yitgroup.com

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Contents

All figures are pro forma, please see slide 23 for additional information and figures in brackets refer to comparison period unless otherwise stated.

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YIT in a nutshell

YIT in brief

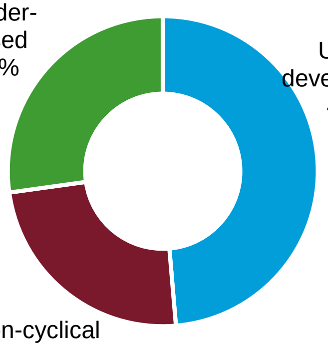
February 1, 2018
YIT and Lemminkäinen merged

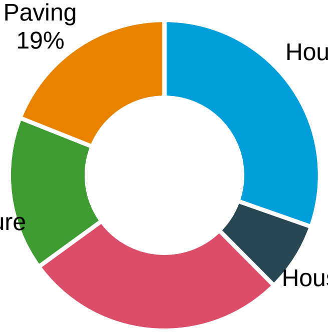
10,000
employees

3.8 bn
EUR, pro forma revenue for 2018

11
operating countries

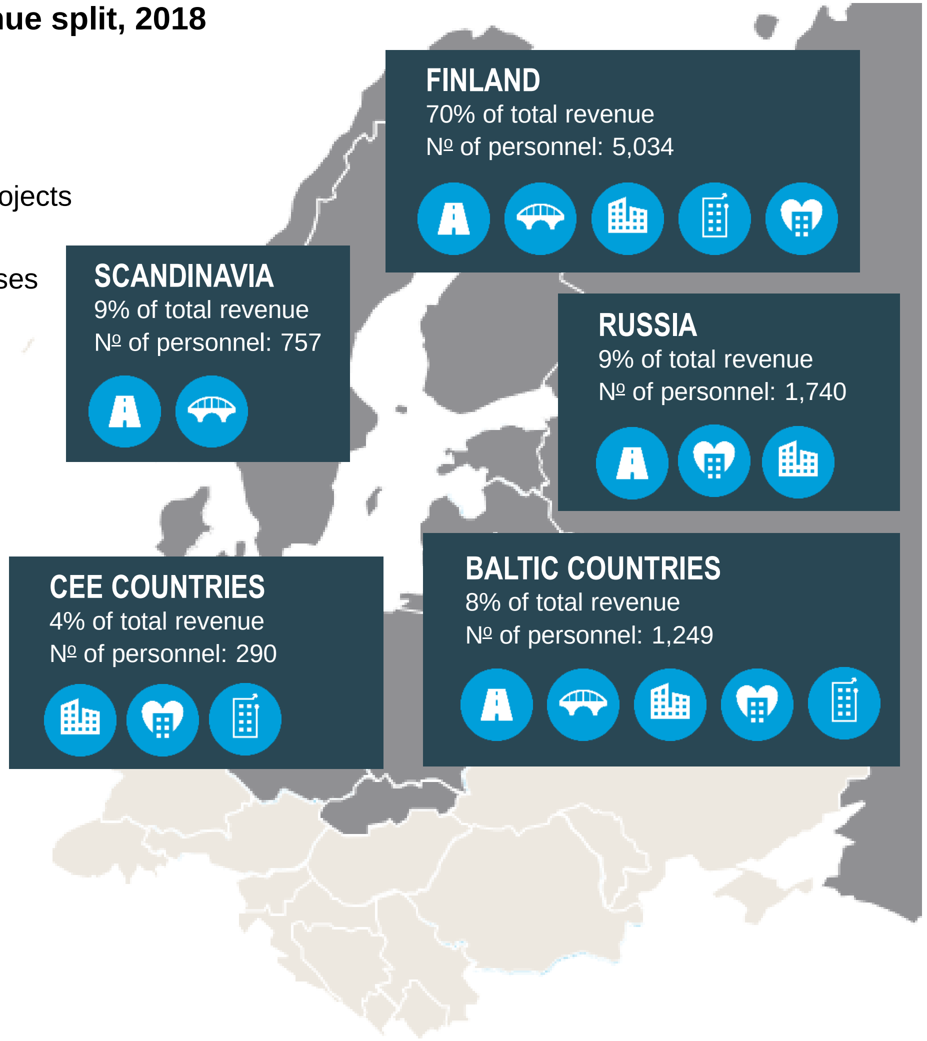
ILLUSTRATIVE REVENUE PER BUSINESS AND SEGMENT IN 2018*, %





Geographic revenue split, 2018

- Paving
- Infrastructure projects
- Business premises
- Partnership properties
- Housing



* Illustrative estimates do not take into account for example Group figures so the illustrative information should not be viewed as pro forma information.

