



YIT – solid foundation for future growth

Roadshow USA and Canada
February 8 – 11, 2016

Kari Kauniskangas, President & CEO
Sanna Kaje, VP, Investor Relations and
M&A



Contents

1	YIT in brief	3
2	Strategy and business model	14
3	Housing Finland and CEE	22
4	Housing Russia	31
5	Business Premises and Infrastructure	38
6	Key financials	46
7	Looking ahead and conclusions	56
8	Appendices	60

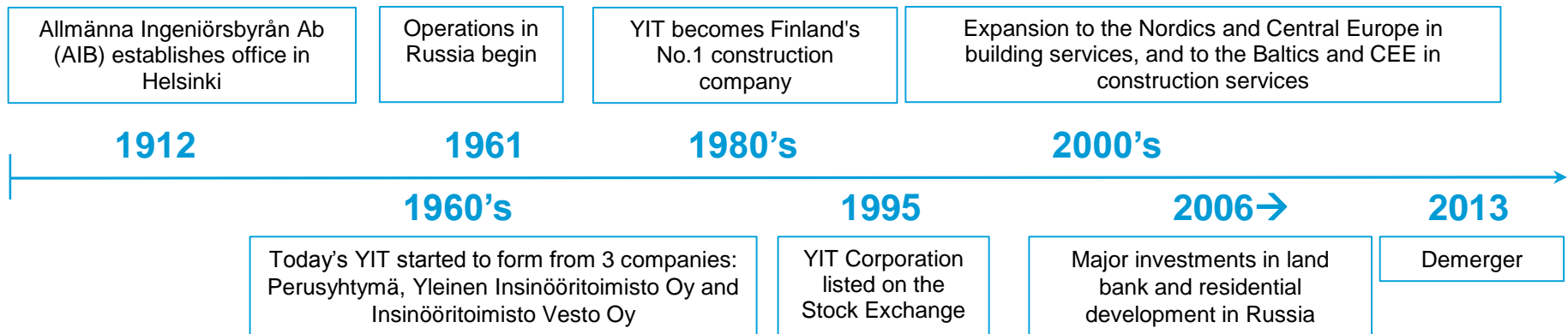


1

YIT in brief



Over 100 years of experience in Finland, over 50 in Russia



DEMERGER IN JUNE 2013

Building Services demerged into Caverion

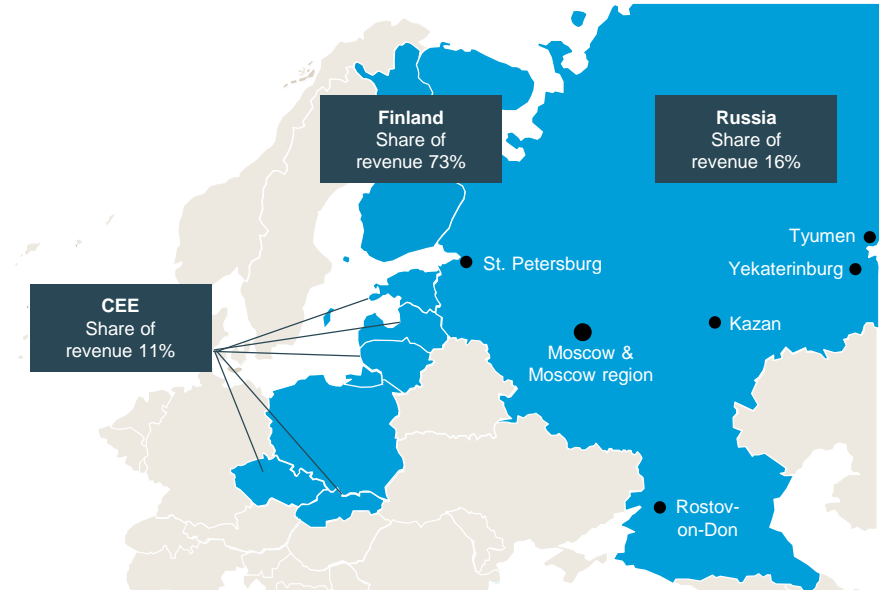
- Initiative from the Board of Directors – supported by main owners
- Both companies large enough to grow independently
- Independent strategies and different business models
- Meaningful geographical overlap only in Finland
- Better management focus in separate companies

YIT – An innovative project developer and high-quality construction company

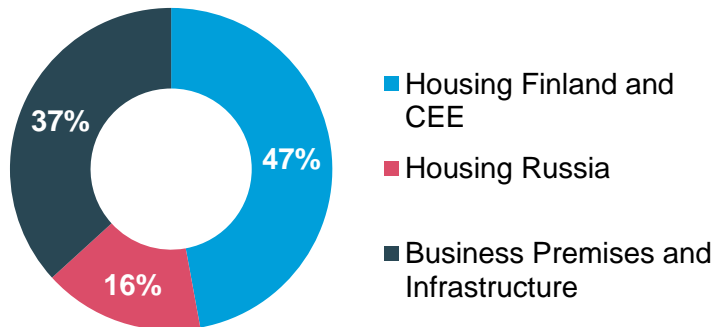
Key investment propositions

- Strong market position and extensive experience in the main markets
 - Market leader in Finland, the largest foreign residential developer in Russia
 - Growing operations in the CEE countries
- One of the most profitable construction companies in Europe through economic cycles
- Good corporate governance and high ethical standards

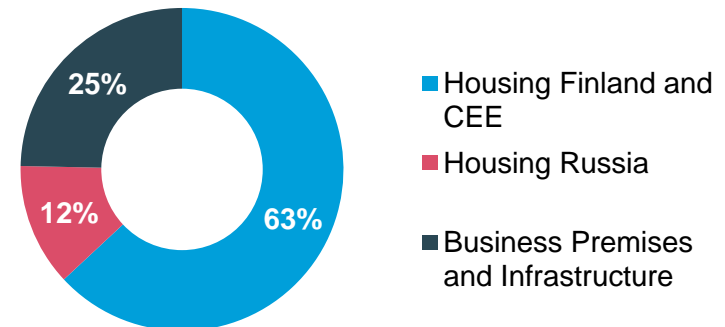
Operations in 8 countries, 5,300 employees




Revenue by segment 2015 (EUR 1.7 billion)



Operating profit* by segment 2015 (EUR 76 million)



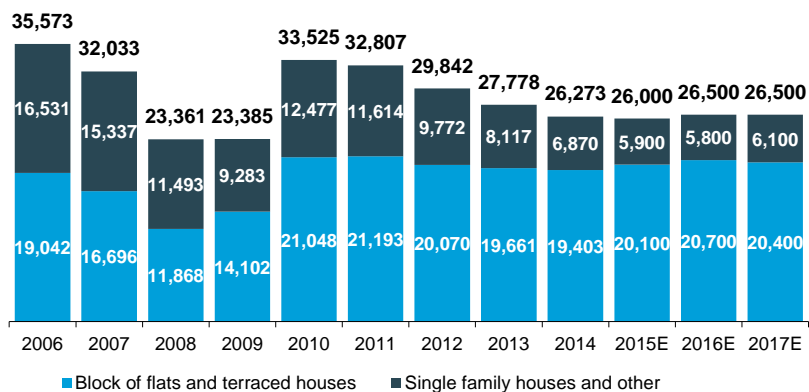
Balanced business portfolio

	 Housing Finland and CEE	 Housing Russia	 Business Premises and Infrastructure
Business	Focus on self-developed apartment buildings projects, selectively contracting	Only self-developed projects, mostly apartment buildings	Tender-based and self-developed projects: offices, shopping malls, care facilities, roads, rails, harbours and more
Geographical areas	Finland, Estonia, Latvia, Lithuania, Slovakia, the Czech Republic and Poland	St. Petersburg, Moscow, Moscow region, Yekaterinburg, Tyumen, Kazan, Rostov-on-Don	Business Premises: Finland, Estonia, Latvia, Lithuania, Slovakia Infrastructure: Finland
Market position	Market leader in Finland One of the key players in CEE	Largest foreign residential developer	One of the top players in Finland and Lithuania
Customers	Households, private and institutional investors	Mostly households	Companies, public sector, institutional investors
Main competitors	Lemminkäinen, SRV, Skanska, NCC, Merko Ehitus, local players in different countries	PIK, LSR, Etalon, SU-155, Lemminkäinen, NCC, local players in different cities	Lemminkäinen, SRV, Skanska, NCC, Merko Ehitus, Destia, Kreate, Peab etc.

Urbanisation drives demand in the residential markets in Finland and CEE

- Internal migration and changing demographics create a need for new apartments
 - In Finland, the estimated long-term need for new apartments is around 30,000 units annually (source: VTT)

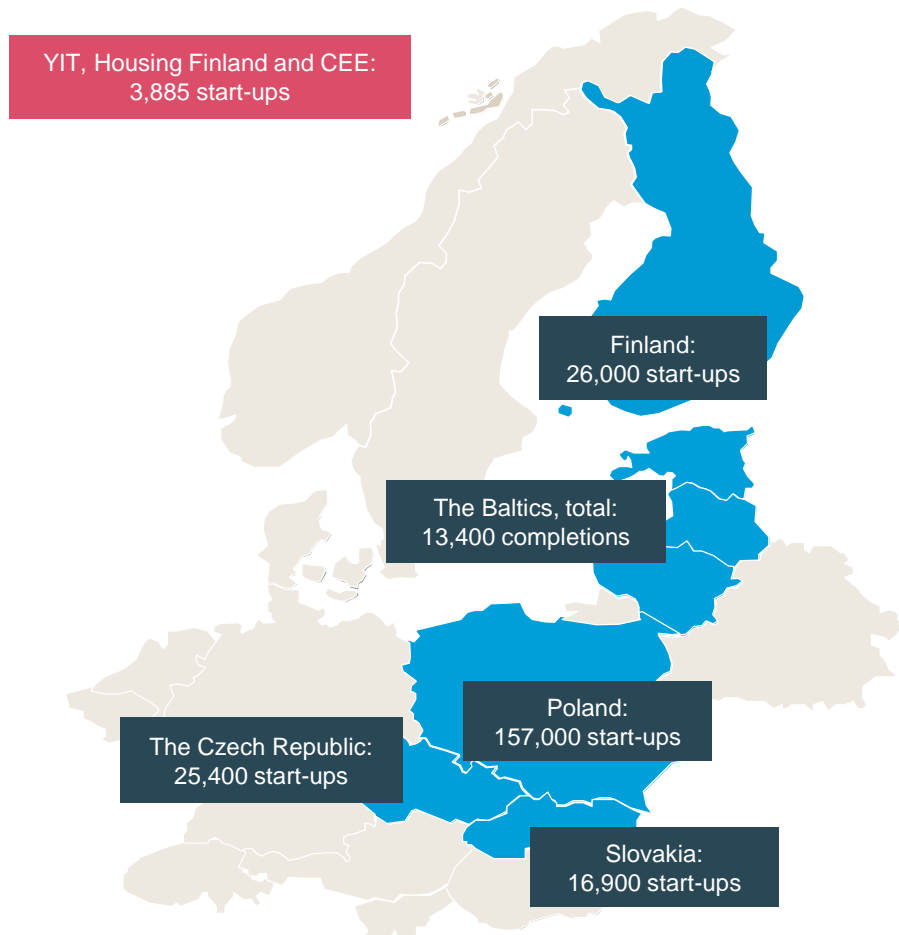
Residential start-ups in Finland, units



- Macro outlook supports residential markets in the CEE countries
 - Need for new, modern apartments

 YIT is the market leader in Finland and one of the key players in CEE

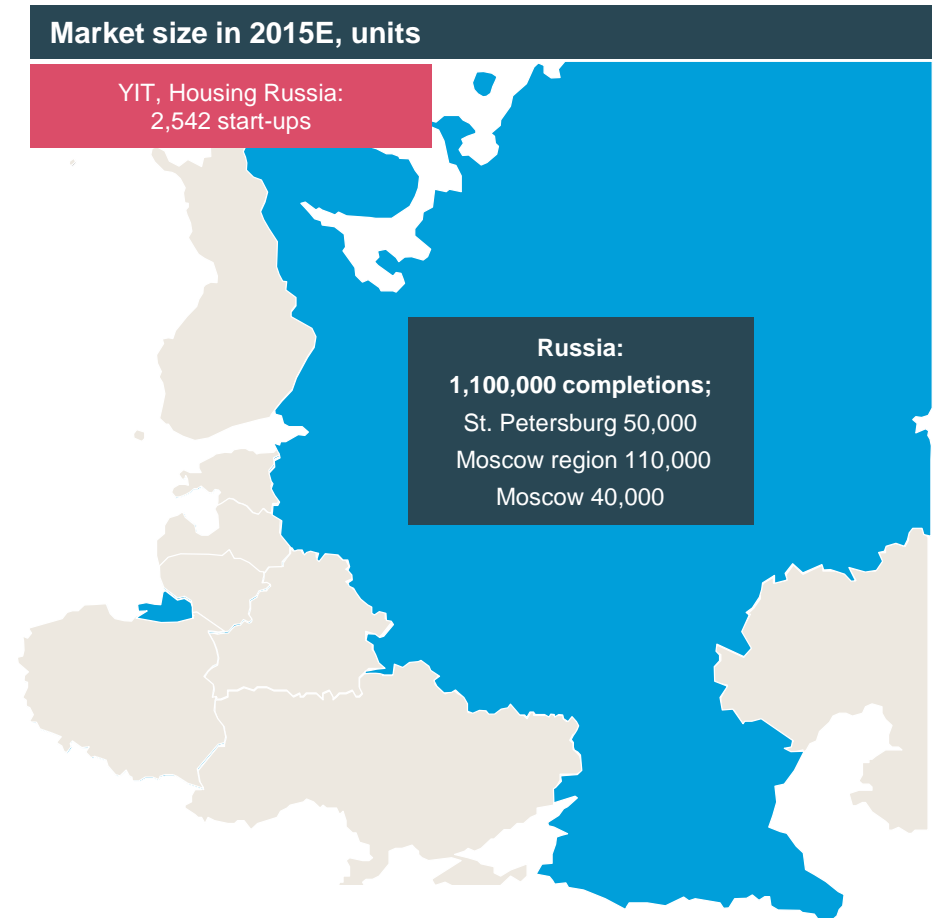
Market sizes in 2015E, units



Sources: Euroconstruct and Forecon, estimates

Fundamental need for new apartments in Russia

- Several fundamentals support strong demand
 - Internal migration to growth centres
 - Poor quality of existing building stock
 - Decreasing household-size
 - Living-space per capita roughly half compared to Western countries
- Developing mortgage market
 - Mortgages still below 5% of GDP



Source: Forecon, estimates



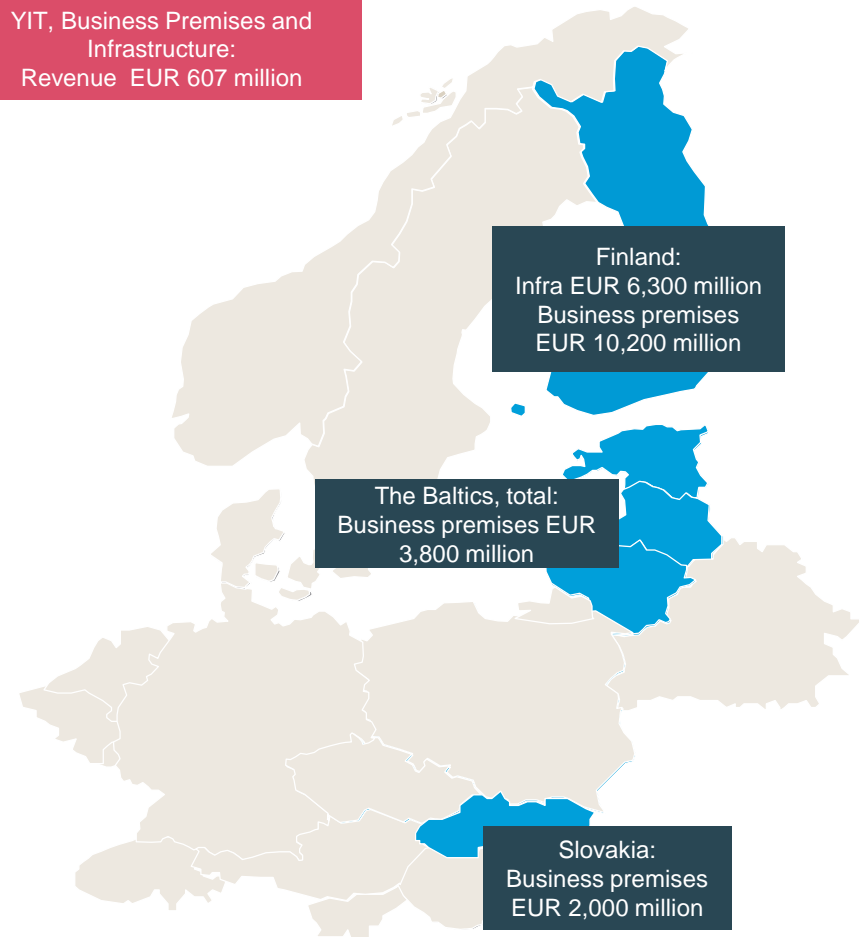
YIT is the largest foreign residential developer in Russia

Opportunities for growth in several areas in business premises and infra services

- The condensing of urban structure creates a need for new infrastructure and hybrid construction
- Substantial maintenance backlog in Finland → opportunities in renovation and change of purpose
- Opportunities also in care services, road maintenance and the energy sector in Finland
- Low business premises stock per capita in the CEE countries

Market sizes in 2015E, volume of construction

YIT, Business Premises and Infrastructure:
Revenue EUR 607 million



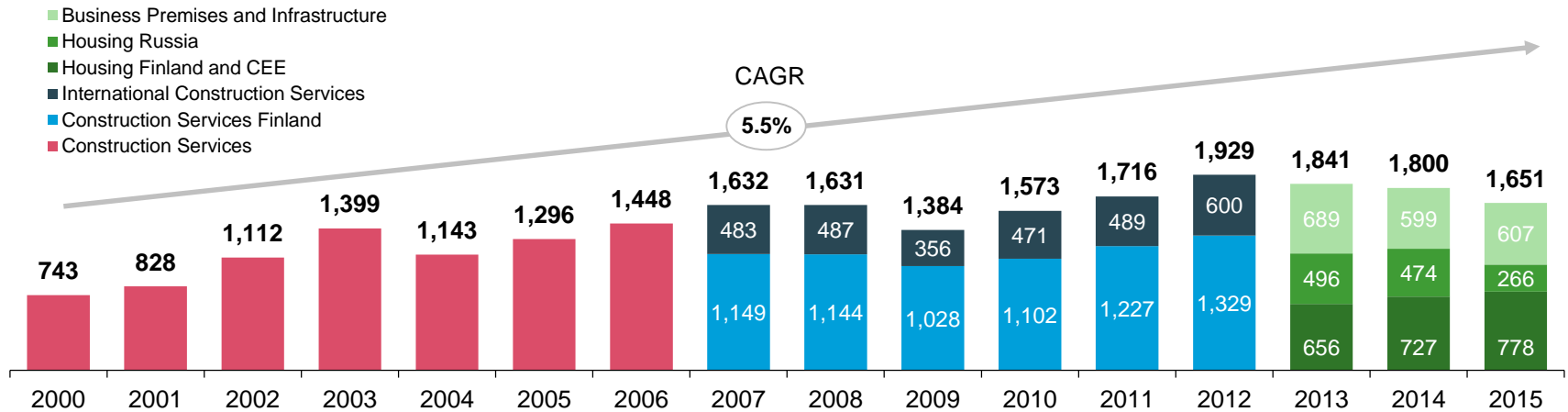
Source: Euroconstruct and Forecon, estimates



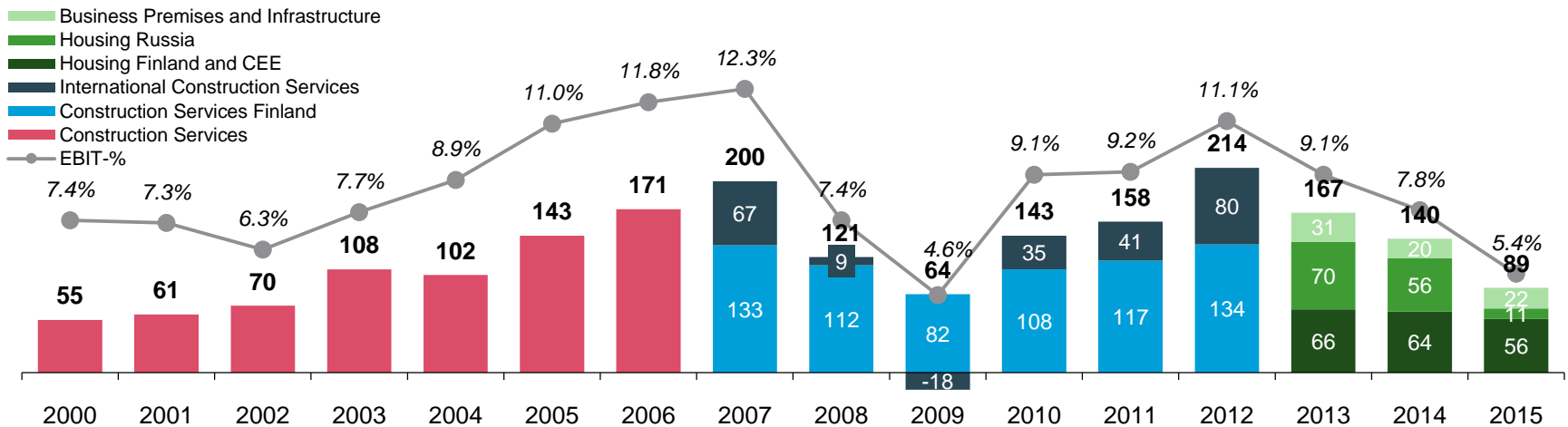
One of the top players in Finland and Lithuania

Revenue growth and healthy profitability through economic cycles

Revenue development (EUR million) by business segment



Operating profit (EBIT) development (EUR million) by business segment, excluding group costs and non-recurring items



Note: Segment level figures (POC), i.e. sum of Construction Services related segment figures in YIT financial reporting and thus excluding effect of other items.

Board of Directors

Versatile expertise on board work, finance, construction industry and Russia



Reino Hanhinen
Chairman

Born 1943
M.Sc. (Eng.), D.Sc.
(Tech.) h.c.

Former CEO of YIT

Independent of
company: YES

Independent of
owners: YES

Share ownership:
81,800



Kim Gran
Vice Chairman

Born 1954
B.Sc. (Econ.)

Former President and
CEO of Nokian Tyres
Plc.

Independent of
company: YES

Independent of
owners: YES

Share ownership:
7,700



Satu Huber
Board Member

Born 1958
M.Sc. (Econ.)

CEO of Elo Mutual
Pension Insurance
Company

Independent of
company: YES

Independent of
owners: YES

Share ownership:
5,000



Erkki Järvinen
Board Member

Born 1960
M.Sc. (Econ.)

President and CEO of
Tikkurila Group

Independent of
company: YES

Independent of
owners: YES

Share ownership:
0



Juhani Pitkäkoski
Board Member

Born 1958
LL.M.

EVP, Division Industrial
Solutions Caverion
Corporation; former
CEO of YIT

Independent of
company: NO

Independent of owners:
YES

Share ownership:
50,100



Teuvo Salminen
Board Member

Born 1954
M.Sc. (Econ.)

Former EVP, Pöyry;
board professional

Independent of
company: YES

Independent of
owners: YES

Share ownership:
27,250

Ownership on February 4, 2016 including the holdings of the persons themselves, their close associates and their controlled corporations.

Experienced Group Management Board

Group Management Board



Kari Kauniskangas
President and CEO

In the Group's employ: 1997-2000 and 2001 →
Share ownership: 17,624



Tero Kiviniemi
EVP, Head of Business
Premises and Infrastructure

In the Group's employ: 1996 →
Share ownership: 10,692



Timo Lehtinen
CFO

In the Group's employ: 2006 →
Share ownership: 8,550



Teemu Helppolainen
Head of Housing Russia

In the Group's employ: 2008 →
Share ownership: 3,115



Antti Inkilä
Head of Housing
Finland and CEE

In the Group's employ:
1994-2001 and 2002 →
Share ownership: 3,997



Juhani Nummi
SVP, Business
Development

In the Group's employ:
1998-2001 and 2003 →
Share ownership: 1,999



Pii Raulo
SVP, HR

In the Group's employ:
2004 →
Share ownership: 5,240

Ownership on February 4, 2016.

