

MARTELA FINANCIAL STATEMENTS 1-12 / 2014

February 4th, 2015



JANUARY – DECEMBER 2014

Group revenue increased slightly, EBIT improved significantly and was somewhat positive

- Consolidated revenue for January-December was EUR 135.9 million (132.3)
 - Finland: revenue decreased from previous year. Market climate remains challenging also in 2015.
 - Poland: revenue increased slightly from previous year. Market climate weakened during Q4 and remains challenging during 2015.
 - Sweden and Norway: revenue grew clearly compared to previous year due to big customer projects
 - Russia: revenue increased compared to previous year, market climate extremely challenging.
 - Increased interest in Activity Based Office – solutions in all areas
 - Group Q4 revenue of EUR 31.2 million decreased compared to previous year (36,9) due to lower revenues in Sweden and Poland.
- Operating result for January-December was EUR 0.2 million (-3.1)
 - Group fixed costs were lower compared to previous year due to restructuring activities.
 - Sales margin remained at the same level as previous year.
 - Group operating profit in Q4 was -1.1 million (-0,6)

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JANUARY – DECEMBER 2014

- Executed cost saving activities are expected to meet the set target of 6 million annual savings
 - The savings impact on 2014 costs are estimated to be one third of the total annual savings due to timing of the activities. The total impact of the savings activities will be realized in 2015.
- Changes in the SCM production units of 2014 have been completed

Other key figures:

- The cash flow from operating activities in January-December was EUR 6.2 million (-0.1)
- The equity ratio was 38.1 per cent (37.2)
- The gearing ratio was 33.4 per cent (51.7)

MARKET SITUATION – OFFICE CONSTRUCTION IN FINLAND*

Office building statistics in Finland (square meters)

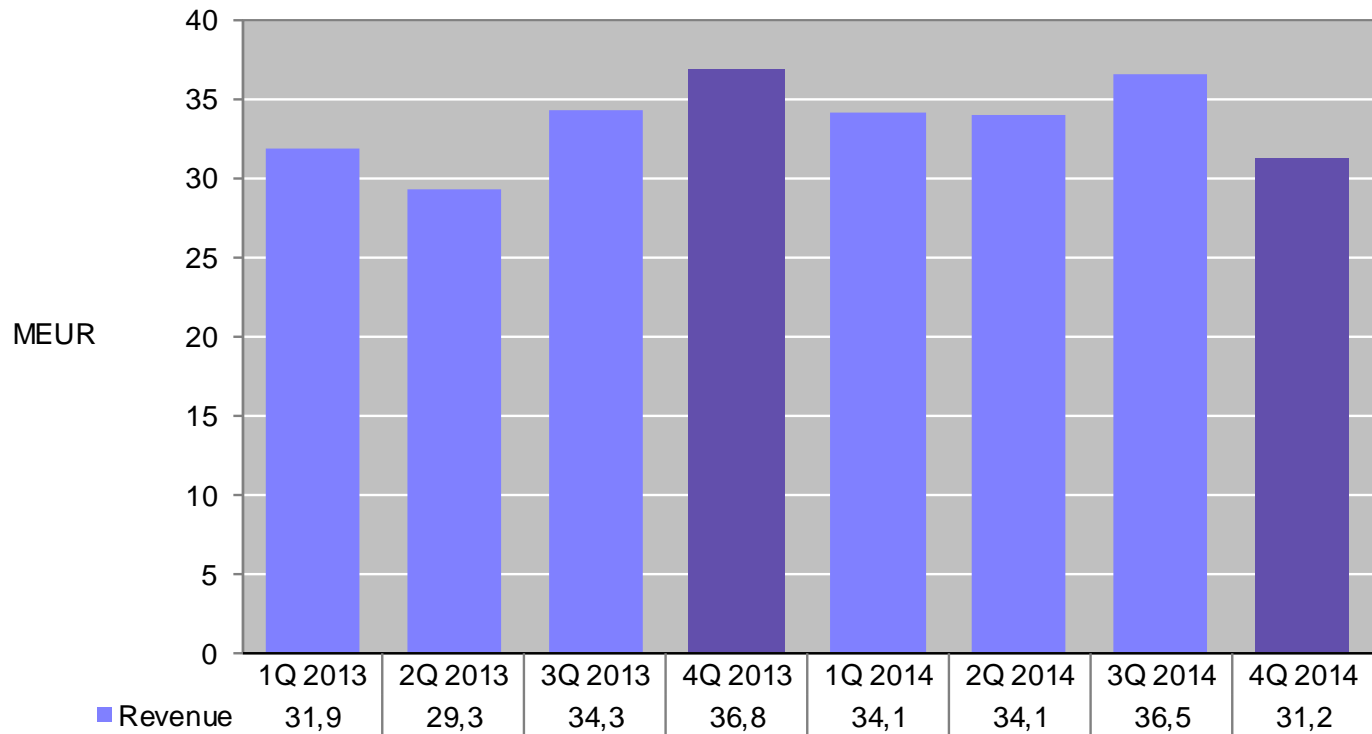
12 months floating average, change	30.9.2014 vs. 30.9.2013
Office buildings completed	-1 %
Building permissions	22 %
New office building starts	33 %

