DESTIA GROUP'S INTERIM REPORT

JANUARY–JUNE 2014

DESTIA

BUILDING THE BIGGER PICTURE

Destia Group's interim report for January–June 2014

THE RESULT IMPROVED DESPITE A DECREASE IN REVENUE, THE ORDER BOOK WAS MODERATE, AND THE CASH POSITION REMAINED STRONG

- Revenue decreased by 10.9 per cent and was MEUR 169.7.
- The operating profit was at the level of the previous year at MEUR 0.0.
- The cash position remained strong, and the company was free of net liabilities at the end of the reporting period.
- The order book improved during the early part of the year reaching MEUR 717.6, at a lower level however than in the corresponding period of the previous year.
- The return on investment was over 21% while the equity ratio stood at over 47%.
- On 26 May 2014, Ahlström Capital entered into a trade agreement with the State of Finland for the acquisition of Destia's entire share capital. The transaction was concluded on 1 July.
- The number of accidents resulting in absence from work was at a record low.
- Destia Group's 2014 revenue and operating profit are expected to remain below the level of the previous year.

Key figures (IFRS), MEUR	**4-6/2014**	**4-6/2013**	**1-6/2014**	**1-6/2013**	**1-12/2013**
Revenue, continuing operations	102.0	112.3	169.7	190.4	489.7
Operating result, continuing operations	3.9	2.5	0.0	0.2	18.9
% of revenue	3.9	2.2	0.0	0.1	3.9
Profit for the report period, continuing operations	2.9	1.3	-0.4	-0.7	12.5
% of revenue	2.8	1.1	-0.2	-0.4	2.6
Profit for the report period	2.9	1.3	-0.4	1.0	14.9
Return on investment, %			21.1	13.4	22.1
Equity ratio, %			47.8	40.6	44.0
Net gearing, %			-51.3	-18.6	-51.6
Number of personnel, average			1,501	1,510	1,515
Occupational accidents resulting in absence from work*)			6.8	9.3	10.8
Comparable order book at end of report period			717.6	736.7	574.6

*) Occupational accidents per one million working hours

Unless otherwise stated, the numbers in parentheses refer to the corresponding period of the previous year.

President and CEO Hannu Leinonen comments on the report period:
"Our result improved in the second quarter of the year despite the challenging market situation and the decrease in revenue compared to the previous year. The order book level, which was lower than last year, and especially the poor success in competitive tendering for major projects last year both create challenges with regard to this year's revenue.

We secured more contracts during the second quarter of this year than in the previous year but the competition remained fierce. Our order book developed in a rather positive fashion. Destia signed several new contracts in the core business areas of infrastructure construction and maintenance as well as the leading growth areas of railway and energy construction. During the reporting period, we also agreed upon the establishment of a tendering consortium with Lemminkäinen for the life-cycle project concerning the section of road E18 between Hamina and Vaalimaa.

Human resource development remains a strategic focus area of Destia. Our strong investments in the development of our expertise, customer work and occupational safety are already beginning to yield visible results in our operations. I am particularly pleased with the record low frequency of accidents.

The state relinquishing its ownership of Destia clarified our role as a provider of infrastructure services. The systematic strengthening of our business operations has, in recent years, created a solid foundation on which we can now build sustainable growth in private ownership.

Due to poor success in competitive tendering for major projects in 2013 and early 2014, we estimate that Destia Group's 2014 revenue and operating result will be lower than in the previous year."

Operating environment

Uncertainty in the Finnish economy continued in the first half of the year, despite the economic reinvigoration around the world and the Eurozone. The infrastructure market was weakened by the decreases in house-building construction and private investments, in particular. Furthermore, the adaptation measures within the public sector have a negative impact on infrastructure investments while the state and municipalities are cutting back on infrastructure funding.

However, demand in the infrastructure field has remained moderate, although new major contracts become available less frequently. The slowing down of the entire construction market is evident in the relatively low amount of work in infrastructures planning. Competition for projects is fierce. However, the public sector project plan includes large-scale projects for the next few years, which creates a basic demand in the field despite the decline of the overall market. In June, the Finnish Government held limited government negotiations and undertook to promote significant traffic projects, such as the Helsinki City Rail Loop, the Western Metro, and the Tampere light rail system.

The Confederation of Finnish Construction Industries RT predicts that construction will continue to contract for the third consecutive year. This year, construction will contract by one per cent from the previous year – some signs of growth will be evident in 2015. According to RT, the situation of infrastructure construction remains poor. Civil engineering is expected to see a 2% decrease this year.

According to Statistics Finland, the costs of the civil engineering industry rose by 1.3% from June 2013 to June 2014. The annual change in costs varied by subindex from -1.2% in foundation engineering to 2.8% in rock construction. The rise in the total index was particularly affected by the increases in the costs of labour and materials. The material costs were increased by the rise in the prices of earth and rock material, in particular. The increase in costs was curbed by the lower than before prices of bitumen, fuels and energy, among other things.

