



Annual
Review
2011



YIT is a leading European service company in building systems, construction services and services for industry. We develop, build and maintain good living environment in the Nordic countries, Central Europe, Russia and the Baltic countries. In 2011, YIT's revenue was approximately EUR 4.4 billion. Our 26,000 professionals serve customers in 14 countries. YIT's shares are listed on NASDAQ OMX Helsinki. In 2012, we celebrate the company's 100th anniversary.
www.yitgroup.com



Manfred and Florian are making sure that the fire safety is in order.

Large properties increasingly resemble cities where people sleep, work, spend their leisure time and exercise. This means that the building must be particularly functional, safe and efficient, 24 hours a day.

In the SQUAIRE property at Frankfurt airport, which is the largest project in YIT's history, we are responsible for ensuring that the customer is happy, but also how the customer's customers like it.

In this demanding project, we have installed all building system solutions and make sure that heating, plumbing, ventilation, cooling ventilation and safety are in order.

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Reader's guide



The Annual Review summarises YIT's year 2011. It illustrates the main achievements of the year in our different services, and provides an insight into our corporate responsibility. This year, the business segment reviews can be found in the Board of Directors' report, which is included in the Financial Review.



The Financial Review includes the Financial Statements 2011, the Board of Directors' report as well as insight into YIT's governance and risk management.

For further information, visit www.yitgroup.com



YIT – creating good living environment

Why are we the most attractive employer?

Skilled and motivated personnel is the key to our success. Continuously developing the competence of our personnel plays a central role for us.

We are building a strong corporate culture, the YIT way of working. Our culture is based on YIT's values, which are reflected in our day-to-day operations as a positive attitude to work between customers, co-workers and partners alike.

We have a strong focus on well-being at work and occupational safety. We have zero tolerance for accidents at work, and we are continuously developing our working methods in an effort to improve occupational safety. At the same time, we want to promote well-being at work among our personnel.

Everyone is important at YIT.

We are close to our customers. Jussi and José on their way to a service site.



Personnel at year's end

2007	24,073
2008	25,784
2009	23,480
2010	25,832
2011	25,996

Why are we a good investment?

We have a balanced business portfolio – building system services based on long-term maintenance agreements support construction, which is more susceptible to economic fluctuations. The steady cash flow generated by building system services allows us to be active in plot acquisitions.

We have good growth prospects, especially with regard to residential construction in Russia and building system services in Central Europe. In construction, our strengths are a deep understanding of customers' needs and control over the entire production chain. In building system services, we are able to provide our customers versatile technical know-how and comprehensive maintenance services.

Our solid financial position and agile management systems able us to utilise the opportunities that open up in the markets. As one of the market leaders, we are well set for improving our financial performance through more efficient operations.

We have a good and active dividend policy that we will continue. Our target for dividend payout is 40–60 percent of net profit for the period.

Earnings per share, EUR

2007	1.77
2008	1.05
2009	0.55
2010	1.12
2011	0.99

Dividend per share, EUR

2007	0.80
2008	0.50
2009	0.40
2010	0.65
2011	0.70*

* Board proposal

Why are we the best partner?

We listen to our customers and profoundly understand their wishes. We offer services for different construction and building system needs throughout the life cycle of the building.

We develop and build new as well as maintain and repair existing buildings. We have extensive competence in building system services, residential and business premises construction, infrastructure services and industry. We can offer our customers diverse and energy-efficient solutions.

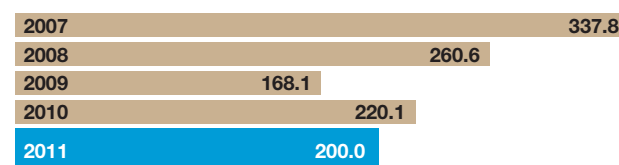
We continuously develop our services and solutions to match the needs of our customers even better. We pay attention to quality and improve our quality control processes all the time.

We are available to our customers everywhere we operate. We have almost 26,000 professionals in 14 countries.

Revenue, EUR million



Operating profit, EUR million



Key figures

	2011	2010	Change
Segment reporting:			
Revenue, MEUR	4,524.7	3,847.0	18%
Operating profit, MEUR	240.5	229.1	5%
% of revenue	5.3	6.0	–
Order backlog, MEUR	3,752.7	3,250.1	15%
Group reporting:			
Revenue, MEUR	4,382.1	3,787.6	16%
Operating profit, MEUR	200.0	220.1	–9%
% of revenue	4.6	5.8	–
Profit before taxes, MEUR	175.2	194.8	–10%
Operating cash flow after investments, MEUR	–17.3	–61.7	–
Earnings/share, EUR	0.99	1.12	–12%
Dividend/share, EUR	0.70*	0.65	8%
At year's end:			
Return on investment, % (last 12 months)	12.0	14.4	–
Equity ratio, %	30.2	31.9	–
Gearing ratio, %	80.4	72.6	–
Order backlog, MEUR	4,148.6	3,535.7	17%
Balance sheet total, MEUR	3,504.5	3,117.1	12%
Personnel	25,996	25,832	1%

* Board proposal



The difference between segment reporting and Group reporting is explained on Financial Review's page 60.

Order backlog, EUR million





Best service for customers

View videos of YIT's references on our anniversary site:
www.yitgroup.com/yit100

Quality



Our Merenkulkijanranta project in Helsinki, Finland was named the residential construction site of 2011 by Rakennuslehti trade magazine. The luxurious project, which extends partially over the sea, was praised by the jury for its fine location and high quality as well as excellent customer service, beginning already in the construction phase.

Cooperation



We won two significant tenders in regards to the E18 motorway in Finland. Road section between Koskenkylä and Kotka will be implemented using the life cycle model. Together with Destia, Meridiam Infrastructure S.á.r.l and Ilmarinen, we will be responsible for the financing as well as design, construction and maintenance until 2026. In the case of Hamina Bypass Road we will cooperate with Kesälahden Maansiirto Oy.



Energy



In Hamburg, Germany, we are delivering technical building services to the Urban Development and Environment Authority's (BSU) new building. All technical building system equipment is designed to reduce energy consumption and the use of natural resources. Two heat pumps are responsible for heating the building, and a geothermal system provides passive cooling. The building has highly efficient heat recovery systems, and rainwater is collected in tanks for use as raw water.

In Yekaterinburg, Russia, we expanded our service offering to cover also building management and maintenance of the residential buildings that we have constructed. We wish to serve home buyers both before and after the sale. We also have our in-house maintenance companies in St. Petersburg and the Moscow region. With our in-house maintenance company, we can also make a difference with regard to the energy-efficiency of the buildings.



We extended our agreement with Commerzbank on the maintenance of all technical equipment of 38-storey Gallileo Tower in Frankfurt, Germany, by three years. In addition to offices, the building houses a restaurant and a theatre, which results in special requirements for maintenance. The extension of the cooperation demonstrates that we have been able to offer good maintenance, functionality of the premises, and energy-efficient operation in the building.



In Norway, we expanded our cooperation with the Norwegian Defence Estates Agency when we assumed responsibility for the technical service and maintenance of access control, intruder alarm and CCTV surveillance systems. Ensuring the high level of security is very important for NDEA, and outsourcing the services is a remarkable show of confidence.



Our cooperation with Teollisuuden Voima, which began already in the 1980s, was continued by way of a five-year agreement on maintenance services at nuclear power plants in Finland. Maintenance services and annual servicing play a significant role in the safe and responsible production of nuclear energy. Hundreds of YIT experts representing a variety of fields take part in the annual maintenance of nuclear power plants. We aim to develop further the content of the services and safe working methods.



The construction of the Ratinankaari office and commercial building in Tampere, Finland, was started in accordance with YIT's EnergyGenius concept. The design of the premises takes into account the energy-efficiency of structures and solutions. The building systems and equipment selected facilitates lower energy consumption.



We concluded an extensive agreement on energy-efficiency renovation of municipality-owned buildings in Helsingør, Denmark. The agreement is the largest of its kind in Denmark if the set objectives are reached and the project is implemented in full. We are involved in a similar project in the municipality of Halsnæs. The cooperation aims to cut down the city's carbon dioxide emissions and energy costs.



Strong order backlog gives visibility

During 2011, we invested in securing future growth opportunities through plot investments and increasing the number of residential start-ups. In Building Services, we commenced a programme to improve profitability and strengthened our market position through acquisitions particularly in Northern Europe. Additionally, we strengthened our financial position in order to be prepared for uncertain market situation.



The segments' revenue and operating profit grew

In 2011, the segments' revenue grew by 18 percent and operating profit increased by 5 percent. The order backlog was 15 percent larger than at the end of the previous year.

Revenue increased across all segments. The demand for building system services recovered slightly and residential sales stepped up, particularly in Russia. We succeeded well in infrastructure and in business premises operations in Finland. Underlying the increase in operating profit were our successful measures to improve profitability in Central Europe and favourable residential sales in Russia. An acquisition made in September 2010 in Central Europe contributed to the growth in both revenue and operating profit.

The order backlog increased from the year before due to a slight recovery in the demand for building system services and new residential start-ups. In Finland, the order backlog of infrastructure construction reached a record-high level.

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.70 per share be paid.

We invested in the future

We invested in future growth during the year. We increased the sales inventory of our residential development projects and made plot investments in all market areas. Furthermore, we made ten acquisitions in all, reinforcing our position as a provider of building system services, particularly in Northern Europe. The Group's operating cash flow after investments for 2011 amounted to EUR -17.3 million.

We have also prepared for macroeconomic uncertainty by strengthening our liquidity position. Cash assets amounted to EUR 206.1 million at the end of December. In addition, committed credit and overdraft facilities amounted to a total of EUR 355.4 million are available. YIT has a diverse capital structure.

Stability from maintenance services

Balanced, profitable growth is our key strategic objective. We aim to increase the share of service and maintenance services in the Nordic countries and Central Europe, especially in the Germany. At the moment approximately two-thirds of our building system services are comprised of service and maintenance in Northern Europe, and the share of these services is also increasing in Central Europe.

We can offer our customers diverse maintenance of all technical systems and draw up preventive maintenance programmes to keep the conditions in buildings within the desired range and avoid unexpected costs. Our ServiFlex concept provides the customer with an opportunity to agree on an extensive technical service package through a single agreement.

In 2011, we launched the iServiFlex service, aimed particularly at industrial customers. We also developed the eServiFlex energy-efficiency service, which we will make available to customers in 2012.

Number of residential units under construction increased

With regard to residential construction, the focus of our growth is on Russia. We increased the number of our residential start-ups there in 2011. We also aim to increase our residential construction volume in Finland, the Baltic countries and Central Eastern Europe. We have more than 7,000 residential units under construction in Russia and more than 4,000 in Finland.

Sales proceeded well in Russia throughout the year, and was record-high during the last quarter. The number of sales increased in Finland towards the end of the year, and we sold residential units also to investors.

We develop our solutions and services for homes by predicting the future needs and wishes of home buyers. Our aim is to construct the kinds of homes our buyers

want and also offer other housing-related services. For example, in Finland an online eHouse service that gathers information on one's house and the surroundings will be included in our homes. In Russia, we cooperate with banks that provide our customers with an opportunity for affordable loan financing. Our work has been well received and we won several housing quality awards during the year in Russia.

We are investing in sustainability

In 2011, we launched an internal action programme aimed at maintaining our position as a leader in constructing and maintaining sustainable living and working environments. By utilising our extensive range of services, we can make a significant difference in the well-being of the environment.

Energy-efficiency is incorporated into several of our service arrangements and taken into account in all of our construction projects. We build energy-efficient homes, offices and business premises, and offer services for improving energy-efficiency in old buildings and industry. Furthermore, we offer technological solutions for energy production, waste collection and construction of energy production plants.

As part of our sustainability efforts, we take care of the long-term development of our operations and require responsible operating methods from our entire supply chain. We aim to offer our personnel a workplace where they can develop themselves and feel good, and where occupational safety is in order.

Market situation requires agility

We are prepared to adjust our operations rapidly. Above all, we are focusing on efficient operating methods and matching our services to market demand.

The opportunities for growth in service and maintenance of building systems are favourable, particularly

in Germany and Austria. Also the new investments in building systems are expected to increase in Central Europe. In the Nordic countries, the market situation for building services varies by country. However, the increase in technology in buildings increases the need for services.

