



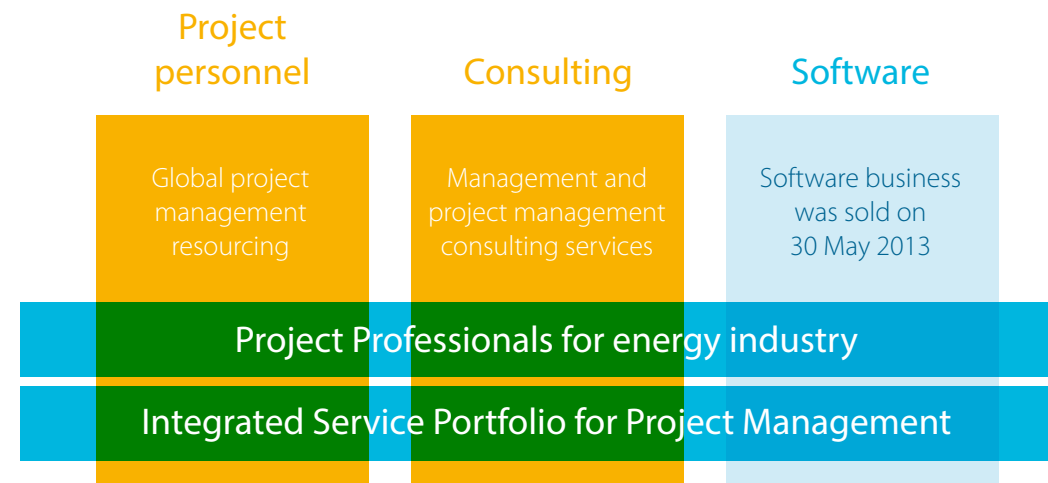
# Annual Report 2013

# Index

<b>Index</b>	<b>3</b>	21 Shareholders' Equity	45
Key Figures 2013	4	22 Share-Based Compensation	46
Dovre Group in Brief	5	23 Non-Current Financial Liabilities	48
Growth in net sales continued	6	24 Current Financial Liabilities	48
Dovre Group's Strategy 2013-2017	7	25 Trade Payables and Other Liabilities	48
CEO's Overview	8	26 Current Provisions	48
Consultants to oil and gas industry in 23 countries	10	27 Financial Instruments at Fair Value	49
Demand for consulting services remained strong in Norway	11	28 Financial Risk and Capital Structure Management	50
Personnel	12	29 Other Rental Agreements	52
Stock Exchange Releases in 2013	13	30 Commitments and Contingent Liabilities	52
Investor Relations	14	31 Subsidiaries	53
		32 Related Party Transactions	53
<b>The Report of the Board of Directors and Financial Statements 1 January - 31 December 2013</b>			
<b>1. The Report of the Board of Directors</b>	<b>16</b>	<b>3. Financial Statements of the Parent Company, FAS</b>	<b>56</b>
<b>2. Group Financial Statements According to International Financial Reporting Standards (IFRS)</b>	<b>23</b>	Parent Company Income Statement, FAS	57
Consolidated Statement of Comprehensive Income, IFRS	23	Parent Company Balance Sheet, FAS	58
Consolidated Statement of Financial Position, IFRS	24	Parent Company Cash Flow Statement, FAS	59
Consolidated Statement of Cash Flows, IFRS	25	Notes to the Parent Company Financial Statements	
Consolidated Statement of Changes in Shareholders' Equity, IFRS	26	1 Accounting Principles	59
Notes to the Consolidated Financial Statements, IFRS	27	2 Net Sales	59
1 Brief Company Description and Accounting Principles	27	3 Other Operating Income	60
2 Operating Segments	31	4 Material and Services	60
3 Net Sales	33	5 Employee Benefits Expense	60
4 Other Operating Income	33	6 Depreciation, Amortization, and Impairment Losses	60
5 Material and Services	33	7 Auditor Fees	61
6 Employee Benefits Expense	34	8 Financing Income and Expenses	61
7 Depreciation and Amortization	34	9 Intangible Assets	62
8 Other Operating Expenses	35	10 Tangible Assets	62
9 Financing Income and Expenses	35	11 Investments	63
10 Income tax	36	12 Non-Current Receivables	64
11 Discontinued Operations	37	13 Current Receivables	64
12 Earnings per Share	38	14 Shareholders' Equity	65
13 Intangible Assets	39	15 Provisions	65
14 Goodwill	40	16 Non-Current Liabilities	66
15 Tangible Assets	41	17 Current Liabilities	66
16 Investments in Associates	41	18 Commitments and Contingent Liabilities	66
17 Non-current Trade and Other Receivables	42		
18 Deffered Tax Assets and Liabilities	43	<b>4. Key Figures and Financial Development 2009-2013</b>	<b>68</b>
19 Trade and Other Receivables	44	<b>5. Shares and Shareholders</b>	<b>72</b>
20 Cash and Cash Equivalents	44	<b>6. Signature for Financial Statements</b>	<b>76</b>
		<b>7. Auditor's Report</b>	<b>77</b>
		<b>Corporate Governance Statement 2013</b>	<b>79</b>

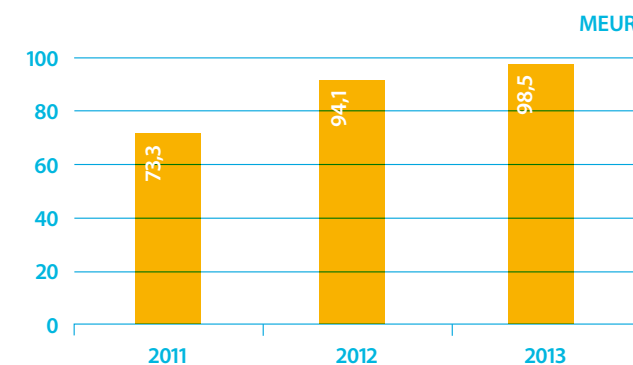
# Key Figures 2013

## Our business areas in 2013



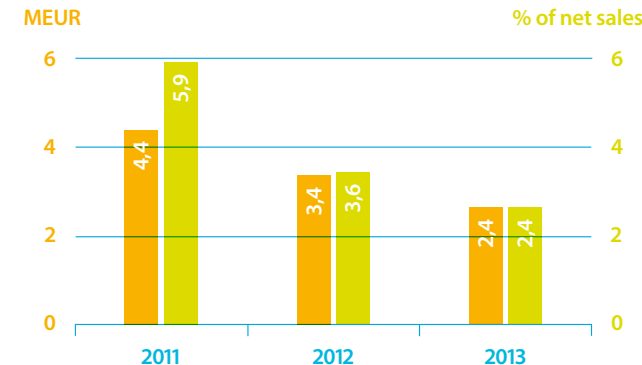
Software business area is reported under discontinued operations as of the fourth quarter of 2012.

## Net sales \*)



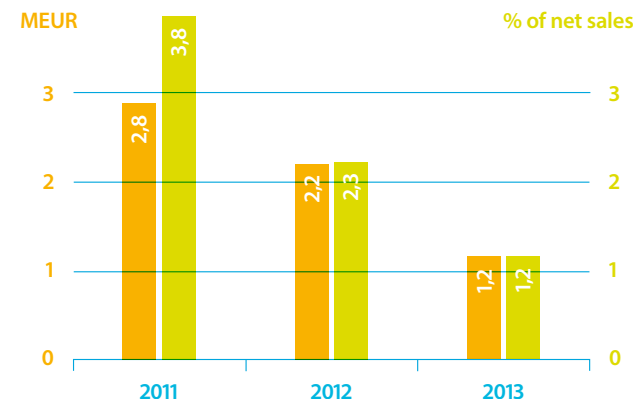
\* excluding software business which was sold in May 2013

## Operating profit \*)



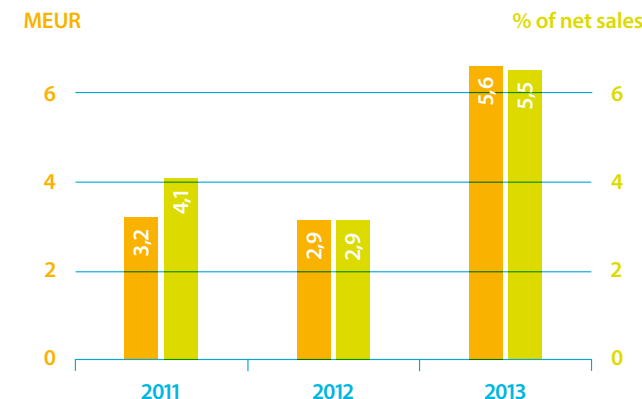
\* excluding software business which was sold in May 2013

## Result for the period \*)



\* excluding software business which was sold in May 2013

## Result for the period including discontinuing operations



# Dovre Group in Brief

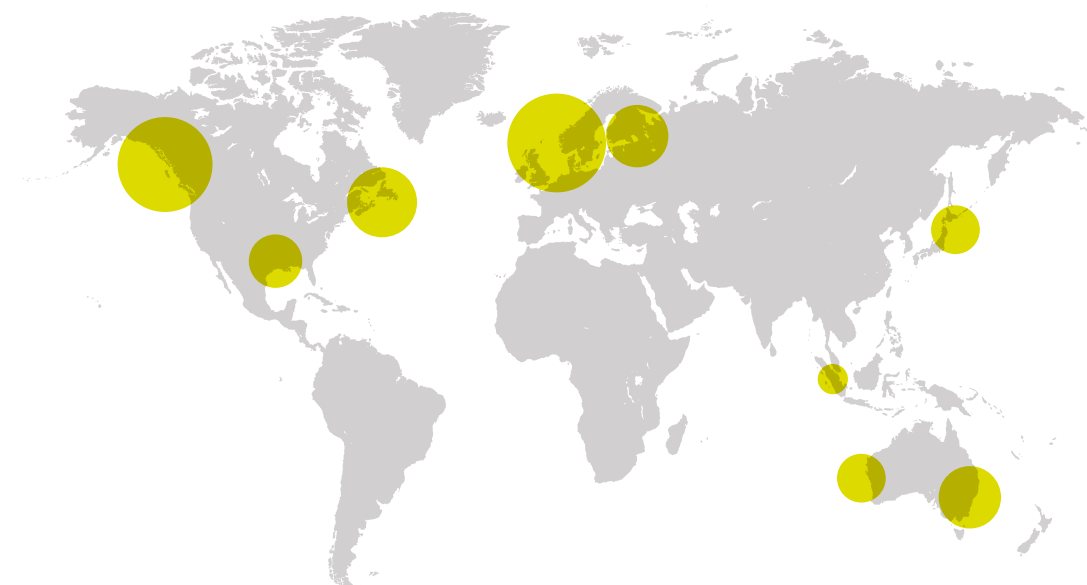
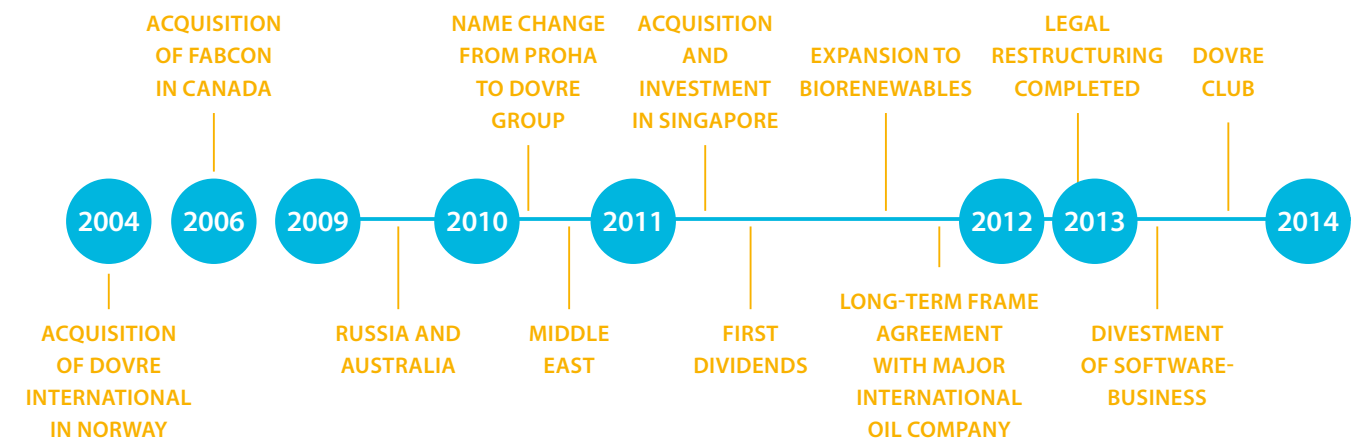
Dovre Group Plc is a Finnish company that provides professional services to the energy industry worldwide. Dovre Group has two business areas: Project Personnel and Consulting.

Dovre Group's Project Personnel business area has over 30 years of experience as a global provider of energy industry professionals, especially for the oil and gas industry. The Group's Consulting business area, operating in the Nordic countries, provides management and project management expertise for the development and execution of major investment projects.

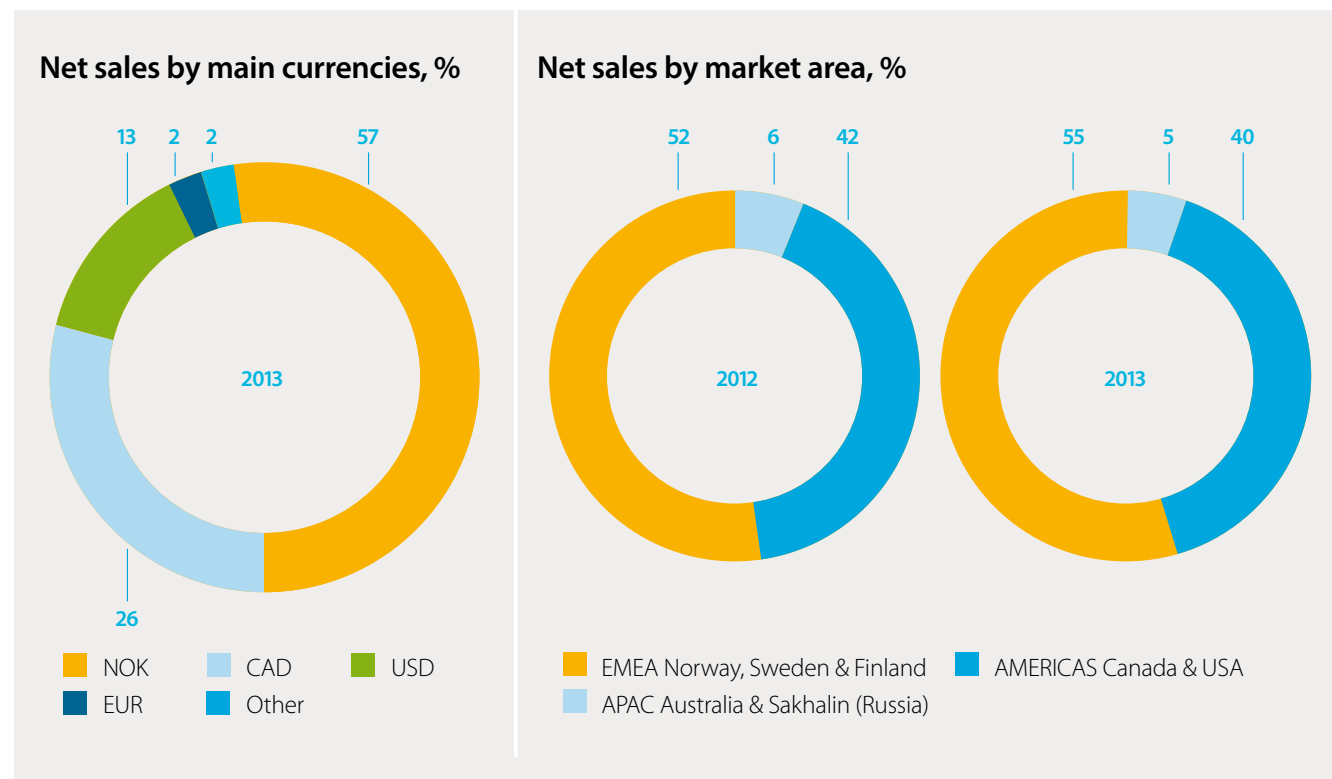
In 2013, Dovre Group's net sales were EUR 98.5 million. The Group's net sales increased by 4.8% from 2012. In local currencies, growth in net sales was approximately 10%. Project personnel business accounted for 91% and consulting services for 9% of the Group's net sales. In 2013, the Group's operating result was EUR 2.4 million. Dovre Group employs around 470 people working in 24 countries.

Dovre Group aims to become the most advanced international player in its field.

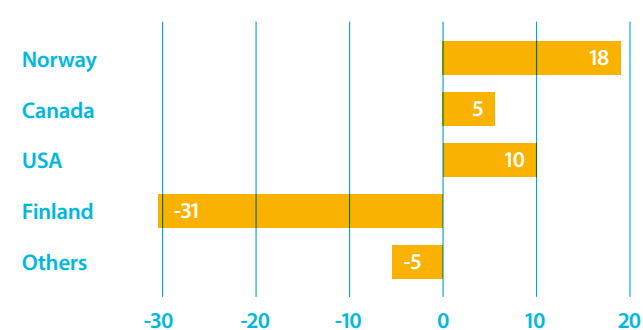
## Dovre Group's development



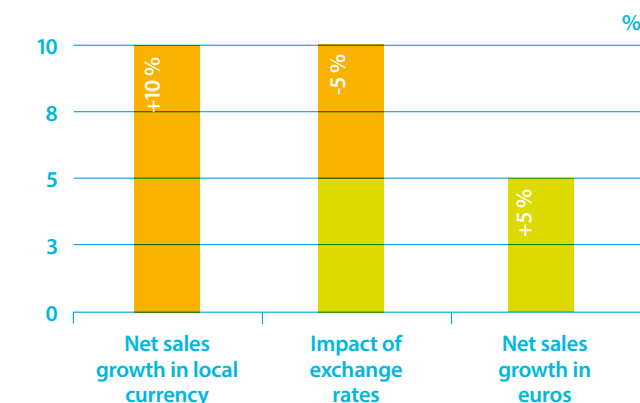
## Growth in net sales continued



### Net sales growth in local currency by market area



### Impact of exchange rates



## Dovre Group's Strategy 2013-2017

Dovre Group defined a new strategy and updated its long-term financial objectives in January 2013. In accordance with the new strategy, Dovre Group will focus on providing project management services, covering project personnel and consulting, to the energy sector worldwide. Dovre Group aims to become the most advanced player in its field.

Project Personnel seeks to develop its operations further by building up a state-of-the-art recruiting and service platform

based on the latest technology. Consulting Business Group will continue its expansion to renewables, with initial focus on biorenewables. To strengthen and support our expansion interesting partnerships and selective acquisitions will be considered.

The company's longterm financial objective is an operating profit margin on the level of 5-10% with an average annual net sales growth of more than 15%.

### Our mission

Dovre Group's mission is to provide world-class project management services for major investment projects. We offer project resources and project management knowledge to all players in the energy sector, both in conventional and in renewable energy sources. Our service offering covers our customers'

### Our strengths

- Project management competence for complex projects
- In-depth understanding of energy markets
- Established vendor in global growth markets

### Our vision

We will become the most advanced provider of specialized project management services in the energy sector globally.

### Our strategic development

- Expand and strengthen Consulting business
- Implement new business platform for Project Personnel
- Build Group-wide excellence and strong Dovre Group brand



## CEO's overview Dovre Group's business developed positively



Dovre Group started the year 2013 with a strategy update. In accordance with our new strategy, we will focus on providing professional services to the energy industry, especially the oil and gas sector. In addition to oil and gas, our project personnel is also involved, for example, in hydropower and large-scale infrastructure projects.

As part of our new strategy, we disposed of our software business in Norway, and the sale of our software company Safran Software Solutions was completed in May 2013. However, we still have substantial software expertise, utilized day-to-day in our project management consulting and in developing our project personnel business.

Our net sales developed positively throughout the year. Net sales in euros increased by 4.8%, while net sales in local currencies increased by approximately 10%. Geographically, net sales growth was strongest in Norway. Our net sales in 2013 totalled EUR 98.5 million.

Project Personnel, our largest business area with an approximately 90% share of our net sales, increased its net sales by approximately 6%. In local currencies, the growth in net sales was 11%. Net sales for our Consulting business area decreased by 6% in euros and

by 4% in local currencies. Strengthening of the euro against local currencies in our key markets had a negative impact on our euro net sales, especially in the second half of 2013, as only 2% of Dovre Group's net sales are in euros.

Our operating result in 2013 was EUR 2.4 million, or 2.4% of net sales. Excluding non-recurring items and changes in currency exchange rates, our operating result was EUR 3.3 million. Profitability of our Project Personnel business area was affected by corrective items relating to previous periods and by restructuring costs in Australia, both reported in early 2013. Project Personnel's profitability was also affected by investments in developing the Dovre Club service platform. In the Consulting business area, profitability decreased due to the difficult market situation in Finland and Sweden as well as the business area's challenges in biorenewables consulting in the beginning of the year.

Our most important development project of the year – Dovre Club – was launched to the market in October. As an advanced online service platform for recruitment and sales, Dovre Club is an essential part of our quest to become the most advanced player in the field. Including sophisticated tools for business and market analysis, it will significantly strengthen our internal processes. We will continue developing the service in 2014.

Our long-term work to expand our market in the Middle East bore fruit at the end of 2013, when our first assignments in the area kicked off. One of the highlights of the year took place in the final quarter of 2013 when our associate SaraRasa Bioindo started commercial renewable fuel production in Indonesia.

*"In recent years, Dovre Group has streamlined its organization and sharpened its strategy."*

In recent years, Dovre Group has streamlined its organization and sharpened its strategy. I believe that we are now in a much better position to reach our goal to become the most advanced international provider of project personnel in the energy sector. As a reliable and experienced partner in major investment projects, and especially in project management, in the Nordic countries, we will also work to strengthen our consulting activities.

I expect our business to develop positively also in 2014. Investment levels in the energy sector are expected to remain stable. Energy sector professionals will be in high demand as consumption of energy increases and new energy production methods are being developed.

I want to thank Janne Mielck for his excellent work over the past year and I wish our new CEO Patrick von Essen welcome to Dovre Group. I also want to extend my thanks to all Dovre Group employees as well as to all our clients, investors, and partners.

A stylized, handwritten signature in blue ink, belonging to Tarja Leikas.

**Tarja Leikas**  
**CFO and acting CEO**

# Project Personnel

## Providing consultants to clients in oil and gas industry in 23 countries

### Dovre Club, a result of extensive development work, improves customer experience and quality of operations

Dovre Group's Project Personnel business area specializes in flexible deployment of high quality project professionals in large investment projects. The Group has over 30 years of experience in the oil and gas industry. Project Personnel's main markets are Norway, Canada and the US.

Originally, Dovre Group served the oil and gas industry in the North Sea, but has expanded its business throughout the years. Today the company operates globally from its main hubs in Norway, US, Canada, Abu Dhabi/United Arab Emirates, Russia, and Australia. At the end of 2013 Dovre employed project personnel in 23 countries.

### Personnel business is about trust and loyalty

Dovre Group's main customers include some of the world's leading multinational and national oil and gas companies. Dovre Group provides project personnel also for other energy sectors, such as hydropower, and for large infrastructure projects.

Projects in the oil and gas industry typically last for several years or even decades and involve investments worth billions of euros. Clients use experienced project personnel to complement their own staff in different phases of field development and projects. The length of assignments often varies from a couple of months to several years and can involve several project locations. Drilling, engineering, construction, and commissioning are typically split into several contracts and different countries. It is becoming more and more important for companies like Dovre to be able to serve their clients globally and throughout the different phases of a project.

The global project personnel market consists of a small number of international companies and several smaller local players. Positive market situation and low entry level have attracted new service providers in recent years. The main assets in the business are not only the right personnel and the price of services, but also short response times and reliability.

Dovre Group's vision is to become the most advanced project personnel company in the world. What this means is that Dovre wants to develop into a company with the most advanced ways of operating in the project personnel business, including the utilization of latest technologies and the social media. World class technological expertise is based on the Group's strong experience in information technology and its utilization in business processes.

### Net sales improved

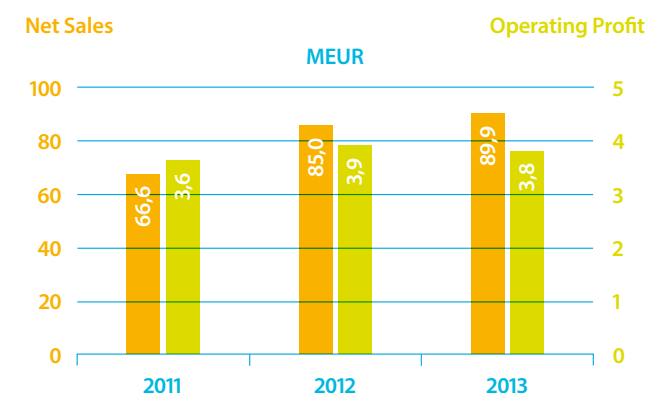
General economic insecurity has not significantly affected investment levels among Project Personnel business area's customers in the oil and gas industry. The net sales of Dovre Group's Project Personnel business area increased by 6 percent in 2013, reaching EUR 89.9 (85.0) million. In local currencies, the growth in net sales was 11 percent. The operating result was EUR 3.8 (3.9) million, or 4.2 (4.6) percent of net sales. Project Personnel's profitability was affected by the investments made in business development as well as by items relating to previous periods and by restructuring costs in Australia.

