

# Q4/2024

Financial Statements Bulletin January – December 2024

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# Consumer apartment sales increased, contracting segments continued on a good track

Increasing trend in apartment sales continued in Finland, new projects started to meet the demand in selected cities

Fourth quarter consumer apartment sales the highest quarterly sales in three years in the Baltic and CEE residential business

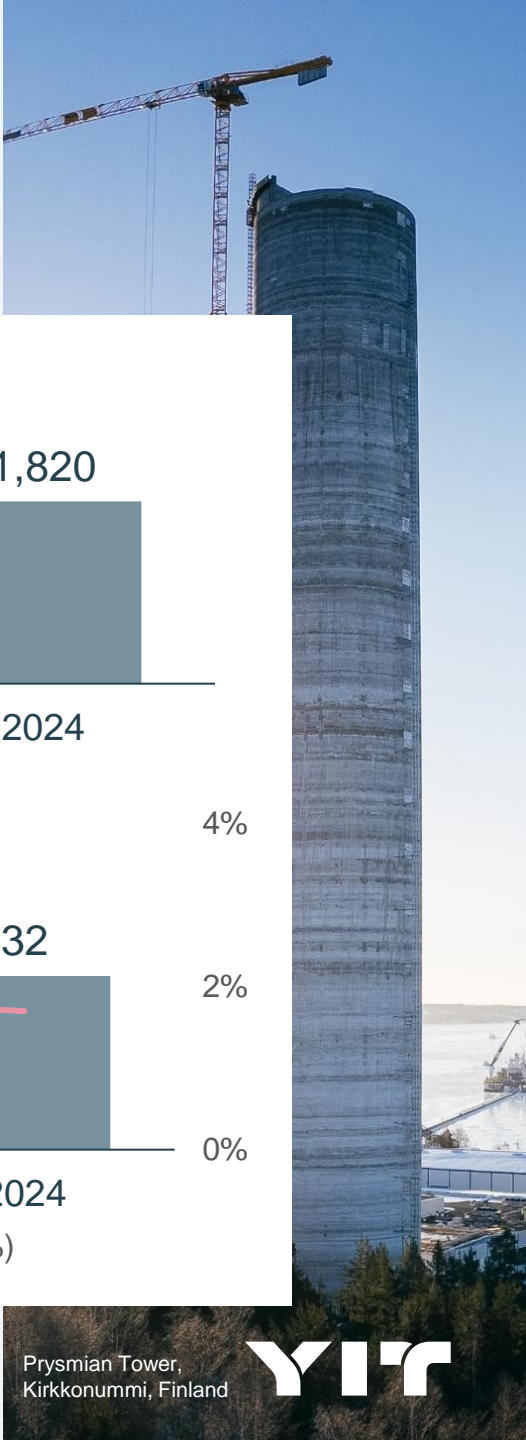
Solid operative performance from contracting segments, strong order intake from industrial customers



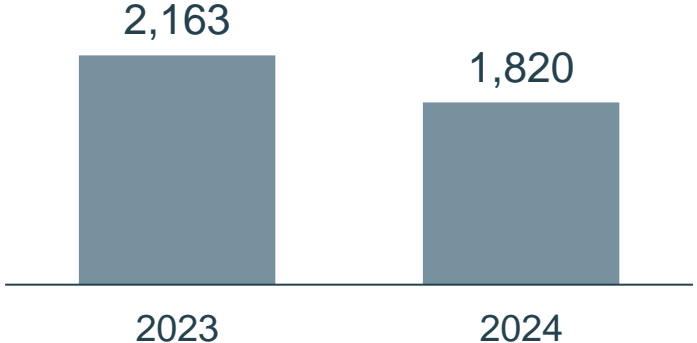
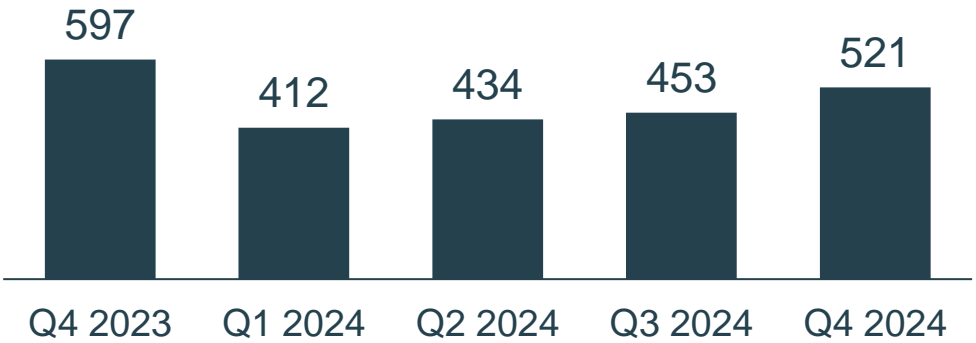
# YIT's 2024 in brief

- **We improved our financial position significantly.** A comprehensive multi-stage financing renewal was executed in a planned manner during the first half of the year, and we decreased our net debt by EUR 115 million during the year.
- **We completed our transformation program successfully.** The annual inflation-adjusted run-rate cost savings target of EUR 40 million by the end of 2024 was achieved ahead of schedule by the end of June and exceeded during the second half of the year. By the end of the year, we had reached EUR 43 million of savings, and we continue to seek further savings and efficiencies.
- **We published a new strategy and financial targets for 2025-2029** in November, which will pave the way for the coming years. The new strategy aims to enhance our resilience and ensure successful performance in all market conditions.
- In the **Finnish residential business**, the year was difficult due to the market conditions. However, even in a challenging market, our consumer apartment sales increased to 589 (2023: 419).
- In the **Baltic and CEE countries' residential business**, apartment sales and revenue grew substantially throughout the year as market conditions improved. Apartment starts increased by more than 50% altogether during the year.
- In the **Infrastructure segment**, the Finnish operations achieved an increase in revenue, adjusted operating profit and order book, along with a reduction in capital employed to negative, in alignment with the strategic goals.
- In the **Building Construction segment**, the operational performance continued to improve, but balance sheet items continued to burden the profitability.

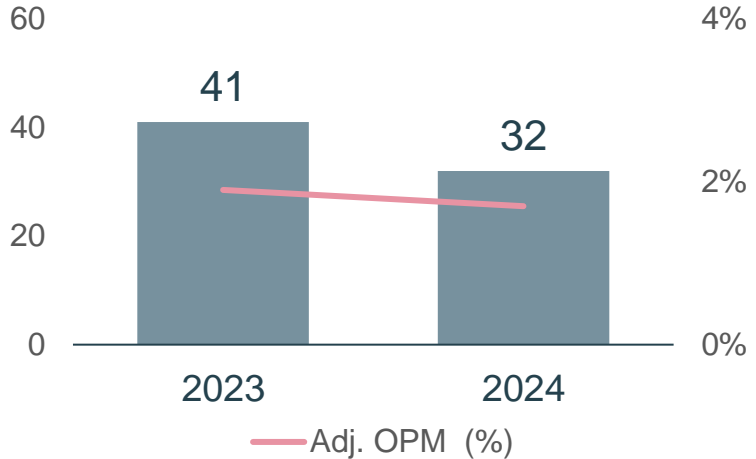
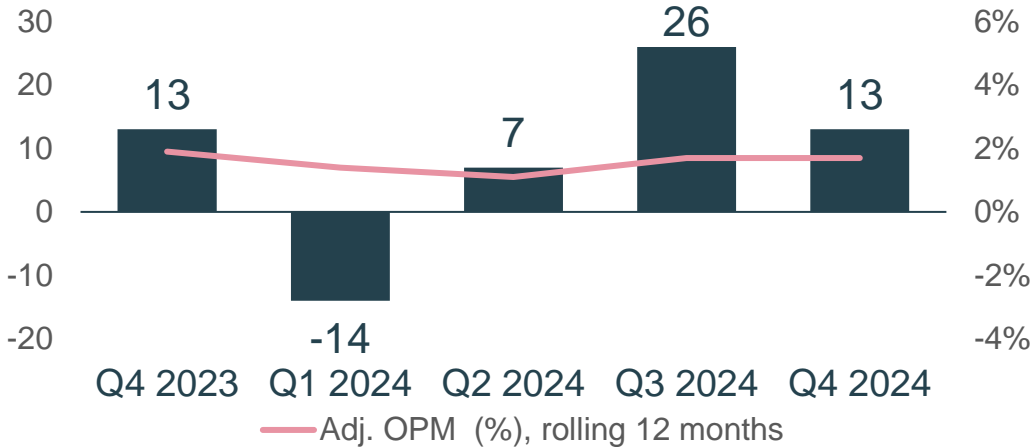
# Revenue and adjusted operating profit decreased in 2024



