

JANUARY- MARCH 2014 INTERIM REPORT



PÖYRY

APRIL 29, 2014

Alexis Fries, President and CEO
Jukka Pahta, CFO

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Alexis Fries
President and CEO

OVERVIEW - Q1 2014

NET SALES AND OPERATING PROFIT DECLINED

MEUR	1-3/2014	1-3/2013	Change-%
Order stock	540.4	585.9	-8 %
Net sales	151.3	166.3	-9 %
Operating profit	-1.8	3.1	n.a.
Net profit	-3.2	0.8	n.a.

OVERVIEW - Q1 2014

EPCM SERVICES FOR GREENFIELD PULP MILL, BRAZIL

- **Client:** Klabin
- **Annual capacity:** 1.5 million tons
- **Start-up:** 03/2016



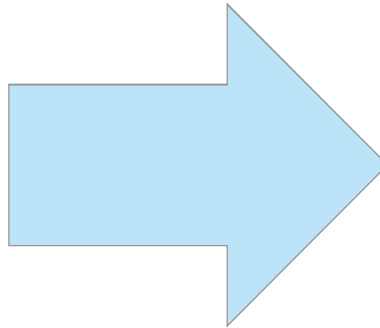
EVENTS AFTER THE REPORTING PERIOD: DIVESTMENT

- In alignment with Pöyry's focused strategy Pöyry is divesting significant parts of its Finnish real estate design and construction management businesses
- Subject to the approval of the Finnish competition authorities
- Around 435 people will transfer to the buyer
- Net sales of the divested business: EUR 44 million
- Expected non-recurring impact on the net result: EUR 16 million

STRATEGY IMPLEMENTATION IN 2014

Strategic elements

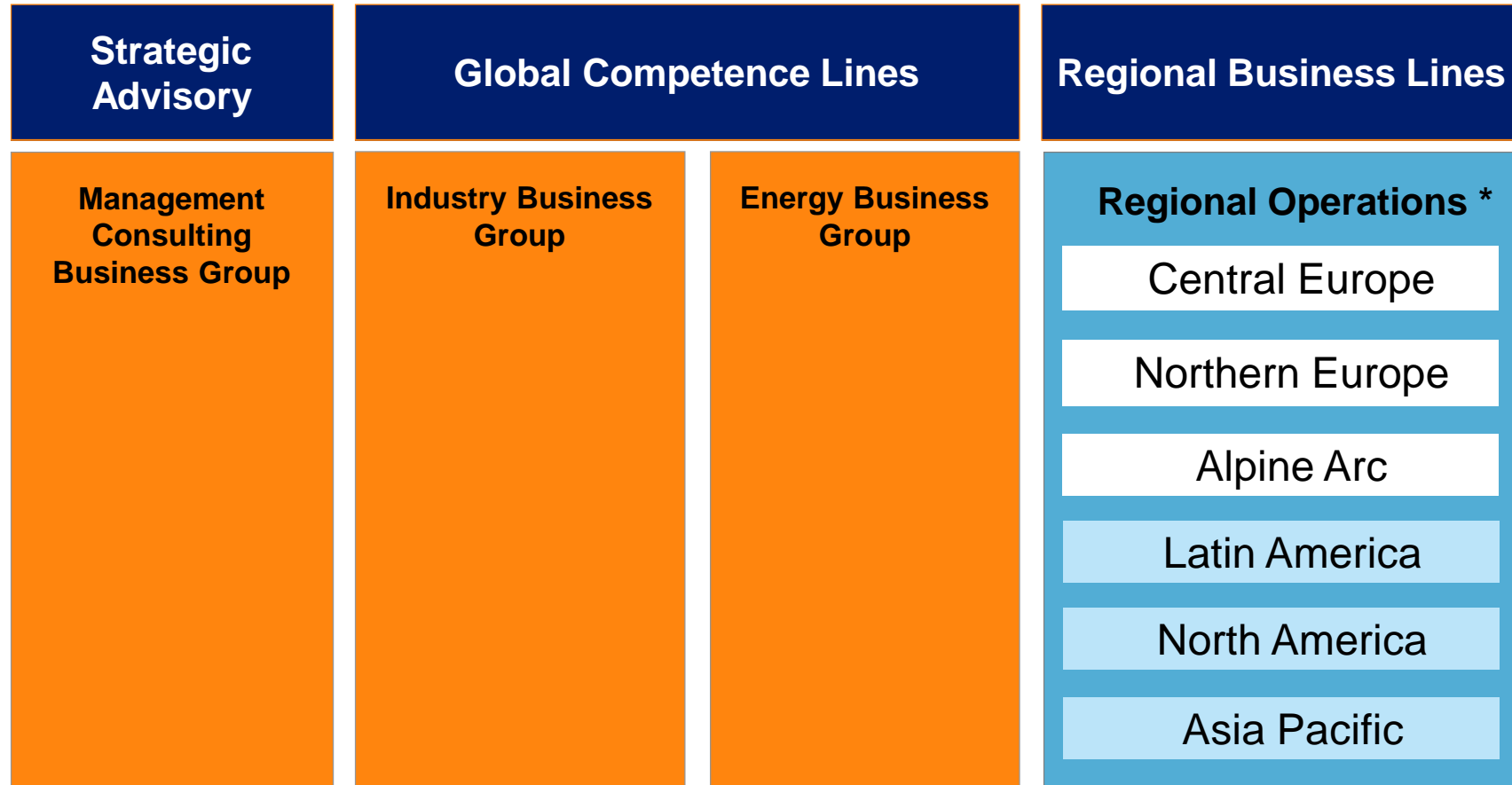
- Global competences
- Local presence
- Global – local interaction
- Full client services
- Performance driven



Actions

- Improvements in
 - sales
 - project management
 - capacity management
- Increased focus
 - recent divestment
- Administrative process improvements
 - address low-performing units
 - streamlining support functions