The average number of personnel employed by the Project Personnel business area was 411 (379). At the end of the year, Project Personnel employed 416 (401) personnel.

In 2013, Dovre Group strengthened its operations in the Middle East by signing new frame agreements with large local oil companies.

Business was developed according to the Group's new strategy released in January 2013. One of the major steps in the technical development was the launch of Dovre Club, the Group's new service platform, in October 2013. Dovre Club is an online service platform that enables oil and gas professionals to keep their professional profiles up-to-date and to carry out administrative tasks relating to their contracts and assignments. Dovre Club features also the first global online loyalty program in the sector, rewarding members for example for referring new colleagues to join the program. One of the aims of the program is to commit the best professionals to Dovre. Modern technology provides opportunities to make personnel business even more personal.

The new service platform also offers modern tools for strengthening business performance and automating business processes, with the aim to improve the quality of operations and customer experience.



### Competition for professionals tightens

Dovre Group's project personnel business follows growth in the energy sector. According to ExxonMobil, global energy demand will be almost 35% higher in 2020 than it was in 2005. As energy consumption increases, the oil and gas industry moves on to exploit ever more challenging oil and gas deposits. What is more, the use of renewable energy sources is likely to increase.

A growing challenge within the oil and gas industry in general is the personnel's increased average age and the diminished interest of younger generations in the profession. As a result, and coupled with increased energy consumption, competition for project professionals is tightening. At the same time, clients and contractors prefer to deal with only a small number of service providers at a time.

## Consulting

### Demand for consulting services remained strong in Norway.

Dovre Group's Consulting business area provides management and project management services for the development and execution of major investment projects. Our clients include both private companies and public organizations. We operate in Finland, Sweden, and Norway.

Dovre Group's consulting services cover both strategic and operational expertise in project management and project management practices and tools. The assignments range from implementing changes in IT system work practices to improving processes for annual nuclear power plant maintenance. The assignments typically last for a couple of months.

There is a variety of companies, with different service portfolios and of various sizes, providing management and project management services in the Nordic countries. Some of these focus on project management IT tools while others provide management expertise or sector-specific knowhow.

In this market, Dovre Group's strengths are its project management expertise and its experience in major investment projects, both assets that make its service offering scalable to a variety of sectors. Particularly in Finland and Sweden, Dovre Group's project management consulting often involves the deployment and implementation of project management software. Dovre is known in the field as an expert and reliable partner.

Dovre Group aims to develop its consulting services with a focus on customer intimacy, flexibility, and innovativeness. Selective acquisitions may be considered to support expansion.

As well as utilizing the latest technology in its operations, Dovre Group's competitive edge in the ever more competitive project personnel market is the Group's strong experience and flawless reputation as a trustworthy partner. Being smaller in size than many of its global competitors, Dovre Group is an agile player, able to react to clients' needs in a timely manner and to adapt quickly to changing market situations. Dovre believes that by offering young oil and gas professionals a business and recruitment environment which is familiar to them, we have the best of possibilities to succeed in the competition for the best professionals.

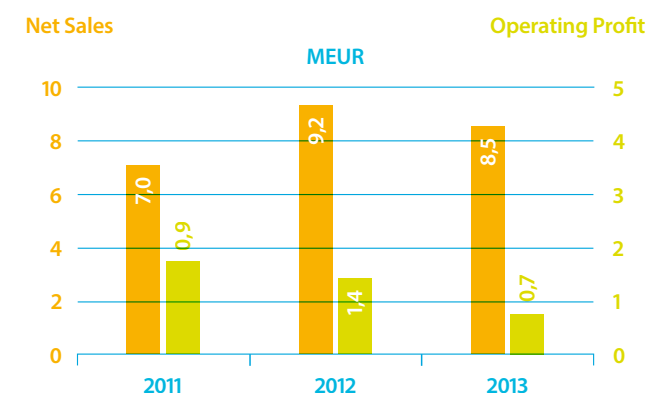
Dovre Group estimates that the demand for project personnel remains steady in the year 2014, but customers are increasingly cost-conscious and prudent in their investment projects. The competition creates pressure on profitability.

### Market environment challenging in Finland and Sweden

Demand for management and project management services is influenced by general economic climate and especially investment levels in the industrial sector.

In Finland and Sweden, general economic insecurity has resulted in lower investment levels, and the demand for consulting services decreased in 2013. At the same time, companies have started to divide large investment projects into smaller individual undertakings.

In Norway, both industry investment and the construction market developed positively. Also Dovre Group's consulting business developed well in Norway. Dovre Group's management consulting has a strong position in Norway as a partner both to companies in the energy industry and to the public administration. For example, Dovre Group is one of the four companies carrying out external independent review of major public investment projects for the Norwegian public sector. As the



positive market situation has attracted new players in the sector, one of the challenges Dovre Group has faced in Norway is the availability of expert personnel.

In 2013, the net sales of Dovre Group's Consulting business area were EUR 8.5 (9.2) million. Net sales decreased by 7 percent in euros. In local currencies, net sales decreased by 4 percent. The operating result was EUR 0.7 (1.4) million, or 8.2 (15.2) % of net sales. Profitability decreased due to the difficult market situation in Finland and Sweden and the business area's challenges in biorenewables consulting in the beginning of the year. The average number of personnel employed by the Consulting business area was 49 (50). At the end of the year, Consulting employed 53 (54) personnel.

## Personnel

In 2013, Dovre Group employed on average 469 (434) people. At the end of the year the Group employed 468 (461) people, 5 (5) of whom were employed by the Group's corporate functions, 416 (401) by Project Personnel, and 49 (54) by Consulting.

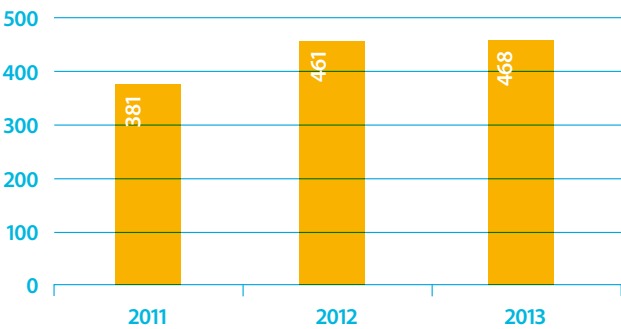
At the end of the year, 55 employees worked in sales, marketing, or administration and 413 employees in consulting, with the number of consulting employees including also project personnel employed in client projects. 41 (40) % of project personnel were independent contractors.

At the end of 2013, we employed project personnel in 24 countries: Australia, Cameroon, Canada, China, Finland, France, Ghana, Indonesia, Irak, Italy, Liberia, Malesia, Norway, Papua New Guinea, Poland, Romania, Russia, Singapore, South Korea, Spain, the UAE, hte UK and the US. The length of project assignments often varies from a couple of months to several years.

Dovre Group's Project Personnel business area operates from its hubs in Australia, Canada, Finland, Norway, Russia, Abu Dhabi in the UAE, and the US. Dovre Group's Consulting business operates in Finland, Norway, and Sweden.

Dovre Group conducts a monthly review of project personnel's safety at work. In 2013, no incidents were reported to the company.

### Personnel



### Differences in the Nordic markets evening out

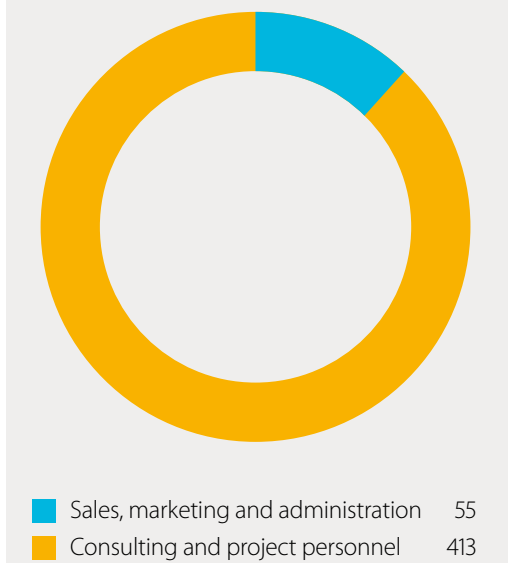
Dovre Group expects the market for project management services to grow steadily in the long-term. Demand for services is expected to grow due to increased energy consumption, the exploitation of energy deposits in ever more challenging environments, the increasingly global nature of construction and investment projects as well as calls for increased cost-effectiveness of projects and processes.

In 2014, Dovre Group expects the demand for consulting services to increase moderately in Finland and Sweden towards the end of the year. While the rate of growth in the Norwegian economy is expected to level down in 2014, the market outlook for consulting services in 2014 remains positive in Norway.

Dovre Group has a universal code of conduct, applicable to all Group employees, that outlines the Group's basic values and principles. The code covers principles and procedures relating to equality and discrimination, local laws, ethical principles, health care, nondisclosure, privacy protection, customer relations, corruption, and payments. The code of conduct is distributed to all employees representing Dovre Group and is also available for the Group's employees on the Group's intranet and on Dovre Club.

Dovre Club, the Group's new service platform, was launched in the second half of 2013. As one of its main features, Dovre Club enables the Group to maintain and develop an up-to-date and comprehensive database of its project personnel employees, thus also improving the Group's ability to respond to customer requests in more timely and accurate manner.

### Personnel by function



## Stock Exchange Releases in 2013

20 Dec. 2013	Change in Dovre Group's Board of Directors	14 Mar. 2013	Decisions of the annual generals meeting of Dovre Group PLC
20 Dec. 2013	Dovre Group financial reporting in 2014	21 Feb. 2013	Dovre Group's annual report 2012 published
16 Dec. 2013	Patrick von Essen appointed as Dovre Group's new CEO	14 Feb. 2013	Notice of the annual general meeting
23 Oct. 2013	Dovre Group interim report (IFRS) January 1 – September 30, 2013	14 Feb. 2013	Dovre Group financial statements (IFRS) January 1 – December 31, 2012
25 Sept. 2013	Dovre Group's interim report to be released earlier	1 Feb. 2013	Dovre Group's briefing on financial statements 2012 and new strategy
16 Aug. 2013	Tarja Leikas appointed as Dovre Group's CFO	25 Jan. 2013	Cancellation of Dovre Group PLC's 2010A and 2010B stock options
25 July 2013	Dovre Group interim report (IFRS) January 1 – June 30, 2013	25 Jan. 2013	Dovre Group's board decided on new stock option plan 2013
19 June 2013	Dovre Group lowers its profit guidance for 2013	25 Jan. 2013	Dovre Group's new executive team
4 June 2013	Change in Dovre Group's Executive Team	25 Jan. 2013	Dovre Group's new strategy for 2013 - 2017
30 May 2013	Dovre Group completes the divestment of Safran		
25 Apr. 2013	Dovre Group interim report (IFRS) January 1 – March 31, 2013		
12 Apr. 2013	Increase in number of shares in Dovre Group PLC		
5 Apr. 2013	Dovre Group PLC's share subscription price with stock options 2013A and market value of the option series		

All Stock Exchange Releases are available on the company's website at [www.dovregroup.com](http://www.dovregroup.com) > investors



# Investor Relations

## Dovre Group's investor relations

The objective of Dovre Group's investor relations is to ensure that the market has, at all times, access to correct and sufficient information concerning the company's financial position and operations in order to determine the value of the company's share.

Up-to-date information about Dovre Group as investment is available on the company's website [www.dovregroup.com](http://www.dovregroup.com) under Investors.

Dovre Group reports quarterly on its financial performance in accordance with the International Financial Reporting Standards (IFRS).

## Dovre Group's financial reporting in 2014

- Interim report January 1 – March 31, 2014 (Q1) on Thursday, April 24, 2014
- Interim report January 1 – June 30, 2014 (Q2) on Thursday, July 24, 2014
- Interim report January 1 – September 30, 2014 (Q3) on Thursday, October 23, 2014

Dovre Group's Annual General Meeting will be held at Suomalainen Klubi in Helsinki (address: Kansakoulukuja 3) on Thursday, March 27, 2014, at 2.30pm.

To obtain Dovre Group's financial statements and interim reports, please call +358-20-436 2000 or email [info@dovregroup.com](mailto:info@dovregroup.com)

## Contact information

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[info@dovregroup.com](mailto:info@dovregroup.com)

Dovre Group Plc is listed on the  
NASDAQ OMX Helsinki (symbol DOVIV).  
For more information, please visit:  
[www.nasdaqomxnordic.com](http://www.nasdaqomxnordic.com).

**NASDAQ OMX**



The Report of the Board  
of Directors



# 1. The Report of the Board of Directors

## Jan.1–Dec. 31, 2013 (IFRS)

### Key Figures

MEUR	2013	2012	2011
<b>Continuing operations</b>			
Net sales	98.5	94.1	73.3
Operating result	2.4	3.4	4.4
% of net sales	2.4 %	3.6 %	5.9 %
Result for the period	1.2	2.2	2.8
<b>Continuing and discontinued operations*</b>			
Net cash flow	3.2	2.8	2.0
Gearing, %	-50.0	-27.0	-34.6
Result for the period	5.6	2.9	3.2
% of net sales	5.5 %	2.9 %	4.1 %
Earnings per share, EUR			
Basic	0.09	0.05	0.05
Diluted	0.09	0.05	0.05

\* The Group's Software business area, which was sold on May 30, 2013, has been reported under discontinued operations as of the fourth quarter of 2012.

Dovre Group Plc is an international company providing professional services to the energy industry. Dovre Group has two business areas: Project Personnel and Consulting. Dovre Group consists of the Group's Finnish parent Dovre Group Plc and its fully-owned operational subsidiaries in Australia, Canada, Norway, Russia, Singapore, Sweden, the UK, and the US. Dovre Group Plc also has two associated companies, SaraRasa Biomass Pte. Ltd. and SaraRasa Bioindo Pte.Ltd., in Singapore. The Group's associates' net sales are not included in the Group's net

sales. The Group's share of results in associates is included in the Group's result.

In accordance with the Group's strategy, released in January 2013, the Group aims to become the most advanced international player in its field. The company's long-term financial objective is an operating profit margin on the level of 5-10% with an average annual net sales growth of more than 15%.

### Group Financial Statements

General global economic insecurity has not significantly affected investment levels among Project Personnel business area's customers in the energy industry. In the Consulting business area, demand for management and project management consulting services in Finland and Sweden has decreased due to low investment levels in the industrial sector. In Norway, demand for consulting services has remained high.

In 2013, the Group's net sales developed positively throughout the year. Net sales grew 4.8% in euros, but in local currencies growth in net sales was approx. 10%. Geographically, net sales growth was strongest in Norway. The strengthening of the euro

in relation to local currencies in the Group's key markets had a negative impact on the Group's euro net sales, especially in the second half of 2013. Only 2% of the Group's net sales were in the Group's reporting currency. The Group's net sales in 2013 were EUR 98.5 million.

The Group's operating result in 2013 was EUR 2.4 million, which is 2.4% of net sales. Excluding extraordinary items, our operating result was EUR 3.0 (3.4) million.

In accordance with the Group's strategy, released in January 2013, the company decided to discontinue its software business in Norway, and the sale of Safran Software Solutions AS was completed according to plan in May 2013.

The Group's long-term work to expand its market in the Middle East bore fruit at the end of 2013, when first assignments in the area started. The Group's associate SaraRasa Bioindo started commercial renewable fuel production in Indonesia in the final quarter of 2013.

### Net sales and profitability

In 2013, Dovre Group's net sales increased by 4.8%, totaling EUR 98.5 (94.1) million. In local currencies, growth in net sales was approx. 10%. Project Personnel accounted for 91 (90) % and Consulting for 9 (10) % of the Group's net sales.

Net sales for Project Personnel increased by approx. 6% in euros, totaling EUR 89.9 (85.0) million. In local currencies, Project Personnel's net sales increased 11%. Net sales for Consulting decreased by approx. 7%, totaling by 11% EUR 8.5 (9.2) million. In local currencies, net sales for Consulting decreased by 4%.

By market area, EMEA's (Finland, Norway, and Sweden) net sales totaled EUR 54.2 (49.2) million, accounting for 55 (52) % of the Group's net sales in 2013. Net sales for AMERICAS (Canada and the US) were EUR 39.2 (39.4) million, accounting for 40 (42) % the Group's net sales. Net sales for APAC (Sakhalin in Russia and Australia) were EUR 5.2 (5.5) million, accounting for 5 (6) % the Group's net sales. Operations in Australia were cut down in the beginning of the year.

In 2013, the Group's operating result was EUR 2.4 (3.4) million. Project Personnel business area's operating result was EUR 3.8 (3.9) million. Consulting business area's operating result was EUR 0.7 (1.4) million. The operating result of Other functions was EUR -1.8 (-1.6) million. Intra-Group service charges were EUR 0.9 (0.8) million.

The Group's profitability was affected by extraordinary items relating to previous periods and by restructuring costs in Australia in the Project Personnel business area as well as costs relating to the change of the Group's CEO. In the Consulting business area, decrease in the operating result was due to the difficult market situation in Finland and Sweden and challenges in entering the market in biorenewables.

### Cash flow, financing, and investments

On December 31, 2013, the Group balance sheet total was EUR 40.7 (40.5) million.

The Group's cash and cash equivalents totaled EUR 13.7 (9.3) million at the end of the financial year. In addition, the parent company and the subsidiaries have unused credit limits. The Group's cash and cash equivalents increased by EUR 4.4 (1.3) million during January – December 2013, EUR 3.9 million of which was due to the sale of Safran Software Solutions AS in May 2013.

The equity ratio was 62.3 (56.8) %. The debt-equity ratio (gearing) was -50.0 (-27.0) %. On December 31, 2013, the in-

The Group's most important development project of the year, Dovre Club, was launched to the market in October. Dovre Club is an advanced online service platform for recruiting and sales with sophisticated tools for business and market analysis.

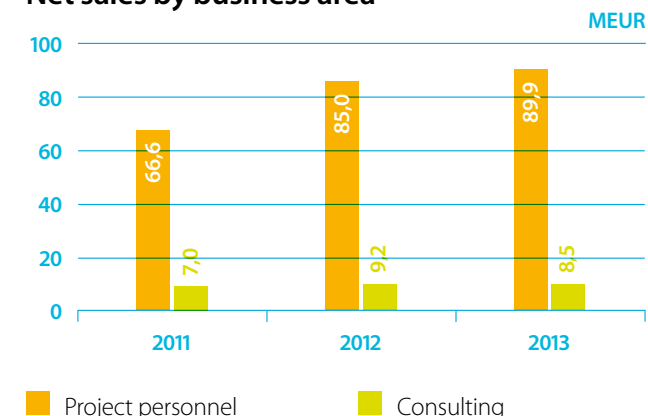
In 2013, the operating result of the Group's discontinued operations, which includes the Group's Software business area, was EUR 0.4 (0.9) million. The Group's Software business area has been reported under discontinued operations as of the fourth quarter of 2012. The disposal of the Software business area was completed on May 30, 2013.

In 2013, result before taxes for the Group's continuing operations was EUR 2.0 (3.2) million including the Group's share, EUR -0.3 (-0.2) million, of the results of its associates SaraRasa Biomass Pte Ltd. and SaraRasa Bioindo Pte Ltd.

In 2013, result after taxes for the Group's continuing operations and including discontinued operations was EUR 5.6 (2.9) million. Taxes for continuing operations totaled EUR -0.8 (-1.0) million. Discontinued operations accounted for EUR 4.3 (0.7) million of the Group's result.

The Group's earnings per share including discontinued operations was EUR 0.09 (0.05). The Group's return on average capital employed before taxes was 10.2 (15.9) %.

### Net sales by business area



terest-bearing liabilities amounted to EUR 1.0 (1.3) million, accounting for 2.6 (3.2) % of the Group's shareholders' equity and liabilities. Of the interest-bearing liabilities, EUR 0.0 (0.0) million were non-current and EUR 1.0 (1.3) million current.

The net cash flow from operating activities for the Group's continuing operations was EUR 3.7 (1.9) million. The net cash flow from operating activities including discontinued operations was EUR 3.2 (2.8) million, which includes EUR 0.9 (-0.9) million change in working capital. EUR 1.2 (0.9) million were paid in taxes.

The net cash flow from investing activities was EUR 3.5 (-1.4) million, and including disposal of shares in Group companies, net of disposed cash, EUR 3.9 million. Gross investments totaled EUR 0.4 (1.7) million. Gross investments in 2012 include the Group's investment, EUR 1.5 million, in a project development company based in Singapore and in the company's first development project.

## Research and development

The Group's research and development costs were EUR 0.2 (0.1) million, representing 0.2 (0.1) % of the Group's net sales.

## Management

Patrick von Essen was appointed Dovre Group's new CEO on December 16, 2013. Von Essen, who is currently Vice President, Real Estate, at Fiskars Plc, will assume his position during the spring 2014. Dovre Group's CFO Tarja Leikas has served as the Group's acting CEO since December 17, 2013. Jan-Erik Mielck served as the Group's CEO until December 16, 2013.

At the end of the financial year, the Group's Executive Team was Tarja Leikas (acting CEO and CFO), Arve Jensen (EVP,

The net cash flow from financing activities was EUR -1.4 (-0.2) million. The Group drew new current loans worth of EUR 0.2 (0.4) million. During the period under review, the Group paid a total of EUR 1.3 (0.6) million in dividends.

The balance sheet goodwill totaled EUR 7.0 (7.8) million on December 31, 2013. No indications of impairment of assets exist.

Project Personnel), and Petri Karlsson (EVP, Consulting). The following changes took place in the Group's Executive Team in 2013: Mikko Marsio and Juha Pennanen were members of the Executive Team until January 25, 2013. Heidi Karlsson served as the Group's CFO and member of the Executive Team until September 3, 2013. Tarja Leikas started as the Group's new CFO and a member of the Executive Team on September 16, 2013. Jan-Erik Mielck served as member and Chairman of the Executive Team until December 16, 2013.

## Personnel

In 2013, the average number of personnel employed by the Group's continuing operations was 469 (434), 5 (5) of whom were employed by the Group's corporate functions.

On December 31, 2013, Dovre Group employed 468 (461) people, 49 (54) of which were employed by Consulting and 416 (401) by Project Personnel. In the Project Personnel business area, 41 (40) % of all employees were independent contractors.

In 2013, the Group's personnel expenses for continuing operations were EUR 85.9 (80.2) million. The personnel expenses of the Project Personnel business area were EUR 77.6 (72.6) million. The personnel expenses of the Consulting business area were EUR 6.9 (6.7) million. The personnel expenses of Other functions were EUR 1.4 (0.9) million.

## Shares and Shareholders

On December 31, 2013, Dovre Group's share capital was EUR 9,603,084.48 and the total number of shares 62,915,751. Increase in the number of shares during the financial year, 20,000, was due to the registration on April 12, 2013 of new shares subscribed for with the company's 2010A stock option plan. The increase has been recorded in the company's reserve for non-restricted equity.

Dovre Group has two open stock option plans: Stock option plan 2010 and stock option plan 2013. Both option plans are divided into three series, with each series including a maximum of 1,000,000 stock options, and each stock option entitling the holder to subscribe for one share in Dovre Group Plc.

In its meeting on January 24, 2013, the Board of Directors of Dovre Group Plc decided to cancel a total of 345,000 2010A stock

Dovre Group's key employees. By the end of the financial year, the Group had granted a total of 725,000 stock options under the 2013 stock option plan. The share subscription price and subscription period per series are as follows:

- Option series 2013A: Subscription price EUR 0.54, subscription period March 1, 2015 – February 29, 2018
- Option series 2013B: Subscription price is the trade volume weighted average rating during February 1 – March 31, 2014, subscription period March 1, 2016 – February 28, 2019
- Option series 2013C: Subscription price is the trade volume weighted average rating during February 1 – March 31, 2015, subscription period March 1, 2017 – February 28, 2020

## Holdings of the Board of Directors and management

On December 31, 2013, members of the Group's Board of Directors owned directly 3,089,540 shares in the company, representing 4.9% of all shares and votes. Including holdings through controlled companies and the ownership of under-aged children and/or family members living in the same household, members of the Board held a total of 4,934,540 shares in the company, representing 7.8% of all shares.

## Decisions of the Annual General Meeting and the authorizations of the Board of Directors

Dovre Group Plc's Annual General Meeting, held on March 14, 2013, adopted the financial statements for 2012, discharged the members of the Board of Directors and the CEO from liability for the financial year ending on December 31, 2012, and decided on other matters falling within its competence in accordance with the Board of Directors' proposal. In addition, the Annual General Meeting resolved that the company's registered office shall be situated in Helsinki, Finland.

The Annual General Meeting held on March 14, 2013, authorized the Board of Directors to decide on the repurchase of a maximum of 6,200,000 of the Company's own shares. The repurchase authorization is valid until June 30, 2014.

