INTERIM REPORT JANUARY-SEPTEMBER 2013

Destia Group's interim report for January-September 2013

POSITIVE DEVELOPMENT IN THE THIRD QUARTER

- Revenue decreased by 7.1 per cent and was MEUR 346.4.
- Operating result fell short of the reference period and was MEUR 13.4, relative profitability at the level of the previous year.
- Third quarter revenue remained at the level of the previous year, and operating profit was better than the previous year.
- The order book strengthened and was MEUR 672.5.
- The company is free of net debt, and long-term loans were prematurely amortised to the value of MEUR 20.
- Equity ratio was 43.2 per cent.
- Number of accidents resulting in absence from work remained at a record low.
- Destia Group expects that its 2013 revenue will fall short of that of the previous year and that operating profit will remain at the level of the previous year.

Group's key figures (IFRS), MEUR	**7-9/2013**	**7-9/2012**	**1-9/2013**	**1-9/2012**	**1-12/2012**
Revenue, continuing operations	156.0	156.2	346.4	372.7	507.3
Operating result, continuing operations	13.2	10.3	13.4	14.4	14.0
% of revenue	8.5	6.6	3.9	3.9	2.8
Result for the period, continuing operations	9.9	10.9	9.2	12.9	11.1
% of revenue	6.3	7.0	2.7	3.5	2.2
Result for the period	10.4	11.3	11.4	13.2	10.8
Equity ratio, %			43.2	36.6	35.2
Net gearing, %			-22.2	-1.6	-40.5
Average personnel			1 526	1 613	1 591
Occupational accidents resulting in absence from work *)			10.7	16.2	15.6
Order book at the end of period			672.5	646.4	600.8

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

Operating environment

Uncertainty in the economy continued during the reporting period. In infrastructure construction, the eurozone crisis caused uncertainty and weakened the economic operating environment and the availability and cost of finance. The economic conditions of the civil engineering sector were affected by the general economic development, the public sector financial deficit, the level of costs that has remained high, and the decline in house-building construction.

According to an economic report by the Finnish Ministry of Finance, civil engineering production is contracting for the fifth consecutive year now, but more gently than before. Last year the decline was 6.8 per cent and this year it is expected to be 3.2 per cent. In spring, the Confederation of Finnish Construction Industries forecast a 2 per cent decline in civil engineering this year, but has become more pessimistic during the reporting period.

The cost development in the civil engineering sector levelled out in the reporting period in comparison with 2012. According to Statistics Finland, civil engineering industry costs increased by 0.4 per cent between September 2012 and September 2013.

Public-sector infrastructure investment has remained steady, but the amount of private-sector infrastructure investments has declined. During the reporting period, new road projects started up and public-sector plans also contain some major future projects. The infrastructure design and aggregate markets have slowed.

Order book and orders received

In a challenging market environment, Destia Group continued to invest in customer management and the order book kept developing favourably in the third quarter. The order book at the end of September was MEUR 672.5 (646.4). In comparison with the end of 2012, the order book increased by 12%.

During the reporting period, Destia won the construction contract put out to tender by Länsimetro for the tunnel section between Keilaniemi and Lauttasaari. The contract includes construction and structural engineering work of the metro tunnel over a 4 km distance between Keilaniemi and Lauttasaari. Work on the contract began in early March and is expected to be completed in September 2014.

Destia won the contract put out to tender by the Finnish Transport Agency for the construction of a double track in the Riippa−Eskola track section. The contract entails the renovation of old track and the construction of new track over a 30 km distance. The contract also includes the construction of new linesides, bridges, service and private roads as well as the conversion of the track's electrification system to conform to double-track requirements. The contract is expected to be completed in November 2016.

Destia won the maintenance contract for bridges put out to tender by the Uusimaa Centre for Economic Development, Transport and the Environment. The contract includes the repair of 21 bridges mainly in the capital region and is expected to be completed during 2013.

Destia implements the contract for the first stage of the construction of streets, municipal engineering and blocks in the Lakari industrial and logistics area to be built in Rauma. The contract started in February 2013, and is expected to be completed in spring 2014.

In public tendering for regional main road maintenance contracts, Destia won seven out of 12. The Huittinen, Jämsä, Pudasjärvi−Taivalkoski, Vaasa, Suomussalmi and Paimio contracts won are five years in duration, and the Nurmes one is seven years. All in all, Destia maintained its good market position in the regional maintenance of main roads.

