

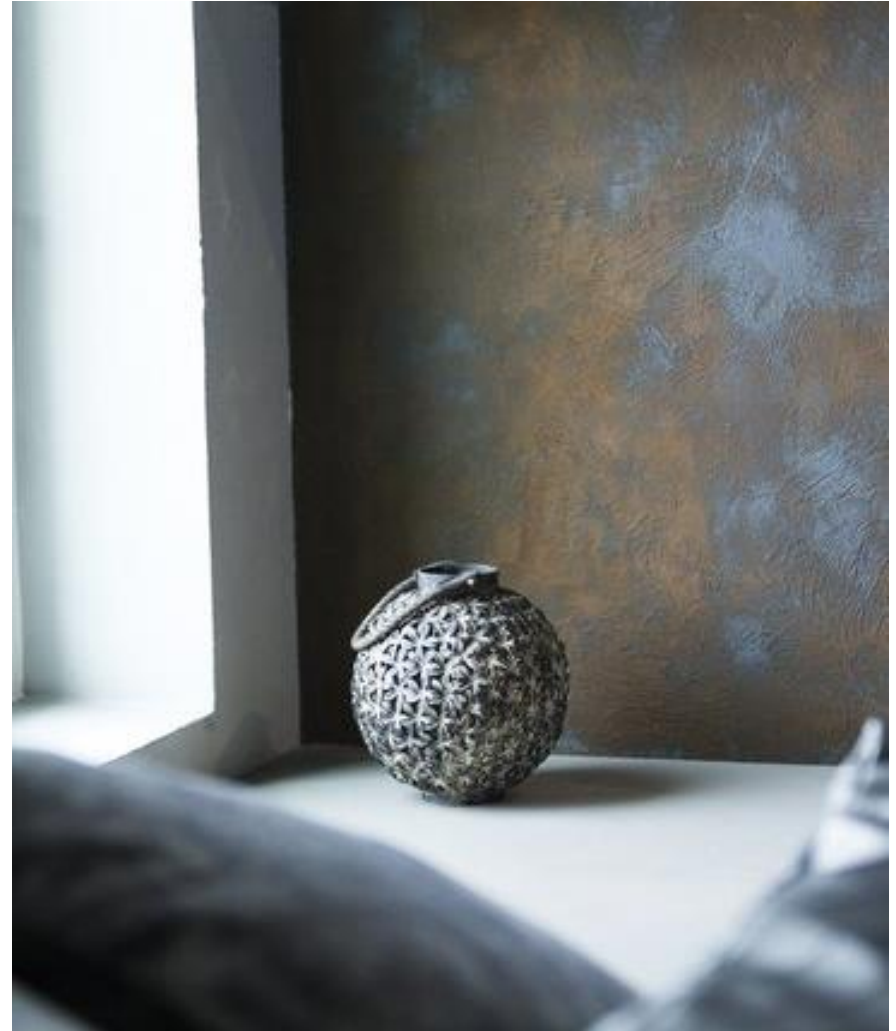


Interim Report January – September, 2014  
Kari Kauniskangas, President and CEO



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# 1

## Group development



# Highlights in Q3/2014

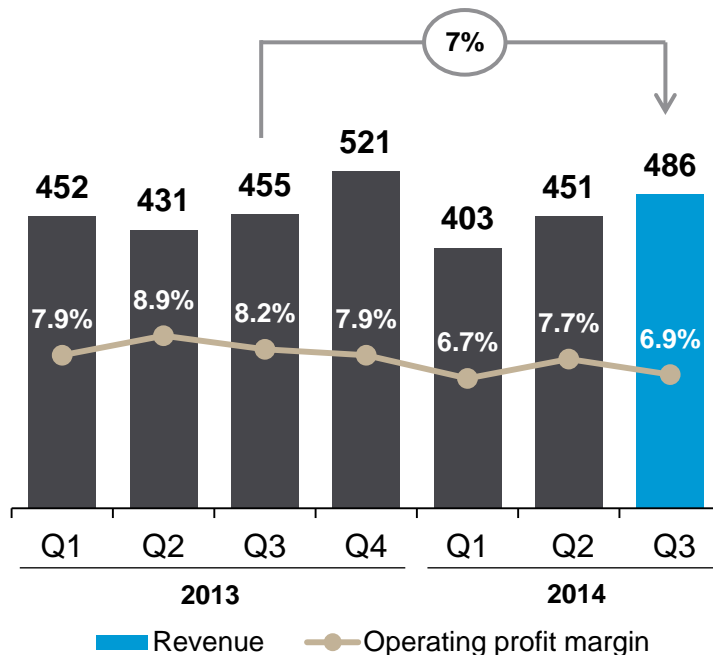
- Strong cash flow, net debt decreased
- Revenue boosted by active sales to investors
- Good result in Business Premises and Infrastructure
- Competitiveness program launched
- Margin guidance lowered in October



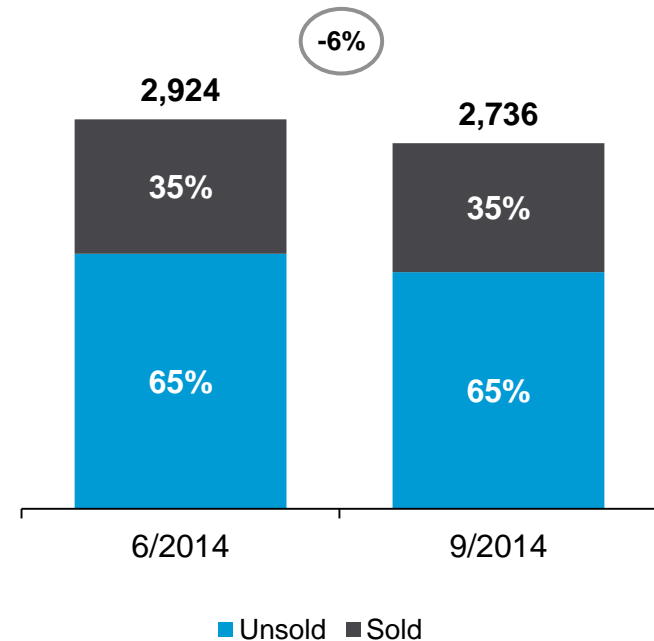
# Revenue increased, but profitability weakened in Q3/2014

- Active sales to investors and progress in capital release
- Strong revenue growth in Housing Finland, the Baltic countries and CEE
- Order backlog decreased due to weaker ruble and business premises sales

Group revenue and profitability (EUR million, %)



Order backlog (EUR million)



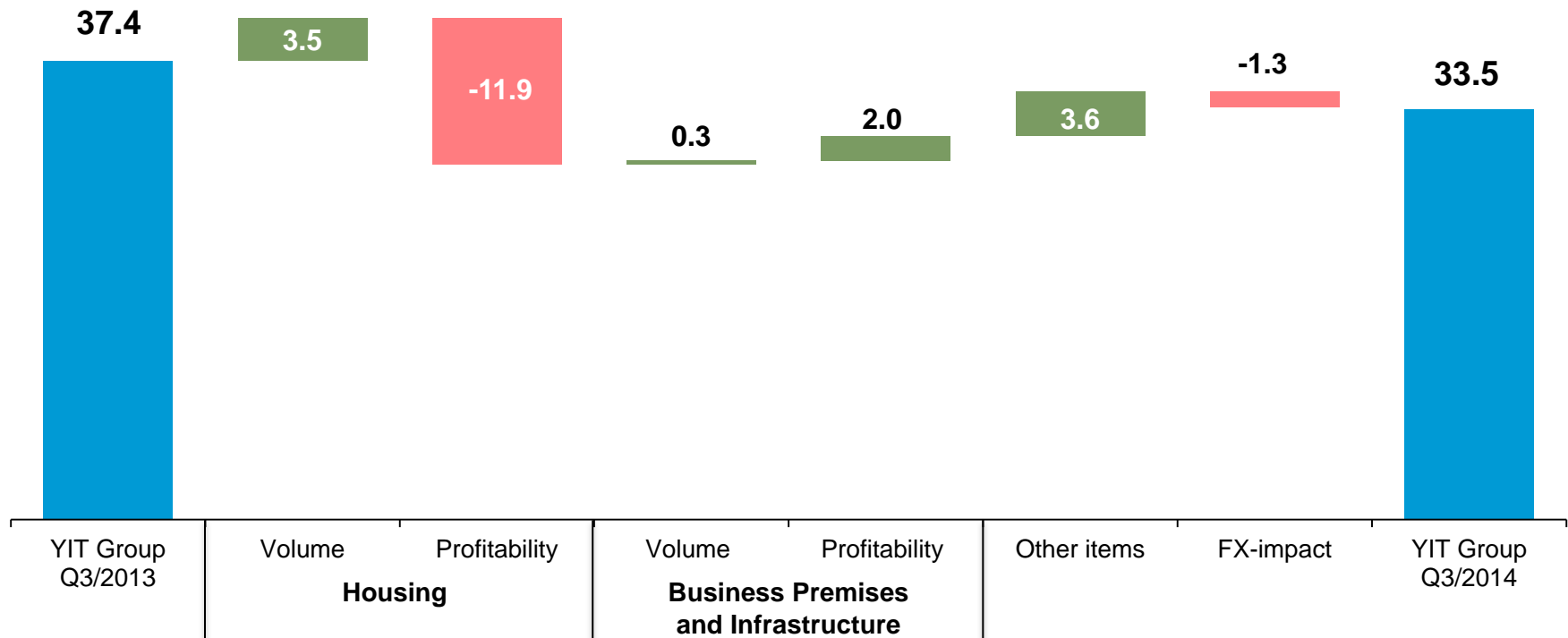
All figures according to segment reporting (POC)



# EBIT – bridge Q3/2013 – Q3/2014

- Profitability burdened by changes in sales mix in Housing and actions to ensure strong cash flow

(EUR million), change Q3/2013 – Q3/2014: -10%



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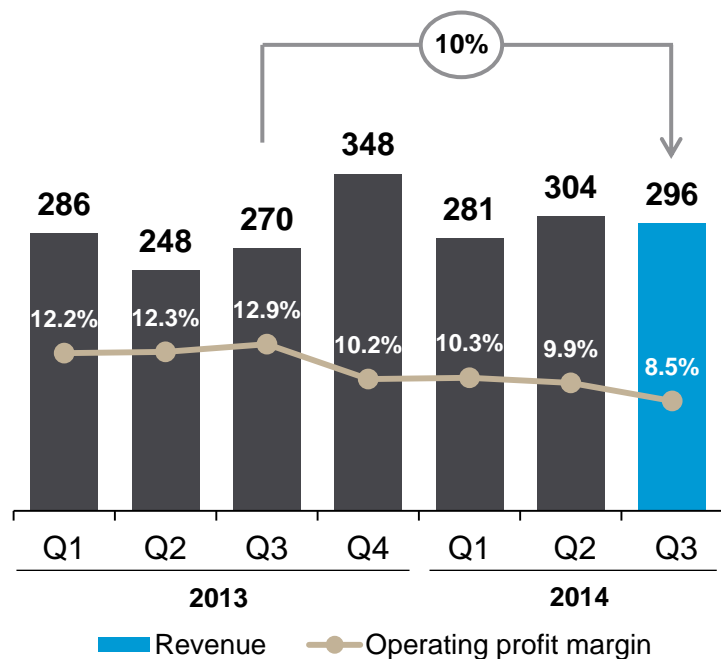
## Housing



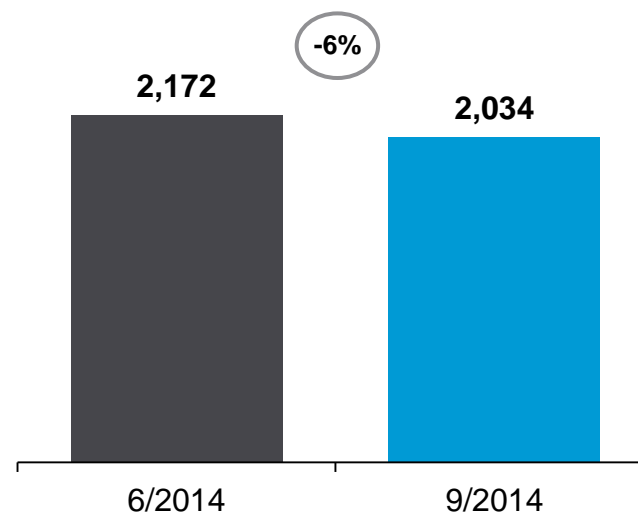
# Housing: Revenue increased year-on-year

- Revenue increased in Finland, the Baltic countries and CEE
- Revenue decreased in Housing Russia due to weakening of the ruble
- Profitability burdened by changes in sales mix and actions to ensure strong cash flow

Revenue and profitability (EUR million, %)



Order backlog (EUR million)



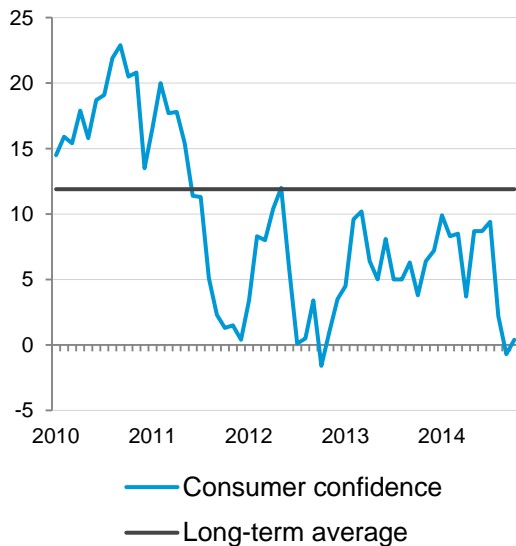
All figures according to segment reporting (POC)



# Housing: Operating environment in Finland in Q3/2014

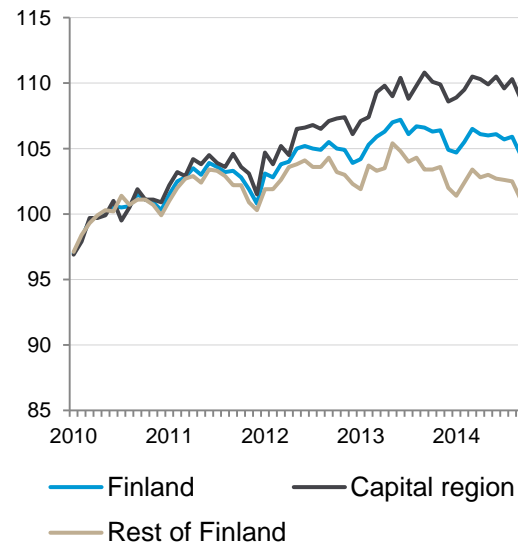
- Consumers continued to be cautious, but investors remained active

**Consumer confidence**  
1/2010-9/2014



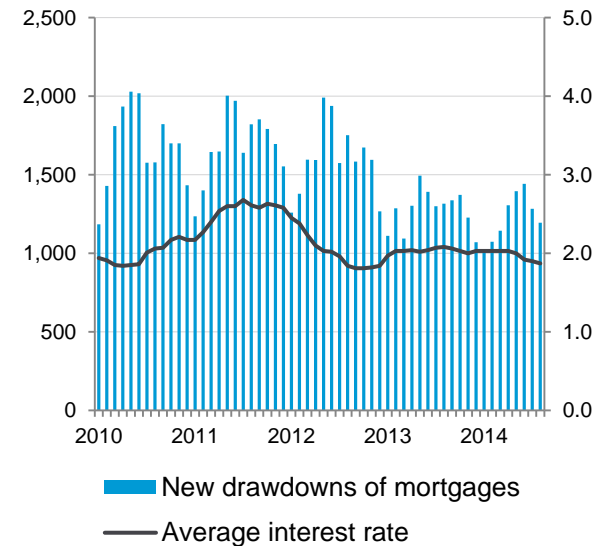
- Polarisation of residential prices between the capital region and other parts of Finland continued
- Good demand for small, affordable apartments

**Prices of old apartments, Index (2010=100)**



- Mortgage interest rates stayed on a low level and margins continued to decrease slightly
- The volume of new housing loans decreased

**New drawdowns of mortgages and average interest rate, (EUR million, %)**

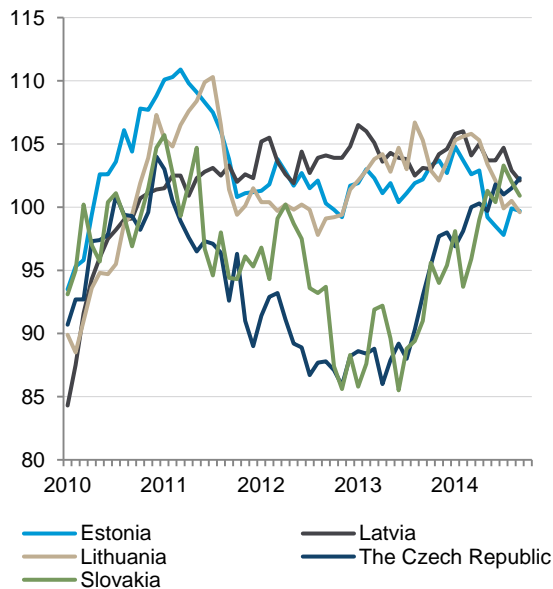


Sources: Statistics Finland and Bank of Finland

# Housing: Operating environment in the Baltic countries and Central Eastern Europe (CEE) in Q3/2014

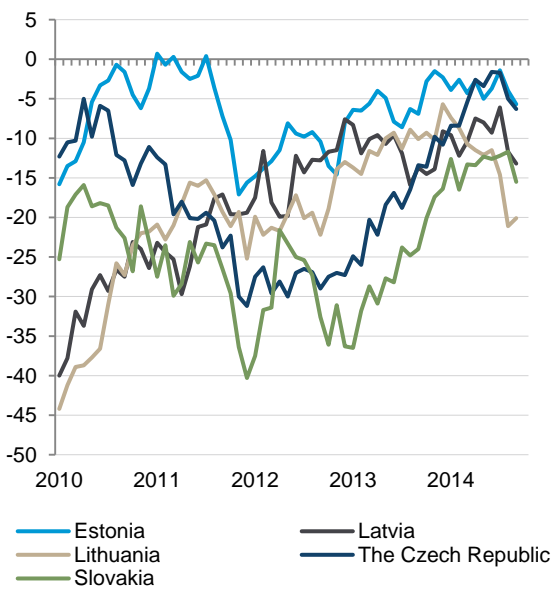
- Positive development in the macro economy has supported the residential market

Economic sentiment



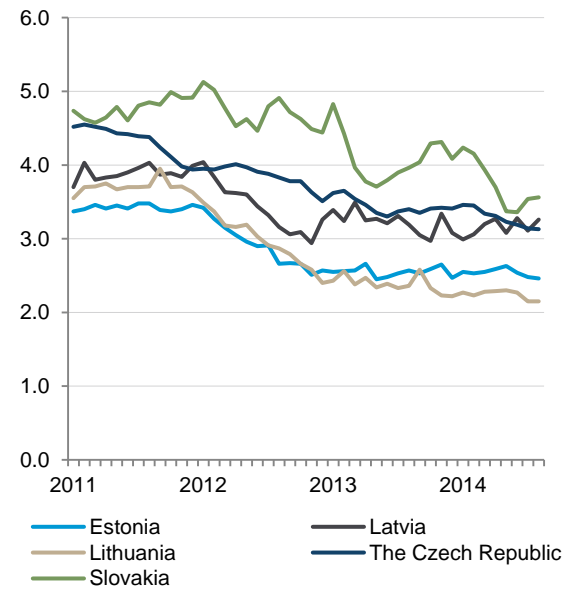
- Geopolitical tensions has weakened the consumer confidence
- Residential prices have increased slightly

Consumer confidence



- Interest rates of mortgages have remained on a low level
- Consumers' access to financing has remained good

Average interest rate of mortgages (%)

