



January–March 2025

KESKO CORPORATION INTERIM REPORT Q1/2025

29.4.2025



KESKO CORPORATION JANUARY-MARCH INTERIM REPORT 29.4.2025 AT 8.00

KESKO INTERIM REPORT 1.1.-31.3.2025: STABLE PERFORMANCE DURING THE SLOWEST QUARTER OF THE YEAR

Financial performance in brief:

1-3/2025

- Group net sales in January-March totalled €2,827.7 million (€2,759.5 million); reported net sales grew by 2.5% while comparable net sales grew by 1.1%
- Comparable operating profit totalled €95.6 million (€99.5 million)
- Operating profit totalled €89.4 million (€97.2 million)
- Cash flow from operating activities totalled €-24.5 million (€112.6 million)
- Comparable earnings per share €0.13 (€0.16); reported earnings per share €0.12 (€0.15)

Key performance indicators

	1-3/2025	1-3/2024	1-12/2024
Net sales, € million	2,827.7	2,759.5	11,920.1
Operating profit, comparable, € million	95.6	99.5	650.1
Operating margin, comparable, %	3.4	3.6	5.5
Operating profit, € million	89.4	97.2	579.5
Profit before tax, comparable, € million	65.1	77.1	543.0
Profit before tax, € million	60.1	74.9	471.5
Cash flow from operating activities, € million	-24.5	112.6	1,008.2
Capital expenditure, € million	138.0	329.0	675.9
Earnings per share, €, basic and diluted	0.12	0.15	0.95
Earnings per share, comparable, €, basic	0.13	0.16	1.11

	1-3/2025	1-3/2024	1-12/2024
Return on capital employed, comparable, %, rolling 12 months	11.0	12.5	11.3
Return on equity, comparable, %, rolling 12 months	17.8	20.5	16.1

In this interim report, the comparable change % in net sales has been calculated in local currencies and excluding the impact of acquisitions and divestments completed in 2025 and 2024. The comparable operating profit has been calculated by deducting items affecting comparability from the reported operating profit.

Outlook and profit guidance for 2025

Kesko Group's profit guidance is given for the year 2025, in comparison with the year 2024.

Kesko's operating environment is estimated to improve in 2025, but to still remain somewhat challenging. Kesko's comparable operating profit is estimated to improve in 2025. Kesko estimates that its comparable operating profit in 2025 will amount to €640-740 million. The profit guidance is based on an estimate of a gradually improving economic cycle in all Kesko operating countries. Key uncertainties impacting Kesko's outlook are developments in consumer confidence, investment appetites, as well as geopolitical crises and tensions.

In grocery trade, B2C trade and the foodservice market are estimated to remain stable. In 2025, the comparable operating margin for the grocery trade division is estimated to stay clearly above 6% despite the investments in price and the store site network in accordance with Kesko's strategy for 2024-2026.

In building and technical trade, the cycle is expected to improve in 2025 from the historically low levels. Profitability in the building and technical trade division is estimated to improve on 2024.

In car trade, the market for new cars is expected to stay at a low level. Demand for used cars and services is estimated to remain good. Profitability for the car trade division is estimated to remain at a good level in 2025 despite weak demand for new cars.

President and CEO Jorma Rauhala:

Kesko's sales and profit were at a good level in the first quarter of 2025 considering the fact that it is typically the slowest quarter for the company, and our operating environment continued to be challenging. Our net sales for the quarter totalled €2,827.7 million, up by 2.5% on the previous year, or by 1.1% in comparable terms. Kesko's comparable operating profit totalled €95.6 million. At the end of January, we completed the acquisition of the Danish Roslev Trælasthan, and the company's figures have been consolidated into Kesko's reporting as of 1 February 2025. At the end of March, the Danish competition authorities also approved the acquisition of CF Petersen & Søn with no conditions, and that acquisition is expected to be completed on 30 April 2025. The third acquisition – Tømmergaarden – is estimated to be completed during the first half of 2025. The three acquisitions will significantly strengthen Kesko's position in the Danish building and home improvement trade market.

In the grocery trade division, net sales totalled €1,486.5 million and comparable operating profit €72.8 million. Net sales and profit decreased year-on-year partly due to the timing of Easter, which fell on April this year, while in 2024 its impact was seen in March. At the start of January 2025, we responded to consumer demand by launching an extensive price programme, which has strengthened our customer flows. Results from the price programme have been promising, but as expected, the programme did have a negative impact on profit. K Group grocery sales decreased by 1.4%. Online grocery sales grew by 5.6%. Sales in the foodservice business decreased by 0.5%, still outperforming the market. Price inflation for groceries stood at 1.8%. Our objective in grocery trade is to strengthen our market position by investing in quality, price, and our store network while maintaining a good level of profitability.

In the building and technical trade division, net sales increased and totalled €1,033.1 million, with a comparable operating profit of €11.7 million. Net sales and profit were underpinned by a pick-up in building and home improvement trade and acquisitions in Denmark. The construction cycle is turning, and sales have picked up especially in the B2B segment in building and home improvement trade. In Finland, sales in building and home improvement trade have grown especially in heavy building materials such as timber. Sales typically tend to pick up in other product categories, such as interior decoration, a little later. Technical trade is post-cyclical, and typically grows stronger some 6 months after a turnaround in building and home improvement trade B2B sales. In Denmark and Norway, building and home

improvement trade sales grew markedly, and technical trade sales in Norway were also up. Sales development in Sweden and Poland was muted.

In the car trade division, both net sales and profit increased in the first quarter, thanks in particular to good new car sales. Sales also grew in used cars and services. Net sales for the division totalled €313.9 million, and comparable operating profit €17.9 million. The balanced and comprehensive product and service portfolio underpins the division's good performance through varying market conditions.

We repeat the profit guidance issued in February, and expect Kesko's comparable operating profit to improve and be in the range of €640–740 million in 2025.

Financial performance

Net sales and profit in January-March 2025

1-3/2025	Net sales, € million	Change, %	Change, comparable, %	Operating profit, comparable, € million	Change, € million
Grocery trade	1,486.5	-1.9	-2.0	72.8	-9.7
Building and home improvement trade	522.7	+14.7	+7.3	-1.3	+7.0
Technical trade	527.0	+0.9	+0.9	13.2	-2.3
Kesko Senukai	-	-	-	0.0	+0.4
Building and technical trade, total	1,033.1	+7.2	+3.6	11.7	+4.9
Car trade	313.9	+9.7	+8.5	17.9	+1.5
Common functions and eliminations	-5.8	+6.3	-	-6.9	-0.6
Total	2,827.7	+2.5	+1.1	95.6	-3.9

Group net sales increased by 2.5% in January-March. In comparable terms, net sales increased by 1.1%. Net sales increased in comparable terms by 0.3% in Finland, while in the other operating countries, net sales increased by 4.7%. The comparable change % has been calculated in local currencies and excluding the impact of acquisitions and divestments completed.

Net sales for the grocery trade division decreased by 1.9%. Sales to K Group grocery store chains decreased by 1.8%. Net sales for Kespro's foodservice business decreased by 0.5% in January-March. The decrease in net sales was partly due to the timing of Easter, which fell on April this year and on March in 2024.

Net sales for the building and technical trade division increased by 7.2% in January-March, while in comparable terms, division net sales increased by 3.6%. In building and home improvement trade, stronger demand, completed acquisitions, and the timing of Easter – which fell on March in the comparison quarter – all had a positive impact on net sales growth. Net sales for technical trade increased by 0.9%, while in comparable terms net sales increased by 0.9%. In building and home improvement trade, net sales increased by 14.7%, while in comparable terms, net sales increased by 7.3%. The Danish builders' merchant Roslev Trælasthandel A/S has been consolidated into the division figures as of 1 February 2025.

Net sales for the car trade division increased by 9.7% in January-March. In comparable terms, net sales increased by 8.5%. Net sales increased in all car trade businesses, and net sales also increased in sports trade.

The Group's comparable operating profit in January-March totalled €95.6 million (€99.5 million), down by €3.9 million. The grocery trade division's comparable operating profit decreased by €9.7 million. The change was impacted by the implementation of the price programme in K Group grocery stores, investments in the store site network, and Easter falling on April this year versus March in 2024. The comparable operating profit for the building and technical

trade division totalled €11.7 million (€6.8 million) in January-March, and increased by €4.9 million. The comparable operating profit increased especially due to growth in net sales in building and home improvement trade and acquisitions completed in Denmark. Profitability in building and home improvement trade was burdened by a €-0.8 million (€-2.7 million) expense related to acquisitions, recorded in the allocation of fair value. Kesko Senukai did not report its financials as scheduled, and therefore the share of result from Kesko Senukai in January-March was €0.0 million (€-0.4 million). The comparable operating profit for the car trade division increased by €1.5 million. The comparable operating profit for the car trade businesses increased by €1.2 million due to growth in net sales. In sports trade, comparable operating profit increased by €0.3 million on the comparison period.

