WULFF GROUP PLC’S HALF-YEAR FINANCIAL REPORT FOR JANUARY 1 – JUNE 30, 2018

Profitability of business operations increased

1.4. – 30.6.2018 BRIEFLY

- Net sales totalled EUR 13.8 million (13.5), growth of 1.7%
- EBITDA and comparable EBITDA were EUR 0.4 million (-0.2)
- Operating profit and comparable operating profit (EBIT) were EUR 0.3 million (-0.3)
- Earnings per share (EPS) and comparable earnings per share (EPS) were EUR 0.04 (-0.06)
- Equity-to-assets ratio was 46.3% (44,5)
- The outlook remains the same; Wulff estimates the comparable operating profit to grow in 2018

1.1. – 30.6.2018 BRIEFLY

- Net sales totalled EUR 28.0 million (28.9), decreased by -3.0%
- EBITDA and comparable EBITDA were EUR 0.8 million (0.1)
- Operating profit and comparable operating profit (EBIT) were EUR 0.6 million (-0.1)
- Earnings per share (EPS) and comparable earnings per share were EUR 0.06 (-0.5)

WULFF GROUP PLC’S CEO HEIKKI VIENOLA

“Wulff´s year has continued positively. We, as well as our clients and partners believe in our new strategy “We make the world better one workplace at a time”. We already have a lot of products and services in our range that are consistent with our new strategy. Today, companies are investing consistently and deliberately in workplace ergonomics, and work safety and wellbeing. For example, the domestic Termi ergonomic products constantly receive positive feedback from our customers. A lasting, well-made quality product is an eco-friendly act, and good ergonomics help to maintain occupational work capacity and reduce sick leaves. Improving profitability is important for us because offering a perfect workday for our customers requires investments in new developments and innovation. We are improving our operations and our traditional product range to be more effective. For example, we will extend the range of our exclusive, excellent price-quality ratio Q-Connect products according to our customers’ wishes. Companies can acquire all basic workplace products conveniently from us in future too: larger companies favour an outsourced solution with a specific, tailored range of products, and our handy webshop Wulffinkulma.fi serves companies of all sizes with a fast one-day delivery time.”

GROUP’S NET SALES AND RESULT PERFORMANCE

In January-June 2018 net sales totalled EUR 28.0 million (28.9), and in April-June EUR 13.8 million (13.5). Net sales decreased in the first half year period by 3.0% (-4.1) and increased by 1.7% (-7.3) in the second quarter. In January-June the net sales declined due to the seasonality of the international fair business. New customer acquisition did not fully cover the decline of net sales. The first quarter of the year has many fair events that are only arranged every other year, so there were less fair events in the first quarter of 2018 than compared to the previous year. The increase in net sales in the second quarter was mainly a result of fair events.

Due to IFRS 15 standard change, fair projects of partial revenue recognition from the last quarter 2017 are presented in the net sales for the first quarter of 2018 on the date of the fairs amounting to EUR 0.1 million, and EUR -0.1 in purchase transactions.

In January-June 2018 the gross margin amounted to EUR 9.8 million (9.7) being 35.0% (33.7) of the net sales, and EUR 4.9 million (4.5) in the second quarter being 35.3% (33.4) of the net sales. The gross margin percent grew due to increases in additional sales in fair projects and concentrating on improving the gross margin in all operations, companies and operating countries of the Group.

In January-June 2018 employee benefit expenses amounted to EUR 6.0 million (6.4) and 21.3% (22.0) of net sales, being at the same level as in the reference period, and respectively, in the second quarter EUR 3.0 million (3.1), 21.5% (23.2) of net sales. Other operating expenses amounted to EUR 3.1 million (3.4) in January-June 2018 being 11.1% (11.7) of net sales, and EUR 1.5 million (1.6) in the second quarter being 10.9% (11.8) of net sales. Due to the change in IFRS 9 Financial Instruments standard, a credit loss reserve of EUR -0.0 million was made in the first quarter of the financial year 2018. The implemented cost-saving measures had a positive effect on the operating profit.

