

24 October 2008

Interim Report III

January – September 2008

The Pöyry Group's net sales for the period under review increased by 18.6 per cent, amounting to EUR 608.1 million (512.7 million in the same period 2007). Profit before taxes increased by 43.4 per cent to EUR 76.3 (53.2) million.

The Group's consolidated balance sheet is healthy. The equity ratio was 47.9 (46.2) per cent and the net debt/equity ratio (gearing) -28.8 (-35.0) per cent.

Earnings per share improved by 42.6 per cent to EUR 0.87 (0.61) and the return on investment by 48.7 (38.3) per cent.

The order stock has increased and was EUR 594.5 million (562.8 at the end of 2007). The margin level of the order stock is normal. The number of personnel increased by 8.5 per cent and was 7886 at the end of the review period (7269 at the end of 2007).

Consolidated net sales will increase during 2008. Profit before taxes will improve clearly in 2008.

At the beginning of 2008 the Group announced that the profit before taxes for 2008 was expected to improve compared to 2007. In June the Group specified its 2008 earnings estimate, stating that the profit before taxes is estimated to improve clearly in 2008. The improvement in the projected profit was caused by the Forest Industry business group's favourable earnings development during January-May, and by orders received during the spring, which create a good work load also for the rest of the year in the Forest Industry business group.

The interim report has been prepared in accordance with the IAS 34 following the same accounting principles as in the annual financial statements for 2007. In the Financial Statements for 2008 the Group will also adopt the new pronouncement "IFRIC 14 IAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction". The pronouncement has no significant effect for the Group.

The data in this interim report are unaudited.

BUSINESS GROUPS

Energy

Net sales for the period under review were EUR 177.0 (154.8) million. Operating profit was EUR 20.2 (15.6) million.

Demand for energy-related services has remained good in Europe. The demand situation in other geographical market areas is stable. Investments in the energy sector have grown strongly during the past few years, resulting in a shortage of project implementation capacity. This has also resulted in increased investment costs. These factors have contributed to the delays in implementing certain projects. The recent turmoil in financial markets has not had any impact on investment demand in the energy sector so far.

The order stock is good, amounting to EUR 216.1 million at the end of the review period (212.7 at the end of 2007). The order stock has improved in all business areas during the third quarter 2008 with mostly medium-size new orders. The most important new projects were the engineering services contract for a new 750 MW combined cycle power plant in Vietnam with PetroVietnam Nhon Trach 2 Power JS Company (EUR 3.8 million), the im-

plementation engineering services contracts with Stora Enso Oyj for combined heat and power plant projects in Belgium and Germany (EUR 3 million), the engineering services contract for a new 2x30 MW coal-fired power plant project in Kalimantan, Indonesia with PT Makmur Sejahtera Wisesa (EUR 2 million), the engineering and installation contract for the new national control centre of the Austrian transmission network with Verbund Austrian Power Grid in Austria (EUR 2.4 million), the engineering contract with SOFINEL S.A., a subsidiary of the EDF Group and AREVA NP, for a nuclear power plant in China (EUR 2.8 million), the services contract with Glow Energy Public Co., Ltd for a cogeneration expansion project in Thailand (EUR 1.85 million) and the frame agreement with Técnicas Reunidas, Spain for the engineering of several EPC projects (EUR 15 million). The last-mentioned agreement is included in the order stock as at 30 September 2008.

Forest Industry

Net sales for the period under review were EUR 239.6 (197.2) million. Operating profit amounted to EUR 43.8 (26.3) million. The favourable earnings development during the review period is due to good capacity utilisation, the successful completion of some major projects, and the good financial performance and demand situation in Latin America.

New investments in the forest industry have mostly taken place in emerging markets. Demand for chemical industry related and local services has remained stable, as has demand for management consulting services. Because of the limited availability of pulpwood and the recent events in financial markets the investment volume in Latin America will decline clearly in 2009. The order stock of North American operations is stable.

The business group's order stock has declined slightly, amounting to EUR 122.4 million (123.8 at the end of 2007). The most important new projects received during the review period were the engineering contract with Propapier GmbH for their paper machine project at a new site in Eisenhüttenstadt, Germany (EUR 10 million), the EPCM (Engineering, Procurement and Construction Management) services contract with Roal Oy for an enzyme plant development project in Rajamäki, Finland (EUR 3 million), engineering services for the rebuild of Mondi's Syktyvkar pulp mill in Russia (EUR 10 million), Amcor's new B9 linerboard machine project at the Botany Mill in Australia and the pulp mill engineering project for Vietnam Paper Corporation in Vietnam.

Infrastructure & Environment

Net sales for the period under review were EUR 190.1 (159.8) million. Operating profit was EUR 13.8 (11.6) million.

Demand for infrastructure and environment related services has remained stable, with the exception of office and commercial building construction in Finland and Russia. The business group continued to strengthen its position in local and international markets.

The order stock has increased, amounting to EUR 255.6 million (226.3 at the end of 2007). The most important new projects were the extension to the existing consultancy engineering contract with Metro de Maracaibo C.A., Venezuela (EUR 5.5 million), the consultancy assignments for three water sector projects in Nigeria, West Africa, financed by the World Bank (EUR 3 million), the railway engineering services contract for the Gotthard Base Tunnel project with the Swiss Transtec Gotthard Consortium (EUR 10 million), the assignment in the Ring Rail Link project in Helsinki, Finland with the Finnish Rail Admini-

station (EUR 7.5 million) the contract for the Melamchi water supply project with the Melamchi Water Supply Development Board in Nepal (EUR 7 million), the contract for a bus mass transit system with Instituto de Desarrollo Urbano in Colombia (EUR 3.0 million), an extension to the existing contract with Metro de Maracaibo C.A. for a metro mass transit system in Venezuela (EUR 5.2 million) and the contract with the Government River Board Corporation for the preparation of a large flood protection scheme in the Czech Republic (EUR 4 million).

GROUP STRUCTURE

As of 1 January 2009, Pöyry PLC will split its Infrastructure & Environment business group into three parts: Transportation, Water and Environment, and Construction Services.

The Infrastructure & Environment business group has consisted of three business areas with partly different client bases, markets and growth areas. The business areas will now be reorganized as separate business groups. The reorganization will create a clearer connection between Pöyry's long-term growth strategy and business structure. At the same time, it will enable investors to understand better the different segments of Pöyry's infrastructure and environment business.

