

PÖYRY PLC - 29 APRIL 2014

Interim report January-March 2014

NET SALES AND OPERATING PROFIT DECLINED
KEY FIGURES

| Pöyry Group | 1-3/ 2014 | 1-3/ 2013 | Change, % | 1-12/ 2013 |
|--|--------------|--------------|--------------|---------------|
| Order stock at end of period, EUR million | 540.4 | 585.9 | -7.8 | 500.0 |
| Net sales total, EUR million | 151.3 | 166.3 | -9.0 | 650.8 |
| Operating profit, EUR million | -1.8 | 3.1 | n.a. | 13.9 |
| Operating margin, % | -1.2 | 1.9 | | 2.1 |
| Profit before taxes, EUR million | -3.0 | 2.2 | n.a. | 9.1 |
| Earnings per share, basic, EUR | -0.06 | 0.01 | n.a. | 0.06 |
| Earnings per share, diluted, EUR | -0.06 | 0.01 | n.a. | 0.06 |
| Gearing, % | 44.5 | 80.1 | | 26.0 |
| Return on investment, % (R12M) | -2.0 | 4.3 | n.a. | 5.8 |
| Average number of personnel during period, calculated as full time equivalents (FTE) | 5.746 | 6.345 | -9.4 | 6,128 |

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

JANUARY-MARCH 2014 HIGHLIGHTS

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

- The Group's order stock totalled EUR 540.4 million (585.9) at the end of the first quarter 2014. In March a large order was awarded in Latin America and recorded under Regional Operations.
- Consolidated net sales amounted to EUR 151.3 million (166.3) and decreased by 9.0 per cent compared to the previous year.
- Operating profit amounted to EUR -1.8 million. Operating profit improved in Management Consulting Business Group, but declined mainly in Regional Operations and due to increase in unallocated costs.
- After the reporting period, on 22 April 2014, Pöyry announced that it is divesting significant parts of its real estate design and consulting business, and its construction management business for the real estate and infrastructure sectors in Finland.
- Pöyry's new organisational structure was introduced in February 2013 and is based on Strategic Advisory, Global Competence Lines and Regional Operations. Pöyry's operations are organised along the following business lines: Energy Business Group; Industry Business Group; Regional Operations and Management Consulting Business Group. In line with this evolution Pöyry integrated its local activities in Latin and North America as well as in Asia Pacific to Regional Operations as of January 2014.
- Pöyry continues to implement its structural and administrative process improvement program announced at the end of 2012. As these measures are progressing, Pöyry is introducing further improvements in terms of sales focus, project management and capacity management.

Comments by ALEXIS FRIES, PRESIDENT AND CEO:

“Pöyry’s net sales and operating profit declined during the first quarter. Net sales amounted to EUR 151.3 million (166.3) and operating profit was EUR -1.8 million (3.1). The Group’s order intake developed as expected and was affected by the currently weak economic environment in Northern Europe in particular.

However, year-to-date order stock increased, as a large order was recorded under the Regional Operations in Latin America. The order prospects pipeline is solid albeit client decisions may take longer than expected.

Pöyry further strengthened its regional focus in January 2014 by integrating its local activities in Latin and North America as well as in Asia Pacific to the Regional Operations. This enables Pöyry to grow its services in key domestic markets as well as to develop its global competences in energy, industry and management consulting.

After the end of the reporting period Pöyry announced on 22 April 2014 that it is divesting significant parts of its real estate design and consulting business, and its construction management business for the real estate and infrastructure sectors in Finland. This transaction is in line with our continued efforts to strengthen and develop our consulting and engineering expertise within our traditional areas of expertise.

Pöyry continues to implement its structural and administrative process improvement program announced at the end of 2012. As these measures are progressing, Pöyry is introducing further improvements in terms of sales focus, project management and capacity management.”

This is a summary of the January-March 2014 Interim report. The complete report is published as an enclosure to this company announcement and is available in full on the company's website at www.poyry.com. Investors are advised to review the complete financial statement release with tables.

PÖYRY PLC

Additional information:
Jukka Pahta, CFO
tel. +358 10 33 22629

INVITATION TO CONFERENCES TODAY 29 APRIL 2014

Pöyry's January-March 2014 result will be presented at the following news conferences:

- A conference for analysts, investors and press will be arranged at 12:00 p.m. Finnish time at Restaurant Savoy, Eteläesplanadi 14, Helsinki, Finland. The event will be hosted by Alexis Fries, President and CEO and Jukka Pahta, CFO.
- An international conference call and webcast in English will begin at 5:00 p.m. Finnish time (EEST). The event will be hosted by Jukka Pahta, CFO.

10:00 a.m. US EDT (New York)
3:00 p.m. BST (London)
4:00 p.m. CEST (Paris)

The webcast may be followed online on the company's website www.poyry.com. A recording will be made available on the next working day on the same website.

To attend the conference call, please dial:

FI: +358 (0)9 8171 0461
SE: +46 (0)8 5199 9357
UK: +44 (0)20 3194 0554
US: +1 855 269 2608
Other countries: +44 (0)20 3194 0554

Due to the nature of the live webcast, we kindly ask those attending the international conference call and webcast to dial in 5 minutes prior to the start of the event.

Pöyry is an international consulting and engineering company. We serve clients globally across the energy and industrial sectors and locally in our core markets. We deliver strategic advisory and engineering services, underpinned by strong project implementation capability and expertise. Our focus sectors are power generation, transmission & distribution, forest industry, chemicals & biorefining, mining & metals, transportation, water and real estate sectors. Pöyry has an extensive local office network employing about 6,500 experts. Pöyry's net sales in 2013 were EUR 650 million and the company's shares are quoted on NASDAQ OMX Helsinki (Pöyry PLC: POY1V).

DISTRIBUTION:

NASDAQ OMX Helsinki

Major media

www.poyry.com

MARKET REVIEW

The economic outlook in Pöyry's key domestic markets and business sectors during the first quarter remained generally uncertain. Northern Europe, the European energy sector and recent political developments have been raising concerns. In spite of these facts, underlying demand developed steadily. However, increasing competitive pressure required attention and clients' decisions on larger investments in particular have been prolonged.

Note: Figures in brackets, unless otherwise stated, refer to the same period the previous year. All figures and totals have been rounded which may lead to minor discrepancies upon addition or subtraction.

ORDER STOCK

The Group's order stock totalled EUR 540.4 (585.9) million and decreased compared to the previous year in all Business Lines apart from the Energy Business Group. The order stock increased compared to the order stock of EUR 500 million at the end of the 2013. Order stock was EUR 198.1 million in the Energy Business Group (37 per cent of the total order stock), EUR 16.6 million in the Industry Business Group (3 per cent), EUR 305.4 million in the Regional Operations (56 per cent), and EUR 19.8 million in the Management Consulting Business Group (4 per cent).

ORDER INTAKE

The Group's order intake was lower than in the previous year. Order intake increased in Energy and Management Consulting Business Groups but declined in other Business Lines.

GROUP NET SALES

| Net sales by business group, EUR million | 1-3/2014 | 1-3/2013 | Change, % | Share of total sales 1-3/2014, % | 1-12/2013 |
|--|----------|----------|-----------|----------------------------------|-----------|
| Energy | 29.8 | 35.3 | -15.6 | 20 | 135.4 |
| Industry | 11.1 | 9.8 | 13.3 | 7 | 43.7 |
| Regional Operations | 92.8 | 104.0 | -10.8 | 61 | 405.5 |
| Management Consulting | 17.8 | 17.6 | 1.1 | 12 | 65.9 |
| Unallocated | -0.2 | -0.4 | n.a. | 0 | 0.3 |
| Total | 151.3 | 166.3 | -9.0 | 100 | 650.8 |

Consolidated net sales amounted to EUR 151.3 million and declined by EUR 15.0 million compared to the previous year. In the Energy Business Group the decline was mainly related to lower investment activity in Western Europe. The net sales in the Regional Operations decreased due to lower demand and corresponding capacity adjustments, in particular initiated in Northern Europe.

GROUP OPERATING PROFIT

The consolidated operating profit for the reporting period amounted to EUR -1.8 (3.1) million. Operating profit improved in Management Consulting Business Group, but declined mainly in Regional Operations and due to increase in unallocated costs.

Business Lines

Business Lines reporting is based on the new organisational structure as announced in February 2014. Pöyry integrated its local activities in Latin and North America as well as in Asia Pacific to Regional Operations as of January 2014. 2013 reporting numbers have been restated (pro forma) accordingly. Employee numbers are reported in full time equivalents (FTE).