In January-June 2018 EBITDA and comparable EBITDA amounted to EUR 0.8 million (0.1) being 2.9% (0.3) of net sales, and EUR 0.4 million (-0.2) in the second quarter, being 3.2% (-1.2) of net sales. The operating profit (EBIT) and the comparable EBIT amounted to EUR 0.6 million (-0.1) being 2.1% (-0.4) of net sales and EUR 0.3 million (-0.3) in the second quarter, being 2.4% (-1,9) of net sales. The first half-year periods of 2018 and 2017 did not include items affecting comparability.

In January-June 2018 the financial income and expenses totalled (net) EUR -0.2 million (-0.2) including interest expenses of EUR -0.0 million (-0.0) and mainly currency-related other financial items and bank expenses (net) EUR -0.1 million (-0.1). In the second quarter, the financial income and expenses totalled (net) EUR -0.0 million (-0.1).

In January-June 2018 the result before taxes was EUR 0.4 million (-0.3), and the net profit over the reporting period was EUR 0.4 million (-0.4) million. In the second quarter the result before taxes was EUR 0,3 million (-0,4) and the net profit was EUR 0.3 million (-0,4). Earnings per share (EPS) and comparable EPS were EUR 0.06 (-0.05) in January-June 2018, and EUR 0.04 (-0.06) in the second quarter.

CONTRACT CUSTOMERS SEGMENT

Wulff's Contract Customers Segment is the customer's expert partner in the field of workplace services and products as well as international fair services in Scandinavia.

In January-June 2018 the Contract Customers segment´s net sales totalled EUR 23.4 million (24.2), and EUR 11.5 million (11.3) in the second quarter. In January-June 2018 the operating profit (EBIT) was EUR 0.6 million (-0.0), and EUR 0.3 million (-0.1) in April-June. In January-June net sales declined particularly due to the seasonality of the international fair business. New customer acquisition did not fully cover the decline of net sales. The first quarter of the year has many fair events that are only arranged every other year, so there were less fair events in the first quarter of 2018 than compared to the previous year. The increase in net sales in the second quarter was mainly a result of fair events.

The implemented cost-saving actions improved the operating profit. It is important for Wulff to develop its services together with customers. In a rapidly changing world, it requires strong investments to be able to offer customers new and interesting products and services that are at the leading edge of development. Wulff's aim is to make its customers' and its own businesses as profitable as possible. That is why Wulff is continuously developing the cost-efficiency of its operations. Digitalisation, automatization, new working environments, and mobile work provide a chance for Wulff to grow in a new market. With new strategic projects such as Wulff Lab and Better Products, customers can innovate and develop new services, products and operations even better than before. Together with our customers and partners, we will discuss and develop new ideas with Bruce Oreck at Wulff Business Forum on October 4, 2018.

One of the most popular cost and time saving supply solutions in Finland is Wulff's MiniBar, and in Scandinavia, the Cabinet Service. These solutions can be found in hundreds of companies. The MiniBar and Cabinet Service work like their hotel namesakes. The automated refilling services house on their shelves ready-to-use office and IT supplies, catering and facility management products. The TOP3 products in Wulff's MiniBar service are coffee, ink cartridges and paper. In Finland, Wulff is the industry's strongest player and in Scandinavia, one of the top companies in the industry.

Wulff's open webshop Wulffinkulma.fi, geared towards small companies, serves customers diversely with a range of 4,000 products. The webshop is known for its fast and reliable deliveries and a product range that is much more diverse than what its traditional competitors are able to offer. The webshop, its services, its functionality, and marketing will be strongly developed in 2018.

International fair services are a part of Wulff's operations. In addition to Finland, Wulff Entre serves customers in Germany, Sweden, Norway, Russia and the United States. Additional growth is expected especially from the US market. Yearly, Wulff Entre exports Finnish know-how to over 30 countries. Wulff Entre is the market leader in Finland and there has been solid trust in Wulff Entre's ability to find the right international venues for over 90 years. As an international company, Wulff Entre will invest especially in the acquisition of new clientele, developing its operations in the US, and in a new way of marketing, web presence, and social media.

