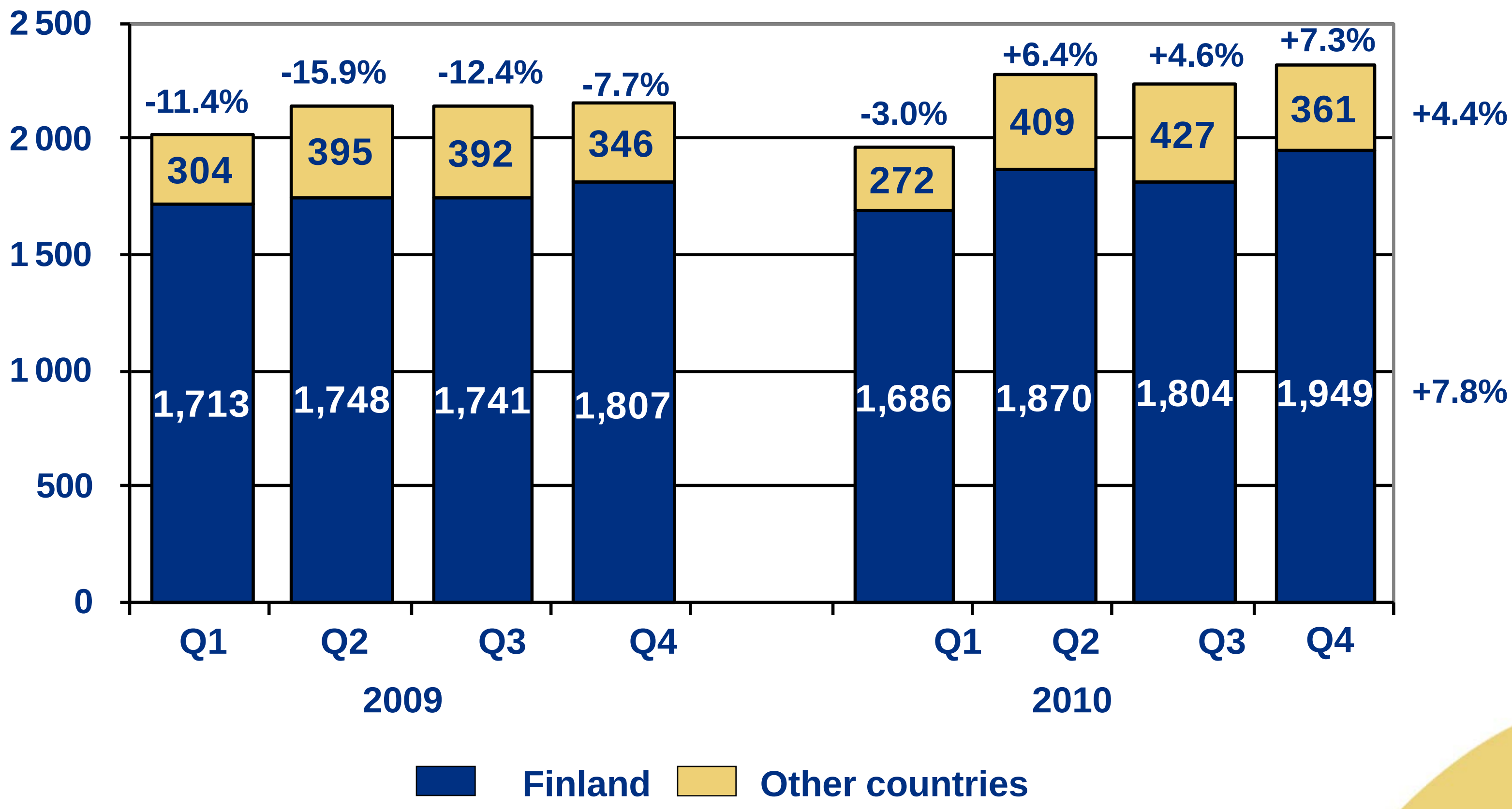
Group's net sales by quarter (M€)



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Net sales by division 1.1.-31.12. (M€)

	2010	2009	Change,%
Food trade	3,896	3,798	2.6
Home and speciality goods trade	1,569	1,558	0.7
Building and home improvement trade	2,519	2,312	9.0
Car and machinery trade	955	947	0.8 [1]
Common operations and eliminations	-162	-168	-3.5
Total	8,777	8,447	3.9

[1] Comparable net sales change:
Car and machinery trade 15.1%

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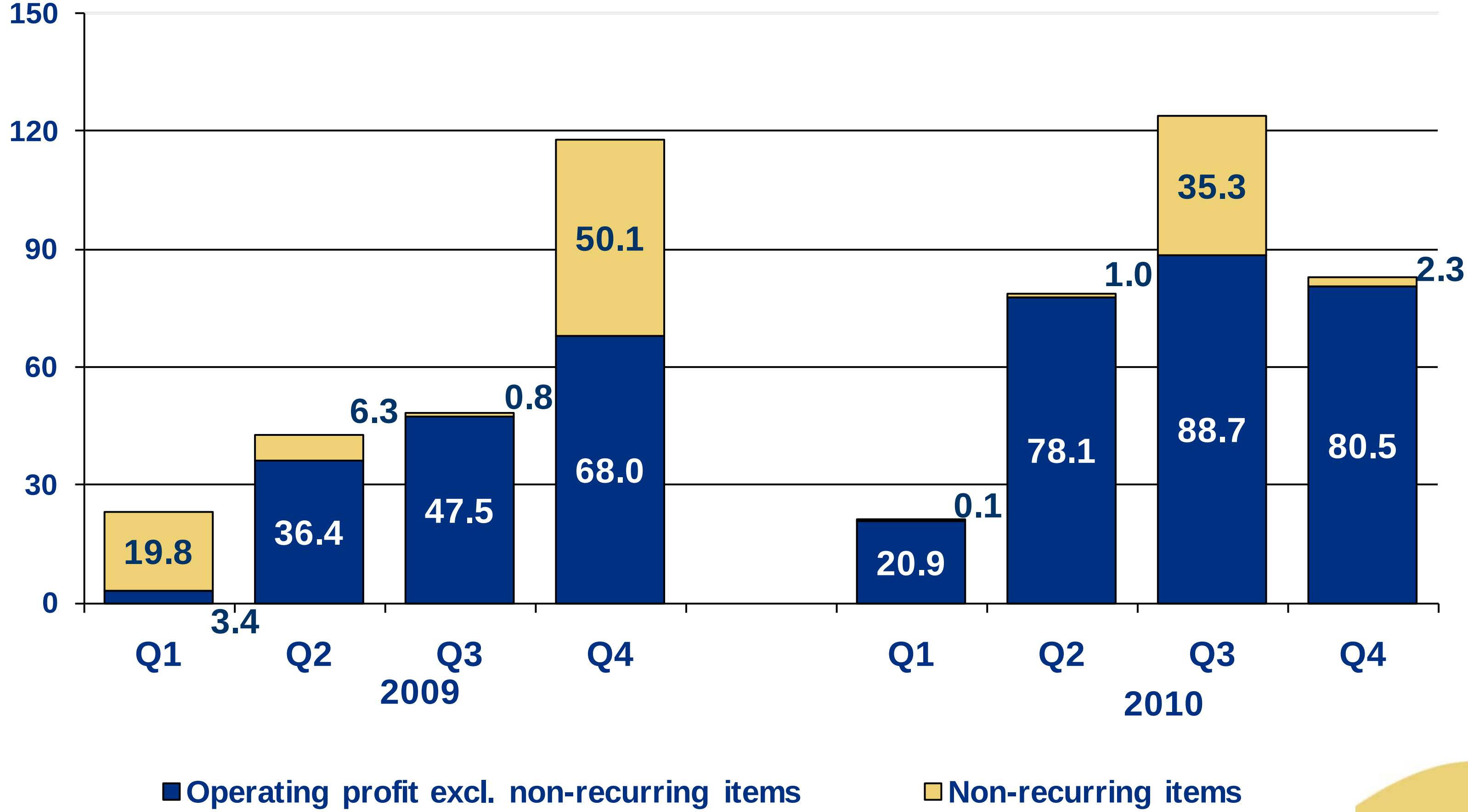
Operating profit excl. non-recurring items by division 1.1.-31.12. (M€)