Energy Business Group

| | 1-3/ 2014 | 1-3/ 2013 | Change, % | 1-12/ 2013 |
|---|--------------|--------------|--------------|---------------|
| Order stock, EUR million, end of period | 198.1 | 171.6 | 15.4 | 188.5 |
| Sales, EUR million | 29.8 | 35.3 | -15.6 | 135.4 |
| Operating profit, EUR million | 0.6 | 0.9 | -33.3 | 4.9 |
| Operating margin, % | 1.9 | 2.5 | | 3.6 |
| Personnel at end of period | 992 | 1,028 | -3.5 | 994 |

1-3/2014

The order stock amounted to EUR 198.1 million, which is 15.4 per cent higher than the previous year. The order stock increased especially due to the good order intake in the Middle and Far East.

Net sales amounted to EUR 29.8 million, 15.6 per cent lower than the previous year. The decrease is mainly due to lower investment activity in particular in Western Europe.

Operating profit developed accordingly and amounted to EUR 0.6 million (1.9 per cent of sales).

Industry Business Group

| | 1-3/ 2014 | 1-3/ 2013 | Change, % | 1-12/ 2013 |
|---|--------------|--------------|--------------|---------------|
| Order stock, EUR million, end of period | 16.6 | 25.9 | -35.9 | 17.1 |
| Sales, EUR million | 11.1 | 9.8 | 13.3 | 43.7 |
| Operating profit, EUR million | 0.2 | -0.1 | n.a. | 1.3 |
| Operating margin, % | 1.8 | -1.0 | | 3.0 |
| Personnel at end of period | 478 | 496 | -3.6 | 494 |

1-3/2014

Order stock amounted to EUR 16.6 million, which is 35.9 per cent lower than the previous year when a large project in Latin America was included in the order stock.

Net sales amounted to EUR 11.1 million and were 13.3 per cent higher than the previous year in line with the project implementation schedules.

Operating profit developed accordingly and amounted to EUR 0.2 million (1.8 per cent of sales).

Regional Operations

| | 1-3/ 2014 | 1-3/ 2013 | Change, % | 1-12/ 2013 |
|---|--------------|--------------|--------------|---------------|
| Order stock, EUR million, end of period | 305.4 | 372.0 | -17.9 | 279.0 |
| Sales, EUR million | 92.8 | 104.0 | -10.8 | 405.5 |
| Operating profit, EUR million | -1.2 | 2.4 | n.a. | 1.8 |
| Operating margin, % | -1.3 | 2.3 | | 0.4 |
| Personnel at end of period | 3,704 | 4,062 | -8.8 | 3,821 |

1-3/2014

Order stock amounted to EUR 305.4 million, and was 17.9 per cent lower than the previous year, as the order intake decreased in most regions. However, a large order was recorded in Latin America in March.

Net sales amounted to EUR 92.8 million, which is 10.8 per cent lower than the previous year. The net sales declined due to the business refocusing of the former Urban Business Group, increased competitive pressure in Europe and related capacity adjustments.

Operating profit developed accordingly and amounted to EUR -1.2 million. Various low performing projects originating from the former Urban Business Group are currently under implementation and hence continue to burden the result.

Management Consulting Business Group

| | 1-3/ 2014 | 1-3/ 2013 | Change, % | 1-12/ 2013 |
|---|--------------|--------------|--------------|---------------|
| Order stock, EUR million, end of period | 19.8 | 16.4 | 20.7 | 15.4 |
| Sales, EUR million | 17.8 | 17.6 | 1.1 | 65.9 |
| Operating profit, EUR million | 1.4 | 0.5 | n.a. | 2.4 |
| Operating margin, % | 7.9 | 2.8 | | 3.6 |
| Personnel at end of period | 413 | 469 | -11.9 | 413 |

1-3/2014

Order stock amounted to EUR 19.8 million, which is 20.7 per cent higher than the previous year.

Net sales developed in line with the expectations and amounted to EUR 17.8 million which is 1.1 per cent higher than the previous year.

Operating profit increased and amounted to EUR 1.4 million (7.9 per cent of sales) mainly due to structural improvements implemented during 2013.

Group Overhead and unallocated costs

Unallocated costs between January-March 2014 amounted to EUR 2.8 million (0.6), representing 1.9 per cent of sales (0.3). This increase results from continued centralisation of the global support functions.

GROUP FINANCIAL RESULT

The net financial items amounted to EUR -1.2 million (-0.8).

Profit before taxes totalled EUR -3.0 million (2.2).

Income taxes were EUR -0.2 million (-1.4).

Net profit for the period amounted to EUR -3.2 million (0.8), the total of which is attributable to equity holders of the parent company.

Diluted earnings per share were EUR -0.06 (0.01).

BALANCE SHEET

The consolidated balance sheet amounted to EUR 455.1 million, which is EUR 26.4 million lower than at year-end 2013 (481.5).

Total equity at the end of the reporting period amounted to EUR 128.8 million (130.0). Total equity attributable to equity holders of the parent company was EUR 125.9 million (126.0) or EUR 2.11 per share (2.11).

Accounts receivables include positions which relate to certain public sector infrastructure projects in Venezuela, where the client is a public authority. The receivables have been described in the report of the Board of Directors for 2012 and there have not been any material changes since then. The current valuation of the receivables is approximately EUR 16 million.

Return on equity (ROE) amounted to -10.1 per cent (2.2). Return on investment (ROI) amounted to -2.0 per cent (4.3).

CASH FLOW AND FINANCING

Group cash and cash equivalents and other liquid assets at the end of the reporting period amounted to EUR 43.4 (54.5) million. In addition to these, the Group had available credit facilities amounting to EUR 92.0 million. The amount of issued Commercial Papers was EUR 34.7 million.

Net cash from operating activities in the reporting period amounted to EUR -22.3 million (-18.4), representing EUR -0.38 per share. Net cash before financing activities amounted to EUR -22.8 million (-19.6).

Net debt at the end of the reporting period totalled EUR 57.3 million (104.2). Gearing was 44.5 per cent (80.1). The equity ratio was 32.8 per cent (27.1).

Calculation rules and key figures are presented on the Key figures page of this interim report.

CAPITAL EXPENDITURE

During the reporting period, the Group's capital expenditures totalled EUR 0.5 million.

| Capital expenditure, EUR million | 1-3/ 2014 | 1-3/ 2013 | 1-12/ 2013 |
|----------------------------------|--------------|--------------|---------------|
| Capital expenditure, operating | 0.5 | 1.2 | 5.9 |
| Capital expenditure, shares | 0.0 | 0.0 | 0.0 |
| Capital expenditure, total | 0.5 | 1.2 | 5.9 |

PERSONNEL

| Personnel (FTE) by business group, at the end of the period | 1-3/ 2014 | 1-3/ 2013 | Change, % |
|---|--------------|--------------|--------------|
| Energy | 992 | 1,028 | -3.5 |
| Industry | 478 | 496 | -3.6 |
| Regional operations | 3,704 | 4,062 | -8.8 |
| Management Consulting | 413 | 469 | -11.9 |
| Group staff and shared resources | 205 | 238 | -13.9 |
| Personnel, total | 5,792 | 6,293 | -8.0 |

| Personnel (FTE) by geographic area, at the end of the period | 1-3/ 2014 | 1-3/ 2013 | Change, % |
|--|--------------|--------------|--------------|
| Nordic countries | 2,272 | 2,476 | -8.2 |
| Other Europe | 1,973 | 2,071 | -4.7 |
| Asia | 538 | 569 | -5.4 |
| North America | 142 | 188 | -24.5 |
| South America | 850 | 970 | -12.4 |
| Other areas | 17 | 19 | -10.5 |
| Personnel, total | 5,792 | 6,293 | -8.0 |

Personnel structure

The Group had an average of 5,746 (6,345) employees (FTEs), which is 9.4 per cent less than the previous year. The number of personnel (FTEs) at the end of the period was 5,792 (6,293). The number of personnel has decreased as a result of structural capacity adjustments in Business lines.

Pöyry has included, from 1 January 2014 onwards, expenses related to contracts with independent self-employed specialists in Latin America in the personnel expenses. Similarly the amount of independent self-employed specialists has been included in the employee numbers. This measure has increased the amount of personnel by about 300 FTE's. The figures for the comparison year have been restated accordingly.

Performance share plan

The Board of Directors of Pöyry PLC approved on 4 February 2014 a new share-based incentive plan for the Pöyry Group key personnel. The incentive plan is directed to approximately 35 people. The plan consists of three discretionary periods, calendar years 2014, 2015 and 2016. The Board of Directors of the company will decide on the performance criteria and their targets at the beginning of each discretionary period. The rewards to be paid on the basis of the discretionary period 2014 will correspond to an approximate value of a maximum total of 300.000 Pöyry PLC shares (gross), if the earnings target set by the Board of Directors is met. Should the company's earnings exceed the target and reach maximum performance, as defined by the Board of Directors, the rewards to be paid on the basis of the discretionary period 2014 will correspond to an approximate value of a maximum total of 600.000 Pöyry PLC shares (gross).