Items affecting comparability, € million	1-3/2025	1-3/2024	1-12/2024
Operating profit, comparable	95.6	99.5	650.1
Items affecting comparability			
+gains on disposal	+0.2	+0.0	+11.4
-losses on disposal	-1.6	-	-1.6
-Impairment charges	-1.1	-	-40.0
+/- structural arrangements	-3.7	-2.3	-40.4
Items affecting comparability, total	-6.2	-2.3	-70.6
Operating profit	89.4	97.2	579.5

The most significant items affecting comparability were related to structural arrangements and acquisitions. In the comparison period, the most significant items affecting comparability were related to the reorganisation of the K-Rauta chain in Sweden, in which the Swedish building and home improvement trade operations were concentrated under the K-Bygg chain, and to acquisitions.

K Group's (Kesko and the chain stores) retail and B2B sales (0% VAT) in January-March totalled €3,385.1 million, and were flat year-on-year.

Net finance costs, income tax and earnings per share

	1-3/2025	1-3/2024	1-12/2024
Net finance costs, € million	-30.8	-24.7	-111.7
Interests on lease liabilities, € million	-22.0	-19.8	-78.6
Profit before tax, comparable, € million	65.1	77.1	543.0
Profit before tax, € million	60.1	74.9	471.5
Income tax, € million	-11.8	-14.7	-92.0
Earnings per share, comparable, €	0.13	0.16	1.11
Earnings per share, €	0.12	0.15	0.95
Equity per share, €	6.14	5.99	6.84

The increase in Group net finance costs in January-March was impacted by an increase in interest-bearing debt and interest expenses for lease liabilities. The share of result of associates totalled €1.5 million (€2.3 million). The comparable share of result of associates totalled €0.2 million (€2.3 million).

The Group's effective tax rate was 19.6% (19.6%).

The Group's earnings per share and comparable earnings per share decreased compared to the year before.

Cash flow and financial position

€ million	1-3/2025	1-3/2024	1-12/2024
Cash flow from operating activities	-24.5	112.6	1,008.2
Cash flow from investing activities	-108.1	-285.9	-597.5
Cash flow from financing activities	-193.1	106.7	-149.8

€ million	31.3.2025	31.3.2024	31.12.2024
Liquid assets	147.5	145.1	488.1
Interest-bearing liabilities	3,561.0	3,050.4	3,396.3
Lease liabilities	2,196.8	2,023.6	2,051.0
Interest-bearing net debt excl. lease liabilities	1,216.7	881.7	857.2
Interest-bearing net debt/EBITDA, excl. IFRS 16 impact, rolling 12 months	1.6	1.1	1.1
Gearing, %	138.7	121.3	106.3
Equity ratio, %	28.6	29.7	32.5

The Group's cash flow from operating activities in January-March totalled €-24.5 million (€112.6 million). Cash flow from operating activities was impacted by a seasonal increase in working capital in all three divisions. Inventories in building and technical trade increased as the division prepared for its upcoming high season, while inventories in car trade increased due to a temporarily higher than usual number of new cars waiting for delivery.

The Group's cash flow from investing activities in January-March totalled €-108.1 million (€-285.9 million).

The Group's net debt excluding lease liabilities was impacted by the negative cash flow from operating activities, a completed acquisition, and the investments made in the store site network for grocery trade and Onninen's logistics centre in Finland.

Capital expenditure

€ million	1-3/2025	1-3/2024	1-12/2024
Capital expenditure	138.0	329.0	675.9
Store sites	66.2	111.3	289.2
Acquisitions	34.8	170.0	172.9
IT	3.1	3.6	18.0
Other investments	33.9	44.2	195.8

Capital expenditure in store sites in January-March decreased by €45.1 million year-on-year. Capital expenditure in the comparison period included the acquisition of store sites in Espoo and Salo, where Kesko's grocery trade had long been the primary tenant.

Other capital expenditure in January-March included an investment of €10.1 million (€17.5 million) in the construction of Onninen and K-Auto's shared logistics centre in Hyvinkää, Finland. The construction project is to be completed in 2025. Capital expenditure also included the acquisition of the Danish builders' merchant Roslev Trælasthandel A/S, completed on 31 January 2025. Capital expenditure in the comparison period included the acquisition of Davidsen Koncernen A/S, completed on 31 January 2024.

Personnel

	1-3/2025	1-3/2024	1-12/2024
Average number of personnel converted into full-time employees	15,009	14,849	15,347
Personnel at the end of the reporting period	31.3.2025	31.3.2024	31.12.2024
Finland	12,393	12,179	12,556
Other operating countries	5,742	6,068	5,754
Total	18,135	18,247	18,309

Segments

Seasonal nature of operations

The Group's operating activities are affected by seasonal fluctuations. The net sales and operating profits of the reportable segments are not earned evenly throughout the year. Instead, they vary by quarter depending on the characteristics of each segment. In terms of the level of operating profit, the second and third quarter are the strongest, whereas the impact of the first quarter on the full-year profit is the smallest.

Grocery trade

January-March 2025

	1-3/2025	1-3/2024	1-12/2024
Net sales, € million	1,486.5	1,515.1	6,381.4
Operating profit, comparable, € million	72.8	82.5	438.0
Operating margin, comparable, %	4.9	5.4	6.9
Return on capital employed, comparable, %, rolling 12 months	15.3	17.0	16.0
Capital expenditure, € million	58.8	112.1	276.0
Average number of personnel converted into full-time employees	6,085	6,048	6,346

Net sales, € million	1-3/2025	1-3/2024	Change, %	Change, comparable, %	1-12/2024
Sales to K Group grocery stores	1,060.8	1,080.4	-1.8	-1.8	4,529.3
K-Citymarket, non-food	131.1	132.8	-1.3	-1.3	602.6
Kespro	277.4	278.9	-0.5	-0.5	1,169.6
Others	17.2	23.0	-25.3	-27.8	79.8
Total	1,486.5	1,515.1	-1.9	-2.0	6,381.4

Net sales for the grocery trade division in January-March totalled €1,486.5 million (€1,515.1 million), a decrease of 1.9%. The decrease in net sales was partly due to the timing of Easter, which fell on April this year and on March in 2024. Sales to K Group grocery store chains decreased by 1.8%. Net sales for Kespro's foodservice business decreased by 0.5% in January-March.

The total grocery retail market in Finland (incl. VAT) is estimated to have stayed flat year-on-year in January-March (Finnish Grocery Trade Association PTY). Retail prices are estimated to have risen by some 1.8% (incl. VAT, Statistics Finland). K Group's grocery sales decreased by 1.4% (incl. VAT). Online grocery sales grew by 5.6%, and accounted for approximately 4.4% of K Group's grocery sales (incl. VAT). All K Group grocery store chains offer online grocery services. The number of K Group stores offering online grocery services was 779 at the end of the reporting period, down by 16 from the previous year. The total market for the foodservice business is estimated to have decreased by 0.6% in January-March (PTY). Kespro's market share is estimated to have continued to grow.

The comparable operating profit for the grocery trade division in January-March totalled €72.8 million (€82.5 million), down by €9.7 million. The change in comparable operating profit was impacted by the implementation of the price programme in K Group grocery stores, investments in the store site network, and Easter falling on April this year

versus March in 2024. The comparable operating profit for Kespro totalled €15.1 million (€16.5 million). Operating profit for the grocery trade division totalled €69.5 million (€84.9 million). Items affecting comparability totalled €-3.3 million (€+2.4 million).

Capital expenditure for the grocery trade division in January-March totalled €58.8 million (€112.1 million). Capital expenditure in store sites totalled €56.0 million (€105.1 million) – the comparison period figure included the acquisition of store properties in Espoo and Salo in Finland.