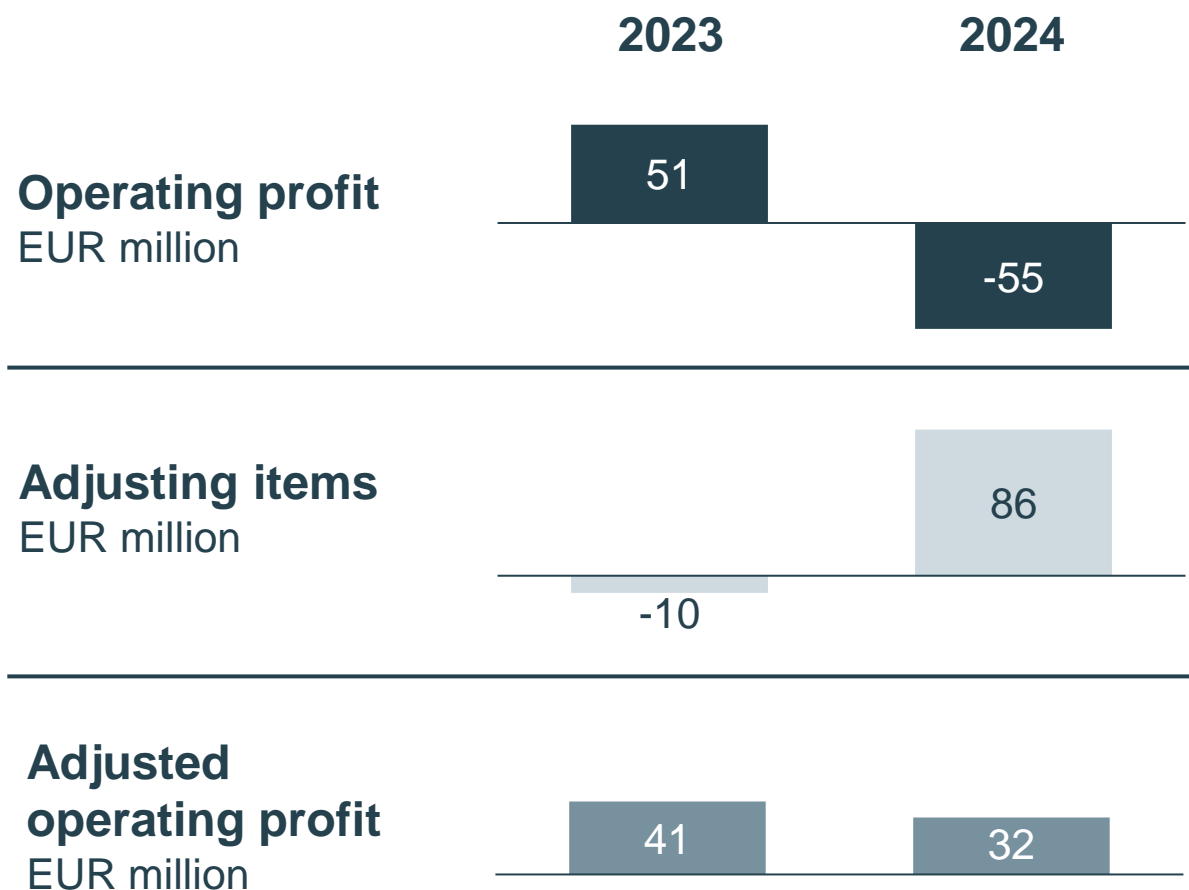
**Revenue**  
EUR million



**Adjusted operating profit**  
EUR million



# Operating profit impacted by actions taken



## Main adjusting items in 2024

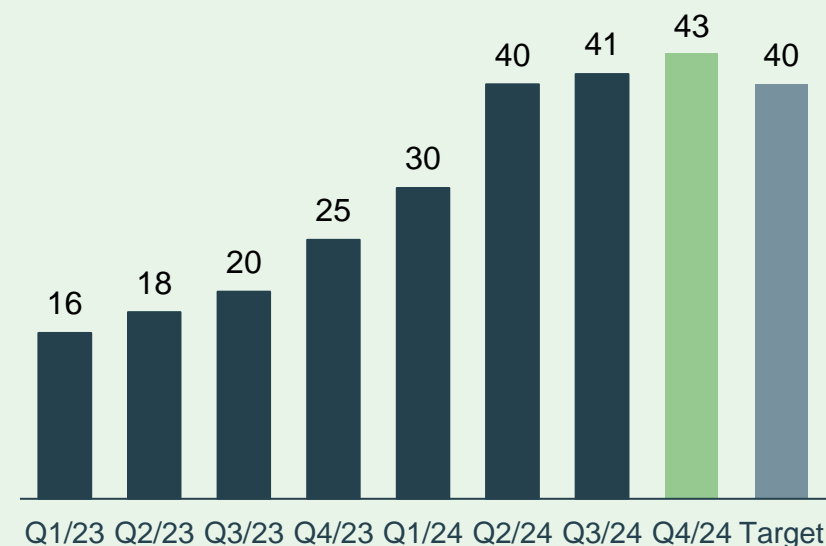
- EUR 54 million costs related to the transformation program
  - Of which EUR 20 million related to headquarter premises in Finland
  - Of which EUR 34 million related to other costs in the transformation program
- EUR 45 million costs related to closure of business operations in Norway and Sweden
- EUR 19 million positive gain on the sale of the equipment service business YIT Kalusto Oy

The actions taken will improve YIT's profitability in the coming years.

# Transformation program targets achieved and exceeded

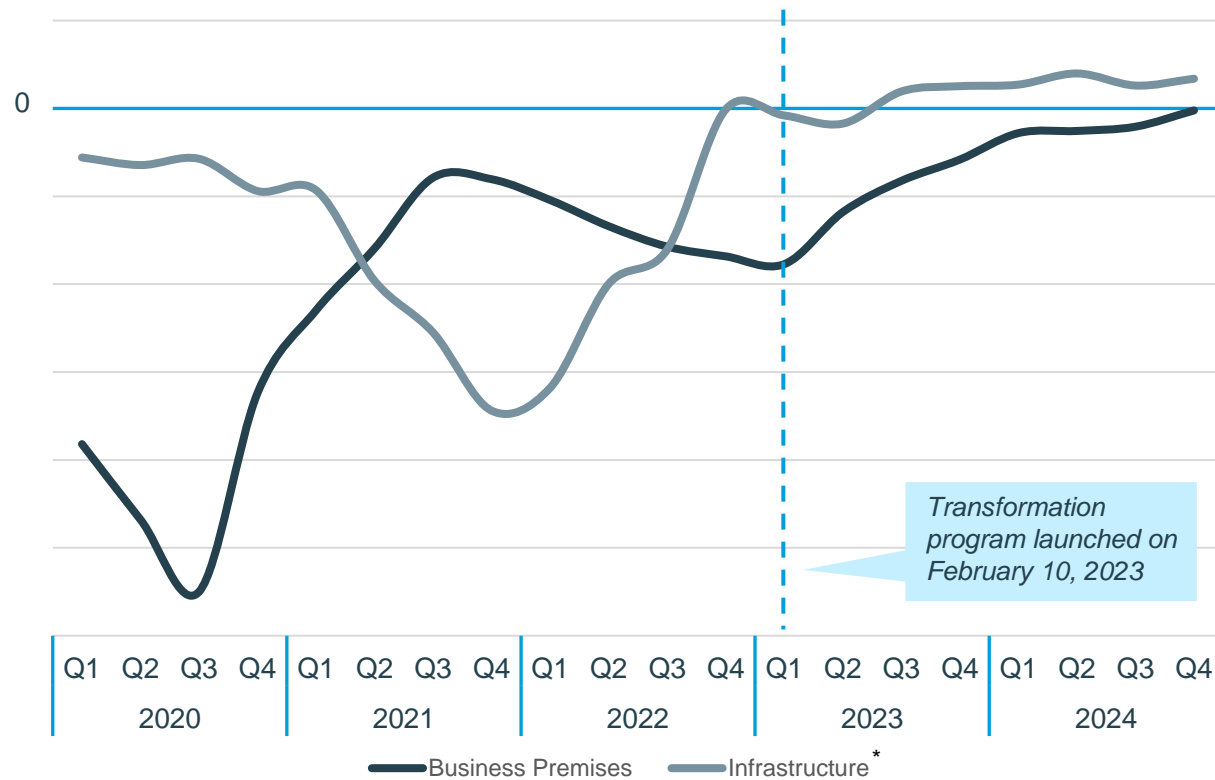
- The transformation program was successfully completed in 2024, and now the focus moves towards continuous improvement
- Annualized inflation-adjusted run-rate cost savings target of EUR 40 million for the program was achieved ahead of schedule by the end of Q2/24, and by the end of 2024, YIT reached EUR 43 million of savings
- YIT continues to seek further savings and efficiencies.
- In addition to the cost savings, YIT has achieved a significant amount of project-related and capital efficiency gains as part of the program.
- Transformation program costs amounted to EUR 73 million.

**Cumulative annualized cost savings secured from the transformation program, EUR million**



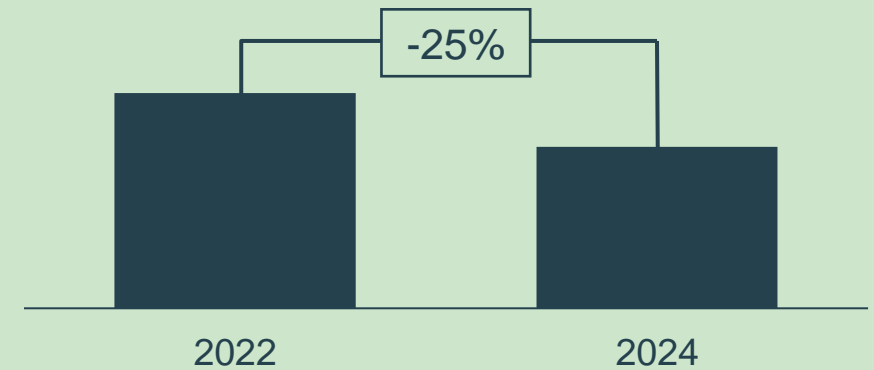
# Transformation program results

**Project net deviations,**  
rolling four quarters

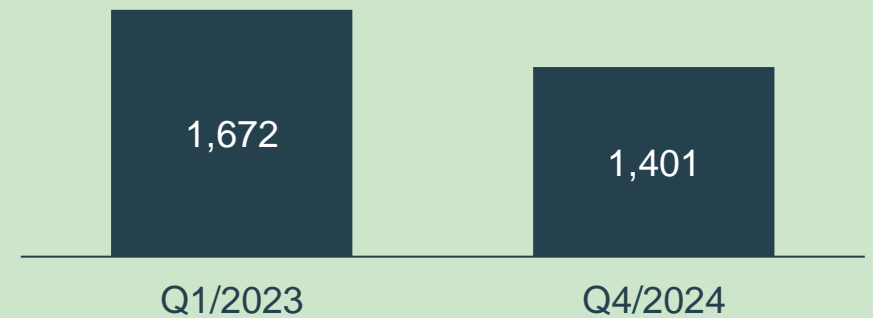


Transformation program launched on February 10, 2023

**Fixed costs\***



**Capital employed,**  
EUR million



\*From Q4/2023 onwards excluding businesses to be closed down in Norway and Sweden

\*Excluding transformation program costs



# Baltic and CEE residential business the main profit driver in Q4

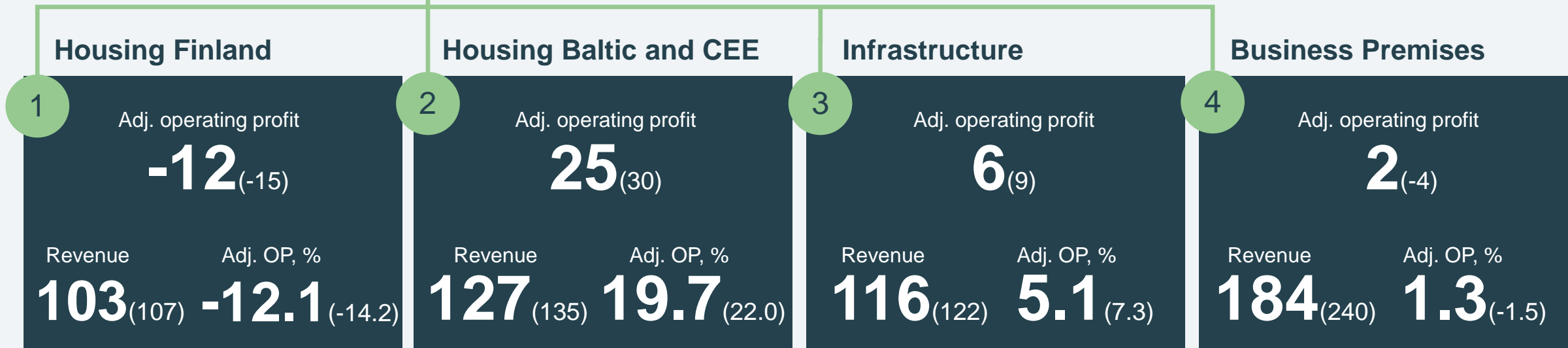
YIT Group, EUR million

Adj. operating profit	Revenue	Adj. OP, %
<b>13</b> (13)	<b>521</b> (597)	<b>2.6</b> (2.2)

(previous year comparable period in parenthesis)

- Residential market in Finland remained weak impacting performance
- High profitability in the Baltic and CEE countries residential business
- Infrastructure continued its solid performance
- Profitability improved in Business Premises

