07:00 London, 09:00 Helsinki, 14 August 2014 - Afarak Group Plc (“Afarak” or “the Company”) (LSE: AFRK, OMX: AFAGR) Interim Report

AFARAK GROUP PLC’S INTERIM REPORT FOR 1 APRIL – 30 JUNE 2014

Q2 HIGHLIGHTS (April-June 2014):

- Revenue increased by 50.6% to EUR 47.3 (Q2/2013: 31.4) million
- Processed material sold increased by 114.3% to 22,902 (Q2/2013: 10,689) tonnes
- EBITDA was EUR 3.3 (Q2/2013: 6.2) million and the EBITDA margin was 7.1% (Q2/2013: 19.6%)
- EBIT was EUR 1.4 (Q2/2013: 0.0) million
- Profit for the period totalled EUR 1.3 (Q2/2013: -1.8) million
- Ferrochrome production increased by 77.9% to 21,854 (Q2/2013: 12,283) tonnes
- Tonnage mined decreased by 47.8% to 79,058 (Q2/2013: 151,595) tonnes
- Cash flow from operations was EUR -0.2 (Q2/2013: 4.8) million and liquid funds at 30 June were EUR 17 (30 June 2013: 17.7) (31 March 2014:16.8) million
- The Group updates its outlook for 2014

KEY FIGURES (EUR million)	Q2/14	Q2/13	Change	H1/14	H1/13	Change	FY/13
Revenue	**47.3**	31.4	50.6%	90.5	63.0	43.6%	135.5
EBITDA	**3.3**	6.2	-45.7%	6.4	10.3	-38.6%	14.0
EBITDA margin	**7.1%**	19.6%		7.0%	16.4%		10.4%
EBIT	**1.4**	0.0		2.4	-2.0		-8.0
EBIT margin	**3.0%**	0.1%		2.6%	-3.2%		-5.9%
Earnings before taxes	**1.9**	-2.5		3.1	-5.3		-11.2
Earnings margin	**4.0%**	-8.0%		3.4%	-8.4%		-8.2%
Profit	**1.3**	-1.8		1.5	-1.9		-4.4
Earnings per share, basic, EUR	**0.01**	-0.01		0.01	-0.01		-0.02

Commenting on the second quarter results, Danko Koncar, CEO, said:

“The volumes of ferrochrome processed continued on a fast pace with an increase of 77.9% in production when compared to the same period last year, as a result of having both EWW and Mogale Alloys in full operation. The tonnage mined volumes on the other hand were negatively affected due to the temporary suspension of the Mecklenburg mine and the lockout at the Turkish mines.

The Group’s revenue during this quarter remained strong with an increase of 50.6% when compared with the same period last year. Although ferrochrome prices are improving, they have not yet reached the high levels of last year. The weak US dollar has also continued to impact conversion of revenue and results from operations as has the increase in cost of production, increase in raw material costs in the Speciality Alloys segment and an increase in energy cost in the Ferroalloys segment.

The ferrochrome market remains difficult to predict with signs of recovery during this period. In the longer term we believe that ferrochrome, particularly the speciality and super alloys segment, will again be in high demand. We continue evaluating different initiatives that could strengthen our position and provide new growth opportunities. Our focus remains on generating cash and increasing profits.

Finally, I’m pleased to announce that despite a lower EBITDA we managed to achieve positive EBIT and profit for the second consecutive quarter.”

2014 OUTLOOK
Afarak still expects its financial performance to be better than 2013 but EBITDA will be lower as Q3 2014 is expected to be weaker as compared to Q3 2013. The global economic outlook continues showing signs of recovery with western industrial nations issuing positive economic indicators. Demand for commodities is also showing recovery with increase in demand for speciality alloys in the United States. The ferroalloy market is expected to continue the positive trend of 2013 during which consumption reached record levels. To date, however, pricing has not responded to the increased demand. The Group continues to be prepared for significant price fluctuations and will continue to adapt its production levels accordingly. At Mogale Alloys, part of the FerroAlloys division, the Company expects to start production of medium carbon ferrochrome during the fourth quarter of 2014, which is expected to have a positive impact on our profit margins. In the Speciality Alloys division we are expecting to see an increase in our raw materials cost due to current market conditions. As a result the full year revenue and EBIT are expected to be higher but EBITDA lower as compared to 2013.

Fluctuations of exchange rates between the Euro, the South African Rand, the Turkish Lira and the US Dollar can significantly impact the Company's financial performance.

The previous outlook, published in the first quarter interim results on 8 May 2014, was:

The global economic outlook is showing signs of recovery with western industrial nations issuing positive economic indicators. Demand for commodities is also showing recovery with increase in demand for speciality alloys in United States. The ferroalloy market is expected to continue the positive trend of 2013 during which consumption reached record levels. To date, however, pricing has not responded to the increased demand. The Group continues to be prepared for significant price fluctuations and will continue to adapt its production levels accordingly. At Mogale Alloys, part of the FerroAlloys division, the Company expects to start production of medium carbon ferrochrome during the third quarter of 2014, which is expected to have a positive impact on our profit margins. In the Speciality Alloys division we are expecting to see an increase in our raw materials cost due to current market conditions. As a result the Group expects its financial performance for the full year 2014 to marginally improve compared to 2013.

Fluctuations of exchange rates between the Euro, the South African Rand, the Turkish Lira and the US Dollar can significantly impact the Company's financial performance.

Disclosure procedure

Afarak follows the disclosure procedure enabled by Disclosure obligation of the issuer (7/2013) published by the Finnish Financial Supervision Authority, and hereby publishes its Q2/2014 interim report enclosed to this stock exchange release. The Interim Report is attached to this release and is also available on the Company's website at www.afarakgroup.com.

Investor Conference Call

Management will host an investor conference call in English on 14 August 2014 at 14.00 Finnish time, 12.00 UK time. Please dial-in at least 10 minutes beforehand, quoting the reference: 44732.

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Financial reports and other investor information are available on the Company's website:
www.afarakgroup.com.

Afarak Group is a chrome mining and minerals producer focused on delivering sustainable growth with a Speciality Alloys business in southern Europe and a FerroAlloys business in southern Africa. The Company is listed on NASDAQ OMX Helsinki (AFAGR) and the Main Market of the London Stock Exchange (AFRK).
www.afarakgroup.com

Distribution:
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AFARAK GROUP PLC: Q2 INTERIM REPORT FOR 1 APRIL–30 JUNE 2014

This Interim Report is prepared in accordance with the IAS 34 standard and is unaudited. All the corresponding comparable figures of 2013 are presented in brackets, unless otherwise explicitly stated.