Building and technical trade

January-March 2025

	1-3/2025	1-3/2024	1-12/2024
Net sales, € million	1,033.1	963.6	4,351.6
Building and home improvement trade	522.7	455.6	2,160.7
Technical trade	527.0	522.5	2,255.0
Operating profit, comparable, € million	11.7	6.8	169.1
Building and home improvement trade	-1.3	-8.3	57.9
Technical trade	13.2	15.5	90.5
Kesko Senukai	0.0	-0.4	20.9
Operating margin, comparable, %	1.1	0.7	3.9
Building and home improvement trade	-0.2	-1.8	2.7
Technical trade	2.5	3.0	4.0

	1-3/2025	1-3/2024	1-12/2024
Return on capital employed, comparable, %, rolling 12 months	7.8	9.6	7.8
Capital expenditure, € million	57.7	197.4	293.7
Average number of personnel converted into full-time employees	6,438	6,418	6,538

Net sales, € million	1-3/2025	1-3/2024	Change, %	Change, comparable, %	1-12/2024
Building and home improvement trade, Finland	226.9	207.2	+9.5	+9.5	888.4
K-Rauta, Sweden	0.2	24.7	-	-	101.6
K-Bygg, Sweden	66.6	57.0	+16.8	-7.8	277.0
Bygghälsan, Norway	115.8	108.2	+7.1	+9.3	517.9
Davidsen, Denmark	113.2	59.6	+89.9	+13.9	379.8
Building and home improvement	522.7	455.6	+14.7	+7.3	2,160.7
Technical trade, Finland	253.0	260.9	-3.0	-3.0	1,132.1
Technical trade, Sweden	33.1	28.0	+18.2	+17.7	130.6
Technical trade, Norway	127.8	123.3	+3.7	+5.8	501.7
Technical trade, Baltics	29.6	28.0	+5.6	+5.6	127.4
Technical trade, Poland	84.4	83.4	+1.1	-2.0	368.1
Technical trade, total	527.0	522.5	+0.9	+0.9	2,255.0
Total	1,033.1	963.6	+7.2	+3.6	4,351.6

The reorganisation of the K-Rauta chain in Sweden was completed in December 2024. In October-November 2024, a total of 8 K-Rauta stores were transferred under the K-Bygg chain. The comparable change in K-Bygg net sales has been calculated in local currencies by adding the net sales of the transferred K-Rauta stores to the comparison period figures at dates corresponding to the change in store chains.

Net sales for the building and technical trade division increased by 7.2% in January-March. In comparable terms, net sales increased by 3.6%. In building and home improvement trade, increase in demand, the acquisitions completed, and Easter falling on March in the comparison year all had a positive impact on net sales growth. Net sales for technical trade increased by 0.9%, while in comparable terms, net sales increased by 0.9%. In technical trade, net sales increased in Sweden, Norway and the Baltic countries. In building and home improvement trade, net sales increased by 14.7%, while in comparable terms, net sales increased by 7.3%. In building and home improvement trade, net sales

increased in comparable terms in Finland, Norway and Denmark, and decreased in Sweden. The Danish building and home improvement trade operator Roslev Trælasthandel A/S has been consolidated into the division's figures as of 1 February 2025. Net sales development in euro terms was increased by the strengthening of the Polish zloty and Swedish krona, and was decreased by the weakening of the Norwegian krone against the euro.

In Finland, net sales for the building and technical trade division in January-March totalled €467.5 million (€455.9 million), representing an increase of 2.5%. Net sales from international operations totalled €565.6 million (€507.7 million) in January-March, up by 11.4% thanks to the acquisitions completed. In comparable terms, net sales from international operations increased by 4.7%.

The comparable operating profit for the building and technical trade division in January-March totalled €11.7 million (€6.8 million), up by €4.9 million. The comparable operating profit increased especially due to growth in net sales in building and home improvement trade and acquisitions completed in Denmark. Profitability in building and home improvement trade was burdened by a €-0.8 million (€-2.7 million) expense related to acquisitions, recorded in the allocation of fair value. Onninen's comparable operating profit in Finland totalled €9.3 million (€10.4 million). Kesko Senukai did not report its financials as scheduled, and therefore the share of result from Kesko Senukai in January-March was €0.0 million (€-0.4 million).

Operating profit for the building and technical trade division totalled €10.4 million (€2.3 million). Items affecting comparability totalled €-1.3 million (€-4.6 million). The most significant items affecting comparability were related to structural arrangements and acquisitions. In the comparison period, the most significant items affecting comparability were related to the reorganisation of the K-Rauta chain in Sweden, in which the Swedish building and home improvement trade operations were concentrated under the K-Bygg chain, and to acquisitions.

Capital expenditure for the building and technical trade division in January-March totalled €57.7 million (€197.4 million). Capital expenditure included an investment of €10.1 million in the construction of Onninen and K-Auto's shared logistics centre in Hyvinkää, Finland. Construction of the centre is to be completed in 2025. Capital expenditure included the acquisition of the Danish builders' merchant Roslev Trælasthandel A/S, completed on 31 January 2025. Capital expenditure for the comparison period included the acquisition of Davidsen Koncernen A/S in Denmark, completed on 31 January 2024.

Car trade

January-March 2025

	1-3/2025	1-3/2024	1-12/2024
Net sales, € million	313.9	286.2	1,209.4
Car trade	272.5	245.6	1,040.9
Sports trade	41.5	40.6	168.7
Operating profit, comparable, € million	17.9	16.4	69.3
Car trade	16.6	15.4	61.7
Sports trade	1.4	1.1	7.6
Operating margin, comparable, %	5.7	5.7	5.7
Car trade	6.1	6.3	5.9
Sports trade	3.3	2.7	4.5
	1-3/2025	1-3/2024	1-12/2024
Return on capital employed, comparable, %, rolling 12 months	13.9	15.0	13.8
Capital expenditure, € million	18.5	16.1	89.0
Average number of personnel converted into full-time employees	1,588	1,495	1,556

Net sales, € million	1-3/2025	1-3/2024	Change, %	Change, comparable, %	1-12/2024
Car trade	272.5	245.6	+10.9	+9.6	1,040.9
Sports trade	41.5	40.6	+2.0	+2.0	168.7
Total	313.9	286.2	+9.7	+8.5	1,209.4

Net sales for the car trade division increased by 9.7% in January-March. In the car trade businesses, net sales increased by 9.6% in comparable terms. Net sales grew in all car trade segments. Net sales for sports trade also increased.

The combined market performance of first registrations of passenger cars and vans was -7.0% in January-March. The combined market share of the Volkswagen, Audi, SEAT, CUPRA, Porsche and Bentley passenger cars and Volkswagen vans imported by Kesko's car trade division was 16.1% (13.0%) in January-March.

The comparable operating profit for the car trade division in January-March totalled €17.9 million (€16.4 million). The comparable operating profit for the car trade businesses increased by €1.2 million thanks to growth in net sales. In sports trade, the comparable operating profit increased by €0.3 million year-on-year.

Operating profit for the car trade division in January-March totalled €17.9 million (€16.4 million). There were no items affecting comparability.

Capital expenditure for the car trade division totalled €18.5 million (€16.1 million) in January-March.

Changes in Group composition

Kesko's Danish subsidiary Davidsen Koncernen A/S acquired the full capital stock of the Danish builders' merchant Roslev Trælasthandel A/S on 31 January 2025.

Shares, securities markets and Board authorisations

At the end of March 2025, the total number of shares in Kesko Corporation was 400,079,008, of which 126,948,028 or 31.7%, were A shares, and 273,130,980 or 68.3%, were B shares. On 31 March 2025, Kesko Corporation held 1,984,196 of its own B shares as treasury shares.

These treasury shares accounted for 0.73% of the total number of B shares, 0.50% of the total number of shares, and 0.13% of the votes attached to all shares in the company. The total number of votes attached to all shares was 1,542,611,260. Each A share carries ten (10) votes and each B share one (1) vote. The company cannot vote with own shares held by it as treasury shares and no dividend is paid on such shares. At the end of March 2025, Kesko Corporation's share capital was €197,282,584.

The price of a Kesko A share quoted on Nasdaq Helsinki was €18.06 at the end of 2024 and €18.70 at the end of March 2025, representing an increase of 3.5%. Meanwhile, the price of a Kesko B share was €18.18 at the end of 2024 and €18.86 at the end of March 2025, representing an increase of 3.7%. In January-March 2025, the highest price for an A share was €19.26 and the lowest €17.18, while the highest price for a B share was €19.58 and the lowest €17.14. The Nasdaq Helsinki All-Share index (OMX Helsinki) was up by 5.5% and the weighted OMX Helsinki Cap index up by 4.2% in January-March 2025. The Retail Sector Index was up by 8.2%.

