

JANUARY-SEPTEMBER 2010 RESULT



PÖYRY

OCTOBER 28, 2010

Heikki Malinen, President and CEO

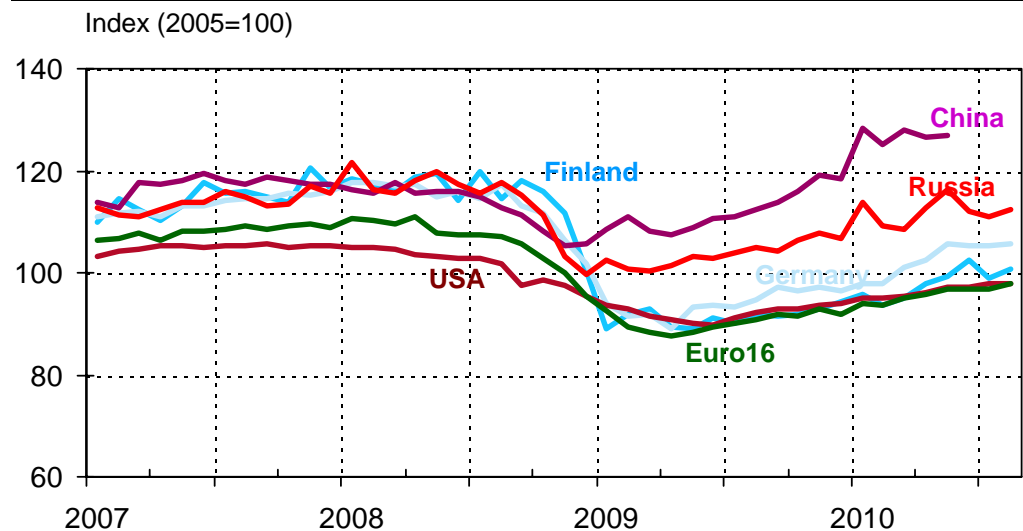
PRESENTATION CONTENTS

- January-September 2010 overview and updated outlook
- Key strategic priorities and the Operational Excellence Programme

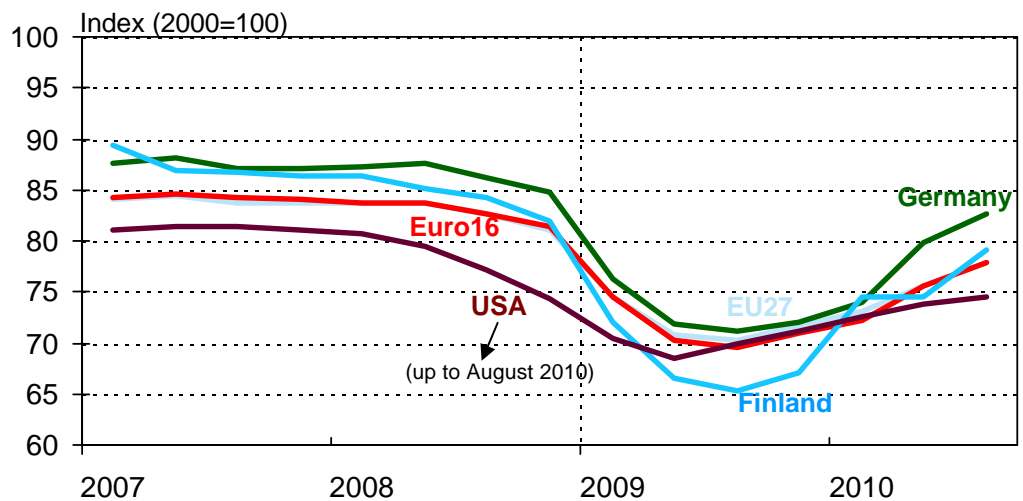
JANUARY-SEPTEMBER 2010 OVERVIEW

- Order stock 5.8 % higher than in the corresponding period in 2009 and 11.8 % higher than at the year end 2009
 - Decreased, however, 4.5 % from the end of Q2 2010
- Order intake higher than in the corresponding period in 2009
 - Order intake in Q3/10 also higher than in Q3/09
 - Q3/10 order intake decreased, however, from Q2/10
- Net sales fairly stable compared with 1-9/09
- Underlying profitability still unsatisfactory
- Outlook for the full year 2010 operating profit reduced

