

YIT in Russia



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Together we can do it. **YIT**

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YIT Group



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YIT Group in brief

A leading European service company.



Revenue in 2010
EUR 3.8 billion.
Operating profit
EUR 220 million.

YIT offering:
- Technical building systems
- Services for industry
- Construction services



Operations in
15 countries.
Over 25,000
professionals at
the end of 2010.



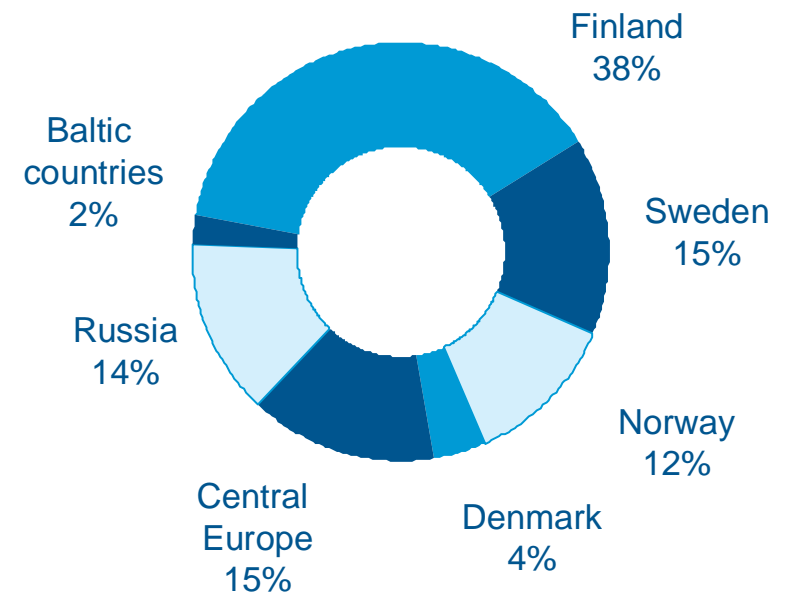
Over 32,000
shareholders
at the end of
2010.



Share quoted on
NASDAQ OMX
Helsinki
(Large cap,
Industrials)

Wide geographical scope

Revenue
by area in 2010



2010 figures (Group reporting, IFRIC 15))

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Business segments

Building Services Northern Europe

- Service and maintenance of building systems and industrial processes
- Technical building systems installations
 - Project deliveries to industry

Finland, Sweden, Norway, Denmark, Russia, Estonia, Latvia, Lithuania

Revenue: EUR 1,804 million
EBIT: EUR 89 million
Personnel: ~15,800

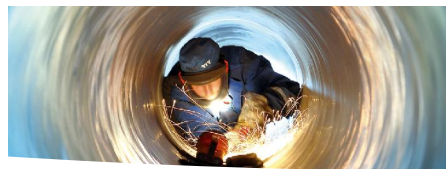


Building Services Central Europe

- Service and maintenance of building systems and industrial processes
- Technical building systems installations
 - Project deliveries to industry

Germany, Austria, Poland, Czech Republic, Hungary and Romania

Revenue: EUR 550 million
EBIT: EUR 16 million
Personnel: ~3,800



Construction Services Finland

- Residential development
- Business premises
 - Infrastructure
 - Building construction

Finland

Revenue: EUR 1,102 million
EBIT: EUR 108 million
Personnel: ~3,200



International Construction Services

- Residential development
- Business premises
- Building construction

Russia, Estonia, Latvia, Lithuania, Czech Republic, Slovakia

Revenue: EUR 471 million
EBIT: EUR 35 million
Personnel: ~2,700

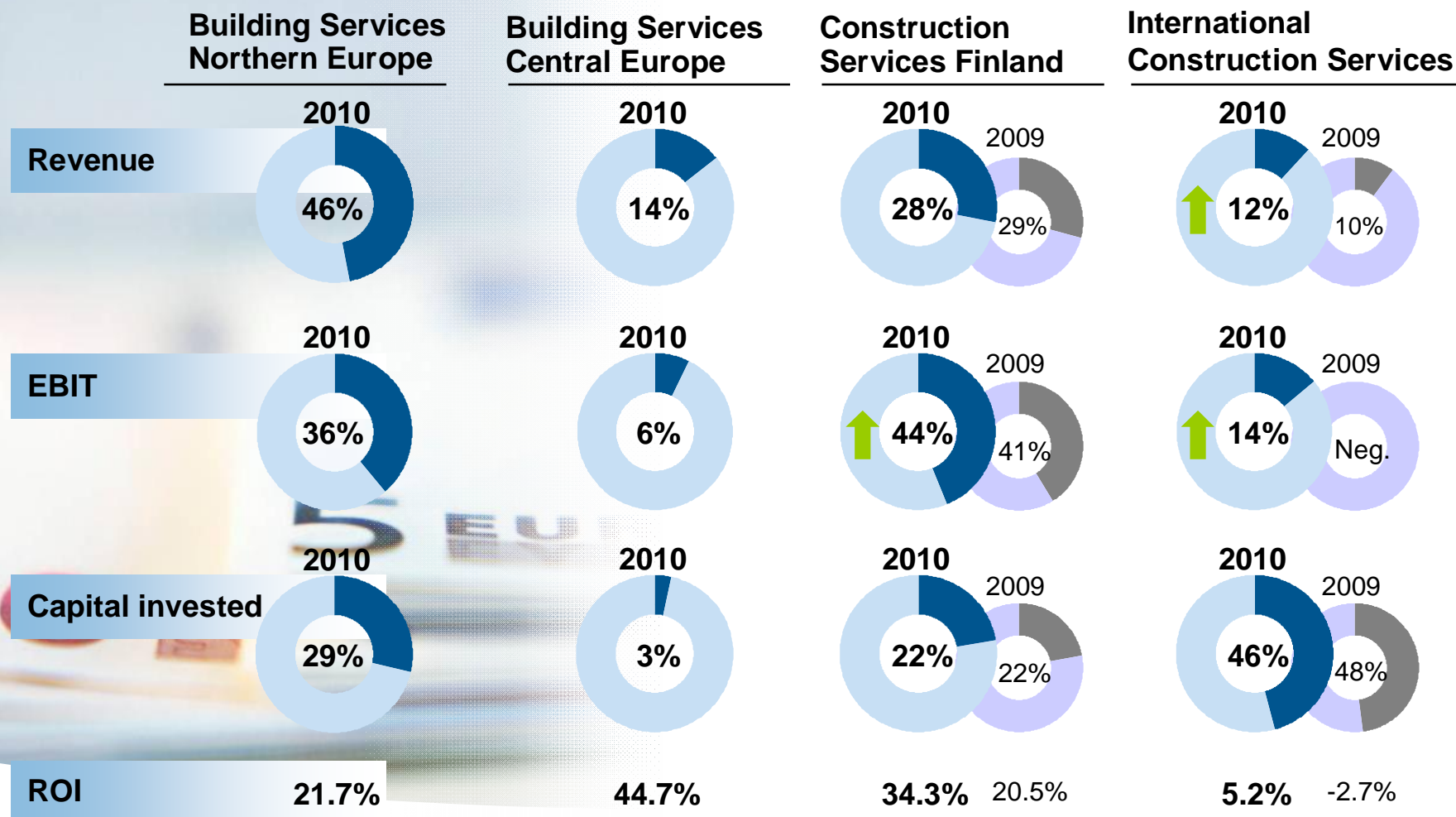


2010 figures, segment reporting (POC= Percentage of completion)

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Business portfolio

Performance of YIT business segments in 2010



* All figures based on segment reporting (POC=Percentage of completion)

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Strong market position

Nordic countries:

No 1 in Building Systems

Norway No 1: 7%; Finland No 1: 6%
Sweden No 2: 4%; Denmark No 3: 3%

Russia

Major foreign
player in
residential
development

Central Europe

Foothold in Building Systems,
No 2 in Germany

Market share ~2%

Baltic countries

Among market leaders in
construction

Finland

No 1 in Construction Services

Central Eastern Europe

Start-up in residential
development

Together we can do it.



YIT strategy 2011-2013

GROWTH STRATEGY

- Revenue growth target >10% per year
 - Acquisitions and organic growth
- Business focus
 - Building services: Service and maintenance
 - Construction services: Residential production
- Geographical focus
 - Building services
 - Nordic countries & Central Europe
 - Potential expansion to Great Britain, Netherlands, Belgium
 - Construction services
 - Finland, Russia, Baltic countries, Czech and Slovakia
 - Potential expansion to Poland



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Priorities in 2011

1

Key growth focus areas

- Residential construction
 - Strengthen the position in the market
- Service and maintenance
- Germany

2

Profitability potential

- Building Services Northern Europe back to track
- Potential for further profitability improvement especially services in Central Europe and housing in Russia

3

Capital efficiency

- Good payment terms in plot acquisitions
- Small projects, shorter construction times in Russian residential



Key figures in Q1/2011

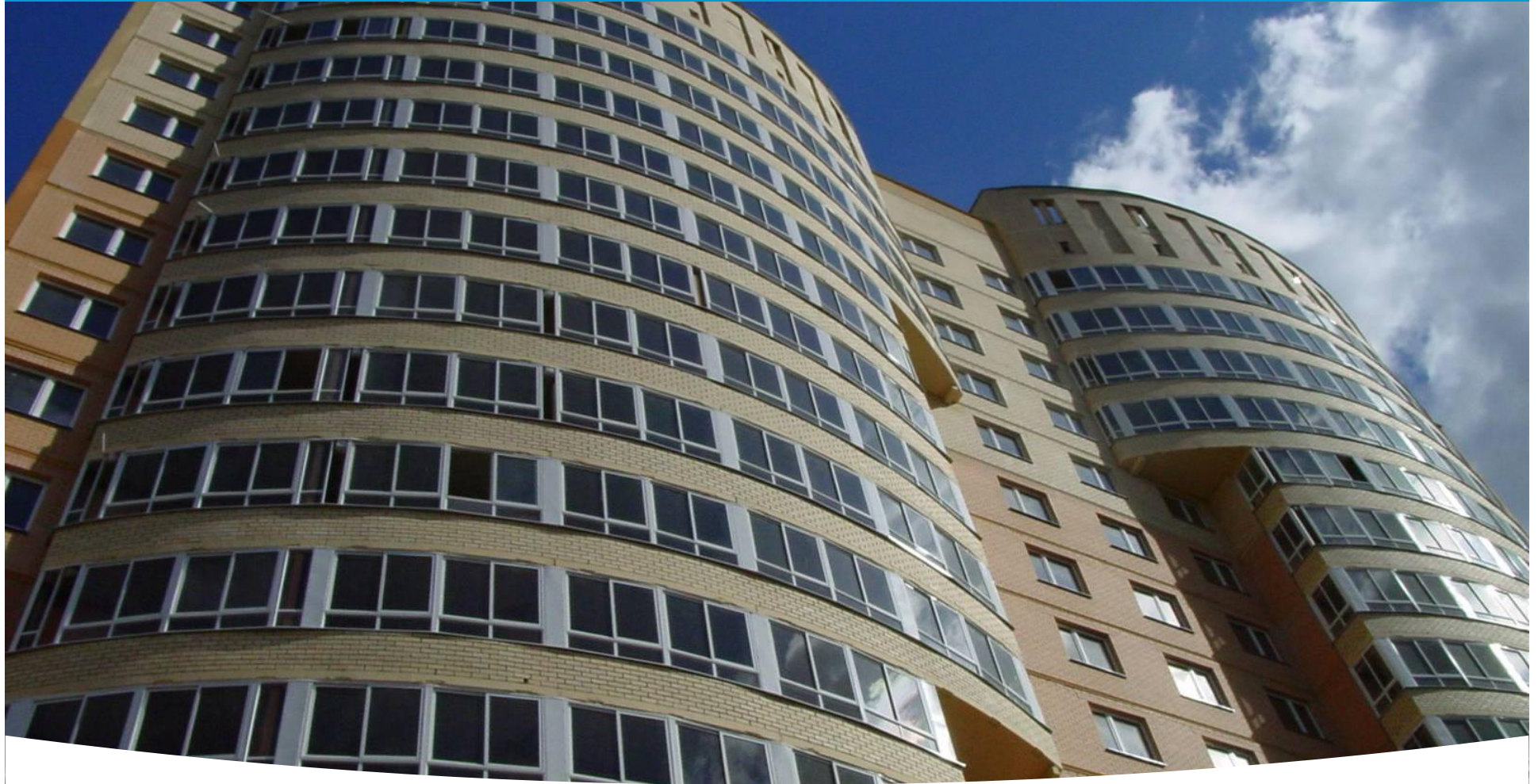
| EUR million | 1-3/11 | 1-3/10 | Change | 1-12/10 |
|------------------------------------------|--------|--------|--------|---------|
| Segment reporting (POC*) | | | | |
| Revenue | 1,027 | 821 | 25% | 3,847 |
| Operating profit | 50.4 | 44.5 | 13% | 229.1 |
| % of revenue | 4.9 | 5.4 | | 6.0 |
| Order backlog | 3,356 | 2,837 | 18% | 3,250 |
| Group reporting (IFRIC 15) | | | | |
| Revenue | 970 | 765 | 27% | 3,788 |
| Operating profit | 39.2 | 33.9 | 16% | 220.1 |
| % of revenue | 4.0 | 4.4 | | 5.8 |
| Order backlog | 3,699 | 3,153 | 17% | 3,536 |
| Profit before taxes | 34.7 | 26.7 | 30% | 194.8 |
| Earnings per share, EUR | 0.20 | 0.15 | 33% | 1.12 |
| Return on investment, % (last 12 months) | 14.0 | 11.3 | 24% | 14.3 |
| Equity ratio, % | 28.5 | 30.2 | -6% | 31.9 |
| Operating cash flow after investments | 16.1 | 33.8 | -52% | -61.7 |
| Personnel at the end of period | 25,748 | 23,211 | 11% | 25,832 |

* POC= Percentage of completion

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YIT in Russia



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Growth drivers in ICS

Need for new apartments in Russia

- Low living space and quality of existing buildings
- Increasing share of middle class with improving purchasing power
- Increase in number of households, smaller family-sizes
- Political support for housing development
- Developing mortgage market

Possibilities in the market in Baltic countries, Czech Republic and Slovakia

- Living space and quality, demand for modern apartments
- Housing markets very fragmented in CEE - only a few bigger players in residential construction

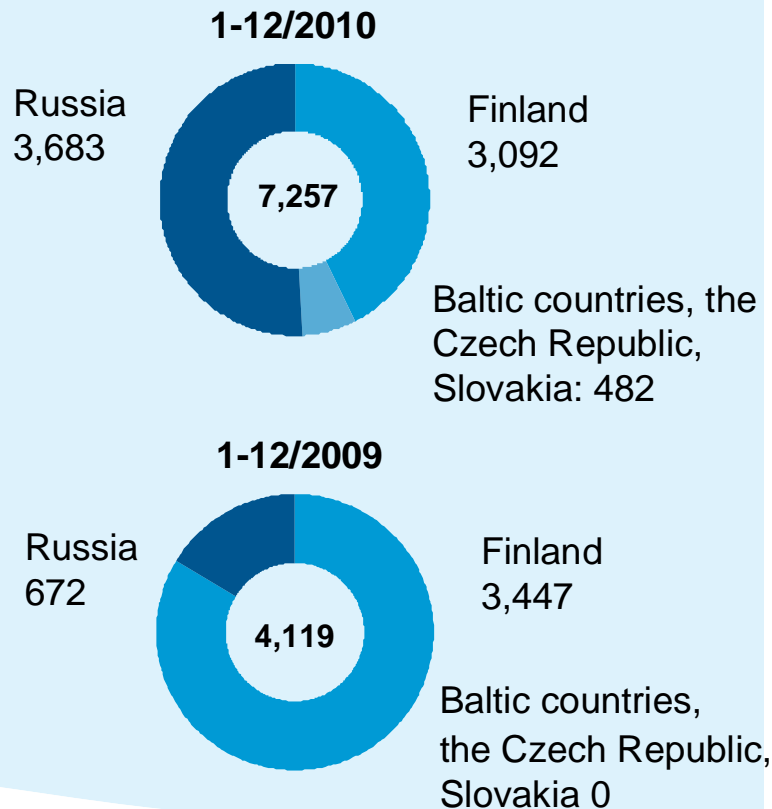
Need for business premises

- Western investments
- Need for retail space
- A-class office space

Construction Services

Fundamental need for housing

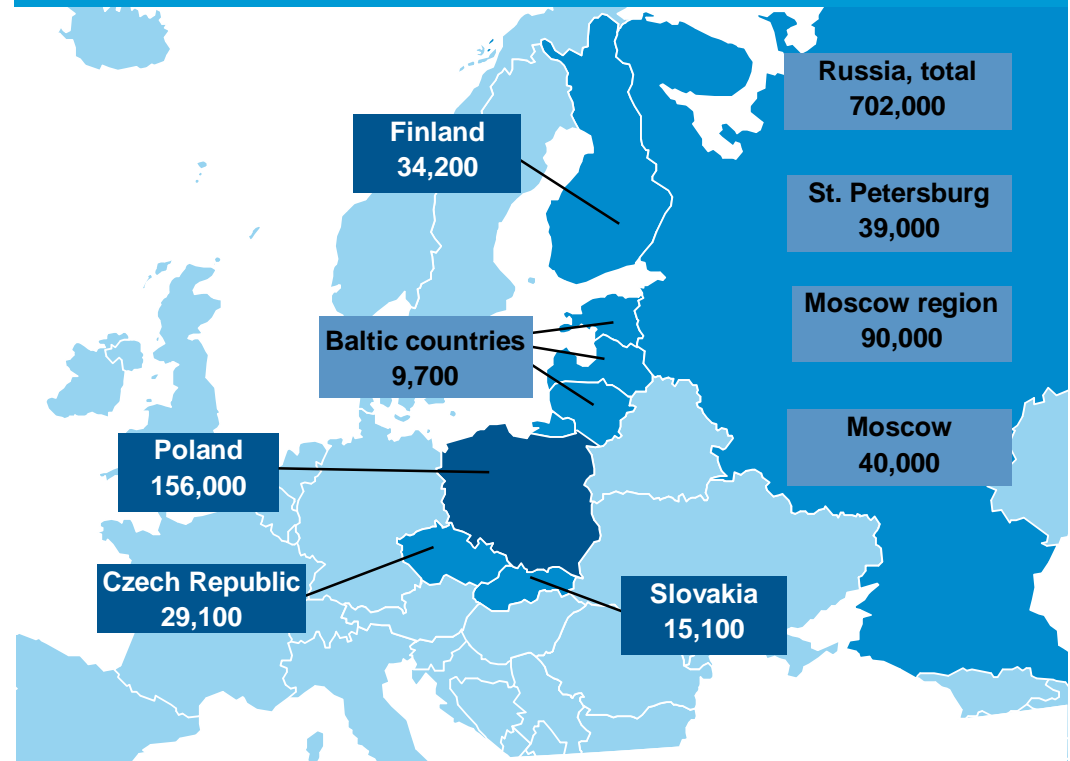
YIT housing start-ups



Housing markets in YIT countries

Finland, Czech Republic, Slovakia and Poland: start-ups estimate 2010

- Baltic countries: completions 2010
- Russia: completions 2009



Source: Euroconstruct December 2010, RT April 2011

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YIT in Russia: A significant foreign housing developer

Residential development

- Operations in St. Petersburg, Moscow Oblast, Moscow, Kazan, Yekaterinburg, Rostov-on-Don
- Development projects on own plots: Multi-storey buildings, townhouses and single-family houses
- Varying levels of finishing
- Maintenance and services to residential buildings

Commercial real estate development

- Office and retail premises, logistics, shopping centres
- Own development projects on own plots

Building Services

- Operations in St. Petersburg and Moscow
- Projects and maintenance mainly for western clients

In 2010 Russia accounted for:

- 14% of YIT Group revenue
- 33% of Group invested capital
- 9% of Group personnel



Our typical residential building

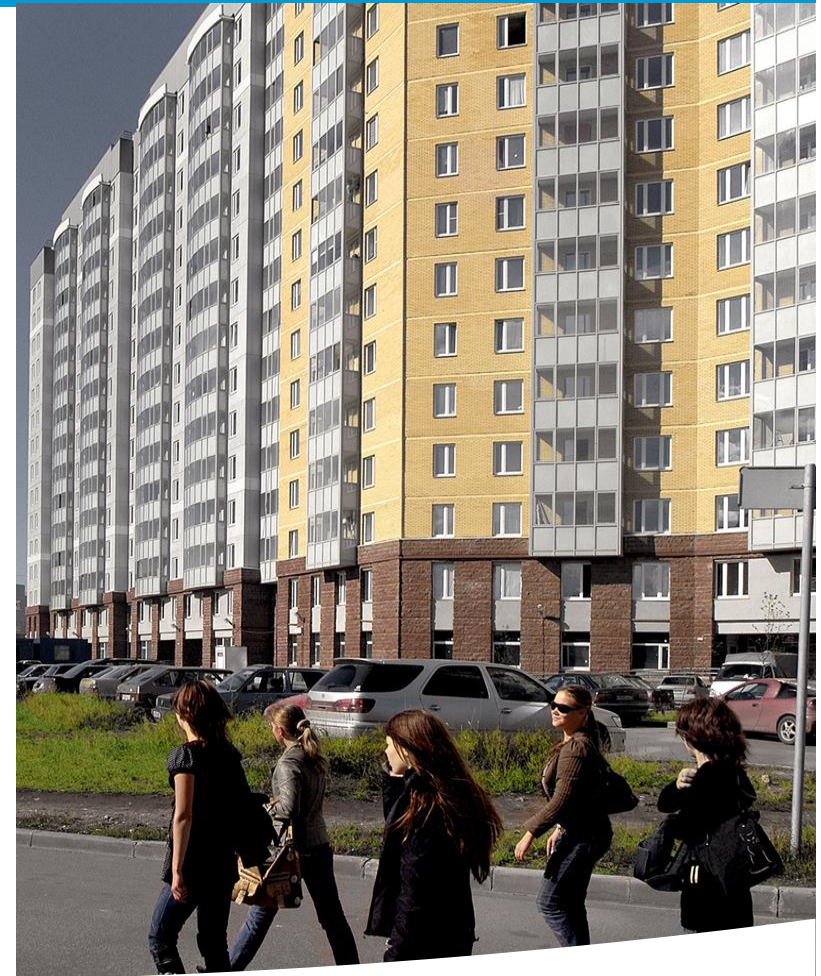
In the past:

- ~300-1,000 apartments
- → ~16-24 floors
- Construction time approx 2.5-3.5 years

Currently 1.8 years

The focus is still on:

1. Shortening development and construction times
2. Efficiency in design



YIT's competitive edges in the Russian housing market



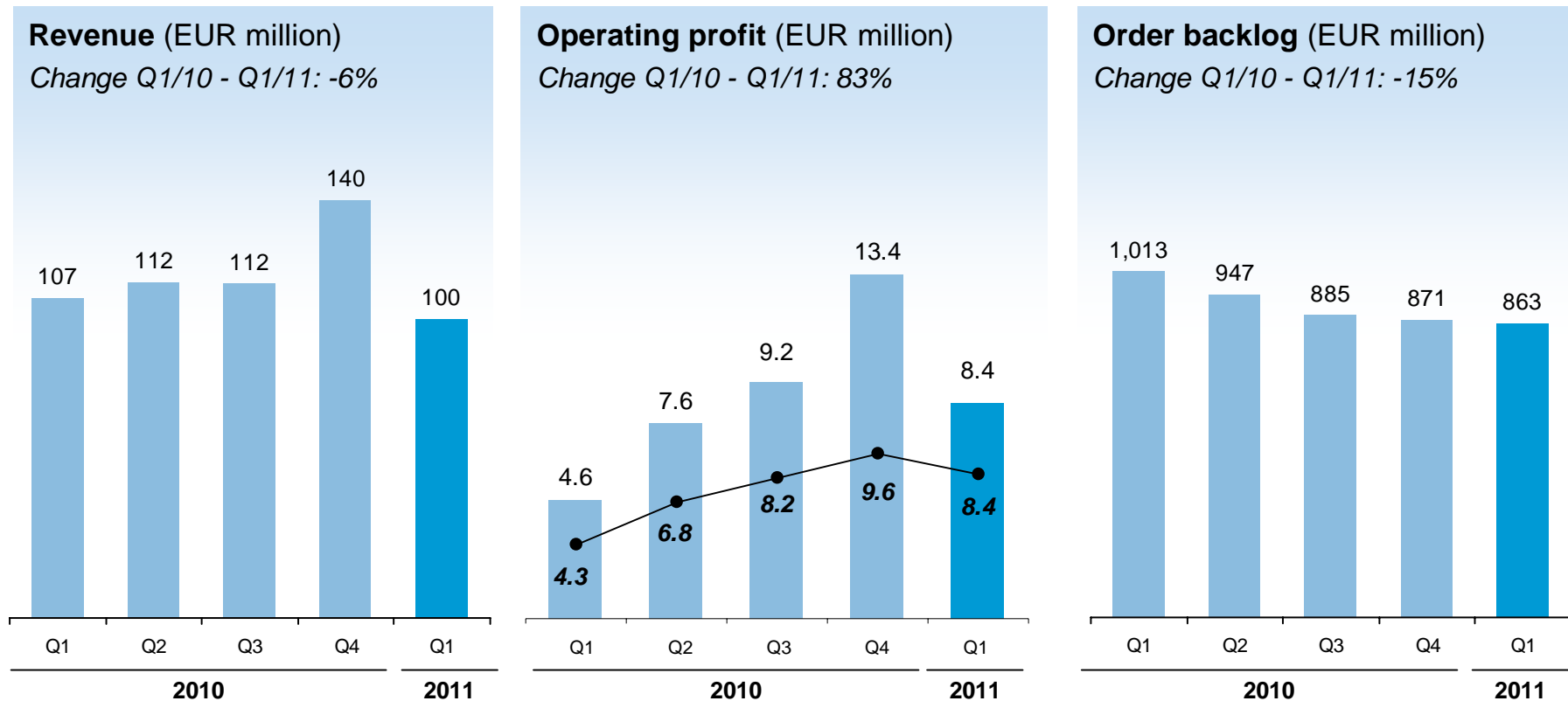
- **Experience in the target market, solid knowledge of local legislation and municipal procedures**
 - 50 years' experience in operating in the Russian market
 - Local management
- **Efficiency in design**
- **Versatile housing offering in good locations**
- **Customer orientation and tailoring the offering to the customers' needs**

Q1 2011 in International Construction Services



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Q1 typically the weakest quarter due to Russian holidays



All figures according to segment reporting (POC)

■ Operating profit ● % of revenue

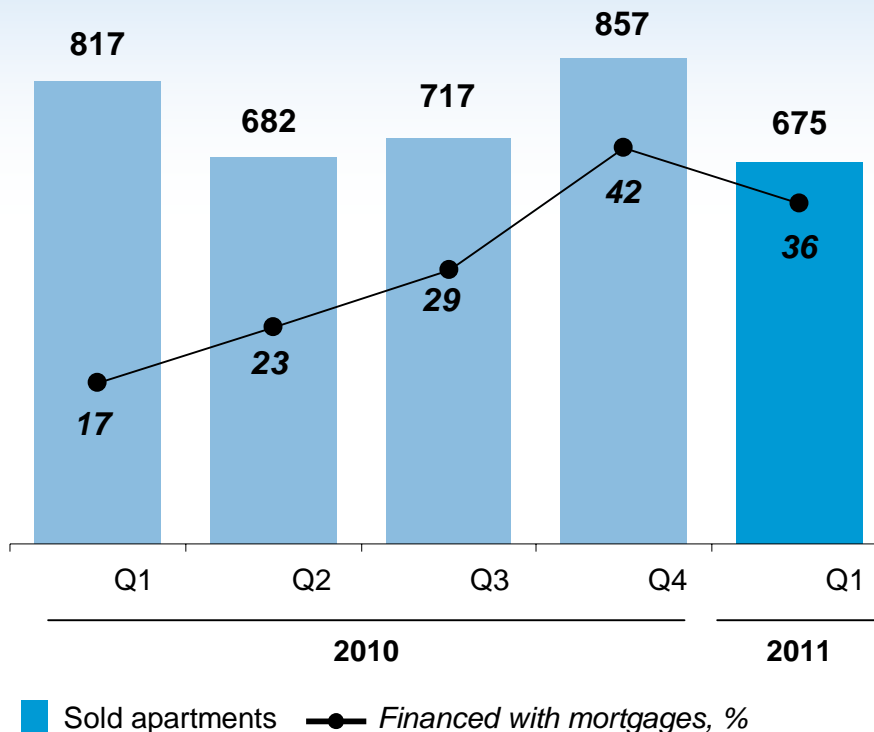
The operating profit of the segment includes EUR -0.5 million (1–3/2010: EUR -0.0 million) of borrowing costs according to IAS 23. EBIT margin in Q1/11 excluding these costs would be 8.9% (Q1/10: 4.3%).

