

Q4

MAEPEALSE RESIDENTIAL AREA, TALLIN, ESTONIA

Financial statements bulletin 2020

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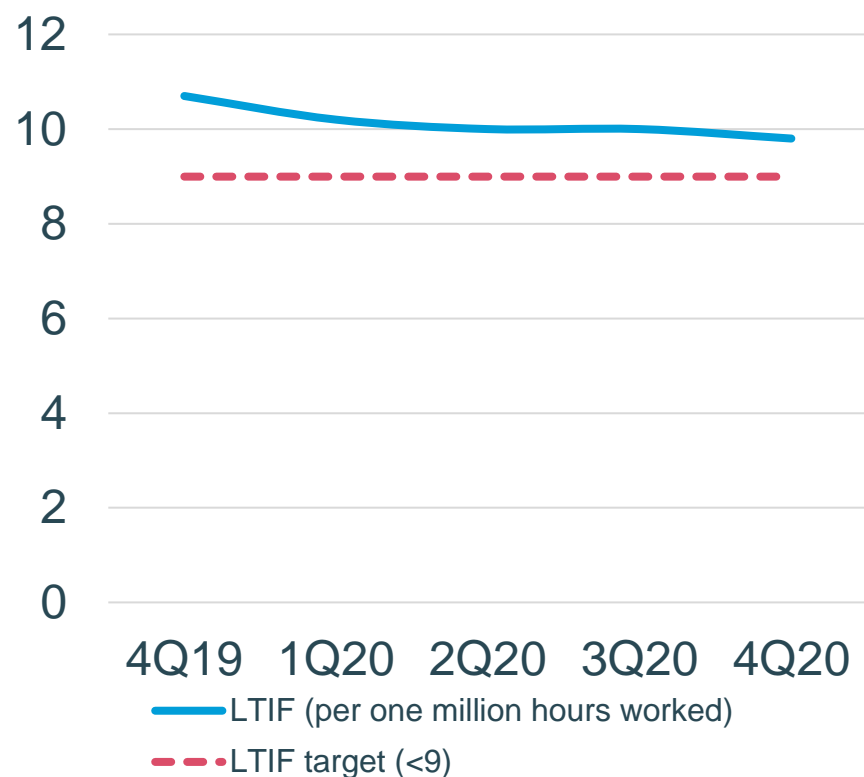
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Full-year 2020



Safety is in the core of our operations

COMBINED LOST TIME INJURY FREQUENCY (LTIF), rolling 12 months



LTIF,
rolling 12 months

9.8

injuries of YIT's own employees and subcontractors per million hours worked



Great progress in several areas in 2020

COVID-19:
Successful actions to
minimise impacts

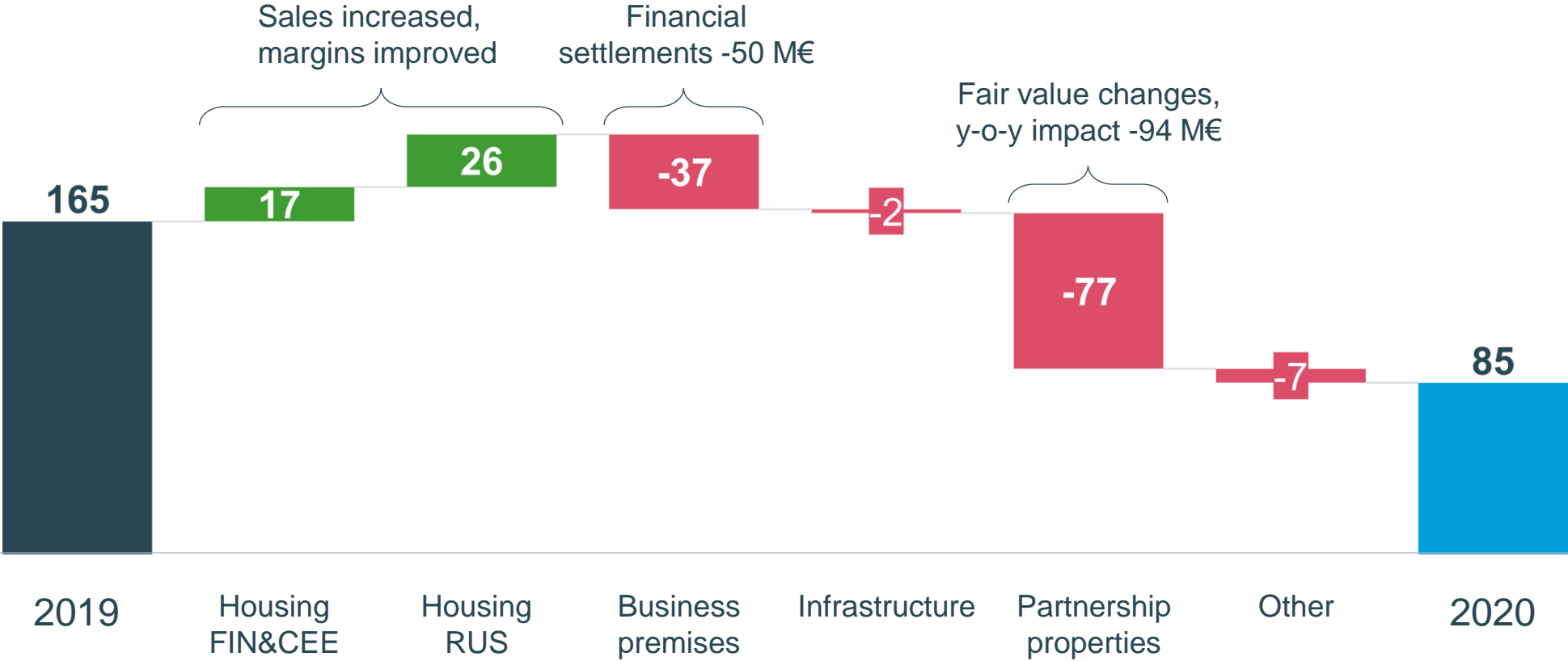
Strategy execution
continued:
business portfolio
streamlined

21%
decrease of CO₂ emissions

Solid project portfolio

Financial performance disappointing

ADJUSTED OPERATING PROFIT, € million



Stepping up project management

1

Project forecasting and reporting

2

Supply chain management

3

Production and personnel

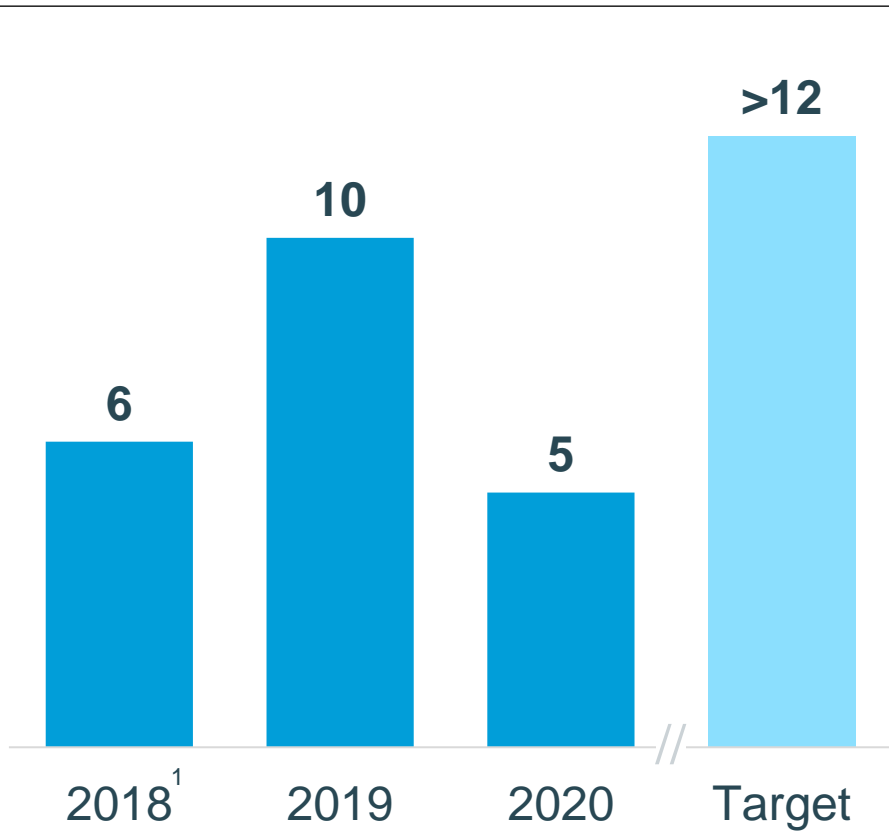
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Common management system

