

Operating result turned positive and net cash provided by operating activities improved.

January-June

- The Neo Industrial Group's turnover was EUR 42.0 million ( 45.5 million)
- Its operating result was EUR 0.6 million (-0.7 million). Operating result of January-June 2013 include one-time gain of EUR 0.4 million of the sale of the Group's operations in Russia.
- The Cable segment's operating result was EUR 1.3 million (0,3 million).
- The Group's result for the period was EUR -0,6 million (0,2 million).

MANAGING DIRECTOR JARI SALO:

During the review period the volumes in Cable segment's main markets in the Nordic countries were slightly increased compared to the corresponding period of the previous year. However the Cable segment's turnover for the first half of 2014 was lower than for the corresponding period of the previous year. The decrease is mainly due Russia and the Baltic countries, where the sales volumes have been lower than previous year. The comparable figures 2013 include EUR 2.8 million turnover of the Russian cable manufacturing companies sold in spring 2013. Taken that into the consideration the decrease of turnover was EUR 0.7 million.

The Cable segment's operating result improved by EUR 1.0 million to the comparable figures 2013 and the Neo Industrial Group's operating result turned positive. The improvement of result was due to favourable product assortment, assertion of production and gained cost savings.

During the review period the financial income was EUR 1.3 million smaller than during the corresponding period last year. During January - June 2013 the financial income consisted mainly of valuation of open hedges. In addition to that there was deferred tax income during the corresponding period last year. The result for the period was EUR -0.6 million (0.2).

Cable segment has strong seasonal fluctuations. The high season is during spring, summer and autumn months. During the high season the usage of factoring financing and seasonal funding is at highest and also the stock levels are in the high level. Equity ratio June 30 2014 was lower than 31 December 2013 and 30 June 2013 showing the capital employed impact of high season and the effect of the result for the period.

The financial negotiations of the Cable segment were finalised and new financing agreement was signed in the beginning of the year. With this arrangement the Cable segment replaced previous short term loans with long term loans and at the same time enabled a working capital increase with EUR 2 million. The arrangement supports positively the Cables operations in the market place. However, the liquidity and funding are still paid special attention by the Group and Neo Industrial actively negotiates financing and payment terms.

#### KEY FIGURES

	1-6/2014	1-6/2013	1-12/2013
Turnover (EUR million)	42.0	45.5	83.0
Operating result (EUR million)	0.6	-0.7	-1.0
Result for the period (EUR million)	-0.6	0.2	-1.2
Earnings per share, EUR	-0.11	0.04	-0.20
ROI, %	2.2 %	2.1 %	1.7 %
Equity ratio, %	11.0 %	13.8 %	15.8 %

#### TURNOVER AND OPERATING RESULT

Turnover of the Neo Industrial Group consisted of the Cable segment's turnover, totalling EUR 42.0 million (45.5 million).

The Group's operating result was EUR 0.6 million (-0.7 million). The comparable figures 2013 included a preliminary one-time gain of EUR 0.4 million of the sale of the Group's operations in Russia.

The Group's result for the period was EUR -0.6 million (0.2 million). During the review period the financial income was EUR 1.3 million smaller than during the corresponding period last year. During January - June 2013 the financial income consisted mainly of valuation of open hedges. In addition to that there was deferred tax income during the corresponding period last year.

## BALANCE SHEET AND FINANCING

The financial negotiations of the Cable segment were finalized and new long-term financing agreement was signed in March. With this arrangement the Cable segment replaced previous short-term loans with long-term loans and at the same time enabled a working capital increase with EUR 2 million. Terms of the financing agreement include financial covenants for Cable segment. In addition, the use and distribution of the funds requires consent from the financier.

Of Reka Cables' factoring credit facility of EUR 18.0 million (18.0 million on 31 December 2013), EUR 14.0 million (6.6 million on 31 December 2013) was in use on 30 June 2014. The revolving bank credit of EUR 6.5 million Reka Cables earlier had was turned as a long-term debt as a part of the financial arrangements made in March 2014.

The action initiated in April 2013 by the bankruptcy estate of Kuitu Finland against Neo Industrial Plc regarding the personal guarantee on the purchase of the mill real estate of Neo Industrial's subsequently bankrupted Ailon Fibres Ltd as non-current compensation was dismissed by the District Court of Pirkanmaa on 17 March 2014. The guaranteed debt of EUR 5 million as well as building cost index is due for payment within 25 years as stated in the original agreement made in 2010. The bankruptcy estate of Kuitu Finland did not file a letter of complaint by the closing date. Thereby the decision of District Court of Pirkanmaa is final and legally valid. The decision of the District Court is in accordance with Neo Industrial's interpretation and has thus no effect on balance sheet values.

