

Q4

Financial Statements Bulletin 2014
Kari Kauniskangas, President and CEO



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1

Group development in Q4/2014



Highlights in Q4/2014

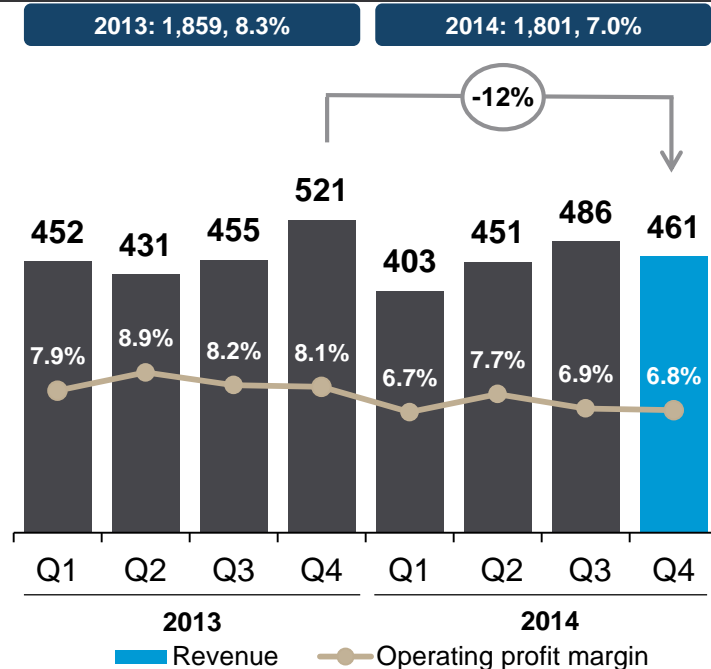
- Strong cash flow, net debt decreased
- Record high residential sales volume in Russia
- Operational risk level adjusted downwards
- Profits and balance sheet burdened by the weakening of the ruble



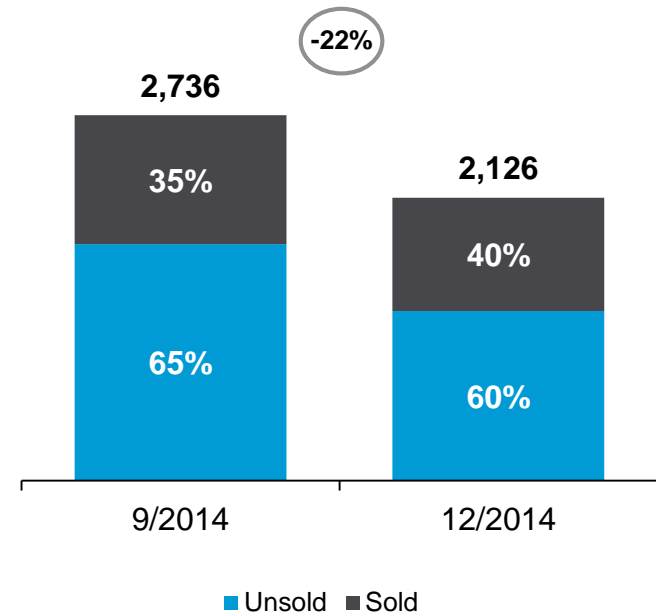
Group: Weakening of the ruble impacted revenue and order backlog negatively in Q4/2014

- Revenue decreased by 3% at comparable exchange rates
- Order backlog decreased due to the weakening of the ruble and low residential start-ups
- EUR -12.4 million non-recurring items burdened the operating profit
- Operating profit margin excluding non-recurring items decreased

Revenue and profitability, excluding non-recurring items (EUR million, %)



Order backlog (EUR million)



All figures according to segment reporting (POC)

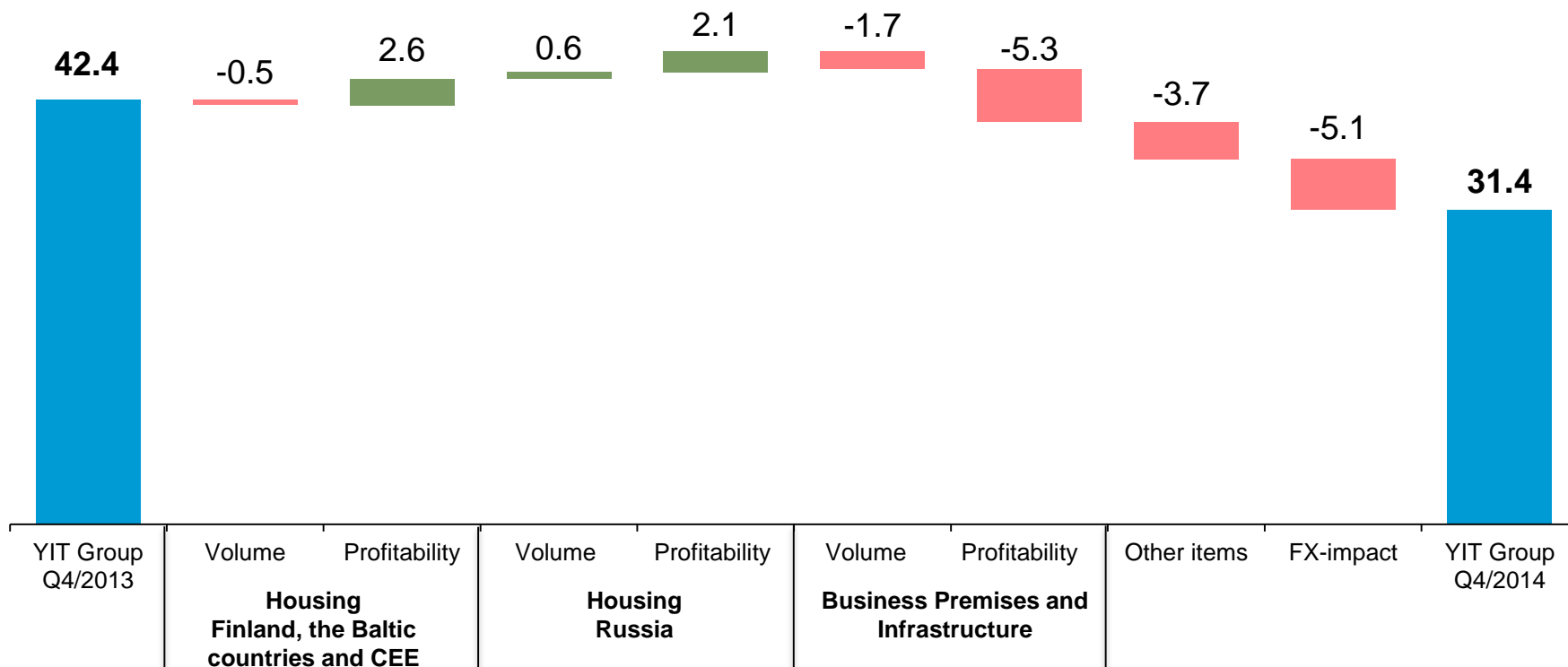
Non-recurring items in Q4/2014

- Restructuring costs
 - EUR 3.1 million due to streamlining of operations in Russia
 - Headcount reduction of approx. 300 people
 - EUR 0.4 million due to refocusing of operations in Finland
 - Internal rotation and headcount reduction of approx. 15 people
- Asset write-downs
 - Assets under the capital release program
 - EUR 3.0 million in Russia
 - EUR 6.0 million in the Baltic countries

EBIT – bridge Q4/2013 – Q4/2014

- Profitability decreased in Business Premises and Infrastructure, but improved in Housing
- Negative impact of other items increased due to the termination of an IT-service contract with Caverion and timing of group costs
- Weakening of the ruble decreased operating profit by EUR 5.1 million

EBIT, excluding non-recurring items (EUR million), change Q4/2013 – Q4/2014: -26%



2

Housing

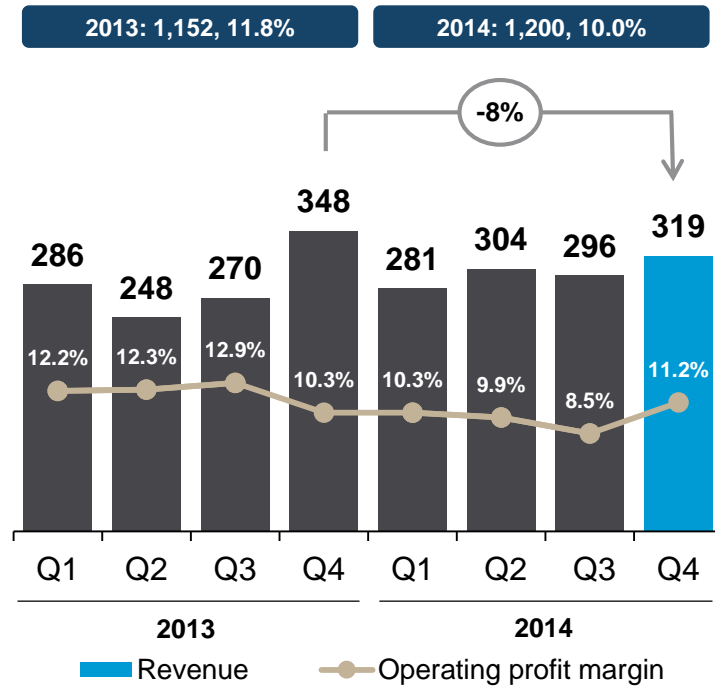


Housing:

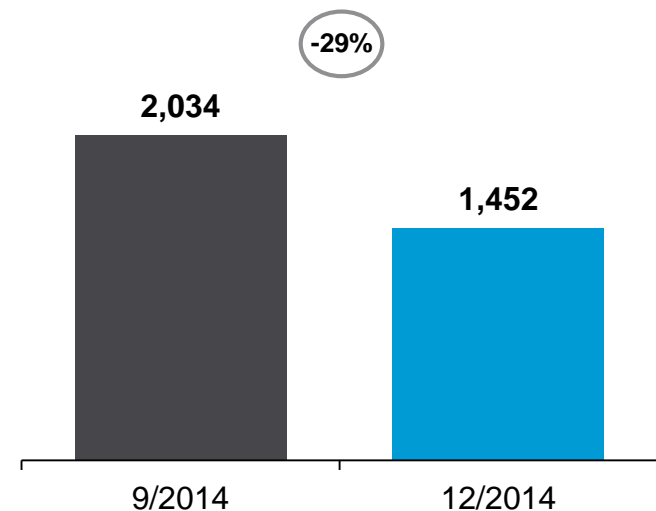
Revenue decreased, but profitability improved in Q4/2014

- Revenue grew by 5% at comparable exchange rates
- Profitability improved in both business areas
- Order backlog decreased due to the weakening of the ruble and low start-ups

Revenue and profitability, excluding non-recurring items (EUR million, %)



Order backlog (EUR million)

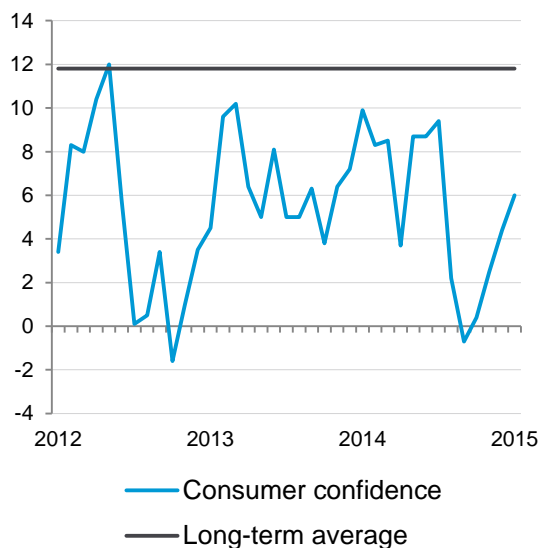


All figures according to segment reporting (POC)

Housing: Operating environment in Finland in Q4/2014

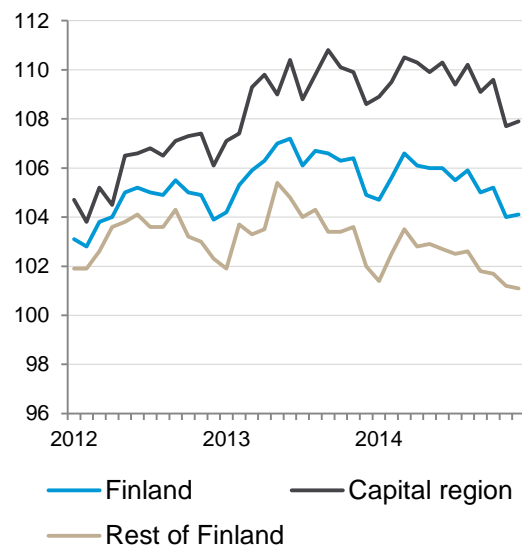
- Consumers continued to be cautious, but investors remained active
- Volatility in consumers' sentiment

Consumer confidence
01/2012-01/2015



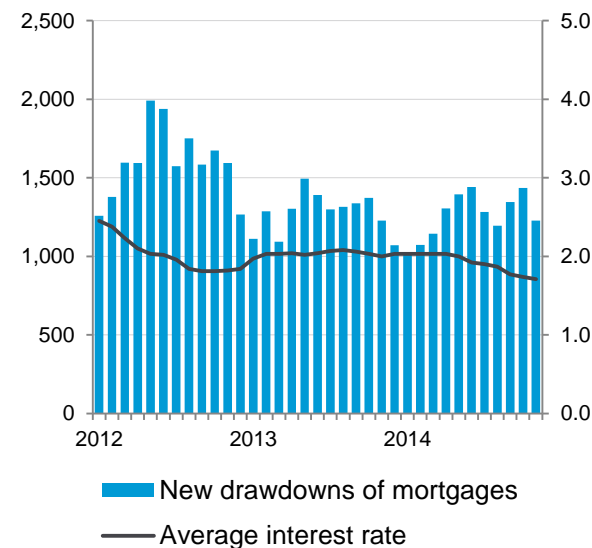
- Some price pressure in large apartments
- Good demand for small, affordable apartments

Prices of old apartments, Index (2010=100)



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

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

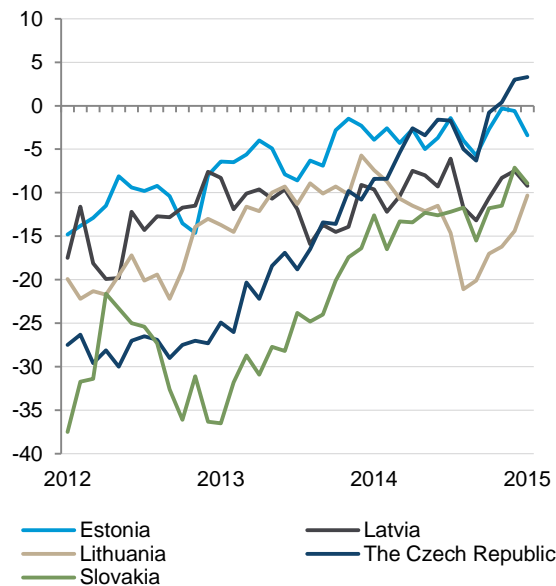


Sources: Statistics Finland and Bank of Finland

Housing: Operating environment in the Baltic countries and Central Eastern Europe in Q4/2014

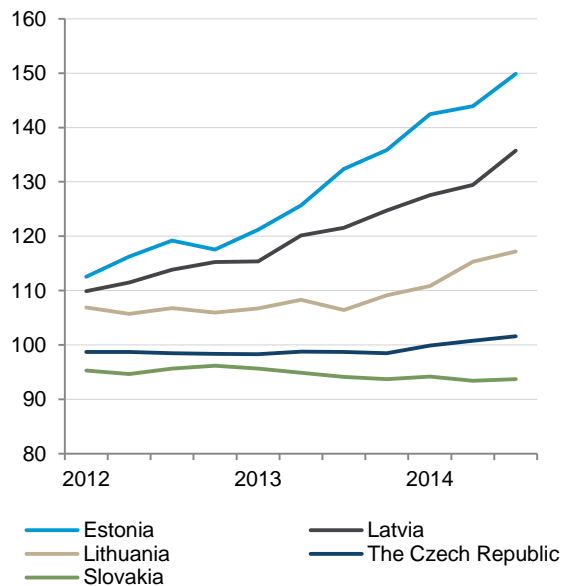
- Consumer confidence improved, but geopolitical tensions impacted the sentiment in Latvia and Lithuania

Consumer confidence



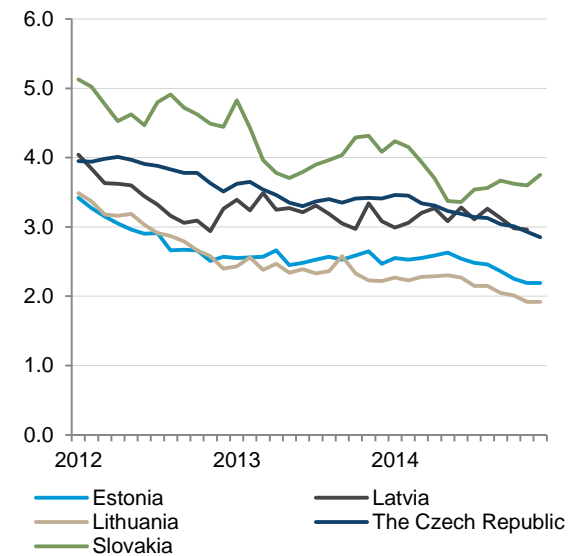
- Positive development in the macro economy has supported the residential market
- Residential prices have increased in the Baltic countries and remained stable in the Czech Republic and Slovakia

House price index, 2010=100



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

Average interest rate of mortgages (%)



Sources: European Commission, National Statistics Offices and National Central Banks

Housing Finland, the Baltic countries and CEE:

Revenue fairly stable in Q4/2014

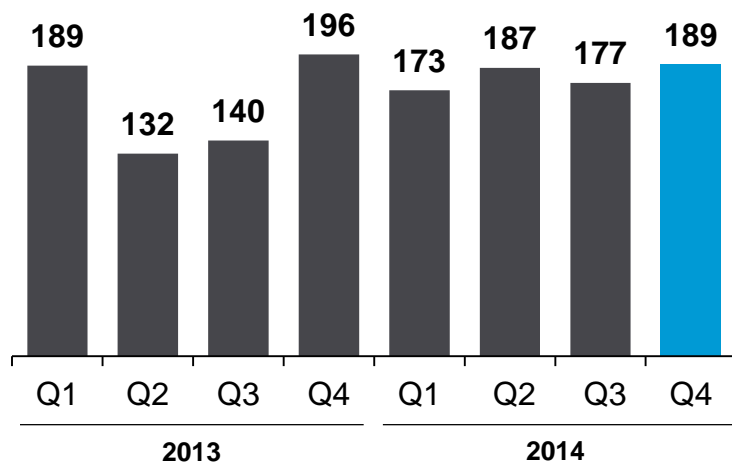
- Revenue fairly stable, good progress in the Baltic countries and CEE
- Order backlog decreased due to low start-ups, but several significant agreements and pre-agreements signed in Finland

Revenue (EUR million)

2013: 656

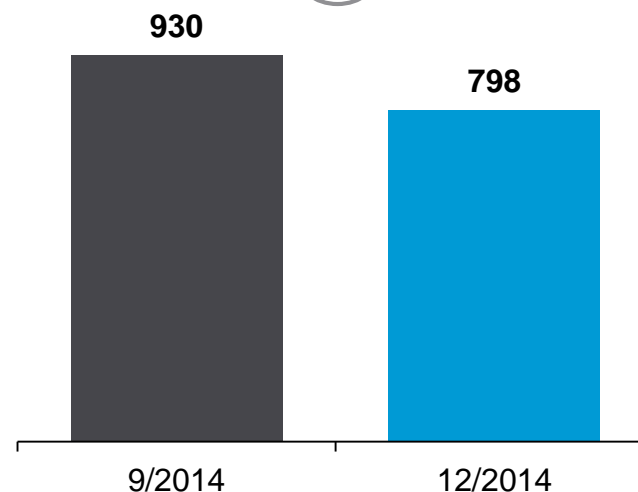
2014: 726

-3%



Order backlog (EUR million)

-14%



All figures according to segment reporting (POC)