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Good development in mortgage market supported residential sales in Russia

Apartments sold in Russia

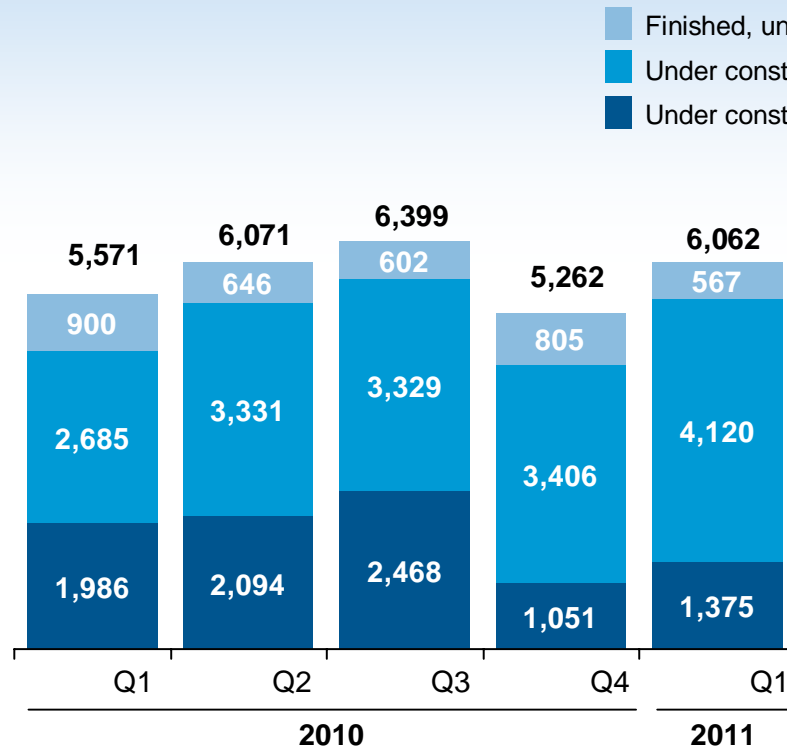
Number, %



- Number of sold apartments decreased from the previous year to 675 apartments
- Sales have continued at a good level in April
- Market prices have slightly increased during Q1
- Sales supported by extensive mortgage co-operation with banks
 - 36% of sold apartments financed with mortgages in Q1/11
 - Improvement in Moscow Oblast

Sales mix lead to lower revenue recognition

Apartments in Russia (number)



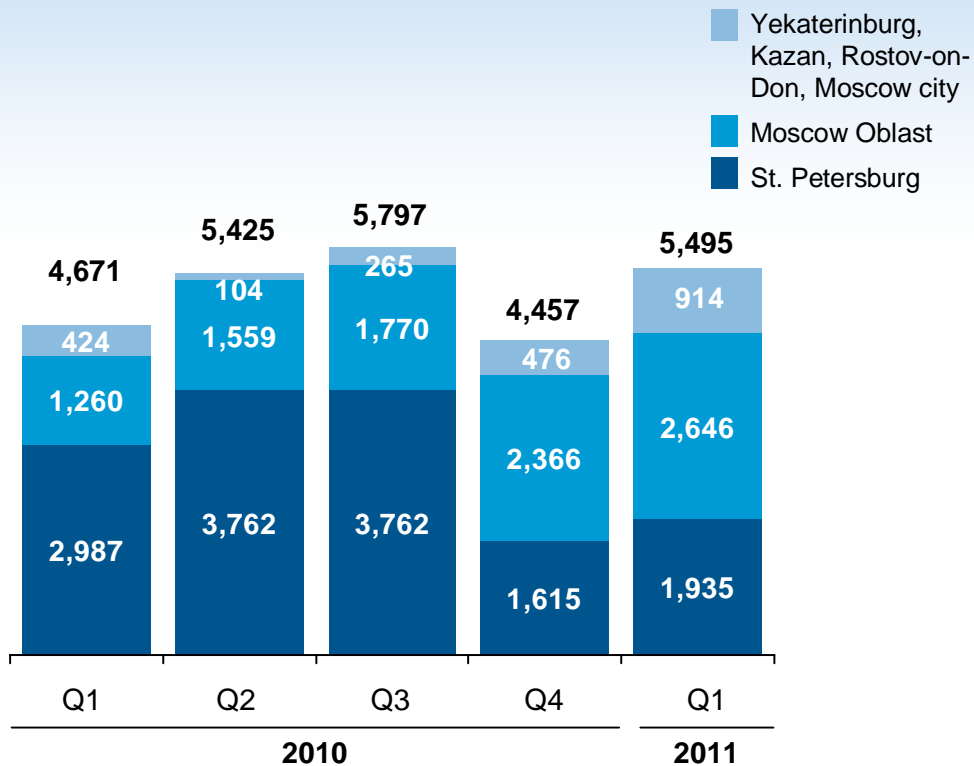
- Sales mix more towards apartments in early construction phase
 - Enabled by YIT's reputation and reliability
 - Lower revenue recognition
 - 105 apartments commissioned in Q1/11 (Q1/10: 321)
- Sales inventory has clearly increased compared to Q1/10
 - 4,687 apartments for sale at the end of March (3/10: 3,585 in Russia)
 - 25% of apartments under construction were sold

At the end of the period

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Wide recovery in Russian residential

Apartments under construction by city (number)



- Apartments under construction have increased in all cities
- Promising sales start also in new projects

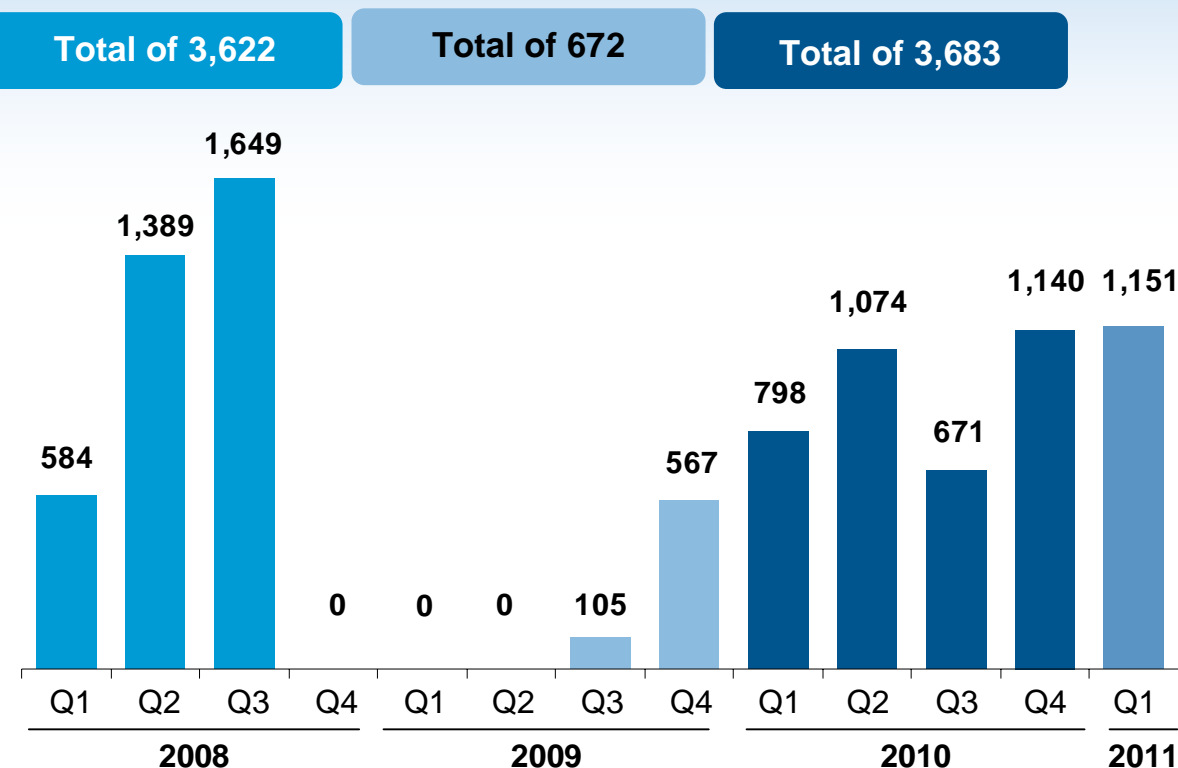


At the end of the period

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Start-ups at a good level in Russia

Apartment start-ups in Russia (number)

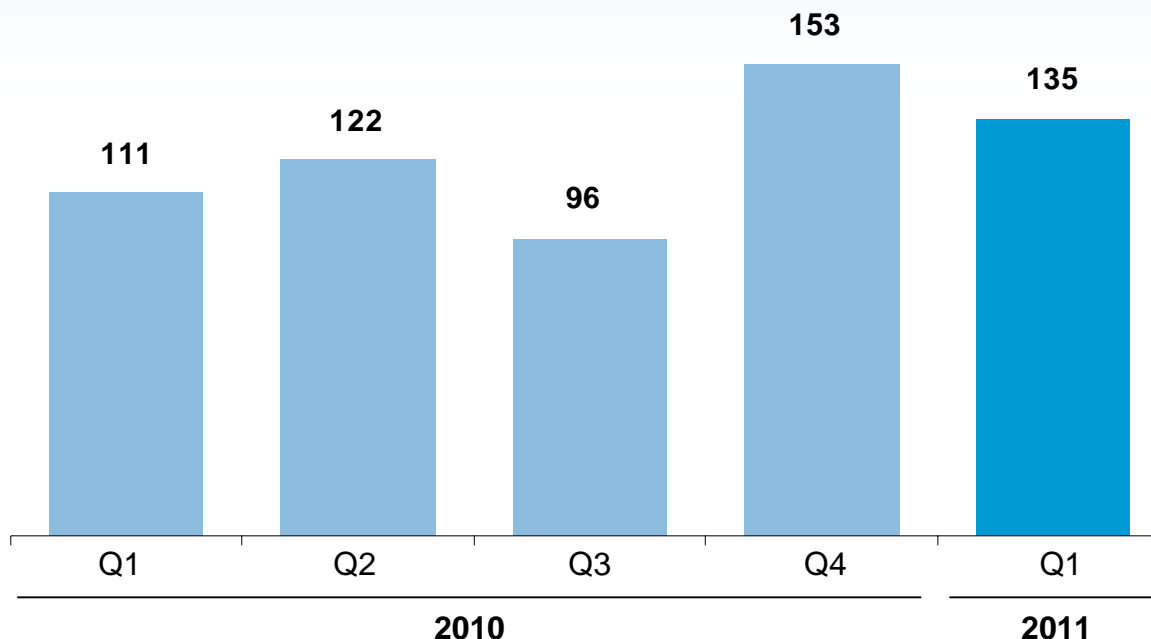


- In Q1 housing start-ups took place in St. Petersburg, Moscow Oblast, Rostov and Yekaterinburg
- Plot acquisitions in St Petersburg and Moscow Oblast
- Versatile plot portfolio: geographical distribution, customer segments

Slightly improving market situation in Baltic countries, Czech Republic and Slovakia

Apartment start-ups in the Baltic countries, Czech Republic and Slovakia (number)

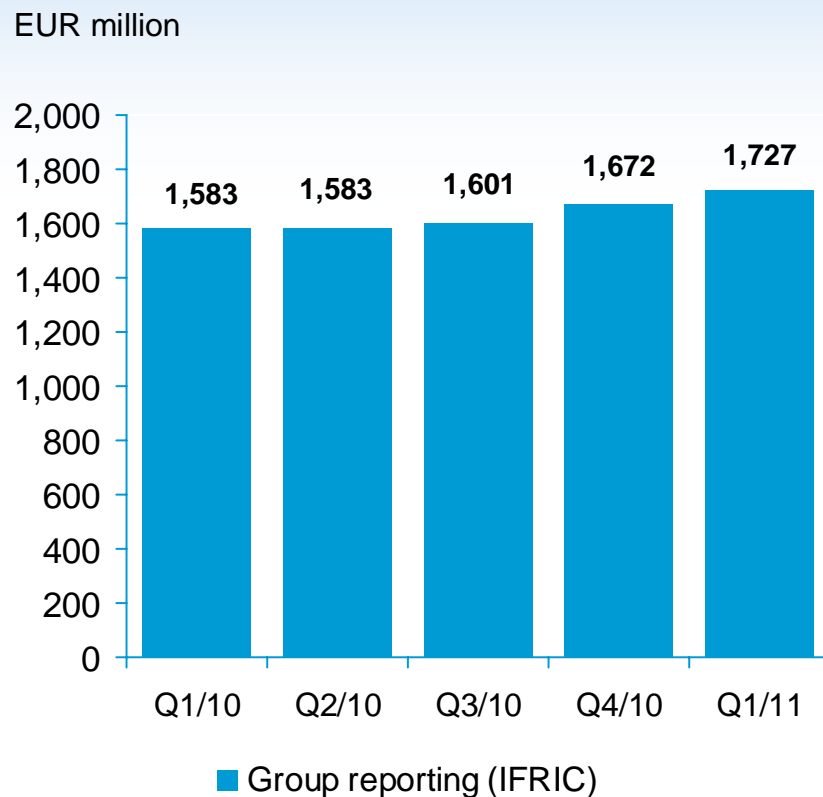
Total of 482



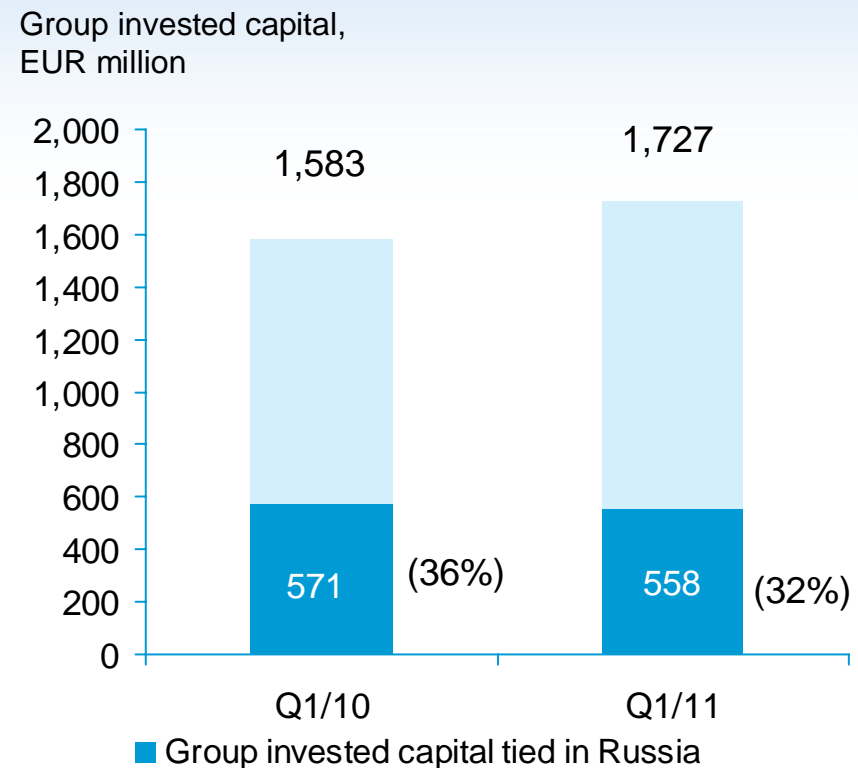
- The bottom in the residential market has been passed in the Baltic countries, the Czech Republic and Slovakia
- Prices increased slightly
- Start-ups in Estonia, Lithuania, Latvia and Czech Republic in Q1
- Sales volumes improved: in Q1 YIT sold 57 apartments (5 in Q1 2010)
- Low volumes still hurt profitability

32% of Group invested capital was tied in Russia

Group invested capital



Capital invested in Russia 3/2011:
EUR 558 million, 32% of Group capital



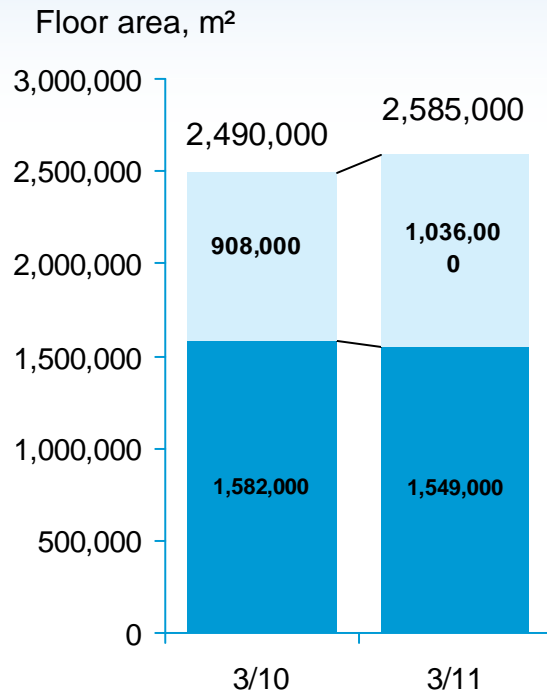
Capital invested in plot reserves

at the end of March 2011

Finland

**3/10:
MEUR 298**

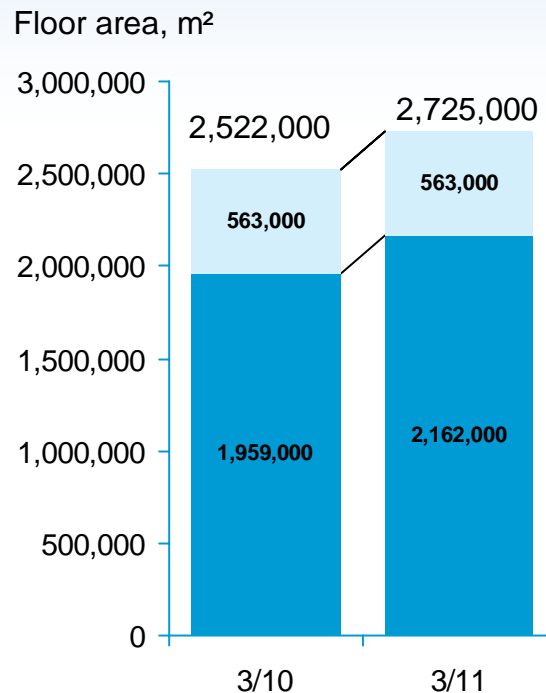
**3/11:
MEUR 273**



Russia

**3/10:
MEUR 207**

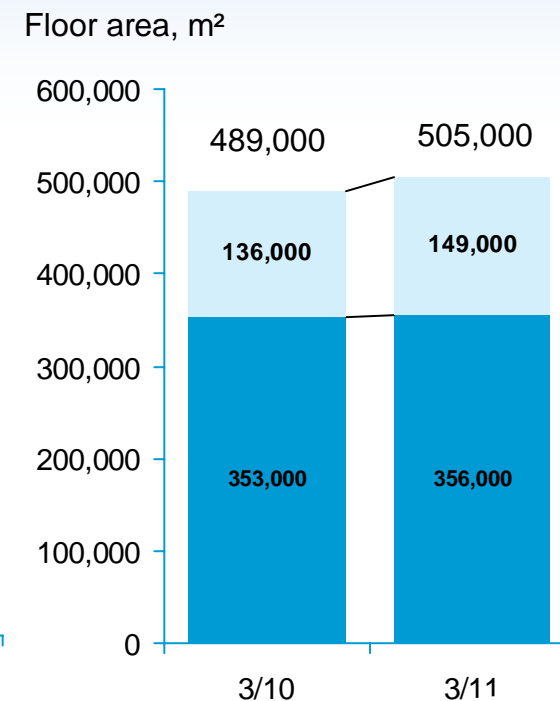
**3/11:
MEUR 275**





Baltic countries, Slovakia and the Czech Republic

**3/10:
MEUR 76**

**3/11:
MEUR 78**



 Business premises plots
 Residential plots

Together we can do it.



Improving services, developing sales



- Mortgage cooperation with banks
- Maintenance services for residential buildings
- Strengthening brand and reputation
- Improvements in customer service process
- Improving internet services

Housing loan co-operation with banks supports sales

- Co-operation agreement with Sberbank started in autumn 2009
 - Joint promotion program
 - YIT's customers have the option to take out a mortgage in St Petersburg, Rostov-on-Don and Moscow region cities under special terms and conditions
 - Covers apartments both in completed buildings and buildings under construction
 - Interest rate starting from 10%
- YIT also co-operates with VTB24, Raiffeisen bank and Nordea
- In Q1 36% of residential sales made with mortgages: the share varies between cities and projects



The advertisement features a family (father, mother, and child) in the foreground, with a collage of diverse people in the background. A thought bubble above them shows a building under construction. The text is in Russian and English.

Ипотечный кредит
на долевое участие
в строительстве

Nordea

ЮИТ ДОМ

10 миллионов
клиентов
в Европе

и МБЛ!

Making it possible
Делая это возможным

(495) 662-11-55
(495) 777-24-77

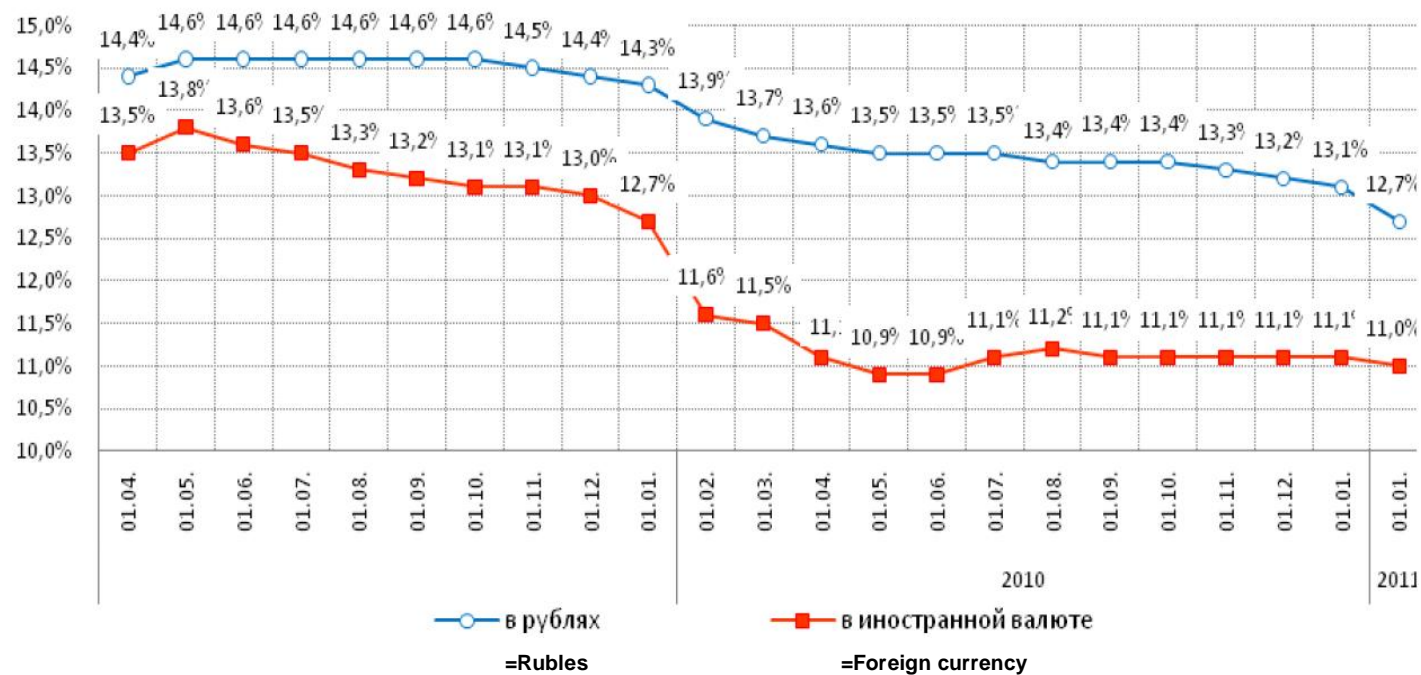
ООО «Ипотека Банк» - партнерский маркетинг Банка России. YIT/BL.

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Housing loan interest rates have decreased

Weighted average interest rate on mortgage loans

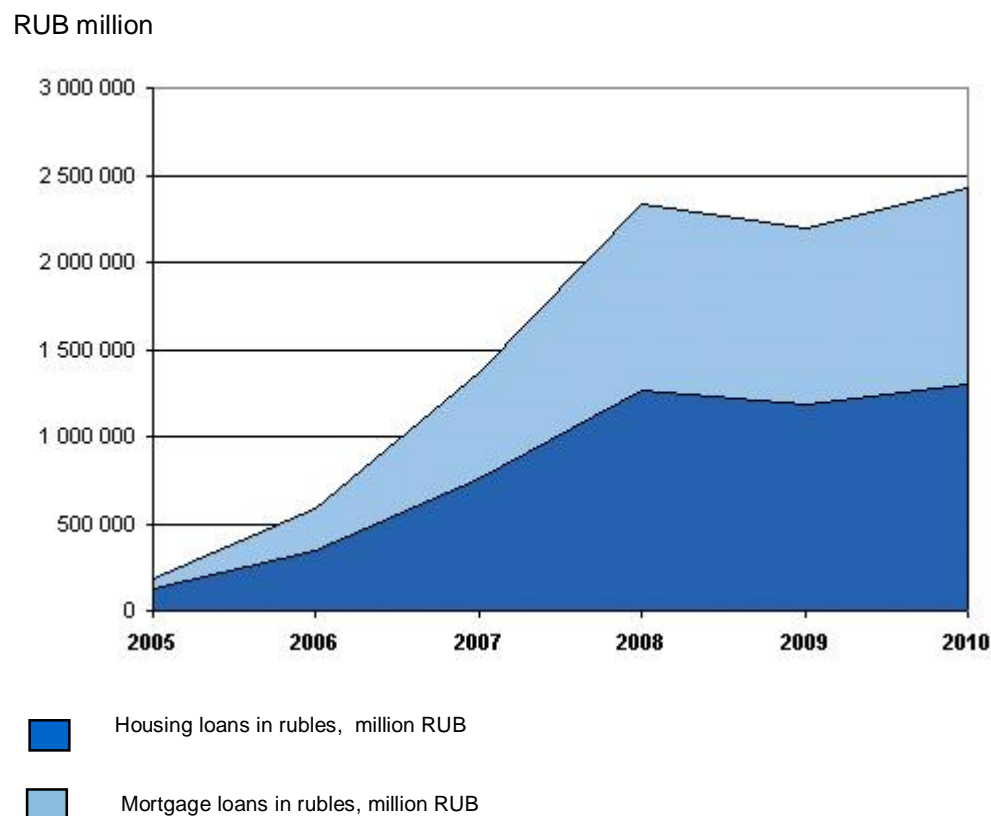


Source: www.ahml.ru April 18, 2011

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Housing loan stock in relation to GDP still at a low level

The development of housing and mortgage loans in Russia
2005-2010



Housing loans/ GDP

| | GDP, Million RUB. | Mortgage + housing loans, million RUB | % of GDP |
|------|----------------------|---------------------------------------------|----------|
| 2005 | 21 625 | 178 512 | 0,8% |
| 2006 | 26 904 | 584 071 | 2,2% |
| 2007 | 33 114 | 1 368 742 | 4,1% |
| 2008 | 41 540 | 2 338 088 | 5,6% |
| 2009 | 39 016 | 2 191 650 | 5,6% |
| 2010 | 44 491 | 2 422 840 | 5,4% |

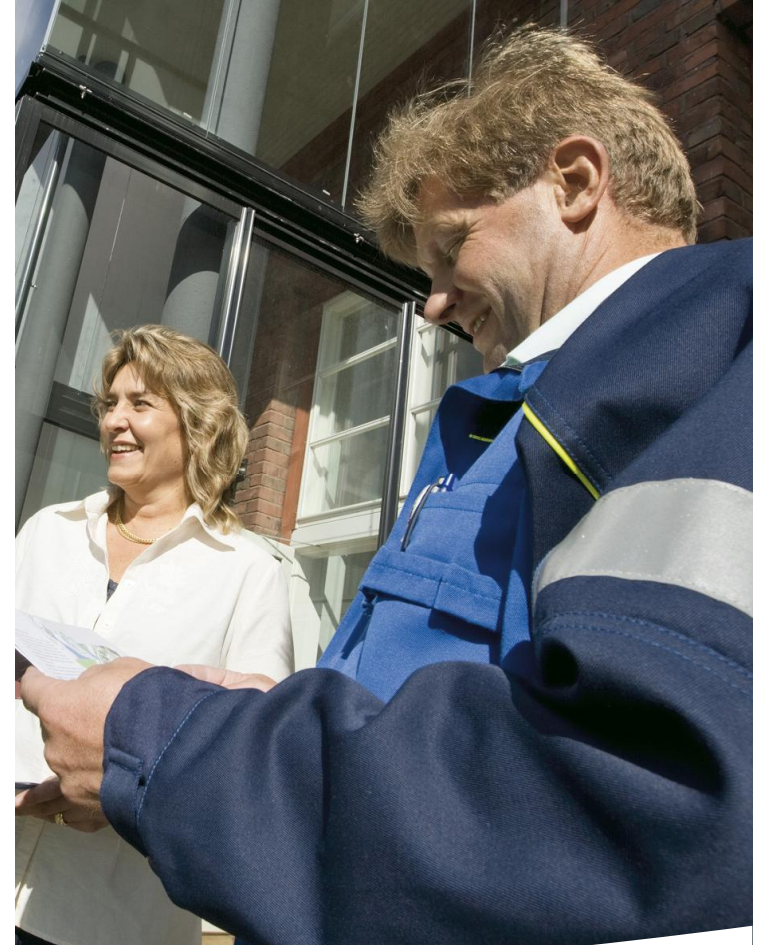
Source: Central Bank of Russian Federation – bank statistics bulletin, Rosstat

Together we can do it.



Maintenance of residential buildings expands YIT's service portfolio

- The service covers maintenance of residential buildings constructed by YIT
 - Maintenance of buildings and yards, cleaning, security, building systems control, utilities etc
- Services rendered in St Petersburg and four locations in the Moscow Oblast: Ramenskoje, Zhukovskoje, Pushkino and Noginsk
- Over 7000 apartments covered in these locations at the end of 2010



Construction of business premises picking up slowly

- YIT had low construction volumes in business premises in Russia in 2010
- Construction of business premises picking up slowly
- The marketing of the Gorolovo industrial park (close to St. Petersburg) has continued
 - Good location and completed infrastructure give competitive advantages
 - Demand increased during year 2010
 - Good negotiations on-going
 - Lot of interested companies
 - Decision making takes time



Market trends



Together we can do it. **YIT**

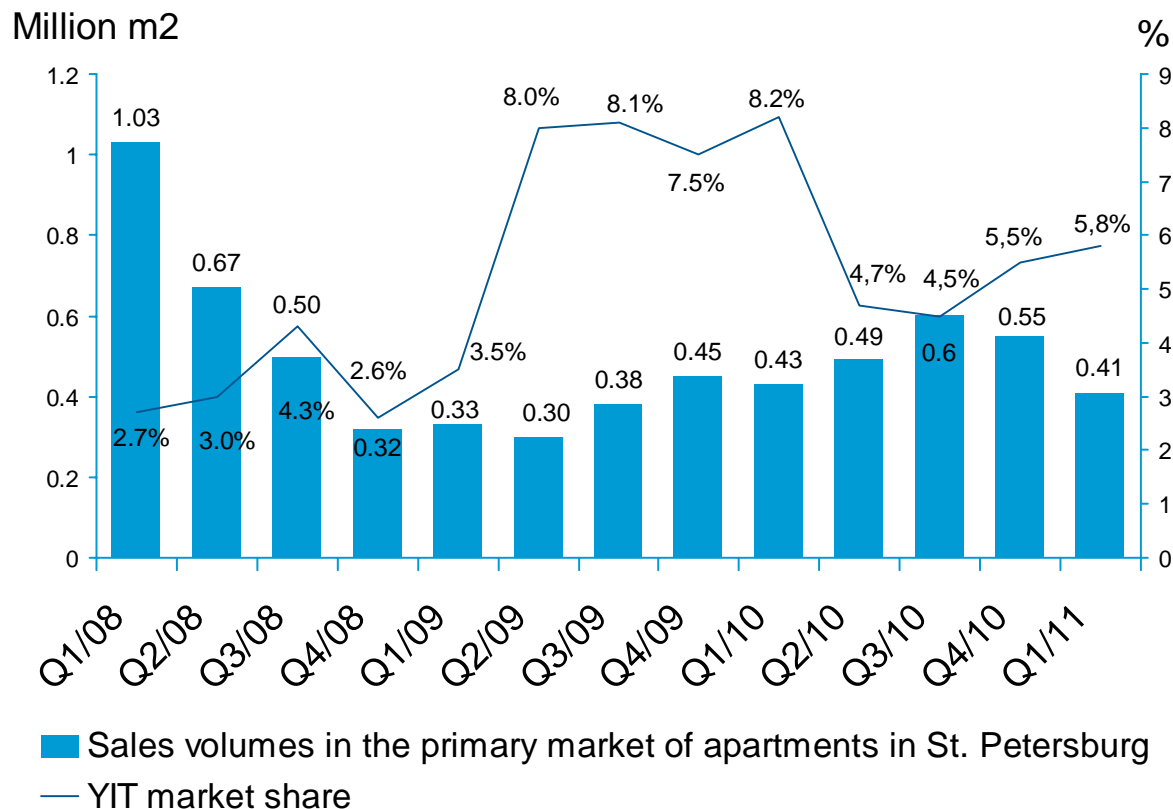
Development in the Russian housing market

- Consumer confidence on good level
 - Many developers have re-started the construction of frozen projects and started up new projects
 - To ensure cash flow from clients, price level in these projects has been quite low hence lowering the average price level
 - Sales price level expected to increase slightly, supported by recovery of the mortgage market
 - Consumer behaviour dependent also on the oil price and the ruble exchange rate
- YIT aims to increase the start ups in International Construction Services in 2011 compared to 2010



