

**Financial Statement**  
January - December 2009  
10.2.2010

**Martela**

# Martela- Group

## January - December 2009

- The demand for office furniture clearly decreased in comparison with the figure for the same period in 2008.
- Consolidated net revenue for January-December was EUR 95.3 million (141.2), a decrease of 32.5 per cent.
- Operating profit for January-December was EUR 0.8 million (10.9). The result for 2008 includes EUR 0.7 million in non-recurring income from the sale of assets.
- Strong cash flow during 2009. Cash flow from operating activities in January-September was EUR 10.8 million (11.8).
- Operating profit decreased from the previous year mainly due to the fall in revenue.
- Adaptation to the change in demand has proceeded well.

# Martela Group

## October-December 2009

- Revenue for the fourth quarter was EUR 24.2 million (41.1), a decline of 41.0 per cent.
- The consolidated result for the fourth quarter was EUR 0.4 million (3.8).
- The operating profit decreased from previous year mainly because of the decline in revenue.

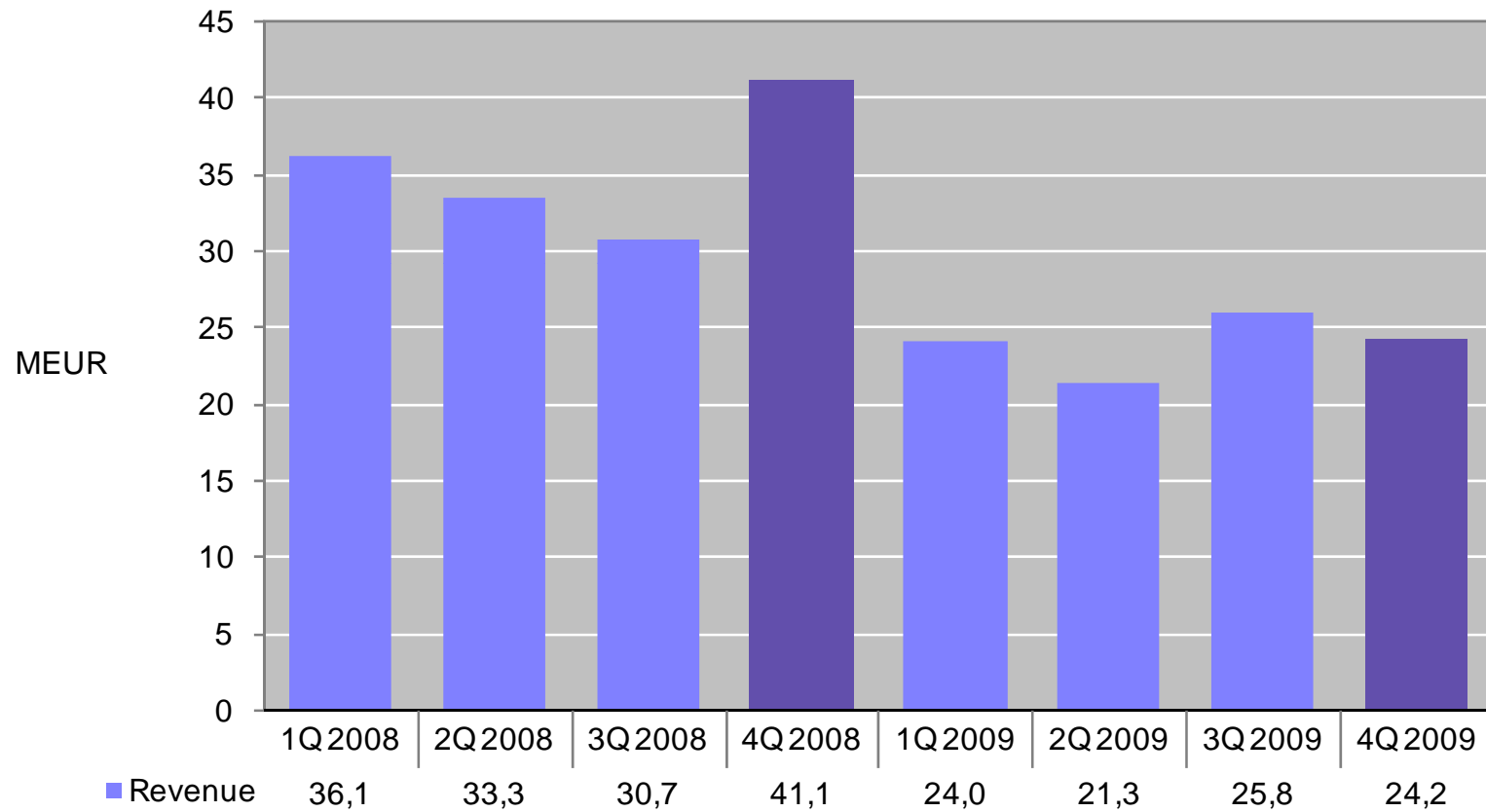
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## Developments 2009

