

MARTELA INTERIM REPORT 1-9 / 2015

October 29th, 2015



JANUARY – SEPTEMBER 2015



Group revenue decreased, EBIT improved slightly compared to prior year

- **Consolidated revenue for January-September was EUR 95.3 million (104.7)**
 - Different revenue development compared to previous year:
 - Finland: Increased clearly
 - Poland: At the same level
 - Russia: Decreased clearly
 - Sweden and Norway: Decreased significantly although the large projects were realized as expected during Q3.
 - Market climate remains challenging in all our main market-areas.
 - Interest in Activity Based Office –solutions and Martela Lifecycle® -model remains high.
- **Operating result for January-September was EUR 2.0 million (1.2)**
 - Group fixed costs were clearly lower compared to previous year due to the implemented cost saving actions.
 - Sales margin improved slightly compared to previous year due to implemented restructuring actions in the supply chain during 2014 and 2015.

JANUARY – SEPTEMBER 2015



Savings Program

- A new cost savings plan was launched in April. Implementation of the plan has been initiated and it will be fully implemented by the end of 2016. The goal is to reduce costs by an annual level of EUR 4 million in 2017. Actions for annual savings of 2,3 million have so far been implemented.

Other key figures:

- The cash flow from operating activities in January-September was EUR -1.0 million (3.6)
- The equity ratio was 36.8 % (39.8)
- The gearing ratio was 41.6 % (39.8)

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CENTRAL FOCUS AREAS

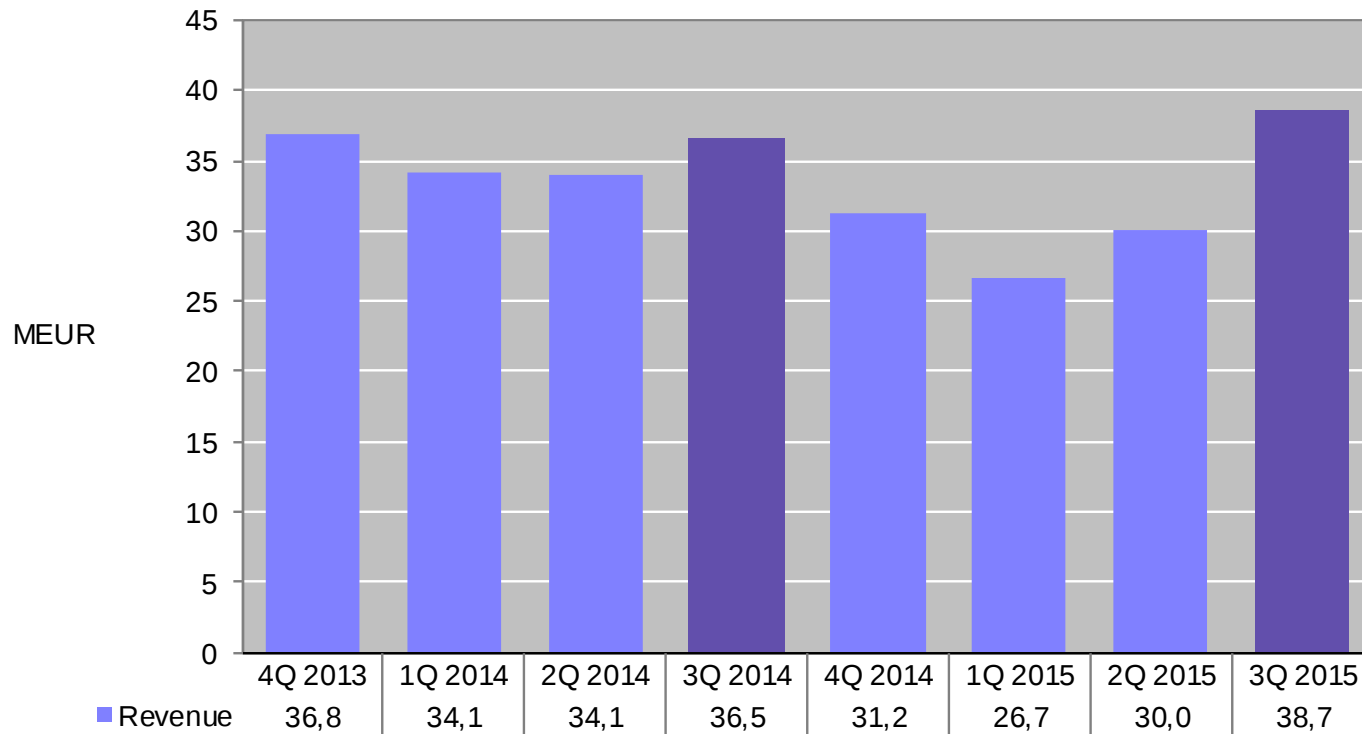


- ✓ Implementation of Martela Lifecycle model
- ✓ Cost efficiency
- ✓ Operating excellence
- ✓ Culture of responsibility
- ✓ Profitable growth



