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PRESENTATION

Essi Nikitin
Good morning, everyone. And welcome to YIT's first quarter 2024 results webcast. My name is Essi Nikitin, and I'm heading the Investor Relations at YIT. Together with me here are our CEO, Heikki Vuorenmaa; and CFO, Tuomas Mäkipeska.

At this point, I will hand over to Heikki. Please go ahead, Heikki.

Heikki Vuorenmaa
Thank you, Essi, and welcome everyone to our first quarter webcast. The year started as expected with significant improvements in our cash flow and financial position. However, the Finnish housing market and rising yields impacted our profitability for the first quarter. Despite this, our underlying operating performance was solid and project execution proceeded well across all segments. Our housing sales improved nearly 60% on a year-on-year basis with the Baltics and CEE seeing the fifth consecutive quarter of improvement. Our company's cash flow improved by over €200 million, resulting in a positive first quarter cash flow.

Additionally, we secured proceeds from a financial arrangement, leaving us with more than €250 million cash at the end of the quarter. So, overall, it was a solid start for the year. Let's take a closer look at the group finances. During the first quarter, the revenue declined by 9%, driven by lower residential sales in Finland and a low number of completions in the Baltics and CEE countries. Our adjusted operating profit for the group was negative €40 million, impacted by a decrease in the fair values. In total, the impact of yields and fair values on group profits during the first quarter was €30 million, of which €12 million attributed to the Mall of Tripla. Excluding these changes, our operational result was on a similar level to the first quarter of last year, even with the lower completions in the Baltics and CEE operations. On following pages, we break down these numbers and see how we performed in different business areas.

We have recently increased the granularity of our investor communication to provide more insights into our operating engine, which consists of four cylinders. When we look at the group numbers, we can see that three out of four cylinders are performing well. However, the housing segment in Finland continues to face headwinds, impacting both the net sales and profitability. Well, in contrast, sales in the Baltics and CEE remained strong despite lower completions compared to previous year. The Infrastructure segment saw a decline in net sales due to the closure of operations in Sweden, but profitability remained stable year-on-year basis. The Business Premises segment, on the other hand, experienced an increase in net sales and positive profitability prior to changes in fair values.

Let's delve deeper into the housing in Finland. The capital employed is currently at €700 million, an increase of approximately €50 million from last year. However, the inventory of unsold finished goods has almost doubled during that period of time. Despite the increase in the stock of finished apartments, the team has been able to release capital from the other parts of the business operations to control the balance sheet. As the market recovers, buildup apartments will gradually be sold, leading to a decline in the capital employed in the Finnish housing market. The order book has declined substantially due to the low number of start-ups, both in the consumer and investor segments. This is due to the prevailing market conditions. But our market share actually has increased over the past 12 months. The adjusted operating profit was negative at €7 million, which is on the same level as last year during the quarter. Margins are under pressure due to the low production volumes, but we expect to recover the margins above the outlined target level as the market recovery starts in Finland. So how have we actually then activated the market and increased our market share? Well, YIT has launched several campaigns to activate the market. And one of these is the interest rate cap campaign, which allows customers to cap their interest rate at 2% for five years. This campaign has been really successful and we have decided to continue it until the end of the August. YIT is the first company in the Finnish market to offer such a deal, thanks to its strong partnerships with banks. Another campaign launched by YIT is a rent-to-buy campaign which has received a high attention and has already resulted in signed deals. This campaign focuses on addressing the problem of home buyers, especially those who are in between the apartments. So we continue to listen to consumers to solve their problems, innovate solutions, and activate the market. Let's continue our discussion on the overall Finnish housing market. As we have mentioned earlier on these investors' calls, the completions of the market will be exceptionally low. This year, the completions of consumer apartments are low from historical levels. However, if we take a look on the next year, completions are reaching almost all-time low level. This will for sure have an impact to supply of apartments and also that the whole industry as such. We continue to observe the right timing to start new projects and to maintain a balance between demand and supply. At the end of the quarter, operations in Finland had a total of 1,000 unsold apartments, which are now an asset for the following quarters as completions of consumer units are at the historically low level for the next 16 months. The portfolio continues to be well balanced and located in attractive areas in major growth cities in Finland. With the population growth continuing in all the major cities this year, the lack of supply will eventually turn the market situation to be balanced. If the sales continues at the pace we've seen in the past 2 months, the stock of these 1,000 apartments will last somewhere between 12 to 16 months. This presents a promising outlook for us.