In addition, the Annual General Meeting decided to authorize the Board of Directors to decide on the issuance of shares as

In January – December, 2013, 16.1 (9.2) million Dovre Group shares were exchanged on the NASDAQ OMX Helsinki Ltd., corresponding to a trade of EUR 7.7 (3.9) million. The lowest quotation was EUR 0.38 (0.32) and the highest EUR 0.59 (0.58). On December 31, 2013, the closing quotation was EUR 0.48 (0.53).

The period-end market capitalization was approximately EUR 30.2 (33.3) million.

On December 31, 2013, the number of registered shareholders of Dovre Group Plc totaled 3,064 (2,927) including 9 nominee registers. 0.7 (0.9) % of the Group's shares are nominee-registered.

On December 31, 2013, the Group's acting CEO Tarja Leikas held, together with her family members and through her controlled companies, a total of 10,422 shares in the company and a total of 100,000 stock options granted under the 2013 stock option plan. Jan-Erik Mielck, the Group's CEO until December 16, 2013, held a total of 50,000 shares in the company and a total of 725,000 stock options on December 16, 2013.

well as the issuance of special rights. By virtue of the authorization, the Board is entitled to decide on the issuing of a maximum of 12,400,000 new shares. Additionally, the Board is authorized to grant special rights entitling to shares should there be weighty financial reasons for doing so. The Board is entitled to decide on the conveying of a maximum 6,200,000 own shares held by the Company. The number of shares to be issued to the Company shall not exceed 6,200,000 including the number of own shares acquired by the Company by virtue of the authorization to repurchase the Company's own shares. The maximum number of shares to be thus issued is 5,000,000 whereby this maximum number is included in the maximum number of shares noted above. The authorization is valid until June 30, 2014.

## Corporate governance

Dovre Group Plc's Annual General Meeting, held on March 14, 2013, set the number of Board members to five. At the end of the financial year, the Chairman of the Board was Hannu Vaajoensuu, Vice Chairman Rainer Häggblom, and members of the Board Ilari Koskelo, Ossi Pohjola, and Anja Silvennoinen. All members of the Board were independent of the company and

its major shareholders. In 2013, the Board convened 16 times, with an attendance rate of 95%.

In December 2013, board member Anja Silvennoinen announced her resignation, effective on January 1, 2014, from the Board of Directors. Ms Silvennoinen resigned in order to avoid any conflict of interest between her membership in Dovre

Group's Board of Directors and her new position at Pöyry Management Consulting Ltd.

Until the Annual General Meeting on March 14, 2013, the Board of Directors consisted of Hannu Vaajoensuu (Chairman), Antti Manninen, Ilari Koskela, Leena Mäkelä, and Ossi Pohjola.

In accordance with the decision of the Annual General Meeting, the Chairman of the Board is paid an annual compensation of EUR 35,000, the Vice Chairman EUR 25,000, and other members of the Board EUR 22,000.

Authorized public accountants Ernst & Young Oy continued as the Group's auditor, with APA Mikko Järventausta as the auditor in charge.

### Short-term risks and uncertainties

The success of the Group's Project Personnel business area is influenced by the energy sector market as well as investment levels in the oil and gas industry. The business area expands its business to new geographical market areas. Growth in new market areas requires investments and includes risks. The business area's identified main risks are maintaining its overall competitiveness, profitability, and its key resources in an ever more competitive market environment. Project Personnel business is project-based by nature, thus adding an element of uncertainty to forecasting.

The oil and gas industry in general involves risks, and single projects may experience delays or other unexpected events. Such situations may affect the operating result of the Project Personnel business area. Dovre Group is responsible for the work performed by its consultants. However, the company has no overall responsibility for project deliveries.

In the Consulting business area, current market outlook in Norway remains positive, while uncertainty in the export industry in Finland and Sweden may continue to influence demand for consulting services. The business area has expanded into the renewable energy market, which involves investments and includes risks. Project delivery also involves minor risks due to both customers and the Group's own personnel such as project delays or loss of key personnel.

Dovre Group Plc complies with the Corporate Governance Code of the Finnish Securities Market Association. Dovre Group follows the recommendations of the Finnish Corporate Governance Code with the following exception: There are no separate committees of the Board, because the size of the Group's operations and of the Board do not necessitate the preparation of matters in smaller groups than the composition of the Board.

The Corporate Governance Statement for 2013 has been issued separately from the Report of the Board of Directors. Dovre Group's corporate governance principles are included in the Group's annual report and are available on the company's investor pages at [www.dovregroup.com](http://www.dovregroup.com).

Dovre Group has two major customers, each of which accounts for more than 10% of the Group's net sales. The Group has extensive delivery agreements with these clients and is thus dependent on its key customers and the long-term frame agreements signed with them.

Dovre Group has invested in a new company, SaraRasa Bioindo Pte. Ltd., based in Singapore. Risks involved in the start-up phase, such as organizational set-up, construction of production capacity, legal and regulatory issues, commercial agreements, and feedstock purchase and end-product sale agreements have diminished as the company has started operations. As the company's production unit is located in Indonesia, the company is exposed to high political risk.

The Group's reporting currency is euro. The Group's most important functional currencies are the Canadian dollar, the Norwegian crown, and the US dollar. Currency fluctuations can affect the company's net sales. Assets and liabilities in foreign currencies can also result in foreign exchange gains or losses. The Group is hedging its currency positions.

The Group's operations do not involve significant environmental risks relating to the Group. The Group's operations do not have significant direct environmentally detrimental effects.

### Future outlook

General economic insecurity has not affected investment levels among Project Personnel business area's customers in the oil and gas industry and we expect demand for the business area's services to remain strong in key market areas also in 2014. Market demand supports opportunities for growth, but the competitive market still creates pressure on profitability.

In the Group's Consulting business area, current market outlook in Norway remains positive. However, Norway's strong economic growth is expected to slow down in 2014.

In Finland and Sweden, demand for consulting services decreased in 2013 due to low investment levels especially in the export industry. The Group expects moderate increase of customer demand in 2014.

In 2014, the Group's net sales are expected to grow and operating result to improve from 2013.

### Events after the period

No material events have taken place after the end of the financial year.

### The Board of Directors' proposal for dividend

The parent company's distributable funds are EUR 15,816,710.91. The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.02 per share to be paid, corresponding to EUR 1,258,215.00 based on the total number of shares (62,915,751). The Board also proposes an extraordinary dividend of EUR 0.05 per share to be paid, corresponding to EUR 3,145,537.55.

The Board of Directors proposes that the dividend and the extraordinary dividend are paid to a shareholder who on the record date of April 1, 2014 is registered as a shareholder in the company's shareholders' register maintained by Euroclear Finland Ltd. The dividend is paid on April 8, 2014.

No significant changes have occurred in the company's financial position after the end of the financial year. The company's liquidity is good, and the proposed distribution of dividend poses no risk to the company's financial standing.

Helsinki, Finland, February 13, 2014

DOVRE GROUP PLC  
BOARD OF DIRECTORS



# Group Financial Statements According to International Financial Reporting Standards (IFRS)

## 2. Group Financial Statements According to International Financial Reporting Standards (IFRS)

### Consolidated Statement of Comprehensive Income, IFRS

EUR THOUSAND	NOTE	JAN. 1 - DEC. 31, 2013	JAN. 1 - DEC. 31, 2012
<b>NET SALES</b>	2, 3	<b>98,544</b>	<b>94,069</b>
Other operating income	4	132	87
Material and services	5	-274	-219
Employee benefits expense	6	-85,857	-80,183
Depreciation and amortization	7	-402	-428
Other operating expenses	8	-9,736	-9,907
<b>OPERATING RESULT</b>		<b>2,407</b>	<b>3,419</b>
Financing income	9	478	351
Financing expenses	9	-552	-374
Share of results in associates	12	-294	-156
<b>RESULT BEFORE TAX</b>		<b>2,039</b>	<b>3,240</b>
Tax on income from operations	10	-825	-1 033
<b>RESULT FOR THE PERIOD, CONTINUING OPERATIONS</b>		<b>1,214</b>	<b>2,207</b>
<b>Discontinued operations:</b>			
Result for the period, discontinued operations	11	4 349	662
<b>RESULT FOR THE PERIOD</b>		<b>5,563</b>	<b>2,869</b>
<b>Other comprehensive income:</b>			
Translation differences		-2 014	290
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>3,549</b>	<b>3,159</b>
Earnings per share calculated from profit attributable to shareholders of the parent company:			
Earnings per share, undiluted (EUR), continuing operations		0.02	0.04
Earnings per share, diluted (EUR), continuing operations		0.02	0.03
Earnings per share, undiluted (EUR), discontinued operations		0.07	0.01
Earnings per share, diluted (EUR), discontinued operations		0.07	0.01
Earnings per share, undiluted (EUR), result for the period	12	<b>0.09</b>	<b>0.05</b>
Earnings per share, diluted (EUR), result for the period	12	<b>0.09</b>	<b>0.05</b>
Average number of shares:			
Undiluted	12	62,910,751	62,895,751
Diluted	12	63,225,292	63,063,235

## Consolidated Statement of Financial Position, IFRS

EUR THOUSAND	NOTE	DEC. 31, 2012	DEC. 31, 2012
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Intangible assets	13	754	856
Goodwill	14	6,972	7,803
Tangible assets	15	145	123
Investments in associates	16	967	1,296
Trade receivables and other receivables	17	26	25
Deferred tax asset	18	306	121
<b>NON-CURRENT ASSETS</b>		<b>9,170</b>	<b>10,224</b>
<b>CURRENT ASSETS</b>			
Trade receivables and other receivables	19	16,854	19,201
Tax receivable, income tax		24	41
Cash and cash equivalents	20	13,737	7,503
<b>CURRENT ASSETS</b>		<b>30,615</b>	<b>26,745</b>
Assets held for sale	11, 16	933	3,553
<b>TOTAL ASSETS</b>		<b>40,718</b>	<b>40,522</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	21	9,603	9,603
Reserve for invested non-restricted equity	21	352	346
Revaluation reserve	21	21	79
Translation differences		-907	1,101
Retained earnings		16,297	11,884
<b>SHAREHOLDERS' EQUITY</b>		<b>25,366</b>	<b>23,013</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liability	18	609	799
Other long-term liabilities	23	26	25
<b>NON-CURRENT LIABILITIES</b>		<b>635</b>	<b>824</b>
<b>CURRENT LIABILITIES</b>			
Short-term liabilities, interest-bearing	24	1,048	1,286
Trade payables and other liabilities	25	13,077	13,010
Tax liability, income tax		564	761
Current provisions	26	28	0
<b>CURRENT LIABILITIES</b>		<b>14,717</b>	<b>15,057</b>
Liabilities held for sale	11	0	1,628
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>40,718</b>	<b>40,522</b>

## Consolidated Statement of Cash Flows, IFRS

EUR THOUSAND	NOTE	2013	2012
<b>Cash flow from operating activities</b>			
Operating result, continuing operations		2,407	3,419
Operating result, discontinued operations		4,432	883
Adjustments:			
Gain on disposal of investment	4, 11	-4,080	-5
Depreciation/Amortization	7, 11	404	433
Personnel expenses	4	292	0
Other non-monetary items		8	65
<b>Adjustments, total</b>		<b>-3,376</b>	<b>493</b>
Changes in working capital:			
Trade and other receivables, increase (-) / decrease (+)		-1,486	-3,934
Trade and other payables, increase (+) / decrease (-)		2,342	2,986
<b>Changes in working capital, total</b>		<b>856</b>	<b>-948</b>
Interest paid		-26	-59
Interest received		74	77
Other financial expenses paid and received		38	-132
Income taxes paid		-1,167	-915
<b>Net cash generated by operating activities</b>		<b>3,238</b>	<b>2,818</b>
<b>Cash flow from investing activities</b>			
Investments in tangible and intangible assets		-384	-184
Disposal of shares in Group companies, net of disposed cash		3,932	0
Purchase of shares in associates		-11	-1,485
Proceeds from available-for-sale financial assets		0	80
Increase (-) / decrease (+) in loans receivable		0	218
<b>Net cash generated by investing activities</b>		<b>3,537</b>	<b>-1,371</b>
<b>Cash flow from financing activities</b>			
Stock options exercised		6	0
Proceeds from short-term loans		216	448
Repayments of short-term loans		-404	-16
Dividends paid		-1,258	-629
<b>Net cash generated by financing activities</b>		<b>-1,440</b>	<b>-197</b>
<b>Change in cash and cash equivalents</b>		<b>5,335</b>	<b>1,250</b>
Translation differences		-905	116
Cash and cash equivalents at the beginning of the period		9,307	7,941
<b>Cash and cash equivalents at the end of the period</b>	20	<b>13,737</b>	<b>9,307</b>

# Consolidated Statement of Changes in Shareholders' Equity, IFRS

Equity attributable to the shareholders of the parent

EUR THOUSAND	SHARE CAPITAL	RESERVE FOR INVESTED NON-RESTRICTED EQUITY	REVALUATION RESERVE	TRANSLATION DIFFERENCES	RETAINED EARNINGS	TOTAL EQUITY
SHAREHOLDERS' EQUITY Jan. 1, 2012	9,603	346	127	818	9,524	20,418
Comprehensive income						
Result for the period					2,869	2,869
Other comprehensive income						
Items that may be reclassified to profit and loss in subsequent periods:						
Translation differences			7	283		290
Transfers between items			-55		55	0
Total comprehensive income	0	0	-48	283	2,924	3,159
Transactions with shareholders						
Share based compensation					65	65
Dividend distribution					-629	-629
Total transactions with shareholders	0	0	0	0	-564	-564
SHAREHOLDERS' EQUITY Dec. 31, 2012	9,603	346	79	1,101	11,884	23,013

Equity attributable to the shareholders of the parent

EUR THOUSAND	SHARE CAPITAL	RESERVE FOR INVESTED NON-RESTRICTED EQUITY	REVALUATION RESERVE	TRANSLATION DIFFERENCES	RETAINED EARNINGS	TOTAL EQUITY
SHAREHOLDERS' EQUITY Jan. 1, 2013	9,603	346	79	1,101	11,884	23,013
Comprehensive income						
Result for the period					5,563	5,563
Other comprehensive income						
Items that may be reclassified to profit and loss in subsequent periods:						
Translation differences			-6	-2,008		-2,014
Transfers between items			-52		52	0
Total comprehensive income	0	0	-58	-2,008	5,615	3,549
Transactions with shareholders						
Share based compensation					56	56
Stock options exercised		6				6
Dividend distribution					-1,258	-1,258
Total transactions with shareholders	0	6	0	0	-1,202	-1,196
SHAREHOLDERS' EQUITY Dec. 31, 2013	9,603	352	21	-907	16,297	25,366

# Notes to the Consolidated Financial Statements, IFRS

## 1. BRIEF COMPANY DESCRIPTION AND ACCOUNTING PRINCIPLES

### BRIEF COMPANY PRESENTATION

Dovre Group is a global provider of project management services. The Group's parent, Dovre Group Plc, is a Finnish public company incorporated under Finnish law and domiciled in Helsinki, Finland. The company's registered address is Unioninkatu 20-22, 00130 Helsinki, Finland. Dovre Group Plc's shares are traded in NASDAQ OMX Helsinki Ltd. (symbol DOVIV).

Dovre Group's Board of Directors has approved these financial statements for release in its meeting on February 13, 2014. In accordance with the Finnish Companies Act, the shareholders of the company have the option to approve or to reject the financial statements in the General Meeting to be held following the release of the financial statements. The General Meeting may also decide to alter the financial statements. A copy of the consolidated financial statements of Dovre Group is available at [www.dovregroup.com](http://www.dovregroup.com) or at the company's office at Unioninkatu 20-22, 00130 Helsinki, Finland.

### ACCOUNTING PRINCIPLES

#### Basis of Preparation

The consolidated financial statements of Dovre Group have been prepared in accordance with the International Financial Reporting Standards (IFRS). In preparing the financial statements, the IAS and IFRS standards and SIC and IFRIC interpretations effective on December 31, 2013 have been followed. In accordance with the Finnish Accounting Act and the regulations issued by virtue of it, 'IFRS' refers to the standards and interpretations, which have been endorsed by the EU in accordance with the procedure defined in the EU Regulation (EC) No. 1606/2002. The notes to the consolidated financial statements have also been prepared in accordance with the requirements in Finnish accounting legislation and Community law that complement IFRS regulations.

The Group applies the following new or revised standards as appropriate: IAS 1 *Presentation of Financial Statements* (amendment); IFRS 7 *Financial Instruments: Disclosures* (amendment); IFRS 13 *Fair Value Measurement* (new); and annual improvements. As the Group has no defined benefit plans, the amended IAS 19 *Employee Benefits* has no impact on the Group's result, financial position, or disclosure.

The consolidated financial statements have been prepared under the historical cost convention unless otherwise stated. Monetary figures in the financial statements are expressed in thousands of euros (EUR) unless otherwise stated.

The preparation of consolidated financial statements under IFRS requires management to make certain estimates and use judgment when applying accounting principles. The section 'Critical Accounting Estimates and Judgments' presents the judgments made by management when applying the Group's accounting principles and those items on which judgments have had a significant impact.

### Principles of Consolidation

#### Subsidiaries

The consolidated financial statements include the parent company, Dovre Group Plc, and all its subsidiaries. Subsidiaries are companies in which the Group holds, either directly or indirectly, control. Control arises when the Group either controls more than half of the voting rights or otherwise holds control. Subsidiaries acquired are included in the consolidated financial statements from the date on which the Group has obtained control and subsidiaries sold up to the date that the Group's control has ceased.

Mutual shareholdings are eliminated using the acquisition method. The acquisition consideration and the acquired company's identifiable assets acquired and liabilities assumed are measured at fair value on the date of acquisition.

All intra-Group transactions, receivables, liabilities, and unrealized profit as well as the distribution of profits within the Group have been eliminated in the consolidated financial statements.

The allocation of the result for the period between the shareholders of the parent company and non-controlling interest is disclosed in the income statement. The share of equity of non-controlling interest is presented as a separate line item in the statement of financial position. The share of non-controlling interest is not disclosed in the statement of financial position, if the parent company or its subsidiary has a call option or other agreement, which gives the Group present access to financial benefits associated with the ownership.

For business combinations achieved in stages, previous shareholdings are measured at fair value and any profit or loss derived is recognized through the income statement. Should the Group lose control in a subsidiary, the remaining investment is measured at fair value on the date of expiry of control and the difference recognized through the income statement. Businesses acquired before January 1, 2010 have been treated in accordance with the prevailing standards at that time. The Group made no acquisitions in 2010-2013.

#### Associated companies

Associated companies are companies in which the Group has significant influence. Significant influence arises when the Group controls more than 20% of a company's voting rights or when the Group otherwise has significant influence but no control. Associated companies are consolidated in the Group's financial statements under the equity method.

The Group's share of results in associates is presented as a separate line item below the Group's operating result in the consolidated statement of income, because the operations of the Group's associated companies are not continuous to the Group's operations. The Group's share of changes in the associates' other comprehensive income is included in the Group's other comprehensive income.

### Foreign Currency Translation

For individual Group companies, items included in the financial statements are recognized in the functional currency of the company in question. Consolidated financial statements are presented in euros, which is the functional and presentation currency of the parent company.



*Foreign currency transactions*

Transactions in foreign currencies are recorded at the rates of exchange prevailing on the date of transaction. In practice, transactions are often translated at the exchange rate that approximates the rate of the transaction date. At the end of the accounting period, monetary assets and liabilities are translated at the rate of exchange prevailing on the balance sheet date.

Foreign exchange gains and losses relating to business transactions as well as exchange rate gains and losses resulting from translating monetary items have been entered in the income statement and are presented under financial income and expenses. In accordance with IAS21.15, the Group recognizes exchange rate differences arising from receivables, which have been classified as part of the Group's net investment in a foreign subsidiary, as other comprehensive income.

*Translation of foreign currency financial statements*

The income statements of the Group's foreign subsidiaries are translated into euros at the weighted average exchange rate of the financial period and the items in the statement of financial position at the exchange rate of the balance sheet date. Using different exchange rates for income statement items and financial position items results in a translation difference, which is recorded in the Group's other comprehensive income. Translation differences arising from the elimination of the acquisition cost of foreign subsidiaries and the translation of the accumulated equity items after the acquisition are also recognized in other comprehensive income.

As of the IFRS effective date of January 1, 2004, the translation differences in equity resulting from exchange rate fluctuations have been entered as a separate item in the Group's statement of changes in equity. Translation differences accumulated prior to the effective date have been entered in the Group's retained earnings as allowed by the exemption in IFRS 1.

**Tangible Assets**

Tangible assets are stated at historical cost, less accumulated depreciation and impairment losses.

Tangible assets include machinery and equipment. Depreciation is calculated on a straight-line basis over the expected economic useful lives of the assets. The estimated depreciation period is 3-5 years.

Gains and losses on disposal of tangible assets are included in either other operating income or other operating expenses.

**Intangible Assets**

*Goodwill*

For business combinations after January 1, 2010, goodwill corresponds to that portion of the acquisition cost that consists of the combined amount of consideration, non-controlling interest, and previous ownership interest and that exceeds the Group's share of the fair value of the net assets of the acquired company. Acquisitions of companies between January 1, 2004, and December 31, 2009, are accounted in accordance with previous IFRS standards (IFRS 3 (2004)). For acquisitions prior to 2004, goodwill corresponds to the book value determined in accordance with previous accounting standards. This book value is used as the deemed cost as defined by IFRS.

Goodwill is not amortized but is tested annually for possible impairment for which purpose goodwill has been allocated to groups of cash generating units. Goodwill is stated at the historical acquisition

cost less any impairment. Goodwill arising in connection with the acquisition of foreign subsidiaries has been translated into euros at the rate of exchange on the balance sheet date.

*Research and development costs*

Research and development is expensed as incurred in the income statement. Development costs for new products and product versions with significant improvements are recognized as an asset after the product is technically and commercially feasible and future economic gain can be expected. Capitalized development costs include those development, testing, and material costs that are the immediate consequence of finalizing the product for its intended use. The useful life of capitalized development costs is 2-4 years, during which the capitalized costs are recognized as an expense using the straight-line method. Amortization begins at the release of a product version. In-process development projects are tested for impairment at the end of the financial period.

*Other intangible assets*

Other intangible assets include customer contracts and customer relations as well as software and capitalized expenditure related to software. Intangible assets are recognized in the statement of financial position when the recognition criteria specified in IAS 38 are met.

Intangible assets with limited useful economic lives are initially recognized at historical acquisition cost in the statement of financial position and entered as an expense in the income statement during their estimated useful economic lives using the straight-line method. No amortization is recognized for intangible assets with indefinite useful economic lives, but they are tested annually for impairment. The Group does not presently have intangible assets with indefinite useful economic lives.

The Group's share of the Norwegian Dovre Group AS grew to 100% after the Group acquired the remaining 60% of the company's shares in 2004. A portion of the acquisition cost was allocated to customer agreements and relations in accordance with the definition of intangible assets in IAS 38. The Group had acquired 40% of the company prior to the effective date of IFRS standards, January 1, 2004. In accordance with the exemption allowed by IFRS 1, the Group did not apply IFRS 3 retrospectively to acquisitions that were made prior to the effective date of January 1, 2004. Since the Group had applied, as appropriate, the provisions included in IFRS 3 concerning the acquisition of companies in stages, the fair values of customer agreements and customer relations in intangible assets related to the previous 40% ownership by the Group were adjusted in accordance with IFRS 3 according to the fair values on the date of acquisition of the remaining shares (60%). Adjustments to the fair values related to the previously acquired share (40%) were treated as revaluations in accordance with IFRS 3.

The useful economic life of customer agreements and customer relations is estimated at 10 years. The useful economic life of other intangible assets is estimated at 3-5 years.

**Leases**

Lease agreements have been classified as finance leases and other leases in accordance with IAS 17. Lease agreements where the lessee bears a substantial portion of the risks and benefits of ownership are classified as finance leases. Lease agreements where the lessor retains a significant portion of the risks and benefits of ownership are classified as other leases.

The Group has no finance lease agreements. The Group's other leases include cars and office equipment. Payments under other leases are recognized as expenses in the income statement on a straight-line basis over the lease period.

**Impairment of Tangible and Intangible Assets**

The carrying values of goodwill and of in-process intangible assets are reviewed annually for impairment. In addition, assets and cash-generating units are tested regularly for indications of possible impairment. Should any such indication arise, the recoverable amount of the asset or cash-generating unit is estimated. An impairment loss is recognized in the income statement, if the book value of the asset or cash-generating unit exceeds the recoverable amount.

**Employee Benefits**

*Employee benefits expense*

In addition to customary employee benefits expense, the Group's employee benefits expense includes also expenses related to independent contractors in the Project Personnel business area. The Group acts as a principal towards its clients and, depending on the situation, the project personnel contracted to the client are either employees of the Group or independent contractors.

*Pension liabilities*

The Group operates various pension plans in accordance with local regulations and practices. In accordance with IAS 19, pension plans are classified as either defined contribution plans or defined benefit plans. The Group's current pension plans are defined contribution plans. Contributions to defined contribution plans are charged to the statement of income in the period to which these contributions relate. The defined benefit plan of the Group's Norwegian subsidiary was changed to a defined contribution plan in 2011.