Order book and new orders

This year, the focus of human resource development within Destia Group is on customer work, in addition to safety. Personnel training has been employed to increase competence in consistent and goal-oriented customer work. The investments in customer work in the challenging market situation are evident as a positive development of the order book in the first half of the year. In comparison with the end of 2013, the order book increased by 24.9%. However, at the end of June, our order book lagged behind the previous year, standing at MEUR 717.6 (736.7 converted to be comparable). The lower order book was a result of poor success in the competitive tendering for large projects in 2013 and early 2014.

During the reporting period, Destia and Lemminkäinen agreed upon the establishment of a tendering consortium for the life-cycle project concerning the section of road E18 between Hamina and Vaalimaa. The parties agreed to form a tendering consortium for the Finnish Transport Agency's project that involves the construction and maintenance of a 32km section of highway and a 500-vehicle truck stop for the next 15–20 years. The Finnish Transport Agency has a contract authorisation of MEUR 660 for the E18 Hamina−Vaalimaa project, which makes the project extremely large in Finland. It is the opinion of Destia and Lemminkäinen that the project is, in terms of the risks and human resource needs related to its size, too large to be taken care of by a single party. The consortium also includes 3i Investments Plc as a financier.

The most significant new contracts valued at no less than one million euros and signed during the second quarter:

- Regional main road contracts:
  - Five-year: Kuusamo, Joensuu, Vantaa
- Renovation of the Aapajoki and Suonttajoki bridges in Lapland, to be completed in October 2014
- Expansion of the Imatra border-crossing point, to be completed in November 2014
- Arokylä traffic arrangements of Main Road 67, to be completed in October 2014
- Construction of Kauppakatu in Haapajärvi, to be completed in August 2015
- Maintenance contract for the City of Kuusamo, to be completed in September 2019
- Pedestrian and bicycle traffic arrangements for main road 833 between Vesala and Ylikiiminki, to be completed in August 2015
- Construction of a converter and control building in Naantali, to be completed in February 2015
- Renovation of the Nuijamaa border-crossing point, to be completed in October 2014
- Delivery of track ballast for the double track between Ruha and Lapua, to be completed in November 2015
- Ruskontie construction contract in Tampere, to be completed in October 2015
- Bridge repair contract in North Savo, to be completed in October 2015

In addition, Destia signed a great deal of smaller new contracts during the reporting period.

Revenue

During the reporting period, Destia's revenue from continuing operations was MEUR 169.7 (190.4), and in the second quarter it was MEUR 102.0 (112.3). The decrease in revenue was particularly affected by the major individual projects ongoing during the reporting period.

During the reporting period, other operating income amounted to MEUR 1.2 (2.1), and in the second quarter it was MEUR 0.8 (0.8). This mainly includes sales income from fixed assets and rental profit from property. The figure for the reference year also includes the cancellation of a provision made during the first quarter due to reduced environmental responsibilities.

Result

During the reporting period, Destia's operating result from continuing operations remained at the level of the previous year at MEUR 0.0 (0.2) despite a significant decrease in revenue, and in the second quarter the result was MEUR 3.9 (2.5). The operating result was improved by a favourable winter as well as the successful initiation of projects after the winter period. Relative profitability is also improved by improved project management, which has been a significant focus area in personnel training in recent years.

In the reporting period, the Group's net financial costs decreased, standing at MEUR 0.5 (1.2), which amounted to 0.3% (0.6) of revenue, and in the second quarter they were MEUR 0.4 (0.9), or 0.4% (0.8) of revenue. The reduction in financial costs was attributable to the decrease in interest-bearing net liabilities. Income taxes in the reporting period were MEUR 0.1 positive (MEUR 0.3 positive). Income taxes for the second quarter were MEUR 0.7 negative (0.3 negative).

The Group's result for the reporting period was MEUR -0.4 (1.0), and in the second quarter it was MEUR 2.9 (1.3).

Balance sheet and cash flow

Total assets on the consolidated balance sheet were MEUR 209.1 (209.6) at the end of the reporting period. Return on investment (ROI) was 21.1% (13.4), equity ratio was 47.8% (40.6), and net gearing was -51.3% (-18.6).

The company has systematically invested in the management of working capital. As a result, the positive development of cash flow continued early in the year. The cash flow of the reporting period comprised operating cash flow of MEUR 0.3 (-14.8), investment cash flow of MEUR -1.1 (-1.5) and financial cash flow of MEUR -3.2 (-20.1). The operating cash flow for the second quarter was MEUR -0.5 (-3.1), investment cash flow was MEUR 0.1 (22.8) and financial cash flow MEUR -3.2 (-20.1). The investment cash flow of the reference period includes the falling due of a MEUR 25 held-to-maturity investment. In May, the Group prematurely amortised long-term loans to the value of MEUR 10 (20). The interest rate swap related to the loan was reduced by a corresponding amount causing a non-recurring financial cost of MEUR 0.3 (1.0), which is included in operating cash flow. At the end of the reporting period, the Group did not have any long-term liabilities or interest rate swaps hedging against them.