Moving on to the housing market in the Baltics and CEE. Well, we can see that the market is active and it also has had a positive impact on our capital employed. Over the past 12 months, we have released over €50 million in capital despite starting multiple new projects. Our order book has remained strong with the growth on both a quarterly and yearly basis. Our adjusted operating profit for the rolling 12 months is at 13%, which is above our target level. Of the units completed, by the YIT Housing segment, 70% come from the Baltics and CEE, and we continue to carefully allocate more capital to this area. Let's take a closer look at the Housing segment supply chain in details. During the quarter, our start-ups doubled to almost 500 units, all of which were initiated outside of Finland. The number of start-ups is well-balanced with monthly sales to maintain a healthy balance between demand and supply. We will continue to initiate the projects in markets with healthier demand. And as I said, we are carefully observing the right timing to launch more new projects in Finland as well.

Next, let's take a look on our production. Our production is going well. There are no supply chain shortages or challenges. Raw material prices are on a decline and it gives us a competitive advantage to tendering projects as well. We have recently announced new partnerships to further improve our design capabilities, material cost base and time to market. Those partnerships will support our competitiveness going forward. At the end of the quarter, we had approximately 3,000 units under construction with the sales rate of 49%. To balance the decline in production, we have used temporary layoffs and other measures in Finland. But we are also focusing on training our employees to maintain the capability, to ramp up the production as needed.

Next, we move on to completions. During the quarter, we completed a total of 391 units, mostly in Finland. All departments started prior to the market downturn in Finland are now completed, and the supply to the market will be significantly lower in the coming quarters. This will eventually lead to a balance between supply and demand, and we will see a decline in our inventory units moving forward in Finland as well. In the following quarters, completions will take place in the Baltics and CEE, as mentioned. The total number is approximately 1,200 units during this year. As I mentioned at the beginning, our apartment sales have increased significantly, 59% year on year and 9% from the previous quarter. Our sales improvement in Finland has been slow yet steady despite the overall market remaining weak. Our operations in Poland, Czech and Latvia has been the main drivers for the increase in sales in the Baltics and CEE. Since the lowest point in apartment sales, which was the first quarter last year, we have seen growth in each subsequent quarter. Our sales teams are working hard to maintain this trend in the coming quarters. On the following page we will cover another element of our operations, which is production under associated companies and joint ventures. As announced April 29, we are deepening our partnership with investment partners to construct certain parts of our housing portfolio together with them. This operating model provides us flexibility, scale and improved capital efficiency. During the quarter, we sold 110 YIT apartments to consumer from our associated companies and joint ventures. This year, we will complete 500 units through this special purpose vehicles. And as we announced, continue to expand our partnership in certain markets going forward. It is important to note that the number of apartment sales as well as the completions are not included in the previous part of the presentation. This now concludes the Housing segment walkthrough and we will now move on to the other area of businesses, starting with the Business Premises.

In the Business Premises segment, we saw an improvement in underlying performance, resulting in positive results. Our revenue improved supported by strong order book in the segment. This improvement is due to the lower material costs and improved overall project management. During the quarter, the yield of Tripla Mall increased, evaluated by third party, and that is weakening our results by €12 million during the first quarter of 2024. The Mall of Tripla itself continues to perform extremely well with the growth in visitors and revenue almost 2x compared to peers, and has a high-occupancy rate as well. The segment's capital employed include two selfdeveloped office premises, one in Finland, another one in Lithuania, the mall, the Tripla Mall plots and one brownfield development site here in Finland. The plan for the segment is rather straightforward. Release the capital employed from the investments on some plots, secure healthy order book ,and improve operating profit.

