

Exel Composites Plc's Interim Report for January 1 – June 30, 2015**Q2 2015 in brief**

- Net sales were 21.4 MEUR (Q2/2014: 21.4 MEUR)
- Operating profit decreased to 1.3 (3.1) MEUR, and was 6.3 (14.3) per cent of net sales. Operating profit before non-recurring items was 1.5 (3.1) MEUR or 7.2 (14.3) per cent of net sales
- Net cash flow from operating activities was positive at +1.7 (+2.4) MEUR
- Fully diluted earnings per share were 0.07 (0.19) EUR

H1 2015 in brief

- Net sales were 42.8 MEUR, up by 9.2 per cent on the previous year (H1/2014: 39.2 MEUR)
- Operating profit decreased to 3.3 (4.9) MEUR, and was 7.8 (12.6) per cent of net sales. Operating profit before non-recurring items was 3.5 (4.9) MEUR or 8.3 (12.6) per cent of net sales
- Net cash flow from operating activities was positive at +2.4 (+3.1) MEUR
- Fully diluted earnings per share were 0.20 (0.28) EUR

Outlook for full year 2015

The market has remained stable and we can see positive signs in the Company's key market segments. However, uncertainties relating to general growth prospects in the economy continue. The Company implements its new strategy by reinforcing the organization, especially in sales resources, product development and operations development, and by increasing its capacity. These efforts are expected to reduce the 2015 operating profit margin compared to 2014, but will position the Company better for long-term profitable growth.

President and CEO Riku Kytömäki:

Exel Composites has recorded consistent sales and profit growth year-on-year during the last consecutive five quarters. In the second quarter of 2015 net sales were on the same level as in the corresponding period in 2014 at EUR 21.4 (21.4) million and at approximately on the same level as in the first quarter of 2015. However, net sales increased by 9.2 per cent in H1/2015, compared to the same period last year, fastest growing region being APAC with a 33.4 per cent increase.

Order intake in the second quarter of 2015 remained on the same level at EUR 21.4 (21.4) million as in the corresponding period in 2014. Our order backlog on 30 June 2015 was EUR 13.8 (14.1) million, on the same level as on 31 March 2015 (EUR 13.8 million).

Exel Composites' operating profit decreased to EUR 1.3 (3.1) million in the second quarter of 2015. Profitability was impacted by higher operational costs mainly due to increased resources relating to the implementation of the long-term growth strategy. Profitability was also affected by lower than expected volumes resulting from delayed orders from some customers. Non-recurring items amounting to EUR 0.2 million related to M&A screening were recorded in the second quarter of 2015.

The Company's outlook for the whole year remains unchanged. The implementation of the growth strategy including the reinforcement of the organization and increase in capacity continues according to plan. These actions have increased operating costs and are expected to reduce the 2015 operating profit margin compared to 2014, but will position the Company better for long-term profitable growth.

CONSOLIDATED KEY FIGURES, EUR million

| | | | | | | |
|--------|--------|---------|--------|-------|----------|--------|
| 1.4. – | 1.4. – | Change, | 1.1. – | 1.1.– | Change % | 1.1. – |
| 30.6. | 30.6. | % | 30.6. | 30.6. | | 31.12. |
| 2015 | 2014 | | 2015 | 2014 | | 2014 |

| | | | | | | | |
|----------------------------------|------|------|-------|------|------|-------|------|
| Net sales | 21.4 | 21.4 | -0.3 | 42.8 | 39.2 | 9.2 | 79.3 |
| Operating profit | 1.3 | 3.1 | -55.9 | 3.3 | 4.9 | -32.4 | 8.9 |
| % of net sales | 6.3 | 14.3 | | 7.8 | 12.6 | | 11.2 |
| Profit for the period | 0.8 | 2.2 | -64.1 | 2.4 | 3.3 | -29.5 | 5.7 |
| Shareholders' equity | 30.9 | 27.1 | 13.8 | 30.9 | 27.1 | 13.8 | 29.7 |
| Net interest-bearing liabilities | -0.7 | 1.6 | 147.7 | -0.7 | 1.6 | 147.7 | -2.6 |
| Capital employed | 39.6 | 38.6 | 2.5 | 39.6 | 38.6 | 2.5 | 35.3 |
| Return on equity, % | 10.5 | 34.6 | | 15.6 | 26.8 | | 21.7 |
| Return on capital employed, % | 14.0 | 32.2 | | 17.9 | 26.8 | | 25.2 |
| Equity ratio, % | 55.3 | 50.0 | | 55.3 | 50.0 | | 56.9 |
| Net gearing, % | -2.4 | 5.7 | | -2.4 | 5.7 | | -8.7 |
| Earnings per share, EUR | 0.07 | 0.19 | | 0.20 | 0.28 | | 0.48 |
| Earnings per share, diluted, EUR | 0.07 | 0.19 | | 0.20 | 0.28 | | 0.48 |
| Equity per share, EUR | 2.59 | 2.28 | | 2.59 | 2.28 | | 2.50 |