ORGANISATIONAL EVOLUTION

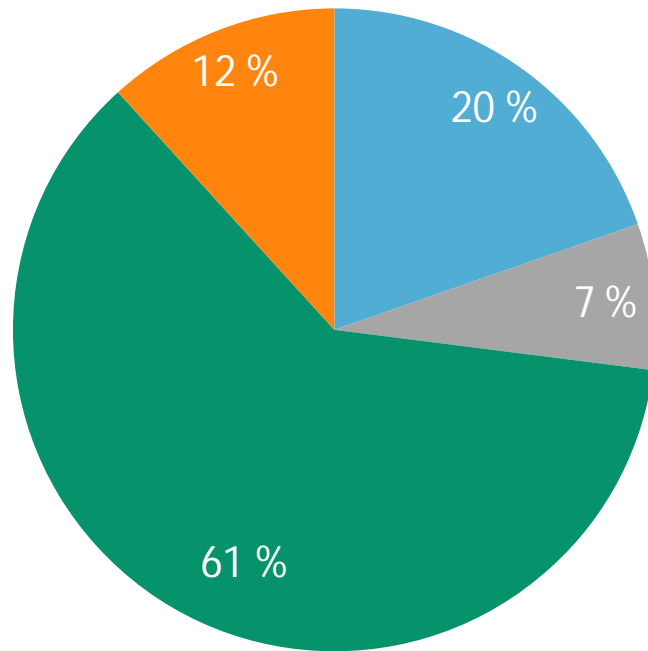


* as of January 2014

JANUARY – MARCH 2014

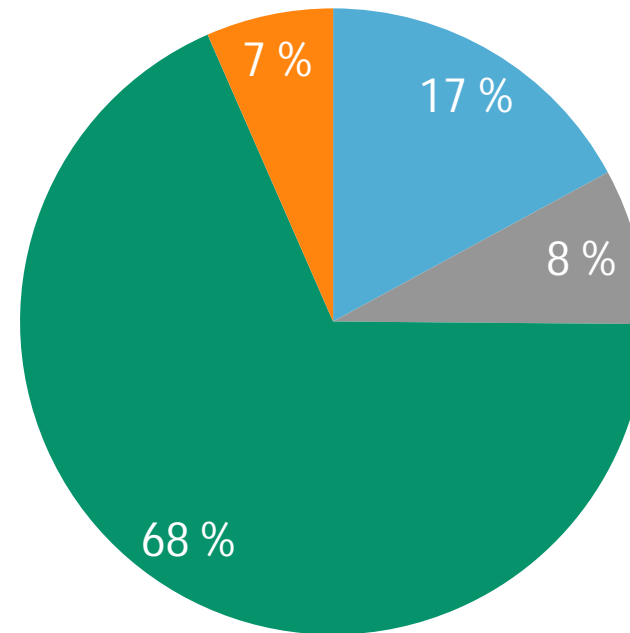
NET SALES AND HEAD COUNT BY BUSINESS LINE

Net sales

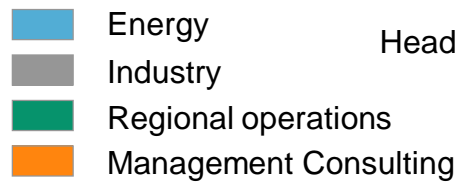


Net sales EUR 151.3 million

Headcount



Head count: 6,382 at the end of period



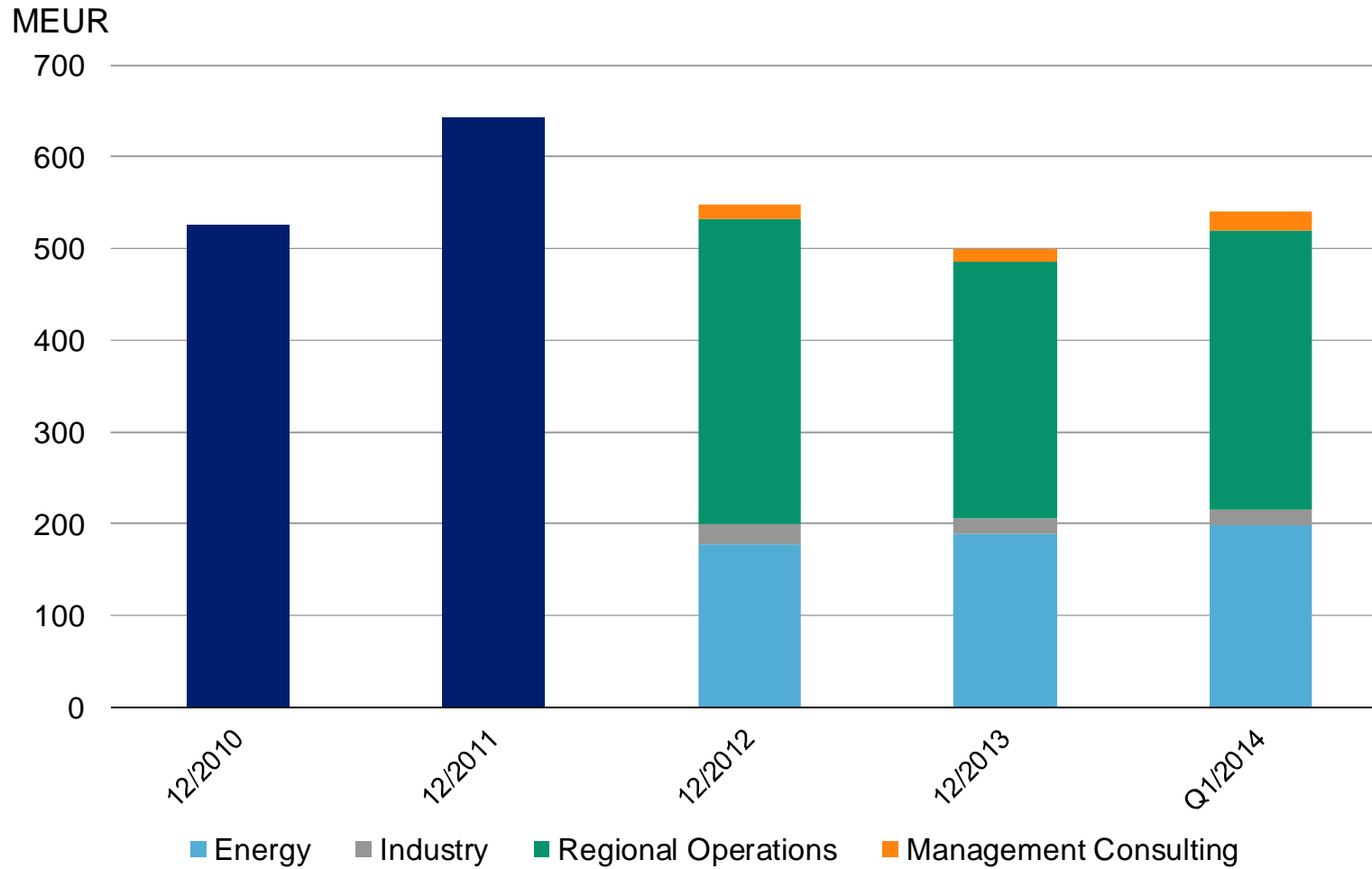
Including some 300 independent self-employed specialists in Latin America