Now, let's move on to the Infra segment. The Infra team had a solid quarter with a decrease in capital employed due to the successful divestments of the equipment business and the release of capital from the operations in Sweden. The order book declined from the previous quarter, but the segment still has a healthy order book of approximately 24 months. Several new contracts, such as more than €100 million on road maintenance, have been announced but not yet included to the order book. Operating profit was at the same level as last year during the quarter, and the rolling 12 months is starting to reach the 4% level, which should be the minimum threshold for the Infra business. With ongoing efficiency measure, there is a potential to exit this level going forward.

But now it starts to be the time to leave the segment results and conclude that market environment where we are today. We expect the housing market in Finland to continue similar during the second and third quarter of 2024. Consumer confidence and the apartment buying intentions are not indicating any speed in market recovery. There is still unmet demand, yet consumers are cautious in their investment decisions, and that is also postponing the decisions to acquire new homes. Additionally, there are certain unique characteristics of the Finnish housing market, such as fluctuating mortgage rates, increasing unemployment, and VAT increases that has been recently announced. They might have a further impact on the recovery. In the Baltics and the Latvia and Lithuania markets are already recovering while Estonia continues to be muted. The market situation in Central Eastern European countries are normal for us. Both the Finnish infra market and the real estate market there is a lot to tender for, and the market remains normal maybe even a bit positive in our view.

But now, it starts to be the time to hand over to our CFO, Tuomas Mäkipeska. Tuomas?

Tuomas Mäkipeska
Thank you, Heikki. From a financial perspective, we had a positive start for the year and continued on the right track to improve our financial position. Overall, the underlying profitability of the group was stable and clearly increased in Business Premises. However, in Business Premises, profitability was impacted by a yield increase of 25 basis points in Tripla Mall. The Mall of Tripla is operationally performing very well and change was purely related to the yield increase. The housing market in Finland continued to challenge us and burdened our revenues and profits in Housing segment, and Infrastructure segment profitability was stable. The highlight of the quarter was the significantly improved cash flow, which was €1 million positive. We made progress, especially in releasing capital and generating cash flow from our operations. Consequently, we decreased the net debt by some €70 million from the comparison period. Let's have a closer look at the financials. Focusing first on capital employed development. On group level, we have released €90 million of capital during the last two quarters. In Housing Finland, despite the increase in completed apartments inventory, we were able to keep capital employed development relatively stable during the last quarters due to the measures taken into operations. Sale of the apartments from inventory will release capital and low construction volumes will slow down the amount of additional capital tied to production in upcoming quarters. In Housing Baltics and CEE, we reached fourth consecutive quarter in decrease in capital employed. We have released capital altogether some €50 million during the time period by conducting more capital efficient ways of doing business. We have, for example, deepened collaboration with RSJ Investments and formed three joint ventures in Lithuania, Latvia and Slovakia to develop large area projects together with the partner. We have sold plots or projects under construction to the joint ventures and continue to develop them together, allowing us to reach higher volumes profitably and tying less capital. In Infrastructure, we have

altogether clearly less capital employed, but also there we are on a very positive track. In total, €50 million of capital have been released after Q1 2023. Majority of the impact is attributable to the sale of equipment business and is supported by other capital efficiency measures related to the net working capital management. Finally, in Business Premises, we are on a similar positive trend and some €60 million of capital has been released during the last 12 months. Main contributor to the result was the sale of Maistraatinportti office premises in Pasila. And the largest single item remaining in the balance sheet is, obviously, the Mall of Tripla in Pasila as well. Determined work continues to further release capital from the operations and to improve the return on capital employed of YIT. In big picture, we see that running our business profitably requires clearly less capital than before.

