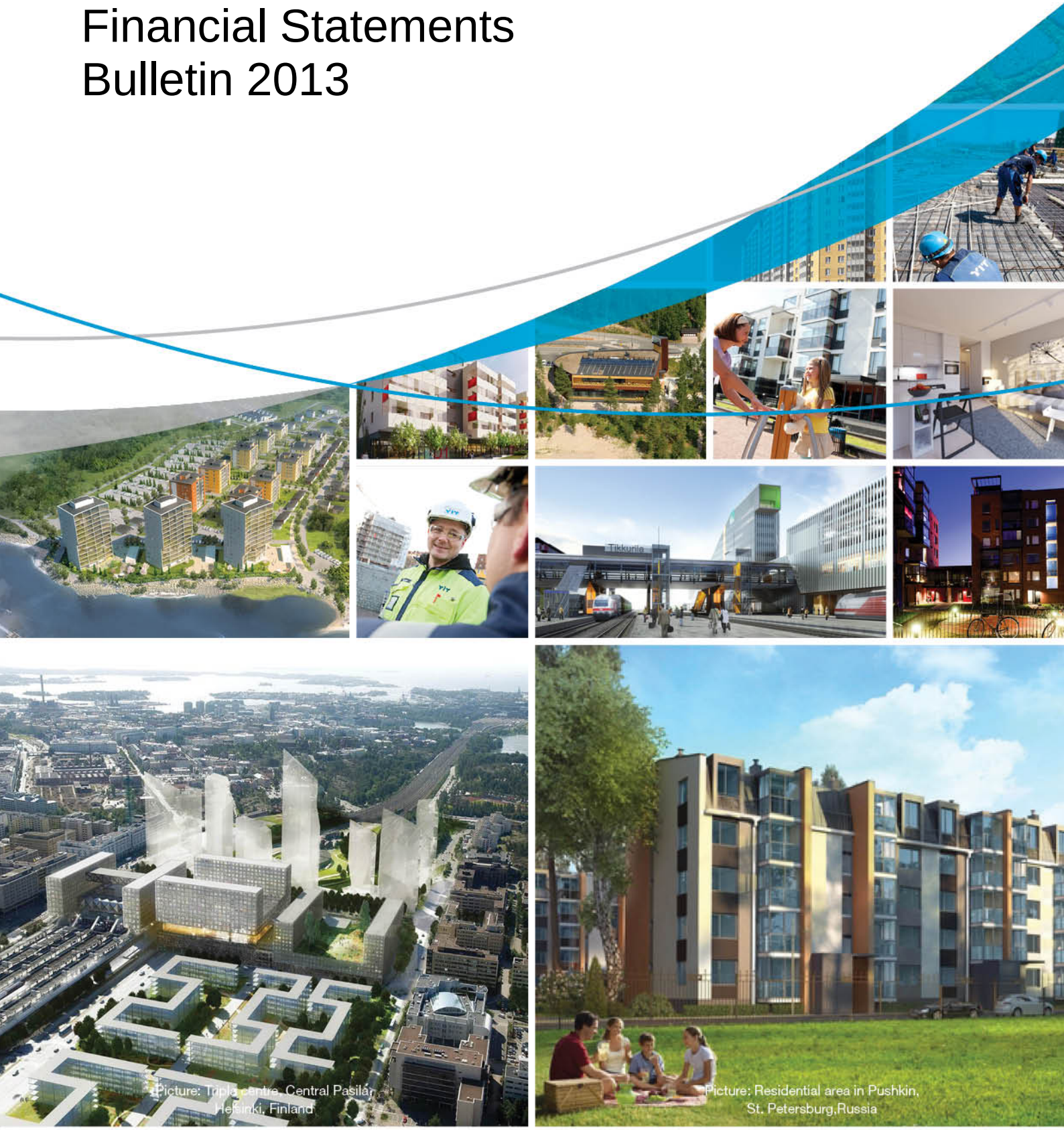
Financial Statements Bulletin 2013



Picture: Tripla centre, Central Pasila, Helsinki, Finland

Picture: Residential area in Pushkin, St. Petersburg,Russia

Construction Services Finland

International Construction Services

YIT'S FINANCIAL STATEMENTS BULLETIN FOR 2013:
Actions according to demanding market – Sales and cash flow in focus

Except where otherwise noted, the explanatory statement of the financial statements describes the construction business, i.e. the continuing operations after the partial demerger. The demerger of Caverion Corporation from YIT was registered on June 30, 2013. The results of Building Services for January–June 2013 are reported under discontinued operations, along with the demerger costs (tables section). Unless otherwise noted, the figures in brackets refer to the corresponding period in the year before.

October–December 2013 (segment reporting, POC)

- Revenue decreased by 6% to EUR 521.3 (555.4) million, Construction Services Finland -5% and International Construction Services -6%. At comparable exchange rates, revenue decreased by 4%.
- Operating profit decreased by 39% to EUR 41.2 (68.0) million, Construction Services Finland -43% and International Construction Services -29%. Operating profit includes a non-recurring cost of EUR 1.2 million related to restructuring measures.
- Operating profit excluding non-recurring items fell by 38% to EUR 42.4 (68.0) million.
- Order backlog decreased by 2% to EUR 2,713.7 (2,765.1) million. Compared to the end of September, the order backlog fell by 4%.
- Profit before taxes declined by 45% to EUR 32.5 (59.1) million.
- Earnings per share decreased by 46% to EUR 0.19 (0.35).

January–December 2013 (segment reporting, POC)

- Revenue declined by 5% to EUR 1,858.8 (1,959.0) million, Construction Services Finland -8% and International Construction Services +4%. At comparable exchange rates, revenue decreased by 4%.
- Operating profit decreased by 24% to EUR 152.8 (201.1) million. Operating profit includes a non-recurring cost of EUR 1.2 million related to restructuring measures.
- Operating profit excluding non-recurring items fell by 21% to EUR 154.0 (194.1) million.
- Profit before taxes declined by 28% to EUR 122.8 (169.6) million.
- Earnings per share decreased by 28% to EUR 0.75 (1.04).
- The partial demerger was completed successfully on June 30, 2013.

GUIDANCE FOR 2014: The Group revenue based on segment reporting is estimated to grow by 0-10% at comparable exchange rates. The operating profit margin based on segment reporting is estimated to be in the range of 7.5-8.5% excluding non-recurring items.

Continuing uncertainty over the general macroeconomic development impacts YIT's business operations and customers.

DIVIDEND PROPOSAL: According to the proposal of the Board of Directors, a divided of EUR 0.38 per share will be paid, representing 51% of the Group's net profit for the period based on segment reporting.

Kari Kauniskangas, President and CEO: Actions to improve sales, cash flow and capital efficiency started to bear fruit

I am in many respects satisfied with our achievements in the challenging market environment of 2013. Housing sales in Russia continued to grow, and in the Baltic countries and Central Eastern Europe the favorable development continued while the focus of operations turned to own-developed residential production. In Infra Services, the progress was positive as a whole, and the E18 Koskenkylä–Kotka project was selected as the "Construction Site of the Year" in Finland. We also achieved significant progress in strategically important projects. However, the weakness of the business premises market and the caution of consumers in the Finnish housing market had a negative impact on our results and balance sheet. As a result, towards the end of the year, we focused on improving sales, cash flow and cost and capital efficiency. In the fourth quarter we succeeded among other things in selling business premises projects and reducing the inventory of completed unsold apartments. This was seen as good cash flow and a downturn of the trend in net debt and invested capital. In addition, we have adjusted our cost structure according to the current market environment, particularly in Finland.

The uncertainty of the business environment seems to continue in 2014, and we will continue our efforts to promote sales, cash flow and a more efficient business model. At the same time, our solid plot reserve and flexible resources secure the opportunity to quickly react to any recovery in demand. 2014 is also the first

year in our three-year strategy period. According to our strategy, we seek growth in all our business areas through own-developed projects, increased capital efficiency and improved resistance to economic cycles. I would also like to thank YIT's entire personnel for the valuable contribution in 2013.

Key figures

Segment reporting, POC

Revenue, EUR million	10-12/13	10-12/12	Change	1-12/13	1-12/12	Change
Construction Services Finland	327.1	342.6	-5%	1,219.8	1,329.0	-8%
International Construction Services	192.2	205.0	-6%	621.2	599.6	4%
Other items	1.9	7.8		17.9	30.3	
Group, total	521.3	555.4	-6%	1,858.8	1,959.0	-5%

Operating profit, EUR million	10-12/13	10-12/12	Change	1-12/13	1-12/12	Change
Construction Services Finland	22.8	40.2	-43%	94.5	134.1	-30%
International Construction Services	22.1	31.0	-29%	71.9	80.4	-11%
Other items	-3.8	-3.2		-13.6	-13.4	
Group, total	41.2	68.0	-39%	152.8	201.1	-24%

Operating profit margin, %	10-12/13	10-12/12		1-12/13	1-12/12	
Construction Services Finland	7.0	11.7		7.7	10.1	
International Construction Services	11.5	15.1		11.6	13.4	
Group, total	7.9	12.2		8.2	10.3	

Operating profit excluding non-recurring items , EUR million	10-12/13	10-12/12	Change	1-12/13	1-12/12	Change
Construction Services Finland	23.9	40.2	-41%	95.5	134.1	-29%
International Construction Services	22.1	31.0	-29%	71.9	73.4	-2%
Other items	-3.5	-3.2		-13.4	-13.4	
Group, total	42.4	68.0	-38%	154.0	194.1	-21%

Operating profit margin excluding non-recurring items, %	10-12/13	10-12/12		1-12/13	1-12/12	
Construction Services Finland	7.3	11.7		7.8	10.1	
International Construction Services	11.5	15.1		11.6	12.2	
Group, total	8.1	12.2		8.3	9.9	

Order backlog, EUR million	12/13	9/13	Change	12/13	12/12	Change
Construction Services Finland	1,428.2	1,555.1	-8%	1,428.2	1,499.0	-5%
International Construction Services	1,285.5	1,258.3	2%	1,285.5	1,266.1	2%
Group, total	2,713.7	2,813.4	-4%	2,713.7	2,765.1	-2%

Other key figures, EUR million	10-12/13	10-12/12	Change	1-12/13	1-12/12	Change
Profit before taxes	32.5	59.1	-45%	122.8	169.6	-28%
Profit for the review period [1)]	24.3	43.8	-45%	93.9	130.7	-28%
Earnings per share, EUR	0.19	0.35	-46%	0.75	1.04	-28%
Operating cash flow after investments	76.3	8.0		-87.9	49.9	

1) Attributable to equity holders of the parent company

	12/13	9/13	Change	12/13	12/12	Change
Return on investment (last 12 months), %	10.3	12.3		10.3	15.0	
Equity ratio, %	37.8	37.0		37.8	43.1	
Personnel at the end of period	6,172	6,384	-3%	6,172	6,691	-8%

Group reporting, IFRS

	12/13	9/13	Change	12/13	12/12	Change
Net interest-bearing debt, EUR million (2012 non-IFRS)	781.7	857.3	-9%	781.7	616.0	27%
Gearing ratio, % (2012 non-IFRS)	112.0	123.7		112.0	80.9	

Contents

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Group financial development based on segment reporting

Accounting principles applied in the financial statements

YIT Corporation's management follows the development of the company's business according to the percentage of completion-based reporting method for each segment. Therefore, the explanatory statement of the financial statements focuses on describing the company's performance based on this reporting. YIT also reports on its operations in accordance with IFRS guidelines, where the company applies, for example, the IFRIC 15 guidelines. The effects of the differences of the recognition principles are presented in detail in the tables to the financial statements.

Unless otherwise noted, the explanatory statement of the financial statements describes the construction business, i.e. the continuing operations after the partial demerger. The demerger of Caverion Corporation from YIT was registered on June 30, 2013. The result of Building Services for January–June 2013 is reported under discontinued operations (tables section).The income and expenses related to assets and liabilities transferred to Caverion Corporation in the partial demerger have been allocated to discontinued operations in the income statement. In accordance with IFRS 5, the balance sheets for the comparison periods preceding the demerger include the assets and liabilities related to the Building Services business transferred to Caverion Corporation in connection with the implementation of the demerger. Accordingly, the balance sheets do not illustrate the financial position of the continuing operations. In addition, the interim report contains non-IFRS figures as historical reference figures, which best illustrate the financial position of the continuing operations.

In addition to Caverion's net result, the costs relating to the demerger and the difference between the fair value and book value of net assets transferred to Caverion are reported under discontinued operations.

Revenue (segment reporting, POC)

Revenue, EUR million	10-12/13	10-12/12	Change	1-12/13	1-12/12	Change
Construction Services Finland	327.1	342.6	-5%	1,219.8	1,329.0	-8%
International Construction Services	192.2	205.0	-6%	621.2	599.6	4%
Other items	1.9	7.8		17.9	30.3	
Group, total	521.3	555.4	-6%	1,858.8	1,959.0	-5%

In January-December, YIT's revenue decreased by 5% year-on-year to EUR 1,858.8 million (1-12/2012: EUR 1,959.0 million). Changes in foreign exchange rates reduced revenue by EUR 30.6 million compared with the previous year. Finland accounted for 66% of revenue (1–12/2012: 69%), Russia for 27% (1–12/2012: 24%), and the Baltic countries, the Czech Republic and Slovakia for 7% (1–12/2012: 7%). Revenue continued to grow in International Construction Services, but the revenue of Construction Services Finland was impacted by the business premises market, which was clearly weaker than in the previous year.

In October–December, revenue decreased by 6% year-on-year to EUR 521.3 million (10–12/2012: EUR 555.4 million). Changes in foreign exchange rates reduced revenue by EUR 14.1 million year-on-year. In International Construction Services, revenue was impacted by the lower percentage of completion of sold apartments and the weaker ruble. In Construction Services Finland, revenue decreased due to the weak business premises market.

Result (segment reporting, POC)

Operating profit, EUR million	10-12/13	10-12/12	Change	1-12/13	1-12/12	Change
Construction Services Finland	22.8	40.2	-43%	94.5	134.1	-30%
International Construction Services	22.1	31.0	-29%	71.9	80.4	-11%
Other items	-3.8	-3.2		-13.6	-13.4	
Group, total	41.2	68.0	-39%	152.8	201.1	-24%

Operating profit margin, %	10-12/13	10-12/12		1-12/13	1-12/12	
Construction Services Finland	7.0	11.7		7.7	10.1	
International Construction Services	11.5	15.1		11.6	13.4	
Group, total	7.9	12.2		8.2	10.3	

Operating profit excluding non-recurring items, EUR million	10-12/13	10-12/12	Change	1-12/13	1-12/12	Change
Construction Services Finland	23.9	40.2	-41%	95.5	134.1	-29%
International Construction Services	22.1	31.0	-29%	71.9	73.4	-2%
Other items	-3.5	-3.2		-13.4	-13.4	
Group, total	42.4	68.0	-38%	154.0	194.1	-21%

Operating profit margin excluding non-recurring items, %	10-12/13	10-12/12		1-12/13	1-12/12	
Construction Services Finland	7.3	11.7		7.8	10.1	
International Construction Services	11.5	15.1		11.6	12.2	
Group, total	8.1	12.2		8.3	9.9	

In 2013, YIT's operating profit decreased by 24% compared with the previous year to EUR 152.8 million (1–12/2012: EUR 201.1 million). The operating profit margin was 8.2% (1–12/2012: 10.3%). Operating profit includes a non-recurring cost of EUR 1.2 million related to restructuring measures. The operating profit in the comparison period was improved by the release of a provision of EUR 7.0 million in International Construction Services. The profitability of Construction Services Finland was impacted by the weak performance in Business Premises and the high activity in investor deals in Finnish housing. The profitability of International Construction Services was impacted negatively by the specification and re-allocation of area development costs in projects in Moscow Oblast, the effect of which was approximately EUR 4 million. Changes in foreign exchange rates reduced operating profit by EUR 4.7 million compared with the previous year. Due to an amendment to the recording method which took effect at the beginning of 2013, the operating profit for the review period does not include borrowing costs according to IAS 23 (the comparison figures have been adjusted accordingly).

