



Financial Statement Release Jan–Dec 2015





Tulikivi Corporation

Financial Statement Release 1–12/2015: Sales continued to be low, operational efficiency measures progressed as planned

5 February 2016 at 1 p.m.

- The Tulikivi Group’s fourth-quarter net sales totalled EUR 9.0 million (EUR 10.7 million for Q4/2014). The operating result was EUR 0.1 (-0.2) million, and the profit before taxes was EUR -0.3 (-0.5) million. The fourth-quarter operating result before non-recurring expenses was EUR 0.1 (0.0) million.
- The Tulikivi Group’s net sales in 2015 totalled EUR 32.0 million (EUR 39.3 million in 2014). The operating result was EUR -2.9 (-2.4) million, and the result before taxes was EUR -3.9 (-3.3) million. The operating result before non-recurring expenses in 2015 was EUR -2.2 (-1.0) million.
- Net cash flow from operating activities during the financial year was EUR 0.8 (-2.1) million.
- The year-end order books stood at EUR 3.9 (4.2) million.
- Future outlook: Net sales in 2016 are expected to be at the previous year’s level, and the operating profit is expected to improve year-on-year.

Key financial ratios

| | 1-12/15 | 1-12/14 | Change, % | 10-12/15 | 10-12/14 | Change, % |
|---|---------|---------|-----------|----------|----------|-----------|
| Sales, MEUR | 32.0 | 39.3 | -18.7 % | 9.0 | 10.7 | -16.1 % |
| Operating profit/loss, MEUR | -2.9 | -2.4 | -20.2 % | 0.1 | -0.2 | 142.9 % |
| Operating profit/loss before non-recurring expenses, MEUR | -2.2 | -1.0 | -118.7 % | 0.1 | 0.0 | 594.7 % |
| Profit before tax, MEUR | -3.9 | -3.3 | -18.5 % | -0.3 | -0.5 | 42.7 % |
| Total comprehensive income for the period, MEUR | -3.8 | -2.6 | -43.1 % | -0.2 | -0.4 | 35.7 % |
| Earnings per share, Euro | -0.06 | -0.04 | | 0.00 | 0.00 | |
| Net cash flow from operating activities, MEUR | 0.8 | -2.1 | | 0.7 | 2.7 | |
| Equity ratio, % | 36.9 | 39.0 | | | | |
| Net indebtness ratio, % | 113.4 | 89.8 | | | | |
| Return on investments, % | -7.7 | -5.4 | | 0.4 | -0.2 | |

Heikki Vauhkonen, Managing Director:

The demand for Tulikivi products was slightly lower than expected in the fourth quarter, but remained similar to before.

As a result of closer cooperation with the home-building industry, deliveries of fireplaces to the new construction market have increased despite the challenging market conditions.

The challenging conditions were caused by the modest level of low-rise housing construction, low heating energy prices and consumer uncertainty in purchasing decisions.



Estimates indicate that low-rise housing construction has returned to growth in Finland, but there is no certainty of a more permanent change yet.

In Germany and France, the main markets in Central Europe, the market conditions improved during the second half of the year in comparison to the first half. Net sales from fireplace exports to Germany and France in the fourth quarter were at the same level as in the previous year. The most significant decrease in net sales was recorded in Russia, as a result of difficult economic circumstances. Sales from Tulikivi's own sales office in Moscow performed well and reduced the shortfall in net sales in Russia.

In the fourth quarter, the company's order intake was EUR 8.2 (9.3) million. Its order intake in Finland was lower than in the previous year, due to weak demand in the renovation market. In exports, the order intake from Russia and Belgium decreased.

Tulikivi's order books at the end of the reporting period amounted to EUR 3.9 (4.2) million.

The company continued to improve its operational efficiency because of decreasing net sales. It managed to cut its fixed costs by EUR 2.3 million, or around 20%, compared to the previous year's level.