GOVERNANCE

Annual General Meeting 2014

The Annual General Meeting ("AGM") of Pöyry PLC was held on 11 March 2014. The AGM adopted Pöyry PLC's annual accounts and granted the members of the Board of Directors and the President and CEO of the company discharge from liability for the financial period 1 January to 31 December 2013.

The AGM decided that no dividend be distributed for 2013.

The AGM decided that the Board of Directors consists of seven (7) ordinary members. The AGM elected the following members to the Board of Directors: Mr. Pekka Ala-Pietilä, Mr. Georg Ehrnrooth, Mr. Henrik Ehrnrooth, Mr. Alexis Fries, Mr. Heikki Lehtonen, Mr. Michael Obermayer and Ms. Karen de Segundo.

The AGM decided that the annual fees of the members of the Board of Directors be EUR 45 000 for a member, EUR 55 000 for the Vice Chairman and EUR 65 000 for the Chairman of the Board, and the annual fee of the members of the committees of the Board of Directors be EUR 15 000. In addition, the AGM authorised the Board of Directors to decide about an additional fee of not more than EUR 15 000 per annum for each of the foreign residents of the Board of Directors and an additional fee of not more than EUR 5 000 per annum for each of the foreign residents of the committees of the Board of Directors. The authorisation shall be in force until the next AGM.

At its assembly meeting immediately following the AGM, the Board of Directors elected Henrik Ehrnrooth as Chairman and Heikki Lehtonen as Vice Chairman. Heikki Lehtonen (Chairman), Georg Ehrnrooth and Karen de Segundo were elected as members of the Audit Committee. Pekka Ala-Pietilä (Chairman), Henrik Ehrnrooth, Heikki Lehtonen and Michael Obermayer were elected as members of the Nomination and Compensation Committee. In accordance with the authorisation by the AGM the Board decided to pay an additional fee of EUR 15 000 per annum to the foreign residents of the Board of Directors and an additional fee of EUR 5 000 per annum to the foreign residents of the committees of the Board of Directors.

PricewaterhouseCoopers Oy continues as Pöyry PLC's auditors based on the resolution made in the AGM on 8 March 2012. PricewaterhouseCoopers Oy has appointed Merja Lindh, Authorised Public Accountant, as the auditor in charge.

Authorisations

In the AGM on 11 March 2014 the Board of Directors was authorised to decide on the acquisition of up to 5 900 000 own shares of the company in one or more tranches by using distributable funds. The shares may be acquired either through public trading, in which case the shares would be acquired in another proportion than that of the current shareholders, or by public offer at market prices at the time of purchase. The Board of Directors is authorised to resolve on all other terms and conditions regarding the acquisition of own shares. The authorisation shall be in force for 18 months from the decision of the AGM. The authorisation granted by the previous AGM regarding acquisition of the company's own shares expired simultaneously.

The Board of Directors was also authorised to decide on the issuance of new shares and special rights entitling to shares, as well as to convey the company's own shares held by the company in one or more tranches. The share issue can be carried out as a share issue against payment or without consideration on terms to be determined by the Board of Directors and in relation to a share issue against payment at a price to be determined by the Board of Directors. A maximum of 11 800 000 new shares can be issued. A maximum of 5 900 000 own shares held by the company can be conveyed. The authorisation comprises a right to deviate from the shareholders' pre-emptive subscription right, as well as a right for the Board of Directors to resolve on all other terms and conditions regarding the issuance or conveyance of shares and special rights entitling to shares. Furthermore, the authorisation includes the right to decide on a share issue without consideration to the Company itself so that the amount of own shares held by the Company after the share issue is a maximum of one tenth (1/10) of all shares in the Company. The authorisation shall be in force for 18 months from the decision of the AGM. The authorisation granted by the previous AGM regarding issuing shares expired simultaneously.

SHARE CAPITAL AND SHARES

The share capital of Pöyry PLC at 31 March 2014 totalled EUR 14,588,478 and the total number of shares including treasury shares totalled 59,759,610.

On 11 March 2014 the Board of Directors of Pöyry PLC decided on a directed share issue for the reward payment from the earning period 2011-2013 of the Pöyry Performance Share Plan 2011-2015. In the share issue maximum of 72,700 Pöyry PLC shares held by the company were issued and conveyed without consideration to the key persons participating in the Pöyry Performance Share Plan according to the terms and conditions of the plan. More detailed information about the plan has been announced on 8 February 2011. The decision on the directed share issue is based on the authorisation granted to the Board of Directors by the Annual General Meeting of shareholders held on 11 March 2014.

On 31 March 2014 Pöyry PLC held a total of 683,155 of its own shares. After the above mentioned directed share issue Pöyry PLC holds a total of 610,455 of its own shares, which corresponds to 1.0 per cent of the total number of shares.

MARKET CAP AND TRADING

The closing price of Pöyry's shares on 31 March 2014 was EUR 4.22 (4.33). The volume weighted average share price during the report period was EUR 4.22 (3.61), the highest quotation being EUR 4.80 (4.50) and the lowest EUR 3.95 (2.93). The share price increased approximately 4 per cent from the end of 2013. During the report period, approximately 3.1 million Pöyry shares were traded on the NASDAQ OMX Helsinki, corresponding to a turnover of approximately EUR 13.0 million. The average daily trading volume was 49,817 shares or approximately EUR 0.2 million.

On 31 March 2014, the total market value of Pöyry's shares was EUR 249.3 (255.8) million excluding treasury shares held by the company, and EUR 252.3 (258.8) million including treasury shares.

OWNERSHIP STRUCTURE

During the report period, the number of registered shareholders increased from 6,899 at the end of 2013 to 7,056 at the end of March 2014, representing an increase of about 2 per cent.

Corbis S.A. continued to be the largest shareholder with 34.20 per cent of the shares. The Chairman of the Board of Directors of Pöyry, Henrik Ehrnrooth, holds indirectly with his brothers Georg Ehrnrooth and Carl-Gustaf Ehrnrooth a controlling interest in Corbis S.A.

At the end of the reporting period a total of 10.62 per cent of the shares were owned by nominee-registered shareholders. Total ownership outside Finland, including Corbis, together with nominee-registered shareholders was in total 45.72 per cent of the shares.

FLAGGINGS IN 2014

No flagging notifications were received by the report's date in 2014.

EVENTS AFTER THE REPORTING PERIOD

Pöyry announced on 22 April 2014 that it is divesting significant parts of its real estate design and consulting business, and its construction management business for the real estate and infrastructure sectors in Finland. The closing of the transaction is subject to the approval of the Finnish competition authorities. The transaction is in direct alignment with Pöyry's focused strategy, where Pöyry is developing its services in key domestic markets, as well as strengthening its global competences in energy, industry and management consulting. As part of the transaction, around 435 people will transfer to the buyer. The total combined annual net sales of the divested business were approximately EUR 44 million in 2013. Upon closing the transaction, it is anticipated that the company's net result in 2014 will improve by approximately EUR 16 million.

PÖYRY'S EVOLUTION

Pöyry's new organisational structure was introduced in February 2013 and is based on Strategic Advisory, Global Competence Lines and Regional Operations. In line with this evolution Pöyry is integrating its local activities in Latin and North America and Asia Pacific to Regional Operations as of January 2014. Corresponding pro forma figures were published as a separate company announcement on 5 February 2014.

The resulting organisational set up serves clients both globally and locally in key home markets. The introduction of Global Competence Lines enables the business to build on the global leadership positions established in the industrial and energy sectors. Pöyry is continuing to develop its large projects competence capabilities and its share in corresponding orders are expected to increase.

The establishment of Regional Operations provides the business with a more focused platform to deliver the large number of small to medium-sized domestic client projects across the full breadth of Pöyry's sectors. The development of comprehensive strategic advisory services continues under the Management Consulting Business Group.

Pöyry continues to implement its structural and administrative process improvement program announced at the end of 2012. As these measures are progressing, Pöyry is introducing further improvements in terms of sales focus, project management and capacity management. By the end of 2017, Pöyry aims to reach net sales amounting to EUR 1,000 million with a corresponding operating profit margin of 8-9%.

SIGNIFICANT RISKS AND BUSINESS UNCERTAINTIES

The economic and political uncertainties continue and the risk of recession particularly in the European market persists. This can impact clients' decision making and lead to delays. These circumstances may adversely influence Pöyry's clients' ability to arrange project financing and more generally, slow down overall business activity, hence impacting Pöyry's net sales and profitability.