SALES

Sales from processed material:

Tonnes	Q2/14	Q2/13	H1/14	H1/13	FY/13
Processing, Speciality Alloys	8,913	5,944	15,782	11,606	21,516
Processing, FerroAlloys	13,988	4,745	31,804	14,076	41,110
Processing, Total	22,902	10,689	47,586	25,682	62,626

The Group's processed material sold, which includes all the products produced at the Mogale Alloys and Elektrowerk Weisweiler processing plants, were 22,902 (Q2/2013: 10,689) tonnes, an increase of 114.3% compared to the equivalent period in 2013. This increase was mainly attributable to the continuing increase in demand in both Speciality Alloys and FerroAlloys segments. However, average sales prices remained lower during this quarter when compared to the same period last year. The increase in the FerroAlloys segment volumes in 2014 was a result of having Mogale Alloys operating at normal levels during this period. During the same period last year sales volumes of the FerroAlloys segment were lower due to the participation in Eskom's electricity buyback program.

AFARAK GROUP'S FINANCIAL PERFORMANCE

REVENUE AND PROFITABILITY

EUR million	Q2/14	Q2/13	Change	H1/14	H1/13	Change	FY/13
Revenue	**47.3**	31.4	50.6%	90.5	63.0	43.6%	135.5
EBITDA	**3.3**	6.2	-45.7%	6.4	10.3	-38.6%	14.1
EBITDA margin	**7.1%**	19.6%		7.0%	16.4%		10.4%
EBIT	**1.4**	0.0		2.4	-2.0		-8.0
EBIT margin	**3.0%**	0.1%		2.6%	-3.2%		-5.9%
Profit	**1.3**	-1.8		1.5	-1.9		-4.4

Revenue for the second quarter 2014 increased by 50.6% to EUR 47.3 (31.4) million compared to the equivalent period in 2013. This increase in revenue was mainly attributable to the increase in sales volumes of our processed material in both segments and the growth in our trading operations. However the increase in revenue was not comparable to the increase in production primarily due to lower commodity prices and weaker US Dollar. EBITDA for the second quarter 2014 reduced compared to the equivalent period in 2013 to EUR 3.3 (6.2) million. Despite the increase in trading volumes this reduction in EBITDA was mainly due to profit margins remaining low during this quarter; the increase in production cost; and a continuing weak US dollar that led to lower profitability in both segment. The temporary suspension of the Mecklenburg mine and the lockout at the Turkish mines also negatively affected our result during this quarter. EBIT for the second quarter 2014 improved to EUR 1.4 (-0.0) million, this improvement is an effect of having lower depreciation in 2014 which originated from acquisition related assets that were acquired by Afarak in 2008 and became fully amortised in Q4 2013.

Earnings per share was EUR 0.01 (-0.01).

BALANCE SHEET, CASH FLOW AND FINANCING

The Group's liquidity, as at 30 June 2014, was EUR 17.0 (17.7) (31 March 2014: 16.8) million. Operating cash flow in the second quarter was EUR -0.2 (4.8) million. Afarak's gearing at the end of the second quarter was -3.7% (-7.9%) (31 March 2014: -7.9%). Net interest-bearing debt was EUR -6.7 (-15.6) (31 March 2014: -15.2) million.

Total assets on 30 June were EUR 279.2 (285.4) (31 March 2014: 286.8) million. The equity ratio was 64.1% (71.2%) (31 March 2013: 67.4%).

INVESTMENTS, ACQUISITIONS AND DIVESTMENTS

Capital expenditure for the second quarter 2014 totalled EUR 4.6 (2.6) million which relates primarily to the payments made in relation to the ferroalloy refining and granulation equipment at Mogale Alloys as well as sustaining capital expenditure at the Speciality Alloys segment.

PERSONNEL

At the end of the second quarter 2014, Afarak had 712 (754) employees. The average number of employees during the second quarter of 2014 was 721 (757).

Number of employees by segment *:

	30.6.2014	30.6.2013	Change	31.12.2013
Speciality Alloys	375	423	-11.3%	443
FerroAlloys	334	328	1.8%	333
Other operations	3	3	0.0%	3
Group total	**712**	**754**	**-5.6%**	**779**

*Including personnel of joint ventures.

SAFETY, HEALTH AND SUSTAINABLE DEVELOPMENT

The Group's target was to introduce standardised health, safety and environmental policies and procedures across the Group's operations and continue its programme focused on pro-active safety and environmental measurements as part of its aim to achieve "Zero Harm". This standardisation process was finalised in 2013.

In Q2 2014 there were less lost time injuries when compared to same period last year with only minor incidents reported. Afarak continues all efforts, including training, to further improve the safety performance.

Afarak aims to conduct its business in a sustainable way and to preserve the environment by minimising the environmental impact of its operations. The Group has programmes on all sites to monitor and address its impact on the environment.

Our aim is to guarantee our employees a safe working place and minimum impact towards the environment.

SEGMENT PERFORMANCE

SPECIALITY ALLOYS BUSINESS

The Speciality Alloys business consists of Türk Maadin Şirketi A.S ("TMS"), the mining and beneficiation operation in Turkey, and Elektrowerk Weisweiler GmbH ("EWW"), the chromite concentrate processing plant in Germany. TMS supplies EWW with high quality chromite concentrate which produces speciality products including Specialised Low Carbon and Ultra Low Carbon Ferrochrome. Excess chrome ore from TMS is exported.

Production:

Tonnes	Q2/14	Q2/13	Change	H1/14	H1/13	Change	FY/13
Mining*	14 448	16 808	-14,0 %	34 142	33 057	3.3 %	70,988
Processing	7 902	4 618	71,1 %	16 090	11 593	38.8 %	23,242

* Including both chromite concentrate and lumpy ore production

Production increased to 22,349 (21,426) tonnes for the second quarter 2014, compared to the equivalent period in 2013. Processing at EWW operated at normal levels during this quarter as maintenance shutdown was scheduled for July 2014 as opposed to June in 2013. Mining at TMS stopped in June following the temporary closure of the mines due to the strike notification.

EUR million	Q2/14	Q2/13	Change	H1/14	H1/13	Change	FY/13
Revenue	**28.9**	18.7	54.0%	50.9	37.0	37.7%	74.5
EBITDA	**2.7**	3.1	-12.2%	3.7	6.0	-38.7%	9.0
EBITDA margin	**9.4%**	16.4%		7.3%	16.4%		12.1%
EBIT	**2.1**	-2.1		2.4	-2.7		-6.1
EBIT margin	**7.3%**	-11.0%		4.8%	-7.2%		-8.2%

Revenue for the second quarter increased by 54.0% to EUR 28.9 (18.7) million and EBITDA decreased by 12.2% to EUR 2.7 (3.1) million compared to the equivalent period in 2013. The increase in revenue was due to higher sales volumes. Despite the improvement in sales volumes EBITDA continued being negatively affected with lower sales prices; a weaker US Dollar rate on conversion of revenue; and increase in raw material costs.

