



YIT – Creating better living environments

Roadshow Benelux
June 8, 2016

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Market Intelligence



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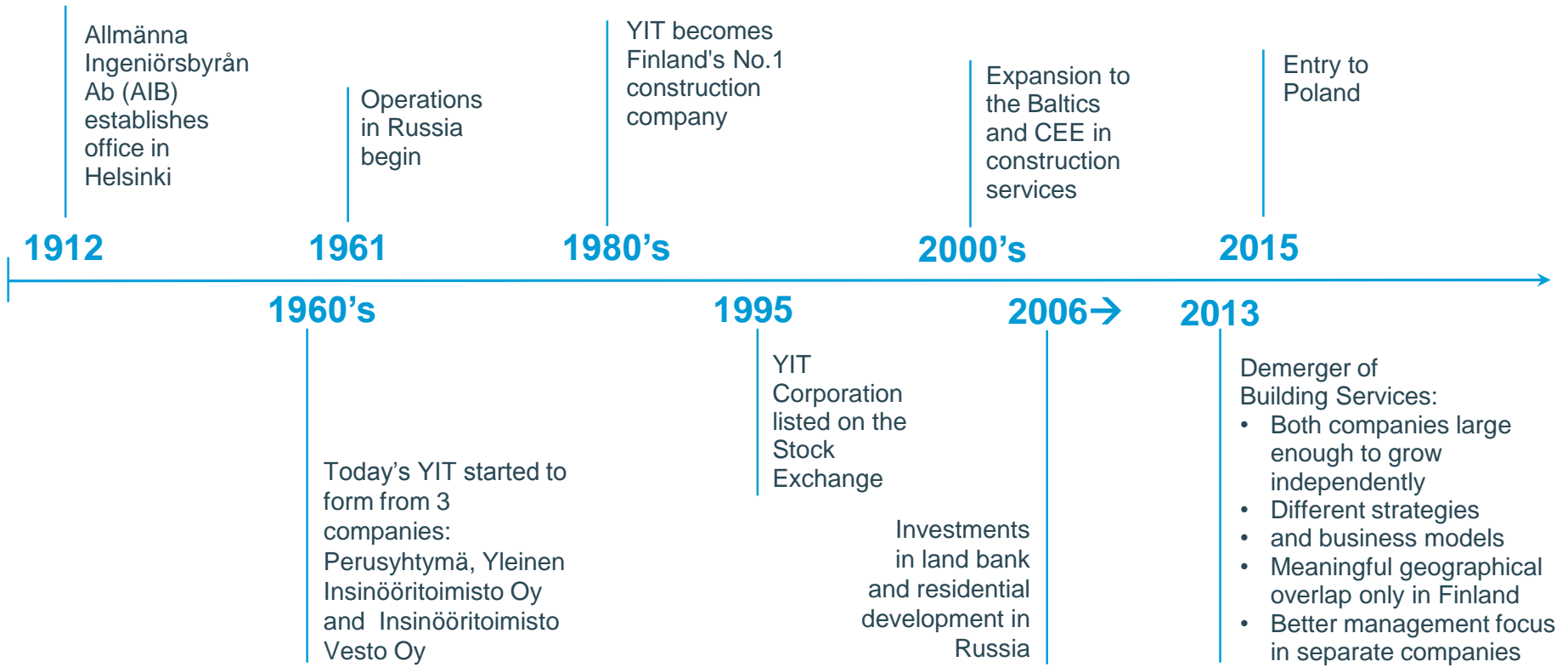


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YIT in brief

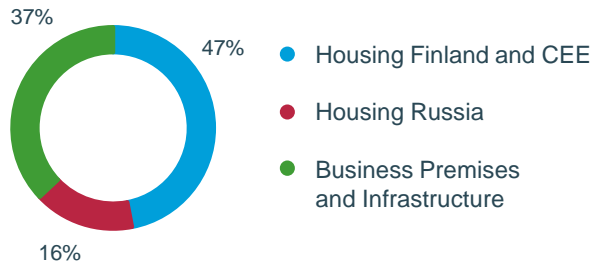


Over 100 years in Finland, over 50 in Russia, growing presence in CEE

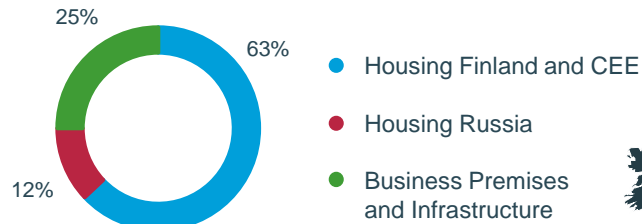


A real estate developer and construction company with solid track record

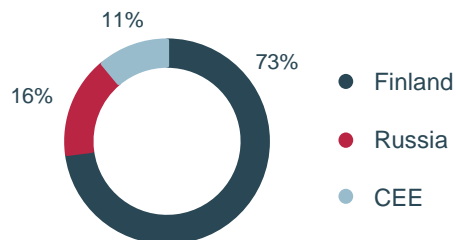
Revenue by segment, EUR 1.7 bn



Operating profit* by segment, EUR 76 million



Revenue by geographical area, POC



Figures based on segment reporting (POC), %-shares excluding other items
*Excluding adjustments.

Balanced business portfolio



Housing Finland and CEE



Housing Russia



Business Premises and Infrastructure

BUSINESS

We construct and develop apartments and entire residential areas.

We construct and develop apartments and entire residential areas, we operate in service- and maintenance business.

We build offices, commercial spaces, care facilities, logistics buildings, roads, bridges, rail and metro stations, harbours and do road maintenance.

OPERATING COUNTRIES

Finland, Estonia, Latvia, Lithuania, Slovakia, the Czech Republic and Poland

7 regions in Russia: St. Petersburg, Moscow, Moscow region, Yekaterinburg, Tyumen, Kazan, Rostov-on-Don

Business Premises: Finland, Estonia, Latvia, Lithuania, Slovakia
Infrastructure: Finland

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.

The Board of Directors with versatile experience



Matti Vuoria
Chairman of the Board of Directors (new)¹

born 1951, BA, LL.M.

Primary working experience:

Varma Mutual Pension Insurance Company, President and CEO 2004–2013
Fortum Corporation, Full-time Chairman of the Board of Directors 1998–2003
Ministry of Trade and Industry, Secretary General 1992–1998



Juhani Pitkäkoski
Vice Chairman of the Board of Directors²

born 1958, LL.M

Primary working experience:

Caverion Corporation: Executive Vice President & CEO, Division Industrial Solutions 2015–; Senior Vice President, Mergers & Acquisitions 2014–2015; President and CEO, 2013–2014
YIT Corporation: President and CEO
Worked for the YIT Group in various positions between 1991–2008



Satu Huber
Member¹

born 1958, M.Sc. (Econ.),
Elo Mutual Insurance Company:
Managing Director 2015-

Primary working experience:

Elo Mutual Pension Insurance Company: Managing Director 2015 -; Vice President 2014–2015
LocalTapiola Mutual Pension Insurance Company: Managing Director 2008–2013
Federation of Finnish Financial Services: Managing Director 2006–2008. State Treasury in Finland: Finance Division, Director 1997–2006



Erkki Järvinen
Member¹

born 1960, M.Sc. (Econ.),
President and CEO of Tikkurila Group 2009-

Primary working experience:

Tikkurila Group: President and CEO 2009–
Rautakirja Corporation: President and CEO 2001–2008, President of Kiosk operations 1997–2001



Inka Mero
Member (new)¹

born 1976, Master of Economics,
Co-Founder and Chairwoman, KoppiCatch Ltd

Primary working experience:

KoppiCatch Oy, Co-Founder and Chairwoman 2008–
Playforia Oy, CEO 2006 – 2008
Nokia Plc, Director 2005 – 2006
Digia Plc, VP Sales and Marketing 2001 – 2005
Sonera Corporation, Investment Manager 1996 – 2001

¹Independent of YIT Corporation and its major shareholders

²Not independent of YIT Corporation but independent of YIT Corporation's major shareholders

Experienced Group Management Board



JUHANI NUMMI

Senior Vice President,
Business
Development

In the Group's employ:
1998-2001, 2003 →

Share ownership:
1,999

TERO KIVINIEMI

Executive Vice President,
Head of Business
Premises and
Infrastructure segment

In the Group's employ:
1996 →

Share ownership:
10,692

PII RAULO

Senior Vice President,
Human Resources

In the Group's employ:
2004 →

Share ownership:
5,240

ANTTI INKILÄ

Head of Housing Finland
& CEE segment

In the Group's employ:
1994-2001 and 2002 →

Share ownership:
3,997

KARI KAUNISKANGAS

President and CEO

In the Group's employ:
1997-2000 and 2001 →

Share ownership:
17,624

TEEMU HELPPOLAINEN

Head of Housing Russia
segment

In the Group's employ:
2008 →

Share ownership:
3,115

TIMO LEHTINEN

Chief Financial Officer

In the Group's employ:
2006 →

Share ownership:
8,550

Ownership on June 1, 2016.

2

Why invest
in YIT?



Kasarmikatu 21 office building
Helsinki, Finland

Key investment propositions

- ✓ **Good track record**

One of the most profitable construction companies in Europe throughout the business cycle, clearly the most profitable in Finland

- ✓ **Getting back to the profitable growth trend**

EBIT expected to start to improve already in 2016, trends and drivers provide long-term growth opportunities

- ✓ **Firm dividend payer**

Dividend payout target 40-60% of net profit for the period

- ✓ **Strong market position and long experience**

Market leader in Finland, biggest foreign residential developer in Russia and one of the top players in CEE, over 100 years in Finland and over 50 years in Russia

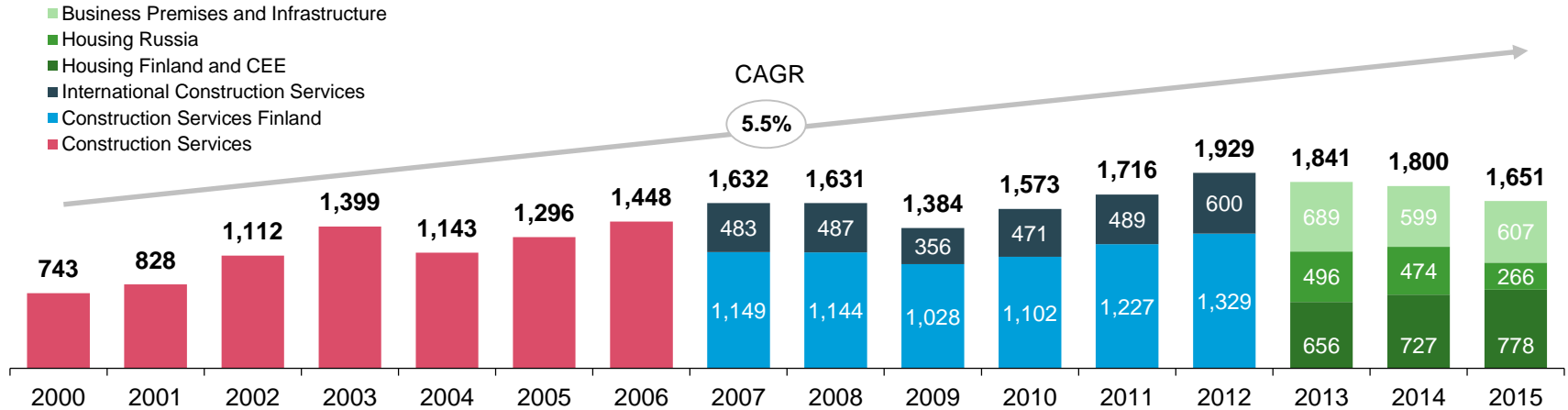
- ✓ **Solid corporate governance**

and high ethical standards in all operating countries

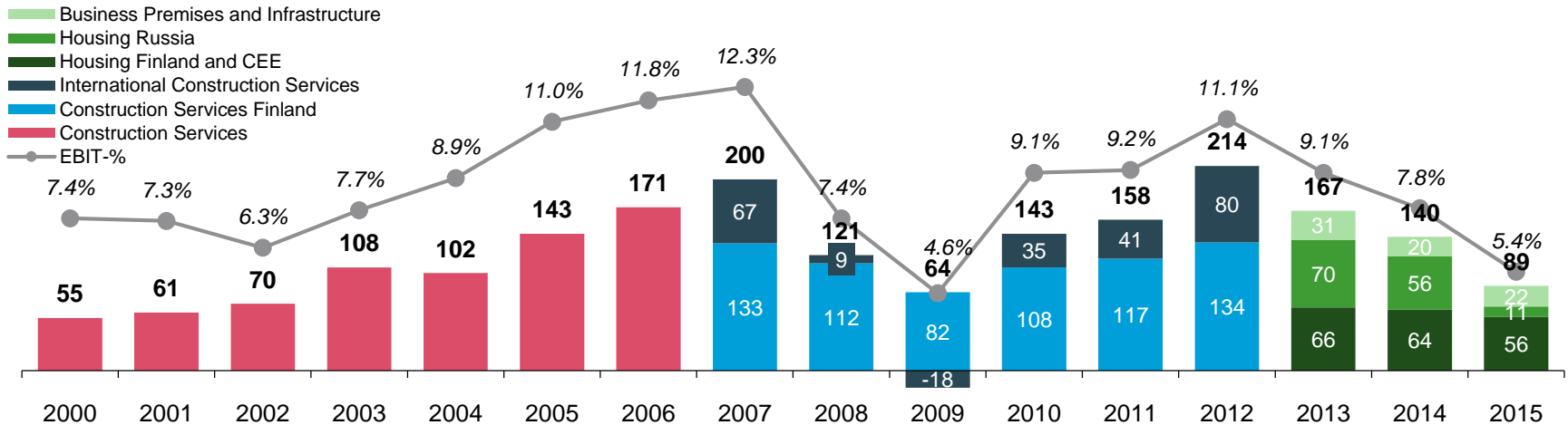


Revenue growth and healthy profitability through economic cycles

Revenue development (EUR million) by business segment



Operating profit (EBIT) development (EUR million) by business segment, excluding group costs and adjustments

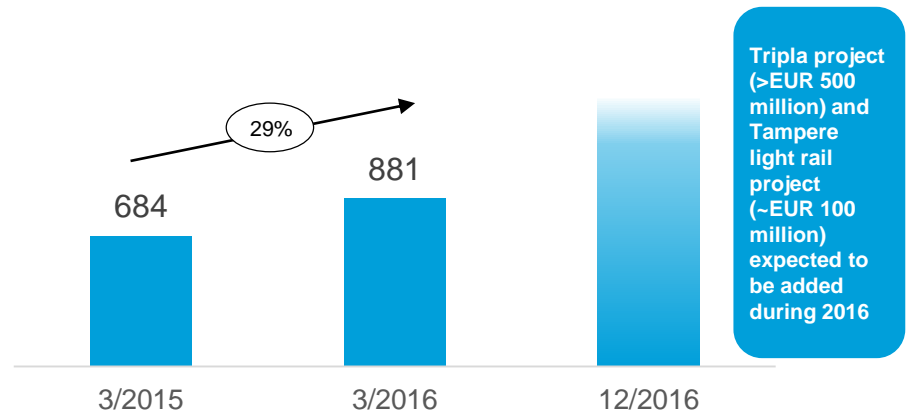


Note: Segment level figures (POC), i.e. sum of Construction Services related segment figures in YIT financial reporting and thus excluding effect of other items.

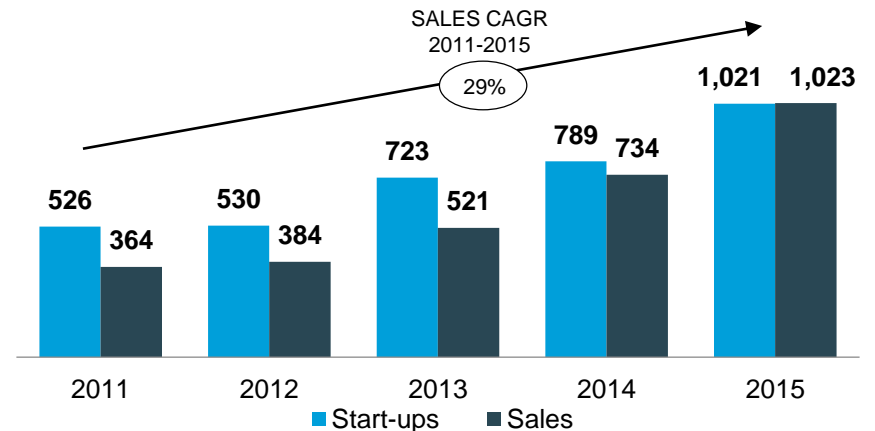
YIT getting back to the profitable growth trend

- Strong growth in the backlog of Business Premises and Infrastructure with improved margin content (37% of 2015 revenue)
- Investment in the growth in CEE to continue (11% of 2015 revenue) - first project in Poland expected to start in Q2/2016
- First positive signs in consumer demand in Finnish housing in Q1: Consumer sales +16% y-o-y, start-ups increased clearly
- Mix shift in Housing Finland and CEE supportive for profitability

Order backlog of Business Premises and Infrastructure, EUR million



Apartment start-ups and sales in CEE, units



Trends and drivers provide long-term growth opportunities

Growing need for new apartments, services and infrastructure

Urbanisation

Metropolitan areas growing and becoming denser, migration to growth centres

Need for infrastructure and mixed use construction

Demographic Changes

Ageing population
Smaller family sizes and growing number of households

New business opportunities

Digitalisation

Consumers demand services 24/7 online

New services for occupancy time increase

Need for more flexible work premises

Poor condition of buildings and infrastructure

Significant need for renovation construction

The emptying of office properties in Finland creates opportunities for changing the uses of buildings

Divergent economic development in our operating countries

Positive economic development in the CEE countries

In Europe's fastest-growing economies, residential demand is growing and business premises construction activity is picking up

Recession in Russia

The challenging economic situation in Russia creates uncertainty in residential demand

Fundamental need for new apartments

Our answers

We focus on growth centres in all of our operating countries

We invest in hybrid projects

We are active in the construction of care facilities

We focus on small and affordable apartments

We develop the digital YIT Plus service

We focus on building and developing concepts for flexible premises

We invest in renovation construction

In infrastructure projects, we develop our alliance and PPP project expertise

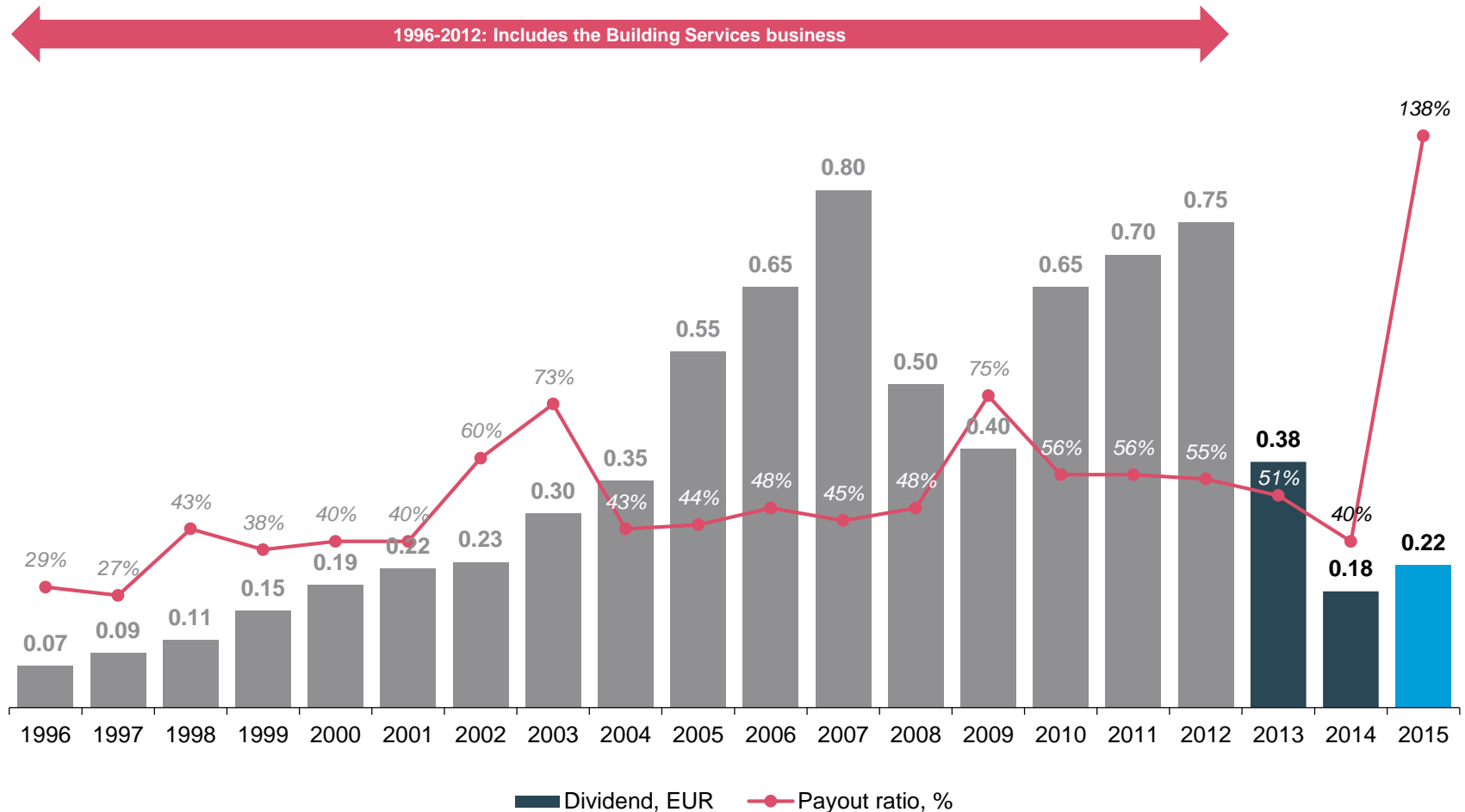
We focus on growth in the CEE countries in both residential and business premises construction

We reduce our sales risk in Russia and focus on building small, affordable apartments

Firm dividend payer, payout target 40-60% of net profit

Dividend / share (EUR)