Market environment

Market demand remained stable in the second quarter of 2015.

Market demand improved in the second half of 2014 especially in the telecommunication, transportation and building, construction and infrastructure industry markets, and no major change was seen in the first half of 2015.

Order intake and order backlog April – June 2015

Order intake in the second quarter of 2015 remained on the same level at EUR 21.4 (21.4) million as in the corresponding period in 2014. Our order backlog on 30 June 2015 was EUR 13.8 (14.1) million, on the same level as on 31 March 2015 (EUR 13.8 million).

Sales review April – June 2015

Group net sales in the second quarter of 2015 were on the same level as in the corresponding period in 2014 at EUR 21.4 (21.4) million. Compared to the first quarter of 2015 net sales decreased by EUR 0.1 million or 0.7 per cent from EUR 21.5 million.

Net sales increased in the largest region, Europe, by 0.6 per cent compared to the corresponding period in 2014. Net sales in the APAC region increased by 9.1 per cent. Net sales in the region Rest of the world decreased by 61.7 per cent compared to the corresponding period in 2014.

Net sales of Industrial applications decreased by 4.5 per cent to EUR 12.6 million from EUR 13.2 million in the corresponding period in 2014.

Net sales of Construction and Infrastructure applications were up by 6.8 per cent to EUR 4.7 (4.4) million compared to the corresponding period in 2014.

Net sales of Other applications increased by 7.9 per cent to EUR 4.1 (3.8) million compared to the

corresponding period in 2014.

Order intake January – June 2015

Order intake increased by 2.4 per cent during the first six months of the year to EUR 44.2 (43.1) million compared to the corresponding period in 2014.

Sales review January – June 2015

Group net sales increased by 9.2 per cent from the corresponding period in 2014 from EUR 39.2 million to EUR 42.8 million.

Net sales increased in the largest region, Europe, by 7.7 per cent compared to the corresponding period in 2014. Net sales in the APAC region increased by 33.4 per cent. Net sales in the region Rest of the world decreased by 43.8 per cent compared to the corresponding period in 2014.

Net sales of Industrial applications increased by 14.7 per cent to EUR 26.4 million from EUR 23.0 million in the corresponding period in 2014.

Net sales of Construction and Infrastructure applications were up by 8.2 per cent to EUR 9.2 (8.5) million compared to the corresponding period in 2014.

Net sales of Other applications decreased by 6.5 per cent to EUR 7.2 (7.7) million compared to the corresponding period in 2014.

Net sales by Region

| MEUR | 1.4. – 30.6. 2015 | 1.4. – 30.6. 2014 | Change, % | 1.1. – 30.6. 2015 | 1.1. – 30.6. 2014 | Change, % | 1.1. – 31.12. 2014 |
|---------------|-------------------------|-------------------------|--------------|-------------------------|-------------------------|--------------|--------------------------|
| Europe | 17.3 | 17.2 | 0.6 | 34.8 | 32.3 | 7.7 | 64.6 |
| APAC | 3.6 | 3.3 | 9.1 | 7.1 | 5.3 | 33.4 | 11.8 |
| Rest of world | 0.4 | 0.9 | -61.7 | 0.9 | 1.6 | -43.8 | 2.9 |
| Total | 21.4 | 21.4 | -0.3 | 42.8 | 39.2 | 9.2 | 79.3 |