Let's move on to the highlight of the quarter. Cash flow. The cash flow improved significantly and we were able to reach positive result in Q1, even though seasonally the first quarter cash flow has been lower than the other quarters. Obviously, we are pleased to have reached such a strong cash flow, especially compared to the last year's Q1. Sale of the equipment business supported the Q1 2024 outcome by some €30 million. On top of that, measures to improve net working capital efficiency yielded results.

We launched the transformation program roughly a year ago, and since then we have taken several cash flow improvement and capital release actions to strengthen our financial position. The 12 months rolling operative cash flow was €80 million positive at the end of the first quarter. Cash and cash equivalents at the end of the period amounted to €270 million. And this was also supported by the successful financing arrangement in the first quarter.

If we then have a look at how this is reflected on the balance sheet, our underlying asset base continues to be very strong. Key assets totaled to €1.8 billion. We have a land bank of over €800 million to serve as a platform for future operations and profits of the plot portfolio worth of some €650 million are our own plots and leased plots are worth of some €160 million. Inventory assets under production decreased to under €320 million from over €400 million in Q4, reflecting the declining number of apartments under construction. Completed apartments and real estate in our inventory increased to €435 million due to low number of sold apartments in Finland. And investments were worth of €281 million, declining slightly from the Q4.

The net interest-bearing debt decreased by some €30 million due to the strong cash flow in Q1. Approximately €510 million of our gross debt is related to IFRS 16 lease liabilities including leased plots and long-maturing housing company loans that are transferred to buyer when their apartments are sold. So the adjusted net debt was consequently only €260 million. So our asset base continues to be strong and the net debt remains balanced. Going forward, we see that optimal situation for YIT is to operate with clearly less debt and utilize mainly projectbased loans.

Then a couple of words about our investment and purchase commitments since we have often received questions related to the content of these items. Investment commitments are mainly related to equity commitments to joint ventures and associated companies, and these are reported to a full amount as long as contractual obligation exist without considering probability for a capital call. So, in total, we have such commitments worth of €89 million spread over a long-time horizon. And according to our estimation, capital cost of only €6 million are expected to realize in the following 12 months.

Purchase commitments are mainly pre-let contracts for plots in Finland that enable the long-term development of residential construction. We rather consider it as a pipeline and potential that we can tap into when the market picks up in Finland. Currently, we have total purchase commitments worth of €307 million, also spread over a long-time horizon, and the amount is based on the estimated total acquisition value of the plot despite conditionalities or possible termination clauses. So please note that the minimum commitment for a plot is typically less than 10% of the purchase commitment, and pre-contracts are typically completed in 5 to 10 years. So minimum commitment typically less than only 10% of the total amount.

So to summarize the balance sheet, equity ratio of the company has remained stable at 33%. Gearing decreased clearly to 89% due to the strong cash flow and decrease in net debt. Overall, YIT's target is to deleverage balance sheet in short and to return to clearly below 50% gearing level in the long term. Regarding the interest-bearing debt, we are on downward trend and on €100 million lower level compared to the last year's Q2 and Q3. We negotiated the substantial financing arrangement in Q1 and consequently improved the maturity structure of the debt portfolio. The €100 million senior bond has been redeemed in

April and postponing of the amortizations within year 2024 has supported our short-term liquidity position. Altogether, having most of the financing maturing as late as in 2026 provides us stability and possibility to focus on improving the profitability of the company.

Then a short recap on the transformation program going on in the company. The program was launched in February 2023 and it has progressed faster than originally expected. We have launched all the planned measures to achieve the inflation adjusted run rate cost savings of €40 million by the end of 2024. And with the actions taken by the end of March 2024, we will gain annualized run rate cost savings of €30 million which will be fully realized by the end of 2024. Already now in Q1, we reached 15% lower fixed costs than in the comparison period.