Industrial Production, Monthly Review from Jan2007 to August 2010

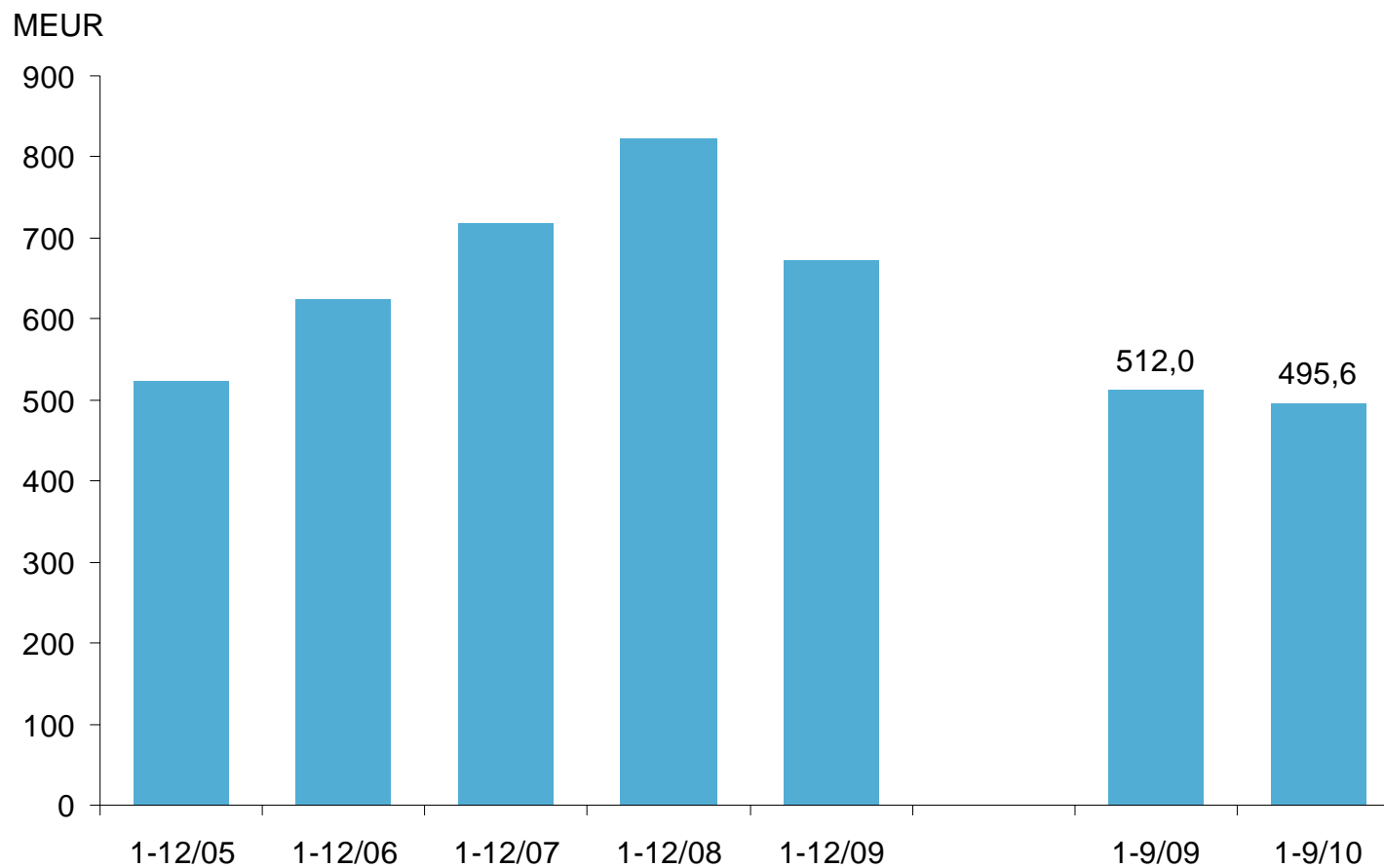


Capacity Utilisation (manufacturing), Quarterly from Q1/2007 to Q3/2010

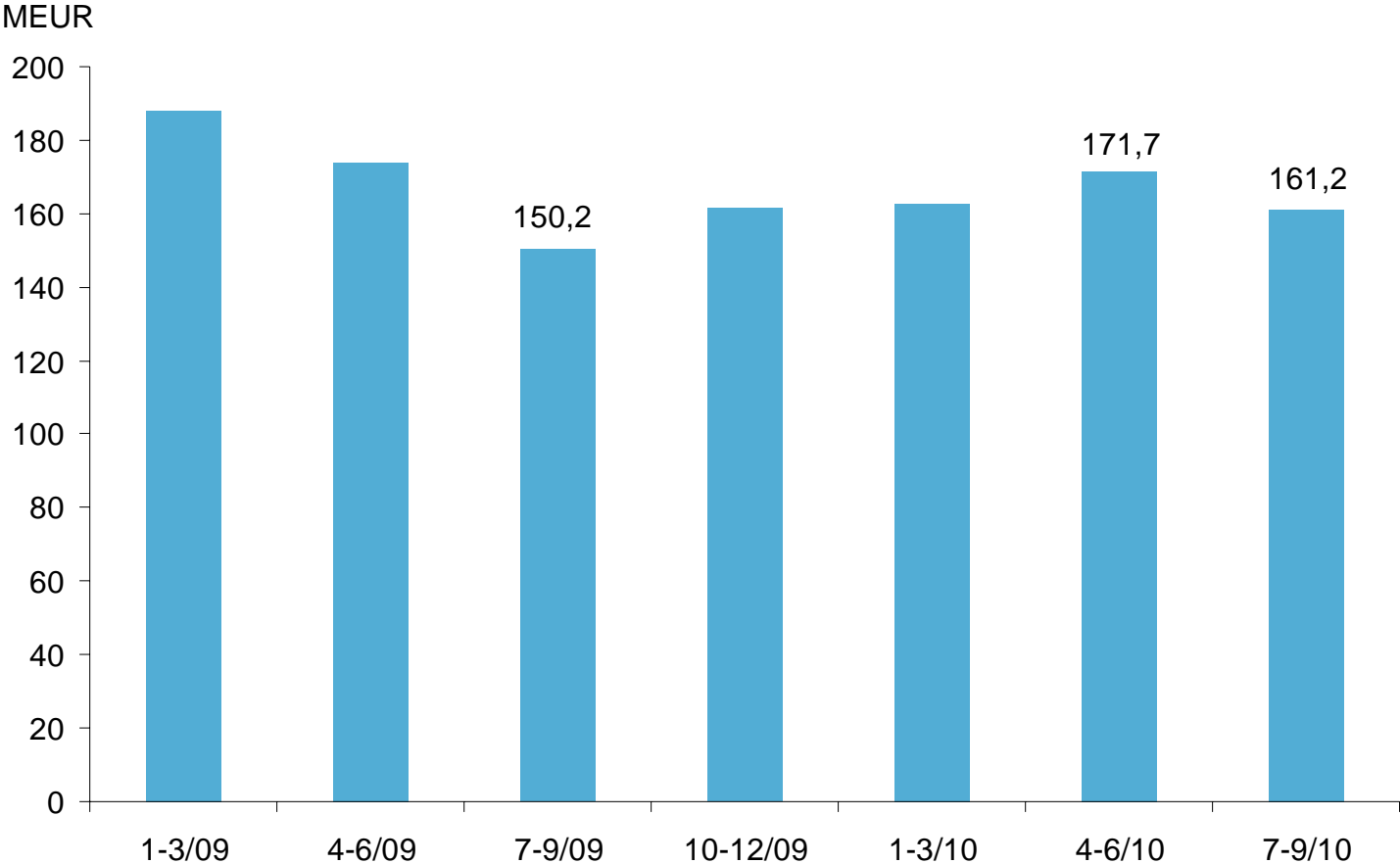


Source: Eurostat, Federal Reserve Bank of St. Louis)

GROUP'S NET SALES 1-9/2010 (1-9/2009)

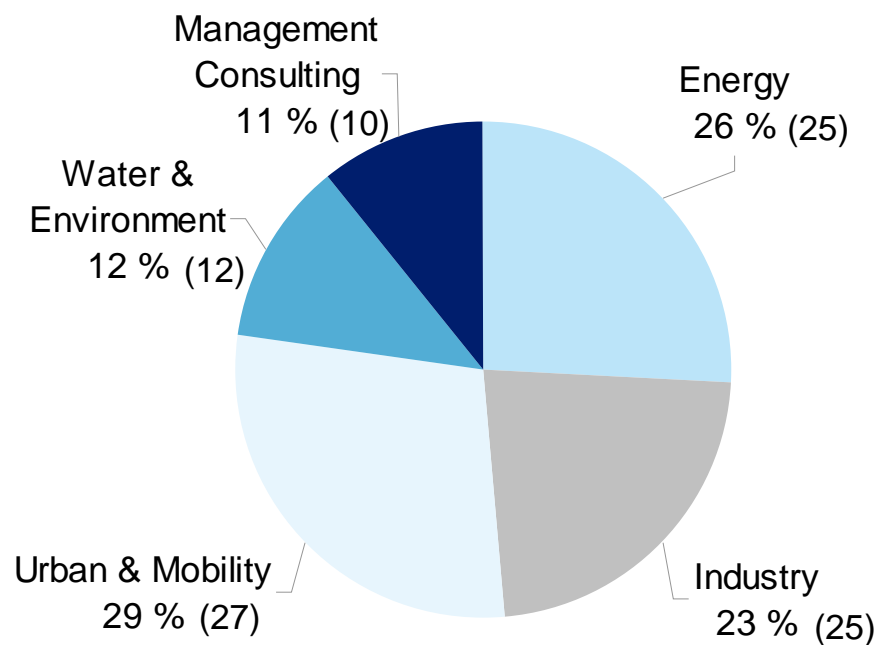


GROUP'S NET SALES BY QUARTER

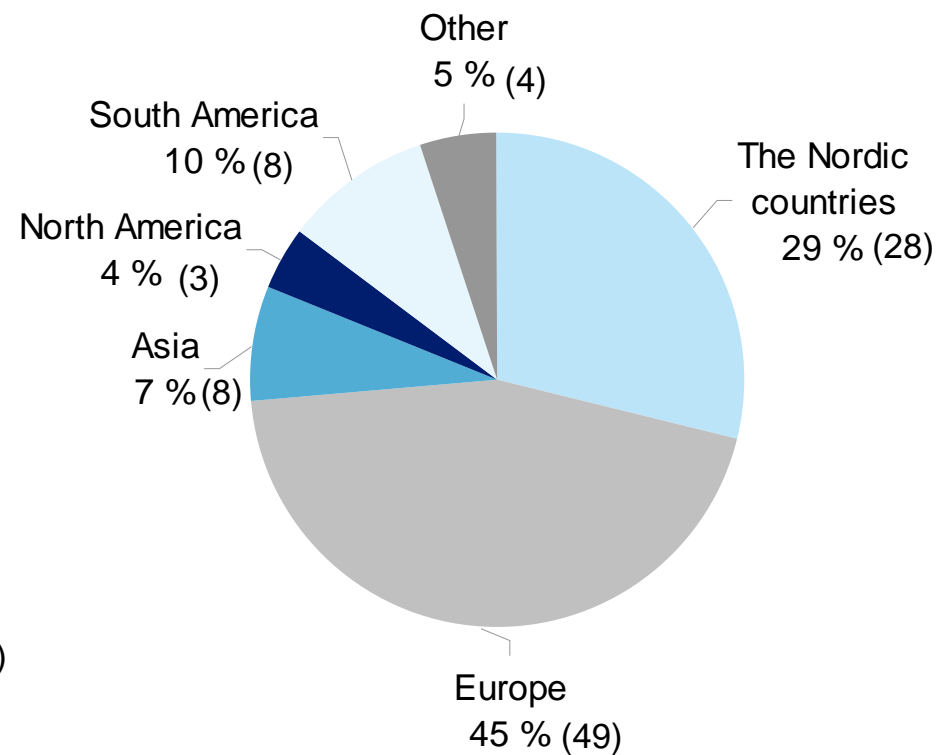


GROUP'S NET SALES BY BUSINESS GROUP AND BY REGION 1-9/2010 (1-9/2009)

