

MARTELA FINANCIAL STATEMENTS 01-12 / 2011

8 February 2012

Inspiring
spaces

Martela

JANUARY – DECEMBER 2011

- Consolidated revenue for January-December amounted to EUR 130.7 million (108.4), a year-on-year increase of 20.6 per cent.
- In the beginning of year, revenue grew in the traditional sales channels in Finland, Sweden and Poland. Growth is also brought by Outlet chain and Danish reseller acquired in 2010.
- Operating profit for January-December was EUR 2.6 million (1.3). This is affected by strong investments into the growth and hence increased fixed costs.
- The cash flow from operating activities in January-December was EUR 1.2 million (-0.1).
- The equity ratio was 44.7 per cent (55.6).
- The gearing ratio was -2.6 per cent (-14.1).

Inspiring
spaces

Martela

CENTRAL FOCUS AREAS 2011 - 2012

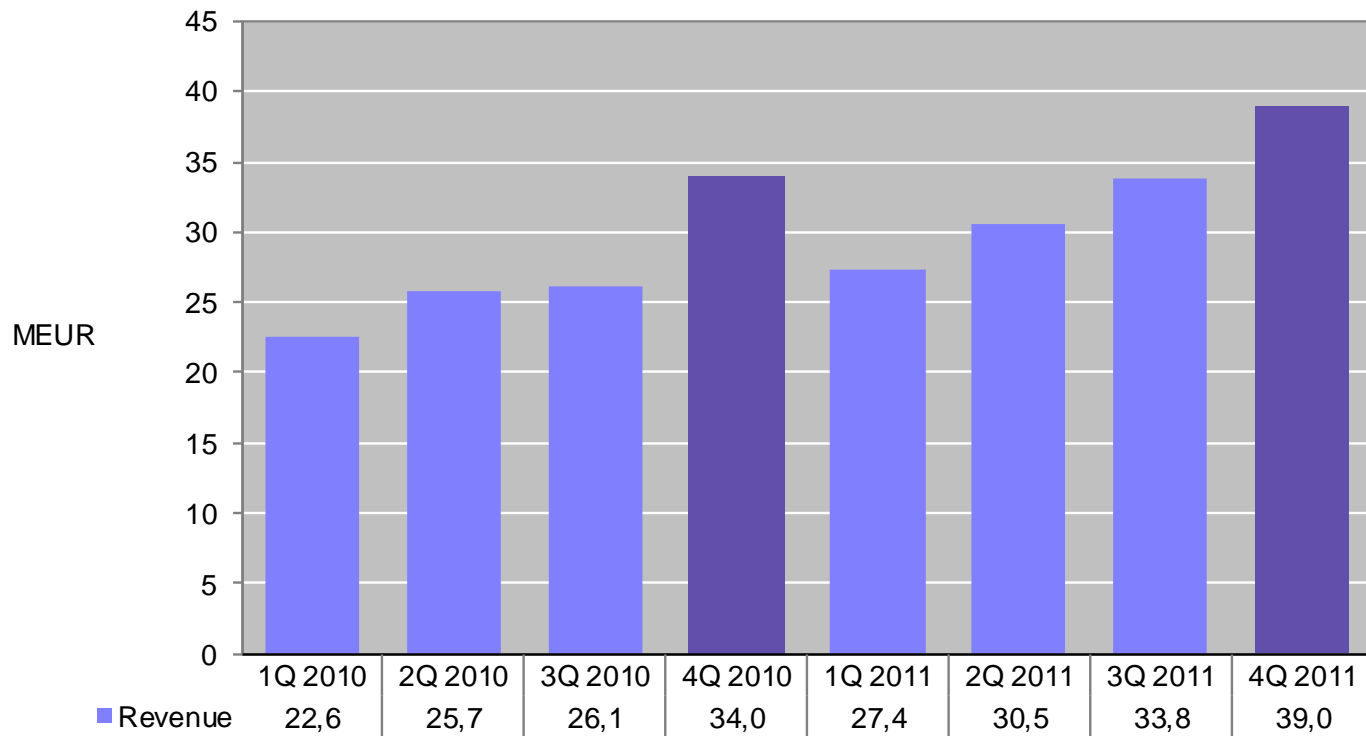
- Businesses in Denmark and Russia
- Development of Martela Outlet concept continues
- Service business was strengthened and development continues
- Enterprise resource planning project
- Corporate responsibility reporting 2011 – GRI reporting and Code of Conduct

MARKET SITUATION – OFFICE CONSTRUCTION IN FINLAND*

- During January – September 2011, more office building square meters were completed in Finland than previous year (+2%).
- More building permits were issued (+36%) than previous year.
- New office building starts were +21% more than previous year.