As a result of the adjustment measures implemented during the fourth quarter, the company's profitability improved year-on-year, and its cash flow from operating activities for the fourth quarter was positive, at EUR 0.7 million. Even though the operating environment is likely to remain challenging in 2016, the company estimates that, as a result of successful sales efficiency measures, its net sales will no longer decrease. The company expects its profitability to improve in 2016 as a result of structural savings and production efficiency measures.

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Operating environment

The demand for fireplaces in Finland was weakened by the low level of low-rise housing construction and renovation projects and by weak consumer confidence. Low-rise housing construction has begun to increase in the EU, which will boost the performance of the fireplace market in the near future. In Russia, the demand for Tulikivi products is low as a result of economic uncertainty.



Net sales and result

The Tulikivi Group's fourth-quarter net sales totalled EUR 9.0 million (EUR 10.7 million for Q4/2014). The operating result was EUR 0.1 (-0.2) million, and the profit before taxes was EUR -0.3 (-0.5) million. The operating result before non-recurring expenses was EUR 0.1 (0.0) million.

Tulikivi Corporation's net sales for the fourth quarter were low as a result of a challenging market.

The Tulikivi Group's net sales in 2015 totalled EUR 32.0 million (EUR 39.3 million in 2014). The operating result was EUR -2.9 (-2.4) million, and the profit before taxes was EUR -3.9 (-3.3) million. The operating result before non-recurring items in 2015 was EUR -2.2 (-1.0) million. Earnings per share were EUR -0.06 (-0.04) for the financial year.

The company's order books at the end of the year amounted to EUR 3.9 (4.2) million. In the fourth quarter, the company's order intake was EUR 8.2 (9.3) million.

Net sales in Finland were EUR 15.1 (17.9) million in 2015, or 47.2% (45.6%) of total net sales. Exports amounted to EUR 16.9 (21.4) million in net sales. The principal export countries were Sweden, France, Germany, Russia and Denmark.

Tulikivi entered into several cooperation agreements on fireplace deliveries to the home-building industry. The renewed ceramic fireplace collection has been positively received. Net sales of the new design sauna heaters performed well in Finland at the annual level.

Performance improvement programme

On 8 August 2013, Tulikivi issued a stock exchange release announcing a performance improvement programme to improve its annual operating result before non-recurring expenses by EUR 7 million on 2013 by the end of 2015. The programme includes measures to rationalise production, reduce costs and boost sales.

As part of the programme, the company cut its fixed costs by EUR 5 million in total in 2014 and 2015. In addition, it implemented production rationalisation measures, including the centralisation of its soapstone fireplace production and the renewal of its ceramic fireplace collection. Due to a decrease in net sales, the company did not gain the expected benefits from reorganising its production in line with the performance improvement programme. Due to the weak market situation, the company did not achieve its sales growth targets as part of the performance improvement programme.



The performance improvement programme generated non-recurring expenses of EUR 2.9 million in 2013 and EUR 1.4 million in 2014. The programme resulted in non-recurring expenses of around EUR 0.7 million in 2015. No more non-recurring expenses are expected for 2016.

To increase profitability the company will continue to improve its operational efficiency by aiming to implement savings of EUR 1.0 million in fixed costs in 2016. The company also aims to free up EUR 1.0 million in working capital by reducing its inventory in 2016.

Financing

Net cash flow from operating activities during the financial year was EUR 0.8 (-2.1) million. Working capital increased by EUR 1.8 (-2.1) million during the financial year. The decrease in inventory achieved through operational efficiency measures totalled EUR 1.4 million in the financial year. At the end of 2015, working capital stood at EUR 5.5 (7.3) million.

Loan repayments totalled EUR 2.2 million in the financial year. Interest-bearing debt stood at EUR 17.8 (20.0) million at the end of the financial year, and net financial expenses for the financial year were EUR 1.0 (0.9) million. The Group's equity ratio at the end of the financial year was 36.9% (39.0%). The ratio of interest-bearing net debt to equity, or gearing, was 113.4% (89.8%). The current ratio was 1.7 (1.6). Equity per share was EUR 0.24 (0.30). At the end of the financial year, the Group's cash and other liquid assets totalled EUR 1.4 (3.7) million.