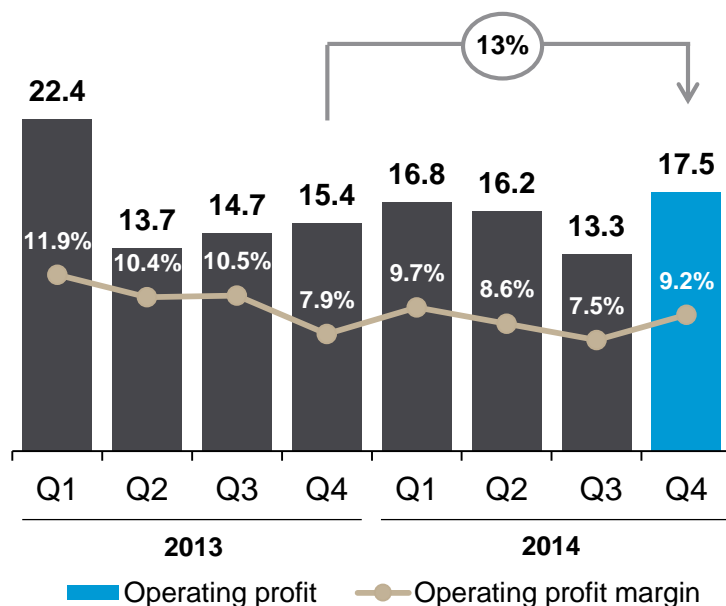
Housing Finland, the Baltic countries and CEE: Profitability improved in Q4/2014

- Profitability continued to improve in the Baltic countries and CEE
- Operative invested capital decreased

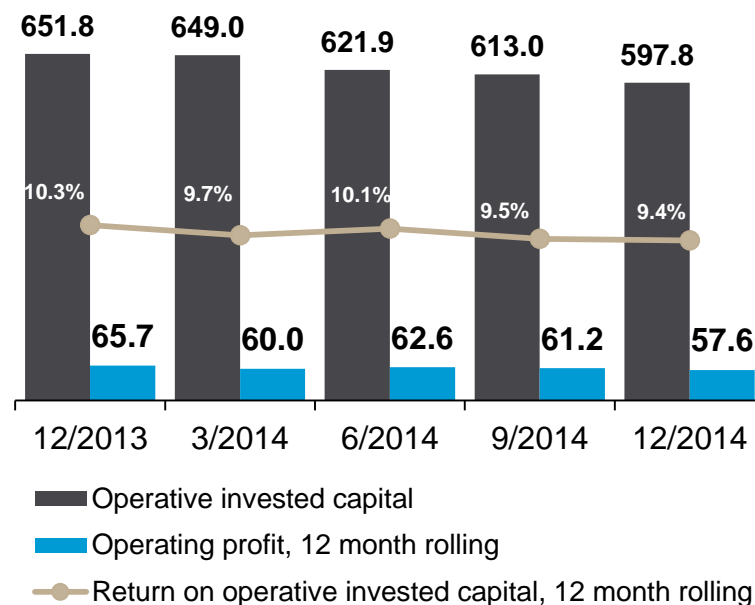
Operating profit and profitability,
excluding non-recurring items (EUR million, %)

2013: 66,2, 10.1%

2014: 63.7, 8.8%



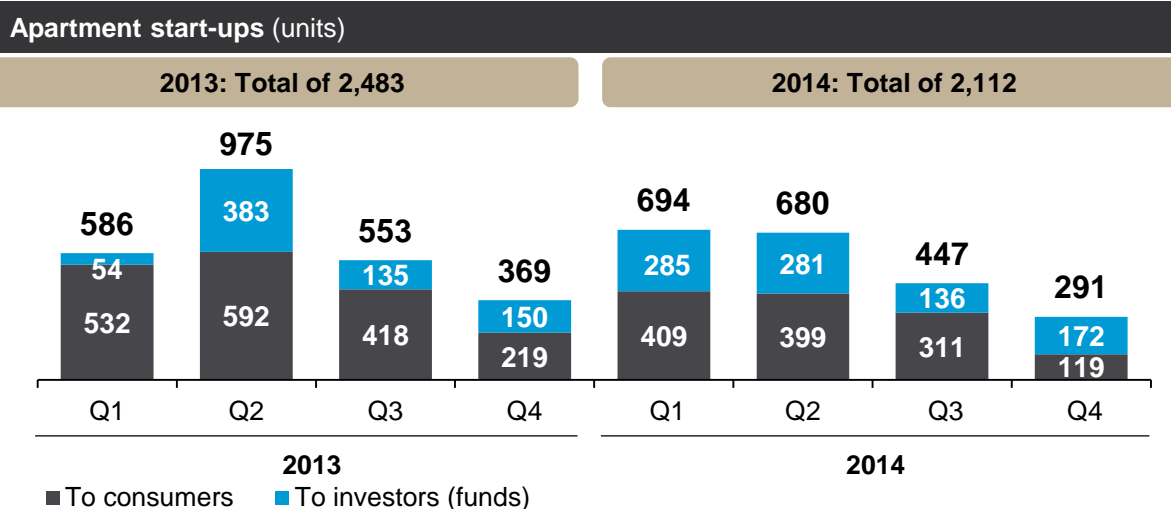
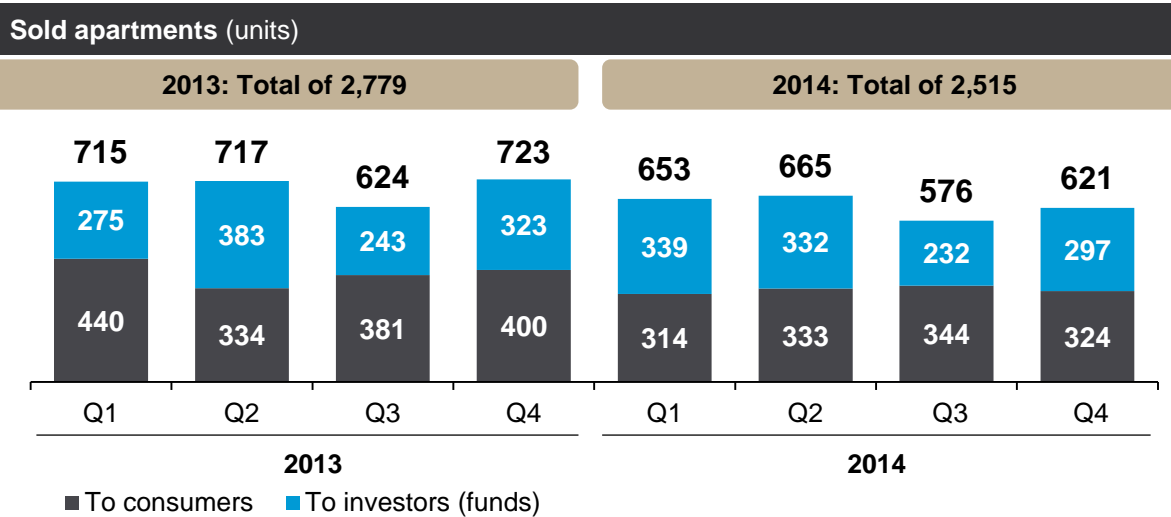
Return on operative invested capital (EUR million, %)



All figures according to segment reporting (POC)

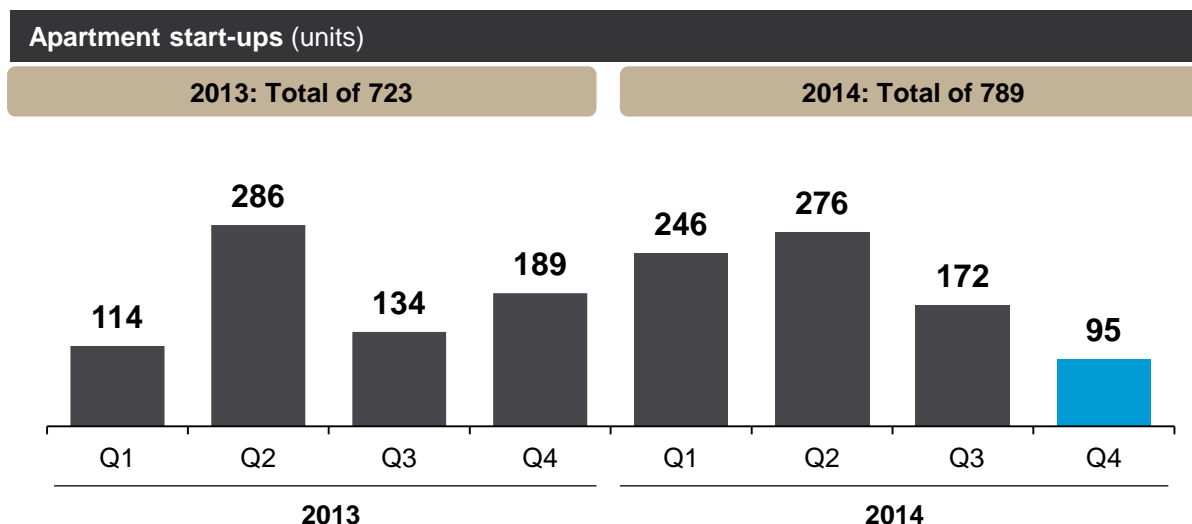
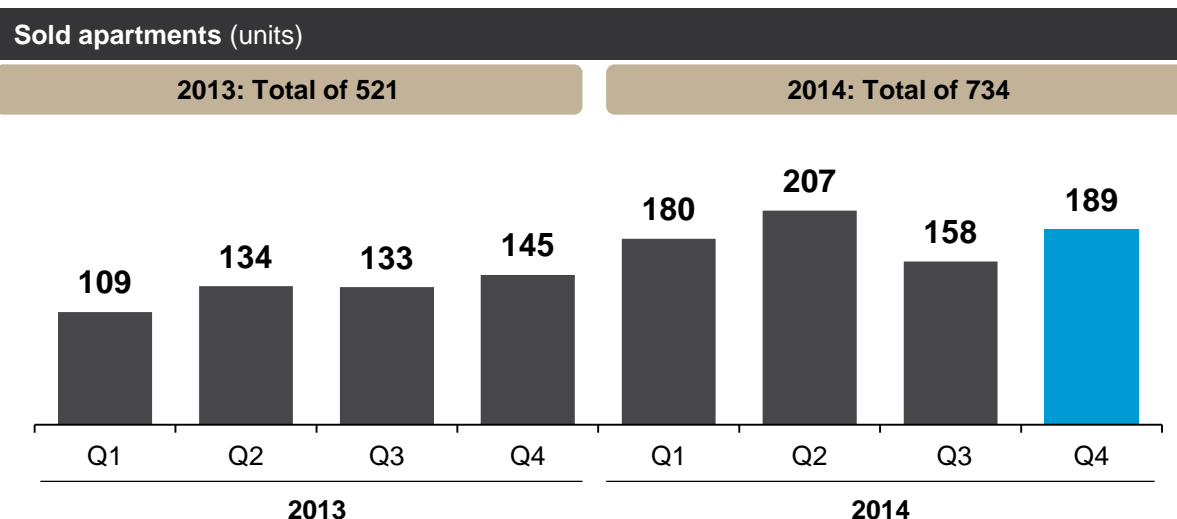
Housing:

Good activity in investor sales in Finland in Q4/2014



- Consumer demand stable on a low level
 - Investors' share of sales 48% in 2014 (44% in 2013)
- Consumer start-ups adjusted downwards
- Several significant pre-agreements signed
- In January, sales to consumers at around 80 units (1/2014: around 120 units)

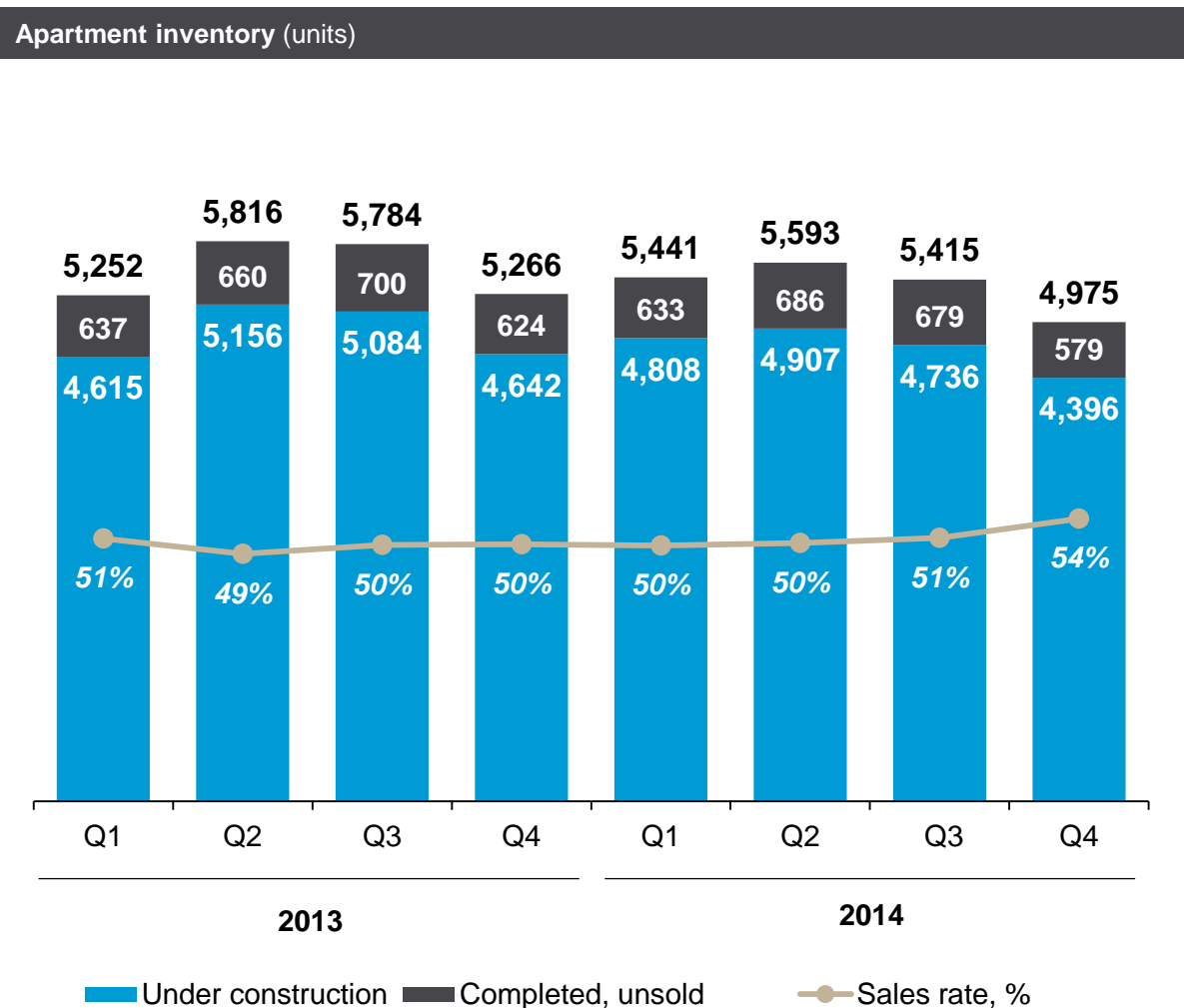
Housing: Sales continued to grow in the Baltic countries and CEE in Q4/2014



- Sales grew by 30% y-o-y
- Start-ups temporarily low
- In January, sales to consumers at around 40 units (1/2014: around 30 units)

Housing Finland, the Baltic countries and CEE: Fewer completed unsold apartments

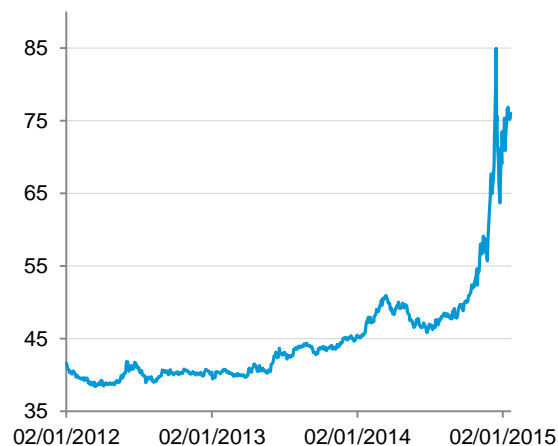
- Number of unsold completed apartments decreased in Finland
- The sales rate increased
- The share of the Baltic countries and CEE of the sales portfolio (units) increased to 39% (32% in 12/2013)



Housing: Operating environment in Russia in Q4/2014

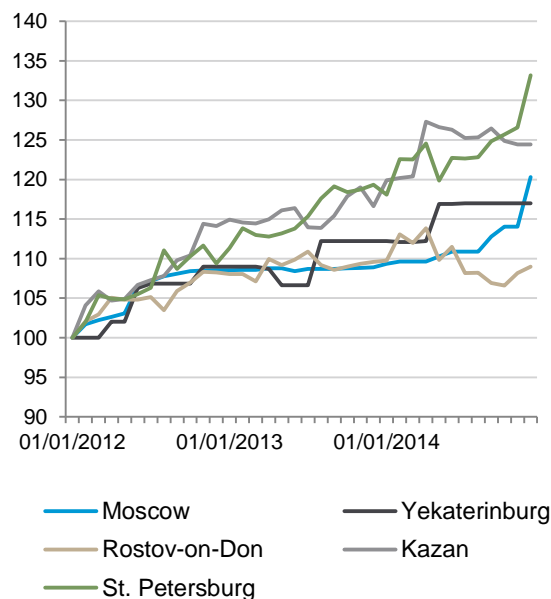
- The ruble weakened substantially

EUR/RUB exchange rate



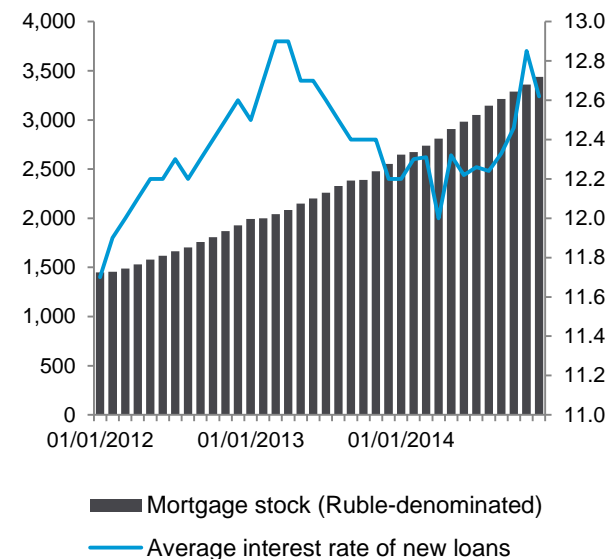
- Residential prices increased due to a spike in demand and increased inflation expectations at the end of the year

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



- The mortgage stock has continued to grow
- Mortgage interest rates have increased, but less than the increase in the CBR key rate
 - Interest rates on new mortgages at the turn of the year were at around 14.5-16.0%

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

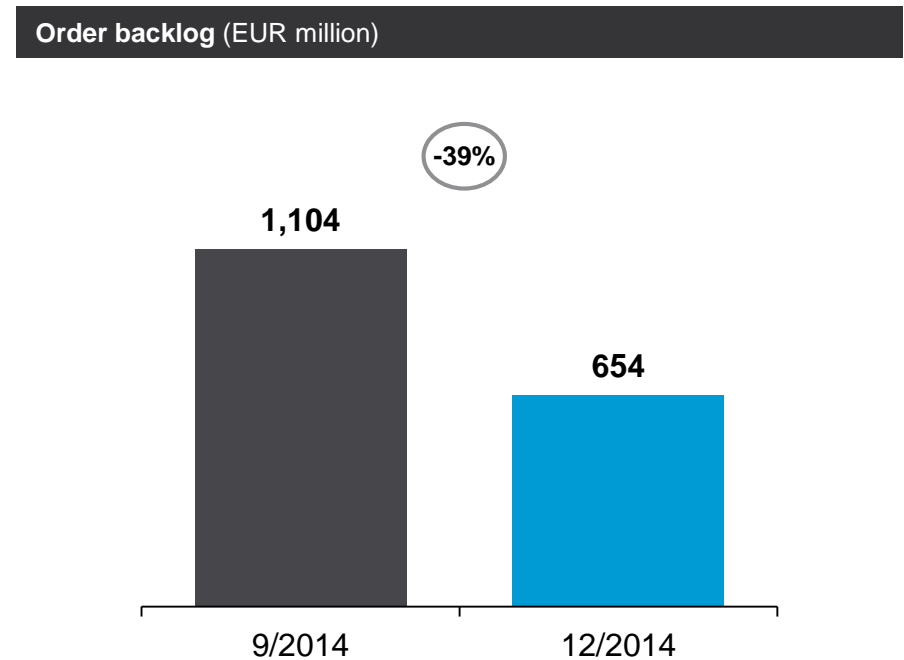
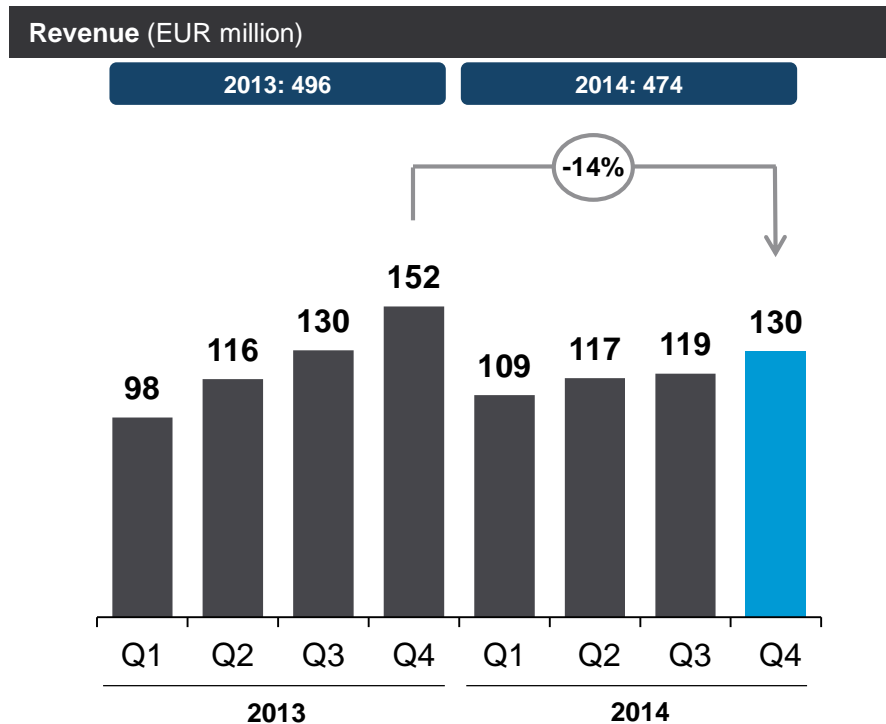


Sources: Bloomberg, YIT and Bank of Russia

Housing Russia:

Strong growth at comparable exchange rates in Q4/2014

- Revenue grew by 15% at comparable exchange rates
- Weakening of the ruble decreased the order backlog by EUR 306 million q-o-q



All figures according to segment reporting (POC).