⇒ Improvement of profitability

TURNOVER



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EXTERNAL REVENUE 1-9/2015 (2014)

- Head Office
- Production
- Subsidiary

Business Unit Sweden&Norway 15,5 (21,0) -26,1 %

Business Unit Finland 67,7 (64,3) 5,2 %

Business Unit International 11,0 (18,3) -39,6 %

Other segments 1,2 (1,2) -1,4 %

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OPERATING PROFIT DEVELOPMENT 2015



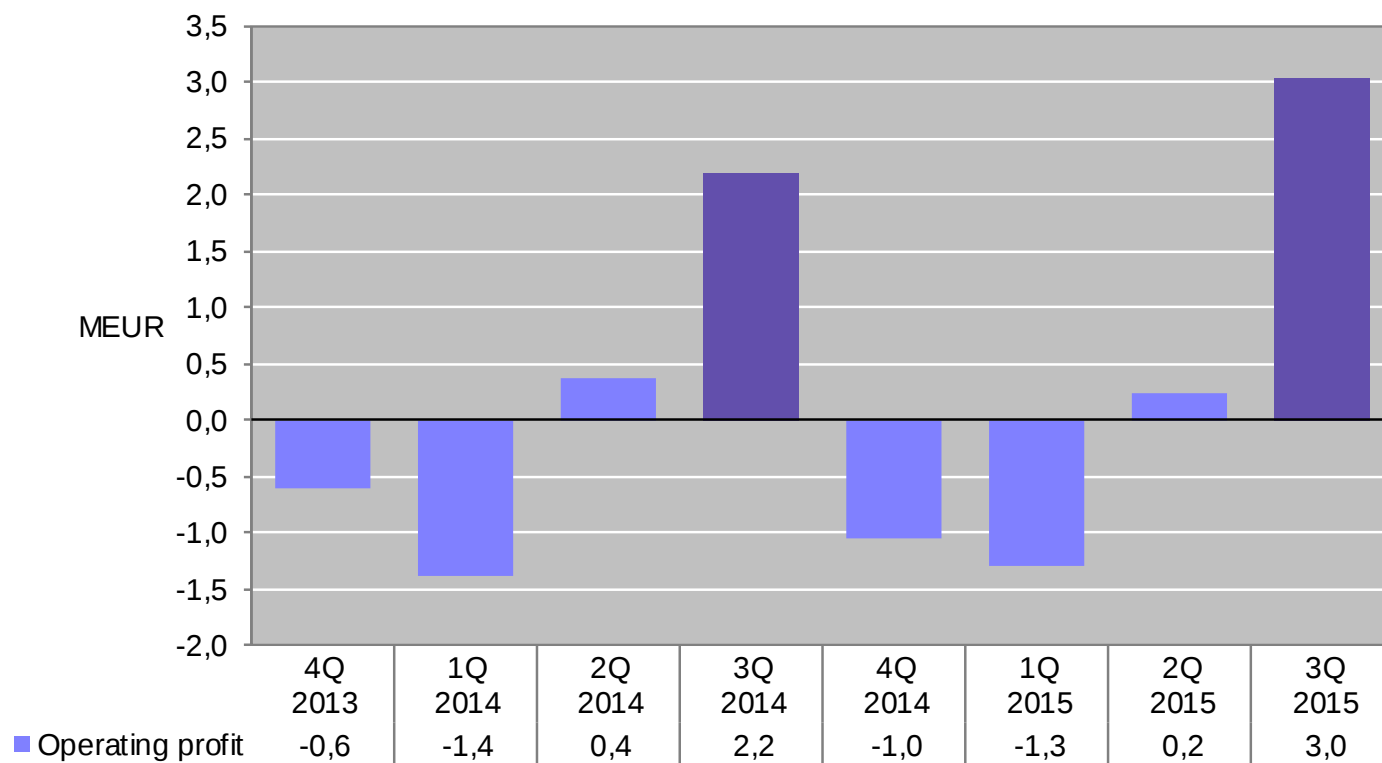
EUR million	7-9 2015	7-9 [*] 2014	1-9 2015	1-9 [*] 2014	1-12 [*] 2014
Finland	2,6	1,3	5,5	1,9	2,8
Sweden & Norway	0,1	-0,3	-1,1	0,1	-0,4
International	-0,2	1,0	-1,2	0,6	-0,3
Other Segments	0,5	0,2	-1,2	-1,3	-2,0
Total	3,0	2,2	2,0	1,2	0,2