At the end of the review period, the balance sheet total stood at EUR 61.9 million ( 63.8 million). On 31 December 2013, the balance sheet totalled EUR 47.2 million.

## SEGMENTS

### Cable

	<b>1-6/2014</b>	<b>1-6/2013</b>	<b>Change</b>
Turnover (EUR million)	42.0	45.5	-7.7 %
Operating result (EUR million)	1.3	0.3	318.2 %

The turnover for the review period was EUR 42.0 million (45.5 million). The comparable figures 2013 include EUR 2.8 million turnover of the Russian cable manufacturing companies sold in spring 2013.

During the review period the volumes in Cable segment's main markets in the Nordic countries were as a whole slightly increased compared to the corresponding period of the previous year. However, there were regional differences. Specially in Russia and also in the Baltic countries the sales volumes were clearly lower than in the corresponding period in previous year.

The raw material prices of aluminium increased and copper decreased slightly during the review period. The world market prices of plastics decreased a little.

The negotiations relating to the breakdown at Reka Cables' Keuruu plant in 2011 were closed with the insurance company in February 2014. The compensation was on a par with the estimation recognised in the financial statements in 2011, EUR 0.8 million.

The financial negotiations of the Cable segment were finalized and new long-term financing agreement was signed in March. With this arrangement the Cable segment replaced previous short term loans with long term loans and at the same time enabled a working capital increase with EUR 2 million.

The Cable segment's operating result was EUR 1.3 million (0.3 million).

The turnover of Nestor Cables Ltd, an associated company, was EUR 15.4 million (13.9 million). The operating result was positive and bigger than in the corresponding period in the previous year. Due to the cumulative result

of the previous years the value of the shares of Nestor Cables is zero in the consolidated financial statements, and the consolidated figures for 2014 do not include its share of the result.

## INVESTMENTS

Investments in the review period totalled EUR 0.2 million (1.0 million), of which the Cable segment represented EUR 0.2 million (1.0 million).

## PERSONNEL

In January-June 2014, the Group employed an average of 238 (299) people. At the end of the review period, the personnel of the Group was 245 employees (257), of which 242 (244) represented the Cable segment.

## ANNUAL GENERAL MEETING

Neo Industrial's Annual General Meeting (AGM) was held in Hyvinkää on 3 April 2014.

The AGM approved the 2013 financial statements and discharged the Board of Directors and CEO from liability for the year 2013. The AGM approved the Board's proposal that no dividends be paid for 2013.

The AGM confirmed the remuneration and cost compensation principles for Board members and auditors. The AGM decided that approximately 40 per cent of the annual remunerations and bonuses of the Board members will be paid with the shares of the company.

The AGM approved the proposal that the number of members of the Board shall be five (5) and nominated the following persons be elected to the Board: Markku E. Rentto, chairman; Jukka Koskinen, deputy chairman and Matti Lainema, Taisto Riski and Raimo Valo as members of the Board. No deputy members were elected.

The AGM approved the proposal that Authorized Public Accountants KPMG Ltd, with Authorized Public Accountant Lasse Holopainen as responsible auditor, be elected as the auditor of the company for a term that expires at the end of the AGM of 2015.

The AGM approved the Board's proposal that it be authorized to decide on acquisition of the company's own shares by using the assets from the company's distributable funds so that the maximum number of class B shares to be acquired is 588,076. The proposed amount corresponds to approximately 9.77 per cent of all the shares in company and in total ten percent of the company's class B shares.

The shares will be acquired through public trading arranged by NASDAQ OMX Helsinki in accordance with its rules, and the consideration to be paid for the shares to be acquired must be based on market price. The company may acquire B class shares directly from a shareholder other than its major owner, by entering into a contractual trade, provided that the number of class B shares to be acquired via contractual trade is at least 15,000 and that the consideration to be paid for the shares is equal to the prevailing market price in NASDAQ OMX Helsinki at the time of the acquisition. When carrying out the acquisition of the company's own shares, derivatives, share lending and other contracts customary to the capital markets may be entered into within the limits set by law and regulations.

