BUSINESS REVIEW 2006

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This document contains a summary of Pöyry Plc's financial figures. The complete financial statements have been published separately. The financial statements are available in pdf format on the company's website at www.poyry.com, where the printed version can be ordered.

PÖYRY IN BRIEF

Pöyry is a global consulting and engineering services firm focusing on the energy, forest industry and infrastructure and environment sectors.

Pöyry's business idea is to offer expertise, solutions and local services covering the entire lifecycle of the clients' business and investment projects. Pöyry has in-depth business-sector and strategic know-how, project development and project management expertise, and local project implementation and operations management know-how.

Pöyry's network of experts works in close co-operation with its clients, aiming for development of all phases of their business. Pöyry operates globally in 45 countries and employs a total of 6400 experts.

Pöyry Plc is listed on the Helsinki Stock Exchange.

Energy

The Energy business group's main practice areas are:

- Management consulting
- Hydropower
- Renewable energy
- Power and heat
- Oil and gas

The office network covers Europe, the Middle East, Asia and Australia. Clients include privately or government owned utilities, industrial companies, equipment suppliers, financing institutions and development banks.

Forest Industry

The Forest Industry business group's main practice areas are:

- Management consulting
- New investment projects
- Rebuild projects and local services
- Chemical industry

The business group's office network covers all major forest products regions in the world. Clients include forest industry companies, equipment suppliers, international financing institutions and chemical process industry companies.

Infrastructure & Environment

The Infrastructure & Environment business group's main practice areas are:

- Transportation systems
- Water and environment
- Real estate and telecom

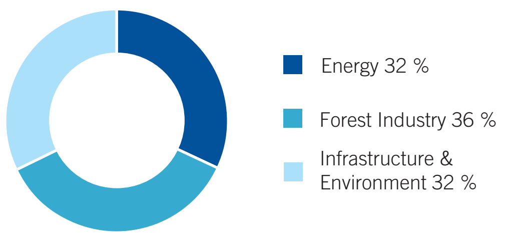
The office network covers Europe, Latin America and Asia. Clients include government and municipal organisations, international development institutions, and transport, water supply and telecommunications companies.

Key figures

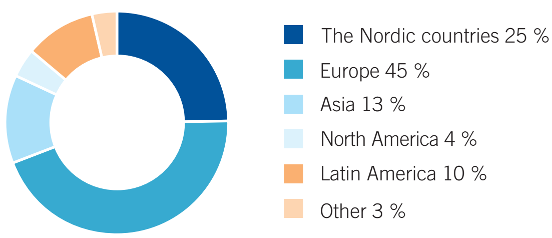
	2005	2006
Net sales, EUR million	523.6	623.3
Operating profit, EUR million	37.2	49.9
Operating profit, %	7.1	8.0
Profit before taxes, EUR million	38.6	50.2
Profit before taxes, %	7.4	8.1
Earnings/share, EUR	0.45	0.58
Dividend/share, EUR	0.325	0.50 [1]
Dividend/earnings ratio, %	72.2	86.2
Return on investment, %	25.8	31.1
Gearing, %	- 36.1	- 37.6
Order stock, EUR million	452.1	507.6
Personnel in group companies	5 608	6 389

[1] Board of Directors' proposal.

Net sales by business group



Net sales by market area



PRESIDENT'S REVIEW

Pöyry's operations continued to develop positively during 2006. All of our strategic targets were either met or exceeded. Net sales increased by 19 per cent to EUR 623.3 million and profit before taxes by 30 per cent to EUR 50.2 million. All business groups improved their profitability.

Demand for our services grew in all business groups. At the same time, our global market position continued to strengthen and our order stock developed favourably, increasing by 12 per cent during the year. In line with the trend of the past few years, our businesses expanded significantly in targeted emerging markets during 2006. These markets accounted for EUR 175 million of net sales (EUR 140 million in 2005) and over 30 per cent of the year-end order stock. This trend is expected to prevail, and we will continue to pursue our strategic expansion in these markets.

In recent years, the consulting and engineering business has been consolidated further, and Pöyry has been an active participant in this development. We made several important strategic acquisitions during 2006. The most significant ones were the acquisition of IGL Consultants Ltd., which strengthened our oil and gas consulting and engineering business, and the acquisition of Convergence Utility Consultants Ltd., which made us clearly the biggest energy management consultant in Europe. Furthermore, these acquisitions created an important platform for expanding these practices into new market areas. Another important milestone was the establishment of Pöyry Shandong Engineering Consulting Co. Ltd in China. Through this joint venture we will be able to offer detail engineering services to the local Chinese market, primarily within the forest industry but also in other sectors. This operation also offers an opportunity to make use of cost-competitive detail engineering services for projects in other market areas.

"Keeping our strategic focus on profitable growth, continued expansion into targeted emerging markets and further enhancement of our Global Network Company concept."

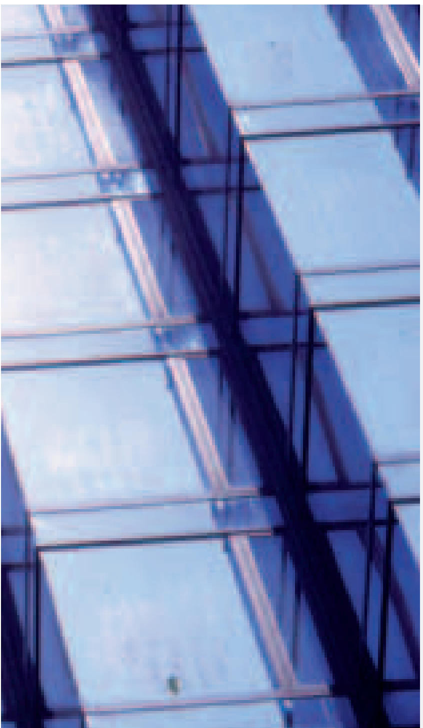
Erkki Pehu-Lehtonen
President and CEO

During 2006 all Pöyry business groups and units adopted the common Pöyry brand and identity and are now building their operations under a common vision. This effectively consolidates the strengths of our global office network and further enhances our Global Network Company concept. We have already seen clear advantages, both external and internal, from the Pöyry brand.

After a successful year, also the future looks bright. We have a strong and healthy order stock and a solid balance sheet. Demand and growth prospects within our businesses are good, particularly in the energy but also in the infrastructure and environment sectors. We can offer a broad range of services and solutions to address emerging issues that affect clients in all of our business groups, such as biofuels, energy efficiency and climate change. Keeping our strategic focus on profitable growth, continued expansion into targeted emerging markets and further enhancement of our Global Network Company concept, our net sales can be expected to continue to increase and earnings to improve during 2007.

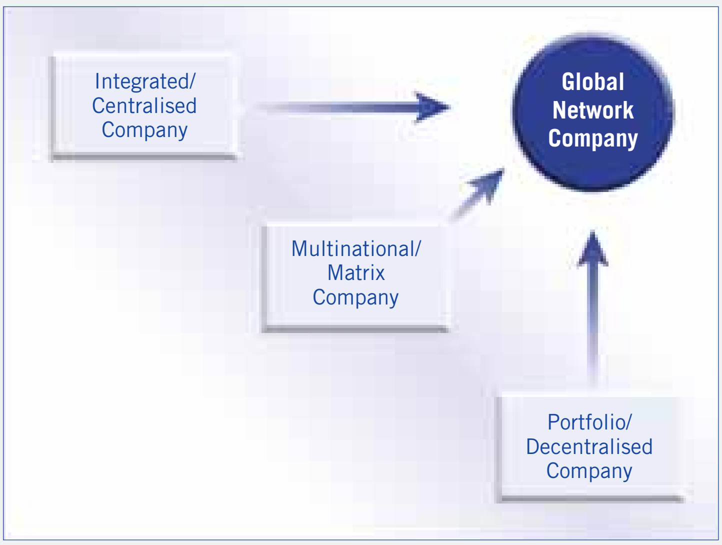
Our values, Client, Team, Drive and Excellence, sum up our commitment to deliver excellence in all of our operations – to our clients, personnel and shareholders alike. I believe that we have been able to live up to this commitment during 2006 and would like to sincerely thank all of our stakeholders; your continued confidence and support have again been instrumental to our positive development, providing a good basis for another exciting and successful year.

I would also like to honour the memory of the founder of our company, Dr. Jaakko Pöyry, who passed away on September 8, 2006. Under his direction the company was developed from a one-man operation to a leading global consulting and engineering company. This work will continue.



GLOBAL NETWORK COMPANY CONCEPT

One or our key strategic objectives is to turn the Pöyry Group into a Global Network Company. In addition to a common strategy and shared values, this concept involves the target of streamlining the Group's most important operating models, engineering systems and tools. The Global Network Company concept is strengthened by our globally uniform visual identity, with all business groups and Group companies operating under the same Pöyry brand.



STRATEGY

Pöyry is involved in all phases of its clients' business development. We provide innovative and value-added solutions, and a full range of services from individual consulting and engineering assignments to management and implementation of complex projects.

Mission

We exist to generate business success for our clients – when they succeed, we succeed. We focus on client interests, on close collaboration throughout the investment lifecycle and on a passionate commitment to improve everything we do. Within our companies, across our group, and together with each of our clients and partners.

Exploiting our corporate experience, our individual talents and our shared skills means we harness the power of the whole group in delivering leading-edge solutions. We offer our employees a challenging international working environment in an expert organisation emphasising quality and continuous development.

Working together in this way, in a mutually profitable cycle of success for our clients and ourselves, makes excellence the natural outcome. Our target is to reach over 20% Return on Investment (ROI %) and to invest in continuous growth of our core business areas on a sustainable basis.

Our competitiveness stems from our in-depth expertise in selected business sectors and industries and our ability to apply this expertise to client projects. This means a genuine knowledge of the needs, trends and technologies in the client's business, and the ability to convert this knowledge into value added services.

Operating practice

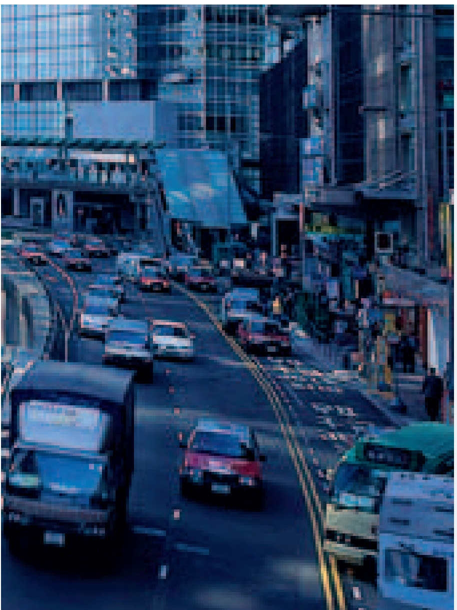
Our values, Client, Team, Drive and Excellence, sum up our commitment to deliver excellence in all of our operations.

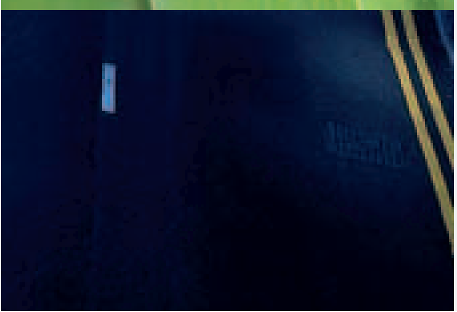
- We exist to generate success for our clients.
- The best solutions come from competent people working together in teams and sharing knowledge.
- We pursue continuous improvement and leading-edge solutions.
- Excellence is the outcome of our efforts in everything we do.

Our delivery promise 'Competence. Service. Solutions.' makes a solid commitment to our clients.

- We focus our competence on ensuring our clients' success.
- We serve our clients throughout the lifecycle of their business.
- We offer competitive and sustainable solutions for our clients' projects.

We are committed to co-operating closely with our partners to achieve the best possible result and to improve the competitiveness of both parties.





A UNIQUE OPERATING MODEL

Pöyry employs a unique operating model. It is based on the company's values Client, Team, Drive and Excellence, and a strong commitment to the client's objectives. Focusing our wide expertise, comprehensive services and superior solutions on implementing client projects, we aim to achieve sustainable and shared success. Our client promise 'Competence. Service. Solutions' sums up our determination to serve clients in the best possible way.

Strategic business options

Three areas of expertise and global synergies

We have three main areas of expertise: energy, forest industry, and infrastructure and environment. The businesses of all three business groups have several shared practice areas such as environmental and energy issues, and, accordingly, they complement each other. On the other hand, the business groups also balance each others' cyclical fluctuations. The business groups are globally responsible for their operations.

The development of group-wide standardised operating models, engineering systems and tools, for example for the needs of project work, financial administration and human resources development, is an important part of our strategic objective to operate as a Global Network Company. The group's integrated office network, which allows the different business groups' experts to serve clients from joint offices, brings major synergies while supporting seamless combinations between our practice areas to meet clients' needs.

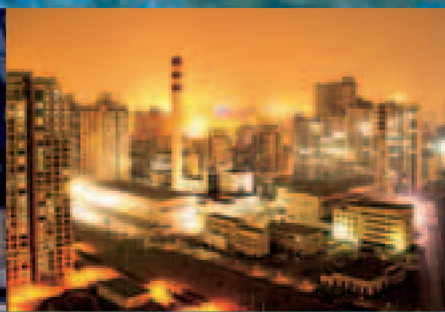
As of 2006, all business groups and Group companies operate under the same name and visual identity, which helps to focus our resources towards joint goals and to promote the entire Group's international recognition.

Key capabilities – cornerstone of client benefits and efficiency

Our competitiveness stems from our in-depth expertise in selected business sectors and industries and our ability to apply this expertise to client projects. This means a genuine knowledge of the needs, trends and technologies in the client's business, and the ability to convert this knowledge into value added services. As a globally operating company, one of our key skills is our ability to combine international operating practices with local experience, which allows us to provide the client with the best possible and most functional solutions anywhere in the world.

To support our project-oriented activities, we are continuously developing new product and service concepts based on integrated IT solutions. Effective information management is a cornerstone of our project business, i.e. making information available, in the right format, to the right person, at the right moment.

Pöyry has about two hundred offices in 45 countries. An office network of this magnitude is unique in the competition, and a key factor in implementing the Group's strategy. Our Global Network Company concept allows us to offer services both to globally operating and local client companies.



A full range of services combined with lifecycle engagement

Pöyry's business consists of project assignments. Our wide and deep understanding of our clients' core business processes allows us to offer them a full range of services covering all areas and the entire lifecycle of their investment projects. We always offer clients an unbiased view of the best project options. In this way, we support our clients' business success while aiming to create long-term partnerships.

Global office network

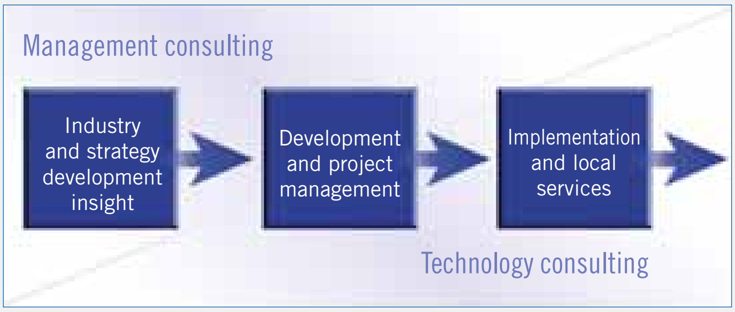
Pöyry has about two hundred offices in 45 countries. An office network of this magnitude is unique in the competition, and a key factor in implementing the Group's strategy. Our Global Network Company concept allows us to offer services both to globally operating and local client companies. Through this concept, we can combine the know-how of our global network of experts with a strong knowledge of local conditions. The aim is to share our know-how and, whenever necessary, to move flexibly between geographical regions and from one business group or unit to another. In this way, we can offer our clientele the expertise of our global network of experts through any of our offices.

Stable business growth

In the same way as the clientele, the consulting and engineering business is also being consolidated. Pöyry is a growth-oriented company, which is continuously developing its core business operations. Growth is derived from organic growth, extensions of the local office network and acquisitions. Organic growth and extensions of the office network are mainly taking place in emerging markets. Acquisitions strengthen our local service capabilities, market position and technological competence. While pursuing volume growth, we also aim to improve our profitability and to maintain our stable liquidity. The Group's good solvency offers a possibility for self-financed growth.

IN-DEPTH LIFECYCLE UNDERSTANDING

Pöyry's core expertise stems from a combination of in-depth industry expertise and best practices in management consulting and engineering. Pöyry offers a full range of services covering the entire lifecycle of clients' investment projects, including industry and strategic development insight, development and project management, and implementation and local services.
Co-operating closely with its clients in project work, Pöyry commits itself strongly to each assignment in order to meet agreed targets. The solutions put forward by Pöyry are a strategic part of the clients' success far into the future. For this reason, they must be competitive and sustainable, and designed to be developed further according to need.



STRATEGY REVIEW

The strong growth of the world economy continued in 2006, creating a firm basis for Pöyry's economic development in 2006. Group strategic targets concerning growth, market position and return on investment were all fulfilled during the year.

A year of strong economic growth

Pöyry's net sales for 2006 were EUR 623.3 million, representing an increase of 19 per cent, compared with the long-term average growth of 12 per cent. About half of net sales came from acquisitions. Pöyry's profitability improved in 2006. At 31.1 per cent, the return on investment clearly exceeded the Group's target of 20 per cent. All business groups' results improved, but the development was particularly strong in the Energy business group, boosted by its improved market position and resultant high capacity utilisation rate. Acquisitions also improved the Energy business group's relative profitability.

Strategy-driven acquisitions

Acquisitions carried out in 2006 strengthened the Group's local presence, market position and know-how. An important acquisition was the purchase of Convergence Utility Consultants Ltd, which made Pöyry Europe's biggest provider of management consulting services in the energy sector. Furthermore, the acquisition of IGL Consultants Ltd clearly strengthened the Group's oil and gas engineering and consulting business. In addition, Pöyry improved its position as a provider of engineering services to the Chinese forest industry by establishing a local joint venture company named Pöyry Shandong

Engineering Consulting Co. Ltd, of which Pöyry owns 70 per cent.

New brand supports Global Network Company concept

A major move during the year was the decision to adopt the Pöyry brand to symbolise the Group's entire business. Following this change, all Group companies have been given new names beginning with 'Pöyry'. The objective is to bring together the resources of the Group's extensive office network and to concentrate all communications clearly and efficiently under one brand. The new brand also supports the Global Network Company concept.

Growth in emerging markets

The Group's business in Latin America picked up during 2006. The Latin American order stock grew by about 60 per cent, amounting to about EUR 70 million at the end of the year. The Forest Industry business group's most important new projects in 2006 were the Klabin and Aracruz mill projects in Brazil. The Infrastructure & Environment business group signed contracts for the continuation of two light-rail traffic projects in Venezuela, one with C.A. Metro de Valencia and the other with Metro de Maracaibo C.A. In addition, engineering services will be provided for the waste water treatment project of the City of Medellín in Colombia.

The Asian market developed more moderately, and its relative share of the total business declined. The Energy business group was engaged as a partner in two major power plant projects in Vietnam, but as a whole the market developed slower than estimated. In addition, competition in the region has increased. The Forest Industry business group's operations in Asia were mostly concerned with management consulting. In the Infrastructure & Environment business group, activities related to rail-bound traffic projects, and rock excavation and tunnelling showed the strongest growth.

Pöyry's business in Russia was expanded during the year under review, and the demand was focused mainly on commercial buildings and management consulting services. However, a number of investment projects are expected to go ahead in the near future, especially in the energy and forest industry sectors.

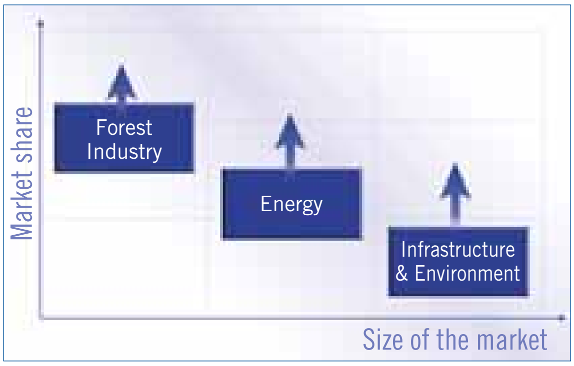
In Europe, the liberalisation of the energy market and the diversification of energy supplies have boosted demand for consulting services in the energy sector. The operations of the Forest Industry and Infrastructure & Environment business groups developed steadily.

Growth prospects in all business sectors

Growth prospects in the energy sector are good. The sector is at present very active, offering abundant business opportunities. Following the prolonged period of low investment, clients now need to expand their capacity and to secure their competitiveness in the liberalising market. With the price of crude oil not expected to soften and growing concerns over the environmental friendliness of energy solutions, energy producers are considering alternative sources of energy. In addition, the favourable economic development and the rising price of crude oil have resulted in increased activity in the oil and gas sector.

Pöyry's Forest Industry business group is a global market leader in its sector, so its scope for expansion in the mature markets of industrialised countries is more restricted. Growth potential is still found in emerging markets, where demand and investments are growing rapidly. Growth will also be seen in consulting, operations improvement, project implementation services (EPCM) for forest and chemical industry projects, and local services to other sectors of industry.

The Group's long-term growth prospects in the infrastructure and environmental sectors are good. The Infrastructure & Environment business group has a large potential market. The business group's service offering responds to many globally growing problems, such as the shortage and quality of drinking water, the growing need for waste water treatment, aggravating congestion due to urbanisation, and various environmental problems. Projects are often launched with the aid of international financing, so demand is not driven by needs alone, but also by the availability of finance.



Strategic focus areas remain the same in 2007

The changing business environment will offer abundant business opportunities in 2007. Growth prospects are particularly good in emerging markets, which will remain one of the strategic focus areas in Pöyry's operations.

A challenge in managing the Group's operations is how to combine local activities with the global expertise of different practice areas to serve clients' needs. Continued success requires leading the Group's accumulated knowledge, competences and professional staff towards joint goals and mastering ever-larger and increasingly complicated project entities. This is what the Global Network Company concept is designed to do and therefore the development work related to it will continue during 2007.

ENERGY

Pöyry is a world leader in the energy sector and Europe's leading provider of energy-related management consulting services. Its services cover the entire lifecycle of the client's business, from strategic consulting to project implementation, operation and maintenance, and modernisation projects. The Energy business group operates in five business areas.

In management consulting, the focus is on providing management solutions covering strategy, business operations, financing & valuation and sustainability. Pöyry offers a comprehensive mix of services for the needs of electricity producers, public and private utilities, network operators, retailers supervisory authorities and suppliers.

In hydropower, Pöyry is one of the world's leading engineering consulting firms, offering a wide spectrum of services combined with international expertise. The know-how covers high- and low-head storage, pumped storage and run-of river schemes, and integrated hydropower and irrigation system projects.

In renewable energy, the focus is on biomass and geothermal energy, wind and solar power, waste management and waste-to-energy projects. The know-how encompasses assessment of energy sources for mechanical, biological and thermal processing as well as disposal of residues. The expertise covers all project phases, from investment studies to project implementation and operations management.

Business areas

- *Management consulting*
- *Hydropower*
- *Renewable energy*
- *Power and heat*
- *Oil and gas*

In power and heat, activities include a wide range of expert and project services related to heat and power generation, from project development and implementation to operations improvement and plant modernisation. Core areas of expertise are combined heat and power generation for industry and communities, district heating and cooling, condensing power generation and desalination.

In oil and gas, Pöyry focuses on providing value-adding conceptual and front-end multidisciplinary engineering consulting services and operations support, and expert advice to clients in the upstream and downstream oil and gas industry. Services cover pre-studies, preliminary engineering and safety case reviews.

Energy availability shapes the business environment

Following the liberalisation of energy markets, energy companies now operate in a competitive environment, which has raised return-on-investment requirements. Accordingly, the level of investment in the energy sector has remained relatively low over the past period. During 2006, the reliability of the energy supply under emergency conditions emerged as a major concern. This trend was particularly notable in Europe. As a result, the uncertainty related to the availability of energy has given impetus to the debate on the liberalisation of energy markets.

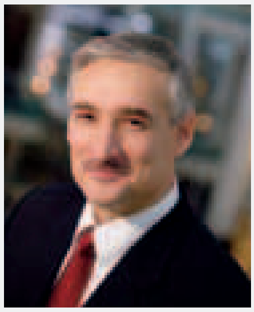
Power plant modernisations. A growing proportion of the power generation capacity is becoming outdated, which has created a strong need to invest in new capacity or to modernise existing plants. At the same time, the higher price of crude oil and environmental pressures have created a need to find new sources of energy based, for example, on renewable energy. These pent-up investment needs have boosted demand for Pöyry's management consulting and engineering project services, as well as specific expert advice. Consulting services play a key role when the players in the energy-sector are looking for the best possible solutions in a rapidly changing business environment.

Already in 2006, the market for Pöyry's plant modernisation services was particularly strong in Russia, Turkey and Eastern Europe, with Pöyry securing projects in all three markets. In Russia, energy investment needs are growing. Pöyry launched a local operation in January 2006 and its office in Moscow has already shown encouraging results.

"2006 brought new dynamics in global energy markets. Market liberalisation and environmental regulation were key drives. Sustained high oil prices put energy efficiency and security onto most board room agendas. In recognising these growing challenges we have enhanced our capability to provide our clients around the world with sustainable energy solutions."

Richard Pinnock

President of Energy Business Group



Economic recovery has taken place in Europe and Latin America, where power plant projects based on hydropower as well as other traditional energy sources, such as natural gas, coal and lignite, are expected to go ahead in the near future. In addition, Latin America has a good supply of raw materials for bioenergy production and as such, many new bioenergy project opportunities are expected to be developed in the future.

Sustainable development. The pressure to take environmental aspects into account in energy-related decisions continues to grow. Key factors shaping the market include the Kyoto Protocol and emissions trading, and the rapidly changing field of environmental regulation. For this reason, consulting services related to the pricing of emissions trading have enjoyed good demand. Because the current Kyoto Protocol expires in 2012, whereas investments are planned for a time span of several decades, decisions concerning investments meeting the needs of the Protocol are subject to exceptional scrutiny.

Investments in renewable energy and hydropower will increase in the future. Wind power projects are being examined around the world, and nuclear power is also being considered in some countries as an option for fulfilling Kyoto Protocol requirements. Questions related to biofuels have also attracted strong attention in the past year and Pöyry has been engaged in developing business processes related to these including conducting market studies. Project services are a natural continuation to the efforts in this sector.

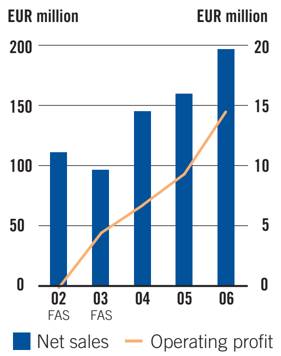
High price of crude oil. As a result of the higher price of crude oil, the structure of energy supply has become more diversified, both in mature and emerging markets. Energy efficiency and security of supply has become significant themes within the sector. On the other hand, the higher price has revived business operations related to marginal oil fields, as it has again become profitable to resuscitate these sources.

Financial and performance 2006

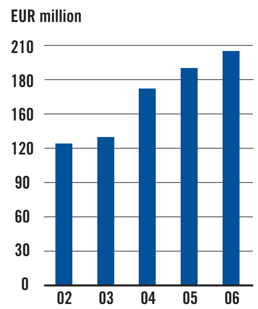
The brisk activity in world energy markets continued during 2006. The higher price of crude oil and environmental considerations attracted growing attention to new sources of energy, so energy producers have started to contemplate alternative sources of energy. The internationalisation of the energy sector continued, as did the liberalisation of energy markets. As markets open up, competition will increase, which raises energy companies' return-on-investment requirements. The restructuring of the energy sector continued and oil and gas companies expanded their power production. In Europe, the liberalisation of energy markets and the more diversified energy supply resulted in increased demand for energy-related management consulting services. The Energy business group continued to strengthen its global market position and local presence during the year.

The Energy business group's net sales in 2006 were EUR 197.4 million. Operating profit improved clearly during 2006, amounting to EUR 14.6 million. The increase in operating profit was due to improved demand for services in all business areas. In addition, acquisitions contributed to the business group's operating profit and relative profitability. The business group continued to streamline its business area-based organisation, which resulted in improved capacity utilisation. The order stock remained good, amounting to EUR 204.9 million at the end of the year.

Net sales and operating profit



Order stock



Energy business group's key figures

EUR million	FAS 2002	FAS 2003	2004	2005	2006	Share of group, %
Net sales	111.2	97.6	146.5	160.0	197.4	31.7
Operating profit	-0.7	4.5	7.0	9.1	14.6	29.3
Operating profit, %	-0.7	4.6	4.8	5.7	7.4	
Order stock	123.8	129.2	171.8	195.2	204.9	40.4
Personnel	1 094	1 109	1 485	1 463	1 692	26.5

Acquisitions 2006

The Energy business group expanded its global presence in the oil and gas engineering and consulting sector by acquiring in May IGL Consultants Ltd, headquartered in Aberdeen, Scotland. The company's main operational bases are in Aberdeen (UK), Stavanger (Norway), Perth (Australia) and Kuala Lumpur (Malaysia), and at the time of the acquisition it had 117 employees. The company specialises in engineering, operations support and expert consulting services. It has a wide client base including international and national oil companies and independents. IGL's net sales for 2006 were EUR 15 million. IGL Consultants has been consolidated into the Pöyry Group as of May 2006.

The business group expanded its management consulting business in October by acquiring Convergence Utility Consultants Ltd, headquartered in Switzerland. The merger represented an excellent strategic fit, strengthening Pöyry's position as the biggest consultant in the European energy market. Convergence's main operational bases are in Dusseldorf, Milan, Paris, Warsaw and Zurich and it has 70 employees. Convergence is a business strategy and economics consulting firm serving utility companies, regulators and energy-sector institutions. Its service portfolio covers a broad spectrum relating to producers, network carriers, retailers and suppliers. The company's net sales for 2006 amounted to EUR 10 million. Convergence Utility Consultants has been consolidated into the Pöyry Group as of October 2006.

The business group aims to expand its network of local offices in Europe and Asia. In addition, the business group intends to expand its technological expertise, especially in the areas of renewable energy, management consulting, oil and gas reserves, and environmental protection.

Prospects for 2007

The good performance of Southeast Asian, Latin American and European economies, combined with the expansion of the EU, creates favourable conditions for growth of demand for energy-related services. The EU's expanding energy legislation is boosting demand for industry-specific management consulting services in the energy sector. In addition, environmental legislation adds to the demand for services related to renewable energy and power plant modernisations. The high price of crude oil is not expected to decline significantly, which continues to foster new business opportunities in the oil and gas sectors. To secure the availability of energy, energy companies will continue to focus on diversifying the energy supply. The Energy business group has strengthened its market position and it has a good order stock. The business group's operating profit will improve in 2007.

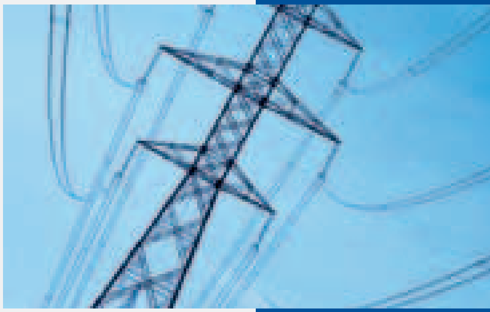
MAJOR PROJECTS IN 2006

Limberg II pumped storage power plant, Austria

Pöyry provides detail design and site supervision services for Austrian Hydro Power's pumped storage power scheme Limberg II. The value of the contract is some EUR 13 million. The power plant is part of the Glockner Kaprun Scheme in Austria and will have an installed capacity of 480 MW. The construction phase will last until 2012 and when completed, the power plant will provide regular and stand-by capacity to the European UCTE net.

Combined cycle power plant, Italy

Rizziconi Energia, a subsidiary of the Swiss Elektrizitäts-Gesellschaft Laufenburg AG (EGL), has commissioned Pöyry to act as owner's engineer in a power plant project. The assignment comprises owner's engineering and other services for the EGL's 800 MW combined cycle power plant at Rizziconi in Calabria, Italy. The contract value is EUR 7.3 million and the services shall be provided by end of 2008. Pöyry has performed owner's engineering services also for EGL's 800 MW combined cycle power plant in the region of Campania, Italy.



Design services for Qatar Petroleum, Qatar

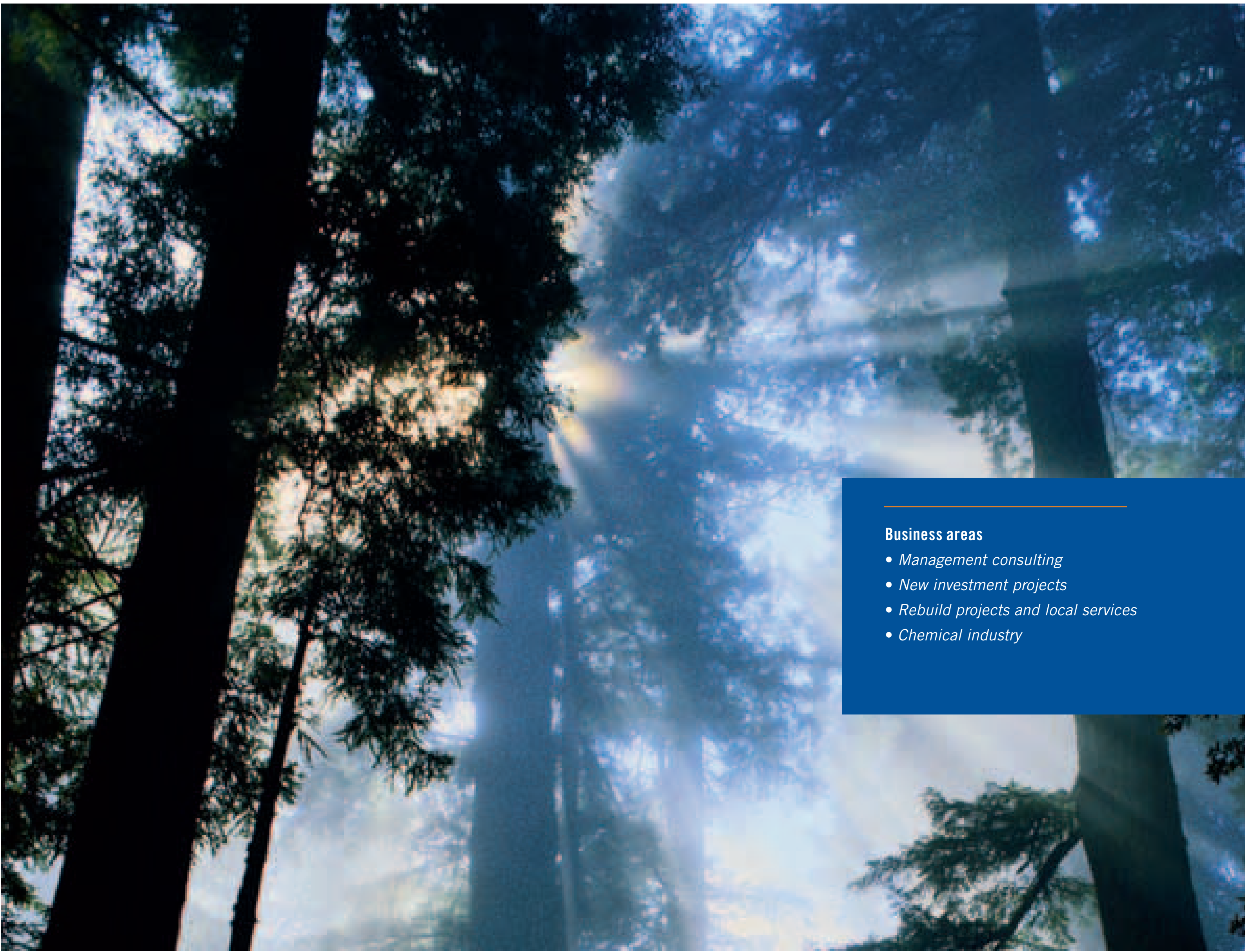
Pöyry will supply engineering design services for Qatar Petroleum's common cooling seawater system at Ras Laffan. The contracting party is Dodsal Pte. Ltd., Singapore, who is the engineering, procurement, installation and commissioning contractor for the project. The value of the contract is EUR 17 million and the first milestone is estimated to be completed by end of 2007.