- Milan Furniture Fair – Martela largely visible
- Stockholm Furniture Fair – strong appearance
- First showroom opened in St. Petersburg, Plans for Moscow proceeding
- Efforts on improved quality continues
- The “Lompsa project” – reduction of working capital has brought results
- Actions in all parts of Group to adapt to new situation

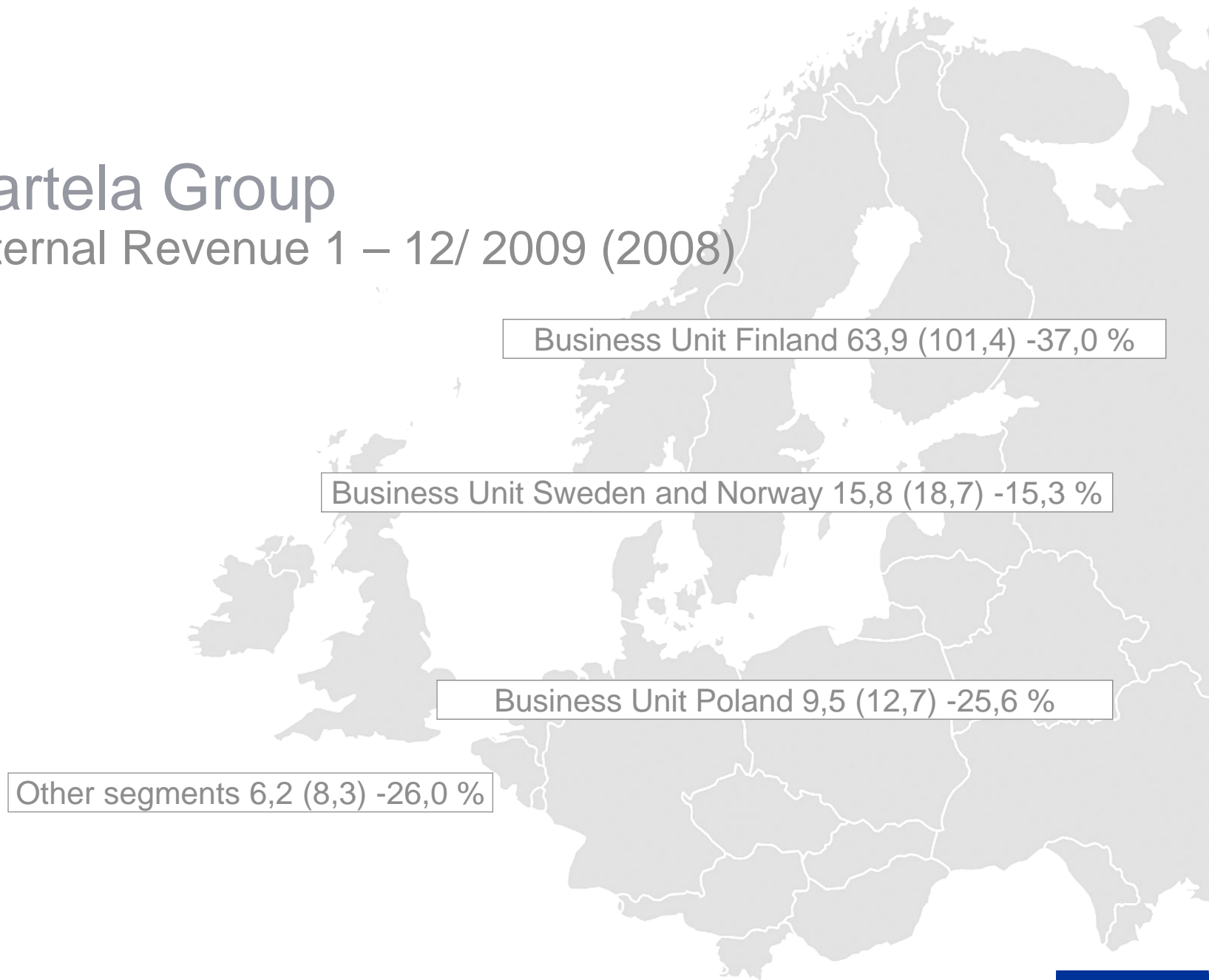
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## Revenue