On 11 December 2015, Tulikivi Corporation signed a financing agreement with its finance providers concerning the 2016–2018 repayment programme in relation to the responsibilities of the finance providers and the additional collateral and loan covenants to finance providers. The adjustment measures resulted in non-recurring expenses of around EUR 0.15 million for the last quarter of 2015. On account of this, the finance providers also granted Tulikivi Corporation a waiver from compliance with the covenant conditions at 31 December 2015. The financing agreement includes covenants concerning EBITDA, the equity ratio and the ratio of debt to EBITDA. The company's management estimates that the company will fulfil the covenants in 2016. The average interest rate on the company's loans remained at the previous year's level.

Investments and product development

The Group's investments for the financial year totalled EUR 1.1 (2.4) million.

Its research and development expenditure was EUR 1.0 (1.4) million, or 3.1% (3.5%) of net sales. EUR 0.3 (0.3) million of this was capitalised on the balance sheet. In product development, the



focus is on developing the soapstone fireplace collection, making good use of the advantages of soapstone as a fireplace and interior design material.

Personnel

The Group employed an average of 219 (249) people during the financial year. Salaries and bonuses during the financial year totalled EUR 9.4 (11.2) million. The number of personnel will be adjusted through lay-offs in accordance with the level of demand. In addition to temporary lay-offs, six members of the office staff have been laid off for the time being. Salaries during the financial year included EUR 0.3 (0.4) million in non-recurring expenses. The Tulikivi Group has an incentive pay scheme for all personnel. The company also has a stock option scheme for its management. The scheme was launched in 2013. As the EBITDA target set for 2015 was not achieved, no incentive pay was paid and no options were distributed for 2015.

Annual General Meeting

Tulikivi Corporation's Annual General Meeting, held on 13 April 2015, resolved not to distribute a dividend on the 2014 financial year. Markku Rönkkö, Heikki Vauhkonen, Reijo Vauhkonen, Jyrki Tähtinen and Reijo Svanborg were elected as members of the Board of Directors. The Board elected Jyrki Tähtinen as its Chairman. The auditor appointed was KPMG Oy Ab, Authorised Public Accountants, with Kirsi Jantunen, APA, as chief auditor.

The Annual General Meeting authorised the Board of Directors to decide on issuing new shares and on the transfer of Tulikivi Corporation shares held by the company in accordance with the proposals of the Board. Tulikivi can issue new shares or transfer treasury shares held by the company as follows: a maximum of 10 437 748 Series A shares and a maximum of 1 536 500 Series K shares.

The authorisation includes the right to decide on a directed rights issue deviating from the shareholders' right of pre-emption, provided that there is compelling financial reason for the company to do so. The authorisation also includes the right to decide on a bonus issue to the company itself, where the number of shares issued to the company is no more than one tenth of the total number of the company's shares.

The authorisation also includes the right to issue special rights referred to in chapter 10, section 1 of the Limited Liability Companies Act, which would give entitlement to Tulikivi shares against payment or by setting off the receivable. The authorisation includes the right to pay the company's share rewards. The Board is authorised to decide on other matters concerning share issues. The authorisation is valid until the 2016 Annual General Meeting.



Treasury shares

The company did not purchase or assign any treasury shares during the reporting period. At the end of the period, the total number of Tulikivi shares held by the company was 124,200 Series A shares, corresponding to 0.2% of the company's share capital and 0.1% of all voting rights.

Board of Directors' proposal on use of distributable equity

The parent company has no distributable equity. The Board will propose to the Annual General Meeting that no dividend be paid out for 2015.

Near-term risks and uncertainties

The Group's most significant risk is the potential continuation of the decline in net sales in the principal market areas. Delayed growth in new construction and renovation projects will have an effect on the demand for Tulikivi products in Finland. The slower-than-predicted recovery of the markets in Central Europe and the uncertain economic situation in Russia will also have an impact on the demand for Tulikivi products.

Maintaining the Group's financing position at the present level and securing the continuation of financing will depend on an improvement in profitability in the future. If the company's business operations and result do not develop as planned, the repayment of its debts may create a greater burden on the company's cash flow than anticipated.