In the third quarter of the year, Destia concluded contracts with the Centres for Economic Development, Transport and the Environment in Northern Ostrobothnia, Lapland and North Savo to transfer the Kuusamo, Ivalo and Pieksämäki regional main road maintenance contracts to Destia's responsibility in the middle of the maintenance period. All three regional contracts are one year in duration.

Destia signed a contract with the City of Joensuu for Joensuu's southern regional contract. This contract will last until the end of September 2016.

During the reporting period, Destia won the contract put out to tender by the Central Finland Uusimaa Centre for Economic Development, Transport and the Environment for the upgrading of National Road 56 between Jämsä and Mänttä. The planned completion of the contract is in December 2014.

Destia's Consulting Services is involved in a consortium that won the project put out to tender by the Finnish Transport Agency that includes ground surveys of Pisararata.

Destia won the contract put out to tender by the Finnish Transport Agency for the implementation of Service Level Measurements (SLMs) on surfaced roads between 2014 and 2019, and the contract put out to tender by the Southeast Finland Centre for Economic Development, Transport and the Environment for the expansion of the Imatra border-crossing point, which is scheduled for completion in December 2013.

Destia also won the Technopark II parking project in Lappeenranta, which is scheduled for completion in June 2014.

Destia concluded a contract for the first stage of the Kivikontie interchange put out to tender by the City of Helsinki, which will be completed in September 2014. A contract was also concluded for track renewal between Myllymäki and Tuuri put out to tender by the Finnish Transport Agency, which will be completed in July 2014.

During the reporting period, Destia won the construction contract for the second stage of the Western Dock put out to tender by the Port of Oulu, which began at the end of August and will be completed at the end of 2014.

Destia implements contract in Ylivieska for non-motorised traffic arrangements on National Road 27 put out to tender by the Northern Ostrobothnia Centre for Economic Development, Transport and the Environment. The planned completion of the contract is in September 2014.

In the reporting period, Destia concluded contracts with energy companies for two different power station projects. These projects will be completed by the end of this year.

Revenue

During the reporting period, Destia’s revenue from continuing operations was MEUR 346.4 (372.7), and in the third quarter it was MEUR 156.0 (156.2). The fall in revenue in the first half of the year was particularly the result of a decrease in regional contracts for main road maintenance and major individual contracts that were ongoing in the reference period.

During the reporting period, other operating income amounted to MEUR 3.8 (3.3), and in the third quarter it was MEUR 1.7 (1.4). This mainly includes property leasing income and profit from sales of property and equipment.

Result

In the reporting period, operating profit from continuing operations was MEUR 13.4 (14.4), and in the third quarter it was MEUR 13.2 (10.3). Relative profitability in the third quarter remained at the level of previous year. The cumulative operating result weakened mainly due to decrease in revenue. The reason for the third-quarter operating result being better than the previous year was an improvement in project margin.

In the reporting period, the Group’s net financial costs were MEUR 1.3 (3.0), which amounted to 0.4 per cent (0.8) of revenue and, in the third quarter they were MEUR 0.1 (0.1), or 0.1 (0.1) per cent of revenue. The halving of financial costs was mainly attributable to the decrease in interest-bearing net liabilities. Income taxes in the reporting period amounted to MEUR 2.9 positive (in the reference period, MEUR 1.5 negative).

The Group’s profit for the reporting period was MEUR 11.4 (13.2), and in the third quarter it was MEUR 10.4 (11.3).

Balance sheet and cash flow

Total assets on the consolidated balance sheet were MEUR 211.2 (231.6) at the end of the reporting period. Return on investment (ROI) was 15.7 per cent (11.2), equity ratio was 43.2 per cent (36.6), and gearing was -22.2 per cent (-1.6).

