

The Cable segment's turnover improved, investments in cable manufacturing technology and in production personnel. Operating result was burdened by extraordinary costs.

January-June

- The Neo Industrial Group's turnover was EUR 43.6 million (42.0 million)
- Its operating result was EUR -0.6 million (0.6 million). Operating result was burdened by extraordinary costs total circa EUR 0.9 million.
- The Cable segment's operating result was EUR 0.1 million (1.3 million).
- The Group's result for the period was EUR -1.3 million (-0.6 million).

MANAGING DIRECTOR JARI SALO:

The Cable segment's turnover for the first half of year 2015 increased EUR 1.6 million comparing to the corresponding period of the previous year. The sales volume in the cable market of Nordic countries, the main market area of Reka Cables Ltd, was as a whole on the same level as the year before. The growth in sales is mainly due to increased sales volumes in the other markets.

The Cable segment's operating result was EUR 1.2 million lower than the comparable figures 2014. It contains circa EUR 0.4 million of extraordinary costs due to management changes. The result is also burdened by costs due to recruiting new production personnel and training as well as larger than normal variations of factories' load situations, total EUR 0.5 million. In the beginning of the year circa 24 persons more were recruited to production in the Cable segment comparing to the situation in the year end 2014. Received orders have mainly been underground cable deliveries compared to the corresponding period of the previous year and it has effected on load rates of factories and also to utilisation rates.

The Cable segment continues the operations to improve profitability, process development and working capital management, which is believed to effect positively on result development during the end of the year. The cable manufacturing investment of EUR 1.5 million in Hyvinkää factory also increases the efficiency in production. The investment enables launching new product groups in the future.

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 2015 was lower than 31 December 2014 showing the capital employed impact of high season and the effect of the result for the period. Equity ratio June 30 2015 was better than 30 June 2014 showing the growth of inventory turnover rate due to Lean-operations.

Strong financial situation of Cable segment in turn of the year 2014/2015 enabled additional installment of EUR 1.5 million to the financing agreement signed earlier. The payment was made in January 2015.

Improvement of grids with underground cables continues particularly in Finland. Development is contributed by a change made to legislation of electricity market concerning assurance of electricity supply and substantial disorders in distribution of electricity due to weather conditions in winter and storms. The Cable segment pays particularly attention to the delivery capacity of underground cables.

The financial arrangements carried out in 2014 have a positive effect on Neo Industrial Group's liabilities, balance and particularly on cash flow during decrease of financial expenses. During the review period Neo Industrial's financial expenses have been almost EUR 0.5 million smaller than during the corresponding period of the previous year.

KEY FIGURES

	1-6/2015	1-6/2014	1-12/2014
Turnover, EUR million	43,6	42,0	80,1
Operating result, EUR million	-0,6	0,6	-0,7
Result for the period, EUR million	-1,3	-0,6	1,8
Earnings per share, EUR	-0,21	-0,11	0,30
ROI, %	-1,5	2,2	12,1
Equity ratio, %	14,2	11,0	21,1

TURNOVER AND OPERATING RESULT

Turnover of the Neo Industrial Group consisted of the Cable segment's turnover, totalling EUR 43.6 million (42.0 million).

The Group's operating result was EUR -0.6 million (0.6 million). Operating result was burdened by extraordinary costs total circa EUR 0.9 million.

The Group's result for the period was EUR -1.3 million (-0.6 million).

BALANCE SHEET AND FINANCING

Of Reka Cables' factoring credit facility of EUR 18.0 million (18.0 million on 31 December 2014), EUR 13.9 million (7.1 million on 31 December 2014) was in use on 30 June 2015.

At the end of the review period, the balance sheet totalled at EUR 58.2 million (61.9 million). On 31 December 2014, the balance sheet totalled EUR 44.7 million.

SEGMENTS**Cable**

	1-6/2015	1-6/2014	Muutos
Turnover, EUR million	43.6	42.0	3.8 %
Operating result, EUR million	0.1	1.3	-90.1 %

The Cable segment's turnover for the review period was EUR 43.6 million (42.0 million).