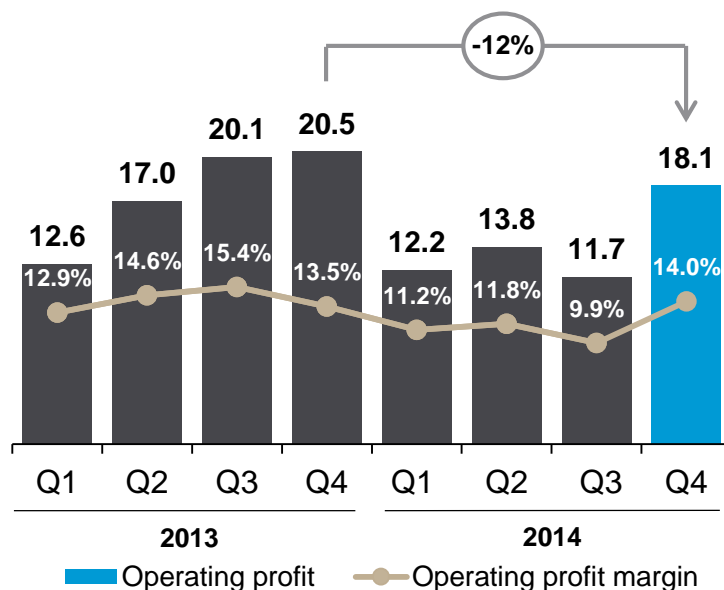
Housing Russia: Profitability improved in Q4/2014

- Profitability supported by record high residential sales volume and price increases towards the end of the year
- Weakening of the ruble impacted the operating profit negatively
- Weakening of the ruble decreased operative invested capital by EUR 172 million q-o-q

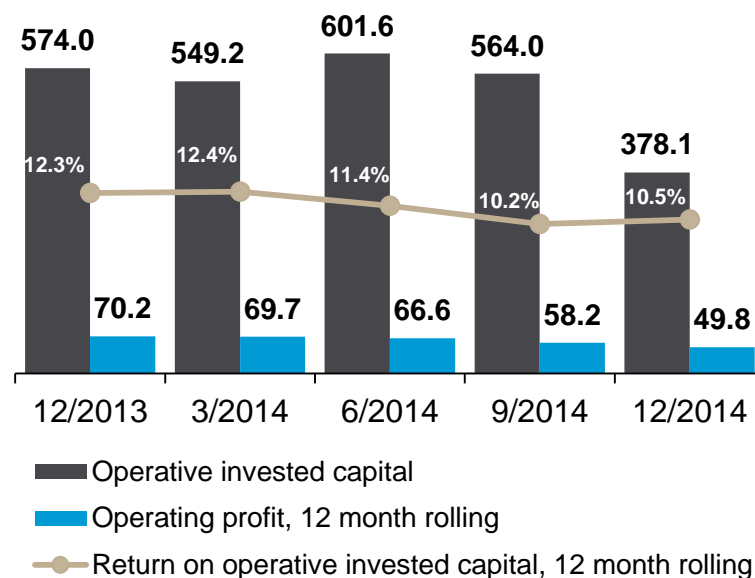
Operating profit and profitability, excluding non-recurring items (EUR million, %)

2013: 70.2, 14.1%

2014: 55.8, 11.8%



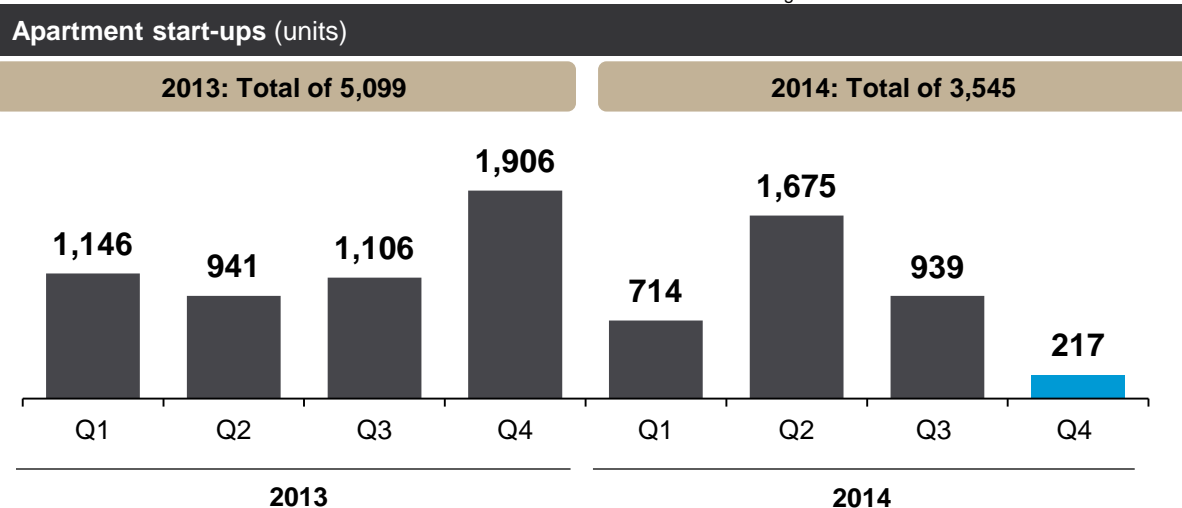
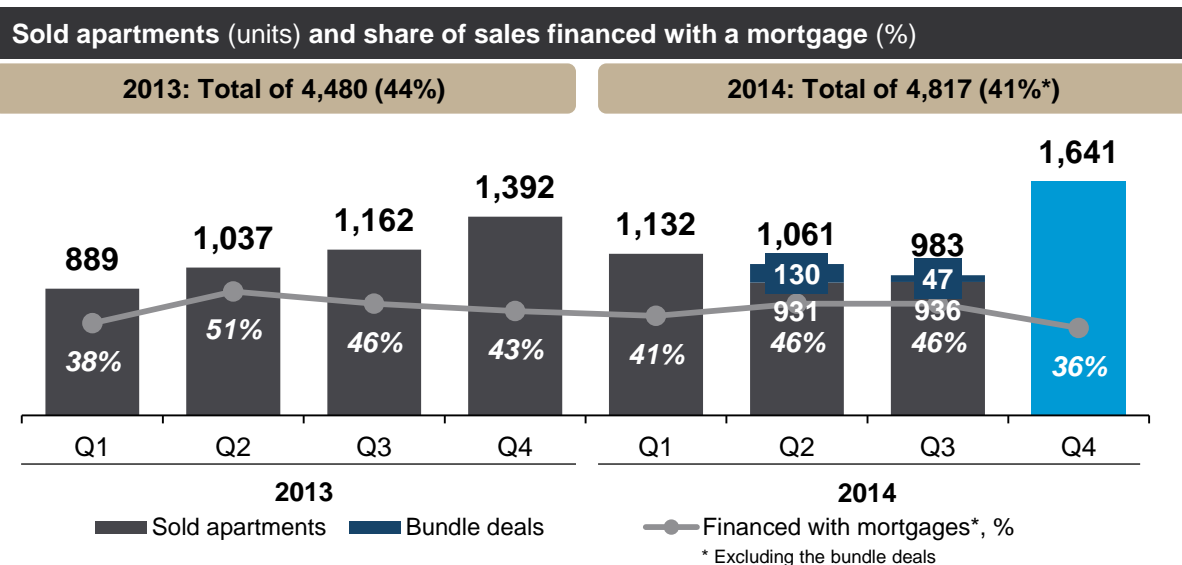
Return on operative invested capital (EUR million, %)



All figures according to segment reporting (POC)

Housing Russia:

Record high sales volume, only critical start-ups in Q4/2014

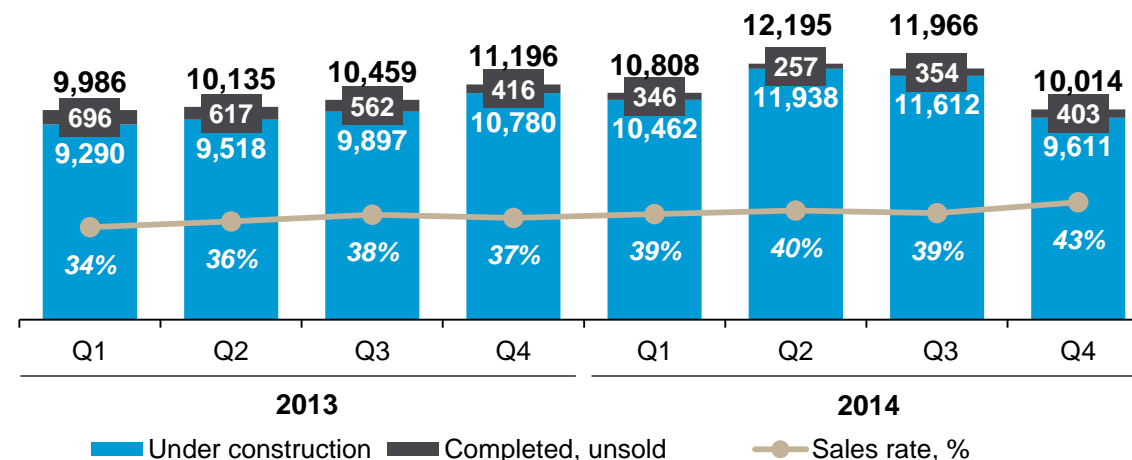


- Share of cash buyers high
- Start-ups adjusted downwards to reduce risk, readiness to increase start-ups sustained
- In January, sales to consumers at around 370 units (1/2014: around 300 units)

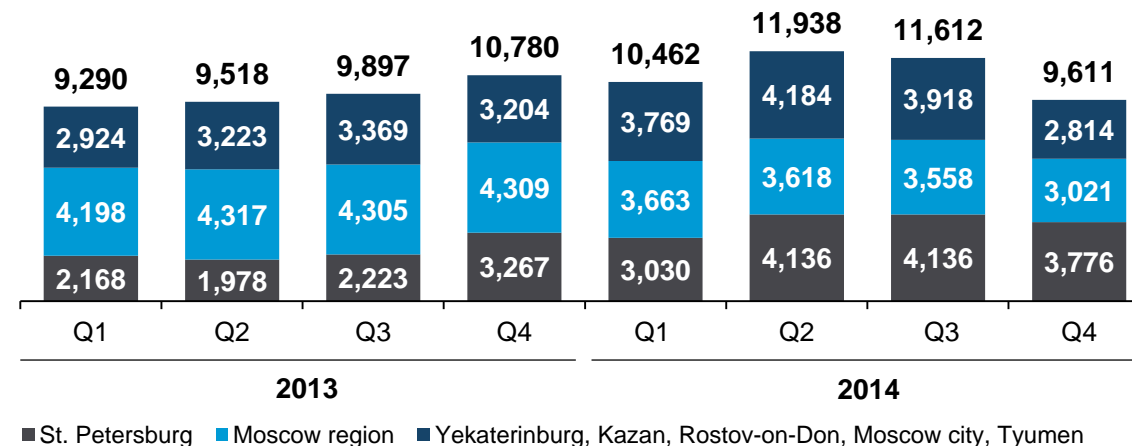
Housing Russia: Sales risk reduced in Q4/2014

- A lot of project completions combined with low start-ups decreased the production volume
- Completed unsold apartments still on a low level
- Sales rate increased

Apartment inventory (units)



Apartments under construction by city (units)



3

Business Premises and Infrastructure



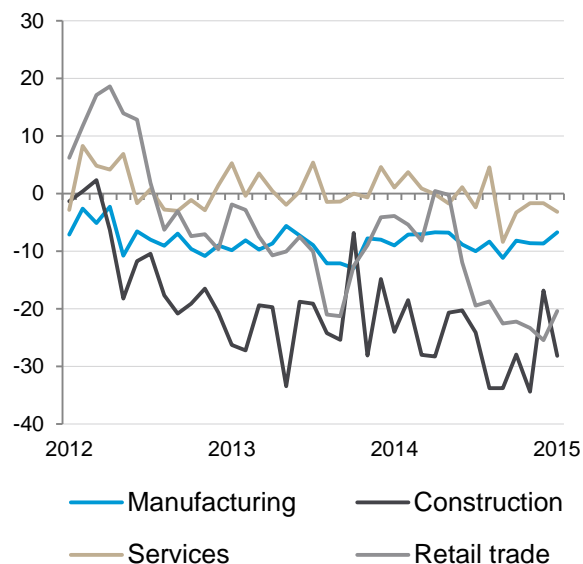
Business Premises and Infrastructure: Operating environment in Q4/2014

- Office and commercial markets remained weak
- Opportunities emerging in contracting

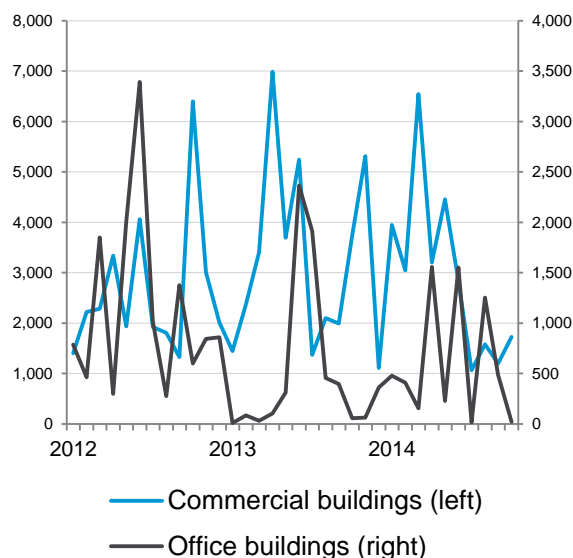
- End-users cautious, especially in the retail sector
- Investor interest on a good level in prime locations, but weak elsewhere
- Deal activity focused on the secondary market

- Positive macro outlook supported the business premises market in the Baltic countries and Central Eastern Europe

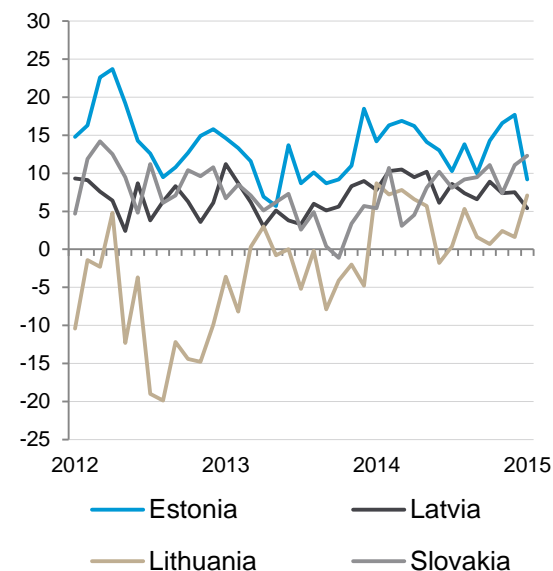
Confidence indicators in Finland



Granted building permits in Finland, thousand m³



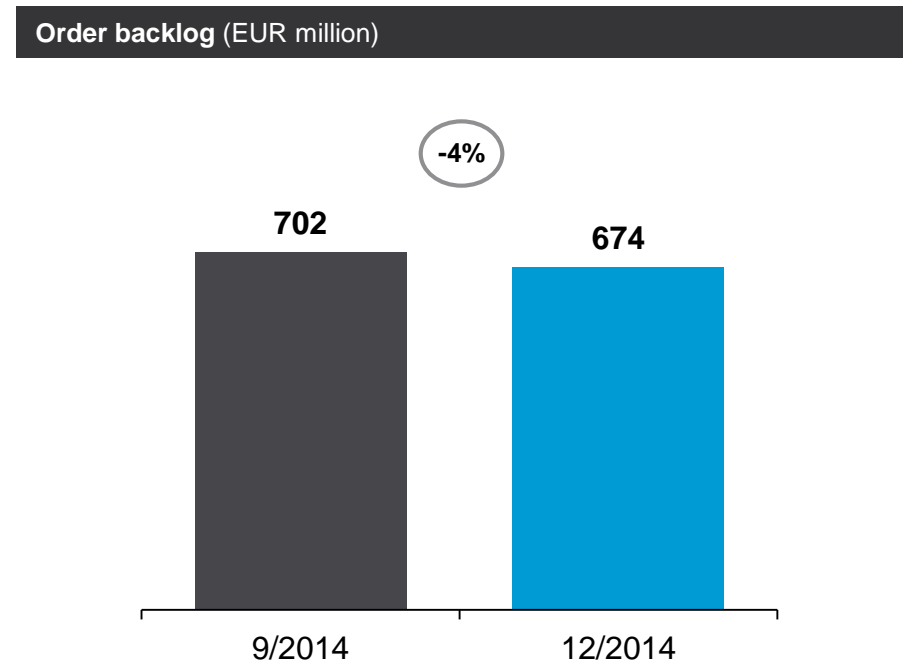
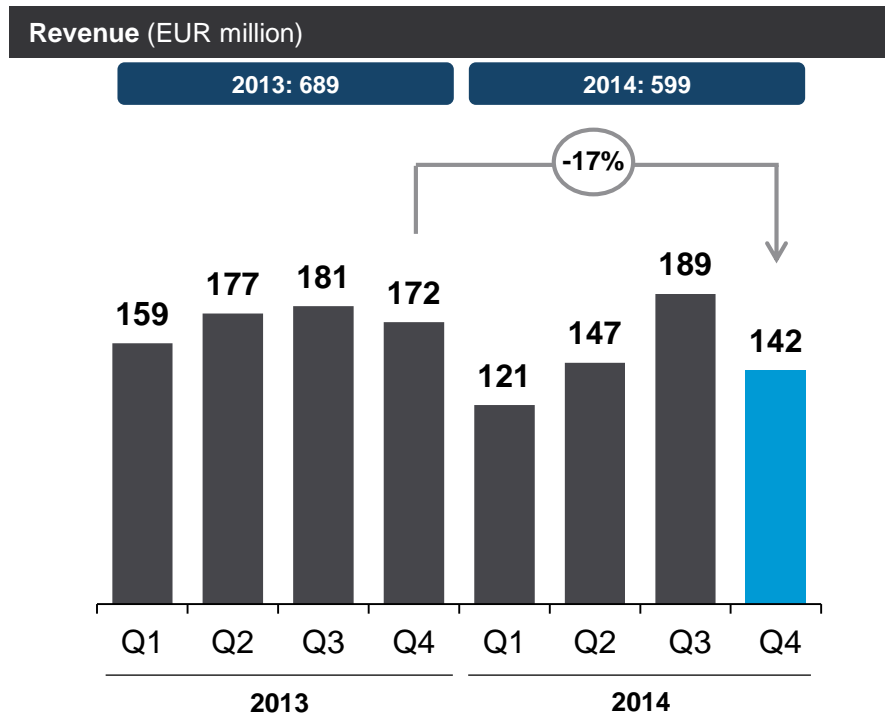
Retail trade confidence in the Baltic countries and Slovakia



