

**NET SALES AND RESULT UNCHANGED, STRONG GROWTH IN LOCAL CURRENCIES  
– DOVRE GROUP INTERIM REPORT JANUARY 1 – MARCH 31, 2014**

**January – March 2014**

- Net sales EUR 24.7 (24.3) million
- Change in net sales 1.5%, net sales growth in local currencies 13%
- Project Personnel: net sales EUR 22.9 (22.2) million, change 3%, change in local currencies 15%
- Consulting: net sales EUR 1.8 (2.1) million, change -18%, change in local currencies -10%
- Operating result EUR 0.3 (0.3) million, which is 1.3 (1.3) % of net sales; change in local currencies 46%
- Result for the period EUR 0.1 (0.1) million
- Result for the period incl. discontinued operations EUR 0.1 (0.2) million
- Earnings per share (excl. discontinued operations) EUR 0.00 (0.00)
- Net cash flow from operating activities EUR -1.3 (0.4) million
- Net cash flow from operating activities incl. discontinued operations EUR -1.3 (0.2) million
- The Group's updated guidance for 2014: In 2014, net sales are expected to grow and operating result to improve in local currencies from 2013.

**KEY FIGURES**

EUR million	1-3 2014	1-3 2013	Change %	1-12 2013
Net sales	24.7	24.3	1.5	98.5
Operating result	0.3	0.3	1.3	2.4
% of net sales	1.3	1.3		2.4
Result for the period	0.1	0.1		1.2
% of net sales	0.4	0.2		1.2
Result for the period, incl. discontinued operations	0.1	0.2	-55.8	5.6
% of net sales	0.4	0.9		5.5
Net cash flow from operations	-1.3	0.4	-430.0	3.7
Net cash flow from operations, incl. discontinued operations	-1.3	0.2	-895.7	3.2
Change in cash and cash equivalents, incl. discontinued operations	-1.7	0.1	-1 673.8	4.4
Debt-equity ratio (Gearing), %	-52.5	-29.1	80.3	-50.0
Earnings per share, EUR (excl. discontinued operations)				
Basic	0.00	0.00		0.02
Diluted	0.00	0.00		0.02

**PATRICK VON ESSEN, CEO:**

“Dovre Group’s net sales developed positively in the first quarter of 2014. Net sales growth in euros was 1.5%, but reached 13% in local currencies. The strengthening of the euro in relation to the local currencies was strongest in Dovre’s key markets in Canada and Norway. Less than 2% of the Group’s net sales were in the Group’s reporting currency.

In Q1, the Group’s net sales were EUR 24.7 million. Project Personnel, our biggest business area, increased its net sales 3%. In local currencies, the growth in net sales was 15%. Net sales for Consulting decreased by 18% in euros and by 10% in local currencies.

Our operating result in Q1 remained on the same level as the year before and was EUR 0.3 million, which is 1.3% of net sales. Despite significant investment in future growth through, for example, further development of Dovre Club, our result improved 46% in local currencies. Project Personnel business developed positively. In the Consulting business area, market situation remains challenging.

Commercial production of renewable fuel at the Group’s associate SaraRasa Bioindo in Indonesia has started and the company is increasing its production capacity.

We continue investing in future growth in accordance with the Group’s strategy. We are working towards improving the profitability of the Group’s Consulting business area by, for example, streamlining our sales process. I expect net sales and operating result to grow in 2014. However, currency exchange rate fluctuations may create challenges for euro net sales growth.”

**FUTURE OUTLOOK**

Dovre Group Plc is an international company providing professional services to the energy industry. Dovre Group has two business areas: Project Personnel and Consulting. The Group’s strategic aim is to become the most advanced international player in its field. The company’s long-term financial objective is an operating profit margin on the level of 5-10% with an average annual net sales growth of more than 15%.

General economic insecurity has not significantly affected investment levels among Project Personnel business area’s customers, but clients have become more cautious and lead times in certain markets are longer than previously. Dovre Group expects demand for the business area’s services to remain stable in key market areas.

In the beginning of the year, the Group’s consulting business in Norway was affected by suspension of projects due to clients’ increased cautiousness. This had an impact on the Group’s net sales in the first quarter. The Group expects moderate increase in customer demand in Norway, Finland, and Sweden in the second half of 2014.

The Board of Directors has updated the Group’s guidance for 2014. Updated guidance: In 2014, net sales are expected to grow and operating result to improve in local currencies from 2013. The Group has updated its guidance because the company cannot control euro exchange rate developments.

## NET SALES AND PROFITABILITY

### Net sales

In Q1, Dovre Group's net sales increased by 1.5%, totaling EUR 24.7 (24.3) million. In local currencies, the Group's net sales increased by approx. 13%. In Q1, Project Personnel accounted for 93 (91) % and Consulting for 7 (9) % of the Group's net sales.

Net sales for Project Personnel increased by 3.3% in euros, totaling EUR 22.9 (22.2) million. In local currencies, Project Personnel's net sales increased by 15%. Net sales for Consulting decreased by 17.6% in euros, totaling EUR 1.8 (2.1) million. In local currencies, Consulting business area's net sales decreased by 10%.