* Change in the 12-month rolling average between the dates is compared.

Statistics, Finland



TURNOVER



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EXTERNAL REVENUE 1-12/2014 (2013)

Business Unit Finland	87,5	(92,3)	-5,2 %
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Business Unit Sweden&Norway	24,8	(20,5)	20,9 %
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Business Unit Poland	11,1	(11,7)	-5,0 %
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Other segments	12,7	(8,1)	56,7 %
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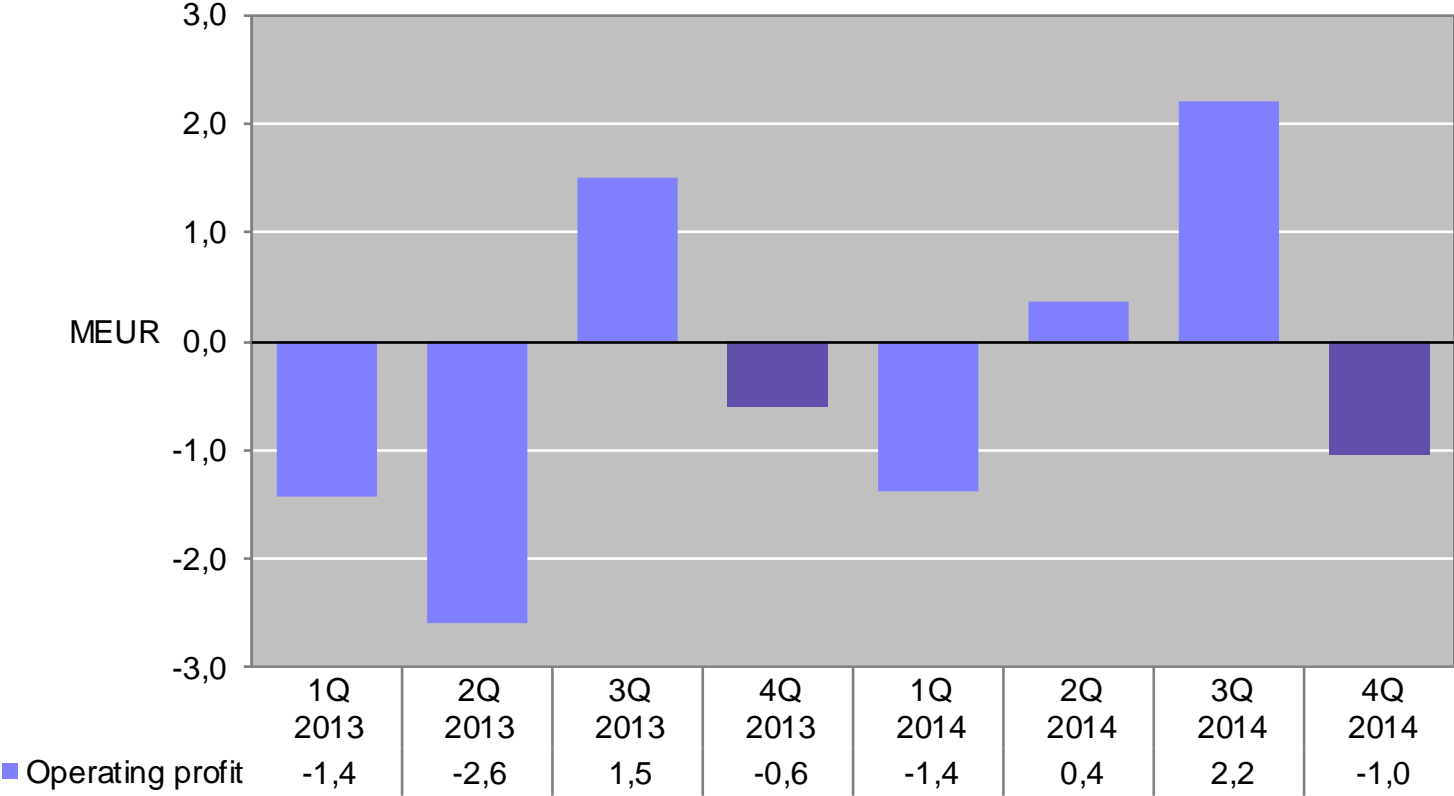
OPERATING PROFIT DEVELOPMENT 2014