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

Business Premises and Infrastructure: Low revenue in Q4/2014

- Revenue decreased due to the weak business premises market in Finland and timing of the infrastructure projects
- The order backlog increased by 5% y-o-y, a slight decrease q-o-q



All figures according to segment reporting (POC)

Business Premises and Infrastructure:

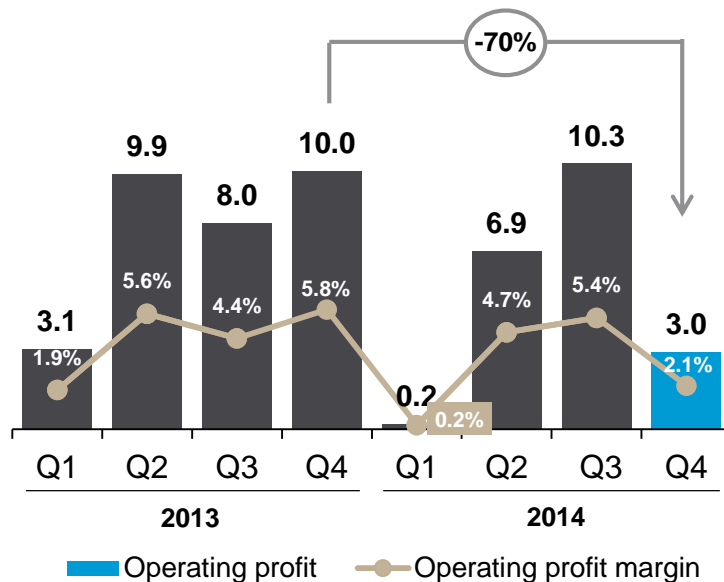
Profitability hurt by low volume in Q4/2014

- Profitability was low due to the low volume
- Operative invested capital decreased due to the closing of the Dixi shopping centre deal

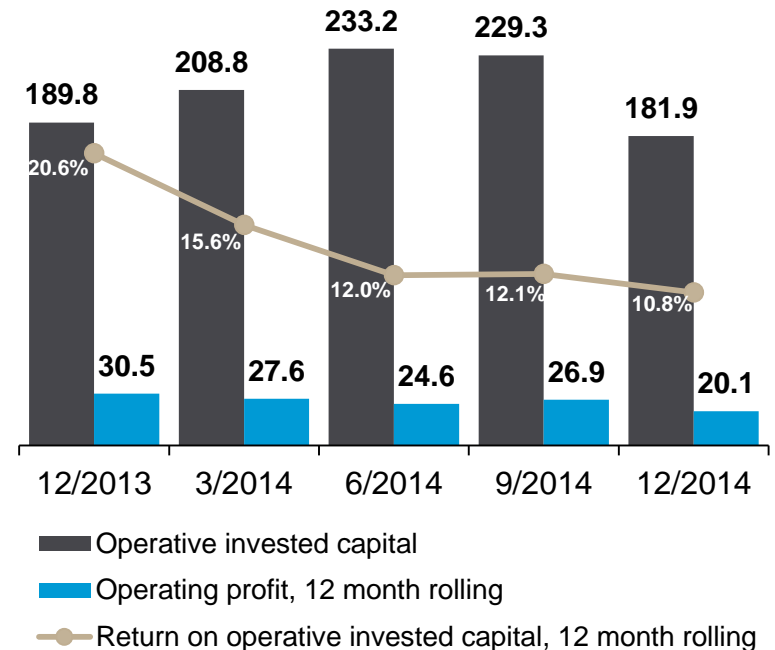
Operating profit and profitability, excluding non-recurring items (EUR million, %)

2013: 31.0, 4.5%

2014: 20.4, 3.4%



Return on operative invested capital (EUR million, %)



All figures according to segment reporting (POC)

Business Premises: Progress in Q4/2014

- Success in contracting in all operating countries
- Several agreements on the construction of care facilities in Finland
- Sale of two self-developed business premises, one in Vuosaari, Helsinki and one on Porarinkatu, Espoo
 - Projects in early phase
- The Tripla-project proceeded as planned
 - A launch event for potential tenants received good interest
 - City council approved the city plan
 - Positive feedback from investors
- Refocusing of the operations in line with the changes in the operating environment in Finland



National Archive
Tartto, Estonia

Infra Services: Progress in Q4/2014

- The E18 Hamina bypass was opened for traffic
- Progress in the development of wind power projects
- The development phase of the Naantali CHP alliance project proceeded as planned
- Several new contracts in the pipeline
- Preparation of tenders of major route projects



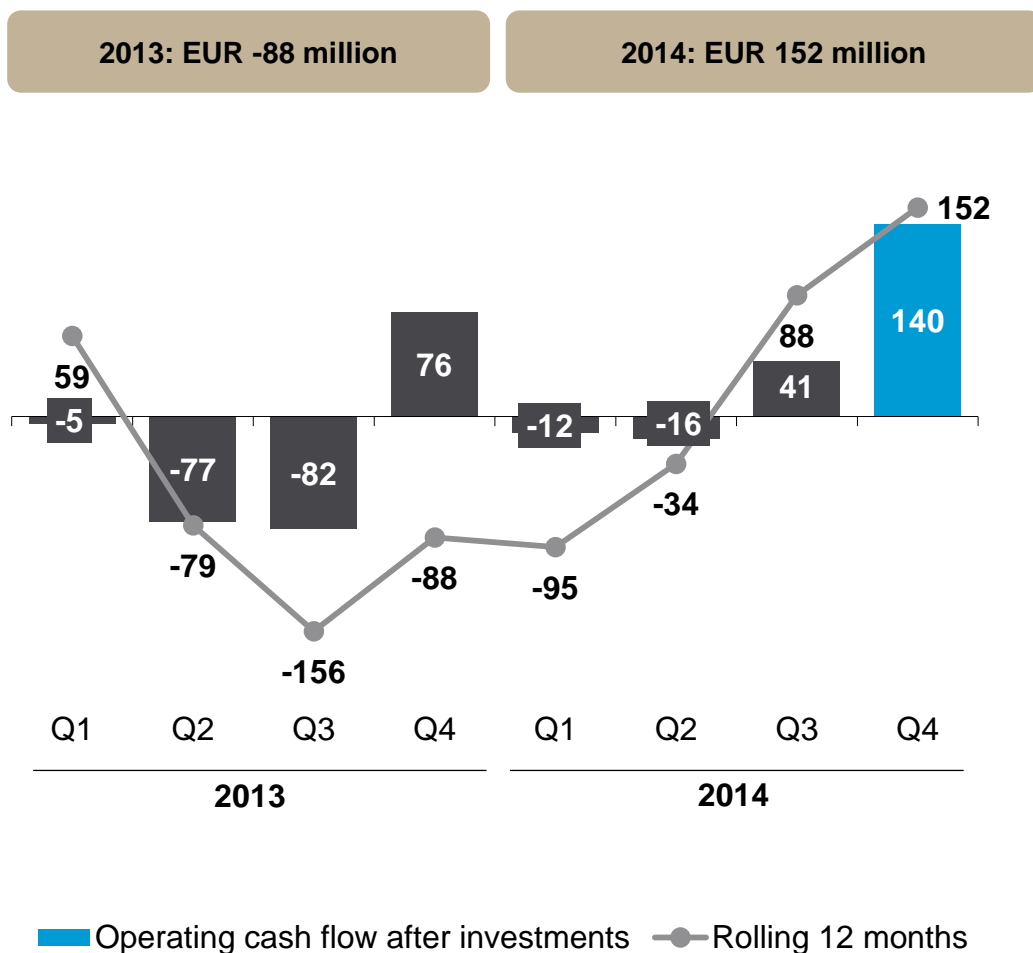
4

Financial position and key ratios



Cash flow after investments and dividend strong in 2014

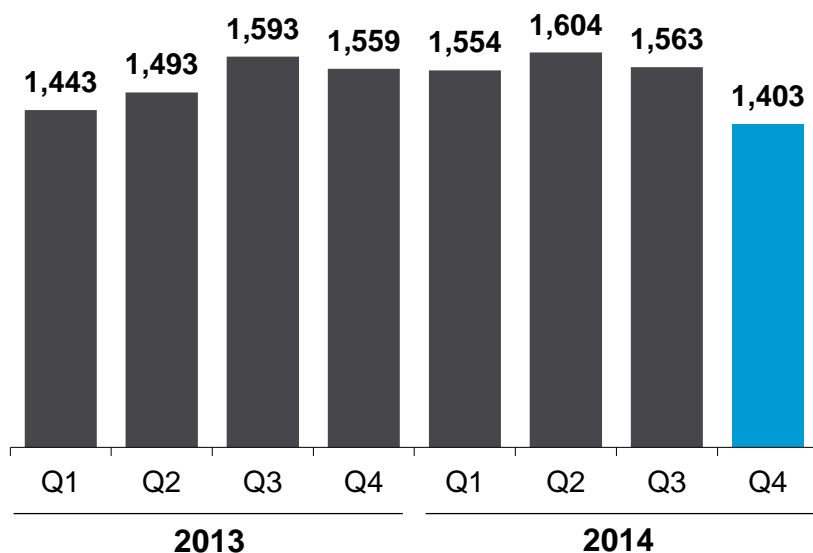
- Very strong operating cash flow after investments in Q4/2014
- Cash flow of plot investments EUR 21.3 million in Q4/2014 (Q4/2013: EUR 40.1 million)
- Cash flow of plot investments EUR 118.7 million in 2014 (2013: EUR 171.4 million)



Invested capital and ROI

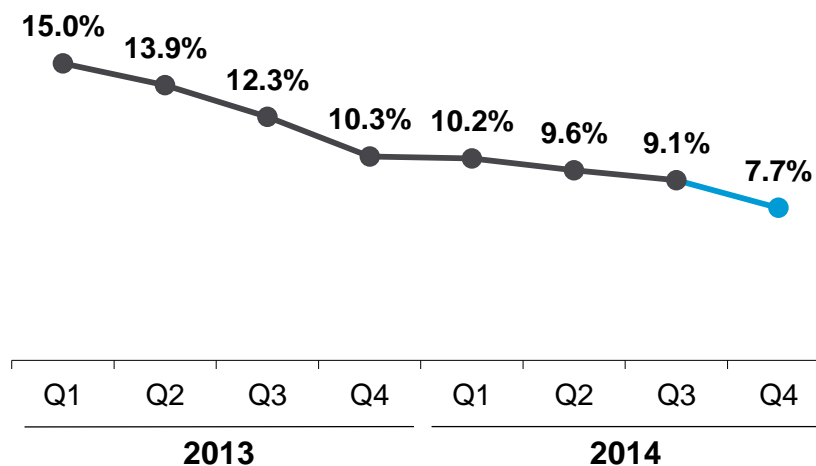
- Weakening of the ruble decreased invested capital by EUR 129.6 million q-o-q
- ROI unsatisfactory

Invested capital (EUR million)



Return on investment (%), rolling 12 months

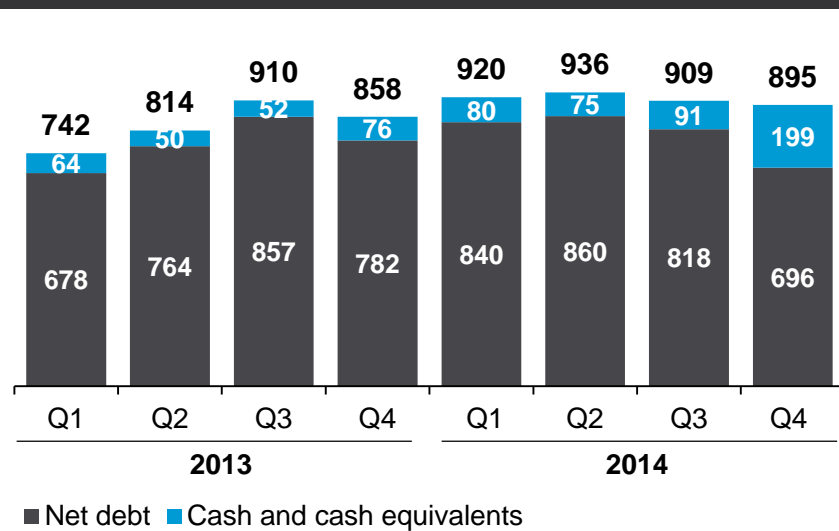
Short term target:
Return on investment 15% by the end of 2016



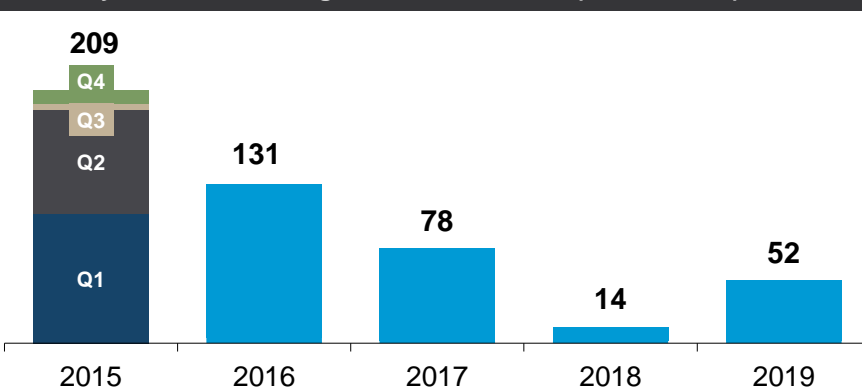
All figures according to segment reporting (POC)

Net debt decreased significantly due to strong cash flow in Q4/2014

Interest-bearing debt (EUR million), IFRS



Maturity structure of long-term debt 12/2014 (EUR million)

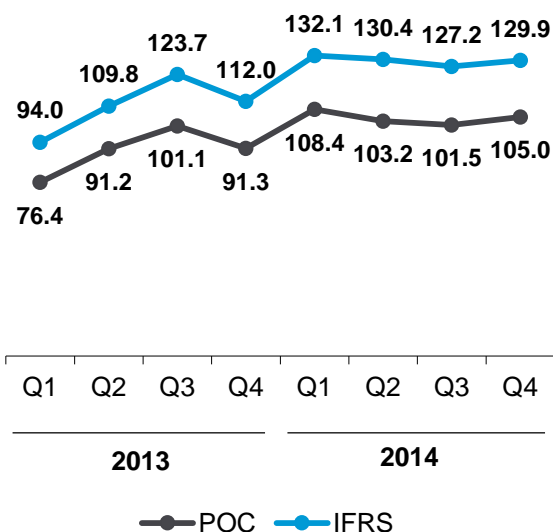


- Strong liquidity buffer at year end
 - Cash and cash equivalents of EUR 199.4 million
 - Overdraft facilities of EUR 57.9 million
 - Undrawn revolving credit facility of EUR 300 million
- Refinancing preparations for H1/2015 maturities ongoing
- Target to reduce net debt to below EUR 600 million by the end of 2016

The weakening of the ruble impacted the key ratios

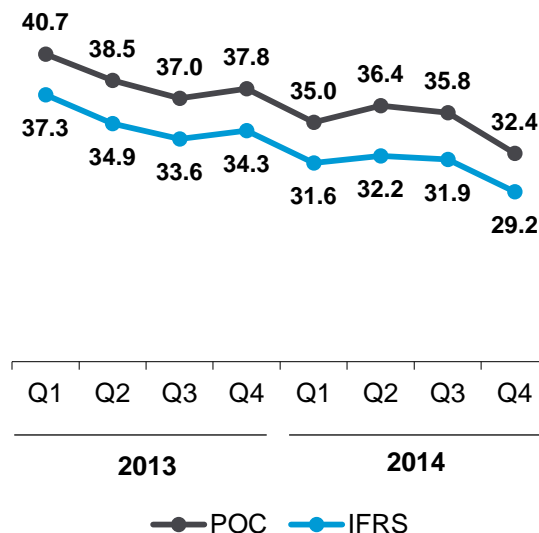
- Due to the strong volatility of the ruble, YIT has agreed that the bank syndicate waive the gearing covenant of the EUR 300 million RCF until February 28, 2015
- A gearing covenant was added also to one bank loan in line with the original agreement at the end of December, similar waiver obtained

Gearing (%)



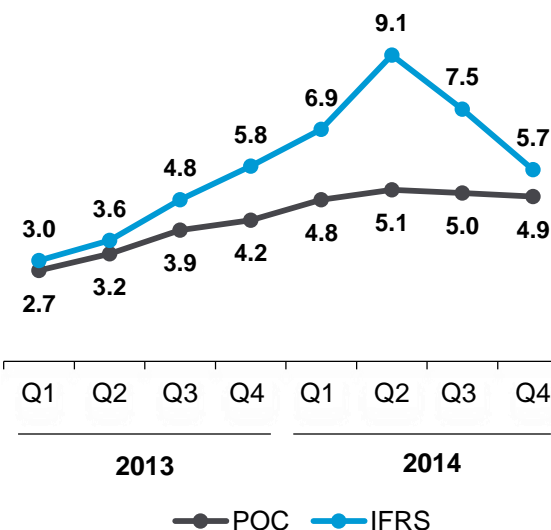
Financial covenant tied to gearing (maximum level of 150.0%, IFRS) in the syndicated RCF agreement and in one bank loan.

Equity ratio (%)



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

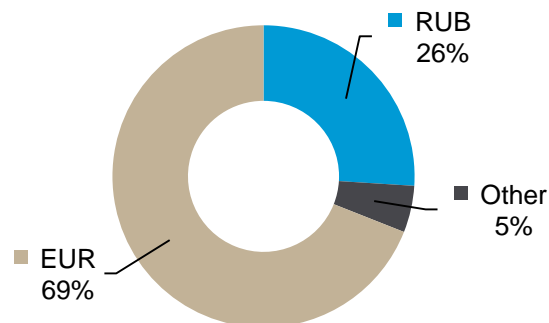
Net debt/EBITDA (Multiple, x)



Note: Q1/2013 non-IFRS figures, published May 21, 2013.