	2010	2009	Change
Food trade	160.1	133.1	27.0
Home and speciality goods trade	66.0	29.5	36.5
Building and home improvement trade	24.0	11.9	12.1
Car and machinery trade	33.1	0.3	32.7
Common operations and eliminations	-15.0	-19.4	4.4
Total	268.1	155.4	112.8

Operating profit by quarter (M€)



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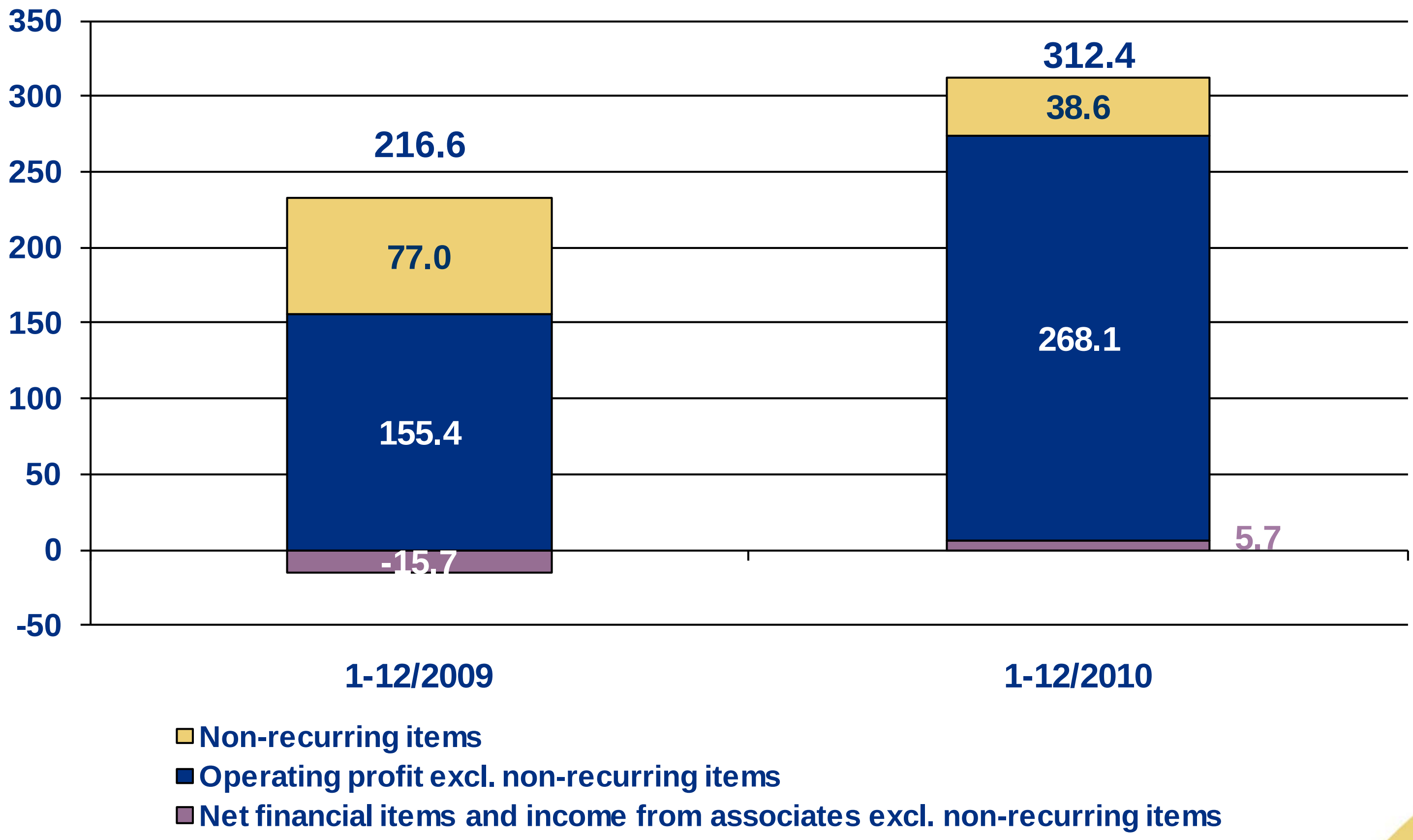
Group's profit before tax 1-12/2010 (M€)



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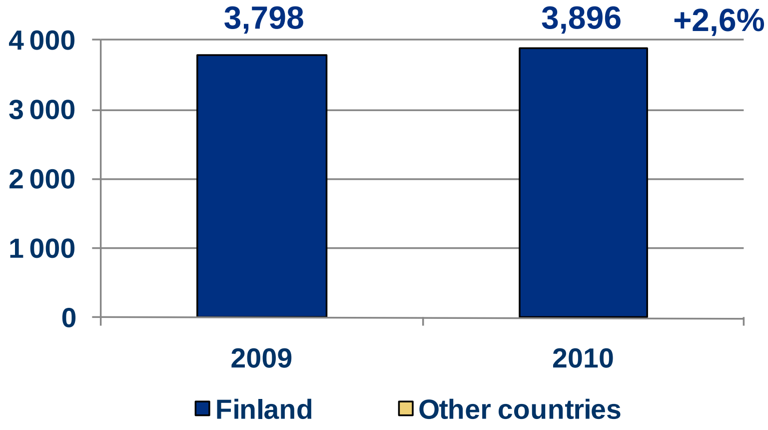
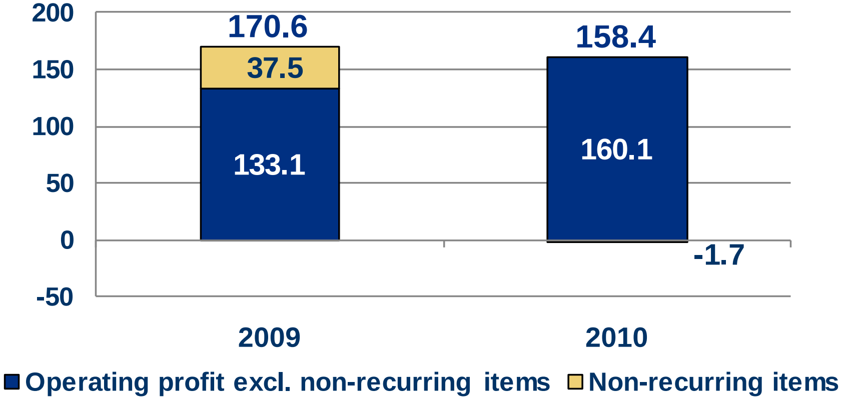
Food trade 1-12/2010