Current business structure

Until now, Pöyry has conducted its operations through three business groups: Energy, Forest Industry, and Infrastructure & Environment.

The structure of the Energy business group will remain unchanged. The business group is Europe's leading provider of energy-related consulting and engineering services.

The Forest Industry business group will also remain unchanged, except that the Civil Engineering business unit with a staff of 250 will become a part of the Construction Services business group. The Forest Industry business group is global market leader both in consulting and engineering.

New business groups

Transportation

The Transportation business group will focus on rail transportation systems and on road, tunnelling and bridge projects, as well as on other transportation-related engineering and expert services. The 2008 net sales of the business group are estimated to be about EUR 107 million.

Water and Environment

The Water and Environment business group will offer comprehensive engineering and expert services related to water and environmental technologies. The 2008 net sales of the businesses forming the new business group are estimated to be about EUR 84 million.

Construction Services

The Construction Services business group will offer comprehensive engineering and project management services for commercial building and industrial projects. The 2008 net sales of the Construction Services business group are estimated at EUR 93 million.

Financial targets and comparable figures

The profitability target of Pöyry's business groups is a minimum operating profit of 8 per cent in the medium term. The long-term profitability target of the business groups is 10 per cent. The comparable figures according to the new business group structure will be released in connection with the publishing of the annual accounts for 2008.

A separate stock exchange notice concerning the new Group structure and financial targets was published on 7 October, 2008.

Acquisitions

Forest Industry

In March 2008 Pöyry acquired the remaining 30 per cent of the shares of CJSC "Giprobum-Pöyry" (formerly ZAO Giprobum Engineering), based in St. Petersburg, Russia. Pöyry now owns the company's entire share capital. The company was consolidated into Pöyry 100 per cent in 2007. The company is Russia's leading forest industry engineering firm, employing about 250 experts.

Infrastructure & Environment

IDP Consult Incorporated in the Philippines, which was acquired in 2007, has been consolidated into Pöyry as of the beginning of 2008. The company has a staff of 30 and annual net sales of about EUR 1.0 million.

Pöyry has expanded its transportation business and market presence in the infrastructure sector by acquiring 100 per cent of the shares of Consilier Construct S.R.L, Romania in May 2008. Established in 1995, Consilier Construct is a leading engineering consulting firm, employing about 220 experts. The company focuses on the transportation market, in particular on the road and rail sectors. Consilier Construct has a strong position in the transportation sector but is also active in the water and environment and the building sectors. In 2007 the company's net sales amounted to about EUR 10 million. The acquisition represents an important step in developing Pöyry's transportation sector activities in the Eastern European market, which is expected to benefit substantially from the integration of Romania and the other new EU member states into the European Union. Consilier Construct will also play an active role in expanding other Pöyry Group activities in Eastern Europe. Consilier Construct has been consolidated into Pöyry as of 1 June 2008.

Pöyry has expanded its architectural design operations by acquiring the entire share capital of Arket Oy, Espoo, Finland. Employing nine architects, the company had net sales of EUR 0.8 million in 2007. Arket Oy will be merged with Pöyry Architects Oy. Founded in 1988, Arket Oy provides architectural design services for health care, office, retail and industrial buildings. The company also has extensive experience of total design and construction management services projects.

Pöyry has expanded the services of its Infrastructure & Environment business group by acquiring 100 per cent of the shares of Geopale Oy, Jyväskylä, Finland. The company spe-

cialises in bedrock core drillings. Employing 14 experts, the company's net sales in 2007 amounted to EUR 1.1 million. Founded in 1995, Geopale Oy has a clientele of exploration and mining companies, and its operations are concentrated to Eastern and Northern Finland. Geopale Oy will be merged with Pöyry Environment Oy.

Pöyry has expanded its real estate consulting and engineering operations in China by acquiring in August the entire stock of Shanghai Kang Hong Construction Ltd. Based in Shanghai, the company employs 29 experts. Its net sales for 2008 are estimated at EUR 1 million and growth prospects are good. The closure of the transaction is subject to approval by the Chinese authorities. Shanghai Kang Hong Construction is primarily engaged in project management for industrial and commercial real estate development and construction projects. In addition, the company provides a comprehensive range of complementary consulting services, ranging from site search and feasibility analysis services to the management of engineering design.

Pöyry has expanded its transportation business and market presence in the infrastructure sector by acquiring the entire share capital of ETT Proyectos S.A, Spain. Employing 45 experts, the Madrid-based company had net sales of EUR 3.2 million in 2007. Founded in 2002, ETT Proyectos provides engineering and consultancy services in the rail sector, including both conventional rail systems as well as high-speed rail systems. The company has also carried out a number of assignments in the area of logistics infrastructure. This acquisition supports Pöyry's strategy of expanding its transportation activities into the Spanish market, while at the same time providing synergies for Pöyry's established position in Latin America. ETT Proyectos will be integrated into the Transportation systems business area of the Infrastructure & Environment business group. The company's management and personnel will continue in Pöyry's employment after the acquisition. ETT Proyectos has been consolidated into Pöyry as from 1 October 2008.

PRESIDENT AND CEO

Heikki Malinen, M.Sc. (Econ), MBA, has taken up his position as new President and CEO of Pöyry PLC on 1 June 2008.

ORDER STOCK

The Group's order stock has increased, amounting to EUR 594.5 million at the end of September. The margin level of the order stock is normal. At the end of 2007 the order stock was EUR 562.8 million.

PERSONNEL

The number of personnel in the Group has increased, amounting to 7886 (7269 at the end of 2007).

BALANCE SHEET STRUCTURE AND FINANCIAL POSITION

The Group's consolidated balance sheet is healthy. The equity ratio at the end of the review period was 47.9 (50.7 at the end of 2007) per cent. The Group's liquidity is good. The net debt/equity ratio (gearing) was -28.8 (-47.4 at the end of 2007) per cent.

CAPITAL EXPENDITURE

The Group's capital expenditure for the period under review totalled EUR 13.1 (42.3) million, of which EUR 7.8 (6.0) million was invested mainly in IT hardware, data systems and software. Capital expenditure on shares amounted to 5.3 (36.3) million.