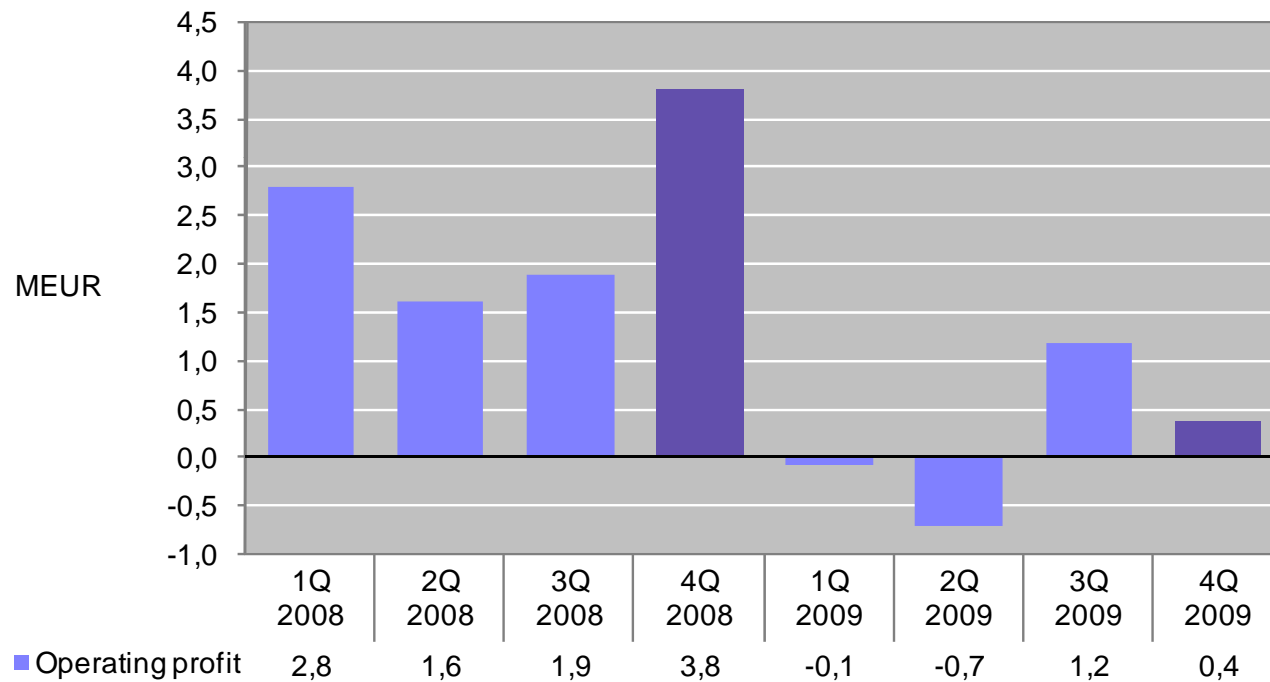
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## External Revenue 1 – 12/ 2009 (2008)



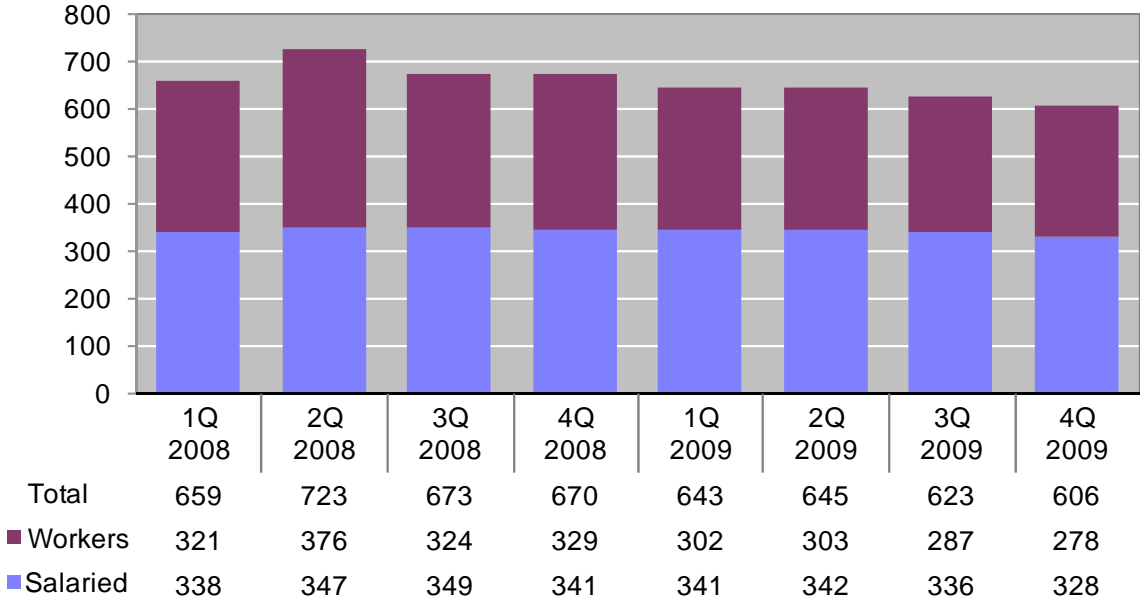
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Operating profit (excluding non-recurring items)



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## Personnel at work, end of period





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## Market situation – office construction in Finland \*

- During 2008 started office constructions declined by approx. 30 %. During the first three quarters in 2009 approximately 40 percentage less office space has been completed (compared to 2008).
- During the first nine months of 2009 the number of both building permits and started office constructions have clearly declined. During the same period 163 000 sqm (281 000) office space has been completed.

