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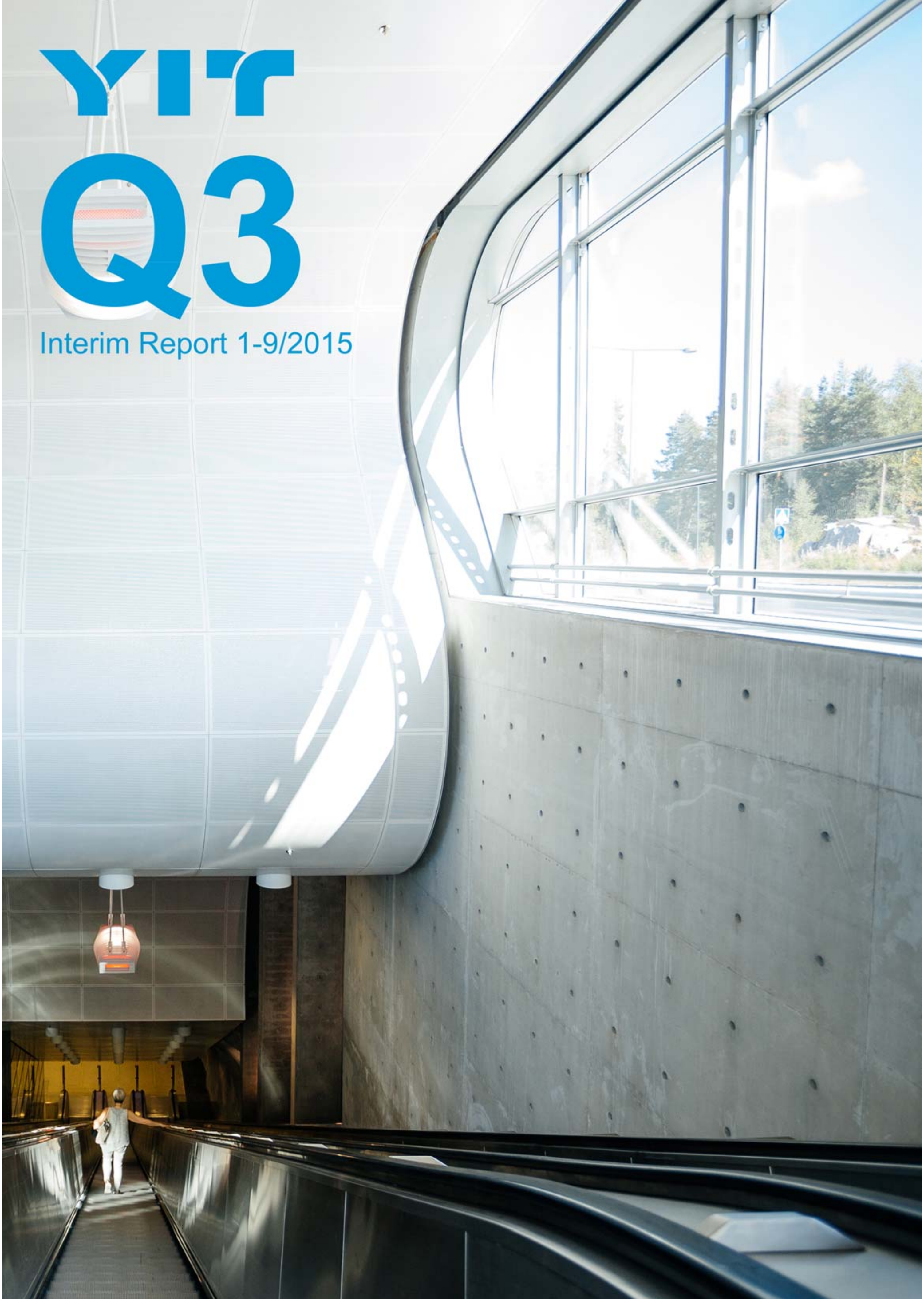
Interim Report 1-9/2015



Interim Report January 1–September 30, 2015: Net debt continued to decrease, focus shifted towards profitability

Unless otherwise noted, the figures in brackets refer to the corresponding period in the previous year.

July-September 2015 (Segment reporting, POC)

- Revenue decreased by 19% to EUR 391.7 (485.7) million. At comparable exchange rates, revenue decreased by 13%.
- Operating profit excluding non-recurring items amounted to EUR 20.3 (33.5) million and operating profit margin excluding non-recurring items was 5.2% (6.9%).
- Non-recurring items amounted to EUR -10.4 million.
- Order backlog decreased by 10% from the end of June, amounting to EUR 2,314.6 million.
- Operating cash flow after investments amounted to EUR 11.9 (40.7) million.

January-September 2015 (Segment reporting, POC)

- Revenue decreased by 12% to EUR 1,182.7 (1,340.2) million. At comparable exchange rates, revenue decreased by 6%.
- Operating profit excluding non-recurring items amounted to EUR 59.4 (95.1) million and operating profit margin excluding non-recurring items was 5.0% (7.1%).
- Non-recurring items amounted to EUR -10.4 million.
- Operating cash flow after investments amounted to EUR 140.3 (12.0) million.

Guidance for 2015 specified (segment reporting, POC)

The Group revenue growth is estimated to be in the range of -5–0% at comparable exchange rates.

The operating profit margin excluding non-recurring items is estimated to be in the range of 4–5%.

Previously, YIT estimated that the Group revenue growth would be in the range of -5 – 5% at comparable exchange rates, and the operating profit margin excluding non-recurring items to be below the level of 2014.

Kari Kauniskangas, President and CEO:

In September, we published our updated strategic focus areas: profitability, growth initiatives and further improving the capital efficiency. Continued strong cash flow and reaching the targeted net debt level have allowed a gradual shift of focus to profitability and growth. The third quarter was the fifth consecutive quarter of positive operating cash flow after investments, and net debt continued to decrease.

In Housing Finland and CEE, strong growth continued in the CEE countries during the third quarter. I consider it important for the future that we were able to start two new significant area development projects in the Czech Republic and Slovakia. We aim to accelerate growth in the CEE countries further by establishing a new unit in Poland and by continuing active plot acquisitions in the area. In Finland, the big picture of the economy is largely unchanged. Consumers are still cautious, but good activity among investors continues. In Finland, we will increasingly seek growth in the Helsinki metropolitan area. In addition, we will focus on the affordability of the apartments in many ways. The high share of investor deals continues to burden the profitability of the business segment. However, the number of completed, unsold apartments decreased notably in Finland.

In Housing Russia, both demand and the development of prices have continued to bring about challenges. We reorganise and adjust our operations to better match the current situation, and with the measures announced now and in January, we are aiming at savings of approximately EUR 10 million in fixed costs.

In Business Premises and Infrastructure, revenue and profits started to grow again, and the strong order backlog and significant projects not yet included in it, such as Tripla and the Tampere light rail project, provide a good foundation for future growth. The E18 Hamina-Vaalimaa motorway project has got off to a good start, and intensive negotiations on the Tripla project continue.

Segment reporting, POC

EUR million	7–9/15	7–9/14	Change	1–9/15	1–9/14	Change	1–12/14
Revenue	**391.7**	**485.7**	**-19%**	**1,182.7**	**1,340.2**	**-12%**	**1,801.2**
Housing Finland and CEE	165.8	177.4	-7%	557.0	537.2	4%	726.5
Housing Russia	63.9	119.0	-46%	204.8	344.4	-41%	474.1
Business Premises and Infrastructure	161.9	188.8	-14%	421.1	456.9	-8%	599.3
Other items	0.1	0.5		-0.1	1.7		1.4
Operating profit	**10.0**	**33.5**	**-70%**	**49.0**	**95.1**	**-48%**	**114.0**
Operating profit margin, %	**2.6%**	**6.9%**		**4.1%**	**7.1%**		**6.3%**
Operating profit excluding non-recurring items	**20.3**	**33.5**	**-39%**	**59.4**	**95.1**	**-38%**	**126.4**
Housing Finland and CEE	12.3	13.3	-8%	42.6	46.3	-8%	63.7
Housing Russia	1.7	11.7	-85%	10.2	37.7	-73%	55.8
Business Premises and Infrastructure	7.5	10.3	-27%	14.5	17.3	-16%	20.4
Other items	-1.2	-1.8		-8.0	-6.3		-13.5
Operating profit margin, % excluding non-recurring items	**5.2%**	**6.9%**		**5.0%**	**7.1%**		**7.0%**
Housing Finland and CEE	7.4%	7.5%		7.7%	8.6%		8.8%
Housing Russia	2.7%	9.9%		5.0%	10.9%		11.8%
Business Premises and Infrastructure	4.7%	5.4%		3.5%	3.8%		3.4%
Profit before taxes	-0.7	22.6		20.9	66.5	-69%	75.0
Profit for the review period[1]	-0.8	16.8		15.5	51.0	-70%	56.6
Earnings per share, EUR	-0.01	0.13		0.12	0.41	-70%	0.45
Operating cash flow after investments	11.9	40.7		140.3	12.0		151.9
Return on investment (last 12 months), %	5.1%	9.1%		5.1%	9.1%		7.7%
Equity ratio at end of period, %	35.5%	35.8%		35.5%	35.8%		32.4%
Net interest-bearing debt at end of period	529.2	741.6	-29%	529.2	741.6	-29%	616.6
Order backlog at end of period	2,314.6	2,736.0	-15%	2,314.6	2,736.0	-15%	2,125.9

[1] Attributable to equity holders of the parent company

Group reporting, IFRS

	9/15	9/14	Change	9/15	6/15	Change	12/14
Net interest-bearing debt, EUR million	574.6	817.9	-30%	574.6	587.3	-2%	696.0
Gearing ratio, %	106.1%	127.2%		106.1%	98.7%		129.9%
Equity ratio, %	33.1%	31.9%		33.1%	33.8%		29.2%

Group financial development based on segment reporting

Accounting principles applied in the interim report

YIT Corporation's management follows the development of the company's business according to the percentage of completion based segment reporting method (POC). Therefore, the explanatory statement of the interim report focuses on describing the company's performance according to this reporting. YIT also reports on its operations in accordance with IFRS guidelines, where the company applies, for example, the IFRIC 15 guidelines. The effects of the differences of the recognition principles are presented in detail in the tables to the interim report.

Revenue, POC

EUR million	7–9/15	7–9/14	Change	Change at comparable exchange rates	1–9/15	1–9/14	Change	Change at comparable exchange rates	1–12/14
Revenue	**391.7**	**485.7**	**-19%**	**-13%**	**1,182.7**	**1,340.2**	**-12%**	**-6%**	**1,801.2**
Housing Finland and CEE	165.8	177.4	-7%	-7%	557.0	537.2	4%	4%	726.5
Housing Russia	63.9	119.0	-46%	-21%	204.8	344.4	-41%	-18%	474.1
Business Premises and Infrastructure	161.9	188.8	-14%	-14%	421.1	456.9	-8%	-8%	599.3
Other items	0.1	0.5			-0.1	1.7			1.4

July-September

The Group's revenue decreased by 19% year-on-year. At comparable exchange rates, revenue decreased by 13%. Revenue declined in Housing Russia due to lower residential sales and the weakening of the ruble. The decrease in the Business Premises and Infrastructure segment's revenue is attributable to the strong comparison period when the sales of several business premises took place.

