YIT Group
Interim Report 1-6/2010

Juhani Pitkäkoski
President and CEO

News conference for analysts, investors and media

July 23, 2010

Together we can do it.

Contents

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Group development

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Order backlog increased, acquisitions reinforce market position

Development in Q2/2010 vs Q1/2010 (segment reporting, POC):

Improvement in profitability

- The combined order backlog of YIT segments increased by 8%, revenue increased by 11% and operating profit grew by 28%.
- The operating profit of Building and Industrial Services improved by 31%.

Revenue in Central Europe to double

- YIT strengthened its position in the building systems market with several acquisitions in Q1 and Q2.
- With Caverion, YIT will become the second largest service provider in the German building systems market.

Clear increase in residential start-ups

- Apartments sold:
  - 755 (Q1: 623) in Finland
  - 682 (Q1: 817) in Russia
- Apartments started up:
  - 1,067 (Q1: 570) in Finland
  - 1,074 (Q1: 798) in Russia
  - 122 (Q1: 111) in the Baltics

Key figures

Group reporting (IFRIC 15)

EUR million	4-6/10	1-3/10	Change	1-6/10	1-6/09 (comparison figure)	Change
Revenue	854.7	765.3	12%	1,620.0	1,706.0	-5%
Operating profit	35.9	33.9	6%	69.8	72.0	-3%
• % of revenue	4.2	4.4	-	4.3	4.2	-
Profit before taxes	27.9	26.7	4%	54.6	39.2	39%
Earnings per share, EUR	0.16	0.15	7%	0.31	0.21	48%
Return on investment, % (last 12 months)	10.7	11.3	-	10.7	11.5	-
Equity ratio, %	31.8	30.2	-	31.8	28.1	-
Operating cash flow after investments	31.7	33.8	-6%	65.5	59.7	10%
Order backlog	3,329.2	3,152.5	6%	3,329.2	3,120.0	7%
Personnel at the end of period	23,877	23,211	3%	23,877	24,763	-4%