JANUARY-MARCH 2014



Jukka Pahta
CFO

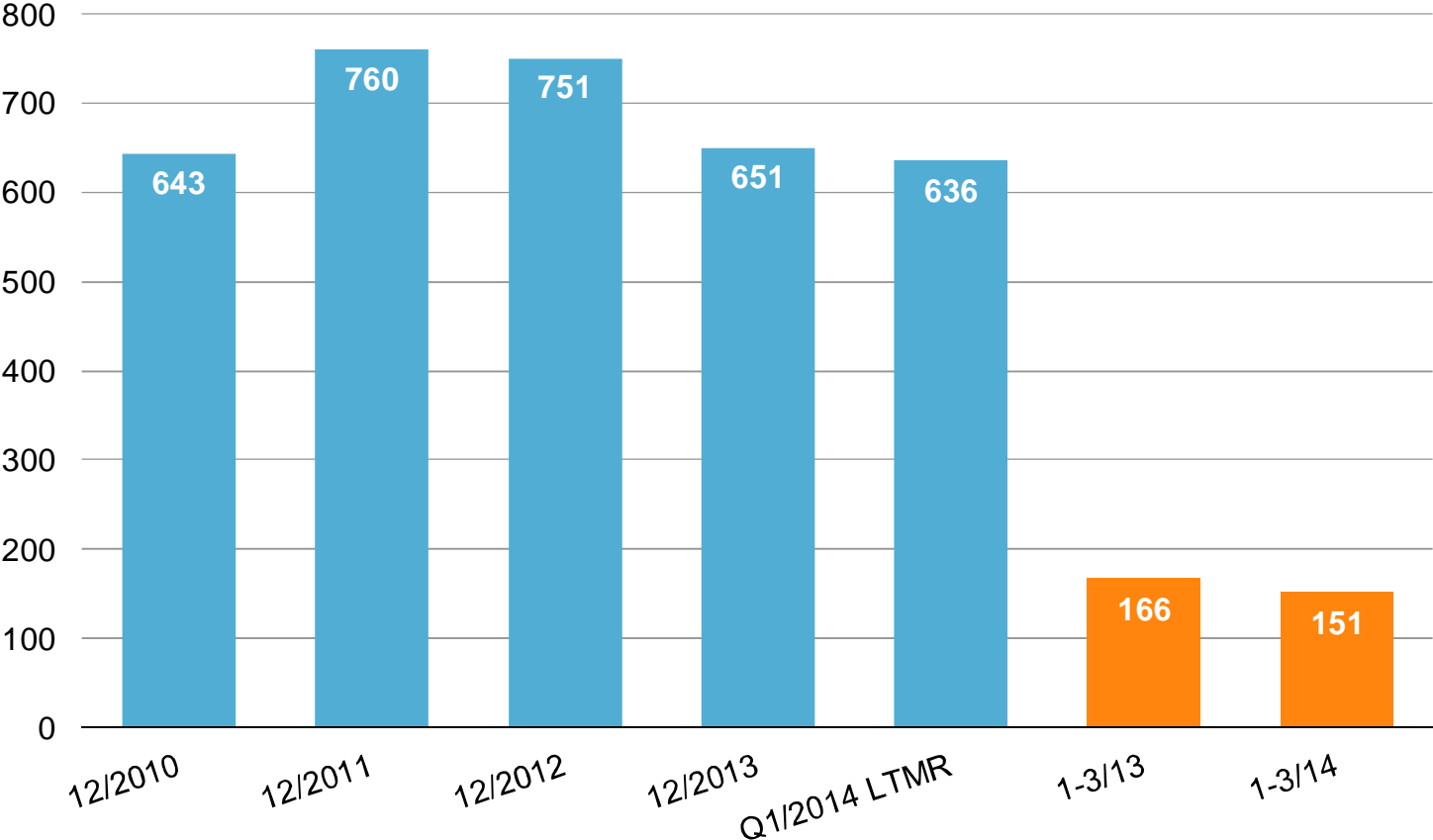
JANUARY – MARCH 2014 ORDER STOCK



Comparable numbers after divestments