YIT's competitive edges

- High-quality brand and reputation as a reliable company
- Innovative concepts and effective design management
- Strong plot reserve
- Own sales network in all operating countries
- Broad special expertise and strong references
- Ability to construct demanding projects that combine housing, business premises and infrastructure

“Best developer in Finland”,
Euromoney Real Estate Survey 2015

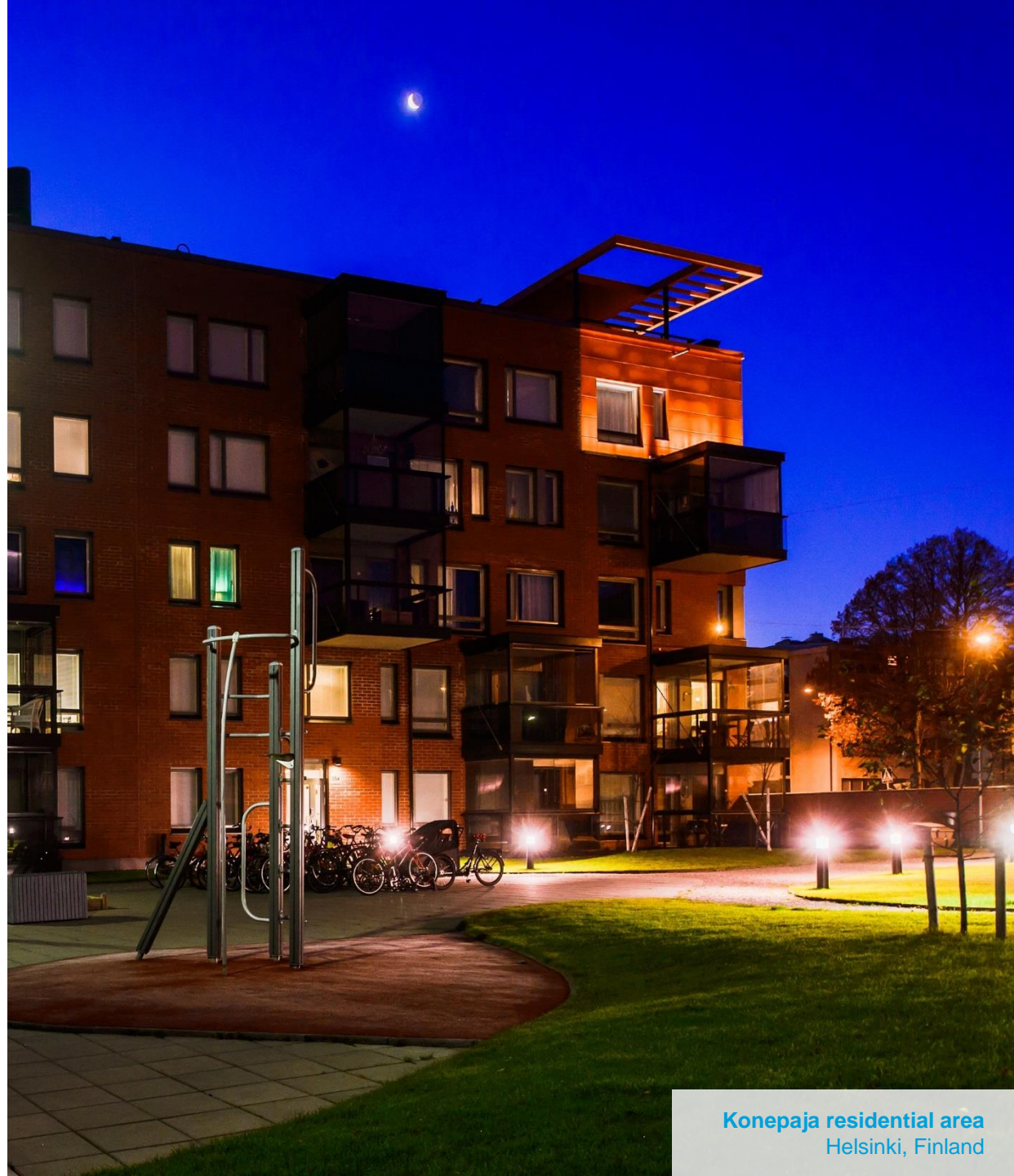
“Developer of the year 2014”
in the Czech Republic

**”Developer and Construction
Company of 2014”** in Slovakia

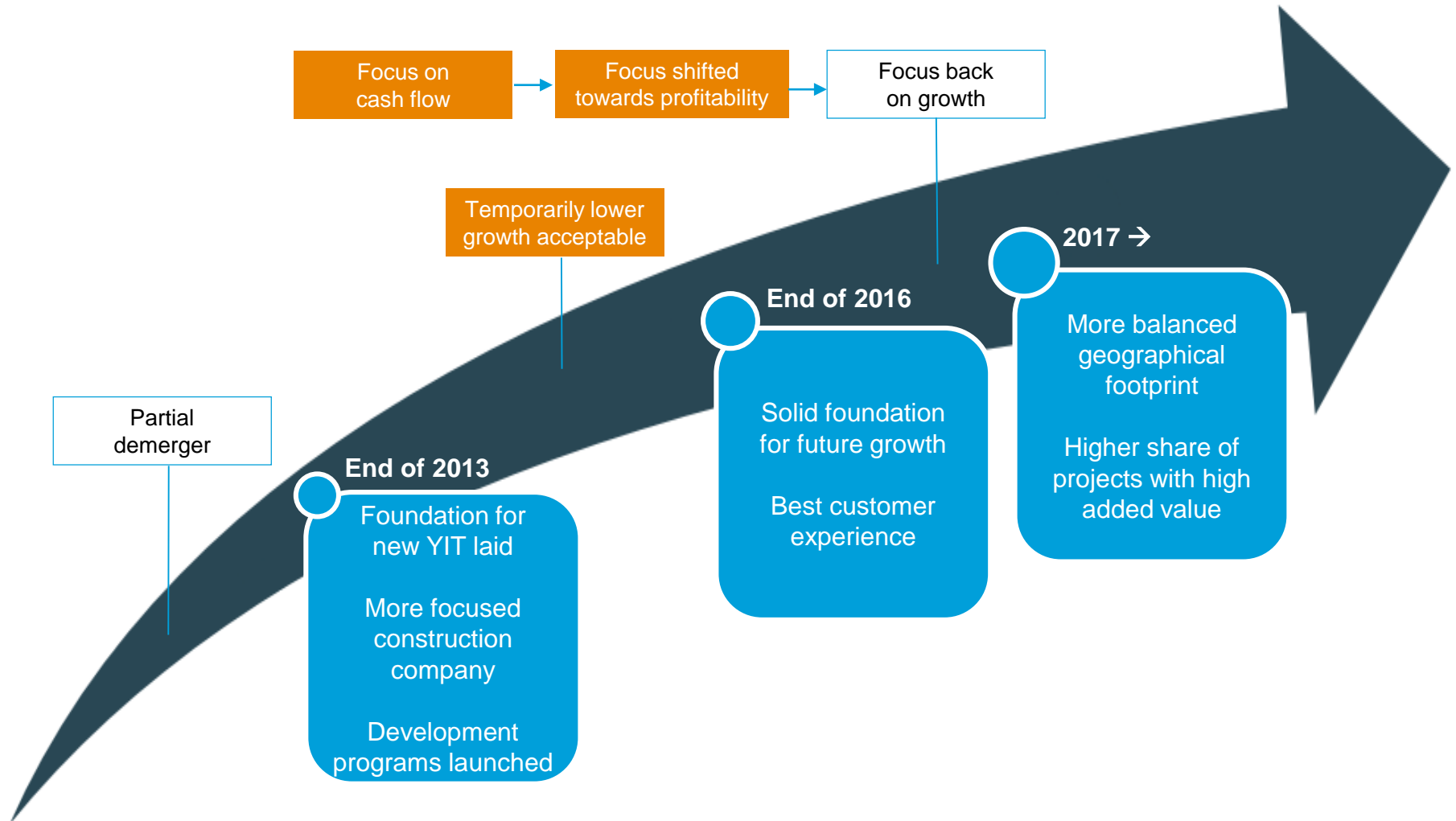
“Best Housing Project 2014”
in Latvia, Lithuania and Slovakia

2

Strategy and business model



Strategic roadmap



Strategic focus areas

Improving profitability



- Optimising the business mix
- Cost adjustments in Russia

Growth initiatives



- Secured major projects and high value added projects
- Accelerating growth in CEE, entry to Poland

Raising capital efficiency



- Completing the capital release program
- Further increasing the role of partnerships

2015: Strong cash flow, balance sheet strengthened

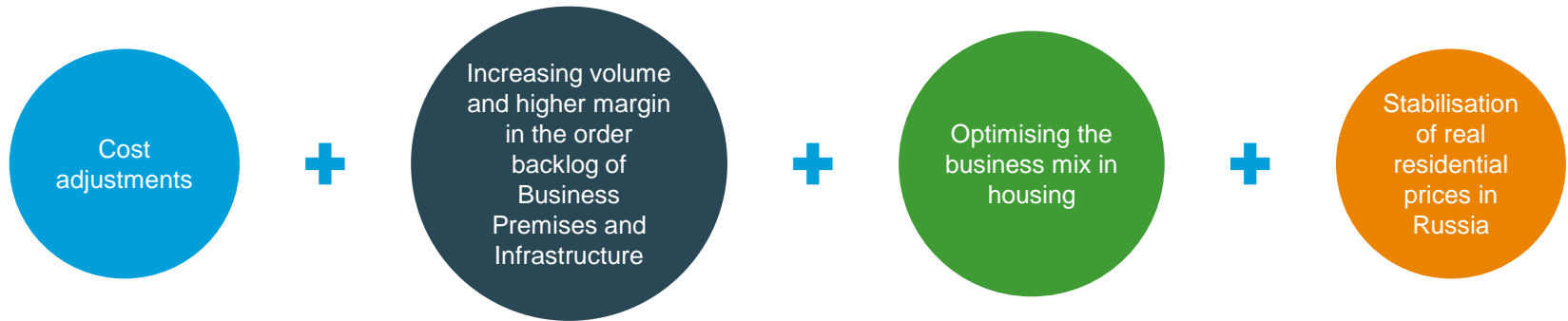
- Short term targets abandoned after reaching the net debt target ahead of schedule

Long-term financial targets	2015	2014
Revenue growth 5 - 10% annually on average	-8%, -3% at comp. exchange rates	-3%, 2% at comp. exchange rates
Return on investment 15%	5.3%	7.7%
Operating cash flow after investments sufficient for dividend payout and debt reduction	EUR 184 million	EUR 152 million
Equity ratio 40%	35.5%	32.4%
Dividend payout 40 to 60% of net profit for the period	137.5%*	40.0%

All figures according to segment reporting (POC), unless otherwise noted

* Proposal by The Board of Directors to the Annual General Meeting

Clearly higher EBIT needed to reach the targeted ROI

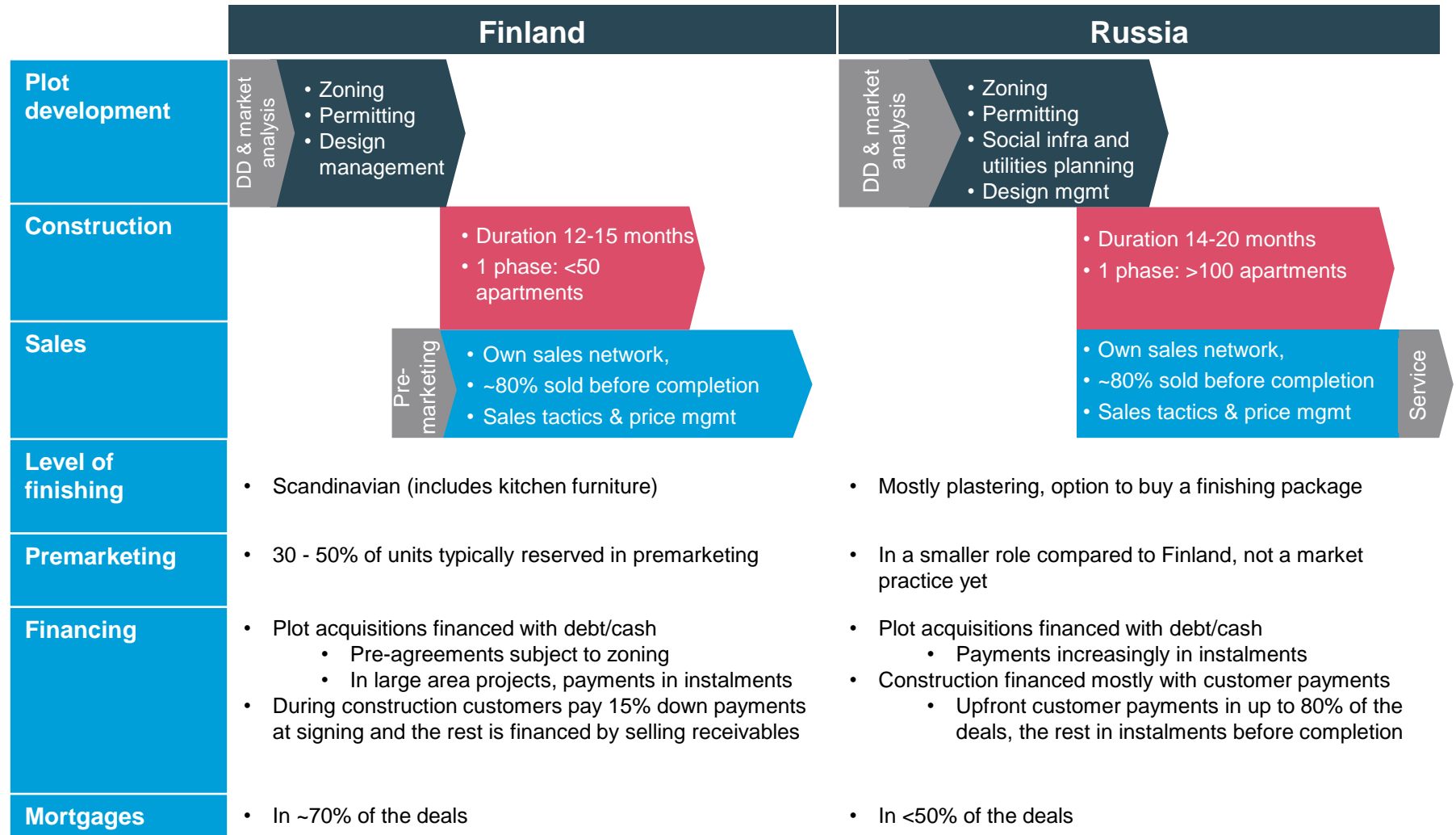


Dependence on market development

Value creation: Long value chain with key competences in-house



Business model – Self-developed housing



Business model in Business Premises and Infrastructure: Focus on high value added projects



Contracting and co-operation projects

- Schools, hospitals, offices, route projects, rail and metro, power plants, road maintenance etc.
- Low capital employed
- Cash flow positive, advance/progress payments
- Role of alliance and PPP models increasing
 - Active role in development
 - Life-cycle models
 - In PPPs, financing on a project company level

Self-developed projects

- Commercial centres, offices, care facilities, wind farms, parking etc.
- Own concepts, project development, leasing and sales
- Anchor tenants typically secured before starting construction and investor in an early phase
- Financing by either progress payments, selling receivables after the investor is secured or project financing

3

Housing Finland and CEE

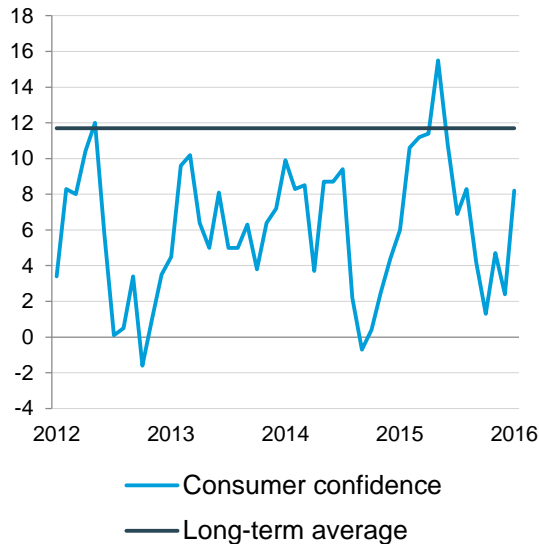


Koti Hyacint
Prague, the Czech Republic

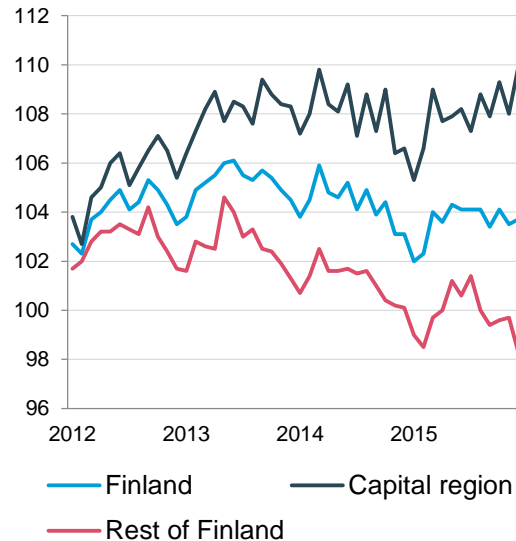
Housing Finland and CEE: Operating environment in Finland in Q4

- Consumer confidence weakened in Q4
- Good investor demand continued
- Good demand for small, affordable apartments in the growth centres
- Price pressure in large apartments
- Mortgage interest rates stayed on a low level and margins continued to decrease
- The volume of new housing loans increased

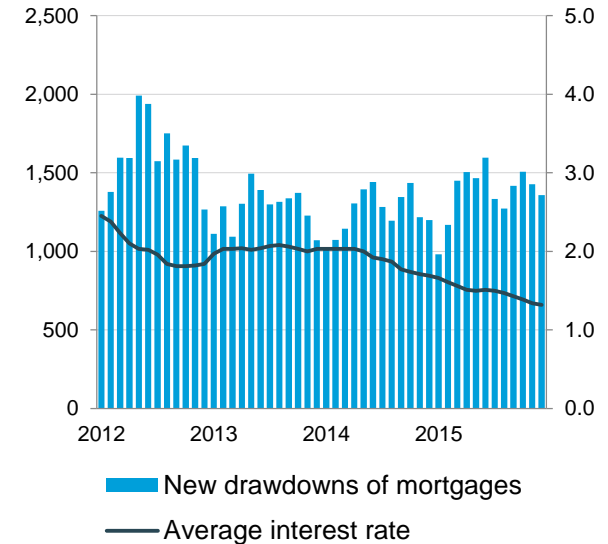
**Consumer confidence
01/2012-1/2016**



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



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



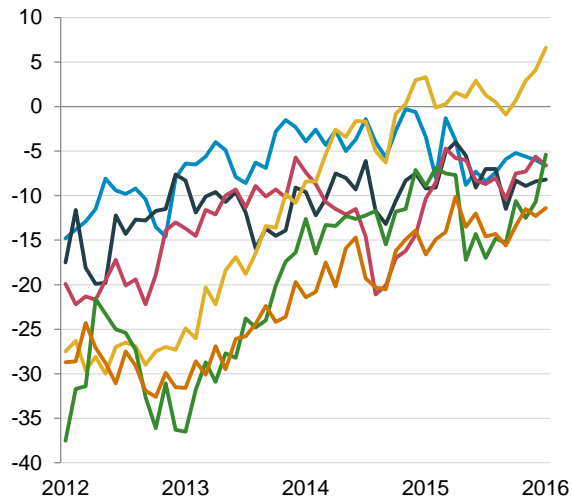
Sources: Statistics Finland and Bank of Finland

Housing Finland and CEE:

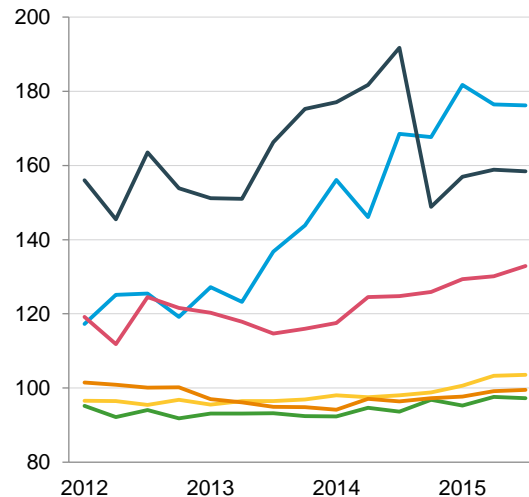
Operating environment in the CEE countries in Q4

- Positive macro development supported the residential market
- The market was especially strong in the Czech Republic and Slovakia
- Prices of new apartments remained relatively stable in the CEE countries
- Interest rates of mortgages have remained on a low level
- Consumers' access to financing has remained good

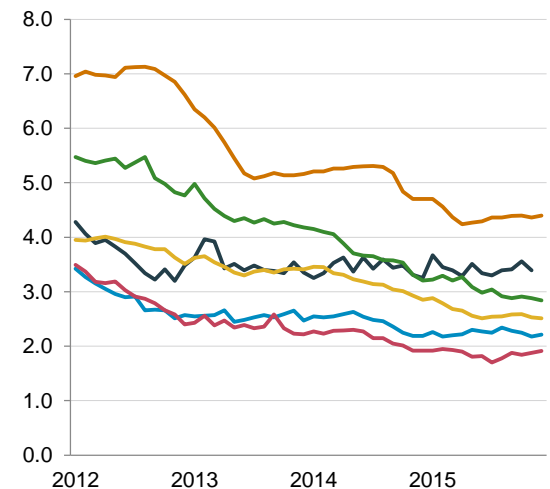
Consumer confidence



House price index, new dwellings, 2010=100



Average interest rate of mortgages (%)



— Estonia — Latvia — Lithuania — The Czech Republic — Slovakia — Poland

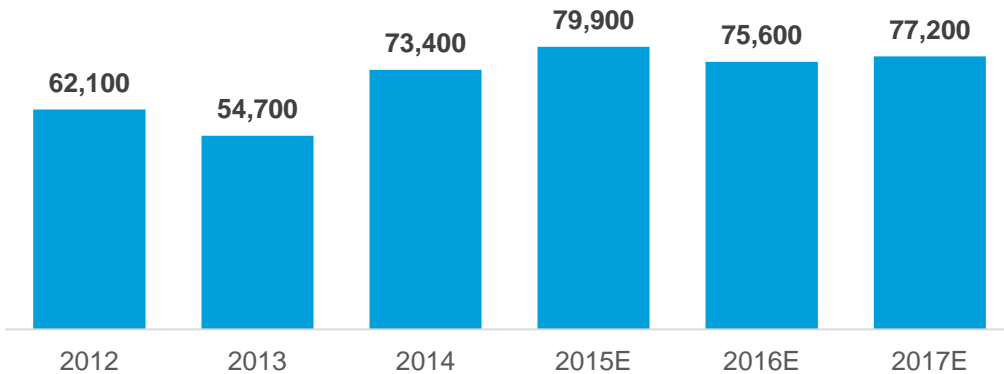
Sources: European Commission, Eurostat and National Central Banks

Exploiting opportunities in Poland – local unit established

Why Poland?