Net sales by Customer Industry

| MEUR | 1.4. – 30.6. 2015 | 1.4. – 30.6. 2014 | Change, % | 1.1. – 30.6. 2015 | 1.1. – 30.6. 2014 | Change, % | 1.1. – 31.12. 2014 |
|---------------------------------|-------------------------|-------------------------|--------------|-------------------------|-------------------------|--------------|--------------------------|
| Construction and infrastructure | 4.7 | 4.4 | 6.8 | 9.2 | 8.5 | 8.2 | 17.4 |
| Industrial applications | 12.6 | 13.2 | -4.5 | 26.4 | 23.0 | 14.7 | 47.5 |
| Other applications | 4.1 | 3.8 | 7.9 | 7.2 | 7.7 | -6.5 | 14.3 |
| Total | 21.4 | 21.4 | -0.3 | 42.8 | 39.2 | 9.2 | 79.3 |

Financial performance

April – June 2015

The Group's operating profit decreased to EUR 1.3 (3.1) million in the second quarter of 2015 and was 6.3 (14.3) per cent of net sales. Profitability was impacted by higher operational costs due to increased resources relating to the implementation of the long-term growth strategy. Profitability was also affected by lower than expected volumes resulting from delayed orders from some customers. Non-recurring items amounting to EUR

0.2 million related to M&A screening were recorded in the second quarter of 2015. Operating profit before non-recurring items was EUR 1.5 (3.1) million or 7.2 (14.3) per cent of net sales. Comparing with 2014 it is worthwhile to note, that the second quarter operating profit in 2014 was strong, roughly 50 per cent higher than the next best quarter of the year.

January – June 2015

The Group's operating profit in January – June 2015 decreased to EUR 3.3 (4.9) million and was 7.8 (12.6) per cent of net sales. Operating profit before non-recurring items was EUR 3.5 (4.9) million or 8.3 (12.6) per cent of net sales.

The profitability of the Australian unit has improved compared to the corresponding period last year, but is not yet at a satisfactory level. Corrective actions are ongoing. The focus is on generating more sales.

The Group's net financial items during the period under review were EUR -0.1 (-0.3) million. The Group's profit before taxes was EUR 3.2 (4.6) million and profit after taxes EUR 2.4 (3.3) million.

Financial position

Net cash flow from operating activities was positive at EUR +2.4 (+3.1) million. Cash flow before financing, but after capital expenditure, amounted to EUR 0.5 (1.9) million. The capital expenditure on fixed assets amounted to EUR 1.8 (1.2) million. Capital expenditure was financed with cash flow from business operations. At the end of the period under review, the Group's liquid assets stood at EUR 9.4 (9.9) million. Total depreciation of non-current assets during the second quarter of 2015 amounted to EUR 0.7 (0.7) million.

The Group's consolidated total assets at the end of the second quarter were EUR 56.1 (54.3) million. Interest-bearing liabilities amounted to EUR 8.7 (11.5) million. Net interest-bearing liabilities were EUR -0.7 (+1.6) million.

The dividend for 2014 resolved by the Annual General Meeting on 26 March 2015 totaling EUR 2.4 (0.0) million, or EUR 0.20 (0.00) per share, was paid on 8 April 2015.

Equity at the end of the second quarter was EUR 30.9 (27.1) million and equity ratio 55.3 (50.0) per cent. The net gearing ratio was -2.4 (5.7) per cent.

Fully diluted total earnings per share were EUR 0.20 (0.28). Return on capital employed was 17.9 (26.8) per cent. Return on equity was 15.6 (26.8) per cent.

Business development and strategy implementation

The factory expansion projects in China and Austria are proceeding according to plan. Furthermore, the Company has been screening potential acquisition targets.

Research and development

Research and development costs totaled EUR 0.9 (0.9) million, representing 2.2 (2.2) per cent of net sales. The main projects were connected with the development of new products and customer applications.

Shares and share performance

Exel Composites' share is listed in the Small Cap segment of the NASDAQ OMX Helsinki Ltd. in the Industrials sector.