YIT has good market position in St Petersburg

Sales volumes in the St. Petersburg primary market and YIT market share



Sales volumes expected to grow in 2011

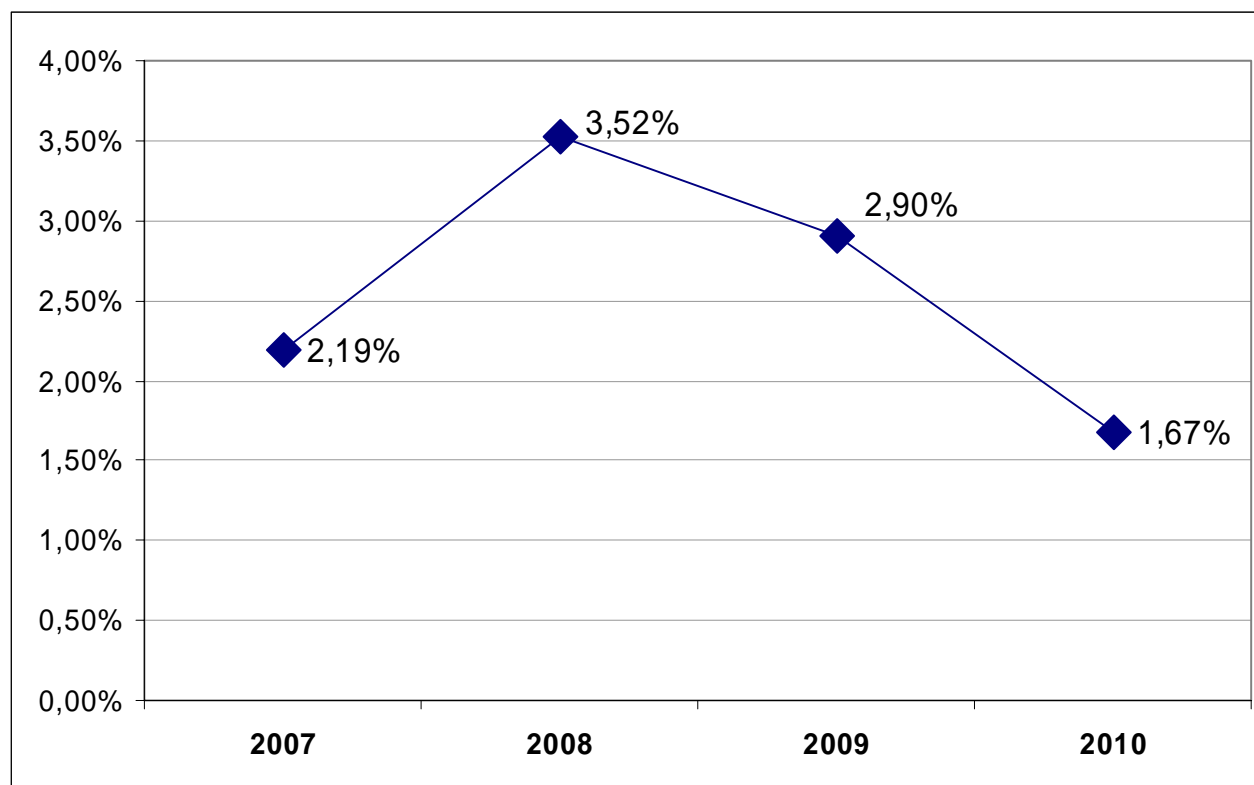
| | Sales volumes | YIT market share |
|-------|-----------------|------------------|
| 2007 | 1.90 million m2 | 1.4% |
| 2008 | 2.50 million m2 | 3.3% |
| 2009 | 1.47 million m2 | 6.6% |
| 2010 | 2.07 million m2 | 5.6% |
| 2011E | 2.20 million m2 | |

Source: Construction Bulletin, SPb Realty and YIT

Together we can do it. **YIT**

YIT's share of commissioned housing volumes in Moscow Region

Share of housing volumes commissioned on Moscow Region's market

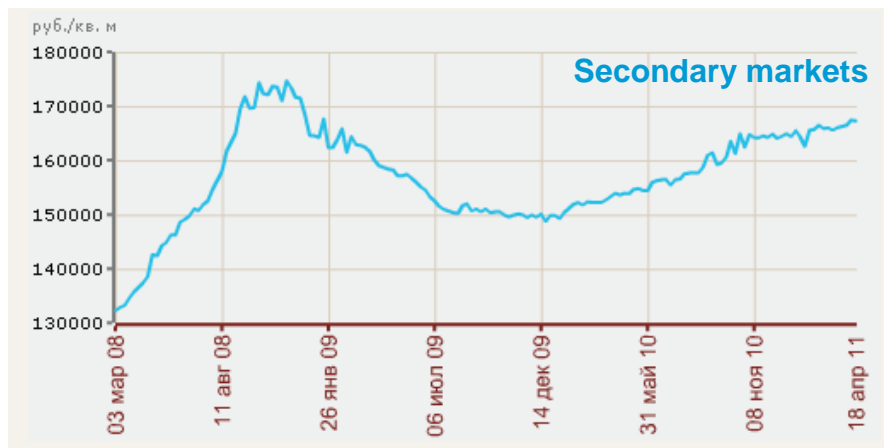


Price level expected to increase

Price development of the housing prices, 3/08-4/11

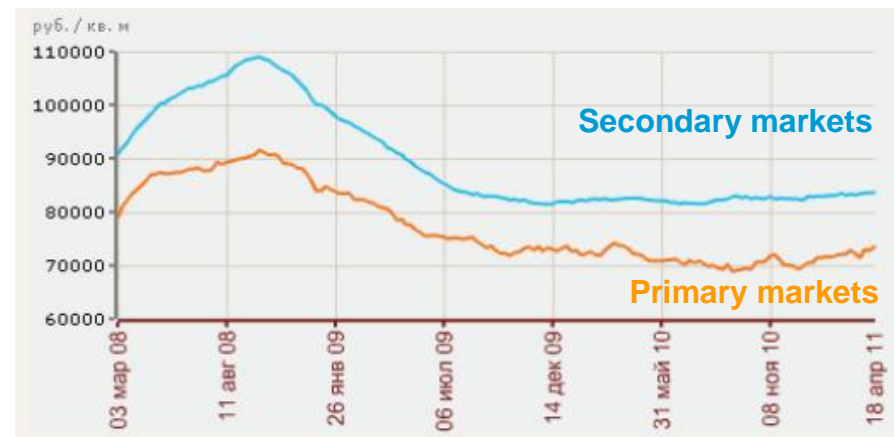
Moscow

RUB/m²



St. Petersburg

RUB/m²

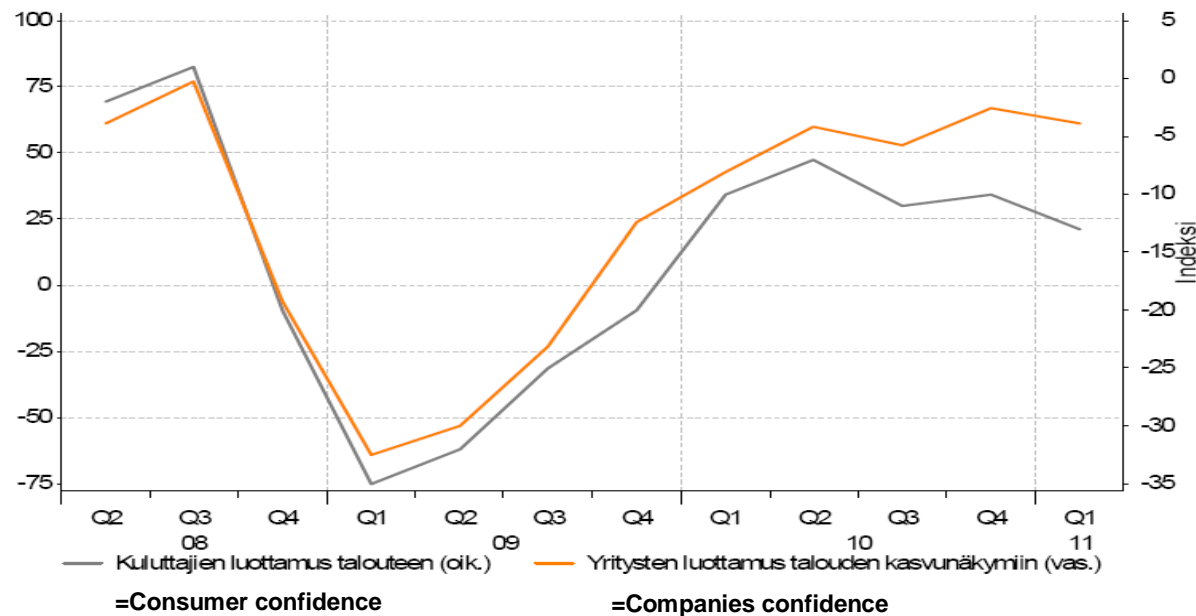


Source: www.bn.ru April 18, 2011

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Consumer confidence in Russia on good level

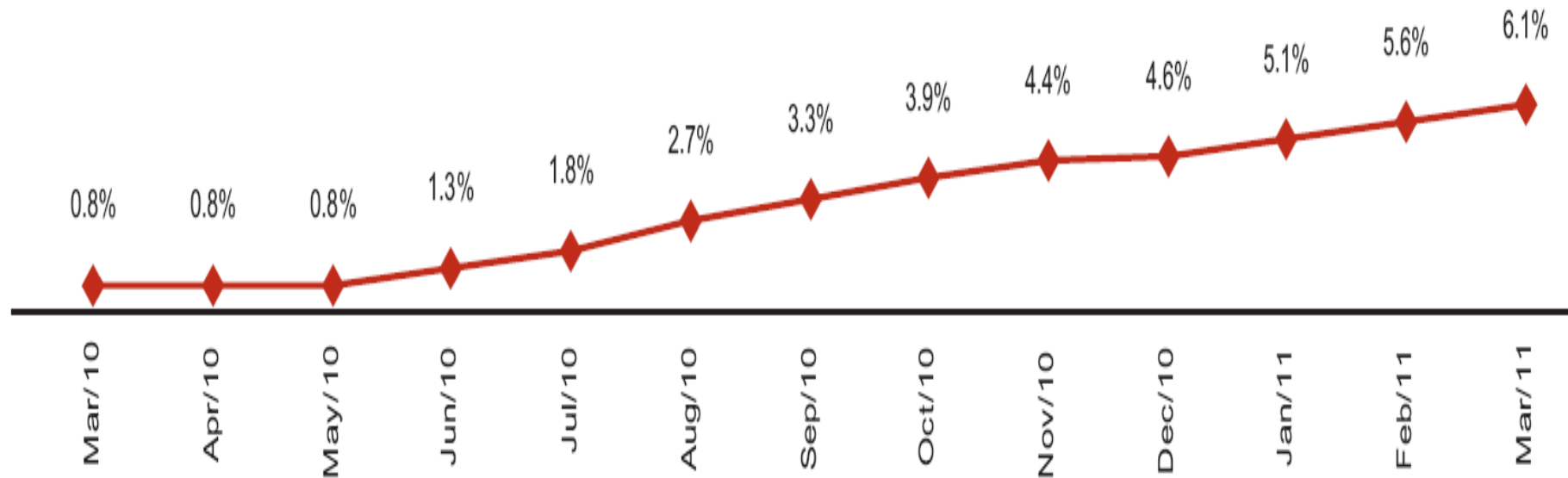
Consumer and company confidence in Russia



Source: Pohjola Pankki April 18, 2011


Construction cost increases below general inflation in Russia

Inflation in building materials in Russia (y-o-y), March 2010-March 2011



Market outlook 2011

International Construction Services



**Komendansky
Kvartal**
St. Petersburg, Russia

Russia

- Huge long-term need for housing
- Housing demand and prices expected to increase in 2011
- Mortgage market development supports demand
- Increase in inflation will be seen, as will higher construction costs

Baltic countries, the Czech Republic and Slovakia

- Signs of improvement in the market
- Long-term need to improve living conditions
- Housing prices expected to increase slightly

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Guidance for 2011

YIT estimates growth in revenue and
clear growth in operating profit in 2011

(Guidance has not been updated since 4.2.2011)

Guidance is based on segment
reporting
(POC=Percentage of completion)

Ring road I
Espoo, Finland

Together we can do it.



Appendices



Appendices

- Financial position
- Ownership
- General economic indicators
- YIT's market positions and competitors
- Housing indicators
- Building services offering
- BS NE indicators
- BS CE indicators
- Industrial indicators
- Infrastructure construction and construction costs

Financial position

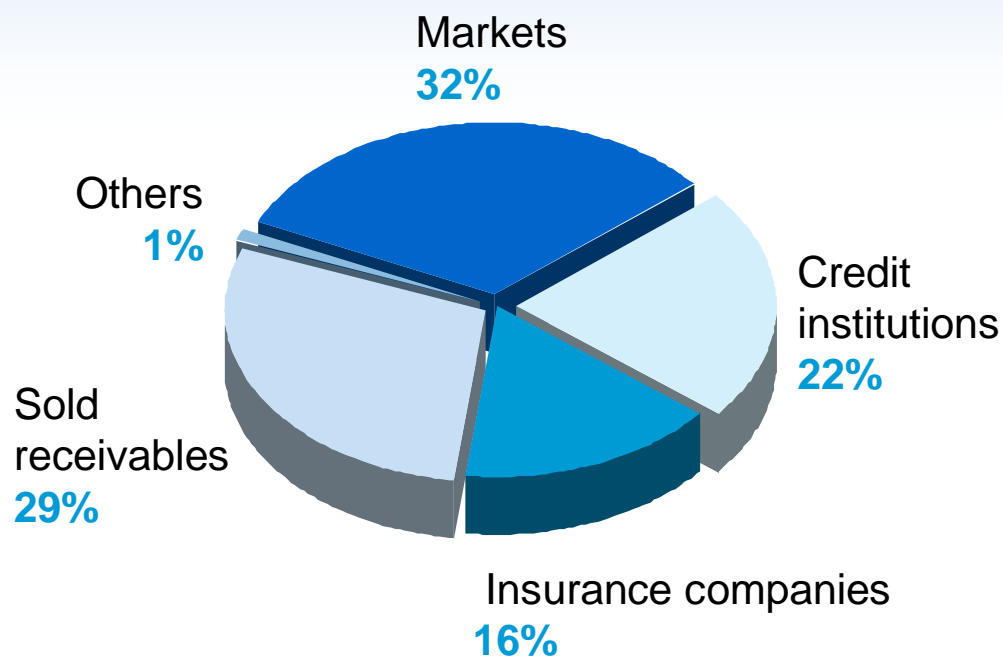


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Balanced debt portfolio

Debt portfolio 3/2011, total EUR 894 million (12/2010: 789 million)

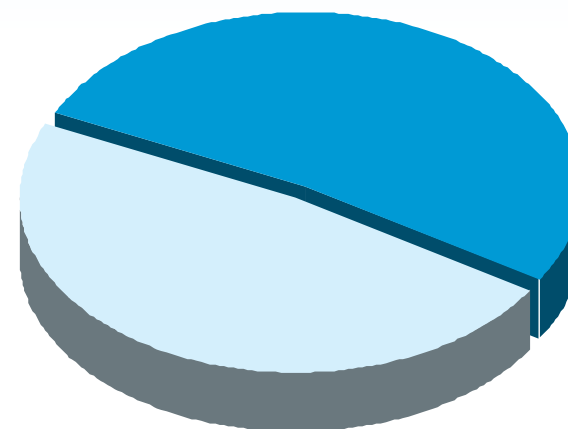
Average interest rate 3.2% (12/2010: 3.4%)



Fixed interest rate

52%

Average interest rate 4.1%



Floating interest rate

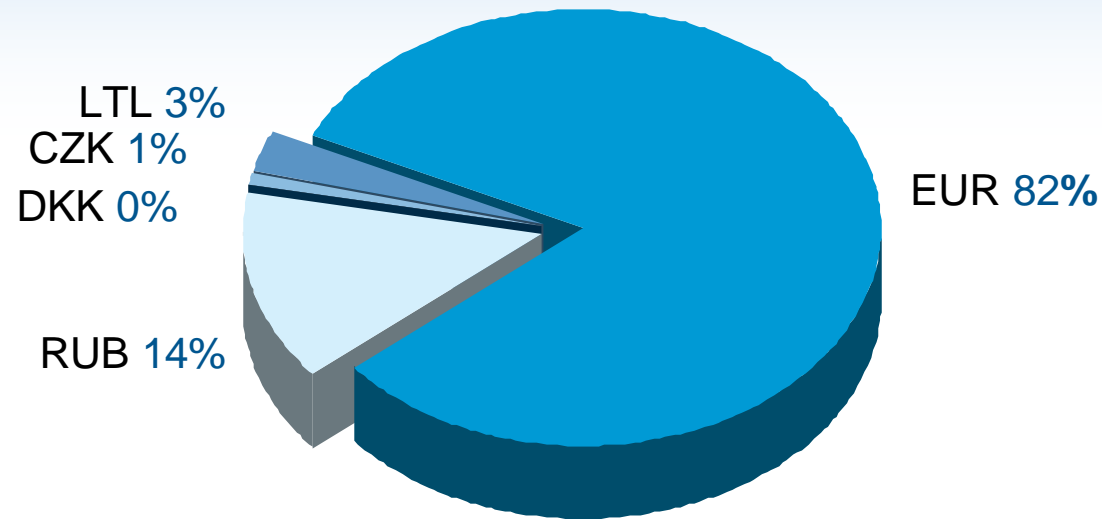
48%

Average interest rate 2.4%

Currency risk of debt portfolio managed well

FINANCIAL POSITION

Original debt portfolio and forward agreements 3/2011



Loans taken by parent company as a rule EUR-denominated
- parent company hedges foreign currency-denominated loans to subsidiaries

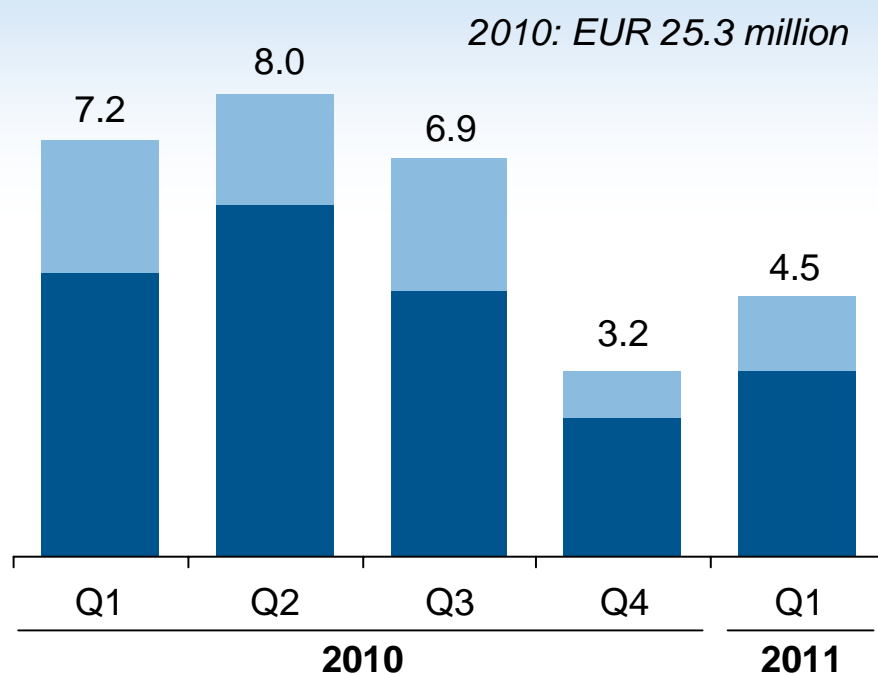
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Net financial costs decreased

FINANCIAL POSITION

Net financial costs

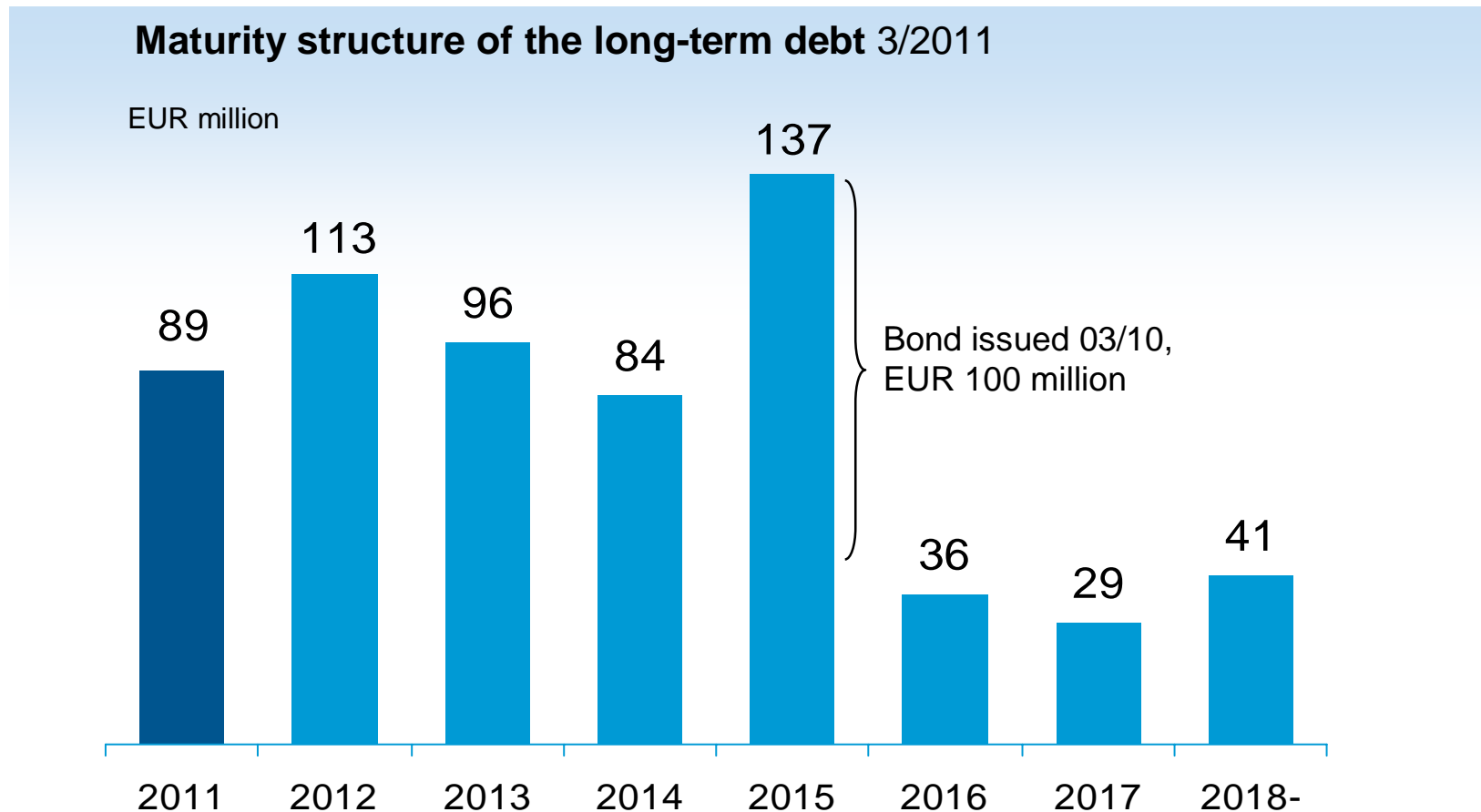
EUR million



Main factors impacting the decrease of net financial costs

- Decrease of average interest rate of debt portfolio
- Reduction of interest rate difference between rouble and euro
 - Lower hedging costs
- Bigger IAS 23 booking

Stable maturity structure



Ownership



YIT's major shareholders

on April 30, 2011

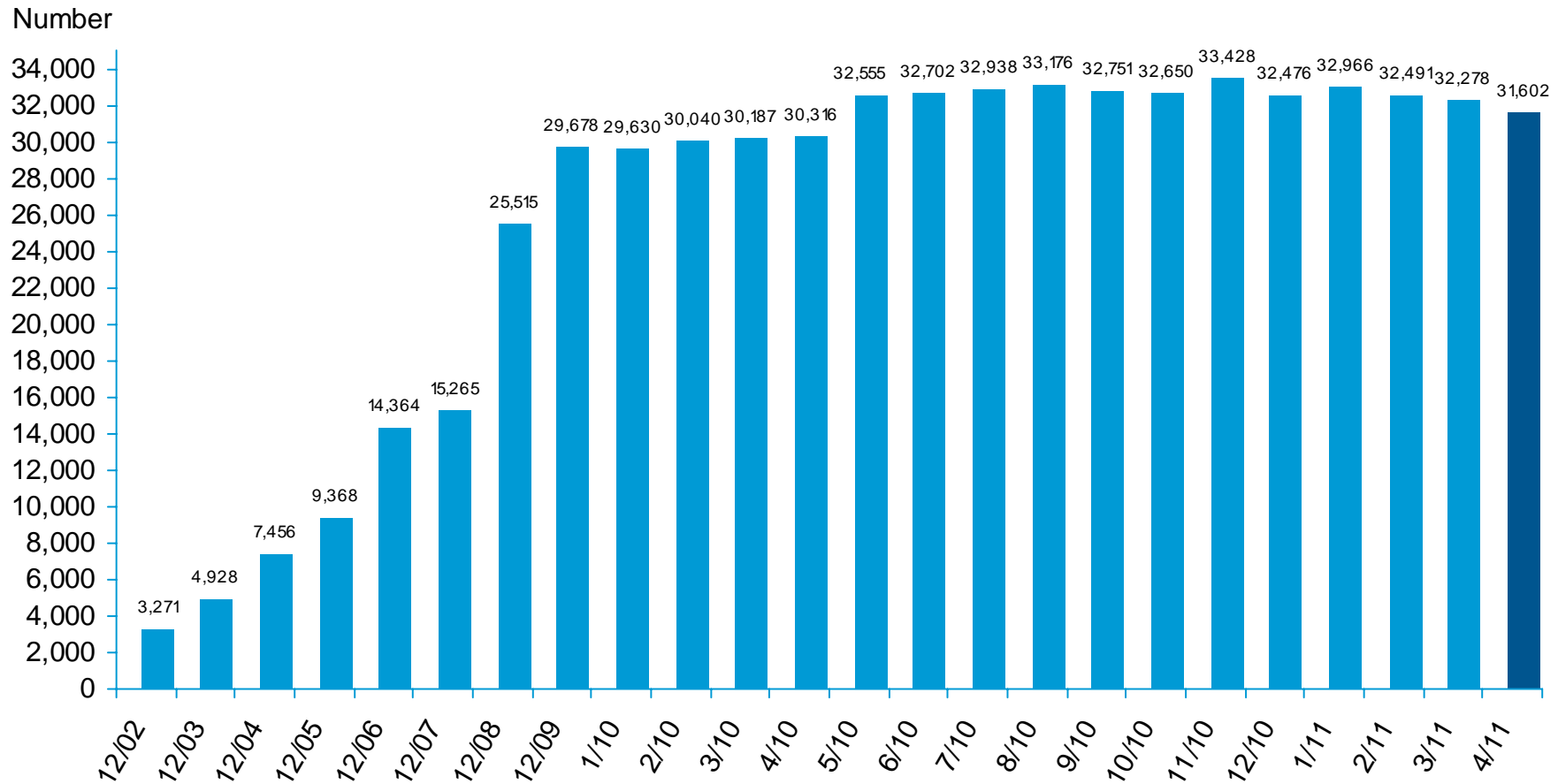
| Shareholder | Shares | % of share capital |
|------------------------------------------------|-------------|--------------------|
| 1. Structor S.A. | 14,000,000 | 11.00 |
| 2. Varma Mutual Pension Insurance Company | 7,260,144 | 5.71 |
| 3. Mandatum Life Insurance Company Limited | 4,627,008 | 3.64 |
| 4. Ilmarinen Mutual Pension Insurance Company | 3,549,185 | 2.79 |
| 5. YIT Oyj | 2,145,000 | 1.69 |
| 6. Etera Mutual Pension Insurance Company | 1,884,400 | 1.48 |
| 7. Svenska Litteratursällskapet i Finland r.f. | 1,874,200 | 1.47 |
| 8. Tapiola Mutual Pension Insurance Company | 1,785,000 | 1.40 |
| 9. The State Pension Fund | 1,346,662 | 1.06 |
| 10. Brotherus Ilkka | 1,324,740 | 1.04 |
| Ten largest total | 39,796,339 | 31.28 |
| Nominee registered shares | 35,257,461 | 27.71 |
| Other shareholders | 52,169,622 | 41.01 |
| Total | 127,223,422 | 100.00 |

Together we can do it.