EXPERTISE SALES SEGMENT

The Expertise Sales segment makes everyday life at the workplace easier by offering the best workplace products and novelties in the market with the most professional, personal, and local service.

In January-June 2018 the Expertise Sales Segment's net sales totalled EUR 4.8 million (4.7), and EUR 2.4 million (2.2) in the second quarter. In January-June 2018 the operating profit was EUR 0.2 million (0.1), and EUR 0.1 million (0.0) in the second quarter. The growth of net sales was driven by the strong operations of the Expertise Sales organisation and the growth in the large format printing and transfer paper printing business that started in 2017. Also the growth in the sales of first aid products in Scandinavia increased the segment's net sales.

The Expertise Sales segment will continue improving its profitability by concentrating on profitable product and service fields, efficient cost management, and by continuously optimizing operational efficiency. The agile organisation is able to react quickly to changes in the market. Focusing on profitable product and service fields require investments in the development of the chosen product and service ranges.

Expertise Sales is a professional service that requires knowledge of the customer, the customer's business and operating environment, and it emphasises the importance of personal contact. Wulff stands out from the competition due to its locality and domesticity. The Expertise Sales segment offers customers novelties and favourites, and a broad range of workplace wellbeing and ergonomic products, and first aid and products improving work safety. Due to the aging workforce, Nordic companies are increasingly investing in ergonomics and first aid products for the workplace. Office work will continue to account for an ever-increasing part of all labour and that is why companies are also proactively investing in good workplace ergonomics. With good workplace ergonomics, it is possible to achieve significant savings due to diminution of sick leaves. The Expertise Sales segment offers personal service to its clients and the product concept is always tailored together with the customers to meet their needs. Expertise Sales actively brings solutions that make workdays better to the awareness of customers. One of the most important and current projects is bettering indoor air quality. Wulff offers its customers exclusively top quality AeraMax air purifiers among other products.

Wulff is known for being the workplace of successful salespeople. An increasing number of executive leaders and company managers have a background in sales, and there is growing appreciation of sales skills in our society today. Successful recruiting and the number of the sales personnel have a significant effect especially on the performance of the Expertise Sales. Wulff is looking for new talents to its Expertise Sales. 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 expertise. Wulff is looking to hire new, sales-minded future professionals to grow into experts in the field.

FINANCING, INVESTMENTS AND FINANCIAL POSITION

In January-June 2018 the cash flow from operating activities was EUR -0.7 million (-0.9). In this industry, it is typical that the result and cash flow are generated specially in the last quarter. Investments on fixed assets totalled EUR 0.3 million (0,1) in the first half-year period.

In April 2018 a dividend of EUR 0.3 million (0.7) was paid to the owners of the parent company.

Long-term loans were repaid in total of EUR 0.2 million (1,3) in January-June. No new long-term loans were withdrawn during 2018. In March 2017, the Group carried out a financial arrangement where the Group withdrew a new long-term loan of EUR 1.2 million and a loan of EUR 1.2 million was repaid. The repayment term of the new long-term loan extends almost six years longer than compared to the repaid loan. Short-term loans were withdrawn amounting to EUR 1.7 million (2.1). The cash flow of financing activities was EUR 1.2 million (1.4) in January-June 2018.

The Group's cash balance increased by EUR 0.2 million (0,3) in January-June. The Group's bank and cash funds totalled EUR 0.2 million (0,4) at the beginning of the year and EUR 0.5 million (0,7) at the end of the reporting period.

At the end of June 2018, the Group's equity-to-assets ratio was 46.3% (44.5). Equity attributable to the equity holders of the parent company was EUR 1.62 per share (1.62).

SHARES 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 1.56 (1.72) and the market capitalization of the outstanding shares totalled EUR 10.2 million (11.2).

In January-June 2018 no own shares were reacquired. At the end of June 2018, the Group held 79,000 (79,000) own shares representing 1.2% (1.2) of the total number and voting rights of Wulff shares.