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



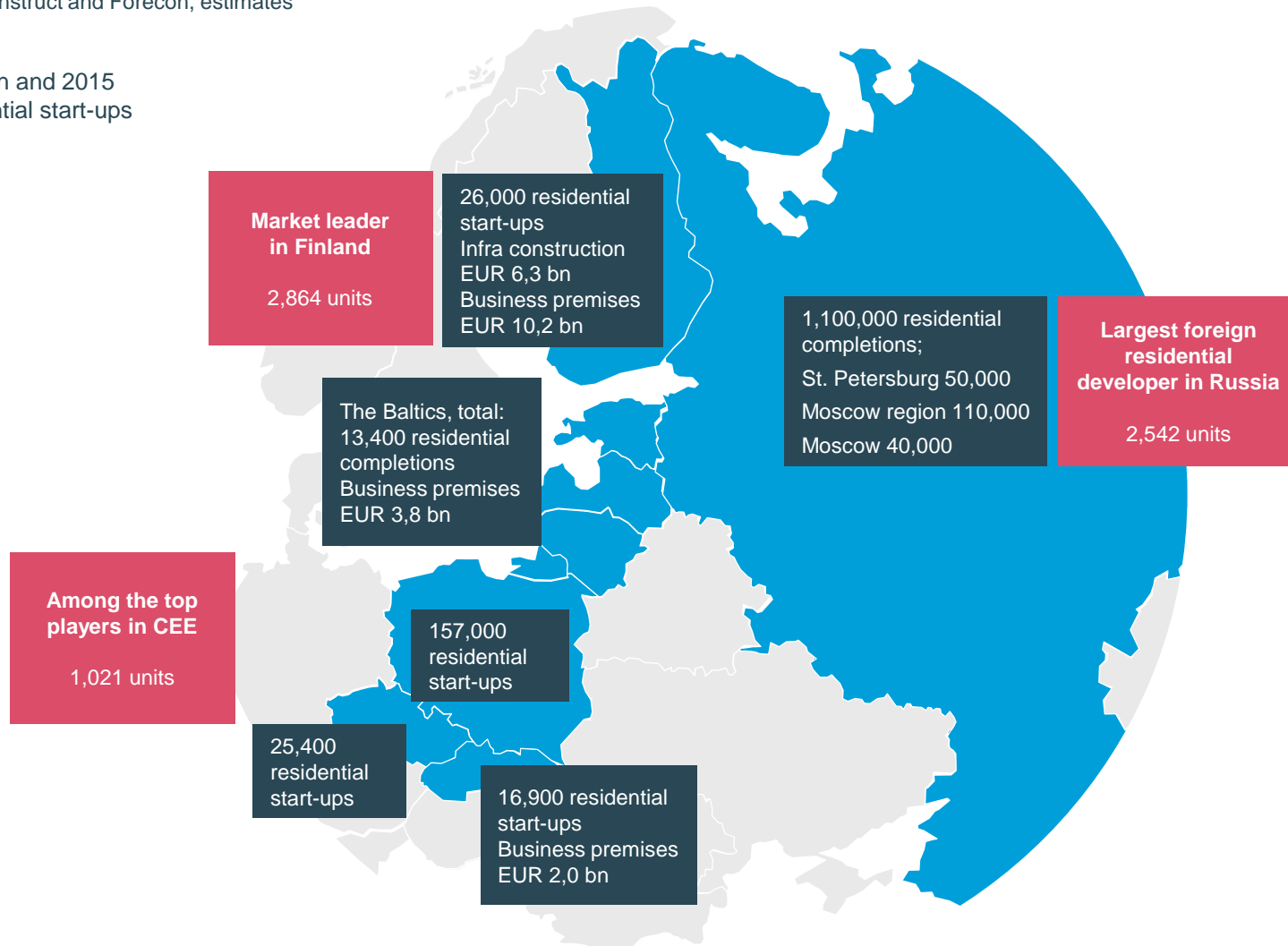
Strong market position in all markets

Market sizes in 2015

Euroconstruct and Forecon, estimates

YIT

Position and 2015 residential start-ups



YIT's competitive edges



- ✓ High-quality brand and reputation as a reliable company
- ✓ Innovative concepts and effective design management
- ✓ Strong plot reserve and development capabilities
- ✓ Broad special expertise and strong references
- ✓ Ability to construct demanding projects that combine housing, business premises and infrastructure
- ✓ Broad partner network and excellent cooperation with stakeholders

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

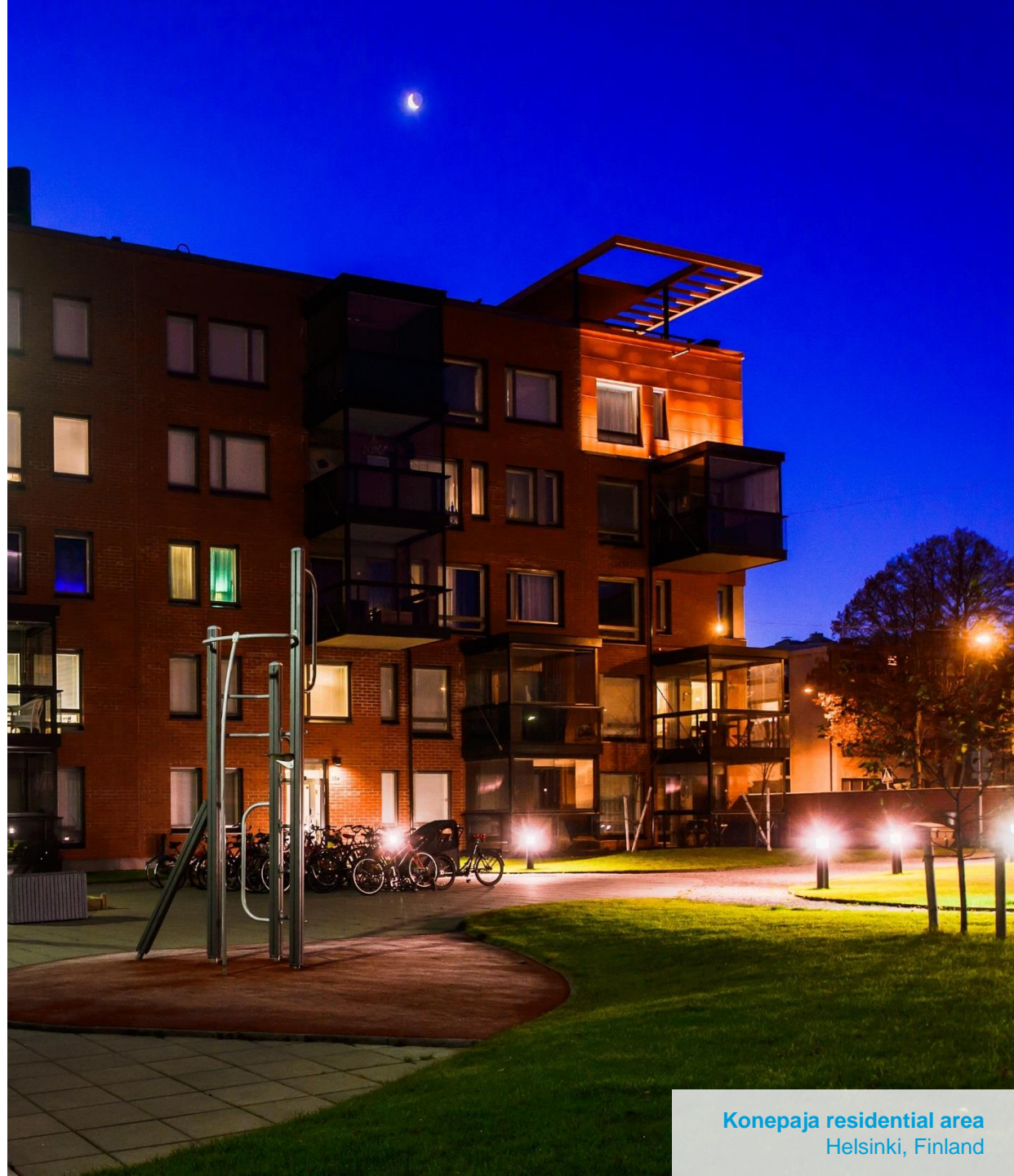
“Developer of the year 2014”
in the Czech Republic

**”Real estate developer
of the year 2015”** in Slovakia

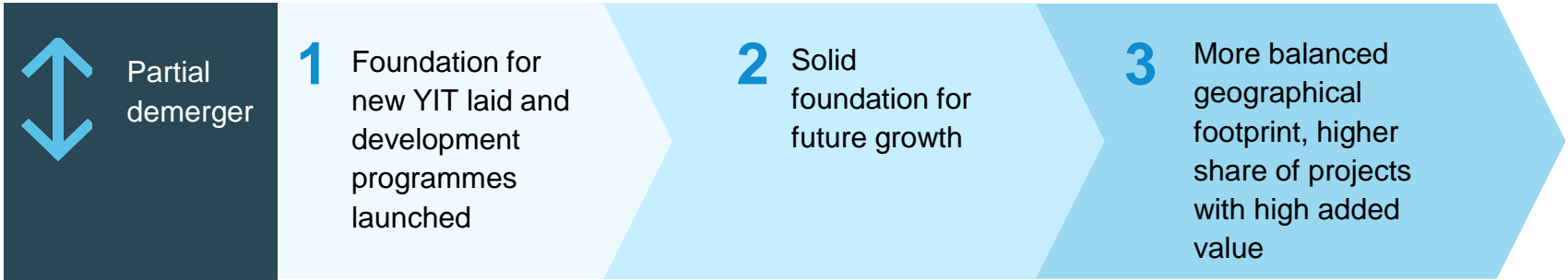
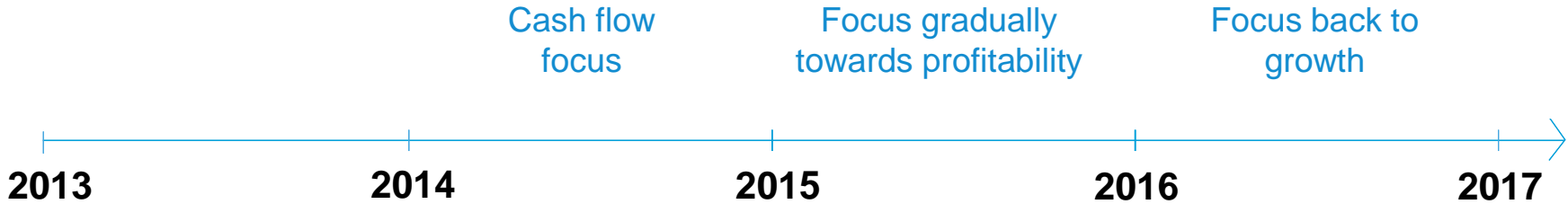
“Best Housing Project 2014”
in Latvia, Lithuania and Slovakia

3

Strategy and business model



Strategic roadmap - focus shifting towards profitability and growth



Balanced growth initiatives

Strategic focus areas:

Improving profitability

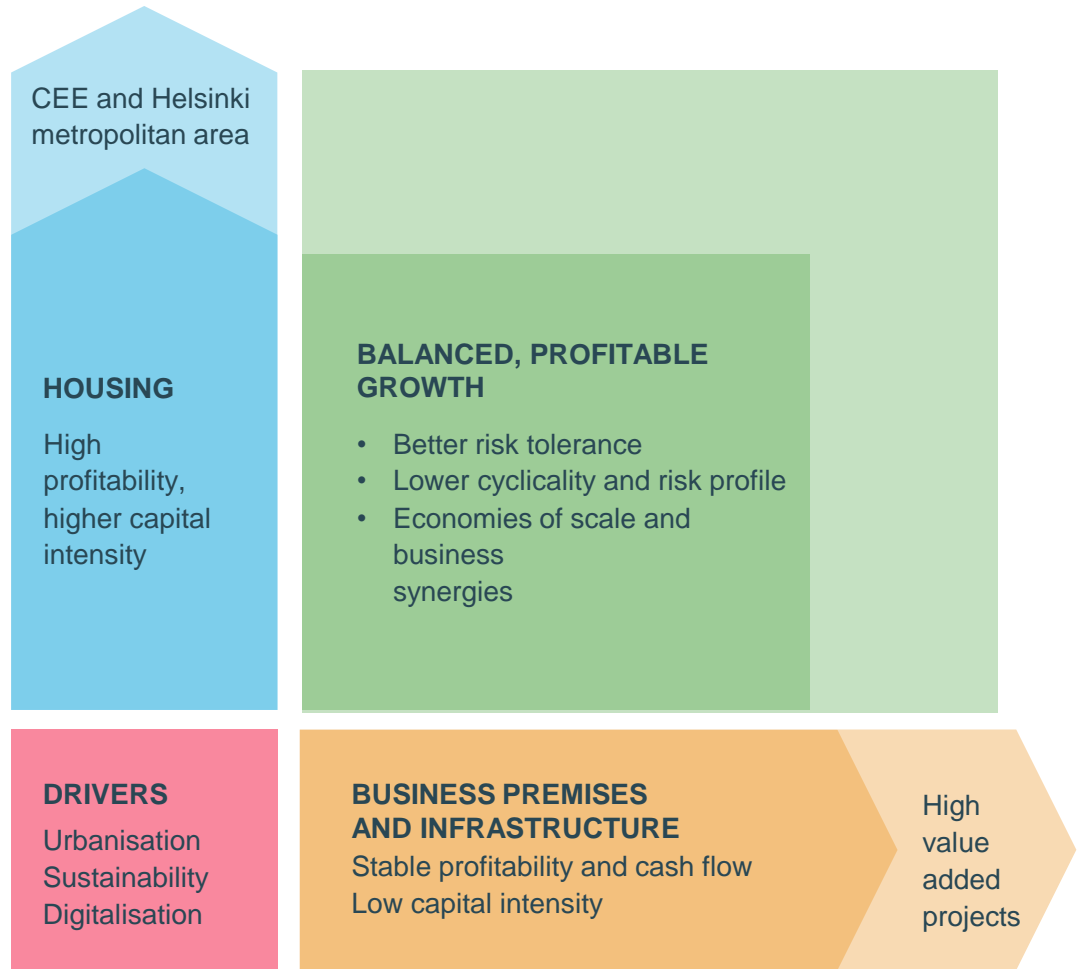
- Optimising the business mix
- Cost adjustments in Russia

Growth initiatives

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

Raising capital efficiency

- Completing the capital release program
- Further increasing the role of partnerships
- Reducing invested capital in Russia

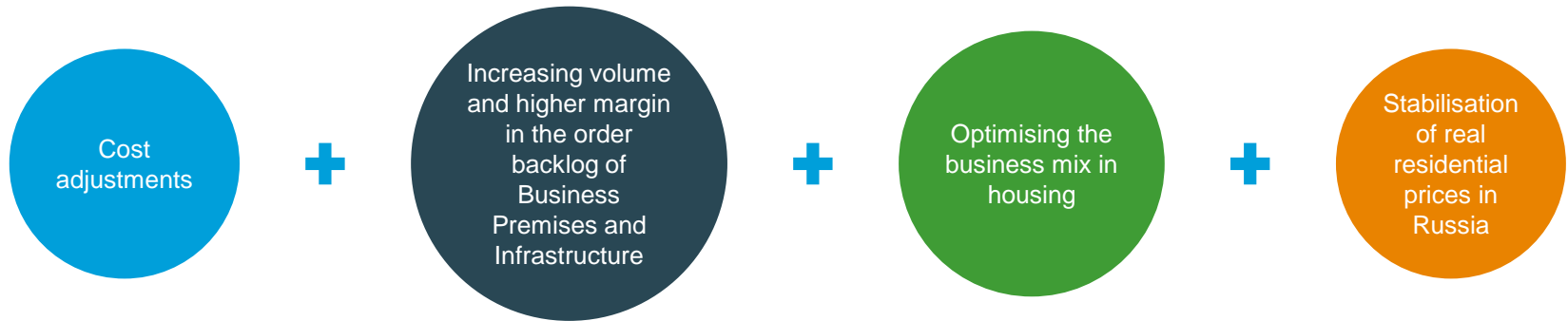


2015: Strong cash flow, balance sheet strengthened

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

Clearly higher EBIT needed to reach the targeted ROI

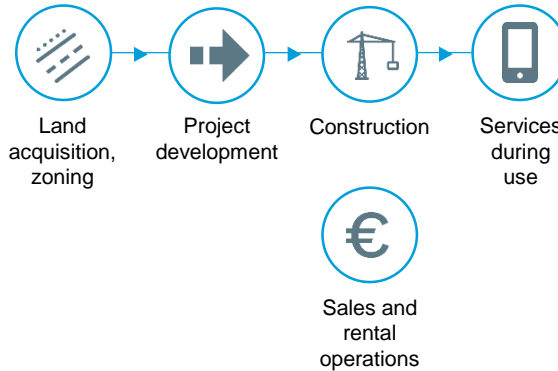
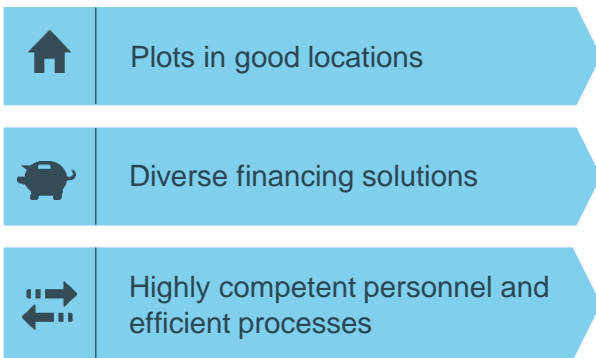


Dependence on market development

Long value chain with core competences in-house

Strategic inputs

SELF-DEVELOPED BUSINESS



Outputs



Impacts, 2015:

SUSTAINABLE AND ATTRACTIVE LIVING ENVIRONMENT

0.22

Dividend/share, EUR

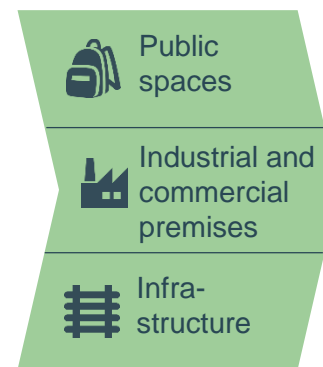
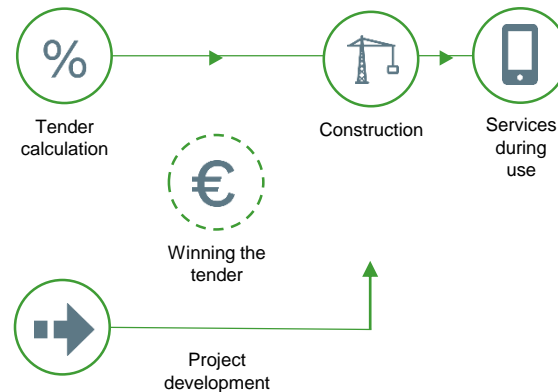
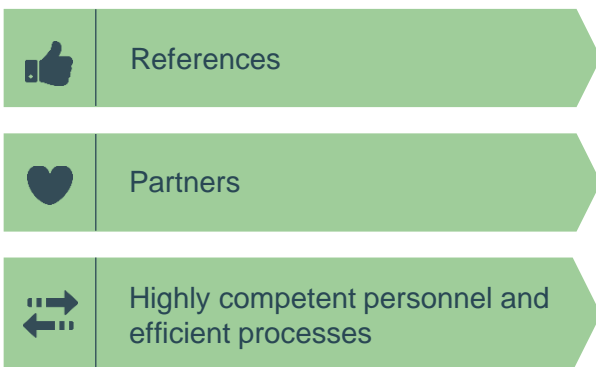
5,430

Own employees

10

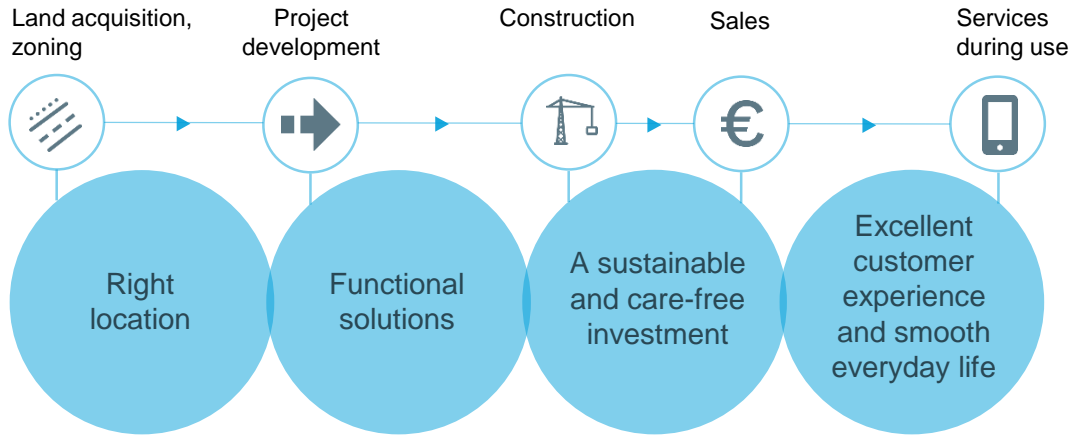
Corporate taxes, EUR million

CONTRACTING

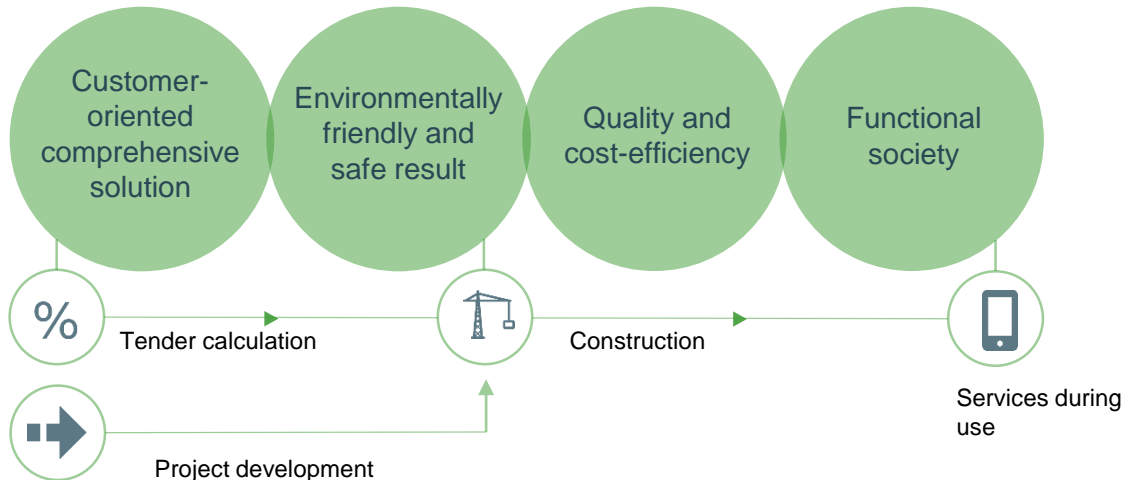


How do we create value for our customers and shareholders?