FOREST INDUSTRY

Pöyry is global market leader in the forest industry. Pöyry provides engineering and project implementation services for investment projects worldwide, maintenance engineering and local services to the mills, and consulting on forest industry strategies and operations. The Forest Industry business group' services are divided into four main business areas.

In management consulting, expert services and business advice are provided in matters related to the development of business strategies and improvement of operations. The expertise covers the entire chain from raw materials to technology, markets and other business aspects, such as logistics and procurement. The cornerstones of Pöyry's operations are its extensive international experience and in-depth industry expertise.

In new investment projects, Pöyry provides engineering and project implementation services for the pulp and paper industry and other companies serving this industry worldwide. The broad expertise covers basic and detail engineering services, project management, project services, construction management and erection supervision, and other site services and commissioning. Process know-how, advanced engineering and information management systems and extensive experience of all phases of a project play a key role in project implementation.



Business areas

- *Management consulting*
- *New investment projects*
- *Rebuild projects and local services*
- *Chemical industry*

In rebuild projects and local services, the primary focus is on modernisation or expansion projects, product quality improvements and maintenance tasks. Pöyry's services combine local knowledge and prompt service with access to special know-how across the entire business group. The extensive office networks in many countries provide a good basis for these local services.

In chemical industry, the business group offers engineering and project management services throughout the lifecycle of production plants. Pöyry has many years' extensive experience of chemical process industry investment projects, from preliminary engineering to implementation and commissioning.

Forest industry business environment changes

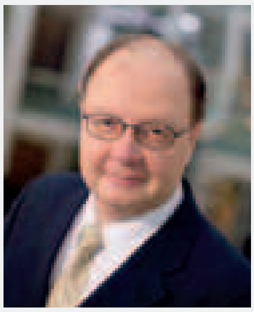
Factors influencing growth and profitability in the forest industry vary widely between different market areas and product groups. Such factors are, for example, raw material availability, growth of demand, industry structure, technological standards and know-how. Business cultures also vary greatly between regions. Pöyry's business opportunities arise from understanding and analysing these differences, from maintaining a local presence in all major markets, and a service offering which complies with the needs of each client and region.

Investments are at present growing fastest in South America and Asia. In Europe and North America the industry continues its efficiency improvement and cost saving efforts. In these regions demand growth focuses mainly on packaging and hygiene products.

Operations efficiency and profitability improvement. The forest industry is making a continual effort to improve the efficiency and competitiveness of its operations, particularly in Europe and North America, where it is reflected as growing demand for expert and consulting services. These services are utilised as a means to improve production efficiency but also to make logistics and procurement more effective.

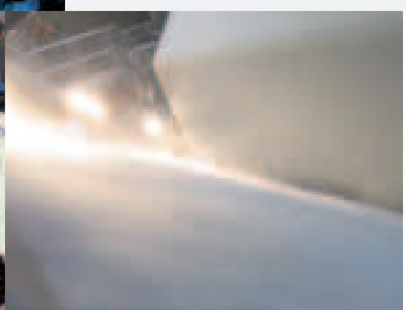
Though new investments in North America and Europe have been at a low level, the business group has been performing well in these regions. Pöyry serves as a strategic partner, assisting in optimising production capacity to match the availability and price of production inputs such as wood,

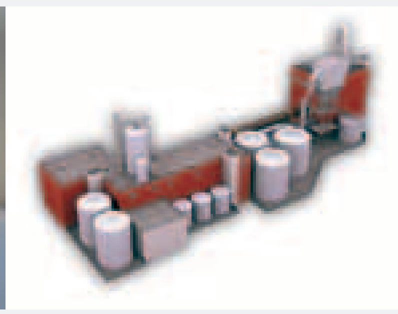
"The year 2006 was successful and creates a strong basis for the future. Catchwords of the year were changes in the operating environment, growth and profitability. In traditional markets, we launched new services to improve clients' productivity. In emerging markets, we invested in securing growth and establishing a local presence."



Jukka Nyrölä

President of Forest Industry Business Group





recycled fiber and energy, or changes in end product demand. Pöyry also offers solutions for pursuing savings targets and for implementing the industry's energy and environmental solutions.

Growth investments. For the pulp industry, the growth potential is generally best in regions with favourable tree growth conditions and availability of a competitive raw material resource. In the paper industry, growth is concentrated in emerging markets, where economic and demand growth is fastest. The pulp industry's investment activity is at present particularly high in South America, whereas paper industry investments are focused on the strongly growing Asian market. Pöyry has gained a firm foothold in South America, both in consulting and in new investment projects. In Asia, business procedures are different and the industry still fairly young. In 2006 Pöyry established a joint venture in China, which will provide a good basis for local forest industry engineering in the region.

New forest industry investments in Russia have so far focused on the mechanical wood industry and packaging industry. Russia has abundant forest resources, which also enables large-scale pulp and paper mill investments. Several local and foreign companies have expressed their interest in new projects and initiated surveys relating to these.

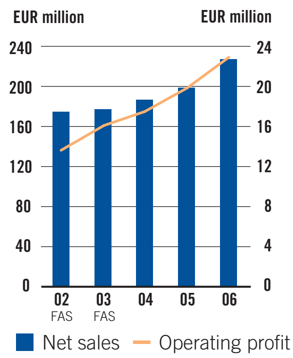
Outsourcing of services. Companies are increasingly outsourcing non-core activities. This has opened up new opportunities for Pöyry to expand its local services. These services include engineering and project management work for maintenance and minor improvement projects and management and continuous updating of technical documentation. Demand for local services has been good, especially in the Nordic countries.

Financials and performance 2006

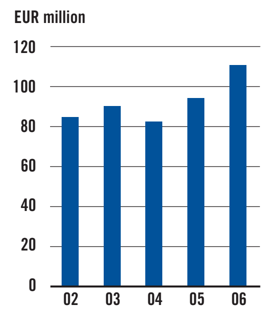
The challenging business conditions in the pulp and paper industry continued during 2006, especially in Europe and North America. Efforts to improve the efficiency of operations continued and several paper machines, pulp production lines and even entire mills were shut down. Only a few new investments and major modernisation projects were launched during the year. In spite of improved demand and slightly higher prices, the industry's earnings were depressed by rising energy prices, higher raw material costs and non-recurring rationalisation expenses. The brisk investment activity in Asia and South America continued.

In spite of the challenging market conditions, the Forest Industry business group managed to maintain its position in the market, while increasing its net sales and operating profit. Net sales for 2006 amounted to EUR 224.9 million and operating profit was EUR 22.9 million. Factors contributing to the favourable profit development included global networking of the company's resources, local presence in the most important emerging markets, effectively implemented projects and increased demand for management consulting services. Investments in the chemical industry, demand for local services also in other process industries, and new biofuel projects, especially in North America, contributed to the favourable development. The order stock grew to EUR 111.4 million at the end of 2006.

Net sales and operating profit



Order stock



Forest Industry business group's key figures

EUR million	FAS 2002	FAS 2003	2004	2005	2006	Share of group, %
Net sales	173.7	176.0	186.3	199.3	224.9	36.1
Operating profit	13.5	16.1	17.2	19.7	22.9	45.9
Operating profit, %	7.8	9.2	9.2	9.9	10.2	
Order stock	85.2	90.8	82.5	97.3	111.4	21.9
Personnel	2 163	2 126	2 077	2 123	2 418	37.8

Acquisitions in 2006

Pöyry Civil Oy acquired, in February, 100 per cent of the shares of Salminen & Sorasalmi Oy of Espoo, Finland. The company's net sales are EUR 0.7 million. Salminen & Sorasalmi strengthens the structural engineering operations of Pöyry Civil Oy and broadens its business in Russia and the Baltic countries. Salminen & Sorasalmi was merged into Pöyry Civil Oy on September 30, 2006. In addition, Pöyry Civil Oy acquired in June the entire share capital of TH Consulting Oy, a structural design firm based in Espoo, Finland. The company's net sales are EUR 0.4 million.

Pöyry's Forest Industry business group formed, in March, a joint venture with the Shandong Light Industry Design Institute to provide detail engineering services in China. The joint venture, named Pöyry Shandong Engineering Consulting Co. Ltd, is 70 per cent owned by Pöyry. The company is based in Jinan, Shandong Province in Eastern China, and has a staff of about 100. The joint venture is a major step in strengthening Pöyry's local engineering presence in China, building on the existing operations in Shanghai and Beijing.

The business group's office network will be expanded in the next few years in line with market developments. The expansion is likely to take place primarily in emerging markets, where investment activity is expected to grow, and partly in Europe and North America, where local services are required for rebuilds and maintenance engineering.

Prospects for 2007

Demand for engineering services is not expected to change materially during 2007. Pulp mill investments continue in South America and Asia. Paper machine investments will be directed to the emerging markets of Asia and to economies in transition, such as Russia and eastern Europe. Some replacement investments are also being developed in industrialised countries. Demand for engineering and local services is boosted by new investments in biofuels and chemical industry. Rising production costs require further production efficiency and productivity improvements in mature markets. Industry restructurings will increase demand for consulting and investment banking services. The Forest Industry business group's operating profit will remain stable in 2007, barring a major change in the world pulp and paper industry's economic cycle.

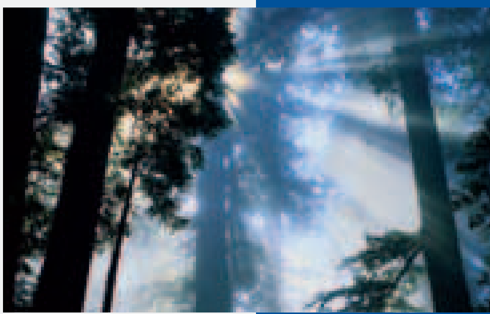
MAJOR PROJECTS IN 2006

Rebuild of pulp mill recovery line, Finland

Pöyry provides detail engineering services for the new recovery line at UPM-Kymmene Corporation's Kymi pulp mill at Kuusankoski, Finland. Project co-ordination services are also included in the assignment, which has a total value of about EUR 10 million. The rebuilt recovery plant will improve the cost-competitiveness and product quality of the Kymi mill. Start-up is scheduled for the last quarter of 2008.

Klabin and Aracruz rebuilds, Brazil

Pöyry will provide engineering, procurement and construction management (EPCM) and owner's engineering services to increase the production of the Klabin and Aracruz mills in Brazil. The total value of the contracts is about EUR 20 million. Klabin S/A will increase the production of the Monte Alegre paper mill in Telemaco Borba, state of Paraná from 700 000 t/a to 1.1 million t/a by building a new liquid packaging board machine. Aracruz Celulose S/A's project in Barra do Riacho, state of Espírito Santo will increase the mill's pulp capacity from 2.13 million t/a to 2.33 million t/a.



Hydrogen peroxide plant, Belgium

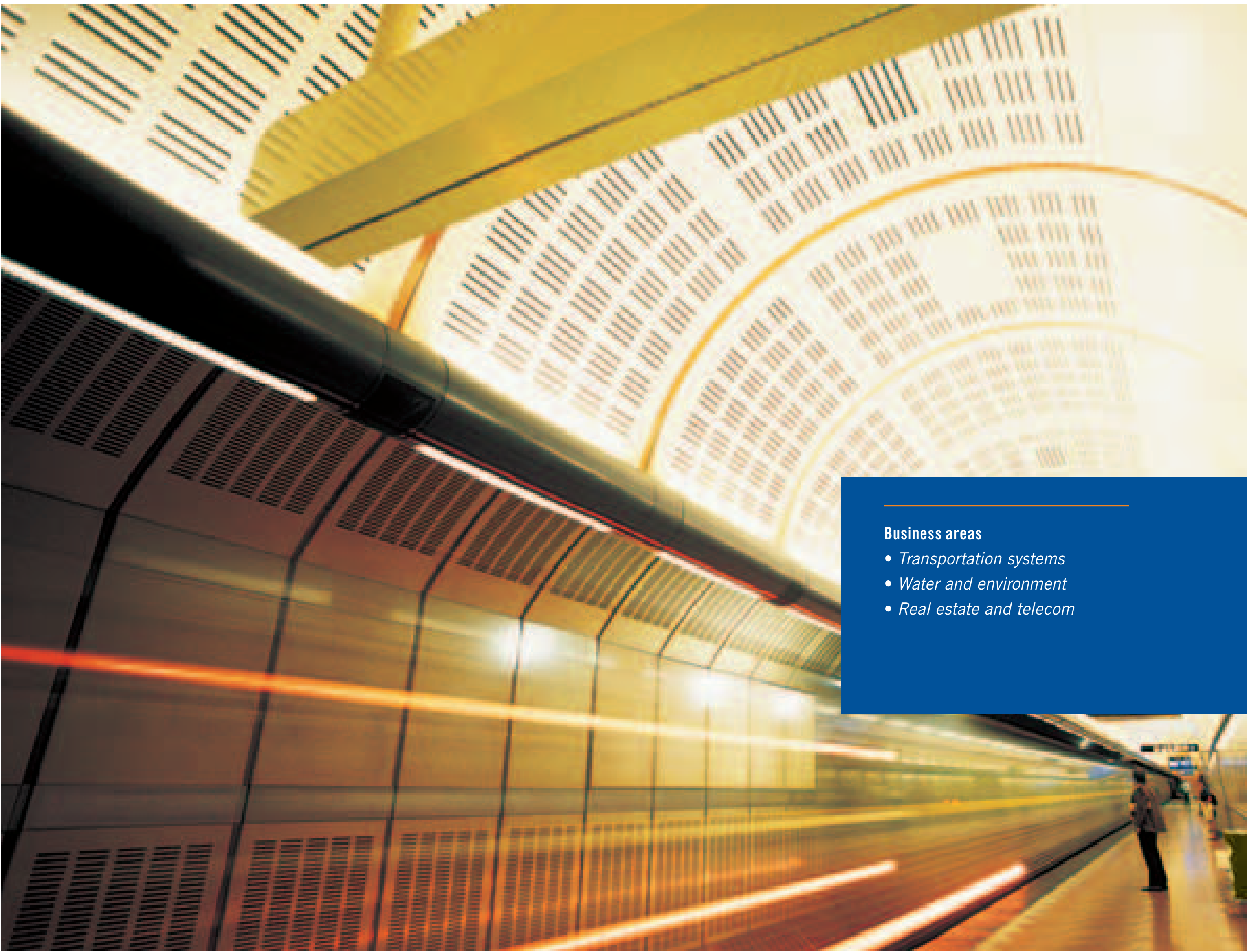
Pöyry participates in Solvay S.A.'s hydrogen peroxide plant project by providing project management, engineering, procurement and site services. The plant will be built at BASF's Zandvliet site and it will have a capacity of more than 200 000 t/a. The services will be provided by the end of 2007.

INFRASTRUCTURE & ENVIRONMENT

Pöyry is one of the largest actors in the infrastructure and environment sector in Europe. Pöyry offers consulting and engineering services, construction and project management services, operation and maintenance expertise, and services related to technology transfer. The Infrastructure & Environment business group's services are divided into three main business areas.

In transportation systems, the expertise covers rail-bound and road systems, tunnelling and bridge projects, and services related to traffic and community planning. Services cover initial consulting services, engineering and project management, and construction supervision. In international markets, demand focuses on rail-bound traffic, rock excavation and tunnelling. In project implementation, a major strength is Pöyry's in-depth experience of transportation systems, combining local knowledge with global operating procedures.

In water and environment, the business group offers its clients comprehensive services related to water and environmental technology. In regions suffering from a shortage of raw water, Pöyry assists in water resources management. There is growing demand for cost-effective water treatment methods. Treatment of municipal and industrial waste waters and waste management, are another important field of activity for the business group. Key markets are Europe, Asia and Africa, and to a slightly smaller extent Latin America. The business group's success stems from its ability to combine technological and environmental aspects in a cost-efficient manner at



Business areas
- *Transportation systems*
- *Water and environment*
- *Real estate and telecom*

the planning stage, providing sustainable solutions tailored to local conditions.

In real estate and telecom, the business group offers consulting, engineering and project management services, including operation and maintenance expertise related to real estate ownership and management. Activities cover, for example, public and office buildings, industrial building projects, and road and railway renovation and maintenance management services. The business is mostly concentrated in Finland, the Baltic region and Russia. In cost-effective project implementation, key elements include the business group's extensive experience of demanding projects, its good knowledge of local conditions and its engineering expertise covering the entire lifecycle of real estate objects.

The business group's telecom services are related to optimisation of data transfer and telecommunications, remote control of industrial facilities and automation of traffic safety systems. In these sectors, Pöyry offers network planning and implementation, and telecom consulting services globally.

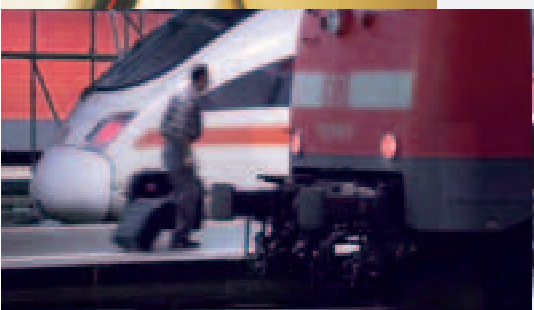
Change forces boost demand for the business group's services

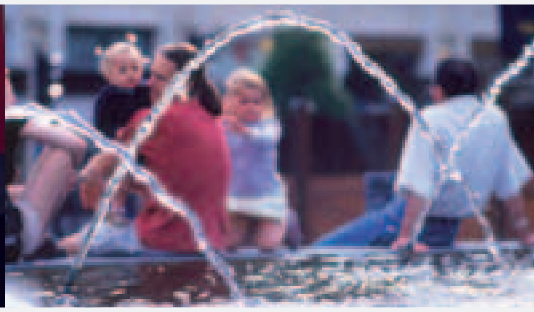
World population growth and continued urbanisation promote economic activity and boost demand for infrastructure development services, especially in emerging markets. Investments related to the built-up environment and maintenance of existing building stock have grown steadily. A key factor contributing to successful projects is maintaining a local presence, which is becoming increasingly important and already plays a vital role in project development and implementation. Business opportunities arise from understanding and analysing current changes and their driving forces and from planning new infrastructure with due respect for local conditions and cultures.

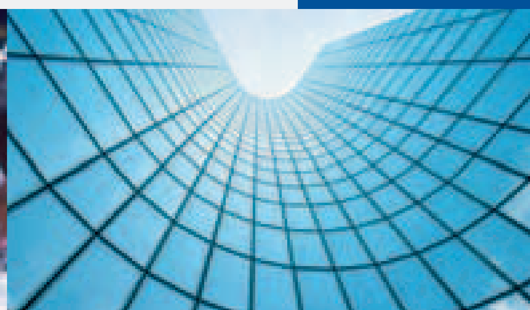
Demographic mobility and high population density put a load on the environment. For this reason, investments in lean and clean technologies and environmentally sustainable infrastructure are in a key position. Effective management of natural resources and environmentally sound community planning help to alleviate environmental loads.

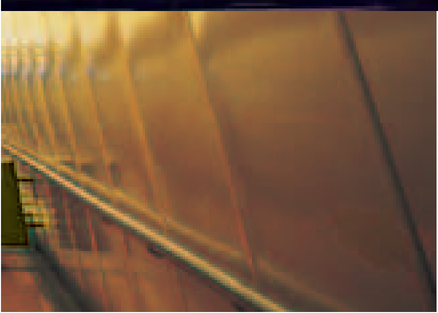
"2006 was a year of profitable growth. The importance of maintaining a local presence became even more evident and we made good progress in localising our operations in emerging markets. While continuing to develop our product and service portfolio to serve our clients even better, we launched several new products during the year."

Risto Laukkanen, President of Infrastructure & Environment Business Group









As a result of continued urbanisation traffic congestion and environmental pollution have increased, creating demand for rail-bound traffic to replace road and street traffic. This has had a favourable impact on the demand for Pöyry's expertise related to rail-bound systems. Pöyry has participated in several high speed rail projects, for example in China, Taiwan and Germany, and in metro projects especially in Latin American countries. Pöyry offers a full range of services from the planning of road and rail transport investments to maintenance.

Urbanisation also creates demand for water supply, sanitation and waste management. Without a proper water supply and sanitation system the risk of epidemics will grow. In densely populated regions local water consumption will grow and the load on water resources will increase excessively. When local water resources do not meet demand, water has to be transferred from remote sources.

The sufficiency of water resources is a growing global challenge. To safeguard the availability of good-quality drinking water, new solutions will be needed both in developing countries and in the metropolitan regions of industrialised countries. Pöyry has been engaged in several water supply and treatment projects in Europe, Asia and Africa. Pöyry offers its clients sustainable solutions, taking into account the entire lifecycle of investment projects, from preliminary project development to management of water resources. The World Bank, regional development banks, bilateral funding programmes and various EU programmes are major sponsors, who allocate funds to the development of water resources and technologies.

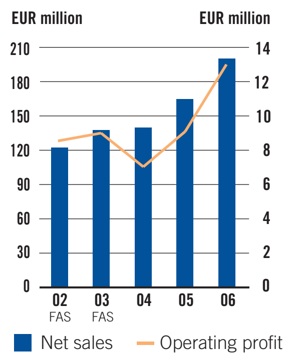
Climate change has in recent years become more evident, and the imbalance in the world's climate will probably increase. The growing frequency of climatic disturbances has, among other things, added to the importance of flood control all over the world. In development projects, decision-making authority remains with national and local administrative bodies, whereas financiers include multinational financial institutions and increasingly also the private sector.

Financials and performance 2006

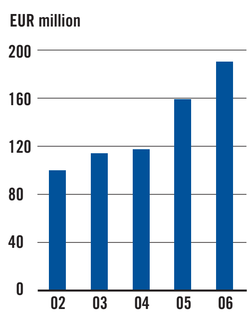
Demand for infrastructure- and environment-related services strengthened during 2006. Maintaining a local presence became more important for project development in all market areas. Demand for consulting and engineering services in public-sector rail bound traffic projects continued to grow, especially in Asia and Latin America. Activities in the water and environment sector increased in Latin America, while remaining stable in other markets. The increased frequency of climatic disturbances added to the importance of flood control in many regions of the world. Demand for real estate services showed the strongest growth in Russia and the Baltic region. On the other hand, some projects were postponed because of overheated demand. The business group's market position continued to strengthen in local and international markets.

As a result of increased demand for the business group's services and streamlining of its operations, net sales and operating profit increased during the year. Net sales for 2006 were EUR 201.8 million and operating profit EUR 13.0 million. Operating profit improved clearly, especially due to several new assignments in the rail bound traffic market in Latin America and the resultant good staff capacity utilisation. Strong

Net sales and operating profit



Order stock



Infrastructure & Environment business group's key figures

EUR million	FAS 2002	FAS 2003	2004	2005	2006	Share of group, %
Net sales	122.7	138.6	142.1	164.9	201.8	32.4
Operating profit	8.5	9.0	7.0	9.2	13.0	26.1
Operating profit, %	6.9	6.5	4.9	5.6	6.4	
Order stock	99.4	115.7	118.8	159.5	191.0	37.6
Personnel	1 342	1 495	1 715	1 979	2 207	34.5

growth for real estate services supported the earnings development. The order stock increased during the year to EUR 191.0 million.

Acquisitions in 2006

Pöyry Environment Oy in February acquired 100 per cent of the shares of Savon Tekmi Oy, based in Kuopio, Finland. Savon Tekmi Oy has net sales of EUR 0.9 million. The acquisition strengthens Pöyry's local operations in eastern Finland. Savon Tekmi Oy specialises in geotechnical, foundation and municipal engineering. It also has expertise in surveying and in planning, and in research related to contaminated soils. Savon Tekmi Oy was merged into Pöyry Environment Oy on September 30, 2006.

The business group increased, in August, its ownership in Entec A.S., Estonia. Pöyry Environment Oy's ownership increased from 42 per cent to 67 per cent of Entec's shares. The transaction strengthens Pöyry's position in the Estonian engineering services market. Entec A.S. specialises in consulting and engineering services in the fields of water supply, community planning, municipal engineering, waste management, environmental consulting and contaminated soils. The company has a leading position in its own business sector in Estonia. Entec has net sales of about EUR 1 million and a staff of 30.

The business group aims to expand its network of local offices in Europe and Asia.

Prospects for 2007

The Infrastructure & Environment business group's demand prospects for 2007 are stable. Western Europe's steady economic growth is expected to continue. The business group's efforts to expand its operations will continue to be focused on eastern Europe and other emerging markets. International financing institutions will increase their funding to environmental projects, especially in Asia and Africa. The strengthening of the business group's position in Latin America creates new business opportunities in these markets. Responding to tougher price competition both locally and internationally, the business group is sharpening the focus of its product and service portfolio. The business group's order stock has grown and its market position is good. The Infrastructure & Environment business group's operating profit will improve in 2007.

MAJOR PROJECTS IN 2006

Wastewater treatment plant, Colombia

Pöyry will provide engineering services for Empresas Públicas de Medellín's wastewater treatment plant in the city of Medellín, Colombia. The plant will treat the sewage of over two million inhabitants and will reduce the discharge of untreated organic material into the Medellín river by around 80 per cent, which means a significant improvement for the regional ecosystem. The assignment is estimated to be completed in February 2008.

High-speed railway, China

Pöyry will supply construction supervision services to Zhengzhou-Xi'an Passenger Dedicated Line Company Ltd. in the Zhengzhou-Xi'an high-speed railway project in China. The work will be performed in co-operation with local consultants, including the China Academy of Railway Sciences. This high-speed railway line, scheduled to start operation in 2010, will be the first of its kind in China. The 450-km long railway line will have a design speed of 350 km/h and it will be implemented according to the highest Chinese technical standards. The value of Pöyry's assignment is EUR 2.6 million.

Transportation system projects, Venezuela

Pöyry has concluded extension agreements totalling about EUR 34 million with C.A. Metro de Valencia and Metro de Maracaibo C.A. in the mass transit system projects for the cities of Valencia and Maracaibo in Venezuela. The first stage of the new metro for the city of Valencia consists of a 6.5-km twin-track underground line along the city's most important north-south axis. The initial capacity of the system will be 10 000 passengers per hour and direction. Commercial operation of the light rail system is planned to begin on May 31, 2007. The assignment in Maracaibo is for line 1 of the light rail transportation system having a length of 6.8 km and maximum capacity of 14 000 passengers per hour and direction. The line is estimated to start operation in 2008.

HUMAN RESOURCES

Pöyry's competitiveness stems from its motivated, competent and dedicated employees, whose joint expertise allows us to provide clients with solutions that best meet their needs.

The mission of Pöyry's human resources function is to support the company's competitiveness and strategic objectives. This is pursued by creating suitable conditions for continuously developing competences and improving employees' performance, and for providing attractive career paths and recruiting skilled staff.

Direction for competence development is defined in the strategy process

To ensure that the Pöyry Group's competences will develop in accordance with its varying business needs, the principles and actions for competence development are defined as a part of the annual strategy process.

The Pöyry Business Academy has served as a major group-wide personnel development project for ten years now. The programme focuses on strengthening the participants' knowledge of the business groups' operations and products and on fostering personal contact networks across business group and unit borders.

Efficient project management and implementation is a core competence in all business operations. Pöyry's project management competence relies on the continuous improvement of working models and tools derived from many years' experience, but above all on its employees' project know-how. Training programmes in global project know-how are in use in all of Pöyry's business groups.

"We successfully diversified our knowledge base during 2006. Our strong team has expertise and experience in many different areas. Pöyry will continue to offer challenging and interesting work to a growing number of experts in years to come."

Camilla Grönholm
Vice President, Human Resources

Human resources work is driven by the needs of global networking

As of 2006 all business groups and companies operate globally under the same the Pöyry brand and identity, building their business around a shared vision. In human resources work, this change is reflected in common principles, operating practices and tools, all of which are designed to support global networking. This objective was translated into concrete terms in the operating plan prepared during 2006, according to which human resources administration and development functions will be strengthened in phases throughout the Group.

In 2005, a Group-level management development and successor planning process was launched, starting from the top management. This co-ordinated process will soon be extended to cover also other levels of management.

The management development and successor planning process is closely related to another project Pöyry Dialogue, which is designed to serve as a global framework for Pöyry's superior-subordinate discussions. Pöyry Dialogue is a channel for communicating the Group strategy internally in accordance with agreed targets and for safeguarding the competences required to sustain the business in the long term. For employees, Pöyry Dialogue offers an opportunity for preparing a personal, object-oriented development plan and a valuable dialogue concerning the employee's own aspirations and ways to achieve them, and the working community and atmosphere.

The objective is that the discussion will be implemented in all units by the end of 2008. The gradual launch of this dialogue is designed to ensure that the framework will function in different cultures and that it will be aligned with various national regulations.

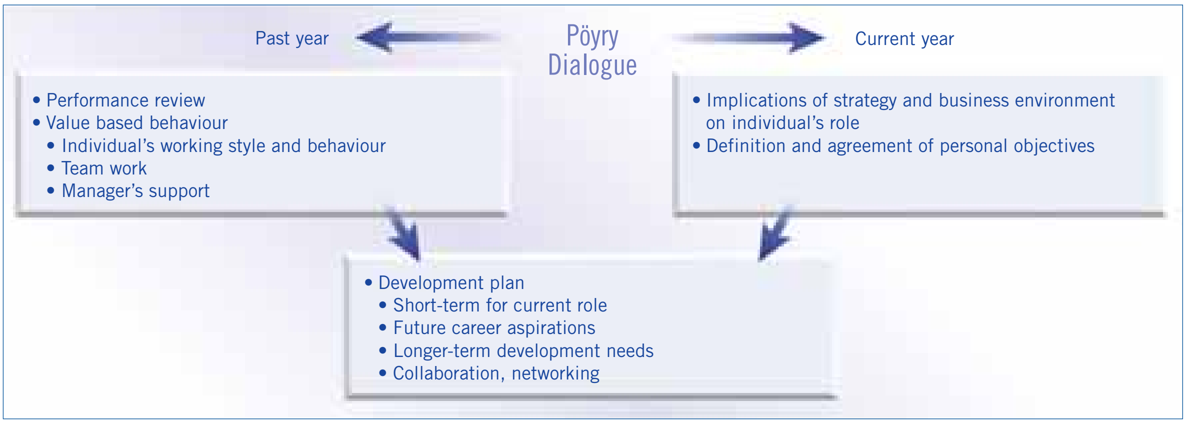
The Global Network Company concept strengthens Pöyry's employer image

As Pöyry's business continues to grow, one of the company's most important focus areas is to ensure optimal human resources for changing business needs, both in terms of numbers and competences. Inputs will also be made to strengthen the human resources and personnel development functions in order to make sure that the Group will be able to identify, recruit and retain the staff needed for realising the company's business strategy.

A major aspect of personnel development is encouraging internal mobility across business group, company, and country borders, both among experts and line management. More effective internal job rotation creates new career development opportunities and multi-skilled staff for future business challenges, which also improves job satisfaction.

To safeguard Pöyry's long-term success, sufficient resources must be invested in management development. The most important task for the next few years is to expand leadership training as a means to foster better leadership skills and a more uniform management culture.

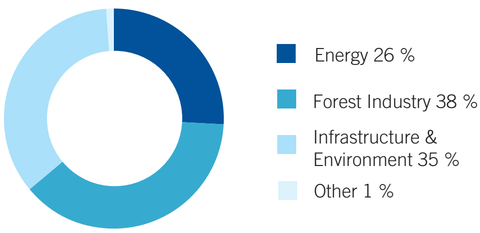
One of Pöyry's strategic objectives is to turn the Group into a Global Network Company. Accordingly, it will be able to provide clients with the services of a global network of experts through any Pöyry office, while becoming an increasingly attractive employer to people interested in working internationally.



Key figures

	2005	2006
Operating personnel	5 097	5 842
Non-operating personnel	511	547
Total personnel	5 608	6 389
Activity	82 %	82 %

Personnel by business group



FINANCIAL REVIEW

Consolidated earnings and balance sheet

The world economy continued to develop favourably in 2006. Economic prospects for 2007 are also mostly favourable. The good economic development has boosted investment activity practically all over the world.

As a result of improved demand, the Pöyry Group's strong market position and the streamlining of its operations, consolidated net sales increased to EUR 623.3 million and profit before taxes improved clearly during the year under review. Profit before taxes was EUR 50.2 (38.6 in the previous year) million, which equals 8.1 per cent of net sales. The net profit for the period was EUR 34.8 (26.3) million. Earnings per share improved by 28.9 per cent during the year to EUR 0.58 (0.45). The Group aims for an improvement in earnings per share averaging 15 per cent a year.

The target for the Group's return on investment is 20 per cent; in 2006 the return on investment was 31.1 (25.8) per cent.

The consolidated balance sheet structure is healthy. The equity ratio is 49.2 (49.8) per cent. The Group's liquidity is good. At the end of the year, the Group's cash and cash equivalents amounted to EUR 74.9 (64.5) million. Interest-bearing debts totalled EUR 13.6 (10.7) million. The net debt/equity ratio (gearing) was -37.6 (-36.1) per cent.

At the beginning of 2006, the Pöyry Group expected profit before taxes for the year under review to improve compared with 2005. In the interim report for the third quarter the earnings estimate was raised and earnings were forecast to improve clearly. The improvement in earnings was primarily due to better demand, successful integration and favourable earnings development of mergers and acquisitions implemented in 2005 and 2006, and improved internal efficiency, mostly in the use of Group resources and in project implementation.

Order stock

The Group's order stock increased during the financial year. At the end of 2006, the order stock totalled EUR 507.6 million, compared with EUR 452.1 million at the end of 2005. The order stock of the consulting and engineering business increased by 72.7 million during the year. The growth in the consulting and engineering order stock reflects the Group's intention to increase the proportion of net sales generated by these businesses, which will improve the Group's relative profitability.

The share of consulting services and operation and maintenance services of the order stock has increased. Assignments in these areas are short-term and are partly booked under net sales without being recorded in the order stock.

Financing

The Group's liquidity remained good during the financial year. At the end of the year, the Group's cash and cash equivalents totalled EUR 74.9 (64.5) million. Interest-bearing debts amounted to EUR 13.6 (10.7) million. The net debt/equity ratio (gearing) was -37.6 (-36.1) per cent, which was clearly better than the target of keeping gearing below 30 per cent.