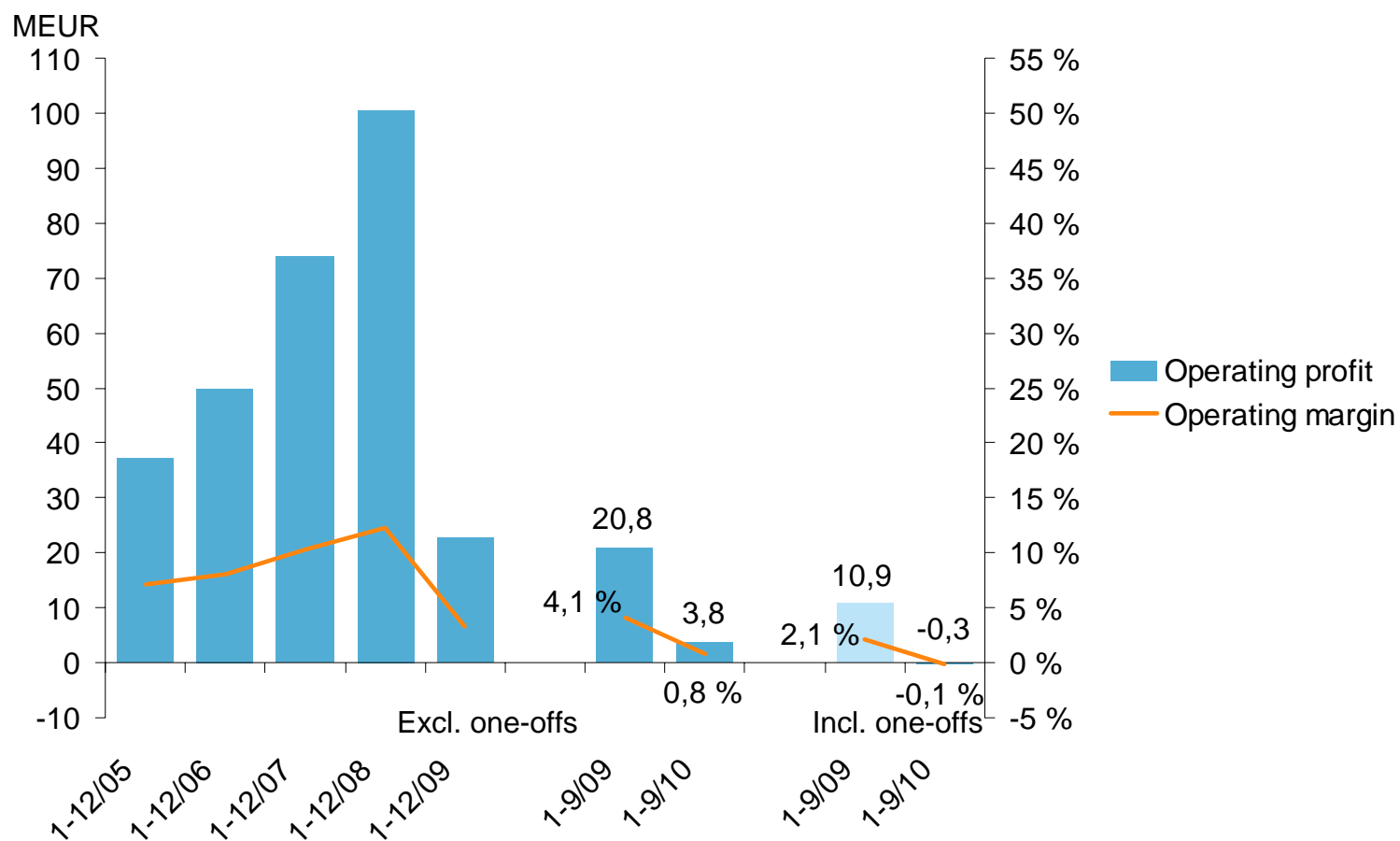
Net sales by business group



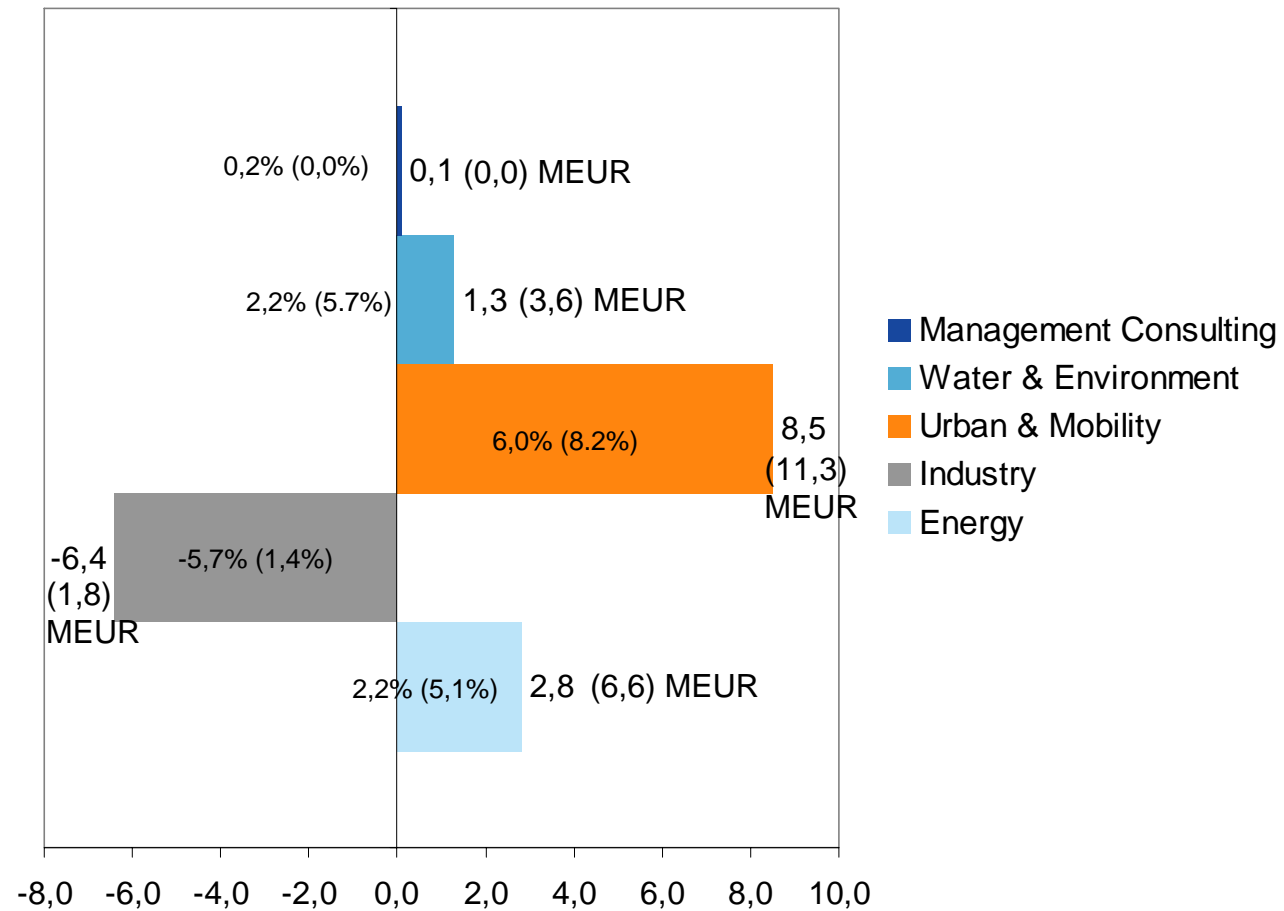
Net sales by region



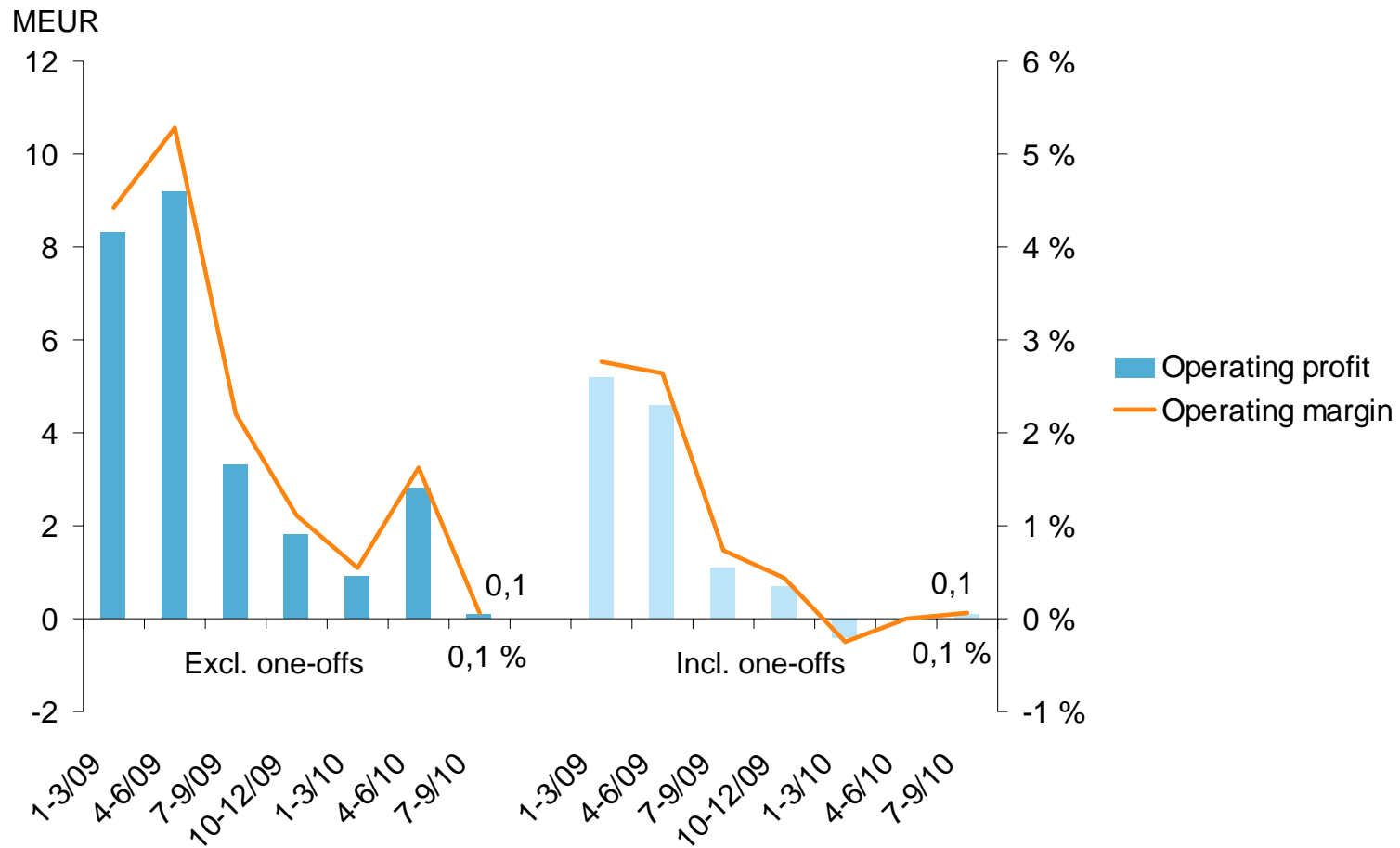