The market capitalisation of Kesko's A shares was €2,374 million at the end of March 2025, while the market capitalisation of Kesko's B shares was €5,114 million, excluding the shares held by the parent company as treasury

shares. The combined market capitalisation of the A and B shares was €7,488 million, up by €268 million compared to the end of 2024.

In January-March 2025, a total of 1.4 million Kesko A shares were traded on Nasdaq Helsinki. The exchange value of the A shares was €24.9 million. Meanwhile, 33.8 million B shares were traded, for an exchange value of €618.9 million. Nasdaq Helsinki accounted for over 94% of the trading on Kesko's A and B shares. Kesko shares were also traded on multilateral trading facilities, the most significant of which were Turquoise and BATS (source: Euroland).

At the end of March 2025, the number of registered shareholders was 115,744, the highest figure in the company's history. At the end of March, foreign ownership of all shares was 33.2%, and foreign ownership of B shares 47.7%.

Kesko has a share-based commitment and incentive scheme. To implement the scheme, Kesko's Board of Directors may decide, within the share issue authorisations granted by the company's General Meeting, to transfer Kesko B shares held by the company as treasury shares. In January-March 2025, Kesko Corporation transferred 138,404 Kesko B shares held as treasury shares to members of management and other key persons in the company. Kesko issued a related stock exchange release on 12 March 2025. Kesko issued a stock exchange release on 5 February 2025 regarding the most recent share-based commitment and incentive plans.

Kesko's Annual General Meeting of 24 March 2025 authorised the Board to decide on the issuance of a maximum of 33,000,000 new B series shares or B shares held by the company as treasury shares, and on the repurchase of a maximum of 16,000,000 of the company's own B shares. The authorisations are valid until 30 June 2026, and were communicated in a stock exchange release issued on 24 March 2025.

Key events in January-March 2025

Kesko ranked as the world's most sustainable company in the 'Consumer Staples' category on this year's 'Global 100 Most Sustainable Corporations in the World' listing. (Investor news release 22.1.2025)

Kesko announced in August 2024 that it would acquire Roslev Trælasthan del A/S and two other Danish builders' merchants. The acquisition of Roslev was completed on 31 January 2025. (Investor news releases 14.8.2024 and 31.1.2025)

Resolutions of the 2025 Annual General Meeting

The Annual General Meeting of Kesko Corporation held on 24 March 2025 adopted the company's financial statements for 2024. The Annual General Meeting resolved to distribute a dividend of €0.90 per share – based on the adopted balance sheet for 2024 – on shares held outside the company at the time of distribution. The remaining distributable assets remain in equity. The dividend is to be paid in four instalments: the record date of the first dividend instalment of €0.23/share was 26 March 2025 and the pay date 2 April 2025; the record date of the second dividend instalment of €0.22/share will be 15 July 2025 and the pay date 22 July 2025; the record date of the third dividend instalment of €0.23/share will be 14 October 2025 and the pay date 21 October 2025; and the record date of the fourth dividend instalment of €0.22/share will be 13 January 2026 and the pay date 20 January 2026. The Board was authorised to decide, if necessary, on new dividend payment record dates and pay dates for the second, third and/or fourth instalments, if the rules and statutes of the Finnish book-entry system change or otherwise so require, or if the payment of dividends is prevented by laws or regulations applied.

The resolutions of the Annual General Meeting were communicated in more detail in a stock exchange release issued on 24 March 2025.

Sustainability

Kesko prepared a sustainability statement for 2024 in compliance with the principles of the EU Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) included in the Directive. The sustainability statement is part of Kesko Corporation's Report by the Board of Directors, which was published together with Kesko's financial statements on 28 February 2025.

Risk management

Risk management at Kesko is proactive and an integral part of day-to-day management to assess and manage business-related opportunities and risks.

Kesko's divisions and common operations are responsible for identifying, assessing, handling and managing risks related to their operations, and they report on risks, risk management responses and the results of those responses to the Group risk management function. Members of the Group Management Board are responsible for the effective and efficient implementation of internal control and risk management in their respective areas of responsibility.

A risk management function independent of businesses is responsible for providing a framework and guidance for internal control and risk management, and it supports, coordinates and supervises risk management implementation in Kesko Group. The Chief Audit and Risk Officer reports functionally to the Chair of the Audit Committee and administratively to Kesko's President and CEO on matters related to internal audit, and to the Group's Chief Financial Officer on matters related to risk management. The Risk Management Steering Group headed by the Chief Financial Officer is responsible for establishing the Group's overview of the risk situation. The President and CEO is responsible for the effectiveness and efficiency of the Group's risk management, and approves Group risk reports before they are reviewed by the Board of Directors. Kesko's Board of Directors monitors and assesses the effectiveness of risk management and supervises the assessment of risks related to the company's strategy and operations and their management, aided by the Audit Committee.

The Group's most significant risks and uncertainties, as well as material changes in and management responses to them, including indicators, are reported to Kesko Board's Audit Committee quarterly in connection with the review of interim reports, the half-year financial report, and the financial statements. The Audit Committee Chair reports on risk management to the Board as part of Audit Committee reporting. The most significant risks and uncertainties and emerging risks are reported to the market by the Board in the Report by the Board of Directors, and any material changes in them in the interim reports and the half-year financial report.

Weak demand in building and technical trade and car trade due to economic uncertainty, and emphasis on price in grocery trade remain significant risks. As for geopolitical risks, increased uncertainty regarding the global economy brought on by trade wars, and growing tensions in security policy as a result of the war in Ukraine and other military conflicts as well as the potential expansion of those conflicts could have a significant impact on Kesko's operating environment, supply chain continuity, and product availability. There also continue to be significant risks in cybercrime-related loss of critical information and business continuity.

Helsinki, 28 April 2025
Kesko Corporation
Board of Directors

The information in this interim report release is unaudited.

Further information, audioconference and webcast

Further information is available from Anu Hämäläinen, Executive Vice President, Chief Financial Officer, tel. +358 105 323 713, Hanna Jaakkola, Vice President, Investor Relations, tel. +358 105 323 540, and Eva Kaukinen, Vice President, Group Controller, tel. +358 105 322 338. An English-language audio conference on the results briefing will be held on 29 April 2025 at 9.00 am (EET). The audio conference login is available on Kesko's website at www.kesko.fi. A Finnish-language webcast of the interim report briefing can be viewed at 10.30 am (EET) at www.kesko.fi.

Kesko's half-year financial report for January-June 2025 will be published on 22 July 2025. In addition, Kesko Group's sales figures are published monthly. News releases and other company information are available on Kesko's website at www.kesko.fi.

Attachments: Tables section

Accounting policies
Consolidated statement of comprehensive income
Consolidated statement of financial position
Consolidated statement of changes in equity
Consolidated statement of cash flows
Cash flow from leases
Group performance indicators
Segment information
Acquisitions
Change in tangible and intangible assets
Right-of-use assets
Related party transactions
Credit and counterparty risk, trade receivables
Financial assets and liabilities by category and fair value hierarchy
Personnel average and at the end of the reporting period
Group's commitments
Calculation of performance indicators
Reconciliation of performance indicators to IFRS financial statements
K Group's retail and B2B sales

DISTRIBUTION

Nasdaq Helsinki Ltd

Main news media

www.kesko.fi

Tables section

Accounting policies

The interim report has been prepared in accordance with the same accounting principles as the annual financial statements for 2024.