Pöyry focuses equally on small, mid-size and large projects. Large projects, which also include Engineering, Procurement and Construction (EPC) projects, may require thorough and lengthy development work and therefore contain uncertainties related to financing, implementation concepts and the exact timing of project start-up, all of which are beyond Pöyry's control. During the project execution phase, further risks may emerge. The company has stringent risk management processes in place by which such risks are identified and mitigated as much as possible at an early stage.

Part of Pöyry's business comes from municipal and other public sector clients. The high level of indebtedness of various economies has led the EU and an increasing number of governments to decide on austerity and cost-reduction measures. This may have a negative effect on infrastructure investments and consequently could affect services provided by Pöyry.

Part of Pöyry's net sales originates from emerging and developing countries, some of which face political and economic challenges. There is a risk that corresponding payment of invoices may be delayed excessively or that the Pöyry Group may experience credit losses. To manage this risk, the company maintains systematic processes for the follow-up and active collection of receivables. The most notable risk in this area is the accounts receivable in the Venezuelan infrastructure projects. The receivables have been described in the report of the Board of Directors for 2012. Intensive activities to collect these receivables are ongoing. However, there are considerable political uncertainties in Venezuela and there continues to be uncertainty about the timing and the amount of the payments, which has been reflected in the valuation of the receivables.

The most relevant risks related to Pöyry's business are presented in more detail at the company's website www.poyry.com.

Vantaa, 28 April 2014
Pöyry PLC
Board of Directors

THE INTERIM REPORT 1 JANUARY - 31 MARCH 2014

This interim report has been prepared in accordance with IAS 34 following the same accounting principles as in the annual financial statement for 2013 apart from the following changes:

- IFRS 10 Consolidated financial statements
- IFRS 11 Joint arrangements
- IFRS 12 Disclosure of interest in other entities

The company had incorrectly stated in consolidated financial statements for 2013 that it had applied IFRS 10, IFRS 11 and IFRS 12 standards as of 1 January 2013.

All figures in the accounts have been rounded and consequently the totals of individual figures can deviate from the presented total figure. This interim report is unaudited.

PÖYRY GROUP

STATEMENT OF COMPREHENSIVE INCOME

| EUR million | 1-3/2014 | 1-3/2013 | 1-12/2013 |
|---|--------------|----------|-----------|
| NET SALES | 151,3 | 166,3 | 650,8 |
| Other operating income | 0,1 | 0,7 | 24,1 |
| Materials and supplies | 0,0 | -1,5 | -14,1 |
| External charges, subconsulting | -13,0 | -17,4 | -72,4 |
| Personnel expenses | -102,9 | -109,0 | -408,6 |
| Depreciation and impairment | -1,5 | -2,1 | -14,3 |
| Other operating expenses | -35,8 | -33,9 | -151,6 |
| OPERATING PROFIT | -1,8 | 3,1 | 13,9 |
| Proportion of net sales, % | -1,2 | 1,9 | 2,1 |
| Financial income | 0,4 | 0,4 | 1,9 |
| Financial expenses | -1,1 | -1,2 | -6,8 |
| Exchange rate differences | -0,5 | 0,0 | -0,3 |
| Share of associated companies' and joint ventures' results | 0,0 | -0,1 | 0,4 |
| PROFIT BEFORE TAXES | -3,0 | 2,2 | 9,1 |
| Proportion of net sales, % | -2,0 | 1,3 | 1,4 |
| Income taxes | -0,2 | -1,4 | -6,5 |
| NET PROFIT FOR THE PERIOD | -3,2 | 0,8 | 2,6 |
| OTHER COMPREHENSIVE INCOME | | | |
| Items that will not be reclassified to profit or loss | | | |
| Remeasurements of net defined benefit pension liability | 0,0 | 0,0 | 8,1 |
| Impact on deferred taxes | 0,0 | 0,0 | -1,5 |
| Items that may be reclassified to profit or loss | | | |
| Cash flow hedging | 0,0 | 0,2 | 1,1 |
| Impact on deferred taxes | 0,0 | 0,0 | -0,3 |
| Translation differences | -0,5 | 0,2 | -6,4 |
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD | -3,7 | 1,2 | 3,6 |
| Net profit attributable to: | | | |
| Equity holders of the parent company | -3,2 | 0,7 | 3,6 |
| Non-controlling interest | 0,0 | 0,1 | -1,0 |
| Total comprehensive income attributable to: | | | |
| Equity holders of the parent company | -3,7 | 1,1 | 4,6 |
| Non-controlling interest | 0,0 | 0,1 | -1,0 |
| Earnings/share, attributable to the equity holders of the parent company, EUR | | | |
| Corrected with dilution effect | -0,06 | 0,01 | 0,06 |
| | -0,06 | 0,01 | 0,06 |

STATEMENT OF FINANCIAL POSITION

| EUR million | 31 March 2014 | 31 March 2013 | 31 Dec. 2013 |
|--|---------------|---------------|--------------|
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Goodwill | 120,2 | 131,2 | 127,4 |
| Intangible assets | 2,3 | 9,4 | 2,4 |
| Tangible assets | 12,1 | 59,3 | 13,3 |
| Shares in associated companies and joint ventures | 8,1 | 9,8 | 8,1 |
| Other shares | 2,0 | 2,0 | 2,0 |
| Loans receivable | 0,3 | 0,7 | 0,3 |
| Deferred tax receivables | 16,8 | 18,8 | 16,4 |
| Pension receivables | 0,3 | 0,2 | 0,2 |
| Other | 5,8 | 5,8 | 5,7 |
| | 167,9 | 237,2 | 175,8 |
| CURRENT ASSETS | | | |
| Work in progress | 94,8 | 108,5 | 84,8 |
| Accounts receivable | 111,2 | 137,1 | 124,6 |
| Loans receivable | 0,3 | 0,1 | 0,3 |
| Other receivables | 11,3 | 11,1 | 9,1 |
| Prepaid expenses and accrued income | 12,7 | 18,0 | 14,5 |
| Financial assets at fair value through profit and loss | 0,2 | 0,1 | 0,2 |
| Cash and cash equivalents | 43,2 | 54,4 | 72,2 |
| | 273,7 | 329,3 | 305,7 |
| Assets classified as held for sale | 13,5 | 0,0 | 0,0 |
| TOTAL | 455,1 | 566,5 | 481,5 |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| EQUITY ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE PARENT COMPANY | | | |
| Share capital | 14,6 | 14,6 | 14,6 |
| Legal reserve | 3,5 | 3,5 | 3,5 |
| Invested free equity reserve | 60,1 | 60,1 | 60,1 |
| Fair value reserve | 0,0 | -0,6 | 0,0 |
| Translation difference | -13,7 | -6,5 | -13,2 |
| Retained earnings | 61,4 | 54,9 | 64,6 |
| | 125,9 | 126,0 | 129,6 |
| Non-controlling interest | 2,9 | 4,0 | 2,9 |
| | 128,8 | 130,0 | 132,5 |
| LIABILITIES | | | |
| NON-CURRENT LIABILITIES | | | |
| Interest bearing non-current liabilities | 43,6 | 76,8 | 56,4 |
| Pension obligations | 24,6 | 33,6 | 23,9 |
| Deferred tax liability | 0,1 | 1,5 | 0,2 |
| Other non-current liabilities | 2,0 | 12,2 | 2,1 |
| | 70,3 | 124,1 | 82,6 |
| CURRENT LIABILITIES | | | |
| Amortisations of interest bearing non-current liabilities | 21,7 | 40,0 | 9,3 |
| Commercial papers | 34,7 | 40,2 | 40,6 |
| Interest bearing current liabilities | 0,7 | 1,7 | 0,6 |
| Provisions | 14,7 | 15,0 | 15,7 |
| Project advances | 61,1 | 87,0 | 71,6 |
| Accounts payable | 17,5 | 21,3 | 27,4 |
| Other current liabilities | 22,6 | 28,1 | 27,9 |
| Current tax payable | 0,4 | 3,3 | 4,6 |
| Accrued expenses and deferred income | 75,8 | 75,8 | 68,7 |
| | 249,2 | 312,4 | 266,4 |
| Liabilities related to assets classified as held for sale | 6,8 | 0,0 | 0,0 |
| TOTAL | 455,1 | 566,5 | 481,5 |