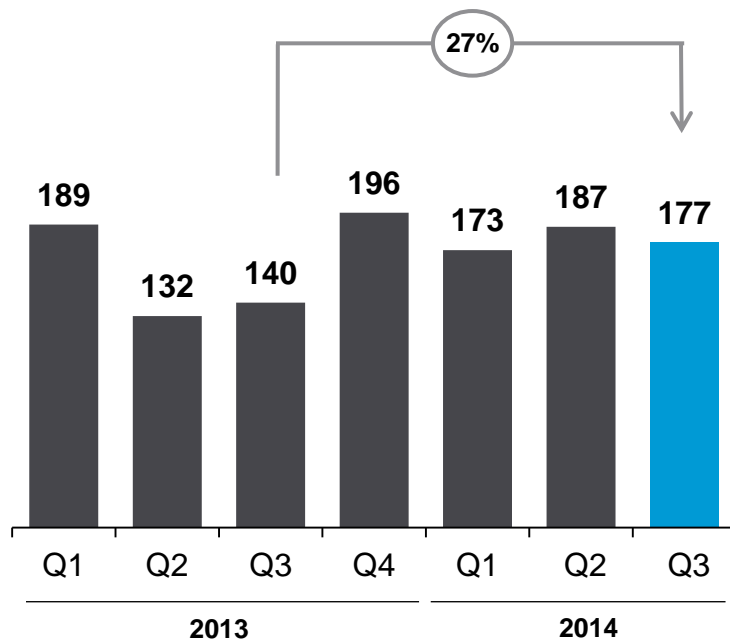


Sources: European Commission and National Central Banks

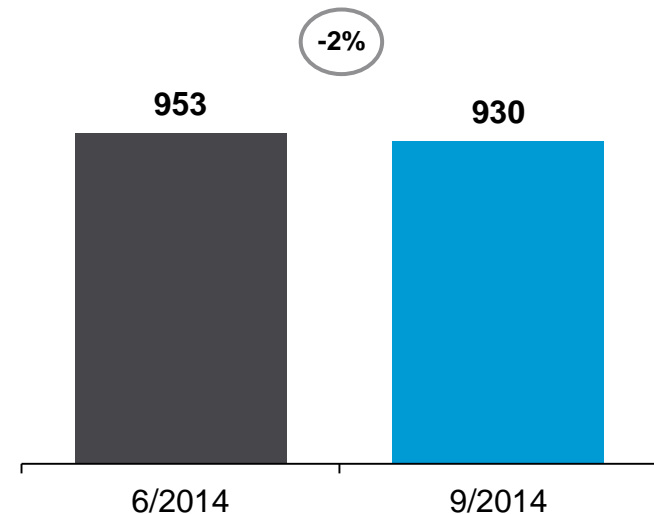
# Housing Finland, the Baltic countries and CEE: Revenue increased clearly

- Good progress in investor deals in Finland and in consumer sales in the Baltic countries and CEE
- Completion rate of sold apartments high in Finland

Revenue (EUR million)



Order backlog (EUR million)



All figures according to segment reporting (POC)

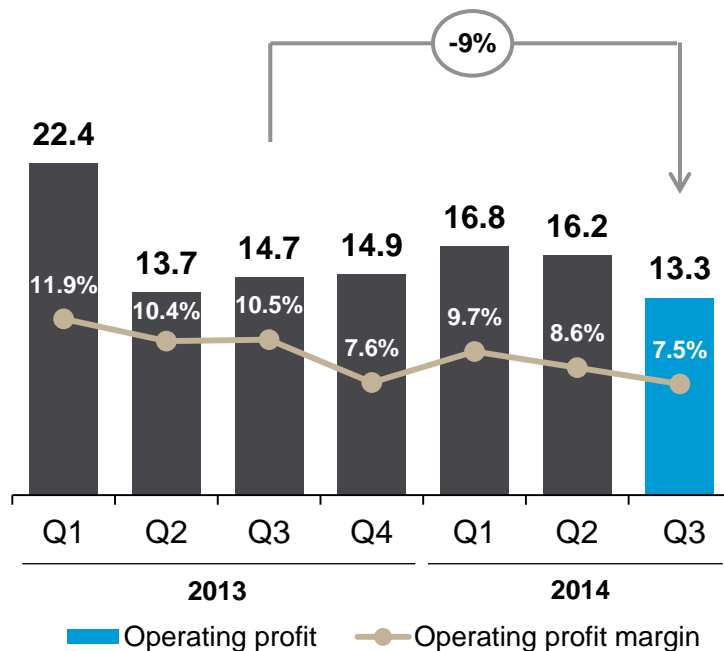


# Housing Finland, the Baltic countries and CEE:

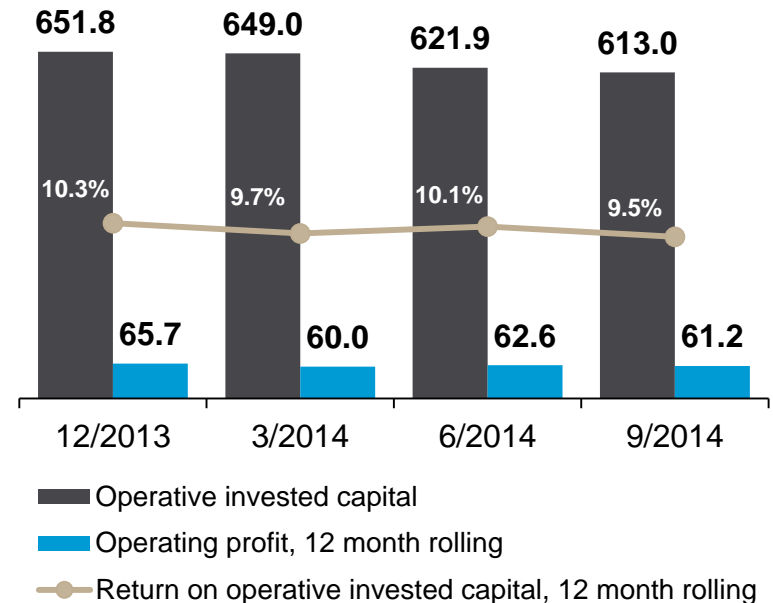
## Operating profit decreased

- Profitability was negatively impacted by increased share of investor projects in production and actions to ensure strong cash flow
- Profitability continued to improve in the Baltic countries and CEE

Operating profit and profitability (EUR million, %)

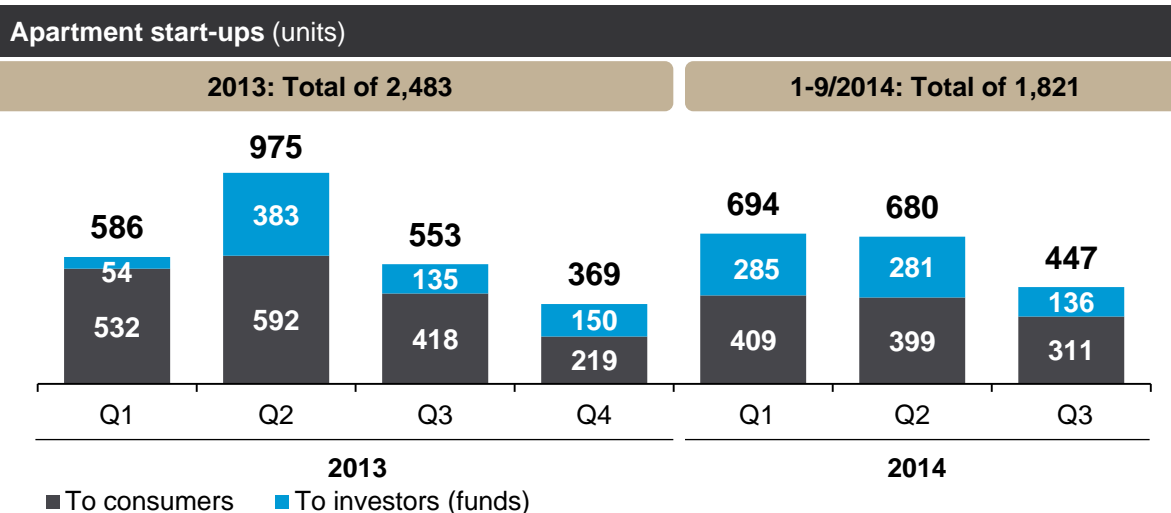
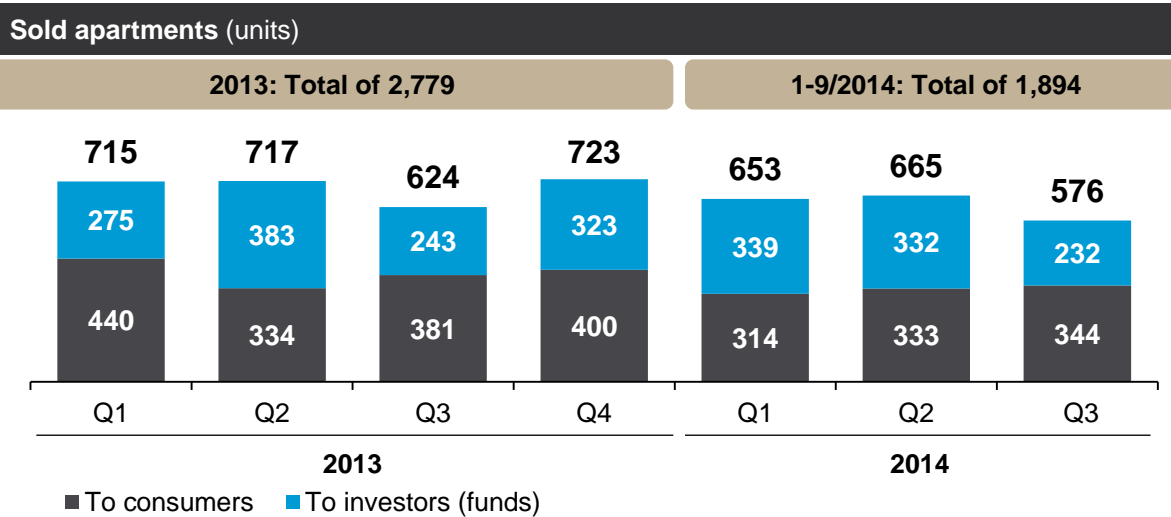


Return on operative invested capital (EUR million, %)



All figures according to segment reporting (POC)

# Housing: Low sales volume in Finland



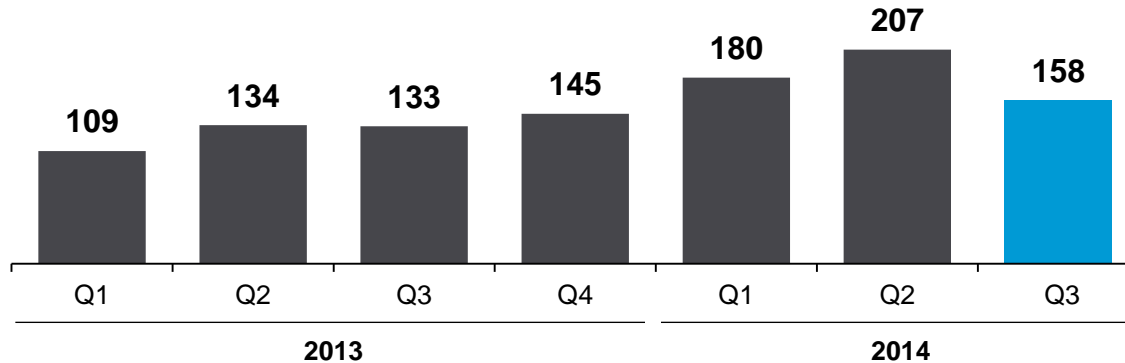
- Good activity in investor sales
- Weak consumer demand
- Focus on smaller and affordable apartments in start-ups
- Success in the public voting at Housing fair Finland
- In October, sales to consumers estimated to be around 150 units

# Housing: Sales continued to grow y-o-y in the Baltic countries and CEE

## Sold apartments (units)

2013: Total of 521

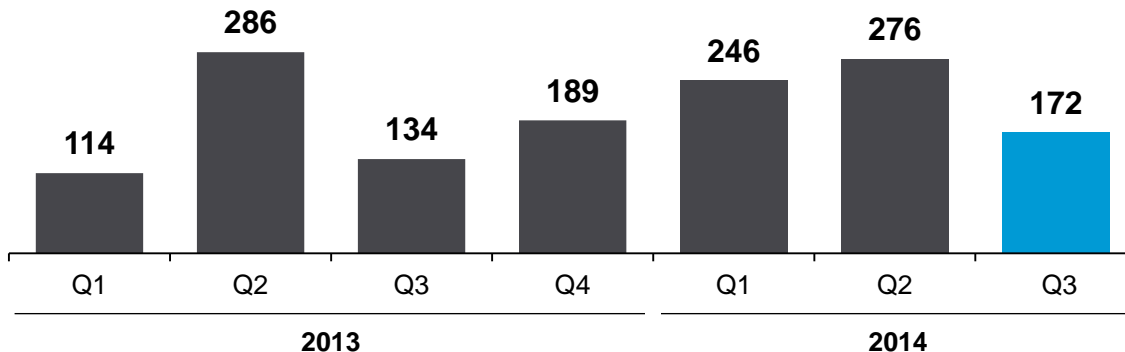
1-9/2014: Total of 545



## Apartment start-ups (units)

2013: Total of 723

1-9/2014: Total of 694

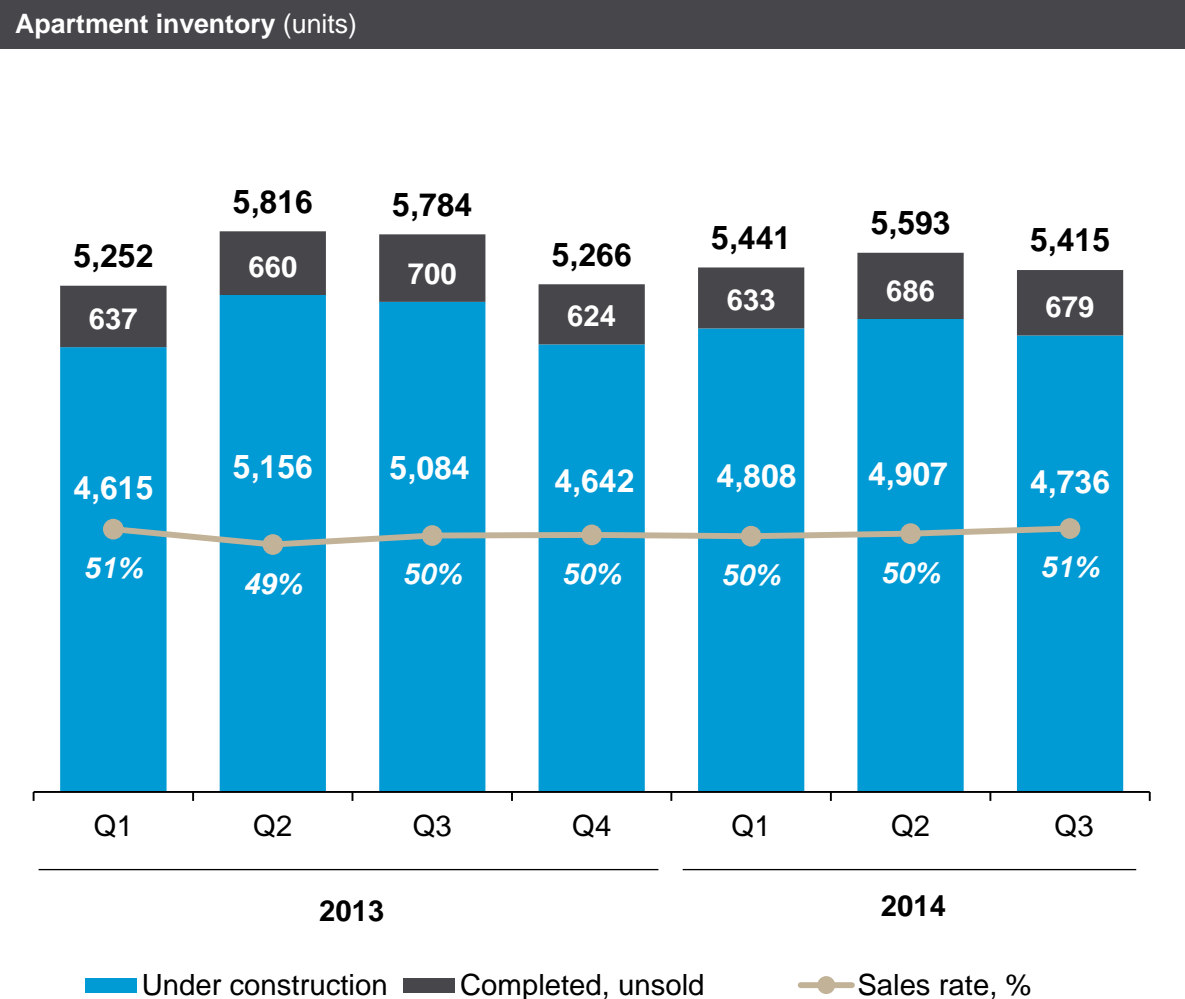


- Sales grew by 19% y-o-y
- Lower supply in Lithuania and holiday months slowed down sales q-o-q
- Start-ups slightly above sales
- In October, sales to consumers estimated to be around 70 units



# Housing Finland, the Baltic countries and CEE: More small and affordable apartments in the sales portfolio

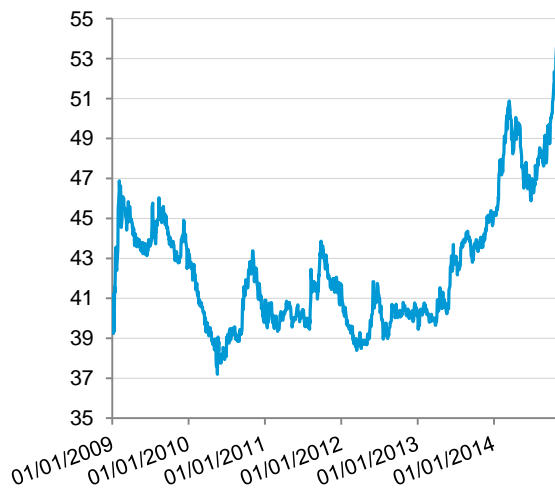
- The share of the Baltic countries and CEE of the sales portfolio (units) increased to 37% (28% in 9/2013)
- Number of unsold completed apartments stable in Finland, progress in reducing the level expected in Q4 due to lower completions



# Housing: Operating environment in Russia in Q3/2014

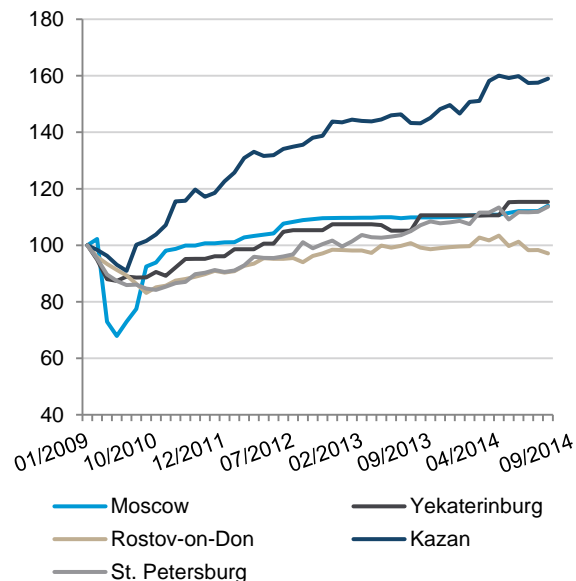
- The ruble weakened again sharply

**EUR/RUB exchange rate**



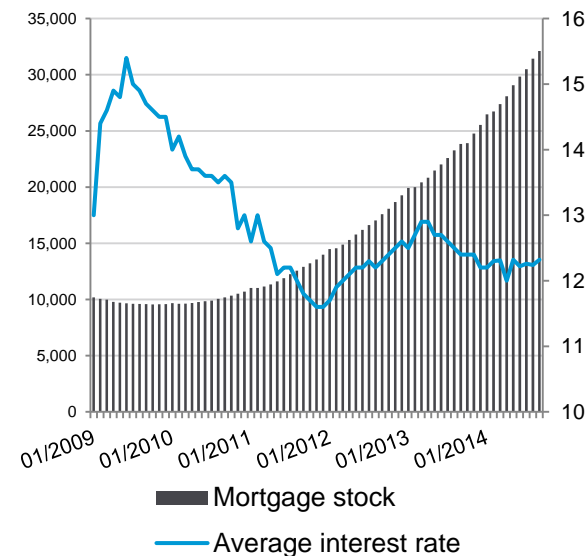
- Residential prices remained stable on average

**Prices of new apartments, Index (2009=100)**



- The mortgage stock has continued to grow
- Mortgage interest rates have increased slightly