** The operating profit generated to Business Units from internal invoicing (included in Other Segments) has been changed for previous year in order to make the years comparable. This has caused small changes in the 2014 operating profits of the Business Units.*

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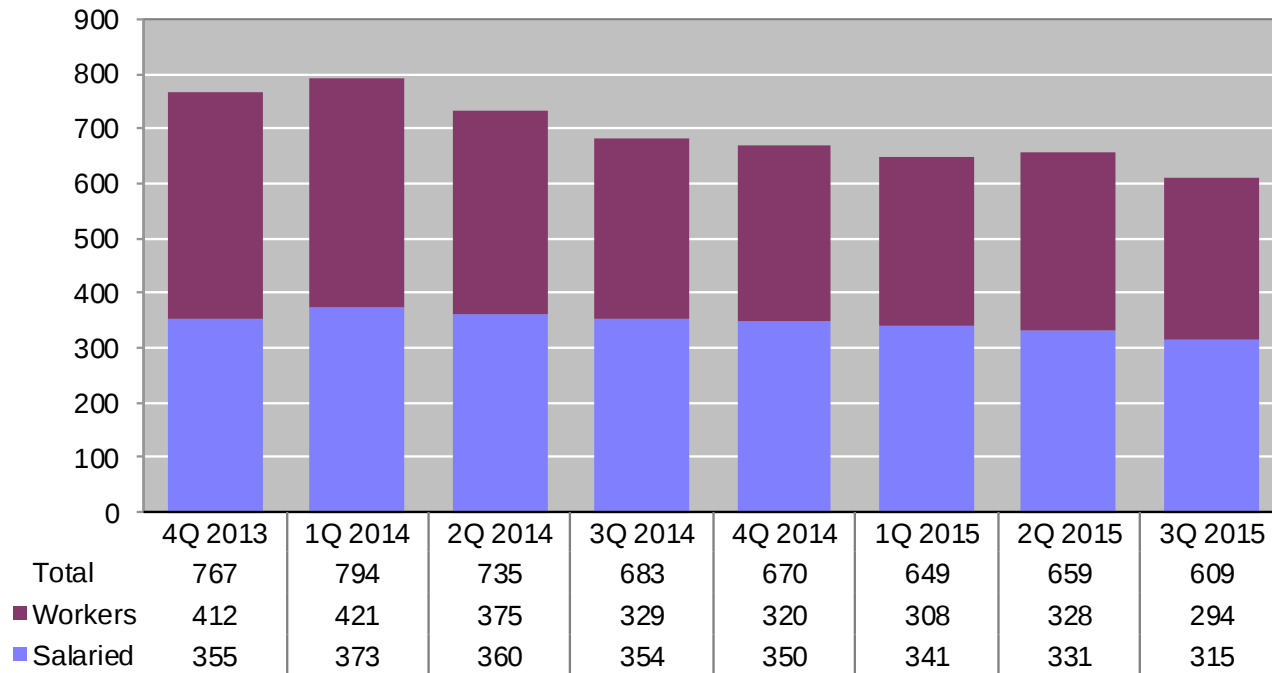
OPERATING PROFIT



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PERSONNEL AT WORK, END OF PERIOD