The authorization entitles the Board to decide on the acquisition in a proportion other than that of the shares held by the shareholders (directed acquisition).

The Board is entitled to decide on all other matters pertaining to the acquisition of the company's own shares.

The authorization remains in force until the next AGM.

## SHARES AND SHARE CAPITAL

Neo Industrial Plc's share capital is divided into A and B shares. On 30 June 2014, its total share capital was EUR 24,082,000 and the number of shares was 6,020,360. The total number of shares includes 91,727 shares held by Neo Industrial. The holding represents 1.5 % of the company's share capital and 1.1 % of the votes. The company held no A shares. Neo Industrial Plc's B shares (NEO1V) are listed on the main list of NASDAQ OMX Helsinki.

<b>Company shares</b>	<b>30/6/2014</b>	<b>30/6/2013</b>
Company share capital (EUR)	24,082,000	24,082,000
A shares (20 votes per share)	139,600	139,600
B shares (1 vote per share)	5,880,760	5,880,760
Total	6,020,360	6,020,360
B shares held by the company	91,727	91,727

On January-June 2014, a total of 207,383 (255,563) of Neo Industrial Plc's B shares were traded on NASDAQ OMX Helsinki, representing 3.5 % (4.2 %) of the total number of shares. At the end of trading on 30 June 2014, the share price was EUR 0.65 (0.89), and the average share price for the review period was EUR 0.73 (1.04). The lowest quotation in January-June was EUR 0.61 euroa (0.50), with the highest being EUR 0.86 (1.90). The company's market capitalisation was valued at EUR 3.9 million (5.3 million) on 30 June 2014.

#### ACQUISITION OF OWN SHARES

Neo Industrial did not exercise its authorisation to acquire the company's own shares.

#### GROUP STRUCTURE AND SHAREHOLDERS

Neo Industrial Plc is the parent company of the Group, which includes the Neo Industrial wholly owned subsidiaries Novalis Plc and Alnus Ltd and their subsidiaries and associated companies. Neo Industrial Plc is domiciled in Hyvinkää.

At the end of the review period, Neo Industrial had 11,782 shareholders (12,107). The largest shareholder, Reka Ltd, held 50.76 % of the shares and 65.77 % of the votes. Neo Industrial Plc is therefore part of the Reka Group. Reka Ltd is domiciled in Juupajoki.

At the end of June 2014, the combined holding of the ten largest shareholders was 59.97 % of the shares and 72.17 % of the votes. The members of the Board, the Managing Director and the CFO directly owned and controlled a total of 2,981,674 (2,967,173) of Neo Industrial's B shares on 30 June 2014.

#### RISKS AND UNCERTAINTY FACTORS

Neo Industrial's financial risks include currency, interest rate, commodity, liquidity, credit and investment market risks. Financial risks and the related protection measures are described in more detail in the notes to the latest financial statements. The company's future risk factors are related to the business development of its portfolio companies. The uncertainty of the global economy and financial market poses a risk to the financial arrangements of the Group.

Neo Industrial's liquidity situation is tight. To assure liquidity, company intensifies the working capital management and negotiates adjustments to payment terms and agreements.

In the Cable segment, the most significant risks are related to market development, fluctuations of raw material prices and currencies as well as working capital management in various situations. During considerable seasonal changes, suppliers' terms of payment effect significantly on the ability to ensure competitive delivery times through sufficient inventories.

#### MAJOR EVENTS AFTER THE REVIEW PERIOD

There has been no major events after the review period.

## NEAR-TERM OUTLOOK

The Cable segment weakened during 2013. On the horizon, construction is not picking up in Finland or in Sweden yet, but at least some delayed projects are believed to materialize in 2014. Additionally, grid companies have increased their ground cabling projects to ensure better distribution reliability. It is expected that the turnover of the Cable segment increase from 2013 and that the operating result is positive.

The company will continue to pay special attention to liquidity and funding for growth. In addition to negotiations on financing and payment terms, the measures for boosting inventory turnover and freeing up capital assets are taken into action.