As for residential construction, the future prospects are good. There is still a shortage of new residential units in certain areas in Russia, and residential demand has remained favourable due to the country's strong economic development. In Finland, low interest rates are an upside.

The high degree of uncertainty about the general macroeconomic development may have a negative effect also on decision-making by our customers and thereby the development and performance of YIT's business operations. Nevertheless, we believe that we can make our operations more efficient and improve the profitability of our business.

We estimate that in 2012, the combined revenue of the business segments will remain at the level of 2011 and that operating profit will increase compared to 2011.

YIT is celebrating its 100th anniversary in 2012. A history that spans one hundred years is proof of active development and an excellent cooperation with customers. I wish to thank our customers and partners, employees and shareholders for the past year. Let's keep up the good work in the future as well!



Juhani Pitkääkoski
President and CEO



The core of our strategy is customer understanding

During the last 10 years, we have implemented our strategy boldly by expanding into 10 new countries while tripling our revenue and doubling our operating profit. We have protected ourselves well from economic fluctuations, as our largest business areas – construction and building services – follow different economic cycles. Additional protection is provided by our geographical location with different economic drivers in the different countries in which we operate.

Thanks to our strong corporate culture and good financial position, we are well set for an uncertain economic situation and utilising opportunities that a market environment can offer us in the form of acquisitions and plot investments, for example.

During 2012–2014, we will pursue growth by consolidating our local market position as well as through geographical

expansion. In addition to organic growth, we are also prepared to grow through acquisitions. Our starting point is to develop our service offering so that we can fulfil our customers' needs carefully in all project phases. Our strategy is based on the following three objectives:

Annual revenue growth more than 10 percent on average

We will pursue revenue growth both organically and through acquisitions. In Building Services, approximately a half of the growth will be achieved by acquisitions and another half through organic growth. In Construction Services, growth will be sought through active plot investments and development of our services, and by expanding into new market areas.

Business focus on building system and construction services

We are one of the largest building system companies and a significant housing construction company in Europe. With regard to building systems, we will focus particularly on increasing our service and maintenance business. The demand for these functions has grown steadily. Our customers are particularly interested in cost-saving preventive maintenance and wide service agreements that make it possible to order all maintenance of the building from a single provider.

With regard to construction services, we will focus on residential construction. In Russia, the Baltic countries, the Czech Republic and Slovakia, our focus will be on increasing the current living standards. In Finland, our particular focus area is to differ from our competitors with the best customer understanding. Our aim is to construct energy-efficient residential buildings and business premises, and the goal is to reach almost zero-energy construction in the future.

Geographical focus areas for growth are building system services in Germany and residential construction in Russia

In building services, we will seek strong growth in the Central European market, Germany in particular. We also aim to consolidate our position in the Nordic countries and possibly expand our operations into the Swiss market.

In construction services, we will focus on increasing our market share as a residential developer in Russia, the Baltic countries and Central Eastern Europe. We are seeking opportunities for expanding through acquisitions into the Polish market, where the demand for residential construction has remained strong. At the same time, we aim to consolidate our position in Finland further in residential, business premises as well as infrastructure markets.

Financial targets 2012–2014

Annual revenue growth more than 10 percent on average

Return on investment 20 percent

Operating cash flow after investments sufficient for dividend payout and reduction of debt

Equity ratio 35 percent

Dividend payout ratio 40–60 percent of net profit for the period

Framework of our business operations

Vision	<p>To lead the way in creating and maintaining good living environments – the first choice for our customers, employees and investors alike</p>	Mission	<p>We build, develop and maintain a good living environment for people</p>
Megatrends with effects on the operating environment	<ul style="list-style-type: none"> • Climate change and environmental values • Urbanisation and ageing population • Economic uncertainty 	Operating concept	<p>We help our customers to use the technical living environment, invest productively and maintain the value of their investments.</p>
Strategic objectives	<ul style="list-style-type: none"> • Annual revenue growth more than 10 percent on average • Business focus on building system and construction services • Geographical focus areas for growth are residential construction in Russia and building system services in Germany 	Values	<ul style="list-style-type: none"> • Excellence in service • Continuous learning • Well-run cooperation • High performance
			
Best employer	<ul style="list-style-type: none"> • Strong YIT culture • Committed and competent personnel • Occupational safety and well-being at work 		
Responsible and competitive procurement	<ul style="list-style-type: none"> • Ethical guidelines for subcontractors and audit of subcontractors • Innovative management of the supply chain • Awareness of overall costs 	Trailblazer in energy services	<ul style="list-style-type: none"> • Creating sustainable living and working environments • Energy-efficient and environmentally friendly building system technologies • Solutions for energy production

Framework for corporate responsibility

We build energy-efficient quality living environments

Our business idea starts from our wish to help our customers to utilise built living environments. YIT builds good living environments that you can meet in a variety of everyday situations. You drive to work in the morning along snow-ploughed roads, park in a supervised car park, work in a pleasant office, do your shopping without sweating, and relax in a functional home.

As a trailblazer, we offer extensive service in all fields of construction and building systems, close to the customer, in all project phases. The foundation of our competence is built on an in-depth understanding of our customers' needs. We continuously develop our competence and make our service offering wider through various service concepts, technical innovations and energy-efficiency services. We aim to identify and offer to our customers the best sustainable solutions over the long term.

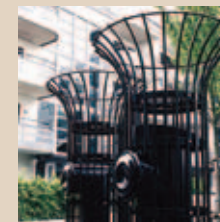
Services



Our multi-storey buildings are designed to save energy and prevent heat loss from the very beginning. They can be equipped with technology that encourages residents to monitor and reduce energy consumption in their homes. The residents can then, for example, control the ventilation and temperature separately for each room.



We implement individual building system solutions that also take the requirements of energy-efficiency into account with professional skill. The best results are achieved when energy issues are considered already when designing the building system services. Energy-efficiency can be influenced through, for example, airtightness, heating systems, lighting and ventilation.



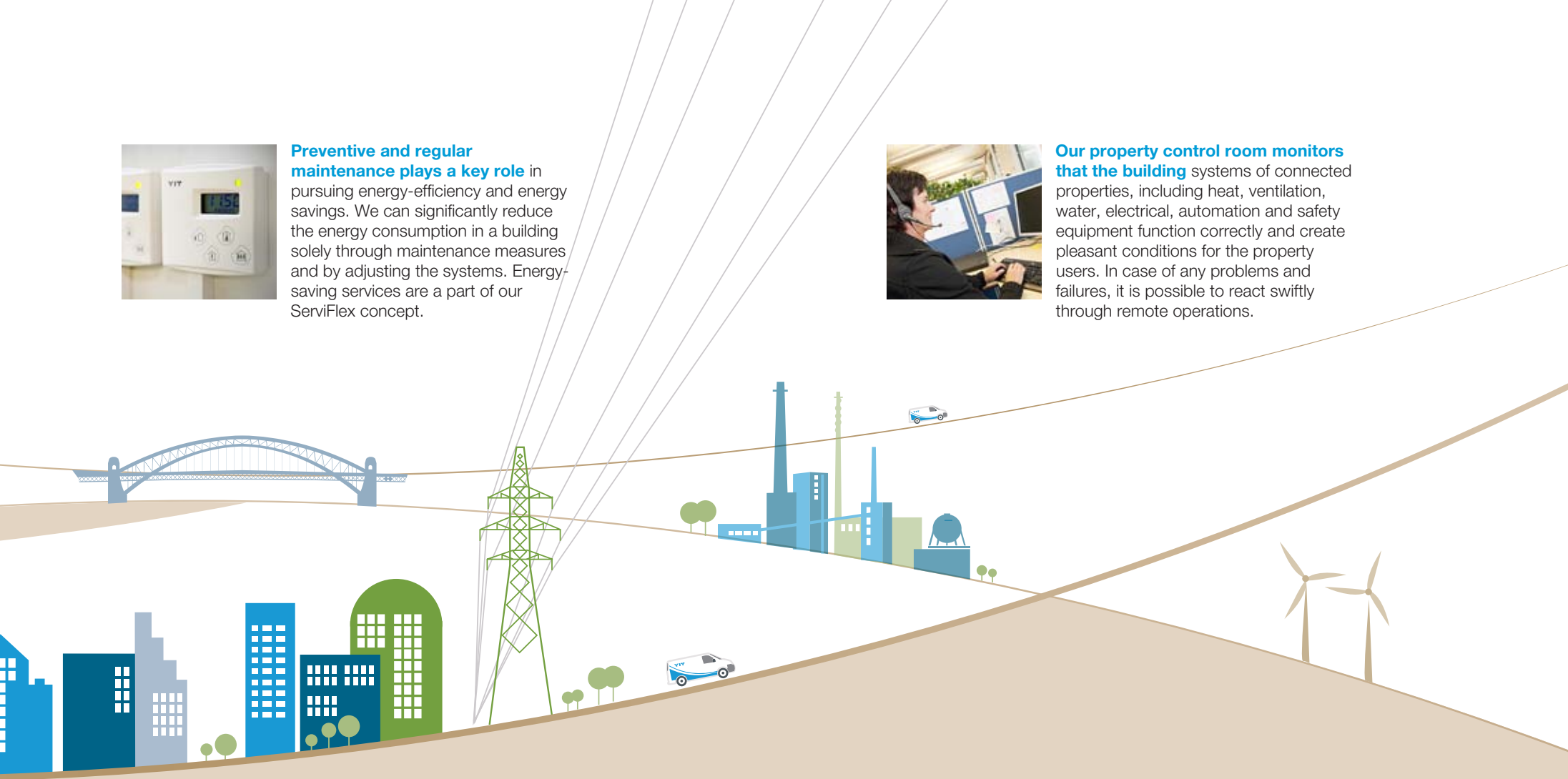
The Envac waste collection system uses underground pipelines to collect waste from urban areas cleanly and out of sight. It significantly lowers greenhouse gases by reducing waste collection traffic, makes waste sorting easier and provides additional opportunities for recycling waste.



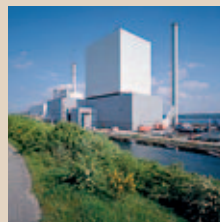
Preventive and regular maintenance plays a key role in pursuing energy-efficiency and energy savings. We can significantly reduce the energy consumption in a building solely through maintenance measures and by adjusting the systems. Energy-saving services are a part of our ServiFlex concept.



Our property control room monitors that the building systems of connected properties, including heat, ventilation, water, electrical, automation and safety equipment function correctly and create pleasant conditions for the property users. In case of any problems and failures, it is possible to react swiftly through remote operations.



We construct the required road network, such as streets, pedestrian and bicycle ways, junctions and bridges. We landscape the environment so it is safe and comfortable for use. In addition, we take care of operation and maintenance with professional skill, assuming responsibility for issues such as the functioning of road weather cameras, street lighting and the technology in tunnels.



We offer maintenance services for a variety of power plants. We are responsible for matters such as on-power and annual outage maintenance services in nuclear power plants, including machine, electrical and building maintenance, welding and design service, 3D engineering, as well as stress as well as stress and strength analyses.



We develop renewable energy sources by providing wind power plants with service concepts spanning the entire life cycle of the plant. We support the customer throughout the project by taking part in project management, earthwork, foundation solutions and electrical work.



Services that increase energy-efficiency are our strength

We aim to be the leading provider of technical systems and life cycle services in the Nordic countries and Central Europe. In 2011, we focused on developing our service and maintenance concept to include the energy-saving measures.

Building system services

Main market areas: Northern and Central Europe
Customers: developers and construction companies, property investors, property owners and users, property service companies, housing cooperatives and building managers, municipalities, public institutions and industry
Services: all services related to building system installations, operation and maintenance as well as energy-efficiency throughout the life cycle of buildings

Easy service concepts

Our network of branches is located close to our customers, enabling us to offer them the best service with short response times. We have the strongest competence in building systems in the markets and the most extensive service portfolio in technical building maintenance. Through regular preventive maintenance and necessary repairs, we can help our customers to maintain the condition and value of their properties as well as avoid the accumulation of renovation debt.