RISKS AND UNCERTAINTIES

The following new major risks or uncertainties were identified during the reporting period which, if realised, could have a significant impact on the Group.

The global financial crisis. As a result of the global financial crisis which began at the end of the review period, several national economies are experiencing a downturn or plunging into recession. The depth and duration of the impacts of the crisis are difficult to foresee. The crisis has a negative impact both on consumer and investment demand, and if lasting over a longer period, it could substantially affect also the business of the Pöyry Group.

Forest industry investments in Latin America. Because of the limited availability of pulpwood and the recent events in financial markets, the forest industry investments in Latin America will decline clearly. This will have an impact on the Group, which is, however, reduced by the possibility to use Latin American based staff in the projects of the Group's other business areas in Latin America.

A detailed report on the Group's risks and risk management is given in the Financial Statements of 2007.

SHARE CAPITAL AND SHARES

The total number of shares at the end of 2007 was 58 652 614. During the period under review 161 088 new shares were subscribed with stock options 2004A and 2004B pursuant to the stock option programme 2004 of Pöyry PLC. Following the registration of the subscribed shares the total number of shares increased to 58 813 702.

Option programme 2004

Pöyry PLC issued in 2004 stock options to the management of the Group as well as to a wholly-owned subsidiary of Pöyry PLC. The number of stock options is 550 000, entitling to subscription of four shares each, i.e. a total of 2 200 000 shares in Pöyry PLC.

The share subscription periods are the following: for stock options 2004A (660 000 shares) between 1 March 2007 and 31 March 2010, for 2004B (660 000 shares) between 1 March 2008 and 31 March 2011, and for 2004C (880 000 shares) between 1 March 2009 and 31 March 2012. All stock options have been issued and their receipt confirmed.

During 2007 173 768 new shares were subscribed with 43 442 stock options 2004A. During the period under review a total amount of 161 088 new shares were subscribed with 15 090 stock options 2004A and 25 182 stock options 2004B.

Performance share plan 2008-2010

In December 2007 the Board of Directors of Pöyry PLC has approved a new share-based incentive plan for key personnel of Pöyry.

The plan comprises three earning periods, which are the calendar years 2008, 2009 and 2010. The rewards will be paid partly in the company's shares and partly in cash in 2009, 2010 and 2011.

The shares must be held for an approximate period of two years from the transfer date. No rewards shall be paid if the person or the company gives notice of termination before the end of an earning period. The paid reward must be returned to the company if the person or the company gives notice of termination within two years from the end of the earning period.

In the first earning period 2008, the incentive plan will include approximately 300 persons. The value of the plan for the earning period 2008 will correspond to the value of 270 000 shares if the performance of the Group is in line with the earnings criteria for target performance set by the Board of Directors. If the Group's performance exceeds the target and reaches maximum performance, as defined by the Board, the value of the plan can reach up to the value of 540 000 shares for the earning period 2008. The potential reward from the plan for the first earning period 2008 will be based on the Group's earnings per share (EPS) and net sales growth.

During the period under review 90.8 per cent of the maximum rewards for the earning period 2008 have been granted.

The fair value of the reward is expensed until the target group is entitled to the reward and the shares are freely transferable. The fair value of the share is the share price on the date at which the target group has agreed to the conditions of the plan reduced by the estimated dividends. The fair value of the cash proportion is remeasured at each reporting date based on the share price at the reporting date.

Authorisation to issue shares

The Annual General Meeting (AGM) on 10 March 2008 authorised the Board of Directors to decide to issue new shares and to convey the company's own shares held by the company in one or more tranches. The share issue can be carried out as a share issue against payment or without consideration on terms to be determined by the Board of Directors and in relation to a share issue against payment at a price to be determined by the Board of Directors.

A maximum of 11 600 000 new shares can be issued. A maximum of 5 800 000 own shares held by the company can be conveyed.

The authorisation is in force for three years from the decision of the AGM.

The decision made by the AGM was published in its entirety in a stock exchange notice on 10 March 2008.

The Board has not exercised the authorisation during the period under review.

Authorisation to acquire the company's own shares

The AGM on 10 March 2008 authorised the Board of Directors to decide to acquire the company's own shares with distributable funds on the terms given below. The acquisition of shares reduces the company's distributable shareholders' equity.

A maximum of 5 800 000 shares can be acquired. The company's own shares can be acquired in accordance with the decision of the Board of Directors either through public trading or by public offer at their market price at the time of purchase.

The authorisation is in force for 18 months from the decisions of the AGM.

The decision made by the AGM was published in its entirety in a stock exchange notice on 10 March 2008.

The AGM on 5 March 2007 authorised the Board of Directors to decide to acquire a maximum of 5 800 000 own shares of the company. On 10 December 2007 the Board of Directors resolved to exercise the authorisation for the implementation of the Performance share plan 2008-2010 described above. 237 557 own shares were acquired during the period 6 February to 7 March 2008. On 10 March 2008 the Board of Directors resolved to exercise the authorisation given by the Annual General Meeting 2008 and to continue the share buy back. By the end of September 2008, 148 529 own shares have been acquired based on this authorisation. The average price of the shares acquired on the basis of the said authorisations was EUR 15.27. Furthermore a subsidiary of Pöyry PLC owns 8914 Pöyry PLC shares and thus the total amount of own shares held by the company on 30 September 2008 was 395 000 representing 0.7 per cent of all shares and 0.7 per cent of all votes.

Dividend

The Annual General Meeting decided that a dividend of EUR 0.65 be distributed per outstanding share for 2007 (EUR 0.50 for 2006), totalling EUR 38.0 million. The dividend was paid on 20 March 2008.

Share price

The company's shares are quoted on NASDAQ OMX in Helsinki. The average trading price during the period under review was EUR 15.23, with a high of EUR 18.34 and a low of EUR 11.79. A total of 12.9 million of the company's shares were traded, equalling 21.9 per cent of the total number of shares and corresponding to a turnover of EUR 196.1 million.