Hyvinkää 31 July 2014

Neo Industrial Plc  
Board of Directors

### Further information:

Jari Salo, Managing Director, tel.+358 20 720 9196

Sari Tulander, CFO, tel. +358 20 720 9192

CONSOLIDATED INCOME STATEMENT (IFRS)

EUR 1,000	1/1-30/6/2014	1/1-30/6/2013	1/1-31/12/2013
<b>Turnover</b>	<b>42,006</b>	<b>45,478</b>	<b>83,032</b>
Change in inventories of finished products and production in progress	4,024	2,161	-1,039
Production for own use	9	28	35
Other operating income	184	554	1,310
Materials and services	-32,772	-34,293	-57,562
Personnel expenses	-7,065	-7,415	-13,237
Depreciation and impairment	-900	-1,559	-2,918
Other operating expenses	-4,868	-5,610	-10,627
	<b>-41,387</b>	<b>-46,134</b>	<b>-84,038</b>
<b>Operating result</b>	<b>618</b>	<b>-656</b>	<b>-1,006</b>
Financial income	213	1,582	1,698
Financial expenses	-1,221	-972	-2,440
		0	0
<b>Result before taxes</b>	<b>-389</b>	<b>-46</b>	<b>-1,748</b>
Taxes	-234	242	567
<b>Result for the period</b>	<b>-624</b>	<b>196</b>	<b>-1,181</b>
<b>Profit or loss attributable to</b>			
Shareholders of the parent	-624	214	-1,163
Non-controlling interests	0	-18	-18
	-624	196	-1,181
Earnings per share attributable to the shareholders of the parent before and after dilution, EUR	-0.11	0.04	-0.20
Number of shares	5,928,633	5,928,633	5,928,633
<b>CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IFRS)</b>			
<b>Result</b>	<b>-624</b>	<b>196</b>	<b>-1,181</b>
<b>Other comprehensive items that may be subsequently reclassified to statement of income</b>			
Translation differences related to foreign units	-12	6	2
Translation differences recognised in result	0	1,495	1,495
Total	-12	1,501	1,497
<b>Total comprehensive income</b>	<b>-636</b>	<b>1,697</b>	<b>316</b>
<b>Total comprehensive income attributable to</b>			
Shareholders of the parent	-636	1,714	334
Non-controlling interests	0	-18	-18
	-636	1,697	316

CONSOLIDATED BALANCE SHEET (IFRS)

EUR 1,000	30/6/2014	31/12/2013
<b>ASSETS</b>		
<b>Non-current assets</b>		
Goodwill	3,252	3,252
Other intangible assets	1,481	1,806
Tangible assets	11,912	12,281
Receivables	283	444
Deferred tax assets	2,171	2,368
<b>Total non-current assets</b>	<b>19,099</b>	<b>20,152</b>
<b>Current assets</b>		
Inventories	17,830	12,913
Sales receivables and other receivables	22,873	12,920
Derivative contracts	0	17
Cash and cash equivalents	2,124	1,224
<b>Total current assets</b>	<b>42,827</b>	<b>27,075</b>
<b>Total Assets</b>	<b>61,926</b>	<b>47,227</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
<b>Shareholder's equity</b>		
Share capital	24,082	24,082
Premium fund	66	66
Reserve fund	1,221	1,221
Own shares	-591	-591
Translation differences	-18	-6
Retained profit	-39,266	-38,644
Other unrestricted equity	21,328	21,328
<b>Equity attributable to shareholders of the parent</b>	<b>6,822</b>	<b>7,456</b>
Non-controlling interests	0	0
<b>Total shareholders' equity</b>	<b>6,822</b>	<b>7,456</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	1,360	1,374
Provisions	3,160	3,132
Financial liabilities	18,046	8,109
Other liabilities	6	6
Derivative contracts	149	320
<b>Current liabilities</b>		
Tax liabilities from the profit	28	45
Provisions	200	200
Financial liabilities	16,859	18,413
Accounts payable and other liabilities	15,295	8,171
<b>Total liabilities</b>	<b>55,104</b>	<b>39,771</b>
<b>Shareholders' equity and liabilities</b>	<b>61,926</b>	<b>47,227</b>

## CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (IFRS)

EUR 1,000	A	B	C	D	E	F	G	H	I	J
Shareholders' equity 31/12/2012	24,082	66	1,221	-591	-1,503	21,328	-35,784	8,819	-142	8,677
Comprehensive income										
Result for the period							-1,163	-1,163	-18	-1,180
Other comprehensive items										
Translation differences					1,497		1,497	1,497		1,497
Total comprehensive income					1,497		334	334	-18	316
Effect of reclassification to translation differences							-1,495	-1,495		-1,495
Transactions with the owners										
Change in non-controlling interests resulted from the end of subsidiaries' operations							-395	-395	395	0
Change in non-controlling interests resulted from the sale of subsidiaries							253	253	-235	18
Other change							-59	-59		-59
Total transactions with the owners							-201	-201	160	-41
<b>Shareholders' equity 31/12/2013</b>	<b>24,082</b>	<b>66</b>	<b>1,221</b>	<b>-591</b>	<b>-6</b>	<b>21,328</b>	<b>-38,644</b>	<b>7,456</b>	<b>0</b>	<b>7,456</b>
EUR 1,000	A	B	C	D	E	F	G	H	I	J
Shareholders' equity 31/12/2013	24,082	66	1,221	-591	-6	21,328	-38,644	7,456	0	7,456
Comprehensive income										
Result for the period							-624	-624	0	-624
Other comprehensive items										
Translation differences					-12		0	-12		-12
Total comprehensive income					-12		-624	-636	0	-636
<b>Shareholders' equity 30/6/2014</b>	<b>24,082</b>	<b>66</b>	<b>1,221</b>	<b>-591</b>	<b>-18</b>	<b>21,328</b>	<b>-39,266</b>	<b>6,822</b>	<b>0</b>	<b>6,822</b>

Explanations for the letters:

- A Share capital
- B Premium fund
- C Reserve fund
- D Own shares
- E Translation differences
- F Other unrestricted equity
- G Retained earnings
- H Shareholder's equity to the shareholders of the parent
- I Non-controlling interests
- J Total shareholders' equity



CONSOLIDATED CASH FLOW STATEMENT (IFRS)

EUR 1,000	1/1 - 30/6/2014	1/1-30/6/2013
<b>Cash flows from operating activities</b>		
Payments received from operating activities	35,269	28,643
Payments paid on operating activities	-41,646	-38,175
Paid interests and other financial expenses	-936	-1,045
Interests received and other financial incomes	13	111
Direct taxes paid	-68	-19
<b>Net cash provided by operating activities</b>	<b>-7,367</b>	<b>-10,485</b>
<b>Cash flows from investing activities</b>		
Sales of shares in subsidiaries	0	248
Investments in tangible fixed assets	-213	-912
Sales of tangible fixed assets	36	65
Investments in other financial funds	0	-1
Sales of loan receivables	0	9,074
Loan repayments	161	210
<b>Net cash provided by investment activities</b>	<b>-16</b>	<b>8,683</b>
<b>Cash flows from financing activities</b>		
Increase in loans	20,445	8,917
Decrease in loans	-12,132	-4,637
Payments of finance lease activities	-26	-43
<b>Net cash provided by financing activities</b>	<b>8,286</b>	<b>4,237</b>
<b>Change in cash and cash equivalents at the end of the period</b>		
Cash and cash equivalents at beginning of the period	1,224	504
Exchange rate differences	-4	-1
<b>Cash and cash equivalents at the end of the period</b>	<b>2,124</b>	<b>2,938</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Accounting policies

This unaudited interim report has been prepared in accordance with IAS 34 requirements for interim reports. This interim report has been prepared in accordance with the same principles as the financial statements for 2013.

The Group has adopted following new or amended IAS/IFRS standards and interpretations effective for financial periods beginning on January 1 2014:

- IFRS 10 Consolidated Financial Statements and its amendments
- IFRS 11 Joint Arrangements and its amendments
- IFRS 12 Disclosure of Interests in Other Entities and its amendments

The revised standards and their interpretations had no relevant effect on the reported result or financial position.

## SEGMENT INFORMATION

30/6/2014	Cable	Other operations	Group
EUR 1,000	and eliminations		
<b>Turnover</b>	<b>42,003</b>	<b>3</b>	<b>42,006</b>
<b>Operating result before change in the value of open derivatives</b>	<b>1,254</b>	<b>-617</b>	<b>637</b>
Change in the value of open derivatives	1	-19	-19
<b>Operating result after change in the value of open derivatives</b>	<b>1,255</b>	<b>-636</b>	<b>618</b>
Unallocated items		-1,242	-1,242
<b>Result for the period</b>			<b>-624</b>
<b>Assets</b>			
Segment's assets	57,198	4,727	61,926
<b>Total assets</b>	<b>57,198</b>	<b>4,727</b>	<b>61,926</b>
<b>Liabilities</b>			
Segment's liabilities	41,016	14,088	55,104
<b>Total liabilities</b>	<b>41,016</b>	<b>14,088</b>	<b>55,104</b>
<b>Assets less liabilities</b>	<b>16,183</b>	<b>-9,361</b>	<b>6,822</b>
<b>Investments</b>	<b>176</b>	<b>37</b>	<b>213</b>
<b>Depreciations</b>	<b>851</b>	<b>50</b>	<b>900</b>