We actively promoted the YIT ServiFlex service concept across all markets in 2011. With ServiFlex, our customers can obtain all of the services related to

building maintenance easily from a single contact person under a single agreement. We provide our customers with service packages customised to their needs. The comprehensive and easily managed ServiFlex agreement has been a success in all of our markets. During the year, we developed the eServiFlex concept which combines energy-saving measures into a single package.

Energy-efficiency through building systems

We are a strong market player, especially in terms of energy-efficiency. Improving the technical systems is the most efficient way to cut the energy consumption and carbon dioxide emissions of buildings. Our competence and services cover all technical systems and measures to make a difference with regard to the energy-efficiency of

buildings. Property users are also interested in reduced energy consumption, competitive operating costs, and being environmentally sound. The goal is to have buildings that are safe, healthy, comfortable, flexible for modifications, easy to maintain, and that retain their value.

In Helsingør, Denmark, we won a significant energy-saving project tender covering 90 buildings. If the project is realised in full, it will be the largest of its kind in Denmark. It reduces the carbon dioxide emissions of the city while also reducing energy costs in a significant way. We are already cooperating with the Danish municipality of Halsnæs to reduce their energy costs.

In spring 2011, we composed an energy-saving programme for the Swedish municipality of Torsby based on an analysis. Towards the end of the year, we agreed on expanding the cooperation so that the municipality will invest more than EUR 8 million in improving the cost-efficiency and environmental friendliness of its properties. We have similar agreements on energy-efficiency services with, for example, Västerbotten's County Council, the Municipality of Mora's Morastrand, and the Municipalities of Torsby and Kalmar, in Sweden.

Energy-efficiency standards in European countries will become more stringent in line with the targets set by the EU, and therefore we expect the demand for energy-efficiency services to increase strongly in the future as well. Our service development is supported by our in-house R&D centre in Aachen, Germany. We are also seeking growth from the utilisation of renewable energy sources, particularly solar energy. By developing more and more energy- and cost-efficient systems and technologies we can differentiate from our competitors.

Life cycle model serves in long-term

Our areas of excellence include life-cycle models where we are not only responsible for design and implementation but also maintenance and services during the use of

the property over a period agreed upon with the customer. We have implemented real estates, pipeline systems for waste collection as well as road tunnel systems using the life-cycle model.

In Finland, we agreed on the realisation of the Huhtasuo school and day care facility with the City of Jyväskylä. In addition to construction works, we will be responsible for the total building system solution as well as maintenance and life cycle services until 2033. We will also implement four life cycle-based day care centres for the City of Porvoo. The service and maintenance period will continue until 2032. The life cycle model ensures the condition and usability of the day care facilities at all times. The facilities remain safe and healthy for their users when they are systematically serviced and maintained.

In the Kalasatama and Jätkäsaari districts of Helsinki, Finland, we will deliver a pipeline system for waste collection based on the Envac waste collection system, making it possible to collect waste from urban areas in a tidy and invisible way via an underground suction pipeline. The life cycle delivery includes maintenance works for 20 years period.

Significant investment projects in all markets

During 2011, the demand for new investment projects remained at a favourable level in Central Europe, while the market was more challenging in Northern Europe.

In Germany, we implement building systems in the SQUAIRE property constructed close to Frankfurt airport. The property functions as a meeting place for airport users, offering office premises and shopping and other services around the clock. One of YIT's history's largest projects, the SQUAIRE, was largely finished and the remaining small works will be completed in 2012. We were responsible for the implementation of its heating, cooling, ventilation, sanitary solutions, air conditioning,



At the technical university in Munich, Germany, we take care of the quality of indoor air. Students Dora, Hasan and Johann are studying for an upcoming examination.

sprinklers, electrical systems, process measurements and control engineering.

The construction of the Limberg 2 hydropower plant in Kaprun, Austria, was completed in October 2011. As the power plant is partially located underground, our building system competence was required in producing special safety arrangements, such as ensuring smoke abatement of the emergency exists and supply of fresh air. In addition, we were responsible for the implementation of the plant's ventilation and cooling as well as condition monitoring, measurement and control equipment as a turnkey project.

In Norway, we agreed on the delivery of a total technical solution related to the renovation of the Norwegian Directorate of Taxes' (Skattedirektoratet) offices. The project includes HPAC engineering as well as electrical and building automation systems. We also agreed on delivering the pipework and ventilation solutions as a subcontractor to an extensive student housing complex constructed at Aalborg University in Denmark. The complex will include 130 new student apartments.



Quality living, saving the environment

All of our new start-ups in different markets during 2011 were more energy-efficient than required by the local construction standards. We focused on the development of both energy-efficiency and our services and actively complemented our plot reserves.

The Finnish housing market picked up towards the end of the year. In spite of the uncertain economic situation, the permanent need for new housing is maintained by urbanization and the smaller size of households and families.

Customer events attracted many interested customers. In Russia, the year was clearly the most successful since the turn of the millennium, and our residential sales were record-high during

the last quarter. We started projects also in the Baltic countries and Central Europe. During the year, we started up the construction of 3,221 residential units in Finland, 4,492 in Russia and a total of 526 in the other countries in which we operate.

Acclaimed construction in Finland

We aim to consolidate our position as the largest housing developer in Finland by offering quality housing in prime locations.

The most significant investment for the future made in 2011 was our letter of intent with VR-Group Ltd. concerning the acquisition of building rights in Helsinki, Turku and Hämeenlinna. More than 100,000 square metres of residential and commercial building rights are planned in the area, sufficient for several years of construction. We will be able to showcase our

competence in the long-term planning of residential and business environments in central city areas.

In the autumn, we made a significant entry in Tampere when we began the construction of the Niemenranta district. We have planned a mix of different types of buildings, and we will construct fifteen different buildings in Niemenranta over the next few years. Once complete, the area will be home to approximately 4,000 Tampere residents.

Combining energy efficiency and living comfort is an essential element of future housing.

Our residential project Merenkulkijanranta in Lauttasaari, Helsinki, was named the residential construction site of 2011 by the Rakennuslehti trade magazine. The project was praised for its fine location and high quality. In addition, customer service at the site already in the construction phase, innovative occupational safety solutions and energy-efficiency were recognised.

We expanded our operations in Russia

We are one of the biggest foreign residential developers in Russia. Our aim is to further strengthen our position in our operating areas – St. Petersburg, Moscow Oblast, Moscow, Yekaterinburg, Rostov-on-Don and Kazan – and expand to the nearby areas.

We made the most significant plot investment of the year in St. Petersburg by acquiring a 2.9-hectare plot in the historical centre of the city, close to the banks of the Neva. We aim to construct more than 50,000 square metres of residential buildings on the plot. The construction is planned to start in 2012. In Moscow Oblast we expanded our operations by acquiring plots in the cities of Gorki, Serpukhov, Lytkarino, Yegoryevsk and Bronnitsy. The construction works will start in 2012.

We have operated in Russia for 50 years. We have a good knowledge of the local markets and an established position as a reliable partner. We have won awards for

Residential construction

Main market areas: Finland, Russia, the Baltic countries, Slovakia and the Czech Republic

Customers: households, developers and construction companies, public institutions

Services: housing, holiday homes and area development

high-quality construction in Russia during several years already. In 2011, our subsidiary YIT Moskovia won the High Reliability category of the Company of the Year 2011 awards.

Our aim is to lead the way in energy-efficient construction in all our market areas. Due to low energy prices, our energy-efficiency competence is not yet a significant competitive edge in the Russian market. However, the consumers pay more and more attention to ecological and environmental values.

Our customers appreciate our diverse service portfolio

Our strong position in the market is based on being able to make functional and high-quality spatial solutions in a cost-efficient manner. We listen to our customers and forecast future living needs. Our diverse service models make the everyday lives of our customers easier.

We have launched the unique eHouse service concept in the Finnish market, allowing YIT Home customers to order various services that make everyday life easier, such as cleaning, restaurant, interior decoration and entertainment services. The portal makes it possible for residents to monitor their home's energy and water consumption. It also presents the basic information on the housing company, local public transport timetables and weather forecasts. The services were launched on the market in the Helsinki region during 2011. In the future, all of our new privately financed residential projects will include eHouse services.

We have made it easier to buy a home in Russia by agreeing on mortgage programmes with local banks. In a country where housing loans are a rarity, it is an excellent competitive advantage that YIT Home buyers are eligible for affordable mortgages. Currently,



The large balcony functions as an extension of the living room in the summer. The Uusitalo family enjoying the view from a new YIT Home in Kokkola, Finland.

40–50% of our sold residential units are financed through mortgage.

In addition to this, in Russia, we also take care of the maintenance of properties. Currently, our maintenance agreements cover approximately 10,000 residential units.

Own in-house residential sales are our competitive advantage in all our markets. Our own sales network provides us with valuable information on our customers' needs and the kinds of solutions and services in which they are interested. We modify our offering on the basis of this feedback.

By assuming responsibility for the entire production chain from plot acquisition to finishing and sales, we can easily and quickly influence every part of the process. For

example, we can forward the information received from annual repairs to the desing phase and thus improve our construction quality on a continuous basis.

New holiday homes in excellent locations

A good example of our service concepts is Chalets & Villas. With the Ylläs and Levi projects completed in February 2011, we have now built more than 500 holiday homes. The benefits of our Chalets & Villas concept include the central location of the homes and a centralised renting service, allowing owners to rent their holiday homes when they do not need them themselves. The renting opportunity also makes the holiday homes reasonable investments for corporate customers.



We are already developing tomorrow's business premises solutions

Our business premises meet exacting sustainability criteria as well as the demanding needs of our customers and real estate investors for modern and environmentally friendly solutions. That is the reason for our excellent performance in the market also in 2011.

Energy consumption to one-half of the standards

In 2011, we opened significant new projects in the Finnish market, continued our on-going projects in Russia and negotiated on new projects in the Baltic countries and Central Europe. The demand focused on modern, energy-efficient offices.

Business premises construction

Main market areas: Finland, Russia, the Baltic countries, Slovakia and the Czech Republic

Customers: property investors and owners, property users, developers and construction companies, public institutions

Services: offices, retail locations, logistics and production facilities

In addition to construction, we provide building system solutions, service and maintenance for business premises.

We developed our operations towards energy-efficiency so that in the future, the total energy consumption of new buildings built by us in Finland will be approximately one-half of the maximum level prescribed by the energy standards of the country.

In the summer, we started up the construction of Ratinankaari in Tampere, where a total of 11,000 square metres of office premises will be constructed in two office buildings linked to each other. Once complete in the summer 2013, the energy class A buildings will complement the business premises offering in southern Tampere and offer their users opportunities for savings in maintenance costs. We achieve the best energy-efficiency by engaging our building services professionals to the project already in the design phase of a building.

The Hyvinkää town centre development project entered its final stage during the year, and shopping centre Willa reached rooftop height in June. The aim is to open the shopping centre to customers in March 2012. In addition to users' needs, we have taken energy- and environment-related matters into account.

In the autumn, we also laid the cornerstones of Finnish Nature Centre Haltia located in Nuuskio, Espoo. Haltia is an excellent example of our energy-efficient solutions; the environmental friendliness of the centre has been promoted by selecting wood as the construction material and geothermal heat and solar energy as the energy sources.

In addition, we started up several interesting head office projects during the year. In Helsinki we build DNA's and Fingrid's head offices in Käpylä and UPM's head office in the city center. Other start-ups included Forsman Tea's office in Vantaa and Instru optikka's warehouse and office premises in Espoo.

Renovation extends the service life of properties

In addition to the construction of new business premises, we also renovate existing properties as well as develop them to give them a new purpose of use.

Modernised facilities for the traffic security agency Trafi were completed in Vallila, Helsinki, in March 2011. In addition to conventional construction, we were responsible for developing the concept, designing and leasing the building in cooperation with the owner, the Carlyle Group. Our extensive experience in matching the needs of users and property owners made us a natural partner in the project.

Cooperation with customers

In order to succeed, we must stay strongly in step with the times and listen closely to the market with regard to the current and future needs for business premises. The wishes of our customers' are developing, so open dialogue and



Use your space smartly, make work a joy and boost your business with our business premises! Barbara, Michael and Dominik in a team meeting.



Solid competence in road projects

The year 2011 ended in an interesting way as we won two major road project tenders during the last quarter. We contributed on our part to the production of renewable energy sources by expanding our services also to wind power construction. Well-functioning infrastructure is a prerequisite for the development of societies.