**Mortgage stock and average interest rate, (RUB billion, %)**

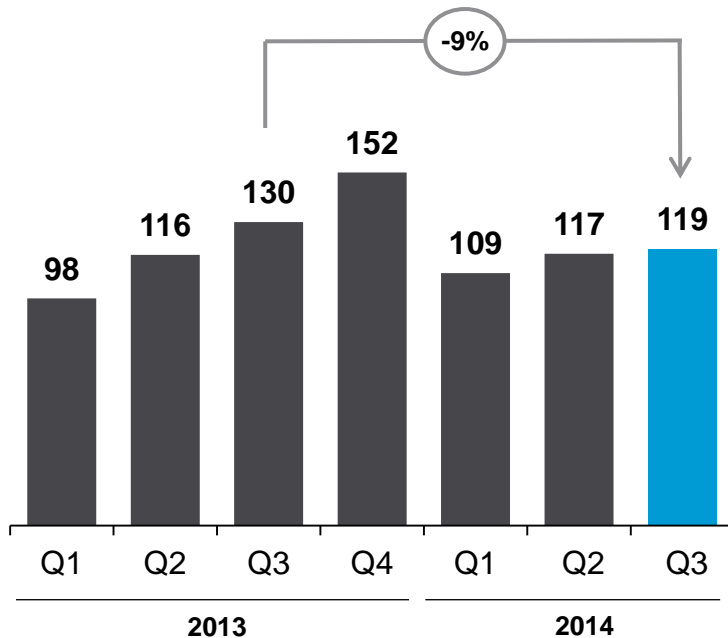


Sources: Reuters, YIT and Bank of Russia

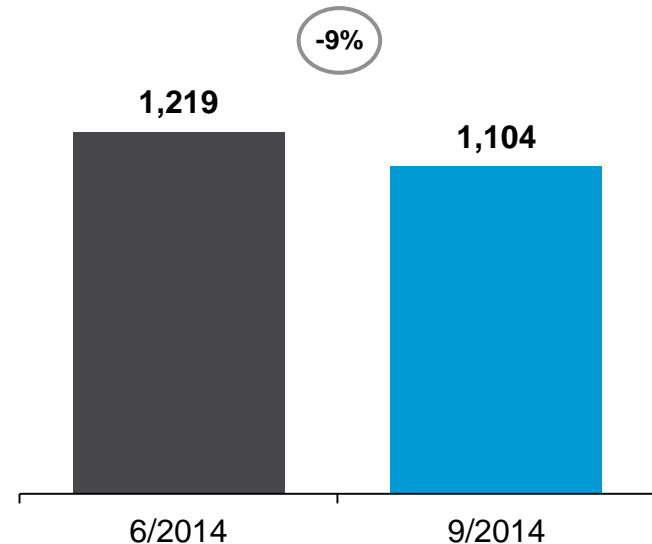
# Housing Russia: Revenue stable at comparable exchange rates

- Revenue decreased due to the weakening of the ruble
- At comparable exchange rates revenue grew by 1%
- Weakening of the ruble decreased the order backlog by EUR 81 million

Revenue (EUR million)



Order backlog (EUR million)



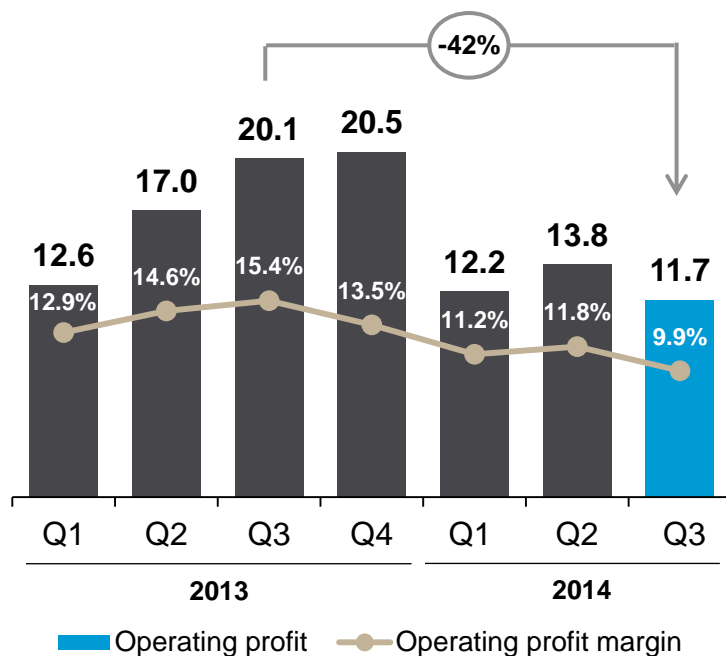
All figures according to segment reporting (POC)



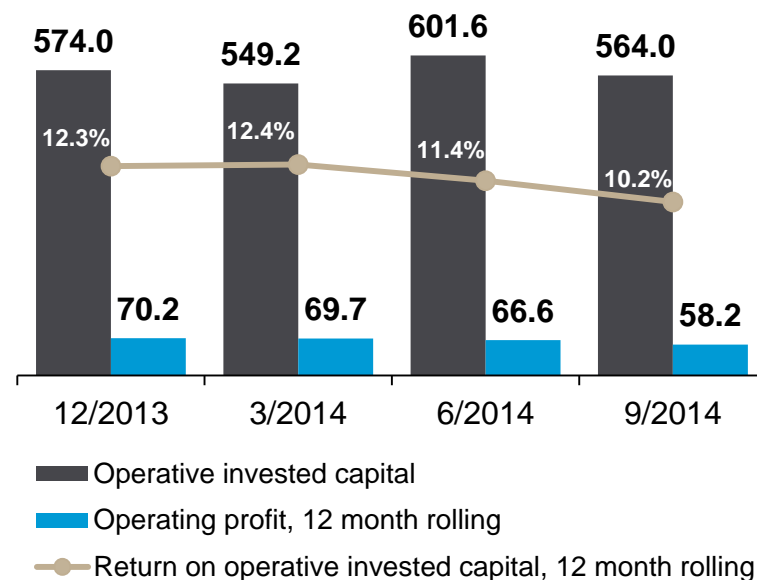
# Housing Russia: Profitability weakened

- Operating profit decreased due to lower revenue and weaker profitability
- Profitability weakened due to modest price development

Operating profit and profitability (EUR million, %)



Return on operative invested capital (EUR million, %)



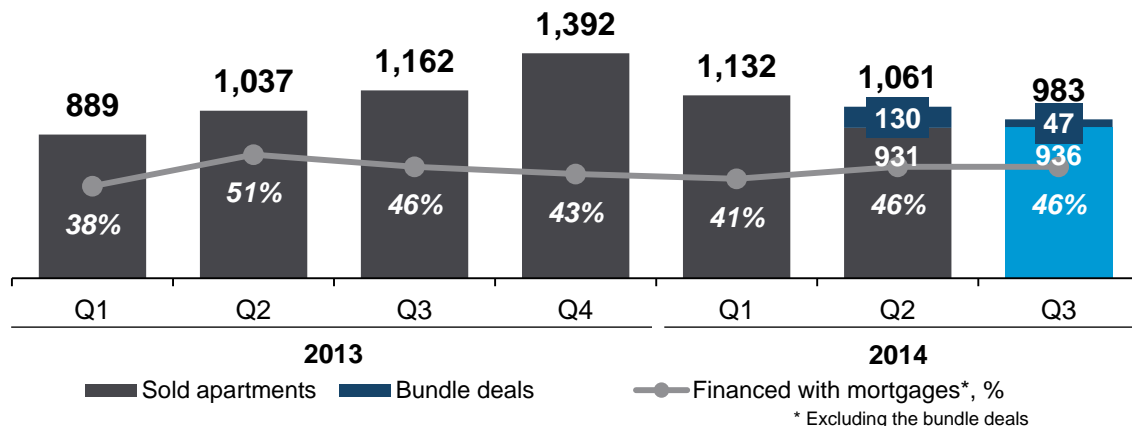
All figures according to segment reporting (POC)

# Housing Russia: Consumer sales stable q-o-q

## Sold apartments (units) and share of sales financed with a mortgage (%)

2013: Total of 4,480 (44%)

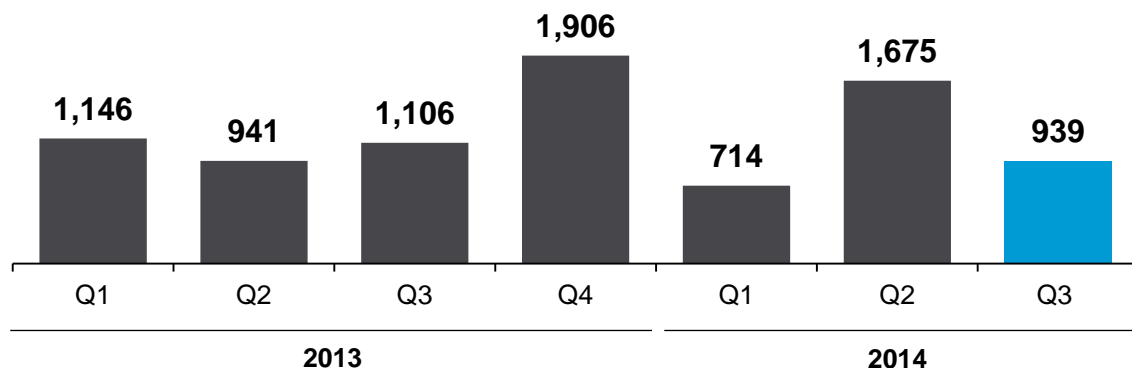
1-9/2014: Total of 3,176 (44%\*)



## Apartment start-ups (units)

2013: Total of 5,099

1-9/2014: Total of 3,328

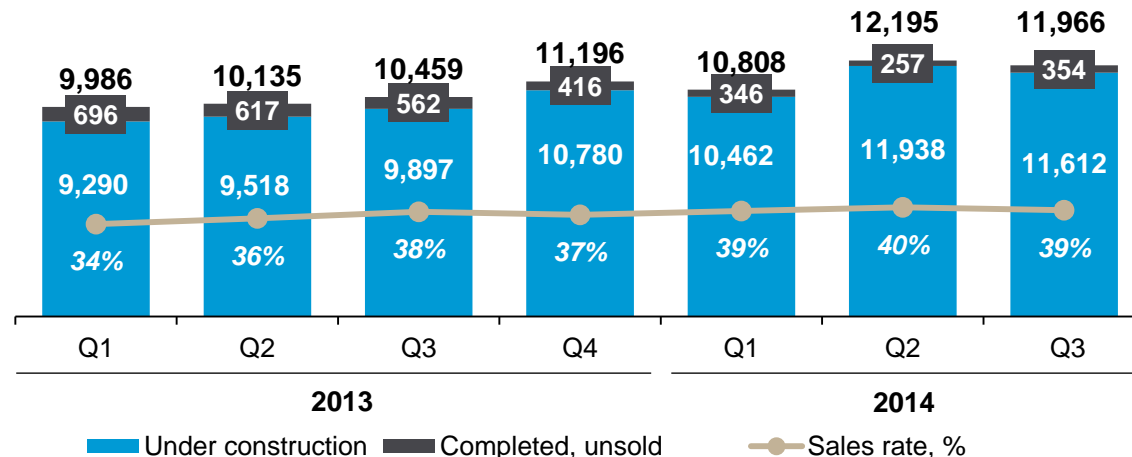


- A bundle deal of 47 apartments
- Share of cash buyers at Q2/2014 level
- Start-ups according to sales
- In October, sales to consumers estimated to be around 400 units

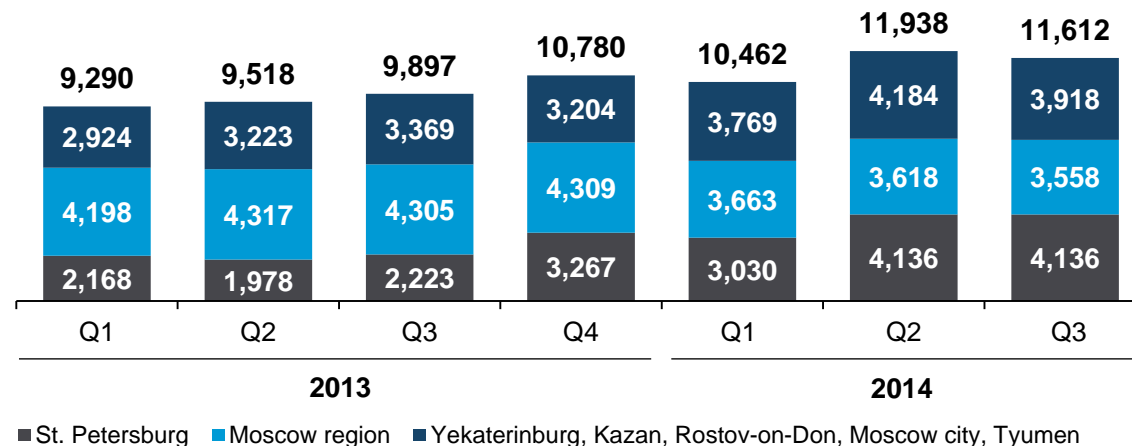
# Housing Russia: Solid sales portfolio

- Clearly more completions than in Q2/2014
- Completed unsold apartments still on a low level
- Permit process has lengthened in the Moscow region

Apartment inventory (units)



Apartments under construction by city (units)



# 3

## Business Premises and Infrastructure



Grand Office  
Vilnius, Lithuania

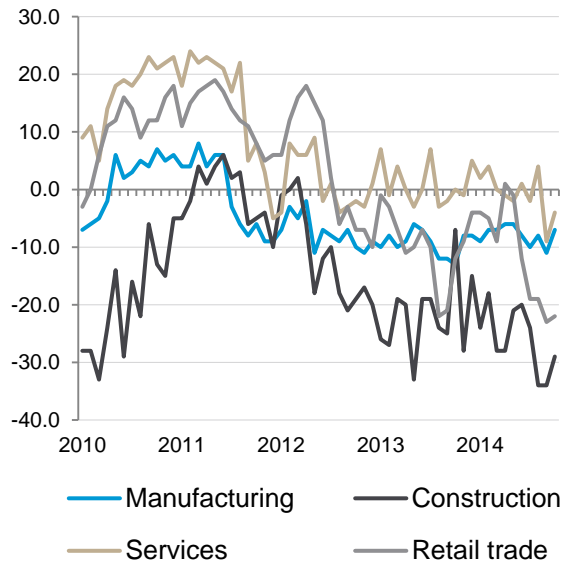
# Business Premises and Infrastructure: Operating environment in Q3/2014

- Office and commercial markets remained weak, opportunities in care and industrial sectors
- Market for contracting stable

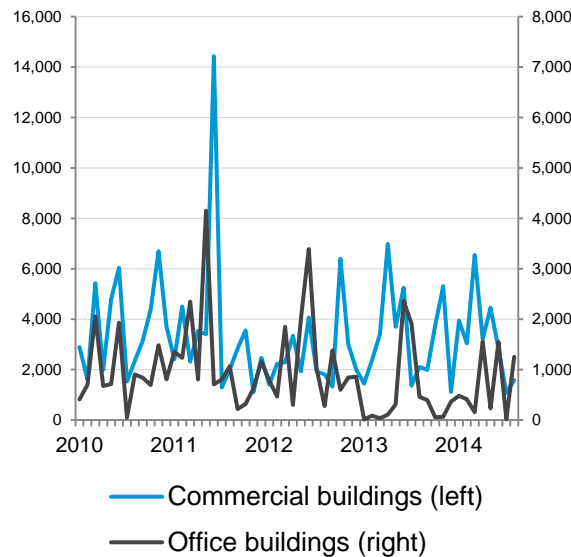
- End-users cautious in the office and retail sectors
- Investor interest on a good level in prime locations, but weak elsewhere
- Activity focused on the secondary market

- Positive macro outlook continues to support the business premises market in the Baltic countries and Slovakia

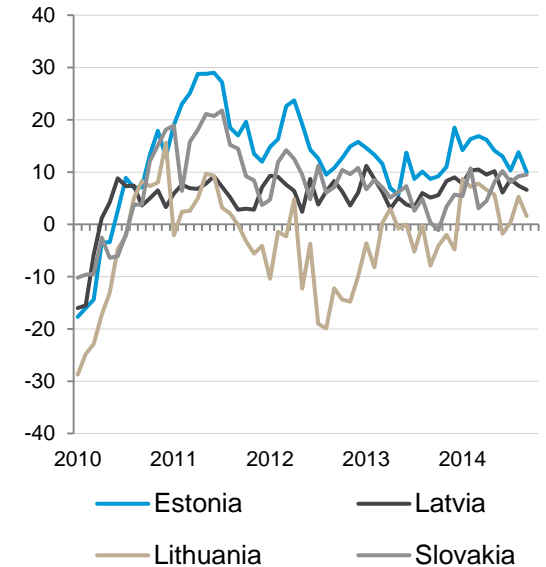
Confidence indicators in Finland



Granted building permits in Finland, thousand m<sup>3</sup>



Retail trade confidence in the Baltic countries and Slovakia



Sources: EK Confederation of Finnish Industries, Statistics Finland and European Commission

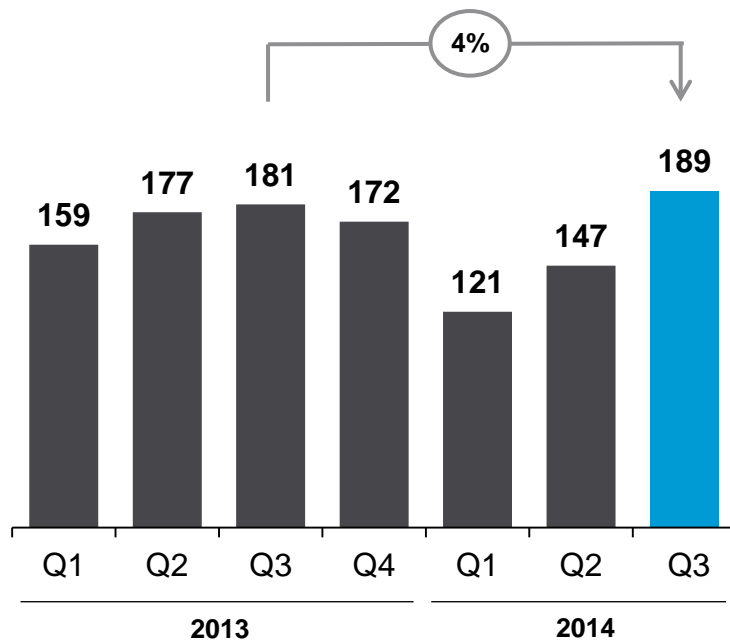


# Business Premises and Infrastructure:

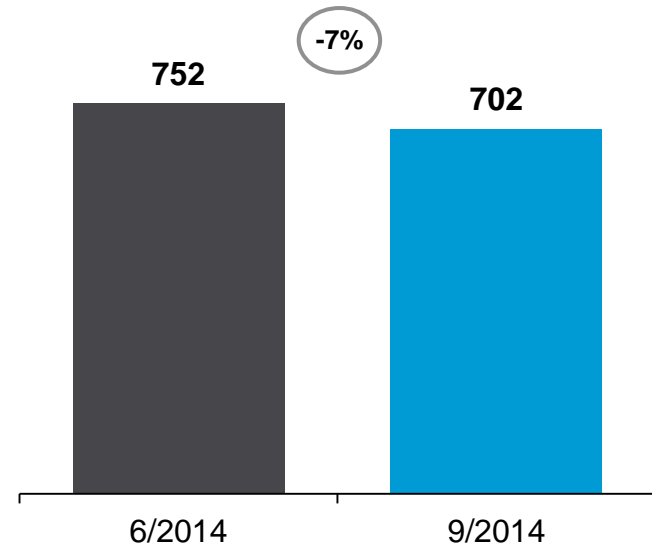
## Revenue grew due to sales of business premises projects

- Revenue grew and order backlog decreased due to the sales of several self-developed business premises projects
- Success in winning new contracts including several co-operation projects

Revenue (EUR million)



Order backlog (EUR million)



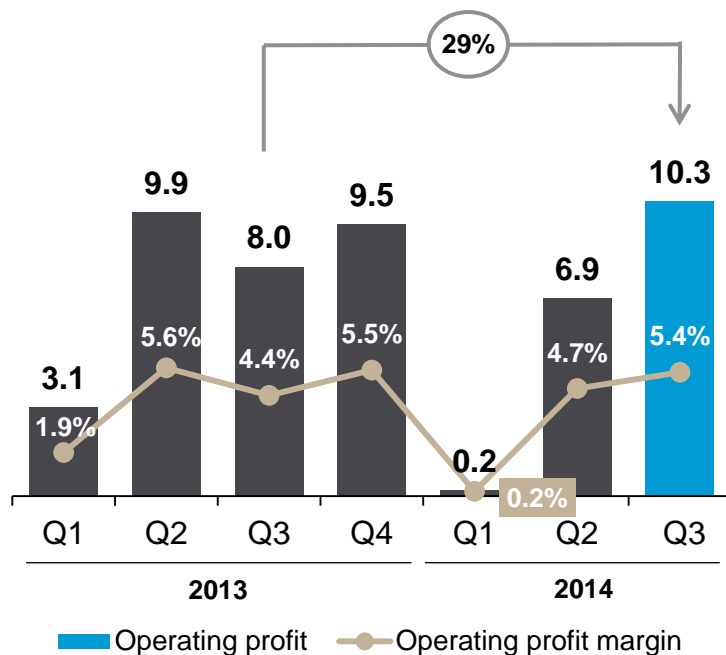
All figures according to segment reporting (POC)