STATEMENT OF CASH FLOWS

| EUR million | 1-3/2014 | 1-3/2013 | 1-12/2013 |
|--|--------------|--------------|--------------|
| FROM OPERATING ACTIVITIES | | | |
| Net profit for the period | -3,2 | 0,8 | 2,6 |
| Expenses from share-based incentive programmes | 0,1 | 0,1 | 0,3 |
| Depreciation and impairment | 2,0 | 2,1 | 16,3 |
| Gain on sale of shares and fixed assets | 0,0 | -0,6 | -14,6 |
| Adjustment to unpaid liability for acquired shares | 0,0 | 0,0 | -9,0 |
| Loss on sale of shares and fixed assets | 0,0 | 0,0 | 0,5 |
| Financial income and expenses | 1,2 | 0,8 | 5,2 |
| Income taxes | 0,2 | 1,4 | 6,5 |
| Change in work in progress | -12,7 | -16,9 | 6,8 |
| Change in accounts and other receivables | 9,7 | 1,2 | 17,3 |
| Change in project advances received | -9,9 | -3,6 | -19,1 |
| Change in payables and other liabilities | -9,1 | -1,1 | -4,5 |
| Received financial income | 0,2 | 0,4 | 1,6 |
| Paid financial expenses | -1,1 | -0,6 | -7,1 |
| Paid income taxes | 0,3 | -2,4 | -3,8 |
| Total from operating activities | -22,3 | -18,4 | -1,0 |
| CAPITAL EXPENDITURE | | | |
| Investments in fixed assets | -0,5 | -1,2 | -5,9 |
| Sales of shares in subsidiaries deducted with cash included in the sale | 0,0 | 0,0 | -0,1 |
| Sale of real estate | 0,0 | 0,0 | 58,3 |
| Sales of other fixed assets | 0,0 | 0,0 | 0,0 |
| Capital expenditure total, net | -0,5 | -1,2 | 52,3 |
| Net cash before financing | -22,8 | -19,6 | 51,3 |
| FINANCING | | | |
| New loans | 0,0 | 0,0 | 46,6 |
| Repayments of loans | -0,6 | -8,7 | -102,2 |
| Change in current financing | -5,8 | 3,9 | 3,1 |
| Received dividends | 0,2 | 0,0 | 1,8 |
| Paid dividends | 0,0 | -0,8 | -0,8 |
| Net cash from financing | -6,2 | -5,6 | -51,5 |
| Change in cash and cash equivalents | -29,0 | -25,2 | -0,2 |
| Cash and cash equivalents and other liquid assets at the beginning of the period | 72,4 | 83,0 | 83,0 |
| Reclassification of subsidiary company to joint venture | 0,0 | -3,7 | -3,7 |
| Impact of translation differences in exchange rates | 0,0 | 0,4 | -6,7 |
| Cash and cash equivalents and other liquid assets at the end of the period | 43,4 | 54,5 | 72,4 |
| Financial assets at fair value through profit and loss | 0,2 | 0,1 | 0,2 |
| Cash and cash equivalents | 43,2 | 54,4 | 72,2 |
| Cash and cash equivalents and other liquid assets | 43,4 | 54,5 | 72,4 |

CHANGES IN EQUITY

| EUR million | Share capital | Legal reserve | Invested free equity reserve | Fair value reserve | Translation differences | Retained earnings | Total | Non-controlling interest | Total equity |
|---|---------------|---------------|------------------------------|--------------------|-------------------------|-------------------|--------------|--------------------------|--------------|
| Equity 1 January 2014 | 14,6 | 3,5 | 60,1 | 0,0 | -13,2 | 64,6 | 129,6 | 2,9 | 132,5 |
| Comprehensive income | | | | | | | | | |
| Comprehensive income for the period | | | | | -0,5 | -3,2 | -3,7 | 0,0 | -3,7 |
| Contributions by and distributions to owners of the parent, recognised directly into equity | | | | | | | | | |
| Expenses from share-based incentive programmes | | | | | | | 0,0 | | 0,0 |
| Total contributions by and distributions to owners of the parent, recognised directly into equity | | | | | | 0,0 | 0,0 | 0,0 | 0,0 |
| Equity 31 March 2014 | 14,6 | 3,5 | 60,1 | 0,0 | -13,7 | 61,3 | 125,9 | 2,9 | 128,8 |
| Equity 1 January 2013 | 14,6 | 3,5 | 60,1 | -0,8 | -6,7 | 54,2 | 124,9 | 7,4 | 132,3 |
| Comprehensive income | | | | | | | | | |
| Comprehensive income for the period | | | | 0,2 | 0,2 | 0,7 | 1,1 | 0,1 | 1,2 |
| Reclassification of subsidiary company to joint venture | | | | | | | | -2,7 | -2,7 |
| Contributions by and distributions to owners of the parent, recognised directly into equity | | | | | | | | | |
| Payment of dividend | | | | | | 0,0 | 0,0 | -0,8 | -0,8 |
| Expenses from share-based incentive programmes | | | | | | 0,1 | 0,1 | | 0,1 |
| Total contributions by and distributions to owners of the parent, recognised directly into equity | | | | | | 0,1 | 0,1 | -0,8 | -0,7 |
| Equity 31 March 2013 | 14,6 | 3,5 | 60,1 | -0,6 | -6,5 | 54,9 | 126,0 | 4,0 | 130,0 |
| Equity 1 January 2013 | 14,6 | 3,5 | 60,1 | -0,8 | -6,7 | 54,2 | 124,9 | 7,4 | 132,3 |
| Comprehensive income | | | | | | | | | |
| Comprehensive income for the period | | | | 0,8 | -6,4 | 10,2 | 4,6 | -1,0 | 3,6 |
| Reclassification of subsidiary company to joint venture | | | | | | | | -2,7 | -2,7 |
| Contributions by and distributions to owners of the parent, recognised directly into equity | | | | | | | | | |
| Payment of dividend | | | | | | 0,0 | 0,0 | -0,8 | -0,8 |
| Expenses from share-based incentive programmes | | | | | | 0,2 | 0,2 | | 0,2 |
| Total contributions by and distributions to owners of the parent, recognised directly into equity | | | | | | 0,2 | 0,2 | -0,8 | -0,6 |
| Equity 31 December 2013 | 14,6 | 3,5 | 60,1 | 0,0 | -13,2 | 64,6 | 129,6 | 2,9 | 132,5 |

| KEY FIGURES | 1-3/2014 | 1-3/2013 | 1-12/2013 |
|---|-----------------|-----------------|------------------|
| Earnings/share, EUR | -0,06 | 0,01 | 0,06 |
| Diluted | -0,06 | 0,01 | 0,06 |
| Shareholders' equity/share, EUR | 2,11 | 2,11 | 2,17 |
| Return on investment, % | -2,0 | 4,3 | 5,8 |
| Return on equity, % | -10,1 | 2,2 | 2,0 |
| Equity ratio, % | 32,8 | 27,1 | 32,3 |
| Net debt/equity ratio (gearing), % | 44,5 | 80,1 | 26,0 |
| Net debt, EUR million | 57,3 | 104,2 | 34,5 |
| Consulting and engineering, EUR million | 539,2 | 580,9 | 500,0 |
| EPC, EUR million | 1,2 | 5,0 | 0,0 |
| Order stock total, EUR million | 540,4 | 585,9 | 500,0 |
| Capital expenditure, operating, EUR million | 0,5 | 1,2 | 5,9 |
| Capital expenditure in shares, EUR million | 0,0 | 0,0 | 0,0 |
| Personnel in group companies on average | 5746 | 6345 | 6128 |
| Personnel in group companies at end of period | 5792 | 6293 | 5943 |
| Personnel in associated companies and joint ventures at end of period | 244 | 258 | 252 |

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 %

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

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

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

CONTINGENT LIABILITIES

| EUR million | 1-3/2014 | 1-3/2013 | 1-12/2013 |
|------------------------------|----------|----------|-----------|
| Other own obligations | | | |
| Pledged securities | 0,0 | 45,6 | 0,0 |
| Other pledged assets | 0,3 | 0,5 | 0,3 |
| Project and other guarantees | 56,6 | 70,2 | 57,1 |
| Total | 56,9 | 116,3 | 57,4 |
| For others | | | |
| Pledged assets | 0,0 | 0,1 | 0,1 |
| Other obligations | 0,4 | 0,1 | 0,3 |
| Total | 0,4 | 0,2 | 0,4 |
| Rent and lease obligations | 133,0 | 49,2 | 139,0 |

Pledged securities

At the end of March 2014 and December 2013 the Group did not have any pledged securities. As per 31 March 2013 all shares owned by Pöyry (100 per cent) in the mutual real estate company Kiinteistö Oy Vantaan Jaakonkatu 3 and all shares owned by Pöyry (50 per cent) in the mutual real estate company Martinparkki Oy were pledged against a Swedish Krona based bank loan with a book value of EUR 45.6 million.

Project and other guarantees

Project guarantees are normal undertakings related to project business, for example bid bonds or performance guarantees.