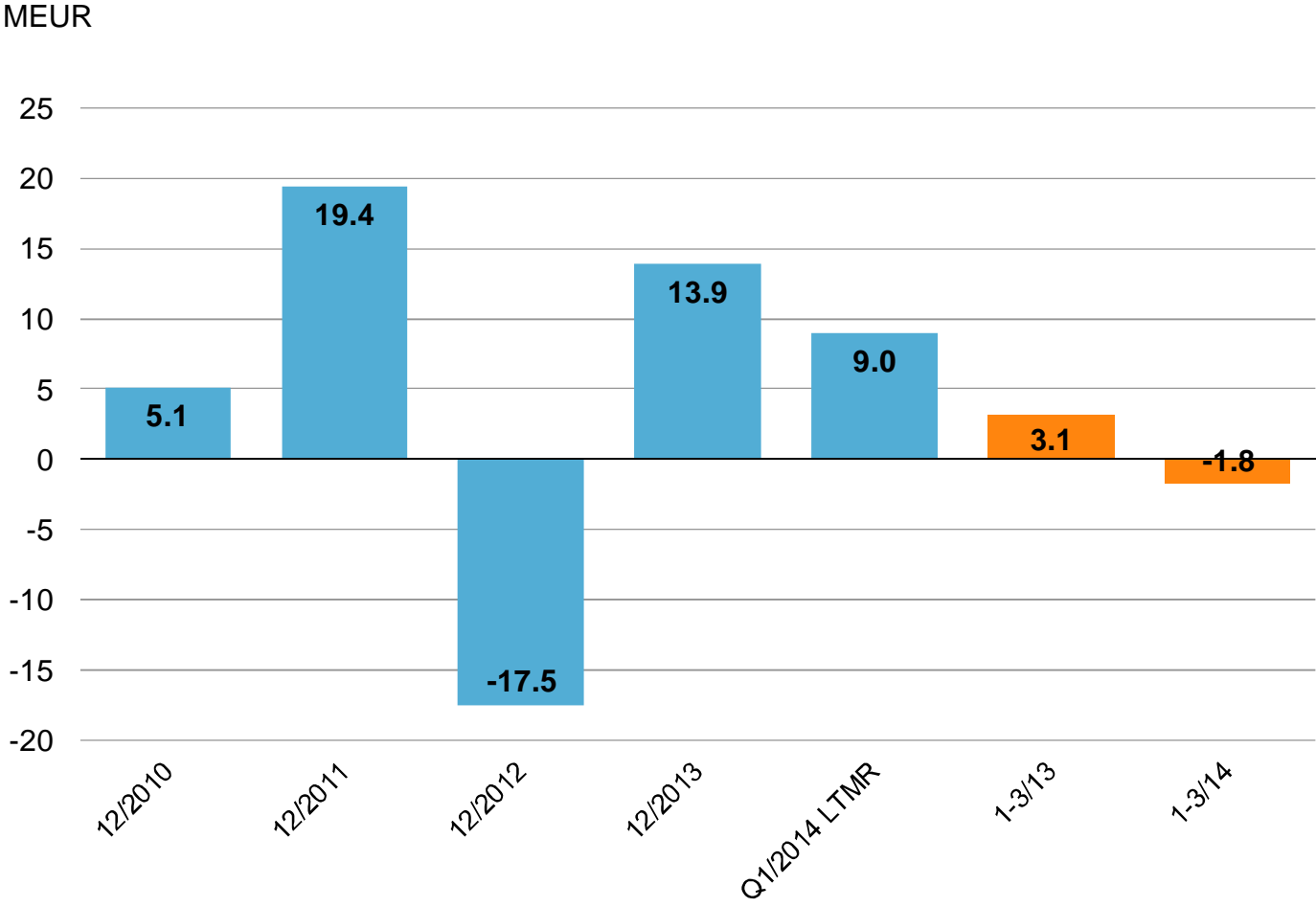
JANUARY – MARCH 2014 NET SALES

MEUR



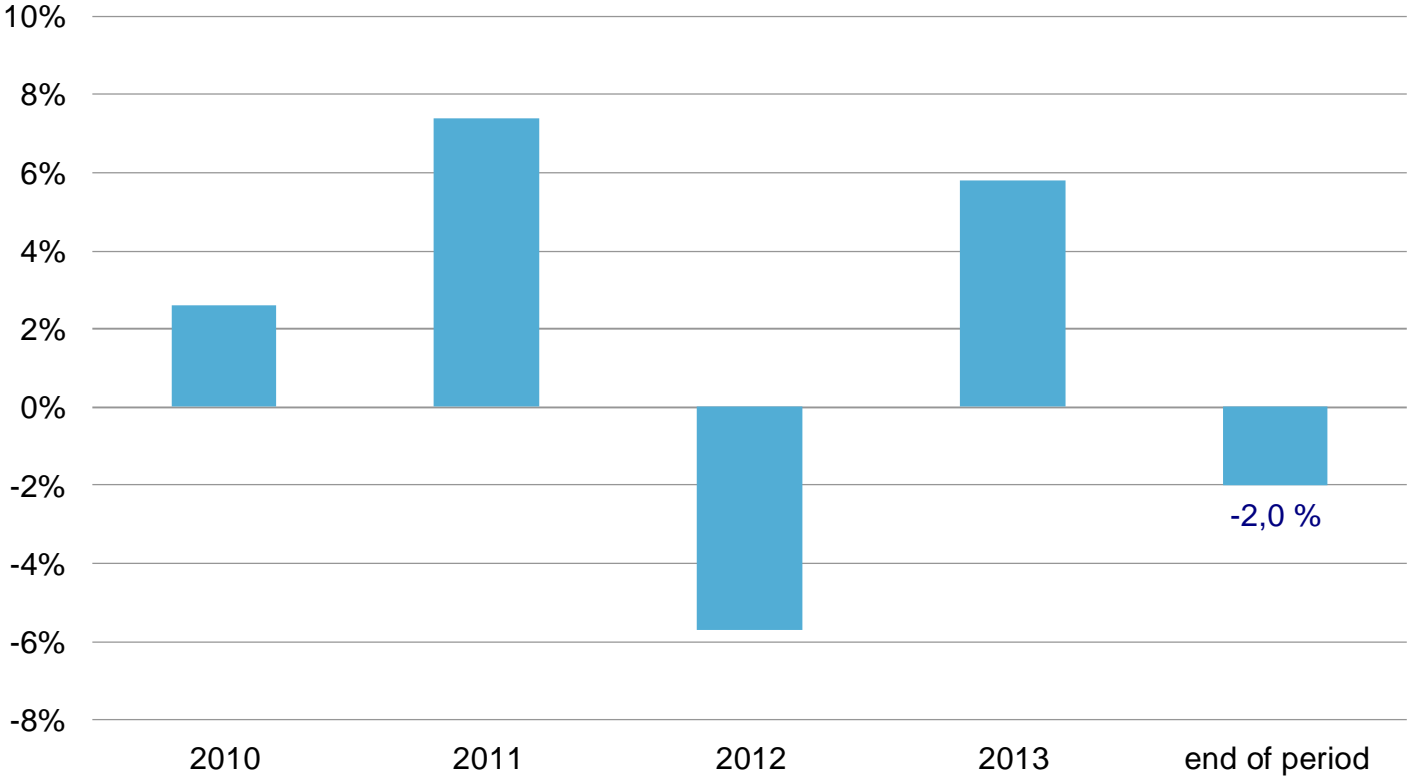