During the review period the sales volumes in Cable segment's main markets in the Nordic countries were as a whole comparable to the corresponding period of the previous year. However, there were many regional differences. The sales volumes in other markets increased.

The raw material prices of aluminium and copper fluctuated a lot. At the end of the review period the prices of aluminium and copper were lower than on December 31 2014. The world market prices of plastics decreased in the beginning of the year but then the price levels turned to a raise.

Reka Cables Ltd got substantial underground power cable order in January. The value of the order is EUR 6.0 million. The deliveries are made during 2015 and 2016. The underground power cables are used when building grids that are not vulnerable to weather conditions.

Reka Cables Ltd invested EUR 1.5 million in cable manufacturing technology in Hyvinkää Factory. With the investment the productivity of cable manufacturing is enhanced and developing and manufacturing of new products is enabled. The investment was ready by mid May 2015.

Good financial situation of Cable industry enabled additional installment of EUR 1.5 million to the financing agreement signed in March 2014. The payment was made in January 2015.

The Managing Director was changed in Reka Cables Ltd. Mr. Ralf Sohlström was appointed as Managing Director from the beginning of May 2015.

The Cable segment's operating result was EUR 0.1 million (1.3 million). The operating result contains extraordinary costs of circa EUR 0.4 million due to management changes. The result is also burdened by costs due to recruiting new production personnel and training as well as larger than normal load fluctuations in factories, total EUR 0.5 million.

The turnover of Nestor Cables Ltd, an associated company, was EUR 14.6 million (15.4 million). The operating result was positive. 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 2015 do not include its share of the result. Nestor Cables Ltd's financial negotiations was concluded and a new long-term financing agreement was signed. The financing agreement is for three years. Financial terms of the agreement includes financial covenants, as well as for some financiers the right to appoint if they so choose, chairman of the Nestor Cables' Board of Directors or a Board member and observer member. Nestor Cables doesn't pay dividends during the funding agreement term.



Industrial

INVESTMENTS

Investments in the review period totalled EUR 1.6 million (0.2 million), of which the Cable segment represented EUR 1.5 million (0.2 million).

PERSONNEL

In January-June 2015, the Group employed an average of 247 (238) people. At the end of the review period, the personnel of the Group was 254 employees (245), of which 252 (242) represented the Cable segment.

ANNUAL GENERAL MEETING

Neo Industrial's Annual General Meeting (AGM) was held in Helsinki on 9 April 2015.

The AGM approved the Board's proposal that no dividends be paid for 2014.

The AGM approved the 2014 financial statements and discharged the Board of Directors and CEO from liability for the year 2014.

The AGM approved the annual remuneration of EUR 10,000 for the members of the Board of Directors, EUR 12,500 for the chairman of the Board and an attendance remuneration of EUR 600 per each meeting for the Board and the committees, and that the members of the Board are compensated for their travel expenses.

Circa 40 per cent of the annual remunerations will be paid by the shares of the company. Transfer to the shares is made by using the average share price of Neo Industrial Plc's B-share in May 2015 and the shares will be handed over in June 2016.

The AGM approved that the members of the Board be paid a bonus based on the development of the company's B share price, the amount of which is EUR 1,000 for the chairman of the Board and EUR 500 for the ordinary members of the Board, multiplied by annual return based on the share price development of Neo Industrial Plc's class B share (average share price in May 2016 - average share price in May 2015). Should the annual return exceed 50 per cent, the bonus shall be paid in accordance with 50 per cent. So the highest multiplier when counting remuneration is 50.

Circa 40 per cent of the bonuses will be paid by the shares of the company. Transfer to the shares is made by using the average share price of Neo Industrial Plc's B-share in May 2016 and the shares will be handed over in June 2016.

The AGM approved the proposal of the Board that the auditors' fees be paid as per invoice.

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 Marjo Matikainen-Kallström, Jorma Sirén 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 2016.