In addition to the cost savings, we are expecting to achieve a significant amount of project related and capital efficiency gains. Competitiveness is improved by increasing efficiency in procurement and project management and improving productivity. We already see tangible results related to the direct cost savings from the procurement and lower project margin deviations driven by improved project management. As part of the program, we are executing capital relief measures. The latest action in the first quarter was the successful sale of the equipment business to Renta. The net cash inflow from transaction was €30 million. We will continue to evaluate alternatives for releasing capital and the actions to improve net working capital will proceed according to plan.

Moving on to the guidance and outlook. Our guidance remains intact. So we expect group adjusted operating profit for continuing operations to be between €20 million and €60 million in 2024. The operating cash flow after investments is expected to be positive. However, we have made an elaboration into outlook regarding the housing market in Finland. The housing market is expected to continue to be weak in the second and third quarters of the year. Otherwise, the outlook is unchanged.

So to summarize the finance section, our financial position is stable thanks to renegotiated financing arrangement. Our operating cash flow and net debt improved clearly. And we continue to execute in the transformation program to improve overall performance of the company.

Thank you, and now over to you, Heikki.

Heikki Vuorenmaa
Thank you, Tuomas for a good walkthrough of our financial numbers. And on this call, obviously, we spend a lot of time to cover our financial performance and the numbers as such but I also want to show one topic which is really important for us. These are the positive news that we received that is actually showcasing the skills of our diverse professionals within the YIT. So we have been selected as a winner with our proposal to develop Leppävaara area in Espoo, Finland into urban environment where people can live a good life. Our solution is sustainable, functional, beautiful design as well. But first and foremost, it's also economically viable to execute in the coming years. So I would also express their congratulations to our partners for creating this beautiful winning concept with us.

Now it starts to be the time to conclude and open the lines for questions. And as we do so, let me confirm you that the management remains fully focused on delivering the full impact of our holistic transformation. Our businesses are serving customers enhancing competitiveness, creating winning tenders, and improving our profitability and capital efficiency. And as I mentioned during my section, at the moment, three out of four cylinders are already working. We are well-positioned to balance the demand, the supply in the Finnish residential markets, and also ready to ramp up the production when the time is right.

Thank you, all, for your attention. And now the moderator will open the lines for questions.

QUESTION AND ANSWER SECTION

Operator
The next question comes from Anssi Raussi from SEB. Please go ahead.

Anssi Raussi
Thank you for the presentation and also thank you for explaining this investment and the purchase

commitments. Maybe to clarify a bit further on these purchase commitments. So how much do you think that will be realized this year? And was it so that you have not included any possible or expected penalties if you don't fulfill these commitments? And maybe if you could give us an estimate like how much you have to pay if you wouldn't hold on through commitment?

Tuomas Mäkipeska
Thank you, Anssi, for the question. Well, as mentioned, so the minimum amount of the commitment there's typically less than 10% of the full amount that we have booked. And that relates to the exit clauses of different contracts. So, of course, it varies a lot between, between contracts, but it's typically the penalty or the exit clause is less than 10% of the full amount. And as mentioned, so these contracts spread very, over a long horizon, time horizon. And we are not disclosing our estimates regarding this year, regarding these commitments. But, in general, we can argue that it is very low amount. It's not, it's not material for this year. And, of course, we are -- if we would be in the situation that we would like to exit some contracts, so we would be negotiating with other parties as well.

Heikki Vuorenmaa
If I kind of comment. So it's, of course, like we mentioned, it's a conditional on zoning, so that there are, there are elements that are not always, always on our hand. So we take the most careful view on what could be the fastest time for zoning plan and use that that as our proxy. So if there are delays, so then there are, there are delays on that. But this is really, this is the development pipeline in terms of plots, what the, what the areas we are looking, or what the next 10-plus years, and building on that pipeline since that is, that is a healthy way to operate the business.

Anssi Raussi
Okay. Thanks. That's helpful. And then about your Housing business in the Baltics and CEE countries. I think you started almost 500 apartments during the quarter and the share of unsold units increased within under construction units. So, I guess, this is because you see that there is an increase in demand. But are you planning to increase your start-ups in Finland as well as soon as you see any signs of recovery? So are you planning to be, let's say, forward leaning in Finland as well, or more cautious?