PROSPECTS

Energy

Changes within the global economic landscape coupled with energy legislation, particularly in the EU, are expected to drive demand for strategic management consulting services. Long lead time in projects in the hydropower sector may be affected in some markets in the short term but prospects in the medium term specifically in the Latin American and Asian markets remain strong. Environmental legislation focused on combating climate change will continue to drive demand for renewable energy and energy efficiency related services. The continued demand for energy, particularly in Russia, China, Asia, the Middle East and Southern Africa, is not expected to slow down significantly but client's investments in the short to medium term are expected to be driven by long term energy supply diversity and fuel security. Cooling of the previously overheated thermal power sector is expected in the medium term which will have a positive effect by lowering equipment supply costs and delivery times. With a strong project pipeline the power & heat sector is expected to see improved growth. The nuclear power renaissance is clearly picking up

speed not only within the European markets but also in new markets, such as the Middle East and Asia. Volatility in the price of crude oil is expected to continue in the short term but with a softening price trend. The drive to secure new reserves by oil companies will continue to create new business opportunities in the oil & gas sector in the Asia-Pacific, Middle East and North Sea markets. The business group's order stock has increased and it has maintained a strong market position. The business group's operating profit will improve clearly in 2008.

Forest Industry

The business group's market position is good. The order stock has declined slightly during the period. The financing for big new pulp and paper mill projects has suffered from the global financial crisis. Pre-studies for new investment projects continue in Russia, but in Latin America the investment volume will decline clearly during 2009. The order stock for chemical industry projects is stable. Demand for local services, which currently focuses on other sectors than the forest industry, has remained stable. Demand for management consulting services has weakened and is more and more directed to improving forest industry companies' competitiveness, including operations improvement and energy-saving services. The business group's operating profit will improve clearly during 2008.

Infrastructure & Environment

Transportation system investments will increase in Eastern Europe, Asia and Latin America. The investment growth is supported by inputs in this sector by various financial institutions. Transportation system investments in Western Europe will remain stable. Climate change and environmental problems create a need for services in the water and environment sector. The volume of commercial and office building construction is expected to decline, whereas infrastructure construction will remain stable. The business group's comprehensive service packages and its focus on specific competence areas will improve its competitiveness. The business group's order stock has increased clearly and its market position is good. Certain long-term construction projects are balancing the economic fluctuation of the business. The business group's operating profit will improve clearly in 2008.

Group

The Group has a strong market position in all of its business areas. The order stock has improved during the period under review. Consolidated net sales will increase in 2008. Profit before taxes will improve clearly in 2008.

Originating in the USA, the financial crisis has spread throughout the global economy. The crisis has a negative impact both on consumer and investment demand, but its depth and duration are difficult to foresee. Seen from Pöyry's viewpoint, investment demand is estimated to remain comparatively stable in the Energy and Infrastructure & Environment business groups, with the exception of the commercial and office construction sector, where investments will decline. Redundant capacity in this area will be utilised as far as possible in different infrastructure projects for which demand remains good. In the Forest Industry business group negative impacts will mainly be seen in big pulp and paper mill projects, which will suffer from financing problems. Redundant capacity in this sector can be partly allocated to chemical industry and energy projects, minor renovation and maintenance investments, and local services.

The Group has launched an action programme designed to maintain its profitability during the current recession at as high a level as possible. The programme focuses on sales, resources, cost structure and investments. Every effort will be made to strengthen the Group's good financial and liquidity position further, because the recession creates new opportunities for restructuring, in which Pöyry aims to play an active role.

The Group's order stock provides a visibility for about six months into the future. The impacts of the financial crisis in 2009 are difficult to foresee at present. Prospects for 2009 will be reported, as in previous years, in connection with the publishing of the annual accounts for 2008.

Vantaa, Finland, 23 October 2008

Pöyry PLC
Board of Directors

Consolidated statement of income	7-9/2008	7-9/2007	1-9/2008	1-9/2007	1-12/2007
EUR million					
NET SALES	193,9	172,7	608,1	512,7	718,2
Other operating income	0,2	1,0	0,5	1,9	2,5
Share of associated companies' results	0,9	0,2	2,2	0,4	0,4
Materials and supplies	-3,7	-3,2	-11,6	-8,9	-14,3
External charges, subconsulting	-22,3	-23,4	-72,2	-63,8	-89,5
Personnel expenses	-100,1	-88,0	-320,2	-272,0	-375,9
Depreciation	-2,2	-2,1	-6,4	-6,2	-8,4
Other operating expenses	-44,8	-37,9	-126,5	-112,5	-159,2
OPERATING PROFIT	21,9	19,3	73,9	51,6	73,8
Proportion of net sales, %	11,3	11,2	12,2	10,1	10,3
Financial income	1,7	1,2	4,0	2,9	4,3
Financial expenses	-0,7	-0,5	-1,7	-1,2	-1,3
Exchange rate differences	0,3	-0,1	0,1	-0,1	-0,2
Value decrease on non-current investment	0,0	0,0	0,0	0,0	-0,1
PROFIT BEFORE TAXES	23,2	19,9	76,3	53,2	76,5
Proportion of net sales, %	12,0	11,5	12,5	10,4	10,7
Income taxes	-7,5	-6,3	-24,0	-17,0	-23,7
NET PROFIT FOR THE PERIOD	15,7	13,6	52,3	36,2	52,8
Attributable to:					
Equity holders of the parent company	15,4	13,5	51,0	35,4	51,3
Minority interest	0,3	0,1	1,3	0,8	1,5
Earnings per share, EUR	0,26	0,23	0,87	0,61	0,88
Corrected with dilution effect	0,25	0,22	0,85	0,59	0,86