DECISIONS OF THE ANNUAL GENERAL MEETING AND BOARD OF DIRECTORS

Wulff Group Plc's Annual General Meeting was held in Helsinki on Thursday April 5, 2018. The Annual General Meeting adopted the financial statements and discharged the members of the Board of Directors and CEO from liability for the financial period 1.1.-31.12.2017.

Dividend
The Annual General meeting decided to pay a dividend of EUR 0.05 per share for the financial year 2017, amounting to EUR 0.3 million. The record date was April 9, 2018 and the payment date was April 18, 2018.

Board of Directors
Kari Juutilainen, Ari Pikkarainen, Jussi Vienola and Kristina Vienola were elected as members of the Board. The organising meeting of the Board of Directors, held after the Annual General Meeting, decided that the Chairman of the Board is Ari Pikkarainen.

It was confirmed that the members of the Board of Directors will receive a monthly fee of EUR 1,250.

Auditors
BDO Oy, a company of Authorized Public Accountants, with Authorized Public Accountant Juha Selänne as the lead audit partner, was chosen as the auditor of Wulff Group Plc. The reimbursements to the Auditors are paid on the basis of reasonable invoicing.

Authorizing the Board of Directors to decide on the repurchase of the company's own shares
The Annual General Meeting authorised the Board of Directors to resolve on the acquisition of maximum 300,000 own shares. The authorization is effective until April 30, 2019. With the authorization received from Wulff Group Plc´s Annual General Meeting held 5.4.2018 the Board of Directors decided in its organising meeting to continue acquiring own shares.

Authorizing the Board of Directors to decide on a share issue and the special entitlement of the shares
The Annual General Meeting authorised the Board to decide on the issue of new shares, disposal of treasury shares and/or the issue of special rights, so that 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. The authorisation remains in force until April 30, 2019.

PERSONNEL

In January-June 2018 the Group's personnel totalled 192 (201) employees on average. At the end of June, the Group had 187 (199) employees of which 64 (72) persons were employed in Sweden, Norway or Denmark. The majority, 56% (58) of the Group's personnel works in sales operations and 44% (42) of the employees work in sales support, logistics and administration. 47% (51) of the personnel are women and 53% (49) are men.

RISKS AND UNCERTAINTIES IN THE NEAR FUTURE

The demand for workplace products and office supplies is strongly affected by the general economic development and the market's tight competition. Business operations are also affected by normal business risks such as the success of the Group's strategy and operative risks stemming from the personnel, logistics and IT environments. Approximately half of the Group's net sales come from other than euro-currency countries. Fluctuation of the currencies affects the Group's net result and balance sheet.

SUBSEQUENT EVENTS

In July 2018, Wulff Group Plc acquired a two percent share of the share capital of S Supplies Holding AB and owns 89% of the share capital of the company after the acquisition. The purchase price was EUR 44 thousand. The book value of S Supplies Holding AB's net assets was EUR 2.1 million without goodwill at the end of June 2018. The Group has not had any other significant subsequent events.

MARKET SITUATION AND FUTURE OUTLOOK

Wulff is the most significant Nordic player in its field. Wulff creates workplaces and its mission is to help corporate customers succeed in their own business by providing them with leading-edge products and services in a way best suitable to them. Wulff is prepared to carry out new strategic acquisitions and as a listed company, Wulff is in a good position to be a more active player than its competitors.

The developing economic situation will enable Wulff's business to develop positively. Wulff aims to further improve the profitability of its operations and it estimates the comparable operating profit to increase. In the industry, it is typical that the result and cash flow are generated specially in the last quarter.

WULFF GROUP PLC'S FINANCIAL REPORTING

Wulff Group Plc will release the following financial report in 2018:

Interim Report, January-September 2018	Thursday November 1, 2018

In Vantaa on August 2, 2018

WULFF GROUP PLC
BOARD OF DIRECTORS

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A better world – one workplace at a time. Wulff's goal is a perfect workday! We enable better working environments and create workplaces, wherever you are. More comfortable, healthier, safer, more enjoyable, more active and more diverse? How do you want to better you workday and working environment? Wulff has the solution. We offer our customers office supplies, facility management products, catering solutions, IT supplies, ergonomics, first aid, air purifiers, and innovative products for worksites. Customers can also acquire international exhibition services from Wulff. In addition to Finland, Wulff operates in Sweden, Norway, and Denmark. Check out our products and services at wulff.fi.