By market area, EMEA's net sales totaled EUR 14.3 (12.6) million, accounting for 58 (52) % of the Group's net sales in Q1. Net sales for AMERICAS were EUR 9.3 (10.3) million, accounting for 38 (42) % the Group's net sales. Net sales for APAC were EUR 1.1 (1.5) million, accounting for 4.5 (6.0) % the Group's net sales.

Net sales by reporting segment	1-3 2014	1-3 2013	Change %	Change in local currencies %	1-12 2013
EUR million					
Project Personnel	22.9	22.2	3	15	89.9
Consulting	1.8	2.1	-18	-10	8.5
Eliminations	0.0	0.0			0.1
Group total	24.7	24.3	1.5	13	98.5

Net sales by market area	1-3 2014	1-3 2013	Change %	Change in local currencies %	1-12 2013
EUR million					
EMEA	14.3	12.6	13	27	54.2
AMERICAS	9.3	10.3	-10	0	39.2
APAC	1.1	1.5	-23	-18	5.2
Group total	24.7	24.3	1.5	13	98.5

Dovre Group's markets by area are:

- EMEA: Finland, Norway, and Sweden
- AMERICAS: Canada and the US
- APAC: Australia and Sakhalin (Russia)

### Operating result

In Q1, the Group's operating result was EUR 0.3 (0.3) million. Project Personnel business area's operating result was EUR 0.8 (0.8) million. Consulting business area's operating result was EUR 0.1 (0.1) million. The operating result of Other functions was EUR -0.4 (-0.4) million.

Internal charges charged to business units were EUR 0.6 (0.5) million.

In the beginning of the year, the Group's consulting business in Norway was affected by rescheduling and suspension of projects due to clients' increased cautiousness. This had an impact on the Group's net sales in the first quarter. The Group expects moderate increase in customer demand in Norway, Finland, and Sweden in the second half of 2014.

<b>Operating result by reporting segment</b> EUR million	1-3 2014	1-3 2013	Change %	Change in local currencies %	1-12 2013
Project Personnel	0.8	0.8	4	20	3.8
Consulting	0.1	0.1	-30	-9	0.7
Other functions	-0.4	-0.4	1	1	-1.8
Unallocated	-0.1	-0.1	-3	-5	-0.3
<b>Group total</b>	<b>0.3</b>	<b>0.3</b>	<b>1.3</b>	<b>46</b>	<b>2.4</b>

## Result

In Q1, the Group's result before taxes was EUR 0.3 (0.3) million including the Group's share, EUR -0.1 (-0.1) million, of the results of its associates SaraRasa Biomass Pte Ltd. and SaraRasa Bioindo Pte Ltd. Commercial production of renewable fuel at SaraRasa Bioindo in Indonesia has started and the company is increasing its production capacity.

In Q1, result after taxes for the Group's continuing operations and including discontinued operations was EUR 0.1 (0.2) million. In Q1/2013 discontinued operations accounted for EUR 0.2 million of the Group's result. The Group's earnings per share incl. discontinued operations was EUR 0.00 (0.00). Discontinued operations includes the result of Safran Software Solutions AS, which the Group sold in May 2013.

The Group's return on average capital employed before taxes was 5.2 (5.3) %.

## CASH FLOW, FINANCING, AND INVESTMENTS

On March 31, 2014, the Group balance sheet total was EUR 42.0 (42.0) million.

On March 31, 2014, the Group's cash and cash equivalents totaled EUR 12.1 (7.9) million. In addition, the parent company and the subsidiaries have unused credit limits.

The equity ratio was 49.9 (56.7) %. The debt-equity ratio (gearing) was -52.5 (-29.1) %. On March 31, 2014, the interest-bearing liabilities amounted to EUR 1.0 (1.5) million, accounting for 2.5 (3.6) % of the Group's shareholders' equity and liabilities. The Group's interest-bearing liabilities were all current.

The net cash flow from operating activities for the Group's continuing operations was EUR -1.3 (0.4) million. The net cash flow from operating activities including discontinued operations was EUR -1.3 (0.2) million, which includes EUR -1.1 (-0.3) million change in working capital.

The net cash flow from investing activities was EUR -0.4 (-0.2) million. Gross investments totaled EUR -0.1 (-0.2) million.

The net cash flow from financing activities was EUR 0.0 (0.2) million. The Group drew new current loans worth of EUR 0.0 (0.2) million. During the period under review, the Group paid a total of EUR 0.0 (0.0) million in dividends.

The balance sheet goodwill totaled EUR 7.0 (7.7) million on March 31, 2014.

## MANAGEMENT

Patrick von Essen, who was appointed Dovre Group's new CEO on December 16, 2013, started in his position on April 1, 2014. Von Essen was previously Vice President, Real Estate, at Fiskars Plc. During the period under review, Dovre Group's CFO Tarja Leikas served as the Group's acting CEO.