Destia's financial position remained good during the early part of the year. The financial assets on the balance sheet were MEUR 50.5 at the end of the reporting period (24.8). The Group's Commercial Paper programme of MEUR 150 was not used in the reporting period (or in the reference period). MEUR 6.8 (0.0) of the Group's short-term credit limit of MEUR 31.1 was in use. As a result of the premature amortisation of the MEUR 10 loan, the amount of liabilities fell to MEUR 7.5 (11.5) at the end of the reporting period. Of all loans, 93.6 per cent (2.2) were short-term and 6.4 per cent (97.8) long-term. Interest-bearing net liabilities at the end of the reporting period were MEUR -43.0 (-13.3), meaning that the company was free of net liabilities.

Investments and acquisitions

In the reporting period, gross investments stood at MEUR 1.7 (5.4), which amounted to 1.0% (2.8) of revenue, and in the second quarter they were MEUR 1.1 (4.7), or 1.1% (4.2) of revenue. The investments were mainly equipment-related.

Personnel

The Group's average number of personnel during the reporting period was 1,501 (1,510). At the end of June, the number of personnel was 1,604 (1,614), of which permanent staff totalled 1,387 (1,381) and temporary employees 217 (233). Due to the seasonal nature of the business, the number of personnel varies during the year and peaks in the summer.

In the reporting period, two cooperation negotiations concerning the reduction of personnel were concluded. The cooperation negotiations concerning the Consulting Services business unit's infrastructure design personnel ended in April with a decision to reduce the number of salaried employees by no more than 12 persons and lay off no more than 35 salaried employees. The cooperation negotiations concerning employees working in regional maintenance contracts of the business units of Northern Finland, Western Finland, and Eastern Finland ended in June with the decision to reduce the number of employees by no more than 11 persons.

Human resource development remains a strategic focus area of Destia. During the reporting period, the company continued investments in human resource development. Over the course of the period, approximately 520 Destia employees took part in the Voitto training, which supports goal-oriented customer work. The determined efforts to improve occupational safety were also continued. Accident frequency was at a record low at the end of the reporting period, 6.8 occupational accidents per one million working hours (8.4).

Organisational structure and management

Destia's operations are divided into four regional and two national business units. The regional business units offering infrastructure construction and maintenance: Southern Finland, Western Finland, Eastern Finland and Northern Finland. Their business includes the construction and maintenance of traffic routes, industrial and traffic environments and the complete living environment, as well as the services of the winter maintenance management centre, Kelikeskus.

The Special Construction business unit is a national unit responsible for railway construction and railway infrastructure maintenance, rock and mining construction and aggregates services. The business of Destia's other national business unit, Consulting Services, comprises design, survey and international consulting.

Support functions that provide support to the business units: Finance, Legal Services, Human Resources, Communications, and Processes.

Destia's Management Team in 2014 comprises President and CEO Hannu Leinonen, CFO Pirkko Salminen, and Executive Vice Presidents Minna Heinonen, Pasi Kailasalo, Jouni Karjalainen, Jukka Raudasoja, Marko Vasenius and Seppo Ylitapio, and personnel representative Jouko Korhonen. In addition to the persons mentioned above, the Extended Management Team also includes Senior Vice Presidents Laura Ahokas, Miia Apukka, Aki Markkola and Tom Schmidt.

New owner for Destia

On 26 May 2014, the State of Finland entered into an agreement with Ahlström Capital, under which the latter purchased the entire share capital of Destia Ltd. The Finnish Government approved the arrangement negotiated with Ahlström Capital on 22 May 2014. The transaction was concluded on 1 July 2014. The trade price paid for the company's shares was MEUR 106, which was based on the company's debt-free value of MEUR 130. Before the transaction capital repayment amount of MEUR 42 was paid to the State of Finland. The change in ownership does not have immediate effects on personnel.

Ahlström Capital is one of Finland's largest private equity investment companies. It creates added value for its owners by channeling its investments into industrial companies, listed companies and real estate. As a result of the Destia acquisition, Ahlström Capital Group's balance sheet increases to one billion euros and the annual net sales of the group is approx. 1.4 billion euros.

The sale of Destia to Ahlström Capital clarifies the competitive situation in the construction field. The company remains an independent, and now privately owned, competitor in the infrastructure construction sector.

Short-term risks and uncertainties

Destia classifies risks as market and operating environment risks, operational risks, economic and financing risks as well as damage risks.