Strategic targets

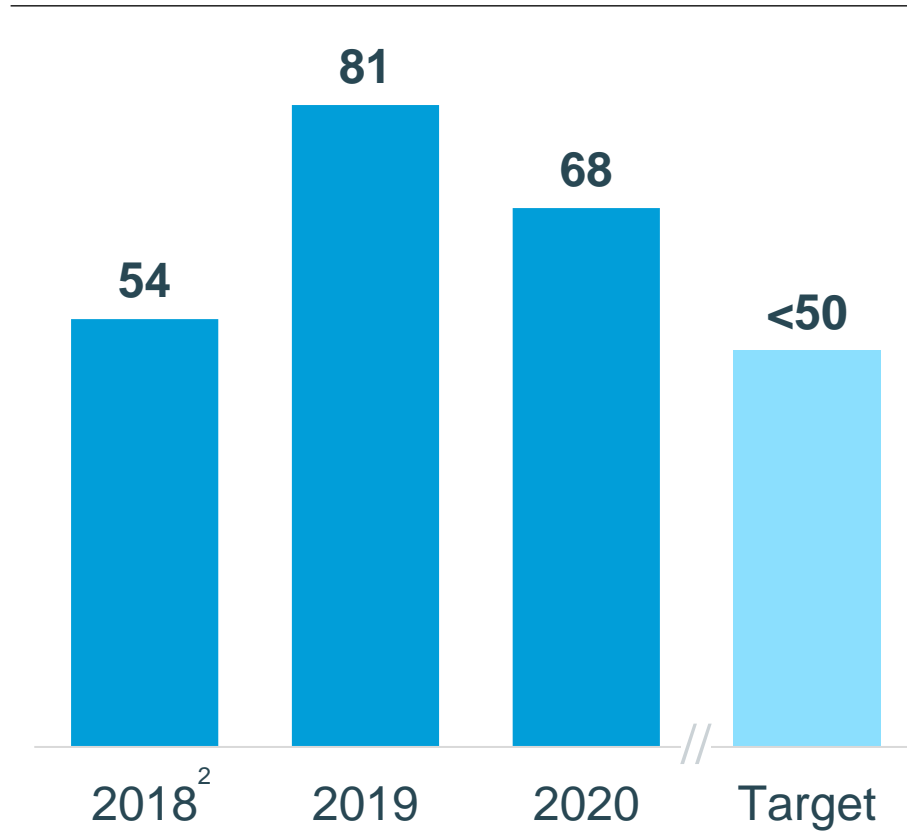
Gearing improved, ROCE weakened

ROCE, %



¹pro forma, excluding IFRS 16

GEARING, %



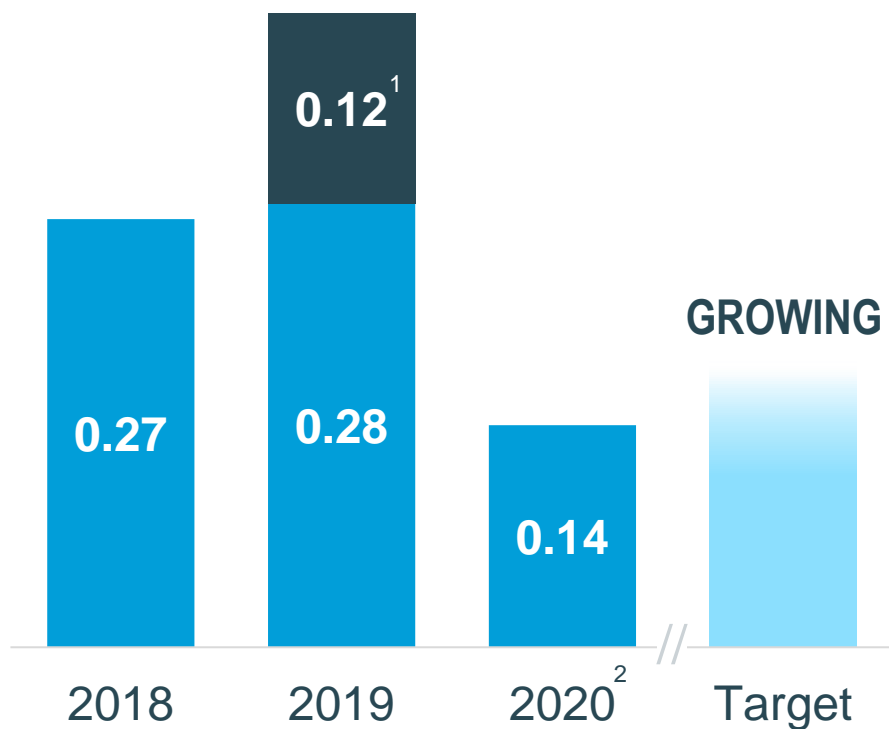
²excluding IFRS16



Strategic targets

Dividend proposal 0.14 € per share

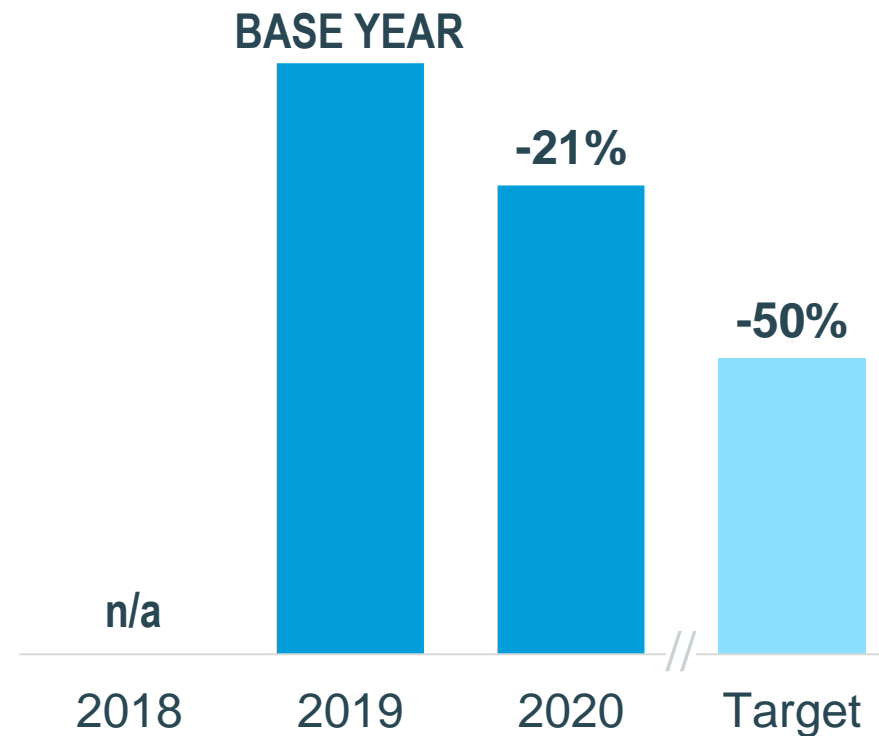
DIVIDEND PER SHARE, €



¹ Additional dividend.

² Board of Director's proposal to AGM.

EMISSION INTENSITY OF OWN OPERATIONS, tCO₂e/M€



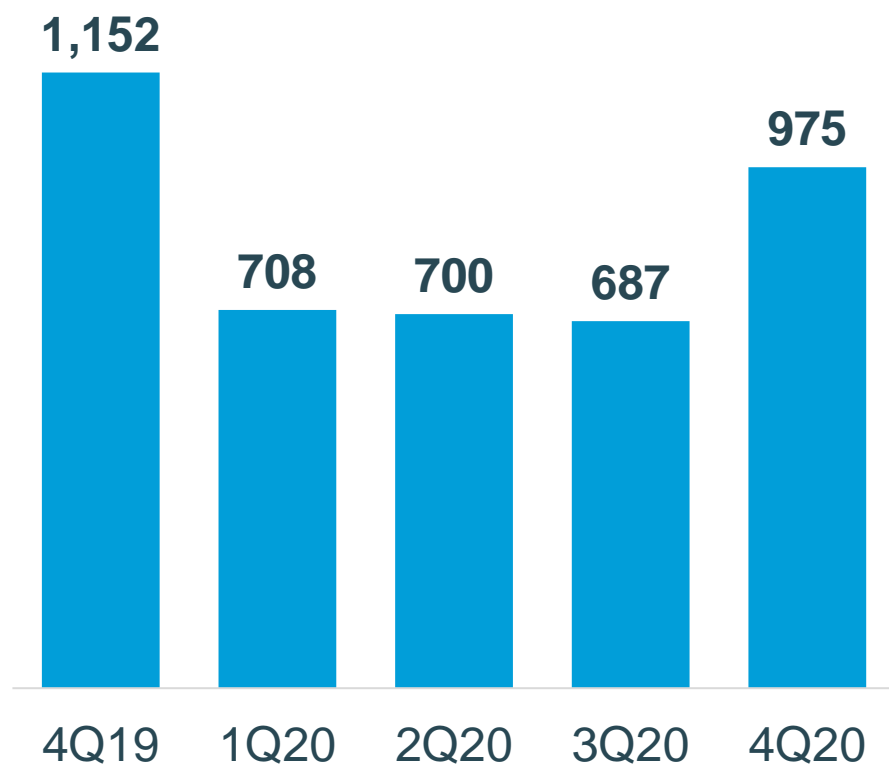
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Q4 / 2020