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 percent 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 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 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 entitled 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 2015, its total share capital was EUR 24,082,000 and the number of shares was 6,020,360. The total number of shares includes 30,525 shares held by Neo Industrial. The holding represents 0.5 % of the company's share capital and 0.4 % of the votes. The company held no A shares. Neo Industrial Plc's B shares (NEO1V) are listed on the main list of NASDAQ Helsinki.

Company shares	30/6/2015	30/6/2014
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	30,525	91,727

On January-June 2015, a total of 1,491,884 (207,383) of Neo Industrial Plc's B shares were traded on NASDAQ Helsinki, representing 25.4 % (3.5 %) of the total number of shares. At the end of trading on 30 June 2015, the share price was EUR 1.80 (0.65), and the average share price for the review period was EUR 2.48 (0.73). The lowest quotation in January-June was EUR 0.62 euroa (0.61), with the highest being EUR 3.71 (0.86). The company's market capitalisation was valued at EUR 10.8 million (3.9 million) on 30 June 2015.

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's wholly owned subsidiaries Novalis Plc, Russian Regional Real Estate 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 11,724 shareholders (11,782). 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 2015, the combined holding of the ten largest shareholders was 59.31 % of the shares and 71.7 % of the votes. The members of the Board, the Managing Director and the CFO directly owned and controlled a total of 2,975,416 (2,981,674) of Neo Industrial's B shares on 30 June 2015.

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.

Due to the significant financial arrangements carried out in 2014 the financial situation got better. However, Neo Industrial continues to pay extra attention to ensure the sufficient funding and ensuring liquidity

situation. The financial negotiations are continued and 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 construction has been picking up slightly in Nordic countries and in Western Europe. The management believes that grid constructors will boost ground cabling projects to ensure distribution reliability. The turnover of the Cable segment is believed to slightly exceed the turnover in 2014 and the operating result of the Cables segment is believed to be 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 4 August 2015

Neo Industrial Plc
Board of Directors

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

CONSOLIDATED INCOME STATEMENT (IFRS)

EUR 1,000	1/1-30/6/2015	1/1-30/6/2014	1/1-31/12/2014
TURNOVER	43,605	42,006	80,098
Change in inventories of finished products and production in progress	3,104	4,024	-950
Production for own use	40	9	23
Other operating income	152	184	349
Materials and services	-34,201	-32,772	-55,730
Personnel expenses	-7,383	-7,065	-12,801
Depreciation and impairment	-863	-900	-1,970
Other operating expenses	-5,011	-4,868	-9,759
	-44,162	-41,387	-80,838
Operating result	-557	618	-740
Financial income	13	213	4,793
Financial expenses	-747	-1,221	-2,349
Result before taxes	-1,292	-389	1,703
Taxes	37	-234	83
Result for the period	-1,255	-624	1,787
Profit or loss attributable to			
Shareholders of the parent	-1,255	-624	1,787
Non-controlling interests	0	0	0
	-1,255	-624	1,787
Earnings per share attributable to the shareholders of the parent before and after dilution, EUR	-0.21	-0.11	0.30
Number of shares	5,928,633	5,928,633	5,928,633
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IFRS)			
Result	-1,255	-624	1,787
Other comprehensive items that may subsequently reclassified to statement of			
Translation differences related to foreign units	3	-12	-41
Total	3	-12	-41
Total comprehensive income	-1,252	-636	1,746
Total comprehensive income attributable to			
Shareholders of the parent	-1,252	-636	1,746
Non-controlling interests	0	0	0
	-1,252	-636	1,746

CONSOLIDATED BALANCE SHEET (IFRS)