HALF-YEAR FINANCIAL REPORT, TABLE PART 1.1. - 30.6.2018

The information presented in the report has not been audited.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (IFRS)	II	II	I-II	I-II	I-IV
EUR 1000	2018	2017	2018	2017	2017
Net sales	**13 754**	**13 530**	**28 010**	**28 862**	**56 931**
Other operating income	50	38	75	77	133
Materials and services	-8 901	-9 005	-18 209	-19 124	-37 692
Employee benefit expenses	-2 960	-3 133	-5 967	-6 361	-12 237
Other operating expenses*	-1 506	-1 597	-3 106	-3 381	-6 675
EBITDA*	**436**	**-167**	**804**	**72**	**461**
Depreciation and amortization	-101	-97	-204	-194	-387
Operating profit/loss	**336**	**-263**	**600**	**-122**	**74**
Financial income	6	7	9	14	33
Financial expenses	-45	-111	-165	-175	-353
Profit/Loss before taxes	**297**	**-368**	**444**	**-283**	**-247**
Income taxes	-30	-57	-40	-85	19
Net profit/loss for the period	**267**	**-425**	**404**	**-367**	**-228**
Attributable to:					
Equity holders of the parent company	248	-395	379	-345	-193
Non-controlling interest	19	-30	24	-22	-35
Earnings per share for profit attributable to					
the equity holders of the parent company:					
Earnings per share, EUR					
(diluted = non-diluted)	0,04	-0,06	0,06	-0,05	-0,03
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IFRS)					
EUR 1000					
Net profit/loss for the period	**267**	**-425**	**404**	**-367**	**-228**
Other comprehensive income which may be reclassified to profit or loss subsequently (net of tax)					
Change in translation differences	-24	-37	-104	-34	-83
Total other comprehensive income	**-24**	**-37**	**-104**	**-34**	**-83**
Total comprehensive income for the period	**243**	**-462**	**299**	**-402**	**-311**
Total comprehensive income attributable to:					
Equity holders of the parent company	227	-469	290	-416	-264
Non-controlling interest	16	7	9	15	-47

