1890 WULFF

ANNUAL REPORT 2015


T H. W U L F F

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WULFF IN BRIEF

Wulff Group Plc – the most important Nordic player in office supplies

Wulff Group Plc is an increasingly international listed company as well as the most significant Nordic player in office supplies and an industry pioneer. The company's product and service range is the most comprehensive in the industry: Wulff sells and markets office supplies, facility management products, IT supplies as well as ergonomics and first aid products. In addition, Wulff provides LED lights and lighting solutions and innovative products for worksites. Customers can also acquire international fair services from Wulff.

It has always been important for Wulff to serve its customers in the best possible ways and to have a positive impact on its customers' business. Cost savings, and reputation and brand improvement are achieved by bringing customers everyday solutions on how to optimize their office operations and sales. In order to offer its customers current and innovative solutions, Wulff develops its business operations constantly in cooperation with customers

Celebrating a spectacular 125 years in 2015, Wulff is a renowned brand in Finland. Wulff Group consists of the parent company and 16 subsidiaries. The customers recognize Wulff Group companies by the distinguishable black-and-white brand and each Nordic subsidiary also carries the Wulff name. In addition to Finland, Wulff operates in Sweden, Norway, Denmark, and Estonia.

Wulff's customers are served by over 200 sales professionals in the Nordic countries. The customers are always served in the way they want to be served. Even today, customers appreciate personal service and face-to-face contact. That is why Wulff's sales personnel meet their customers usually in their own operating environment. Wulff's sales personnel meet with their customers approximately 200,000 times a year!

Wulff also has a strong online presence at Wulff.fi. In addition to offering versatile web-services for contract customers with WulffNet, Wulff serves its customers online with a webstore for small and medium-sized companies. The webstore and other web services enable customers to make easy and affordable purchases and enjoy the fast and reliable deliveries. Wulff's stores serve customers in Helsinki, Turku, and Lahti.

VALUES

CUSTOMER ORIENTATION

We understand our customers.
We provide personal service.
We make purchasing easy.

ENTREPRENEURSHIP

We commit ourselves to our goals.
We improve our skills.
We exceed expectations.

PERFORMANCE

We set clear goals for our business.
We manage our processes.
We reward top achievements.

GROUP CEO REVIEW

The most desired partner in office supplies. Today, tomorrow and already since 1890.

Domestic, cost-efficiency, sustainable development, encounter.
These words represent Wulff's operations well. They are current, timely and important for us and our customers today, and already since 1890. In an ever-changing world it is important to be international, digitally apt, and yet at the same time, local and domestic.

And Wulff is all that. We as a company have domestic roots and a strong Finnish and Scandinavian presence. Our customers receive the most comprehensive selection of office supplies and facility management products: everything from coffee and printing paper to hand creams, cleaning products, ergonomics, and first aid. A significant amount of our products are domestic and some of our goods and services have been granted the Design From Finland Mark or the Key Flag Symbol. We are pleased to note that domesticity and green values have arisen as important criteria for our customers.

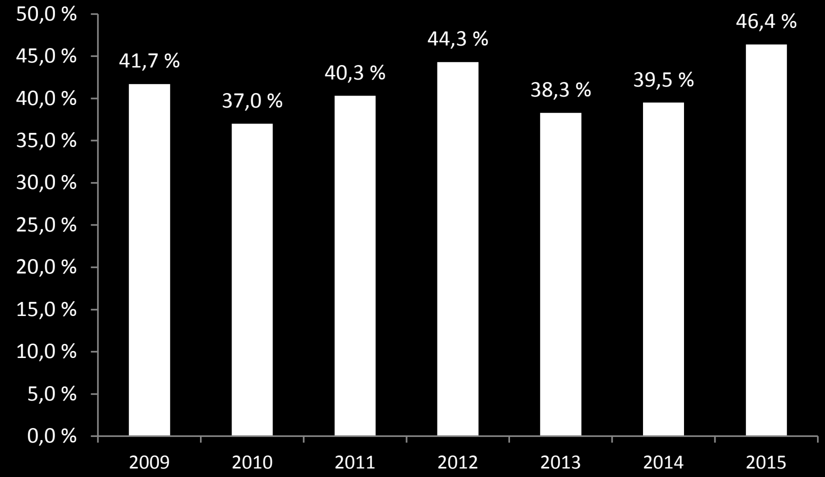
In 2015, we continued to improve our profitability. Our result grew from 0.7 million to 2.2 million euros (without non-recurring items and depreciations). Group finances have developed positively due to improved operating efficiency and cost saving measures.

In 2015, our net sales totalled 68.8 million euros (74.3 million euros in 2014). The drop in net sales was affected by the decreasing demand for our products and the sale of our business and advertising gifts business. Strategically, it has been the right choice to invest in profitable operations and our core business and eliminate unprofitable operations. We are ready to grow fast when the economy recovers and we have the industry's best chance to do so thanks to our skilled, responsive and flexible personnel. Although a fast improvement is not to be expected in the economy, I trust that Wulff will be among future success stories. Our most important goal now and in the future is the continuous improvement of customer experiences and easing our customers' everyday purchases with a more comprehensive service concept. We are continuously developing our operations together with our customers and cooperation partners.

Our service channels include the webstore Wulff.fi, the Contract Customer model, a regional sales and service network and our stores. Digitalisation brings along both possibilities and threats to the operating environment: this change is inevitably going to affect the office supplies industry also. Successful companies see possibilities in times of change. Digitalisation will bring new developments into our operations too in the future.

When I was appointed the new Group CEO in September 2015, I knew that I was beginning a career at a great company. As I have gotten to know the company and its operations even more closely, I have realised that all the things Wulff is renowned for – premium products and services, reliable deliveries and the greenest logistics model in the industry – are things that Wulff's personnel, our customers and cooperation partners are extremely proud of, and rightly so. Thank you for allowing me to write new successful chapters into Wulff's great history together with all of you!

Equity-to-assets ratio



NET SALES 2015
68,8 million

OPERATING PROFIT 2015
without non-recurring items
1,5 million

Topi Ruuska
Wulff Group Plc CEO

A warm thank you to all of Wulff's personnel and all our stakeholders!

Despite the challenges in our operating environment, we are improving our result and operations positively and according to our objectives. Together with our clients we are building the foundations for office work in the future – and also defining what that work is.

OPERATING ENVIRONMENT

Operating environment in transition

In Wulff's operating environment there is competition in the production and sales of office supplies, promotional products, IT supplies, facility management products, ergonomics and first aid products. Wulff's main operating areas are Finland, Sweden, Norway, Denmark, and Estonia. In Finland, the Group is the industry market leader and a pioneer. For the Scandinavian market leadership Wulff faces competition from international corporate giants, e.g. Staples and Lyreco.

Wulff does not manufacture products itself. Wulff is an efficient and desired distribution channel for manufacturers and suppliers because its sales channels reach businesses of all sizes effectively.

According to Wulff Group's estimates, the office supplies annual market size is approximately EUR 400 million in Finland, EUR 700 million in Sweden, EUR 450 million in Norway and EUR 400 million in Denmark. Scandinavian markets are similar when comparing customer numbers, purchasing behavior and product demand. Markets are notably smaller in Estonia and also the standard of living has an impact on the market. The office supply market in the Nordic countries has decreased slightly in the past years.

Wulf's customers are businesses of all sizes

Companies and communities use the products Wulff markets throughout the year. There is a constant demand for basic products, such as paper, ink cartridges, files, pens, storage devices, and cleaning products. The demand is determined by the general economic situation. For example, when large companies recruit employees the consumption of office supplies is increased. For some of the products, the demand is seasonal: for example, the sales of business and advertising gifts tend to focus on the second and last quarter. Although the seasonal impact has slightly evened out in the past few years and gifts are seen as an increasingly important part of companies' marketing communications, economic uncertainties have affected promotional gift purchases. During uncertain economic periods, companies may also minimize attending fairs.

Each new Nordic company is a potential new customer for Wulff. To serve all its customers equally well Wulff develops its service channels constantly. Different service concepts have been developed for companies of different sizes. Wulff is the only player in its field that can provide its customers with complementary service models: personal contract customer and direct sales services, comprehensive web services and a webstore as well as the opportunity to visit a street-level store.

Who will succeed in the fragmented operating environment?

The market for office supplies has been traditionally very fragmented. Entering the market is easy and that is why many small companies are operating in the field. Several companies enter and leave the market every year. Business has consolidated in the past few years, the last consolidation being the merger of two major international players: Staples (USA) and Office Depot (USA). Staples has a foothold in Finland too. In 2011, Oy Lindell Ab, Wulff's old and strong competitor, was acquired by Staples.

Wulff believes that the future of the industry will be in the hands of bigger players like itself. Wulff estimates that the consolidation development will be intense and company buyouts will continue in the future. One of Wulff's strengths is its size. The company is large enough to be a significant player and a cost-efficient cooperation partner for its customers. In the same time, it is small enough to be agile and quick to react to the changing operating environment. Wulff's domesticity is also pleasing factor for customers and domestic business is supported willingly. Local service and market know-how is also beneficial in developing working solutions.

Wulff has significantly strengthened its position in the Scandinavian markets in the last decade. Especially the acquisition of 2009 to grow the Contract Customer division has been successful. Together in cooperation with Wulff Supplies (Strålfors Supplies (now Wulff Supplies), acquired in 2009) the Group has had success in serving our Scandinavian and Pan-Nordic customers.

Wulff's competitors consist of unlisted small and medium-sized companies in all market sectors. It has approximately ten significant competitors in Finland. Wulff Oy Ab's Contract Customer concept faces competition from Staples (before Oy Lindell Ab), Lyreco (before

” 200 000
encounters annually

When marketing innovations, personal contact is the key to success: Wulff’s employees hold almost 200,000 customer meetings each year. As the most significant Nordic sales and marketing organization in office solutions, **Wulff is a desired distribution channel for manufacturers and suppliers.** With multiple sales channels, Wulff is able to reach businesses and communities of all sizes quickly.

”

OPERATING ENVIRONMENT

Officeday Finland Oy), and Paperipalvelu. In the Scandinavian contract customer market, Wulff Supplies faces competition from Staples and Lyreco. Wulff's direct sales companies compete of the market share with numerous small players, e.g. Canncolor Group and Oy Rahmqvist Ab.

The international fair service expert in the Group is Wulff Entre. Fair service sales are seasonal and most of the sales are generated in the first and last quarter of the year. Wulff Entre's competitors in Finland are for example Ständi Oy, Louder Oy, Eastway Sound and Lighting Oy, and Arvelin International Oy, Factor Nova, Messua and Standi People.

On the road to market leadership in the Nordics

Wulff's objective is to grow profitably and become the market leader in the field in all of the Nordic countries. Diversity of the supply sets a good starting point for reaching the objective. Wulff has the possibility to serve companies of all sizes from different business fields cost-efficiently with complimentary service models and diverse sales channels. Diverse service models are a competitive advantage that separates Wulff from other operators in the field. Domesticity, cost-efficiency, sustainable development and encountering customers through the sales channels they want to be served by, are Wulff's competitive advantages.

The economic situation remained challenging…

In 2015, the ongoing tough economic situation affected the market in the field of office supplies. The general economic activity level continued decreasing and companies, cities, and municipalities had to adjust their operations. Personnel lay-offs show as a decrease in demand for Wulff's products and services.

…but then, a positive change in the markets will also show up positively in Wulff's operations.

An improvement in the economic situation has a positive impact on Wulff's business because the demand for products and services increases. Wulff offers solutions that are needed despite economic trends and as an industry pioneer Wulff brings new products to market actively. These products bring customers added value and operational cost-efficiency as well as flexibility to offices and companies' everyday operations.

WULFF’S STRENGTHS

Best at customer meetings: best personal meetings

Most advanced products and services and the most comprehensive product and service range

Greenest order-delivery chain in the field

A local and yet a Nordic operator

BUSINESS OPERATIONS

Wulff serves customers through multiple sales channels

Wulff – an innovator and a pioneer in office supplies

Wulff Group Plc is an increasingly international listed company as well as the most significant Nordic player in office supplies and an industry pioneer. The company's product and service range is the most comprehensive in the industry: Wulff sells and markets office supplies, facility management products, IT supplies as well as ergonomics and first aid products. In addition, Wulff provides LED lights and lighting solutions and innovative products for worksites. Customers can also acquire international fair services from Wulff.

Continuously improving business

It has always been important for Wulff to serve its customers in the best possible ways and to have a positive impact on its customers' business. Cost savings, and reputation and brand improvement are achieved by bringing customers everyday solutions on how to optimize their office operations and sales. In order to offer its customers current and innovative solutions, Wulff develops its business operations constantly in cooperation with customers

Being a pioneer requires will, skill, and the right resources – Wulff and its personnel have all of it. Success is built together with customers. When Wulff's customers succeed, Wulff succeeds too.

CHOOSE WULFF, CHOOSE FINLAND!

WULFF - your domestic partner in office supplies already since 1890!

Diverse sales channels and a comprehensive service and product range

Customers have wished for more opportunities to centralize all their office supply purchases. In addition, green values are more and more important when choosing partners. Therefore, Wulff has placed added emphasis on developing its operations in diverse sales channels and making them even more environmentally friendly.

Wulff brings innovative and new solutions and special products to the market and is an efficient provider of basic office products. Wulff's solutions offer customers cost savings and efficiency in purchase management. Wulff offers its customers the opportunity to do business with Wulff in the most convenient channel, whether it is a customer-specific service model, private meetings, a shop or webshop.

VISION

We are the Nordic B-to-B sales market leader in office supplies, facility management and promotional products, and international fair services.

MISSION

As the most desired business partner in our field, we offer our customers a complete solution for improving their office and increasing sales.

Wulff serves customers through multiple sales channels

Complementary service models

The Contract Customer concept makes it easier for customers to make regular purchases, while Direct Sales offer local and personal service to companies of all sizes. Both concepts share the idea of offering the company's own competence to customers. Comprehensive service promotes customer satisfaction and continuation of the customer relationships.

One of today's most important business locations is the internet. Contract Customers are served more widely on the internet with customized solutions and the use of web services is constantly growing. Especially micro, small, and medium companies are served online with the webstore Wulff.fi that has reached new customers continuously. Possibilities brought about by digitalization are in an important role when we develop tomorrow's operations.

Efficient distribution channel for high quality services and products

Wulff Group is a significant player for its partners. The Group is a desired distribution channel for suppliers' new products and solutions. Through the nationwide organizations, for example novelties can be launched to the customers quickly and with personal customer service. The growing Group is able to provide its customers with an even wider range of services and price advantages. The Group constantly gathers feedback and information from its customers, as well as from product and service users. In addition to being used to develop Wulff's own operations, the feedback is used by Wulff's suppliers: usually the best ideas for product development and new products come from customers.

DOMESTICITY,
cost-efficiency,
SUSTAINABLE DEVELOPMENT,
***encounter* .**

Networking is a part of business

InterACTION is a very important office product network for Wulff Group and the leading purchase organization in its field. All member companies are leading companies in their native countries. The members of InterACTION meet regularly to coordinate joint purchases and share knowledge and skills in sales, marketing, and logistics. For example, InterACTION companies exchange information about bestselling products in different countries. Wulff benefits directly from the market and product information it receives. The joint purchasing organization has its own international brand called Q-Connect. The high-quality Q-Connect products are also included in Wulff Group's selection.

Strategic development of business operations

Wulff increased its profitability considerably in 2015. Group finances have developed due to improved operating efficiency and cost saving measures. Our most important goal is the continuous improvement of customer experiences and the ease of our customers' everyday purchases with a more comprehensive service concept. The improvement of the service experience and customer profitability produced has been possible by intensifying cooperation between our purchase and sales operations.

Wulff's strategy is to serve our customers using a multi-channel model. In an ever-changing operating environment the channels must be constantly improved and renewed. Digitalization brings both possibilities and threats to the operating environment: this change inevitably also affects the office supplies industry.

In 2015, Wulff focused even more on its core business, i.e. office supplies. The unprofitable business and advertising gifts business was divested when Wulff Liikelahjat was sold. The drop in net sales in 2015 was affected by the general economic situation, the decrease in demand for Wulff's products and the sale of the business and advertising gifts operations (Wulff Liikelahjat Oy).

The office supplies market has declined in recent years due to the general economic situation. Although a fast economic improvement is not to be expected, Wulff trusts that it will be among future success stories. It will invest strongly in sales and developing its operations.

As a domestic market leader and the most significant Nordic player in its field, Wulff believes that challenges are – above all – a chance to show the customers the strengths of Wulff's services as a cost-effective solution and a service-oriented partner.

CORPORATE RESPONSIBILITY

Corporate Responsibility

Wulff has always been the pioneer in its field and wants to be one also in corporate responsibility matters. Customers are at the heart of Wulff's responsible business. For its customers, Wulff provides services and products that are made as responsibly as possible: according to ethical and sustainable development standards. With Wulff as their office supplies partner, it is possible for the customers to increase their responsibility and have a positive influence on the environment.

For Wulff, responsibility means taking care of the personnel's well-being, societal responsibility, responsible financial management, and consideration of important environmental issues in all its operations.

Environmental Responsibility

Wulff is one of the most environmentally friendly companies in its field. Wulff aims to offer its customers advanced, environmentally friendly solutions and to burden the environment as little as possible. Customers are at the heart of Wulff's responsible business. Environmental values, ecology, ethics, and operations towards sustainable development strongly influence the business planning process. Even though ecology is not the most important factor for Finnish companies, the importance of environmental issues in the companies' decision-making processes is growing constantly. Sustainable and environmentally friendly business operation is an increasingly important competitive edge for companies. Wulff aims to be the industry pioneer in environmental responsibility issues.

Leading by example

To make our operations more environmentally friendly we put special emphasis on developing our internal processes and setting an example to all our social partners. Active cooperation and mutual commitment ensures a good end result – a decreased carbon footprint and the reduction of environmental stress.
Environmental issues are important to Wulff. The office holds a safe and controlled facility and office waste management and recycling spot. The personnel is instructed and encouraged to have a positive attitude towards the environment and Wulff takes into account the principles of sustainable development when selecting suppliers. Customer needs, technical development, societal expectations, and legislation are taken into account in all processes. Wulff constantly provides its customers with information about the products' environmental friendliness, its recycling alternatives, and solutions.

Environmentally friendly products

Special attention is paid to the environmental aspects of our products because a product made according to the principles of sustainable development places the least burden on the environment. The number of environmentally friendly products has been constantly increased. For example, environmentally friendly products are easy to find in Wulff's wide product catalogue under the section "Environmentally Friendly Products". These products are manufactured from environmentally friendly materials. Wulff's products always have information about certified environment labels as well as comprehensive environment and recycling information.

Environmental objectives show in Wulff's services and support activities

Environmental goals are set in the environment program each year. Emissions are decreased cooperatively with the customers as agreed. Wulff's diverse service channels and their support functions are constantly developed to be even greener. Ever growing attention is paid to the environmental friendliness of packaging materials and shipping methods.

Wulff Oy Ab has received a lot of positive feedback on its precise environment reporting. For example environment burdening CO2 emissions are being followed on both company and customer level. All of the packaging materials used in Wulff Oy Ab's deliveries are recyclable or reusable as an energy source. Cardboard boxes, packaging tape and bands, stretches and platform hoods as well as filling paper have been chosen so that they can be disposed in an environmentally friendly way. In addition, the shipping is handled in an environmentally friendly, carbon neutral way.

Wulff promotes responsible conduct in cooperation with all its interest groups. Environmental responsibility shows in all of the Group's operations. On a national level, Wulff is the most eco-friendly player in its field in Finland. Wulff's operations have been standardized with the certification ISO 14001.

In Finland carbon neutral shipping is carried out by the Posti Green service. The reduction and calculation of CO2 emissions are being handled by Posti's environment program and the leftover emissions are being compensated by financing environment projects. All of Posti's financed environment projects have the Gold Standard certificate

CO2 emissions decrease also in Wulff's own operations

A large part of the carbon footprint is created by motoring. Wulff Group's car policy requires old cars to be replaced with ones that burden the environment as little as possible. A number of the vehicles are traded each year, so the number of the more eco-friendly vehicles is increasing constantly.

Wulff has reduced the emission limits of purchased cars every year. Wulff's personnel also have an ecological electric car at hand for customer meetings, especially in the capital region.

IT IS POSSIBLE TO SAVE THE WORLD - ONE OFFICE SUPPLY AT A TIME

More and more customers value environmental-friendliness as a major criterion when making a purchasing decision. Wulff has plenty of green products and energy efficient alternatives in its product range. You can recognize the products by these eco-labels.

Wulff Green Products
You can find the Wulff Green product label next to items that have a certified ecolabel and /or because they are an environmentally friendly option due to the recycled materials used in their manufacturing.

The Blue Angel (Der Blaue Engel)
The Blue Angel is Europe's oldest ecolabel, first awarded in 1978. The ecolabel is granted to products that save resources and energy during their production, are especially durable, easy to repair, and easy to recycle according to the principles of sustainable development.
www.blauer-engel.de

PEFC (Program for the Endorsement of Forest Certification schemes)
PEFC is an international sustainable forest management certification that promotes ecologically, socially, and economically sustainable forestry. 95 % of Finnish forests have been certified according to the requirements of PEFC. PEFC advances responsible management practices and wood procurement.
www.pefc.org

The Swan is the official Nordic Ecolabel
The criteria for the products and services covered by the Swan ecolabel are established by expert panels and they are subject to periodical verification. In establishing the criteria, the products' environmental effects are reviewed throughout their whole life-cycle.
joutsenmerkki.fi

Fairtrade
The Fairtrade Certification Mark is awarded to products that are produced according to the agreements of the International Labour Office ILO, the Universal Declaration of Human Rights, Children's Rights, and are from developing countries. Small-scale producers and agricultural workers are guaranteed a fair price and a long commercial relationship.

FSC (Forest Stewardship Council)
The Forest Stewardship Council is an international, non-governmental organization dedicated to promoting responsible management of the world's forests. It certifies ecologically managed forests and products that are produced from the wood grown in them. It has expanded from the countries of tropical forests all the way to the Nordics and Europe. In Finland, environmental associations support the FSC certification.
www.finland.fsc.org

The EU Ecolabel
The EU Ecolabel is recognized throughout the countries of the European Union. The criteria are developed by the EU Ecolabelling Board and approved by the European Commission.
www.ecolabel.eu

Allergy and Asthma Federation
The product has been developed in cooperation with the Allergy and Asthma Federation.

RESPONSIBLY MADE GREEN PRODUCTS – WITH JUST ONE CLICK FROM THE WEBSTORE

In the Wulff.fi webstore making the Greener choice is easy! You get all of the environmentally friendly products with just one click of the mouse. Making environmentally friendlier choices – for example by purchasing Wulff's green office supplies – our customers have the possibility to increase their responsibility and have a positive impact on the environment.

CORPORATE RESPONSIBILITY

Societal Responsibility

A responsible player

For Wulff, it is important to have a positive impact on the environment and the communities in which it operates. Wulff feels that it can affect the employment of young people in a positive way. Wulff offers excellent premises for work-based learning. In sales work, it is beneficial to have commercial education and work experience, but not necessary. The right attitude is the most important thing: a willingness to meet customers. When the attitude is right, Wulff is ready to invest in the employees' education and coaching. Wulff has its own unique Wulff Academy training program for new sales talents. In addition, each employee's individual training requirement is assessed separately. While working at Wulff, it is also possible to graduate with a vocational examination in business administration.

Wulff's Trainee programs are popular among students. Education benefits the learning of sales work tremendously and the work is best learned by doing. Wulff has received lots of gratitude from students, student academies, trainees, and Employment and Economic Development Offices for its hands-on training program that allows the trainees to face real customer situations.

All the young people that participate in these trainee programs and internships learn special sales organization skills in addition to important work place basic skills. the structure of the internship is planned in a way that half of the work assignments are meant to give the trainee a feeling of success and achievement and the other half teaches new things and develops the trainees' skills and knowhow.

Financial Responsibility

The Group's financial success enables Wulff to develop its business operations in a responsible and sustainable way. In all of its operating countries, Wulff aims to add value for its stakeholders: customers, suppliers, and employees. For its shareholders, Wulff creates value e.g. through dividends and share value increase. Wulff's goal is to pay its shareholders dividends of 50 % of the net result. The Board of Directors has proposed to the Annual General Meeting that a dividend of 0,10 eur / share be paid. In 2015 the Group paid interests of EUR 0.2 million to financial institutions.

Social Responsibility

For Wulff, corporate citizenship means that every employee assumes comprehensive responsibility. In addition to being responsible for one's own operations, each employee ensures that their partners and contacts operate according to Wulff's standards.

Personnel have a key role

As a sales company, Wulff's key resource is its skilled and committed personnel. Growth is always created by healthy, professional, and motivated personnel. Wulff's personnel are trained actively. On average, there were 10 education and coaching days in 2015 per person.

YOUNG PEOPLE ARE THE FUTURE!

What does the future hold for Finland? We here at Wulff believe that tomorrow's Finland will be more international and greener than the one today. In the future, we will have lots of knowhow in Finland that will hopefully benefit us here as well as abroad. Tomorrow's Finland will be built by today's youth. What kind of Finland do they want to inhabit and what sort of work do they want to do? We believe it is important to include the youth in the future's building process and that is why Wulff has invested strongly in career opportunities for the youth, employment and Trainee programs. It is our mutual responsibility to teach the youth responsibility about themselves and about the environment. This is most efficiently achieved through cooperation.

Wulff invests strongly in the training and coaching of its personnel. In addition to company values, and sales and professional knowhow, training themes for the personnel include professional care for customers and personnel alike and giving feedback actively. The most important goal for these training and education programs is to give the personnel skills that make them better prepared for each customer appointment and to improve everyone's self-management skills. Each Wulff employee's expertise and professionalism is needed to serve our customers in the best possible way.

In addition to training and education programs, the personnel's well-being is also taken care by organizing different recreational events and campaigns as well as offering various free or company sponsored exercise and cultural activities.

CORPORATE RESPONSIBILITY

Career at Wulff

Wulff offers its employees good opportunities to grow and develop at their own work. For example, most of the subsidiaries' Managing Directors have started their careers as sales persons. As a Scandinavian company, Wulff also offers a possibility to create an international career. Wulff is in many ways an equal employer: it employs people of all ages and with different educational and work experience backgrounds. While many companies focus their business operations in the capital city area in different countries, Wulff can offer vacancies in numerous locations around its operating countries. In order to strengthen organic sales growth, the Group focuses on the recruitment of the sales personnel. In 2016, Wulff wants to hire new sales representatives in all of its operational countries

Personnel structure

In 2015, the Group emplyed approximately 233 (268) persons. At the end of the financial year, 226 (240) were employed by the Group, of which 89 (109) worked in Sweden, Norway, Denmark, or Estonia. The majority, approximately 60 percent, of the Group's personnel works in sales operations and 40 percent of the employees work in sales support, logistics and administration. The personnel consists half-and-half of men and women.

Sales/administration and logistics

In the Wulff Group, everyone's objective is to serve our customers in the best possible way. Approximately 56 percent of the personnel work in sales and about 44 percent in sales support: administration and logistics

Age

The Wulff Group employs both young people who are just beginning their careers and those who already possess lots of experience. Wulff is both a traditional and a dynamic organization, and for that reason it attracts different kinds of people.

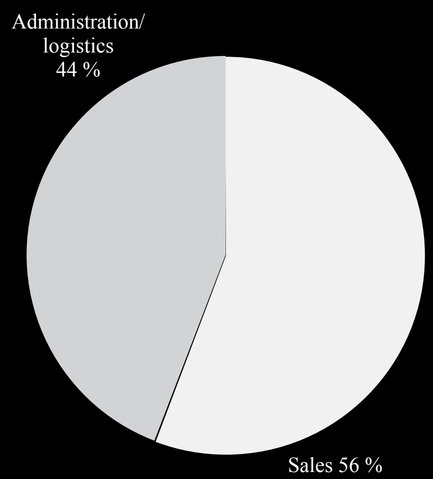
Gender

The Wulff Group is an equal employer. Approximately 50 percent of its personnel are men and 50 percent are women. People with different educational and work experience backgrounds work in sales, administration, and logistics. At Wulff, everyone receives training for their job and the most important thing is the right attitude and willingness to learn.