Rent and lease obligations

The change compared to previous year end March is explained by Pöyry PLC and its subsidiaries entering into long term office rental agreements at the end of 2013.

Claims and litigation

Given the nature of Pöyry's operations, claims are made against Group companies from time to time based on various grounds, however, these claims seldom result in litigation or arbitration.

Litigations and arbitrations of material value

Sino-Forest Corporation related litigations

In 2011 three competing class proceedings of material value were commenced in Ontario, Canada against Pöyry's subsidiary companies along with other defendants concerning matters relating to Sino-Forest Corporation ("SFC"). Only one of these competing class proceedings was allowed to proceed by the Ontario court (the "Ontario Proceeding"), the others were stayed. The Ontario Proceeding only named one Pöyry subsidiary company as a defendant. A parallel proceeding was commenced in Quebec, Canada involving the same Pöyry subsidiary company (together with the Ontario Proceeding, the "Canadian SFC Litigation").

During the first reporting period of 2012, the Pöyry subsidiary company named as a defendant in the Ontario Proceeding concluded a settlement agreement with the plaintiffs concerning the Canadian SFC Litigation (the "Settlement Agreement"), which was subsequently approved by the Ontario and Quebec courts in the third and fourth reporting periods of 2012, respectively.

In the fourth reporting period of 2012, the Pöyry subsidiary company named as a defendant in the Ontario Proceeding was also added as a defendant to an existing class action previously commenced against SFC and others in the State of New York of the USA (the "US SFC Litigation"). The allegations pleaded are similar to those in the Canadian SFC Litigation. There are no material developments in the US SFC Litigation since the above-referenced addition of the Pöyry subsidiary company as a defendant.

A 'Litigation Trust' was created by way of the SFC insolvency proceedings in December 2012 to pursue certain claims that SFC and/or its noteholders had at that time. In the fourth reporting period of 2013, a proceeding in Ontario was served by the Litigation Trust against, *inter alia*, certain of Pöyry's subsidiary companies that had provided consulting services to SFC. Based on the preliminary views of Pöyry's legal advisors in Canada, this proceeding is deemed without merit and barred pursuant to the court orders issued in connection with the approval of the above-referenced Settlement Agreement.

Rigesa arbitration

In 2013 Pöyry Tecnologia Ltda. and Pöyry Soluções em Projectos Ltda., subsidiary companies of Pöyry, commenced arbitration proceedings against Rigesa Celulose, Papel e Embalagens Ltda. ("Rigesa") in Brazil regarding the payment of certain change orders and other claims in relation to project deliveries of the said subsidiary companies to Rigesa. Rigesa has since commenced counter proceedings against the said Pöyry subsidiary companies in relation to the same project. The two arbitration proceedings have been combined into one proceeding (together the "Rigesa arbitration"). While Pöyry is convinced on the justification for its claims against Rigesa and does not see merit in Rigesa's counterclaims, it is premature to assess the outcome of the Rigesa arbitration.

The risk related to the individual claims and litigations where Group companies are involved is, on balance, considered immaterial on the Group level, taking into consideration the value and basis of these claims and litigations, the contractual terms and conditions and expert opinions applicable to these claims and litigations, the extent of Pöyry's business operations and insurance cover of the Group companies. There are, however, always uncertainties related to the outcome of litigation and arbitration proceedings.

DERIVATIVE INSTRUMENTS

| EUR million | 1-3/2014 | 1-3/2013 | 1-12/2013 |
|------------------------------------|----------|----------|-----------|
| Foreign exchange forward contracts | | | |
| Hedge accounting not applied | | | |
| Nominal value | 55,8 | 10,2 | 59,3 |
| Fair value, gains | 0,7 | 0,1 | 1,0 |
| Fair value, losses | -0,6 | 0,0 | -0,5 |
| Fair value, net | 0,1 | 0,1 | 0,5 |
| Fair value hedge accounting | | | |
| Nominal value | 32,5 | 18,5 | 33,8 |
| Fair value, gains | 0,3 | 0,2 | 0,4 |
| Fair value, losses | 0,0 | -0,3 | -0,1 |
| Fair value, net | 0,3 | -0,1 | 0,3 |
| Foreign exchange option contracts | | | |
| Hedge accounting not applied | | | |
| Nominal value, purchased options | 5,1 | 0,0 | 0,0 |
| Fair value, gains | 0,0 | 0,0 | 0,0 |
| Fair value, losses | -0,2 | 0,0 | 0,0 |
| Fair value, net | -0,2 | 0,0 | 0,0 |
| Nominal value, sold options | 2,1 | 0,0 | 0,0 |
| Fair value, gains | 0,0 | 0,0 | 0,0 |
| Fair value, losses | -0,2 | 0,0 | 0,0 |
| Fair value, net | -0,2 | 0,0 | 0,0 |
| Interest rate swaps | | | |
| Hedge accounting not applied | | | |
| Nominal value | 0,0 | 6,0 | 0,0 |
| Fair value, gains | 0,0 | 0,0 | 0,0 |
| Fair value, losses | 0,0 | 0,0 | 0,0 |
| Fair value, net | 0,0 | 0,0 | 0,0 |
| Cash flow hedge accounting | | | |
| Nominal value | 0,0 | 42,7 | 0,0 |
| Fair value, gains | 0,0 | 0,0 | 0,0 |
| Fair value, losses | 0,0 | -0,8 | 0,0 |
| Fair value, net | 0,0 | -0,8 | 0,0 |

The Group hedges the project cash flows denominated in foreign currency by using foreign exchange forward contracts. Exchange rate gains or losses arisen from these forward contracts are recorded in sales and project expenses.

The fair value of the foreign exchange forward contracts is specified by closing date fair values for the corresponding maturities of the agreements. The fair values of the interest rate swaps and cross currency swaps have been specified by the present values of the future cash flows which are based on the closing date's interest rates and other information, excluding the accrued interest and exchange rate difference. The fair values represent the prices which the Group should pay or receive if it terminated the derivative agreement, and the fair values are based on banks' confirmations as well as reports produced by the treasury management system. Derivative instruments have not been set off in the financial statements but all belong to master netting agreements agreed with external counterparties. At the end of December 2013 the Group did not have any outstanding interest rate or cross currency swaps.

FAIR VALUE HIERARCHY FOR FINANCIAL ASSETS AND LIABILITIES RECOGNISED AT FAIR VALUE

| EUR million | 1-3/2014 | Level 1 | Level 2 | Level 3 |
|--|----------|---------|---------|---------|
| Financial assets at fair value | | | | |
| Available for sale assets, shares | 2,0 | | | 2,0 |
| Derivatives under fair value hedge accounting | 0,3 | | 0,3 | |
| Derivatives outside of hedge accounting | 0,7 | | 0,7 | |
| Financial assets at fair value through profit and loss | 0,2 | | 0,2 | |
| | 3,2 | 0,0 | 1,2 | 2,0 |
| Financial liabilities at fair value | | | | |
| Derivatives under fair value hedge accounting | 0,0 | | 0,0 | |
| Derivatives under cash flow hedge accounting | 0,0 | | 0,0 | |
| Derivatives outside of hedge accounting | -1,1 | | -1,1 | |
| | -1,1 | 0,0 | -1,1 | 0,0 |

| EUR million | 1-3/2013 | Level 1 | Level 2 | Level 3 |
|--|----------|---------|---------|---------|
| Financial assets at fair value | | | | |
| Available for sale assets, shares | 2,0 | | | 2,0 |
| Derivatives under fair value hedge accounting | 0,2 | | 0,2 | |
| Derivatives outside of hedge accounting | 0,1 | | 0,1 | |
| Financial assets at fair value through profit and loss | 0,1 | | 0,1 | |
| | 2,5 | 0,0 | 0,5 | 2,0 |
| Financial liabilities at fair value | | | | |
| Derivatives under fair value hedge accounting | 0,3 | | 0,3 | |
| Derivatives under cash flow hedge accounting | 0,8 | | 0,8 | |
| Derivatives outside of hedge accounting | 0,1 | | 0,1 | |
| | 1,2 | 0,0 | 1,2 | 0,0 |

| EUR million | 1-12/2013 | Level 1 | Level 2 | Level 3 |
|--|-----------|---------|---------|---------|
| Financial assets at fair value | | | | |
| Available for sale assets, shares | 2,0 | | | 2,0 |
| Derivatives under fair value hedge accounting | 0,4 | | 0,4 | |
| Derivatives outside of hedge accounting | 1,0 | | 1,0 | |
| Financial assets at fair value through profit and loss | 0,2 | | 0,2 | |
| | 3,6 | 0,0 | 1,6 | 2,0 |
| Financial liabilities at fair value | | | | |
| Derivatives under fair value hedge accounting | 0,1 | | 0,1 | |
| Derivatives under cash flow hedge accounting | 0,0 | | 0,0 | |
| Derivatives outside of hedge accounting | 0,5 | | 0,5 | |
| | 0,6 | 0,0 | 0,6 | 0,0 |

Level 1 fair values are measured using quoted prices in active markets at the balance sheet date for identical assets or liabilities. A market is regarded as active if quoted prices are easily and regularly available from e.g. an exchange, dealer, broker, industry group or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. Instruments in Level 1 consist mainly of DAX, FTSE and Dow Jones equity investments classified as trading securities or available for sale.