EUR 1,000	30/6/2015	31/12/2014
ASSETS		
Non-current assets		
Goodwill	3,252	3,252
Other intangible assets	1,032	1,219
Tangible assets	12,118	11,210
Receivables	80	80
Deferred tax assets	1,291	1,272
Total non-current assets	17,773	17,033
Current assets		
Inventories	15,224	11,695
Sales receivables and other receivables	22,169	11,519
Cash and cash equivalents	3,010	4,484
Total current assets	40,403	27,698
Total Assets	58,177	44,731
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholder's equity		
Share capital	24,082	24,082
Premium fund	66	66
Reserve fund	1,221	1,221
Own shares	-197	-591
Translation differences	-28	-47
Retained profit	-38,190	-36,634
Other unrestricted equity	21,328	21,328
Equity attributable to shareholders of the parent	8,283	9,426
Non-controlling interests	0	0
Total shareholders' equity	8,283	9,426
Non-current liabilities		
Deferred tax liabilities	115	150
Provisions	2,975	2,958
Financial liabilities	5,808	4,021
Other liabilities	11	29
Current liabilities		
Tax liabilities from the profit	35	20
Provisions	200	200
Financial liabilities	25,161	19,554
Derivative contracts	27	12
Accounts payable and other liabilities	15,561	8,359
Total liabilities	49,894	35,305
Shareholders' equity and liabilities	58,177	44,731

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (IFRS)

EUR 1,000	A	B	C	D	E	F	G	H	I	J
Shareholders' equity 31/12/2013	24,082	66	1,221	-591	-6	21,328	-38,644	7,456	0	7,456
Comprehensive income										
Result for the period							1,787	1,787	0	1,787
Other comprehensive income										
Translation differences					-41		0	-41		-41
Total comprehensive income					-41		1,787	1,746	0	1,746
Transactions with the owners										
Other change							224	224		224
Total transactions with the owners							224	224	0	224
Shareholders' equity 31/12/2014	24,082	66	1,221	-591	-47	21,328	-36,634	9,426	0	9,426
	A	B	C	D	E	F	G	H	I	J
Shareholders' equity 31/12/2014	24,082	66	1,221	-591	-47	21,328	-36,634	9,426	0	9,426
Comprehensive income										
Result for the period							-1,255	-1,255	0	-1,255
Other comprehensive items										
Payments by own shares				394			-293	101	0	101
Translation differences					21		-7	14		14
Total comprehensive income				394	21		-1,555	-1,141	0	-1,141
Shareholders' equity 30/6/2015	24,082	66	1,221	-197	-26	21,328	-38,190	8,283	0	8,283

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	1/1-30/6/2015	1/1-30/6/2014
Cash flows from operating activities		
Payments received from operating activities	36,152	35,269
Payments paid on operating activities	-42,854	-41,646
Paid interests and other financial expenses	-757	-936
Interests received and other financial incomes	3	13
Direct taxes paid	-3	-68
Net cash provided by operating activities	-7,459	-7,367
Cash flows from investments		
Investments in tangible assets	-1,587	-213
Sales of tangible assets	11	36
Loan repayments	161	161
Net cash provided by investing activities	-1,415	-16
Cash flows from financing activities		
Increase in loans	8,920	20,445
Decrease in loans	-1,499	-12,132
Payments of finance lease activities	-28	-26
Net cash provided by financing activities	7,393	8,286
Change in cash and cash equivalents at the end of the period	-1,481	903
Cash and cash equivalents at beginning of the period	4,484	1,224
Exchange rate differences	7	-4
Change in cash and cash equivalents at the end of the period	3,010	2,124

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 2014.

The Group has adopted following new or amended IAS/IFRS standards and interpretations effective for financial periods beginning on January 1 2015:

- IAS 19 Employee benefits

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

SEGMENT INFORMATION

30/6/2015		Other operations		
EUR 1,000		Cable	and eliminations	Group
Turnover	43,605		0	43,605
Operating result before change in the value of open derivatives	141		-683	-542
Change in the value of open derivatives	-12		-3	-15
Unallocated items				0
Operating result after change in the value of open derivatives	129		-686	-557
Unallocated items			-698	-698
Result for the period				-1,255
Assets				
Segment's assets	54,472		3,704	58,176
Total assets	54,472		3,704	58,176
Liabilities				
Segment's liabilities	39,426		10,467	49,894
Total liabilities	39,426		10,467	49,894
Assets - liabilities	15,046		-6,763	8,283
Investments	1,554		29	1,583
Depreciations	812		50	863
30/6/2014				
EUR 1,000		Cable	Other operations and eliminations	Group
Turnover	42,003		3	42,006
Operating result before change in the value of open derivatives	1,254		-617	637
Change in the value of open derivatives	1		-19	-19
Operating result after change in the value of open derivatives	1,255		-636	618
Unallocated items			-1,242	-1,242
Result for the period				-624
Assets				
Segment's assets	57,198		4,727	61,926
Total assets	57,198		4,727	61,926
Liabilities				
Segment's liabilities	41,016		14,088	55,104
Total liabilities	41,016		14,088	55,104
Assets - liabilities	16,183		-9,361	6,822
Investments	176		37	213
Depreciations	851		50	900