Net sales 1-12, M€



Operating profit 1-12, M€



- The growth rate of K-food stores' grocery sales exceeded that of the market (4.2%, VAT 0%)
- Sales of Pirkka products grew by 11.2% (VAT 0%)
- K-food stores' price competitiveness improved
- More efficient purchasing, logistics, store site and chain operations raised profitability to a record level
- Two new K-citymarkets, seven K-supermarkets and eight K-markets were opened
- Capital expenditure in store site network was €102.4 million (€56.2 million)
- Seven K-citymarkets and nine K-supermarkets are being built

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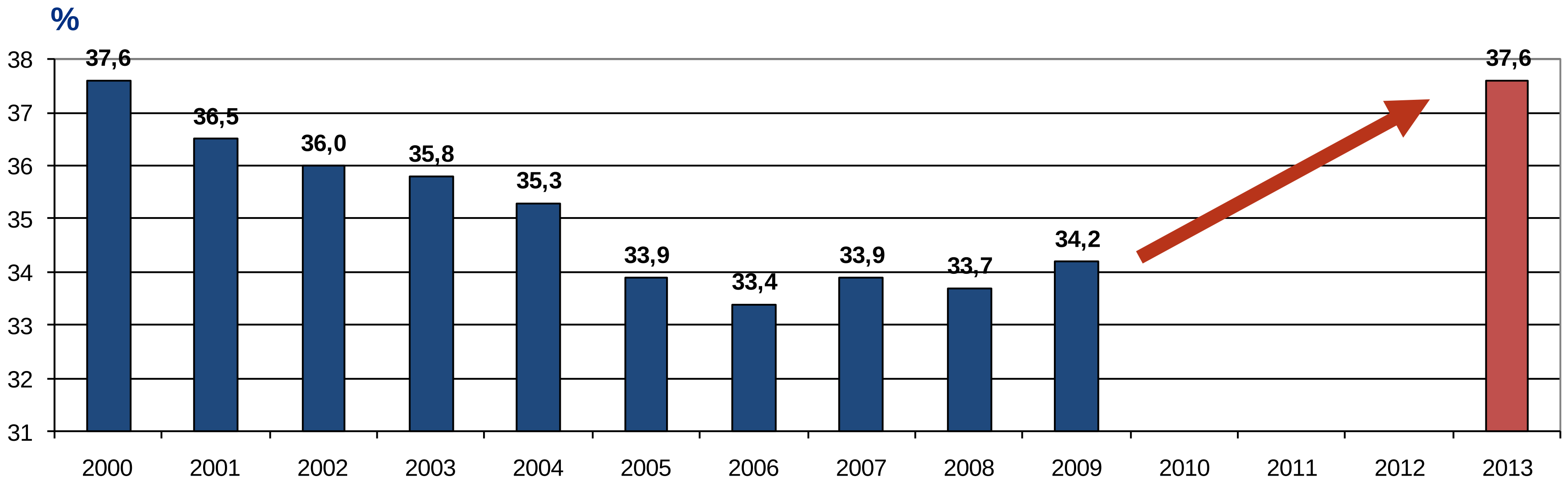
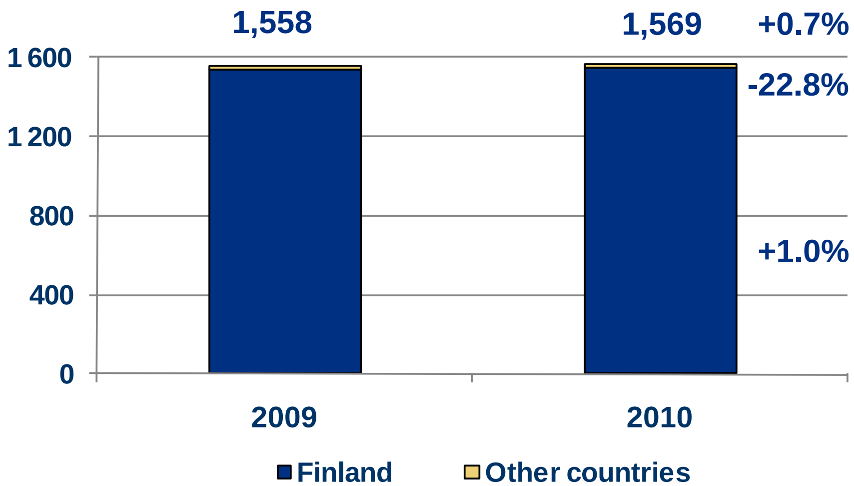
K-food trade's profitable growth exceeding that of the market is accelerating



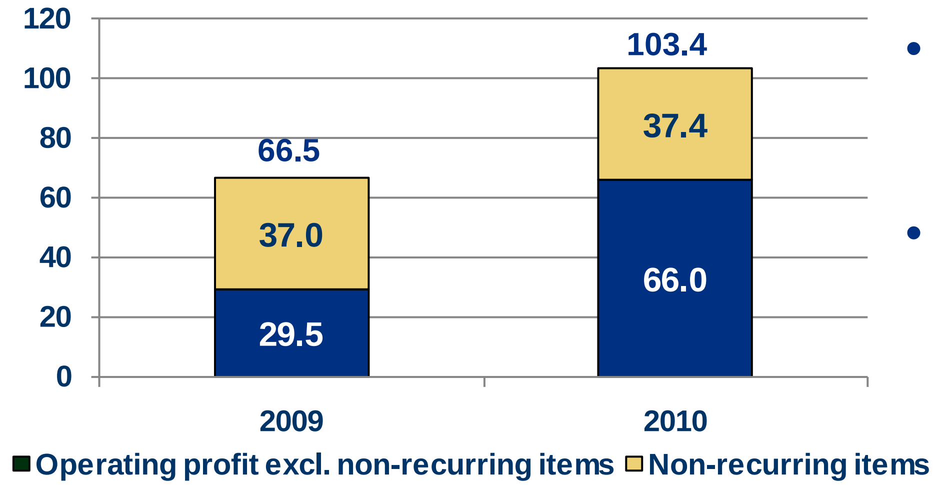
Market share of K-food stores 2000 - 2013

Home and speciality goods trade 1-12/2010

Net sales 1-12, M€



Operating profit 1-12, M€



- Best sales performances were recorded by K-citymarket's home and speciality goods, Intersport and Budget Sport
- Especially K-citymarket, Kodin Ykkönen and Asko took advantage of Sunday opening
- K-citymarket, Asko and Sotka, as well as Anttila and Intersport achieved significant profit improvements
- Capital expenditure of the home and speciality goods trade was €45.3 million (€29.6 million)
- Construction work of Anttila's new logistics centre was completed
  - Will also make e-commerce logistics significantly more efficient