As at 30 June 2014, the Speciality Alloys business had 375 (423) employees.

FERROALLOYS BUSINESS

The FerroAlloys business consists of the processing plant Mogale Alloys and the joint ventures Stellite mine and Mecklenburg mine in South Africa. The business produces chrome ore, charge chrome and silico manganese for sale to global markets.

Production:

Tonnes	Q2/14	Q2/13	Change	H1/14	H1/13	Change	FY/13
Mining*	64 610	134 787	-52.1 %	155 177	188 494	-17.7 %	425,585
Processing	13 952	7 665	82.0 %	34 586	12 285	181.5 %	42,955

* Including both chromite concentrate and lumpy ore production by the joint ventures

Production in this segment decreased substantially to 78,562 (142,452) tonnes in the second quarter of 2014 when compared to the same period in 2013. Suspension of the mining operations at Mecklenburg mine was the main driver of reduced production during this quarter due to unrest in the local community. The Stellite mine operated at normal levels during this quarter. Operations at Mogale Alloys continued at normal levels up until May. In June the plant was partly shut down due to scheduled maintenance. Production volumes at Mogale Alloys were still higher as compared to the same period last year as during this period the company did not participate in Eskom's electricity buyback program.

EUR million	Q2/14	Q2/13	Change	H1/14	H1/13	Change	FY/13
Revenue	**18.4**	12.7	45.5%	39.5	26.0	51.9%	61.0
EBITDA	**1.3**	3.5	-63.1%	3.7	7.3	-49.8%	8.8
EBITDA margin	**7.1%**	28.0%		9.2%	27.9%		14.4%
EBIT	**0.0**	1.8		1.0	3.7		2.0
EBIT margin	**0.2%**	14.1%		2.4%	14.1%		3.3%

* Revenue of the joint ventures is not included in the Group's revenue

Despite the reduced production, revenue for the second quarter improved to EUR 18.4 (12.7) million compared to the equivalent period in 2013, representing an increase of 45.5%. This increase is a reflection of the improvement in demand for processed material. EBITDA for the second quarter decreased to EUR 1.3 (3.5) million as a result of not participating in the Eskom electricity buyback program which led to extraordinary income in H1 2013; a weaker USD rate on conversion of revenue; increase in cost of production as a result of higher energy costs; and reduction in sales of mining material. EBITDA also includes joint venture share of profits amounting to EUR -0.0 (-0.6) million which were positively effected by unrealised exchange differences.

The share of profit from joint ventures is made up as follows:

EUR million	**Q2/14**	**Q2/13**	**Change**	**H1/14**	**H1/13**	**Change**	**FY/13**
Revenue	**1.0**	3.4	-70.7%	**3.9**	4.1	-3.7%	9.5
EBITDA	**-0.2**	0.4		**0.1**	0.3		0.9
EBITDA margin	**-23.3%**	12.8%		**2.8%**	6.5%		9.8%
EBIT	**-0.4**	0.2		**-0.3**	-0.1		-0.2
EBIT margin	**-39.4%**	6.1%		**-8.8%**	-3.2%		-1.8%
Financial income and expense	**0.3**	-0.8		**0.1**	-2.3		-2.3
Profit for the period	**-0.0**	-0.6		**-0.2**	-2.4		-2.3

Afarak's share of joint ventures revenue for the second quarter decreased to EUR 1.0 (3.4) million compared to the equivalent period in 2013, representing a decrease of 70.7%. The decrease in revenue was mainly due to the reduction in sales volumes of the Mecklenburg mine material as operations were suspended due to the unrest in the local community. Joint venture EBITDA for the second quarter decrease to EUR -0.2 (0.4) million. Decrease in EBITDA compared to the equivalent period in 2013 was driven by higher overhead cost per ton produced as production volumes decreased during this quarter.

As at 30 June 2014, the FerroAlloys business had 334 (328) employees.

GLOBAL MARKET

STAINLESS STEEL MARKET

Nickel

The upward trend in nickel values, which has been seen since the beginning of 2014, has contributed to a substantial increase in stainless steel prices, and has continued into Q2. The primary reason for this was the heavy bans imposed on any export of nickel ore and un-beneficiated nickel from Indonesia, where the Chinese had been securing most of their nickel demand for production of nickel pig iron as raw material for their stainless steel industry.

Following the very rapid rise in nickel prices over the past few months, transaction prices for austenitic grades were expected to climb more steeply in June compared to early in the year. However, due to weaker demand in their Asian steel markets, this has not been seen. The LME nickel price peaked at over US$21,000 per ton on May 2014, which was an increase of more than 50% compared with its lowest point, which was below US$14,000 per ton in earlier this year. As a result, alloy surcharges for stainless steel flat products, in Europe and the United States, were approximately 25% higher in June than they were in March and April and almost 40% higher than the January figures. When the Indonesians issued their ban on the export of nickel ore, there was little impact on the market initially, as it was known that there were stockpiles of nickel ore held by processors, particularly in China. Furthermore, LME nickel inventories continued to run at historically high levels. The upward pressure on nickel values is becoming stronger as market players assess the medium-term repercussions of the ban. As the Indonesians had hoped, technical and fundamental factors that pointed to positive movement in nickel prices led to a number of nickel processing plants projects planned in the country. In the short term, Chinese nickel pig iron production is predicted to fall by around 100,000 ton this year, and possibly twice that amount in 2015. Consequently, the global surplus in nickel consumption will be cut drastically in 2014 and may even move into deficit next year.

As a result of the above Afarak has received a number of enquiries regarding production from Mogale Alloys for Stainless Steel Alloys, which is expected to ramp up again in late Q4 2014 or Q1 2015, when the furnaces will be again able to produce this material. Despite the recent significant gains, the medium-term prospects for nickel prices continue to be positive with an expected price floor of approximately US$18,000 per ton, rather than the lower figures recorded during the past two years.

Stainless Steel Demand

There has been an increase in purchasing activity in many markets over the past months. It is uncertain whether this has been driven by improving underlying demand or by stock replenishment and technical buying during a period of rising prices. Producers in several countries have used these positive signs to support small basis price increases in addition to the soaring alloy extras. However, stock building has largely been completed and business activity is expected to slow in many parts of the world during the European summer holiday and operational shutdown period. Consequently, further basis price increases in the short term are not expected.

