Correction: **PONSSE'S INTERIM REPORT FOR 1 JANUARY – 30 SEPTEMBER 2011**

This is a correction to the English translation of Ponsse Interim Report published at 9:00 am on 25 October 2011. There were errors in the original English report in comparison periods, in the percentage of the increase of operating costs (President and CEO review), in diluted and undiluted earnings per share for the third quarter, in the table of Financing (current loans) and change in cash and cash equivalents (Consolidated Statement of Cash Flows) and in equity per share (Key Figures and Ratios). Please find the full and corrected release below.

– Net sales amounted to EUR 225.5 (Q1–Q3/2010 171.8) million.

– Q3 net sales were EUR 72.3 (Q3/2010 54.7) million.

– Operating result totalled EUR 18.6 (Q1-Q3/2010 15.3) million, equalling 8.2 (8.9) per cent of net sales. The result includes a write-down of EUR 2.6 million on external trade receivables in South America.

– Q3 operating result was EUR 8.2 (Q3/2010 5.4) million, equalling 11.4 (10.0) per cent of net sales.

– Profit before taxes was EUR 14.1 (Q1-Q3/2010 16.7) million.

– Cash flow from business operations was positive at EUR 5.7 (14.4) million.

– Earnings per share were EUR 0.22 (0.59).

– Equity ratio was 41.1 (42.9) per cent.

– Order books stood at EUR 110.8 (77.4) million.

PRESIDENT AND CEO JUHO NUMMELA:

In the third quarter, the demand for forest machines was good despite the increase in economic uncertainty. At the end of the period under review, the company's order books totalled EUR 110.8 (77.4) million, which is 43.1 per cent higher compared with the corresponding period. There were no problems with customer financing in the past quarter.

During the third quarter, the Group's net sales grew by 32 per cent compared with the corresponding period and stood at EUR 72.3 (54.7) million. Net sales for the period under review amounted to EUR 225.5 (171.8) million, representing a growth of 31.2 per cent compared with the corresponding period. The service business continued to show growth compared with the corresponding period.

The operating result was positive in the third quarter, amounting to EUR 8.2 (5.4) million. The operating result came to 11.4 per cent of net sales in the past quarter. Operating costs (staff costs, depreciation and amortisation and other operating costs), excluding the impairment losses related to trade receivables, showed a planned increase of 29.6 per cent during the period under review. The continuing improvement of profitability is clearly showing results.

During the period under review, cash flow from business operations was positive at EUR 5.7 (14.4) million. As business operations have grown, more capital has been tied up in inventories. The capital is mainly tied up in raw materials and consumables and new machines on their way to customers. The reduction in the departure days of domestic railway transportation hampered the implementation of deliveries and slowed down the logistics regarding new machines. In addition, exchange rate differences in the period under review affected profit, diminishing the cash flow.

The factory operated as planned during the period under review. The number of machines was increased temporarily through working hours arrangements, and it was possible to deliver machines from the factory normally. The availability of materials was good throughout the period.

NET SALES

Consolidated net sales for the period under review amounted to EUR 225.5 (171.8) million, which was 31,2 per cent more than in the comparison period. International business operations accounted for 67.9 (68.7) per cent of net sales.

Net sales were regionally distributed as follows: Northern Europe 51.1 (50.6) per cent, Central and Southern Europe 19.2 (17.3) per cent, Russia and Asia 14.6 (11.5) per cent, North and South America 15.1 (20.5) per cent and other countries 0.0 (0.1) per cent.

PROFIT PERFORMANCE

The operating result amounted to EUR 18.6 (15.3) million. The operating result equalled 8.2 (8.9) per cent of net sales for the period under review. An impairment loss worth about EUR 2.6 million related to external trade receivables in South America was recognised as an expense during the period. Consolidated return on capital employed (ROCE) stood at 18.0 (20.9) per cent.

Staff costs for the period totalled EUR 35.9 (26.6) million, including an expense item of EUR 1.9 million, which included, among other things, a profit bonus paid to Group personnel. Other operating expenses stood at EUR 25.2 (18.8) million. The net total of financial income and expenses amounted to EUR -4.3 (1.7) million. Exchange rate gains and losses with a net effect of EUR -3.2 (2.5) million were recognised under financial items for the period. The impact of the Adjustment Board decisions concerning the taxation of the parent company for the period amounts to EUR -1.5 (1.5) million. Profit for the period under review totalled EUR 7.3 (17.8) million. Diluted and undiluted earnings per share (EPS) came to EUR 0.22 (0.59). The interest on the subordinated loan for the period, less tax, has been taken into account in the calculation of EPS.