Consolidated income statement

€ million	1-3/2025	1-3/2024	1-12/2024
Net sales	2,827.7	2,759.5	11,920.1
Materials and services	-2,525.0	-2,396.0	-10,184.1
Change in inventory	99.9	12.2	-21.6
Other operating income	222.6	230.1	994.6
Employee benefit expense	-223.3	-205.4	-842.5
Depreciation, amortisation and impairment charges	-55.2	-49.4	-247.9
Depreciation and impairment charges for right-of-use assets	-89.9	-88.3	-375.5
Other operating expenses	-167.4	-165.0	-684.5
Share of result of joint ventures	0.0	-0.4	20.9
Operating profit	89.4	97.2	579.5
Interest income and other finance income	4.3	4.4	17.7
Interest expense and other finance costs	-12.3	-8.5	-49.5
Interest expense for lease liabilities	-22.0	-19.8	-78.6
Foreign exchange differences	-0.8	-0.7	-1.3
Share of result of associates	1.5	2.3	3.8
Profit before tax	60.1	74.9	471.5
Income tax	-11.8	-14.7	-92.0
Net profit for the period	48.3	60.2	379.6
Attributable to			
Owners of the parent	48.4	60.4	379.1
Non-controlling interests	-0.1	-0.3	0.4
Earnings per share (€) for profit attributable to owners of the parent			
Basic and diluted	0.12	0.15	0.95

Consolidated statement of comprehensive income

€ million	1-3/2025	1-3/2024	1-12/2024
Net profit for the period	48.3	60.2	379.6
Items that will not be reclassified subsequently to profit or loss			
Actuarial gains and losses	-3.2	5.2	37.6
Items that may be reclassified subsequently to profit or loss			
Currency translation differences related to a foreign operation	35.6	-29.1	-31.6
Share of other comprehensive income of associates and joint ventures	0.0	0.5	0.5
Cash flow hedge revaluation	-3.0	-5.3	-7.7
Total other comprehensive income for the period, net of tax	29.5	-28.6	-1.2
Total comprehensive income for the period	77.8	31.6	378.3
Attributable to			
Owners of the parent	77.9	31.8	377.9
Non-controlling interests	-0.1	-0.3	0.4

Consolidated statement of financial position

€ million	31.3.2025	31.3.2024	31.12.2024
ASSETS			
Non-current assets			
Property, plant and equipment	2,465.8	2,244.0	2,403.3
Goodwill	690.0	698.5	643.0
Intangible assets	231.4	227.7	234.2
Right-of-use assets	2,013.5	1,844.1	1,867.7
Shares in associates and joint ventures	242.5	235.2	239.7
Other investments	14.9	14.3	14.8
Non-current receivables	65.2	72.0	65.9
Deferred tax assets	20.3	13.0	16.9
Pension assets	124.3	86.2	127.5
Total	5,867.8	5,435.0	5,612.9
Current assets			
Inventories	1,229.4	1,143.0	1,101.5
Interest-bearing receivables	4.9	5.8	4.2
Trade receivables	1,082.9	1,113.2	957.9
Income tax assets	23.5	14.7	12.9
Other non-interest-bearing receivables	273.8	256.0	287.1
Other financial assets	-	-	15.0
Cash and cash equivalents	147.5	145.1	473.1
Total	2,762.0	2,677.7	2,851.7
Non-current assets classified as held for sale	7.1	-	6.6
Total assets	8,637.0	8,112.7	8,471.2
€ million	31.3.2025	31.3.2024	31.12.2024
EQUITY AND LIABILITIES			
Equity	2,444.2	2,383.7	2,722.1
Non-controlling interests	16.2	10.4	12.9
Total equity	2,460.4	2,394.2	2,734.9
Non-current liabilities			
Interest-bearing liabilities	1,063.8	708.1	1,054.0
Lease liabilities	1,782.8	1,662.3	1,628.8
Non-interest-bearing liabilities	43.0	24.9	42.8
Deferred tax liabilities	80.0	81.5	76.3
Provisions	4.6	7.1	6.3
Total	2,974.1	2,483.8	2,808.1
Current liabilities			
Interest-bearing liabilities	300.4	318.8	291.3
Lease liabilities	413.9	361.3	422.2
Trade payables	1,509.8	1,531.3	1,404.4
Other non-interest-bearing liabilities	563.2	629.0	342.4
Income tax liabilities	-	-	12.2
Accrued liabilities	403.6	383.8	442.4
Provisions	11.3	10.6	13.2
Total	3,202.3	3,234.8	2,928.1
Liabilities related to non-current assets classified as held for sale	0.1	-	0.1
Total equity and liabilities	8,637.0	8,112.7	8,471.2

Consolidated statement of changes in equity

€ million	Share capital	Reserves	Currency translation differences	Revaluation reserve	Treasury shares	Retained earnings	Non-controlling interests	Total
Balance at 1.1.2025	197.3	464.7	-103.3	-3.4	-22.8	2,189.7	12.9	2,734.9
Share-based payments					1.0			1.0
Dividends						-358.3		-358.3
Transactions with non-controlling interests							3.5	3.5
Other changes		-	-	0.0		1.6		1.6
Transactions with owners, total		-	-	0.0	1.0	-356.7	3.5	-352.3
Comprehensive income								
Profit for the period						48.4	-0.1	48.3
Actuarial gains and losses						-3.1		-3.1
Currency translation differences on foreign operations			35.6				0.0	35.6
Share of other comprehensive income of associates and joint ventures				-		0.0		0.0
Cash flow hedge revaluation				-3.0		-		-3.0
Total other comprehensive income for the period, net of tax			35.6	-3.0		-3.1	0.0	29.5
Total comprehensive income for the period			35.6	-3.0		45.3	-0.1	77.8
Balance at 31.3.2025	197.3	464.7	-67.8	-6.4	-21.9	1,878.3	16.2	2,460.4

€ million	Share capital	Reserves	Currency translation differences	Revaluation reserve	Treasury shares	Retained earnings	Non-controlling interests	Total
Balance at 1.1.2024	197.3	464.7	-71.7	4.3	-26.7	2,190.6	-	2,758.4
Share-based payments					-0.6			-0.6
Dividends						-405.9		-405.9
Increase of non-controlling interests				0.0		0.0	10.7	10.7
Other changes						-0.0		0.0
Transactions with owners, total				0.0	-0.6	-405.9	10.7	-395.8
Comprehensive income								
Profit for the period						60.4	-0.3	60.2
Actuarial gains and losses						5.2		5.2
Currency translation differences on foreign operations			-29.1				0.0	-29.1
Share of other comprehensive income of associates and joint ventures						0.5		0.5
Cash flow hedge revaluation				-5.3				-5.3
Total other comprehensive income for the period, net of tax			-29.1	-5.3		5.8	0.0	-28.6
Total comprehensive income for the period			-29.1	-5.3		66.2	-0.3	31.6
Balance at 31.3.2024	197.3	464.7	-100.9	-0.9	-27.3	1,850.9	10.4	2,394.2

Consolidated statement of cash flows, condensed

€ million	1-3/2025	1-3/2024	1-12/2024
Cash flows from operating activities			
Profit before tax	60.1	74.9	471.5
Depreciation according to plan	54.1	49.4	207.4
Depreciation and impairment for right-of-use assets	89.9	88.3	375.5
Finance income and costs	8.9	4.8	33.1
Interest expense for lease liabilities	22.0	19.8	78.6
Other adjustments	2.5	3.5	22.2
Change in working capital			
Current non-interest-bearing receivables, increase (-)/ decrease (+)	-87.0	-62.4	43.8
Inventories, increase (-)/decrease (+)	-101.2	-14.2	25.5
Current non-interest-bearing liabilities, increase (+)/decrease(-)	-17.4	1.7	-44.8
Financial items and tax	-56.3	-53.2	-204.7
Net cash from operating activities, total	-24.5	112.6	1,008.2
Cash flows from investing activities			
Investing activities	-131.6	-307.3	-643.0
Proceeds from sale of tangible and intangible assets	8.5	6.0	45.0
Other financial assets, increase (-)/decrease (+)	15.0	15.5	0.5
Net cash used in investing activities, total	-108.1	-285.9	-597.5
Cash flows from financing activities			
Interest-bearing liabilities, increase (+)/decrease (-)	-6.6	216.2	534.0
Repayments of lease liabilities	-90.6	-91.3	-370.9
Current interest-bearing receivables, increase (-)/decrease (+)	-0.1	-1.3	3.9
Dividends paid	-99.5	-13.9	-320.3
Increase in share capital	3.5	-	-
Other items	0.3	-2.9	3.5
Net cash used in financing activities, total	-193.1	106.7	-149.8
Change in cash and cash equivalents	-325.7	-66.5	260.9
Cash and cash equivalents at the beginning of the period	473.1	211.9	211.9
Exchange differences and change in value of cash and cash equivalents	0.1	-0.2	0.3
Cash and cash equivalents at the end of the period	147.5	145.1	473.1

Cash flow from leases

€ million	1-3/2025	1-3/2024	1-12/2024
Interest expense for lease liabilities	-22.0	-19.8	-78.6
Repayments of lease liabilities	-90.6	-91.3	-370.9
Lease payments in the income statement	-0.8	-2.3	-8.5
Total	-113.4	-113.4	-458.0

