

**Pöyry PLC**  
Interim Report  
January - June 2010

## Interim Report 1 January- 30 June 2010

### ORDER STOCK DEVELOPING POSITIVELY – OUTLOOK REMAINS UNCHANGED

#### KEY FIGURES

Pöyry Group	4-6/ 2010	4-6/ 2009	Change, %	1-6/ 2010	1-6/ 2009	Change, %	2009
Order stock at end of period, EUR million	569.6	534.1	6.6	569.6	534.1	6.6	485.7
Net sales total, EUR million	171.7	174.0	-1.3	334.4	361.8	-7.6	673.5
Operating profit excluding restructuring costs, EUR million	2.8	9.2	-69.6	3.8	17.5	-78.3	22.5
Operating margin excluding restructuring costs, %	1.6	5.3		1.1	4.8		3.3
Operating profit, EUR million	0.0	4.6	-100.0	-0.4	9.8	-104.1	11.6
Operating margin, %	0.0	2.6		-0.1	2.7		1.7
Profit before taxes, EUR million	-0.7	4.1	na	-1.3	10.4	na	12.4
Earnings per share, basic, EUR	-0.02	0.04	na	-0.04	0.10	na	0.11
Earnings per share, diluted, EUR	-0.02	0.04	na	-0.04	0.10	na	0.11
Gearing, %				14.3	-6.8		-10.5
Return on investment, % (R12M)				0.4	9.2		5.3
Average number of personnel during period, calculated as full time equivalents (FTE)				6481	7446	-13.0	7052

Figures in brackets, unless otherwise stated, refer to the same period the previous year.

#### JANUARY-JUNE 2010 HIGHLIGHTS

- The Group's order stock at the end of the report period increased by 6.6 per cent to EUR 569.6 million from the year before (534.1). The order stock also continued to increase sequentially and was 7.5 per cent higher than at the end of the first quarter of 2010. The order stock increased especially in the Industry business group.
- Sales at EUR 334.4 million were 7.6 per cent below the previous year (361.8) reflecting the post-cyclical nature of Pöyry's business.
- Operating profit excluding restructuring costs was EUR 3.8 million (17.5) corresponding to 1.1 per cent (4.8) of sales, reflecting margin pressure.
- Restructuring costs during the report period totalled EUR 4.2 million of which EUR 2.9 million were booked in the second quarter due mainly to streamlining and restructuring of the Management Consulting business group.
- Cash flow after capital expenditure was EUR -46.9 million (-33.6) of which EUR -8.6 million (-11.0) from acquisitions.
- ETV-Eröterv, Hungary, was acquired in June to reinforce Pöyry's nuclear power segment.
- Guidance for the full year 2010 remains unchanged.

#### FUTURE PROSPECTS (UNCHANGED)

The Group's order stock is expected to continue growing. Due to the timing of revenue recognition of those new orders, the impact on 2010 sales is limited. The Group sales for the full year 2010 are expected to

remain stable or grow. The Group's operating profit is expected to remain stable after inclusion of incremental business development expenses necessary to accelerate growth in line with the Vision. The impact of the increasing customer activity on Pöyry's sales and activity levels will only become visible towards the end of the year.

#### **COMMENTS FROM HEIKKI MALINEN, PRESIDENT AND CEO:**

“Order intake has developed well during the first half of the year. The Eldorado pulp mill pre-engineering project announced in the first quarter was followed by another similar project by Suzano in Brazil during the second quarter. We were also awarded an important engineering and project services contract by Kevitsa Mining in Northern Finland. Over the years, Pöyry has been a key player in many of the minerals processing projects e.g. in the Nordic countries, and we are now further strengthening our role in the sector. All in all, the order stock in the Industry business group has developed very favourably. Among other major projects reflecting the good order intake we can mention e.g. a project in Mexico to provide specialised advisory services during the construction of the largest wastewater tunnel in the world and the engineering services and site supervision for the Reißbeck II pumped storage plant in Austria. In China we were awarded three projects, two in high-speed rail and one in waste-to-energy totalling roughly EUR 15 million. Management Consulting won an important project to develop high-level strategy in the area of nuclear and renewable energy applications in Saudi Arabia.

Despite the good order inflow, profitability was still low. After the very quiet investment period in 2009 there are currently no large projects under implementation. At the end of the reporting period our order stock had, however, increased by 17 per cent from the year end 2009. We expect it to grow further but the impact on Pöyry's sales and activity levels will only be visible towards the end of the year. We keep our full year 2010 outlook unchanged and expect the Group's operating profit excluding restructuring costs to remain stable compared with the 2009 operating profit (EUR 22.5 million, excluding restructuring costs).

We reinforced our nuclear segment in June by acquiring ETV-Eröterv, the largest privately owned power sector consulting engineering company in Hungary. With this acquisition Pöyry's existing nuclear consulting engineering network will be enhanced with ETV's knowledge of Russian nuclear power plant technology which expands Pöyry's abilities to cover major nuclear reactor technologies”.

#### **PÖYRY PLC**

Additional information from:

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#### **INVITATION TO CONFERENCES TODAY 22 JULY 2010**

A conference in Finnish will be arranged at 12 p.m. Finnish time at Restaurant Savoy, Eteläesplanadi 14, Helsinki, Finland.

An international conference call and webcast in English will begin at 5:00 p.m. Finnish time (EET).

10:00 a.m. US EDT (New York)

3:00 p.m. GMT (London)

4:00 p.m. CET (Paris)

5:00 p.m. EET (Helsinki)

The webcast may be followed online on the company's website [www.poyry.com](http://www.poyry.com). A replay can be viewed on the same site the following day.

To attend the conference call, please dial  
US: +1 334 323 6201  
Other countries: +44 20 7162 0025  
Conference id: 869206

Due to the live webcast, we kindly ask those attending the international conference call to dial in five minutes prior to the start of the event.

Pöyry is a global consulting and engineering company dedicated to balanced sustainability. We offer our clients integrated management consulting, total solutions for complex projects and efficient, best-in-class design and supervision. Our in-depth expertise extends to the fields of energy, industry, urban & mobility and water & environment. Pöyry has 7000 experts operating in about 50 countries, locally and globally. Pöyry's net sales in 2009 were EUR 674 million and the company's shares are quoted on NASDAQ OMX Helsinki (Pöyry PLC: POY1V).

**DISTRIBUTION:**  
NASDAQ OMX Helsinki  
Major media  
[www.poyry.com](http://www.poyry.com)

## **INTERIM REPORT 1 JANUARY – 30 JUNE 2010**

All figures and sums have been rounded off from the exact figures which may lead to minor discrepancies upon addition or subtraction.

The figures in this interim report are unaudited.

### **MARKET REVIEW**

Various composite and confidence indicators continue to project recovery in the world economy towards the end of the year. The actual GDP figures, however, were still generally quite modest in the western world during the early 2010 although industrial production has continued to improve during the year both in Western Europe and in the US. Economic growth e.g. in China and Brazil has been robust.

The positive projections on the future recovery in the world economy and improving industrial activity have led to increasing prices in certain commodities and raw materials. Supported by growing demand for paper and low inventory levels, pulp prices rocketed during the first half of 2010. Crude oil and natural gas prices have also continued to rise clearly although the growth rate decelerated somewhat towards the end of the report period. The general price development of metals and minerals has been relatively robust during the year and also steel prices have started to increase towards the end of the period.

Despite these positive signs new investments have not yet clearly started on a larger scale. Demand for various pre-investment and pre-engineering services has, however, been increasing.

Growth in demand for energy continues in emerging markets and the ageing power generation assets in mature markets are expected to lead to future investments. Although in the shorter term the impacts of the financial crises are still prolonging the investment decision process, during the reporting period a couple of political decisions were made that enforce the long term outlook in the energy sector. In Finland the Government's ministerial working group agreed on an extensive package concerning renewable energy, the use of forest chips and other wood-based energy in particular, with the aim of increasing energy production based on renewable forms of energy by a total of 38 TWh of final energy consumption by 2020. In July the Finnish Parliament voted in favour of the decision-in-principle approving the construction of two new nuclear power plant units.

Positive market development within various industrial sectors and especially in pulp and paper has been reflected in increasing investment planning. Investments into the transportation sector remain strong but the construction sector, particularly the commercial and the industrial sectors, continued fairly sluggish. The

financial stringency has been affecting public investment activity in the water supply and sanitation segment, especially within Finnish municipalities. The improving economic environment has started to increase demand for management consulting services.

Note: Unless otherwise stated, the figures in brackets in the sections below refer to the same period in the previous year.