GROUP'S OPERATING PROFIT AND MARGIN, 1-9/2010 (1-9/2009)



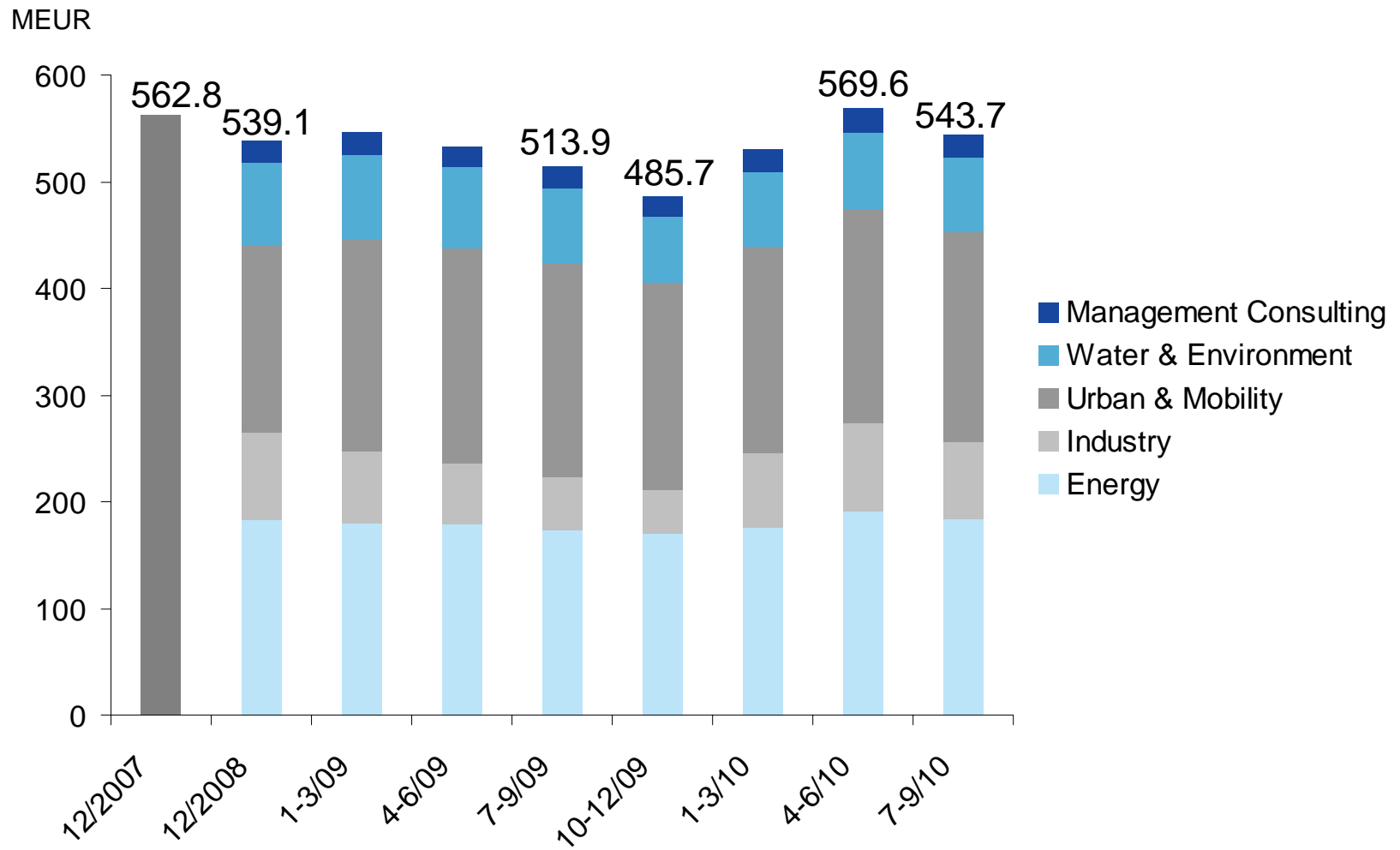
OPERATING PROFIT AND MARGIN BY BUSINESS GROUP 1-9/2010 (1-9/2009), excluding one-time items