STATEMENT OF FINANCIAL POSITION AND FINANCING ACTIVITIES

At the end of the period under review, the total consolidated statements of financial position amounted to EUR 177.0 (165.5) million. Inventories stood at EUR 88.3 (78.5) million. Trade receivables totalled EUR 32.6 (29.7) million, while liquid assets stood at EUR 8.5 (12.1) million. Group shareholders' equity stood at EUR 71.8 (69.9) million and parent company shareholders' equity at EUR 65.4 (55.0) million. Group shareholders' equity includes a hybrid loan of EUR 19 million issued on 31 March 2009. The interest paid on the hybrid loan (EUR 5.7 million) and the allocated interest for the following year according to the dividend distribution decision (EUR 1.1 million), totalling EUR 6.8 million, less tax, are recognised as a deduction from Group equity. The amount of interest-bearing liabilities was EUR 45.9 (49.9) million. The company has used 21 per cent of its credit facility limit. The parent company's net receivables from other Group companies stood at EUR 72.0 (66.7) million. The parent company's receivables from subsidiaries mainly consisted of trade receivables. Consolidated net liabilities totalled EUR 35.1 (35.2) million, and the debt-equity ratio (gearing) was 63.8 (71.5) per cent. The equity ratio stood at 41.1 (42.9) percent at the end of the period under review.

Cash flow from business operations amounted to EUR 5.7 (14.4) million. Cash flow from investment activities came to EUR -5.5 (-2.4) million.

ORDER INTAKE AND ORDER BOOKS

Order intake for the period totalled EUR 269.8 (229.7) million, while period-end order books were valued at EUR 110.8 (77.4) million. The minimum order commitments for retailers are not included in the order book total.

DISTRIBUTION NETWORK

No changes took place in the Group structure during the period under review.

The subsidiaries included in the Ponsse Group are: Epec Oy, Finland; OOO Ponsse, Russia; Ponsse AB, Sweden; Ponsse AS, Norway; Ponsse Asia-Pacific Ltd, Hong Kong; Ponsse China Ltd, China; Ponsse Latin America Ltda, Brazil; Ponsse North America, Inc., the United States; Ponssé S.A.S., France; Ponsse UK Ltd, the United Kingdom; and Ponsse Uruguay S.A., Uruguay. Sunit Oy, based in Kajaani, Finland, is an affiliated company in which Ponsse Oyj has a holding of 34 per cent.

CAPITAL EXPENDITURE AND R&D

During the period under review, the Group's R&D expenses totalled EUR 6.3 (4.1) million, of which EUR 1.8 (1.1) million was capitalised.

Capital expenditure totalled EUR 5.5 (2.4) million. It mainly consisted of ordinary maintenance and replacement investments for machinery and equipment.

MANAGEMENT

Sigurd Skotte (48), Master of Forestry, took up his post as the President and CEO of Ponsse AS on 1 September 2011. A separate release was issued on the appointment on 31 May 2011.

Clément Puybaret (30), forest engineer, took up his post as the President and CEO of Ponssé S.A.S. on 15 August 2011. A separate release was issued on the appointment on 14 June 2011.

PERSONNEL

The Group had an average staff of 936 (813) during the period and employed 970 (846) people at period-end.

SHARE PERFORMANCE

The company's registered share capital consists of 28,000,000 shares. The trading volume of Ponsse Plc shares for 1 January – 30 September 2011 totalled 1,924,361, accounting for 6.9 per cent of the total number of shares. Share turnover amounted to EUR 19.4 million, with the period's lowest and highest share prices amounting to EUR 5.85 and EUR 11.85, respectively.

At the end of the period, shares closed at EUR 7.15, and market capitalisation totalled EUR 200.2 million.

At the end of the period under review, the company held 212,900 treasury shares.

ANNUAL GENERAL MEETING

A separate release was issued on 12 April 2011 regarding the authorisations given to the Board of Directors and other resolutions at the AGM.

GOVERNANCE

In its decision-making and administration, the company observes the Finnish Limited Liability Companies Act, other regulations governing publicly listed companies and the company's Articles of Association. The company's Board of Directors has adopted the Code of Governance that complies with the Finnish Corporate Governance Code approved by the Board of the Securities Market Association in 2010. The purpose of the code is to ensure that the company is professionally managed and that its business principles and practices are of a high ethical and professional standard.

The Code of Governance is available on Ponsse's website in the Investors section.

RISK MANAGEMENT

Risk management is based on the company's values, as well as strategic and financial objectives. Risk management aims to support the achievement of the objectives specified in the company's strategy, as well as to ensure the financial development of the company and the continuity of its business.