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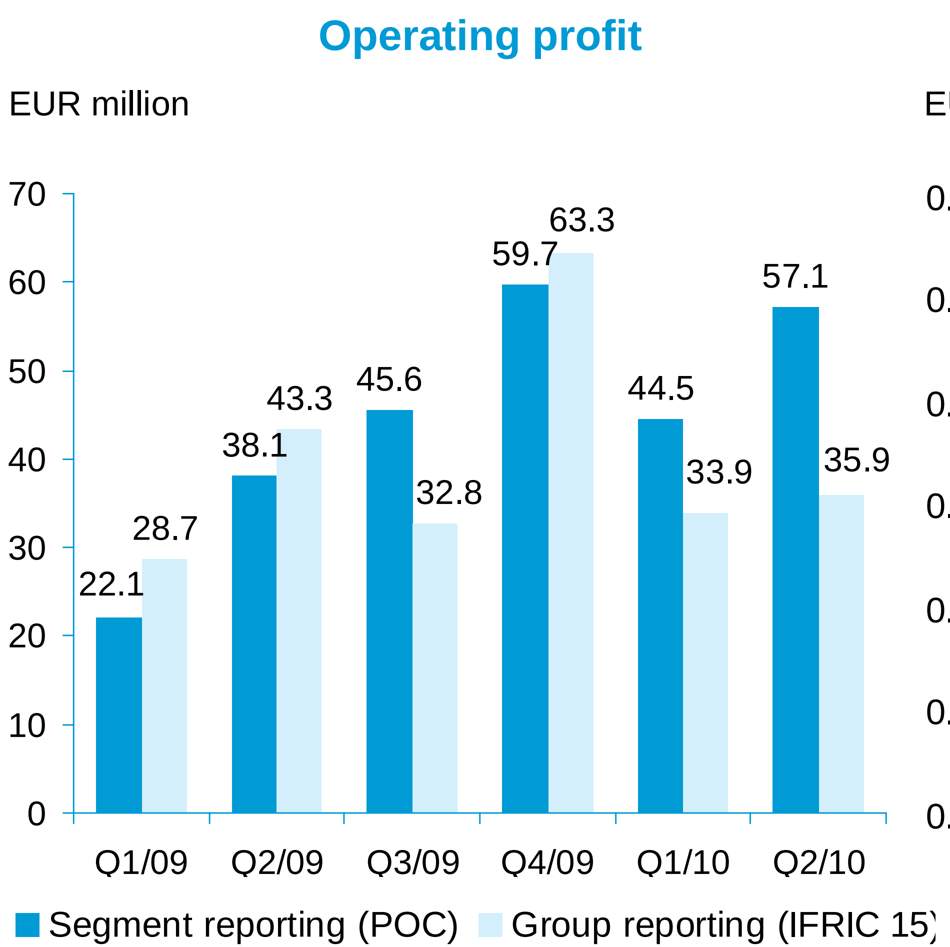
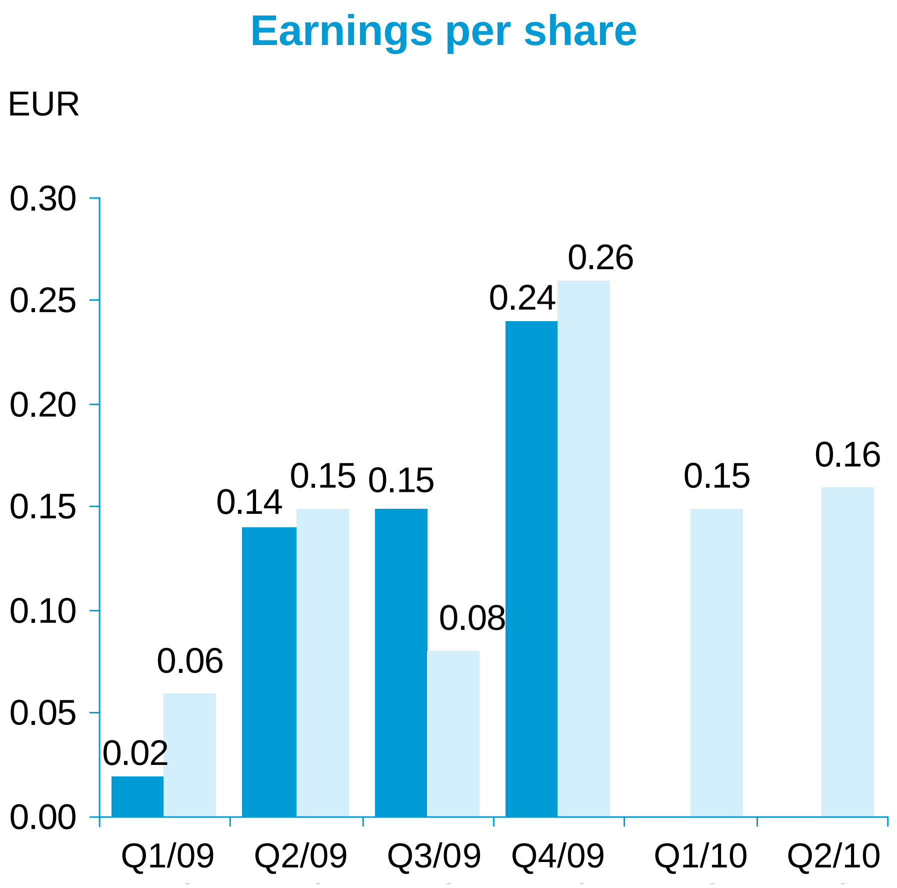
Operating profit: Major difference in Group and segment reporting