# Business Premises and Infrastructure:

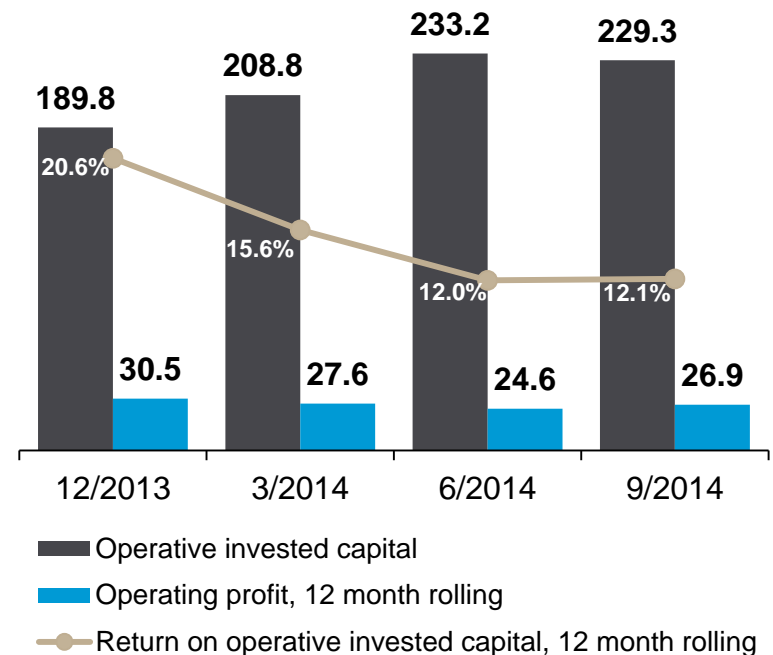
## Strong growth in operating profit

- Higher sales volume strengthened profitability
- Stable development in Infra Services

Operating profit and profitability (EUR million, %)



Return on operative invested capital (EUR million, %)



All figures according to segment reporting (POC)

# Business Premises: Success in selling self-developed projects and winning new contracts

- Sale of self-developed projects worth over EUR 100 million
  - The shopping centre of Tikkurila Commercial Centre Dixi in Vantaa, Finland
  - Grand Office business premises in Vilnius, Lithuania
  - Osmontie office premises in Helsinki, Finland
  - Day care and assisted living facilities in Finland
- New contracts won in the Baltic countries and CEE
- The Tripla-project proceeded as planned



# Infra Services: New projects using the alliance model

- Contract signed on the construction of a CHP power plant for Turun Seudun Energiatuotanto with the alliance model
- Service contract for road maintenance in Helsinki, executed with the alliance model
- Internal co-operation in demanding projects, infrastructure works ongoing in the major hybrids
- E18 opened for traffic ahead of schedule





# 4

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## Financial position and key ratios

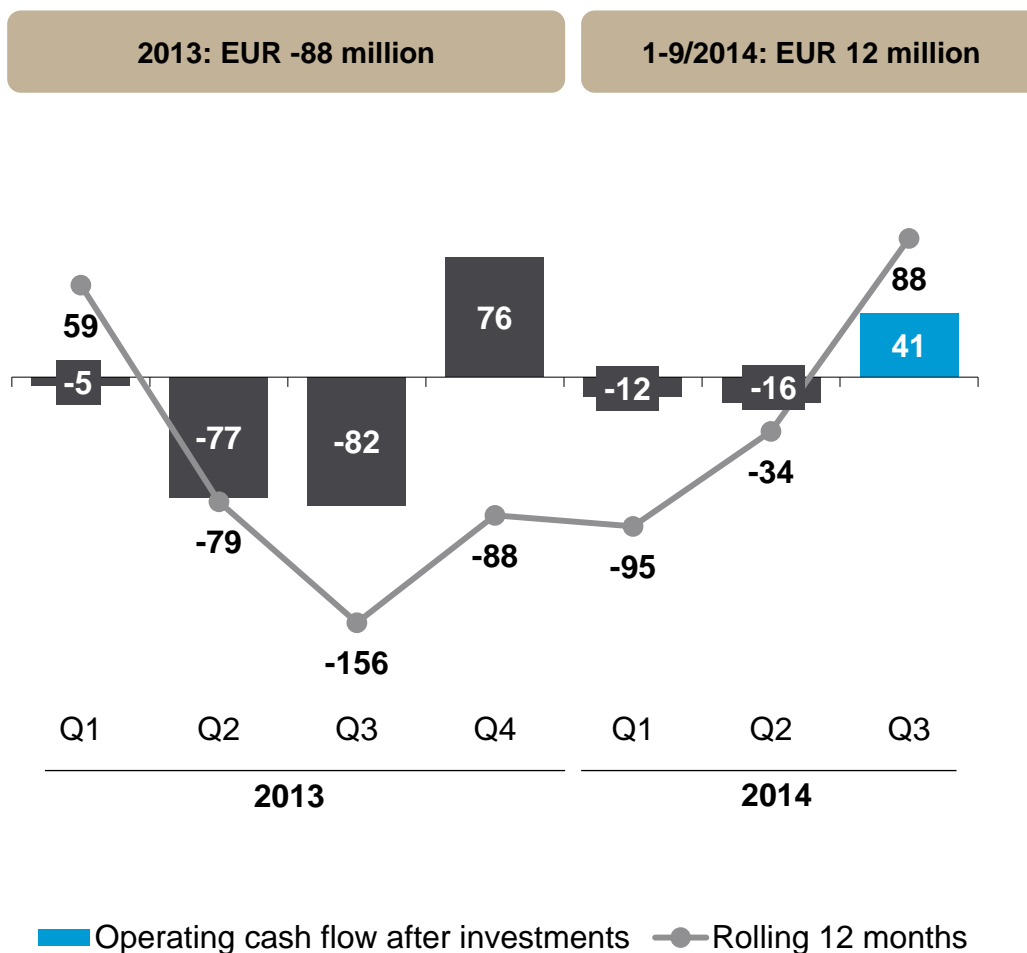


Rifei residential area  
Yekaterinburg, Russia



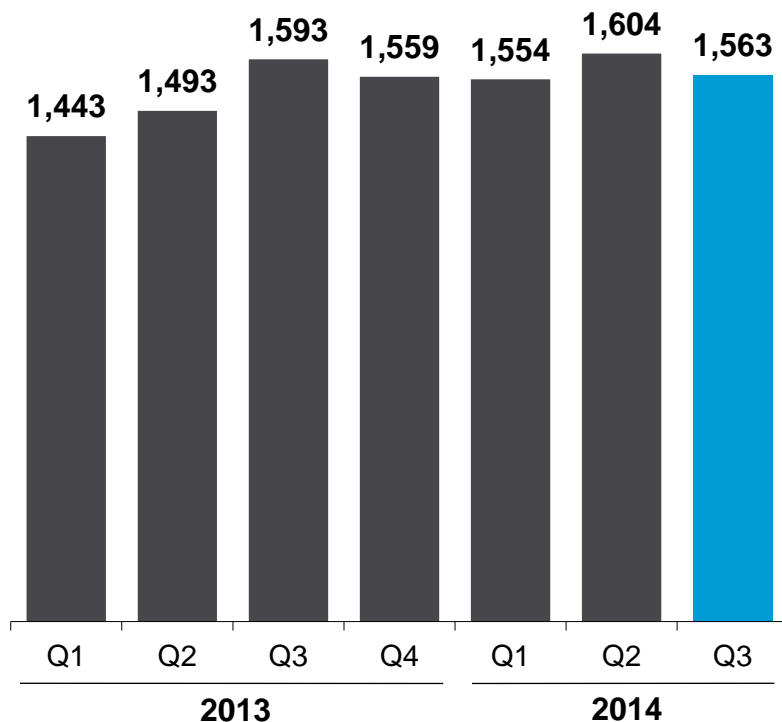
# Cash flow after investments and dividends targeted to be positive in 2014

- Strong operating cash flow after investments in Q3/2014
- Cash flow of plot investments  
EUR 21.1 million in Q3/2014 (Q3/2013: EUR 34.1 million)
  - Mostly commitments made prior to 2014
- Dividend of EUR 47.7 million paid in H1/2014



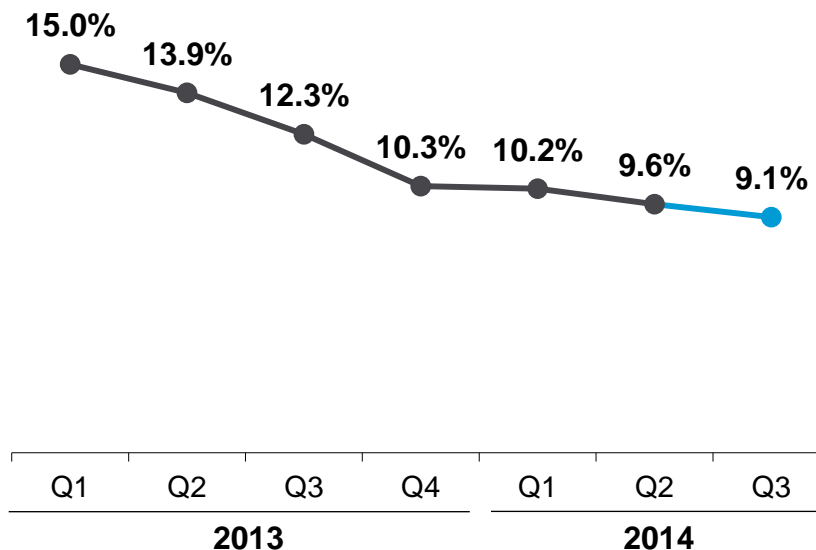
# Invested capital and ROI decreased slightly from the end of June

Invested capital (EUR million)



Return on investment (%), rolling 12 months

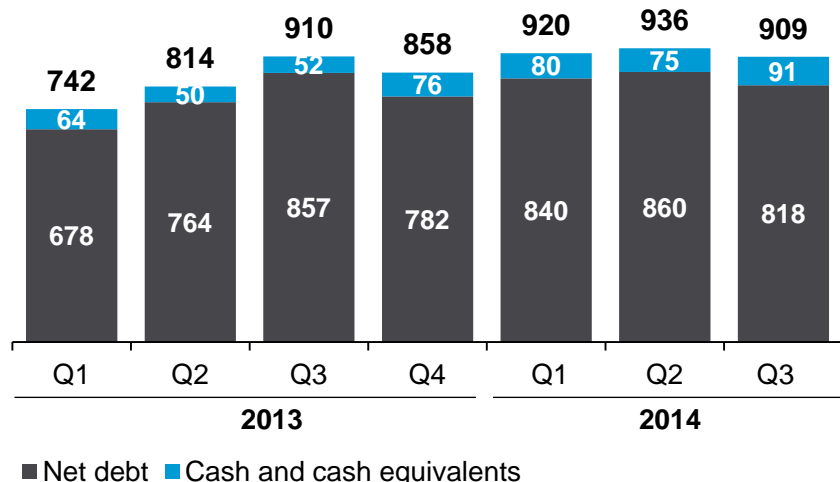
Short term target by the end of 2016:  
**Return on investment 15%**



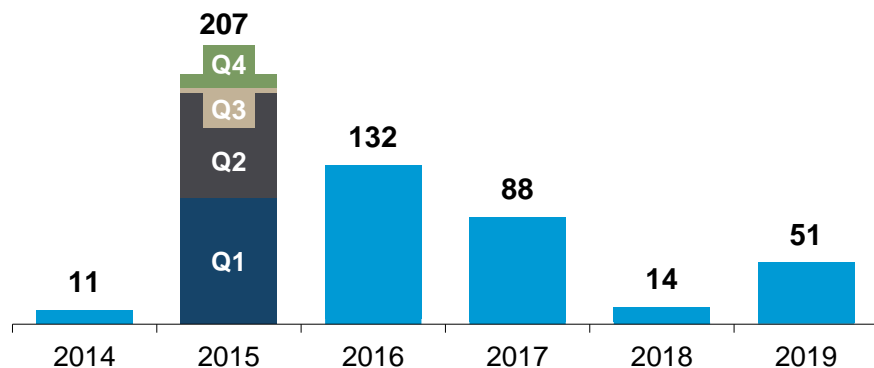
All figures according to segment reporting (POC)

# Net debt decreased, maturity profile improved

Interest-bearing debt (EUR million), IFRS



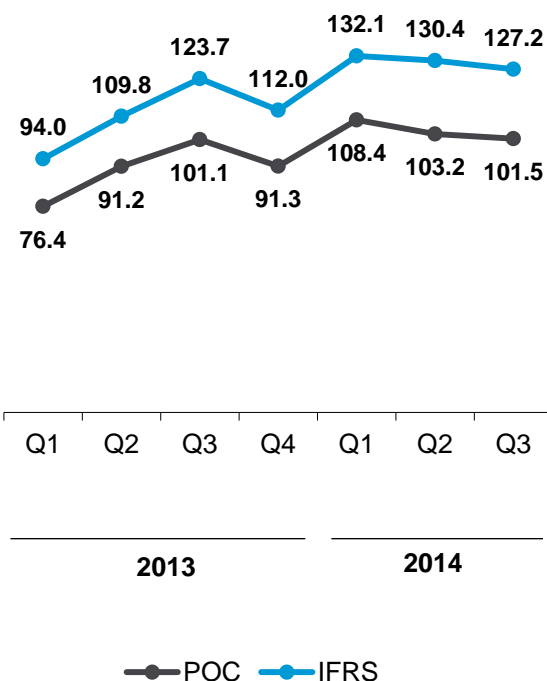
Maturity structure of long-term debt 9/2014 (EUR million)



- Progress in capital release decreased the net debt (IFRS)
- Strong liquidity buffer as a back-up for operational activities
  - Overdraft facilities EUR 60 million
  - New EUR 300 million syndicated long-term revolving credit facility signed in October. The new facility will replace the old bilateral facilities of same amount
- EUR 80 million of refinancing concluded to improve the maturity profile
  - EUR 50 million pension loan maturing in August 2019
  - EUR 30 million term loan maturing in August 2017
  - Average interest of the new loans below the average interest of YIT's debt portfolio

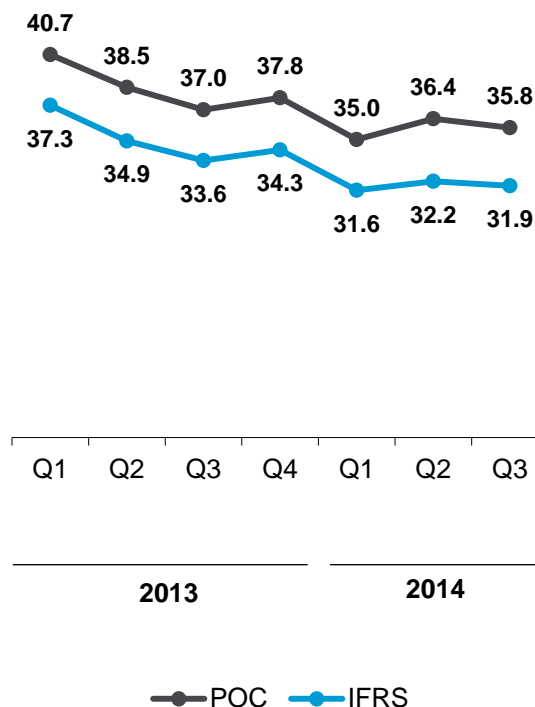
# Gearing decreased slightly

Gearing (%)



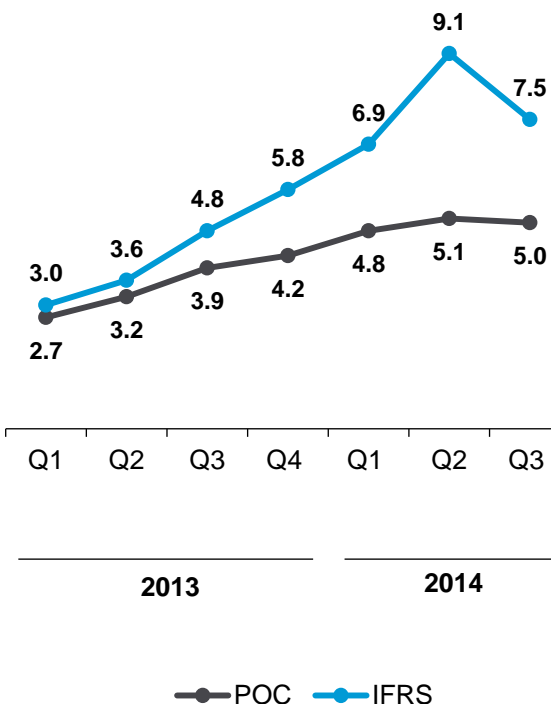
Financial covenant tied to gearing (maximum level of 150.0%, IFRS) in the RCFs signed in October.

Equity ratio (%)



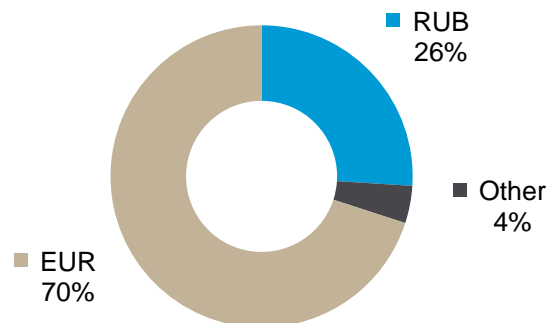
Financial covenant tied to the equity ratio (minimum level of 25.0%, IFRS) in bank loans and RCFs.