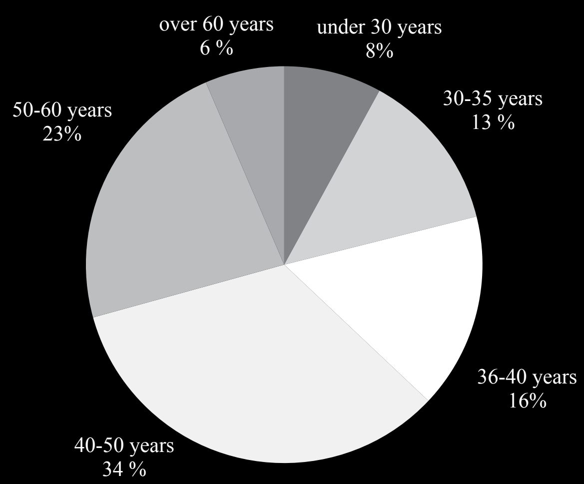
Personnel by countries

Of the Group's personnel, over half work in Finland this year, approximately 30 percent in Sweden, and 10 percent in Norway. Under a tenth is employed in Denmark and Estonia. The Group is continuously on the lookout for new sales talent in all of its operating countries.

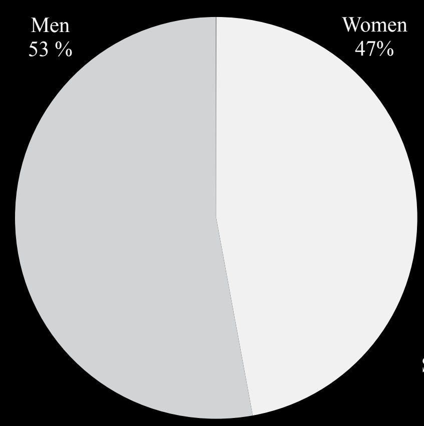
Sales/administration and logistics



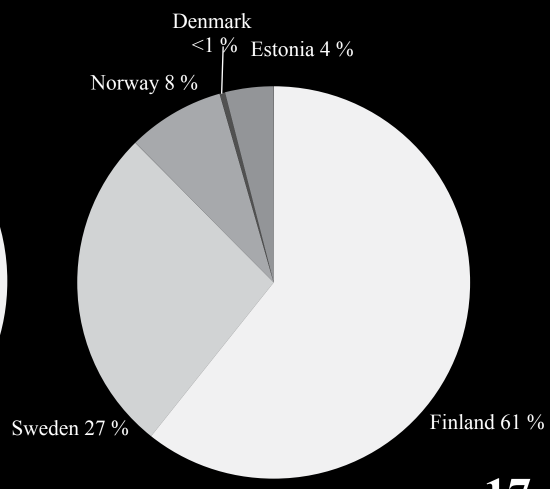
Age



Gender



Personnel by countries



REVIEW OF THE BOARD OF DIRECTORS

Wulff Group Plc's review of the Board of Directors

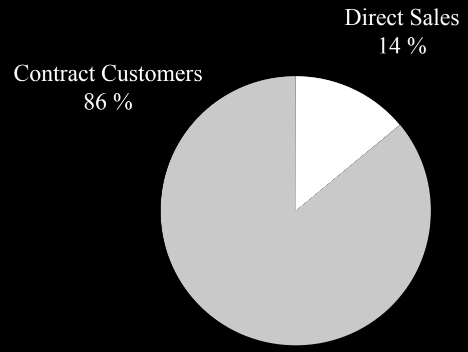
Wulff continued to improve its profitability: operating profit without non-recurring items increased further

WULFF GROUP: KEY POINTS JANUARY – DECEMBER 2015

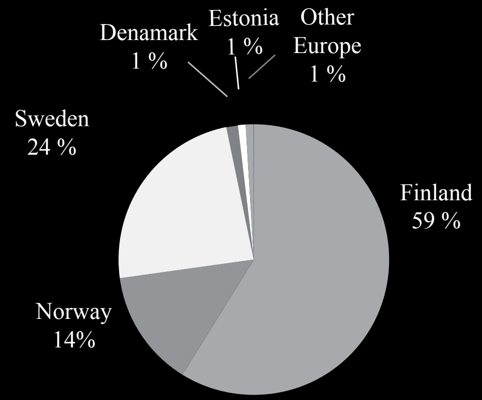
- In 2015, net sales totalled EUR 68.8 million (EUR 74.3 million). Net sales decreased by -7.3 percent (-11.1 %).
- In 2015, EBITDA was EUR 2.0 million (EUR 2.1 million) being 2.9 percent (2.8 %) of net sales. In 2015, EBITDA included non-recurring write downs of inventories and fixed assets of EUR 0.2 million. In 2014, EBITDA included non-recurring income of EUR 1.4 million regarding sale of real estate and sale of subsidiary.
- In 2015, EBITDA without non-recurring items was EUR 2.2 million (EUR 0.7 million) being 3.2 percent (1.0 %) of net sales.
- In 2015, the operating result (EBIT) amounted to EUR 0.5 million (EUR 1.1 million). In 2015, EBIT included non-recurring items write downs of EUR 1.0 million regarding goodwill impairment and inventory and fixed assets. In 2014, EBIT included non-recurring income of EUR 1.4 million regarding the sale of real estate and a subsidiary.
- In 2015, the operating result (EBIT) without non-recurring items amounted to EUR 1.5 million (EUR -0.3 million).
- Earnings per share (EPS) was EUR -0.03 (EUR 0.11) in 2015. Earnings per share (EPS) without non-recurring items was EUR 0.16 (EUR -0.10) in 2015.
- Topi Ruuska was appointed as the CEO of Wulff Group Plc starting September 1st, 2015. The long-term CEO and Board member Heikki Vienola continues developing the Group as the Chairman of the Board of Directors.
- Equity-to-assets ratio increased to 46.4 percent (31.12.2014: 39.5 %).
- The Board of Directors proposes to the Annual General Meeting on April 7, 2016 that a dividend of EUR 0.10 per share will be paid.
- Wulff estimates 2016 operating profit to be positive.

	1-12/2015	**1-12/2014**	**10-12/2015**	**10-12/2014**
Net sales, EUR million	68,8	74,3	18,6	20,5
EBITDA, EUR million	2,0	2,1	0,8	2,1
EBITDA without non-recurring items, EUR million	2,2	0,7	0,8	0,7
Operating profit (EBIT), EUR million	0,5	1,1	0,5	1,8
Operating profit (EBIT) without non-recurring items, EUR million	1,5	-0,3	0,7	0,5
Profit before taxes, EUR million	0,4	0,5	0,6	1,5
Profit before taxes without non-recurring items, EUR million	1,4	-0,9	0,7	0,2
EPS, eur	-0,03	0,11	0,08	0,22
EPS without non-recurring items, EUR	0,16	-0,10	0,10	0,01

Net sales by operating segments



Net sales by operating countries



Wulff Group's CEO Topi Ruuska:

We increased our profitability considerably in 2015. Group finances have developed positively due to improved operating efficiency and cost saving measures. Our most important goal is the continuous improvement of customer experiences and easing our customers' everyday purchases with a more comprehensive service concept. The improvement of the service experience and customer profitability has been made possible by intensifying cooperation between our purchase and sales operations
.

Our strategy is to serve our customers through multiple channels. Our service channels include the webstore Wulff.fi, the Contract Customer model, a regional sales and service network and our stores. In an ever-changing operating environment the channels must be constantly improved and renewed. Digitalisation brings along both possibilities and threats to the operating environment: this change is inevitably going to affect the office supplies industry also.

The office supplies market has declined in recent years due to the general economic situation. Although a fast improvement is not to be expected in the economy, I trust that Wulff will be among future success stories because we strongly invest in development by also revising our own operations. The most significant on-going internal development project is the reorganization of our financial management services to make them more responsive and informative. This also further improves our reporting to our customers. We are ready to grow fast when the economy recovers: we have the industry's best chance to do so thanks to our skilled, responsive and flexible personnel and also due to our customers and cooperation partners that contribute to our development efforts. I am grateful that I am able to develop our operations together with our professional and competent personnel.

Wulff Group Plc's review of the Board of Directors

Group's Net Sales and Result Performance

In 2015 net sales totalled EUR 68.8 million (EUR 74.3 million). Net sales decreased by -7.3 percent (-11.1 %). The decrease in net sales without the effect of sold businesses was -2.6 percent. In the last quarter net sales totalled EUR 18.6 million (EUR 20.5 million) and decreased by -9.2 percent (-9.4 %). The last quarter's net sales decrease was -1.1 percent without the effect of sold businesses.

In 2015, Wulff Group's EBITDA was EUR 2.0 million (EUR 2.1 million) being 2.9 percent (2.8 %) of net sales. EBITDA included EUR 0.2 million non-recurring write downs of inventories and fixed assets from business gifts business. In 2014, EBITDA included non-recurring income of EUR 1.4 million relating to the sale of real estate and a subsidiary. In 2015, EBITDA without non-recurring items was EUR 2.2 million (EUR 0.7 million) being 3.2 percent (1.0 %) of net sales. EBITDA without non-recurring items increased by EUR 1.5 million in 2015.

In the fourth quarter, Wulff Group's EBITDA was EUR 0.8 million (EUR 2.1 million) being 4.3 percent (10.1 %) of net sales. In 2015, the fourth quarter EBITDA did not include non-recurring items. In 2014, the fourth quarter EBITDA included non-recurring income of EUR 1.4 million relating to sale of real estate and subsidiary. In 2015, the fourth quarter EBITDA without non-recurring items was EUR 0.8 million (EUR 0.7 million) being 4.3 percent (3.4 %) of net sales. EBITDA without non-recurring items increased by EUR 0.1 million during the fourth quarter.

In 2015, the operating profit (EBIT) amounted to EUR 0.5 (EUR 1.1 million) being 0.7 percent (1.5 %) of net sales. In 2015, the operating profit included EUR 1.0 million of non-recurring write downs of goodwill, inventories and fixed assets. In 2014, the operating profit included EUR 1.4 million of non-recurring income relating to the sale of real estate and a subsidiary. In 2015, the operating profit without non-recurring items was EUR 1.5 million (EUR -0.3 million) being 2.2 percent (-0.3 %) of net sales. The operating profit without non-recurring items increased by EUR 1.8 million in 2015. Increased profitability has been achieved by systematically executed optimization and cost saving measures as well as the divestment of unprofitable operations.

In the fourth quarter Wulff Group's operating profit (EBIT) was EUR 0.5 million (EUR 1.8 million) being 2.8 percent (8.9 %) of net sales. The fourth quarter operating profit (EBIT) included a non-recurring impairment of goodwill of EUR 0.1 million in 2015 and non-recurring income of EUR 1.4 million of the sale of real estate and a subsidiary in 2014. In the fourth quarter the operating profit (EBIT) without non-recurring items was EUR 0.7 million (EUR 0.5 million) being 3.6 percent (2.3 %) of net sales. The last quarter operating profit (EBIT) without non-recurring items increased by EUR 0.2 million from the previous year. Typically in the industry and in the Group, the annual profit is made in the last quarter of the year.

In 2015 Wulff Group's employee benefit expenses amounted to EUR 13.5 million (EUR 15.9 million) and EUR 3.6 million (EUR 4.1 million) in the fourth quarter. Other operating expenses amounted to EUR 8.0 million (EUR 9.4 million) in 2015 and EUR 2.1 million (EUR 2.4 million) in the fourth quarter. Employee benefit and other operating expenses were affected by the cost-saving program performed at the end of 2013 and divesting unprofitable businesses. In 2016, Wulff Group continues to examine its cost structure to improve its profitability as part of ongoing reforms.

In 2015, the financial income and expenses totalled (net) EUR -0.2 million (EUR -0.6 million) including interest expenses of EUR 0.2 million (EUR 0.2 million) and mainly currency-related other financial items (net) EUR -0.0 million (EUR -0.3 million). In the fourth quarter the financial income and expenses totalled (net) EUR +0.03 million (EUR -0.3 million).

In 2015, the result before taxes was EUR 0.4 million (EUR 0.5 million). In 2015, the result before taxes and without non-recurring items was EUR 1.4 million (EUR -0.9 million). The result before taxes was EUR 0.6 million (EUR 1.5 million) in the fourth quarter. The result before taxes and without non-recurring items was EUR 0.7 million (EUR 0.2 million) in the fourth quarter.

In 2015 the net profit after taxes was EUR -0.2 million (EUR 0.6 million). The net profit without non-recurring items was EUR 1.1 million (EUR -0.8 million) in 2015. In 2015, the net profit without non-recurring items improved by EUR 1.9 million. The net profit after taxes was EUR 0.5 million (EUR 1.5 million) in the fourth quarter. The net profit after taxes without non-recurring items was EUR 0.7 million (EUR 0.1 million) in the fourth quarter. The net profit without non-recurring items improved by EUR 0.5 million in the fourth quarter.

Wulff Group's earnings per share (EPS) was EUR -0.03 (EUR 0.11) in 2015. Earnings per share (EPS) without non-recurring items was EUR 0.16 (EUR -0.10) in 2015. Earnings per share (EPS) was EUR 0.08 (EUR 0.22) in the fourth quarter. Earnings per share (EPS) without non-recurring items was EUR 0.10 (EUR 0.01) in the fourth quarter

Contract Customers Division

The Wulff Group's Contract Customers Division is the customer's comprehensive partner in the field of office supplies, IT supplies, and facility management products in the Nordics as well as in international fair services. In 2015, the division's net sales totalled EUR 59.3 million (EUR 62.5 million) and the operating result was EUR 0.9 (EUR 0.1 million. In 2015, the operating profit (EBIT) included EUR 0.7 million goodwill impairment and EUR 0.2 million write downs of inventories and fixed assets relating to business gifts. In the fourth quarter net sales were EUR 16.3 million (EUR 17.3 million) and the operating result was EUR 0.8 million (EUR 0.4 million).

The general economic situation and the decrease in the products' demand have led to the decrease in net sales in 2015. In addition, the divestment of the unprofitable business gifts business has decreased net sales. Focusing on profitable customers, systematically executed cost saving measures and enhancing the efficiency of operations have improved the profitability of the Contract Customers Division.

More and more Finnish companies need international growth in addition to domestic growth. The first step in exports is to participate in international trade fairs. The Group's international fair expert is Wulff Entre, who has taken Finnish know-how to the international stage for more than 90 years. It is the market leader in the field in Finland and has invested even more in the acquisition of international clientele. In 2015 Wulff Entre built almost 100 exhibition stands in 28 different countries. There is trust in Wulff Entre's ability to find the most rewarding international meeting places in a given field: it has hundreds of customers representing dozens of different sectors.

2015 was a good year for Wulff Entre. Investments in sales and their development resulted in both stronger

Wulff Group Plc's review of the Board of Directors

customer relationships and an increase in clientele. In addition to Finland, Wulff Entre has acquired new customers from Germany, Sweden, Norway and Russia.

The office supplies market has declined slightly in Finland and Scandinavia. The net sales of companies in the Contract Customer Division in Finland and Scandinavia declined but profitability improved in 2015. The decline in net sales was caused by the general economic situation. While large companies employ fewer and fewer people, the consumption of office supplies is smaller. Wulff has a strong position in all the countries it operates in. The customers appreciate a local operator who knows their operating environment and activities.

Companies of all sizes buy common office supplies more and more online. That is why Wulff invests heavily in the development of digital services in 2016. Wulff's domestic office supplies webstore Wulff.fi specialises in serving small and medium sized companies. Online services are an important investment in the future for Wulff.

Direct Sales Division

Wulff's Direct Sales Division offers its customers new ideas, the most interesting novelties and a more convenient everyday life in the Nordics. In addition to innovative office supplies, the Direct Sales Division sells ergonomics and first aid products as well as products that improve occupational safety and comfort. Wulff is a desired distribution channel for novelties. A comprehensive, yet personal and local, Nordic sales network is an efficient way to launch new products and services to the market. Wulff is known as the industry pioneer and a desired partner for domestic and international suppliers and manufacturers.

In 2015 the division's net sales totalled EUR 9.4 million (EUR 11.9 million) and the operating profit was EUR -0.0 (EUR 0.2 million). In the fourth quarter net sales totalled EUR 2.3 million (EUR 3.3 million) and the operating result was EUR -0.1 million (EUR 0.0 million). In 2015, the fourth quarter operating result included a goodwill impairment of EUR 0.1 million.

The Direct Sales Division will continue improving its profitability by concentrating on profitable product and service fields and by optimising operational efficiency. Wulff invests strongly in the development of the product and service range and aims to increase the synergy of the purchasing operations by group wide competitive bidding and cooperation.

Wulff is known for being the workplace of successful salesmen. More and more great executive leaders have experience and know-how in sales, and there is growing appreciation of sales skills in our society today. Successful recruiting has a significant effect on the performance of the Direct Sales Division. In 2015 Wulff has the readiness to employ numerous new talents to grow into sales experts. Wulff's own introduction and training programs ensure that not only does every sales person get a comprehensive training and an exciting start to their career, but also further education on how to improve one's own know-how.

Financing, Investiments and Financial Position

In 2015 the cash flow from operating activities was EUR 1.7 million (EUR -0.2 million) and EUR 2.0 million (EUR 2.5 million) in the fourth quarter. In this industry it is typical that the result and cash flow accumulate in the last quarter.

For its fixed asset investments the Group paid a net of EUR 0.0 million (EUR 0.2 million) in January-December.

The Group repaid loans of net EUR 2.9 million in January-December (EUR 0.6 million, net) of which EUR 1.4 million (EUR 2.4 million) was repaid during the last quarter. The subsidiaries' non-controlling shareholders were paid dividends of EUR 0.01 million (EUR 0.15 million).

The Group's cash balance decreased by EUR 1.2 million in January-December (EUR +0.7 million). The Group's bank and cash funds totalled EUR 2.4 million in the beginning of the year and EUR 1.2 million in the end of the reporting period. In the end of December 2015 the Group's equity-to-assets ratio was 46.4 percentages (December 31, 2014: 39.5 %). Equity attributable to the equity holders of the parent company was EUR 1.84 per share (December 31, 2014: EUR 1.95).

Decisions of Wulff Group PLC's Annual General Meeting

Wulff Group Plc's Annual General Meeting held on April 9, 2015 decided not to pay dividend. In addition the Annual General Meeting authorised the Board of Directors to decide on the repurchase of the company's own shares. Also the other proposals to the Annual General Meeting were accepted without changes. Ari Pikkarainen, Sakari Ropponen, Andreas Tallberg and Heikki Vienola were re-elected as board members.

Wulff Group Plc's Extraordinary General Meeting decided that the number of board members is four. Johanna Marin, Ari Pikkarainen, Andreas Tallberg and Heikki Vienola were elected as members of the Board of Directors. The organising meeting of Wulff Group Plc's Board of Directors, held after the Extraordinary General Meeting, elected Heikki Vienola as the Chairman of the Board. Also the other proposals to the Extraordinary General Meeting were accepted without changes.

Share and Share Capital

Wulff Group Plc's share is listed on NASDAQ OMX Helsinki in the Small Cap segment under the Industrial Goods and Services sector. The company's trading code is WUF1V. At the end of the reporting period the share was valued at EUR 1.34 (EUR 0.98) and the market capitalization of the outstanding shares totalled EUR 8.7 million (EUR 6.4 million).

In 2015 no own shares were reacquired. At the end of December 2015, the Group held 79,000 (December 31, 2014: 79,000) own shares representing 1.2 percent (1.2 %) of the total number and voting rights of Wulff shares. According to the Annual General Meeting's authorisation on April 9, 2015, the Board of Directors decided in its organizing meeting to continue the acquisition of its own shares, by acquiring a maximum of 300.000 own shares by April 30, 2016.

Wulff Group Plc's review of the Board of Directors

Personnel

In January-December 2015 the Group's personnel totalled 233 (268) employees approximately. At the end of December the Group had 226 (240) employees of which 89 (105) persons were employed in Sweden, Norway, Denmark or Estonia.

The majority, 56 percent of the Group's personnel works in sales operations and 44 percent of the employees work in sales support, logistics and administration. The personnel consists 53 percent of women and 47 percent of men.

Group Executive Board

In 2015, the Group Executive Board consisted of:

Ninni Arion, CEO of Wulff Entre
Trond Fikseaunet, CEO of Wulff Supplies AB
Elina Rahkonen, CFO, Wulff Group Plc
Topi Ruuska, Group CEO since 9/2015
Tarja Törmänen, Communications and Marketing Director, Wulff Group Plc
Heikki Vienola, Group CEO and CEO of Wulff Oy until 8/2015 and Wulff Group Plc's Chairman of the Board of Directors since 9/2015
Veijo Ågerfalk, Director of Direct Sales Scandinavia

Risk and Uncertainties in the near Future

The demand for office supplies is still affected by the general economic situation. The personnel lay-offs and cost-saving initiatives carried out in different organizations during the economic downturn affect the purchasing behaviour of our corporate customers. As economic uncertainty continues, the cost-saving measures continue to affect the purchasing behaviour of our corporate customers. Also the decreased amount of internationalization funding and the changes in the distribution of grants by the Ministry of Employment and The Economy affect the companies' chances to attend international fairs.

Half of the Group's net sales come from other than euro-currency countries. Fluctuation of the currencies affect the Group's net result, however the effect of the fluctuation is expected to be moderate.

Events After the Financial Year

The Group sold a fleet of cars used by the personnel of Wulff Leasing Oy Finland's subsidiaries and rented a fleet of cars with a service leasing agreement. The book value of the fleet of cars was EUR 0.3 million in December 31, 2015. The Group records a sales profit of EUR 0.1 million during the first half year period. The Group records the cars sold at a book value of EUR 0.3 million in assets held for sale in the balance sheet.

The Group has not had such events after the financial year which would have a material impact on the 2015 financial statements.

Board of Directors' Proposal for the Annual Result

The Group's parent company Wulff Group Plc's distributable funds totalled EUR 3.1 million. The Group's net result attributable to the parent company shareholders was EUR -0.2 million, i.e. EUR -0.03 per share (EUR 0.11 per share). The Board of Directors proposes to the Annual General Meeting to be held on April 7th, 2016 that a dividend of EUR 0.1 per share be paid for the financial year 2015 , amounting to EUR 0.65 million, and the remaining distributable funds be transferred in retained earnings in the shareholders' equity.

Parent company's distributable funds:

EUR	31.12.2015	31.12.2014
Fund for invested non-restricted equity	223 051	223 051
Treasury shares	-260 070	-260 070
Retained earnings from previous years	2 656 943	1 968 721
Net result for the period	512 573	688 222
Distributable funds total	3 132 497	2 619 924
- dividend distribution total	-652 863	0
Funds left in retained earnings	2 479 635	2 619 924

	31.12.2015	31.12.2014
Shares total	6 607 628	6 607 628
- Treasury shares held	-79 000	-79 000
Shares which are paid dividend	6 528 628	6 528 628
x Dividend per share (EUR)	0,10	0,00
Dividends total (EUR)	652 863	0

Market Situation and Future Outlook

Wulff is the most significant Nordic player in its field. Wulff's mission is to help its corporate customers succeed in their own business by providing them with leading-edge products and services in a way best suited to them. The markets have been consolidating in the past few years and the Nordic markets are expected to continue to consolidate in the future as well. The Group is prepared to carry out new strategic acquisitions and as a listed company Wulff has a great opportunity to be a more active player than its competitors.

Wulff does not expect the demand for office supplies to increase rapidly in 2016. During these uncertain times it is important to continue considering the cost structure and improving operational efficiency. Wulff's goal is to further improve the profitability of its business activities. Wulff estimates the operating profit (EBIT) for 2016 to be positive. It is typical of the business sector that the annual profit and cash flow accumulate in the last quarter of the year.

STATEMENT OF COMPREHENSIVE INCOME AND STATEMENT OF CASH FLOW

INCOME STATEMENT

EUR 1000	Note	Jan 1 - Dec 31, 2015	Jan 1 - Dec 31, 2014
Net sales	2, 4	**68 820**	**74 262**
Other operating income	5	407	**1 522**
Materials and services	6	-45 656	**-48 453**
Employee benefit expenses	7	-13 506	**-15 873**
Other operating expenses	8	-8 046	**-9 363**
EBITDA		**2 019**	**2 096**
Depreciation and amortization	9	-656	**-987**
Impairment	9	-859	**0**
Operating profit (EBIT)		**505**	**1 109**
Financial income	10	83	**41**
Financial expenses	10	-234	**-673**
Profit before taxes		**354**	**478**
Income taxes	11	-559	**84**
Net profit/loss for the period		**-205**	**562**
Attributable to:			
Equity holders of the parent company		-195	696
Non-controlling interests		-10	-134
Earnings per share for profit attributable to the equity holders of the parent company:			
Earnings per share, EUR (diluted = non-diluted)	12	-0,03	0,11

STATEMENT OF COMPREHENSIVE INCOME

EUR 1000		Jan 1 - Dec 31, 2015	Jan 1 - Dec 31, 2014
Net profit/loss for the period		**-205**	**562**
Other comprehensive income which may be reclassified to profit or loss subsequently (net of tax)			
Change in translation differences	11	23	**-238**
Fair value changes on available-for-sale investments	11	15	**61**
Total other comprehensive income		**38**	**178**
Total comprehensive income for the period		**-167**	**384**
Total comprehensive income attributable to:			
Equity holders of the parent company		-153	540
Non-controlling interests		-14	-156

STATEMENT OF CASH FLOW

EUR 1000	Note	Jan 1 - Dec 31, 2015	Jan 1 - Dec 31, 2014
Cash flow from operating activities:			
Cash received from sales		71 128	73 200
Cash received from other operating income		391	99
Cash paid for operating expenses		-69 723	-73 256
Cash flow from operating activities before financial items and income taxes		1 796	43
Interest paid		-187	-174
Interest received		33	16
Income taxes paid		51	-90
Cash flow from operating activities		**1 693**	**-205**
Cash flow from investing activities:			
Proceeds from available for sale financial assets		20	101
Investments in intangible and tangible assets		-143	-295
Proceeds from sales of intangible and tangible assets		161	1 654
Proceeds from sales of subsidiaries	3	0	253
Sale of business		106	0
Repayments of loans receivable		-3	4
Cash flow from investing activities		**141**	**1 717**
Cash flow from financing activities:			
Dividends paid	24	-5	-152
Dividends received	10	0	0
Cash paid for changes in non-controlling interest	3	-2	-56
Payments received for changes in non-controlling interest		0	2
Repayments of financial lease liabilities		-71	-8
Cash paid for (received from) short-term investments (net)		0	0
Withdrawals and repayments of short-term loans		-1 865	839
Withdrawals of long-term loans		3 062	0
Repayments of long-term loans		-4 133	-1 390
Cash flow from financing activities		**-3 012**	**-766**
Change in cash and cash equivalents		**-1 176**	**746**
Cash and cash equivalents at the beginning of the period		2 422	1 774
Translation difference of cash		-45	-98
Cash and cash equivalents at the end of the period	22	1 201	2 422

STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION

EUR 1000	Note	Dec 31, 2015	Dec 31, 2014
ASSETS			
Non-current assets			
Goodwill	13, 15	6 916	7 730
Intangible assets	13	441	730
Property, plant and equipment	13	453	1 094
Non-current financial assets			
Long-term receivables from related parties	16, 30	0	0
Long-term receivables from others	16	35	35
Available-for-sale investments	17	121	140
Deferred tax assets	11	1 214	1 709
Total non-current assets		**9 180**	**11 438**
Current assets			
Inventories	18	7 631	8 352
Short-term receivables			
Loan receivables from others	19	20	16
Trade receivables from related parties	20, 30	0	16
Trade receivables from others	20	8 278	9 835
Advance payments		10	33
Other receivables		479	627
Accrued income and expenses	20	1 367	2 017
Financial assets recognised at fair value through profit and loss	21	0	3
Cash and cash equivalents	22	1 201	2 422
Non-current assets held for sale	13	347	
Total current assets		**19 334**	**23 320**
TOTAL ASSETS		**28 514**	**34 759**

EUR 1000	Note	Dec 31, 2015	Dec 31, 2014
EQUITY AND LIABILITIES			
Equity			
Equity attributable to the equity holders of the parent company:			
Share capital		2 650	2 650
Share premium fund		7 662	7 662
Invested unrestricted equity fund		223	223
Retained earnings		1466	2 166
Equity attributable to the equity holders of the parent company		12 579	12 701
Non-controlling interests		577	43
Total equity	23, 24, 25	**12 579**	**12 744**
Non-current liabilities			
Interest-bearing liabilities	26	2 824	3 390
Deferred tax liabilities	11	37	19
Total non-current liabilities		**2 861**	**3 409**
Current liabilities			
Interest-bearing liabilities	26	1 421	3 791
Trade payables		5 999	7 536
Advance payments		1 410	2 461
Other liabilities	28	1 552	1 581
Accrued income and expenses	28	2 692	3 238
Total current liabilities		**13 074**	**18 607**
TOTAL EQUITY AND LIABILITIES		**28 514**	**34 759**

STATEMENT OF CHANGES IN EQUITY

EUR 1000

Equity attributable to equity holders of the parent company

	Note	Share capital	Share-premium fund	Fund for invested non-restricted equity	Treasury shares	Translation differences	Fair value fund	Retained earnings	**Total**	Non-controlling interest	**TOTAL**
Equity on Jan 1, 2014	**23**	**2 650**	**7 662**	**223**	**-260**	**-196**	**-76**	**1 723**	**11 725**	**1 137**	**12 862**
Net profit/loss for the period								696	**696**	-134	**562**
Other comprehensive income*:											
Change in translation differences						-230			**-230**	-9	**-239**
Fair value changes on available-for-sale investments							61		**61**		**61**
Comprehensive income *						-230	61	696	**527**	-143	**384**
Transactions with the shareholders:											
Dividends paid	24									-152	**-152**
Share-based payments	25							5	**5**		**5**
Changes in ownership	3										
Transactions with the shareholders total								5	**5**	-152	-147
Changes in subsidiary shareholdings:											
Changes in non-controlling interests which lead to loss of control								443	**443**	-499	**-56**
Changes in non-controlling interests which did not lead to loss of control										-299	**-299**
Equity on Dec 31, 2014	**23**	**2 650**	**7 662**	**223**	**-260**	**-426**	**-15**	**2 867**	**12 700**	**43**	**12 744**
Equity on Jan 1, 2015		**2 650**	**7 662**	**223**	**-260**	**-426**	**-15**	**2 867**	**12 700**	**43**	**12 744**
Net profit/loss for the period								-195	**-195**	-10	**-205**
Other comprehensive income*:											
Change in translation differences						26			**26**	-3	**23**
Fair value changes on available-for-sale investments							15		**15**		**15**
Comprehensive income *						26	15	-195	**-153**	-13	**-167**
Transactions with the shareholders:											
Dividends paid										-5	**-5**
Share-based payments								7	**7**		**7**
Changes in ownership											
Transactions with the shareholders total								7	**7**	-5	**2**
Changes in subsidiary shareholdings:											
Changes in non-controlling interests which lead to loss of control								-553	**-553**	553	
Changes in non-controlling interests which did not lead to loss of control											
								-553	-553	553	
Equity on Dec 31, 2015	**23**	**2 650**	**7 662**	**223**	**-260**	**-400**		**2 127**	**12 002**	**577**	**12 579**

NOTES OF CONSOLIDATED FINANCIAL STATEMENTS

1. Accounting Principles

General Information about the Group

The Group's parent company, Wulff Group Plc is a Finnish public limited liability company, established in accordance with Finnish law. It is domiciled in Helsinki and the address of its headquarters is Manttaalitie 12, 01530 Vantaa, Finland. Copies of the consolidated financial statements are available at the above address.