With regard to the company's foreign currency risk, the most significant currencies are the US dollar and the Russian rouble. About 90% of the company's cash flow is in euros, which means that the company's exposure to foreign currency risks is very low. A decline in currencies may have an adverse effect on the sales margin.

The risks are described in more detail on page 84 of the Tulikivi Annual Report for 2014.

Future outlook

Net sales in 2016 are expected to be at the previous year's level, and the operating profit is expected to improve year-on-year.



FINANCIAL STATEMENT Jan–Dec 2015. SUMMARY
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| Eur million | 1-12/15 | 1-12/14 | Change. % | 10-12/15 | 10-12/14 | Change. % |
|---|----------------|----------------|------------------|-----------------|-----------------|------------------|
| Sales | 32.0 | 39.3 | -18.7 | 9.0 | 10.7 | -16.1 |
| Other operating income | 0.6 | 1.0 | | 0.4 | 0.1 | |
| Increase/decrease in inventories in finished goods and in work in progress | -0.7 | -0.1 | | 0.1 | -0.2 | |
| Production for own use | 0.5 | 0.3 | | 0.5 | 0.1 | |
| Raw materials and consumables | -7.1 | -8.8 | | -1.9 | -2.3 | |
| External services | -4.6 | -5.5 | | -1.6 | -1.3 | |
| Personnel expenses | -11.8 | -14.0 | | -3.1 | -3.8 | |
| Depreciation and amortisation | -3.3 | -3.5 | | -0.8 | -0.9 | |
| Other operating expenses | -8.5 | -11.2 | | -2.3 | -2.7 | |
| Operating profit/loss | -2.9 | -2.4 | -20.2 | 0.1 | -0.2 | 142.9 |
| <i>Percentage of sales</i> | <i>-9.2 %</i> | <i>-6.2 %</i> | | <i>1.1 %</i> | <i>-2.1 %</i> | |
| Finance income | 0.2 | 0.2 | | 0.0 | 0.1 | |
| Finance expense | -1.2 | -1.1 | | -0.4 | -0.4 | |
| Share of the profit of associated company | 0.0 | 0.0 | | 0.0 | 0.0 | |
| Profit before tax | -3.9 | -3.3 | -18.5 | -0.3 | -0.5 | 42.7 |
| <i>Percentage of sales</i> | <i>-12.1 %</i> | <i>-8.3 %</i> | | <i>-3.0 %</i> | <i>-4.4 %</i> | |
| Direct taxes | 0.0 | 0.6 | | 0.0 | 0.1 | |
| Profit/loss for the period | -3.9 | -2.6 | -47.4 | -0.3 | -0.4 | 27.5 |
| Other comprehensive income | | | | | | |
| Items that may later have effect on profit or loss | | | | | | |
| Interest rate swaps | 0.0 | -0.1 | | 0.0 | 0.0 | |
| Translation difference | 0.1 | 0.1 | | 0.0 | 0.0 | |
| Total comprehensive income for the period | -3.8 | -2.6 | -43.1 | -0.2 | -0.4 | 35.7 |
| Earnings per share attributable to the equity holders of the parent company, EUR, basic and diluted | -0.06 | -0.04 | | 0.00 | 0.00 | |

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

| ASSETS (EUR million) | 12/15 | 12/14 |
|---------------------------------|--------------|--------------|
| Non-current assets | | |
| Property, plant and equipment | | |
| Land | 0.9 | 0.9 |
| Buildings | 4.8 | 5.3 |
| Machinery and equipment | 3.1 | 3.8 |
| Other tangible assets | 1.0 | 1.2 |
| Intangible assets | | |
| Goodwill | 4.2 | 4.2 |
| Other intangible assets | 9.6 | 10.4 |
| Investment properties | 0.1 | 0.2 |
| Available-for sale-investments | 0.0 | 0.0 |
| Receivables | | |
| Other receivables | 0.0 | 0.0 |
| Deferred tax assets | 3.2 | 3.3 |
| Total non-current assets | 26.9 | 29.3 |
| Current assets | | |
| Inventories | 8.7 | 10.1 |
| Trade receivables | 1.9 | 3.2 |
| Current income tax receivables | 0.0 | 0.0 |
| Other receivables | 0.6 | 0.9 |
| Cash and cash equivalents | 1.4 | 3.7 |
| Total current assets | 12.5 | 17.9 |
| Total assets | 39.4 | 47.2 |