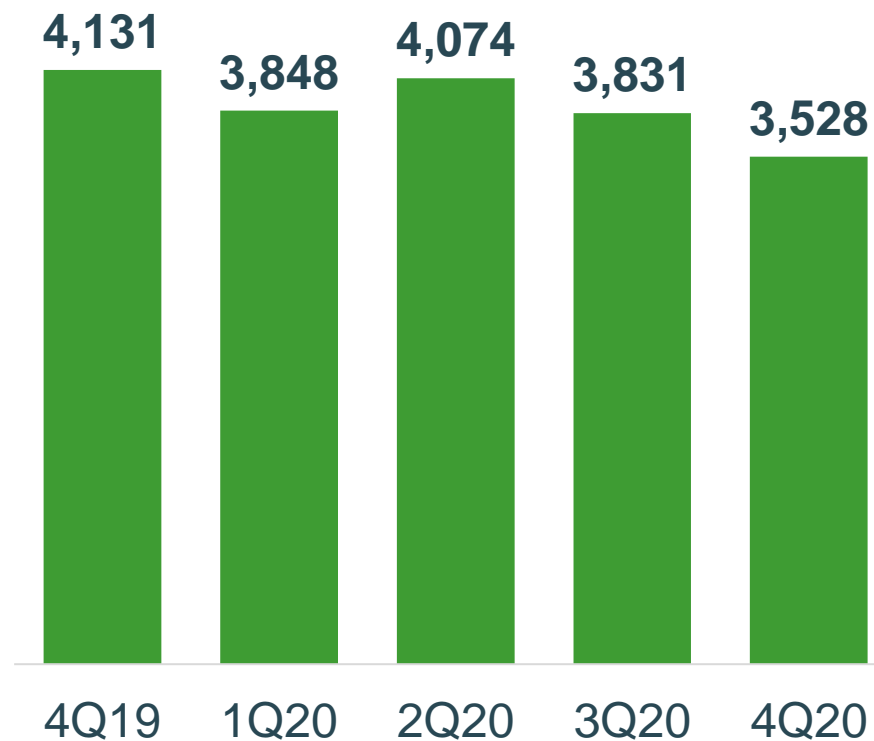


Q4: Revenue peaked as expected

REVENUE, € million

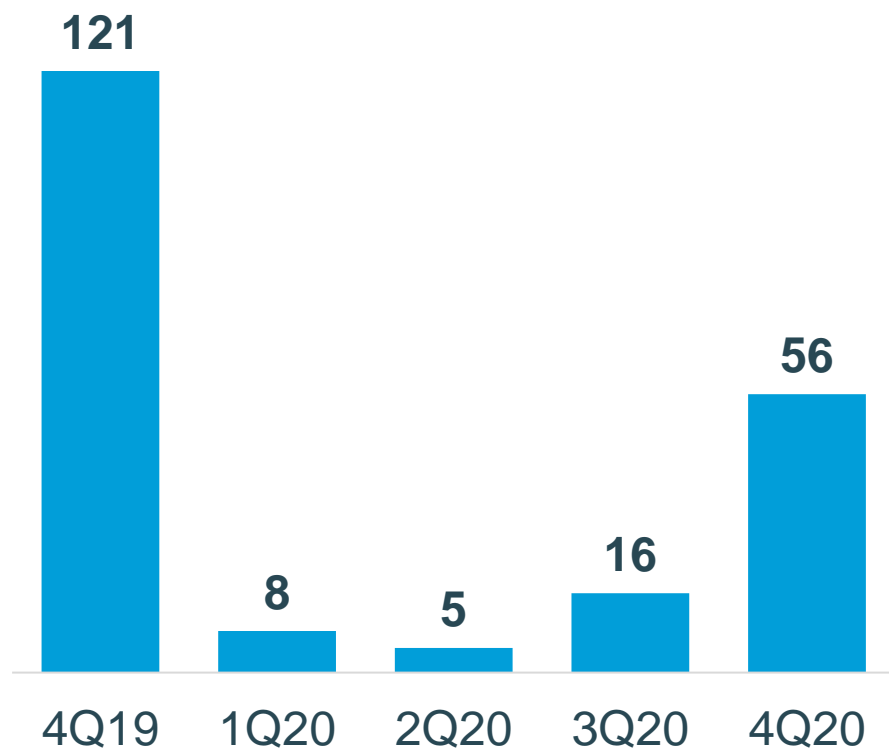


ORDER BOOK, € million



Q4: Fair value change of €-16m burdened the result

ADJUSTED OPERATING PROFIT, € million



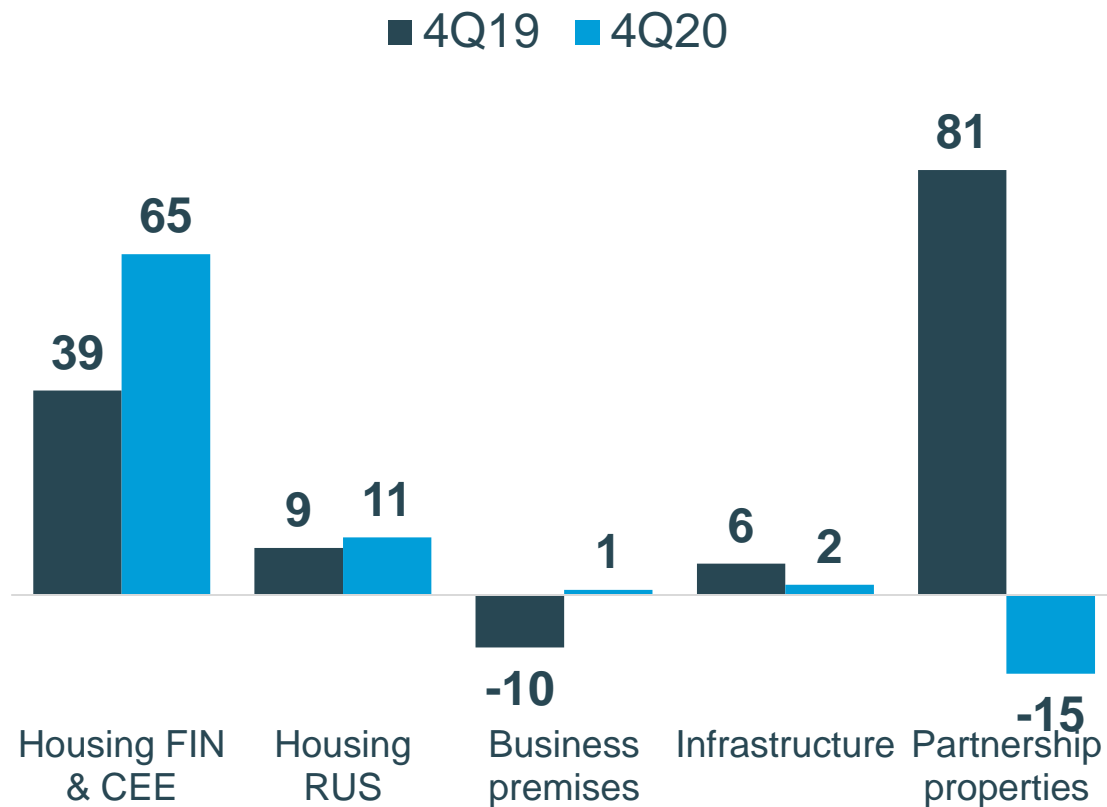
Q4 adjusted
operating profit
margin

5.7%

(10.5)

Q4: Solid results in housing, business premises returned positive

ADJUSTED OPERATING PROFIT, € million





Housing Finland and CEE Consumer apartment completions peaked in Q4 as expected

Adjusted
operating profit

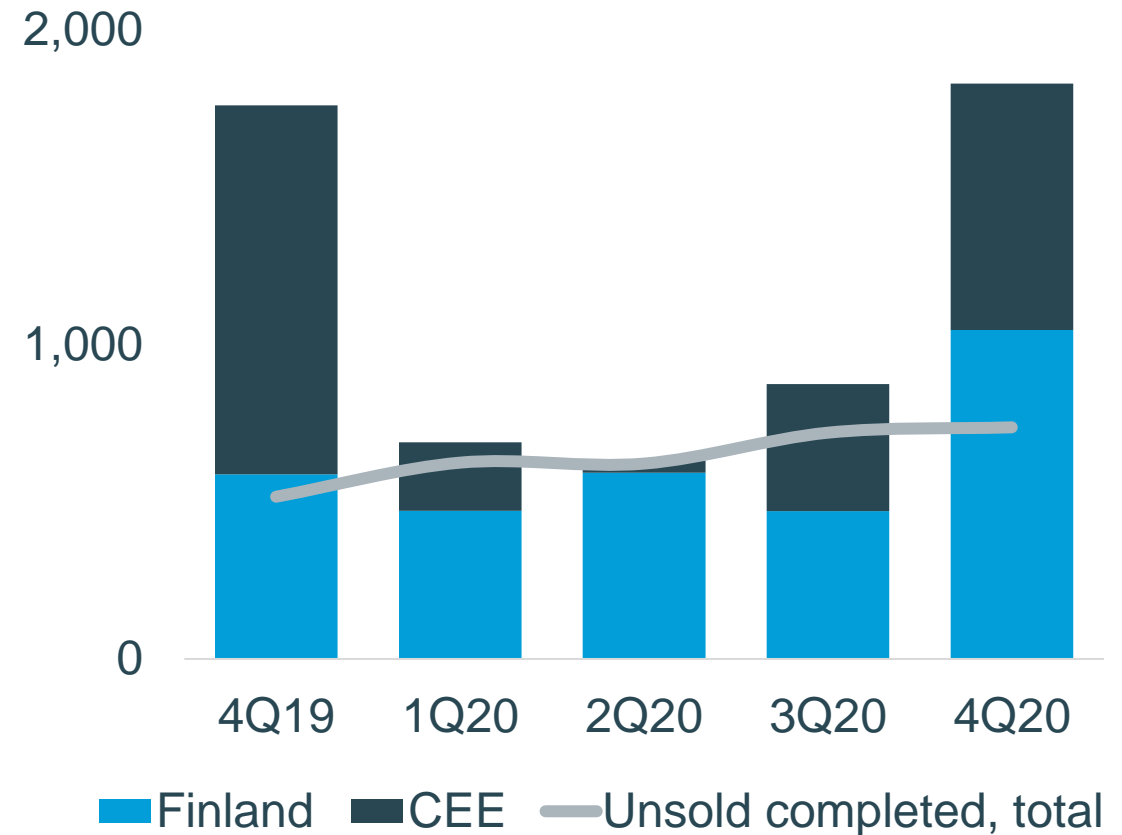
€65
million (39)

Strong
apartment
sales

Apartment
start-ups at
good level in
Finland

Living services
continued to
grow

COMPLETED CONSUMER APARTMENTS, units





Strong apartment sales continued

Adjusted operating profit

€11

million (9)

Margins continued to increase

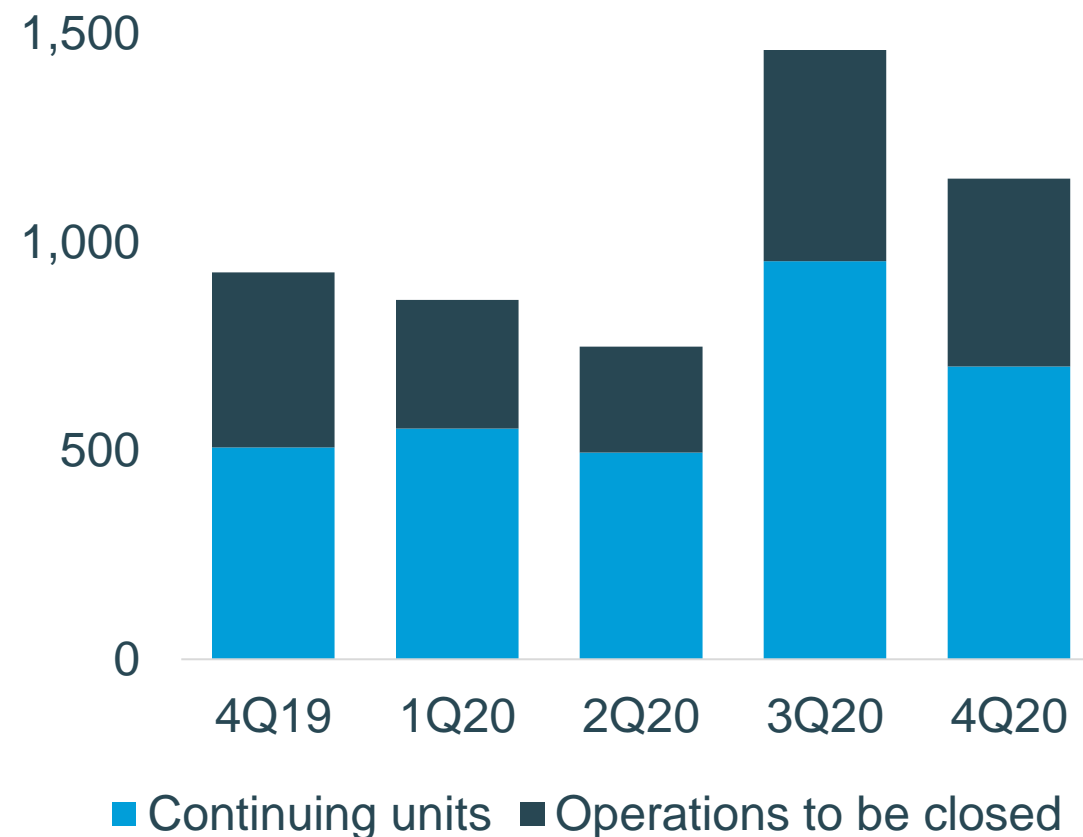
Strategic measures proceeding as planned

Russian escrow accounts amounted to

€55

million (1)

APARTMENT SALES, units

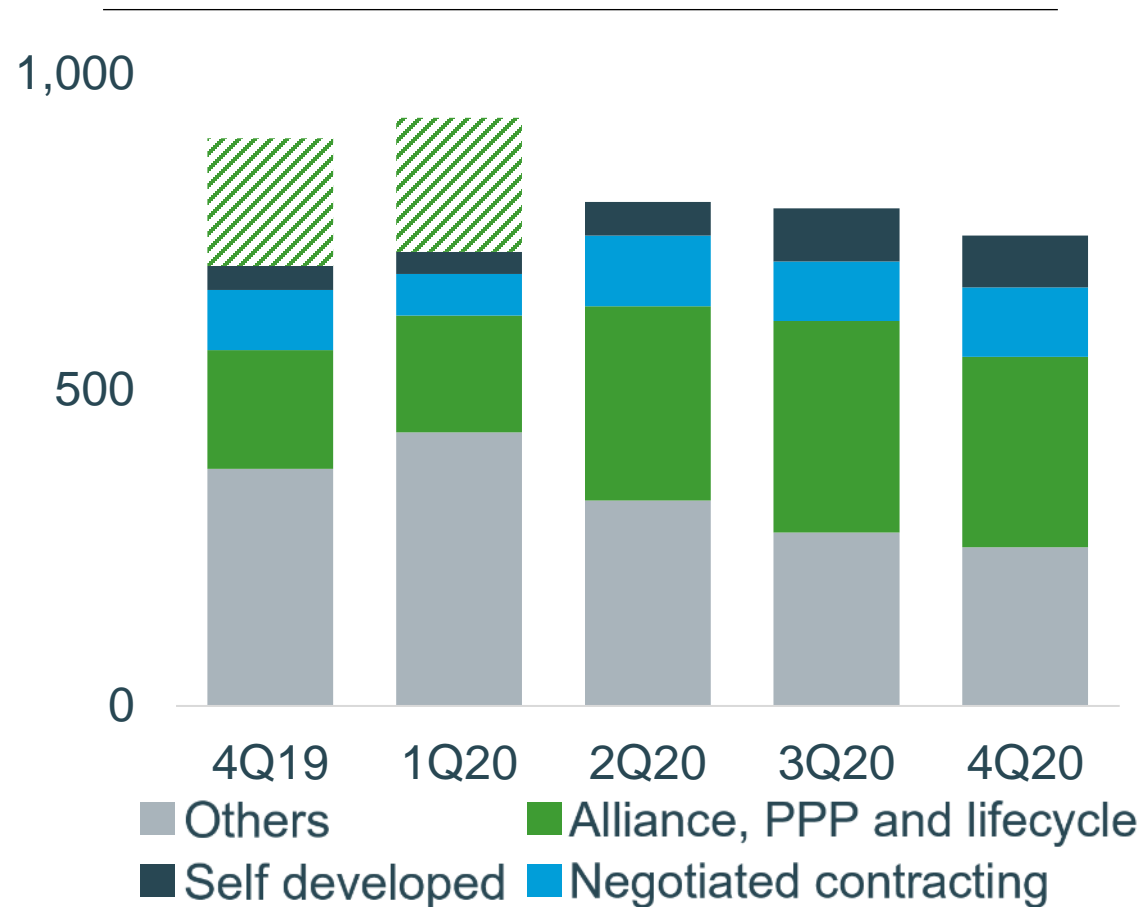




Business premises Returned profitable

Adjusted operating profit €1 million (-10)	Solid and healthy order book: 77% to public sector
Actions to improve project management ongoing	Sale of several business premises