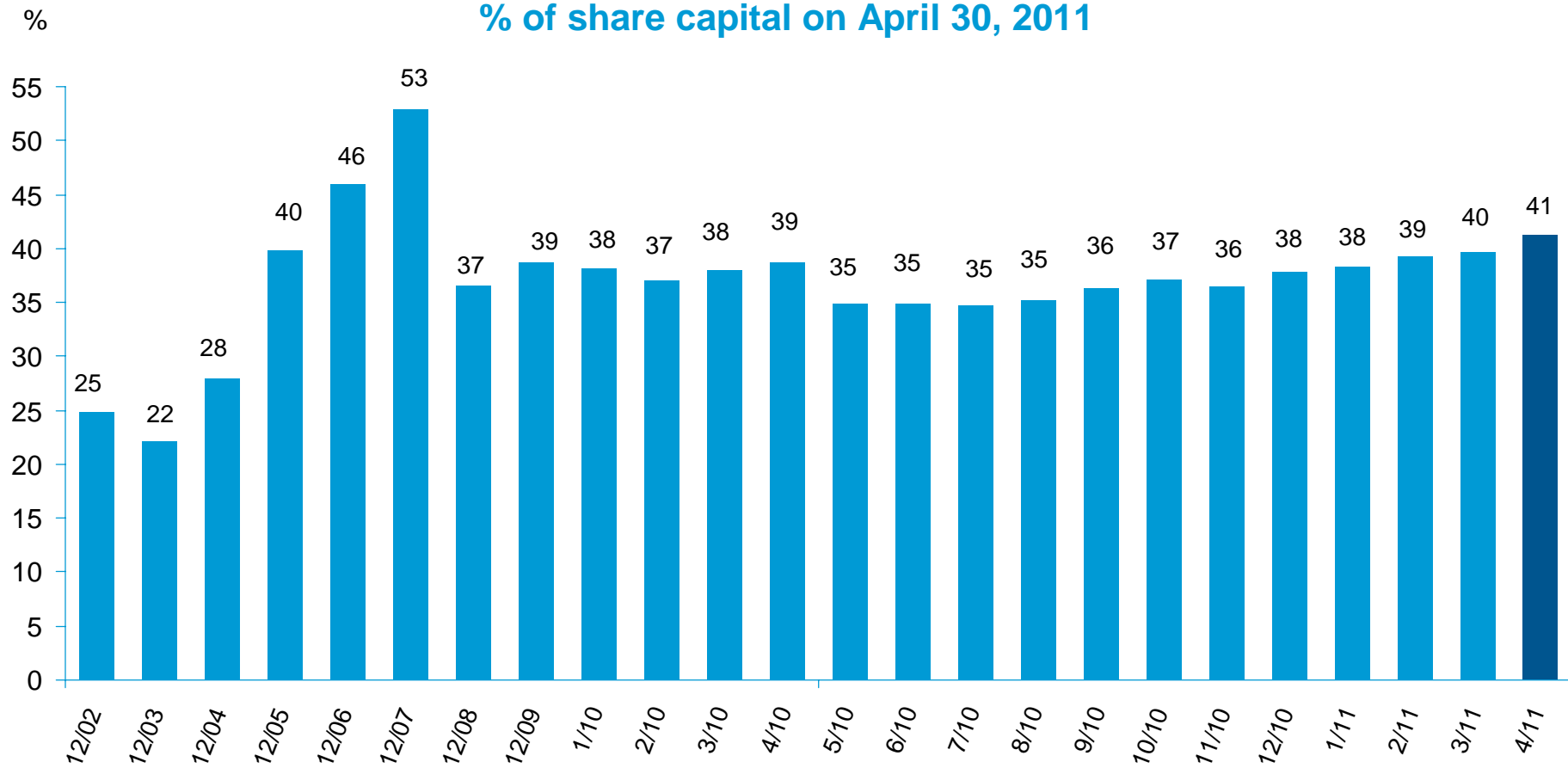
Almost 32,000 shareholders

on April 30, 2011



Over 40% of shares in international ownership

Non-Finnish ownership,
% of share capital on April 30, 2011



Together we can do it. **YIT**

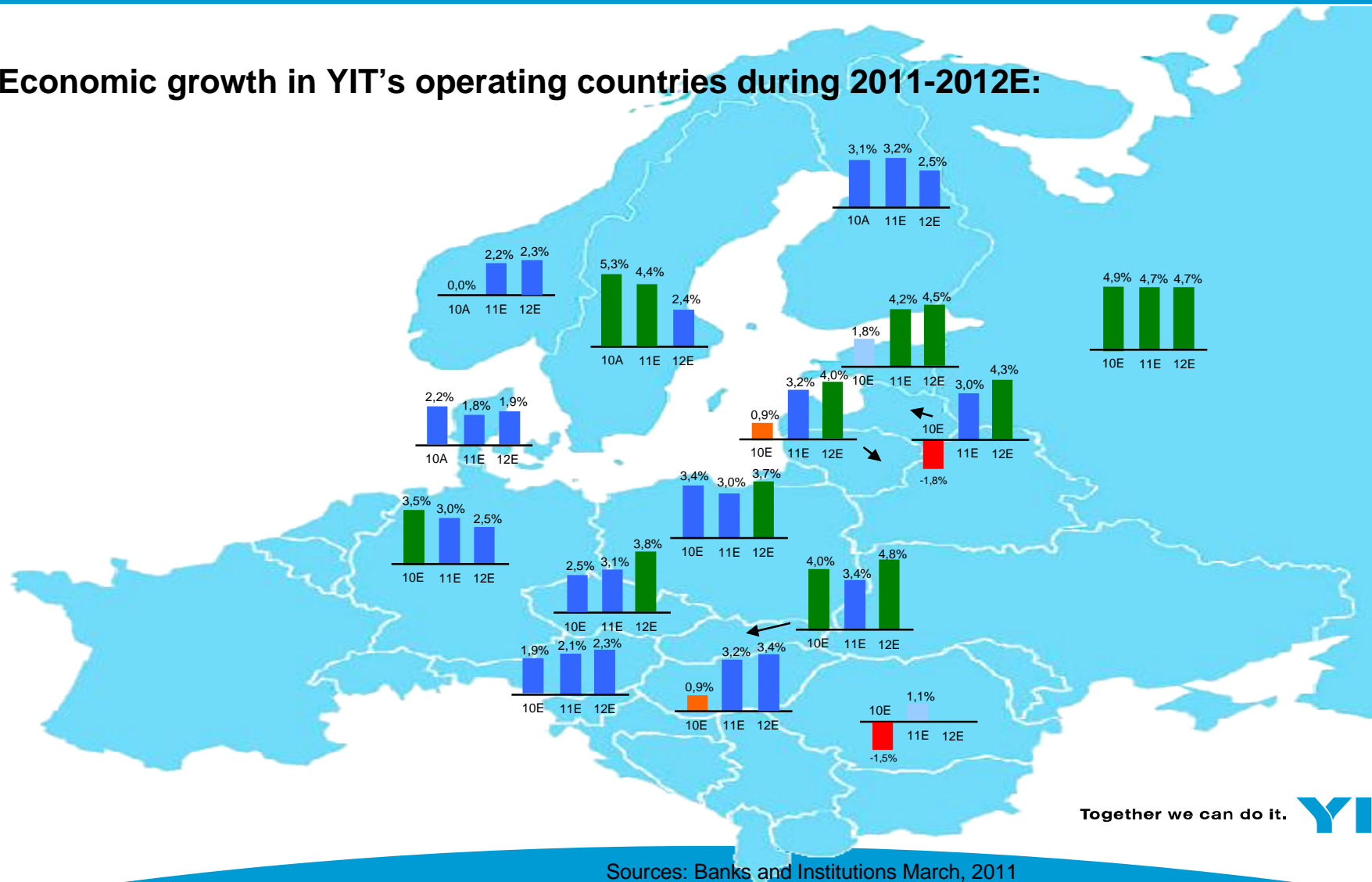
General economic indicators



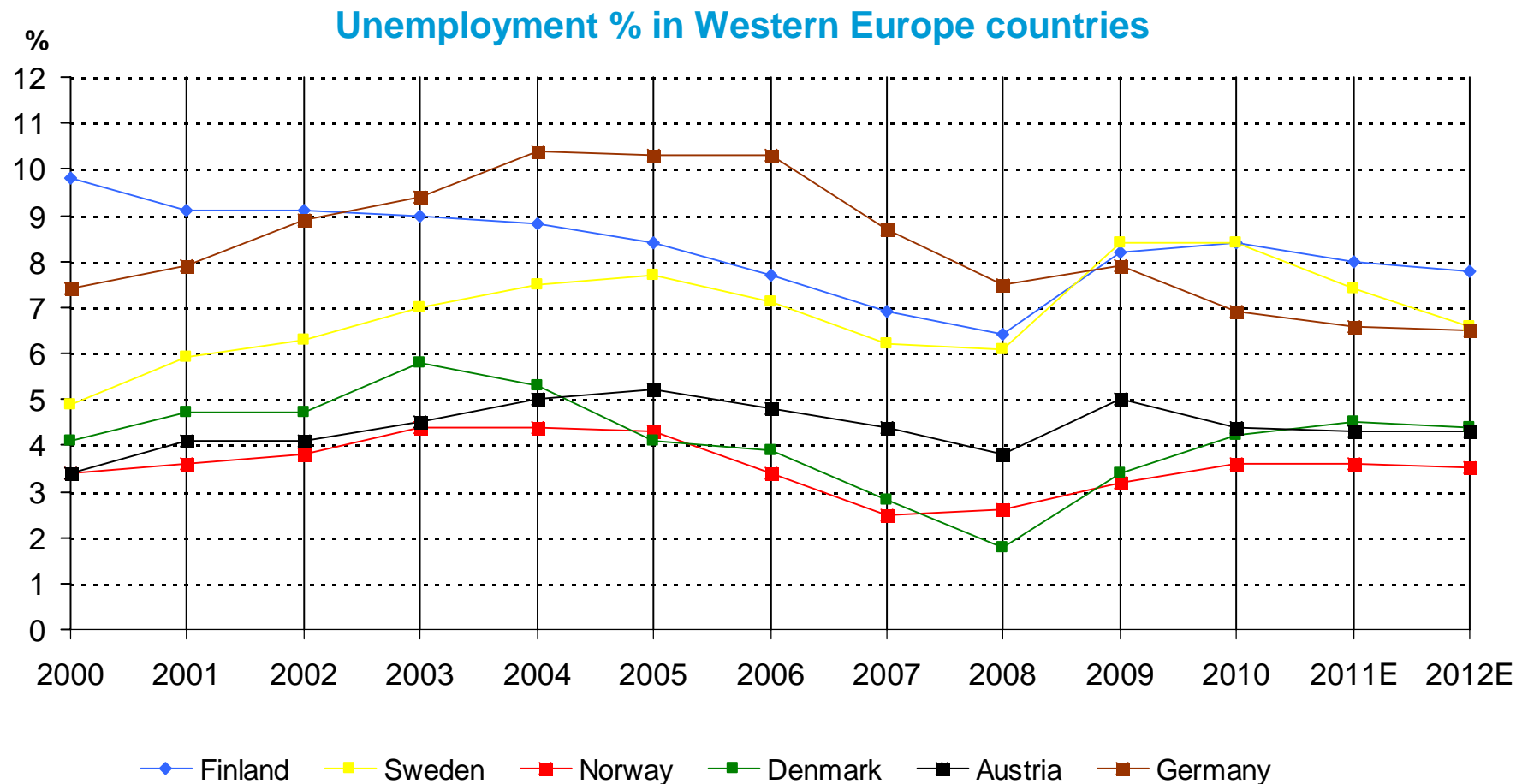
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European GDP forecasts for 2011-2012

Economic growth in YIT's operating countries during 2011-2012E:



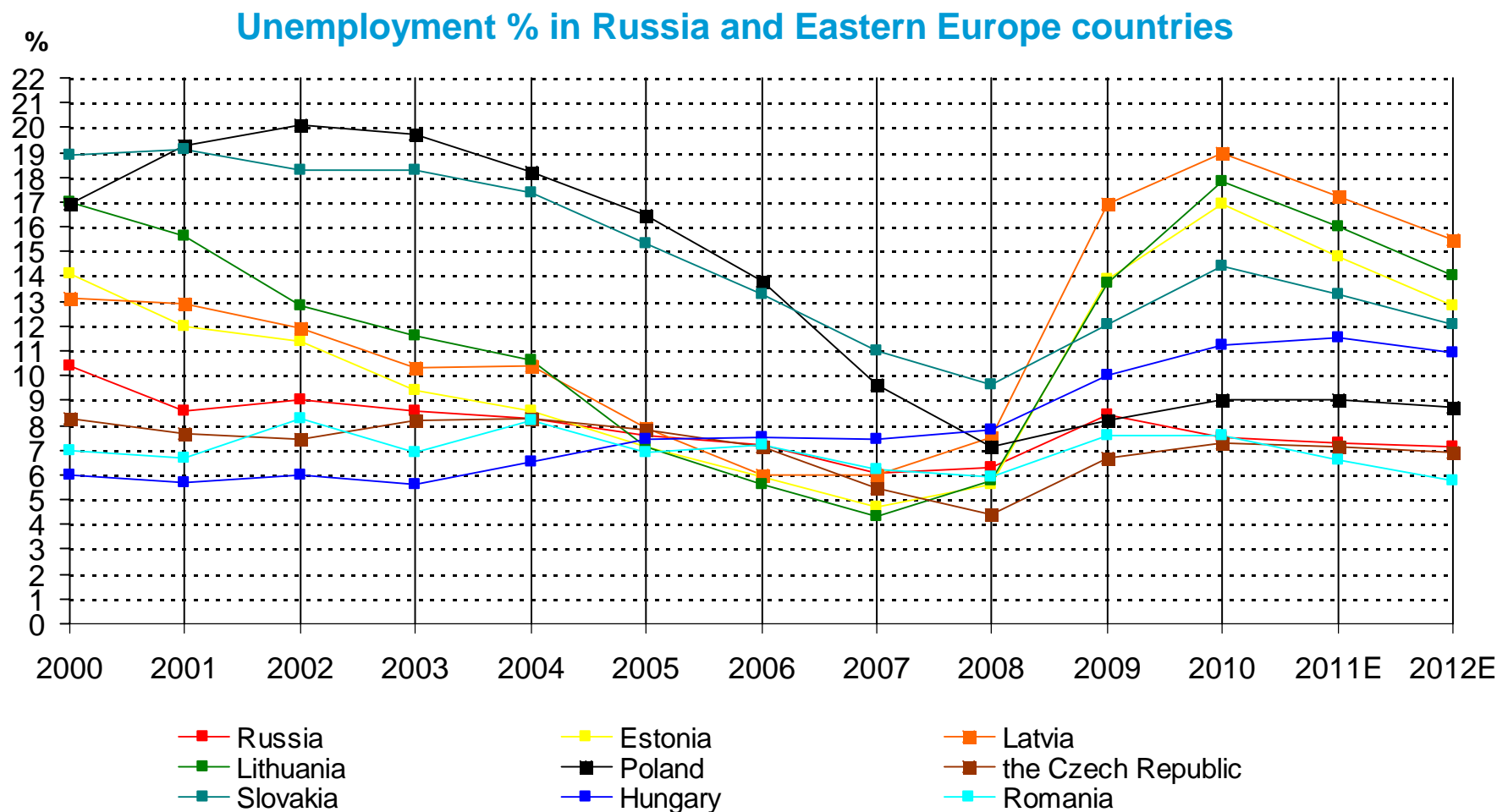
Unemployment has started to decrease in Western Europe



Together we can do it. **YIT**

Sources: Eurostat December 2010 and Euroconstruct December 2010, Forecasts: IMF April, 2011

Unemployment is also expected to decline in Russia and Eastern Europe



Together we can do it. **YIT**

Sources: Eurostat December 2010, Euroconstruct December 2010, Bofit December 2010 and Forecasts IMF April, 2011

Market position and competitors



Together we can do it. **YIT**

Strong market position

Nordic countries:

No 1 in Building Systems

Norway No 1: 7%; Finland No 1: 6%
Sweden No 2: 4%; Denmark No 3: 3%

Russia

Major foreign
player in
residential
development

Central Europe

Foothold in Building Systems,
No 2 in Germany

Market share ~2%

Baltic countries

Among market leaders in
construction

Finland

No 1 in Construction Services

Central Eastern Europe

Start-up in residential
development

Together we can do it.



Building Services: Northern and Central Europe

Growth potential in fragmented markets

Competitors and market shares in largest BIS countries (net sales in 2010):

Finland*

1. YIT (6%)
2. Lemminkäinen (3%)
3. Are** (2%)
4. EMC Group** (0,7%)
5. Sähköpeko** (0,7%)

Sweden*

1. Bravida (5%)
2. YIT (4%)
3. Imtech (3%)
4. Coor** (3%)

Norway

1. YIT (8%)
2. Bravida (4%)
3. Gunnar Karlsen** (3%)
4. Sonnicco A/S** (3%)

Denmark

1. Kemp & Lauritzen** (4%)
2. Bravida (3%)
3. YIT (3%)
4. Lindpro** (3%)

Germany

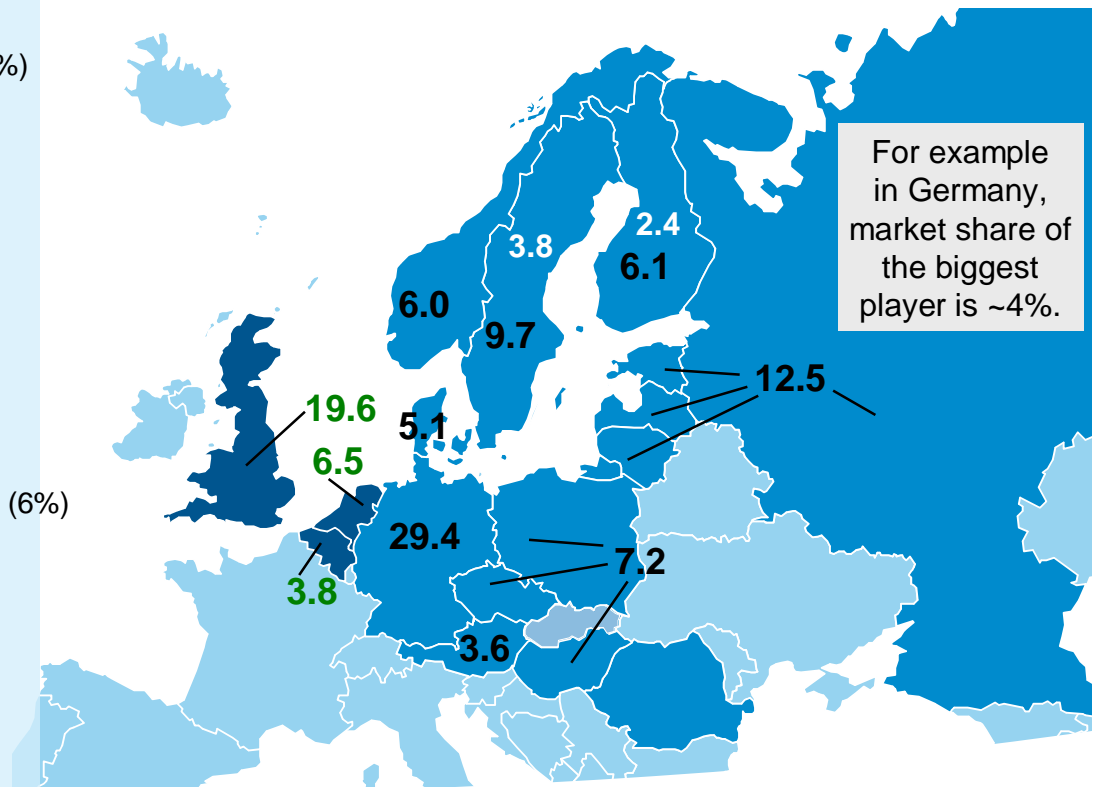
1. Imtech (4%)
2. YIT (2%)
3. Cofely** (1,5%)
4. Wisag** (0,7%)

Austria

1. Ortnner** (7%)
2. Elin/Bacon(Siemens)** (6%)
3. Axima** (4%)
4. YIT (3%)

Market size in YIT countries 2010

- Building Systems EUR 80 billion
- Industrial Services EUR 6 billion



*Finnish and Swedish markets includes both building systems and industrial services markets

**Net sales in 2009

Together we can do it. **YIT**

Sources: Euroconstruct December 2010, VTT December 2010 and YIT

Acquisition of Caverion doubles YIT's operations in Central Europe

With the acquisition:

- **YIT's revenue and personnel will double in Central Europe**
- **In building systems, YIT will be the second largest service provider in Germany and one of the leading actors in Central Europe**

Caverion's key figures at closing:

- **The price of shares EUR 73 million**
- **Goodwill EUR 60 million**
- **Acquisition costs EUR 1.9 million**
- **Personnel ~ 2,000 people**
- **Order backlog EUR 306 million (9/10)**
- **Revenue in 2009 was EUR 440 million, of which 80% from Germany**
- **Operating profit 2009 EUR 10.9 million**

YIT's presence in Germany



Common locations with YIT: Hamburg, Berlin, Ruhr Gebiet (Essen), Frankfurt, Nürnberg, Stuttgart, München, Halle / Leipzig. **New locations after Caverion acquisition:** Aachen, Bochum, Cologne, Dresden, Leverkusen, Wolfsburg, Kulmbach, Jena, Schmiedeberg

Together we can do it.



Construction Services

Growth potential in Russia and Eastern Europe

YIT's largest competitors in Construction

Finland

Lemminkäinen
Skanska
NCC
SRV
Destia
Hartela

Russia

SU-155
Mirax Group
PIK Group
LSR Group
GlavmosStroy
LEK
LenspetsSMU
Strabag
Don-Stroy
GDSK
CDS
Comstrin

Baltic Countries

MERKO
NCC
Nordecon
Skanska
Hanner

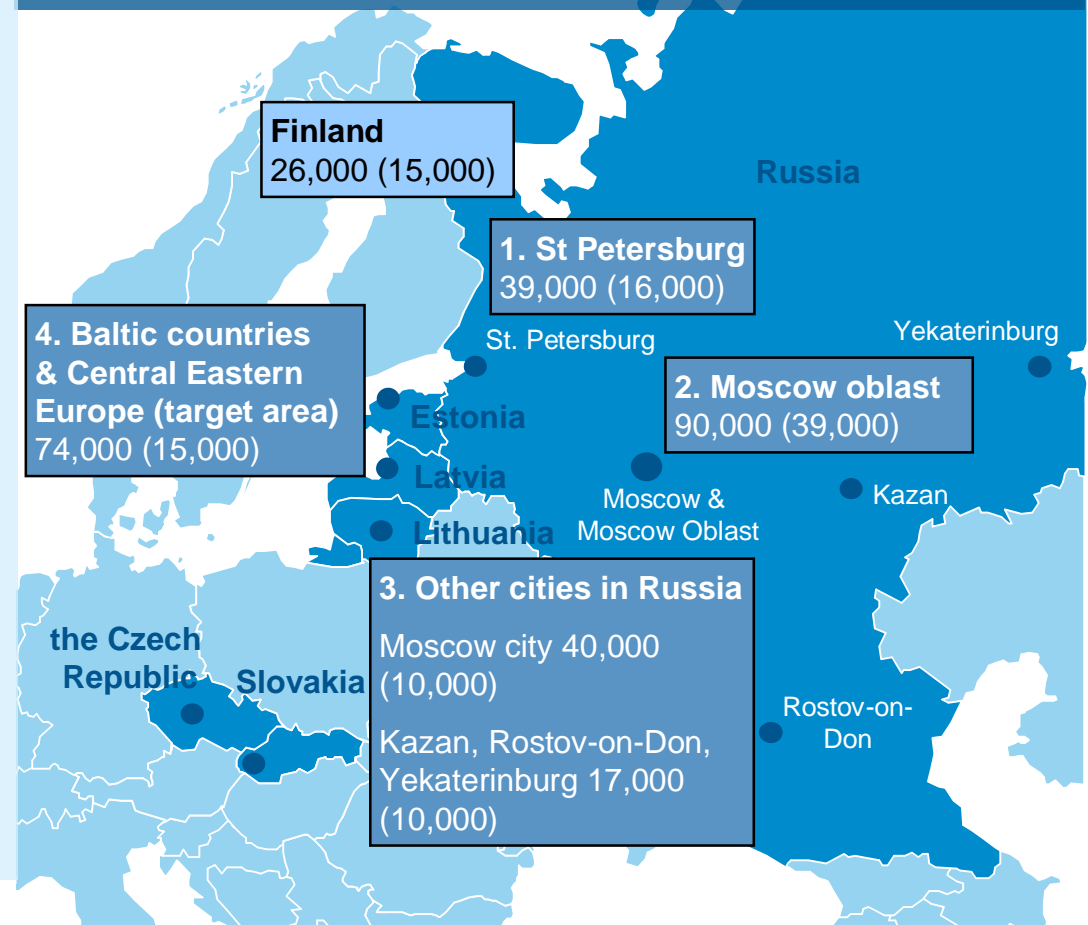
the Czech Republic

Metrostav
Skanska
M&K Development
EKOSPOL

Slovakia

Skanska
Strabag
Skybau
Hornet

Number of commissioned apartments 2010 (YIT's potential market segment)



Sources: Euroconstruct December 2010, VTT December 2010 and YIT

Housing indicators

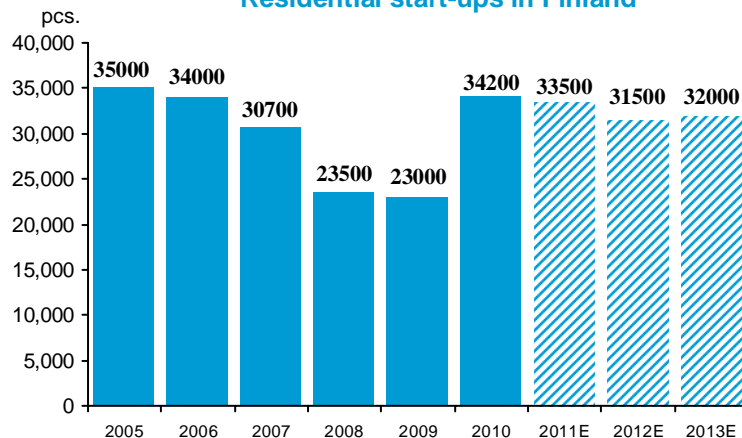


Together we can do it. **YIT**

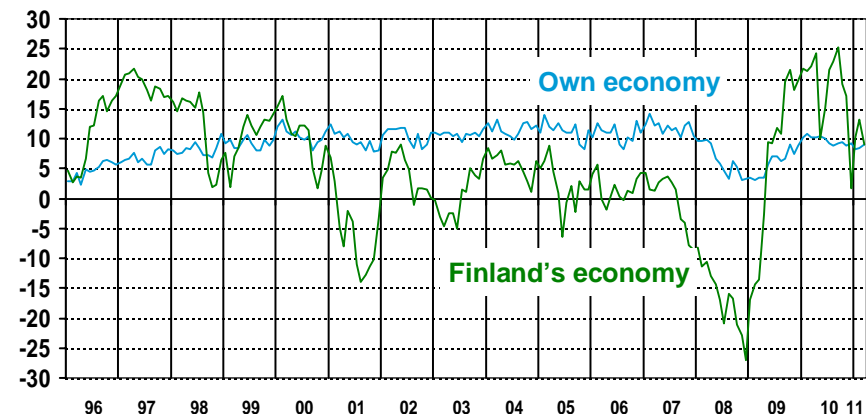
Finland

Stable demand in the housing market

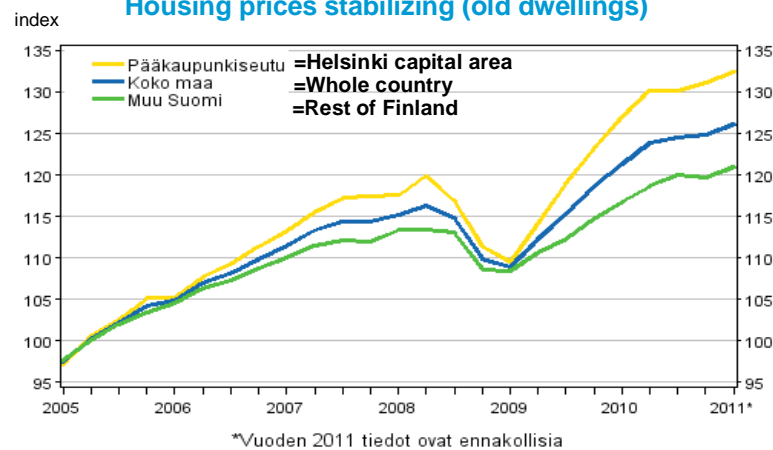
Residential start-ups in Finland



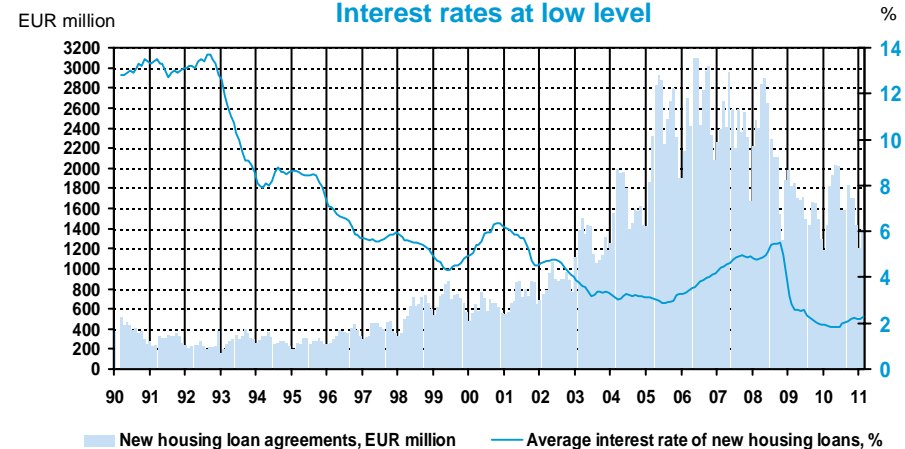
Views on economic situation after one year
balance figure (percentage of positive answers - negative answers)



Housing prices stabilizing (old dwellings)



Interest rates at low level



Together we can do it.

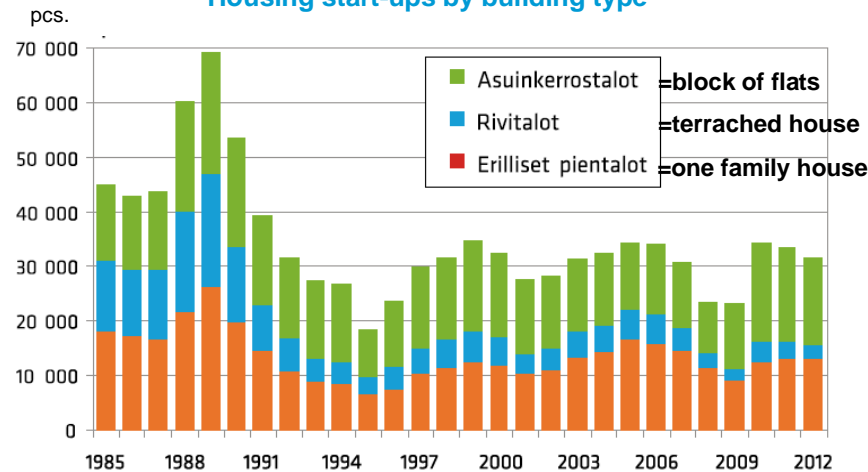


Sources: Residential start-ups: RT April 19, 2011, Consumer confidence: Statistics Finland March 28, 2011, Housing prices: Statistics Finland April 28, 2011 and Interest rates: Central Bank of Finland March 31, 2011

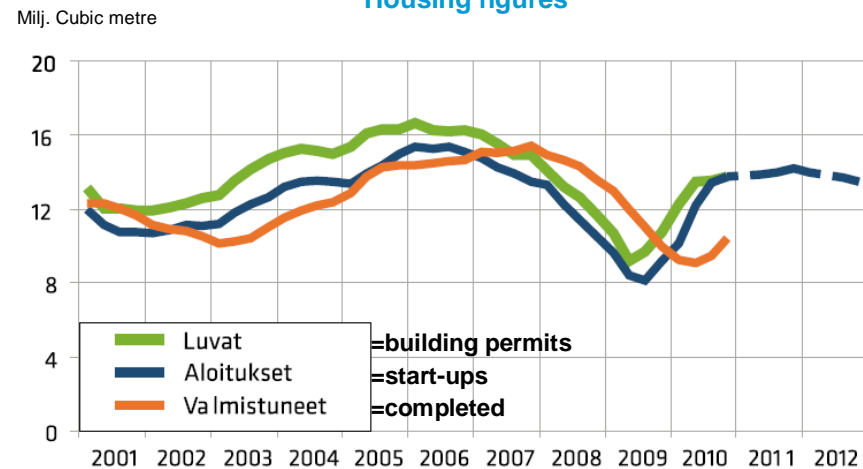
Finland

Positive indicators in Finnish housing sector

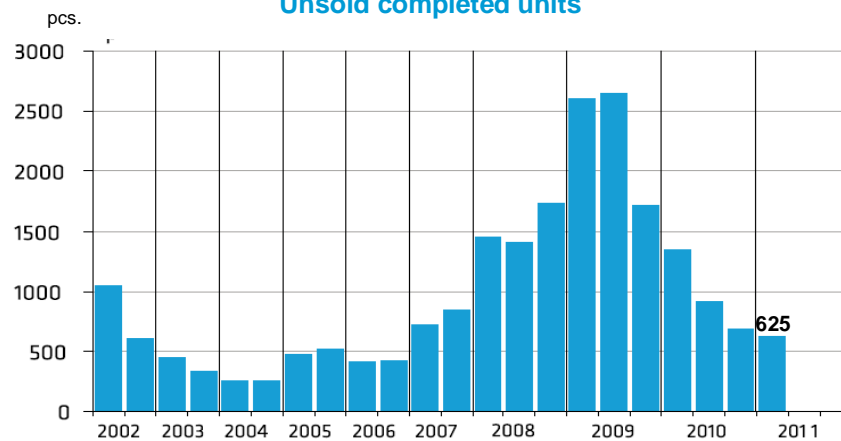
Housing start-ups by building type



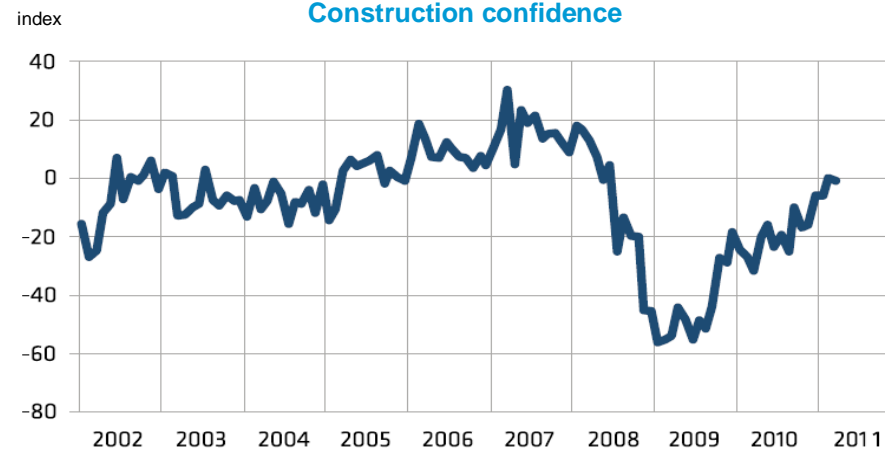
Housing figures



Unsold completed units



Construction confidence



Together we can do it.