Group's performance indicators

	1-3/2025	1-3/2024	1-12/2024
Net sales, € million	2,827.7	2,759.5	11,920.1
Operating profit, € million	89.4	97.2	579.5
Operating margin, %	3.2	3.5	4.9
Operating profit, comparable, € million	95.6	99.5	650.1
Operating margin, comparable, %	3.4	3.6	5.5
Profit before tax, € million	60.1	74.9	471.5
Profit before tax, comparable, € million	65.1	77.1	543.0
Earnings per share, basic and diluted, €	0.12	0.15	0.95
Earnings per share, comparable, basic and diluted, €	0.13	0.16	1.11
Return on capital employed, %	5.9	6.9	10.1
Return on capital employed, %, rolling 12 months	9.7	12.2	10.1
Return on capital employed, comparable, %	6.3	7.0	11.3
Return on capital employed, comparable, %, rolling 12 months	11.0	12.5	11.3
Capital expenditure, € million	138.0	329.0	675.9
Cash flow from operating activities, € million	-24.5	112.6	1,008.2
Cash flow from investing activities, € million	-108.1	-285.9	-597.5
Cash flow from operating activities/share, €	-0.06	0.28	2.53
Return on equity, %	7.4	9.3	13.8
Return on equity, %, rolling 12 months	15.1	19.9	13.8
Return on equity, comparable, %	8.0	9.7	16.1
Return on equity, comparable, %, rolling 12 months	17.8	20.5	16.1
Equity ratio, %	28.6	29.7	32.5
Equity per share, €	6.14	5.99	6.84
Interest-bearing net debt/EBITDA excluding the impact of IFRS 16, rolling 12 months	1.6	1.1	1.1
Interest-bearing net debt, € million	3,413.5	2,905.3	2,908.2
Interest-bearing net debt excluding lease liabilities, € million	1,216.7	881.7	857.2
Diluted number of shares, average for the reporting period, 1,000 pcs	397,986	397,804	397,922
Average number of personnel converted into full-time employees	15,009	14,849	15,347

Segment information

Net sales by segment, € million	1-3/2025	1-3/2024	1-12/2024	Rolling 12 mo 3/2025
Grocery trade, Finland	1,486.5	1,515.1	6,381.4	6,352.8
Grocery trade total	1,486.5	1,515.1	6,381.4	6,352.8
- of which intersegment trade	4.2	4.3	16.1	16.0
Building and technical trade, Finland	467.5	455.9	1,967.9	1,979.5
Building and technical trade, other countries*	565.6	507.7	2,383.7	2,441.6
Building and technical trade total	1,033.1	963.6	4,351.6	4,421.1
- of which intersegment trade	0.1	-0.3	-0.2	0.1
Car trade, Finland	313.9	286.2	1,209.4	1,237.1
Car trade total	313.9	286.2	1,209.4	1,237.1
- of which intersegment trade	2.0	1.7	7.3	7.6
Common functions and eliminations	-5.8	-5.4	-22.4	-22.7
Finland total	2,262.1	2,251.8	9,536.4	9,546.7
Other countries total*	565.6	507.7	2,383.7	2,441.6
Group total	2,827.7	2,759.5	11,920.1	11,988.3

* Net sales in countries other than Finland

Operating profit by segment, € million	1-3/2025	1-3/2024	1-12/2024	Rolling 12 mo 3/2025
Grocery trade	69.5	84.9	420.9	405.5
Building and technical trade	10.4	2.3	116.3	124.4
Car trade	17.9	16.4	69.3	70.7
Common functions and eliminations	-8.5	-6.4	-26.9	-29.0
Group total	89.4	97.2	579.5	571.6

Operating profit by segment, comparable, € million	1-3/2025	1-3/2024	1-12/2024	Rolling 12 mo 3/2025
Grocery trade	72.8	82.5	438.0	428.3
Building and technical trade	11.7	6.8	169.1	174.0
Car trade	17.9	16.4	69.3	70.8
Common functions and eliminations	-6.9	-6.3	-26.4	-27.0
Group total	95.6	99.5	650.1	646.2

Operating margin by segment, %, comparable	1-3/2025	1-3/2024	1-12/2024	Rolling 12 mo 3/2025
Grocery trade	4.9	5.4	6.9	6.7
Building and technical trade	1.1	0.7	3.9	3.9
Car trade	5.7	5.7	5.7	5.7
Group total	3.4	3.6	5.5	5.4

EBITDA by segment, comparable, € million	1-3/2025	1-3/2024	1-12/2024	Rolling 12 mo 3/2025
Grocery trade	156.5	166.0	777.0	767.5
Building and technical trade	45.2	39.8	302.1	307.4
Car trade	33.2	29.9	124.9	128.2
Common functions and eliminations	1.8	3.2	11.3	9.9
Group total	236.7	238.9	1,215.2	1,213.1

Operating profit by segment excluding the impact of IFRS 16, comparable, € million	1-3/2025	1-3/2024	1-12/2024	Rolling 12 mo 3/2025
Grocery trade	57.9	69.4	384.4	372.8
Building and technical trade	6.5	1.4	148.7	153.8
Car trade	17.3	15.9	66.9	68.3
Common functions and eliminations	-7.3	-6.7	-27.7	-28.3
Group total	74.4	80.1	572.3	566.6

Capital employed by segment, cumulative average, € million	1-3/2025	1-3/2024	1-12/2024	Rolling 12 mo 3/2025
Grocery trade	2,905.4	2,679.9	2,734.9	2,798.0
Building and technical trade	2,291.2	2,130.7	2,172.8	2,227.5
Car trade	528.8	514.2	503.0	508.0
Common functions and eliminations	368.9	340.9	348.0	355.0
Group total	6,094.3	5,665.6	5,758.7	5,888.5

Return on capital employed by segment, %, comparable	1-3/2025	1-3/2024	1-12/2024	Rolling 12 mo 3/2025
Grocery trade	10.0	12.3	16.0	15.3
Building and technical trade	2.0	1.3	7.8	7.8
Car trade	13.6	12.8	13.8	13.9
Group total	6.3	7.0	11.3	11.0

Capital expenditure by segment, € million	1-3/2025	1-3/2024	1-12/2024	Rolling 12 mo 3/2025
Grocery trade	58.8	112.1	276.0	222.8
Building and technical trade	57.7	197.4	293.7	154.0
Car trade	18.5	16.1	89.0	91.4
Common functions and eliminations	2.9	3.4	17.1	16.7
Group total	138.0	329.0	675.9	484.8

Acquisitions

Kesko expanded its operations in Denmark when its subsidiary Davidsen Koncernen A/S, of which Kesko owns 90%, acquired the whole capital stock of Roslev Trælasthandel A/S on 31 January 2025. Roslev Trælasthandel A/S operates mainly in Central Jutland and focuses on B2B customers. In 2024, Roslev's net sales totalled some €103 million (DKK 766 million) and its operating profit €3 million (excl. IFRS 16 impact).

The purchase price allocation has not been finalised due to the short period of time between the completion of the Roslev acquisition (31 January 2025) and the publication of Kesko's first-quarter results. The purchase price allocation will be finalised during 2025.

Change in tangible and intangible assets

€ million	31.3.2025	31.3.2024
Opening net carrying amount	3,280.5	2,930.7
Depreciation, amortisation and impairment charges	-55.2	-49.4
Investments in tangible and intangible assets	106.0	165.2
Deductions	-9.7	-13.5
Acquisitions	44.7	160.8
Transfers to non-current assets classified as held for sale and between items	-2.8	-0.1
Exchange differences	23.7	-23.5
Closing net carrying amount	3,387.2	3,170.2

Right-of-use assets

€ million	31.3.2025	31.3.2024
Opening net carrying amount	1,867.7	1,816.9
Depreciation, amortisation and impairment charges	-89.1	-90.6
Net increases	223.7	114.3
Acquisitions	1.9	12.3
Exchange differences	9.3	-8.9
Closing net carrying amount	2,013.5	1,844.1

Related party transactions

The Group's related parties include its management (the Board of Directors, the Managing Director and the Group Management Board) and the companies controlled by them, their family members and companies controlled by the family members, the Group's subsidiaries, associates and joint ventures as well as Kesko Pension Fund.