January-September

The Group's revenue decreased by 12% year-on-year. At comparable exchange rates, revenue decreased by 6%. Revenue increased in the Housing Finland and CEE segment due to strong residential sales especially in the CEE countries and decreased in the Housing Russia segment due to lower residential sales and the weakening of the ruble.

Revenue by geographical area, %	7–9/15	7–9/14	1–9/15	1–9/14	1–12/14
Finland	73%	65%	72%	65%	65%
Russia	16%	25%	17%	26%	26%
CEE	11%	10%	11%	9%	9%

Result, POC

EUR million	7–9/15	7–9/14	Change	1–9/15	1–9/14	Change	1–12/14
Operating profit	**10.0**	**33.5**	**-70%**	**49.0**	**95.1**	**-48%**	**114.0**
Operating profit margin, %	**2.6%**	**6.9%**		**4.1%**	**7.1%**		**6.3%**
Non-recurring items	**-10.4**			**-10.4**			**-12.4**
Operating profit excluding non-recurring items	**20.3**	**33.5**	**-39%**	**59.4**	**95.1**	**-38%**	**126.4**
Housing Finland and CEE	12.3	13.3	-8%	52.9	46.3	14%	63.7
Housing Russia	1.7	11.7	-85%	10.2	37.7	-73%	55.8
Business Premises and Infrastructure	7.5	10.3	-27%	14.5	17.3	-16%	20.4
Other items	-1.2	-1.8		-18.2	-6.3		-13.5
Operating profit margin, % excluding non-recurring items	**5.2%**	**6.9%**		**5.0%**	**7.1%**		**7.0%**
Housing Finland and CEE	7.4%	7.5%		7.7%	8.6%		8.8%
Housing Russia	2.7%	9.9%		5.0%	10.9%		11.8%
Business Premises and Infrastructure	4.7%	5.4%		3.5%	3.8%		3.4%

July-September

Operating profit declined by 70% year-on-year. Operating profit margin stood at 2.6% (7–9/14: 6.9%).

The operating profit includes non-recurring costs of EUR 10.4 million, of which EUR 2.7 million are related to the restructuring of the Russian operations and EUR 7.7 million impairment charge is related to development costs of projects in the Moscow region that YIT has decided not to implement.

The operating profit margin excluding non-recurring items was burdened by the year-on-year lower revenue, changes in the business mix and actions to release capital, among other things. Investor projects' share of revenue in Finnish housing was clearly higher than in the comparison period, in addition to which profitability was negatively impacted by the weakened project margins in Housing Russia.

Changes in foreign exchange rates had a negative impact of EUR 1.1 million on operating profit excluding non-recurring items.

January-September

Operating profit declined by 48% year-on-year. Operating profit margin stood at 4.1% (1–9/14: 7.1%).

The operating profit includes non-recurring costs of EUR 10.4 million, of which EUR 2.7 million are related to the restructuring of the Russian operations and EUR 7.7 million impairment charge are related to development costs of projects in the Moscow region that YIT has decided not to implement.

The operating profit margin excluding non-recurring items was burdened by the year-on-year lower revenue, changes in the business mix and actions to release capital, among other things. Investor projects' share of revenue in Finnish housing was clearly higher than in the comparison period, in addition to which profitability was negatively impacted by weakened project margins in Housing Russia.

Changes in foreign exchange rates had a negative impact of EUR 4.8 million on operating profit excluding non-recurring items.

EUR million	7–9/15	7–9/14	Change	1–9/15	1–9/14	Change	1–12/14
Profit before taxes	-0.7	22.6		20.9	66.5	-69%	75.0
Profit for the review period[1]	-0.8	16.8		15.5	51.0	-70%	56.6
Earnings per share, EUR	-0.01	0.13		0.12	0.41	-70%	0.45
Effective tax rate[2], %	-11.7%	25.5%		25.7%	23.2%		24.6%

[1]Attributable to equity holders of the parent company [2] Taxes for the review period are based on the tax estimate for the whole financial year.

Order backlog, POC

EUR million	9/15	9/14	Change	9/15	6/15	Change	12/14
Order backlog	**2,314.6**	**2,736.0**	**-15%**	**2,314.6**	**2,573.5**	**-10%**	**2,125.9**
Housing Finland and CEE	823.0	929.8	-11%	823.0	834.7	-1%	798.5
Housing Russia	599.1	1,103.8	-46%	599.1	740.4	-19%	653.5
Business Premises and Infrastructure	892.4	702.3	27%	892.4	998.3	-11%	673.9

The order backlog decreased by 10% compared to the end of June. The decrease was attributable to the weakening of the ruble, low residential start-ups in Russia and the lack of significant new contracts to be recorded in the order backlog in July-September in the Business Premises and Infrastructure segment. The Tripla project and Tampere light rail project were not yet included in the order backlog at the end of September.

Changes in foreign exchange rates decreased the order backlog by EUR 104.5 million. At the end of September, 48% of the order backlog had been sold (6/15: 48%).

Acquisitions and capital expenditure

EUR million	7–9/15	7–9/14	Change	1–9/15	1–9/14	Change	1–12/14
Gross capital expenditure on non-current assets	2.1	3.2	-35%	8.5	8.8	-3%	13.9
% of revenue, POC	0.5%	0.7%		0.7%	0.7%		0.8%
Depreciation	2.9	3.1	-6%	9.1	9.6	-5%	12.6

YIT did not make any business acquisitions during the review period. Gross capital expenditure on non-current assets amounted to EUR 8.5 million, or 0.7% of revenue. Investments in construction equipment amounted to EUR 2.6 million (1–9/14: EUR 2.2 million) and investments in information technology totalled EUR 3.6 million (1–9/14: EUR 3.8 million). Other investments including a EUR 0.1 million investment in a joint venture amounted to EUR 2.4 million (1–9/14: EUR 2.7 million).

Cash flow and invested capital, POC

EUR million	7–9/15	7–9/14	Change	1–9/15	1–9/14	Change	1–12/14
Operating cash flow after investments	11.9	40.7		140.3	12.0		151.9
Cash flow of plot investments	-16.7	-21.1	-21%	-84.8	-97.4	-13%	-118.7

EUR million	9/15	9/14	Change	9/15	6/15	Change	12/14
Invested capital	1,195.6	1,562.8	-23%	1,195.6	1,308.0	-9%	1,403.2
Return on investment (last 12 months), %	5.1%	9.1%		5.1%	6.4%		7.7%

Operating cash flow after investments during the review period amounted to EUR 140.3 million. The company paid dividends of EUR 22.6 million for 2014 in compliance with the resolution of the Annual General Meeting.

Invested capital decreased by 9% compared to the end of June. Return on investment weakened from the end of June due to the decrease in the operating profit.

One of YIT’s key focus areas is to improve capital efficiency. During the review period, capital was released by measures including selling completed apartments to investors, continuing the plot cooperation with plot funds worth approximately EUR 18 million and agreeing on the sale of slow-moving assets worth around EUR 20 million. Over 60% of the ongoing EUR 380 million capital release program had been carried out by the end of September, and the aim is to carry out the rest of the program in 2016.

Development by business segment

Housing Finland and CEE

Operating environment

During the review period, consumers were still cautious in making purchase decisions, while investors remained active in Finland. The demand for small, reasonably priced apartments remained on a good level in growth centres. Large apartments faced some price pressure.

Positive macroeconomic development supported the residential demand in the CEE countries, and residential prices stayed stable on average. The housing market developed positively especially in the Czech Republic.

Mortgage interest rates were on a low level in all operating countries and the availability of financing was good. In Finland, new drawdowns of mortgages increased slightly year-on-year.

EUR million	7–9/15	7–9/14	Change	1–9/15	1–9/14	Change	1–12/14
Revenue	165.8	177.4	-7%	557.0	537.2	4%	726.5
Operating profit	12.3	13.3	-8%	42.6	46.3	-8%	57.6
Operating profit margin, %	7.4%	7.5%		7.7%	8.6%		7.9%
Operating profit excluding non-recurring items	12.3	13.3	-8%	42.6	46.3	-8%	63.7
Operating profit margin, % excluding non-recurring items	7.4%	7.5%		7.7%	8.6%		8.8%
Operative invested capital at end of period	457.9	613.0	-25%	457.9	613.0	-25%	579.8
Return on operative invested capital (last 12 months), %	10.1%	9.5%		10.1%	9.5%		9.4%
Order backlog at end of period	823.0	929.8	-11%	823.0	929.8	-11%	798.5

July-September

The segment's revenue decreased by 7% year-on-year. Revenue growth continued in the CEE countries.

The segment's operating profit decreased by 8% year-on-year, and the operating profit margin stood at 7.4% (7–9/14: 7.5%). Profitability was burdened by investor projects' clearly higher share of revenue in Finland compared to the comparison period. Positive profitability development continued in the CEE countries.

In July-September, consumer sales decreased year-on-year but investor were active in Finland. In the CEE countries, residential sales continued to be brisk, and YIT started significant new projects in the area. In Prague, the Czech Republic, the first phase of an area development project of almost 900 apartments was started, and in Bratislava, Slovakia, the first phase of an area development project of over 400 apartments was launched.

YIT announced in September that it had established a new business unit in Warsaw to exploit the opportunities in Poland's residential market.

The continued decrease in the segment's operative invested capital was supported by the decline in the number of completed, unsold apartments in Finland.

January-September

The segment's revenue increased by 4% year-on-year, especially due to the strong residential sales in the CEE countries.

Operating profit decreased by 8% year-on-year, and the operating profit margin stood at 7.7% (1–9/14: 8.6%). Profitability was burdened by investor projects' clearly higher share of revenue in Finland compared to the comparison period. Positive profitability development continued in the CEE countries.

Residential construction in Finland, units	7–9/15	7–9/14	Change	1–9/15	1–9/14	Change	1–12/14
Sold	718	576	25%	2,533	1,894	34%	2,515
of which initially started to consumers[1]	409	440	-7%	1,320	1,192	11%	1,641
Start-ups	629	447	41%	2,285	1,821	25%	2,112
of which to consumers	320	311	3%	1,072	1,119	-4%	1,238
Completed	551	668	-18%	2,373	1,928	23%	2,412
of which to consumers	231	487	-53%	1,420	1,278	11%	1,628
Under construction at end of period	3,174	3,455	-8%	3,174	3,455	-8%	3,262
of which sold at end of period, %	70%	60%		70%	60%		65%
For sale at end of period	1,337	1,917	-30%	1,337	1,917	-30%	1,587
of which completed	373	533	-30%	373	533	-30%	450
Plot reserve in the balance sheet at end of period, EUR million	147.7	172.2	-14%	147.7	172.2	-14%	165.7
Plot reserve at end of period[2], floor sq. m.	1,734,000	1,809,000	-4%	1,734,000	1,809,000	-4%	1,868,000
Cost of completion at end of period, EUR million	221.6	238.7	-7%	221.6	238.7	-7%	178.0

[1] Includes sales to residential property funds: 7–9/15: 132 units; 7–9/14: 96 units; 1–9/15: 398 units, 1–9/14: 201 units; 1–12/14: 326 units. [2] Includes pre-agreements and rental plots.