Comparable numbers after divestments

JANUARY – MARCH 2014 OPERATING PROFIT



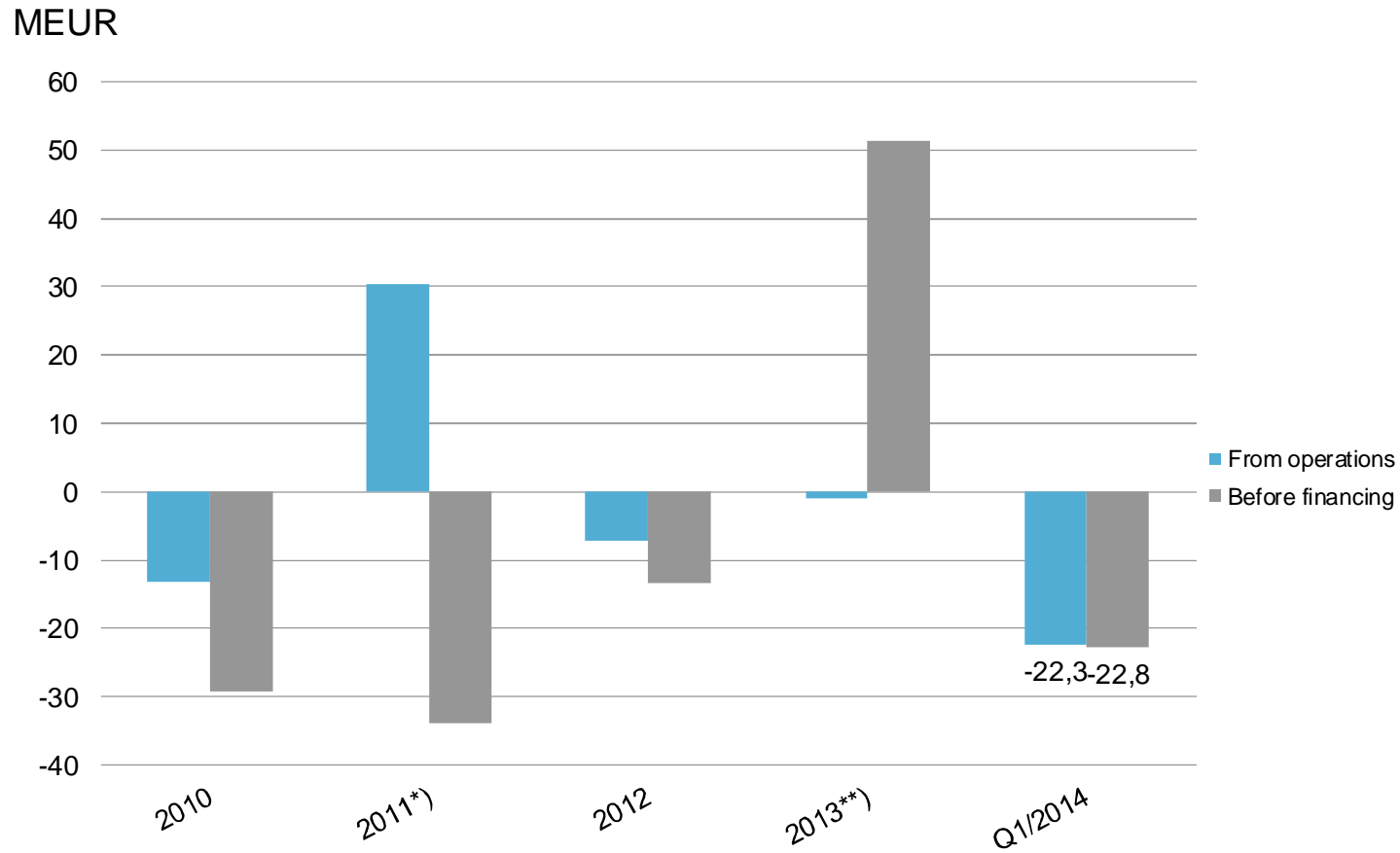
2012 Comparable numbers after divestments