€ million	1-3/2025	1-3/2024
Sales of goods and services	24.6	26.1
Purchases of goods and services	-2.8	-2.6
Other operating income	4.3	5.2
Other operating expenses	-1.0	-1.0
Finance income and costs	1.4	1.4
	31.3.2025	31.3.2024
Receivables	78.4	75.6
Liabilities	13.0	17.5
Items related to leases	31.3.2025	31.3.2024
Cash flow from leases	-11.3	-11.6
Lease liabilities	330.4	256.5

Credit and counterparty risk, ageing analysis of trade receivables

€ million	31.3.2025	31.3.2024
Trade receivables not due	1,023.1	1,021.5
1-7 days past due trade receivables	32.6	58.3
8-30 days past due trade receivables	8.1	14.1
31-60 days past due trade receivables	0.5	-1.8
Over 60 days past due trade receivables	18.7	21.2
Total	1,082.9	1,113.2

Trade receivables include impairment charges totalling €30.3 million (31 March 2024: €27.0 million).

Financial assets and liabilities by category and fair value hierarchy

31.3.2025 Balance, € million	Fair value through profit or loss	Amortised cost	Fair value through other comprehen- sive income	Carrying amount	Fair value	Level 1	Level 2	Level 3
Non-current financial assets								
Other investments	14.9			14.9	14.9			14.9
Loans and receivables		60.4		60.4	60.4			
Other non-current receivables, derivatives	3.0		1.7	4.8	4.8		4.8	
Current financial assets								
Trade receivables		1,082.9		1,082.9	1,082.9			
Other receivables		277.5		277.5	277.5			
Other receivables, derivatives	0.8		0.5	1.3	1.3		1.3	
Cash and cash equivalents	-	147.5	-	147.5	147.5		-	
Total financial assets	18.7	1,568.3	2.2	1,589.2	1,589.2		6.1	14.9
Non-current financial liabilities								
Non-current interest-bearing liabilities	149.5	914.3		1,063.8	1,080.3		149.5	
Non-current lease liabilities		1,782.8		1,782.8	1,782.8			
Non-current non-interest-bearing liabilities		39.4		39.4	39.4			
Non-current non-interest-bearing liabilities, derivatives	-		3.2	3.2	3.2		3.2	
Current financial liabilities								
Current interest-bearing liabilities		300.4		300.4	300.3			
Current lease liabilities		413.9		413.9	413.9			
Trade payables		1,509.8		1,509.8	1,509.8			
Other non-interest-bearing liabilities		927.7		927.7	927.7			
Other non-interest-bearing liabilities, derivatives	1.5		5.1	6.6	6.6		6.6	
Total financial liabilities	151.1	5,888.4	8.3	6,047.8	6,064.2		159.4	

Non-current interest-bearing liabilities valued at fair value through profit or loss, amounting to €149.5 million, includes the portion of the bond subject to fair value valuation.

31.3.2024 Balance, € million	Fair value through profit or loss	Amortised cost	Fair value through other comprehen- sive income	Carrying amount	Fair value	Level 1	Level 2	Level 3
Non-current financial assets								
Other investments	14.3			14.3	14.3			14.3
Loans and receivables		64.5		64.5	64.5			
Other non-current receivables, derivatives	6.2		1.3	7.5	7.5		7.5	
Current financial assets								
Trade receivables		1,113.2		1,113.2	1,113.2			
Other receivables		255.5		255.5	255.5			
Other receivables, derivatives	3.0		3.3	6.3	6.3		6.3	
Cash and cash equivalents		145.1		145.1	145.1		-	
Total financial assets	23.5	1,578.3	4.6	1,606.4	1,606.4		13.8	14.3
Non-current financial liabilities								
Non-current interest-bearing liabilities		708.1		708.1	707.9			
Non-current lease liabilities		1,662.3		1,662.3	1,662.3			
Non-current non-interest-bearing liabilities		22.4		22.4	22.4			
Non-current non-interest-bearing liabilities, derivatives			2.1	2.1	2.1		2.1	
Current financial liabilities								
Current interest-bearing liabilities		318.8		318.8	318.4			
Current lease liabilities		361.3		361.3	361.3			
Trade payables		1,531.3		1,531.3	1,531.3			
Other non-interest-bearing liabilities		948.6		948.6	948.6			
Other non-interest-bearing liabilities, derivatives	0.0		1.8	1.8	1.8		1.8	
Total financial liabilities	0.0	5,552.8	3.9	5,556.7	5,556.1		3.9	

Loans and receivables do not include deferred tax assets of €20.3 million (€13.0 million) and income tax receivables of €23.5 million (€14.7 million). Prepayments received of €32.5 million (€62.4 million) are not categorised as financial liabilities and are not included in the table above.

Personnel, average and at 31.3.

Average number of personnel converted into full-time employees by segment	1-3/2025	1-3/2024	Change
Grocery trade	6,085	6,048	37
Building and technical trade	6,438	6,418	20
Car trade	1,588	1,495	93
Common functions and eliminations	898	889	10
Group total	15,009	14,849	160

Personnel at 31.3.* by segment	2025	2024	Change
Grocery trade	8,061	7,955	106
Building and technical trade	7,320	7,636	-316
Car trade	1,790	1,696	94
Common functions and eliminations	964	960	4
Group total	18,135	18,247	-112

* Total number including part-time employees

Group's commitments

€ million	31.3.2025	31.3.2024
Own commitments	266.5	311.2
For others	-	-
Lease commitments for lease agreements commencing in future	301.3	223.0

Liabilities arising from derivative instruments	Fair value		
Values of underlying instruments at	31.3.2025	31.3.2024	31.3.2025
Interest rate derivatives			
Interest rate swaps	766.1	569.8	3.9
Currency derivatives			
Forward and future contracts	97.6	123.6	-0.7
Commodity derivatives			
Electricity derivatives	43.4	38.1	-7.0

The lease commitments are for leases not commenced on 31 March 2025 to which the Group is committed.

Calculation of performance indicators

Kesko uses alternative performance measures to reflect business performance and profitability. These indicators should be examined together with the IFRS-compliant performance indicators.

Change in comparable net sales is used to reflect changes in the Group's business volume between periods. The indicator reflects the change in net sales excluding the impact of acquisitions and divestments, in local currencies. The comparable net sales have been calculated by including in the net sales the business operations that have been part of Kesko Group in both the reporting period as well as the comparison period. Other structural arrangements related to acquisitions and divestments have been adjusted in the same manner as acquisitions.

Exceptional transactions outside the ordinary course of business are treated as items affecting comparability. Performance indicators reflecting comparable profit and profitability are used to improve the comparability of operational performance between periods. Gains and losses on disposal of real estate, shares and business operations, impairment charges and significant restructuring costs are identified as items affecting comparability. Gains on disposal have been presented within other operating income, and losses on disposal within other operating expenses in the income statement. Impairment charges and significant profit and loss items related to changes in lease agreements are presented in the income statement under depreciation, amortisation and impairment charges.

Alternative performance measures that have been adjusted for the impact of IFRS 16 are used to monitor the achievement of certain financial targets. The EBITDA excluding the impact of IFRS 16 corresponds to EBITDA before the adoption of IFRS 16, and the interest-bearing net debt excluding lease liabilities correspond to interest-bearing net debt before the adoption of the standard. These restated indicators are included as components in the Group's financial target "interest-bearing net debt excluding lease liabilities divided by EBITDA excluding the impact of IFRS 16".

In addition, financial performance indicators for the Group have been presented as alternative performance measures. The management uses these indicators to monitor and analyse business performance, profitability and financial position.