Weakening of the ruble weighed on the 2014 results

Revenue split 2014



Impact of changes in foreign exchange rates (EUR million)

	Q4/2014	1-12/2014
Revenue, POC ¹⁾	-45.1	-99.0
EBIT, POC ¹⁾	-5.1	-11.8
Order backlog, POC	-305.8 ²⁾	-401.9 ³⁾
Equity, IFRS (translation difference)	-129.7 ²⁾	-166.9 ³⁾

¹⁾ Compared to the corresponding period in 2013

²⁾ Compared to the end of previous quarter

³⁾ Compared to the end of 2013

- The Russian ruble was 17% weaker in 2014 on average compared to 2013
 - Average EUR/RUB rate: 51.04
 - Year-end EUR/RUB rate: 72.34

Principles of managing currency risks

- Sales and costs typically in same currency, all foreign currency items hedged
→ no transaction impact
- Currency positions affecting the income statement are hedged
 - Loans to subsidiaries in local currency, EUR 70.9 million in 12/2014 to Russian subsidiaries
- Equity and equity-like investments in Russia not hedged
 - Considered to be of permanent nature
 - FX changes recognized as translation difference in equity
 - Total exposure: EUR 243.6 million in 12/2014

Good progress in capital release

Target for capital release	Actions in Q4/2014	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 5 million
Selling self-developed business premises projects in Finland (under construction) EUR 80 million	<ul style="list-style-type: none"> Closing of the Dixi deal, cash in 	<ul style="list-style-type: none"> Over EUR 70 million
Slow-moving assets >EUR 150 million*	<ul style="list-style-type: none"> Several smaller deals in Russia and the Baltic countries 	<ul style="list-style-type: none"> EUR 55* 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"> Plots worth EUR 5 million sold and EUR 10 million worth of pre-agreements transferred to Hypo 	<ul style="list-style-type: none"> The value of plots financed by external partner EUR 49 million

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

5

The year 2014



Apila residential area
Moscow region, Russia

Good progress in strategy execution in 2014

Wider financial operating space

- Successful execution of the capital release program

Ensuring competitiveness and differentiation

- New competitiveness program launched
- Improving quality and customer experience
- The organisation was refocused to adapt to the change in the operating environment in Finland

Growth from self-developed and high value added projects

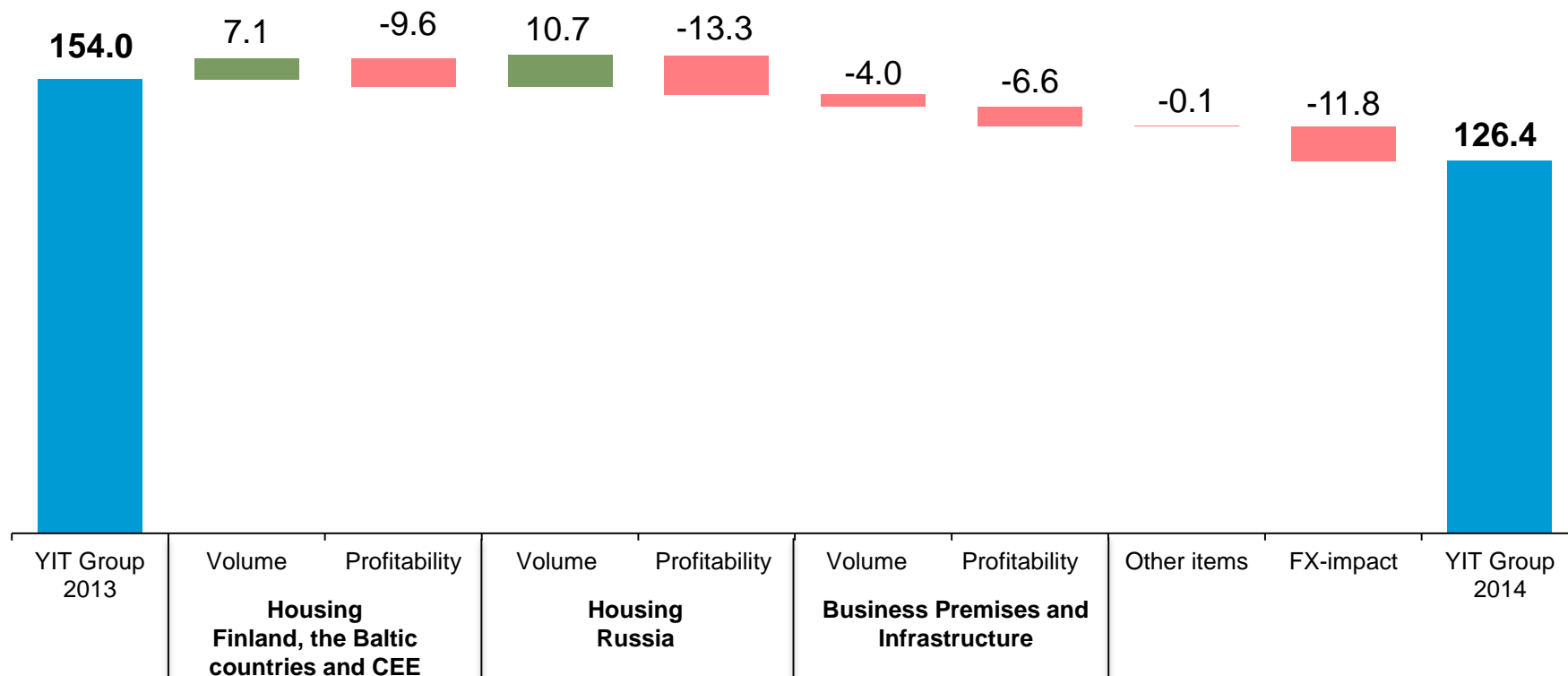
- Several new co-operation projects won
- The Tripla-project progressed as planned
- CEE's share of revenue increased, strong growth in residential sales volume



EBIT – bridge 2013 – 2014

- Profitability burdened by actions to ensure strong cash flow in a demanding market environment

EBIT, excluding non-recurring items (EUR million), change 2013 – 2014: -18%



2014: Strong cash flow, net debt decreased

Financial targets for 2015 and 2016	
Revenue growth	0-5% annually on average
Return on investment	15%
Net debt (IFRS)	Below EUR 600 million

- Long-term targets unchanged

Financial targets	2014	2013
Revenue growth 5 - 10% annually on average	-3%, 2% at comp. exchange rates	-5%
Return on investment 20%	7.7%	10.3%
Operating cash flow after investments sufficient for dividend payout and debt reduction	EUR 152 million	EUR -88 million
Equity ratio 40%	32.4%	37.8%
Dividend payout 40 to 60% of net profit for the period	40.0%*	50.7%

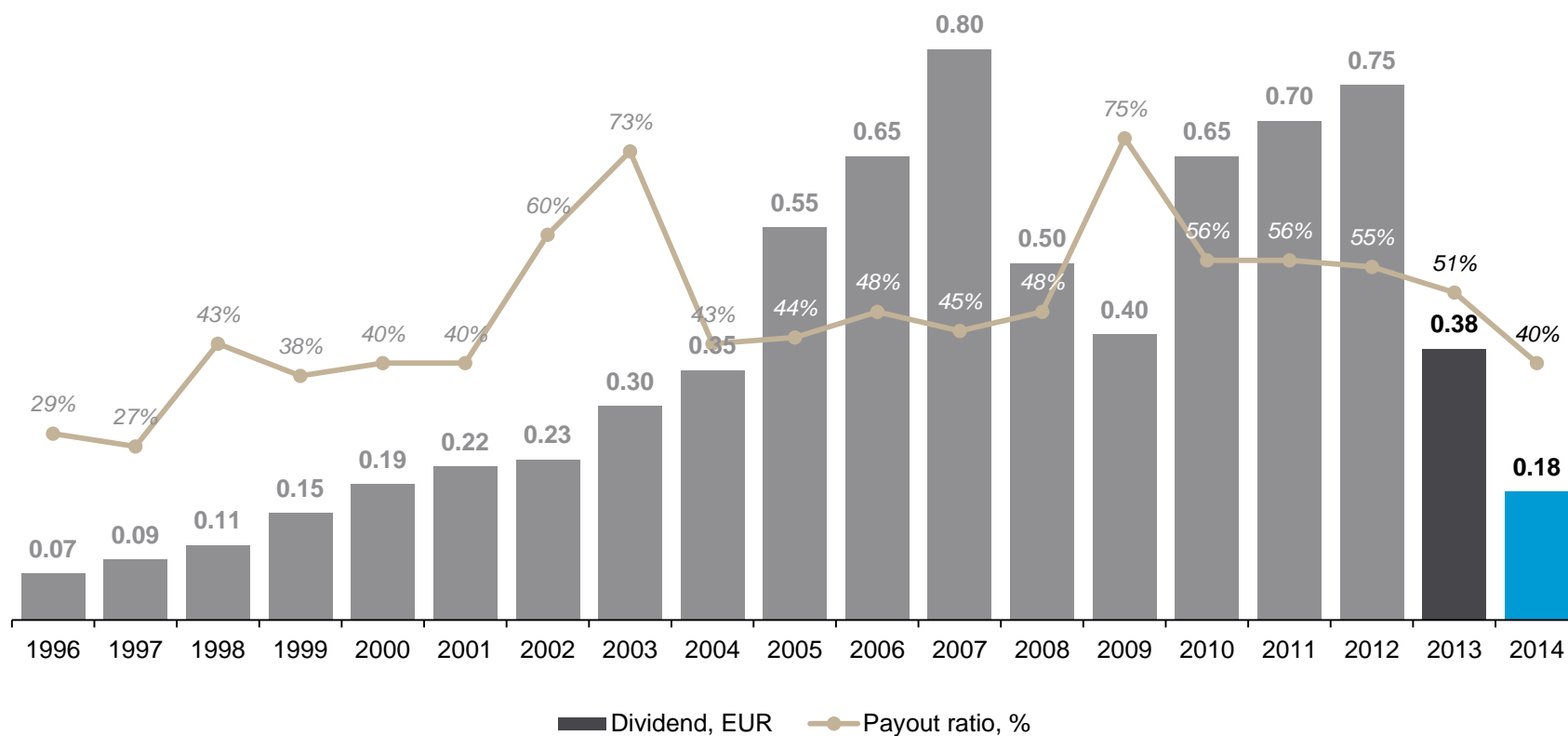
All figures according to segment reporting (POC), unless otherwise noted

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

Proposal to AGM: Dividend of EUR 0.18

Dividend / share (EUR)

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



6

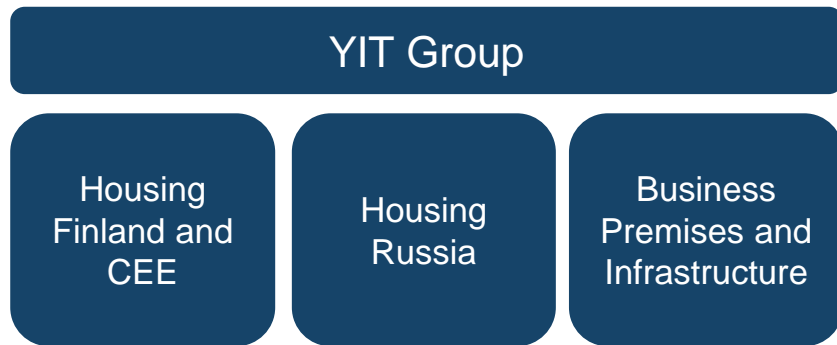
Focus areas and outlook for 2015



Konepaja residential area
Helsinki, Finland

New segment structure and composition of the Group Management Board

Group structure as of January 1, 2015



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

Group Management Board as of January 1, 2015



Kari Kauniskangas
President and CEO



Tero Kiviniemi, EVP
Head of Business
Premises and
Infrastructure



Antti Inkilä
Head of Housing
Finland and CEE



Teemu Helppolainen
Head of Housing
Russia



Timo Lehtinen
CFO



Juhani Nummi
SVP, Business
Development



Pii Raulo
SVP, HR

Key priorities in 2015

1 Maintaining strong cash flow

- Cash flow focus in sales
- Capital release continues

2 Competitiveness program

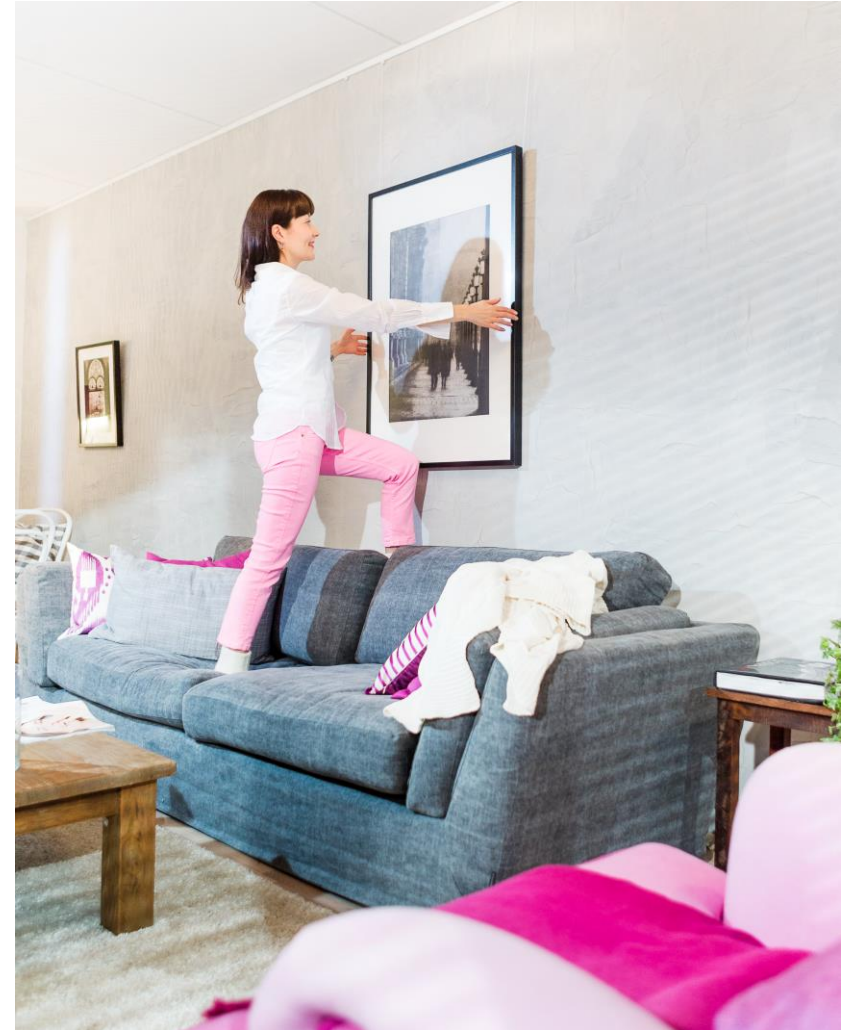
- Excellent execution
- Cost efficiency in design and operations

3 Best customer experience

- Development of concepts and affordable products continues
- Improved personal and online services

4 Inspired personnel

- Strengthening key competences
- Commitment to safety and quality



Operative plan for 2015



Growth opportunities

- CEE
- The Tripla-project
- Wind parks
- Investor deals in Finnish housing
- Contracting and co-operation projects

Start-up and investment plan for 2015, Housing

Finland

- Start-ups according to sales
- Investor projects' share of production volume to increase

Russia

- Plot investments and start-ups to maintain at least critical volume in all current operating cities
- Sustaining readiness to ramp up the start-ups

CEE

- Active search for new plots
- Continue to increase the production volume in line with improving demand

Market outlook, expectations for 2015

Finland

- Consumers cautious and investors active in the residential market, demand to focus on small apartments in growth centres
- Price polarisation, especially between small and large apartments
- Availability of mortgages good
- Modest demand for business premises, investors' focus on prime locations in the Capital region
- Tendering process ongoing in several major route projects
- Opportunities in contracting in business premises



Market outlook, expectations for 2015

Russia

- Weak visibility
- Consumers' purchasing power to decrease
- Construction costs to increase
- Residential prices to increase
- Residential demand to focus on small apartments that are completed or close to completion
- Access to mortgages to tighten, mortgage rates to remain stable



CEE

- The improved economic situation to support residential and business premises demand
- Uncertainty from geopolitical tensions in Latvia and Lithuania
- Access to financing to remain good
- Residential prices to increase moderately



Guidance for 2015 (segment reporting, POC)

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

The operating profit margin excluding non-recurring items is estimated to be **below the level of 2014**

The 2015 guidance is based on the following:

- Demanding market outlook
- Over 1/3 of revenue from sold projects and pre-agreements signed in 2014, the rest from 2015 sales and capital release
- Housing Russia's share of revenue to decrease
- Share of investor projects and contracting to increase in Finland
- Capital release dilutes the operating profit margin



More information

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Vice President, Investor Relations

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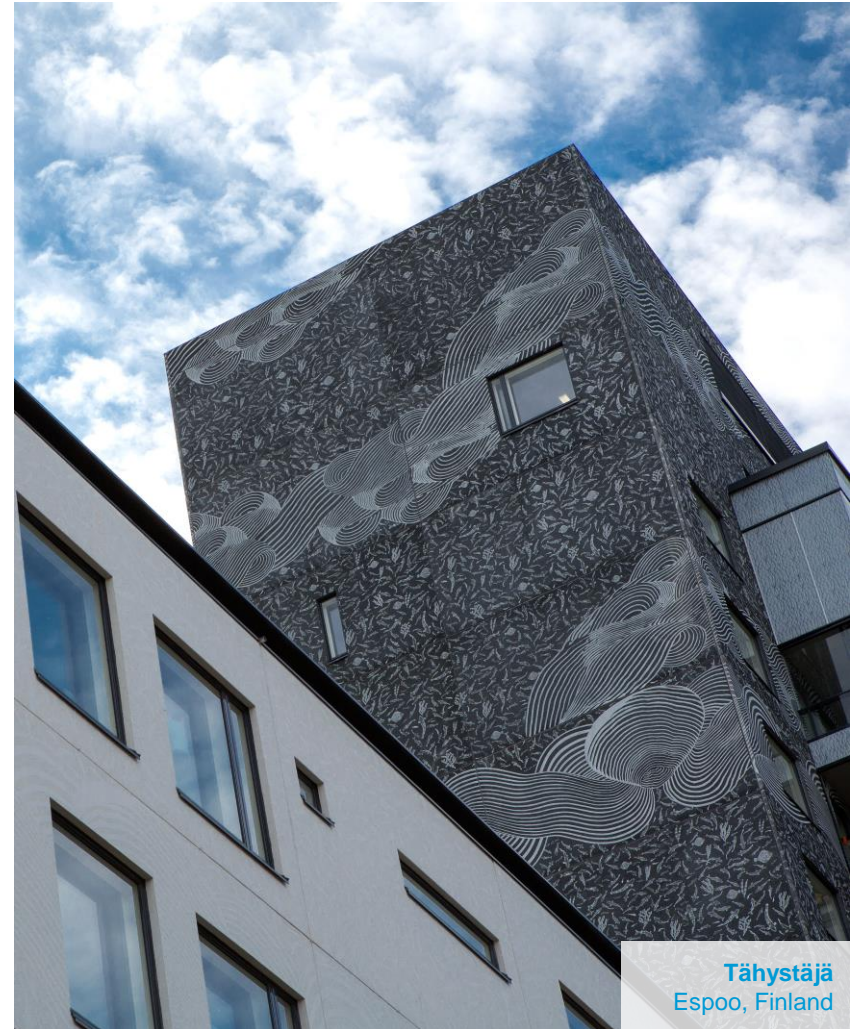
7

Appendices



Appendices

- I. Key figures and additional information about financial position
- II. Ownership
- III. General economic indicators
- IV. Housing indicators
- V. Business premises and Infrastructure indicators





Key figures
and additional
information
about financial
position

Key figures

EUR million	10-12/2014	10-12/2013	Change	1-12/2014	1-12/2013	Change
Revenue	461.1	521.3	-12%	1,801.2	1,858.8	-3%
Operating profit	19.0	41.2	-54%	114.0	152.8	-25%
Operating profit margin, %	4.1%	7.9%		6.3%	8.2%	
Operating profit, excluding non-recurring items	31.4	42.4	-26%	126.4	154.0	-18%
Operating profit margin, %, excluding non-recurring items	6.8%	8.1%		7.0%	8.3%	
Order backlog	2,125.9	2,713.7	-22%	2,125.9	2,713.7	-22%
Profit before taxes	8.5	32.5	-74%	75.0	122.8	-39%
Profit for the review period*	5.5	24.3	-77%	56.6	93.9	-40%
Earnings per share, EUR	0.04	0.19	-79%	0.45	0.75	-40%
Operating cash flow after investments	139.9	76.3	83%	151.9	-87.9	
Return on investment, last 12 months, %	7.7%	10.3%		7.7%	10.3%	
Dividend per share, EUR				0.18**	0.38	-53%
Equity ratio, %	32.4%	37.8%		32.4%	37.8%	
Net debt (IFRS)	696.0	781.7	-11%	696.0	781.7	-11%
Gearing (IFRS), %	129.9%	112.0%		129.9%	112.0%	
Personnel at the end of the period	5,881	6,172	-5%	5,881	6,172	-5%