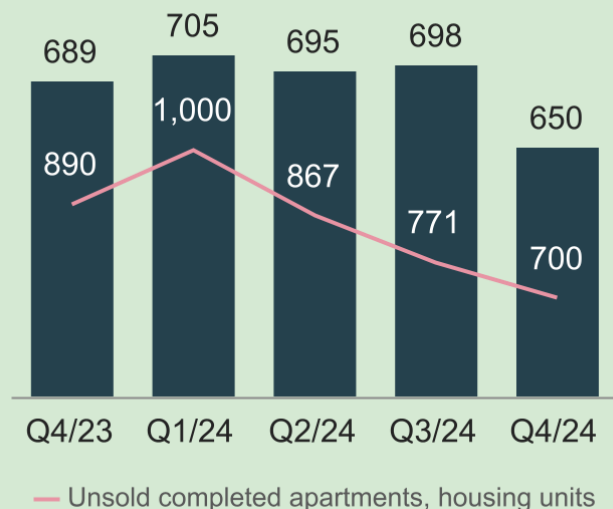
EUR million



# Housing Finland: Capital employed and the number of unsold completed apartments decreased

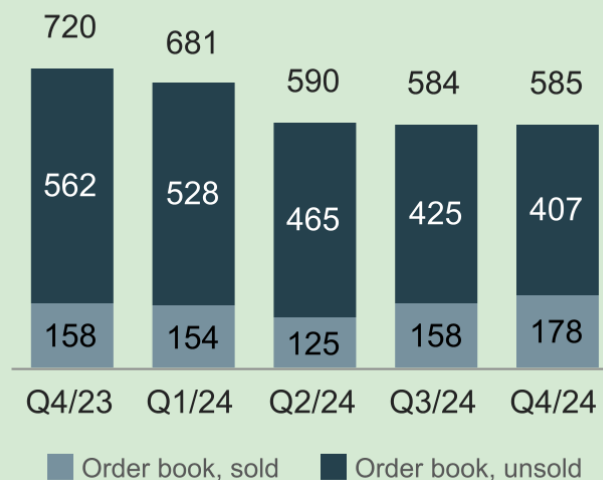


Capital employed, EUR million



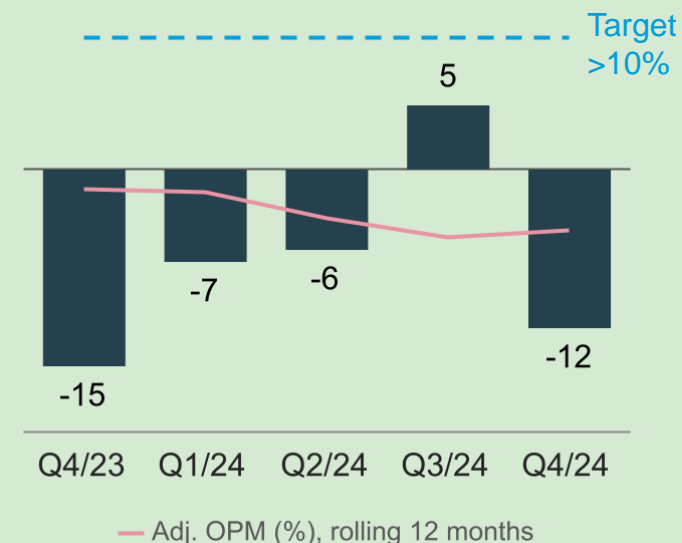
Increasing trend in apartment sales continued, decreasing the number of unsold completed apartments to 700 at the end of Q4.

Order book, EUR million



Order book continued on a low level and includes mostly supported apartment projects and a few new self-developed starts.

Quarterly adj. operating profit, EUR million

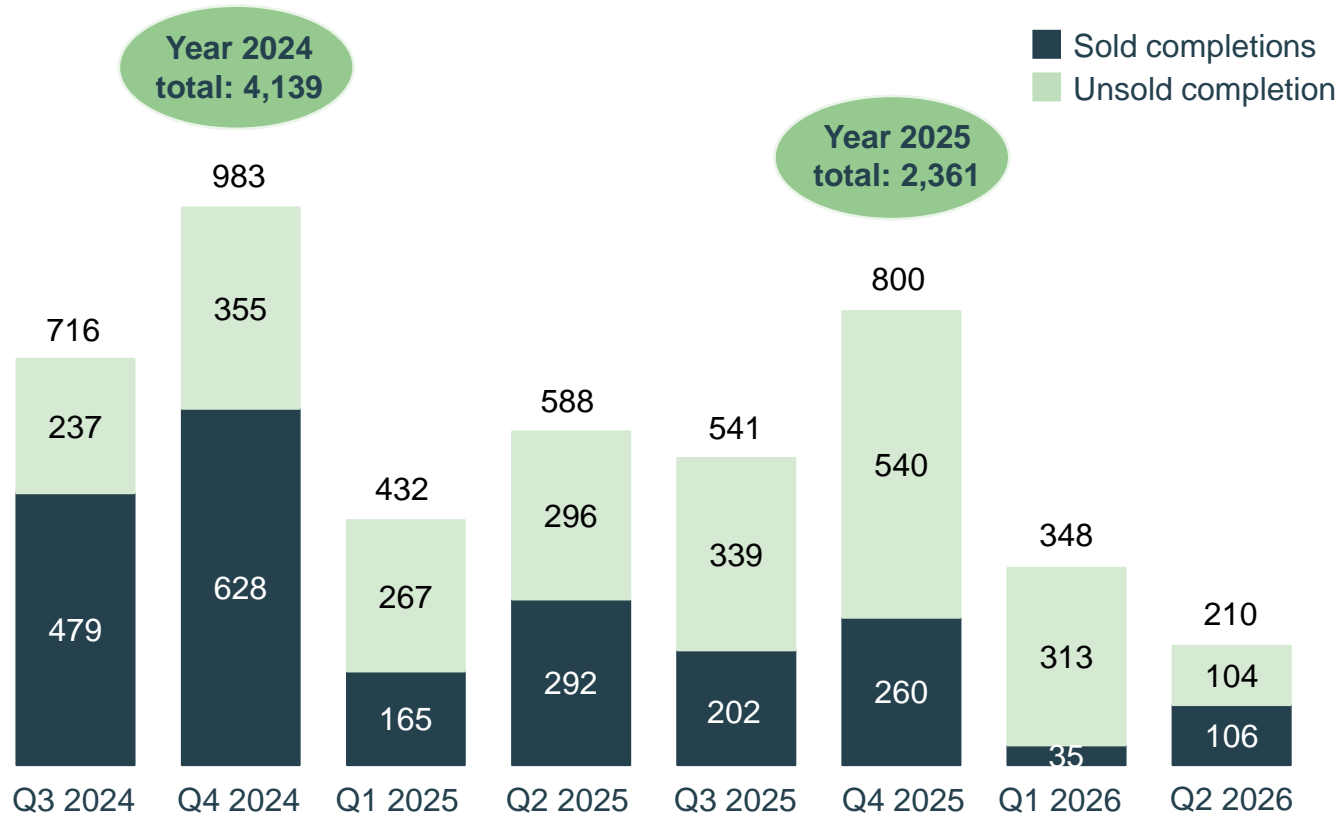


Adjusted operating profit was impacted by weak market demand and costs related to the stock of unsold apartments.

# Finnish residential market completions outlook

## Q3 2024 – Q2 2026

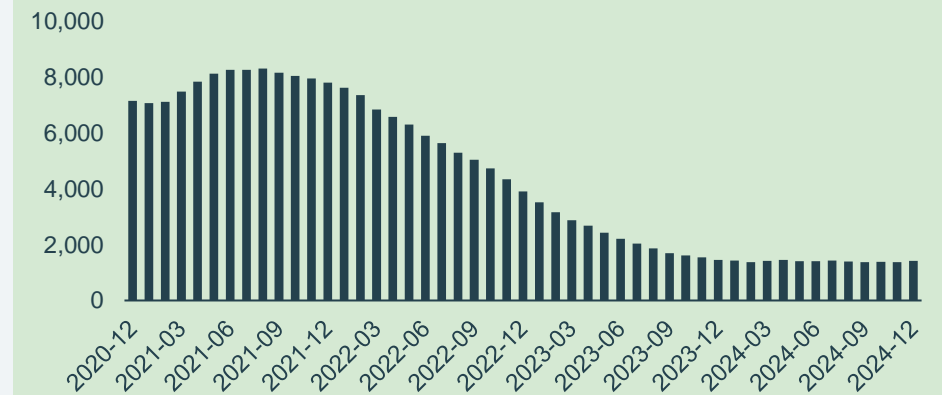
### Self-developed apartment unit completions in the Finnish residential market



Source: Project list from STH Group 10/2024, company websites 01/2025

- New starts are mostly outside of the capital area, supply on the market continues on a tight level throughout 2025.
- No definitive signs of a strong recovery in the market in 2025

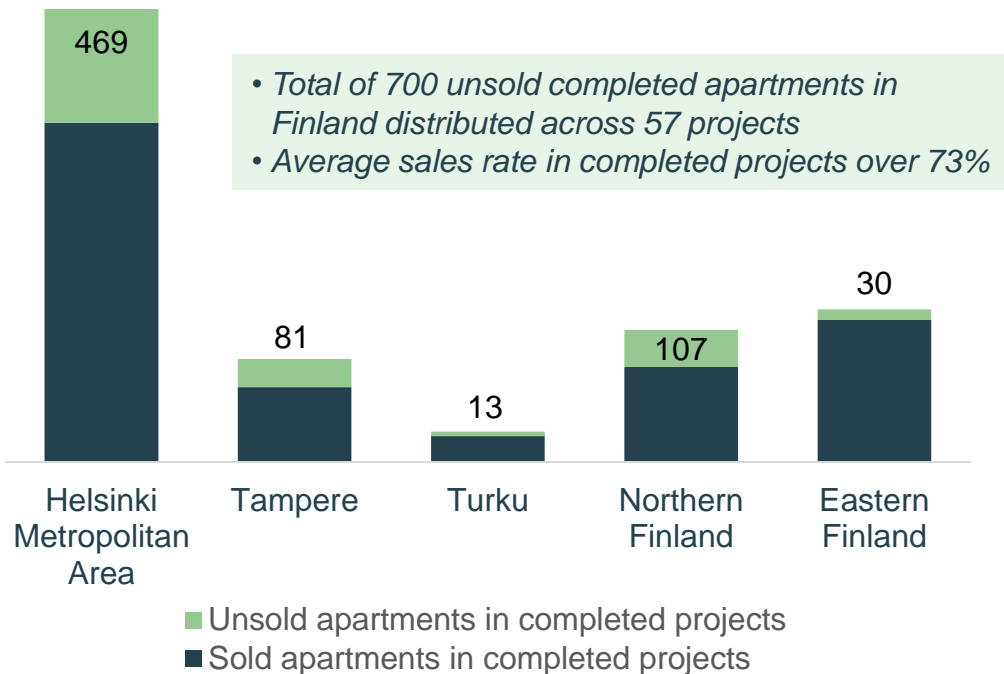
### Total sales of new apartments in Finland rolling 12 months



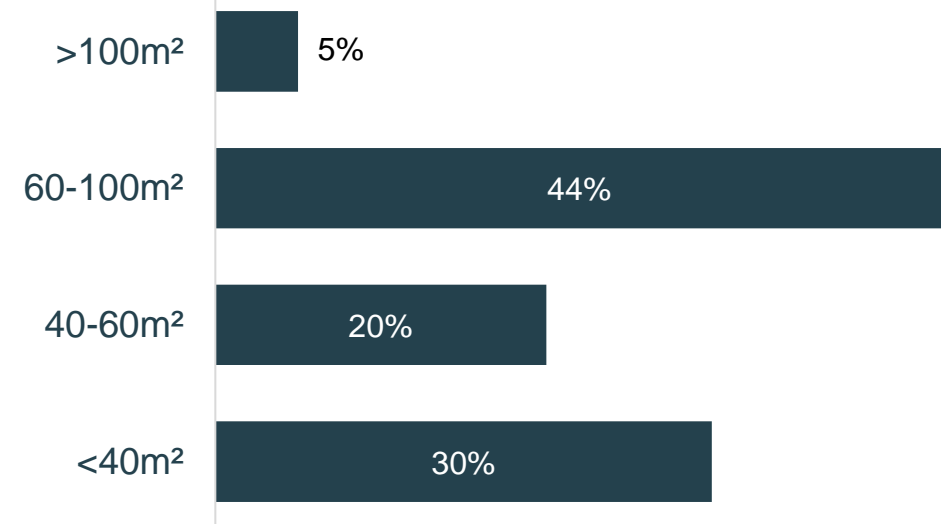
Source: Federation of Real Estate Agency