Consolidated balance sheet	30 September 2008	30 September 2007	31 December 2007
EUR million			
ASSETS			
NON-CURRENT ASSETS			
Goodwill	95,6	90,5	95,6
Intangible assets	6,4	7,1	6,6
Tangible assets	18,6	17,6	17,8
Shares in associated companies	7,0	4,1	5,2
Other shares	1,7	6,1	2,4
Loans receivable	0,6	1,1	0,1
Deferred tax receivables	6,0	5,3	5,7
Pension receivables	0,4	2,1	0,6
Other	5,5	8,8	4,9
	141,8	142,7	138,9
CURRENT ASSETS			
Work in progress	81,6	74,7	64,5
Accounts receivable	138,4	127,6	141,9
Loans receivable	0,2	0,2	0,6
Other receivables	18,6	17,6	15,6
Prepaid expenses and accrued income	12,7	13,5	10,9
Cash and cash equivalents	88,1	89,8	98,7
	339,6	323,4	332,2
TOTAL	481,4	466,1	471,1
EQUITY AND LIABILITIES			
EQUITY			
Equity attributable to the equity holders of the parent company			
Share capital	14,6	14,6	14,6
Share premium reserve	32,4	32,1	32,4
Legal reserve	20,2	19,3	19,5
Invested free equity reserve	5,4	4,6	4,6
Translation difference	-16,0	-12,2	-13,9
Retained earnings	132,5	109,5	125,4
	189,1	167,9	182,6
Minority interest	7,4	6,1	6,9
	196,5	174,0	189,5
LIABILITIES			
Non-current liabilities			
Interest bearing non-current liabilities	21,2	2,6	1,9
Pension obligations	6,9	6,9	6,6
Deferred tax liability	5,8	4,1	3,3
Other non-current liabilities	7,9	10,0	9,4
	41,8	23,6	21,2
Current liabilities			
Amortisations of interest bearing non-current liabilities	1,7	2,9	2,6
Interest bearing current liabilities	8,6	23,4	4,4
Provisions	4,1	2,5	5,0
Project advances	71,1	89,7	97,3
Accounts payable	22,7	23,2	22,9
Other current liabilities	37,0	39,6	38,3
Current tax payable	11,3	10,8	13,7
Accrued expenses and deferred income	86,6	76,4	76,2
	243,1	268,5	260,4
TOTAL	481,4	466,1	471,1

Statement of changes in financial position	7-9/2008	7-9/2007	1-9/2008	1-9/2007	1-12/2007
EUR million					
FROM OPERATING ACTIVITIES					
Net profit for the period	15,7	13,6	52,3	36,2	52,8
Depreciation and value decrease	2,2	2,1	6,4	6,2	8,4
Gain on sale of fixed assets	0,0	0,0	0,0	-0,7	-2,3
Share of associated companies' results	-0,9	-0,2	-2,2	-0,4	-0,4
Financial income and expenses	-1,3	-0,6	-2,4	-1,6	-2,8
Income taxes	7,5	6,3	24,0	17,0	23,7
Change in work in progress	-3,5	-2,9	-17,1	-20,8	-11,7
Change in accounts and other receivables	2,0	4,3	-2,0	5,4	-5,6
Change in advances received	-9,6	3,2	-26,2	19,1	27,4
Change in payables and other liabilities	2,2	-0,4	14,1	6,0	13,1
Received financial income	1,7	1,2	4,0	2,9	4,3
Paid financial expenses	-0,6	-0,5	-1,6	-1,2	-1,5
Paid income taxes	-10,1	-3,6	-24,7	-14,4	-19,1
Total from operating activities	5,3	22,5	24,6	53,7	86,4
CAPITAL EXPENDITURE					
Investments in shares in subsidiaries deducted with cash acquired	-0,4	-6,8	-5,3	-20,4	-23,4
Sales of shares in subsidiaries	0,0	0,0	0,0	0,0	0,3
Investments in other shares	0,0	0,0	0,0	0,0	0,0
Investments in fixed assets	-1,9	-2,1	-7,8	-5,9	-9,9
Sales of shares in associated companies	0,0	0,0	0,0	0,0	1,8
Sales of other shares	0,0	0,0	0,7	0,6	2,2
Sales of fixed assets	0,5	0,4	1,1	0,7	1,2
Capital expenditure total, net	-1,8	-8,5	-11,3	-25,0	-27,8
Net cash before financing	3,5	14,0	13,3	28,7	58,6
FINANCING					
New loans	0,0	0,0	20,5	0,0	0,0
Repayments of loans	-0,5	-0,4	-1,8	-1,8	-2,6
Change in current financing	-4,3	6,7	3,9	16,8	-2,2
Change in non-current investments	0,0	0,0	0,0	0,0	0,5
Dividends	-0,6	0,0	-39,1	-29,5	-30,0
Acquisition of own shares	-1,0	0,0	-5,9	0,0	0,0
Share subscription	0,4	0,6	0,8	0,7	0,9
Net cash from financing	-6,0	6,9	-21,6	-13,8	-33,4
Change in cash and cash equivalents	-2,5	20,9	-8,3	14,9	25,2
Cash and cash equivalents at the beginning of period	92,4	68,9	98,7	74,9	74,9
Impact of translation differences in exchange rates	-1,8	0,0	-2,3	0,0	-1,4
Cash and cash equivalents at the end of period	88,1	89,8	88,1	89,8	98,7

Statement of changes in equity

EUR million	Share capital	Share premium reserve	Legal reserve	Invested free equity reserve	Translation differences	Retained earnings	Total	Minority interest	Total equity
Equity 1 July 2007	14,5	31,6	19,1	0,0	-10,7	95,8	150,3	6,5	156,8
Net income recorded direct to equity						0,0	0,0		0,0
Translation differences					-1,5		-1,5		-1,5
Net profit for the period						13,5	13,5	0,1	13,6
Income and expenses for the period					-1,5	13,5	12,0	0,1	12,1
Share issue				4,6			4,6		4,6
Shares subscribed with stock options	0,1	0,5					0,6		0,6
Payment of dividend							0,0	-0,5	-0,5
Transfer, retained earnings			0,2			-0,2			
Expenses from incentive programme						0,4	0,4		0,4
Other changes	0,1	0,5	0,2	4,6	0,0	0,2	5,6	-0,5	5,1
Equity 30 September 2007	14,6	32,1	19,3	4,6	-12,2	109,5	167,9	6,1	174,0
Equity 1 Jan. 2007	14,5	31,5	19,1	0,0	-10,9	102,6	156,8	6,1	162,9
Net income recorded direct to equity						0,0	0,0		0,0
Translation differences					-1,3		-1,3		-1,3
Net profit for the period						35,4	35,4	0,8	36,2
Income and expenses for the period					-1,3	35,4	34,1	0,8	34,9
Share issue				4,6			4,6		4,6
Shares subscribed with stock options	0,1	0,6					0,7		0,7
Payment of dividend						-29,1	-29,1	-0,8	-29,9
Transfer, retained earnings			0,2			-0,2			
Expenses from incentive programme						0,8	0,8		0,8
Other changes	0,1	0,6	0,2	4,6	0,0	-28,5	-23,0	-0,8	-23,8
Equity 30 September 2007	14,6	32,1	19,3	4,6	-12,2	109,5	167,9	6,1	174,0
Equity 1 Jan. 2007	14,5	31,5	19,1	0,0	-10,9	102,6	156,8	6,1	162,9
Net income recorded direct to equity						0,0	0,0		0,0
Translation differences					-2,9		-2,9		-2,9
Net profit for the period						51,3	51,3	1,5	52,8
Income and expenses for the period					-2,9	51,3	48,4	1,5	49,9
Share issue				4,6		0,4	5,0		5,0
Shares subscribed with stock options	0,1	0,9					1,0		1,0
Payment of dividend						-29,1	-29,1	-0,7	-29,8
Transfer, retained earnings			0,4			-0,4	0,0		0,0
Expenses from incentive programme						0,5	0,5		0,5
Other changes	0,1	0,9	0,4	4,6	0,0	-28,5	-22,6	-0,7	-23,4
Equity 31 Dec. 2007	14,6	32,4	19,5	4,6	-13,9	125,4	182,6	6,9	189,5