Furthermore, risk management aims to identify, assess and monitor business-related risks which may influence the achievement of the company's strategic and financial goals or the continuity of its business. Decisions on the necessary measures to anticipate risks and react to observed risks are made on the basis of this information.

Risk management is a part of regular daily business, and it is also included in the management system. Risk management is controlled by the risk management policy approved by the Board.

A risk is any event that may prevent the company from reaching its objectives or that threatens the continuity of business. On the other hand, a risk may also be a positive event, in which case the risk is treated as an opportunity. Each risk is assessed on the basis of its impact and probability. Methods of risk management include avoiding, mitigating and transferring risks. Risks can also be managed by controlling and minimising their impact.

SHORT-TERM RISK MANAGEMENT

The rapid escalation of the problems in the economies of Europe and the United States in the financial market may have an impact on the availability of customer financing.

The parent company monitors the changes in the Group's internal and external trade receivables and the associated risk of impairment.

The key objective of the company's financial risk management policy is to manage liquidity, interest and currency risks. The company ensures its liquidity through credit limit facilities agreed with a number of financial institutions. The effect of adverse changes in interest rates is minimised by utilising credit linked to different reference rates and by concluding interest rate swaps. The negative effects of currency rate fluctuations are mitigated though derivative contracts.

Changes taking place in the fiscal and customs legislation in countries to which Ponsse exports may hamper the company's export trade or its profitability.

OUTLOOK FOR THE FUTURE

Strong order books mean there will be positive development of the company's business operations towards the end of 2011. The culmination of economic problems may have a rapid impact on the sales of new machines through problems in customer financing. The weakening of the economy may slow down the making of investment decisions on forest machines.

The profitability of the Group's business operations during the entire year is expected to develop positively and improve compared to 2010. Cash flow from business operations will amount to the same level as in 2010.

The factory and maintenance are operating at full capacity. The development of operating expenses will be monitored in an enhanced manner, and the investments for the end of the year will be implemented as planned.

PONSSE GROUP

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (EUR 1,000)

	IFRS 1-9/11	IFRS 1-9/10	IFRS 1-12/10
NET SALES	225,484	171,819	262,416
Increase (+)/decrease (-) in inventories of finished goods and work in progress	9,918	6,561	476
Other operating income	812	678	898
Raw materials and services	-152,738	-114,572	-170,810
Expenditure on employment-related benefits	-35,870	-26,638	-38,243
Depreciation and amortisation	-3,799	-3,806	-5,079
Other operating expenses	-25,206	-18,790	-27,984
OPERATING RESULT	18,600	15,252	21,674
Share of results of associated companies	-185	-232	5
Financial income and expenses	-4,273	1,717	2,769
RESULT BEFORE TAXES	14,142	16,738	24,448
Income taxes	-6,860	1,052	-1,111
NET RESULT FOR THE PERIOD	7,282	17,790	23,338
OTHER ITEMS INCLUDED IN TOTAL COMPREHENSIVE RESULT:			
Translation differences related to foreign units	-157	-654	-904
TOTAL COMPREHENSIVE RESULT FOR THE PERIOD	7,125	17,136	22,434
Diluted and undiluted earnings per share (*	0.22	0.59	0.78

	IFRS 7-9/11	IFRS 7-9/10
NET SALES	72,278	54,705
Increase (+)/decrease (-) in inventories of finished goods and work in progress	2,975	2,198
Other operating income	375	176
Raw materials and services	-48,842	-35 530
Expenditure on employment-related benefits	-10,499	-8,328
Depreciation and amortisation	-1,246	-1,277
Other operating expenses	-6,818	-6,500
OPERATING RESULT	8,222	5,443
Share of results of associated companies	-42	-131
Financial income and expenses	-1,003	-3,443
RESULT BEFORE TAXES	7,177	1,870

Income taxes	-2,526	-610
NET RESULT FOR THE PERIOD	4,651	1,260
OTHER ITEMS INCLUDED IN TOTAL COMPREHENSIVE RESULT:		
Translation differences related to foreign units	-493	687
TOTAL COMPREHENSIVE RESULT FOR THE PERIOD	4,158	1,947
Diluted and undiluted earnings per share (*	0.15	0.03

(* The interest on the subordinated loan for the period, less tax, was taken into account in this figure.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (EUR 1,000)