The highlight of the year was the handover of the extremely challenging Ring road I project to the customer one year ahead of time in Espoo, Finland. The road is one of the busiest in Finland, and it is a great example of our extensive competence, as the project was also our largest building services project in Finland in 2011. The site was praised by the residents of the surrounding areas; through

good cooperation and predictive communications we managed to considerably mitigate the inconvenience caused by the site to local residents and road users.

We won two tenders in regards to the E18 motorway,

which is a significant recognition of our competence in demanding road projects. Valtatie 7 Oy, a project company with YIT, Destia, Meridiam Infrastructure S.á.r.l and Ilmarinen, was selected to implement the road section of the E18 Koskenkylä-Kotka motorway. The project will be implemented using the life cycle model, in which we have a solid competence. The Finnish Transport Agency, responsible for the project, ordered an entity comprising the design, construction, maintenance and financing of the motorway from Valtatie 7 Oy. Once the project is complete in 2015, the maintenance of the motorway will be carried out by the project company until 2026. We have strong competence in this kind of life-cycle projects.

In addition to the Koskenkylä-Kotka section, we will also implement the E18 Hamina Bypass Road through a consortium founded with Kesälahden Maansiirto Oy.

Infrastructure construction

Main market area: Finland

Customers: developers and construction companies, public institutions

Services: traffic routes, rock caverns, earth and foundation work, plant and industrial construction, water works, landscape development and maintenance.

We offer also various automation and HPAC systems for infra needs.

continuous collection of customer feedback are of prime importance to us.

A good example of open dialogue is the “premise genius” concept where we cooperated with customers to outline what new future business premises will look like. In addition to construction and space utilisation, the concept also covers building system- and interior decoration-related solutions. One of our business premises projects in Kalasatama, Helsinki, is a pilot project following the concept.

Furthermore, we have developed the unique MotorCenter concept for companies in the automotive services business. Centrally located MotorCenters combine all the needs of motorists, from service to vehicle inspections. The companies operating in the MotorCenters support each other, and the emerging synergies benefit both customers and companies. The first MotorCenters have already been opened, and new centres are being planned to the growth centres in Finland.



Leading producer of maintenance services

We also started constructing a cover over Motorway 3 in Hämeenlinna during the autumn 2011. The project includes earthwork, road, tunnel and bridge work, and it will be implemented in a demanding environment at a junction of Hämeenlinna urban traffic and bypass traffic on the motorway. Additionally, we take care of tunnel equipment and telematics, i.e. geographical information systems.

We are the largest contractor in Helsinki's West Metro line project

We have taken part in the excavation of Helsinki's West Metro since 2010. During 2011 we won three new contracts and have altogether a total of five sites. We are the largest contractor in the metro line project, which is proof of our strong professional competence in demanding excavation and tunnel work.

Our access tunnel project in Matinkylä, Espoo, won the Safest Metro Worksite competition, which was arranged by West Metro for the second time. During the period of review, from January to June 2011, not a single accident occurred at the site.

We are expanding our service offering

We established a wind power unit in spring 2011. Its aim is to offer services throughout the life cycle of wind power parks from project development to maintenance. Our supply covers road and infrastructure construction in the surroundings as well as foundations and electrical works of the turbine. After the turbine is ready, we can also take care of the maintenance.

Our competence has been utilised for some years now in Sweden, and in 2011 we entered into a framework agreement with TuuliWatti on the design and construction of foundations for 90 terrestrial wind power plants in Finland. In the future, our market area will cover all of the Baltic Sea.

We are the leading industrial service company in Finland, offering services for industrial investments and maintenance. During the year, we developed our maintenance services that can also achieve significant energy savings.

Investment projects in Finland and abroad

We provide solutions that help our customers to increase the productivity of their plants, invest profitably and maintain the value of their investments.

We carried out a large energy-efficiency project in 2011 at the Outokumpu Tornio plant, where we replaced the cold rolling mill's existing system of 50 separate cooling compressors with a new cooling system based on absorption technology. In addition to the energy-efficiency investment, our agree-

ment also covers the future operation and maintenance of the plant.

We are constructing a new recycled waste-powered back-pressure power plant for Lahden Energia, and it is a showcase for completely novel environmentally friendly technology. The power plant will be complete in 2012. We took part also in the construction of Kuopion Energia's third power plant in Haapaniemi. The plant was commissioned in January 2012, and its fuel can be up to 70 percent biofuel.

A 2×150 MW reserve power plant for Fingrid will be completed in Forssa, Finland, during summer 2012. We are responsible for the building and process electrification of the reserve power plant. The contract includes design, delivery of materials and equipment, installation, commissioning inspection and commissioning of the various systems included in the delivery. The gas turbine

Industrial Services

Main market areas: primarily Finland and Sweden, various export projects

Customers: all industrial operators

Services: industrial maintenance services and investment services regarding pipelines and tanks as well as electrical, automation and ventilation systems.

Our building services offer the industry various HPAC systems.

power plant, whose total value is EUR 110 million, helps to ensure that electric power is available in any situation whatsoever.

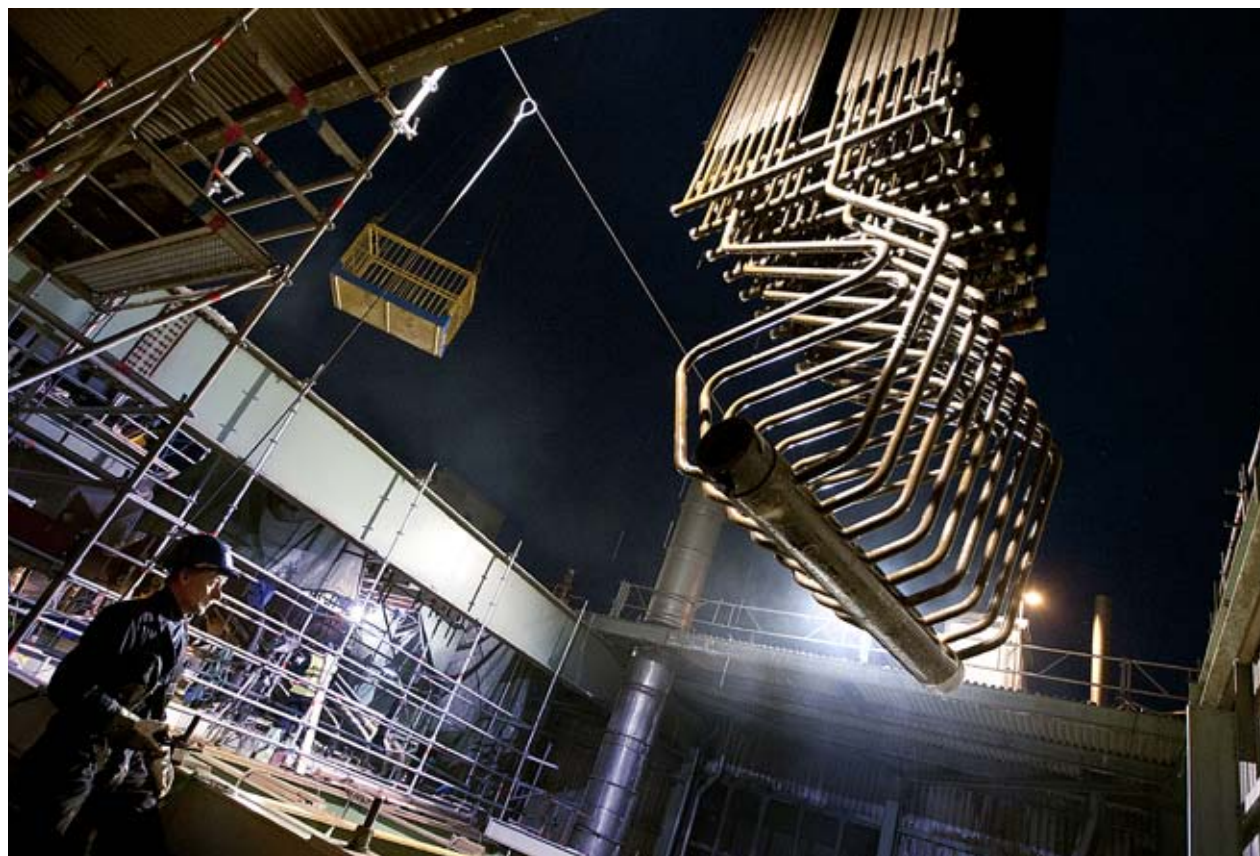
In addition, we entered the South American market as equipment supplier for Andritz. We supplied modular electrical room air treatment machines to Stora Enso's pulp mill under construction in Punta Pereira, Uruguay. We were responsible for the design and manufacture of the equipment and Andritz frothier installation, which is easy, fast and cost-efficient when the modules are prefabricated. Also, we delivered prefabricated pipelines to the Andritz and Metso Power pulp mills under construction in Brazil. We aim to find investment projects across a more extensive area, such as Asia and South America.

Extensive maintenance agreements

It is our competitive advantage that we can offer our customers services with various maintenance service models, ranging from maintenance of individual equipment to partnership agreements. We are able to take responsibility over all of the maintenance of the production plant within an iServiFlex service agreement, for example. In this case, we offer our customers diverse maintenance services from preventive measures to swift fault diagnosis in one package.

During 2011, we made comprehensive maintenance agreements with, for example, TVO, Borealis and Neste Oil in Finland. The TVO agreement covers on-power and annual outage maintenance services in nuclear power plants. In spring 2011, we participated in the largest annual maintenance project in TVO's history with the efforts of 450 people.

Oy Botnia Mill Service Ab, our joint venture with Metsä-Botnia Oy, began a new operating model in cooperation with Andritz Oy by agreeing on the development of processes and comprehensive process maintenance at Metsä-Botnia's Joutseno pulp mill. The agreement



Modernisation of the recovery boiler at the Smurfit Kappa Kraftliner Piteå Ab paper and pulp mill will improve the availability and efficiency of the mill and increase its power generation capacity.

improves the pulp mill's cost-efficiency and competitiveness and ensures the high quality of pulp. For several years now, we have taken care of the comprehensive process maintenance of all Metsä-Botnia pulp mills in Finland via Botnia Mill Service.

The most versatile service provider on the market

Our customers benefit from the efficiency that our deep knowledge of plants and processes gives to our work. The key element of our efficiency is well-developed, industrial prefabrication in our own production plants. Our comprehensive network of branches is located close to our customers, and therefore our response times are short.

After we have integrated our separate energy-efficiency unit into our other services, we will be able to serve our customers better in this field as well. Offering the right kind of maintenance is a crucial part of our energy-efficient services.

Our new type of service centre located at the Kilpilahti industrial park in Porvoo, Finland has proved to be very functional for our customers. At Kilpilahti, we can fulfil all of our customers' needs from industrial services to building system solutions. The largest customers at Kilpilahti include Borealis Polymers and Neste Oil.



In MyZeil shopping centre in Frankfurt even the rain water is collected for use. Sabina and Nils are enjoying their time together.

Corporate responsibility

Success over the long term requires good financial results and taking both people and the environment into consideration. At YIT, we consider responsibility a serious matter. We take it into account in all of our operations.

Management of corporate responsibility

At YIT, the management, planning and development of responsible business is shouldered by the Corporate Responsibility Steering Group, comprised of the Senior Vice President, Procurement, Senior Vice President, HR, Vice President (energy issues), Senior Vice President, Corporate Communications, Vice President, Investor Relations, and a corporate responsibility specialist who coordinates responsibility as a whole and carries out practical work in order to develop actions and related communications. The steering group convenes a minimum of four times a year and reports to YIT's Management Board.

Since our aim is to incorporate corporate responsibility into day-to-day business, the heads of each business segment and unit are also responsible for issues related to corporate responsibility in their own areas alongside the Corporate Responsibility Steering Group. The line organisation is responsible also for

We bear our responsibility for the tomorrow of our living environment

Top 10 responsibility -related matters

The aim of responsible business operations is to safeguard the continuity of operations and strengthen the foundation for the future. Our long-term operations hinge on shouldering our responsibilities for the financial, social and environmental effects of our operations. We have condensed the principles of our responsible operations as follows:

- We engage in active dialogue with our stakeholders.
- Customers' wishes guide our operations and are the starting point for all of our activities.
- Our business grows profitably.
- We comply with good governance principles and our risks are under control.
- Our operations are transparent and comply with our ethical principles.
- We focus on the long-term development and well-being of our personnel.
- Occupational safety is of prime importance to us, and we continuously focus on improving it.
- We pay attention to energy-related and environmental aspects in the development of our products and services.
- The quality of our operations and products can be trusted.
- We ensure responsibility throughout the value chain.

implementing practical measures. In order to facilitate this work, a set of corporate responsibility operating models and development targets has been specified, and their progress is monitored with concrete indicators. For example, indicators of occupational safety have been included in the performance bonus criteria.

