

PÖYRY PLC Financial Statement Release 4 February 2009 at 8:30 a.m.

#### PÖYRY PLC'S NOTICE CONCERNING ANNUAL ACCOUNTS FOR 2008

The Pöyry Group's consolidated net sales were EUR 821.7 million and profit before taxes EUR 103.2 million. Earnings per share for the financial year were EUR 1.21. The return on investment exceeded the strategic target, amounting to 45.4 per cent. The consolidated balance sheet is healthy, the net debt/equity ratio (gearing) was -38.5 per cent. The order stock amounted to EUR 539.1 million at the end of the year. The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.65 per share be paid.

#### Consolidated earnings and balance sheet

As a result of good demand, the Pöyry Group's strong market position, and successful completion of some major projects, consolidated net sales increased to EUR 821.7 million and profit before taxes improved clearly during the year under review. Profit before taxes was EUR 103.2 (76.5 in the previous year) million, which equals 12.6 per cent of net sales. The net profit for the period was EUR 72.6 (52.8) million. Earnings per share improved by 37.5 per cent during the year to EUR 1.21 (0.88).

The target for the Group's return on investment is 20 per cent or more on average. In 2008 the return on investment was 45.4 (42.4) per cent.

The consolidated balance sheet is healthy. The equity ratio is 41.7 (50.7) per cent. The Group's liquidity is good. At the end of the year, the Group's cash and cash equivalents amounted to EUR 203.7 (98.7) million. Interest-bearing debts totalled EUR 122.5 (8.9) million. The net debt/equity ratio (gearing) was -38.5 (-47.4) per cent.

The Group's order stock at the end of 2008 totalled EUR 539.1 million, compared with EUR 562.8 million at the end of 2007. The sales margin of the order stock was at a normal level.

#### Prospects

Pöyry's net sales for 2009 are estimated to decrease and profit before taxes is estimated to decrease significantly compared with 2008. This assessment does not take into account possible acquisitions during 2009.

The Auditor's report is dated 3 February 2009.

#### Dividend

The Pöyry Group's parent company Pöyry PLC's net profit for 2008 was EUR 56 179 095.45 and retained earnings EUR 7 200 671.63, so the total amount of distributable earnings was EUR 63 379 767.08. The Board of Directors of Pöyry PLC proposes to the Annual General Meeting on 10 March 2009 that a dividend of EUR 0.65 (0.65) per share be paid for the year 2008. The number of shares is 58 483 602 and the total amount of dividends thus EUR 38 014 341.30. The proposed dividend corresponds to 53.7 (73.9) per cent of the earnings per share for the financial year. The Board of Directors proposes that the dividend be paid on 20 March 2009.

#### Annual General Meeting

Pöyry PLC's Annual General Meeting will be held on 10 March 2009 at the Finlandia Hall, Helsinki, Finland. The invitation to the Annual General Meeting will be published in its entirety as a separate notice on 4 February 2009 at 9:00 a.m.

#### Annual report

Pöyry PLC will publish its annual report for 2008 in week 9.

Enclosure

Board of Directors' Report, 1 January - 31 December 2008  
Consolidated statement of income, balance sheet, statement of changes in  
financial position, changes in equity and liabilities, related party  
transactions, key figures and acquisitions

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## PÖYRY GROUP

## BOARD OF DIRECTORS' REPORT, 1 JANUARY - 31 DECEMBER 2008

## Consolidated earnings and balance sheet

As a result of good demand, the Pöyry Group's strong market position, and successful completion of some major projects, consolidated net sales increased to EUR 821.7 million and profit before taxes improved significantly during the year under review. Profit before taxes was EUR 103.2 (76.5 in the previous year) million, which equals 12.6 per cent of net sales. The net profit for the period was EUR 72.6 (52.8) million. Earnings per share improved by 37.5 per cent during the year to EUR 1.21 (0.88). The Group's financial target is to achieve an improvement in earnings per share averaging 15 per cent a year.

The target for the Group's return on investment is 20 per cent or more on average. In 2008 the return on investment was 45.4 (42.4) per cent.

The consolidated balance sheet is healthy. The equity ratio is 41.7 (50.7) per cent. The Group's liquidity is good. At the end of the year, the Group's cash and cash equivalents amounted to EUR 203.7 (98.7) million. In addition to these, the Group had unused long-term overdraft facilities amounting to EUR 93.1 million. Interest-bearing debts totalled EUR 122.5 (8.9) million. The net debt/equity ratio (gearing) was -38.5 (-47.4) per cent.

Profit before taxes in the last quarter was EUR 26.9 (23.3) million. The profit includes non-recurring income of EUR 6.0 million from the sale of the shares in the associated company Polartest Oy.

At the beginning of 2008 the Group announced that it expected the profit before taxes for 2008 to improve compared to 2007. In June 2008 the Group refined 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 created a good work flow also for the rest of the year in the Forest Industry business group.

Key figures, EUR million	2008	2007	2006
Net sales	821.7	718.2	623.3
Profit before taxes	103.2	76.5	50.2
Profit for the year, of which attributable to equity holders of the parent company	72.6	52.8	34.8
Earnings/share, EUR	1.21	0.88	0.58
Return on investment, %	45.4	42.4	31.9
Equity ratio	41.7	50.7	49.2
Cash and cash equivalents	203.7	98.7	74.9
Interest-bearing debts	122.5	8.9	13.6
Gearing, %	-38.5	-47.4	-37.6

## Business groups' performance and earnings

The parent company of the Pöyry Group is Pöyry PLC. The parent company is responsible, among other things, for developing the Group's strategy and for supervising its implementation, for financing, for realising synergistic benefits and for general co-ordination of the Group's operations. The parent company has charged service fees for general administration and parent company costs to the business groups. The relative share charged is derived from the business groups' payroll costs.

The Pöyry Group's business operations during 2008 were conducted through three business groups: Energy, Forest Industry, and Infrastructure & Environment. The business groups are globally responsible for their operations. All three business groups offer a full range of consulting, investment planning and

implementation, maintenance planning, and operations improvement services to their clients, covering the entire lifecycle of their business.

## Energy

Demand for energy-related services was good in Europe during 2008 and remained stable in other geographical market areas. Environmental legislation continued to drive demand for renewable energy and energy efficiency-related services. The volatility of primary fuel prices, the structural change in the European energy market and actions related to the energy mix of companies boosted demand for management consulting services. 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 delays in implementing certain projects. The recent turmoil in financial markets has had a relatively small impact on investment demand in the energy sector so far.

The Energy business group's net sales for 2008 were EUR 241.3 (217.5) million. Operating profit improved significantly, amounting to EUR 32.0 (21.0) million. The non-recurring income from the sale of the shares in Polartest Oy improved profit in the last quarter and for the whole year by EUR 6.0 million.

The order stock at the end of the year remained stable, amounting to EUR 196.4 (212.7) million. 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 implementation engineering services contracts with Stora Enso Oyj for combined heat and power plant projects in Belgium and Germany (EUR 3 million); the engineering services 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 frame agreement with Técnicas Reunidas, Spain, for the engineering of several EPC projects (EUR 15 million); the contract with Woodside Energy as a part of the Pluto liquefied natural gas project, currently under construction in Western Australia (EUR 2.7 million); and implementation engineering services for Stora Enso Oyj for a combined heat and power plant project in Poland (EUR 3.3 million).