The increase in nickel costs has held back the rapid rise in alloy surcharges for austenitic grades. With some July prices for flat products slightly lower than those for June. This will only add to the usual seasonal lethargy in stainless steel market. Supply chain participants will be hoping that the positive sentiment perceived in recent months is indicative of a real upturn in demand. Order volumes in the weeks following the summer slowdown will give some sign of the future direction of the market.

Stainless Steel Supply

The global crude stainless steel production is predicted to reach a new record annual total of 40.5 million tonnes in 2014. This would exceed last year's high by 5.7%. Output is expected to grow in all of the major stainless steel making countries and regions. Some of the established stainless steel producing areas are performing more strongly than had been anticipated. In the EU for example, in the first six months of this year production is estimated to reach around 4.0 million tonnes, with an expected forecast for the full year of 7.55 million tonnes, resulting in an increase of 5.7% over 2013. Production in the USA for the full year in 2014 is forecasted to exceed previous expectations and is forecasted to increase by 3.4% to 2.1 million tonnes. Japanese production in H1 was as expected and reached 1.65 million tonnes. A similar figure is anticipated for the second half of the year, which will give an annual total of 3.3 million tonnes, 4% higher than 2013. South Korean production is expected to be 1.1 million tonnes in H1 which is a 1.9% increases over last year. The forecast for stainless steel output in Taiwan this year is expected to increase by 4.1% this year to 1.15 million tonnes.

The expansion in the emerging economies is expected to continue at a higher rate than in the traditional areas. Chinese production has exceeded expectations during the first half of 2014 and is anticipated to improve by 6.4% over last year, to achieve an annual figure of 20.2 million tonnes. This is almost half of the global total tonnage.

Crude stainless steel making in the rest of the world is predicted at 3.8 million tonnes this year, a growth rate of 7.8% over last year.

FERROCHROME MARKET

Together with the nickel price, the ferrochrome market has also continued to see strong growth in the second quarter of 2014, with increasing demand, and save for China, improved prices compared to the previous quarter especially for the South African Charge Chrome. South African ferrochrome benchmark prices in Europe increased to US$1.22/lb Cr, from Q1 2014, US$1.18/lb Cr. Japanese prices maintained their usual spread of +8 US¢/lb Cr over European prices at US$1.30/lb Cr in the second quarter of 2014. In the same period Chinese domestic spot high-carbon ferrochrome prices decreased to US¢84-85/lb, but suffered further towards the end of the quarter, dropping as low as US¢81-83/lb Cr, due to pressure from the Chinese Stainless Steel industry, caused by a decline in the Chinese Purchasing Manager Index (PMI) which dipped further below 47 points.

When looking into the Super Alloy industry in the USA, Japan and Europe, there has been continued growth in demand primarily from the aerospace, energy, automotive and other manufacturing sectors. Afarak Group has extended long term agreements further to main customers for the speciality ferrochrome produced at its Elektrowerk Weisweiler GmbH plant in Germany. The demand from the nuclear power industry also provides the Company with confidence in the market over the next few years. All parameters for the specialty ferrochrome are showing very strong and good demand, with stability and increase in volumes.

MANGANESE ALLOY MARKET

Global carbon steel output has been running at record levels. Prospects for further increases have been promising, driven by urbanisation and additions to auto fleet, especially in China and USA.

The intensity of manganese use in steelmaking has been rising and likely to continue albeit at probably more moderate rate. China is expected to remain the world's largest consumer of manganese for many years. However, for Afarak Group's Mogale Alloys silico manganese product which contains low phosphorus, the Company's main market will continue to be the USA. Steelmakers demand for manganese ferroalloys is expected to fluctuate, but with silico manganese remaining alloy of choice, subject to production constraints into the industry.

UNALLOCATED ITEMS

For the second quarter of 2014, the EBITDA from unallocated items was EUR -0.7 (-0.6) million.

LITIGATION

On 27 March 2014, Afarak announced that the Company had been served a notice of arbitration by Chinese Suzhou Kaiyuan Chemical Co. Ltd ("Suzhou"). Suzhou's claim of EUR 2.66 million relates to a chrome ore sales agreement entered into by Chromex Mining Plc ("Chromex") prior to the acquisition of Chromex by Afarak together in a joint venture with Kermas Limited. The claim has been served on Afarak's marketing arm RCS Limited and various companies which form part of the Chromex joint venture. The place of arbitration is Shanghai, China. The Company is strongly contesting the claim and aims to resolve the matter as soon as possible.

ANNUAL GENERAL MEETING

The Company's Annual General Meeting ("AGM") was held on 8 May 2014. The AGM adopted the financial statements. The AGM resolved in accordance with the proposal of the Board of Directors a capital redemption of EUR 0.02 per share for the year ended on 31 December 2013. The capital redemption was paid on 22 May 2014. The AGM discharged the members of the Board of Directors and the CEO from liability for the financial period 2013.

The AGM resolved that all Board Members are paid EUR 3,000 per month. Furthermore, the non-executive Board Members who serve on the Board's Committees shall be paid an additional EUR 1,500 per month for the committee work. Those members of the Board of Directors that are executives of the Company are not entitled to receive any remuneration for Board membership.

The AGM resolved that the Board of Directors comprises of six members. Dr Jelena Manojlovic, Ms Bernice Smart, Mr Markku Kankaala, Dr Danko Koncar, Mr Michael Lillja and Dr Alfredo Parodi were re-elected to the Board. At its meeting held after the Annual General Meeting, the Board of Directors elected from among its members Dr Jelena Manojlovic as Chairman and Ms Bernice Smart as Deputy Chairman. The Board appointed from among its members the following members to the Committees:

Audit Committee:
Bernice Smart, (Chairman), Markku Kankaala, Alfredo Parodi

The Nomination and Remuneration committee
Jelena Manojlovic (Chairman), Markku Kankaala, Bernice Smart

The AGM resolved that authorised public accountant firm Ernst & Young Oy is re-elected as the Auditor of the Company for the year 2014.

The AGM resolved to authorize the Board of Directors to issue shares and stock options and other special rights that entitle to shares in one or more tranches up to a maximum of 24,843,200 new shares or shares owned by the Company. This equates to approximately 10% of the Company's currently registered shares. The authorization may be used among other things in financing, enabling corporate and business acquisitions or other arrangements and investments of business activities and in the employee incentive and commitment programs. By virtue of the authorization, the Board of Directors can decide both on share issues against payment and on share issues without payment. The payment of the subscription price can also be made with consideration other than money. The authorization contains the right to decide on derogating from shareholders' pre-emptive right to share subscriptions provided that the conditions set in the Companies' Act are fulfilled.

The AGM authorised the Board of Directors to resolve upon acquiring a maximum of 15,000,000 of the Company's own shares. The authorisation replaces all previous authorisations and it is valid 18 months from the decision of the Annual General Meeting.