| EQUITY AND LIABILITIES (EUR million) | 12/15 | 12/14 |
|---|--------------|--------------|
| Equity | | |
| Share capital | 6.3 | 6.3 |
| The invested unstricted equity fund | 14.4 | 14.4 |
| Revaluation reserve | -0.1 | -0.2 |
| Treasury shares | -0.1 | -0.1 |
| Translation difference | 0.1 | 0.1 |
| Retained earnings | -6.2 | -2.3 |
| Total equity | 14.4 | 18.2 |
| Non-current liabilities | | |
| Deffered income tax liabilities | 0.8 | 0.9 |
| Provisions | 0.8 | 1.1 |
| Interest-bearing debt | 15.8 | 15.8 |
| Other debt | 0.0 | 0.0 |
| Total non-current liabilities | 17.4 | 17.8 |
| Current liabilities | | |
| Trade and other payables | 5.5 | 7.0 |
| Short-term interest bearing debt | 0.1 | 0.0 |
| Current liabilities | 2.0 | 4.2 |
| Total current liabilities | 7.6 | 11.2 |
| Total liabilities | 25.0 | 29.0 |
| Total equity and liabilities | 39.4 | 47.2 |



CONSOLIDATED STATEMENT OF CASH FLOWS (EUR million)

| | 1-12/15 | 1-12/14 |
|--|-------------|-------------|
| Cash flows from operating activities | | |
| Profit for the period | -3.9 | -2.6 |
| Adjustments | | |
| Non-cash transactions | 2.9 | 3.2 |
| Interest expenses and interest income and taxes | 1.0 | 0.2 |
| Change in working capital | 1.8 | -2.1 |
| Interest paid and received and taxes paid | -1.0 | -0.8 |
| Net cash flow from operating activities | 0.8 | -2.1 |
| Cash flows from investing activities | | |
| Investment in property, plant and equipment and intangible assets | -1.2 | -2.3 |
| Grants received for investments and sales of property, plant and equipment | 0.4 | 0.7 |
| Net cash flow from investing activities | -0.8 | -1.6 |
| Cash flows from financing activities | | |
| Proceeds from non-current and current borrowings | 2.0 | 2.0 |
| Repayment of non-current and current borrowings | -4.2 | -5.1 |
| Dividends paid and treasury shares | 0.0 | 0.0 |
| Net cash flow from financing activities | -2.2 | -3.2 |
| Change in cash and cash equivalents | -2.3 | -6.9 |
| Cash and cash equivalents at beginning of period | 3.7 | 10.7 |
| Cash and cash equivalents at end of period | 1.4 | 3.7 |



Consolidated statement of changes in equity (EUR Million)

| | Share capital | The invested unstricted equity fund | Revaluation reserve | Treasury shares | Translations diff. | Retained earnings | Total |
|---|---------------|-------------------------------------|---------------------|-----------------|--------------------|-------------------|-------|
| Equity Jan. 1, 2015 | 6.3 | 14.4 | -0.2 | -0.1 | 0.1 | -2.3 | 18.2 |
| Total comprehensive income for the period | | | 0.1 | | 0.0 | -3.9 | -3.8 |
| Transactions with the owners | | | | | | | |
| Dividends paid | | | | | | 0.0 | 0.0 |
| Equity Dec. 31, 2015 | 6.3 | 14.4 | -0.1 | -0.1 | 0.1 | -6.2 | 14.4 |
| Equity Jan. 1, 2014 | 6.3 | 14.4 | -0.1 | -0.1 | 0.0 | 0.3 | 20.8 |
| Total comprehensive income for the period | | | -0.1 | | 0.1 | -2.6 | -2.6 |
| Transactions with the owners | | | | | | | |
| Dividends paid | | | | | | 0.0 | 0.0 |
| Equity Dec. 31, 2014 | 6.3 | 14.4 | -0.2 | -0.1 | 0.1 | -2.3 | 18.2 |