Energy, EUR million	2008	2007	2006
Net sales	241.3	217.5	197.4
Operating profit	32.0	21.0	14.6
Operating profit, %	13.2	9.7	7.4
Order stock	196.4	212.7	204.9
Personnel at year-end	1870	1838	1692

## Forest Industry

The Forest Industry business group's earnings improved clearly during 2008. This was 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 services was on a good level whereas demand for local services remained stable during 2008.

The Forest Industry business group's net sales for 2008 were EUR 318.2 (276.9) million. Operating profit improved clearly and was EUR 54.0 (39.0) million.

The economic downturn sparked by the global financial crisis was clearly reflected in the operations of the Forest Industry business group towards the end of 2008. The downturn has impaired forest industry companies' profitability and hampered the availability of investment financing globally. For this reason, projects have been postponed, preparations for new projects have been delayed

and the number of consulting assignments have declined. Demand for the services provided by the Forest Industry business group has decreased and it is difficult to predict when demand will recover. The business group's order stock declined to EUR 89.1 (123.8) million. The most important new projects were the engineering contract with Propapier GmbH for their paper machine project at a new site in Eisenhüttenstadt, Germany (EUR 10 million); the EPCM services contract with Roal Oy for an enzyme plant development project in Rajamäki, Finland (EUR 3 million); the 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; the pulp mill engineering project for Vietnam Paper Corporation in Vietnam, the pre-engineering and EPCM services contract with Ovako Wire Oy Ab for a steelworks modernisation project in Koverhar, Finland; and the engineering and project management services contract for the construction of SunPine AB's new production plant for renewable vehicle fuel to be built in Piteå, Sweden (EUR 1.3 million).

Forest Industry, EUR million	2008	2007	2006
Net sales	318.2	276.9	224.9
Operating profit	54.0	39.0	22.9
Operating profit, %	17.0	14.1	10.2
Order stock	89.1	123.8	111.4
Personnel at year-end	3158	2961	2418

#### Infrastructure & Environment

Demand for infrastructure and environment related services remained stable during 2008, with the exception of the weakening of office and commercial building construction in Finland, the Baltic countries and Russia. The business group continued to strengthen its position in local and international markets.

The Infrastructure & Environment business group's net sales for 2008 amounted to EUR 262.2 (222.5) million. Operating profit improved clearly and was EUR 20.1 (16.8) million.

The order stock increased, amounting to EUR 253.2 (226.3) million at the end of the year. 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 contract for the Ring Rail Link project in Helsinki, Finland, with the Finnish Rail Administration (EUR 7.5 million); 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); the extension to the contract with Metro de Maracaibo C.A. for a metro mass transit system in Venezuela (EUR 5.2 million); the contract with the Government River Board Corporation for the preparation of a large flood protection scheme in the Czech Republic (EUR 4 million); the consultancy contract with the Ministry of Communications and Transport of Zanzibar for rehabilitation of the rural roads on Pemba Island, Zanzibar, funded by the Norwegian Agency for Development Cooperation (EUR 1.0 million); and the contracts with PKP Polskie Linie Kolejowe S.A. for detail design and tender documentation for the modernisation of the "Warsaw Diameter Line" (EUR 8.9 million) and a feasibility study for the E75 Railway line Rail Baltica in Poland (EUR 1.1 million).

Infrastructure & Environment, EUR million	2008	2007	2006
Net sales	262.2	222.5	201.8
Operating profit	20.1	16.8	13.0
Operating profit, %	7.7	7.5	6.4
Order stock	253.2	226.3	191.0
Personnel at year-end	2779	2378	2207

## Financial targets for the business groups

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.

## Development of Group structure

The Group continued its actions to streamline the Group's legal and administrative structure during the financial year. The objective is to operate under a single legal and administrative entity in as many countries as possible.

As of 1 January 2009, Pöyry split its Infrastructure & Environment business group into three parts: Transportation, Water & Environment, and Construction Services. The Infrastructure & Environment business group has consisted of three business areas with partly different client bases, markets and growth areas, which are now reorganised as separate business groups. The reorganisation creates a clearer connection between Pöyry's long-term growth strategy and business structure. At the same time, it enables investors to understand better the different segments of Pöyry's infrastructure and environment business.

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

The Forest Industry business group's structure also remains 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 the global market leader both in consulting and engineering in its own field.

## New business groups and pro forma figures

The Transportation business group focuses on rail transportation systems and on road, tunnelling and bridge projects, as well as on other traffic- and transportation-related engineering and expert services. The comparable net sales for 2008 amounted to EUR 105.5 million.

The Water & Environment business group offers comprehensive engineering and expert services related to water and environmental technologies. The comparable net sales for 2008 amounted to EUR 87.6 million.

The Construction Services business group offers comprehensive engineering and project management services for commercial building and industrial projects. The comparable net sales for 2008 amounted to EUR 92.8 million.

Segment information with comparable figures for the new business group structure are included in the financial statements.

## Acquisitions

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 100 per cent into the Forest Industry business group in 2007. The company is Russia's leading forest industry engineering firm, employing about 250 experts.

IDP Consult Incorporated in the Philippines, which was acquired in 2007, was consolidated into Pöyry as of the beginning of 2008. The company has a staff of 30 and its net sales for 2008 were EUR 0.4 million.

Pöyry expanded its transportation business and market presence in the infrastructure sector by acquiring in May 100 per cent of the shares of Consilier Construct S.R.L, Romania. 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. The company's net sales for 2008 were EUR 10.0 million. The acquisition represents an important step in developing Pöyry's transportation-sector activities in the Eastern European market. Consilier Construct will also play an active role in expanding other Pöyry Group activities in Eastern Europe.

Pöyry also expanded its architectural design operations by acquiring in May the entire share capital of Arket Oy, Finland. The company employs nine architects and its net sales for 2007 were EUR 0.8 million. Arket Oy provides architectural design services. Arket Oy has been merged with Pöyry Architects Oy on 31 December 2008.

The Infrastructure & Environment business group's operations were strengthened by acquiring in May 100 per cent of the shares of Geopale Oy, Finland. The company specialises in bedrock core drillings. The company employs 14 experts and its net sales for 2007 were EUR 1.1 million. Geopale Oy has been merged with Pöyry Environment Oy on 31 December 2008.

Pöyry expanded its real estate consulting and engineering operations in China by acquiring in August the entire share capital of Shanghai Kang Hong Construction Ltd. Based in Shanghai, the company employs 29 experts. Shanghai Kang Hong Construction is primarily engaged in project management for industrial and commercial real estate development and construction projects. The closure of the transaction is subject to approval by the Chinese authorities.

Pöyry expanded its transportation business by acquiring in October the entire share capital of ETT Proyectos S.L, Spain. Employing 45 experts, the company is based in Madrid. Its net sales for 2007 were EUR 3.2 million. ETT Proyectos provides engineering and consultancy services in the rail sector, including both conventional railways as well as bullet train systems. 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.

Pöyry expanded its presence in the Swiss infrastructure and environment market by acquiring in December Kündig & Partner AG, a specialised engineering consultancy company. Kündig & Partner employs ten experts and its net sales for 2007 were EUR 1.5 million.

#### Order stock

The Group's order stock at the end of 2008 totalled EUR 539.1 million, compared with EUR 562.8 million at the end of 2007. The sales margin of the order stock was at a normal level.

The share of consulting services, operation improvement and maintenance services of the order stock increased. Assignments in these areas are short-term and are partly booked under net sales without being recorded in the order stock.