### ORDER STOCK

Order stock, EUR million, end of period	1-6/2010	1-6/2009	Change, %	2009
Consulting and engineering	564.3	530.7	6.3	483.6
EPC	5.3	3.4	55.9	2.1
Total	569.6	534.1	6.6	485.7

The Group's order stock at the end of the period totalled EUR 569.6 million (534.1) representing a growth of 6.6 per cent compared with the year before. The order stock increased 7.5 per cent from EUR 529.7 million at the end of the first quarter of 2010. The breakdown by business group for the order stock at the end of the period was as follows: Energy EUR 191.2 million (34 per cent of the total order stock), Industry EUR 82.5 million (14 per cent), Urban & Mobility EUR 199.6 million (35 per cent), Water & Environment EUR 72.5 million (13 per cent) and Management Consulting EUR 23.8 million (4 per cent).

### ORDER INTAKE

The Group's order intake in January-June 2010 increased from the corresponding period in 2009 as orders received in the second quarter were higher than the year before.

Within the Energy business group order intake in the reporting period remained flat compared with the corresponding period the year before reflecting the good order inflow in the first quarter of 2009. Order intake in the second quarter of 2010 increased from the year before. In the Industry business group the first half order intake was on a significantly higher level than the year before, even if the second quarter order intake did not quite meet the very high first quarter 2010. In the Urban & Mobility business group the second quarter order intake was significantly higher than in the first quarter of 2010 as activity especially in railway construction was high. The January-June 2010 order intake did not, however, reach the very high numbers of the first half of 2009. The Water & Environment business group's order intake in January-June 2010 was higher than the year before. The improvement in industrial activity has been reflected in the Management Consulting business group's assignments and their order intake in January-June 2010 was clearly higher than the year before.

### GROUP SALES

Net sales by business group, EUR million	4-6/2010	4-6/2009	Change, %	1-6/2010	1-6/2009	Change, %	Share of total sales, % 1-6/2010
Energy	41.1	41.6	-1.2	83.9	89.9	-6.7	25.1
Industry	40.1	45.6	-12.1	75.9	96.9	-21.7	22.7
Urban & Mobility	52.0	46.3	12.3	99.5	95.2	4.5	29.8
Water & Environment	19.9	22.0	-9.5	39.2	43.0	-8.8	11.7
Management Consulting	18.5	17.8	3.9	35.7	35.6	0.3	10.7
Unallocated	0.1	0.7	-85.7	0.2	1.2	-83.3	0.0
Total	171.7	174.0	-1.3	334.4	361.8	-7.6	100.0

Consolidated net sales in the reporting period fell by 7.6 per cent compared with the year before to EUR 334.4 million (361.8) reflecting the post-cyclical nature of Pöyry's business. The sales volume declined

clearly in the Industry business group and was also below the previous year's levels in the Energy and Water & Environment business groups. In the Industry and Energy business groups the comparison figures were high due to a couple of large projects in their final execution stages during early 2009 which partly explains the drop. Supported by the solid order stock the net sales increased in Urban & Mobility. Sales in the Management Consulting business group remained stable.

The net sales were fairly flat in the second quarter of 2010 compared with the year before and amounted to EUR 171.7 million (174.0). Supported by the solid order stock, sales in the Urban & Mobility business group increased 12.3 per cent from the year before. Sales were also higher than the year before in the Management Consulting business group but decreased in the Industry and Water & Environment business groups. Sales in the Energy business group were fairly stable compared with the year before.

January-June 2010 sales were clearly higher in North America and increased also in South America compared with the corresponding period the year before. Sales in the Nordic countries were relatively stable but declined in other Europe and Asia.

### Business groups (operating segments)

The business group split is based on the structure which has been effective since 1 January 2010. All figures for 2009 have been restated (pro forma) accordingly. All personnel numbers are calculated as full time equivalents (FTE).

#### Energy

	4-6/ 2010	4-6/ 2009	Change, %	1-6/ 2010	1-6/ 2009	Change, %	2009
Order stock, EUR million	191.2	178.5	7.1	191.2	178.5	7.1	171.0
Sales, EUR million	41.1	41.6	-1.2	83.9	89.9	-6.7	173.9
Operating profit excl. restructuring costs, EUR million	0.6	2.1	-71.4	2.0	5.3	-62.3	7.8
Operating margin excl. restructuring costs, %	1.5	5.0		2.4	5.9		4.5
Operating profit, EUR million	0.4	1.3	-69.2	0.8	4.5	-82.2	5.9
Operating margin, %	1.0	3.1		1.0	5.0		3.4
Personnel at end of period	1463	1468	-0.3	1463	1468	-0.3	1402

#### 1-6/2010

The order stock at the end of the period increased by 7.1 per cent from the year before and totalled EUR 191.2 million (178.5). The order stock increased 8.9 per cent from the end of the first quarter of 2010. The business group signed in March EPC contracts for two renewable energy projects in the Philippines with a total value of EUR 46 million. The projects are not included in the order stock due to postponement of the financial closure of the projects.

January-June 2010 net sales were EUR 83.9 million (89.9) which is 6.7 per cent less than in the year before. In early 2009 there were still a couple of larger projects in their final stages of execution whereas during 2010 the impacts of the global financial crises have been delaying decisions on larger projects in the energy sector. The difficult market situation has also been reflected in intensifying price competition, which in certain markets has led to lower volumes for the Energy business group.

January-June 2010 operating profit before EUR 1.2 million restructuring costs amounted to EUR 2.0 million (5.3) and the operating margin remained on an unsatisfactory level at 2.4 per cent of sales (5.9). Low profitability in the oil & gas and renewables segments are burdening the profitability and actions have been taken to adjust capacity to demand and streamline operations especially in Spain, Abu Dhabi, South Africa

and Malaysia. Operating profit after the restructuring costs was EUR 0.8 million (4.5) or 1.0 per cent of sales (5.0).

#### 4-6/2010

Order inflow has been increasing since its trough in the third quarter of 2009. The solid demand especially in the hydropower business area has continued and in the second quarter of 2010 Pöyry was awarded e.g. contracts for the provision of engineering services and for site supervision during the construction period of the Reißbeck II pumped storage plant. The overall value for Pöyry in the two contracts amounts to approximately EUR 9.2 million. Prior to these contracts Pöyry also executed the tender and approval design for the Reißbeck II pumped storage plant. Pöyry has also been awarded several smaller assignments in the renewables and power & fuels business areas reflecting the gradually improving market environment.

Net sales for the second quarter of 2010 were flat compared with the year before and totalled EUR 41.1 (41.6) million reflecting the post-cyclical nature of the energy business. As new orders will be visible in the sales volumes only towards the end of the year, the net sales decreased slightly from EUR 42.8 million in the first quarter of 2010.

The second quarter 2010 operating profit before EUR 0.2 million restructuring costs amounted to EUR 0.6 (2.1) million and the operating margin was 1.5 per cent of sales (5.0). The poor profitability was mainly due to the oil & gas and renewables segments where actions to improve the situation are not yet fully visible. Operating profit after the restructuring costs was EUR 0.4 million (1.3) or 1.0 per cent of sales (3.1).

In June Pöyry reinforced its nuclear power segment by acquiring 97.8 per cent of the largest privately owned power sector consulting engineering company in Hungary. ETV-Eröterv's net sales in 2009 were EUR 12 million and its product range comprises nuclear and conventional power plant engineering, services for radioactive waste related projects as well as full scale designing services in the area of transmission and distribution making it a very good strategic fit for Pöyry's Energy business group. ETV's balance sheet was included in Pöyry's reporting as of 30 June 2010.

#### Industry

	4-6/ 2010	4-6/ 2009	Change, %	1-6/ 2010	1-6/ 2009	Change, %	2009
Order stock, EUR million	82.5	57.5	43.5	82.5	57.5	43.5	39.3
Sales, EUR million	40.1	45.6	-12.1	75.9	96.9	-21.7	162.0
Operating profit excl. restructuring costs, EUR million	-1.3	2.5	-152.0	-5.4	4.0	na	-3.5
Operating margin excl. restructuring costs, %	-3.2	5.5		-7.1	4.1		-2.2
Operating profit, EUR million	-1.7	-0.4	na	-6.0	-1.3	na	-10.1
Operating margin, %	-4.2	-0.9		-7.9	-1.3		-6.2
Personnel at end of period	1842	2122	-13.2	1842	2122	-13.2	1790

#### 1-6/2010

The order stock at the end of the period increased by 43.5 per cent from the year before and totalled EUR 82.5 million (57.5). The order stock also increased 18.5 per cent from the end of the first quarter of 2010.

January-June 2010 net sales were EUR 75.9 (96.9) million representing a fall of 21.7 per cent. The good development in the order stock during the first half of 2010 has not yet been fully visible in the sales and on the other hand, the comparison figure is particularly high as a couple of large projects were in their final execution phases during the corresponding period of 2009.

January-June 2010 operating profit before restructuring costs of EUR 0.6 million was EUR -5.4 million (4.0) and the operating margin was -7.1 per cent of sales (4.1). The lack of larger projects was reflected in low activity levels and profitability. Operating profit after restructuring costs was EUR -6.0 million (-1.3) or -7.9 per cent of sales (-1.3).