# The stock of unsold completed apartments continues to decline – we will reach normal level of inventory during 2025

## Unsold completed apartments in Finland by region



## Size distribution of the unsold completed apartments in Finland

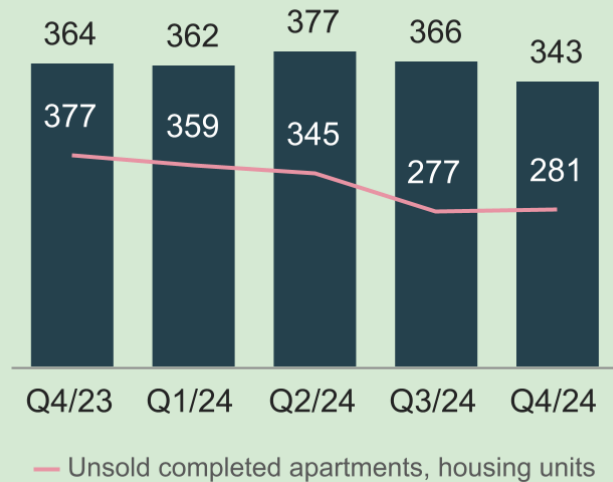


Source: <https://www.yit.fi/en/homes/apartments-for-sale>, 31 December 2024

# Housing Baltic and CEE countries: Strong profitability and high apartment sales

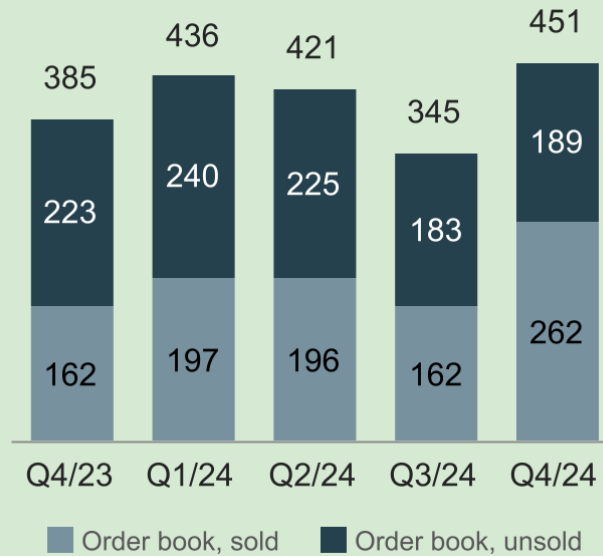


Capital employed, EUR million



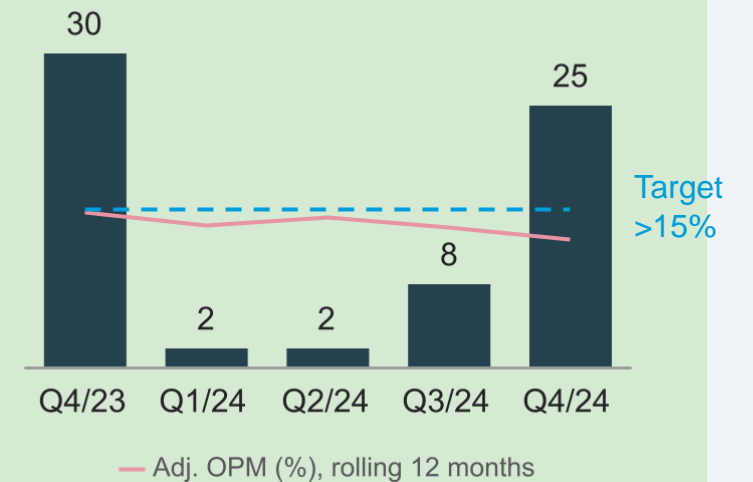
Stock is on a normal level, capital employed under control and in line with the strategy.

Order book, EUR million



Share of sold orderbook increasing as sales volumes are accelerating.

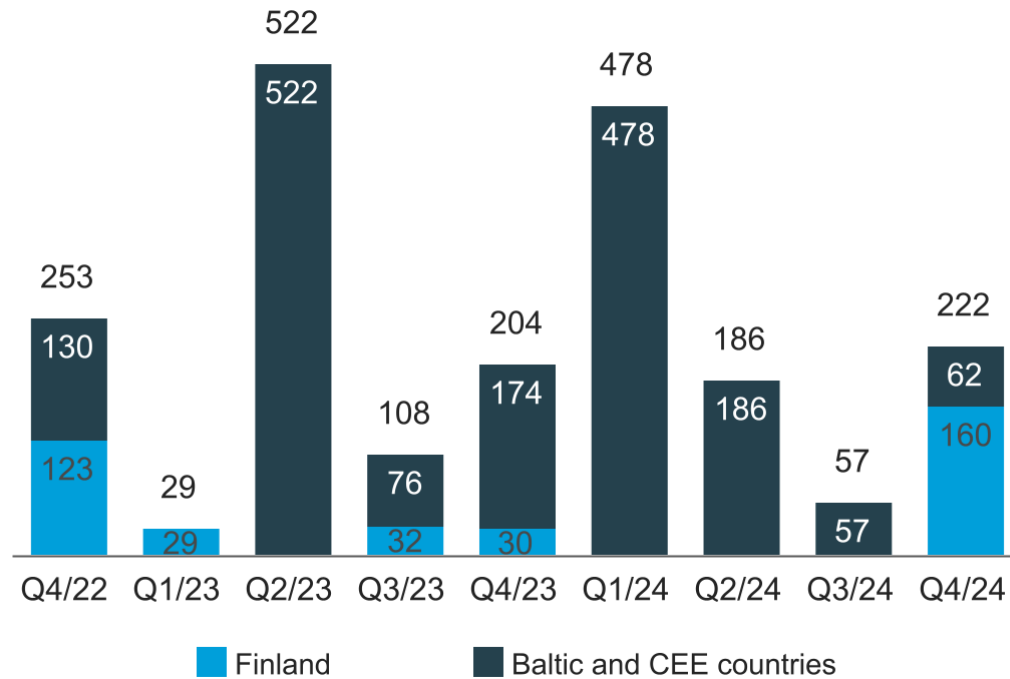
Quarterly adj. operating profit, EUR million



Strong profitability with adjusted operating profit margin at 12% in 2024.

# New projects started in Finland to meet the demand in selected cities

## Consumer apartment starts, units



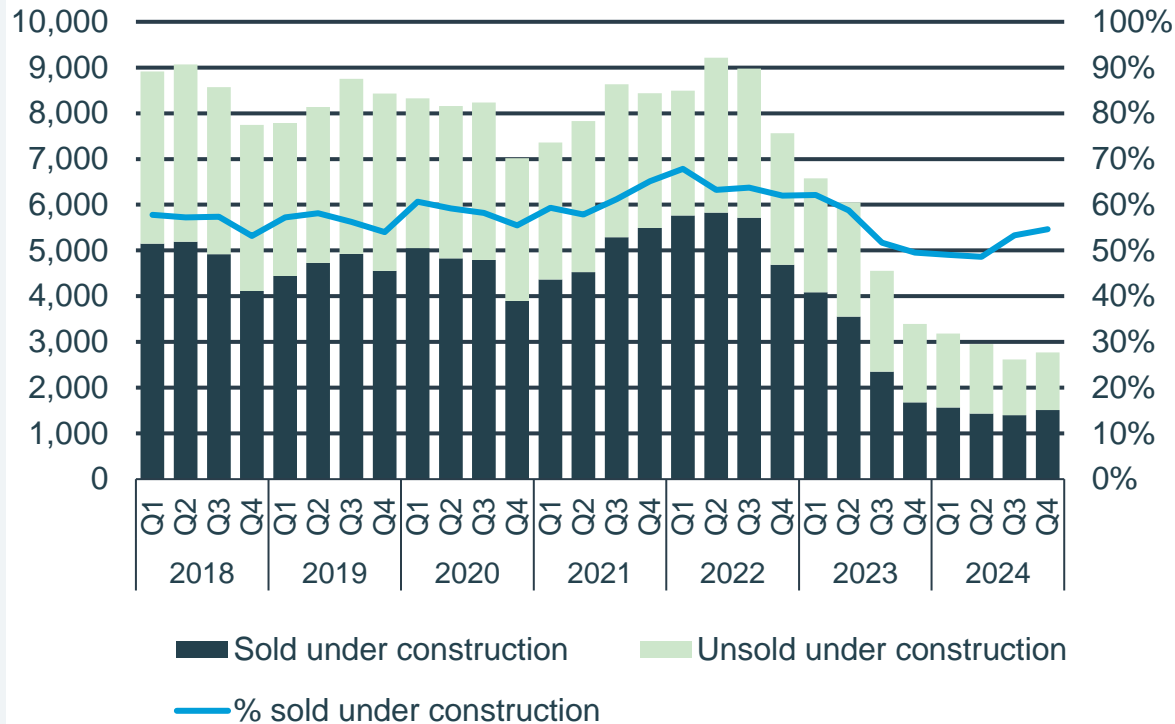
Does not include starts in JV structures

- Consumer apartment starts amounted to 222 (204) apartments
- Overall apartment starts are concentrated in the Baltic and CEE countries
- Four projects started in Finland during Q4, supported by regional demand
- The plot reserve in Finland offers the capability to start new projects when the timing is right
- 8 projects in pre-marketing phase and 26 projects in planning in Finland



# Production under control

**Total number of apartments under construction for consumers and investors, units**

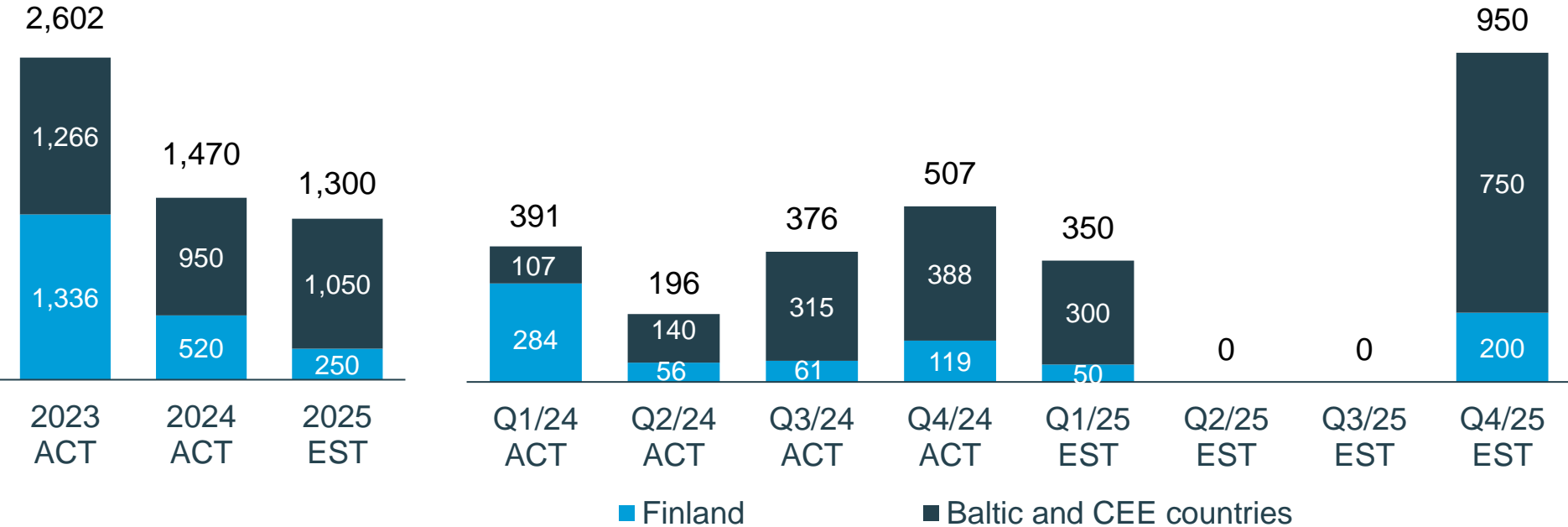


- Total number of apartments under construction was 2,770 (3,393), majority of which located in the Baltic and CEE countries
- Sales rate of apartments under construction increased to 55% (50%)
- Unsold apartments under construction correspond to 7 months of sales