Order stock, EUR million	2008	2007	2006
Consulting and engineering	538.6	551.4	500.8
EPC	0.5	11.4	6.8
Order stock, total	539.1	562.8	507.6

#### Human resources

##### Personnel structure

The total number of personnel in the Group increased during 2008. The Group had an average of 7702 employees during the year, which is 12.4 per cent more than in 2007. The number of personnel at the end of the year was 7924. Mergers and

acquisitions added 328 people to the total. Of the total personnel, 91 per cent were operative. About 600 persons worked in management consulting and the rest in projects. 5 per cent of the total personnel had a fixed-term contract.

Personnel, pro forma	2008	2007	2006
Energy	1870	1838	1692
Forest Industry	2917	2734	2300
Transportation	1073	798	797
Water & Environment	976	926	920
Construction Services	971	881	608
Other	117	92	73
Personnel at year-end, total	7924	7269	6390
Personnel on average, total	7702	6852	6038

#### Personnel expenses

Wages and salaries as well as bonuses in the Pöyry Group are determined on the basis of local collective and individual agreements, individual employees' performance and the required qualification level. Supplementing the basic salary, the Group has implemented bonus schemes which are primarily aimed at Group companies' line management, but which will be increasingly directed to individual experts, for example staff in project work. In 2008, personnel expenses totalled EUR 433.8 million.

Personnel expenses, EUR million	2008	2007	2006
Wages and salaries	337.6	297.8	262.3
Bonuses	18.4	15.6	11.1
Expenses from share-based incentive programmes	1.8	0.5	0.7
Social expenses	76.0	62.0	53.6
Personnel expenses, total	433.8	375.9	327.7

#### Human resources management

The year under review was again a year of growth for Pöyry. Towards the end of the year Pöyry experienced a change in demand due to the downturn, which was most evident in the Forest Industry and Construction Services business groups. To make the best possible use of its resources for project work and to maintain good capacity utilisation, the company intensified the sharing of resources both across business unit and geographical borders.

To ensure that the Pöyry Group's capabilities will develop in accordance with changing business needs, the principles and actions for competence development are defined as a part of the annual strategy process. Developing managerial skills and encouraging job mobility within the organisation were major focus areas, as in the previous year. The reorganisation of the company's business operations resulted in significantly increased job mobility, which is an important step in the development towards an even more multi-skilled and diverse leadership pool.

The Group's human resources network was strengthened by new recruitments in several key countries and by developing the operating plan in accordance with short- and long-term business objectives. Examples of successfully implemented Pöyry-wide processes are the global employee survey 'Pöyry Pulse' and the 'Pöyry Dialogue' framework for individual discussion between line manager and team members. The benefits of adopting a uniform Pöyry identity and aligned operating practices are already clearly visible.

#### Research and development

The Pöyry Group's research and development co-operation committee consists of representatives of the business groups, IT staff and the company's management.



Its main objectives are to promote internal research and development, to assist in obtaining supplementary financing and engaging clients in development processes, and to keep the research and development focus on the Group's strategic objectives.

The Pöyry Group is engaged in numerous research and development projects each year, relying on the expertise, experience and innovativeness of its employees. Research and development efforts are conducted in partnership with clients and research institutions, often in an interdisciplinary manner, making use of the Group's technical and technological expertise to improve the competitiveness of the Group and its clients.

The income and expenses attributable to research and development are mostly part of the Group's client work and cannot therefore be defined in exact monetary terms. The income and expenses have been taken into account in the statement of income for the financial year.

At the beginning of 2009 Pöyry launched a new Knowledge Management programme. Its aim is to assemble, structure and analyse the special expertise and knowledge available in different parts of the Group organisation and then make it available to the entire staff. In the initial phase focus is on collecting ideas through interviews. Based on this development, an approach including short and long-term goals will be selected.

#### Capital expenditure and depreciation

The Group's capital expenditure totalled EUR 19.6 million, of which EUR 10.7 million consisted mainly of computer software, systems and hardware and EUR 8.9 million was due to business acquisitions.

Capital expenditure and depreciation, EUR million	2008	2007	2006
Capital expenditure, operative	10.7	9.1	9.8
Capital expenditure, shares	8.9	44.2	27.9
Capital expenditure, total	19.6	53.3	37.7
Depreciation	9.0	8.4	7.8

#### Financing

The net debt/equity ratio (gearing) was -38.5 (-47.4) per cent. The Group's financing status improved significantly during the financial year. At the end of the year, the Group's cash and cash equivalents totalled EUR 203.7 (98.7) million. In addition to these, the Group had long-term unused overdraft facilities amounting to EUR 93.1 million. Interest-bearing debts amounted to EUR 122.5 (8.9) million. In the last quarter of the year, the Group companies in Finland drew loans totalling EUR 97.8 million by lending back funds from employment pension insurance companies. The equity ratio is 41.7 (50.7) per cent. The ratio was affected by the new loans.

Financing, EUR million	2008	2007	2006
Cash and cash equivalents	203.7	98.7	74.9
Interest-bearing debts	122.5	8.9	13.6
Unused overdraft facilities	93.1	37.9	25.3
Gearing, %	-38.5	-47.4	-37.6
Cash flow before financing	45.7	58.6	26.4

#### Assessment of operational risks and uncertainties

The Group's most significant risks and uncertainties identified during the financial year were related to the global financial crisis and the economic downturn set off by it.

The economic downturn has been clearly reflected in the operations of Pöyry's Forest Industry business group. Demand for the Forest Industry business group's services has decreased. Demand for the Construction Services business group's services has declined in its business sectors in Finland, Russia and the Baltic countries. It is difficult to foresee when demand will recover for either of the business groups.

In January 2009 Pöyry launched major actions to adapt the operations of its Forest Industry and Construction Services business groups to the prevailing situation. The actions will consist of temporary and permanent lay-offs and other measures of adaptation. In addition, in autumn 2008 Pöyry introduced an action programme to keep the Group's profitability at as high a level as possible. The programme focused on sales, resources, cost structure, investments and financing.

The financial crisis hampered the availability of loan financing. Pöyry countered this by significantly strengthening its already strong financial position and liquidity.

#### Pöyry's risk management

Pöyry's risks are managed in accordance with the Group's risk management policy and instructions. Risks related to business operations are monitored based on a classification into external and internal risk. Internal risks include strategic and operational risks, and financial risks. If realised, the identified potential risks could have a significant negative impact on Pöyry's business, earnings, financial position or reputation. All identified major risks have been rated and necessary actions to contain them defined. The implementation of risk management actions in the Group is monitored on a regular basis. The principles of Pöyry's risk management and typical risks identified in Pöyry's business are described in more detail in the Corporate Governance section of the annual accounts.

#### Share capital and shares

The share capital of Pöyry PLC is EUR 14 588 478. The total number of shares at the end of 2007 was 58 652 614. During 2008, 225 988 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 58 878 602.

#### 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 Board has not exercised the authorisation during 2008.

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

#### Authorisation to acquire the company's own shares

The Annual General Meeting 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 in the authorisation. The acquisition of shares reduces the company's distributable non-restricted 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 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 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. 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 on 10 March 2008 and to continue the share buy back. During the period 18 March to 10 September 2008, 148 529 own shares were 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 number of own shares held by the company on 31 December 2008 was 395 000, representing 0.7 per cent of all shares and 0.7 per cent of all votes.

#### 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 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 2008 a total amount of 225 988 new shares were subscribed with 26 090 stock options 2004A and 30 407 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.

The number of participants in the first earnings period 2008 amounts to 292 persons. The payout from the plan is based on the Group's earnings per share (EPS) and net sales growth. For the earnings period 2008 the payout-ratio will be 181.89 per cent corresponding to a value of 431 151 shares. The payments will be made to the participants in April 2009, after the AGM has adopted the financial statements.