EVENTS DURING THE REVIEW PERIOD

On 30 May 2014, Afarak announced that the Company's Mecklenburg mine located on the Eastern Limb of the Bushveld Complex in South Africa had suspended production due to the unrest in the local community. The suspension continues and Afarak is committed to resume production at the Mecklenburg mine when it is deemed safe for all concerned.

On 16 June 2014, Afarak announced that the Company's subsidiary Turk Maadin Sirketi A.S. ("TMS") had received a strike notification and the employees commenced the strike on 15 June 2014. The Company in turn declared a lockout and temporarily closed down operations in the Tavas and Kavak mines in Turkey from the same date. In spite of the temporary closure of TMS which continues, Afarak's processing plant Elektrowerk Weisweiler GmbH in Germany has secured a sufficient amount of raw material until the end of 2014.

FLAGGING NOTIFICATIONS

On 3 April 2014, Afarak announced that Finaline Business Limited a company incorporated and existing under the laws of British Virgin Islands has completed a sale of 27,000,000 shares in Afarak Group Plc. The transaction resulted Finaline Business Limited becoming a 0 per cent holder of the shares and voting rights in Afarak.

On 3 April 2014, Afarak announced that Hino Resources Co. a company incorporated and existing under the laws of Hong Kong, has completed an acquisition of shares in Afarak Group Plc and the transaction resulted in Hino Resources Co. increasing above 10 and 15 per cent and becoming a 19.27 per cent holder of the shares and voting rights in Afarak.

On 2 May 2014, Afarak announced that Hino Resources Co. Ltd has completed an acquisition of shares in Afarak Group Plc and the transaction resulted in Hino increasing above 20 per cent and becoming a 21.29 per cent holder of the shares and voting rights in Afarak.

EVENTS SINCE THE END OF THE REVIEW PERIOD

On 10 July 2014, Afarak announced that it had resolved to offer 11,130,434 new ordinary shares in the Company ("New Shares") to the vendors of Mogale Alloys (a subsidiary of Afarak acquired in May 2009) under the settlement agreement announced on 11 October 2012. The New Shares represented approximately 4.48 per cent of the issued share capital and approximately 4.56 per cent of the total voting rights of the Company prior to the share issue. On 18 July 2014, Afarak announced that all of the New Shares had been subscribed for and that the total subscription price of EUR 5,565,217 (EUR 0.5 per share) was fully satisfied through offset against the settlement receivables of the Vendors related to the Mogale Alloys acquisition. A maximum of 3,478,261 shares remain to be offered under the agreed settlement. The New Shares were registered with the Finnish Trade Register on 24 July 2014 and admitted to the premium segment of the Official List and to trading on the Main Market of the London Stock Exchange and NASDAQ OMX Helsinki on 25 July 2014.

On 25 July 2014, Ms Aida Djakov announced that as a result of the increase in the total number of shares from the directed share issue to the vendors of Mogale Alloys, the ownership percentage of Atkey Limited ("Atkey"), a controlled corporation of Ms Djakov, decreased below 20 per cent. Atkey currently holds 19.81 per cent of the shares and voting rights in Afarak. Ms Djakov also holds 6.58 per cent of the shares and voting rights directly, together Atkey and Ms Djakov hold 26.4 per cent of the Company's voting rights.

On 12 August 2014, Afarak announced that the installation of new ferroalloy refining and granulation equipment for Company's subsidiary Mogale Alloys (Pty) Ltd as announced 1 July 2013 has been delayed. The Company now anticipates that the first production of specialty alloys at Mogale will commence during Q4 2014. The delay is expected to have a negative effect on the Company's Q3 results but full year guidance is unchanged.

COMPANY'S SHARE

Afarak Group Plc's shares are listed on NASDAQ OMX Helsinki (AFAGR) and on the Main Market of the London Stock Exchange (AFRK).

On 30 June 2014, the registered number of Afarak Group Plc shares was 248,432,000 (248,432,000) and the share capital was EUR 23,642,049.56 (23,642,049.56).

On 30 June 2014, the Company had 4,244,717 (4,297,437) own shares in treasury, which was equivalent to 1.71% (1.73%) of the issued share capital. The total amount of shares outstanding, excluding the treasury shares held by the Company on 30 June 2014, was 244,187,283 (244,134,563).

At the beginning of the period under review, the Company's share price was EUR 0.38 on NASDAQ OMX Helsinki and GBP 0.30 on the London Stock Exchange. At the end of the review period, the share price was EUR 0.37 and GBP 0.30 respectively. During the second quarter of 2014 the Company's share price on NASDAQ OMX Helsinki ranged from EUR 0.36 to 0.42 per share and the market capitalisation, as at 31 June 2014, was EUR 91.9 (1 January 2014: 79.5) million. For the same period on the London Stock Exchange the share price range was GBP 0.30 to 0.31 per share and the market capitalisation was GBP 74.5 (1 January 2014: 74.5) million, as at 30 June 2014.

Based on the resolution at the AGM on 8 May 2014, the Board is authorised to buy-back up to a maximum of 15,000,000 of its own shares. This authorisation is valid until 8 November 2015. The Company did not carry out any share buy-backs during the second quarter of 2014.

MOST SIGNIFICANT SHORT TERM RISKS AND UNCERTAINTIES, CHANGES DURING AND AFTER THE PERIOD UNDER REVIEW

The changes in the key risks and uncertainties are set out below. Further details of the risks and uncertainties have been published in the Group's 2013 Financial Statements.

Afarak´s financial performance is dependent on the general market conditions of the mining, smelting and minerals processing business. Global financial markets have been very volatile, exacerbated by the Eurozone crisis, and there is uncertainty as to how commodity prices will respond for the rest of 2014, which could considerably impact the Company's revenue and financial performance in 2014.

Changes in foreign exchange rates, if adverse, could have a substantial negative impact on the Group's profitability, in particular changes in US Dollar/South African Rand. In order to better manage its foreign exchange US Dollar/South African Rand exposure, the Group has entered into forward contract arrangements.

Afarak's processing operations in Germany and South Africa are intensive users of energy, primarily electricity. Fuel and energy prices globally have been characterised by volatility and cost inflation. In South Africa the majority of the electricity supply, price and availability are controlled by one entity, Eskom. Increased electricity prices and/or reduced or uncertain electricity supply or allocation may negatively impact Afarak's current operations, which could have an impact on the Group's financial performance.