SELF-DEVELOPED BUSINESS: HOMES AND BUSINESS PREMISES



CONTRACTING: PUBLIC SPACES, INDUSTRIAL AND COMMERCIAL PREMISES, INFRASTRUCTURE

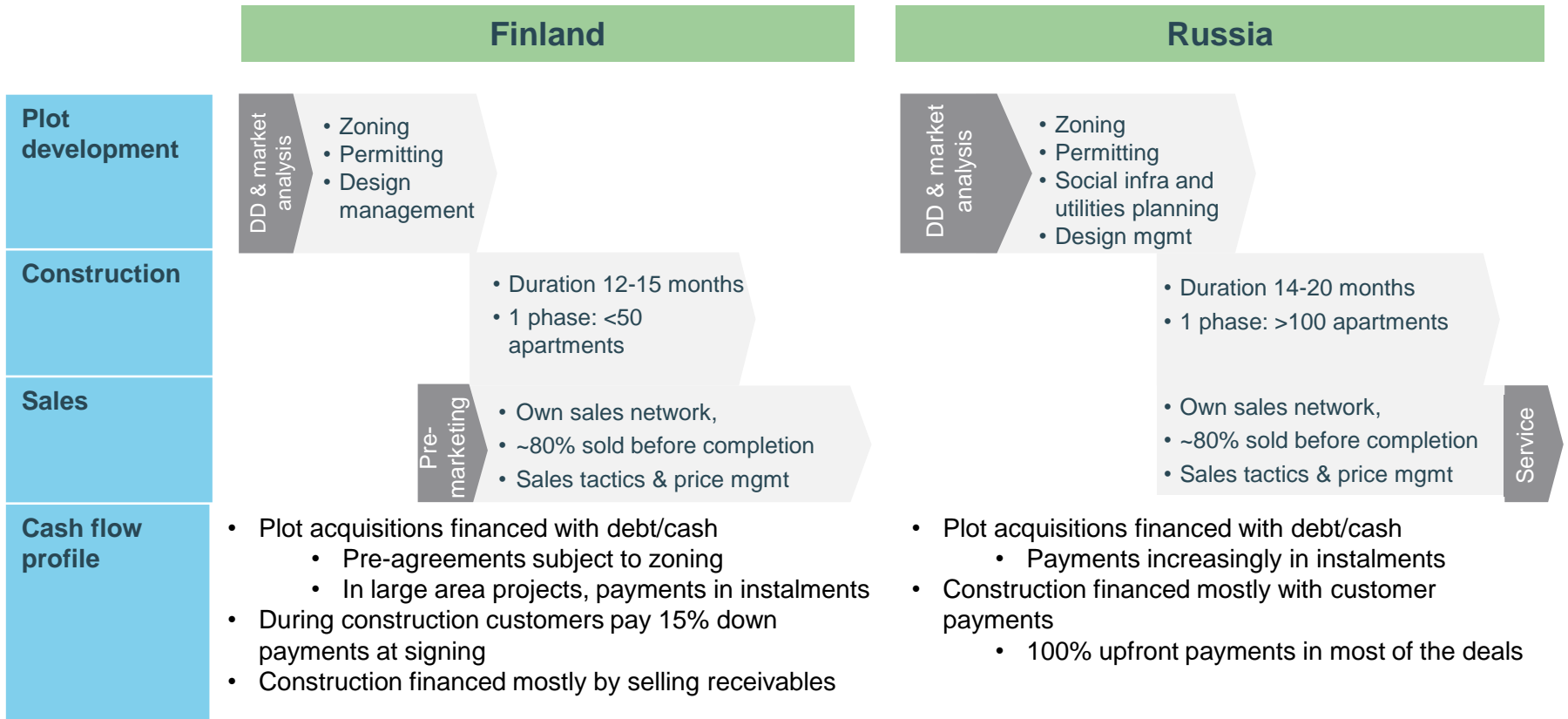


**SATISFIED
CUSTOMER**



**SATISFIED
SHAREHOLDER**

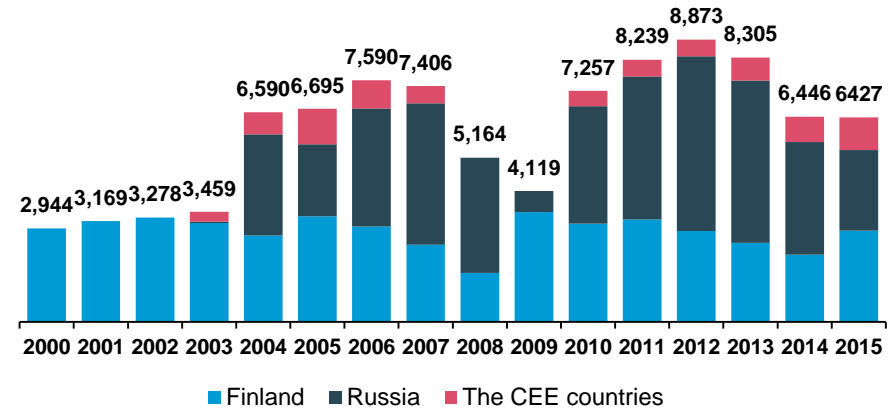
Business model in self-developed housing varies between countries



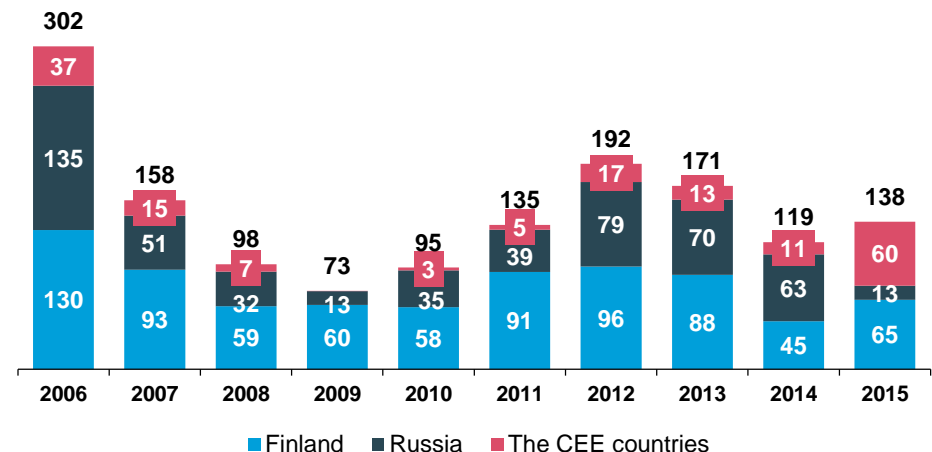
Capital efficiency and flexibility play a key role in the business model

- Good ability to manage cash flow
 - Start-ups and plot investments can be adjusted; 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
- Towards more efficient use of capital
 - More plot co-operation, involving YIT developing projects on leased land
 - Plot payments increasingly in instalments
 - Sharing the responsibility for financing by using joint ventures and project financing
 - Effective management of sales risk
 - Capital release programme continues actively until the end of 2016



Housing start-ups 2000-2015 (units)



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



Over 80% of the capital release program completed

Target for capital release	Actions in Q1/2016	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 	<ul style="list-style-type: none"> EUR ~30 million
Selling self-developed business premises projects in Finland (under construction) EUR 80 million		
Slow-moving assets >EUR 150 million*	<ul style="list-style-type: none"> Several smaller deals in Russia and Finland: EUR ~4 million 	<ul style="list-style-type: none"> EUR ~91* 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		

* 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

4

Housing Finland and CEE



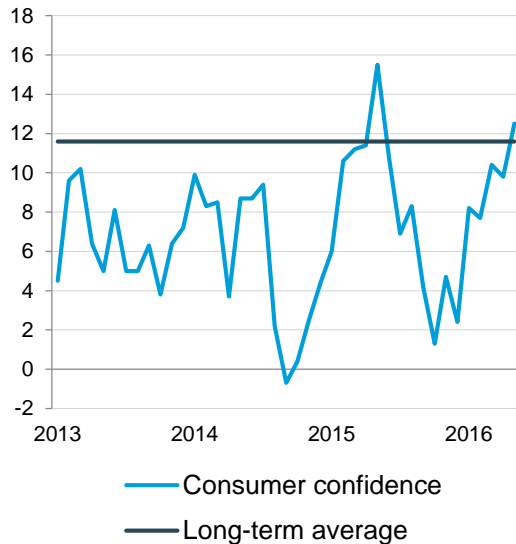
Koti Hyacint
Prague, the Czech Republic

Housing Finland and CEE

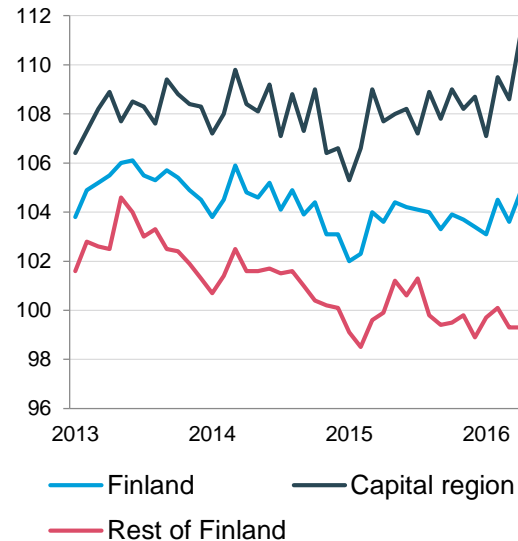
Operating environment in Finland in Q1

- Consumer confidence improved in Q1, visible also in housing demand
- Good investor demand continued
- Good demand especially for small, affordable apartments in the growth centres
- Mortgage interest rates stayed on a low level and margins continued to decrease
- The volume of new housing loans increased

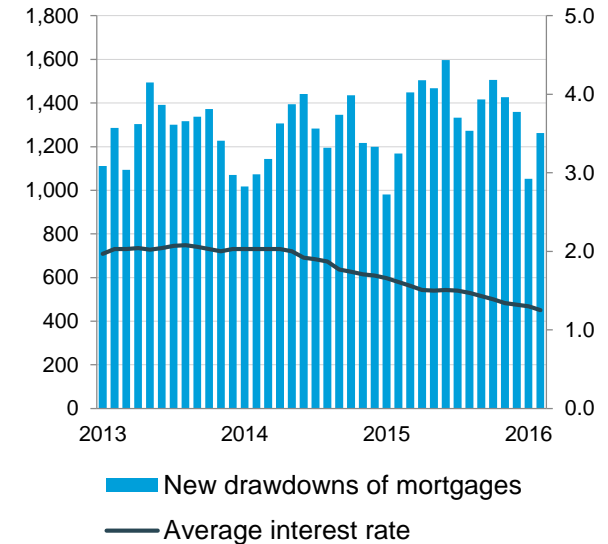
**Consumer confidence
1/2013-3/2016**



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



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



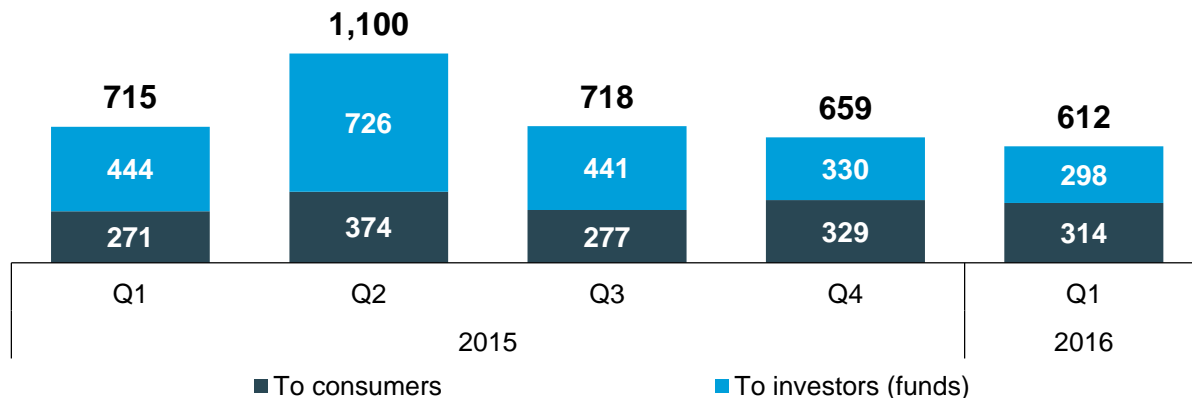
Sources: Statistics Finland and Bank of Finland

Housing Finland and CEE

Consumer sales and start-ups grew in Finland in Q1

Sold apartments (units)

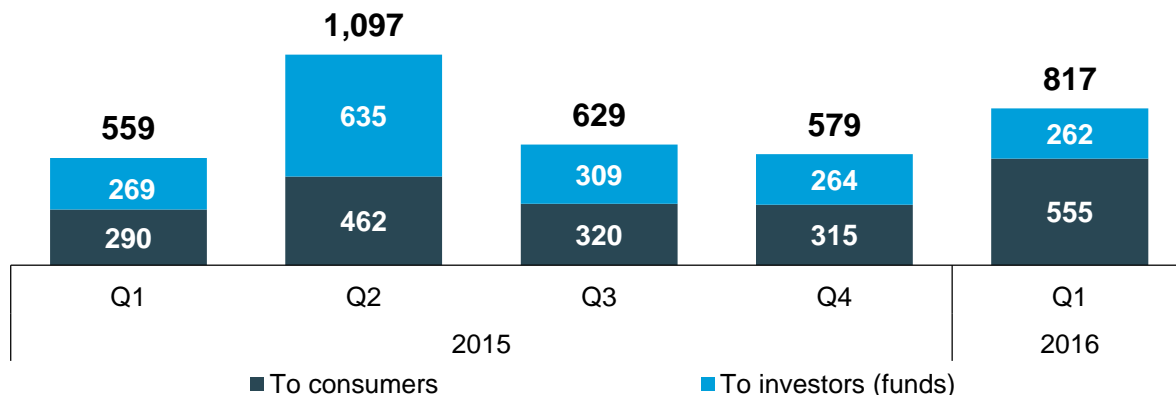
2015: 3,192



- High number of start-ups for consumers in Q1/2016
- Strong sales from recently started projects
- Share of investor sales still on a high level (Q1/2016: 49%)
- In April, sales to consumers at around 130 units (4/2015: around 140 units)

Apartment start-ups (units)

2015: 2,864

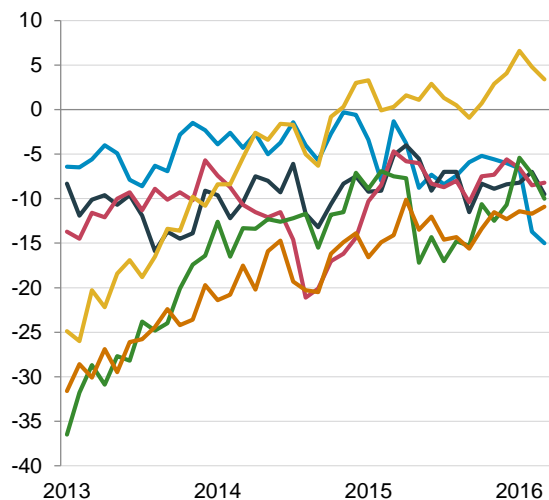


Housing Finland and CEE

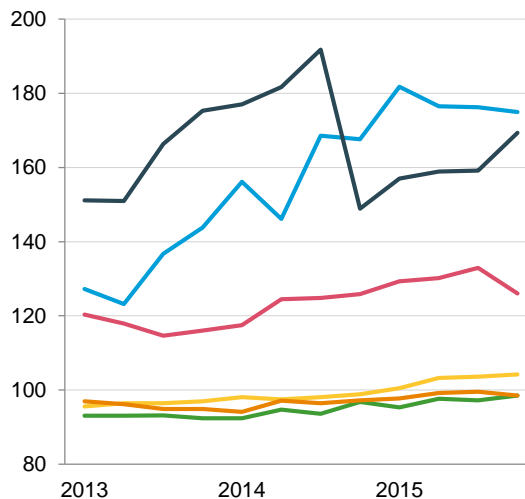
Operating environment in the CEE countries in Q1

- Positive macro development continued and residential demand remained good
- 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

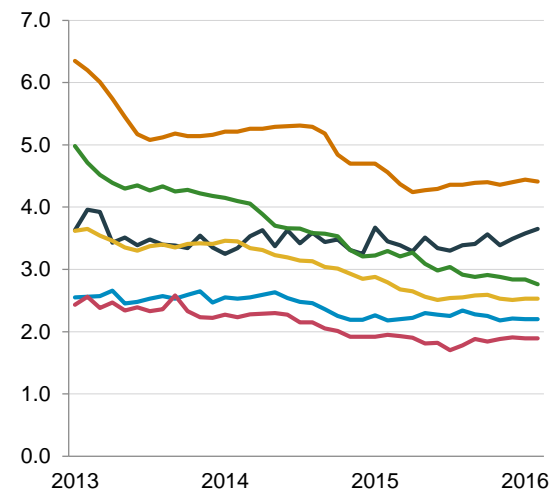
Consumer confidence



House price index, new dwellings, 2010=100



Average interest rate of mortgages (%)



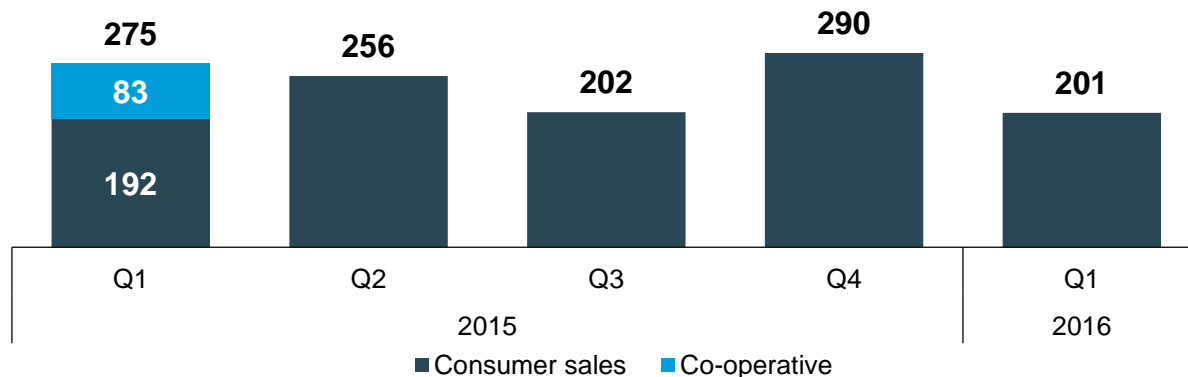
— Estonia — Latvia — Lithuania — The Czech Republic — Slovakia — Poland

Sources: European Commission, Eurostat and National Central Banks

Housing Finland and CEE: Increased start-ups in CEE

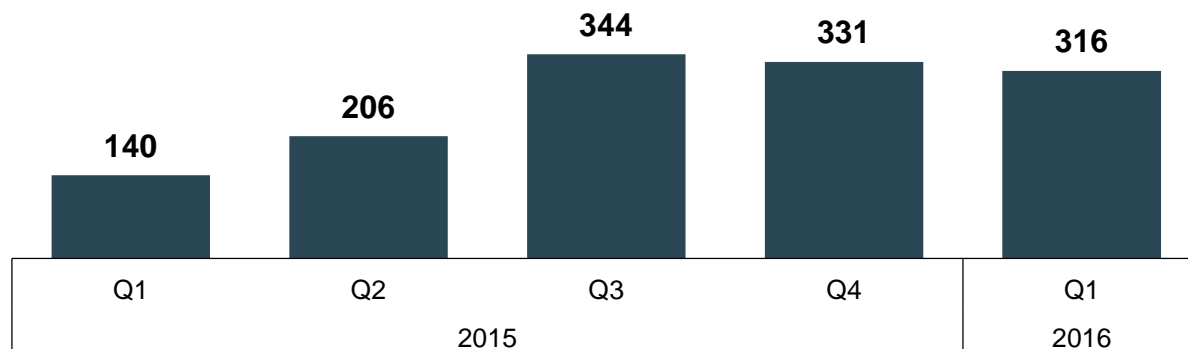
Sold apartments (units)

2015: 1,023



Apartment start-ups (units)

2015: 1,021



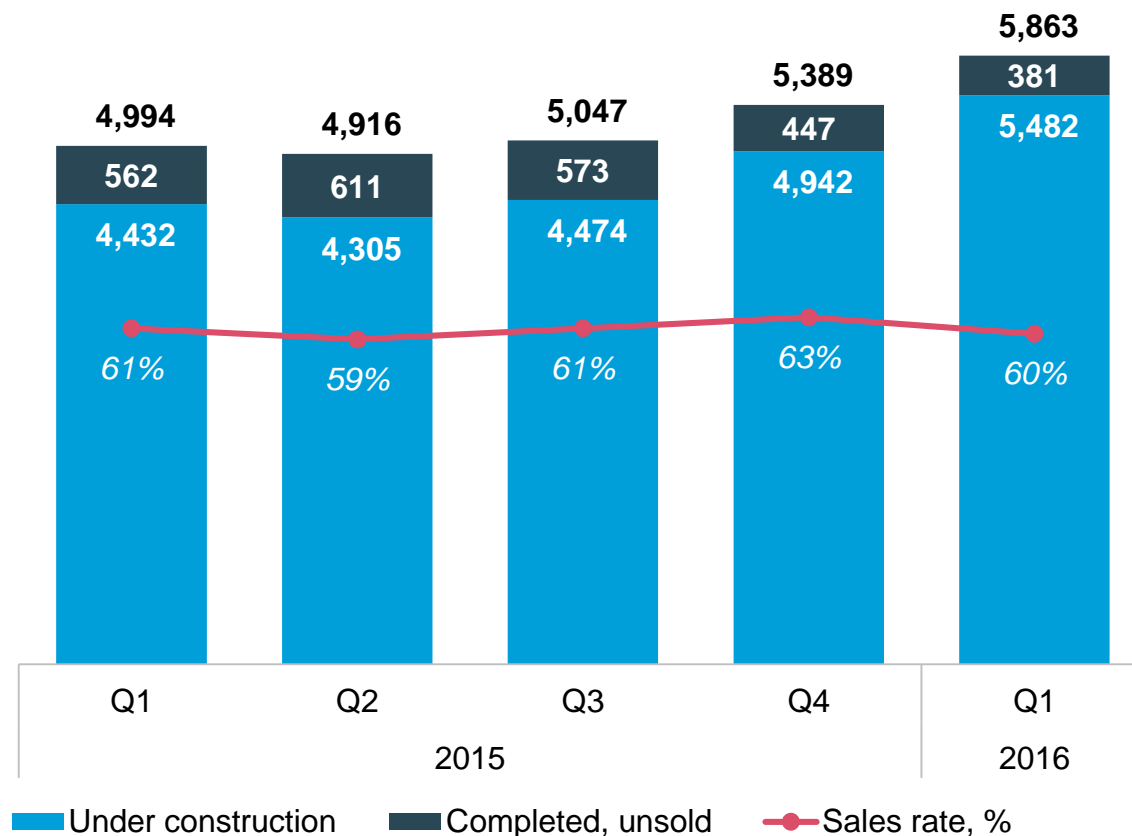
- Start-ups in CEE have been increased according to strategy
- High number of new projects especially in the Czech Republic and Slovakia
- First residential plot acquired and project started in Warsaw, Poland
- In April, sales to consumers at around 80 units (4/2015: around 70 units)

Housing Finland and CEE

The production volume (units) continued to grow in Q1

- Number of unsold completed apartments decreased to 280 in Finland (3/2015: 432)
- 60% of units under construction already sold moderating the sales risk
- The share of CEE of the sales portfolio (units) 43% (3/2015: 38%)