During 2008 93.1 per cent were granted and 3.1 per cent were returned of the maximum rewards for the earning period 2008.

## Board of Directors' proposal

The Pöyry Group's parent company Pöyry PLC's net profit for 2008 was EUR 56 179 095.45 and retained earnings EUR 7 200 671.63, so the total amount of distributable earnings was EUR 63 379 767.08. The Board of Directors of Pöyry PLC proposes to the Annual General Meeting on 10 March 2009 that a dividend of EUR 0.65 (0.65) per share be paid for the year 2008. The number of shares is 58 483 602 and the total amount of dividends thus EUR 38 014 341.30. The proposed dividend corresponds to 53.7 (73.9) per cent of the earnings per share for the financial year. The Board of Directors proposes that the dividend be paid on 20 March 2009.

## Board of Directors and President

Members of the Board of Directors of Pöyry PLC elected in the Annual General Meeting are Henrik Ehrnrooth (Chairman), Heikki Lehtonen (Vice Chairman), Pekka Ala-Pietilä, Alexis Fries, Harri Piehl, Karen de Segundo and Franz Steinegger.

President and CEO of the company has until 31 May 2008 been Mr Erkki Pehu-Lehtonen, M.Sc. (Eng.) and as of 1 June 2008 Mr Heikki Malinen, M.Sc. (Econ), MBA. Deputy to the President and CEO has been Mr Teuvo Salminen, M.Sc. (Econ).

## Auditors

Auditors have been KPMG Oy Ab, Authorised Public Accountants, with Mr Sixten Nyman, Authorised Public Accountant, as responsible auditor.

## Prospects

### Energy

Changes within the structure of energy sources coupled with energy legislation work, 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 emerging 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 expected to remain, but client's investments in the short to medium term are expected to be driven by long-term energy supply diversity and energy security. Cooling of the previously overheated thermal power sector is expected in the medium term which will have a positive effect in investments by lowering equipment supply costs and delivery times. The power and 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 has maintained its strong market position and its order stock has remained stable. The Energy business group's operating profit is estimated to remain stable in 2009, if the positive effect on earnings of the non-recurring income from the sale of Polartest Oy's shares is not taken into account in the operating profit.

### Forest Industry

The Forest Industry business group's market position is stable. The order stock declined in the last quarter of 2008 impaired by the global financial crisis. Nearly all major planned projects have been stopped. Preliminary engineering work for new investment projects still continues in certain areas, notably in Russia. In Latin America, the volume of investments will go down significantly in 2009. The order stock for chemical-industry projects is stable, but in this

sector, too, many of the largest projects have been put on hold. Demand for local services in the forest industry sector has decreased, while it has remained stable in other industrial sectors. Demand for management consulting services has declined and is increasingly focused on improving forest product companies' profitability, including business development and energy savings. The restructuring of the pulp and paper industry may lead to increased demand for management consulting and investment banking services. Adaptation measures have been started in many units of the business group. The impact of these measures will be visible from the second quarter of 2009 onwards. The Forest Industry business group's operating profit is estimated to decrease significantly in 2009.

#### Transportation

Despite difficult economic conditions in almost all regions of the world, investments in the transportation sector have continued to take place, with a similar pattern as in previous years. In particular, Eastern Europe where EU funds are being made available to the new EU member states, Latin America and India remain buoyant. Investments in Western Europe remain stable except in Germany. Many of these new investments are taking place in order to provide new roads, rail and metro systems, together with the associated tunnels. All of these investments are core areas of the Transportation business group. The operations of the Transportation business group are therefore expected to remain stable and the operating profit is estimated to improve in 2009.

#### Water & Environment

The global economic downturn has very limited effects on the Water & Environment business group's business, as only a small part of the services are provided for private-sector clients. The demand for services in water supply and sanitation, solid waste, and environmental studies remains high. Many governments around the world, such as Germany, Abu Dhabi and China, have announced major programmes to help fight the impact of the global downturn. All these programmes have a sizable component of investments into public infrastructure, which includes water supply and waste water. The number of extreme weather events leading to loss of lives and major damage to infrastructure continues to increase as a result of climate change. Therefore, the public sector will increase its spending for rehabilitation and protection of the built-up environment. All these drivers will result in new opportunities for the business group around the world. The operating profit of the Water & Environment business group is estimated to improve in 2009.

#### Construction Services

The impacts of the financial crisis are visible in commercial and office building construction in the markets of the Construction Services business group. Many projects have also been cancelled or postponed in the industrial sector. The business group's order stock decreased during the fourth quarter of 2008. It is difficult to predict when demand will recover. Adaptation measures have been started in most units of the business group. The impact of these measures will be visible from the second quarter of 2009 onwards. Stable or positive development is expected in infrastructure projects and consultancy services where the business group's market position is strong. The Construction Services business group's operating profit is estimated to decrease clearly in 2009.

#### Group

The economic downturn set off by the global financial crisis has had a clear impact on investment demand worldwide. In the Pöyry Group, the impacts have most markedly affected the operations of the Forest Industry and Construction Services business groups at the end of 2008 and the beginning of 2009.

To combat the impacts of the deepening downturn, Pöyry launched in autumn 2008 an action programme intended to keep the Group's profitability at as high a

level as possible. The programme focuses on sales, resources, cost structure, investments and financing. Pöyry has taken comprehensive action to intensify sales and to promote internal networking and sharing of resources. In addition, fixed-term employment contracts and subcontracting will be cut back as projects in progress are being completed.

As a part of the adaptation measures, statutory employee negotiations were started in January 2009 in the Forest Industry and Construction Services business groups' units based in Finland. The negotiations are concerned with temporary and permanent lay-offs, and other actions to adapt operations to the current market situation. The specific need for temporary lay-offs and their length, possible permanent lay-offs and other measures will be decided in detail as the negotiations proceed. The adaptation is estimated to equal a capacity of about 350 persons in the Forest Industry business group and about 250 persons in the Construction Services business group. In the Forest Industry business group's Brazilian unit, the capacity will be down-sized by about 200 persons, in addition to other local cutback measures. In addition to the above mentioned steps, the Forest Industry business group has initiated adaptation measures in its business units in North America in the beginning of 2009.

Demand for the Energy, Transportation, and Water & Environment business groups' services has remained stable and public-sector stimulus programmes are expected to improve demand further, especially in the transportation sector.

The duration of the downturn and all of its impacts are difficult to foresee. Pöyry intends to continue developing its operations in various ways. Pöyry is utilising its office network in 49 countries to direct sales and resources to the services and markets for which there is demand. Operations will be improved further, for example by investing in knowledge management, internal networking and sharing of resources and the development of IT applications. Human resources competence development will be continued by implementing internal training programmes. The economic downturn also creates good opportunities for developing Pöyry's business operations through acquisitions. Pöyry's excellent liquidity makes it possible to participate actively in this consolidation process.

Pöyry's net sales for 2009 are estimated to decrease and profit before taxes is estimated to decrease significantly compared with 2008. This assessment does not take into account possible acquisitions during 2009.