As a result of seasonality and successful working capital management, the development of operating cash flow developed strongly at the end of 2012. Because of this, operating cash flow during the reporting period was weaker than in the reference period. The cash flow of the reporting period comprised operating cash flow of MEUR -10.6 (9.6), investment cash flow of MEUR -0.9 (-0.5) and financial cash flow of MEUR -20.1 (-30.3). The operating cash flow for the third quarter was MEUR 4.2 (4.6), investment cash flow was MEUR 0.6 million (0.4) and financial cash flow MEUR 0.0 (0.0). The investment cash flow of the reporting period includes a MEUR 25 investment held until the maturity date as all as this investment's falling due. In May, the Group prematurely amortised long-term loans to the value of MEUR 20. The interest rate swap related to the loan was reduced by a corresponding amount causing a non-recurring financial cost of MEUR 1.0, which is included in operating cash flow. The interest rate swap hedging the remaining long-term loan no longer meets the hedge accounting requirements of the IFRS, which is why in future it will be valued at fair value through profit and loss.

The financial position of the Group remained good. The financial assets on the balance sheet were MEUR 29.5 at the end of the reporting period (32.5). The Group's Commercial Paper programme of MEUR 150 and short-term credit facilities of MEUR 31.1 were not used in the reporting period (nor in the reference period). As a result of the premature amortisation of the MEUR 20 loan, the amount of liabilities fell to MEUR 11.4 (31.3) at the end of the reporting period. Of all loans, 2.1 per cent (0.9) are short-term and 97.9 per cent (99.1) long-term. Interest-bearing net liabilities at the end of the reporting period were MEUR -18.1 (-1.2), meaning that the company was free of net liabilities.

Investments and acquisitions

In the reporting period, gross investments totalled MEUR 6.4 (4.4), which amounted to 1.8 per cent (1.2) of revenue and, in the third quarter they were MEUR 1.0 (2.0), or 0.6 per cent (1.3) of revenue. Investments were mainly targeted at equipment, but also at data systems and holiday timeshares for the recreational use of personnel.

Personnel

The Group's average number of personnel during the reporting period was 1,526 persons (1,613). At the end of September, the number of personnel was 1,516 (1,570), of which permanent employees totalled 1,382 (1,435) and temporary employees 134 (135). Due to the seasonality of the business, the number of personnel varies during the year and peaks in the summer.

In the reporting period, Destia carried out the 2013 personnel survey, for which the response rate was 76 per cent (72). The results of the survey showed positive development and are on a good level. No differences between units were evident in the survey.

During the reporting period, Destia continued investments in human resources development. More than 600 Destia employees have taken part in the TahTo training, which supports managerial work and performance management. Investments in occupational safety were evident in an improvement in accident frequency. In the reporting period, accident frequency was 10.7 (16.2) accidents per one million working hours.

Litigation and disputes

In January 2013, the environmental authority made a request to investigate Destia's Harjula soil area at Mäntsälä. In summer 2012, on its own initiative Destia informed the environmental authority that soil had been taken from outside the extraction area covered by the valid permit, but from property owned by the company. Destia continues to investigate the matter in co-operation with the environmental authority.

In the dispute between Destia and Rakennus Lehto Oy concerning nine subcontracting contracts for business property from 2008, arbitration proceedings have begun. Destia considers the claims to be groundless.

Destia has won its civil case at Helsinki District Court in which Telasteel Oy demanded about MEUR 1 in compensation from Destia. The dispute concerned a contract in which Telasteel was a subcontractor for Destia. Telasteel has appealed the decision at the Court of Appeal. In Destia's view, the demand is groundless.

Short-term risks and uncertainties

Destia classifies risks as market and operating environment risks, operational risks, financial risks and damage risks.

The fluctuation in the economic operating environment and the uncertainty in the market situation are causing a significant risk for Destia’s business. Although the number of public infrastructure projects has so far remained stable, all in all the amount of infrastructure construction is expected to decline. Public sector investments in infrastructure construction are declining and economic uncertainty has also reduced the willingness of the private sector to invest. The contracting market is reflected in the competitive situation in the sector and, in Destia’s core business areas, the competitive situation is expected to remain fierce. Success in tendering for regional main road maintenance contracts as well as major contracts is of paramount importance.

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 in terms of project profitability is being created by the potential increase of input prices and the ability to manage project-related risks. The key factors in reaching project targets are active project management 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. Risks concerning the financial reporting process are managed through uniform operating methods and by ensuring the reliability of reporting tools used.