30/6/2013	Cable	Other operations	Group
EUR 1,000	and eliminations		
<b>Turnover</b>	<b>45,474</b>	<b>4</b>	<b>45,478</b>
<b>Operating result before change in the value of open derivatives</b>	<b>329</b>	<b>-774</b>	<b>-445</b>
Change in the value of open derivatives	-46	-165	-211
<b>Operating result after change in the value of open derivatives</b>	<b>283</b>	<b>-939</b>	<b>-656</b>
Unallocated items		852	852
<b>Result for the period</b>			<b>196</b>
<b>Assets</b>			
Segment's assets	57,907	5,889	63,796
<b>Total assets</b>	<b>57,907</b>	<b>5,889</b>	<b>63,796</b>
<b>Liabilities</b>			
Segment's liabilities	40,321		40,321
Unallocated liabilities		14,644	14,644
<b>Total liabilities</b>	<b>40,321</b>	<b>14,644</b>	<b>54,965</b>
<b>Assets less liabilities</b>	<b>17,586</b>	<b>-8,755</b>	<b>8,831</b>
<b>Investments</b>	<b>865</b>	<b>0</b>	<b>865</b>
<b>Depreciations</b>	<b>1,510</b>	<b>48</b>	<b>1,559</b>

<b>Cable segment's turnover by product group, EUR million</b>	<b>1-6/2014</b>	<b>1-6/2013</b>
LV energy	11.4	15.2
Power cable	30.6	30.3
<b>Total</b>	<b>42.0</b>	<b>45.5</b>

<b>Cable segment's turnover by sales area, EUR million</b>	<b>1-6/2014</b>	<b>1-6/2013</b>
EU-countries	40.3	39.2
Non-EU-countries	1.7	6.2
<b>Total</b>	<b>42.0</b>	<b>45.5</b>

The Cable segment's largest customers are the Onninen Group, Sonepar, Rexel and Nokia Solutions ja Networks Oy, each of which represents more than 10 % of the segment's turnover.

<b>Other income</b>	<b>1-6/2014</b>	<b>1-6/2013</b>
EUR 1,000		
Subsidies received	30	38
Rental income	51	49
Sales of Russian operations	0	410
Other income	103	58
<b>Total</b>	<b>184</b>	<b>554</b>

<b>Other expenses</b>	<b>1-6/2014</b>	<b>1-6/2013</b>
EUR 1,000		
Rental expenses	-1,510	-1,593
Machinery and property maintenance costs	-1,397	-1,441
Sales and marketing expenses	-544	-429
Other expenses	-1,417	-2,147
<b>Total</b>	<b>-4,868</b>	<b>-5,610</b>

<b>Change in non-current assets</b>	<b>1-6/2014</b>	<b>1-6/2013</b>
EUR 1,000		
Book value at the beginning of the period	12,281	18,861
Investments	213	865
Decrease	-5	-7,177
Depreciation	-576	-1,265
Translation differences	-1	625
<b>Book value at the end of the period</b>	<b>11,912</b>	<b>11,910</b>

<b>Other leases</b>	<b>2014</b>	<b>2013</b>
EUR 1,000		
Within 1 year	1,893	1,415
1 - 5 years	0	424
<b>Total</b>	<b>1,893</b>	<b>1,839</b>

Contingent liabilities		
1 000 EUR	<b>30/6/2014</b>	<b>31/12/2013</b>
Debts secured against business mortgages, securities or guarantees		
Loans from financial institutions	12,133	11,234
Granted business mortgages	35,000	35,000
Book value of pledged securities	26,341	25,888
Granted guarantees	12,133	11,234
Other collateral		
Guarantees and payment commitments	1,808	1,038

#### Commitments

The factoring credit facility was secured by a total of EUR 16.4 million of sales receivables on 30 June 2014 (EUR 8.2 million on 31 December 2013). The factoring credit facility stood at EUR 14.0 million on 30 June 2014 (EUR 6.6 million on 31 December 2013).