Market outlook for the next 12 months

	Housing Finland and CEE	Housing Russia	Business premises	Infrastructure projects	Paving	Partnership properties
Finland	🔴		🟡	🔴	🟡	🟡
Russia		🟡			🟡	
The CEE countries						
The Baltic countries	🟡		🟡	🟡	🟡	🟡
The Czech Republic, Slovakia, Poland	🟡		🟡			🟡
Scandinavia						
Sweden				🟢	🟢	
Norway				🟢	🟢	
Denmark					🟡	

🔴 Weakened outlook compared to the past 12 months' development

🟡 Unchanged outlook compared to the past 12 months' development

🟢 Improved outlook compared to the past 12 months' development

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YIT's strategy 2019–2021

YIT Strategy 2019–2021 – Performance through cycles
Profitable and financially stable YIT

STRATEGIC PRIORITIES

URBAN DEVELOPMENT

Focus in self-developed, longer value chain and negotiation based projects

NON-CYCLICAL BUSINESSES

Annual EBIT EUR >100 million from non-cyclical businesses from 2019 on

CORNERSTONES OF SUCCESS

TOP PERFORMANCE

- Synergies EUR 40–50 million
- Focus on productivity improvement

CAPITAL EFFICIENCY

- Leaner operating model in Russia
- Annual free cashflow EUR +150 million

SUCCESS WITH CUSTOMERS AND PARTNERS

- Improving customer experience and NPS
- Deeper partnerships, higher value, more speed

HAPPY PEOPLE

- Common culture, open and involving way to lead
- Most preferred employer in the field

YIT Strategy 2019–2021 – Performance through cycles

Profitable and financially stable YIT

STRATEGIC PRIORITIES

URBAN DEVELOPMENT 2018

Revenue EUR 1,855 million
Adjusted EBIT EUR 146 million

NON-CYCLICAL BUSINESSES 2018

Revenue EUR 921 million
Adjusted EBIT EUR 35 million

TENDER-BASED CONTRACTING 2018

Revenue EUR 1,037 million
Adjusted EBIT EUR -21 million

CORNERSTONES OF SUCCESS

TOP PERFORMANCE

EUR 19 million of realised synergies during 2018

CAPITAL EFFICIENCY

Capital employed EUR 319 million in Russia on 12/2018 (397)

SUCCESS WITH CUSTOMERS AND PARTNERS

52% Net Promoter Score in 2018

HAPPY PEOPLE

Exit rate (own request) 3.8% in 2018

Some examples of urban development projects

YIT'S ONGOING PROJECTS

TIETOTIE 6
ESPOO, FINLAND
120M€
2017-2020

TRIPLA
HELSINKI, FINLAND
1,400 M€
2014-2020

TAMPERE LIGHT RAIL
TAMPERE, FINLAND
240M€
2017-2020

KEILANIEMENRANTA
ESPOO, FINLAND
800M€
2018-2025

FUTURE PROJECTS

HELSINKI HIGH RISE
FINLAND
500 + 500M€
2021-2030

CAMPUS MARIA
HELSINKI, FINLAND
300M€
2021-2025

JOKERI LIGHT RAIL
HELSINKI, FINLAND
300M€
2019-2022

COMPLETED PROJECT

E18 HIGHWAY (33 KM)
SOUTHERN FINLAND
220M€
2015-2018

Strategic financial targets 2019–2021

Financial target	Long-term target level
ROCE-%	>12%
Gearing	30–50%
Dividend per share	Growing annually