# Low amount of completions during 2025 will limit the Finnish residential business's capability to generate profit

Consumer apartment completions, units

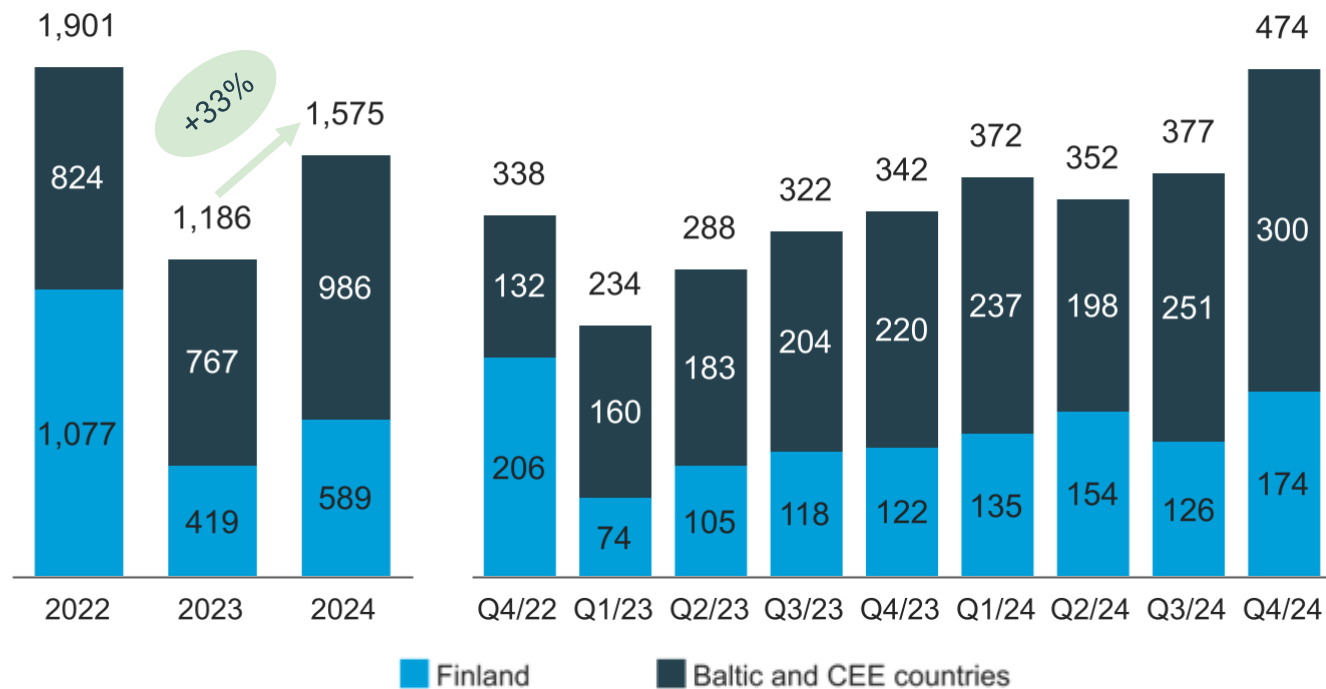




# Q4/24 was the strongest quarter in consumer apartment sales since Q2/22



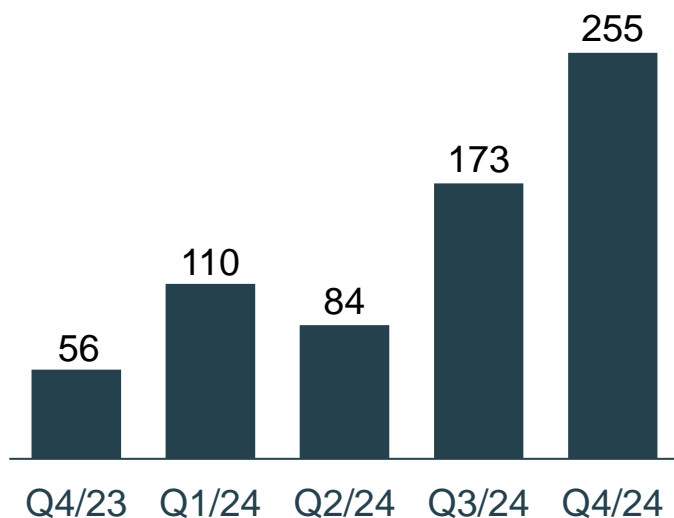
## Consumer apartments sold, units



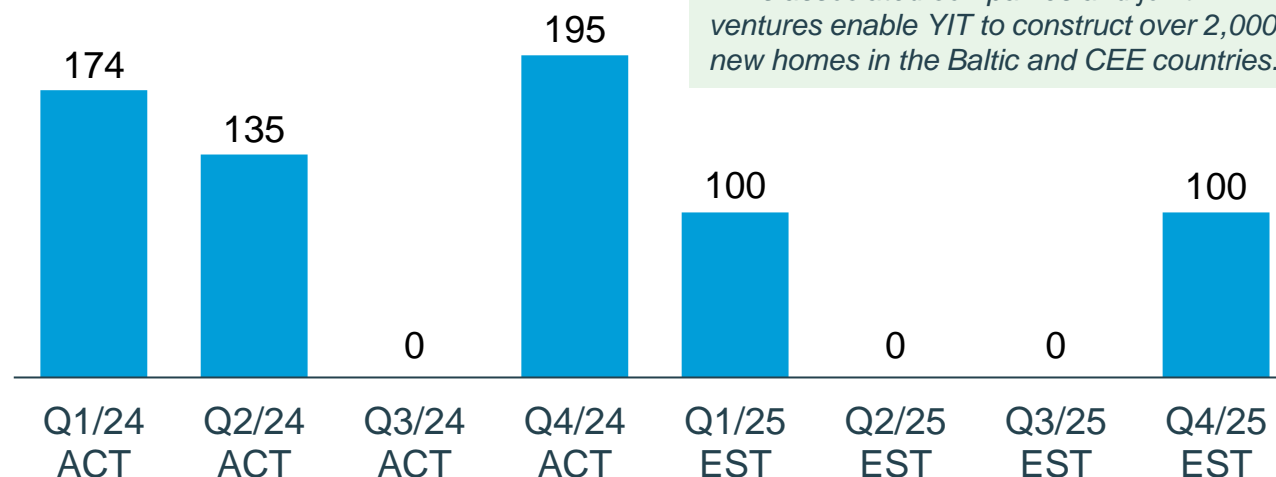
- Consumer sales in Finland increased by 38% during the fourth quarter, and +43% y-on-y
- In the Baltic and CEE countries, consumer sales improved by +20% from the previous quarter and +36% y-on-y
- Consumer apartment sales in Finland were the highest since Q4/22, and in the Baltic and CEE countries since Q4/21

# Apartments sold by associated companies and joint ventures at a record high level

**Apartments sold by associated companies and joint ventures\*, units**



**Estimated completions of apartments under construction in associated companies and joint ventures, units**



*Total of 88 (end of Q3/24: 109) unsold completed apartments in associated companies and joint ventures at the end of December 2024.*

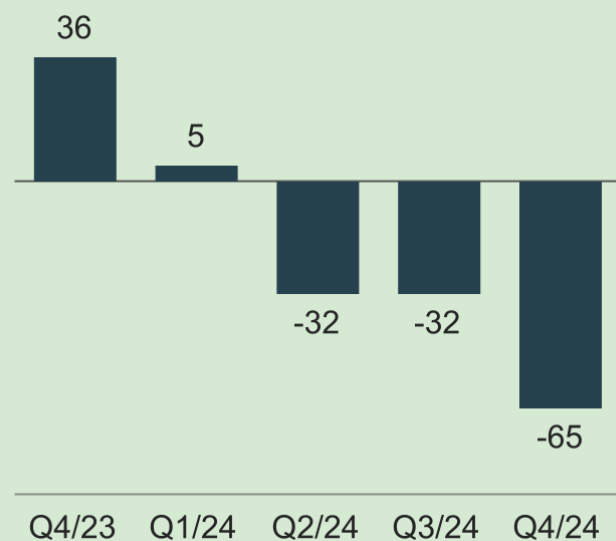
*YIT's associated companies and joint ventures enable YIT to construct over 2,000 new homes in the Baltic and CEE countries.*

\*Apartments sold from the inventory of YIT's project development joint ventures and associated companies, not included in YIT's reported apartment sales or completions.



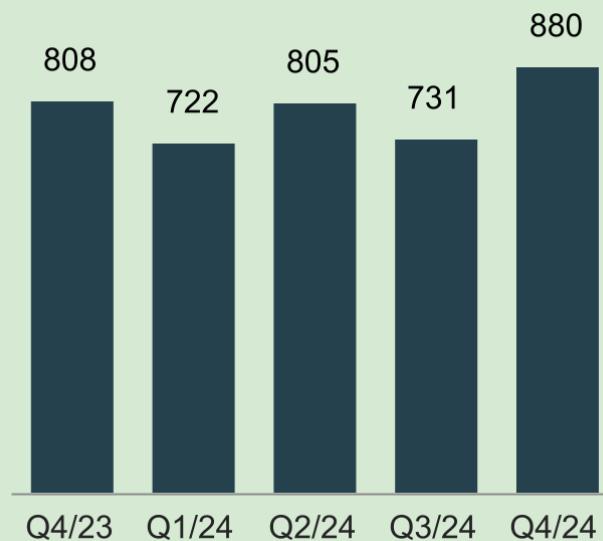
# Infrastructure: Starting the year 2025 from a solid position

### Capital employed, EUR million



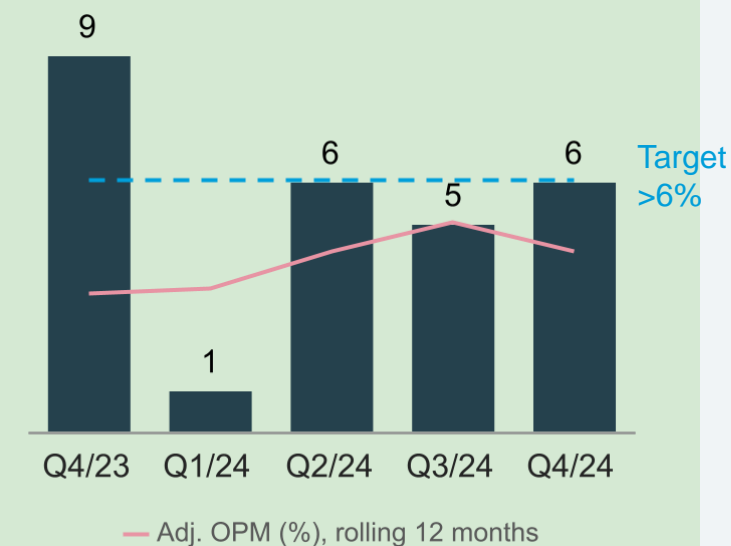
Segment reached the target to operate with negative capital employed in Q2/24 and the trend has continued.