* The presentation of the Consolidated Statement of Income has been changed in the first quarter of 2018 in such a way that bank expenses have been classified as financial expenses instead of other operating expenses. The comparison period of 2017 in the Consolidated Statement of Income has been adjusted to correspond to the new reporting principle: EUR 0.0 million has been reclassified from other operating expenses to financial expenses in Q2, EUR 0.1 million in the half year period and EUR 0.1 million in 2017.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (IFRS) EUR 1000	June 30, 2018	June 30, 2017	December 31, 2017
ASSETS			
Non-current assets			
Goodwill	6 706	6 835	6 801
Other intangible assets	348	395	416
Property, plant and equipment	603	453	499
Non-current financial assets			
Interest-bearing financial assets	-	35	-
Non-interest-bearing financial assets	105	57	105
Deferred tax assets	1 288	1 166	1 277
Total non-current assets	**9 050**	**8 940**	**9 099**
Current assets			
Inventories	7 037	7 510	6 959
Current receivables			
Interest-bearing receivables	21	13	11
Non-interest-bearing receivables	8 603	9 396	8 652
Cash and cash equivalents	429	718	213
Total current assets	**16 090**	**17 637**	**15 834**
TOTAL ASSETS	**25 140**	**26 577**	**24 933**
EQUITY AND LIABILITIES			
Equity			
Equity attributable to the equity holders of the parent company:			
Share capital	2 650	2 650	2 650
Share premium fund	7 662	7 662	7 662
Invested unrestricted equity fund	223	223	223
Retained earnings	70	12	167
Non-controlling interest	383	452	374
Total equity	**10 989**	**10 999**	**11 076**
Non-current liabilities			
Interest-bearing liabilities	1 390	1 982	1 677
Deferred tax liabilities	45	46	73
Total non-current liabilities	**1 435**	**2 028**	**1 750**
Current liabilities			
Interest-bearing liabilities	2 532	2 870	736
Non-interest-bearing liabilities	10 184	10 680	11 371
Total current liabilities	**12 716**	**13 550**	**12 107**
TOTAL EQUITY AND LIABILITIES	**25 140**	**26 577**	**24 933**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (IFRS)	I-II	I-II	I-IV
EUR 1000	2018	2017	2017
Cash flow from operating activities:			
Cash received from sales	28 071	28 076	56 908
Cash received from other operating income	75	79	133
Cash paid for operating expenses	-28 752	-28 913	-55 549
Cash flow from operating activities before financial items and income taxes	**-607**	**-759**	**1 492**
Interest paid	-40	-43	-92
Interest received	9	13	33
Income taxes paid	-69	-70	-44
Net cash flow from operating activities	**-707**	**-858**	**1 389**
Cash flow from investing activities:			
Investments in intangible and tangible assets	-251	-135	-429
Proceeds from sales of intangible and tangible assets	-	-	17
Other non-current financial assets	-	-	-12
Net cash flow from investing activities	**-251**	**-135**	**-424**
Cash flow from financing activities:			
Dividends paid	-326	-653	-667
Payment for the partial interest in a subsidiary that does not involve loss of control	-	-48	-48
Repayments of finance lease liabilities	-33	-31	-64
Withdrawals and repayments of short-term loans	1 778	2 120	-48
Withdrawals of long-term loans	-	1 200	1 200
Repayments of long-term loans	-237	-1 271	-1 508
Net cash flow from financing activities	**1 182**	**1 316**	**-1 136**
Change in cash and cash equivalents	**224**	**323**	**-171**
Cash and cash equivalents at the beginning of the period	213	419	419
Translation difference of cash	-8	-24	-35
Cash and cash equivalents at the end of the period	429	718	213

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

1000 EUR	Equity attributable to equity holders of the parent company								
	Share capital	Share premium fund	Fund for invested non-restricted equity	Own shares	Translation differences	Retained earnings	**Total**	Non-controlling interest	**TOTAL**
Equity on January 1, 2018	**2 650**	**7 662**	**223**	**-260**	**-508**	**935**	**10 702**	**374**	**11 076**
IFRS 15 adjustment 1.1.2018 to retained earnings						-61	**-61**	**-**	**-61**
Adjusted equity on Jan 1, 2018	**2650**	**7662**	**223**	**-260**	**-508**	**874**	**10642**	**374**	**11016**
Effect of the IFRS 15 standard change on the year-end result for 2018						61	**61**	**-**	**61**
Net profit / loss for the period						318	**318**	24	**342**
Net profit / loss for the period TOTAL						**379**	**379**	**24**	**404**
Other comprehensive income (net of taxes):									
Change in translation difference					-90		**-90**	-15	**-104**
Comprehensive income (net of taxes)					**-90**	**379**	**290**	**9**	**299**
Dividends paid						-326	-326	-	-326
Equity on June 30, 2018	**2 650**	**7 662**	**223**	**-260**	**-597**	**927**	**10 605**	**383**	**10 988**
Equity on January 1, 2017	**2 650**	**7 662**	**223**	**-260**	**-436**	**1 781**	**11 619**	**483**	**12 102**
Net profit / loss for the period						-345	**-345**	-22	-367
Other comprehensive income (net of taxes):									
Change in translation difference					-71		**-71**	37	**-34**
Comprehensive income (net of taxes)					**-71**	**-345**	**-416**	**15**	**-402**
Dividends paid						-653	**-653**		**-653**
Changes in NCI which did not lead to loss of control								-48	**-48**
Equity on June 30, 2017	**2 650**	**7 662**	**223**	**-260**	**-507**	**783**	**10 550**	**452**	**10 999**