Operating profit for October–December decreased by 39% year-on-year to EUR 41.2 million (10–12/2012: EUR 68.0 million). The operating profit margin was 7.9% (10–12/2012: 12.2%). Operating profit includes a non-recurring cost of EUR 1.2 million related to restructuring measures. Profitability was reduced by the weak performance in Business Premises and the high activity in investor deals in Finnish housing. The specification and re-allocation of area development costs in projects in Moscow Oblast weakened profitability in International Construction Services by approximately EUR 4 million. Changes in foreign exchange rates had a EUR 2.1 million negative impact on the operating profit compared to the corresponding period in the previous year.

In January-December, profit before taxes declined by 28% year-on-year to EUR 122.8 million (1–12/2012: EUR 169.6 million). Profit before taxes for October–December decreased by 45% year-on-year to EUR 32.5 million (10-12/2012: EUR 59.1 million).

Profit for the review period attributable to the equity holders of the parent company for January-December decreased by 28% year-on-year to EUR 93.9 million (1-12/2012: EUR 130.7 million). The profit for October–December decreased by 45% year-on-year to EUR 24.3 million (10-12/2012: EUR 43.8 million). The Finnish corporate tax rate decreased from 24.5% to 20.0% as of January 1, 2014. The change in the tax rate had a one-time negative impact of EUR 2.1 million on October-December results due to the decrease in net deferred tax assets.

Earnings per share for January-December fell by 28% compared with the previous year to EUR 0.75 (1–12/2012: EUR 1.04). Earnings per share for October–December decreased by 46% year-on-year to EUR 0.19 (10-12/2012: EUR 0.35).

The effective tax rate was 23.6% during the review period (1–12/2012: 22.3%).

Order backlog (segment reporting, POC)

Order backlog, EUR million	12/13	9/13	Change	12/13	12/12	Change
Construction Services Finland	1,428.2	1,555.1	-8%	1,428.2	1,499.0	-5%
International Construction Services	1,285.5	1,258.3	2%	1,285.5	1,266.1	2%
Group, total	2,713.7	2,813.4	-4%	2,713.7	2,765.1	-2%

YIT's order backlog remained at the level of the end of 2012, amounting to EUR 2,713.7 (12/2012: EUR 2,765.1 million). Changes in foreign exchange rates reduced the order backlog by EUR 140.1 million compared to the previous year. The Group started the construction of a total of 2,464 apartments during the fourth quarter.

Acquisitions and capital expenditure

YIT increased its holding in YIT Moskovia by 5.92 percentage points during the review period and now holds all of the shares in the company. The purchase price was EUR 5.1 million. In 2013, the company did not carry out any other significant acquisitions.

Gross capital expenditures on non-current assets amounted to EUR 20.2 million in January–December (1–12/2012: EUR 28.4 million), or 1.1% (1–12/2012: 1.5%) of revenue. Investments in construction equipment amounted to EUR 6.4 million (1–12/2012: EUR 15.8 million) and investments in information technology to EUR 6.3 million (1–12/2012: EUR 7.9 million). Other investments, including the acquisition of the minority share in YIT Moskovia, amounted to EUR 7.5 million (1–12/2012: EUR 4.8 million).

During the second quarter of 2013, YIT sold information technology assets to Caverion Corporation in connection with the demerger. The selling price was EUR 20.8 million.

YIT recorded EUR 17.4 million in depreciation during the review period (1–12/2012: EUR 20.6 million).

Cash flow and invested capital

Operating cash flow after investments for January-December amounted to EUR -87.9 million (1–12/2012: EUR 49.9 million). Operating cash flow after investments for October–December stood at EUR 76.3 million (10–12/2012: EUR 8.0 million). Cash flow for January-December was negatively impacted by the increase in working capital especially in Construction Services Finland. The cash flow for October–December, in turn, was improved by the decrease in working capital towards the end of the year due to active sales and improved capital efficiency. The cash flow of plot investments for the whole year amounted to EUR 171.4 million (1–12/2012: EUR 192.1 million) and EUR 40.1 million in October–December (10–12/2012: EUR 53.8 million).

Return on investment amounted to 10.3% for the last 12 months (10/2012–9/2013: 12.3%). At the end of December, the Group's invested capital based on segment reporting amounted to EUR 1,558.8 million (9/2013: EUR 1,592.8 million). Invested capital is calculated by deducting non-interest bearing liabilities from the balance sheet total.

Dividend proposal

YIT's target for dividend payout is 40–60% of net profit for the review period. The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.38 per share be paid, representing 51% of the Group's net profit for the period based on segment reporting.

Development by business segment

Development by business segment is presented using figures based on segment reporting.

CONSTRUCTION SERVICES FINLAND

	10-12/13	10-12/12	Change	1-12/13	1-12/12	Change
Revenue, EUR million	327.1	342.6	-5%	1,219.8	1,329.0	-8%
Operating profit, EUR million	22.8	40.2	-43%	94.5	134.1	-30%
Operating profit margin, %	7.0	11.7		7.7	10.1	
Operating profit excluding non-recurring items, EUR million	23.9	40.2	-41%	95.5	134.1	-29%
Operating profit margin excluding non-recurring items, %	7.3	11.7		7.8	10.1	

	12/13	9/13	Change	12/13	12/12	Change
Operative invested capital, EUR million	683.1	730.7	-7%	683.1	581.7	17%
Order backlog, EUR million	1,428.2	1,555.1	-8%	1,428.2	1,499.0	-5%

	1-12/13	10/12-9/13
Return on operative invested capital (last 12 months), %	14.9	17.5

In Construction Services Finland, revenue for January–December decreased by 8% year-on-year to EUR 1,219.8 million (1–12/2012: EUR 1,329.0 million). Revenue for October–December decreased by 5% year-on-year to EUR 327.1 million (10–12/2012: EUR 342.6 million). Revenue for October–December declined in business premises construction, in particular.

Operating profit for January–December decreased by 30% year-on-year to EUR 94.5 million (1–12/2012: EUR 134.1 million). Operating profit for October–December decreased by 43% year-on-year to EUR 22.8 million (10–12/2012: EUR 40.2 million). The profitability for October–December was negatively impacted by the weak performance in Business Premises and active investor sales in housing. Operating profit includes a non-recurring cost of EUR 1.0 million related to restructuring measures.

The order backlog at the end of December decreased by 5% compared with the end of the previous year, amounting to EUR 1,428.2 million (12/2012: EUR 1,499.0 million). Compared with the end of September, the order backlog decreased by 8% (9/2013: EUR 1,555.1 million).

The segment's return on operative invested capital for the last 12 months was 14.9%, which is below the Group's strategic target (20%). YIT aims to increase the return on investment in Finland by reducing the number of completed unsold apartments, selling own-developed business premises projects currently under construction and improving cost-efficiency. The importance of utilising off-balance sheet partnerships in plot acquisitions also increases.

The business segment's capital tied into plot reserves totalled EUR 282.3 million at the end of December (9/2013: EUR 289.7 million). The plot reserve including pre-agreements included building rights of 1,854,000 floor square metres for residential plots (9/2013: 1,854,000) and 1,051,000 floor square metres for business premises plots (9/2013: 890,000).

Investor deals supported residential sales

In October–December, the demand for apartments was at a normal level, but the demand for detached and terraced houses remained modest. In the last quarter of the year, investor deals again played a key role in maintaining sales volume, but consumer sales also showed cautious signs of picking up towards the end of the year.

In October–December, demand focused particularly on apartments close to completion and completed apartments. The consumer prices of apartments have continued to be stable, and the interest rates for mortgages have remained low. Customers' access to financing has remained more challenging than in the previous year, although there has been slight improvement in the lending terms of banks towards the end of the year. YIT has developed cross-border sales between the different operating countries. The demand for residential and leisure time housing in Eastern Finland among Russian customers has remained at a good level. In January, YIT sold slightly more than 120 apartments to consumers.

Residential construction in Finland, pcs [1)]	10-12/13	7-9/13	Change	1-12/13	1-12/12	Change
Sold	723	624	16%	2,779	2,757	1%
- of which directly to consumers	573*	489**	17%	2,057***	1,869	10%
Start-ups	369	553	-33%	2,483	2,856	-13%
- of which directly to consumers	219	418	-48%	1,761	1,968	-11%
Completed	921	620	49%	3,161	2,722	16%
- of which directly to consumers	631	377	67%	2,094	2,364	-11%
Under construction at the end of the period	3,562	4,114	-13%	3,562	4,240	-16%
- of which sold at the end of the period	2,087	2,334	-11%	2,087	2,409	-13%
For sale at the end of the period	1,988	2,339	-15%	1,988	2,282	-13%
- of which completed	513	559	-8%	513	451	14%

[1)] Changes in the number of apartments may take place after the start of construction due to the division or combination of apartments.
* Includes 173 apartments sold to Ålandsbanken Housing Fund and Orava Residential REIT.
** Includes 108 apartments sold to Ålandsbanken and OP-Pohjola housing funds.
*** Includes 502 apartments sold to Ålandsbanken and OP-Pohjola housing funds and Orava Residential REIT.

In October–December, YIT started the construction of 219 own-developed apartments. In addition, YIT started construction of a total of 150 apartments as tender-based projects. The level of housing start-ups is lower than in the corresponding period in the previous year due to timing concerns and partly the need to adjust the number of housing start-ups to demand. In 2013, YIT reduced its housing start-ups by 11% compared with the level of the previous year to adjust its production to consumer demand. YIT has replenished its plot reserves by acquiring plots and making pre-agreements on plots in order to ensure good opportunities for housing start-ups also in the future.

Of the apartments under construction, 59% have been sold (12/2012: 57%), which reduces YIT's sales risk. The number of completed unsold apartments decreased in October–December due to active sales efforts, in addition to which the sales portfolio is now better in line with the current demand. The sales inventory is focused on medium-range residential production: approximately 62% of the apartments for sale are priced at less than EUR 300,000.

YIT is well prepared to adjust its residential production according to the market situation. The costs of completing the current own-developed residential and business premises projects for sale amounted to EUR 300.8 million at the end of December 2013 (12/2012: EUR 306.9 million).

Challenges in the business premises market

The development of the business premises market continued to be weak in October–December, and the order backlog for YIT's Business Premises fell compared with the level at the end of September. The profitability of Business Premises was reduced by the low volume and rising investor yields. The leasing of commercial and business premises under construction progressed reasonably well in October–December: lease agreements were signed on approximately 13,000 square meters of business premises. In October–December, business premises rents remained stable.

In December, YIT concluded agreements for the sale of the office properties of the commercial centre Dixi to be constructed in Tikkurila and MotorCenter Espoonlahti to be constructed in Espoo for Etera Mutual Pension Insurance Company. The total value of the transactions is approximately EUR 60 million, of which just over a quarter was recognised as revenue for 2013. YIT will continue the active sales of its own-developed business premises projects under construction in 2014.

In November 2013, Senate Properties and the City of Helsinki confirmed the selection of YIT as the winner of the design and implementation tender for the Central Pasila Centre, and as the developer with its Tripla proposal. In December 2013, the Parliament of Finland authorised Senate Properties to sell the Tripla plot and the Pasila station. In January 2014, three agreements were signed, comprising a design and build agreement on the Central Pasila Centre, a preliminary agreement on the real estate transaction and a turnkey contract on the public sections.

Development of Infra Services remained stable

The demand for infrastructure construction continued to be stable in October–December, but the order backlog in YIT's Infra Services fell compared with the level at the end of September. In December, YIT won the competitive bidding arranged by Länsimetro Oy on the construction contract of the Matinkylä–Urheilupuisto rail line of the West Metro, the total value of which is EUR 14 million. The construction work was started in December 2013, and it is estimated to be completed in January 2015. In addition, YIT started development of new wind power parks in Central Finland and Northern Ostrobothnia. The intention is to start the construction of the projects located in Kyyjärvi and Pyhäjärvi, of a total power of 50 MW, during 2015.

Rakennuslehti, the largest Finnish construction weekly, selected the E18 Koskenkylä–Kotka project of TYL Pulteri, the labour consortium formed by YIT and Destia, as the winner of the "Construction Site of the Year" competition. According to the jury, the schedules and production management were excellently realised in the project due to the life cycle model, and the cooperation with the client was exemplary.

Significant route projects in progress proceeded as planned in October–December.

INTERNATIONAL CONSTRUCTION SERVICES

	10-12/13	10-12/12	Change	1-12/13	1-12/12	Change
Revenue, EUR million	192.2	205.0	-6%	621.2	599.6	4%
Operating profit, EUR million	22.1	31.0	-29%	71.9	80.4	-11%
Operating profit margin, %	11.5	15.1		11.6	13.4	
Operating profit excluding non-recurring items, EUR million	22.1	31.0	-29%	71.9	73.4	-2%
Operating profit margin excluding non-recurring items, %	11.5	15.1		11.6	12.2	

	12/13	9/13	Change	12/13	12/12	Change
Operative invested capital, EUR million	732.5	729.1	0%	732.5	708.3	3%
Order backlog, EUR million	1,285.5	1,258.3	2%	1,285.5	1,266.1	2%

	1-12/13	10/12-9/13
Return on operative invested capital (last 12 months), %	10.0	11.3

In International Construction Services, the revenue for January-December increased by 4% year-on-year to EUR 621.2 million (1–12/2012: EUR 599.6 million). At comparable exchange rates, the growth was 9%. Revenue for October–December decreased by 6% year-on-year to EUR 192.2 million (10–12/2012: EUR 205.0 million). At comparable exchange rates, revenue increased by 1%. In addition to the weakening of ruble, revenue was impacted by the lower degree of completion of sold apartments.

Operating profit for January–December decreased by 11% year-on-year to EUR 71.9 million (1–12/2012: EUR 80.4 million). The operating profit in the comparison period was improved by the release of a provision of EUR 7.0 million. Excluding non-recurring items, operating profit for January–December decreased by 2% year-on-year. Operating profit for October–December decreased by 29% year-on-year to EUR 22.1 million (10–12/2012: EUR 31.0 million). Profitability was impacted negatively by the specification and reallocation of area development costs in projects in Moscow Oblast, the effect of which was approximately EUR 4 million. In other Russian regions, profitability developed positively.

The order backlog at the end of December increased by 2% year-on-year to EUR 1,285.5 million (12/2012:

EUR 1,266.1 million). The order backlog also grew slightly compared to the end of September, at which time it stood at EUR 1,258.3 million. The effect of changes in foreign exchange rates on the order backlog compared to the end of the previous year was EUR -140.1 million.

The costs of completing the current own-developed residential and business premises projects for sale amounted to EUR 589.8 million at the end of December 2013 (12/2012: EUR 554.0 million).

The business segment's return on operative invested capital for the last 12 months was 10.0%, which is below the Group's strategic target (20%). YIT aims to increase the return on investment in international operations primarily by increasing the volume of operations, improving project-level profitability and further increasing capital efficiency.

The business segment's capital tied into plot reserves and plot development costs totalled EUR 399.0 million at the end of December (9/2013: EUR 383.6 million). The plot reserves included 2,754,000 square metres of building rights for residential plots (9/2013: 2,546,000) and 479,000 square metres for business premises plots (9/2013: 534,000) in Russia, the Baltic countries, the Czech Republic and Slovakia.