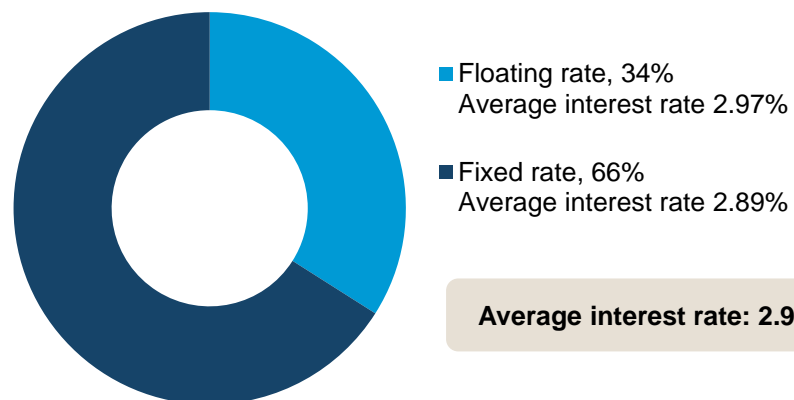
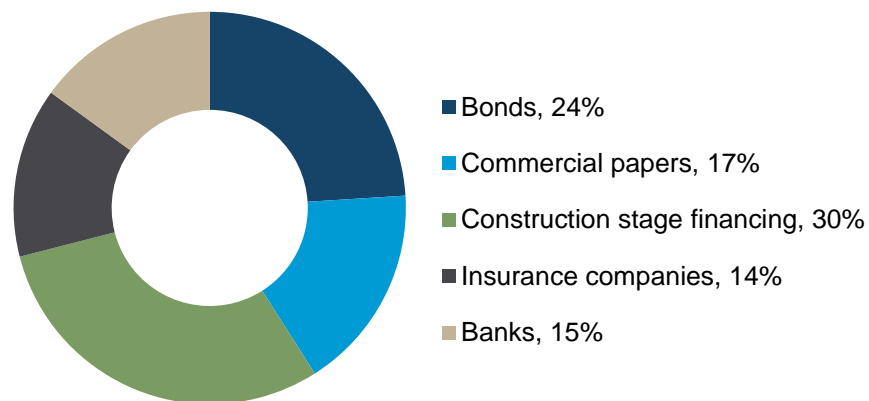
* Attributable to equity holders of the parent company

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

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

Balanced debt portfolio

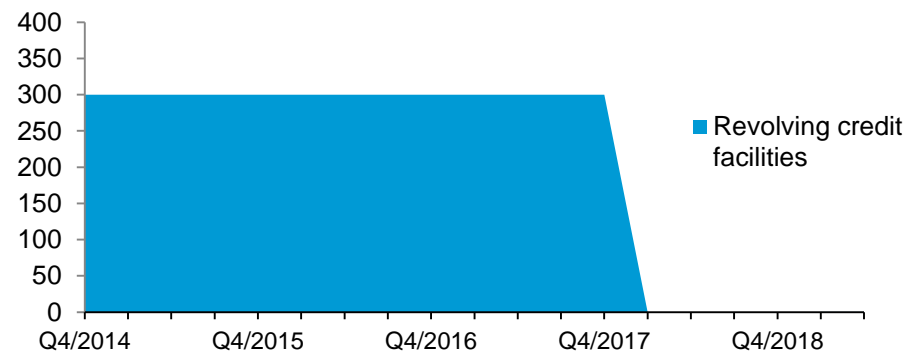
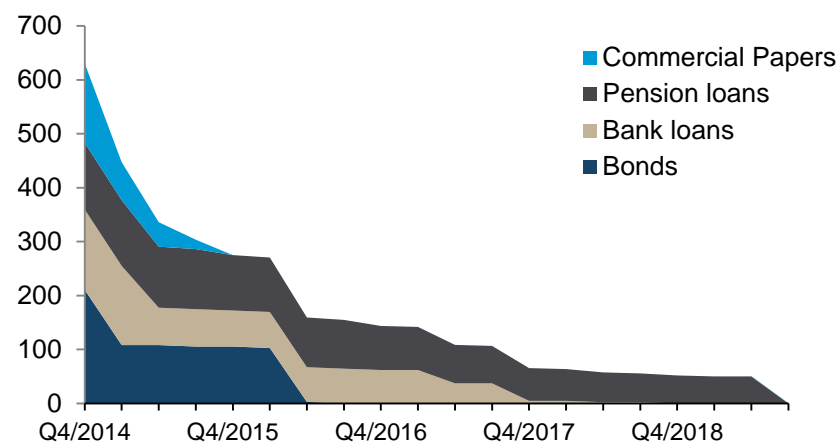
Debt portfolio 12/2014, EUR 895 million



Average interest rate: 2.91%

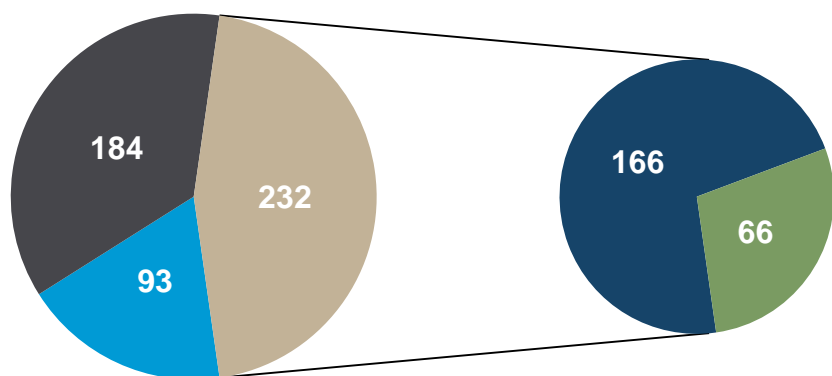
Maturity structure

Maturity profile (excluding construction stage financing)
(EUR million), 12/2014



Solid plot portfolio, a basis for growth and financial flexibility

Capital invested in plot reserves 12/2014, EUR 509 million



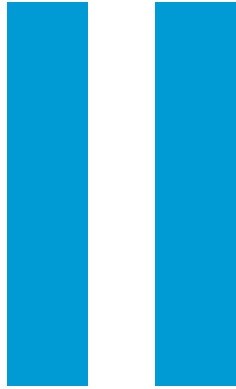
- Business Premises and Infrastructure
- Housing Russia*
- Housing Finland, the Baltic countries and CEE
- Finland
- The Baltic countries and CEE

Use of plot reserves in 2014, EUR 104 million

Housing Finland, the Baltic countries and CEE	48
<i>Finland</i>	33
<i>The Baltic countries and CEE</i>	15
Housing Russia**	48
Business Premises and Infrastructure	8

*Includes Gorelovo industrial park

** Calculated at the 12/2014 EUR/RUB exchange rate: 72.3370



Ownership

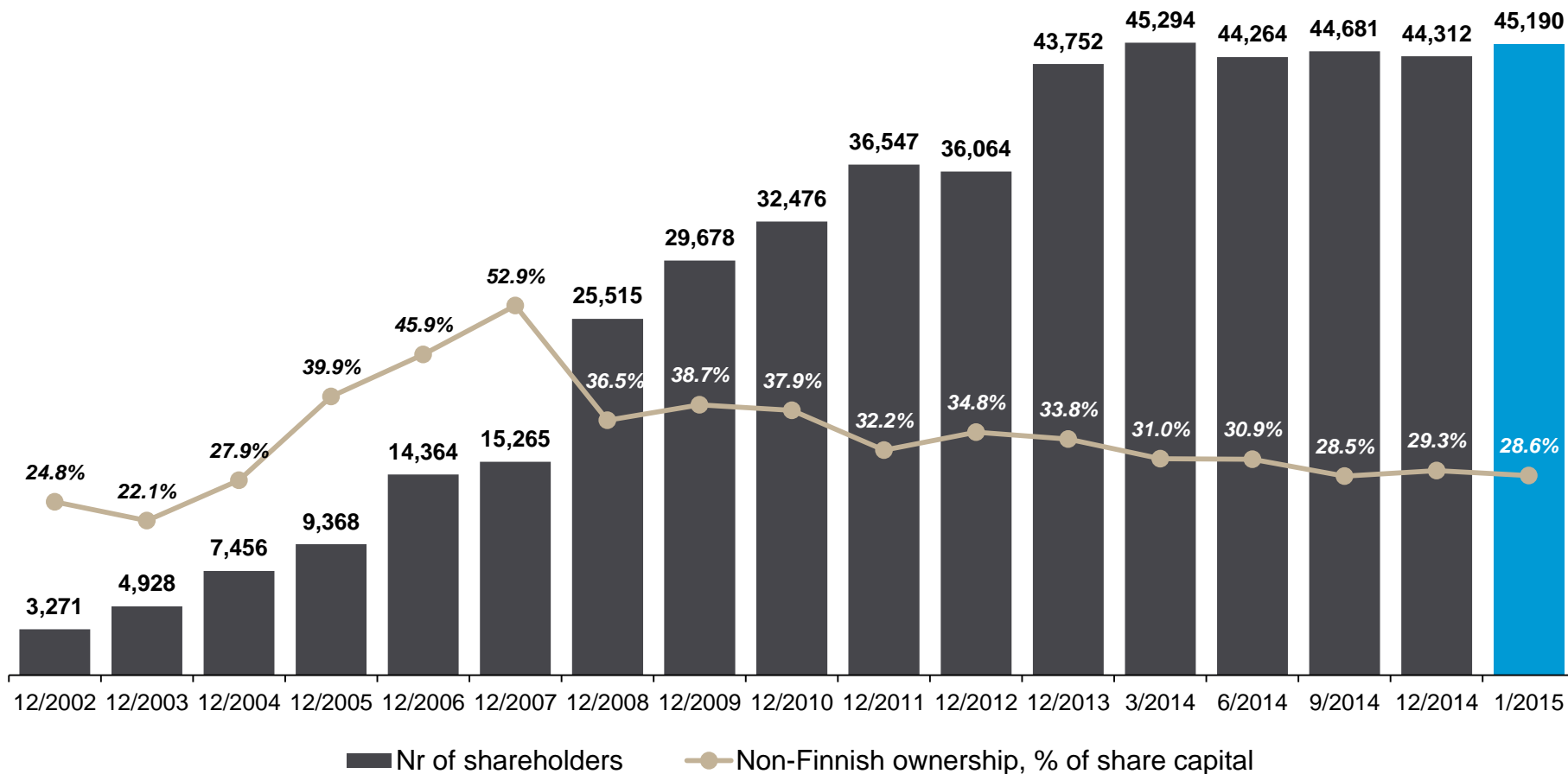
YIT's major shareholders

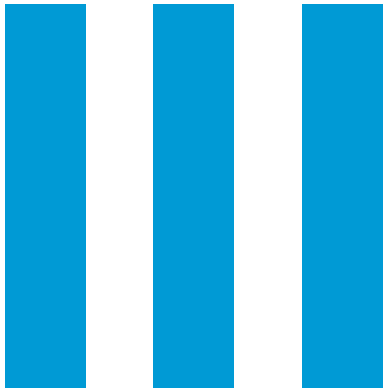
January 31, 2015

Shareholder	Shares	% of share capital
1. Structor S.A.	12,750,000	10.02
2. Varma Mutual Pension Insurance Company	11,492,100	9.03
3. Herlin Antti	4,590,180	3.61
4. Mandatum Life Insurance Company Ltd.	3,636,675	2.86
5. Elo Mutual Pension Insurance Company	3,335,468	2.62
6. Etera Mutual Pension Insurance Company	1,700,000	1.34
7. Society of Swedish Literature in Finland	1,680,900	1.32
8. YIT Corporation	1,639,430	1.29
9. The State Pension Fund	1,635,000	1.29
10. Brotherus Ilkka	1,304,740	1.03
Ten largest total	43,764,493	34.40
Nominee registered shares	22,545,279	17.72
Other shareholders	60,913,650	47.88
Total	127,223,422	100.00

More than 45,000 shareholders

Number of shareholders and share of non-Finnish ownership, January 31, 2015

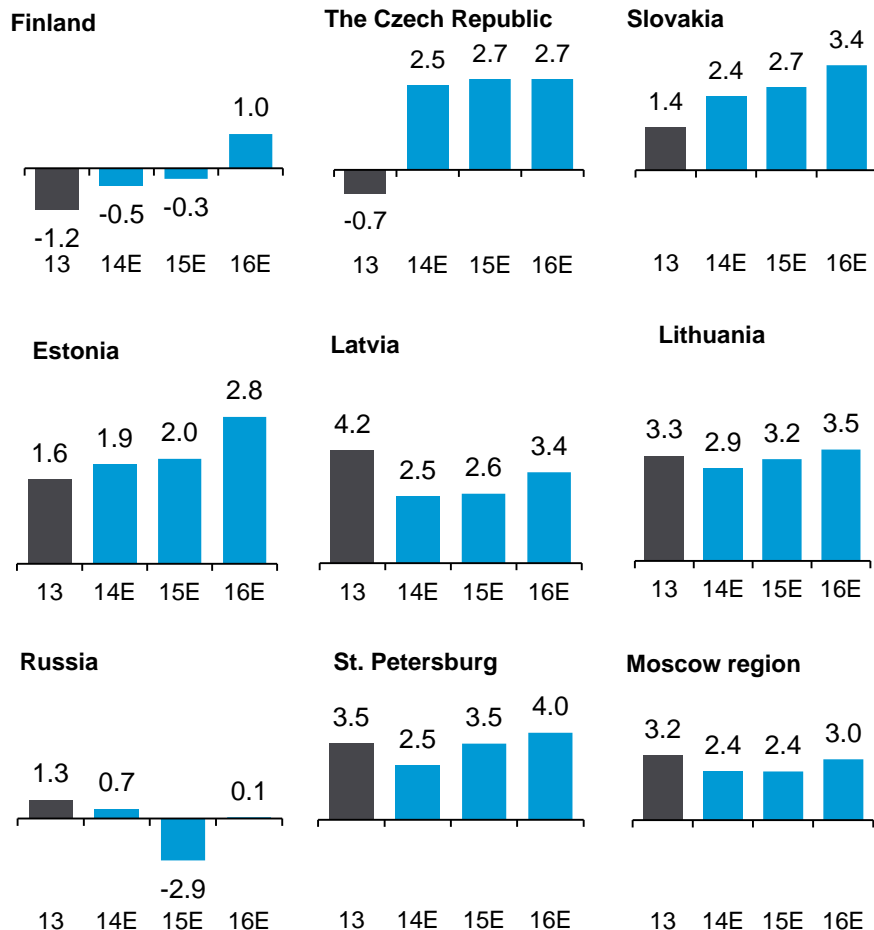




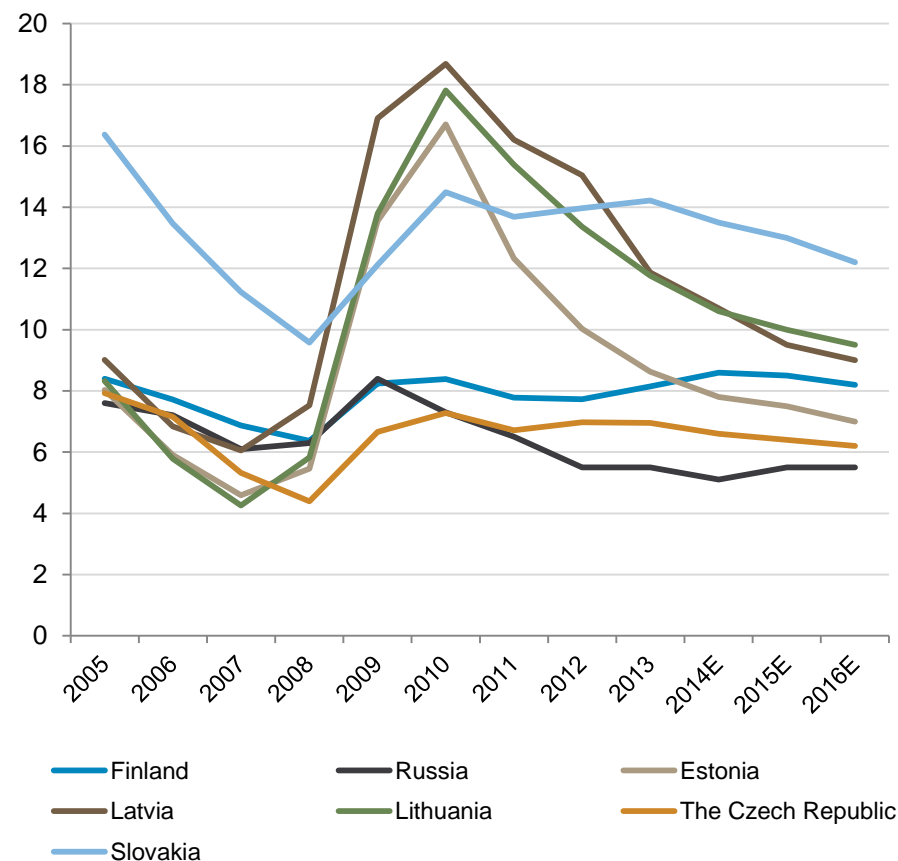
General
economic
indicators

Strongest growth expected in the Baltic countries and Central Eastern Europe

GDP-growth in YIT's operating countries, %



Unemployment rate in YIT's operating countries, %



Sources: GDP-growth: World Bank, January 2015, Finland: Nordea, December 2014, St. Petersburg and Moscow Region: Forecon, December 2014, Unemployment: Forecon, December 2014, Finland, the Czech Republic and Slovakia: Euroconstruct, November 2014.