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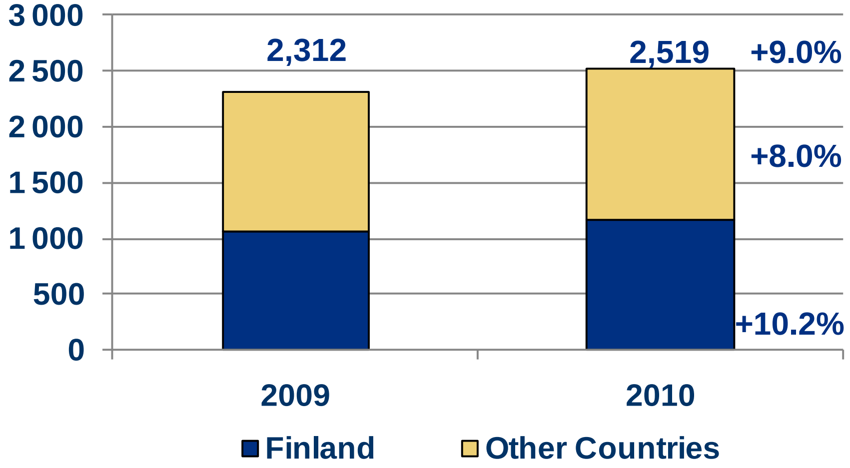
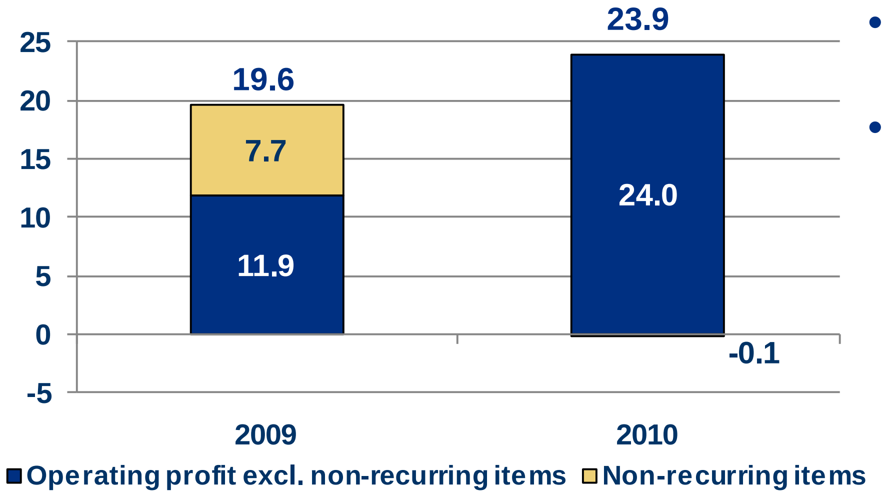
Building and home improvement trade 1-12/2010

Net sales 1-12, M€



Operating profit 1-12, M€



- The building and home improvement trade market has returned to growth in all operating countries
- B2B sales of building materials increased especially in the latter half of the year
- In Finland, sales growth exceeded market growth, profit continued to strengthen
- A new building and home improvement store was opened in Jyväskylä, Stockholm, Tula, Kaluga and Minsk
- Capital expenditure was €78.2 million (€84.7 million)
- A new K-rauta store is being built in Kouvola, Kuopio, Uppsala, Haaparanta, St. Petersburg, and two in Moscow

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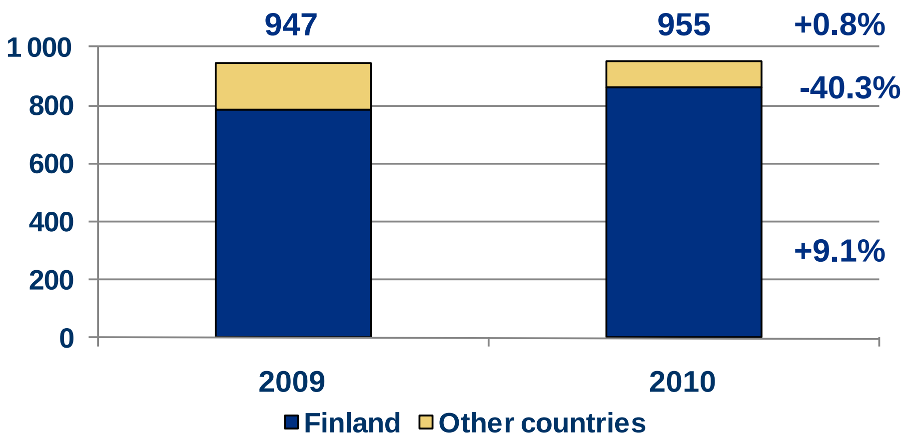
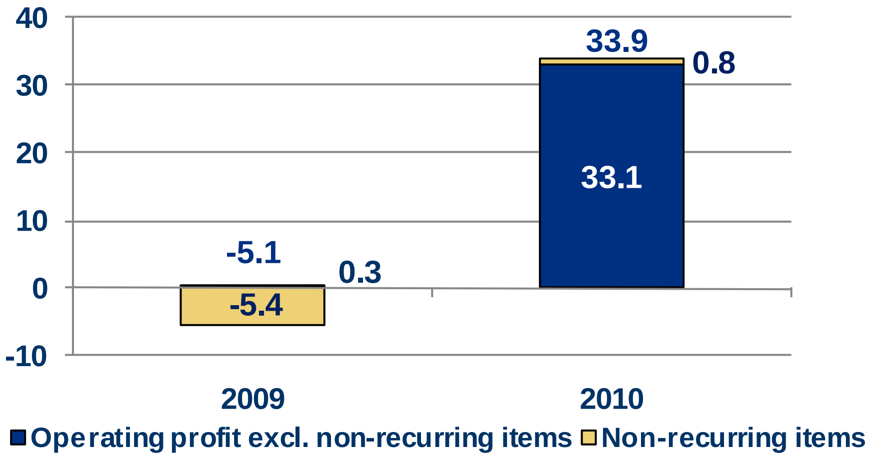
Car and machinery trade 1-12/2010

Net sales 1-12, M€



Operating profit 1-12, M€



- The car and machinery trade's comparable net sales grew by 15.1%
  - VV-Auto's comparable net sales increased by 19.1%
  - VV-Auto's order books at the year end were still higher than in the previous year
  - Konekesko's comparable net sales grew by 6.2%
- The market share of Audi, Volkswagen and Seat rose to 19%
- Operating profit improved due to increased car trade and cost savings in the machinery trade
  - The profit for the comparative period included a €9 million amount of expense provisions on the Baltic agricultural supplies trade
- Capital expenditure of the car and machinery trade was €17.8 million (€13.4 million)
- Audi and Volkswagen Center Airport was opened in Aviapolis, Vantaa