Russian housing sales continued well

Russia accounted for 80% of the revenue of International Construction Services for January–December (1–12/2012: 77%). Revenue in Russia increased by 7% year-on-year to EUR 496.0 million (1–12/2012: EUR 463.1 million).

The capital tied into plot reserves in Russia totalled EUR 320.1 million at the end of December (9/2013: EUR 304.4 million). The plot reserves included 2,393,000 square metres of building rights for residential plots (9/2013: 2,185,000) and 405,000 square metres for business premises plots (9/2013: 436,000).

Residential construction in Russia, pcs	10-12/13	7-9/13	Change	1-12/13	1-12/12	Change
Sold	1,392	1,162	20%	4,480	4,209	6%
Start-ups	1,906	1,106	72%	5,099	5,487	-7%
Completed*	1,024	727	41%	2,976	4,197	-29%
Under construction at the end of the period	10,780	9,897	9%	10,780	8,662	24%
- of which sold at the end of the period	4,019	3,805	6%	4,019	3,020	33%
For sale at the end of the period	7,177	6,654	8%	7,177	6,530	10%
- of which completed	416	562	-26%	416	888	-53%

Under construction at the end of the period	12/13	9/13	Change	12/13	12/12	Change
St. Petersburg	3,267	2,223	47%	3,267	2,686	22%
Moscow Oblast	4,309	4,305	0%	4,309	3,796	14%
Yekaterinburg, Kazan, Rostov-on-Don, Tyumen and Moscow	3,204	3,369	-5%	3,204	2,180	47%

* Completion of the residential projects requires commissioning by the authorities.

In October–December, residential sales in Russia continued well, and the demand for small apartments, in particular, was good. YIT's residential sales have also been supported by the company's established position as a reliable construction company in Russia, its diverse housing offering, its own marketing and sales promotion measures and extensive mortgage cooperation with banks. The importance of mortgages has remained high in Russia, and, in October–December, customers took out mortgages in 43% of YIT's residential deals; the share during the whole year was 44%. YIT has also developed cross-selling between the different operating countries. The degree of completion of sold apartments was slightly lower than in the comparison period.

In October–December, no major changes took place in the housing offering of competitors in YIT's market areas, and the average prices of apartments remained stable. Construction costs have continued growing moderately. January is traditionally a slow sales month due to the Russian holidays, and YIT sold slightly less than 300 apartments in Russia in January 2014.

In St. Petersburg, the authorities' permitting process has normalised, and YIT increased the number of start-ups during the second half of the year following a slow start to the year. In November, the company started the construction of a new residential area in Pushkin, a suburb of St. Petersburg. The area will be built in several phases, and the value of the current first phase is approximately EUR 70 million. In addition, YIT started the construction of a new area development project named Novo Orlovsky located to the north of St. Petersburg in December. The value of the current first phase is slightly under EUR 70 million, and the total value of the project exceeds EUR 1 billion. There were delays in the authorities' permitting processes in Moscow Oblast towards the end of the year and consequently some start-ups were postponed to 2014.

In October–December, YIT acquired new plots in Russia for example in the centre of Rostov-on-Don and in Verhnaya Pyshma, a satellite city of Yekaterinburg. According to the plans, a total of 6,000 apartments will be built on the plots, and the construction of the sites will be started in Rostov-on-Don at the end of 2014 and in Verhnaya Pyshma in 2015.

The number of apartments for sale has been increased in a controlled manner, and the sales inventory at the end of December was balanced. Of the apartments under construction, 37% were sold (12/2012: 35%). The number of completed unsold apartments decreased in October–December.

After the handover of residential projects, YIT offers its customers service and maintenance in St. Petersburg, Moscow Oblast, Yekaterinburg and Rostov-on-Don. In October–December, YIT expanded its service and maintenance to Kazan, where it acquired a maintenance company. At the end of December 2013, YIT was responsible for the service and maintenance of just under 16,000 apartments.

In the Baltic countries and Central Eastern Europe the focus is shifted to own-developed residential production

Estonia, Latvia, Lithuania, the Czech Republic and Slovakia accounted for 20% of the revenue of the International Construction Services segment for January–December (1–12/2012: 23%). The revenue of these countries decreased by 8% compared with the previous year to EUR 125.2 million (1–12/2012: EUR 136.5 million) due to lower tender-based sales. The capital tied into plot reserves in the Baltic countries, the Czech Republic and Slovakia totalled EUR 78.8 million at the end of December (9/2013: EUR 79.2 million). The reserves included 361,000 square metres of building rights for residential plots (9/2013: 361,000) and 74,000 square metres for business premises plots (9/2013: 98,000).

In the Baltic countries and Central Eastern Europe YIT has shifted the focus of operations to own-developed residential production and the development has been favourable. Residential sales improved in October–December year-on-year, and the number of completed unsold apartments also decreased. Russian customers have also been interested in YIT's residential projects in Riga, Latvia, and Prague, the Czech Republic.

Residential construction in the Baltic countries and Central Eastern Europe, pcs	10-12/13	7-9/13	Change	1-12/13	1-12/12	Change
Sold	145	133	9%	521	384	36%
Start-ups	189	134	41%	723	530	36%
Completed	97	139	-30%	382	421	-9%
Under construction at the end of the period	1,062	970	9%	1,062	715	49%
- of which sold at the end of the period	223	205	9%	223	108	106%
For sale at the end of the period	950	906	5%	950	743	28%
- of which completed	111	141	-21%	111	136	-18%

In the review period, the selling prices of housing increased slightly in the Baltic countries and Central Eastern Europe, and, as a whole, the demand for YIT's apartments has remained good. YIT's residential sales inventory has grown in the Baltic countries, the Czech Republic and Slovakia, and YIT aims to increase the number of apartments for sale in accordance with demand.

Business premises construction in the Baltic countries and Slovakia

In October–December, no new property development projects were started in the Baltic countries and Slovakia. The construction of a Prisma shopping centre in Vilnius that was started in the second quarter of the year progressed as planned.

Group financial development based on group reporting (IFRS, IFRIC 15)

	10-12/13	10-12/12	Change	1-12/13	1-12/12	Change
Revenue, EUR million	497.3	562.5	-12%	1,743.0	1,988.9	-12%
Operating profit, EUR million	29.0	68.9	-58%	104.0	198.0	-47%
Operating profit margin, %	5.8	12.2		6.0	10.0	
Profit before taxes, EUR million	27.8	64.7	-57%	95.0	183.8	-48%
Profit for the review period, EUR million [1)]	17.8	48.0	-63%	70.3	141.2	-50%
Earnings per share, EUR	0.14	0.38	-63%	0.56	1.13	-50%
Operating cash flow after investments, EUR million	76.3	8.0		-87.9	49.9	

[1)] Attributable to equity holders of the parent company

	12/13	9/13	Change	12/13	12/12	Change
Order backlog, EUR million	3,184.6	3,259.5	-2%	3,184.6	3,108.6	2%
Return on investment (last 12 months), %, non-IFRS	7.0	9.8		7.0	15.0	
Equity ratio, % (comparison figures for 2012 non-IFRS)	34.3	33.6		34.3	39.8	
Gearing ratio, % (comparison figures for 2012 non-IFRS)	112.0	123.7		112.0	80.9	

After IFRS adjustments, the Group's revenue for January-December decreased by 12% year-on-year to EUR 1,743.0 million (1–12/2012: EUR 1,988.9 million). Revenue for October–December decreased by 12% year-on-year to EUR 497.3 million (10–12/2012: EUR 562.5 million). In group reporting, own-developed residential projects are only recognised as income upon project handover. The timing of completion of own-developed projects affects the Group's revenue recognition, and therefore figures in group reporting may fluctuate greatly between different quarters. In 2013, a fewer number of completed own-developed apartments were handed over to buyers than in the previous year in both Russia and Finland, and the sales of business premises projects clearly decreased compared to the previous year. In October–December, more completed own-developed apartments were handed over to buyers in Finland than in the comparison period, but in Russia clearly fewer apartments were handed over than in the comparison period.

After IFRS adjustments, the Group's operating profit for January-December decreased by 47% year-on-year to EUR 104.0 million (1–12/2012: EUR 198.0 million). After IFRS adjustments, the Group's operating profit margin for January-December was 6.0% (1–12/2012: 10.0%). Profitability was impacted by the weak performance in Business Premises, the specification and re-allocation of area development costs in projects in Moscow Oblast, the active investor sales in Finnish housing and the lower number of apartments being handed over than in the previous year. In addition, operating profit includes a non-recurring cost of EUR 1.2 million related to restructuring measures. The operating profit in the comparison period was improved by the release of a provision of EUR 7.0 million in International Construction Services. Operating profit for October–December decreased by 58% year-on-year to EUR 29.0 million (10–12/2012: EUR 68.9 million). The operating profit margin for October–December was 5.8% (10–12/2012: 12.2%). Profitability was negatively impacted by the same issues as on full-year level.

In January-December, profit before taxes based on group reporting fell by 48% year-on-year to EUR 95.0 million (1-12/2012: EUR 183.8 million). Profit before taxes for October–December decreased by 57% year-on-year to EUR 27.8 million (10–12/2012: EUR 64.7 million).

Profit for the review period attributable to the equity holders of the parent company for January-December based of group reporting decreased by 50% year-on-year to EUR 70.3 million (1-12/2012: EUR 141.2 million). Profit for October–December decreased by 63% year-on-year to EUR 17.8 million (10-12/2012: EUR 48.0 million). The Finnish corporate tax rate decreased from 24.5% to 20.0% as of January 1, 2014. The change in the tax rate had a one-time negative impact of EUR 3.5 million on October-December results due to the decrease in net deferred tax assets.

Earnings per share for January-December based on group reporting declined by 50% year-on-year to EUR 0.56 (1–12/2012: EUR 1.13). Earnings per share for October–December decreased by 63% year-on-year to EUR 0.14 (10–12/2012: EUR 0.38).

The effective tax rate for January–December based on group reporting was 26.1% (1–12/2012: 22.6%).

The order backlog based on group reporting amounted to EUR 3,184.6 million at the end of December (12/2012: EUR 3,108.6 million).

Return on investment amounted to 7.0% for the last 12 months (10/2012-9/2013: 9.8%), non-IFRS. At the end of December, the Group's invested capital totalled EUR 1,556.3 million (9/2013: EUR 1,602.9 million). Invested capital is calculated by deducting non-interest bearing liabilities from the balance sheet total. The consolidated balance sheet total at the end of December was EUR 2,552.6 million (9/2013: EUR 2,540.0 million).

Diverse capital structure and strong liquidity position

YIT's cash and cash equivalents totalled EUR 76.3 million at the end of December (9/2013: EUR 52.4 million). In addition, YIT had undrawn committed credit facilities amounting to EUR 330.0 million and undrawn overdraft facilities amounting to EUR 65.1 million. Of the committed credit facilities, EUR 30.0 million will fall due in December 2014, EUR 250.0 million in December 2015 and EUR 50.0 million in October 2016. During the last quarter of the year, YIT concluded a long-term loan agreement of RUB 1.6 billion (approximately EUR 35.3 million). The loan was drawn in the first quarter of 2014. After the end of the financial year, YIT has additionally concluded a loan agreement to secure the refinancing of the current year. The amount that can be drawn on the basis of the loan agreement is EUR 62 million, and it covers about half of the refinancing of the long-term loans due in 2014, if necessary.

The gearing ratio decreased to 112% at the end of December (9/2013: 123.7%) due to sales of own-developed business premises projects and investor deals in housing. Net interest-bearing debt decreased, totalling EUR 781.7 million at the end of December (9/2013: EUR 857.3 million). The equity ratio increased from the end of September 2013, and amounted to 34.3% (9/2013: 33.6%). YIT Corporation's bank loan and credit facility agreements include a financial covenant linked to YIT Group's equity ratio. The financial covenant requires an equity ratio higher than 25.0% (IFRS).

Net financial expenses for January-December decreased year-on-year, totaling EUR 9.0 million (1-12/2012: EUR 14.2 million), or 0.5% (1–12/2012: 0.7%) of the Group's revenue. The decrease in net financial expenses was due to an increase in the fair value of interest rate derivatives outside hedge accounting and increased capitalisation of interest expenses. The net financial expenses include EUR 21.0 million of capitalisations of interest expenses in compliance with IAS 23 (1–12/2012: EUR 17.4 million). The changes in foreign exchange rates differences included in the net financial expenses, totalling EUR 5.2 million (1–12/2012: EUR 5.5 million), were comprised almost entirely of the costs of hedging debt investments in Russia.

The hedged ruble position increased slightly from the end of September 2013. At the end of December 2013, EUR 139.4 million of the capital invested in Russia comprised of debt investments (9/2013: EUR 121.3 million) and EUR 407.7 million was equity investments or similar fixed net investments (9/2013: EUR 429.3 million). At the end of December, 88% of the debt investments were hedged against exchange rate risk, while equity investments are not hedged due to their permanent nature.

YIT's financing consists of versatile sources of financing. Interest-bearing debt decreased in the last quarter of the year and amounted to EUR 858.0 million at the end of December (9/2013: EUR 909.7 million), and the average interest rate was 2.7% (9/2013: 2.7%). Fixed-rate loans accounted for approximately 62% of the Group's interest-bearing debt. Of the loans, approximately 52% had been raised directly from the capital and money markets, approximately 37% from banks and other financial institutions and

approximately 11% from insurance companies. The maturity distribution of long-term loans is balanced, and a total of EUR 122.5 million of long-term loans will fall due in 2014.

The total amount of construction-stage contract receivables sold to financial institutions decreased from the end of September 2013, amounting to EUR 211.7 million at the end of December (9/2013: EUR 236.2 million). Of this amount, EUR 181.4 million is included in current interest-bearing debt on the balance sheet (9/2013: EUR 191.4 million) and the remainder comprises off-balance sheet items in accordance with IAS 39. Interest expenses on receivables sold to financial institutions amounted to EUR 2.9 million during the review period (1–12/2012: EUR 4.0 million) and these are fully included in the financial expenses.

Participations in the housing corporation loans of completed unsold apartments amounted to EUR 91.4 million at the end of December (9/2013: EUR 95.1 million), and are included in current interest-bearing debt. The interest on the participations is included in housing corporation charges and is thus booked in project expenses. Interest on the participations amounted to EUR 2.7 million in the review period (1–12/2012: EUR 2.2 million).

During the first quarter, YIT Corporation paid dividends of EUR 94.0 million for the financial year 2012 in compliance with the resolution of the Annual General Meeting.

The Group's financial position enables the implementation of YIT's strategy and the investments it requires. The Group has prepared for macroeconomic uncertainty by diversifying the sources of financing and strengthening the company's liquidity position.

Prior to completion of the partial demerger, YIT signed loan agreements related to the partial demerger, carried out a voluntary tender offer for the company's floating rate bonds and changed the terms of two fixed-rate bonds at noteholders' meetings. More information on the aforementioned arrangements is available in the Investors section of the YIT website at www.yitgroup.com/demerger and in YIT's interim report for January–June 2013.

Personnel

Personnel by business segment	12/13	9/13	Change	12/13	12/12	Change
Construction Services Finland	3,175	3,354	-5%	3,175	3,540	-10%
International Construction Services	2,680	2,682	0%	2,680	2,808	-5%
Corporate Services	317	348	-9%	317	343	-8%
Group, total	6,172	6,384	-3%	6,172	6,691	-8%

Personnel by country	12/13	9/13	Change	12/13	12/12	Change
Finland	3,515	3,702	-5%	3,515	3,917	-10%
Russia	1,968	1,993	-1%	1,968	2,087	-6%
The Baltic countries, the Czech Republic and Slovakia	689	689	0%	689	687	0%
Group, total	6,172	6,384	-3%	6,172	6,691	-8%

In 2013, the Group employed 6,575 people on average (1–12/2012: 6,730). At the end of the year, the Group employed 6,172 people (12/2012: 6,691). The personnel expenses for 2013 totalled EUR 286.9 million (1–12/2012: EUR 297.1 million). In 2013, safety at work improved compared to the previous year. The Group's accident frequency (number of accidents per one million hours worked) was 11 (1–12/2012: 16). During 2013, YIT employed more than 800 trainees.