Net debt/EBITDA (Multiple, x)



# Weakening of the ruble weighed on the Q3/2014 results

Revenue split 1-9/2014



Impact of changes in foreign exchange rates (EUR million)

	Q1/2014	Q2/2014	Q3/2014
Revenue, POC*	-21.8	-19.2	-12.9
EBIT, POC*	-2.9	-2.5	-1.3
Order backlog, POC**	-81.6	60.0	-80.7
Equity, IFRS** (translation difference)	-29.5	20.6	-28.2

\* Compared to the corresponding period in 2013

\*\* Compared to the end of previous quarter

- The Russian ruble was 15% weaker in 1-9/2014 on average compared to the comparison period

## Principles of managing currency risks

- Sales and costs typically in same currency, all foreign currency items hedged  
→ no transaction impact
- Currency positions affecting the income statement are hedged
  - Loans to subsidiaries in local currency (excluding equity-like investments in Russia), EUR 137.9 million in 9/2014 to Russian subsidiaries
- Equity and equity-like investments in Russia not hedged
  - Considered to be of permanent nature
  - FX changes recognized as translation difference in equity
  - Total exposure: EUR 364.9 million in 9/2014



# Good progress in capital release

- The Ukrainian crisis has increased cautiousness of Western players in Russia which has slowed down the sales of slow-moving assets

Target for capital release	Actions in Q3/2014	Cumulative progress since 9/2013
Reducing the inventory of unsold completed apartments in Finland >EUR 50 million	<ul style="list-style-type: none"> <li>• Active sales to investors covering a wide variety of apartments</li> </ul>	<ul style="list-style-type: none"> <li>• No net progress so far</li> </ul>
Selling self-developed business premises projects in Finland (currently under construction) EUR 80 million	<ul style="list-style-type: none"> <li>• Sale of the shopping centre of Tikkurila Commercial Centre Dixi in Vantaa</li> </ul>	<ul style="list-style-type: none"> <li>• Sales value of over EUR 70 million (not fully visible in revenue and cash flow yet)</li> </ul>
Slow-moving assets >EUR 150 million	<ul style="list-style-type: none"> <li>• Several smaller deals in Russia, sale of the Grand Office business premises located in Vilnius</li> </ul>	<ul style="list-style-type: none"> <li>• EUR 44 million sold or agreed (not fully visible in revenue and cash flow yet)</li> </ul>
New off-balance sheet partnership models in plot acquisitions >EUR 100 million	<ul style="list-style-type: none"> <li>• No deals in Q3/2014</li> </ul>	<ul style="list-style-type: none"> <li>• The value of plots financed by external partner EUR 34 million</li> </ul>

# 5

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## Outlook and guidance



Konepaja residential area  
Helsinki, Finland

# New short-term targets for 2015 and 2016

## → Solid foundation for future growth

- YIT's long-term strategic focus areas unchanged
  - Growth from self-developed and co-operation projects
  - The role of financial operating space is emphasised
- In the short-term, focus is on improving capital and cost efficiency instead of growth
- New competitiveness programme to support reaching the financial targets
- The business is developed according to the long-term targets

	Target level for 2015 and 2016
Revenue growth (POC)	0-5% annually on average
Return on investment (POC, rolling 12 months)	15%
Net debt (IFRS)	Below EUR 600 million

# New segment structure and composition of the Group Management Board

- Group structure as of January 1, 2015:



- The 2014 comparison figures for the new segment structure will be published in March 2015

- Group Management Board as of January 1, 2015:
  - Kari Kauniskangas, President and CEO
  - Tero Kiviniemi, EVP, Head of the Business Premises and Infrastructure segment
  - Teemu Helppolainen, Head of the Housing Russia segment
  - Antti Inkilä, Head of the Housing Finland and CEE segment
  - Timo Lehtinen, CFO
  - Juhani Nummi, SVP, Business Development
  - Pii Raulo, SVP, Human Resources

# Market outlook 2014, Housing

## Finland

- Housing start-ups expected to decrease. Forecasted start-ups 25,000 units in Finland in 2014 (RT Confederation of Finnish Construction Industries, October 2014) while the estimated long-term annual need is 24,000-29,000 units (VTT Technical Research Centre of Finland, January 2012)
- YIT expects housing prices to remain stable on average, polarisation continues
- Macro uncertainties and below-average consumer confidence continue to impact the residential market
- Mortgage interest rates are expected to remain low

## The Baltic countries, the Czech Republic and Slovakia

- Housing construction volumes expected to increase in the Baltic countries (Forecon, June 2014)
- Housing start-ups expected to decrease slightly in the Czech Republic and increase slightly in Slovakia (Euroconstruct, June 2014)
- YIT expects housing prices to increase slightly
- The weakened macroeconomic outlook in Russia may have a negative effect on the housing market

## Russia

- Housing construction is estimated stay on a par with the previous year (Forecon, June 2014)
- YIT expects housing prices to be stable on average and mortgage rates to increase during the rest of the year
- Weakened macro outlook might impact the residential market

Housing starts\*



Housing prices



Mortgage interest rates



Consumer confidence



\*Source: RT Confederation of Finnish Construction Industries, October 2014

Housing construction volumes\*\*,  
The Baltic countries



Housing starts\*\*,  
The Czech Republic and Slovakia



Housing prices



\*\*Sources: Forecon and Euroconstruct, June 2014

Housing construction volumes\*\*\*



Housing prices



Mortgage interest rates



\*\*\*Source: Forecon, June 2014



# Market outlook 2014, Business Premises and Infrastructure

## Business premises in Finland

- Demand for business premises expected to remain weak
  - Commercial construction is expected to remain stable and office construction to remain weak as vacancy rates remain high (RT Confederation of Finnish Construction Industries, October 2014)
- Demand for good projects in prime locations expected to be good

## Business premises in the Baltic countries and Slovakia

- New non-residential construction is expected to grow by 9% in the Baltic countries (Forecon, June 2014)
- New non-residential construction is expected to decrease by 8% in Slovakia (Euroconstruct, June 2014)

## Infrastructure in Finland

- Infrastructure construction forecasted to decrease slightly (RT Confederation of Finnish Construction Industries, October 2014)
- Competition for smaller contracts expected to remain tough
- The government expected to initiate further investment into the rail network in the capital region (west metro extension)

Market\*



Commercial construction\*



Office construction\*



Vacancy rate



\*Source: RT Confederation of Finnish Construction Industries, October 2014

New non-residential construction\*\*, the Baltic countries



New non-residential construction\*\*, Slovakia



\*\*Sources: Forecon and Euroconstruct, June 2014

Infrastructure construction\*\*\*



Competition



\*\*\*Source: RT Confederation of Finnish Construction Industries, October 2014

# Margin guidance for 2014 lowered in October

**The Group revenue** based on segment reporting is estimated to grow by **0–5%** at comparable exchange rates.

**The operating profit margin** based on segment reporting is estimated to be in the range of **6.5-7.3%** excluding non-recurring items.

Increased uncertainty over the general macroeconomic development impacts YIT's business operations and customers.



Apila residential area  
Moscow region, Russia

## More information

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# 6

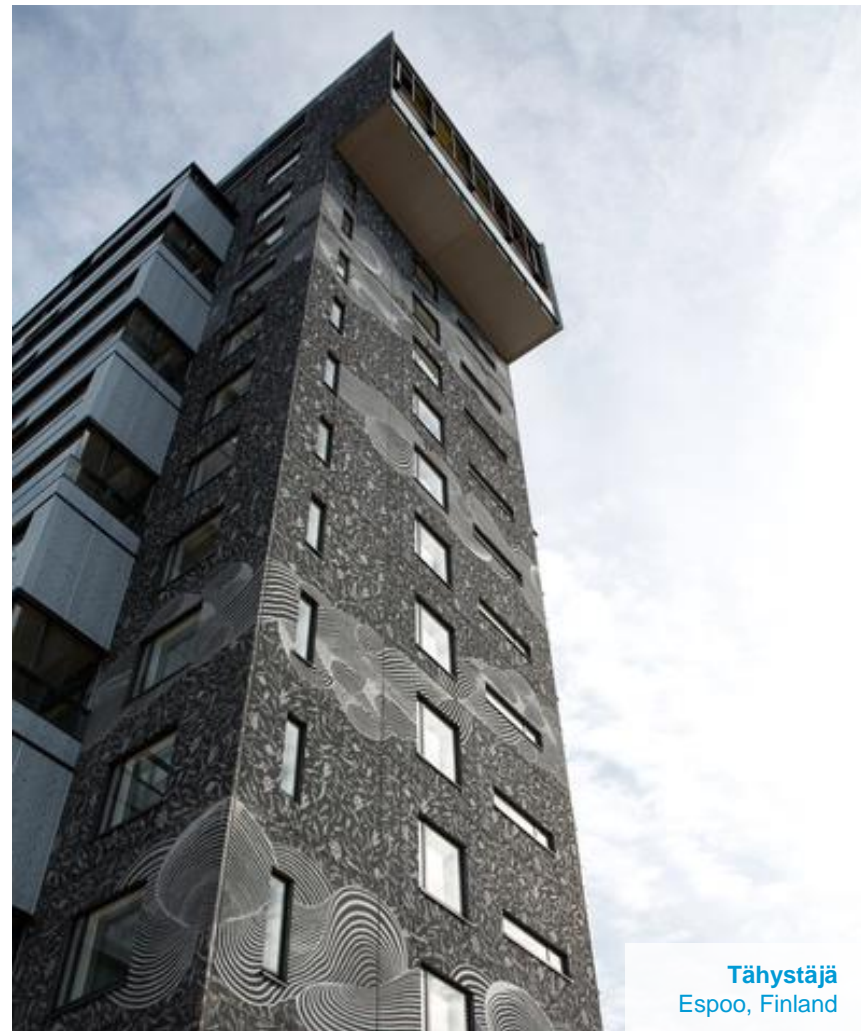
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## Appendices



# Appendices

- I. Key figures and additional information about financial position
- II. Ownership
- III. General economic indicators
- IV. Housing indicators: Finland, the Baltic countries and Central Eastern Europe, Russia
- V. Business premises indicators: Finland, the Baltic countries and Slovakia
- Infrastructure construction: Finland
- VI. Industrial indicators: Finland



Tähystäjä  
Espoo, Finland



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Key figures  
and additional  
information  
about financial  
position



# Key figures 1-9/2014

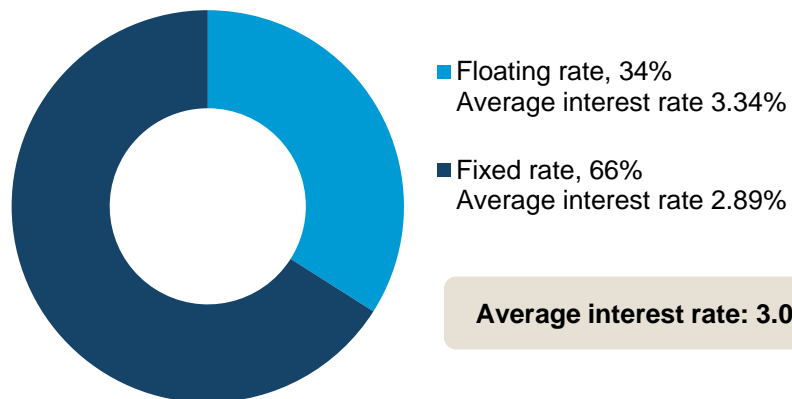
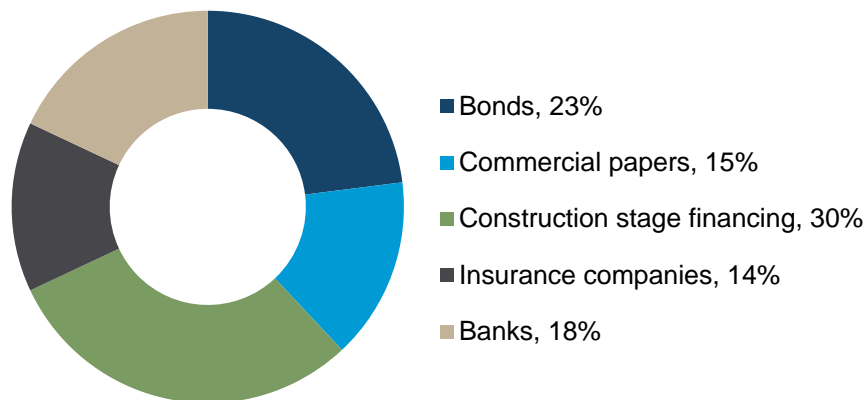
EUR million	7-9/2014	7-9/2013	Change	1-9/2014	1-9/2013	Change
Revenue	485.7	454.7	7%	1,340.2	1,337.6	0%
Operating profit	33.5	37.4	-10%	95.1	111.6	-10%
Operating profit margin	6.9%	8.2%		7.1%	8.3%	
Operating profit, excluding non-recurring items	33.5	37.4	-10%	95.1	111.6	-10%
Operating profit margin, excluding non-recurring items	6.9%	8.2%		7.1%	8.3%	
Order backlog	2,736.0	2,813.4	-3%	2,736.0	2,813.4	-3%
Profit before taxes	22.6	29.9	-24%	66.5	90.3	-26%
Profit for the review period*	16.8	23.1	-27%	51.0	69.6	-27%
Earnings per share, EUR	0.13	0.18	-28%	0.41	0.55	-25%
Operating cash flow after investments	40.7	-82.0		12.0	-164.2	
Return on investment, last 12 months	9.1%	12.3%		9.1%	12.3%	
Equity ratio	35.8%	37.0%		35.8%	37.0%	
Personnel at the end of the period	6,032	6,384	-6%	6,032	6,384	-6%

\* Attributable to equity holders of the parent company

All figures according to segment reporting (POC)

# Balanced debt portfolio

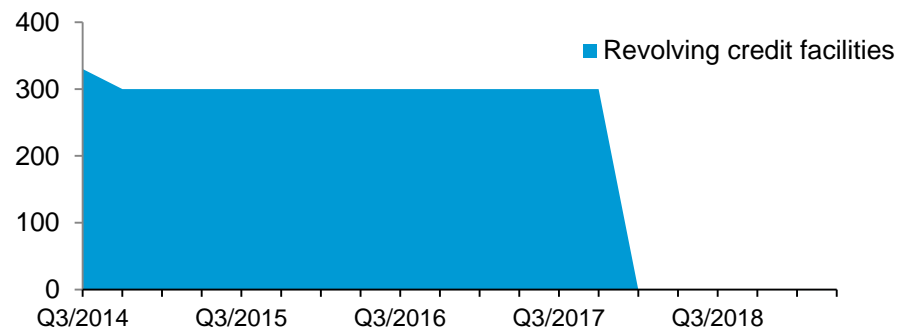
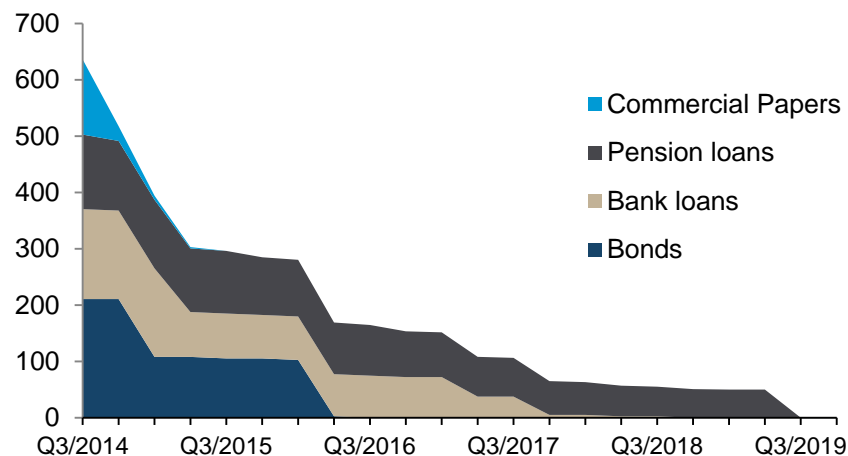
Debt portfolio 9/2014, EUR 909 million



**Average interest rate: 3.04%**

Maturity structure

Maturity profile (excluding construction stage financing)  
(EUR million), 9/2014



New EUR 300 million syndicated long-term revolving credit facility signed in October. The new facility will replace the old bilateral facilities by same amount. EUR 30 million of the old facilities will mature in December 2014.

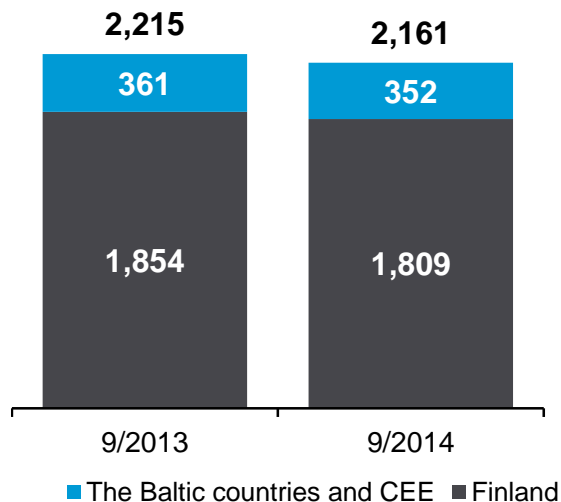
# Capital invested in plot reserves

## Housing Finland, the Baltic countries and CEE

9/2013: Finland: EUR 196.1 million  
The Baltic countries and CEE: EUR 69.6 million

9/2014: Finland: EUR 172.2 million  
The Baltic countries and CEE: EUR 70.3 million

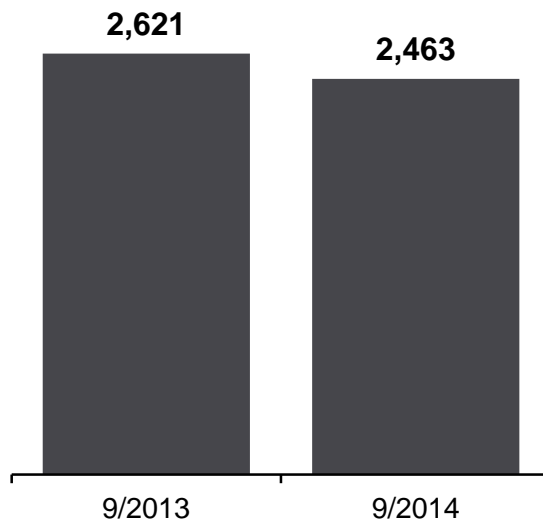
Building rights,  
thousand sq. m.



## Housing Russia\*

9/2013: EUR 304.4 million  
9/2014: EUR 251.1 million

Building rights,  
thousand sq. m.

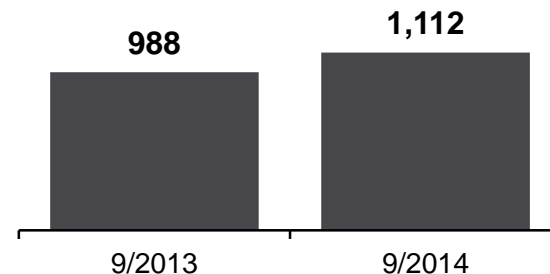


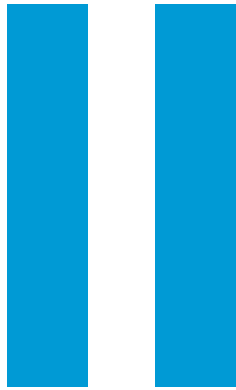
\*Includes Gorelovo industrial park

## Business Premises and Infrastructure

9/2013: EUR 103.2 million  
9/2014: EUR 95.4 million

Building rights,  
thousand sq. m.





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Ownership

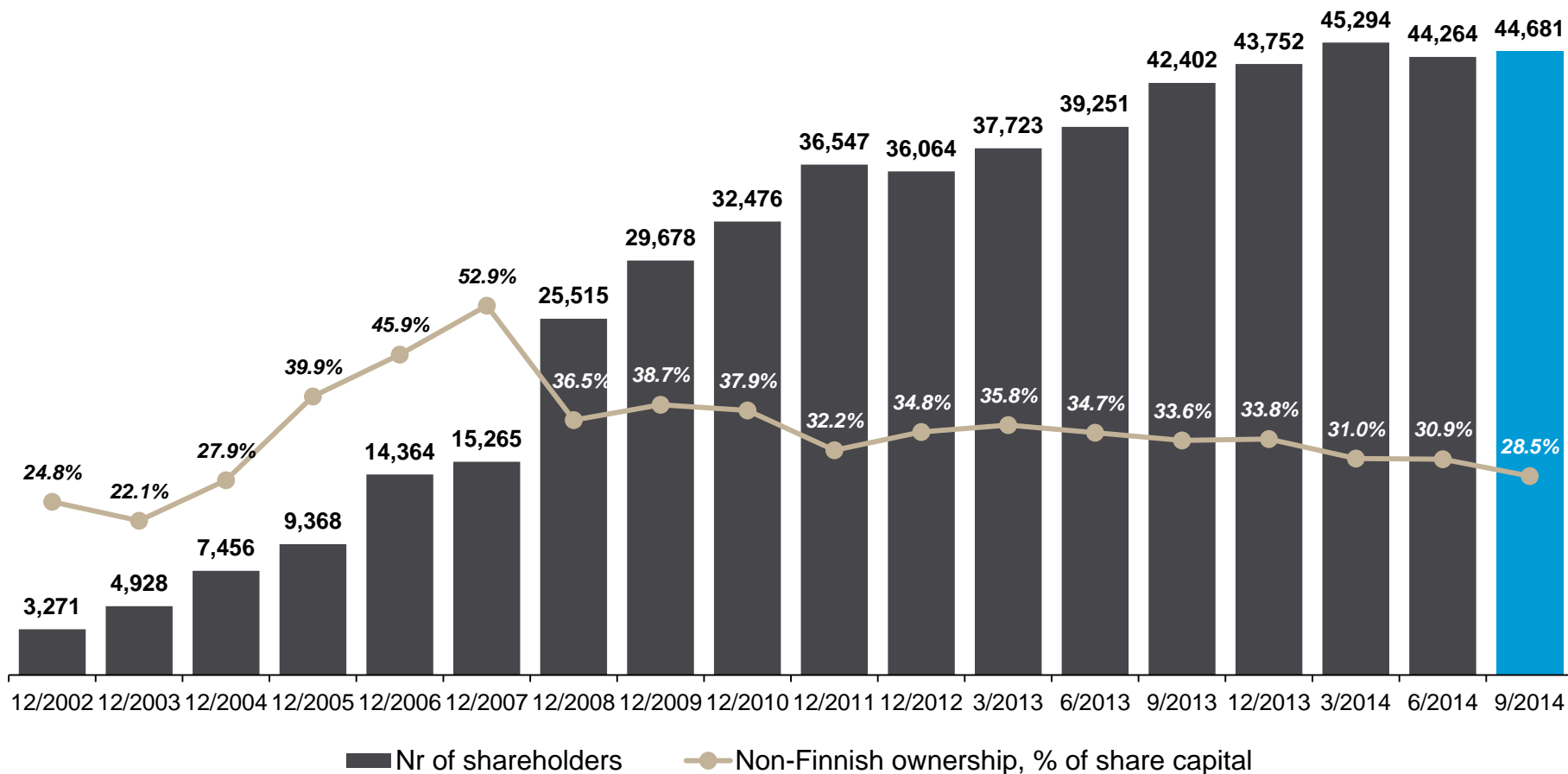
# YIT's major shareholders

September 30, 2014

Shareholder	Shares	% of share capital
1. Structor S.A.	12,750,000	10.02
2. Varma Mutual Pension Insurance Company	11,292,100	8.88
3. Herlin Antti	4,274,180	3.36
4. Mandatum Life Insurance Company Limited	4,171,675	3.28
5. Elo Pension Company	3,335,468	2.62
6. OP funds	2,552,429	2.01
7. Svenska Litteratursällskapet i Finland r.f.	1,680,400	1.32
8. YIT Corporation	1,638,678	1.29
9. The State Pension Fund	1,635,000	1.29
10. Brotherus Ilkka	1,304,740	1.03
Ten largest total	44,634,670	35.10
Nominee registered shares	22,248,632	17.49
Other shareholders	60,340,120	47.41
Total	127,223,422	100.00