IV

Housing indicators

Finland

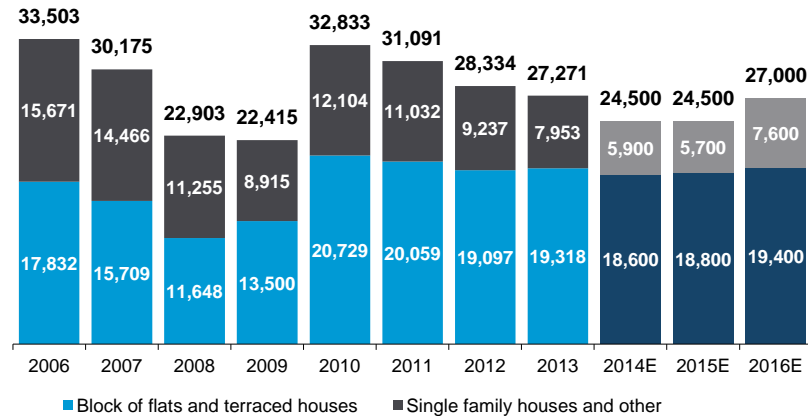
The Baltic countries

Central Eastern Europe (CEE)

Russia

Finland – Start-ups of block of flats and terraced houses expected to increase in 2015

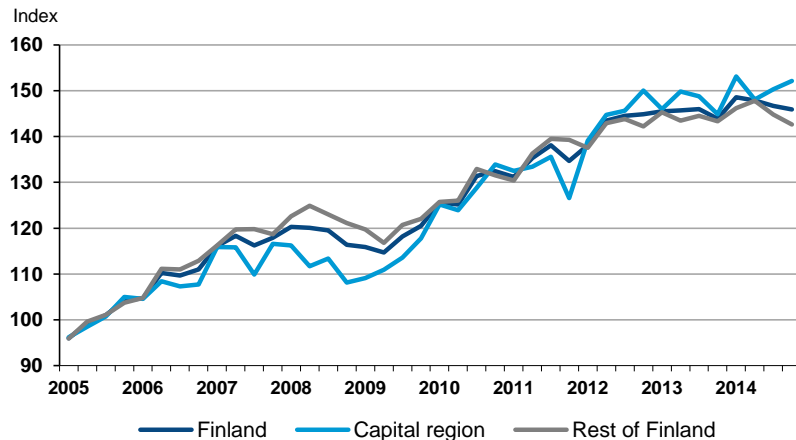
Residential start-ups, units



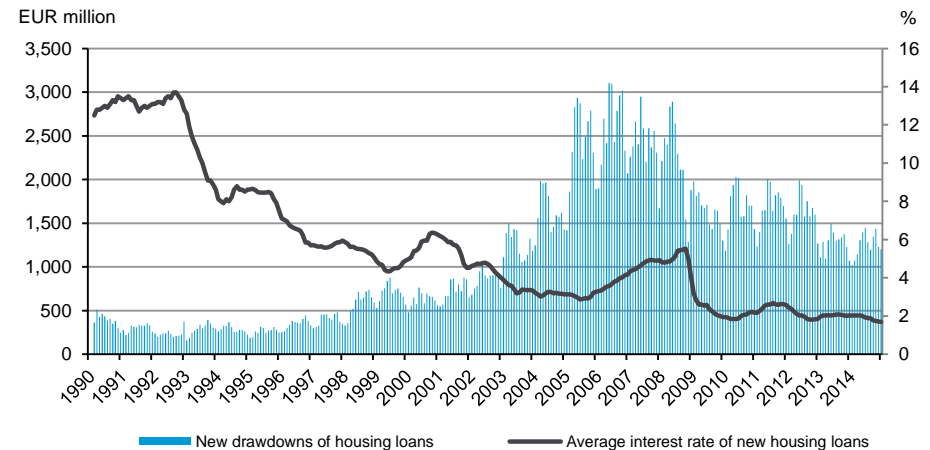
Consumer confidence - Views on economic situation in one year



Prices of new dwellings



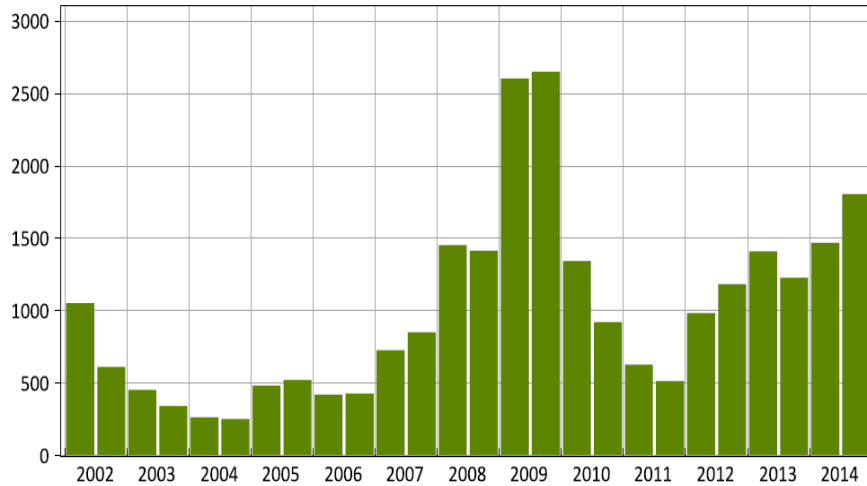
Volume of new mortgages and average interest rate



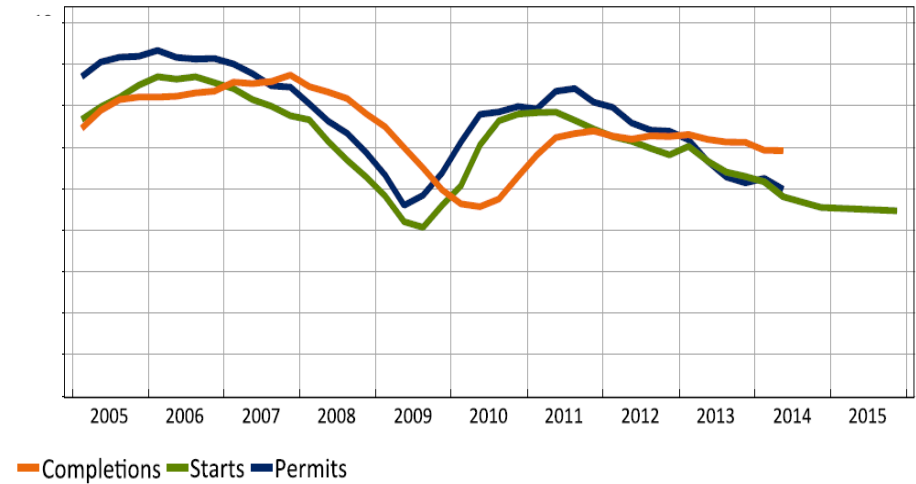
Sources: Residential start-ups: 2006-2013 Statistics Finland, 2014E - 2015E RT Confederation of Finnish Construction Industries, February 2015, 2016E Euroconstruct, November 2014, Consumer confidence: Statistics Finland January 27, 2015
Residential prices: Statistics Finland January 28, 2015, Loans and Interest rates: Bank of Finland January 30, 2015
YIT | 60 | Financial Statements Bulletin 2014

Housing indicators have weakened slightly in Finland

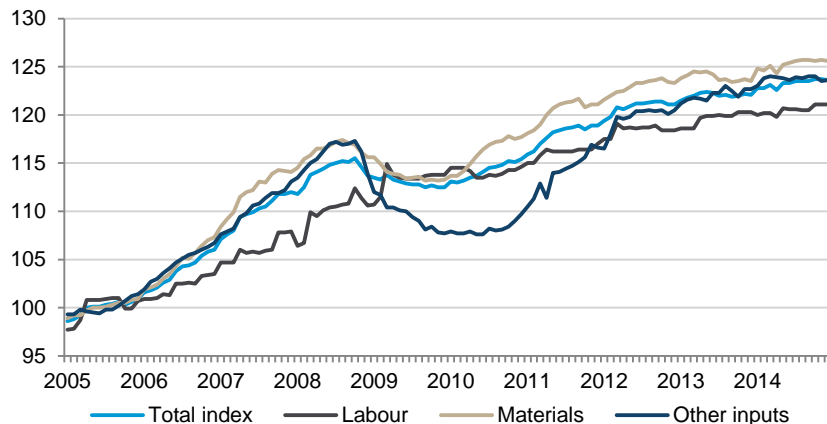
Unsold completed units (residential development projects)



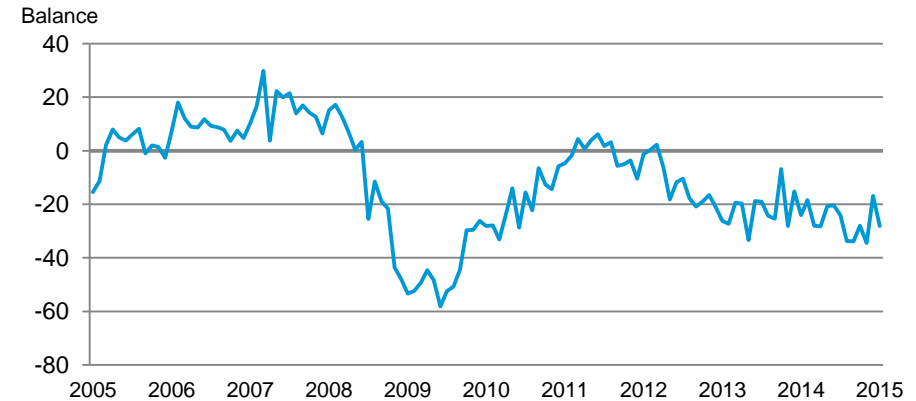
Building permits, start-ups and completions, million m3



Construction cost index (2005=100)



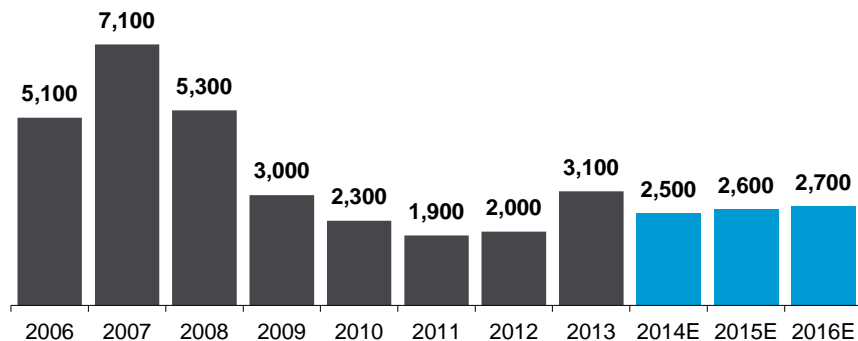
Construction confidence



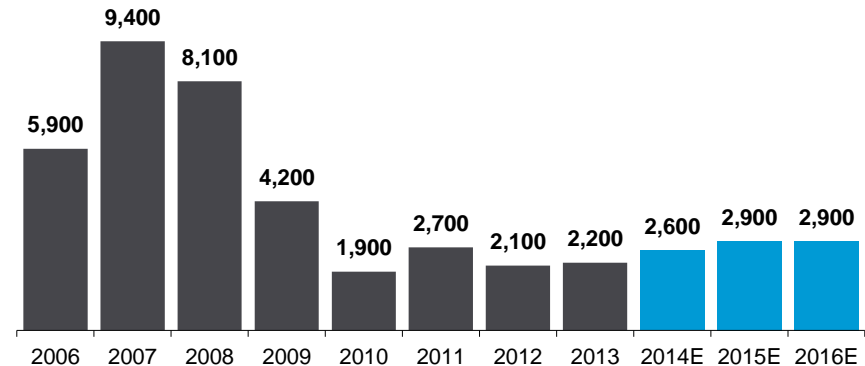
Sources: Confederation of Finnish Construction Industries RT, October 2014, Construction confidence: Confederation of Finnish Industries EK January 27, 2015, Construction cost index: Statistics Finland January 15, 2015

The Baltic countries – Growth is expected in residential construction

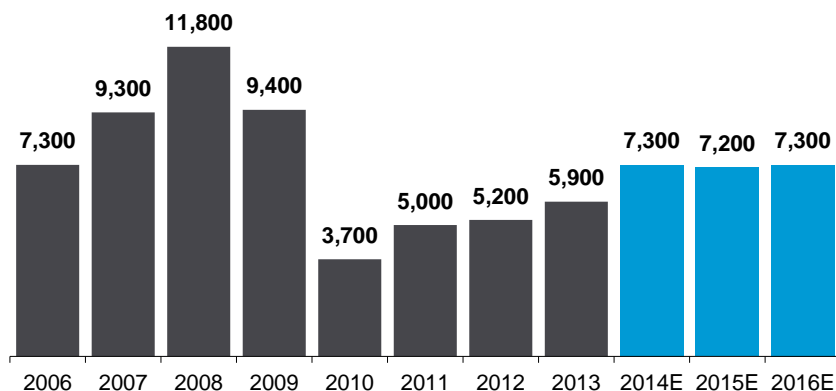
Residential completions in Estonia, units



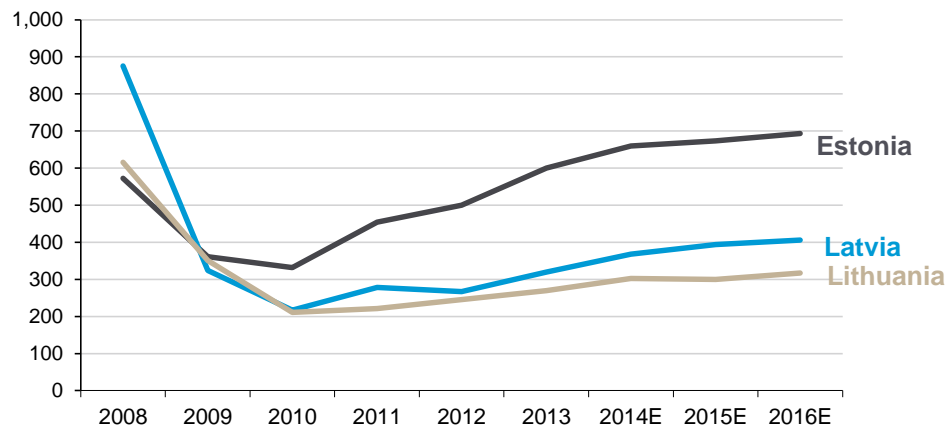
Residential completions in Latvia, units



Residential completions in Lithuania, units



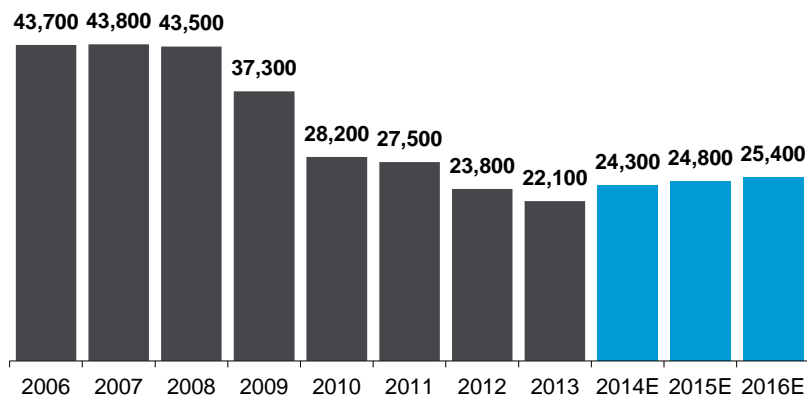
New residential construction in the Baltic countries, EUR million



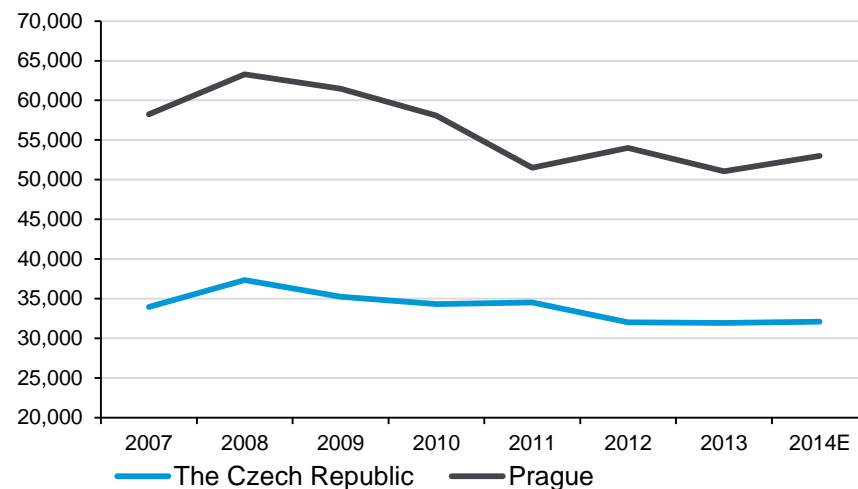
Source: Forecon, December 2014

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

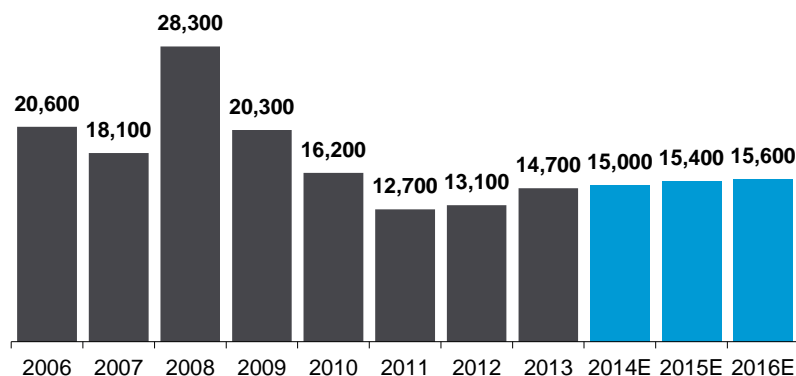
Residential start-ups in the Czech Republic , units



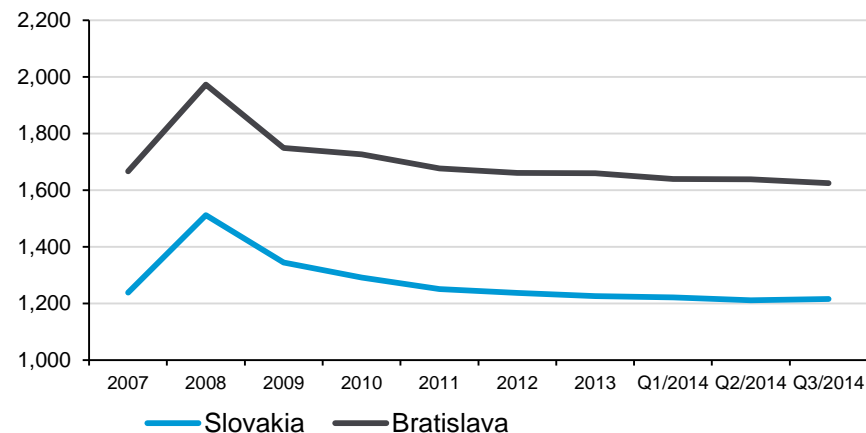
Residential prices in the Czech Republic and Prague CZK/ sq. m.



Residential start-ups in Slovakia, units



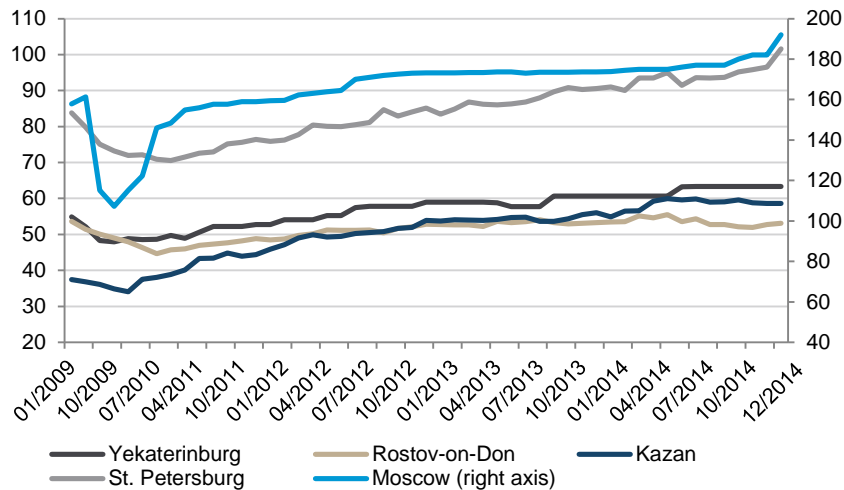
Residential prices in Slovakia and Bratislava, EUR/ sq. m.