Fluctuations in economic conditions may cause considerable changes on financial markets. Destia manages its financial risks in accordance with the company’s treasury policy and hedges fundamental risks by derivative contracts. The company’s freedom from net liabilities significantly reduces financial risks. Changes in the prices of oil-based commodities, in particular, cause uncertainty for 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 Destia’s damage risk management, the key factors are proactive project management procedures, investments in occupational safety and ensuring adequate insurance cover.

Strategy 2014−2022

On 22 September 2013, the Destia Ltd Board of Directors ratified the company strategy for 2014−2022 and new financial targets for the 2014−2016 business planning period. The key focus of the strategy is to grow profitably on the infrastructure market through good customer work and by making good use of in-house expertise. Based on this, the Board set the following financial targets for the 2014−2016 business planning period: average growth in revenue of 5 per cent a year, operating profit of 5 per cent by the end of the period, return on investment of more than 15 per cent, and equity ratio of at least 40 per cent.

Destia’s core business are large road projects and infrastructure maintenance requiring special expertise. The focus areas of Destia’s strategic growth in the coming period are in the rock and railways businesses and in energy construction. Destia is investing strongly in improving its work with customers. The company's strategic focus is still personnel training.

Events following the reporting period

After the reporting period, Destia won a significant track contract, which supports the company's objectives of growing on the track maintenance and construction markets. The Maintenance Area 5 track and safety equipment maintenance contract put out to tender by the Finnish Transport Agency covers the period 2014−2019 plus two optional years. The maintenance area is called Haapamäen tähti (Star of Haapamäki) and includes track sections from Haapamäki to Orivesi, Jyväskylä, Vaasa and Kaskinen, as well as from Jyväskylä to Äänekoski.

Outlook for 2013

Economic uncertainty in the eurozone and tightening of the financial markets are affecting the infrastructure market this year. While the public-sector infrastructure market has remained quite stable, investments by the private sector have decreased. Competition is fierce as the number of major projects decreases and as projects started during previous years are being completed.

The shortfall in Destia's revenue in the first half of this year is a consequence of the low order book at the end of 2012. In the reporting period, Destia's order book strengthened and was better at the end of the reporting period than in the previous year. Most of the order book extends to 2014 and 2015.

The company's foundations are in good condition as a result of steps taken to improve profitability, such as the control of fixed costs and reorganisation of the fleet balance sheet, which provides Destia with a good starting point for the improvement of profitability and good cash flow in the future.

Destia Group's 2013 revenue is expected to be lower than the previous year. Operating profit is expected to be at the level of the previous year.

Vantaa, 29 October 2013

Destia Ltd

Board of Directors

More information
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Financial reporting 2013
Destia will publish its Financial Statements 2013 on 13 February 2014.

CONSOLIDATED INCOME STATEMENT AND CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
IFRS

MEUR	7-9/2013	7-9/2012	1-9/2013	1-9/2012	1-12/2012
Continuing operations					
Revenue	**156.0**	**156.2**	**346.4**	**372.7**	**507.3**
Other operating income	1.7	1.4	3.8	3.3	5.3
Materials and services	110.7	113.7	237.0	261.5	355.6
Employee benefit expenses	20.6	20.3	61.5	60.8	86.5
Depreciations	3.0	3.4	9.1	10.3	13.9
Other operating expenses	10.2	10.0	29.1	29.0	42.6
Operating result	**13.2**	**10.3**	**13.4**	**14.4**	**14.0**
Financial income	0.0	0.1	0.5	0.2	0.3
Financial expenses	0.2	0.3	1.8	3.2	3.4
Result before taxes	**13.1**	**10.2**	**12.1**	**11.4**	**10.9**
Income taxes	3.2	-0.7	2.9	-1.5	-0.2
Result for the period of continuing operations	**9.9**	**10.9**	**9.2**	**12.9**	**11.1**
Discontinued operations					
Result for the period of discontinued operations	0.6	0.4	2.2	0.3	-0.2
Result for the period	**10.4**	**11.3**	**11.4**	**13.2**	**10.8**
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	0.0	0.0	0.0	0.0	-0.8
	0.0	0.0	0.0	0.0	-0.8
Items that may be reclassified subsequently to profit and loss					
Translation differences of foreign subsidiaries	0.0	0.0	0.0	0.1	0.1
Cash flow hedges	0.0	-0.3	1.0	0.3	-0.1
	0.0	-0.3	1.0	0.4	0.0
Other comprehensive income net of tax	**0.0**	**-0.3**	**1.0**	**0.4**	**-0.8**
Comprehensive income for the period including tax effects	**10.5**	**11.0**	**12.4**	**13.5**	**10.0**