In terms of market and operating environment risks, the economic fluctuations and the uncertainty in the market situation are causing a significant risk for Destia's business. Both public and private sector investments into infrastructure construction are decreasing, which is reflected in the competitive situation within the field. The competitive situation in Destia's core business areas is expected to remain fierce. Success in tendering for regional main road maintenance contracts as well as major contracts is of paramount importance.

The increase in the price of oil-based commodities causes uncertainty with regard to the profitability of the company. The risk is being prevented by monitoring and assessing the commodity price development, by ensuring key procurements economically from a project perspective, and by hedging the price risks using derivative instruments.

In the management of risks caused by the operating environment, it is essential to focus on the selected business areas, and to ensure the operational cost-efficiency, solidity, as well as readiness to react in varying situations.

The most significant operational risks concern project management and profitability. Uncertainty is being created by the potential increase of input prices and the ability to manage project-related risks. The key factors in project management are an efficient process from tender calculation to implementation, cost monitoring, ensuring resources and developing project management expertise.

Destia has invested in the reliable financial reporting of essential content, which is a requirement for the identification and assessment of financial risks. The reliability of financial reports is ensured through monitoring and by developing control methods.

The company's freedom from net liabilities has significantly reduced financial risks. The principles of financing risks are described in the company's treasury policy.

In Destia's damage risk management, the key factors are proactive project management procedures, investments in occupational safety and ensuring adequate insurance cover.

Events following the reporting period

The Finnish Competition and Consumer Authority approved the trade of Destia Ltd shares between Ahlström Capital and the State of Finland, and Destia Ltd was transferred into Ahlström Capital's ownership on 1 July 2014. In conjunction with the transfer of ownership, MEUR 42 was paid to the State of Finland as repayment of capital.

Destia Ltd's Extraordinary General Meeting held on 1 July 2014 elected a new Board of Directors for the company. The General Meeting selected Panu Routila, President and CEO of Ahlström Capital, as the new Chairman of the Board of Directors. Jacob af Foreselles, who works as Investment Director of Ahlström Capital, and Lieutenant General Arto Räty, who works as the Permanent Secretary of the Ministry of Defence, were appointed as new Members of the Board of Directors. Matti Mantere and Solveig Törnroos-Huhtamäki continue as board members. The Extraordinary General Meeting decided to keep the compensation paid to the members of the Board of Directors unchanged. However, remuneration will not be paid to parent company representatives serving as members of the Board of Directors.

The Extraordinary General Meeting selected Ernst & Young as Destia Ltd's auditor for the accounting period 2014, with Kristina Sandin (APA) as the auditor with principal responsibility.

The Board of Directors elected Arto Räty as Vice Chairman at its organising meeting. Two committees were appointed to support the work of the Board: a Nomination and Remuneration Committee, and an Audit Committee. Panu Routila was elected as Chairman and Panu Routila and Matti Mantere as the members of the Nomination and Remuneration Committee. Solveig Törnroos-Huhtamäki was elected as Chairperson of the Audit Committee, and Jacob af Forselles and Arto Räty as members.

As of 1 July, Destia Ltd's parent company will be AC Alpha Oyj (later Destia Group Oyj), which owns 100% of Destia's shares. In addition to MEUR 38 in share capital, AC Alpha Oyj's equity includes MEUR 29 in equity instruments and MEUR -7 in other items. As part of the financing of the Destia deal, AC Alpha Oyj released a MEUR 65 bond in May. The loan is unsecured and it will mature in full in June 2019. The loan coupon has a variable interest rate based on the three-month Euribor rate, and the loan margin is 4.5%. Over the course of the year, the loan will be listed in the Helsinki Stock Exchange.

For working capital financing needs of Destia Ltd and its subsidiaries, a short-term financing limit of MEUR 30 has been agreed with Danske Bank A/S and Skandinaviska Enskilda Banken AB. A business mortgage of MEUR 39 was provided to Destia Ltd's financiers as a security for the financing package.

Destia will issue the interim report for the third quarter with the figures for the new parent company included.

Bisnode Finland granted an AAA credit rating to Destia Ltd on 9 July 2014. The rating is the highest in the seven-tier scale. Only 2.6% of all Finnish companies belong to the same credit category.

Outlook for 2014

The Finnish economy is not likely to catch up to the growth trends of the global and Eurozone economies until next year. The infrastructure market is expected to continue to contract until 2015 with a decrease of public and private investments. However, the market will remain stable, and the competition for projects will continue to be fierce as the number of projects decreases.

The size and structure of Destia's order book deviate from the objective set. The success in the competitive tendering for major projects has been a disappointment, which creates a challenge in terms of revenue for this year. However, a good number of new orders were accumulated during the reporting period. Most of the order book extends to the next two years. The order book together with the steps we have taken to improve customer work and project management create a solid basis for maintaining profitability and cash flow at a good level in future.