Personnel structure

The total number of personnel in the Group increased during 2006. The Group had an average of 6038 employees during the year, which is 11.3 per cent more than in 2005. The number of personnel increased the most outside Western Europe. Mergers and acquisitions added 220 employees to the total. Of the total personnel, 5514 were on the average employed in operative project work.

Dividend policy

Pöyry Plc's target is that the dividend/earnings ratio is at least 50 per cent. Should the Group's net debt/equity ratio exceed 30 per cent, the dividend/earnings ratio may be adjusted.

Board of Directors' proposal

The Board of Directors of Pöyry Plc proposes to the Annual General Meeting on March 5, 2007 that a dividend of EUR 0.50 (0.325) per share be paid for the year 2006, totalling EUR 29.1 million. The proposed dividend corresponds to 86.2 (72.2) per cent of the earnings per share for the financial year. The dividend will be payable on March 15, 2007.

Prospects

The world economy was in a good phase in 2006. Prospects for 2007 are also mostly favourable and the economic growth is expected to continue.

The Pöyry Group has strengthened its market position in recent years. The Group's order stock increased by EUR 55.5 million during the financial year, amounting to EUR 507.6 million. The order stock is normal in terms of its price level and risk profile. The Group's balance sheet position and liquidity are also good.

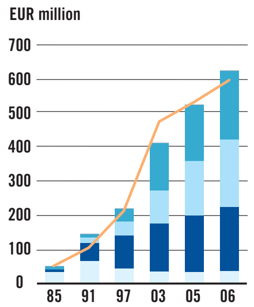
The Pöyry Group has a strong market position in all of its business areas. The order stock grew clearly during 2006 and the balance sheet position remained good. Consolidated net sales will grow during 2007. Consolidated profit before taxes are expected to improve in 2007.

Key figures and financial targets

	FAS 2002	FAS 2003	2004	2005	2006	Target on average
Profitability						
Profit before taxes, EUR million	18.1	35.8	30.9	38.6	50.2	
Return on investment, %	14.5	27.7	21.4	25.8	31.1	≥ 20 %
Earnings						
Earnings/share, EUR	0.23	0.45	0.36	0.45	0.58	
Earnings/share, annual growth, %	-30.8	100.0	-25.5	26.8	28.9	≥ 15 %
Balance sheet						
Gearing, %	-5.6	-40.7	-37.4	-36.1	-37.6	< 30 %
Dividend						
Dividend, EUR	0.15	0.375	0.30	0.325	0.50 [1)]	
Dividend/earnings ratio, %	66.7	83.3	84.5	72.2	86.2	≥ 50 %

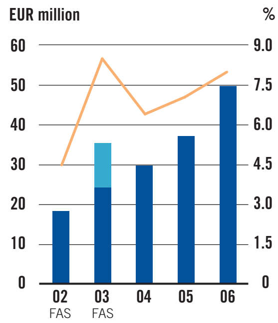
1) Board of Directors' proposal.

Net sales



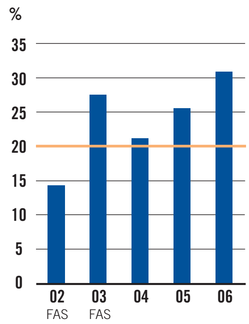
Infrastructure & Environment
Energy
Forest Industry
Forest Industry, New Investments
12 % annual growth

Operating profit



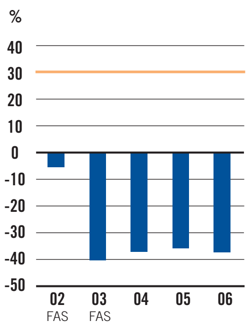
Operating profit, EUR million
Operating profit, %
Sale of headquarter office building

Return on investment



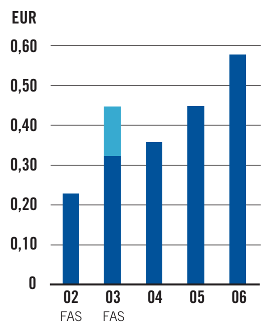
Target

Gearing



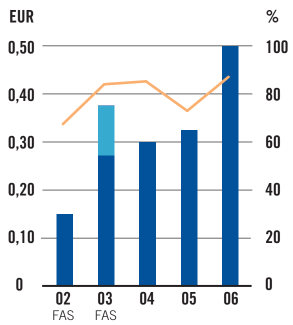
Target below 30 %

Earnings/share



Earnings/share, EUR
Sale of headquarter office building

Dividend/share and dividend/earnings



Dividend/share, EUR
Earnings/share, %
Extra dividend

FIVE YEAR FINANCIAL REVIEW

Statement of income

EUR million	FAS 2002	FAS 2003	2004	2005	2006
Consulting and engineering	386.0	405.0	458.4	502.8	600.5
EPC	21.0	6.6	15.5	20.8	22.8
Net sales total	**407.0**	**411.6**	**473.9**	**523.6**	**623.3**
Change in net sales, %	- 5.7	1.1	15.1	10.5	19.0
Other operating income	1.4	12.9	2.1	0.8	0.3
Share of associated companies' results	- 0.1	0.2	0.5	0.8	1.2
Materials, supplies and subconsulting	57.8	47.1	64.9	75.1	97.2
Personnel expenses	228.0	235.4	266.4	283.2	327.7
Depreciation of goodwill	4.5	5.0			
Other depreciation	8.8	9.2	9.1	7.9	7.8
Other operating expenses	90.8	92.6	106.2	121.8	142.2
Operating profit	**18.4**	**35.4**	**29.9**	**37.2**	**49.9**
Proportion of net sales, %	4.5	8.6	6.3	7.1	8.0
Financial income and expenses	- 0.3	+ 0.4	+ 1.0	+ 1.4	+ 0.3
Proportion of net sales, %	0.1	0.1	0.2	0.3	0.0
Profit before taxes	**18.1**	**35.8**	**30.9**	**38.6**	**50.2**
Proportion of net sales, %	4.5	8.7	6.5	7.4	8.1
Income taxes	- 5.7	- 10.8	- 10.0	- 12.3	- 15.4
Net profit for the period	**12.4**	**25.0**	**20.9**	**26.3**	**34.8**
Attributable to:					
Equity holders of the parent company	12.3	24.7	19.7	25.9	33.6
Minority interest	0.1	0.3	1.2	0.4	1.2

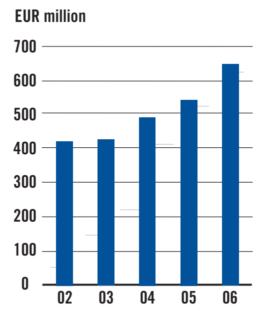
Balance sheet

EUR million	FAS 2002	FAS 2003	2004	2005	2006
Goodwill	34.0	34.3	34.0	42.4	61.4
Intangible and tangible assets	32.7	20.9	19.8	23.7	24.9
Non-current investments	12.5	9.4	10.4	12.7	12.3
Non-current receivables	7.1	9.7	22.7	20.2	17.9
Work in progress	36.1	35.4	46.6	56.6	52.7
Accounts receivable	86.0	87.0	103.6	108.1	134.2
Other current receivables	16.9	11.1	13.3	21.6	22.5
Cash and cash equivalents	26.0	63.1	62.2	64.5	74.9
Assets total	**251.3**	**270.9**	**312.6**	**349.8**	**400.8**
Equity attributable to the equity holders of the parent company	104.3	117.9	126.6	144.2	156.8
Minority interest	5.0	4.2	7.1	4.7	6.1
Pension obligations	0.0	0.0	6.6	6.8	6.9
Provisions	0.0	0.0	0.7	3.4	3.7
Interest bearing liabilities	19.9	13.4	12.2	10.7	13.6
Project advances	37.2	37.5	51.6	51.0	70.0
Accounts payable	12.8	10.6	13.9	18.8	25.1
Other non-interest bearing liabilities	72.1	87.3	93.9	110.2	118.6
Liabilities total	**251.3**	**270.9**	**312.6**	**349.8**	**400.8**

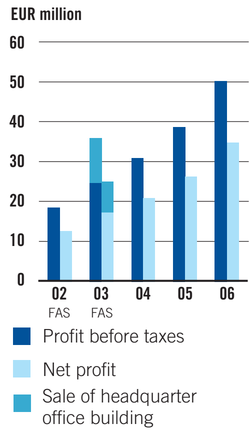
Statement of changes in financial position

EUR million	FAS 2002	FAS 2003	2004	2005	2006
From operations	+ 21.3	+ 51.9	+ 37.1	+ 37.8	+ 57.6
Capital expenditure, net	- 8.8	+ 5.9	- 17.1	- 19.2	- 31.2
Financing	- 19.0	- 20.7	- 20.9	- 16.3	- 16.0
Change in cash and cash equivalents	- 6.5	+ 37.1	- 0.9	+ 2.3	+ 10.4
Cash and cash equivalents December 31	**26.0**	**63.1**	**62.2**	**64.5**	**74.9**

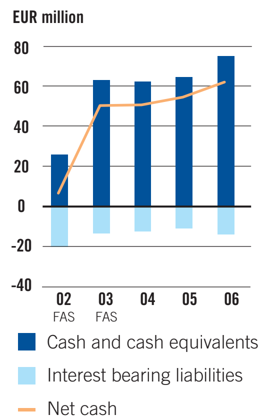
Net sales



Profit before taxes and net profit



Financing



Profitability and other key figures

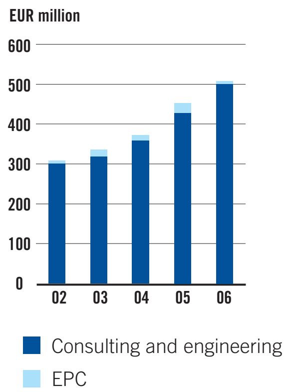
EUR million	FAS 2002	FAS 2003	2004	2005	2006
Return on investment, %	14.5	27.7	21.4	25.8	31.1
Return on equity, %	11.3	21.7	15.6	18.6	22.3
Equity ratio, %	51.0	52.3	51.2	49.8	49.2
Equity/assets ratio, %	43.5	45.1	42.8	42.6	40.7
Net debt/equity ratio (gearing), %	- 5.6	- 40.7	- 37.4	- 36.1	- 37.6
Net debt, EUR million	- 6.1	- 49.7	- 50.0	- 53.8	- 61.3
Current ratio	1.4	1.6	1.5	1.4	1.3
Consulting and engineering, EUR million	301.6	319.3	359.3	428.1	500.8
EPC, EUR million	6.8	16.4	13.9	24.0	6.8
Order stock total, EUR million	308.4	335.7	373.2	452.1	507.6
Capital expenditure, operating, EUR million	9.1	9.0	7.3	8.0	9.8
Proportion of net sales, %	2.2	2.2	1.5	1.5	1.6
Capital expenditure in shares, EUR million	2.5	6.4	11.4	17.8	27.9
Proportion of net sales, %	0.6	1.5	2.4	3.4	4.5
Personnel in group companies on average	4 635	4 697	5 219	5 423	6 038
Personnel in associated companies on average	195	195	213	249	251
Personnel in group companies at year-end	4 632	4 766	5 309	5 608	6 389
Personnel in associated companies at year-end	194	191	240	248	236

Key figures for the shares

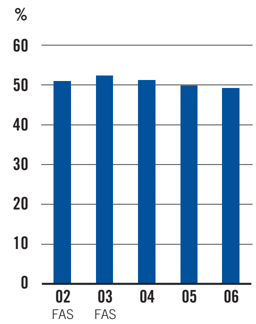
	FAS 2002	FAS 2003	2004	2005	2006
Earnings/share, EUR	0.23	0.45	0.36	0.45	0.58
Corrected with dilution effect	0.22	0.44	0.35	0.45	0.57
Equity attributable to the equity holders of the parent company/share, EUR	1.89	2.14	2.27	2.48	2.70
Dividend, EUR million	8.3	20.7	16.9	18.9	29.1[1)]
Dividend/share, EUR	0.15	0.375	0.30	0.325	0.50[1)]
Dividend/earnings, %	66.7	83.3	84.5	72.2	86.2
Effective return on dividend, %	4.0	6.9	5.4	4.1	4.2
Price/earnings multiple	16.7	12.1	15.6	17.7	20.3
Issue-adjusted trading prices, EUR					
Issue-adjusted trading prices, EUR					
Average trading price	4.11	4.22	5.27	6.71	9.15
Highest trading price	4.75	5.63	5.78	8.50	12.61
Lowest trading price	2.85	3.25	4.94	5.55	7.65
Closing price at year-end	3.75	5.45	5.55	7.97	11.80
Total market value					
Outstanding shares, EUR million	206.7	301.0	309.3	463.4	686.5
Own shares, EUR million	0.2	3.5	0.0	0.0	0.0
Trading volume of shares					
Shares, 1000	6 460	13 152	23 392	20 340	23 581
Proportion of the total volume, %	11.8	23.8	42.0	35.4	40.5
Issue-adjusted number of outstanding shares, 1000					
On average	54 784	54 956	55 376	57 468	58 180
At year-end	55 128	55 216	55 722	58 180	58 180

1) Board of Directors' proposal.

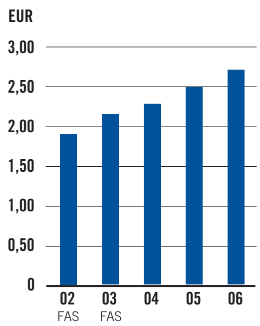
Order stock



Equity ratio



Shareholders' equity/share



INFORMATION FOR INVESTORS

Major registered shareholders

	Number of shares	Per cent of shares and voting rights
1. Corbis S.A.	17 861 200	30.70
2. Procurator Oy	2 867 000	4.93
3. Ilmarinen Mutual Pension Insurance Company	2 202 170	3.79
4. Varma Mutual Pension Insurance Company	1 900 600	3.27
5. Tapiola Mutual Pension Insurance Company	1 760 000	3.03
6. Nordea Fund company Ab (FI)	1 403 164	2.42
7. OP-Delta Fund	1 329 780	2.29
8. UCITS Fund Aktia Capital	1 175 300	2.02
9. Svenska litteratursällskapet i Finland	892 100	1.53
10. Nordea Life Securities Finland Ltd	478 184	0.82
Shares nominee registered	15 076 490	25.91
Other shareholders	11 234 156	19.31
Total	58 180 144	100.00

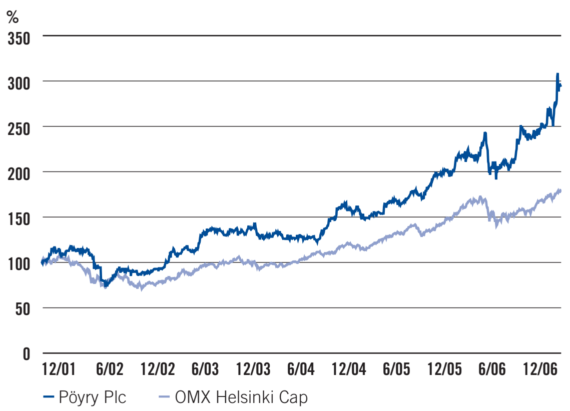
"The number of Pöyry's shareholders increased substantially during 2006. At the end of the year, there were 3190 shareholders, representing an increase of 70 per cent. "

Satu Perälampi
Investor Relations Manager

Share price development and trading volume

Pöyry Plc's shares are listed on the Helsinki Stock Exchange under the trading code POY1V. The company's market capitalisation at the end of 2006 was EUR 687 million, and the closing price of the share EUR 11.80. A total of 23 580 879 shares were traded, which equals 40.5 per cent of the total number of issued shares.

Development of the share on the Helsinki Stock Exchange



Peer group

Pöyry has identified an international peer group for itself, against which the Group's financial information and business operations can be compared. The peer group consists of listed companies and does not alone give an adequate picture of Pöyry's competitors. The following companies are included in the peer group:

- Amec Plc., London Stock Exchange
- Arcadis NV, Amsterdam, Euronext Exchange
- Jacobs Engineering Group Inc., New York Stock Exchange
- SNC-Lavalin Group, Toronto Stock Exchange
- WS Atkins Plc, London Stock Exchange
- WSP Group Plc, London Stock Exchange
- AB Ångpanneföreningen, Stockholm Stock Exchange

Investment analyses

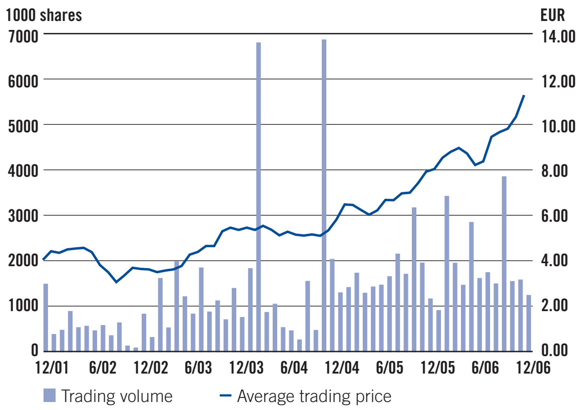
According to currently available information, the following brokerage firms are regularly following Pöyry. Detailed contact information is available on the company's website. Pöyry takes no responsibility for their opinions.

- Carnegie Finland Branch, Helsinki
- EVLI Bank, Helsinki
- FIM Securities, Helsinki
- Handelsbanken Capital Markets, Stockholm
- Kaupthing Bank, Helsinki
- Nordea, Helsinki
- OKO Bank, Helsinki
- SEB Enskilda, Helsinki Branch
- Öhman Fondkommission, Helsinki

Website

Updated and more detailed information about Pöyry as an investment option is available on the company's website www.poyry.com.

Trading volume of shares and average trading price



CONTACT INFORMATION

Head office
President and CEO:
Erkki Pehu-Lehtonen
Deputy to President and CEO: Teuvo Salminen
Pöyry Plc
P.O.Box 4, Jaakonkatu 3
FI-01621 VANTAA
Finland
Tel. +358 10 3311
Fax +358 10 33 21818

Energy
President:
Richard Pinnock
Pöyry Energy AG
Hardturmstrasse 161, P.O. Box
CH-8037 ZURICH
Switzerland
Tel. +41 1 355 5554
Fax +41 1 355 5556

Forest Industry
President:
Jukka Nyrölä
Pöyry Plc
P.O.Box 4, Jaakonkatu 3
FI-01621 VANTAA
Finland
Tel. +358 10 3311
Fax +358 10 33 21818

Infrastructure & Environment
President:
Risto Laukkanen
Pöyry Plc
P.O.Box 4, Jaakonkatu 3
FI-01621 VANTAA
Finland
Tel. +358 10 3311
Fax +358 10 33 21818

Investor relations
Satu Perälampi, Investor Relations Manager
tel. +358 10 33 23002, fax +358 10 33 21563
satu.peralampi@poyry.com

PÖYRY'S OFFICE NETWORK

Asia and Australia
Australia, China, India, Indonesia, Malaysia, New Zealand, Philippines, Republic of Korea, Singapore, Taiwan, Thailand, Vietnam

Europe
Austria, Czech Republic, Estonia, Finland, France, Germany, Great Britain, Hungary, Italy, Norway, Latvia, Lithuania, Poland, Russia, Slovakia, Spain, Sweden, Switzerland

Middle East and Africa
Brunei, Iran, Nigeria, Oman, Saudi Arabia, Senegal, South Africa, United Arab Emirates

North and Latin America
Argentina, Brazil, Canada, Mexico, Peru, USA, Venezuela

Up-to-date contact information of Pöyry offices worldwide is available at: www.poyry.com/contacts

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Pöyry Plc
P.O.Box 4 (Jaakonkatu 3)
FI-01621 VANTAA, Finland
Tel. +358 10 3311
Fax +358 10 33 21818

Competence. Service. Solutions.

www.poyry.com

Financial Statements 2006

Pöyry Plc

CONTENTS

Annual General Meeting

The shareholders of Pöyry Plc are invited to attend the Annual General Meeting (Meeting) to be held on Monday, March 5, 2007 at 4.00 p.m. at the Pöyry House, Jaakonkatu 3, FI-01620 Vantaa, Finland.

Right to attend and vote at the Meeting

In order to attend and have the right to vote at the Meeting, the shareholder

a) must be entered in the Shareholder Register of the company maintained by Finnish Central Securities Depository Ltd on Friday, February 23, 2007, and
b) must give notice to attend the Meeting by Wednesday, February 28, 2007 at 12 noon Finnish time.

The shareholder, in whose name the shares are registered, is automatically registered in the Shareholder Register of the company. Foreign shareholders holding nominee-registered shares who wish to attend the Meeting can temporarily be registered in the Shareholder Register. Such registration shall be made on Friday, February 23, 2007 at the latest. For temporary registration, foreign shareholders must contact their account operator.

Notice to attend

A shareholder wishing to attend the Meeting must give notice to attend the Meeting to the company either

- by filling in the registration form at the Pöyry website www.poyry.com/agm2007,
- by telephone +358 10 33 22224/Legal Department Monday through Friday between 9 a.m. and 4 p.m. Finnish time,
- by telefax +358 10 33 21816/Legal Department, or
- by letter to Pöyry Plc, Legal Department/AGM, Jaakonkatu 3, FI-01620 Vantaa, Finland.

The notice must be at the company's disposal no later than at 12 noon Finnish time on Wednesday, February 28, 2007.

Proxies for representing a shareholder at the Meeting shall be submitted to the company no later than at 12 noon Finnish time on Wednesday, February 28, 2007.

A complete notice to convene the Meeting has been published in a stock exchange notice on February 2, 2007 and mailed to all shareholders at their addresses in the Shareholder Register.

Proposals to the Meeting

A shareholder wishing to have a matter specified in the Companies Act to be handled in the Meeting must request it in writing from the Board of Directors so much in advance that the matter can be included in the notice to convene the Meeting.

Dividend

The Board of Directors proposes to the Meeting on March 5, 2007 that a dividend of EUR 0.50 per share be paid for the year 2006. The dividend will be paid on March 15, 2007. This dividend is paid to shareholders entered into the Shareholder Register maintained by Finnish Central Securities Depository Ltd. on the record date, March 8, 2007 set by the Board of Directors.

Address changes

Shareholders are kindly requested to inform changes in their address or other personal data to their custodian.

Financial information in 2007

In 2007 Pöyry Plc will publish its interim reports as follows:

January–March	April 26 at 8.30 a.m. Finnish time
January–June	July 26 at 8.30 a.m. Finnish time
January–September	October 30 at 8.30 a.m. Finnish time

Investor relations

Satu Perälampi, Investor Relations Manager
tel. +358 10 33 23002
fax. +358 10 33 22563
satu.peralampi@poyry.com

HIGHLIGHTS 2006

Earnings per share for the financial year were EUR 0.58. The return on investment exceeded the strategic target, amounting to 31.1 per cent. The consolidated balance sheet structure is good; the net debt/equity ratio (gearing) was –37.6 per cent. The order stock increased to EUR 507.6 million at the end of the year. The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.50 per share be paid.

The world economy continued to develop favourably in 2006. Economic prospects for 2007 are also mostly favourable. The good economic development has boosted investment activity practically all over the world.

As a result of improved demand, the Pöyry Group's strong market position and the streamlining of its operations, consolidated net sales increased to EUR 623.3 (523.6 in the previous year) million and profit before taxes improved clearly during the year under review. Profit before taxes was EUR 50.2 (38.6 in the previous year) million. The net profit for the period was EUR 34.8 (26.3) million. Earnings per share improved by 28.9 per cent during the year to EUR 0.58 (0.45).

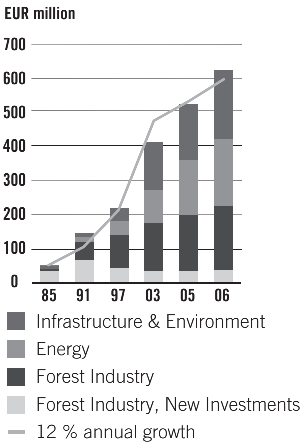
The target for the Group's return on investment is 20 per cent; in 2006 the return on investment was 31.1 (25.8) per cent.

The consolidated balance sheet structure is healthy. The equity ratio is 49.2 (49.8) per cent. The Group's liquidity is good. The net debt/equity ratio (gearing) was –37.6 (-36.1) per cent.

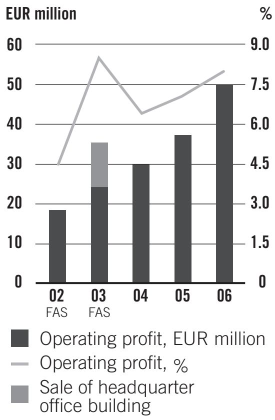
The Group's order stock increased during the financial year. At the end of the year it amounted to EUR 507.6 (452.1) million.

The Pöyry Group has a strong market position in all of its business areas. The order stock grew clearly during 2006 and the balance sheet position remained good. Consolidated net sales will grow during 2007. Consolidated profit before taxes are expected to improve in 2007.

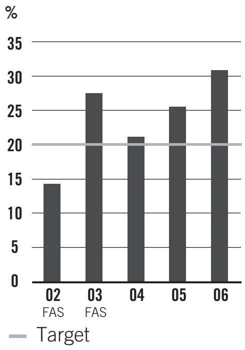
Net sales



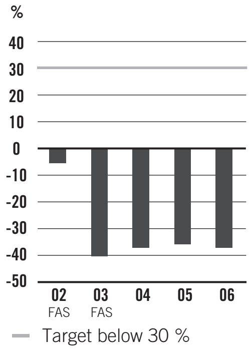
Operating profit



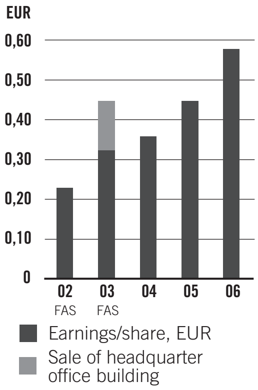
Return on Investment



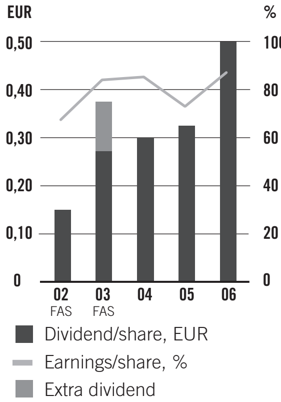
Gearing



Earning/share



Dividend/share and Dividend/earnings



Financial targets

Earnings/share, annual growth	≥ 15%
Return on investment	≥ 20%
Gearing	< 30%
Dividend/earnings ratio	≥ 50%

Key figures

	2005	**2006**
Net sales, EUR million	523.6	**623.3**
Operating profit, EUR million	37.2	**49.9**
Operating profit, %	7.1	**8.0**
Profit before taxes, EUR million	38.6	**50.2**
Profit before taxes, %	7.4	**8.1**
Earnings/share, EUR	0.45	**0.58**
Dividend/share, EUR	0.325	**0.50** [1]
Dividend/earnings ratio, %	72.2	**86.2**
Return on investment, %	25.8	**31.1**
Gearing, %	- 36.1	**- 37.6**
Order stock, EUR million	452.1	**507.6**
Personnel in group companies	5 608	**6 389**

1) Board of Directors' proposal.

BOARD OF DIRECTORS' REPORT, JANUARY 1 – DECEMBER 31, 2006

CONSOLIDATED EARNINGS AND BALANCE SHEET

The world economy continued to develop favourably in 2006. Economic prospects for 2007 are also mostly favourable. The good economic development has boosted investment activity practically all over the world.

As a result of improved demand, the Pöyry Group's strong market position and the streamlining of its operations, consolidated net sales increased to EUR 623.3 million and profit before taxes improved clearly during the year under review. Profit before taxes was EUR 50.2 (38.6 in the previous year) million, which equals 8.1 per cent of net sales. The net profit for the period was EUR 34.8 (26.3) million. Earnings per share improved by 28.9 per cent during the year to EUR 0.58 (0.45). The Group aims for an improvement in earnings per share averaging 15 per cent a year.

The target for the Group's return on investment is 20 per cent; in 2006 the return on investment was 31.1 (25.8) per cent.

The consolidated balance sheet structure is healthy. The equity ratio is 49.2 (49.8) per cent. The Group's liquidity is good. At the end of the year, the Group's cash and cash equivalents amounted to EUR 74.9 (64.5) million. Interest-bearing debts totalled EUR 13.6 (10.7) million. The net debt/equity ratio (gearing) was –37.6 (-36.1) per cent.

At the beginning of 2006, the Pöyry Group expected profit before taxes for the year under review to improve compared with 2005. In the interim report for the third quarter the earnings estimate was raised and earnings were forecast to improve clearly. The improvement in earnings was primarily due to better demand, successful integration and favourable earnings development of mergers and acquisitions implemented in 2005 and 2006, and improved internal efficiency, mostly in the use of Group resources and in project implementation.

Key figures

EUR million	**2006**	2005	2004
Net sales	623.3	523.6	473.9
Profit before taxes	50.2	38.6	30.9
Profit for the year, of which	34.8	26.3	20.9
attributable to equity holders			
of the parent company	33.6	25.9	19.7
Earnings/share, EUR	0.58	0.45	0.36
Return on investment, %	31.1	25.8	21.4
Equity ratio	49.2	49.8	51.2
Cash and cash equivalents	74.9	64.5	62.2
Interest-bearing debts	13.6	10.7	12.2
Gearing, %	-37.6	-36.1	-37.4

COMMON PÖYRY BRAND ADOPTED

The extraordinary General Meeting on March 28, 2006 decided to change the company's business name to Pöyry Plc (Pöyry Oyj in Finnish). The change was entered into the Trade Register on April 3, 2006.

During 2006, all Pöyry business groups and units adopted the common Pöyry brand. Following this change, all Group companies were given new names beginning with "Pöyry" and they now operate under the common brand in all markets.

The objective of this change was to bring together the resources of the Group's extensive office network and to concentrate all communications clearly and efficiently under one brand. In addition to supporting the Group's growth targets, the new brand also supports the Global Network Company concept and increases the company's international recognition.

BUSINESS GROUPS

The parent company of the Pöyry Group is Pöyry Plc. The parent company is responsible for developing the Group's strategy and for supervising its implementation, for financing, for exploiting synergistic benefits and for general co-ordination of the Group's operations. The parent company has charged service fees for general administration and parent company costs to the business groups. The relative share charged is derived from the business groups' payroll costs.

The Pöyry Group's business operations are conducted through three business groups: Energy, Forest Industry, and Infrastructure & Environment. The business groups are globally responsible for their operations. All three business groups offer a full range of consulting, investment planning and implementation, maintenance planning and operations improvement services to their clients, covering the entire lifecycle of their business.

Energy

The brisk activity in world energy markets continued during 2006. The higher price of crude oil and environmental considerations attracted growing attention to new sources of energy, so energy producers have started to contemplate alternative sources of energy. The internationalisation of the energy sector continued, as did the liberalisation of energy markets. As markets open up, competition will increase, which raises energy companies' return-on-investment requirements. The restructuring of the energy sector continued and oil and gas companies expanded their power production. In Europe, the liberalisation of energy markets and the more diversified energy supply resulted in increased demand for energy-related management consulting services. The Energy business group continued to strengthen its global market position and local presence during the year.

The Energy business group's net sales in 2006 were EUR 197.4 million. Operating profit improved clearly during 2006, amounting to EUR 14.6 million. The increase in operating profit was due to improved demand for services in all business areas. In addition, acquisitions contributed to the business group's operating profit and relative profitability. The business group continued to streamline its business area-based organisation, which resulted in improved capacity utilisation.

The order stock remained good, amounting to EUR 204.9 (195.2) million at the end of the year. The most important new projects were the hydropower plant contract with Verbund Austrian Hydro Power in Austria (EUR 13 million); the power plant engineering contract with EGL Group in Italy (EUR 7.3 million); the hydropower plant contract with SouthEast Asia Energy Limited in Laos (EUR 8.9 million); the hydropower plant contract with Hochtief Glendoe Joint Venture in the United Kingdom (EUR 5 million); and the sea water cooling project for Qatar Petroleum in Qatar (EUR 17 million).

Energy

EUR million	**2006**	2005	2004
Net sales	197,4	160,0	146,5
Operating profit	14,6	9,1	7,0
Operating profit, %	7,4	5,7	4,8
Order stock	204,9	195,2	171,8
Personnel at year-end	1692	1463	1485

Forest Industry

The challenging business conditions in the pulp and paper industry continued during 2006, especially in Europe and North America. Efforts to improve the efficiency of operations continued and several paper machines, pulp production lines and even entire mills were shut down. Only a few new investments and major modernisation projects were launched during the year. In spite of improved demand and slightly higher prices, the industry's earnings were depressed by rising energy prices, higher raw material costs and non-recurring rationalisation expenses. The brisk investment activity in Asia and South America continued.

In spite of the challenging market conditions, the Forest Industry business group managed to maintain its position in the market, while increasing its net sales and operating profit. Net sales for 2006 amounted to EUR 224.9 million and operating profit was EUR 22.9 million. Factors contributing to the favourable profit development included global networking of the company's resources, local presence in the most important emerging markets, effectively implemented projects and increased demand for management consulting services. Investments in the chemical industry, demand for local services also in other process industries, and new biofuel projects, especially in North America, contributed to the favourable development.

The order stock grew to EUR 111.4 (97.3) million at the end of 2006. The biggest new assignments received included engineering and project services for Solvay S.A.'s hydrogen peroxide plant in Belgium; engineering services for the expansion of Aracruz Celulose S/A's pulp mill in Brazil and the engineering and project management services for Klabin S/A's new board mill, also in Brazil (EUR 20 million); engineering and site services for Kemira Plc's new chemical plant in Uruguay; and engineering services for UPM Corporation's new recovery line in Finland. Among new operations improvement and modernisation projects the most important were the transfer of Norske Skogindustrier AS's Union TMP plant in Norway and the rebuild of USG Corporation's board machine in the United States.

Forest Industry

EUR million	**2006**	2005	2004
Net sales	224.9	199.3	186.3
Operating profit	22.9	19.7	17.2
Operating profit, %	10.2	9.9	9.2
Order stock	111.4	97.3	82.5
Personnel at year-end	2418	2123	2077

Infrastructure & Environment

Demand for infrastructure- and environment-related services strengthened during 2006. Maintaining a local presence became more important for project development in all market areas. Demand for consulting and engineering services in public-sector rail bound traffic projects continued to grow, especially in Asia and Latin America. Activities in the water and environment sector increased in Latin America, while remaining stable in other markets. The increased frequency of climatic disturbances added to the importance of flood control in many regions of the world. Demand for real estate services showed the strongest growth in Russia and the Baltic region. On the other hand, some projects were postponed because of overheated demand. The business group's market position continued to strengthen in local and international markets.

As a result of increased demand for the business group's services and streamlining of its operations, net sales and operating profit increased during the year. Net sales for 2006 were EUR 201.8 million and operating profit EUR 13.0 million. Operating profit improved clearly, especially due to several new assignments in the rail bound traffic market in Latin America and the resultant good staff capacity utilisation. Strong growth for real estate services supported the earnings development.

The order stock increased during the year to EUR 191.0 (159.5) million. The most important new projects were the light rail transport system project for Metro de Maracaibo C.A. in Venezuela (EUR 13.1 and EUR 8.0 million); construction supervision for the high-speed railway project of Zhengzhou-Xian Passenger Dedicated Line Company Ltd in China (EUR 2.6 million); and the continuation of implementation services to C.A. Metro de Valencia for line No. 1 of the light rail system of the city of Valencia, Venezuela (EUR 12.6 million).