EUR million	10-12 2014	10-12 2013	1-12 2014	1-12 2013
Finland	1,0	1,4	2,8	1,4
Sweden & Norway	-0,5	-0,3	-0,1	-1,4
Poland	-0,4	0,0	-1,4	-0,7
Other Segments	-0,6	-0,3	0,4	-1,6
Other	-0,5	-1,4	-1,7	-0,9
Total	-1,1	-0,6	0,2	-3,1

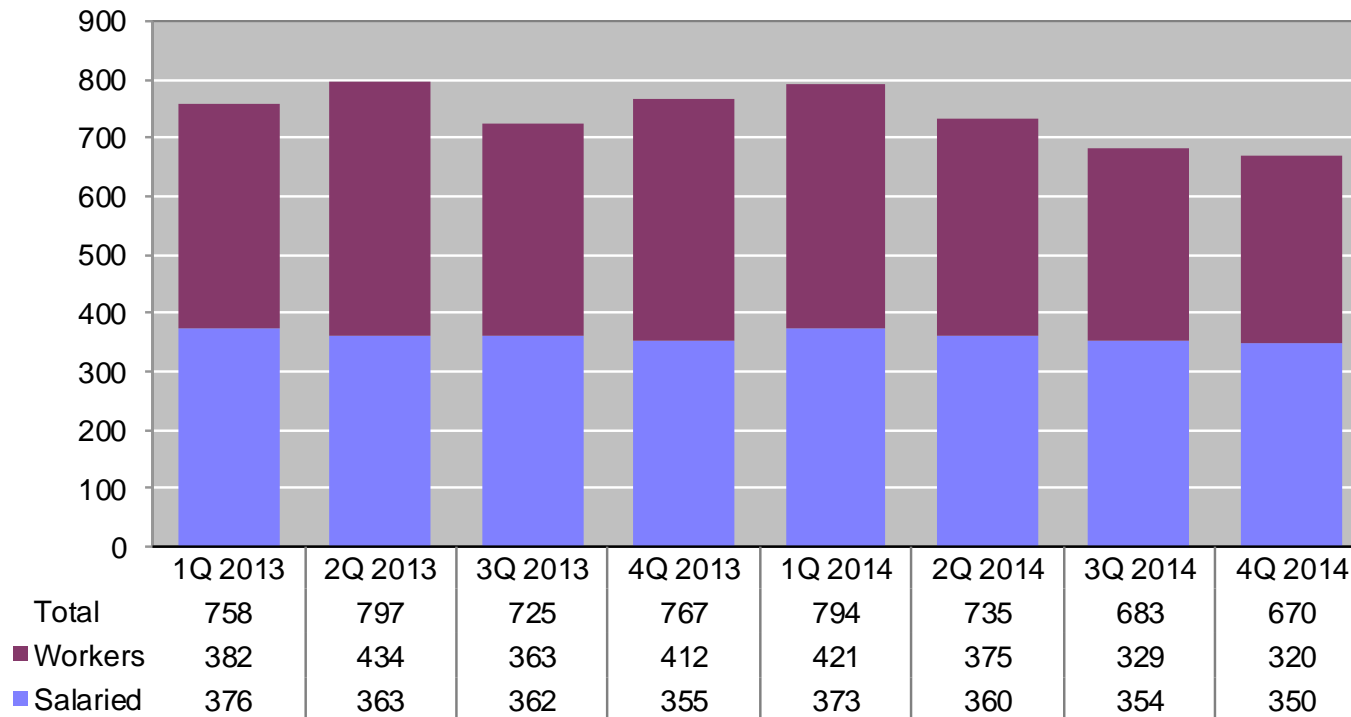
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OPERATING PROFIT