ORDER BOOK, € million



¹Reported in Partnership properties since 2Q20





Weak result due to margin reductions

Adjusted operating profit

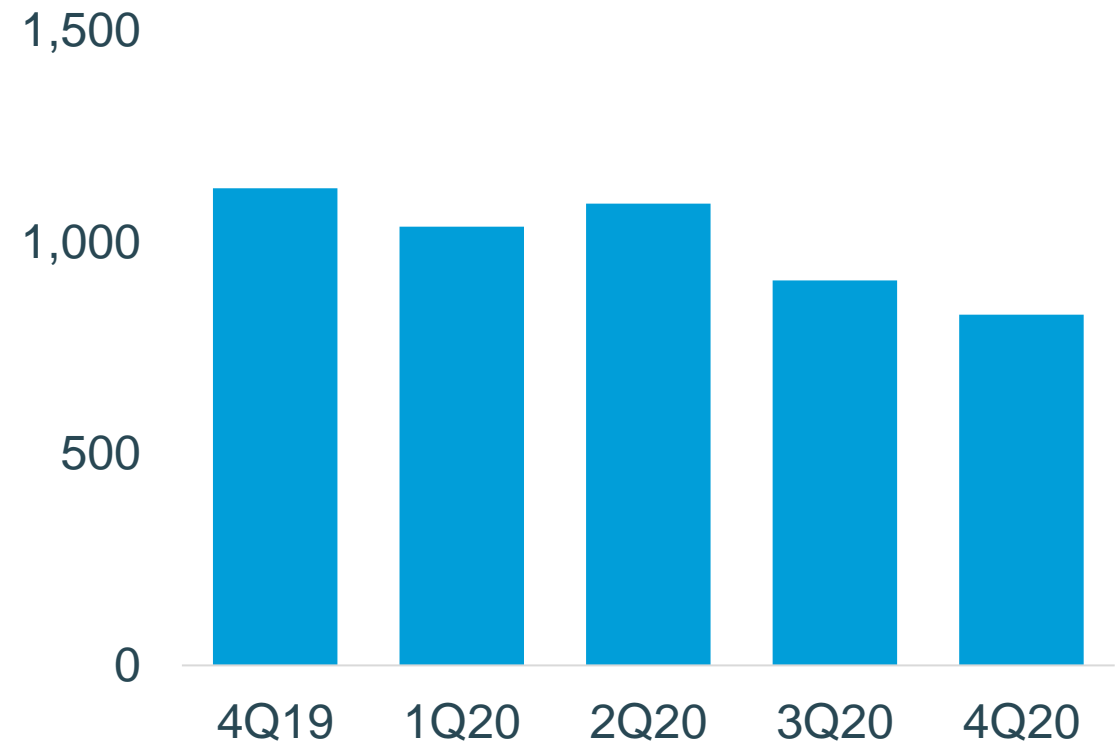
€2 million (6)

Sale of Murtomäki wind park completed

Margin reductions in certain projects

Production volumes decreased in Norway and the Baltics

ORDER BOOK, € million

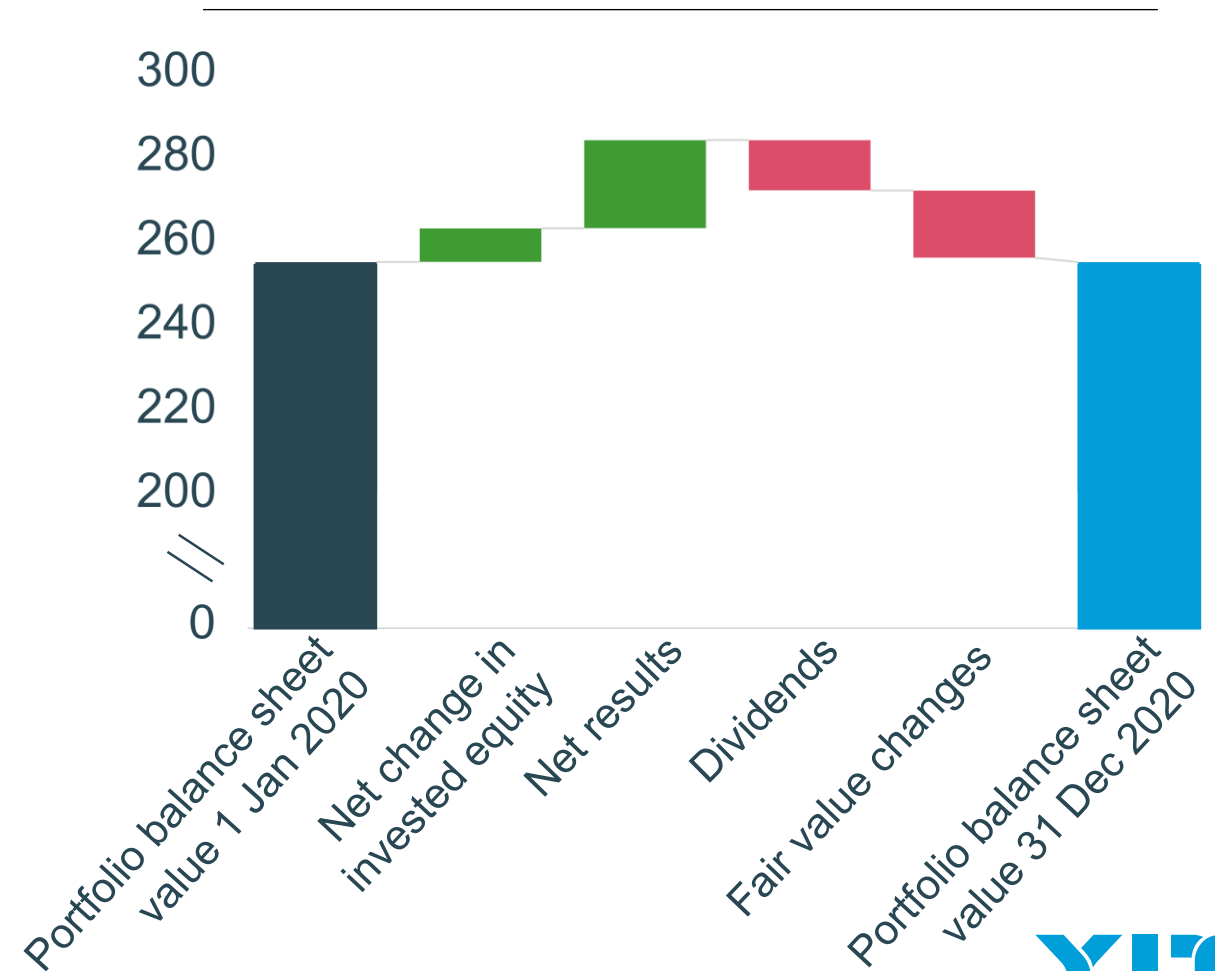




Partnership properties Fair value change burdened the result

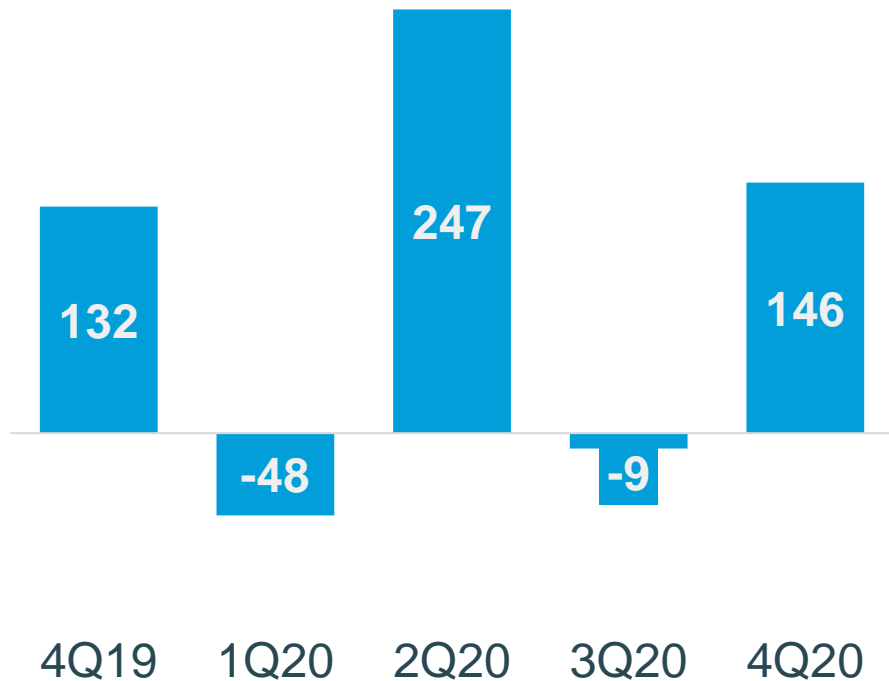
Adjusted operating profit €-15 million (81)	Fair value change of -16 M€ from Mall of Tripla investment
Sale of housing stock of ÅB Kodit I Ky	Workery+ concept launched in Jan 2021

PORTFOLIO VALUE, € million

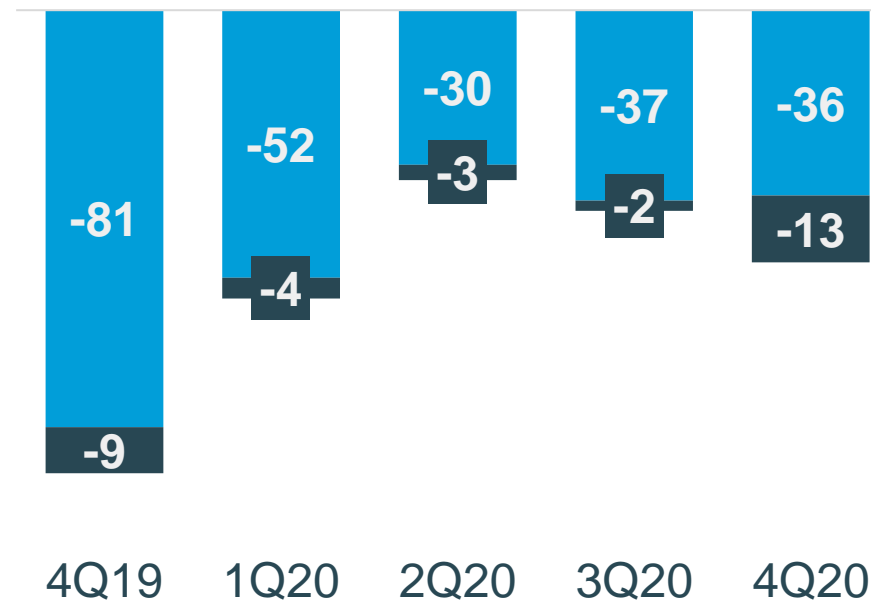


Full-year cash flow after investment solid at €336m

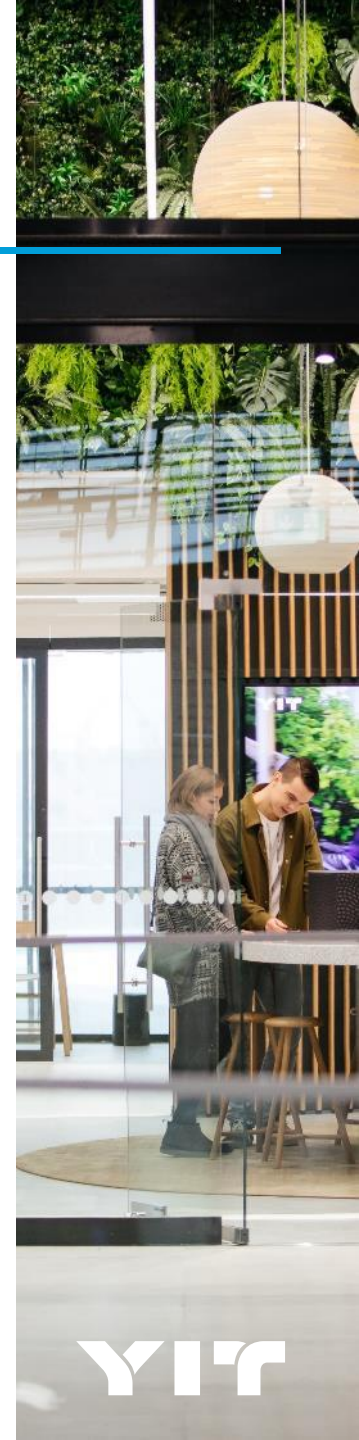
OPERATING CASH FLOW AFTER INVESTMENTS, € million