The Group consists of the parent company Wulff Group Plc and its 16 subsidiaries in Finland, Sweden, Norway, Denmark and Estonia. Wulff's product and service range includes office supplies, IT supplies, business and promotional gifts, ergonomics and international fair services. The Group's two concepts, the Contract Customers division and the Direct Sales division, enable Wulff to serve its various-sized customers in different industries professionally and comprehensively. The Contract Customers concept eases the customers' regular office supply and business gift purchases. The Direct Sales concept serves especially small and mid-sized companies with a personal approach. The Group is managed based on the operating segments of these different service concepts, the Contract Customers division and the Direct Sales division, which have been described in more detail in Note 2 'Segment information'.

The Board of Directors of Wulff Group Plc has approved these financial statements for publication at its meeting on March 15, 2016. According to the Finnish Limited Liability Companies Act, the shareholders at the general meeting held after the publication may approve or reject the financial statements or decide on amendments to be made to the financial statements.

Basis of Preparation

These consolidated financial statements have been prepared in compliance with the International Financial Reporting Standards (IFRS) including the IAS and IFRS standards as well as the SIC and IFRIC interpretations in effect on December 31, 2015. The term 'IFRS standards' refers to standards and interpretations which are approved and adopted by the European Union (regulation EY 1606/2002) and thus are in force in the Finnish legislation. The Group has not adopted any new, revised or amended standards or interpretations that are not yet effective. The notes to the consolidated financial statements also comply with the Finnish accounting and corporate legislation, which supplement the IFRS regulations.

In compliance with the IFRS standards, the consolidated financial statements are based on historical cost except for available-for-sale financial assets, financial assets recognised at fair value through profit and loss as well as share-based transactions to be settled in cash and measured at fair value. Equity-settled share-based payments (share rewards) have also been measured at fair value at the grant date.

The IFRS standards require the management to make estimates and judgements when preparing the consolidated financial statements. Although these estimates and judgements are based on the management's best knowledge when preparing the financial statements, the final outcome may differ from the estimated values presented in the financial statements. Information about the assessments and judgments that the management have made and that are most critical to the figures in the financial statements are presented under "Critical accounting estimates and key sources of estimation uncertainty".

The consolidated financial statements are presented in thousands of euros.

New and amended IFRS standards adopted in 2015

The consolidated financial statements have been prepared according to the accounting policies of previous years and in addition applying the following new or amended standards and interpretations that have come into effect in 2015:

- Amendments to IAS 19 Employee Benefits - Defined Benefit Plans: Employee Contributions (effective for financial years beginning on or after 1 July 2014): The amendments clarify the accounting treatment under IAS 19 in respect of defined benefit plans that involve contributions from employees or third parties towards the cost of benefits. The amendments are not assessed to have an impact on consolidated financial statements.
- Annual Improvements to IFRSs (2011-2013 cycle and 2010-2012 cycle) (effective for financial years beginning on or after 1 July 2014): The annual improvements process provides a mechanism for minor and non-urgent amendments to IFRSs to be grouped together and issued in one package annually. The amendments cover in total four (2011-2013 cycle) and seven (2010-2012 cycle) standards. Their impacts vary standard by standard but are not significant.

Other changes to standards or interpretations, that are not listed here but have come into effect in 2015, have not had an impact on the consolidated financial statements.

Adoption of new and amended standards and interpretations applicable in future financial years

The Group has not yet adopted the following new and amended standards and interpretations already issued by the IASB. The Group will adopt them as of the effective date or, if the date is other than the first day of the financial year, from the beginning of the subsequent financial year.

* = not yet endorsed for use by the European Union as of 31 December 2015

- Amendment to IAS 1 Presentation of Financial Statements: Disclosure Initiative (effective for financial years beginning on or after 1 January 2016). The amendments are designed to encourage companies to apply judgement in determining what information to disclose in the financial statements. For example, the amendments clarify the application of the materiality concept and judgement when determining where and in what order information is presented in the financial disclosures. The interpretation had no significant impact on consolidated financial statements.
- Amendments to IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets - Clarification of Acceptable Methods of Depreciation and Amortisation (effective for financial years beginning on or after 1 January 2016): The amendments clarify IAS 16 and IAS 38 that revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in limited circumstances to amortise intangible assets. The amendments will have no impact on consolidated financial statements.
- Amendments to IAS 16 Property, Plant and Equipment and IAS 41 Agriculture - Bearer Plants (effective for financial years beginning on or after 1 January 2016): These amendments require biological assets that meet the definition of a bearer plant to be accounted for as property, plant and equipment and included in the scope of IAS 16, instead of IAS 41. These amendments will have no impact on consolidated financial statements.
- Amendments to IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 28 Investments in Associates and Joint Ventures: Investment Entities: Applying the Consolidation Exception* (the amendments can be applied immediately; mandatory for financial years beginning on or after 1 January 2016): The narrow-scope amendments to IFRS 10, IFRS 12 and IAS 28 clarify the requirements when accounting for investment entities. The amendments also provide relief in particular circumstances, which will reduce the costs of applying the Standards. The amendments will not have an impact on consolidated financial statements.
- Amendments to IFRS 11 Joint Arrangements - Accounting for Acquisitions of Interests in Joint Operations (effective for financial years beginning on or after 1 January 2016): The amendments add new guidance to IFRS 11 on how to account for the acquisition of an interest in a joint operation that constitutes a business, i.e. business combination accounting is required to be applied. The amendments are not assessed to have an impact on consolidated financial statements.
- Amendments to IAS 27 Separate Financial Statements – Equity Method in Separate Financial Statements (effective for financial years beginning on or after 1 January 2016): The amendments to IAS 27 will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. The amendments will not have an impact on consolidated financial statements.
- New IFRS 14 Regulatory Deferral Accounts* (effective for financial years beginning on or after 1 January 2016): IFRS 14 is first specific IFRS guidance on accounting for the effects of rate regulation. It is an interim standard. IFRS 14 allows first-time adopters of IFRS, whose activities are subject to rate-regulation, to continue using previous GAAP (“grandfathering”) while the IASB completes its comprehensive project in this area. IFRS 14 is an optional standard. The new standard will not have an impact on ABC’s consolidated financial statements.
- Annual Improvements to IFRSs (2012-2014 cycle) (effective for financial years beginning on or after 1 January 2016): The annual improvements process provides a mechanism for minor and non-urgent amendments to IFRSs to be grouped together and issued in one package annually. The amendments cover in four standards. Their impacts vary standard by standard but are not significant.
- New IFRS 15 Revenue from Contracts with Customers* (effective for financial years beginning on or after 1 January 2018): IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue guidance, including IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programmes. Under IFRS 15 an entity shall recognize revenue in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Group is currently assessing the impact of IFRS 15.
- New IFRS 9 Financial Instruments* (effective for financial years beginning on or after 1 January 2018): IFRS 9 replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. The Group is assessing the impact of IFRS 9.

NOTES OF CONSOLIDATED FINANCIAL STATEMENTS

Consolidation Principles

The consolidated financial statements include the parent company Wulff Group Plc and all its subsidiaries in which it holds, directly or indirectly, more than half of the voting rights or other governing power. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The subsidiaries are consolidated from the date the Group gains control until the Group loses control in them. The subsidiaries have the same financial period as the parent company.

Intra-Group holdings have been eliminated using the acquisition cost method, according to which the acquisition cost as well as the assets and liabilities of the subsidiary are measured at fair value at the acquisition date. If the acquisition cost, the non-controlling interests and the previously owned share in total exceed the fair value of the net assets acquired, the excess is recognized as goodwill which is not amortized but tested for impairment at least annually. If the goodwill is negative, it is recognized directly through income statement. Acquisition transaction costs are expensed when incurred and they are not included in goodwill.

The non-controlling interests i.e. the minority shares in a subsidiary acquired are measured at either fair value or at the amount corresponding to the minority shareholders' proportional share of the net assets acquired. The valuation choice is made separately for each acquisition. When the Group acquires shares from the minority shareholders, the difference between the acquisition cost and the book value of the share of the net assets acquired is recognized directly to equity and the goodwill does not change anymore after the original acquisition of controlling majority. Also the gains and losses from the sale of shares to minority shareholders are recognized directly in equity. The losses incurred are allocated also to the minority shareholders. The Group's equity and earnings attributable to the non-controlling interests are presented separately.

All intra-Group business transactions, internal receivables and liabilities, internal margins for inventories and fixed assets, as well as internal profit distribution have been eliminated when preparing the consolidated financial statements.

The Group does not have associated companies or joint ventures.

Foreign Currency Items

Items in each group company's financial statements are measured using the currency of that company's country ("functional currency"). The consolidated financial statements are presented in euro, which is the Company's functional and reporting currency.

Foreign currency transactions are translated into functional currency using the exchange rates prevailing on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated into functional currency using the exchange rates prevailing at the balance sheet date. Non-monetary items denominated in foreign currency, measured at fair value, are translated using the exchange rates at the date when the fair value was determined.

Foreign exchange gains and losses from operating business transactions are recorded in the appropriate, corresponding income statement accounts included in operating profit. Also foreign exchange gains and losses arising from the translation of foreign-currency-denominated trade receivables and trade payables are recorded in the related income statement accounts included in operating profit. Foreign exchange gains and losses from the translation of foreign-currency-denominated loan receivables and liabilities as well as monetary assets are recognized in financial income and expenses. Exchange differences arising on a monetary item that forms a part of a net investment in a foreign operation are recognized in the statement of other comprehensive income and finally on the disposal of the net investment they are recognized in the income statement.

Income statements of foreign subsidiaries, whose functional and reporting currency is not euro, are translated into euro using the monthly average exchange rates. Their balance sheets are translated using the exchange rates of balance sheet date. The translation differences arising from the translation of income statements and balance sheets as well as from the elimination of internal ownership and the exchange differences incurred after the date of acquisition are recognized in the statement of other comprehensive income and the cumulative translation differences are presented in equity. On the disposal of a subsidiary functioning in foreign currency, that entity's cumulative translation difference is recognized in the income statement as part of the gain or loss on the sale.

Any goodwill arising from the acquisition of a foreign company and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign subsidiary and retranslated using the exchange rate of balance sheet date.

Revenue Recognition

Net sales comprise of consideration received less indirect sales taxes, discounts and exchange rate differences arising from sales denominated in foreign currency. The consolidated net sales do not include intra-group transactions.

Sales of goods are recognized after the significant risks and rewards of ownership of the goods have passed to the buyer and no significant uncertainties remain regarding the collection of the receivable, associated costs and possible return of goods. Revenues from services are recorded when the service has been performed.

Wulff Entre Oy, the subsidiary offering fair and event marketing services, recognizes revenue from its services following the contract terms and the percentage-of-completion method. The percentage of completion is determined in different projects based on the hours performed of the total hours and the costs incurred of the total costs. The original estimates of the projects' income, costs and completion status are reconsidered systematically and the possible changes in estimates affect the result in the period when the management receives information about changing circumstances. The financial statements were not materially affected by the receivables and advance payments of the projects recognized based on the percentage-of-completion method.

Rental income arising from operating leases is recognized on a straight-line basis over the lease terms. Royalty income is recorded according to the contents of the agreement. Dividend income is recognized when the company is entitled to receive the dividends.

NOTES OF CONSOLIDATED FINANCIAL STATEMENTS

Goodwill and Other Intangible Assets

Goodwill represents the excess of the acquisition cost, the non-controlling interests and the previously owned share in total over the fair value of the Group's share of the net identifiable assets of a subsidiary acquired. Goodwill is allocated to those cash-generating units that are expected to benefit from the synergies arising from the business combination. Goodwill is not systematically amortized but it is tested annually for possible impairment. Goodwill is measured at the original value less impairment which is not cancelled later.

Intangible assets include customer relationships, copyrights, licenses, software rights and webstore project costs. An intangible asset is recognized in the balance sheet only if it is probable that the future economic benefits attributable to the asset will flow to the Group, and the cost of the asset can be measured reliably. Intangible assets are stated at cost, amortized on a straight-line basis over the expected useful lives which vary from three to seven years and adjusted for any impairment charges. Intangible assets acquired in a business combination are measured at the acquisition date's fair value. Expected useful lives of intangible assets are reviewed at each balance sheet date and depreciation periods are changed, if necessary. So far, the Group does not have intangible assets with indefinite economic lifetime.

The expected useful lives are:

Goodwill	no depreciations; impairment testing
IT software	3-7 years; straight-line
Customer relationships	5 years; straight-line
Other intangible assets	3-5 years; straight-line
Intangible assets under construction	no depreciations; impairment testing

Tangible Assets

Tangible assets are stated at historical cost, depreciated on a straight-line basis over the expected useful life and adjusted for any impairment charges. Tangible assets acquired in a business combination are valued at the acquisition date's fair value.

Expected useful lives of tangible assets are reviewed at each balance sheet date and, if they differ significantly from previous estimates, the depreciation times are changed accordingly. Land is not depreciated as it is deemed to have an indefinite life.

The expected useful lives are:

Buildings	20 years; straight-line
Machinery and equipment	3–8 years; straight-line
Cars and vehicles	5 years; straight-line
Other tangible assets	5–10 years; straight-line
Tangible assets under construction	no depreciations

Ordinary maintenance and repair costs are expensed as incurred.

Gains and losses on sales and disposals are determined as the difference between the proceeds received and the carrying amount. Those gains and losses are included in other operating income and expenses in the income statement. Possible group-internal margins from asset transfers are eliminated in the consolidation process.

Depreciations are discontinued when the tangible asset is classified as being held-for-sale in accordance with standard IFRS 5 'Non-Current Assets Held-for-sale and Discontinued Operations'.

Impairment

The carrying amounts of tangible and intangible assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If indications exist, the recoverable amount of the asset is estimated. Indications of potential need for impairment may be for example changes in market conditions and sales prices, decisions on significant restructurings or changes in profitability. Goodwill, intangible assets with indefinite useful lives and intangible assets under construction are in all cases tested annually. For the purposes of assessing impairment, assets are grouped at the lowest cash-generating-unit level for which there are separately identifiable, mainly independent cash flows.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable value. An impairment loss is the amount by which the carrying amount of the assets exceeds the recoverable amount. The recoverable amount is the asset's value-in-use determined by discounted future net cash flows expected to be generated by the asset. Discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment loss is immediately recognized in the income statement. An impairment loss attributable to a cash-generating unit is deducted first from the goodwill allocated to the cash-generating unit, and thereafter equally from the unit's other assets. In connection with the impairment loss recognition, the asset's useful life is reassessed for the depreciations. A previously recognized impairment loss is reversed if there has been a change in the estimates determining the recoverable amount. However, the reversal of the impairment must not lead to a value higher than the carrying amount determined without any impairment loss in prior years. Goodwill impairment losses are not reversed.

Borrowing Costs

Borrowing costs are capitalized as part of the cost of the qualifying asset acquired or constructed. So far, the Group has not capitalized borrowing costs as part of the cost of the asset because the IFRS requirements have not been met. Other borrowing costs are expensed when incurred.

Leases

Leases of tangible assets, where the risks and rewards related to ownership are not fully transferred to the lessee, are treated as operating leases. When the Group is a lessee, these other operating lease payments are expensed in the income statement on a straight-line basis over the lease period. The consolidated income statement included rental expenses for e.g. premises and machinery. The Group's rental commitments are presented in Note 29. When the Group is a lessor, rental income is recognized as other operating income in the income statement on a straight-line basis over the lease period.

Inventories

Inventories are valued at the lower of cost or net realizable value. Cost is determined by the FIFO (first-in, first-out) method or, alternatively, the weighted average cost where it approximates FIFO. The valuation method is chosen in each company based on the inventory type and the IT possibilities. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated, necessary selling costs.

Employee Benefits

Pension Obligations

The statutory pension scheme of the Group's Finnish employees is arranged through pension insurances, and that of the Group's employees abroad in compliance with the local legislation and social security regulations in each country. The costs incurred in these schemes are expensed in the period that they relate to. According to the IFRS standards, the insurance company Alecta's pension plan for the Group's Swedish employees is a defined benefit plan, but because Alecta is unable to provide detailed information, the plan is treated as a defined contribution plan in the consolidated financial statements.

Share-based Payments

The Group has applied IFRS 2 to the share-based incentive scheme for the Group's key personnel. The Group has not had a share based reward plan in force during 2015. In February 2011, a share reward plan for years 2011-2013 was approved and the scheme is described in Note 25. Any benefits granted in the scheme are measured at fair value at the grant date and recognised as personnel expenses evenly over the plan's duration period. Cash-settled payments are recognised as liabilities, and the change in fair value is expensed accordingly. The fair value of equity-settled payments is recognised as an expense and an increase in shareholders' equity.

Income Taxes

The Group's income taxes consist of current taxes based on the group companies' profits, the taxes related to previous years and the changes in deferred taxes. Taxes related to other comprehensive income are recognized in the statement of other comprehensive income. Current tax is calculated for the taxable income with the tax rates enacted in each country. The taxes are adjusted with previous years' tax impacts, if necessary.

Deferred taxes are measured with enacted tax rates for all temporary differences between book and tax values. Temporary differences are recognized as a deferred tax asset to the extent that is probable to utilize against the future taxable profits.

Majority of the Group's deferred tax assets arise from confirmed tax losses and depreciation differences in taxation and accounting. Majority of the Group's deferred tax losses consist of depreciation differences and assets recognized at fair value upon business combinations. Contents of the Group's deferred tax assets and liabilities are presented in Note 11.

Financial Assets and Liabilities

Financial assets are classified as financial assets measured at fair value through profit or loss, financial assets held-to-maturity, loans and other receivables as well as available-for-sale financial assets. The Group determines the classification of its financial assets upon the initial recognition and re-evaluates this designation annually. Financial assets include current and non-current assets and they can be interest-bearing or non-interest-bearing.

Financial assets recognized at fair value through profit or loss include financial assets held-for-trading and financial assets designated upon initial recognition as at fair value through profit or loss ('fair value option'). Financial assets are classified as held-for-trading if they are acquired for the purpose of selling them in a short term. Financial assets classified as held-for-trading are measured at fair value. Unrealized and realized profits or losses due to changes in fair value are recognized in the income statement when incurred. This category also includes investments in publicly listed companies. The Group does not have derivative financial instruments.

Financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has a positive intention and ability to hold the instrument until maturity.

Loan receivables, trade receivables and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Their maturity determines whether they are recognized in current or non-current assets. Gains and losses are recognized in the income statement when the loans and other receivables are derecognized and impaired. Loan receivables, trade receivables and other receivables are carried at their anticipated realizable value, which is the original invoicing amount less possible credit amounts and estimated valuation allowances. A bad debt allowance is made for loan and trade receivables when there is objective evidence that the Group will not be able to collect all amounts according to the original terms of the receivables. A bad debt allowance may be recognized due to e.g. trade receivables falling significantly overdue, unsuccessful collecting attempts or the customer's known financial difficulties with an increased probability of customer insolvency. The assessment and decision for recognizing bad debt allowances is made locally in each business unit on a case-by-case basis. Uncertain receivables are assessed as frequently as necessary. Bad debt recognition is based on objective assessment and the recognition is reversed later if it proves unnecessary. Trade receivables' impairment losses are booked in other operating expenses and loan receivables' impairment losses are booked in other finance expenses.

Other financial assets are classified as available-for-sale financial instruments. Upon the initial recognition, available-for-sale financial assets are measured at fair value by using quota market rates and market prices, discounted cash flow analyses and other appropriate valuation models. Available-for-sale financial assets include investments presented in Wulff Group's non-current assets and they consist of both publicly listed and non-listed shares. Publicly listed shares are measured at fair value. The unlisted shares for which fair values cannot be measured reliably are recognized at cost less impairment. The fair value changes of available-for-sale financial assets, net of tax, are recognized as other comprehensive income. Changes in fair value are transferred from the statement of other comprehensive income to the income statement when the instrument is sold or its value has decreased so that an impairment loss has to be recognized. Purchases and sales of available-for-sale financial assets are recognized on the trade date.

The Group's cash and cash equivalents comprise cash in hand, bank deposits held at call and other highly liquid investments. Bank overdrafts of those bank accounts included in the Group's consolidated bank account facility are netted against those other Group companies' bank account amounts because the Group has a contractual legal right to net those financial assets with each other.

Financial liabilities include current and non-current liabilities and they can be interest-bearing or non-interest-bearing. Financial liabilities are initially recognized at the fair value of the consideration received plus directly attributable transactions costs. After the initial recognition, they are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in the income statement when the liabilities are derecognized, impaired and through the amortization process. Contingent considerations for business combinations are classified as non-interest-bearing financial liabilities. The Group did not have contingent consideration liabilities for business combinations as of December 31, 2015.

Provisions

Provisions are recognized in the balance sheet when the Group has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation or an economic loss will be evident and the amount of the obligation can be estimated reliably. If the Group expects some or all of the provision to be reimbursed by a third party, the reimbursement is recognized as a separate asset but only when the reimbursement is practically certain. Provisions are valued at the net present value of the expenses required to cover the obligation.

Equity and Dividend Distribution

The contents of the Group's equity is described in Note 23.

On the acquisition date, the acquisition cost of the repurchased shares of Wulff Group Plc is recognized as a deduction in the consolidated equity in the fund 'Treasury Shares'. The acquisition, disposal and expenses related to treasury shares are presented in the Statement of Changes in Equity. Share-based incentive schemes are described in Note 25.

The dividend proposed by the Board of Directors is deducted from the distributable equity only after approval by the Shareholders' General Meeting. Dividend distribution is described in Note 24.

Critical Accounting Estimates and Management Judgments

The IFRS principles require the management to make estimates and assumptions when preparing financial statements. Although these estimates and assumptions are based on the management's best knowledge of today, the final outcome may differ from the estimated values presented in the financial statements. The changes in estimates affect the income and expenses for the financial period as well as the values of assets and liabilities in the balance sheet. Estimates and judgments are needed also for applying the Group's accounting policies.

Management's estimates and assumptions are based on historical experience and plausible future scenarios which are evaluated constantly. Possible changes in estimates and assumptions are recognized in the accounting period during which estimates and assumptions were revised, and in all subsequent accounting periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next accounting period, are related to the valuation of the Group's assets (inventories, receivables), goodwill impairment testing (future cash flow estimates, discount rates) and recognition of deferred taxes (the probability of utilizing tax losses).

Operating Profit

IFRS standards do not define the concept of operating profit. The Group has defined it as a net sum of net sales added with other operating income less purchase expenses adjusted with inventory change and deducted by employee benefits, other operating expenses as well as amortizations, depreciations and impairment. Other items of the income statement are presented below the operating profit.

Statement of Cash Flow

Cash and cash equivalents presented in the cash flow statement comprise cash in hand, bank deposits held at call and other short-term highly liquid investments with original maturities of three months or less. Cash generated from operating activities has been reported using the direct method, as recommended by IFRS standards. All income taxes paid during the financial year are presented in net cash generated from operating activities, unless they can be particularly allocated to investing or financing cash flows.

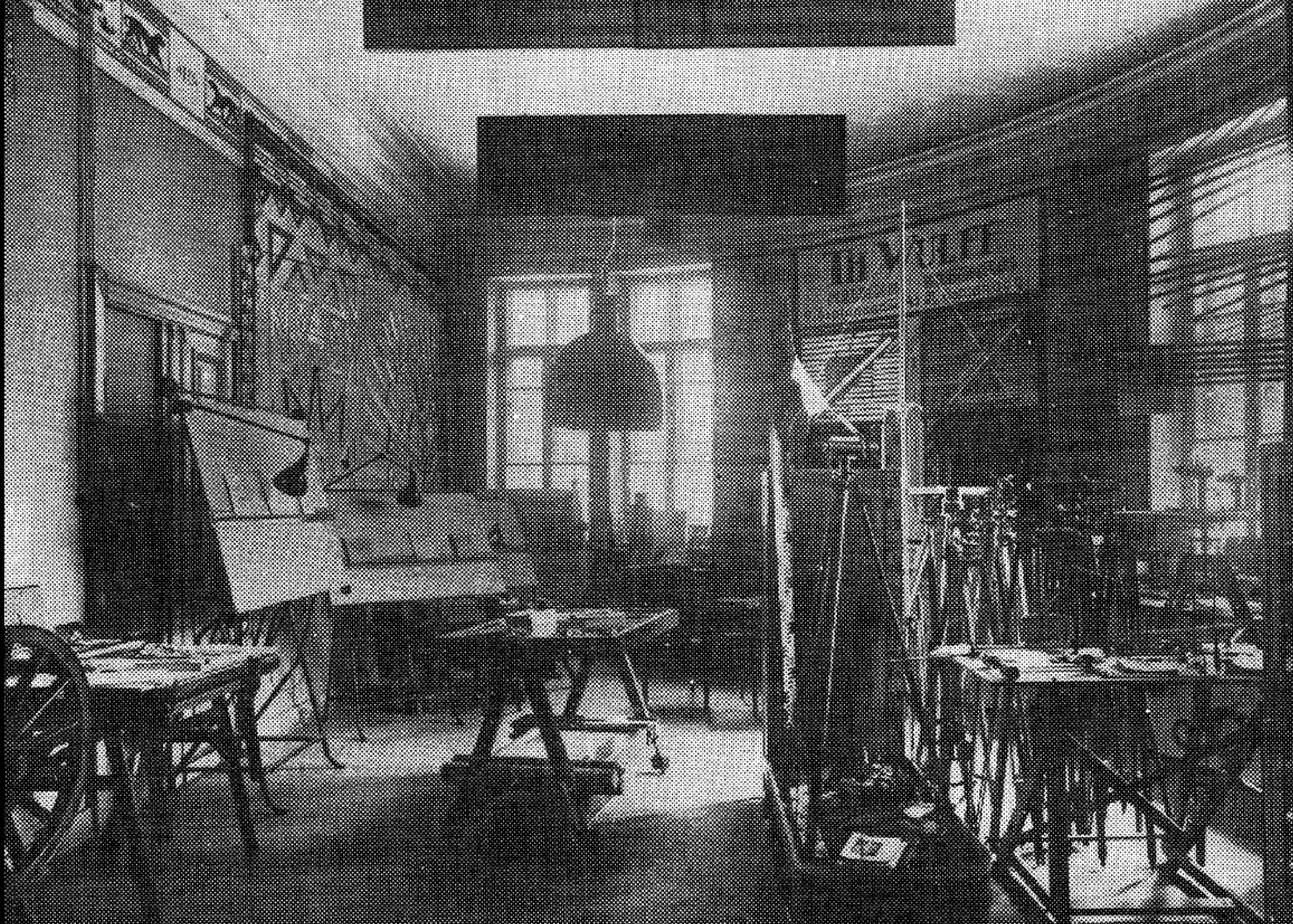
NOTES OF CONSOLIDATED FINANCIAL STATEMENTS

Key Figures

Based on IFRS standards, the earnings per share (EPS) is calculated by dividing the net profit attributable to the parent company shareholders by the weighted average number of shares during the period. The total average number of shares is deducted by the average number of reacquired own shares because the EPS is determined for the outstanding shares. Wulff Group does not have share options and thus the Group’s undiluted EPS and diluted EPS are the same. The calculation formulas of key figures are presented along the key figures in Group notes.