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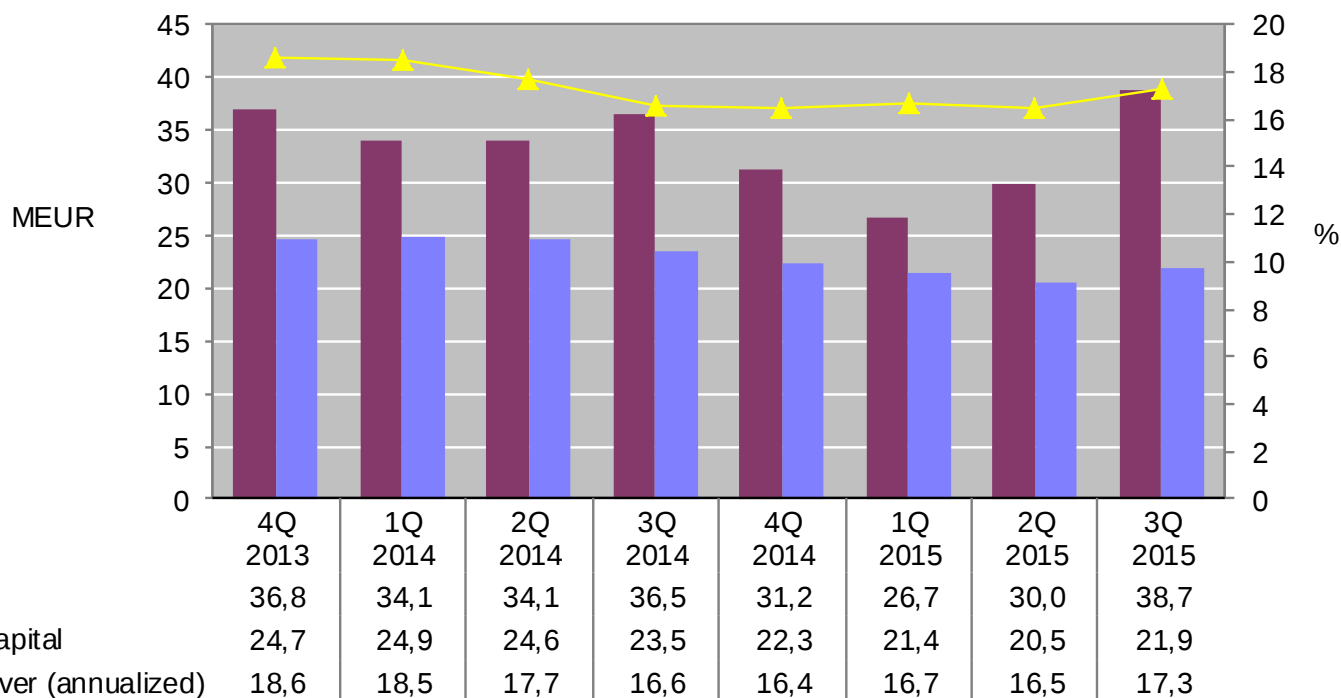
BALANCE SHEET



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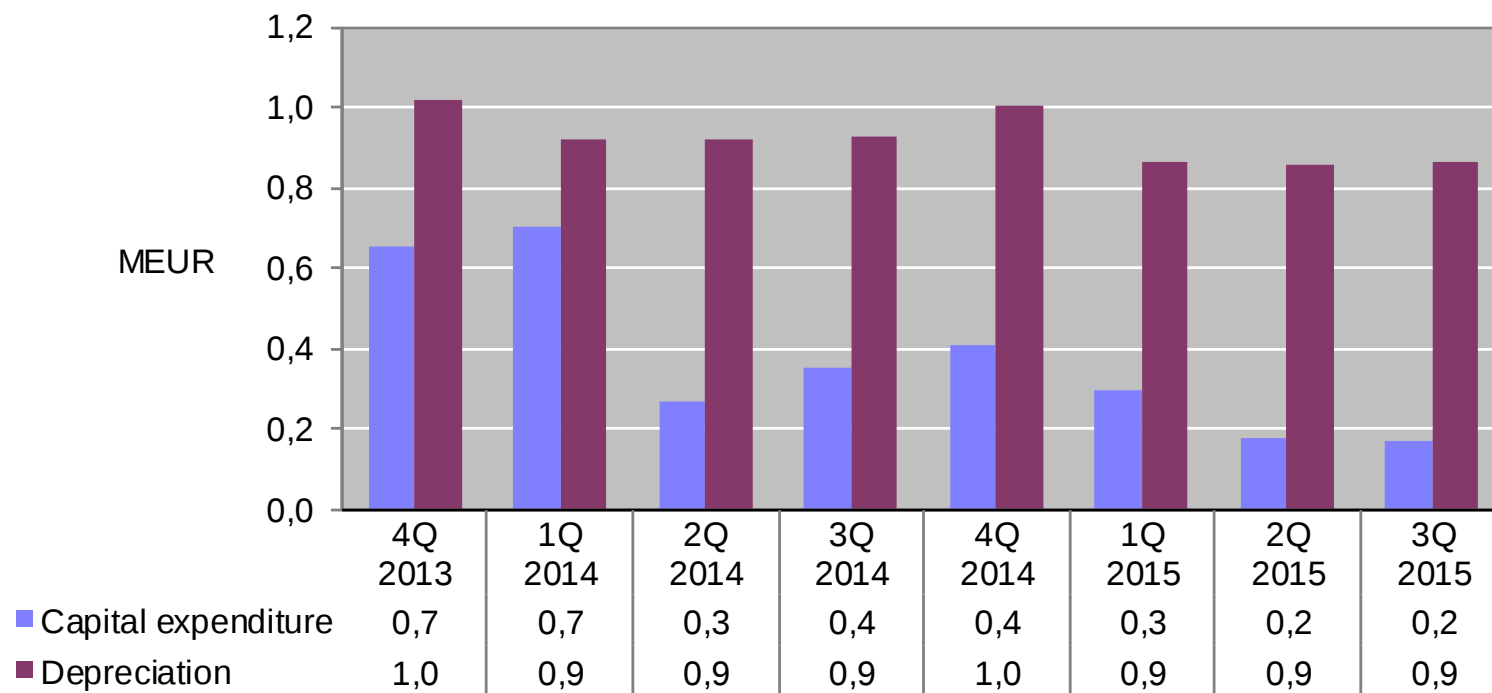
WORKING CAPITAL (AVERAGE 12 MONTHS)