*Share-based compensation*

Dovre Group has share-based incentive plans for its key employees. The fair value of option rights is determined at the grant date and recognized as an expense over the vesting period on a straight-line basis. The fair value of the options granted is measured using the Black & Scholes pricing model. When option rights are exercised, the payments received for share subscriptions, as adjusted by possible transaction costs, are recognized in the reserve for invested non-restricted equity in accordance with the terms of the option plan in question.

**Provisions**

Provisions are recognized when the Group has, as a result of past events, a current legal or constructive obligation, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

**Income Taxes and Deferred Taxes**

The Group's tax expense in the income statement includes taxes based on taxable income for the financial year and deferred taxes. The tax on taxable income for the financial year is calculated from taxable profit with reference to a valid tax rate in accordance with the tax legislation of the country of operation. Deferred taxes are calculated based on the tax rate applicable on the balance sheet date.

Deferred taxes are provided for temporary differences arising between the carrying amount of assets and liabilities and their tax bases. Deferred tax liabilities are recognized in the balance sheet in full, and deferred tax assets to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. Deferred tax is recognized neither for temporary differences that arise from goodwill that is not deductible for tax purposes nor for undistributed earnings of subsidiaries to the extent that the reversal of temporary differences is not probable in the foreseeable future. Most significant temporary differences arise from fair value measurements made in connection with acquisitions and from subsidiaries' undistributed earnings.

**Revenue Recognition**

The Group's sales include the sale of services and licenses, and maintenance. Revenue from sales is recognized in accordance with IAS 18. Revenue from services sold is recognized when the services have been rendered, including all related travel expenses invoiced to the client. Revenue from licenses sold is recognized upon granting of user rights when all the main risks and rewards of license ownership have been transferred to the buyer. Revenue from maintenance is allocated to the contract period.

**Other Operating Income**

Other operating income includes proceeds from rental revenue, gains on disposal of fixed and financial assets, and public funding. Public funding is recognized when it is reasonably certain that the terms related to funding are met and that the funding will be received.

**Financial Assets and Liabilities**

*Financial assets*

In accordance with IAS 39 *Financial Instruments: Recognition and Measurement*, the Group classifies its financial assets into the following categories: financial assets at fair value through profit or loss; held-to-maturity investments; loans and receivables; and available-for-sale financial assets. The Group has no held-to-maturity investments.

Loans and receivables are recognized at amortized cost. They are presented in the balance sheet as either current or non-current assets, with the latter including assets the maturity of which exceeds 12 months. An impairment loss for doubtful receivables is recognized, if there is objective evidence that the receivable is unrecoverable in full. Allowances for trade receivables are recorded in a separate account. An impairment loss for loans and other receivables is recorded against their carrying value.

The Group's available-for-sale financial assets include unquoted shares, which are measured at fair value or, when fair value cannot be reliably determined, at acquisition cost. Changes in fair value of the Group's available-for-sale financial assets are recognized through other comprehensive income and presented, as adjusted for tax effect, in the fair value reserve of equity. Cumulative gain or loss for available-for-sale financial assets previously recognized in other comprehensive income is included in the profit or loss for the period when the asset is sold or impaired. When there is no quoted market price for available-for-sale financial assets, their fair value is determined by other means. The Group does not seek to determine the fair value of the Group's available-for-sale financial assets if dif-

ferences in valuations of the fair values of unquoted financial assets are significant and the probability of different valuations cannot be reasonably estimated.

Cash and cash equivalents

Cash and cash equivalents include cash in bank and other liquid investments with maturity of three months or less.

Derivative financial instruments

The Group hedges receivables and liabilities denominated in foreign currency with different currency forward and option contracts. Derivatives are initially recognized under other receivables or payables at fair value on the date of trade. Outstanding derivatives are subsequently remeasured at their fair value at each balance sheet date and the resulting gain or loss is immediately recognized in the income statement under financial items. In determining the fair value of a derivative, the appropriate quoted market price is used if available. Alternatively, fair value is determined using commonly used valuation methods. Dovre Group does not apply hedge accounting.

Financial liabilities

In accordance with IAS 39, financial liabilities are initially recognized on the basis of the original consideration received, less transaction costs, and subsequently measured at amortized cost using the effective interest rate method. The Group's financial liabilities are non-current and current, and they can be interest-bearing or non-interest-bearing. Interest expenses are recognized in the income statement as incurred. Financial liabilities are recognized as current unless the Group retains the right to reschedule the date of payment to a date that is at least 12 months from the end of the financial period.

Critical Accounting Estimates and Judgments

The preparation of consolidated financial statements requires the Group management to make estimates and assumptions that may differ from actual results. Also, the management is required to use judgment when applying accounting principles. The estimates are based on the best information available at the balance sheet date.

The Group's estimates and assumptions relate to the valuation of assets, impairment of trade receivables, deferred taxes, and provisions. The Group annually tests goodwill and in-process intangible assets for impairment and monitors indications of impairment in accordance with the accounting principles presented above. The recoverable amounts of cash-generating units are determined using calculations based on value-in-use. The preparation of these calculations requires the use of estimates. The Group recognizes an impairment loss on trade receivables if payment is delayed more than 360 days or on a case-by-case basis if there is objective evidence that the receivable is irrecoverable.

Application of New or Revised IFRS and Interpretations

The Group applies new or revised standards and interpretations as of the effective date of each standard or interpretation or, when the effective date is other than the first day of the financial year, as of the first day of the financial year following the effective date of the standard.

On January 1, 2014, the Group will adopt the following new, revised, and amended standards: IFRS 10 *Consolidated Financial Statements* (new); IFRS 11 *Joint Arrangements* (new); IFRS 12 *Disclosure of Interests in Other Entities* (new); IAS 27 *Consolidated and Separate Financial Statements* (amended); IAS 28 *Investments in Associates* (amended); IAS 32 *Financial Instruments: Presentation* (revised); IAS 36 *Impairment of Assets* (revised); and IAS 39 *Financial Instruments: Recognition and Measurement* (revised). The revisions are estimated to have no significant impact on the Group's consolidated financial statements.

2. OPERATING SEGMENTS

Reportable Segments

The Group has two reportable segments that are also the Group's strategic business areas:

- Project Personnel business area provides project personnel services for Oil & Gas companies in their large investment projects worldwide.
- Consulting business area provides management and project management consulting and software for enterprise level management in the Nordic countries.

The Group's segment information is based on internal management reporting prepared in accordance with IFRS standards. The Group does not allocate the parent company's intra-Group charges to segments for the purposes of segment reporting. Unallocated ex-

penses include amortization of customer agreements and relations, share-based compensation recognized as expense in the income statement, financial items, and income taxes.

The assets and liabilities of a segment are business items that a segment uses in its business or that can be allocated to a segment. Unallocated assets include customer agreements and relations, capitalized research and development expenses, cash and cash equivalents, available-for-sale investments, and tax assets.

Pricing between segments is based on fair market price.

Key Customers

The Group has two major customers, each of which accounts for more than 10% of the Group's net sales. In 2013, the Group's income from these customers was approximately EUR 48 million (approx. EUR 45 million in 2012) and is mainly included in the Project Personnel business area.

Reporting Segments

2013 EUR THOUSAND	PROJECT PERSONNEL	CONSULTING	OTHER FUNCTIONS	ELIMINATIONS	UNALLOCATED	GROUP TOTAL
INCOME STATEMENT						
External net sales	89,926	8,539	79	0	0	98,544
Intra-Group net sales	0	0	0	0		0
Net sales	89,926	8,539	79	0	0	98,544
Operating result	3,813	666	-1796	19	-295	2,407
Financing income and expenses					-74	-74
Income taxes					-825	-825
Share of results in associates			-294			-294
Discontinued operations			4,349			4,349
Result for the period	3,813	666	2,259	19	-1,194	5,563
BALANCE SHEET						
Assets	21,222	2,548	611	-40	14,477	38,818
Investments in associates			967			967
Assets held for sale					933	933
Assets total	21,222	2,548	1,578	-40	15,410	40,718
OTHER INFORMATION						
Net sales, goods	0	309	0	0	0	309
Net sales, services	89,926	8,230	79	0	0	98,235
Investments	56	0	328	0	0	384
Depreciation/amortization	-295	-87	-39	19	0	-402

## Reporting Segments

2013 EUR THOUSAND	PROJECT PERSONNEL	CONSULTING	OTHER FUNCTIONS	ELIMINATIONS	UNALLOCATED	GROUP TOTAL
<b>INCOME STATEMENT</b>						
External net sales	84,905	9,164				94,069
Intra-Group net sales	62	0	0	-62		0
<b>Net sales</b>	<b>84,967</b>	<b>9,164</b>	<b>0</b>	<b>-62</b>	<b>0</b>	<b>94,069</b>
<b>Operating result</b>						
	<b>3,883</b>	<b>1,379</b>	<b>-1,582</b>	<b>22</b>	<b>-283</b>	<b>3,419</b>
Financing income and expenses					-23	-23
Income taxes					-1,033	-1,033
Share of results in associates			-156			-156
Discontinued operations			662			662
<b>Result for the period</b>	<b>3,883</b>	<b>1,379</b>	<b>-1,076</b>	<b>22</b>	<b>-1,339</b>	<b>2,869</b>
<b>BALANCE SHEET</b>						
Assets	24,058	3,070	156	-58	8,447	35,673
Investments in associates			1,296			1,296
Assets held for sale			3,553			3,553
<b>Assets total</b>	<b>24,058</b>	<b>3,070</b>	<b>1,452</b>	<b>-58</b>	<b>8,447</b>	<b>40,522</b>
<b>OTHER INFORMATION</b>						
Net sales, goods	0	564	0	0	0	564
Net sales, services	84,916	8,590	0	0	0	93,506
Investments	83	11	90	0	0	184
Depreciation/amortization	-304	-121	-22	19	0	-428

### Geographical division of net sales by the location of assets

EUR THOUSAND	2013	2012
Finland	2,018	2,642
Norway	51,476	45,704
Canada	28,629	29,185
Other	16,422	16,538
<b>Total</b>	<b>98,544</b>	<b>94,069</b>

### Non-current assets \*)

EUR THOUSAND	2013	2012
Finland	1,389	1,448
Norway	223	508
Canada	125	148
Other	129	171
Goodwill	6,972	7,803
<b>Total</b>	<b>8,838</b>	<b>10,078</b>

\*) Non-current assets excluding financial instruments and deferred tax assets by the location of assets. Goodwill has not been allocated geographically.

## 3. NET SALES

DISTRIBUTION OF NET SALES BY REVENUE TYPE EUR THOUSAND	2013	%	2012	%
Services	97,979	99.4 %	93,171	99.0 %
One-time license revenue	309	0.3 %	564	0.6 %
Recurring license revenue	256	0.3 %	334	0.4 %
<b>Total</b>	<b>98,544</b>	<b>100.0 %</b>	<b>94,069</b>	<b>100.0 %</b>

DISTRIBUTION OF NET SALES BY SEGMENT, UNCONSOLIDATED EUR THOUSAND	2013	%	2012	%
Project Personnel	89,926	91.3 %	84,967	90.3 %
Consulting	8,539	8.7 %	9,164	9.7 %
Other functions	79	0.1 %	0	0.0 %
Intra-Group eliminations	0	0.0 %	-62	-0.1 %
<b>Total</b>	<b>98,544</b>	<b>100.0 %</b>	<b>94,069</b>	<b>100.0 %</b>

DISTRIBUTION OF NET SALES BY SEGMENT, CONSOLIDATED EUR THOUSAND	2013	%	2012	%
Project Personnel	89,926	91.3 %	84,905	90.3 %
Consulting	8,539	8.7 %	9,164	9.7 %
Other functions	79	0.1 %	0	0.0 %
<b>Total</b>	<b>98,544</b>	<b>99.9 %</b>	<b>94,069</b>	<b>100.0 %</b>

## 4. OTHER OPERATING INCOME

EUR THOUSAND	2013	2012
Rents	131	39
Gain on disposal of non-current assets, investments	0	5
Other operating income	1	43
<b>Total</b>	<b>132</b>	<b>87</b>

## 5. MATERIAL AND SERVICES

EUR THOUSAND	2013	2012
Material	0	-7
External services	-274	-212
<b>Total</b>	<b>-274</b>	<b>-219</b>



## 6. EMPLOYEE BENEFITS EXPENSE

EUR THOUSAND	2013	2012
Salaries and fees	-79,368	-73,990
Pension expenses, defined contribution plans	-1,382	-1,539
Share options granted to employees *)	-56	-65
Other employee benefits	-5,051	-4,589
<b>Total</b>	<b>-85,857</b>	<b>-80,183</b>

\*) Notes information on share-based payments is presented in note 22 Share-based Payments.

AVERAGE NUMBER OF EMPLOYEES	2013	2012
Project Personnel	411	379
Consulting	53	50
Other fuctions	5	5
<b>Total</b>	<b>469</b>	<b>434</b>

Average number of employees does not include the average number of employees in the Software business area, which was 29 (27). The business area has been reported under discontinued operations as of the fourth quarter of 2012. The disposal of the business area was completed on May 30, 2013.

NUMBER OF PERSONNEL AT THE END OF THE FINANCIAL YEAR	DEC. 31, 2013	DEC. 31, 2012
<b>Total, continuing operations</b>	<b>468</b>	<b>461</b>

In the Project Personnel business area, 41 (40) % of the employees were independent contractors.

## 7. DEPRECIATION AND AMORTIZATION

EUR THOUSAND	2013	2012
Amortization according to plan, intangible assets	-332	-374
Depreciation according to plan, tangible assets	-70	-54
<b>Total</b>	<b>-402</b>	<b>-428</b>

## 8. OTHER OPERATING EXPENSES

EUR THOUSAND	2013	2012
Premises	-955	-1,090
Marketing	-256	-215
Travel	-6,228	-6,341
Administration and other operating expenses	-2,297	-2,261
<b>Total</b>	<b>-9,736</b>	<b>-9,907</b>

RESEARCH AND DEVELOPMENT EUR THOUSAND	2013	2012
Research and development expenses on the balance sheet	-171	-57
Capitalized research and development expenditure	-26	-58
<b>Total</b>	<b>-197</b>	<b>-115</b>

AUDITOR FEES EUR THOUSAND	2013	2012*)
External audit	-162	-184
Other services referred to in the Finnish Auditing Act	-1	-8
Tax consultancy	-63	-16
Other professional services	-64	-80
<b>Total</b>	<b>-290</b>	<b>-288</b>

In accordance with the Finnish Accounting Ordinance, auditor fees includes also the Group's discontinued operations.

\*) Classification of comparatives changed

## 9. FINANCING INCOME AND EXPENSES

FINANCING INCOME EUR THOUSAND	2013	2012
Gain on assets at fair value through profit and loss of financial assets, non-hedge accounting	231	0
Foreign exchange gains	168	274
Other interest and financing income	79	77
<b>Financing income, total</b>	<b>478</b>	<b>351</b>

FINANCING EXPENSES EUR THOUSAND	2013	2012
Loss on assets at fair value through profit and loss of financial assets, non-hedge accounting	0	-28
Foreign exchange losses	-422	-243
Other interest and financing expenses	-130	-103
<b>Financing expenses, total</b>	<b>-552</b>	<b>-374</b>
<b>Financing income and expenses, total</b>	<b>-74</b>	<b>-23</b>

## 10. INCOME TAX

EUR THOUSAND	2013	2012
Tax on income from operations	-1,154	-1,305
Income tax for previous years	2	37
Change in deferred tax assets (Note 18)	191	22
Change in deferred tax liability (Note 18)	136	256
Change in previous year's deferred tax liability	0	-43
<b>Total</b>	<b>-825</b>	<b>-1,033</b>

### Reconciliation of the tax expense in the income statement to the domestic rate of the parent company (24.5%)

EUR THOUSAND	2013	2012
Result before tax, continuing operations	2,039	3,240
Result before tax, discontinued operations	4,434	867
<b>Total</b>	<b>6,473</b>	<b>4,107</b>

<b>Income tax expense at Finnish statutory rate</b>	<b>-1,586</b>	<b>-1,006</b>
Effect of tax rates in foreign subsidiaries	-129	-113
Tax-free income and non-deductible expenses	-103	-60
Tax-ree gains on disposal of shares in subsidiaries	1,000	0
Changes in tax rate	16	95
Unrecognized tax asset for the losses of the financial year	-89	-143
Use of carry-forward losses	0	30
Income tax for previous years	3	-6
Impairment loss on deferred tax assets	-7	0
Other items	-15	-35
<b>Income tax in the consolidated income statement</b>	<b>-910</b>	<b>-1,238</b>
Income tax, continuing operations	-825	-1,033
Income tax, discontinued operations	-85	-205
<b>Income tax in the consolidated income statement</b>	<b>-910</b>	<b>-1,238</b>

## 11. DISCONTINUED OPERATIONS

On December 28, 2012, Dovre Group Plc received a notice for a call of option to acquire the Group's Norwegian subsidiary Safran Software Solutions AS. The disposal was completed on May 30, 2013. The following table presents the subsidiary's statement of income excluding certain intra-Group items:

EUR THOUSAND	2013*)	2012
<b>NET SALES</b>	<b>2,244</b>	<b>4,854</b>
Other operating income	0	1
Employee benefits expense	-1,595	-3,485
Depreciation	-2	-5
Other operating expenses	-295	-482
<b>OPERATING RESULT</b>	<b>352</b>	<b>883</b>
Financing income	4	27
Financing expenses	-2	-44
<b>RESULT BEFORE TAX</b>	<b>354</b>	<b>866</b>
Tax on income from operations	-85	-204
<b>RESULT FOR THE PERIOD, DISCONTINUED OPERATIONS</b>	<b>269</b>	<b>662</b>
Gain on disposal	4,080	
<b>RESULT, DISCONTINUED OPERATIONS</b>	<b>4,349</b>	<b>662</b>

The total consideration received for the shares in Safran Software Solutions AS was EUR 4.4 million (NOK 33.9 million), which was all received as cash. Assets and liabilities over which control was lost were as follows, with comparatives for 2012:

EUR THOUSAND	MAY 30, 2013	DEC. 31, 2012
Tangible assets	13	16
Deferred tax asset	1	1
Trade receivables and other receivables	2,439	798
Cash and cash equivalents	516	1,805
<b>Total assets, discontinued operations</b>	<b>2,969</b>	<b>2,620</b>
Trade payables and other liabilities	2,506	1,420
Tax liability, income tax	129	208
<b>Total liabilities, discontinued operations</b>	<b>2,635</b>	<b>1,628</b>

### Cash flow from discontinued operations:

EUR THOUSAND	2013*)	2012
Net cash generated by operating activities	-438	896
Net cash generated by investing activities	0	198
Net cash generated by financing activities	-788	0
<b>Change in cash and cash equivalents</b>	<b>-1,226</b>	<b>1,094</b>

\*) Includes discontinued operations from January 1, 2013, until May 30, 2013, on which date the control of the operations passed to the acquirer.

## 12. EARNINGS PER SHARE

### Undiluted earnings per share

Undiluted earnings per share is calculated by dividing the result attributable to the shareholders of the parent by the weighted average number of shares during the financial year.

UNDILUTED EARNINGS PER SHARE	2013	2012
Result attributable to the shareholders of the parent (EUR thousand)	5,563	2,869
Weighted average number of shares during the financial year (1,000)	62,911	62,896
<b>Undiluted earnings per share (EUR / share)</b>	<b>0.09</b>	<b>0.05</b>

UNDILUTED COMPREHENSIVE EARNINGS PER SHARE	2013	2012
Comprehensive result attributable to the shareholders of the parent (EUR thousand)	3,549	3,159
Weighted average number of shares during the financial year (1,000)	62,911	62,896
<b>Undiluted comprehensive earnings per share (EUR / share)</b>	<b>0.06</b>	<b>0.05</b>

### Diluted earnings per share

The potential increase in the number of shares caused by all instruments entitling to shares is taken into account when calculating the diluted earnings per share. The Group has instruments, share options, with the potential to increase the number of shares. An instrument has a dilutive effect when its subscription price is lower than the market value of the share. The weighted average number of shares and the dilutive effect are calculated per quarter taking into account those instruments that have an exercise price lower than the weighted average share price during that quarter. The dilutive effect is relative to the difference between the exercise price and the weighted average share price. The total dilutive effect for the financial year or several quarters is calculated as a weighted average for the period in question.

DILUTED EARNINGS PER SHARE	2013	2012
Result attributable to the shareholders of the parent (EUR thousand)	5,563	2,869
Weighted average number of shares during the financial year (1,000)	62,911	62,896
Stock option adjustment (1,000)	314	167
Weighted average number of shares for calculating the diluted earnings per share (1,000)	63,225	63,063
<b>Diluted earnings per share (EUR / share)</b>	<b>0.09</b>	<b>0.05</b>

DILUTED COMPREHENSIVE EARNINGS PER SHARE	2013	2012
Comprehensive result attributable to the shareholders of the parent (EUR thousand)	3,549	3,159
Weighted average number of shares during the financial year (1,000)	62,911	62,896
Stock option adjustment (1,000)	314	167
Weighted average number of shares for calculating the diluted earnings per share (1,000)	63,225	63,063
<b>Diluted comprehensive earnings per share (EUR / share)</b>	<b>0.06</b>	<b>0.05</b>

## 13. INTANGIBLE ASSETS

### Intangible assets 2013

EUR THOUSAND	CUSTOMER AGREEMENTS AND RELATIONS	DEVELOPMENT COSTS	OTHER INTANGIBLE ASSETS	TOTAL
Acquisition cost, Jan. 1	3,082	167	208	3,457
Translation differences (+/-)	-336	0	-6	-342
Additions	0	0	285	285
Disposals	0	-74	0	-74
Acquisition cost, Dec. 31	2,746	93	487	3,326
Accumulated amortization and value adjustments, Jan. 1	-2,331	-136	-134	-2,602
Translation differences (+/-)	282	0	5	287
Accumulated amortization from disposals	0	74	0	74
Amortization charges for the year	-293	-26	-13	-332
Accumulated amortization and value adjustments, Dec. 31	-2,342	-88	-142	-2,573
<b>Book value Dec. 31, 2013</b>	<b>404</b>	<b>5</b>	<b>345</b>	<b>754</b>

### Intangible assets 2012

EUR THOUSAND	CUSTOMER AGREEMENTS AND RELATIONS	DEVELOPMENT COSTS	OTHER INTANGIBLE ASSETS*	TOTAL
Acquisition cost, Jan. 1	2,939	196	241	3,376
Translation differences (+/-)	143	0	1	144
Additions	0	0	70	70
Disposals	0	-29	-104	-133
Acquisition cost, Dec. 31	3,082	167	208	3,457
Accumulated amortization and value adjustments, Jan. 1	-1,925	-107	-225	-2,258
Translation differences (+/-)	-102	0	-1	-103
Accumulated amortization from disposals	0	29	104	133
Amortization charges for the year	-304	-58	-12	-374
Accumulated amortization and value adjustments, Dec. 31	-2,331	-136	-134	-2,602
<b>Book value Dec. 31, 2012</b>	<b>751</b>	<b>31</b>	<b>74</b>	<b>856</b>

\*) Includes prepayments of EUR 70 thousand for other capitalized expenditure.

### Customer agreements and relations

EUR THOUSAND	JAN. 1, 2013	TRANSLATION DIFFERENCES	AMORTIZATION FOR THE PERIOD	JAN. 31, 2013
Consulting, Finland and Sweden	177	-4	-36	137
Dovre Group AS	273	-20	-182	71
Project Personnel, other	301	-30	-75	196
<b>Total</b>	<b>751</b>	<b>-54</b>	<b>-293</b>	<b>404</b>

Consulting, Finland and Sweden

Acquisitions in the Consulting business area took place in 2007 and 2008. Of the acquisition costs, a total of EUR 0.4 million was allocated to customer agreements and relations. The average remaining amortization period for the customer agreements and relations was 4 years on December 31, 2013.

Acquisition of Dovre Group AS

The acquisition of Dovre Group AS was finalised in 2004 with the acquisition of the remaining 60% of the company's shares. Of the acquisition cost, EUR 1.0 million was allocated to customer agreements and relations. The fair values of customer agreements and relations for the 40% ownership by Dovre Group Plc before January 1, 2004, were

14. GOODWILL

EUR THOUSAND	2013	2012
Acquisition cost, Jan. 1	7,803	7,491
Translation differences (+/-)	-831	312
Book value Dec. 31	6,972	7,803

Goodwill by cash generating unit

EUR THOUSAND	2013	2012
Project Personnel	5,808	6,583
Consulting, Finland and Sweden	884	903
Consulting, Norway	280	317
Total	6,972	7,803

Impairment testing

Goodwill is allocated to the Group's Project Personnel and Consulting business areas. The testing has been performed at the year end, with December 31, 2013 as the testing date. The recoverable amount of a cash generating unit is based on value-in-use calculations. A cash generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The Group's Project Personnel business area consists of one and the Consulting business area of two cash generating units. In the Consulting business area, the business area's operations in Finland and Sweden form one cash generating unit. The other cash generating unit consists of the business area's operations in Norway.

The value-in-use calculations are based on the discounted cash flow method. The discount rate used in testing is based on the weighted average cost of capital (WACC) after tax, which is based on risk-free

adjusted to represent the fair values for the remaining 60% on the date of their acquisition on June 1, 2004. Following the revaluation, the book value of these customer agreements and relations (40%) was EUR 0.7 million. The remaining amortization period for the customer agreements and relations was 5 months on December 31, 2013.