#### 4-6/2010

Clients' increasing activity has been reflected in the order inflow in early 2010, and during the second quarter the pulp and paper projects announced in the first quarter were followed by another EUR 7.3 million pulp mill project in Brazil and a EUR 6.5 million biomass boiler engineering project for a paper mill in the US. Pöyry was also awarded an important contract by Kevitsa Mining for its nickel/copper concentrator project in Northern Finland. The value of the engineering and project services contract is expected to exceed EUR 5 million.

Net sales for the second quarter of 2010 were EUR 40.1 million (45.6) representing a fall of 12.1 per cent. Although sales still declined clearly from the year before the sales volumes have been steadily improving since their trough in the third quarter of 2009 backed up by the increasing order stock.

The second quarter 2010 operating profit before EUR 0.4 million restructuring costs amounted to EUR -1.3 (2.5) million and the operating margin was -3.2 per cent of sales (5.5). The low activity levels and the lack of larger projects continued to burden the profitability and the actions to adjust capacity to demand were not yet fully visible. Operating profit after the restructuring costs was EUR -1.7 million (-0.4) or -4.2 per cent of sales (-0.9).

#### Urban & Mobility

	4-6/ 2010	4-6/ 2009	Change, %	1-6/ 2010	1-6/ 2009	Change, %	2009
Order stock, EUR million	199.6	202.0	-1.2	199.6	202.0	-1.2	194.8
Sales, EUR million	52.0	46.3	12.3	99.5	95.2	4.5	184.5
Operating profit excl. restructuring costs, EUR million	3.3	3.5	-5.7	6.9	7.6	-9.2	15.5
Operating margin excl. restructuring costs, %	6.3	7.6		6.9	8.0		8.4
Operating profit, EUR million	3.2	3.4	-5.9	6.8	7.2	-5.6	14.9
Operating margin, %	6.2	7.3		6.8	7.6		8.1
Personnel at end of period	1829	1817	0.7	1829	1817	0.7	1858

#### 1-6/2010

The order stock at the end of the period was fairly stable compared with the year before and totalled EUR 199.6 million (202.0). The order stock increased 3.1 per cent from the end of the first quarter of 2010.

Supported by the steady order stock, the January-June 2010 net sales increased by 4.5 per cent from the year before and totalled EUR 99.5 (95.2).

January-June 2010 operating profit at EUR 6.8 million (7.2) or 6.8 per cent of sales (7.6) includes a minor restructuring item of EUR 0.1 million that relates to the combining of the former Transportation and Construction Services business groups. The underlying profitability in the first half of 2010 was slightly burdened by continuous business development and growth efforts in new markets such as China, India and Latin America as well as challenges in execution of some projects in Eastern Europe.

#### 4-6/2010

The second quarter order intake was significantly higher than in the first quarter of 2010 although it did not reach the high level of orders the year before. In the second quarter of 2010 Pöyry was awarded e.g. a EUR



8.7 million contract for high-speed railway construction supervision in China and a EUR 6.1 million project in Mexico to provide specialised advisory services during the construction of the largest wastewater tunnel in the world.

Net sales for the second quarter amounted to EUR 52.0 million (46.3) representing a growth of 12.3 per cent compared with the year before. Supported by the steady order stock and deliveries especially in Latin America, sales have been increasing steadily since their trough in the third quarter of 2009.

The second quarter 2010 operating profit amounted to EUR 3.2 million (3.4) or 6.2 per cent of sales (7.3). Operating profit includes a EUR 0.1 million one-off cost relating to the combining of the former Transportation and Construction Services business groups. The underlying profitability was slightly burdened by challenges in execution of some projects in Eastern Europe.

### Water & Environment

	4-6/ 2010	4-6/ 2009	Change, %	1-6/ 2010	1-6/ 2009	Change, %	2009
Order stock, EUR million	72.5	75.5	-4.0	72.5	75.5	-4.0	62.3
Sales, EUR million	19.9	22.0	-9.5	39.2	43.0	-8.8	86.5
Operating profit excl. restructuring costs, EUR million	0.8	1.6	-50.0	1.3	2.4	-45.8	5.1
Operating margin excl. restructuring costs, %	4.0	7.3		3.3	5.6		6.0
Operating profit, EUR million	0.8	1.5	-46.7	1.3	2.3	-43.5	4.9
Operating margin, %	4.0	6.8		3.3	5.3		5.7
Personnel at end of period	881	927	-5.0	881	927	-5.0	908

### 1-6/2010

The order stock at the end of the period decreased by 4.0 per cent from the year before and totalled EUR 72.5 million (75.5). The order stock increased, however, 2.8 per cent from the end of the first quarter of 2010.

Reflecting the lower level of the order stock, the January-June 2010 net sales decreased by 8.8 per cent from the year before and totalled EUR 39.2 million (43.0).

January-June 2010 operating profit amounted to EUR 1.3 million (EUR 2.4 million excluding and EUR 2.3 million including restructuring costs) and the operating margin was 3.3 per cent of sales (5.6 per cent excluding and 5.3 per cent including restructuring costs). Profitability has been burdened by difficult business environment in the municipal sector and low activity level in Finland.

### 4-6/2010

The second quarter order inflow was clearly lower than in the first quarter. During the second quarter the assignments from international markets were lower.

Net sales in the second quarter of 2010 decreased 9.5 per cent from the year before and amounted to EUR 19.9 million (22.0). Compared with the first quarter of 2010 the net sales remained fairly stable.

Operating profit for the second quarter of 2010 amounted to EUR 0.8 million (EUR 1.6 million excluding and EUR 1.5 million including restructuring costs) and the operating margin was 4.0 per cent of sales (7.3 per cent excluding and 6.8 per cent including restructuring costs). Profitability remained under the targeted levels mainly due to the difficult situation in the Finnish municipal market. Actions were taken in Finland to adjust capacity to demand.

### Management Consulting

	4-6/ 2010	4-6/ 2009	Change, %	1-6/ 2010	1-6/ 2009	Change, %	2009
Order stock, EUR million	23.8	19.3	23.3	23.8	19.3	23.3	18.0
Sales, EUR million	18.5	17.8	3.9	35.7	35.6	0.3	68.5
Operating profit excl. restructuring costs, EUR million	0.6	0.3	100.0	0.9	0.1	na	1.2
Operating margin excl. restructuring costs, %	3.2	1.7		2.5	0.3		1.8
Operating profit, EUR million	-1.6	-0.4	na	-1.3	-1.0	-30.0	-0.4
Operating margin, %	-8.6	-2.2		-3.6	-2.8		-0.7
Personnel at end of period	452	493	-8.3	452	493	-8.3	451

### 1-6/2010

The order stock at the end of the period increased by 23.3 per cent from the year before and totalled EUR 23.8 million (19.3). The order stock also increased 16.1 per cent from the end of the first quarter of 2010.

January-June 2010 net sales at EUR 35.7 million were stable compared with the year before (35.6). The good development in the order stock during the first half of 2010 was not yet fully visible in the sales.

January-June 2010 operating profit before restructuring costs of EUR 2.3 million increased to EUR 0.9 million (0.1) and the operating margin was 2.5 per cent of sales (0.3). The underlying profitability is still unsatisfactory and the improvement in profitability was mainly due to success fees that were booked in the second quarter. Operating profit after restructuring costs was EUR -1.3 million (-1.0) or -3.6 per cent of sales (-2.8).

### 4-6/2010

Order intake continued to increase sequentially in the second quarter of 2010 but the general market environment continued challenging.

Net sales in the second quarter at EUR 18.5 million (17.8) increased 3.9 per cent from the year before reflecting the good development in the order stock.

The second quarter 2010 operating profit before EUR 2.2 million restructuring costs amounted to EUR 0.6 (0.3) million and the operating margin was 3.2 per cent of sales (1.7). The improvement in profitability was mainly due to success fees that were booked in the second quarter and the underlying profitability is still low. In the second quarter, an action programme was started to restructure the Management Consulting business group into a more unified and integrated unit and the business group's regional organisation and business model will be developed and streamlined according to the defined key strategic priorities. As part of the programme a total of EUR 2.2 million restructuring costs were booked in the second quarter. Operating profit after the restructuring costs was EUR -1.6 million (-0.4) or -8.6 per cent of sales (-2.2).

### Group overhead

Unallocated costs in January-June 2010 were EUR 2.0 million (1.9), representing 0.6 per cent of sales (0.5).

## GROUP FINANCIAL RESULT

The consolidated operating loss for the report period, including restructuring costs of EUR 4.2 million, totalled EUR -0.4 million (9.8). The consolidated operating margin, including restructuring costs, declined to -0.1 per cent from 2.7 per cent of sales the year before. Profitability in January-June 2010 declined in all business groups although it remained fairly stable in the Urban & Mobility business group. In quarter-on-quarter comparison, the decline in profitability was further pressed by substantial restructuring costs in the

Management Consulting business group. The action programme designed to maintain Pöyry's profitability at an acceptable level is moving ahead.