Destia Group's 2014 revenue and operating profit are expected to remain below the level of the previous year.

Vantaa, 6 August 2014

Destia Ltd

Board of Directors

More information
President & CEO Hannu Leinonen, tel. +358 20 444 4000 and CFO Pirkko Salminen, tel. +358 50 302 2485

Financial reporting 2014
Destia Group will publish the interim report for January–September on 31 October 2014.

CONSOLIDATED INCOME STATEMENT AND CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
IFRS

MEUR	**4-6/2014**	**4-6/2013**	**1-6/2014**	**1-6/2013**	**1-12/2013**
Continuing operations					
Revenue	**102.0**	**112.3**	**169.7**	**190.4**	**489.7**
Other operating income	0.8	0.8	1.2	2.1	5.3
Materials and services	64.1	74.7	107.5	126.3	335.4
Employee benefit expenses	22.0	21.8	40.3	40.9	86.9
Depreciations	2.6	3.0	5.3	6.1	12.2
Other operating expenses	10.1	11.2	17.8	19.0	41.6
Operating result	**3.9**	**2.5**	**0.0**	**0.2**	**18.9**
Financial income	0.1	0.4	0.2	0.5	0.6
Financial expenses	0.4	1.3	0.6	1.7	2.7
Result before taxes	**3.6**	**1.6**	**-0.5**	**-1.0**	**16.8**
Income taxes	0.7	0.3	-0.1	-0.3	4.2
Result for the period of continuing operations	**2.9**	**1.3**	**-0.4**	**-0.7**	**12.5**
Discontinued operations					
Result for the period of discontinued operations	0.0		0.0	1.7	2.3
Result for the period	**2.9**	**1.3**	**-0.4**	**1.0**	**14.9**
Other comprehensive income including tax effects					
Items that will not be reclassified to profit and loss					
Actuarial profit and loss from benefit-based pension arrangements					-1.3
					-1.3
Items that may be reclassified subsequently to profit and loss					
Cash flow hedges	0.2	0.9	0.3	0.9	1.0
	0.2	0.9	0.3	0.9	1.0
Other comprehensive income net of tax	**0.2**	**0.9**	**0.3**	**0.9**	**-0.4**
Comprehensive income for the period including tax effects	**3.1**	**2.1**	**-0.1**	**1.9**	**14.5**

Result for the period and comprehensive income for the period belong to parent company shareholders.

Earnings per share, EUR	**4.23**	**1.85**	**-0.53**	**1.47**	**21.85**

CONSOLIDATED BALANCE SHEET
IFRS

MEUR	30.6.2014	30.6.2013	31.12.2013
ASSETS			
Non-current assets			
Tangible assets	54.1	62.9	57.7
Goodwill	17.0	17.0	17.0
Other intangible assets	2.0	2.3	2.4
Pension receivable		0.1	
Available-for-sale financial assets	2.1	2.1	2.1
Deferred tax assets	1.8	3.6	2.0
Non-current assets, total	**77.1**	**88.0**	**81.2**
Current assets			
Inventories	22.2	23.4	20.6
Accounts and other receivables	59.4	73.4	63.8
Cash and cash equivalents	50.5	24.8	54.5
Current assets, total	**132.1**	**121.5**	**138.9**
Assets, total	**209.1**	**209.6**	**220.0**
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent company			
Share capital	17.0	17.0	17.0
Invested unrestricted equity fund	56.4	56.4	56.4
Other items	0.0	-0.3	-0.3
Retained earnings	10.4	-1.8	10.8
Equity, total	**83.8**	**71.3**	**83.9**
Non-current liabilities			
Deferred tax liabilities	0.6	1.4	0.6
Pension liabilities	0.8		0.8
Provisions	11.6	14.5	11.8
Financial liabilities	0.5	11.2	10.9
Non-current liabilities, total	**13.5**	**27.1**	**24.1**
Current liabilities			
Accounts payable and other liabilities	65.1	68.2	75.7
Provisions	5.8	8.6	6.6
Financial liabilities	7.0	0.4	0.2
Advances received	33.8	34.0	29.5
Current liabilities, total	**111.8**	**111.1**	**112.0**
Equity and liabilities, total	**209.1**	**209.6**	**220.0**