At the end of June 2015, Exel Composites' share capital was EUR 2,141,431.74 and the number of shares was 11,896,843 each having the counter-book value of EUR 0.18. There were no changes in the share capital during the period under review. There is only one class of shares and all shares are freely assignable under Finnish law.

Exel Composites did not hold any of its own shares during the period under review.

During the period under review the highest share price quoted was EUR 9.85 (6.35) and the lowest EUR 7.55 (5.56). The share price closed at EUR 7.60 (6.35). The average share price during the period under review was EUR 9.05 (6.05).

A total of 1,975,570 (4,580,749) shares were traded during the period under review, which represents 16.6 (38.5) per cent of the average number of shares. On 30 June 2015, Exel Composites' market capitalization was EUR 90.4 (75.5) million.

Shareholders and disclosures

Exel Composites had a total of 3,007 (2,676) shareholders on 30 June 2015. Information on Exel Composites' shareholders is available on the Company website at www.exelcomposites.com.

Exel Composites received one flagging announcement during the review period.

On 20 May 2015 Exel Composites received a flagging announcement according to which the indirect holding of Evli Bank Plc had fallen under 5 per cent of the voting rights and share capital in Exel Composites Plc. Through share transactions concluded on 19 May 2015, the total holding of the investment funds owned by Evli Bank Plc and administered by Evli Fund Management Company Ltd amounted to 504,786 shares, representing 4.24 per cent of the shares and voting rights of the Company.

Management

Mr. Mikko Kettunen, 38, was appointed SVP, CFO and member of Exel Composites Plc's Group Management Team on 13 January 2015 and assumed his position on 7 April 2015. Mr. Kettunen succeeds Mr. Ilkka Silvanto, 63, who was appointed with the same date as SVP, Strategic Projects, effective as of 7 April 2015. Mr. Silvanto will continue reporting to CEO and being member of Group Management Team.

Significant related-party transactions

Exel Composites' permanent public insiders include Exel Composites' Board members, the President and CEO and the members of the Group Management Team. No significant related-party transactions were conducted by the Group or the permanent insiders during the period under review.

Organization and personnel

The number of employees on 30 June 2015 was 511 (433), of whom 225 (201) worked in Finland and 286 (232) in other countries. The average number of personnel in January – June 2015 was 500 (423).

Health, safety and environment

Special attention will be given to occupational health and safety also in 2015. Exel Composites' units in Austria, Belgium and Finland were awarded OHSAS 18001 Safety Management System Standard accreditation in June 2015. The Group's Chinese unit in Nanjing had earned OHSAS 18001 certification already in 2014. The Group is rolling out the certification over all sites with the aim of having all the units of the Group certified by 2017.

Major near-term risks and uncertainties

The Company has added resources to pursue the long-term growth strategy. As a result, the operating cost level has increased. The most significant near-term business risk relates to the possibility of sales growth not materializing according to forecast and the resulting negative impact to the profitability of the Company. In addition, the general economic development, government regulations and financial crisis in the Euro area remain risks for Exel Composites. The profitability of the Australian operations is not satisfying despite the implemented turnaround measures. Further corrective actions and restructuring costs can have an impact on the profitability.

Raw material prices, energy cost and other cost increases may continue to put pressure on profitability. The new European Community's anti-dumping tariffs imposed on Chinese glass fiber may have a negative effect on the result in terms of increased raw material prices. Currency rate changes, price competition and alternative competing materials may also have a negative effect on the result. The availability and cost of financing may continue to have an effect on the demand and increase the risk of credit losses.

Outlook for full year 2015

The market has remained stable and we can see positive signs in the Company's key market segments. However, uncertainties relating to general growth prospects in the economy continue. The Company implements its new strategy by reinforcing the organization, especially in sales resources, product development and operations development, and by increasing its capacity. These efforts are expected to reduce the 2015 operating profit margin compared to 2014, but will position the Company better for long-term profitable growth.

Forward-looking statements

Certain statements in this report, which are not historical facts, including, without limitation, those regarding expectations for general economic development and market situation; regarding customer industry profitability and investment willingness; regarding Company growth, development and profitability; regarding cost savings; regarding fluctuations in exchange rates and interest levels; regarding the success of pending and future acquisitions and restructurings; and statements preceded by "believes," "expects," "anticipates," "foresees" or similar expressions are forward-looking statements.