The net financial items were EUR -0.9 million (0.6).

Profit before taxes was negative and totalled EUR -1.3 (10.4).

Income taxes were EUR -1.3 million (-3.8).

Net profit for the period was EUR -2.6 (6.6) million.

Earnings per share were EUR -0.04 (0.10).

## BALANCE SHEET

The consolidated balance sheet is strong. The consolidated balance sheet amounted to EUR 531.3 million at the end of the report period which is EUR 15.9 million higher than at year-end 2009 (515.4) and EUR 14.9 million higher than at end March 2010. Total equity at the end of the report period was EUR 184.0 million (180.7). Total equity attributable to equity holders of the parent company was EUR 176.8 million (172.3) or EUR 2.98 per share (2.93).

Return on equity (ROE) was -2.8 per cent (6.9). Return on investment (ROI) was 0.4 per cent (9.2).

## CASH FLOW AND FINANCING

Net cash from operating activities in the reporting period was EUR -35.5 million (-20.1), representing EUR -0.60 per share. Net cash before financing activities was EUR -46.9 million (-33.6). The cash flow includes EUR -8.6 million (-11.0) from acquisitions. The weak cash flow reflects delays in some project payments and is expected to improve towards the end of the year.

Net debt at the end of the reporting period totalled EUR 26.3 million (-12.2). The net debt/equity ratio (gearing) was 14.3 per cent (-6.8). The equity ratio was 39.7 per cent (40.0).

The Group's liquidity is good. At the end of the reporting period, the Group's cash and cash equivalents and other liquid assets amounted to EUR 88.2 (123.6) million. In addition to these, the Group had unused long-term overdraft facilities amounting to EUR 93.7 million.

Pöyry paid its shareholders dividends amounting to EUR 5.9 million or EUR 0.10 per share in March 2010.

Calculation of key figures is presented on the Calculation of Key Figures page of this Interim Report.

## CAPITAL EXPENDITURE AND ACQUISITIONS

During the reporting period, the Group's capital expenditure totalled EUR 12.8 million, of which EUR 2.9 million consisted mainly of computer software, systems and hardware and EUR 9.9 million was due to acquisitions.

Capital expenditure, EUR million	4-6/ 2010	4-6/ 2009	1-6/ 2010	1-6/ 2009	2009
Capital expenditure, operative	1.4	1.1	2.9	2.9	4.8
Capital expenditure, shares	8.5	2.8	9.9	4.2	5.0
Capital expenditure, total	9.9	3.9	12.8	7.1	9.8

## HUMAN RESOURCES

Personnel (FTE) by business group, at the end of the period	1-6/ 2010	1-6/ 2009	Change, %	2009

Energy	1463	1468	-0.3	1402
Industry	1842	2122	-13.2	1790
Urban & Mobility	1829	1817	0.7	1858
Water & Environment	881	927	-5.0	908
Management Consulting	452	493	-8.3	451
Group staff and shared resources	142	119	19.3	121
Personnel, total	6609	6946	-4.9	6530

Personnel (FTE) by geographic area, at the end of the period	1-6/2010	1-6/2009	Change, %	2009
Nordic countries	2537	2756	-7.9	2510
Other Europe	2844	2931	-3.0	2826
Asia	522	559	-6.6	529
North America	200	219	-8.7	198
South America	415	341	21.7	344
Other areas	91	140	-35.0	123
Personnel, total	6609	6946	-4.9	6530

### Personnel structure

The Group had an average of 6,481 (7,446) employees (FTEs) during the report period, which is 13.0 per cent less than the year before. The number of personnel at the end of the period was 6,609 (6,946).

To support the projected order inflow in the Industry business group, staff has been recruited in Brazil, Poland and China.

### CURRENT AUTHORISATIONS

Pöyry PLC's Annual General Meeting on 11 March 2010 authorised the Board of Directors to decide on the acquisition of the company's own shares with distributable funds. A maximum of 5 800 000 shares can be acquired.

The AGM also authorised the Board of Directors to decide on making a donation of a maximum of EUR 300 000 to the Aalto University in Finland.

Neither of these authorisations had been used by the end of the reporting period.

### CHANGES IN EXECUTIVE MANAGEMENT DURING THE SECOND QUARTER 2010

In April, the member of Pöyry's Group Executive Committee and Chief Financial Officer (CFO), Mr Esa Ikäheimonen announced that he will leave Pöyry to join another company and Mr Johan Brink, Deputy to the CFO, was appointed as acting Chief Financial Officer.

### SHARE CAPITAL AND SHARES

The share capital of Pöyry PLC on 30 June 2010 totalled EUR 14,588,478. The total number of shares including treasury shares totalled 59,330,954 at the end of the reporting period.

On 30 June 2010, Pöyry held a total of 383,308 treasury shares, which corresponds to 0.6 per cent of the total number of shares and which at that date had a market value of EUR 3.9 million.

### SHARES SUBSCRIBED FOR UNDER THE OPTION PROGRAMME 2004

Pursuant to Pöyry's stock option programme 2004, a total of 359,556 new shares were subscribed after end 2009. As a result of these subscriptions, the total number of Pöyry's shares including treasury shares increased to 59,330,954. At the end of the reporting period, the stock options issued under Pöyry PLC's ongoing stock option programme 2004 entitle holders to subscribe for a total of 1,335,872 shares, which would increase the total number of Pöyry's shares (including treasury shares) to 60,666,826. The option programme includes approximately 40 key persons.

All shares carry one vote per share and equal rights to dividends. The terms and conditions of the stock option programme are available on Pöyry's website at [www.poyry.com](http://www.poyry.com).

## **MARKET CAP AND TRADING**

The closing price of Pöyry's shares on 30 June 2010 was EUR 10.11. The volume weighted average share price during the report period was EUR 10.21, the highest quotation being EUR 12.30 and the lowest EUR 9.02. The share price has decreased approximately 9 per cent from the end of 2009. During the report period approximately 11.4 million Pöyry shares were traded on NASDAQ OMX Helsinki, corresponding to a turnover of approximately EUR 116.5 million. The average daily trading volume was about 92,800 shares or approximately EUR 1.0 million.

On 30 June 2010, the total market value of Pöyry's shares was EUR 599.4 million excluding treasury shares held by the company and EUR 599.8 million including treasury shares.

## **OWNERSHIP STRUCTURE**

The number of registered shareholders increased from 6,933 at the end of 2009 to 7,866 at the end of the reporting period, representing a growth of 13 per cent.

Corbis S.A. continued to be the largest shareholder with 31.18 per cent of the voting rights. The Chairman of the Board of Directors of Pöyry, Henrik Ehrnrooth, holds indirectly with his brothers Georg Ehrnrooth, member of the Board of Directors of Pöyry and Carl-Gustaf Ehrnrooth a controlling interest in Corbis S.A.

At the end of the reporting period a total of 14.20 per cent of the voting rights were owned by nominee-registered shareholders. Total ownership outside Finland, including Corbis, together with nominee-registered shareholders was in total 46.58 per cent of the voting rights.

## **MOST SIGNIFICANT RISKS AND BUSINESS UNCERTAINTIES**

Over the last six months the investment outlook among private clients (especially energy and industry) has gradually started to improve. A major risk relates to the possibility that the world economy would enter a so-called "double dip" recession scenario. This could complicate financing and lead private clients to postpone their planned investments.

An important part of the Pöyry Group's business comes from municipal and institutional clients. The increased indebtedness of various economies has led EU and various governments to decide on austerity and cost reduction measures. These are expected to impact infrastructure investments negatively at some stage. The magnitude and timing is, however, unclear. With respect to municipal clients there is a risk that reduced tax revenues of local governments may impact negatively the funding of infrastructure projects or delay them.

A part of the Pöyry Group's sales originates from emerging and developing countries, some of which face political and economic challenges. There is a risk that in projects in these countries payment of invoices is may be delayed excessively or the Pöyry Group experiences credit losses. To manage this risk, the company maintains systematic processes for the follow-up and collection of receivables. Pöyry's financial position is solid and the balance sheet is strong.

## **THE GROUP'S FUTURE PROSPECTS (UNCHANGED)**

The positive development in order intake is expected to continue and the Group's order stock to grow further. It takes a certain time to convert orders into sales, and therefore, Group sales for the full year 2010 are expected to remain stable or grow from 2009. The Group's operating profit is expected to remain stable compared with 2009 after inclusion of incremental business development expenses necessary to accelerate growth in line with the Vision. The impact of increasing customer activity on Pöyry's sales and activity levels will only become visible towards the end of the year.