CONSOLIDATED CASH FLOW STATEMENT
IFRS

MEUR	4-6/2014	4-6/2013	1-6/2014	1-6/2013	1-12/2013
OPERATING CASH FLOWS					
Cash receipts from customers	81.8	86.0	175.7	171.7	475.2
Expenses paid to suppliers and personnel	-80.6	-88.1	-173.7	-184.4	-456.8
Interests paid	-0.2	-0.5	-0.2	-0.5	-0.7
Interests received	0.0	0.1	0.1	0.1	0.2
Other financial items	-0.4	-1.1	-0.4	-1.1	-2.2
Tax paid	-1.2	0.5	-1.2	0.2	-0.5
Net operating cash flow, continuing operations	-0.5	-3.1	0.3	-14.1	15.1
Net operating cash flow, discontinued operations				-0.7	-0.2
Net operating cash flow	-0.5	-3.1	0.3	-14.8	14.9
INVESTMENT CASH FLOW					
Investments in intangible and tangible assets	-0.5	-3.7	-1.9	-4.4	-7.6
Sale of intangible and tangible assets	0.5	1.6	0.8	3.1	6.5
Investments in other assets		-1.0		-26.0	-26.0
Proceeds from the sale of other investments		25.9		25.9	25.9
Net investment cash flow, continuing operations	0.1	22.8	-1.1	-1.5	-1.2
Net investment cash flow, discontinued operations					
Net investment cash flow	0.1	22.8	-1.1	-1.5	-1.2
FINANCIAL CASH FLOWS					
Decrease in non-current debt (-)	-10.0	-20.0	-10.0	-20.0	-20.2
Increase in short-term financing	6.8		6.8		
Decrease in short-term financing (-)		-0.1		-0.1	-0.1
Net financial cash flow, continuing operations	-3.2	-20.1	-3.2	-20.1	-20.3
Net financial cash flow, discontinued operations					
Net financial cash flow	-3.2	-20.1	-3.2	-20.1	-20.3
Change in cash and cash equivalents	-3.6	-0.4	-4.0	-36.3	-6.6
Cash and cash equivalents at beginning of financial period	54.1	25.2	54.5	61.1	61.1
Cash and cash equivalents at end of financial period	50.5	24.8	50.5	24.8	54.5

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
IFRS

MEUR	Equity attributable to equity holders of the parent company					
	Share capital	Hedqe instrument fund	Invested unrestricted equity fund	Translation differences	Retained earnings	Total
Equity 1 Jan 2013	17.0	-1.3	56.4	0.0	-2.8	69.4
Other comprehensive income						
Result for the period					1.0	1.0
Other comprehensive items:						
Translation differences						
Cash flow hedges		0.9				0.9
Comprehensive income for the period		0.9			1.0	1.9
Equity total 30 June 2013	**17.0**	**-0.3**	**56.4**	**0.0**	**-1.8**	**71.3**

	Equity attributable to equity holders of the parent company					
	Share capital	Hedqe instrument fund	Invested unrestricted equity fund	Translation differences	Retained earnings	Total
Equity 1 Jan 2014	17.0	-0.3	56.4	0.0	10.8	83.9
Other comprehensive income						
Result for the period					-0.4	-0.4
Other comprehensive items:						
Translation differences						0.0
Cash flow hedges		0.3				0.3
Comprehensive income for the period		0.3			-0.4	-0.1
Equity total 30 June 2014	**17.0**	**0.0**	**56.4**	**0.0**	**10.4**	**83.8**

NOTES

This Interim Report has been prepared in accordance with the IFRS accounting and valuation principles and it is in line with the IAS 34 standard. The interim report should be read together with the financial statements for 2013. The new revised standards or interpretations effective as of 1 January 2014 have no bearing on the figures presented for the report period.

CONSOLIDATED INCOME STATEMENT; QUARTERLY FIGURES
IFRS

MEUR	4-6/2014	1-3/2014	10-12/2013	7-9/2013	4-6/2013	1-3/2013
Continuing operations						
Revenue	**102.0**	**67.7**	**143.3**	**156.0**	**112.3**	**78.1**
Other operating income	0.8	0.4	1.5	1.7	0.8	1.3
Materials and services	64.1	43.3	98.4	110.7	74.7	51.7
Employee benefit expenses	22.0	18.3	25.4	20.6	21.8	19.1
Depreciations	2.6	2.7	3.1	3.0	3.0	3.1
Other operating expenses	10.1	7.6	12.4	10.2	11.2	7.8
Operating result	**3.9**	**-3.9**	**5.5**	**13.2**	**2.5**	**-2.2**
Financial income	0.1	0.1	0.1	0.0	0.4	0.1
Financial expenses	0.4	0.2	0.9	0.2	1.3	0.4
Result before taxes	**3.6**	**-4.0**	**4.7**	**13.1**	**1.6**	**-2.5**
Income taxes	-0.7	-0.8	-1.3	-3.2	-0.3	-0.6
Result for the period of continuing operations	**2.9**	**-3.2**	**3.3**	**9.9**	**1.3**	**-1.9**
Discontinued operations						
Result for the period of discontinued operations	0.0	0.0	0.1	0.6		1.7
Result for the period	**2.9**	**-3.2**	**3.4**	**10.4**	**1.3**	**-0.3**