Going Concern

The consolidated financial statements are based on the assumption of going concern. The Group’s equity ratio and financial status are good. The Group’s profitability is on an adequate level for going concern. Wulff’s clientele is broad and in different markets in Northern Europe which diminishes the Group’s risks partly. The Group’s effective risk management also ensures the Group’s ability of going concern.



NOTES OF CONSOLIDATED FINANCIAL STATEMENTS

2. Segment information

Wulff Group consists of two strategically different operating segments: Contract Customers division and Direct Sales division. Operating segments are based on IFRS 8 and the Group's internal reporting practice, where the different businesses are organized and led by divisions. All 17 group companies belong to these operating segments based on their different services, marketing strategies and distribution channels. Contract Customers division consists of 9 subsidiaries and Direct Sales division consists of 6 subsidiaries as shown in Note 31. Subsidiary Looks Finland Ltd formerly part of Direct Sales division was sold to a minority shareholder on 19th December 2014. Additionally the Group's parent company Wulff Group Plc and its subsidiary with leasing operations, Wulff Leasing Oy, make the Group Services segment which includes group management's general costs which cannot be allocated on a reasonable basis for Contract Customers and Direct Sales.

The Contract Customers Division is the customer's comprehensive partner in the field of office supplies, IT supplies, business and promotional gifts as well as international fair services. In May 15, 2015 the Group sold its business gifts business. Larger companies and corporations can purchase their basic office supplies very fast and in a cost efficient way as the Group's contract customer. Being a contract customer grants the companies the possibility to time-saving and to concentrate on their core competence, when Wulff takes automatically care of its contract customers' office supply minibars' fill-in service. The smaller companies' basic office supply needs are fulfilled by the webstore Wulffinkulma.fi. Also business promotional products and international fair services are part of Contract Customers division.

The Direct Sales Division aims to improve its customers' daily operations with innovative products as well as the industry's most professional personal and local service. The product range of Direct Sales companies consists of e.g. office supply specialties, IT products as well as ergonomics and first aid products.

The segments' performance is reviewed and the Group Executive Board's and the Board of Directors' decision-making related to resource allocation is based on the segments' operating result (IFRS). Inter-segment transactions are market-priced. Intra-segment transactions are eliminated from the segment's income and the inter-segment eliminations are presented separately in the following reconciliation. Fixed management expenses from group services are allocated to Contract Customers and Direct Sales in proportion of the usage of those internal services. Impairment of goodwill arising from an acquisition of a subsidiary is allocated to the segment of that subsidiary.

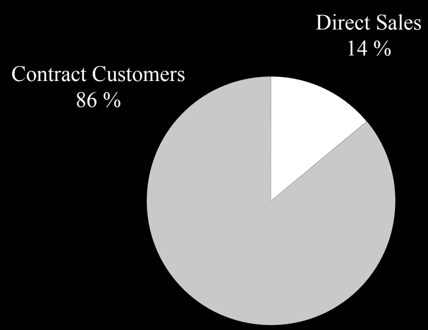
Operating segments

Net sales by operating segments

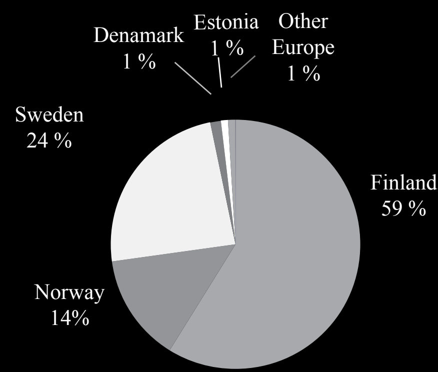
EUR 1000	2015	2014
Contract Customers Division		
Sales to external customers	59 262	62 399
Intragroup sales to other segments	43	87
Total Contract Customers Division	**59 305**	**62 486**
Direct Sales Division		
Sales to external customers	9 404	11 737
Intragroup sales to other segments	32	152
Total Direct Sales Division	**9 436**	**11 889**
Group Services		
Sales to external customers	154	126
Intragroup sales to other segments	361	398
Total Group Services	**515**	**524**
Intragroup eliminations between segments	**-436**	**-637**
Total net sales	**68 820**	**74 262**

Revenue from any individual customer did not exceed 10 percent share of the consolidated revenue in 2015 or 2014.

Net sales by operating segments



Net sales by operating countries



NOTES OF CONSOLIDATED FINANCIAL STATEMENTS

Result by operating segments 2015

	Contract Customers	Direct Sales	Group services and non-allocated items	Eliminations	Group
Net sales	59 305	9 436	515	-436	68 820
Expenses	-57 395	-9 261	-503	358	-66 801
EBITDA	1 910	175	12	-78	2 019
Depreciations	-335	-67	-348	94	-656
Goodwill impairment	-700	-143	0	-16	-859
Operating profit (EBIT)	**875**	**-35**	**-336**	**0**	505
Financial income (non-allocated)					83
Financial expenses (non-allocated)					-234
Profit before taxes					**354**

Result by operating segments 2014

EUR 1000	Contract Custom-ers	Direct Sales	Group services and non-allocated items	Eliminations	Group
Net sales	62 486	11 889	524	-637	74 262
Expenses	-61 817	-11 622	636	637	-72 166
EBITDA	669	267	1 160	0	2 096
Depreciations	-584	-107	-296	0	-987
Goodwill impairment	0	0	0	0	0
Operating profit (EBIT)	**85**	**160**	**864**	**0**	1 109
Financial income (non-allocated)					41
Financial expenses (non-allocated)					-673
Profit before taxes					**478**

Geographical information:

Wulff Group companies are located in the Nordic and Baltic countries. According to IFRS 8, the consolidated net sales are presented by the geographical location of both the group companies and the customers. Non-current assets of the group companies located in different countries consist of goodwill as well as other intangible and tangible assets. As required by IFRS 8, these geographical segments' assets do not include non-current financial assets and deferred tax assets.

Net sales by group companies' locations

EUR 1000	2015		2014	
Finland	40 736	59 %	42 905	58 %
Norway	22 483	33 %	24 561	33 %
Sweden	9 964	14 %	11 482	15 %
Denmark	935	1 %	1 217	2 %
Estonia	621	1 %	648	1 %
Net sales between countries	-5 919	-9 %	-6 550	-9 %
Net sales total	**68 820**	**100 %**	**74 262**	**100 %**

External net sales by customers' locations

EUR 1000	2015		2014	
Finland	39 151	57 %	41 485	56 %
Norway	10 631	15 %	11 648	16 %
Sweden	16 452	24 %	17 963	24 %
Denmark	1 320	2 %	1 657	2 %
Estonia	628	1 %	661	1 %
Other European countries	423	1 %	725	1 %
Other countries	214	0 %	123	0 %
Net sales total	**68 819**	**100 %**	**74 262**	**100 %**

Non-current assets by group companies' locations

EUR 1000	2015		2014	
Finland	5 966	76 %	7 472	77 %
Sweden	1 842	24 %	1 991	21 %
Norway	2	0 %	202	2 %
Estonia	0	0 %	5	0 %
Total non-current assets	**7 810**	**100 %**	**9 670**	**100 %**

NOTES OF CONSOLIDATED FINANCIAL STATEMENTS

3. Business combinations

Business combinations

In 2015 and 2014 the Group did not have business combinations.

Changes in shares of non-controlling interests which did not lead to change in control

In May 2015, the Group acquired 40 % share of share capital of Wulff Liikelahjat Oy, and now the Group owns 100 % of the company's shares. The share price was EUR 2 thousand. Wulff Liikelahjat Oy's net assets were EUR 1.383 thousand negative. As a result of the acquisition the non-controlling interest increased by EUR 553 thousand and retained earnings decreased by EUR 553 thousand.

In 2014, the Group's ownership in Wulff Supplies AB, Wulff Supplies AS and Wulff Supplies A/S rose from 83 percentages to 85 percentages when Wulff Group Plc acquired the shares (2%) from an employee leaving Wulff Supplies.

In 2014, the Group sold in total of 40 percentages share of Wulff Liikelahjat Oy to non-controlling interest shareholders.

The sale of business

The Group sold the business and promotional gifts business owned by the subsidiary Wulff Liikelahjat Oy for the sale price of EUR 0.8 million. The book value of the sold assets were EUR 0.8 million. As a result of the sale the Group recognised non-recurring inventory and fixed assets write-downs of EUR 0.2 million and non-recurring goodwill write down of EUR 0.7 million.

Sold shares of subsidiries which lead to loss of control

In December 2014 the Group sold 75 percentages share of Looks Finland Oy's shares to a minority shareholder and the Group lost control of the company. After the sale the Group owns 0 percentages of the company. The sales price was 986 thousand euros. At the time of the sale Looks Finland Oy's net assets were EUR 1.2 million of which parent's share was 896.5 thousand euros. The sale generated 90 thousand euros of profit in the Group which is presented in the item Other operating income in the profit and loss statement. As a result of the sale the non-controlling interest decreased by 299 thousand euros.

4. Net sales

EUR 1000	2015	2014
Sales of products and related services	59 261	67 599
Sales of fair services (including income based on percentage-of-completion method)	9 559	6 663
Total	**68 820**	**74 262**

5. Other operating income

EUR 1000	2015	2014
Sales gains from tangible assets*	9	1 464
Rental income	126	17
Other	273	41
Total	**407**	**1 522**

* Includes sales profit of 1.272 KEUR from sale of real estate.

6. Materials and services

EUR 1000	2015	2014
Materials, supplies and products		
Purchases during the financial year	44 462	47 825
Change in inventories	923	213
External services	271	415
Total	**45 656**	**48 453**

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7. Employee benefits

EUR 1000	2015	2014
Salaries and fees	10 563	12 423
Pension expenses (defined contribution plans)	1 577	1 827
Other personnel expenses	1 359	1 619
Share-based payments (share rewards settled in shares)	7	5
Total	**13 506**	**15 873**

Average number of employees in accounting period	233	268
Personnel at the end of period	226	240

Information about the management's employment benefits and loans is presented in Note 30 Related party information. Details about loans to related parties is presented under Shares and shareholders.

8. Other operating expenses

EUR 1000	2015	2014
Rents	1 608	1 849
Travel and car expenses	1 734	2 090
ICT expenses	784	929
External logistics expenses	1 291	1 353
Marketing, PR and entertainment expenses	353	346
Credit losses and bad debt allowances of sales receivables	56	44
Fees to auditors *	123	118
Other	2 097	2 634
Total	**8 046**	**9 363**

* Fees to auditors total in all group companies:

Approved audit firm KPMG Oy Ab

EUR 1000	2015	2014
Audit	61	40
Tax services	0	0
Other services	18	31
Total	79	71

Other approved audit firms

EUR 1000	2015	2014
Audit	8	8
Tax services	0	1
Other services	36	13
Total	44	22

The Group did not have material research and development expenses in the current or previous year.

9. Amortization, depreciation and impairment

EUR 1000	2015	2014
Amortization and depreciation during the period:		
Amortization of intangible assets:		
Customer relationships	0	-72
Other intangible assets	-257	-381
Total amortization of intangible assets	-257	-453
Depreciation of tangible assets:		
Machinery and equipment	-396	-527
Other tangible assets	-3	-7
Total depreciation of tangible assets	-399	-534
Total amortization and depreciation	-656	-987
Impairment during the period:		
Impairment of goodwill	-843	0
Other impairment	-16	0
Total amortization, depreciation and impairment	**-1 515**	**-987**

NOTES OF CONSOLIDATED FINANCIAL STATEMENTS

11. Income

Income taxes in the income statement

EUR 1000	2015	2014
Income taxes for the financial year	-65	-8
Income taxes for the previous years	0	-2
Deferred taxes:		
Change in deferred tax assets	-476	72
Change in deferred tax liabilities	-18	22
Total	**-559**	**84**

Income tax reconciliation

EUR 1000	2015	2014
Income taxes according to the Finnish tax rate (2014-2015: 20,0%)	-70	-96
Different tax rates abroad	1	12
Non-deductible expenses and tax-free income	-45	314
Tax impact from the current year's losses for which no defta benefit is recognized	-206	-86
Income taxes for previous years, allowances of corporate tax credits	0	-2
Changes in deferred tax assets and liabilities recognized in previous years	-432	-13
Impact of the tax rate changes on deferred tax assets and liabilities	-57	0
Group consolidation and eliminations	229	-45
Other changes	22	0
Income taxes in the income statement	**-559**	**84**

Taxes for other comprehensive income, 2015

EUR 1000	Pre-tax	Taxes	Net of tax
Translation differences	23	0	23
Fair value changes on available-for-sale investments	18	-4	15
Total other comprehensive income	41	-4	38

Taxes for other comprehensive income, 2014

EUR 1000	Pre-tax	Taxes	Net of tax
Translation differences	-239		-239
Fair value changes on available-for-sale investments	76	-15	61
Total other comprehensive income	-163	-15	-178

Changes in deferred taxes 2015

EUR 1000	Jan 1, 2015	Income statement	Equity	Translation differences	Other changes	Dec 31, 2015
Deferred tax assets:						
Confirmed losses	1 029	-479		-44		506
Provisions	7					7
Depreciation differences	693	13				706
Group consolidation and eliminations	0					0
Sales of subsidiary						0
Other temporary differences	-19	-7	-4		24	-6
Deferred tax assets total	1 709	-473	-4	-44	24	1 214
Deferred tax liabilities:						
Depreciation differences and other untaxed reserves	4	-4				0
Fair value changes in net assets acquired	0					0
Other temporary differences	15	23				38
Deferred tax liabilities total	19	18	0	0		37
Deferred tax assets, net	1 691	-491	-4	-44		1 177

Changes in deferred taxes 2014

EUR 1000	Jan 1, 2014	Income statement	Equity	Translation differences		Dec 31, 2014
Deferred tax assets:						
Confirmed losses	1 039	49		-59		1 029
Provisions	8	0		-1		7
Depreciation differences	665	28		0		693
Group consolidation and eliminations	5	-5		0		0
Sales of subsidiary	0	0		0	-24	-24
Other temporary differences	20	0	-15	0		5
Deferred tax assets total	1 736	72	-15	-60	-24	1 709
Deferred tax liabilities:						
Depreciation differences and other untaxed reserves	7	-4		1		4
Fair value changes in net assets acquired	19	-19		0		0
Other temporary differences	13	1		1		15
Deferred tax liabilities total	39	-22		2		19
Deferred tax assets, net	1 698	94	-15	-62		1 691

For the Group companies' previous years' confirmed taxable losses, a deferred tax asset of 506 thousand euros has been booked, of which 98 thousand euros will fall due in 5 years, 183 thousand euros in 5-10 years and 323 thousand euros can be utilized indefinitely. As of December 31, 2014, the Group had confirmed tax losses carried forward of 2.529 thousand euros (Dec 31, 2014: 2.210 thousand euros) for which the deferred tax asset of 442 thousand euros (Dec 31, 2014: 452 thousand euros) has not been recognized in the consolidated financial statements because the realization of the tax benefit before their expiry is uncertain. The consolidated balance sheet as of December 31, 2015 includes deferred tax assets of 257 thousand euros (Dec 31, 2014: 484 thousand euros) in group companies which made a loss in 2015. The recognition of these assets is based on profit estimates, which indicate that the realization of these deferred tax assets is probable. The Finnish companies' deferred tax assets from previous years' confirmed losses, which can be used in 10 years, can be utilized against the company's own future profits and also against group contributions granted by other Finnish group companies where the Group's ownership is 90 percentages at minimum.

Deferred tax liabilities for subsidiaries' undistributed earnings have not been recognized in the consolidated balance sheet because distribution of the earnings is in the control of the Group and such distribution is not probable within the foreseeable future.

12. Earnings per share

	2015	2014
Profit for the period attributable to the equity holders of the parent company, EUR 1000	-195	696
/ Weighted average number of shares; diluted = non-diluted (1,000 shares)	6 529	6 529
Earnings per share (EPS); Diluted = non-diluted, EUR	-0,03	0,11

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13. Liikearvo sekä aineettomat ja aineelliset hyödykkeet

2015	**Goodwill**	Customer relationships	Other intangible assets	Advance payments	**Intangible assets total**	Land	Buildings and structures	Machinery and equipment	Other tangible assets	**Tangible assets total**
Acquisition cost, Jan 1	**11 204**	619	2 579	0	**14 402**	0	0	5 849	191	**6 040**
Additions	**0**	0	22	0	**22**	0	0	260	0	**260**
Disposals	**0**	0	-107	0	**-107**	0	0	-674	-40	**-714**
Reclassifications between accounts	**0**	0	0	0	**0**	0	0	-1 164	0	**-1 164**
Translation differences	**37**	0	0	0	**37**	0	0	-1	0	**-1**
Acquisition cost, Dec 31	**11 241**	619	2 494	0	**14 354**	0	0	4 270	151	**4 421**
Accumulated depreciation and impairment, Jan 1	**-3 474**	-619	-1 848	0	**-5 940**	0	0	-4 793	-160	**-4 953**
Disposals	**0**	0	53	0	**53**	0	0	530	39	**569**
Reclassifications between accounts	**0**	0	0	0	**0**	0	0	817	0	**817**
Depreciation during the period	**0**	0	-257	0	**-257**	0	0	-401	-2	**-403**
Impairment during the period	**-843**	0	0	0	**-843**	0	0	0	0	**0**
Translation differences	**-8**	0	0	0	**-8**	0	0	1	1	**2**
Accumulated depreciation and impairment, Dec 31	**-4 325**	-619	-2 052	0	**-6 152**	0	0	-3 846	-122	**-3 968**
Book value, Jan 1	**7 730**	**0**	**731**	**0**	**8 461**	**0**	**0**	**1 056**	**31**	**1 087**
Book value, Dec 31	**6 916**	**0**	**442**	**0**	**8 201**	**0**	**0**	**424**	**29**	**453**

2014	**Goodwill**	Customer relationships	Other intangible assets	Advance payments	**Intangible assets total**	Land	Buildings and structures	Machinery and equipment	Other tangible assets	**Tangible assets total**
Acquisition cost, Jan 1	**11 318**	632	2 740	0	**14 690**	228	0	6 109	190	**6 527**
Additions	**0**	0	45	0	**45**	0	0	443	0	**443**
Disposals	**0**	0	-204	0	**-204**	-228	0	-676	0	**-904**
Reclassifications between accounts	**0**	0	0	0	**0**	0	0	0	0	**0**
Translation differences	**-114**	-13	-2	0	**-129**	0	0	-28	1	**-27**
Acquisition cost, Dec 31	**11 204**	619	2 579	0	**14 402**	0	0	5 849	191	**6 040**
Accumulated depreciation and impairment, Jan 1	**-3 474**	-547	-1 647	0	**-5 668**	0	0	-4 845	-156	**-5 001**
Disposals	**0**	0	183	0	**183**	0	0	571	0	**571**
Reclassifications between accounts	**0**	0	0	0	**0**	0	0	0	0	**0**
Depreciation during the period	**0**	-72	-381	0	**-454**	0	0	-528	-7	**-535**
Impairment during the period	**0**	0	0	0	**0**	0	0	0	0	**0**
Translation differences	**1**	0	-2	0	**-1**	0	0	10	3	**12**
Accumulated depreciation and impairment, Dec 31	**-3 474**	-619	-1 848	0	**-5 940**	0	0	-4 793	-160	**-4 953**
Book value, Jan 1	**7 844**	**85**	**1 094**	**0**	**9 023**	**228**	**0**	**1 267**	**40**	**1 535**
Book value, Dec 31	**7 730**	**0**	**731**	**0**	**8 461**	**0**	**0**	**1 056**	**31**	**1 087**

The Group has decided to sell the cars owned by group services unit. After the reporting period the Group entered into agreement to sell the cars and the Group consideres highly likely that the sell will be executed during financial year 2016. The Group reclassified group services unit’s cars as assets held for sale which were valued as book value of EUR 347 thousand as at 31 December 2015.

14. Subsidiaries and shares of non controlling interests

The table below describes the group structure as at 31 December 2014.

Field of business	Number of subsidiaries fully owned 2015	2014
Office supplies	2	2
Exhibition services	1	1
Business and promotional gifts	0	0
Group services	1	1

The specification of the group companies is presented in note 31.

Specification of shares of non controlling interests in the group

		Non controlling interest shareholders' share of voting right		Non controlling shareholders' share of profit/loss		Non controlling shareholders' share of equity	
	Kotimaa	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**
Wulff Liikelahjat Oy	**Finland**	0 %	40 %	0 %	40 %	0 %	40 %
KB Eesti	**Estonia**	40 %	40 %	40 %	40 %	40 %	40 %
Naxor Holding Oy	**Finland**	25 %	25 %	25 %	25 %	25 %	25 %
S Supplies Holding AB	**Sweden**	15 %	15 %	15 %	15 %	15 %	15 %
Wulff Supplies AB	**Sweden**	15 %	15 %	15 %	15 %	15 %	15 %
Wulff Supplies AS	**Norway**	15 %	15 %	15 %	15 %	15 %	15 %
Wulff Supplies A/S	**Denmark**	15 %	15 %	15 %	15 %	15 %	15 %
Wulff Beltton AB	**Sweden**	25 %	25 %	25 %	25 %	25 %	25 %
Beltton AS	**Norway**	20 %	20 %	20 %	20 %	20 %	20 %
Office Solutions Svenska AB	**Sweden**	25 %	25 %	25 %	25 %	25 %	25 %
Wulff Direct AS	**Norway**	32 %	32 %	32 %	32 %	32 %	32 %

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The summary of financial infromation of subsidiaries with non controlling interest shareholding

	Wulff Liikelahjat Oy		KB Eesti		Naxor Holding Oy		S Supplies Holding AB		Wulff Beltton AB		Beltton AS		Wulff Direct AS	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Short term assets	105	836	122	106	67	104	93	91	1 402	1 344	259	196	37	175
Long term assets	17	631	0	5	1 324	1 321	3 800	3 718	83	130	142	228	0	86
Short term liabilities	109	671	137	85	13	17	1	1	792	848	219	167	1	117
Long term liabilities	0	2 177	0	0	1 250	1 250	2 176	2 129	0	0	388	413	39	61
Net sales	1 170	3 190	621	648	0	0	0	0	2 803	3 314	885	888	336	629
Expenses	-2 014	-3 495	-660	-693	-11	34	-79	407	-2 753	-3 347	-944	-734	-419	-679
Net profit/loss	-844	-305	-40	-45	-11	34	-79	407	51	-33	-60	154	-83	-50
Profit/loss attributable to equity holders of the company	-844	-183	-24	-27	-8	26	-67	346	38	-25	-48	123	-57	-34
Profit/loss attributable to non controlling interests		-122	-16	-18	-3	9	-12	61	13	-8	-12	31	-27	-16
Total comprehensive income	-844	-305	-40	-45	-11	34	-79	407	51	-33	-60	154	-83	-50
Total comprehensive income attributable to equity holders of the company	-844	-183	-24	-27	-8	26	-67	346	38	-25	-48	123	-57	-34
Total comprehensive income attributable to non controlling interests		-122	-16	-18	-3	9	-12	61	13	-8	-12	31	-27	-16
Dividends paid to non controlling interests	0	0	0	0	5	4	0	0	0	148	0	0	0	0

Changes in non controlling interests

In May 2015, the Group acquired 40 % share of share capital of Wulff Liikelahjat Oy, and now the Group owns 100 % of the company's shares. The share price was EUR 2 thousand. Wulff Liikelahjat Oy's net assets were EUR 1,383 thousand negative. As a result of the acquisition the non-controlling interest increased by EUR 553 thousand and retained earnings decreased by EUR 553 thousand.

In March 2014, the Group acquired an additional 2 % share of the share capital of S Supplies Holding AB, and now the Group owns 85 % of the company's share capital. The sales price was EUR 56 thousand. The book value of S Supplies Holding AB's net assets (without goodwill) was EUR 2,795 thousand. As a result of the acquisition, the share of non-controlling interest decreased by EUR 56 thousand.

In January 2014, the Group sold 20 % share of the share capital of Wulff Liikelahjat Oy. The sales price was EUR 1 thousand. The net book value of Wulff Liikelahjat Oy was EUR 1,151 thousand negative. As a result of the transaction a profit of EUR 231 thousand was recognised in retained earnings and the share of non-controlling interest decreased accordingly.

In May 2014, The Group sold 20 % share of the share capital of Wulff Liikelahjat Oy. After the sale the Group owns 60 % of the company. The net book value of Wulff Liikelahjat Oy was EUR 1,076 thousand negative. As a result of the transaction a profit of EUR 212 thousand was recognised in retained earnings and the share of non-controlling interest decreased accordingly.

15. Goodwill allocation and impairment test

EUR 1000	2015	2014
Contract Customers division:		
Office supplies / Finland (Wulff Oy Ab, Torkkelin Paperi Oy)	3 500	3 500
Office supplies / Scandinavia (Wulff Supplies AB)	1 745	1 707
Fair services / Finland (Entre Marketing Oy)	1 671	1 671
Business gifts / Finland (Ibero Liikelahjat Oy, KB-Tuote Oy)	0	700
Contract Customers division total	6 916	7 578
Direct Sales division:		
Direct Sales / Norway (Wulff Direct AS)	0	152
Direct Sales division total	0	152
Goodwill total	**6 916**	**7 730**

Consolidated goodwill is not amortized systematically but their book values are tested for possible impairment at least annually and additionally when the management has noted signs of possible impairment, e.g. due to decreased profitability performance. Wulff Group tests its goodwill values separately for each cash-generating unit. Changes in goodwill during the financial period are presented in Note 13 where all intangible assets are presented.

In goodwill impairment tests the carrying amount is compared to the unit's discounted present value of the recoverable cash flows i.e. the value in use, where the previous profit performance level, the next year's budget as well as the sales and profit estimates for future years are considered. The testing calculations' five-year estimate period consists of the budget year and the following four estimate years where a moderate, approximately two-percent annual growth is estimated in each business areas. After this five-year estimate period, the so-called eternity value is based on zero-growth assumption. The budgets and later years' estimates used in the testing are carefully estimated and the growth expectations are moderate considering also the impacts of economic slowdown. The assets tested include goodwill together with that cash-generating unit's other assets and working capital.

The discount factor in the impairment tests is based on weighted average cost of capital (WACC) before taxes which was 9.1 percentages (31.12.2014: 10.8%). Weighted average cost of capital represents the overall expense of both equity and external loan financing, taking into account also the different return expectations and special risks related to different assets.

Goodwill for the Finnish office supplies business was EUR 3.5 million arising from the acquisition of Wulff Oy Ab and Torkkelin Paperi Oy. The assets tested totalled approximately EUR 6.0 million. According to the management, the key factors in the testing calculations are the moderate growth and retaining the customer profitability, logistics' cost management and synergies from Nordic purchase cooperation in office supplies. If the net sales and profitability stayed on the current level eternally or the discount factor was 15.0 percentages, no impairment should be booked for the assets of the fair services business.