Our ethical guidelines

Our day-to-day operations are guided by the Finnish Corporate Governance Code, the Group's operating principles, ethical guidelines and the shared values that lay the foundation for our corporate culture. Our operations are transparent and in compliance with good corporate governance. At YIT, we feel that by complying with our ethical guidelines, we will increase the confidence of our stakeholders, promote fair competition and equality and contribute to the company's profitable growth.

Our ethical principles guide our operations in all countries, throughout our organisation. We expect every

YIT employee to be familiar with our ethical guidelines and comply with them in their day-to-day work. We do not approve of the grey economy, corruption or any other form of illegal action.

Our ethical guidelines include, among others, our operating procedures regarding the following matters:

- conflicts of interest
- confidentiality obligation
- protection of rights and assets
- insider trading
- bribery and corruption
- subsidies
- competition rules
- entertainment and business trips
- equal treatment
- openness and documents
- presence in social media.

Our share is a responsible investment

We are included in the Helsinki Stock Exchange OMX GES Sustainability Finland index. The index includes those companies listed on the Helsinki Stock Exchange that meet the international requirements for environmental responsibility, social responsibility and corporate governance. GES Investment Services, the leading research institute and service provider in Northern Europe as regards responsible investments, conducts the assessment once a year.

 The key contents of our ethical guidelines are presented in more detail on the Group website www.yitgroup.com



Responsibility for the financial result is the bottom line of our operations

The stability and continuity of our operations is secured through competitive and profitable business operations. Financially profitable operations that are developed with a long-term focus help us to take care of our employees and the environment as well as generate profits for our shareholders.

Reaching a high financial performance is an important part of our corporate culture. However, it is of paramount importance to us to generate profits in harmony with the needs of the surrounding society and our employees. The quality of our services and safety of our employees may not suffer in our efforts to reach high performance or efficient operations.

Our revenue for 2011 amounted to EUR 4.4 billion. Our performance was the result of our more than 26,000 employees in 14 countries. In the

light of these figures, we are a major employer and an important part of the local communities in the countries in which we operate. In addition, we provide employment to a considerable number of suppliers and subcontractors. The stability and continuity of our business are absolutely necessary for our supplier chain, since the financial performance of several companies depends on us.

Our customers hold a key role in our operations, and their needs are always taken into account in the planning and development of our projects. We continuously invest in serving our customers even better and developing our operations, which is why we conduct customer satisfaction surveys on all of our services.



Financial responsibility

Direct financial effects 2011 (2010)

Customers
Revenue EUR 4,382.1 million (3,787.6)



Suppliers

Materials and goods EUR 1,343.0 million (1,055.1)
External services EUR 1,107.7 million (752.3)

Investors

Dividends EUR 87.7 million (81.3)
Invest and financial costs EUR 24.8 million (25.3)

Personnel

On average 26,254 persons (24,317)
Wages, salaries and fees EUR 1,107.6 million (980.4)
Pension costs EUR 104.5 million (95.0)

Public sector

Income taxes EUR 50.2 million (54.2)



Focus on occupational safety and continuous development of personnel

We pay attention to the occupational safety and well-being of our employees. We aim to be the most desirable employer in our field. In addition to our personnel, our social responsibility also covers our other stakeholders, such as our subcontractors and the supply chain. We require that everyone who works with us complies with our ethical guidelines. Our social responsibility also includes the safety and quality of our buildings and services.

Social responsibility

We are an employer in 14 countries

Our Group currently operates in 14 countries. We comply with the local legislation on social security and employment relationships in each country. Our personnel have the freedom of association and the right to participate in trade union activity.

At the end of 2011, we had 25,996 employees. The number of our personnel remained at the previous year's level. During 2011, we made several small acquisitions in the Nordic countries and Central Europe, but they did not have a significant effect on the number of employees. Economic uncertainties were reflected in the number of our personnel in Building Services Northern Europe, where we had to restructure our operations in all the countries in which we operate. As a result of the restructuring, we were forced to terminate the employment of 800 persons.

We build strong corporate culture

Maintaining and strengthening the YIT culture is an important part of our HR policy. A uniform culture reinforces our employees' sense of belonging to our organisation and harmonises our operating methods so as to achieve the best possible results. Our culture is comprised

of elements of management by key results, appreciation of service, cooperation and the principle of continuous development. It is evident in day-to-day operations, guided by the Group's strong values.

In spite of management by key results and our uniform culture, we value freedom. All employees can influence the ways in which they achieve their personal performance targets within our policies and ethical guidelines.

Our performance is driven by a competent and motivated personnel

We focus strongly on upholding the motivation of our personnel and developing the competence of personnel. We offer our employees diverse tasks across a number of fields of business as well as the opportunity to take part in challenging projects. We maintain the model of on-the-job learning and encourage our personnel to seek job rotation. Each year, 200 to 300 employees rotate within YIT. This means we contribute to them building a long-term and interesting career at YIT.

In addition to on-the-job learning, we provide our employees with training and coaching on various themes, such as management by key results, managerial work and international affairs. Twice a year people with key roles throughout the Group convene to discuss our joint strategic areas of development, and at the same time



to exchange experience across segment boundaries and national borders.

We support the growth of supervisors in our organisation with the Group-wide YIT Manager programme. In addition to this, approximately 250 people take part in local managerial training courses each year. For example, in Russia, we continued the YIT Director programme in 2011, and a corresponding programme was also arranged in Eastern Europe.

The focus areas in HR policy during 2012 are identifying future talent and competence management.

Focus on young professionals

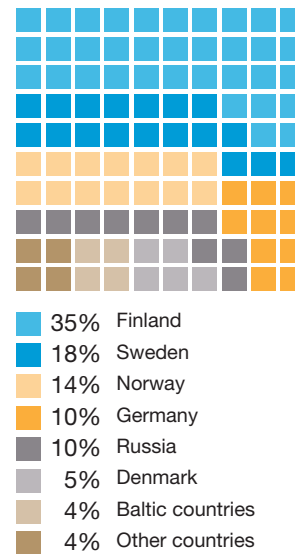
We hire summer employees and trainees from various educational levels and studies each year in all of the countries in which we operate in order to raise future-generation YIT employees and develop general competence in the field. In Germany, for example, we annually provide an on-the-job learning opportunity for 50 to 60 interns in a mentored training programme that lasts for three years. In the summer 2011, we had almost 850 trainees in Finland. Based on their feedback we were recognised as the most responsible summer employer in the country together with Vaisala and Särkänniemi amusement park in a competition arranged by Finnish Children and Youth Foundation and Alma Media.

Thorough induction of all new YIT-employees, including trainees, is extremely important. Induction training courses for new employees are provided with a focus on project management, customer service and YIT's various operating methods and tools, amongst others.

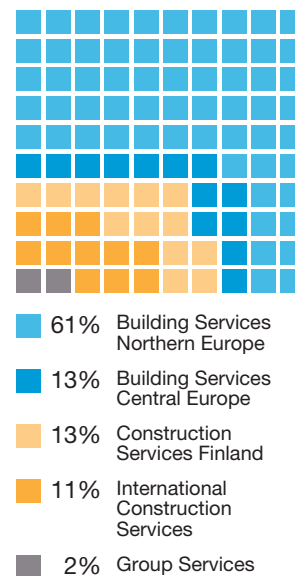
We are working for even better occupational safety

Occupational safety is at the core of our operations. Our goal is to have an accident-free workplace and we focus strongly to avoid all accidents at work. Occupational

Personnel by country, %



Personnel by segment, %



safety has been the focus of the Group's Management Board since 2007. Furthermore, occupational safety is regularly reviewed by the segment management boards and the meetings of the company's Board of Directors. Strong investments in safety have yielded results. The H-factor (number of work accidents per million working hours) decreased to 14 in 2011, in comparison to 19 in 2010.

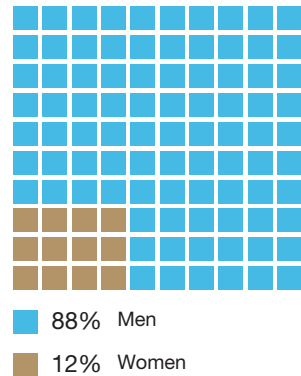
Maintaining and promoting occupational safety is part of the day-to-day work of each YIT employee and our management models. The YIT culture includes, among other things, that everyone working at YIT sites has his or her own personal protective equipment, such as safety goggles, helmet and safety shoes. In addition to our own operations, we pay attention to occupational safety across the entire line of business, and we have been active in the work of, for example, the Confederation of Finnish Construction Industries RT to promote compulsory use of protective equipment in the field. We follow-up our own close call and occupational accident statistics, and we also regularly monitor the statistics of the subcontractors working at our sites.

We continuously aim to reduce our accident rate figures by increasing the awareness of our personnel through various kinds of training, guidelines and communications as well as investigating each accident in detail. In 2011, 58% of the Group's operations were OHSAS 18001 certified. The health and safety certificate helps us to develop our operations.

We want our employees to feel good at work

In our Group, we increasingly pay attention to our employees not only having a safe workplace but also feeling good at work. We survey the job satisfaction of our personnel through annual personnel survey. No survey was conducted in 2011, however, because we concentrated on modernising the questionnaire that had

Gender distribution, %



been in use for several years. The new, improved YIT Voice personnel survey was conducted in the spring 2012.

We train YIT employees in managerial positions to identify questions related to well-being at work and take these into account in their own managerial work. We have developed our reporting and monitoring systems to better understand the reasons for absence from work. Furthermore, we cooperate with healthcare professionals and insurance companies, among others. In Sweden, the absence due to sickness figures have started to decrease significantly. Also in Norway we had a campaign to reduce absence due to sickness. We have reached good results by re-educating employees, with limited capacity to work and by re-organizing their work load.

We invest in our employees' well-being also through various benefits, proportioned to the work culture and legislation of each country in which we operate. In Finland, for instance, our personnel have the opportunity to rent our YIT Chalets holiday homes at a more affordable personnel price.

We developed our quality control systems

Producing high-quality products and services is a key matter to us, and we always comply with the strictest quality criteria. In 2011, ISO 9001 quality certificate covered 92% of the Group revenue (2010: 84%), and we have used the certificate to define our quality control processes.

Monitoring and managing customer satisfaction are part of our daily management system. We collect feedback on our work from our customers when our projects have been

Personnel at year's end

2007	24,073
2008	25,784
2009	23,480
2010	25,832
2011	25,996



Higher living quality through cooperation

We are keen to create living environments of even higher quality. In order to achieve our objective, we engage in constructive dialogue with the users of the environment, who are experts in their own area. For example in Finland, we surveyed the opinions of potential residents of high-rise buildings planned in Tapiola, Espoo, on the planning of housing associations, nearby areas and residential units. The Jousenpuisto buildings are planned for completion in 2017.

About one hundred people picked from our customer register took part in the quantitative study. The volunteers were enthusiastic about joining a project that offers people living in blocks of flats an opportunity to design their dream homes.

The results will be utilised in planning the distribution of residential units and rooms and the style, equipment and size of residential units in particular. At the same time, the study participants were able to think about the local services needed in the area, i.e. the need for any ground-level business premises, and what kinds of traffic connections they appreciate.

We make the alterations that the customer wants in the new home. Ossi is helping Emilia to light a fire in the fireplace in As Oy Merihelmi, Finland.

completed. With regard to continuous maintenance and service agreements, we have collected feedback once a year. At the moment, we are, however, revising this feedback model so that feedback will be collected on a quarterly basis and reviewed at the management board level.

Quality of construction gives regularly rise to discussion in our operating environment and among our stakeholders. We are active participants in the quality discussions concerning the construction industry, and in Finland we cooperate with the Confederation of Finnish Construction Industries RT to produce a unified quality scorecard for the industry.