At the end of 2013, the company made decisions to change the management structure and make rearrangements in common functions. In addition, it was decided to adjust the organisation of Finnish business operations to the current market situation. In December 2013, the company launched cooperation negotiations concerning white-collar employees in Finland. A total of 750 white-collar employees fell within the sphere of the negotiations. The negotiations were concluded in January 2014. As the result, the number of white-collar employees was reduced by 93, of which approximately 40 with dismissals and others with internal transfers to projects or other measures. The costs incurred for the restructuring are recognised in the 2013 financial statements.

The cost effect of YIT's share-based incentive scheme was approximately EUR 2.0 million in 2013 (1–12/2012: EUR 3.4 million).

Strategic objectives

As confirmed on June 4, 2013 YIT's strategy is well-managed, profitable growth. This is pursued through the Group's own-developed projects in all businesses and all current geographical regions. Growth is sought particularly in emerging markets and residential construction. Further focus areas include improving the company's ability to manage cyclicality, widening financial operating space and accelerating renewal.

On February 5, 2014, YIT Corporation's Board of Directors approved the revised strategic targets for the strategy period 2014–2016. The motivation for the change stemmed from the current market environment, and the main objective is to secure that the cash flow and return on investment targets are achieved. The growth target was revised as follows: revenue growth of 5-10% annually on average. The other financial targets published June 4, 2013 remain unchanged. The Group's long-term strategic target levels are:

YIT's financial targets	Target level
Revenue growth	5-10% annually on average
Return on investment	20%
Operating cash flow after investments	Sufficient for dividend payout and reduction of debt
Equity ratio	40%
Dividend payout	40–60% of net profit for the period

The target levels are based on figures reported by the company based on segment reporting in accordance with the current emphasis.

YIT published a stock exchange release on the confirmation of the strategy on June 4, 2013. A stock exchange release on the updated growth target was released on February 6, 2014. YIT's strategy and long-term financial targets were also described in more detail at YIT's Capital Markets Day, which was arranged on September 19, 2013 in Moscow, Russia. The presentation materials and recordings from the Capital Markets Day are available in the Investors section of YIT's website, at www.yitgroup.com/Investors.

Resolutions passed at the General Meetings

YIT Corporation published stock exchange releases on the resolutions passed at the Annual General Meeting and the organisation of the Board of Directors on March 15, 2013.

YIT Corporation's Extraordinary General Meeting held on June 17, 2013 approved the demerger plan and decided on the partial demerger of YIT in accordance with the demerger plan. According to the demerger plan, YIT demerged so that all of the assets and liabilities related to YIT's Building Services business were transferred to Caverion, a new company established in the demerger. YIT's Construction Services business remained with YIT. Following the implementation of the demerger, Caverion Corporation is an independent public limited company, separate from YIT Corporation. YIT Corporation published stock exchange releases on the resolutions passed at the Extraordinary General Meeting and the organisation of the Board of Directors on June 17, 2013.

The stock exchange releases and the presentation of the members of the Board of Directors are available on YIT's website at www.yitgroup.com.

YIT moved to the next development phase after the demerger

The partial demerger was registered with the Finnish Trade Register on June 30, 2013. YIT Corporation's shareholders have received as demerger consideration one (1) share in Caverion for each share owned in YIT. No demerger consideration was distributed to any treasury shares held by YIT. The number of shares given as demerger consideration was 125,596,092. The implementation of the demerger did not affect the listing of YIT shares on NASDAQ OMX Helsinki.

In a stock exchange release published on August 16, 2013, YIT announced that the original acquisition cost of YIT shares in Finnish taxation is divided between YIT and Caverion shares based on the ratio of net assets. In dividing YIT's net assets between YIT and Caverion in the partial demerger, 77.37% remained with YIT and 22.63% was transferred to Caverion.

Demerger-related information is available in the Investors section of YIT's website at www.yitgroup.com/demerger.

Annual General Meeting 2014

The Annual General Meeting 2014 will be held on Tuesday, March 18, 2014 at 10 a.m. in the congress wing of Finlandia Hall. The notice of the General Meeting, which contains the Board of Directors' proposals to the Annual General Meeting, will be published in its entirety as a separate stock exchange release on February 6, 2014.

Shares and shareholders

The company has one series of shares. Each share carries one vote and confers an equal right to a dividend.

Share capital and number of shares

YIT Corporation's share capital and the number of shares outstanding did not change during the review period. YIT Corporation's share capital was EUR 149,216,748.22 at the end of 2013 (2012: EUR 149,216,748.22), and the number of shares outstanding was 127,223,422 (2012: 127,223,422).

Treasury shares and authorisations of the Board of Directors

In accordance with the Limited Liability Companies Act, the General Meeting decides on the buyback and conveyance of shares, as well as any decisions leading to changes in the share capital. The Annual General Meeting of YIT Corporation resolved on March 15, 2013 to authorize the Board of Directors to purchase the company's own shares as proposed by the Board of Directors. In addition to this, the Board of Directors maintains a valid share issue authorisation issued by YIT's Annual General Meeting on March

10, 2010. The authorisation is valid for five years after its granting. The share issue authorisation also includes an authorisation to decide on the conveyance of treasury shares.

YIT Corporation held 1,839,577 treasury shares at the beginning of the review period purchased on the basis of the authorisation given by the General Meeting of October 6, 2008. During the review period, the company conveyed 224,743 shares without consideration to the key persons participating in the Share Ownership Plan under the authorisation granted by the Annual General Meeting to the Board of Directors on March 10, 2010. During the financial period, 18,452 shares were returned to the company in accordance with the terms and conditions of the share-based incentive scheme, after which the company held 1,633,286 treasury shares at the end of December 2013.

Trading on shares

The price of YIT's share was EUR 15.08 at the beginning of the year (January 2, 2012: EUR 12.38). The closing price of the share on the last trading day of the review period on December 30, 2013 was EUR 10.16 (December 28, 2012: EUR 14.78). YIT's share price decreased by approximately 33% during the year 2013. The highest price of the share during the review period was EUR 17.88 (1–12/2012: EUR 17.25), while the lowest was EUR 8.67 (1–12/2012: EUR 11.87) and the average price was EUR 13.01 (1–12/2012: EUR 14.90). The turnover of the YIT share on Nasdaq OMX Helsinki in 2013 amounted to 111,193,000 shares (1–12/2012: 96,887,000). The value of the share turnover was EUR 1,400.8 million (1–12/2012: EUR 1,443.9 million), source: Nasdaq OMX.

In addition to the Helsinki Stock Exchange, YIT shares are also traded in other marketplaces, such as Chi-X, BATS and Turquoise. The share of trade volume in alternative marketplaces increased clearly compared to the previous year during the review period. During 2013, 73,167,000 YIT Corporation shares changed hands in alternative marketplaces (1–12/2012: 31,183,000), which corresponds to about 40% of the entire trading volume of the share (1–12/2012: 25%). Of the alternative marketplaces, YIT shares changed hands particularly in Chi-X, source: Fidessa Fragmentation Index.

YIT Corporation's market capitalisation on the last trading day of the review period on December 30, 2013 was EUR 1,276 million (12/2012: 1,853 million). The market capitalisation has been calculated excluding the shares held by the company. The business operations of Caverion Corporation, which was established in the partial demerger, were included in the YIT share and its value until June 30, 2013. For this reason, pre-demerger figures are not comparable to the figures after the demerger.

Number of shareholders and flagging notifications

At the end of December 2013, the number of registered shareholders was 43,752 (12/2012: 36,064). At the end of December 2013, a total of 33.8% of the shares were owned by nominee-registered and non-Finnish investors (12/2012: 34.8%).

During the review period, the company received no "flagging notifications" of change in ownership in YIT Corporation in accordance with Chapter 2, Section 9, of the Securities Market Act.

Most significant short-term business risks and risk management

YIT classifies as risks those factors that might endanger the achievement of the Group's strategic and financial goals if they should materialise. Risks are divided into strategic, operational, financial and event risks. The identification and management of risk factors takes into account the special features of the business and operating environment. Risk management is an integral part of the Group's management, monitoring and reporting systems. The nature and probability of strategic risks is continuously monitored and reported on. A strategic risk assessment is carried out at Group level once a year in connection with the review of the strategy.

In accordance with the strategy of the continuing operations approved by the company's Board of Directors on June 3, 2013, improving resistance to economic cycles and widening financial operating space are key targets of YIT's business operations. In connection with the ratification of the strategy, risk management was highlighted as one of the key focus areas over the next years.

YIT is developing the Group's business structure to be balanced and resistant to economic fluctuations. The Group operates in seven countries and therefore economic fluctuations impact operations at different

times in different countries and markets. However, following the partial demerger, the geographical diversification has decreased. The business model has also been developed so that the Construction Services business can operate independently after the demerger. The Group's business areas balance each other and improve the Group's resistance to economic fluctuations. Fluctuation in consumer demand for housing in Finland has been balanced through investor deals of residential projects, which has contributed to decreasing the Group's exposure to such fluctuations. The company aims to react to changes in the operating environment in time and to utilise the new business opportunities provided by them through continuous monitoring and analysis.

YIT's typical operational risks include risks related to plot investments, sales risk of own-developed residential and business premises projects, and risks related to contract tenders, service agreements, project management and personnel. YIT manages sales risk by matching the number of housing start-ups with the estimated residential demand and the number of unsold apartments (the figures for residential production are presented under Development by business segment) and by normally securing key tenants prior to starting a business premises project and the investor at the early stage of construction of the project. Changes in the availability of mortgages and real estate financing are key risks related to the demand for apartments.

No write-offs were made to plots in the review period. YIT tests the value of its plots as required by IFRS accounting principles. Plot reserves are measured at acquisition cost and the plot value is impaired when it is estimated that the building being constructed on the plot will be sold at a price lower than the sum of the price of the plot and the construction costs.

Financial risks include risks related to the sufficiency of financing, currency and interest rates, credit and counterparty risks and risks related to the reporting process. Financial risks are managed through accounting and financing policies as well as internal and external auditing.

Approximately 69% of the revenue of YIT during the review period was derived from euro countries. The Russian ruble is one of the Group's key currencies, and its significance has increased following the demerger. The Group's most significant currency risk is related to investments denominated in rubles. Capital invested in Russia totalled EUR 547.2 million at the end of the review period (9/2013: EUR 550.5 million). The amount of equity or equivalent net investments at the end of the period amounted to EUR 407.7 million (9/2013: EUR 429.3 million). The equity investments in the Russian subsidiaries are unhedged in accordance with the treasury policy, and a potential weakening of the ruble would have an equal negative impact on the Group's shareholders' equity. Debt investments amounted to EUR 139.4 million at the end of the review period (9/2013: EUR 121.3 million), and 88% of the position was hedged at the end of December. The differences in the interest rates between the euro and ruble have an effect on hedging costs and therefore net financial expenses.

Possible event risks include accidents related to personal or information security and sudden and unforeseen material damage to premises, project sites and other property, resulting from fire, collapse or theft, for example. YIT complies with a group-wide security policy covering the different areas of security. A more detailed account of YIT's risk management policy and the most significant risks will be published in the Annual Report 2013. Financial risks are described in more detail in the notes to the Financial Statements for 2013.

Outlook for 2014

GUIDANCE FOR 2014: The Group revenue based on segment reporting is estimated to grow by 0-10% at comparable exchange rates. The operating profit margin based on segment reporting is estimated to be in the range of 7.5–8.5% excluding non-recurring items.

Continuing uncertainty over the general macroeconomic development impacts YIT's business operations and customers.

YIT changed its business segment structure from the beginning of 2014 to better correspond to the company's new management structure and business areas. As of January 1, 2014, the company's two reporting segments are the Housing segment and the Business Premises and Infrastructure segment. Reporting under the new segment structure will begin from the January–March 2014 interim report.

Housing

In the long term, residential demand in Finland will be supported by migration to growth centres. Furthermore, the population and the number of households will increase with continued migration and the increasing number of one-person households. YIT estimates that the demand for small apartments, in particular, will remain good.

According to Euroconstruct's November 2013 estimate, the construction of 25,000 apartments will start in Finland during 2014. According to a report published by VTT Technical Research Centre of Finland in January 2012, the annual need for the production of new apartments amounts to 24,000–29,000 apartments. YIT's goal is to strengthen its position as the leading housing developer in Finland.

YIT estimates that housing prices in Finland will remain stable in 2014. Construction costs are estimated to increase, mainly due to new energy norms, but the increase is expected to be moderate in 2014. The interest rates of mortgages are forecasted to remain low, and slight improvement in consumers' access to financing is expected. There are plans for legislation on a binding debt ceiling for mortgages in Finland. However, planned terms for the debt ceiling are largely in line with current market practices.

Residential demand in the Baltic countries is expected to receive support from economic growth. Furthermore, the poor condition of residential buildings creates a need for new high-quality apartments. The volume of residential construction is estimated to grow in the Baltic countries (VTT Technical Research Centre of Finland, December 2013). Euroconstruct estimated in November 2013 that residential start-ups will decline slightly in the Czech Republic and Slovakia in 2014. In the Baltic countries and Central Eastern Europe, the prices of apartments are expected to increase slightly.

The volume of housing construction is estimated to continue growing in Russia in 2014, but the growth is expected to slow down somewhat from the level of the previous years (VTT Technical Research Centre of Finland, December 2013). YIT expects housing prices to be stable in 2014. Residential demand has been supported by low unemployment rates and favourable development in the mortgage market. Moreover, the increase in the interest rates on mortgages has levelled off in recent times. Forecasts of economic growth in Russia have been lowered recently and Russian ruble has weakened significantly against euro.

The long-term outlook for Russian residential construction is good. Living space per person is still clearly lower than in Western Europe and existing buildings are in poor condition, which creates the need for new, high-quality apartments. Furthermore, the middle class is expected to grow in proportion to the population and the number of households is expected to increase. The development of the mortgage market in Russia has also contributed to the expansion of the potential buyer base. YIT has promoted the availability of mortgages to consumers through extensive cooperation with partner banks.

Business Premises and Infrastructure

The business premises market is expected to continue to be weak in Finland in 2014. Real estate investors are still cautious due to the general economic situation and, in order to control risks, the Helsinki metropolitan area and good tenants are appreciated. The low level of long-term interest rates increases investors' interest in high-yield properties. Vacancy rates for offices are still high, with vacant building stock also including relatively old office premises in poor condition. YIT believes that the demand will focus on modern and energy-efficient offices. Commercial construction is supported by investments of retail segment and the expansion of foreign retail chains in the Finnish market. Vacancy rates for commercial premises are quite low.

In the Baltic countries, non-residential construction is estimated to increase by 5% in 2014 (VTT Technical Research Centre of Finland, December 2013). In Slovakia, non-residential construction is expected to decrease by 8% in 2014 (Euroconstruct, November 2013).

Infrastructure construction is estimated to decrease slightly in comparison with 2013 (Euroconstruct, November 2013). The competition especially for smaller contracts has increased.