CASH FLOW OF INVESTMENTS, € million

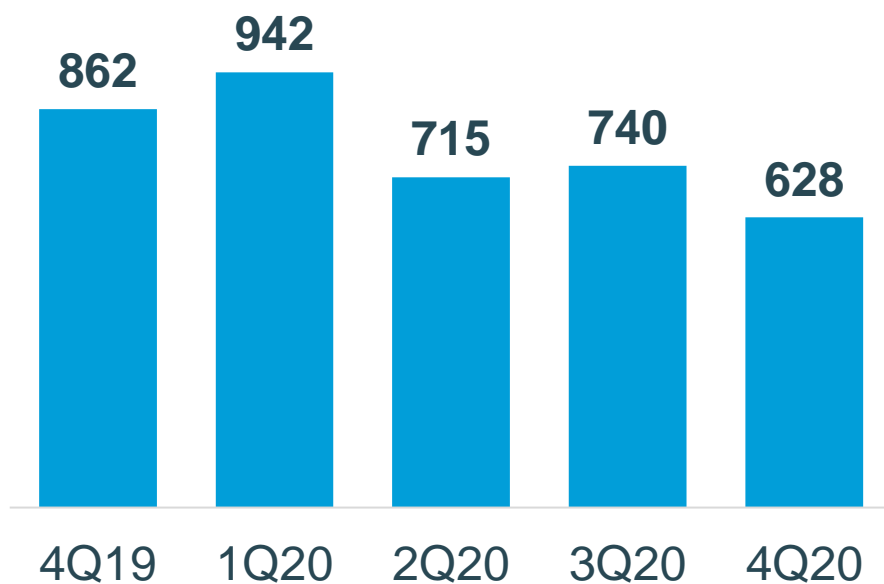


■ Plot investments
■ Associated companies and joint ventures

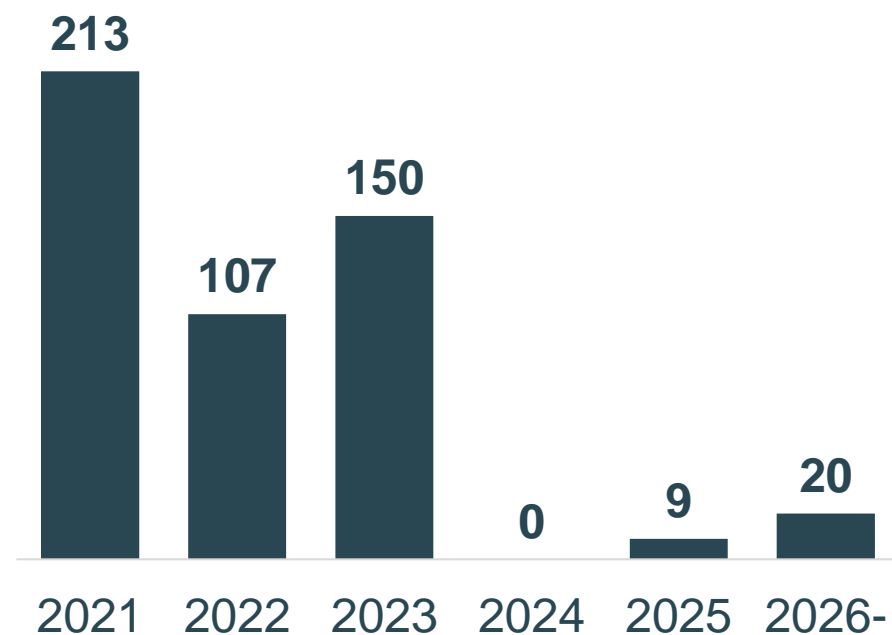


Balance sheet strengthened, net interest-bearing debt -27% y-o-y

NET INTEREST-BEARING DEBT,
€ million



MATURITY STRUCTURE¹,
€ million

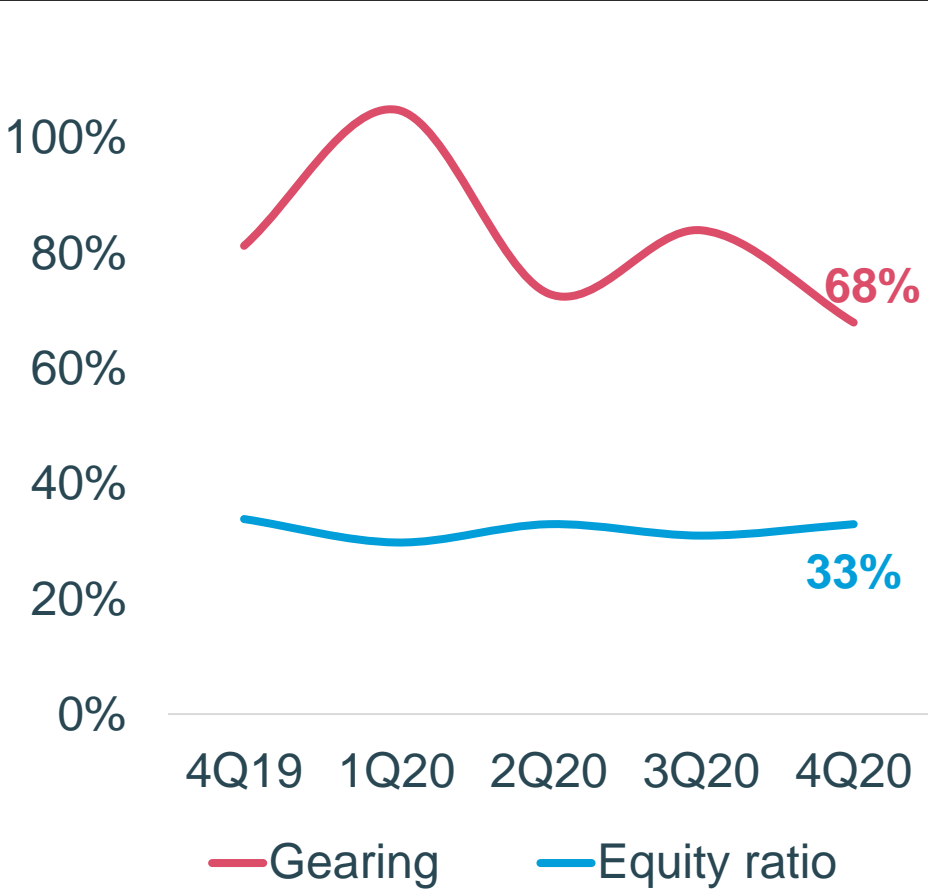


¹ Excluding housing company loans related to unsold apartments, € 154 million, commercial papers, € 216 million and IFRS 16 lease liabilities, € 235 million.

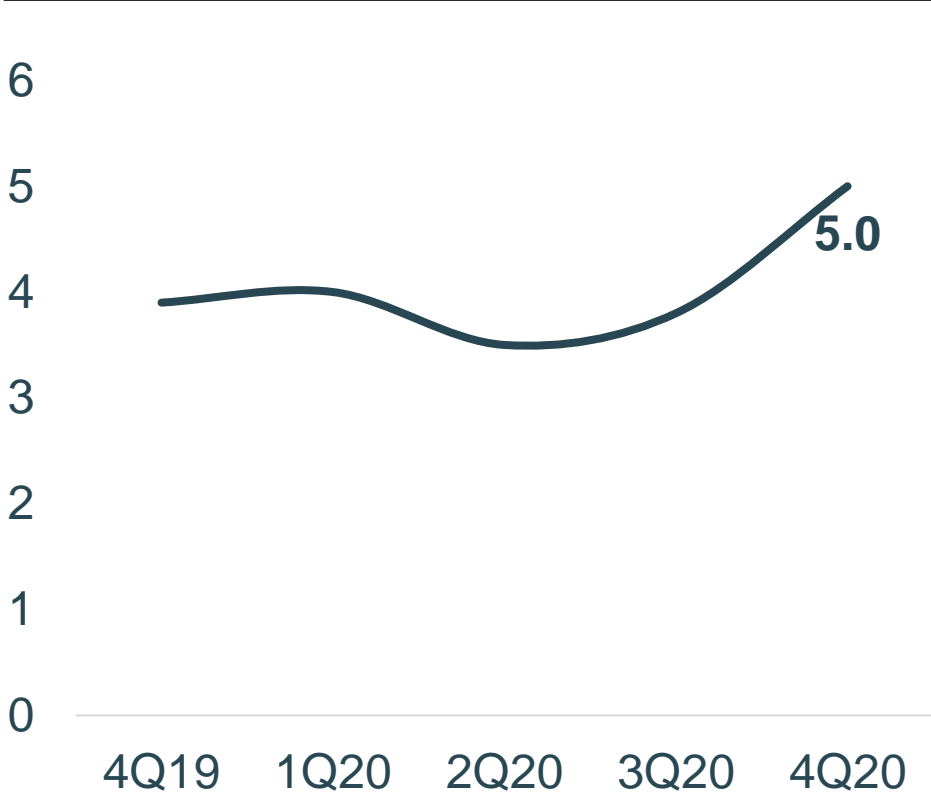


Financial key ratios: Gearing improved

EQUITY RATIO AND GEARING, %



NET DEBT / ADJUSTED EBITDA ratio



3

Outlook and guidance



Q1 market outlook relatively stable with limited visibility

	Housing	Business premises	Infrastructure	Partnership properties
Finland				
Russia				
Baltic countries				
Central European countries				
Sweden				