Equity 1 July 2008	14,6	32,4	20,3	5,0	-16,6	117,4	173,1	7,5	180,6
Net income recorded direct to equity						0,0	0,0		0,0
Translation differences					0,6	-0,1	0,5		0,5
Net profit for the period						15,4	15,4	0,3	15,7
Income and expenses for the period					0,6	15,3	15,9	0,3	16,2
Acquisition of own shares						-0,8	-0,8		-0,8
Shares subscribed with stock options				0,4			0,4		0,4
Payment of dividend						0,0	0,0	-0,4	-0,4
Transfer, retained earnings			-0,1			0,1	0,0		0,0
Expenses from incentive programme						0,5	0,5		0,5
Other changes	0,0	0,0	-0,1	0,4	0,0	-0,2	0,1	-0,4	-0,3
Equity 30 September 2008	14,6	32,4	20,2	5,4	-16,0	132,5	189,1	7,4	196,5
Equity 1 Jan. 2008	14,6	32,4	19,5	4,6	-13,9	125,4	182,6	6,9	189,5
Net income recorded direct to equity						0,0	0,0		0,0
Translation differences					-2,1	-0,1	-2,2		-2,2
Net profit for the period						51,0	51,0	1,3	52,3
Income and expenses for the period					-2,1	50,9	48,8	1,3	50,1
Acquisition of own shares						-5,9	-5,9		-5,9
Shares subscribed with stock options				0,8			0,8		0,8
Payment of dividend						-38,0	-38,0	-0,8	-38,8
Transfer, retained earnings			0,7			-0,7	0,0		0,0
Expenses from incentive programme						0,8	0,8		0,8
Other changes	0,0	0,0	0,7	0,8	0,0	-43,8	-42,3	-0,8	-43,1
Equity 30 September 2008	14,6	32,4	20,2	5,4	-16,0	132,5	189,1	7,4	196,5

Contingent liabilities	30 September 2008	30 September 2007	31 December 2007
EUR million			
For own debt	0,0	0,3	0,0
Other obligations			
Pledged assets	0,1	0,6	0,3
Other obligations	48,6	45,5	40,4
For others			
Pledged assets	0,1	0,0	0,1
Other obligations	0,1	0,2	0,1
Rent and lease obligations	112,2	111,6	113,6
Derivative instruments			
Foreign exchange forward contracts, notional values	38,2	18,7	16,9
Foreign exchange forward contracts, fair values	0,2	0,7	0,4
	-1,2	-0,1	0,0
Interest rate swaps, fair values	0,1	0,0	0,0

Pöyry PLC has made interest rate swaps for EUR 12.0 million external loans.

Related party transactions

The transactions with the associated companies are determined on an arm's length basis.

Sales to associated companies	0,3	0,1	0,1
Loans receivable from associated companies	0,0	0,6	0,1
Accounts receivable from associated companies	0,1	0,0	0,0

Shareholding and option rights of related parties

The members of the Board of Directors, the President and CEO, the Deputy to the President and CEO and the members of the Group Executive Committee owned on 30 September 2008 a total of 167 437 shares and 161 679 stock options (on 31 December 2007 a total of 207 107 shares, and stock options 2004).

With the stock options the shareholding can be increased by 646 716 shares equalling 1.1 per cent of the total number of shares and 1.1 per cent of the total votes.

The stock option programme is described in the Financial Statements 2007.

Performance share plan 2008-2010

In December 2007 the Board of Directors of Pöyry PLC approved a new share-based incentive plan for key personnel. The plan includes three earning periods, which are the calendar years 2008, 2009 and 2010. The rewards will be paid partly in the company's shares and partly in cash in 2009, 2010 and 2011. Shares must be held for a period of two years from the transfer date.

During the period under review 49 500 grants have been awarded to the President and CEO, to the Deputy to the President and CEO and to the members of the Group Executive Committee, corresponding to the value of not more than 49 500 shares.

The Performance share plan is described in the verbal part of the Interim report.

Key figures	7-9/2008	7-9/2007	1-9/2008	1-9/2007	1-12/2007
Earnings / share, EUR	0,26	0,23	0,87	0,61	0,88
Corrected with dilution effect	0,25	0,19	0,85	0,59	0,86
Equity attributable to equity holders of the parent company/share, EUR			3,24	2,86	3,11
Return on investment, % p.a.			48,7	38,3	41,7
Return on equity, % p.a.			36,1	28,6	30,0
Equity ratio, %			47,9	46,2	50,7
Equity / Assets ratio, %			40,8	37,3	40,2
Net debt / Equity ratio (gearing), %			-28,8	-35,0	-47,4
Net debt, EUR million			-56,5	-60,9	-89,9
Consulting and engineering, EUR million			592,5	566,2	551,4
EPC, EUR million			2,0	17,5	11,4
Order stock total, EUR million			594,5	583,7	562,8
Capital expenditure, operating, EUR million	1,9	2,2	7,8	6,0	9,1
Capital expenditure in shares, EUR million	0,0	24,4	5,3	36,3	44,2
Personnel in Group companies on average			7648	6714	6852
Personnel in Group companies at the end of the period			7886	7246	7269
Personnel in associated companies at the end of the period			326	278	277
Change in intangible assets					
EUR million					
Book value at beginning of period	6,6	7,1	6,6	7,9	7,9
Acquired companies	0,0	0,6	0,0	0,7	0,9
Capital expenditure	0,4	0,4	1,8	0,8	1,4
Decreases	0,0	0,0	0,0	0,0	0,0
Depreciation and expenses	-0,6	-1,0	-1,8	-2,3	-3,5
Translation difference	0,0	0,0	-0,2	0,0	-0,1
Book value at end of period	6,4	7,1	6,4	7,1	6,6
Change in tangible assets					
Book value at beginning of period	19,4	17,3	17,8	17,0	17,0
Acquired companies	0,0	0,3	0,7	0,6	0,6
Capital expenditure	1,5	1,8	6,0	5,2	7,1
Decreases	-0,5	-0,4	-1,1	-0,7	-0,8
Depreciation	-1,6	-1,4	-4,6	-4,5	-6,0
Translation difference	-0,2	0,0	-0,2	0,0	-0,1
Book value at end of period	18,6	17,6	18,6	17,6	17,8