Residential construction in CEE, units	7–9/15	7–9/14	Change	1–9/15	1–9/14	Change	1–12/14
Sold	202	158	28%	733	545	34%	734
Start-ups	344	172	100%	690	694	-1%	789
Completed	257	131	96%	528	482	10%	724
Under construction at end of period	1,300	1,281	1%	1,300	1,281	1%	1,134
of which sold at end of period, %	41%	25%		41%	25%		22%
For sale at end of period	973	1,106	-12%	973	1,106	-12%	1,012
of which completed	200	146	37%	200	146	37%	129
Plot reserve in the balance sheet at end of period, EUR million	79.7	70.3	13%	79.7	70.3	13%	65.9
Plot reserve at end of period, floor sq. m.	417,000	352,000	18%	417,000	352,000	18%	348,000
Cost of completion at end of period, EUR million	59.0	56.0	5%	59.0	56.0	5%	45.0

Housing Russia

Operating environment

The weakness of the ruble and the increased uncertainty in the Russian economy continued to be reflected in consumers' willingness to shift assets to fixed property, including apartments, still in January. After January, demand slowed down from the good level seen earlier in the year as consumers' purchasing power weakened. Demand focused especially on small apartments close to completion. Residential prices remained stable, but decreased in real terms. A mortgage interest rate subsidy program introduced for the primary market by the Russian government in March supported residential sales and led to mortgage interest rates for new apartments falling to a level of around 11-12%.

EUR million	7–9/15	7–9/14	Change	1–9/15	1–9/14	Change	1–12/14
Revenue	63.9	119.0	-46%	204.8	344.4	-41%	474.1
Operating profit	-8.6	11.7		-0.1	37.7		49.8
Operating profit margin, %	-13.4%	9.9%		-0.1%	10.9%		10.5%
Operating profit excluding non-recurring items	1.7	11.7	-85%	10.2	37.7	-73%	55.8
Operating profit margin, % excluding non-recurring items	2.7%	9.9%		5.0%	10.9%		11.8%
Operative invested capital at end of period	390.6	564.0	-31%	390.6	564.0	-31%	378.1
Return on operative invested capital (last 12 months), %	2.5%	10.2%		2.5%	10.2%		10.5%
Order backlog at end of period	599.1	1,103.8	-46%	599.1	1,103.8	-46%	653.5

July-September

The segment's residential sales slowed down and revenue decreased by 46% year-on-year. At comparable exchange rates, revenue decreased by 21%.

Operating result turned negative and the operating profit margin was -13.4% (7–9/14: 9.9%). The operating profit includes non-recurring costs of EUR 10.3 million, of which EUR 2.6 million are related to the restructuring of the segment and EUR 7.7 million impairment charge are related to development costs of projects in the Moscow region that YIT has decided not to implement.

The segment's operating profit margin excluding non-recurring items was burdened by the year-on-year lower revenue and weakened project margins, among other things.

Weakening of the ruble had a negative impact of EUR 1.1 million on operating profit excluding non-recurring items.

The share of residential deals financed with mortgages increased thanks to the mortgage subsidy program and was 56%.

January-September

The segment's revenue decreased by 41% year-on-year. At comparable exchange rates, revenue decreased by 18%.

Operating result turned negative and the operating profit margin was -0.1% (1–9/14: 10.9%). The operating profit includes non-recurring costs of EUR 10.3 million, of which EUR 2.6 million are related to the restructuring of the segment and EUR 7.7 million impairment charge are related to development costs of projects in the Moscow region that YIT has decided not to implement.

The segment's operating profit margin excluding non-recurring items was burdened by the year-on-year lower revenue and weakened project margins, among other things.

Weakening of the ruble had a negative impact of EUR 4.8 million on operating profit excluding non-recurring items.

In the review period, the share of residential deals financed with mortgages was 48%. At the end of September, YIT was responsible for the service and maintenance of over 21,000 apartments in Russia.

The risk level has been reduced with clearly lower residential start-ups year-on-year, which has supported achieving high sales rate. In addition, the number of completed, unsold apartments was exceptionally low.

Residential construction in Russia, units	7–9/15	7–9/14	Change	1–9/15	1–9/14	Change	1–12/14
Sold	672	983[1]	-32%	2,408	3,176[2]	-24%	4,817[2]
Start-ups	314	939	-67%	1,800	3,328	-46%	3,545
Completed[3]	345	1,312	-74%	2,035	2,542	-20%	4,713
Under construction at end of period	9,376	11,612	-19%	9,376	11,612	-19%	9,611
of which sold at end of period, %	46%	39%		46%	39%		43%
For sale at end of period	5,309	7,383	-28%	5,309	7,383	-28%	5,913
of which completed	243	354	-31%	243	354	-31%	403
Plot reserve in the balance sheet at end of period[4], EUR million	182.0	251.1	-28%	182.0	251.1	-28%	184.4
Plot reserve at end of period[4], floor sq. m.	2,242,000	2,463,000	-9%	2,242,000	2,463,000	-9%	2,466,000
Cost of completion at end of period, EUR million	276.0	642.0	-57%	276.0	642.0	-57%	319.0

[1] Includes a bundle deal of 47 apartments. [2] Includes bundle deals of 177 apartments. [3] Completion of the residential projects requires commissioning by the authorities. [4] Figures include Gorelovo industrial park.

Under construction at end of period, units	9/15	9/14	Change	9/15	6/15	Change	12/14
St. Petersburg	3,794	4,136	-8%	3,794	3,970	-4%	3,776
Moscow region	2,777	3,558	-22%	2,777	2,946	-6%	3,021
Kazan, Moscow, Rostov-on-Don, Tyumen and Yekaterinburg	2,805	3,918	-28%	2,805	2,491	13%	2,814

Business Premises and Infrastructure

Operating environment

During the review period, investors' interest towards projects in prime locations was on a moderate level in the Finnish business premises market. Signs of a slight pick-up in end-users' renting activity were seen towards the end of the review period but the competition over tenants was intense. The contracting market was active.

In the Baltic countries and Slovakia, rental levels for business premises and investors' yield requirements remained stable in the period under review. Activity in the contracting market remained high in Estonia and Lithuania.

The Finnish infrastructure market remained relatively stable in the review period. Several significant projects were in tendering phase in the beginning of the year.

EUR million	7–9/15	7–9/14	Change	1–9/15	1–9/14	Change	1–12/14
Revenue	161.9	188.8	-14%	421.1	456.9	-8%	599.3
Operating profit	7.5	10.3	-27%	14.5	17.3	-16%	20.1
Operating profit margin, %	4.7%	5.4%		3.5%	3.8%		3.4%
Operating profit excluding non-recurring items	7.5	10.3	-27%	14.5	17.3	-16%	20.4
Operating profit margin, % excluding non-recurring items	4.7%	5.4%		3.5%	3.8%		3.4%
Operative invested capital at end of period	181.3	229.3	-21%	181.3	229.3	-21%	181.9
Return on operative invested capital (last 12 months), %	8.4%	12.1%		8.4%	12.1%		10.8%
Order backlog at end of period	892.4	702.3	27%	892.4	702.3	27%	673.9

Business premises, EUR million	9/15	9/14	Change	9/15	6/15	Change	12/14
Plot reserve in the balance sheet	86.8	95.4	-9%	86.8	95.1	-9%	93.2
Plot reserve, floor sq. m.	1,035,000	1,111,536	-7%	1,035,000	1,054,000	-2%	1,071,000
Cost of completion	17.6	55.1	-68%	17.6	15.6	13%	47.5

July-September

The segment's revenue decreased by 14% year-on-year. The decrease in revenue is attributable to strong comparison period when the sales of several business premises took place.

Operating profit decreased by 27% and operating profit margin stood at 4.7% (7–9/14: 5.4%). The decline in profitability is explained by the strong comparison period.

Order backlog decreased by 11% compared to the end of June but the outlook is positive due to the significant projects that are not yet included in the order backlog.

In July-September, the major infrastructure projects proceeded as planned. Intensive negotiations with investors and tenants regarding Central Pasila Tripla project continued. Preparations for the investor contract on the shopping mall have proceeded well, but the final contract is expected to be signed during spring 2016. The intention is to start the groundworks of the self-developed part of the project in November 2015.

January-September

The segment's revenue decreased by 8% year-on-year. However, the segment's order backlog increased clearly, and major projects started in the second quarter will support revenue as the construction progresses.

Operating profit decreased by 16% and operating profit margin stood at 3.5% (1–9/14: 3.8%).

During the review period, YIT was successful in tendering for significant infrastructure projects. Service agreement regarding the E18 Hamina-Vaalimaa motorway project was signed and construction work was started in June. Furthermore, a consortium between YIT, VR Track and Pöyry was chosen to carry out the light rail project in Tampere. The development phase of the project to be carried out employing alliance model was started in July. If the project will proceed to implementation phase after the development phase, its value to YIT would be approximately EUR 100 million.

The largest ongoing self-developed business premises projects

Project, location	Value, EUR million	Project type	Completion rate, %	Estimated completion	Sold/ for sale	Leasable area, sq. m.
Lauttasaari shopping centre, Helsinki	~40	Retail	46%	11/16	Sold	5,700
BW Tower, Lahti	~22	Office	94%	10/15	Sold	7,500
Dixi II, Tikkurila Railway Station, Vantaa	n/a	Office	11%	4/17	Sold	8,900
Dixi II, Tikkurila Railway Station, Vantaa	n/a	Retail	11%	4/17	Sold	4,100
Lönnrotinkatu 11, Helsinki	-	Office	2%	10/16	For sale	4,400

The largest ongoing business premises and infrastructure contracts

Project	Value, EUR million	Project type	Completion rate %	Estimated completion
E18 Hamina-Vaalimaa motorway	~260	Infra	5%	12/18
Ring Road III junction	~50	Infra	94%	12/16
Naantali CHP power plant	~40	Infra	24%	9/17
Espoo’s road maintenance contract	~30	Infra	20%	10/19

Group financial development based on group reporting (IFRS)

EUR million	7–9/15	7–9/14	Change	1–9/15	1–9/14	Change	1–12/14
Revenue	363.8	492.4	-26%	1,220.6	1,249.3	-2%	1,778.6
Operating profit	1.5	28.1	-95%	53.2	59.6	-11%	94.8
Operating profit margin, %	0.4%	5.7%		4.4%	4.8%		5.3%
Operating profit excluding non-recurring items	11.8	28.1	-58%	63.5	59.6	7%	107.3
Operating profit margin, % excluding non-recurring items	3.3%	5.7%		5.2%	4.8%		6.0%
Profit before taxes	-5.1	21.3		39.8	43.6	-9%	74.3
Profit for the review period[1]	-4.0	16.3		31.2	33.5	-7%	55.9
Earnings per share, EUR	-0.03	0.13		0.25	0.27	-7%	0.44
Operating cash flow after investments	11.9	40.7		140.3	12.0		151.9
Order backlog at end of period	2,649.0	3,278.5	-19%	2,649.0	3,278.5	-19%	2,507.1
Invested capital at end of period	1,204.1	1,551.6	-22%	1,204.1	1,551.6	-22%	1,431.0
Return on investment (last 12 months), %	6.6%	6.1%		6.6%	6.1%		6.4%
Effective tax rate, %	20.8%	23.9%		22.1%	23.3%		24.9%

[1] Attributable to equity holders of the parent company

July-September

The Group's IFRS revenue decreased by 26% year-on-year due to lower completions of residential projects than in the comparison period, among other things. At comparable exchange rates, revenue decreased by 22%.