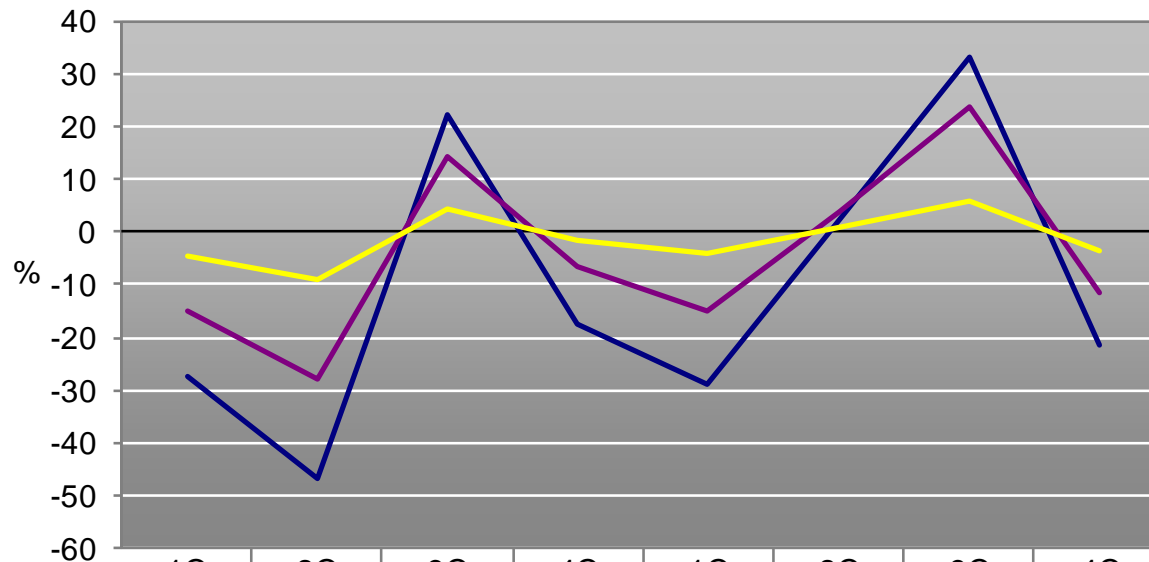
PERSONNEL AT WORK, END OF PERIOD



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PROFITABILITY QUARTERLY

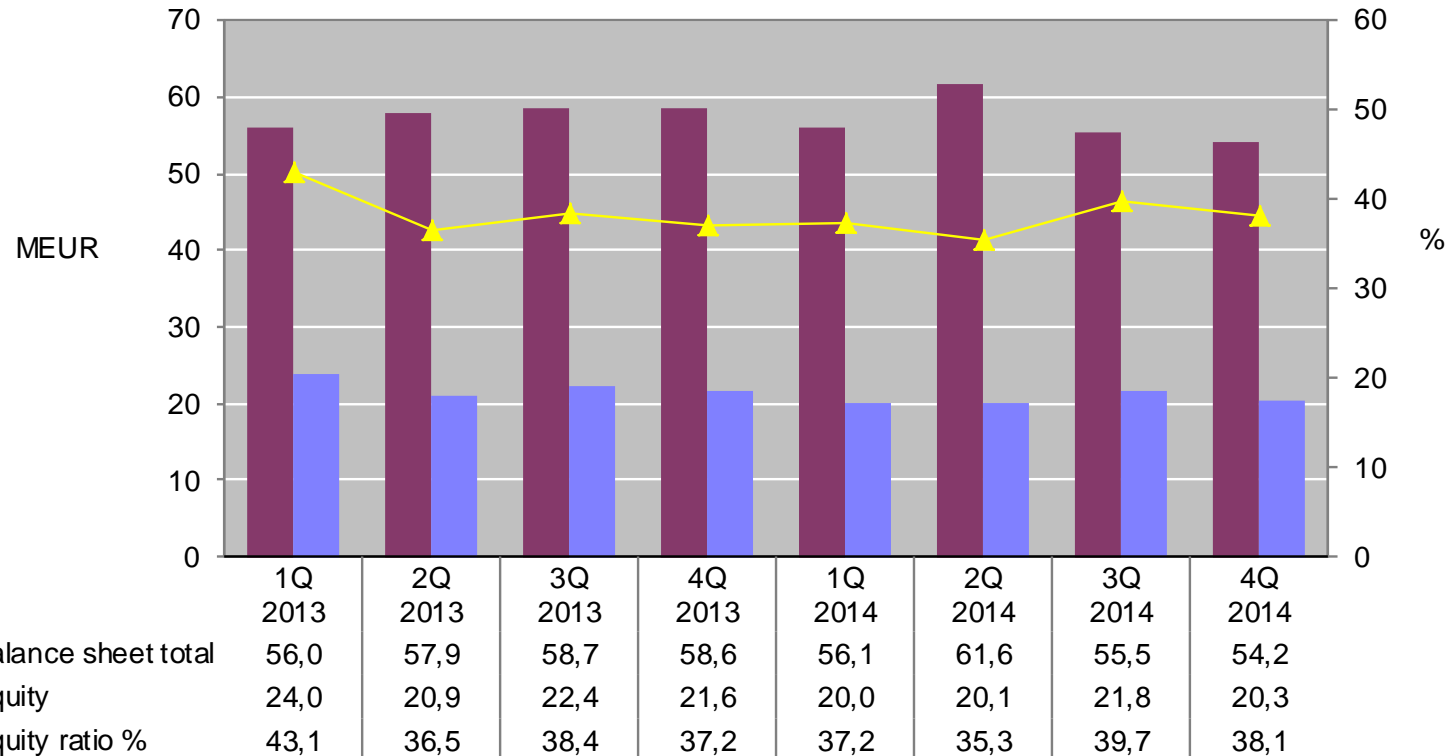


	1Q 2013	2Q 2013	3Q 2013	4Q 2013	1Q 2014	2Q 2014	3Q 2014	4Q 2014
Return on equity	-27,2	-46,7	22,2	-17,3	-29,1	2,2	33,2	-21,2
Return on investment	-15,0	-27,8	14,4	-6,5	-15,0	4,1	23,7	-11,6
Operating profit %	-4,5	-8,9	4,4	-1,6	-4,0	1,1	6,0	-3,4

