



CEO'S REVIEW

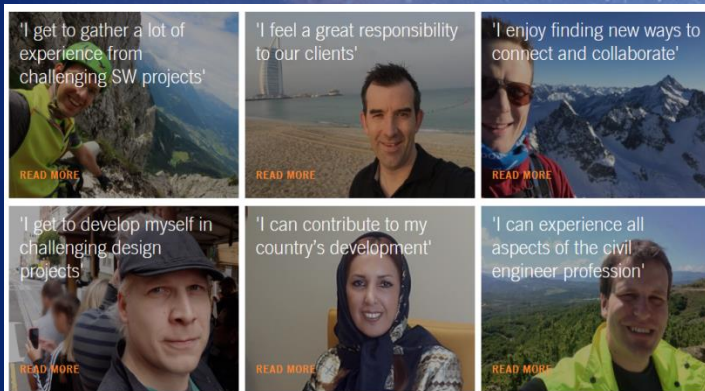
Pöyry PLC, Annual General Meeting
Martin à Porta, President and CEO

March 9, 2017

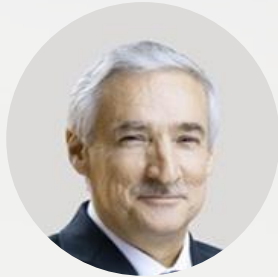


OUR PEOPLE

- 5500 experts
- Empowerment and intrapreneurship at heart of Pöyry's culture and DNA
- By energising our people, engagement levels are growing



PÖYRY GROUP EXECUTIVE COMMITTEE



Richard Pinnock
Energy Business Group



Martin à Porta
President and CEO



Nicholas Oksanen
Industry Business Group



Juuso Pajunen
Finance



Anja McAlister
Transformation and Strategy

MEGATRENDS

Six megatrends are impacting our markets and shaping the world



- Clients come to Pöyry for a **fresh perspective**
- Perspectives based on **deep expertise** and **profound insight**
- Clients stay **‘one step ahead’** of changing global forces

THE BIG PICTURE – THE WORLD IN 2017

World population reaches

7.6

billion

93% of energy for transport use is oil

Forests cover

31% of land area

41%

increase in greenhouse gas emissions vs 1990

50%

of people live in **urban** areas

1/12 of world's population over **65**

10.8% of global population under-nourished

6.4 billion connected 'things' in today's world

40% of wood traded, used by pulp & paper industry

THE BIG PICTURE – THE WORLD IN 2050

World
population
reaches

9.6

billion

1/3 all energy
used for transportation

Energy production will
need to increase by

100%

12% increase in area
covered by forest versus 2010

66%
of people will
be living in
urban areas

1 in 6
of world's
population will
be **over 65**

3.9

billion people
living under
'severe
water stress'

Computers will be

>1,000

times more powerful*

Biomaterials
proliferation of products
developed from natural sources

DID YOU KNOW...PÖYRY

ENERGY

Hydropower

100 GW

Installed capacity world-wide

Thermal

2 x 1000 MW

Pioneering ultra supercritical plant,
Indonesia

Energy consulting

25+

 countries

Designed electricity &
gas market rules

INDUSTRY

Chemicals & biorefining

1.5 Mt/a

CO₂ reduction

Silva: replacing oil with biofuels

Pulp, paper & board

#1

World-wide ranking (ENR 2016)

Mining & metals

#1 in Gold

EPCM service contractor in EU

INFRASTRUCTURE

Tunnelling

57 km

Gotthard: world's longest rail tunnel

Environmental

2000+

Last decade: due diligences

Water

2.2M

 people

Emscher: advanced
water treatment

WE CONTINUE IMPLEMENTING OUR OPERATIONAL FRAMEWORK AND ENHANCING CLIENT FOCUS

Improving profitability

Strengthening client focus

1. Simplify and empower
2. Strengthen the core
3. Scale up

Living 'The connected company'

- Defend market share & increase margin
- Increase value & differentiate
- Next generation Pöyry

- ✓ Clear expectations set
- ✓ Employee engagement clearly up
- ✓ Intrapreneur concept introduced
- ✓ New management added & increased management commitment
- ✓ Fixed cost reduction started, showing first impacts
- ✓ Simplification initiated
- ✓ New business management system introduced & transparency increased
- ✓ Number of loss-making units reduced