- A population of around 40 million and growing economy
- Need to improve living conditions
- Opportunity to leverage YIT's housing process
- Utilising experience from successfully establishing greenfield operations
- Finnish brand valued in Poland

Start-ups of blocks of flats in Poland Units



Sources: Bloomberg, REAS and Euroconstruct

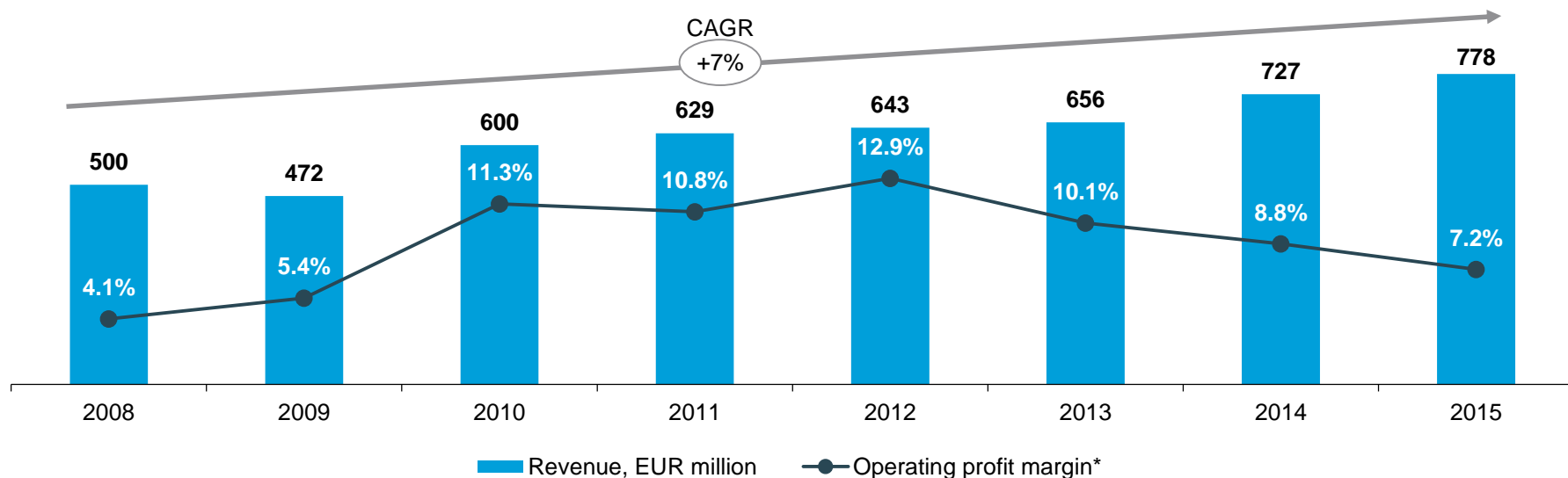
Large population

Population in Poland's largest cities



Housing Finland and CEE: long-term development

2008	2009	2010	2011	2012	2013	2014	2015
<ul style="list-style-type: none"> • Weakening market • Prices declined sharply in the Baltics 	<ul style="list-style-type: none"> • Focus on investor deals in Finland • Low business volumes in the Baltics • Fixed cost cuts 	<ul style="list-style-type: none"> • Focus turned to consumer sales in Finland • Low volumes in the Baltics and CEE 	<ul style="list-style-type: none"> • Focus on consumer sales in Finland • Volumes increased in the Baltics and CEE 	<ul style="list-style-type: none"> • Favourable residential sales continued in Finland • The Baltics and CEE continued to dilute profitability 	<ul style="list-style-type: none"> • Soft consumer demand in Finland • Active sales to investors • Gradual growth in the Baltics and CEE 	<ul style="list-style-type: none"> • Good development in the Baltics and CEE • Cash flow focus impacted profitability 	<ul style="list-style-type: none"> • Strong sales in CEE • Profitability burdened by capital release actions and higher share of investor sales in Finland
EBIT*: EUR 20.0 million	EBIT*: EUR 26.0 million	EBIT*: EUR 68.0 million	EBIT*: EUR 68.0 million	EBIT*: EUR 83.0 million	EBIT*: EUR 66.2 million	EBIT*: EUR 63.7 million	EBIT*: EUR 56.0 million

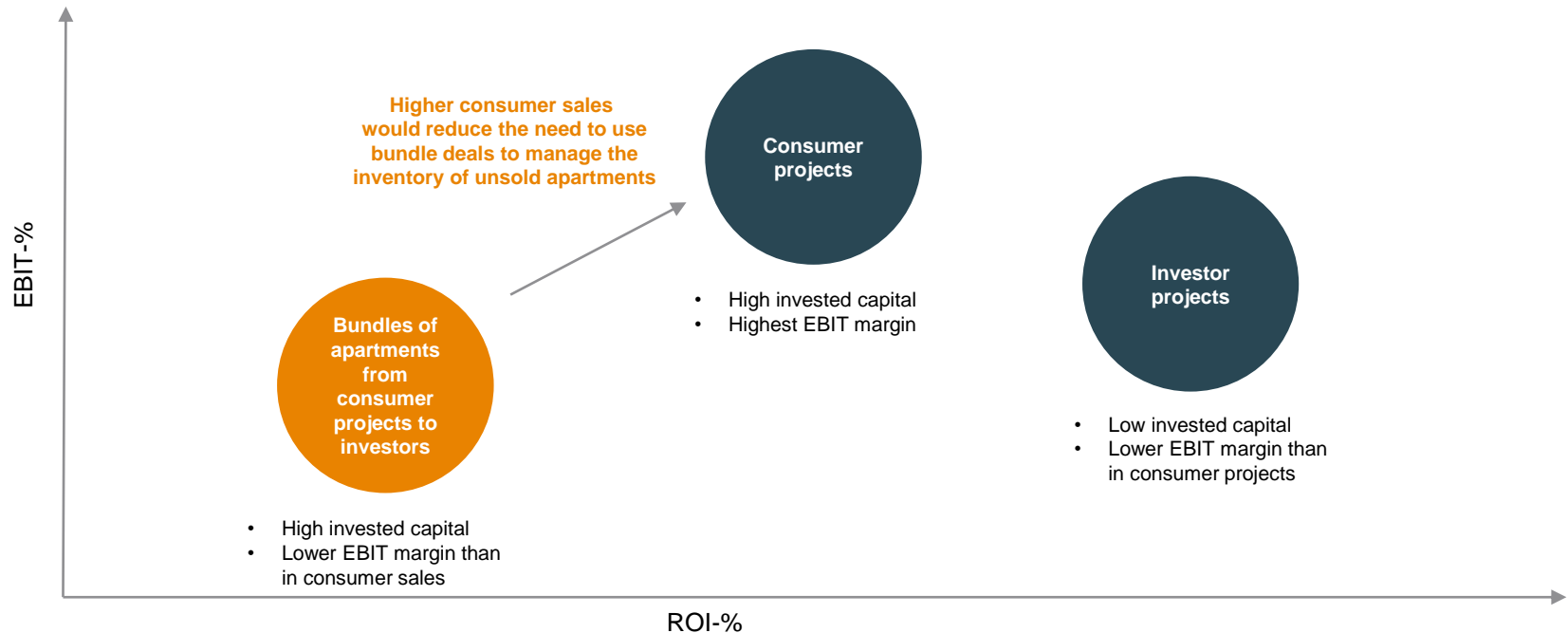


* Excluding non-recurring items.

Note: The historical figures for 2008-2012 are calculated for illustrative purposes and are not completely comparable with YIT's segment structure. The main difference is in the division of fixed costs, which in the historical figures are weighted according to revenue and in the official figures are more accurately allocated according to each segment's estimated true share of the fixed costs.

Impact of the mix in Finnish housing

- Target to increase the share of consumer sales by improving affordability of the apartments

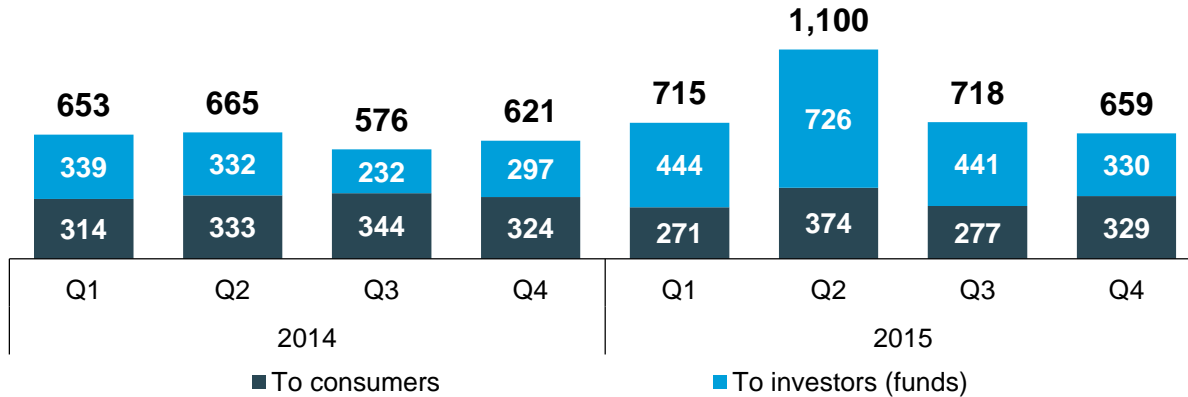


Housing Finland and CEE: Sales and start-ups in Finland in Q4

Sold apartments (units)

2014: 2,515

2015: 3,192, 27% y-o-y

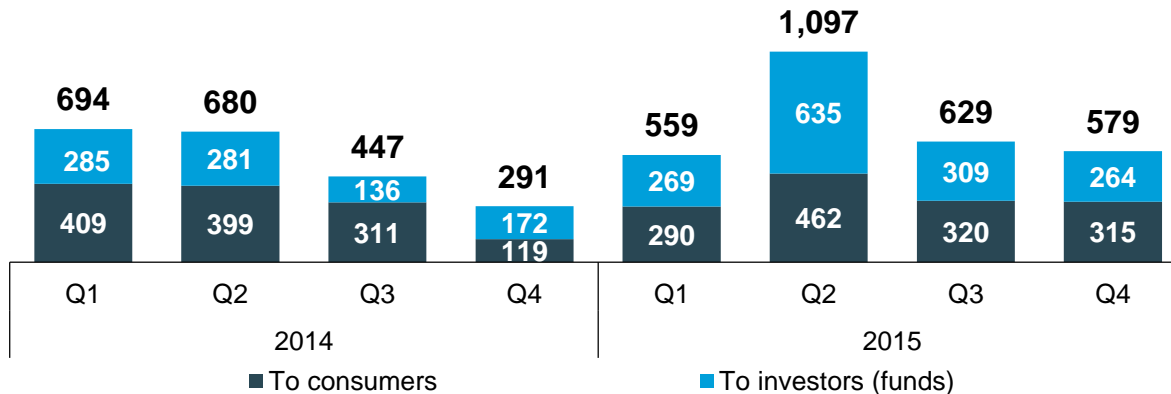


- Consumer sales (units) at the level of the comparison period
- 50% of units sold to investors in Q4/2015 (Q4/2014: 48%)
- 66 apartments from projects initially started for consumers sold to residential property funds
- In January, sales to consumers at around 70 units (1/2015: around 80 units)

Apartment start-ups (units)

2014: 2,112

2015: 2,864, 36% y-o-y

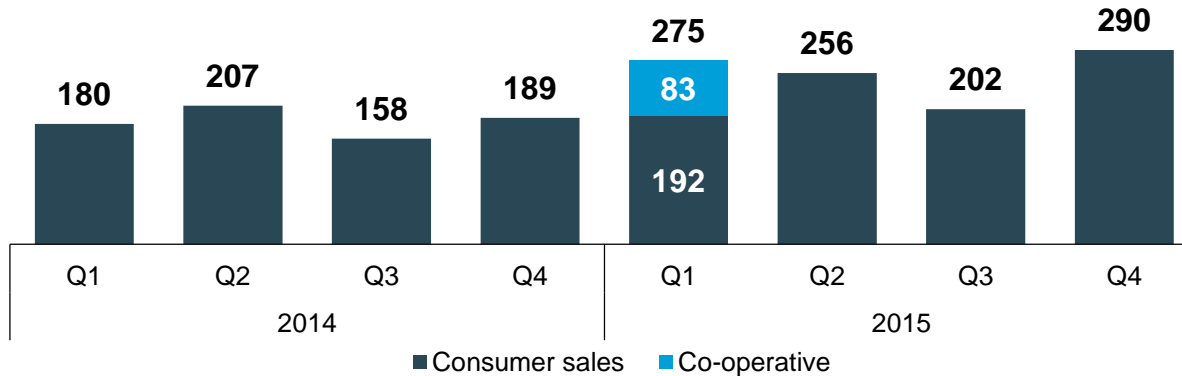


Housing Finland and CEE: Sales and start-ups in the CEE countries in Q4

Sold apartments (units)

2014: 734

2015: 1,023, 39% y-o-y

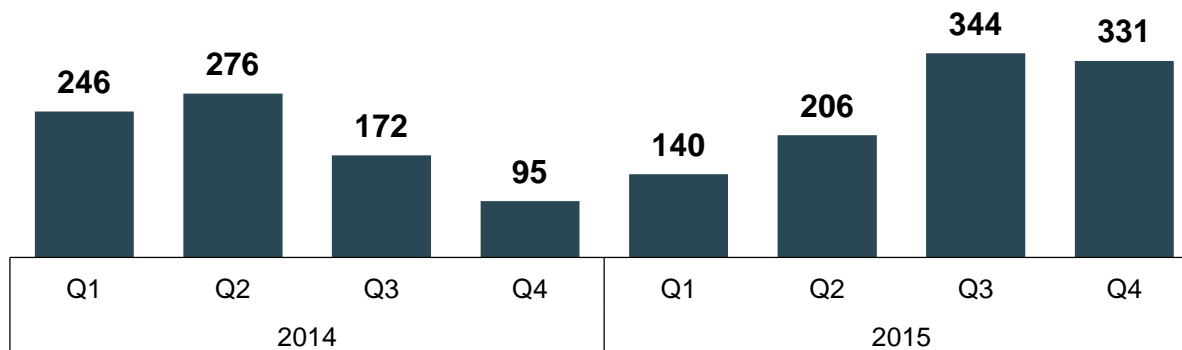


- Sales (units) grew by 53% y-o-y in Q4/2015
- High number of start-ups, especially in the Czech Republic, Estonia and Lithuania
- Plots for over 1,800 apartments acquired in Bratislava, Slovakia
- In January, sales to consumers at around 50 units (1/2015: around 40 units)

Apartment start-ups (units)

2014: 789

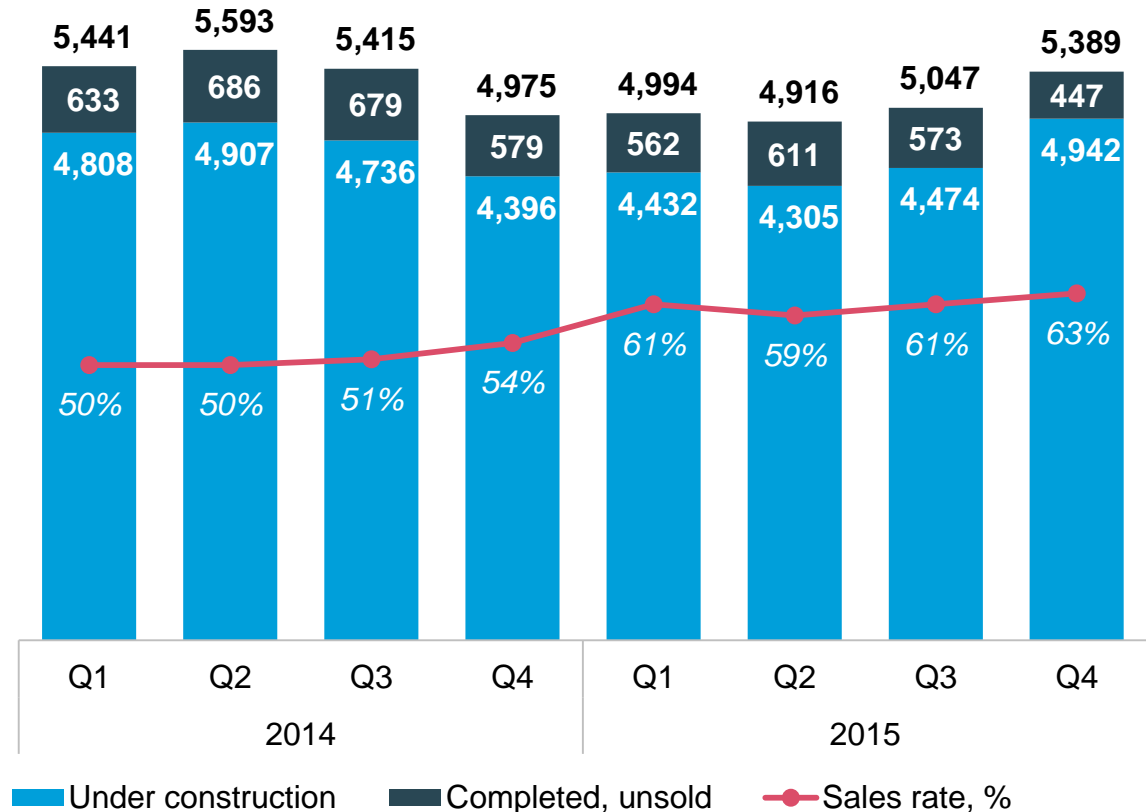
2015: 1,021, 29% y-o-y



Housing Finland and CEE: The production volume (units) continued to grow in Q4

- Number of unsold completed apartments decreased to 302 in Finland (12/2014: 450)
- 63% of units under construction already sold moderating the sales risk
- The share of CEE of the sales portfolio (units) 45% (12/2014: 39%)

Apartment inventory (units)



4

Housing Russia



Baltym Park
Yekaterinburg, Russia

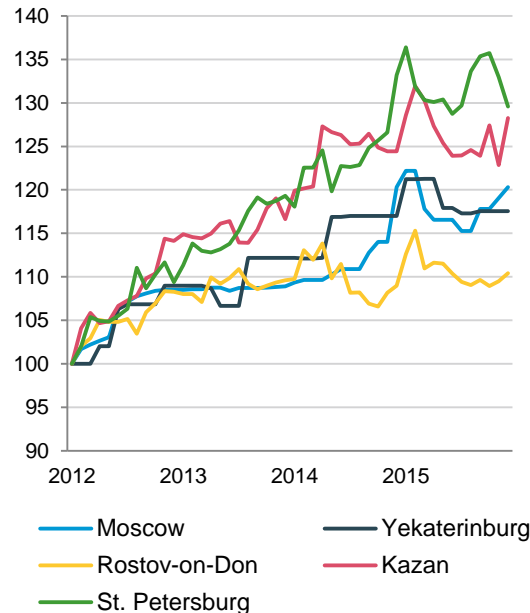
Housing Russia: Operating environment in Q4

- The ruble weakened again during the quarter
- Demand focused especially on small apartments and apartments close to completion
- Residential prices remained stable, but decreased in real terms (CPI 12/2015: 12.9%)
- Mortgage interest rates for new apartments unchanged at around 11-12% due to government's mortgage subsidy program launched in late March 2015

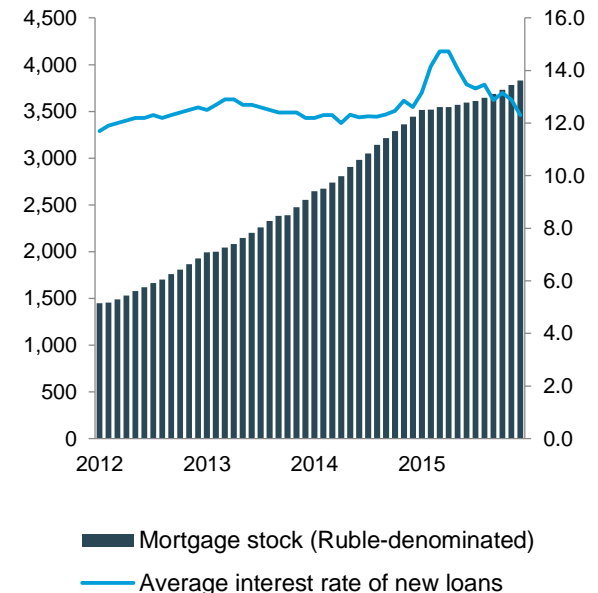
EUR/RUB exchange rate



Prices of new apartments, Index (01/01/2012=100)



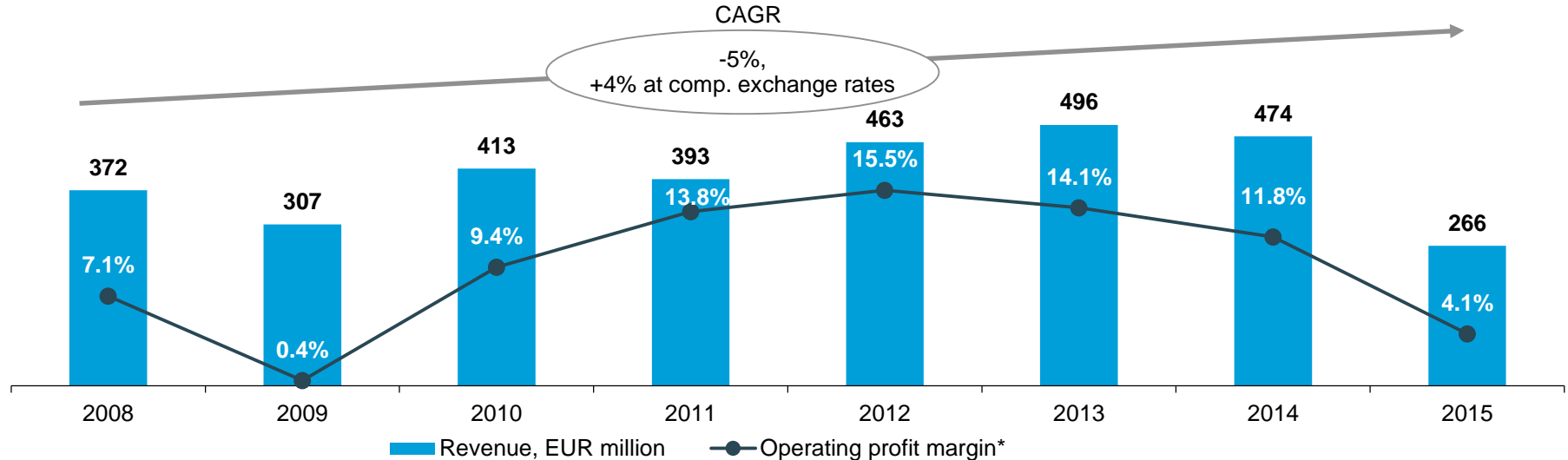
Mortgage stock and average interest rate, (RUB billion, %)



Sources: Bloomberg, YIT and Bank of Russia

Housing Russia: long-term development

2008	2009	2010	2011	2012	2013	2014	2015
<ul style="list-style-type: none"> Prices declined Profitability hit as volumes declined 	<ul style="list-style-type: none"> Housing prices stabilising in H2 Fixed cost cuts 	<ul style="list-style-type: none"> Slight increases in residential prices 	<ul style="list-style-type: none"> Prices increased (regional differences) 	<ul style="list-style-type: none"> Prices increasing and good residential sales Margins improving 	<ul style="list-style-type: none"> Stable residential prices Sales volume continued to develop positively 	<ul style="list-style-type: none"> Increased uncertainty and weakening ruble Revenue grew 15% y-o-y at comp. exchange rates 	<ul style="list-style-type: none"> Profitability burdened by lower revenue and weakened project margins, among other things
EBIT*: EUR 26.0 million	EBIT*: EUR 1.0 million	EBIT*: EUR 41.0 million	EBIT*: EUR 54.0 million	EBIT*: EUR 72.0 million	EBIT*: EUR 70.2 million	EBIT*: EUR 55.8 million	EBIT*: EUR 10.9 million



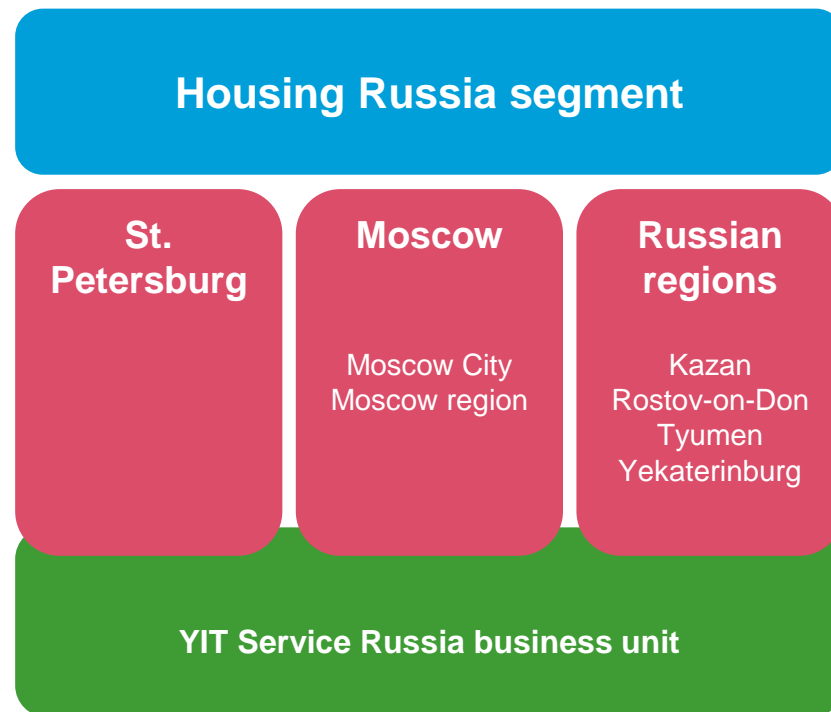
*Excluding non-recurring items

Note: The historical figures for 2008-2012 are calculated for illustrative purposes and are not completely comparable with YIT's segment structure. The main difference is in the division of fixed costs, which in the historical figures are weighted according to revenue and in the official figures are more accurately allocated according to each segment's estimated true share of the fixed costs.