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

Earnings per share, EUR	**15.32**	**16.63**	**16.79**	**19.36**	**15.90**

CONSOLIDATED BALANCE SHEET
IFRS

MEUR	30.9.2013	30.9.2012	31.12.2012
ASSETS			
Non-current assets			
Tangible assets	60.5	61.1	66.9
Goodwill	17.0	17.0	17.0
Other intangible assets	2.5	2.3	2.3
Pension receivable	0.1	1.1	0.1
Available-for-sale financial assets	2.1	1.7	1.7
Deferred tax assets	3.3	7.0	4.6
Non-current assets, total	**85.5**	**90.2**	**92.5**
Current assets			
Inventories	23.6	27.1	24.3
Accounts and other receivables	72.5	81.8	45.5
Cash and cash equivalents	29.5	32.5	61.1
Current assets, total	**125.6**	**141.4**	**130.9**
Assets, total	**211.2**	**231.6**	**223.5**
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	-0.3	-0.9	-1.3
Retained earnings	8.7	0.4	-2.8
Equity, total	**81.8**	**72.9**	**69.4**
Non-current liabilities			
Deferred tax liabilities	1.4	2.4	1.4
Provisions	14.1	7.2	15.3
Financial liabilities	11.1	31.1	32.6
Non-current liabilities, total	**26.6**	**40.7**	**49.3**
Current liabilities			
Accounts payable and other liabilities	73.0	70.3	65.1
Provisions	7.4	13.1	13.2
Financial liabilities	0.3	2.0	0.4
Advances received	22.1	32.6	26.1
Current liabilities, total	**102.8**	**118.0**	**104.7**
Equity and liabilities, total	**211.2**	**231.6**	**223.5**

CONSOLIDATED CASH FLOW STATEMENT IFRS

MEUR	7-9/2013	7-9/2012	1-9/2013	1-9/2012	1-12/2012
OPERATING CASH FLOWS					
Cash receipts from customers	141.6	143.5	313.3	364.8	535.2
Expenses paid to suppliers and personnel	-137.5	-136.7	-321.9	-348.7	-488.7
Interests paid	0.0	-0.2	-0.5	-1.4	-1.7
Interests received	0.0	0.1	0.1	0.2	0.3
Other financial items	-0.1	-0.1	-1.2	-1.7	-2.1
Tax paid	-0.3	-0.2	-0.2	-0.5	-0.8
Net operating cash flow, continuing operations	3.7	6.4	-10.4	12.7	42.3
Net operating cash flow, discontinued operations	0.5	-1.8	-0.2	-3.1	-3.1
Net operating cash flow	4.2	4.6	-10.6	9.6	39.1
INVESTMENT CASH FLOW					
Investments in intangible and tangible assets	-1.0	-2.0	-5.4	-4.4	-7.2
Sale of intangible and tangible assets	1.6	2.4	4.7	3.9	5.8
Investments in other assets	0.0	0.0	-26.0	0.0	0.0
Proceeds from the sale of other investments	0.0	0.0	25.9	0.0	0.0
Net investment cash flow, continuing operations	0.6	0.4	-0.9	-0.5	-1.4
Net investment cash flow, discontinued operations					
Net investment cash flow	0.6	0.4	-0.9	-0.5	-1.4
FINANCIAL CASH FLOWS					
Decrease in non-current debt (-)	0.0	0.0	-20.0	-30.0	-30.0
Increase in short-term financing (+)	0.0	0.0	0.0	0.0	0.0
Decrease in short-term financing (-)	0.0	0.0	-0.1	-0.3	-0.5
Repayments of financial leasing liability	0.0	0.0	0.0	0.0	0.0
Net financial cash flow, continuing operations	0.0	0.0	-20.1	-30.3	-30.5
Net financial cash flow, discontinued operations	0.0	0.0	0.0	0.0	0.0
Net financial cash flow	0.0	0.0	-20.1	-30.3	-30.5
Change in cash and cash equivalents	4.7	5.0	-31.6	-21.2	7.3
Cash and cash equivalents at beginning of financial year	24.8	27.5	61.1	53.7	53.7
Effect of exchange rate changes	0.0	0.0	0.0	0.0	0.1
Cash and cash equivalents at end of financial year	29.5	32.5	29.5	32.5	61.1