* source: Statistics Finland

TURNOVER



EXTERNAL REVENUE 1-12/2011 (2010)

Business Unit Finland 88,6 (71,8) 23,4 %

Business Unit Sweden and Norway 20,6 (18,6) 10,5 %

Business Unit Poland 12,9 (9,3) 38,7 %

Other segments 8,6 (8,7) -0,6 %

Inspiring
spaces

Martela

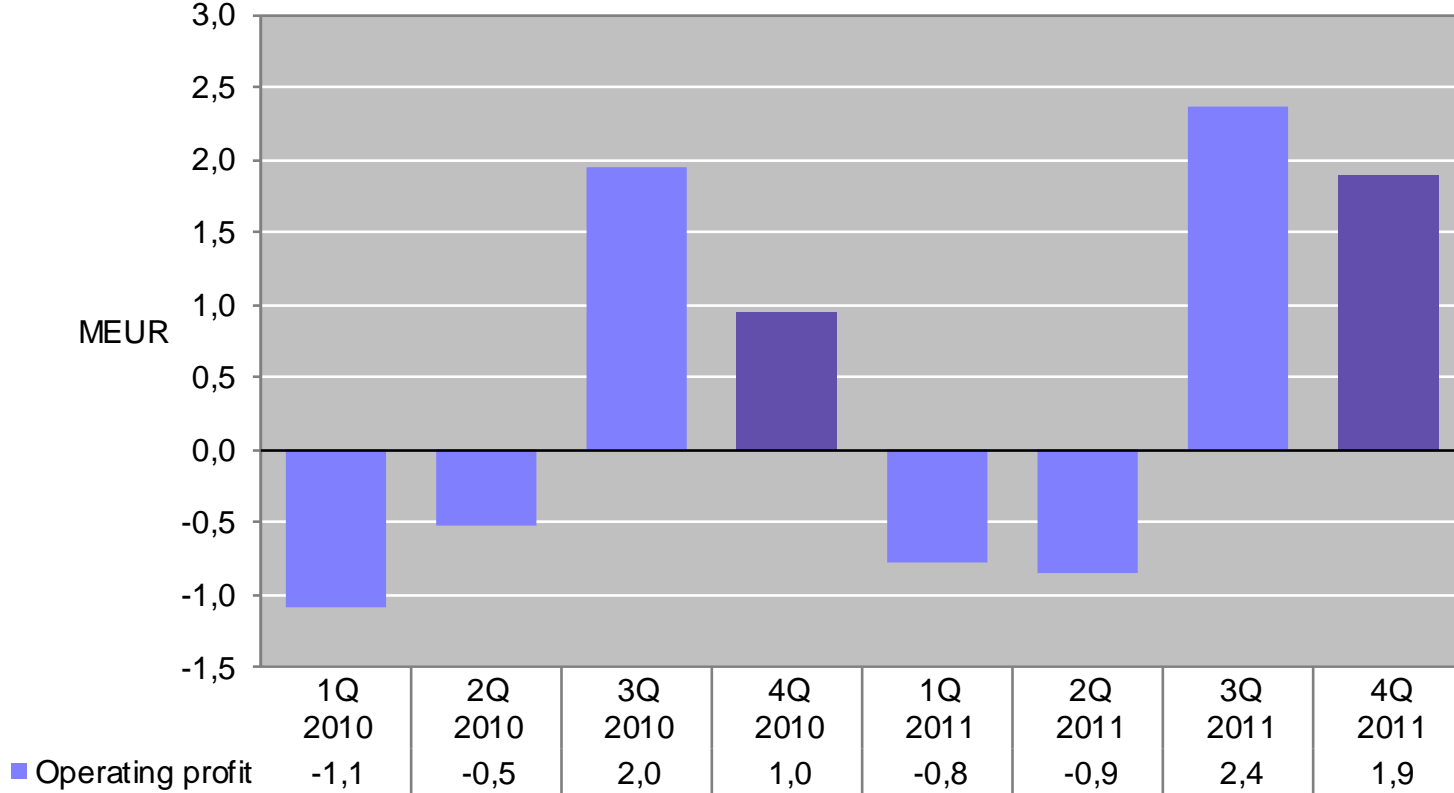
OPERATING PROFIT DEVELOPMENT 2011

EUR million	10-12 2011	10-12 2010	1-12 2011	1-12 2010
Finland	2.5	3.0	6.5	5.0
Sweden & Norway	0.2	0.3	0.3	0.0
Poland	0.0	-0.4	-0.6	-1.4
Other Segments	-0.1	-0.6	-2.3	-0.5
Other	-0.6	-1.4	-1.2	-1.8
Total	1.9	1.0	2.6	1.3

