

# MARTELA Interim Report 1-3/2016

April 29th, 2016



# Why, How, What?

## What

- Creating the best workplaces

## How

- Through user-centric workplace specification

## Why

- Because we believe that a workplace is an opportunity



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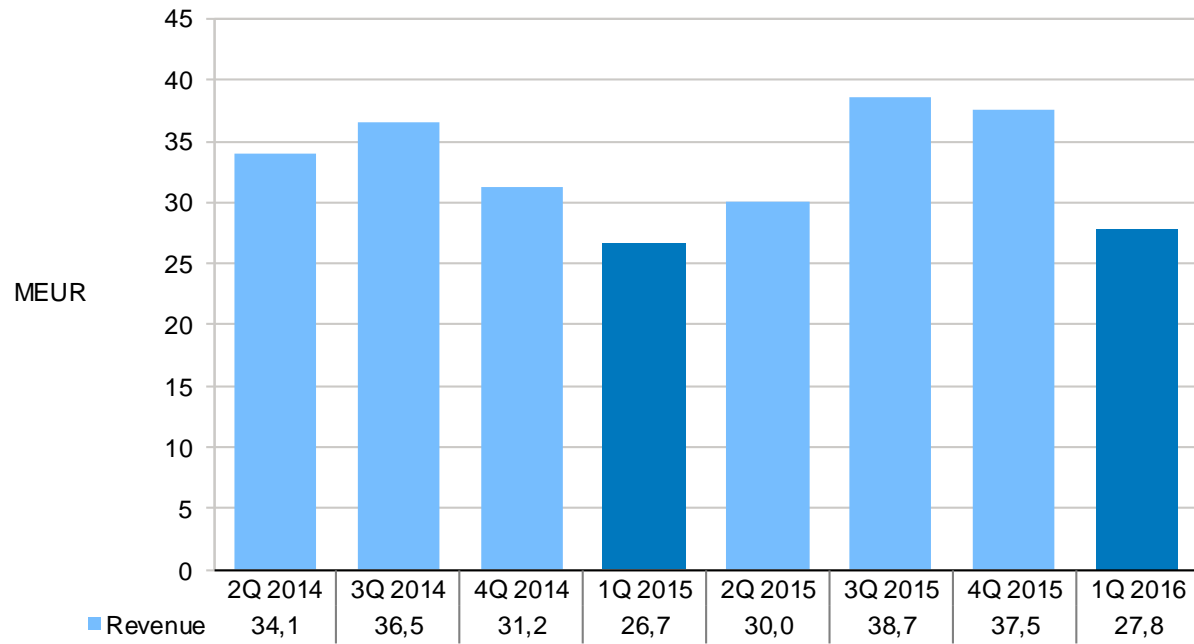
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# Q1 2016 SUMMARY



- Revenue growth 4,3%
- Operating profit improved 1,2M€
- Group almost net debt-free
- Cash flow positive
- Savings program implemented
- The share trading volume increased significantly in Stock Exchange