\* source: Statistics Finland

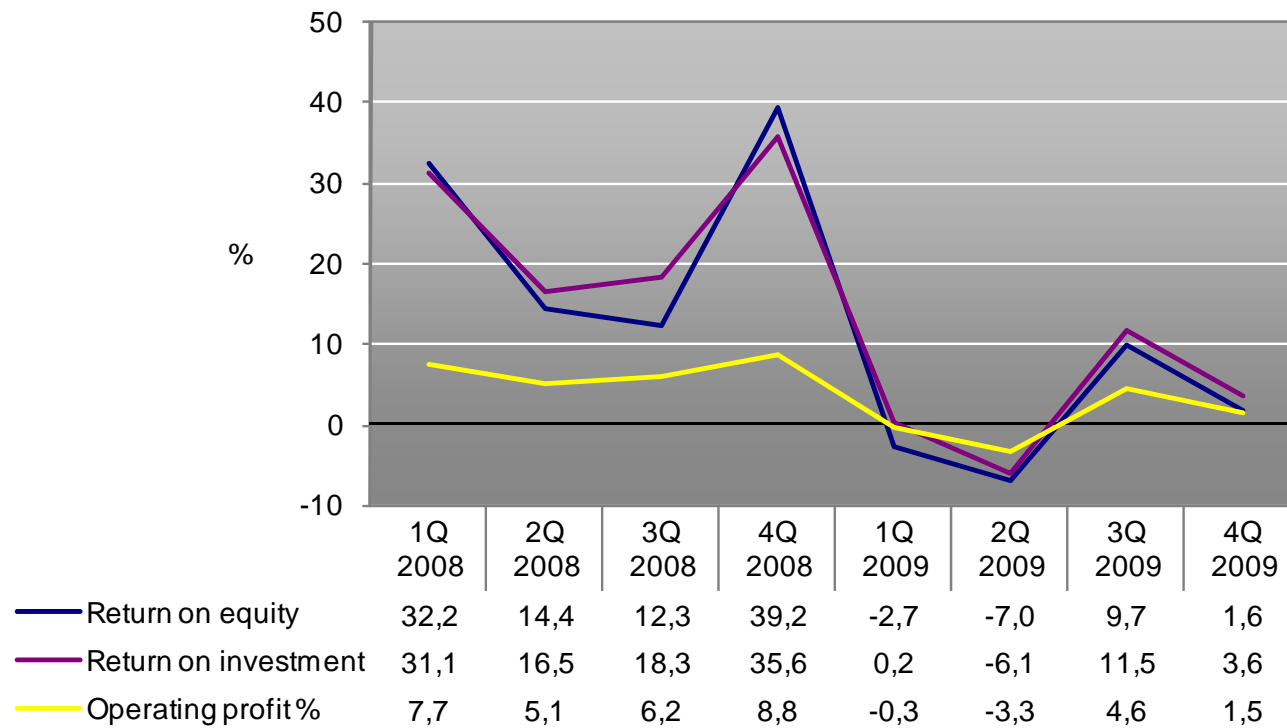
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## Outlook for 2009

Low demand will continue to have an effect on the company's revenue and operating profit in 2010. The company will continue to review its cost structure and to improve its operating efficiency.