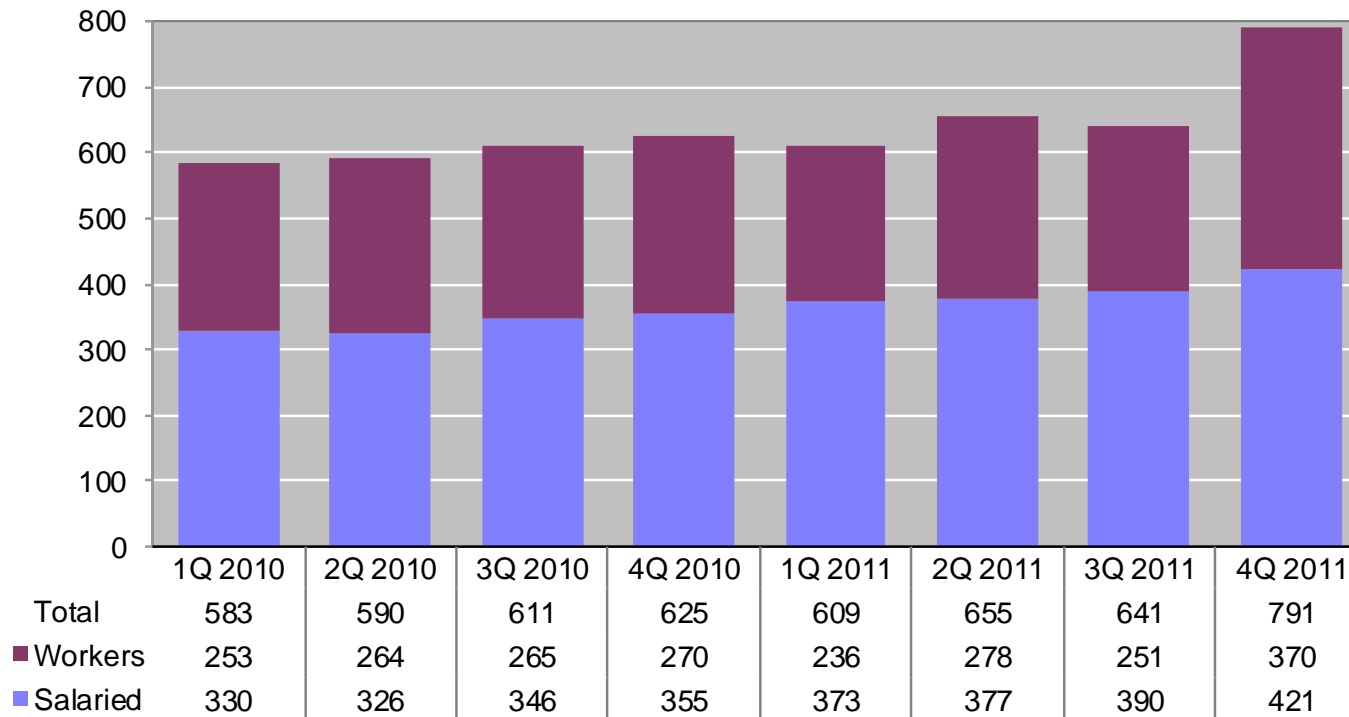
Inspiring
spaces

Martela

OPERATING PROFIT



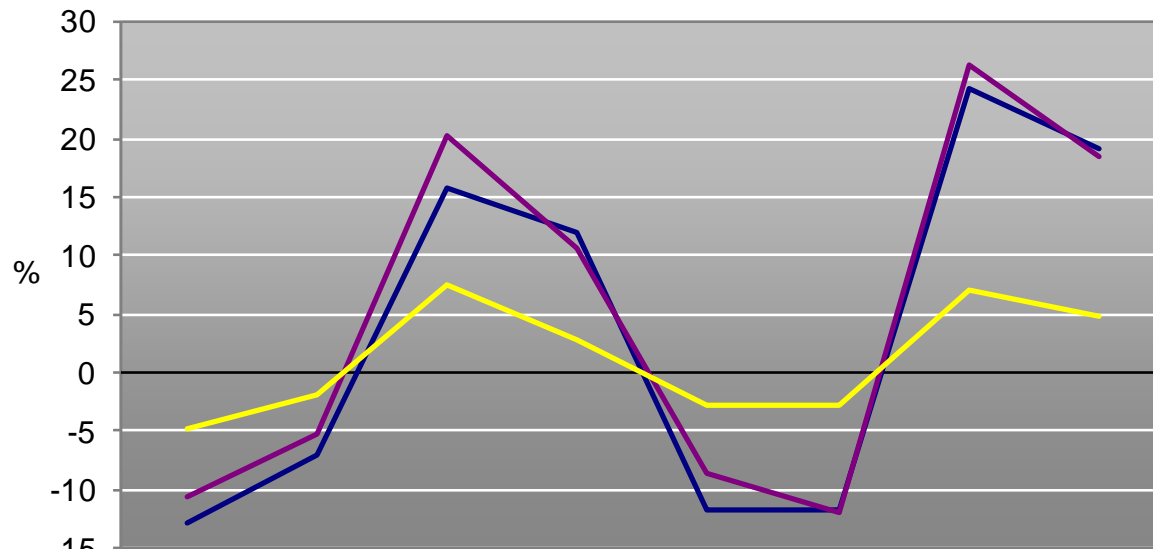
PERSONNEL AT WORK, END OF PERIOD



Inspiring
spaces