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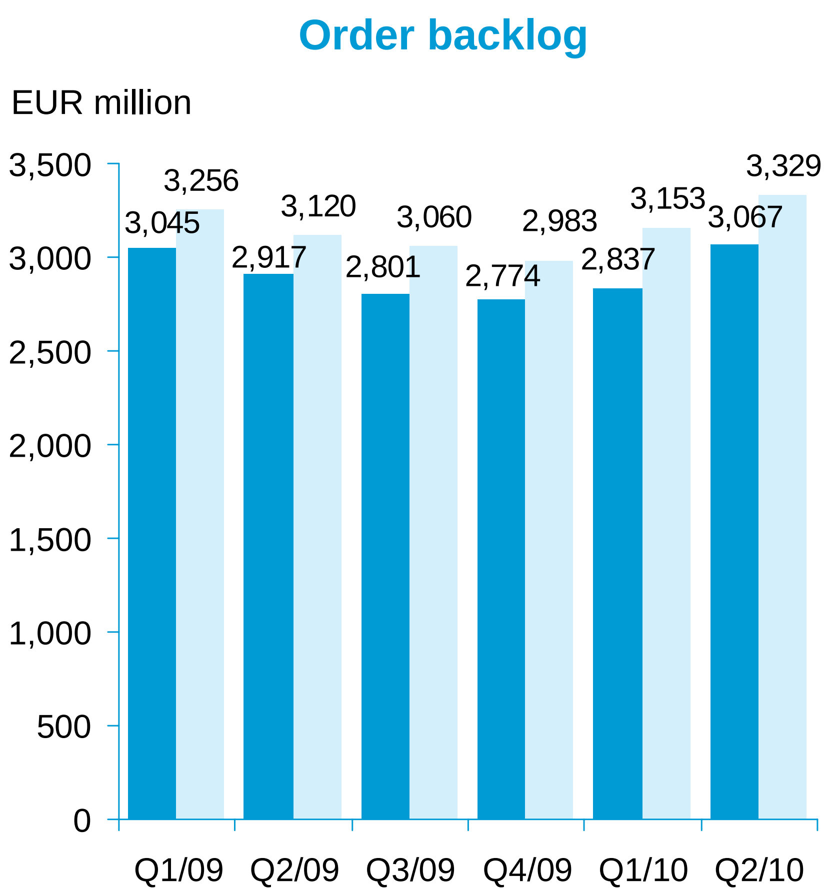
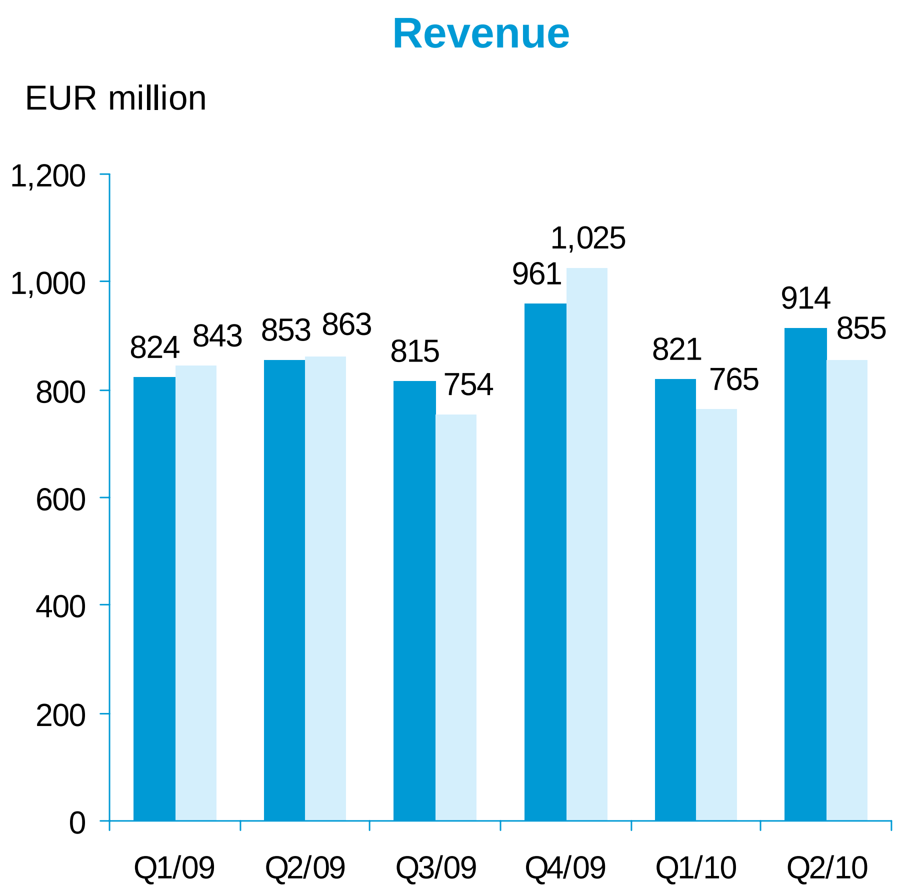
Growth in order backlog, revenue stronger than in Q1





Segment reporting (POC) Group reporting (IFRIC 15)

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Business review

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Strategic focus areas

Building and Industrial Services	Construction Services Finland	International Construction Services
• Increasing market share in Nordic countries and Central Europe • Increasing service and maintenance	• Increasing own residential development projects • Strengthening market position in infrastructure services and business premises	• Ready to grow and utilise market opportunities with new start-ups • Improving profitability and capital efficiency

Corner stones for business

Forerunner in energy-saving services

The best personnel

Strong service culture

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Building and Industrial Services