Project Personnel, other acquisitions

Other acquisitions in the Project Personnel business area took place in 2006 and 2007. Of the acquisition costs, a total of EUR 0.7 million was allocated to customer agreements and relations. The average remaining amortization period for the customer agreements and relations was 3 years on December 31, 2013.

rate of return, operational risks, market risk premium, comparable peer industry beta coefficient, cost of debt, and target capital structure. In 2013, the discount rate used was 10.63% (9.00% in 2012). The decrease in the discount rate was due to the lowering of the risk-free interest rate. The discount rate before tax was between 13.11% and 15.56%.

Key variables used in testing are the rate of growth of net sales and EBIT %, which are based on the Group's budget for 2014 and the Group's strategic rates of growth for 2015-2018 approved by the Board of Directors. For the purposes of impairment testing, a portion of the expenses of the Group's Other functions and a portion of the Group's unallocated items have been allocated to the Group's cash generating units. The variables are based on current business performance, the business area's position in the market, and the business area's potential for growth. The rates of growth used in testing are presented in the table below.

	PROJECT PERSONNEL	CONSULTING, FINLAND AND SWEDEN	CONSULTING, NORWAY
Growth in net sales	15%	10%	15%
EBIT %	5%	9%	10%
Terminal growth rate	1%	1%	1%

As a result of testing, no impairment losses were recognized in 2013. The sensitivity of the standard calculations has been tested by calculations using a higher discount rate, lower net sales growth, and lower profitability. The management has estimated that no reasonably possible change of the key assumptions used would cause the carrying

value of the cash generating unit to exceed its recoverable amount. For Consulting, Finland and Sweden, should the unit's net sales not increase and should the unit's EBIT % remain at approx. 3%, a case for impairment loss would arise.

15. TANGIBLE ASSETS

MACHINERY AND EQUIPMENT EUR THOUSAND	2013	2012
Acquisition cost, Jan. 1	582	518
Translation differences (+/-)	-48	14
Additions	100	114
Disposals	-9	-11
Transfer to assets held for sale, discontinued operations	0	-53
Acquisition cost, Dec. 31	625	582
Accumulated depreciation and value adjustments, Jan. 1	-460	-436
Translation differences (+/-)	40	-12
Accumulated depreciation from disposals	9	11
Transfer to assets held for sale, discontinued operations	0	31
Depreciation charges for the year	-70	-54
Accumulated depreciation and value adjustments, Dec. 31	-481	-460
Book value Dec. 31	145	123

16. INVESTMENTS IN ASSOCIATES

EUR THOUSAND	2013	2012
At the beginning of the financial year	1,296	933
Additions	11	1,485
Share of profit and loss in associates	-294	-156
Translation differences	-46	-33
Transfer to assets held for sale	0	-933
At the end of the financial year	967	1,296

In 2012, additions includes the Group's investments in a project development company based in Singapore and in the company's first development project. Both investments are treated as associates, because the Group has significant influence in the companies due to Board memberships. In 2013, the Group participated in an issuance of shares by one of the companies in a number proportional to the Group's ownership of the company. Transfer to assets held for sale includes the parent company Dovre Group Plc's shares in Kiinteistö Oy Kuukoti in accordance with IFRS 5. The company's management has not ceased actively marketing the shares and deems that the requirements of IFRS 5 are fulfilled. The companies are not publicly listed.



The Group's associated companies and their assets, liabilities, net sales, and profit/loss:

ASSOCIATES IN 2013	DOMICILE	ASSETS	LIABILITIES	NET SALES	PROFIT/LOSS	OWNERSHIP
Kiinteistö Oy Kuukoti	Espoo, Finland	5,135	26	176	-11	43.50 %
Sararasa Biomass Pte. Ltd.	Singapore	417	1	0	-69	11.11 %
Sararasa Bioindo Pte. Ltd.	Singapore	4,154	2,538	0	-1,132	25.25 %

ASSOCIATES IN 2012	DOMICILE	ASSETS	LIABILITIES	NET SALES	PROFIT/LOSS	OWNERSHIP
Kiinteistö Oy Kuukoti	Espoo, Finland	5,135	7	177	7	43.50 %
Sararasa Biomass Pte. Ltd.	Singapore	413	15	0	-43	11.11 %
Sararasa Bioindo Pte. Ltd.	Singapore	3,491	662	0	-550	25.25 %

BALANCES WITH ASSOCIATED COMPANIES EUR THOUSAND	2013	2012
Trade receivables	9	16

TRANSACTIONS WITH ASSOCIATED COMPANIES EUR THOUSAND	2013	2012
Sales of services	18	35
Payments to associates	-65	-64

The terms of related party transactions correspond to the terms of non-related party transactions.

17. NON-CURRENT TRADE AND OTHER RECEIVABLES

EUR THOUSAND	DEC. 31 2013	DEC. 31 2012
Non-current loan receivables	26	25
<b>Total</b>	<b>26</b>	<b>25</b>

The Group's receivables have been recognized at amortized cost.

18. DEFFERRED TAX ASSETS AND LIABILITIES

RECONCILIATION OF DEFERRED TAX ASSETS 2013 EUR THOUSAND	JAN. 1	TRANSLATION DIFFERENCES	CHARGED TO INCOME STATEMENT	DEC. 31
Tax losses carried forward	101	-4	186	283
Other temporary differences for assets	20	-2	5	23
<b>Total, continuing operations</b>	<b>121</b>	<b>-6</b>	<b>191</b>	<b>306</b>

RECONCILIATION OF DEFERRED TAX LIABILITIES 2013 EUR THOUSAND	JAN. 1	TRANSLATION DIFFERENCES	CHARGED TO INCOME STATEMENT	DEC. 31
Allocation of fair value on acquisitions	-208	14	92	-102
Capitalized and amortized R&D costs	-8	0	7	-1
Withholding tax on undistributed earnings	-227	0	37	-190
Other temporary differences for liabilities	-355	39	1	-315
<b>Total</b>	<b>-799</b>	<b>53</b>	<b>137</b>	<b>-609</b>

RECONCILIATION OF DEFERRED TAX ASSETS 2012 EUR THOUSAND	JAN. 1	TRANSLATION DIFFERENCES	CHARGED TO INCOME STATEMENT	DEC. 31
Tax losses carried forward	74	-2	29	101
Other temporary differences for assets	26	1	-7	20
Total, continuing operations	100	-1	22	121
Discontinued operations	2	0	-1	1
<b>Total</b>	<b>102</b>	<b>-1</b>	<b>21</b>	<b>122</b>

RECONCILIATION OF DEFERRED TAX LIABILITIES 2012 EUR THOUSAND	JAN. 1	TRANSLATION DIFFERENCES	CHARGED TO INCOME STATEMENT	DEC. 31
Allocation of fair value on acquisitions	-294	-12	98	-208
Capitalized and amortized R&D costs	-22	0	14	-8
Withholding tax on undistributed earnings	-227	0	0	-227
Other temporary differences for liabilities	-445	-11	101	-355
<b>Total</b>	<b>-989</b>	<b>-23</b>	<b>213</b>	<b>-799</b>

Carry-forward Losses of the Group

On December 31, 2013, the Group carried forward losses worth of EUR 11 million (EUR 14 million on Dec. 31, 2012), for which no deferred tax assets were recognized. A total of EUR 10 million of the Group's losses expires between 2014 and 2023. The remaining losses of the Group have no definite expiration date.

## 19. TRADE AND OTHER RECEIVABLES

EUR THOUSAND	DEC. 31, 2013	DEC. 31, 2012
Trade receivables	15,349	16,854
Impairment loss on trade receivables	-62	0
Currency derivatives	6	0
Other receivables	131	380
Prepayments and accrued income on sales	955	1,342
Other prepayments and accrued income	475	626
<b>Total</b>	<b>16,854</b>	<b>19,201</b>

The book values of the receivables are based on a reasonable estimate of their fair values. No significant concentrations of credit risk are associated with the receivables. Other prepayments and accrued income include interest receivables and accrued expenses.

### Ageing analysis of trade receivables

EUR THOUSAND	DEC. 31, 2013	DEC. 31, 2012
Not due	9,523	10,072
Overdue		
1 - 30 days	5,035	5,464
31 - 60 days	663	495
61 - 90 days	1	420
Over 90 days	66	403
<b>Total</b>	<b>15,288</b>	<b>16,854</b>

Changes in provision for the impairment of trade receivables:

EUR THOUSAND	2013	2012
Impairment loss, Jan. 1	0	37
Additions	62	0
Reversal of provisions	0	-37
<b>Impairment loss, Dec. 31</b>	<b>62</b>	<b>0</b>

## 20. CASH AND CASH EQUIVALENTS

EUR THOUSAND	DEC. 31, 2013	DEC. 31, 2012
Cash and bank	8,737	7,052
Short-term deposits	5,000	450
<b>Total, continuing operations</b>	<b>13,737</b>	<b>7,502</b>
Cash and cash equivalents, discontinued operations	0	1,805
<b>Total</b>	<b>13,737</b>	<b>9,307</b>

In 2013, the fixed annual interest rate for short-term deposits was 0.5% (0.3% in 2012). The maturity of the deposits varies between 90 and 365 days (maturity 90 days in 2012). Deposits with a maturity of 365 days can be withdrawn at any time.

## 21. SHAREHOLDERS' EQUITY

Dovre Group Plc has one class of shares. The book value of the shares is EUR 0.15 per share. Each share entitles the shareholder to one vote. Dovre Group Plc's shares are listed in NASDAQ OMX Helsinki Ltd.

The maximum number of Dovre Group Plc's shares is 160 million shares (160 million in 2012). The shares do not carry a nominal value. The Group's maximum share capital is EUR 41.6 million (EUR 41.6 million in 2012). All shares issued have been fully paid for.

### Reconciliation of number of shares

EUR THOUSAND	NUMBER OF SHARES	SHARE CAPITAL	RESERVE FOR NON-RESTRICTED EQUITY	REVALUATION RESERVE	TOTAL
<b>Dec. 31, 2011</b>	<b>62,895,751</b>	<b>9,603</b>	<b>346</b>	<b>127</b>	<b>10,076</b>
Translation differences	0	0	0	7	7
Transfer to retained earnings	0	0	0	-55	-55
<b>Dec. 31, 2012</b>	<b>62,895,751</b>	<b>9,603</b>	<b>346</b>	<b>79</b>	<b>10,028</b>
Translation differences	0	0	0	-6	-6
Transfer to retained earnings	0	0	0	-52	-52
Stock options exercised	20,000	0	6	0	6
<b>Dec. 31, 2013</b>	<b>62,915,751</b>	<b>9,603</b>	<b>352</b>	<b>21</b>	<b>9,976</b>

### Stock options exercised

In 2013, a total of 20,000 shares were subscribed under the Group's 2010A option plan. The subscription period of the plan is March 1, 2012 - February 28, 2015. The exercise price is EUR 0.33.

### Revaluation reserve

The fair value adjustments to the customer agreements and relations of Dovre Group AS have been entered in the revaluation reserve. See Note 13 Intangible Assets.

22. SHARE-BASED COMPENSATION

In 2013, Dovre Group Plc had two open option plans. Dovre Group calculates the fair value of stock options at grant date using the Black & Scholes model. The fair value is recognized as personnel expense over the vesting period (see Note 6). The key terms of the option plan as well as the key variables used for determining the fair value of the options are presented in the table below.

2010 stock option plan

In its meeting on May 27, 2010, the Board of Directors approved the 2010 option plan based on the authorization given by the Annual General Meeting held on April 18, 2007. The plan is divided into three series and it is directed at the Group’s management and key employees. Should the subscriber’s employment in Dovre Group end for some other reason than retirement or death, the company has, by Board decision, the right to redeem at no cost the subscriber’s option rights the subscription period of which has not yet started.

	2010A	2010B	2010C
Grant date	May 27, 2010	April 27, 2011	February 14, 2012
Option life in years	5	5	5
Subscription period	March 1, 2012-Feb. 28, 2015	March 1, 2013-Feb. 28, 2016	March 1, 2014-Feb. 28, 2017
Period for determining subscription price	Jan. 1-March 31, 2010	Jan. 1-March 31, 2011	Jan. 1-March 31, 2012
Variables used:			
Share price at grant date	EUR 0.33	EUR 0.50	EUR 0.41
Exercise price	EUR 0.33	EUR 0.47	EUR 0.38
Expected volatility	27%	30%	30%
Expected option life in years (at grant date)	5	5	5
Expected dividend yield	0	0	2%
Risk-free rate	1.40%	2.80%	1.50%
Anticipated cuts in personnel %	N/A	N/A	N/A
Fair value of option at grant date	EUR 0.09	EUR 0.17	EUR 0.11
Granted options	900,000	775,000	775,000
Fair value of option plan at grant date (EUR 1,000)	77	130	82

2013 Stock Option Plan

In its meeting on January 24, 2013, the Board of Directors of Dovre Group Plc approved a new option plan 2013 based on the authorization granted to the Board by the company’s Annual General Meeting held on March 15, 2012. Under this plan, a total of 3,000,000 stock options are offered for subscription to Dovre Group’s key personnel. The stock options entitle holders to subscribe for a corresponding amount of either new shares issued or own shares held by the company. The stock options are divided into options 2013A, 2013B, and 2013C. Each option series includes a maximum of 1,000,000 stock options.

Should the subscriber’s employment in Dovre Group end for some other reason than retirement or death, the company has, by Board decision, the right to redeem at no cost the subscriber’s option rights the subscription period of which has not yet started. Should the subscriber’s employment in Dovre Group end for some other reason than those mentioned above after the start of the subscription period, the subscriber is entitled and liable to subscribe for the stock options within 30 days after the end of the term of employment. The company’s Board reserves the right to grant stock option holders the entitlement to stock options held or to a part of them.

2013A		2013A	
Grant date	Jan. 24, 2013	Expected volatility	30%
Option life in years	5	Expected option life in years (at grant date)	5
Subscription period	March 1, 2015- Feb. 29, 2018	Risk-free rate	0.60%
		Anticipated cuts in personnel %	N/A
Period for determining subscription price	Feb. 1-March 31, 2013	Fair value of option at grant date	0.17
Variables used:		Granted options	1,000,000
Share price at grant date	EUR 0.57	Fair value of option plan at	
Exercise price 1)	EUR 0.54	grant date (EUR 1,000)	169

1) Should the company distribute assets as dividends or as equity return from non-restricted equity, the per-share amounts of dividends and/or equity returns distributed from non-restricted equity shall be deducted from the share subscription price of the stock options if this distribution is decided after the period for determination of the share subscription price but before the share subscription period has begun, provided that the shares subscribed for do not entitle to such dividends or equity return. The share subscription price shall, nevertheless, always amount to at least EUR 0.01.

CHANGES IN THE NUMBER OF OPTIONS AND THE WEIGHTED AVERAGE EXERCISE PRICE IN 2013	NUMBER OF OPTIONS	WEIGHTED AVERAGE EXERCISE PRICE (EUR / SHARE)
Outstanding at the beginning of the year	1,700,000	0.38
Granted	725,000	0.54
Returned	-150,000	0.38
Exercised	-20,000	0.33
Outstanding at the end of the year	2,255,000	0.44

Exercisable at the end of the year	930,000	0.39
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CHANGES IN THE NUMBER OF OPTIONS AND THE WEIGHTED AVERAGE EXERCISE PRICE IN 2012	NUMBER OF OPTIONS	WEIGHTED AVERAGE EXERCISE PRICE (EUR / SHARE)
Outstanding at the beginning of the year	1,100,000	0.40
Granted	750,000	0.38
Returned	-150,000	0.47
Outstanding at the end of the year	1,700,000	0.38

Exercisable at the end of the year	555,000	0.33
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OUTSTANDING OPTIONS ON DEC. 31, 2013; EXERCISE PRICE AND WEIGHTED AVERAGE REMAINING CONTRACTUAL LIFE	NUMBER OF SHARES	EXERCISE PRICE (EUR / SHARE)	WEIGHTED AVERAGE REMAINING CONTRACTUAL LIFE (YEARS)
Options 2010A	535,000	0.33	1.2
Options 2010B	395,000	0.47	2.2
Options 2010C	600,000	0.38	3.2
Options 2013A	725,000	0.54	4.2
Outstanding on Dec. 31, 2013	2,255,000	0.44	2.9

OUTSTANDING OPTIONS ON DEC. 31, 2012; EXERCISE PRICE AND WEIGHTED AVERAGE REMAINING CONTRACTUAL LIFE	NUMBER OF SHARES	EXERCISE PRICE (EUR / SHARE)	WEIGHTED AVERAGE REMAINING CONTRACTUAL LIFE (YEARS)
Options 2010A	555,000	0.33	2.2
Options 2010B	395,000	0.47	3.2
Options 2010C	750,000	0.38	4.2
Outstanding on Dec. 31, 2012	1,700,000	0.38	3.3

## 23. NON-CURRENT FINANCIAL LIABILITIES

EUR THOUSAND	DEC. 31, 2013	DEC. 31, 2012
Non-current liabilities to others	26	25
<b>Total</b>	<b>26</b>	<b>25</b>

The Group's long-term financial liabilities are measured at amortized cost. The fair value of the liabilities is based on a reasonable estimate of their book value. The liabilities relate to the parent company's option to acquire the shares of Project Completion Management Ltd.

## 24. CURRENT FINANCIAL LIABILITIES

EUR THOUSAND	DEC. 31, 2013	DEC. 31, 2012
Current loans from financial institutions	1,015	1,139
Lines of credit in use	33	147
<b>Total</b>	<b>1,048</b>	<b>1,286</b>

The average interest rate for loans was 1.7% in 2013 (1.35% in 2012). The fair values of the liabilities correspond, in material aspects, to their book values.

## 25. TRADE PAYABLES AND OTHER LIABILITIES

EUR THOUSAND	DEC. 31, 2013	DEC. 31, 2012
Trade payables	5,605	3,926
Other current liabilities	4,025	4,940
<b>Total</b>	<b>9,630</b>	<b>8,865</b>

CURRENT ACCRUALS AND DEFERRED INCOME EUR THOUSAND	DEC. 31, 2013	DEC. 31, 2012
Accrued employee expenses	2,478	3,273
Currency derivatives	0	1
Other current accrued liabilities on income and expenses	969	871
<b>Total</b>	<b>3,447</b>	<b>4,145</b>

<b>Trade payables and other liabilities, total</b>	<b>13,077</b>	<b>13,010</b>
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The fair values of the liabilities correspond to their book values.

In 2012, the date of expiration of currency derivatives was January 7, 2013. Underlying instruments: Currency option NOK 4.5 million (sold put and bought call).

## 26. CURRENT PROVISIONS

CHANGES IN PROVISIONS, 2013 EUR THOUSAND	JAN 1, 2013	INCREASE	REVERSAL OF PROVISIONS	PROVISIONS USED	DEC. 31, 2013
Litigation provisions	0	20	0	0	20
Other provisions	0	8	0	0	8
<b>Total</b>	<b>0</b>	<b>28</b>	<b>0</b>	<b>0</b>	<b>28</b>

CHANGES IN PROVISIONS, 2012 EUR THOUSAND	JAN 1, 2012	INCREASE	REVERSAL OF PROVISIONS	PROVISIONS USED	DEC. 31, 2012
Litigation provisions	39	0	0	-39	0
<b>Total</b>	<b>39</b>	<b>0</b>	<b>0</b>	<b>-39</b>	<b>0</b>

## 27. FINANCIAL INSTRUMENTS AT FAIR VALUE

2013 EUR THOUSAND	LOANS AND RECEIVABLES MEASURED AT THE EFFECTIVE INTEREST RATE METHOD	FINANCIAL ASSETS/LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	FINANCIAL LIABILITIES MEASURED AT AMORTIZED COST	BALANCE SHEET ITEMS AT BOOK VALUE	BALANCE SHEET ITEMS AT FAIR VALUE
Non-current financial assets					
Receivables	26			26	26
Current financial assets					
Derivatives - receivables		6		6	6
Trade receivables	15,287			15,287	15,287
	<b>15,313</b>	<b>6</b>		<b>15,319</b>	<b>15,319</b>
Non-current financial liabilities					
Other liabilities			26	26	26
Current financial liabilities					
Interest-bearing liabilities			1,048	1,048	1,048
Trade payables			5,605	5,605	5,605
			<b>6,679</b>	<b>6,679</b>	<b>6,679</b>

2012 EUR THOUSAND	LOANS AND RECEIVABLES MEASURED AT THE EFFECTIVE INTEREST RATE METHOD	FINANCIAL ASSETS/LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	FINANCIAL LIABILITIES MEASURED AT AMORTIZED COST	BALANCE SHEET ITEMS AT BOOK VALUE	BALANCE SHEET ITEMS AT FAIR VALUE
Non-current financial assets					
Receivables	25			25	25
Current financial assets					
Trade receivables	16,854			16,854	16,854
	<b>16,879</b>			<b>16,879</b>	<b>16,879</b>
Non-current financial liabilities					
Other liabilities			25	25	25
Current financial liabilities					
Interest-bearing liabilities			1,286	1,286	1,286
Derivatives - liabilities		1		1	1
Trade payables			3,926	3,926	3,926
		<b>1</b>	<b>5,237</b>	<b>5,238</b>	<b>5,238</b>

The Group's financial assets and liabilities at fair value through profit or loss consist of currency derivatives. The fair value of derivatives is determined using the appropriate quoted market price and commonly used option valuation methods. This corresponds to level 2 in the hierarchy required by IFRS 13 *Fair Value Measurement*.

In 2012, the date of expiration of currency derivatives was January 2, 2014. Underlying instruments:

- Currency option NOK 4.5 million (bought call)
- Currency option NOK 3.3 million (sold put)

In 2012, the date of expiration of currency derivatives was January 7, 2013. Underlying instruments:

- Currency option NOK 4.5 million (sold put and bought call)

In 2012, the company disposed of an investment in shares, presented previously in available-for-sale investments.

EUR THOUSAND	DEC. 31, 2013	DEC. 31, 2012
Acquisition cost, Jan. 1	0	75
Disposals	0	-75
<b>Book value Dec. 31</b>	<b>0</b>	<b>0</b>

The Group's investment was valued at book value since its fair value could not be reliably measured. The investment consisted of unlisted shares.



28. FINANCIAL RISK AND CAPITAL STRUCTURE MANAGEMENT

FINANCIAL RISK MANAGEMENT

Operating internationally, Dovre Group is exposed to common financial risks, most importantly to foreign exchange risk. The purpose of financial risk management is to ensure that the Group has access to sufficient and cost-effective funding and to monitor and minimize any potentially adverse effects on the Group's financial performance. Financial risks are managed centrally by the Group's Treasury. Financial risk management is part of the Group's operational management.

Foreign exchange risk

The Group operates internationally and is thus exposed to a variety of risks arising from foreign currency exchange rate fluctuations relating to foreign currency denominated assets, liabilities, and planned business transactions (transaction risk), and from the translation of income statement items and the items of the statement of financial position of the Group's foreign subsidiaries into euros (translation risk). The Group manages its foreign exchange risks in accordance with the Group's currency hedging policy, approved by the Board of Directors in 2013. The purpose of the policy is to reduce the Group's exposure to currency exchange rate fluctuations and to minimize the impact

of movements in currency exchange rates on the Group's result and cash flows. Such currency exchange risks that cannot be hedged internally within the Group will be managed through the use of foreign currency derivatives. The purpose is to minimize subsidiaries' currency exchange risks and to centrally hedge the Group's transaction risks at the parent company.

Transaction risks

A substantial part of the Group's operations is local service business, is denominated in local functional currencies and does not therefore involve transaction risks. The Group's internal loans and deposits are primarily initiated in the local currencies of the subsidiaries in which case the possible foreign exchange risks are hedged using foreign currency derivatives at the parent company.

The foreign exchange risk sensitivity analysis for the most important currency pairs, disclosed in accordance with IFRS 7, has been calculated for the Group's foreign currency nominated financial assets and liabilities including foreign currency derivatives outstanding on the balance sheet date. The exposures in the most important currency pairs are disclosed in the table below.

EXPOSURE AGAINST EUR					
EUR MILLION	NOK	CAD	USD	AUD	TOTAL
Exposure Dec. 31, 2013	0.4	0.1	0.6	0.7	1.8
Exposure Dec. 31, 2012	0.4	-0.3	0.7	1.0	1.8

EXPOSURE AGAINST NOK				EXPOSURE AGAINST CAD		
EUR MILLION	USD	GBP	TOTAL	USD	AUD	TOTAL
Exposure Dec. 31, 2013	0.2	0.1	0.3	0.4	0.1	0.5
Exposure Dec. 31, 2012	0.6	0.1	0.7	0.6	0.2	0.8

The foreign exchange risk sensitivity analysis presents the impact of a change in the foreign exchange rates of 20% and has been calculated before taxes. An estimated 20% change in the foreign exchange rates on the balance sheet date would have resulted in an impact of EUR 0.5 (0.7) million with the exchange rates strengthening and EUR -0.5 (-0.7) million with the exchange rates weakening.