Infrastructure & Environment

EUR million	**2006**	2005	2004
Net sales	201.8	164.9	142.1
Operating profit	13.0	9.2	7.0
Operating profit, %	6.4	5.6	4.9
Order stock	191.0	159.5	118.8
Personnel at year-end	2207	1979	1715

DEVELOPMENT OF GROUP STRUCTURE

The Pöyry Group's clients are globalising and consolidating their operations. Through its comprehensive global network of offices the Group serves its clients as an adviser and project implementation specialist, globally and locally. The Pöyry Group's local network of offices offers clients a good alternative for outsourcing their internal engineering services. The Group is actively expanding its office network. The Group also intends to expand its technology and know-how base by acquiring technology leaders within its main business sectors. These companies' expertise can also be efficiently marketed via the Group's global network of offices.

To improve the Group's relative profitability, operations are being increasingly focused on consulting and engineering services. Turnkey project operations have been reduced and earnings targets for individual turnkey projects have also been raised. Turnkey projects are only undertaken by the Energy business group and the objective is to keep their volume below 30 per cent of the business group's net sales. This equals about 10–15 per cent of the Group's consolidated net sales.

ACQUISITIONS

Energy

The Energy business group expanded its global presence in the oil and gas engineering and consulting sector by acquiring in May IGL Consultants Ltd, headquartered in Aberdeen, Scotland. The company's main operational bases are in Aberdeen (UK), Stavanger (Norway), Perth (Australia) and Kuala Lumpur (Malaysia), and at the time of the acquisition it had 117 employees. The company specialises in engineering, operations support and expert consulting services. It has a wide client base including international and national oil companies and independents. IGL's net sales for 2006 were EUR 15 million. IGL Consultants has been consolidated into the Pöyry Group as of May 2006.

The business group expanded its management consulting business in October by acquiring Convergence Utility Consultants Ltd, headquartered in Switzerland. The merger represented an excellent strategic fit, strengthening Pöyry's position as the biggest consultant in the European energy market. Convergence's main operational bases are in Dusseldorf, Milan, Paris, Warsaw and Zurich and it has 70 employees. Convergence is a business strategy and economics consulting firm serving utility companies, regulators and energy-sector institutions. Its service portfolio covers a broad spectrum relating to producers, network carriers, retailers and suppliers. The company's net sales for 2006 amounted to EUR 10 million. Convergence Utility Consultants has been consolidated into the Pöyry Group as of October 2006.

The business group aims to expand its network of local offices in Europe and Asia. In addition, the business group intends to expand its technological expertise, especially in the areas of renewable energy, management consulting, oil and gas reserves, and environmental protection.

FOREST INDUSTRY

Pöyry Civil Oy acquired, in February, 100 per cent of the shares of Salminen & Sorasalmi Oy of Espoo, Finland. The company's net sales are EUR 0.7 million. Salminen & Sorasalmi strengthens the structural engineering operations of Pöyry Civil Oy and broadens its business in Russia and the Baltic countries. Salminen & Sorasalmi was merged into Pöyry Civil Oy on September 30, 2006. In addition, Pöyry Civil Oy acquired in June the entire share capital of TH Consulting Oy, a structural design firm based in Espoo, Finland. The company's net sales are EUR 0.4 million.

Pöyry's Forest Industry business group formed, in March, a joint venture with the Shandong Light Industry Design Institute to provide detail engineering services in China. The joint venture, named Pöyry Shandong Engineering Consulting Co. Ltd, is 70 per cent owned by Pöyry. The company is based in Jinan, Shandong Province in Eastern China, and has a staff of about 100. The joint venture is a major step in strengthening Pöyry's local engineering presence in China, building on the existing operations in Shanghai and Beijing.

The business group's office network will be expanded in the next few years in line with market developments. The expansion is likely to take place primarily in emerging markets, where investment activity is expected to grow, and partly in Europe and North America, where local services are required for rebuilds and maintenance engineering.

INFRASTRUCTURE & ENVIRONMENT

Pöyry Environment Oy in February acquired 100 per cent of the shares of Savon Tekmi Oy, based in Kuopio, Finland. Savon Tekmi Oy has net sales of EUR 0.9 million. The acquisition strengthens Pöyry's local operations in eastern Finland. Savon Tekmi Oy specialises in geotechnical, foundation and municipal engineering. It also has expertise in surveying and in planning, and in research related to contaminated soils. Savon Tekmi Oy was merged into Pöyry Environment Oy on September 30, 2006.

The business group increased, in August, its ownership in Entec A.S., Estonia. Pöyry Environment Oy's ownership increased from 42 per cent to 67 per cent of Entec's shares. The transaction strengthens Pöyry's position in the Estonian engineering services market. Entec A.S. specialises in consulting and engineering services in the fields of water supply, community planning, municipal engineering, waste management, environmental consulting and contaminated soils. The company has a leading position in its own business sector in Estonia. Entec has net sales of about EUR 1 million and a staff of 30.

The business group aims to expand its network of local offices in Europe and Asia.

ORDER STOCK

The Group's order stock increased during the financial year. At the end of 2006, the order stock totalled EUR 507.6 million, compared with EUR 452.1 million at the end of 2005. The order stock of the consulting and engineering business increased by 72.7 million during the year.

The share of consulting services and operation and maintenance services of the order stock has increased. Assignments in these areas are short-term and are partly booked under net sales without being recorded in the order stock.

Pöyry's Forest Industry business group entered, in December 2006, into an agreement with Chamflora - Três Lagoas Agroflorestal Ltda regarding the implementation of a greenfield bleached kraft pulp mill in the state of Mato Grosso do Sul in Brazil. In the agreement Pöyry is designated as the supplier of overall project management as well as engineering, procurement, and construction management services for the pulp mill project. The final price is dependent on the scope of the services but is estimated to be no less than USD 50 million. A separate stock exchange notice will be released when the agreement has been signed and the project recorded in the order stock.

Order stock

EUR million	**2006**	2005	2004
Consulting and engineering	500.8	428.1	359.3
EPC	6.8	24.0	13.9
Order stock, total	507.6	452.1	373.2

HUMAN RESOURCES

Personnel structure

The total number of personnel in the Group increased during 2006. The Group had an average of 6038 employees during the year, which is 11.3 per cent more than in 2005. The number of personnel increased the most outside Western Europe. Mergers and acquisitions added 220 employees to the total. Of the total personnel, 5514 were employed in operative project work.

Personnel

average	**2006**	2005	2004
Operative personnel	5514	4936	4778
Administrative personnel	524	487	441
Personnel, total	6038	5423	5219

Salaries and bonuses

Salaries and bonuses in the Pöyry Group are determined on the basis of collective and individual agreements, the employee's performance and the required qualification level. Supplementing the basic salary, the Group has implemented a bonus scheme which is primarily aimed at Group companies' management. In addition, separately agreed bonus schemes were implemented in selected projects. In 2006, salaries paid totalled EUR 273.4 million, of which profit bonuses accounted for EUR 11.1 million.

Salaries and bonuses

EUR million	**2006**	2005	2004
Salaries and remunerations	262.3	223.6	210.5
Profit bonuses	11.1	9.3	7.8
Salaries and bonuses, total	273.4	232.9	218.3

Human resources management

The future path of human resources functions was determined on the basis of a Group-wide review completed during 2006. Based on this review, Pöyry's HR functions will be strengthened both globally and locally. In the autumn of 2006 the Group Vice President, Human Resources was employed and appointed member of the Group Executive Committee, with responsibility for finalising the HR development plan and putting it into practice. The executive committees of the business groups will also be complemented with human resources managers.

Operating principles will be enhanced in 2007 by intensifying the co-operation within the Group's HR network and by developing joint operating models. The objective of these efforts is to create a professionally ever-more skilled, business-oriented and closely co-operating HR service organisation. Guidelines for competence development are defined as a part of the strategy process. This ensures that the Pöyry Group's competences will develop in accordance with is varying business needs.

RESEARCH AND DEVELOPMENT

The Pöyry Group's research and development co-operation committee consists of representatives of the business groups, IT staff and the company's management. Its main objectives are to promote internal research and development, to assist in obtaining supplementary financing and engaging clients in development processes, and to keep the research and development focus on the Group's objectives.

The Pöyry Group is engaged in hundreds of research and development projects each year, relying on the expertise, experience and innovativeness of its employees. Research and development efforts are conducted in partnership with clients and research institutions, often in an interdisciplinary manner, making use of the Group's technical and technological expertise to improve the competitiveness of the Group and its clients.

The income and expenses attributable to research and development are mostly part of the Group's client work and cannot therefore be defined in exact monetary terms. The income and expenses have been taken into account in the statement of income for the financial year.

CAPITAL EXPENDITURE AND DEPRECIATION

The Group's capital expenditure totalled EUR 37.7 million, of which EUR 9.8 million mainly consisted of computer software, systems and hardware and EUR 27.9 was due to business acquisitions.

Capital expenditure and depreciation

EUR million	**2006**	2005	2004
Capital expenditure, operative	9.8	8.0	7.3
Capital expenditure, shares	27.9	17.8	11.4
Capital expenditure, total	37.7	25.8	18.7
Depreciation	7.8	7.9	9.1

FINANCING

The Group's liquidity remained good during the financial year. At the end of the year, the Group's cash and cash equivalents totalled EUR 74.9 (64.5) million. Interest-bearing debts amounted to EUR 13.6 (10.7) million. The net debt/equity ratio (gearing) was –37.6 (-36.1) per cent, which was clearly better than the target of keeping gearing below 30 per cent.

Financing

EUR million	**2006**	2005	2004
Cash and cash equivalents	74.9	64.5	62.2
Interest-bearing debts	13.6	10.7	12.2
Unutilised credit facilities	25.3	31.1	30.7
Gearing, %	-37.6	-36.1	-37.4
Cash flow before financing	26.4	18.6	20.0

ASSESSMENT OF OPERATIONAL RISKS AND UNCERTAINTIES

In the Pöyry Group risks are managed in accordance with the Group's risk management policy and instructions. The various risks related to the Group's business operations are being monitored in line with a risk classification of external and internal risks. Internal risks include strategic and operational risks, and financing risks. If realised, identified risks could have a material negative impact on Pöyry's business operations, earnings, financial position or reputation. All identified major risks have been quantified and qualified and measures defined for managing them. The effectiveness of risk management actions is being regularly audited in the Group. The most significant risks identified in the group-wide risk management process of 2006 are described in the following.

EXTERNAL RISKS

With the exception of the risk related to the general economic development, no major external risks were identified in the risk management process of 2006.

STRATEGIC RISKS

Pöyry's most significant strategic risks are related to business development and to the adoption of the one-brand strategy.

The most significant strategic risks related to business development consist of risks concerned with company acquisitions, and the establishment of operations in new markets. Risks related to acquisitions are managed by complying with Pöyry's acquisition policy, and the operating procedures and models prepared on the basis of it. To manage the risks related to establishment in new markets, a market-specific strategy has been prepared for new market areas.

The Group adopted a one-brand strategy during the year. The risks related to the Group's reputation and international recognition arising from the one-brand strategy are addressed by introducing brand management procedures, which are currently under preparation, and by adhering to scrupulous business practices, as stipulated in the Group's operating guidelines.

OPERATIONAL RISKS

Pöyry's most significant operational risks are related to its assignments and staff.

Pöyry's assignments involve a risk that the service or work performed contains a professional error, oversight or some other undesirable effect, which causes a significant economic or other liability. The following procedures are designed to manage these risks:

- adhering to quality systems, operating procedures and approval procedures
- appointing a supervisory body for major projects
- training project managers and staff for project management and project administration tasks

- complying with instructions for the processing of proposals and contracts, especially with a view to limiting contractual liabilities. However, the instructions for limiting contractual liabilities cannot always be taken into account particularly in dealing with public-sector clients
- maintaining a group-wide liability insurance programme to cover liability risks related to project work. Insurances do not, however, cover all liability risks

Pöyry's business success depends on its professional staff. The business requires that key staff stays with the Group and that staff with new competences is recruited according to need. The Global Network Company concept also requires a uniform management culture and uniform business practices. To identify the various risks in these areas, an external consultant has conducted a review of human resources functions and related risks. The Group Vice President, Human Resources is responsible for the planning and implementation of group-wide human resources processes, and for the recruitment of new human resources staff.

FINANCIAL RISKS

Political-risk countries in some of the markets where Pöyry is doing business involve a risk of income and capital losses. These risks are alleviated as far as possible by employing front-loaded payment schedules, and by effective collection of outstanding receivables and repatriation of funds. Project-related currency and tax risks are managed with the aid of various operating procedures and regular compliance checks.

REALISATION OF RISKS, COURT PROCESSES

No such risks, court processes, other legal proceedings or actions by authorities were realised in the risk management process during 2006 which would have had a material significance for the Group.

SHARE CAPITAL AND SHARES

The total number of shares at the end of 2005 was 14 545 036. The Annual General Meeting on March 7, 2006 decided to increase the number of shares in proportion to the ownership of the shareholders, without increasing the share capital ("share split"). The share split was realised so that all shares of the company with an accounting par value of EUR 1.00 were split so that each share entitled to four (4) new shares with an accounting par value of EUR 0.25 each. The share split was registered in the Trade Register on March 13, 2006. As a result, the total number of shares in the company quadrupled from 14 545 036 to 58 180 144 shares. The share capital remained unchanged at EUR 14 545 036. The new shares created through the share split were available for public trading on the Helsinki Stock Exchange as of March 14, 2006.

THE COMPANY'S OWN SHARES

The Annual General Meeting authorised the Board of Directors to acquire and convey the company's own shares to a maximum of 1 400 000 shares (no more than 5 600 000 new shares after the share split). The Board has not exercised the authorisations. The authorisations are in force until March 7, 2007.

Shares can be acquired with funds distributable as profit. The shares will be acquired in order to strengthen the company's capital structure and also to be used as compensation in business acquisitions or in acquisition of assets related to the company's business.

AUTHORISATION TO ISSUE NEW SHARES

The Annual General Meeting on March 7, 2006 authorised the Board of Directors to decide on an increase in the share capital by a new issue and/or by taking a convertible loan and/or by issuing option rights so that based on the new issue, the convertible bonds and the option rights the share capital can be increased by a maximum of EUR 2.8 million by issuing for subscription 2.8 million new shares (no more than 11.2 million after the share split). The authorisation is in force until March 7, 2007.

BOND LOAN WITH WARRANTS AND STOCK OPTIONS

Pöyry Plc issued in 2004 stock options to the management of the Group as well as to a wholly-owned subsidiary of Pöyry Plc. According to the original terms, the stock options entitle to subscription of a maximum of 550 000 shares in Pöyry Plc, and each stock option entitles the holder to subscribe one share in the company.

Because of the share split, the Annual General Meeting decided on March 7, 2006 to amend the terms and conditions of the stock options issued in 2004 accordingly. Each stock option will entitle the holder to subscribe four (4) shares in the company with an accounting par value of EUR 0.25 each, with the total subscription price remaining unchanged.

The share subscription periods are the following: for 660 000 shares (after the share split) between March 1, 2007 and March 31, 2010, for 660 000 shares (after the share split) between March 1, 2008 and March 31, 2011, and for 880 000 shares (after the share split) between March 1, 2009 and March 31, 2012. All stock options have been issued and their receipt confirmed.

BOARD OF DIRECTORS' PROPOSAL

The Board of Directors of Pöyry Plc proposes to the Annual General Meeting on March 5, 2007 that a dividend of EUR 0.50 (0.325) per share be paid for the year 2006, totalling EUR 29.1 million. The proposed dividend corresponds to 86.2 (72.2) per cent of the earnings per share for the financial year. The dividend will be payable on March 15, 2007.

BOARD OF DIRECTORS AND PRESIDENT

Members of the Board of Directors of Pöyry Plc elected in the Annual General Meeting are Henrik Ehrnrooth (Chairman), Heikki Lehtonen (Vice Chairman), Pekka Ala-Pietilä, Matti Lehti, Harri Piehl, Karen de Segundo and Franz Steinegger.

President and CEO of the company is Mr Erkki Pehu-Lehtonen, M.Sc. (Eng.) and Deputy to the President and CEO is Mr Teuvo Salminen, M.Sc. (Econ.).

AUDITORS

Auditors have been KPMG Oy Ab, Authorised Public Accountants, with Mr Sixten Nyman, Authorised Public Accountant, as responsible auditor.

PROSPECTS

The world economy was in a good phase in 2006. Prospects for 2007 are also mostly favourable and the economic growth is expected to continue.

The Pöyry Group has strengthened its market position in recent years. The Group's order stock increased by EUR 55.5 million during the financial year, amounting to EUR 507.6 million. The order stock is normal in terms of its price level and risk profile. The Group's balance sheet position and liquidity are also good.

Energy

The good performance of Southeast Asian, Latin American and European economies, combined with the expansion of the EU, creates favourable conditions for growth of demand for energy-related services. The EU's expanding energy legislation is boosting demand for industry-specific management consulting services in the energy sector. In addition, environmental legislation adds to the demand for services related to renewable energy and power plant modernisations. The high price of crude oil is not expected to decline significantly, which continues to foster new business opportunities in the oil and gas sectors. To secure the availability of energy, energy companies will continue to focus on diversifying the energy supply. The Energy business group has strengthened its market position and it has a good order stock. The business group's operating profit will improve in 2007.

Forest Industry

Demand for engineering services is not expected to change materially during 2007. Pulp mill investments continue in South America and Asia. Paper machine investments will be directed to the emerging markets of Asia and to economies in transition, such as Russia and eastern Europe. Some replacement investments are also being developed in industrialised countries. Demand for engineering and local services is boosted by new investments in biofuels and chemical industry. Rising production costs require further production efficiency and productivity improvements in mature markets. Industry restructurings will increase demand for consulting and investment banking services. The Forest Industry business group's operating profit will remain stable in 2007, barring a major change in the world pulp and paper industry's economic cycle.

Infrastructure & Environment

The Infrastructure & Environment business group's demand prospects for 2007 are stable. Western Europe's steady economic growth is expected to continue. The business group's efforts to expand its operations will continue to be focused on eastern Europe and other emerging markets. International financing institutions will increase their funding to environmental projects, especially in Asia and Africa. The strengthening of the business group's position in Latin America creates new business opportunities in these markets. Responding to tougher price competition both locally and internationally, the business group is sharpening the focus of its product and service portfolio. The business group's order stock has grown and its market position is good. The Infrastructure & Environment business group's operating profit will improve in 2007.

GROUP

The Pöyry Group has a strong market position in all of its business areas. The order stock grew clearly during 2006 and the balance sheet position remained good. Consolidated net sales will grow during 2007. Consolidated profit before taxes are expected to improve in 2007.

STATEMENT OF INCOME

	EUR million	2006	2005
1	**Net sales**	**623.3**	**523.6**
	Rent income	**0.2**	0.2
	Gain on sales of fixed assets	**0.1**	0.1
	Other operating income	**0.0**	0.5
		0.3	0.8
	Share of associated companies' results	**+ 1.2**	+ 0.8
	Materials and supplies	**- 24.0**	- 19.1
	External charges, subconsulting	**- 73.2**	- 56.0
2	Personnel expenses	**- 327.7**	- 283.2
	Depreciation	**- 7.8**	- 7.9
4	Other operating expenses	**- 142.2**	- 121.8
		- 574.9	- 488.0
	Operating profit	**49.9**	**37.2**
	Dividend income	**+ 0.0**	+ 0.2
	Interest and other financial income	**+ 2.3**	+ 2.0
	Interest and other financial expenses	**- 1.2**	- 0.6
	Exchange rate differences	**- 0.8**	+ 0.3
	Value decrease	**- 0.0**	- 0.5
5		**+ 0.3**	+ 1.4
	Profit before taxes	**50.2**	**38.6**
6	Income taxes	**- 15.4**	- 12.3
	Net profit for the period	**34.8**	**26.3**
	Attributable to:		
	Equity holders of the parent company	**33.6**	25.9
	Minority interest	**1.2**	0.4
7	Earnings/share, EUR	**0,58**	**0.45**
	Corrected with dilution effect	**0,57**	0.45

STATEMENT OF CHANGES IN FINANCIAL POSITION

EUR million	2006	2005
From operating activities		
Net profit for the period	**34.8**	26.3
Depreciation and value decrease	**+ 7.8**	+ 8.4
Gain on sale of fixed assets	**- 0.1**	- 0.1
Share of associated companies' results	**- 1.2**	- 0.8
Financial items	**- 0.3**	- 1.9
Income taxes	**+ 15.4**	+ 12.3
Change in work in progress	**+ 3.9**	- 3.5
Change in accounts and other receivables	**- 25.5**	- 4.2
Change in advances received	**+ 18.9**	- 3.3
Change in payables and other liabilities	**+ 15.5**	+ 14.9
Received financial income	**+ 1.9**	+ 1.8
Paid financial expenses	**- 0.4**	- 0.8
Paid taxes	**- 13.1**	- 11.3
Total from operating activities	**+ 57.6**	**+ 37.8**
Capital expenditure		
Investments in shares in subsidiaries	**- 22.4**	- 10.4
Investments in other shares	**- 0.0**	- 2.7
Investments in fixed assets	**- 9.8**	- 8.0
Sales of other shares	**+ 0.5**	+ 1.1
Sales of fixed assets	**+ 0.5**	+ 0.8
Capital expenditure total, net	**- 31.2**	- 19.2
Net cash before financing	**+ 26.4**	**+ 18.6**
Financing		
Repayments of loans	**- 2.5**	- 2.6
Change in current financing	**+ 5.4**	+ 1.0
Change in non-current investments	**+ 0.5**	- 0.1
Dividends	**- 19.4**	- 17.1
Share subscription	**+ 0.0**	+ 2.5
Net cash from financing	**- 16.0**	- 16.3
Change in cash and cash equivalents	**+ 10.4**	**+ 2.3**
Cash and cash equivalents January 1	**64.5**	**62.2**
Cash and cash equivalents December 31	**74.9**	**64.5**

BALANCE SHEET

	EUR million	2006	2005
	Assets		
	Non-current assets		
1	Goodwill	**61.4**	42.4
1	Intangible assets	**7.9**	8.5
2	Tangible assets	**17.0**	15.2
3	Shares in associated companies	**5.0**	4.3
3	Other shares	**6.7**	7.3
3	Loans receivable	**0.6**	1.1
	Deferred tax receivables	**5.8**	6.5
	Pension receivables	**3.1**	4.3
4	Other	**9.0**	9.4
		116.5	99.0
5–6	**Current assets**		
	Work in progress	**52.7**	56.6
	Accounts receivable	**134.2**	108.1
	Loans receivable	**0.6**	0.4
	Other receivables	**12.1**	9.3
	Prepaid expenses and accrued income	**9.8**	11.9
	Cash and cash equivalents	**74.9**	64.5
		284.3	250.8
	Total	**400.8**	**349.8**

	EUR million	2006	2005
	Equity and liabilities		
	Equity		
	Equity attributable to the equity holders of the parent company		
7	Share capital	**14.5**	14.5
7	Share premium reserve	**31.5**	31.5
7	Legal reserve	**19.1**	18.6
	Translation difference	**- 10.9**	- 8.6
	Retained earnings	**102.6**	88.1
		156.8	144.2
	Minority interest	**6.1**	4.7
		162.9	148.9
8–12	**Liabilities**		
	Non-current liabilities		
	Interest bearing non-current liabilities	**4.2**	6.8
	Pension obligations	**6.9**	6.8
	Deferred tax liability	**3.3**	2.9
	Other non-current liabilities	**3.4**	7.7
		17.8	24.2
13–15	**Current liabilities**		
	Amortisations of interest bearing non-current liabilities	**2.7**	2.6
	Interest bearing current liabilities	**6.6**	1.3
	Provisions	**3.7**	3.4
	Project advances	**70.0**	51.0
	Accounts payable	**25.1**	18.8
	Other current liabilities	**37.2**	35.3
	Current tax payable	**8.2**	7.0
	Accrued expenses and deferred income	**66.6**	57.3
		220.1	176.7
		237.9	200.9
	Total	**400.8**	**349.8**

CHANGES IN EQUITY

EUR million	Share capital	Share capital not registered	Share premium reserve	Legal reserve	Translation differences	Retained earnings	Total	Minority interest	Total equity
Equity Jan. 1, 2005	13.9	0.2	28.4	18.2	- 10.6	76.5	126.6	7.1	133.7
Registration of share capital	0.2	- 0.2					0.0		0.0
Shares subscribed with warrants	0.4		2.1				2.5		2.5
Payment of dividend						- 16.9	- 16.9		- 16.9
Minority change			1.0			1.8	2.8	- 2.8	0.0
Transfer, retained earnings				+ 0.5		- 0.5	0.0		0.0
Other						0.8	0.8		0.8
Translation differences					2.1		2.1		2.1
Translation difference included in the result						0.5	0.5		0.5
Net profit for the period						25.9	25.9	0.4	26.3
Equity Dec. 31, 2005	14.5	0.0	31.5	18.6	- 8.6	88.1	144.2	4.7	148.9
Equity Jan. 1, 2006	14.5	0.0	31.5	18.6	- 8.6	88.1	144.2	4.7	148.9
Payment of dividend						- 18.9	- 18.9		- 18.9
Minority change						-0.2	-0.2	0.2	0.0
Transfer, retained earnings				0.5		-0.5	0.0		0.0
Other						0,8	0.8		0.8
Translation differences					- 2.4		- 2.4		- 2.4
Translation difference included in the result						- 0,2	- 0.2		- 0.2
Net profit for the period						33.6	33.6	1.2	34.8
Equity Dec. 31, 2006	**14.5**	**0.0**	**31.5**	**19.1**	**- 10.9**	**102.6**	**156.8**	**6.1**	**162.9**

NOTES TO THE FINANCIAL STATEMENTS

Accounting principles for the consolidated financial statements

Company profile

Pöyry Plc is a Finnish public limited liability company organised under the laws of Finland and domiciled in Vantaa. Pöyry Plc is the parent company of the Pöyry Group. Pöyry is a global consulting and engineering firm focusing on the energy, forest industry and infrastructure & environment sectors.

A copy of the consolidated financial statements can be obtained either from the web site (www.poyry.com) or from the parent company's head office, the address of which is Jaakonkatu 3, 01620 Vantaa, Finland.

In its meeting on February 1, 2007 the Board of Directors of Pöyry Plc approved the publishing of these annual accounts. According to the Finnish Companies Act a shareholder has the right to approve or reject the annual accounts in the shareholders' meeting held after their release. The shareholders' meeting also has the right to make amendments to the annual accounts.

Basis of preparation

The consolidated financial statements of the Pöyry Group are prepared in accordance with International Financial Reporting Standards (IFRSs) including the IAS and IFRS standards as well as the SIC and IFRIC interpretations in force as at 31 December 2006. The Pöyry Group adopted IFRSs as from 1 January 2005. International financial reporting standards, referred to in the Finnish Accounting Act and in ordinances issued based on the provisions of this Act, refer to the standards and their interpretations adopted in accordance with the procedure laid down in regulation (EC) No 1606/2002 of the EU. The notes to the consolidated financial statements also conform with the Finnish accounting and company legislation. The financial statements of the parent company, Pöyry Plc, have been prepared in compliance with FAS.

The consolidated financial statements are presented in euro. They have been prepared under the historical cost convention, unless otherwise stated in the accounting policies below.

The Group has applied as from 1 January 2006 the following amended standards and new interpretations:

- Amendments to IAS 39 Financial instruments:
  recognition and measurement after 31 March 2004 as follows:
  - Cash Flow Hedges of Forecast Intragroup Transactions
  - Fair Value Option
  - Financial Guarantee Contracts
- Amendment to IAS 19 Employee Benefits - Actuarial Gains and Losses, Group Plans and Disclosures
- Amendment to IAS 21 The Effects of Changes in Foreign Exchange - Net Investment in a Foreign Operation
- IFRIC 4 Determining Whether an Arrangement Contains a Lease
- IFRIC 8 Scope of IFRS 2

Adoption of these pronouncements has not materially affected the consolidated financial statements except presentation of the notes.

Uses of estimates

The preparation of financial statements in conformity with IFRSs requires the management to make estimates and assumptions that affect the contents of the financial statements. Actual results may differ from these estimates. Accounting estimates mainly relate to project revenue recognition, impairment testing as well as to determination of defined benefit obligations and provisions. The estimates and assumptions are based on the management's current best knowledge reflecting historical experience and other reasonable assumptions.

The Group's operations estimates are made at least quarterly, when all project managers are required to prepare predicted final estimates for all on-going projects. Also the need for provisions as well as impairment testing of overdue accounts receivable are monitored by the management at least on a quarterly basis. Pöyry has issued implementation guidelines of the applicable IFRS/IAS standards in order to ensure a uniform understanding of IFRS.

By the time of the publication of the consolidated financial statements the Group is not aware of such major sources of estimation uncertainty at the balance sheet date nor of such key assumptions concerning the future that might have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Subsidiaries

The consolidated financial statements incorporate the parent company and all those subsidiaries in which it holds, directly or indirectly, over 50 per cent of the voting rights or in which it otherwise has control at the end of the period. Control is the power to govern the financial and operating policies of a company so as to obtain benefits from its activities.

Associates

Associates included in the consolidated financial statements are those entities in which the Group's shareholding and voting rights are usually between 20 and 50 per cent or in which it otherwise has significant influence, but not control, over the financial and operating policies. Holdings in associates are accounted for using the equity method. The Group's proportionate share of associates' net profit for the financial year is included in the operating profit as the associates operations closely relate to the business of the Group.

Joint ventures

Joint ventures included in the consolidated financial statements are those economic activities in which a Group company has entered into a contractual arrangement whereby two or more parties undertake an economic activity, which is subject to joint control. Holdings in joint ventures are accounted for using the equity method. The Group's proportionate share of the joint venture's net income for the financial year is included in the operating profit as the joint venture operations closely relate to the business of the Group.

Principles of consolidation

The acquisitions of companies are accounted for by using the purchase method according to which the assets and liabilities of the acquired company are measured at fair value at the date of acquisition. The excess of the cost of the business combination over the net fair value of the identifiable assets, liabilities and contingent liabilities has been allocated to the underlying assets. The remainder of the excess is presented as goodwill as a separate item in the consolidated balance sheet. The Pöyry Group utilised the exemption under IFRS 1 according to which acquisitions prior to the IFRS transition date was not reconsidered. Consequently these acquisitions are presented following the previous GAAP. These amounts have been taken as deemed cost under IFRSs. The companies acquired or founded during the financial period have been consolidated from the date of acquisition or foundation, when control commenced. The companies closed or disposed are included in the consolidated financial statements until control ceases.

All intercompany transactions are eliminated as part of the consolidation process.

The allocation of the profit for the period attributable to equity holders of the parent company and minority interest is presented on the face of the income statement. The minority interest is also disclosed as a separate item within equity.

Foreign subsidiaries

In preparing the consolidated financial statements the income and expenses in income statements and cash flows of those foreign subsidiaries whose functional currency are not the euro, are translated into euros at the average exchange rate during the financial period. Their balance sheets are translated at the closing rate at the balance sheet date.

Foreign exchange differences arising from the application of the purchase method, translation of the equity items accumulated after the date of acquisition as well as those resulting from the translation of the profit for the period at the average monthly rate in the income statement and with the closing rate in the balance sheet are recorded as a separate item in equity.

Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency at the rates of exchange prevailing on the dates of the transactions. Foreign currency monetary balances are translated at the closing rate at the balance sheet date. Non-monetary items stated at fair value in a foreign currency are translated at foreign exchange rates ruling at the dates the fair value was determined. Other non-monetary items are translated using the exchange rate at the date of the transaction.

Gains and losses resulting from transactions in foreign currencies and translation of monetary items are recognised in the income statement. Foreign exchange gains and losses arising on trade receivables and payables are adjusted to revenues and operating expenses, respectively. Exchange differences arising on foreign currency loans are included in financial income and expenses except for the loans designated as hedges of foreign net investments that are highly effective. Resulting cumulative amount of the exchange differences are recognised directly in equity in the translation difference reserve until the investment is disposed of all, or part of, that entity.

Net sales and revenue recognition principles

Net sales equals revenue recognition value of services less indirect taxes associated to sales and other adjustment items.

The services provided by the Pöyry Group are generally classified into three categories for revenue recognition purposes:

Consulting and engineering projects with a fixed price contract or any type of cap or ceiling price contracts:

The revenue is recognised on the percentage-of-completion method, measured by reference to the stage of completion. The stage of completion is defined as the proportion that project costs incurred for work performed both by the Group and subcontractors to date bear to the estimated total project costs.

Consulting and engineering projects with a cost plus contract which can be classified as pure reimbursable projects:

The revenue is recognised in the period during which the corresponding services have been rendered using agreed upon rates or mark ups. If a reimbursable project has any kind of maximum, cap or estimate type of characteristics, revenue is recognised by reference to the stage of completion.

Contracting/Turnkey/EPC projects: The revenue is recognised using the percentage-of-completion method, measured by reference to the percentage of total cost incurred to date to estimated total cost. Due to the different risk profile separately defined procedures are followed when assessing the risks and the progress made as well as in the monitoring and controlling throughout the project.

The percentage-of-completion method is only applied when the outcome of a project can be estimated reliably. Project managers are responsible for the total estimate of a project made at least quarterly. At early stages of projects only costs are covered until the percentage of completion exceeds 10 percentage.

If the outcome of a project cannot be estimated reliably, the Group applies the cost recovery method in which the project costs incurred are expensed in the period in which they are incurred and revenue is recognised only to the extent of project costs incurred that probably will be recoverable.

When it is probable that total project costs will exceed total project revenue, the expected loss is recognised as an expense immediately.

The revenue recognised according to the percentage-of-completion method, but not yet invoiced, including unfinished work is presented in the balance sheet as work in progress. The unrecognised part of the invoicing is included in received project advances.

Foreign currency cash flows in projects are mainly hedged for changes in exchange rates.

Income taxes

The income taxes in the consolidated income statement comprise current tax of the Group companies calculated on the taxable profit for the period determined in accordance with local tax rules, the tax adjustments related to previous years as well as the change in the deferred tax assets and liabilities.

Deferred tax assets and liabilities are provided in the consolidated financial statements generally for all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The main temporary differences arise from tax losses carried forward and defined benefit plans. Deferred taxes are not provided for impairment of goodwill, which is not deductible for tax purposes, nor for undistributed profits of subsidiaries to the extent that is it probable that the temporary difference will not reverse in the foreseeable future. Deferred tax liabilities are recognised at their full amounts in the balance sheet, and deferred tax assets are recognised at estimated realisable amounts. The enacted tax rate at the balance sheet date is used as the tax rate.

Goodwill

After 1 January 2004 goodwill represents the difference between the cost of the acquisition and the fair value measured at the acquisition date of the net identifiable assets and liabilities acquired. Goodwill arisen from the business acquisitions occurred prior to 1 January 2004 are reported as they were recognised under FAS and taken as deemed cost under IFRS. Based on this exemption granted in IFRS 1 the classification and accounting treatment of business combinations has not been reconsidered in preparing the Group's opening IFRS balance sheet.

Goodwill is stated at cost less any impairment losses. Goodwill together with other intangible assets with indefinite lives is not amortised but is tested for impairment annually or when there is an indication that an asset may be impaired.