# More than 44,000 shareholders

Number of shareholders and share of non-Finnish ownership, September 30, 2014





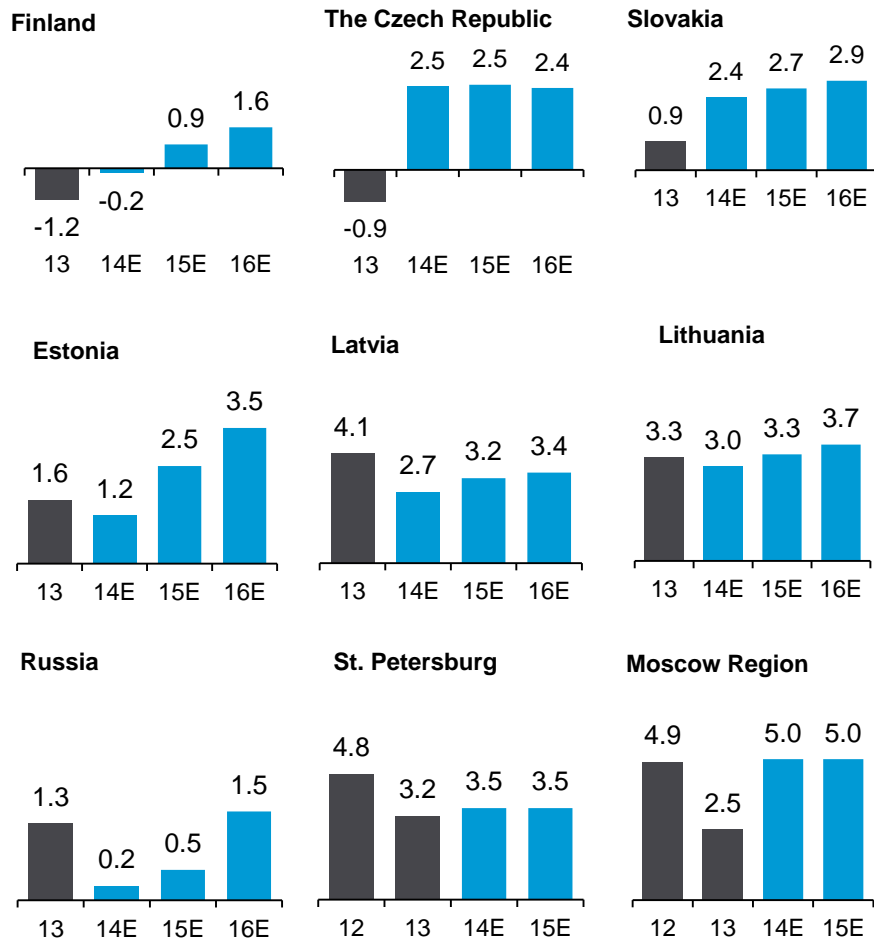


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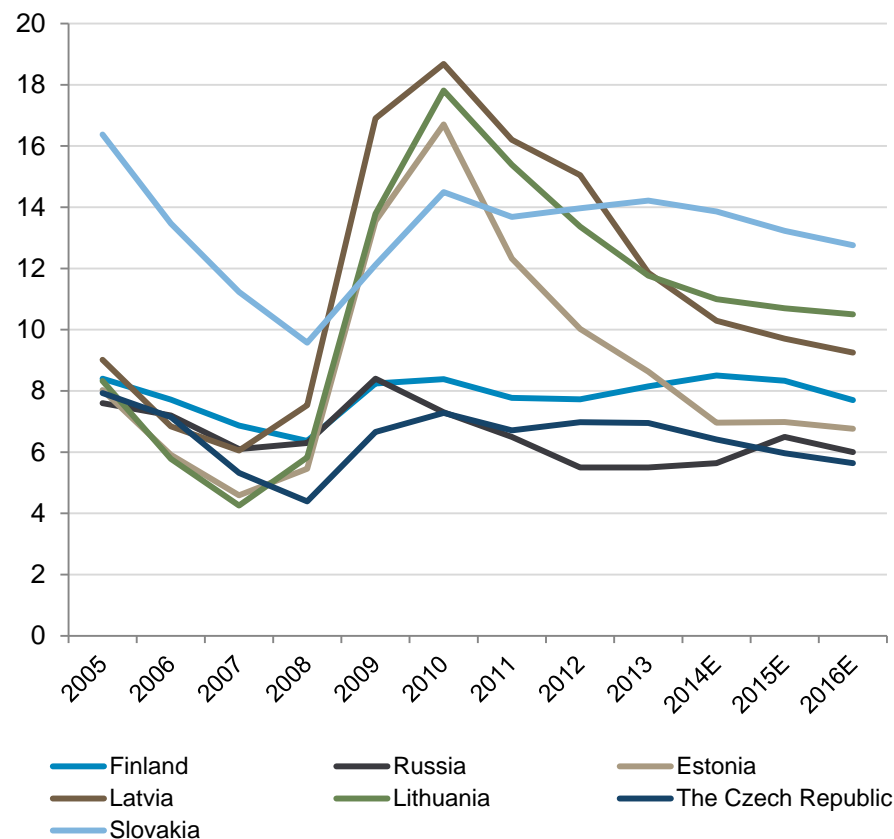
General  
economic  
indicators

# Strongest growth expected in the Baltic countries

GDP-growth in YIT's operating countries, %



Unemployment rate in YIT's operating countries, %



Sources: GDP-growth: IMF, October 2014, St. Petersburg and Moscow Region: Forecon, June 2014, Unemployment: IMF, October 2014

# IV

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## **Housing indicators**

Finland

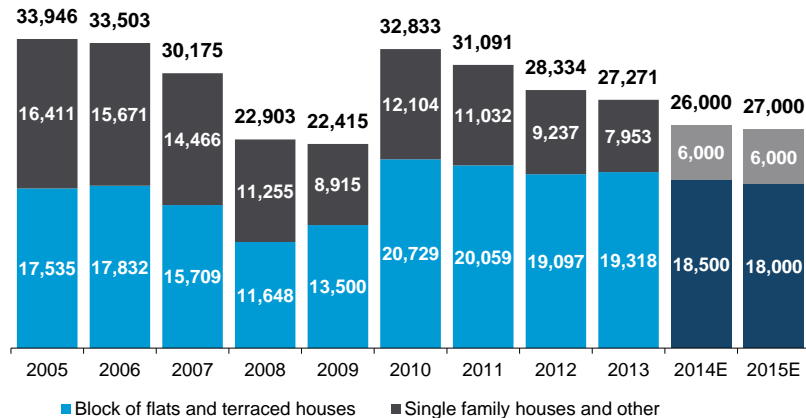
The Baltic countries

Central Eastern Europe (CEE)

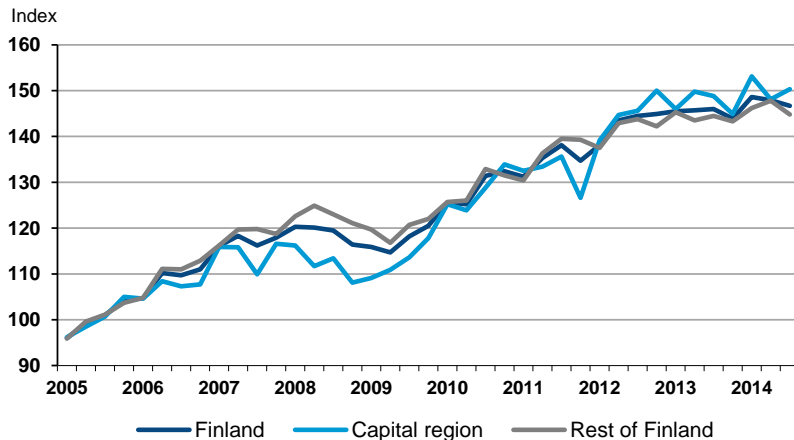
Russia

# Finland – Housing start-ups expected to decrease in 2014

Residential start-ups, units



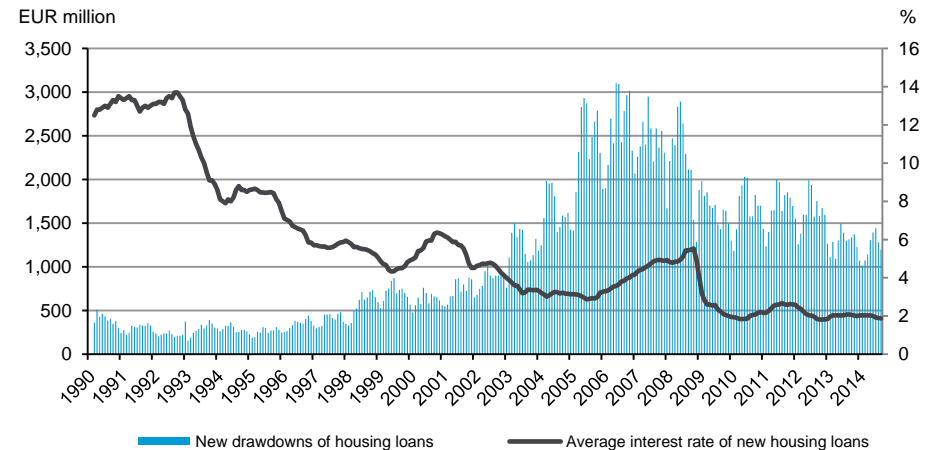
Prices of new dwellings



Consumer confidence - Views on economic situation in one year



Volume of new mortgages and average interest rate



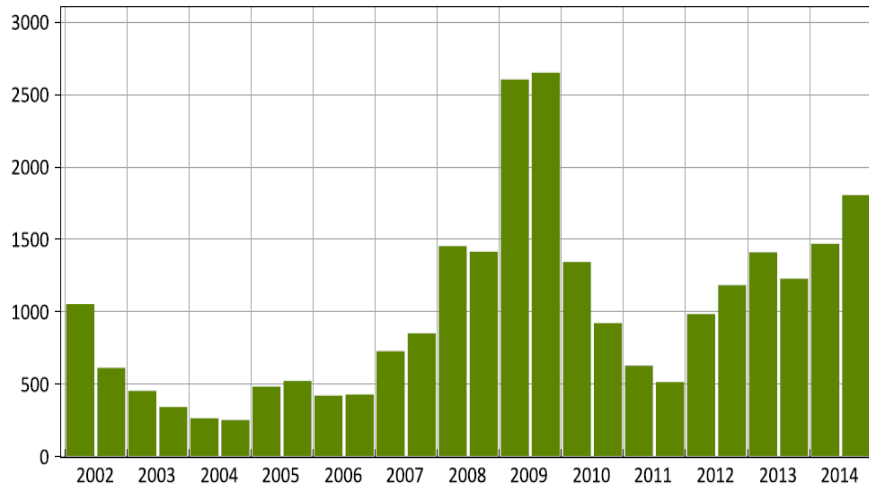
Sources: Residential start-ups: 2005-2013 Statistics Finland, 2014E - 2015E RT Confederation of Finnish Construction Industries, October 2014, Consumer confidence: Statistics Finland October 27, 2014

House prices: Statistics Finland October 28, 2014, Loans and Interest rates: Bank of Finland September 30, 2014

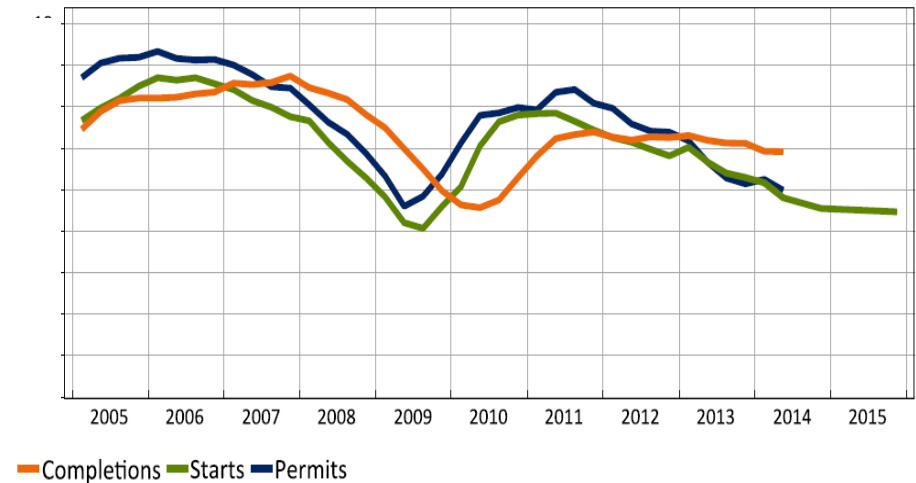
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# Housing indicators have weakened slightly in Finland

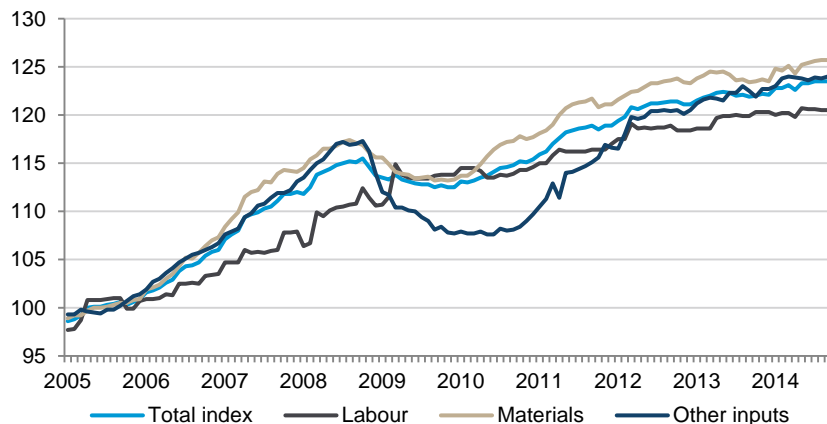
Unsold completed units (residential development projects)



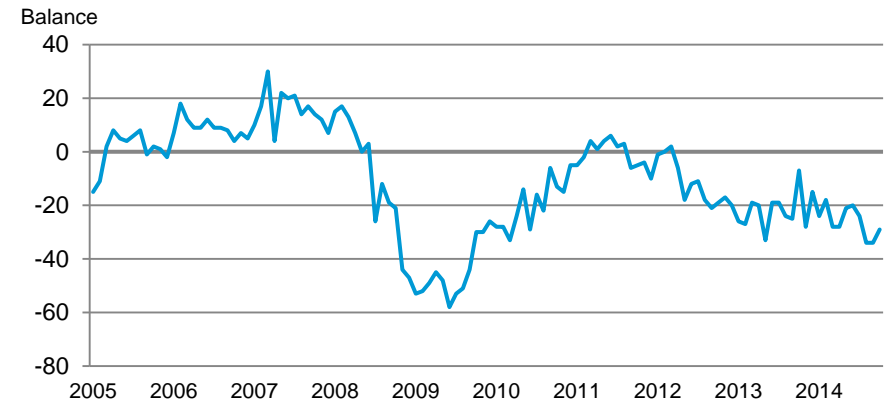
Building permits, start-ups and completions, million m3



Construction cost index (2005=100)



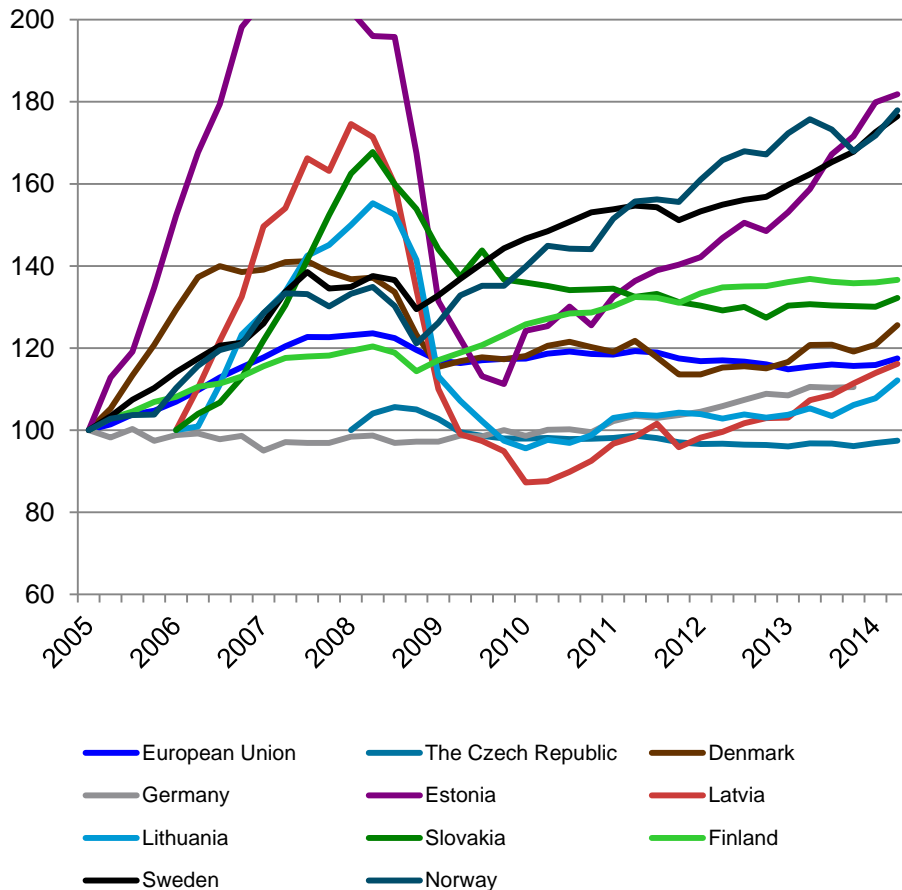
Construction confidence



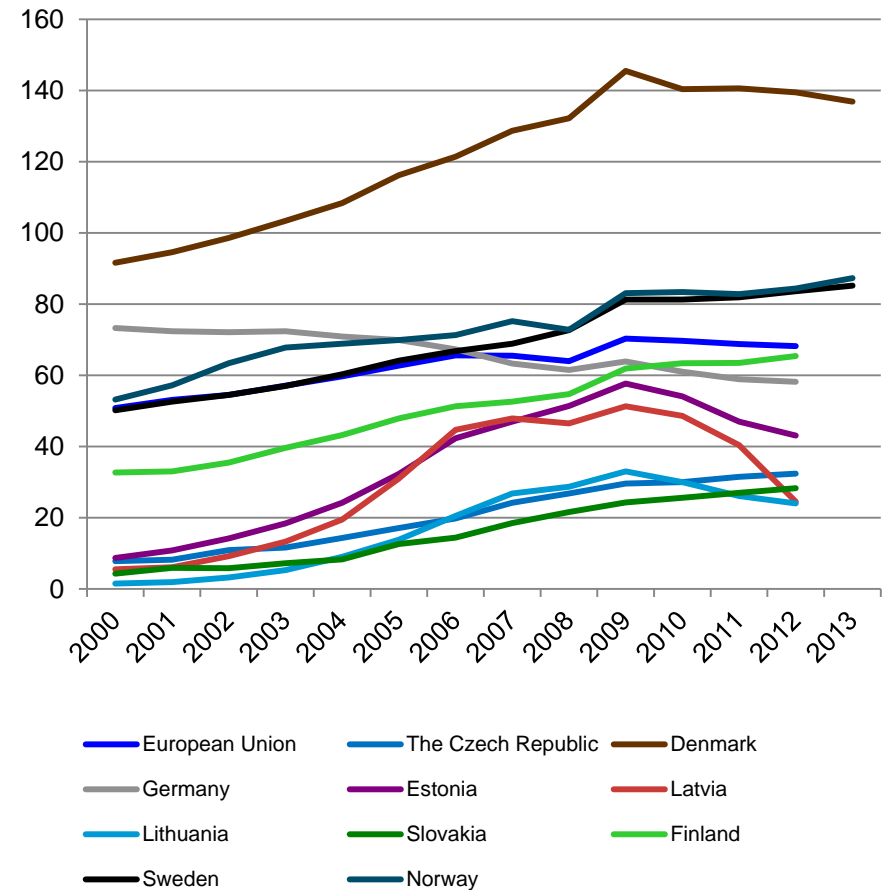
Sources: Confederation of Finnish Construction Industries RT, October 2014, Construction confidence: Confederation of Finnish Industries EK, October 27 2014, Construction cost index: Statistics Finland October 15, 2014