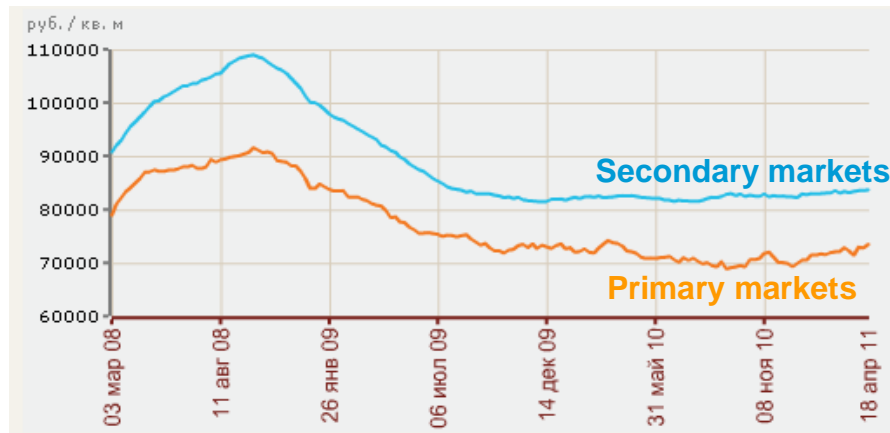


Source: RT April 19, 2011

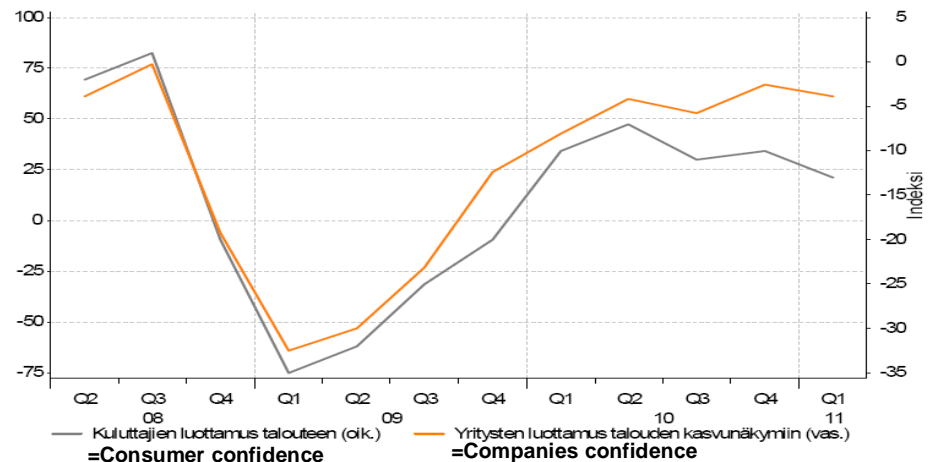
Russia

Favourable market conditions for housing

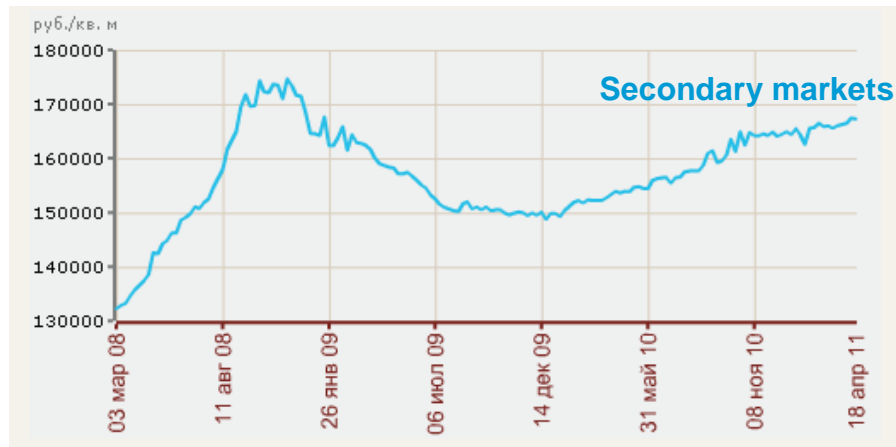
RUB/Square metre **Housing prices: St. Petersburg (3/2008-4/2011)**



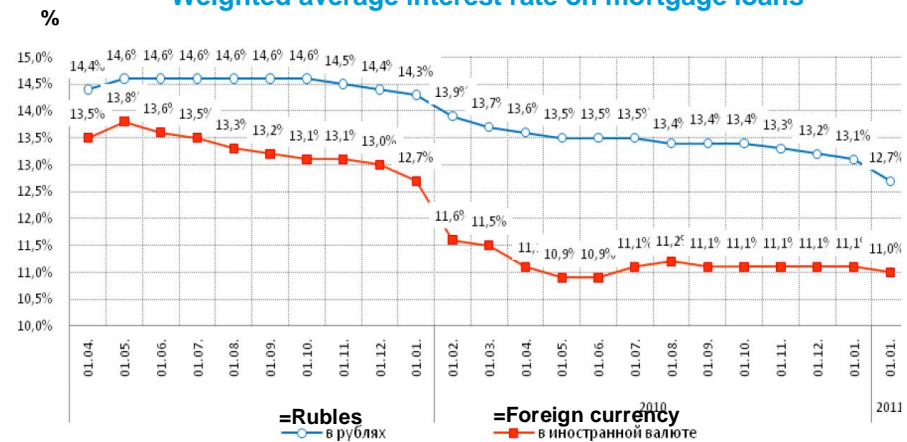
Consumer and company confidence in Russia



RUB/Square metre **Housing prices: Moscow (3/2008-4/2011)**



Weighted average interest rate on mortgage loans



Together we can do it.

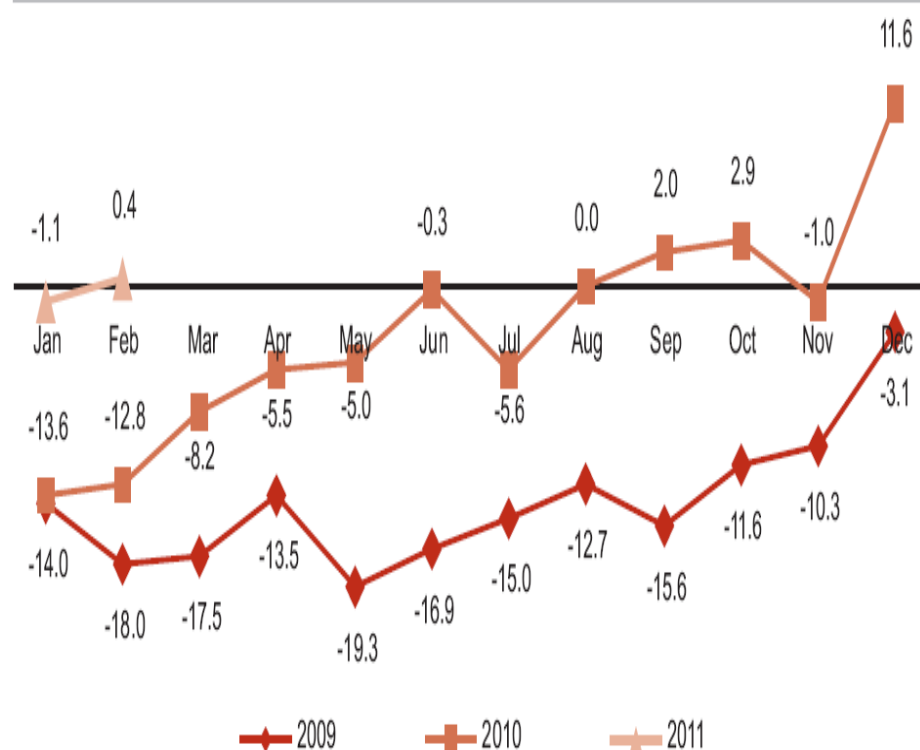


Sources: Housing prices: www.bn.ru April 18, 2011, Confidence indicators: Pohjola Pankki April 18, 2011 and Interest rates: www.ahml.ru April 18, 2011

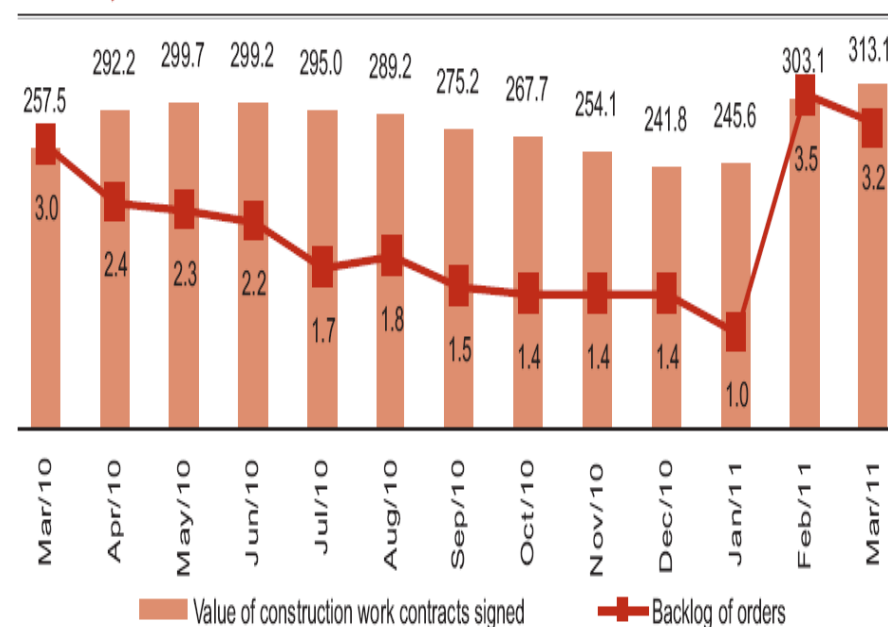
Russia

Construction sector continues to recover

Construction output in Russia (% y-o-y), January 2009-February 2011



Value of construction work orders signed and other construction orders (RUB bn) and backlog of orders in the Russian construction industry (months), March 2010-March 2011



Together we can do it.

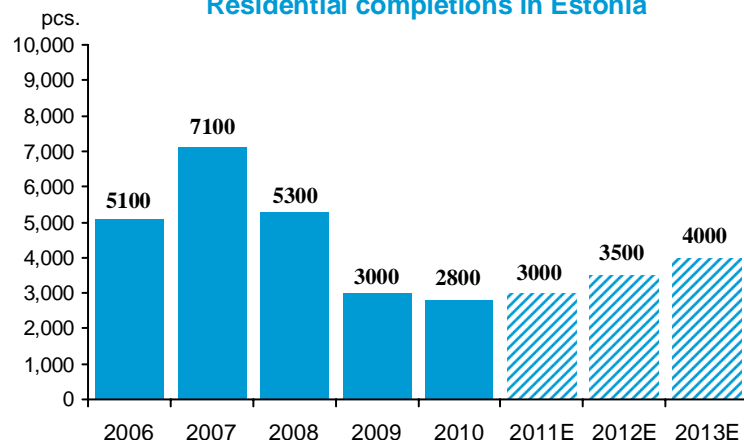


Source: PMR Construction Review April 19, 2011

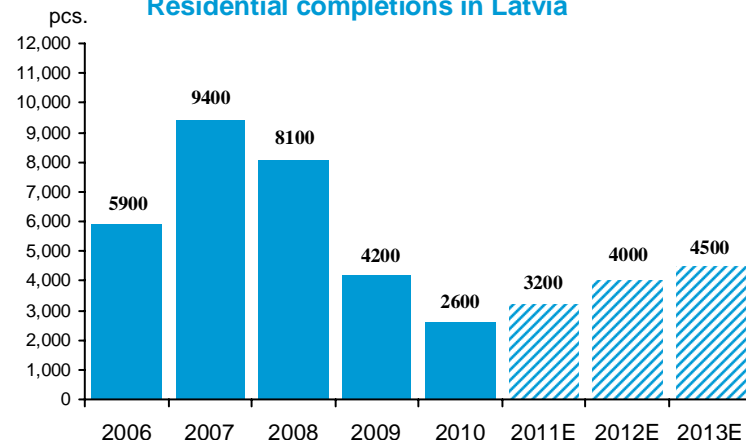
Baltic countries

Markets are expected to recover slowly

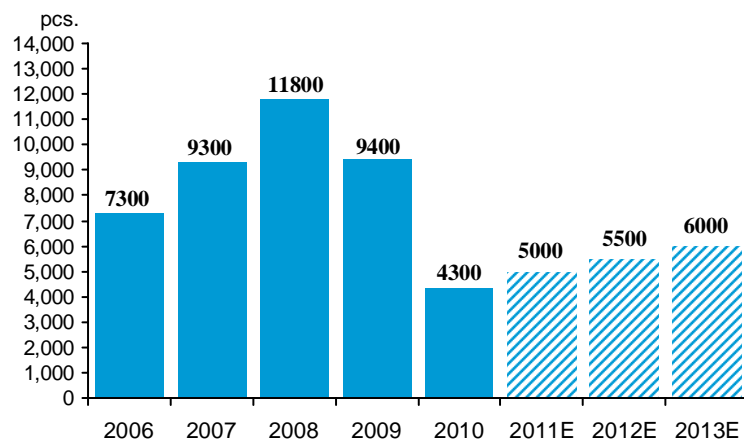
Residential completions in Estonia



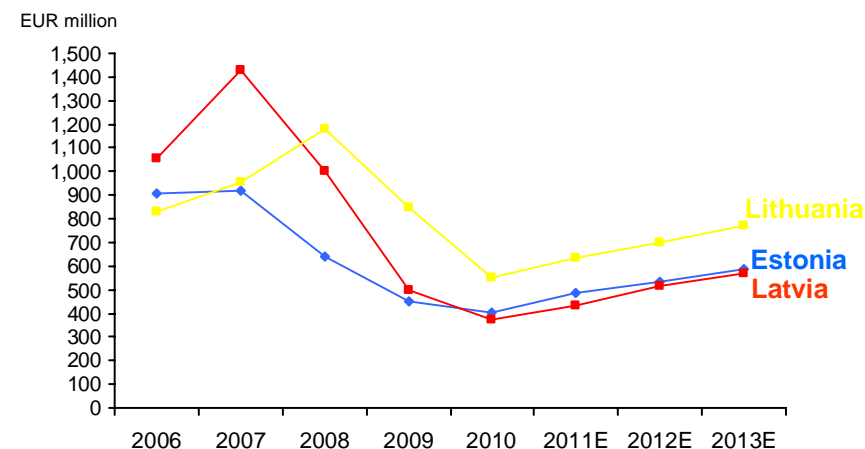
Residential completions in Latvia



Residential completions in Lithuania



Residential construction in Baltic Countries



Together we can do it.

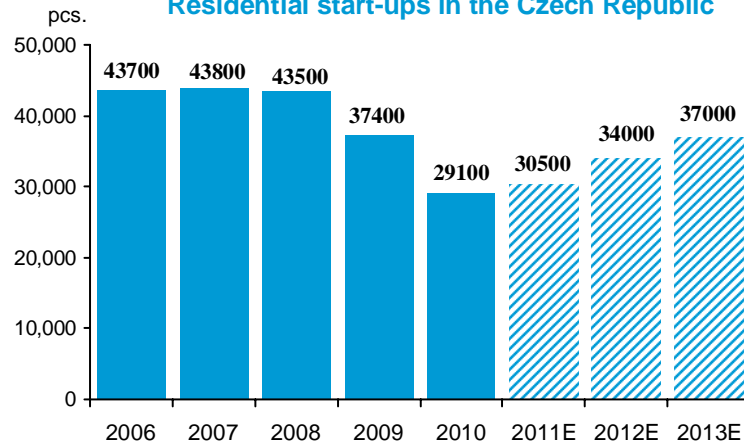


Source: Euroconstruct December 2010

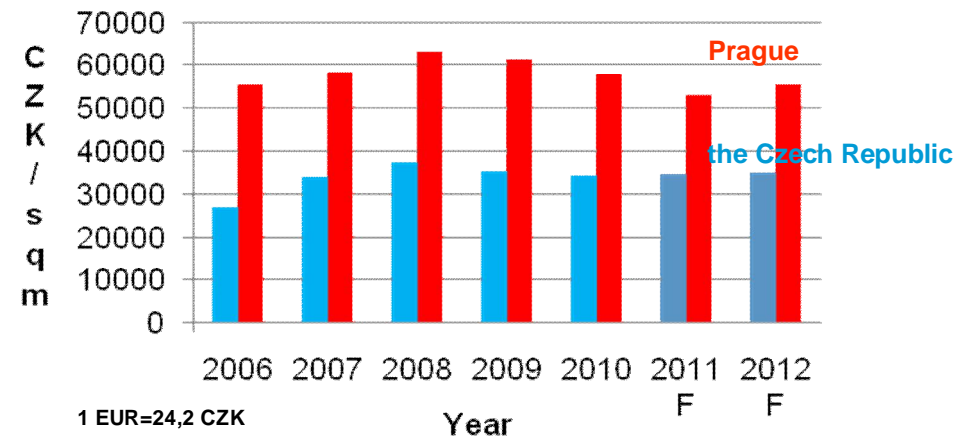
the Czech Republic and Slovakia

Markets estimated to remain stable

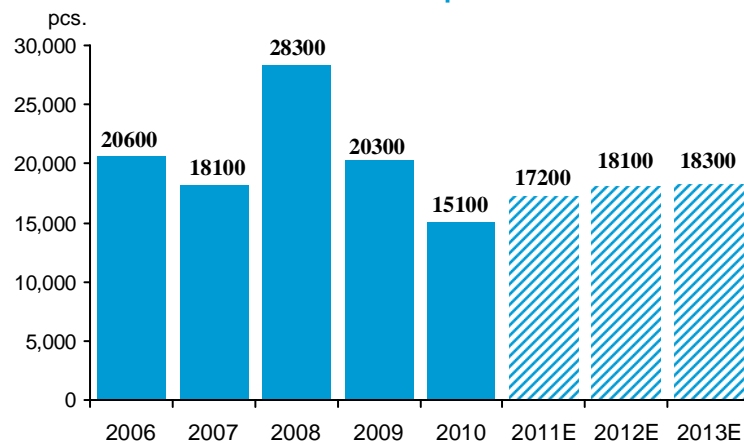
Residential start-ups in the Czech Republic



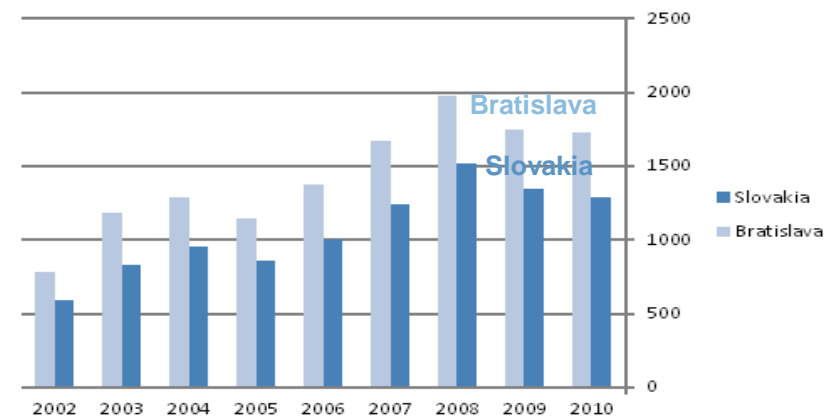
Housing prices in the Czech Republic and Prague



Residential start-ups in Slovakia



Housing prices in Slovakia and Bratislava



Together we can do it.



Sources: Residential start-ups: Euroconstruct December 2010, Other data: the Czech Republic: King Sturge April 26, 2011, Slovakia: National Bank of Slovakia, March 2010

Building systems offering



We create and maintain desired conditions inside properties. We help industry to improve operational productivity and reliability and offer services for making energy use more efficient.

Building Systems

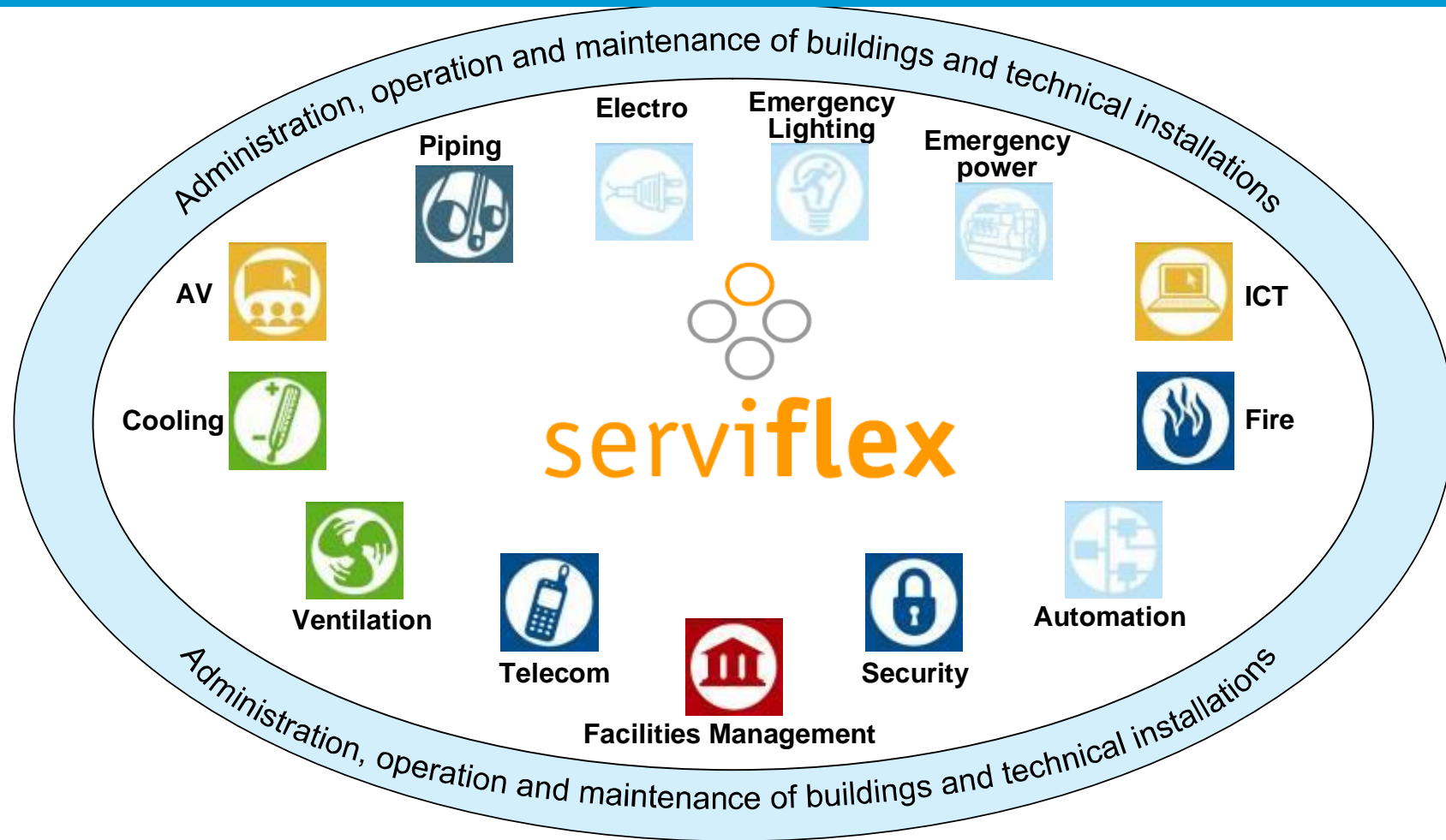
- All technical building system solutions
 - Heating, ventilation, piping, cooling, electrification, security, automation and fire fighting systems
- Service and renovation
- Facilities management

Industrial Services

- Project deliveries to industry
 - Piping systems, tanks, boilers, electrification, automation, ventilation, water treatment
- Maintenance to industry

Energy-saving services for buildings and industry

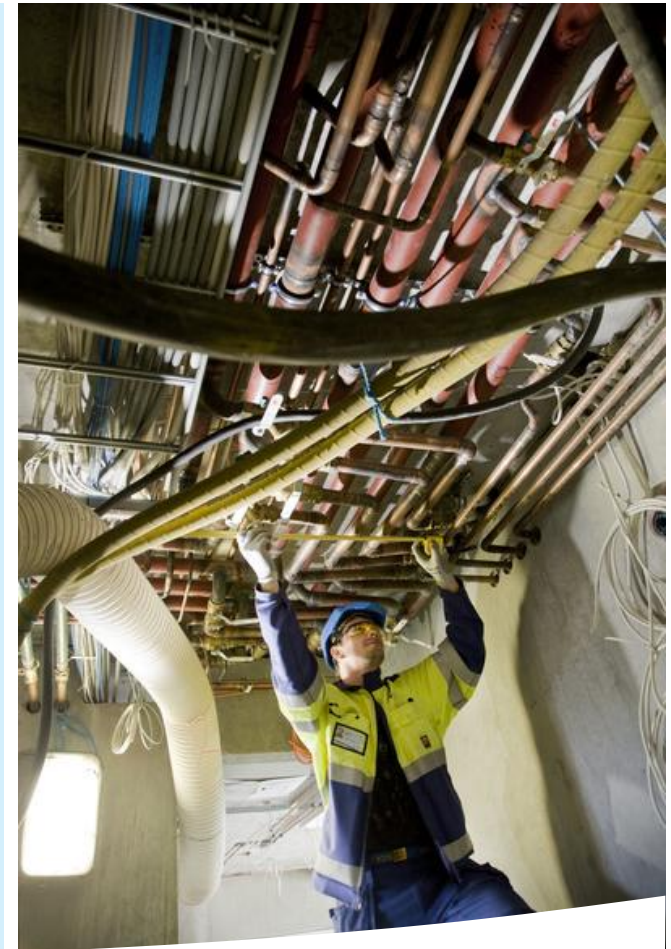
YIT provides comprehensive services



Together we can do it. **YIT**

Fragmented market, consolidation continues

- Large, fragmented market
 - Only a few large companies in each country
 - Few bigger international multi-discipline companies
 - Large number of smaller players focusing on one discipline in selected regions
- Activity in the acquisition market
 - An increasing number of small and medium-sized companies coming up for sale
 - Some international players have expanded geographically by acquisitions
 - Equity investors are still owners in companies



Municipalities seeking new outsourcing solutions in Finland and Sweden

| Sweden | Finland | Norway and Denmark | Germany and Austria |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Market opening up for technical maintenance outsourcings | Market slowly opening up in public outsourcings | Low activity in public outsourcings | Business as usual in public outsourcings |
| <ul style="list-style-type: none">• Public buildings<ul style="list-style-type: none">-Schools, daycare centers, retirement homes, indoor swimming pools, sport halls, libraries• New companies<ul style="list-style-type: none">- Water treatment facilities, heating and district heating plants• Regional county councils<ul style="list-style-type: none">-Hospitals | <ul style="list-style-type: none">• Public outsourcing<ul style="list-style-type: none">-Schools, offices, health care• Public utility companies | <ul style="list-style-type: none">• Low activity due to political priorities | <ul style="list-style-type: none">• Public outsourcing has been going on for several decades• Market develops steadily and outsourcing continues• Health care and education have been privatized and maintenance outsourced |

EU objectives drive the demand for energy efficiency services

Long term targets

- Emissions down by 20%
- Renewable sources of energy up by 20%
- Increase in energy efficiency up by 20%

26%
Industry



33%
Traffic



41%
Existing buildings



Source: CEPMC

Together we can do it. **YIT**

Other drivers for energy efficiency



Public sector

- Public investments
 - Most ESCO agreements are with public sector
 - Long-term projects
 - ESCO (energy saving contract) projects for hospitals, schools and offices

Private property owners

- Customers look for guaranteed energy savings
- Shorter expected payback period
- Project time frames 1-3 years

Energy intensive industries

- Driven by chemical, pulp and paper, steel industries
- Short payback projects
- Project time frames 1-3 years

ESCO=energy saving contract

Together we can do it. **YIT**

Building and Industrial Services

Strategic focus

Leader in technical maintenance and energy services
in Nordic countries and Central Europe

Increase market share

- Organic growth and small local acquisitions
- Focus in Scandinavia and Central Europe

Grow service and maintenance

- Service and maintenance operations increased at a faster rate than other operations
- Share of the service and modernisation business 2/3 of total business volume
- Increase market share in service up to 20% in top cities

Develop energy services

- Development focus in operating services, energy saving solutions and own design and engineering

Opportunities for organic growth

- With new and innovative products there is possibility to grow faster than markets
- Potential in new business areas: municipalities, hospitals, tunnel and railway infra etc.
- Total technical projects - delivering all disciplines
- Service productisation - ServiFlex



Growing through acquisitions

Targets of acquisitions

Complement YIT's expertise and filling in discipline gaps

Expand presence and strengthen local market position

Open new opportunities and footholds

Bring economies of scale (customers and suppliers)



Criteria for acquisitions

Strategic compatibility

Operational synergies

Price and payback period

Business culture and competent personnel

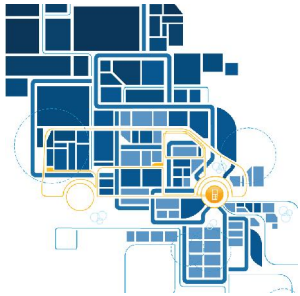
Selecting the countries

Focus on Central Europe

Countries with right kind of business culture



Seeking growth in service and maintenance



Service market development and production (ServiFlex)



Long-term service agreements

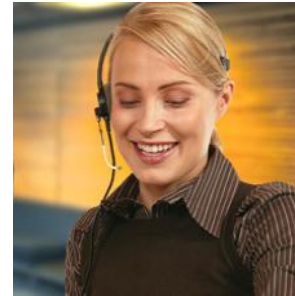
- Duration can vary between 1-30 years
- Typically 1-3 years, after which re-negotiated
- Duration of ESCO agreements on average 10-15 years



Outsourcings



Local network for ad hoc service



Control room and 24/7 helpdesk

Added to every long-term service agreement and project delivery



Growth in new areas

Municipalities, hospitals, tunnel and railway infra depending on country's preferences and market situation

Together we can do it.



Forerunner in energy-saving solutions

New construction



- LuxCool and ClimaCeil for high efficiency building technical systems
- e-drift and Niagara building automation
- Electrical automation for power plants
- Heat recovery and accumulators for industry

Modernisation



- ESCO projects in building technical systems and energy intensive industry
- LuxCool and ClimaCeil for building technical systems
- Boiler modernisation concept for energy industry

Service



- Energy-saving and operational guarantee in ESCO projects
- Multidiscipline service
- Remote operating and monitoring
- e-drift and Niagara building automation

ESCO=energy saving contract

Together we can do it. **YIT**

Some recent achievements in energy-saving services and projects

Total deliveries of energy-saving projects, ESCO agreements:

- Schwabach hospital, Germany
- The Halsnæs Municipality, the largest energy saving project in the history of Denmark
- Several Swedish municipalities
- Vehmasjärvi school thermal heating centre in Kuopio, Finland



- Energy-efficient building systems for Porsgrunn Naeringspark, Norway
- Renewable energy solutions for Sørlandsenteret shopping centre, Norway
- A delivery of a 10 kilometres long power net to one of the largest wind power plant areas in Europe for Enercon, Sweden

YIT's strengths as a provider of building and industrial services



Comprehensive service offering

- Multi-discipline deliveries, all technologies connected with buildings
- Services for the whole life-cycle: projects, maintenance and modernisations
 - Service market development and productisation (ServiFlex)
- Technical outsourcing, outsourcing of production line maintenance (iServiFlex)

Globally local presence

- Extensive network: local presence in all 14 YIT countries and in all top cities
- Close to customers: 24/7 help desk, control rooms

Long-term partner

- Long-term service agreements and comprehensive partnerships

Leading technical competence

- Special know-how in electrification, HVAC, industrial piping and ventilation, industrial maintenance solutions
 - Own innovative solutions: LuxCool, ClimaCeil, Niagara, e-drift, Envac
- Energy-efficiency concepts: energy efficiency analyses and investments, ESCO and EPC projects

Ability to grow through acquisitions

- Effective integration
- Profit development and growth

Together we can do it.