CONSOLIDATED BALANCE SHEET, QUARTERLY FIGURES
IFRS

MEUR	6/2014	3/2014	12/2013	9/2013	6/2013	3/2013
ASSETS						
Non-current assets						
Tangible assets	54.1	55.5	57.7	60.5	62.9	63.1
Goodwill	17.0	17.0	17.0	17.0	17.0	17.0
Other intangible assets	2.0	2.2	2.4	2.5	2.3	2.4
Pension receivable				0.1	0.1	0.1
Available-for-sale financial assets	2.1	2.1	2.1	2.1	2.1	1.7
Deferred tax assets	1.8	1.9	2.0	3.3	3.6	4.2
Non-current assets, total	**77.1**	**78.7**	**81.2**	**85.5**	**88.0**	**88.6**
Current assets						
Inventories	22.2	21.2	20.6	23.6	23.4	23.8
Accounts and other receivables	59.4	42.5	63.8	72.5	73.4	42.4
Held-to-maturity investments						25.0
Cash and cash equivalents	50.5	54.1	54.5	29.5	24.8	25.2
Current assets, total	**132.1**	**117.7**	**138.9**	**125.6**	**121.6**	**116.4**
Assets, total	**209.1**	**196.4**	**220.0**	**211.2**	**209.6**	**205.0**
EQUITY AND LIABILITIES						
Equity attributable to equity holders of the parent company						
Share capital	17.0	17.0	17.0	17.0	17.0	17.0
Invested unrestricted equity fund	56.4	56.4	56.4	56.4	56.4	56.4
Other items	0.0	-0.2	-0.3	-0.3	-0.3	-1.2
Retained earnings	10.4	7.5	10.8	8.7	-1.8	-3.0
Equity, total	**83.8**	**80.7**	**83.9**	**81.8**	**71.3**	**69.2**
Non-current liabilities						
Deferred tax liabilities	0.6	0.6	0.6	1.4	1.4	1.4
Pension liabilities	0.8	0.8	0.8			
Provisions	11.6	11.7	11.8	14.1	14.5	14.6
Financial liabilities	0.5	10.8	10.9	11.1	11.2	32.5
Non-current liabilities, total	**13.5**	**23.9**	**24.1**	**26.6**	**27.1**	**48.5**
Current liabilities						
Accounts payable and other liabilities	65.1	50.6	75.7	73.0	68.2	49.5
Provisions	5.8	6.2	6.6	7.4	8.6	9.5
Financial liabilities	7.0	0.3	0.2	0.3	0.4	0.4
Advances received	33.8	34.8	29.5	22.1	34.0	28.0
Current liabilities, total	**111.8**	**91.8**	**112.0**	**102.8**	**111.1**	**87.3**
Equity and liabilities, total	**209.1**	**196.4**	**220.0**	**211.2**	**209.6**	**205.0**

CONSOLIDATED CASH FLOW STATEMENT; QUARTERLY FIGURES
IFRS

MEUR	4-6/2014	1-3/2014	10-12/2013	7-9/2013	4-6/2013	1-3/2013
OPERATING CASH FLOWS						
Cash receipts from customers	81.8	93.9	161.9	141.6	86.0	85.6
Expenses paid to suppliers and personnel	-80.6	-93.1	-134.9	-137.5	-88.1	-96.3
Interests paid	-0.2	0.0	-0.2	0.0	-0.5	0.0
Dividends received	0.0				0.0	
Interests received	0.0	0.1	0.0	0.0	0.1	0.1
Other financial items	-0.4	0.0	-1.0	-0.1	-1.1	-0.1
Tax paid	-1.2	0.0	-0.4	-0.3	0.5	-0.3
Net operating cash flow, continuing operations	-0.5	0.8	25.5	3.7	-3.1	-11.0
Net operating cash flow, discontinued operations				0.5		-0.7
Net operating cash flow	**-0.5**	**0.8**	**25.5**	**4.2**	**-3.1**	**-11.7**
INVESTMENT CASH FLOW						
Investments in intangible and tangible assets	-0.5	-1.4	-2.2	-1.0	-3.7	-0.7
Sale of intangible and tangible assets	0.5	0.3	1.8	1.6	1.6	1.5
Investments in other assets					-1.0	-25.0
Proceeds from the sale of other investments					25.9	
Net investment cash flow, continuing operations	0.1	-1.1	-0.3	0.6	22.8	-24.2
Net investment cash flow, discontinued operations						
Net investment cash flow	**0.1**	**-1.1**	**-0.3**	**0.6**	**22.8**	**-24.2**
FINANCIAL CASH FLOWS						
Decrease in non-current debt (-)	-10.0		-0.2		-20.0	
Increase in short-term financing (-)	6.8					
Decrease in short-term financing (-)					-0.1	
Net financial cash flow, continuing operations	-3.2	0.0	-0.2	0.0	-20.1	0.0
Net financial cash flow, discontinued operations						
Net financial cash flow	**-3.2**	**0.0**	**-0.2**	**0.0**	**-20.1**	**0.0**
Change in cash and cash equivalents	**-3.6**	**-0.3**	**25.0**	**4.8**	**-0.4**	**-35.9**
Cash and cash equivalents at beginning of financial period	54.1	54.5	29.5	24.8	25.2	61.1
Cash and cash equivalents at end of financial period	50.5	54.1	54.5	29.5	24.8	25.2