NOTES TO THE CONSOLIDATED HALF-YEAR FINANCIAL REPORT

1. BASIS OF PREPARATION

This financial report has been prepared in accordance with IAS 34 Interim Financial Reporting. The accounting principles used in the preparation of this report are consistent with those used in the 2017 financial statements, taking into account the IFRS standard changes adopted as on Jan 1, 2018. The IFRS 15 Revenue from Contracts with Customers standard replaced previous IAS 18 and IAS 11 -standards and related interpretations. Due to the IFRS 15 standard adoption from Jan 1, 2018 onwards, the revenue of fair projects will be recognized at the time of fairs, and partial revenue recognition is no longer applied. Due to the IFRS 15 standard adoption, fair projects of partial revenue recognition from the last quarter 2017 are presented in the net sales for the first quarter 2018 on the date of the fairs amounting to EUR 0.1 million, and -0.1 million in purchase transactions. A corresponding adjustment has been made in retained earnings in the shareholders equity. Due to the adoption of the IFRS 9 Financial Instruments standard, credit loss provision was increased by 0.0 million in the first quarter. Other standard changes that have come into effect on Jan 1, 2018 have not had material impact on the financial statements. The changes have been described in the 2017 IFRS Consolidated Financial Statements. No standard changes and interpretations that have not been in effect at the end of reporting period have been used in the preparation of this half-year financial report.

The Group complies with the Guidelines on Alternative Performance Measures (APM) issued by the European Securities and Markets Authority (ESMA) in its statutory reporting. These alternative performance measures, such as the gross margin, comparable EBITDA and comparable operating profit, are used to present the underlying business performance and to enhance comparability between financial periods. The comparable EBITDA and comparable operating profit do not include items affecting comparability. These are items that are not included in normal business activities, such as profits from sales of car stock, profits from sales of subsidiaries, and write-downs of goodwill. The Alternative Performance Measures should not be taken as substitutes for the standards presented in the Generally Accepted Accounting Principles for IFRS.

The formulation of the half-year period report using IFRS principles requires the management to make estimates and assumptions when preparing financial reports. 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.

All figures are presented as thousands of euros and have been rounded to the nearest thousand euros.

In July 2018, Wulff Group Plc acquired a two percent share of the share capital of S Supplies Holding AB and owns 89% of the share capital of the company after the acquisition. The purchase price was EUR 44 thousand. The book value of S Supplies Holding AB's net assets was EUR 2.1 million without goodwill at the end of June 2018. The Group has not had any other significant subsequent events.

No other material issues have come to the attention of the Group´s management in addition to the information given in this financial report.

The information presented in the half-year financial report has not been audited.

2. CHANGES IN GROUP STRUCTURE

Changes in the shares of minority shareholders

In January-June 2018 there were no changes in shares of non-controlling interest. In April 2017, the Group acquired 2% of share capital of S Supplies Holding AB, and now the Group owns 87% of the company's shares. The share price was EUR 48 thousand. S Supplies Holding AB's net assets were EUR 2.399 thousand (without goodwill). As a result of the acquisition, the non-controlling interest decreased by EUR 48 thousand.

3. SEGMENT INFORMATION

	II	II	I-II	I-II	I-IV
EUR 1000	2018	2017	2018	2017	2017
Net sales by operating segments					
Contract Customers Segment	11 501	11 332	23 419	24 160	47 728
Expertise Sales Segment	2 366	2 211	4 790	4 730	9 257
Group Services	100	81	199	161	327
Intersegment eliminations	-214	-94	-398	-189	-381
TOTAL NET SALES	**13 754**	**13 530**	**28 010**	**28 862**	**56 931**
Operating profit/loss by segments*					
Contract Customers Segment	347	-133	564	-12	571
Direct Sales Segment	53	39	190	149	119
Group Services and non-allocated items	-64	-169	-154	-260	-616
TOTAL OPERATING PROFIT/LOSS	**336**	**-263**	**600**	**-122**	**74**

* The presentation of the Consolidated Statement of Income has been changed in the first quarter of 2018 in such a way that bank expenses have been classified as financial expenses instead of other operating expenses. The periodic segment information of the Consolidated Statement 2017 has been adjusted to correspond to the new reporting principle: in the Contract Customer segment EUR 0.0 million has been reclassified from other operating expenses to financial expenses in Q2, EUR 0.0 million for the half-year period and EUR 0.1. million for 2017. And in the Expertise Sales segment EUR 0.0 million in Q2, EUR 0.0. million for the half-year period and EUR 0.0 million for 2017.