Building Services

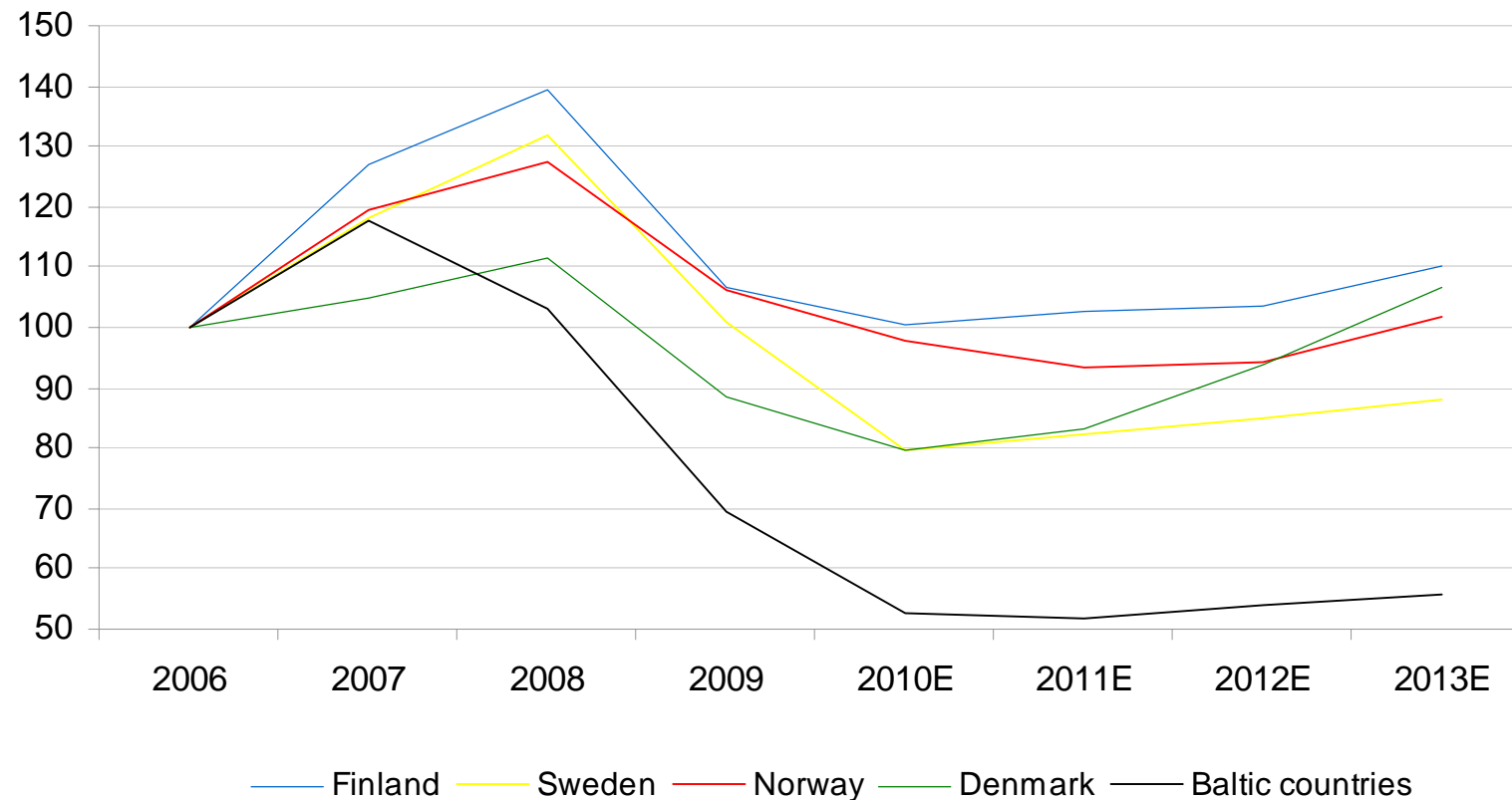
Northern Europe indicators



Together we can do it. **YIT**

New non-residential investments forecasted to pick up in Northern Europe during 2011-2013

New non-residential construction volumes in Northern Europe, index



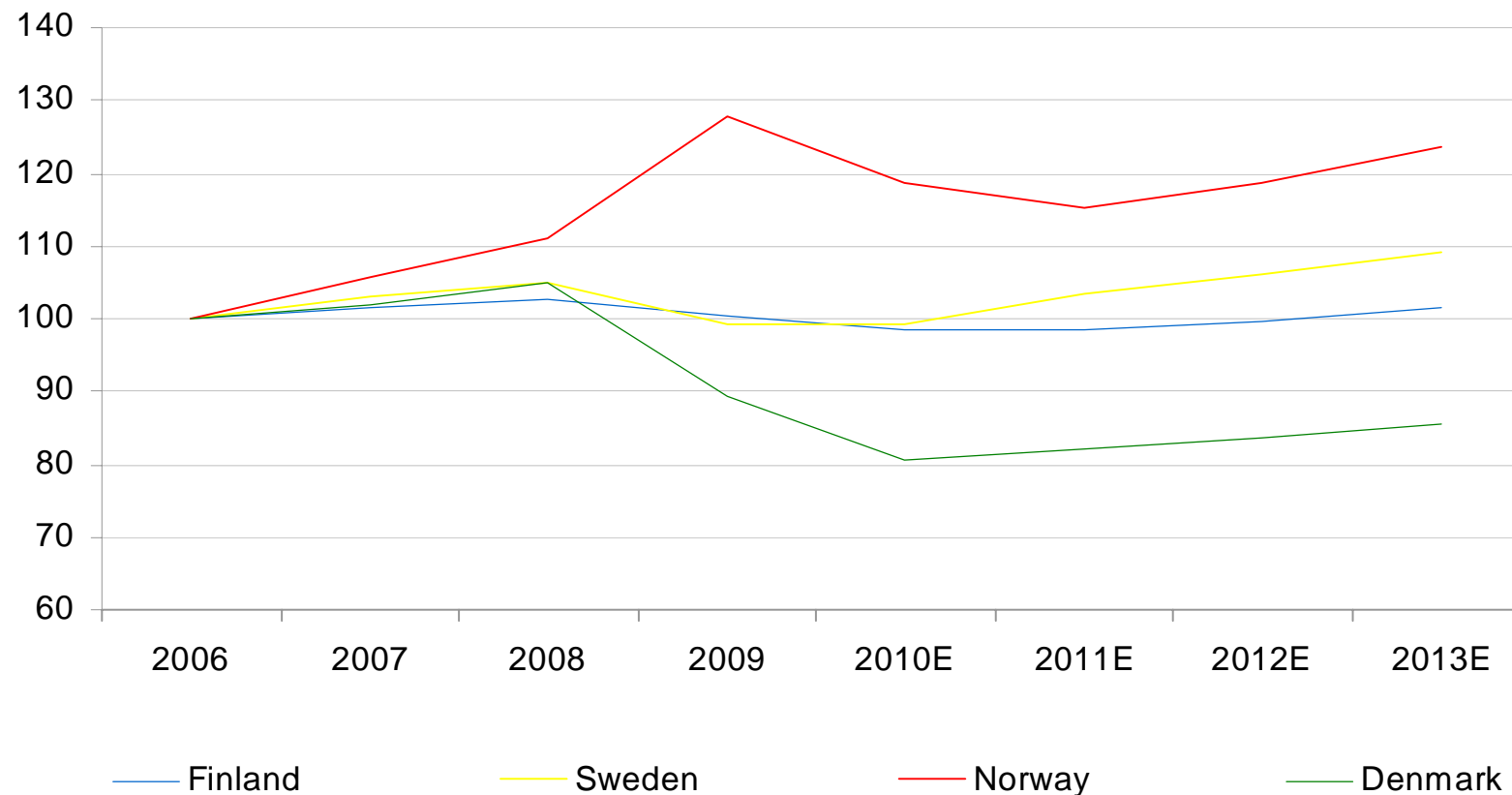
No data for Russia is available. Baltic countries figure includes both new non-residential and renovation.

Together we can do it. **YIT**

Source: Euroconstruct December 2010

Stable demand estimated for service and maintenance during 2011-2013

Non-residential service and renovation volumes in Northern Europe, index



No data for Russia or Baltic countries is available.

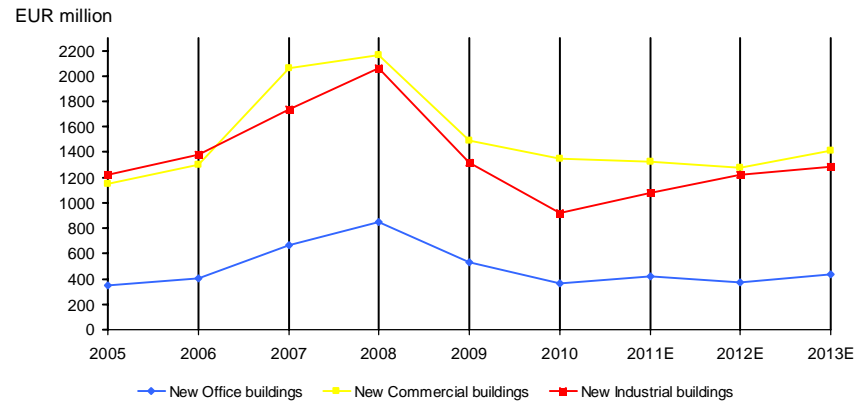
together we can do it. **YIT**

Source: Euroconstruct December 2010

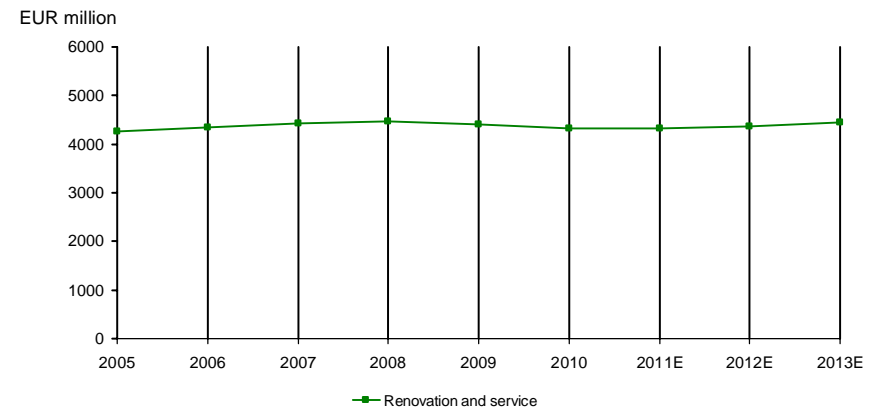
Finland

Non-residential construction estimated to pick up slowly

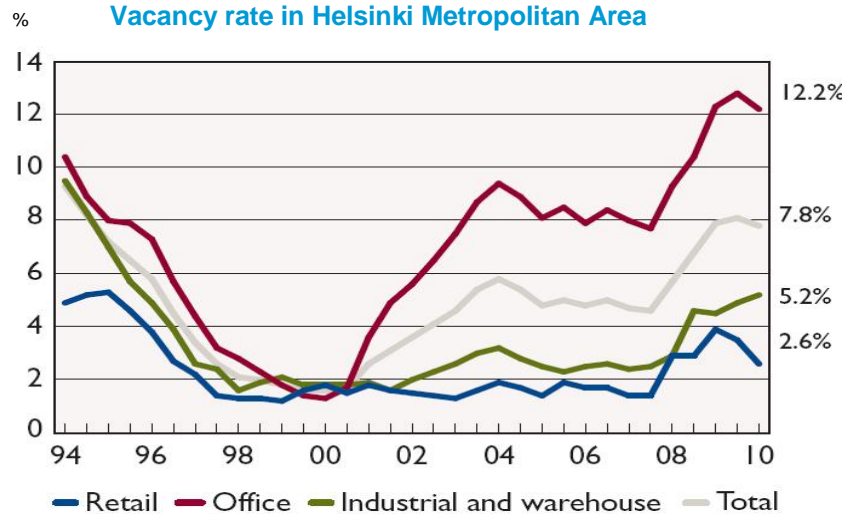
New non-residential construction by type of building



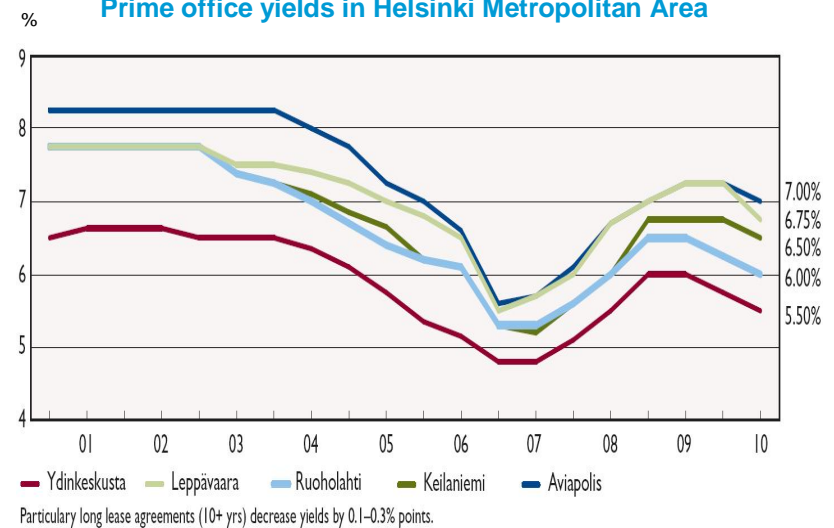
Non-residential renovation and service



Vacancy rate in Helsinki Metropolitan Area



Prime office yields in Helsinki Metropolitan Area



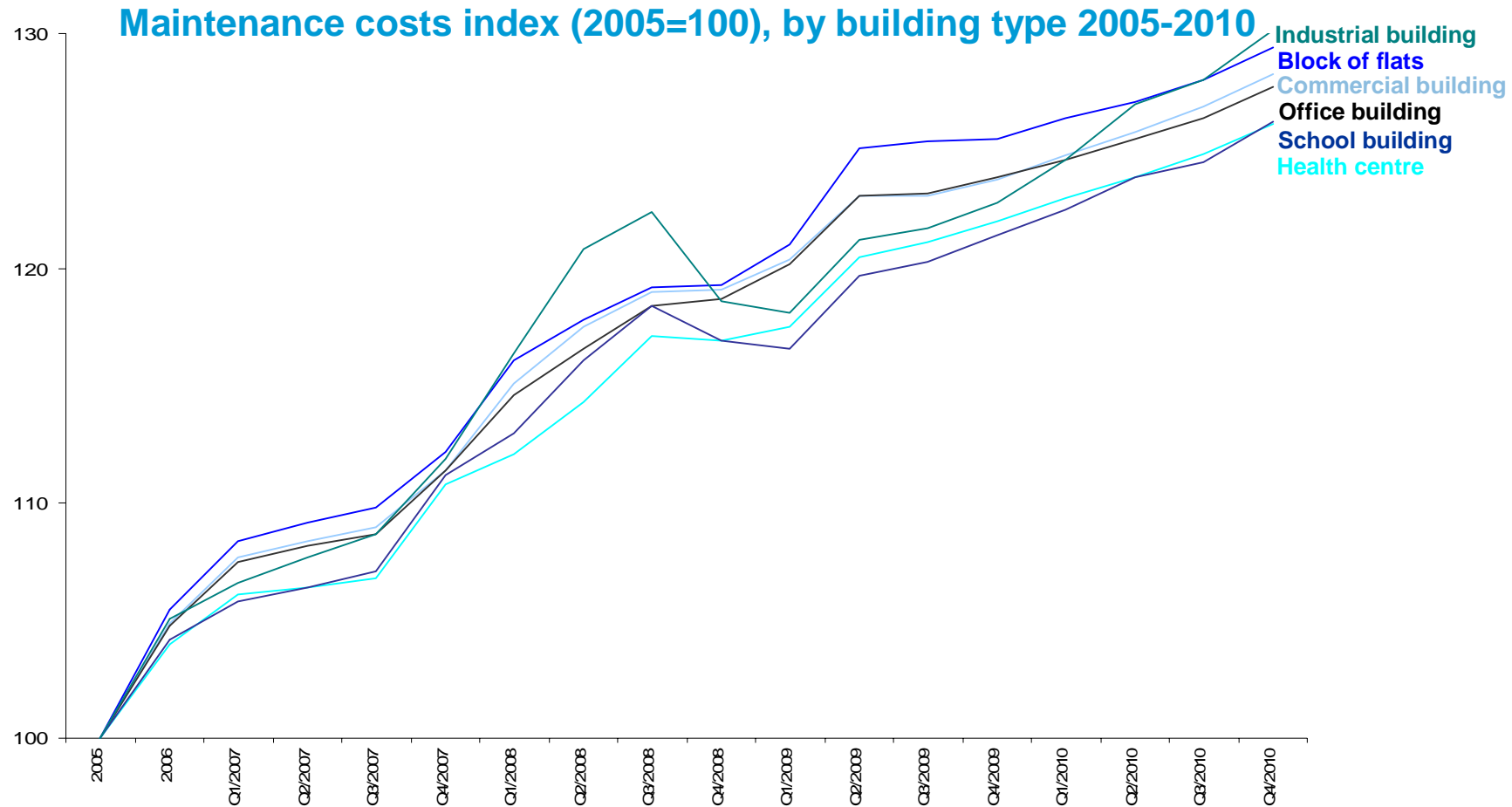
Particularly long lease agreements (10+ yrs) decrease yields by 0.1-0.3% points.

Together we can do it.



Sources: Non-residential construction: Euroconstruct December 2010, Vacancy rates and yields: Catella Market Report March 2011

Building maintenance costs in Finland: Stable development in all sectors



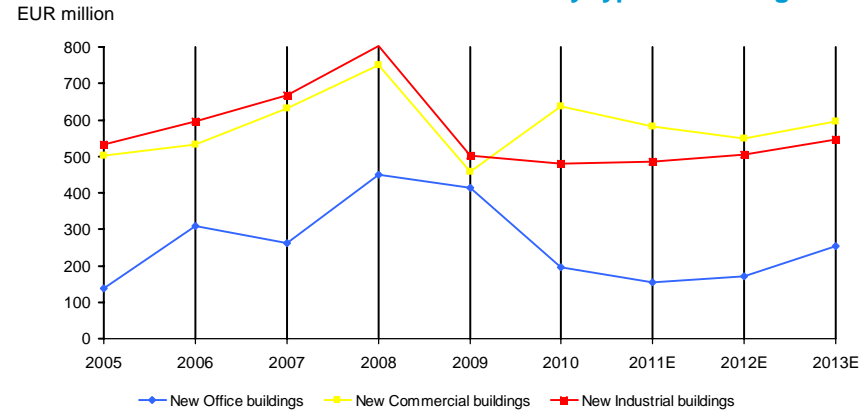
Together we can do it. **YIT**

Source: Statistics Finland 24, February 2011

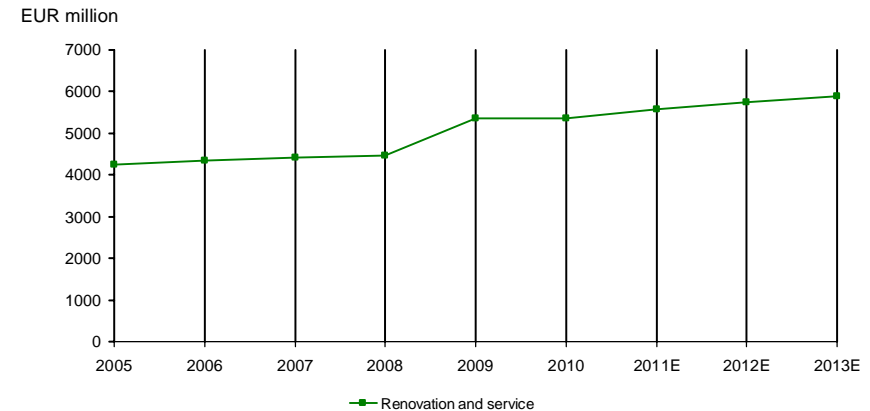
Sweden

Non-residential market is expected to improve slightly

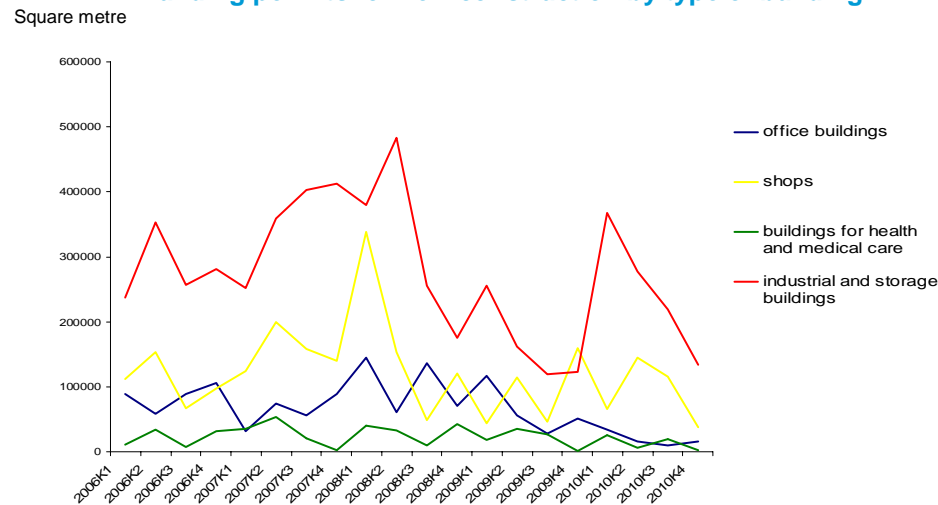
New non-residential construction by type of building



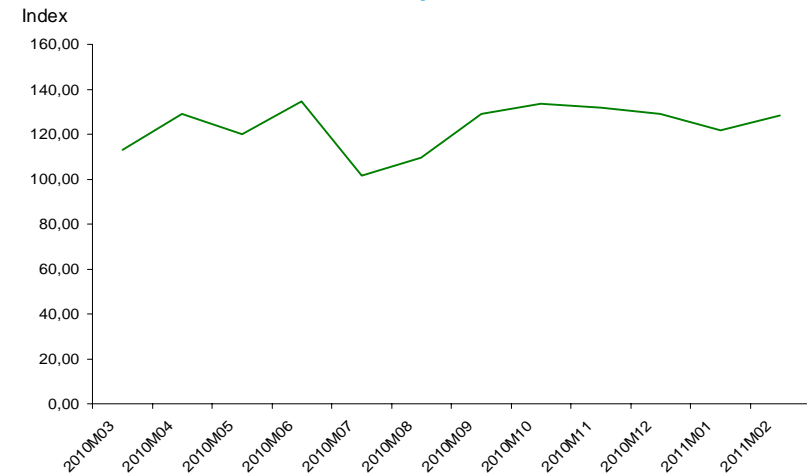
Non-residential renovation and service



Building permits for new construction by type of building



Construction production index



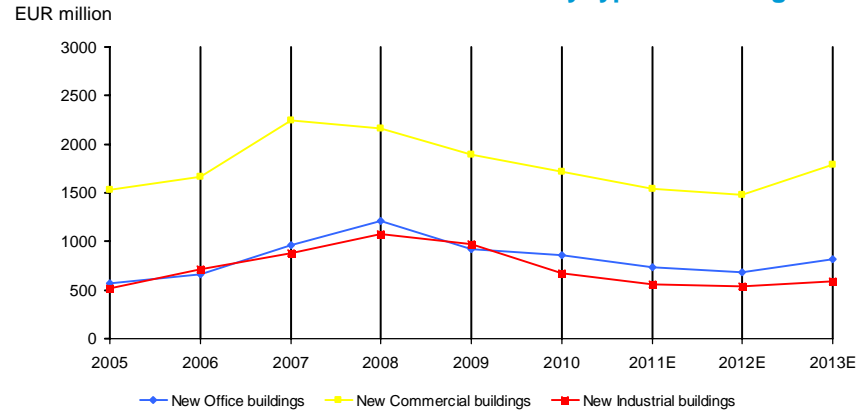
Together we can do it. **YIT**

Sources: Non-residential construction: Euroconstruct December 2010, other data: Statistics Sweden March 2010

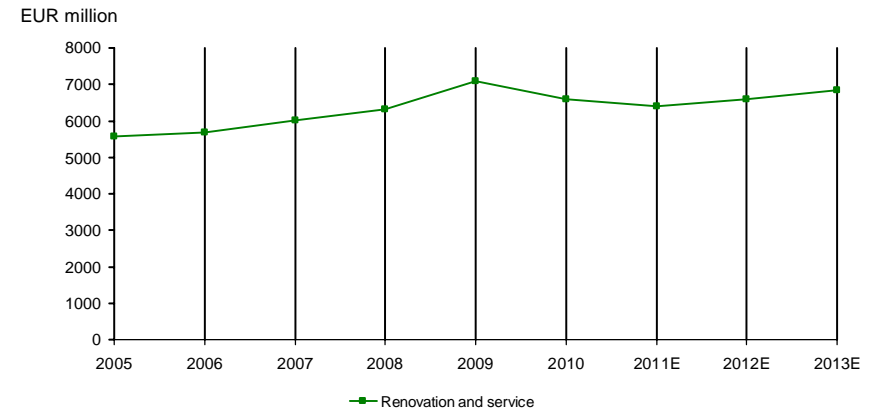
Norway

Investments are levelling off, service increasing

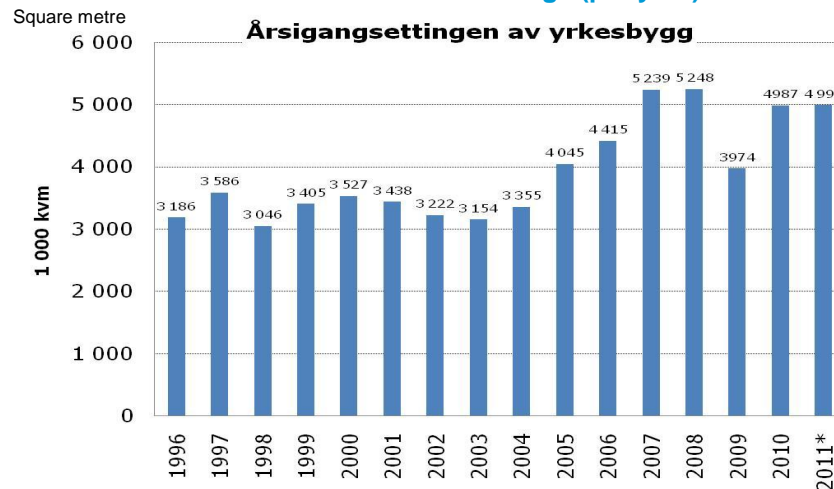
New non-residential construction by type of building



Non-residential renovation and service



Started non-residential buildings (per year)



Building permits, non-residential buildings



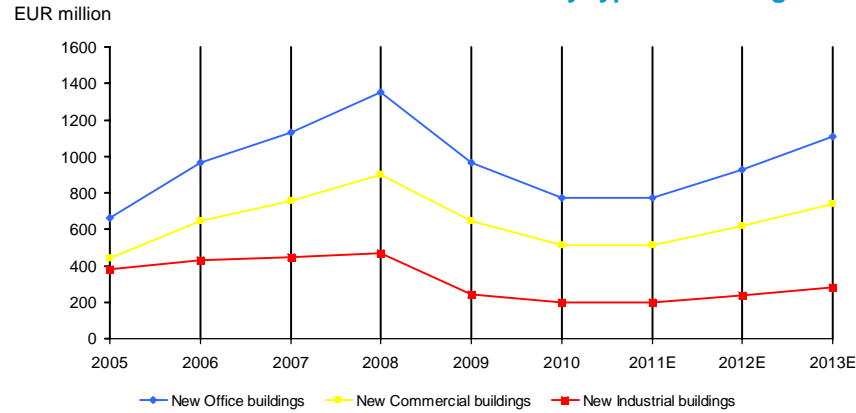
Together we can do it. **YIT**

Sources: Non-residential construction: Euroconstruct December 2010, other data: Statistics Norway March 2010

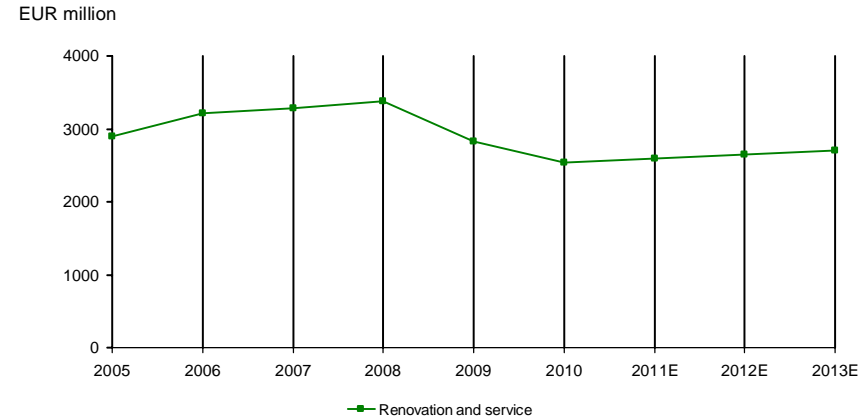
Denmark

Non-residential market remains weak

New non-residential construction by type of building

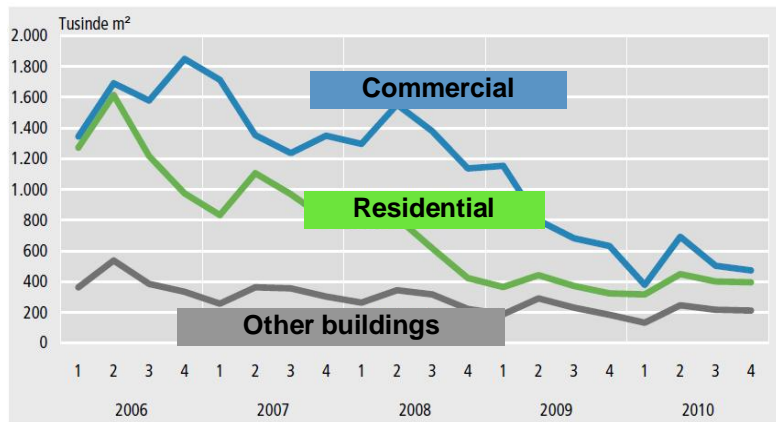


Non-residential renovation and service



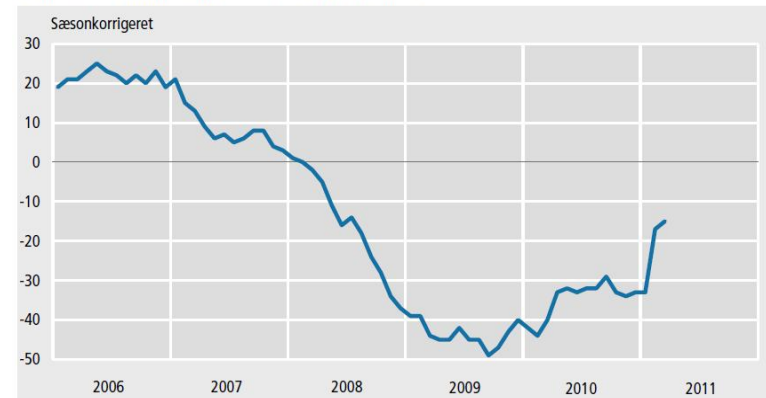
Started new buildings

1000 Square metre



Construction confidence indicator

Sammensat konjunkturindikator for bygge og anlæg



Together we can do it.