	IFRS	IFRS
ASSETS	30.9.11	31.12.10
NON-CURRENT ASSETS		
Intangible assets	8,138	6,571
Goodwill	3,440	3,440
Property, plant and equipment	24,596	24,443
Financial assets	111	111
Investments in associated companies	1,290	1,625
Non-current receivables	1,724	3,144
Deferred tax assets	2,759	1,712
TOTAL NON-CURRENT ASSETS	42,059	41,045
CURRENT ASSETS		
Inventories	88,297	72,391
Trade receivables	32,333	32,125
Income tax receivables	655	623
Other current receivables	5,178	4,483
Cash and cash equivalents	8,492	11,036
TOTAL CURRENT ASSETS	134,955	120,659
TOTAL ASSETS	177,015	161,704
SHAREHOLDERS’ EQUITY AND LIABILITIES		
SHAREHOLDERS’ EQUITY		
Share capital	7,000	7,000

Other reserves	19,030	19,030
Translation differences	-1,189	-1,032
Treasury shares	-2,228	-2,228
Retained earnings	49,226	52,396
EQUITY OWNED BY PARENT COMPANY SHAREHOLDERS	71,839	75,166
NON-CURRENT LIABILITIES		
Interest-bearing liabilities	28,557	16,155
Deferred tax liabilities	153	469
Other non-current liabilities	27	128
TOTAL NON-CURRENT LIABILITIES	28,737	16,752
CURRENT LIABILITIES		
Interest-bearing liabilities	17,308	20,603
Provisions	4,842	4,706
Tax liabilities for the period	2,251	215
Trade creditors and other current liabilities	52,038	44,263
TOTAL CURRENT LIABILITIES	76,438	69,787
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	177,015	161,704

CONSOLIDATED STATEMENT OF CASH FLOWS (EUR 1,000)

	IFRS 1-9/11	IFRS 1-9/10
CASH FLOW FROM BUSINESS OPERATIONS:		
Net result for the period	7,282	18,010
Adjustments:		
Financial income and expenses	4,273	-1,717
Share of the result of associated companies	185	232
Depreciation and amortisation	3,799	3,806
Income taxes	7,298	-589
Other adjustments	-47	4
Cash flow before changes in working capital	22 791	19,746
Change in working capital:		
Change in trade receivables and other receivables	289	-8,122
Change in inventories	-15,906	-11,519
Change in trade creditors and other liabilities	7,885	13,263
Change in provisions for liabilities and charges	136	-835
Interest received	134	373

Interest paid	-853	-805
Other financial items	-3,434	2,342
Income taxes paid	-5,294	-31
NET CASH FLOW FROM BUSINESS OPERATIONS (A)	5,747	14,411
CASH FLOW FROM INVESTMENTS		
Investments in tangible and intangible assets	-5,521	-2,437
Investments in other assets	0	0
Repayment of loan receivables	0	0
Dividends received	0	0
CASH OUTFLOW FROM INVESTMENT ACTIVITIES (B)	-5,521	-2,437
FINANCING		
Acquisition of treasury shares	0	-1,564
Hybrid loan	0	0
Interest paid, hybrid loan	-2,280	-2,280
Withdrawal/Repayment of current loans	-463	-1,940
Change in current interest-bearing liabilities	78	73
Withdrawal/Repayment of non-current loans	9,873	96
Payment of finance lease liabilities	-403	-505
Change in non-current receivables	150	-140
Dividends paid	-9,725	-4,193
NET CASH OUTFLOW FROM FINANCING (C)	-2,771	-10,454
Change in cash and cash equivalents (A+B+C)	-2,545	1,521
Cash and cash equivalents on 1 January	11,036	10,626
Cash and cash equivalents on 30 September	8,492	12,147

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (EUR 1,000)

A = Share capital
B = Share premium and other reserves
C = Translation differences
D = Treasury shares
E = Retained earnings
F = Total shareholders’ equity

	EQUITY OWNED BY PARENT COMPANY SHAREHOLDERS					
	A	B	C	D	E	F
SHAREHOLDERS’ EQUITY 1 JAN 2011	7,000	19,030	-1,032	-2,228	52,396	75,166
Adjustment for previous periods					960	960

regarding the hybrid loan interest						
Adjusted shareholders’ equity 1 Jan 2011	7,000	19,030	-1,032	-2,228	53,356	76,126
Translation differences			-157			-157
Result for the period					7,282	7,282
Total comprehensive income for the period			-157		7,282	7,125
Direct entries to retained earnings *)					-1,687	-1,687
Dividend distribution					-9,725	-9,725
Purchase of treasury shares						0
Other changes						0
SHAREHOLDERS' EQUITY 30 SEP 2010	7,000	19,030	-1,189	-2,228	49,226	71,839
SHAREHOLDERS’ EQUITY 1 JAN 2010	7,000	19,030	-128	-665	34,329	59,566
Translation differences			-654			-654
Result for the period					17,790	17,790
Total comprehensive income for the period			-654		17,790	17,136
Direct entries to retained earnings *)					-1,078	-1,078
Dividend distribution					-4,193	-4,193
Purchase of treasury shares				-1,563		-1,563
Other changes						0
SHAREHOLDERS' EQUITY 30 SEP 2010	7,000	19,030	-782	-2,228	46,848	69,868

*) Consists of the interest paid for the hybrid loan classified as equity.