CEO von Essen is also new Head of Dovre Group's Consulting business area. Petri Karlsson, who served as Head of Consulting until March 31, 2014, started as Director of the Group's consulting operations in Finland on April 1, 2014.

As of April 1, 2014, the Group's Executive Team includes Patrick von Essen (CEO), Tarja Leikas (CFO), and Arve Jensen (EVP, Project Personnel).

The new composition of the Board of Directors is presented below under "Annual General Meeting and the Authorization of the Board of Directors".

## PERSONNEL

In Q1, the average number of personnel employed by the Group was 470 (460). On March 31, 2014, Dovre Group employed 473 (465) people, 47 (58) of which were employed by Consulting and 422 (402) by Project Personnel. 42 (38) % of employees in the Project Personnel business area were independent contractors.

Personnel average	1-3 2014	1-3 2013	Change %	1-12 2013
Project Personnel	419	400	4.8	411
Consulting	47	55	-14.5	53
Other functions	4	5	-20.0	5
Group total	470	460	2.2	469

## SHARES AND OPTION RIGHTS

On March 31, 2014, Dovre Group's share capital was EUR 9,603,084.48 and the total number of shares 62,990,751. Increase in the number of shares during the period under review, 75,000, was due to the registration on March, 28, 2014, of the new shares subscribed for with the company's 2010C stock option plan. The increase has been recorded in the company's reserve for non-restricted equity.

In January – March, 2014, approximately 11.4 (3.1) million Dovre Group shares were exchanged on the NASDAQ OMX Helsinki Ltd., corresponding to a trade of approximately EUR 6.6 (1.7) million. The lowest quotation was EUR 0.46 (0.47) and the highest EUR 0.68 (0.59). On March 31, 2014, the closing quotation was EUR 0.51 (0.50). The period-end market capitalization was approximately EUR 32.1 (31.4) million.

On March 31, 2014, the number of registered shareholders of Dovre Group Plc totaled 3,551 (3,004). 0.9 (0.8) % of the Group's shares are nominee-registered.

The subscription period for Dovre Group Plc's 2010B option plan begun on March 1, 2013. No shares were subscribed for with the option rights during the financial year.

In its meeting on January 24, 2013, the Board of Directors of Dovre Group Plc approved a new option plan 2013 based on the authorization granted to the Board by the company's Annual General Meeting held on March 15, 2012. Under this plan, a total of 3,000,000 stock options are offered for subscription to Dovre Group's key personnel. Each stock option entitles the holder to subscribe for one share in Dovre Group Plc. By the end of the financial year, the Group had granted a total of 725,000 stock options under the 2013 stock options plan.

Dovre Group has two option plans. Each stock option entitles the holder to subscribe for one share in Dovre Group Plc. The Group's 2013 option plan is divided into three series, with each series including a maximum of 1,000,000 stock options. The share subscription period and price per series are as follows:

- 2013A: Subscription price EUR 0.47; subscription period March 1, 2015 – February 29, 2018
- 2013B: Subscription price EUR 0.60; subscription period March 1, 2016 – February 28, 2019
- 2013C: Subscription price is the trade volume weighted average rating during February 1 – March 31, 2015, and the subscription period March 1, 2017 – February 28, 2020

The Group has granted a total of 535,000 2010A stock options and a total of 395,000 2010B stock options. The Board of Directors has lowered the subscription price for stock options granted under the 2010 plan by an amount equal to the extraordinary dividend paid in 2013 (by EUR 0.05 per share). The new subscription prices per series are as follows:

- 2010A: Subscription price EUR 0.28, subscription period March 1, 2012 – February 28, 2015
- 2010B: Subscription price EUR 0.42, subscription period March 1, 2013 – February 28, 2016
- 2010C: Subscription price EUR 0.33, subscription period March 1, 2014 – February 28, 2017

## **ANNUAL GENERAL MEETING AND THE AUTHORIZATION OF THE BOARD OF DIRECTORS**

Dovre Group Plc's Annual General Meeting held on March 27, 2014, adopted the financial statements for 2013 and discharged the members of the Board of Directors and the CEO from liability for the financial year ending on December 31, 2013. In accordance with the Board's proposal, the Annual General Meeting decided to distribute a dividend of EUR 0.02 per share and an extraordinary dividend of 0.05 per share, and adopted the proposals to authorize the Board of Directors to decide on the repurchase of the company's own shares and on the issuance of shares and special rights.

The Annual General Meeting decided that the chairman of the Board is paid EUR 35,000, the vice chairman of the Board EUR 25,000, and each other member of the Board EUR 22,000 per year. Reasonable travel expenses are also compensated. Out of the annual compensation, 40% of the total gross compensation amount will be used to purchase Dovre Group Plc's shares in public trading through NASDAQ OMX Helsinki Ltd, or alternatively by using the own shares held by the company.