Goodwill for the Scandinavian office supplies business was EUR 1.7 million arising from the acquisition of Wulff Supplies AB. The assets tested totalled approximately EUR 4.7 million and the discounted value-in-use is approximately EUR 6.7 million. According to the management, the key factors in the testing calculations are the moderate growth and retaining the customer profitability, logistics' cost management and synergies from Nordic purchase cooperation in office supplies. If the discount factor was 13.0 % and other factors the same, the assets' values should be re-estimated and some writedown would be booked, if necessary, to make the asset values correspond with the recoverable cash flows.

The goodwill arising from the acquisition of Wulff Entre Oy operating in fair services totalled EUR 1.7 million and the discounted value-in-use is approximately EUR 3.6 million. Even if there was only zero-growth in the estimate years after the budget year 2016 and the discount factor was 15 percentages, no impairment should be booked for the assets of the fair services business. Even if the net sales and profitability stayed on the current level eternally and additionally the discount factor was 15 percentages, no impairment should be booked for the assets of the fair services business.

The goodwill for the Finnish business promotional gift businesses' acquisitions were written down during the financial period as the business was sold.

The goodwill arising from the acquisition of Wulff Direct AS was written down as the operations were shut down.

16. Non-current receivables

Long-term receivables from others

EUR 1000	2015	2014
Quaranty deposits, Carrying amount, Jan 1	35	35
Quaranty deposits, Carrying amount, Dec 31	**35**	**35**

17. Available-for-sale investments

EUR 1000	2015	2014
Carrying amount, Jan 1	140	246
Additions during the financial year	0	0
Disposals during the financial year	-157	-182
Change in fair value reported in the Statement of Comprehensive Income	17	76
Carrying amount, Dec 31	**0**	**140**

Available-for-sale investments are valued at the reporting date's fair value and classified as non-current assets, unless they are expected to be realized within the next 12 months after the reporting date. Changes in fair value are recognised in other comprehensive income and booked in the fair value reserve under equity, including tax effects. Changes in fair value are transferred from equity to the income statement when the investment is sold. The majority of these investments are publicly listed shares which are valued at their listed ending share prices on the reporting date. The unlisted shares which cannot be valued reliably due to lack of functioning markets, are valued at the acquisition cost less possible impairment.

18. Inventories

EUR 1000	2015	2014
Products	7 492	8 229
Work in process	9	4
Prepayments for inventories	130	118
Total	**7 631**	**8 352**

In 2015, an expense of 0.8 million euros was booked from the inventories (0.5 million euros).

19. Current loan receivables

Loan receivables from others

EUR 1000	2015	2014
Carrying amount, Jan 1.	16	20
Additions	4	0
Disposals	0	-4
Impairment	0	0
Carrying amount, Dec 31.	**20**	**16**

20. Short-term non-interest-bearing receivables

Trade receivables

EUR 1000	2015	2014
Trade receivables from related parties	0	16
Trade receivables from others	8278	9 835
Trade receivables total	8278	9 851

Aging analysis of sales receivables

EUR 1000	2015		2014	
Not due (value not impaired)	6 602	80 %	7 936	81 %
Due (value not impaired):				
Less than 1 month	1 132	14 %	1 466	15 %
More than 1 month - less than 3 months	271	3 %	242	2 %
More than 3 months - less than 6 months	137	2 %	202	2 %
More than 6 months	136	2 %	4	0 %
Total	8 278	100 %	9 851	100 %

Sales receivables are non-interest-bearing and fall due in 14-60 days. Credit losses expensed during the financial year are reported in Note 8. Sales receivables do not include significant credit risk concentrations.

Other receivables

EUR 1000	2015	2014
Valued added tax receivables	39	53
Other receivables	440	575
Other receivables total	479	628

Accrued income and expenses

EUR 1000	2015	2014
Income tax receivable	76	123
Corporate tax credits	0	0
Accruals for employee benefits (e.g. pension expense accruals)	37	13
Sales accruals of partial recognition based on percentage-of-completion method	539	1 203
Sales accruals of other businesses	2	5
Other accruals	713	672
Accruals total	1 367	2 016

NOTES OF CONSOLIDATED FINANCIAL STATEMENTS

21. Financial assets recognised at fair value through profit and loss

EUR 1000	2015	2014
Carrying amount, Jan 1	3	3
Disposals during the financial year	-3	0
Carrying amount, Dec 31	**0**	**3**

Financial assets recognised at fair value through profit and loss are publicly listed shares held for trading and they are valued at their market prices in the end of the reporting period.

Fair value hierarchy of the financial assets measured at fair value

Available-for-sale investments measured at fair value are presented in Note 16 and financial assets held-for-trading recognised at fair value through profit and loss are presented in Note 20. This fair value hierarchy presents the valuation methods for different financial instruments:

December 31, 2015 (EUR 1000)	Total	Level 1	Level 2	Level 3
Available-for-sale financial assets	0	0	0	121
Financial assets recognised at fair value through profit and loss (held-for-trading)	0	0	0	0
Total	**0**	**0**	**0**	**121**

December 31, 2014 (EUR 1000)	Total	Level 1	Level 2	Level 3
Available-for-sale financial assets	140	19	0	121
Financial assets recognised at fair value through profit and loss (held-for-trading)	3	3	0	0
Total	**143**	**22**	**0**	**121**

22. Cash and cash equivalents

EUR 1000	2015	2014
Cash and bank	1 201	2 422
Total	**1 201**	**2 422**

Fair value hierarchy levels

The fair values of the financial assets on the hierarchy level 1 are based on quoted market prices of similar financial instruments traded in an active market.

The fair values of the financial assets on the hierarchy level 2 are based on other price information than quoted market prices for a significant part of the valuation. This information is supported by observable market inputs either directly (i.e. prices) or indirectly (i.e. derived from prices). Currently there are no financial assets on level 2.

The fair values of the financial assets on the hiearchy level 3 are calculated using a valuation technique based on assumptions that are not supported by available observable market data. For example management estimates are utilized in generally accepted valuation models of the financial instruments.

The fair value hierarchy level, into which the entire financial instrument is classified, is determined based on the lowest-hierarchy-level information being significant for the valuation of that particular financial asset or liability. The significance of the information is estimated considering the financial instrument in its entirety.

No significant transfers between the hierarchy levels took place during the financial period.

23. Notes on equity

Share capital

The parent company's share capital (EUR 2.65 million) consists of 6 607 628 shares with one vote each and with no par value. There have been no changes in share capital in 2014 and 2015. There were no disclosed notifications on changes in major share holdings in 2015.

	Share total	Treasury shares	Outstandingshares
Jan 1, 2014	6 607 628	-79 000	6 528 628
Acquisitions of own shares		0	0
Allocations of own shares to key personnel		0	0
Dec 31, 2014	6 607 628	-79 000	6 528 628
Acquisitions of own shares		0	0
Allocations of own shares to key personnel		0	0
Dec 31, 2015	6 607 628	-79 000	6 528 628

Treasury shares

Authorized by the Annual General Meeting held on April 9, 2015, the Board of Directors decided in its organizing meeting to continue buying back a maximum of 300,000 own shares by the next Annual General Meeting. In April-December 2015, no own shares were reacquired. In the end of the reporting period, the Group held a total of 79,000 own shares (79,000 as of December 31, 2014) representing 1.2 percentage (1.2 %) of the total number and voting rights of Wulff shares.

The shares are acquired through public trading on NASDAQ OMX Helsinki in a proportion other than that of current shareholder holdings. The shares are acquired at the market price quoted at the time of the repurchase in accordance with the rules regarding the acquisition of company's owns shares. According to the authorisation, the treasury shares can be acquired to carry out acquisitions or other business related arrangements, to improve the company's capital structure, to support the implementation of the company's incentive scheme or to be cancelled or disposed of.

Translation differences

Translation differences arise from translation of foreign-currency-denominated subsidiaries.

24. Dividend distribution

The Group's parent company Wulff Group Plc's distributable funds totalled EUR 3.13 million. The Board of Directors proposes to the Annual General Meeting that dividend of 0,10 euros per share will be distributed for the financial year 2015 totalling EUR 0.65 million. After the dividend the parent company's distributable funds will be EUR 2.48 million.

Parent company's distributable funds:

EUR	31.12.2015	31.12.2014
Fund for invested non-restricted equity	223 051	223 051
Treasury shares	-260 070	-260 070
Retained earnings from previous years	2 656 943	1 968 721
Net result for the period	512 573	688 222
Distributable funds total	3 132 497	2 619 924
- dividend distribution total	-652 863	0
Funds left in retained earnings	2 479 635	2 619 924

	31.12.2015	31.12.2014
Shares total	6 607 628	6 607 628
- Treasury shares held	-79 000	-79 000
Shares which are paid dividend	6 528 628	6 528 628
x Dividend per share (EUR)	0,10	0,00
Dividends total (EUR)	652 863	0

25. Share-based payments

The Group does not have any option schemes currently in force nor a share reward plan.

26. Long-term and short-term financial liabilities

Payment schedule for the financial liabilities

EUR 1000	Book value 31.12.2015	Payment schedule (years): 2017	2018	2019	2020	Later
Long-term financial liabilities						
Finance lease liabilities	176	64	101	11	0	0
Loans from financial institutions	2 245	788	788	205	168	296
Pension loans	402	134	134	134	0	0
Total	**2 824**	**986**	**1 023**	**350**	**168**	**296**
Short-term financial liabilities						
Finance lease liabilities	60					
Credit facility	488					
Loans from financial institutions	662					
Pension loans	211					
Total	**1 421**					

Interest-bearing financial liabilities by currencies Dec 31, 2015

EUR 1000	Total	EUR	SEK	NOK
Long-term				
Finance lease liabilities	176	176		
Loans from financial institutions	2 245	2 245		
Pension loans	402	402		
Total	**2 824**	**2 823**	**0**	**0**
Short-term				
Short-term repayments of the long-term financial liabilities				
Finance lease liabilities	60	60		
Credit facility	488	488		
Loans from financial institutions	662	662		
Pension loans	211	211		
Total	**1 421**	**1 421**	**0**	**0**

Interest-bearing financial liabilities by currencies Dec 31, 2014

EUR 1000	Total	EUR	SEK	NOK
Long-term				
Finance lease liabilities	161	161		
Loans from financial institutions	1 717	1 717		
Pension loans	1 512	1 512		
Total	**3 390**	**3 390**	**0**	**0**
Short-term				
Short-term repayments of the long-term financial liabilities				
Finance lease liabilities	39	39		
Credit facility	2 341	2 341		
Loans from financial institutions	975	920		55
Pension loans	436	436		
Total	**3 791**	**3 736**	**0**	**55**

The Group's bank loans are based on variable interest rates and their fair values correspond to their carrying amounts in the balance sheet. The bank loans' average interest rate based on short market interest rates, was approximately 2,4% at the end of 2015 (Dec 31, 2014: 2,0%).

For the pension premium loans, an amount of EUR 0.5 million is based on fixed interest rate of 3.5% p.a. The pension premium loans of EUR 0.08 million are based on variable interest rates and it is based on a one-year pension premium interest rate which was 1.0% on December 31, 2015. The pension premium loans raised in summer 2009 have a repayment time of 10 years and the pension premium loan raised in 2011 has a repayment time of 5 years. All pension premium loans' repayments will be made every six months as fixed installments.

Payment schedule for the finance lease liabilities

Future minimum lease payments

EUR 1000	2015	2014
Not lates than one year	60	39
Later than one and not later than five years	176	161
Later than five years	0	0
Total	**236**	**200**
Future financial costs	-27	-33
Present value of minimum lease payments	**209**	**167**

Present value of minimum lease payments		
Not lates than one year	47	26
Later than one and not later than five years	162	141
Later than five years	0	0
Total	**209**	**167**

Fair values of the financial liabilities measured at amortised cost

December 31, 2015 (EUR 1000)	Total	Level 1	Level 2	Level 3
Finance lease liabilities	236			236
Credit facility	488			488
Loans from financial institutions	2 907			2 907
Pension loans	613			613
Total	**4 246**	**0**	**0**	**4 244**

December 31, 2014 (EUR 1000)	Total	Level 1	Level 2	Level 3
Finance lease liabilities	200			200
Credit facility	2341			2341
Loans from financial institutions	2 692	0	0	2 692
Pension loans	1 948	0	0	1 948
Total	**7 181**	**0**	**0**	**7 181**

Fair value hierarchy levels

The fair values of the financial liabilities on the hierarchy level 1 are based on quoted market prices of similar financial instruments traded in an active market. Currently there are no financial liabilities on level 1.

The fair values of the financial liabilities on the hierarchy level 2 are based on other price information than quoted market prices for a significant part of the valuation. This information is supported by observable market inputs either directly (i.e. prices) or indirectly (i.e. derived from prices). Currently there are no financial liabilities on level 2.

The fair values of the financial liabilities on the hierarchy level 3 are calculated using a valuation technique based on assumptions that are not supported by available observable market data. For example management estimates are utilized in generally accepted valuation models of the financial instruments on the level 3. Majority of the Group's loans are based on variable interest rates and mainly the interest is based on e.g. euribor market interests of 1-3 months and thus the loans' fair values are seen to correspond with their original book value.

The fair value hierarchy level, into which the entire financial instrument is classified, is determined based on the lowest-hierarchy-level information being significant for the valuation of that particular financial asset or liability. The significance of the information is estimated considering the financial instrument in its entirety.

No significant transfers between the hierarchy levels took place during the financial period.

27. Financial risk and capital management

Wulff Group's internal and external financing and financial risk management are mainly handled by the parent company. Group companies with non-controlling minority shareholders may make more independent financial decisions but always within the limits defined by the Group's Board. In addition to other risk management policies, the parent company's Board of Directors determines the principles of financial risk management. The goal of risk management is to minimise the effects that price fluctuations in the financial markets, as well as other uncertainty factors may have on result, balance sheet and cash flow.

Financial risks include currency risks, interest rate risks, liquidity risks and credit risks managed in each subsidiary.

Currency risks

Approximately half of the Group's sales are made in euros and the other half is made in Swedish, Norwegian and Danish crowns. Fluctuation of the currencies affects the Group's net result and financial position. In terms of import, the exposure to currency risks affects especially the currency risks of Wulff Supplies subgroup through changes between Sweden and Norway. The Group has only minor transactions in other currencies than euros and Nordic currencies. Interest-bearing liabilities by currencies are presented in Note 26 of the consolidated financial statements. The Group does not practice any speculative hedging. No separate hedging measures against currency risk are taken.

Interest rate risks

The Group is exposed to interest rate risk due to loans from financial institutions, pension premium loans and bank account limit facilities tied with variable and fixed interest rates. Changes in market rates impact directly the Group's interest payments in the future. Some of the pension premium loans have a fixed interest rate. More information on the interest rates of the Group's interest-bearing liabilities is presented in Note 26 of the consolidated financial statements. The Group does not make any speculative interest rate agreements and to date, no interest rate swaps have been utilized for managing interest rate risks.

Liquidity risks

Group companies operate with their own cash flows and if necessary, they are funded also with the Group's internal financing. In order to ensure good liquidity, the Group emphasises the subsidiaries' independence in the management of operating cash flow and working capital. Liquidity risk is managed on the group level with Group bank account arrangements in Finland and Scandinavia. Continuous supervision is used to assess and monitor the financing needed for the subsidiaries' operations. The availability and flexibility of financing is ensured with bank account credit limits. On December 31, 2015 unused credit limits totalled 3.9 million euros in Finland. Wulff Supplies subsidiaries' bank accounts were added to Finnish Cash Pool in August 2014. Due to the change all the bank accounts and credit limits of Wulff Supplies subsidiaries in Sweden, Norway and Denmark were transferred to the Finnish Cash Pool. The maturity of loans is presented in Note 26.

A part of the Group's loan agreements include covenants, according to which the equity ratio shall be 35 percentages at minimum and the interest-bearing debt/EBITDA ratio shall be 3.5 at maximum in the end of each financial year. At the end of financial year end 2015 there were no covenant breaches.

Credit and default risks

The uncertainties relating to the general economic development in the last few years have emphasized the importance of monitoring the credit and default risks associated with customers and other counterparties. The subsidiaries manage their customers' credit analyses and active credit control independently. Together with the local company management, the subsidiaries' working capital management and related risks are monitored also on division and group level. The Group's trade receivables consist of an extensive customer base, and most of the annual sales volume is from well-known and solvent customers. Consequently, the Group has not considered credit guarantees or corresponding methods to be necessary.

The risk management policy of each company defines the credit risks and credit worthiness requirements, as well as the terms of delivery and payment. Credit risk monitoring is primarily the responsibility of the subsidiaries' management, while the parent company's financial management monitors regularly the compliance with the risk management principles and examines the efficiency of the centralised own collection operations and the outsourced collection partner. Traditionally the group companies' credit losses have been small in relation to their net sales. Aging analysis of sales receivables is presented in Note 20 of the consolidated financial statements.

Capital management

Wulff Group's capital structure management aims to ensure and improve the operating conditions of the group companies and to increase the Group's shareholder value in a sustainable, optimal way. The Group's capital structure is evaluated by monitoring the development in equity ratio where the long-term target is approximately 40 percent. Group companies operate with their own cash flows and if necessary, they are funded also with the Group's internal financing. The Group emphasises the subsidiaries' independence in the management of operating cash flow and working capital. The Group Finance controls centrally the group companies' working capital management. The Group Finance takes centrally care of the external loan financing and agrees on the loans' repayment schedules with the financiers.

28. Short-term non-interest-bearing liabilities

Other current liabilities

EUR 1000	2015	2014
Value added tax liabilities	787	822
Other current liabilities	764	759
Other current liabilities total	1 551	1 581

Accrued income and expenses

EUR 1000	2015	2014
Accruals for employee benefits	2 168	2 556
Income tax liabilities	34	0
Interest accruals	19	42
Sales accruals	7	5
Other accruals	464	635
Accrued income and expenses total	2 692	3 238

29. Commitments

EUR 1000	2015	2014
Mortgages and guarantees on own behalf		
Business mortgage for the Group's loan liabilities	10 850	10 850
Business mortgages, free	900	900
Real estate pledge for the Group's loan liabilities	0	0
Subsidiary shares pledged as security for group companies' liabilities	6 953	7 103
Other listed shares pledged as security for group companies' liabilities	0	19
Current receivables pledged as security for group companies' liabilities	0	0
Pledges and guarantees given for the group companies' off-balance sheet commitments	143	170
Guarantees given on behalf of third parties	0	131
Minimum future operating lease payments, total	2 949	4 346
of which will be payable:		
in less than one year	1 439	1 556
between 1-5 years	1 491	2 654
after 5 years	19	136

Subsidiary shares pledged as security for group companies' liabilities are presented here in their book value in the parent company's balance sheet and they consist of Wulff Entre Oy (2,502 thousand euros), Wulff Liikelahjat Oy (0 thousand euros) and Wulff Oy Ab (3500 thousand euros).

Non-cancellable lease agreements for office and warehouse premises are made normally for 3-5 years and they often include an option to extend the contract after the original end date. The most significant rental commitments are for the headquarters in Finland, which rental agreement signed in 2007 will end in 2017 at the earliest, and for the logistics centre in Ljungby, Southern Sweden, which rental agreement signed in 2010 will end in 2017 at the earliest. The rents expensed during the financial year are presented in Note 8.

30. Related party information

Summary of top management's employment benefits

EUR 1000	2015	2014
Board members' salaries and fees		
Johanna Marin 10/2015-	3	0
Ari Pikkarainen	14	12
Tarja Pääkkönen -4/2015	5	12
Sakari Ropponen -7/2015	9	12
Andreas Tallberg, Chairman of the Board -8/2015, Board Member 9/2015-	14	12
Vesa Tengman -8/2015	5	12
Heikki Vienola, Group CEO -8/2015, Chairman of the Board 9/2015-	50	48
Group management board's additional pension benefits		
Heikki Vienola, Group CEO -8/2015, Chairman of the Board 9/2015-	1	1
Board members' benefits total	101	109
Group management board's basic salaries and fringe benefits	551	656
Group management board's bonuses	0	8
Group management board's additional pension benefits	57	71
Group management board's share rewards	0	0
Group management board's benefits total *	608	735
Top management's employee benefits total	**709**	**844**

NOTES OF CONSOLIDATED FINANCIAL STATEMENTS

Remuneration of the Board members

According to the Company's Articles of Association, the Annual General Meeting determines the remuneration of the Board Members. The fees of the Board Members are paid in fixed amounts of cash. In 2014 a monthly fee of EUR 1,000 was paid and in 2015 a monthly fee of EUR 1,250 was paid to the Chairman and those other Board Members who are not employed by the Company.

The Group CEO Heikki Vienola is not paid any compensation for the Board membership or meetings.

The Group has not granted loans, guarantees or other contingencies to the Board Members.

Remuneration of the Group CEO

The Board determines the Group CEO's remuneration and other contractual issues. Remuneration of CEO Heikki Vienola consisted of salaries paid in cash. He dis not have fringe benefits. In 2015, the CEO Heikki Vienola was paid a salary of 50 thousand euros (2014: 50 thousand euros) and extra pension of 1 thousand euros (2014: 1 thousand euros). Heikki Vienola served as the Group CEO until the end of August 2015.

Topi Ruuska was appointed as a new Group CEO in the beginning of September, 2015. Topi Ruuska's remuneration consists of salaries paid in cash and fringe benefits. In 2015, the Group CEO Topi Ruuska was paid a salary of 70 thousand euros.

The CEO's benefits include statutory pension. The pension age has not been determined.

The period of notice is six months, as determined in the employment contract. A separate compensation of 12 month's salary for the period of notice is included in the contract.

Remuneration of senior management

Remuneration of senior management consists of monetary wages, fringe benefits, additional pensions, annually-determined performance-based bonuses and possible share-based incentives. In addition to fixed monthly salaries, a part of the payments is based on financial performance and the person's individual goal-setting.

The Group CEO determines the contractual terms, salaries and possible other benefits and incentives of the Executive Board Members. The remuneration of the Group Executive Board is presented in the attached table including the compensation of each member for the time they have been in the Group Executive Board. In 2015, the Group Executive Board consisted of Heikki Vienola, Ninni Arion, Trond Fikseaunet, Elina Rahkonen, Topi Ruuska (since September 2015), Tarja Törmänen and Veijo Ågerfalk.

In addition to the Executive Board Members, also a few Managing Directors of the subsidiaries are paid based on the performance incentive program. The written contracts for managing directors define the customary mutual period of notice and possible other special compensation.

Business transactions with related parties

EUR 1000	2015	2014
Sales to related parties		
Sales of products	110	151
Sales of services	0	0
Real estate sold to related party	0	1 500
Purchases from related parties		
Purchases of products	102	0
Purchases of services	0	20
Trade receivables from related parties	0	16
Long-term interest-bearing receivables from related parties	0	0
Liabilities to related parties	0	0

Sales and purchases with the related parties consist of normal, market-priced transactions with the non-group companies under control of influence of the Board members or top management.

As of December 31, 2015 the Group had any loan receivable from a company under influence of a related party.

NOTES OF CONSOLIDATED FINANCIAL STATEMENTS

31. Group companies

Companies by countries	Operating segment	Group's ownership and voting rights %	Parent company's ownership and voting rights %
Parent company Wulff Group Plc, Finland	Group Services		
Subsidiaries in Finland:			
Wulff Entre Oy	Contract Customers	100 %	100 %
Wulff Leasing Oy	Group Services	100 %	0 %
Wulff Liikelahjat Oy	Contract Customers	100 %	100 %
Naxor Finland Oy	Direct Sales	75 %	0 %
Naxor Holding Oy	Direct Sales	75 %	75 %
Torkkelin Paperi Oy	Contract Customers	100 %	0 %
Wulff Oy Ab	Contract Customers	100 %	100 %
Subsidiaries in Sweden:			
Wulff Beltton AB	Direct Sales	75 %	75 %
Office Solutions Svenska AB	Direct Sales	75 %	0 %
S Supplies Holding AB	Contract Customers	85 %	85 %
Wulff Supplies AB	Contract Customers	85 %	0 %
Subsidiaries in Norway:			
Beltton AS	Direct Sales	80 %	0 %
Wulff Direct AS	Direct Sales	68 %	0 %
Wulff Supplies AS	Contract Customers	85 %	0 %
Subsidiary in Denmark:			
Wulff Supplies A/S	Contract Customers	85 %	0 %
Subsidiary in Estonia:			
KB Eesti Oü	Contract Customers	60 %	0 %

QUARTERLY KEY FIGURES

EUR 1000	Q4/15	Q3/15	Q2/15	Q1/15	Q4/14	Q3/14	Q2/14	Q1/14	Q4/13	Q3/13	Q2/13	Q1/13
Net sales	18 585	14 796	16 265	19 174	20 471	16 502	17 515	19 775	22 585	17 474	20 743	22 742
EBITDA	807	579	252	381	2 067	-92	-167	289	328	-246	-486	407
% of net sales	4,3 %	3,9 %	1,5 %	2,0 %	10,1 %	-0,6 %	-1,0 %	1,5 %	1,5 %	-1,4 %	-2,3 %	1,8 %
Operating profit/loss	521	429	-631	185	1 831	-335	-418	31	-930	-1 141	-769	120
% of net sales	2,8 %	2,9 %	-3,9 %	1,0 %	8,9 %	-2,0 %	-2,4 %	0,2 %	-4,1 %	-6,5 %	-3,7 %	0,5 %
Profit/Loss before taxes	558	272	-656	180	1 517	-412	-574	-53	-1 242	-1 212	-1 005	64
% of net sales	3,0 %	1,8 %	-4,0 %	0,9 %	7,4 %	-2,5 %	-3,3 %	-0,3 %	-5,5 %	-6,9 %	-4,8 %	0,3 %
Net profit/loss for the financial year attributable to the shareholders of the parent company	520	172	-796	-90	1 420	-312	-425	13	-2 113	-1 030	-760	29
% of net sales	2,8 %	1,2 %	-4,9 %	-0,5 %	6,9 %	-1,9 %	-2,4 %	0,1 %	-9,4 %	-5,9 %	-3,7 %	0,1 %
Number of personnel at the end of period	226	232	233	261	240	283	269	295	295	311	315	325

KEY FIGURES 2011-2015

EUR 1000	2015	2014	2013	2012	2011
Net sales	68 820	74 262	83 543	90 238	99 129
Change in net sales %	-7,3 %	-11,1 %	-7,4 %	-9,0 %	6,5 %
Earnings before taxes, depreciation and amortization (EBITDA)	2 019	2 096	3	2 269	2 689
% of net sales	2,9 %	2,8 %	0,0 %	2,5 %	2,7 %
Operating profit/loss	505	1 109	-2 721	1 132	1 595
% of net sales	0,7 %	1,5 %	-3,3 %	1,3 %	1,6 %
Profit/Loss before taxes	354	478	-3 395	990	1 139
% of net sales	0,5 %	0,6 %	-4,1 %	1,1 %	1,1 %
Net profit/loss for the financial year attributable for the equity holders of the parent company	-195	696	-3 874	717	634
% of net sales	-0,3 %	0,9 %	-4,6 %	0,8 %	0,6 %
Cash flow from operations	1 693	-205	567	3 297	1 031
Return on equity (ROE) %	-1,60 %	4,40 %	-25,58 %	5,11 %	4,82 %
Return on investment (ROI) %	2,70 %	3,50 %	-13,92 %	4,67 %	5,45 %
Equity ratio %	46,4 %	39,5 %	38,3 %	44,3 %	40,3 %
Gearing %	23,8 %	36,9 %	45,4 %	27,6 %	40,3 %
Balance sheet total	28 514	34 759	35 156	41 513	44 505
Gross investments in fixed assets	161	488	778	972	1 167
% of net sales	0,2 %	0,7 %	0,9 %	1,1 %	1,2 %
Average number of personnel during the financial year	233	268	311	343	365
Number of personnel at the end of financial year	226	240	295	326	359

SHARE-RELATED KEY FIGURES

	2015	2014	2013	2012	2011
Earnings per share (EPS), EUR	-0,03	0,11	-0,59	0,11	0,10
Equity per share, EUR	1,84	1,95	1,80	2,51	2,45
Dividend per share, EUR *	0,10	0,00	0,00	0,08	0,07
Payout ratio %	-333 %	0 %	0 %	73 %	70 %
Effective dividend yield %	7,5 %	-	-	4,5 %	3,5 %
Price/Earnings (P/E)	-44,9	9,2	-2,6	16,1	20,5
P/BV	0,73	0,50	0,87	0,70	0,81
EBITDA / share, EUR	0,31	0,32	0,00	0,35	0,41
Cash flow from operations / share, EUR	0,26	-0,03	0,09	0,51	0,16
Share prices:					
Lowest share price, EUR	1,02	0,96	1,44	1,77	1,84
Highest share price, EUR	1,66	1,60	1,98	2,29	2,74
Average share price, EUR	1,30	1,29	1,70	1,99	2,22
Closing share price, EUR	1,34	0,99	1,57	1,77	1,99
Market value as of Dec 31, MEUR	8,7	6,4	10,2	11,5	13,0
Number of outstanding shares on average during the financial year	6 528 628	6 528 628	6 526 458	6 522 041	6 516 534
Number of outstanding shares at the end of the financial year	6 528 628	6 528 628	6 528 628	6 522 628	6 517 628
Number of shares traded	414 221	315 822	186 292	161 675	652 535
% of average number of shares	6,3 %	4,8 %	2,9 %	2,5 %	10,0 %
Shares traded, EUR	539 868	349 233	315 822	320 958	1 451 322

* The Board of Directors’ dividend proposal to the Annual General Meetingto be held on April 7, 2016.