The operating profit outlook for the business groups is as follows:

Both the Energy and Industry business groups' operating profit is estimated to remain stable excluding one-time items. The Urban & Mobility business group's operating profit is expected to remain stable. Equally, the operating profit of the Water & Environment business group is expected to remain stable. The Management Consulting business group's operating profit (excluding one-time items) is expected to improve.

Vantaa, 21 July 2010

Pöyry PLC

Board of Directors

#### **THE INTERIM REPORT 1 JANUARY – 30 JUNE 2010**

This interim report has been prepared in accordance with the IAS 34 following the same accounting principles as in the annual financial statement for 2009. All figures in the accounts have been rounded and consequently the sum of individual figures can deviate from the presented sum figure.

From the beginning of 2010, the Group has adopted the revised IFRS 3 Business Combinations standard and the amended IAS 27 Consolidated and Separate Financial Statements standard. The adoption of the revised standards and interpretations does not have any material effect on the interim report.

This interim report is unaudited.

# PÖYRY GROUP

## STATEMENT OF COMPREHENSIVE INCOME

EUR million	4-6/2010	4-6/2009	1-6/2010	1-6/2009	1-12/2009
NET SALES	<b>171,7</b>	174,0	<b>334,4</b>	361,8	673,5
Other operating income	<b>0,3</b>	0,1	<b>0,5</b>	0,3	0,8
Share of associated companies' results	<b>0,1</b>	0,2	<b>0,2</b>	0,4	0,5
Materials and supplies	<b>-3,4</b>	-1,9	<b>-5,1</b>	-2,8	-7,0
External charges, subconsulting	<b>-26,7</b>	-20,0	<b>-46,9</b>	-43,4	-90,6
Personnel expenses	<b>-102,5</b>	-107,3	<b>-202,8</b>	-219,9	-401,5
Depreciation	<b>-1,9</b>	-2,1	<b>-3,9</b>	-4,2	-8,2
Other operating expenses	<b>-37,6</b>	-38,4	<b>-76,8</b>	-82,4	-155,9
OPERATING PROFIT	<b>0,0</b>	4,6	<b>-0,4</b>	9,8	11,6
Proportion of net sales, %	<b>0,0</b>	2,6	<b>-0,1</b>	2,7	1,7
Financial income	<b>0,5</b>	1,0	<b>1,0</b>	2,9	5,0
Financial expenses	<b>-1,7</b>	-1,5	<b>-3,2</b>	-2,9	-5,6
Exchange rate differences	<b>0,5</b>	0,0	<b>1,3</b>	0,6	1,4
PROFIT BEFORE TAXES	<b>-0,7</b>	4,1	<b>-1,3</b>	10,4	12,4
Proportion of net sales, %	<b>-0,4</b>	2,4	<b>-0,4</b>	2,9	1,8
Income taxes	<b>-0,8</b>	-1,8	<b>-1,3</b>	-3,8	-4,4
NET PROFIT FOR THE PERIOD	<b>-1,5</b>	2,3	<b>-2,6</b>	6,6	8,0
OTHER COMPREHENSIVE INCOME					
Translation differences	<b>4,6</b>	1,4	<b>7,0</b>	2,0	4,2
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<b>3,1</b>	3,7	<b>4,4</b>	8,6	12,2
Net profit attributable to:					
Equity holders of the parent company	<b>-1,7</b>	2,1	<b>-2,6</b>	5,9	6,5
Minority interest	<b>0,2</b>	0,2	<b>0,0</b>	0,7	1,5
Total comprehensive income attributable to:					
Equity holders of the parent company	<b>2,9</b>	3,5	<b>4,4</b>	7,9	10,7
Minority interest	<b>0,2</b>	0,2	<b>0,0</b>	0,7	1,5
Earnings/share, attributable to the equity holders of the parent company, EUR	<b>-0,02</b>	0,04	<b>-0,04</b>	0,10	0,11
Corrected with dilution effect	<b>-0,02</b>	0,04	<b>-0,04</b>	0,10	0,11

<b>STATEMENT OF FINANCIAL POSITION</b>	<b>30 June</b>	<b>30 June</b>	<b>31 December</b>
EUR million	<b>2010</b>	2009	2009
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Goodwill	<b>114,3</b>	99,8	101,3
Intangible assets	<b>5,3</b>	5,7	5,4
Tangible assets	<b>16,5</b>	17,8	16,6
Shares in associated companies	<b>5,9</b>	5,6	5,5
Other shares	<b>2,0</b>	1,9	1,9
Loans receivable	<b>1,5</b>	1,1	1,5
Deferred tax receivables	<b>11,2</b>	7,5	9,5
Pension receivables	<b>0,4</b>	1,0	0,3
Other	<b>8,9</b>	6,7	7,5
	<b>166,0</b>	147,1	149,5
<b>CURRENT ASSETS</b>			
Work in progress	<b>109,5</b>	79,8	78,8
Accounts receivable	<b>143,0</b>	134,3	127,3
Loans receivable	<b>0,1</b>	0,2	0,1
Other receivables	<b>9,4</b>	11,3	7,5
Prepaid expenses and accrued income	<b>15,1</b>	14,6	10,2
Financial assets at fair value through profit and loss	<b>33,9</b>		27,9
Cash and cash equivalents	<b>54,3</b>	123,6	114,1
	<b>365,3</b>	363,8	365,9
<b>TOTAL</b>	<b>531,3</b>	510,9	515,4
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity attributable to the equity holders of the parent company			
Share capital	<b>14,6</b>	14,6	14,6
Share premium reserve	<b>0,0</b>	32,4	0,0
Legal reserve	<b>3,1</b>	20,8	2,9
Invested free equity reserve	<b>58,1</b>	5,8	56,6
Translation difference	<b>-11,4</b>	-20,5	-18,2
Retained earnings	<b>112,4</b>	119,2	120,2
	<b>176,8</b>	172,3	176,0
Minority interest	<b>7,2</b>	8,4	8,0
	<b>184,0</b>	180,7	184,0
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Interest bearing non-current liabilities	<b>94,0</b>	91,0	101,3
Pension obligations	<b>7,9</b>	7,8	7,4
Deferred tax liability	<b>1,7</b>	5,7	1,7
Other non-current liabilities	<b>2,5</b>	2,5	2,3
	<b>106,1</b>	107,0	112,7
<b>CURRENT LIABILITIES</b>			
Amortisations of interest bearing non-current liabilities	<b>19,6</b>	19,5	19,8
Interest bearing current liabilities	<b>0,9</b>	0,9	1,7
Provisions	<b>12,1</b>	9,7	8,3
Project advances	<b>68,0</b>	59,2	66,0
Accounts payable	<b>24,7</b>	20,8	21,5
Other current liabilities	<b>32,9</b>	33,2	29,3
Current tax payable	<b>0,6</b>	1,6	4,2
Accrued expenses and deferred income	<b>82,4</b>	78,3	68,0
	<b>241,2</b>	223,2	218,8
<b>TOTAL</b>	<b>531,3</b>	510,9	515,4