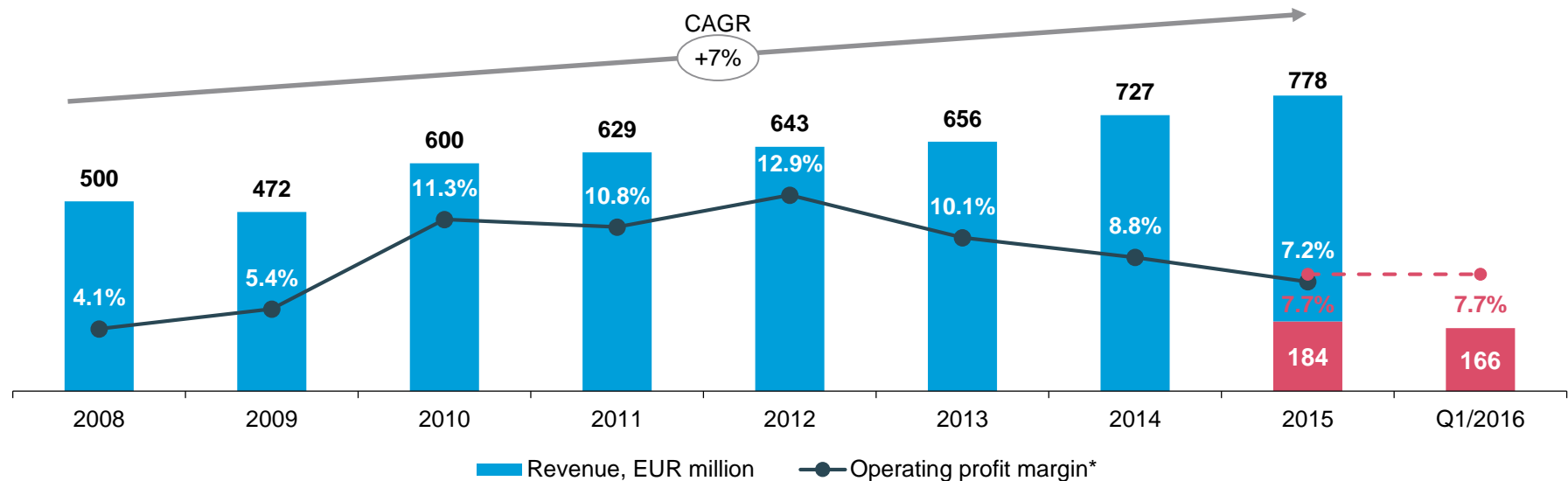
Apartment inventory (units)



Housing Finland and CEE

Target to improve profitability by increasing consumer sales

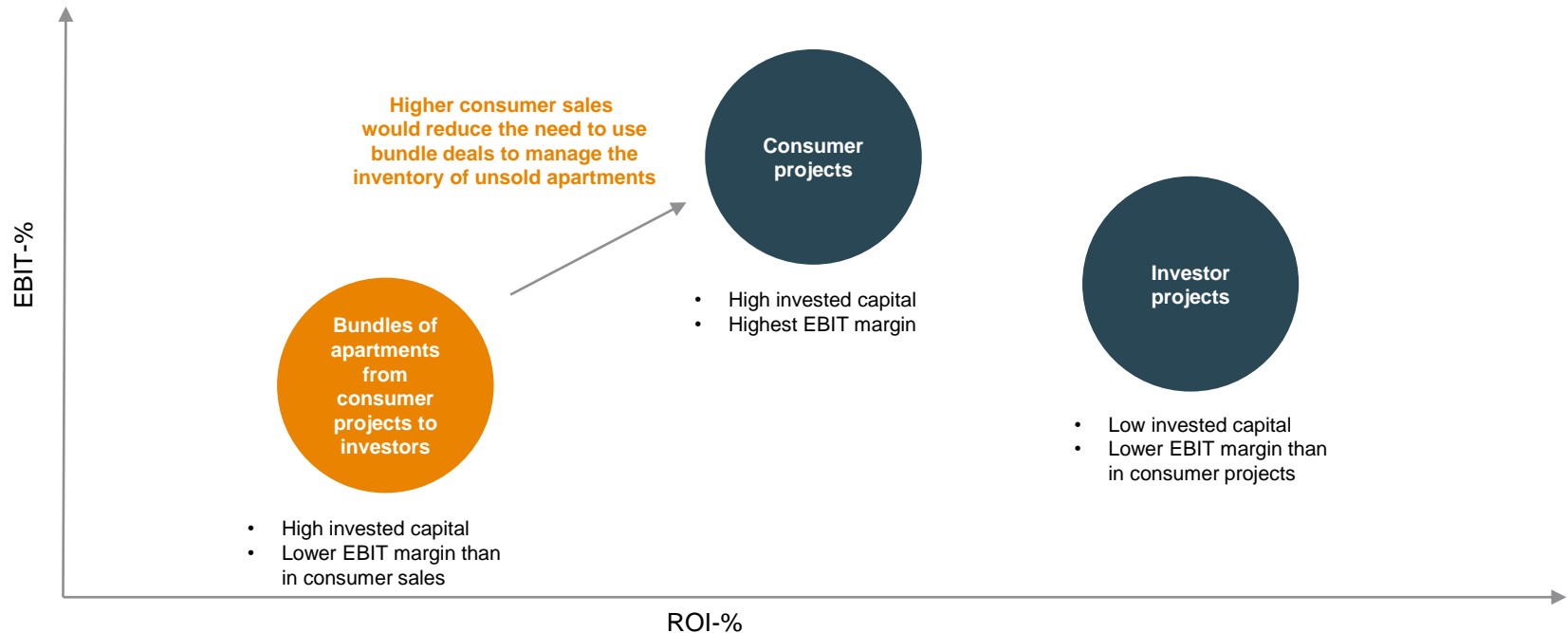
- The segment's profitability has been burdened by high share of investor deals in Finland and actions to release capital
- Positive development in CEE
- Shifting focus from investor sales to consumer sales in Finland the key for profitability improvement, but will take time



* Excluding adjustments. 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



5

Housing Russia



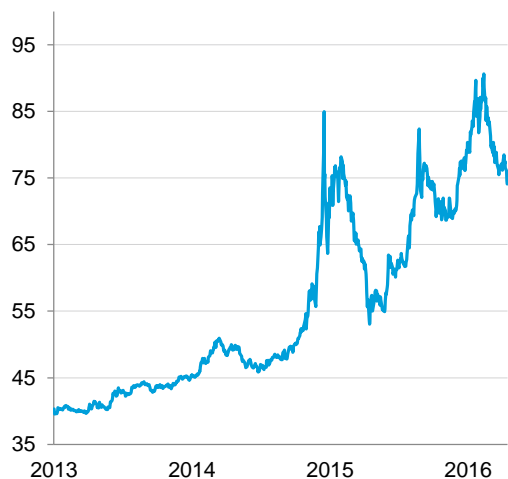
Baltym Park
Yekaterinburg, Russia

Housing Russia

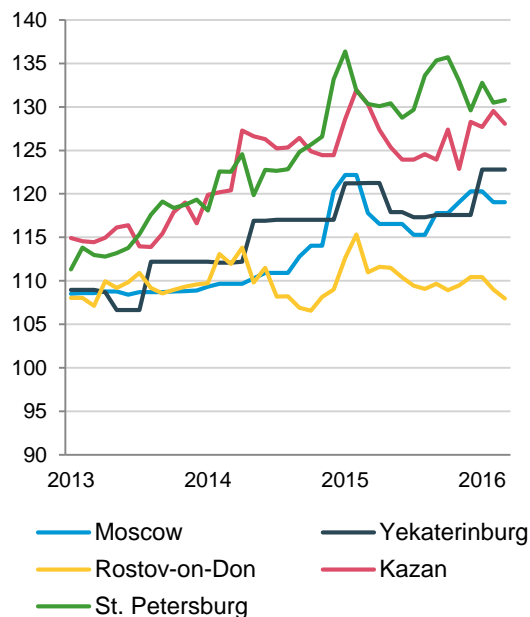
Operating environment in Q1

- The ruble strengthened during the quarter
- Demand focused especially on small apartments
- Residential prices remained stable, but decreased in real terms (CPI 3/2016: 7.3%)
- Mortgage subsidy program extended until the end of 2016
- Mortgage interest rates for new apartments at around 12%

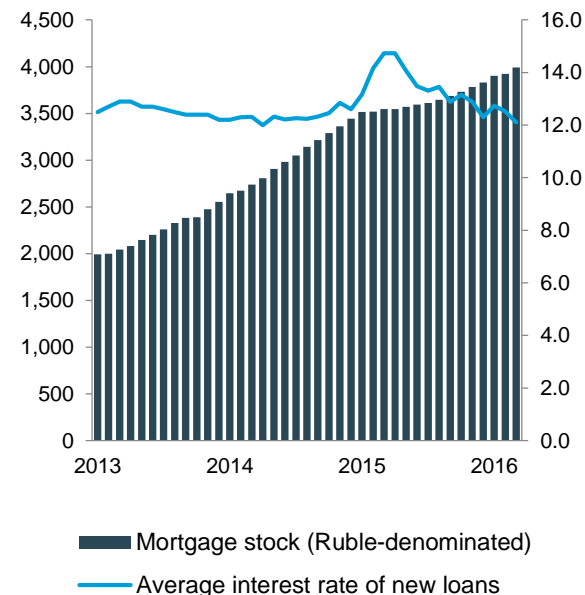
EUR/RUB exchange rate



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



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



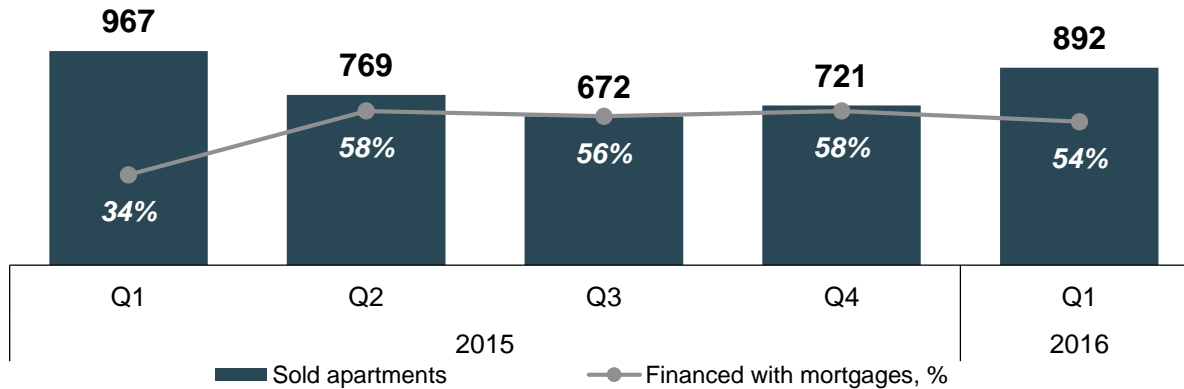
Sources: Bloomberg, YIT and Bank of Russia

Housing Russia

Number of sold units increased from previous quarters

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

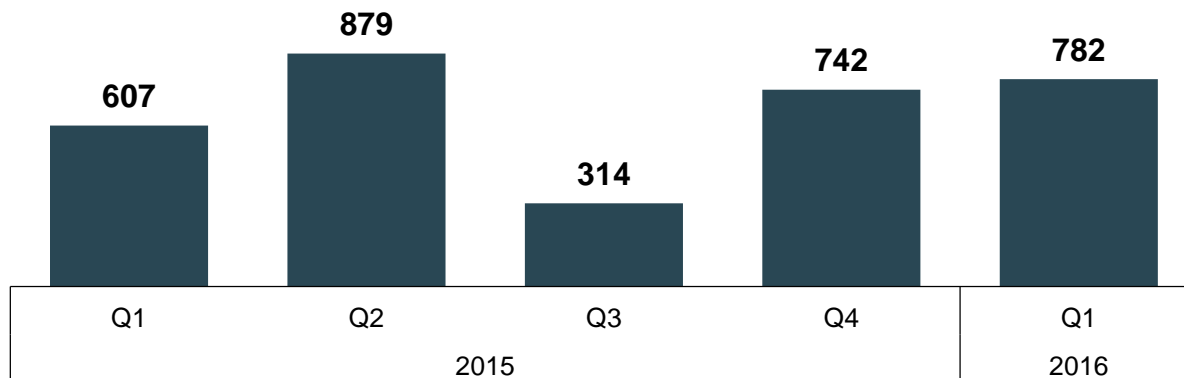
2015: 3,129 (50%)



- Clear growth in residential sales in Q1/2016 compared to previous quarters
- Share of sales financed with mortgages high, support from the government's mortgage subsidy program
- In April, sales to consumers over 250 units (4/2015: around 250 units)

Apartment start-ups (units)

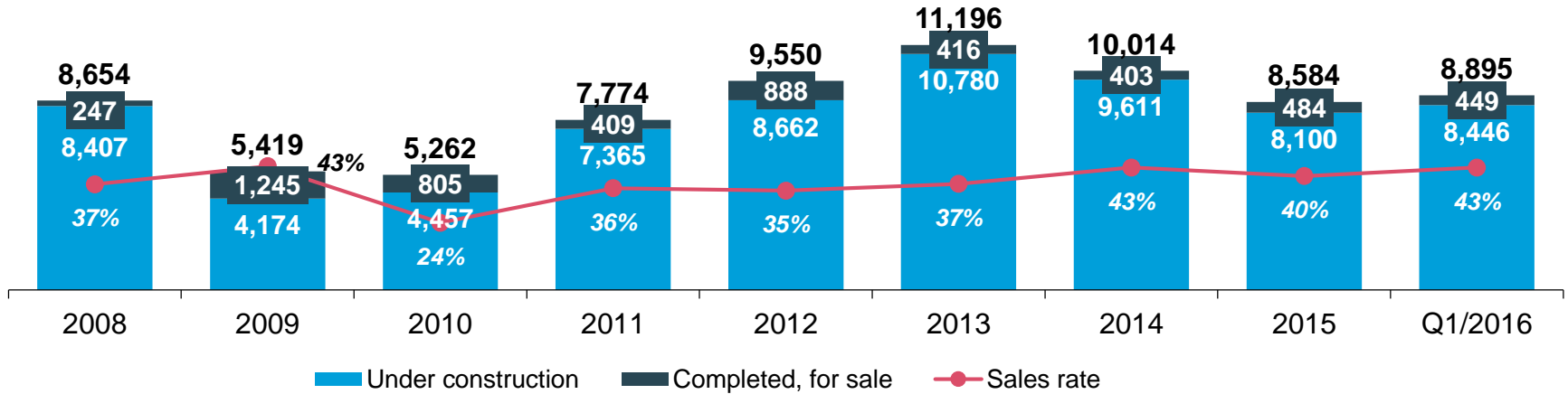
2015: 2,542



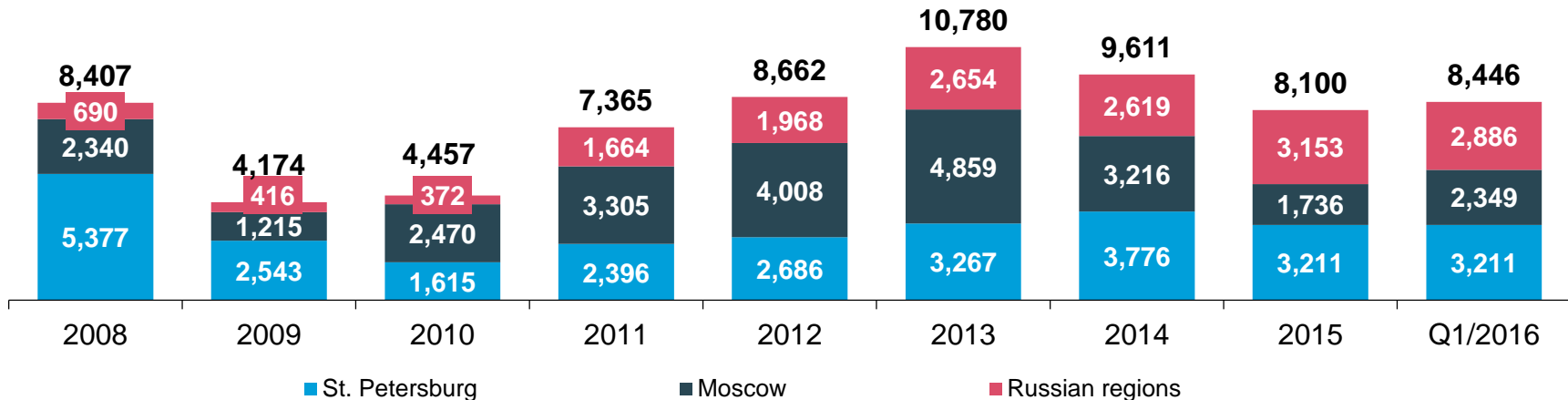
Housing Russia

Sales risk has decreased

Apartment inventory at the end of the period, units



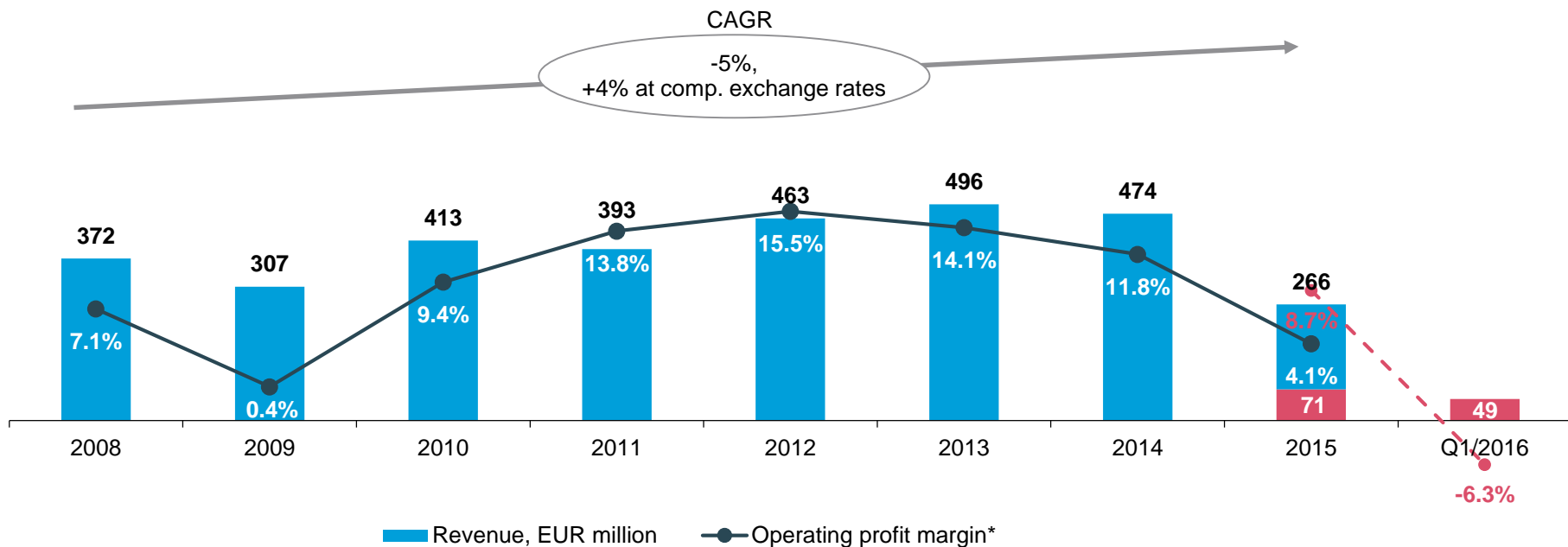
Apartments under construction by business unit at the end of the period, units



Housing Russia

Margin pressure persists

- Defensive mode in Russia, risk level reduced
 - Maintaining ability to ramp up
- Target to reduce the operative invested capital by continuing active sales
- The aim is to have positive operating profit for the full year



*Excluding adjustments

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 segments estimated true share of the fixed costs.

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

6

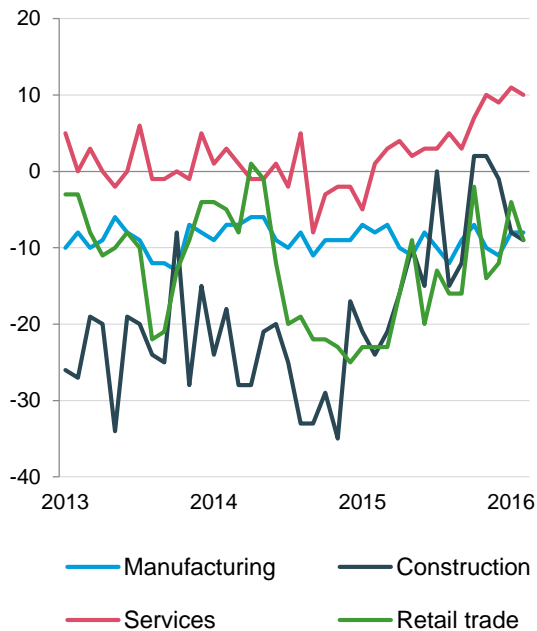
Business Premises and Infrastructure



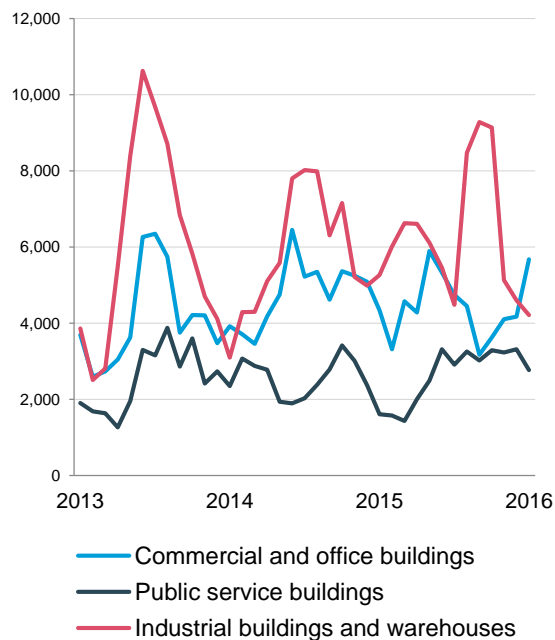
Business Premises and Infrastructure Operating environment in Q1

- Investor demand stable on a good level
- Competition for tenants remained intense
- The contracting market was active and several large projects were in tendering phase
- The volume of construction was increasing
- Positive macro outlook supported the business premises market in the CEE countries
 - Strongest market in Slovakia

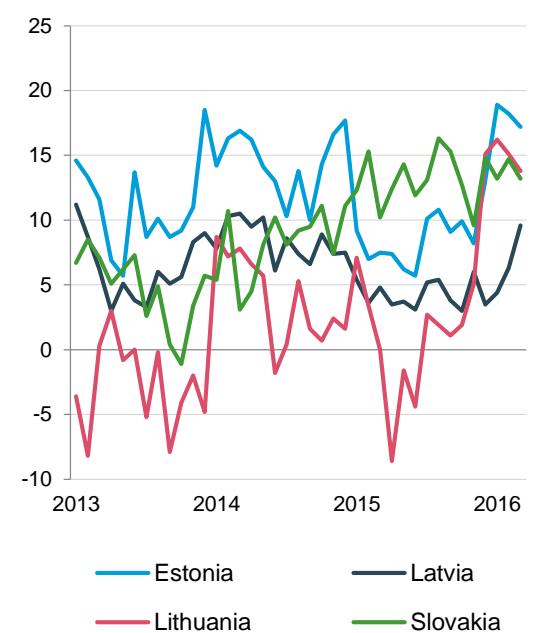
Confidence indicators in Finland



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



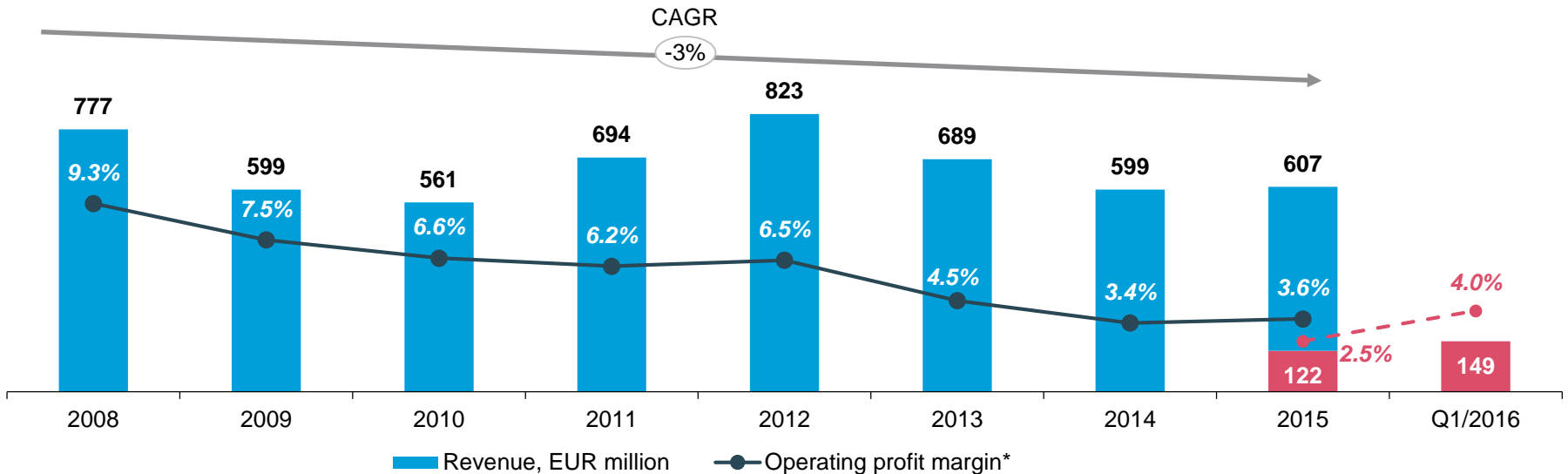
Retail trade confidence in the Baltic countries and Slovakia



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

Business Premises and Infrastructure Improving results

- Good progress in the segment in Q1/2016
 - Increased revenue and improving profitability
- Solid order backlog, Q1/2016 +29% y-o-y, supports growth and profitability improvement
 - Mall of Tripla (>EUR 500 million) to be added in the order backlog in Q2/2016



* Excluding adjustments

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 segments estimated true share of the fixed costs.