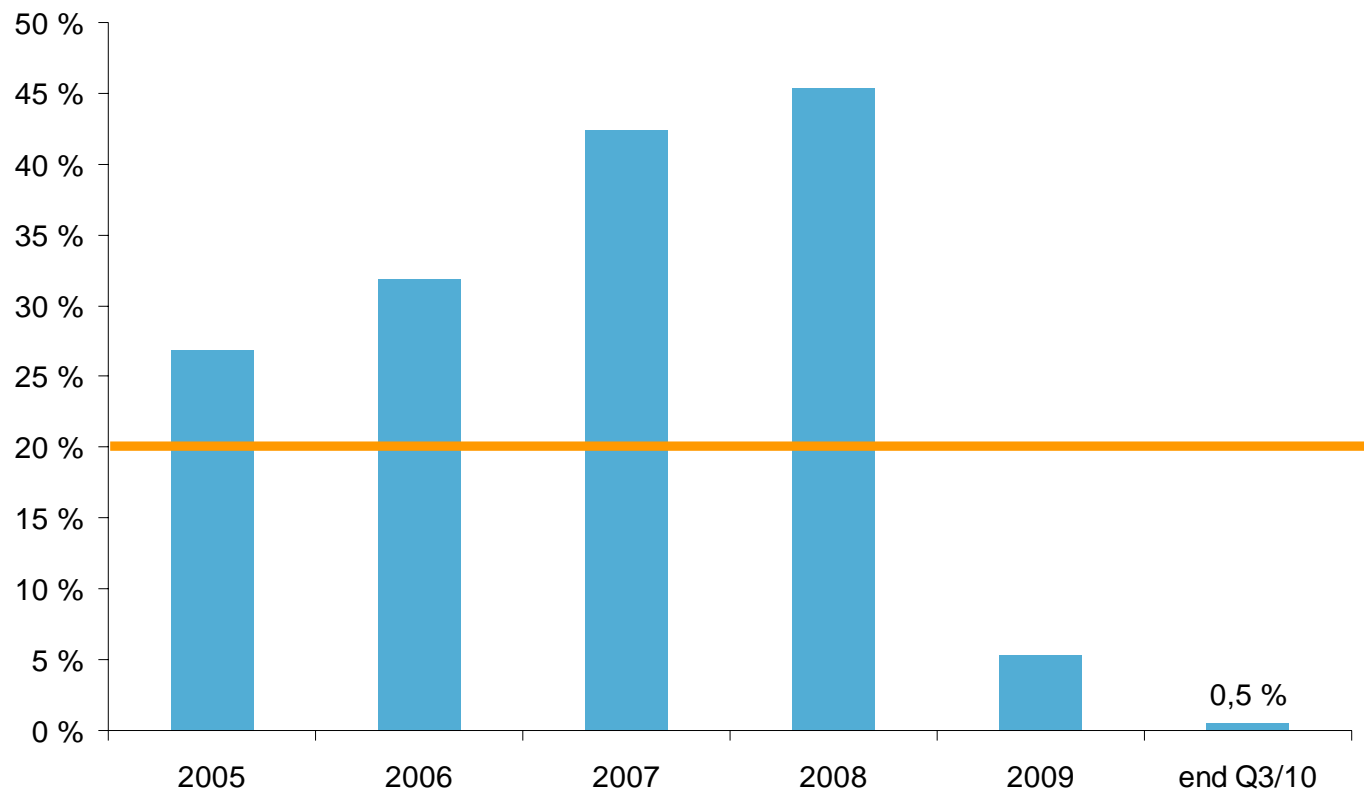
GROUP'S OPERATING PROFIT AND MARGIN BY QUARTER



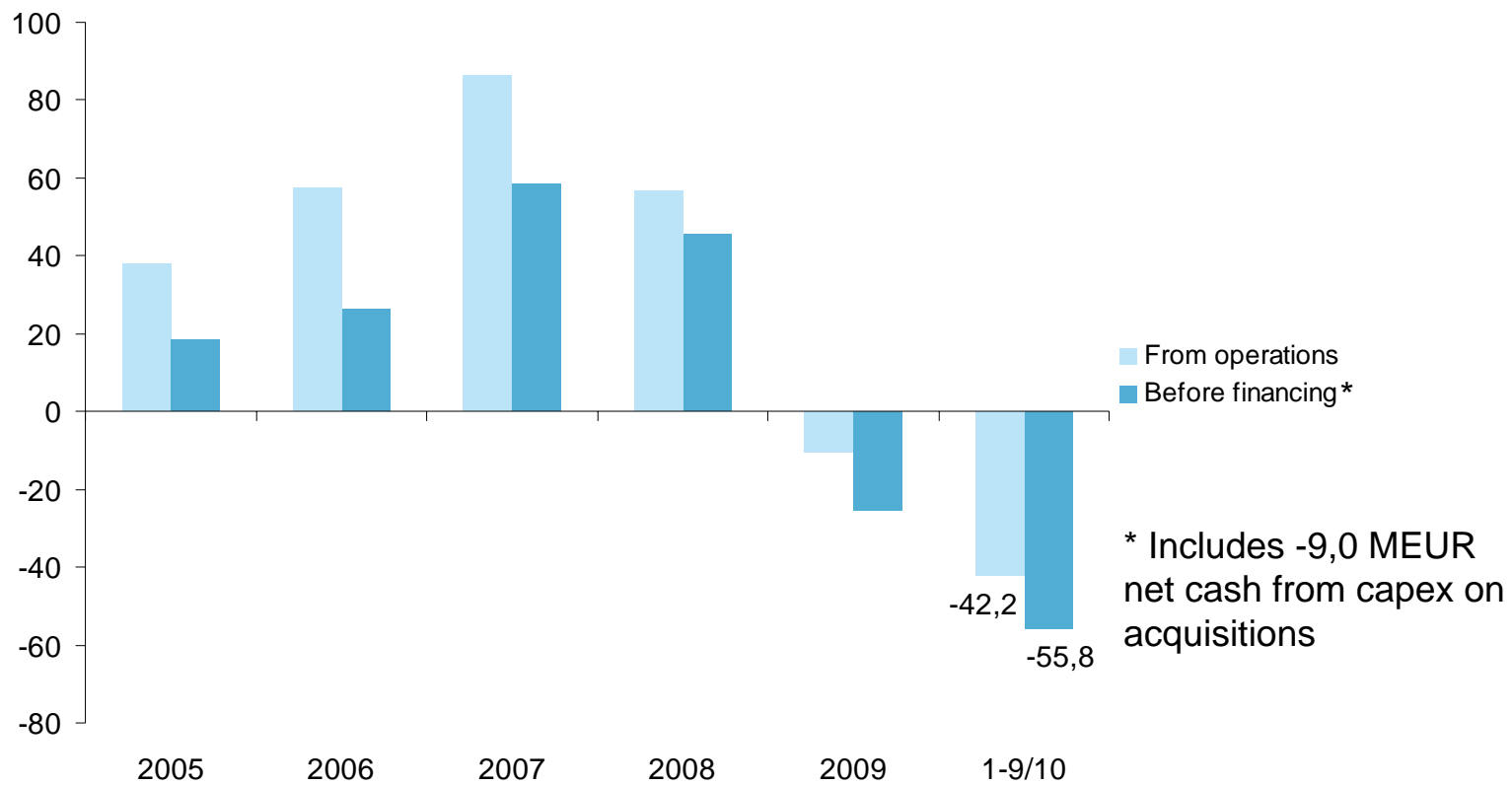
GROUP'S ORDER STOCK BY BUSINESS GROUP



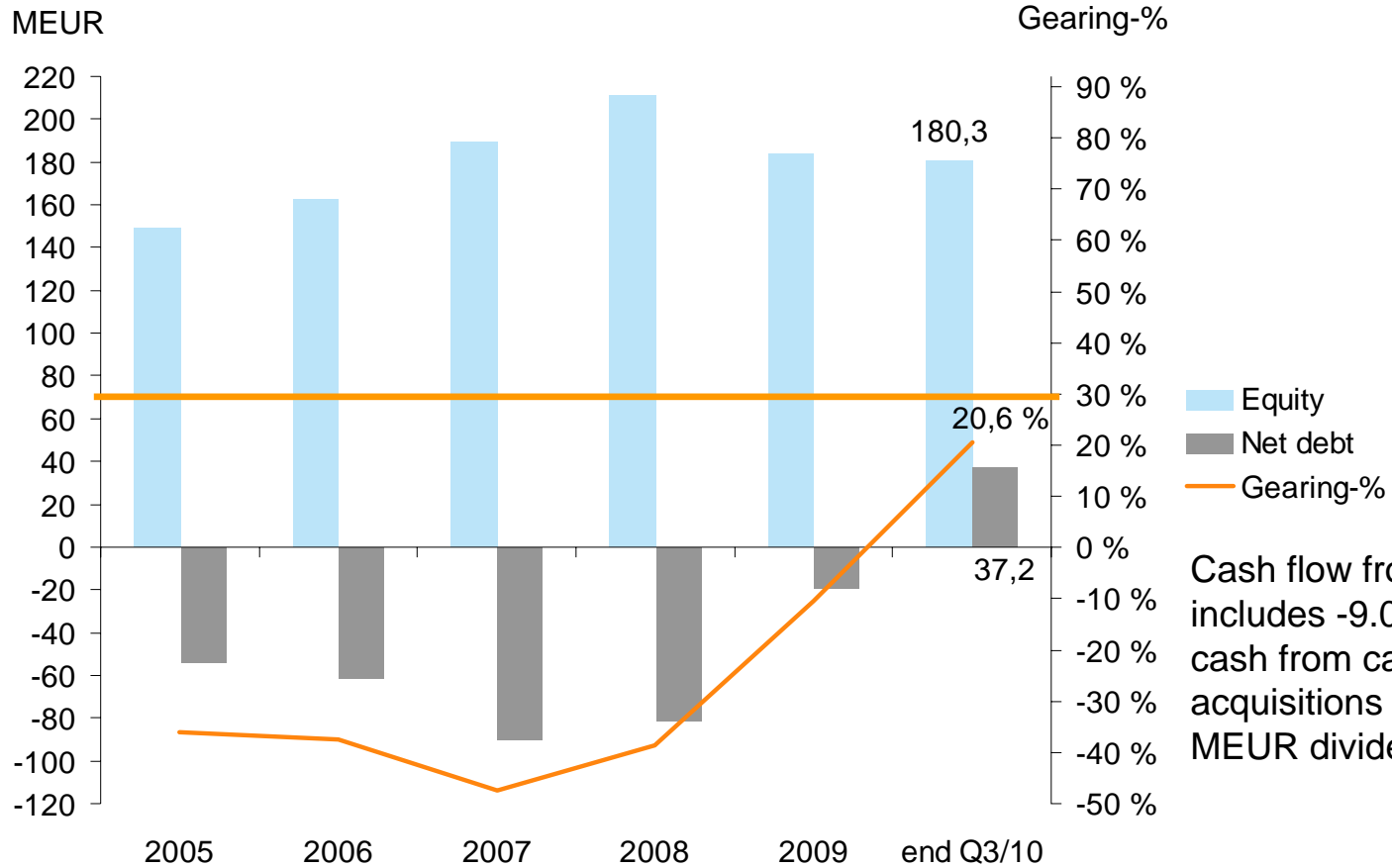
RETURN ON INVESTMENT, %



CASH FLOW



NET DEBT, EQUITY & GEARING



Cash flow from the period includes -9.0 MEUR net cash from capex on acquisitions and -6.7 MEUR dividends

MAIN REASONS BEHIND THE REDUCED OUTLOOK

- In the energy sector fundamentals in the investment activity are unchanged but the timing of investments is unpredictable due to uncertainties in the financial market.
- In the industrial sectors demand is increasingly geared to emerging markets.
- In anticipation of new investments Pöyry has reserved some capacity in the Energy and Industry business groups for projected order inflow.
- The economic uncertainty, continued financial stringency and complexity of large projects have, however, resulted in delays in the start-up of projects.
- In addition to this, weak demand especially in the oil & gas and renewables segments in the Energy business group, structural overcapacity especially in the Industry business group's Finnish operations and decreased activity levels in the Water & Environment business group's main markets in Finland and Germany, burden profitability.

OUTLOOK FOR 2010

- The Pöyry Group's operating profit for 2010, excluding restructuring costs, is estimated to decline clearly from the comparable figure in 2009.
- The Group's net sales for the full year 2010 are expected to remain stable.
- The operating profit outlook for the business groups is as follows:
 - The outlook for the operating profit in the Energy and Water & Environment business groups has been reduced from “remains stable” to “declines clearly”.
 - The Industry business group’s operating profit is expected to remain clearly negative.
 - The outlook for the Urban & Mobility business group remains unchanged and operating profit is expected to remain stable.
 - The Management Consulting business group’s operating profit outlook is reduced from “improves” to “stable”.

KEY STRATEGIC PRIORITIES AND THE OPERATIONAL EXCELLENCE PROGRAMME

MANAGEMENT AGENDA