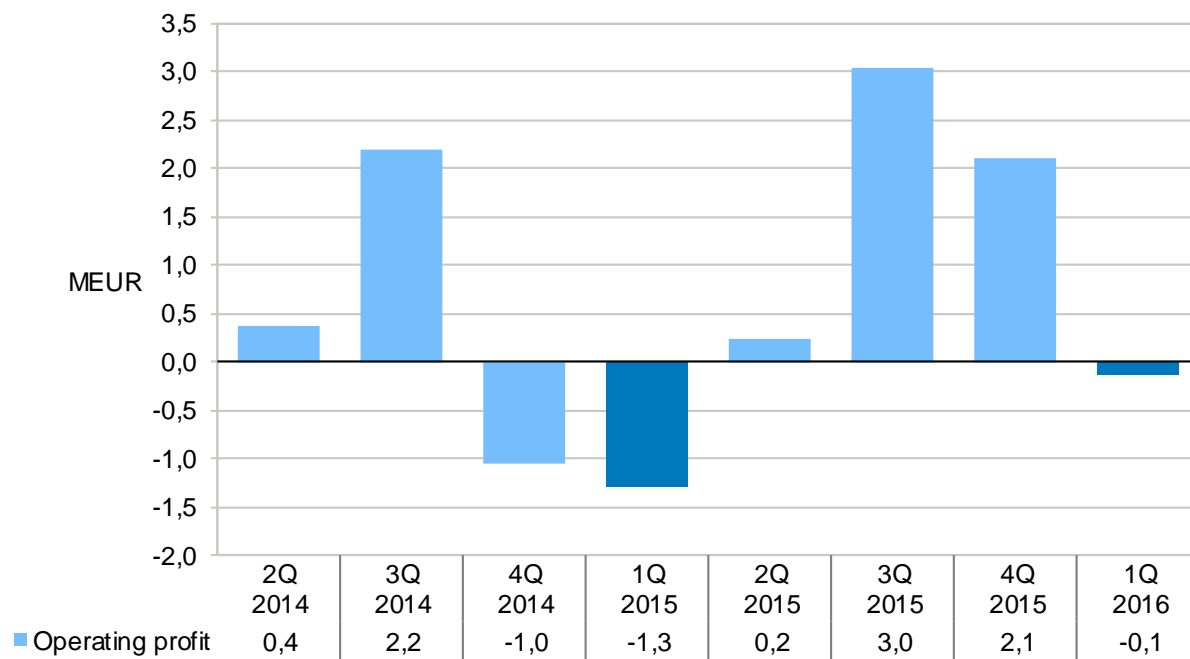
# REVENUE



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# OPERATING PROFIT



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# JANUARY – MARCH 2016



## Group revenue and EBIT increased slightly

- **Consolidated revenue for January-March was EUR 27.8 million (26.7)**
  - Different revenue development compared to previous year:
  - Finland: Decreased slightly
  - Poland: Decreased clearly
  - Russia and Norway: Remained on previous year's level
  - Sweden: Increased clearly
  - Market climate remains challenging in Finland and Russia. The Polish and Swedish markets continued to be stronger.
  - Interest in Activity Based Office –solutions and Martela Lifecycle® -model remains high.
- **Operating result for January-March was EUR -0.1 million (-1.3)**
  - Group fixed costs were clearly lower compared to previous year due to the implemented cost saving actions.
  - Sales margin decreased slightly compared to previous year due to the structure of the revenue during the review period.

# JANUARY – MARCH 2016



## **Savings Program**

- The negotiations under the Swedish Co-determination at work Act concerning employees of Bodafors facility in Sweden were concluded after the review period in April. The outcome of the negotiations was a reduction of 16 employees from Bodafors logistics center. The aim of the actions is to create a more flexible supply chain and to achieve annual savings of EUR 0.5 million.
- The savings in the Sweden operations are a part of the EUR 4 million savings program launched in April 2015. With these actions the whole target for the savings program has been achieved. Approximately one third of the savings have been realized in 2015, half of them will be realized during 2016 and the remaining during 2017.

## **Other key figures:**

- The cash flow from operating activities in January-March was EUR 3.9 million (1.4)
- The equity ratio was 42.8 % (37.7)
- The gearing ratio was 3.9 % (31.3)

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# CENTRAL FOCUS AREAS



- ✓ Implementation of Martela Lifecycle model
- ✓ Partner in best work environments
- ✓ Change in customer perception
- ✓ Customer and employee experience
- ✓ Increased revenue from services
- ✓ Profitable growth