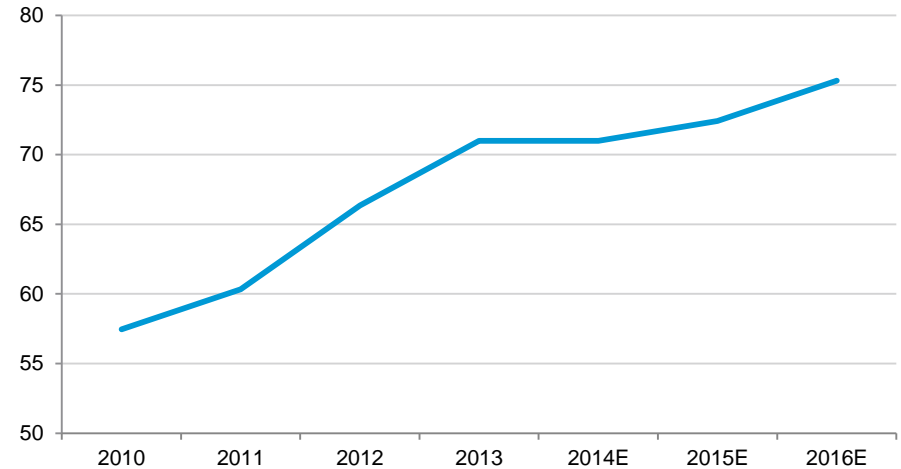
Sources: Residential start-ups: Euroconstruct November 2014, Other data: The Czech Republic: JLL 2014, Slovakia: National Bank of Slovakia, January 2015

Russia – Housing indicators

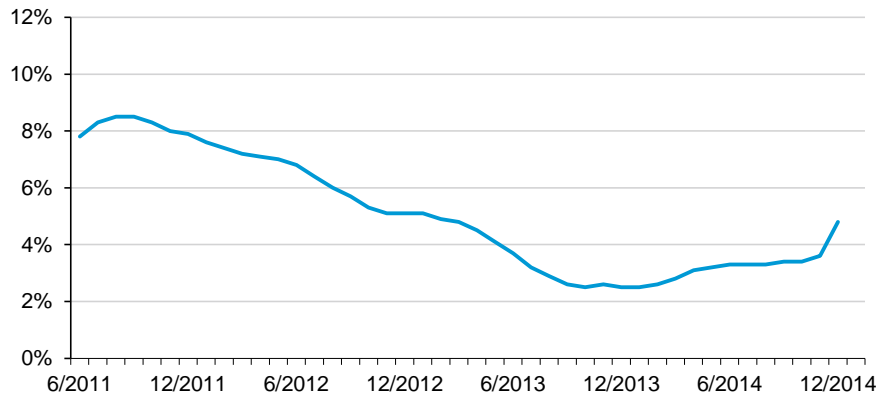
House prices in primary markets, thousand RUB (1/2009-12/2014)



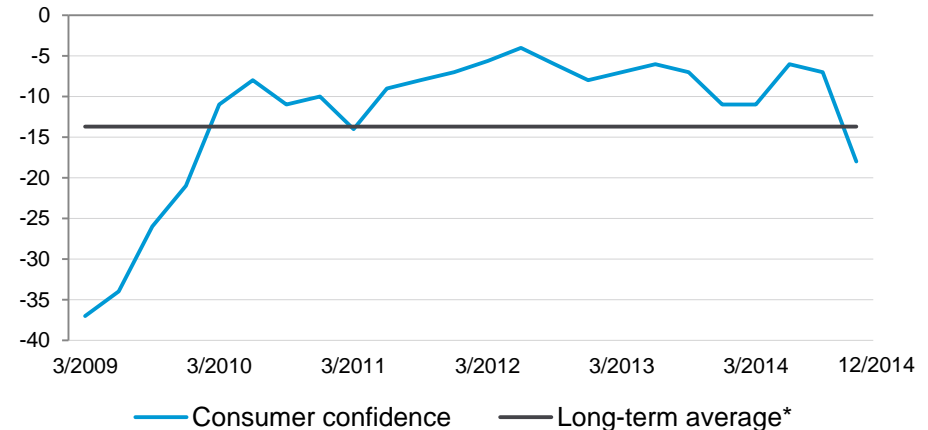
New residential construction, EUR billion



Inflation in building materials 6/2011-12/2014



Consumer confidence



Sources: House prices: YIT, New residential construction volume: Forecon, December 2014, Inflation in building materials: PMR Construction review, January 2015, Consumer confidence: Bloomberg

*Average 12/1998-12/2014



Business Premises

Finland

The Baltic countries

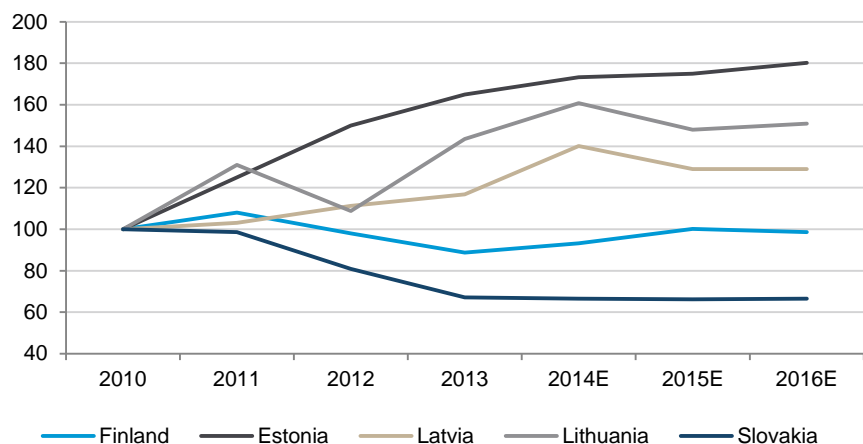
Slovakia

Infrastructure

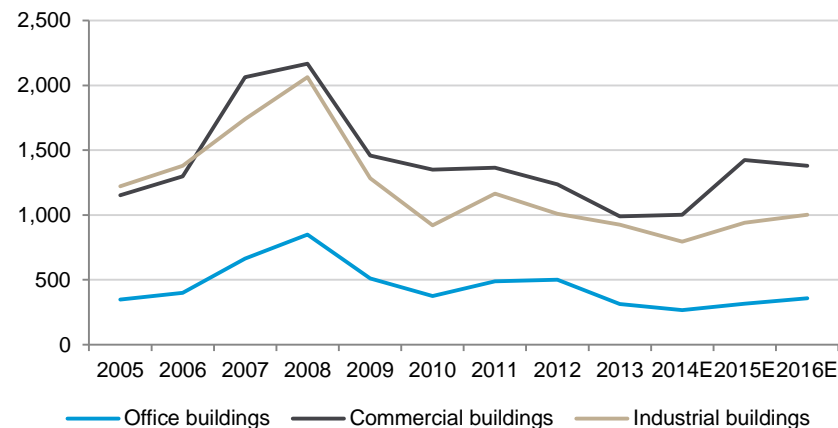
Finland

Non-residential construction forecasted to pick up slightly in Finland and Slovakia

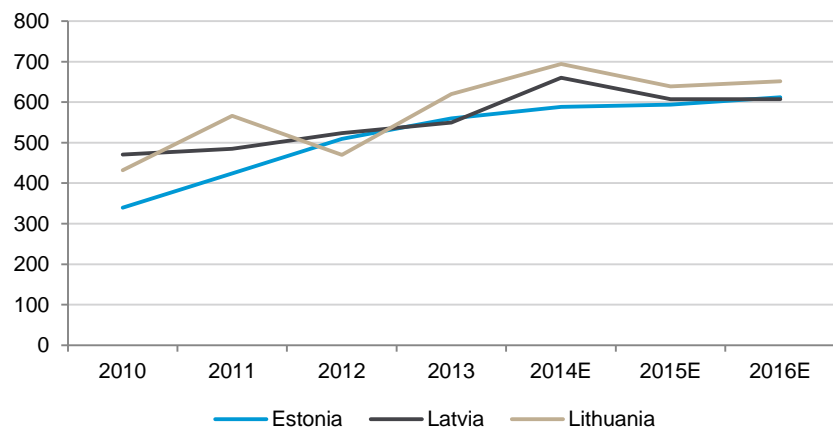
New non-residential construction volumes, index



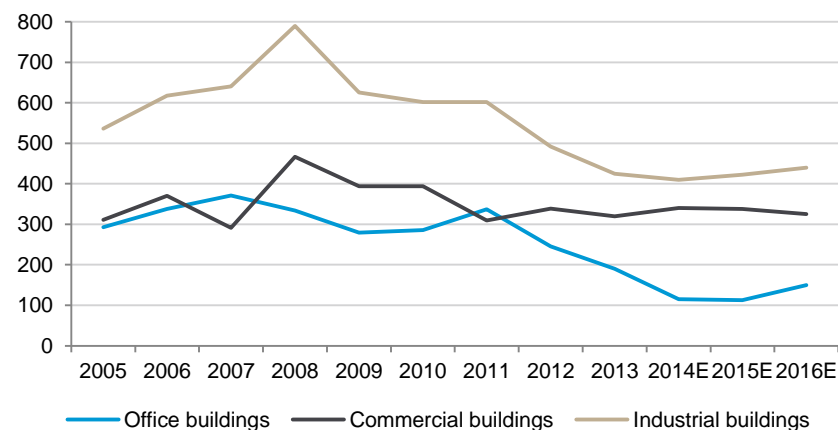
New non-residential construction in Finland, EUR million



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



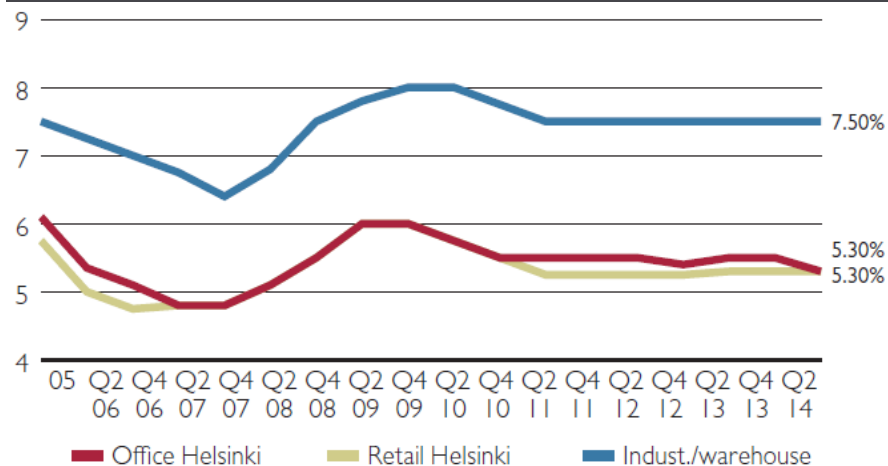
New non-residential construction in Slovakia, EUR million



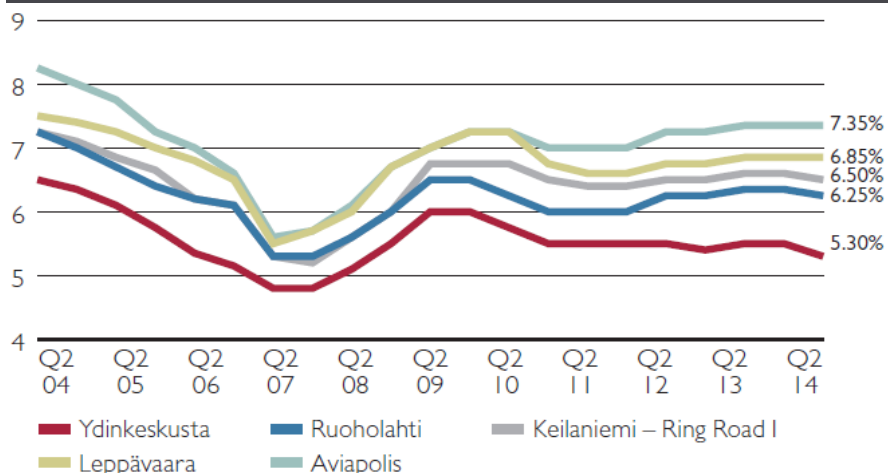
Sources: Euroconstruct, November 2014 and Forecon, December 2014

Finland – Yields have remained stable

Prime yields in Helsinki Metropolitan Area, %



Office yields in Helsinki Metropolitan Area, %



Vacancy rates in Helsinki Metropolitan Area

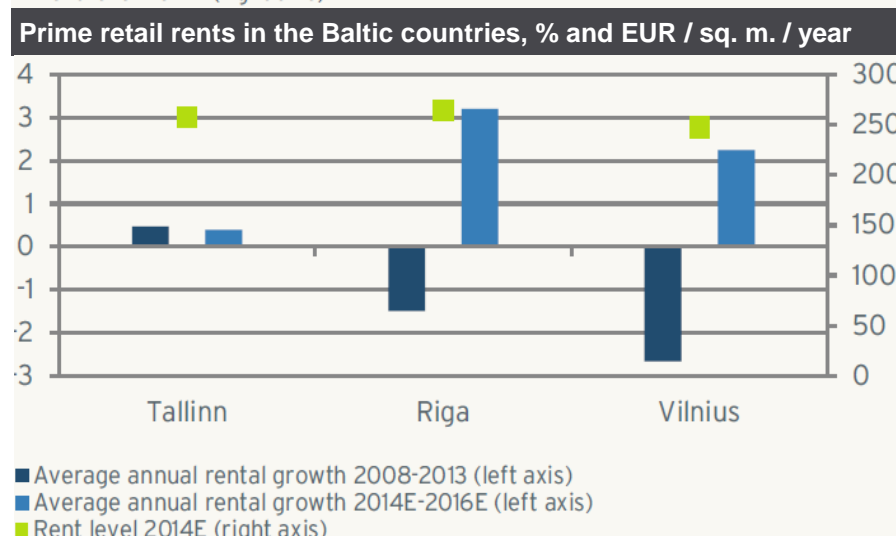
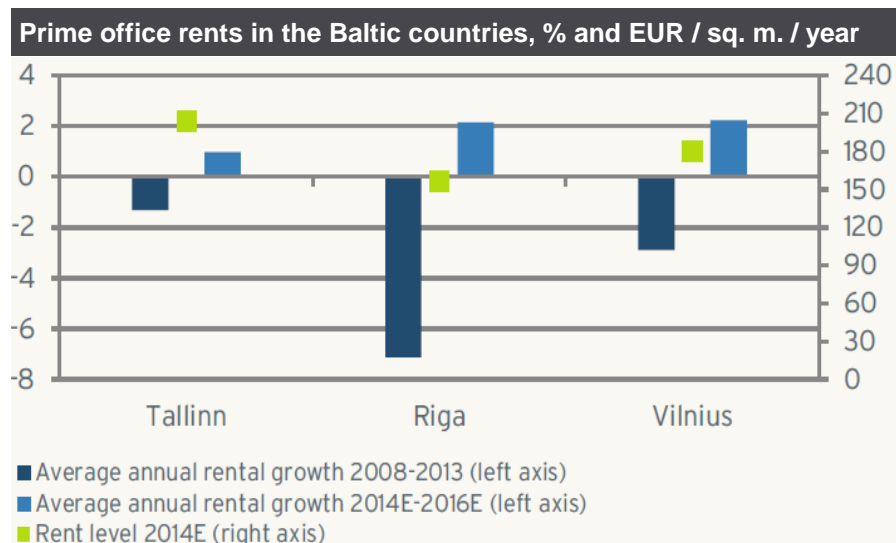
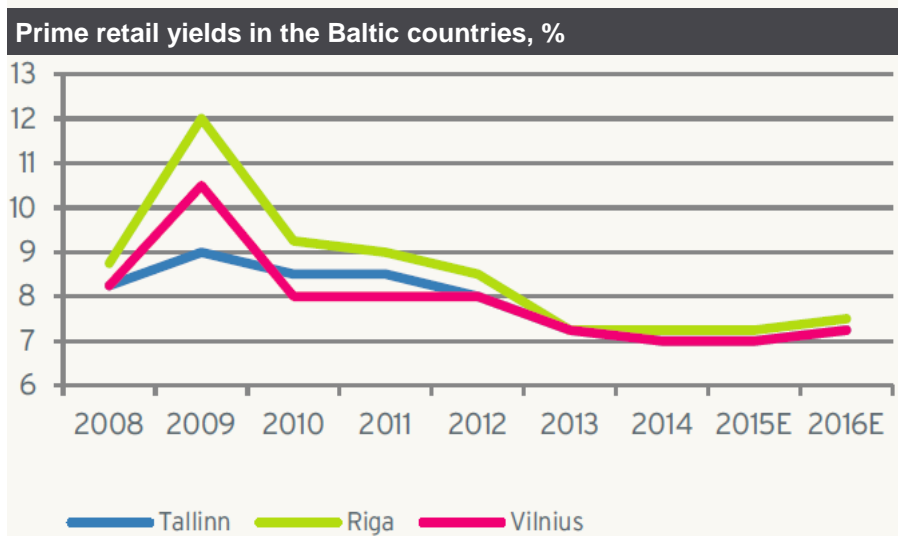
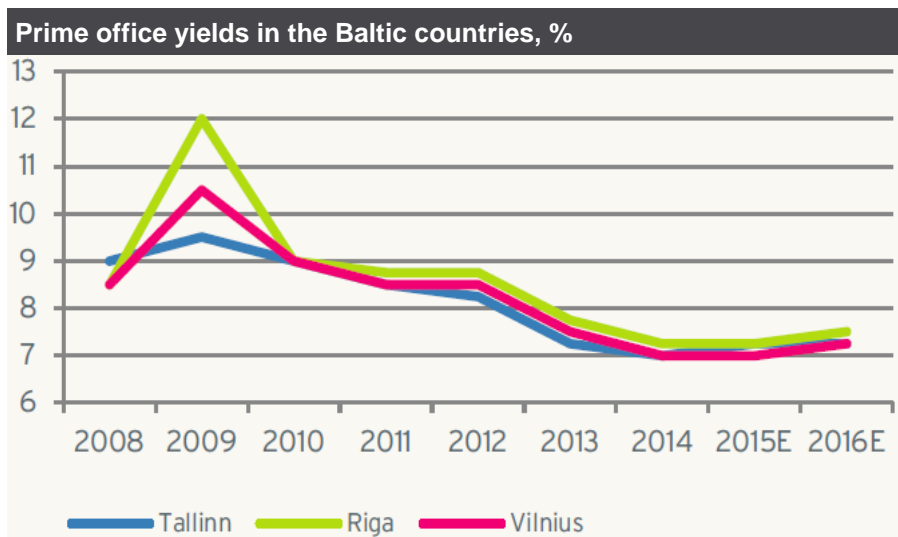


Prime office rent in Helsinki CBD, EUR / sq. m. / month



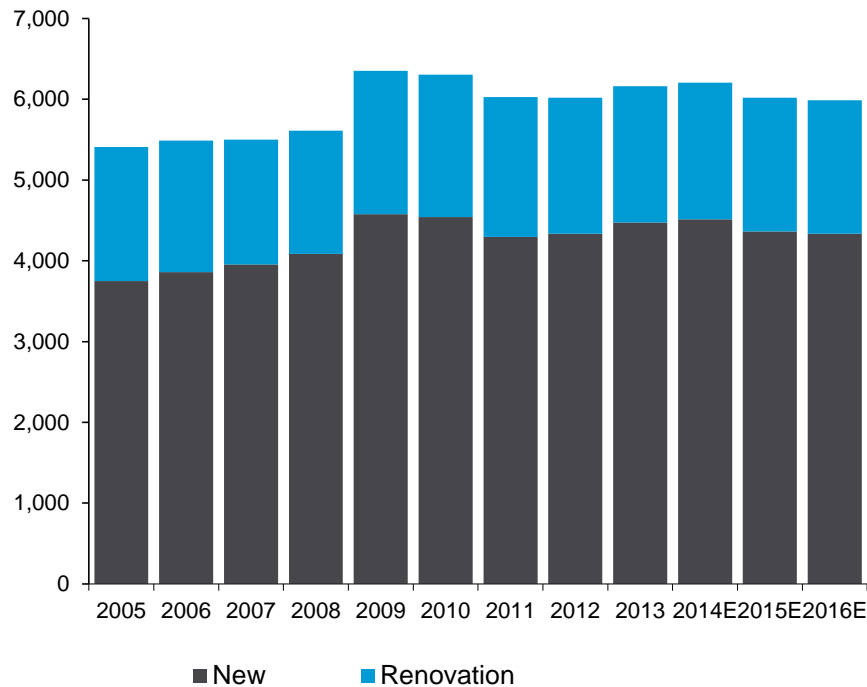
Sources: Catella Property Market Trends Finland, September 2014 and DTZ Property Times Helsinki, November 2014

The Baltic countries – Yields are expected to decrease

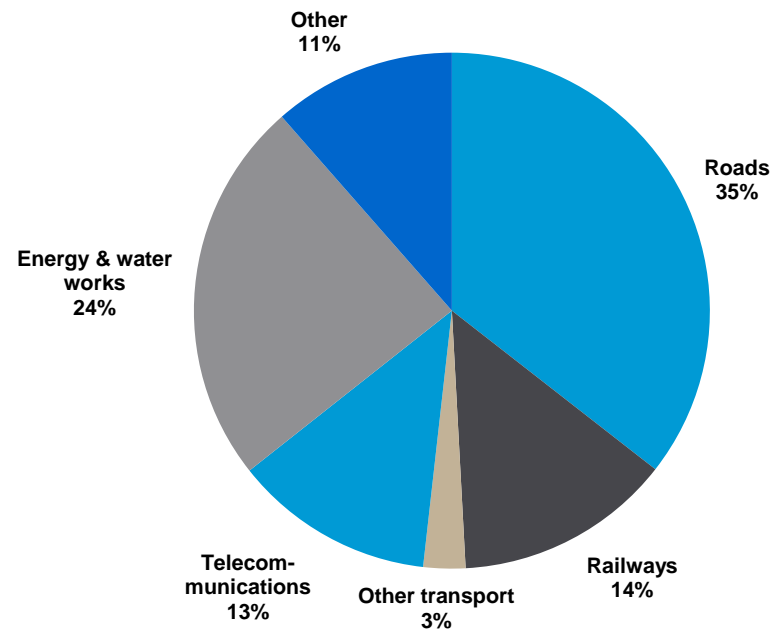


Infrastructure construction – Market expected to decrease slightly in 2015

Infrastructure market in Finland, EUR million



Infrastructure sectors in Finland (2014E)



Source: Euroconstruct, November 2014

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we can
do it.**