Reorganisation of YIT's Russian operations

- Operations continue in all current locations
- Reorganisation to increase flexibility and to ensure cost efficiency and competitiveness
- Revision of the division structure and establishment of a separate business unit for Service covering all operating cities
- Centralised support functions
- The targeted annual cost savings from the measures announced now and in January 2015 are estimated to total around EUR 10 million

Structure of YIT's Russian operations as of January 1, 2016

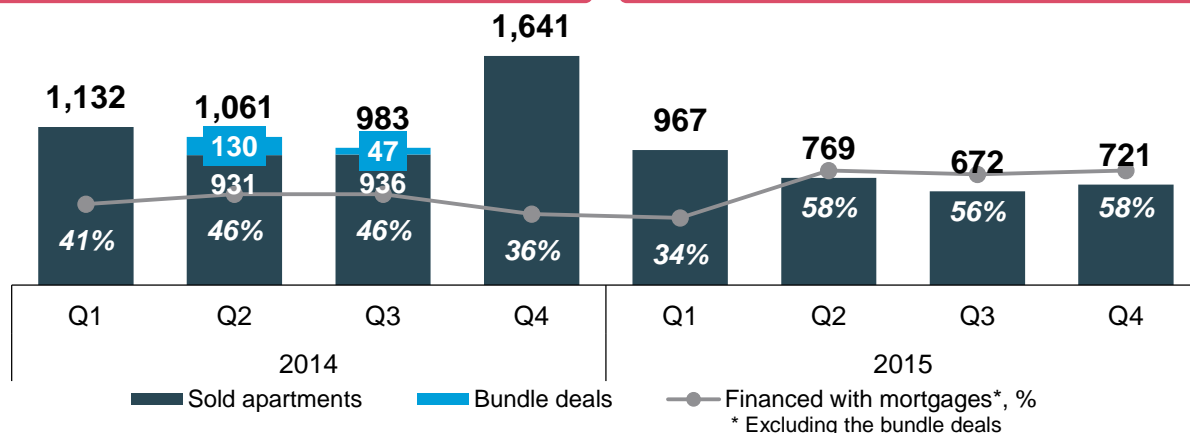


Housing Russia: Sales and start-ups in Q4

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

2014: 4,817 (41%*)

2015: 3,129 (50%), -35% y-o-y



- Sales (units) decreased by 56% y-o-y from the record level in Q4/2014

- Increase of 7% q-o-q

- Share of sales financed with mortgages high supported by the government's mortgage subsidy program

- Projects started, for example in Rostov-on-Don and Yekaterinburg

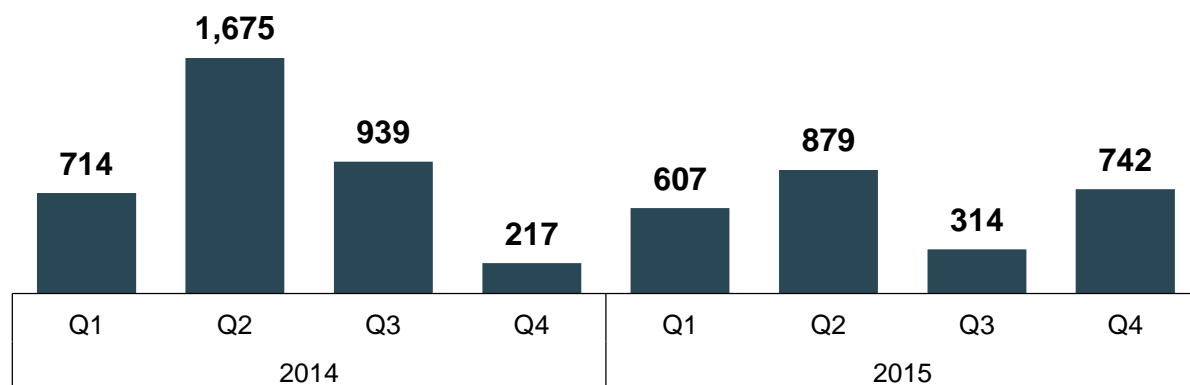
- Registration issue solved, but limited capacity available in the insurance market

- In January, sales to consumers at around 200 units (1/2015: around 370 units)

Apartment start-ups (units)

2014: 3,545

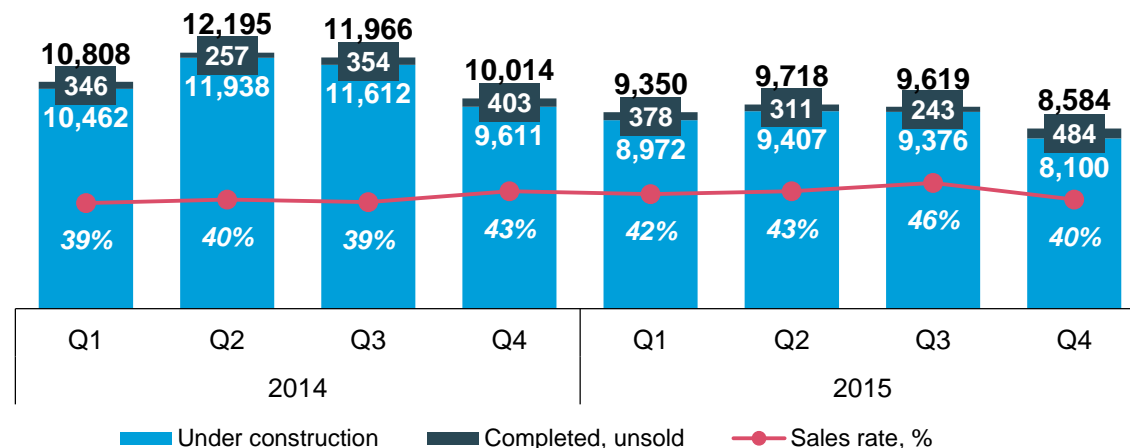
2015: 2,542, -28% y-o-y



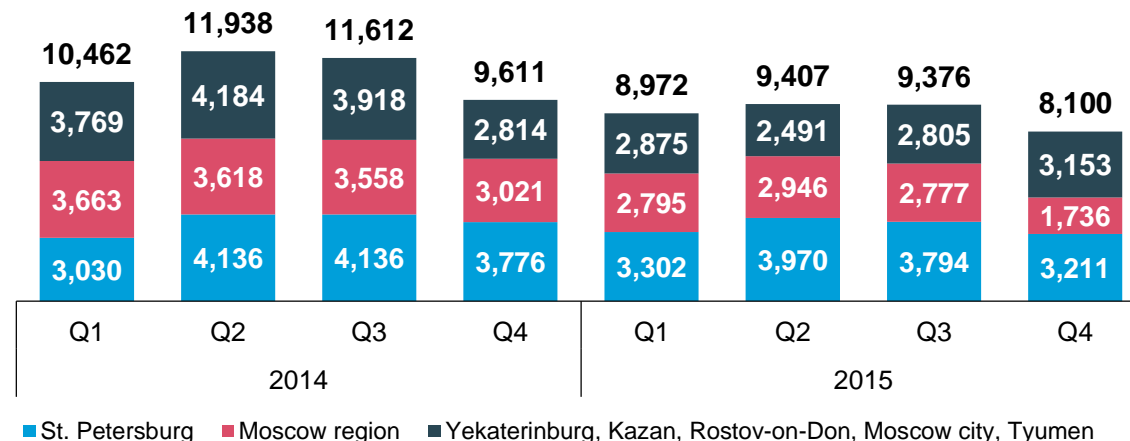
Housing Russia: Apartment inventory in the end of Q4

- High number of completions
 - Completed unsold apartments increased but still on a relatively low level
 - Sales rate decreased
- Production volume lowered as planned

Apartment inventory (units)



Apartments under construction by area (units)



Defensive mode, maintaining ability to ramp up

	“New normal”	Significant deterioration in the operating environment
Plot acquisitions	Carefully selected plot acquisitions	Stop plot acquisitions
Start-ups	Maintain at least critical volume in all units	High selectivity
Construction	As planned	Slowdown, however filling contractual obligations
Pricing	Dynamic pricing to keep the sales in line with progress in construction	Accelerate sales with pricing
Costs	Reduce fixed costs Redesign some projects	Restructuring and major adjustments of size of operations

5

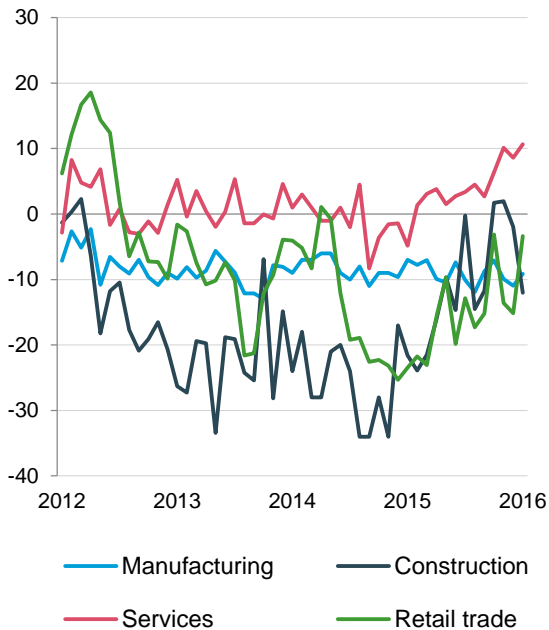
Business Premises and Infrastructure



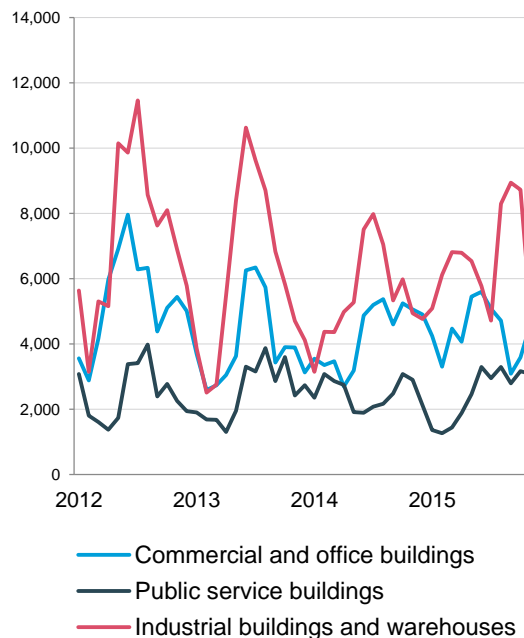
Business Premises and Infrastructure: Operating environment in Q4

- Slight positive signs in the office and commercial premises markets
- Active contracting market
- Slight increase in end-user demand, but competition for tenants was intense
- Investor demand stable
- Positive macro outlook supported the business premises market in the CEE countries

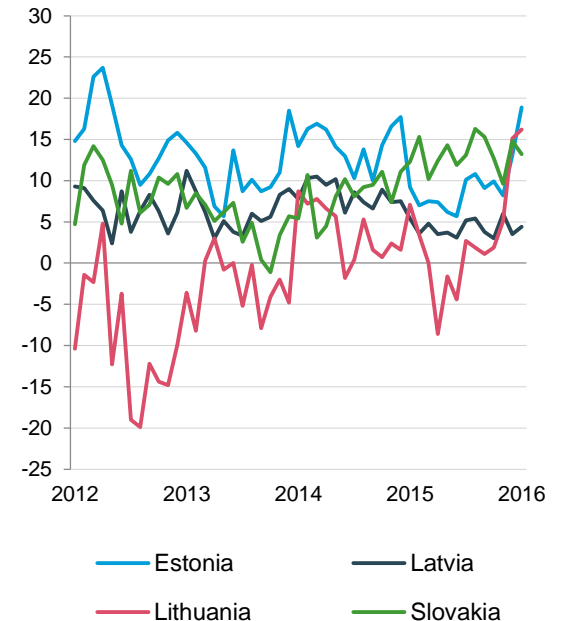
Confidence indicators in Finland



Start-ups in Finland, thousand m³, average last 3 months



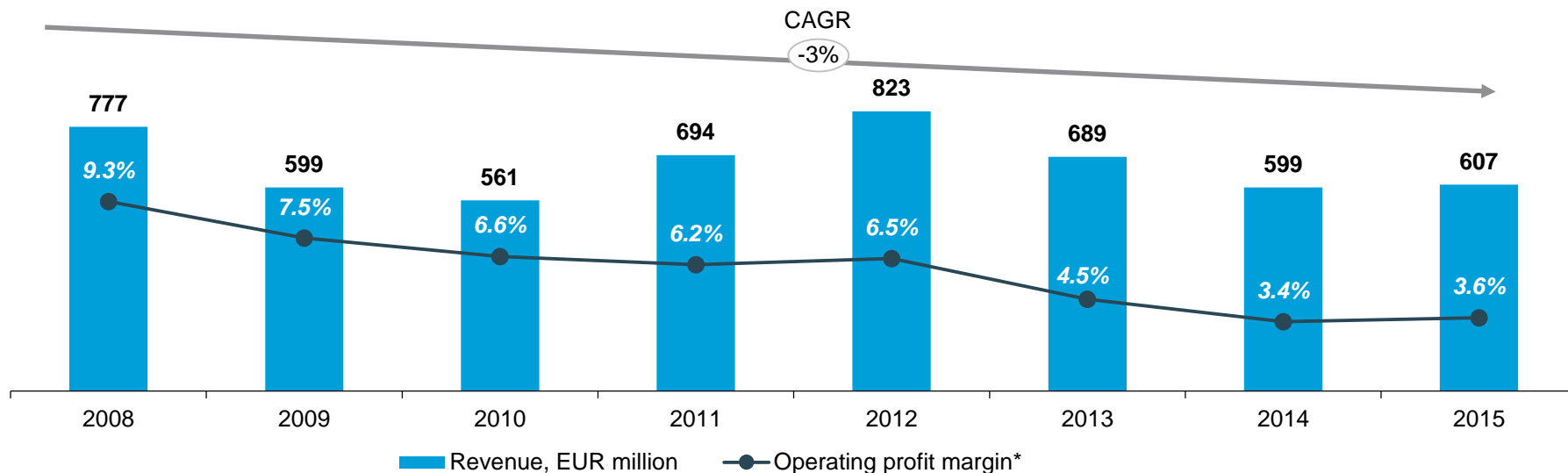
Retail trade confidence in the Baltic countries and Slovakia



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

Business Premises and Infrastructure, long-term development

2008	2009	2010	2011	2012	2013	2014	2015
<ul style="list-style-type: none"> • Good development in Business Premises due to "old" order backlog • Good development in Infra Services 	<ul style="list-style-type: none"> • Weakening business premises market • Good performance in Infra Services • Fixed cost cuts 	<ul style="list-style-type: none"> • Signs of improvement in the business premises market • Stable development in Infra Services 	<ul style="list-style-type: none"> • Infra Services weak in H1, improvement in H2 • Result improved in Business Premises 	<ul style="list-style-type: none"> • Stable development in Business Premises • Stable development in Infra Services 	<ul style="list-style-type: none"> • Weak business premises market • Good performance in Infra Services 	<ul style="list-style-type: none"> • Weak business premises market • Profitability was weakened by low volume 	<ul style="list-style-type: none"> • Revenue stable, some improvement in profitability • Strong order backlog gives positive outlook
EBIT*: EUR 72.0 million	EBIT*: EUR 45.0 million	EBIT*: EUR 37.0 million	EBIT*: EUR 43.0 million	EBIT*: EUR 53.0 million	EBIT*: EUR 31.0 million	EBIT*: EUR 20.4 million	EBIT*: EUR 21.9 million



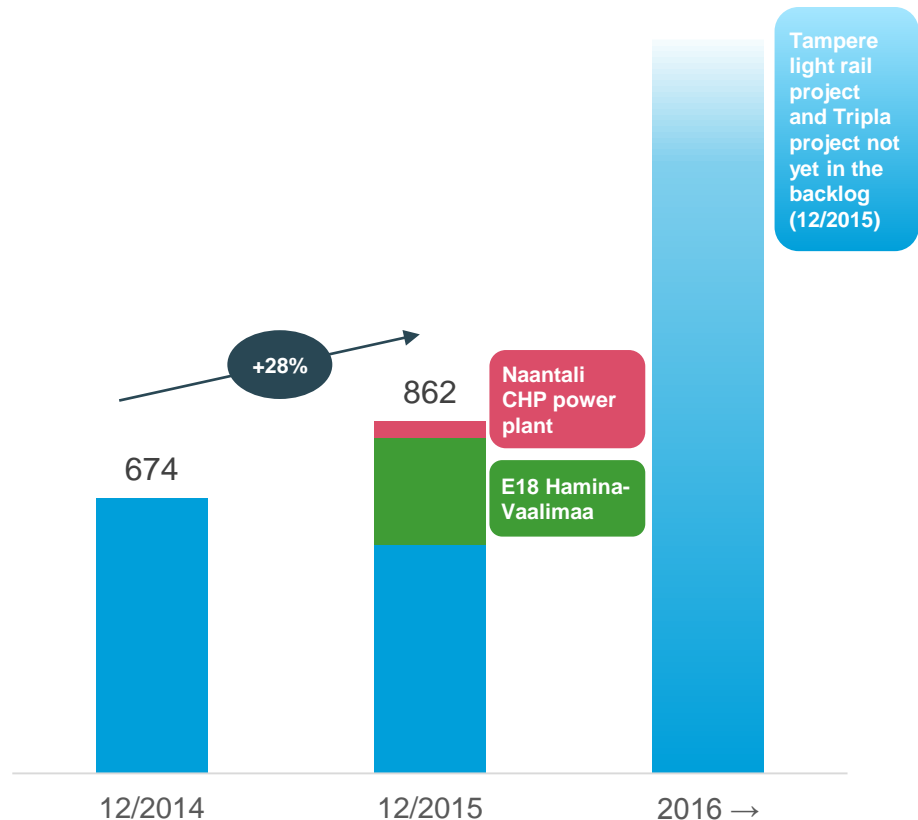
* Excluding non-recurring items

Note: The historical figures for 2008-2012 are calculated for illustrative purposes and are not completely comparable with YIT's segment structure. The main difference is in the division of fixed costs, which in the historical figures are weighted according to revenue and in the official figures are more accurately allocated according to each segment's estimated true share of the fixed costs.

Strong order backlog – solid foundation for future growth

- Last years spent on investing into the future, relative share of fixed costs temporarily high
- Major high value added projects secured: E18 Hamina-Vaalimaa, Naantali CHP, Tampere light rail
- Strong growth in the order backlog in all divisions, incl. CEE countries
- Margin content of the backlog on a good level

Order backlog of Business Premises and Infrastructure, EUR million



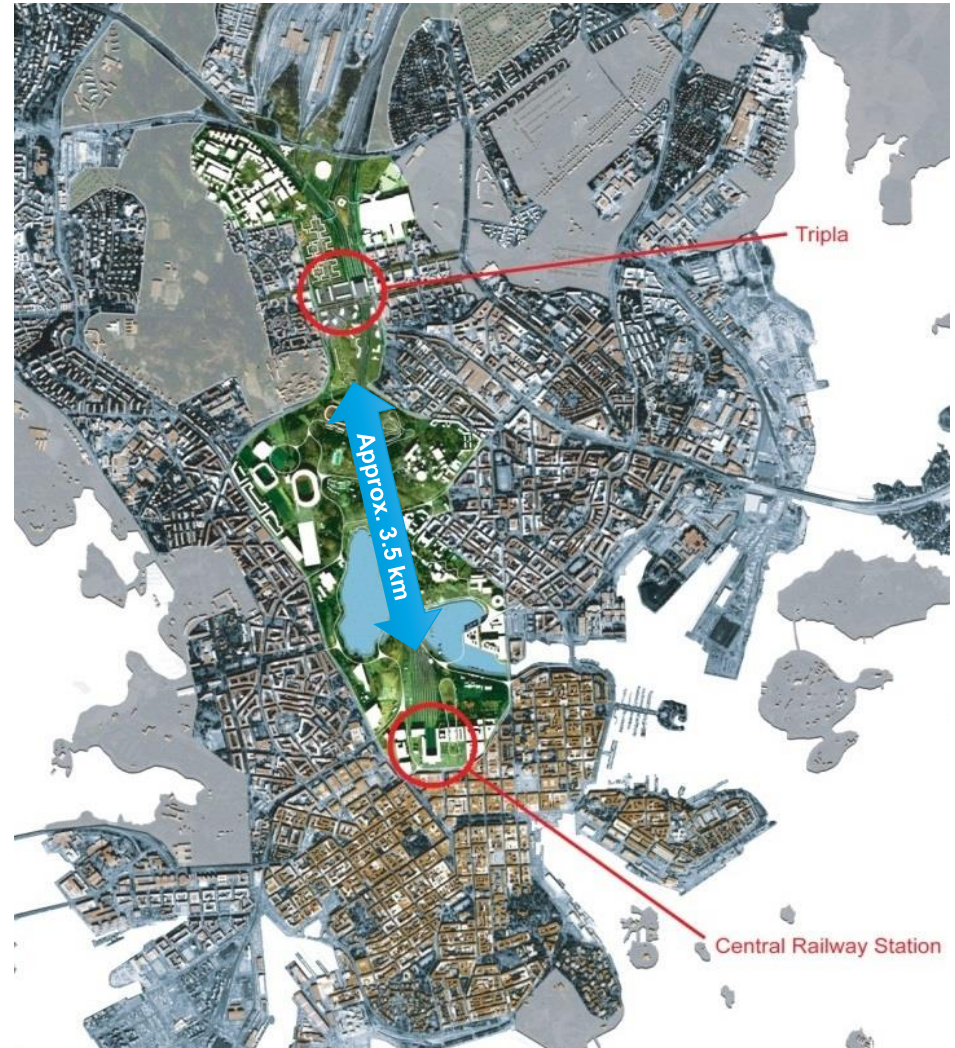
Tripla project supports growth in the coming years