⇒ Improvement of profitability



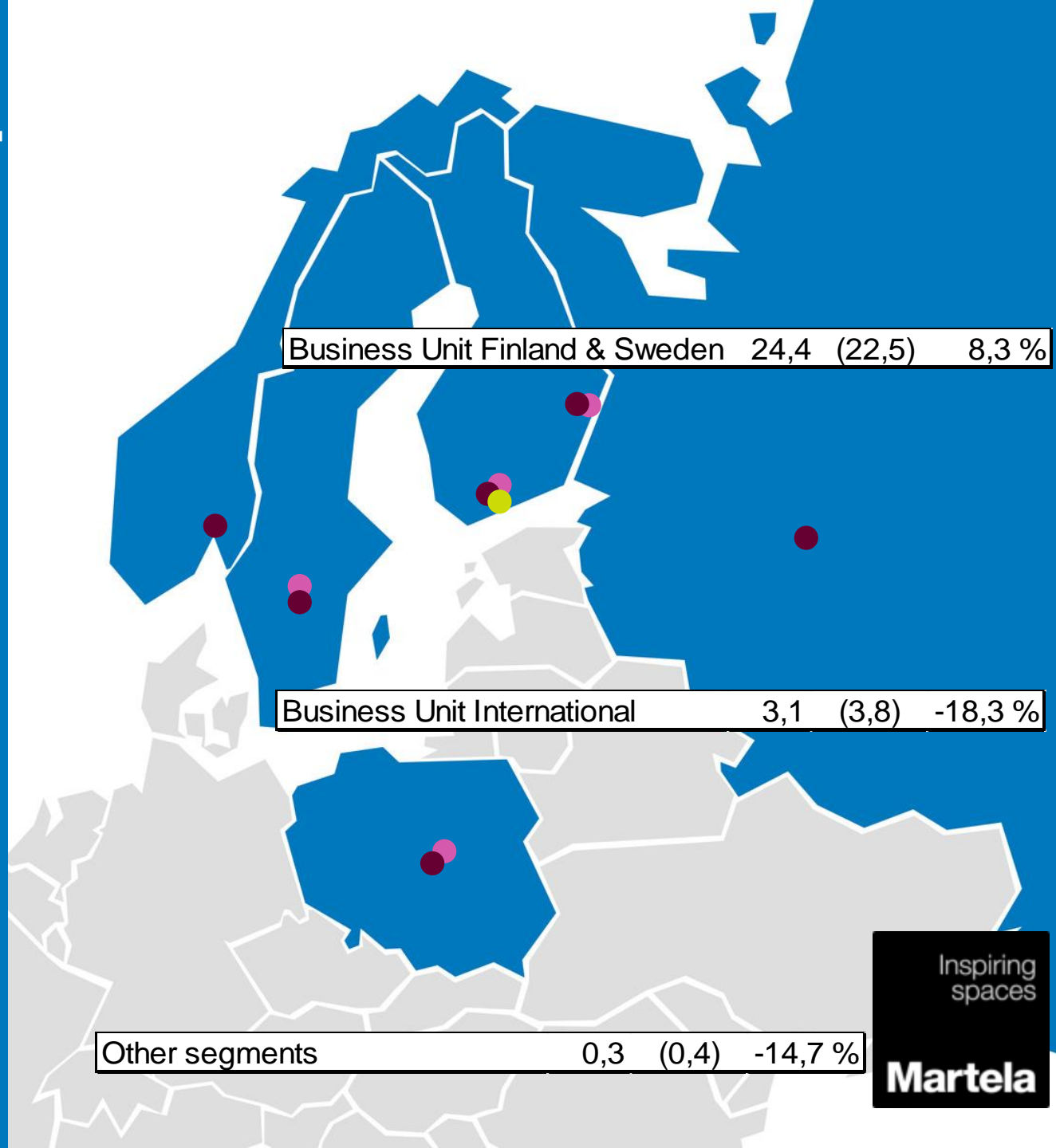
# OUTLOOK FOR 2016

The Martela Group anticipates that its revenue and operating result in 2016 will be at the previous year's level. The Group's operating result is weighted towards the second half of the year due to normal seasonal variation.