We also shoulder our responsibility for any problems that we have caused. When excessive levels of ammonia were found in the indoor air of residential units built by YIT in St. Petersburg in the autumn 2011, we initiated investigations to locate the source of the ammonia with the help of local and Finnish experts. We continue to investigate the alternatives to eliminate the risks and are currently negotiating with the concrete suppliers and residents on possible reimbursements in accordance with Russian legislation.

More responsible and competitive supply chain management

In 2011, we composed a Group-wide procurement strategy, which has responsible and ethical aspects as well as audits of our subcontractors' operations as an integral part. The strategy will be integrated into the day-to-day activities of our entire Group over the next few years. With harmonised procedures, it will be easier for us to call for tenders among our partners, monitor any responsibility risks and engage in a systematic dialogue with our supply chain on the kinds of operating methods we expect from our supply chain.

We do not approve of the grey economy

We have absolute zero tolerance for the grey economy. Because the grey economy is often connected with organised crime, we work in close cooperation with the authorities. In February 2011, we arranged a seminar on the grey economy in Finland and invited officials and interest groups along. In the event, we had an open discussion on problems and challenges within these issues.

In addition to this, we arranged in Construction Services Finland internal trainings on the theme in cooperation with the National Bureau of Investigation. The training has concentrated on the management of foreign labour and identifying the characteristics of the grey economy with real-life case examples. Upon at the same time, shared ground rules were agreed as how to react in cases of suspected illegal activity. During 2011, a total of 380 YIT-employees took part in this kind of training.

We engage in open dialogue with our stakeholders

Our stakeholders are important to us. We continuously hold discussions with our stakeholders to improve our service and to increase their understanding on our company's operations. During 2011, we reviewed aspects of responsible investment activity with Finnish institutional investors. They were particularly interested in seeing how the principles of corporate responsibility are reflected in business risks and future opportunities and how we communicate about our responsible operations.

During the summer, we internally defined the key impacts of our operations on the surrounding society and focused our areas of development regarding corporate responsibility on the basis of these findings. Our areas of development are listed on page 9.



YIT studies pave the way for entering the construction industry

Employing young people is an important part of our social responsibility, and that is why we do cooperation with the educational institutions. A new example of this is the YIT studies cooperation with Tampere and Häme Universities of Applied Sciences in Finland. Starting from autumn 2011, they will offer construction engineer and construction supervisor students an opportunity to participate in a five-credit YIT studies course as part of their degrees. The study package mainly takes place during the third year of studies, and it includes both classroom and remote teaching as well as on-the-job learning.

We want to be involved in the development of education in construction and contribute to creating future competence in the industry. Providing practical insight and experience by working at a site, YIT studies complement our YIT Polku (path) training programme, which is also targeted at construction students.

Our target is to expand the cooperation in regards to YIT studies to cover also other educational institutions in the future.

Several housing quality awards in Russia

During 2011, we won several housing quality awards in Russia, where quality-related competitions are a popular way of encouraging the industry towards higher construction quality.

In Moscow, our Prozorovskoye – Golitsino cottage village won the “New format” category in the national RREF AWARDS 2011 competition. Winners are chosen by popular vote, which means that the RREF sign is a symbol of consumer confidence, a sign that speaks for the high quality of a company’s work regarding construction, landscaping and infrastructure.

In the “Quality Leader in Construction 2011” competition in St. Petersburg, we won “the best residential project” series. The competition is arranged by the Government of St. Petersburg, and it aims to promote high-quality

construction and showcase the best construction projects in Northwest Russia. The Trinity housing estate, currently under construction, fared well in all stages of the competition, and it was ultimately chosen as the Finnish model project in Northwest Russia.

The Toreza 44 residential estate in the Vyborgsky District in St. Petersburg received “The Best Implemented Developer Project on the Russian Real Estate Market 2011” diploma as a finalist in the Residential (High Rise) Category in the PROEstate forum. The project was also ranked among the nine best projects that will be nominated for the international FIABCI* Prix d’excellence awards in spring 2012.

* *The International Real Estate Federation*



Aiming for more energy-efficient and environmentally friendly living environments

We shoulder our environmental responsibility best by helping our customers reduce their environmental footprints with our energy-efficiency solutions. We also pay attention to energy and material efficiency in our own operations.

We are reducing our environmental footprint

Most of our environmental footprint is comprised of the use of energy, raw materials and materials in new

Environmental responsibility

construction and renovation as well as the transportation of the goods and people when producing our services. Also, waste generated at the sites and their disposal affects our environmental footprint.

We use logistics solutions, both in the transport of supplies and in our employees conducting their tasks, that help to decrease greenhouse gas emissions and thereby make our carbon footprint smaller. We pay attention to route optimisation and economical driving. We also encourage our personnel to select environmentally friendlier company cars. In Finland, for example, our employees drive diesel cars, and our car fleet is environmentally friendlier than in Finnish companies on average. We are also involved in an electric car project in Norway, with some of our maintenance personnel using electric cars in their work.



Energy consumption is a significant feature in building maintenance. Our site manager Mario-Gerold is telling a customer about our energy solutions.



We handle refrigerants, pickling acids, heat transfer fluids, oils, solvents and asbestos in building services and industrial services. It is our task to ensure that hazardous waste is processed in an appropriate way. We also pay attention to the appropriate collection and recycling of other waste. In winter time, we pay attention to the amount of brining required by roads covered by our maintenance agreements in order to protect the quality of groundwater.

Prevention of environmental damage is incorporated into our quality and safety work as well as risk management. Before commencing a new project, we assess the project risks associated with personnel safety, use of chemicals and well-being at work. We provide training on these matters to our personnel and subcontractors and also supervise our production chain. Environmental management, occupational safety, organisation and material efficiency are intertwined.

In 2011, 47 percent of our business was certified according to ISO 14001 (2010: 42%), helping us to develop environmental management and performance of environmental protection measures.

At YIT, we aim to influence the well-being of our environment also through small day-to-day acts. In March 2011, we took part in the WWF's Earth Hour movement for the first time by shutting down the lights at YIT's Jyväskylä, Kuopio, Lahti, Oulu and Turku offices in Finland for an hour. Our entire Group has adopted videoconferencing technology, allowing us to cut down on travelling and reduce our carbon dioxide emissions.

Average number of videoconferences per year

2009	3,322	(April–December only)
2010	6,651	
2011	7,657	

Truly sustainable environments

During the last few years, we have invested in constructing energy-efficient buildings and improving the energy-efficiency of existing building stock – for example, through building systems. We have developed our low-energy construction concept with an aim to be head of all EU standards and regulations.

In the spring 2011, the Group's development activity related to products and services was reorganised and an environmental strategy was drawn up. Its three development areas are construction, building systems and future energy solutions. Energy-efficiency will continue to be the Group's most important development area, but attention will also be paid to increasing material efficiency in all our operations, products and services.

Our vision is to enable more comfortable sustainable living environments of a higher quality, where the building stock and infrastructure support each other. In construction, our focus is on sustainable residential and commercial solutions. With regard to building system services, we are continuously developing more energy-efficient and environmentally friendly technologies. Also, we are actively seeking solutions for implementing distributed energy production solutions based on renewable energy sources.

Cosiness with respect for the environment

All new YIT Homes are constructed so that they consume less energy than required by local regulations. When attention is paid to energy-efficiency in the construction phase, considerable savings in energy costs can be achieved in the long term. The building system solutions incorporated into the homes encourage residents to monitor the energy consumption of their household and also influence it. An affordable and environmentally friendly heating method, such as district heat or geothermal heat, can be connected to the homes.

At YIT, we consider it important that environmental friendliness is not achieved by sacrificing high-quality and comfortable living environments; these must support each other. Therefore, we focus on the design of complete living environments in order to achieve the most benefit from the point of view of residents and the environment alike. We do research and development in regards to factors that affect living quality, such as energy-efficiency measures as well as indoors air and temperature. For residents, energy-efficiency has to mean savings, but also increased living comfort: no draughts, an even indoor temperature and fresh air.

More environmentally friendly infrastructure can be created for example by optimising the use of street lighting.

Energy-efficient business premises translate into cost savings

With regard to the construction of business premises, we have improved our construction activity further so that we can implement as energy-efficient office, retail and logistics buildings as possible in a cost-efficient way. In the future, the total energy consumption of new buildings in Finland will be approximately one-half of the maximum level prescribed by the energy standards that will take effect in July 2012.

Reducing the total energy consumption is achieved through improved airtightness, more efficient heat recovery and energy-saving LED lighting.

We can also have an effect on the energy-efficiency of existing buildings through building system services. Utilising optimum building automation and other technological solutions, the energy consumption of existing properties can be reduced by as much as 10 to 20 percent.

We update the technological solutions of buildings when more environmentally friendly solutions become available. Also, we can take responsibility for

the preventive maintenance of technology in buildings, ensuring that everything works optimally.

More renewable energy

In recent years, we have implemented up to 30 percent of the energy-efficiency investments made by Finnish industry. We have improved energy-efficiency through equipment choices, process operation methods, modernisation and maintenance and by utilising secondary heat generated in production. In addition to energy savings, we have helped industry to cut down its greenhouse gas emissions.

We are also focusing on the development of alternative energy sources. We have competence in the construction of both terrestrial and marine wind power parks, and we expect the demand for this competence to increase in the future when the EU countries increase the share of renewable energy. The Group's wind power solutions have already been utilised in Sweden, especially in infrastructure projects. We also entered into a framework agreement with TuuliWatti on the design and construction of foundations for 90 terrestrial wind power plants in Finland.

YIT's consumption of electricity, petrol, diesel and light fuel oil in 2011

	GWh
Total energy-consumption of electricity in Finland	50.8
Total energy-consumption of electricity in YIT Group (incl. Finland)	105.9

	liters	GWh
Petrol in Finland	114,146	1.0
Diesel in Finland	3,300,906	33.0
Light fuel oil in Finland	2,740,433	27.4
Petrol in YIT Group (incl. Finland)	285,364	2.6
Diesel in YIT Group (incl. Finland)	12,419,704	124.2
Light fuel oil in YIT Group (incl. Finland)	6,175,586	61.8

YIT Group	tons
CO ₂ -emissions, electricity	21,175
CO ₂ -emissions, petrol	670
CO ₂ -emissions, diesel	33,036
CO ₂ -emissions, light fuel oil	16,489
CO ₂ -emissions, total	71,370

The consumption figures in regards to Finland are based on true consumption. The Group-wide figures are estimates that have been formed using the Finland's true consumption figures as a basis for the estimation, and by taking into account the different characteristics in electricity and fuel consumption of the construction and building service businesses.

The electricity consumption is comprised of the electricity consumed in our real estates and work sites. The petrol is used as fuel in our company cars. The consumption of diesel is comprised of the usage of company cars, maintenance vehicles and other vehicles. The light fuel oil consumption covers real estate heating oil and fuel oil of motorized work machines.

The CO₂-emissions have been calculated using the following emission coefficients (source: Motiva): electricity, purchased 200g CO₂/kWh; petrol 261g CO₂/kWh; diesel 266g CO₂/kWh; light fuel oil 267g CO₂/kWh.

Our R&D activity focuses on environmental friendliness

In order to offer increasingly environmentally friendly solutions for quality living environments, we engage in research and development activity in all the countries in which we operate. Furthermore, our R&D centre in Aachen, Germany, creates new solutions for increasing energy-efficiency in offices, multipurpose halls, hospitals and laboratories, among others.

We actively take part in the activities of the local working groups of the international Green Building Council network in Finland, Sweden, Norway, Germany and Russia. The network promotes sustainable practices related to the built environment and environmental classification of buildings. By influencing and discussing environmental classifications we promote better construction. As we follow closely the development of environmental classifications, we are well-prepared to apply for various kinds of environmental certificates for properties constructed by us, if the customers wish to do so.



Phase change materials help to reduce energy consumption

Modern office buildings often feature facades made predominantly of glass. While this makes all sorts of different architectural designs possible, it also results in a very high solar heat load within the building. Our R&D centre in Aachen, Germany has developed solution to tackle this problem, phase change materials (PCM), which can reduce significantly the need for chillers in a building.