2014 OUTLOOK

Afarak still expects its financial performance to be better than 2013 but EBITDA will be lower as Q3 2014 is expected to be weaker as compared to Q3 2013. The global economic outlook continues showing signs of recovery with western industrial nations issuing positive economic indicators. Demand for commodities is also showing recovery with increase in demand for speciality alloys in the United States. The ferroalloy market is expected to continue the positive trend of 2013 during which consumption reached record levels. To date, however, pricing has not responded to the increased demand. The Group continues to be prepared for significant price fluctuations and will continue to adapt its production levels accordingly. At Mogale Alloys, part of the FerroAlloys division, the Company expects to start production of medium carbon ferrochrome during the fourth quarter of 2014, which is expected to have a positive impact on our profit margins. In the Speciality Alloys division we are expecting to see an increase in our raw materials cost due to current market conditions. As a result the full year revenue and EBIT are expected to be higher but EBITDA lower as compared to 2013.

Fluctuations of exchange rates between the Euro, the South African Rand, the Turkish Lira and the US Dollar can significantly impact the Company’s financial performance.

The previous outlook, published in the first quarter interim results on 8 May 2014, was:

The global economic outlook is showing signs of recovery with western industrial nations issuing positive economic indicators. Demand for commodities is also showing recovery with increase in demand for speciality alloys in United States. The ferroalloy market is expected to continue the positive trend of 2013 during which consumption reached record levels. To date, however, pricing has not responded to the increased demand. The Group continues to be prepared for significant price fluctuations and will continue to adapt its production levels accordingly. At Mogale Alloys, part of the FerroAlloys division, the Company expects to start production of medium carbon ferrochrome during the third quarter of 2014, which is expected to have a positive impact on our profit margins. In the Speciality Alloys division we are expecting to see an increase in our raw materials cost due to current market conditions. As a result the Group expects its financial performance for the full year 2014 to marginally improve compared to 2013.

Fluctuations of exchange rates between the Euro, the South African Rand, the Turkish Lira and the US Dollar can significantly impact the Company’s financial performance.

Helsinki, 14 August 2014

AFARAK GROUP PLC

BOARD OF DIRECTORS

FINANCIAL REPORTING IN 2014

	Closed period	Reporting date
Q3 Interim Report 2014	10.10.-10.11.2014	10 November 2014

FINANCIAL TABLES

FINANCIAL DEVELOPMENT AND ASSETS AND LIABILITIES BY SEGMENT

H1/2014 6 months EUR '000	Speciality Alloys	Ferro Alloys	Unallocated items	Eliminations	Group total
Revenue	50,927	39,539	73	-65	90,474
EBITDA	3,705	3,654	-1,009	0	6,350
EBIT	2,438	969	-1,049	0	2,358
Segment's assets	148,867	106,867	50,458	-26,987	279,205
Segment's liabilities	63,675	46,947	13,519	-23,817	100,325

H1/2013 6 months EUR '000	Speciality Alloys	Ferro Alloys	Unallocated items	Eliminations	Group total
Revenue	36,973	26,033	171	-152	63,025
EBITDA	6,047	7,274	-2,983	0	10,338
EBIT	-2,672	3,666	-3,007	0	-2,012
Segment's assets	144,805	109,775	92,018	-61,187	285,411
Segment's liabilities	88,613	43,831	13,085	-59,975	85,554

FY 2013 12 months EUR '000	Speciality Alloys	Ferro Alloys	Unallocated items	Eliminations	Group total
Revenue	74,461	61,011	342	-304	135,509
EBITDA	9,083	8,794	-3,787	0	14,090
EBIT	-6,096	2,003	-3,891	0	-7,984
Segment's assets	143,952	97,945	69,335	-32,866	277,924
Segment's liabilities	64,684	43,172	13,069	-33,329	87,596

RESULTS DEVELOPMENT

	Q1/13	**Q2/13**	**Q3/13**	**Q4/13**	**Q1/14**	**Q2/14**
Sales (tonnes)						
Mining	16 221	76 830	103 739	98 507	97 281	45 341
Processing	14 992	10 689	11 359	23 593	22 146	22 948
Trading	0	809	1 387	2 133	3 909	6 405
Total	**31 213**	**88 328**	**116 485**	**124 233**	**123 336**	**74 694**
Average rates						
EUR/USD	1.321	1.313	1.317	1.328	1.370	1.370
EUR/ZAR	11.826	12.115	12.502	12.833	14.887	14.676

Euro (million)	**Q1/13**	**Q2/13**	**Q3/13**	**Q4/13**	**Q1/14**	**Q2/14**
Revenue*	31.6	31.4	30.7	41.8	43.2	47.3
Extraordinary items*	5.8	4.8	0.0	0.1	0.0	0.0
EBITDA	4.2	6.2	2.9	0.8	3.0	3.3
EBITDA margin	13.3%	19.7%	9.4%	1.9%	6.9%	7.1%
EBIT	-2.1	-2.5	-3.1	-2.9	0.9	1.4
EBIT margin	-6.6%	-8.0%	-10.1%	-6.9%	2.1%	3.0%

*Revenue in Q1/13 and Q2/13 is low due Mogale Alloys participation in Eskom's electricity buyback program. Income received in connection with Eskom's electricity buyback program is included in extraordinary items.

CONSOLIDATED INCOME STATEMENT, SUMMARY

EUR '000	**Q2/14**	**Q2/13**	**H1/14**	**H1/13**	**FY/13**
Revenue	**47,294**	**31,408**	**90,474**	**63,025**	**135,509**
Other operating income	480	5,311	844	11,349	12,936
Operating expenses	-44,379	-29,975	-84,784	-61,639	-132,061
Depreciation and amortisation	-1,918	-6,124	-3,992	-12,350	-22,074
Items related to associates (core)	1	1	2	2	6
Share of profit from joint ventures	-48	-578	-187	-2,399	-2,300
Operating profit	**1,431**	**44**	**2358**	**-2,012**	**-7,984**
Financial income and expense	484	-2,568	720	-3,253	-3,146
Profit before tax	**1,914**	**-2,524**	**3,078**	**-5,265**	**-11,130**
Income tax	-591	695	-1,599	3,404	6,728
Profit for the period	**1,324**	**-1,829**	**1,479**	**-1,860**	**-4,403**
Profit attributable to:					
Owners of the parent	1,527	-1,992	1,707	-2,063	-4,252
Non-controlling interests	-203	164	-228	203	-151
Total	1,324	-1,829	1,479	-1,860	-4,403
Earnings per share for profit attributable to the shareholders of the parent company, EUR					
Basic earnings per share, EUR	0.01	-0.01	0.01	-0.01	-0.02
Diluted earnings per share, EUR	0.01	-0.01	0.01	-0.01	-0.02