The Annual General Meeting decided that the number of Board members be set at five (5). Rainer Häggblom, Ilari Koskelo and Hannu Vaajoensuu were appointed to continue as members of the Board, and Arja Koski and Tero Viherto were appointed as new members of the Board. In its first meeting after the

Annual General Meeting, the Board of Directors elected Rainer Häggblom as the Board's new Chairman. The Board's previous Chairman Hannu Vaajoensuu announced his resignation from the Board of Directors.

Authorized public accountants Ernst & Young Oy was re-elected as the Group's auditor, with APA Mikko Järventausta as the auditor in charge.

The Annual General Meeting authorized the Board of Directors to decide on the repurchase of a maximum of 6,200,000 of the Company's own shares, which shall be repurchased in deviation from the proportion of the holdings of the shareholders using the non-restricted equity and acquired through public trading on the NASDAQ OMX Helsinki Ltd at the share price prevailing at the time of acquisition. The shares shall be repurchased to finance or carry out future acquisitions, investments or other arrangements related to the Company's business or as part of the Company's incentive program or to be held by the Company, otherwise conveyed or cancelled.

The Annual General Meeting authorized the Board of Directors to decide on the issuance of new shares and/or the conveyance of own shares held by the Company and/or the granting of special rights on the following conditions: The new shares and the own shares held by the Company may be issued to the Company's shareholders in proportion to their current holding or by means of a directed issue, waiving the pre-emptive subscription rights of the shareholders, if there is a weighty financial reason for the Company to do so. The Board of Directors may decide on a share issue without payment also to the Company itself. The Board is entitled to decide on the issuance of a maximum of 12,400,000 new shares. The Board is entitled to decide on the conveying of a maximum 6,200,000 own shares held by the Company. The number of shares to be issued to the Company shall not exceed 6,200,000 including the number of own shares acquired by the Company by virtue of the authorization to repurchase the Company's own shares.

The Board is authorized to grant special rights referred to in Chapter 10, Section 1 of the Finnish Companies Act, which carry the right to receive, against payment, new shares of the Company or the Company's own shares held by the Company. The maximum number of shares to be issued is 5,000,000 whereby this maximum number is included in the maximum number of shares noted in the previous paragraph. The subscription price of new shares issued and the consideration paid for the conveyance of the Company's own shares shall be recorded in the invested unrestricted equity fund.

All authorizations are valid until June 30, 2015.

## **SHORT-TERM RISKS AND UNCERTAINTIES**

The success of the Group's Project Personnel business area is influenced by the energy sector market as well as investment levels in the oil and gas industry. The business area expands its business to new geographical market areas. Growth in new market areas requires investments and includes risks. In the Consulting business area general economic uncertainty has an impact on investment levels, thus affecting also the demand for the Group's consulting services.

The Group's reporting currency is euro. The Group's most important functional currencies are the Canadian dollar, the Norwegian crown, and the US dollar. Currency fluctuations can affect the company's net sales.

Strengthening of the euro has increased risks relating to the growth of the Group's net sales in euros. The Group holds that no other significant changes have taken place in the Group's short-term risks.

## **EVENTS AFTER THE PERIOD**

No material events have taken place after the end of the period.

## **INTERIM REPORT PRESENTATION**

A video recording of Dovre Group's interim report presentation will be available on the company's website [www.dovregroup.com](http://www.dovregroup.com) on April 24, 2014, in the afternoon. The presentation is in Finnish.

Helsinki, April 23, 2014

DOVRE GROUP PLC  
BOARD OF DIRECTORS

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## **Dovre Group's Financial Reporting in 2014**

Dovre Group releases its 2014 interim reports as follows:

- Interim report for January 1 – March 31, 2014 on Thursday, April 24, 2014
- Interim report for January 1 – June 30, 2014 on Thursday, July 24, 2014
- Interim report for January 1 – September 30, 2014 on Thursday, October 23, 2014.

### **Distribution**

NASDAQ OMX Helsinki Ltd  
Major media  
[www.dovregroup.com](http://www.dovregroup.com)



The interim report is unaudited.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	1-3 2014	1-3 2013	Change %	1-12 2013
EUR thousand				
Continuing operations:				
NET SALES	24 694	24 335	1.5	98 544
Other operating income	42	4	945.2	132
Material and services	-88	-50	76.8	-274
Employee benefits expense	-21 759	-21 264	2.3	-85 857
Depreciation and amortization	-118	-109	8.0	-402
Other operating expenses	-2 450	-2 600	-5.8	-9 736
OPERATING RESULT	320	316	1.4	2 407
Financing income	74	82	-10.4	478
Financing expenses	-58	-39	48.7	-552
Share of results in associates	-76	-68	11.8	-294
RESULT BEFORE TAX	260	291	-10.7	2 039
Tax on income from operations	-167	-239	-30.0	-825
RESULT FOR THE PERIOD, continuing operations	92	52	77.9	1 214
Discontinued operations:				
Result for the period, discontinued operations		156		4 349
RESULT FOR THE PERIOD	92	208	-55.5	5 563
Other comprehensive income				
Other comprehensive income to be classified to or loss in subsequent periods:				
Translation differences	-152	-80	-90.0	-2 014
Other comprehensive income for the period, net of tax	-152	-80	-90.0	-2 014
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-60	128	-146.5	3 549
Earnings/share EUR				
Basic, continuing operations	0.00	0.00	77.7	0.02
Diluted, continuing operations	0.00	0.00	77.5	0.02
Basic, discontinued operations		0.00		0.07
Diluted, discontinued operations		0.00		0.07
Basic, result for the period	0.00	0.00	-55.6	0.09
Diluted, result for the period	0.00	0.00	-55.6	0.09
Average number of shares	1-3 2014	1-3 2013		1-12 2013
Basic	62 940 751	62 895 751		62 910 751
Diluted	63 433 276	63 307 375		63 225 292