#### Investment commitments

Investment commitments for tangible fixed assets amounted to EUR 0.1 million on 30 June 2014 (EUR 0.4 million on 30 June 2013)

#### Valid derivative contracts

EUR 1,000	Positive current values	Negative current values	Current net values 30/6/2014	Current net values 30/6/2013	Nominal values 30/6/2014	Nominal values 30/6/2013
<b>Financial derivatives</b>						
Option contracts	-	-135	-135	-	-	-
<b>Raw material options</b>						
Metal derivatives	-	-263	-263	-186	867	2,797
Total derivatives	-	-398	-398	-186	867	2,797

#### Related-party events

The Group's related parties include the subsidiaries and associated companies, other companies belonging to the Reka Group, the Group's Board of Directors and management group. The management group consists of General Manager and CFO. Also related parties include companies, that have ownership connection through the owner who has significant decision power, or that belong to the related-party companies via the management or board members.

Neo Industrial Plc, and therefore also the Neo Industrial Group, belong to the Reka Group. Reka Ltd has a 50.76 % holding of shares and a 65.77 % holding of votes.

Related-party transactions  
Transactions with the Reka Group

EUR 1,000	1-6/2014	1-6/2013
Sales	0	6
Rental expenses	-859	-854
Other purchases	-220	-331
Other income	12	0
Interest revenues	3	5
Loan receivables	90	90
Sales receivables and other receivables at end of the period	811	424
Other debts at end of the period	-88	-210

Discounted rent and sale price receivables, EUR 0.4 million (EUR 0.6 million on 31 December 2013), are included in other receivables. The items are part of the finance investment activities of the Group.

Neo Industrial's Cable segment is tenant of Reka Ltd's premises in Keuruu and Riihimäki. In addition to that the Group uses the Reka Group level finance and supporting systems as well related licenses and virtual servers. In the spring of 2012, it was determined that the availability of premises for the Cable segment can be ensured, regardless of the tenure of the lease, if the lessor is a company of the Reka Group. The leases for premises were adjusted on the initiative of Reka Cables. As a result, the recognition of leases in accordance with IFRS changed, and finance leases were eliminated from the balance sheet. Finance lease agreements eliminated from the balance sheet totalled EUR 9.7 million. If the premises in question are transferred to a third party, Reka Cables must negotiate lease terms that ensure continued operations.

Transactions with associated companies

Sales to Nestor Cables Ltd totalled January-June 2014 EUR 22 thousand (EUR 0 thousand) and purchases EUR 2 thousand (EUR 0 thousand). Receivables totalled EUR 2 thousand (EUR 0 thousand) at the end of the review period. Liabilities totalled EUR 0 thousand (EUR 0 thousand) at the end of the review period.

Transactions with other related parties

EUR 1,000	1-6/2014	1-6/2013
Other purchases	0	-220
Other debts at end of the period	0	-88

Other related parties consist of companies that are connected to the company through an owner that has significant controlling power or that belong to related-party companies through management or board members.

CALCULATION OF KEY FIGURES

Return on investment (ROI), %	=	$\frac{\text{Profit before taxes + interest and other financial expenses}}{[\text{Balance sheet total - obligatory provisions and non-interest-bearing liabilities}] \text{ (average)}} \times 100$
Equity ratio, %	=	$\frac{\text{Shareholders' equity + non-controlling interest}}{\text{Balance sheet total - advances received}} \times 100$
Earnings per share (EPS), EUR	=	$\frac{\text{Emoyhtiön omistajille kuuluva tilikauden tulos}}{\text{Osakkeiden osakeantioikaistu lukumäärä (keskimäärin)}}$
Equity per share, EUR	=	$\frac{\text{Shareholders' equity - non-controlling interest}}{\text{Number of shares adjusted for share issues at the end of the period}}$

All comments in this report that do not refer to actual facts are future estimates. Such estimates include expectations concerning market trends, growth and profitability as well as statements including the words "believe", "assume" or "will be" or a similar expression. Since these estimates are based on current plans and estimates, they involve risks and uncertainty factors that may cause the actual results to differ substantially from current statements.

Among other things, such factors include 1) operating conditions, such as continued success in production and the ensuing efficiency benefits, availability and cost of production inputs, demand for new products and changes in circumstances affecting the acquisition of capital under acceptable conditions; 2) sector-specific circumstances, such as the intensity of demand for products, the competition, current and future market prices for the Group's products and related pricing pressures, the financial situation of the Group's customers and competitors and competitors' possible new products; and 3) the general economic situation, such as economic growth in the Group's main market areas and change in exchange rates and interest rates.