### Order book, EUR million



Strong order book with large projects announced during Q4.

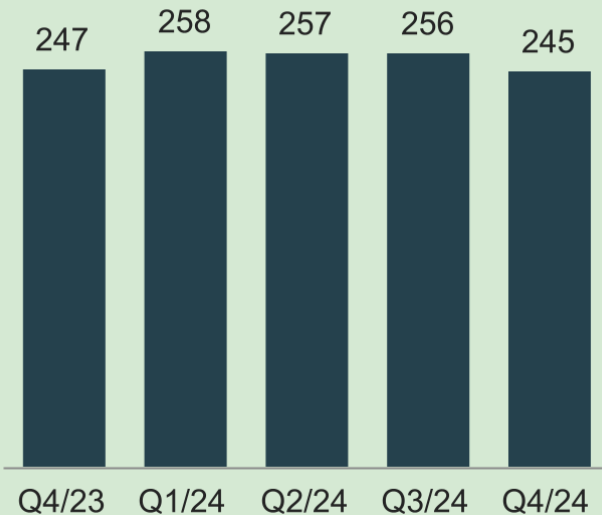
### Quarterly adj. operating profit, EUR million



Steady profitability during 2024 with the adjusted operating profit margin at 4.3% for the year.

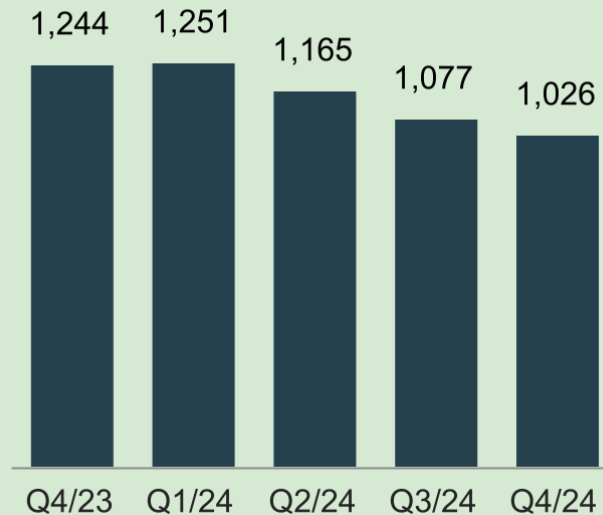
# Business Premises: Balance sheet burdened full year profitability

Capital employed, EUR million



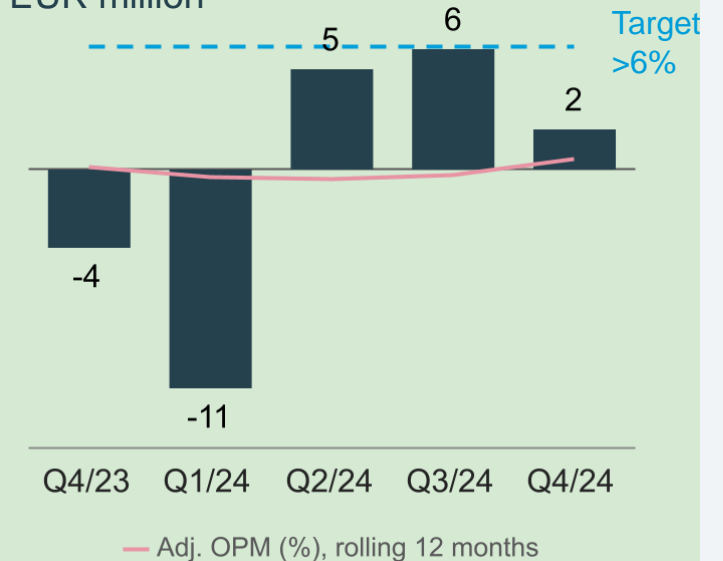
No significant changes in capital employed.

Order book, EUR million



Order book decline reflects market situation and shift from self-developed offices to tender-based contracting.

Quarterly adj. operating profit, EUR million



Adjusted operating profit not meeting expectations, balance sheet items burdened profitability in 2024.

Market environment remained stable; the primary apartment market sales volumes are expected to slightly increase during 2025 in Finland

	Residential market	Building construction market	Infrastructure market
Finland	Weak →	Normal →	Normal →
Baltic countries	Normal →	Normal →	
Central Eastern Europe	Normal ↗	Normal →	

Q4 market environment

■ Good
 ■ Normal
 ■ Weak

Short-term market outlook

↗ Improving
 → Stable
 ↘ Weakening

# We took important steps to improve our financial position during 2024

**Adjusted operating profit**  
at

EUR **32** million

(2023: 41)

**Operating cash flow**  
after investments was

EUR **110** million

(2023: -137)

**Capital employed**  
amounted to

EUR **1,401** million

(2023: 1,618)

**Net debt at**

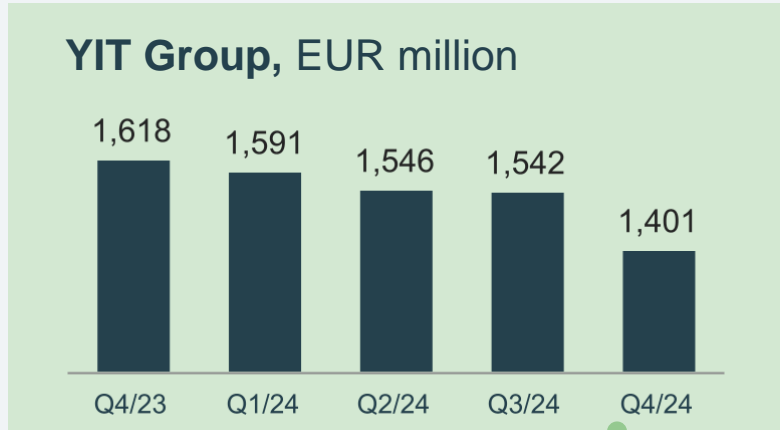
EUR **680** million

(2023: 795)

(Q3/24: 789)

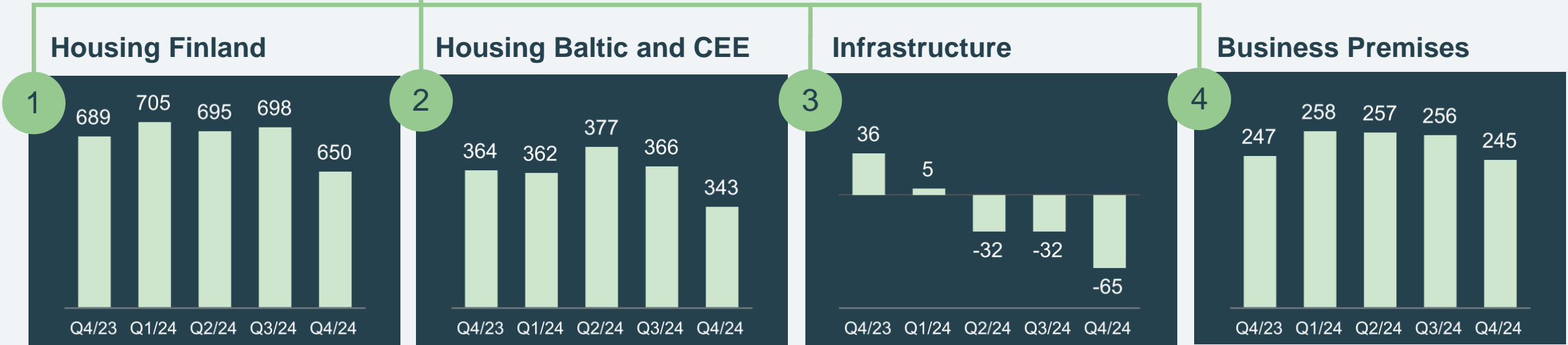


# Capital employed decreased in all businesses



- Capital employed decreased significantly on a group level, supported by the successful capital release measures
- Capital employed decreased in Housing, supported by strong apartment sales
- In Infrastructure, capital employed decreased significantly both during 2024 and Q4
- Business Premises capital employed includes Tripla Mall

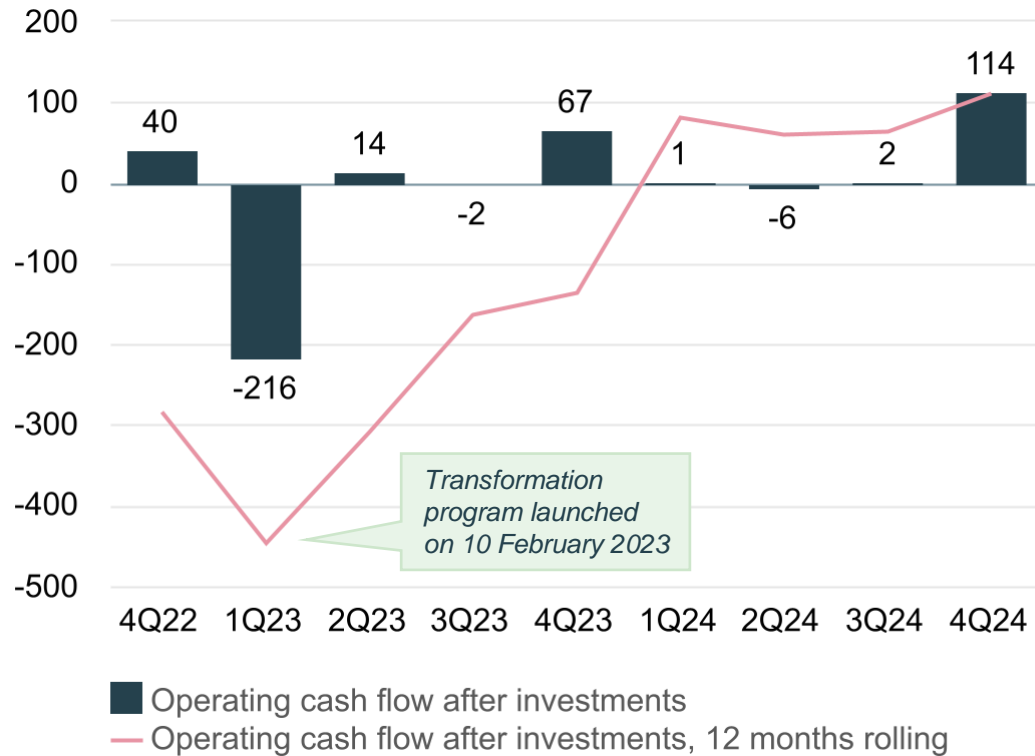
EUR million



'Other' segment capital employed EUR 227 million in Q4/24 (in Q3/24: EUR 253 million)

# Significant improvement in cash flow during 2024

## Operating cash flow after investments, EUR million

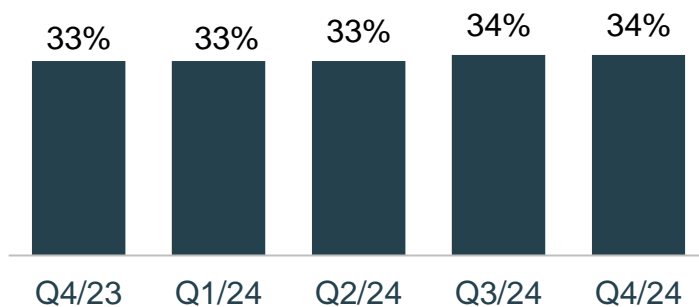


- Operating cash flow after investments was EUR 114 million (67) in Q4, mainly supported by operational cash flow in the residential business, attributable to project completions in the CEE countries and sale of completed apartments
- Operating cash flow for the full year was additionally supported by improved net working capital efficiency and the divestment of the equipment services business YIT Kalusto Oy
- Cash and cash equivalents at the end of the period amounted to EUR 137 million (30 Sep 2024: 81)