# Appendix

# EXTERNAL REVENUE 1-3/2016 (2015)

- Head Office
- Production
- Subsidiary



# OPERATING PROFIT DEVELOPMENT 2016

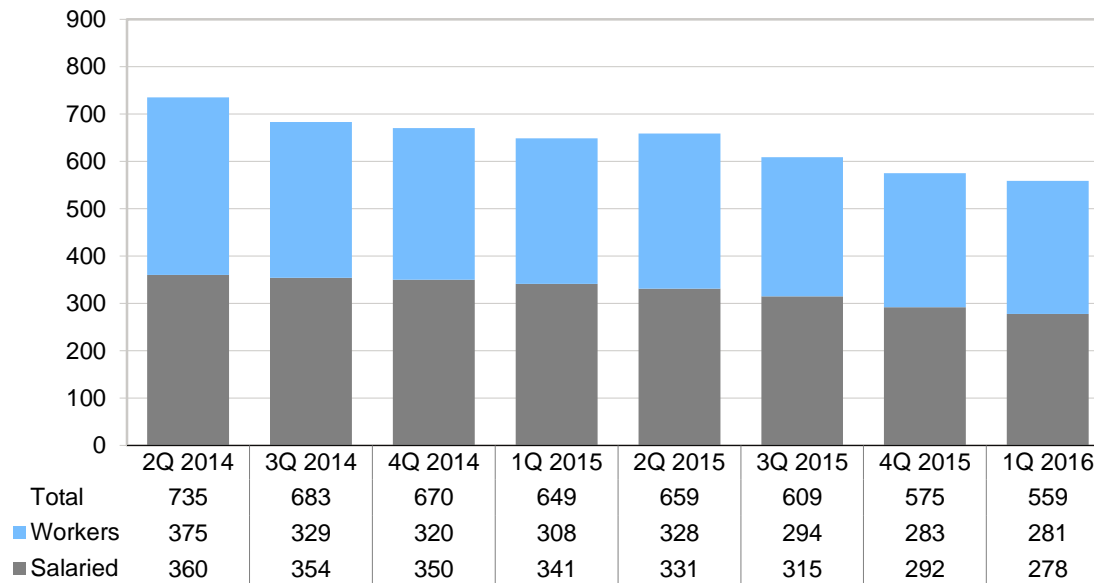


| EUR million      | 1-3<br>2016 | 1-3<br>2015 | 1-12<br>2015 |
|------------------|-------------|-------------|--------------|
| Finland & Sweden | 0,9         | 1,0         | 7,7          |
| International    | -0,8        | -0,9        | -2,7         |
| Other Segments   | -0,2        | -1,3        | -1,0         |
| Total            | -0,1        | -1,3        | 4,1          |

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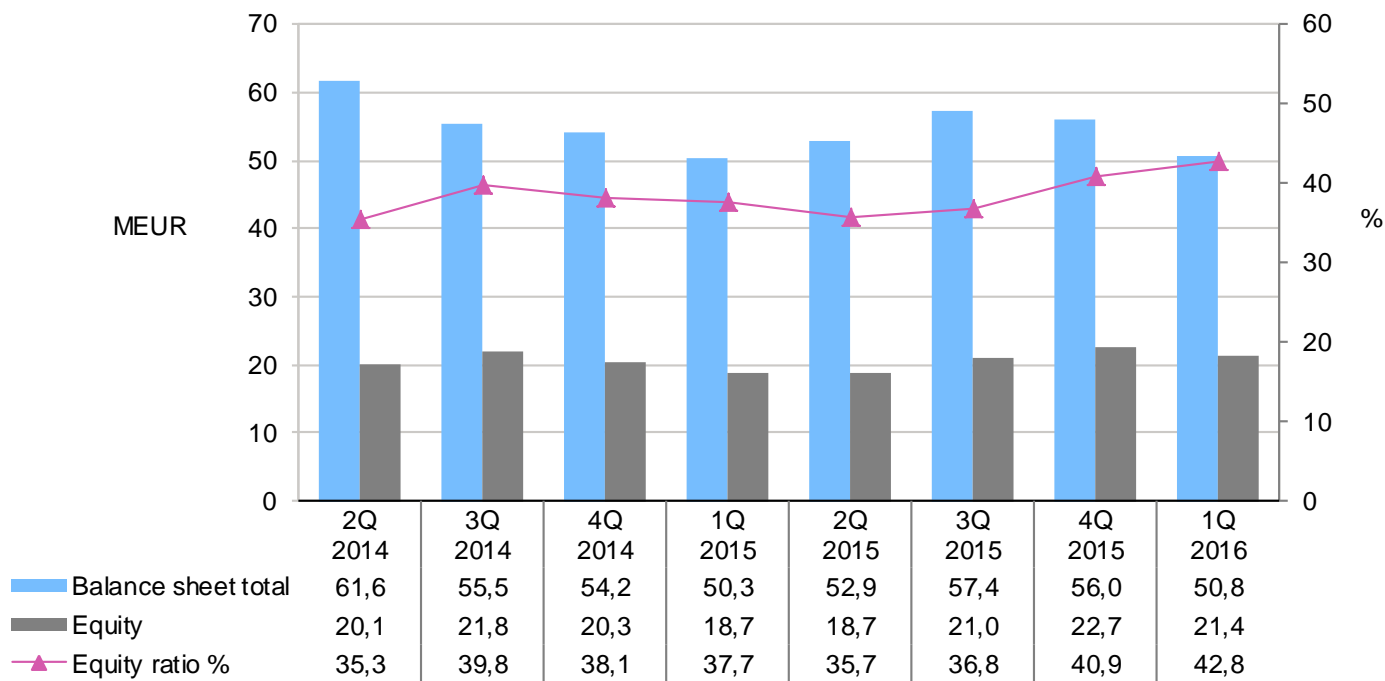
# PERSONNEL AT WORK, END OF PERIOD