Board of Directors' proposal for the distribution of distributable equity

The distributable equity of the parent company YIT Corporation on December 31, 2013 is:

Retained earnings	252,575,095.42
Profit for the period	109,210,478.98
Retained earnings, total	361,785,574.40
Non-restricted equity reserve	8,443,960.43
Distributable equity, total	**370,229,534.83**

The Board of Directors proposes to the Annual General Meeting that the distributable equity be disposed of as follows:

Payment of a dividend from retained earnings of EUR 0.38 per share to shareholders	47,724,251.68
Remains in distributable equity	322,505,283.15

No significant changes have taken place in the company's financial position after the end of the financial year. The company's liquidity is good and, in the view of the Board of Directors, the proposed dividend payout does not jeopardise the company's solvency.

Signature to the Report of the Board of Directors and financial statements

Helsinki, February 5, 2014

Henrik Ehrnrooth
Chairman

Reino Hanhinen
Vice Chairman

Kim Gran

Satu Huber

Erkki Järvinen

Kari Kauniskangas
President and CEO

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3 NON-IFRS BALANCE SHEET AND KEY FIGURES

1 SEGMENT REPORTING

1.1 Segment reporting accounting principles

In Construction Services Finland segment's and International Construction Services segment's reporting to the management the revenue from own residential and commercial development projects is recognised by multiplying the degree of completion and the degree of sale, i.e. according to the percentage of completion method, which does not fully comply with Group's IFRS accounting principles. According to the Group's IFRS accounting principles revenue from own residential construction projects is recognised on completion and the commercial development projects the recognition practice will be evaluated on a case-by-case basis and in accordance with the terms and conditions of each contract. The share of income and expenses to be recognised is calculated by multiplying the percentage of completion by the percentage of sale multiplied by the occupancy rate. YIT usually sells own commercial development projects to investors either prior to construction or during an early phase. The impact of the difference in reporting principles is shown in the line IFRS adjustment. As a result of the accounting policy, Group figures can fluctuate greatly between quarters. The chief operating decision-maker is the YIT Group's Management Board, which reviews the Group's internal reporting in order to assess performance and allocate resources to the segments.

On January 1, 2013, the Group adopted a new recording method in segment reporting, according to which the capitalisation of borrowing costs according to the IAS 23 is not applied in segment reporting. IAS 23 defines the recording method of borrowing costs in long-term construction projects. The comparison

figures have been adjusted to correspond with the new accounting practice. The change increased the operating profit based on segment reporting by EUR 13.6 million in 1–12/2012, EUR 9.2 million in 1–9/2012, EUR 5.9 million in 1–6/2012 and EUR 2.9 million in 1–3/2012.

1.2 Key figures, segment reporting

EUR million	1-12/13	1-12/12	Change
Continuing operations			
Revenue	1,858.8	1,959.0	-5%
Operating profit	152.8	201.1	-24%
% of revenue	8.2	10.3	
Profit before taxes	122.8	169.6	-28%
Profit for the report period [1)]	93.9	130.7	-28%
Discontinued operations			
Profit for the report period [1)]	287.5	37.4	669%
Continuing and discontinued operations, total			
Profit for the report period [1)]	381.3	168.1	127%
Reconciliation with IFRS reporting			
IFRS adjustment	-23.6	10.6	
Profit for the report period, IFRS [1)]			
- continuing operations	70.3	141.2	-50%
- discontinued operations	287.5	37.4	669%
- continuing and discontinued operations total	357.7	178.6	100%

[1)] Attributable to equity holders of the parent company

Key figures, segment reporting	1-12/13	1-12/12	Change
Earnings/share, EUR			
- continuing operations	0.75	1.04	-28%
- discontinued operations	2.29	0.30	663%
- continuing and discontinued operations total	3.04	1.34	127%
Earnings/share, EUR, diluted			
- continuing operations	0.75	1.04	-28%
- discontinued operations	2.29	0.30	663%
- continuing and discontinued operations total	3.04	1.34	127%
Average number of personnel, continuing operations	6,575	6,730	-2%
	12/13	**12/12**	**Change**
Equity/share, EUR	6.17	6.53	-6%
Return on investment, last 12 months, %	10.3	15.0	
Equity ratio, %	37.8	43.1	
Order backlog at end of period, EUR million	2,713.7	2,765.1	-2%

The balance sheet-based key figures presented in the table have been calculated on the basis of the balance sheet according to segment reporting. The comparison periods exclude the assets and liabilities related to YIT's Building Services business, which were transferred to Caverion Group in the partial demerger that took place on June 30, 2013.

1.3 Revenue, segment reporting

EUR million	1-12/13	1-12/12	Change
Continuing operations			
Construction Services Finland	1,219.8	1,329.0	-8%
– Group internal	-1.1	-1.1	
– external	1,218.8	1,328.0	-8%
International Construction Services	621.2	599.6	4%
– Group internal	-0.1	-0.2	
– external	621.2	599.4	4%
Other items	19.0	31.6	
Revenue in total, segment reporting	1,858.8	1,959.0	-5%
IFRS adjustment	-115.9	29.9	
Revenue in total, IFRS	1,743.0	1,988.9	-12%

1.4 Operating profit and Profit for the review period, segment reporting

EUR million	1-12/13	1-12/12	Change
Continuing operations			
Construction Services Finland	94.5	134.1	-30%
International Construction Services	71.9	80.4	-11%
Other items	-13.6	-13.4	
Operating profit total, segment reporting	152.8	201.1	-24%
Financial income and expenses	-30.0	-31.5	-5%
Profit before taxes, segment reporting	122.8	169.6	-28%
Taxes	-29.0	-37.9	-24%
Non-controlling interest	0.1	-0.9	
Profit for the review period, segment reporting	93.9	130.7	-28%
IFRS adjustment	-23.6	10.6	
Profit for the review period, IFRS	70.3	141.2	-50%

Operating profit margin, segment reporting

%	1-12/13	1-12/12
Continuing operations		
Construction Services Finland	7.7	10.1
International Construction Services	11.6	13.4
Operating profit margin, segment reporting	8.2	10.3

1.5 Order backlog, segment reporting

EUR million	12/13	12/12	Change
Continuing operations			
Construction Services Finland	1,428.2	1,499.0	-5%
International Construction Services	1,285.5	1,266.1	2%
Order backlog total, segment reporting	2,713.7	2,765.1	-2%
IFRS adjustment	470.9	343.5	
Order backlog total, IFRS	3,184.6	3,108.6	2%

1.6 YIT Group figures by quarter, segment reporting

EUR million	10-12/13	7-9/13	4-6/13	1-3/13	10-12/12	7-9/12	4-6/12	1-3/12
Continuing operations								
Revenue	521.3	454.7	430.9	452.0	555.4	470.3	488.9	444.4
Operating profit	41.2	37.4	38.3	35.9	68.0	52.5	43.4	37.2
% of revenue	7.9	8.2	8.9	7.9	12.2	11.2	8.9	8.4
Profit before taxes	32.5	29.9	29.8	30.6	59.1	44.6	35.7	30.2
Profit for the report period [1)]	24.3	23.1	23.0	23.4	43.8	35.1	28.9	22.9
Discontinued operations								
Profit for the report period [1)]	-0.9		286.2	2.2	1.3	13.5	11.7	11.0
Continuing and discontinued operations, total								
Profit for the report period [1)]	23.3	23.1	309.2	25.6	45.0	48.6	40.6	33.9

[1)] Attributable to equity holders of the parent company

Key figures, segment reporting	10-12/13	7-9/13	4-6/13	1-3/13	10-12/12	7-9/12	4-6/12	1-3/12
Earnings/share, EUR								
- continuing operations	0.19	0.18	0.18	0.19	0.35	0.28	0.23	0.18
- discontinued operations	-0.01		2.29	0.01	0.01	0.11	0.09	0.09
- continuing and discontinued operations total	0.18	0.18	2.47	0.20	0.36	0.39	0.32	0.27
Earnings/share, EUR, diluted								
- continuing operations	0.19	0.18	0.18	0.19	0.35	0.28	0.23	0.18
- discontinued operations	-0.01		2.29	0.01	0.01	0.11	0.09	0.09
- continuing and discontinued operations, total	0.18	0.18	2.47	0.20	0.36	0.39	0.32	0.27
Average number of personnel, continuing operations	6,231	6,682	6,756	6,658	6,741	6,860	6,813	6,508
	12/13	**9/13**	**6/13**	**3/13**	**12/12**	**9/12**	**6/12**	**3/12**
Equity/share, EUR	6.17	6.10	6.01	6.23	6.53	5.65	5.37	5.21
Return on investment, last 12 months, %	10.3	12.3	13.9	15.0	15.0			
Invested capital	1,558.8	1,592.8	1,492.5	1,443.4	1,440.6	1,384.9	1,328.8	1,269.2
Equity ratio, %	37.8	37.0	38.5	40.7	43.1	37.9	37.0	35.9
Order backlog at end of period, EUR million	2,713.7	2,813.4	2,810.8	2,710.2	2,765.1	2,748.4	2,686.6	2,570.9
Personnel at the end of period	6,172	6,384	6,904	6,689	6,691	6,756	7,001	6,505

The balance sheet-based key figures presented in the table have been calculated on the basis of the balance sheet according to segment reporting. The comparison periods exclude the assets and liabilities related to YIT's Building Services business, which were transferred to Caverion Group in the partial demerger that took place on June 30, 2013.

1.7. Segment information by quarter, segment reporting

Revenue by segment, continuing operations

EUR million	10-12/13	7-9/13	4-6/13	1-3/13	10-12/12	7-9/12	4-6/12	1-3/12
Construction Services Finland	327.1	287.5	279.2	326.0	342.6	308.9	347.9	329.5
International Construction Services	192.2	164.3	145.7	119.0	205.0	153.3	133.4	107.9
Other items	1.9	2.9	6.0	7.0	7.8	8.1	7.6	7.0
Revenue in total, segment reporting	521.3	454.7	430.9	452.0	555.4	470.3	488.9	444.4

Operating profit by segment, continuing operations

EUR million	10-12/13	7-9/13	4-6/13	1-3/13	10-12/12	7-9/12	4-6/12	1-3/12
Construction Services Finland	22.8	22.2	22.9	26.5	40.2	28.9	33.5	31.4
International Construction Services	22.1	20.5	17.6	11.6	31.0	25.7	14.1	9.7
Other items	-3.8	-5.4	-2.2	-2.2	-3.2	-2.1	-4.2	-3.9
Operating profit total, segment reporting	41.2	37.4	38.3	35.9	68.0	52.5	43.4	37.2

Operating profit margin by segment, continuing operations

%	10-12/13	7-9/13	4-6/13	1-3/13	10-12/12	7-9/12	4-6/12	1-3/12
Construction Services Finland	7.0	7.7	8.2	8.1	11.7	9.3	9.6	9.5
International Construction Services	11.5	12.5	12.1	9.8	15.1	16.7	10.6	9.0

Order backlog by segment, continuing operations

EUR million	12/13	9/13	6/13	3/13	12/12	9/12	6/12	3/12
Construction Services Finland	1,428.2	1,555.1	1,584.0	1,424.9	1,499.0	1,541.0	1,499.9	1,428.0
International Construction Services	1,285.5	1,258.3	1,226.8	1,285.3	1,266.1	1,207.4	1,186.7	1,142.9
Order backlog total, segment reporting	2,713.7	2,813.4	2,810.8	2,710.2	2,765.1	2,748.4	2,686.6	2,570.9

Operative invested capital, continuing operations *)

EUR million	12/13	9/13	6/13	3/13	12/12	9/12	6/12	3/12
Construction Services Finland	683.1	730.7	649.5	584.2	581.7	546.8	515.3	552.1
International Construction Services	732.5	729.1	709.4	718.7	708.3	703.8	655.7	651.8

Return on operative invested capital, continuing operations *)

Last 12 months, %	12/13	9/13	6/13	3/13	12/12	9/12	6/12	3/12
Construction Services Finland	14.9	17.5	20.4	22.7	23.5	24.3	25.0	24.6
International Construction Services	10.0	11.3	12.6	12.0	12.3	10.5	6.5	6.1

*) Only operational items are taken into account in calculating the segments' invested capital.

1.8 Reconciliation of the segment reporting and the group reporting

Income statement, EUR million	1-12/2013 Segment reporting	1-12/2013 IFRS adjust-ment	1-12/2013 IFRS	1-12/2012 Segment reporting	1-12/2012 IFRS adjust-ment	1-12/2012 IFRS
Continuing operations						
Revenue	1,858.8	-115.9	1,743.0	1,959.0	29.9	1,988.9
Other operating income and expenses	-1,688.6	67.1	-1,621.5	-1,737.3	-33.0	-1,770.3
Depreciation	-17.4		-17.4	-20.6		-20.6
Operating profit	152.8	-48.8	104.0	201.1	-3.1	198.0
Financial income and expenses	-30.0	21.0	-9.0	-31.7	17.4	-14.2
Profit before taxes	122.8	-27.8	95.0	169.6	14.3	183.8
Income taxes	-29.0	4.2	-24.8	-37.9	-3.5	-41.5
Profit for the review period	93.8	-23.6	70.2	131.7	10.8	142.3
Equity holders of the parent company	93.9	-23.6	70.3	130.7	10.6	141.2
Non-controlling interest	-0.1	0.0	-0.1	0.9	0.2	1.1
Earnings/share, EUR	0.75		0.56	1.04		1.13
Diluted earnings/share, EUR	0.75		0.56	1.04		1.13

Income statement, EUR million	10-12/2013 Segment reporting	10-12/2013 IFRS adjust-ment	10-12/2013 IFRS	10-12/2012 Segment reporting	10-12/2012 IFRS adjust-ment	10-12/2012 IFRS
Continuing operations						
Revenue	521.3	-24.0	497.3	555.4	7.1	562.5
Other operating income and expenses	-477.3	11.8	-465.5	-482.3	-6.3	-488.6
Depreciation	-2.8		-2.8	-5.0		-5.0
Operating profit	41.2	-12.2	29.0	68.0	0.9	68.9
Financial income and expenses	-8.7	7.4	-1.2	-9.1	4.9	-4.2
Profit before taxes	32.5	-4.8	27.8	59.1	5.6	64.7
Income taxes	-8.3	-1.8	-10.0	-14.9	-1.1	-16.0
Profit for the review period	24.3	-6.6	17.7	44.2	4.5	48.7
Equity holders of the parent company	24.3	-6.5	17.8	43.8	4.2	48.0
Non-controlling interest	-0.1	0.0	-0.1	0.4	0.3	0.7
Earnings/share, EUR	0.19		0.14	0.35		0.38
Diluted earnings/share, EUR	0.19		0.14	0.35		0.38

Balance sheet, EUR million	12/2013			12/2012		
	Segment reporting	IFRS adjust-ment	IFRS	Segment reporting	IFRS adjust-ment	IFRS
Non-current assets						
Other non-current assets	85.1		85.1	529.2		529.2
Deferred tax assets	32.8	8.3	41.1	40.7	9.1	49.8
Current assets						
Inventories	1,674.3	387.8	2,062.1	1,579.3	322.1	1,901.5
Trade and other receivables	342.8	-54.8	288.0	1,082.3	-66.8	1,015.5
Cash and cash equivalents	76.3		76.3	175.7		175.7
Total assets	2,211.3	341.3	2,552.6	3,407.2	264.5	3,671.6
Equity	774.9	-76.7	698.2	1,069.3	-60.1	1,009.2
Non-current liabilities						
Borrowings	305.1		305.1	517.1		517.1
Other non-current liabilities	76.3	1.9	78.2	133.1		133.1
Deferred tax liabilities	25.1	-10.7	14.4	96.9	-7.5	89.4
Current liabilities						
Borrowings	478.8	74.1	552.9	332.9	72.0	404.9
Advances received	161.9	352.4	514.3	305.5	261.1	566.6
Other current liabilities	389.2	0.3	389.5	952.4	-1.1	951.3
Total equity and liabilities	2,211.3	341.3	2,552.6	3,407.2	264.5	3,671.6

The balance sheet for the comparison periods includes the assets and liabilities related to YIT's Building Services business, which were transferred to Caverion Group in the partial demerger that took place on June 30, 2013.