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

EUR thousand	March 31, 2014	March 31, 2013	Change %	Dec. 31, 2013
<b>ASSETS</b>				
Non-current assets				
Intangible assets	693	874	-20.7	754
Goodwill	6 978	7 715	-9.6	6 972
Tangible assets	156	176	-11.4	145
Investments in associates	895	1 265	-29.2	967
Trade receivables and other receivables	316	24	1 216.7	26
Deferred tax asset	306	123	148.8	306
Non-current assets	9 344	10 177	-8.2	9 170
Current assets				
Trade receivables and other receivables	19 499	20 505	-4.9	16 854
Tax receivable, income tax	203	27	651.9	24
Cash and cash equivalents	12 053	7 878	53.0	13 737
Current assets	31 755	28 410	11.8	30 615
Assets held for sale	933	3 369	-72.3	933
<b>TOTAL ASSETS</b>	<b>42 032</b>	<b>41 956</b>	<b>0.2</b>	<b>40 718</b>
<b>EQUITY AND LIABILITIES</b>				
Shareholders' equity				
Share capital	9 603	9 603	0.0	9 603
Reserve for invested non-restricted equity	381	352	8.2	352
Revaluation reserve	8	63	-87.3	21
Translation differences	-1 059	1 022	-203.6	-907
Retained earnings	12 035	10 874	10.7	16 297
Shareholders' equity	20 968	21 914	-4.3	25 366
Non-current liabilities				
Deferred tax liability	584	763	-23.5	609
Other long-term liabilities	26	24	8.3	26
Non-current liabilities	610	787	-22.5	635
Current liabilities				
Short-term liabilities, interest-bearing	1 041	1 495	-30.4	1 048
Trade payables and other liabilities	19 145	15 489	23.6	13 077
Tax liability, income tax	260	912	-71.5	564
Current provisions	8	0	100.0	28
Current liabilities	20 454	17 896	14.3	14 717
Liabilities held for sale	0	1 359	-100.0	0
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>42 032</b>	<b>41 956</b>	<b>0.2</b>	<b>40 718</b>

**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

- a) Share capital
- b) Reserve for non-restricted equity
- c) Revaluation reserve
- d) Translation differences
- e) Retained earnings
- f) Shareholders' equity total

EUR thousand	a)	b)	c)	d)	e)	f)
<b>SHAREHOLDERS' EQUITY Jan. 1, 2013</b>	<b>9 603</b>	<b>346</b>	<b>79</b>	<b>1 101</b>	<b>11 884</b>	<b>23 013</b>
Comprehensive income						
Result for the period					208	208
Other comprehensive income						
Translation differences			-2	-79	1	-80
Transfers between items			-14		14	0
Total comprehensive income	0	0	-16	-79	223	128
Transactions with shareholders						
Stock options exercised		6				6
Share based compensation					25	25
Dividend distribution					-1 258	-1 258
Total transactions with shareholders	0	6	0	0	-1 233	-1 227
<b>SHAREHOLDERS' EQUITY March. 31, 2013</b>	<b>9 603</b>	<b>352</b>	<b>63</b>	<b>1 022</b>	<b>10 874</b>	<b>21 914</b>
EUR thousand	a)	b)	c)	d)	e)	f)
<b>SHAREHOLDERS' EQUITY Jan. 1, 2014</b>	<b>9 603</b>	<b>352</b>	<b>21</b>	<b>-907</b>	<b>16 297</b>	<b>25 366</b>
Comprehensive income						
Result for the period					92	92
Other comprehensive income						
Translation differences				-152		-152
Transfers between items			-13		13	0
Total comprehensive income	0	0	-13	-152	105	-60
Transactions with shareholders						
Stock options exercised		29				29
Share based compensation					42	42
Dividend distribution					-4 409	-4 409
Total transactions with shareholders	0	29	0	0	-4 367	-4 338
<b>SHAREHOLDERS' EQUITY March. 31, 2014</b>	<b>9 603</b>	<b>381</b>	<b>8</b>	<b>-1 059</b>	<b>12 035</b>	<b>20 968</b>