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CAPITAL EXPENDITURE AND DEPRECIATION



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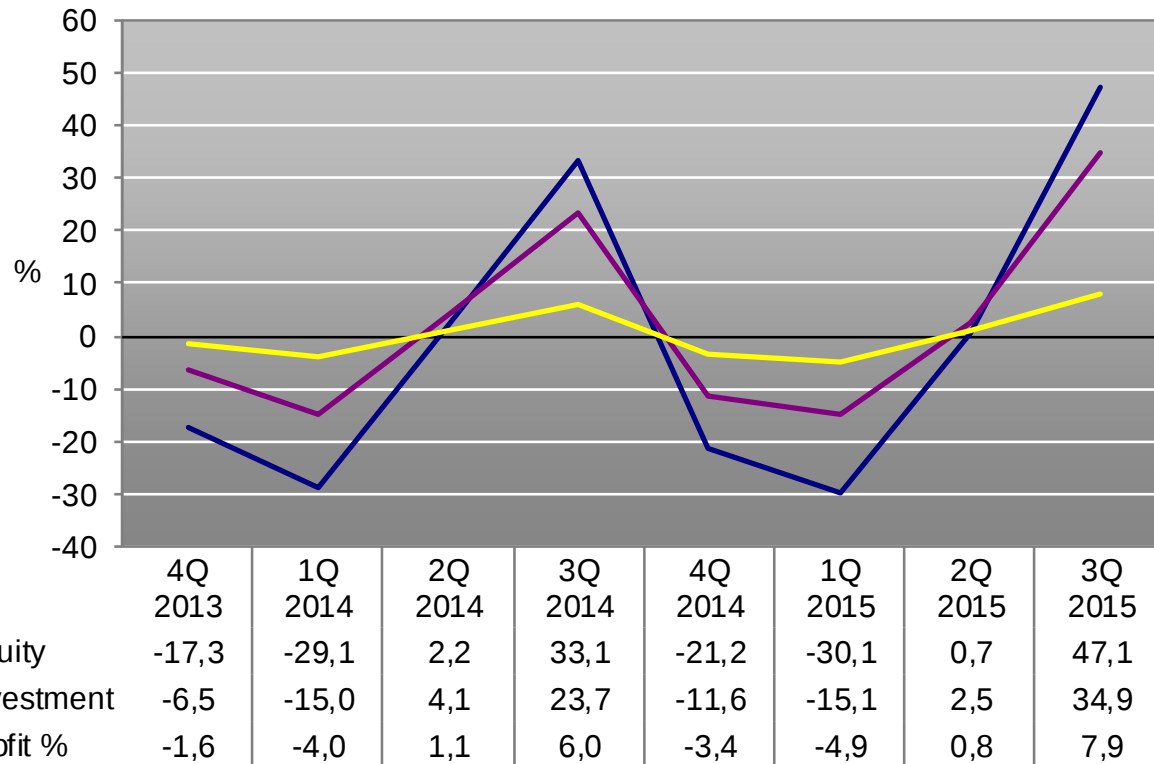
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OUTLOOK FOR 2015

The Martela Group anticipates that its revenue in 2015 will be at the previous year's level or slightly decrease. The Group's operating result is estimated to show a slight year-on-year improvement.