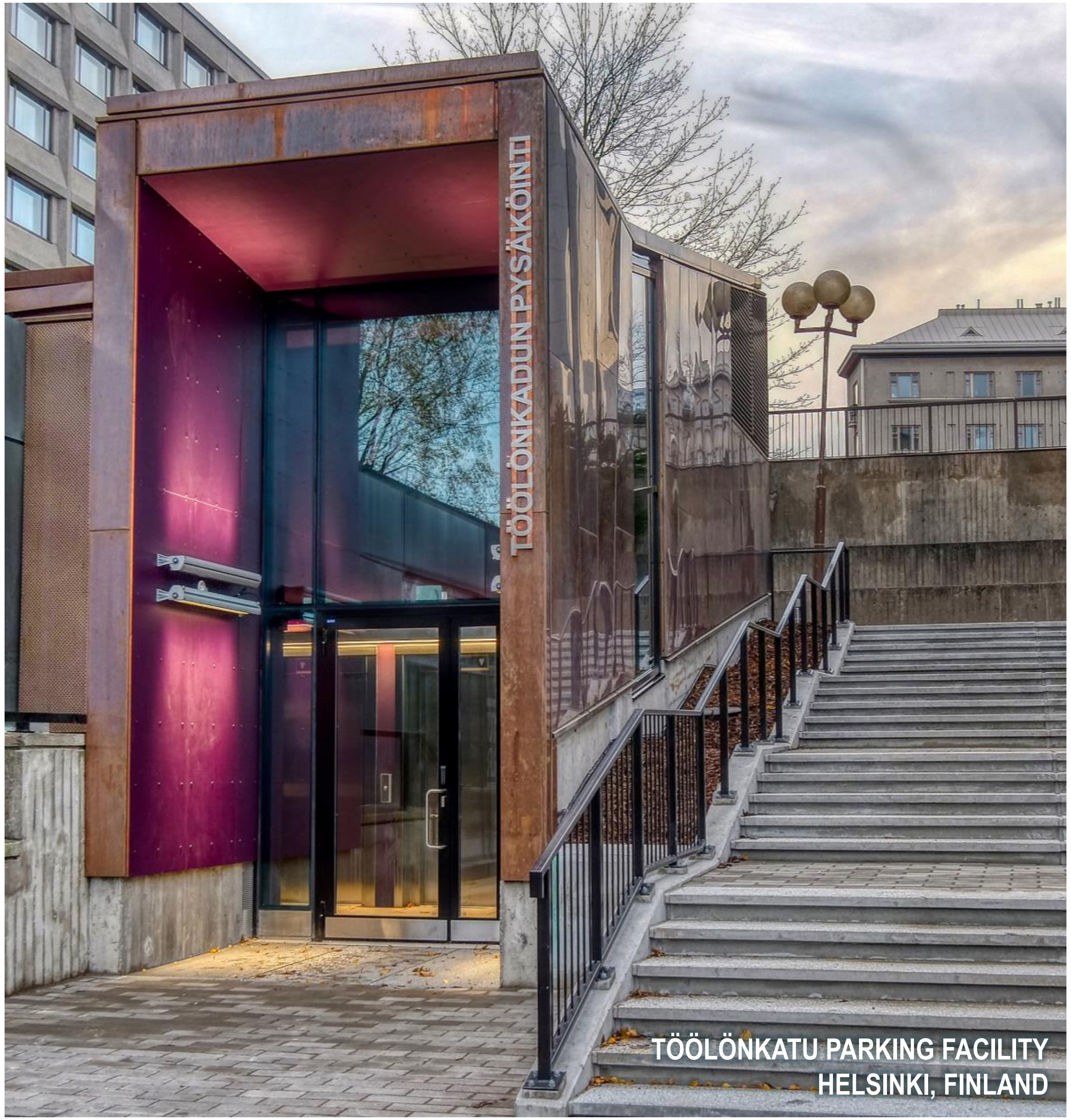
3

Group development in 2018 and key ratios

Key figures

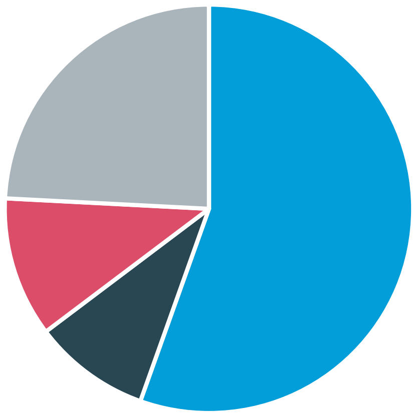
IFRS, EUR million			
Income statement	**Pro forma 1–12/18**	**Pro forma 1–12/17**	**Change[1]**
Revenue	3,759.3	3,862.5	*-3%*
Adjusted operating profit	134.5	138.9	*-3%*
Adjusted operating profit margin, %	*3.6%*	*3.6%*	–
Earnings per share, EUR	0.16	0.13	22%
Balance sheet	**Reported 12/18**	**Pro forma 12/17**	**Change[1]**
Capital employed	1,601.2	1,773.3	*-10%*
Equity ratio, %	*38.1%*	*40.2%*	–
Interest-bearing net debt	562.9	666.9	*-16%*
Gearing[2], %	*53.6%*	*59.9%*	–
Operating cash flow after investments, excluding discontinued operations	148.6	n/a	
Order backlog	4,433.8	4,218.3	5%
Number of personnel at end of period	9,070	9,721	*-7%*