## PÖYRY GROUP

## STATEMENT OF INCOME

EUR million	10-12/2008	10-12/2007	1-12/2008	1-12/2007
NET SALES	213.6	205.5	821.7	718.2
Other operating income	6.1	0.6	6.6	2.5
Share of associated companies' results	+0.0	+0.0	+2.2	+0.4
Materials and supplies	-3.7	-5.4	-15.3	-14.3
External charges, subconsulting	-28.8	-25.7	-101.0	-89.5
Personnel expenses	-113.6	-103.9	-433.8	-375.9
Depreciation	-2.6	-2.2	-9.0	-8.4
Other operating expenses	-44.3	-46.7	-170.8	-159.2
OPERATING PROFIT	26.7	22.2	100.6	73.8
Proportion of net sales, %	12.5	10.8	12.2	10.3
Financial income	+2.3	+1.4	+6.3	+4.3
Financial expenses	-1.8	-0.1	-3.5	-1.3
Exchange rate differences	-0.2	-0.1	-0.1	-0.2
Value decrease	-0.1	-0.1	-0.1	-0.1
PROFIT BEFORE TAXES	26.9	23.3	103.2	76.5
Proportion of net sales, %	12.6	11.3	12.6	10.7
Income taxes	-6.6	-6.7	-30.6	-23.7
NET PROFIT FOR THE PERIOD	20.3	16.6	72.6	52.8
Attributable to:				
Equity holders of the parent company	19.8	15.9	70.8	51.3
Minority interest	0.5	0.7	1.8	1.5
Earnings/share, attributable to the equity holders of the parent company, EUR	0.34	0.27	1.21	0.88
Corrected with dilution effect	0.34	0.27	1.19	0.86

## BALANCE SHEET

EUR million

31 Dec. 2008

31 Dec. 2007

## ASSETS

## NON-CURRENT ASSETS

Goodwill	95.9	95.6
Intangible assets	6.2	6.6
Tangible assets	18.8	17.8
Shares in associated companies	5.8	5.2
Other shares	1.7	2.4
Loans receivable	0.1	0.1
Deferred tax receivables	6.2	5.7
Pension receivables	0.3	0.6
Other	5.0	4.9
Total	140.0	138.9

## CURRENT ASSETS

Work in progress	69.3	64.5
Accounts receivable	143.5	141.9
Loans receivable	0.8	0.6
Other receivables	10.3	15.6
Prepaid expenses and accrued income	12.7	10.9
Cash and cash equivalents	203.7	98.7
Total	440.3	332.2

## TOTAL

580.3

471.1

## EQUITY AND LIABILITIES

## EQUITY

EQUITY ATTRIBUTABLE TO THE EQUITY HOLDERS  
OF THE PARENT COMPANY

Share capital	14.6	14.6
Share premium reserve	32.4	32.4
Legal reserve	20.5	19.5
Invested free equity reserve	5.8	4.6
Translation difference	-22.4	-13.9
Retained earnings	152.5	125.4
Total	203.4	182.6
Minority interest	7.7	6.9
Total	211.1	189.5

## LIABILITIES

## NON-CURRENT LIABILITIES

Interest bearing non-current liabilities	100.8	1.9
Pension obligations	6.7	6.6
Deferred tax liability	4.7	3.3
Other non-current liabilities	5.0	9.4
Total	117.2	21.2

## CURRENT LIABILITIES

Amortisations of interest bearing non-current liabilities	20.5	2.6
Interest bearing current liabilities	1.2	4.4
Provisions	5.8	5.0
Project advances	73.6	97.3
Accounts payable	21.8	22.9
Other current liabilities	43.0	38.3
Current tax payable	3.6	13.7
Accrued expenses and deferred income	82.5	76.2
Total	252.0	260.4

## TOTAL

580.3

471.1



## STATEMENT OF CHANGES IN FINANCIAL POSITION

EUR million	10-12/ 2008	10-12/ 2007	1-12/ 2008	1-12/ 2007
<b>FROM OPERATING ACTIVITIES</b>				
Net profit for the period	20.3	16.6	72.6	52.8
Depreciation and value decrease	+2.7	+2.2	+9.1	+8.4
Gain on sale of fixed assets	-6.3	-1.6	-6.3	-2.3
Share of associated companies' results	+0.6	-0.0	-1.6	-0.4
Financial items	-0.1	-1.1	-2.5	-2.7
Income taxes	+6.6	+6.7	+30.6	+23.7
Change in work in progress	+12.3	+9.1	-4.8	-11.7
Change in accounts and other receivables	+3.9	-11.0	+1.9	-5.6
Change in advances received	+2.5	+8.3	-23.7	+27.4
Change in payables and other liabilities	-5.5	+7.1	+8.6	+13.1
Received financial income	+2.2	+1.4	+6.2	+4.3
Paid financial expenses	-1.4	-0.3	-3.0	-1.5
Paid income taxes	-5.8	-4.7	-30.5	-19.1
<b>Total from operating activities</b>	<b>+32.0</b>	<b>+32.7</b>	<b>+56.6</b>	<b>+86.4</b>
<b>CAPITAL EXPENDITURE</b>				
Investments in shares in subsidiaries deducted with cash acquired	-3.4	-3.0	-8.7	-23.4
Sales of shares in subsidiaries	+0.0	+0.3	+0.0	+0.3
Investments in fixed assets	-2.9	-4.0	-10.7	-9.9
Sales of shares in associated companies	+6.9	+1.8	+6.9	+1.8
Sales of other shares	-0.3	+1.6	+0.4	+2.2
Sales of fixed assets	+0.1	+0.5	+1.2	+1.2
<b>Capital expenditure total, net</b>	<b>+0.4</b>	<b>-2.8</b>	<b>-10.9</b>	<b>-27.8</b>
<b>Net cash before financing</b>	<b>+32.4</b>	<b>+29.9</b>	<b>+45.7</b>	<b>+58.6</b>
<b>FINANCING</b>				
New loans	+97.7	+0.0	+118.2	+0.0
Repayments of loans	-0.8	-0.8	-2.6	-2.6
Change in current financing	-7.6	-19.0	-3.7	-2.2
Change in non-current investments	+0.0	+0.5	+0.0	+0.5
Dividends	-0.0	-0.5	-39.1	-30.0
Acquisitions of own shares	-0.0	-0.0	-5.9	-0.0
Share subscription	+0.4	+0.2	+1.2	+0.9
<b>Net cash from financing</b>	<b>+89.7</b>	<b>-19.6</b>	<b>+68.1</b>	<b>-33.4</b>
<b>Change in cash and cash equivalents</b>	<b>+122.1</b>	<b>+10.3</b>	<b>+113.8</b>	<b>+25.3</b>
Cash and cash equivalents at the beginning of the period	88.1	89.8	98.7	74.9
Impact of translation differences in exchange rates	-6.5	-1.4	-8.8	-1.4
<b>Cash and cash equivalents 31 December</b>	<b>203.7</b>	<b>98.7</b>	<b>203.7</b>	<b>98.7</b>