Appendix

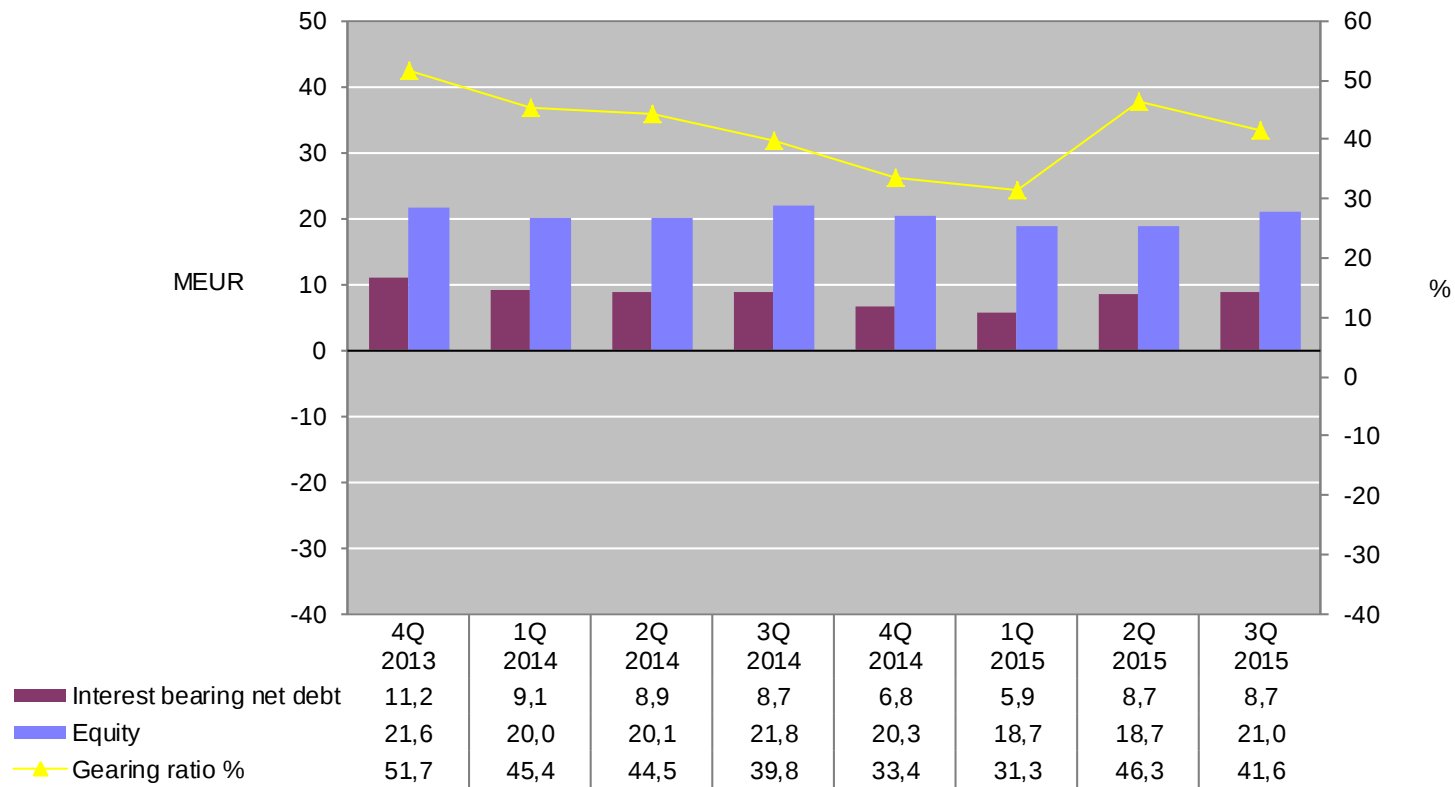
PROFITABILITY QUARTERLY



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GEARING



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