IFRS operating profit decreased by 95% year-on-year, and the Group's operating profit margin was 0.4% (7–9/14: 5.7%).

The operating profit includes non-recurring costs of EUR 10.4 million, of which EUR 2.7 million are related to the restructuring of the Russian operations and EUR 7.7 million impairment charge are related to development costs of projects in the Moscow region that YIT has decided not to implement.

January-September

The Group's IFRS revenue decreased by 2% year-on-year. At comparable exchange rates, revenue increased by 4%.

IFRS operating profit decreased by 11% year-on-year, and the Group's operating profit margin was 4.4% (1–9/14: 4.8%).

The operating profit includes non-recurring costs of EUR 10.4 million, of which EUR 2.7 million are related to the restructuring of the Russian operations and EUR 7.7 million impairment charge are related to development costs of projects in the Moscow region that YIT has decided not to implement.

In group reporting, self-developed residential projects are recognised as income upon project handover. In Russia, revenue recognition of a project requires commissioning by the authorities. The timing of completion of self-developed projects thus affects the Group's revenue recognition, and therefore group figures may fluctuate greatly between different quarters. In addition, in group reporting part of the interest expenses are capitalised according to IAS 23 and reported as project costs above the operating profit when the project is completed. This causes differences in operating profit and financial expenses between segment reporting and group reporting.

Capital structure and liquidity position

IFRS, EUR million	9/15	9/14	Change	9/15	6/15	Change	12/14
Net interest-bearing debt	574.6	817.9	-30%	574.6	587.3	-2%	696.0
Cash and cash equivalents	88.1	90.9	-3%	88.1	129.0	-32%	199.4
Interest-bearing debt	662.6	908.8	-27%	662.6	716.3	-7%	895.4
Bonds	204.9	210.7	-3%	204.9	207.5	-1%	210.7
Commercial papers	64.6	133.2	-52%	64.6	91.7	-30%	147.4
Construction-stage financing	185.1	272.7	-32%	185.1	205.8	-10%	264.4
Pension loans	111.3	132.2	-16%	111.3	113.3	-2%	123.5
Bank loans	96.7	160.0	-40%	96.7	98.2	-2%	149.3
Average interest rate, %	3.94%	3.04%		3.94%	3.89%		2.92%
Revolving credit facilities	300.0	330.0	-9%	300.0	300.0		300.0
Overdraft facilities	67.1	59.7	12%	67.1	64.5	4%	57.9
Equity ratio, %	33.1%	31.9%		33.1%	33.8%		29.2%
Gearing ratio, %	106.1%	127.2%		106.1%	98.7%		129.9%

IFRS, EUR million	7–9/15	7–9/14	Change	1–9/15	1–9/14	Change	1–12/14
Net financial expenses	-6.6	-6.7	-3%	-13.3	-16.0	-17%	-20.5

At the end of September, YIT's liquidity position was strong. Cash and cash equivalents amounted to EUR 88.1 million, in addition to which YIT had undrawn overdraft facilities amounting to EUR 64.8 million. YIT also has an undrawn, EUR 300.0 million revolving credit facility maturing in January 2018.

There were no major funding transactions during the third quarter. YIT's revolving credit facilities, the bond issued in March and bank loans include a covenant requiring the Group's equity ratio based on the IFRS balance sheet to be higher than 25.0%. In addition, the revolving credit facility and two bank loans include a covenant requiring the Group's gearing ratio based on the IFRS balance sheet to be below 150.0%. At the end of September, the equity ratio was 33.1% and the gearing ratio was 106.1%.

The total amount of interest-bearing debt was EUR 662.6 million at the end of September and net interest-bearing debt decreased to EUR 574.6 million thanks to positive cash flow. A total of EUR 10.6 million of long-term loans will mature in 2015.

Net financial expenses decreased year-on-year and amounted to EUR 13.3 million (1–9/14: EUR 16.0 million). Interest expenses at the amount of EUR 14.8 million (1–9/14: EUR 12.6 million) were capitalized in accordance with IAS 23.

The interests on participations in housing corporation loans are included in housing corporation charges and are thus booked in project expenses. Interests on the participations amounted to EUR 2.4 million in January-September (1–9/14: EUR 2.4 million).

At the end of September, EUR 88.9 million of the capital invested in Russia was comprised of debt investments (6/15: EUR 85.0 million) and EUR 232.8 million was equity investments or similar permanent net investments (6/15: EUR 306.9 million). In accordance with YIT's hedging policy, the debt investments are hedged against exchange rate risk, while equity investments are not hedged due to their permanent nature.

Personnel

Personnel by business segment	9/15	9/14	Change	9/15	6/15	Change	12/14
Housing Finland and CEE	1,705	1,839	-7%	1,705	1,926	-11%	1,783
Housing Russia	1,784	2,009	-11%	1,784	1,790	0%	1,980
Business Premises and Infrastructure	1,793	1,877	-4%	1,793	1,818	-1%	1,814
Group Services	292	307	-5%	292	313	-7%	304
Personnel by country	**9/15**	**9/14**	**Change**	**9/15**	**6/15**	**Change**	**12/14**
Finland	3,147	3,332	-6%	3,147	3,405	-8%	3,210
Russia	1,769	1,992	-11%	1,769	1,774	0%	1,963
CEE	658	708	-7%	658	668	-1%	708
Group, total	**5,574**	**6,032**	**-8%**	**5,574**	**5,847**	**-5%**	**5,881**

In January-September, the Group employed 5,675 people on average (1–9/14: 6,172). Personnel expenses totalled EUR 176.8 million (1–9/14: EUR 195.4 million). The Group's accident frequency (accidents per million hours worked) was 11 (1–9/14: 13).

The cost effect of YIT's share-based incentive scheme was approximately EUR 1.7 million (1–9/14: EUR 0.8 million).

In October, YIT announced to reorganise its operations in Russia. In connection to the reorganisation, the company targets to reduce fixed costs related to the Russian operations to match the decrease in sales and the production volume. The number of employees is estimated to decrease by a further approximately 200.

Strategic objectives

YIT published its updated strategic focus areas on September 16, 2015. Reaching the targeted net debt level ahead of schedule allows a gradual shift of focus back to profitability and investing in growth initiatives. As one of the growth initiatives, YIT has established a new unit in Warsaw to tap into the opportunities in Poland. Work to improve capital efficiency continues enabling in its part financing of the growth.

The Board of Directors has also decided to revise YIT's long-term return on investment (ROI) target to 15% from the earlier 20% due to lower weight of Russia in invested capital and future capital allocation. Other long-term financial targets remain unchanged. Separate short-term targets are abandoned now that the net debt target has been reached.

YIT's strategy and financial targets were described at YIT's Capital Markets Day on September 24, 2015, in Helsinki, Finland. The presentation materials and recordings from the Capital Markets Day are available at www.yitgroup.com/investors.

Long-term financial targets	Target level
Revenue growth	5–10% annually on average
Return on investment	15%
Operating cash flow after investments	Sufficient for dividend payout and reduction of debt
Equity ratio	40%
Dividend payout	40–60% of net profit for the period

The target levels are based on segment reporting method (POC).

Resolutions passed at the Annual General Meeting

The Annual General Meeting of YIT Corporation was held on March 18, 2015. YIT published stock exchange releases on the resolutions passed at the Annual General Meeting and the organisation of the Board of Directors on March 18, 2015. The stock exchange releases and a presentation of the members of the Board of Directors are available on YIT's website at www.yitgroup.com.

Shares and shareholders

The company has one series of shares. Each share carries one vote and confers an equal right to a dividend.

Share capital and number of shares

YIT Corporation's share capital and the number of shares outstanding did not change during the review period. YIT Corporation's share capital was EUR 149,216,748.22 in the beginning of 2015 (2014: EUR 149,216,748.22), and the number of shares outstanding was 127,223,422 (2014: 127,223,422).

Treasury shares and authorisations of the Board of Directors

The Annual General Meeting of YIT Corporation resolved on March 18, 2015, to authorise the Board of Directors to decide on the repurchase of company shares and share issues as proposed by the Board of Directors. The authorisation is valid until March 31, 2016. The share issue authorisation also includes an authorisation to decide on the conveyance of treasury shares.

YIT Corporation held 1,639,430 treasury shares at the beginning of the review period. During the review period, 2,788 shares were returned to the company in accordance with the terms and conditions of the share-based incentive scheme, after which the company held 1,642,218 treasury shares at the end of September.

Trading on shares

The price of YIT's share was EUR 4.30 at the beginning of the year. The closing price of the share on the last trading day of the review period on September 30, 2015, was EUR 4.89. YIT's share price increased by approximately 14% during the review period. The highest price of the share during the review period was EUR 7.21, the lowest EUR 4.26 and the average price was EUR 6.50. Share turnover on Nasdaq Helsinki during the review period was approximately 124.8 million (1–9/14: 99.9 million) shares. The value of the share turnover was approximately EUR 714.4 million.

During the review period, approximately 75.0 million (1–9/14: 74.2 million) YIT Corporation shares changed hands in alternative market places, corresponding to approximately 38% of the total share trade, source: Fidessa Fragmentation Index.

YIT Corporation's market capitalisation on September 30, 2015 was EUR 614.1 million. The market capitalisation has been calculated excluding the shares held by the company.

Number of shareholders and flagging notifications

At the end of September 2015, the number of registered shareholders was 42,667 (9/14: 44,681). At the end of September, a total of 26.4% of the shares were owned by nominee-registered and non-Finnish investors (9/14: 28.5%).