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# BALANCE SHEET



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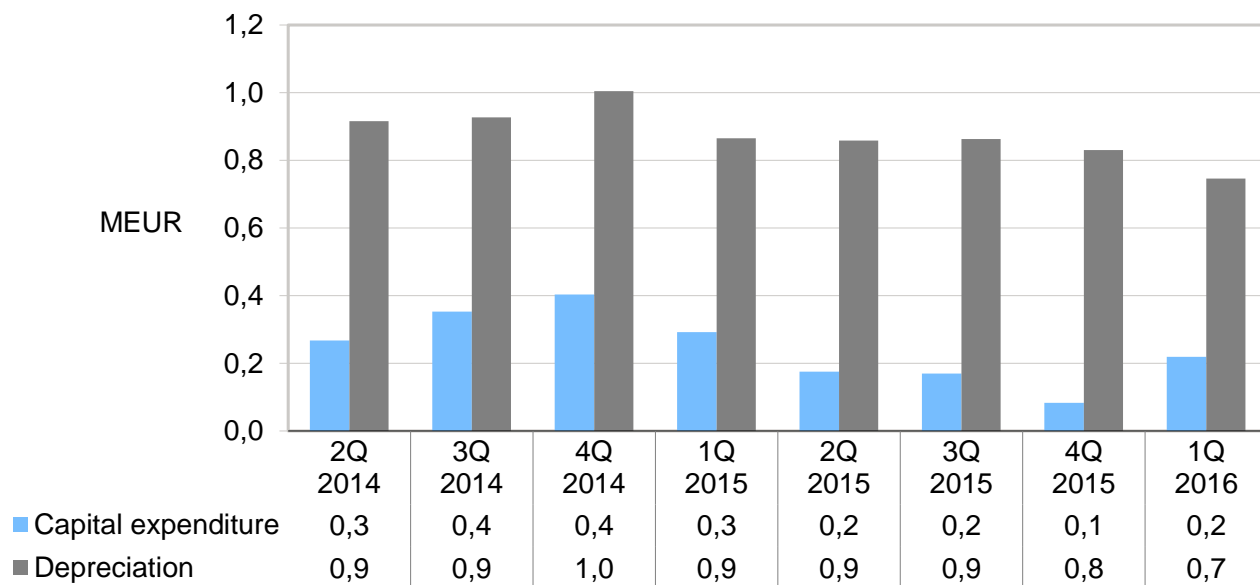
# WORKING CAPITAL (AVERAGE 12 MONTHS)



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# CAPITAL EXPENDITURE AND DEPRECIATION