CHANGES IN EQUITY  
EUR million

	Share cap- ital	Share pre- mium re- serve	Legal re- serve	Inves- ted free equity re- serve	Trans- lation differ- ences	Re- tained earn- ings	Total	Minor- ity inter- est	Total equity
Equity 1 October 2007	14.6	32.1	19.3	4.6	-12.2	109.5	167.9	6.1	174.0
Net income recorded direct to equity						0.0	0.0		0.0
Trans- lation differ- ences					-1.7		-1.7		-1.7
Net profit for the period						15.9	15.9	0.7	16.6
Income and expenses for the period					-1.7	15.9	14.2	0.8	15.0
Share issue							0.0		0.0
Shares subscribed with stock options		0.3					0.3		0.3
Payment of dividend							0.0		0.0
Transfer, retained earnings			0.2			-0.2	0.0		0.0
Expenses from share- based incentive programme						0.1	0.1		0.1
Other changes		0.3	0.2	0.0		0.0	0.4		0.4
Equity 31 December 2007	14.6	32.4	19.5	4.6	-13.9	125.4	182.6	6.9	189.5
Equity 1 January 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
Trans- lation differ- ences					-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 share-based incentive programme						0.5	0.5		0.5
Other changes	0.1	0.9	0.4	4.6		-28.5	-22.6	-0.7	-23.4
Equity 31 December 2007	14.6	32.4	19.5	4.6	-13.9	125.4	182.6	6.9	189.4
Equity 1 October 2008	14.6	32.4	20.2	5.4	-16.0	132.5	189.1	7.4	196.5
Net income recorded direct to equity							0.0		0.0
Translation differences					-4.0		-4.0	-0.1	-4.1
Translation differences from equity hedging					-2.4		-2.4		-2.4
Net profit for the period						19.8	19.8	0.5	20.3
Income and expenses for the period					-6.4	19.8	13.4	0.4	13.8
Share issue									
Shares subscribed with stock options				0.4			0.4		0.4
Payment of dividend							0.0		0.0
Acquisition of own shares						0.0	0.0		0.0
Transfer, retained earnings			0.3			-0.3	0.0		0.0

Expenses from share-based incentive programme						0.4	0.4		0.4
Other changes			0.3	0.4		0.1	0.8	0.0	0.8
Equity 31 December 2008	14.6	32.4	20.5	5.8	-22.4	152.5	203.4	7.7	211.1
Equity 1 January 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					-6.1		-6.1	-0.1	-6.2
Exchange losses from equity hedging					-2.4		-2.4		-2.4
Net profit for the period						70.8	70.8	1.8	72.6
Income and expenses for the period					-8.5	70.8	62.3	1.7	64.0
Share issue									
Shares subscribed with stock options				1.2			1.2		1.2
Payment of dividend						-38.0	-38.0	-1.0	-39.0
Acquisition of own shares						-5.9	-5.9		-5.9
Transfer, retained earnings			1.0			-1.0	0.0		0.0
Expenses from share-based incentive programme						1.2	1.2		1.2
Minority change						-0.1	-0.1	0.1	0.0
Other changes			1.0	1.2		-43.8	-41.6	-0.9	-42.5
Equity 31 December 2008	14.6	32.4	20.5	5.8	-22.4	152.5	203.4	7.7	211.1

PROFITABILITY AND OTHER KEY FIGURES	10-12/ 2008	10-12/ 2007	1-12/ 2008	1-12/ 2007
Return on investment, %			45.4	42.4
Return on equity, %			38.7	31.9
Equity ratio, %			41.7	50.7
Equity/assets ratio, %			36.4	40.2
Net debt/equity ratio (gearing), %			-38.5	-47.4
Net debt, EUR million			-81.2	-89.9
Current ratio			1.7	1.3
Consulting and engineering, EUR million			538.6	551.4
EPC, EUR million			0.5	11.4
Order stock total, EUR million			539.1	562.8
Capital expenditure, operating EUR million	2.9	3.1	10.7	9.1
Proportion of net sales, %	1.4	1.5	1.3	1.3
Capital expenditure in shares, EUR million	3.6	7.9	8.9	44.2
Proportion of net sales, %	1.7	3.8	1.1	6.2
Personnel in group companies on average			7702	6852
Personnel in associated companies on average			267	271
Personnel in group companies at year-end			7924	7269
Personnel in associated companies at year-end			142	277

KEY FIGURES FOR THE SHARES	10-12/ 2008	10-12/ 2007	1-12/ 2008	1-12/ 2007
Earnings/share, EUR	0.34	0.27	1.21	0.88
Diluted	0.34	0.27	1.19	0.86
Shareholders' equity/share, EUR			3.45	3.11
Dividend, EUR million			38.0 1)	38.1
Dividend/share, EUR			0.65 1)	0.65
Dividend/earnings, %			53.7	73.9
Effective return on dividend, %			8.3	3.8
Price/earnings multiple			6.5	19.7
Issue-adjusted trading prices, EUR				
Average trading price			13.86	16.08
Highest trading price			18.34	20.14
Lowest trading price			6.90	11.37
Closing price at year-end			7.82	17.31
Total market value of shares, outstanding shares, EUR million			457.3	1015.3
own shares, EUR million			3.1	
Trading volume of shares				
Shares, 1000			17 420	17 326
Proportion of total volume, %			29.8	29.7
Issue-adjusted number of outstanding shares, 1000				
On average			58 540	58 323
At year-end			58 879	58 653

1) Board of Directors' proposal.

## CHANGE IN INTANGIBLE ASSETS

EUR million	10-12/2008	10-12/2007	1-12/2008	1-12/2007
Book value at beginning of period	6.4	7.1	6.6	7.9
Acquired companies	0.7	0.2	0.7	0.9
Capital expenditure	-0.4	0.6	1.4	1.4
Decreases	0.0	0.0	0.0	0.0
Depreciation and expensed	-0.7	-1.2	-2.5	-3.5
Translation difference	0.2	-0.1	0	-0.1
Book value at end of period	6.2	6.6	6.2	6.6

## Change in tangible assets

Book value at beginning of period	18.6	17.6	17.8	17.0
Acquired companies	0.0	0	0.7	0.6
Capital expenditure	3.3	1.9	9.3	7.1
Decreases	-1.1	-0.1	-2.2	-0.8
Depreciation	-2.0	-1.5	-6.6	-6.0
Translation difference	0.0	-0.1	-0.2	-0.1
Book value at end of period	18.8	17.8	18.8	17.8

## CONTINGENT LIABILITIES

EUR million	31 Dec. 2008	31 Dec. 2007
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Other obligations		
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Pledged assets	0.1	0.3
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Other obligations	45.2	40.4
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Total	45.3	40.7
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For others		
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Pledged assets	0.1	0.1
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Other obligations	0.1	0.1
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Total	0.2	0.2
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Rent and lease obligations	118.2	113.6
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## RELATED PARTY TRANSACTIONS

	2008	2007
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To the related parties of Pöyry Group belong the subsidiaries and the associated companies, the Board of Directors, the President and CEO, the Deputy to the President and CEO and the members of the Group Executive Committee. Furthermore Corbis S.A. belongs to the related parties.

Employee benefits for the Board of Directors, the President and CEO, the Deputy to the President and CEO and the members of the Group Executive Committee

Salaries, bonuses and other short-term employee benefits	3.4	3.2
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Shareholding and option rights of related parties, option programme 2004

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 31 December 2008 a total of 167 437 shares and 150 679 stock options (on 31 December 2007 a total of 207 107 shares, and 236 975 stock options 2004). With the stock options the shareholding can be increased by 602 716 shares equalling 1.0 per cent of the total number of shares and votes.

Performance share plan 2008-2010

In December 2007 the Board of Directors of Pöyry PLC approved a share-based incentive plan for key personnel. The plan includes three earning periods which are the calendar years 2008, 2009 and 2010.

The option programme 2004 and the performance share plan 2008-2010 are described in the Board of Directors' report.

Own shares

Pöyry PLC holds 386 086 own shares and a subsidiary of Pöyry PLC owns 8914 shares, or totally 395 000 shares, corresponding to 0.7 per cent of the total number of shares.