On March 12, 2015, YIT received an announcement under Chapter 9, Section 5 of the Securities Markets Act, according to which the holding of the mutual funds managed by BlackRock, Inc. in YIT had exceeded the threshold of 5 per cent. On March 19, 2015, the company received an announcement according to which the holding of the mutual funds managed by BlackRock, Inc. in YIT had gone below the threshold of 5 per cent. On April 30, 2015, YIT received an announcement under Chapter 9, Section 5 of the Securities Markets Act, according to which the holding of Structor S.A. in YIT had gone below the threshold of 10 per cent.

Most significant short-term business risks and risk management

Risk management is an integral part of business control, monitoring, reporting and continuous development under YIT's management system. Risk management covers the identification and assessment of risks and contingency plans for strategic, operational, financial and event risks. A strategic risk assessment is carried out at Group level once a year in connection with the review of the strategy. The nature and probability of strategic risks is continuously monitored and reported on.

Changes in economic, demographic, technological and political factors have an effect on YIT's business. Changes in consumer and business confidence and the availability and prices of mortgages and real estate financing are key risks related to the demand for apartments and business premises. YIT aims to mitigate political risk and to manage cyclicality through geographical diversification. Large area development projects and tender-based projects also enable planned flexibility in different market situations. In operations subject to sales risk, it is key to ensure that the offering matches demand, taking different customer segments into consideration. Agility in moving between different project types is also crucial.

YIT's typical operational risks include risks related to plot investments, the sales risk of self-developed residential and business premises projects, and risks related to contract tenders, service agreements, project management and personnel. In project management, the key considerations are the accuracy of estimated costs and schedules, as well as competence in pricing. Third-party decisions regarding matters such as legislation, norms, zoning and construction permits also constitute a key operational risk. YIT manages sales risk by engaging in active pre-marketing, adjusting the number of residential start-ups according to estimated residential demand and the number of unsold apartments, and by typically securing anchor tenants prior to starting a business premises project and the investor in an early phase of construction. Risk management is an inseparable part of the preparation and implementation of projects and their phases. The management of large projects is supported by control practices including the method of organisation. Proactive communication with various stakeholders improves the predictability of projects and promotes smooth co-operation.

One of YIT's strategic focus areas is to improve capital efficiency, and capital release targets have been set accordingly. Measures to release capital in a challenging market situation involve the risk of financial losses.

Financial risks include risks related to the sufficiency of financing, currency and interest rates, credit and counterparty risks and risks related to the reporting process. The Group's most significant currency risk is related to ruble-denominated investments. Financial risks are managed through accounting and treasury policies, internal control as well as internal and external auditing. More information on financial risks and their management is provided in Note 30 to the financial statements 2014.

Possible event risks include personal damage, property damage and damage pertaining to information security, environmental damage and accidents, as well as sudden and unforeseen damage to property and premises related to project sites and other property, such as fire, collapse or theft. The primary objective of the management of event risks is the prevention of damage. Event risks are additionally managed through contingency plans as well as a Group-wide insurance policy and programmes. YIT also complies with a Group-wide security policy covering the different areas of security. Extensive training is provided for occupational safety-related matters, and its development is monitored from unit level to the Group's Management Board and Board of Directors. The IT infrastructure and practices are managed through IT policies. In order to ensure compliant and ethical operations, the Group has common Business Principles and effective methods for reporting and processing any misdemeanours. The Business Principles are reviewed on a regular basis, and compliance is supervised by means of internal and external auditing. The compliance of subcontractors' operations is ensured through services related to guidance and internal audits.

Events after the review period

In October, residential sales to consumers are estimated to be over 100 units in Finland (10/14: around 150), around 80 units in the CEE countries (10/14: around 70) and around 200 units in Russia (10/14: around 400). In Russia, the number of signed preliminary sales agreements in October exceeds the mentioned number by around 100 units, but YIT has not been able to register part of the agreements. The problems in registrations stem from tightened requirements on insurances protecting consumers in accordance with the law 214.

Outlook for 2015

Guidance specified (segment reporting, POC)

The Group revenue growth is estimated to be in the range of -5–0% at comparable exchange rates.

The operating profit margin excluding non-recurring items is estimated to in the range of 4–5%.

In addition to the market outlook, the guidance is based on the following factors: At the end of September, 48% of YIT's order backlog was sold. Projects already sold and signed pre-agreements are estimated to contribute close to 60% of the Q4 revenue. The rest of the revenue estimate is based on estimated new sales during the last quarter and capital release actions.

In Russia, the tightened requirements on insurances to the law 214 that came into effect on October 1, 2015 have temporarily stopped registrations on sales agreements in projects that have received the building permit after January 1, 2014. The issue is expected to be solved during the remainder of the year.

In addition to the demanding market situation especially in Russia, operating profit margin excluding non-recurring items will be burdened by the following factors: The share of revenue coming from residential sales to investors, which has lower margin than consumer sales, and contracting are estimated to increase in Finland. Around EUR 230 million of the EUR 380 million capital release program, started in autumn 2013, had been carried out in the end of September. The execution of the program will continue actively in 2015, and the capital release actions are estimated to have a negative effect on the operating profit margin.

Market outlook

Finland

In Finland, the macroeconomic uncertainty is estimated to affect the residential and business premises markets also in 2015.

Consumers are cautious, and the demand is expected to focus on small apartments in growth centres, whereas the investor demand is expected to remain good. Residential price development is estimated to be polarized especially between small and large apartments. Access to mortgage financing is estimated to remain good.

In Finland, the demand for business premises is estimated to remain modest. The real estate investors' interest is estimated to remain on a moderate level with focus on prime locations in the capital region. Opportunities are seen in contracting, but there will be fewer large projects in the tendering phase compared to the beginning of the year.

Russia

The visibility is weak in Russia and economic uncertainty is estimated to continue to have a negative impact also on the residential market. The construction costs are estimated to increase, while residential prices are estimated to remain stable. The demand is estimated to focus especially on small apartments that are either close to completion or completed.

The mortgage rates for new apartments are expected to remain stable thanks to the government's mortgage interest rate subsidy program.

The issue related to tightened requirements on insurances that impacts the registration of sales contracts is expected to be solved during the remainder of the year.

The CEE countries

In the CEE countries, the residential and business premises markets are expected to be supported by the improved economic situation. Access to mortgage financing is estimated to remain good and residential prices to increase moderately.

Interim Report January 1–September 30, 2015: Tables

The information presented in the Interim Report has not been audited.

1 Summary of Financial Statements

2 Notes, segment reporting

3 Notes, IFRS

1 Summary of Financial Statements

1.1 Consolidated income statement, IFRS and segment reporting POC

EUR million	7–9/15 IFRS	7–9/14 IFRS	Change IFRS		7–9/15 POC	7–9/14 POC	Change POC
Revenue	363.8	492.4	-26%		391.7	485.7	-19%
of which activities outside Finland	83.3	164.7	-49%		107.3	168.3	-36%
Other operating income and expenses	-359.3	-461.3	-22%		-378.8	-449.2	-16%
Share of results of associated companies and joint ventures	-0.1	0.0			-0.1	0.0	
Depreciation	-2.9	-3.1	-6%		-2.9	-3.1	-6%
Operating profit	1.5	28.1	-95%		10.0	33.5	-70%
% of revenue	0.4%	5.7%			2.6%	6.9%	
Financial income and expenses	-6.6	-6.7	-3%		-10.7	-10.9	-2%
Profit before taxes	-5.1	21.3			-0.7	22.6	
% of revenue	-1.4%	4.3%			-0.2%	4.7%	
Income taxes [1)]	1.1	-5.1			-0.1	-5.8	-99%
Profit for the review period	-4.0	16.2			-0.8	16.8	
Equity holders of the parent company	-4.0	16.3			-0.8	16.8	
Non-controlling interest	-0.0	0.0			0.0	0.0	3%
Earnings per share, attributable to the equity holders of the parent company, diluted and undiluted, EUR	-0.03	0.13			-0.01	0.13	

EUR million	1–9/15 IFRS	1–9/14 IFRS	Change IFRS	1–12/14 IFRS	1–9/15 POC	1–9/14 POC	Change POC	1–12/14 POC
Revenue	1,220.6	1,249.3	-2%	1,778.6	1,182.7	1,340.2	-12%	1,801.2
of which activities outside Finland	295.4	369.1	-20%	616.1	331.2	459.6	-28%	637.2
Other operating income and expenses	-1,158.4	-1,180.4	-2%	-1,671.5	-1,124.6	-1,235.9	-9%	-1,674.9
Share of results of associated companies and joint ventures	0.1	0.2	-71%	0.3	0.1	0.2	-71%	0.3
Depreciation	-9.1	-9.6	-5%	-12.6	-9.1	-9.6	-5%	-12.6
Operating profit	53.2	59.6	-11%	94.8	49.0	95.1	-48%	114.0
% of revenue	4.4%	4.8%		5.3%	4.1%	7.1%		6.3%
Financial income and expenses	-13.3	-16.0	-17%	-20.5	-28.2	-28.6	-1%	-39.0
Profit before taxes	39.8	43.6	-9%	74.3	20.9	66.5	-69%	75.0
% of revenue	3.3%	3.5%		4.2%	1.8%	5.0%		4.2%
Income taxes [1)]	-8.8	-10.2	-14%	-18.5	-5.4	-15.5	-65%	-18.5
Profit for the review period	31.0	33.4	-7%	55.8	15.5	51.0	-70%	56.5
Equity holders of the parent company	31.2	33.5	-7%	55.9	15.5	51.0	-70%	56.6
Non-controlling interest	-0.1	-0.1	86%	-0.1	0.0	-0.0		-0.0
Earnings per share, attributable to the equity holders of the parent company, diluted and undiluted, EUR	0.25	0.27	-8%	0.44	0.12	0.41	-70%	0.45

[1)] Taxes for the review period are based on the tax estimate for the whole financial year.