# Household debt relatively low in Finland

House price index in different countries



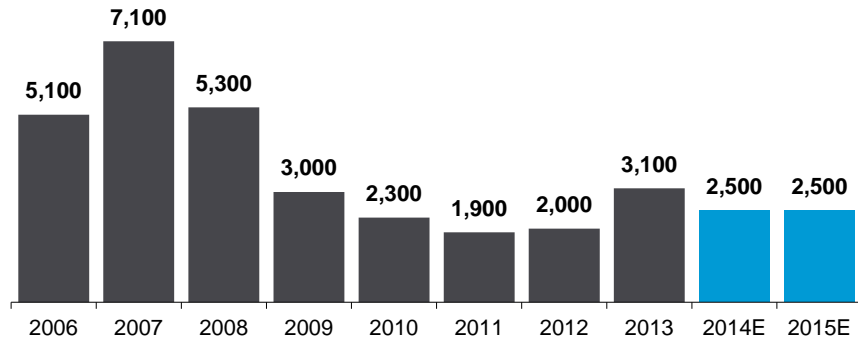
Households debt to GDP (%)



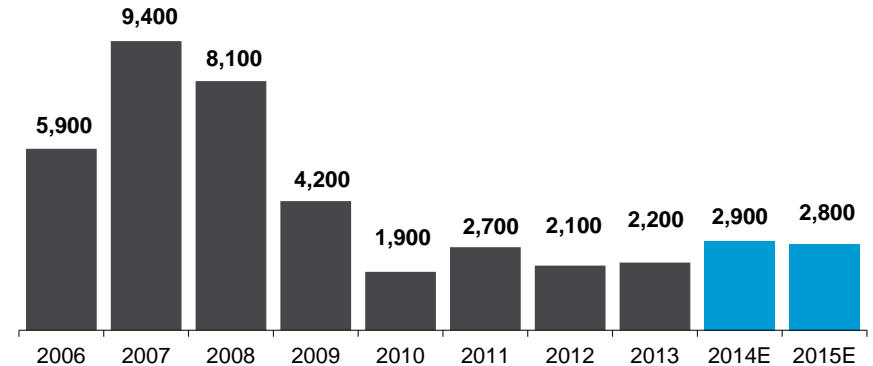


# The Baltic countries – Growth is expected in residential construction

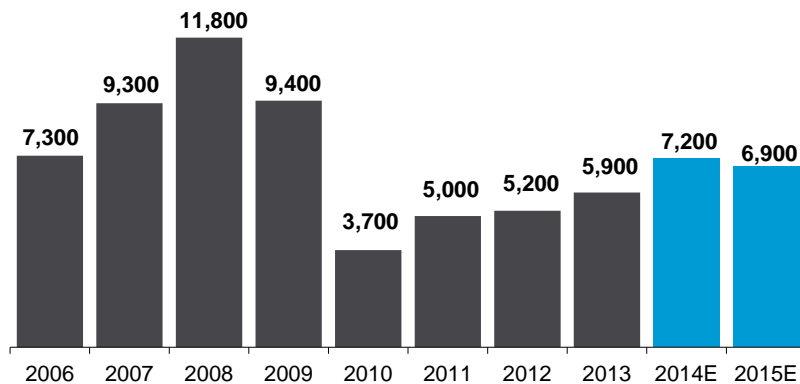
Residential completions in Estonia, units



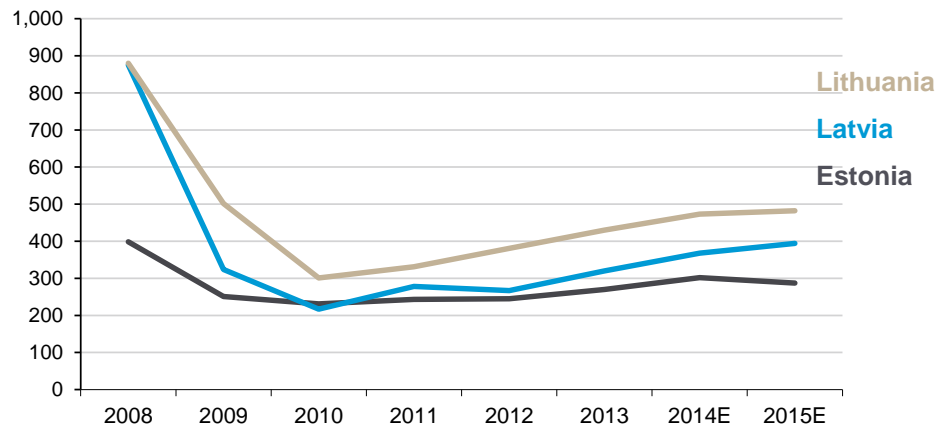
Residential completions in Latvia, units



Residential completions in Lithuania, units

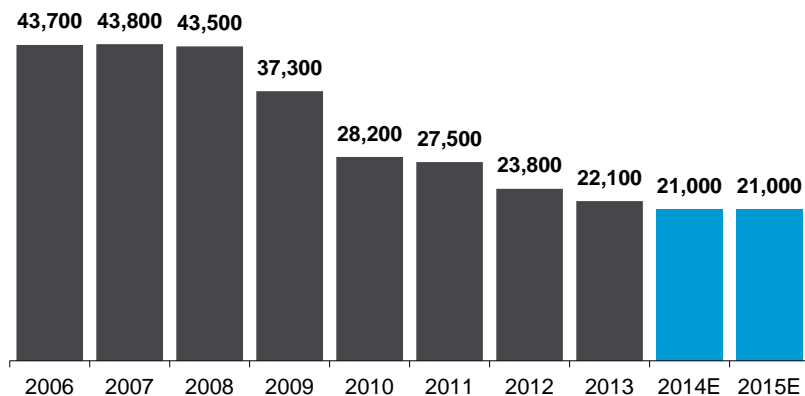


New residential construction in the Baltic countries, EUR million

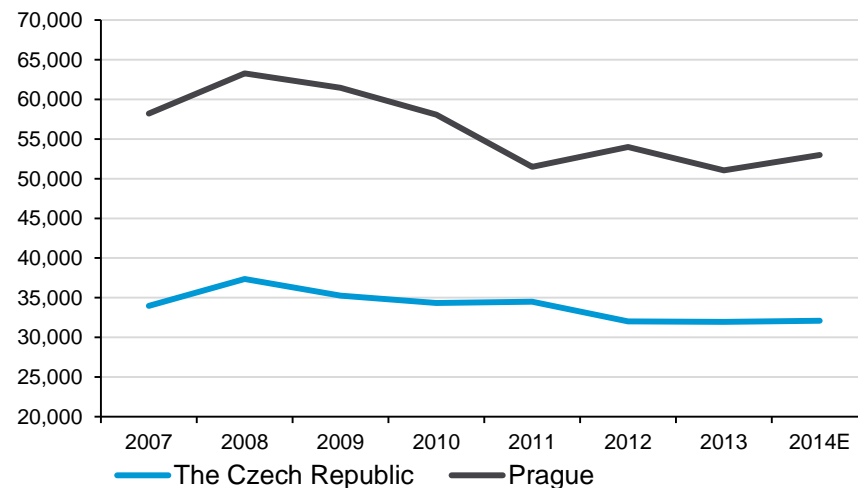


# The Czech Republic and Slovakia – Start-ups forecasted to remain relatively low

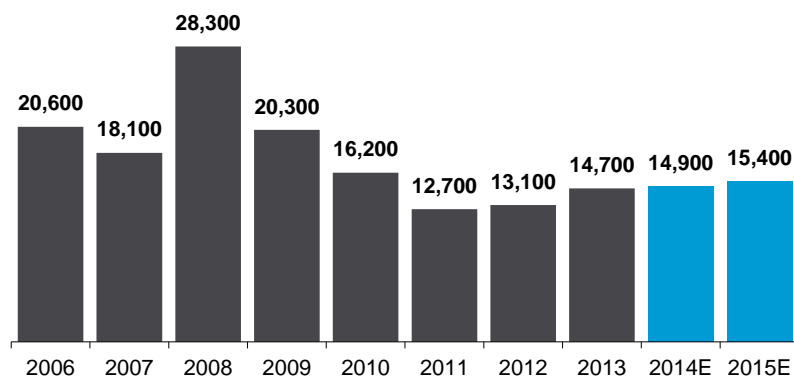
Residential start-ups in the Czech Republic , units



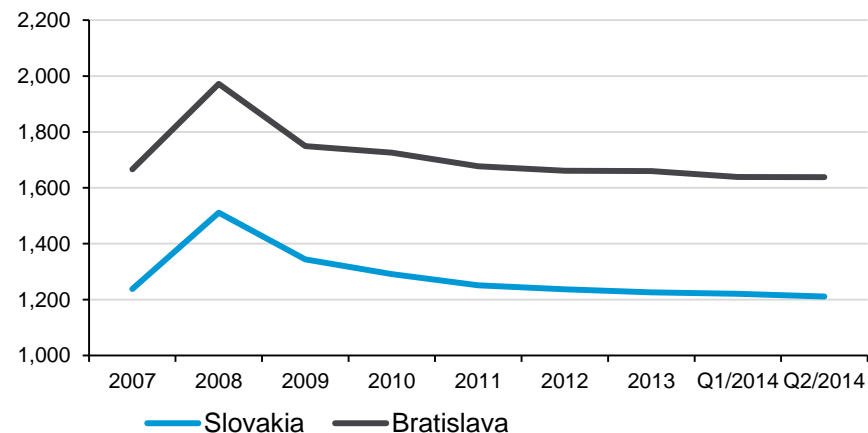
Housing prices in the Czech Republic and Prague CZK/ sq. m.



Residential start-ups in Slovakia, units



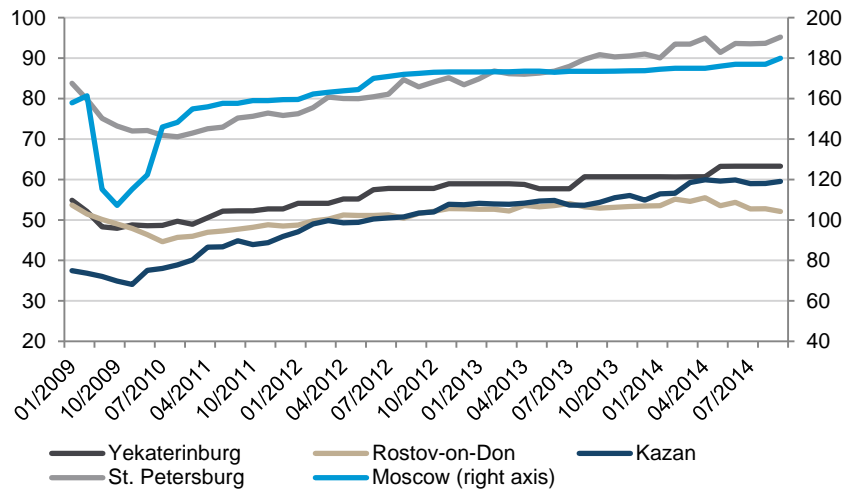
Housing prices in Slovakia and Bratislava, EUR/ sq. m.



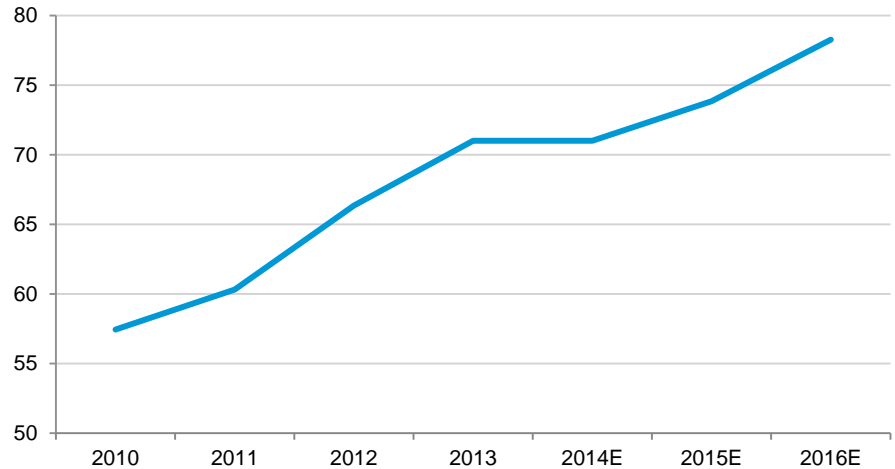
Sources: Residential start-ups: Euroconstruct June 2014, Other data: The Czech Republic: JLL 2013, Slovakia: National Bank of Slovakia, September 2014

# Russia – Housing indicators support demand

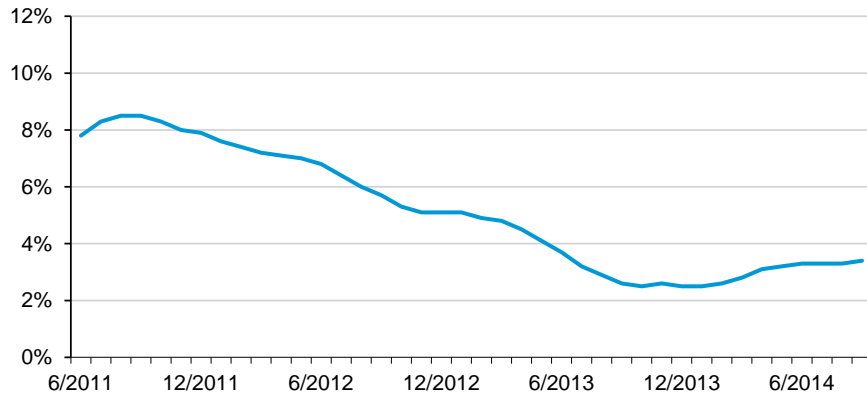
House prices in primary markets, thousand RUB (1/2009-9/2014)



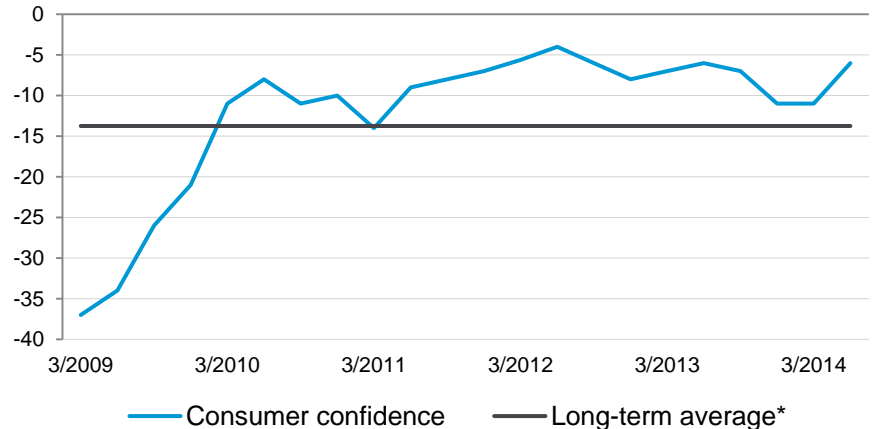
New residential construction, EUR billion



Inflation in building materials 6/2011-9/2014



Consumer confidence



\*Average 12/1998-6/2014

Sources: House prices: YIT, New residential construction volume: Forecon, June 2014, Inflation in building materials: PMR Construction review, Consumer confidence: Reuters



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## **Business Premises**

Finland

The Baltic countries

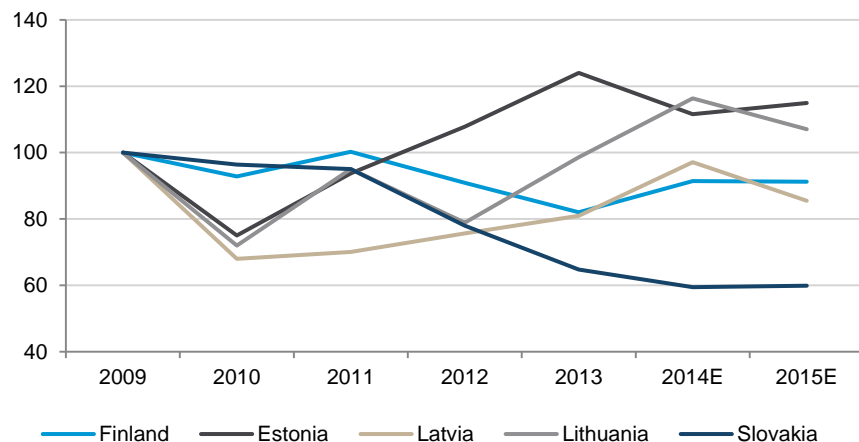
Slovakia

## **Infrastructure**

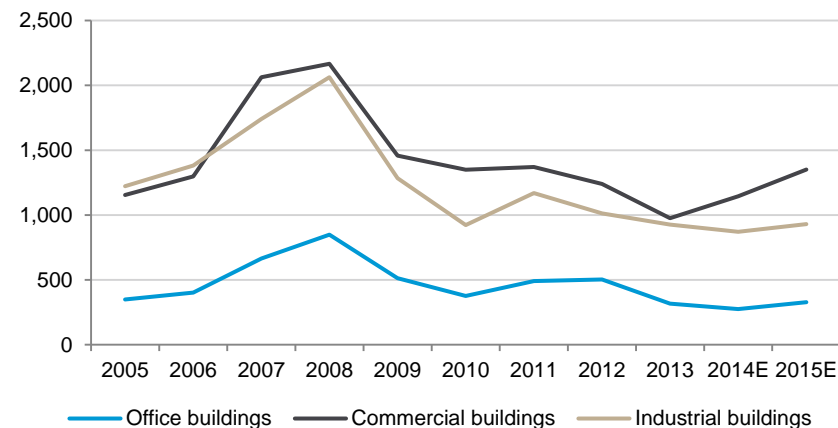
Finland

# Non-residential construction forecasted to pick up slightly

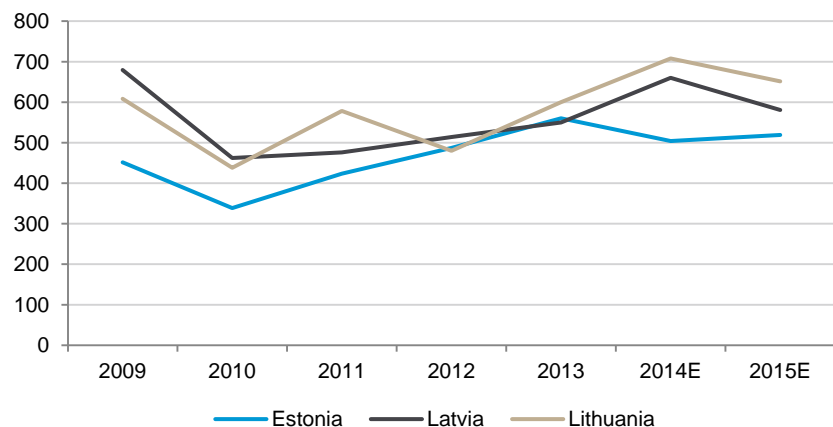
New non-residential construction volumes, index



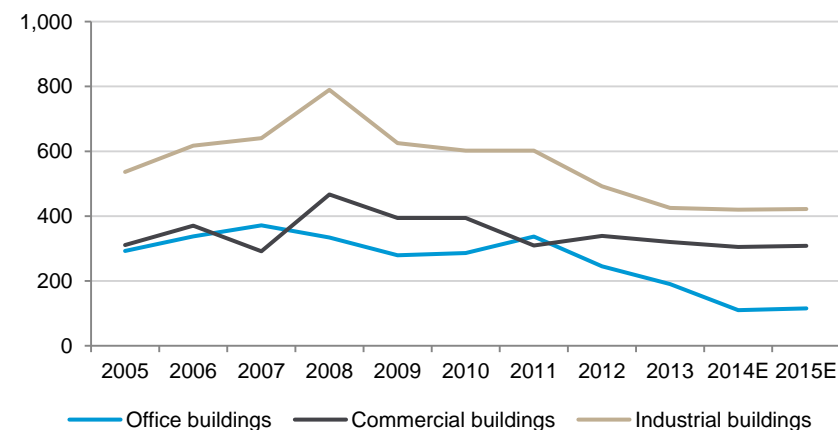
New non-residential construction in Finland, EUR million