Heikki Vuorenmaa
Yeah, you're right on the CEE. So there we see that there is a demand. We are doing the start-ups. For example, Poland and Poland market has been a really good for us. We've been opening a new cities only to that kind of housing or apartment market in Warsaw in as big as Finland. So there's a little bit about the magnitude where we're operating there.

Coming back to Finland and answering to your question there, we are carefully observing the market. We are -- we have a good, healthy stock of units that we continue to sell. And we will start up when the time is right and when we see that there is a demand for our products. Typically when we start to look at this first, the city level, and then even the micro-location that what type of, what type of a demand there is specifically on that area, what are the competitors doing, and so on and so forth, and then making the, making that pre-advertisement or getting the commitments for the future buyers. And we have a good confidence level of making a start-up so then we are, then we are starting up that the new projects. And as mentioned, so we have had a very little of start-ups in Finland over the past 16 months. And we continue to prudent risk management to maintain the supply and demand balance.

Anssi Raussi
Great. Thanks. And the final one from me. Okay. You mentioned Finland and was something like 100 start-up apartments in Finland. And I guess we would have to wait until 2025 to see an actual recovery in housing market. But we have been talking about this. But what is your latest view on how do you take care of your supply chain and subcontractors during this time, like, will there be enough resources that there is some actual pickup in demand when that eventually happens?

Heikki Vuorenmaa
Thank you. It's a great question. And that is something that really -- we are really focusing on to maintain the capability of our production. So we have, over the past 100 years we have developed -- we're the leading housing builder in Finland and the machine that we have created is unique and now we need to take care of that. What we have been doing is that we have balancing the resources between the Housing as well as

then the Business Premises. Typically, we have been operating with less of our own resources in the Business Premises side, so it gave us an opportunity to balancethe themes between the different segments.

Then on the areas where we are, where we are not capable to fully do that, we are then managing that with the temporary layoffs, but also building a training programs to engage and ensure that we have a, we have a ramp-up readiness and teams available. What comes to the supply chain? So what we are seeing is that, obviously, on the market that there are sad news coming from, from the, what I call it smaller players, I would say, at the moment in Finland. We have been really carefully focusing on our category procurement and selecting right companies to work with, so that they are capable to also survive and continue the work over this cycle. And then we are trust in building, the trusted partnerships, to be ready also then to scale up our production as the time comes there.

Anssi Raussi
Okay. Thank you so much.

Heikki Vuorenmaa
Thank you, Anssi.

Operator
The next question comes from Olli Koponen from Inderes. Please go ahead.

Olli Koponen
Hey, and thank you for the presentation. I have a few questions and I will start with Business Premises. Another Tripla value change and if I remember correctly this was even bigger change than in Q4. Has the market rate really moved that much in one quarter or how is this possible to happen? And how could you please elaborate a little bit more on this?

Heikki Vuorenmaa
If I, if I answer that, that one. So we are using a third-party evaluator to provide us the market yields. So that is not the topic on YIT's management hand. And we received information from this third-party evaluator during the first quarter that there was an increase on the shopping mall yield levels, hence, it has then an impact on our fair value modeling. So that was the -- that is the short answer to your question

Tuomas Mäkipeska
And if I may continue. So that's exactly the same logic that was in the Q4 as well.

Olli Koponen
And just to follow up on that, the outside evaluator didn't see this development in Q4 and only in Q1? They realized that rates have change or...

Heikki Vuorenmaa
We are the -- we are not the right person to answer to your question, Olli, but we need to, we need to follow up that question to the, to that third-party evaluator.

Olli Koponen
Okay. So thank you for elaborating on that. And secondly, on the housing market, specifically on Finland, you were making -- not making profits into Q1 in Finland, but -- and you have a lot of apartments on sale there. Do you think you're able to kind of make profits on those apartments there that you have, or do you think you will have to reduce the sale price of those apartments so that you can, you can sell them?