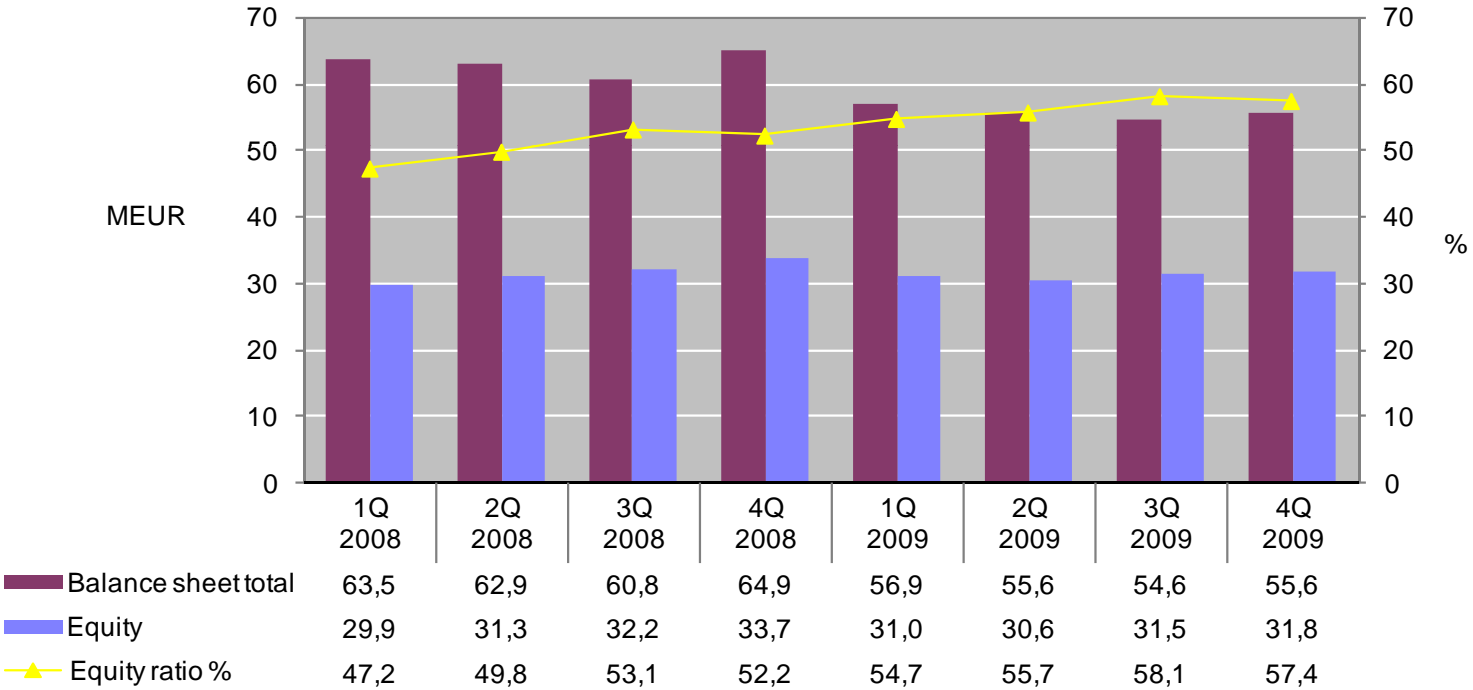
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## Profitability Quarterly



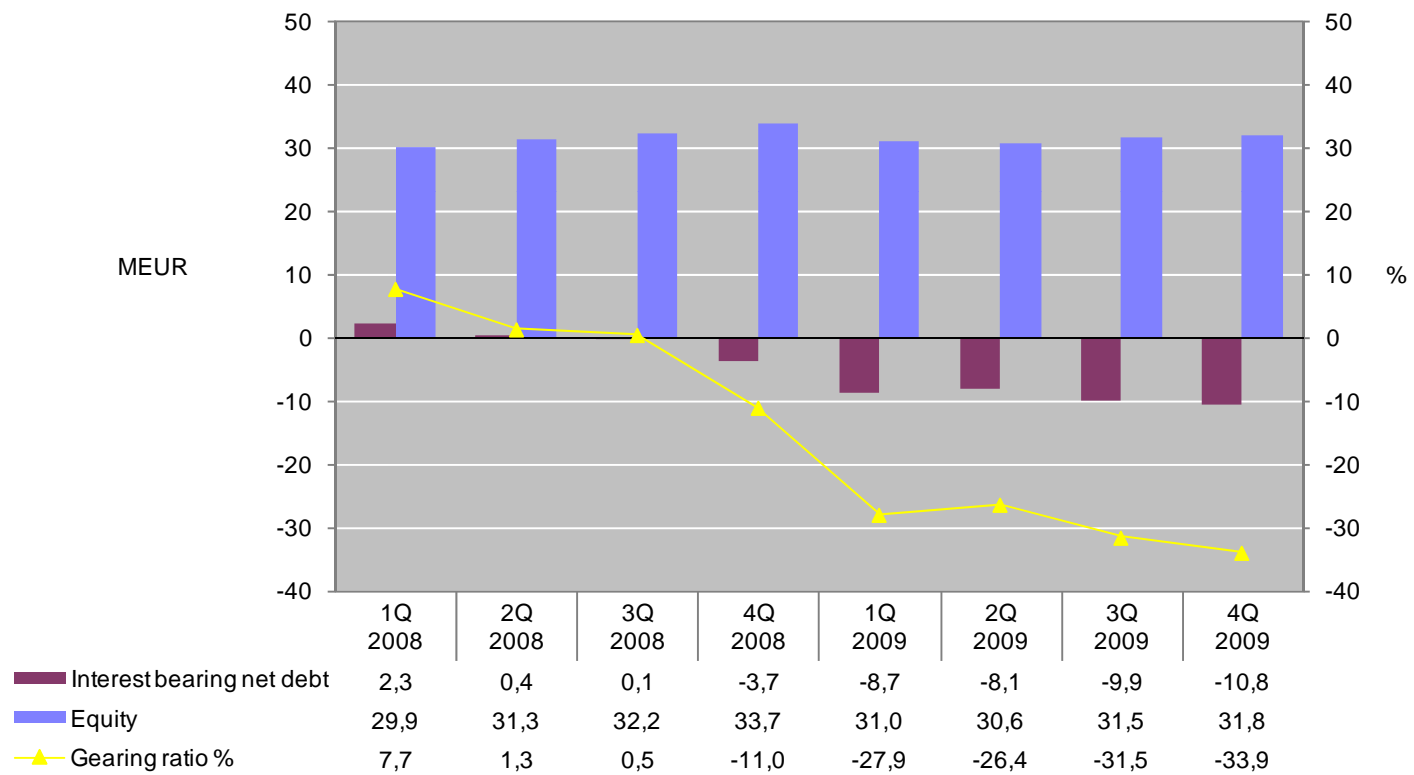
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## Balance Sheet