CALCULATION OF KEY FIGURES

Return on equity (ROE), %	Net profit/loss for the period (total including the non-controlling interest of the result)	Shareholders' equity total on average during the period (including non-controlling interest)
Return on investment (ROI), %	(Profit before taxes + Interest expenses) x 100	Balance sheet total - Non-interest-bearing liabilities on average during the period
Equity ratio, %	(Shareholders' equity + Non-controlling interest at the end of the period) x 100	Balance sheet total - Advances received at the end of the period
Net interest-bearing debt	Interest-bearing liabilities - Interest-bearing receivables - Cash and cash equivalents	
Gearing, %	Net interest-bearing debt x 100	Shareholders' equity + Non-controlling interest at the end of the period
Earnings per share (EPS), EUR	Net profit attributable to the equity holders of the parent company	Share issue adjusted number of outstanding shares on average during the period
Equity per share, EUR	Equity attributable to equity holders of the parent company	Share issue-adjusted number of outstanding shares at the end of period
Dividend per share, EUR	Dividend for the financial period	Share issue-adjusted number of outstanding shares at the end of period
Payout ratio, %	(Dividend per share) x 100	Earnings per share (EPS)
Effective dividend yield, %	(Dividend per share) x 100	Share issue-adjusted closing share price at the end of period
Price / Earnings (P/E)	Share issue-adjusted closing share price at the end of period	Earnings per share (EPS)
P/BV ratio	Share issue-adjusted closing share price at the end of period	Equity per share
Earnings before taxes, depreciation and amortization (EBITDA) per share, EUR	Earnings before taxes, depreciation and amortization (EBITDA)	Share issue adjusted number of outstanding shares on average during the period
Cash flow from operations per share	Cash flow from operations (in the cash flow statement)	Share issue-adjusted average number of outstanding shares during the period
Market value of outstanding shares	Share issue-adjusted number of outstanding shares at the end of period x Closing share price at the end of period	

PARENT COMPANY'S INCOME STATEMENT AND PARENT COMPANY CASH FLOW STATEMENT

PARENT COMPANY'S INCOME STATEMENT

EUR	Note	Jan 1 - Dec 31, 2015	Jan 1 - Dec 31, 2014
Net sales	2	**195 483,00**	**194 585,60**
Other operating income	3	288 501,61	2 043 064,89
Personnel expenses	4	-337 698,59	-376 090,86
Other operating expenses	5	-505 197,09	-397 820,75
Depreciation and amortization according to plan	6	-160 218,86	-172 986,97
Operating profit/loss		**-519 129,93**	**1 290 751,91**
Financial income	7	673 833,04	443 005,23
Financial expenses	7	-658 190,50	-1 022 959,63
Profit/Loss before extraordinary items and taxes		**-503 487,39**	**710 797,51**
Extraordinary income and expenses	8	1 153 832,00	0,00
Profit/Loss before taxes		**650 344,61**	**710 797,51**
Income taxes	9	-137 771,26	-22 575,94
Net profit/loss for the period		**512 573,35**	**688 221,57**

PARENT COMPANY CASH FLOW STATEMENT

EUR 1000	Jan 1 - Dec 31, 2015	Jan 1 - Dec 31, 2014
Cash flow from operations:		
Payments received from sales	233	119
Payments received from other operating income	289	146
Amounts paid for operating expenses	-835	-954
Cash flow from business operations before financial items and taxes	**-314**	**-689**
Interests and other financial costs paid	-231	-300
Interest received from operations	254	278
Dividend received from operations	419	165
Cash flow from operations	**129**	**-547**
Cash flow from investment activities:		
Investments in intangible and tangible assets	0	0
Disposals of intangible and tangible assets	0	1 500
Acquisition of shares in subsidiaries	-2	-56
Disposal of shares in subsidiaries	0	988
Investments in other shares	20	101
Loans granted	-700	-400
Loan receivables repaid	0	580
Cash flow from investment activities	**-682**	**2 713**
Cash flow from financial activities:		
Acquisition of treasury shares	0	0
Dividend distribution paid	0	0
Dividend income received	0	0
Group contributions received and paid (net)	0	352
Short-term investments (net)	0	-600
Group balance accounts (net)	477	916
Withdrawals of short-term loans	3 062	0
Withdrawals of long-term loans	22	0
Repayments of short-term loans	-1 853	-155
Repayments of long-term loans	-2 760	-888
Cash flow from financial activities	**-1 052**	**-376**
Change in cash and cash equivalents	**-1 605**	**1 790**
Cash and cash equivalents on January 1	**1 964**	**173**
Cash and cash equivalents on December 1	**359**	**1 964**

PARENT COMPANY BALANCE SHEET

EUR	Note	Dec 31, 2015	Dec 31, 2014
ASSETS			
FIXED ASSETS			
Intangible assets			
Trademarks	11	2 400 000,00	2 550 000,00
Other intangible assets	10	1 693,94	6 279,46
Tangible assets			
Land areas	10	0,00	0,00
Machinery and equipment	10	4 666,32	10 299,66
Other tangible assets	10	0,00	0,00
Investments			
Shares in Group companies	11	7 083 600,52	7 231 600,52
Other shares	12	0,00	38 521,01
Non-current receivables			
Non-current receivables from Group companies	13	7 036 732,30	6 605 732,68
Deferred tax receivables		5 684,20	143 455,46
TOTAL FIXED ASSETS		**16 532 377,28**	**16 585 888,79**
CURRENT ASSETS			
Current receivables			
Trade receivables		54 684,00	389,10
Receivables from Group companies	13	2 585 100,12	1 055 873,35
Other receivables		15 481,62	6 150,95
Prepaid expenses and accrued income	14	50 742,01	10 782,52
Current receivables total		2 706 007,75	1 073 195,92
Financial instruments	15	0,00	2 698,24
Cash and cash equivalents		359 270,93	1 960 916,15
TOTAL CURRENT ASSETS		**3 065 278,68**	**3 036 810,31**
TOTAL ASSETS		**19 597 655,96**	**19 622 699,10**

EUR	Note	Dec 31, 2015	Dec 31, 2014
EQUITY AND LIABILITIES			
SHAREHOLDERS´EQUITY			
Share capital	16	2 650 000,00	2 650 000,00
Share premium fund	16	7 889 591,50	7 889 591,50
Treasury shares	16	-260 070,00	-260 070,00
Invested unrestricted equity fund	16	223 051,20	223 051,20
Retained earnings	16	2 656 943,17	1 968 721,57
Net profit for the financial year	16	512 573,35	688 221,60
TOTAL SHAREHOLDERS´EQUITY	16	**13 672 089,22**	**13 159 515,87**
LIABILITIES			
Non-current liabilities			
Loans from credit institutions	17	2 244 917,00	1 716 500,00
Pension loans	17	51 838,00	69 122,00
Total Non-current liabilities		2 296 755,00	1 785 622,00
Current liabilities			
Loans from credit institutions	17	1 149 959,53	3 212 082,86
Pension loans	17	17 284,00	17 284,00
Trade payables		50 722,21	13 018,65
Amounts owed to group companies	18	2 316 937,13	1 377 638,74
Other liabilities		25 792,99	20 277,65
Accrued liabilities and deferred income	19	68 115,88	37 259,33
Total current liabilities		3 628 811,74	4 677 561,23
TOTAL LIABILITIES		**5 925 566,74**	**6 463 183,23**
TOTAL EQUITY AND LIABILITIES		**19 597 655,96**	**19 622 699,10**

NOTES TO THE PARENT COMPANY'S FINANCIAL STATEMENTS

1. Accounting principles

Wulff Group Plc's financial statements are prepared in accordance with the Finnish accounting legislation whereas the consolidated financial statements are prepared according to IFRS standards. The accounting principles applied in the consolidated financial statements are described in the notes of the consolidated financial statements.

Statutory pensions are taken care of in an external pension company and pensions are expensed when incurred.

Income taxes are booked based on the Finnish tax and accounting regulations.

Non-current intangible and tangible assets are valued in their acquisition prices deducted by depreciations according to plan. The amortization and depreciation times according to plan are:

Trademarks:	20 year straight-line basis
Intangible asset:	5 years straight-line basis
IT equipment:	3 years straight-line basis
Other machines and equipment:	8 years straight-line basis
Other tangible assets:	5-10 years straight-line basis

2. Net sales

Net sales consist of sales income deducted by value added taxes and discounts. Service income is recognized upon the delivery of the service. Parent company's net sales consist of only administrational services in Finland

3. Other operating income

EUR 1000	2015	2014
Rental income	121	12
Gains from disposal of property		913
Gains from disposal of shares in subsidiaries		984
Other	167	134
Total	**289**	**2 043**

4. Personnel expenses

EUR 1000	2015	2014
Salaries, wages and fees	278	312
Pension expenses	52	56
Other personnel expenses	8	8
Total	**338**	**376**
Average number of employees in accounting period	3	8
Personnel at the end of period	4	3

5. Other operating expenses

EUR 1000	2015	2014
Rents	136	34
Travel and car expenses	2	5
ICT expenses	41	38
Marketing, PR and entertainment expenses	27	26
Fees to auditors *	12	11
Other	287	284
Total	**505**	**398**

* Fees to auditors total in all group companies:

EUR 1000	2015	2014
Audit	11	11
Tax services		0
Other services	1	0
Total	12	11

NOTES TO THE PARENT COMPANY'S FINANCIAL STATEMENTS

6. Amortization and depreciation during the financial year

EUR 1000	2015	2014
Amortization of intangible assets:		
Trademarks	-150	-150
Other intangible assets	-5	-10
Total amortization of intangible assets	-155	-160
Depreciation of tangible assets:		
Machinery and equipment	-5	-11
Other tangible assets		-2
Total depreciation of tangible assets	-5	-13
Total amortization and depreciation	**-160**	**-173**

7. Financial income and expenses

EUR 1000	2015	2014
Financial income:		
Dividends from group companies	419	165
Dividends from others	0	0
Other interest and financial income from group companies	196	232
Other interest and financial income from others	11	25
Foreign exchange gains	47	21
Total	673	443
Financial expenses:		
Impairment of shares in subsidiaries	-150	-550
Interest expenses to group companies	-20	-24
Interest expenses to others	-107	-138
Foreign exchange losses	-23	-173
Other financial expenses	-358	-138
Total	-658	-1 023
Financial income and expenses total	**15**	**-580**

8. Extraordinary income and expenses

EUR 1000	2015	2014
Extraordinary income: group contributions received	1 154	0
Extraordinary expenses: group contributions granted	0	0
Total	**1 154**	**0**

9. Income taxes

Income taxes in the income statement:

EUR 1000	2015	2014
Income taxes for the period	0	0
Change in deferred tax asset	-138	-23

Income taxes in the balance sheet:

EUR 1000	2015	2014
Current receivables: Corporate tax credits	0	0
Deferred tax receivables	6	143

10. Intangible and tangible assets

2015	Trademarks	Other intangible assets	**Intangible assets total**	Land	Machinery and equipment	Other tangible assets	**Tangible assets total**
Acquisition cost, Jan 1	3 000	57	**3 057**	587	164	114	**865**
Additions			**0**				**0**
Disposals			**0**				**0**
Reclassifications between accounts			**0**				**0**
Translation differences			**0**				**0**
Acquisition cost, Dec 31	3 000	57	**3 057**		164		**164**
Accumulated depreciation and impairment, Jan 1	-450	-51	**-501**		-154		**-154**
Disposals			**0**				**0**
Reclassifications between accounts			**0**				**0**
Depreciation during the period	-150	-4	**-154**		-5		**-5**
Impairment during the period			**0**				**0**
Translation differences			**0**				**0**
Accumulated depreciation and impairment, Dec 31	-600	-55	-655	0	-159	0	-159
Book value, Jan 1	**2 550**	**6**	**2 556**		**10**		**10**
Book value, Dec 31	**2 400**	**2**	**2 402**	**0**	**5**	**0**	**5**

2014	Other intangible assets	Other intangible assets	**Intangible assets total**	Land	Machinery and equipment	Other tangible assets	**Tangible assets total**
Acquisition cost, Jan 1	3 000	57	**3 057**	587	164	114	**865**
Additions	0	0	**0**	0	1	0	**0**
Disposals	0	0	**0**	-587	0	0	**-587**
Reclassifications between accounts	0	0	**0**	0	0	0	**0**
Translation differences	0	0	**0**	0	0	0	**0**
Acquisition cost, Dec 31	3 000	57	**3 057**	0	164	114	**278**
Accumulated depreciation and impairment, Jan 1	-300	-41	**-341**	0	-143	-112	**-255**
Disposals	0		**0**	0	0	0	**0**
Reclassifications between accounts	0	0	**0**	0	0	0	**0**
Depreciation during the period	-150	-10	**-160**	0	-11	-2	**-13**
Impairment during the period	0	0	**0**	0	0	0	**0**
Translation differences	0	0	**0**	0	0	0	**0**
Accumulated depreciation and impairment, Dec 31	-450	-51	**-501**	0	-154	-114	**-268**
Book value, Jan 1	**2 700**	**16**	**2 718**	**587**	**21**	**2**	**610**
Book value, Dec 31	**2 550**	**6**	**2 556**	**0**	**10**	**0**	**10**

NOTES TO THE PARENT COMPANY'S FINANCIAL STATEMENTS

11. Shares in group companies

EUR 1000	2015	2014
Acquisition cost, Jan 1	11 345	11 293
Additions	2	56
Disposals		-4
Acquisition cost, Dec 31	11 347	11 345
Accumulated depreciation and impairment, Jan 1	-4 114	-3 564
Impairment during the period	-150	-550
Accumulated depreciation and impairment, Dec 31	-4 264	-4 114
Book value, Jan 1	**7 231**	**7 729**
Book value, Dec 31	**7 083**	**7 231**

In results of impairment tests parent company booked EUR 0.2 million in the Group's business gifts' shares.

12. Other shares

EUR 1000	2015	2014
Acquisition cost, Jan 1	39	220
Additions	-39	-181
Acquisition cost, Dec 31	0	39
Book value, Jan 1	**39**	**220**
Book value, Dec 31	**0**	**39**

Other shares and holdings include long-term investments in other companies than subsidiaries and associated companies. Long-term investments are valued at their acquisition cost unless their fair value has decreased significantly for a long time.

13. Receivables from group companies

EUR 1000	2015	2014
Non-current:		
Capital loans	3 610	3 227
Other loans	3 426	3 379
Non-current receivables total	7 036	6 606
Current:		
Other receivables	2 585	1 056
Current receivables total	2 585	1 056
Receivables from group companies total	**9 621**	**7 662**

14. Prepaid expenses and accrued income

EUR 1000	2015	2014
Accruals for employee benefits	9	3
Other accruals	32	8
Total	**41**	**11**

15. Financial instruments

EUR 1000	2015	2014
Carrying amount, Jan 1	3	3
Additions during the financial year	0	0
Disposals during the financial year	-3	0
Carrying amount, Dec 31	**0**	**3**

16. Equity

EUR 1000	2015	2014
Share capital as of Jan 1	2 650	2 650
Share capital as of Dec 31	2 650	2 650
Share premium fund as of Jan 1	7 889	7 889
Share premium fund as of Dec 31	7 889	7 889
Invested unrestricted equity fund as of Jan 1	223	223
Invested unrestricted equity fund as of Dec 31	223	223
Treasury shares as of Jan 1	-260	-260
Acquisitions of treasury shares	0	0
Treasury shares as of Dec 31	**-260**	**-260**
Retained earnings from previous financial years as of Jan 1	2 657	1 969
Dividend distribution	0	0
Retained earnings from previous financial years as of Dec 31	1 969	1 969
Net profit for the financial year	513	688
Retained earnings total as of Dec 31	**2 482**	**2 657**
Equity total as of Dec 31	**12 984**	**13 159**

Distributable funds in euros as of Dec 31	**2015**	**2014**
Invested unrestricted equity fund	223 051,20	223 051,20
Treasury shares	-260 070,00	-260 070,00
Retained earnings from previous financial years	2 656 943,17	1 968 721,57
Net profit for the financial year	512 573,35	688 221,60
Distributable funds total	**3 132 497,72**	**2 619 924,37**

17. Interest-bearing liabilities

Payment schedule for the loans

	Book value	Payment schedule (years):					
EUR 1000	Dec 31, 2015	2016	2017	2018	2019	2020	Later
Non-current							
Loans from financial institutions	2 245		788	788	205	168	295
Pension loans	52		17	17	17		
Total	**2 297**		**806**	**806**	**223**	**168**	**295**
Current							
Loans from financial institutions	1 150	1 150					
Pension loans	17	17					
Total	**1 167**	**1 167**					

18. Amounts owed to group companies

EUR 1000	2015	2014
Accounts payable	14	0
Accrued liabilities		24
Other short-term liabilities	2 303	1 354
Total	**2 317**	**1 378**

19. Accrued liabilities and deferred income

EUR 1000	2015	2014
Accruals for employee benefits	56	24
Interest accruals	12	13
Other accruals		0
Total	**68**	**37**

20. Commitments

EUR 1000	2015	2014
Mortgages and guarantees on own behalf		
Real estate pledge for own and subsidiaries' pension loans	0	0
Subsidiary shares pledged as security for own liabilities	6 953	7 103
Other listed shares pledged as security for group companies' liabilities (shares in fair value)	0	19
Mortgages and guarantees on behalf of subsidiaries		
Guarantees for the loans of subsidiaries	4 896	4 407
Pledges and guarantees given for the group companies' off-balance sheet commitments (rents, customs etc)	488	1 175
Guarantees given on behalf of third parties	0	131
Minimum future operating lease payments, total		0
of which will be payable:		
in less than one year	478	470
between 1-5 years	358	822
after 5 years	0	0

Subsidiary shares pledged as security for group's liabilities are presented as book values and they consist of Wulff Entre Oy (2 502 thousand euros), Wulff Oy Ab (3 500 thousand euros) ja S Supplies Holding AB (951 thousand euros).

The majority of the parent company's non-cancellable lease agreements is for the headquarters in Finland, which rental agreement signed in 2007 will end in 2017 at the earliest.

RISK MANAGEMENT

Goals and Principles of Risk Management

Wulff Group follows the risk management policy devised by the Board of Directors that determines the objectives and responsibilities of risk management, as well as the reporting procedures. The Company's risk management supports the achievement of strategic objectives and ensures business continuity. The realisation of risk management policies is controlled with internal audit regularly and also external auditors supervise the adequacy and effectiveness of the risk management as a part of the audit procedures related to Group's governance.

Risk management is part of Wulff Group's business operations management. Wulff's risk management is guided by legislation, business objectives set by shareholders as well as the expectations of customers, personnel and other important stakeholders. The Group's risk management aims to systematically and extensively identify and understand any risks that may prevent the achievement of the Group's business objectives, as well as to ensure that risks are appropriately managed when making business-related decisions. Threats to business include risks related to acquisitions, risks related to the staff and its availability, as well as factors related to the general economic development and the Company's reputation.

Risk Survey

Risks are classified into three categories: strategic, operational and market risks. The risk management process aims to identify and assess risks and then plan and implement practical measures to deal with each risk. Possible measures include, for example, avoiding the risk, reducing it in different ways or transferring it with insurance or agreements.

Wulff Group carries out annual risk surveys to determine the main risks in terms of their significance and probability. The business unit leaders are responsible for carrying out the surveys and risk monitoring on which they report to the Group Executive Board. Selected persons are responsible for the monitoring of specific issues within each risk category i.e. strategic, operative or market risks. The Group has not set up a separate organisation for risk management. Instead, risk management is arranged in compliance with the Company's other business operations and organisation structure.

The divisions' financial reports and the situation of the businesses' key development projects are on the agenda of the Group Executive Board which convenes on a quarterly basis.

The main risks determined in the risk survey, changes in the significance and probability of the risks, as well as the persons responsible, actions completed and results achieved are reported to the Group's Board of Directors annually. Special attention is paid to any possible new risks that are detected.

Strategic Risks

The most significant strategic risks arise from the uncertainties related to business acquisitions that may expose the Group to new types of market and operating environment risks. Acquisitions involve also risks related to the integration of business, commitment of key personnel and achievement of business objectives set for the acquisition, as well as the increasing exposure to currency and interest rate risks. In accordance with the International Financial Reporting Standards (IFRS), consolidated goodwill is not amortized on a regular basis, but instead is tested for impairment at least annually or whenever there are indications of impairment

Operative Risks

Customer Base Management and Credit Risks

The main operational threats involve the loss of customers or sales volume and risks related to customer relationship management. The Company tackles the risk of possible customer or volume losses by developing compensating sales in other customer or product groups. The risk of losing customers is reduced by the Company's independence of individual customers. The Group has a broad customer base and the management analyses the risks related to customer concentration.

The demand for office supplies is still affected by the organizations' personnel lay-offs and cost-saving initiatives made during the economic downturn. The general economic uncertainty may still persist, which will most likely affect the ordering behaviour of some corporate clients. During the uncertain economic periods, the corporations may also minimize attending fairs.

The uncertainties relating to the general economic development in the last few years have emphasized the importance of monitoring the credit and default risks associated with customers and other affiliates. The subsidiaries manage their customers' credit analyses and active credit control independently. Together with the subsidiaries' management, the subsidiaries' working capital management and related risks are monitored also on division and group level. The Group's trade receivables consist of an extensive customer base, and most of the annual sales volume is from well-known and solvent customers. Consequently, the Group has not considered credit guarantees or corresponding methods to be necessary.

The risk management policy of each company defines the credit risks and credit worthiness requirements, as well as the terms of delivery and payment. Credit risk monitoring is primarily the responsibility of the subsidiaries' management, while the parent company's financial management regularly monitors the realisation of risk management principles and examines the efficiency of the centralised own collection operations and the outsourced collection partner. Traditionally the Group companies' credit losses have been small in relation to their net sales. The aging analysis of the sales receivables is presented in Note 20 of the Consolidated Financial Statements.


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RISK MANAGEMENT

Personnel

The main operational threats involve also factors related to the personnel and the availability of workforce. Especially the development of net sales and profitability of the Direct Sales Division is partly dependant on the number of sales representatives and their sales know-how.

Financial Risks

Wulff Group's internal and external financing and financial risk management are mainly handled by the parent company. Group companies with non-controlling minority shareholders may make more independent financial decisions but always within the limits defined by the Group's Board. In addition to other risk management policies, the parent company's Board of Directors determines the principles of financial risk management. The goal of risk management is to minimise the effects that price fluctuations in the financial markets, as well as other uncertainty factors may have on result, financial position and cash flow.

Financial risks include currency risks, interest rate risks, liquidity risks and credit risks managed by each subsidiary.

Currency Risks

Approximately half of the Group's sales are made in euros and the other half is made in Swedish, Norwegian and Danish crowns. Fluctuation of the currencies affects the Group's net result and financial position. In terms of import, the exposure to currency risks affects especially the currency risks of the Wulff Supplies subgroup through changes between Sweden and Norway. The Group has only minor transactions in other currencies than euros and Nordic currencies. Interest-bearing liabilities by currencies are presented in Note 26 of the consolidated financial statements. The Group does not practice any speculative hedging. No separate hedging measures against currency risk are taken.

Interest Rate Risks

The Group is exposed to interest rate risk due to loans from financial institutions, pension premium loans and bank account limit facilities tied with variable interest rates. Changes in market rates impact directly the Group's interest payments in the future. Some of the pension premium loans have a fixed interest rate. More information on the interest rates of the Group's interest-bearing liabilities is presented in Note 26 of the consolidated financial statements. The Group does not make any speculative interest rate agreements and to date, no interest rate swaps have been utilized for managing interest rate risks

Liquidity Risks

Group companies operate with their own cash flows and if necessary, they are funded also with the Group's internal financing. In order to ensure good liquidity, the Group emphasises the subsidiaries' independence in the management of operating cash flow and working capital. Liquidity risk is managed on the group level with Group bank account arrangements in Finland and Scandinavia. Continuous supervision is used to assess and monitor the financing needed for the subsidiaries' operations. The availability and flexibility of financing is ensured with bank account credit limits. On December 31, 2015, unused credit limits totalled 3.9 million euros in Finland. The bank accounts of Wulff Supplies entities were transferred into the Cash Pool arrangement in Finland during 2014. The maturity of loans is presented in Note 26.

Part of the Group's loan agreements include covenants, according to which the equity ratio shall be 35 percentages at minimum and the interest-bearing debt/EBITDA ratio shall be 3.5 at maximum in the end of each financial year. Covenant breaches lead to negotiations with the bank granting the guarantee and any possible consequences depend on the negotiations. On December 31, 2015 the covenants were reached successfully.

Capital Management

Wulff Group's capital structure management aims to ensure and improve the operating conditions of the group companies and to increase the Group's shareholder value in a sustainable, optimal way. The Group's capital structure is evaluated by monitoring the development in equity ratio where the long-term target is approximately 40 percent. The Group's companies operate with their own cash flows and if necessary, they are funded also with Group's internal financing. The Group emphasises the subsidiaries' independence in the management of operating cash flow and working capital. The Group Finance controls the group companies' working capital management centrally. The Group Finance takes care of the external loan financing and agrees on the loans' repayment schedules with the financiers centrally.

Credit and Default Risks

The uncertainties relating to the general economic development in the last few years have emphasized the importance of monitoring the credit and default risks associated with customers and other affiliates. The subsidiaries manage their customers' credit analyses and active credit control independently. Together with the subsidiaries' management, the subsidiaries' working capital management and related risks are monitored also on division and group level. The Group's trade receivables consist of an extensive customer base, and most of the annual sales volume is from well-known and solvent customers. Consequently, the Group has not considered credit guarantees or corresponding methods to be necessary.

RISK MANAGEMENT

The risk management policy of each company defines the credit risks and credit worthiness requirements, as well as the terms of delivery and payment. Credit risk monitoring is primarily the responsibility of the subsidiaries' management, while the parent company's financial management monitors regularly the realisation of the risk management principles and examines the efficiency of the centralised own collection operations and the outsourced collection partner. Traditionally the group companies' credit losses have been small in relation to their net sales. Aging analysis of sales receivables is presented in Note 20 of the consolidated financial statements.

Capital Management

Wulff Group's capital structure management aims to ensure and improve the operating conditions of the group companies and to increase the Group's shareholder value in a sustainable, optimal way. The Group's capital structure is evaluated by monitoring the development in equity ratio where the long-term target is approximately 40 percent. The Group's companies operate with their own cash flows and if necessary, they are funded also with Group's internal financing. The Group emphasises the subsidiaries' independence in the management of operating cash flow and working capital. The Group Finance controls the group companies' working capital management centrally. The Group Finance takes care of the external loan financing and agrees on the loans' repayment schedules with the financiers centrally.

IT Risks

Subsidiaries are responsible for managing the risks related to their own IT systems and the most significant IT risks are evaluated also on group level. Also external auditors pay attention to IT risks and efficiency of the Group's IT processes, and the auditors report their findings and development recommendations to Group management and Board, if necessary.

Asset Risks

The Group's assets are comprehensively insured against accidents and damage. Some of the subsidiaries, such as Wulff Oy Ab, are also insured against interruption in operations.