4. KEY FIGURES

	II	II	I-II	I-II	I-IV
EUR 1000	2018	2017	2018	2017	2017
Net sales	13 754	13 530	28 010	28 862	56 931
Change in net sales, %	1.7%	-7.3%	-3.0%	-4.1%	-4.0%
EBITDA*	436	-167	804	72	461
EBITDA margin, %	3.2%	-1.2%	2.9%	0.3%	0.8%
Operating profit/loss	336	-263	600	-122	74
Operating profit/loss margin, %	2.4%	-1.9%	2.1%	-0.4%	0.1%
Profit/Loss before taxes	297	-368	444	-283	-247
Profit/Loss before taxes margin, %	2.2%	-2.7%	1.6%	-1.0%	-0.4%
Net profit/loss for the period attributable to equity holders of the parent company	248	-395	379	-345	-193
Net profit/loss for the period, %	1.8%	-2.9%	1.4%	-1.2%	-0.3%
Earnings per share, EUR (diluted = non-diluted)	0.04	-0.06	0.06	-0.05	-0.03
Return on equity (ROE), %	2.4%	-3.7%	3.7%	-3.2%	-2.0%
Return on investment (ROI), %	2.2%	2,2%	3.4%	-1.6%	-1.1%
Equity-to-assets ratio at the end of period, %	46.3%	44.5%	46.3%	44.5%	47.0%
Debt-to-equity ratio at the end of period	31.6%	37.2%	31.6%	37.2%	19.8%
Equity per share at the end of period, EUR **	1,62	1,62	1,62	1,62	1,64
Investments in non-current assets	58	179	251	317	429
Investments in non-current assets, % of net sales	0.4%	1.3%	0.9%	1.1%	0.8%
Treasury shares held by the Group at the end of period	79 000	79 000%	79 000	79 000	79 000
Treasury shares, % of total share capital and votes	1.2%	1.2%	1.2%	1.2%	1.2%
Number of total issued shares at the end of period	6 607 628	6 607 628	6 607 628	6 607 628	6 607 628
Personnel on average during the period	190	197	192	201	198
Personnel at the end of period	187	199	187	199	195

* The presentation of the Consolidated Statement of Income has been changed in the first quarter of 2018 in such a way that all bank expenses have been classified as financial expenses. The comparison period 2017 has been adjusted according to the new reporting principle: bank expenses have been reclassified from other operating expenses to financial expenses impacting the EBITDA and operating profit by EUR 0.0 million in Q2, EUR 0.1 million for the half-year period and EUR 0.1 million for 2017. In 2017, the impact on the EBITDA margin-% was +0.2% in Q2 and on the operating profit/loss margin-% +0.3%. The impact on the EBITDA margin-% and operating profit/loss margin-% was +0.2% in the half-year period and in the whole financial year.

** Equity attributable to the equity holders of the parent company / Number of shares excluding the acquired own shares

CALCULATION OF KEY FIGURES

Gross profit	Net sales – Materials and services
Gross profit-%	(Net sales – Material and services) / Net sales x 100
EBITDA	Operating profit before interest, taxes, depreciation, and amortization
EBITDA-%	Operating profit before interest, taxes, depreciation, and amortization / Net sales x 100
Operating margin, EBIT-%	Operating profit / Net sales x 100
Return on Equity (ROE), %	Net profit/loss for the period (total including the non-controlling interest of the result) x 100 / Shareholders' equity total on average during the period (including non-controlling interest)
Return on Investment (ROI), %	(Profit/loss before taxes + Interest expenses) x 100 / Balance sheet total - Non-interest-bearing liabilities on average during the period
Equity-to-assets, %	(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 (without own shares)
Equity per share, EUR	Equity attributable to equity holders of the parent company at the end of the period / Share issue-adjusted number of outstanding shares at the end of period (without own shares)