The Global Network Company concept is a cornerstone of the Pöyry Group's strategy. The Group's comprehensive office network is a unique and important key factor supporting the business, allowing the Group to offer its versatile expertise to locally as well as globally operating companies, combining the knowledge of its global network of experts with a strong knowledge of local conditions. The strategy, with all three business groups targeting the cooperation and integration level of a Global Network Company, supports the Group's policy for allocating goodwill according to described below.

The three business groups of the Pöyry Group (Energy, Forest Industry, Infrastructure & Environment) represent the independent cash generating unit levels where management monitors the return on investment and are therefore chosen as the goodwill allocation level.

Purchase price allocation (PPA)

One of the cornerstones of Pöyry's acquisition policy is to acquire only companies with a good management and skilled workforce with a track record of earnings making capability at levels similar to Pöyry or its peers. This value is not separately recognised but subsumed into goodwill.

In each acquisition all potential value drivers are analysed. In Pöyry's consulting/engineering business, fair value determinations and identification of intangible assets that meet the criteria for recognition apart from goodwill most often relate to:

- ongoing work-in-progress, if the profitability of the separate projects are higher than what is reasonable for the completion effort based on profit for similar projects. PPAs to work-in-progress are written off during the duration of the projects.
- order backlog, i.e orders received when work has not started + outstanding proposals and prospects weighed with the likelihood of realisation. Amounts representing sales and marketing expense savings and booked as PPAs to order backlog are written off after starting the work on the received assignments.
- client relationship, if the volume of a separate client has a material impact on the earnings level of the acquired company. Pöyry's strategy and past track record is to retain its clients with its skilled workforce and management and as this value is subsumed into goodwill it is not separately recognised. Those amounts allocated to client relationship based on the above materiality impact, are subject to an annual impairment testing.

Impairment

The carrying amounts of the Group's assets are reviewed at each balance sheet date to determine whether there is any indication for impairment. If an indication of impairment exists, the asset's recoverable amount is estimated. The recoverable amounts of following assets are also estimated annually whether there is any indication for impairment or not: goodwill, intangible assets with indefinite useful lives. The impairment test is performed at the level of a cash-generating unit. This is the smallest identifiable group that is independent of other units and whose cash flows are separable.

The recoverable amount is the higher of an asset's fair value less costs to sell, or its value in use. The value in use represents the present value of discounted future cash flows expected to be derived from an asset or a cash-generating unit. The discounted cash flow analysis used to calculate value in use is based on the approved strategy where growth from acquisitions has been eliminated. The recoverable amount is based on reasonable assumptions and the latest plans or forecasts approved by the management. The impairment testing is carried out annually during December primarily by discounted cash flow analysis but is also crosschecked by multiple based market price comparisons. Pre-tax weighted average cost of capital (WACC) is used as a discount rate for the recoverable amount. WACC represents the market opinion of time value of money and special risks relating to an asset.

The Group's scale for classifying impairment testing results is the following: a) is below, b) corresponds to, c) exceeds slightly, d) exceeds clearly, e) exceeds significantly (> 50 percentage).

Other main assumptions used in the calculations for value in use are presented in the note 1 to the balance sheet.

Other intangible assets

Other intangible assets are stated at historical cost less cumulative amortisation and impairment losses, if any. Intangibles with an indefinite life are amortised on a straight-line basis over their known or expected useful lives.

Software

Amortised on a straight-line basis over 3-5 years.

Customer relationships

The value allocated to the customer relationships in the connection of a business combination that is tested for impairment at least annually.

Order stock

The value allocated to the order stock in the connection of a business combination that is expensed during the related projects.

Research and development

The income and expenses attributable to research and development are part of the Group's client work and cannot therefore be reasonably defined in exact monetary terms in practice. These revenues and expenses are recognised on the income statement and they are included in the operating profit.

Tangible assets

Items of property, plant and equipment are stated at historical cost less cumulative depreciation and any impairment losses. Gains and losses on sales and disposals are included in other operating income and in operating expenses, respectively.

Depreciation is calculated based on historical cost and expected useful life. Depreciation is charged to the income statement on a straight-line basis. Expected useful lives and residual values are reassessed at each balance sheet date and where they differ from previous estimates, depreciation periods are changed accordingly. The estimated useful lives are as follows:

Buildings	20-40 years
Machinery and equipment	3-8 years

Land is not depreciated.

Non-current assets held for sale

Non-current assets and assets relating to discontinued operations are classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. In order to classify assets as held for sale the following requirements must be fulfilled: asset's sale must be highly probable, the asset must be available for immediate sale in its present condition subject only to terms that are usual and customary, the management is committed to the plan to sell the asset and the sale is expected to qualify for recognition as a completed sale within one year from the date of classification. Before classification as held for sale the non-current assets or assets and liabilities of disposal groups are measured in accordance with applicable IFRSs. As from classification date non-current assets held for sale are measured at the lower of its carrying amount and fair value less costs to sell, and they are not depreciated any more.

Leases

The Group has entered into both financial and operating leases. The Group is a lessee. Leases of property, plant and equipment where substantially all the risks and rewards incidental to ownership have been transferred to the Group are classified as finance leases. These assets are capitalised and are stated at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease less cumulative depreciation and any impairment losses. The associated lease liabilities are included in interest-bearing liabilities in accordance with their maturity. Assets acquired under finance leases mainly include computers and other office equipment. They are depreciated as comparable owned assets over the shorter of the useful lives for tangible assets or the lease period in accordance with IAS 16 Property, plant and equipment and are adjusted for impairment charges, if any.

Lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability. In respect of finance leases, the depreciation on the leased assets and the financial charge on the lease liability are shown in the income statement. The financial charge is allocated to the income statement so as to achieve a constant interest rate on the outstanding liability during the lease term.

In accordance with the definition under IAS 17 Leases an operating lease is a lease of property, plant and equipment where the lessor retains significant risks and rewards incidental to ownership. In the Pöyry Group leases classified as operating leases mainly relate to office premises, also some car and office equipment leases have been classified as operating leases. Payments made thereunder are charged to the income statement as rental expense on a straight-line basis over the lease term.

FINANCIAL INSTRUMENTS

Financial assets

Under IAS 39 financial items are classified as follows: financial assets at fair value through profit or loss, available-for-sale assets, loans or receivables (assets) and held-to-maturity assets. The Group has applied these classification criteria since 1 January 2005. An asset is classified when originally acquired based on its purpose of use. All purchases or sales of financial assets are recognised or derecognised using trade date accounting.

Financial assets at fair value through profit and loss

This category comprises cash balances, other short-term highly liquid investments with a maturity no longer than three months and derivative instruments. Credit accounts relating to the group accounts are included in the short-term interest-bearing liabilities. Gains and losses arising from a change in the fair value, realised or unrealised, are recognised on the income statement as incurred.

Available-for-sale assets

In the Pöyry Group assets classified as available for sale comprise unlisted shares. As their fair value cannot be measured reliably, they are carried at cost. Available-for-sale financial assets are included in non-current assets unless the Group has the intention to sell them within less than 12 months after the balance sheet date, in which case they are included in the current assets.

Loans or receivables (assets)

Financial assets that belong to this category are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Group does not hold them for trading purposes either. Loans and receivables are measured at cost less impairment losses.

In the Pöyry Group this category includes trade receivables and other receivables arisen from business operations. Trade receivables are presented net of credit losses. The amount of doubtful receivables and assessment of need for impairment is based on risk of individual receivables. Trade receivables are measured at their probable value at the highest. If a receivable is due more than 360 days a credit loss provision is made unless there are especially weighty reasons.

Financial liabilities

On initial recognition a loan is measured at its fair value that is based on the consideration received. Subsequent to initial recognition, these liabilities are stated at amortised cost.

Derivative instruments and hedge accounting

Derivatives are included in financial assets and liabilities at fair value through profit or loss. They are recognised on the balance sheet at cost, equivalent to the fair value, and are subsequently fair valued. Derivatives are not used for speculative purposes.

The Group applies the hedge accounting under IAS 39 to certain derivatives. In that case, at the inception of a hedge relationship, the Group documents the hedge relationship as well as the strategy for undertaking the hedge in accordance with the Group's risk management objective.

Fair value hedges

The Group applies fair value hedge accounting qualifying as fair value hedging under IAS 39 to the forward contracts hedging sales denominated in foreign currencies as the hedge relates to a binding sale agreement that is either a balance sheet or an off-balance sheet item. In that case the hedging instrument together with the hedged portion of the binding sale agreement are recognised in the income statement, as well as the change in the fair value of the interest element of a forward contract separated from the hedge relationship.

Cash flow hedges

The Group uses interest rate swaps to hedge the cash flows resulting from its variable interest rate loans. The fair value changes of the interest rate swaps qualifying as cash flow hedges and which are effective, are recorded in equity. The ineffective portion, if any, is recognised in the income statement.

Treasury shares

Pöyry Plc's own shares acquired by the Group, including directly attributable costs, are presented as a deduction from the total equity in the consolidated financial statements. Purchases or subsequent sales of treasury shares are presented as changes in equity.

PROVISIONS

A provision is an obligation of uncertain timing or amount. A provision is recognised when the Group has a present obligation as a result of a past event that is probable and a reliable estimate can be made of the amount of the obligation. A provision is measured to the present value of the costs required to offset the the obligation.

To minimise business risks the Pöyry Group has adopted during 2005 a group-wide risk management policy that includes procedures for identification, assessment, treatment and monitoring of risks. The policy is described in the risk management section.

Project provisions

When a project is unfinished, a project provision is recognised only in an exceptional case. If a disagreement arises between the Group and a customer or a subcontractor, or cost overrun is expected, their effect on the projects is assessed. If the effect on the result of a project is probable, it is taken into account either by reducing the expected total invoice amount or by increasing the costs and consequently the expected total result falls. The expected loss is recognised immediately only in an exceptional case when it is probable that the total project costs will exceed the total project revenues.

Existing professional, contractual or legal third party liability risks may also result in a provision to be recorded regarding a project already completed. A provision is recognised if the Pöyry Group is to compensate the client or a third party a damage caused by negligent action or inaction or normative breach.

Other provisions

Other provisions in the Group's business relate mainly to restructurings, i.e. termination expenses if employees are laid off and rent payments for vacant office space.

Pension plans

The Group companies have various pension plans throughout the world. The statutory pension plans of Finnish subsidiaries are funded through payments to pension insurance companies. Additional pension plans are funded through pension insurances. Foreign subsidiaries operate their pension plans in accordance with the local regulations and practices.

Pension plans are classified as either defined contribution plans or defined benefit plans. The plans the Group has currently are mainly classified as defined contribution plans under which fixed contributions are paid into a separate entity and they are recognised as an expense in the income statement in the year to which they relate. If the payee is not capable to pay the pension benefits in question, Pöyry Group will have no legal or constructive obligation to pay further contributions. The Group has defined benefit plans in Switzerland, Germany, Austria, France and Norway. In Finland some additional pension plans have been classified as defined benefit plans. The expenditure from these plans is calculated separately for each plan in accordance with its terms and recognised as an expense over the expected working lives of the employees participating in the plan based on the actuarial calculations. The rate used to discount the present value is determined by reference to market yields on high quality corporate bonds that have maturity dates approximating to the terms of the Group's obligations. The present value of pension obligations is netted against the fair value of plan assets at the balance sheet date and adjusted with unrecognised actuarial gains and losses resulting in either a receivable or a liability to be recognised on the balance sheet. The unfunded part of the defined benefit plans increase the pension obligations and decrease equity. If a defined benefit plan is overfunded, the overfunded part increases the Group assets and equity, respectively.

The Group applied the exemption under IFRS 1, according to which all accumulated unrecognised actuarial gains and losses arisen from defined benefit plans were recognised in equity on the opening balance sheet at the date of transition 1 January 2004. Actuarial gains and losses that arise subsequent to the date of transition are recognised in accordance with the corridor method to the extent that any unrecognised actuarial gain or loss of the period exceeds 10 per cent of the greater of the present value of the defined benefit obligation and the fair value of plan assets. That portion is recognised in the income statement over the expected average remaining working lives of the employees participating in the plan.

Share-based payments

Pöyry Plc has granted share options in 1998 and 2004, the option plan of 1998 ended in 2005. The Group has applied IFRS 2 Share-based payments to the option plans to the extent that such share option plans are in the scope of this standard, i.e. to those share option arrangements in which share options have been granted after 7 November 2002 that had not yet vested until 1 January 2005. The options granted before this have not been expensed in the income statement. The granted share options are measured at their fair values at the grant date using the Black & Scholes option pricing model. The resulting employee expense is recognised during the vesting period with a corresponding increase in equity in retained earnings. Payments received from share subscriptions on the grounds of options (adjusted by the transaction costs) are recognised in the share capital and to the extent that exceeds the nominal value in the share premium. The option plan 2004 is described in the note 3 and in the section Shares and shareholders.

Dividends

The dividend relating to the financial year ended is not recognised until approved by a general meeting of shareholders.

New and amended standards and iterpretations

During 2005 and 2006 the IASB has issued the following new and amended standards and interpretations that are not yet effective and that the Group has not early adopted before their effective date.

The Pöyry Group will adopt the following pronouncements in 2007:

- IFRS 7 Financial Instruments: Disclosures (effective for annual periods beginning on or after 1 January 2007)
- Amendment of IAS 1 Presentation of Financial Statements - Capital Disclosures (effective for annual periods beginning on or after 1 January 2007)
- IFRIC 10 Interim Financial Reporting and Impairment (effective for annual periods beginning on or after 1 November 2006). This interpretation is not yet approved for adoption in EU.
- IFRIC 9 Reassessment of Embedded Derivatives (effective for annual periods beginning on or after 1 June 2006).

The other issued new or revised standards and interpretations are not relevant to the Pöyry Group.

- The Group expects that the adoption of IFRS 7 and the Amendment of IAS 1 will mainly have an impact on the notes to the consolidated financial statements.
- The Group will adopt the new standard IFRS 8 Operating Segments (effective for annual periods beginning on or after January 1 2009) in 2009. The standard has been announced in November 2006 but is not yet approved by the EU. The Group is currently estimating the impact of the adoption of IFRS 8.

Segment information

Business segments

The Pöyry Group's operations are conducted through three business groups: Energy, Forest Industry, and Infrastructure & Environment. The business groups, which are the Group's primary segments, are globally responsible for their operations. Each business group offers a full range of consulting, investment planning and implementation, maintenance planning and operations improvement services to its clients, covering the entire lifecycle of their business.

Energy

The Energy business group's services cover the entire lifecycle of the client's business, from strategic consulting to project implementation, operation and maintenance, and modernisation projects. The business group focuses on five business areas: management consulting, hydropower, renewable energy, power and heat, and oil and gas.

Forest Industry

The Forest Industry business group provides engineering and project implementation services for pulp and paper industry projects worldwide, maintenance engineering and other local services to the mills, and advice on forest industry strategies and operations, and investment banking.

Infrastructure & Environment

The Infrastructure & Environment business group offers consulting and engineering services, building and project management services, operation and maintenance expertise, and services related to technology transfer. The business group is active in three business areas: transportation, water and environment, and building services.

Other, unallocated items

The other consists of activities not relating to the primary segments as well as of such parent company expenses which are not charged to the business groups. The Group's parent company is responsible for developing the Group's strategy, financing, exploiting synergistic benefits, and for general co-ordination of the Group's operations. The parent company has charged service fees for general administration and parent company costs attributable to the business groups. The relative share charged is derived from the business groups' payroll costs.

The business segments correspond to the internal reporting structure of the Group. Inter-segment pricing is determined on an arm's length basis. There are no significant sales between the segments. The statement of income of the segment is presented down to the operating profit in which also the share of the associate companies' results is included. The assets and non-interest-bearing liabilities of the segments comprise the items that the segments use in their business.

Geographical segments

The Group's secondary segments, i.e. geographical segments are: The Nordic Countries, other European countries, Asia, North America, South America and other countries. The segments' sales are based on the geographical site of the clients. Segment assets are based on the geographical location of the assets.

Business segments

	Net sales		Operating profit		Operating profit %		Order stock	
EUR million	**2006**	2005	**2006**	2005	**2006**	2005	**2006**	2005
Energy	197.4	160.0	14.6	9.1	7.4	5.7	204.9	195.2
Forest Industry	224.9	199.3	22.9	19.7	10.2	9.9	111.4	97.3
Infrastructure & Environment	201.8	164.9	13.0	9.2	6.4	5.6	191.0	159.5
Unallocated	- 0.8	- 0.6	- 0.6	- 0.8			0.3	0.1
	623.3	**523.6**	**49.9**	**37.2**	**8.0**	**7.1**	**507.6**	**452.1**

	Assets		Non-interest bearing liabilities		Assets-non-interest bearing liabilities		Return on investment %	
	2006	2005	**2006**	2005	**2006**	2005	**2006**	2005
Energy	165.6	133.2	88.5	75.2	77.1	58.0	23.3	16.4
Forest Industry	152.1	127.3	78.5	55.8	73.6	71.5	34.9	29.2
Infrastructure & Environment	132.0	119.4	79.9	67.1	52.1	52.3	25.9	18.5
Eliminations	- 48.9	- 30.1	- 22.7	- 7.9	- 26.2	- 22.2		
	400.8	**349.8**	**224.2**	**190.2**	**176.5**	**159.6**	**31.1**	**25.8**

	Capital expenditure		Depreciation		Personnel average		Personnel year-end	
	2006	2005	**2006**	2005	**2006**	2005	**2006**	2005
Energy	2.7	1.7	1.8	1.7	1 577	1 469	1 692	1 463
Forest Industry	3.7	2.5	2.7	2.5	2 280	2 124	2 418	2 123
Infrastructure & Environment	3.1	3.2	3.0	3.2	2 121	1 793	2 207	1 979
Unallocated	0.3	0.6	0.3	0.5	60	37	72	43
	9.8	**8.0**	**7.8**	**7.9**	**6 038**	**5 423**	**6 389**	**5 608**

Geographical segments

	Net sales		Assets		Capital expenditure		Personnel year-end	
	2006	2005	**2006**	2005	**2006**	2005	**2006**	2005
The Nordic countries	154.6	137.1	155.8	141.0	2.8	3.1	2 520	2 389
Europe	277.3	229.2	158.6	163.5	3.1	3.4	2 441	2 183
Asia	79.5	72.5	34.6	15.9	1.8	0.2	611	544
North America	26.6	18.1	16.2	18.0	0.3	0.2	242	177
South America	63.9	43.7	28.8	17.9	1.3	0.4	437	235
Other	21.4	23.0	6.8	- 6.5	0.5	0.7	138	80
	623.3	**523.6**	**400.8**	**349.8**	**9.8**	**8.0**	**6 389**	**5 608**

Acquisitions during 2006

Name and business	Acquisition date	Acquired interest, %
Salminen & Sorasalmi Oy	February 16, 2006	100

The company specialises in structural engineering of industrial and office buildings particularly in Russia, the Baltic countries and Finland. The company is based in Espoo, Finland and has a staff of nine.

Savon Tekmi Oy	February 16, 2006	100

The company is specialised in geotechnical, foundation, and municipal engineering, surveying as well as projecting and research of contaminated soils. The company is based in Kuopio, Finland and it has a staff of 12.

IGL Consultants Ltd.	May 2, 2006	100

IGL specialises in the provision of design, operations support and specialist consulting services to the oil and gas sector. The company's main operational bases are in Aberdeen (UK), Stavanger (Norway), Perth (Australia) and Kuala Lumpur (Malaysia) and it has 117 employees.

TH Consulting Oy	June 21, 2006	100

The structural design company based in Espoo, Finland specialises in cast in situ concrete structures and dynamic analyses of machine foundations. The company has a staff of five.

Entec A.S.	August 28, 2006	66.7

Entec A.S. specialises in consulting and engineering services in the fields of water supply, community planning, municipal engineering, waste management, environmental consulting and contaminated soils. The company is based in Estonia and it has 30 employees.

Convergence Utility Consultants Ltd.	October 3, 2006	100

The company is a business, strategy and economic consulting firm serving utility companies, regulators and energy-sector institutions. Its main optional bases are in Dusseldorf (Germany), Milan (Italy), Paris (France), Warsaw (Poland) and Zurich (Switzerland) and it has 70 employees.

As the acquisitions are individually immaterial, the following information is disclosed in aggregate.

	EUR million
Aggregate figures for the above acquisitions	
Purchase price	
Fixed price	25.9
Earnout estimate	1.6
Order intake estimate	0.0
Fees	0.4
Total	**27.9**
Price allocation	
Equity	5.2
Fair value adjustments:	
Client relationship	0.0
Order stock	0.4
Total	**5.6**
Remaining = Goodwill	**22,3**

Market leadership, experienced management and staff, earnings expectations are factors contributing to the amount booked as goodwill.

	EUR million
Impact on the Pöyry Group's Income statement	
Operating profit from acquisition date to December 31, 2006	2.5
Sales volume on a 12 months calendar year basis 2006	28.8
Operating profit on 12 months calendar year basis 2006	4.1

	Book values at acq. date	Fair value adjustments	Adjusted IFRS values
Impact on the Pöyry Group's assets and liabilities			
Intangible assets	0.2	0,4	0.6
Tangible assets	0.7		0.7
Shares	0.3	-0.3	0.0
Deferred tax receivables	0.0		0.0
Work in progress	0.7		0.7
Accounts receivable	4.0	0.4	4.4
Prepaid expenses and accrued income	0.4		0.4
Other receivables	0.5		0.5
Cash and cash equivalents	3.5	0.3	3.8
Assets total	**10.2**	**0.9**	**11.1**
Deferred tax liability	0.0		0.0
Provisions	0.1		0.1
Interest bearing liabilities	0.1		0.1
Project advances	0.1		0.1
Accounts payable	0.7		0.7
Accrued expenses and deferred income	2.1		2.1
Other current liabilities	2.4		2.4
Liabilites total	**5.4**	**0.1**	**5.5**
Net identifiable assets and liabilities	**4.8**	**0.8**	**5.6**
Total cost of business combination			27.9
Goodwill			**22.3**
Consideration paid, satiesfied in cash	27.9		
Cash acquired	3.8		
Net cash outflow	24.1		

Notes to the statement of income

EUR million		**2006**	2005
1.	**Net sales**		
	Net sales	**623.3**	523.6
	Net sales by segments are presented on the Segment information pages.		
	Net sales from project contracts	**623.3**	523.6
	The aggregate amount of project contracts cost incurred and recognised profits less losses to date.	**902.4**	822.7
2.	**Personnel expenses**		
	Wages and salaries	262.3	223.6
	Profit bonuses	11.1	9.3
	Pension expenses, contribution plans	27.4	28.7
	Pension expenses, defined benefit plans	1.4	1.3
	Expenses from option-programmes	0.7	0.8
	Other social expenses	24.8	19.5
		327.7	**283.2**
	Fees paid to Board members (EUR 1000)	341	266
	Remuneration of the President and CEO and the Deputy to the President (EUR 1000)		
	Salary and profit bonus	1 137	963
	Fringe benefits	31	27
	Remuneration of other members of the Group Executive Committee (EUR 1000)		
	Salary and profit bonus	1 205	1 045
	Fringe benefits	48	39

3. Option programme 2004

Pöyry Plc issued in 2004 stock options to the management of the Group as well as to a wholly-owned subsidiary of Pöyry Plc. According to the original terms, the stock options entitle to subscription of a maximum of 550 000 shares in Pöyry Plc, and each stock option entitles the holder to subscribe one share in the company. Because of the share split, the General Meeting decided on March 7, 2006 to amend the terms and conditions accordingly. Each stock option will entitle the holder to subscribe four (4) shares in the company with an accounting par value of EUR 0.25, with the total subscription price remaining unchanged. The total number of stock options are 550 000 and after the share split the stock options entitle to subscription of 2 200 000 shares. Should all warrants be used for subscription of shares, the new shares will equal 3.8 per cent of the total number of shares after the subscriptions. All stock options have been issued and their receipt confirmed in 2004. 30 persons are included in the option programme.

Expenses from the option programme have been calculated using the Black & Scholes model, recorded as personnel expenses and credited to retained earnings.

Terms and conditions

	Stock option 2004A	**Stock option 2004B**	**Stock option 2004C**
Programme	Stock options issued	Stock options issued	Stock options issued
Grant date	March 3, 2004	March 3, 2004	March 3, 2004
Subscription period starts	March 1, 2007	March 1, 2008	March 1, 2009
Subscription period ends	March 31, 2010	March 31, 2011	March 31, 2012
Amount of stock options issued, after the share split	165 000	165 000	220 000
Exercise price, EUR	5.91	6.65	10.03
Share price on issue date, EUR	5.50	5.50	5.50
Maturity, years	6	7	8

Vesting conditions

Should the employment in Pöyry Group end before March 1, 2009 and the subscription period of the programme has not started, the person must return the options to the group without considerations.

Settlement	Shares	Shares	Shares
Expected volatility, % Weighted average Sept. 2002 - Sept. 2004	21.76	21.76	21.76
Expected life on issue date, years	3	2	1
Risk-free interest % p.a based on March 3, 2004 7 years bonds	3.76	3.76	3.76
Expected dividends	n/a	n/a	n/a
Expected personnel decrease on issue date, %/year	7	7	7
Expected realization of the performance conditions on grant date	Trade volume weighted average quatation April 1-30, 2004 + 20%	April 1-30, 2005 + 20%	April 1-30, 2006 + 20%
Fair value on grant date, EUR	4.9847	5.3413	5.6734
Used model for calculations	Black & Scholes	Black & Scholes	Black & Scholes

	2006	2006	2005	2005
	Weighted average exercise price EUR/share	Number of stock options	Weighted average exercise price EUR/share	Number of stock options
January 1	n/a	550 000	n/a	550 000
Issued stock options, 2004A	5.91	0	6.23	0
Issued stock options, 2004B	6.65	0	6.97	0
Issued stock options, 2004C	10.03	0	n/a	0
Forfeited options	-	0	-	0
Exercised options	-	0	-	0
Expired options	-	0	-	0
December 31	n/a	550 000	n/a	550 000
Excercisable Dec. 31	n/a	0	n/a	0

EUR million	2006	2005
4. Other operating expenses		
Other project expenses	52.6	47.8
Other operative expenses	26.4	20.3
Office facilities	24.7	21.7
Other fixed expenses	38.4	31.9
	142.1	**121.8**
Auditing fees are included in other operating expenses.		
Statutory auditing		
Group auditor	0.8	0.6
Other	0.1	0.1
Services related to auditing		
Group auditor	0.5	0.4
Other	0.1	0.1
5. Financial interest income and expenses		
Dividend income	0.0	0.2
Interest income from non-current investments	2.2	1.8
Other interest and financial income	0.1	0.2
	2.3	2.0
Interest expenses and other financial expenses	- 0.9	- 0.4
Other interest and financial expenses	- 0.3	- 0.2
	- 1.2	- 0.6
Difference in exchange rates		
Exchange rate gains	0.1	0.8
Exchange rate losses	- 0.9	- 0.5
	- 0.8	+ 0.3
Value decrease on non-current investments	0.0	- 0.5
	+ 0.3	**+ 1.4**

EUR million	2006	2005
6. Income taxes		
Taxes for the fiscal year	14.7	12.4
Taxes for previous years	- 0.3	- 0.8
Change in deferred tax receivables	+ 1.0	+ 0.7
	15.4	**12.3**
Reconciliation of current income taxes		
Profit before taxes	50.2	38.6
Income tax at Finnish tax rate 26%	13.1	10.0
Effect of different tax rates outside Finland	1.6	1.3
Non-deductible expenses and tax exempt income	0.1	0.1
Losses for which no deferred tax benefits are recognized, tax effect	1.5	1.5
Effects of consolidation and elimination	- 0.0	- 0.1
Taxes for previous years	- 0.3	- 0.8
Other	- 0.6	0.3
	15.4	**12.3**
Deferred tax receivables		
Tax losses carry forward	4.6	4.0
Tax receivables from pension obligations	0.7	0.7
Accumulated depreciation differences	0.0	0.5
Other temporary differences	0.5	1.3
	5.8	**6.5**
Deferred tax liabilities		
Tax liabilities from pension receivables	1.0	1.2
Tax liabilities for profit repatriation	0.6	0.0
Other temporary differences	1.7	1.7
	3.3	**2.9**

Deferred tax assets of EUR 4.9 million have not been recognized in the consolidated financial statements, because the realization of the tax benefit included in these assets is not probable.

	2006	2005
7. Earnings per share		
Net profit for the period attributable to the equity holders of the parent company	33.6	25.9
Weighted average number of outstanding shares, 1000	58 180	57 468
Diluted amount, 1000	58 510	57 488
Earnings per share, EUR 1)	0.58	0.45
Diluted	0.57	0.45

1) Calculation rule page 31.

Notes to the balance sheet

EUR million		Goodwill	Intangible rights	Other intangible assets	Total
1.	**Intangible assets**				
	Acquisition value Jan. 1, 2005	34.0	0.0	13.6	13.6
	Exchange differences	0.9	0.0	0.3	0.3
	Increase	7.5	3.6	4.2	7.8
	Decrease	0.0	0.0	0.2	0.2
	Acquisition value Dec. 31, 2005	42.4	3.6	17.9	21.5
	Accumulated depreciation Jan. 1, 2005		0.0	9.7	9.7
	Exchange differences		0.0	0.0	0.0
	Accumulated depreciation of decrease		0.0	1.3	1.3
	Depreciation for the period		0.0	2.0	2.0
	Accumulated depreciation Dec. 31, 2005		0.0	13.0	13.0
	Book value Dec. 31, 2005	42.4	3.6	4.9	8.5
	Acquisition value Jan. 1, 2006	42.4	3.6	17.9	21.5
	Exchange differences	- 1.0	0.0	- 0.2	- 0.1
	Increase	22.3	0.4	3.0	3.4
	Decrease	2.3	2.2	2.4	4.6
	Acquisition value Dec. 31, 2006	61.4	1.9	18.3	20.2
	Accumulated depreciation Jan. 1, 2006		0.0	13.0	13.0
	Exchange differences		0.0	-0.1	- 0.1
	Accumulated depreciation of decrease		0.0	2.7	2.7
	Depreciation for the period		0.0	2.2	2.2
	Accumulated depreciation Dec. 31, 2006		0.0	12.4	12.4
	Book value Dec. 31, 2006	**61.4**	**1.9**	**6.0**	**7.9**

Acquisition price from business acquisitions allocated to intangible rights December 31, 2006.

Allocated to client relationships 2005	1.0
Allocated to order stock 2005	2,5
Decrease 2006	- 0.9
Increase 2006	0.4
Expenses 2006	- 1.2
Total	0.8
Intangible rights Dec. 31, 2006	1.9

The acquisition price of Pöyry Energy S.r.l. (former S.P.E. Servizi per l'Energia S.r.l.) acquired in 2005, was decreased due to the cancellation of one project. The decrease was EUR 1.6 million of which EUR 0.7 million is a part of the decrease of goodwill and EUR 0.9 million is the decrease of intangible rights (order stock).

Goodwill impairment testing

The forecasted scenarios are based on the Pöyry Group's four strategy periods (2007-2010) where only organic growth and inflation have been considered, and on the long-term growth outlook where the growth rates stated below have been used.

Main assumptions	Energy	Forest Industry	Infrastructure & Environment
Beeta	1.00	0.75	0.90
WACC, %, Pre-tax	10.60	9.15	10.02
WACC, %, Post-tax	8.22	7.10	7.77
Perpetuity growth rates, %	3.50	2.50	3.00
Average change in operating profit percentage	Minor improvement	At present level	Marginal improvement
Goodwill Dec. 31, 2005	6.5	21.8	14.0
Goodwill Dec. 31, 2006	26.4	20.1	14.9
Book-value Dec. 31, 2006	66.1	62.4	34.7
Intangible rights Dec. 31, 2005	2,5	1,0	0.0
Intangible rights Dec. 31, 2006	0,8	1,0	0.0

Impairment testing result	Exceeds significantly	Exceeds significantly	Exceeds significantly

An external independent expert has issued a “Fairness opinion” on the impairment test.

Sensitivity analysis in a scenario with extremely low growth and low operating profit level: In this analysis the growth per cent and operating profit per cent after year 2007 have been reduced with 50 per cent in comparision with the ordinary testing levels.

Impairment testing result	Exceeds significantly	Exceeds significantly	Exceeds significantly

Sensitivity analysis in a scenario with extremely high discount rate: In this analysis the discount rate is 50 per cent higher compared with the ordinary testing.

Impairment testing result	Exceeds significantly	Exceeds significantly	Exceeds significantly

EUR million		Land areas	Buildings and structures	Machinery and equipment	Other tangible assets	Total
2.	**Tangible assets**					
	Acquisition value Jan. 1, 2005	0.7	1.6	49.7	2.9	55.0
	Exchange differences	0.0	0.0	0.9	0.0	1.0
	Increase	0.4	0.0	5.4	0.4	6.2
	Decrease	0.4	0.8	0.9	0.2	2.3
	Acquisition value Dec. 31, 2005	0.7	0.8	55.2	3.2	59.9
	Accumulated depreciation Jan. 1, 2005		0.5	36.6	2.0	39.2
	Exchange differences		0.0	0.6	0.0	0.6
	Accumulated depreciation of decrease		0.7	0.1	0.2	1.0
	Depreciation for the period		0.2	5.3	0.4	5.9
	Accumulated depreciation Dec. 31, 2005		0.0	42.4	2.2	44.7
	Book value Dec. 31, 2005	0.7	0.8	12.7	0.9	15.2
	Acquisition value Jan. 1, 2006	0.7	0.8	55.2	3.2	59.9
	Exchange differences			- 0.8	0.1	- 0.7
	Increase	0.1	0.1	7.6	0.9	8.7
	Decrease			8.3	0.0	8.3
	Acquisition value Dec. 31, 2006	0.8	0.9	53.7	4.0	59.6
	Accumulated depreciation Jan. 1, 2006			42.4	2.2	44.7
	Exchange differences			- 0.6	0.0	- 0.6
	Accumulated depreciation of decrease			7.1	0.1	7.2
	Depreciation for the period			5.3	0.4	5.7
	Accumulated depreciation Dec. 31, 2006			40.0	2.5	42.6
	Book value Dec. 31, 2006	**0.8**	**0.9**	**13.7**	**1.6**	**17.0**
	The tangible assets include assets acquired through finance lease.					
	2005			1.1		1.1
	2006			1.1		1.1

EUR million		Shares in associated companies	Other shares	Receivables from associated companies	Total
3.	**Non-current investments**				
	Acquisition value Jan. 1, 2006	1.2	7.3	1.1	9.6
	Exchange differences	- 0.3	- 0.1		- 0.4
	Increase				0.0
	Decrease		0.5	0.5	1.0
	Accumulated influence on the earnings	2.9			2.9
	Share of the profit for the period	1.2			1.2
	Book value Dec. 31, 2006	**5.0**	**6.7**	**0.6**	**12.3**
	Book value Dec. 31, 2005	4.3	7.3	1.1	12.7

Available-for-sale financial assets

Other shares, EUR 6.7 million, are available-for-sale financial assets. The shares are unlisted.

The shares are valued at book-value, because the fair value cannot be reliably determined.