**STATEMENT OF CASH FLOWS**

EUR million

**4-6/2010** 4-6/2009 **1-6/2010** 1-6/2009 1-12/2009

<b>FROM OPERATING ACTIVITIES</b>					
Net profit for the period	<b>-1,5</b>	2,3	<b>-2,6</b>	6,6	8,0
Depreciation and value decrease	<b>1,9</b>	2,1	<b>3,9</b>	4,2	8,2
Gain on sale of fixed assets	<b>0,0</b>	0,0	<b>0,0</b>	0,0	0,0
Share of associated companies' results	<b>-0,1</b>	-0,2	<b>-0,2</b>	-0,4	0,2
Financial income and expenses	<b>0,7</b>	0,5	<b>0,9</b>	-0,6	-0,8
Income taxes	<b>0,8</b>	1,8	<b>1,3</b>	3,8	4,4
Change in work in progress	<b>-12,8</b>	-4,4	<b>-30,7</b>	-10,5	-9,5
Change in accounts and other receivables	<b>-10,9</b>	-5,1	<b>-23,9</b>	3,5	18,3
Change in advances received	<b>1,7</b>	-2,5	<b>2,0</b>	-14,4	-7,6
Change in payables and other liabilities	<b>13,4</b>	0,0	<b>17,4</b>	-1,3	-15,7
Received financial income	<b>0,5</b>	0,9	<b>1,0</b>	2,8	5,0
Paid financial expenses	<b>-1,5</b>	-1,1	<b>-3,2</b>	-2,7	-5,7
Paid income taxes	<b>0,0</b>	0,6	<b>-1,4</b>	-11,1	-15,2
<b>Total from operating activities</b>	<b>-7,8</b>	-5,1	<b>-35,5</b>	-20,1	-10,4
<b>CAPITAL EXPENDITURE</b>					
Investments in shares in subsidiaries deducted with cash acquired	<b>-7,6</b>	-4,2	<b>-8,6</b>	-11,0	-10,6
Investments in other shares	<b>0,0</b>	0,0	<b>0,0</b>	0,0	-0,2
Investments in fixed assets	<b>-1,4</b>	-1,1	<b>-2,9</b>	-2,9	-4,7
Sales of fixed assets	<b>0,1</b>	0,2	<b>0,1</b>	0,4	0,3
<b>Capital expenditure total, net</b>	<b>-8,9</b>	-5,1	<b>-11,4</b>	-13,5	-15,2
<b>Net cash before financing</b>	<b>-16,7</b>	-10,2	<b>-46,9</b>	-33,6	-25,6
<b>FINANCING</b>					
New loans	<b>0,0</b>	0,0	<b>0,0</b>	0,0	20,0
Repayments of loans	<b>-8,8</b>	-10,1	<b>-9,8</b>	-10,6	-20,5
Change in current financing	<b>-0,8</b>	-8,9	<b>-1,0</b>	-0,4	0,7
Dividends	<b>-0,2</b>	-1,2	<b>-6,7</b>	-38,0	-39,0
Acquisition of own shares	<b>0,0</b>	-0,6	<b>0,0</b>	-1,8	-1,9
Share subscription	<b>0,9</b>	0,1	<b>1,5</b>	0,1	0,4
<b>Net cash from financing</b>	<b>-8,9</b>	-20,7	<b>-16,0</b>	-50,7	-40,3
<b>Change in cash and cash equivalents and in other liquid assets</b>	<b>-25,6</b>	-30,9	<b>-62,9</b>	-84,3	-65,9
<b>Cash and cash equivalents and other liquid assets at the beginning of the period</b>	<b>108,0</b>	152,3	<b>142,0</b>	203,7	203,7
Change in the fair value of financial assets					0,1
Impact of translation differences in exchange rates	<b>5,8</b>	2,2	<b>9,1</b>	4,2	4,1
<b>Cash and cash equivalents and other liquid assets at the end of the period</b>	<b>88,2</b>	123,6	<b>88,2</b>	123,6	142,0
Financial assets at fair value through profit and loss	<b>33,9</b>		<b>33,9</b>	0,0	27,9
Cash and cash equivalents	<b>54,3</b>	-28,7	<b>54,3</b>	123,6	114,1
<b>Cash and cash equivalents and other liquid assets</b>	<b>88,2</b>	-28,7	<b>88,2</b>	123,6	142,0

**STATEMENT OF CHANGES IN EQUITY**

EUR million	Share capital	Share premium reserve	Legal reserve	Invested free equity reserve	Translation differences	Retained earnings	Total	Minority interest	Total equity
Equity 1 April 2009	14,6	32,4	20,3	5,8	-21,6	117,5	169,0	8,1	177,1
Shares subscribed with stock options						0,1	0,1		0,1
Payment of dividend						0,0	0,0		0,0
Acquisition of own shares						-0,6	-0,6		-0,6
Transfer, retained earnings			0,2			-0,2	0,0		0,0
Expenses from share-based incentive programmes						0,3	0,3		0,3
Comprehensive income for the period			0,3		1,1	2,1	3,5	0,2	3,7
Changes for the period	0,0	0,0	0,5	0,0	1,1	1,7	3,3	0,2	3,5
Equity 30 June 2009	14,6	32,4	20,8	5,8	-20,5	119,2	172,3	8,4	180,7
Equity 1 Jan. 2009	14,6	32,4	20,5	5,8	-22,4	152,5	203,4	7,7	211,1
Shares subscribed with stock options						0,1	0,1		0,1
Payment of dividend						-37,9	-37,9		-37,9
Acquisition of own shares						-1,8	-1,8		-1,8
Transfer, retained earnings			0,2			-0,2	0,0		0,0
Expenses from share-based incentive programmes						0,6	0,6		0,6
Comprehensive income for the period			0,1		1,9	5,9	7,9	0,7	8,6
Changes for the period	0,0	0,0	0,3	0,0	1,9	-33,3	-31,1	0,7	-30,4
Equity 30 June 2009	14,6	32,4	20,8	5,8	-20,5	119,2	172,3	8,4	180,7
Equity 1 Jan. 2009	14,6	32,4	20,5	5,8	-22,4	152,5	203,4	7,7	211,1
Shares subscribed with stock options				0,4			0,4		0,4
Payment of dividend						-37,9	-37,9	-1,1	-39,0
Acquisition of own shares						-1,9	-1,9		-1,9
Transfer to invested free equity reserve		-32,4	-18,0	50,4			0,0		0,0
Transfer, retained earnings			0,3			-0,3	0,0		0,0
Expenses from share-based incentive programmes						1,2	1,2		1,2
Minority change						0,1	0,1	-0,1	0,0
Comprehensive income for the period					4,2	6,5	10,7	1,5	12,2
Other changes	0,0	-32,4	-17,7	50,8	4,2	-32,3	-27,4	0,3	-27,1
Equity 31 December 2009	14,6	0,0	2,9	56,6	-18,2	120,2	176,0	8,0	184,0
Equity 1 April 2010	14,6	0,0	2,9	57,2	-15,8	113,6	172,5	7,0	179,5
Shares subscribed with stock options				0,9			0,9		0,9
Payment of dividend							0,0		0,0
Transfer, retained earnings							0,0		0,0
Expenses from share-based incentive programmes						0,5	0,5		0,5
Minority change							0,0		0,0
Comprehensive income for the period			0,2		4,4	-1,7	2,9	0,2	3,1
Changes for the period	0,0	0,0	0,2	0,9	4,4	-1,2	4,3	0,2	4,5
<b>Equity 30 June 2010</b>	<b>14,6</b>	<b>0,0</b>	<b>3,1</b>	<b>58,1</b>	<b>-11,4</b>	<b>112,4</b>	<b>176,8</b>	<b>7,2</b>	<b>184,0</b>
Equity 1 Jan. 2010	14,6	0,0	2,9	56,6	-18,2	120,2	176,0	8,0	184,0
Shares subscribed with stock options				1,5			1,5		1,5
Payment of dividend						-5,9	-5,9	-0,8	-6,7
Transfer, retained earnings							0,0		0,0
Expenses from share-based incentive programmes						0,7	0,7		0,7
Minority change							0,0		0,0
Comprehensive income for the period			0,2		6,8	-2,6	4,4		4,4
Changes for the period	0,0	0,0	0,2	1,5	6,8	-7,8	0,7	-0,8	-0,1
<b>Equity 30 June 2010</b>	<b>14,6</b>	<b>0,0</b>	<b>3,1</b>	<b>58,1</b>	<b>-11,4</b>	<b>112,4</b>	<b>176,8</b>	<b>7,2</b>	<b>184,0</b>

EUR million	30 June 2010	30 June 2009	31 December 2009
<b>Contingent liabilities</b>			
Other own obligations			
Pledged assets	1,2	1,4	2,0
Project and other guarantees	55,3	53,0	55,0
Claims and litigations	3,0	0,0	3,0
For other parties			
Pledged assets	0,2	0,1	0,0
Other obligations	0,1	0,1	0,1
<b>Rent and lease obligations</b>	<b>105,1</b>	<b>119,3</b>	<b>111,0</b>
<b>Derivative instruments</b>			
Foreign exchange forward contracts, nominal values			
	58,4	35,7	33,4
Foreign exchange forward contracts, fair values			
	1,1	0,5	0,5
	-1,0	-0,9	-0,4
Currency options, nominal values			
Purchased			
	0,1	1,8	0,2
Written			
	0,0	1,3	0,0
Currency options, fair values			
Purchased			
	0,0	0,0	0,0
Written			
	0,0	-0,1	0,0
Interest rate swaps, nominal values			
	44,1	10,9	41,6
of which basis swaps	32,0		30,8
Interest rate swaps, fair values			
	-0,8	-0,7	-0,7

#### **RELATED PARTY TRANSACTIONS**

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

Sales to associated companies	0,0	0,1	0,1
Loans receivable from associated companies	0,1	0,1	0,1
Accounts receivable from associated companies	0,0	0,0	0,0

#### Shareholding and option rights of related parties

The members of the Board of Directors, the President and CEO and the members of the Group Executive Committee owned on 30 June 2010 a total of 163 514 shares and 49 092 stock options (on 31 December 2009 a total of 179 676 shares, and 108 227 stock options 2004, included also the Deputy to the President and CEO ownerships).

With the stock options the shareholding can be increased by 196 368 shares equalling 0.3 per cent of the total number of shares and votes. The stock option programme is described in the Financial Statements 2009.

#### Performance share plan 2008-2010

The Performance share plan includes 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. Shares must be held for a period of two years from the transfer date.

The Performance share plan is described in the verbal part of the Interim report.