Such PCMs are either made of a paraffin or a salt hydrate. They are able to go from a solid to a liquid state at a temperature range of 22 to 24 °C, using the ambient heat in the melting process. They are therefore able to curb an increase in the temperature of a room or to cool air from the

outside before it is conducted into a room. The PCM then regenerates overnight when the outdoor temperature drops.

PCM products make it possible to substantially reduce the energy consumption and costs relating to cooling a building and therefore make an active contribution to protecting the environment. In addition, they give a building's owner or user the potential to implement future legal energy consumption requirements for buildings and to qualify the building as a "green building."

Board of Directors on December 31, 2011



-  Nomination and Rewards Committee
-  Audit Committee
-  Working Committee

1 Henrik Ehrnrooth
Chairman of the Board

born 1954, M.Sc. (Forest economics), B.Sc. (Econ.),
Chairman of the Board of Directors of Pöyry Plc

Chairman of the Board of Directors 2009–
Chairman of the Nomination and Rewards
Committee 2009–
Chairman of the Working Committee 2011–
Member of the Board of Directors 2009–

Henrik Ehrnrooth holds indirectly with his brothers Georg Ehrnrooth and Carl-Gustaf Ehrnrooth a controlling interest in Structor S.A., which is the largest shareholder of YIT Corporation.

Primary working experience:

Pöyry Plc: Chief Executive Officer 1995–1997, President and CEO 1986–1995, Research and development projects 1981–1985, Economist 1979–1981

Positions of trust:

Pöyry Plc: Chairman of the Board of Directors 2003–. Otava Books and Magazines Group Ltd: Member of the Board of Directors 1988–

Share ownership: 15,430,000

2 Reino Hanhinen
Vice Chairman

born 1943, M.Sc. (Eng.), D.Sc. (Tech.) h.c. Vice Chairman of the Board of Directors 2010–
Member of the Nomination and Rewards Committee 2008–
Member of the Working Committee 2011–
Chairman of the Board 1989–2000 and 2006–2008
Member of the Board of Directors 1988–

Independent of YIT Corporation and its major shareholders

Primary working experience:

YIT Corporation: Managing Director 2000–2005, President and CEO 1987–2005. Perusyhtymä Oy: Managing Director 1986–1987. YIT Oy Yleinen Insinööri-toimisto: Managing Director 1985–1986. Oy PPTH-Norden Ab: Managing Director 1976–1985. YIT Oy Yleinen Insinööri-toimisto: Division Manager 1974–1976, Work Supervisor 1968–1974

Positions of trust:

Rautaruukki Corporation: Chairman of the Board of Directors 2009–. Kone Corporation: member of the Board of Directors 2005–

Share ownership: 130,800

3 Kim Gran

born 1954, B.Sc. (Econ.), President and CEO of Nokian Tyres plc
Member of the Board of Directors 2008–
Independent of YIT Corporation and its major shareholders

Primary working experience: Nokian Tyres Plc: President and CEO 2000–, Vice President 1995–2000. Pechiney Cebal (UK): Managing Director 1992–1995. Cebal-Printal (UK): Plant Director 1988–1995. Printal Oy-Huhtamäki: Marketing Director 1987–1988

Positions of trust: Chemical Industry Federation of Finland: Vice Chairman of the Board of Directors 2007–. Konecranes Plc: Member of the Board of Directors 2007–. Ilmarinen Mutual Pension Insurance Company: Member of the Supervisory Board 2006–. Finnish–Russian Chamber of Commerce: Member of the Board of Directors 2006–. Nokian Tyres Plc: Member of the Board of Directors 2002–. The Rubber Manufacturers' Association: Chairman of the Board of Directors 2001–

Share ownership: 7,700

4 Eino Halonen

born 1949, M.Sc. (Econ.)

Member of the Audit Committee 2010–
Member of the Nomination and Rewards Committee 2008–
Vice Chairman of the Board of Directors 2003–2009
Member of the Board of Directors 2000–

Independent of YIT Corporation and its majorshareholders

Primary working experience: Suomi Mutual Life Assurance Company: Managing Director 2000–2007. Pohjola Life Assurance Company Ltd: Managing Director 1998–1999. Merita Nord-banken: Executive Vice President, Regional Bank Manager 1998. Merita Bank Ltd: Director and member of the Management Board 1996–1997. Kansallis-Osake-Pankki: 1971–1995

Positions of trust: Metsäliitto Cooperative: Member of the Board of Directors 2006–. Cramo Oyj: Member of the Board of Directors 2003–

Share ownership: 27,690

5 Antti Herlin

born 1956, D.Sc. (Econ.) h.c., D.Sc. (Arts) h.c., Chairman of KONE Corporation's Board of Directors

Member of the Nomination and Rewards Committee 2008–
Member of the Board of Directors 2004–

Independent of YIT Corporation and its majorshareholders

Primary working experience: KONE Corporation: CEO 1996–2006

Positions of trust: Sanoma Corporation: Member of the Board of Directors 2010–. Solidium: Member of the Board of Directors 2008–. KONE Corporation: Chairman of the Board of Directors

2003–. The Federation of Finnish Technology Industries: Member of the Board of Directors 1996–. Ilmarinen Mutual Pension Insurance Company: Vice Chairman of the Supervisory Board 2004–

Share ownership: 948,980

6 Satu Huber

born 1958, M.Sc. (Econ.), Managing Director of Tapiola Mutual Pension Insurance Company

Member of the Audit Committee 2009–
Member of the Board of Directors 2009–

Independent of YIT Corporation and its major shareholders

Primary working experience: Tapiola Mutual Pension Insurance Company: Managing Director 2008–. Federation of Finnish Financial Services: Managing Director 2006–2008. State Treasury: Segment Director 1997–2006. Merita Investment Banking: Group Director, First Vice President, Investment Banking 1995–1997. Suomen Yhdyspankki Oy/Merita Bank: Vice President 1986–1995. Citibank NA London: Executive Trainee. Citibank Oy Helsinki: Account Officer 1982–1986

Positions of trust: Finnair Plc: Member of the Board of Directors 2006–, Finnish Cultural Foundation: Member of the Supervisory, Board 2009–. The Finnish Pension Alliance TELA: Member of the Board 2008–. Council for Security of Supply and Infrastructure (CSSI): Member 2008–

Share ownership: 3,600

7 Michael Rosenlew

born 1959, M.Sc. (Econ.), Managing Director of Mikaros AB

Chairman of the Audit Committee 2011–
Member of the Working Committee 2011–
Member of the Board of Directors 2011–

Independent of YIT Corporation and its major shareholders

Primary working experience: Mikaros AB: Managing Director 2011–. IK Investment Partners Managing Partner (IK) and IK Investment Partners AB's Managing Director 2008–2010, Managing Partner 2004–2008, Director 2001–2004, Deputy Director 1996–2001, Associate 1993–1996. Lundinvest Oy: Managing Director 1991–1992, CFO 1990–1991. Amer Oy: Group Business Controller 1988–1990. Y-Rahoitus Oy: Financial Director, 1986–1988

Other positions of trust: Board memberships: Mediaverkko Oy, TimeSystem Holding AG, Karolinska Development AB

Share ownership: 0

 Share and option ownership includes the individual's direct holdings and the holdings of their close associates and controlled corporations. Up-to-date ownership data: www.yitgroup.com

Management Board on December 31, 2011



1 Juhani Pitkääkoski

Chairman

President and CEO of YIT Corporation

born 1958, LL.M.

In the Group's employ 1988–

Primary working experience: YIT Corporation: President and CEO 2008–, Building and Industrial Services segment: President 2009. Building Services segment: President 2003–2008. YIT Installation Ltd: President 2002–2003. YIT Industry Ltd: Executive Vice President 2000–2002. YIT Service Ltd: Managing Director 1998–2000. YIT Corporation: Unit Manager 1997–1998. YIT Huber Teollisuus Ab: Managing Director 1994–1996. Oy Huber Ab: Director of the Factory Service Unit 1991–1994, attorney-at-law 1988–1991. The Electrical Contractors' Association of Finland: Attorney-at-Law 1986–1988

Positions of trust: Tapiola Mutual Life Assurance Company: Member of the Supervisory Board 2009–

Share ownership: 32,700

2 Kari Kauniskangas

Vice Chairman

Deputy to the Group's President and CEO, Head of International Construction Services business segment

born 1974, M.Sc. (Eng.), B.Sc. (Econ.)

In the Group's employ 1997–

Primary working experience: YIT Corporation: Executive Vice President and deputy to the President and CEO 2008–. Head of International Construction Services 2008–. YIT Construction Ltd: Managing Director 2009–, Business Premises, Division Manager 2005–2007, Building Construction Oulu, Area Manager 2001–2005. Sonera Living Oy: Product Group Manager, 2000–2001. YIT Corporation: Housing Production Uusimaa, Quality and Development Specialist 1998–2000, Housing Production Uusimaa, Site Engineer 1997–1998

Positions of trust: Ilmarinen Mutual Pension Insurance Company: Member of Supervisory Board 2009–

Share ownership: 5,020

3 Tero Kiviniemi

Head of Construction Services Finland business segment

born 1971, M.Sc. (Eng.), Executive MBA

In the Group's employ 1996–

Primary working experience: Head of Construction Services Finland segment 2009–. YIT Construction Ltd: InfraserVICES, Division Manager 2008–2009, Structural engineering and regional infraserVICES, Business Unit Manager 2005–2008, Structural engineering, Assistant Director 2002–2005, Bridge construction, Project Manager 1999–2002, Bridge construction, Field Engineer 1998–1999, Housing Production Uusimaa, Field

Engineer 1996–1998. Insinööritoimisto Hentinen Oy: 1992–1996. Hai Phong Construction Company No 16, Vietnam: 1995. Haka Oy: 1993. Skanska Väst AB, Sweden: 1988–1990

Positions of trust: Talonrakennusteollisuus Ry: Chairman of the Board of Directors 2011–. Infra Contractor's Association in Finland: Vice Chairman of the Board of Directors 2011–. Construction pool: Chairman 2010–. Confederation of Finnish Industries EK: Member of body of representatives 2010–. Confederation of Finnish Construction Industries RT: Member of the Board of Directors 2009–

Share ownership: 4,032

4 Timo Lehtinen

Chief Financial Officer of YIT Corporation

born 1964, M.Sc. (Econ.), Executive MBA

In the Group's employ 2006–

Primary working experience: YIT Corporation: Chief Financial Officer 2009–. YIT Construction Ltd: Senior Vice President, Finance 2006–2009, responsible for financial administration of both the Construction Services Finland and International Construction Services segments. Affecto Plc: CFO 2006. Saunalahti Group Oy: CFO 2003–2006. Auria Oy: Senior Vice President, Administration, Deputy to the President and CEO 2001–2003. West Capital Oy: President and CEO 1999–2003. Aker Finnyards Oy: Financial Manager 1996–1999, Finance Manager 1995–1996, Treasury Manager 1994–1995. Suomen Säästöpankki–SSP Oy: Investment Manager 1992–1993, Dealer 1990–1992

Positions of trust: Tapiola Mutual Pension Insurance Company: Member of the Supervisory Board, 2010–

Share ownership: 3,350

5 Matti Malmberg

Head of Building Services Northern Europe segment

Born 1960, M.Sc. (Eng.)

In the Group's employ 2003–

Primary working experience: Head of Building Services Northern Europe segment 2011–, YIT Building Systems Oy: Managing Director 2006–2011, Senior Vice President 2004–2005. ABB Corporation: Business Line Manager, Building Systems 1997–2003, Profit Center Manager 1996–1997, Production Manager 1990–1996, Profit Center Manager 1985–1990

Positions of trust: Electrotechnical Employers' Association STTA: Board member 2010–. Finnish Association of HPAC Technical Contractors LVI-TU: Board member 2006–. Talotekniikkaliitto (Building Technology Association): Board member 2006–

Share ownership: 1,325

6 Pii Raulo

Senior Vice President, Human Resources

Born 1967, M.Sc. (Econ.)

In the Group's employ 2004–

Primary working experience: YIT Corporation: Senior Vice President, Human Resources 2011–. YIT Construction Ltd: HR Director 2008–2011, HR manager 2004–2007. McKinsey & Company: Manager of Administration 1997–2004. Accenture Oy: Personnel specialist 1994–1997. Tietoperintä Oy: Personnel coordinator 1993–1994

Share ownership: 1,386

7 Karl-Walter Schuster

Head of Building Services Central Europe segment

born 1950, M.Sc. (Eng.)