Tripla project

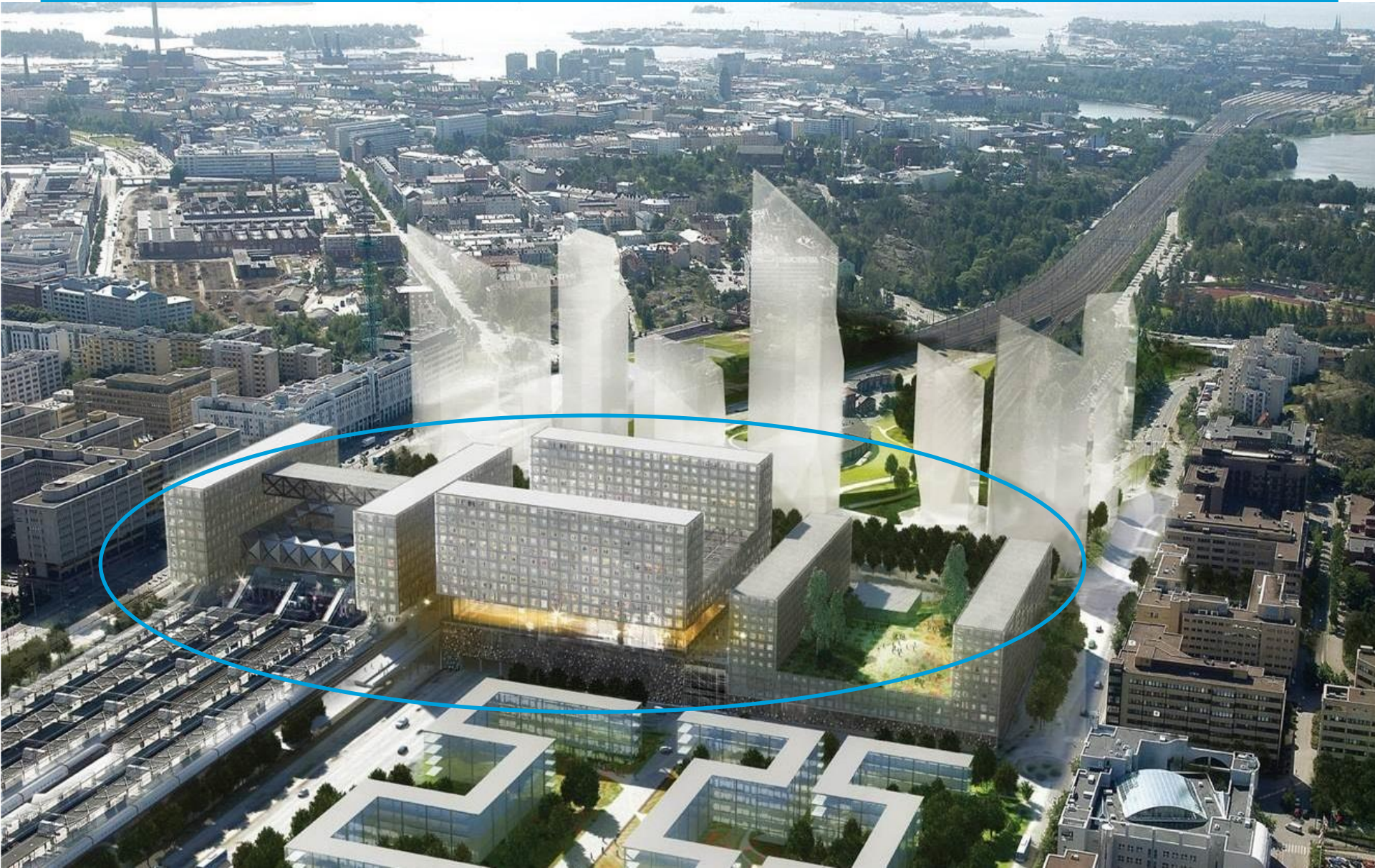
- EUR 1 billion hybrid project consisting of offices, shopping and congress center, hotels, public transport terminal and apartments
- Combines the breadth of YIT know-how in different areas of construction
- Project length ~ 10 years, constructed in phases

The location

- Pasila is an excellent location approx. 3.5 km away from the Central Railway Station of Helsinki
- Connection point for all rail traffic in the Helsinki Metropolitan Area
- Daily people flow through Pasila railway station verges on 80,000
- 500,000 persons within the reach of 30 min by public transportation



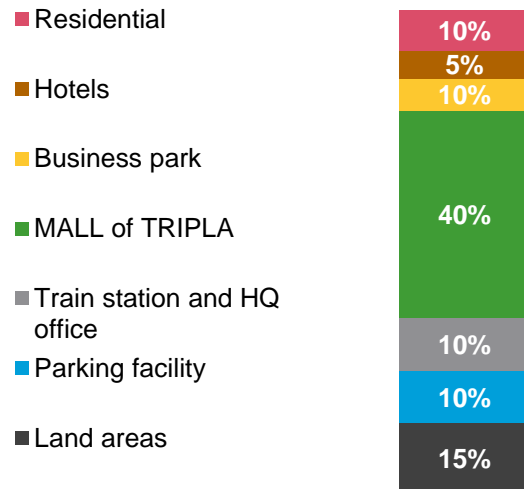
Tripla project: Pasila in the future



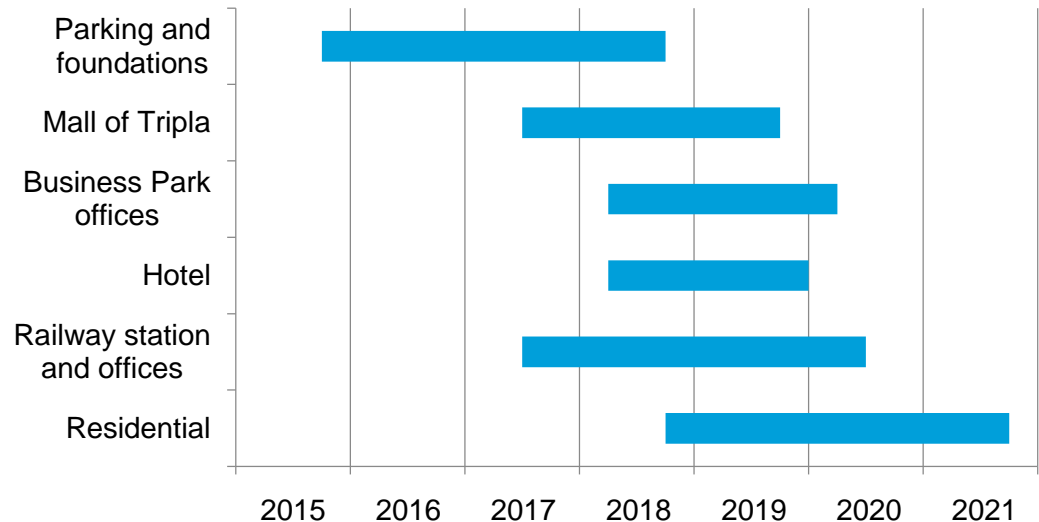
Tripla project – a letter of intent signed to establish a JV

- Letter of intent signed in December 2015 to establish a joint venture to implement the Mall of Tripla and the parking facility
 - The aim is to sign the final project agreements in early 2016
 - YIT's share of ownership 35%, Etera's 35% and Fennia's and Onvest's 15% each
- Building permit for the first implementation phase, the parking facility, was granted in November, and the excavation work is underway
- Close negotiations with tenants have continued, tenant interest has been good
 - New lease agreements signed

Indicative split of the value



Estimated timing of the different phases



Note: The charts are an illustration of YIT's perception on a general level and do not reflect the actualized figures of YIT Group.

Solid execution of major projects



E18 Hamina-Vaalimaa motorway PPP project

- EUR 260 million*
- Construction started 6/2015 and to be opened for traffic in 2018
- Proceeding according to the plans (planning, preparations, sourcing, construction)
- Strong experience from previous projects - E18 Koskenkylä-Kotka (PPP), Hamina bypass, Ring Road I-III



The Tripla project

- EUR ~1 billion
- Zoning confirmed and permit process progressing
- First infra works already completed successfully
- Letter of intent signed on establishing a JV
- Good interest from tenants
- Exceptional in-house competence - infrastructure, business premises and residential



Tampere light rail alliance project

- EUR ~100 million*
- Development phase started in 6/2015
- Construction phase expected to start in 2016
- Strong references of the alliance members key in winning the project

* YIT's share

6

Key financials



Key figures

EUR million	10-12/2015	10-12/2014	Change	1-12/2015	1-12/2014	Change
Revenue	468.5	461.0	2%	1,651.2	1,801.2	-8%
Operating profit	16.6	19.0	-12%	65.7	114.0	-42%
Operating profit margin, %	3.6%	4.1%		4.0%	6.3%	
Operating profit, excluding non-recurring items	16.6	31.4	-47%	76.0	126.4	-40%
Operating profit margin, %, excluding non-recurring items	3.6%	6.8%		4.6%	7.0%	
Order backlog	2,172.9	2,125.9	2%	2,172.9	2,125.9	2%
Profit before taxes	6.1	8.5	-29%	27.0	75.0	-64%
Profit for the review period*	4.6	5.5	-17%	20.0	56.6	-65%
Earnings per share, EUR	0.04	0.04	-17%	0.16	0.45	-65%
Earnings per share, EUR, excluding non-recurring items	0.04	0.12	-70%	0.23	0.53	-57%
Operating cash flow after investments	43.4	139.9	-69%	183.7	151.9	21%
Return on investment, last 12 months, %	5.3%	7.7%		5.3%	7.7%	
Dividend per share, EUR				0.22**	0.18	22%
Equity ratio, %	35.5%	32.4%		35.5%	32.4%	
Interest-bearing net debt (IFRS)	529.0	696.0	-24%	529.0	696.0	-24%
Gearing (IFRS), %	101.1%	129.9%		101.1%	129.9%	
Personnel at the end of the period	5,340	5,881	-9%	5,340	5,881	-9%

* Attributable to equity holders of the parent company

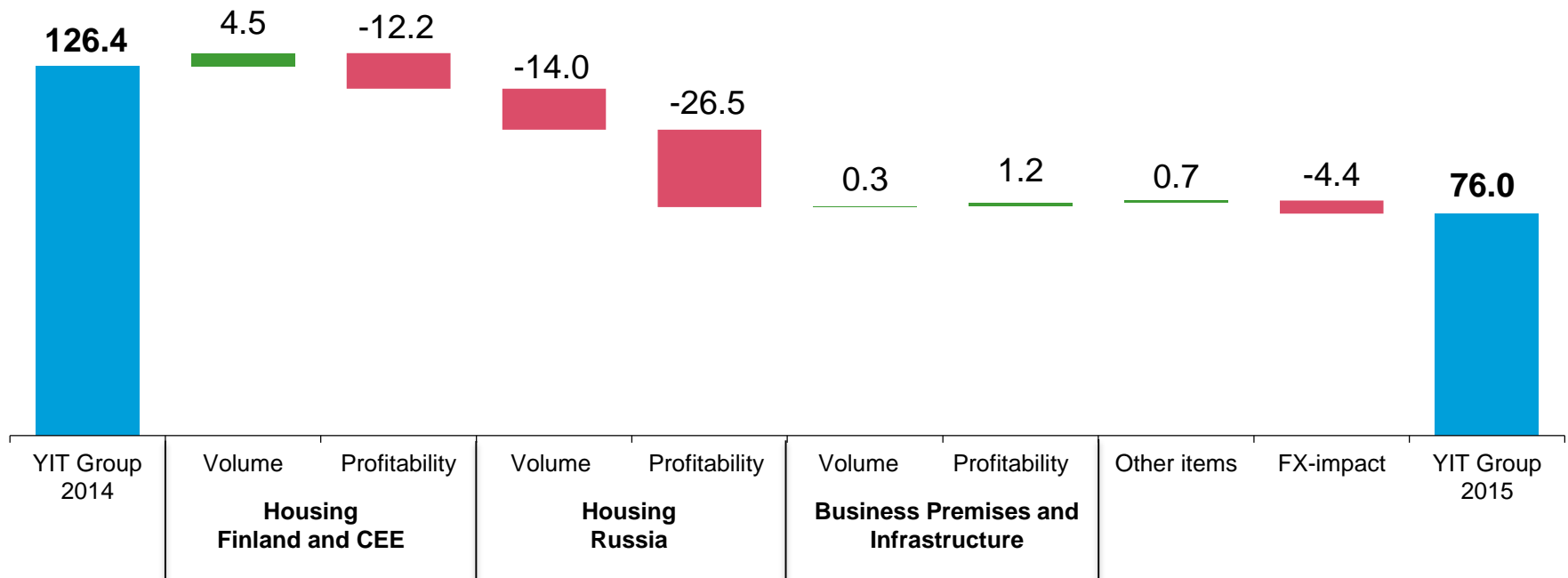
** Board of Directors' proposal to the Annual General Meeting

All figures according to segment reporting (POC), unless otherwise noted

EBIT – bridge 2014 – 2015

- Profitability burdened by Housing Russia segment's low revenue and weakened project margins as well as the actions to ensure strong cash flow

EBIT, excluding non-recurring items (EUR million), change 2014 – 2015: -40%

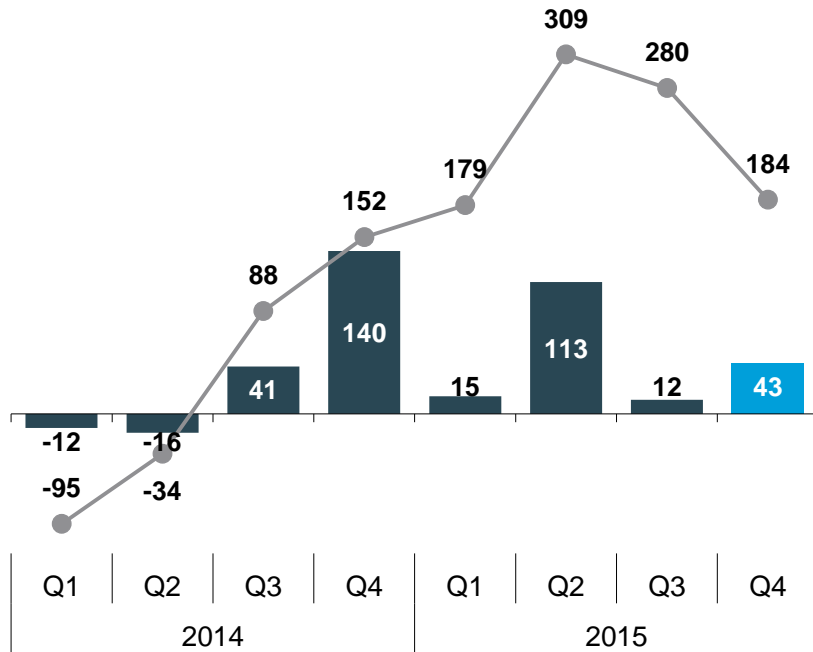


Strong cash flow in 2015

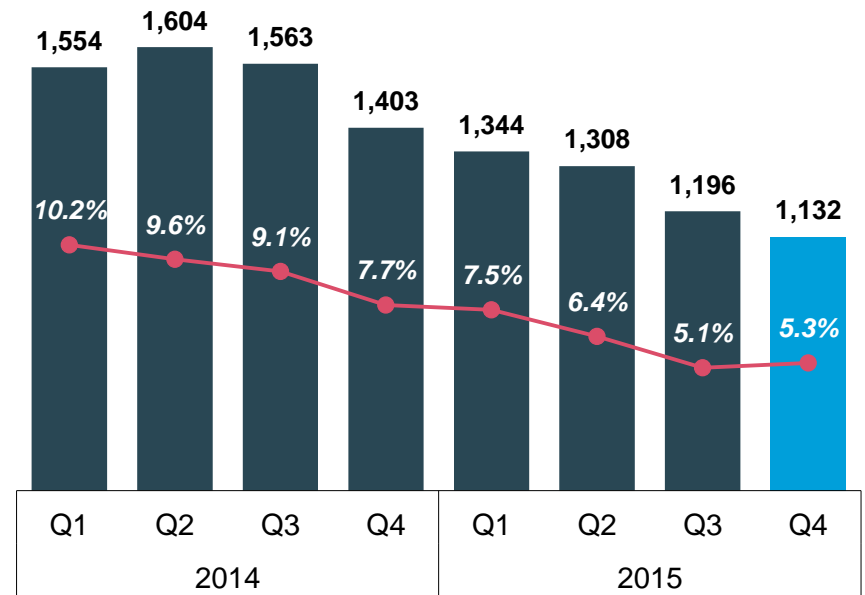
Operating cash flow after investments (EUR million)

2014: EUR 152 million

2015: EUR 184 million



Invested capital and ROI (EUR million, %)

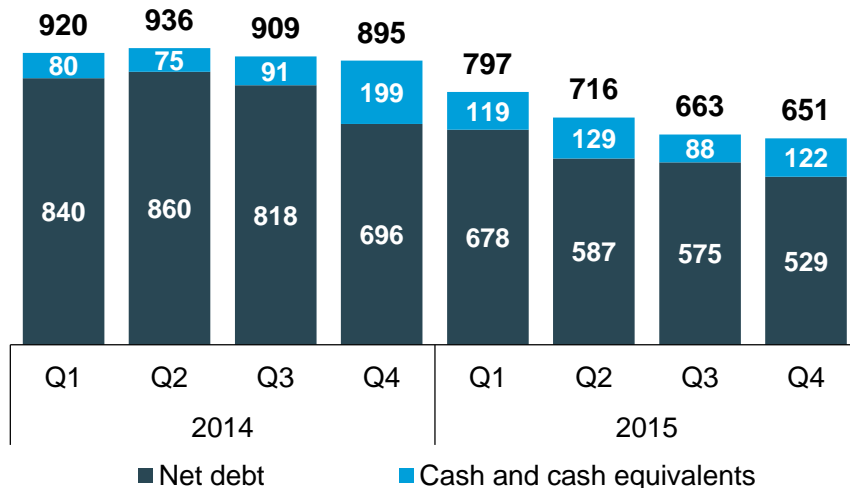


Operating cash flow after investments
 Rolling 12 months

Invested capital ROI

Net debt decreased further

Interest-bearing debt (EUR million), IFRS



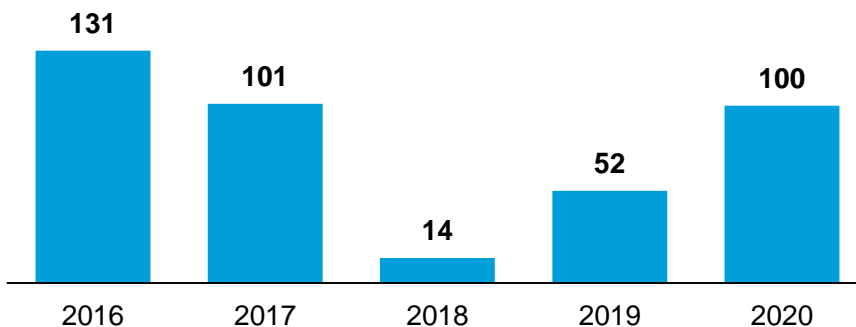
Strong liquidity buffer

- Cash and cash equivalents of EUR 122.2 million
- Overdraft facilities of EUR 64.5 million of which EUR 63.2 million unused
- Undrawn committed revolving credit facility of EUR 300 million

Bond issue conducted during Q1/2015:

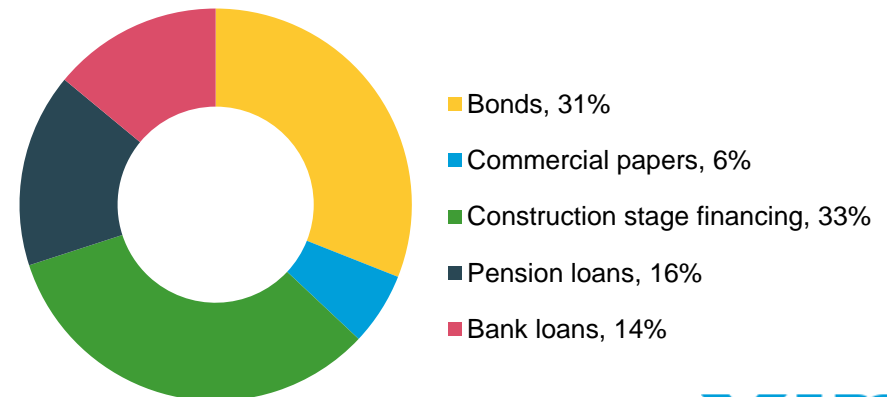
- Unsecured EUR 100 million bond as a private placement to two domestic institutional investors
- Maturity on March 25, 2020, a coupon of 6.25%
- The bond has a call-option and a covenant; the equity ratio (IFRS) has to be at least 25.0%

Maturity structure of long-term debt 9/2015 (EUR million)*



* Excluding construction stage financing

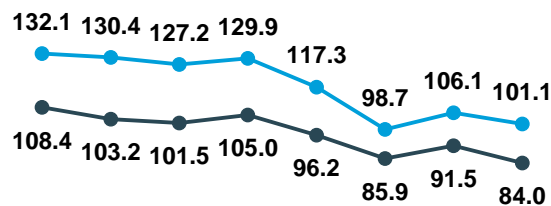
Debt portfolio at the end of the period 12/2015, EUR 651 million



Minor improvement in financial key ratios

- Positive development from the decrease in net debt was offset by weakening of the ruble
- Excess cash weakened the equity ratio by around 1.5 pp

Gearing (%)

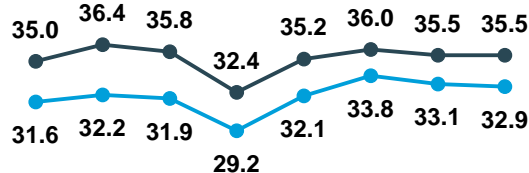


Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
2014				2015			

● POC ● IFRS

Financial covenant tied to gearing (maximum level of 150.0%, IFRS) in the syndicated RCF agreement and in two bank loans.

Equity ratio (%)



Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
2014				2015			

● POC ● IFRS

Financial covenant tied to the equity ratio (minimum level of 25.0%, IFRS) in bank loans, the syndicated RCF agreement and the bond issued in 2015.

Net debt/EBITDA (Multiple, x)



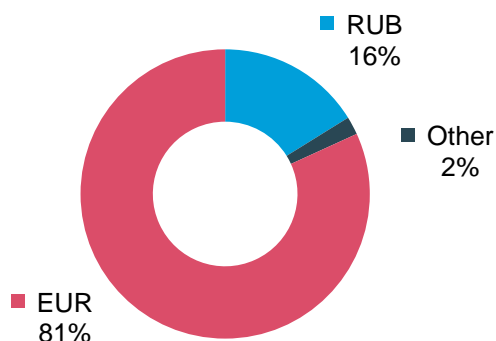
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
2014				2015			

● POC ● IFRS



Ruble weakened in Q4

Revenue split 2015



Impact of changes in foreign exchange rates (EUR million)

	Q4/2015	2015
Revenue, POC ¹⁾	-9.5	-88.1
EBIT, POC ¹⁾	-0.6	-1.3
EBIT excl. non-recurring items, POC ¹⁾	-0.6	-4.4
Order backlog, POC	-51.4 ²⁾	-57.5 ³⁾
Equity, IFRS (translation difference)	-26.3 ²⁾	-32.9 ³⁾

¹⁾ Compared to the corresponding period in 2014

²⁾ Compared to the end of previous quarter



³⁾ Compared to the end of 2014

- The Russian ruble depreciated in Q4
 - Average EUR/RUB rate in 2015: 67.99 (2014: 51.04)
 - Quarter-end EUR/RUB rate: 80.67 (Q3/2015: 73.24)

Principles of managing currency risks:

- Sales and project costs typically in same currency, all foreign currency items hedged → no transaction impact
- Currency positions affecting the income statement are hedged
 - Loans to subsidiaries in local currency, EUR 98.6 million in 12/2015 to Russian subsidiaries
- Equity and equity-like investments in foreign currency not hedged
 - Considered to be of permanent nature
 - FX changes recognized as translation difference in equity
 - Exposure in Russian subsidiaries: EUR 219.0 million in 12/2015

Good progress in capital release

Target for capital release	Actions in Q4/2015	Cumulative progress since 9/2013
Reducing the inventory of unsold completed apartments in Finland >EUR 50 million	<ul style="list-style-type: none"> Active sales to investors covering a wide variety of apartments, value EUR ~17 million 	<ul style="list-style-type: none"> EUR ~31 million
Selling self-developed business premises projects in Finland (under construction) EUR 80 million	<ul style="list-style-type: none"> Sale of Avia Line III office premise, value over EUR 8 million 	<ul style="list-style-type: none"> EUR ~80 million 
Slow-moving assets >EUR 150 million*	<ul style="list-style-type: none"> Several smaller deals in Finland, Russia and CEE: EUR 10 million 	<ul style="list-style-type: none"> EUR ~87* million sold or agreed (not fully visible in revenue and cash flow yet)
New off-balance sheet partnership models in plot acquisitions >EUR 100 million	<ul style="list-style-type: none"> EUR ~40 million of plots sold to funds 	<ul style="list-style-type: none"> The value of plots financed by external partners EUR ~108 million 

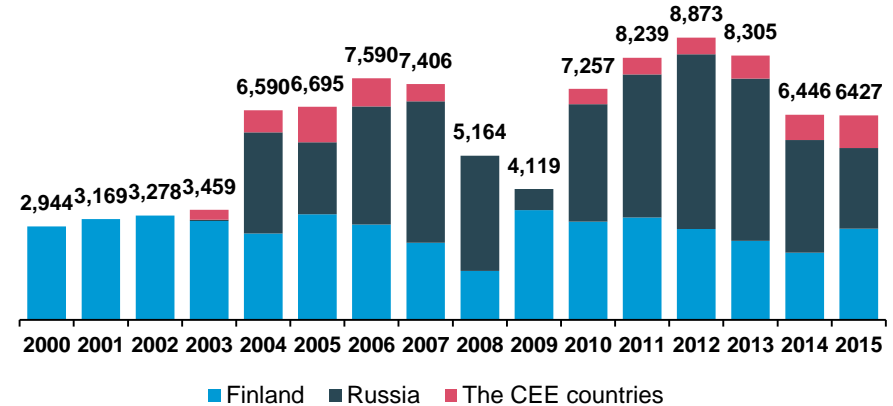
* Target set at the balance sheet rate at 9/2013: EUR/RUB 43.8240, cumulative progress calculated using the same EUR/RUB rate.