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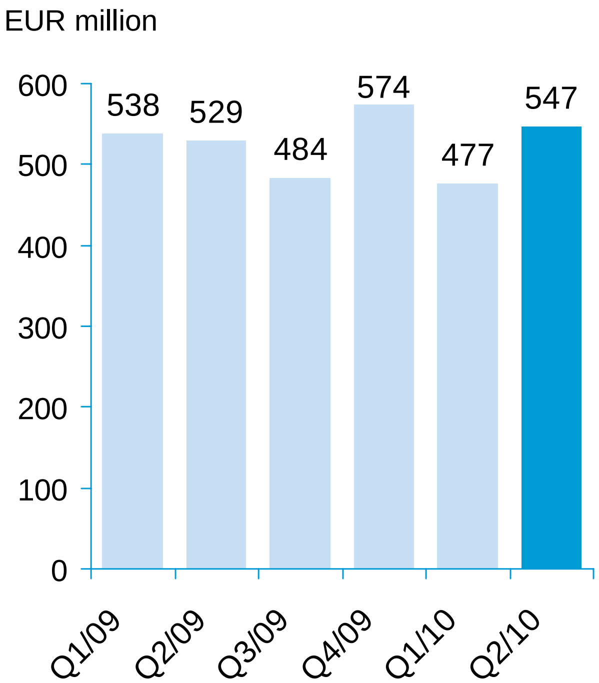
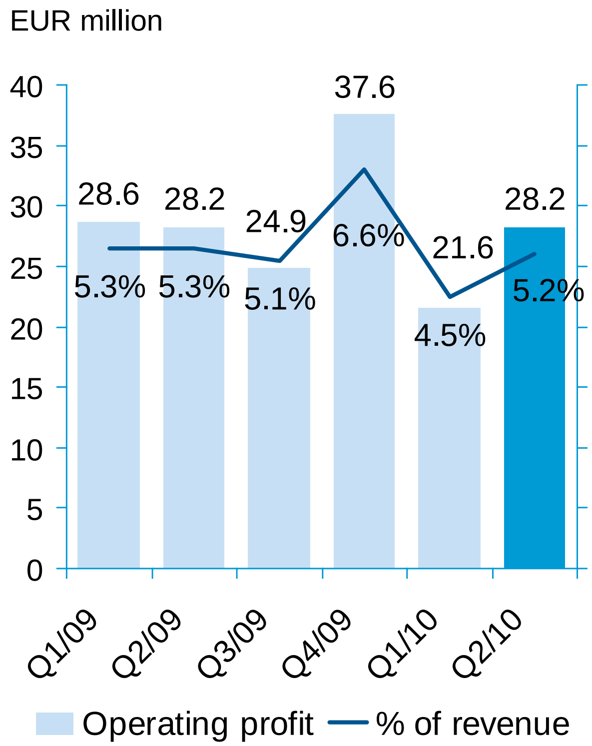
Building and Industrial Services

Operating profit increased from Q1

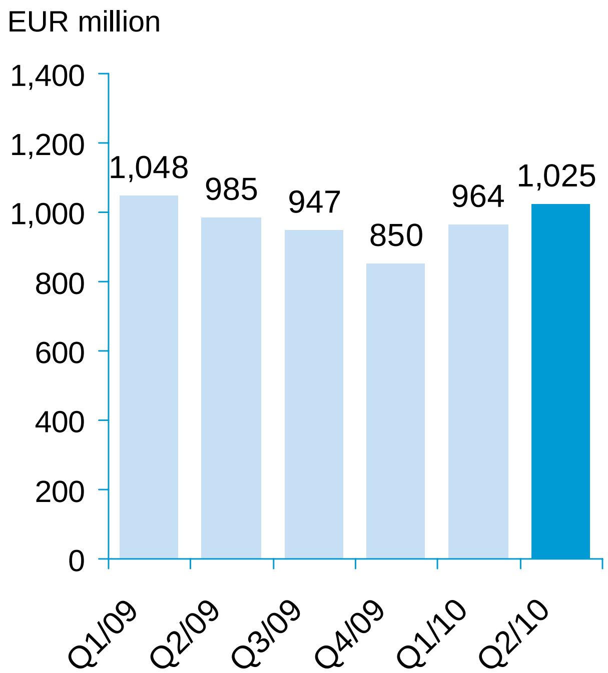
Revenue
Change 1-6/09 - 1-6/10: -4%



Operating profit
Change 1-6/09 - 1-6/10: -12%



Order backlog
Change 6/09 - 6/10: 4%



All figures according to segment reporting (POC)