1.2 Statement of comprehensive income, IFRS

EUR million	1–9/15	1–9/14	Change	1–12/14
Profit for the review period	31.0	33.4	-7%	55.8
Items that may be reclassified subsequently to profit/loss				
Cash flow hedges	0.2	0.3	-41%	0.4
-Deferred tax	-0.0	-0.1	-28%	-0.1
Change in fair value of for available for sale investments		-0.0		-0.0
-Deferred tax		0.0		0.0
Change in translation differences	-3.6	-37.2	-90%	-166.9
Other change		0.2		0.2
Items that may be reclassified subsequently to profit/loss, total	**-3.5**	**-36.7**	**-91%**	**-166.4**
Items that will not be reclassified to prof-it/loss:				
Change in fair value of defined benefit pension				-0.2
- Deferred tax asset				0.0
Items that will not be reclassified to profit/loss, total				**-0.2**
Other comprehensive income, total	**-3.5**	**-36.7**	**-91%**	**-166.5**
Total comprehensive result	**27.6**	**-3.2**		**-110.7**
Attributable to equity holders of the parent company	27.7	-3.2		-110.7
Attributable to non-controlling interest	-0.1	-0.1	86%	-0.1

1.3 Consolidated balance sheet, IFRS and segment reporting POC

EUR million	9/15 IFRS	9/14 IFRS	Change IFRS	12/14 IFRS	9/15 POC	9/14 POC	Change POC	12/14 POC
ASSETS								
Non-current assets								
Property, plant and equipment	49.7	59.2	-16%	55.4	49.7	59.2	-16%	55.4
Goodwill	10.9	10.9		10.9	10.9	10.9		10.9
Other intangible assets	13.4	9.8	37%	11.3	13.4	9.8	37%	11.3
Shares in associated companies and joint ventures	0.8	0.7	5%	0.8	0.8	0.7	5%	0.8
Other investments	0.4	0.8	-49%	0.8	0.4	0.8	-49%	0.8
Other receivables	3.1	2.9	6%	2.9	3.1	2.9	6%	2.9
Deferred tax assets	45.0	43.1	4%	40.3	39.4	34.3	15%	32.3
Current assets								
Inventories	1,619.5	2,032.1	-20%	1,688.9	1,322.3	1,597.4	-17%	1,370.2
Trade and other receivables	236.2	317.3	-26%	227.7	276.5	375.1	-26%	284.2
Cash and cash equivalents	88.1	90.9	-3%	199.4	88.1	90.9	-3%	199.4
Total assets	**2,067.1**	**2,567.8**	**-19%**	**2,238.4**	**1,804.4**	**2,182.0**	**-17%**	**1,968.3**
EQUITY AND LIABILITIES								
Equity								
Share capital	149.2	149.2		149.2	149.2	149.2		149.2
Other equity	392.2	493.3	-20%	386.1	428.8	580.7	-26%	437.6
Non-controlling interest	0.1	0.3	-64%	0.3	0.3	0.4	-29%	0.4
Equity total	**541.5**	**642.8**	**-16%**	**535.6**	**578.4**	**730.4**	**-21%**	**587.2**
Non-current liabilities								
Deferred tax liabilities	18.6	20.4	-9%	15.6	22.1	33.0	-33%	20.0
Pension liabilities	0.9	0.7	37%	0.9	0.9	0.7	37%	0.9
Provisions	41.5	40.5	2%	40.6	41.5	40.5	2%	40.6
Borrowings	279.3	296.4	-6%	275.2	279.3	296.4	-6%	275.2
Other liabilities	15.5	30.4	-49%	22.9	15.5	30.4	-49%	22.9
Current liabilities								
Advances received	431.0	553.3	-22%	402.8	173.3	142.8	21%	155.8
Trade and other payables	334.0	347.2	-4%	304.4	333.8	349.2	-4%	304.1
Provisions	21.5	23.7	-9%	20.2	21.8	22.6	-3%	20.7
Borrowings	383.3	612.4	-37%	620.2	337.9	536.0	-37%	540.8
Liabilities total	**1,525.6**	**1,925.0**	**-21%**	**1,702.8**	**1,226.1**	**1,451.6**	**-16%**	**1,381.0**
Total equity and liabilities	**2,067.1**	**2,567.8**	**-19%**	**2,238.4**	**1,804.4**	**2,182.0**	**-17%**	**1,968.3**

1.4 Consolidated cash flow statement

EUR million	7–9/15	7–9/14	Change	1–9/15	1–9/14	Change	1–12/14
Net profit for the period	-4.0	16.2		31.0	33.4	-7%	55.8
Reversal of accrual-based items	14.9	17.5	-15%	50.3	45.5	10%	70.7
Change in trade and other receivables	-5.1	-14.5	-65%	-14.7	-30.1	-51%	30.6
Change in inventories	-0.9	24.9		56.7	-54.2		17.0
Change in current liabilities	10.1	-0.5		65.0	46.7	39%	-10.2
Change in working capital, total	4.1	9.9	-59%	107.0	-37.6		37.4
Cash flow of financial items	0.1	-1.6		-29.3	-17.5	69%	1.4
Taxes paid	-1.0	0.1		-9.0	-6.3	43%	-5.8
Continuing operations, total	**14.3**	**42.2**	**-66%**	**150.1**	**17.6**	**751%**	**159.5**
Discontinued operations	-0.1	-0.8	-89%	-1.2	-2.9	-60%	-4.7
Net cash generated from operating activities	**14.2**	**41.4**	**-66%**	**148.9**	**14.7**	**913%**	**154.8**
Acquisition of subsidiaries, net of cash	-1.7	-0.0		-5.6	-0.5	Over thousand	-0.5
Acquisition of associated companies and joint ventures	-0.1			-0.1			
Cash outflow from investing activities	-2.0	-3.2	-37%	-8.4	-8.8	-4%	-11.8
Cash inflow from investing activities	1.4	1.6	-14%	4.3	3.7	16%	4.6
Continuing operations, total	**-2.4**	**-1.6**	**52%**	**-9.8**	**-5.6**	**76%**	**-7.6**
Discontinued operations							
Net cash used in investing activities	**-2.4**	**-1.6**	**51%**	**-9.8**	**-5.6**	**75%**	**-7.6**
Continuing operations, total	11.9	40.7	-71%	140.3	12.0	Over thousand	151.9
Discontinued operations, total	-0.1	-0.8	-89%	-1.2	-2.9	-59%	-4.7
Operating cash flow after investments	**11.8**	**39.9**	**-70%**	**139.1**	**9.1**	**Over thousand**	**147.2**
Change in loan receivables	-0.8	4.3		0.7	5.5	-88%	5.0
Change in current liabilities	-44.9	-52.4	-14%	-160.9	-28.1	473%	-32.1
Proceeds from borrowings		80.0		125.0	177.4	-30%	177.4
Repayments of borrowings	-4.5	-54.4	-92%	-195.2	-98.5	98%	-109.8
Payments of financial leasing debts	-0.0	-0.1	-70%	-0.1	-0.2	-58%	-0.3
Dividends paid				-22.6	-47.7	-53%	-47.7
Continuing operations, total	**-50.2**	**-22.6**	**122%**	**-253.1**	**8.4**		**-7.5**
Discontinued operations							
Net cash used in financing activities	**-50.2**	**-22.6**	**122%**	**-253.1**	**8.4**		**-7.5**
Net change in cash and cash equivalents	-38.4	17.3		-114.0	17.4		139.7
Cash and cash equivalents at the beginning of the period	128.3	75.3	70%	199.4	76.3	161%	76.3
Change in the fair value of the cash equivalents	-2.6	-1.9	39%	1.8	-3.0		-16.8
Cash and cash equivalents at the end of the period	87.1	90.9	-4%	87.1	90.9	-4%	199.4

1.5 Consolidated statement of changes in equity, IFRS

	Equity attributable to equity holders of the parent company									
EUR million	Share capital	Legal reserve	Other reserve	Translation differences	Fair value reserve	Treasury shares	Retained earnings	Total	Non-controlling interest	Equity total
Equity on January 1, 2014	149.2	1.5	0.0	-63.5	-1.2	-8.2	614.9	692.7	0.4	693.1
Comprehensive income										
Profit for the period							33.5	33.5	-0.1	33.4
Other comprehensive income:										
Cash flow hedges					0.3			0.3		0.3
- Deferred tax asset					-0.1			-0.1		-0.1
Change in fair value of available-for-sale assets					-0.0			-0.0		-0.0
- Deferred tax asset					0.0			0.0		0.0
Translation differences				-37.2				-37.2		-37.2
Other change							0.2	0.2		0.2
Comprehensive income, total				**-37.2**	**0.2**		**33.7**	**-3.2**	**-0.1**	**-3.3**
Transactions with owners										
Dividend distribution							-47.7	-47.7		-47.7
Share-based incentive schemes							0.6	0.6		0.6
Transactions with owners, total							**-47.1**	**-47.1**		**-47.1**
Equity on September 30, 2014	**149.2**	**1.5**	**0.0**	**-100.6**	**-0.9**	**-8.2**	**601.5**	**642.5**	**0.3**	**642.8**

	Equity attributable to equity holders of the parent company									
EUR million	Share capital	Legal reserve	Other reserve	Translation differences	Fair value reserve	Treasury shares	Retained earnings	Total	Non-controlling interest	Equity total
Equity on January 1, 2014	149.2	1.5	0.0	-63.5	-1.2	-8.2	614.9	692.7	0.4	693.1
Comprehensive income										
Profit for the period							55.9	55.9	-0.1	55.8
Other comprehensive income:										
Cash flow hedges					0.4			0.4		0.4
- Deferred tax asset					-0.1			-0.1		-0.1
Change in fair value of available-for-sale assets					0.0			0.0		0.0
- Deferred tax asset					0.0			0.0		0.0
Change in fair value of defined benefit pension							-0.2	-0.2		-0.2
- Deferred tax asset							0.0	0.0		0.0
Translation differences				-166.9				-166.9		-166.9
Other change							0.2	0.2		0.2
Comprehensive income, total				**-166.9**	**0.3**		**55.9**	**-110.7**	**-0.1**	**-110.7**
Transactions with owners										
Dividend distribution							-47.7	-47.7		-47.7
Share-based incentive schemes			-0.1			0.0	1.1	1.0		1.0
Transactions with owners, total			**-0.1**			**0.0**	**-46.6**	**-46.8**		**-46.8**
Equity on December 31, 2014	**149.2**	**1.5**	**-0.1**	**-230.3**	**-0.8**	**-8.3**	**624.1**	**535.3**	**0.3**	**535.6**

EUR million	Share capital	Legal reserve	Other reserve	Translation differences	Fair value reserve	Treasury shares	Retained earnings	Total	Non-controlling interest	Equity total
	Equity attributable to equity holders of the parent company									
Equity on January 1, 2015	149.2	1.5	-0.1	-230.3	-0.8	-8.3	624.1	535.3	0.3	535.6
Comprehensive income										
Profit for the period							31.2	31.2	-0.1	31.0
Other comprehensive income:										
Cash flow hedges					0.2			0.2		0.2
- Deferred tax asset					-0.0			-0.0		-0.0
Translation differences				-3.6				-3.6		-3.6
Comprehensive income, total				**-3.6**	**0.2**		**31.2**	**27.7**	**-0.1**	**27.6**
Transactions with owners										
Dividend distribution							-22.6	-22.6		-22.6
Share-based incentive schemes			-0.0			-0.0	1.1	1.0		1.0
Transactions with owners, total			**-0.0**			**-0.0**	**-21.5**	**-21.6**		**-21.6**
Changes in ownership shares in subsidiaries										
Change in non-controlling interest							-0.1	-0.1	-0.1	-0.2
Change in ownership shares in subsidiaries, total							**-0.1**	**-0.1**	**-0.1**	**-0.2**
Equity on September 30, 2015	**149.2**	**1.5**	**-0.1**	**-234.0**	**-0.7**	**-8.3**	**633.7**	**541.4**	**0.1**	**541.5**

2 Notes, segment reporting

2.1 Segment reporting accounting principles

In reporting to the management the revenue from own residential and commercial development projects is recognised by multiplying the degree of completion and the degree of sale, i.e. according to the percentage of completion method, which does not fully comply with Group's IFRS accounting principles. According to the Group's IFRS accounting principles revenue from own residential construction projects is recognised on completion and the commercial development projects the recognition practice will be evaluated on a case-by-case basis and in accordance with the terms and conditions of each contract. The share of income and expenses to be recognised is calculated by multiplying the percentage of completion by the percentage of sale multiplied by the occupancy rate. YIT usually sells own commercial development projects to investors either prior to construction or during an early phase. The impact of the difference in reporting principles is shown in the line IFRS adjustment. As a result of the accounting policy, Group figures can fluctuate greatly between quarters.