Cable segment's turnover by product group, EUR million	1-6/2015	1-6/2014
LV energy	10.0	11.4
Power cable	33.6	30.6
Total	43.6	42.0

Cable segment's turnover by sales area, EUR million	1-6/2015	1-6/2014
EU-countries	41.9	40.3
Non-EU-countries	1.7	1.7
Total	43.6	42.0

Taken all market areas into the consideration the largest customer Group's share of the Group's turnover is 21.6 % and the share of the second largest is 15.8 %. Other single customer's share of the Group's turnover is under 10 %.

Other income	1-6/2015	1-6/2014
EUR 1,000		
Subsidies received	44	30
Rental income	80	51
Other income	28	103
Total	152	184

Other expenses	1-6/2015	1-6/2014
EUR 1,000		
Rental expenses	-1,509	-1,510
Machinery and property maintenance costs	-1,432	-1,397
Sales and marketing expenses	-312	-544
Other expenses	-1,757	-1,417
Total	-5,011	-4,868

Change in non-current assets	1-6/2015	1-6/2014
EUR 1,000		
Book value at the beginning of the period	11,210	12,281
Investments	1,523	213
Decrease	-3	-5
Depreciation	-612	-576
Translation differences	0	-1
Book value at the end of the period	12,118	11,912

Other leases	30/6/2015	30/6/2014
EUR 1,000		
Within 1 year	2,086	1,893
1-5 years	1,108	0
Total	3,193	1,893

Contingent liabilities

EUR 1,000	30/6/2015	31/12/2014
Debts secured against business mortgages, securities or guarantees		
Loans from financial institutions	9,633	11,133
Granted business mortgages	35,000	35,000
Book value of pledged securities	38,794	38,794
Granted guarantees	9,633	11,133
Guarantees and payment commitments	538	538

Commitments

The factoring credit facility was secured by a total of EUR 15.7 million of sales receivables on 30 June 2015 (EUR 8.3 million on 31 December 2014). The factoring credit facility stood at EUR 13.9 million on 30 June 2015 (EUR 7.1 million on 31 December 2014).

Investment commitments

Investment commitments for tangible fixed assets amounted to EUR 0.0 million on 30 June 2015 (EUR 0.1 million on 30 June 2014)

Valid derivative contracts

EUR 1,000	Positive current values	Negative current values	Current net values 30/6/2015	Current net values 30/6/2014	Nominal values 30/6/2015	Nominal values 30/6/2014
Financial derivatives						
Option contracts	-	0	0	-135	0	0
Raw material options						
Metal derivatives	-	-27	-27	-263	403	867
Total derivatives	-	-27	-27	-398	403	867

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	1-6/2015	1-6/2014
Rental expenses	-876	-859
Other purchases	-264	-220
Other income	12	12
Interest revenues	2	3
Loan receivables	76	90
Sales receivables and other receivables at end of the period	485	811
Other debts at the end of the period	155	88

Discounted rent and sale price receivables, EUR 0.2 million (EUR 0.2 million on 31 December 2014), 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 2015 EUR 5 thousand (EUR 22 thousand) and purchases EUR 8 thousand (EUR 2 thousand). Receivables totalled EUR 0 thousand (EUR 2 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	1-6/2015	1-6/2014
Other purchases	-7	0
Other debts at the end of the period	3	0

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	=	$\frac{\text{Profit for the period attributable to equity holders of the parent company}}{\text{Number of shares adjusted for share issues (average)}}$
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.