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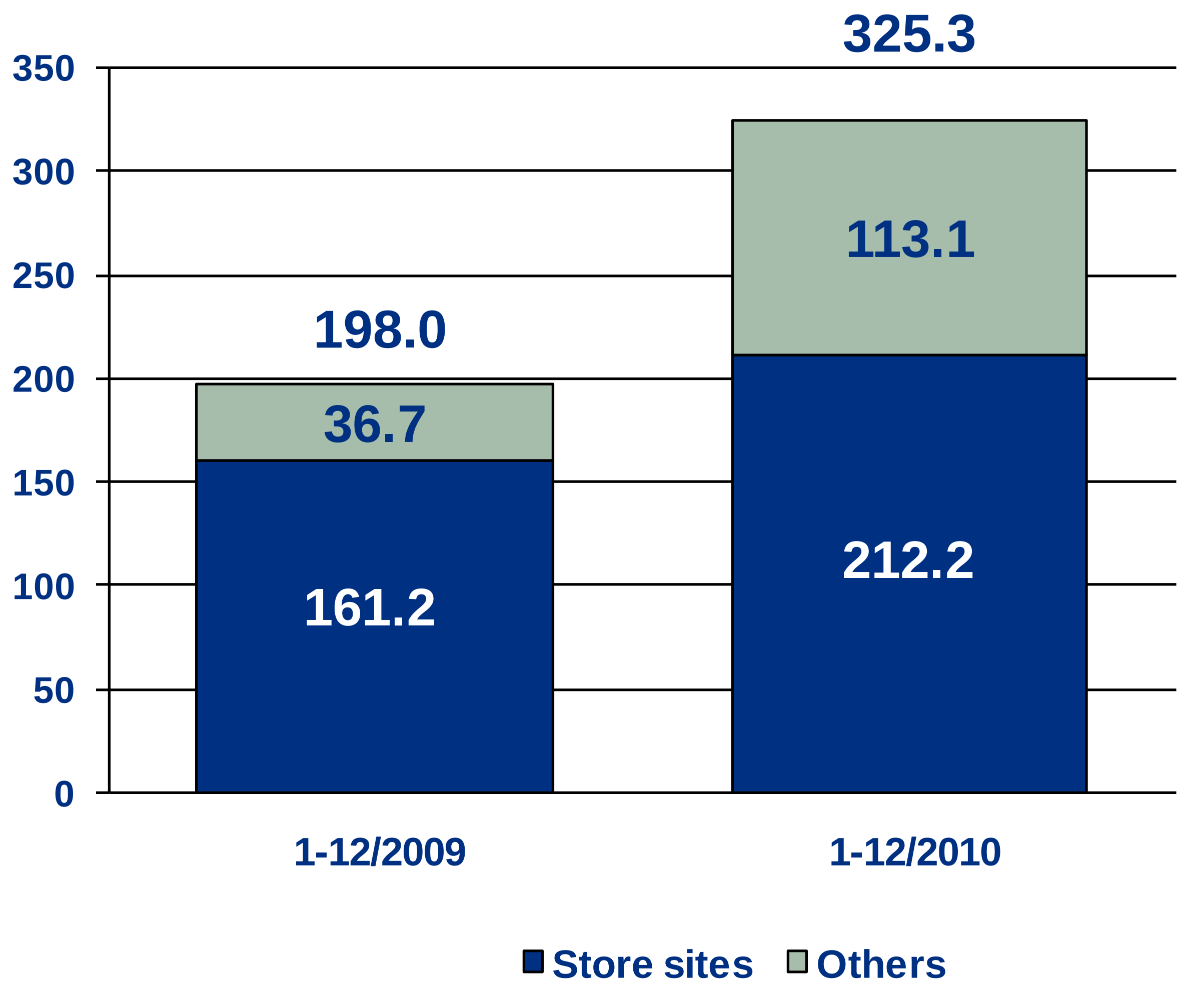
Group’s capital expenditure (M€)



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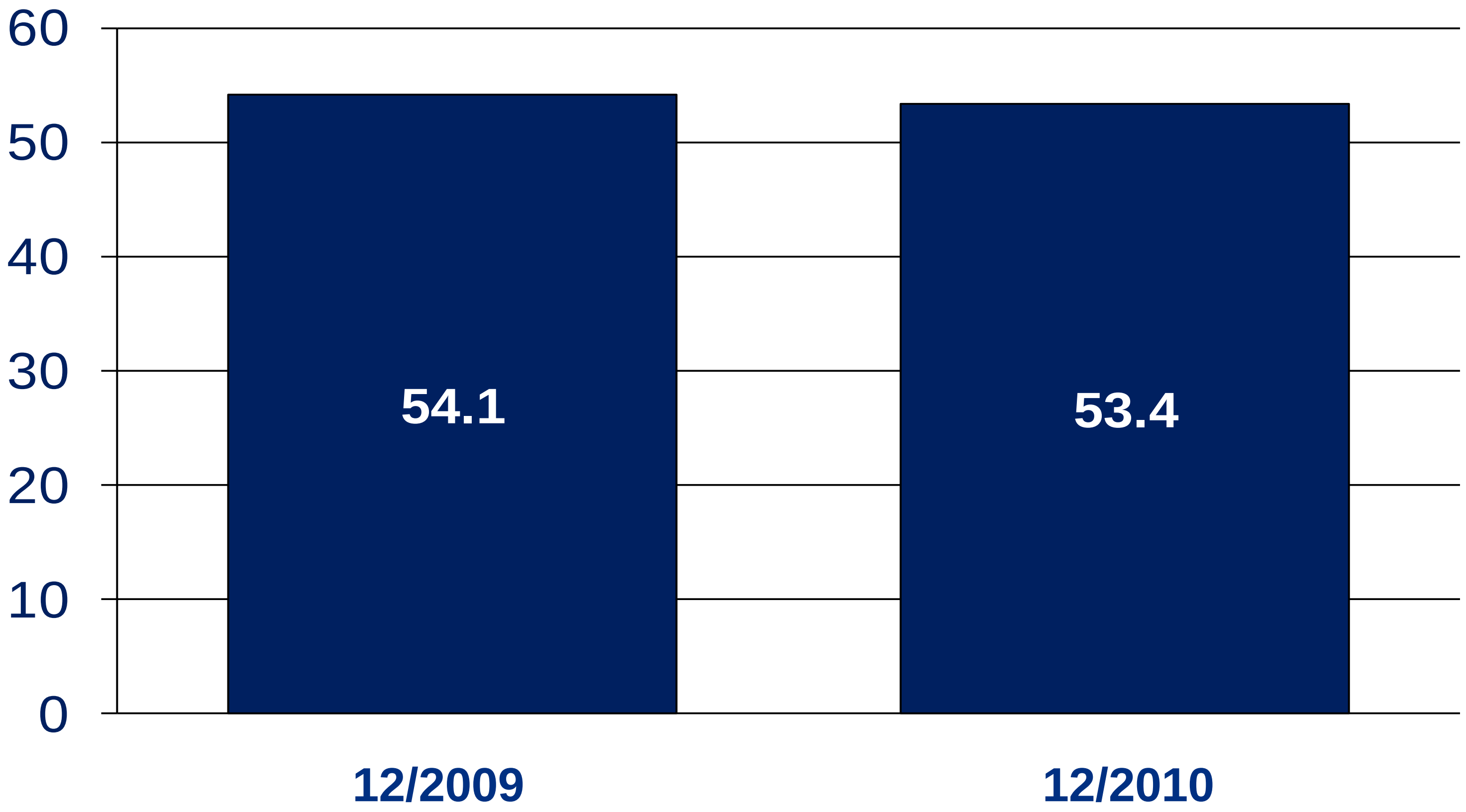
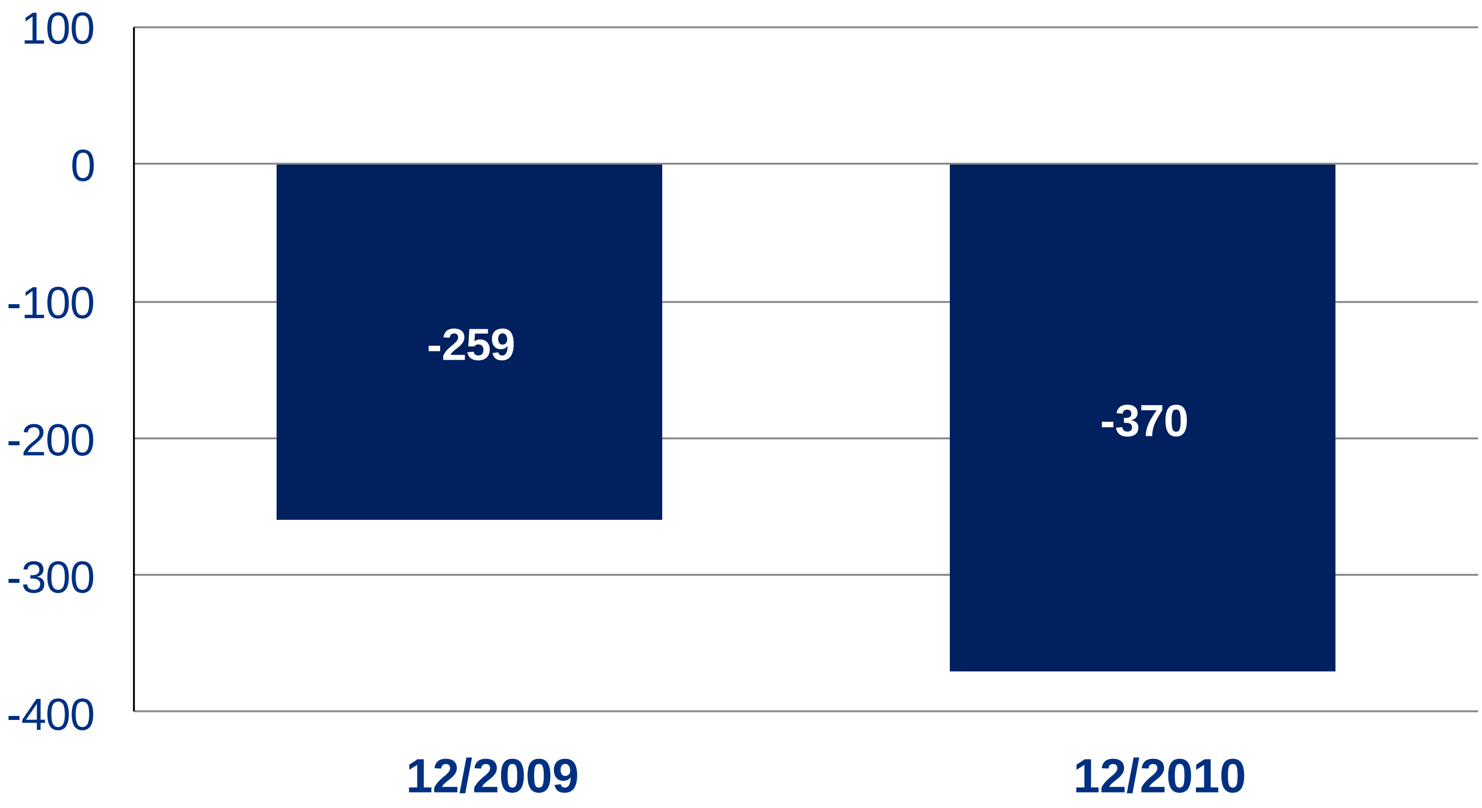
Equity ratio, %