Translation risks

Changes in consolidation exchange rates affect the Group's income statement, cash flow statement, and the statement of financial position, which are presented in euros, thus giving rise to translation risk. As the majority of the Group's net sales occur in functional currencies other than the euro, the translation risk related to the Group's net sales and operating result is significant for the Group. In comparison to previous year's average annual exchange rates, in 2013 currency

exchange rates had an impact of -4.9 (5.4) % on the Group's consolidated net sales in euros and of -11.4 (8.1) % on the Group's consolidated operating result in euros.

The impact of a change of 10% in average annual exchange rates of the Group's main currencies on the Group's net sales and operating result is disclosed in the table below.

EUR MILLION	CHANGE EUR/NOK EXCHANGE RATE	IMPACT ON NET SALES (EUR MILLION)	IMPACT ON OPERATING RESULT (EUR MILLION)
2013	10 %	-4.7	-0.3
	-10 %	5.7	0.3
2012	10 %	-4.2	-0.3
	-10 %	5.1	0.2

EUR MILLION	CHANGE EUR/CAD EXCHANGE RATE	IMPACT ON NET SALES (EUR MILLION)	IMPACT ON OPERATING RESULT (EUR MILLION)
2013	10 %	-2.6	-0.2
	-10 %	3.2	0.3
2012	10 %	-2.7	-0.2
	-10 %	3.2	0.3

The translation of the Group's subsidiaries' balance sheets into euros caused a translation difference of EUR 2.0 (0.3) million in 2013. The translation difference was affected mainly by the Norwegian crown, which weakened 13.8% against the euro, and the Canadian dollar, which weakened 11.7% against the euro. The translation risk was not hedged during the financial year.

Interest rate risk

The Group had no non-current debt or interest-bearing receivables on the balance sheet date.

guarantee sufficient funding of the Group's business operations. The Group's liquidity is controlled through cash and liquidity management. The Group's liquidity remained strong in 2013.

On December 31, 2013, the Group's cash and cash equivalents amounted to EUR 13.7 million (EUR 7.5 million in 2012). In addition, the parent company and subsidiaries have unused credit limits.

Liquidity Risk

The purpose of liquidity risk management is to ensure that the Group has access to sufficient liquid assets and credit facilities in order to

EUR MILLION	2013	2012
Cash and cash equivalents, continuing operations	13.7	7.5
Cash and cash equivalents, discontinued operations	0	1.8
Credit facilities	1.6	1.7
<b>Total</b>	<b>15.3</b>	<b>11.0</b>

Customer credit risk

A substantive part of the Group's receivables are from a small number of customers. However, the Group does not consider there to be any significant concentrations of customer credit risk because the majority of its customers are large and financially solid companies. Customers' creditworthiness is secured through credit checks. Trade receivables are monitored centrally by Group functions. The Group does not provide customer financing.

Ageing structure of the Group's receivables and impairment losses recognized during the financial year are presented in Note 19 Trade and Other Receivables.

CAPITAL STRUCTURE MANAGEMENT

The purpose of the Group's capital structure management is to ensure the Group's liquidity in all market situations, to secure funding for the Group's strategic investments, and to maintain the Group's shareholder value. Capital structure management comprises the management of the Group's solidity and liquidity. Capital structure is monitored by using the debt to equity ratio (gearing).

On December 31, 2013, the Group's interest-bearing net liabilities were EUR -12.7 million (EUR -6.2 million in 2012). The Group's debt to equity ratio (gearing) is calculated by dividing total interest-bearing net liabilities by total assets. Net liabilities include interest-bearing liabilities less cash and cash equivalents.

THE GEARING RATIO	2013	2012
Interest-bearing liabilities	1.0	1.3
Cash and cash equivalents	13.7	7.5
<b>Net liabilities</b>	<b>-12.7</b>	<b>-6.2</b>

<b>Shareholder's equity</b>	<b>25.4</b>	<b>23.0</b>
<b>Gearing</b>	<b>-50.0 %</b>	<b>-27.0 %</b>

Change in gearing in 2013 is due to decreased interest-bearing liabilities and increased cash and cash equivalents.

29. OTHER RENTAL AGREEMENTS

Group as Lessee

FUTURE MINIMUM LEASE PAYMENTS FOR NON-CANCELLABLE OPERATING LEASES EUR THOUSAND	2013	2012
Not later than one year	420	710
Later than one year and not later than five years	107	549
<b>Total</b>	<b>527</b>	<b>1,259</b>

The Group's operating leases include business premises and warehouse space and cars. The leases have varying lenghts, index clauses, renewal rights, and other terms.

In 2013, EUR 893 thousand in lease payments for business premises were recognized as expense in the income statement (EUR 991 thousand in 2012) and EUR 28 thousand for cars (EUR 27 thousand in 2012).

Group as Lessor

FUTURE MINIMUM INCOME ON NON-CANCELLABLE OTHER LEASES EUR THOUSAND	2013	2012
Not later than one year	81	6
<b>Total</b>	<b>81</b>	<b>6</b>

The Group has leased out unused office space. The lease agreements are valid until further notice on a six-month notice.

30. COMMITMENTS AND CONTINGENT LIABILITIES

EUR THOUSAND	DEC. 31, 2013	DEC. 31, 2012
Collateral for own commitments		
Trade receivables pledged as collateral	2,989	3,402
Pledged shares	933	933

Disputes and Court Proceedings

The Group's parent company is involved in court proceedings with a former employee who has demanded the company to pay a compensation of approx. EUR 100 thousand for allegedly having unlawfully ended the employee's contract of employment. The company has denied the claims in full. The case awaits court resolution. The date of court resolution is not currently known.

31. SUBSIDIARIES

	DOMICILE	COUNTRY	SHAREHOLDING %, PARENT	SHAREHOLDING %, GROUP
Dovre Asia Pte Ltd.	Singapore	Singapore	100,00	100,00
Dovre Australia Pty Ltd.	Brisbane	Australia	100.00	100.00
Dovre Canada Ltd.	St. John's	Canada	100.00	100.00
Dovre Group AB	Stockholm	Sweden	100.00	100.00
Dovre Group AS	Stavanger	Norway	100.00	100.00
Dovre Group Inc.	Houston	USA	100.00	100.00
Dovre Group LLC	Moscow	Russia	100.00	100.00
Dovre Services AS	Stavanger	Norway	100.00	100.00
Dovre UK Ltd.	London	UK	100.00	100.00
Project Completion Management Inc.	Houston	USA	0,00	48,00
Project Completion Management Ltd.	Hampshire	UK	48.00	48.00

The Group consolidates Project Completion Management because the company has a call option to purchase all issued shares at any time.

32. RELATED PARTY TRANSACTIONS

Transactions with Related Parties

A related party is an entity, in which a member of the management of the Group or of its parent company holds either direct or indirect control, holds control together with another party, or has significant influence.

Transactions with associated companies are presented in Note 16 Investments in Associates. Dovre Group did not have any material transactions with other related parties in either 2013 or 2012. There were no loans given to management in the Group balance sheet on December 31, 2013, or on December 31, 2012.

Management Remuneration and Fringe Benefits

Management remuneration and fringe benefits, CEO and the members of the Board

Information on management remuneration and fringe benefits includes the remuneration and fringe benefits of the CEOs of the parent company and the members of the Board of Directors of Dovre Group Plc.

CEO AND BOARD MEMBERS	2013	2012
CEO of the parent	-284	-304
Board members of the parent	-123	-111
<b>Total</b>	<b>-407</b>	<b>-415</b>

DOVRE GROUP PLC	2013	2012
Hannu Vaajoensuu - Chairman of the Board	-35	-35
Rainer Häggblom - Vice Chairman of the Board since March 14, 2013	-19	0
Antti Manninen - Vice Chairman of the Board until March 14, 2013	-6	-25
Ilari Koskelo - Board member	-22	-22
Leena Mäkelä - Board member until March 14, 2013	-3	-11
Ossi Pohjola - Board member	-22	-17
Anja Silvennoinen - Board member March 14 - Dec. 31, 2013	-16	0
Janne Mielck - CEO until Dec. 16, 2013	-284	-304
<b>Total</b>	<b>-407</b>	<b>-415</b>

## Key Management Compensation

Information on key management compensation includes the remuneration and fringe benefits of the members of the Board of Directors of Dovre Group Plc and the members of the Group's executive team.

GROUP TOTAL TOTAL	2013	2012
Salaries and other short-term employee benefits	-909	-1,316
Severance pay in connection with termination of employment	-216	0
Share-based compensation *)	-43	-59
<b>Total</b>	<b>-1,168</b>	<b>-1,375</b>

\*) Comparatives for 2012 corrected

In 2013, the CEO's share of share-based compensation was EUR 17 thousand (EUR 24 thousand in 2012).

## Management Stock Options

### 2013

Information for 2013 includes information in Dovre Group's public insider register.

DOVRE GROUP	OPTIONS 2010A	OPTIONS 2010B	OPTIONS 2010C	OPTIONS 2013A	EXERCISABLE DEC. 31, 2013
Arve Jensen	100,000	70,000	75,000	100,000	170,000
Petri Karlsson	20,000	60,000	75,000	100,000	80,000
Tarja Leikas	0	0	0	100,000	0
<b>Total</b>	<b>120,000</b>	<b>130,000</b>	<b>150,000</b>	<b>300,000</b>	<b>250,000</b>

### 2012

Information for 2012 includes information on Dovre Group's public insider register.

DOVRE GROUP	OPTIONS 2010A	OPTIONS 2010B	OPTIONS 2010C	EXERCISABLE DEC. 31, 2012
Arve Jensen	100,000	70,000	75,000	100,000
Heidi Karlsson	100,000	70,000	75,000	100,000
Petri Karlsson	20,000	60,000	75,000	20,000
Mikko Marsio	0	0	75,000	0
Janne Mielck	75,000	75,000	300,000	75,000
Juha Pennanen	20,000	40,000	75,000	20,000
<b>Total</b>	<b>315,000</b>	<b>315,000</b>	<b>675,000</b>	<b>315,000</b>

# Financial Statements of the Parent Company, FAS

### 3. Financial Statements of the Parent Company, FAS

#### Parent Company Income Statement, FAS

EUR THOUSAND	NOTE	JAN. 1 - DEC. 31, 2013	JAN. 1 - DEC. 31, 2012
<b>NET SALES</b>	2	<b>4,051</b>	<b>3,271</b>
Other operating income	3	3,880	8,939
Material and services	4	-240	-121
Employee benefit expense	5	-2,841	-2,255
Depreciation and amortization	6	-635	-567
Other operating expenses		-1,467	-1,144
<b>OPERATING RESULT</b>		<b>2,748</b>	<b>8,123</b>
Financing income and expenses	8	2,087	219
<b>RESULT BEFORE TAXES</b>		<b>4,835</b>	<b>8,342</b>
Tax		-70	-17
Deferred tax assets		183	0
<b>RESULT FOR THE PERIOD</b>		<b>4,948</b>	<b>8,325</b>

#### Parent Company Balance Sheet, FAS

EUR THOUSAND	NOTE	DEC. 31, 2013	DEC. 31, 2012
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Intangible assets	9	652	476
Tangible assets	10	45	17
Investments			
Investments in subsidiaries	11	14,960	15,762
Receivables from Group Companies	11	72	2,418
Investments in associates	11	2,429	0
<b>NON-CURRENT ASSETS</b>		<b>18,158</b>	<b>18,673</b>
<b>CURRENT ASSETS</b>			
Non-current assets			
Loan receivables	12	831	1,514
Deferred tax assets	12	183	0
Current assets	13	1,280	1,490
Cash and cash equivalents		5,895	1,503
<b>CURRENT ASSETS</b>		<b>8,189</b>	<b>4,507</b>
<b>TOTAL ASSETS</b>		<b>26,347</b>	<b>23,180</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	14	9,603	9,603
Reserve for invested non-restricted equity	14	352	346
Retained earnings	14	10,517	3,449
Profit/loss for the period	14	4,948	8,325
<b>SHAREHOLDERS' EQUITY</b>		<b>25,420</b>	<b>21,723</b>
Provisions	15	28	0
<b>LIABILITIES</b>			
Non-current liabilities	15	0	502
Current liabilities	16	899	955
<b>LIABILITIES</b>		<b>899</b>	<b>1,457</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>26,347</b>	<b>23,180</b>



Parent Company Cash Flow Statement, FAS

EUR THOUSAND	2013	2012
Cash flow from operating activities		
Operating result	2,748	8,123
Depreciation and amortization	635	566
Gain on disposal of investment	-3,854	-8,844
Change in provisions on the balance sheet	28	0
Other income statement adjustments	215	0
Changes in working capital	88	-243
Interest received	88	203
Interest paid	-6	-1
Other financial items	-68	-73
Income taxes paid	-70	-17
Net cash generated by operating activities	-196	-286
Cash flow from investing activities		
Investments in tangible and intangible assets	-329	-70
Proceeds from available-for-sale financial assets	0	80
Investments in Group companies	-153	0
Disposal of shares in subsidiaries	4,448	0
Purchase of shares in associates	-11	-1,485
Dividends received from investments *)	1,530	0
Increase (-) / decrease (+) in loan receivables	984	1,188
Net cash generated by investing activities	6,469	-287
Cash flow from financing activities		
Stock options exercised	6	0
Repayments of long-term loans	-483	0
Repayments of short-term loans	-182	0
Dividends paid	-1,258	-629
Net cash generated by financing activities	-1,917	-629
Change in cash and cash equivalents	4,356	-1,202
Translation differences	36	-5
Transfer of cash and cash equivalents, company reorganizations	0	457
Cash and cash equivalents at the beginning of the period	1,503	2,253
Cash and cash equivalents at the end of the period	5,895	1,503

\*) A total of EUR 1.3 million of dividends received in 2013 were recorded as loan receivables without cash flow.

Notes to the Financial Statements of the Parent Company, FAS

1 ACCOUNTING PRINCIPLES

The financial statements of the parent company have been prepared in accordance with the Finnish Accounting Act and corporate legislation.  
Dovre Group Plc's subsidiary Camako Oy was merged with the parent company in May 2012.

Foreign currency transactions

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of transaction. At the end of the financial period, foreign currency assets and liabilities are translated at the rate of exchange prevailing on the balance sheet date. Foreign exchange gains and losses are presented under financing income and expense in the income statement.

Revenue recognition

Revenue from services is recognized upon delivery to the customer. Revenue from licenses is recognized upon the granting of user rights when all the main risks and rewards of license ownership have been transferred to the buyer. Revenue from maintenance is allocated to the contract period. Net sales include royalty fee charged from Group companies for intangible marketing property and for using the Dovre Group trademark. Royalties are recognized on an accrual basis and in accordance with the respective licensing agreement.

Pensions

The parent company's pension schemes are funded through payments to an insurance company. Statutory pension expenses are recognized as expense in the year they are incurred.

Fixed assets

Fixed assets are stated at acquisition cost less accumulated depreciation and amortization. Depreciation and amortization are recorded on

a straight-line basis over the expected economic useful lives of the assets as follows:

- Intangible assets (software) 3 years
- Intangible assets (trademarks) 5 years
- Merger assets 5 years
- Other capitalized expenditure 3-5 years
- Machinery and equipment 4 years

Trade receivables

Trade receivables are stated at the original invoiced amount to customers less doubtful receivables.

Derivative instruments

The company hedges receivables and liabilities denominated in foreign currency with different currency forward and option contracts. Derivatives are recognized under other receivables or payables at fair value on the date of trade. Outstanding derivatives are remeasured at their fair value at each balance sheet date and the resulting gain or loss is immediately recognized in the income statement under financial items. In determining the fair value of a derivative, the appropriate quoted market price is used, if available. Alternatively, fair value is determined using commonly used valuation methods.

Taxes

Income tax is recognized in accordance with Finnish tax legislation. Taxes withheld in foreign jurisdictions are recognized as cost in the income statement if they cannot be utilized in taxation. Deferred tax assets are recognized with utmost prudence. In 2013, a total of EUR 183 thousand was recognized as deferred tax assets.

2 NET SALES

Geographical distribution

EUR THOUSAND	2013	2012
Finland	1,811	1,654
Canada	1,274	552
Norway	783	870
Other countries	183	195
Total	4,051	3,271

### 3. OTHER OPERATING INCOME

EUR THOUSAND	2013	2012
Rents	25	51
Gain on disposal of non-current assets, investments	3,854	8,844
Other operating income	1	44
<b>Total</b>	<b>3 880</b>	<b>8 939</b>

In 2013, gain on disposal of non-current assets, investments includes the gain on disposal of Safran Software Solutions AS as recognized in the parent company. In 2012, gain on disposal of non-current assets, investments includes the company's gains on liquidation resulting from the Group's internal reorganizations as part of which a number of Group companies that were transferred under parent company ownership were recognized at fair value.

### 4. MATERIAL AND SERVICES

EUR THOUSAND	2013	2012
Materials	0	-7
Outside services	-240	-114
<b>Total</b>	<b>-240</b>	<b>-121</b>

### 5. EMPLOYEE BENEFITS EXPENSE

EUR THOUSAND	2013	2012
Salaries and fees	-2,392	-1,875
Pension expenses	-363	-315
Other employee benefits	-86	-65
<b>Total</b>	<b>-2,841</b>	<b>-2,255</b>

MANAGEMENT REMUNERATION EUR THOUSAND	2013	2012
CEO	-284	-304
Members of the Board of Directors	-123	-111
<b>Total</b>	<b>-407</b>	<b>-415</b>

#### Pension Liabilities for the Members of the Board and the CEO

The agreements do not contain any special provisions concerning retirement age or pension. In 2013, a total of EUR 49 thousand of the CEO's statutory pension expenses was expensed to the income statement (EUR 55 thousand in 2012).

NUMBER OF EMPLOYEES	2013	2012
Average	27	21
At the end of the financial year	22	30

### 6. DEPRECIATION, AMORTIZATION, AND IMPAIRMENT LOSSES

EUR THOUSAND	2013	2012
Amortization according to plan, intangible assets	-109	-75
Depreciation according to plan, tangible assets	-16	-6
Impairment, investments	-510	-486
<b>Total</b>	<b>-635</b>	<b>-567</b>

### 7. AUDITOR FEES

EUR THOUSAND	2013	2012
External audit	-78	-86
Other services referred to in the Finnish Auditing Act	-1	-8
Tax consultancy	-36	0
Other professional services	-2	-17
<b>Total</b>	<b>-117</b>	<b>-111</b>

### 8. FINANCING INCOME AND EXPENSES

DIVIDEND INCOME EUR THOUSAND	2013	2012
Dividend income from Group companies	2,861	0
<b>Total</b>	<b>2,861</b>	<b>0</b>

OTHER INTEREST AND FINANCING INCOME EUR THOUSAND	2013	2012
Interest income from Group companies	71	181
Interest income from others	21	11
Other financing income from others	247	150
<b>Total</b>	<b>339</b>	<b>342</b>

IMPAIRMENT LOSSES EUR THOUSAND	2013	2012
Impairment of current assets	-500	0
<b>Total</b>	<b>-500</b>	<b>0</b>

INTEREST AND FINANCING EXPENSES	2013	2012
Interest expenses to Group companies	-6	-19
Other interest and financing expenses	-607	-104
<b>Total</b>	<b>-613</b>	<b>-123</b>

Financing income and expenses, total	2,087	219
Foreign exchange gains included in financing income	19	150
Foreign exchange losses included in financing expenses	-607	-67

## 9. INTANGIBLE ASSETS

INTANGIBLE RIGHTS AND OTHER CAPITALIZED EXPENDITURE EUR THOUSAND	2013	2012
Acquisition cost, Jan. 1	171	101
Additions	285	70
Acquisition cost, Dec. 31	456	171
Accumulated amortization and value adjustments, Jan. 1	-42	-21
Amortization charges for the year	-29	-21
Accumulated amortization and value adjustments, Dec. 31	-71	-42
<b>Book value Dec. 31</b>	<b>385</b>	<b>129</b>

In 2012, additions includes prepayments of EUR 70 thousand for other capitalized expenditure.

MERGER ASSETS EUR THOUSAND	2013	2012
Acquisition cost, Jan. 1	401	0
Additions	0	401
Acquisition cost, Dec. 31	401	401
Accumulated amortization and value adjustments, Jan. 1	-54	0
Amortization charges for the year	-80	-54
Accumulated amortization and value adjustments, Dec. 31	-134	-54
<b>Book value Dec. 31</b>	<b>267</b>	<b>347</b>

## 10. TANGIBLE ASSETS

MACHINERY AND EQUIPMENT EUR THOUSAND	2013	2012
Acquisition cost, Jan. 1	87	26
Additions	44	0
Transferred in company reorganizations	0	70
Disposals	0	-9
Acquisition cost, Dec. 31	131	87
Accumulated depreciation and value adjustments, Jan. 1	-70	-23
Accumulated depreciation from disposals	0	9
Transferred in company reorganizations	0	-50
Depreciation charges for the year	-16	-6
Accumulated depreciation and value adjustments, Dec. 31	-86	-70
<b>Book value Dec. 31</b>	<b>45</b>	<b>17</b>

## 11. INVESTMENTS

INVESTMENTS IN SUBSIDIARIES EUR THOUSAND	2013	2012
Acquisition cost, Jan. 1	16,248	5,537
Additions	301	16,892
Disposals	-593	-6,181
Acquisition cost, Dec. 31	15,956	16,248
Accumulated value adjustments, Jan. 1	-486	0
Accumulated impairment on disposals	-510	-486
Accumulated impairment and value adjustments, Dec. 31	-996	-486
<b>Book value Dec. 31</b>	<b>14,960</b>	<b>15,762</b>

Additions in 2012 relate to the Group's internal reorganizations as part of which a number of Group companies were transferred under parent company ownership and were recognized at fair value at liquidation (see Note 3).

RECEIVABLES FROM GROUP COMPANIES EUR THOUSAND	2013	2012
Acquisition cost, Jan. 1	0	0
Additions	76	0
Foreign currency difference	-4	0
Acquisition cost, Dec. 31	72	0
<b>Book value Dec. 31</b>	<b>72</b>	<b>0</b>

INVESTMENTS IN ASSOCIATES EUR THOUSAND	2013	2012
Acquisition cost, Jan. 1	2,418	933
Additions	11	1,485
Acquisition cost, Dec. 31	2,429	2,418
<b>Book value Dec. 31</b>	<b>2,429</b>	<b>2,418</b>

OTHER INVESTMENTS EUR THOUSAND	2013	2012
Acquisition cost, Jan. 1	0	75
Disposals	0	-75
Acquisition cost, Dec. 31	0	0
<b>Book value Dec. 31</b>	<b>0</b>	<b>0</b>

INVESTMENTS IN SUBSIDIARIES ON DEC. 31, 2013	DOMICILE	COUNTRY	PARENT COMPANY OWNERSHIP %
Dovre Asia Pte Ltd.	Singapore	Singapore	100,00
Dovre Australia Pty Ltd.	Sydney	Australia	100.00
Dovre Canada Ltd.	St. John's	Canada	100.00
Dovre Group AB	Stockholm	Sweden	100.00
Dovre Group AS	Stavanger	Norway	100.00
Dovre Group Inc.	Houston	USA	100.00
Dovre Group LLC	Moscow	Russia	100.00
Dovre Services AS	Stavanger	Norway	100.00
Dovre UK Ltd.	London	UK	100.00
Project Completion Management Ltd.	Hampshire	UK	48.00

INVESTMENTS IN ASSOCIATES ON DEC. 31, 2013	DOMICILE	COUNTRY	PARENT COMPANY OWNERSHIP %
Kiinteistö Oy Kuukoti	Espoo	Finland	43.50
Sararasa Biomass Pte Ltd	Singapore	Singapore	11,11
Sararasa Bioindo Pte Ltd	Singapore	Singapore	20.19

## 12. NON-CURRENT RECEIVABLES

EUR THOUSAND	DEC. 31, 2013	DEC. 31, 2012
Loan receivables		
Non-current loan receivables from Group companies	794	1,476
Non-current loan receivables from others	37	38
<b>Total</b>	<b>831</b>	<b>1,514</b>
Deferred tax assets	183	0
<b>Non-current receivables, total</b>	<b>1,014</b>	<b>1,514</b>

The company has a total of EUR 1.8 million unrecognized deferred tax assets for previous years' losses.