Level 2 fair values of financial instruments that are not traded in an active market (for example OTC-derivatives) are determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. To value financial instruments the following techniques can be used:

- Quoted market prices or dealer quotes for similar instruments
- Interest rate swaps: the present value of the estimated future cash flows based on observable yield curves
- Foreign exchange forward contracts: discounting back to present value based on forward rates at the balance sheet date
- Other financial instruments: for example discounted cash flow analysis

Level 3 fair values are measured using valuation techniques based on unquoted parameter inputs.

During Q1 2014 there were no transfers between levels 1, 2 and 3. The change in level 3 compared to previous year is explained by fair value changes of such shares owned by group companies which are not denominated in euros, and/or selling of these shares.

FINANCIAL ASSETS AND LIABILITIES

| EUR million | 1-3/2014 | 1-3/2013 | 1-12/2013 |
|--|--------------|--------------|--------------|
| Available-for-sale assets, shares | 2,0 | 2,0 | 2,0 |
| Loans and other receivables | | | |
| Non-current accounts receivable | 3,2 | 2,8 | 3,5 |
| Other non-current receivables | 2,4 | 2,9 | 2,0 |
| Current accounts receivable | 111,2 | 137,1 | 124,6 |
| Current loans receivable | 0,3 | 0,1 | 0,3 |
| Cash and cash equivalents *) | 43,2 | 54,4 | 72,2 |
| Derivatives under fair value hedge accounting | 0,3 | 0,2 | 0,4 |
| Derivatives outside of hedge accounting | 0,7 | 0,1 | 1,0 |
| Financial assets at fair value through profit and loss | 0,2 | 0,1 | 0,2 |
| FINANCIAL ASSETS | 163,5 | 199,8 | 206,1 |
| Liabilities at amortised cost | | | |
| Interest bearing liabilities | 100,7 | 158,7 | 106,9 |
| Accounts payable | 17,5 | 21,4 | 27,4 |
| Derivatives under fair value hedge accounting | 0,0 | 0,3 | 0,1 |
| Derivatives under cash flow hedge accounting | 0,0 | 0,8 | 0,0 |
| Derivatives outside of hedge accounting | -1,1 | 0,1 | 0,5 |
| FINANCIAL LIABILITIES | 117,1 | 181,2 | 134,8 |

The book value of the financial assets and liabilities corresponds to their fair value. Fair value calculation rules of the derivatives can be found under Derivative Instruments.

*) Cash and cash equivalents include current account balances which belong to a multi-currency notional cash pool operated by Pöyry PLC. For reporting purposes the account balances of this cash pool can be offset if the conditions of IAS 32 Financial Instruments: Presentation are met. The Group met these conditions and at 31 March 2014 EUR 6.7 million of the cash balances and equivalent amount of the overdraft balances were offset.

RELATED PARTY TRANSACTIONS

To the related parties of Pöyry Group belong subsidiaries, associated companies, joint ventures, consortiums, the Board of Directors, the President and CEO and the members of the Group Executive Committee and their family members. Furthermore Corbis S.A. belongs to the related parties.

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 31 March 2014 a total of 344 014 shares (on 31 December 2013 a total of 344 014 shares).

Performance share plan 2011-2015

In February 2011 the Board of Directors of Pöyry PLC approved a share-based incentive plan for key personnel. The plan includes three earning periods which are the calendar years 2011-2013, 2012-2014 and 2013-2015. The Board of Directors has on 11 March 2014 decided on a directed share issue for the reward payment from the earning period 2011-2013. In the share issue maximum of 72,700 Pöyry PLC shares held by the Company will be issued and conveyed without consideration to the key persons according to the terms and conditions of the plan.

Performance share plan 2014-2016

The Board of Directors of Pöyry PLC approved on 4 February 2014 a new share-based incentive plan for the Pöyry Group key personnel. The incentive plan is directed to approximately 35 persons. The plan consists of three discretionary periods, calendar years 2014, 2015 and 2016. The Board of Directors of the company will decide on the performance criteria and their targets at the beginning of each discretionary period.

Own shares

Pöyry PLC holds on 31 March 2014 a total of 683 155 (31 December 2013 683 155) own shares corresponding to 1.1 per cent of the total number of shares.

| | 1-3/2014 | 1-3/2013 | 1-12/2013 |
|---|----------|----------|-----------|
| Transaction with associated companies and joint ventures | | | |
| Sales | 0,0 | 0,0 | 0,1 |
| Loans receivable | 0,1 | 0,1 | 0,1 |
| Accounts receivable | 0,0 | 0,0 | 0,0 |
| Transaction with consortiums | | | |
| Sales | 5,3 | 4,5 | 27,2 |
| Accounts receivable | 8,9 | 3,5 | 10,8 |
| Accounts payable | 0,0 | 0,0 | 0,0 |
| Contingent liabilities on behalf of consortiums | 1,2 | 0,9 | 0,5 |

The transactions are determined on an arm's length basis.

CHANGES IN INTANGIBLE ASSETS AND TANGIBLE ASSETS

| EUR million | 1-3/2014 | 1-3/2013 | 1-12/2013 |
|-----------------------------------|----------|----------|-----------|
| Intangible assets | | | |
| Book value at beginning of period | 2,4 | 9,3 | 9,3 |
| Capital expenditure | 0,2 | 0,5 | 0,6 |
| Decreases | 0,0 | 0,0 | 0,1 |
| Depreciation | -0,3 | -0,4 | -7,3 |
| Translation difference | 0,0 | 0,0 | -0,3 |
| Book value at end of period | 2,3 | 9,4 | 2,4 |
| Tangible assets | | | |
| Book value at beginning of period | 13,3 | 60,6 | 60,6 |
| Capital expenditure | 0,3 | 0,7 | 5,3 |
| Decreases | -0,4 | -0,3 | -45,0 |
| Depreciation | -1,2 | -1,7 | -6,9 |
| Translation difference | 0,1 | 0,0 | -0,7 |
| Book value at end of period | 12,1 | 59,3 | 13,3 |

CHANGES IN GOODWILL AND INTANGIBLE RIGHTS

| EUR million | 1-3/2014 | 1-3/2013 | 1-12/2013 |
|--|----------|----------|-----------|
| Book value at beginning of period, goodwill | 127,4 | 131,4 | 131,4 |
| Book value at beginning of period, intangible rights | 0,0 | 6,1 | 6,1 |
| Decrease in goodwill | -6,8 | 0,0 | 0,0 |
| Decrease in intangible rights | 0,0 | 0,0 | -0,3 |
| Depreciation and impairment of intangible rights | 0,0 | 0,0 | -5,9 |
| Exchange differences, goodwill | -0,4 | -0,2 | -4,0 |
| Exchange differences, intangible rights | 0,0 | 0,1 | 0,1 |
| Book value at end of period | 120,2 | 137,4 | 127,4 |
| Goodwill | 120,2 | 131,2 | 127,4 |
| Intangible rights 1) | 0,0 | 6,2 | 0,0 |

1) Purchase price from business acquisitions allocated to intangible rights.

ACQUISITIONS

During the reporting periods there have been no acquisitions.