[1] The change is calculated from pro forma figures including Lemminkäinen's financial statements from January 1–31, 2018
[2] YIT has changed the definition of gearing on January 1, 2018 to include interest-bearing receivables in the calculation of this key figure. The pro forma gearing for the comparison period is given according to the new definition.
Note: The adjusted operating profit does not include material reorganisation costs or impairment



Progress in synergy benefits and integration costs

MAIN SOURCES OF SYNERGY BENEFITS



- Changes in operating model, overlaps
- Premises
- IT systems
- Other

Additional synergy benefits expected from refinancing

TIMING OF SYNERGY BENEFIT MEASURES

3/2018A	6/2018A	9/2018A	12/2018A	2019E	2020E
6	34	38	40	45–50	45–50

cumulative from 2018, EUR million

ESTIMATION OF ACHIEVED SYNERGY BENEFITS, REPORTED IN EBIT

Q1/2018A	H1/2018A	1-9/2018A	1-12/2018A	2019E	2020E
3	7	9	19	34–40	45–50

annual, EUR million

ESTIMATED INTEGRATION COSTS[2]

3/2018A	6/2018A	9/2018A	12/2018A	2019E	2020E
5	8	11	22	35-40	40

cumulative from 2017, EUR million

ANNUAL SYNERGY BENEFIT ESTIMATE[1]

45–50

EUR MILLION

COST ESTIMATE AT MAXIMUM

40

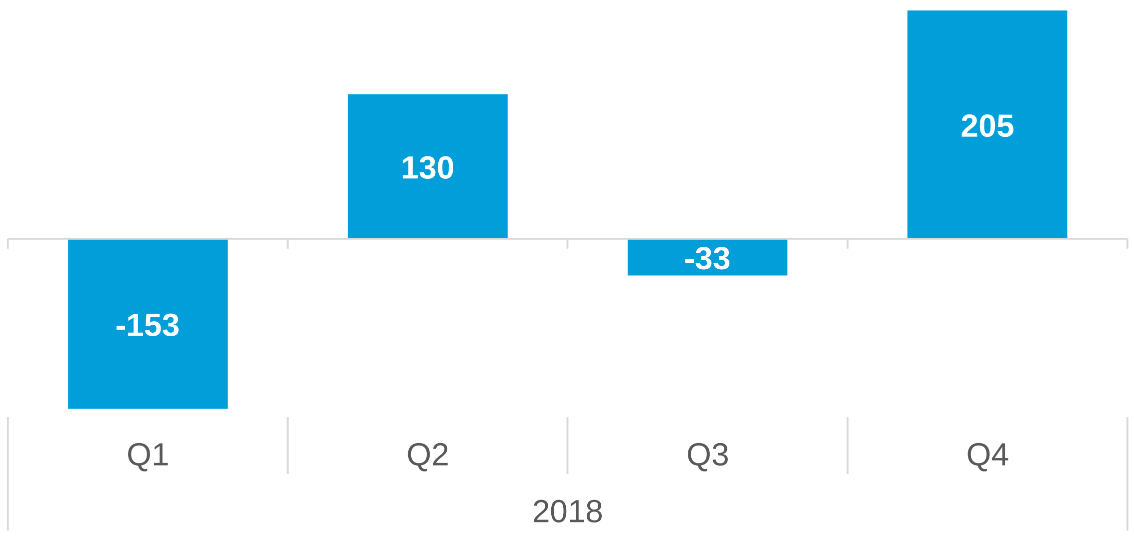
EUR MILLION

[1] According to the original target, full EBIT improvement potential per annum by the end of 2020, original target was set in June 2017. The target was raised in connection with Interim Report January–March 2018.
[2] Integration costs for 2017, EUR 4 million included in the cumulative figure