Transactions with the associated companies

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

Sales to associated companies	0.3	0.1
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Loans receivable from associated companies	0.1	0.1
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Accounts receivable from associated companies	0.0	0.0
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BUSINESS SEGMENTS				
EUR million	1-12/2008		1-12/2007	
<b>NET SALES</b>				
Energy	241.3		217.5	
Forest Industry	318.2		276.9	
Infrastructure & Environment	262.2		222.5	
Unallocated	0.0		1.3	
Total	821.7		718.2	
<b>OPERATING PROFIT AND NET PROFIT FOR THE PERIOD</b>				
EUR million, proportion of net sales %		%		%
Energy	32.0	13.2	21.0	9.7
Forest Industry	54.0	17.0	39.0	14.1
Infrastructure & Environment	20.1	7.7	16.8	7.5
Unallocated	-5.5		-3.0	
OPERATING PROFIT TOTAL	100.6	12.2	73.8	10.3
Financial items	2.6		2.7	
PROFIT BEFORE TAXES	103.2		76.5	
Income taxes	-30.6		-23.7	
NET PROFIT FOR THE PERIOD	72.6		52.8	
Attributable to:				
Equity holders of the parent company	70.8		51.3	
Minority interest	1.8		1.5	
<b>ORDER STOCK</b>				
Energy	196.4		212.7	
Forest Industry	89.1		123.8	
Infrastructure & Environment	253.2		226.3	
Unallocated	0.4		0.0	
Total	539.1		562.8	
Consulting and engineering	538.6		551.4	
EPC	0.5		11.4	
Total	539.1		562.8	
<b>GEOGRAPHICAL SEGMENTS</b>				
The Nordic countries	234.3		201.1	
Europe	363.1		307.8	
Asia	72.6		67.3	
North America	27.7		34.2	
South America	89.5		82.2	
Other	34.5		25.6	
Total	821.7		718.2	
<b>PERSONNEL</b>				
Energy	1 870		1 838	
Forest Industry	3 158		2 961	
Infrastructure & Environment	2 779		2 378	
Unallocated	117		92	
Total 31 December	7 924		7 269	

## BUSINESS SEGMENTS

EUR million	1-3/ 2008	4-6/ 2008	7-9/ 2008	10-12/ 2008
<b>NET SALES</b>				
Energy	58.1	62.1	56.8	64.3
Forest Industry	76.8	88.4	74.4	78.6
Infrastructure & Environment	60.9	67.1	62.1	72.1
Unallocated	0.4	0.4	0.6	-1.4
Total	196.2	218.0	193.9	213.6
<b>OPERATING PROFIT AND NET PROFIT FOR THE PERIOD</b>				
Energy	5.6	8.3	6.3	11.8
Forest Industry	12.8	17.7	13.3	10.2
Infrastructure & Environment	4.4	5.4	4.0	6.3
Unallocated	-0.8	-1.4	-1.7	-1.6
OPERATING PROFIT TOTAL	22.0	30.0	21.9	26.7
Financial items	0.6	0.5	1.3	0.2
PROFIT BEFORE TAXES	22.6	30.5	23.2	26.9
Income taxes	-7.1	-9.4	-7.5	-6.6
NET PROFIT FOR THE PERIOD	15.5	21.1	15.7	20.3
Attributable to:				
Equity holders of the parent company	15.1	20.5	15.4	19.8
Minority interest	0.4	0.6	0.3	0.5
<b>OPERATING PROFIT %</b>				
Energy	9.6	13.4	11.1	18.3
Forest Industry	16.6	20.0	17.9	13.0
Infrastructure & Environment	7.3	8.0	6.4	8.7
OPERATING PROFIT TOTAL	11.2	13.8	11.3	12.5
<b>ORDER STOCK</b>				
Energy	205.8	195.8	216.1	196.4
Forest Industry	135.6	126.7	122.4	89.1
Infrastructure & Environment	232.5	232.8	255.6	253.2
Unallocated	0.4	0.4	0.4	0.4
Total	574.3	555.7	594.5	539.1
Consulting and engineering	568.5	551.5	592.5	538.6
EPC	5.8	4.2	2.0	0.5
Total	574.3	555.7	594.5	539.1

BUSINESS SEGMENTS				
EUR million	1-3/ 2007	4-6/ 2007	7-9/ 2007	10-12/ 2007
<b>NET SALES</b>				
Energy	51.4	51.8	51.6	62.7
Forest Industry	64.6	67.4	65.2	79.7
Infrastructure & Environment	50.8	53.4	55.6	62.7
Unallocated	0.2	0.4	0.3	0.4
Total	167.0	173.0	172.7	205.5
<b>OPERATING PROFIT AND NET PROFIT FOR THE PERIOD</b>				
Energy	5.3	4.6	5.7	5.4
Forest Industry	7.8	8.6	9.9	12.7
Infrastructure & Environment	3.7	3.5	4.4	5.2
Unallocated	-0.8	-0.4	-0.7	-1.1
OPERATING PROFIT TOTAL	16.0	16.3	19.3	22.2
Financial items	0.5	0.5	0.6	1.1
PROFIT BEFORE TAXES	16.5	16.8	19.9	23.3
Income taxes	-5.3	-5.4	-6.3	-6.7
NET PROFIT FOR THE PERIOD	11.2	11.4	13.6	16.6
Attributable to:				
Equity holders of the parent company	10.9	11.0	13.5	15.9
Minority interest	0.3	0.4	0.1	0.7
<b>OPERATING PROFIT %</b>				
Energy	10.3	8.9	11.0	8.6
Forest Industry	12.1	12.8	15.2	16.0
Infrastructure & Environment	7.3	6.6	7.9	8.2
OPERATING PROFIT TOTAL	9.6	9.4	11.2	10.8
<b>ORDER STOCK</b>				
Energy	214.8	233.8	223.7	212.7
Forest Industry	154.1	140.2	143.3	123.8
Infrastructure & Environment	198.4	204.6	216.7	226.3
Unallocated	0.3	0.3	0.0	0.0
Total	567.6	578.9	583.7	562.8
Consulting and engineering	553.1	558.1	566.2	551.4
EPC	14.5	20.8	17.5	11.4
Total	567.6	578.9	583.7	562.8

## BUSINESS SEGMENTS PROFORMA

EUR million	1-12/ 2008	1-12/ 2007
NET SALES		
Energy	241.3	217.5
Forest Industry	294.5	260.6
Transportation	105.5	91.7
Water and Environment	87.6	78.5
Construction Services	92.8	68.6
Unallocated	0.0	1.3
Total	821.7	718.2

OPERATING PROFIT AND NET PROFIT FOR THE PERIOD  
PROFORMA

EUR million, proportion of net sales %		%		%
Energy	32.0	13.2	21.0	9.7
Forest Industry	50.8	17.2	36.3	13.9
Transportation	9.2	8.7	7.2	7.8
Water and Environment	4.2	4.8	3.5	4.5
Construction Services	9.9	10.7	8.8	12.9
Unallocated	-5.5		-3.0	
OPERATING PROFIT TOTAL	100.6	12.2	73.8	10.3
Financial items	2.6		2.7	
PROFIT BEFORE TAXES	103.2		76.5	
Income taxes	-30.6		-23.7	
NET PROFIT FOR THE PERIOD	72.6		52.8	
Attributable to:				
Equity holders of the parent company	70.8		51.3	
Minority interest	1.8		1.5	

## ORDER STOCK PROFORMA

Energy	196.4	212.7
Forest Industry	86.3	119.6
Transportation	130.9	107.0
Water and Environment	76.8	72.4
Construction Services	48.3	51.1
Unallocated	0.4	0.0
Total	539.1	562.8
Consulting and engineering		
EPC	538.6	551.4
Total	0.5	11.4
	539.1	562.8