**KEY FIGURES**

	<b>4-6/2010</b>	4-6/2009	<b>1-6/2010</b>	1-6/2009	1-12/2009
Earnings / share, EUR	<b>-0,02</b>	0,04	<b>-0,04</b>	0,10	0,11
Corrected with dilution effect	<b>-0,02</b>	0,04	<b>-0,04</b>	0,10	0,11
Equity attributable to equity holders of the parent company/share, EUR			<b>2,98</b>	2,93	2,98
Return on investment, % p.a.			<b>0,4</b>	9,2	5,3
Return on equity, % p.a.			<b>-2,8</b>	6,9	4,1
Equity ratio, %			<b>39,7</b>	40,0	40,9
Equity / Assets ratio, %			<b>34,6</b>	35,4	35,7
Net debt / Equity ratio (gearing), %			<b>14,3</b>	-6,8	-10,5
Net debt, EUR million			<b>26,3</b>	-12,2	-19,3
Consulting and engineering, EUR million			<b>564,3</b>	530,7	483,6
EPC, EUR million			<b>5,3</b>	3,4	2,1
Order stock total, EUR million			<b>569,6</b>	534,1	485,7
Capital expenditure, operating, EUR million	<b>1,4</b>	1,1	<b>2,9</b>	2,9	4,8
Capital expenditure in shares, EUR million	<b>8,5</b>	2,8	<b>9,9</b>	4,2	5,0
Personnel in Group companies on average			<b>6481</b>	7446	7052
Personnel in Group companies at the end of the period			<b>6609</b>	6946	6530
Personnel in associated companies at the end of the period			<b>138</b>	143	141

**CHANGE IN INTANGIBLE ASSETS**

EUR million

Book value at beginning of period	<b>5,5</b>	6,1	<b>5,4</b>	6,2	6,2
Acquired companies	<b>0,0</b>	0,0	<b>0,0</b>	0,0	0,0
Capital expenditure	<b>0,1</b>	0,2	<b>0,7</b>	0,7	1,2
Decreases	<b>0,0</b>	0,0	<b>0,0</b>	0,0	0,0
Depreciation and expenses	<b>-0,4</b>	-0,6	<b>-1,0</b>	-1,2	-2,2
Translation difference	<b>0,1</b>	0,0	<b>0,2</b>	0,0	0,2
Book value at end of period	<b>5,3</b>	5,7	<b>5,3</b>	5,7	5,4

**CHANGE IN TANGIBLE ASSETS**

Book value at beginning of period	<b>16,4</b>	18,4	<b>16,6</b>	18,8	18,8
Acquired companies	<b>0,2</b>	0,0	<b>0,2</b>	0,0	0,0
Capital expenditure	<b>1,0</b>	0,9	<b>2,0</b>	2,2	3,4
Decreases	<b>0,0</b>	-0,2	<b>-0,1</b>	-0,4	-0,4
Depreciation	<b>-1,5</b>	-1,5	<b>-2,9</b>	-3,0	-6,0
Translation difference	<b>0,4</b>	0,2	<b>0,7</b>	0,2	0,8
Book value at end of period	<b>16,5</b>	17,8	<b>16,5</b>	17,8	16,6

**OPERATING SEGMENTS**

EUR million	1-6/2010	1-6/2009	1-12/2009
<b>NET SALES</b>			
Energy	83,9	89,9	173,9
Industry	75,9	96,9	162,0
Urban & Mobility	99,5	95,2	184,5
Water & Environment	39,2	43,0	86,5
Management Consulting	35,7	35,6	68,5
Unallocated	0,2	1,2	-1,9
Total	334,4	361,8	673,5
<b>OPERATING PROFIT AND NET PROFIT FOR THE PERIOD</b>			
Energy	0,8	4,5	5,9
Industry	-6,0	-1,3	-10,1
Urban & Mobility	6,8	7,2	14,9
Water & Environment	1,3	2,3	4,9
Management Consulting	-1,3	-1,0	-0,4
Unallocated	-2,0	-1,9	-3,6
Operating profit total	-0,4	9,8	11,6
Financial income and expenses	-0,9	0,6	0,8
Profit before taxes	-1,3	10,4	12,4
Income taxes	-1,3	-3,8	-4,4
Net profit for the period	-2,6	6,6	8,0
Profit attributable to:			
Equity holders of the parent company	-2,6	5,9	6,5
Minority interest	0,0	0,7	1,5
<b>OPERATING PROFIT %</b>			
Energy	1,0	5,0	3,4
Industry	-7,9	-1,3	-6,2
Urban & Mobility	6,8	7,6	8,1
Water & Environment	3,3	5,3	5,7
Management Consulting	-3,6	-2,8	-0,7
Group	-0,1	2,7	1,7
<b>OPERATING PROFIT, EXCLUDING RESTRUCTURING COSTS</b>			
Energy	2,0	5,3	7,8
Industry	-5,4	4,0	-3,5
Urban & Mobility	6,9	7,6	15,5
Water & Environment	1,3	2,4	5,1
Management Consulting	0,9	0,1	1,2
Unallocated	-2,0	-1,9	-3,6
Operating profit total	3,8	17,5	22,5
<b>OPERATING PROFIT, EXCLUDING RESTRUCTURING COSTS %</b>			
Energy	2,4	5,9	4,5
Industry	-7,1	4,1	-2,2
Urban & Mobility	6,9	8,0	8,4
Water & Environment	3,3	5,6	6,0
Management Consulting	2,5	0,3	1,8
Group	1,1	4,8	3,3
<b>ORDER STOCK</b>			
Energy	191,2	178,5	171,0
Industry	82,5	57,5	39,3
Urban & Mobility	199,6	202,0	194,8
Water & Environment	72,5	75,5	62,3
Management Consulting	23,8	19,3	18,0
Unallocated	0,0	1,3	0,3
Total	569,6	534,1	485,7
Consulting and engineering	564,3	530,7	483,6
EPC	5,3	3,4	2,1
Total	569,6	534,1	485,7

**OPERATING SEGMENTS**

EUR million	1-6/2010	1-6/2009	1-12/2009
<b>PERSONNEL, END OF THE PERIOD</b>			
Energy	1463	1468	1402
Industry	1842	2122	1790
Urban & Mobility	1829	1817	1858
Water & Environment	881	927	908
Management Consulting	452	493	451
Unallocated	142	119	121
Total	<b>6609</b>	6946	6530
<b>NET SALES BY AREA</b>			
The Nordic countries	101,2	104,3	194,4
Other Europe	147,4	171,1	323,7
Asia	25,2	29,9	54,7
North America	14,1	11,2	20,0
South America	31,6	29,7	50,3
Other	14,9	15,6	30,4
Total	<b>334,4</b>	361,8	673,5

**OPERATING SEGMENTS**

EUR million	7-9/08	10-12/08	1-3/09	4-6/09
<b>NET SALES</b>				
Energy	46,6	50,2	48,3	41,6
Industry	63,5	67,3	51,3	45,6
Urban & Mobility	42,8	48,1	48,9	46,3
Water & Environment	20,3	25,3	21,0	22,0
Management Consulting	20,1	24,1	17,8	17,8
Unallocated	0,6	-1,4	0,5	0,7
Total	193,9	213,6	187,8	174,0
<b>OPERATING PROFIT AND NET PROFIT FOR THE PERIOD</b>				
Energy	4,6	10,0	3,2	1,3
Industry	12,0	9,8	-0,9	-0,4
Urban & Mobility	3,8	4,6	3,8	3,4
Water & Environment	0,3	1,8	0,8	1,5
Management Consulting	2,9	2,0	-0,6	-0,4
Unallocated	-1,7	-1,5	-1,1	-0,8
Operating profit total	21,9	26,7	5,2	4,6
Financial income and expenses	1,3	0,2	1,1	-0,5
Profit before taxes	23,2	26,9	6,3	4,1
Income taxes	-7,5	-6,6	-2,0	-1,8
Net profit for the period	15,7	20,3	4,3	2,3
Profit attributable to:				
Equity holders of the parent company	15,4	19,8	3,8	2,1
Minority interest	0,3	0,5	0,5	0,2
<b>OPERATING PROFIT %</b>				
Energy	9,9	19,9	6,6	3,1
Industry	18,9	14,5	-1,8	-0,9
Urban & Mobility	8,9	9,7	7,8	7,3
Water & Environment	1,5	7,3	3,8	6,8
Management Consulting	14,4	8,5	-3,4	-2,2
Group	11,3	12,5	2,8	2,6
<b>OPERATING PROFIT, EXCLUDING RESTRUCTURING COSTS</b>				
Energy	4,6	10,0	3,2	2,1
Industry	12,0	9,8	1,5	2,5
Urban & Mobility	3,8	4,6	4,1	3,5
Water & Environment	0,3	1,8	0,8	1,6
Management Consulting	2,9	2,0	-0,2	0,3
Unallocated	-1,7	-1,5	-1,1	-0,8
Operating profit, excluding restructuring costs, total	21,9	26,7	8,3	9,2
<b>OPERATING PROFIT, EXCLUDING RESTRUCTURING COSTS %</b>				
Energy	9,9	19,9	6,6	5,0
Industry	18,9	14,5	2,9	5,5
Urban & Mobility	8,9	9,7	8,4	7,6
Water & Environment	1,5	7,3	3,8	7,3
Management Consulting	14,4	8,5	-1,1	1,7
Group	11,3	12,5	4,4	5,3
<b>ORDER STOCK</b>				
Energy	199,8	182,0	180,4	178,5
Industry	109,1	82,4	66,8	57,5
Urban & Mobility	179,0	176,4	198,2	202,0
Water & Environment	78,3	76,8	78,8	75,5
Management Consulting	27,9	21,1	21,6	19,3
Unallocated	0,4	0,4	0,6	1,3
Total	594,5	539,1	546,4	534,1
Consulting and engineering	592,5	538,6	539,8	530,7
EPC	2,0	0,5	6,6	3,4
Total	594,5	539,1	546,4	534,1