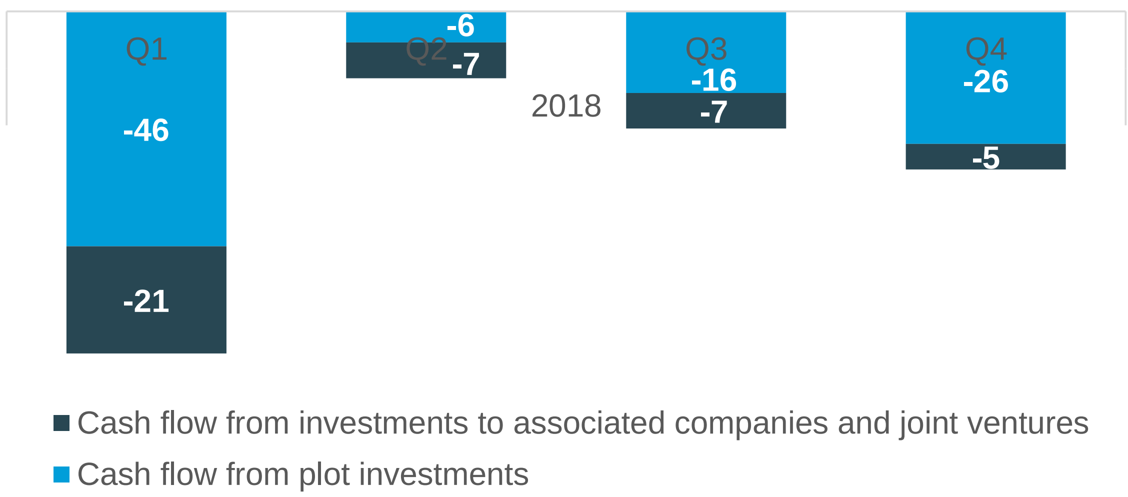
Strong operating cash flow

- Operating cash flow after investments was especially strong in Q4 supported by the property sales, and amounted to EUR 205 million
- FY2018 operating cash flow after investments amounted to EUR 149 million

OPERATING CASH FLOW AFTER INVESTMENTS (EUR million)



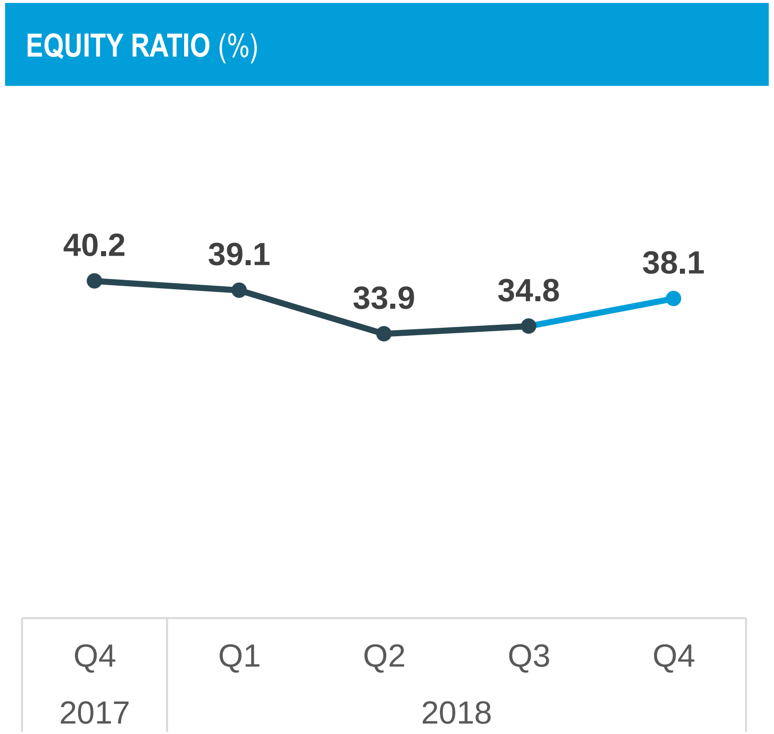
CASH FLOW OF PLOT INVESTMENTS AND INVESTMENTS TO ASSOCIATED COMPANIES AND JOINT VENTURES (EUR million)