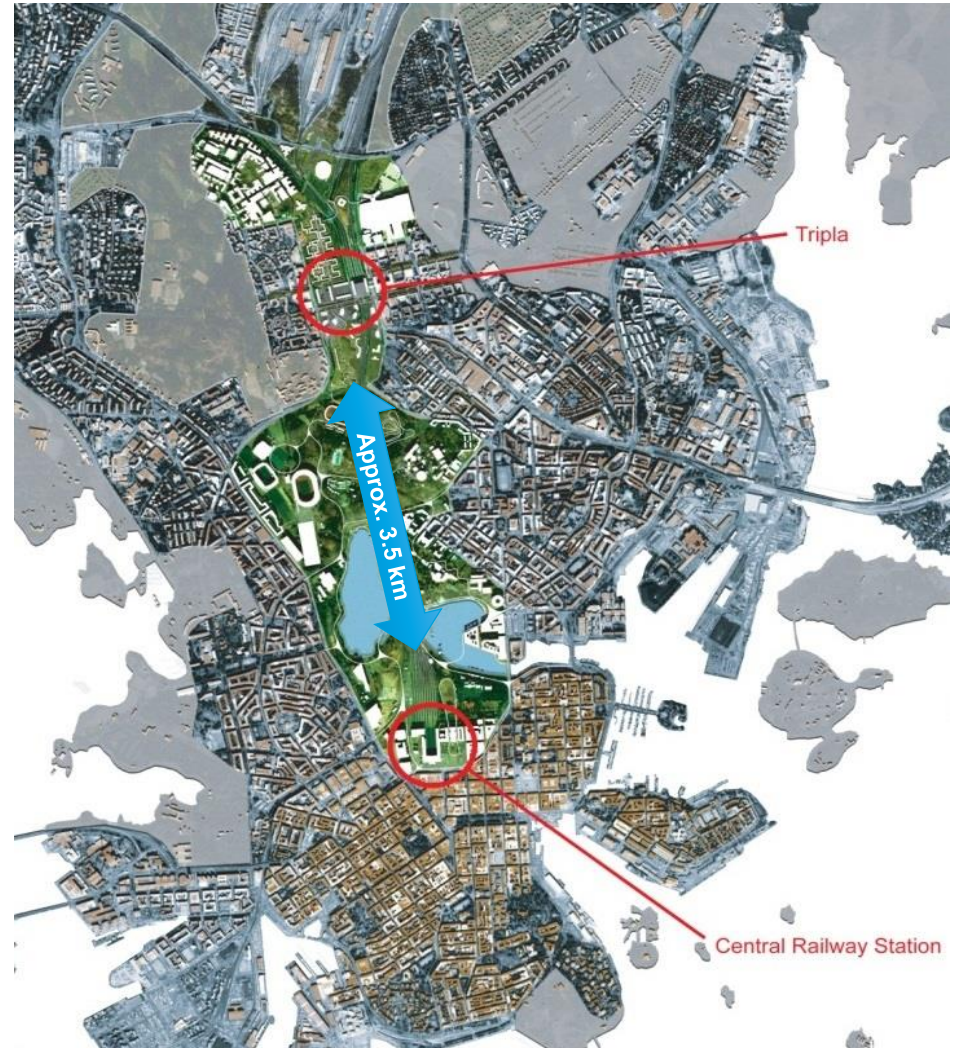
Tripla project supports growth in the coming years

Tripla project

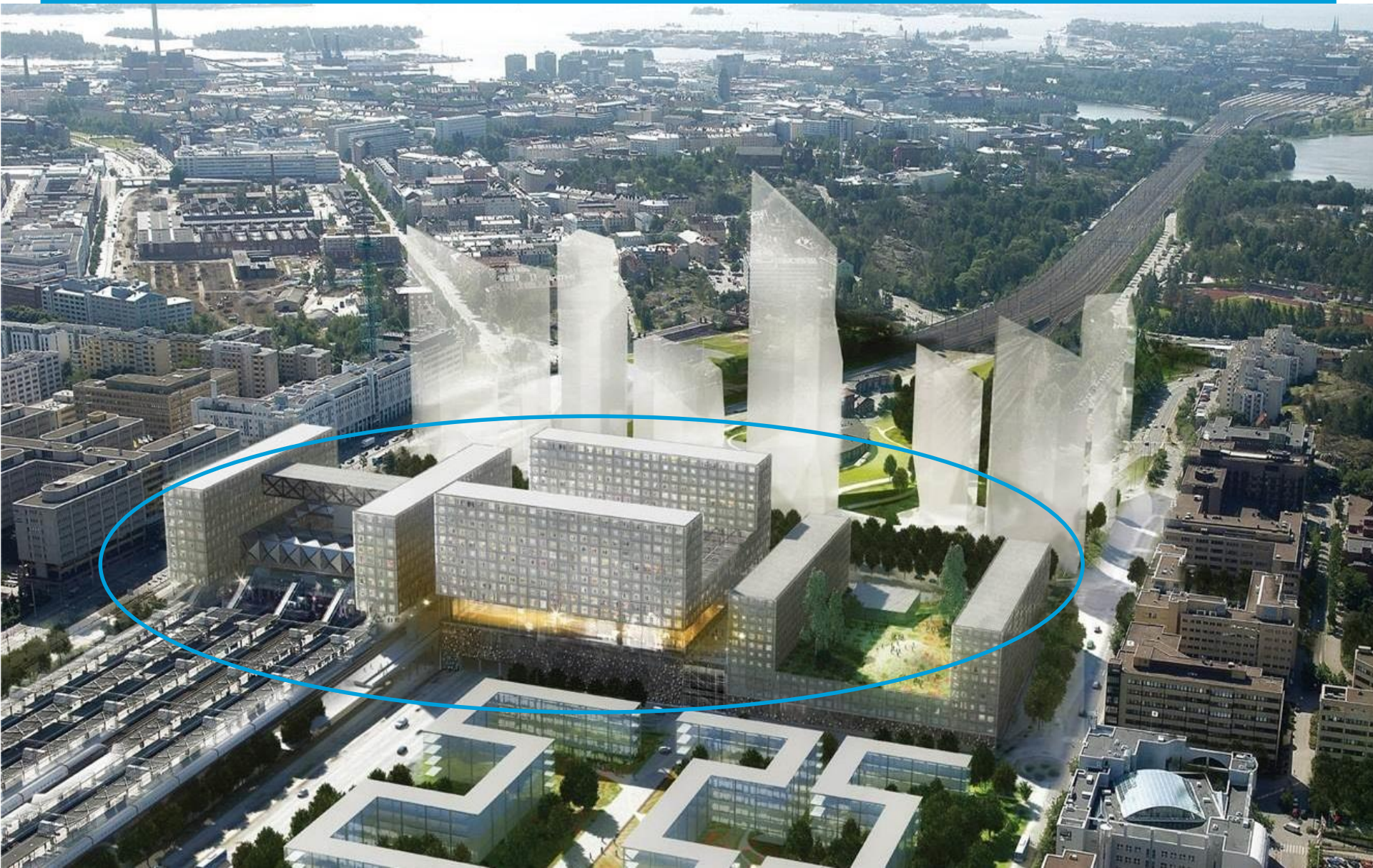
- EUR 1 billion hybrid project consisting of offices, shopping and congress center, hotels, public transport terminal and apartments
- Combines the breadth of YIT know-how in different areas of construction
- Project length ~ 10 years, constructed in phases

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



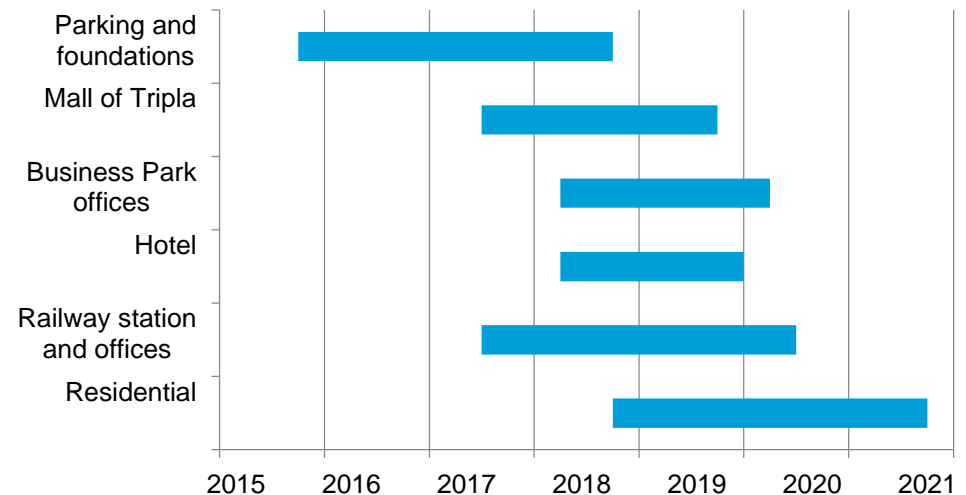
Target to add the Mall of Tripla in the order backlog in Q2

- Final agreement signed in May to establish a joint venture to implement the Mall of Tripla and the parking facility
 - The aim is to close the deal and add the agreements (>EUR 500 million) in the order backlog in Q2/2016
 - YIT's share of ownership 38.75%, Etera's 38.75%, Onvest's 15% and Fennia's 7.5%
- Good interest from tenants – over 30% of premises already rented out

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
- Already one third of premises rented out
- 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
- Project estimated to be added in the order backlog in H2/2016

* YIT's share

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Key financials



Key figures

EUR million	1-3/2016	1-3/2015	Change	1-12/2015
Revenue	362.4	374.9	-3%	1,651.2
Operating profit	12.1	20.5	-41%	65.7
Operating profit margin, %	3.3%	5.5%		4.0%
Adjusted operating profit	12.1	20.5	-41%	76.0
Adjusted operating profit margin, %	3.3%	5.5%		4.6%
Order backlog	2,246.8	2,169.8	4%	2,172.9
Profit before taxes	-0.8	10.3		27.0
Profit for the review period*	-0.6	7.8		20.0
Earnings per share, EUR	-0.00	0.06		0.16
Operating cash flow after investments	-25.0	15.1		183.7
Return on investment, last 12 months, %	4.7%	7.5%		5.3%
Equity ratio, %	34.1%	35.2%		35.5%
Interest-bearing net debt (IFRS)	554.5	678.0	-18%	529.0
Gearing (IFRS), %	108.6%	117.3%		101.1%
Personnel at the end of the period	5,276	5,534	-5%	5,340

* Attributable to equity holders of the parent company

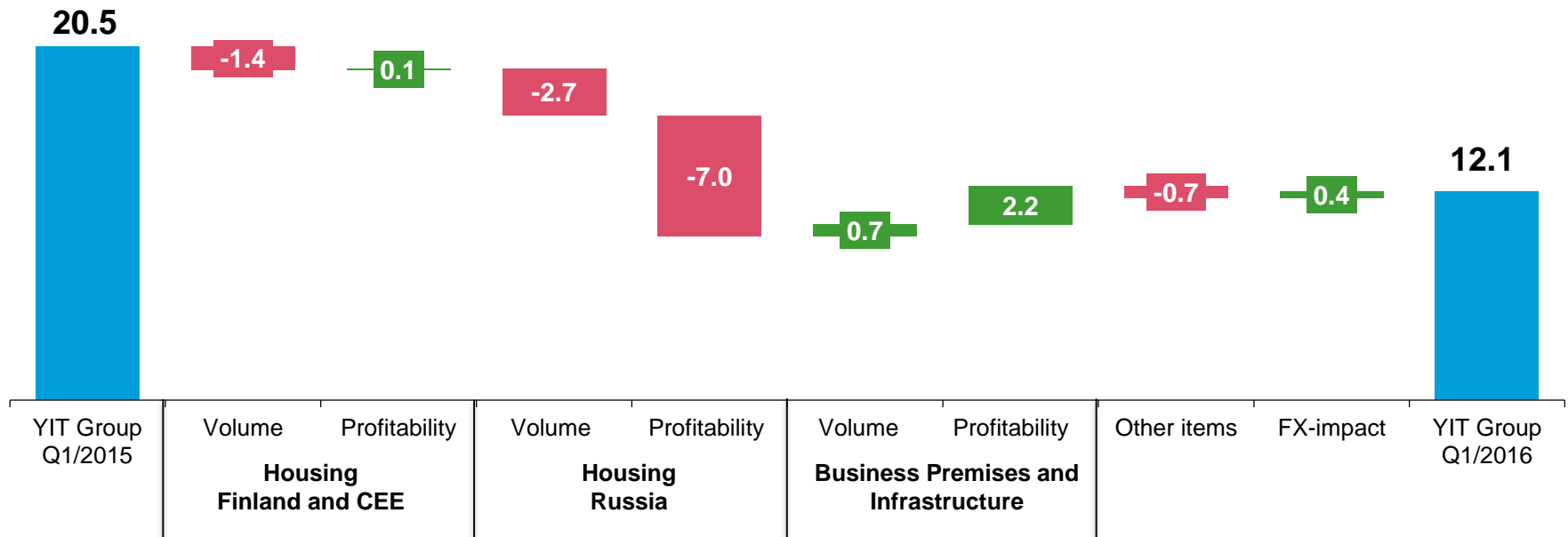
All figures according to segment reporting (POC), unless otherwise noted

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

EBIT-bridge Q1/2015–Q1/2016

- Margin pressure persists in Russia
- Positive development in Business Premises and Infrastructure

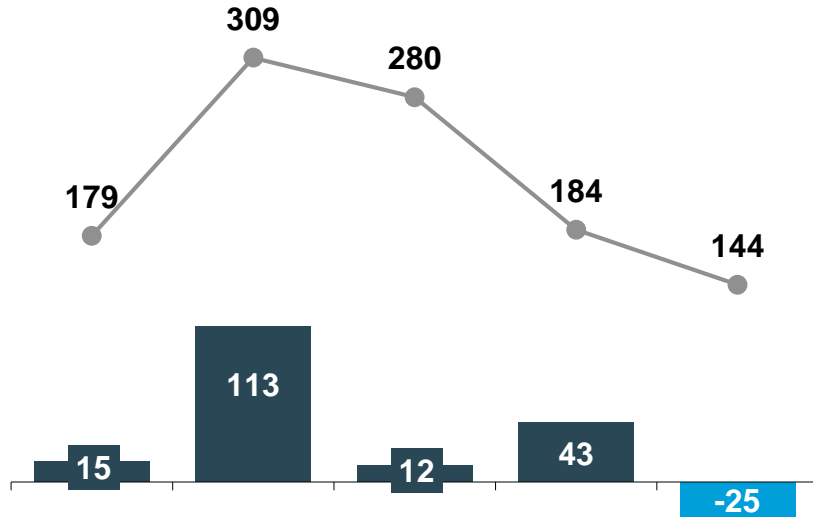
Adjusted operating profit (EUR million), change Q1/2015 – Q1/2016: -41%



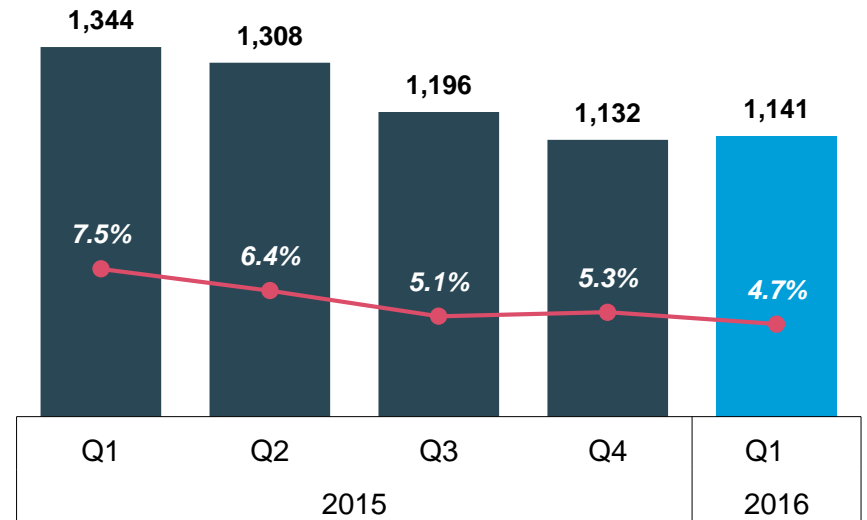
Cash flow after investments negative in Q1

Operating cash flow after investments (EUR million)

2015: EUR 184 million



Invested capital and ROI (EUR million, %)



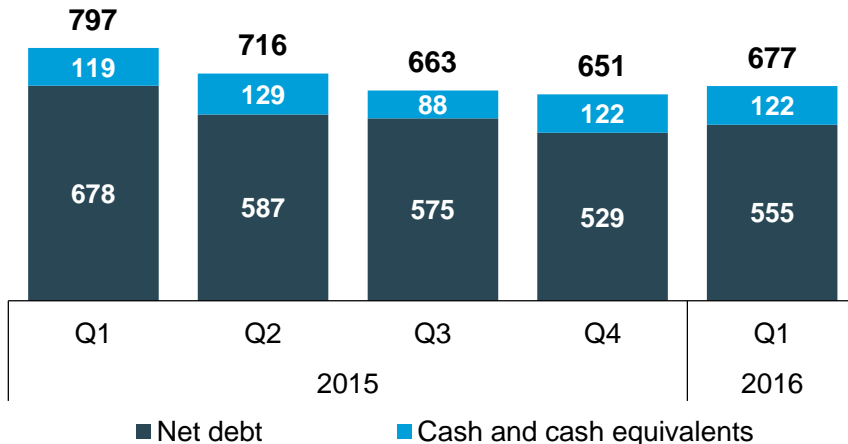
Q1 | Q2 | Q3 | Q4 | Q1
2015 | 2016

Operating cash flow after investments
Rolling 12 months

Invested capital
ROI

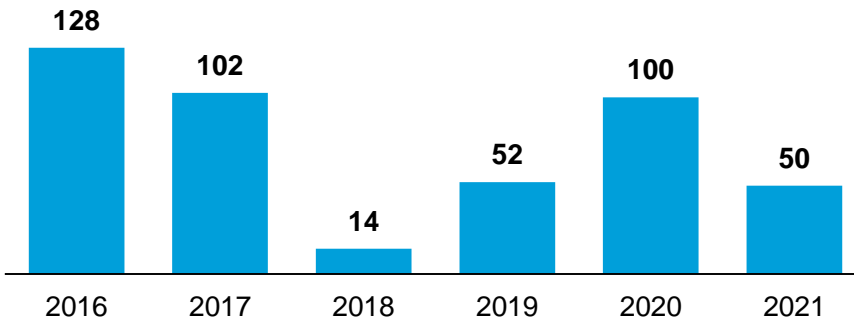
A new bond issued to refinance 2016 maturities and to strengthen the maturity profile

Interest-bearing debt (EUR million), IFRS



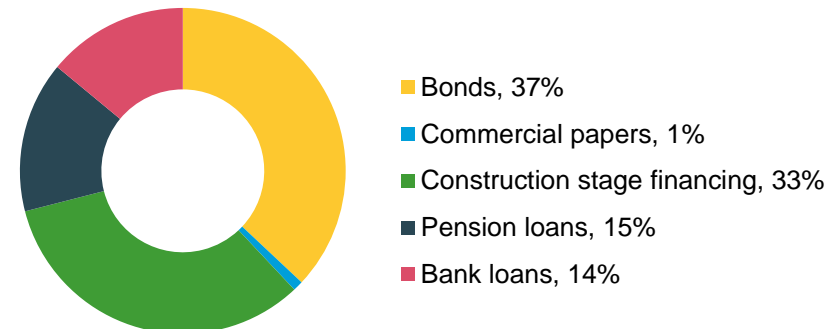
- Strong liquidity buffer
 - Cash and cash equivalents: EUR 122.4 million
 - Overdraft facilities: EUR 64.5 million (of which EUR 63.3 million unused)
 - Undrawn committed revolving credit facility of EUR 300 million
- Unsecured EUR 50 million bond issued in March:
 - A private placement to domestic institutional investors
 - Maturity: March 24, 2021, a coupon of 5.500%
 - The bond has a call-option and a covenant; the equity ratio (IFRS) has to be at least 25%

Maturity structure of long-term debt 3/2016 (EUR million)*



* Excluding construction stage financing

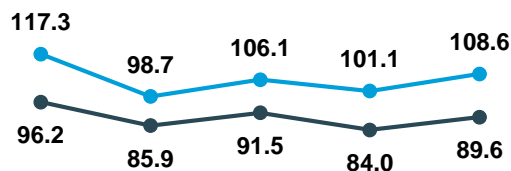
Debt portfolio at the end of the period 3/2016, EUR 677 million



Financial key ratios weakened

- Excess cash weakened the equity ratio by around 1.5 pp

Gearing (%)

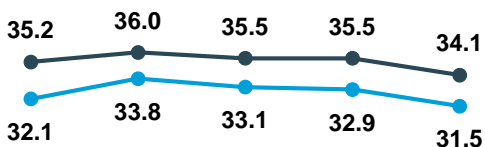


Q1	Q2	Q3	Q4	Q1
2015				2016

● 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 (%)

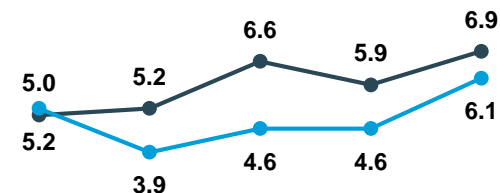


Q1	Q2	Q3	Q4	Q1
2015				2016

● POC ● IFRS

Financial covenant tied to the equity ratio (minimum level of 25.0%, IFRS) in bank loans, the syndicated RCF agreement and the bonds issued in 2015 and 2016.