Interest-bearing net debt (M€)



Liquid assets 12/2010 847 M€ (12/2009 715 M€)

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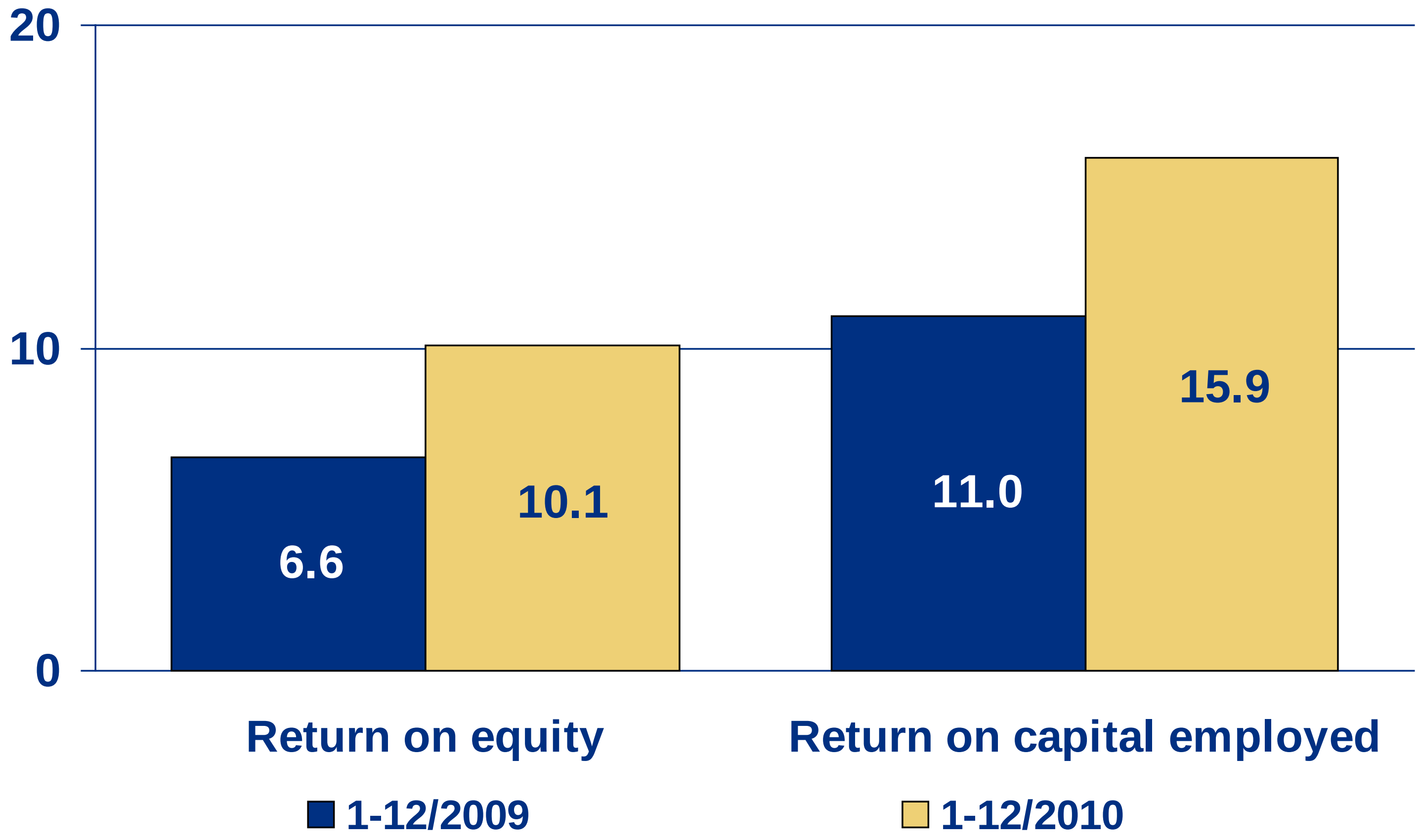
Return on capital, %