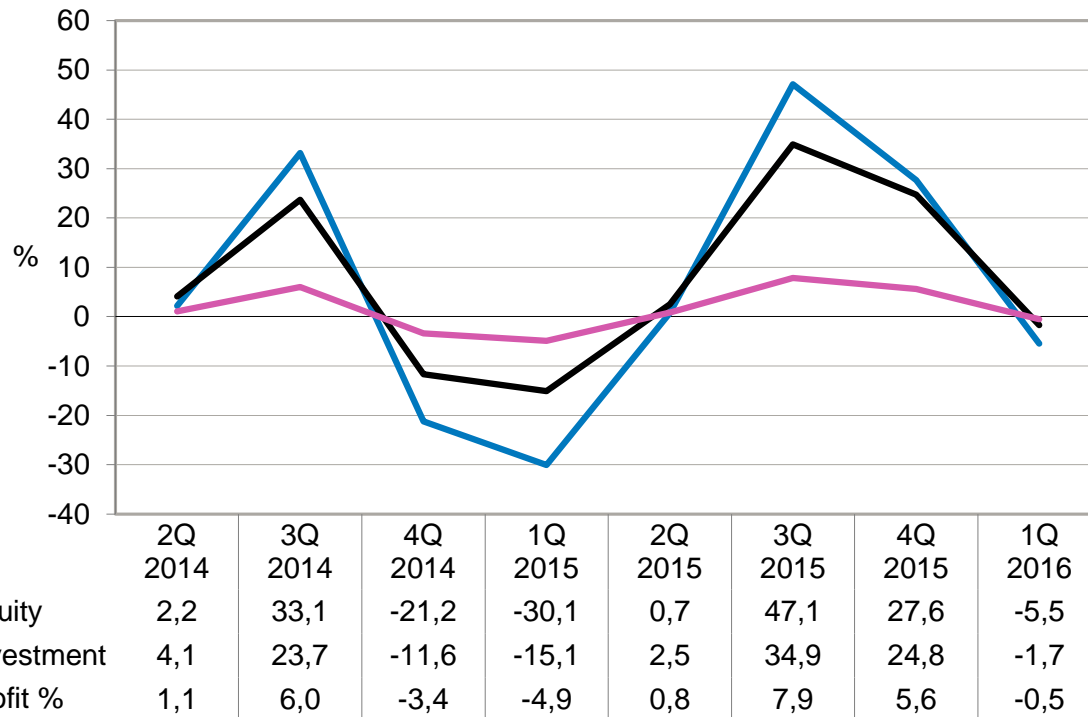


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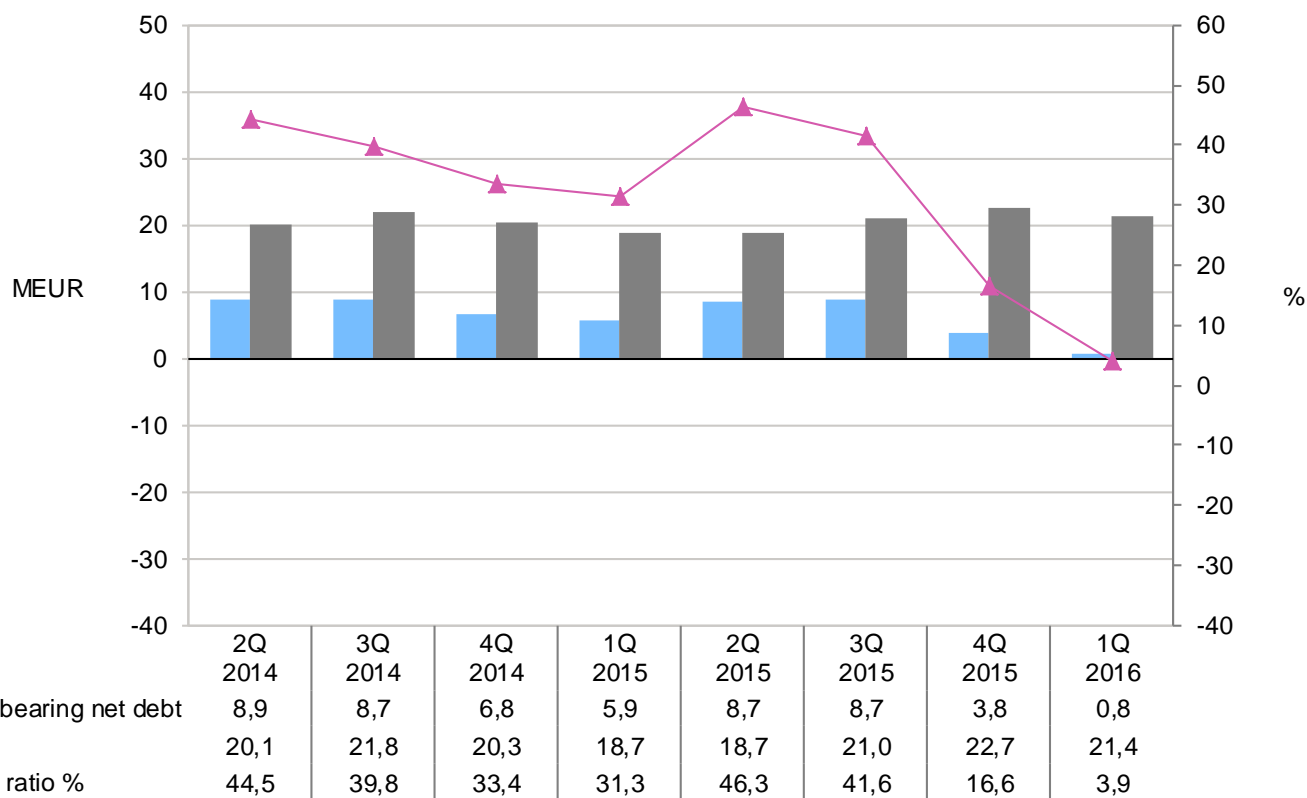
# PROFITABILITY QUARTERLY



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# GEARING



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# Thank you!