Q4/2020 market situation

Good
 Normal
 Weak

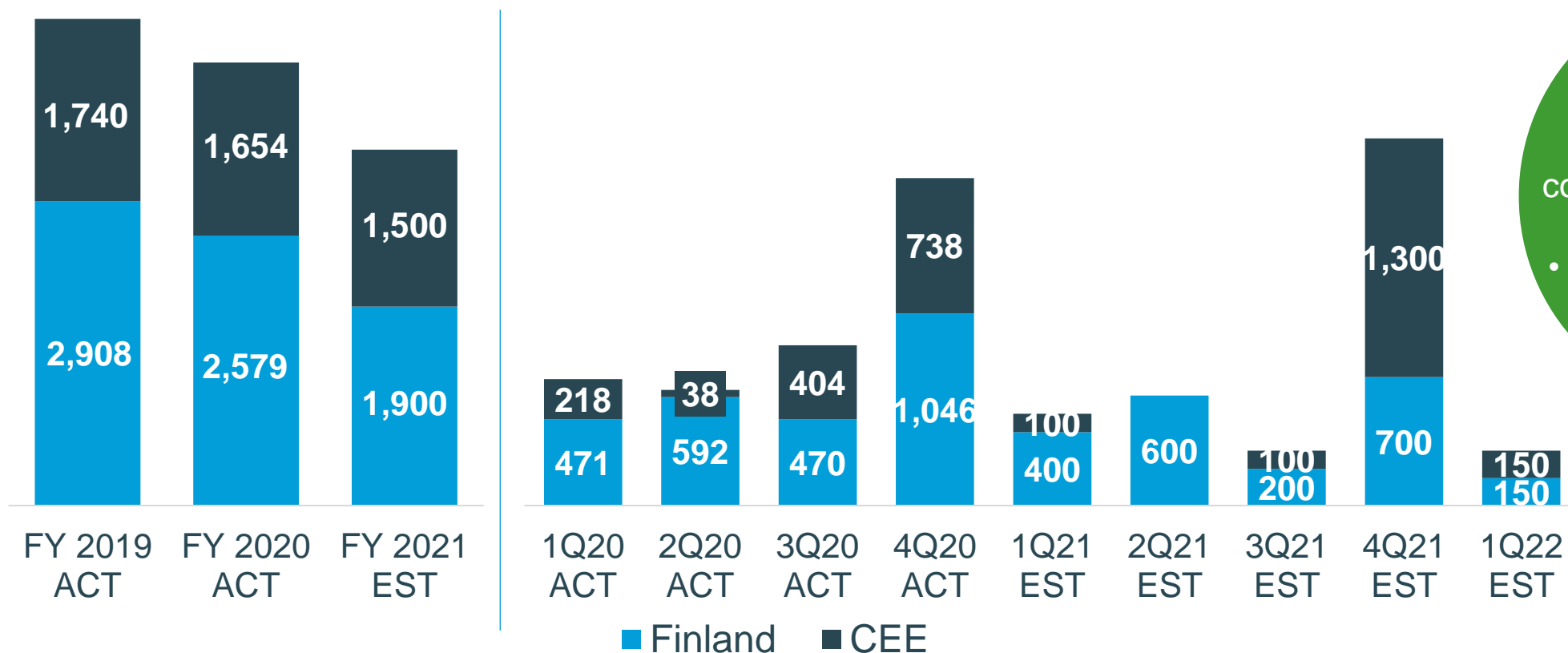
Q1/2021 market outlook

Improving
 Stable
 Weakening



Completions peaked in Q4, similar pattern expected in 2021

ESTIMATED COMPLETIONS OF CONSUMER APARTMENT PROJECTS UNDER CONSTRUCTION, units



In addition, revenue from apartments under construction recognised over time (POC):

- 2,101 for investors
- 4,302 in Russia

Guidance for 2021

Group adjusted operating profit
to be
higher
than in 2020
(85 M€)

- The fourth quarter is expected to be clearly the strongest.
- Dependent on certain project completions and contract closings.
- COVID-19:
 - temporary shutdowns or slower progress on sites and delayed completions could lead to postponement of profit
 - may lead to changes in market yields impacting fair values



Management agenda

TOP PERFORMANCE

Improve project management to drive profitability

SUCCESS WITH CUSTOMERS AND PARTNERS

Continue to expand digital services

STEPPING UP SUSTAINABILITY

Continue to develop climate action plan

HAPPY PEOPLE

Ensure health and safety of our people



Additional information

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YIT's Annual Review
will be published
during week

8/2021

the latest

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Appendices



Appendices

- I. Key figures
- II. Housing sales and start-ups
- III. Share ownership
- IV. Debt structure
- V. Investment portfolio

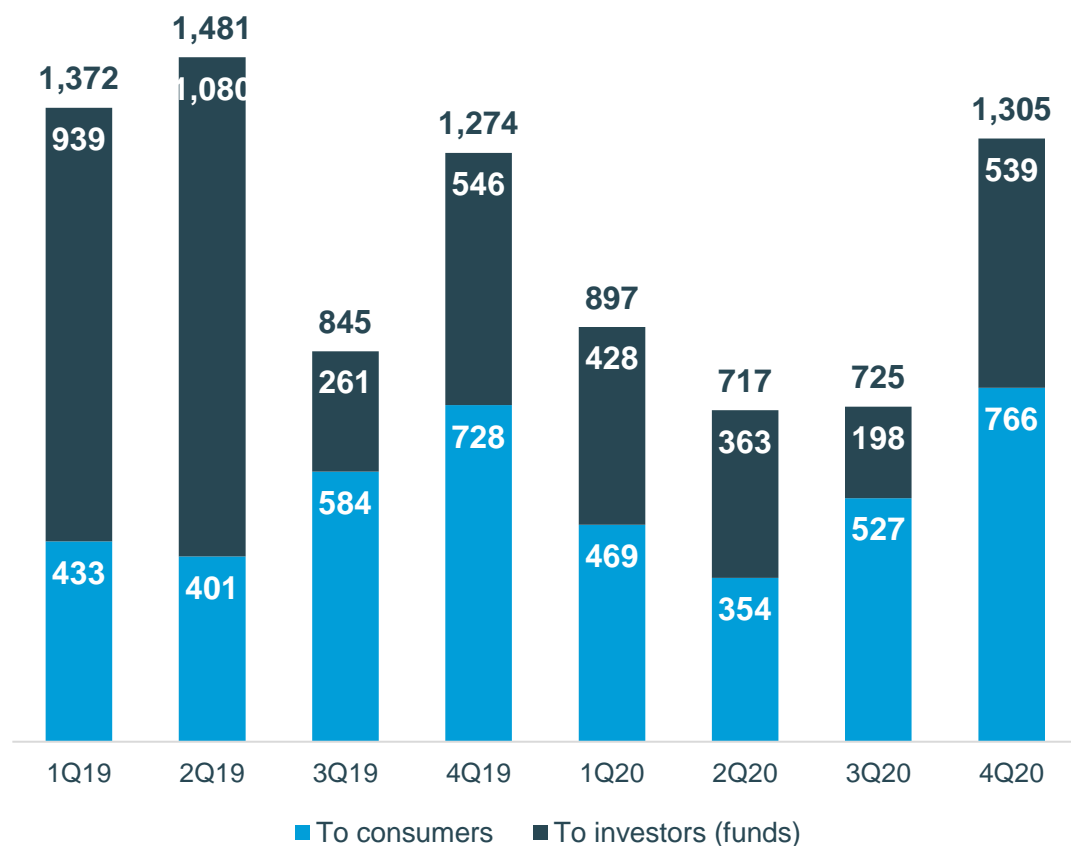


I. Key figures

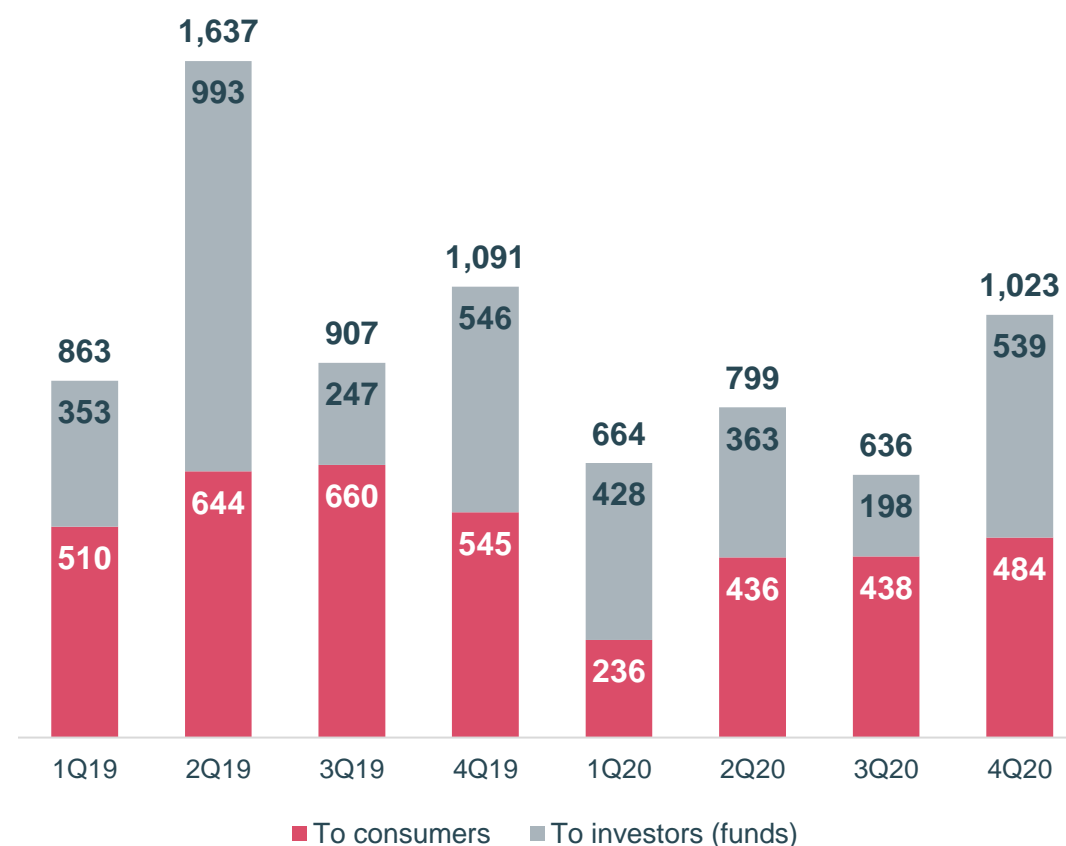
€ million	10-12/20	10-12/19	1-12/20	1-12/19
Revenue	975	1,152	3,069	3,392
Operating profit	55	97	35	80
Operating profit margin, %	5.6	8.4	1.1	2.4
Adjusted operating profit	56	121	85	165
Adjusted operating profit margin, %	5.7	10.5	2.8	4.9
Result before taxes	46	88	-6	40
Result for the period, continuing operations	36	59	-8	5
Result for the period	39	73	27	15
Earnings per share, EUR	0.19	0.35	0.13	0.07
Operating cash flow after investments	146	132	336	51
Net interest-bearing debt	628	862	628	862
Gearing ratio, %	68	81	68	81
Equity ratio, %	33	34	33	34
Return on capital employed, % (ROCE, rolling 12 months)	5.2	9.7	5.2	9.7
Order book	3,528	4,131	3,528	4,131