2 GROUP REPORTING, IFRS

2.1 Key figures, IFRS

	1-12/13	1-12/12	Change
Earnings/share, EUR			
- continuing operations	0.56	1.13	-50%
- discontinued operations	2.30	0.30	667%
- continuing and discontinued operations total	2.86	1.43	100%
Earnings/share, EUR, diluted			
- continuing operations	0.56	1.13	-50%
- discontinued operations	2.30	0.30	667%
- continuing and discontinued operations total	2.86	1.43	100%
Equity/share, EUR	5.56	8.02	-31%
Average share price during the period, EUR	13.01	14.90	-13%
Share price at end of period, EUR	10.16	14.78	-31%
Market capitalisation at end of period, MEUR	1, 276.0	1,853.2	-31%
Weighted average share-issue adjusted number of shares outstanding, thousands	125,529	125,352	0%
Diluted weighted average share-issue adjusted number of shares outstanding, thousands	125,529	125,352	0%
Share-issue adjusted number of shares outstanding at end of period, thousands	125,590	125,384	0%
Net interest-bearing debt at end of period, EUR million	781.7	746.2	5%
Return on investment, last 12 months, %	6.1	10.9	
Equity ratio, %	34.3	32.5	
Gearing ratio, %	112.0	73.9	
Gross capital expenditure, EUR million	20.2	44.6	-55%
% of revenue	1.2	0.9	
Unrecognised order backlog at end of period, EUR million	3,184.6	3,108.6	2%
of which order backlog outside Finland	1,617.8	1,484.0	9%
Average number of personnel	6,575	6,730	-2%

The balance sheet-based key figures presented in the table have been calculated on the basis of the official balance sheet for the comparison periods, the balance sheet includes the assets and liabilities related to YIT's Building Services business, which were transferred to Caverion Group in the partial demerger that took place on June 30, 2013. The key figures for the comparison periods do not yield a true image of the financial position and development of the continuing operations.

2.2 YIT Group figures by quarter, IFRS

Continuing operations	10-12/13	7-9/13	4-6/13	1-3/13	10-12/12	7-9/12	4-6/12	1-3/12
Revenue, EUR million	497.3	363.0	437.1	445.6	562.5	458.6	523.3	444.5
Operating profit, EUR million	29.0	11.7	32.3	31.0	68.9	44.5	47.4	37.2
% of revenue	5.8	3.2	7.4	7.0	12.2	9.7	9.1	8.4
Financial income, EUR million	-0.7	1.1	8.8	0.4	0.8	0.0	2.7	1.1
Exchange rate differences, EUR million	-1.5	-1.4	-2.2	-0.1	-1.7	-1.4	-1.5	-0.9
Financial expenses, EUR million	1.0	-2.6	-10.7	-1.0	-3.3	-1.9	-4.6	-3.5
Profit before taxes, continuing operations, EUR million	27.8	8.8	28.2	30.3	64.7	41.2	44.0	33.9
% of revenue	5.6	2.4	6.4	6.8	11.5	9.0	8.4	7.6
Earnings/share, EUR								
- continuing operations	0.14	0.06	0.18	0.18	0.38	0.26	0.28	0.20
- discontinued operations	-0.01		2.28	0.02	0.02	0.11	0.09	0.09
- continuing and discontinued operations, total	0.13	0.06	2.46	0.20	0.39	0.37	0.37	0.29
Gross capital expenditure, EUR million	5.4	0.9	5.2	9.6	10.3	10.1	10.6	13.6
% of revenue	1.1	0.3	1.2	0.9	0.8	0.9	0.9	1.2
	12/13	9/13	6/13	3/13	12/12	9/12	6/12	3/12
Balance sheet total, EUR million	2,552.6	2,540.0	2,426.8	3,644.3	3,671.6	3,711.4	3,635.8	3,620.2
Equity/share, EUR	5.56	5.52	5.54	7.52	8.02	7.64	7.12	6.87
Share price at end of period, EUR	10.16	10.29	13.19	16.25	14.78	14.93	13.38	16.12
Market capitalisation at end of period, EUR million	1,276.0	1,292.3	1,656.6	2,037.4	1,853.2	1,872.0	1,677.7	2,019.3
Return on investment, last 12 months, %	6.1	8.3	10.7	10.5	10.9			
Equity ratio, %	34.3	33.6	34.9	31.1	32.5	30.8	29.1	27.8
Net interest-bearing debt at end of period, EUR million	781.7	857.3	764.4	839.0	746.2	827.3	803.1	755.8
Gearing ratio, %	112.0	123.7	109.8	88.9	73.9	86.1	89.7	87.6
Unrecognised order backlog at end of period, EUR million	3,184.6	3,259.5	3,176.0	3,045.9	3,108.6	3,191.8	3,050.5	2,990.7
Personnel at the end of period, continuing operations	6,172	6,384	6,904	6,689	6,691	6,756	7,001	6,505

The balance sheet-based key figures presented in the table have been calculated on the basis of the official balance sheet for the comparison periods. The balance sheet includes the assets and liabilities related to YIT's Building Services business, which were transferred to Caverion Group in the partial demerger that took place on June 30, 2013. The key figures for the comparison periods do not yield a true image of the financial position and development of the continuing operations.

2.3 Consolidated income statement Jan 1 – Dec 31, 2013, IFRS

EUR million	1-12/13	1-12/12	Change
Continuing operations			
Revenue	1,743.0	1,988.9	-12%
of which activities outside Finland	488.4	586.4	-17%
Other operating income and expenses	-1,621.6	-1,770.5	-8%
Share of results in associated companies	0.0	0.2	-78%
Depreciation and impairment	-17.4	-20.6	-15%
Operating profit	104.0	198.0	-47%
% of revenue	6.0	10.0	
Financial income	9.6	4.6	109%
Exchange rate differences	-5.2	-5.5	-5%
Financial expenses	-13.3	-13.3	-0%
Profit before taxes	95.0	183.8	-48%
% of revenue	5.5	9.2	
Income taxes	-24.8	-41.5	-40%
Profit for the review period	70.2	142.3	-51%
% of revenue	4.0	7.2	
Equity holders of the parent company	70.3	141.2	-50%
Non-controlling interest	-0.1	1.1	
Discontinued operations			
Profit for the review period	287.5	37.5	667%
Equity holders of the parent company	287.5	37.4	669%
Non-controlling interest		0.1	
Continuing and discontinued operations, total			
Profit for the review period	357.6	179.8	99%
Equity holders of the parent company	357.7	178.6	100%
Non-controlling interest	-0.1	1.2	

	1-12/13	1-12/12	Change
Earnings/share, EUR			
- continuing operations	0.56	1.13	-50%
- discontinued operations	2.30	0.30	667%
- continuing and discontinued operations, total	2.86	1.43	100%
Earnings/share, EUR, diluted			
- continuing operations	0.56	1.13	-50%
- discontinued operations	2.30	0.30	667%
- continuing and discontinued operations, total	2.86	1.43	100%

2.4 Statement of comprehensive income Jan 1 – Dec 31, 2013, IFRS

EUR million	1-12/13	1-12/12	Change
Continuing operations			
Profit for the review period	70.2	142.3	-51%
Items that may be subsequently recognised through profit or loss:			
Cash flow hedges	3.0	0.6	407%
- Deferred taxes	-0.8	-0.1	743%
Change in fair value of available-for-sale assets	0.0	0.0	
- Deferred taxes	0.0	0.0	
Change in translation differences	-50.3	13.5	
Other comprehensive income, total	-48.1	14.1	
Total comprehensive income	22.1	156.5	-86%
Equity holders of the parent company	22.2	155.4	-86%
Non-controlling interest	-0.1	1.1	
Discontinued operations			
Total comprehensive income	287.5	52.0	453%
Equity holders of the parent company	287.5	51.9	454%
Non-controlling interest		0.1	
Continuing and discontinued operations, total			
Total comprehensive income	309.5	208.5	48%
Equity holders of the parent company	309.6	207.3	49%
Non-controlling interest	-0.1	1.2	

2.5 Consolidated income statement Oct 1 – Dec 31, 2013, IFRS

EUR million	10-12/13	10-12/12	Change
Continuing operations			
Revenue	497.3	562.5	-12%
of which activities outside Finland	139.8	236.6	-41%
Other operating income and expenses	-465.5	-488.7	-5%
Share of results in associated companies	0.0	0.1	-55%
Depreciation and impairment	-2.8	-5.0	-44%
Operating profit	29.0	68.9	-58%
% of revenue	5.8	12.2	
Financial income	-0.7	0.8	
Exchange rate differences	-1.5	-1.7	-11%
Financial expenses	1.0	-3.3	
Profit before taxes	27.8	64.7	-57%
% of revenue	5.6	11.5	
Income taxes	-10.0	-16.0	-37%
Profit for the review period, continuing operations	17.7	48.7	-64%
% of revenue	3.6	8.7	
Equity holders of the parent company	17.8	48.0	-63%
Non-controlling interest	-0.1	0.7	
Discontinued operations			
Profit for the review period	-0.9	1.3	
Equity holders of the parent company	-0.9	1.3	
Non-controlling interest		0.1	
Continuing and discontinued operations, total			
Profit for the review period	16.8	50.0	-66%
Equity holders of the parent company	16.9	49.3	-66%
Non-controlling interest	-0.1	0.8	

	10-12/13	10-12/12	Change
Earnings/share, EUR			
- continuing operations	0.14	0.38	-63%
- discontinued operations	-0.01	0.01	
- continuing and discontinued operations, total	0.13	0.39	-66%
Earnings/share, EUR, diluted			
- continuing operations	0.14	0.38	-63%
- discontinued operations	-0.01	0.01	
- continuing and discontinued operations, total	0.13	0.39	-66%

2.6 Consolidated balance sheet, IFRS

EUR million	12/13	12/12
Assets		
Non-current assets		
Tangible assets	65.2	110.6
Goodwill	10.9	346.6
Other intangible assets	7.1	61.8
Shares in associated companies	0.5	0.6
Other investments	0.8	3.4
Other receivables	0.6	6.3
Deferred tax receivables	41.1	49.8
Current assets		
Inventories	2,062.1	1,901.5
Trade and other receivables	288.0	1,015.5
Cash and cash equivalents	76.3	175.7
Total assets	2,552.6	3,671.6
Equity and liabilities		
Equity attributable to equity holders of the parent company		
Share capital	149.2	149.2
Other equity	548.5	856.7
Non-controlling interest	0.4	3.3
Total equity	698.2	1,009.2
Non-current liabilities		
Deferred tax liabilities	14.4	89.4
Pension obligations	0.7	52.4
Provisions	42.5	48.5
Borrowings	305.1	517.1
Other liabilities	35.0	32.6
Current liabilities		
Advances received	514.3	566.6
Trade and other liabilities	370.5	896.1
Provisions	19.0	54.9
Current borrowings	552.9	404.9
Total equity and liabilities	2,552.6	3,671.6

The balance sheet for the comparison periods includes the assets and liabilities related to YIT's Building Services business, which were transferred to Caverion Group in the partial demerger that took place on June 30, 2013.

2.7 Consolidated statement of changes in equity, IFRS

	Equity attributable to equity holders of the parent company									
EUR million	Share capital	Legal reserve	Other reserve	Cumu-lative transla-tion differ-ence	Fair value reserve	Treas ury share s	Retained earnings	Total	Non-controlling interest	Total equity
Equity on January 1, 2012	149.2	1.9	2.8	-23.4	-3.6	-9.7	801.5	918.7	2.5	921.1
Defined benefit pension, re-measurement due to IAS 19 change							-37.0	-37.0		-37.0
Adjusted equity on January 1, 2012	149.2	1.9	2.8	-23.4	-3.6	-9.7	764.5	881.7	2.5	884.1
Comprehensive income										
Profit for the review period							178.7	178.7	1.2	179.9
Profit for the period, re-measurement due to IAS 19 change							-0.1	-0.1		-0.1
Other comprehensive income:										
Change in fair value of defined benefit pension, re-measurement due to IAS 19 change							15.3	15.3		15.3
- Deferred tax							-4.2	-4.2		-4.2
Cash flow hedges					0.6			0.6		0.6
- Deferred tax					-0.1			-0.1		-0.1
Change in fair value of available for sale investments					-0.4			-0.4		-0.4
- Deferred tax					0.1			0.1		0.1
Translation differences				17.4				17.4		17.4
Comprehensive income, total				17.4	0.2		189.7	207.3	1.2	208.5
Transactions with owners										
Dividend distribution							-87.7	-87.7	-0.4	-88.1
Share-based incentive schemes			1.0			0.5	3.3	4.8		4.8
Transactions with owners, total			1.0			0.5	-84.4	-82.9	-0.4	-83.3
Equity on December 31, 2012	149.2	1.9	3.8	-6.1	-3.4	-9.2	869.8	1,005.9	3.3	1,009.2

	Equity attributable to equity holders of the parent company									
EUR million	Share capital	Legal reserve	Other reserve	Cumu-lative transla-tion differ-ence	Fair value reserve	Treas ury share s	Retained earnings	Total	Non-controlling interest	Total equity
Equity on January 1, 2013	149.2	1.9	3.8	-6.1	-3.4	-9.2	869.8	1,005.9	3.3	1,009.2
Comprehensive income										
Profit for the review period							357.7	357.7	-0.1	357.6
Other comprehensive income:										
Cash flow hedges					3.0			3.0		3.0
- Deferred tax					-0.8			-0.8		-0.8
Change in fair value of available for sale investments					0.0			0.0		0.0
- Deferred tax					0.0			0.0		0.0
Translation differences				-50.3				-50.3		-50.3
Comprehensive income, total				-50.3	2.2	0.0	357.7	309.6	-0.1	309.5
Transactions with owners										
Dividend distribution							-94.0	-94.0		-94.0
Share-based incentive schemes			-3.8			1.0	4.5	1.7		1.7
Assets transferred in the demerger, fair value							-515.2	-515.2		-515.2
Demerger effect		-0.4		-7.7	0.1			-8.0	-0.6	-8.6
Transactions with owners, total		-0.4	-3.8	-7.7	0.1	1.0	-604.7	-615.7	-0.6	-616.3
Changes in ownership shares in subsidiaries no loss of control										
Acquisition of non-controlling interest							-2.2	-2.2	-2.2	-4.4
Changes in ownership shares in subsidiaries, total							-2.2	-2.2	-2.2	-4.4
Equity on December 31, 2013	149.2	1.5		-64.1	-1.2	-8.2	620.5	697.7	0.4	698.2

The balance sheet for the comparison periods includes the assets and liabilities related to YIT's Building Services business, which were transferred to Caverion Group in the partial demerger that took place on June 30, 2013.