## 13. CURRENT RECEIVABLES

EUR THOUSAND	DEC. 31, 2013	DEC. 31, 2012
<b>Current receivables from Group companies</b>		
Trade receivables	173	279
Loan receivables	722	704
Prepayments and accrued income	1	0
	<b>896</b>	<b>983</b>
<b>Current receivables from others</b>		
Trade receivables	271	419
Other receivables	32	71
Prepayments and accrued income	81	17
	<b>384</b>	<b>507</b>
<b>Total</b>	<b>1,280</b>	<b>1,490</b>

PREPAYMENTS AND ACCRUED INCOME EUR THOUSAND	2013	2012
Interest receivables	4	0
Currency derivatives	6	0
Sales accruals	20	0
Accrued expenses	51	17
<b>Total</b>	<b>81</b>	<b>17</b>

## 14. SHAREHOLDERS' EQUITY

### Restricted equity

SHARE CAPITAL EUR THOUSAND	2013	2012
Share capital, Jan. 1	9,603	9,603
Share capital, Dec. 31	9,603	9,603

### Non-restricted equity

RESERVE FOR INVESTED NON-RESTRICTED EQUITY EUR THOUSAND	2013	2012
Reserve for invested non-restricted equity, Jan. 1	346	346
Stock options exercised	6	0
Reserve for invested non-restricted equity, Dec. 31	352	346

RETAINED EARNINGS	2013	2012
Retained earnings, Jan. 1	11,774	4,078
Dividend distribution	-1,258	-629
Result for the period	4,948	8,325
Retained earnings, Dec. 31	15,465	11,774

CALCULATION OF DISTRIBUTABLE EARNINGS EUR THOUSAND	2013	2012
Retained earnings from prior years	10,517	3,449
Reserve for invested non-restricted equity	352	346
Result for the period	4,948	8,325
<b>Total</b>	<b>15,817</b>	<b>12,120</b>

## 15. PROVISIONS

CHANGES IN PROVISIONS, 2013 EUR THOUSAND	JAN 1, 2013	INCREASE	REVERSAL OF PROVISION	PROVISIONS USED	DEC. 31, 2013
Litigation provisions	0	20	0	0	20
Other provisions	0	8	0	0	8
<b>Total</b>	<b>0</b>	<b>28</b>	<b>0</b>	<b>0</b>	<b>28</b>



## 16. NON-CURRENT LIABILITIES

EUR THOUSAND	DEC. 31, 2013	DEC. 31, 2012
Non-current liabilities to Group companies	0	502
<b>Total</b>	<b>0</b>	<b>502</b>

## 17. CURRENT LIABILITIES

EUR THOUSAND	DEC. 31, 2013	DEC. 31, 2012
<b>Current liabilities to Group companies</b>		
Other liabilities	56	267
	<b>56</b>	<b>267</b>
<b>Liabilities to others</b>		
Trade payables	140	96
Other liabilities	62	115
Accruals and deferred income	641	477
	<b>843</b>	<b>688</b>
<b>Total</b>	<b>899</b>	<b>955</b>

### ACCRUED EXPENSES AND DEFERRED INCOME EUR THOUSAND

	2013	2012
Accrued employee expenses	611	431
Currency derivatives	0	1
Accrued rent expenses	2	1
Other accrued expenses	28	44
<b>Total</b>	<b>641</b>	<b>477</b>

## 18. COMMITMENTS AND CONTINGENT LIABILITIES

### COLLATERAL FOR OWN COMMITMENTS EUR THOUSAND

	DEC. 31, 2013	DEC. 31, 2012
<b>Collateral for own commitments</b>		
Pledged shares	933	933
Credit lines used	0	0
<b>Guarantees given for others</b>		
Loan guarantee	1,089	0
Other guarantees	1,794	0
<b>Total</b>	<b>2,883</b>	<b>0</b>

### FUTURE MINIMUM LEASE PAYMENTS FOR NON-CANCELLABLE OPERATING LEASES

	2013	2012
Not later than one year	99	92
Later than one year and not later than five years	1	66
<b>Total</b>	<b>100</b>	<b>158</b>

### Disputes and court proceedings

See Group Financial Statements Note 30.



Key Figures and  
Financial Development  
2009 - 2013

## 4. Key Figures and Financial Development 2009 - 2013

### Key Financial Indicators

EUR THOUSAND	IFRS 2013	IFRS 2012	IFRS 2011	IFRS 2010	IFRS 2009
Net sales, Group *)	100,788	98,923	77,183	70,776	60,738
Change, % *)	1.9 %	28.2 %	9.1 %	16.5 %	-2.7 %
Net sales, continuing operations	98,544	94,069	73,273		
Change, %	4.8 %	28.4 %			
Operating result, Group	2,759	4,302	4,902	3,370	263
% of net sales *)	2.7 %	4.3 %	6.4 %	4.8 %	0.4 %
Operating result, continuing operations	2,407	3,419	4,357		
% of net sales	2.4 %	3.6 %	5.9 %		
Result before tax, Group	2,393	4,106	4,788	3,389	-90
% of net sales *)	2.4 %	4.2 %	6.2 %	4.8 %	-0.1 %
Result before tax, continuing operations	2,039	3,240	4,243		
% of net sales	2.1 %	3.4 %	5.8 %		
Result for the period	5,563	2,869	3,202	2,373	-871
% of net sales *)	5.5 %	2.9 %	4.1 %	3.4 %	-1.4 %
Return on equity, %	23.0 %	13.2 %	17.2 %	15.3 %	-5.6 %
Return on investment, % **)	10.2 %	15.9 %	26.3 %	22.9 %	6.7 %
Equity-ratio, %	62.3 %	56.8 %	61.3 %	55.4 %	46.5 %
Gearing, % ***)	-50.0 %	-27.0 %	-34.6 %	-27.2 %	-2.0 %
Balance sheet total	40,718	40,522	33,729	30,774	29,911
Gross capital expenditure	395	1,669	57	229	522
% of net sales (Group)	0.4 %	1.7 %	0.1 %	0.3 %	0.9 %
Research and development ****)	197	114	94	665	763
% of net sales (continuing operations)	0.2 %	0.1 %	0.1 %	0.9 %	1.3 %
Average number of personnel, Group	481	459	406	414	404
Personnel at end of period, Group	468	488	407	418	408
Average number of personnel, continuing operations	469	434	382		
Personnel at end of period, continuing operations	468	461	381		

\*) Comparative for 2011 changed due to reclassification.

\*\*) In 2012 and 2013, return on investment calculated for continuing operations.

\*\*\*) In 2012, key indicator calculation does not include cash and cash equivalents of discontinued operations.

\*\*\*\*) Discontinued operations not included in 2011-2013.

### Key Figures by Share

EUR	IFRS 2013	IFRS 2012	IFRS 2011	IFRS 2010	IFRS 2009
Undiluted earnings per share (EUR), Group	0.088	0.046	0.051	0.038	-0.014
Diluted earnings per share (EUR), Group	0.088	0.045	0.051	0.038	-0.014
Undiluted earnings per share (EUR), continuing operations	0.019	0.035	0.051	0.038	-0.014
Diluted earnings per share (EUR), continuing operations	0.019	0.035	0.051	0.038	-0.014
Equity per share (EUR)	0.40	0.37	0.32	0.27	0.22
Dividends EUR (1,000)	1,258	1,258	629	0	0
Dividend per share, EUR	0.020	0.020	0.010	0.000	0.000
Dividend per earnings, %	22.6 %	43.8 %	19.6 %	0.0 %	0.0 %
Effective dividend yield, %	4.2 %	3.8 %	2.9 %	0.0 %	0.0 %
P/E ratio (EUR)	5.43	11.62	6.68	11.49	-23.48
Highest share price (EUR)	0.59	0.58	0.51	0.44	0.36
Lowest share price (EUR)	0.38	0.32	0.28	0.29	0.23
Average share price (EUR)	0.48	0.43	0.43	0.36	0.28
Market capitalization (EUR million)	30.2	33.3	21.4	27.3	20.4
Value of traded shares (EUR million)	7.7	3.9	4.3	11.9	6.5
Shares traded, %	25.5 %	14.4 %	16.0 %	53.3 %	37.3 %
Average number of shares:					
– Undiluted (1,000)	62,911	62,896	62,429	61,962	61,962
– Diluted (1,000)	63,225	63,063	62,860	62,004	61,962
Number of shares at end of period (1,000)	62,916	62,896	62,896	61,962	61,962



# Calculation of Key Indicators

The Group's key financial performance indicators have been calculated for the Group's continuing operations excluding result for the period, return on equity, and earnings per share, which include both continuing and discontinued operations.

Return on shareholders' equity (ROE), % *)	<div>Result for the period</div> <div>Shareholders' equity (average)</div>	x 100
Return on investment (ROI), % *)	<div>(Result before taxes + interest and other financial expenses)</div> <div>Balance sheet total - interest free liabilities (average)</div>	x 100
Equity-ratio, %	<div>Shareholders' equity</div> <div>Balance sheet total - advances received</div>	x 100
Gearing, %	<div>(Interest-bearing liabilities - cash and cash equivalents)</div> <div>Shareholders' equity</div>	x 100
Earnings per share, EUR	<div>Result for the period</div> <div>Adjusted number of shares (average)</div>	
Equity per share, EUR	<div>Shareholders' equity</div> <div>Adjusted number of shares at end of period</div>	
Dividend per share, EUR	<div>Dividend payable for the financial year</div> <div>Adjusted number of shares at end of period</div>	
Dividend per earnings, %	<div>Adjusted dividend per share</div> <div>Earnings per share</div>	x 100
Effective dividend yield, %	<div>Adjusted dividend per share</div> <div>Adjusted share price at end of period</div>	x 100
Price-earnings ratio (P/E), EUR	<div>Adjusted share price at end of period</div> <div>Earnings per share</div>	

\*) Divisor calculated as the average of shareholders' equity in the balance sheet at the end of the current and the directly preceeding financial year.



Shares and  
Shareholders

# 5. Shares and Shareholders

## 5.1 Shares and Share Capital

Dovre Group Plc has one class of shares. Each share entitles the shareholder to one vote. Dovre Group Plc shares are traded in NASDAQ OMX Helsinki Ltd.

On January 1, 2013 and December 31, 2013, Dovre Group Plc's share capital was EUR 9,603,084.48. The total number of shares was 62,895,751 on January 1, 2013, and 62,915,751 on December 31, 2013. During the financial, 20,000 new shares were subscribed for with the company's stock options.

## 5.2 Trading and Market Capitalization

In January – December, 2013, approximately 16.1 (9.2) million Dovre Group shares were traded on the NASDAQ OMX Helsinki Ltd., corresponding to an exchange of approximately EUR 7.7 (3.9) million.

From January 1 to December 31, 2013, the lowest quotation was EUR 0.38 (0.32) and the highest quotation was EUR 0.59 (0.58). On December 31, 2013, the closing quotation was EUR 0.48 (0.53).

The period-end market capitalization was approximately EUR 30.2 (33.3) million.

On December 31, 2013, the number of registered shareholders of Dovre Group Plc totaled 3,064 (2,927) including 9 nominee registers. 0.7 (0.9) % of the Group's shares are nominee-registered.

## 5.3 Authorizations of the Board of Directors

Based on the authorization granted to the Board of Directors by the Annual General Meeting held on March 15, 2012, and the Board's decision in its meeting on January 24, 2013, the Board granted stock options under the Company's 2013A stock option plan in the first quarter of 2013.

The Annual General Meeting held on March 14, 2013, authorized the Board of Directors to decide on the repurchase of a maximum of 6,200,000 of the Company's own shares, corresponding to approx. 9.9% of the Company's total number of shares. The repurchase authorization is valid until June 30, 2014.

In addition, the Annual General Meeting held on March 14, 2013, authorized the Board of Directors to decide on the issuance of shares as well as the issuance of special rights. By virtue of the authorization, the Board is entitled to decide on the issuing of a maximum of 12,400,000 new shares, corresponding to approximately 20% of the Company's total number of shares. The Board is entitled to decide on the conveying of a maximum 6,200,000 own shares held by the Company. The number of shares to be issued to the Company shall not exceed 6,200,000 including the number of own shares acquired by the Company by virtue of the authorization to repurchase the Company's own shares. Additionally, the Board is authorized to grant special rights entitling to shares. The maximum number of shares to be thus issued is 5,000,000 whereby this maximum number is included in the maximum number of shares noted above. The authorization is valid until June 30, 2014, and replaces the authorization granted by the Annual General Meeting held on March 15, 2012.

The Board did not exercise the authorizations granted by the Annual General Meeting held on March 14, 2013 during the financial year.

## 5.4 Option Rights

Dovre Group Plc's option plan 2010 is divided into three series. The share subscription period of the 2010 stock option plan per series is as follows:

- Option series 2010A: March 1, 2012-February 28, 2015
- Option series 2010B: March 1, 2013-February 28, 2016
- Option series 2010C: March 1, 2014-February 28, 2017.

In its meeting on January 24, 2013, the Board of Directors of Dovre Group Plc approved a new option plan 2013. Under this plan, a total of 3,000,000 stock options are offered for subscription to Dovre Group's key employees. The dilution effect of the stock option plan is less than 5% of the total number of shares in the Company. Each stock option entitles the holder to subscribe for one share in the Company.

The share subscription period of the 2013 stock option plan per series is as follows:

- Option series 2013A: March 1, 2015-February 29, 2018
- Option series 2013B: March 1, 2016-February 28, 2019
- Option series 2013C: March 1, 2017-February 28, 2020.

The terms and conditions of the 2013 stock option plan are available on the Company's investor pages at [www.dovregroup.com](http://www.dovregroup.com).

In its meeting on January 24, 2013, the Board of Directors of Dovre Group Plc decided to cancel a total of 345,000 2010A stock options and a total of 380,000 2010B stock options. The remaining 555,000 2010A stock options entitle holders to subscribe for a total of 555,000 shares in Dovre Group Plc. The remaining 395,000 2010B stock options entitle holders to subscribe for a total of 395,000 shares in Dovre Group Plc.

The subscription period for Dovre Group Plc's 2010A option plan begun on March 1, 2012. During the financial year, a total of 20,000 shares were subscribed for with the option rights. The increase in the Company's number of shares has been entered in the Finnish trade register on April 12, 2013.

The subscription period for Dovre Group Plc's 2010B option plan begun on March 1, 2013. No shares were subscribed for with the option rights during the financial year.

During the financial year, the Group granted the Group's key employees a total 725,000 options under the 2013A option plan (share subscription price EUR 0.54). A total of 150,000 options granted under the 2010C option plan and 75,000 options granted under the 2013A option plan were returned to the company.

At the end of the financial year, a total of 1,705,000 options were outstanding under the 2010 option plan. The company has in reserve 175,000 of these. A total of 3,000,000 options were outstanding under the 2013 option plan. The company has in reserve 2,275,000 of these.

## Option rights issued under the 2010 option plan are as follows:

SUBSCRIPTION PERIOD 2010	SUBSCRIPTION PRICE EUR	NUMBER OF OPTIONS	NUMBER OF SHARES
A March 1, 2012 – February 28, 2015	0.33	900,000	900,000
B March 1, 2013 – February 28, 2016	0.47	775,000	775,000
C March 1, 2014 – February 28, 2017	0.38	775,000	775,000
Total		2,450,000	2,450,000
Cancelled		725,000	725,000
Share subscriptions		20,000	20,000
Remaining December 31, 2013		1,705,000	1,705,000
Of which in reserve		175,000	175,000

## Option rights issued under the 2013 option plan are as follows:

SUBSCRIPTION PERIOD 2013	SUBSCRIPTION PRICE EUR	NUMBER OF OPTIONS	NUMBER OF SHARES
A March 1, 2015 – February 29, 2018	0.54	1,000,000	1,000,000
B March 1, 2016 – February 29, 2019		1,000,000	1,000,000
C March 1, 2017 – February 29, 2020		1,000,000	1,000,000
Total		3,000,000	3,000,000
Remaining December 31, 2013		3,000,000	3,000,000
Of which in reserve		2,275,000	2,275,000



Largest Shareholders as of December 31, 2013

SHAREHOLDER		SHARES	% HOLDING
1	Etola Erkki	16,900,000	26.9 %
	<i>Etra Capital Oy *)</i>	<i>15,000,000</i>	<i>23.8 %</i>
	<i>Etola Erkki</i>	<i>1,900,000</i>	<i>3.0 %</i>
2	Koskelo Ilari	4,389,540	7.0 %
	<i>Koskelo Ilari</i>	<i>3,089,540</i>	<i>4.9 %</i>
	<i>Navdata Oy **)</i>	<i>1,300,000</i>	<i>2.1 %</i>
3	Sijoitusrahasto Evli Suomi	3,098,320	4.9 %
4	Mäkelä Pekka	1,882,375	3.0 %
5	Siik Rauni	1,477,808	2.3 %
6	Siik Seppo Sakari	1,211,629	1.9 %
7	Hinkka Petri	1,000,000	1.6 %
8	Kefura Ab	1,000,000	1.6 %
9	Paasi Kari	806,000	1.3 %
10	Keep it simple KIS OY AB	800,000	1.3 %
11	Schütt Christian	700,000	1.1 %
12	Ruokostenpohja Ismo	652,967	1.0 %
13	Nordea Henkivakuutus Suomi Oy	650,351	1.0 %
14	Hinkka Invest Oy	583,390	0.9 %
15	Vaajoensuu Hannu	545,000	0.9 %
	<i>Havacment Oy ***)</i>	<i>215,000</i>	<i>0.3 %</i>
	<i>Vaajoensuu Henri ***)</i>	<i>165,000</i>	<i>0.3 %</i>
	<i>Vaajoensuu Sara ***)</i>	<i>165,000</i>	<i>0.3 %</i>
16	Toivanen Kari	500,000	0.8 %
17	Suonpää Altti	444,444	0.7 %
18	Olsson Vesa	433,000	0.7 %
19	Karppinen Sakari	423,295	0.7 %
20	Sandström Yngve	370,000	0.6 %
20 largest shareholders (total)		37,868,119	60.2 %
Nominee registered shares (total)		414,839	0.7 %
Total remaining		24,632,793	39.2 %
Total		62,915,751	100.0 %

\*) Erkki Etola holds control in Etra Capital Oy.

\*\*) Ilari Koskelo, member of Dovre Group's Board of Directors, holds control in Navdata Oy.

\*\*\*) Hannu Vaajoensuu, Chairman of Dovre Group's Board of Directors, holds control in Havacment Oy. Henri and Petra Vaajoensuu are Hannu Vaajoensuu's family members living in the same household with him.

Share Ownership on December 31, 2013

By number of shares owned

SHARES	NUMBER OF SHAREHOLDERS	% OF ALL SHAREHOLDERS	TOTAL NUMBER OF SHARES	% OF ALL SHARES
1–100	211	6.9	13,938	0.0
101–500	606	19.8	221,251	0.4
501–1,000	491	16.0	446,659	0.7
1,001–5,000	995	32.5	2,729,605	4.3
5,001–10,000	321	10.5	2,571,205	4.1
10,001–50,000	326	10.6	7,805,346	12.4
50,001–100,000	47	1.5	3,462,616	5.5
100,001–500,000	51	1.7	10,512,751	16.7
500,001–	16	0.5	35,152,380	55.9
Total	3,064	100.0	62,915,751	100.0

By shareholder category

	NUMBER OF SHAREHOLDERS	% OF ALL SHAREHOLDERS	TOTAL NUMBER OF SHARES	% OF ALL SHARES
Private companies	144	4.7	22,724,203	36.1
Financial and insurance institutions	13	0.4	4,578,534	7.3
Public bodies	1	0.0	800	0.0
Non-profit organizations	6	0.2	8,080	0.0
Households	2,852	93.1	33,757,600	53.7
Foreign shareholders	48	1.6	1,846,534	2.9
Total	3,064	100.0	62,915,751	100.0
Nominee registered	9		414,839	0.7

Holdings of the Board of Directors and Management

On December 31, 2013, the members of the Board of Directors owned a total of 3,089,540 shares, representing approximately 4.9% of all shares and votes. Taking into account ownership through controlled companies and the ownership of under-aged children or family members living in the same household with Board members, the members of

the Board of Directors owned a total of 4,934,540 shares, representing approximately 7.8% of all shares and votes.

The Board members did not own options rights on December 31, 2013. On December 31, 2013, the acting CEO of Dovre Group Plc owned a total of 10,422 shares, representing approximately 0.0% of all shares and votes.

NAME	NUMBER OF SHARES	% OF SHARES	NUMBER OF STOCK OPTIONS 1)
Hannu Vaajoensuu 2)	545,000	0.9 %	0
Ilari Koskelo 3)	4,389,540	7.0 %	0
Rainer Häggblom	0	0.0 %	0
Ossi Pohjola	0	0.0 %	0
Anja Silvennoinen	0	0.0 %	0
Board total	4,934,540	7.8 %	0
Tarja Leikas (CEO)	10,422	0.0 %	100,000

1) Each stock option entitles the holder to subscribe one share. The marking price varies between EUR 0.37 and EUR 0.50 per share.

2) Hannu Vaajoensuu holds control in Havacment Oy, which owns a total of 215,000 shares. Hannu Vaajoensuu's under-aged child and a family member living in the same household own a total of 330,000 shares.

3) Ilari Koskelo holds control in Navdata Oy, which owns a total of 1,300,000 shares.

6. Signature for Financial Statements

Helsinki, February 13, 2014

Hannu Vaajoensuu  
Chairman of the Board of Directors

Rainer Häggblom  
Vice Chairman of the Board of Directors

Ilari Koskelo  
Member of the Board of Directors

Ossi Pohjola  
Member of the Board of Directors

Tarja Leikas  
CEO

Auditor’s statement

Based on an audit, an opinion is expressed on these financial statements and on corporate governance on this date.

Helsinki, February 13, 2014

ERNST & YOUNG OY  
Authorized Public Accountants

Mikko Järventausta  
Authorized Public Accountant

7. Auditor’s report

To the Annual General Meeting of Dovre Group Plc

We have audited the accounting records, the financial statements, the report of the Board of Directors, and the administration of Dovre Group Plc for the year ended 31 December 2013. The financial statements comprise the consolidated statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows, and notes to the consolidated financial statements, as well as the parent company’s balance sheet, income statement, cash flow statement and notes to the financial statements.

Responsibility of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, as well as for the preparation of financial statements and the report of the Board of Directors that give a true and fair view in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The Board of Directors is responsible for the appropriate arrangement of the control of the company’s accounts and finances, and the Managing Director shall see to it that the accounts of the company are in compliance with the law and that its financial affairs have been arranged in a reliable manner.

Auditor’s Responsibility

Our responsibility is to express an opinion on the financial statements, on the consolidated financial statements and on the report of the Board of Directors based on our audit. The Auditing Act requires that we comply with the requirements of professional ethics. We conducted our audit in accordance with good auditing practice in Finland. Good auditing practice requires that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the report of the Board of Directors are free from material misstatement, and whether the members of the Board of Directors of the parent company or the Managing Director are guilty of an act or negligence which may result in liability in damages towards the company or have violated the Limited Liability Companies Act or the articles of association of the company.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the report of the Board of Directors. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant

to the entity’s preparation of financial statements and report of the Board of Directors that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the report of the Board of Directors.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on the consolidated financial statements

In our opinion, the consolidated financial statements give a true and fair view of the financial position, financial performance, and cash flows of the group in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

Opinion on the company’s financial statements and the report of the Board of Directors

In our opinion, the financial statements and the report of the Board of Directors give a true and fair view of both the consolidated and the parent company’s financial performance and financial position in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The information in the report of the Board of Directors is consistent with the information in the financial statements.

Helsinki, 13 February 2014

Ernst & Young Oy  
Authorized Public Accountant Firm

Mikko Järventausta  
Authorized Public Accountant

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# Corporate Governance Statement 2013

## Corporate Governance Statement 2013

This Corporate Governance Statement has been composed in accordance with Recommendation 54 of the Finnish Corporate Governance Code of the Finnish Securities Market Association, and Chapter 7, Section 7 of the Finnish Securities Market Act. The Finnish Corporate Governance Code can be found on the Association's website, [www.cgfinland.fi](http://www.cgfinland.fi). The Corporate Governance Statement is issued separately from the company's annual report.

### General Principles

Dovre Group's parent company, Dovre Group Plc, is a public limited company registered in Finland and domiciled in Helsinki, Finland. In its decision-making and governance, Dovre Group complies with the company's Articles of Association, the Finnish Companies Act, and other applicable legislation. In addition, and with the exceptions covered in these principles, the company complies with the recommendations of NASDAQ OMX Helsinki Ltd, the Central Chamber of Commerce of Finland, and the Confederation of Finnish Industries EK concerning corporate governance as well as NASDAQ OMX Helsinki Ltd's Guidelines for Insiders. Dovre Group's subsidiaries comply with local legislation.

Dovre Group complies with the Finnish Corporate Governance Code issued by the Finnish Securities Market Association with the following exception:

The Board of Directors of the company does not have any designated Board committees. The establishment of committees has not been deemed necessary due to the size of the company and the Board.

Dovre Group's Corporate Governance Statement is also available on the company's website at [www.dovregroup.com](http://www.dovregroup.com).

### Dovre Group's Governing Bodies

The General Meeting of Shareholders, the Board of Directors, and the CEO are responsible for the management of Dovre Group. Their tasks and responsibilities are determined in accordance with the Finnish Companies Act. The CEO, assisted by the Group's Executive Team, is responsible for the Group's operational management.

### General Meeting of Shareholders

Dovre Group's supreme decision-making body is the General Meeting of Shareholders. The Annual General Meeting of Shareholders is organized once a year on a date set by the Board of Directors and must be held within six months of the end of the financial period. The Board of Directors may convene an Extraordinary General Meeting when necessary. In accordance with the Articles of Association, the General Meeting is to be held in Espoo, Helsinki, or Vantaa. Notice of the Annual General Meeting and a proposal of the agenda are released as a stock exchange bulletin and published on the company's website.

The Annual General Meeting decides on the following issues:

- Adoption of the income statement and balance sheet
- Use of the profit or loss shown on the balance sheet
- Discharging from liability the members of the Board and the CEO

- Number of Board members and their election
- Election of the Auditor
- Remuneration of the Board and compensation of the Auditor
- Other issues as outlined in the notice of the meeting

### Board of Directors

Dovre Group's Board of Directors is responsible for the administration and the proper organization of the company's operations. The Board supervises the company's operations and management, and decides on significant matters concerning the company's strategy, organization, financing, and investments. The duties and responsibilities of the Board are determined in accordance with the company's Articles of Association and the Finnish Companies Act. The Board prepares an annual charter that specifies the Board's meeting procedures and duties.