II. Housing Finland Sales and start-ups 2019-2020

SOLD APARTMENTS, units



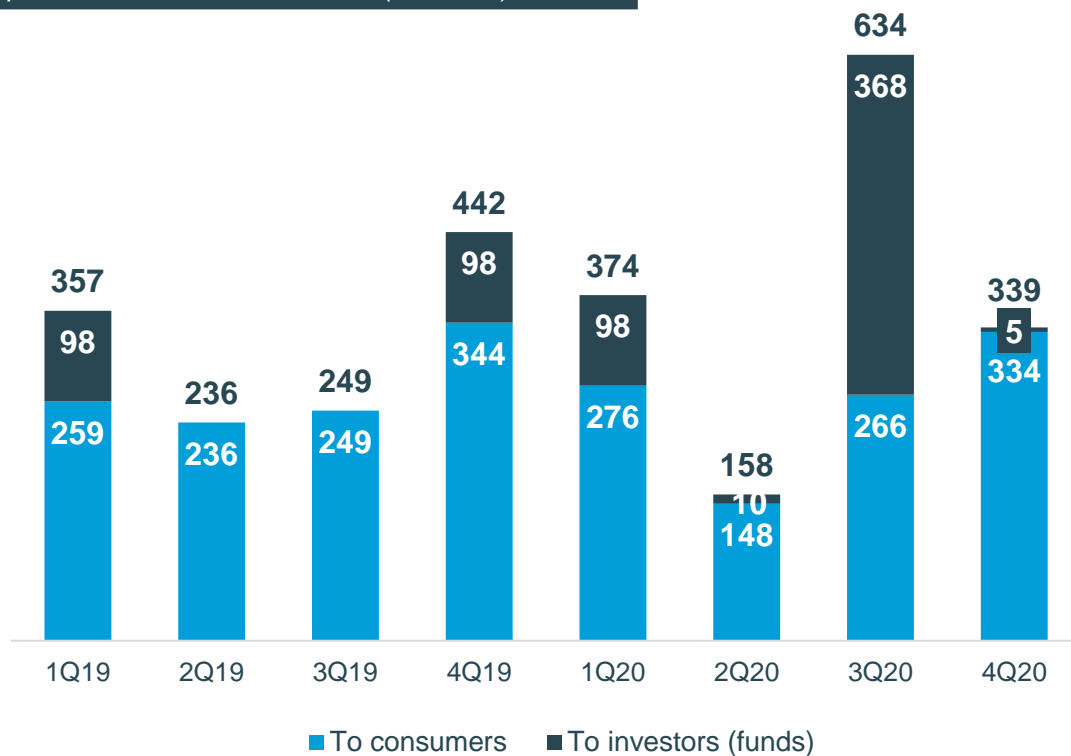
APARTMENT START-UPS, units



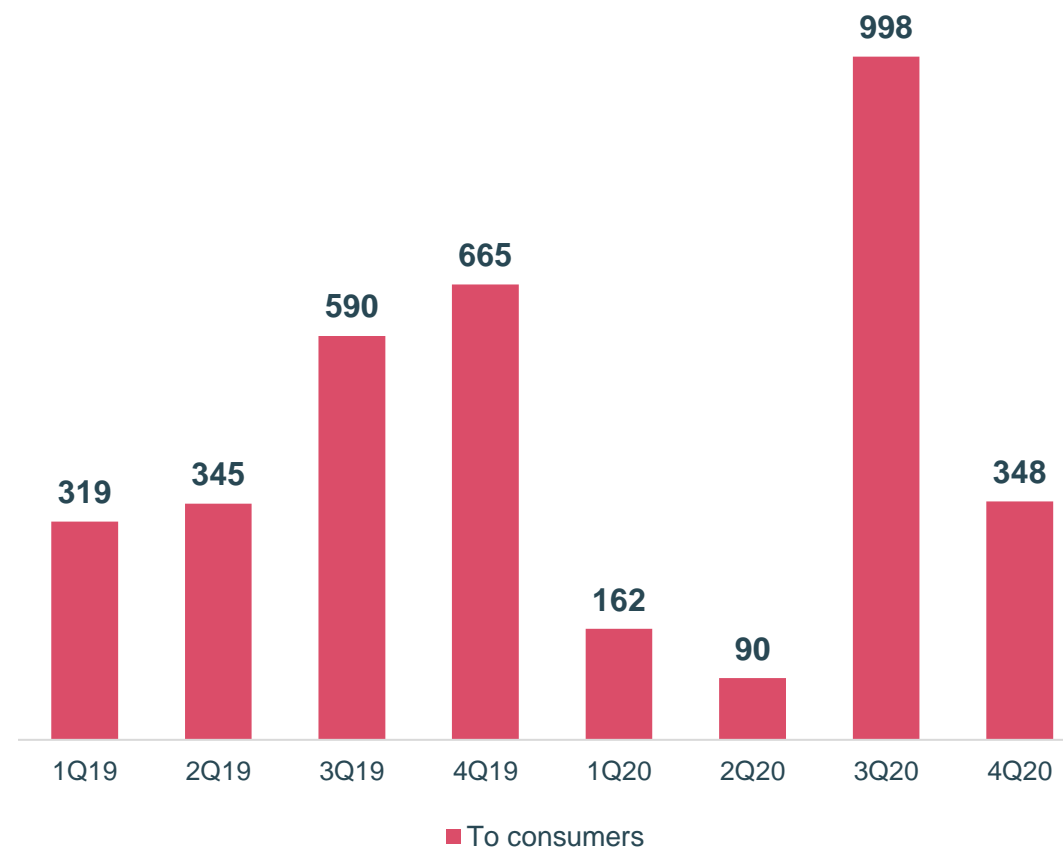
II. Housing CEE Sales and start-ups 2019-2020

SOLD APARTMENTS, units

Of projects earlier sold to YCE Housing I fund or a JV, and recorded as investor sales, YIT sold 192 apartments further to consumers (4Q19: 69)