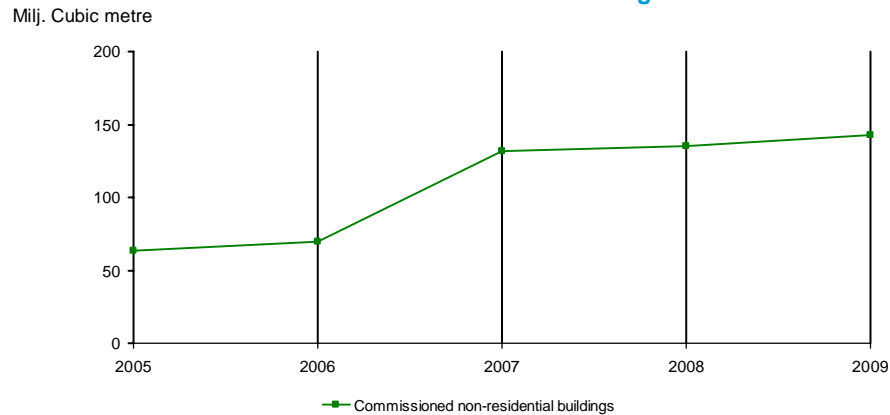


Sources: Non-residential construction: Euroconstruct December 2010, other data: Statistics Denmark March 2011

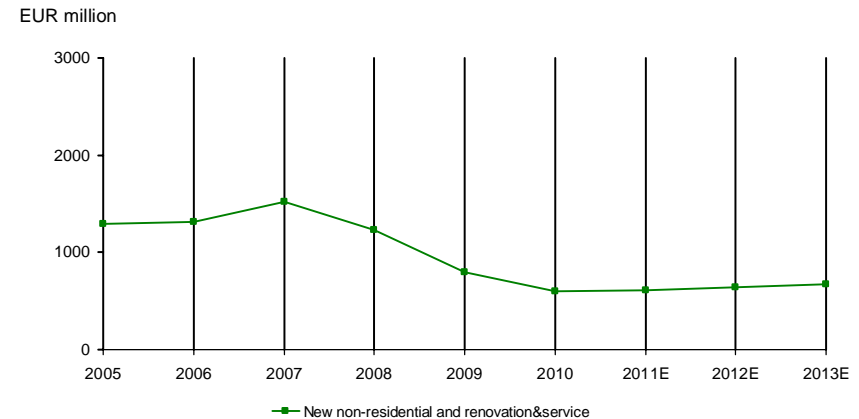
Baltic Countries

Non-residential construction at low level

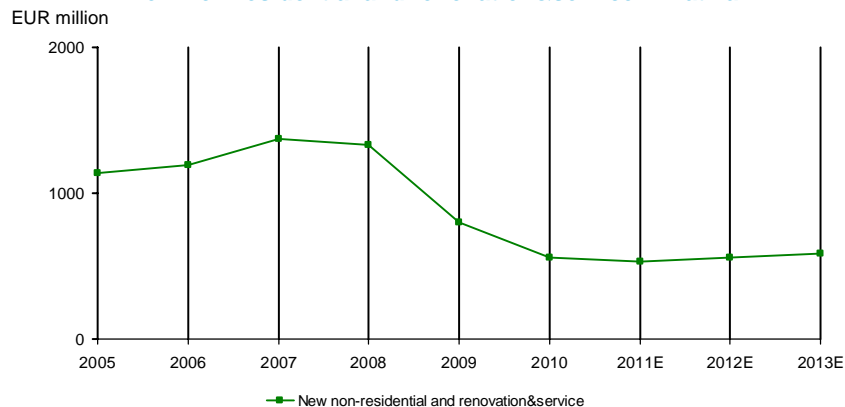
Commissioned non-residential buildings in Russia



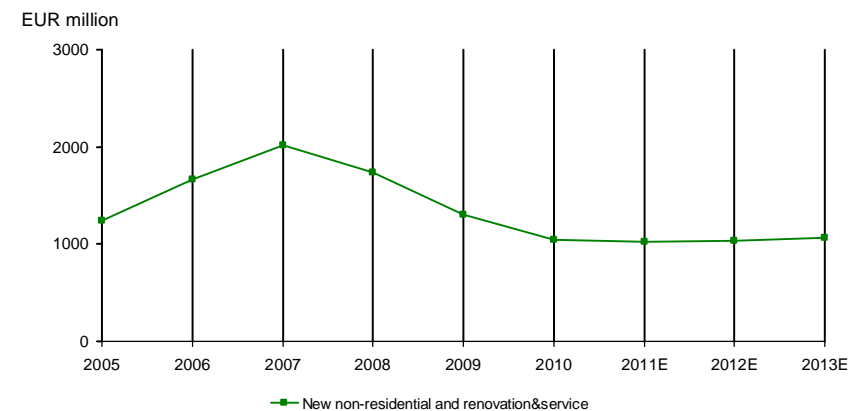
New non-residential and renovation&service in Estonia



New non-residential and renovation&service in Latvia



New non-residential and renovation&service in Lithuania

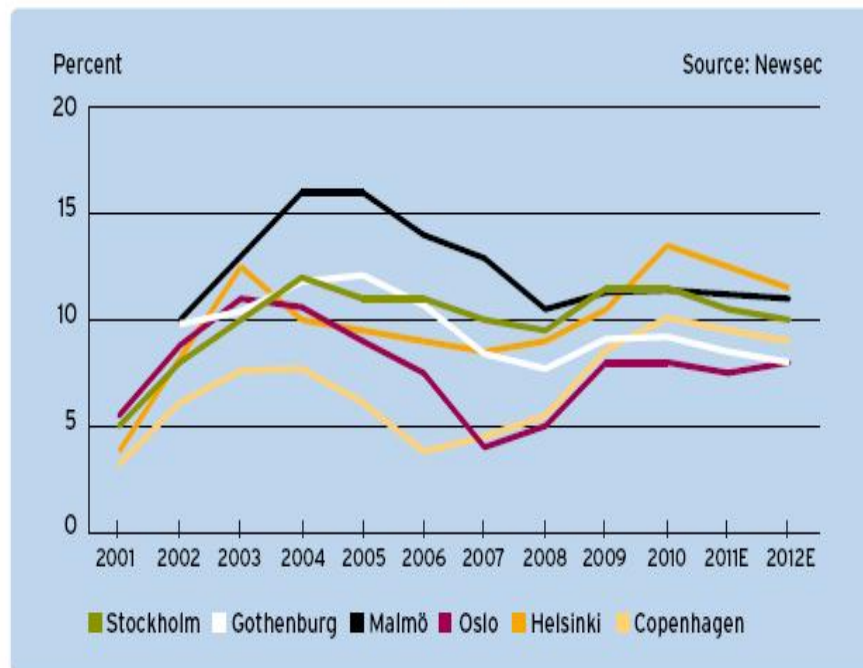


Conclusion: Building Services Northern Europe

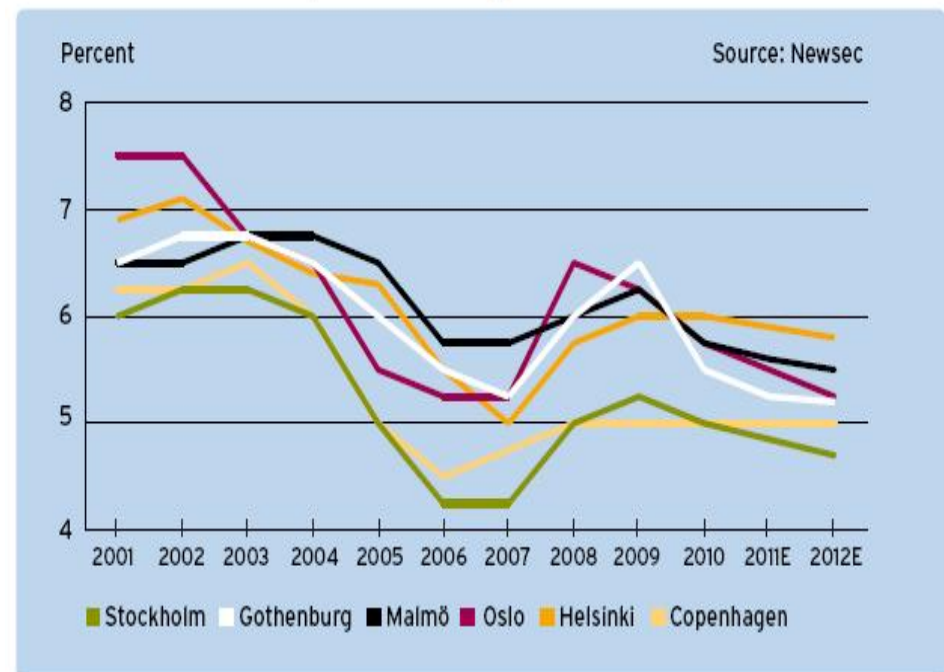
Key indicators

Nordic Countries

Office Vacancies | Nordic Region



Office Yields CBD | Nordic Region



Building Services

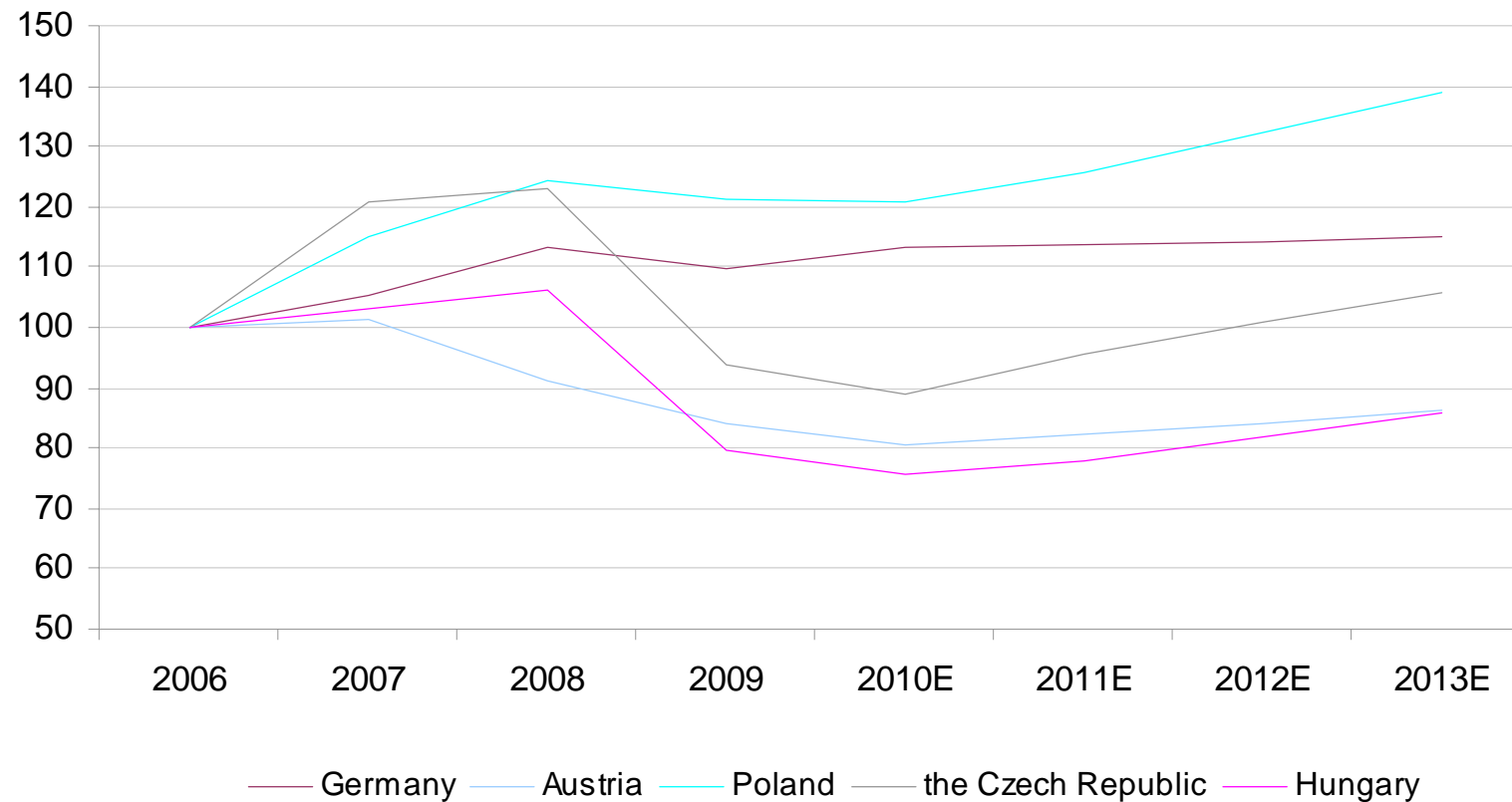
Central Europe indicators



Together we can do it. **YIT**

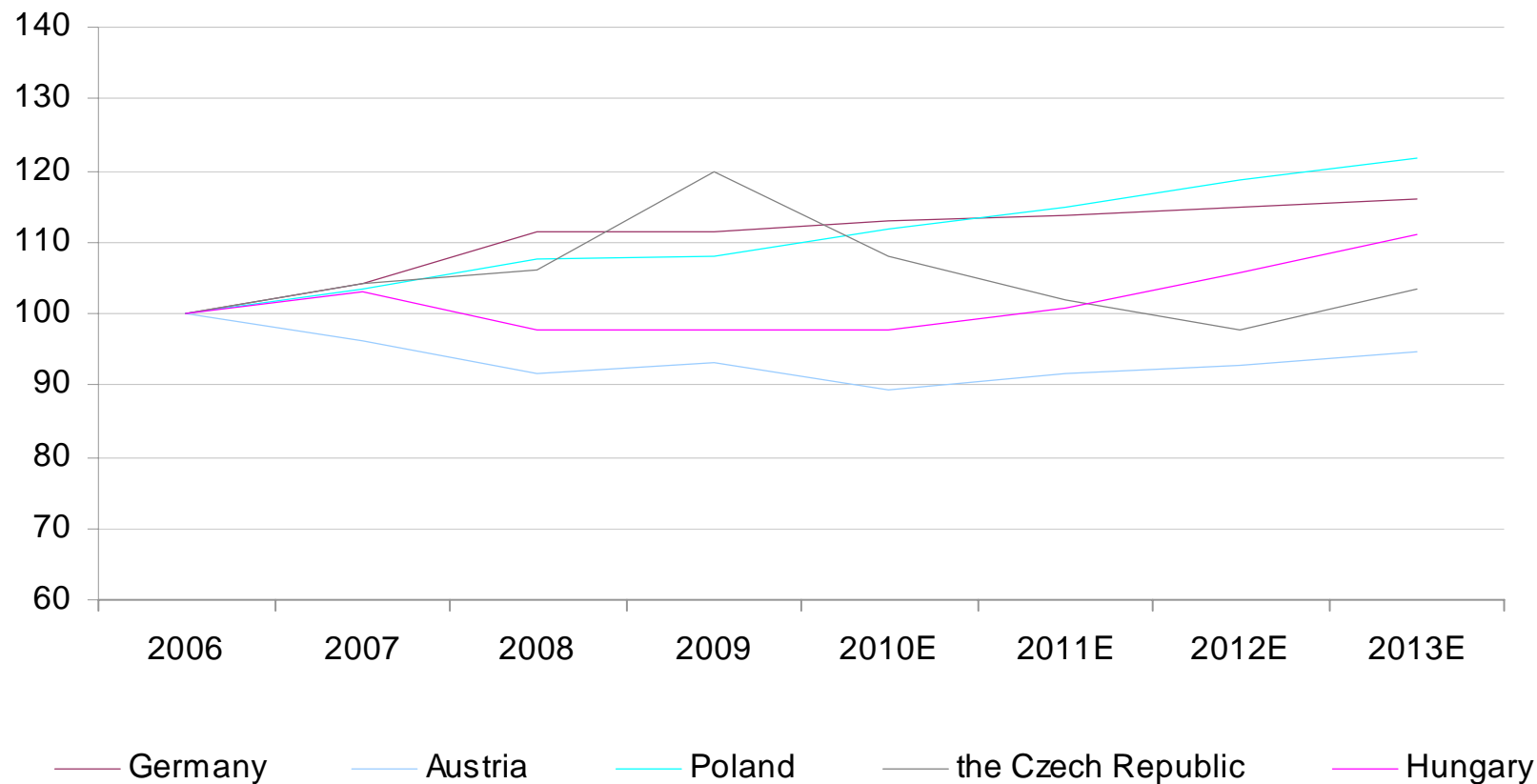
New non-residential investments forecasted to stay at good level in Germany and Poland in 2011-2013

New non-residential construction volumes in Central Europe, index



Good demand in service and maintenance during 2011-2013

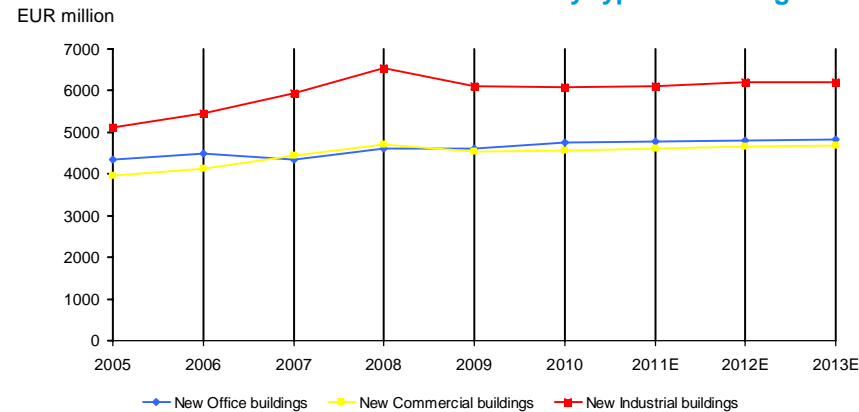
Non-residential service and renovation volumes in Central Europe, index



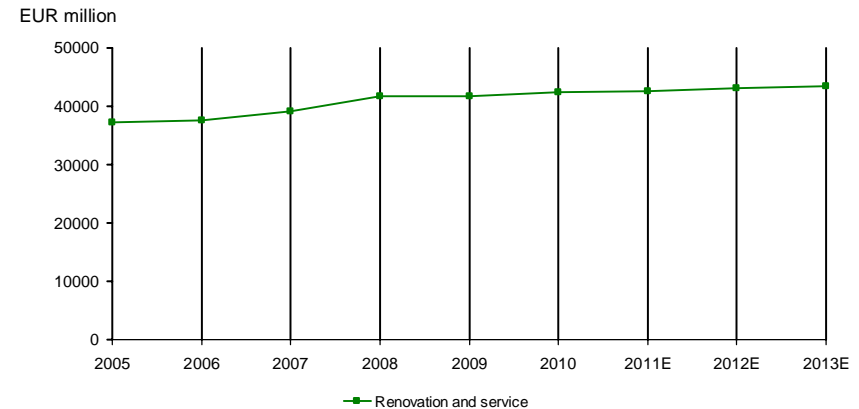
Germany

Big market with stable demand

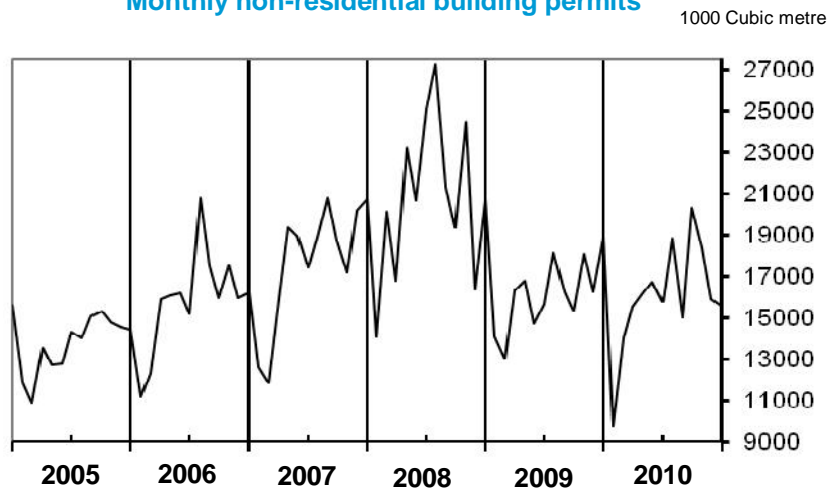
New non-residential construction by type of building



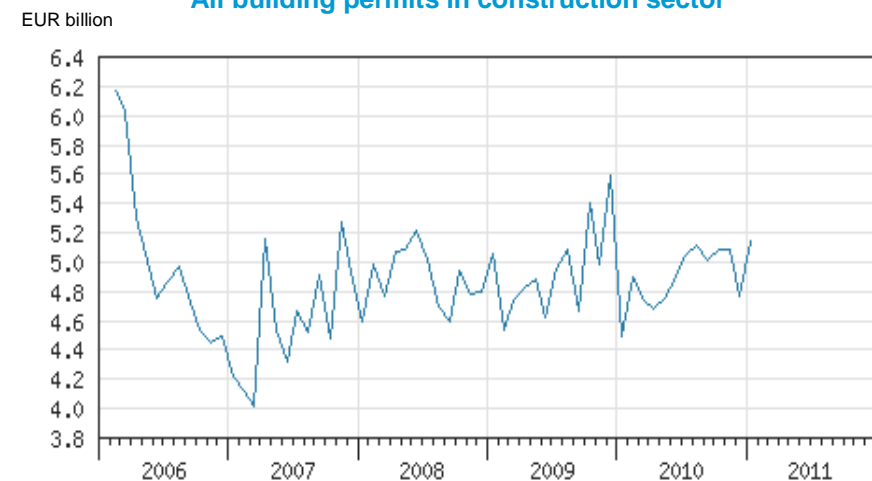
Non-residential renovation and service



Monthly non-residential building permits



All building permits in construction sector



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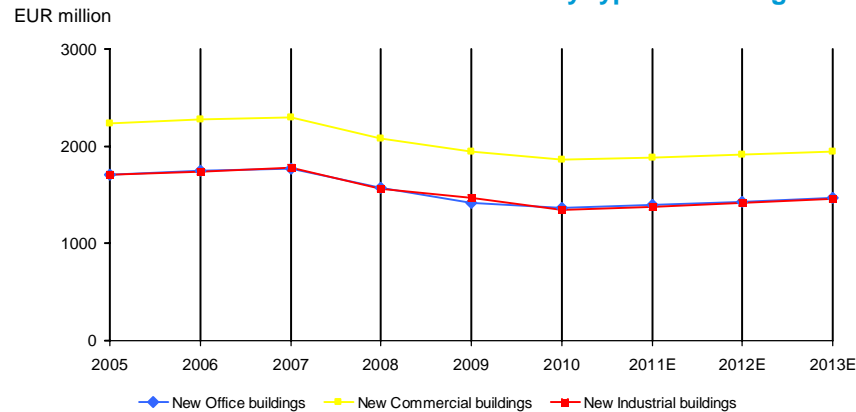


Sources: Non-residential construction: Euroconstruct December 2010, Non-residential permits: Statistisches Bundesamt Deutschland March 2011 All building permits: Bundesbank March 2011

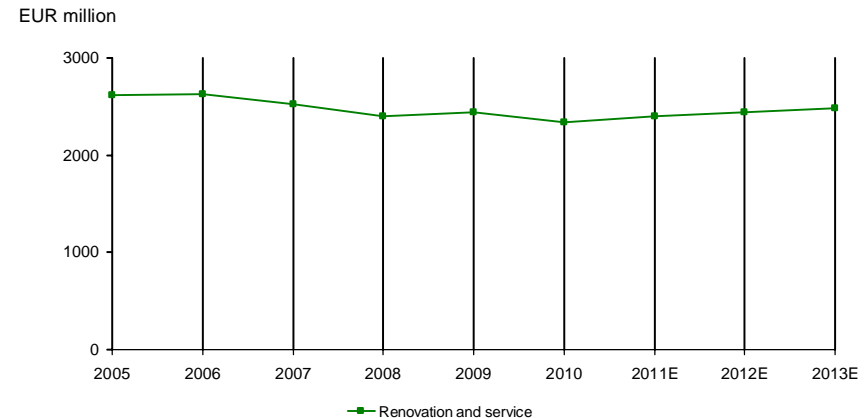
Austria

Market is estimated to pick up slightly

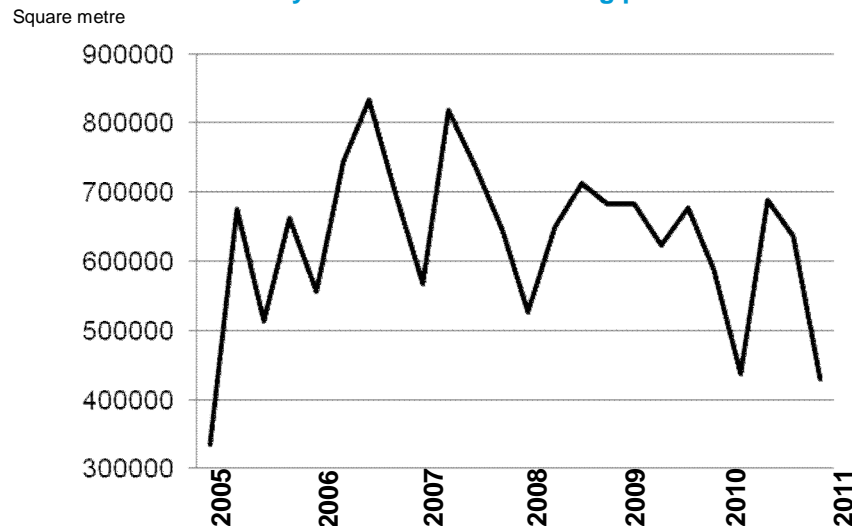
New non-residential construction by type of building



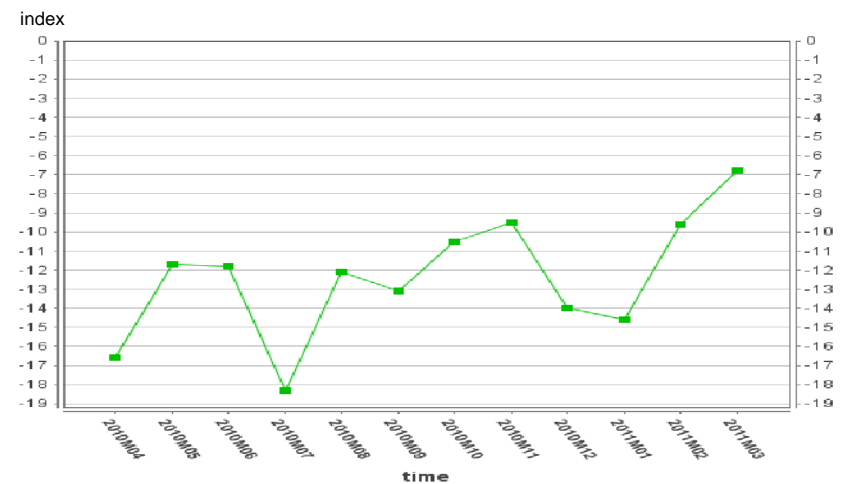
Non-residential renovation and service



Quarterly non-residential building permits



Construction confidence indicator



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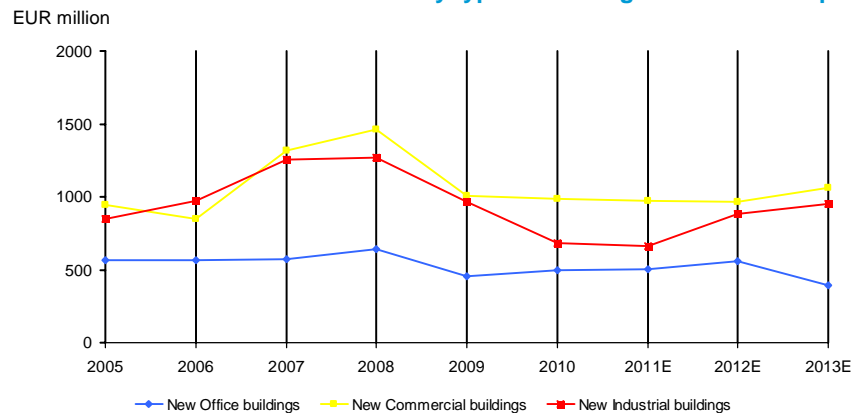


Sources: Non-residential construction: Euroconstruct December 2010, Permits: Statistik Austria January 2011, Construction confidence: Eurostat January 2011

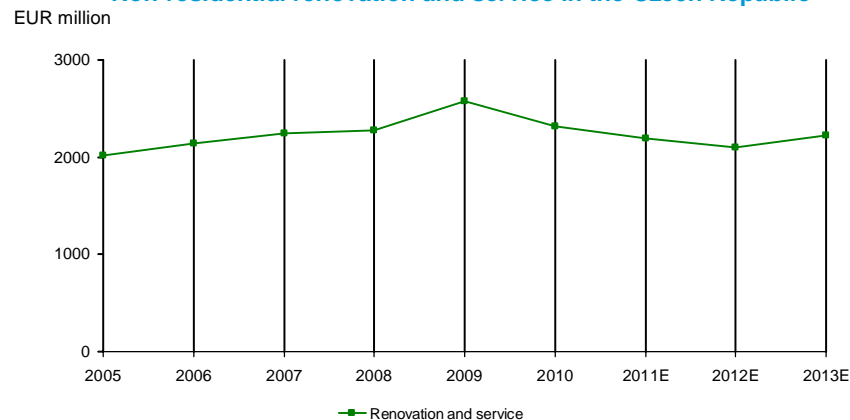
the Czech Republic and Slovakia

Signs of better market ahead

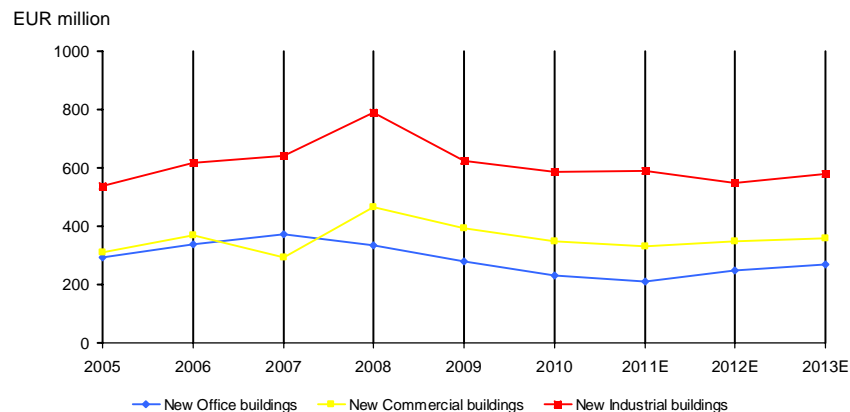
New non-residential construction by type of building in the Czech Republic



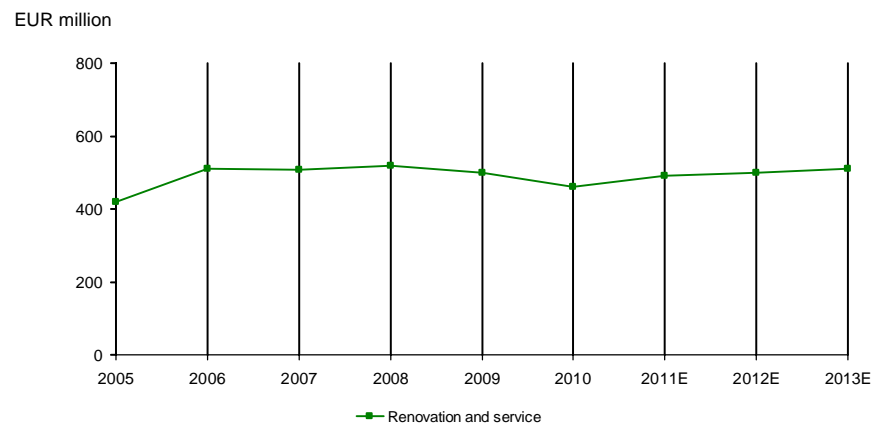
Non-residential renovation and service in the Czech Republic



New non-residential construction by type of building in Slovakia



Non-residential renovation and service in Slovakia



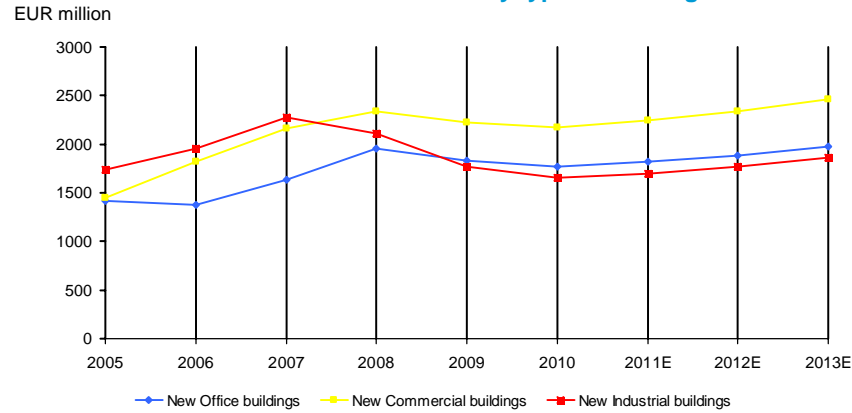
Together we can do it. **YIT**

Source: Euroconstruct December 2010

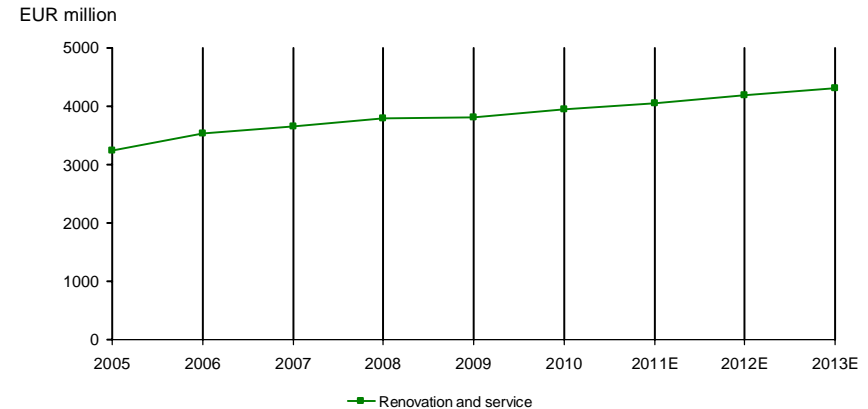
Poland and Hungary

Stable demand in renovation and service sector

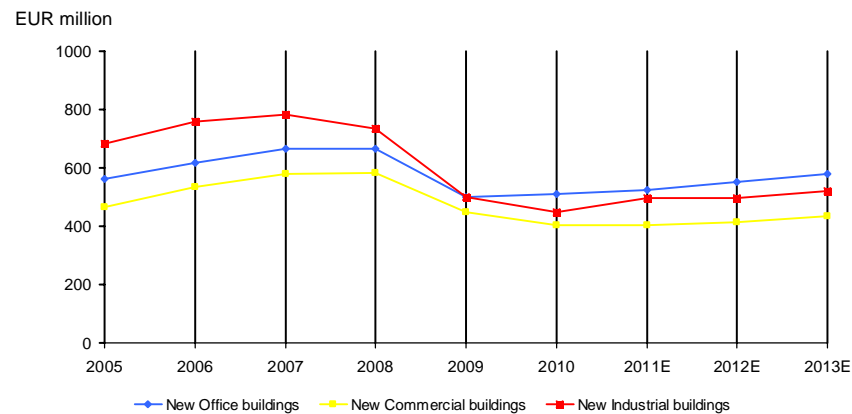
New non-residential construction by type of building in Poland