In the Group's employ 2008–

Primary working experience: YIT Building Services Central Europe segment: President 2011–. YIT Building and Industrial Services: Head of Central Europe division 2008–2011. MCE AG, Austria: Head of Building Services division, member of Executive Committee 2004–2008. Groupe Facbricom, Belgium/SUEZ: Head of Tractebel Energy Services Central Europe, Responsible for all Axima und Elyo companies in CEE 2001–2003. Sulzer AG, Switzerland: Regional Manager, CEO Sulzer Infra Germany, member of Executive Board Sulzer Infra Switzerland 1991–2001. LTG Lufttechnische GmbH, Germany: Project Manager, Branch Office Manager, 1974–1991

Positions of trust: FGK Fachverband Gebäude-Klima (Association of air-conditioning and ventilation in buildings): Member of the board 2011–. BHKS (Federal Industry Association of Heating, Air-conditioning and Sanitary Technology): Member of the board 2004–.

Share ownership: 0

8 Sakari Toikkanen

Senior Vice President, Business Development

Secretary to the Management Board

born 1967, Lic. (Tech.)

In the Group's employ 1997–

Primary working experience: YIT Corporation: Senior Vice President, Business Development, 2008–, Executive Vice President 2006–2008. YIT Building Systems Ltd: Executive Vice President 2003–2005. YIT Corporation: Vice President, Corporate Planning 2001–2003. YIT Construction Ltd: Development Manager 1999–2000, Quality Manager 1997–1998. Helsinki University of Technology: Researcher 1993–1996

Positions of trust: Rym Oy, member of the Board of Directors 2009–

Share ownership: 14,482



Up-to-date ownership data: www.yitgroup.com

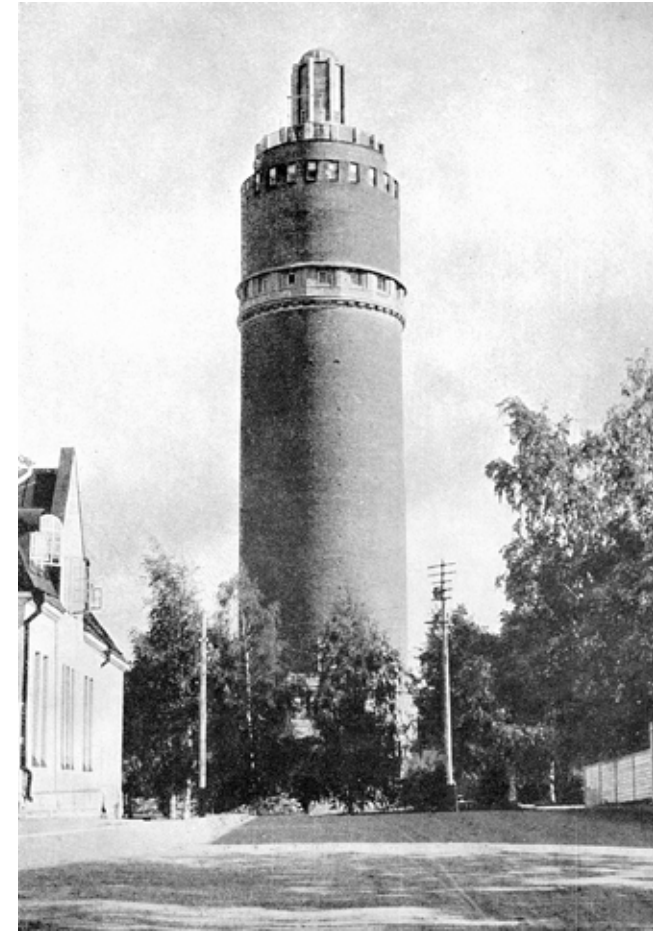
100 years of experience

Read more about YIT's history on our anniversary site: www.yitgroup.com/yit100



Services

YIT's 100-year story began in 1912, when the Swedish company Ab Allmänna Ingeniörsbyrån opened up a branch office in Helsinki. Competence and speed of operations gave YIT a strong reputation among cities, and the company grew into the leading water supply service builder in Finland in the 1930s.



YIT was a pioneer of construction exports in Finland. The first project was carried out in Iraq during 1958–1960. This was followed by construction activity in other parts of the Middle East and Africa. Besides Iraq, important markets included Saudi Arabia, Libya, Nigeria, Abu Dhabi and Yemen. The company took part in development cooperation projects in East Africa and Vietnam.

International operations Innovation



In the 1930s YIT solved the forest industry's problems with service water acquisition with the wooden pipe technology. The pipes made it possible to supply sufficient amounts of water from water systems located even miles away. Besides the pipes, YIT often implemented the entire water management system of the plant from process water purification to wastewater treatment. Wooden pipes were installed in plants over several decades.



YIT had excellent success as an industrial constructor from the 1960s onwards. Underlying this success was the new operating method, "turnkey construction." Over the next decade, the operating method was applied in contracting water supply plants in the Middle East and the Soviet Union. When the emphasis on export projects shifted towards industrial construction in the 1980s, turnkey projects included not only design and implementation of the properties but also demanding material and equipment deliveries.

In the mid-1980s YIT was the largest construction company in Finland. Its operations covered all areas of construction from infrastructure to residential construction.



YIT began to pursue a growth strategy in the mid-1990s. The strategy included offering life-cycle services covering all of the phases of construction projects to customers. Through an acquisition in 1995, YIT became the leading maintenance company and a major building systems provider in Finland. Building Services has been YIT's largest business segment since 2010.



Operations in the Russian markets started in 1961. The first project was the construction of a highway on the Soviet side of the border, west of Murmansk. Diverse contracting activity continued until the end of the Soviet era and in Russia in the 1990s. Residential construction was selected as the focus area after the turn of the millennium, and subsidiaries were established in major Russian cities.



Mergers and acquisitions in the 2000s made YIT an international company. The company entered 10 new countries in a decade. With the largest acquisition in YIT's history, the company entered the Scandinavian building system services market in 2003. Towards the end of the decade, operations expanded into Central Europe.



Today, demanding special building system solutions are developed in the R&D centre in Aachen, Germany. Technology is produced for extreme conditions, such as those found in laboratories and nuclear power plants. Particular attention is paid to energy-efficiency, especially through the use of ventilation technology.



Business segments in 2011

Building Services Northern Europe



Building Services Central Europe



Services and solutions

- Building system solutions
- Service and maintenance of building systems
- Energy-efficiency services
- Industrial project deliveries and maintenance (primarily in Finland and in Sweden)

- Building system solutions
- Service and maintenance of building systems
- Energy-efficiency services

Area of operation

Finland, Sweden, Norway, Denmark, Russia, Estonia, Latvia, Lithuania

Germany, Austria, Poland, the Czech Republic, Romania

Customers

- Developers and construction companies
- Property investors and owners
- Property service companies and building managers
- Public institutions
- Industry

- Developers and construction companies
- Property investors and owners
- Property service companies and building managers
- Public institutions
- Industry

Strategic objectives

- Improving profitability
- Increasing service and maintenance business
- Developing energy-efficiency services
- Strengthening local market position

- Increasing service and maintenance business
- Developing energy-efficiency services
- Strengthening local market position and geographical expansion to new countries through acquisitions

Key figures

	1-12/11	1-12/10	Change
Revenue, EUR million	2,097.6	1,803.6	16%
Operating profit, EUR million	78.8	88.7	-11%
Operating profit margin, %	3.8	4.9	-
Return on operative invested capital (last 12 months), %	23.8	35.9	-
Operative invested capital, EUR million	372.9	289.2	29%
Order backlog, EUR million	913.1	757.4	21%
Personnel	15,900	15,844	0%

	1-12/11	1-12/10	Change
Revenue, EUR million	779.3	550.2	42%
Operating profit, EUR million	33.3	16.4	103%
Operating profit margin, %	4.3	3.0	-
Return on operative invested capital (last 12 months), %	53.8	46.4	-
Operative invested capital, EUR million	72.0	51.6	42%
Order backlog, EUR million	449.5	507.0	-11%
Personnel	3,506	3,767	-7%

Construction Services Finland



- Residential construction
- Business premises construction
- Infrastructure construction

Finland

- Households and housing cooperatives
- Property investors and owners
- Business premises users
- Developers and construction companies
- Public institutions

- Forerunner in housing construction: focus on own development production built directly for consumers
- Increasing market share in business premises and infrastructure construction

	1-12/11	1-12/10	Change
Revenue, EUR million	1,226.9	1,102.0	11%
Operating profit, EUR million	111.6	108.1	3%
Operating profit margin, %	9.1	9.8	-
Return on operative invested capital (last 12 months), %	24.0	28.1	-
Operative invested capital, EUR million	558.4	419.3	33%
Order backlog, EUR million	1,493.6	1,173.2	27%
Personnel	3,429	3,209	7%

International Construction Services



- Residential construction
- Business premises construction

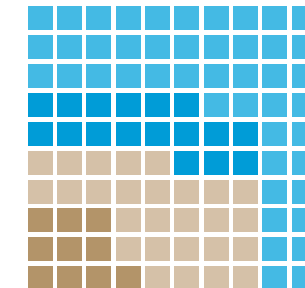
Russia, Estonia, Latvia, Lithuania, the Czech Republic, Slovakia

- Households
- Property investors and owners
- Business premises users
- Developers and construction companies
- Public institutions

- Russia: Increasing own development housing production in current operating cities
- The Baltic countries and Central Eastern Europe: Geographical expansion to new operating countries and cities
- Introducing low energy construction to markets

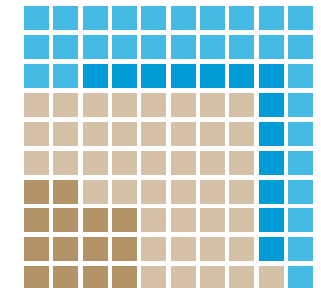
	1-12/11	1-12/10	Change
Revenue, EUR million	489.2	470.6	4%
Operating profit, EUR million	37.2	34.7	7%
Operating profit margin, %	7.6	7.4	-
Return on operative invested capital (last 12 months), %	6.5	5.3	-
Operative invested capital, EUR million	602.2	661.0	-9%
Order backlog, EUR million	962.5	870.8	11%
Personnel	2,753	2,656	4%

Revenue (4,382 MEUR), %



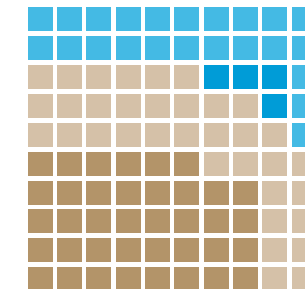
- 46% Building Services Northern Europe
- 17% Building Services Central Europe
- 27% Construction Services Finland
- 10% International Construction Services

Operating profit (200 MEUR), %



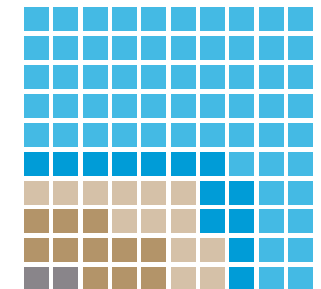
- 30% Building Services Northern Europe
- 13% Building Services Central Europe
- 43% Construction Services Finland
- 14% International Construction Services

Invested capital (1,856 MEUR), %



- 23% Building Services Northern Europe
- 4% Building Services Central Europe
- 35% Construction Services Finland
- 38% International Construction Services

Personnel 25,996, %



- 61% Building Services Northern Europe
- 13% Building Services Central Europe
- 13% Construction Services Finland
- 11% International Construction Services
- 2% Group Services

Contact information

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Information for customers, job seekers and media is available at our websites:

YIT Corporation: www.yitgroup.com
Finland: www.yit.fi
Sweden: www.yit.se
Norway: www.yit.no
Denmark: www.yit.dk
Russia: www.yit.ru
Estonia: www.yit.ee
Latvia: www.yit.lv
Lithuania: www.yit.lt
Germany: www.yit.de
Austria: www.yit.at
Poland: www.yit.pl
The Czech Republic: www.yit.cz
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