Environmental Risks

The Group also takes into account environmental risks and emphasizes environmental-friendliness in its operations. The Group's subsidiary Wulff Oy Ab has been granted the ISO 14001 environmental certificate. Wulff provides customers with information about recycling andrecycling solutions for office and IT supplies and sees to the recycling of its customers' used ink cartridges. In addition, the Group promotes a positive attitude to environmental matters and their development among its personnel. Wulff Entre Oy and Wulff Oy Ab have also been granted the ISO 9001 certificate.

When selecting suppliers, Wulff Oy Ab favors companies committed to sustainable development. The company chooses products to that use environmentally friendly raw materials and production methods. In addition, the Wulff.fi webstore provides a wide range of green office products that are produced in an environmentally friendly way. Recycled and rapidly renewable materials are preferred in the material choices and CO2 emissions caused by the transportation of productsare minimized. All of the packaging materials used in Wulff Oy Ab's product deliveries can be recycled or used as a source of energy.

All Wulff Group companies in Finland use Posti Green deliveries which are CO2 neutral. With improved energy efficiency and use of low emission, renewable energy, carbon dioxide emission will be reduced. From the customers' point of view, the deliveries are completely carbon neutral because the remaining emissions are compensated by funding certified Gold Standard climate projects

Wulff Supplies, who operates in Sweden, Norway and Denmark, has developed a Supplies Control concept. The concept contains all environmental processes and future guidelines. The concept was introduced in 2009 and it has been developed in collaboration with customers, employees, and suppliers. With the help of the concept, Wulff Supplies is actively working to achieve overall cost reduction along the entire supply chain and minimizing environmental impacts.

Wulff Supplies makes certain that the products they offer have been developed and produced in compliance with ethical guidelines and applicable legislation and regulations. Wulff Supplies aims to reduce use of materials, which means more efficient utilization of materials and energy. More environmental friendly alternatives whenever they are available and hazardous substances are avoided. Wulff Supplies has been awarded with the ISO 9001:2008 and ISO 14001:2004 certificates in all of its operating countries

The Finnish Packaging Recycling RINKI Ltd has awarded Wulff with a certificate showing that the company handles the recovery of the packages it supplies to the market in compliance with directives, acts and statutes.

Market Risks

The main market risks include negative development in consumer preferences in important product groups, a notable decline in demand caused by an economic downturn, as well as international customer contracts. Changes in consumer preferences, such as new trends in printing solutions, affect development in the sector. Wulff Group keeps a close eye on changes and develops and searches for products and services that meet the new needs. The Group's broad range of products and services reduces the risks caused by changing consumer preferences. The Company prepares for economic downturns by adjusting operations and expanding its customer base.

BOARD AND MANAGEMENT

Board

Andreas Tallberg, b. 1963
Chairman of the Board until 8/2015, Board Member since 9/2015

Responsibilities:
Strategy, Acquisitions

Substantial education, experience and positions of trust:

- Master of Science in Economics
- Wulff Group's Chairman of the Board since 2012 and Board Member since 2010
- G.W. Sohlberg Oy's Managing Director since 2007
- Detection Technology Oy's Chairman of the Board since 2006
- Glaston Oyj's Chairman of the Board since 2007
- GWS Assets Oy's Chairman of the Board since 2007
- StaffPoint Holding Oyj's Chairman of the Board since 2008
- Toolmasters Oy's Board Member since 2011
- TG Granit Oy's Chairman of the Board since 2013
- Handelsbanken Finland Ab's Board Member since 2008
- Wulff ownership as of December 31, 2015: 0 shares

Heikki Vienola, b. 1960
Chairman of the Board since 9/2015, Group CEO until 8/2015

Responsibilities:
Finance, Acquisitions

Substantial education, experience and positions of trust:kauppatieteiden maisteri

- Master of Science in Economics
- Wulff Group's Board Member since 1999
- Wulff Group CEO 1999-2015
- Vinstock Oy's Managing Director 1984-2004, Beltton Oy's Managing Director 1990-2004
- Arena Center Oy's Board Member since 1994
- Wulff ownership as of December 31, 2015: Heikki Vienola and his related parties owned 2,667,250 Wulff shares representing 40.37 percent of the company's shares and votes.

Ari Pikkarainen, b. 1958
Board Member

Responsibilities:
Sales and its development

Substantial education, experience and positions of trust:

- Wulff Group's Board Member since 1999
- Alekstra Oy's Board Member 2010-2014
- Suomen Rader Oy's, Naxor Finland Oy's and Visual Globe Oy's Managing Director 1994-2008
- Akro Oy's Sales Manager 1990-1994
- Oy Eric Rahmqvist Ab's Sales Manager 1984-1989
- Wulff ownership as of December 31, 2015: Ari Pikkarainen and his related parties owned 1,171,825 Wulff shares representing 17.7 percent of the company's shares and votes.

Johanna Marin, b. 1973
Board Member

Responsibilities:
Management, Human Capital Management

Substantial education, experience and positions of trust:

- Master of Administrative Sciences, Master of Arts (Education), Doctoral studies in Economics (Management and Organisation)
- Folmer Management Oy´s Partner and Investment Director since 2007
- Folmer Management Oy´s Chairman of the Board since 2007
- Jatkopolut Oy´s Board member since 2014
- Umacon Oy:n Board member since 2013
- Blue Import Bim Oy´s Board member since 2013
- Selka-line Oy´s Board member since 2012
- Folmer Management I Oy´s Board member since 2012
- Riihimäen Metallikaluste Oy´s Board member since 2011
- Canorama Oy´s Board member since 2011
- Mercuri Urval Oy´s Senior Consultant 2005-2007
- Nokia Oyj´s positions, e.g. Business Human Resources Development Manager 2001-2005
- Wulff ownership as of December 31, 2015: 0 shares

BOARD AND MANAGEMENT

Group Executive Board

Ninni Arion, b. 1978
Wulff Entre Oy's CEO, Executive Board Member

Responsibilities:
CEO of Wulff Entre Oy, Executive Board Member

Substantial education and experience and other significant positions:

- M.Sc. Econ.
- Member of the Executive Board since Oct 2014
- CEO of Wulff Entre Ltd since Aug 2014
- Sales Director, VP, Wulff Entre Ltd 2011-2014
- Senior Sales Manager, VP Business Development 2011
- Sales Manager, Entre Marketing Oy 2007-2011
- Marketing Manager Exhibitions, North American sales, Easy Doing Oy / Salli Systems 2004-2007
- Sales Expomark / KP-Media Oy 2001-2004
- Wulff ownership as of December 31, 2015: 6000 shares

Topi Ruuska, b 1956
Wulff Group Plc CEO, Chairman of the Group Executive Board, Managing Director of Wulff Ltd.

Responsibilities:
Finance, management of Wulff Ltd., and the development of sales channels in Finland

Substantial education, experience and positions of trust:

- Wulff Group Plc CEO since Sep 2015
- Chairman of the Group Executive Board since Oct 2015
- CEO of Ares Oy Nikotips 9/2014-8/2015
- Member of the Wulff Group Executive Board 9/2012-7/2014
- CEO of Wulff Entre Oy 4/2011-9/2014
- CEO of Wulff Liikelahjat Oy 3/2012-5/2014
- TP-Design / Linedrive sales consultant 2007-2012
- Accountable for sales unit, TP-Design 2000-2006
- Sales Manager, Copysystems, 1991-2000
- TJ-partner, Teleteam, 1986-1990
- Oy Papyrus Ab, graphic sales, 1980-1985
- Wulff ownership as of December 31, 2015: 0 shares

Trond Fikseaunet, b. 1963
Wulff Supplies AB's Managing Director, Executive Board Member

Responsibilities:
Wulff Supplies AB's management, development of Scandinavia's Contract customer operations

Substantial education, experience and positions of trust:

- Wulff Group Executive Board Member since 2011
- Wulff Supplies AB's Managing Director since 2009
- Strålfors, various positions 1998-2009, Member of Management Group, and Scandinavian Director in Supplies business area, 2006-2009
- Strålfors Norway, Managing Director, 2002-2006
- 3M, Sales and Marketing Manager, 1986-1998
- Wulff ownership as of December 31, 2015: 0 shares

Veijo Ågerfalk, b. 1959
Wulff Beltton Managing Director, Executive Board Member

Responsibilities:
Direct Sales Scandinavia and its development

Substantial education, experience and positions of trust:

- Executive Board Member since 2004
- Executive Vice President and Head of Direct Sales Scandinavia since 2012
- Managing Director of Beltton Svenska AB since 1998
- Country Manager of Beltton Svenska 1993-1998
- Managing Director and Partner of Liftpoolen AB 1990-1993
- Wulff ownership as of December 31, 2015: Veijo Ågerfalk and his related parties owned 67,000 Wulff shares representing 1.0 percent of the company's shares and votes

Elina Rahkonen, b. 1979
Wulff Group Plc Chief Financial Officer (CFO), Executive Board Member

Responsibilities:
Finance and Investor Relations and their development, Secretary of the Board

Substantial education, experience and positions of trust:

- Master of Science in Economics
- Wulff Group's CFO and Secretary of the Board of Directors since 2014
- Deloitte Oy Auditor (KHT Auditor) 2011-2014
- Suomen Asiakastieto Oy Financial Controller 2008-2011
- Ernst & Young Auditor 2007-2008
- Other duties in financial administration 2002-2007
- Wulff ownership as of December 31, 2015: 0 shares

Tarja Törmänen, b. 1974
Communications and Marketing Director, Executive Board Member

Responsibilities:
Communications, marketing and recruitment as well as their development

Substantial education, experience and positions of trust:

- Specialist Qualification in Marketing Communications
- NLP Trainer, NLP Coach
- Executive Board Member since 2009
- Wulff Group's Communications and Marketing Director since 2009
- Wulff Group's Communications Manager/Brand Manager since 2002
- Vista Communication Instruments' Office Manager 2001-2002
- Previta Oy's Communications Manager 2000-2001
- Beltton Group's Brand Manager 1999-2000
- Wulff ownership as of December 31, 2015: 100 Wulff shares (0.0 %)

SHARES AND SHAREHOLDERS

Share Capital

The parent company's share capital (EUR 2.65 million) consists of 6,607,628 shares with one vote each and with no par value. There have been no changes in share capital in 2014 and 2015.

Authorizations of the Board of Directors

Authorizing the Board of Directors to Decide on a Share Issue and the Special Entitlement of the Shares

The Annual General Meeting on April 9, 2015 authorised the Board to decide on the issue of new shares, disposal of treasury shares and/or the issue of special rights referred to in Chapter 10, Section 1 of the Companies Act in the following way:

The authorisation entitles the Board to issue a maximum of 1,300,000 shares, representing approximately 20 % of the company's currently outstanding stock, based on a single decision or several decisions. This maximum number encompasses the share issue and the shares issued on the basis of special rights. The share issue may be subject to or exempt from fees and may be carried out for the company itself as provided in the law.

The authorisation remains in force until the next Annual General Meeting. The authorisation entitles the Board to deviate from shareholders' pre-emptive rights as provided in the law (private placement). The authorisation can be used to carry out acquisitions or other business-related arrangements, to finance investments, to improve the company's capital structure, to support the implementation of the company's incentive scheme or for other purposes as decided by the Board.

The authorisation includes the right to decide on the way in which the subscription price is entered in the company's balance sheet. The subscription price can be paid in cash or as a non-cash contribution, either partly or in full, or by offsetting the subscription price with a receivable of the subscriber. The Board of Directors has the right to decide on other matters related to the share issue.

Authorizing the Board of Directors to Decide on the Repurchase of the Company's Own Shares

The Annual General Meeting on April 9, 2015 authorised the Board of Directors to resolve on the acquisition of maximum 300,000 own shares. The authorization is effective until the next Annual General Meeting. The authorization encompasses the acquisitions of the own shares through the public trading arranged by NASDAQ OMX Helsinki Oy in pursuance of its rules or through a purchase offer made to the shareholders. The consideration paid for the acquired shares must be based on the market price. To carry out treasury share acquisitions, derivative, stock loan and other agreements may be made on the capital market in accordance with the relevant laws and regulations.

The authorization entitles the Board of Directors to deviate from the pre-emptive rights of shareholders (directed acquisition) in accordance with the law. The company can acquire treasury shares to carry out acquisitions or other business-related arrangements, to improve the company's capital structure, to support the implementation of the company's incentive scheme or to be cancelled or disposed of. The Board of Directors has the right to decide on other matters related to the acquisition of treasury shares.

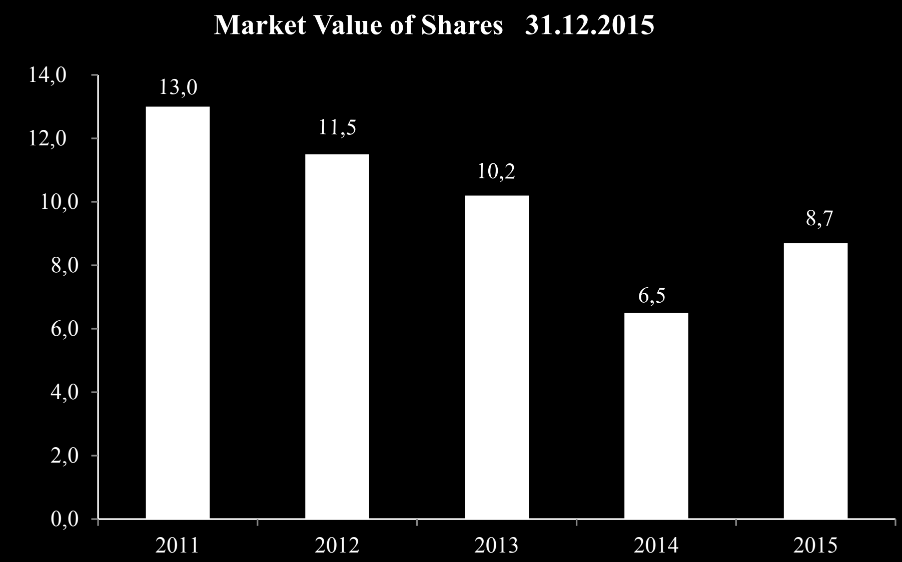
Treasury Shares

In 2015, no own shares were reacquired. In the end of 2015, the Group held 79.000 (December, 2014: 79.000) own shares representing 1.2 percentage (1.2 %) of the total number and voting rights of Wulff shares. According to the Annual General Meeting's authorisation on April 9, 2015, the Board of Directors decided in its organizing meeting to continue the acquisition of its own shares, by acquiring a maximum of 300.000 own shares by April 30, 2016.

The shares are acquired through public trading on NASDAQ OMX Helsinki in a proportion other than that of current shareholder holdings. The shares are acquired at the market price quoted at the time of the repurchase in accordance with the rules regarding the acquisition of company's owns shares. According to the authorisation, the treasury shares can be acquired to carry out acquisitions or other business related arrangements, to improve the company's capital structure, to support the implementation of the company's incentive scheme or to be cancelled or disposed of.

Share-based Payments

The Group does not have any option schemes currently in force. Wulff Group has no share reward plan in force at the moment. Wulff Group Plc's Board of Directors makes the rules for the share reward plans and approves the key persons to be included in the plan.



Share Quotation

Wulff Group Plc's exchange history started in October 2000 when the company's share was first listed on the Helsinki Stock Exchange's NM list. On April 22, 2003, Wulff transferred its shares to the main list, where they were listed in the Consumer Discretionary sector. Until February 2012, Wulff Group Plc's shares were listed on NASDAQ OMX Helsinki in the Small Cap segment under the Consumer Discretionary sector. In February 2012, the sector changed to the Industrials sector. Wulff shares' trading code is WUF1V. NASDAQ OMX Helsinki commenced trading in round lots of one share on September 25, 2006. The share series' ISIN code used for international settlement of securities is FI0009008452.

Trading and Price Development of Wulff Shares

In 2015, a total of 414,221 (270,934) Wulff shares were traded which represents 6.3 percentages (4.1 %) of the total number of shares. The trading was worth of EUR 539,686 (EUR 349,233). In 2015, the highest share price was EUR 1.66 (EUR 1.60) and the lowest price was EUR 1.02 per share (EUR 0.96). In the end of 2015, the share was valued at EUR 1.34 (EUR 0.99) and the market capitalization of the outstanding shares totalled EUR 8.7 million (EUR 6.5 million) as shown in the graph attached.

Trading and Price Development of Wulff Shares

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Dividend Policy

Wulff Group Plc follows an active dividend policy. The goal is to distribute around 50 percent of the period's net profit in dividend. The Board of Directors of Wulff-Group has decided to propose to the Annual General Meeting on April 7, 2016 that dividend of EUR 0.10 per share be paid for the financial year 2015 representing EUR 0.65 million. Rest of the distributable funds shall remain in the shareholders' equity.

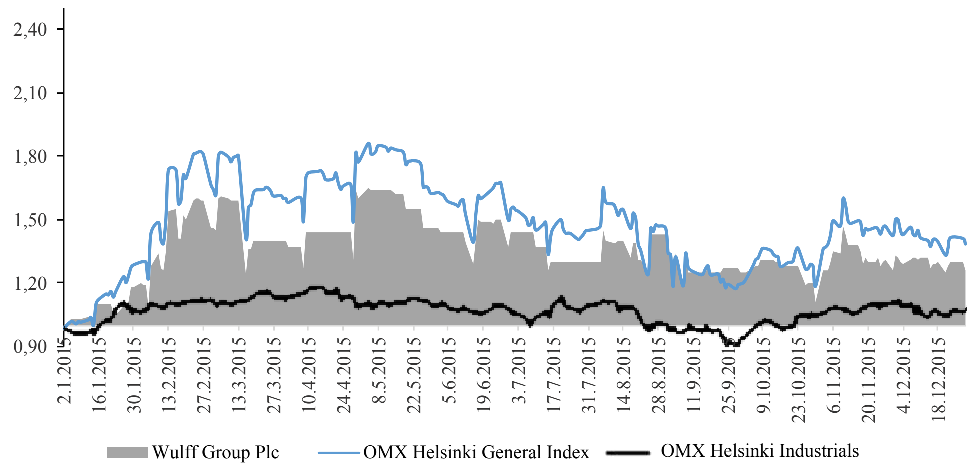
Shareholders and Ownership Structure

Wulff Group Plc's shares are registered in the book-entry securities system maintained by Euroclear Finland Ltd. The most significant shareholders and the ownership structure are presented in the graphs attached. There were no disclosed notifications on changes in major share holdings in 2015.

Insider Regulations

Wulff Group Plc complies with the Guidelines for Insiders issued by NASDAQ OMX Helsinki Ltd. The public insider register of Wulff Group is maintained in Euroclear Finland Ltd's SIRE system. The company updates public insider information on its website at www.wulff.fi.

Share Price Performance2015



SHARES AND SHAREHOLDERS

	Major shareholders as of December 31, 2014	Number of shares	% of shares
1	**Vienola Heikki***	**2 667 250**	**40,37 %**
	Vienola Heikki	2 533 500	38,34 %
	Vienola Jussi	16 200	0,25 %
	Vienola Kristina	16 200	0,25 %
	Reserve Capital Finland Oy	77 650	1,18 %
	BVI-tuote Oy	23 700	0,36 %
2	**Pikkarainen Ari**	**1 171 825**	**17,73 %**
	Pikkarainen Ari	1 171 825	17,73 %
3	**Tapiola**	**835 651**	**12,65 %**
	Tapiola Mutual Pension Insurance Company	350 000	5,30 %
	Tapiola General Mutual Insurance Company	283 900	4,30 %
	Tapiola Mutual Life Assurance Company	201 751	3,05 %
4	**Varma Mutual Pension Insurance Company**	**450 000**	**6,81 %**
5	**Nordea**	**330 334**	**5,00 %**
	Nordea Nordic Small Cap equity fund	296 128	4,48 %
	Nordea Bank Finland Plc	34 206	0,52 %
6	**The Local Government Pensions Institution**	**120 400**	**1,82 %**
7	**Progift Oy**	**83 627**	**1,27 %**
8	**Wulff-Yhtiöt Oyj**	**79 000**	**1,20 %**
9	**Ågerfalk Veijo**	**67 000**	**1,01 %**
10	**Laakkonen Mikko**	**64 185**	**0,97 %**
11	**Luoma Marko**	**56 147**	**0,85 %**
12	**Sundholm Göran**	**50 000**	**0,76 %**
13	**Aalto Lasse**	**27 239**	**0,41 %**
14	**Cardia Invest Oy**	**23 800**	**0,36 %**
15	**Riisla Antti**	**22 276**	**0,34 %**
	15 suurinta osakkeenomistajaa yhteensä	**6 048 734**	**91,54 %**
	Muut osakkeenomistajat yhteensä	**558 894**	**8,46 %**
	Koko osakemäärä yhteensä	**6 607 628**	**100,00 %**
	- Omat osakkeet	**-79 000**	
	Ulkona olevat osakkeet yhteensä	**6 528 628**	

The shareholders information is based on the shareholders' register maintained by Euroclear Finland Ltd. Shareholders are grouped according to the direct holdings of individual shareholders, individuals under their guardianship and the shares held by associations where they exercise authority and stated as aggregate amounts and specified category. The shareholdings of companies belonging to the same group are stated both as aggregate amounts and specified by category. The list of major shareholders can be found on the Group's website at www.wulff-group.com.

Shareholders by group as of December 31, 2015

Owner groups	Number of shareholders	%	Number of shares	%
Companies	38	7,02 %	357 028	5,40 %
Financial and insurance institutions	5	0,92 %	787 579	11,92 %
Public entities	3	0,55 %	920 400	13,93 %
Non-profit organisations	2	0,37 %	110	0,00 %
Private persons	478	88,35 %	4 432 582	67,08 %
Foreign shareholders	9	1,66 %	4 450	0,07 %
Nominee-registered shareholders	6	1,11 %	105 479	1,60 %
Total	**541**	**100,00 %**	**6 607 628**	**100,00 %**

Shareholders by the number of shares owned December 31, 2015

Number of shares	Number of shareholders	%	Number of shares	%
1-500	342	63,22 %	68 055	1,03 %
501-1000	72	13,31 %	60 221	0,91 %
1 001-10 000	97	17,93 %	319 759	4,84 %
10 001-100 000	22	4,07 %	752 089	11,38 %
100 001-	8	1,48 %	5 407 504	81,84 %
Total	**541**	**100,00 %**	**6 607 628**	**100,00 %**


RITMATERIALIEB
PAPERIKAUPPA
1890 WULFF
WULFF

SIGNATURES AND THE AUDITOR’S NOTE

Signatures of the CEO and Board of Directors

Vantaa, March 15, 2016.

Topi Ruuska
Topi Ruuska
CEO

Andreas Tallberg
Andreas Tallberg

Heikki Vienola
Heikki Vienola
Director of the Board of Directors

Johanna Kristiina Marin
Johanna Kristiina Marin

Ari Pikkarainen
Ari Pikkarainen

The Auditor’s Note

Helsinki, March 15, 2016

KPMG Oy Ab
Mannerheimintie 20 B, 00100 Helsinki

Minna Riihimäki
Minna Riihimäki
KHT

AUDITOR’S REPORT

To the Annual General Meeting of Wulff Group Plc

We have audited the accounting records, the financial statements, the review of the Board of Directors, and the administration of Wulff Group Plc for the financial year 1.1.-31.12.2015. The financial statements comprise of the consolidated statement of financial position, income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows, and notes to the consolidated financial statements, as well as the parent company’s balance sheet, income statement, cash flow statement and notes to the financial statements.

Responsibility of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, as well as for the preparation of financial statements and the review of the Board of Directors that give a true and fair view in accordance with the laws and regulations governing the preparation of the financial statements and the review of the Board of Directors in Finland. The Board of Directors is responsible for the appropriate arrangement of the control of the company’s accounts and finances, and the Managing Director shall see to it that the accounts of the company are in compliance with the law and that its financial affairs have been arranged in a reliable manner.

Auditor’s Responsibility

Our responsibility is to express an opinion on the financial statements, on the consolidated financial statements and on the review of the Board of Directors based on our audit. The Auditing Act requires that we comply with the requirements of professional ethics. We conducted our audit in accordance with good auditing practice in Finland. Good auditing practice requires that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the review of the Board of Directors are free from material misstatement, and whether the members of the Board of Directors of the parent company or the Managing Director are guilty of an act or negligence which may result in liability in damages towards the company or have violated the Limited Liability Companies Act or the articles of association of the company.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the review of the Board of Directors. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation of financial statements and review of the Board of Directors that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the review of the Board of Directors.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on the consolidated financial statements

In our opinion, the consolidated financial statements give a true and fair view of the financial position, financial performance, and cash flows of the group in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

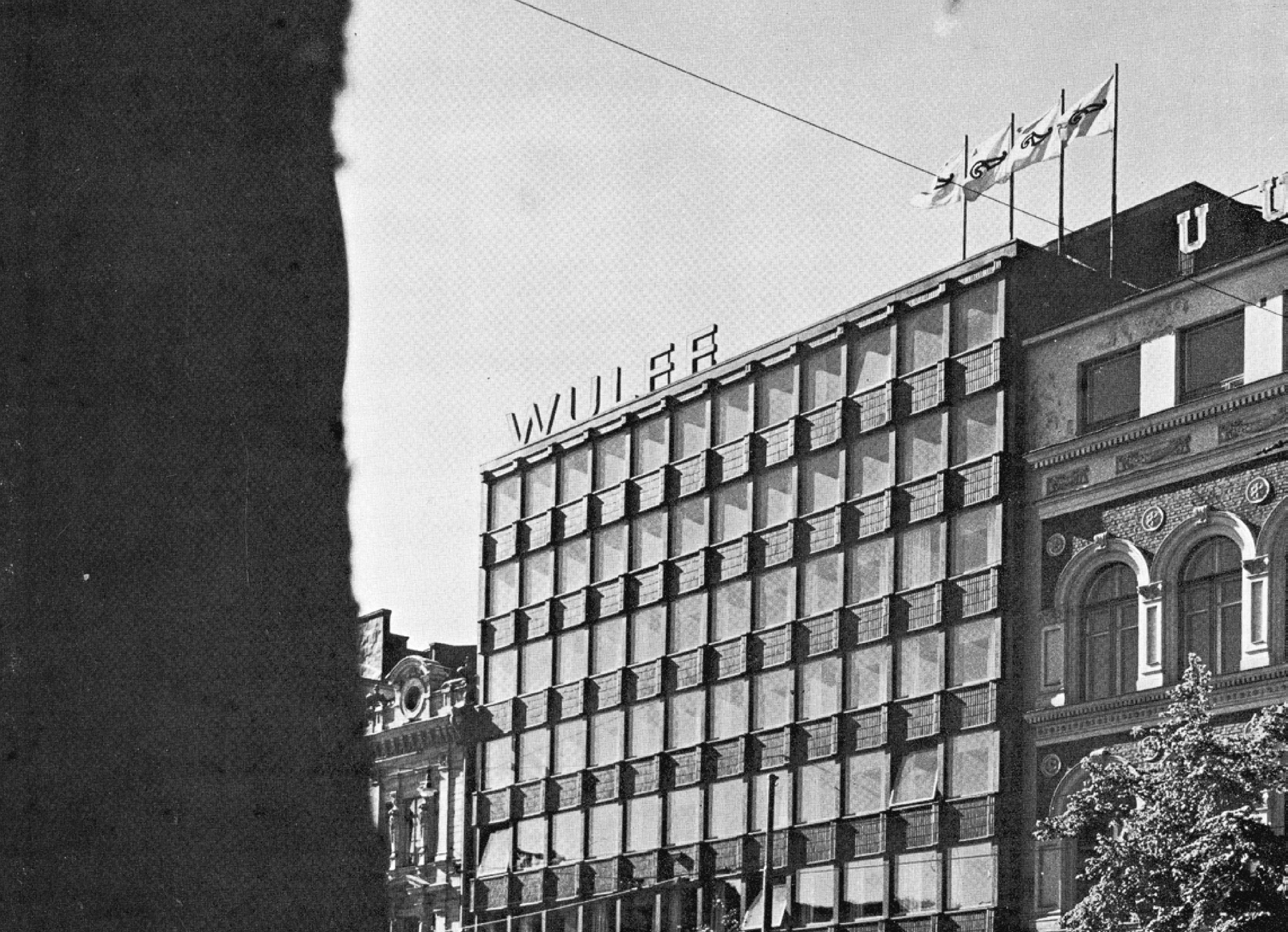
Opinion on the company’s financial statements and the report of the Board of Directors

In our opinion, the financial statements and the review of the Board of Directors give a true and fair view of both the consolidated and the parent company’s financial performance and financial position in accordance with the laws and regulations governing the preparation of the financial statements and the review of the Board of Directors in Finland. The information in the report of the Board of Directors is consistent with the information in the financial statements.