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 2012	17.0	-1.2	56.4	0.0	-12.8	59.4
Other comprehensive income						
Result for the period					13.2	13.2
Other comprehensive items:						
Translation differences		0.3				0.3
Cash flow hedges						
Comprehensive income for the period		0.3			13.2	13.5
Equity total 30 Sep 2012	**17.0**	**-0.9**	**56.4**	**0.0**	**0.4**	**72.9**

	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					11.4	11.4
Other comprehensive items:						
Translation differences						
Cash flow hedges		1.0				1.0
Comprehensive income for the period		1.0			11.4	12.4
Equity total 30 Sep 2013	**17.0**	**-0.3**	**56.4**	**0.0**	**8.7**	**81.8**

Notes

This interim report has been prepared in accordance with the IFRS accounting and assessment principles, but not all requirements of the IAS 34 standard have been observed. The interim report should be read together with the financial statements for 2012. The new standards and interpretations that came into effect on 1 January 2013 have affected the method of presentation for the reporting period, not the figures presented.

CONSOLIDATED INCOME STATEMENT; QUARTERLY FIGURES

IFRS

MEUR	7-9/2013	4-6/2013	1-3/2013	10-12/2012	7-9/2012	4-6/2012	1-3/2012
Continuing operations							
Revenue	**156.0**	**112.3**	**78.1**	**134.6**	**156.2**	**118.4**	**98.1**
Other operating income	1.7	0.8	1.3	1.9	1.4	1.2	0.8
Materials and services	110.7	74.7	51.7	94.1	113.7	81.7	66.1
Employee benefit expenses	20.6	21.8	19.1	25.6	20.3	20.0	20.6
Depreciations	3.0	3.0	3.1	3.6	3.4	3.4	3.6
Other operating expenses	10.2	11.2	7.8	13.6	10.0	10.6	8.4
Operating result	**13.2**	**2.5**	**-2.2**	**-0.4**	**10.3**	**3.9**	**0.2**
Financial income	0.0	0.4	0.1	0.1	0.1	0.1	0.0
Financial expenses	0.2	1.3	0.4	0.3	0.3	2.2	0.7
Result before taxes	**13.1**	**1.6**	**-2.5**	**-0.6**	**10.2**	**1.7**	**-0.5**
Income taxes	-3.2	-0.3	-0.6	1.3	-0.7	0.4	-0.3
Result for the period of continuing operations	**9.9**	**1.3**	**-1.9**	**-1.8**	**10.9**	**2.1**	**-0.1**
Discontinued operations							
Result for the period of discontinued operations	0.6	0.0	1.7	-0.5	0.4	0.6	-0.8
Result for the period	**10.4**	**1.3**	**-0.3**	**-2.4**	**11.3**	**2.7**	**-0.9**