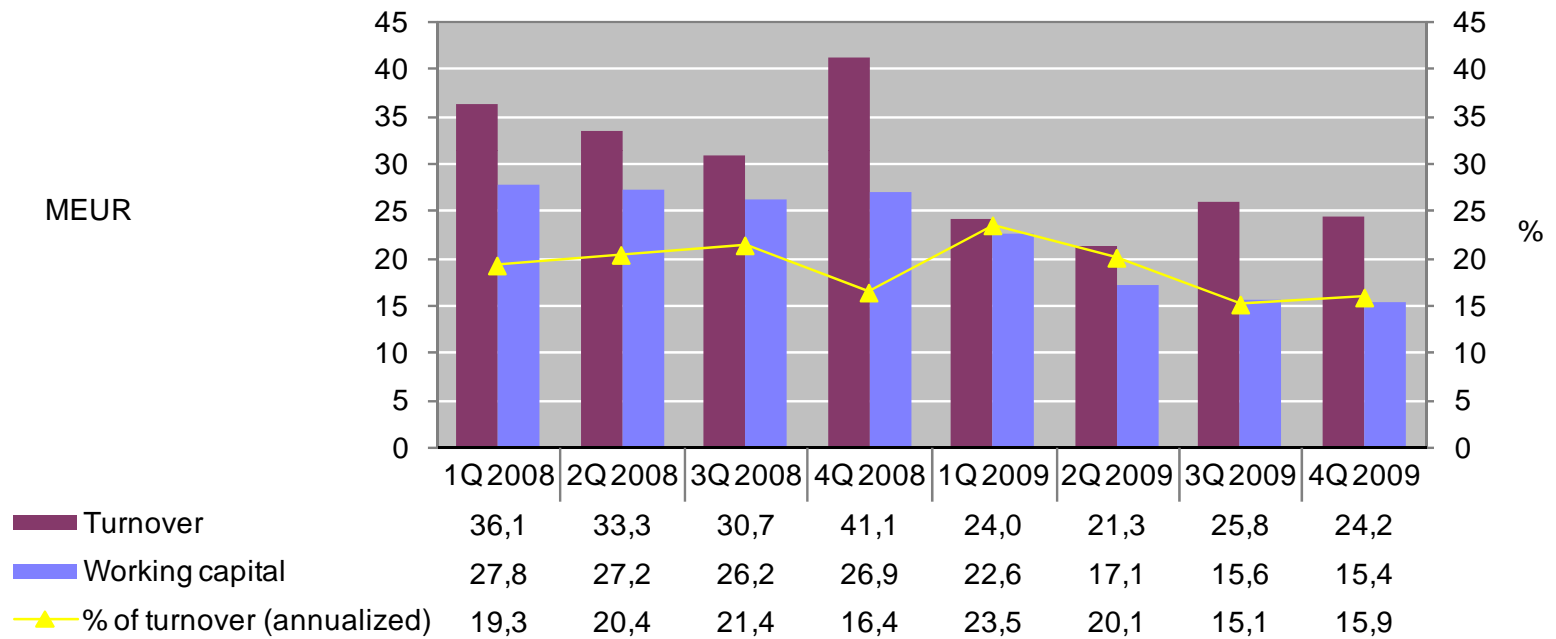
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## Gearing