Net debt/EBITDA (Multiple, x)

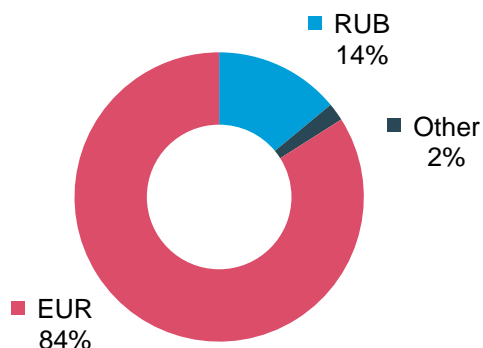


Q1	Q2	Q3	Q4	Q1
2015				2016

● POC ● IFRS

Ruble strengthened in Q1

Revenue split Q1/2016



Impact of changes in foreign exchange rates (EUR million)

	Q1/2016
Revenue, POC ¹⁾	-7.7
EBIT, POC ¹⁾	0.4
Order backlog, POC ²⁾	27.5
Equity, IFRS (translation difference) ²⁾	15.7

¹⁾ Compared to the corresponding period in 2015

²⁾ Compared to the end of previous quarter

- The Russian ruble appreciated in Q1/2016
 - Average EUR/RUB rate in Q1/2016: 82.37 (Q1/2015: 71.02)
 - Quarter-end EUR/RUB rate: 76.31 (Q4/2015: 80.67)

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 114.9 million in 3/2016 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 225.9 million in 3/2016

8

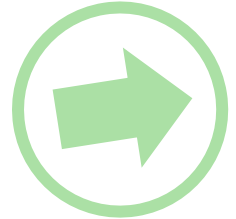
Looking
ahead and
conclusions



Market outlook, expectations for 2016

Finland

- Consumer demand to improve slightly, but demand to focus on small and affordable apartments in growth centres
- Investor activity to remain on a good level in the residential market, but even more focus will be paid on the location
- Residential price polarisation between growth centres and other Finland
- 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 remain active
- Political support for new infrastructure projects to revitalise the infrastructure market



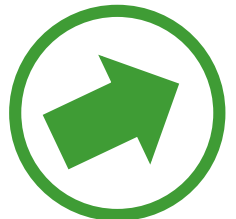
Russia

- Weak visibility
- Construction cost inflation to moderate
- Residential prices stable in nominal terms
- Residential demand to focus on small apartments



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
- Construction costs to increase slightly

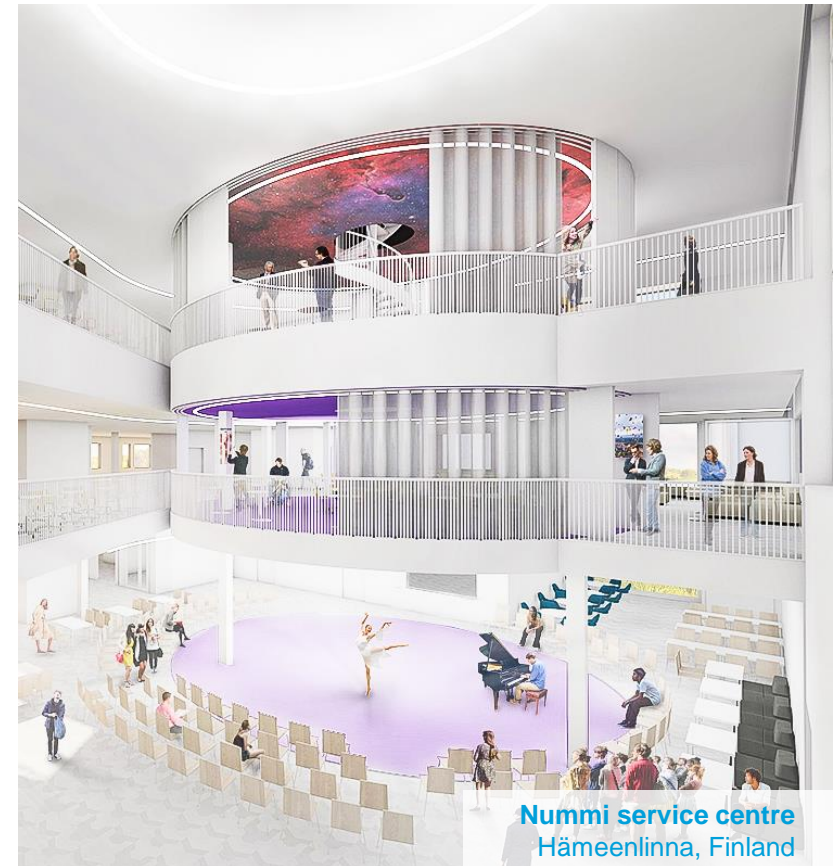


Guidance for 2016 (segment reporting, POC) unchanged

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).

- Over half of Q2-Q4/2016 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



* 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

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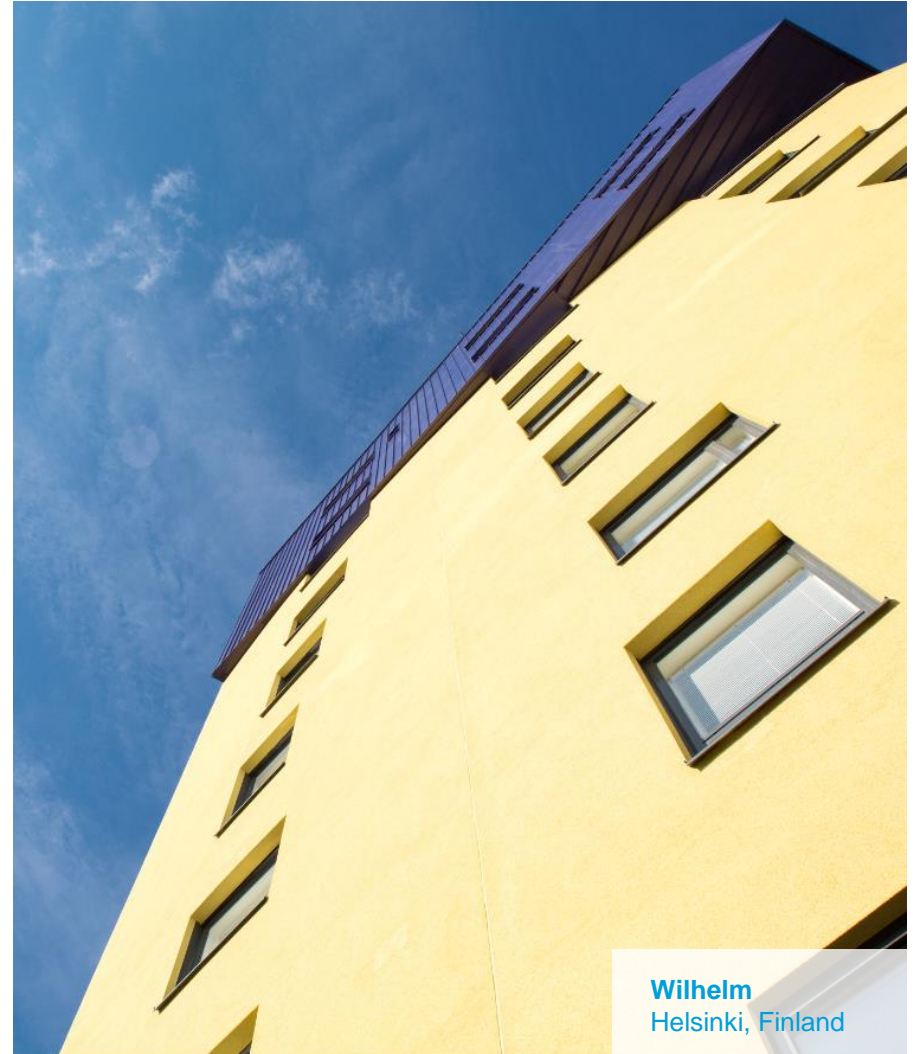
Appendices



Konepaja residential area
Helsinki, Finland

Appendices

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



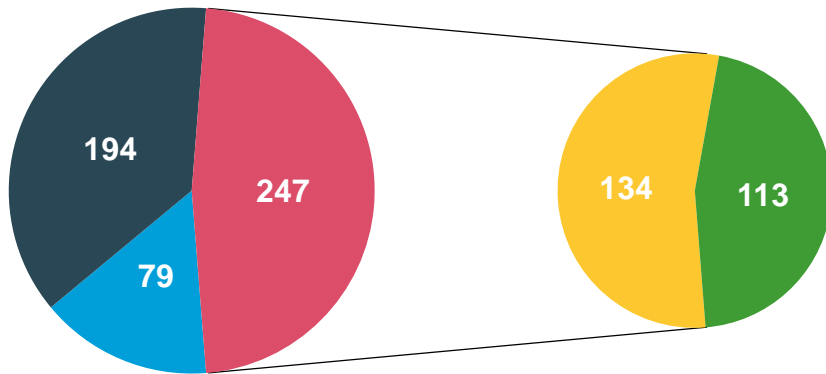


Additional financial information



Solid plot portfolio, a basis for growth and financial flexibility

Plot reserves in the balance sheet 3/2016, EUR 520 million

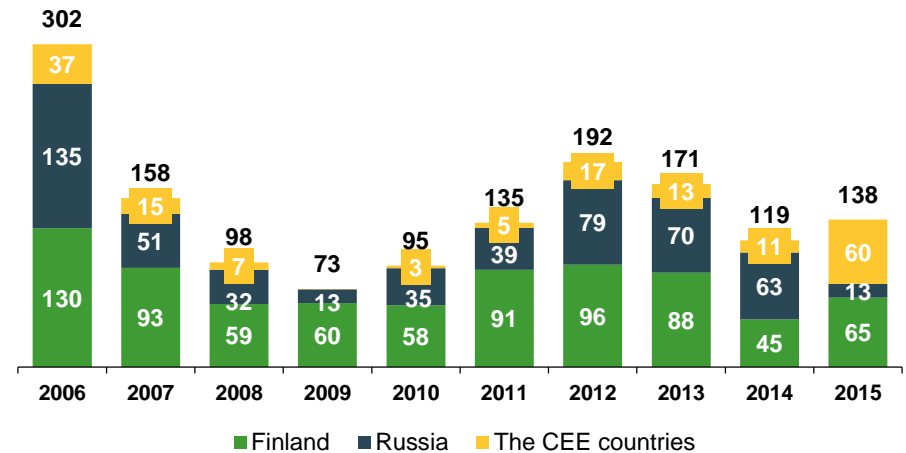


- Business Premises and Infrastructure
- Housing Russia*
- Housing Finland and CEE
- Finland
- The CEE countries

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)

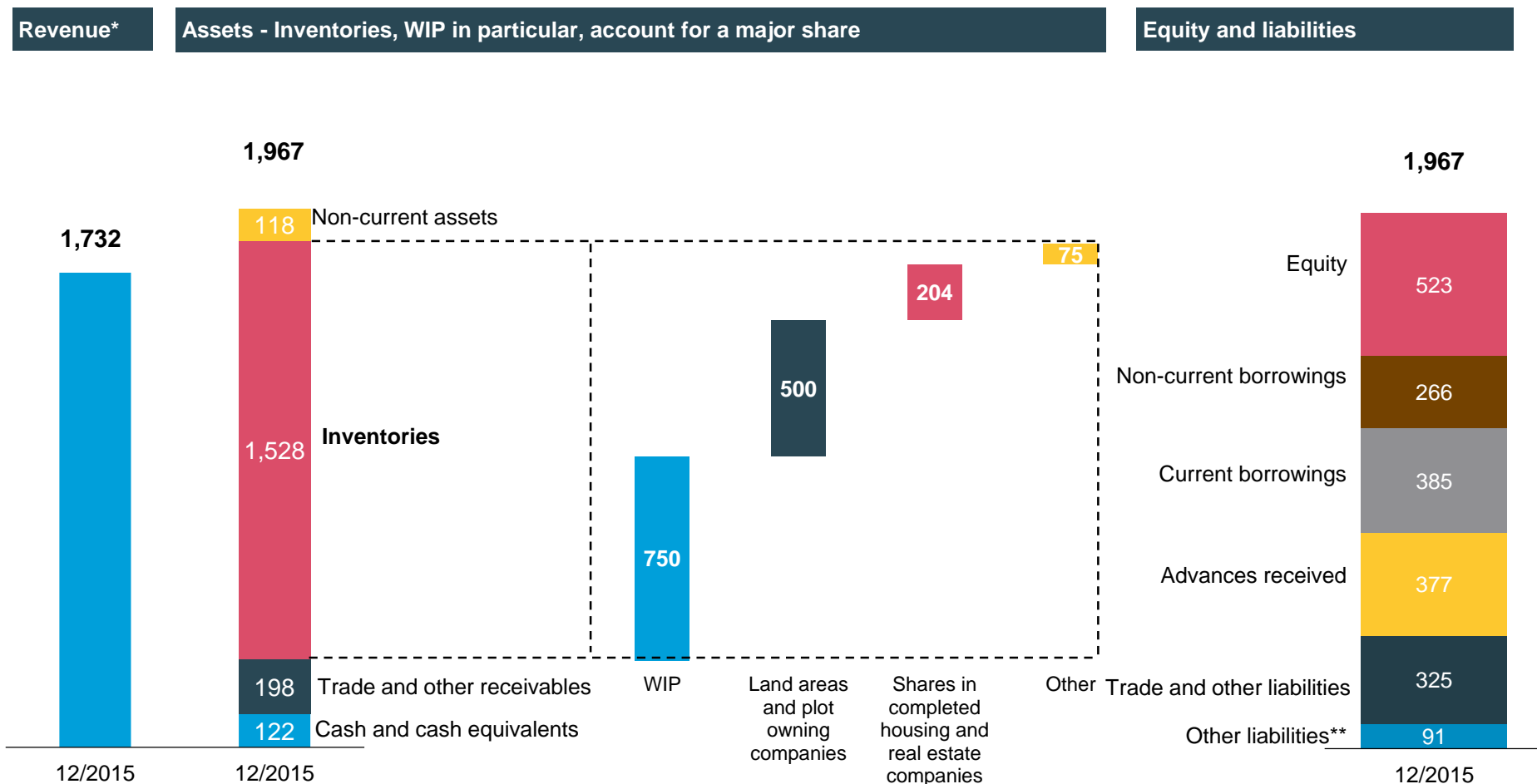


*Includes Gorelovo industrial park

** 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

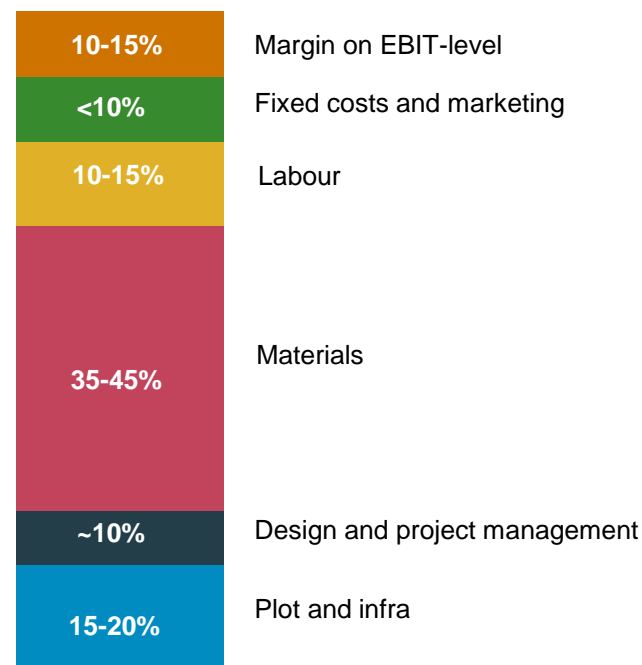
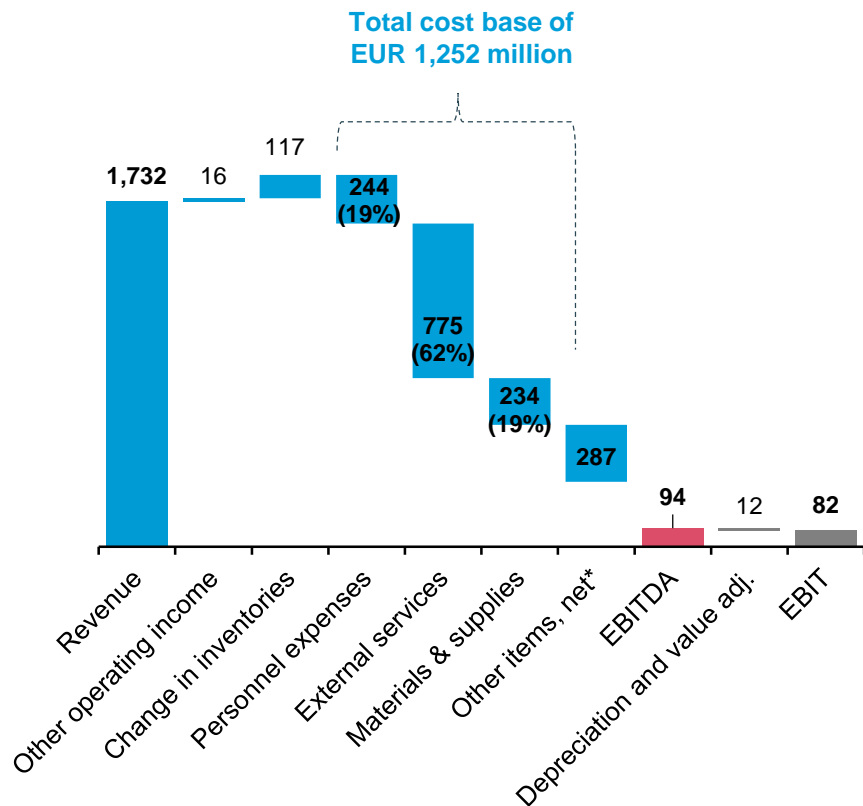
** Includes deferred tax liabilities, pension obligations, provisions and other liabilities

YIT's cost base in 2015

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

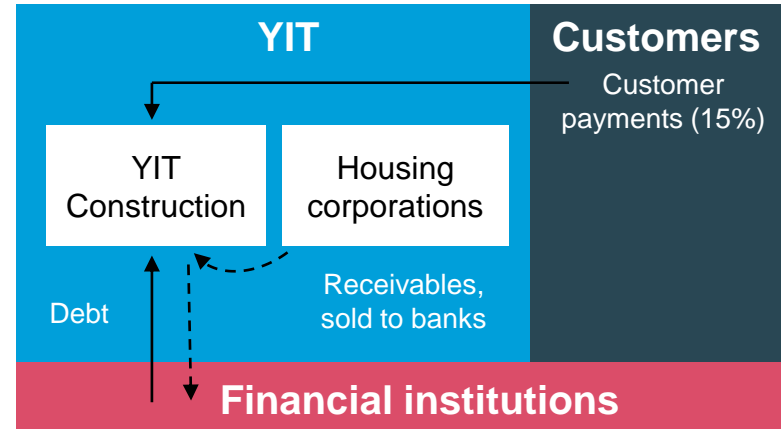
Limited refinancing risk:

- 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

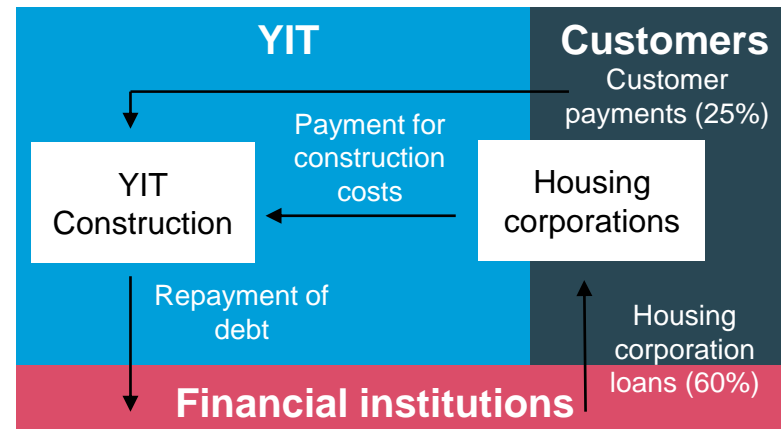
→ Refinancing of the sold receivables

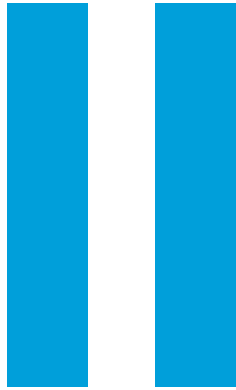
- After completion the unsold apartments are in YIT's balance sheet as shares in housing corporations. Their share in the housing corporation loans is included in current borrowings as the loans are linked to current assets.