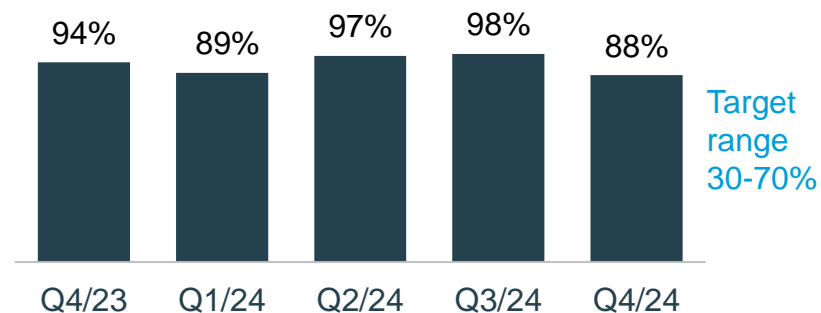


# Net debt and gearing decreased significantly

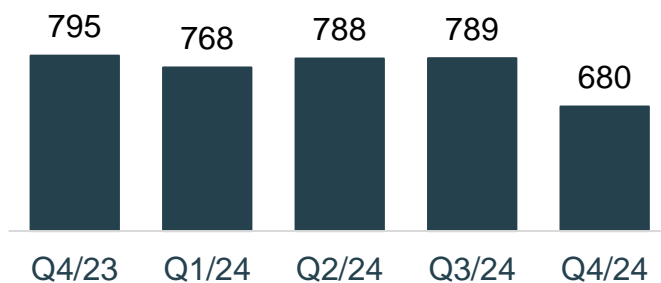
## Equity ratio



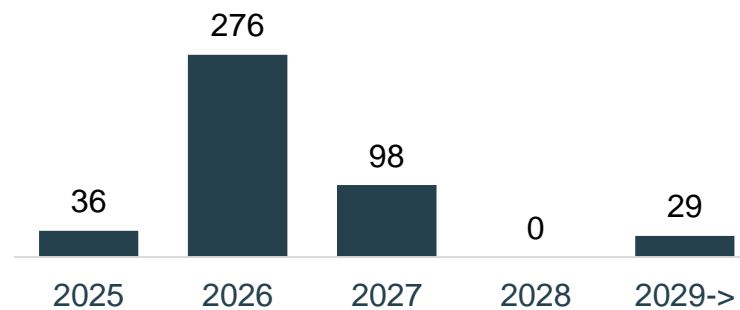
## Gearing



## Net interest-bearing debt, EUR million



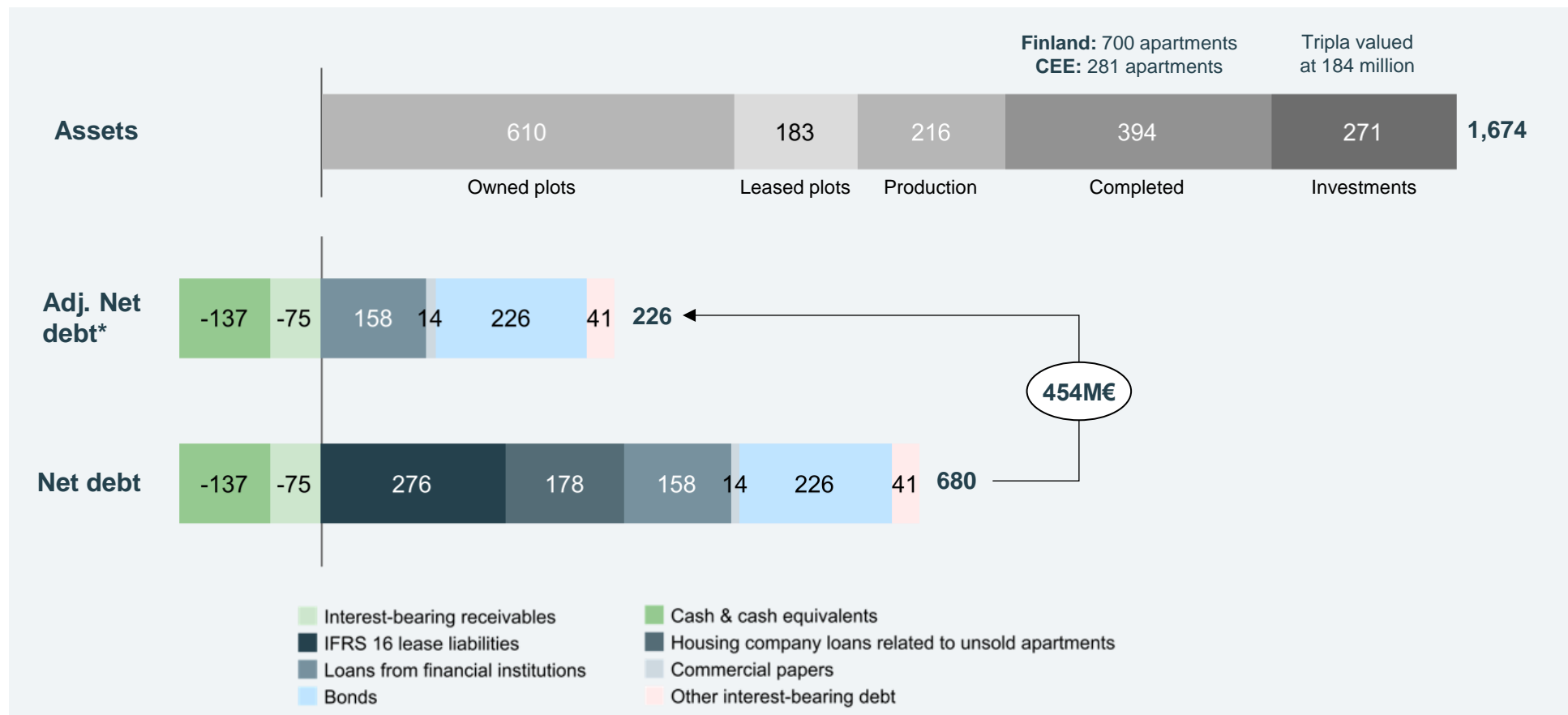
## Maturity structure of interest-bearing debt, EUR million\*



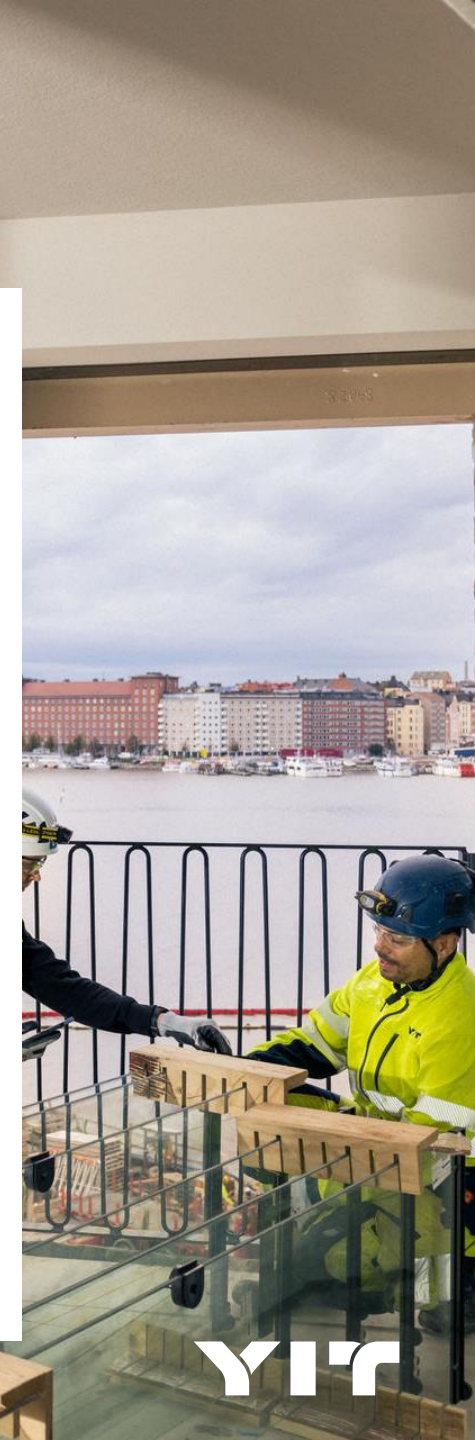
\*Excluding housing company loans related to unsold apartments, €178 million and lease liabilities, €276 million. The hybrid bond, €100 million, is recorded as part of equity under IFRS and therefore excluded from this paragraph.

# Net debt decrease supported by increased apartment sales in 2024

## Assets and net debt breakdown, EUR million



\*Excluding IFRS 16 and housing company loans related to unsold apartments  
The hybrid bond, €100 million, is recorded as part of equity under IFRS and therefore excluded from this paragraph.



YIT expects its Group adjusted operating profit for continuing operations to be **EUR 20–60 million in 2025**

(2024: EUR 32 million)

- The residential market in the Baltic countries and Central Eastern Europe is expected to continue favorable, contributing positively to Residential CEE segment's capability to generate profit. Timing of the residential project completions may deviate from the original estimates leading to revenue and profit recognition shifting from one quarter or a year to another.
- In Finland, the primary apartment market sales volumes are expected to slightly increase during 2025. In Residential Finland segment, low amount of completions during 2025 will limit the segment's capability to generate profit.
- In Building Construction, the operational performance is expected to improve. Actions to release capital may have an impact on the segment's profit.
- In Infrastructure, the operational performance is expected to remain stable.
- Changes in the macroeconomic environment, especially in interest rates, may impact the residential market demand and the fair value of investments. The escalation of geopolitical risks reflected in general uncertainty and demand could have a negative impact on the company's financial position.

# We are focused on reinforcing our financial stability

Capital employed was on a downward trend throughout 2024, and we will continue to release capital and increase capital efficiency in the coming years

Net debt decreased and cash flow increased significantly, supported by increased apartment sales

We have the financial capacity to start new residential projects to support our future profitable growth



# New strategy and financial targets for 2025-2029 published at Capital Markets Day in November 2024

## Strategic priorities

Deliver industry-leading productivity and financial performance

Generate targeted growth and resilience

Elevate customer and employee experience

## Financial targets to be reached by the end of 2029

**Growth**

**≥5%**

Net sales CAGR

**Operative performance**

**≥7%**

Adjusted EBIT

**Capital efficiency**

**≥15%**

ROCE

**Financial framework**

Net debt to equity in the range of 30-70% over the cycle

**Dividend policy**

Payout ratio ≥ 50%

# Megatrends are supporting our growth plan

## Strategic priorities

Deliver industry-leading productivity and financial performance

Generate targeted growth and resilience

Elevate customer and employee experience

## Large data center and industrial construction contracts secured during Q4

- On December 18, YIT announced that it had signed a project management contract with Hitachi Energy for the **construction of a new production and technology centre** in Vikby's industrial area in Mustasaari, Finland. The value of the construction contract for YIT is approximately **EUR 105 million**.
- On December 20, YIT announced that it signed an agreement with XTX Markets to **construct a new large-scale data center** in Kajaani, Finland. The total value of the contract for YIT is approximately **EUR 100 million**.