2020

Strategic priorities focus on

- Key segments and geographies
- Operational excellence
- Business portfolio development
- Growth enablers

2010

Business model development

- Top-line defence
- Turning around under performing units
- Operational excellence programme

Accelerated profitable growth

- Strong focus on organic growth
- More focused business approach
- More geographic focus
- Active management of portfolio

Increasingly sophisticated services

- Capabilities for larger scope project management
- More efficient design and supervision
- Management consulting

Net sales growth target p.a.: 15 %
Operating margin target per BG: 8-10 %
Target level for ROI: 20 %
Gearing not to exceed 30 %

OPERATIONAL EXCELLENCE PROGRAMME

Group-wide

- Aims at improving efficiency and quality of operations.
 - streamlining of operations and office network, reducing administration and non-billable activities
 - improving core processes and investing in competence development
- The Group-wide programme will be implemented during 2010-2012.

Finland

- Need for structural changes and streamlining of the organisation most imminent.
- The planned reduction in capacity, of the currently active workforce, estimated to correspond to 250-350 persons.
- In addition, the future outlook for the workforce of about 200 persons temporarily laid off is carefully considered.
- Implementation of the efficiency improvement measures in Finland expected to take about 6-9 months.
- The targeted annualised cost savings EUR 10-15 million.
- The related restructuring costs estimated in the range of EUR 6-10 million
 - including the possible additional costs from earlier reduction measures
 - majority of the restructuring costs in Finland is expected to be recorded in the fourth quarter of 2010

THANK YOU!

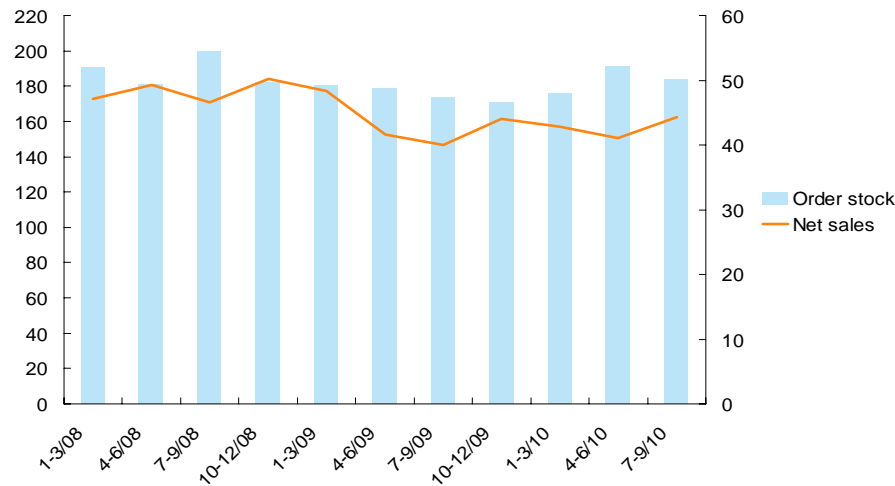


APPENDICES

REVIEW BY BUSINESS GROUP

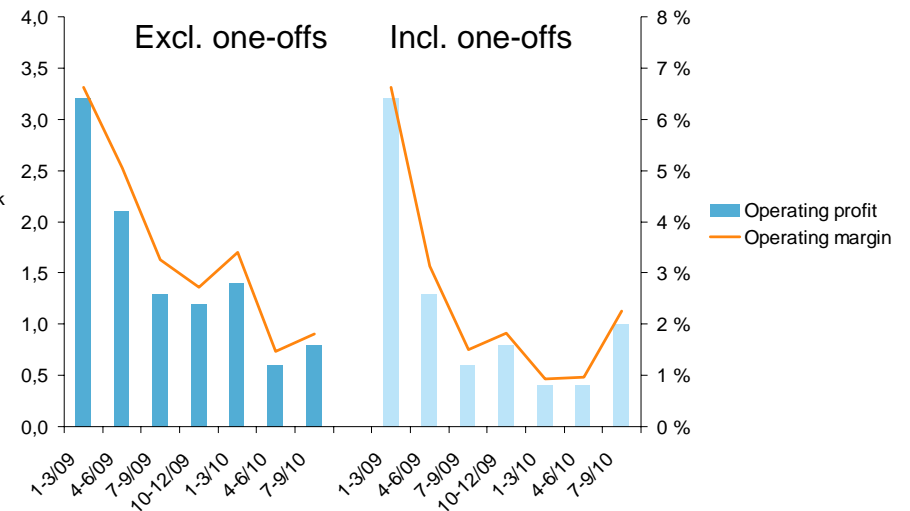
ENERGY

Order stock (left scale) and net sales (right scale), MEUR



- + Order stock 7.3 % higher than at end 2009
- + Backed up by good order stock, sales increased sequentially in Q3
- EPC project in Philippines still pending
- Investment decisions taking time