Excl. non-recurring items 1-12/2010 8.7%
1-12/2009 3.8%

Ecxl. non-recurring items 1-12/2010 13.9%
1-12/2009 7.3%

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Performance indicators

	1-12/2010	1-12/2009
Net sales, € million	8,777	8,447
Operating profit, € million	306.7	232.3
Operating profit excl. non-recurring items, € million	268.1	155.4
Group's profit before tax, € million	312.4	216.6
Capital expenditure, € million	325.3	198.0
Earnings/share, €, diluted	2.06	1.27
Earnings/share excl. non-recurring items, €, basic	1.78	0.71
Dividend/share, €	**1.30***	**0.90**
Equity/share, €	21.81	20.39
Equity ratio, %	53.4	54.1
Cash flow from operating activities, € million	438.2	378.8
Cash flow from investing activities, € million	-239.6	31.0

*** Proposal to the AGM**

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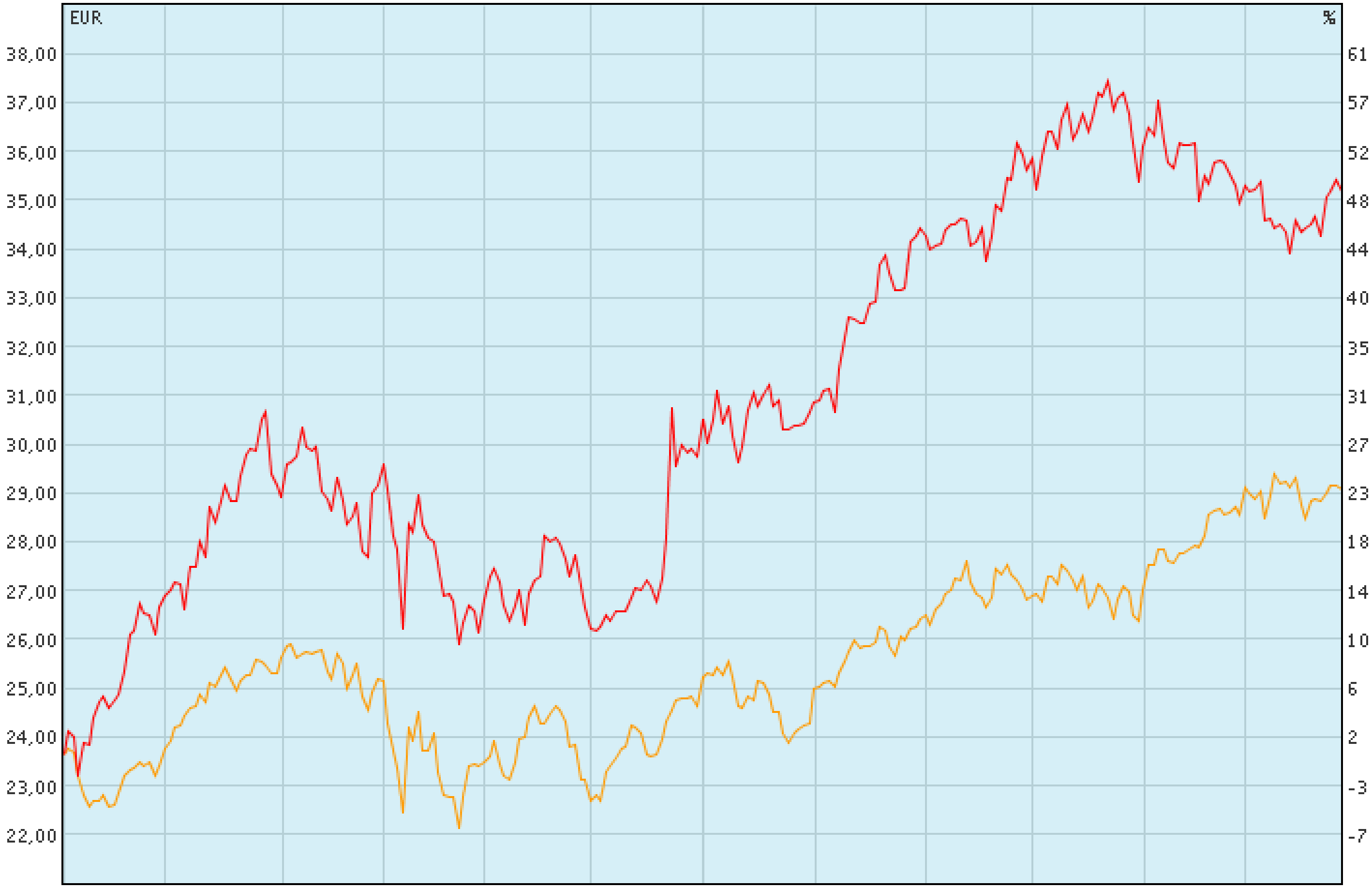
Share price trend 12 mo



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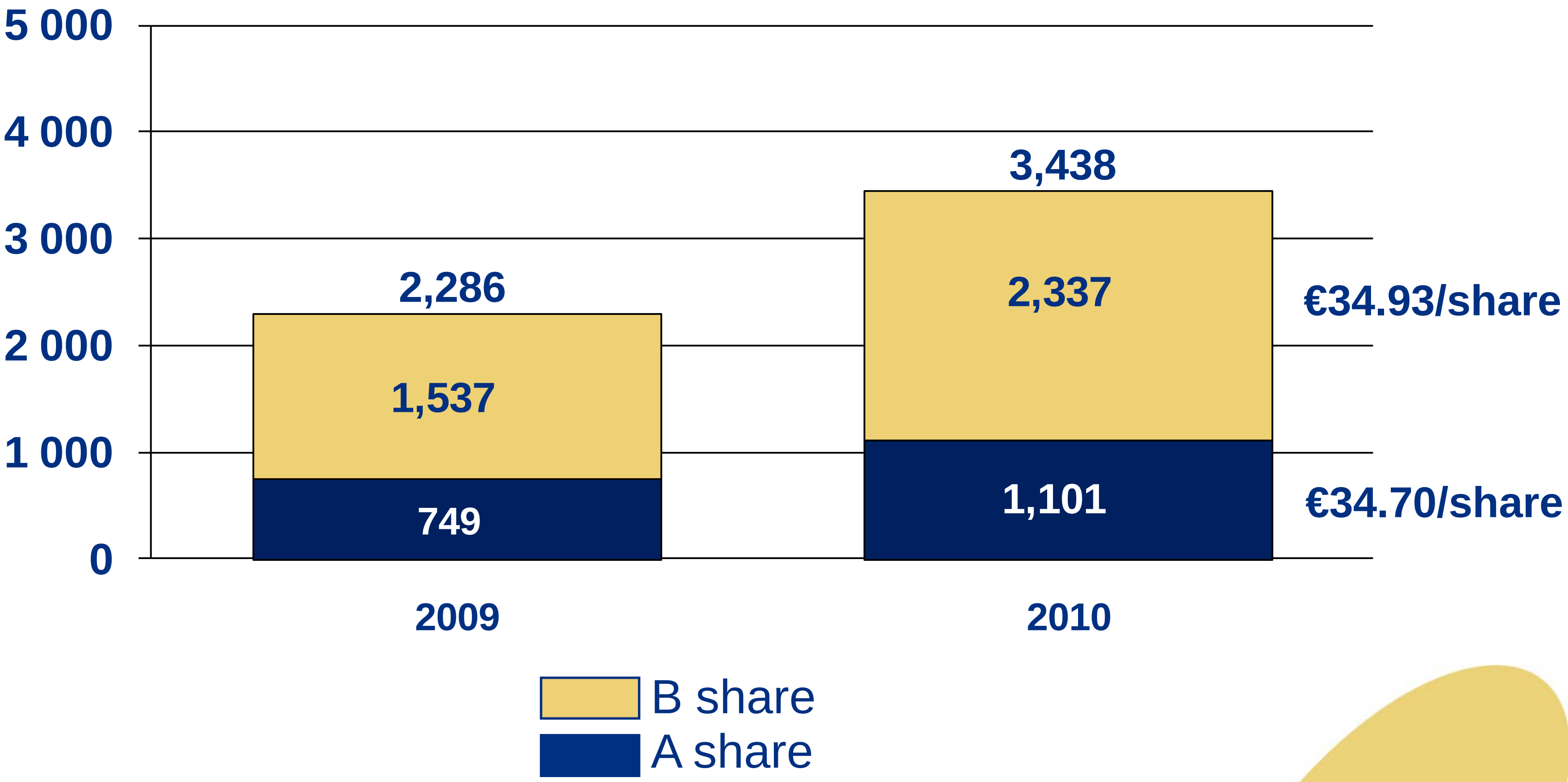
OMX Helsinki CAP

