

22.3.2011

PONSSE PLC REMUNERATION STATEMENT

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 Board of the company has ratified the company's code of governance complying with the Corporate Governance Code 2010 for Finnish listed companies approved by the Board of the Securities Market Association. This Remuneration Statement has been prepared in accordance with Recommendation 47 of section 7 (Remuneration) of the Corporate Governance Code. The Code is publicly available on the website of the Securities Market Association at www.cgfinland.fi, for example.

REMUNERATION OF THE MEMBERS OF THE BOARD

Ponsse Plc's Annual General Meeting decides on the remuneration payable to members of the Ponsse Plc Board of Directors. On 31 March 2010, the AGM confirmed the annual remuneration payable to the Chairman of the Board as EUR 43,000, and the remuneration payable to other members as EUR 32,000. Travel expenses are also compensated for. No remuneration is paid to members in the employment of the Company, with the exception of the Chairman of the Board.

	Period	Meeting fee	Other remuneration	Total
<i>Aarni-Sirviö Maarit</i>	1 January – 31 March 2010	8,000.00		8,000.00
Hortling Heikki	1 April – 31 December 2010	24,000.00		24,000.00
Kaario Mammu Marja Liisa	1 April – 31 December 2010	24,000.00		24,000.00
Kylävainio Ilkka	1 April – 31 December 2010	32,000.00		32,000.00
<i>Remes Seppo</i>	1 January – 31 March 2010	8,000.00		8,000.00
Saksman Ossi	1 January – 31 December 2010	32,000.00		32,000.00
Vidgrén Juha, chair as of 26 October 2010	1 January – 31 December 2010	7,167.00	24,369.80	31,536.80
Vidgrén Kalle Einari, chair until 26 October 2010	1 January – 26 October 2010	37,625.00	55,595.88	93,220.88
Total		172,792.00	79,965.68	252,757.68

REMUNERATION OF THE PRESIDENT AND CEO AND THE MANAGEMENT TEAM

The compensation of the President and CEO and the Management Team consists of a fixed monthly salary, a bonus and a share-based incentive. The bonus is based on the operational and performance objectives set by the Board of Directors annually; the share-based incentive is based on longer-term

22.3.2011

objectives. Ponsse Plc's Board of Directors decides on the salaries of the President and CEO and members of the Management Team, the contents and objectives of the bonus and share-based incentive schemes, the persons included within the scope of the schemes and ultimately the payment of the bonuses and incentives. The annual bonus of the President and CEO and members of the Management Team may be at most 50 per cent of the average fixed monthly salary of the previous year.

Juho Nummela has acted as President and CEO since 1 June 2008. In 2010, the President and CEO was paid salary and other benefits totalling EUR 208,394.20. The retirement age of the President and CEO is 65 years, and the pension benefit is determined in compliance with valid legislation.

Under the contract of service concluded between the Company and its President and CEO, both parties may terminate the agreement by giving six (6) months' notice. Should the Company terminate the agreement, it shall pay the President and CEO a sum equal to 12 months' salary in addition to salary and other benefits accruing during the period of notice.

The following persons were members of the Management Team: Juho Nummela, President and CEO, acting as the chairman; Pasi Arajärvi, Purchasing and Logistics Director; Tapio Mertanen, After-Sales Service Director (as of 3 May 2010), Juha Haverinen, Factory Director; Paula Oksman, HR Director; Petri Härkönen, CFO; Juhani Inberg, Technology and R&D Director; and Jarmo Vidgrén, Deputy CEO, Sales and Marketing Director.

The company management has regular management liability insurance. In 2010, the salaries and other benefits of the other Management Team members totalled EUR 669,492.88. No bonuses were paid to the President and CEO and the Management Team members in 2010. Also, no share-based incentives were paid in 2010. The retirement age of members of the Management Team is 65 years, and the pension benefit is determined in compliance with valid legislation. The Management Team members' period of notice is 6 months. Should the Company terminate the agreement, it shall pay a sum equal to 6 months' salary in addition to salary.

	Period	Salary	Fringe benefits	Taxable income
Nummela Juho	1 January – 31 December 2010	195,314.20	13,080.00	208,394.20
Other Management Team members	1 January – 31 December 2010	0.00	0.00	669,492.88
Total		195,314.20	13,080.00	877,887.08

SHARE-BASED INCENTIVE SCHEME

Ponsse's share-based incentive scheme directed to key personnel has three earning periods, which are the calendar years 2010–2012, 2011–2013 and 2012–2014. The Board of Directors decides on the earning criteria for each earning period and the objectives set for them. The earning criteria for the earning

22.3.2011

period 2010–2012 are the Ponsse Group's cumulative cash flow, average operating profit percentage and the total yield on the share.

Any incentives payable for the earning period 2010–2012 will be paid partly in Company shares and partly in cash. The aim of the part paid out in cash is to cover the taxes and tax-like levies payable for the incentive by the key employees. No shares may be assigned during a two-year commitment period. If the employment relationship of a key employee with the Company is terminated during the commitment period, the key employee shall return any shares received as an incentive to the Company free of charge.

After the commitment period, the Group's President and CEO must own half of the shares paid on the basis of the system until the total value of the Company's shares owned by him or her corresponds to his or her gross annual salary, and other members of the Management Team must own all of the shares until the total value of the Company shares owned by them corresponds to one half of their gross annual salary.

During the earning period 2010–2012, about 20 people are included in the target group of the scheme. The incentives to be paid for the earning period 2010–2012 will correspond to a maximum of approximately 211,000 Ponsse shares (also including the share paid in cash).