OPERATING SEGMENTS

| EUR million | 1-3/2014 | 1-3/2013 | 1-12/2013 |
|--|--------------|--------------|--------------|
| NET SALES | | | |
| Energy | 29,8 | 35,3 | 135,4 |
| Industry | 11,1 | 9,8 | 43,7 |
| Regional Operations | 92,8 | 104,0 | 405,5 |
| Management Consulting | 17,8 | 17,6 | 65,9 |
| Unallocated | -0,2 | -0,4 | 0,3 |
| Total | 151,3 | 166,3 | 650,8 |
| OPERATING PROFIT AND NET PROFIT FOR THE PERIOD | | | |
| Energy | 0,6 | 0,9 | 4,9 |
| Industry | 0,2 | -0,1 | 1,3 |
| Regional Operations | -1,2 | 2,4 | 1,8 |
| Management Consulting | 1,4 | 0,5 | 2,4 |
| Unallocated | -2,8 | -0,6 | 3,5 |
| OPERATING PROFIT TOTAL | -1,8 | 3,1 | 13,9 |
| Financial income and expenses | -1,2 | -0,8 | -5,2 |
| Share of associated companies' and joint ventures' results | 0,0 | -0,1 | 0,4 |
| PROFIT BEFORE TAXES | -3,0 | 2,2 | 9,1 |
| Income taxes | -0,2 | -1,4 | -6,5 |
| NET PROFIT FOR THE PERIOD | -3,2 | 0,8 | 2,6 |
| Attributable to: | | | |
| Equity holders of the parent company | -3,2 | 0,7 | 3,6 |
| Non-controlling interest | 0,0 | 0,1 | -1,0 |
| OPERATING PROFIT % | | | |
| Energy | 1,9 | 2,5 | 3,6 |
| Industry | 1,8 | -1,0 | 3,0 |
| Regional Operations | -1,3 | 2,3 | 0,4 |
| Management Consulting | 7,9 | 2,8 | 3,6 |
| Operating profit % total | -1,2 | 1,9 | 2,1 |
| ORDER STOCK | | | |
| Energy | 198,1 | 171,6 | 188,5 |
| Industry | 16,6 | 25,9 | 17,1 |
| Regional Operations | 305,4 | 372,0 | 279,0 |
| Management Consulting | 19,8 | 16,4 | 15,4 |
| Unallocated | 0,5 | 0,0 | 0,0 |
| Total | 540,4 | 585,9 | 500,0 |
| Consulting and engineering | 539,2 | 580,9 | 500,0 |
| EPC | 1,2 | 5,0 | 0,0 |
| Total | 540,4 | 585,9 | 500,0 |
| NET SALES BY AREA | | | |
| The Nordic countries | 58,8 | 60,9 | 230,3 |
| Other Europe | 53,7 | 58,8 | 229,2 |
| Asia | 14,8 | 14,9 | 57,0 |
| North America | 4,7 | 6,5 | 21,9 |
| South America | 17,4 | 23,0 | 100,3 |
| Other | 1,9 | 2,2 | 12,1 |
| Total | 151,3 | 166,3 | 650,8 |
| PERSONNEL AT END OF PERIOD | | | |
| Energy | 992 | 1 028 | 994 |
| Industry | 478 | 496 | 494 |
| Regional Operations | 3 704 | 4 062 | 3 821 |
| Management Consulting | 413 | 469 | 413 |
| Unallocated | 205 | 238 | 221 |
| Total | 5 792 | 6 293 | 5 943 |

OPERATING SEGMENTS

| EUR million | 1-3/13 | 4-6/13 | 7-9/13 | 10-12/13 |
|--|--------------|--------------|--------------|--------------|
| NET SALES | | | | |
| Energy | 35,3 | 35,4 | 31,1 | 33,6 |
| Industry | 9,8 | 13,1 | 10,0 | 10,8 |
| Regional Operations | 104,0 | 107,3 | 97,4 | 96,8 |
| Management Consulting | 17,6 | 14,8 | 14,8 | 18,7 |
| Unallocated | -0,4 | -0,4 | 0,4 | 0,7 |
| Total | 166,3 | 170,2 | 153,7 | 160,6 |
| OPERATING PROFIT | | | | |
| Energy | 0,9 | 0,8 | 2,6 | 0,6 |
| Industry | -0,1 | 1,2 | 0,3 | -0,1 |
| Regional Operations | 2,4 | 2,2 | 0,3 | -3,1 |
| Management Consulting | 0,5 | -0,9 | 0,8 | 2,0 |
| Unallocated | -0,6 | -1,4 | -3,4 | 8,9 |
| OPERATING PROFIT TOTAL | 3,1 | 1,9 | 0,6 | 8,3 |
| Financial income and expenses | -0,8 | -1,7 | -1,4 | -1,3 |
| Share of associated companies' and joint ventures' results | -0,1 | 0,3 | -0,1 | 0,3 |
| PROFIT BEFORE TAXES | 2,2 | 0,5 | -0,9 | 7,3 |
| Income taxes | -1,4 | -1,1 | 0,8 | -4,8 |
| NET PROFIT FOR THE PERIOD | 0,8 | -0,6 | -0,1 | 2,5 |
| Attributable to: | | | | |
| Equity holders of the parent company | 0,7 | -0,6 | 0,9 | 2,6 |
| Non-controlling interest | 0,1 | 0,0 | -1,0 | -0,1 |
| OPERATING PROFIT % | | | | |
| Energy | 2,5 | 2,3 | 8,4 | 1,8 |
| Industry | -1,0 | 9,2 | 3,0 | -0,9 |
| Regional Operations | 2,3 | 2,1 | 0,3 | -3,2 |
| Management Consulting | 2,8 | -6,1 | 5,4 | 10,7 |
| Group | 1,9 | 1,1 | 0,4 | 5,2 |
| ORDER STOCK | | | | |
| Energy | 171,6 | 196,5 | 199,8 | 188,5 |
| Industry | 25,9 | 23,7 | 24,0 | 17,1 |
| Regional Operations | 372,0 | 317,2 | 313,0 | 279,0 |
| Management Consulting | 16,4 | 18,3 | 20,8 | 15,4 |
| Unallocated | 0,0 | 0,0 | 0,0 | 0,0 |
| Total | 585,9 | 555,7 | 557,6 | 500,0 |
| Consulting and engineering | 580,9 | 553,8 | 554,8 | 500,0 |
| EPC | 5,0 | 1,9 | 2,8 | 0,0 |
| Total | 585,9 | 555,7 | 557,6 | 500,0 |

OPERATING SEGMENTS

| EUR million | 1-3/12 | 4-6/12 | 7-9/12 | 10-12/12 |
|--|--------------|--------------|--------------|--------------|
| NET SALES | | | | |
| Energy | 39,5 | 42,1 | 36,6 | 43,9 |
| Industry | 10,6 | 11,2 | 9,5 | 8,7 |
| Regional Operations | 141,3 | 131,3 | 113,0 | 116,1 |
| Management Consulting | 18,6 | 17,8 | 16,7 | 20,7 |
| Unallocated | -0,5 | -3,6 | 0,2 | 1,3 |
| Total | 209,5 | 198,8 | 176,0 | 190,7 |
| OPERATING PROFIT | | | | |
| Energy | -0,3 | -0,7 | 0,0 | 1,8 |
| Industry | 0,0 | 0,3 | 0,6 | 0,7 |
| Regional Operations | 8,0 | 2,7 | 1,1 | -7,4 |
| Management Consulting | 0,3 | 0,1 | 0,0 | -1,0 |
| Unallocated | -9,3 | -3,5 | -3,0 | -9,3 |
| OPERATING PROFIT TOTAL | -1,3 | -1,1 | -1,3 | -15,2 |
| Financial income and expenses | -0,6 | -0,1 | -1,6 | -1,5 |
| Share of associated companies' and joint ventures' results | 0,2 | 0,1 | 0,2 | 0,1 |
| PROFIT BEFORE TAXES | -1,7 | -1,1 | -2,7 | -16,6 |
| Income taxes | -2,2 | -1,5 | 0,2 | 1,3 |
| NET PROFIT FOR THE PERIOD | -3,9 | -2,6 | -2,5 | -15,3 |
| Attributable to: | | | | |
| Equity holders of the parent company | -4,2 | -2,6 | -3,0 | -15,4 |
| Non-controlling interest | 0,3 | 0,0 | 0,5 | 0,1 |
| OPERATING PROFIT % | | | | |
| Energy | -0,8 | -1,7 | 0,0 | 4,1 |
| Industry | 0,0 | 2,7 | 6,3 | 8,0 |
| Regional Operations | 5,7 | 2,1 | 1,0 | -6,4 |
| Management Consulting | 1,6 | 0,6 | 0,0 | -4,8 |
| Operating profit % total | -0,6 | -0,6 | -0,7 | -8,0 |
| ORDER STOCK | | | | |
| Energy | 189,4 | 184,6 | 172,2 | 178,2 |
| Industry | 17,0 | 30,4 | 26,4 | 21,3 |
| Regional Operations | 470,9 | 407,9 | 376,0 | 332,6 |
| Management Consulting | 19,3 | 21,2 | 20,5 | 15,6 |
| Unallocated | 0,3 | 0,0 | 0,0 | 0,0 |
| Total | 696,9 | 644,1 | 595,1 | 547,7 |
| Consulting and engineering | 671,1 | 631,9 | 586,5 | 542,7 |
| EPC | 25,8 | 12,2 | 8,6 | 5,0 |
| Total | 696,9 | 644,1 | 595,1 | 547,7 |