In addition in group reporting the interest expenses are capitalized according to IAS 23 standard, which causes differences in operating profit and financial expenses between segment reporting and group reporting.

The chief operating decision-maker is the YIT Group's Management Board, which reviews the Group's internal reporting in order to assess performance and allocate resources to the segments.

2.2 Revenue, segment reporting POC

EUR million	1–9/15	1–9/14	Change	1–12/14
Housing Finland and CEE	557.0	537.2	4%	726.5
Housing Russia	204.8	344.4	-41%	474.1
Business Premises and Infrastructure	421.1	456.9	-8%	599.3
Other items	-0.1	1.7		1.4
Revenue total, POC	1,182.7	1,340.2	-12%	1,801.2
IFRS adjustment	37.9	-90.9		-22.6
Revenue total, IFRS	1,220.6	1,249.3	-2%	1,778.6

2.3 Operating profit and operating profit margin, segment reporting POC

Operating profit

EUR million	1–9/15	1–9/14	Change	1–12/14
Housing Finland and CEE	42.6	46.3	-8%	57.6
Housing Russia	-0.1	37.7		49.8
Business Premises and Infrastructure	14.5	17.3	-16%	20.1
Other items	-8.0	-6.3		-13.5
Operating profit total, POC	49.0	95.1	-48%	114.0
IFRS adjustment	4.1	-35.4		-19.2
Operating profit total, IFRS	53.2	59.6	-11%	94.8

Operating profit margin

%	1–9/15	1–9/14	1–12/14
Housing Finland and CEE	7.7%	8.6%	7.9%
Housing Russia	-0.1%	10.9%	10.5%
Business Premises and Infrastructure	3.5%	3.8%	3.4%
Group total, POC	4.1%	7.1%	6.3%
Group total, IFRS	4.4%	4.8%	5.3%

Profit before taxes

EUR million	1–9/15	1–9/14	Change	1–12/14
Profit before taxes, POC	20.9	66.5	-69%	75.0
IFRS adjustment	19.0	-22.9		-0.7
Profit before taxes, IFRS	39.8	43.6	-9%	74.3

2.4 Order backlog, segment reporting POC

EUR million	9/15	9/14	Change	12/14
Housing Finland and CEE	823.0	929.8	-11%	798.5
Housing Russia	599.1	1,103.8	-46%	653.5
Business Premises and Infrastructure	892.4	702.3	27%	673.9
Order backlog, POC	2,314.6	2,736.0	-15%	2,125.9
IFRS adjustment	334.4	542.6		381.1
Order backlog, IFRS	2,649.0	3,278.5	-19%	2,507.1

2.5 Personnel

At the end of the period	9/15	9/14	Change	12/14
Housing Finland and CEE	1,705	1,839	-7%	1,783
Housing Russia	1,784	2,009	-11%	1,980
Business Premises and Infrastructure	1,793	1,877	-4%	1,814
Group Services	292	307	-5%	304
Personnel, total	5,574	6,032	-8%	5,881

2.6 Group figures by quarter, segment reporting POC

Revenue by segments

EUR million	7–9/15	4–6/15	1–3/15	10–12/14	7–9/14	4–6/14	1–3/14
Housing Finland and CEE	165.8	207.6	183.6	189.2	177.4	187.0	172.9
Housing Russia	63.9	69.6	71.3	129.7	119.0	116.8	108.5
Business Premises and Infrastructure	161.9	139.0	120.1	142.4	188.8	147.0	121.1
Other items	0.1	-0.1	-0.1	-0.4	0.5	0.6	0.6
Revenue total, POC	391.7	416.1	374.9	461.0	485.7	451.4	403.1
IFRS adjustment	-27.9	46.8	19.0	68.3	6.8	-97.7	0.0
Revenue total, IFRS	363.8	462.9	394.0	529.3	492.4	353.7	403.2

Operating profit by segments

EUR million	7–9/15	4–6/15	1–3/15	10–12/14	7–9/14	4–6/14	1–3/14
Housing Finland and CEE	12.3	16.2	14.2	11.3	13.3	16.2	16.8
Housing Russia	-8.6	2.3	6.2	12.1	11.7	13.8	12.2
Business Premises and Infrastructure	7.5	3.9	3.1	2.8	10.3	6.9	0.2
Other items	-1.3	-3.8	-3.0	-7.2	-1.8	-2.1	-2.3
Operating profit total, POC	10.0	18.6	20.5	19.0	33.5	34.7	26.9
IFRS adjustment	-8.5	6.1	6.6	16.3	-5.4	-26.3	-3.7
Operating profit total, IFRS	1.5	24.6	27.1	35.2	28.1	8.3	23.2

Operating profit margin by segments

%	7–9/15	4–6/15	1–3/15	10–12/14	7–9/14	4–6/14	1–3/14
Housing Finland and CEE	7.4%	7.8%	7.7%	6.0%	7.5%	8.6%	9.7%
Housing Russia	-13.4%	3.2%	8.7%	9.3%	9.9%	11.8%	11.2%
Business Premises and Infrastructure	4.7%	2.8%	2.6%	1.9%	5.4%	4.7%	0.2%
Group total, POC	2.6%	4.5%	5.5%	4.1%	6.9%	7.7%	6.7%
Group total, IFRS	0.4%	5.3%	6.9%	6.7%	5.7%	2.4%	5.8%

Key figures, segment reporting POC

	7–9/15	4–6/15	1–3/15	10–12/14	7–9/14	4–6/14	1–3/14
Profit before taxes, EUR million	-0.7	11.2	10.3	8.5	22.6	25.7	18.2
Profit for the review period, attributable to equity holders of the parent company, EUR million	-0.8	8.4	7.8	5.5	16.8	20.0	14.3
Earnings per share, diluted and undiluted, EUR	-0.01	0.07	0.06	0.04	0.13	0.16	0.11

	9/15	6/15	3/15	12/14	9/14	6/14	3/14
Equity per share, EUR	4.60	5.05	4.97	4.67	5.81	5.98	5.63
Invested capital, EUR million	1,195.6	1,308.0	1,344.0	1,403.2	1,562.8	1,603.8	1,553.7
Return on investment, from the last 12 months	5.1%	6.4%	7.5%	7.7%	9.1%	9.6%	10.2%
Equity ratio	35.5%	36.0%	35.2%	32.4%	35.8%	36.4%	35.0%
Net interest-bearing debt, EUR million	529.2	544.9	600.7	616.6	741.6	776.3	766.6
Gearing	91.5%	85.9%	96.2%	105.0%	101.5%	103.2%	108.4%
Personnel at the end of the period	5,574	5,847	5,534	5,881	6,032	6,358	6,076

Order backlog by segments

EUR million	9/15	6/15	3/15	12/14	9/14	6/14	3/14
Housing Finland and CEE	823.0	834.7	784.2	798.5	929.8	953.2	956.7
Housing Russia	599.1	740.4	701.5	653.5	1 103.8	1 218.8	1 070.6
Business Premises and Infrastructure	892.4	998.3	684.1	673.9	702.3	751.9	669.4
Order backlog total, POC	2 314.6	2 573.5	2 169.8	2 125.9	2 736.0	2 923.9	2 696.7
IFRS adjustment	334.4	341.1	380.3	381.1	542.6	556.5	449.7
Order backlog total, IFRS	2 649.0	2 914.6	2 550.1	2 507.1	3 278.5	3 480.3	3 146.4

Operative invested capital

EUR million	9/15	6/15	3/15	12/14	9/14	6/14	3/14
Housing Finland and CEE	457.9	490.6	567.8	579.8	613.0	621.9	649.0
Housing Russia [1)]	390.6	443.9	428.5	378.1	564.0	601.6	549.2
Business Premises and Infrastructure	181.3	171.9	201.2	181.9	229.3	233.2	208.8

Return on operative invested capital

Rolling 12 months, %	9/15	6/15	3/15	12/14	9/14	6/14	3/14
Housing Finland and CEE	10.1%	9.9%	9.0%	9.4%	9.5%	10.1%	9.7%
Housing Russia [1)]	2.5%	6.2%	9.0%	10.5%	10.2%	11.4%	12.4%
Business Premises and Infrastructure	8.4%	9.9%	11.2%	10.8%	12.1%	12.0%	15.6%

Only operational items are taken into account in calculating the segments' invested capital.
[1)] Includes the Gorelovo industrial park.

3 Notes, IFRS

3.1 Group figures by quarter, IFRS

	7–9/15	4–6/15	1–3/15	10–12/14	7–9/14	4–6/14	1–3/14
Revenue, EUR million	363.8	462.9	394.0	529.3	492.4	353.7	403.2
Operating profit, EUR million	1.5	24.6	27.1	35.2	28.1	8.3	23.2
% of revenue	0.4%	5.3%	6.9%	6.7%	5.7%	2.4%	5.8%
Financial income and expenses net, EUR million	-6.6	-2.1	-4.7	-4.5	-6.7	-4.8	-4.4
Profit before taxes, EUR million	-5.1	22.5	22.4	30.7	21.3	3.5	18.8
% of revenue	-1.4%	4.9%	5.7%	5.8%	4.3%	1.0%	4.7%
Earnings per share, EUR	-0.03	0.14	0.14	0.18	0.13	0.02	0.12
Gross capital expenditures, EUR million	2.1	4.0	2.5	5.0	3.2	3.6	2.0
% of revenue	0.6%	0.9%	0.6%	0.9%	0.7%	1.0%	0.5%

	9/15	6/15	3/15	12/14	9/14	6/14	3/14
Balance sheet total, EUR million	2,067.1	2,216.1	2,218.5	2,238.4	2,567.8	2,633.4	2,509.9
Equity per share, EUR	4.31	4.73	4.60	4.26	5.12	5.25	5.06
Average share price during the period, EUR	6.50	5.85	5.28	7.35	8.02	8.37	8.88
Share price at the end of the period, EUR	4.89	6.41	5.12	4.27	6.11	8.41	7.73
Weighted average share-issue adjusted number of shares outstanding, diluted and undiluted, 1,000 pcs	125,582	125,583	125,584	125,587	125,588	125,589	125,590
Share-issue adjusted number of shares outstanding at the end of the period, 1,000 pcs	125,581	125,582	125,583	125,584	125,585	125,586	125,588
Market capitalisation at the end of the period, EUR million	714.4	805.0	643.0	536.2	767.3	1,056.2	970.8
Return on investment, from the last 12 months	6.6%	8.1%	6.8%	6.4%	6.1%	5.2%	6.1%
Equity ratio	33.1%	33.8%	32.1%	29.2%	31.9%	32.2%	31.6%
Net interest-bearing debt, EUR million	574.6	587.3	678.0	696.0	817.9	860.2	840.3
Gearing ratio	106.1%	98.7%	117.3%	129.9%	127.2%	130.4%	132.1%
Unrecognised order backlog at the end of the period, EUR million	2,649.0	2,914.6	2,550.1	2,507.1	3,278.5	3,480.3	3,146.4
-of which activities outside Finland, EUR million	1,053.0	1,194.3	1,123.2	1,061.4	1,697.3	1,838.2	1,568.3
Personnel at the end of the period	5,574	5,847	5,534	5,881	6,384	6,358	6,076
Personnel, average from the beginning of the year	5,675	5,665	5,616	6,116	6,172	6,169	6,102

3.2 Accounting principles of the Financial Statements Bulletin

YIT Corporation's Interim Report for January 1 – September 30, 2015, has been drawn up in line with IAS 34: Interim Financial Reporting. The information presented in the Interim Report has not been audited. In the Financial Statement the figures are presented in million euros doing the rounding on each line, which may cause some rounding inaccuracies in column and total sums.