The Board's main duties include the following:

- To assume responsibility for tasks specified as obligatory for the Board of Directors by the Finnish Companies Act, the Articles of Association, or elsewhere
- To approve the Group's strategy and objectives
- To approve the Group's values and ethical principles
- To approve the Group's management system and organizational structure
- To approve annual business plans and changes to them, if any
- To approve internal control and risk management policies and enforce them
- To approve interim reports, financial statements, and the annual report
- To assume responsibility for communications related to financial market outlook and guidance
- To approve the Group's financial policy
- To assume responsibility for the development of the Group's market value and specify dividend policy
- To approve business acquisitions and divestments and significant individual investments and contingent liabilities
- To approve the company's incentive system and policy
- To appoint and discharge employees reporting directly to the CEO and decide on their terms of employment and remuneration
- To decide on the appointment of the deputy to the CEO
- To assume responsibility for CEO's succession planning
- To decide on the establishment of new legal entities
- To assume responsibility for the development of the company's corporate governance
- To review the operations of the Board of Directors annually
- To review the CEO's performance and to provide feedback

In accordance with the Articles of Association, the Board has a minimum of three (3) and a maximum of eight (8) members. The Board members are elected by the Annual General Meeting for one term of office at a time. The term of office of a member of the Board begins at the end of the General Meeting that elected the member and expires at the end of the first Annual General Meeting following the



election. The Articles of Association do not specify an upper age limit for or the maximum number of terms of office of Board members, or place any other restrictions on the authority of the General Meeting to elect members to the Board. The Board selects a Chairman and a Vice-Chairman from among its members, and the Board is deemed to have a quorum present when more than half of its members are present.

In addition to matters to be resolved, the Board, in its meetings, is provided with current information on the Group's operations, financial situation, and risks.

The Board convenes once a month according to an agreed schedule. The Board may convene more often if necessary. Minutes are kept for all meetings.

*CEO*

The Board of Directors appoints the CEO. The CEO is responsible for the management of the company's business operations and governance in accordance with the Articles of Association, the Finnish Companies Act, and the instructions given by the Board. The CEO is assisted by the Executive Team.

*Executive Team*

The Group's Executive Team is appointed by the Board of Directors. The Executive Team assists the CEO in the operative management of the company, prepares items for the Board and the CEO, and plans and monitors the operations of the business units. The Executive Team convenes at least once a month. The CEO acts as Chairman of the Executive Team.

*Internal Audit*

The Group's internal audit assesses and ensures the sufficiency and effectiveness of the Group's internal control. It also assesses the efficiency of the Group's various business processes, the sufficiency of the Group's risk management procedures, and compliance with internal guidelines. The Board of Directors is responsible for internal audit. The Group's CFO coordinates the Group's internal audit.

*External Audit*

According to the Articles of Association, Dovre Group has a minimum of one (1) and a maximum of two (2) auditors certified by the Finnish Central Chamber of Commerce (Authorized Public Accountants). Should the General Meeting appoint only one principal auditor and should this auditor not be an audit corporation, or should the General Meeting deem it otherwise necessary, the General Meeting may choose to appoint a minimum of one and a maximum of two deputy auditors. The term of the auditors expires at the end of the first Annual General Meeting following their selection. The Board's proposal for the auditor is disclosed in the notice of the General Meeting.

The primary purpose of an audit is to verify that the financial statements give accurate and adequate information concerning the Group's result and financial position for the financial period. In addition, the auditors report to the Board of Directors on the ongoing auditing of administration and operations.

*Internal Control and Risk Management Systems Pertaining to Financial Reporting*

The purpose of internal control is to support the implementation of the Group's strategy and to ensure that the Group complies with all relevant official regulations. The Group's internal control framework is based on the Dovre Group Authorization Matrix. The matrix specifies the authority and the responsibilities of the management and is

approved by the Board. The highest supervisory body of the Group's internal control is the Board. The implementation of internal control measures is primarily supervised by the CEO and CFO, who report to the Board.

The ultimate responsibility for accounting and financial administration lies with Dovre Group's Board of Directors. The Board is responsible for internal control, and the CEO is responsible for the day-to-day organization and monitoring of the control system. The steering and monitoring of business operations is based on the reporting and business planning system that covers the entire Group. The CEO and CFO report monthly to the Board and the Executive Team on the Group's financial situation and development.

The goal of financial reporting is to ensure that all assets and liabilities in the financial statements belong to the company; that all rights and liabilities of the company are presented in the financial statements; that items in the financial statements have been classified, disclosed, and described correctly; that assets, liabilities, income, and expenditure are entered in the financial statements at the correct amounts; that all transactions during the reporting period are included in the accounts; that transactions entered in the accounts are factual transactions; and that assets have been secured.

*Risk Management and Internal Audit System*

The Group's risk management is guided by legal requirements, business requirements set by shareholders of the company, and the expectations of customers, personnel, and other important stakeholders. The goal of risk management is to acknowledge and identify systematically and comprehensibly risks involved in the company's operations and to make sure that these risks are appropriately accounted for when making business decisions.

Risk management supports the achievement of strategic goals and seeks to ensure the continuity of business operations. The Group takes risks that are a natural part of its strategy and objectives. The Group is not ready to take risks that might endanger the continuity of its operations, risks that are uncontrollable, or risks that may significantly harm the Group's operations.

In accordance with the Group's risk management procedures, the Board of Directors receives an annual report of the most significant risks facing the Group. The Board analyses the risks from the point of view of shareholder value.

*Risk Assessment*

The company's risk management process includes an annual identification and analysis of risks pertaining to financial reporting. In addition, risk assessment aims analyze and report all new risks immediately as soon as they have been identified. Taking into account the quality and extent of the Group's business operations, the most significant risks pertaining to the reliability of financial reporting relate to revenue recognition, bad debt provision, impairment testing (including goodwill), and tax reporting.

*Control Functions*

The correctness and reliability of financial reporting are ensured through compliance with Group policies and guidelines. Control functions that ensure the correctness of financial reporting include controls related to accounting transactions, the selection of and compliance with the accounting principles, information systems, and fraud controls.

Revenue recognition is supervised by the CFO and is based on the required sale and delivery documents.

The Group's bad debt provision is reviewed quarterly. Bad debt calculations are based on the ageing of trade receivables per sales company.

The Group's goodwill is tested for impairment at the end of each financial year on the balance sheet date. Key variables used in the calculations are the estimated change rates of net sales and costs. In addition, indications of impairment are continuously monitored. If indications of impairment are detected, a separate testing is performed. In calculating the company-specific deferred tax assets, the effective tax rate of each country is applied. Deferred tax assets have not been recognized for the Group's losses as it has been estimated that a future use of the losses is not probable in near future.

The performance of business operations and attainment of annual goals is assessed monthly in Executive Team and Board meetings. Monthly management and Board reporting includes both the actual and the estimated results compared to the targeted and the actual results of previous periods. Financial reports generated for the management are used for monitoring certain key indicators associated with the development of sales, profitability, and trade receivables on a monthly basis.

In accordance with its business strategy, Dovre Group may complement its organic growth with business acquisitions. In making acquisitions, the Group follows due diligence and utilizes its internal and external competence in the planning phase), takeover phase, and when integrating acquired functions into the Group's operations.

*Communication*

The goal of management reporting is to produce up-to-date, relevant information for decision-making. The CFO provides the Group's business units with monthly reporting guidelines and is in charge of any special reporting instructions related to budgeting and forecasting. The Group's financial administration distributes, on a regular basis, information on processes and procedures pertaining to financial reporting. Internal control tasks are carried out in accordance with this information. Financial administration also arranges targeted training for the organization's personnel on the procedures associated with financial reporting and changes in them, if necessary. The Group's investor relations maintains, in cooperation with the Group's financial administration, the guidelines on the disclosure of financial information, including, for example, the communication responsibilities of a publicly listed company.

*Monitoring*

Monitoring refers to the process of assessing Dovre Group's internal control system and its performance in the long term. The Group continuously monitors its operations also through various separate assessments, such as internal and external audits, and supplier audits carried out by customers. The Group's management monitors internal control as part of its day-to-day management. The Executive Team is responsible for ensuring that all operations comply with applicable laws and regulations. The Group's financial administration monitors compliance with the financial reporting processes and control. The financial administration also monitors the correctness of external and internal financial reporting. The Board of Directors assesses and ensures the appropriateness and effectiveness of the Group's internal control and risk management.

The Group's internal control is also assessed by the Group's external auditor. The auditor verifies the correctness of external annual financial reporting. The most significant observations and recommendations of the audit are reported to the Board of Directors.

*Insider Administration*

Dovre Group's insider guidelines comply with the NASDAQ OMX Helsinki Guidelines for Insiders, effective July 1, 2013. The Group's insider guidelines forbid insiders, including persons under their guardianship and companies where they exercise control, to trade in shares or option rights issued by the company during the period from the closing date of an interim or annual accounting period to the date of publication of the interim report or financial statements release for that period. The minimum period concerned (so-called "closed window") is always four (4) weeks prior to the date of publication of an interim report or financial statements release.

The Group's public insider register includes the members of the Board of Directors, the CEO, the members of the Executive Team, the secretary of the Board of Directors, and the auditor in charge of external audit. In addition, the Group maintains a company-specific insider register that includes those employees who regularly receive insider information through their work. Persons, who are involved in acquisitions or other projects that have an effect on the valuation of the Group's shares, are considered project-specific insiders and are subject to a temporary trading suspension.

The Board of Directors is responsible for the guidance and supervision of insider issues and for establishing project-specific insider registers, if necessary. The CFO is responsible for the company's permanent insider register. The insider register of Dovre Group Plc is maintained by Euroclear Finland Ltd. The up-to-date shareholdings of the insiders are available at Euroclear Finland Ltd.'s customer service point in Helsinki, Finland (Urho Kekkosen katu 5 C). The company also maintains a list of insiders on its website.

*Compensation*

The Annual General Meeting decides on the compensation of the Board of Directors. The Board decides on the terms and conditions of the employment of the CEO, specified in writing. The compensation principles of the key management are set by the Board. The Board annually approves the incentive scheme for employees. Management compensation is based primarily on the operating result and the net sales of the unit in question.

The Board decides on the compensation paid to the CEO and the Executive Team. The compensation of the management of the Group's business areas is based on the so-called one-over-one principle whereby the compensation decision must be approved by the supervisor of the employee's direct supervisor.

**Corporate Governance in 2013**

*General Meeting of the Shareholders*

The Annual General Meeting was held in Helsinki on March 14, 2013.

*Board of Directors*

The Annual General Meeting elected five (5) members to the Board of Directors. At the end of the financial year the Chairman of the Board was Hannu Vaajoensuu and the Vice Chairman Rainer Häggblom. The other members of the Board were Ilari Koskelo, Ossi Pohjola and Anja Silvennoinen. All members were independent of the company and its significant shareholders. Until the Annual General Meeting held on 14 March 2013 the Board of Directors consisted of Hannu Vaajoensuu (Chairman), Antti Manninen (Vice Chairman), Ilari Koskelo, Leena Mäkelä, and Ossi Pohjola. In 2013, the Board convened 16 times, with an attendance rate of 95%. The secretary of the Board of Directors was Attorney at Law Janne Haapakari.



BOARD MEMBER ATTENDANCE AT MEETINGS	
Hannu Vaaajoensuu	16/16
Antti Manninen	4/4
Ilari Koskelo	16/16
Leena Mäkelä	3/4
Olli Pohjola	16/16
Rainer Häggblom	11/12
Anja Silvennoinen	11/12

The Annual General Meeting held on March 14, 2013, decided that the Chairman of the Board be paid EUR 35,000, Vice Chairman EUR 25,000, and other members of the Board EUR 22,000 for the term which will last to the next annual general meeting in 2014. The compensation is paid quarterly. Actual travelling expenses are remunerated. In 2013, the total remuneration of members of the Board was EUR 213,123.

On December 31, 2013, according to the register maintained by Euroclear Finland Ltd, members of the Board held, either in person and/or through a company or a family member, the following number of shares in Dovre Group Plc: Hannu Vaaajoensuu 545,000, and Ilari Koskelo 4,934,540. Rainer Häggblom, Ossi Pohjola, and Anja Silvennoinen held no shares in Dovre Group Plc. On December 31, 2013, the Board members held, either in person and/or through a company or a family member, a total of 4,934,540 Dovre Group Plc shares, which represents 7.8% of the company's shares and votes.

CEO

Jan-Erik Mielck served as Dovre Group's CEO until December 16, 2013. Patrick von Essen was appointed as a new CEO on December 16, 2013. He will assume his duties during the spring 2014. Currently Von Essen is Vice President, Real Estate, at Fiskars Plc. The CFO of Dovre Group Tarja Leikas was appointed acting CEO December 17, 2013 onwards.

Based on the terms and conditions of employment of the CEO, Jan-Erik Mielck's compensation consists of an annual salary of EUR 215,820 (including holiday pay, and car and phone benefits), a performance-based bonus decided by the Board, and a life insurance. The contract includes pension benefits pursuant to the Employees' Pensions Act (TyEL). The contract does not specify the CEO's retirement age. Should the company decide to terminate the employment contract, in addition to the salary for the period of notice, the CEO is entitled to a severance pay equivalent of 12 months' salary including fringe benefits.

The terms and conditions of Patrick von Essen's contract as the CEO of the Group do not materially differ from those of Jan-Erik Mielck.

The CEO's bonus is based on the company's, or its individual units', performance and profitability or on the successful completion of organizational measures. These objectives are specified annually. The CEO's bonus may not exceed EUR 122,625 over 12 months.

In accordance with the CEO's terms of contract, the CEO has been granted:

- On October 1, 2011, 75,000 option rights under the 2010 A-series option plan (marking price EUR 0.33).
- On October 1, 2011, 75,000 option rights under the 2010 B-series option plan (marking price EUR 0.47).
- On February 14, 2012, 300,000 option rights under the 2010 C-series option plan (marking price EUR 0.38).
- On March 4, 2013, 275 000 option rights under the 2013 A-series option plan (marking price 0.54 EUR).

Based on the information obtained from Euroclear Finland Ltd., on December 31, 2013, Jan-Erik Mielck held 50,000 shares and 725,000 options in Dovre Group Plc. Patrick von Essen had no shares in Dovre

Group Plc on December 31, 2013. The company's acting CEO Tarja Leikas held, either in person and/or through a company or a family member, 10,422 shares and 100,000 option rights under 2013A option plan.

Executive Team

Executive Team's remuneration consists of total salary (including salary in money and fringe benefits, i.e. car and phone) as well as long- and short-term incentives. Short-term incentives include a yearly performance-based bonus decided by the Board. Long-term incentives include option plans, to which all members of the Executive Team are entitled. The Board decides on option plans. In 2013, the Group granted 575,000 option rights under its 2013A option plan to members of the Executive Team. The Group has not taken out any additional pension insurance for the members of the Executive Team.

The Board approves the terms and criteria of the Executive Team's short-term incentives (or bonuses). The bonus is based on the achievement of financial targets, such as operating result and net sales and other related targets, on either Group and/or business unit level. In addition, members of the Executive Team may have either individual or team objectives. Excluding the CEO, the annual bonus of a member of the Executive Team is maximum 54% of the member's annual base salary.

At the end of 2013, the members of the Executive Team were Tarja Leikas (acting CEO and CFO), Arve Jensen (Executive Vice President, Project Personnel), and Petri Karlsson (Executive Vice President, Consulting). In 2013 the following changes took place in the Executive Team: Mikko Marsio and Juha Penannen were members of the Executive Team until January 25, 2013. Heidi Karlsson, the company's CFO until September 3, 2013, was member of the Executive Team until her resignation on September 3, 2013. Tarja Leikas was appointed as the company's new CFO and member of the Executive Team as of September 16, 2013. Jan-Erik Mielck, the company's CEO until December 16, 2013, was member and the Chairman of the Executive Team until December 16, 2013.

In 2013, the total salaries and benefits of the Executive Team, including the salaries and benefits of the CEO Jan-Erik Mielck, were EUR 948,924. Performance-based bonuses including those of Janne Mieck, totaled EUR 120,512.

Based on the information obtained from Euroclear Finland Ltd., on December 31, 2013, members of the Executive Team held a total of 10,422 shares in Dovre Group Plc and a total of 700,000 stock options, excluding the shares and options held by Jan-Erik Mieck.

Management Remuneration 2013

BOARD OF DIRECTORS	COMPENSATION 2013 EUR
Häggblom, Rainer	18 750
Koskelo, Ilari	22 000
Manninen, Antti	6 250
Mäkelä, Leena	2 750
Pohjola, Ossi	22 000
Silvennoinen, Anja	16 500
Vaaajoensuu, Hannu	35 000
<b>Total</b>	<b>123 250</b>

EXECUTIVE TEAM	FIXED ANNUAL BASED SALARY INCLUDING FRINGE BENEFITS, EUR	SHARE AND SHARE BASED REMUNERATION IN 2013 (2013A OPTION RIGHTS)	PROFIT BASED INCENTIVES 2013, EUR
CEO Jan-Erik Mielck	468 515*	275,000	69,430
Other members of the executive team	480 409	300,000	51,082
<b>Total</b>	<b>948,924</b>	<b>575,000</b>	<b>120,512</b>

\* Includes pay in lieu of notice, EUR 215 820

Shareholdings and options Dovre Group's public insiders on December 31, 2013:

PUBLIC INSIDER	SHARES	OPTIONS
Haapakari Janne	0	0
Häggblom Rainer	0	0
Jensen Arve	0	345,000
Järventausta Mikko	0	0
Karlsson Heidi (public insider until September 3, 2013) *)	30,000	170,000
Karlsson Petri	0	255,000
Koskelo Ilari	4,389,540	0
Leikas Tarja	10,422	100,000
Manninen Antti (public insider until March 14, 2013) *)	601,500	0
Marsio Mikko (public insider until January 25, 2013) *)	0	75,000
Mielck Jan-Erik	50,000	725,000
Mäkelä Leena (public insider until March 14, 2013) *)	8,435	20,000
Pennanen Juha (public insider until January 25, 2013) *)	29,500	135,000
Pohjola Ossi	0	0
Silvennoinen Anja (public insider until December 31, 2013)	0	0
Vaaajoensuu Hannu	545,000	0

\*) The ownership information is frozen to the last date of public insider status and does not include changes in ownership after the last date of public insider status.




External Audit

In 2013, the Group's auditor was Ernst & Young Ltd., Authorized Public Accountants, with Mikko Järventausta, A.P.A., as the principal auditor.

Members of the Board of Directors

<b>Hannu Vaaajoensuu</b> <b>Chairman of the Board</b>	<i>Key employment</i> Basware Plc: CEO 1999–2004, Director 1990-1999, Consultant 1987-1990
M. Sc. (Econ.) Member of the Board since March 31, 2009 Basware Oyj: Chairman of the Board 2005 b. 1961, Finnish citizen	<i>Key positions of trust</i> Chairman of the Board: Basware Oyj 2000-, Havactment Oy, Nervogrid Oy, Solita Group Oy Member of the Board: Comptel Plc, Movenium Oy, Nordic Telecom, Profit Software Oy, XMLdation Oy, The Federation of Finnish Technology Industries




<b>Rainer Häggblom</b> <b>Vice Chairman of the Board</b> M. Sc. (For.), M. Sc. (Econ. and Business Adm.) Member of the Board since March 14, 2013 b. 1956, Finnish citizen	<i>Key employment</i> Jaakko Pöyry Consulting Ltd, Managing Director 1995-2008  <i>Key position of trust</i> Chairman of the board: The Forest Company, Prime Energy Power Ltd., Häggblom & Partners Ltd Oy	
<b>Ilari Koskela</b> M. Sc., MBA, B. Sc. Member of the Board since February 28, 2008 Navdata Oy: Managing Director b. 1959, Finnish citizen	<i>Key employment</i> Navdata Oy: Managing Director and founder Javad Positioning Systems Inc. and Global Satellite Solutions Inc.: Founder Geo/Hydro Inc.: Project Manager  <i>Key positions of trust</i> Chairman of the Board: Navdata Oy	
<b>Ossi Pohjola</b> B. Sc. Member of the Board since March 15, 2012 Board professional b. 1957, Finnish citizen	<i>Key employment</i> Oracle, Director, Consulting (Europe) 1993-2002, Andersen Consulting, Country managing partner 1988-1993  <i>Key positions of trust</i> Chairman of the Board: Valopaino Oy, Qentinel Oy Member of the Board: Insta Group Oy, Plastex Oy Ab, Sininen Meteoritti Oy, Trusteq Oy	
<b>Anja Silvennoinen</b> M.Sc. (Eng.), MBA Member of the Board March 14 – December 31, 2013 Renewa Oy, Managing Director b. 1960, Finnish citizen	<i>Key employment</i> UPM-Kymmene Oyj: SVP, Energy Business Area, Energy and Pulp Business Group, 2004- 2012 Elektrowatt-Ekono Oy (part of Pöyry Group) 2000-2004 Ministry of Trade and Industry of Finland, Industrial Councillor 1998-2000 Kymppivoima Oy 1995-1998	<i>Key positions of trust</i> Member of the board: Cargotec Oyj Anja Silvennoinen handed in her resignation from her position in the Board of Directors on December 20, 2013. The resignation is effective as of January 1, 2014.

### Members of the Board of Directors until March 14, 2013

**Hannu Vaaioensuu** and **Ilari Koskela**, see Board of Directors on December 31, 2013

<b>Antti Manninen</b> M.Sc. (Econ.) Member of the Board February 26, 2008 – March 14, 2013 Investor and board professional b. 1961, Finnish citizen	<i>Key employment</i> Rio Group Oy: Chairman of the Board 1998-present; Megavision S.A. Ltd.: Investment Manager 1993-1998; Basware Oy: Researcher 1991-1992  <i>Key positions of trust</i> Chairman of the Board: Rio Group Oy Member of the Board: Fenno Kvantum Oy, Event Management Group Oy
<b>Leena Mäkelä</b> M.Sc (Eng.) Member of the Board March 31, 2009 - March 14, 2013 Dovre Group Oyj: Consultant b. 1973, Finnish citizen	<i>Key employment</i> Artemis Finland Oy / Proha Oyj: Product Manager, Project Manager, Consultant 1997-2008

### Executive Team

<b>Tarja Leikas</b> M.Sc. (Econ.) Acting CEO since December 17, 2013 and Chief Financial Officer since September 16, 2013 b. 1967, Finnish citizen	<i>Key employment</i> Nordic Restructuring Oy, Senior Director 2013 Divest Group Oy, Vice President and Head of Consulting, Financial Advisory Services, 2012 – 2013 TeliaSonera Corporation: CFO, TeliaSonera Finland Oyj, 2010-2012; CFO, TeliaSonera Group, Broadband Services Finland, 2007 – 2010; Director, TeliaSonera Finland Plc, Customer Services and Systems Division 2005 - 2007 ; Financial Director, TeliaSonera International Carrier Group, 2003- 2005; Head of Strategy and Business Control, Sonera International Carrier Group 2000-2003; Business Controller, Sonera Plc, International Carrier Operations 1998-2000.	
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**Arve Jensen**  
M. Sc (Mech.)  
Executive Vice President,  
Project Personnel, since June 2012  
b. 1959, Norwegian citizen

*Key employment*  
Dovre Group AS: EVP Norway, 2009 - May 2012; CEO, Dovre International, 2001-2008; Regional Manager, Oslo office, 1995-2001; Consultant 1997-1999  
ABB Global Engineering AS, Senior Project Engineer 1990-1993



**Petri Karlsson**  
Executive Vice President, Consulting, since August 2009  
Officer  
b. 1956, Finnish citizen

*Key employment*  
Clemens Oy: Managing director and management consultant 2007-2009  
Itella Finland Oy/Atkos Oy: Business Area Director, Director of Business Development, 2002 - 2007  
Basware Oy.; Managing Director of subsidiary (Nextware Oy), Senior Vice President, eInvoicing services, strategy and business development, 1999 - 2002



CEO until December 16, 2013

**Jan-Erik Mielck**  
M. Sc. (Eng.)  
Chief Executive Officer, October 2011 – December 16, 2013  
b. 1965, Finnish citizen

*Key employment*  
Neste Oil Corporation: Vice President, Business Development, 2011; Vice President, New Ventures, 2009-2010; Vice President, M&A and Joint Ventures, 2007-2009  
Orienteq Capital Oy, Senior Partner and Chairman, 2005-2007  
3i Group Plc, Investment Director 2001-2005  
TeliaSonera Corporation: SVP, Corporate Development at Sonera Smartrust, 1999-2001; Director, Corporate Development at Sonera Capital, London, 1998-1999; Managing Director of Sonera (Hong Kong) Ltd, 1996-1998; Head of International Business Controller operations, Helsinki 1996

This Dovre Group’s Corporate Governance Statement 2013 has been approved by the Board of Directors in its meeting on 24 January 2014 and has been issued separately of the Report of the Board of Directors.



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