Heikki Vuorenmaa
So we have, we have continued to operate on the market with our, through our campaigns and providing the -- those solutions obviously. For example, the market cap campaign and such, it has a certain cost for YIT as well. And then working on finding the solution, whether it is to the customer is a bit new apartment, where there is to support individuals between the apartments and so on and so for. But we are -- we are seeing is that our apartments they are really on the great locations, on the prime cities, and we remain very confident with the portfolio that we have.

Olli Koponen
Okay. Thank you. That's all for me now.

Heikki Vuorenmaa
Thank you, Olli.

Operator
The next question comes from Simen Mortensen from DNB Markets. Please go ahead.

Simen Mortensen
Hi, guys. Thanks for the presentation. Most of my question has been asked, but I have one and it comes to the cash flow. It's not often you'll hear €1 million you called strong cash flow, but compared to the past. But I look, there's divestment in the cash flow which makes it positive naturally. But it also states in your guidance that you expect the cash flow to be positive for the year after investments. And I was just wondering how much of that will be reliant on capital releases. And can you give any flavor on the moving parts you expect in that element? And what about the underlying profit from operation is how do you view that?

Heikki Vuorenmaa
If I start quickly and then I hand over to Tuomas. Thank you, Simen. I think that you are right that the absolute figure of €1 million quite often is not referred as a strong. What we, what we are seeing is that historically, if you look to the corporate performance during the first quarter is that there is, there is certain seasonality that impacts heavily the first quarter cash flow. And it is connected to the multiple items that were still present. But then with our own actions, we are capable to make it positive. And that was the improvement, more than €200 million now kind of quarter on quarter that we are seeing as a positive trend there.

What comes to the operations and our capable kind of capability, so out of the four cylinders what we are having, three are functioning well. In the normal market environment where we are, where we are building on our competitiveness and tendering and ensuring that we have a, we have a good margins and continue to generate the cash, but also to release that cash from the balance sheet items that we have seen that we are not needing in order to make, to make the profit. And then I think the capital release part, if I hand over to Tuomas to you. So if you, if you continue.

Tuomas Mäkipeska
Yeah, exactly. And we'll continue on the same, on the same track with you. So, basically, of course, we are building our cash flow from operational perspective. So three of the four cylinders should make a positive cash flow for the year. But, of course, as we have already communicated, so we are keen to look at possibilities to release capital from our balance sheet and we are continuing on that, on that work as mentioned. We are looking our options regarding certain, certain capital relief measures. But, of course in this kind of a market situation, we need to carefully evaluate the situation, the timing, and kind of financial equation, is the price right, and so on. But with these measures, we are supporting the operational cash flow and, of course, in a big picture. So three of the four cylinders should make positive cash flow for the year.

Simen Mortensen
Thank you. And just one question. I saw in the financial figures that the plot reserves in Finland continues upwards in the quarter. Can you give us a bit of flavoring and any commitments you have on the purchasing agreement for new plots for the year to come?

Tuomas Mäkipeska
I can, I can continue with this. So, yes, there is a slight increase in our plot reserves in Finland. That's related basically to the rented plots during the quarter Q1. And then the purchase commitments as explained separately those are a different item. And we had purchase commitments of €307 million and about -- that's the total amount and as already explained. So only typically less than 10% from that is the minimum, minimum commitment. But regarding the plot reserves, so that's -- there's slight increase in the figures is related to the rental of plots during the Q1.

Simen Mortensen
Yeah. No new acquisitions there.

Tuomas Mäkipeska
No.

Simen Mortensen
Okay. Thank you. There were my, there were my questions.

Tuomas Mäkipeska
Thank you very much.

Operator
The next question comes from Svante Krokfors from Nordea. Please go ahead.