**CONSOLIDATED STATEMENT OF CASH FLOWS**

EUR thousand	<b>1-3 2014</b>	<b>1-3 2013</b>	<b>1-12 2013</b>
<b>Cash flow from operating activities</b>			
Operating result, continued operations	320	316	2 407
Operating result, discontinued operations	0	206	4 432
Adjustments:			
Depreciation / Amortization	118	110	404
Gain on disposal of investment	0	0	-4 080
Personnel expenses	44	25	292
Non-cash transactions	0	0	8
Adjustments total	162	135	-3 376
Changes in working capital			
Trade and other receivables, increase (-) / decrease (+)	-2 659	-1 469	-1 486
Trade and other payables, increase (+) / decrease (-)	1 541	1 144	2 342
Changes in working capital, total	-1 118	-325	856
Interest paid	-6	-5	-26
Interest received	15	23	74
Other financial expenses paid and received	2	-15	38
Income taxes paid	-672	-172	-1 167
<b>Net cash generated by operating activities</b>	<b>-1 297</b>	<b>163</b>	<b>3 238</b>
<b>Cash flow from investing activities</b>			
Investments in tangible and intangible assets	-71	-184	-384
Disposal of shares in Group companies, net of disposed cash	0	0	3 932
Purchase of shares in associates	0	0	-11
Loans to associates	-295	0	0
<b>Net cash generated by investing activities</b>	<b>-366</b>	<b>-184</b>	<b>3 537</b>
<b>Cash flow from financing activities</b>			
Stock options exercised	29	6	6
Proceeds from short-term loans	0	180	216
Repayments of short-term loans	-7	-13	-404
Dividends paid	0	0	-1 258
<b>Net cash generated by financing activities</b>	<b>22</b>	<b>173</b>	<b>-1 440</b>
Change in cash and cash equivalents	-1 641	152	5 335
Translation differences	-43	-45	-905
Cash and cash equivalents at beginning of the period	13 737	9 307	9 307
Cash and cash equivalents at end of the period	12 053	9 414	13 737
Cash and cash equivalents at end of the period			
Continued operations		7 878	
Discontinued operations		1 536	
Cash and cash equivalents at end of the period, total		9 414	

## NOTES TO THE INTERIM REPORT

The interim report has been prepared in line with IAS 34 and, apart from the additions below, the same accounting principles have been applied as in the 2013 financial statements. Key indicator calculations remain unchanged and have been presented in the 2013 financial statements.

As of January 1, 2014, the Group has adopted the following new, revised, amended standards: IFRS 10 *Consolidated Financial Statements* (new); IFRS 11 *Joint Arrangements* (new); IFRS 12 *Disclosure of Interests in Other Entities* (new); IAS 27 *Consolidated and Separate Financial Statements* (amended); IAS 28 *Investments in Associates* (amended); IAS 32 *Financial Instruments: Presentation* (revised); IAS 36 *Impairment of Assets* (revised); and IAS 39 *Financial Instruments: Recognition and Measurement* (revised).

### 1. SEGMENT REPORTING

The Group's segment information is based on the Group's internal financial reporting and has been produced in accordance with IFRS standards. The Group does not allocate the parent companies intra-Group charges to segments for the purposes of segment reporting. Unallocated expenses include customer agreements and relations and their amortization, share-based compensation recognized as expense in the income statement, financial items, and income taxes. The assets and liabilities of a segment are business items that a segment uses in its business or that can be allocated to a segment. Unallocated assets include customer agreements and relations, capitalized research and development expenses, cash and cash equivalents, available-for-sale investments, and tax assets. Pricing between segments is based on fair market price.

1-3/2014 EUR thousand	Project Personnel	Consulting	Other functions	Elimi- nations	Unallocated	Group total
<b>Net sales</b>	22 936	1 758	0	0	0	<b>24 694</b>
<b>Operating result</b>	<b>789</b>	<b>62</b>	<b>-436</b>		<b>-95</b>	<b>320</b>
Financing income and expenses					16	16
Share of results in associates			-76			-76
Income taxes					-167	-167
<b>Result for the period</b>	<b>789</b>	<b>62</b>	<b>-512</b>	<b>0</b>	<b>-247</b>	<b>92</b>

1-3/2014 EUR thousand	Project Personnel	Consulting	Other functions	Elimi- nations	Unallocated	Group total
<b>Net sales</b>	22 201	2 134	0	0	0	<b>24 335</b>
<b>Operating result</b>	<b>762</b>	<b>88</b>	<b>-442</b>	<b>0</b>	<b>-92</b>	<b>316</b>
Financing income and expenses					43	43
Share of results in associates			-68			-68
Discontinued operations			156		-239	-239
<b>Result for the period</b>	<b>762</b>	<b>88</b>	<b>-354</b>	<b>0</b>	<b>-288</b>	<b>208</b>

## 2. SHARES IN ASSOCIATES

EUR thousand	March 31, 2014	March 31, 2013	Dec. 31, 2013
Carrying value, opening balance	967	1 296	1 296
Additions	0	0	11
Share of profit and loss in associates	-76	-68	-294
Translation differences	4	37	-46
<b>At the end of the period</b>	<b>895</b>	<b>1 265</b>	<b>967</b>

## 3. SHAREHOLDERS' EQUITY

Dovre Group Plc has one class of shares. The book value of the shares is EUR 0.15 per share. Each share entitles the shareholder to one vote. Dovre Group Plc's shares are traded on NASDAQ OMX Helsinki Ltd.