These statements are based on current expectations and currently known facts. Therefore, they involve risks and uncertainties that may cause actual results to differ materially from results currently expected by the Company.

Other unknown or unpredictable factors or underlying assumptions subsequently proving to be incorrect could cause actual results to differ materially from those in the forward-looking statements. Exel Composites does not undertake any obligation to publicly update or revise forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required.

Vantaa, 24 July 2015

Board of Directors of Exel Composites Plc

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Exel Composites in brief

Exel Composites (www.exelcomposites.com) is a leading composite technology company that designs, manufactures and markets composite products and solutions for demanding applications. Exel Composites provides superior customer experience through continuous innovation, world-class operations and long-term partnerships.

The core of the operations is based on own, internally developed composite technology, product range based on it and strong market position in selected segments with a strong quality and brand image. Profitable growth is pursued by a relentless search for new applications and development in co-operation with customers. The personnel's expertise and high level of technology play a major role in Exel Composites' operations.

Exel Composites Plc share is listed in NASDAQ OMX Helsinki Ltd.

Summary of Financial Statements and notes to the Financial Statements 1 January – 30 June 2015

Accounting principles:

This Interim Report has been prepared in accordance with IAS 34, Interim Financial Reporting. The same accounting policies have been followed as in the previous Financial Statements.

Preparation of financial statements in accordance with the IFRS standards requires Exel Composites' management to make estimates and assumptions that have an effect on the amount of assets and liabilities on the balance sheet at the closing date as well as the amounts of income and expenses for the financial period. In addition, the management must exercise its judgement regarding the application of accounting policies. Since the estimates and assumptions are based on the views at the date of the Financial Statements, they include risks and uncertainties. The actual results may differ from the estimates and assumptions.

The amounts presented in the income statement and balance sheet are Group figures. The amounts presented in the release are rounded, so the sum of individual figures may differ from the sum reported.

The interim report is unaudited.

CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

| EUR thousand | 1.4. – 30.6. 2015 | 1.4. – 30.6. 2014 | Change, % | 1.1. – 30.6. 2015 | 1.1. – 30.6. 2014 | Change, % | 1.1. – 31.12. 2014 |
|-----------------------------|-------------------------|-------------------------|-----------|-------------------------|-------------------------|-----------|--------------------------|
| Net sales | 21,352 | 21,420 | -0.3 | 42,847 | 39,232 | 9.2 | 79,253 |
| Materials and services | -7,778 | -8,290 | 6.2 | -15,549 | -14,266 | -9.0 | -29,134 |
| Employee benefit expenses | -6,733 | -5,635 | -19.5 | -13,183 | -11,028 | -19.5 | -22,691 |
| Depreciation and impairment | -725 | -654 | -10.9 | -1,435 | -1,317 | -9.0 | -3,115 |
| Other operating expenses | -4,937 | -3,949 | -25.0 | -9,493 | -8,038 | -18.1 | -16,133 |
| Other operating income | 169 | 161 | 5.0 | 152 | 361 | -57.9 | 707 |
| Operating profit | 1,348 | 3,054 | -55.9 | 3,340 | 4,943 | -32.4 | 8,887 |
| Net financial items | -187 | -118 | -58.5 | -115 | -347 | 66.9 | -430 |
| Profit before tax | 1,161 | 2,935 | -60.4 | 3,224 | 4,596 | -29.9 | 8,457 |
| Income taxes | -361 | -706 | 48.9 | -867 | -1,251 | 30.7 | -2,754 |
| Profit/loss for the period | 800 | 2,229 | -64.1 | 2,358 | 3,346 | -29.5 | 5,702 |
| Other comprehensive income: | | | | | | | |