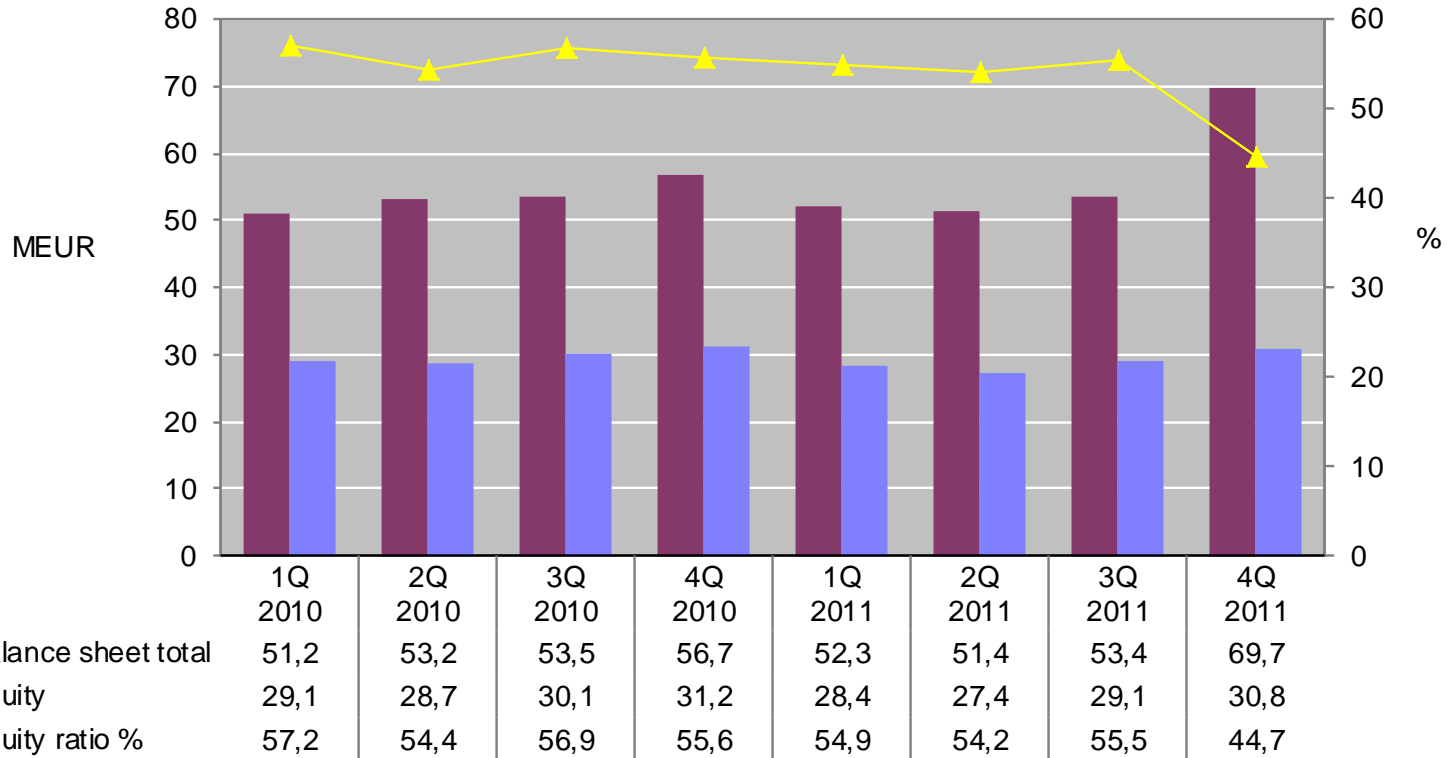
Martela

PROFITABILITY QUARTERLY

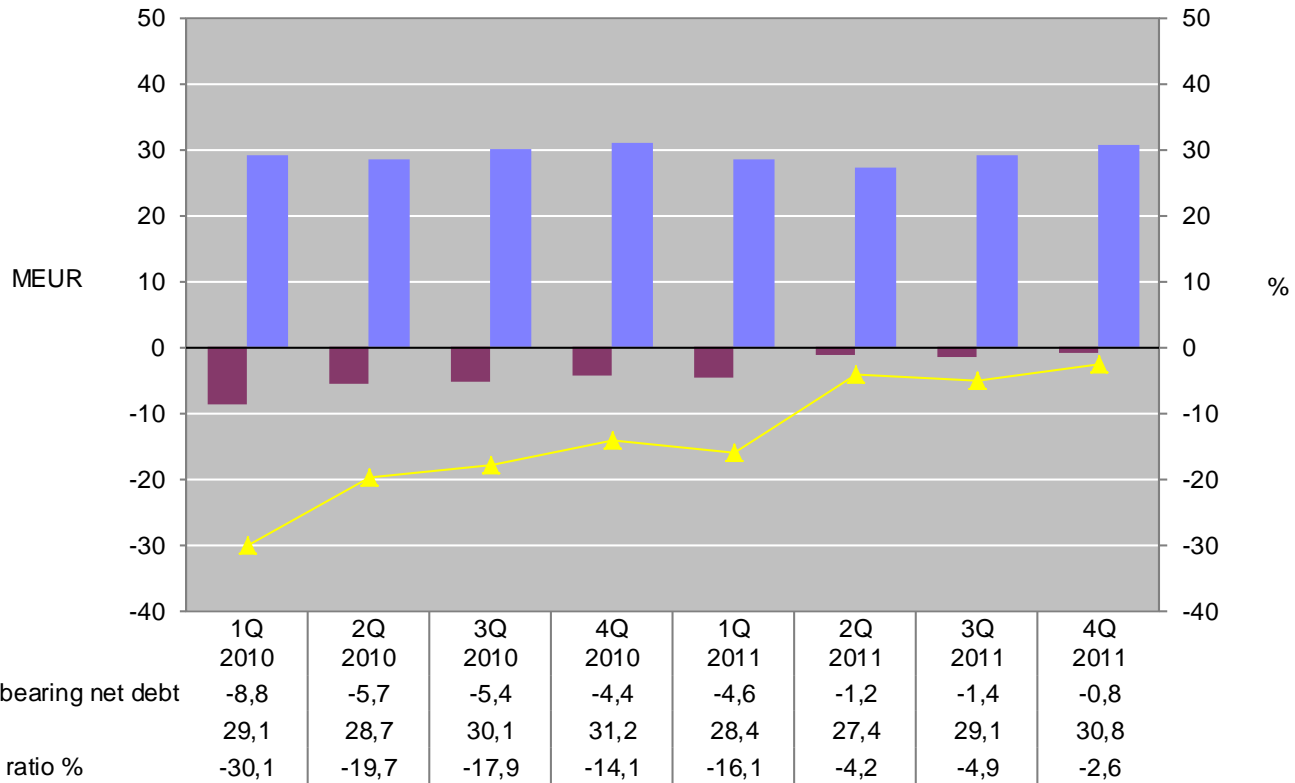


	1Q 2010	2Q 2010	3Q 2010	4Q 2010	1Q 2011	2Q 2011	3Q 2011	4Q 2011
Return on equity	-12,9	-7,0	15,7	11,9	-11,8	-11,9	24,3	19,1
Return on investment	-10,7	-5,2	20,2	10,6	-8,6	-12,0	26,3	18,4
Operating profit %	-4,8	-2,0	7,5	2,8	-2,9	-2,8	7,0	4,9