### Reconciliation of the number of shares

EUR thousand	Number of shares	Share capital	Reserve for non- restricted equity
Dec. 31, 2012	62 895 751	9 603	346
Stock options exercised	20 000		6
Dec. 31, 2013	62 915 751	9 603	352
Stock options exercised	75 000		29
March 31, 2014	62 990 751	9 603	381

### Stock options exercised

During the period under review, a total of 75,000 shares were subscribed for under Dovre Group Plc's 2010C option plan. The subscription period of the plan is March 1, 2014 – February 28, 2017. The increase in the company's number of shares has been entered in the Finnish trade register on March 28, 2014.

After the registration, there are a total of 62,990,751 shares in the company. The increase has been recorded in the company's reserve for non-restricted equity.

### Dividend distribution

Dovre Group Plc's Annual General Meeting held on March 28, 2014, decided that shareholders be paid a dividend of EUR 0.02 per share and an extraordinary dividend of EUR 0.05 per share, corresponding to approx. EUR 4.4 million. The dividend was paid on April 8, 2014.

#### 4. SHARE-BASED COMPENSATION

##### 2010 stock option plan

In its meeting on March 27, 2014, the Board of Directors decided to lower the subscription price for stock options granted under the 2010 plan by an amount equal to the extraordinary dividend paid in 2013 (by EUR 0.05 per share). The new subscription prices per series are as follows:

	2010A	2010B	2010C
Subscription period	March 1, 2012 – Feb. 28, 2015	March 1, 2013 – Feb. 28, 2016	March 1, 2014 – Feb. 28, 2017
New subscription price	EUR 0.28	EUR 0.42	EUR 0.33

The Board of Directors granted Patrick von Essen, the company's new CEO, a total of 130,000 stock options under the company's 2010C option plan upon assuming his position as the Group's CEO on April 1, 2014. Should von Essen exercise his options prior to February 28, 2015, the company shall pay him an amount equal to the difference between the subscription prices of the 2010A and 2010C series. The company recalculated the fair value of the 2010C stock options (EUR 0.19) using the Black & Scholes model and charged the expense for March 2014. The difference between the 2010A and 2010C series was treated as cash compensation.

##### 2013 stock option plan

In accordance with terms of the 2013 stock option plan, the subscription price of the 2013A series was lowered by an amount equal to the dividend paid in 2013 (by EUR 0.07 per share). The new subscription price is EUR 0.47. The subscription period is March 1, 2015 – February 29, 2018.

In its meeting on January 24, 2014, the Board of Directors granted a total of 400,000 option rights under its 2013B option plan to key employees. In addition, Patrick von Essen was granted a total of 300,000 option rights under the 2013B option plan upon assuming his position as the Group's CEO on April 1, 2014. The share subscription price for the 2013B series is EUR 0.60, which is the trade volume weighted average rating in NASDAQ OMX Helsinki Ltd during February 1 – March 31, 2014, and the subscription period March 1, 2016 – February 28, 2019. The fair value of the stock options was calculated using the Black & Scholes model. The key variables used were as follows:

Share price at grant date	EUR 0.48
Expected volatility	28%
Expected option life	5 years
Risk-free rate	0.88%

Fair value of the option at grant day was EUR 0.09.

##### Option charges in the income statement

In Q1, the Group has charged a total of EUR 48 thousand (EUR 25 thousand in 2013) of share-based compensation as expense in the income statement.

## 5. FINANCIAL INSTRUMENTS AT FAIR VALUE

- a) Loans and receivables measured at the effective interest rate method
- b) Financial assets/liabilities at fair value through profit or loss
- c) Financial liabilities measured at amortized cost
- d) Balance sheet items at book value
- e) Balance sheet items at fair value

### March 31, 2014

EUR thousand	a)	b)	c)	d)	e)
Non-current financial assets					
Loan receivables from associates	290			290	290
Receivables	26			26	26
Current financial assets					
Trade receivables	16 559			16 559	16 559
	16 875			16 875	16 875
Non-current financial liabilities					
Other liabilities			26	26	26
Current financial liabilities					
Interest-bearing liabilities			1 041	1 041	1 041
Derivatives – liabilities		3		3	3
Trade payables			6 213	6 213	6 213
		3	7 280	7 283	7 283

### March 31, 2013

EUR thousand	a)	b)	c)	d)	e)
Non-current financial assets					
Receivables	24			24	24
Current financial assets					
Derivatives – receivables		8		8	8
Trade receivables	15 719			15 719	15 719
	15 743	8		15 751	15 751
Non-current financial liabilities					
Other liabilities			24	24	24
Current financial liabilities					
Interest-bearing liabilities			1 495	1 495	1 495
Trade payables			4 931	4 931	4 931
			6 450	6 450	6 450

The Group's financial assets and liabilities at fair value through profit or loss consist of currency derivatives. The fair value of derivatives is determined using the appropriate quoted market price and commonly used option valuation methods. This corresponds to level 2 in the hierarchy required by IFRS 13 *Fair Value Measurement*.