	Ownership %	Book value	Assets	Liabilities	Net sales	Profit
Associated companies:						
Energy						
Polartest Oy, Finland	22.8	0.2	7.5	3.6	16.2	2.6
Inesco Oy, Finland	47.6	0.5	3.6	2.2	5.4	0.1
Korea District Heating Engineering Company Ltd, Korea	50.0	0.2	7.1	1.1	12.8	0.8
Advance Ekono Co. Ltd, Thailand	49.0	0.0				
Emerging Power Partners Oy, Finland	45.9	0.0	0.1	0.0	0.3	0.0
Infrastructure & Environment						
JP-Skanska Water Oy, Finland	50.0	0,0				
Entec SIA, Estonia	33.4	0.1				
Other						
Kiinteistö Oy Manuntori, Finland	34.2	0.3				
Total		1.3				

	Accumulated influence	Share of profits 2005	**2006**
Influence on the earnings and book values:			
Energy	3.7	0.8	1.2[1)]
Infrastructure & Environment	0.0	0.0	0.0
Total	3.7	0.8	1.2
Associated companies total	**5.0**		

1) Influences on the earnings and book values include a value decrease of EUR 0.6 million of Korea District Heating Engineering shares.
The share of the associated companies' profits is included in the operating profit.

EUR million	**2006**	2005
4. Other non-current receivables		
Accounts receivable	1.9	1.3
Security deposits	0.5	0.5
Other receivables	6.5	7.5
Prepaid expenses and accrued income	0.1	0.1
	9.0	**9.4**

The other non-current receivables are valued at book-value, which corresponds to the fair value. The discount effect is not material due to the maturity.

EUR million	**2006**	2005
5. Current assets		
Work in progress	52.7	56.6
Accounts receivable	134.1	107.7
Loans receivable	0.6	0.4
Other receivables	12.1	9.3
Prepaid expenses and accrued income	9.8	11.9
Receivables, external	156.6	129.2
Accounts receivable	0.1	0.4
Receivables from associated companies	0.1	0.4
Accounts receivable	134.2	108.1
Loans receivable	0.6	0.4
Other receivables	12.1	9.3
Prepaid expenses and accrued income	9.8	11.9
Receivables total	156.7	129.7
Investments	9.2	11.6
Cash in hand and at banks	65.7	52.9
Cash and cash equivalents	74.9	64.5
	284.3	**250.8**

The current receivables are valued at book-value, which corresponds to the fair value. The discount effect is not material due to the maturity.

EUR million	**2006**	2005
6. Prepaid expenses and accrued income		
Non-current prepaid expenses and accrued income	0.1	0.1
Current prepaid expenses and accrued income	9.7	11.9
	9.8	**12.0**
Social expenses	1.1	1.4
Rents	1.0	0.7
Taxes	3.3	2.6
Other	4.4	7.3
	9.8	**12.0**

		Shares million	Share capital EUR million	Share premium reserve EUR million	Legal reserve EUR million	Total EUR million
7.	**Equity, share capital and reserves**					
	Jan. 1, 2005	14.1	14.1	28.4	18.2	60.7
	Shares subscribed with warrants	0.4	0.4	2.1		2.5
	From merger			1.0		1.0
	Transfer, retained earnings foreign companies				0.5	0.5
	Dec. 31, 2005	14.5	14.5	31.5	18.6	64.7
	Jan. 1, 2006	14.5	14.5	31.5	18.6	64.7
	Share split March 13, 2006	58.2				
	Transfer, retained earnings foreign companies				0.5	0.5
	Dec. 31, 2006	**58.2**	**14.5**	**31.5**	**19.1**	**65.2**

According to the company's Articles of Association, the issued share capital must not be less than EUR 10 000 000 nor more than EUR 40 000 000.
The accounting par value of each share is EUR 0.25.
The company has one series of shares. Pöyry Plc or the group companies do not hold its own shares.

Should all 2004 stock options be exercised for subscription, the number of shares would increase by 2 200 000.
The number of shares would then increase from 58 180 144 to 60 380 144.
The subscription will partly start on March 1, 2007 and end on March 31, 2012.

The share premium reserve includes the premium paid for shares in share issues.

The legal reserve includes the premium paid for shares in share issues before 1997 and transfer from retained earnings in subsidiaries outside Finland.

EUR million		**2006**	2005
8.	**Interest bearing liabilities**		
	Loans from credit institutions	3.5	6.1
	Finance lease liabilities	0.8	0.7
	Non-current interest bearing liabilities	4.3	6.8
	Loans from credit institutions, amortisations	2.7	2.6
	Used credit facilities	6.2	1.0
	Finance lease liabilities	0.4	0.3
	Current interest bearing liabilities	9.3	3.9
		13.6	**10.7**

Loans from credit institutions and used credit facilities amonts to EUR 12.4 million of which EUR 12,3 million are EUR based liabilities.

The parent company Pöyry Plc has made interest rate swaps for EUR 6.1 million external loans.

EUR million		**2006**	2005
9.	Loans according to maturity		
	Year 2006		3.6
	Year 2007	8.9	2.6
	Year 2008	2.6	2.5
	Year 2009	0.9	0.9
	Later	0.0	0.0
		12.4	**9.6**

The Group has no loans with due date after five years or later.

10.	**Finance lease liabilities according to maturity**		
	Year 2006		0.4
	Year 2007	0.4	0.3
	Year 2008	0.3	0.3
	Year 2009	0.3	0.1
	Year 2010	0.1	0.0
	Later	0.0	0.0
		1.1	**1.1**
11.	**Finance lease liabilities, net present value**		
	Year 2006		0.3
	Year 2007	0.3	0.3
	Year 2008	0.3	0.3
	Year 2009	0.3	0.1
	Year 2010	0.1	0.0
	Later	0.0	0.0
		1.0	1.0
	Future interest expenses	0.1	0.1
		1.1	**1.1**

EUR million		2006	2005
12.	**Pension obligations**		
	Expenses		
	Current service expenses	2.5	2.6
	Past service expenses	0.0	0.0
	Interest expenses	4.1	4.0
	Expected return on plan assets	- 4.8	- 4.5
	Recognized net actuarial gains and losses	- 0.0	- 0.0
	Gains and losses from curtailment	- 0.4	- 0.8
	Other	- 0.0	- 0.0
	Total	**1.4**	**1.3**
	Net pension obligations		
	Non-current receivables	3.1	4.3
	Current receivables	1.4	1.2
	Receivables total (Switzerland)	4.5	5.5
	Pension obligations	6.9	6.8
	Net pension obligations	**2.5**	**1.3**
	Reconciliation of the pension obligations		
	Present value of funded obligations	114.4	118.0
	Fair value of plan assets	-118.2	- 120.4
	Surplus	- 3.8	- 2.4
	Unrecognized actuarial gains (+) and losses (-)	5.7	5.2
	Unrecognized actuarial past service costs	0.6	- 1.5
	Net pension obligations	**2.5**	**1.3**
	Change in net pension obligations		
	Net pension obligations Jan. 1	1.3	- 0.1
	Current service expenses	2.5	2.6
	Past service expenses	0.0	0.0
	Interest expenses	4.1	4.0
	Expected return on plan assets	- 4.8	- 4.5
	Recognized net actuarial gain	- 0.0	- 0.0
	Losses/gains from curtailment	- 0.4	- 0.8
	Other	- 0.0	- 0.0
	Exchange differences	0.2	0.1
	Payments to funds	0.0	0.0
	Benefits paid from funds	- 0.4	0.0
	Net pension obligations Dec. 31	**2.5**	**1.3**

EUR million	2006	2005
Fair value of plan assets Jan. 1	116.7	107.0
Expected return on plan assets	4.8	4.4
Recognized net actuarial gains	2.8	11.0
Payments of funds	1.8	1.6
Benefits paid from funds	- 5.3	- 7.2
Settlement	- 2.6	- 0.0
Exchange differences	- 0.0	- 0.1
Fair value of plan assets Dec. 31	118.2	116.7
Actual return on plan assets	7.5	
The amount the company expects to contribute to its defined pension plans during year 2007	1.8	
Assets categories in percentage		
Switzerland:		
Equity securities	30.0	
Debt securities	48.0	
Real estate	10.0	
Other	12.0	
Total	100.0	

Information on asset categories in other plans is not available.

The expected long term return on plan assets is 4.0 - 5.5 per cent, which is based on expected long term return in each asset category.

Five-year overview (as of Jan. 1, 2005)		
Present value of funded obligations	- 114.4	- 118.0
Fair value of plan assets	118.2	120.4
Surplus	3.8	2.4
Experience adjustments to plan assets		
Losses (+)/gains (-)		
Experience adjustments to plan liabilities	- 2.1	
Losses (-)/gains (+)	- 0.3	

Principal actuarial assumptions

Europe

Discount rate, %	3.5	3.5
Expected return on plan assets, %	4.0	4.0
Future salary increases, %	1.5	1.5
Future pension increases, %	0.0	0.0

Switzerland

87.1 per cent of the net present value of the defined benefit obligations, i.e. EUR 99.6 million, relate to Pöyry Group's Swiss subsidiaries. These pension arrangements are according to local Swiss standards classified as defined contribution plans.

The 3.5 per cent discount rate which is used in the actuarial report leads to an overfunding of EUR 11.3 (10.5) million. In a sensitivity analysis with a 3.0 per cent discount rate the overfunding is EUR 5.6 (5.8) million. The pension expenses with the use of 3.5 per cent discount rate are EUR 0.890 million whereas a 3.0 per cent discount rate would lead to a EUR 0.560 million pension expense.

EUR million		Project provisions	Other	Total
13.	**Provisions**			
	Book value Jan. 1, 2005	0.7	0.0	0.7
	Increase	2.5	0.8	3.3
	Used	0.0	0.0	0.0
	Reversed	0.6	0.0	0.6
	Book value Dec. 31, 2005	2.6	0.8	**3.4**
	Non-current			0.0
	Current			3.4
				3.4
	Bookvalue Jan 1, 2006	2.6	0.8	3.4
	Increase	2.2	1.3	3.5
	Used	1.3	0.3	1.5
	Reversed	1.6	0.0	1.6
	Book value Dec. 31, 2006	**1.9**	**1.8**	**3.7**
	Non-current			0.0
	Current			3.7
				3.7

The project provisions relate to projects in dispute and projects with expected losses. The provisions booked are based on the management's best estimate. Settlement is expexted within the next twelve months.

The project provisions include expected losses to complete the projects amounting to EUR 0.9 million, and projects disputes amounting to EUR 0.9 million.

Other provisions relate to restructurings. The major item included is a provision for empty space in North America. The discounted value is EUR 1.3 million and is expected to materialize during the next four years.

EUR million		2006	2005
14.	**Current liabilities**		
	Loans from credit institutions, amortisations	2.7	2.6
	Used credit facilities	6.3	1.0
	Finance lease liabilities	0.3	0.3
	Interest bearing liabilities	9.3	3.9
	Provisions	3.7	3.4
	Project advances	70.0	51.0
	Restricted project advances	3.1	4.5
		73.1	55.5
	Accounts payable	25.1	18.8
	Other current liabilities	34.1	30.8
	Tax liabilities for profit repatriation	8.2	7.0
	Accrued expenses and deferred income	66.6	57.3
	External current liabilities	220.1	176.7
	Liabilities to associated companies	0.0	0.0
	Total current liabilities	**220.1**	**176.7**
15.	**Accrued expenses and deferred income**		
	Expenses from percentage-of-completion projects	4.8	6.7
	Salaries and vacation accruals	45.5	37.5
	Social expenses	5.5	5.9
	Rents	0.5	0.2
	Interest expenses	0.1	0.1
	Taxes	1.0	0.8
	Other	9.2	6.2
		66.6	**57.3**

The current liabilities are valued at book-value, which corresponds to the fair value. The discount effect is not material due to the maturity.

16. Related party transactions

Pöyry Plc has related party relationships with its subsidaries, associated companies, members of the Board of Directors, the President and CEO, the Deputy to the President and CEO and the members of the Group Executive Committee. Also Corbis S.A. belongs to the related parties.

Employee benefits for the Board of Directors, the President and CEO, the Deputy to the President and CEO and the members of the Group Executive Committee

	2006	2005
Salaries, bonuses and other short-term employee benefits	2.8	2.3

Related party transactions with the President and CEO, the Deputy to the President and CEO and the members of the Group Executive Committee

The President and CEO, the Deputy to the President and CEO and the members of the Group Executive Committee owned on December 31, 2006 a total of 209 120 shares and 295 000 stock options (at the end of 2005 a total of 170 120 shares, and 280 000 stock options 2004).

With the stock options the shareholding can be increased by 1 180 000 shares equalling 1.9 per cent of the total number of shares and votes. The stock option programme is described on the Shareholders and shares pages in the note 3 to the statement of income.

Related party transactions with associated companies

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

	2006	2005
Sales to associated companies	0.7	1.4
Loans receivables from associated companies	0.6	1.1
Accounts receivable from associated companies	0.1	0.4

Other

EUR million		2006	2005
1.	**Contingent liabilities**		
	For own debts	**0.0**	**0.0**
	Other obligations		
	Pledged assets	0.5	0.4
	Other obligations	46.4	51.7
		46.9	**52.1**
	For associated companies	**0.0**	**0.0**
	For other		
	Pledged assets	0.1	0.0
	Other obligations	0.0	0.0
		0.1	**0.0**
2.	**Other lease agreements**		
	Lease payments for non-cancellable other lease agreements, mostly office rents:		
	Year 2006		16.7
	Year 2007	19.5	14.0
	Year 2008–2010	33.4	25.0
	Later	54.1	53.0
		107.0	**108.7**
3.	**Derivative instruments**		
	Foreign exchange forward contracts, notional values	34.9	21.3
	Foreign exchange forward contracts, fair values	+ 0.5 - 0.1	+ 0.2 - 1.1
	The notional amounts are not a measure of the foreign rate risk of the exposure outstanding.		
	Interest rate swaps, fair values	+0.1	0.0
	Pöyry Plc has made interest rate swaps for EUR 6.1 million external loans.		

		Ownership of voting rights Group %	Parent company %
4. Share ownership			
Group companies			
Energy			
Pöyry Energy AG	Switzerland, Zurich	100.0	100.0
Pöyry Energy GmbH	Austria, Vienna	74.9	74.9
Pöyry Energy GmbH	Germany, Hamburg	100.0	
Pöyry Energy (Mannheim) GmbH	Germany, Mannheim	100.0	
Pöyry Energy Inc.	Philippines, Manila	100.0	
Pöyry Energy Limited	United Kingdom, Horsham	100.0	
Pöyry Energy (Oxford) Limited	United Kingdom, Oxford	100.0	100.0
Pöyry Energy Ltd	Thailand, Bangkok	100.0	
Pöyry Energy Oy	Finland, Espoo	100.0	100.0
Pöyry Energy SAS	France, Lyon	100.0	
Pöyry Energy (Lyon) SAS	France, Lyon	100.0	
Pöyry Energy (Strasbourg) SAS	France, Strasbourg	100.0	
Electrowatt-Ekono (B) SND BHD	Brunei	90.0	
Pöyry Energy S.r.l.	Italy, Genoa	100.0	
Pöyry Energy S.A.	Peru, Lima	100.0	
Electrowatt Engineering (Argentina) S.A.	Argentina, Buenos Aires	100.0	
Adexia (Schweiz) AG	Switzerland, Zurich	100.0	
Adexia Technologie S.A.	France, Paris	100.0	
Convergence Consulting Group AG	Switzerland, Zurich	100.0	
Convergence (Schweiz) AG	Switzerland, Zurich	100.0	
Convergence (Deutschland) GmbH	Germany, Dusseldorf	100.0	
Convergence France SA	France, Paris	100.0	
Convergence Italia S.r.l.	Italy, Milan	100.0	
Heymo Ingenieria S.A.	Spain, Madrid	60.0	60.0
IGL Consultants Ltd	United Kingdom, Aberdeen	100.0	
IGL Oil & Gas Consultants AS	Norway, Stavanger	100.0	
IGL Oil & Gas Consultants Ltd	United Kingdom, Aberdeen	100.0	
IGL (Asia-Pacific) Pty Ltd	Australia, Perth	100.0	
IGL Oil & Gas Consultants Pty Ltd	Australia, Perth	100.0	
IGL Process Solutions SDN BHD	Malaysia, Kuala Lumpur	100.0	
IGL Oil & Gas Consultants SDN BHD	Malaysia, Kuala Lumpur	100.0	
Serviheymo S.L.	Spain, Madrid	60.0	
Electrowatt Consultants Ltd	United Kingdom, Horsham	100.0	
Forest Industry			
Pöyry Capital Limited	United Kingdom, London	80.0	80.0
Pöyry Civil Oy	Finland, Vantaa	100.0	100.0
Pöyry Engineering Oy	Finland, Vantaa	100.0	
Pöyry Forest Industry AB	Sweden, Gävle	100.0	
Pöyry Forest Industry AS	Norja, Sarpsborg, Oslo	100.0	
Pöyry Forest Industry GmbH	Germany, Dresden	100.0	
Poyry Forest Industry Limited	New Zealand, Auckland	100.0	100.0
Pöyry Forest Industry (Proprietary) Ltd	South Africa, Durban	100.0	
Poyry Forest Industry Pte. Ltd.	Singapore	100.0	100.0
Poyry Forest Industry Pty Ltd	Australia, Melbourne	100.0	100.0
Pöyry Forest Industry SAS	France, Lyon	100.0	
Pöyry Forest Industry (Shanghai) Co Ltd	China, Shanghai	100.0	100.0
Poyry Forest Industry Sp. z o.o.	Poland, Lódz	90.0	
Pöyry Forest Industry Oy	Finland, Vantaa	100.0	100.0

		Ownership of voting rights Group %	Parent company %
Pöyry Forest Industry Consulting GmbH	Germany, Freising	100.0	
Poyry Forest Industry Consulting Inc.	USA, Tarrytown N.Y.	100.0	100.0
Pöyry Forest Industry Consulting Limited	United Kingdom, London	100.0	
Pöyry Forest Industry Consulting Oy	Finland, Vantaa	100.0	100.0
Pöyry (Montréal) Inc.	Canada, Montreal	100.0	
Pöyry (Vancouver) Inc.	Canada, Vancouver	100.0	
Pöyry (Appleton) LLC	USA, Appleton Wisconsin	100.0	
Pöyry Papes Oy	Finland, Tampere	100.0	
Nufil S.A.	Uruguay, Montevideo	100.0	
Pöyry Shandong Engineering Consulting Co. Ltd	China, Beijing	70.0	
Pöyry Tecnologia Ltda.	Brazil, Sao Paolo	100.0	
Pöyry Empreendimentos Industriais S.A.	Brazil, Sao Paolo	100,0*)	
PT. Poyry Forest Industry	Indonesia, Jakarta	100.0	1.0
JP Operations Management Ltd Oy	Finland, Vantaa	100.0	100.0
Jaakko Pöyry (Thailand) Co., Ltd	Thailand, Bangkok	100.0	
TH Consulting Oy	Finland, Espoo	100.0	

*) According to IFRS SIC 12 Pöyry Empreendimentos Industriais S.A. is consicered a special purpose entity and not an entity to be consolidated to the Pöyry Group.

Infrastructure & Environment

		Group %	Parent company %
Pöyry Building Services Oy	Finland, Espoo	100.0	
Pöyry CM Oy	Finland, Vantaa	100.0	100.0
Pöyry Environment a.s.	Czech Republic, Brno	84.4	52.1
Pöyry Environment GmbH	Germany, Mannheim	100.0	
Pöyry Environment S.A.	France, Lyon	100.0	100.0
Pöyry Environment Szolgaltato Kft	Hungary, Budapest	100.0	
Pöyry Environment Oy	Finland, Vantaa	100.0	100.0
Pöyry Infra AG	Switzerland, Zurich	100.0	100.0
Pöyry Infra GmbH	Austria, Salzburg	72.8	
Pöyry Infra GmbH	Germany, Lorrach	100.0	
TransTec Consult GmbH	Germany, Hannover	100.0	
Pöyry Infra Asia GmbH	Germany, Lorrach	100.0	
Pöyry Infra Traffic GmbH	Germany, Lorrach	100.0	
Pöyry Infra Ltd.	Thailand, Bangkok	100.0	
Poyry Infra Sp. z o.o.	Poland, Cracow	100.0	
Pöyry Infra Oy	Finland, Vantaa	100.0	
Pöyry Infra Engenharia Ltda.	Brazil, Sao Paolo	100.0	
Pöyry Infra de Venezuela S.A.	Venezuela, Valencia	100.0	
Pöyry GKW Germany GmbH	Germany, Mannheim	100.0	
Pöyry GKW GmbH	Germany, Mannheim	100.0	
Pöyry GKW GmbH	Germany, Essen	100.0	
Pöyry GKW GmbH	Germany, Erfurt	100.0	
Pöyry GKW GmbH	Germany, Dresden	100.0	
GKW (Nigeria) Limited	Nigeria, Lagos	60.0	
GKW Consult Dakar SARL	Senegal, Dakar	90.0	
Pöyry ibs GmbH	Germany, Schwerin	100.0	
Pöyry Projects Ltd Oy	Finland, Vantaa	100.0	
Pöyry (Mexico) S.A. de CV	Mexico	100.0	
Pöyry Telecom Oy	Finland, Vantaa	80.0	80.0
Pöyry (Thailand) Ltd.	Thailand, Bangkok	100.0	
CLM Chemisches Labor GmbH	Germany, Mannheim	100.0	
IKOS ODD	Bulgaria, Sofia	100.0	
East Engineering Ltd Oy	Finland, Vantaa	100.0	100.0
Entec A/S	Estonia, Tallinn	66.7	
OÛ CMC Baltic	Estonia, Tallinn	100.0	
Pöyry OÛ	Estonia, Tallinn	100.0	
Archtec Oü	Estonia, Tallinn	66.7	
UAB CMC Baltic	Lithuania, Vilnius	100.0	
UAB “Poyry”	Lithuania, Vilnius	100.0	
SIA “POYRY”	Latvia, Riga	100.0	
LLC “Pöyry”	Russia, St. Petersburg	100.0	
QCM-Consult GmbH	Germany, Lorrach	100.0	
Aquatis s.r.o.	Czech Republic, Brno	84.4	

Other

		Group %	Parent company %
Pöyry Application Services Oy	Finland, Vantaa	100.0	100.0
Pöyry (Beijing) Consulting Company Limited	China, Beijing	100.0	100.0
Pöyry (Deutschland) GmbH	Germany, Lorrach	100.0	
Pöyry (USA) Inc.	USA, Appleton	100.0	
JP-Invest (BVI) Ltd	British Virgin Islands	100.0	
JP-Sijoitus Oy	Finland, Vantaa	100.0	100.0
Jaakko Pöyry Engineering (South America) S.A.	Uruguay	100.0	100.0
J.P. New Zealand Ltd	New Zealand	100.0	
Jaakko Pöyry spol s.r.o.	Czech Republic	100.0	100.0
ZAO Konsofin	Russia	100.0	

	Bookvalue Parent company EUR million	Other group company EUR million
Other share ownership		
B. Grimm Bayernwerk, Electrowatt Ltd (Amata Power), Thailand		2.8
Amata Bien Hoa, Thailand		1.0
ERL Management S.A. , Switzerland		1.6
Private Energy Market Fund Ky, Finland		0.4
Other shares	0.6	0.3
	0.6	**6.1**

KEY FIGURES

Statement of income

EUR million	FAS 2002	FAS 2003	2004	2005	2006
Consulting and engineering	386.0	405.0	458.4	502.8	600.5
EPC	21.0	6.6	15.5	20.8	22.8
Net sales total	**407.0**	**411.6**	**473.9**	**523.6**	**623.3**
Change in net sales, %	- 5.7	1.1	15.1	10.5	19.0
Other operating income	1.4	12.9	2.1	0.8	0.3
Share of associated companies' results	- 0.1	0.2	0.5	0.8	1.2
Materials, supplies and subconsulting	57.8	47.1	64.9	75.1	97.2
Personnel expenses	228.0	235.4	266.4	283.2	327.7
Depreciation of goodwill	4.5	5.0			
Other depreciation	8.8	9.2	9.1	7.9	7.8
Other operating expenses	90.8	92.6	106.2	121.8	142.2
Operating profit	**18.4**	**35.4**	**29.9**	**37.2**	**49.9**
Proportion of net sales, %	4.5	8.6	6.3	7.1	8.0
Financial income and expenses	- 0.3	+ 0.4	+ 1.0	+ 1.4	+ 0.3
Proportion of net sales, %	0.1	0.1	0.2	0.3	0.0
Profit before taxes	**18.1**	**35.8**	**30.9**	**38.6**	**50.2**
Proportion of net sales, %	4.5	8.7	6.5	7.4	8.1
Income taxes	- 5.7	- 10.8	- 10.0	- 12.3	- 15.4
Net profit for the period	**12.4**	**25.0**	**20.9**	**26.3**	**34.8**
Attributable to:					
Equity holders of the parent company	12.3	24.7	19.7	25.9	33.6
Minority interest	0.1	0.3	1.2	0.4	1.2

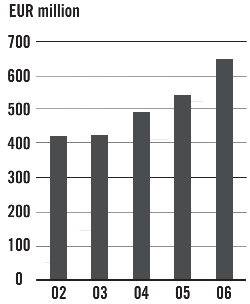
Balance sheet

EUR million	FAS 2002	FAS 2003	2004	2005	2006
Goodwill	34.0	34.3	34.0	42.4	61.4
Intangible and tangible assets	32.7	20.9	19.8	23.7	24.9
Non-current investments	12.5	9.4	10.4	12.7	12.3
Non-current receivables	7.1	9.7	22.7	20.2	17.9
Work in progress	36.1	35.4	46.6	56.6	52.7
Accounts receivable	86.0	87.0	103.6	108.1	134.2
Other current receivables	16.9	11.1	13.3	21.6	22.5
Cash and cash equivalents	26.0	63.1	62.2	64.5	74.9
Assets total	**251.3**	**270.9**	**312.6**	**349.8**	**400.8**
Equity attributable to the equity holders of the parent company	104.3	117.9	126.6	144.2	156.8
Minority interest	5.0	4.2	7.1	4.7	6.1
Pension obligations	0.0	0.0	6.6	6.8	6.9
Provisions	0.0	0.0	0.7	3.4	3.7
Interest bearing liabilities	19.9	13.4	12.2	10.7	13.6
Project advances	37.2	37.5	51.6	51.0	70.0
Accounts payable	12.8	10.6	13.9	18.8	25.1
Other non-interest bearing liabilities	72.1	87.3	93.9	110.2	118.6
Liabilities total	**251.3**	**270.9**	**312.6**	**349.8**	**400.8**

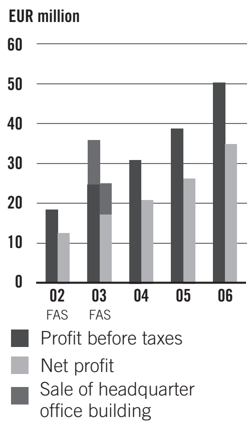
Statement of changes in financial position

EUR million	FAS 2002	FAS 2003	2004	2005	2006
From operations	+ 21.3	+ 51.9	+ 37.1	+ 37.8	+ 57.6
Capital expenditure, net	- 8.8	+ 5.9	- 17.1	- 19.2	- 31.2
Financing	- 19.0	- 20.7	- 20.9	- 16.3	- 16.0
Change in cash and cash equivalents	- 6.5	+ 37.1	- 0.9	+ 2.3	+ 10.4
Cash and cash equivalents December 31	**26.0**	**63.1**	**62.2**	**64.5**	**74.9**

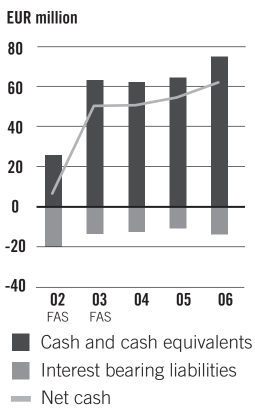
Net sales



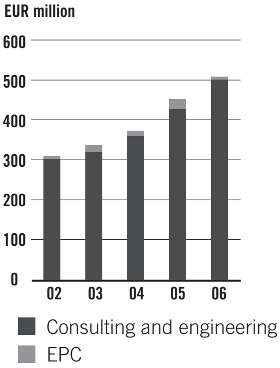
Profit before taxes and net profit



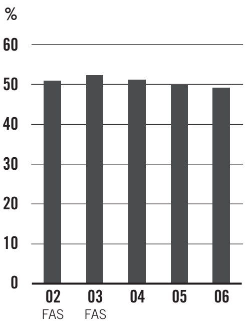
Financing



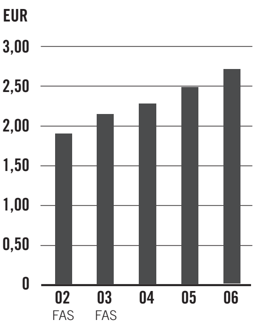
Order stock



Equity ratio



Shareholders' equity/share



Profitability and other key figures

EUR million	FAS 2002	FAS 2003	2004	2005	2006
Return on investment, %	14.5	27.7	21.4	25.8	31.1
Return on equity, %	11.3	21.7	15.6	18.6	22.3
Equity ratio, %	51.0	52.3	51.2	49.8	49.2
Equity/assets ratio, %	43.5	45.1	42.8	42.6	40.7
Net debt/equity ratio (gearing), %	- 5.6	- 40.7	- 37.4	- 36.1	- 37.6
Net debt, EUR million	- 6.1	- 49.7	- 50.0	- 53.8	- 61.3
Current ratio	1.4	1.6	1.5	1.4	1.3
Consulting and engineering, EUR million	301.6	319.3	359.3	428.1	500.8
EPC, EUR million	6.8	16.4	13.9	24.0	6.8
Order stock total, EUR million	308.4	335.7	373.2	452.1	507.6
Capital expenditure, operating, EUR million	9.1	9.0	7.3	8.0	9.8
Proportion of net sales, %	2.2	2.2	1.5	1.5	1.6
Capital expenditure in shares, EUR million	2.5	6.4	11.4	17.8	27.9
Proportion of net sales, %	0.6	1.5	2.4	3.4	4.5
Personnel in group companies on average	4 635	4 697	5 219	5 423	6 038
Personnel in associated companies on average	195	195	213	249	251
Personnel in group companies at year-end	4 632	4 766	5 309	5 608	6 389
Personnel in associated companies at year-end	194	191	240	248	236

Key figures for the shares

	FAS 2002	FAS 2003	2004	2005	2006
Earnings/share, EUR	0.23	0.45	0.36	0.45	0.58
Corrected with dilution effect	0.22	0.44	0.35	0.45	0.57
Equity attributable to the equity holders of the parent company/share, EUR	1.89	2.14	2.27	2.48	2.70
Dividend, EUR million	8.3	20.7	16.9	18.9	29.1 [1)]
Dividend/share, EUR	0.15	0.375	0.30	0.325	0.50 [1)]
Dividend/earnings, %	66.7	83.3	84.5	72.2	86.2
Effective return on dividend, %	4.0	6.9	5.4	4.1	4.2
Price/earnings multiple	16.7	12.1	15.6	17.7	20.3
Issue-adjusted trading prices, EUR					
Average trading price	4.11	4.22	5.27	6.71	9.15
Highest trading price	4.75	5.63	5.78	8.50	12.61
Lowest trading price	2.85	3.25	4.94	5.55	7.65
Closing price at year-end	3.75	5.45	5.55	7.97	11.80
Total market value					
Outstanding shares, EUR million	206.7	301.0	309.3	463.4	686.5
Own shares, EUR million	0.2	3.5	0.0	0.0	0.0
Trading volume of shares					
Shares, 1000	6 460	13 152	23 392	20 340	23 581
Proportion of the total volume, %	11.8	23.8	42.0	35.4	40.5
Issue-adjusted number of outstanding shares, 1000					
On average	54 784	54 956	55 376	57 468	58 180
At year-end	55 128	55 216	55 722	58 180	58 180

1) Board of Directors' proposal.

Net sales

EUR million	1-3/05	4-6/05	7-9/05	10-12/05	1-3/06	4-6/06	7-9/06	10-12/06	1-12/05	1-12/06
Energy	37.8	39.3	37.4	45.5	42.8	45.6	49.1	59.9	160.0	197.4
Forest Industry	50.0	51.5	47.4	50.4	52.8	57.0	54.8	60.3	199.3	224.9
Infrastructure & Environment	35.7	39.2	39.7	50.3	48.3	50.7	48.7	54.1	164.9	201.8
Unallocated	-0.2	-0.1	0.6	-0.9	0.1	0.6	0.4	-1.9	-0.6	- 0,8
	123.3	**129.9**	**125.1**	**145.3**	**144.0**	**153.9**	**153.0**	**172.4**	**523.6**	**623.3**

Operating profit and net profit for the period

EUR million	1-3/05	4-6/05	7-9/05	10-12/05	1-3/06	4-6/06	7-9/06	10-12/06	1-12/05	1-12/06
Energy	2.0	2.1	1.8	3.2	3.2	3.3	3.7	4.4	9.1	14.6
Forest Industry	4.1	4.7	5.9	5.0	4.4	4.6	6.4	7.5	19.7	22.9
Infrastructure & Environment	1.3	2.6	2.3	3.0	3.3	2.8	3.4	3.5	9.2	13.0
Unallocated	-0.2	-0.5	-0.2	0.1	-0.7	-0.4	-0.3	0.8	-0.8	- 0.6
Operating profit	**7.2**	**8.9**	**9.8**	**11.3**	**10.2**	**10.3**	**13.2**	**16.2**	**37.2**	**49.9**
Financial items	0.3	0.1	0.6	0.4	0.3	0.1	0.0	-0.1	1.4	0.3
Profit before taxes	**7.5**	**9.0**	**10.4**	**11.7**	**10.5**	**10.4**	**13.2**	**16.1**	**38.6**	**50.2**
Income taxes	-2.5	-2.8	-3.2	-3.8	-3.5	-3.2	-4.2	-4.5	-12.3	- 15.4
Net profit for the period	**5.0**	**6.2**	**7.2**	**7.9**	**7.0**	**7.2**	**9.0**	**11.6**	**26.3**	**34.8**
Profit attributable to:										
Equity holders of										
the parent company	4.7	6.1	7.4	7.7	6.9	6.9	8.6	11.2	25.9	33.6
Minority interest	0.3	0.1	-0.2	0.2	0.1	0.3	0.4	0.4	0.4	1.2

Operating profit

%	1-3/05	4-6/05	7-9/05	10-12/05	1-3/06	4-6/06	7-9/06	10-12/06	1-12/05	1-12/06
Energy	5.3	5.3	4.8	7.0	7.5	7.2	7.5	7.3	5.7	7.4
Forest Industry	8.2	9.1	12.4	9.9	8.3	8.1	11.7	12.4	9.9	10.2
Infrastructure & Environment	3.6	6.6	5.8	6.0	6.8	5.5	7.0	6.5	5.6	6.4
	5.8	**6.9**	**7.8**	**7.8**	**7.1**	**6.7**	**8.6**	**9.4**	**7.1**	**8.0**

Order stock

EUR million	1-3/05	4-6/05	7-9/05	10-12/05	1-3/06	4-6/06	7-9/06	10-12/06	1-12/05	1-12/06
Energy	167.1	203.4	197.6	195.2	220.0	237.1	222.6	204.9	195.2	204.9
Forest Industry	82.5	79.6	78.3	97.3	111.4	109.1	111.0	111.4	97.3	111.4
Infrastructure & Environment	127.0	121.1	144.2	159.5	187.6	185.3	183.7	191.0	159.5	191.0
Unallocated	0.3	0.2	0.2	0.1	0.1	0.0	0.0	0.3	0.1	0.3
	376.9	**404.3**	**420.3**	**452.1**	**519.1**	**531.5**	**517.3**	**507.6**	**452.1**	**507.6**
Consulting and engineering	366.7	367.4	388.1	428.1	496.9	514.0	502.1	500.8	428.1	500.8
EPC	10.2	36.9	32.2	24.0	22.2	17.5	15.2	6.8	24.0	6.8
	376.9	**404.3**	**420.3**	**452.1**	**519.1**	**531.5**	**517.3**	**507.6**	**452.1**	**507.6**

Calculation of key figures

Return on investment, ROI %	$\frac{\text{profit before taxes + interest and other financial expenses}}{\text{balance sheet total - non-interest bearing liabilities (average)}}$	x 100
Return on equity, ROE %	$\frac{\text{net profit}}{\text{equity (average)}}$	x 100
Equity ratio %	$\frac{\text{equity}}{\text{balance sheet total - advance payments received}}$	x 100
Equity/assets ratio %	$\frac{\text{equity}}{\text{balance sheet total}}$	x 100
Net debt/equity ratio, gearing %	$\frac{\text{interest-bearing liabilities - cash and cash equivalents}}{\text{equity}}$	x 100
Current ratio	$\frac{\text{current assets}}{\text{current liabilities}}$	
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	$\frac{\text{equity attributable to the equity holders of the parent company}}{\text{issue-adjusted number of shares at the end of the fiscal year}}$	
Dividend/share	$\frac{\text{dividend}}{\text{issue-adjusted number of shares at the end of the fiscal year}}$	
Dividend/earnings %	$\frac{\text{dividend for the fiscal year}}{\text{net profit attributable to the equity holders of the parent company}}$	x 100
Effective return on dividend %	$\frac{\text{dividend/share}}{\text{issue-adjusted trading price at the end of the fiscal year}}$	x 100
Price/earnings multiple, P/E	$\frac{\text{quoted share price at the end of the fiscal year}}{\text{earnings per share}}$	
Market value of share capital	number of shares at the end of the fiscal year x closing price at the end of the fiscal year	
Exchange of shares %	$\frac{\text{number of shares exchanged during the fiscal year}}{\text{average number of shares for the fiscal year}}$	x 100

SHARES AND SHAREHOLDERS

Share capital and shares

The shares of Pöyry Plc are quoted on the Helsinki Stock Exchange in the industry classification sector Industrials. The first day of trading was December 2, 1997. The trading code is POY1V. The company has one series of shares. Each share entitles to one vote and the same dividend rate. Pöyry Plc's share register is maintained by the Finnish Central Securities Depository Ltd.