Note: In addition to the progress presented in the table above, the slow-moving assets have been reduced by impairment of EUR 9 million made in Q4/2014

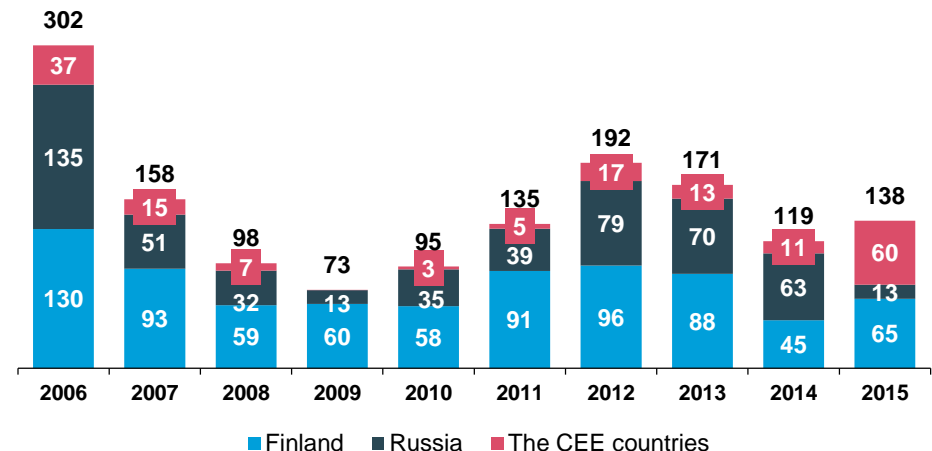
Good financial flexibility

- Good ability to manage cash flow
 - Start-ups adjusted according to demand
 - Opportunity to adjust plot investments; existing plot reserve provides a good base for the coming years
- Flexibility in production costs
 - Both own personnel and subcontractors at construction sites
 - Use of rental equipment to manage the volatility in production volumes
 - Temporary layoffs possible in Finland
- Focus on payment terms in plot acquisitions
 - In Russia, payment schedule for plots tied increasingly to permitting process and start-ups
 - In Finland, a common practice to have pre-agreements that are subject to zoning

Housing start-ups 2000-2015 (units)



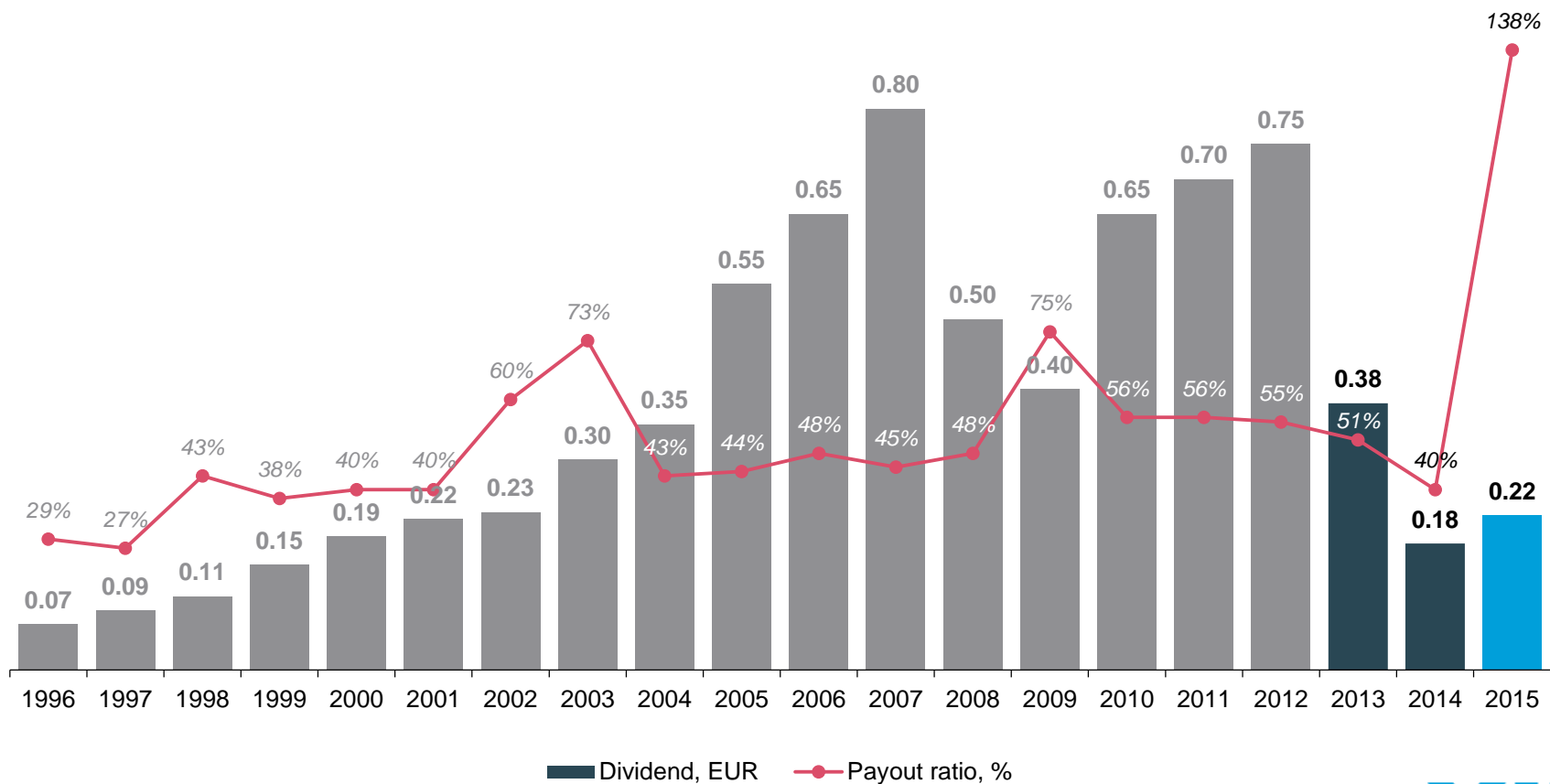
Cash flow of plot investments 2006-2015 (EUR million)



Proposal to AGM: Dividend of EUR 0.22

Dividend / share (EUR)

Note: Historical figures prior to 2013 are YIT Group pre demerger



7

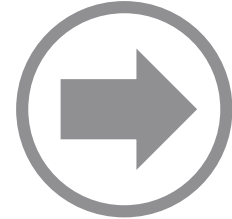
Looking
ahead and
conclusions



Market outlook, expectations for 2016

Finland

- Consumers cautious, demand to focus on small and affordable apartments in growth centres
- Investor activity to remain on a good level but even more focus will be paid on the location
- Price polarisation, especially between small and large apartments
- Availability of mortgages good
- Modest tenant interest for business premises, investor activity on a good level. Focus on prime locations in the Capital region
- Business premises contracting to pick up slightly
- Infrastructure market to remain stable



Russia

- Weak visibility
- Construction costs to increase
- Residential prices stable in nominal terms
- Residential demand to focus on small apartments that are completed or close to completion
- Uncertainty regarding the mortgage market due to the unpredictable future of the government subsidy program



CEE

- The improved economic situation to support residential and business premises demand
- Access to financing to remain good and interest rates to remain on a low level
- Residential prices are estimated to increase in the Czech Republic, Slovakia and Lithuania, and to remain stable in Poland, Estonia and Latvia



Guidance for 2016 (segment reporting, POC)

The Group revenue growth is estimated to be in the range of **0-10%** at comparable exchange rates.

The adjusted operating profit* is estimated to grow from the level of 2015 (2015: EUR 76.0 million).

- Around half of 2016 revenue from sold projects and signed pre-agreements, assuming that large projects such as Tripla progress as planned. The rest from new sales and capital release
- In Business Premises and Infrastructure, the growing volume and the improved margin content of the order backlog are estimated to support the segment's adjusted operating profit
- The demanding market environment in Russia is expected to keep the profitability of Housing Russia on a low level
- Similarly to the year 2015, investor projects' share of revenue is estimated to remain high in Housing Finland and CEE, which impacts the segment's adjusted operating profit margin negatively
- Capital release is expected to dilute the adjusted operating profit margin
- Q1 expected to be the weakest quarter in terms of the adjusted operating profit

* The adjusted operating profit does not include material reorganisation costs or impairment



Concluding remarks

- Strong market position and long track record in healthy profitability and solid execution through economic cycles
- Good progress in improving capital efficiency and increasing financial operating space
- Improving profitability, growth initiatives and raising the capital efficiency further in focus going forward
- Growth opportunities especially in Business Premises and Infrastructure and in CEE, local unit established in Poland



E18 Hamina bypass

Photo: Jetro Matilainen, Finnish Transport Agency

8

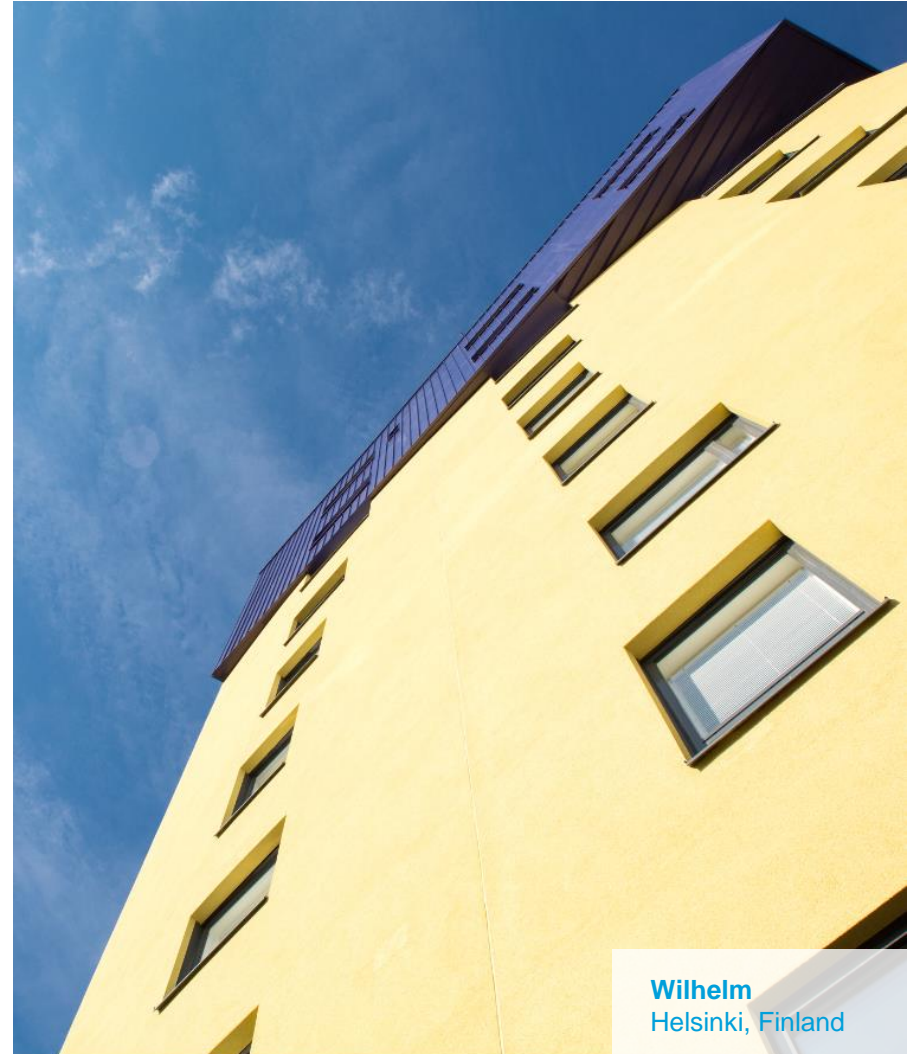
Appendices



Konepaja residential area
Helsinki, Finland

Appendices

- I. Additional financial information
- II. Housing indicators
- III. Business premises and infrastructure construction indicators
- IV. Ownership



Wilhelm
Helsinki, Finland



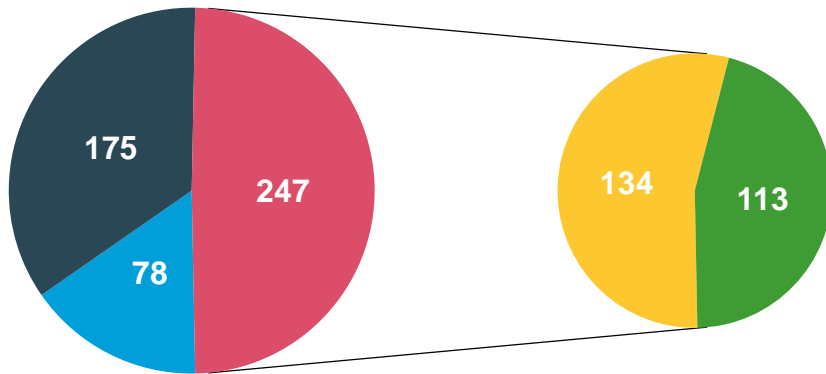


Additional financial information



Solid plot portfolio, a basis for growth and financial flexibility

Plot reserves in the balance sheet 12/2015, EUR 500 million

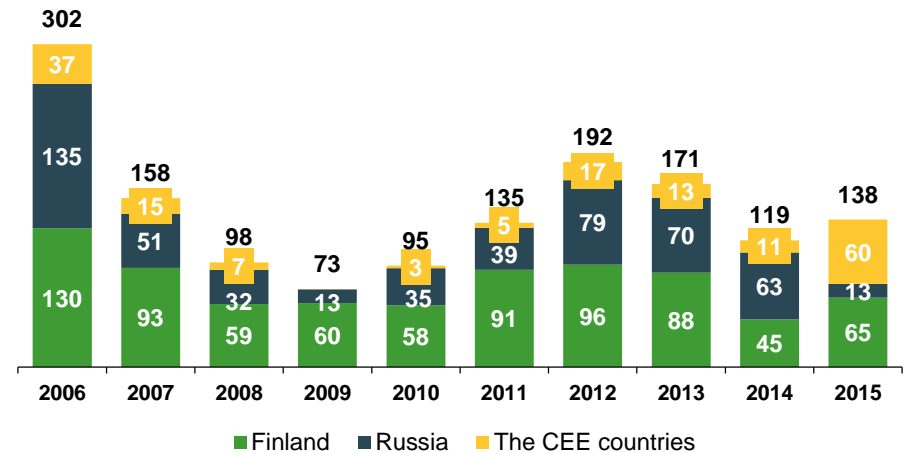


- Business Premises and Infrastructure
- Housing Russia*
- Housing Finland and CEE
- Finland
- The CEE countries

Use of plot reserves in 2015, EUR 109 million

Housing Finland and CEE	64
Finland	55
The CEE countries	9
Housing Russia**	29
Business Premises and Infrastructure	16

Cash flow of plot investments 2006-2015 (EUR million)

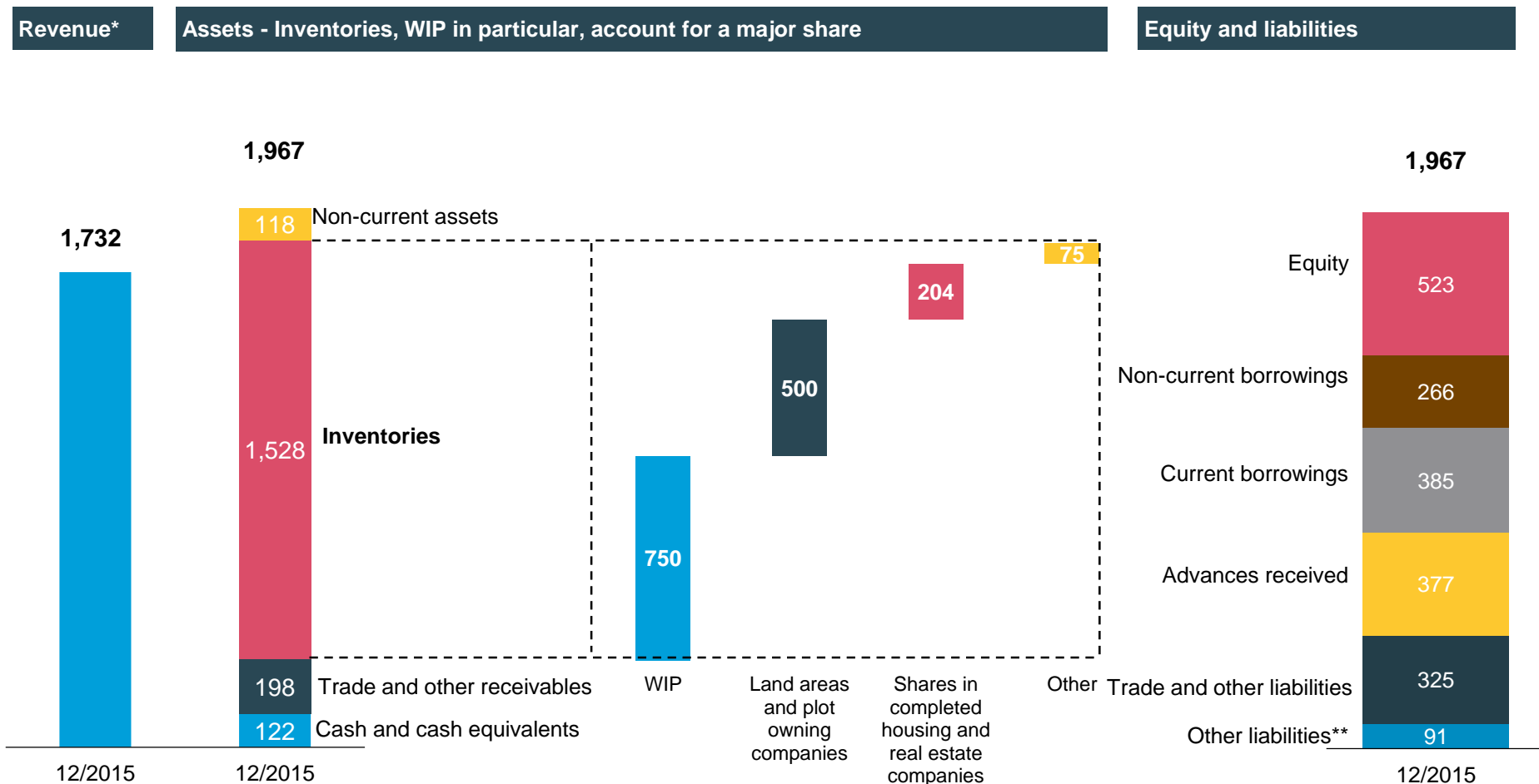


*Includes Gorelovo industrial park

** Calculated at the 12/2015 EUR/RUB exchange rate: 80.6736

Consolidated balance sheet

December 31, 2015 (EUR million)



Note: Figures based on Group reporting (IFRS)

* Last 12 months

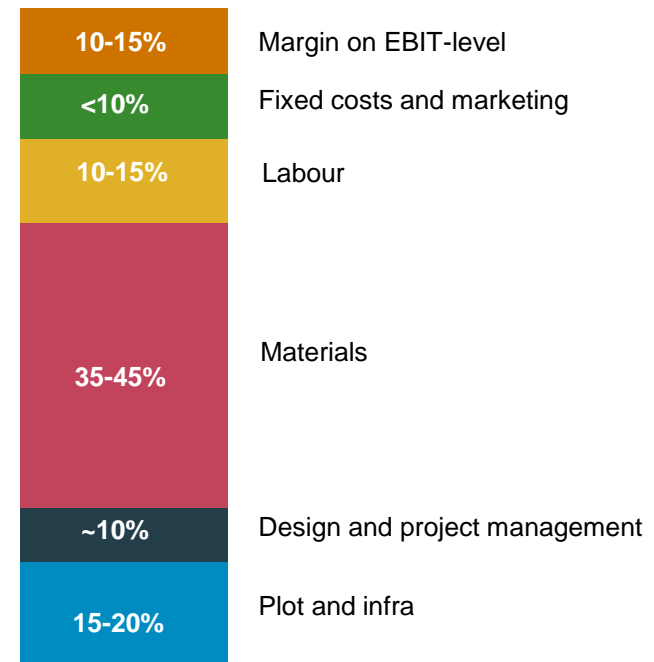
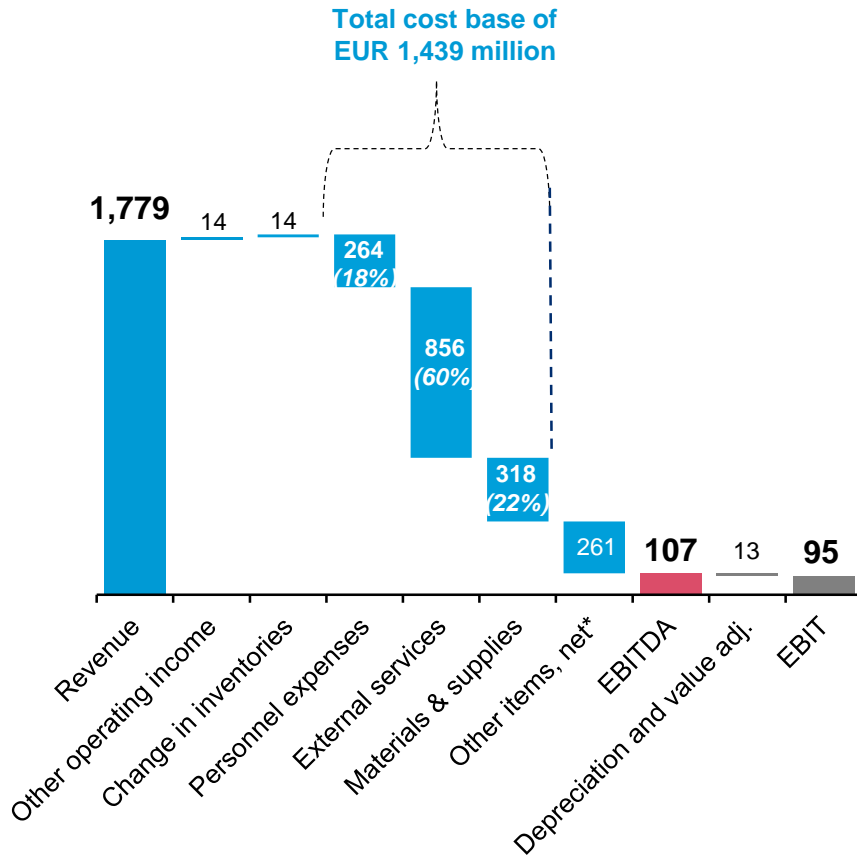
** Includes deferred tax liabilities, pension obligations, provisions and other liabilities