2.8 Consolidated cash flow statement

EUR million	1-12/13	1-12/12	Change	10-12/13	10-12/12	Change
Cash flow from operating activities						
Net profit for the period	70.2	142.3	-51%	17.7	48.7	-64%
Reversal of accrual-based items	61.3	85.7	-28%	12.6	24.8	-49%
Change in working capital						
Change in trade and other receivables	-42.8	6.4		11.6	42.1	-72%
Change in inventories	-296.8	-198.0	50%	-53.6	-51.4	4%
Change in current liabilities	186.9	93.6	100%	96.1	-39.5	
Change in working capital, total	-152.7	-98.0	56%	54.2	-48.8	
Interest paid	-34.8	-30.4	14%	-4.4	-6.6	-33%
Other financial items, net	5.2	-6.6		3.5	0.3	over thousand
Interest received	2.0	3.2	-39%	0.0	1.4	-103%
Taxes paid	-43.7	-24.1	81%	-6.2	-5.1	21%
Discontinued operations	-30.7	49.3		-1.8	79.0	
Net cash generated from operating activities	-123.2	121.5		75.6	93.7	-19%
Cash flow from investing activities						
Acquisition of subsidiaries, net of cash	-4.9			-0.3		
Purchases of property, plant and equipment	-9.4	-21.5	-56%	-2.0	-6.0	-66%
Purchases of intangible assets	-5.7	-7.5	-24%	-2.6	-2.0	32%
Disposal of affiliated companies		2.9				
Proceeds from sale of fixed assets	24.6	3.8	547%	3.7	1.3	188%
Proceeds from sale of other investments	0.1	0.1	-4%	0.1		
Discontinued operations	-17.2	-8.8	95%		0.3	
Net cash used in investing activities	-12.5	-31.2	-60%	-1.1	-6.4	-83%
Operating cash flow after investments	-135.7	90.4		74.5	87.3	-15%
Cash flow from financing activities						
Change in loan receivables	5.1	-13.9		3.7	-7.6	
Change in current liabilities	133.2	-34.9		-30.6	-99.6	-69%
Proceeds from borrowings	27.7	150.0	-82%		50.0	
Repayment of borrowings	-132.9	-121.6	9%	-19.7	-0.5	over thousand
Payments of financial leasing debts	-0.3	-0.2	42%	-0.3	0.0	
Dividends paid	-94.0	-88.1	7%			
Discontinued operations	147.2	-15.5			-4.2	
Net cash used in financing activities	86.0	-124.2		-46.9	-61.9	-24%
Net change in cash and cash equivalents	-49.7	-33.9	47%	27.6	25.4	9%
Cash and cash equivalents at beginning of period	174.6	204.8	-15%	51.2	149.3	-66%
Cash and cash equivalents transferred in demerger	-43.8					
Change in the fair value of cash equivalents	-4.7	3.8		-2.5	-0.1	over thousand
Cash and cash equivalents at end of period	76.3	174.6	-56%	76.3	174.6	-56%

2.9 Accounting principles of the Financial Statements Bulletin

YIT Corporation's Financial Statements Bulletin for 1 January – 31 December 2013 has been drawn up in line with IAS 34: Interim Financial Reporting. The Financial Statements Bulletin is based on audited financial statements for 2013.

In the Financial Statements Bulletin, the figures are presented in million euros doing the rounding on each line, which may cause some rounding inaccuracies in column and total sums.

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS). All of the IAS/IFRS standards and SIC/IFRIC interpretations approved by the EU Commission by 31 December 2013 have been complied with. The accounting principles are described in more detail in the accounting principles for the 2013 financial statements.

Changes to standards that entered into force on 1 January 2013 and had an effect on the consolidated financial statements are:

- IAS 19 (revised) Employee benefits: Standard includes changes to accounting principles of defined benefit plans.
- IFRS 13 Fair value measurement: The standard defines fair value. It sets out in a single standard a framework for measuring fair value and requirement for disclosures about fair value measurements.
- IFRS 7 (amendment): Financial instruments – Disclosures: This amendment includes new disclosures to enhance the presentation of financial assets and financial liabilities and when those can be offset.
- Annual improvements 2011: Annual improvements 2009-2011 reporting cycle include changes to: IAS 1 Financial statement presentation, IAS 16 Property plant and equipment, IAS 32 Financial instruments; Presentation and IAS 34 Interim financial reporting. The Group presents other comprehensive income items grouped to items that will not be reclassified to profit or loss and to items that may be reclassified subsequently to profit or loss as well as expanded its disclosures in Financial Report.

Adjustments to historical reference figures due to the retroactive application of the adjustments to the international IAS 19 Employee Benefits financial statements standard

The Group has adopted the renewed IAS 19 Employee Benefits standard as of January 1, 2013. The standard includes amendments to the recognition of defined benefit pension schemes. The "pipeline method" will be omitted and all actuarial gains and losses will be recognised immediately through comprehensive income. The net asset or liability arising from the pensions is recognised in full on the balance sheet. The interest yield of the assets is calculated by using the same discount rate as when calculating the present value of the pension liability. Changes in the fair value of the pension liability are recognised under comprehensive income whereas previously they were recognised in the personnel expenses in the income statement. The adoption of the revised IAS 19 Employee benefits standard has no impacts on the profit or balance sheet of the continuing operations.

The revised IAS 19 Employee Benefits standard requires retroactive application to the presented financial statements figures. The impact on comparison figures are presented cumulatively in tables below.

As a result of the change of IAS Employee benefits, the Group's defined benefit liability was increased by EUR 25.1 million, defined benefit assets were decreased by EUR 10.3 million, shareholders' equity was decreased by EUR 26.2 million and the balance sheet total was decreased by EUR 10.3 million on the balance sheet per December 31, 2012.

Balance sheet, EUR million	Reported Group, IFRS Jan 1, 2012	IAS 19 adjustment Jan 1 2012	Restated Group, IFRS Jan 1, 2012
ASSETS			
Non-current assets			
Other non-current assets	538.1	-11.8	526.3
Deferred tax receivables	60.3		60.3
Current assets			
Inventories	1,672.6		1,672.6
Trade and other receivables	1,027.3		1,027.3
Cash and cash equivalents	206.1		206.1
Total assets	3,504.5	-11.8	3,492.7
EQUITY AND LIABILITIES			
Equity	921.1	-37.0	884.1
Non-current liabilities			
Borrowings	522.9		522.9
Other non-current liabilities	128.5	39.9	168.4
Deferred tax liabilities	88.3	-14.7	73.6
Current liabilities			
Borrowings	423.6		423.6
Advances received	458.3		458.3
Other current liabilities	961.6		961.6
Total equity and liabilities	3,504.5	-11.8	3,492.7

Income statement, EUR million	Reported Group, IFRS 1-3/12	IAS 19 adjustment 1-3/12	Restated Group, IFRS 1-3/12
Revenue	1,098.4		1,098.4
Other operating income and expenses	-1,032.3	-0.2	-1,032.5
Depreciation	-10.9		-10.9
Operating profit	55.2	-0.2	55.0
Financial income and expenses	-5.2		-5.2
Profit before taxes	49.9	-0.2	49.7
Income taxes	-12.9	0.0	-12.9
Profit for the review period	37.0	-0.1	36.9
Attributable to			
Equity holders of the parent company	36.5	-0.1	36.4
Non-controlling interest	0.5		0.5
Earnings per share attributable to the equity holders of the parent company			
Earnings/share, EUR	0.29		0.29
Diluted earnings/share, EUR	0.29		0.29

Comprehensive income, EUR million	Reported Group, IFRS 1-3/12	IAS 19 adjustment 1-3/12	Restated Group, IFRS 1-3/12
Profit for the review period	37.0	-0.1	36.9
Other comprehensive income			
Change in the value of defined benefit pensions		3.9	3.9
- Deferred tax		-1.1	-1.1
Cash flow hedges	-0.1		-0.1
- Deferred tax	0.0		0.0
Translation differences	25.7		25.7
Other comprehensive income, total	25.6	2.8	28.4
Total comprehensive income	62.6	2.7	65.3
Attributable to			
Equity holders of the parent company	62.3	2.7	65.0
Non-controlling interest	0.3		0.3

Balance sheet, EUR million	Reported Group, IFRS 3/12	IAS 19 adjustment 3/12	Restated Group, IFRS 3/12
ASSETS			
Non-current assets			
Other non-current assets	546.1	-11.7	534.4
Deferred tax receivables	64.4		64.4
Current assets			
Inventories	1,774.8		1,774.8
Trade and other receivables	1,037.3		1,037.3
Cash and cash equivalents	209.3		209.3
Total assets	3,631.9	-11.7	3,620.2
EQUITY AND LIABILITIES			
Equity	897.6	-34.3	863.3
Non-current liabilities			
Borrowings	564.1		564.1
Other non-current liabilities	131.9	36.3	168.2
Deferred tax liabilities	89.5	-13.6	75.9
Current liabilities			
Borrowings	401.1		401.1
Advances received	518.7		518.7
Other current liabilities	1,028.9		1,028.9
Total equity and liabilities	3,631.9	-11.7	3,620.2

Income statement, EUR million	Reported Group, IFRS 1-6/12	IAS 19 adjustment 1-6/12	Restated Group, IFRS 1-6/12
Revenue	2,317.3		2,317.3
Other operating income and expenses	-2,173.0	-0.3	-2,173.3
Depreciation	-21.5		-21.5
Operating profit	122.8	-0.3	122.5
Financial income and expenses	-11.3		-11.3
Profit before taxes	111.5	-0.3	111.2
Income taxes	-27.9	0.1	-27.8
Profit for the review period	83.6	-0.2	83.4
Attributable to			
Equity holders of the parent company	83.4	-0.2	83.2
Non-controlling interest	0.2		0.2
Earnings per share attributable to the equity holders of the parent company			
Earnings/share, EUR	0.67		0.66
Diluted earnings/share, EUR	0.67		0.66

Comprehensive income, EUR million	Reported Group, IFRS 1-6/12	IAS 19 adjustment 1-6/12	Restated Group, IFRS 1-6/12
Profit for the review period	83.6	-0.2	83.4
Other comprehensive income			
Change in the value of defined benefit pensions		9.5	9.5
- Deferred tax		-2.7	-2.7
Cash flow hedges	-0.6		-0.6
- Deferred tax	0.1		0.1
Translation differences	6.0		6.0
Other comprehensive income, total	5.5	6.8	12.3
Total comprehensive income	89.2	6.6	95.8
Attributable to			
Equity holders of the parent company	89.1	6.6	95.7
Non-controlling interest	0.1		0.1

Balance sheet, EUR million	Reported Group, IFRS 6/12	IAS 19 adjustment 6/12	Restated Group, IFRS 6/12
ASSETS			
Non-current assets			
Other non-current assets	540.0	-11.1	528.9
Deferred tax receivables	53.7		53.7
Current assets			
Inventories	1,769.5		1,769.5
Trade and other receivables	1,114.3		1,114.3
Cash and cash equivalents	169.5		169.5
Total assets	3,646.9	-11.1	3,635.8
EQUITY AND LIABILITIES			
Equity	926.0	-30.5	895.5
Non-current liabilities			
Borrowings	549.9		549.9
Other non-current liabilities	131.9	31.5	163.4
Deferred tax liabilities	89.6	-12.1	77.5
Current liabilities			
Borrowings	422.7		422.7
Advances received	558.1		558.1
Other current liabilities	968.8		968.8
Total equity and liabilities	3,646.9	-11.1	3,635.8

Income statement, EUR million	Reported Group, IFRS 1-9/12	IAS 19 adjustment 1-9/12	Restated Group, IFRS 1-9/12
Revenue	3,421.0		3,421.0
Other operating income and expenses	-3,200.3	-0.5	-3,200.8
Depreciation	-34.2		-34.2
Operating profit	186.4	-0.5	185.9
Financial income and expenses	-15.7		-15.7
Profit before taxes	170.8	-0.5	170.3
Income taxes	-40.6	0.1	-40.5
Profit for the review period	130.1	-0.3	129.8
Attributable to			
Equity holders of the parent company	129.7	-0.3	129.4
Non-controlling interest	0.4		0.4
Earnings per share attributable to the equity holders of the parent company			
Earnings/share, EUR	1.03		1.03
Diluted earnings/share, EUR	1.03		1.03

Comprehensive income, EUR million	Reported Group, IFRS 1-9/12	IAS 19 adjustment 1-9/12	Restated Group, IFRS 1-9/12
Profit for the review period	130.1	-0.3	129.8
Other comprehensive income			
Change in the value of defined benefit pensions		14.1	14.1
- Deferred tax		-4.0	-4.0
Cash flow hedges	-0.5		-0.5
- Deferred tax	0.1		0.1
Change in fair value of available for sale investments	-0.7		-0.7
- Deferred tax	0.2		0.2
Translation differences	21.3		21.3
Other comprehensive income, total	20.4	10.2	30.6
Total comprehensive income	150.6	9.8	160.4
Attributable to			
Equity holders of the parent company	150.1	9.8	159.9
Non-controlling interest	0.4		0.4

Balance sheet, EUR million	Reported Group, IFRS 9/12	IAS 19 adjustment 9/12	Restated Group, IFRS 9/12
ASSETS			
Non-current assets			
Other non-current assets	539.7	-10.9	528.8
Deferred tax receivables	55.9		55.9
Current assets			
Inventories	1,858.5		1,858.5
Trade and other receivables	1,118.2		1,118.2
Cash and cash equivalents	150.0		150.0
Total assets	3,722.3	-10.9	3,711.4
EQUITY AND LIABILITIES			
Equity	987.9	-27.3	960.6
Non-current liabilities			
Borrowings	541.7		541.7
Other non-current liabilities	121.1	27.3	148.4
Deferred tax liabilities	93.5	-10.9	82.6
Current liabilities			
Borrowings	435.6		435.6
Advances received	593.6		593.6
Other current liabilities	948.9		948.9
Total equity and liabilities	3,722.3	-10.9	3,711.4

Income statement, EUR million	Reported Group, IFRS 1-12/12	IAS 19 adjustment	Restated Group, IFRS 1-12/12
Revenue	4,705.9		4,705.9
Other operating income and expenses	-4,401.8	-0.1	-4,401.9
Depreciation	-44.9		-44.9
Operating profit	259.2	-0.1	259.1
Financial income and expenses	-21.2		-21.2
Profit before taxes	238.0	-0.1	237.9
Income taxes	-58.1	0.1	-58.0
Profit for the review period	179.9	-0.1	179.8
Attributable to			
Equity holders of the parent company	178.7	-0.1	178.6
Non-controlling interest	1.2		1.2
Earnings per share attributable to the equity holders of the parent company			
Earnings/share, EUR	1.43		1.43
Diluted earnings/share, EUR	1.43		1.43

Comprehensive income, EUR million	Reported Group, IFRS 1-12/12	IAS 19 adjustment 1-12/12	Restated Group, IFRS 1-12/12
Profit for the review period	179.9	-0.1	179.8
Other comprehensive income			
Change in the value of defined benefit pensions		15.3	15.3
- Deferred tax		-4.2	-4.2
Cash flow hedges	0.6		0.6
- Deferred tax	-0.1		-0.1
Change in fair value of available for sale investments	-0.4		-0.4
- Deferred tax	0.1		0.1
Translation differences	17.4		17.4
Other comprehensive income, total	17.6	11.0	28.6
Total comprehensive income	197.5	10.9	208.5
Attributable to			
Equity holders of the parent company	196.3	11.0	207.3
Non-controlling interest	1.2		1.2

Balance sheet, EUR million	Reported Group, IFRS 12/12	IAS 19 adjustment 12/12	Restated Group, IFRS 12/12
ASSETS			
Non-current assets			
Other non-current assets	539.5	-10.3	529.2
Deferred tax receivables	49.8		49.8
Current assets			
Inventories	1,901.5		1,901.5
Trade and other receivables	1,015.5		1,015.5
Cash and cash equivalents	175.7		175.7
Assets held for sale			0.0
Total assets	3,682.0	-10.3	3,671.6
EQUITY AND LIABILITIES			
Equity	1,035.4	-26.2	1,009.2
Non-current liabilities			
Borrowings	517.1		517.1
Other non-current liabilities	108.0	25.1	133.1
Deferred tax liabilities	98.7	-9.3	89.4
Current liabilities			
Borrowings	404.9		404.9
Advances received	566.6		566.6
Other current liabilities	951.3		951.3
Total equity and liabilities	3,682.0	-10.3	3,671.6