According to the company's Articles of Association, the issued share capital must not be less than EUR 10 000 000 nor more than EUR 40 000 000. The share capital can be increased or decreased within these limits without amending the Articles of Association.

The Annual General Meeting on March 7, 2006 decided to increase the number of shares in proportion to the ownership of the shareholders, without increasing the share capital ("share split"). The share split was realised so that all shares of the company with an accounting par value of EUR 1.00 were split so that each share entitled to four (4) new shares with an accounting par value of EUR 0.25 each. The share split was registered in the Trade Register on March 13, 2006. As a result, the total number of shares in the company quadrupled from 14 545 036 to 58 180 144 shares. The share capital remained unchanged at EUR 14 545 036. On December 31, 2006 the share capital of Pöyry Plc was EUR 14 545 036.

Option programme 2004

The Annual General Meeting on March 3, 2004 decided to issue stock options to the management of the Group as well as to a wholly-owned subsidiary of Pöyry Plc. According to the original terms, the stock options entitle to subscription of a maximum of 550 000 shares in Pöyry Plc, and each stock option entitles the holder to subscribe one share in the company. Because of the share split, the General Meeting decided on March 7, 2006 to amend the terms and conditions of the stock options issued in 2004 accordingly. Each stock option will entitle the holder to subscribe four (4) shares in the company with an accounting par value of EUR 0.25 each, with the total subscription price remaining unchanged.

Should all warrants be used for subscription of shares, the new shares will equal 3.8 per cent of the total number of shares after the subscriptions. All stock options have been issued and their receipt confirmed. 30 persons are included in the option programme.

The share subscription price for stock option 2004A is the trade volume-weighted average quotation of the Pöyry Plc share on the Helsinki Stock Exchange between April 1 and April 30, 2004, with an addition of 20 per cent; for stock option 2004B the trade volume-weighted average quotation of the Pöyry Plc share on the Helsinki Stock Exchange between April 1 and April 30, 2005, with an addition of 20 per cent; and for stock option 2004C the trade volume-weighted average quotation of the Pöyry Plc share on the Helsinki Stock Exchange between April 1 and April 30, 2006, with an addition of 20 per cent. From the share subscription price of stock options will be deducted, as per the dividend record date, the amount of dividend paid after April 1, 2004 but before the share subscription.

Board of directors' authorisations

The Board of Directors of Pöyry Plc is authorised until March 7, 2007 to decide on an increase in the share capital by a maximum of EUR 2 800 000 by issuing for subscription a maximum of 2 800 000 new shares (no more than 11 200 000 after the share split). The Board has not exercised this authorisation.

The Board of Directors proposes to the Annual General Meeting on March 5, 2007 that the Board be authorised to issue a maximum of 11 600 000 new shares and to convey a maximum of 5 800 000 own shares held by the company.

The Annual General Meeting on March 7, 2006 authorised the Board of Directors to acquire and convey the company's own shares to a maximum of 1 400 000 shares (no more than 5 600 000 new shares after the share split), anyhow less than five per cent ot the total share ownership and voting rights. The authorisations are in force until March 7, 2007. The Board has not exer-

Development of share capital

	Share capital EUR 1000	Share premium reserve EUR 1000	Legal reserve EUR 1000	Shares 1000	Nominal value EUR/share
December 2, 1997	11 521	15 058	20 183	13 700	0,84
June 11, 1999	11 998	20 117	20 183	14 267	0,84
March 20, 2000, cancellation of shares	11 496	20 619	20 183	13 670	0,84
March 20, 2000	13 670	20 619	18 008	13 670	1,00
Subscription with 1998 warrants in 2000	13 724	21 149	18 008	13 724	1,00
Subscription with 1998 warrants in 2001	13 933	23 084	18 008	13 933	1,00
March 22, 2002, cancellation of shares	13 624	23 393	18 008	13 624	1,00
Subscription with 1998 warrants in 2002	13 792	24 842	18 008	13 792	1,00
Subscription with 1998 warrants in 2003	13 971	26 278	18 008	13 971	1,00
March 25, 2004, cancellation of shares	13 808	26 441	18 008	13 808	1,00
Subscription with 1998 warrants in 2004	14 110	28 434	18 008	14 110	1,00
Subscription with 1998 warrants in 2005	14 497	30 504	18 008	14 497	1,00
August 31, 2005, merger consideration	14 545	30 504	18 008	14 545	1,00
March 13, 2006, sharesplit	14 545	31 515	18 008	58 180	0.25
March 31, 2012, if all 2004A/B/C stock options are exercised for subscription	15 095			60 380	0,25

Option programme 2004, share subscription price

	Number of shares	Subscription period	Subscription price, EUR	Subscription price, Dec. 31,2006, EUR
Stock option 2004A	660 000	March 1, 2007 – March 31, 2010	6.66	5.91
Stock option 2004B	660 000	March 1, 2008 – March 31, 2011	7.40	6.65
Stock option 2004C	880 000	March 1, 2009 – March 31, 2012	10.78	10.03

cised this authorisation. Pöyry Plc does not hold its own shares.

The Board of Directors proposes to the Annual General Meeting on March 5, 2007 that the Board be authorised to acquire a maximum of 5 800 000 own shares.

Shareholders

According to Pöyry Plc's share register, there were a total of 3190 registered shareholders at the end of 2006. The number of shareholders increased by 1314 during the year.

Updated on a monthly basis, information on the biggest shareholders and the distribution of ownership is available on Pöyry's website.

Flagging notifications and nominee-registered shares

The total number of nominee-registered shares on December 31, 2006 amounted to 15 076 490 shares, equalling 25.9 per cent of the share capital. According to flagging notifications received by Pöyry Plc, the asset management companies listed in the table below have owned shares in the company during 2006.

Corbis Investments S.A. gave a notification on October 27, 2006 in accordance with Chapter 2, Section 9 of the Finnish Securities Markets Act and the implementing provision of Act No. 442/2006 amending the Securities Market Act. The total holding of Corbis Investments in Pöyry Plc exceeded three-tenths but was less than one-third of the share capital and voting rights and was 30.70 per cent i.e. 17 861 200 shares.

Management's shareholdings

The members of the Board of Directors and the Executive Committee owned on December 31, 2006 a total of 209 120 shares, which equals 0.4 per cent of the company's share capital and the number of votes. The Chief Executive Officer and the Deputy to the CEO are authorised to increase their shareholdings to a maximum of 1.0 per cent of the shares by exercising their stock options. Information concerning the shareholdings and stock options of the members of Pöyry Plc's Board of Directors and Executive Committee is given on pages 47 and 48.

	Shares	Stock options 2004A/B/C
Members of the Board of Directors	175 720	
President and CEO, Deputy to President and CEO	22 000	150 000
Group Executive Committee	11 400	145 000
Total	**209 120**	**295 000**

Henrik Ehrnrooth, Chairman of the Board of Directors, together with his brothers Georg Ehrnrooth and Carl-Gustaf Ehrnrooth, indirectly holds a controlling interest in Corbis S.A.

Share price development and trading volume

Pöyry Plc's market capitalisation at the end of the financial year was EUR 686.5 million. The share price increased during the year by 48.1 per cent from EUR 7.97 to EUR 11.80 (after the sharesplit). During the same period, the OMX Helsinki index rose by 17.2 per cent and the OMX Helsinki Cap index 24.8 per cent. The highest share price was EUR 12.61 and the lowest EUR 7.65. A total of 23 580 879 shares where traded for a total of EUR 215.8 million. The number of shares traded during the year equals 40.5 per cent of the total number of issued shares.

Dividend

Pöyry Plc's target is that the dividend/earnings ratio should be at least 50 per cent. Should the Group's net debt/equity ratio exceed 30 per cent, the dividend/earnings ratio may be adjusted.

The Board of Directors of Pöyry Plc proposes to the Annual General Meeting on March 5, 2007 that a dividend of EUR 0.50 per share be paid for the year 2006, totalling EUR 29.1million. This corresponds to 86.2 per cent of the earnings per share for the financial year. The dividend will be payable on March 15, 2007.

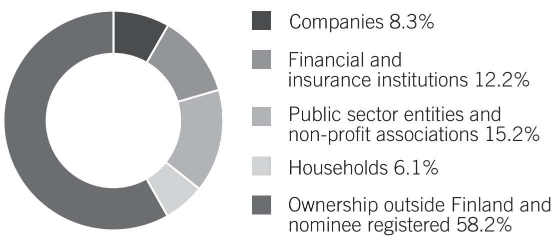
Key figures for the shares

The development of the share price and trading volume, and key figures for the shares for the years 2002 – 2006 are presented on page 29.

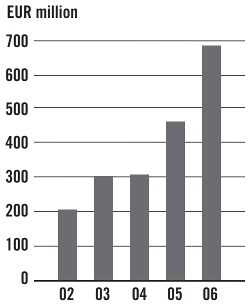
Flagging notifications and nominee-registered shares

Date of notification	Shareholder	Reason for notification	Shareholding on date of of notificationon	Proportion of shares on date of notification, %
October 9, 2006	Columbia Wanger Asset Management L.P.	holding falling below 1/20	2 871 002	4.94
October 3, 2006	Grantham, Mayo, Van Otterloo & Co. LLC	holding falling below 1/20	2 640 896	4.54
November 24, 2005	Robeco International Asset Management	holding falling below 1/20	1 176 380	2.02
May 18, 2004	I.G. International Management Limited	holding exceeding 1/20	3 743 356	6.75

Ownership stucture by type of shareholder (by amount of shares)



Market capitalisation



Major registered shareholders

	Number of shares	Per cent of shares and voting rights, %
1. Corbis S.A.	17 861 200	30.70
2. Procurator Oy	2 867 000	4.93
3. Ilmarinen Mutual Pension Insurance Company	2 202 170	3.79
4. Varma Mutual Pension Insurance Company	1 900 600	3.27
5. Tapiola Mutual Pension Insurance Company	1 760 000	3.03
6. Nordea Fund company Ab (FI)	1 403 164	2.42
7. OP-Delta Fund	1 329 780	2.29
8. UCITS Fund Aktia Capital	1 175 300	2.02
9. Svenska litteratursällskapet i Finland	892 100	1.53
10. Nordea Life Securities Finland Ltd	478 184	0.82
Shares nominee registered	15 076 490	25.91
Other shareholders	11 234 156	19.31
Total	**58 180 144**	**100.00**

Ownership structure by type of shareholder

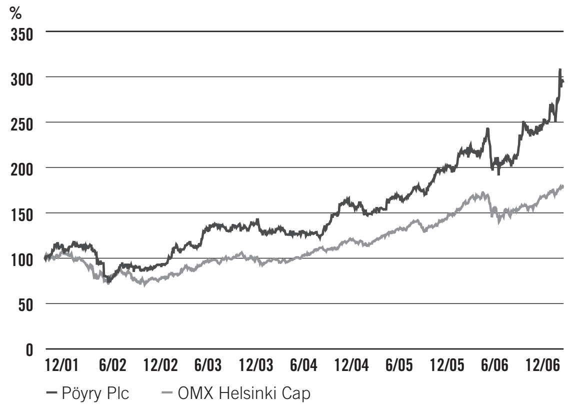
	Number of owners	Per cent of owners	Shares and voting rights	Per cent of shares and voting rights
Companies	188	5.9	4 854 748	8.3
Financial and insurance institutions	46	1.4	7 105 640	12.2
Public sector entities and non-profit associations	112	3.5	8 838 087	15.2
Households	2 808	88.0	3 560 361	6.1
Ownership outside Finland and shares nominee registered owners	36	1.2	33 821 308	58.2
Total	**3 190**	**100.0**	**58 180 144**	**100.0**

Ownership structure by number of shares owned

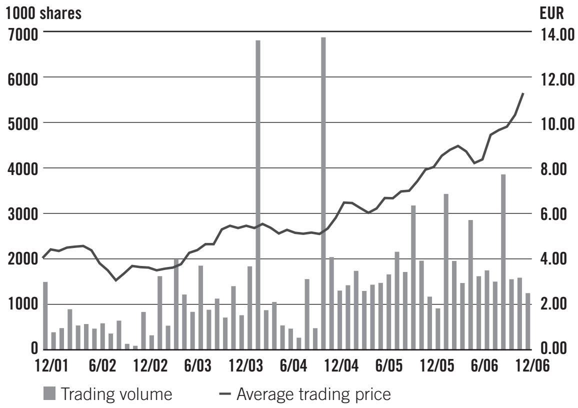
	Number of owners	Per cent of owners	Shares and voting rights	Per cent of shares and voting rights
1-100	409	12.8	33 266	0.1
101-500	1 218	38.2	412 846	0.7
501-1000	618	19.4	500 870	0.9
1001-5000	703	22.0	1 540 495	2.6
5001-	242	7.6	55 692 667	95.7
Total	**3 190**	**100.0**	**58 180 144**	**100.0**

Source: Finnish Central Securities Depository Ltd., December 31, 2006

Development of the share price on the Helsinki Stock Exchange



Trading volume of shares and average trading price



PARENT COMPANY

Statement of income

EUR million		2006	2005
1	**Net sales**	**6.8**	5.9
2	Other operating income	**5.5**	5.4
3	Personnel expenses	**- 4.5**	- 4.5
	Depreciation	**- 0.3**	- 0.4
	Other operating expenses	**- 7.8**	- 7.1
	Operating profit	**- 0.3**	- 0.7
4	Financial income and expenses	**+ 9.9**	+ 27.2
	Profit before extraordinary items	**9.6**	26.5
5	Extraordinary items	**+ 20.1**	+ 15.8
	Profit before taxes	**29.7**	42.3
6	Income taxes	**- 4.3**	- 3.4
	Net profit for the period	**25.4**	**38.9**

Balance sheet

EUR million		2006	2005
Assets			
	Fixed assets		
1	Intangible assets	**0.7**	0.5
2	Tangible assets	**0.7**	0.5
3	Non-current investments	**161.3**	136.0
		162.7	137.0
	Current assets		
4–5	Current receivables	**29.4**	16.4
	Investments	**7.0**	11.2
	Cash in hand and at banks	**10.9**	13.9
		47.3	41.5
	Total	**210.0**	**178.5**
Shareholders' equity and liabilities			
6	**Shareholders' equity**		
	Share capital	**14.5**	14.5
	Share premium reserve	**31.5**	31.5
	Legal reserve	**18.0**	18.0
	Retained earnings	**22.7**	2.8
	Net profit for the period	**25.4**	38.9
		112.1	105.7
	Liabilities		
7–9	Non-current liabilities	**19.5**	19.1
10–11	Current liabilities	**78.4**	53.7
		97.9	72.8
	Total	**210.0**	**178.5**

Statement of changes in financial position

EUR million	2006	2005
From operations		
Operating profit	**- 0.3**	- 0.7
Depreciation and value decrease	**+ 0.3**	+ 0.4
Gain on sale of fixed assets	**- 0.0**	- 0.0
Change in net working capital	**+ 1.3**	+ 2.6
Financial income and expenses	**- 0.8**	- 0.3
Taxes	**- 3.0**	-5.5
Total from operations	- **2.5**	- 3.5
Capital expenditure		
Investments in shares in subsidiaries	- **16.6**	- 1.1
Investments in fixed assets	**- 0.9**	- 1.0
Sales of other shares	**+ 0.0**	+ 0.4
Sales of fixed assets	**+ 0.2**	+ 0.5
Capital expenditure total	**- 17.3**	- 1.2
Cash flow before financing	**- 19.8**	- 4.7
Financing		
New loans	**+ 3.5**	+ 7.5
Repayments of loans	**- 2.8**	- 3.6
Change in current financing	**+ 24.3**	- 10.5
Change in non-current investments	**- 8.2**	- 6.2
Dividends	**- 18.9**	- 16.9
Share subscription	**+ 0.0**	+ 2.5
Dividends received	**+ 8.7**	+ 10.0
Group contribution	**+ 6.1**	+ 24.4
Financing total	**+ 12.7**	+7.2
Change in cash and cash equivalents	**- 7.1**	+ 2.5
Cash and cash equivalents January 1	**25.1**	22.6
Cash and cash equivalents December 31	**18.0**	**25.1**

Notes to the financial statements

Pöyry Plc is the parent company in the Pöyry Group.
Accounting principles

Basis of preparation
Pöyry Plc has prepared the financial statements in accordance with the Finnish Accounting Standards (FAS). The financial statements are presented in euros and have been prepared under the historical cost convention.

When appropriate, the financial statements of Pöyry Plc complies with the Group's accounting principles based on IFRSs. Below are described those accounting principles in which the financial statements of Pöyry Plc differs from the accounting principles of the consolidated financial statements. The accounting principles for the consolidated financial statements are presented in the notes for the consolidated financial statements..

Net sales
Pöyry Plc's net sales are Group internal service fees whose total invoice value is deducted by the following adjustment items: indirect taxes relating to sales, discounts and exchange differences of trade receivables.

Extraordinary items
The extraordinary items comprise of received and admitted group contributions and gains or losses from mergers. The group contributions are eliminated in preparing the consolidated financial statements.

Income taxes
The income taxes include taxes based on the taxable profit for the period, together with tax adjustments for previous periods.

Research and development
The company has no expenses due to research and development.

Foreign currency translation
Receivables and liabilities in foreign currencies are valued at the exchange rates prevailing at the balance sheet date. Open forward contracts are valued at the exchange rates prevailing at the balance sheet date.

Recording of exchange gains and losses
Exchange gains and losses from realisation and from valuation are taken into account in the statement of income. The interest rate differential of the forward contracts is included in the exchange gains or losses. Exchange gains and losses related to business operations are included in net sales or operating expenses. Exchange gains and losses related to financing operations are included in financial income and expenses.

Depreciation principles
A predetermined schedule has been used in depreciation according to plan on depreciable fixed assets. Depreciation according to plan has been calculated on a straight-line basis based on the useful lives of the assets.

Capitalised expenditure is depreciated over three to five years. Machinery and equipment are depreciated over three to eight years.

Intangible and tangible assets
The intangible and tangible assets are valued at their original acquisition cost less accumulated depreciation.

Capitalised expenditure
Capitalised expenditure includes mainly purchases of computer software and systems.

Lease agreements
The lease agreements are mainly office facility agreements. The company has also some lease agreements for cars and for office equipment. Lease payments are treated as rent expenses during the rental period.

Pension arrangements
The statutory pension arrangements are generally satisfied through contracts with external insurance companies. Voluntary pensions are organised through pension insurances.

Financial instruments
Pöyry Plc has made interest swaps for non-current external loans. The fair values of the interest swaps were positive and not taken into account in Pöyry Plc's Statement of Income nor Balance Sheet. Pöyry Plc has no further derivative instruments.

Share base payments
Pöyry Plc optionprogramme is described in the Pöyry Group's accounting principles. Pöyry Plc prepares the financial statements in accordance with the Finnish Accounting Standards (FAS) and thus no expense from the optionprogramme is taken into account in Pöyry Plc's Statement of Income or Balance Sheet.

EUR million		**2006**	2005
1.	**Net sales**		
	Net sales	**6.8**	5.9
	The parent company's net sales are Group internal service fees.		
2.	**Other operating income**		
	Rent income	5.0	4.9
	Gain on sales of fixed assets	0.0	0.0
	Other	0.5	0.5
		5.5	**5.4**
3.	**Personnel expenses**		
	Wages and salaries	4.5	3.8
	Pension expenses	- 0.2	0.6
	Other social expenses	0.2	0.1
		4.5	**4.5**
	Salaries and bonuses of the President and CEO and the Deputy to the President and CEO are presented on the Corporate governance pages.		
4.	**Financial income and expenses**		
	Dividend income		
	From group companies	11.5	26.7
	From other	0.0	0.1
		11.5	26.8
	Interest income from non-current investments		
	From group companies	1.3	0.8
	From other	0.0	0.0
		1.3	0.8
	Other interest and financial income		
	From group companies	0.3	0.1
	From other	0.4	0.3
		0.7	0.4
	Interest expenses and other financial expenses		
	To group companies	- 1.7	- 1.0
	To other	- 0.6	- 0.5
		- 2.3	- 1.5
	Exchange rate gains	0.2	1.6
	Exchange rate losses	- 1.5	- 0.9
		- 1.3	+ 0.7
	Value decrease on non-current investments	0.0	0.0
	Total	**+ 9.9**	**+ 27.2**
5.	**Extraordinary items**		
	Merge gain	0.0	1.5
	Group contribution received	20.5	14.3
	Group contribution paid	- 0.4	- 0.0
		20.1	**15.8**
6.	**Income taxes**		
	Taxes for the fiscal year	4.7	4.1
	Taxes for previous years	- 0.4	- 0.7
		4.3	**3.4**

EUR million		2006	2005
1.	**Intangible assets**		
	Acquisition value Jan. 1	1.0	0.6
	Increase	0.5	0.9
	Decrease	0.2	0.5
	Acquisition value Dec. 31	1.3	1.0
	Accumulated depreciation Jan. 1	0.5	0.4
	Accumulated depreciation of decrease	0.0	0.0
	Depreciation for the period	0.1	0.1
	Accumulated depreciation Dec. 31	0.6	0.5
	Book value Dec. 31	**0.7**	**0.5**
2.	**Tangible assets**		
	Machinery and equipment		
	Acquisition value Jan. 1	0.5	0.5
	Increase	0.0	0.0
	Acquisition value Dec. 31	0.5	0.5
	Accumulated depreciation Jan. 1	0.4	0.3
	Depreciation for the period	0.0	0.1
	Accumulated depreciation Dec. 31	0.4	0.4
	Book value Dec. 31	0.1	0.1
	Other tangible assets		
	Acquisition value Jan. 1	0.7	0.7
	Increase	0.3	0.1
	Decrease	0.0	0.1
	Acquisition value Dec. 31	1.0	0.7
	Accumulated depreciation Jan. 1	0.3	0.1
	Accumulated depreciation of decrease	0.0	0.1
	Depreciation for the period	0.1	0.2
	Accumulated depreciation Dec. 31	0.4	0.3
	Book value Dec. 31	0.7	0.4
	Total tangible assets		
	Acquisition value Jan. 1	1.2	1.2
	Increase	0.3	0.1
	Decrease	0.0	0.1
	Acquisition value Dec. 31	1.5	1.2
	Accumulated depreciation Jan. 1	0.7	0.5
	Accumulated depreciation of decrease	0.0	0.1
	Depreciation for the period	0.1	0.3
	Accumulated depreciation Dec. 31	0.8	0.7
	Book value Dec. 31	**0.7**	**0.5**
3.	**Non-current investments**		
	Shares in group companies Jan. 1	106.8	94.0
	Increase	16.6	14.7
	Decrease	0.0	1.9
	Shares in group companies Dec. 31	123.4	106.8
	Receivables from group companies Jan. 1	28.2	20.5
	Increase	13.4	11.5
	Decrease	4.7	3.8
	Receivables from group companies Dec. 31	36.9	28.2

EUR million		2006	2005
	Shares in associated companies		
	Acquisition value Jan. 1	0.3	0.3
	Increase	0.0	0.0
	Shares in associated companies Dec. 31	0.3	0.3
	Other shares Jan. 1	0.6	0.9
	Increase	0.0	0.1
	Decrease	0.0	0.4
	Other shares Dec. 31	0.6	0.6
	Total non-current investments Jan. 1	136.0	115.7
	Increase	30.0	26.2
	Decrease	4.7	6.0
	Total non-current investments Dec. 31	**161.3**	**136.0**
4.	**Current receivables**		
	Accounts receivable	0.0	0.9
	Accounts receivable	0.9	1.2
	Loans receivable	5.8	6.5
	Other receivables	21.3	6.9
	Prepaid expenses and accrued income	0.8	0.4
	Total from group companies	28.8	15.0
	Total from associated companies	0.0	0.0
	Other receivables	0.1	0.0
	Prepaid expenses and accrued income	0.5	0.5
		29.4	**16.4**
5.	**Prepaid expenses and accrued income**		
	Interest income	0.8	0.4
	Social expenses	0.0	0.0
	Taxes	0.0	0.1
	Other	0.5	0.4
		1.3	**0.9**
6.	**Shareholders' equity**		
	Share capital Jan. 1	14.5	14.1
	Shares subscribed with warrants	0.0	+ 0.4
	Merger	0.0	0.0
	Share capital Dec. 31	14.5	14.5
	Share premium reserve Jan.1	31.5	28.4
	Shares subscribed with warrants, share premium	0.0	+ 2.1
	Merger	0.0	+ 1.0
	Share premium reserve Dec. 31	31.5	31.5
	Legal reserve Jan. 1/ Dec. 31	18.0	18.0
	Retained earnings Jan. 1	41.7	19.7
	Payment of dividend	- 18.9	- 16.9
	Net profit for the period	+ 25.4	+ 38.9
	Retained earnings Dec. 31	48.2	41.7
	Total shareholders' equity Dec. 31	**112.1**	**105.7**

EUR million		2006	2005
7.	**Non-current liabilities**		
	Loans from credit institutions	3.5	6.1
	Liabilities to group companies	16.0	12.7
	Other	0.0	0.4
		19.5	**19.1**
8.	**Loans with due date after five years or later**		
	Loans from credit institutions	0.0	0.0
	Other non-current loans	16.0	12.7
		16.0	**12.7**
9.	**Loans according to maturity**		
	Year 2006		49.8
	Year 2007	72.6	2.6
	Year 2008	2.6	2.5
	Year 2009	0.9	0.9
	Year 2010	0.0	0.0
	Year 2011	0.0	0.0
	Later	16.0	12.7
		92.1	**68.5**
10.	**Current liabilities**		
	Loans from credit institutions	7.6	2.6
	Accounts payable	0.5	0.2
	Loans	65.0	47.2
	Accounts payable	0.2	0.3
	Other current liabilities	0.4	0.4
	Accrued expenses and deferred income	0.0	0.0
	Total to group companies	65.6	47.9
	Total to associated companies	0.0	0.0
	Other current liabilities	0.4	0.3
	Accrued expenses and deferred income	4.3	2.7
		78.4	**53.7**
11.	**Accrued expenses and deferred income**		
	Salaries and vacation accruals	2.0	1.5
	Social expenses	0.3	0.5
	Interest expenses	0.1	0.1
	Taxes	1.3	0.0
	Other	0.6	0.6
		4.3	**2.7**

EUR million		2006	2005
1.	**Contingent liabilities**		
	Pledged assets and mortgages and corresponding loans total	**0.0**	**0.0**
	Pledged assets and mortgages for own debts		
	Mortgages on company assets	0.0	0.0
		0.0	**0.0**
	Other obligations		
	Rent and leasing obligations	66.0	69.4
	Other obligations	0.0	5.3
		66.0	**74.7**
	For group companies		
	Other obligations	49.6	45.0
		49.6	**45.0**
	For associated companies	0.0	0.0
		0.0	**0.0**
	For others	0.0	0.0
		0.0	**0.0**
	Total		
	Rent and leasing obligations	66.0	69.4
	Other obligations	49.6	50.3
2.	**Other lease agreements**		
	Lease payments for non-cancellable other lease agreements, mostly office rents		
	Year 2006		3.5
	Year 2007	3.6	3.6
	Year 2008–2010	10.9	10.8
	Later	51.5	51.5
		66.0	**69.4**
3.	**Derivative instruments**		
	Foreign exchange forward contracts, notional values		0.9
	Foreign exchange forward contracts, fair values		- 0.1

The notional amounts are not a measure of the foreign rate risk at the exposure outstanding.

Pöyry Plc has made interest rate swaps for EUR 6.1 million external loans.

	2006	2005
Interest rate swaps fair values	+ 0.1	0.0

CORPORATE GOVERNANCE

The statutory basis of the governance of the Pöyry group is the Finnish Companies Act, the Securities Markets Act and the Articles of Association ("Articles") of the parent company Pöyry Plc ("Company"). The Company complies with the Corporate Governance Recommendation issued by the Central Chamber of Commerce of Finland, the Confederation of Finnish Industries, EK, and the Helsinki Stock Exchange, which entered into force on July 1, 2004.

The responsibility for the control and management of the Company is divided between the shareholders represented at the General Meeting of Shareholders, the Board of Directors ("Board"), and the President and CEO. The other administering bodies of the Company have an assisting and supporting role.

General meeting

The supreme decision-making powers in the Company rest with the General Meeting. The Annual General Meeting is held every year before the end of June and it decides, among other things, about the adoption of the financial statements, distribution of dividends, release from liability of the Board, the President and CEO and his Deputy, and any changes to the Articles.

The Annual General Meeting elects the members of the Board ("Directors") and the auditor of the Company.

Board of Directors

The Board consists of a minimum of four (4) and a maximum of ten (10) Directors. In its Charter, the Board has established a general guideline that the Board comprise at least five (5) Directors of whom the majority shall be independent. The Directors are appointed by the Annual General Meeting for a term of one (1) year lasting until the close of the following Annual General Meeting. The Board appoints from among its members a Chairman and a Vice Chairman.

The Annual General Meeting of 2006 resolved that the Board shall consist of seven (7) Directors. Henrik Ehrnrooth was appointed Chairman of the Board and Heikki Lehtonen Vice Chairman. The Directors Pekka Ala-Pietilä, Heikki Lehtonen, Matti Lehti, Harri Piehl, Karen de Segundo and Franz Steinegger are independent of the Company.

The duties of the Board are specified in the Companies Act, according to which the Board sees to the governance of the Company and the proper management of the operations of the Company, and is responsible for that the accounting and financial matters of the Company are appropriately organised. The Articles of the Company do not define other duties of the Board. The Board has authority to act in all matters not reserved by law or the Articles to another governing body.

The Board meets as often as necessary to properly fulfil its duties. The Board agrees well in advance on its annual meeting schedule. In 2006, the Board of Directors convened ten (10) times. On average ninety-nine (99) per cent of the Directors participated in the meetings. The Board evaluates its performance and working methods annually.

The Board constitutes a quorum when more than half of its members are present. Decisions are made with a simple majority. In case of a tie, the Chairman shall have the casting vote.

The Board has adopted for itself a Charter. According to the Charter, the following matters shall be handled at the Board meetings:

Law, regulations and rules
- Matters specified as the Board's duties by the Finnish Companies Act, other applicable legislation and the Articles
- Approval and regular review of corporate governance
- Adoption of charters for the Board and its committees

General Meetings of Shareholders
- Proposal on dividend distribution and other proposals to the General Meetings of Shareholders

Strategy and business
- Approval of the strategic direction, strategically important or major acquisitions and divestments, and supervisory and control policies
- Approval of business matters in accordance with the Pöyry Authorities and Approval Matrix and handling of matters which are of significant and extensive nature to the Company
- Reports of the President and CEO to the Board

Organisation structure and Group management
- Approval of the business organisation structure of Pöyry
- Appointment and discharge of the President and CEO of the Company and his/her Deputy, and approval of the compensation and other terms of their service contracts
- Approval of the appointments and dismissals of the members of the Group Executive Committee and other direct subordinates of the President and CEO of the Company

Financial control
- Approval of the interim reports and annual accounts and related public announcements
- Approval of the Group level annual budgets and action plans
- Approval of loans, guarantees and investments in accordance with the Pöyry Authorities and Approval Matrix
- Approval of financial control procedures

Committees of the Board of Directors
- Appointment of the members and Chairmen of the committees of the Board
- Proposals and reports of the committees of the Board

Other
- Review of the Group's risk management processes
- Other matters submitted to the Board by a Director, or by the President and CEO or his/her Deputy

Committees of the Board of Directors

The Board's work is supported by two committees

1. Audit Committee
2. Nomination and Compensation Committee

The Audit Committee comprises at least two (2) members. The members of the Audit Committee must be independent Directors. The Nomination and

Compensation Committee comprises at least two (2) members. In addition, an external member representing major shareholders can be appointed to the Nomination and Compensation Committee. The committee members and committee Chairmen are elected annually in the first Board meeting held after the Annual General Meeting.

Based on the resolution made by the Board on March 7, 2006, the members of the Audit Committee are Heikki Lehtonen, Chairman, and Harri Piehl, both independent of the Company. Based on the resolution made by the Board on October 26, 2006 the members of the Nomination and Compensation Committee are Henrik Ehrnrooth, Chairman, Matti Lehti, Karen de Segundo, Pekka Ala-Pietilä, and Georg Ehrnrooth as the external member.

The Board has approved Charters for the Committees.