Segment information	1-9/08	1-9/07	1-12/07	10-12/06	1-3/07	4-6/07	7-9/07	0-12/07	1-3/08	4-6/08	7-9/08
EUR million											
NET SALES											
Energy	177,0	154,8	217,5	59,9	51,4	51,8	51,6	62,7	58,1	62,1	56,8
Forest Industry	239,6	197,2	276,9	60,3	64,6	67,4	65,2	79,7	76,8	88,4	74,4
Infrastructure & Environment	190,1	159,8	222,5	54,1	50,8	53,4	55,6	62,7	60,9	67,1	62,1
Unallocated	1,4	0,9	1,3	-1,9	0,2	0,4	0,3	0,4	0,4	0,4	0,6
Total	608,1	512,7	718,2	172,4	167,0	173,0	172,7	205,5	196,2	218,0	193,9
OPERATING PROFIT AND NET PROFIT FOR THE PERIOD											
Energy	20,2	15,6	21,0	4,4	5,3	4,6	5,7	5,4	5,6	8,3	6,3
Forest Industry	43,8	26,3	39,0	7,5	7,8	8,6	9,9	12,7	12,8	17,7	13,3
Infrastructure & Environment	13,8	11,6	16,8	3,5	3,7	3,5	4,4	5,2	4,4	5,4	4,0
Unallocated	-3,9	-1,9	-3,0	0,8	-0,8	-0,4	-0,7	-1,1	-0,8	-1,4	-1,7
Operating profit total	73,9	51,6	73,8	16,2	16,0	16,3	19,3	22,2	22,0	30,0	21,9
Financial income and expenses	2,4	1,6	2,7	-0,1	0,5	0,5	0,6	1,1	0,6	0,5	1,3
Profit before taxes	76,3	53,2	76,5	16,1	16,5	16,8	19,9	23,3	22,6	30,5	23,2
Income taxes	-24,0	-17,0	-23,7	-4,5	-5,3	-5,4	-6,3	-6,7	-7,1	-9,4	-7,5
Net profit for the period	52,3	36,2	52,8	11,6	11,2	11,4	13,6	16,6	15,5	21,1	15,7
Profit attributable to:											
Equity holders of the parent company	51,0	35,4	51,3	11,2	10,9	11,0	13,5	15,9	15,1	20,5	15,4
Minority interest	1,3	0,8	1,5	0,4	0,3	0,4	0,1	0,7	0,4	0,6	0,3
OPERATING PROFIT %											
Energy	11,4	10,1	9,7	7,3	10,3	8,9	11,0	8,6	9,6	13,4	11,1
Forest Industry	18,3	13,3	14,1	12,4	12,1	12,8	15,2	15,9	16,6	20,0	17,9
Infrastructure & Environment	7,3	7,3	7,5	6,5	7,3	6,6	7,9	8,3	7,3	8,0	6,4
Total	12,2	10,1	10,3	9,4	9,6	9,4	11,2	10,8	11,2	13,8	11,3
ORDER STOCK											
Energy	216,1	223,7	212,7	204,9	214,8	233,8	223,7	212,7	205,8	195,8	216,1
Forest Industry	122,4	143,3	123,8	111,4	154,1	140,2	143,3	123,8	135,6	126,7	122,4
Infrastructure & Environment	255,6	216,7	226,3	191,0	198,4	204,6	216,7	226,3	232,5	232,8	255,6
Unallocated	0,4	0,0	0,0	0,3	0,3	0,3	0,0	0,0	0,4	0,4	0,4
Total	594,5	583,7	562,8	507,6	567,6	578,9	583,7	562,8	574,3	555,7	594,5
Consulting and engineering	592,5	566,2	551,4	500,8	553,1	558,1	566,2	551,4	568,5	551,5	592,5
EPC	2,0	17,5	11,4	6,8	14,5	20,8	17,5	11,4	5,8	4,2	2,0
Total	594,5	583,7	562,8	507,6	567,6	578,9	583,7	562,8	574,3	555,7	594,5
NET SALES BY AREA											
The Nordic countries	175,4	142,5	201,1								
Europe	265,1	218,4	307,8								
Asia	53,1	50,5	67,3								
North America	21,7	25,3	34,2								
South America	69,0	58,2	82,2								
Other	23,8	17,8	25,6								
Total	608,1	512,7	718,2								

Calculation of key figures

Return on investment, ROI %

$$100 \times \frac{\text{profit before taxes + interest and other financial expenses}}{\text{balance sheet total - non-interest bearing liabilities (average)}}$$

Return on equity, ROE %

$$100 \times \frac{\text{net profit}}{\text{equity (average)}}$$

Equity ratio %

$$100 \times \frac{\text{equity}}{\text{balance sheet total - advance payments received}}$$

Equity/assets ratio %

$$100 \times \frac{\text{equity}}{\text{balance sheet total}}$$

Net debt/equity ratio, gearing %

$$100 \times \frac{\text{interest-bearing liabilities - cash and cash equivalents}}{\text{equity}}$$

Earnings/share, EPS

$$\frac{\text{net profit attributable to the equity holders of the parent company}}{\text{issue-adjusted average number of shares for the fiscal year}}$$

Equity attributable to the equity holders of the parent company/share

$$\frac{\text{equity attributable to the equity holders of the parent company}}{\text{issue-adjusted number of shares at the end of the fiscal year}}$$