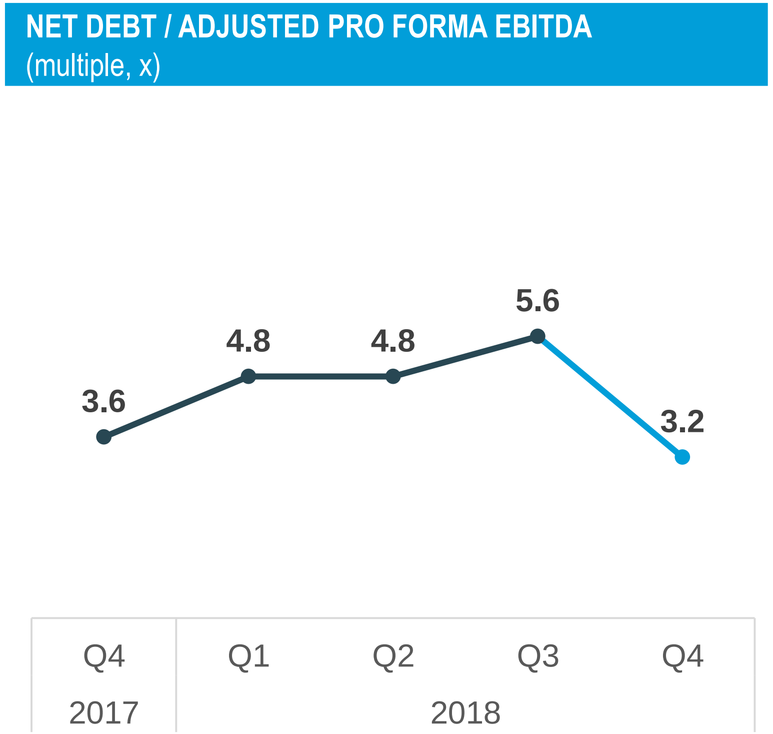


Figures above are actual reported figures.

All financial key ratios improved

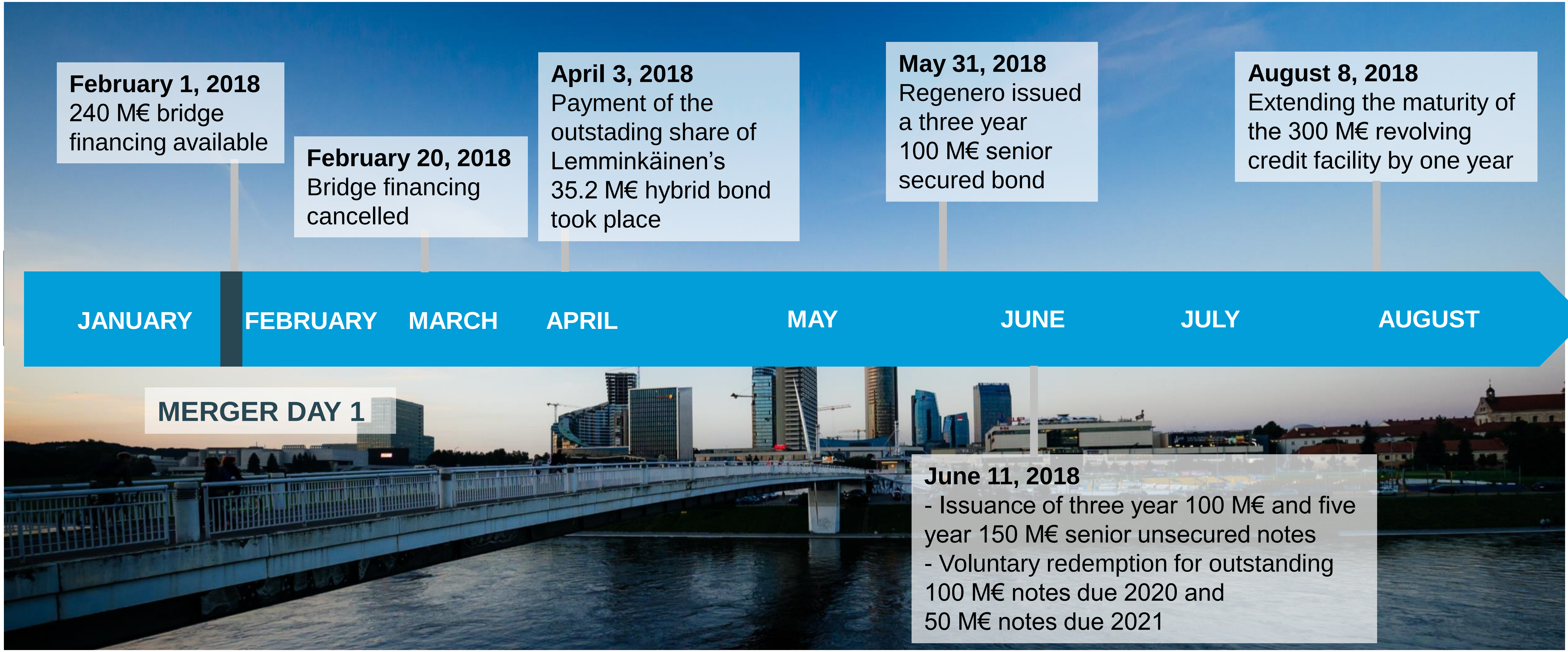
- The company's new strategic target for gearing is 30–50%