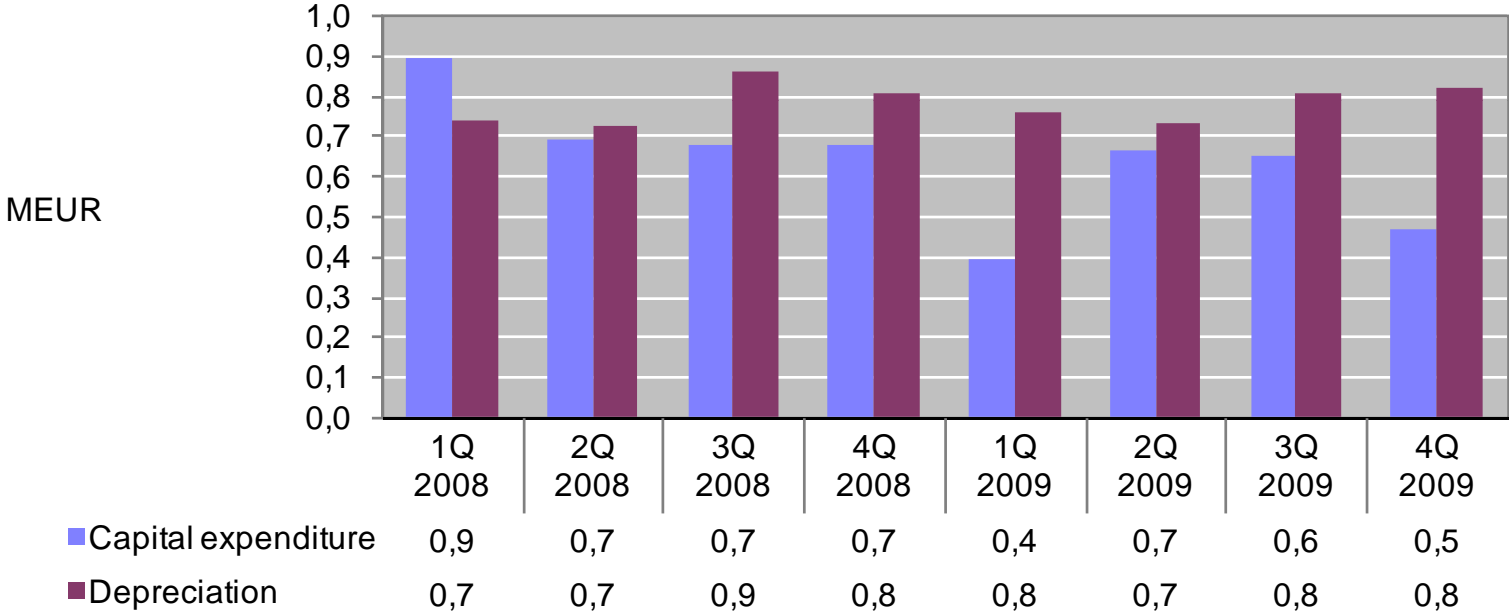
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## Working Capital (average)



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## Capital Expenditure & Depreciation



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## GROUP INCOME STATEMENT (EUR 1,000)

	2009 1.1.-31.12.	2008 1.1.-31.12.	Change %	2008 1.1.-31.12.
Net sales	95,349	141,153	-32,5 %	141,153
Other operating income	0,746	1,422	-47,6 %	1,422
Personnel expenses	-25,989	-31,452	-17,4 %	-31,452
Other operating expenses	-66,205	-97,155	-31,9 %	-97,154
Depreciation and impairment	-3,109	-3,115	-0,2 %	-3,115
Operating profit/loss	0,793	10,854	-92,7 %	10,854
As a percentage of turnover	0,8 %	7,7 %		7,7 %
Financial income and expenses	-0,365	-0,651	-43,9 %	-0,651
Profit/loss before taxes	0,427	10,203	-95,8 %	10,202
As a percentage of turnover	0,4 %	7,2 %		7,2 %
Income tax	-0,291	-2,666	-89,1 %	-2,666
Profit/loss for the period	0,136	7,537	-98,2 %	7,537
As a percentage of turnover	0,1 %	5,3 %		5,3 %



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## GROUP BALANCE SHEET (EUR 1,000)