	30.9.11	30.9.10	31.12.10
1. LEASING COMMITMENTS (EUR 1,000)	4,323	5,224	4,991

2. CONTINGENT LIABILITIES (EUR 1,000)	30.9.11	30.9.10	31.12.10
Guarantees given on behalf of others	857	684	425
Repurchase commitments	1,841	3,280	2,501
Other commitments	4,249	1,964	2,659
TOTAL	6,947	5,928	5,585

3. PROVISIONS (EUR 1,000)	Guarantee provision
1 January 2011	4,706
Provisions added	770
Provisions cancelled	-635
30 September 2011	4,842

PONSSE

KEY FIGURES AND RATIOS	30.9.11	30.9.10	31.12.10
R&D expenditure, MEUR	6.3	4.1	5.9
Capital expenditure, MEUR	5.5	2.4	4.8
as % of net sales	2.4	1.4	1.8
Average number of employees	936	813	825
Order books, MEUR	110.8	77.4	68.3
Equity ratio, %	41.1	42.9	46.9
Diluted and undiluted earnings per share (EUR)	0.22	0.59	0.78
Equity per share (EUR)	2.57	2.50	2.68

FORMULAE FOR FINANCIAL INDICATORS

Average number of employees:
Average of the number of personnel at the end of each month. The calculation has been adjusted for part-time employees.

Equity ratio, %:
Shareholders' equity + Non-controlling interests

Balance sheet total - advance payments received * 100

Earnings per share:
Net income for the period - Non-controlling interests - Interest on hybrid loan for the period less tax
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Average number of shares during the accounting period, adjusted for share issues

Equity per share:
Shareholders' equity

Number of shares on the balance sheet date, adjusted for share issues

ORDER INTAKE, MEUR	1-9/11	1-9/10	1-12/10
Ponsse Group	269.8	229.7	311.2

The interim report has been prepared observing the recognition and valuation principles of IFRS standards, but not all of the requirements of IAS 34, Interim Financial Reporting, have been complied with. The same accounting principles were observed for the interim report as for the annual financial statements dated 31 December 2010, with the exception, however, that the following new standards, interpretations and amendments adopted by the EU were introduced from 1 January 2011: IAS 24 (revised) – Related Party Disclosures; IAS 32 (amendment) –

Classification of Rights Issue; IFRIC 19 – Extinguishing Financial Liabilities with Equity Instruments; and IFRIC 14 (amendment) – Prepayments of a Minimum Funding Requirement.

These new standards, interpretations and amendments have no impact on the Group's interim report.

In July 2010, the IASB published improvements to seven standards or interpretations as part of its annual improvements. The Group will adopt the amendments, after EU approval, in its financial statements for 2011: IFRS 3 (amendment) – Business Combinations; IFRS 7 (amendment) – Financial Instruments: Disclosures; IAS 1 (amendment) – Presentation of Financial Statements; IAS 27 (amendment) – Consolidated and Separate Financial Statements; IAS 34 (amendment) – Interim Financial Reporting; IFRIC 13: Customer Loyalty Programmes; IFRS 9 – Classification and measurement of financial assets and liabilities; IAS 12 (amendment) – Deferred taxes; these improvements may have an impact on the consolidated interim reports.

The above figures have not been audited.

The above figures have been rounded and may therefore differ from those given in the official financial statements.

This communication includes future-oriented statements that are based on the assumptions currently made by the company's management and its current decisions and plans. Although the management believes that the future expectations are well founded, there is no certainty that these expectations will prove to be correct. This is why the results may significantly deviate from the assumptions included in the future-oriented statements as a result of, among other things, changes in the economy, markets, competitive conditions, legislation or currency exchange rates.

Vieremä, 25 October 2011

PONSSE PLC

Juho Nummela
President and CEO

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Ponsse Plc is a company specialising in the sales, manufacture, servicing and technology of cut-to-length method forest machines and is driven by genuine interest in its customers and their business. Ponsse develops and manufactures sustainable and innovative harvesting solutions based on customers' needs.

The company was established by forest machine entrepreneur Einari Vidgrén in 1970, and it has been a leader in timber harvesting solutions based on the cut-to-length method ever since. Ponsse is headquartered in Vieremä, Finland. The company's shares are quoted on the NASDAQ OMX Nordic List.