According to its Charter, the Audit Committee shall assist the Board in its responsibilities concerning

- review of risk management procedures
- financial reporting process and integrity
- internal and external auditing, including the review of the independence, qualification and performance of both
- relationship with external auditors (contacts, scope of auditing, compensation, review of reports, and proposal for appointment and dissolution to be presented to the Annual General Meeting)

According to its Charter, the Nomination and Compensation Committee shall

- review on an annual basis the composition of the Board and the performance of the Directors as a whole, and prepare and make proposals to the Annual General Meeting on the composition of the Board and compensation of its members, taking into account also proposals for candidates made by the shareholders. In handling these matters, the Committee shall follow the guiding principles established by the Board for the qualifications and nomination of Directors.
- evaluate and make recommendations to the Board in regard to
- appointment, compensation and other employment terms of the President and CEO of the Company and his/her Deputy
- principles for compensation of the Group's Executive Committee members, direct subordinates of the President and CEO and other senior executives
- succession plans for the President and CEO of the Group, his/her Deputy and other senior executives
- Group level incentive programmes including option programmes

The committees prepare minutes of their meetings and report to the Board. The Audit Committee convened six (6) times in 2006 and the Nomination and Compensation Committee five (5) times.

President and CEO

The President and CEO is appointed by the Board.

In accordance with the Finnish Companies Act, the President and CEO is in charge of the day-to-day management of the Group in accordance with the guidelines and instructions of the Board, and is responsible for ensuring that the Company's accounting complies with laws, and that the financial matters are handled in a reliable manner. The President and CEO is also in charge of the preparation of matters to be presented to the Board as well as for the Company's strategic planning, finance, financial planning and reporting, and risk management.

The President and CEO is assisted in his duties by his/her Deputy. The President and CEO and his/her Deputy are present in the meetings of the Board.

Erkki Pehu-Lehtonen has acted as President and CEO of Pöyry Plc and Teuvo Salminen as Deputy to the President and CEO since January 1, 1999. Both have service contracts with the Company approved by the Board for an open-ended period and with the right to severance payments equalling up to twenty-four (24) months' salary in the event of termination by the Company for reasons other than cause. The service contracts are subject to a mutual six (6) months' term of notice. Statutory retirement age applies to the President and CEO and his Deputy.

Executive Committee

The Pöyry Group has an Executive Committee whose main responsibility is to assist the President and CEO and his/her Deputy in the operative management of the Group. The other tasks of the Executive Committee include, among other things, the review and control of financial matters, sales and operative decisions, investments and divestments, and development of internal cooperation within the Group. The Executive Committee has a standard minimum agenda for its meetings. The Executive Committee convenes regularly once a month.

The Executive Committee members are nominated by the President and CEO and the appointments are approved by the Board. The Executive Committee consists of a minimum of five (5) and a maximum of ten (10) members. The Executive Committee is chaired by the President and CEO. Presently the Executive Committee consists of eight (8) members: the President and CEO of the Company and his Deputy, the Presidents of the business groups, the Vice President of Human Resources, the Chief Financial Officer and the Group General Counsel. The duties of the members of the Executive Committee correspond to the areas of their responsibilities.

Business organisation structure

The business operations of Pöyry Group are conducted through three business groups: Energy, Forest Industry, and Infrastructure & Environment.

Each business group has a President appointed by the President and CEO of the Company. The appointments are approved by the Board. In addition, each business group has an executive committee chaired by the President of the business group. The Presidents of the business groups report to the President and CEO of the Company.

Pöyry Plc is responsible for the Group's administration, strategic planning, accounting, financing and investor relations. It also provides the business groups with services related to common Group functions.

Decision-making on executive appointments

Appointments in the Group follow the "one person above" principle, according to which all managerial and executive appointments, as well as the salary and other terms related to these appointments, shall be approved by the superior of the person proposing the appointment.

Remuneration and other benefits of the Board and top management

The Annual General Meeting decides about the remuneration to the members of the Board. The salary, bonus and other benefits of the President and CEO and his/her Deputy are resolved by the Board.

Bonus schemes within the Group are profitability, growth and performance-based and part of the individual's total remuneration. The key principles on bonuses are defined in the Group Policy on Profit Bonuses. The bonuses of senior management are dependent on the Group's sales and return on investment targets. Directors do not receive bonuses.

The Annual General Meeting on March 7, 2006 resolved that the annual fees are EUR 35 000 for members of the Board, EUR 45 000 for the Vice Chairman of the Board and EUR 55 000 for the Chairman of the Board, and EUR 10 000 for members of the committees of the Board of Directors. In addition, the Annual General Meeting authorised the Board to decide on an additional fee of not more than EUR 10 000 per annum for each of the foreign resident members of the Board. The Board has exercised this authorisation and decided on the payment of an additional fee of EUR 10 000 to Karen de Segundo and Franz Steinegger. For 2006, a total of EUR 350 667 was paid in fees to Board and committee members. The members are entitled to compensation for travel expenses in accordance with the Company's travel rules.

Fees paid to Board members

EUR 1000	2006	2005
Henrik Ehrnrooth, Chairman	55	54
Heikki Lehtonen, Vice Chairman	56	49
Pekka Ala-Pietilä	38	-
Matti Lehti	46	39
Harri Piehl	46	39
Karen de Segundo	56	43
Franz Steinegger	45	42

Fees paid to external member of the Nomination and Compensation Committee.

EUR 1000	2006	2005
Georg Ehrnrooth	10	-

Remuneration of the President and CEO and his Deputy and other members of the Group Executive Committee

EUR 1000	2006	2005
President and CEO		
Salary and profit bonus	636	521
Fringe benefits	17	13
Deputy to the President and CEO		
Salary and profit bonus	501	442
Fringe benefits	14	14
Other members of the Group Executive Committee		
Salary and profit bonus	1205	1045
Fringe benefits	48	39

The salary, profit bonus and fringe benefits paid to the President and CEO, Erkki Pehu-Lehtonen, and the Deputy to the President and CEO, Teuvo Salminen, during 2006 totalled EUR 1 168 101.

Option rights of the President and CEO and his Deputy and other members of the Group Executive Committee

The option rights of the President and CEO and his Deputy and other members of the Executive Committee as well as the conditions of the option scheme are detailed described on the Shareholders and shares pages and on the company's web site. The members of the Board are not part of the option scheme.

Insider control

The Company's Board has issued company specific insider guidelines, which have been published and distributed throughout the Group and are available on the Pöyry Group's intranet. The insider guidelines were revised in December 2005 to comply with the new insider legislation and regulations. The Company's insider guidelines recommend that permanent insiders make long-term investments in the Company's share. Trading is recommended at a moment in time when the information concerning factors affecting the Company's share is as complete as possible, for example following the publication of interim reports and annual accounts.

Permanent insiders are not allowed to buy or sell the Company's shares or other securities during the following periods:

- three (3) weeks before the publication of each interim report, and
- from the moment when the result for November is known to the Company and until the moment when the annual accounts are published.

The above-mentioned periods are also silent-time periods, during which the Company does not communicate with the investor community. In 2006, the silent-time periods for the notice concerning annual accounts for 2005 was December 19, 2005 – February 2, 2006 and for the interim reports April 5–25, 2006, 5 July 6–26, 2006 and October 6–26, 2006. During 2007, the corresponding periods will be December 18, 2006 – February 1, 2007 for the notice concerning annual accounts 2006, and April 5–25, 2007, July 5–25, 2007 and October 9–29, 2007 for the interim reports.

Pöyry's insider responsible supervises compliance with insider regulations by issuing at regular intervals a request to insiders for checking the information in the insider register as well as reminders of the no-trading periods.

Permanent insiders of Pöyry are the statutory and company specific insiders. Statutory insiders are the members of the Board, the President and CEO, the Deputy to the President and CEO, the auditor in charge and the members of the Executive Committee. Company specific insiders are, in addition to the statutory insiders, specifically appointed directors, staff members and their assistants responsible for financing, accounting, legal matters, investor relations and human resources, as well as other separately named persons who regularly receive inside information.

Pöyry's insider register is maintained by the Finnish Central Securities Depository Ltd. Up-to-date shareholding data are available for public display at the offices of the Finnish Central Securities Depository, visiting address Urho Kekkosen katu 5 C, Helsinki, and in the NetSire register on the web site www.apk.fi as well as on Pöyry Plc web site www.poyry.com.

Operating guidelines

To ensure the achievement of the Group's financial and other targets and to minimise risk exposure, the Board has approved Operating Guidelines as follows:

Pöyry Operating Guidelines

- Corporate Governance
  – Corporate Governance Statement
  – Insider Guidelines
  – Environmental Policy
- Business Concept and Strategy
- Code of Conduct
- Management Organisation
- Authorities and Approval Matrix
- Policies, guidelines and instructions for various disciplines relating to

– Strategic and Operational Planning
– Financial Planning and Reporting
– Internal and External Auditing
– Risk Management
– Legal Matters
– Human Resources
– Information Technology
– Investor Relations and Communications

The Operating Guidelines are available on Pöyry's internal intranet. All majority-owned Group companies and all employees must comply with the Operating Guidelines.

Internal control

Each business unit belonging to Pöyry is obliged to submit to the Group Financial Department a monthly financial report consisting of

- Summary of key figures
- Written comments regarding budget deviations and changes of estimates
- Statement of income
- Balance sheet
- Cash flow
- Overdue accounts receivable with comments
- Work-in-progress exposure with comments

The financial report package includes information about the current month, year-to-date and full-year periods with budget deviations. Full-year estimates are mandatory at the end of each quarter and in addition during other months if essential changes are expected.

Consolidated summary reports of the business areas, business groups and the Group are monitored in monthly meetings by the respective management level. In addition, the business group/area management performs company management audits during the year.

All project managers are required to prepare predicted final estimates (project to-date and estimate- to-complete figures) for the projects he/she is responsible for before the end of each quarter and in addition during other months if an essential change is expected. The project estimates are subject to audit according to the Pöyry's Internal and External Auditing Policy. In addition, the business group/area management performs independent project audits for all major projects during the year according to the Quality Management instructions.

Pöyry has a standard minimum agenda for the group, business group, business area and business unit level management meetings in order to ensure the internal control of the following matters:

1. Result and cash flow
2. Order intake, potential projects and activity level
3. Status report for major projects
4. Capital employed issues
5. Risk management issues
6. Personnel matters
7. Business development

Internal auditing

The objectives of internal auditing in Pöyry are

- to ensure that the financial reporting of each business unit gives a true and fair view of the result, financial position and risks of the business unit
- to minimise the risk of unexpected incidents
- to ensure compliance with the Operating Guidelines of Pöyry
- to evaluate the efficiency of the business unit's organisation, operations and working methods
- to assess whether actions and development programmes are in compliance with the approved business plan and strategy
- to co-operate with external auditing in order to achieve the most cost-effective audit coverage

The business groups of Pöyry each have a Business Group Controller who supervises the Business Area and Business Unit Controllers in the respective business group. The Business Group Controllers perform the internal audit of the business units belonging to that business group. The CFO of Pöyry coordinates and supervises the performance of the Business Group Controllers and participates in internal audits to the extent necessary or beneficial.

An internal audit shall be conducted in each business unit at least once a year. The internal audit is performed on the basis of a standard audit programme. An audit report is prepared including an executive summary of essential findings, comments on issues to be followed up and recommended actions, as well as detailed remarks on those issues where the procedures or other findings deviate from Pöyry's policies or best practices.

Pöyry's objective is to ensure efficient controlling procedures by a close co-operation between internal and external auditing and the Audit Committee of the Board.

External auditing

The Company has one (1) auditor. The auditor must be an authorised public accounting firm. The Audit Committee of the Board prepares proposals to the shareholders concerning the appointment and dissolution of an auditor. The Annual General Meeting appoints the auditor until further notice and resolves on the auditor's fee. The present auditor of the company is KPMG Oy Ab, authorised public accounting firm.

Fees paid for auditing and other services in 2006 totalled EUR 1.4 million.

Auditor's fees

EUR 1000	2006	2005
Statutory auditing		
Group auditor	776	633
Other	63	95
Services related to auditing		
Group auditor	494	406
Other	82	55

RISK MANAGEMENT

Risk management is an essential part of Pöyry's business management and procedures, whose aim is to safeguard Pöyry's business as well as a good financial position and operating profit. Ultimately, the Board is responsible for the Pöyry Group's risk taking, and the President and CEO for risk management.

Policy and instructions

Pöyry has a Risk Management Policy approved by the Board, which defines the objectives, principles, operating procedures, organisation and responsibilities of risk management and its reporting and follow-up procedures. In addition, the Group has more detailed Risk Management Instructions for the day-to-day business, which are based on the Risk Management Policy.

Organisation

Primary responsibility for risk management rests with the business groups, where risks also primarily accrue. Each business group is responsible for its own risk management, taking into account the Group's and the business group's risk management guidelines. The President of each business group is responsible for his/her own business groups' risk management. Each business group has its own risk manager who is responsible for organising risk management in practise.

The Group is responsible for group-wide risk management guidelines and risk management, and for the guidance and supervision of the business groups' risk management. The Group's risk manager is responsible for organising the group-level risk management in practise.

Process

Pöyry's risk management consists of a co-ordinated set of activities to identify, assess, address and control all major risk areas of the Group in a systematic and proactive manner. Risks are addressed in accordance with the following main risk categories.

- External risks
- Internal risks
  - Strategic risks
  - Operational risks
  - Financial risks

A uniform risk management process is conducted annually in the Pöyry Group in connection with the strategy process. In the risk management process, each business group makes its own risk short-term and long-term assessment independently. The Group Executive Committee then makes an overall risk review and consolidation.

Reporting and follow-up

The results and most significant risks identified in the annual risk management process are reported to the Audit Committee and the Board in the second half of the year. Apart from the annual risk management process, the status of the Group's risk management is reported to the Audit Committee in the first half of the year. The business groups report on their risks and actions related to these to the Group Executive Committee on a monthly basis as a part of the business report.

Risks

Typical risks related to Pöyry's business operation are described in the following. The most significant risks identified in the 2006 risk management process are described in the Board of Director's Report.

EXTERNAL RISKS

Markets

A cyclical downturn can have a negative effect on investments and hence also on Pöyry's revenues. The Group aims to reduce its vulnerability to market risks and business cycles by a balanced portfolio of assignments by clients in different industries and different parts of the public sector, market and geographical areas as well as through sub-contracting and other flexible employment arrangements. In economic downturns the order stock, the activity level of employees and professional charging rates may decline, which may have a negative impact on Pöyry's revenues.

Competition

The consulting and engineering business is characterised by keen global competition. Pöyry aims at differentiating itself from its competitors by providing clients with a full range of leading-edge solutions and services.

INTERNAL RISKS

Strategic risks

Business development

A significant part of the Group's growth is expected to be derived from acquisitions. To manage the risks related to acquisitions, the Group has prepared an Acquisition Policy, which defines the acquisition process and areas of responsibility and authorisations. In connection with the policy, models and other tools for use in the different stages of an acquisition have been prepared. An acquisition team, headed by experienced management staff, is appointed to prepare each planned acquisition. The procedures set out in the policy are followed in detail both in the initial and final approval stages of an acquisition. The acquisition team is responsible for the data collection and due diligence phases, using external advisors where needed. Special attention is paid to post-acquisition business and integration plans and their implementation.

Operational risks

Compliance with procedures and instructions

The Group has Operating Guidelines, approved by the Board, covering its main functions, and more detailed instructions prepared on the basis of these guidelines. The Authorities and Approval Matrix defines the authority levels and approval requirements in business decisions. The Authorities and Approval Matrix stipulates checking responsibilities for several different functions as a means to ensure that procedures are followed.

Assignments

Consulting assignments

About fifteen (15) per cent of Pöyry's business consists of management consulting, technical consulting and other similar advisory services. According to common practice in the consulting business, Pöyry aims to restrict inherent liability risks by using standard contract terms and insurances, and these assignments typically do not involve significant liability risks. Advisory services occasionally involve a risk related to receivables. Front-loaded and regular payment schedules are used to minimise such risks.

Engineering and supervisory assignments

About eighty (80) per cent of Pöyry's business is derived from project services such as basic and detail engineering, procurement assistance, project and construction supervision, and project management and other site services. The projects are carried out on a fixed-price, ceiling-fee or time-charge basis. Fixed-price and ceiling-fee projects contain the risk of involving more professional work or time than estimated as a result of inaccurate time and cost estimates, performance delays, disputes about compensation for additional or changed services, inexperienced staff or other unexpected circumstances. Quality management and project review systems have been implemented throughout the Group to avoid and mitigate such risks. Regular project reviews are conducted. The work in progress, changed and additional work and receivables are assessed and recorded in the project accounting and risk management system. The project manager plays the key role in project risk management. The project manager manages and controls the project from bid preparation to final acceptance. Training is provided to project managers in the whole sphere of their activities.

EPC and O&M projects

About five (5) per cent of Pöyry's business is derived from engineering, procurement and construction (EPC) projects and operation and maintenance (O&M) service projects. EPC projects typically contain the project management, engineering, equipment procurement, construction, erection, commissioning and testing of the plant. O&M projects consist of the running of the plants for the client including maintenance work. Because of the specific risks related to EPC and O&M projects, this type of business is undertaken only by the Energy business group, where the combined value of such projects has been limited to about thirty (30) per cent of the business group's annual sales. Separate risk management policies and instructions have been issued for EPC and O&M projects with detailed instructions regarding risk evaluation and control mechanisms and regular project audits at site.

Public-sector and institutionally financed assignments

In about twenty-five (25) per cent of Pöyry's assignments the client is from the public sector or is an institutional investor. It is characteristic of these service contracts that liabilities cannot always be limited according to the Group's policies. Due to this particular risk, separate project and risk management guidelines and procedures have been defined for the business units which are engaged in this business.

Public-sector assignments are awarded according to public procurement, which involves the risk of tough price competition. In addition, public-sector decision-making involves the risk that the decision concerning the use of public funds for a specific project may be changed, delayed or cancelled, when political decision-makers are replaced.

Partners

A fair amount of projects is conducted in co-operation with subcontractors, in consortiums or with other cooperation partners. Partner risks relating to the performance or financial standing of the partner can involve risk for Pöyry. Performance related liability risks are transferred with contractual back-to-back arrangements to each respective co-operation partner to the extent possible. In addition, the Group's risk management instructions require checking of the co-operation partners' financial status and professional quality standards.

Liability

Professional services provided to clients involve liability risks. These risks may be related to a failure to deliver services in accordance with agreed professional standards, to calculation and similar errors and to performance delays. To mitigate such risks, special emphasis has been placed on the quality management and control systems in projects, and on limitation of professional liability in contracts. The business groups provide regular training for project management including proposal and contract management. In order to cover professional and general liability risks, the Group has a global liability insurance programme. The risk with liability insurances is the availability and pricing of such cover. Furthermore, certain professional risks are not covered under liability insurances, so the risk may fall on the Group.

Human resources

Pöyry's business relies on its professionals. The availability of high-level professionals is an important factor in the Group's risk management. Pöyry's image as an employer is good and the Group aims at maintaining this image by being a pioneer in its own field of business. Group-wide HR processes are being planned and implemented, including recruitment of additional HR personnel.

Information technology

Pöyry's operations are largely dependent on the use of information and communication technology systems. Malfunctioning or limited access to the systems can negatively affect the operations of the Group. Measures have been taken to limit the effects of external influences on the systems and include a backup of data as well as the use of firewalls, virus scanners and access security.

Financial risks

The Group's business operations involve exposure to a number of financial risks related to currency, credit, funding and interest rates. The Group's policy is to protect itself against any major financial risks according to the Operating Guidelines approved by the Board.

Controllers' Manual

The Group's procedures, principles and systems for financial planning and reporting and financial risk management are described in detail in the Controllers' Manual. The Controllers' Manual is continuously updated to be in compliance with the IFRS standards. Separate implementation guidelines have been issued for each of the specific IFRS/IAS standards that are relevant for the Group's operations. In order to ensure the reliability and sufficiency of financial information, the Group has selected common systems for financial accounting, project accounting and financial reporting. The common systems have been largely implemented throughout the Group.

Currency risk

About ten (10) per cent of the Group's net sales are normally exposed to a foreign currency risk. The Group hedges project transaction cash flows denominated in a foreign currency by using forward exchange contracts and states them at fair value recognised in the income statement. Speculative forward contracts without a connection to a business operation in a foreign currency are not allowed. The translation exposure of investments in foreign subsidiaries is generally not hedged.

Credit risk

The Group's client profile and the spread of its sales between numerous clients reduce the exposure to credit risks. Credit rating procedures, internal follow-up of overdue receivables and a contract policy of balance between work performed and payments received further reduce the Group's credit risk exposure. Investments are allowed only in liquid securities and only with counterparts that have a good credit rating.

Funding risk

To ensure that funding is obtainable and to minimise the cost of funding, the Group shall have a minimum liquidity corresponding to an average of one month's expenses and committed overdraft facilities corresponding to a minimum of half a month's average expenses. Short-term loans must not exceed twenty (20) per cent of the total amount of the Group's loans, and the average maturity of long-term debt shall be at least three years. The Group's objective is to minimise the total cash needed for operations by both in-country and cross-border cash pools with both external and internal overdraft facilities.

Interest rate risk

The Group's policy is to achieve a balance between the maturity of long-term loans and the corresponding interest rate level. In case of essential interest rate level differences, the Group enters into interest rate swaps to achieve this target.

PROPOSAL OF THE BOARD OF DIRECTORS

The parent company's distributable earnings are	
Retained earnings	EUR 22 696 498.82
Net profit for the period	EUR 25 401 917.35
	EUR 48 098 416.17
The Board of Directors proposes that a dividend of EUR 0.50 per share be paid on the outstanding shares on the record date March 8, 2007. The dividend is payable on March 15, 2007	
On the proposal date the amount of the outstanding shares was 58 180 144	
Accordingly EUR 0.50 per share would be	EUR 29 090 072.00
The remainder will be transferred to retained earnings, thus	EUR 19 008 344,17
	EUR 48 098 416,17

Vantaa, Finland, February 1, 2007
Pöyry Plc
Board of Directors

Henrik Ehrnrooth

Heikki Lehtonen

Pekka Ala-Pietilä

Matti Lehti

Harri Piehl

Karen de Segundo

Franz Steinegger

Erkki Pehu-Lehtonen
toimitusjohtaja

AUDITORS' REPORT

To the shareholders of Pöyry Plc

We have audited the accounting records, the report of the Board of Directors, the financial statements and the administration of Pöyry Plc for the period 1 January - 31 December 2006. The Board of Directors and the Managing Director have prepared the consolidated financial statements, prepared in accordance with International Financial Reporting Standards as adopted by the EU, containing the consolidated balance sheet, income statement, cash flow statement, statement on the changes in equity and notes to the financial statements, as well as the report of the Board of Directors and the parent company's financial statements, prepared in accordance with prevailing regulations in Finland, containing the parent company's balance sheet, income statement, cash flow statement and notes to the financial statements. Based on our audit, we express an opinion on the consolidated financial statements, as well as on the report of the Board of Directors, the parent company's financial statements and the administration.

We conducted our audit in accordance with Finnish Standards on Auditing. Those standards require that we perform the audit to obtain reasonable assurance about whether the report of the Board of Directors and the financial statements are free of material misstatement. An audit includes examining on a test basis evidence supporting the amounts and disclosures in the report and in the financial statements, assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. The purpose of our audit of the administration is to examine whether the members of the Board of Directors and the Managing Director of the parent company have complied with the rules of the Companies Act.

Consolidated financial statements

In our opinion the consolidated financial statements, prepared in accordance with International Financial Reporting Standards as adopted by the EU, give a true and fair view, as defined in those standards and in the Finnish Accounting Act, of the consolidated results of operations as well as of the financial position.

Parent company's financial statements,
report of the Board of Directors and administration

In our opinion the parent company's financial statements have been prepared in accordance with the Finnish Accounting Act and other applicable Finnish rules and regulations. The parent company's financial statements give a true and fair view of the parent company's result of operations and of the financial position.

In our opinion the report of the Board of Directors has been prepared in accordance with the Finnish Accounting Act and other applicable Finnish rules and regulations. The report of the Board of Directors is consistent with the consolidated financial statements and the parent company's financial statements and gives a true and fair view, as defined in the Finnish Accounting Act, of the result of operations and of the financial position.

The consolidated financial statements and the parent company's financial statements can be adopted and the members of the Board of Directors, the President and CEO as well as the Deputy to President and CEO of the parent company can be discharged from liability for the period audited by us. The proposal by the Board of Directors on how to deal with the result for the financial period is in compliance with the Companies Act.

Vantaa, Finland, February 1, 2007
KPMG OY AB

Sixten Nyman
Authorized Public Accountant

BOARD OF DIRECTORS AND GROUP EXECUTIVE COMMITTEE

Board of directors

Chairman, Chairman of the Nomination and Compensation Committee
Henrik Ehrnrooth, born 1954, M.Sc. (Forest Econ.), B.Sc. (Econ.)
Cargotec Corporation, Deputy Chairman 2005-; Evox Rifa Group Oyj, Member of the Board of Directors 2002-, Chairman of the Board of Directors 2003-; Oy Forcit Ab, Member of the Board of Directors 2003-; Otava Books and Magazines Group Ltd., Member of the Board of Directors 1988-
Member of the Pöyry Board since 1997
Pöyry Plc shares: Henrik Ehrnrooth, together with his brothers Georg Ehrnrooth and Carl-Gustaf Ehrnrooth, indirectly holds a controlling interest in Corbis S.A. See page 34.

Vice Chairman, Chairman of the Audit Committee
Heikki Lehtonen, born 1959, M.Sc. (Eng.)
Componenta Corporation, President and CEO 1993-; Confederation of Finnish Industries EK, Member of the Board of Directors 2005-2006; The Family Business Network Finland, Vice Chairman of the Board of Directors 2004-;
Finnish Business and Policy Forum EVA, Member of the Supervisory Board 2005-; Otava Books and Magazines Group Ltd., Member of the Board of Directors 1991-; Raute Plc, Member of the Board of Directors 1997-2006
Member of the Pöyry Board since 1997
Pöyry Plc shares: 33 200 (33 200)

Member of the Nomination and Compensation Committee
Pekka Ala-Pietilä, born 1957, M.Sc. (Econ.), D.Tech. h.c., D.Sc. h.c.
Blyk, Co-founder and CEO 2006; Nokia Corporation, President 1999-2005, Member of the Group Executive Board 1992-2005; Nokia Group, Executive Vice President and Deputy to the President and CEO 1998-1999; Nokia Mobile Phones, President 1992-1998;
SAP AG, Member of the Supervisory Board 2002-; Pictet & Cie Banquiers, Member of the Advisory Board at Telecommunications 1998-
Member of the Pöyry Board since 2006
Pöyry Plc shares: 40 000 (0)

Member of the Nomination and Compensation Committee
Matti Lehti, born 1947, Ph.D. (Econ.)
TietoEnator Corporation, Executive Chairman 2006-, President and CEO 1999-2005; Confederation of Finnish Industries EK, Member of the Board of Directors 2004-; Fortum Corporation, Member of the Board of Directors 2005-; Foundation for Economic Education, Chairman of the Board of Directors 2000-; Helsinki School of Economics, Chancellor 2005-; Helsinki School of Economics Foundation, Vice Chairman of the Board of Directors 1996-
Member of the Pöyry Board since 1997
Pöyry Plc shares: 40 520 (40 520)

Member of the Audit Committee
Harri Piehl, born 1940, M.Sc. (Eng.)
JP Operations Management Ltd Oy, Chairman of the Board of Directors 2000-2005; Kymmene Corporation, Chief Executive Officer and Member of the Board of Directors 1991-1996
Member of the Pöyry Board since 2002
Pöyry Plc shares: 18 000 (18 000)

Member of the Nomination and Compensation Committee
Karen de Segundo, born 1946, Master degree in Law (Leiden University), MBA
Ahold NV, Member of the Supervisory Board 2004-; Ensus Plc, Member of the Board of Directors 2006-; Lonmin Plc., Member of the Board of Directors 2005; Merrill Lynch New Energy Technology Plc., Member of the Board of Directors 2000-; Shell International Gas & Power, CEO (Shell Gas & Power) and Chairman (Shell Coal) 1998-2000;
Shell International Renewables and Shell Hydrogen,
CEO (Shell Renewables) and President (Shell Hydrogen) 2000-2005
Member of the Pöyry Board since 2005
Pöyry Plc shares: 4000 (0)

Franz Steinegger, born 1943, LL.Lic.
Steinegger & Wipfli, Attorney-at-law and notary 1970-; Member of the Swiss Parliament 1980-2003; AG für die Neue Zürcher Zeitung, Member of the Board of Directors 1998-; Dätwyler Holding AG, Member of the Board of Directors 1994-; C.S.C Impresa Costruzioni SA, Chairman of the Board of Directors 1996-; Siemens Schweiz AG, Member of the Board of Directors 1995-, Vice Chairman 2003-; Swiss National Accident Insurance Fund, Chairman of the Board of Directors 1991-
Member of the Pöyry Board since 2001
Pöyry Plc shares: 40 000 (40 000)

The Members of the Board of Directors are appointed for a term of one (1) year lasting until the close of the following Annual General Meeting. Details of the working methods of the Board are available in the Corporate Governance section, see page 39. Curricula vitae of the Members of the Board are available on the company's website www.poyry.com.

Shareholdings are stated as at December 31, 2006 and in brackets as at December 31, 2005. The figures include direct holdings, holdings of corporations or foundations in which the shareholder has a controlling interest, and holdings of the shareholder's spouse and other family members.

Executive committee

President and CEO
Erkki Pehu-Lehtonen, born 1950, M.Sc. (Mech. Eng.)
Tekla Corporation, Member of the Board of Directors 2006-
Member of Pöyry's Group Executive Committee since 1997
Pöyry Plc shares: 6000 (6000)
Stock options 2004: 80 000 (80 000)

Deputy to President and CEO
Teuvo Salminen, born 1954, M.Sc. (Econ.)
CapMan Plc, Member of the Board of Directors 2001-2005,
Vice Chairman of the Board of Directors 2005-; YIT Corporation,
Member of the Board of Directors 2001-
Member of Pöyry's Group Executive Committee since 1997
Pöyry Plc shares: 16 000 (16 000)
Stock options 2004: 70 000 (70 000)

Executive Vice President,
President of Forest Industry Business Group
Jukka Nyrölä, born 1945, LL.Lic., LL.M., Columbia University
Member of Pöyry's Group Executive Committee since 1997
Pöyry Plc shares: 3000 (8000)
Stock options 2004: 30 000 (30 000)

President of Energy Business Group
Richard Pinnock, born 1962, B.Sc. (Eng.), B.Comm. (Hons)
Member of Pöyry's Group Executive Committee since 2003
Pöyry Plc shares: 0 (0)
Stock options 2004: 30 000 (30 000)

President of Infrastructure & Environment Business Group
Risto Laukkanen, born 1951, Dr.Tech. (Environmental Eng.)
Member of Pöyry's Group Executive Committee since 2000
Pöyry Plc shares: 0 (0)
Stock options 2004: 30 000 (30 000)

Vice President, Human Resources
Camilla Grönholm, born 1964, M.Sc. (Econ.)
Member of Pöyry's Group Executive Committee since 2006
Pöyry Plc shares: 0 (0)
Stock options 2004: 15 000 (0)

Chief Financial Officer
Lars Rautamo, born 1949, M.Sc. (Econ.)
Member of Pöyry's Group Executive Committee since 1999
Pöyry Plc Group shares: 8000 (8000)
Stock options 2004: 20 000 (20 000)

Group General Counsel
Anne Viitala, born 1959, LL.M., eMBA
Member of Pöyry's Group Executive Committee since 2002
Pöyry Plc shares: 400 (400)
Stock options 2004: 20 000 (20 000)

Curricula vitae of the members of the Group Executive Committee are available on the company's website www.poyry.com.

Shareholdings are stated as at December 31, 2006 and in brackets as at December 31, 2005. The figures include direct holdings, holdings of corporations or foundations in which the shareholder has a controlling interest, and holdings of the shareholder's spouse and other family members.

SUMMARY OF STOCK EXCHANGE RELEASES

January

January 20, Pöyry[1] specifies its estimate of profit before taxes
January 25, Pöyry[1] publishes its annual accounts for 2005 on Friday, February 3, 2006

February

February 3, Pöyry Plc's[1] notice concerning annual accounts for 2005
February 3, Notice of Pöyry Plc's[1] Annual General Meeting
February 16, Pöyry[1] awarded EUR 13.1 million contracts for light rail transport system in Venezuela
February 27, Pöyry[1] awarded EUR 7.3 million power plant engineering contract in Italy

March

March 7, Decisions made by the Annual General Meeting of Pöyry Plc[1]
March 7, Notice of Pöyry Plc's [1] Extraordinary General Meeting
March 8, Implementation of Pöyry Plc's[1] share split
March 9, Pöyry awarded EUR 13 million hydropower plant contract in Austria
March 13, Pöyry Plc's[1] share split registered in the Trade Register
March 28, Decisions made by the Extraordinary General Meeting of Pöyry Plc[1]

April

April 3, Change of business name and company and trading codes
April 7, Pöyry awarded hydrogen peroxide plant contract in Belgium
April 12, Pöyry appointed main engineering consultant for the recovery line at UPM's Kymi pulp mill
April 26, Interim Report January 1 – March 31, 2006

May

May 2, Pöyry acquires a globally operating oil and gas consulting company; purchase of IGL Consultants Ltd
May 4, Appointment in Pöyry Plc; Camilla Grönholm appointed Vice President, Human Resources and member of Pöyry Plc's Group Executive Committee as of August 15, 2006
May 30, Pöyry awarded EUR 8.9 million hydropower contract in Laos

June

June 6, Pöyry awarded EUR 5 million hydropower services contract in UK

July

July 4, Pöyry awarded EUR 17 million engineering services contract for Qatar Petroleum in Abu Dhabi
July 27, Interim Report January 1 – June 30, 2006
July 27, Pöyry Plc's financial information in 2007

August

August 15, Pöyry to provide EUR 12.6 million services for mass transit system in Venezuela
August 18, Pöyry to provide EUR 20 million EPCM and owner's engineering services for Klabin and Aracruz mills in Brazil

September

No stock exchange releases published.

October

October 4, Acquisition strengthens Pöyry's position as Europe's biggest energy management consultant; purchase of Convergence Utility Consultants Ltd
October 4, Notice pursuant to Finnish Securities Markets Act 2:10; Grantham, Mayo, van Otterloo & Co. LLC's shareholdings in Pöyry Plc
October 9, Notice pursuant to Finnish Securities Markets Act 2:10; Columbia Wanger Asset Management L.P.'s shareholdings in Pöyry Plc
October 17, Notice pursuant to Finnish Securities Markets Act 2:10; Corbis Investments S.A.'s shareholding in Pöyry Plc
October 26, Change in composition of Nomination and Compensation Committee
October 27, Interim report January 1 – September 30, 2006
October 27, Appointment in Pöyry Plc; John Lindahl appointed President of the Forest Industry business group and member of Pöyry Plc's Group Executive Committee as of January 1, 2008

November

November 20, Pöyry awarded EUR 8 million contract for mass transit system in Venezuela

December

December 21, Pöyry to participate in Três Lagoas pulp mill project in Brazil

[1] The stock exchange release has been published in the name of Jaakko Pöyry Group Oyj, this being the previous name of the company. The present name of the company, Pöyry Plc, became valid on April 4, 2006.

The complete stock exchange notices and announcements published by Pöyry Plc are available on the company's website www.poyry.com in the section Press releases and publications / Press releases.

Pöyry Plc
P.O.Box 4 (Jaakonkatu 3), FI-01621 Vantaa, Finland
Tel. +358 10 3311, Fax +358 10 33 21818
Business ID 1009321-2
Domicile: Vantaa, Finland
www.poyry.com