	31.12.2009	31.12.2008	Change %	31.12.2008
<b>ASSETS</b>				
<b>Non-current assets</b>				
Intangible assets	0,716	0,724	-1,1 %	0,724
Tangible assets	11,862	13,461	-11,9 %	13,461
Investments	0,039	0,039	-0,9 %	0,039
Deferred tax assets	0,262	0,304	-13,8 %	0,304
Pension receivables and other rec.	0,197	0,072	173,2 %	0,072
Investment property	0,600	0,600	0,0 %	0,600
<b>Total</b>	<b>13,676</b>	<b>15,200</b>	<b>-10,0 %</b>	<b>15,200</b>
<b>CURRENT ASSETS</b>				
Inventories	9,407	10,825	-13,1 %	10,825
Receivables	13,210	24,252	-45,5 %	24,252
Financial assets securities	1,093	1,038	5,3 %	1,038
Cash and cash equivalents	18,212	13,581	34,1 %	13,581
<b>Total</b>	<b>41,922</b>	<b>49,697</b>	<b>-15,6 %</b>	<b>49,696</b>
<b>Total assets</b>	<b>55,598</b>	<b>64,895</b>	<b>-14,3 %</b>	<b>64,895</b>

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## GROUP BALANCE SHEET (EUR 1,000)

	31.12.2009	31.12.2008	Change %	31.12.2008
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>				
Shareholders' equity				
Share capital	7,000	7,000	0,0 %	7,000
Share premium account	1,116	1,116	0,0 %	1,116
Other funds	0,117	0,117	0,0 %	0,117
Translation diff.	-0,409	-0,486	-15,8 %	-0,486
Retained earnings & shareb.incentives	25,138	27,605	-8,9 %	27,605
Treasury shares	-1,200	-1,610	-25,5 %	-1,610
<b>Total</b>	<b>31,762</b>	<b>33,742</b>	<b>-5,9 %</b>	<b>33,742</b>
Non-current liabilities				
Interest-bearing debts	3,518	8,024	-56,2 %	8,024
Deferred tax liability	1,305	1,403	-7,0 %	1,403
<b>Total</b>	<b>4,823</b>	<b>9,427</b>	<b>-48,8 %</b>	<b>9,427</b>
Current liabilities				
Interest-bearing	5,008	2,869	74,6 %	2,869
Non-interest bearing	14,005	18,858	-25,7 %	18,858
<b>Total</b>	<b>19,013</b>	<b>21,726</b>	<b>-12,5 %</b>	<b>21,727</b>
<b>Total liabilities</b>	<b>23,836</b>	<b>31,154</b>	<b>-23,5 %</b>	<b>31,154</b>
<b>Total shareholders' equity and liabilities</b>	<b>55,598</b>	<b>64,895</b>	<b>-14,3 %</b>	<b>64,895</b>

# Martela Group

## SCOPE OF OPERATIONS

	2009 1.1.-31.12.	2008 1.1.-31.12.	Change %	2008 1.1. - 31.12.
Earnings / share, EUR	0,03	1,89	-98,2 %	1,89
Equity / share, EUR	7,88	8,47	-7,0 %	8,47
Equity ratio %	57,4	52,2		52,2
Return on equity %	0,42	23,8		23,8
Return on investment %	2,3	25,2		25,2
Interest-bearing net debt, EUR million	-10,8	-3,7	189,2 %	-3,7
Gearing ratio	-33,9	-11,0		-11,0
Capital expenditure, EUR million	2,2	2,9	-25,9 %	2,9
Personnel at the end of period	606	670	-9,6 %	670
Average personnel	636	681	-6,6 %	681
Net sales / employee, EUR thousand	149,9	207,3	-27,7 %	207,3

# Martela Group

## STATEMENT OF SOURCE AND APPLICATION OF FUNDS (1000 EURO)

	2009 1-3	2009 4-6	2009 7-9	2009 10-12	12m rolling
Net cash from operating activities (A)	7,688	-0,588	2,386	1,276	10,762
Cash flow from investing activities (B)	-0,360	0,318	-0,227	-0,390	-0,659
Net cash from financial activities (C)	-2,803	-1,124	-0,494	-1,015	-5,436
Net increase in cash and cash equivalents	4,524	-1,393	1,665	-0,129	4,667
Cash and equivalents at the beginning	14,620	19,107	17,731	19,412	14,620
Cash and equivalents at the end of period	19,107	17,731	19,412	19,304	19,304

## STATEMENT OF SOURCE AND APPLICATION OF FUNDS (1000 EURO)

	2009 1.1.-31.12.	2008 1.1.-31.12.	Change %	2008 1.1.-31.12.
Net cash from operating activities (A)	10,762	11,758	-8,5 %	11,758
Cash flow from investing activities (B)	-0,659	-0,694	-5,0 %	-0,694
Net cash from financial activities (C)	-5,436	-6,003	-9,4 %	-6,003
Net increase in cash and cash equivalents	4,667	5,061	-7,8 %	5,061
Cash and equivalents at the beginning	14,620	9,691	50,9 %	9,691
Cash and equivalents at the end of period	19,304	14,620	32,0 %	14,620