| | | | | | | | |
|--|------|-------|--------|-------|-------|-------|-------|
| Other comprehensive income to be reclassified to profit or loss in subsequent periods: | | | | | | | |
| Exchange differences on translating foreign operations | -211 | 528 | -140.0 | 1,169 | 932 | -25.4 | 1,370 |
| Income tax relating to components of other comprehensive income | 0 | 0 | | 0 | 0 | | 0 |
| Items that will not be classified to profit or loss | | | | | | | |
| Defined benefit plan actuarial gains (+)/loss(-), net tax | 0 | 0 | | 0 | 0 | | -90 |
| Other comprehensive income, net of tax | -211 | 528 | -140.0 | 1,169 | 932 | -25.4 | 1,280 |
| Total comprehensive income | 589 | 2,757 | -78.6 | 3,526 | 4,278 | 17.6 | 6,983 |
| Profit/loss attributable to: Equity holders of the parent company | 800 | 2,229 | -64.1 | 2,358 | 3,346 | 29.5 | 5,702 |
| Comprehensive income attributable to: Equity holders of the parent company | 589 | 2,757 | -78.6 | 3,526 | 4,278 | 17.6 | 6,983 |
| Earnings per share, diluted and undiluted, EUR | 0.07 | 0.19 | | 0.20 | 0.28 | | 0.48 |

CONDENSED CONSOLIDATED BALANCE SHEET

| EUR thousand | 30.6.2015 | 30.6.2014 | Change | 31.12.2014 |
|---|-----------|-----------|--------|------------|
| ASSETS | | | | |
| Non-current assets | | | | |
| Goodwill | 9,817 | 9,823 | -6 | 9,676 |
| Other intangible assets | 561 | 789 | -228 | 686 |
| Tangible assets | 13,465 | 10,839 | 2,626 | 12,533 |
| Deferred tax assets | 283 | 725 | -442 | 285 |
| Other non-current assets | 80 | 73 | 7 | 74 |
| Non-current assets total | 24,205 | 22,249 | 1,957 | 23,253 |
| Current assets | | | | |
| Inventories | 10,232 | 9,286 | 946 | 10,034 |
| Trade and other receivables | 12,180 | 12,856 | -676 | 10,906 |
| Cash at bank and in hand | 9,447 | 9,931 | -484 | 8,218 |
| Current assets total | 31,858 | 32,073 | -215 | 29,158 |
| Total assets | 56,063 | 54,322 | 1,741 | 52,411 |
| EQUITY AND LIABILITIES | | | | |
| Shareholders' equity | | | | |
| Share capital | 2,141 | 2,141 | 0 | 2,141 |
| Other reserves | 79 | 72 | 7 | 79 |
| Invested unrestricted equity fund | 2,539 | 2,539 | 0 | 2,539 |
| Translation differences | 4,702 | 3,096 | 1,606 | 3,534 |
| Retained earnings | 19,047 | 15,924 | 3,123 | 15,724 |
| Profit for the period | 2,358 | 3,346 | -988 | 5,702 |
| Total equity attributable to equity holders of the parent company | 30,867 | 27,118 | 3,749 | 29,720 |
| Total equity | 30,867 | 27,118 | 3,749 | 29,720 |
| Non-current liabilities | | | | |
| Interest-bearing liabilities | 4,127 | 1,046 | 3,081 | 4,623 |
| Interest-free liabilities | 480 | 439 | 41 | 454 |
| Deferred tax liabilities | 526 | 465 | 61 | 505 |
| Current liabilities | | | | |
| Interest-bearing liabilities | 4,579 | 10,440 | -5,861 | 1,000 |
| Trade and other non-current liabilities | 15,485 | 14,814 | 671 | 16,110 |
| Total liabilities | 25,197 | 27,204 | -2,007 | 22,692 |
| Total equity and liabilities | 56,063 | 54,322 | 1,741 | 52,411 |

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

| EUR thousand | Share Capital | Other Reserves | Invested Unrestricted Equity Fund | Translation Differences | Retained Earnings | Total |
|-----------------------------|---------------|----------------|-----------------------------------|-------------------------|-------------------|--------|
| Balance at 1 January 2014 | 2,141 | 72 | 2,539 | 2,164 | 15,924 | 22,841 |
| Comprehensive result | | | | 932 | 3,346 | 4,278 |
| Other items | | | | | 0 | 0 |
| Dividend | | | | | 0 | 0 |
| Balance at 30 June 2014 | 2,141 | 72 | 2,539 | 3,096 | 19,270 | 27,118 |
| Balance at 1st January 2015 | 2,141 | 79 | 2,539 | 3,534 | 21,426 | 29,720 |
| Comprehensive result | | | | 1,169 | 2,358 | 3,526 |
| Other items | | | | | 0 | 0 |
| Dividend | | | | | -2,379 | -2,379 |
| Balance at 30 June 2015 | 2,141 | 79 | 2,539 | 4,702 | 21,405 | 30,867 |