YIT's cost base in 2014

External services account for a major share of YIT's costs

IFRS, EUR million (% of cost base before EBITDA)

Indicative cost structure of a Finnish residential project



*) Includes: Other operating expenses, share of results in associated companies and production for own use
 NOTE: Figures based on Group reporting (IFRS)

Construction stage financing

Financing of construction in a typical residential development project in Finland:

- YIT's subsidiary YIT Construction sells the contract receivables from Housing corporations (also owned by YIT) to financial institutions
 - Due upon completion
 - Sold in line with the progress of the project
- Customers' down payments 15% of value

→ Financing for construction

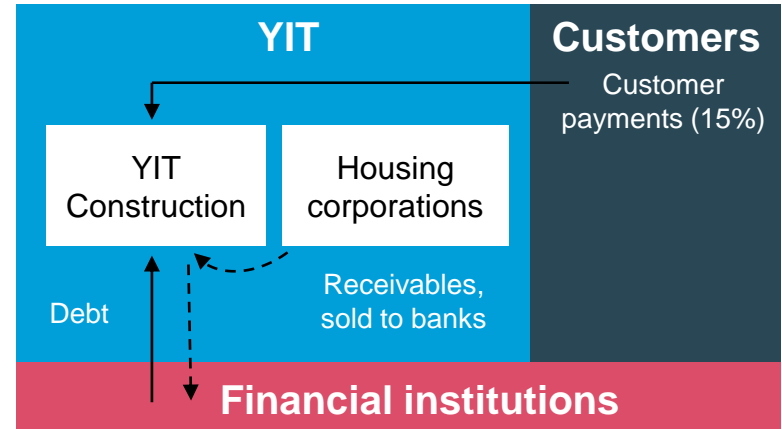
Limited refinancing risk:

- Sold receivables are included in current borrowings as they are linked to current assets. However, there is limited refinancing risk:
- Upon completion, Housing corporations pay for the construction by drawing housing corporation loans
 - 50-70% loan-to-value
 - +20 year maturities
 - The terms and conditions are agreed upon already when starting construction
- Customers pay the rest of the sales price

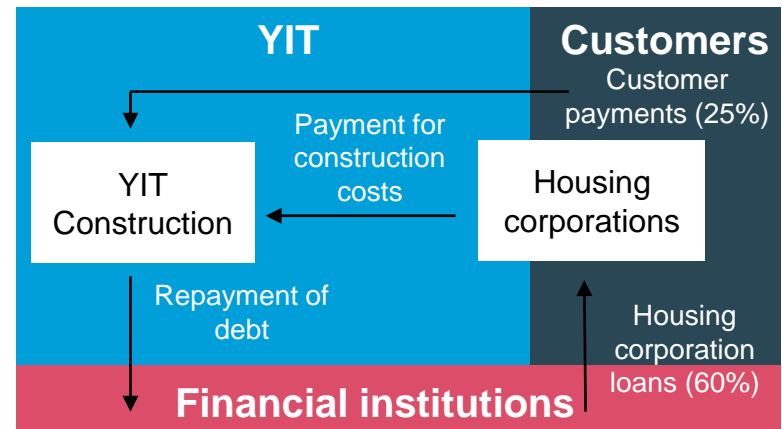
→ Refinancing of the sold receivables

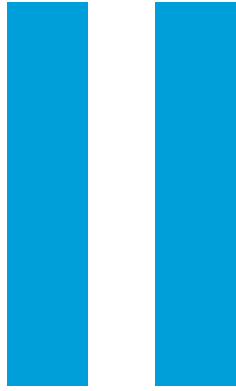
- After completion the unsold apartments are in YIT's balance sheet as shares in housing corporations. Their share in the housing corporation loans is included in current borrowings as the loans are linked to current assets.

During construction:



Upon completion:



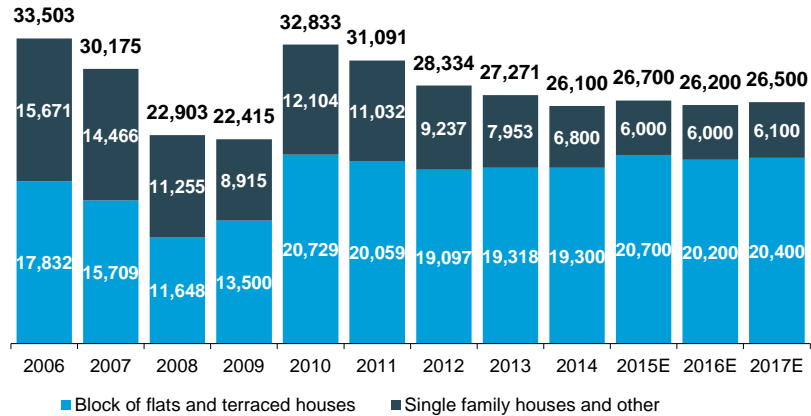


Housing indicators



Finland – Start-ups expected to increase in 2015

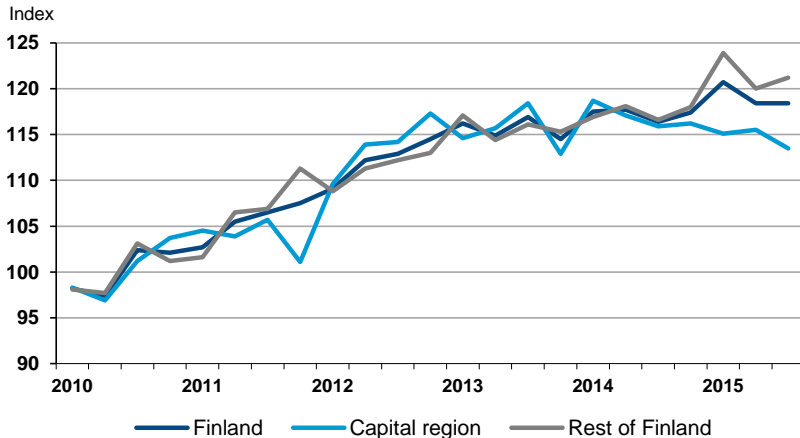
Residential start-ups, units



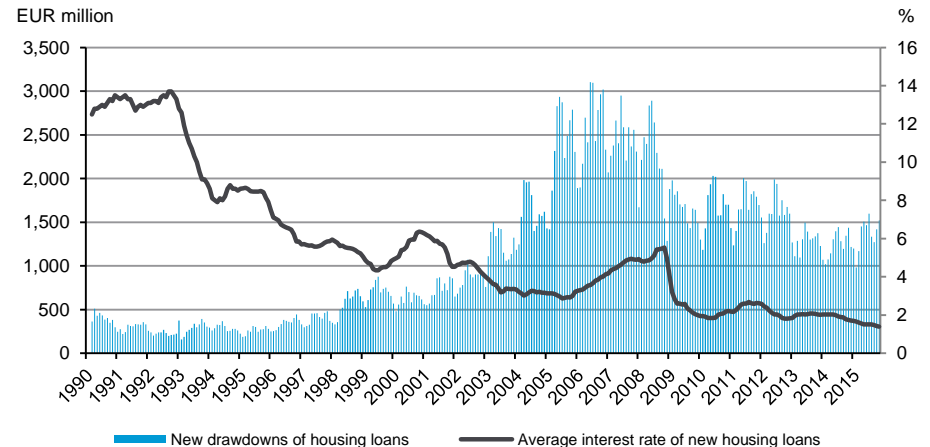
Consumer confidence - Views on economic situation in one year



Prices of new dwellings



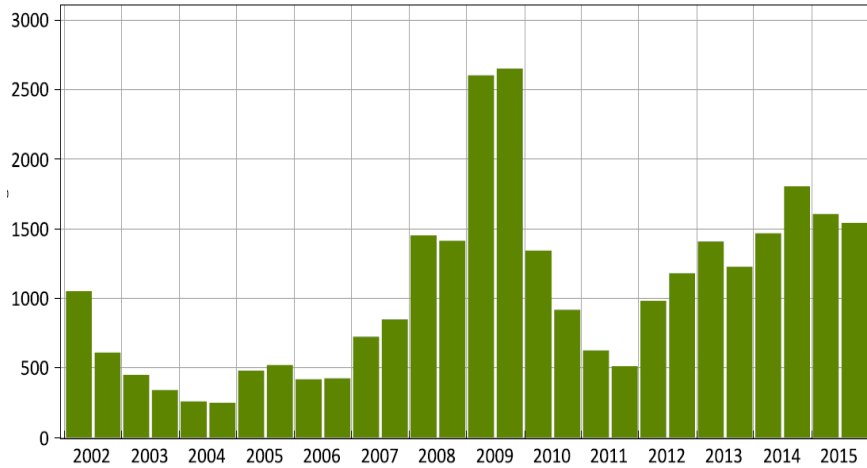
Volume of new mortgages and average interest rate



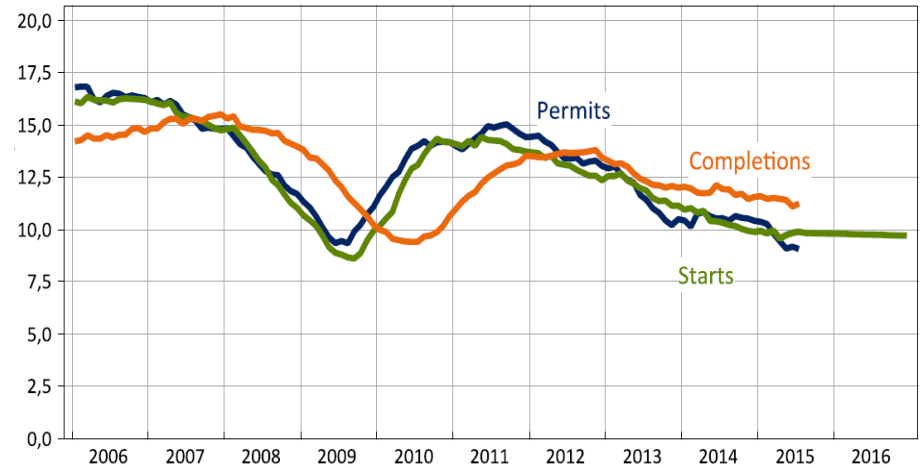
Sources: Residential start-ups: 2006-2013 Statistics Finland; 2014 - 2016E RT Confederation of Finnish Construction Industries, 2017E Euroconstruct, Consumer confidence: Statistics Finland, Residential prices: Statistics Finland
Loans and Interest rates: Bank of Finland

Housing indicators have weakened slightly in Finland

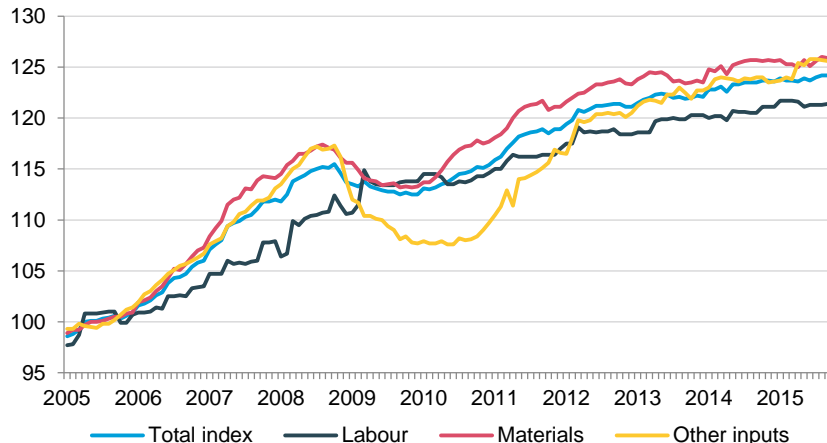
Unsold completed units (residential development projects)



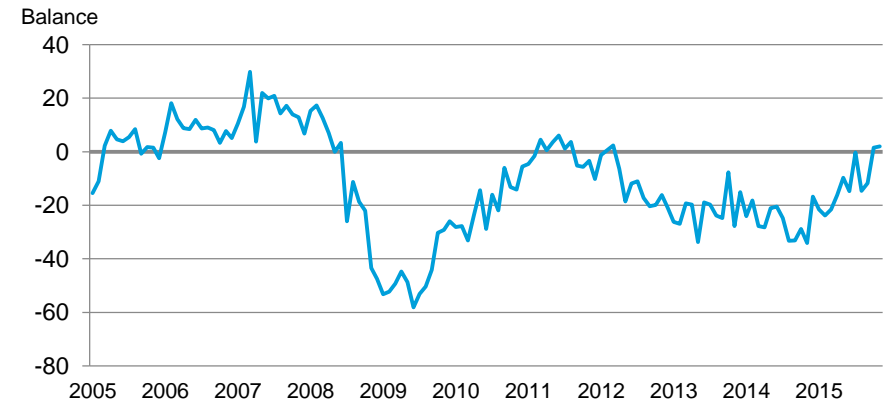
Residential building permits, start-ups and completions, million m³



Construction cost index (2005=100)



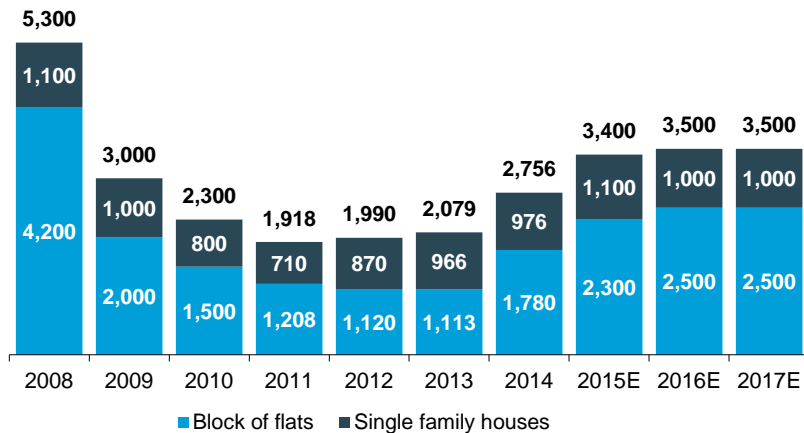
Construction confidence



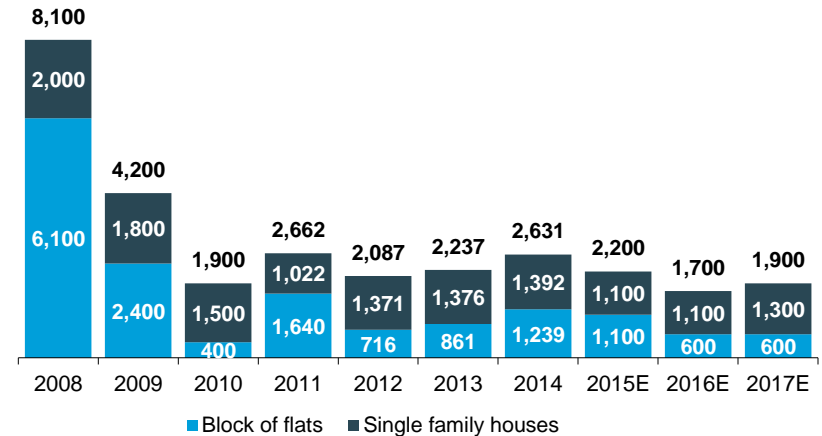
The Baltic countries

– Residential construction is expected to level off

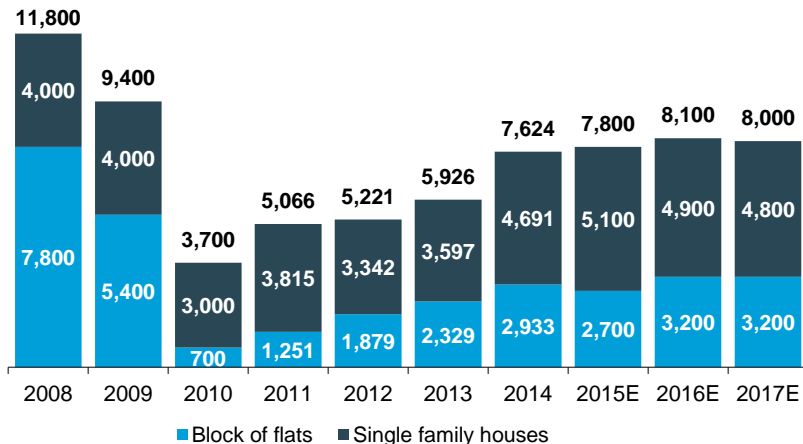
Residential completions in Estonia, units



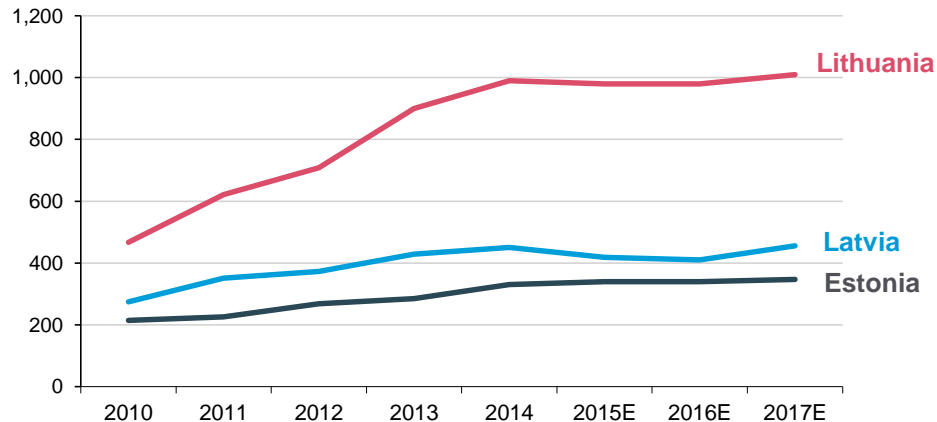
Residential completions in Latvia, units



Residential completions in Lithuania, units



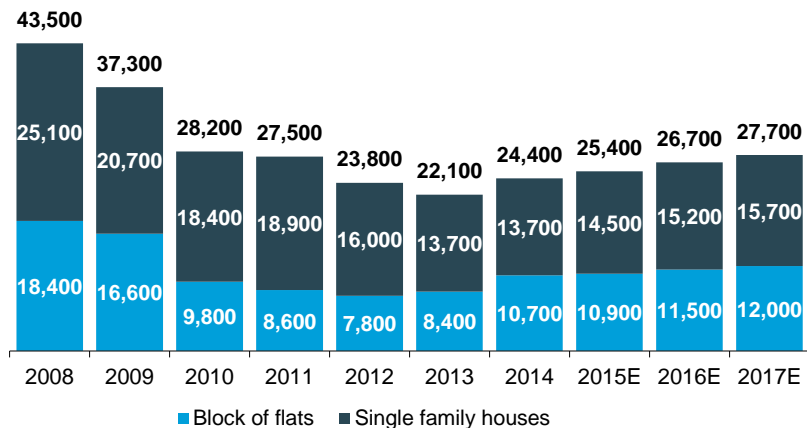
New residential construction volume, EUR million



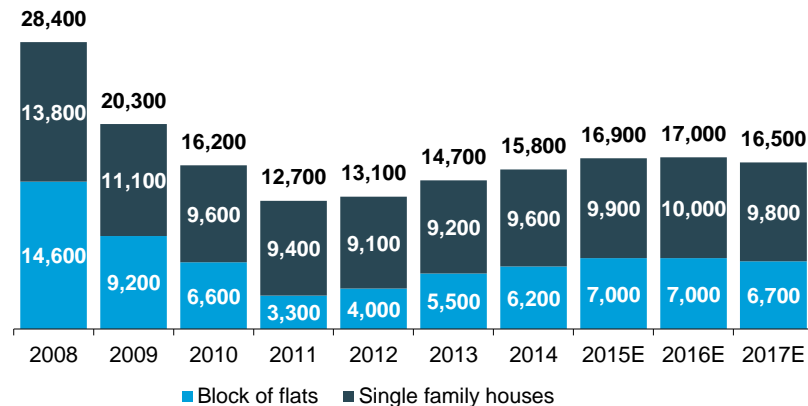
Source: Forecon, December 2015

The Czech Republic, Slovakia and Poland – Start-ups forecasted to increase

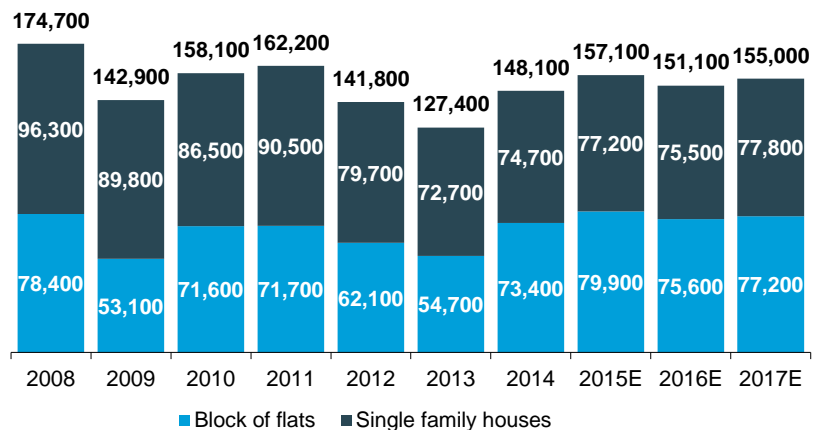
Residential start-ups in the Czech Republic, units



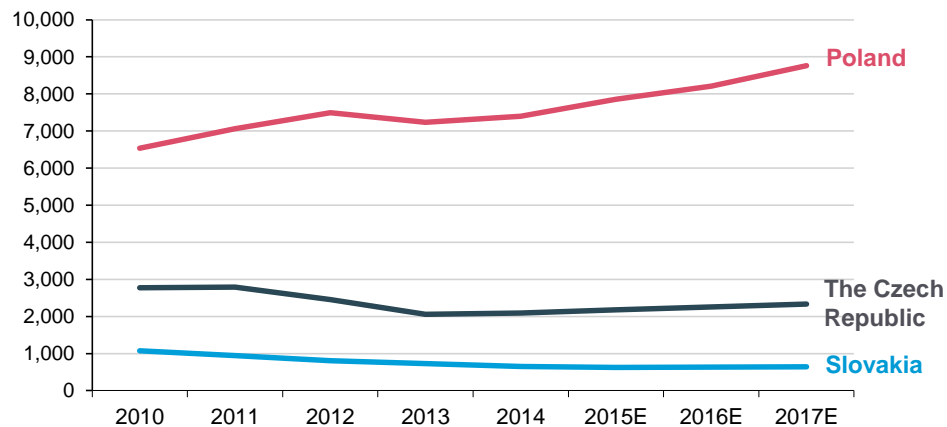
Residential start-ups in Slovakia, units