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR '000	**Q2/14**	**Q2/13**	**H1/14**	**H1/13**	**FY/13**
Profit for the period	**1,324**	**-1,829**	**1,479**	**-1,860**	**-4,403**
Other comprehensive income					
Remeasurements of defined benefit pension plans	0	0	0	0	-40
Exchange differences on translating foreign operations	-10,550	-8,683	-7,981	-13,324	-22,206
Income tax relating to other comprehensive income	-187	3,005	-187	4,824	7,741

Other comprehensive income, net of tax	**-10,737**	**-5,678**	**-8,169**	**-8,499**	**-14,505**
Total comprehensive income for the period	**-9,414**	**-7,507**	**-6,690**	**-10,360**	**-18,908**
Total comprehensive income attributable to:					
Owners of the parent	-9,226	-7,008	-6,470	-9,509	-17,130
Non-controlling interests	-187	-498	-220	-851	-1,778

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, SUMMARY

EUR '000	**30.6.2014**	**30.6.2013**	**31.12.2013**
ASSETS			
Non-current assets			
Investments and intangible assets			
Goodwill	62,334	64,309	62,288
Investments in associates	79	77	76
Other intangible assets	20,533	32,370	22,040
Investments and intangible assets total	82,945	96,755	84,405
Property, plant and equipment	41,197	37,356	36,257
Other non-current assets	48,144	60,697	56,650
Non-current assets total	**172,286**	**194,809**	**177,312**
Current assets			
Inventories	50,116	42,222	46,284
Receivables	39,804	30,692	40,559
Cash and cash equivalents	16,999	17,688	13,769
Current assets total	**106,919**	**90,601**	**100,612**
Total assets	**279,205**	**285,411**	**277,924**
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	23,642	23,642	23,642
Share premium reserve	25,740	25,740	25,740
Paid-up unrestricted equity reserve	237,841	242,725	242,725
Legal Reserve	205	0	201
Translation reserves	-12,890	1,664	-4,773
Retained earnings	-100,836	-100,229	-102,574
Equity attributable to owners of the parent	**173,702**	**193,543**	**184,960**
Non-controlling interests	**5,178**	**6,314**	**5368**
Total equity	**178,880**	**199,857**	**190,328**
Liabilities			
Non-current liabilities			
Deferred tax liabilities	7,795	11,462	8,507
Provisions	9,922	11,521	9,739
Share of joint ventures' losses	16,127	13,223	15,333
Pension liabilities	16,027	15,717	16,095
Financial liabilities	6,328	129	149
Non-current liabilities total	**56,201**	**52,052**	**49,823**

Current liabilities			
Advances received	0	0	0
Other current liabilities	44,124	33,502	37,773
Current liabilities total	**44,124**	**33,502**	**37,773**
Total liabilities	**100,325**	**85,554**	**87,596**
Total equity and liabilities	**279,205**	**285,411**	**277,924**

SUMMARY OF CASH, INTEREST-BEARING RECEIVABLES AND INTEREST-BEARING LIABILITIES

EUR '000	**30.6.2014**	**30.6.2013**	**31.12.2013**
Cash and cash equivalents	**16,999**	**17,688**	**13,769**
Interest-bearing receivables			
Current	5,188	3,052	8,133
Non-current	39,448	47,208	40,038
Interest-bearing receivables	**44,636**	**50,260**	**48,170**
Interest-bearing liabilities			
Current	4,020	1,998	1,362
Non-current	6,288	84	149
Interest-bearing liabilities	**10,308**	**2,082**	**1,511**
NET TOTAL	**51,327**	**65,866**	**60,429**

SUMMARY OF GROUP'S PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

EUR '000	**Property, plant and equipment**	**Intangible assets**
Acquisition cost 1.1.2014	92 724	223 883
Additions	6 851	185
Disposals	-84	0
Reclass between items	-71	0
Effect of movements in exchange rates	675	6741
Acquisition cost 30.6.2014	100 095	224 738
Acquisition cost 1.1.2013	98 453	252 654
Additions	3 099	3 307
Disposals	-79	0
Reclass between items	200	-276
Effect of movements in exchange rates	-7 219	-19 806
Acquisition cost 30.6.2013	94 453	235 879

CONSOLIDATED STATEMENT OF CASH FLOWS, SUMMARY

EUR '000	H1/14	H1/13	FY/13
Profit for the period	1,479	-1,860	-4,403
Adjustments to profit for the period	5,929	16,088	21,498
Changes in working capital	-4,347	-803	-2,857
Discontinued operations	-404	-479	-504
Net cash from operating activities	**2,657**	**12,946**	**13,734**
Acquisition of subsidiaries and associates, net of cash acquired	0	-404	-404
Disposal of subsidiaries and associates, net of cash sold	0	0	2
Capital expenditure and other investing activities	-6,799	-5,309	-10,192
Proceeds from repayments of loans and loans given	3,534	82	885
Net cash used in investing activities	**-3,265**	**-5,631**	**-9,708**
Capital Redemption	-4,884	-2,442	-2,442
Dividends paid	0	0	0
Proceeds from borrowings	9,341	0	0
Repayment of borrowings, and other financing activities	-674	-879	-1,405
Net cash used in financing activities	**3,783**	**-3,321**	**-3,847**
Net increase in cash and cash equivalents	**3,174**	**3,994**	**179**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

A = Share capital
B = Share premium reserve
C = Paid-up unrestricted equity reserve
D = Translation reserve
E = Retained earnings
F = Legal reserve
G = Equity attributable to owners of the parent, total
H = Non-controlling interests
I = Total equity

EUR '000	A	B	C	D	E	F	G	H	I
Equity at 31.12.2012	**23 642**	**25 740**	**245 167**	**8 045**	**-99 192**	**0**	**203 402**	**7 163**	**210 565**
Total comprehensive income 1-6/2013				-7 446	-2 063		-9 509	-851	-10 360
Share-based payments					1 026		1 026	1	1 027
Capital redemption			-2 441				-2 441	0	-2 441
Equity at 30.6.2013	**23 642**	**25 740**	**242 726**	**599**	**-100 229**	**0**	**192 478**	**6 314**	**198 791**

Total comprehensive income 7-12/2013				-5 372	-2 229		-7 601	700	- 6 901
Translation differences								-1 647	-1 647
Share-based payments					84		84	1	85
Other changes in equity					-201	201	0	0	0
Equity at 31.12.2013	**23 642**	**25 740**	**242 726**	**-4 773**	**-102 575**	**201**	**184 961**	**5 368**	**190 328**
Total comprehensive income 1-6/2014				-8 117	1 707		-6 410	-228	-6 638
Translation differences					-60		-60	9	-51
Share-based payments					91		91	29	121
Capital redemption			-4 884				-4 884	0	-4 884
Other changes in equity						4	4	0	4
Equity at 30.6.2014	**23 642**	**25 740**	**237 842**	**-12 890**	**-100 837**	**205**	**173 702**	**5 178**	**178 880**