Exchange rates used in the Financial Statement

		Average rate 1-12/13	Average rate 1-12/12	Balance sheet rate 12/13	Balance sheet rate 12/12
EUR 1=	CZK	25.9904	25.1460	27.4270	25.1510
	DKK	7.4579	7.4438	7.4593	7.4610
	HUF	296.9644	289.3200	297.0400	292.3000
	MYR	4.1858	3.9687	4.5221	4.0347
	NOK	7.8075	7.4752	8.3630	7.3483
	PLN	4.1971	4.1843	4.1543	4.0740
	RUB	42.3362	39.9239	45.3246	40.3295
	SEK	8.6514	8.7061	8.8591	8.5820
	SGD	1.6610	1.6059	1.7414	1.6111
	USD	1.3281	1.2854	1.3791	1.3194
	LTL	3.4528	3.4528	3.4528	3.4528
	LVL	0.7015	0.6973	0.7028	0.6977

2.10 Definitions of key financial figures

Return on investment (ROI, %) =	Group's profit before taxes + interest expenses + other financial expenses + / - exchange rate differences x 100 Balance sheet total - non-interest bearing liabilities (average)
Segment's operative invested capital =	Tangible and intangible assets + goodwill + shares in associated companies + investments + inventories + trade receivables + other non-interest bearing operational receivables *) - provisions - trade payables - advances received – other non-interest bearing liabilities *) *) excluding items associated with taxes, distribution of profit and financial items
Return on operative invested capital (%) =	Segment's operating profit Segment's operative invested capital (average)
Equity ratio (%) =	Equity + non-controlling interest x 100 Balance sheet total - advances received
Gearing ratio (%) =	Interest-bearing liabilities – cash and cash equivalents x 100 Shareholders' equity + non-controlling interest
Segment reporting, earnings / share (EUR) =	Net profit for the financial year (attributable to equity holders), segment reporting Share issue-adjusted average number of outstanding shares during the period
Group IFRS reporting, earnings / share (EUR) =	Net profit for the period (attributable to equity holders), group reporting Share issue-adjusted average number of outstanding shares during the period
Equity/share (EUR) =	Equity Share issue-adjusted number of outstanding shares at the end of the period
Market capitalisation =	(Number of shares - treasury shares) x share price on the closing date by share series

2.11 Financial risk management

The main financial risks include liquidity risk, credit risk and market risks, such as currency and interest rate risk, and their management is a part of the Group's treasury policy. The Board of Directors has approved the Corporate Treasury Policy. The Group Treasury is responsible for the practical implementation of the policy in association with the business units.

The Group's strategic financial targets guide the use and management of the Group's capital. Achieving the strategic targets is supported by maintaining an optimum Group capital structure. Capital structure is mainly influenced by controlling investments and the amount of working capital tied to business operations.

A more detailed account of financial risks has been published in the notes to the financial statements for 2013.

2.12 Unusual items affecting operating profit

EUR million	1-12/13	1-12/12	Change
Construction Service Finland	-1.0		
International Construction Services		7.0	
Other operations	-0.2		

At the end of 2013, the company made decisions to change the business control structure and make rearrangements in shared services. In addition, it was decided to adjust the organisation of Finnish business operations to the current market situation. In December 2013, the company launched cooperation negotiations concerning fixed salaried employees. A total of 750 salaried employees fell within the sphere of the negotiations. The negotiations were completed in January 2014, and approximately 50 dismissals were carried out. The costs amounted EUR 1,2 million incurred for the restructuring are recognised in the last quarter of year 2013.

The operating profit for International Construction Services for the third quarter of 2012 was improved by the release of a EUR 7 million cost provision due to the ammonia issue in St. Petersburg. YIT made a provision of EUR 10 million during the third quarter of 2011 to cover the costs of rectifying the problem.

2.13 Business combinations and disposals

In December 2013, international business operations acquired the entire stock of OOO Sovremennik, which engages in building technology contracts and maintenance in Russia. The acquisition did not have a direct economic impact to YIT Group, and it did not give rise to goodwill.

EUR million	1-12/13
Consideration	
Paid in cash	0.0
Total consideration, transferred	0.0
Acquisition-related costs (recognised as expenses in other operating expenses)	
Recognised amounts of identifiable assets	
acquired and liabilities assumed	**12/13**
Cash and cash equivalents	0.0
Inventories	0.0
Trade and other receivables	0.0
Trade and other payables	0.0
Total identifiable net assets	0.0
Non-controlling interest	
Goodwill	0.0
Total entity value	0.0
Revenue included in the income statement for the period	0.0
Profit for the period included in the income statement for the period	0.0
Revenue had the consolidation taken place from the beginning of the year	0.0
Profit for the period had the consolidation taken place from the beginning of the financial year	0.0

2.14 Discontinued operations

The profit of the discontinued operations and profit recognised from asset valuation of assets held for sale are as follows:

EUR million	1-12/13	1-12/12	Change
Discontinued operations			
Revenue	1,260.6	2,803.2	-55%
Other operating income and expenses	-1,249.8	-2,718.0	-54%
Profit before taxes	10.8	54.1	-80%
Taxes	-3.0	-16.6	-82%
Profit of business transferred to Caverion after taxes	7.8	37.5	-79%
Recognised profit from asset valuation of discontinued operations	293.0		
Demerger costs	-18.0		
Taxes related to demerger costs	4.5		
Profit for the review period, discontinued operations	287.5	37.5	667%

2.15 Changes in property, plant and equipment

EUR million	1-12/13	1-12/12
Carrying value at the beginning of the period	110.6	110.8
Translation difference change	-1.6	1.2
Increase	8.1	27.7
Increase through acquisitions		0.5
Decrease	-9.3	-4.2
Assets transferred in demerger	-29.9	
Depreciation and impairment	-13.5	-23.8
Reclassifications	0.8	-1.6
Carrying value at the end of the period	65.2	110.6

The balance sheet for the comparison periods includes the assets and liabilities related to YIT's Building Services business, which were transferred to Caverion Group in the partial demerger that took place on June 30, 2013.

2.16 Inventories

EUR million	12/13	12/12
Raw materials and consumables	10.2	36.2
Work in progress	1,053.4	894.8
Land areas and plot owning companies	681.2	673.5
Shares in completed housing and real estate companies	235.7	232.0
Advance payments	81.0	64.1
Other inventories	0.4	0.9
Total inventories	2,062.1	1,901.5

The balance sheet for the comparison periods includes the assets and liabilities related to YIT's Building Services business, which were transferred to Caverion Group in the partial demerger that took place on June 30, 2013.

2.17 Notes on equity

Share capital and share premium account	Number of outstanding shares	Share capital (EUR million)	Treasury shares (EUR million)
Outstanding shares January 1, 2013	125,383.845	149.2	-9.2
Return of treasury shares, Jan 1 – Mar 31, 2013	-3.726		
Return of treasury shares, Apr 1 – Jun 30, 2013	-8.770		
Return of treasury shares, Jun 1 – Sep 30, 2013	-5.095		
Return of treasury shares, Oct 1 – Dec 31, 2013	-861		
Transfer of treasury shares in accordance with the share incentive plan	224,743		1.0
Outstanding shares Dec 31, 2013	125,590.136	149.2	-8.2

2.18 Borrowings and fair value

Borrowings with fair value differing from carrying value

	Dec 31, 2013	Dec 31, 2013	Dec 31, 2012	Dec 31, 2012
EUR million	Carrying value	Fair value	Carrying value	Fair value
Non-current liabilities				
Bonds	210.5	218.9	320.9	330.3
Loans from financial institutions	20.0	21.0	88.4	93.9
Pension loans	73.6	72.8	104.6	99.1
Other loans	0.6	0.6	2.6	2.9
Non-current liabilities, total	304.8	313.3	516.5	526.2

	Dec 31, 2013	Dec 31, 2013	Dec 31, 2012	Dec 31, 2012
EUR million	Carrying value	Fair value	Carrying value	Fair value
Current liabilities				
Bonds	83.8	83.9	7.1	6.9

The fair values of bonds are based on the market price at the closing date. The fair values of other non-current loans are based on discounted cash flows. Discount rate is defined to be the rate YIT Group was to pay for equivalent external loans at the year-end. It consists of risk free market rate and company and maturity related risk premium of 1.60-3.30% p.a. (0.80–4.00%).

Fair value estimation

The Group measures the fair value measurement hierarchy as follows:

Level 1: The fair values of financial instruments are based on quoted prices on active markets. A market may be considered active when quoted prices are available on a regular basis and the prices represent the instrument's actual value in liquid trading.
Level 2: The financial instruments are not traded on active and liquid markets. The value of the financial instrument can be determined on the basis of market value and possibly a partially derived determination of value. If the factors influencing the instrument's fair value are nevertheless available and verifiable, the instrument belongs to level 2.
Level 3: The valuation of the financial instrument is not based on verifiable market information. Nor are other factors that affect the instrument's fair value available or verifiable.

The following table presents the Group's assets and liabilities that are measured at fair value and their levels.

Assets December 31, 2013		
EUR million	**Level 1**	**Level 2**
Available-for-sale financial assets	0.1	
Derivatives (hedge accounting not applied)		1.8
Total assets	0.1	1.8
Liabilities December 31, 2013		
EUR million	**Level 1**	**Level 2**
Derivatives (hedge accounting not applied)		1.7
Derivatives (hedge accounting applied)		1.5
Total liabilities		3.2
Assets December 31, 2012		
EUR million	**Level 1**	**Level 2**
Available-for-sale financial assets	2.1	
Derivatives (hedge accounting not applied)		
Total assets	2.1	
Liabilities December 31, 2012		
EUR million	**Level 1**	**Level 2**
Derivatives (hedge accounting not applied)		11.4
Derivatives (hedge accounting applied)		4.7
Total liabilities		16.1

The balance sheet for the comparison periods includes the assets and liabilities related to YIT's Building Services business, which were transferred to Caverion Group in the partial demerger that took place on June 30, 2013.

2.19 Change in contingent liabilities and assets and commitments

EUR million	12/13	12/12
Collateral given for own commitments		
- Corporate mortgages		29.3
- Other pledged assets		
Other commitments to associated companies	6.8	7.0
Other commitments		
- Repurchase commitments	319.0	349.3
- Operating leases	165.0	355.0
- Rental guarantees for clients	1.6	2.1
- Other contingent liabilities		1.3
- Guarantees given		
Liability under derivative contracts		
- Value of underlying instruments		
- Interest rate derivatives	338.0	579.6
- Foreign exchange derivatives	146.5	220.4
Commodity derivatives	0.0	1.9
- Market values		
- Interest rate derivatives	-2.4	-13.6
- Foreign exchange derivatives	1.3	-1.6
Commodity derivatives	0.0	-0.9
Parent company's guarantees on behalf of subsidiaries	956.7	1,537.3

As a result of the partial demerger registered on June 30, 2013, YIT Corporation had secondary liability for guarantees transferred to Caverion Corporation, with a maximum total amount of EUR 140.1 million on December 31, 2013.

Contingent liabilities and assets for the comparison periods include contingent liabilities and assets of YIT's building services business, transferred to Caverion Corporation in the partial demerger that took place on June 30, 2013.

2.20 Transactions with associated companies and joint ventures

EUR million	1-12/13	1-12/12	Change
Sales	74.6	70.0	7%
Purchases	0.0	0.1	
	12/13	**12/12**	**Change**
Trade and other receivables	0.0	0.1	-73%
Trade and other liabilities	0.0	0.0	

3 NON-IFRS BALANCE SHEET AND KEY FIGURES

The non-IFRS balance sheet and key figures illustrate what YIT's financial position and key figures would have been had the demerger taken place on January 1, 2012. YIT published additional information on the continuing operations in a stock exchange release on May 21, 2013. The non-IFRS balance sheet and key figures correspond with the figures published in that stock exchange release. The assets and liabilities related to YIT's Building Services business have been excluded from the balance sheet for the comparison periods. The figures have been calculated on the basis of this restated balance sheet. The non-IFRS balance sheet presents YIT's capital structure in accordance with the demerger plan. The financing arrangements negotiated for the demerger have been taken into account in the preparation. The assumptions applied in the preparation are described in more detail in a stock exchange release published on May 21, 2013.

It is the company's view that the non-IFRS balance sheet and key figures provide a relevant picture of the result of operations and financial position of the continuing YIT Group. Adjustments made in the preparation of unaudited non-IFRS information are based on available data and assumptions, and there is no guarantee that the assumptions applied in the preparation will prove to be correct. The non-IFRS balance sheet and key figures are presented for illustrative purposes only, and as such, they may not necessarily illustrate the company's financial position after the demerger.

EUR million	12/13	9/13	6/13	3/13	12/12	9/12	6/12	3/12
Assets								
Non-current assets								
Tangible assets	65.2	70.4	74.1	77.0	78.7	76.4	74.4	76.6
Goodwill	10.9	10.9	10.9	10.9	10.9	10.9	10.9	10.9
Other intangible assets	7.1	4.0	5.7	22.6	22.8	22.3	23.2	22.5
Shares in associated companies	0.5	0.4	0.4	0.4	0.4	0.3	0.4	3.0
Other investments	0.8	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Other receivables	0.6	1.0	0.5	0.6	1.0	1.2	0.8	0.6
Deferred tax receivables	41.1	46.4	43.9	46.6	44.3	49.9	47.3	54.9
Current assets								
Inventories	2,062.1	2,036.3	1,919.7	1,914.6	1,862.5	1,814.5	1,726.8	1,727.5
Trade and other receivables	288.0	317.3	321.1	250.7	244.9	298.9	316.5	294.7
Cash and cash equivalents	76.3	52.4	49.7	63.9	74.9	56.2	60.2	65.1
Total assets	2,552.6	2,540.0	2,426.8	2,388.2	2,341.3	2,331.5	2,261.4	2,256.7
Equity and liabilities								
Equity attributable to equity holders of the parent company	697.7	692.9	695.7	720.4	759.0	644.8	613.0	584.4
Non-controlling interest	0.4	0.4	0.4	0.4	2.7	1.9	1.6	2.4
Total equity	698.2	693.2	696.1	720.8	761.7	646.7	614.6	586.8
Non-current liabilities								
Deferred tax liabilities	14.4	14.1	18.2	24.5	20.7	17.8	16.4	16.9
Pension obligations	0.7	0.7	0.7	0.6	0.6	0.6	0.6	0.4
Provisions	42.5	42.8	43.6	42.9	41.6	45.4	53.8	46.1
Borrowings	305.1	316.6	370.6	387.9	441.4	410.8	416.7	427.2
Other liabilities	35.0	27.7	24.8	37.0	28.0	32.6	37.6	43.9
Current liabilities								
Advances received	514.3	475.3	433.3	446.7	429.5	460.1	421.6	396.0
Trade and other liabilities	364.4	355.4	374.9	357.6	345.6	362.9	359.2	415.0
Provisions	25.2	21.2	21.1	16.5	22.8	23.3	23.4	29.0
Current borrowings	552.9	593.1	443.5	353.7	249.5	331.3	317.6	295.4
Total equity and liabilities	2,552.6	2,540.0	2,426.8	2,388.2	2,341.3	2,331.5	2,261.4	2,256.7
Equity/share, EUR	5.56	5.52	5.54	5.75	6.05	5.14	4.89	4.67
Net interest-bearing debt at end of period, EUR million	781.7	857.3	764.4	677.7	616.0	685.9	674.1	657.5
Return on investment, last 12 months, %	7.0	9.3	12.6	14.3	15.0			
Equity ratio, %	34.3	33.6	34.9	37.3	39.8	34.6	33.4	31.5
Gearing ratio, %	112.0	123.7	109.8	94.0	80.9	106.1	109.7	112.0