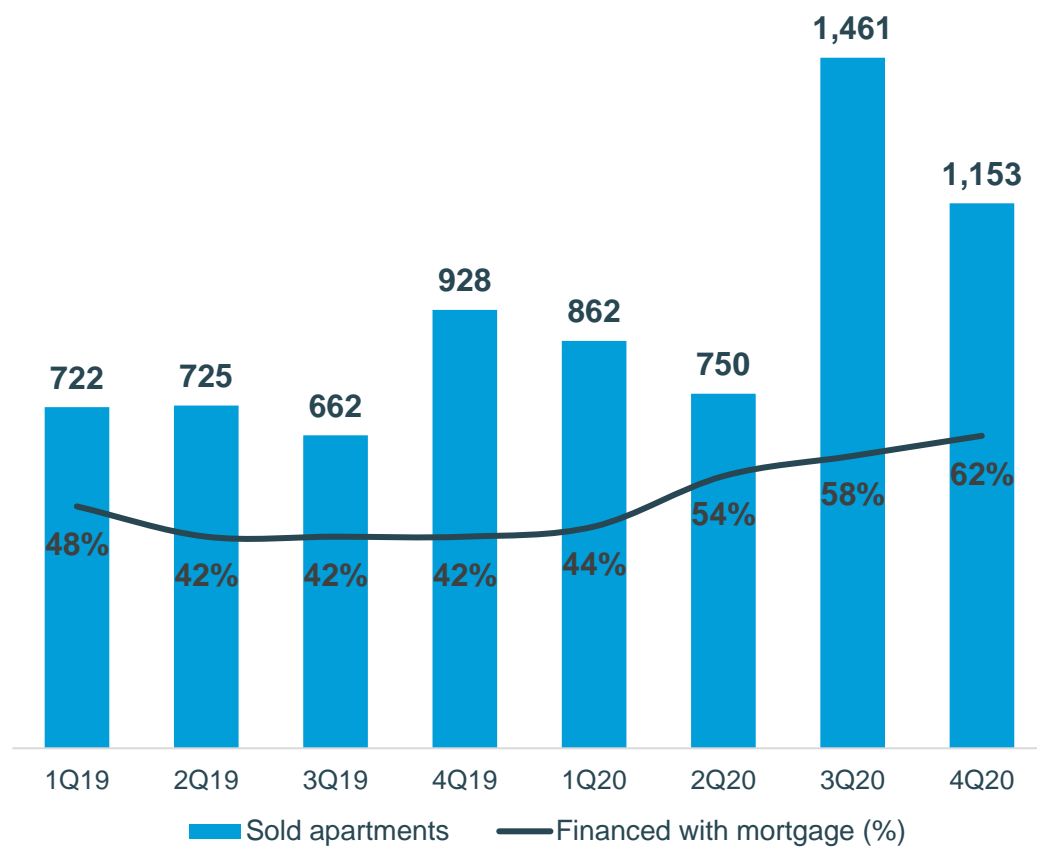


APARTMENT START-UPS, units

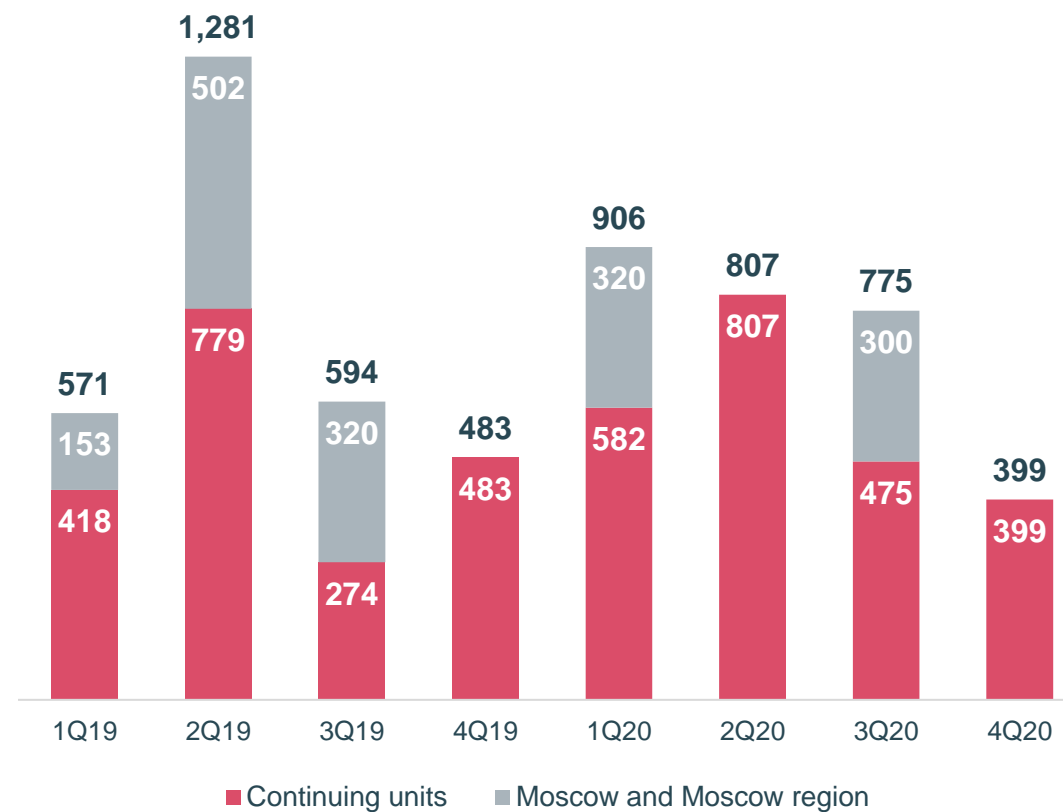


II. Housing Russia Sales and start-ups 2019-2020

SOLD APARTMENTS, units



APARTMENT START-UPS, units

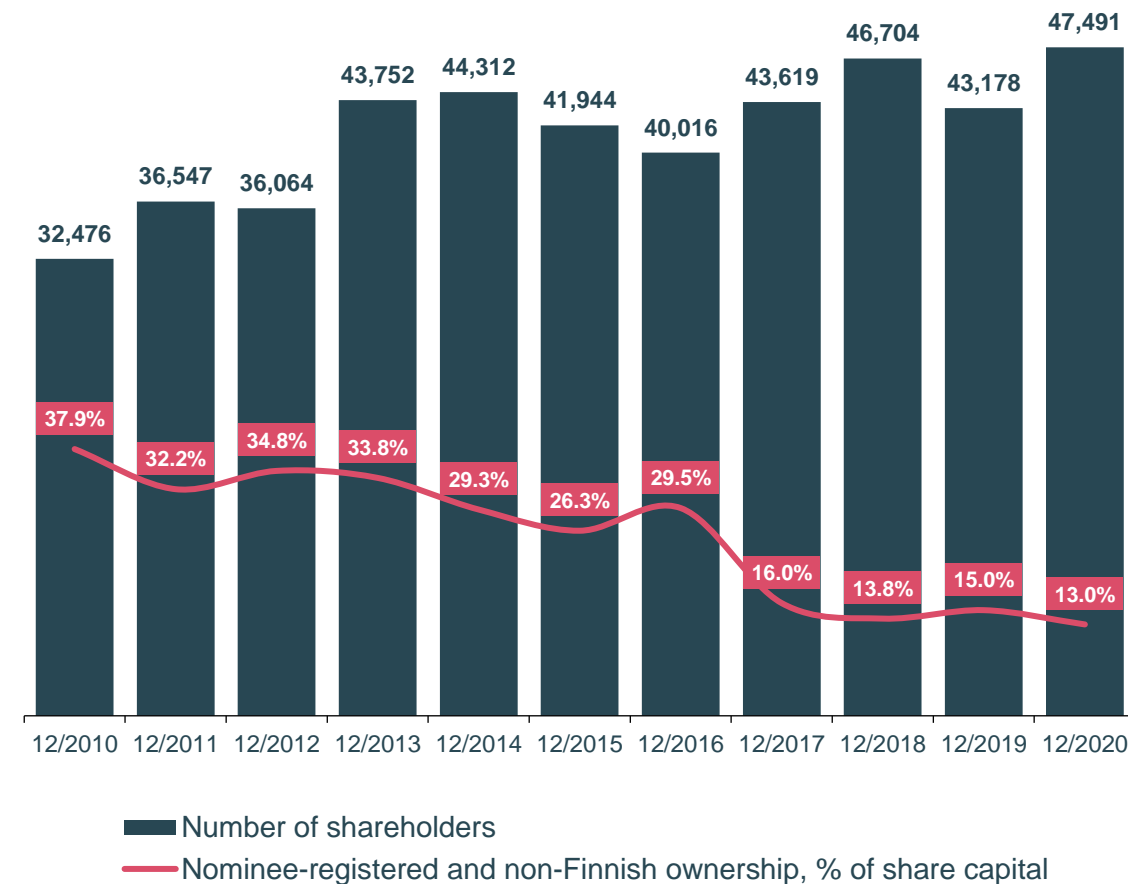


III. Share ownership, 31 December 2020

MAJOR SHAREHOLDERS

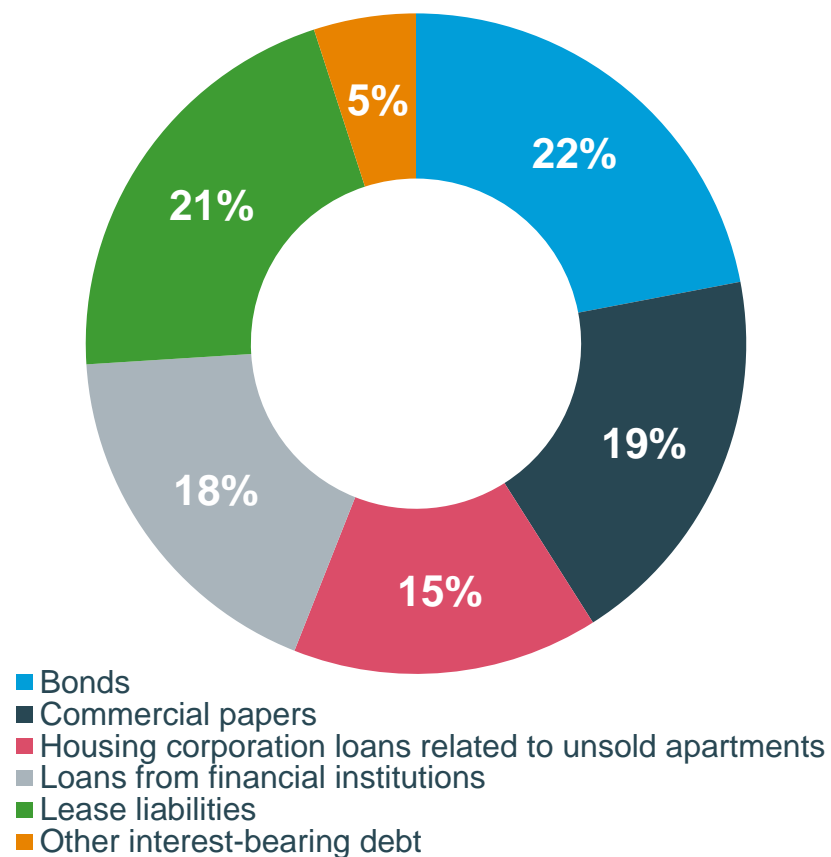
SHAREHOLDERS	SHARES	% OF SHARE CAPITAL
1. Tercero Invest AB	24,650,000	11.68
2. Varma Mutual Pension Insurance Company	15,954,975	7.55
3. PNT Group Oy	15,296,799	7.25
4. Conficap Oy	8,886,302	4.21
5. Pentti Heikki Oskari Estate	8,146,215	3.86
6. Ilmarinen Mutual Pension Insurance Company	5,984,339	2.83
7. Forstén Noora Eva Johanna	5,115,529	2.42
8. Elo Mutual Pension Insurance Company	4,396,850	2.08
9. Herlin Antti	3,445,180	1.63
10. Pentti Lauri Olli Samuel	3,398,845	1.61
Ten largest total	95,266,034	45.13
Nominee registered shares	21,538,449	10.20
Other shareholders	94,295,370	44.67
Total	211,099,853	100.00

NUMBER OF SHAREHOLDERS AND SHARE OF NOMINEE-REGISTERED AND NON-FINNISH OWNERSHIP

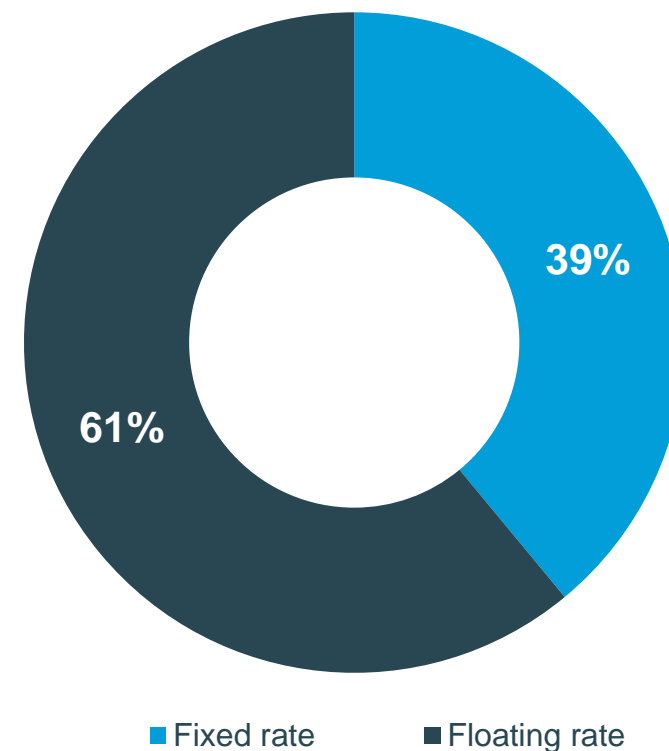


IV. Debt structure, 31 December 2020

INTEREST-BEARING DEBT PORTFOLIO,
€ million



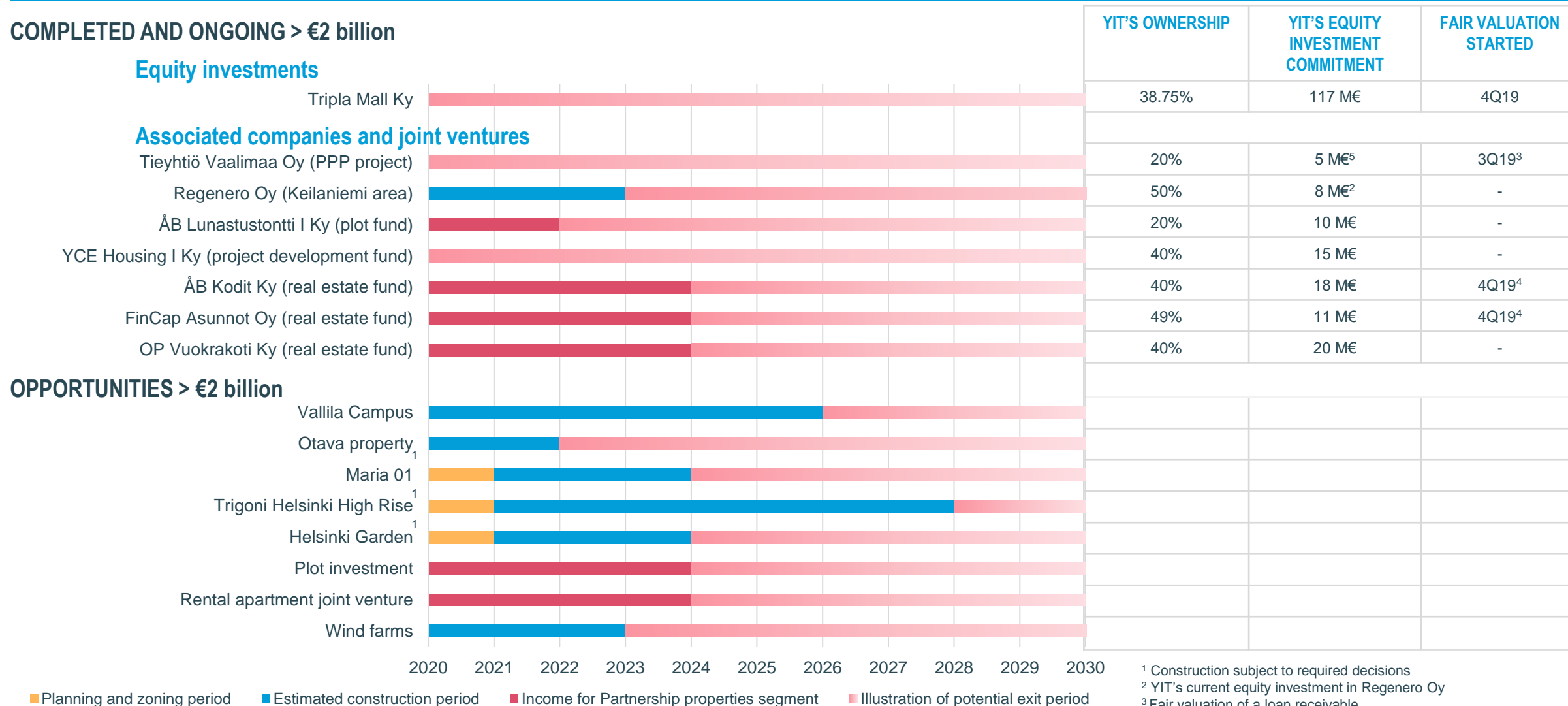
INTEREST RATE DISTRIBUTION OF
INTEREST PORTFOLIO¹



¹ Excluding IFRS 16 lease liabilities, EUR 235 million

V. Partnership properties

Investment portfolio and estimated timelines



¹ Construction subject to required decisions
² YIT's current equity investment in Regenero Oy
³ Fair valuation of a loan receivable
⁴ Completed investment properties measured at fair value
⁵ Includes also shareholder loans



**Together
we can
do it.**