The Interim Report has been prepared in accordance with the International Financial Reporting Standards (IFRS), and the principles for preparing the Interim Report are the same as those used for preparing the financial statements 2014.

Currency exchange rates used in the Financial Statement

		Average rates			Balance sheet rates		
		1–9/15	1–9/14	1–12/14	9/15	9/14	12/14
1 EUR =	CZK	27.3592	27.5045	27.5364	27.1870	27.5000	27.7350
	PLN	4.1559	4.1756	4.1843	4.2448	4.1776	4.2732
	RUB	66.5075	48.0330	51.0378	73.2416	49.7653	72.3370
	LTL		3.4528	3.4528		3.4528	3.4528

3.3 Definitions of key financial figures

Return on investment (ROI, %) =	Group's profit before taxes + interest expenses + other financial expenses +/- exchange rate differences x 100 Balance sheet total - non-interest bearing liabilities (average)
Segment's operative invested capital =	Tangible and intangible assets + goodwill + shares in associated companies + investments + inventories + trade receivables + other non-interest bearing operational receivables *) - provisions - trade payables - advances received – other non-interest bearing liabilities *) *) excluding items associated with taxes, distribution of profit and financial items
Return on operative invested capital (%) =	Segment's operating profit Segment's operative invested capital (average)
Equity ratio (%) =	Equity + non-controlling interest x 100 Balance sheet total - advances received
Gearing ratio (%) =	Interest-bearing liabilities - cash and cash equivalents x 100 Shareholders' equity + non-controlling interest
Segment reporting, earnings / share (EUR) =	Net profit for the period (attributable to equity holders), segment reporting Share issue-adjusted average number of outstanding shares during the period
Group IFRS reporting, earnings / share (EUR) =	Net profit for the period (attributable to equity holders), group reporting Share issue-adjusted average number of outstanding shares during the period
Equity/share (EUR) =	Equity Share issue-adjusted number of outstanding shares at the end of the period
Market capitalisation =	(Number of shares - treasury shares) x share price on the closing date by share series

3.4 Unusual items affecting operating profit

EUR million	1–9/15	1–9/14	Change	1–12/14
Housing Finland and CEE				-6.1
Housing Russia	-10.3			-6.0
Business Premises and Infrastructure				-0.2
Other items	-0.1			
Group total	**-10.4**			**-12.4**

In 2015 the third-quarter operating profit of Housing Russia included non-recurring costs of EUR 10.3 million, of which EUR 2.6 million were related to the restructuring of the Russian operations and EUR 7.7 million impairment charge related to development costs of projects in the Moscow region that YIT has decided not to implement.

In 2015 the third-quarter operating profit of Other items included non-recurring costs of EUR 0.1 million, which are related to the restructuring of the Russian operations.

In year 2014, the operating profit of Housing Finland and CEE included non-recurring costs of EUR 6.1 million, of which EUR 0.2 million was related to restructuring measures in Finland and EUR 5.9 million was related to write-downs of assets under the capital release program in Baltic countries.

In year 2014, the operating profit of Housing Russia included non-recurring costs of EUR 6.0 million, of which EUR 3.1 million was related to restructuring measures and EUR 3.0 million was related to write-downs of assets under the capital release program.

In year 2014 the operating profit of Business Premises and Infrastructure included non-recurring costs of EUR 0.2 million, of which EUR 0.1 million was related to restructuring measures in Finland, and EUR 0.1 million was related to write-downs of assets under the capital release program in the Baltic countries.

3.5 Business combinations and disposals

There have been no acquisitions or disposals in year 2015.

3.6 Property, plant and equipment

EUR million	9/15	9/14	Change	12/14
Carrying value at the beginning of the period	55.4	65.2	-15%	65.2
Translation difference	-0.0	-0.8	-96%	-3.7
Increase	5.0	5.5	-9%	6.5
Decrease	-2.5	-1.8	40%	-2.3
Depreciation and value adjustments	-7.8	-8.7	-11%	-11.5
Reclassifications	-0.4	-0.1	288%	1.2
Carrying value at the end of the period	**49.7**	**59.2**	**-16%**	**55.4**

3.7 Inventories

EUR million	9/15	9/14	Change	12/14
Raw materials and consumables	7.4	7.5	-1%	6.0
Work in progress	827.3	1,080.4	-23%	874.0
Land areas and plot owning companies	496.1	588.4	-16%	509.1
Shares in completed housing and real estate companies	211.2	256.4	-18%	223.8
Advance payments	76.7	98.9	-22%	73.3
Other inventories	0.8	0.5	44%	2.7
Total inventories	**1,619.5**	**2,032.1**	**-20%**	**1,688.9**

3.8 Notes on equity

Share capital and share premium reserve	Number of outstanding shares, pcs	Share capital, EUR million	Treasury shares, EUR million
Shares outstanding on January 1, 2015	125,583,992	149.2	-8.3
Return of treasury shares January 1 - March 31, 2015	-1,413		-0.0
Return of treasury shares April 1 - June 30, 2015	-752		
Return of treasury shares July 1 - September 30, 2015	-623		
Shares outstanding on September 30, 2015	**125,581,204**	**149.2**	**-8.3**

3.9 Financial risk management

The main financial risks include liquidity risk, credit risk and market risks, such as currency and interest rate risk, and their management is a part of the Group's treasury policy. The Board of Directors has approved the Corporate Treasury Policy. The Group Treasury is responsible for the practical implementation of the policy in association with the business units.

The Group's strategic financial targets guide the use and management of the Group's capital. Achieving the strategic targets is supported by maintaining an optimum Group capital structure. Capital structure is mainly influenced by controlling investments and the amount of working capital tied to business operations.

A more detailed account of financial risks has been published in the notes to the financial statements for the year 2014.

3.10 Borrowings and fair value

Borrowings which have different fair value and carrying value

EUR million	9/15 Carrying value	9/15 Fair value	12/14 Carrying value	12/14 Fair value
Non-current liabilities				
Bonds	99.5	100.5	105.3	109.6
Loans from credit institutions	89.5	85.4	67.3	63.7
Pension loans	90.3	83.9	102.5	95.3
Non-current liabilities. total	**279.3**	**269.8**	**275.1**	**268.6**
Current liabilities				
Bonds	105.4	108.3	105.4	106.6

The fair values of bonds are based on the market price at the closing date. The fair values of other non-current loans are based on discounted cash flows. Discount rate is defined to be the rate YIT Group was to pay for equivalent external loans at the closing date. It consists of risk free market rate and company and maturity related risk premium 2.32–4.92% (2.12-4.08% on December 31, 2014) p.a.

Fair value estimation

Group measures the fair value measurement hierarchy as follows:

Level 1: The fair values of financial instruments are based on quoted prices in active markets. A market can be considered active if quoted prices are regularly available and the prices represent the actual value of the instrument in liquid trading.
Level 2: Financial instruments are not traded in active and liquid markets. The value of a financial instrument can be determined based on market value and potentially partially derived value measurement. If, however, the factors affecting the fair value of the instrument are available and observable, the instrument belongs to level 2.
Level 3: The valuation of a financial instrument is not based on observable market data, and other factors affecting the fair value of the instrument are not available and observable. The following table presents the Group's assets and liabilities that are measured at fair value and their levels. Following table presents the group's assets and liabilities that are measured at fair value and their levels.

Assets, EUR million	9/15 Level 1	9/15 Level 2	12/14 Level 1	12/14 Level 2
Available-for-sale investments	0.1		0.1	
Derivatives (hedge accounting not applied)		0.1		2.4
Total assets	**0.1**	**0.1**	**0.1**	**2.4**

Liabilities, EUR million	9/15 Level 1	9/15 Level 2	12/14 Level 1	12/14 Level 2
Derivatives (hedge accounting not applied)		5.6		4.9
Derivatives (hedge accounting applied)		0.9		1.1
Total liabilities		**6.5**		**6.0**

There were neither transfers between level 1 and 2 nor assets categorised at level 3.

3.11 Change in contingent liabilities and assets and commitments

EUR million	9/15	9/14	Change	12/14
Collateral given for own commitments				
Corporate mortgages				
Guarantees on behalf of its associated companies	5.0	6.8	-27%	6.8
Other commitments				
Repurchase commitments	453.0	473.6	-4%	490.9
Operating leases	133.2	153.7	-13%	142.2
Rental guarantees for clients	4.6	1.7	180%	1.4
Liability under derivative contracts				
Value of underlying instruments				
Interest rate derivatives	342.5	320.5	7%	318.0
Foreign exchange derivatives	62.4	81.7	-24%	62.2
Commodity derivatives				
Fair value				
Interest rate derivatives	-6.5	-6.1	7%	-6.0
Foreign exchange derivatives	0.1	1.1	-91%	2.4
Commodity derivatives		0.0		
YIT Corporation's guarantees on behalf of its subsidiaries	997.9	956.5	4%	961.9

As a result of the partial demerger registered on June 30, 2013, YIT Corporation had secondary liability for guarantees transferred to Caverion Corporation, with a maximum total amount of EUR 82.1 million on September 30, 2015 (EUR 128.8 million on September 30, 2014).

3.12 Transactions with associated companies and joint ventures

EUR million	1–9/15	1–9/14	Change	1–12/14
Sales	13.3	22.5	-41%	26.7
Purchases				
EUR million	**9/15**	**9/14**	**Change**	**12/14**
Trade and other receivables	0.1	0.0	291%	0.0
Trade and other liabilities				

Together we can do it.

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