CONSOLIDATED BALANCE SHEET, QUARTERLY FIGURES

IFRS

MEUR	9/2013	6/2013	3/2013	12/2012	9/2012	6/2012	3/2012
ASSETS							
Non-current assets							
Tangible assets	60.5	62.9	63.1	66.9	61.1	63.9	65.3
Goodwill	17.0	17.0	17.0	17.0	17.0	17.0	17.0
Other intangible assets	2.5	2.3	2.4	2.3	2.3	2.5	2.6
Pension receivable	0.1	0.1	0.1	0.1	1.1	1.1	1.1
Available-for-sale financial assets	2.1	2.1	1.7	1.7	1.7	1.7	1.6
Deferred tax assets	3.3	3.6	4.2	4.6	7.0	6.0	5.7
Non-current assets, total	**85.5**	**88.0**	**88.6**	**92.5**	**90.2**	**92.1**	**93.3**
Current assets							
Inventories	23.6	23.4	23.8	24.3	27.1	25.2	25.1
Accounts and other receivables	72.5	73.4	42.4	45.5	81.8	74.0	59.4
Held-to-maturity investments			25.0				
Cash and cash equivalents	29.5	24.8	25.2	61.1	32.5	27.5	64.2
Current assets, total	**125.6**	**121.6**	**116.4**	**130.9**	**141.4**	**126.7**	**148.7**
Assets, total	**211.2**	**209.6**	**205.0**	**223.5**	**231.6**	**218.8**	**242.0**
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	17.0
Invested unrestricted equity fund	56.4	56.4	56.4	56.4	56.4	56.4	56.4
Other items	-0.3	-0.3	-1.2	-1.3	-0.9	-0.6	-1.4
Retained earnings	8.7	-1.8	-3.0	-2.8	0.4	-10.9	-13.7
Equity, total	**81.8**	**71.3**	**69.2**	**69.4**	**72.9**	**61.9**	**58.3**
Non-current liabilities							
Deferred tax liabilities	1.4	1.4	1.4	1.4	2.4	2.4	2.4
Provisions	14.1	14.5	14.6	15.3	7.2	7.4	7.4
Financial liabilities	11.1	11.2	32.5	32.6	31.1	31.1	61.1
Non-current liabilities, total	**26.6**	**27.1**	**48.5**	**49.3**	**40.7**	**40.9**	**70.9**
Current liabilities							
Accounts payable and other liabilities	73.0	68.2	49.5	65.1	70.3	62.7	55.2
Provisions	7.4	8.6	9.5	13.2	13.1	15.0	15.8
Financial liabilities	0.3	0.4	0.4	0.4	2.0	0.4	3.2
Advances received	22.1	34.0	28.0	26.1	32.6	37.9	38.6
Current liabilities, total	**102.8**	**111.1**	**87.3**	**104.7**	**118.0**	**116.0**	**112.8**
Equity and liabilities, total	**211.2**	**209.6**	**205.0**	**223.5**	**231.6**	**218.8**	**242.0**

CONSOLIDATED CASH FLOW STATEMENT; QUARTERLY FIGURES

IFRS

MEUR	**7-9/2013**	**4-6/2013**	**1-3/2013**	**10-12/2012**	**7-9/2012**	**4-6/2012**	**1-3/2012**
OPERATING CASH FLOWS							
Cash receipts from customers	141.6	86.0	85.6	170.4	143.5	104.7	116.6
Expenses paid to suppliers and personnel	-137.5	-88.1	-96.3	-139.9	-136.7	-106.7	-105.3
Interests paid	0.0	-0.5	0.0	-0.3	-0.2	-1.2	0.0
Dividends received	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interests received	0.0	0.0	0.1	0.1	0.1	0.0	0.1
Other financial items	-0.1	-1.0	-0.1	-0.4	-0.1	-1.5	-0.1
Tax paid	-0.3	0.5	-0.3	-0.3	-0.2	-0.1	-0.2
Net operating cash flow, continuing operations	3.7	-3.1	-11.0	29.6	6.4	-4.9	11.1
Net operating cash flow, discontinued operations	0.5		-0.7		-1.8		-1.3
Net operating cash flow	**4.2**	**-3.1**	**-11.7**	**29.6**	**4.6**	**-4.9**	**9.8**
INVESTMENT CASH FLOW							
Investments in intangible and tangible assets	-1.0	-3.7	-0.7	-2.8	-2.0	-2.1	-0.3
Sale of intangible and tangible assets	1.6	1.6	1.5	1.9	2.4	0.5	1.0
Investments in other assets	0.0	-1.0	-25.0	0.0	0.0	0.0	0.0
Proceeds from the sale of other investments	0.0	25.9	0.0	0.0	0.0	0.0	0.0
Net investment cash flow, continuing operations	0.6	22.8	-24.2	-0.9	0.4	-1.6	0.7
Net investment cash flow, discontinued operations							
Net investment cash flow	**0.6**	**22.8**	**-24.2**	**-0.9**	**0.4**	**-1.6**	**0.7**
FINANCIAL CASH FLOWS							
Decrease in non-current debt (-)	0.0	-20.0	0.0	0.0	0.0	-30.0	0.0
Increase in short-term financing (+)	0.0	0.0	0.0	0.0	0.0	-0.2	0.2
Decrease in short-term financing (-)	0.0	-0.1	0.0	-0.2	0.0	-0.2	-0.1
Repayments of financial leasing liability	0.0	0.0	0.0	0.0	0.0	0.1	-0.1
Net financial cash flow, continuing operations	0.0	-20.1	0.0	-0.2	0.0	-30.2	0.0
Net financial cash flow, discontinued operations							
Net financial cash flow	**0.0**	**-20.1**	**0.0**	**-0.2**	**0.0**	**-30.2**	**0.0**
Change in cash and cash equivalents	**4.7**	**-0.4**	**-35.9**	**28.5**	**5.0**	**-36.7**	**10.5**
Cash and cash equivalents at beginning of financial period	24.8	25.2	61.1	32.5	27.5	64.2	53.7
Effect of exchange rate changes				0.1			
Cash and cash equivalents at end of financial period	29.5	24.8	25.2	61.1	32.5	27.5	64.2