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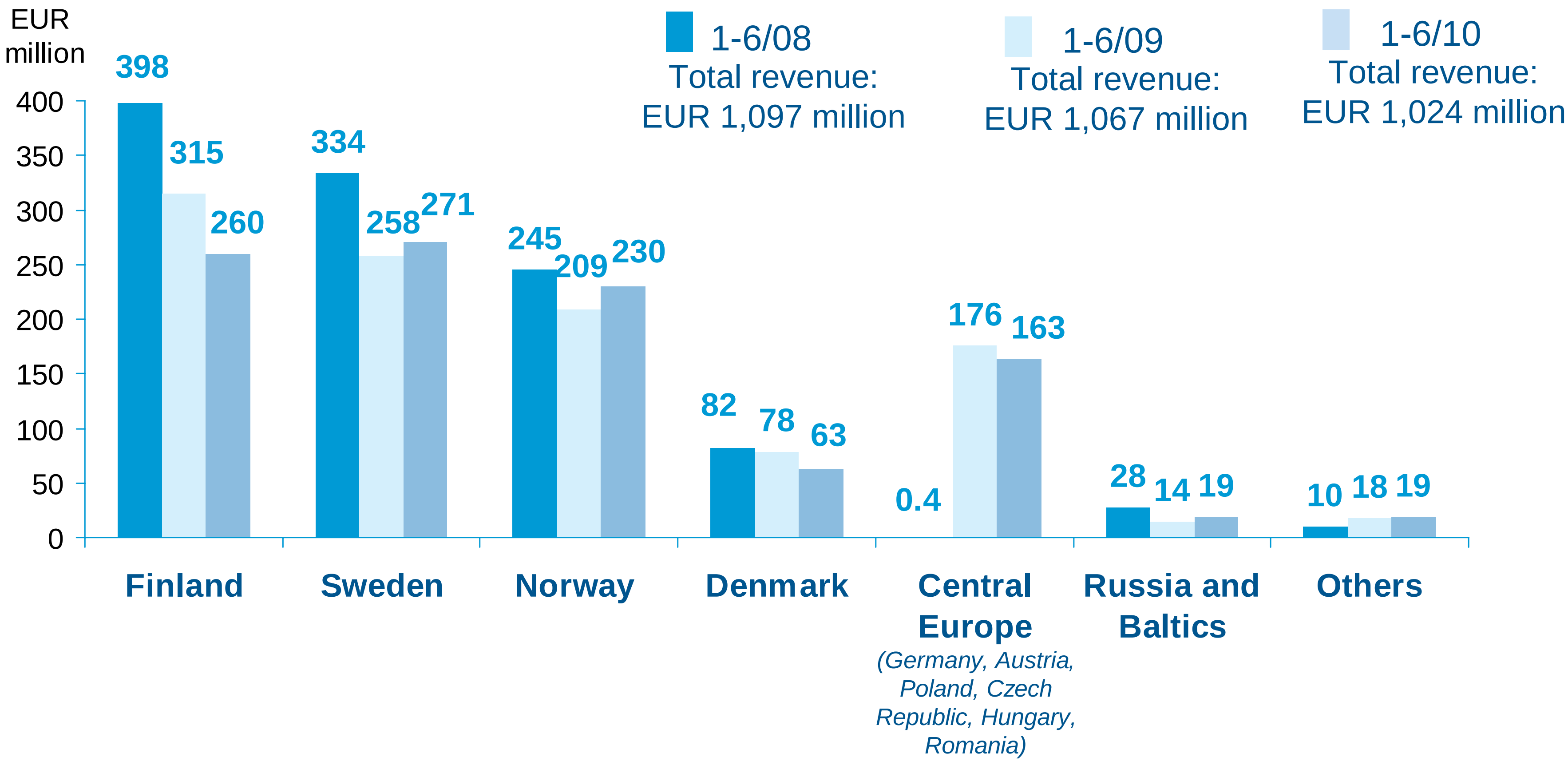
Building and Industrial Services

Revenue development by country



The business operations acquired from Central Europe transferred to YIT on August 1, 2008.

