

Articles of Association

§ 1 Company name and domicile

Company's name is Neles Oyj in Finnish, Neles Abp in Swedish, and Neles Corporation in English. The Company's domicile is Vantaa Finland.

§ 2 Line of business

The Company's line of business is, either directly or through its subsidiaries or associated companies, to globally design, develop, sell, and manufacture industrial products and systems and related spare parts as well as maintenance and diagnostic services, among others, relating to flow control.

As a parent company, the Company may also manage the Corporation's organisation, financing, procurement, and other similar common activities and also own real property, shares and shareholdings, trade in securities, and engage in other investment business.

§ 3 Book-Entry System

The Company's shares are in the book-entry system.

§ 4 Board of Directors and President and CEO

The Company shall have a Board of Directors and a President and CEO and, as necessary, one or more deputy CEOs.

The Board of Directors shall have a minimum of five (5) and a maximum of eight (8) members. The Board members' term of office shall expire at the adjournment of the first Annual General Meeting following the election.

The Annual General Meeting shall elect the Chairman, the Deputy Chairman, and the other members to the Board of Directors.

The Board of Directors shall elect the Company's President and CEO and, as necessary, one or more deputy CEOs.

Meetings of the Board of Directors shall be convened by the Chairman and, if prevented, by the Vice Chairman. The Board of Directors shall constitute a quorum when more than a half of its members are present and one of them is the Chairman or the Vice Chairman.

The Board's decision shall be the opinion supported by more than a half of those present or, if the vote results is a tie, the opinion supported by the Chairman of the meeting.

§ 5 Right of representation

The Chairman of the Board of Directors, a member of the Board of Directors and the President and CEO, two together, and those persons, two together, to whom the Board of Directors has granted the right of representation, or each one of them together with the Board of Directors' Chairman, with a Board member, or with the President and CEO shall have the right to represent the Company.

§ 6 Accounting period

The Company's accounting period is the calendar year.

§ 7 Auditor

The Company shall have one (1) auditor, which shall be an auditing corporation approved by the Finland Chamber of Commerce.

The auditors' term of office shall expire at the adjournment of the Annual General Meeting following the election.

§ 8 Place of the shareholders' meeting and advance notice

The Company's shareholders' meetings may be held in Helsinki, Espoo or Vantaa.

Notice of a shareholders' meeting shall be given to the shareholders by publishing a notice on the Company's Internet site or in one or several widely circulated newspaper/s named by the Board of Directors or otherwise verifiably no earlier than three (3) months and no later than three (3) weeks before the shareholders' meeting, but, in any case, at least nine (9) days before the record date of the shareholders' meeting, referred to in Chapter 5, Section 6a of the Companies Act.

To attend a shareholders' meeting, a shareholder shall register with the Company no later than on the day stated in the notice to the meeting which may not be earlier than ten (10) days before the shareholders' meeting.

§ 9 Annual General Meeting

The Annual General Meeting shall be held each year by the end of June.

At the meeting, the following shall be

presented:

1. the Financial Statements, including the Consolidated Financial Statements, and the Board of Directors' Report;
2. the Auditor's Report;

decided:

3. the adoption of the Financial Statements;
4. any measures for the use of the profit disclosed in the Balance Sheet;
5. discharging the members of the Board of Directors and the President and CEO from liability;
6. remuneration to the members of the Board of Directors and to the auditors;
7. number of the members of the Board of Directors;

elected:

8. the Chairman, the Vice Chairman, and the members to the Board of Directors; and
9. auditor.

If a voting is to take place in shareholders' meetings, the Chairman of the shareholders' meeting shall determine the method of voting.

This is a translation of the original Finnish "Yhtiöjärjestys".