JANUARY – MARCH 2014 RETURN ON INVESTMENT, %



JANUARY – MARCH 2014

CASH FLOW FROM OPERATIONS AND AFTER CAPEX

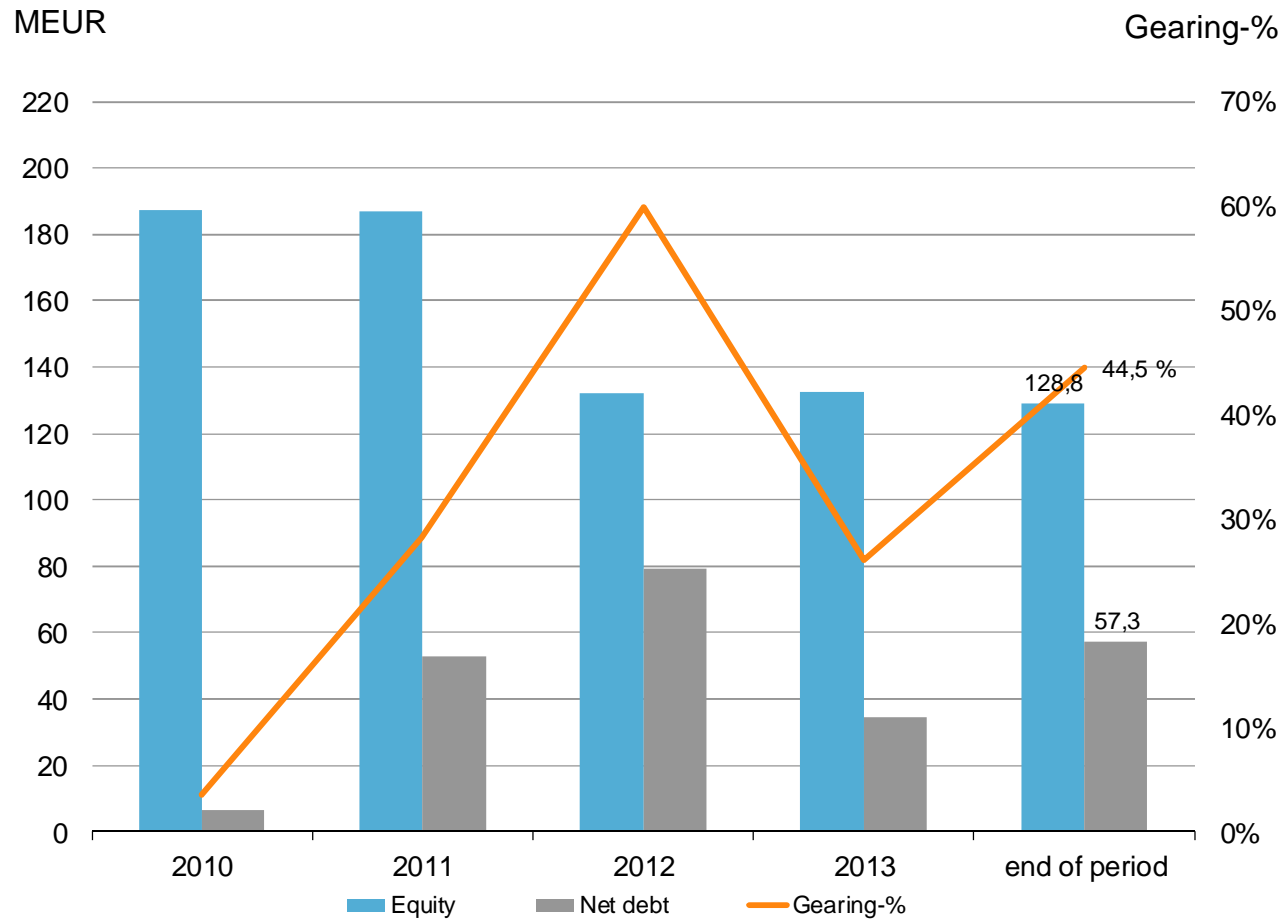


*) 2011 includes the acquisition of the office real estate in Vantaa, Finland

***) 2013 includes the divestment of the office real estate in Vantaa, Finland

JANUARY – MARCH 2014

NET DEBT, EQUITY & GEARING



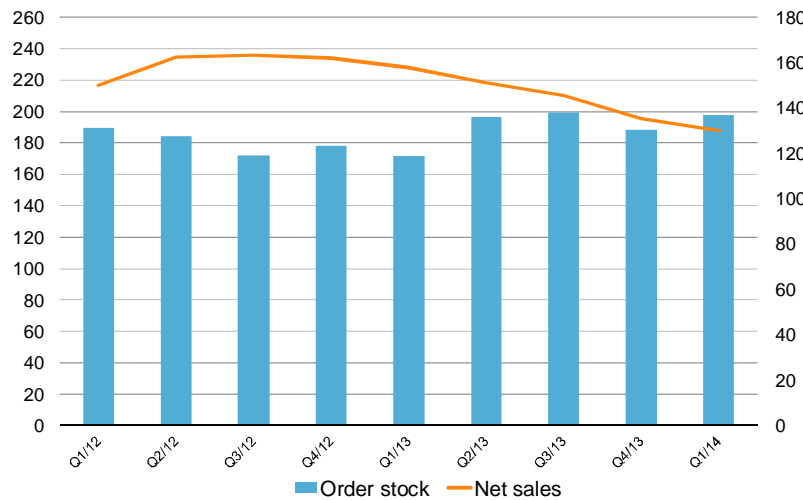
The office real estate in Vantaa, Finland was included in the balance sheets in 2011 and 2012 and sold (Q4) 2013



APPENDICES

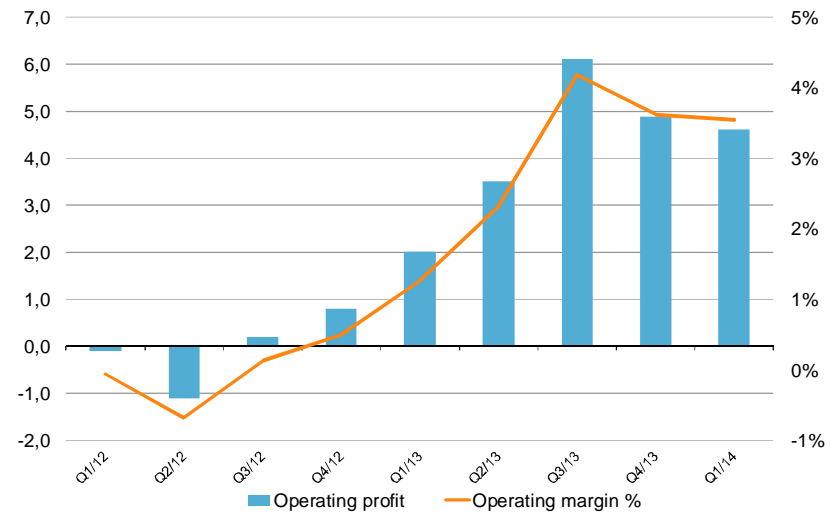
JANUARY – MARCH 2014 ENERGY BUSINESS GROUP