Operating profit, comparable	Operating profit +/- items affecting comparability
Items affecting comparability	– gains on disposal + losses on disposal + impairment charges +/- structural arrangements
Return on equity, %	$(\text{Profit/loss before tax} - \text{Income tax}) \times 100 / \text{Shareholders' equity, average of the beginning and end of the reporting period}$
Return on equity, %, comparable	$(\text{Profit/loss for the preceding 12 months before tax} - \text{Income tax for the preceding 12 months}) \times 100 / \text{Shareholders' equity on average for 12 months}$
Return on equity, %, rolling 12 months	$(\text{Profit/loss adjusted for items affecting comparability before tax} - \text{Income tax adjusted for the tax effect of items affecting comparability}) \times 100 / \text{Shareholders' equity, average of the beginning and end of the reporting period}$
Return on equity, %, comparable, rolling 12 months	$(\text{Profit/loss adjusted for items affecting comparability before tax for the preceding 12 months} - \text{Income tax adjusted for the tax effect of items affecting comparability for the preceding 12 months}) \times 100 / \text{Shareholders' equity on average for 12 months}$
Return on capital employed, %	$\text{Operating profit} \times 100 / (\text{Non-current assets} + \text{Inventories} + \text{Receivables} + \text{Other current assets} - \text{Non-interest-bearing liabilities}) \text{ on average for the reporting period}$
Return on capital employed, %, comparable	$\text{Comparable operating profit} \times 100 / (\text{Non-current assets} + \text{Inventories} + \text{Receivables} + \text{Other current assets} - \text{Non-interest-bearing liabilities}) \text{ on average for 12 months}$
Return on capital employed, %, rolling 12 months	$\text{Comparable operating profit} \times 100 / (\text{Non-current assets} + \text{Inventories} + \text{Receivables} + \text{Other current assets} - \text{Non-interest-bearing liabilities}) \text{ on average for the reporting period}$
Return on capital employed, %, comparable, rolling 12 months	$\text{Comparable operating profit for the preceding 12 months} \times 100 / (\text{Non-current assets} + \text{Inventories} + \text{Receivables} + \text{Other current assets} - \text{Non-interest-bearing liabilities}) \text{ on average for 12 months}$
EBITDA	Operating profit + Depreciation and amortisation + Impairments
EBITDA excluding the impact of IFRS 16	EBITDA – Rents from lease agreements
Equity ratio, %	$\text{Shareholders' equity} \times 100 / (\text{Total assets} - \text{Advances received})$
Gearing, %	$\text{Interest-bearing net debt} \times 100 / \text{Shareholders' equity}$
Interest-bearing net debt	Interest-bearing liabilities + Lease liabilities – Current other financial assets – Cash and cash equivalents
Interest-bearing net debt excluding lease liabilities	Interest-bearing net debt – Lease liabilities
Interest-bearing net debt excluding lease liabilities / EBITDA excluding the impact of IFRS 16	$\text{Interest-bearing net debt excluding lease liabilities} / \text{EBITDA excluding the impact of IFRS 16}$

Capital expenditure	Performance indicator includes investments in tangible and intangible assets, subsidiary shares, shares in associates and joint ventures and other shares. Additions of right-of-use assets for leases in the consolidated statement of financial position are not capital expenditure. Redemption of a leased property (right-of-use asset) is reported as capital expenditure.
Earnings/share, basic	(Profit/loss - Non-controlling interests) / Average number of shares
Earnings/share, diluted	(Profit – Non-controlling interest) / Average diluted number of shares
Earnings/share, basic, comparable	(Profit/loss adjusted for items affecting comparability - Non-controlling interests adjusted for items affecting comparability) / Average number of shares
Equity/share	Equity attributable to owners of the parent / Basic number of shares at the balance sheet date
Market capitalisation	Share price at balance sheet date x Number of shares
Cash flow from operating activities/share	Cash flow from operating activities / Average number of shares
Indicators for return on equity, comparable return on equity, return on capital employed and comparable return on capital have been annualised.	

Reconciliation of performance indicators to IFRS financial statements

€ million	1-3/2025	1-3/2024	1-12/2024
Items affecting comparability			
Gains on disposal	0.2	0.0	11.4
Losses on disposal	-1.6	-	-1.6
Impairment charges	-1.1	-	-40.0
Structural arrangements	-3.7	-2.3	-40.4
Items in operating profit affecting comparability	-6.2	-2.3	-70.6
Items in financial items affecting comparability	1.2	-	-0.8
Items in income taxes affecting comparability	1.2	0.2	7.7
Total items affecting comparability	-3.8	-2.1	-63.7
Items in EBITDA affecting comparability	-2.2	-3.9	-12.3
Operating profit, comparable			
Operating profit	89.4	97.2	579.5
Net of			
Items in operating profit affecting comparability	-6.2	-2.3	-70.6
Operating profit, comparable	95.6	99.5	650.1
EBITDA			
Operating profit	89.4	97.2	579.5
Plus			
Depreciation and impairment charges	55.2	49.4	247.9
Depreciation and impairment charges for right-of-use assets	89.9	88.3	375.5
EBITDA	234.5	235.0	1,202.9
EBITDA excluding the impact of IFRS 16			
EBITDA	234.5	235.0	1,202.9
Net of			
Rents from lease agreements	-111.0	-109.9	-453.2
EBITDA excluding the impact of IFRS 16	123.5	125.1	749.7
Profit before tax, comparable			
Profit before tax	60.1	74.9	471.5
Net of			
Items in operating profit affecting comparability	-6.2	-2.3	-70.6
Items in financial items affecting comparability	1.2	-	-0.8
Profit before tax, comparable	65.1	77.1	543.0
Net profit, comparable			
Profit before tax, comparable	65.1	77.1	543.0
Net of			
Income tax	11.8	14.7	92.0
Items in income taxes affecting comparability	1.2	0.2	7.7
Net profit, comparable	52.1	62.3	443.3
Net profit attributable to owners of the parent, comparable			
Net profit, comparable	52.1	62.3	443.3
Net of			
Net profit attributable to non-controlling interests	-0.1	-0.3	0.4
Net profit attributable to owners of the parent, comparable	52.3	62.5	442.9
Earnings per share, comparable, €			
Net profit attributable to the owners of the parent, comparable	52.3	62.5	442.9

Average number of shares, basic, 1,000 pcs	397,986	397,804	397,922
Earnings per share, comparable, €	0.13	0.16	1.11
Return on capital employed, %			
Operating profit	89.4	97.2	579.5
Capital employed, average	6,094.3	5,665.6	5,758.7
Return on capital employed, %	5.9	6.9	10.1
Return on capital employed, comparable, %			
Operating profit, comparable	95.6	99.5	650.1
Capital employed, average	6,094.3	5,665.6	5,758.7
Return on capital employed, comparable, %	6.3	7.0	11.3
Return on equity, %			
Net profit	48.4	60.4	379.1
Equity, average	2,597.7	2,576.3	2,746.7
Return on equity, %	7.4	9.3	13.8
Return on equity, comparable, %			
Net profit, comparable	52.1	62.3	443.3
Equity, average	2,597.7	2,576.3	2,746.7
Return on equity, comparable, %	8.0	9.7	16.1
Equity ratio, %			
Shareholders' equity	2,460.4	2,394.2	2,734.9
Total assets	8,637.0	8,112.7	8,471.2
Advances received	32.5	62.4	43.4
Equity ratio, %	28.6	29.7	32.5

K Group's retail and B2B sales VAT 0 % (preliminary data)

Kesko and K-retailers together form K Group. The table below depicts K Group's retail and B2B sales by chain, comprising the combined retail and B2B sales of Kesko's own retailing and B2B trade and retailer-owned chain stores.

K Group's retail and B2B sales

1.1.-31.3.2025

K Group's grocery trade	€ million	Change, %*)
K-food stores	1,546.0	-3.0
K-Citymarket, non-food	131.8	-1.3
Kespro	285.4	-0.4
Grocery trade, total	1,963.1	-2.5
K Group's building and technical trade		
K-Rauta, Finland	192.0	3.8
K-Rauta B2B Service, Finland	49.8	3.8
Techical trade, Finland	246.1	-3.5
Finland, total	487.9	-0.1
K-Bygg, Sweden	67.9	-6.7
Techical trade, Sweden	30.5	14.3
Bygghälsan, Norway	128.7	6.3
Techical trade, Norway	138.2	3.9
Davidsen, Denmark	124.6	12.1
Techical trade, Baltic countries	29.6	6.1
Techical trade, Poland	84.3	1.1
Other countries, total	603.8	4.8
Building and technical trade, total	1,091.7	2.6
K Group's car trade		
Car trade	274.1	10.0
Sports trade	56.2	-0.8
Car trade, total	330.3	8.0
Finland, total	2,781.3	-0.9
Other countries, total	603.8	4.8
Retail and B2B sales, total	3,385.1	0.0

*) The change, % compared to the year before has been calculated to illustrate a situation in which the acquisitions and divestments had been completed on 1 January 2024. In 2024, the most material acquisitions were the acquisition of Davidsen Koncernen A/S, completed on 31 January 2024, and the acquisition of Autotalo Lohja on 1 September 2024. The restructuring of the K-Rauta chain in Sweden was completed in December 2024. During October-November 2024, 8 K-Rauta stores in Sweden were transferred under the K-Bygg chain. In 2025, the acquisition of Roslev Trælasthandel A/S was completed on 31 January 2025. As of 1 January 2025, Kesko Senukai is not included in K Group's retail and B2B sales in the reporting period or the comparison period.



Head Office K-Kampus
PO Box 1, 00016 Kesko
Visiting address: Työpajankatu 12, 00580 Helsinki, Finland
Phone: +358 105 311

www.kesko.fi/investors