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

| EUR thousand | 1.1. – 30.6. 2015 | 1.1. – 30.6. 2014 | Change | 1.1. – 31.12. 2014 |
|---|-------------------|-------------------|--------|--------------------|
| Cash Flow from Operating Activities | | | | |
| Profit for the period | 2,358 | 3,346 | -988 | 5,702 |
| Adjustments | 3,000 | 3,277 | -277 | 7,425 |
| Change in working capital | -1,827 | -2,272 | 445 | 455 |
| Cash Flow Generated by Operations | 3,531 | 4,351 | -820 | 13,582 |
| Interest paid | -40 | -94 | 54 | -167 |
| Interest received | 5 | 42 | -37 | 56 |
| Other financial items | -90 | -103 | 13 | -328 |
| Income taxes paid | -1,047 | -1,120 | 73 | -2,464 |
| Net Cash Flow from Operating Activities | 2,359 | 3,076 | -717 | 10,679 |
| Cash Flow from Investing Activities | | | | |
| Capital expenditure | -1,840 | -1,198 | -642 | -4,354 |
| Proceeds from sale of fixed assets | 0 | 0 | 0 | 0 |

| | | | | |
|--|--------|--------|--------|--------|
| Cash Flow from Investing Activities | -1,840 | -1,198 | -642 | -4,354 |
| Cash Flow from Financing | | | | |
| Share issue | 0 | 0 | 0 | 0 |
| Proceeds from long-term borrowings | 0 | 0 | 0 | 5,000 |
| Instalments of long-term borrowings | -500 | -1,380 | 880 | -2,840 |
| Change in short-term loans | 3,589 | 0 | 3,589 | -9,700 |
| Instalments of finance lease liabilities | 0 | -5 | 5 | -5 |
| Additional capital repayment | 0 | 0 | 0 | 0 |
| Dividends paid | -2,379 | 0 | -2,379 | 0 |
| Net Cash Flow from Financing | 710 | -1,385 | 2,095 | -7,545 |
| Change in Liquid Funds | 1,229 | 493 | 736 | -1,220 |
| Liquid funds in the beginning of period | 8,218 | 9,438 | -1,220 | 9,438 |
| Change in liquid funds | 1,229 | 493 | 736 | -1,220 |
| Liquid funds at the end of period | 9,447 | 9,931 | -484 | 8,218 |

QUARTERLY KEY FIGURES

| EUR thousand | II/ 2015 | I/ 2015 | IV/ 2014 | III/ 2014 | II/ 2014 | I/ 2014 |
|-----------------------------|-------------|------------|-------------|--------------|-------------|------------|
| Net sales | 21,352 | 21,495 | 21,071 | 18,950 | 21,420 | 17,811 |
| Materials and services | -7,778 | -7,771 | -7,992 | -6,876 | -8,290 | -5,976 |
| Employee benefit expenses | -6,733 | -6,450 | -6,068 | -5,595 | -5,635 | -5,393 |
| Depreciation and impairment | -725 | -711 | -631 | -1,167 | -654 | -663 |
| Operating expenses | -4,937 | -4,556 | -4,473 | -3,621 | -3,949 | -4,089 |
| Other operating income | 169 | -16 | 162 | 185 | 161 | 200 |
| Operating profit | 1,348 | 1,991 | 2,069 | 1,875 | 3,054 | 1,890 |
| Net financial items | -187 | 72 | -62 | -22 | -118 | -229 |
| Profit before taxes | 1,161 | 2,063 | 2,007 | 1,853 | 2,935 | 1,661 |
| Income taxes | -361 | -506 | -542 | -962 | -706 | -545 |
| Profit/loss for the period | 800 | 1,557 | 1,466 | 891 | 2,229 | 1,116 |