Key financial ratios and share ratios

| | 1-12/15 | 1-12/14 | 10-12/15 | 10-12/14 |
|---|------------|------------|------------|------------|
| Earnings per share, EUR | -0.06 | -0.04 | 0.00 | 0.00 |
| Equity per share, EUR | 0.24 | 0.30 | 0.24 | 0.30 |
| Return on equity, % | -23.8 | -13.5 | -1.9 | -2.1 |
| Return on investments, % | -7.7 | -5.4 | 0.4 | -0.2 |
| Equity ratio, % | 36.9 | 39.0 | | |
| Net debtness ratio, % | 113.4 | 89.8 | | |
| Current ratio | 1.7 | 1.6 | | |
| Gross investments, MEUR | 1.1 | 2.4 | | |
| Gross investments, % of sales | 3.6 | 6.1 | | |
| Research and development costs, MEUR | 1.0 | 1.4 | | |
| %/sales | 3.1 | 3.5 | | |
| Outstanding orders, MEUR | 3.9 | 4.2 | | |
| Average number of staff | 219 | 249 | | |
| Rate development of shares, EUR | | | | |
| Lowest share price, EUR | 0.12 | 0.19 | | |
| Highest share price, EUR | 0.30 | 0.36 | | |
| Average share price, EUR | 0.18 | 0.28 | | |
| Closing price, EUR | 0.17 | 0.20 | | |
| Market capitalization at the end period, 1000 EUR | 10 157 | 11 949 | | |
| (Supposing that the market price of the K-share is the same as that of the A-share) | | | | |
| Number of the shares traded, (1000 pcs) | 27 900 | 10 980 | | |
| % of total amount of A-shares | 53.9 | 21.2 | | |
| Number of shares average | 59 747 043 | 59 747 043 | 59 747 043 | 59 747 043 |
| Number of the shares at the end of period | 59 747 043 | 59 747 043 | 59 747 043 | 59 747 043 |

Notes to the financial statements

The information presented in the financial statements release has not been audited.

This financial statements release has been prepared in accordance with the IAS 34 Interim Financial Reporting standard. Tulikivi has applied the same IFRS accounting principles in this financial statements release as in the previous consolidated financial statements. The key figures presented in the financial statements release have been calculated using the same formulas as in the 2014 financial statements. The formulas can be found on page 88 of the 2014 Annual Report.

Income taxes (EUR million)

| | 1-12/15 | 1-12/14 |
|--|---------|---------|
| Taxes for current and previous reporting periods | 0.0 | 0.0 |
| Deferred taxes | 0.0 | 0.6 |
| Total | 0.0 | 0.6 |

Commitments (EUR million)

| | 12/15 | 12/14 |
|--|-------|-------|
| Loans from credit institutions and other long term debts and loan guarantees, with related mortgages and pledges | 17.8 | 20.0 |
| Mortgages granted and collaterals pledged | 35.8 | 34.8 |
| Other given guarantees and pledges on behalf of own liabilities | 0.5 | 0.5 |
| Derivates | | |
| Interest rate swpas; nominal value | 6.4 | 7.0 |
| Interest rate swaps; fair value | -0.2 | -0.2 |
| Foreign exchange forward contracts; nominal value | 0.0 | 0.0 |
| Foreign exchange forward contracts; fair value | 0.0 | 0.0 |

The fair value of derivatives is the gain or loss for closing the contract based on market rates at the balance sheet date. Derivatives are classified as level 2 in the fair value hierarchy. Available-for-sale financial assets are investments in unlisted companies. They are valued at acquisition cost because their fair value cannot be reliably determined.