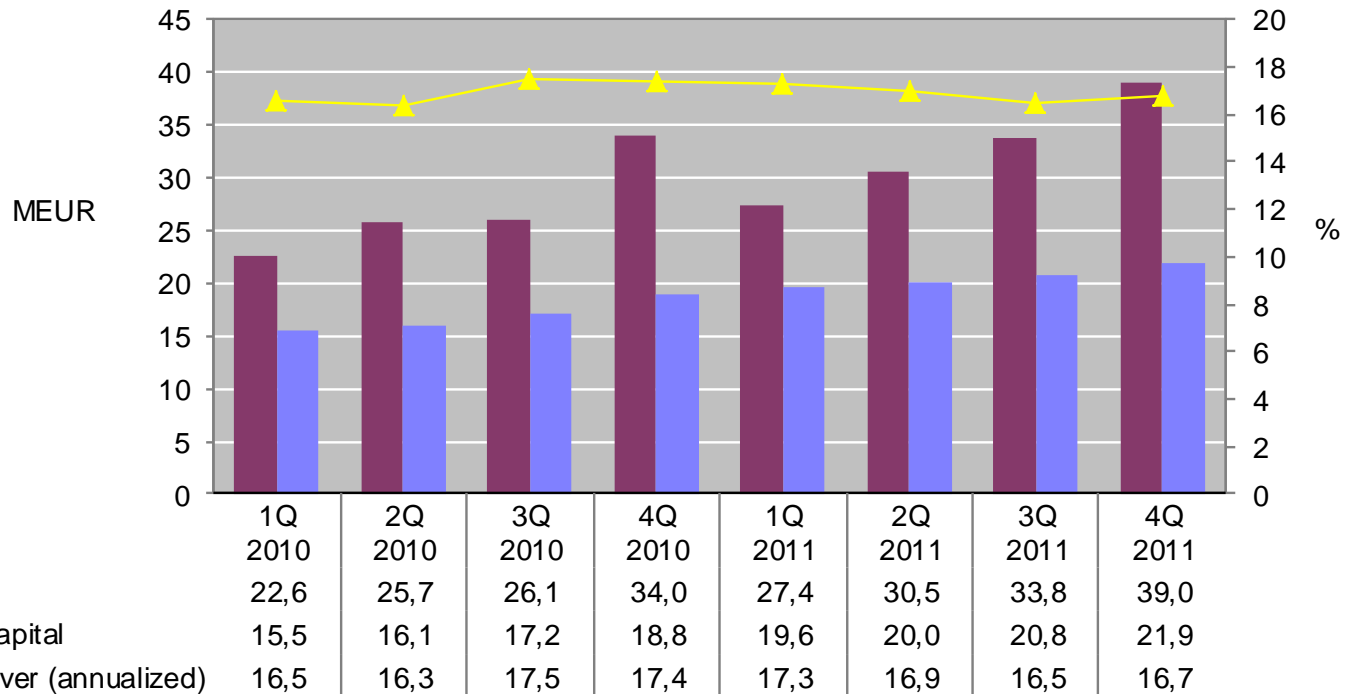
BALANCE SHEET



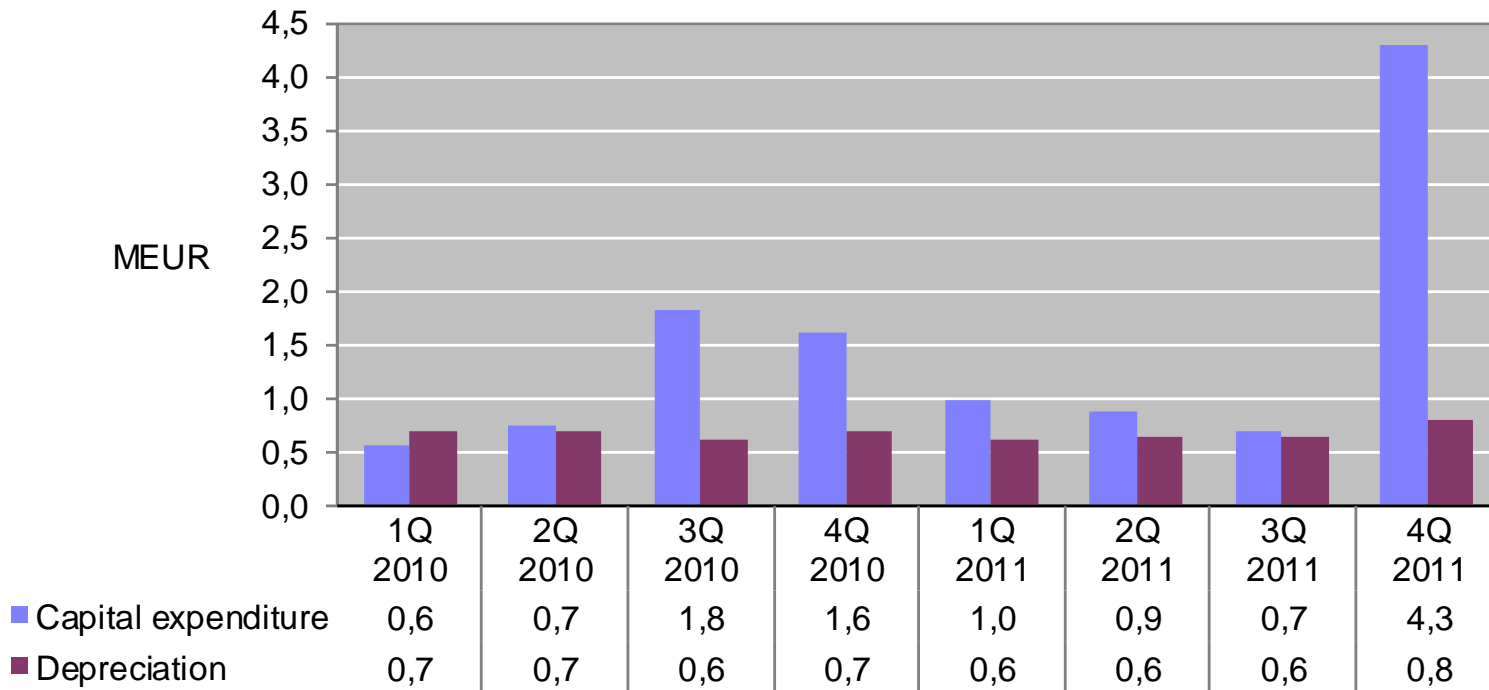
GEARING



WORKING CAPITAL (AVERAGE 12 MONTHS)



CAPITAL EXPENDITURE AND DEPRECIATION



OUTLOOK FOR 2012

- We anticipate that the revenue of Martela Group will increase and operating profit will be at previous year's level or to improve in 2012.

Appendices

Inspiring
spaces

Martela

GROUP INCOME STATEMENT (EUR 1,000)

	2011 1.1.-31.12.	2010 1.1.-31.12.	Change %
Net sales	130,685	108,392	20,6 %
Other operating income	0,417	0,252	65,2 %
Personnel expenses	-30,931	-27,885	10,9 %
Other operating expenses	-94,896	-76,782	23,6 %
Depreciation and impairment	-2,649	-2,664	-0,6 %
Operating profit/loss	2,625	1,313	99,9 %
As a percentage of turnover	2,0 %	1,2 %	
Financial income and expenses	-0,358	-0,229	56,0 %
Share of associates' results	-0,358		
Profit/loss before taxes	1,909	1,084	76,1 %
As a percentage of turnover	1,5 %	1,0 %	
Income tax	-0,343	-0,446	-23,1 %
Profit/loss for the period	1,566	0,638	145,5 %
As a percentage of turnover	1,2 %	0,6 %	