Svante Krokfors
Good morning. Thank you Tuomas, Heikki and Essi for the presentation. A couple of questions left. First, regarding the guidance, which you kept unchanged despite the €12 million negative impact from Mall of Tripla, and also a slightly weaker outlook for Housing Finland. Could you elaborate a bit on that and is there some parts where there has been an improvement instead as you keep the guidance unchanged?

Tuomas Mäkipeska
Thank you, Svante, for the question. Regarding the fair value change in Mall of Tripla, so at least from our perspective, we are not the third-party evaluator, but from our perspective, the market trends have stabilized or come even down a bit. So we are not at this point expecting any further changes in yield. But that's, of course, in the third-party evaluator hence.

Then regarding the other businesses, so as Heikki mentioned, we see a lot of improvement potential through the transformation program that we are running both in Infrastructure and Business Premises. We see clearly results already from procurement and project management. So based on that, we expect them to continue to improve their underlying operational profitability. Also, what we see the kind of the third cylinder in CEE countries, so we see the market still active and we have a very good pipeline of kind of construction there. So those are supporting our this year's profit.

Svante Krokfors
Thanks. And then regarding the two campaigns that you have in Finland on interest rate cap and rent-to-buy. Do you have any numerical evidence that you could give us or on how the campaigns have turned out?

Heikki Vuorenmaa
I'm now thinking that we don't specifically disclose. So let me, let me dance around your question. It is a big part of our kind of behind-the-improved sales numbers, and it is --. And I think many of the customer, when we talk about the interest rate gap as such, I think to many customers they have really realized, especially I would say in the capital area where you typically have bigger mortgage in -- when I talk about Finnish context than outside of the capital area, that the people have understood that how much actually it gives you more kind of cash at hand on the monthly level. And that has been understood and key selling point on those transactions.

The rent-to-buy only announced quite late on the quarter. We were saying is that there is only a certain amount of apartments that are part of this campaign. And we are now in double digits where the first number is not number one. Is that ambiguous enough? Because we are not disclosing. But it actually has started really well. There is a high demand. It is a -- it is something that people are really appreciating. There was some consumer stories on our presentation as well that what type of situation people are really seeing this as an attractive offer.

Svante Krokfors
Okay. Thank you for that. And perhaps a question regarding the -- yesterday's JV announcement with RSJ Investment. You don't disclose the numbers, but could you give us some ballpark impact on cash flow for you? And also the timing. There were a bit different quarters when they were completed or will it be completed.

Heikki Vuorenmaa
Yeah. The totality were now completed, hence, we have -- we announced the news yesterday. Not disclosing the size on that, at the timing there. I think it's a -- this is a model where there really has been a proven concept for us to provide the flexibility and the -- towards our operation. We now included a bit more information on also this presentation that how we are actually constructing and how those are going because

it starts to be kind of a meaningful part of our business model outside of Finland. But the numbers, unfortunately, we are not, we are not disclosing at this point.

Tuomas Mäkipeska
Anyway, if I continue, so that totality has supported our cash flow in Q4 and Q1, and the projects and the plots they are not small one. So, in that sense, they have supported our cash flow going forward. And I think the main thing is, as mentioned, so we are, we are optimizing our way of doing business in CEE countries, so that we can keep up good volumes profitably without tying up too much of capital into the operation. So that's behind.

Svante Krokfors
Thanks. Yes. I think it's good that you have opened up the investment and purchase commitments, thus, the numbers that you disclosed that also include the RSJ Investment JVs.

Tuomas Mäkipeska
Yes.

Heikki Vuorenmaa
Yes, it does.

Svante Krokfors
Okay. Thank you. That's all from me. Thank you.

Heikki Vuorenmaa
Thank you, Svante.

Tuomas Mäkipeska
Thank you.

Operator
There are no more questions at this time so I hand the conference back to the speakers.

Essi Nikitin
As there are no more questions, we thank you for participating, and wish you a great rest of the day. Thanks.

Heikki Vuorenmaa
Thank you.

Tuomas Mäkipeska
Thank you.