Provisions (EUR million)

| | Environmental provision | Warranty provision | Restructuring Provision |
|------------------------|-------------------------|--------------------|-------------------------|
| | 12/15 | 12/15 | 12/15 |
| Provisions January 1. | 0.4 | 0.2 | 0.5 |
| Increase in provisions | 0.0 | 0.0 | 0.2 |
| Used Provisions | 0.0 | -0.1 | -0.1 |
| Discharge on reserves | -0.2 | 0.0 | 0.0 |
| Provisions Dec 31. | 0.2 | 0.1 | 0.6 |
| | 12/15 | | |
| Non-current provisions | 0.8 | | |
| Current provisions | 0.1 | | |
| Total | 0.9 | | |

Changes in tangible assets are classified as follows (EUR million):

| | 1-12/15 | 1-12/14 |
|--------------------|---------|---------|
| Acquisition costs | 0.3 | 1.6 |
| Proceeds from sale | -0.4 | -0.6 |
| Total | -0.1 | 1.0 |

Changes in intangible assets are classified as follows (EUR million):

| | 1-12/15 | 1-12/14 |
|------------------------|---------|---------|
| Acquisition costs, net | 0.8 | 0.8 |
| Amortisation loss | 0.0 | 0.0 |
| Total | 0.8 | 0.8 |

Share capital

Share capital by share series

| | Number of shares | % of shares | % of voting rights | Share, EUR of share capital |
|---------------------|------------------|-------------|--------------------|-----------------------------|
| K shares (10 votes) | 7 682 500 | 12.8 | 59.5 | 810 255 |
| A shares (1 vote) | 52 188 743 | 87.2 | 40.5 | 5 504 220 |
| Total 31 Dec., 2015 | 59 871 243 | 100.0 | 100.0 | 6 314 475 |



There have been no changes in Tulikivi Corporation's share capital during the review period. According to the Articles of Association, the dividend paid on Series A shares shall be EUR 0.0017 higher than the dividend paid on Series K shares. The A share is listed on NASDAQ OMX Helsinki. At the end of the review period, the company held 124 200 series A shares.

Related party transactions (EUR 1 000)

The following transactions with related parties took place:

| | 1-12/15 | 1-12/14 |
|--|---------|---------|
| Acquisitions from associated companies | 18 | 96 |
| Premises leased from related parties | - | 9 |

Transactions with other related parties

Tulikivi Corporation is a founder member of the Finnish Stone Research Foundation. The company has leased offices and storage facilities from a property owned by the Foundation and North Karelia Educational Federation of Municipalities. The rent paid for these facilities was EUR 48 (190) thousand in the period. The rent corresponds to market rents. The company's sales of services to the Foundation came to EUR 16 (14) thousand.

Management benefits (EUR 1 000)

| | 1-12/15 | 1-12/14 |
|--|---------|---------|
| Salaries and other short-term employee benefits of the Board of Directors' members and the Managing Director | 390 | 384 |

Principal shareholders on 31 December 2015

| Name of shareholder | Shares | Percentage of votes |
|--|-----------|---------------------|
| Vauhkonen Heikki | 6 932 590 | 45.9% |
| Elo Mutual Pension Insurance Company | 4 545 454 | 3.5% |
| Ilmarinen Mutual Pension Insurance Company | 3 720 562 | 2.9% |
| Elo Eliisa | 3 108 536 | 5.7% |
| Varma Mutual Pension Insurance Company | 2 813 948 | 2.2% |



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| | | |
|---------------------------------|------------|-------|
| Finnish Cultural Foundation | 2 258 181 | 2.5% |
| Toivanen Jouko | 2 012 558 | 2.3% |
| Mutanen Susanna | 1 643 800 | 6.8% |
| Fennia Mutual Insurance Company | 1 515 151 | 1.2% |
| Vauhkonen Mikko | 761 310 | 3.4% |
| Others | 30 559 153 | 23.7% |

The companies in the Group are the parent company Tulikivi Corporation, AWL-Marmori Oy, Tulikivi U.S. Inc., OOO Tulikivi and Tulikivi GmbH. Group companies also include The New Alberene Stone Company Inc., which no longer has any business operations.

TULIKIVI CORPORATION

Board of Directors

Distribution: Nasdaq Helsinki

Key media

www.tulikivi.com

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