**OPERATING SEGMENTS**

EUR million	7-9/09	10-12/09	1-3/10	4-6/10
<b>NET SALES</b>				
Energy	40,0	44,0	42,8	41,1
Industry	31,5	33,6	35,8	40,1
Urban & Mobility	42,6	46,7	47,5	52,0
Water & Environment	20,6	22,9	19,3	19,9
Management Consulting	15,1	17,8	17,2	18,5
Unallocated	0,4	-3,5	0,1	0,1
Total	150,2	161,5	162,7	171,7
<b>OPERATING PROFIT AND NET PROFIT FOR THE PERIOD</b>				
Energy	0,6	0,8	0,4	0,4
Industry	-3,6	-5,2	-4,3	-1,7
Urban & Mobility	3,7	4,0	3,6	3,2
Water & Environment	1,1	1,5	0,5	0,8
Management Consulting	-0,1	0,7	0,3	-1,6
Unallocated	-0,6	-1,1	-1,0	-1,0
Operating profit total	1,1	0,7	-0,4	0,0
Financial income and expenses	-0,3	0,5	-0,2	-0,7
Profit before taxes	0,8	1,2	-0,6	-0,7
Income taxes	-0,8	0,2	-0,5	-0,8
Net profit for the period	0,0	1,4	-1,1	-1,5
Profit attributable to:				
Equity holders of the parent company	-0,4	1,0	-0,9	-1,7
Minority interest	0,4	0,4	-0,2	0,2
<b>OPERATING PROFIT %</b>				
Energy	1,5	1,9	1,0	1,0
Industry	-11,4	-15,5	-12,0	-4,2
Urban & Mobility	8,7	8,6	7,6	6,2
Water & Environment	5,3	6,7	2,6	4,0
Management Consulting	-0,7	3,6	1,7	-8,6
Group	0,7	0,4	-0,2	0,0
<b>OPERATING PROFIT, EXCLUDING RESTRUCTURING COSTS</b>				
Energy	1,3	1,2	1,4	0,6
Industry	-2,2	-5,3	-4,1	-1,3
Urban & Mobility	3,7	4,2	3,6	3,3
Water & Environment	1,2	1,6	0,5	0,8
Management Consulting	-0,1	1,2	0,3	0,6
Unallocated	-0,6	-1,1	-1,0	-1,0
Operating profit, excluding restructuring costs, total	3,3	1,8	0,9	2,8
<b>OPERATING PROFIT, EXCLUDING RESTRUCTURING COSTS %</b>				
Energy	3,3	2,7	3,4	1,5
Industry	-7,0	-15,8	-11,5	-3,2
Urban & Mobility	8,7	9,0	7,6	6,3
Water & Environment	5,8	7,0	2,6	4,0
Management Consulting	-0,7	6,7	1,7	3,2
Group	2,2	1,1	0,6	1,6
<b>ORDER STOCK</b>				
Energy	173,6	171,0	175,5	191,2
Industry	48,7	39,3	69,6	82,5
Urban & Mobility	202,4	194,8	193,6	199,6
Water & Environment	69,0	62,3	70,5	72,5
Management Consulting	20,1	18,0	20,5	23,8
Unallocated	0,1	0,3	0,0	0,0
Total	513,9	485,7	529,7	569,6
Consulting and engineering	510,8	483,6	527,9	564,3
EPC	3,1	2,1	1,8	5,3
Total	513,9	485,7	529,7	569,6



## CALCULATION OF KEY FIGURES

### Return on investment, ROI %

$$100 \times \frac{\text{profit before taxes + interest and other financial expenses}}{\text{balance sheet total - non-interest bearing liabilities (quarterly average)}}$$

### Return on equity, ROE %

$$100 \times \frac{\text{net profit}}{\text{equity (quarterly average)}}$$

### Equity ratio %

$$100 \times \frac{\text{equity}}{\text{balance sheet total - advance payments received}}$$

### Equity/assets ratio %

$$100 \times \frac{\text{equity}}{\text{balance sheet total}}$$

### Net debt/equity ratio, gearing %

$$100 \times \frac{\text{interest-bearing liabilities - cash and cash equivalents}}{\text{equity}}$$

### Earnings/share, EPS

$$\frac{\text{net profit attributable to the equity holders of the parent company}}{\text{issue-adjusted average number of shares for the fiscal year}}$$

### Equity attributable to the equity holders of the parent company/share

$$\frac{\text{equity attributable to the equity holders of the parent company}}{\text{issue-adjusted number of shares at the end of the fiscal year}}$$

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## ACQUISITIONS

Name and business	Acquisition date	Acquired interest %
<b>ERT-EROTERV zrt</b>		
The company's product range comprises nuclear and conventional power plant engineering, services for radioactive waste related projects as well as full scale designing services in the area of transmission and distribution. The company is based in Hungary, Budapest, and has a staff of 170.	14 June 2010	97,8
<b>PRG-Tec Oy</b>	1 February 2010	100
The company specialises in hydrological and geophysical measurements. The clientele comprises of nuclear waste management companies in Finland and Sweden. The company is based in Espoo, Finland, employing eight persons.		
<b>Aquarius International Consultants Pty Ltd</b>	14 May 2009	100
The company is one of Australia's leading independent offshore engineering and marine consulting firm and is highly respected in the offshore oil and gas industry. The company is based in Perth, Australia, employing ten persons.		
<b>Shanghai Kang Dao Construction Company Ltd</b>	1 March 2009	100
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 27.		

### Aggregate figures for the above acquisitions

EUR million	2010	2009
<b>Purchase price</b>		
Fixed price, paid	9,9	4,2
Earnout estimate		0,0
Total	<b>9,9</b>	<b>4,2</b>
<b>Price allocation</b>		
Equity	1,5	0,2
Fair value adjustments:		
Client relationship		0,0
Order stock		0,0
Total	<b>1,5</b>	<b>0,2</b>
<b>Goodwill (remaining)</b>	<b>8,4</b>	<b>4,0</b>
Market leadership, experienced management and staff, and earnings expectations are factors contributing to the amount booked as goodwill.		
<b>Impact on the Pöyry Group's income statement</b>		
Operating profit from acquisition date to end of June 2010 / December 2009	<b>0,0</b>	0,0
Sales volume on a 12-month calendar year basis	<b>13,0</b>	3,0
Operating profit on 12-month calendar year basis	<b>0,9</b>	0,7
<b>Impact on the Pöyry Group's number of personnel</b>	<b>178</b>	37

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

EUR million	2010			2009		
	Book values at acquisition date	Fair value adjustments	Adjusted IFRS values	Book values at acquisition date	Fair value adjustments	Adjusted IFRS values
Tangible assets	0,2		0,2			
Work in progress	0,5		0,5			
Accounts receivable	1,2		1,2	0,2		0,2
Other receivable	0,2		0,2			
Cash and cash equivalents	1,3		1,3	0,2		0,2
<b>Assets total</b>	<b>3,4</b>	<b>0,0</b>	<b>3,4</b>	<b>0,4</b>	<b>0,0</b>	<b>0,4</b>
Other current liabilities	1,9		1,9	0,2		0,2
<b>Liabilities total</b>	<b>1,9</b>	<b>0,0</b>	<b>1,9</b>	<b>0,2</b>	<b>0,0</b>	<b>0,2</b>
<b>Net identifiable assets and liabilities</b>	<b>1,5</b>	<b>0,0</b>	<b>1,5</b>	<b>0,2</b>	<b>0,0</b>	<b>0,2</b>
Total cost of business combinations			9,9			4,2
<b>Goodwill</b>			<b>8,4</b>			<b>4,0</b>
Consideration paid, satisfied in cash			9,8			4,2
Cash acquired			1,3			0,2
Net cash outflow			<b>8,5</b>			<b>4,0</b>
Unpaid			<b>0,1</b>			

Based on the purchase agreements the companies acquired during the period under review are consolidated 100% into the Pöyry Group as of the end of the month when acquired.

The figures are preliminary.