Q4/2017 figures are pro forma based and actual reported figures since Q1/2018.
[1] YIT has changed the definition of gearing so that interest-bearing receivables are included in the calculation

Financing activities in 2018



February 1, 2018
240 M€ bridge financing available

February 20, 2018
Bridge financing cancelled

April 3, 2018
Payment of the outstading share of Lemminkäinen's 35.2 M€ hybrid bond took place

May 31, 2018
Regenero issued a three year 100 M€ senior secured bond

August 8, 2018
Extending the maturity of the 300 M€ revolving credit facility by one year

JANUARY | FEBRUARY | MARCH | APRIL | MAY | JUNE | JULY | AUGUST

MERGER DAY 1

June 11, 2018
- Issuance of three year 100 M€ and five year 150 M€ senior unsecured notes
- Voluntary redemption for outstanding 100 M€ notes due 2020 and 50 M€ notes due 2021

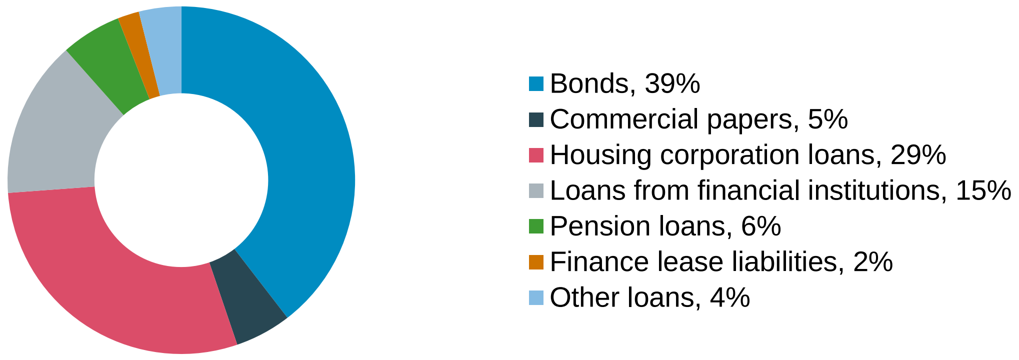
Balanced debt portfolio

BONDS			
Maturity	**Initial amout**	**Issue date**	**Coupon**
July 6, 2019	EUR 100 million	June 26, 2014	7.375%
June 11, 2021	EUR 100 million	June 11, 2018	3.150%
June 11, 2023	EUR 150 million	June 11, 2018	4.250%
RCF			
Maturity	**Initial amount**	**Issue date**	**Status**
August 2021	EUR 300 million	February 2018	Undrawn

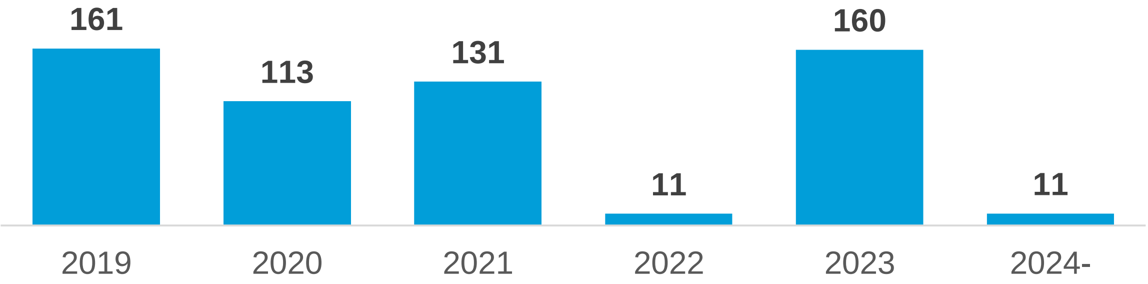
COVENANTS

- YIT's generally used covenants: gearing, equity ratio and interest cover ratio

DEBT PORTFOLIO[1] AT THE END OF THE PERIOD 12/2018, EUR 891.7 MILLION



MATURITY STRUCTURE, NOMINAL AMOUNTS[1] (EUR million)



[1] Excluding housing corporation loans, EUR 259.0 million (these loans will be transferred to the buyers of the apartments when the units are handed over), and commercial papers, EUR 46.7 million.