Order stock (left scale), MEUR
Net sales (right scale), MEUR, LTMR



- + Order stock at good level
- Declining net sales mainly due to lower investment activity

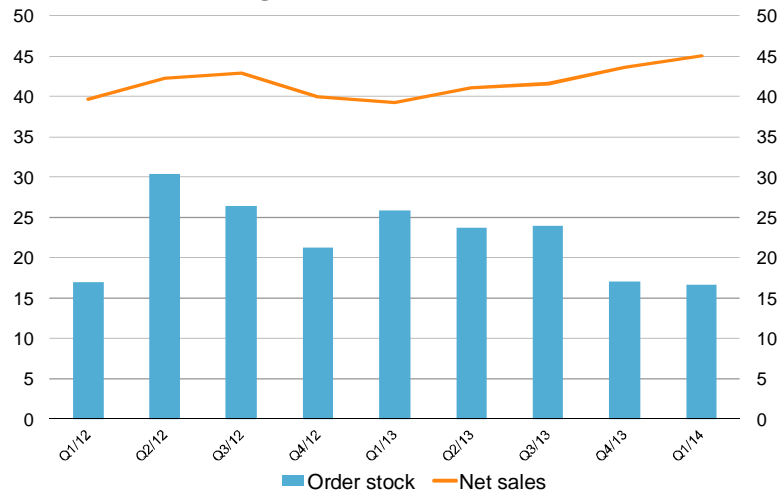
Operating profit (left scale), MEUR, LTMR
Operating margin % (right scale)



- + Stable operating profit

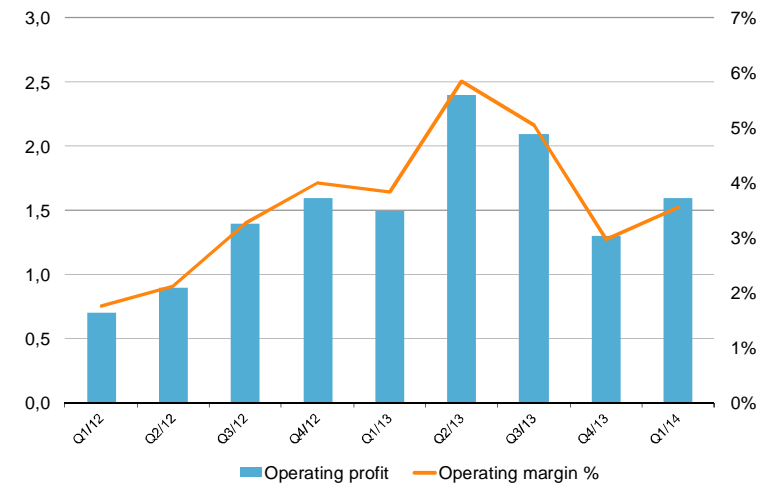
JANUARY – MARCH 2014 INDUSTRY BUSINESS GROUP

Order stock (left scale), MEUR
Net sales (right scale), MEUR, LTMR



- Order stock declining

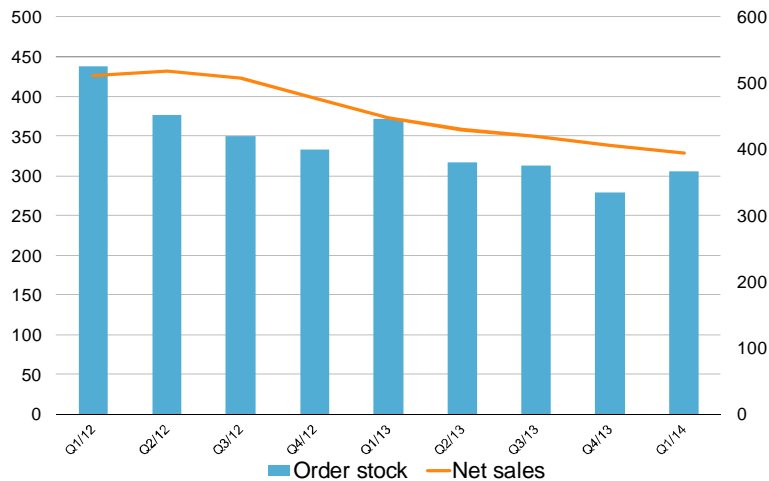
Operating profit (left scale), MEUR, LTMR
Operating margin % (right scale)



+ Operating profit increased

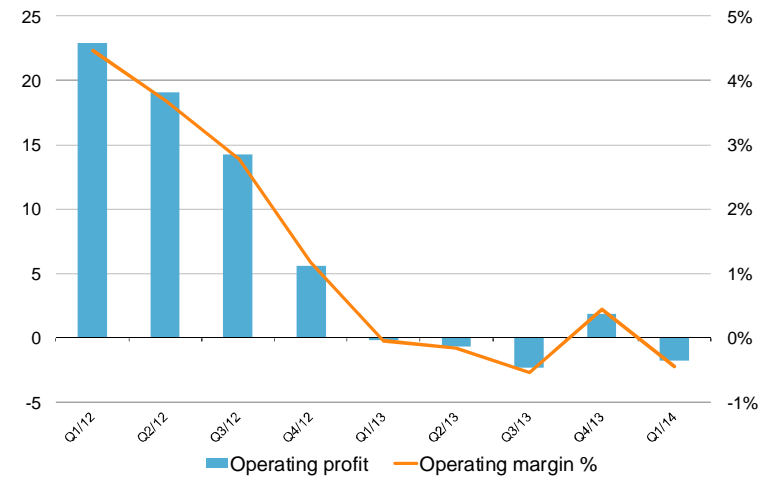
JANUARY – MARCH 2014 REGIONAL OPERATIONS