During construction:



Upon completion:



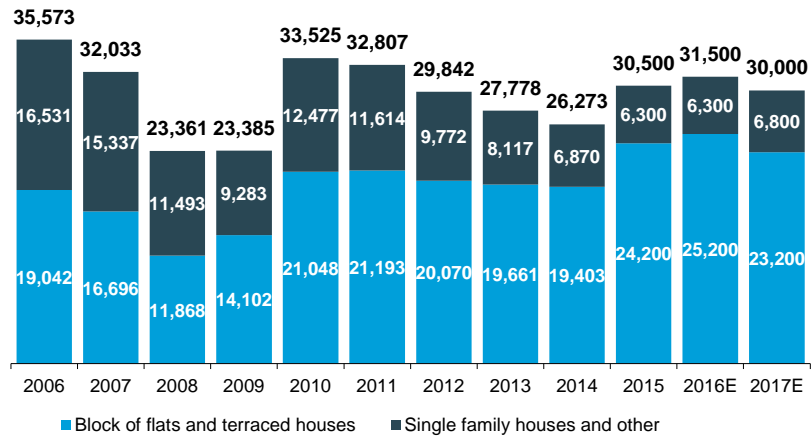


Housing indicators



Finland – Start-ups expected to increase in 2016

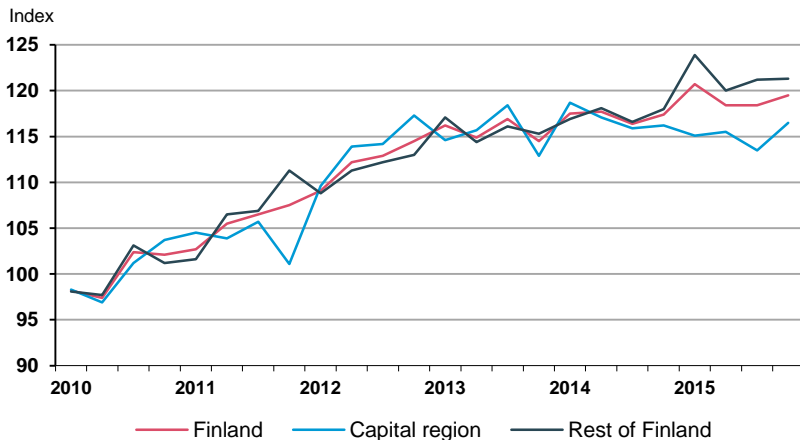
Residential start-ups, units



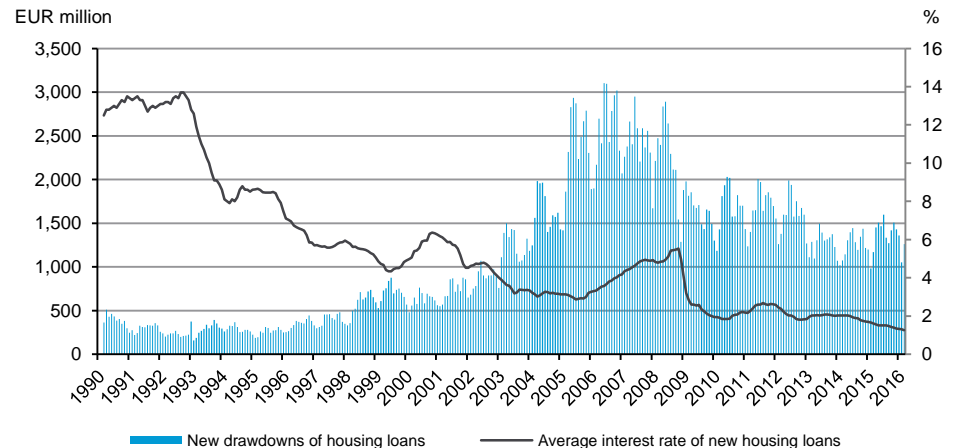
Consumer confidence - Views on economic situation in one year



Prices of new dwellings



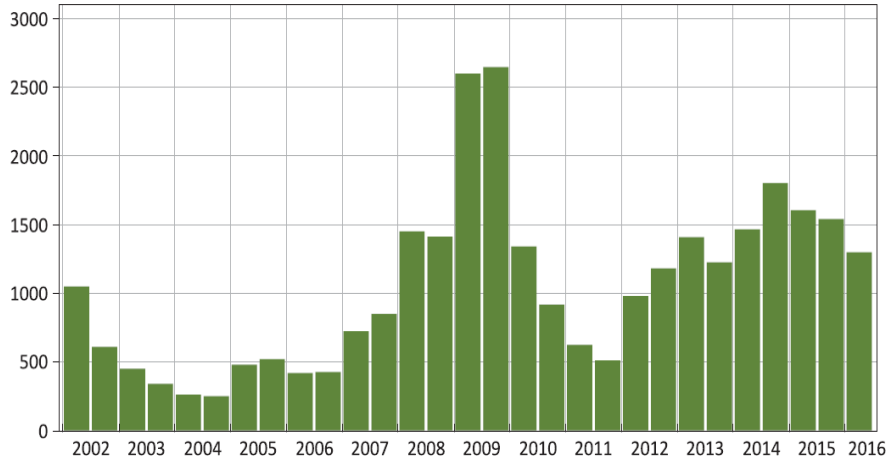
Volume of new mortgages and average interest rate



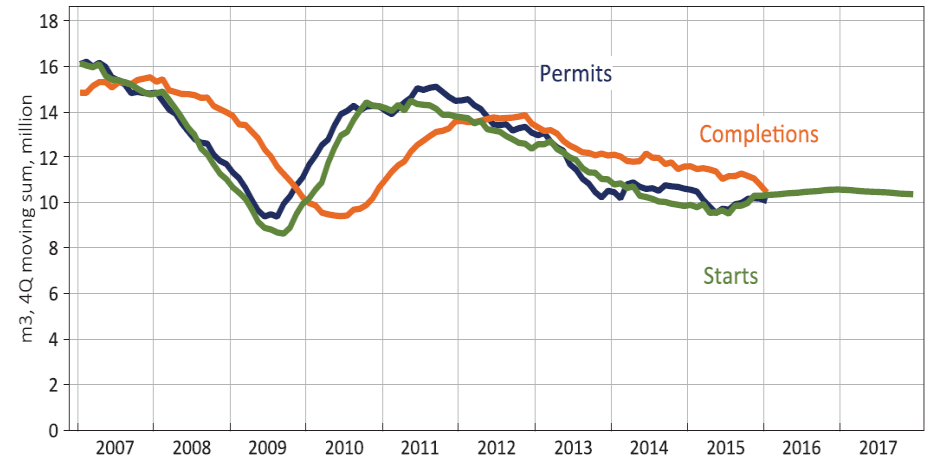
Sources: Residential start-ups: 2006-2014 Statistics Finland; 2015 - 2017E Confederation of Finnish Construction Industries RT, Consumer confidence: Statistics Finland, Residential prices: Statistics Finland
Loans and Interest rates: Bank of Finland

Housing indicators have improved slightly in Finland

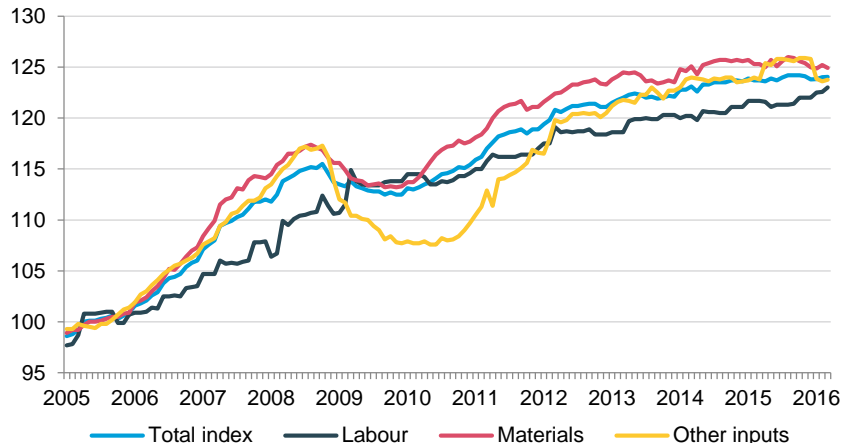
Unsold completed units (residential development projects)



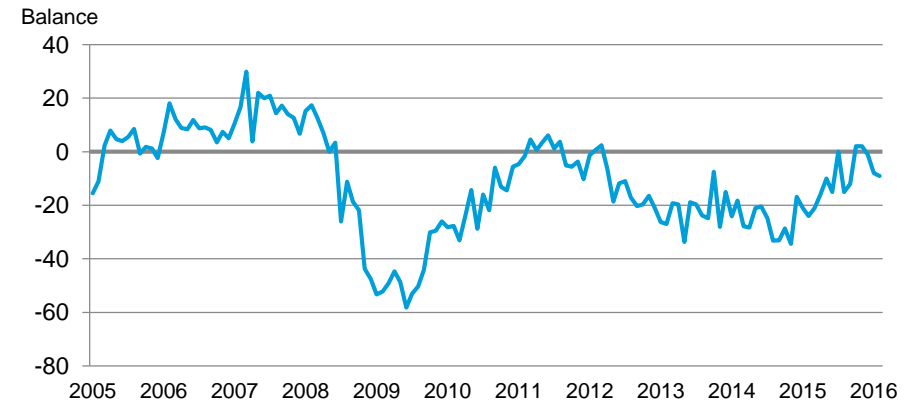
Residential building permits, start-ups and completions, million m3



Construction cost index (2005=100)

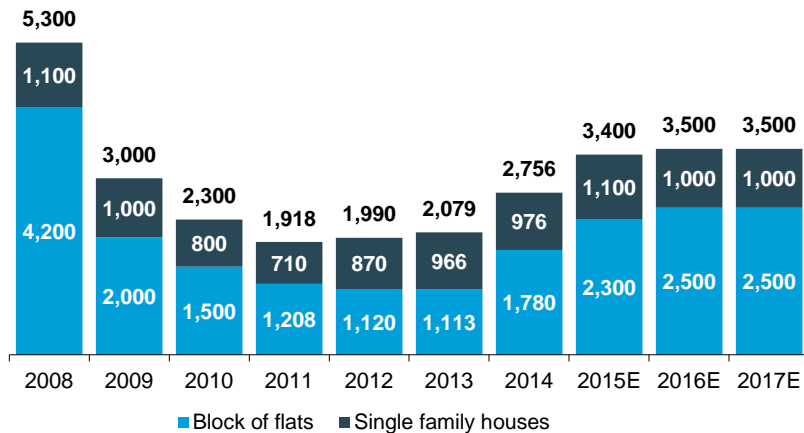


Construction confidence

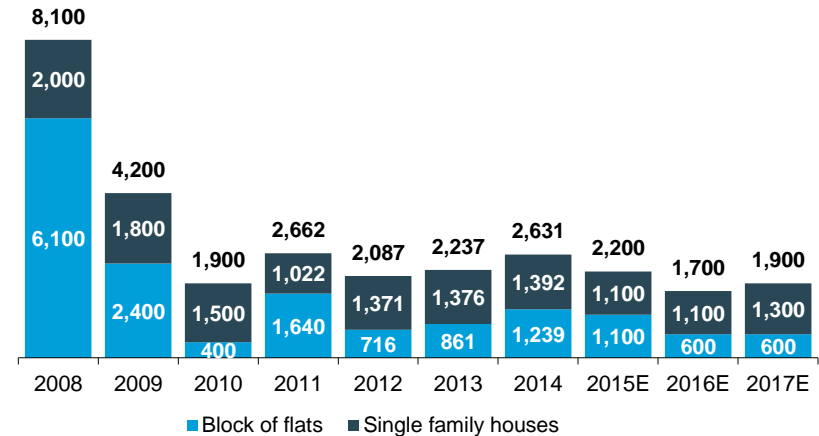


The Baltic countries – Residential construction is expected to level off

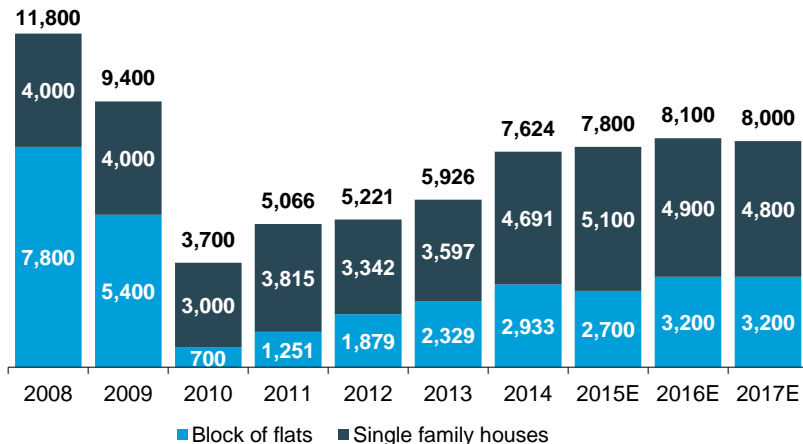
Residential completions in Estonia, units



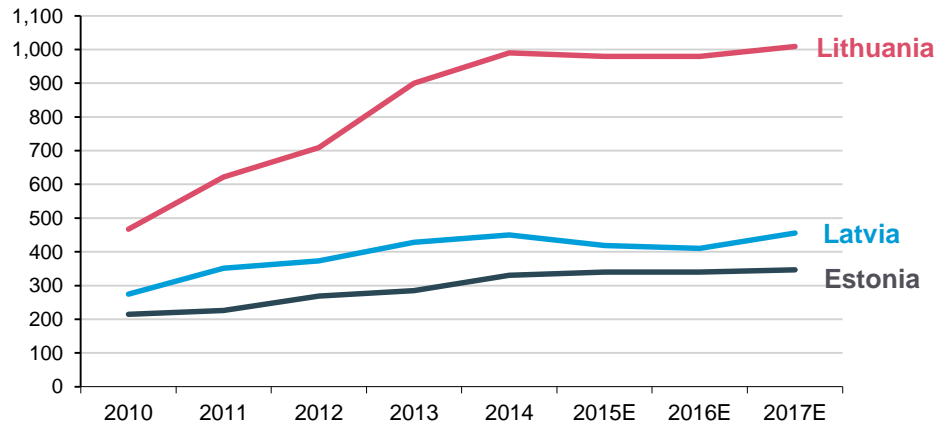
Residential completions in Latvia, units



Residential completions in Lithuania, units



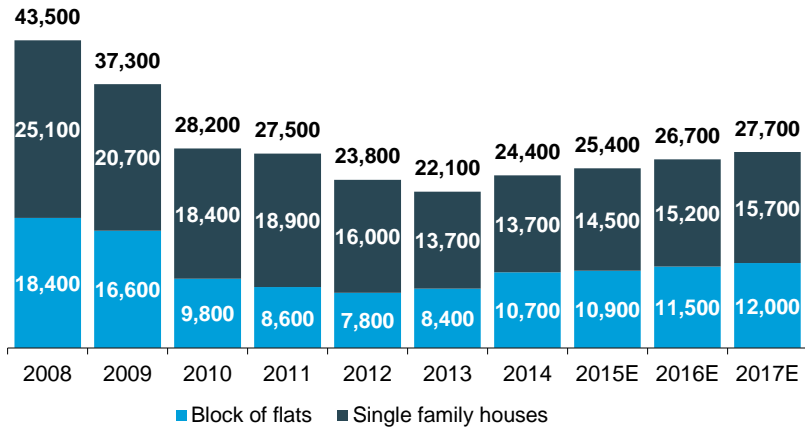
New residential construction volume, EUR million



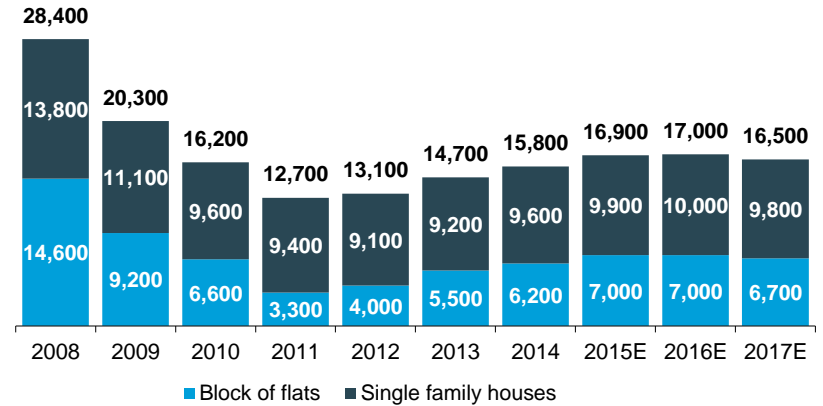
Source: Forecon, December 2015

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

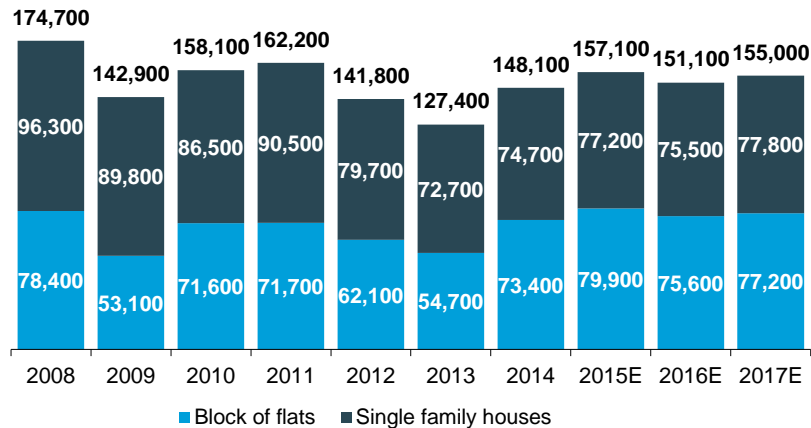
Residential start-ups in the Czech Republic, units



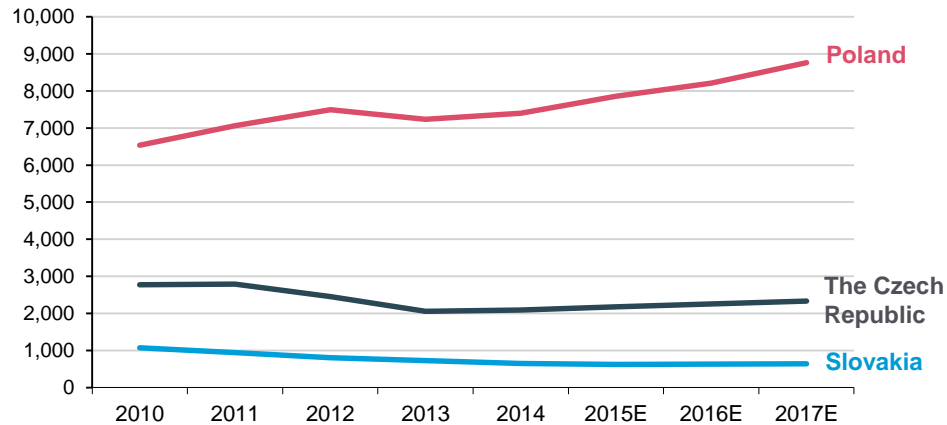
Residential start-ups in Slovakia, units



Residential start-ups in Poland, units



New residential construction volume, EUR million

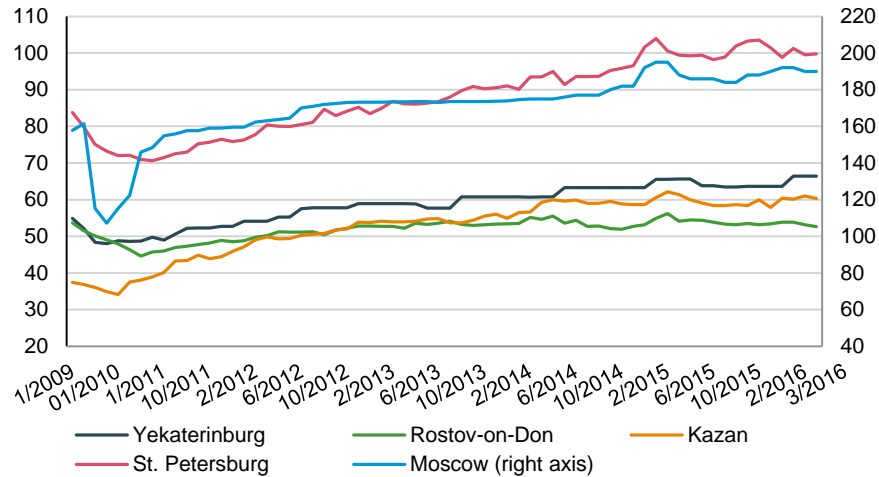


Source: Euroconstruct, December 2015

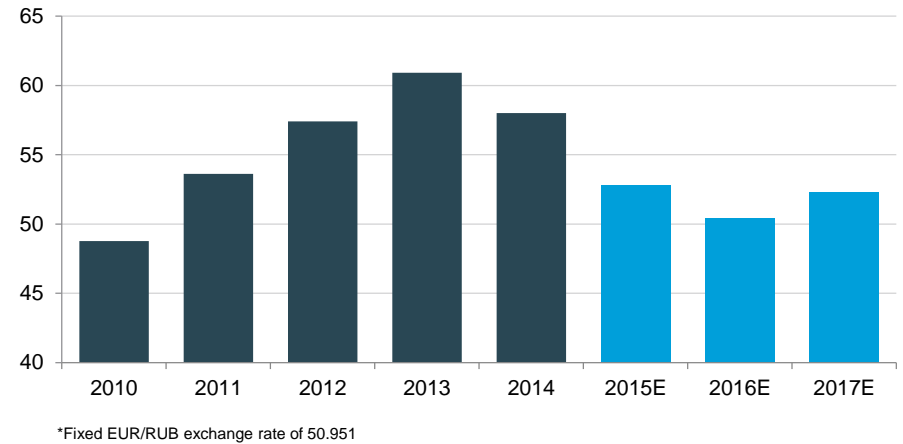


Russia – Housing indicators

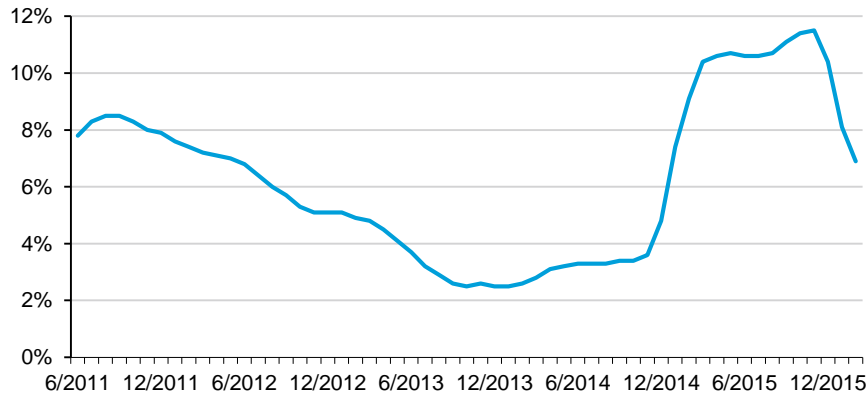
House prices in primary markets, thousand RUB per sq. m. (1/2009-3/2016)



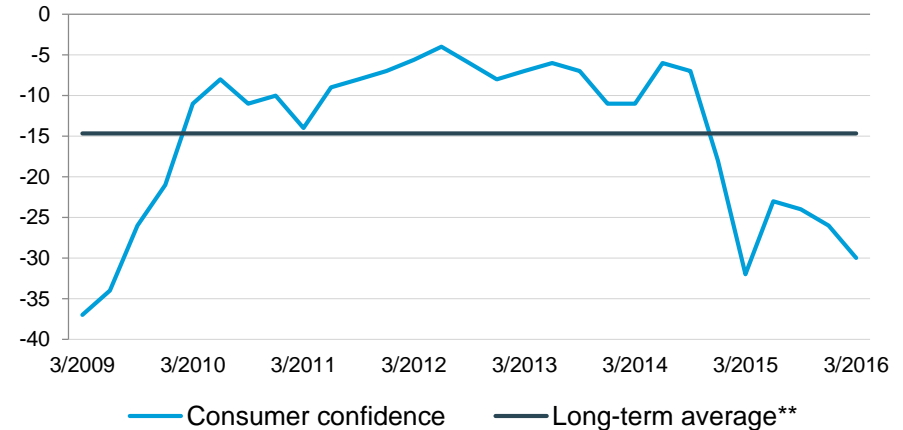
New residential construction volume, EUR billion*



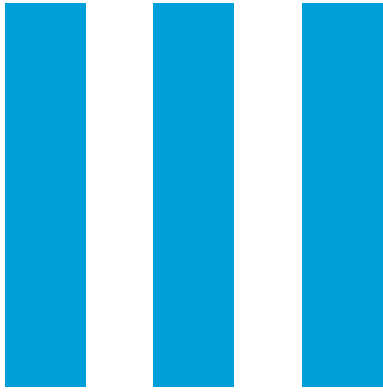
Inflation in building materials 6/2011-2/2016