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Outlook and guidance

Guidance for 2019

The Group revenue 2019 is estimated to be in the range of +5% – -5% compared to revenue 2018 (pro forma 2018: EUR 3,759.3 million).

In 2019, the adjusted operating profit[1] is estimated to be EUR 170–230 million (pro forma 2018: EUR 134.5 million).

GUIDANCE RATIONALE

- The guidance for 2019 is based, among others, on the completion of Mall of Tripla in the last quarter, the estimated timing of completion of the residential projects under construction and the company's solid order backlog. At the end of December, 63% of the order backlog was sold.
- Significant fluctuation is expected between the quarters due to normal seasonal variation, sales of business premises projects and the timing of completions of residential projects as well as Mall of Tripla. As in 2018, the last quarter of the year is expected to be clearly the strongest. The company estimates that the adjusted operating profit for first quarter of 2019 will be on par with the comparison period (pro forma).

[1] The adjusted operating profit reflects the result of ordinary course of business and does not include material reorganisation costs, impairment charges or other items affecting comparability. Adjusted operating profit is disclosed to improve comparability between reporting periods. Adjusting items are defined more precisely in bulletin's the tables section.

Q&A

Additional information

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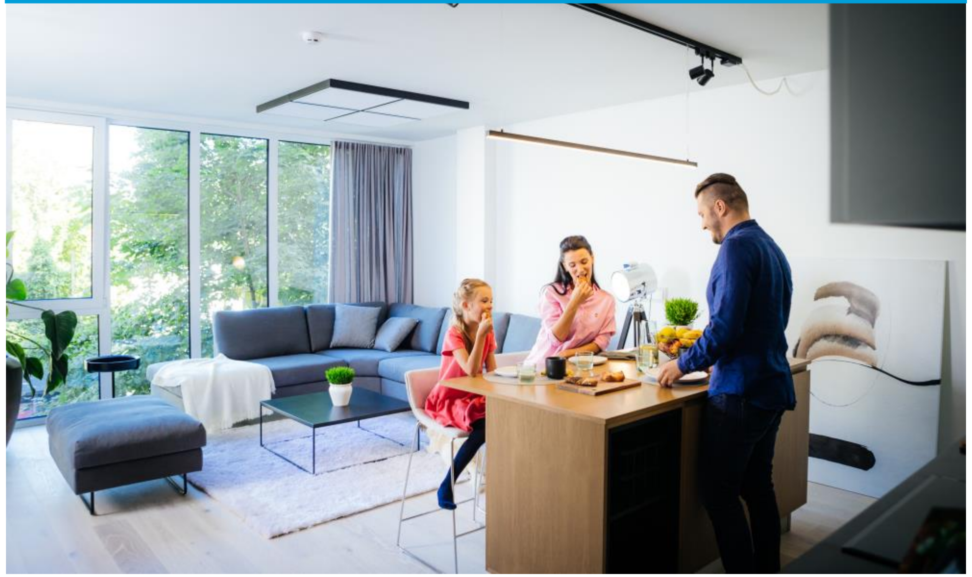
Presentation of financial information

- In this presentation, all figures are pro forma figures, unless otherwise stated, to facilitate the comparability of the combined company's financial information
  - Following the merger of YIT and Lemminkäinen on February 1, 2018, YIT published pro forma figures for 2016 and 2017, which are used as comparison figures in this presentation
  - YIT reports pro forma figures for 1–12/2018 to include Lemminkäinen's financial statements for January 1–January 31, 2018
  - Balance sheet based figures as at December 31, 2018 are actual reported figures
- All figures and comparisons are according to IFRS reporting unless otherwise stated.
- Unless otherwise noted, the figures in brackets refer to the corresponding period in the previous year and are of the same unit.

Merger related fair value cost effects and goodwill have not been allocated to the segments' capital employed but are reported in segment level in "other items and eliminations". Therefore, adjustments due to merger related items have no impact on the segments' results.



Together
we can
do it.