Order stock (left scale), MEUR
Net sales (right scale), MEUR, LTMR



- + Large order received in Latin America
- Declining net sales

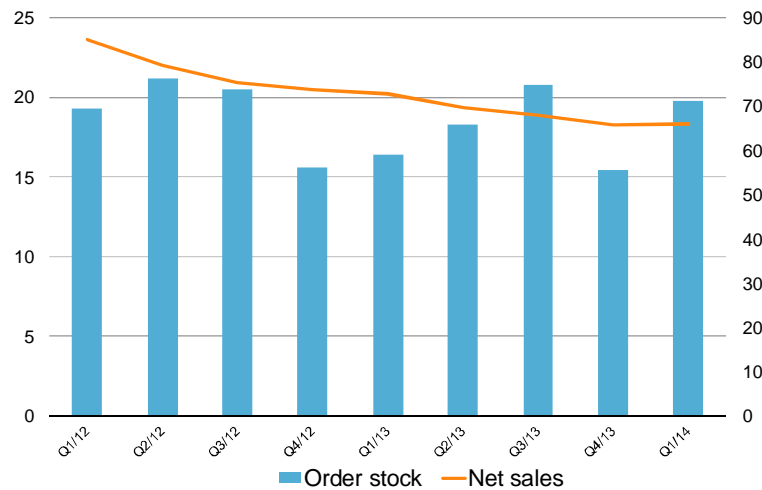
Operating profit (left scale), MEUR, LTMR
Operating margin % (right scale)



- Operating profit remained unsatisfactory as a result of declining net sales
- Various low performing projects originating from the former Urban Business Group are currently under implementation and hence continue to burden the result.

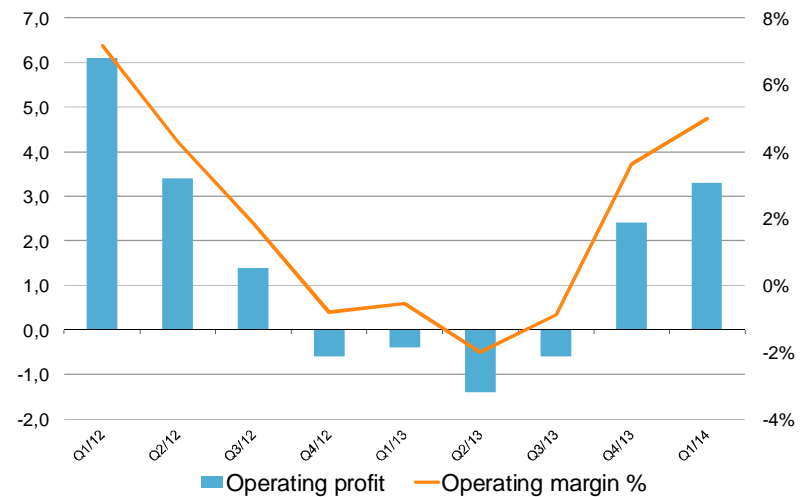
JANUARY – MARCH 2014 MANAGEMENT CONSULTING

Order stock (left scale), MEUR
Net sales (right scale), MEUR, LTMR



- + Order stock improving
- + Stable net sales

Operating profit (left scale), MEUR, LTMR
Operating margin % (right scale)



- + Operating profit improving as a result of structural improvements

STATEMENT OF INCOME

	1-3/2014	1-3/2013	CHANGE, %
Net sales	151.3	166.3	-9.0
Other operating income	0.1	0.7	n.a.
External charges, sub-consulting	-13.0	-17.4	-25.3
Personnel expenses	-102.9	-109.0	-5.6
Other operating expenses	-37.3	-37.5	-0.5
Operating profit	-1.8	3.1	n.a.
Net financial items	-1.2	-0.8	50.0
Share of associated companies' and joint ventures results	0.0	-0.1	n.a.
Profit/loss before taxes	-3.0	2.2	n.a.
Income taxes	-0.2	-1.4	-85.7
Net profit for the period	-3.2	0.8	n.a.

BALANCE SHEET

ASSETS	31 Mar 2014	31 Mar 2013	EQUITY AND LIABILITIES	31 Mar 2014	31 Mar 2013
Goodwill	120.2	131.2	Equity	128.8	130.0
Other non-current assets	47.7	106.0	Interest bearing liabilities	100.7	158.7
Work in progress	94.8	108.5	Pension obligations and other non-current liabilities	26.7	47.3
Other current assets	135.5	166.3	Project advances	61.1	87.0
Cash and cash equivalents	43.4	54.5	Other current liabilities	131.0	143.5
Assets held for sale	13.5	0.0	Liabilities related to assets held for sale	6.8	0.0
TOTAL ASSETS	455.1	566.5	TOTAL EQUITY AND LIABILITIES	455.1	566.5

CASH FLOW

	1-3/2014	1-3/2013
Operating income before change in net working capital	0.3	4.6
Change in net working capital	-22.0	-20.4
Financial items and taxes	-0.6	-2.6
Total from operating activities	-22.3	-18.4
Capital expenditure, operating	-0.5	-1.2
Net cash before financing	-22.8	-19.6
Net cash from financing	-6.2	-5.6
Change in cash and cash equivalents and in other liquid assets	-29.0	-25.2
Cash and cash equivalents and other liquid assets at the beginning of the period	72.4	83.0
Reclassification of subsidiary company to joint venture	0.0	-3.7
Impact of translation differences in exchange rates	0.0	0.4
Cash and cash equivalents and other liquid assets at the end of the period	43.4	54.5

KEY FIGURES

	1-3/2014	1-3/2013
Earnings per share, EUR (diluted)	-0.06	0.01
Equity per share, EUR	2.11	2.11
ROI-%, p.a.	-2.0	4.3
ROE-%	-10.1	2.2
Equity ratio-%, p.a.	32.8	27.1
Gearing-%	44.5	80.1
Net debt, EUR million	57.3	104.2
Capital expenditure, operating, EUR million	0.5	1.2
Personnel on average	5,746	6,345
Personnel at the end of the period	5,792	6,293

THANK YOU!