Residential start-ups in Poland, units



New residential construction volume, EUR million

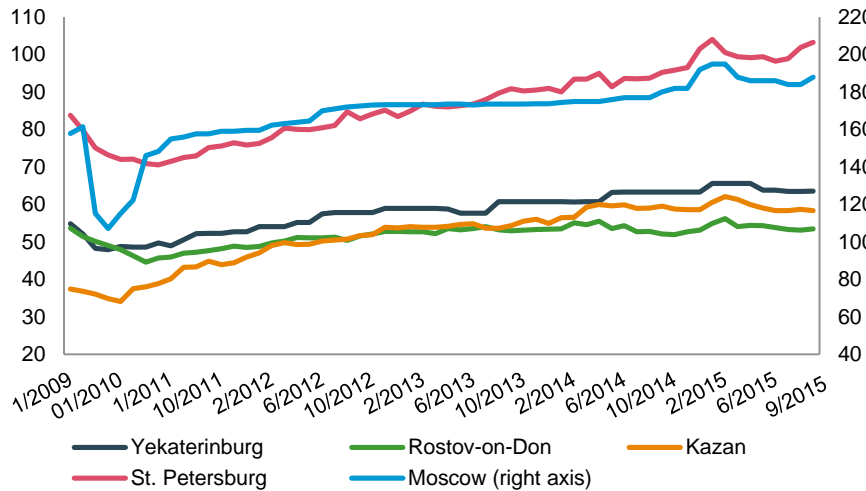


Source: Euroconstruct, December 2015

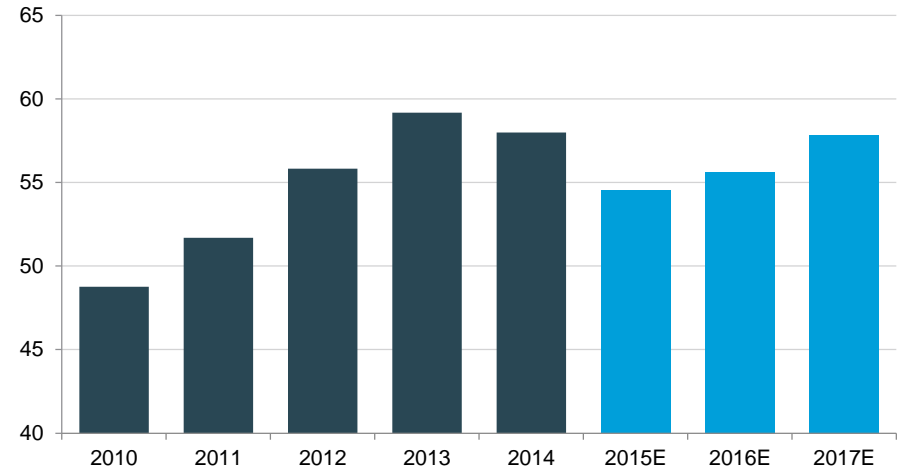


Russia – Housing indicators

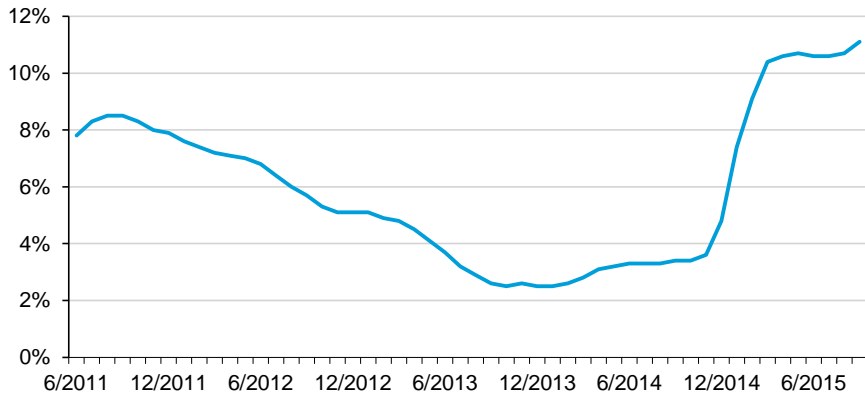
House prices in primary markets, thousand RUB per sq. m. (1/2009-9/2015)



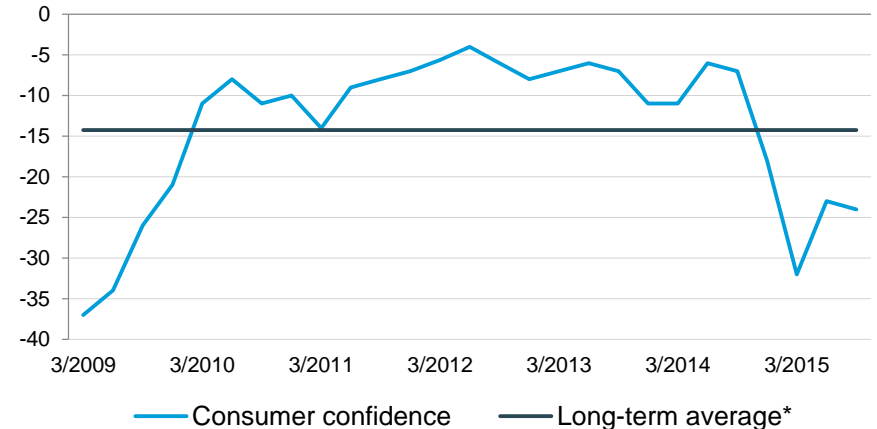
New residential construction volume, EUR billion



Inflation in building materials 6/2011-9/2015



Consumer confidence



Sources: House prices: YIT, *New residential construction volume: Forecon, June 2015, Inflation in building materials: PMR Construction review, October 2015, Consumer confidence: Bloomberg

*Average 12/1998-9/2015



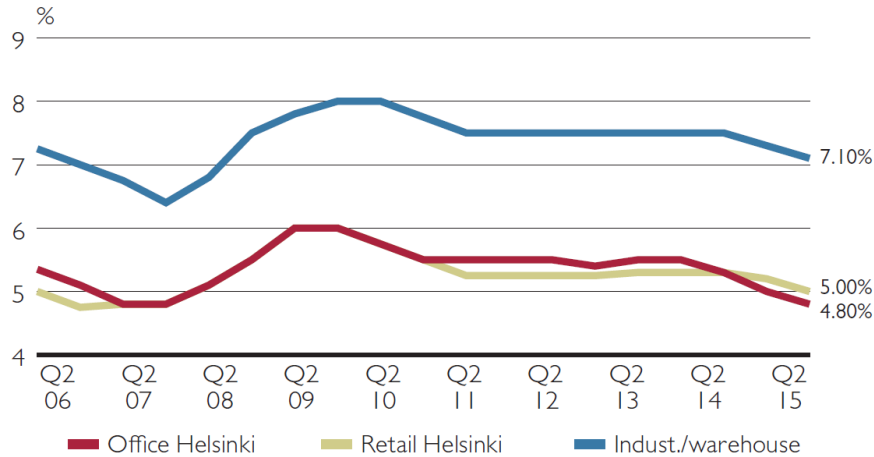


Business premises and infrastructure construction indicators

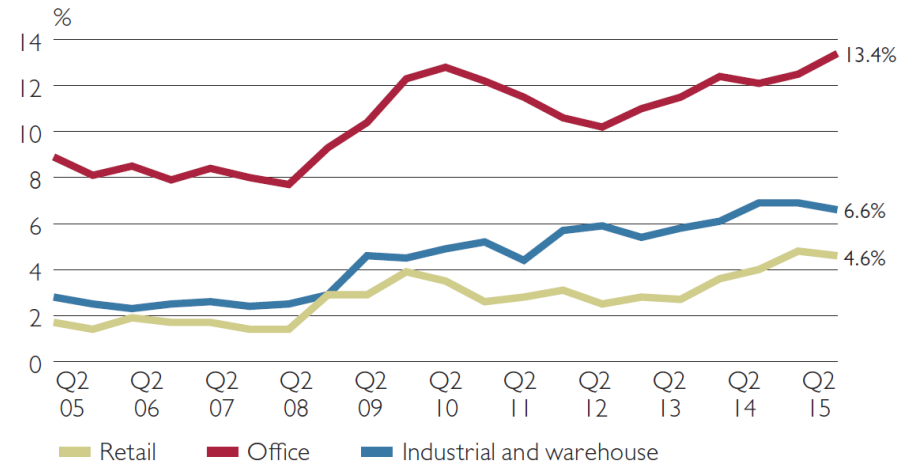


Finland – Prime yields expected to decrease slightly

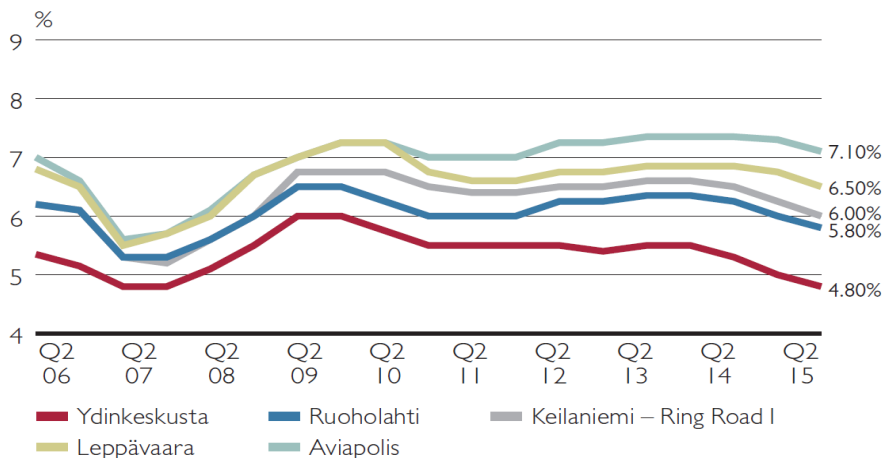
Prime yields in Helsinki Metropolitan Area, %



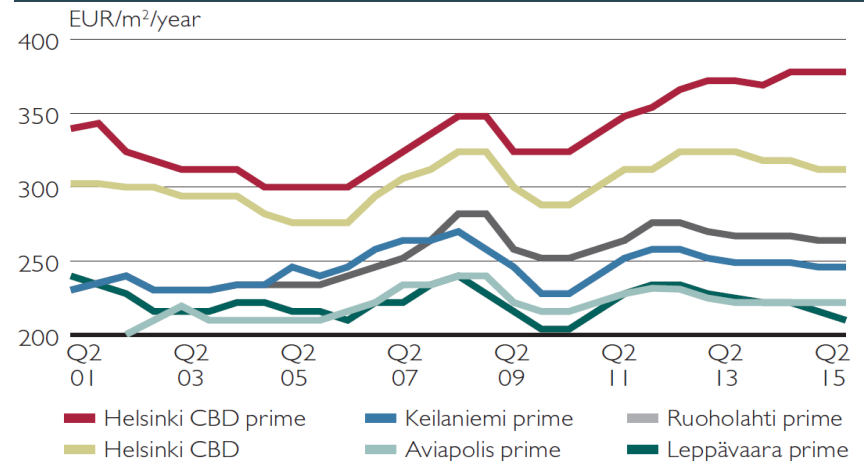
Vacancy rates in Helsinki Metropolitan Area, %



Office yields in Helsinki Metropolitan Area, %



Rental levels of office premises (excl. VAT), new agreements, EUR / sq. m. / year



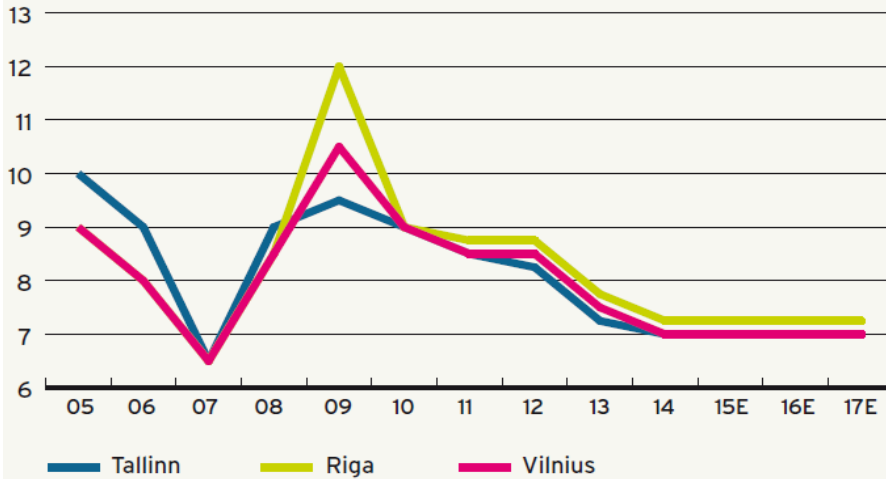
Source: Catella Property Market Trends Finland, September 2015

YIT | 74 | Investor presentation, February 2016

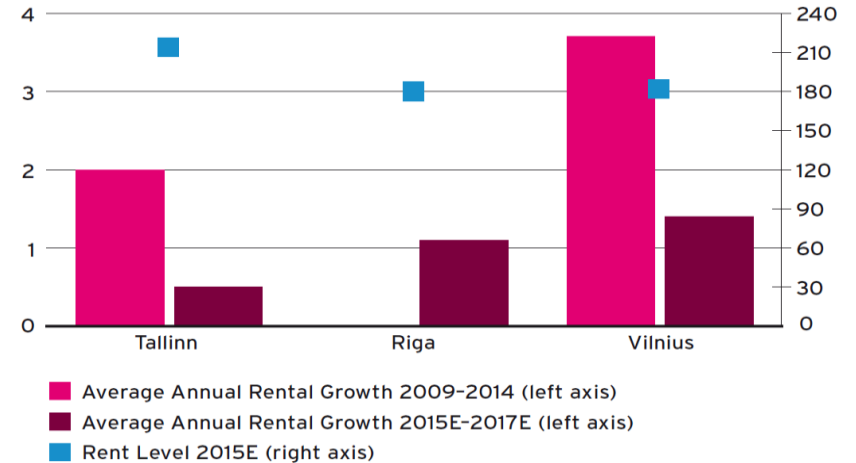


The Baltic countries – Yields are expected to decrease

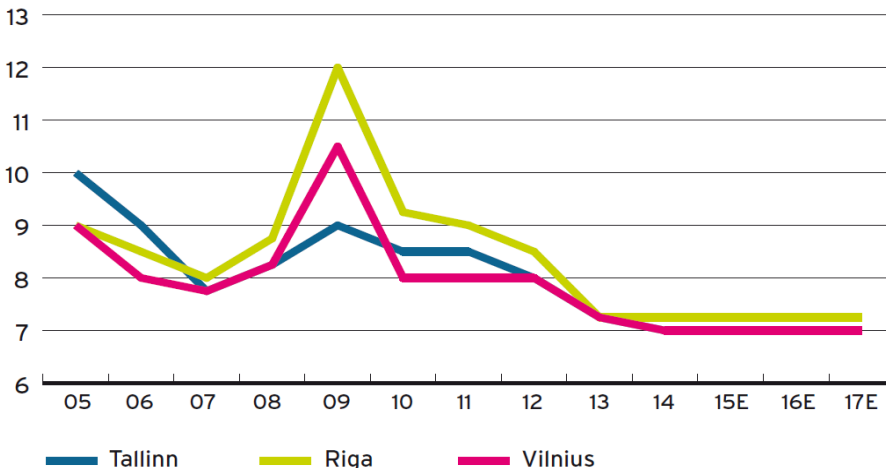
Prime office yields in the Baltic countries, %



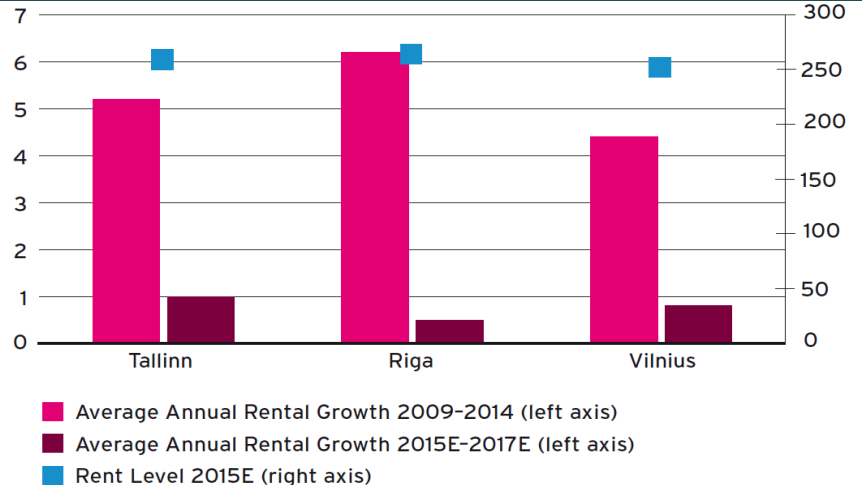
Prime office rents in the Baltic countries, % and EUR / sq. m. / year



Prime retail yields in the Baltic countries, %



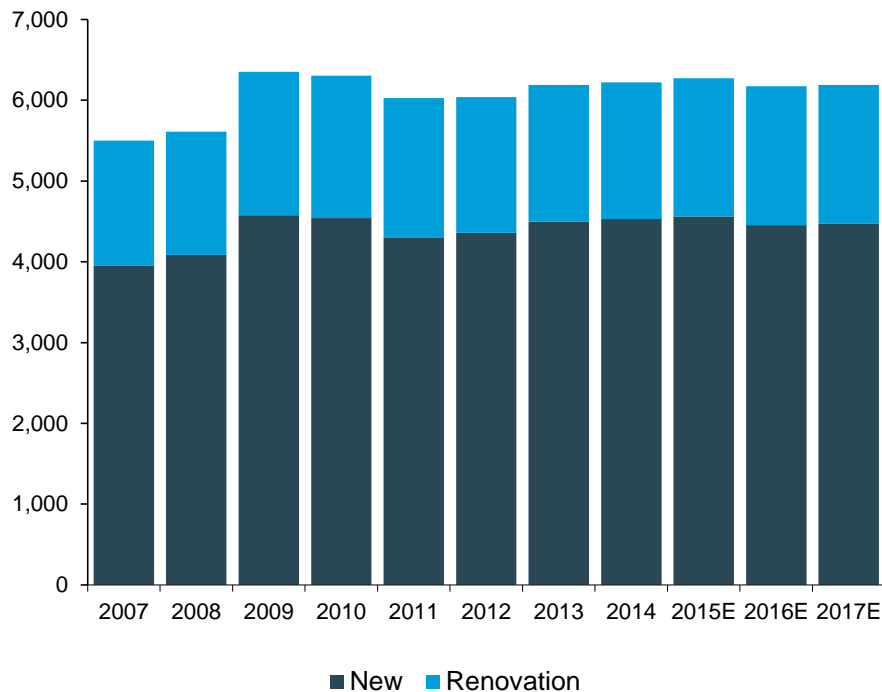
Prime retail rents in the Baltic countries, % and EUR / sq. m. / year



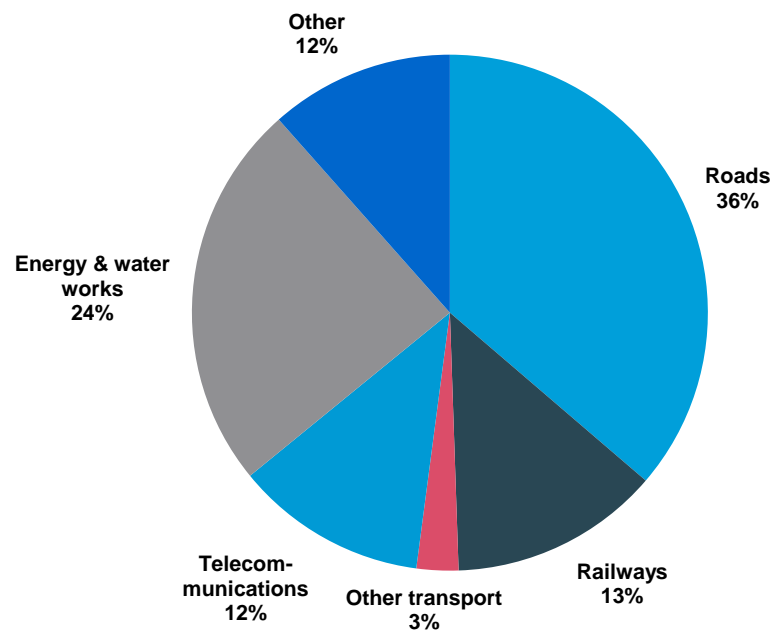
Infrastructure construction in Finland

– market expected to decrease slightly in 2015

Infrastructure market in Finland, EUR million



Infrastructure sectors in Finland (2014), total volume EUR 6,621 million



Source: Euroconstruct, December 2015

IV

Ownership

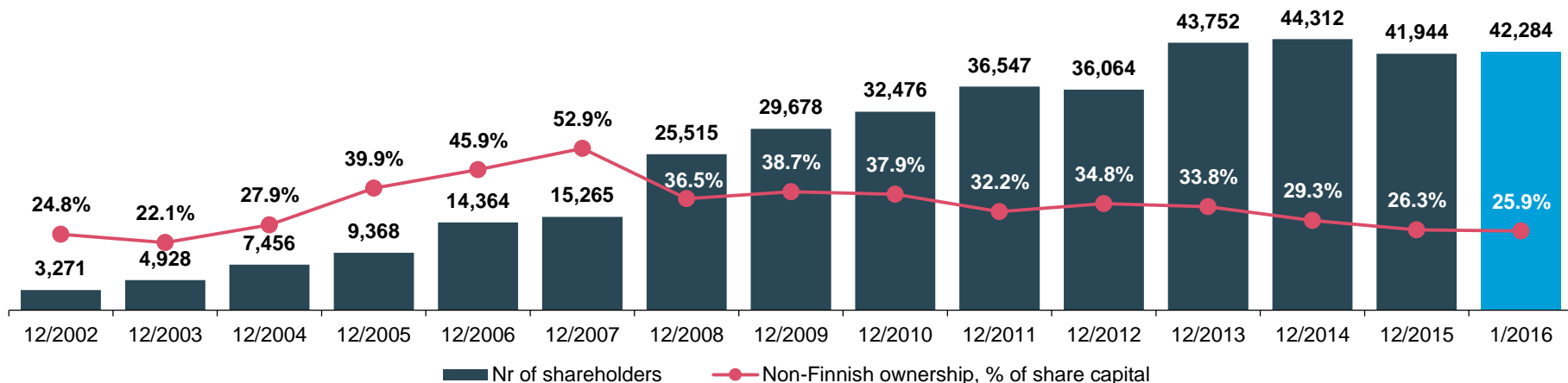


YIT's major shareholders

January 31, 2016

Shareholder	Shares	% of share capital
1. Varma Mutual Pension Insurance Company	12,000,000	9.43
2. Structor S.A.	6,620,000	5.20
3. Herlin Antti	4,710,180	3.70
4. Mandatum Life Insurance Company Ltd.	4,286,675	3.37
5. OP funds	3,943,776	3.10
6. Elo Mutual Pension Insurance Company	3,335,468	2.62
7. The State Pension Fund	2,600,000	2.04
8. Danske Invest funds	1,784,912	1.40
9. Etera Mutual Pension Insurance Company	1,700,000	1.34
10. YIT Corporation	1,644,581	1.29
Ten largest total	42,625,592	33.50
Nominee registered shares	24,906,080	19.58
Other shareholders	59,691,750	46.92
Total	127,223,422	100.00

Number of shareholders and share of non-Finnish ownership, January 31, 2016



Disclaimer

This presentation has been prepared by, and the information contained herein (unless otherwise indicated) has been provided by YIT Corporation (the “Company”). By attending the meeting where this presentation is made, or by reading the presentation slides, you agree to be bound by the following limitations. This presentation is being furnished to you solely for your information on a confidential basis and may not be reproduced, redistributed or passed on, in whole or in part, to any other person.

This presentation does not constitute or form part of and should not be construed as, an offer to sell, or the solicitation or invitation of any offer to buy, acquire or subscribe for, securities of the Company or any of its subsidiaries in any jurisdiction or an inducement to enter into investment activity. No part of this presentation, nor the fact of its distribution, should form the basis of, or be relied on in connection with, any contract or commitment or investments decision whatsoever. The information contained in this presentation has not been independently verified. No representation, warranty or undertaking, expressed or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or the opinions contained herein. Neither the Company nor any of its respective affiliates, advisors or representatives nor any other person shall have any liability whatsoever (in negligence or otherwise) for any loss however arising from any use of this presentation or its contents or otherwise arising in connection with the presentation. Each person must rely on their own examination and analysis of the Company and the transactions discussed in this presentation, including the merits and risks involved.

This presentation includes “forward-looking statements”. These statements contain the words "anticipate", “will”, "believe", "intend", "estimate", "expect" and words of similar meaning. All statements other than statements of historical facts included in this presentation, including, without limitation, those regarding the Company’s financial position, business strategy, plans and objectives of management for future operations are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future. These forward-looking statements speak only as at the date of this presentation. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. The Company cautions you that forward-looking statements are not guarantees of future performance and that its actual financial position, business strategy, plans and objectives of management for future operations may differ materially from those made in or suggested by the forward-looking statements contained in this presentation. In addition, even if the Company's financial position, business strategy, plans and objectives of management for future operations are consistent with the forward-looking statements contained in this presentation, those results or developments may not be indicative of results or developments in future periods. Neither the Company nor any other person undertakes any obligation to review or confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise after the date of this presentation.

**Together
we can
do it.**