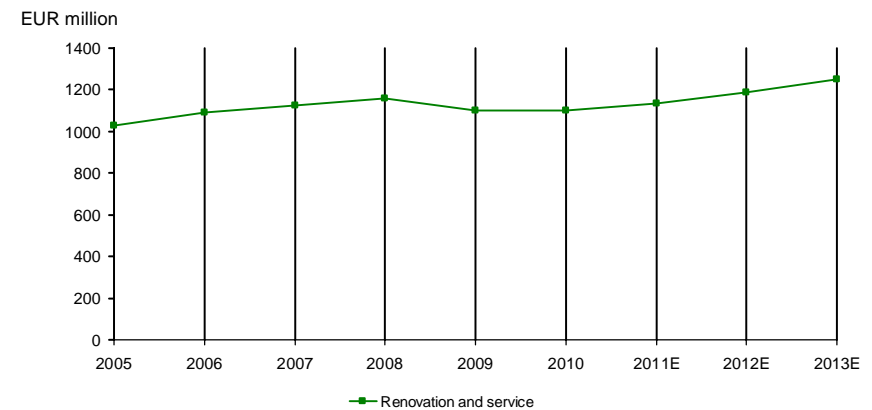
Non-residential renovation and service in Poland



New non-residential construction by type of building in Hungary



Non-residential renovation and service in Hungary



Together we can do it. **YIT**

Source: Euroconstruct December 2010

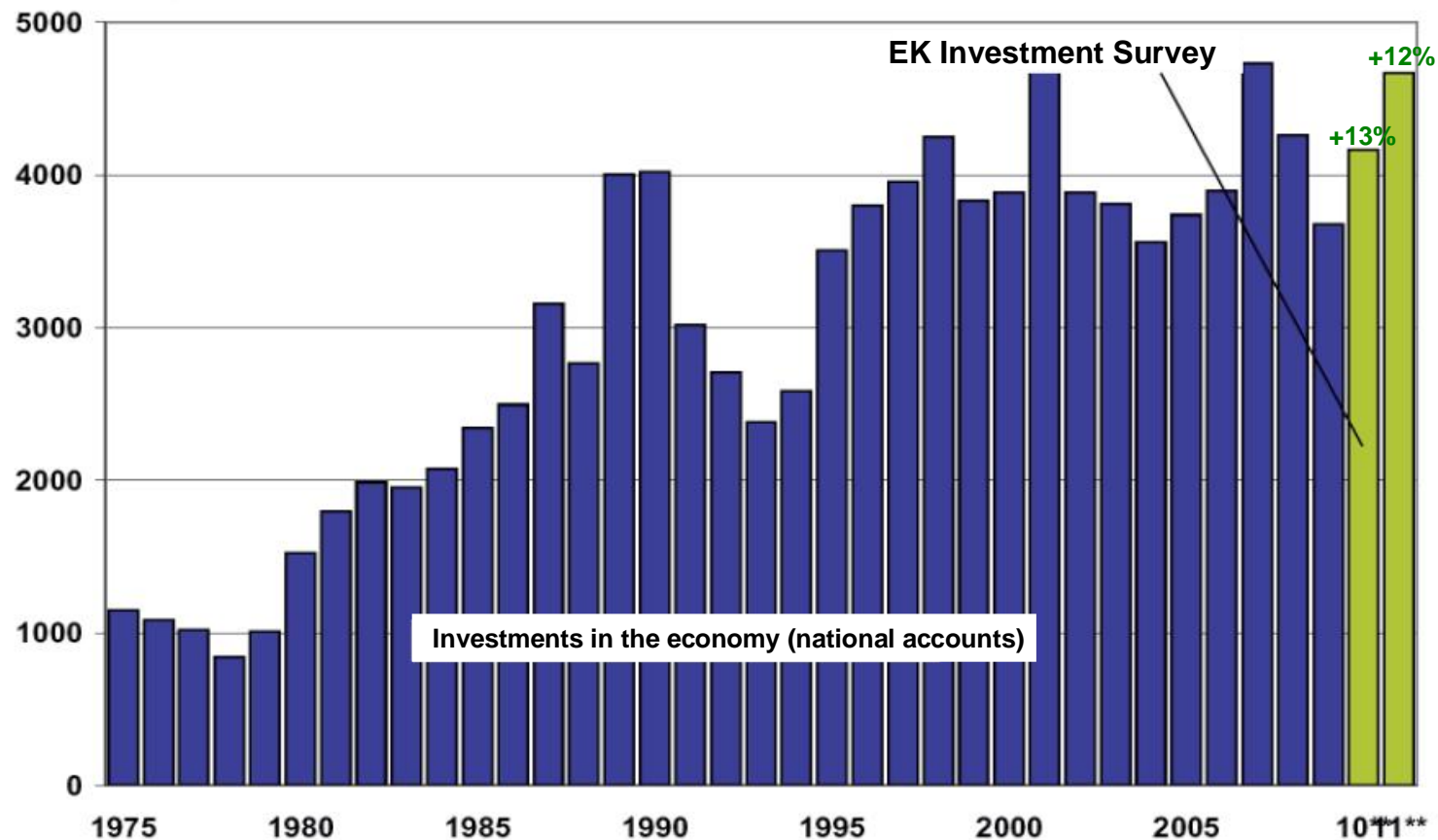
Industrial indicators



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Industrial investments are estimated to increase in Finland

Manufacturing and energy sectors' fixed investments in Finland



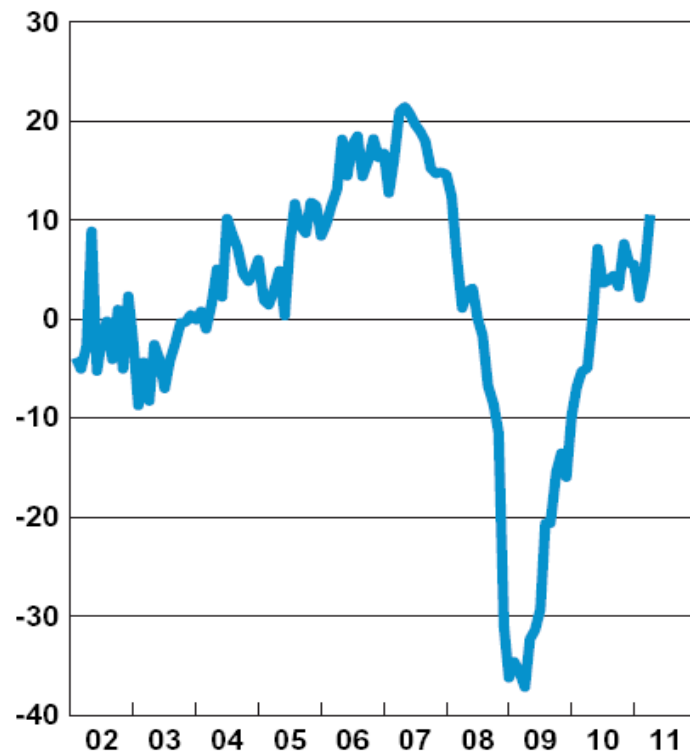
Together we can do it.



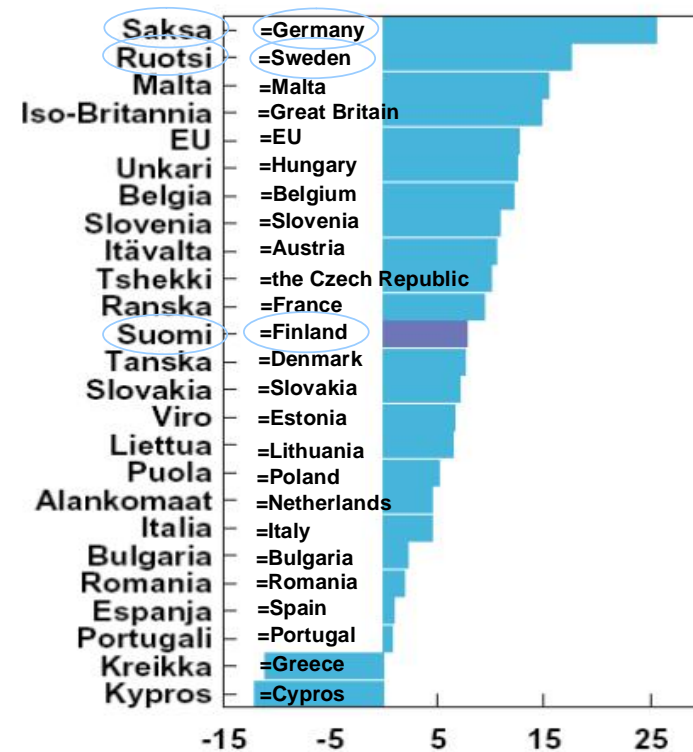
Source: The Confederation of Finnish Industries EK, January 2011

Industrial confidence has improved

Industrial confidence in Finland



Industrial confidence in Europe

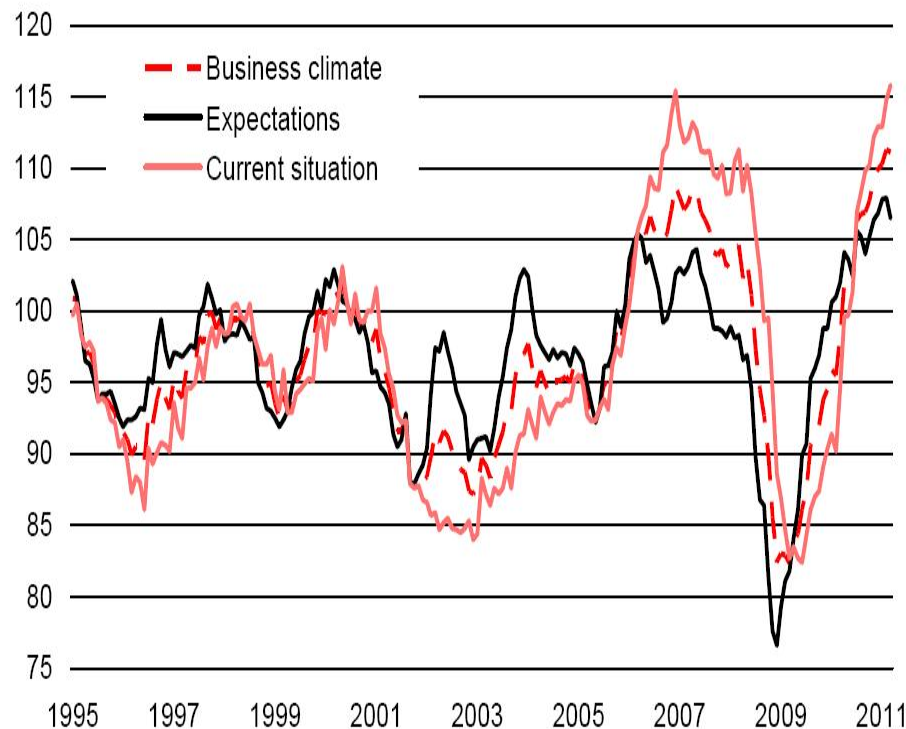


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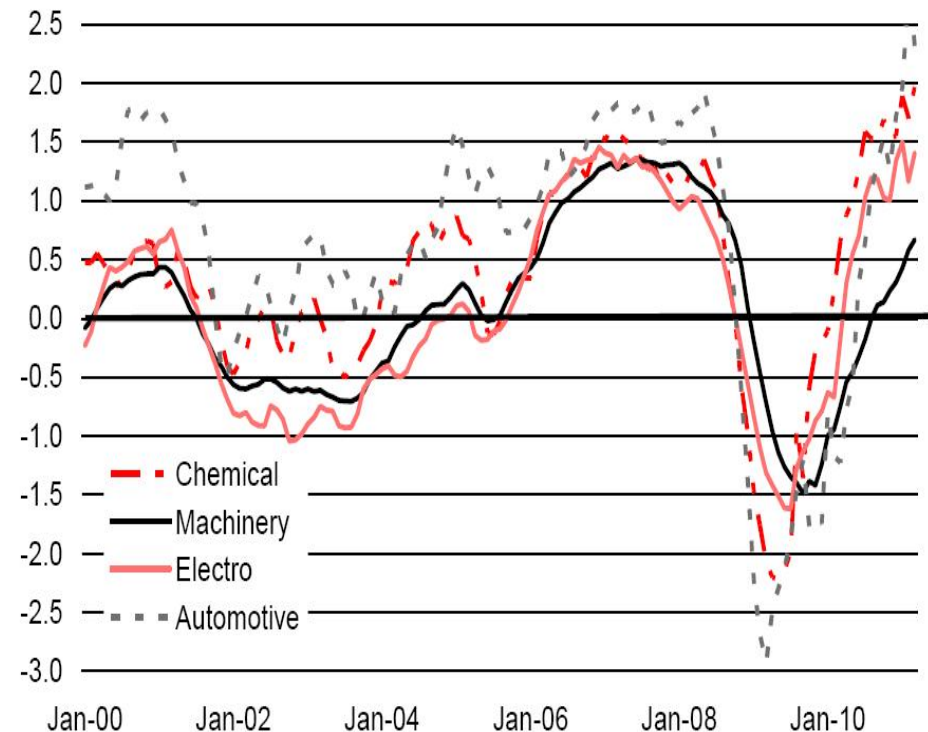
Source: Industrial confidence in Finland: The Confederation of Finnish Industries EK, March 2011, Industrial confidence in Europe: The Confederation of Finnish Industries EK, March 2011

Industrial activity in Germany

Ifo index still very strong in Germany

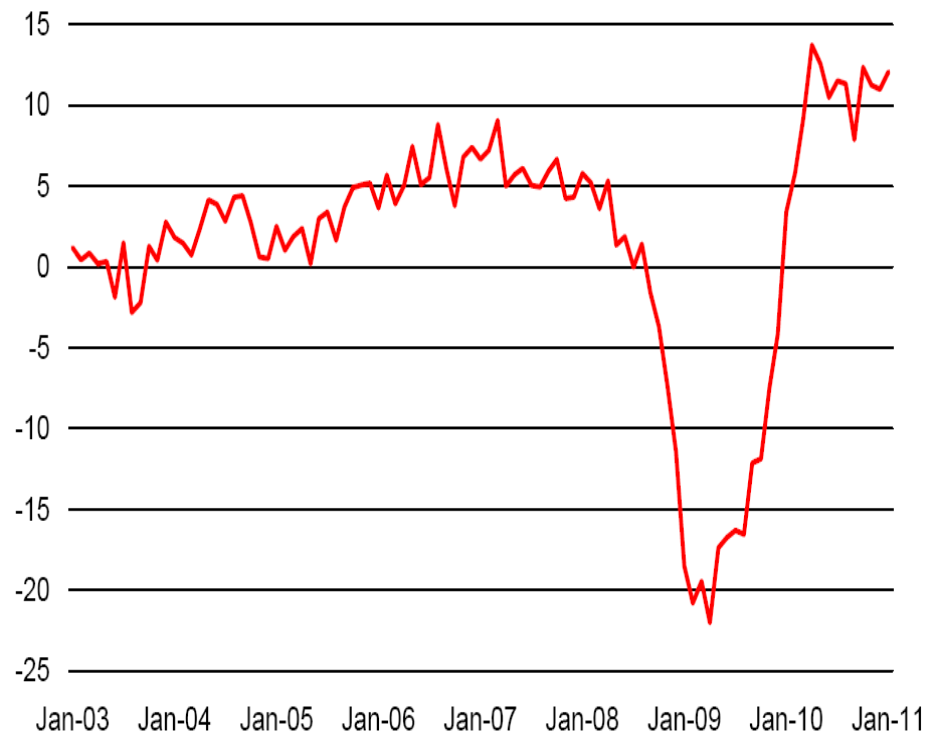


Order backlog development in German industries



Industrial production and export in Germany

Industrial production, in % (y-o-y)



German export remains strong

3. Global export orders & German export



Infrastructure construction and construction costs

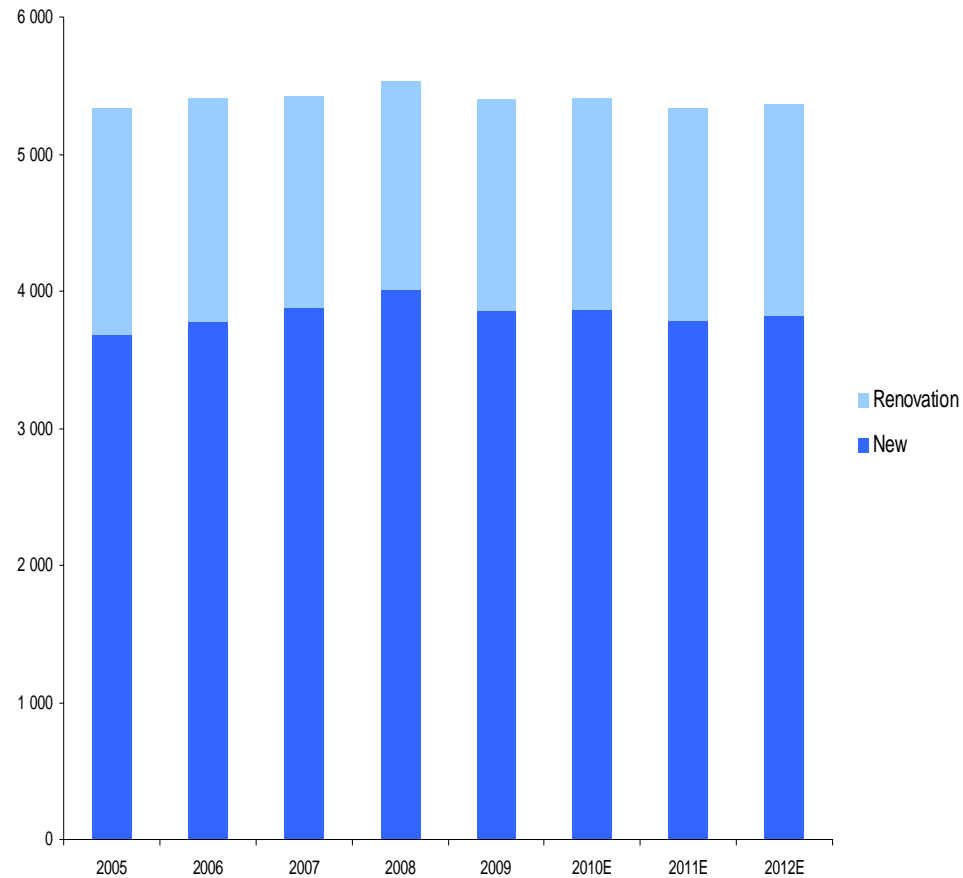


Together we can do it. **YIT**

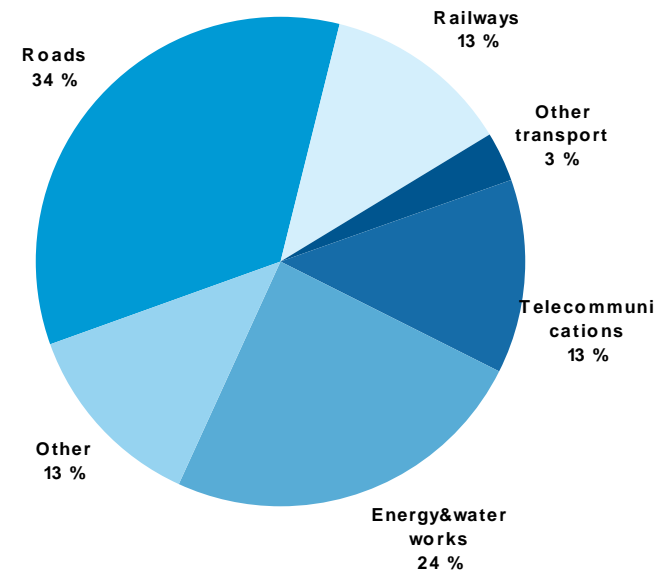
Infrastructure construction

Relatively stable development in Finland

EUR million **Infrastructure market in Finland**



Infrastructure sectors in Finland (2010)



Opportunities in the Finnish Infrastructure market

Potential infrastructure projects in Finland:

- **Railway track Seinäjoki-Oulu**
Construction 2012-2017, completion of improvements
Project will be conducted in the state budget financing
Total value 254 MEUR
- **E18 highway Koskenkylä-Kotka**
Construction 2011-2014, followed by maintenance agreement for 15 years
Total value up to 650 MEUR, including maintenance
(Consortium with Destia)
- **Hamina's relief road (new highway)**
Construction 2011-2015
Total value 180 MEUR
- **Road maintenance contracts**
Competitive tendering for 13 road maintenance contracts across Finland in 2011
Total value 132 MEUR

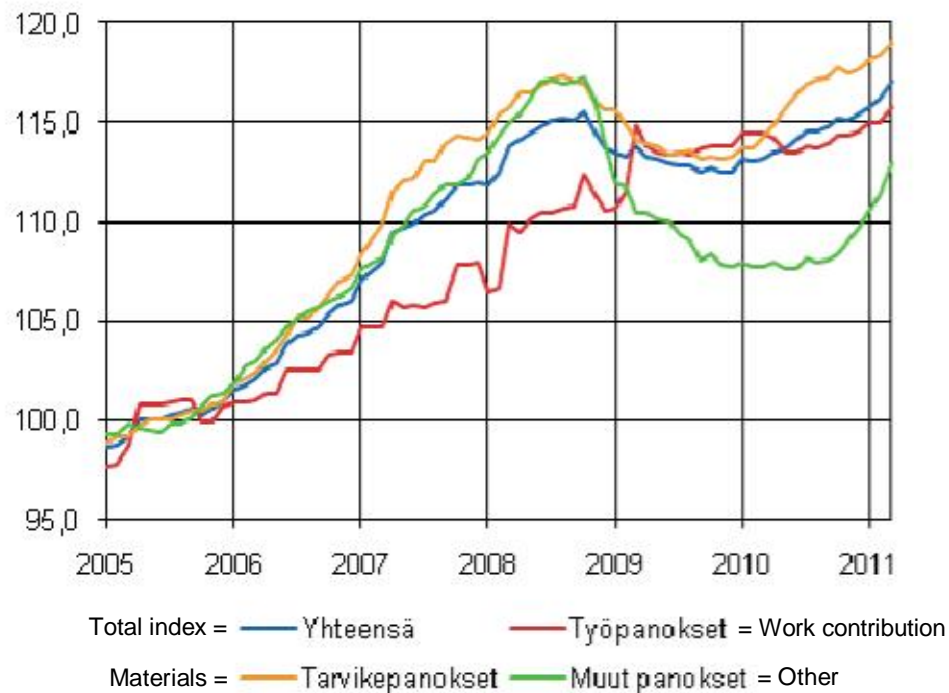


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Source: Ministry of Transport and Communications April, 2011

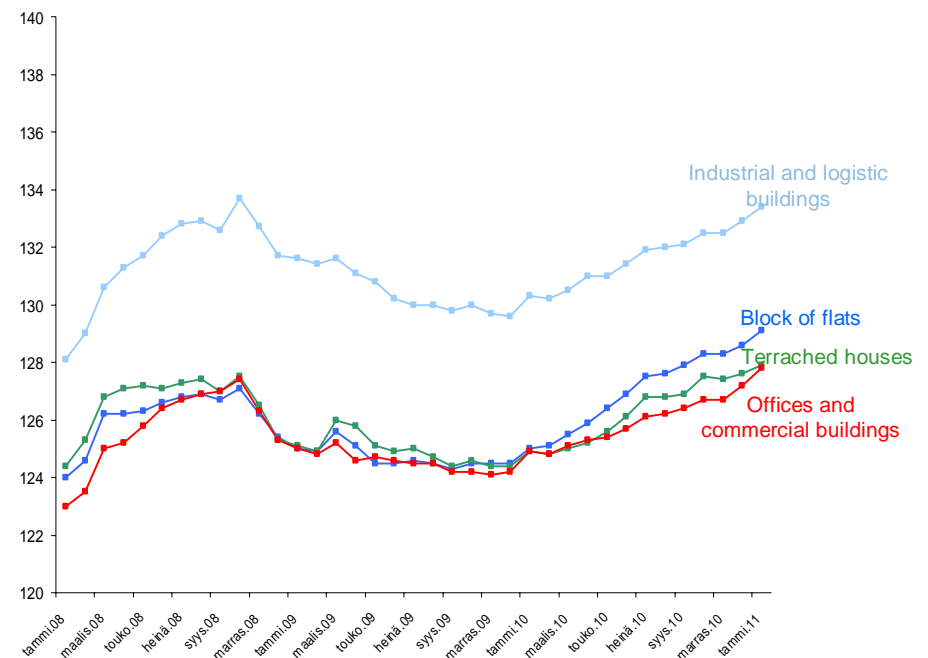
Construction costs in Finland

Construction costs, index 2005-2010



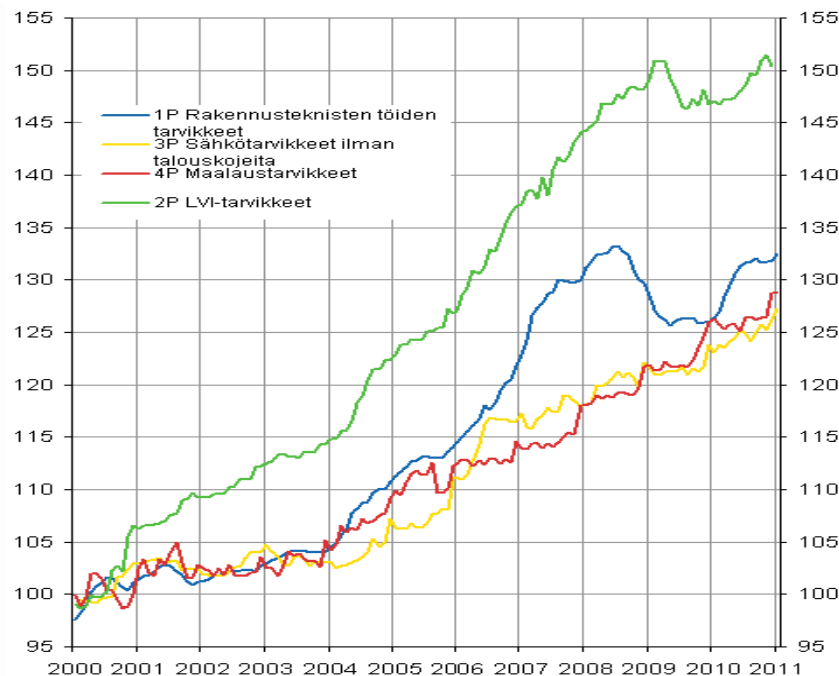
- Building costs were 3,2% higher in March 2011 than in March 2010
- Labour costs rose by 1,1% and prices of materials by 3,7% in the year
- Other inputs increased by 6,9%

Construction costs by building type, index 2008-2011



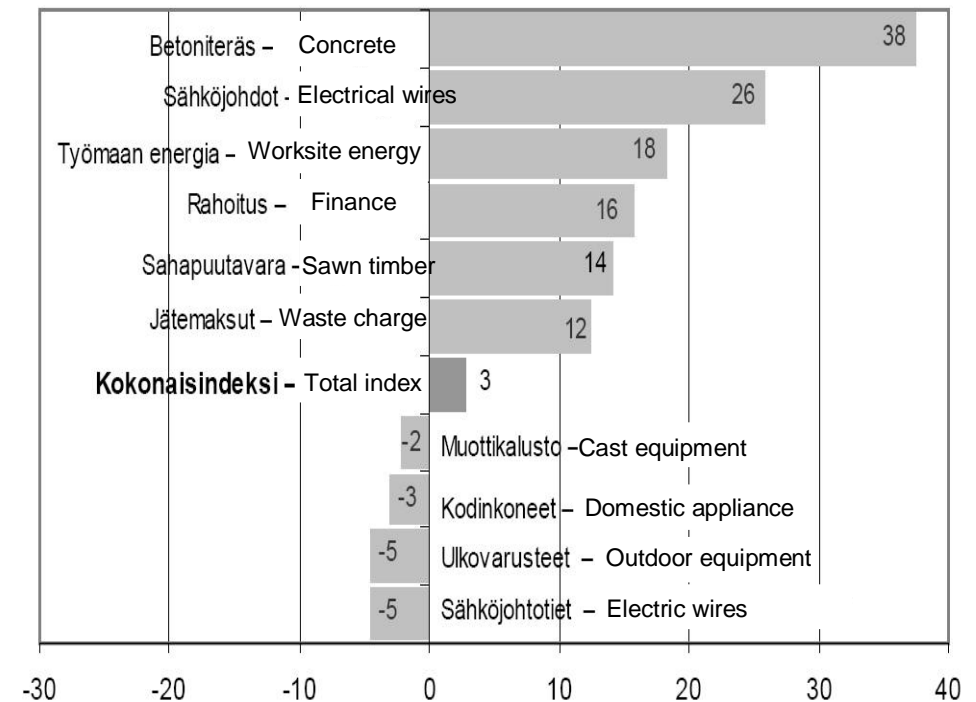
Construction materials in Finland

Construction materials 2000-2011



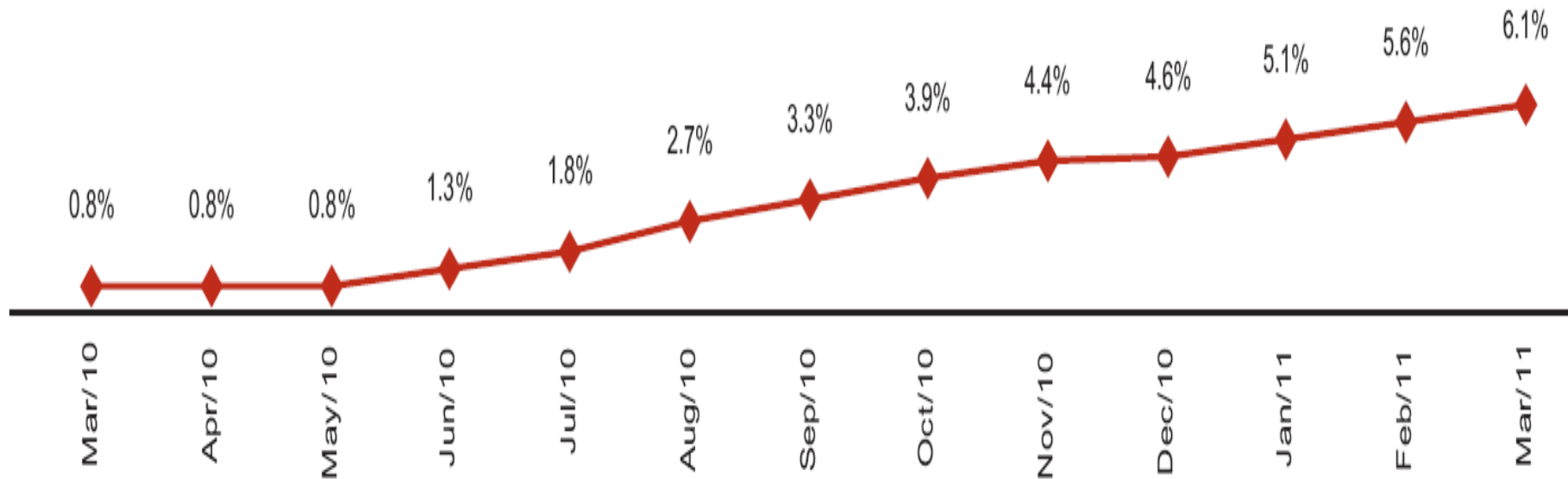
- Structural building equipment
- Heating, plumbing and ventilation equipment
- Electrical equipment without domestic appliances
- Painting equipment

Construction materials 2005-2/2011 Change %



Construction costs in Russia

Inflation in building materials in Russia (y-o-y), March 2010-March 2011



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