Helsinki, 15 March 2016

KPMG OY AB

Minna Riihimäki
Authorized Public Accountant



CORPORATE GOVERNANCE STATEMENT

Wulff Group Plc is an increasingly international listed company and the most significant Nordic player in office supplies. Wulff sells and markets office supplies, IT supplies and ergonomics. Its service range also includes international fair services. In addition to Finland, Wulff operates in Sweden, Norway, Denmark and Estonia. The Group also serves its customers online with a webstore for office supplies at wulffinkulma.fi.

Wulff Group Plc's corporate governance is based on the Companies Act, Securities Market Act and regulations regarding corporate governance of public listed companies, as well as the Articles of Association. The current Articles of Association are available on the Group's website www.wulff-group.com. Wulff Group Plc adheres also to the Finnish Corporate Governance Code which is publicly available on the Securities Market Association's web pages (www.cgfinland.fi). The entire document describing the Group's corporate governance principles and practices is available on the Group's investor pages (www.wulff-group.com). This Corporate Governance Statement is presented separately from the Review of the Board of Directors which is presented on pages 24-27.

General Meeting

Wulff Group's highest decision-making power is exercised by shareholders at the Company's General Meeting held at least once a year. The Annual General Meeting (AGM) is held annually on the date determined by the Board of Directors within six months of the end of the financial period either in the company's domicile, Helsinki, or in Espoo. Shareholders may exercise their rights to speak, request information and vote.

Shareholders are invited to general meetings by publishing a notice at Wulff's corporate website. The notice and instructions for participating in the meeting are published as a stock exchange release. The Board's proposed agenda as well as the proposed Board members and auditors are announced in the notice or in a separate stock exchange release before the general meeting.

The Annual General Meeting handles the tasks pertaining to it according to the Limited Liability Companies Act and Wulff Group's Articles of Association, which include:

- adopting the income statement and balance sheet
- handling the profit or loss according to the adopted balance sheet, dividend distribution
- discharging the members of the Board of Directors and the CEO of liability
- determining the number of Board members and appointing members for one year at a time
- electing auditors
- determining the fees of Board members and auditors, as well as the criteria for reimbursement of travel expenses
- other matters mentioned in the notice of the meeting.
- The Annual General Meeting is also authorised to amend the Articles of Association. An Extraordinary General Meeting is summoned, if required, by the Board of Directors.

Wulff Group Plc's Annual General Meeting was held on April 9, 2015. The Annual General Meeting adopted the financial statements for the financial year 2014 and discharged the members of the Board of Directors and CEO from liability. The AGM decided not to pay dividend and authorised the Board of Directors to decide on the repurchase of the Company's own shares. The Annual General Meeting also accepted the Board's proposal concerning the authorisation to perform share issues.

The current Board members Ari Pikkarainen, Sakari Ropponen, Andreas Tallberg and Heikki Vienola were re-elected. The organising meeting of Wulff Group Plc's Board of Directors, held after the Annual General Meeting, decided that the new Chairman of the Board is Andreas Tallberg.

The Annual General Meeting decided that the reimbursements to the Auditors are paid on the basis of reasonable invoicing. KPMG Oy Ab, a company of Authorized Public Accountants, with Authorized Public Accountant Minna Riihimäki as the lead audit partner, continues as the auditor of Wulff Group Plc.

Held on Sep 30, 2015, Wulff Group Plc's extraordinary general meeting decided that the number of board members is four. Johanna Marin, Ari Pikkarainen, Andreas Tallberg and Heikki Vienola were elected as members of the Board of Directors. The organising meeting of Wulff Group Plc's Board of Directors, held after the Extraordinary General Meeting, decided that the Chairman of the Board is Heikki Vienola. In addition, the other proposals to the general meeting were approved without changes.

Wulff Group Plc's Annual General Meeting for 2016 will be held on April 7, 2016.

Board of Directors

The Board is responsible for the administration and the proper organisation of the operations of the Company. The Board supervises and controls the operative management of the Company, appoints and dismisses the managing director, approves the strategic goals and the risk management principles for the Company and ensures the proper operation of the management system.
The Annual General Meeting elects three to six members to the Board of Directors and at most as many deputy members. The Board's term ends at the termination of the first Annual General Meeting following the election. In the organising meeting held after the AGM, the Board elects a Chairperson among its members. Should the Chairperson be disqualified or prevented from attending to his/her duties, a Deputy Chairperson is elected among Board Members for the duration of the meeting.

The Board of Directors supervises the management of Company operations, administration and accounting. It annually confirms a written charter for its activities, which it complies with in addition to the Articles of Association, Finnish legislation and other regulations. The charter lays out the Board's meeting procedures and tasks. According to the Board's charter, in addition to the issues specified in legislation and the Articles of Association, Wulff Group's Board of Directors:

CORPORATE GOVERNANCE STATEMENT

- approves the company's long-term goals and strategy
- approves the company's action plan, budget and financing plan and supervises their implementation
- handles and adopts interim reports and the financial statements
- decides on individual big and strategically significant investments, such as company acquisitions and acquisitions and disposals of business operations
- appoints the CEO and decides on his/her salaries and wages
- approves risk management and reporting procedures
- draws up the dividend policy
- sets up committees, if needed, to enhance Board work
- appoints the Group's management
- supervises auditing
- assesses the auditor's independence and additional auditing services.

Wulff Group's Annual General Meeting held on April 9, 2015 elected four members to the Board of Directors. The Board of Directors consists of the Company's major shareholders and outside experts. The Board must have sufficient expertise in at least the following areas: economy and finance, management, marketing and sales. Each Board Member acts as an expert in his or her field on the Board. The Finnish Corporate Governance code recommends that both genders are represented. Elected by the Extraordinary General Meeting in 2015, Wulff Group Plc's Board of Directors consists of both genders. In the election of the Board Members, attention has been paid to that the persons elected have adequate and versatile expertise and the possibility to devote a sufficient amount of time to the work.

The majority of Board Members must be independent of the Company. In addition, at least two of the members in this majority must be independent of the Company's major shareholders. The independence is evaluated in compliance with recommendations of the Finnish Corporate Governance Code. The Board Members independent of the Company and of major shareholders are Andreas Tallberg and Johanna Marin. Heikki Vienola and Ari Pikkarainen are major shareholders of the Group. Additionally Heikki Vienola was employed by the Group as the Group CEO until August 2015 and the Chairman of the Group Executive Board until September 2015.

Due to the Group's small size, setting up Board committees has not been considered necessary. The entire Board of Directors has handled all its tasks.

The Board of Directors convenes on average once a month during the financial year and more often if needed. The Chairperson of the Board is responsible for convening meetings and for meeting activities. The meeting agenda is prepared by the CEO together with the Secretary of the Board. Wulff Group's Board of Directors convened 16 times in 2015 (15 times in 2014). The average meeting attendance was 98 percent (98 % in 2014). At its organising meeting the Board approved the charter and action plan for 2015 and evaluated the independence of its members. According to the meeting plan for 2016, the Board of Directors will convene 10 times.

The Board carries out annual assessments of its operations and working styles based on a self-evaluation form. In 2015, the assessment was carried out in writing at the end of the year. Based on the assessment, Board work was successful.

More information on Board Members and their Wulff shareholdings is presented on page 78.

CEO

The Board appoints the Chief Executive Officer (CEO) who supervises the Company's operational management in compliance with the instructions and guidelines provided by the Board. The CEO ensures that the Board has sufficient information to assess the Company's operations and financial situation. The CEO is responsible for the accomplishment of the Board's decisions and reports the results to the Board.

The CEO may undertake acts which, considering the scope and nature of the operations of the Company, are unusual or extensive, only with the authorisation of the Board.

The CEO of the parent company Wulff Group Plc also acts as the Group's CEO and as the Chairman of the Group Executive Board.

Heikki Vienola, M.Sc. (Econ.), acted as the CEO of Wulff Group Plc from 1999 until August 2015 and the Chairman of the Group Executive Board until September 2015. He was nominated the Chairman of the Board of Directors beginning September 2015.

Topi Ruuska was nominated as the CEO of Wulff Group Plc beginning September 2015. Topi Ruuska was nominated as the Chairman of the Group Executive Board beginning October 2015.

Group Executive Board

The Group Executive Board led by the Group CEO is responsible for the Group's operations in practice. The Group Executive Board convenes regularly to analyse and evaluate the financial and business performance as well as the key development initiatives of both divisions. The management team has no official statutory position but, in practice, it has a significant role in the organisation of the Company management.

Based on the CEO's proposal, the Board of Directors confirms the composition and new nominations of the Group Executive Board Members.

The Managing Directors of subsidiaries are in charge of the business operations in each subsidiary. Significant decisions, such as significant investments, are subject to the Group CEO's approval. Each subsidiary has its own financial administration, while group-wide financial administration is the responsibility of the Group's Chief Financial Officer.

The divisions' financial reports and the situation of the businesses' key development projects are on the agenda of the Group Executive Board which convenes on a quarterly basis.

More information on Group Executive Board Members and their Wulff shareholdings is presented on page 78.

Remuneration

According to the Company's Articles of Association, the Annual General Meeting determines the remuneration of the Board Members. The fees of the Board Members are paid in fixed amounts of cash. A monthly fee of EUR 1,250 is paid to the Chairman and those Board Members who are not employed by the Group. The Group CEO Heikki Vienola is not paid any compensation for Board Membership or meetings. The Group has not granted loans, guarantees or other contingencies to the Board Members.

The Board determines the Group CEO's remuneration and other contractual issues. Remuneration of CEO Heikki Vienola, who acted as the Group CEO until August 2015, consisted of salaries paid in cash. He did not have fringe benefits. In 2015, CEO Heikki Vienola was paid a salary of 50 thousand euros (2014: 50 thousand euros) and an extra pension of 1 thousand euros (2014: 1 thousand euros). The CEO's benefits included a statutory pension. The pension age was not determined. The period of notice was three months, as determined in the employment contract. No separate compensation for the period of notice was included in the contract.

The remuneration of CEO Topi Ruuska, who has acted as the Group CEO since September 2015, consisted of salaries paid in cash and fringe benefits. In 2015, CEO Topi Ruuska was paid a salary and fringe benefits of the amount of 68 thousand euros. The CEO's other benefits include a statutory pension. A pension age has not been determined. The period of notice is six months. In the contract, there is a severance pay and compensation in the lie of notice equivalent of a 12 month's salary.

Remuneration of senior management consists of monetary wages, fringe benefits, additional pensions, annually-determined performance-based bonuses and possible share-based incentives. In addition to fixed monthly salaries, a part of the payments is based on financial performance and the person's individual goal-setting.

The Group CEO determines the contractual terms, salaries and possible other benefits and incentives of the Executive Board Members. The remuneration of the Group Executive Board is presented in the attached table in chapter 3.5 including the compensation of each member for the time they have been in the Group Executive Board.

In 2014, the Group Executive Board consisted of Heikki Vienola, Ninni Arion (since October 2014), Sami Asikainen (until August 2014), Trond Fikseaunet (from March 2011), Kati Näätänen (until February 2014), Elina Rahkonen (starting October 2014), Topi Ruuska (until June 2014), Tarja Törmänen, Samu Vuorio (until September 2014) and Veijo Ågerfalk.

In 2015, the Group Executive Board consisted of Heikki Vienola, Ninni Arion, Trond Fikseaunet, Elina Rahkonen, Topi Ruuska (starting September 2015), Tarja Törmänen and Veijo Ågerfalk.

In addition to the Group Executive Board members, some of the Managing Directors of the Group's subsidiaries are covered by the incentive scheme. Mutual standard terms of notice and other possible reimbursements have been specified in the contracts for Managing Directors.

The Group does not have any option schemes currently in force. Wulff Group has a share reward plan which is a part of the Group's incentive and commitment program for its key personnel. Wulff Group Plc's Board of Directors makes the rules for the share reward plans and approves the key persons to be included in the plan. On February 8, 2011, Wulff Group Plc's Board of Directors decided on a new share-based incentive and commitment scheme for the Group's key personnel for 2011-2013. In 2013, one key person was handed 6,000 shares in May 2013, the accumulation period of which ended in May 2015. The purpose of the scheme is to commit and encourage the Group's key personnel for profitable and growing business along with generating shareholder value in the long run. More information on share-based payments is presented in Note 24 of the consolidated financial statements.

Summary of the top management's employment benefits is presented in Note 29 of the consolidated financial statements.

Risk management, Internal Control and Internal Audit

The Board of Directors is responsible for the internal control and the Group CEO arranges the management and supervision of internal controls' effectiveness in practice.

Ultimate responsibility for accounting, accuracy of the financial statements and supervision of asset management is carried by Wulff Group's Board of Directors. Business control and supervision are carried out through a group-wide reporting system. Each business area's and subsidiary's net sales, main expenses and operating profit with comparison data are reported to the Board each month. Additionally the Group CEO presents an overview of the current situation and future outlook based on weekly and monthly analyses.

The divisions' financial reports and the situation of the businesses' key development projects are on the agenda of the Group Executive Board which convenes on a quarterly basis. The subsidiaries' own Boards of Directors and management teams discuss their own business issues which are taken also to the division- or group-level management boards if those issues have influence also on other group companies. The Group CEO and CFO analyse and control each subsidiary's and business area's operations, performance and financial status regularly.

Wulff Group follows the risk management policy devised by the Board of Directors, which determines the objectives and responsibilities of risk management, as well as the reporting procedures. The Company's risk management supports the achievement of strategic objectives and ensures business continuity. The realisation of risk management policies is controlled with internal audits regularly and also external auditors supervise the adequacy and effectiveness of the risk management as a part of the audit procedures related to Group's governance.

Risk management is a part of Wulff Group's business operations management. Wulff's risk management is guided by legislation, business objectives set by shareholders as well as the expectations of customers, personnel and other important stakeholders. The Group's risk management aims to systematically and extensively identify and understand any risks that may prevent the achievement of the Group's business objectives, as well as to ensure that risks are appropriately managed when making business-related decisions. Threats to business include risks related to acquisitions, risks related to the staff and its availability, as well as factors related to the general economic development and the Company's reputation.

CORPORATE GOVERNANCE STATEMENT

Risks are classified into three categories: strategic, operational and market risks. The risk management process aims to identify and assess risks and then plan and implement practical measures to deal with each risk. Possible measures include, for example, avoiding the risk, reducing it in different ways or transferring it with insurance or agreements.

Wulff Group carries out annual risk surveys to determine the main risks in terms of their significance and probability. The business unit leaders are responsible for carrying out the surveys and risk monitoring on which they report to the Group Executive Board. Selected persons are responsible for the monitoring of specific issues within each risk category i.e. strategic, operative or market risks. The Group has not set up a separate organisation for risk management. Instead, risk management is arranged in compliance with the Company's other business operations and organisation structure.

The divisions' financial reports and the situation of the businesses' key development projects are on the agenda of the Group Executive Board which convenes on a quarterly basis.

The main risks determined in the risk survey, changes in the significance and probability of the risks, as well as the persons responsible, actions completed and results achieved are reported to the Group's Board of Directors annually. Special attention is paid to any possible new risks detected.

More information on risks and risk management is presented on pages 72-75 of the Annual Report 2015.

The goal of Wulff Group Plc's internal audit is to ensure that the Group's internal processes and operating methods are efficient and correct. Internal audits are carried out on the basis of an annually prepared audit plan, which the Board of Directors approves at the beginning of the year. The Group's internal auditor draws up the plan, presents it to the Board of Directors and reports on the implementation of the measures. The internal auditor reports directly to the Board of Directors.

External Audit

Based on the Articles of Association, Wulff Group Plc shall have 1-2 Auditors. If the Annual General Meeting elects only one auditor and if the auditor is not a firm of authorised accountants, additionally one deputy auditor shall be elected. Based on the Articles of Association, the auditors are appointed until further notice..

Since 2011 the Group's auditor has been KPMG Oy Ab, a company of Authorized Public Accountants, with Authorized Public Accountant Minna Riihimäki as the lead audit partner.

In addition to their statutory duties, the auditors report their audit findings to the Chairman of the Board when necessary, and at least once a year to the Board of Directors.

The Annual General Meeting decides on the auditors' fees and the expense compensation principles. Based on the Board's decision, auditors can be paid reasonable fees for non-recurring other service assignments. The auditors of all Wulff group companies were paid total fees of 123 thousand euros in 2015.

Following the corporate governance regulations, the auditors do not own shares of Wulff Group Plc or its subsidiaries.

Insider Administration

Wulff Group Plc complies with the Guidelines for Insiders issued by NASDAQ OMX Helsinki Ltd. The public insider register of Wulff Group Plc is maintained in Euroclear Finland's SIRE system. The public insider register includes the members of the Board of Directors, the CEO, members of Group management and auditors. In the Group's website, the public insiders' shareholdings include Wulff shares owned by the insiders themselves, their spouses and persons under influence as well as the corporations under their control.

Permanent insiders include those who, based on their duties, regularly receive or handle unpublished information that has an impact on the share price. In addition, project-specific insider registers are maintained for acquisitions or other projects that may have a material impact on the share price. Insider issues are included in CFO Elina Rahkonen's responsibilities.

Insiders are not allowed to trade in securities issued by Wulff Group Plc during 14 days preceding the publication of financial statements reviews and interim reports ('closed window'). The Company aims to avoid investor events during the insider trading prohibition period.

A list of the people entered in the public insider register, their connections and shareholdings in Wulff Group Plc is presented at the Group's investor page 'Board and corporate governance' (http://www.wulff.fi/en/wulff-group+plc/investors/board+and+corporate+governance/) where the Group updates public insider information (insiders with the duty to declare, their related parties and changes in their shareholdings) without unnecessary delay, and no later than seven days after the party has notified the Company of changes.

Communications

The Group publishes all its stock exchange releases and other matters related to listed Companies' disclosure requirements on its website in Finnish and English. The Annual Report is published in electronic format so that it is equally available to all shareholders.

The Group's stock exchange releases, Corporate Governance principles and insider information is available at the Group's investor page 'Board and corporate governance' (http://www.wulff.fi/en/wulff-group+plc/investors/board+and+corporate+governance/).

Before the end of the year, the investor calendar with dates for the Group's financial reporting during the next calendar year is published in a stock exchange release and on the Group's web site. Prior to the publication of financial releases, there is a silent period of two weeks ('closed window') during which the management does not answer questions concerning the Company's performance and insiders are not allowed to trade in Wulff shares.

Every six months, along the publication of the Annual Accounts and the Interim Report for January-June, the Group arranges events for investors and analysts. The Company aims to avoid investor events during the insider trading prohibition period.

INFORMATION TO SHAREHOLDERS

Annual General Meeting 2016

Wulff Group Plc's Annual General Meeting will be held on Thursday April 7, 2016 at noon (12.00) at Radisson Blu Seaside Hotel, Ruoholahdenranta 3, Helsinki, Finland.

Shareholders are entitled to attend the meeting if they have been registered as shareholders in the Company's shareholder list maintained by Euroclear Finland Ltd no later than on Thursday March 24, 2016 and have registered as attendants to the Annual General Meeting no later than on Tuesday April 5, 2016. Registration for the Annual General Meeting can be made to the company:
- by e-mail to investors@wulff.fi
- by telephone to +358 9 5259 0050
- by fax to +358 9 3487 3420
- with a letter to Wulff Group Plc, Annual General Meeting, Manttaalitie 12, FI-01530 Vantaa, Finland.

Each holder of nominee registered shares, who is registered on Thursday March 24, 2016 in the shareholders' register of the Company held by Euroclear Finland Ltd. has the right to participate in the Annual General Meeting. A holder of nominee registered shares wishing to participate in the Annual General Meeting shall be temporarily registered into the shareholders' register of the company kept by Euroclear Finland Ltd at the latest on Monday April 4, 2016 by 10.00 A.M. The shareholder who wishes to participate in the Annual General Meeting shall contact the company no later than Tuesday April 5, 2016. A holder of nominee registered shares is advised to request without delay necessary instructions regarding the registration in the shareholders' register, the issuing of proxy documents and registration for the Annual General Meeting from his/her custodian bank. The custodian bank of an account operator must announce the holder of nominee registered shares wishing to participate in the Annual General Meeting to be temporarily registered into the shareholders' register no later than on the above-mentioned date.

Instructions for registration and additional information on the Annual General Meeting are available at the Group's website at www.wulff-group.com.

Dividend for 2015

The Board of Directors of Wulff Group Plc proposes to the Annual General Meeting that a dividend of EUR 0.10 per share is paid for the financial year 2015. The dividend approved by the Annual General Meeting will be paid to shareholders who have been registered in the Company's shareholder list maintained by Euroclear Finland Ltd on the record date of the dividend payment, Monday April 11, 2016. The Board proposes to the Annual General Meeting that the dividend be paid on Tuesday April 19, 2016.

Financial Reporting 2016

Wulff Group Plc will release the following financial reports in 2016:

Interim Report, January-March 2016	Friday May 6, 2016
Interim Report, January-June 2016	Thursday August 4, 2016
Interim Report, January-September 2016	Thursday November 3, 2016

Wulff Group Plc's financial reports are published in Finnish and English and they are also available at www.wulff-group.com. To receive Wulff Group Plc's interim reports and releases by email, shareholders can join the company's email distribution list by sending a request by email to investors@wulff.fi.

Contact Information for Ordering the Annual Report

Wulff Group Plc
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email: investors@wulff.fi

The Annual Report is published as a PDF document in Finnish and English. It can be viewed at the Group's website at www.wulff-group.com.

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STOCK EXCHANGE RELEASES 2015

5.2.2015	Wulff Group Plc's Annual Accounts for January 1 December 31, 2014
17.3.2015	Wulff Group Plc's annual report, financial statements and corporate governance statement 2014 published
17.3.2015	Notice to convene the annual general meeting of Wulff Group Plc
9.4.2015	Decisions of Wulff Group's Annual General Meeting on April 9, 2015
9.4.2015	Wulff Group continues to buy back its own shares
7.5.2015	Wulff Group Plc's interim report for January 1 – March 31, 2015
18.5.2015	Wulff has sold its business and advertising gifts business to Idé House of Brands Finland Oy
4.8.2015	Wulff Group Plc board member Sakari (Saku) Ropponen has passed away
6.8.2015	Wulff Group Plc's interim report for Jan 1 – June 30, 2015
24.8.2015	Topi Ruuska named Wulff Group Plc's new CEO
7.9.2015	Notice to convene the Extraordinary General Meeting of Wulff Group Plc
10.9.2015	Correction to Wulff Group Plc's notice to convene the Extraordinary General Meeting
30.9.2015	Decisions of Wulff Group Plc's Extraordinary General Meeting on September 30, 2015
30.9.2015	Topi Ruuska named as the chairman of Wulff Group Plc's Group Executive Board
23.10.2015	Wulff Group Plc's specified long-term financial targets
5.11.2015	Wulff Group Plc's interim report for January 1 – September 30, 2015
23.12.2015	Wulff Group Plc's financial reporting and annual general meeting 2016

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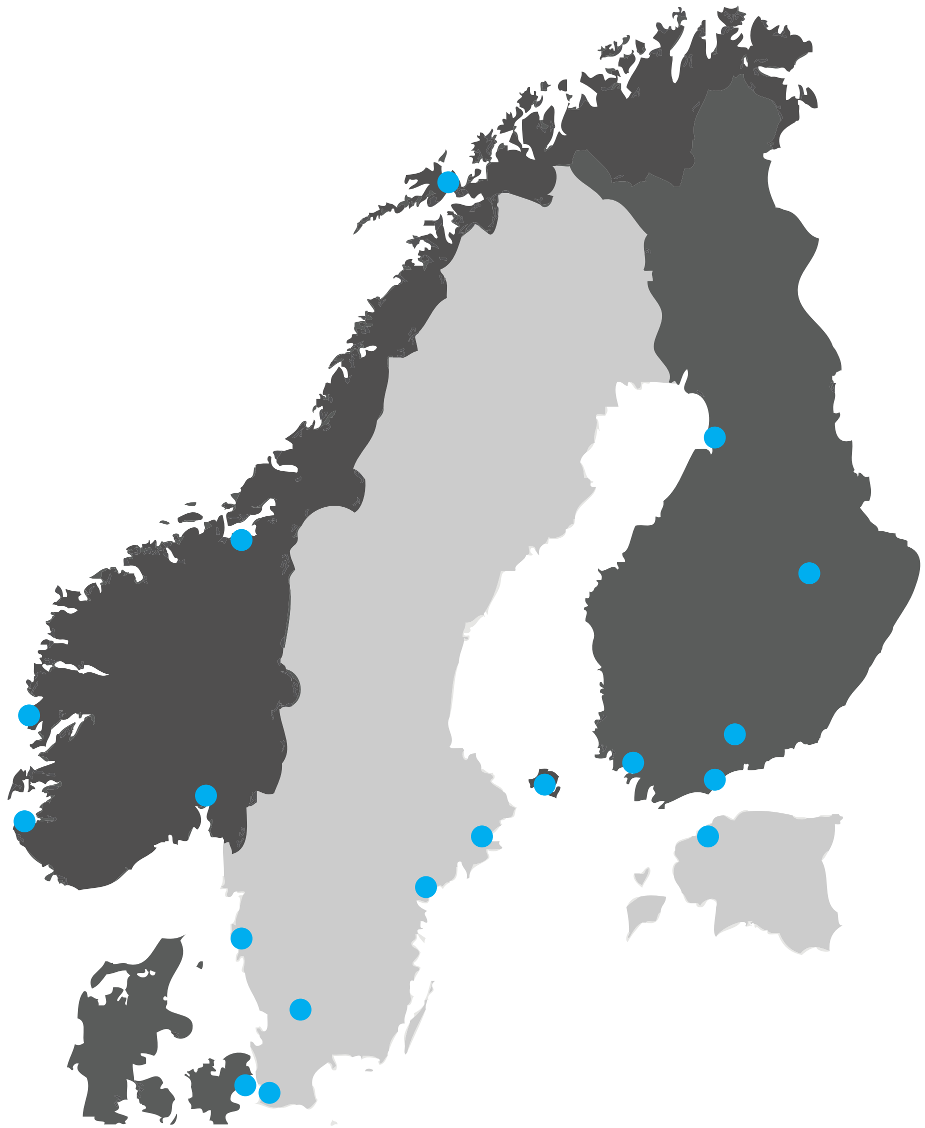

2015 WAS THE CELEBRATION OF 125 YEARS

Wulff celebrated its 125th anniversary on August 23, 2015! In honor of the historical, celebratory year, you can find Wulff's story decade by decade at: wulffinkulma.wordpress.com.

Wulff's long history is a success story. A conscientious and courteous employee, "a proper young man," Thomas Fredrik Wulff founded Wulff Oy Ab in 1890. In the 1890s, Thomas Wulff worked in his uncle's, Gustaf Wilhelm Edlund's publishing company and bookstore as a librarian. At Edlund's, the young man learned manners, ethics, and fortitude.

Thomas, however, wanted to find a new line of business, which would enable him to stand on his own two feet. In August 1890, Thomas Wulff opened his small stationery store in Fredrikinkatu Street. Since then the story of Wulff has been a success. This is illustrated by the fact that just nine months after Wulff Oy Ab was founded, the store had to move to a larger facility in Eerikinkatu Street. Paper trade went well and the store flourished. An indication of Thomas Wulff's good business skills took place seven years later when Wulff's flagship, a grand store, moved to a new address in Esplanadi 11. Because the store was located on the corner of Pohjois-Esplanadi and Mannerheimintie streets, it became known as "Wulff's corner". Even today, the corner is known by the same name among the people who experienced that era.

The company's management and ownership remained in the family from Thomas Wulff to his grandson Harry Fr. Wulff, who was the managing director until 1975. In 1987, Wulff Oy Ab's ownership changed when Sponsor Oy acquired the company and in 1992, the ownership changed to Mercantile Group. In 2002 Beltton Group Plc, the national market leader in office supplies, acquired Wulff Oy Ab.

Being a pioneer has always been important to Wulff. The Group's companies and the professionals who work there improve Wulff and its operations in cooperation with customers.

Following Thomas Wulff's example, Wulff is still managed like a dear family business today. It was always important for the Wulff family to serve their customers in the best possible way – and so it is even today for all of Wulff employees.

WULFF GROUP PLC

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