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BALANCE SHEET



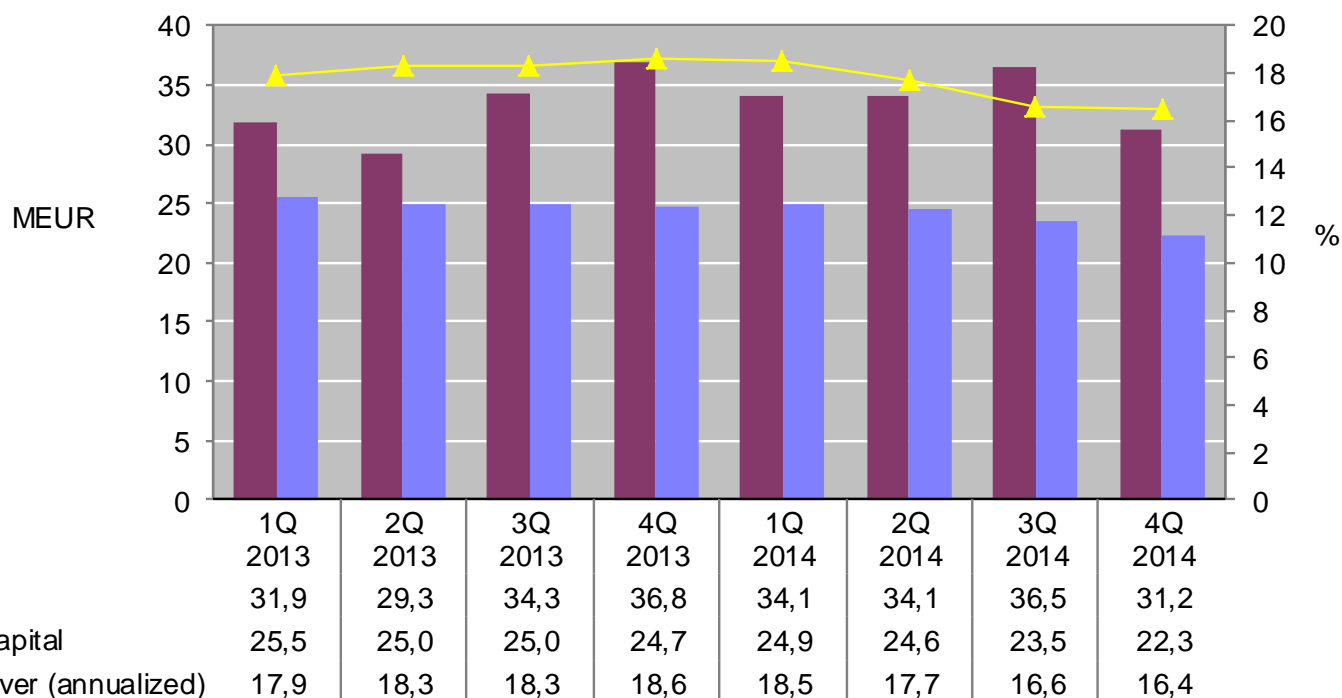
GEARING



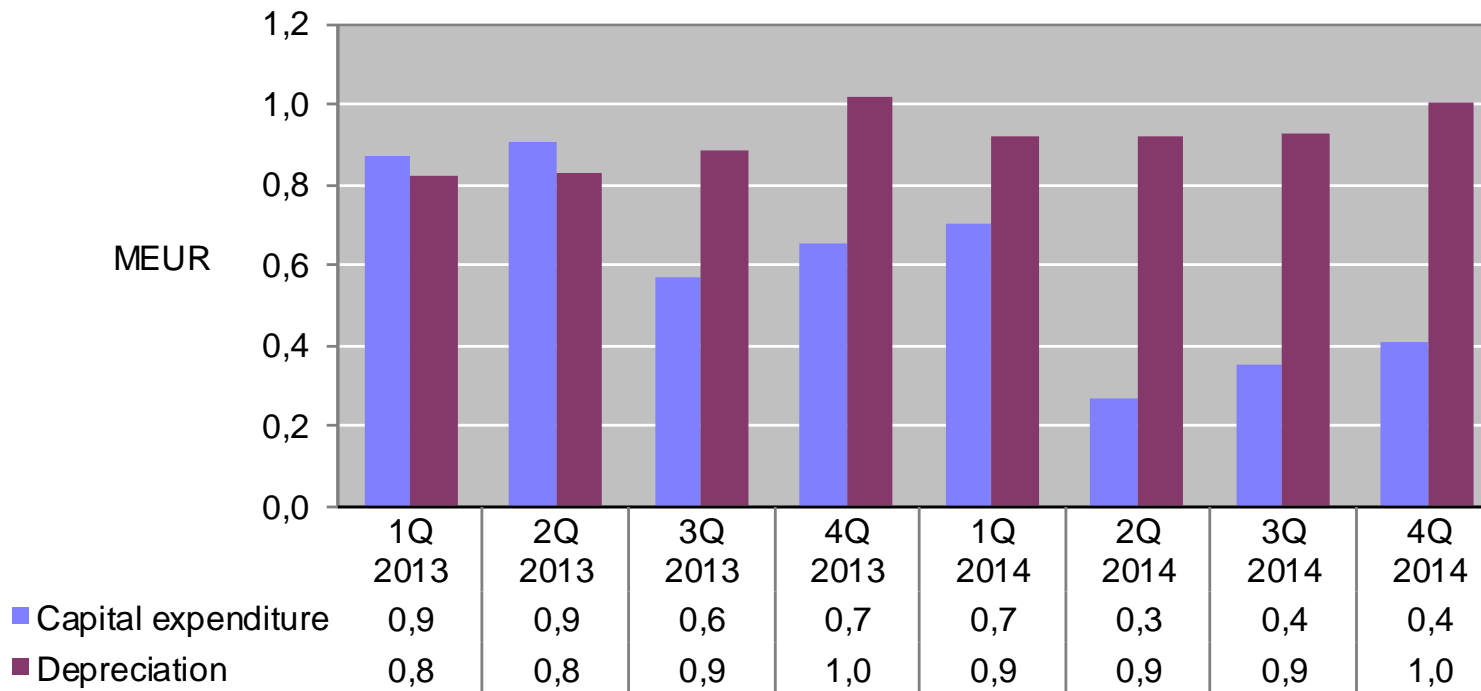
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WORKING CAPITAL (AVERAGE 12 MONTHS)



CAPITAL EXPENDITURE AND DEPRECIATION



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CENTRAL FOCUS AREAS

- **Improvement of profitability**
 - Continuous improvement of cost efficiency
 - Improvement of customer profitability
- **Radically simplify our operations**
 - Quote to Cash – process
 - Radical reduction of product variants
- **Implementation of Martela Lifecycle-model**
 - Development of our way of working and our portfolio to meet customer demand
 - Martela Dynamic launch in Stockholm fair



OUTLOOK FOR 2015

The Martela Group anticipates that its revenue in 2015 will be at the previous year's level, and that its operating result will show a slight year-on-year improvement. The Group's operating result is weighted towards the second half of the year due to normal seasonal variation, and this weighting is further emphasised by the timing of larger projects during 2015.



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