GROUP´S KEY FIGURES
IFRS

MEUR	4-6/2014	4-6/2013	1-6/2014	1-6/2013	1-12/2013
Revenue, continuing operations	102.0	112.3	169.7	190.4	489.7
Change from previous year, %	-9.2	-5.1	-10.9	-12.1	-3.5
Operating profit for the period, continuing operations	3.9	2.5	0.0	0.2	18.9
% of revenue	3.9	2.2	0.0	0.1	3.9
Result for the period, continuing operations	2.9	1.3	-0.4	-0.7	12.5
% of revenue	2.8	1.1	-0.2	-0.4	2.6
Result for the period	2.9	1.3	-0.4	1.0	14.9
Gross investments	1.1	4.7	1.7	5.4	9.5
% of revenue	1.1	4.2	1.0	2.8	1.9
Balance sheet total			209.1	209.6	220.0
Equity			83.8	71.3	83.9
Equity ratio, % 1)			47.8	40.6	44.0
Net gearing, % 2)			-51.3	-18.6	-51.6
Interest-bearing liabilities			7.5	11.5	11.2
Current Ratio 3)			1.2	1.1	1.2
Quick Ratio 4)			1.2	1.1	1.2
Return on equity, % 5)			16.1	14.1	19.4
Return on investment, % 6)			21.1	13.4	22.1
Earnings per share, EUR	4.23	1.85	-0.53	1.47	21.85
Equity per share, EUR			123.29	104.90	123.41
Average personnel			1 501	1 510	1 515
Occupational accidents resulting in absence from work *)			6.8	9.3	10.8
Comparable order book **)			717.6	736.7	574.6
Research and development expenses			0.4	0.5	1.1
% of other operating expenses			2.5	2.6	2.6

*) Occupational accidents of Destia's own personnel per one million working hours

**) The order book from previous periods has been changed to be comparable

Formulas:

1) (Equity/(balance sheet total - advances received))*100

2) ((Interest-bearing liabilities - cash and cash equivalents and held-to-maturity investments)/equity) *100

3) (Inventories + liquid assets)/current liabilities

4) Financial assets without receivables from uncompleted contracts/current liabilities without advance payments

5) (Result for the period/average equity)*100
(opening and closing balance)

6) (Result before taxes + interest costs and other financial expenses)/(invested capital average)*100
(balance sheet total - non-interest-bearing liabilities - provisions, opening and closing balance)

Under points 5 and 6 the result has been converted into yearly result (12 months back).

GROUP´S QUARANTEES AND CONTINGENT LIABILITIES
IFRS

MEUR	30.6.2014	30.6.2013	31.12.2013
Bank quarantees	76,6	89.7	81.5
Leasing liabilities			
Within one year	3.3	3.3	3.3
Within more than one year and less than five years	3.1	4.8	3.8
Within more than five years	0.1	0.1	0.0
Total	6.4	8.1	7.1

GROUP'S CARRYING AMOUNTS OF FINANCIAL ASSETS AND LIABILITIES
IFRS

MEUR	30.6.2014	30.6.2013	31.12.2013
Financial assets			
Available-for-sale financial assets			
Available-for-sale financial assets (level 3)	2.1	2.1	2.1
Financial assets at fair value through profit or loss			
Current			
Accounts and other receivables (level 2)	40.6	53.9	39.8
Cash and cash equivalents (level 2)	50.5	24.8	54.5
Financial liabilities			
Financial liabilities at fair value through profit or loss			
Interest rate swaps, in hedge accounting (level 2)		0.4	
Interest rate swaps, not in hedge accounting (level 2)			0.3
Other derivatives - not in hedge accounting (level 2)	0.0	0.1	0.0
Financial liabilities valued at amortized acquisition cost			
Non-current			
Loans from financial institutions, interest-bearing (level 2)		10.2	10.0
Financial leasing liability, interest-bearing (level 2)	0.5	0.7	0.6
Current			
Loans from financial institutions, interest-bearing (level 2)	6.8	0.0	
Financial leasing liability, interest-bearing (level 2)	0.2	0.2	0.2
Accounts payable and other liabilities (level 2)	63.4	66.2	74.5

The carrying value equals for the fair value. The levels adopted in fair value accounting:

Level 1: Exchange traded securities.
Level 2: Fair value determined by observable parameters.
Level 3: Fair value determined by non-observable parameters.

All figures have been rounded up or down, so the sums of individual figures may differ from the sums shown. The information provided in the interim report has not been audited.