Acquisitions during 2008

Name and business	Acquisition date	Acquired interest %
<p>Arket Oy</p> <p>The company specialises in architectural design services for healthcare, office, retail and industrial buildings. The company is based in Espoo, Finland employing nine persons.</p>	7 May 2008	100
<p>Geopale Oy</p> <p>The company specialises in bedrock core drillings. The company is based in Jyväskylä, Finland employing 14 persons.</p>	12 May 2008	100
<p>Consilier Construct S.R.L.</p> <p>The company focuses on the transportation market in particular on the road and rail sector. The company is based in Bucharest in Romania and has a staff of 220.</p>	27 May 2008	100
<p>ETT Proyectos S.A.</p> <p>The company provides engineering and consultancy services in the rail sector, including both conventional rail systems as well as high-speed rail systems. The company is based in Madrid, Spain and has a staff of 45. The company will be consolidated into Pöyry as from 1 October 2008.</p>	1 October 2008	100
<p>Shanghai Kang Hong Construction Ltd</p> <p>The company is primarily engaged in project management for industrial and commercial real estate development and construction projects. The company is based in Shanghai, China and has a staff of 29. The acquisition is subject to approval by the Chinese authorities.</p>		

Acquisitions during 2007

Name and business	Acquisition date	Acquired interest %
Rakennuslaskenta NHL Oy (Merged into Pöyry Building Services Oy 31 December 2007)	25 May 2007	100
<p>The company specialises in quantity and cost calculations, building consulting and condition assessment services. The company is based in Turku, Finland and has a staff of 23.</p>		
CJSC "Giprobum-Pöyry" (former ZAO Giprobum Engineering) The company specialises in investment studies, services related to permitting and agreements with authorities, various sectors of plant engineering, and construction management in the forest industry. The company is based in St. Petersburg, Russia and has a staff of 260.	15 June 2007 19 March 2008	70 30
Pöyry Evata Oy (former Evata Worldwide Oy) The company specialises in architectural and interior design, workplace design, office property consulting and services related to real estate development. The company is based in Helsinki, Finland and has a staff of 100.	27 June 2007	70
Econ Pöyry AS (former ECON Analyse AS) The company provides research, analysis and strategic advice relating to the interaction of markets and policies. In addition to consulting assignments, the company offers a set of subscription services related to energy and carbon markets as well as manages multi-client and scenario studies. The company is based in Oslo and Stavanger, Norway and Stockholm, Sweden and Copenhagen, Denmark, and has a staff of 85.	27 August 2007	100
Insinööritoimisto Pöysälä & Sandberg Oy (Merged into Pöyry Civil Oy 31 March 2008)	5 September 2007	100
<p>The company specialises in industrial building construction and structural engineering of office and commercial buildings. The company is based in Helsinki, Kuopio and Oulu in Finland and has a staff of 100.</p>		
Ingenieurgesellschaft Witzenhausen Fricke & Turk GmbH (IGW) The company specialises in waste management, especially in mechanical and biological waste treatment. The company is based in Germany and has a staff of 20.	5 October 2007	100
Perforex Inc. The company specialises in management consulting services in forest industry. The company's main operational bases are in Toronto, Canada and in Atlanta and Portland (Oregon), USA. The company has a staff of 35.	21 November 2007	100

Quatrocon Oy (Merged into Pöyry Building Services Oy 31 May 2008) The company specialises in HVAC design. The company is based in Espoo, Finland and has a staff of 14.	30 November 2007	100
IDP Consult Incorporated The company is serving international donors in technical assistance projects in the water sector. The company is based in Manila, Philippines and has a staff of 30.	18 December 2007	67

Aggregate figures for the above acquisitions	2008	2007
EUR million		
Purchase price		
Fixed price, paid	4,8	30,2
Fixed price, unpaid	0,3	0,3
Additional 30%, estimate		3,0
Earnout estimate		5,4
Share issue		5,0
Order intake estimate		0,0
Fees	0,2	0,2
Total	5,3	44,2
Price allocation		
Equity	3,8	10,5
Fair value adjustments:		
Client relationship	0,0	0,0
Order stock	0,0	0,3
Other	0,0	0,0
Total	3,8	10,8
Goodwill (remaining)	1,5	33,4

Market leadership, experienced management and staff, and earnings expectations are factors contributing to the amount booked as goodwill.

Impact on the Pöyry Group's income statement

Operating profit from acquisition date to end of September 2008 / December 2007	0,3	2,0
Sales volume on a 12-month calendar year basis	13,3	50,1
Operating profit on 12-month calendar year basis	2,1	5,3

Impact on the Pöyry Group's number of personnel	273	637
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Impact on the Pöyry Group's assets and liabilities

	2008			2007		
	Book values at acquisition date	Fair value adjustments	Adjusted IFRS values	Book values at acquisition date	Fair value adjustments	Adjusted IFRS values
EUR million						
Intangible assets	0,0		0,0	0,8	0,2	1,0
Tangible assets	0,7		0,7	0,5		0,5
Shares	0,0		0,0	0,1	0,1	0,2
Deferred tax receivables	0,0		0,0	0,0		0,0
Work in progress	0,5		0,5	1,6		1,6
Accounts receivable	3,5		3,5	6,5		6,5
Other receivables	1,3		1,3	1,7		1,7
Cash and cash equivalents	2,2		2,2	8,8	-0,2	8,6
Assets total	8,2	0,0	8,2	20,0	0,1	20,1
Deferred tax liability	0,0		0,0	0,0		0,0
Provisions	0,0		0,0	0,0		0,0
Interest bearing liabilities	0,0		0,0	0,4		0,4
Project advances	0,0		0,0	0,6		0,6
Accounts payable	1,2		1,2	1,1		1,1
Other current liabilities	3,2		3,2	7,4	-0,2	7,2
Liabilities total	4,4	0,0	4,4	9,5	-0,2	9,3
Net identifiable assets and liabilities	3,8	0,0	3,8	10,5	0,3	10,8
Total cost of business combinations			5,3			44,2
Goodwill			1,5			33,4
Consideration paid, satisfied in cash			4,7			30,4
Cash acquired			2,2			8,6
Net cash outflow			2,5			21,8

Based on the purchase agreements the companies acquired during the period under review are consolidated 100% into the Pöyry Group as of the end of the month when acquired.

The figures are preliminary. Acquisitions after the period under review have not been included.