New non-residential construction in The Baltic countries, EUR million



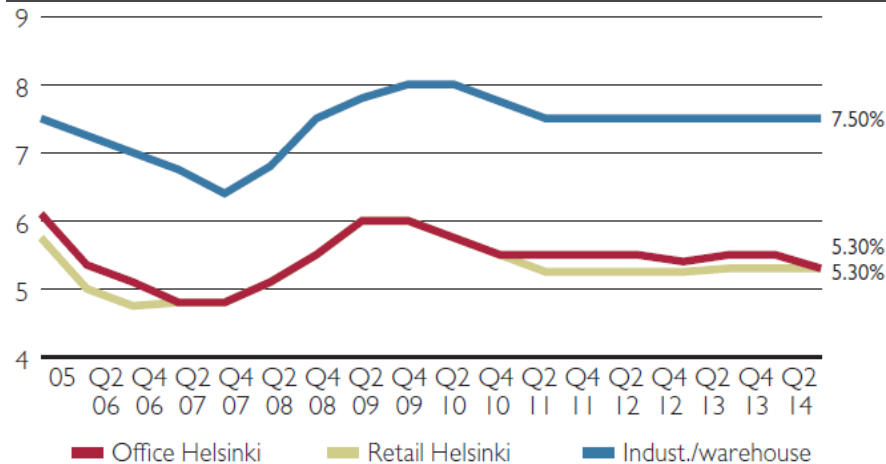
New non-residential construction in Slovakia, EUR million



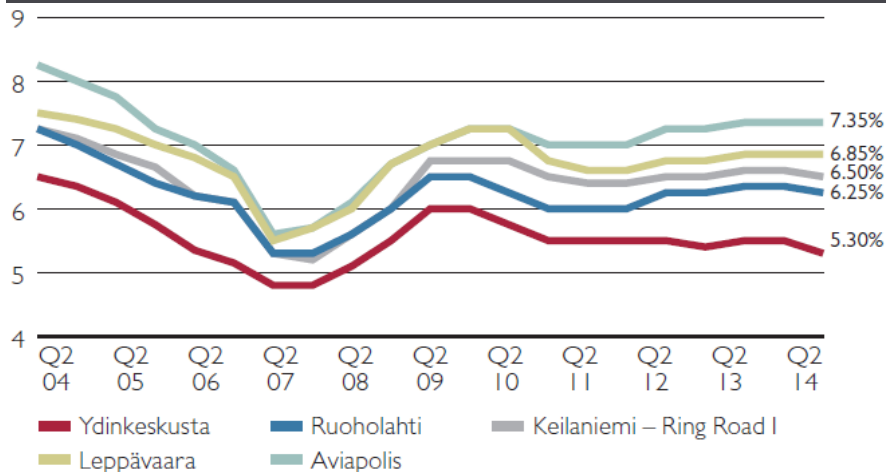
Sources: Euroconstruct and Forecon, June 2014

# Finland – Yields have remained stable

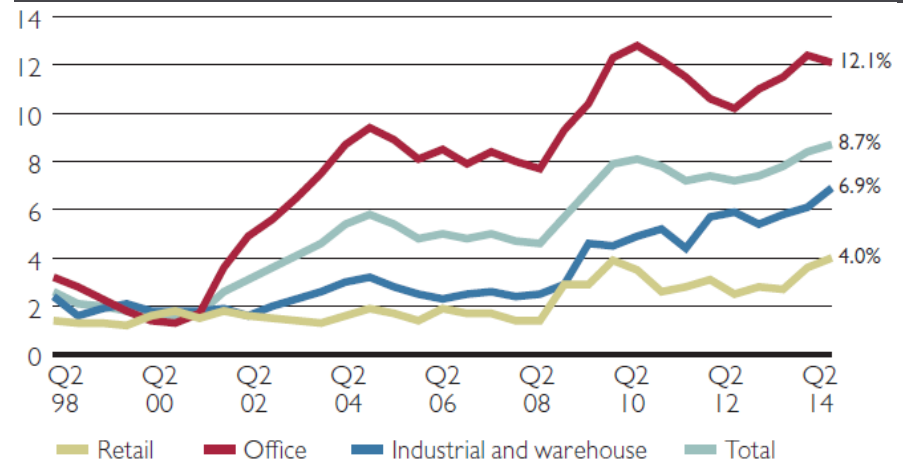
Prime yields in Helsinki Metropolitan Area, %



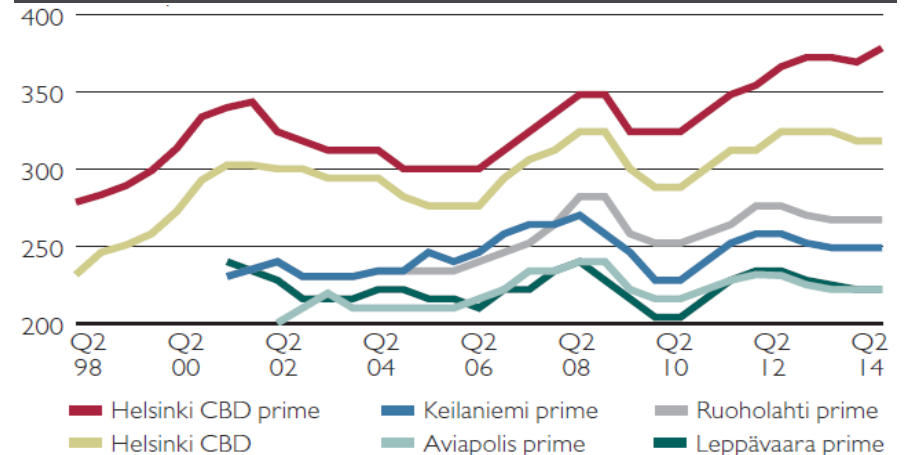
Office yields in Helsinki Metropolitan Area, %



Vacancy rates in Helsinki Metropolitan Area



Rental levels of office space in Helsinki Metropolitan Area, EUR / sq. m. / year



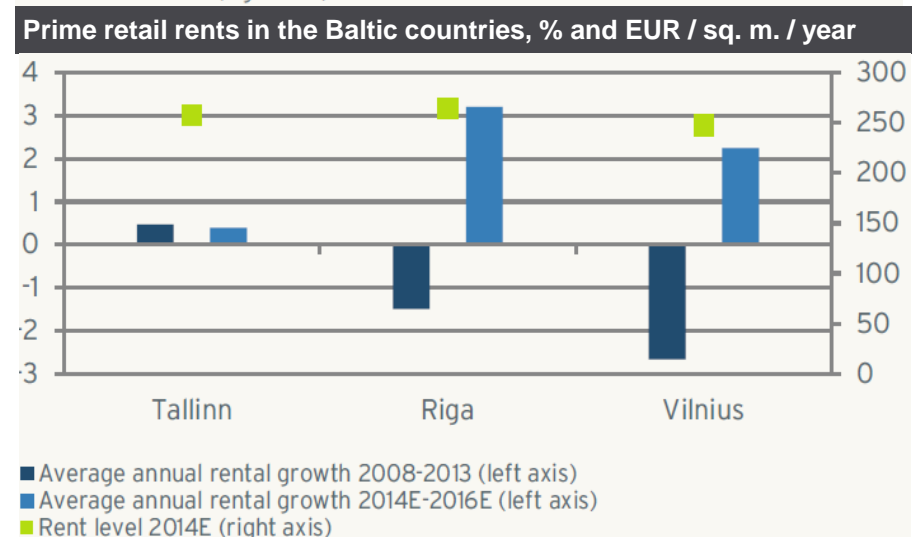
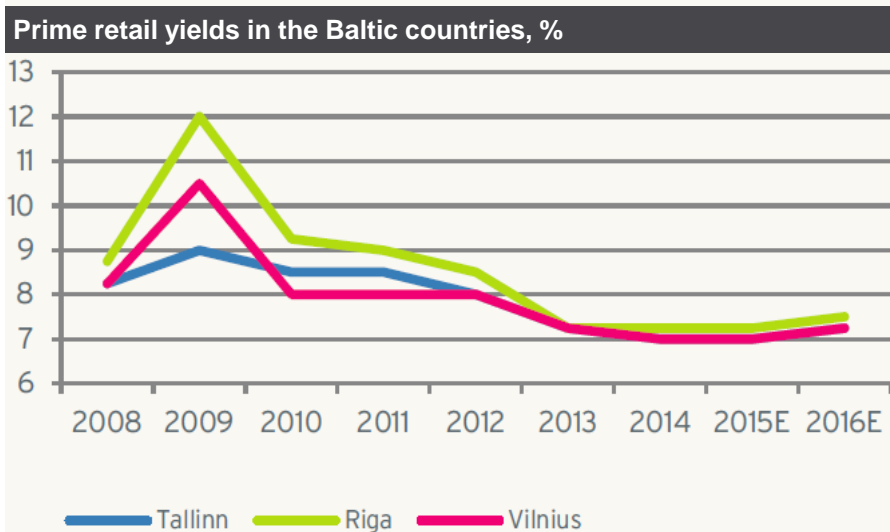
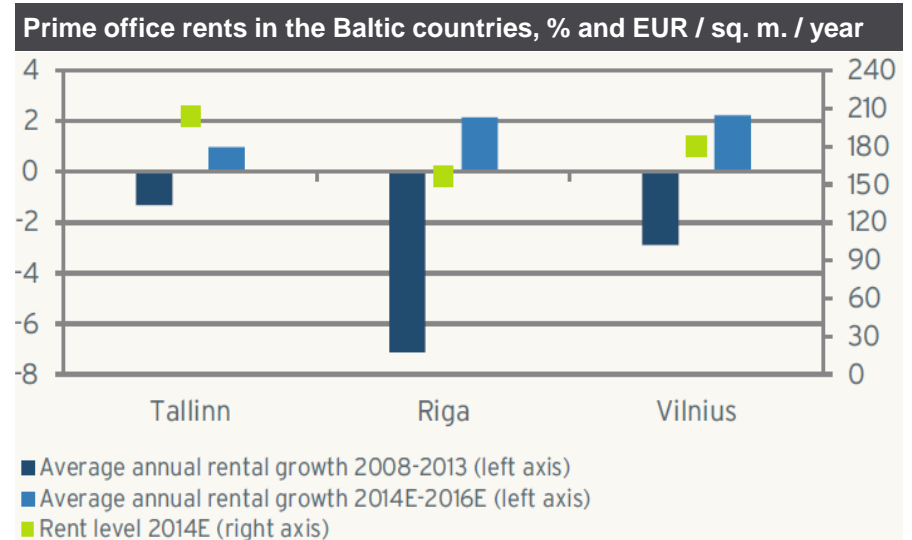
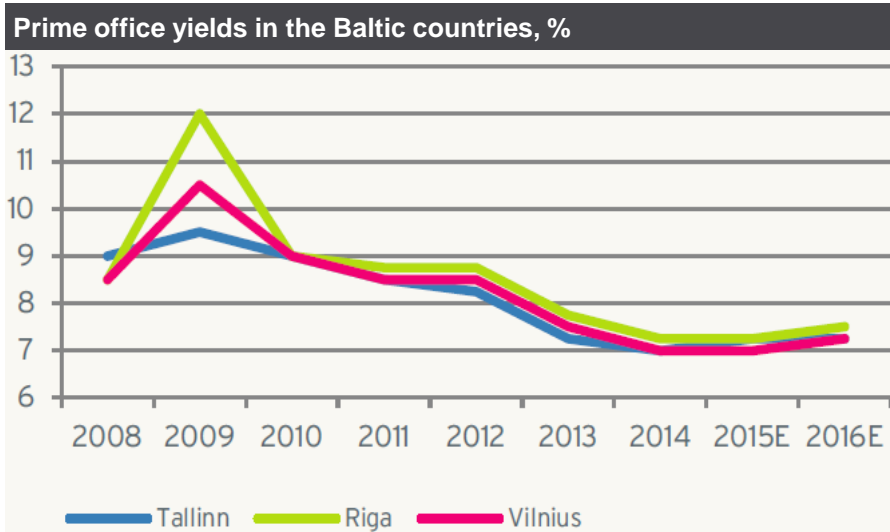
Sources: Catella Property Market Trends Finland, September 2014

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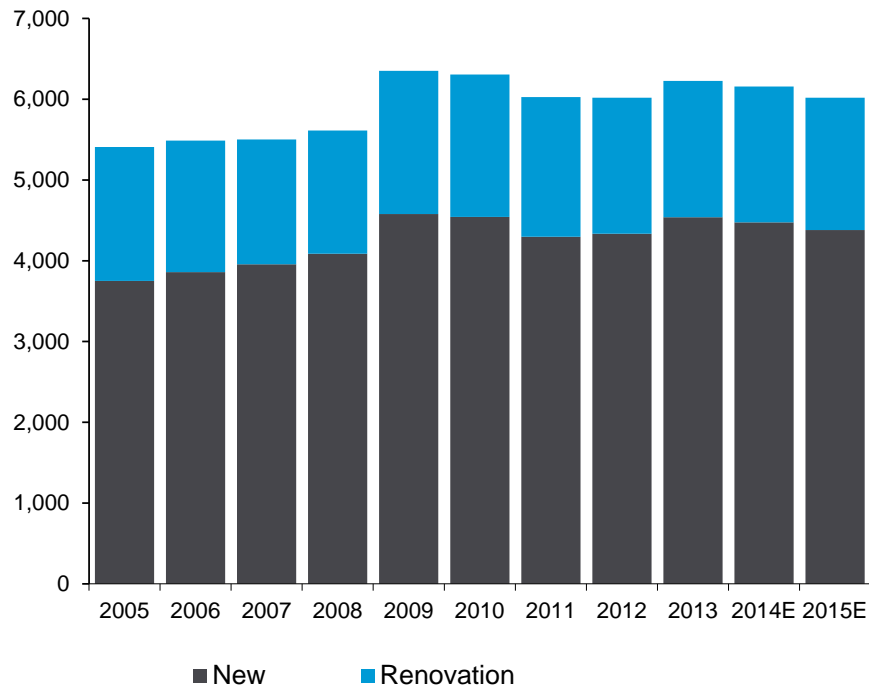


# The Baltic countries – Yields are expected to decrease

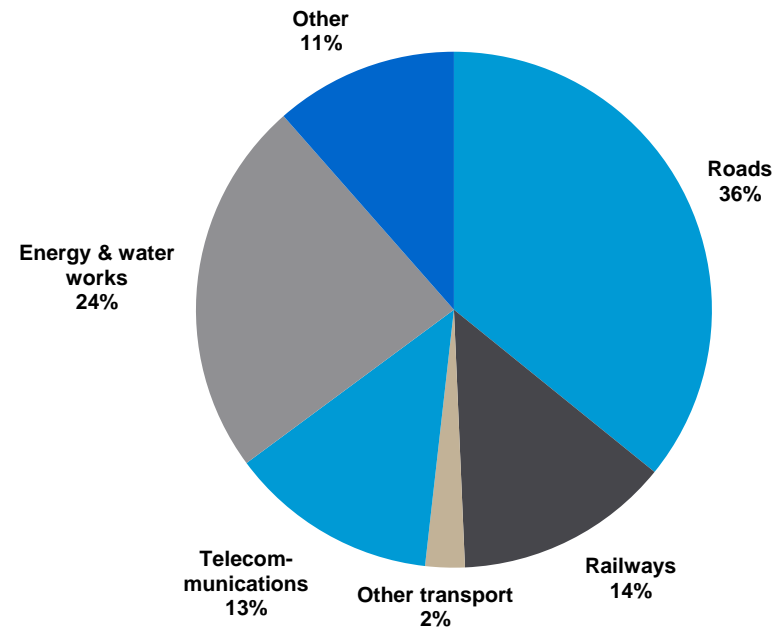


# Infrastructure construction – Market expected to decrease slightly in 2014

Infrastructure market in Finland, EUR million



Infrastructure sectors in Finland (2013)



Source: Euroconstruct, June 2014

# VI

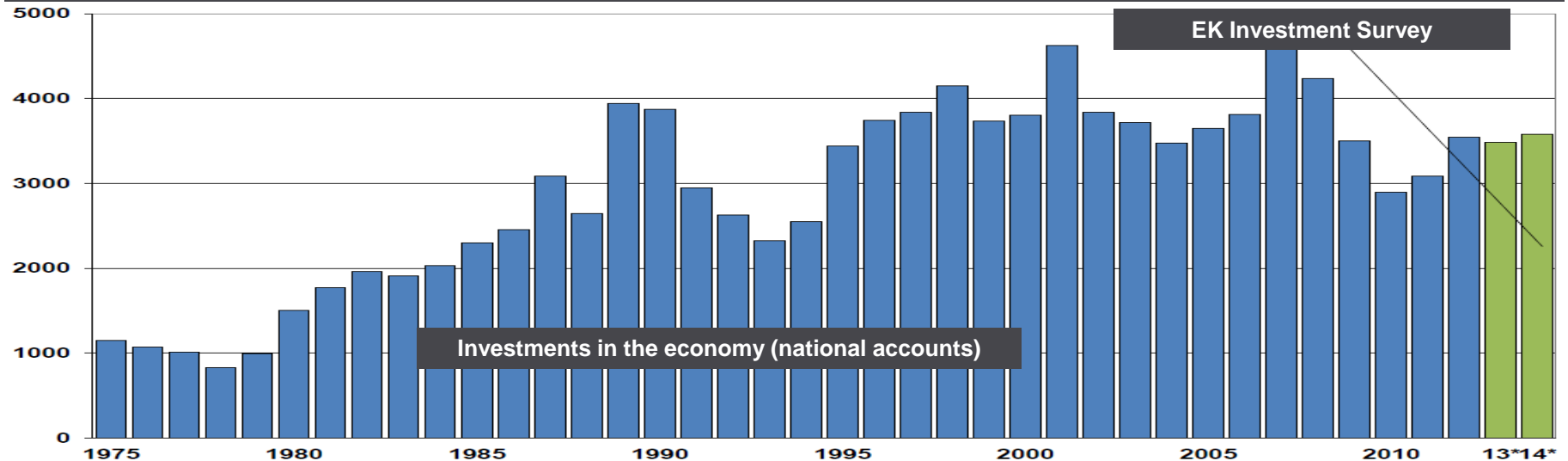
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## **Industrial indicators**

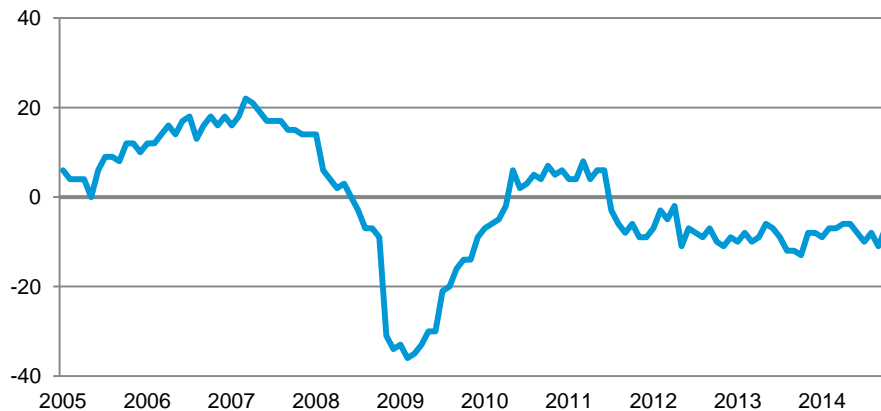
Finland

# Industrial investments are estimated to increase slightly in Finland

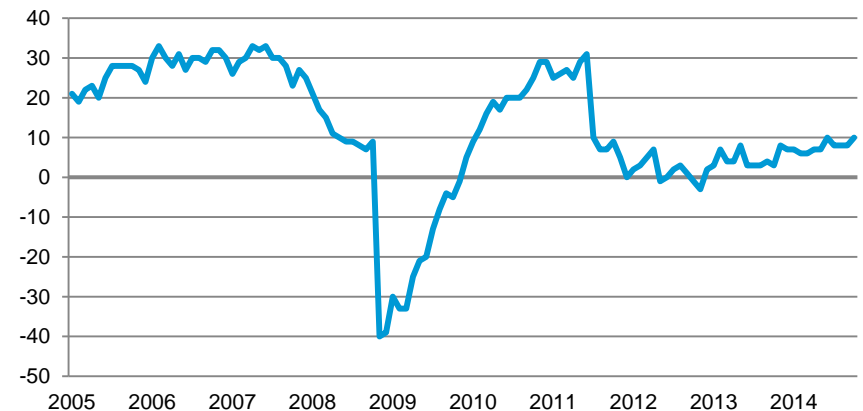
Manufacturing sector's fixed investments in Finland



Industrial confidence



Industrial production expectations



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we can  
do it.**