Consumer confidence



Sources: House prices: YIT, New residential construction volume: Forecon, December 2015, Inflation in building materials: PMR Construction review, March 2016, Consumer confidence: Bloomberg

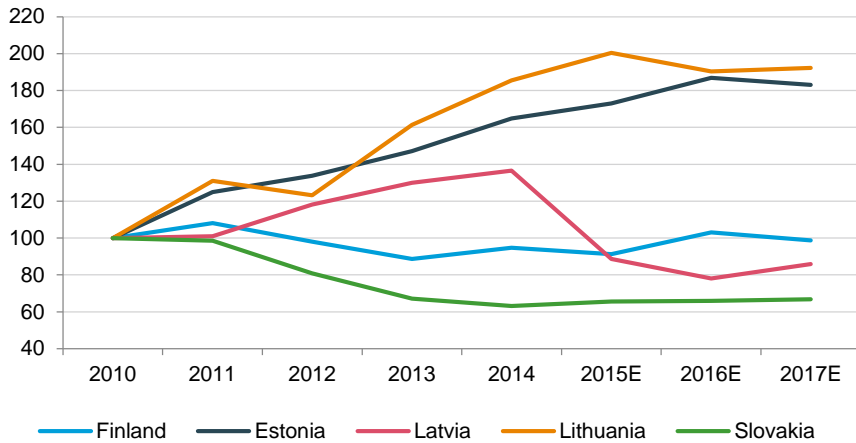


Business premises and infrastructure construction indicators

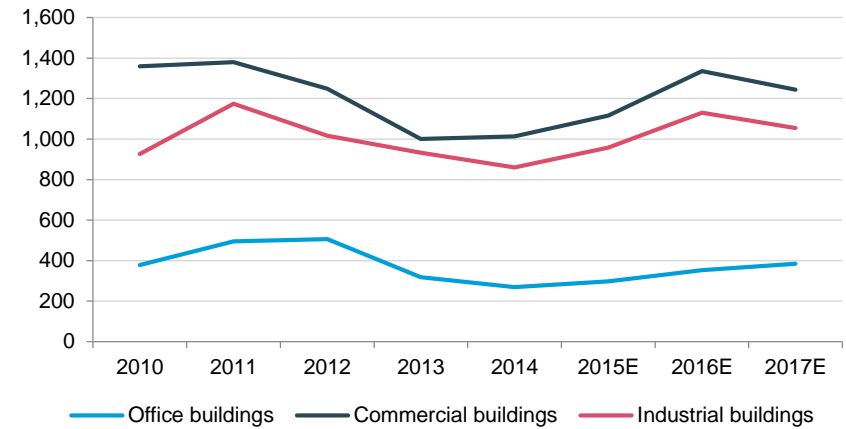


New non-residential construction forecasted to pick up slightly in Finland and Estonia in 2016

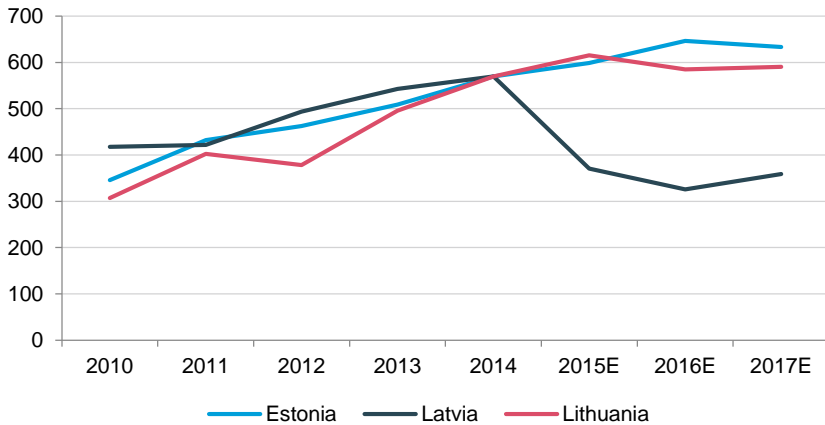
New non-residential construction volumes, index



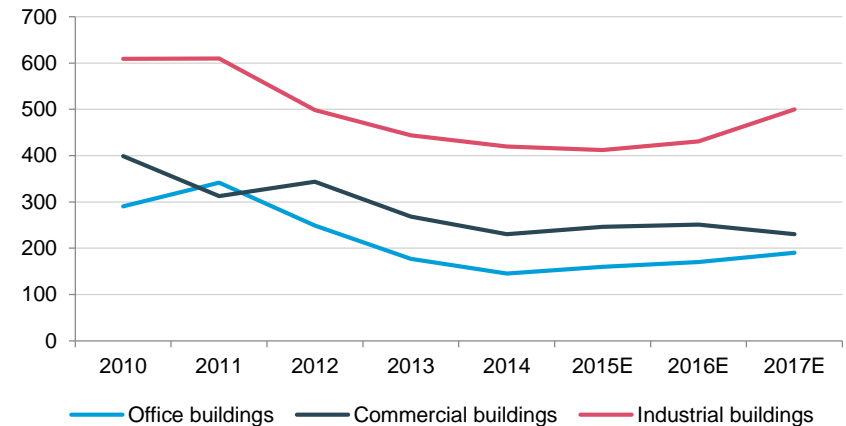
New non-residential construction in Finland, EUR million



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

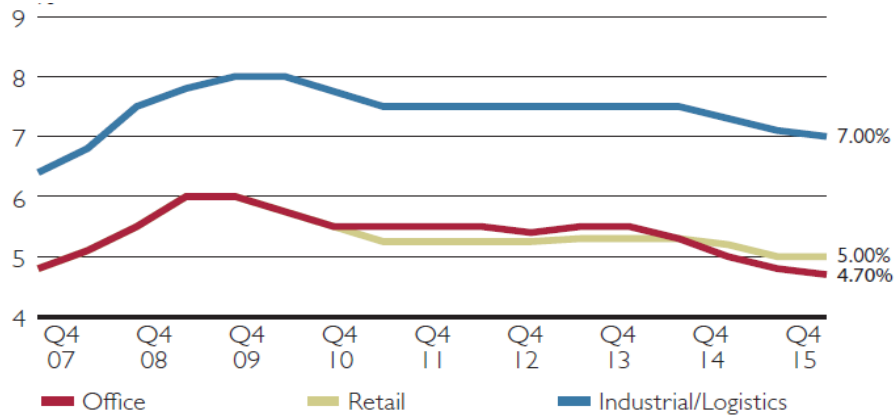


New non-residential construction in Slovakia, EUR million



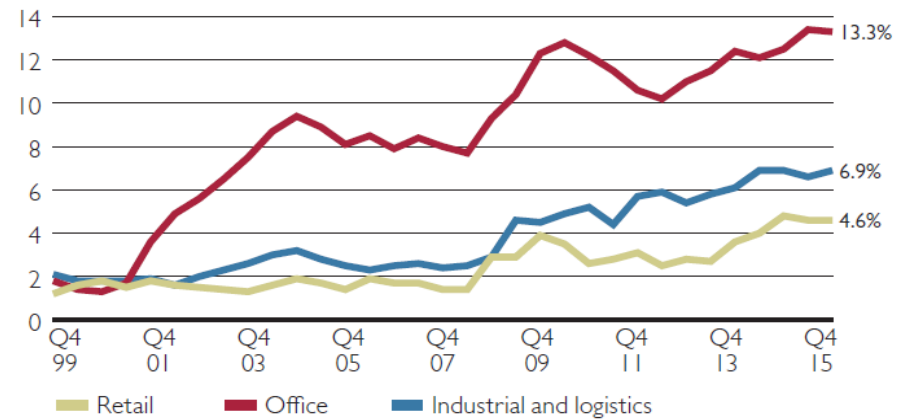
Finland – Prime yields expected to decrease slightly

Prime yields in Helsinki Metropolitan Area, %

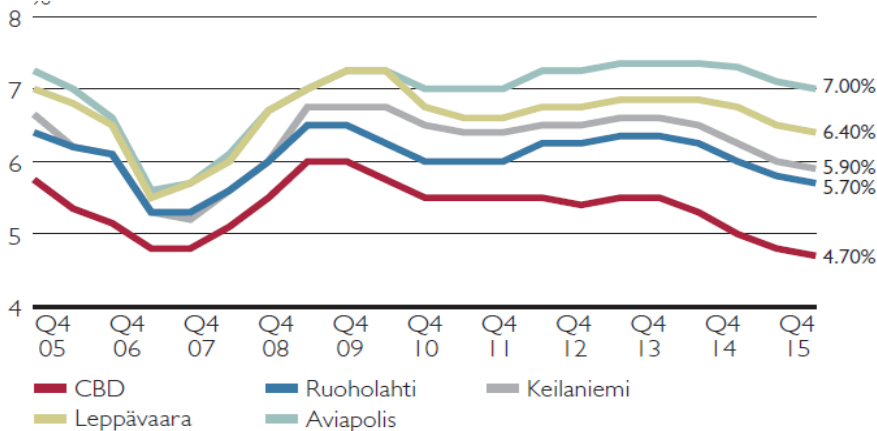


Particularly long lease agreements decrease yields by 0.1–0.3% points.

Vacancy rates in Helsinki Metropolitan Area, %

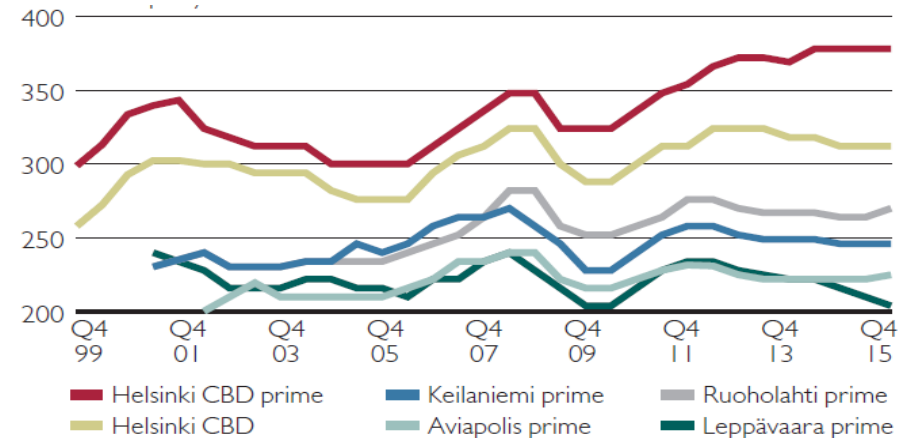


Office yields in Helsinki Metropolitan Area, %



Particularly long lease agreements decrease yields by 0.1–0.3% points.

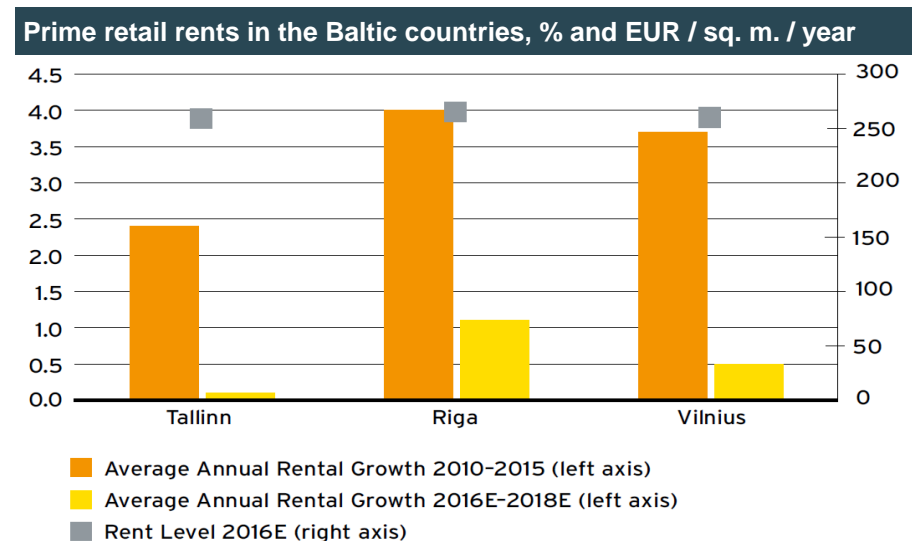
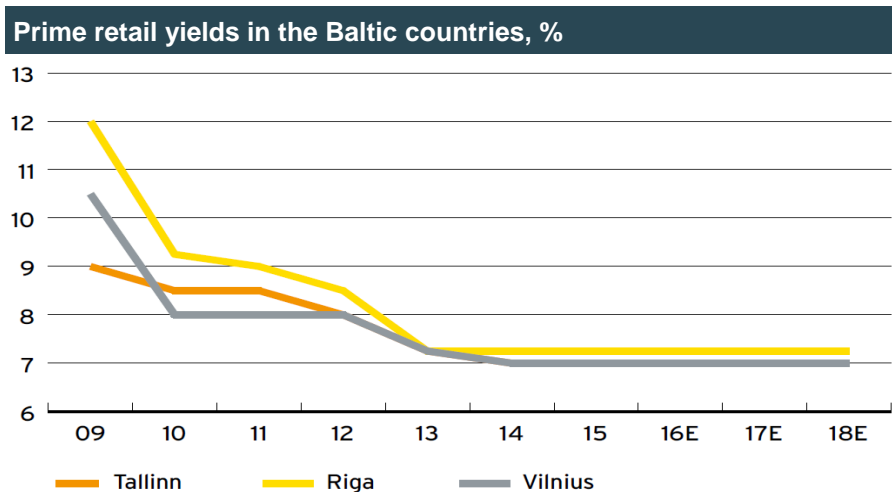
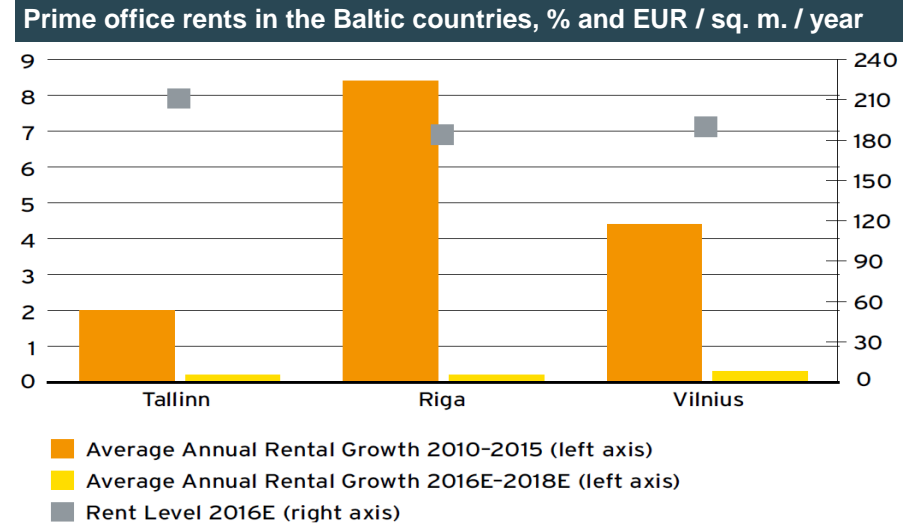
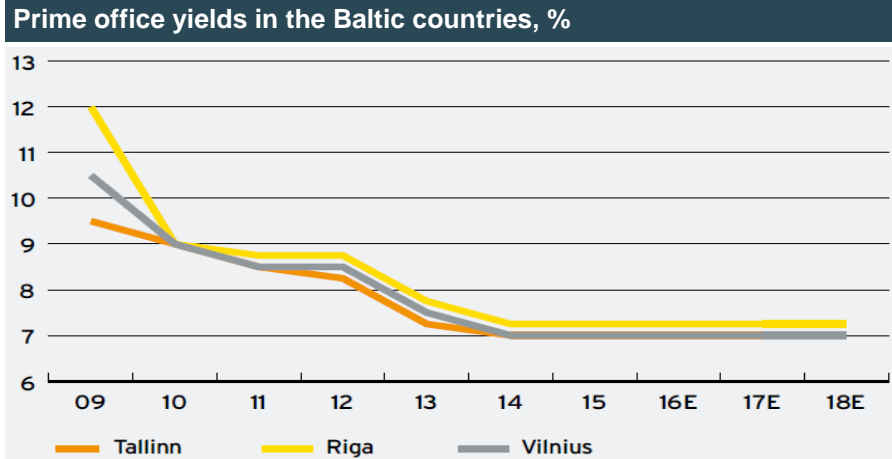
Rental levels of office premises (excl. VAT), new agreements, EUR / sq. m. / year



Source: Catella Finland Market Indicator, March 2016

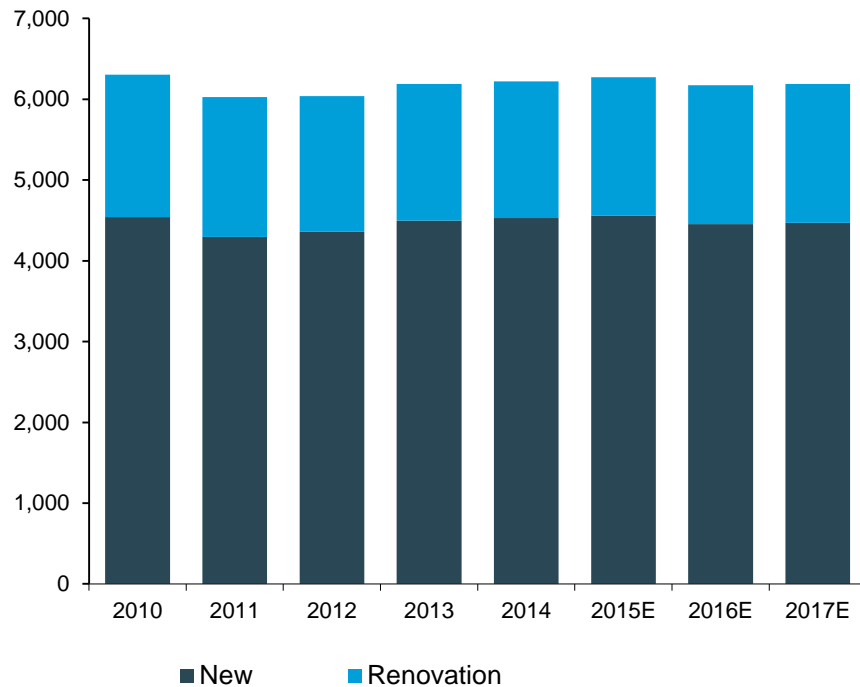


The Baltic countries – Yields are expected to remain stable

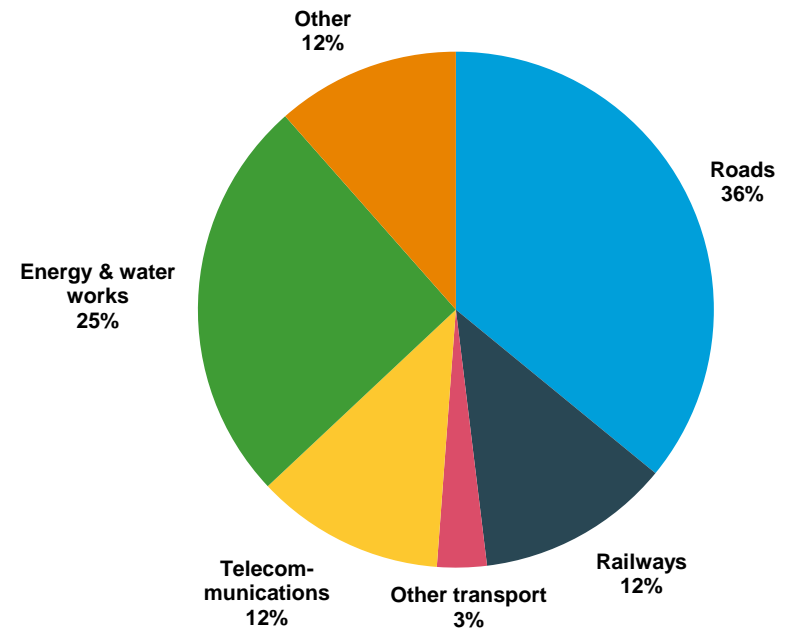


Infrastructure construction in Finland– Market expected to decrease slightly in 2016

Infrastructure market in Finland, EUR million



Infrastructure sectors in Finland (2015E)



IV

Ownership

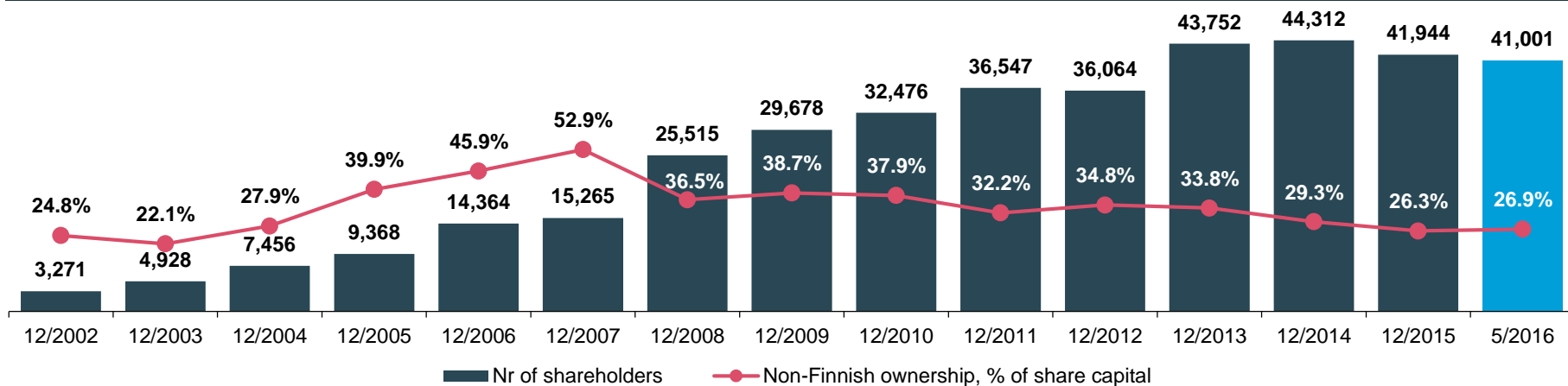


YIT's major shareholders

May 31, 2016

Shareholder	Shares	% of shares
1 Varma Mutual Pension Insurance Company	12,000,000	9.43
2 OP funds	5,321,638	4.18
3 Herlin Antti	4,710,180	3.70
4 Elo Mutual Pension Insurance Company	3,335,468	2.62
5 The State Pension Fund	2,600,000	2.04
6 Danske Invest funds	2,536,902	1.99
7 Nordea funds	2,065,910	1.62
8 YIT Oyj	1,646,767	1.29
9 Etera Mutual Pension Insurance Company	1,410,000	1.11
10 Mandatum Life Insurance Company Ltd.	1,000,000	0.79
10 largest, total	36,316,865	28.55
Nominee registered	33,407,993	26.26
Other shareholders	57,498,564	45.19
Total	127,223,422	100.00

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



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we can
do it.**