02/2010 **08/10** **2.2.2011**

Market capitalisation
31.12. (M€)



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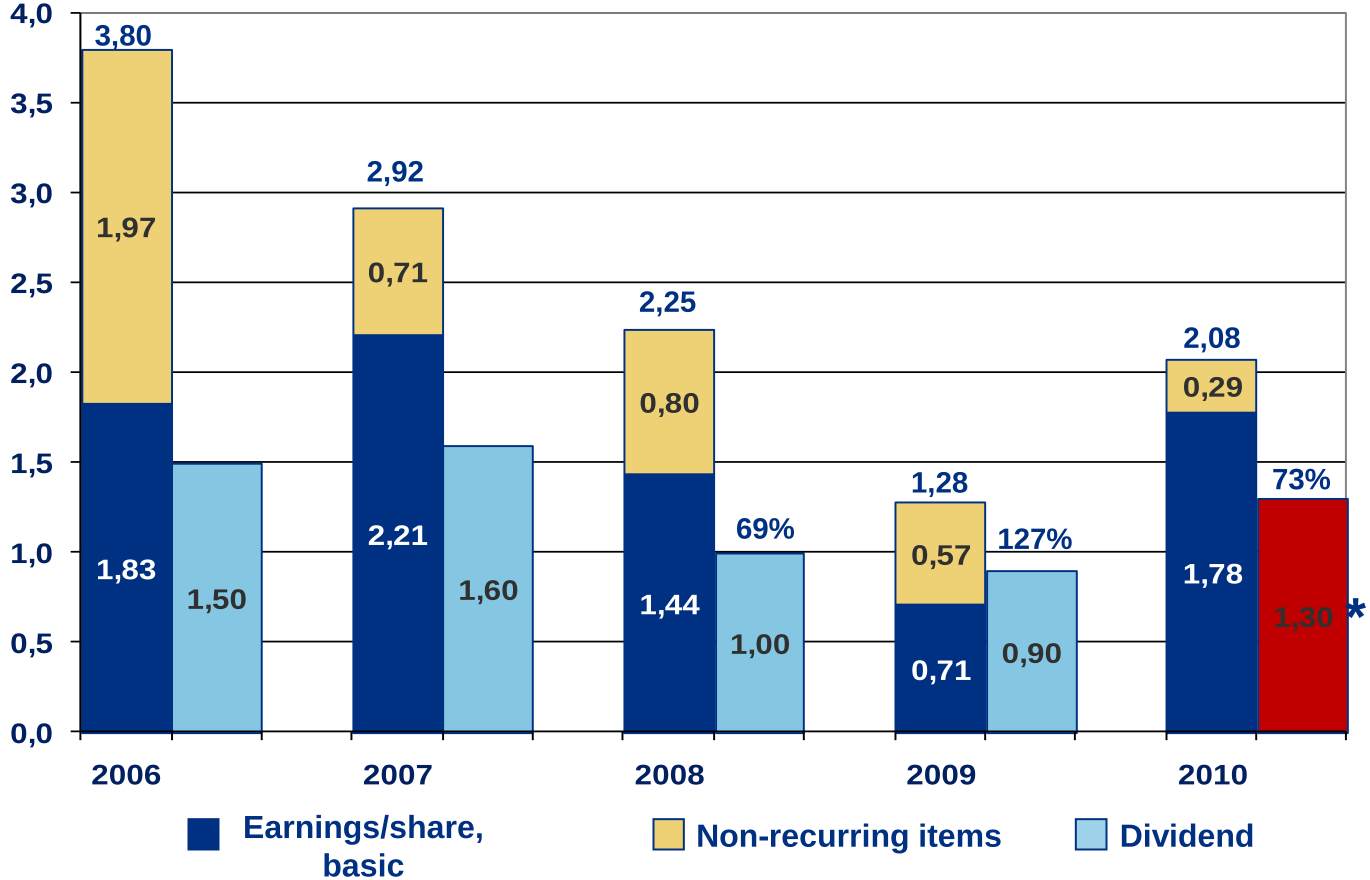
Earnings/share, €, and dividend/share, €

Kesko Corporation distributes at least 50% of its earnings per share excluding non-recurring items as dividends, taking however the company's financial position and operating strategy into account.



* Proposal to the AGM

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Future outlook

Estimates of the future outlook for the Kesko Group's net sales and operating profit excluding non-recurring items are given for the 12 months following the accounting period (1/2011-12/2011) in comparison with the 12 months preceding the accounting period (1/2010-12/2010).

The outlook for trends in consumer demand has remained steady, as a result of high consumer confidence and continuously low interest rate levels. Nevertheless, the trend in economic development continues to involve significant uncertainties relating to the evolution of total production, tightening taxation and possible ramifications of disturbances in the financial market.

The steady development of the grocery trade and the home and speciality goods trade is expected to continue. The building and home improvement market is expected to strengthen as a result of increasing housing construction. In the car and machinery trade, the sales of new cars are expected to grow, and the situation in the machinery market is expected to recover gradually.

The Kesko Group's net sales are expected to grow during the next twelve months.

Throughout 2010, Kesko's profitability performance has been excellent, except for the building and home improvement trade. During the next twelve months, the store site network will be significantly expanded, regardless of which, the operating profit excluding non-recurring items is expected to remain at the achieved level.

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Thank you!