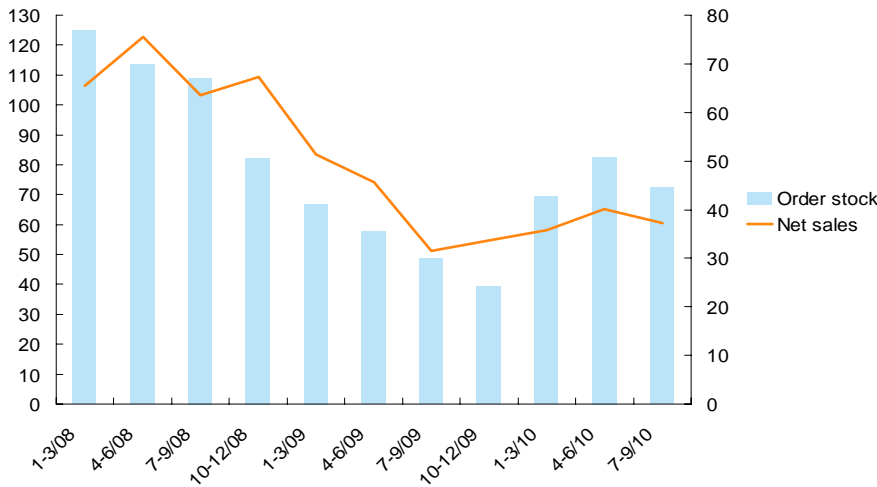
Operating profit, MEUR (left scale) and margin % (right scale)



- Q3 operating margin, excl. one-offs, 2.0% (3.3%)
- + Q3 profitability increased sequentially
- Profitability still unsatisfactory
- Activity levels remained low
- Actions have been taken

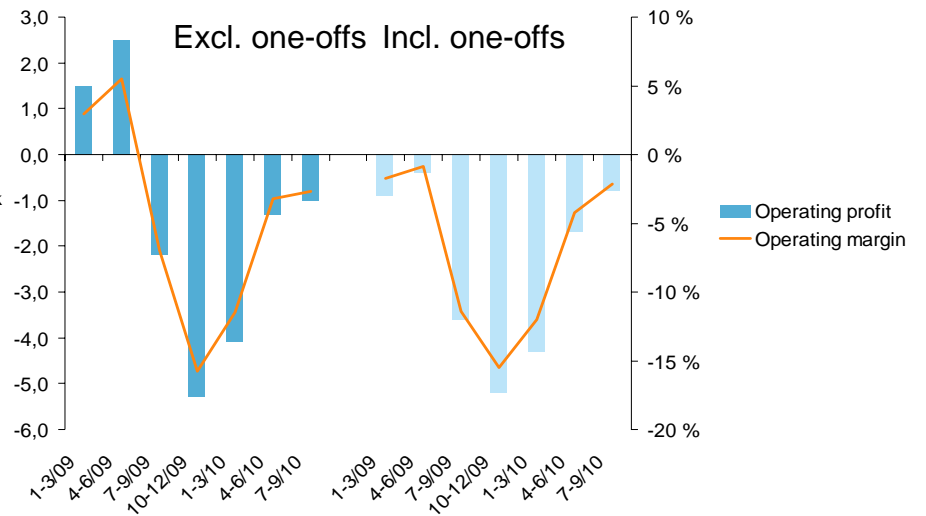
INDUSTRY

Order stock (left scale) and net sales (right scale), MEUR



- + Order stock 84.5 % higher than at end 2009
- + Sales still low but recovered clearly from the trough in Q32009
- No larger projects in order stock
- Sales declined from end June

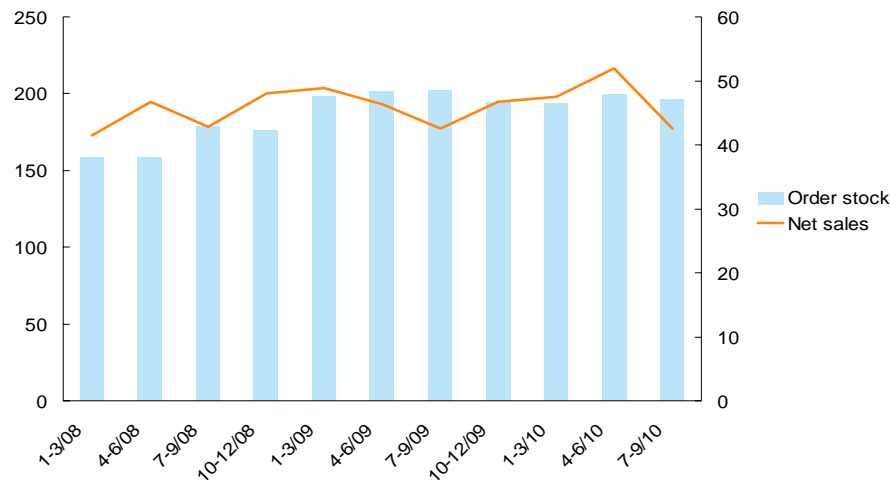
Operating profit, MEUR (left scale) and margin % (right scale)



- Q3 operating margin -2.4% (-7.0%, excl. one-offs)
- + Profitability improving but more slowly than expected
- Profitability still burdened by low activity
- Actions have been taken

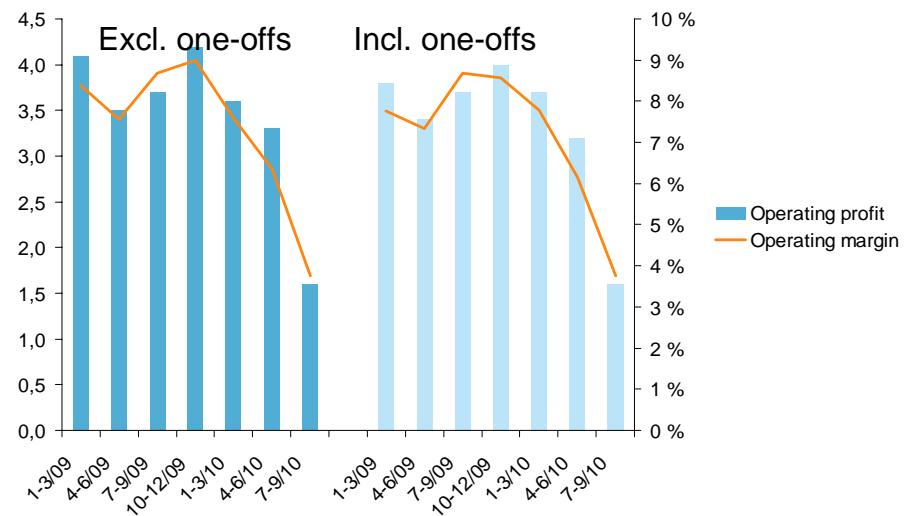
URBAN & MOBILITY

Order stock (left scale) and net sales (right scale), MEUR



- + Order stock continues stable
- Q3 sales declined from end June e.g. due to summer vacation period

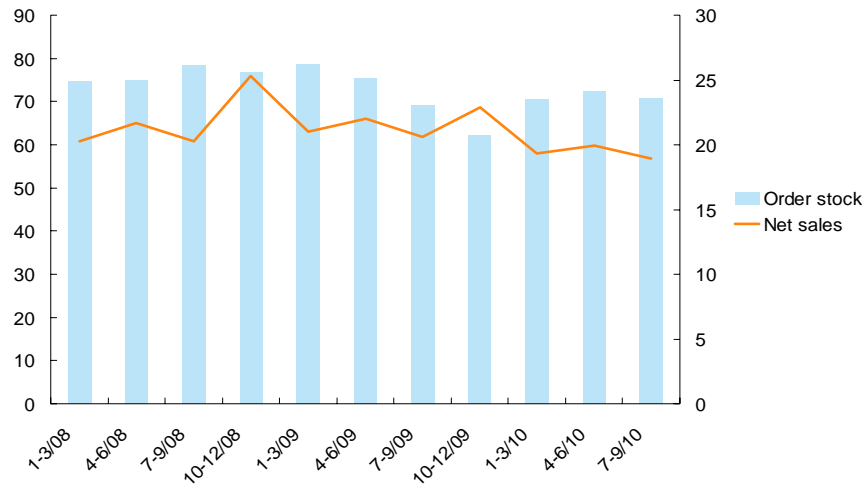
Operating profit, MEUR (left scale) and margin % (right scale)



- Q3 operating margin 3.8% (8.7%, excl. one-offs)
- Profitability unsatisfactory due to
 - low activity levels in certain markets
 - challenges in certain projects in Eastern Europe
 - growth efforts in new markets