Inspiring
spaces

Martela

GROUP BALANCE SHEET (EUR 1,000)

	31.12.2011	31.12.2010	Change %
ASSETS			
Non-current assets			
Intangible assets	4,699	2,051	129,1 %
Tangible assets	13,653	12,721	7,3 %
Investments	0,097	0,260	-62,8 %
Deferred tax assets	0,315	0,298	5,7 %
Pension receivables and other rec.	0,258	0,267	-3,1 %
Investment property	0,600	0,600	0,0 %
Total	19,622	16,196	21,1 %
CURRENT ASSETS			
Inventories	12,988	10,449	24,3 %
Receivables	25,148	19,794	27,0 %
Financial assets securities	0,000	1,107	-100,0 %
Cash and cash equivalents	11,947	9,142	30,7 %
Total	50,082	40,492	23,7 %
Total assets	69,704	56,689	23,0 %

Inspiring
spaces

Martela

GROUP BALANCE SHEET (EUR 1,000)

	31.12.2011	31.12.2010	Change %
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	7,000	7,000	0,0 %
Share premium account	1,116	1,116	0,0 %
Other funds	0,119	0,117	0,0 %
Translation diff.	-0,236	-0,097	143,3 %
Retained earnings & shareb.incentives	23,809	24,243	-1,8 %
Treasury shares	-1,050	-1,212	-13,3 %
Total	30,758	31,168	-1,3 %
Non-current liabilities			
Interest-bearing debts	7,645	3,198	139,1 %
Deferred tax liability	1,366	1,214	12,6 %
Other non-current liabilities	0,175	0,240	
Total	9,186	4,651	97,5 %
Current liabilities			
Interest-bearing	3,490	2,670	30,7 %
Non-interest bearing	26,272	18,201	44,3 %
Total	29,762	20,871	42,6 %
Total liabilities	38,948	25,522	52,6 %
Total shareholders' equity and liabilities	69,704	56,689	23,0 %

Inspiring
spaces

Martela

SCOPE OF OPERATIONS

	2011 1.1.-31.12.	2010 1.1.-31.12.	Change %
Earnings / share, EUR	0,39	0,16	144,1 %
Equity / share, EUR	7,60	7,74	-1,9 %
Equity ratio %	44,7	55,6	
Return on equity %	5,1	2,0	
Return on investment %	6,0	3,7	
Interest-bearing net debt, EUR million	-0,8	-4,4	-81,5 %
Gearing ratio	-2,6	-14,1	
Capital expenditure, EUR million	6,8	4,7	44,5 %
Personnel at the end of period	791	625	26,6 %
Average personnel	637	601	6,0 %
Net sales / employee, EUR thousand	205,2	180,4	13,8 %

Inspiring
spaces

Martela

STATEMENT OF SOURCE AND APPLICATION OF FUNDS (1000 EURO)

	2011 1-3	2011 4-6	2011 7-9	2011 10-12	12m rolling
Net cash from operating activities (A)	2,299	-2,058	1,014	-0,063	1,192
Cash flow from investing activities (B)	-0,281	-0,796	-0,811	-0,246	-2,134
Net cash from financial activities (C)	-2,273	-1,349	1,320	4,676	2,374
Net increase in cash and cash equivalents	-0,254	-4,203	1,523	4,366	1,432
Cash and equivalents at the beginning period	10,249	9,998	5,784	5,784	10,249
Cash and equivalents at the end of period	9,998	5,784	7,258	11,640	11,640

STATEMENT OF SOURCE AND APPLICATION OF FUNDS (1000 EURO)

	2011 1.1.-31.12.	2010 1.1.-31.12.	Change %
Net cash from operating activities (A)	1,192	-0,063	
Cash flow from investing activities (B)	-2,134	-4,114	
Net cash from financial activities (C)	2,374	-4,616	
Net increase in cash and cash equivalents	1,432	-8,793	
Cash and equivalents at the beginning period	10,249	19,304	-46,9 %
Cash and equivalents at the end of period	11,640	10,249	13,6 %

Inspiring
spaces

Martela