President’s review

Heikki Malinen
Strategy and operating model

- Five core sectors
- Business concept that covers the entire lifecycle of investments
- Best available technology combined with local know-how
- Strong market position and focus on achieving profitable growth
Global expert in consulting and engineering

• 17 000 projects annually
• 8000 employees in 49 countries
• Project experience from more than 100 countries
Since beginning of 2009, Pöyry’s core operations are based on five know-how clusters

Infrastructure & Environment business group split into three parts

- Energy
- Forest Industry
- Transportation
- Water & Environment
- Construction Services
Transportation business group

- Rail, road and urban public transport systems, tunnel and bridge projects, and traffic planning and urban development project services
- Operating areas: Europe, Latin America and Asia

Key figures 2008
- Net sales EUR 105.5 million and operating profit EUR 9.2 million
- Order stock EUR 130.9 million
- Personnel 1,100
- Acquisitions: in Romania and Spain
Water & Environment business group

- Water resources management, treatment of industrial and municipal waste waters and waste management
- Operating areas: Europe, Asia and Africa

Key figures 2008
- Net sales EUR 87.6 million and operating profit EUR 4.2 million
- Order stock EUR 76.8 million
- Personnel 1,000
Construction Services business group

- Real estate consulting, project management, architectural design, structural design, building technology engineering, and construction management and supervision
- Pöyry Integrated Design (PID)
- Operating areas: Finland, Russia, China and the Baltic countries

Key figures 2008
- Net sales EUR 92.8 million and operating profit EUR 9.9 million
- Order stock EUR 48.3 million
- Personnel 1,000
Pöyry is one of the top 10 consulting and engineering companies in the world.

<table>
<thead>
<tr>
<th>Ranking in different sectors</th>
<th>#</th>
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<tbody>
<tr>
<td>Forest industry</td>
<td>1.</td>
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<tr>
<td>Hydropower</td>
<td>2.</td>
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<td>Power generation plants</td>
<td>4.</td>
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<tr>
<td>Oil and gas pipes</td>
<td>9.</td>
</tr>
<tr>
<td>Chemical plants</td>
<td>6.</td>
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<tr>
<td>Rail traffic</td>
<td>13.</td>
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<tr>
<td>Wastewater treatment</td>
<td>9.</td>
</tr>
<tr>
<td>Construction services, Finland</td>
<td>1.</td>
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Source: ENR

Pöyry is a global market leader in the forest and related industries.

Other sectors provide interesting growth potential.
Average net sales growth 12% in 1998-2008

Net sales

12% growth

EUR million

Net sales and operating profit by business group 2008

Net sales
EUR 822 million

Operating profit
EUR 103 million

Forest Industry
Energy
Transportation
Water & Environment
Construction Services

EUR 285.9 million

EUR 23.3 million
Business groups’ profitability target: a minimum operating profit of 8% in the medium term
Group order stock remains stable, in particular in Energy, Transportation and Water & Environment

By market area
Q4/2008

- Nordic countries: 41%
- Europe: 37%
- Asia: 9%
- North America: 4%
- South America: 7%
- Other: 2%
Healthy balance sheet

Gearing

Cash and cash equivalents
A year of strong financial performance

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales, EUR million</td>
<td>718.2</td>
<td>821.7</td>
<td>+14%</td>
</tr>
<tr>
<td>Operating profit, EUR million</td>
<td>73.8</td>
<td>100.6</td>
<td>+36%</td>
</tr>
<tr>
<td>Operating profit, %</td>
<td>10.3</td>
<td>12.2</td>
<td></td>
</tr>
<tr>
<td>Earnings per share, EUR</td>
<td>0.88</td>
<td>1.21</td>
<td>+37%</td>
</tr>
<tr>
<td>Cash and cash equivalents at year-end, EUR million</td>
<td>98.7</td>
<td>203.7</td>
<td>+106%</td>
</tr>
<tr>
<td>Return on investment, %</td>
<td>42.4</td>
<td>45.4</td>
<td></td>
</tr>
<tr>
<td>Order stock, EUR million</td>
<td>562.8</td>
<td>539.1</td>
<td>-4%</td>
</tr>
<tr>
<td>Personnel</td>
<td>7,269</td>
<td>7,924</td>
<td>+9%</td>
</tr>
</tbody>
</table>
Board of Directors’ dividend proposal EUR 0.65/share
Prospects for 2009

- Activity in energy markets has remained stable
- A structural change underway in the forest industry; Pöyry adapting its operations
- Strong demand for transportation systems
- New opportunities in water and environment
- Weakening demand for construction services

Year 2009

- Net sales are expected to decline
- Profit before taxes is expected to decline significantly
Near-term measures during economic downturn

- Capacity downsizing to meet lower demand: Forest Industry and Construction Services
- Intensified sales efforts
- Cost structure optimisation
- Maintenance of good liquidity
- Participation in industry restructuring
## Pöyry on the threshold of its third development phase

<table>
<thead>
<tr>
<th></th>
<th>1958-1992</th>
<th>1993-2008</th>
<th>2009-</th>
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</thead>
<tbody>
<tr>
<td><strong>Businesses</strong></td>
<td>Focus on forest industry</td>
<td>Three business areas: expansion into energy and infrastructure</td>
<td>Five core sectors: strong investments in energy, transportation and the environment</td>
</tr>
<tr>
<td><strong>Service concepts</strong></td>
<td>Export of forest industry knowhow Management consulting to support sales</td>
<td>Services covering the clients’ entire life cycle Consulting expanded to energy</td>
<td>Large EPCM projects Consulting services expanded to all sectors</td>
</tr>
<tr>
<td><strong>Operating model</strong></td>
<td>Centralised planning</td>
<td>Launch of the Global Network Company concept</td>
<td>Operational integration and streamlining Knowledge management</td>
</tr>
<tr>
<td><strong>Geographic scope</strong></td>
<td>International forest industry network</td>
<td>Internationalisation also in energy and infrastructure</td>
<td>Importance of global markets continues to grow</td>
</tr>
</tbody>
</table>
Target beyond the economic downturn towards the third development phase

- Market leadership in Pöyry’s own sectors
- Emphasis on energy, transportation and the environment
- Importance of consulting and project management services is growing
- Implementation of adaptation measures in the challenging market situation