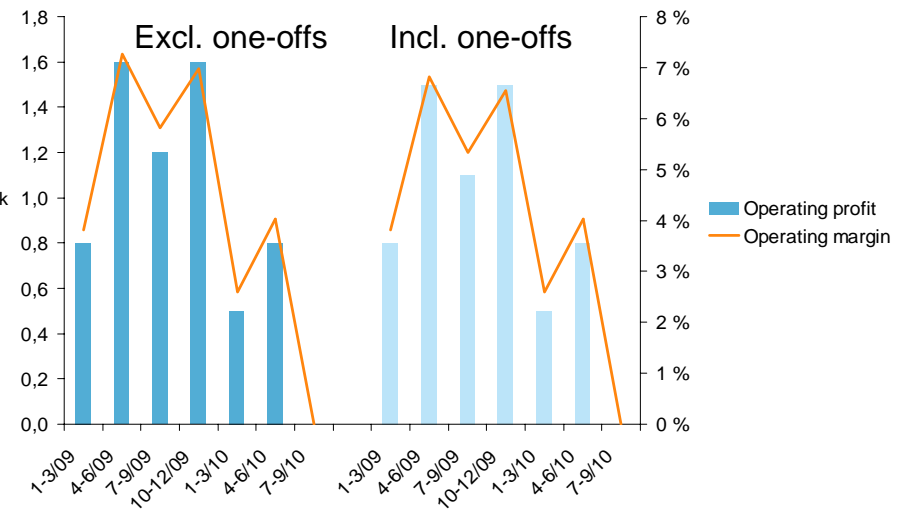
WATER & ENVIRONMENT

Order stock (left scale) and net sales (right scale), MEUR



- + Order stock recovered from the trough in Q32009; 13.3% higher than at end 2009
- Difficult market environment in the main markets reflected in sales

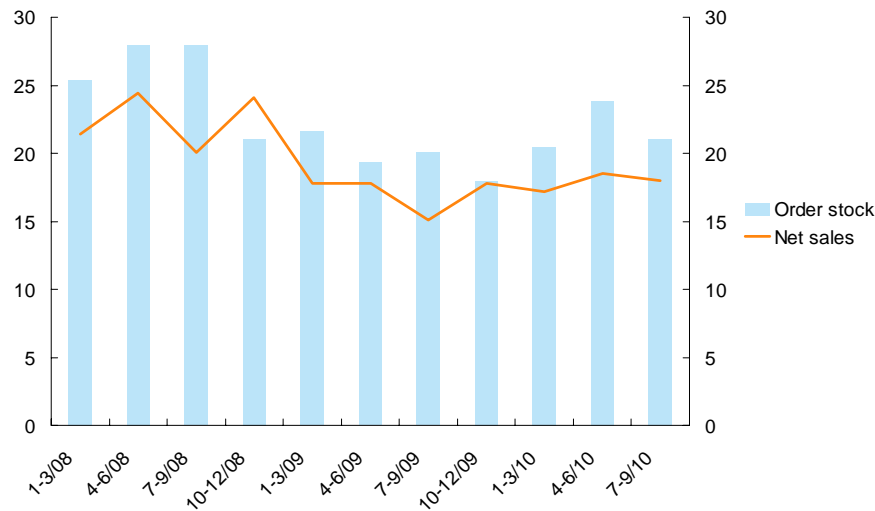
Operating profit, MEUR (left scale) and margin % (right scale)



- Q3 operating margin 0.0% (5.8% , excl. one-offs)
- Low activity levels due to difficult market situation in the main markets
- Actions have been taken

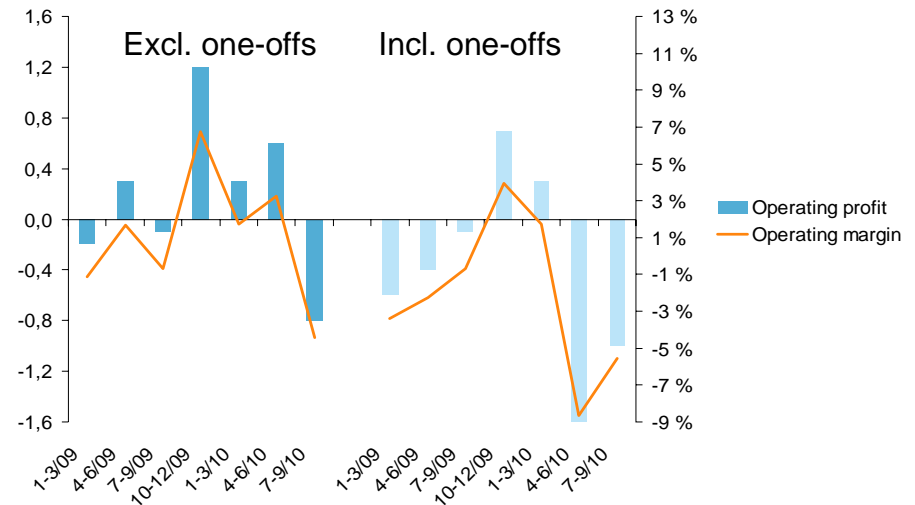
MANAGEMENT CONSULTING

Order stock (left scale) and net sales (right scale), MEUR



- + Order stock 17.2% higher than at end 2009
- + Sales recovered from the trough in 2009 – sequentially fairly stable

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



- Q3 operating margin before one-time items -4.4% (-0.7 %)
- Action programme starting to bear fruit

GROUP FINANCIALS

STATEMENT OF INCOME

	1-9/2010	1-9/2009	CHANGE, %	2009
Net sales	495.6	512.0	-3.2	673.5
Other operating income	0.6	0.5	20.0	0.8
Share of associated companies' results	0.3	0.6	-50.0	0.5
External charges, sub-consulting	-70.7	-63.8	10.8	-90.6
Personnel expenses	-296.3	-308.2	-3.9	-401.5
Other operating expenses	-129.8	-130.2	-4.0	-171.1
Operating profit	-0.3	10.9		11.6
Net financial items	-1.8	0.3		0.8
Profit/loss before taxes	-2.1	11.2		12.4
Income taxes	-2.6	-4.6	-65.8	-4.4
Net profit for the period	-4.7	6.6		8.0

BALANCE SHEET

ASSETS	30 Sep 2010	30 Sep 2009	EQUITY AND LIABILITIES	30 Sep 2010	30 Sep 2009
Goodwill	113.1	100.4	Equity	180.3	179.6
Other non-current assets	51.8	48.7	Interest bearing non-current liabilities	94.0	111.1
Work in progress	114.4	86.5	Other non-current	12.3	14.9
Other current assets	154	154.3	Project advances	59.5	59.2
Cash and cash equivalents	77.6	128.9	Other current liabilities	164.8	154.0
TOTAL ASSETS	510.9	518.8	TOTAL EQUITY AND LIABILITIES	510.9	518.8

CASH FLOW

	1-9/ 2010	1-9/ 2009	CHANGE, %	2009
Operating income before change in net working capital	5.3	16.5	-67.9	16.4
Change in net working capital	-39.6	-37.4	5.9	-14.5
Financial items and taxes	-7.9	-15.8	-50.0	-12.3
Total from operating activities	-42.2	-36.71	-15.0	-10.4
Investments in shares in subsidiaries deducted with cash acquired	-9.0	-10.2	-11.8	-10.6
Other capital expenditure	-4.6	-3.4	-35.3	-4.6
Net cash before financing	-55.8	-50.3	-10.9	-25.6
Net cash from financing	-15.7	-30.4	-48.4	-40.3
Change in cash and cash equivalents and in other liquid assets	-71.5	-80.7	-11.4	-65.9
Cash and cash equivalents and other liquid assets at the beginning of the period	142.0	203.7	-30.3	203.7
Impact of translation differences in exchange rates	7.1	5.3	34.0	4.2
Cash and cash equivalents and other liquid assets at the end of the period	77.6	128.9	-39.8	142.0

KEY FIGURES

	1-9/2010	1-9/2009	2009
Earnings per share, EUR (diluted)	-0.08	0.09	0.11
Equity per share, EUR	2.92	2.92	2.98
ROI-%, p.a.	0.5	6.8	5.3
ROE-%	-3.5	4.6	4.1
Equity ratio-%, p.a.	39.9	39.1	40.9
Equity/Assets ratio-%	35.3	34.6	35.7
Gearing-%	20.6	2.0	-10.5
Net debt, EUR million	37.2	3.6	-19.3
Capital expenditure in acquisitions, EUR million	11.1	4.2	5.0
Capital expenditure, operating, EUR million	4.2	3.8	4.8
Personnel on average	6,540	7,208	7,052
Personnel at the end of the period	6,667	6,682	6,530