| | | | | | | |
|---|--------|--------|--------|--------|--------|--------|
| Earnings per share, EUR | 0.07 | 0.13 | 0.12 | 0.07 | 0.19 | 0.09 |
| Earnings per share, EUR, diluted | 0.07 | 0.13 | 0.12 | 0.07 | 0.19 | 0.09 |
| Average number of shares, undiluted, 1,000 shares | 11,897 | 11,897 | 11,897 | 11,897 | 11,897 | 11,897 |
| Average number of shares, diluted, 1,000 shares | 11,897 | 11,897 | 11,897 | 11,897 | 11,897 | 11,897 |
| Average number of personnel | 513 | 487 | 451 | 437 | 427 | 418 |

COMMITMENTS AND CONTINGENCIES

| EUR thousand | 30.6.2015 | 30.6.2014 |
|---------------------|-----------|-----------|
| On own behalf | | |
| Mortgages | 2,783 | 2,783 |
| Corporate mortgages | 12,500 | 12,500 |
| Lease liabilities | | |
| - in next 12 months | 948 | 744 |
| - in next 1-5 years | 1,138 | 1,197 |
| Other commitments | 6 | 6 |

DERIVATIVE FINANCIAL INSTRUMENTS

| Nominal values EUR thousand | 30.6.2015 | 30.6.2014 |
|---------------------------------|-----------|-----------|
| Interest rate derivatives | | |
| Interest rate swaps | 2,700 | 0 |
| Purchased interest rate options | 0 | 0 |

CONSOLIDATED KEY FIGURES

| EUR thousand | 1.1. – 30.6. 2015 | 1.1. – 30.6. 2014 | Change, % | 1.1. – 31.12. 2014 |
|-----------------------|-------------------------|-------------------------|-----------|--------------------------|
| Continuing operations | | | | |
| Net sales | 42,847 | 39,232 | 9.2 | 79,253 |
| Operating profit | 3,340 | 4,943 | -32.4 | 8,887 |
| % of net sales | 7.8 | 12.6 | | 11.2 |

| | | | | |
|----------------------------------|--------|--------|-------|--------|
| Profit before tax | 3,224 | 4,596 | -29.9 | 8,457 |
| % of net sales | 7.5 | 11.7 | | 10.7 |
| Profit for the period | 2,358 | 3,346 | -29.5 | 5,702 |
| % of net sales | 5.5 | 8.5 | | 7.2 |
| Shareholders' equity | 30,867 | 27,118 | 13.8 | 29,720 |
| Interest-bearing liabilities | 8,705 | 11,486 | -24.2 | 5,623 |
| Cash and cash equivalents | 9,447 | 9,931 | -4.9 | 8,218 |
| Net interest-bearing liabilities | -741 | 1,555 | 147.7 | -2,595 |
| Capital employed | 39,572 | 38,604 | 2.5 | 35,342 |
| Return on equity, % | 15.6 | 26.8 | | 21.7 |
| Return on capital employed, % | 17.9 | 26.8 | | 25.2 |
| Equity ratio, % | 55.3 | 50.0 | | 56.9 |
| Net gearing, % | -2.4 | 5.7 | | -8.7 |
| Capital expenditure | 1,840 | 1,198 | 53.6 | 4,354 |
| % of net sales | 4.3 | 3.1 | | 5.5 |
| Research and development costs | 941 | 858 | 9.7 | 1,837 |
| % of net sales | 2.2 | 2.2 | | 2.3 |
| Order intake | 44,185 | 43,148 | 2.4 | 82,327 |
| Order backlog | 13,783 | 14,107 | -2.3 | 12,833 |
| Earnings per share, EUR | 0.20 | 0.28 | -28.6 | 0.48 |
| Earnings per share, EUR, diluted | 0.20 | 0.28 | -28.6 | 0.48 |
| Equity per share, EUR | 2.59 | 2.28 | 13.6 | 2.50 |
| Average number of shares | | | | |
| - cumulative | 11,897 | 11,897 | 0.0 | 11,897 |
| - cumulative, diluted | 11,897 | 11,897 | 0.0 | 11,897 |
| Average number of employees | 500 | 423 | 18.4 | 433 |