GROUP´S KEY FIGURES
IFRS

MEUR	**7-9/2013**	**7-9/2012**	**1-9/2013**	**1-9/2012**	**1-12/2012**
Revenue, continuing operations	156.0	156.2	346.4	372.7	507.3
Change from previous year, %	-0.1	2.6	-7.1	6.9	3.0
Operating profit for the period, continuing operations	13.2	10.3	13.4	14.4	14.0
% of revenue	8.5	6.6	3.9	3.9	2.8
Result for the period, continuing operations	9.9	10.9	9.2	12.9	11.1
% of revenue	6.3	7.0	2.7	3.5	2.2
Result for the period	10.4	11.3	11.4	13.2	10.8
Gross investments	1.0	2.0	6.4	4.4	7.3
% of revenue	0.6	1.3	1.8	1.2	1.4
Balance sheet total			211.2	231.6	223.5
Equity			81.8	72.9	69.4
Equity ratio, % 1)			43.2	36.6	35.2
Net gearing, % 2)			-22.2	-1.6	-40.5
Interest-bearing liabilities			11.4	31.3	32.9
Current Ratio 3)			1.2	1.2	1.3
Quick Ratio 4)			1.1	1.1	1.3
Return on equity, % 5)			12.0	11.9	16.8
Return on investment, % 6)			15.7	11.2	12.5
Earnings per share, EUR	15.32	16.63	16.79	19.36	15.90
Equity per share, EUR			120.3	107.2	102.1
Average personnel			1 526	1 613	1 591
Occupational accidents resulting in absence from work *)			10.7	16.2	15.6
Order book			672.5	646.4	600.8
Research and development expenses			2.4	1.6	2.9
% of other operating expenses			8.4	5.5	6.9

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

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	30.9.2013	30.9.2012	31.12.2012
Liabilities with mortgages as collateral			
Loans from financial institutions		0.1	
Mortgages given		0.4	
Bank quarantees	90.2	87.9	84.4
Leasing liabilities			
Within one year	3.3	2.7	2.9
Within more than one year and less than five years	4.2	4.3	4.5
Within more than five years		0.1	0.1
Total	7.5	7.1	7.5

GROUP'S CARRYING AMOUNTS OF FINANCIAL ASSETS AND LIABILITIES
IFRS

MEUR	30 Sep 2013	31 Dec 2012
Financial assets		
Available-for-sale financial assets		
Available-for-sale financial assets (level 3)	2.1	1.7
Financial assets at fair value through profit or loss		
Current		
Trade and other receivables (level 2)	48.7	32.0
Cash and cash equivalents (level 2)	29.5	61.1
Financial liabilities		
Financial liabilities at fair value through profit or loss		
Interest rate swaps, in hedge accounting (level 2)	0.4	1.7
Other derivatives - not in hedge accounting (level 2)	0.1	0.1
Financial liabilities valued at amortized acquisition cost		
Non-current		
Loans from financial institutions, interest-bearing (level 2)	10.2	30.2
Financial leasing liability, interest-bearing (level 2)	0.6	0.8
Current		
Loans from financial institutions, interest-bearing (level 2)	0.0	0.1
Financial leasing liability, interest-bearing (level 2)	0.2	0.2
Trade payables and other liabilities (level 2)	56.6	63.6

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.

SHARES AND SHAREHOLDERS

Shareholder	Number of shares	%	Voting right	Share capital EUR
State of Finland	680 000	100,0	1 vote/share	17 000 000

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