2015

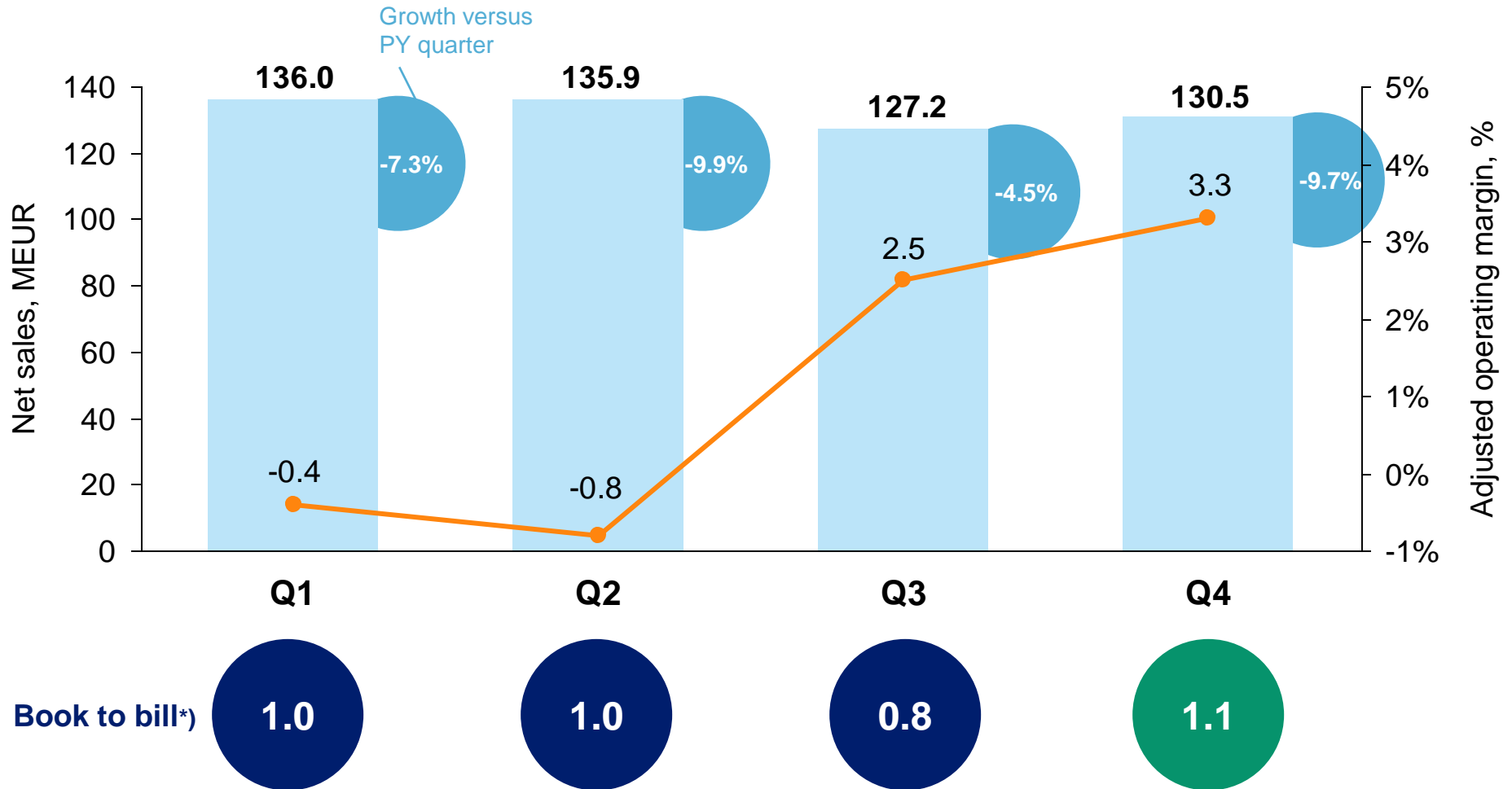
2016

2017

OUR VISION

is to be **the trusted partner**,
delivering **smart solutions**
through **connected teams**

DEVELOPMENT FY 2016



*) Book to bill = order intake / net sales

ADJUSTED OPERATING RESULT POSITIVE

MEUR	1-12/2016	1-12/2015	Change
Order stock	442.5	465.5	-4.9%
Net sales	529.6	575.3	-7.9%
Operating result	-8.1	4.0	n.a.
Adjusted operating result	5.8	9.4	-38.0%
Net result	-12.8	6.0	n.a.

BUSINESS LINES

MEUR	Net sales		Adjusted operating result	
	2016	2015	2016	2015
Energy	130.2	150.5	5.2	6.1
Industry	50.0	53.7	4.4	4.9
Regional Operations	285.7	305.5	1.4	1.8
Management Consulting	64.1	66.2	4.7	4.4

DIVIDEND PROPOSAL

The Board of Directors of Pöyry PLC proposes to the Annual General Meeting today, 9 March 2017, that no dividend will be paid for the year 2016.

CHANGE IN FINANCIAL TARGETS

Previous targets were set in 2013. We are updating these targets to:

- Align with our operational transformation and strategy
- Focus on profitability and efficiency

Previous Targets (from 2013)

Net Sales in 2017:	1000 M€
Operating margin by 2017:	8-9%
Return on Investment:	>20%
Earnings per share growth:	>15%
Gearing:	<50%
Dividend pay-out ratio:	>50%

New Targets

Operating Margin corridor:	6-9%
Return on Investment:	>20%
Gearing:	<50%

Targets will be revisited latest 2019

OUTLOOK FOR 2017

The Group's adjusted operating result is estimated to improve.

Market conditions

Outlook good in packaging and tissue, decreasing demand in graphic paper industry

The energy market is facing structural changes in Europe

Modest growth in Europe, where high unemployment may weaken consumer demand and slow growth

Some signs of improved market situation in Brazil

Continued growth in the USA

Economic growth in the majority of Asian countries fuelled by stronger domestic demand



Thank you!

Consulting. Engineering. Projects. Operations.

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