



Financial Statements Release Jan-Dec 2014

- The Tulikivi Group's fourth-quarter net sales totalled EUR 10.7 million (EUR 11.8 million Q4/2013), the operating result was EUR -0.2 (-1.8) million and the profit before taxes was EUR -0.6 (-2.0) million. The fourth-quarter operating result before non-recurring expenses was EUR 0.0 (0.5) million.

- Net sales in 2014 totalled EUR 39.3 million (EUR 43.7 million in Jan-Dec 2013), the operating result was EUR -2.4 million (-4.3) and the result before taxes was EUR -3.3 million (-5.3). The operating result in 2014 before non-recurring expenses was EUR -1.0 (-1.4) million.

- Net cash flow from operating activities during the financial year was EUR -2.1 (2.6) million.

- Year-end order books were at EUR 4.2 (4.4) million.

- Future outlook: Due to an uncertain market outlook, the company will not issue a net sales or profit outlook for the 2015 financial year.

Summary of the financial statement release 01-12/2014. The full financial statements release is attached to this release.

Key financial ratios

	1-12/ 2014	1-12/ 2013	Change, %	10-12/ 2014	10-12/ 2013	Change, %
Sales, MEUR	39.3	43.7	-10.1	10.7	11.8	-9.4
Operating profit/ loss, MEUR	-2.4	-4.3	42.7	-0.2	-1.8	87.7
Operating profit/loss before non-recurring expenses, MEUR	-1.0	-1.4	23.0	0.0	0.5	-103.7
Profit before tax, MEUR	-3.3	-5.3	37.7	-0.5	-2.0	76.6
Total comprehensive income for the period, MEUR	-2.6	-4.5	40.7	-0.4	-2.0	82.3
Earnings per share, Euro	-0.04	-0.11		0.00	-0.04	
Net cash flow from operating activities, MEUR	-2.1	2.6		2.7	2.4	
Equity ratio, %	39.0	38.1				
Net indebtedness ratio, %	89.8	59.3				
Return on investments, %	-5.4	-9.8		-0.2	-4.0	

Comments by Heikki Vauhkonen, Managing Director:

Demand for Tulikivi Corporation's products continued to decline in most of the principal markets and the market environment was challenging. As a result, net sales were lower than expected in the autumn. In the principal markets, net sales increased in Russia and Sweden during late autumn.

Europe's persistent recession has increased price competition. In the autumn, fireplace markets declined in Central Europe, especially in France and Germany. In France the government relaunched its programme to support energy-efficient construction, but the programme did not yet have a positive impact on demand in 2014.

In Finland demand for fireplaces and interior stone products was weak as a result of the low number of construction and renovation projects.

Of the new product groups, saunas achieved favourable net sales. Despite the challenging market, demand has also grown for design fireplaces and the new-generation Hiisi fireplace collection. The renewed ceramic collection has also been positively received.

The measures to cut fixed costs included in the performance improvement programme have been completed. The efficiency of soapstone and ceramic fireplace production has improved but price competition, low capacity utilisation and clearance sales of old products weakened profitability in the final quarter of the year.

Board of Directors

Distribution: NASDAQ OMX Helsinki

Key media

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Enclosure: Tulikivi Corporation's Financial Statements Release Jan-Dec 2014

Tulikivi comprises the Tulikivi Corporation, which is a listed family enterprise, and its subsidiaries. Tulikivi is the world's largest manufacturer of heat-retaining fireplaces. The company has three product groups: Fireplaces, Sauna and Interior. Tulikivi and its customers value wellbeing, interior design and the benefits of bioenergy. Tulikivi's net sales are approximately EUR 40 million, of which exports account for about half. Tulikivi employs approximately 300 people.