# Additional information

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YIT's Interim Report Q1/2025  
will be published on Tuesday,

**April 29**  
**2025**

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# Appendices

- I. Key figures
- II. Housing sales and starts

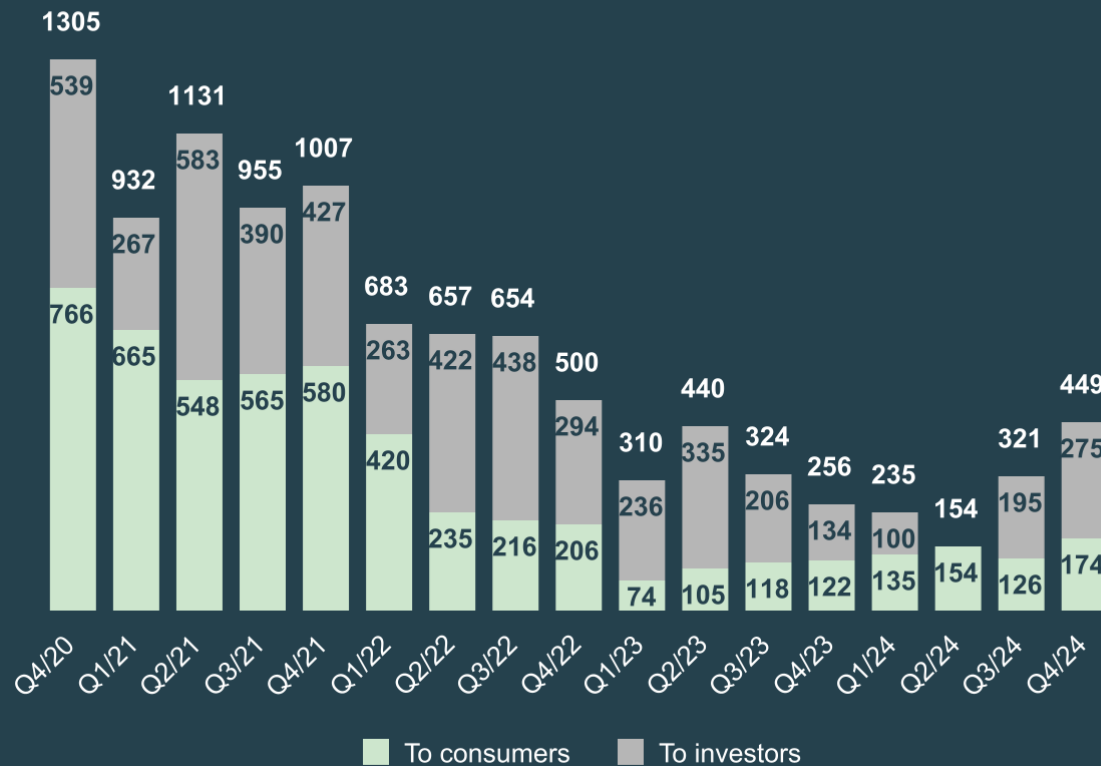


# I. Key figures

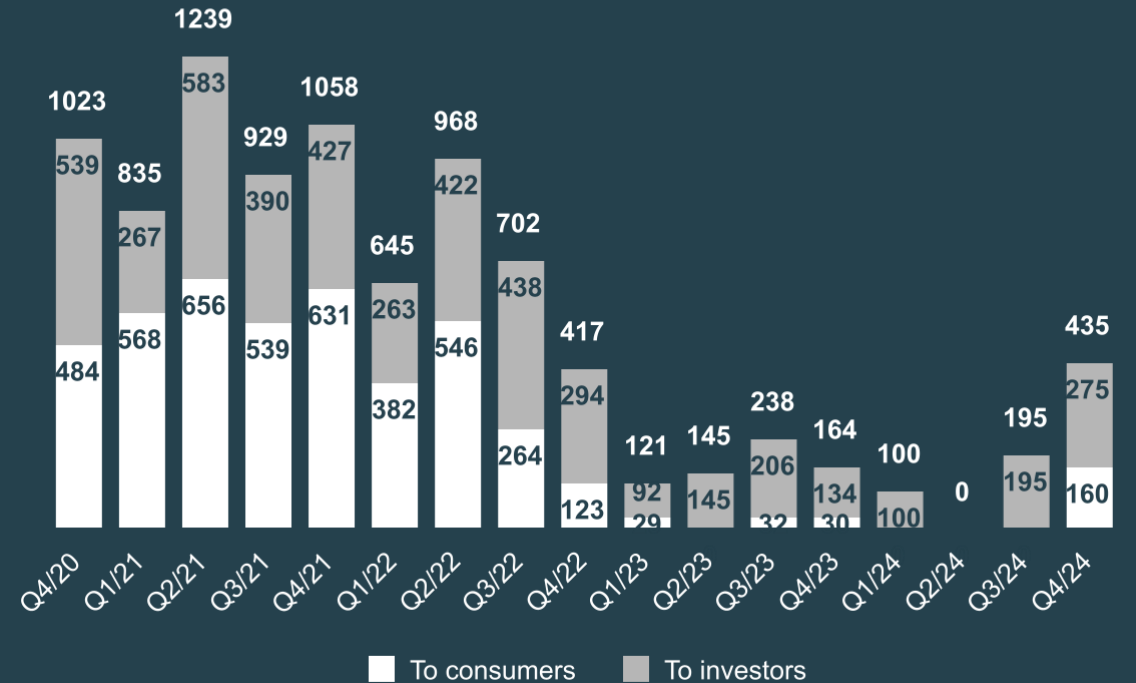
EUR million	10–12/24	10–12/23	1–12/24	1–12/23
Revenue	521	597	1,820	2,163
Operating profit	-17	33	-55	51
Operating profit, %	-3.3	5.5	-3.0	2.4
Adjusted operating profit	13	13	32	41
Adjusted operating profit margin, %	2.6	2.2	1.7	1.9
Result before taxes	-33	13	-118	-5
Result for the period	-39	17	-112	3
Earnings per share, EUR	-0.18	0.08	-0.51	-0.01
Operating cash flow after investments	114	67	110	-137
Net interest-bearing debt	680	795	680	795
Gearing ratio, %	88	94	88	94
Equity ratio, %	34	33	34	33
Return on capital employed, % (ROCE, rolling 12 months)	2.1	2.5	2.1	2.5
Order book	2,941	3,157	2,941	3,157
Combined lost time injury frequency (cLTIF, rolling 12 months)	9.6	12.1	9.6	12.1
Customer satisfaction rate (NPS)	57	52	57	52

## II. Sales and starts

**SOLD APARTMENTS, units\***



**APARTMENT starts, units**

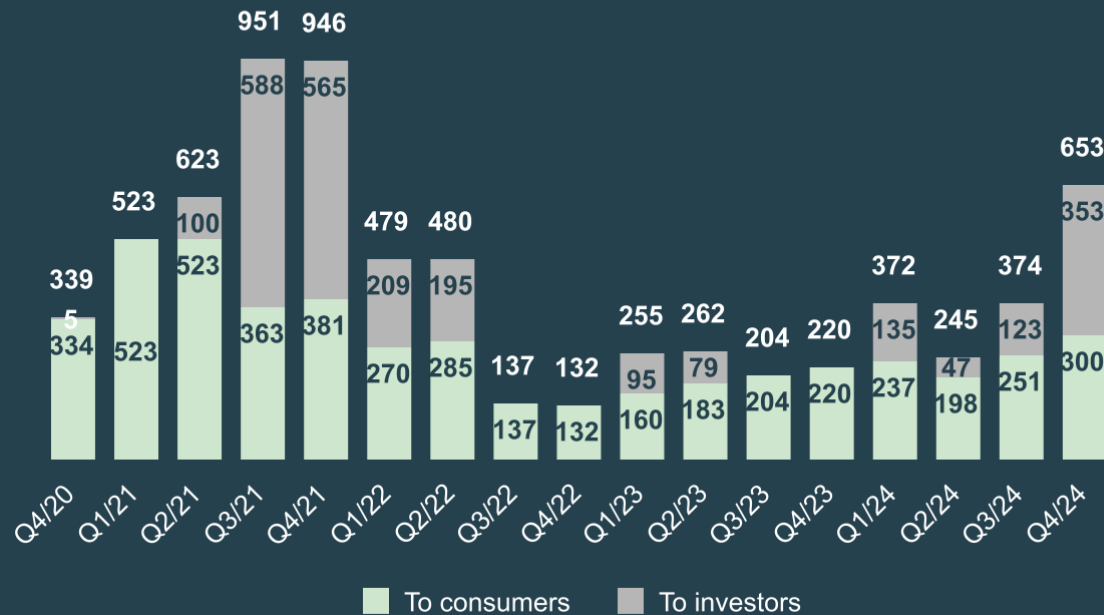


\*Q1/2023 "To investors" figure includes 144 units initially started for consumers from a bundle deal.

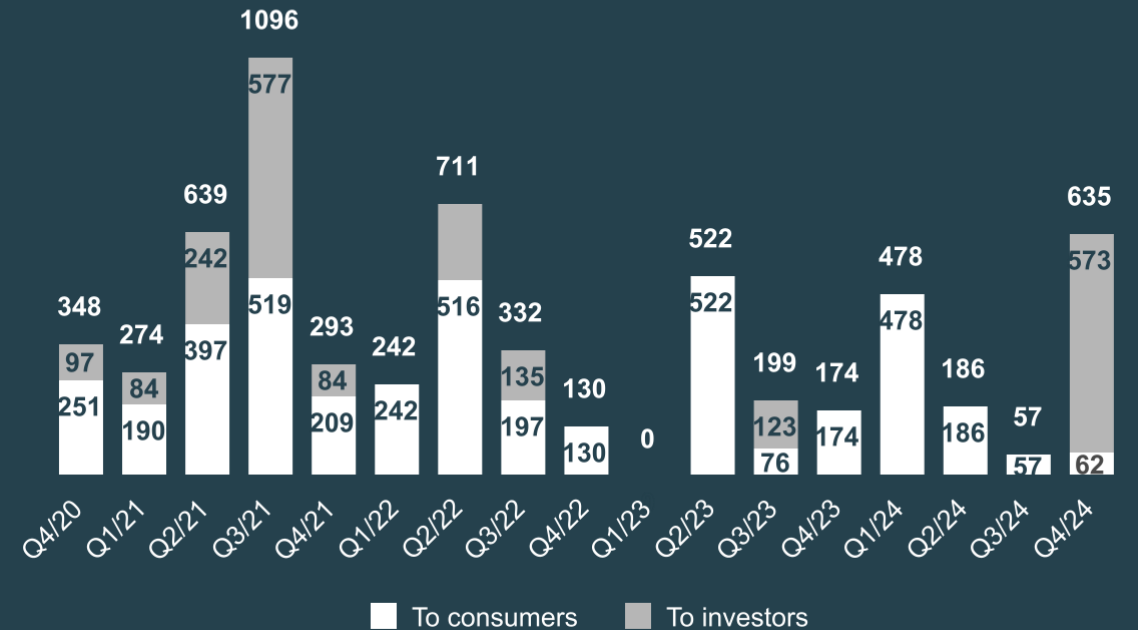
\*Q2/2023 "To investors" figure includes 190 units initially started for consumers from a bundle deal.

## II. Sales and starts

**SOLD APARTMENTS, units**



**APARTMENT starts, units\***



\*135 units initially started for consumers in Q3/2022, were later sold to investors. The figures have been adjusted so that the units sold to investors appear under "Started for investors".

**Together  
we can  
do it.**