## BUSINESS SEGMENTS, PROFORMA

EUR million	1-3/ 2008	4-6/ 2008	7-9/ 2008	10-12/ 2008
<b>NET SALES</b>				
Energy	58.1	62.1	56.8	64.3
Forest Industry	70.8	81.9	69.3	72.5
Transportation	23.7	26.5	26.3	29.0
Water and Environment	20.3	21.6	20.3	25.4
Construction Services	22.9	25.4	20.6	23.9
Unallocated	0.4	0.5	0.6	-1.5
Total	196.2	218.0	193.9	213.6
<b>OPERATING PROFIT</b>				
Energy	5.6	8.3	6.3	11.8
Forest Industry	11.7	16.9	12.7	9.5
Transportation	2.1	1.4	2.4	3.3
Water and Environment	0.7	1.4	0.3	1.8
Construction Services	2.7	3.4	1.9	1.9
Unallocated	-0.8	-1.4	-1.7	-1.6
OPERATING PROFIT TOTAL	22.0	30.0	21.9	26.7
<b>OPERATING PROFIT %</b>				
Energy	9.6	13.4	11.1	18.3
Forest Industry	16.5	20.6	18.3	13.1
Transportation	8.9	5.3	9.1	11.3
Water and Environment	3.4	6.5	1.5	7.3
Construction Services	11.8	13.4	9.2	8.1
OPERATING PROFIT TOTAL	11.2	13.8	11.3	12.5
<b>ORDER STOCK</b>				
Energy	205.8	195.8	216.1	196.4
Forest Industry	133.0	123.3	116.3	86.3
Transportation	113.1	114.5	130.3	130.9
Water and Environment	74.7	75.0	78.3	76.8
Construction Services	47.3	46.7	53.1	48.3
Unallocated	0.4	0.4	0.4	0.4
Total	574.3	555.7	594.5	539.1

## BUSINESS SEGMENTS PROFORMA

EUR million	1-3/ 2007	4-6/ 2007	7-9/ 2007	10-12/ 2007
<b>NET SALES</b>				
Energy	51.4	51.8	51.6	62.7
Forest Industry	61.3	64.1	61.2	74.0
Transportation	22.3	21.9	22.8	24.7
Water and Environment	18.2	19.5	19.2	21.6
Construction Services	13.6	15.3	17.6	22.1
Unallocated	0.2	0.4	0.3	0.4
Total	167.0	173.0	172.7	205.5
<b>OPERATING PROFIT</b>				
Energy	5.3	4.6	5.7	5.4
Forest Industry	7.2	8.2	9.1	11.8
Transportation	2.3	1.0	1.9	2.0
Water and Environment	0.5	1.1	0.4	1.5
Construction Services	1.5	1.8	2.9	2.6
Unallocated	-0.8	-0.4	-0.7	-1.1
OPERATING PROFIT TOTAL	16.0	16.3	19.3	22.2
<b>OPERATING PROFIT %</b>				
Energy	10.3	8.9	11.0	8.6
Forest Industry	11.7	12.8	14.9	15.9
Transportation	10.1	4.6	8.4	8.1
Water and Environment	2.9	5.6	1.7	7.2
Construction Services	11.2	11.9	16.5	11.9
OPERATING PROFIT TOTAL	9.6	9.4	11.2	10.8
<b>ORDER STOCK</b>				
Energy	214.8	233.8	223.7	212.7
Forest Industry	149.0	135.4	134.7	119.6
Transportation	90.8	88.4	96.8	107.0
Water and Environment	72.2	71.6	72.0	72.4
Construction Services	40.5	49.4	56.5	51.1
Unallocated	0.3	0.3	0.0	0.0
Total	567.6	578.9	583.7	562.8

## 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. The company has been merged with Pöyry Architects Oy.</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. The company has been merged with Pöyry Environment Oy.</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, Romania and has a staff of 220.</p>	27 May 2008	100
<p>ETT Proyectos S.L.</p> <p>The company provides engineering and consultancy services in the rail sector, including both conventional railways as well as bullet train systems. The company is based in Madrid, Spain and has a staff of 45.</p>	1 October 2008	100
<p>Kündig &amp; Partner AG</p> <p>The company is specialised in HVAC building services, and brings in a focus on complex and sophisticated sanitary designs of hospitals and laboratory facilities. The company is based in Bern, Switzerland and has a staff of 10.</p>	3 December 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. The company has not been consolidated into Pöyry Group in 2008, and thus not included in the above figures.</p>	2008	100

## ACQUISITIONS DURING 2007

	Acquisition date	Acquired interest %
Rakennuslaskenta NHL Oy 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. The company has been merged with Pöyry Building Services Oy.	25 May 2007	100
CJSC "Giprobum-Pöyry" (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 (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
Pöyry AS (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 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. The company has been merged with Pöyry Civil Oy.	5 September 2007	100
Ingenieurgesellschaft Wirzenhausen Fricke & Türk 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. The company has been merged with Pöyry Environment GmbH.	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 The company specialises in HVAC design. The company is based in Espoo, Finland and has a staff of 14. The company has been merged with Pöyry Building Services Oy.	30 November 2007	100



IDP Consult Incorporated

18 December 2007

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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. The company has been consolidated into Pöyry Group as of the beginning of 2008 and therefore not included in the 2007 figures.

Aggregate figures for the above acquisitions	2008	2007
Fixed price, paid	8.8	30.2
Fixed price, unpaid	0.0	0.3
Additional 30%, estimate	0.0	3.0
Earnout estimate	0.2	5.4
Share issue	0.0	5.0
Order intake estimate	0.0	0.0
Fees	0.1	0.2
Total	9.1	44.1
Price allocation	4.7	10.5
Equity	0.0	0.0
Fair value adjustments:		
Client relationship	0.0	0.3
Order stock	0.0	0.0
Other	4.7	10.8
Total		
Remaining = goodwill	4.4	33.3
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 31 December 2008	1.8	2.0
Sales volume on a 12-month calendar year basis 2007	17.4	50.1
Operating profit on 12-month calendar year basis 2007	2.4	5.3
Impact on the Pöyry Group's number of personnel	328	637

## Impact on the Pöyry Group's assets and liabilities

EUR million	2008			2007		
	Book values at acquisition date	Fair value adjustments	Adjusted IFRS values	Book values at acquisition date	Fair value adjustments	Adjusted IFRS values
Goodwill	0.0	0.0	0.0	0.0	-0.1	-0.1
Intangible assets	0.1	0.0	0.1	0.7	0.3	1.0
Tangible assets	0.8	0.1	0.9	0.5	0.0	0.5
Shares	0.0	0.0	0.0	0.1	0.1	0.2
Work in progress	0.9	0.6	1.5	1.6	0.0	1.6
Accounts receivable	4.6	0.0	4.6	6.5		6.5
Other receivables	1.6	-0.2	1.4	1.7		1.7
Cash and cash equivalents	2.5	0.0	2.5	8.9	-0.2	8.7
Assets total	10.5	0.5	11.0	20.0	0.1	20.1
Interest bearing liabilities	0.5		0.5	0.4		0.4
Project advances	0.0		0.0	0.6		0.6
Accounts payable	1.7		1.7	1.1		1.1
Other current liabilities	3.4	0.7	4.1	7.4	-0.2	7.2
Liabilities total	5.6	0.7	6.3	9.5	-0.2	9.3
Net identifiable assets and liabilities	4.9	-0.2	4.7	10.5	0.3	10.8
Total cost of business combinations			9.1			44.1
Goodwill			4.4			33.3
Consideration paid, satisfied in cash			8.8			30.4
Cash acquired			2.5			8.7
Net cash outflow			6.3			21.7