RELATED PARTY TRANSACTIONS DURING THE REVIEW PERIOD

EUR '000	**H1/14**	**H1/13**	**FY/13**
Sales to joint ventures	54	26	44
Sales to other related parties	15	18	34
Purchases from joint ventures	-4,004	-3,854	-12,092
Financing income from joint ventures	511	566	1,108
Financing expense to other related parties	-170	-52	-100
Loan receivables from joint ventures	34,060	35,825	34,500
Loan receivables from other related parties	7,242	10,221	10,241
Trade and other receivables from joint ventures	5,763	4,829	5,125
Trade and other receivables from other related parties	8	33	8
Trade and other payables to joint ventures	1,495	-18	2,364

FINANCIAL INDICATORS

	H1/14	**H1/13**	**FY/13**
Return on equity, % p.a.	0.8%	-1.8%	-2.2%
Return on capital employed, % p.a.	2.2%	2.4%	0.0%
Equity ratio, %	64.1%	71.2%	68.5%
Gearing, %	-3.7%	-7.9%	-6.4%
Personnel at the end of the period	712	754	779

EXCHANGE RATES

The balance sheet date rate is based on exchange rate published by the European Central Bank for the closing date. The average exchange rate is calculated as an average of daily rates from the European Central Bank during the year.

The key exchange rates applied in the accounts:

Average rates

	H1/14	**H1/13**	**FY/13**
TRY	2.9678	2.3809	2.5335
USD	1.3703	1.3134	1.3281
ZAR	14.6758	12.1153	12.8330

Balance sheet rates

	30.6.2014	30.6.2013	31.12.2013
TRY	2.8969	2.521	2.9605
USD	1,3658	1.308	1.3791
ZAR	14.4597	13.0704	14.5660

FORMULAS FOR FINANCIAL INDICATORS

Financial ratios and indicators have been calculated with the same principles as applied in the 2013 financial statements. These principles are presented below.

Return on equity, % = Profit for the period / Total equity (average for the period) * 100

Return on capital employed, % = (Profit before taxes + financing expenses) / (Total assets - interest-free liabilities) average * 100

Equity ratio, % = Total equity / (Total assets - prepayments received) * 100

Gearing, % = (Interest-bearing debt - liquid funds) / Total equity * 100

Net interest-bearing debt = Interest-bearing debt - liquid funds

Earnings per share, basic, EUR = Profit attributable to owners of the parent company / Average number of shares during the period

Earnings per share, diluted, EUR = Profit attributable to owners of the parent company / Average number of shares during the period, diluted

Operating profit (EBIT) = Operating profit is the net of revenue plus other operating income, plus gain/loss on finished goods inventory change, minus employee benefits expense, minus depreciation, amortisation and impairment and minus other operating expense. Foreign exchange gains or losses are included in operating profit when generated from ordinary activities. Exchange gains or losses related to financing activities are recognised as financial income or expense.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) = Operating profit + depreciation + amortisation + impairment losses

ACCOUNTING POLICIES

This Interim Report is prepared in accordance with IAS 34 'Interim Financial Reporting' and should be read in conjunction with Afarak's financial statements for 2013. Afarak has applied the same accounting principles in the preparation of this Interim Report as in its financial statements for 2013, except for the adoption of new standards and interpretations that become effective in 2014. The changes did not have material impact on the Interim Report.

The preparation of the Interim Report in accordance with IFRS requires management to make estimates and assumptions that affect the valuation of the reported assets and liabilities and other information, such as contingent liabilities and the recognition of income and expenses in the income statement. Although the estimates are based on the management's best knowledge of current events and actions, actual results may differ from the estimates.

The figures in the tables have been rounded off, which must be considered when calculating totals. Average exchange rates for the period have been used for income statement conversions, and period-end exchange rates for balance sheet.

The Interim Report data are unaudited.

Share-related key figures

		Q2/14	Q2/13	H1/14	H1/13	FY/13
Share price development in London Stock Exchange						
Average share price*	EUR	0.37	0.43	0.37	0.43	0.43
	GBP	0.30	0.37	0.30	0.37	0.37
Lowest share price*	EUR	0.37	0.42	0.37	0.39	0.35
	GBP	0.30	0.36	0.30	0.33	0.30
Highest share price*	EUR	0.38	0.43	0.38	0.47	0.47
	GBP	0.31	0.37	0.31	0.40	0.40
Share price at the end of the period**	EUR	0.37	0.40	0.37	0.40	0.43
	GBP	0.30	0.34	0.30	0.34	0.30
Market capitalisation at the end of the period**	EUR million	93.0	98.5	93.0	98.5	89.4
	GBP million	74.5	84.5	74.5	84.5	74.5
Share trading development						
Share turnover	thousand shares	13	5	20	45	45
Share turnover	EUR thousand	5	2	7	19	19
Share turnover	GBP thousand	4	2	6	16	16
Share turnover	%	0.0 %	0.0%	0.0 %	0.0%	0.0%
Share price development in NASDAQ OMX Helsinki						
Average share price	EUR	0.38	0.42	0.37	0.44	0.40
Lowest share price	EUR	0.36	0.40	0.31	0.39	0.30
Highest share price	EUR	0.42	0.46	0.42	0.48	0.48
Share price at the end of the period	EUR	0.37	0.42	0.37	0.42	0.32
Market capitalisation at the end of the period	EUR million	91.92	104.3	91.9	104.3	79.5
Share trading development						
Share turnover	thousand shares	6,005	431	8,249	1,995	4,554
Share turnover	EUR thousand	2,286	180	3,055	887	1,826
Share turnover	%	2.4%	0.2%	3.3%	0.8%	1.8%

* Share prices have been calculated on the average EUR/GBP exchange rate published by Bank of Finland.

** Share price and market capitalisation at the end of the period have been calculated on the EUR/GBP exchange rate published by Bank of Finland at the end of the period.

Formulas for share-related key indicators

Average share price = Total value of shares traded in currency / Number of shares traded during the period

Market capitalisation, million = Number of shares * Share price at the end of the period

FORWARD LOOKING STATEMENTS

This report contains forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative or other variations or comparable terminology. By their nature, forward-looking statements involve uncertainty because they depend on future circumstances, and relate to events, not all of which are within the Company's control or can be predicted by the Company.

Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Actual results could differ materially from those set out in the forward-looking statements. Save as required by law (including the Finnish Securities Markets Acts (746/2012), as amended, or by the Listing Rules or the Disclosure and Transparency Rules of the UK Financial Services Authority), the Company undertakes no obligation to update any forward-looking statements in this report that may occur due to any changes in the Directors' expectations or to reflect events or circumstances after the date of this report.