## 6. GROUP COMMITMENTS AND CONTINGENT LIABILITIES

Commitments and contingent liabilities

Collateral for own commitments

EUR thousand	<b>March 31, 2014</b>	<b>March 31, 2013</b>
Floating charges	3 028	3 328
Pledged shares	933	933

Future minimum lease payments for non-cancellable operating leases

EUR thousand	<b>March 31, 2014</b>	<b>March 31, 2013</b>
Not later than one year	776	681
Later than one year and not later than five years	1 190	435
<b>Total</b>	<b>1 966</b>	<b>1 116</b>

The Group's operating leases include business premises, warehouse space, and cars. The leases have varying lengths index clauses, renewal rights, and other terms. In Q1, the Group has agreed three new leases for business premises.

## 7. RELATED PARTY TRANSACTIONS

Loans to associates

EUR thousand		Loan receivable	Interest income
Sararasa Bioindo Pte. Ltd.	March 31, 2014	290	4

**GROUP INCOME STATEMENT QUARTERLY**

	<b>2014</b>	<b>2013</b>	<b>2013</b>	<b>2013</b>	<b>2013</b>
EUR thousand	<b>1-3</b>	<b>1-3</b>	<b>4-6</b>	<b>7-9</b>	<b>10-12</b>
NET SALES	24 694	24 335	25 316	24 089	24 804
Other operating income	42	4	24	54	50
Material and services	-88	-49	-69	-63	-93
Employee benefits expense	-21 759	-21 264	-21 886	-20 947	-21 760
Depreciation and amortization	-118	-109	-94	-92	-106
Other operating expenses	-2 450	-2 600	-2 465	-2 268	-2 402
<b>OPERATING RESULT</b>	<b>320</b>	<b>316</b>	<b>825</b>	<b>773</b>	<b>493</b>
% of Net sales	1.3	1.3	3.3	3.2	2.0
Financing income	74	82	273	36	87
Financing expenses	-58	-39	-269	-87	-157
Share of results in associates	-76	-68	-74	-92	-60
<b>RESULT BEFORE TAX</b>	<b>260</b>	<b>291</b>	<b>755</b>	<b>629</b>	<b>364</b>
% of Net sales	1.1	1.2	3.0	2.6	1.5
Tax on income from operations	-167	-239	-327	-296	37
<b>RESULT, EXCL. DISCONTINUED OPERATIONS</b>	<b>92</b>	<b>53</b>	<b>428</b>	<b>333</b>	<b>401</b>
% of Net sales	0.4	0.2	1.7	1.4	1.6
Result from discontinued operations		156	4 193	0	0
<b>RESULT FOR THE PERIOD</b>	<b>92</b>	<b>208</b>	<b>4 621</b>	<b>333</b>	<b>401</b>
% of Net sales	0.4	0.9	18.3	1.4	1.6

## GROUP KEY FINANCIAL PERFORMANCE INDICATORS

The Group's key financial performance indicators have been calculated for the Group's continuing operations excluding result for the period, return on equity, and earnings per share, which include both continuing and discontinued operations.

	1-3	1-3	1-12
EUR million	2014	2013	2013
Net sales	24.7	24.3	98.5
Operating result	0.3	0.3	2.4
% of Net sales	1.3 %	1.3 %	2.4 %
Result before taxes	0.3	0.3	2.0
% of Net sales	1.1 %	1.2 %	2.1 %
Result	0.1	0.1	1.2
% of Net sales	0.4 %	0.2 %	1.2 %
Result for the period incl. discontinued operations	0.1	0.2	5.6
% of Net sales	0.4 %	0.9 %	5.5 %
Return on equity, %	1.6 %	3.7 %	23.0 %
Return on investment, % *)	5.2 %	5.3 %	10.2 %
Interest-bearing liabilities	1.0	1.5	1.0
Cash and cash equivalents	12.1	7.9	13.7
Debt-equity ratio (Gearing), %	-52.5 %	-29.1 %	-50.0 %
Equity-ratio, %	49.9 %	56.7 %	62.3 %
Balance sheet total	42.0	42.0	40.7
Gross investments	0.1	0.2	0.4
% of Net sales	0.3 %	0.8 %	0.4 %
Research & Development costs	0.0	0.1	0.2
% of Net sales	0.2 %	0.2 %	0.2 %
Personnel average for the period	470	460	469
Personnel at the end of the period	465	465	468
Earnings per share, EUR			
Basic	0.00	0.00	0.02
Diluted	0.00	0.00	0.02
Earnings per share, EUR (incl. discontinued operations)			
Basic	0.00	0.00	0.09
Diluted	0.00	0.00	0.09
Equity per share, EUR	0.40	0.35	0.40

\*) Refers to return on capital employed before taxes. Key indicator calculation remains unchanged and has been presented in the 2013 financial statements.