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Building and Industrial Services target market ~EUR 86 billion

Market size estimate in 2009

Building systems services target market: total ~80 EUR billion

Industrial services target market: total ~6 EUR billion

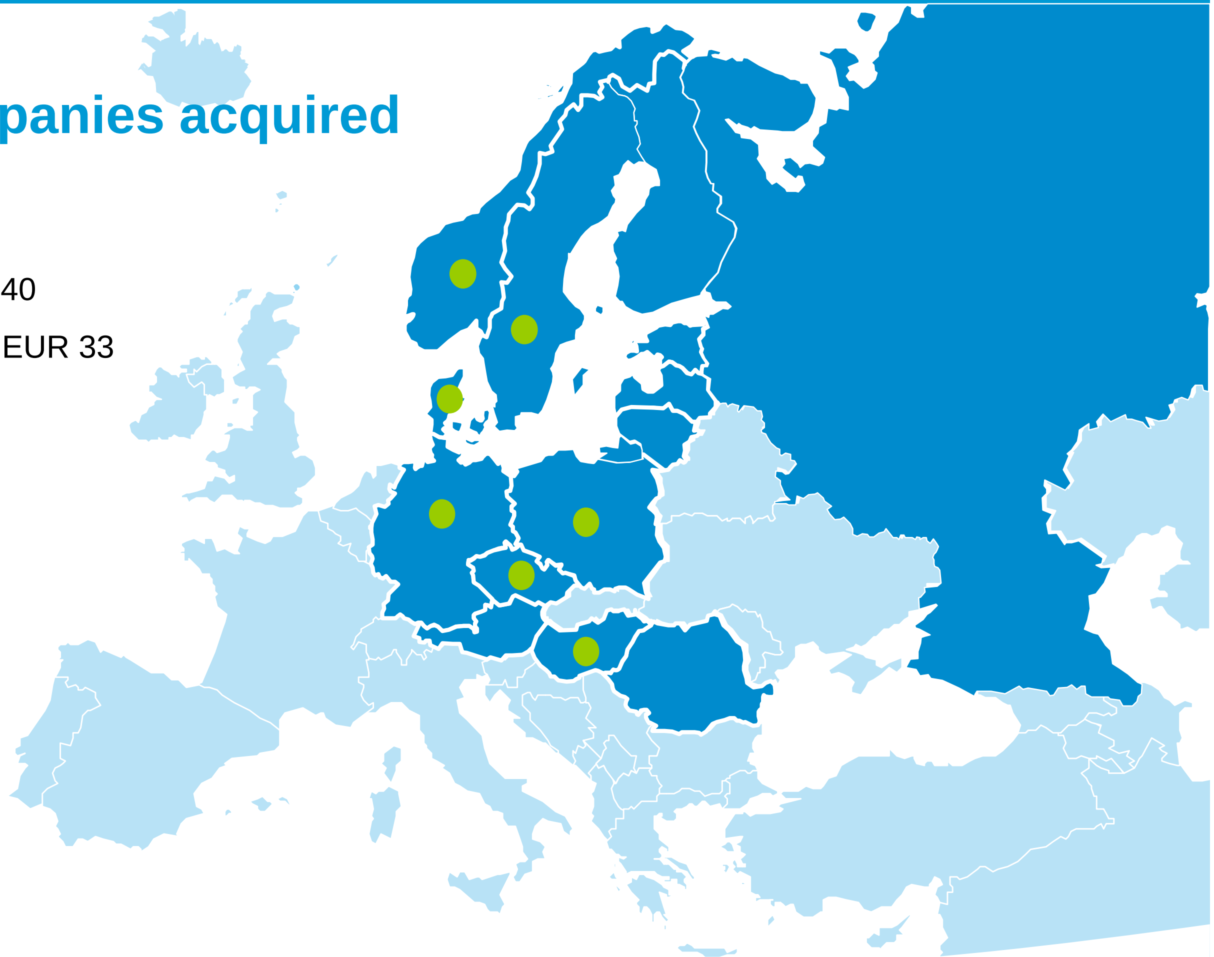
Source: Euroconstruct, VTT and YIT

Building and Industrial Services

Several acquisitions in 2010

The total revenue of companies acquired close to EUR 500 million

- Caverion GmbH (GER); revenue ~MEUR 440
- Carl Christensen & Co (DEN); revenue ~MEUR 33
- Brdr. Petersens Eftf. A/S (DEN)
- Eltjänst Br Björk Installation AB (SWE)
- Fristads Rör-El AB (SWE)
- G:sson Teleteknik AB (SWE)
- Ferm VVS (SWE)
- Ugelvik Nesset (NOR)
- Haug og Ruud AS (NOR)
- Energiprosjekt (NOR)



Calculated with 2009 revenues

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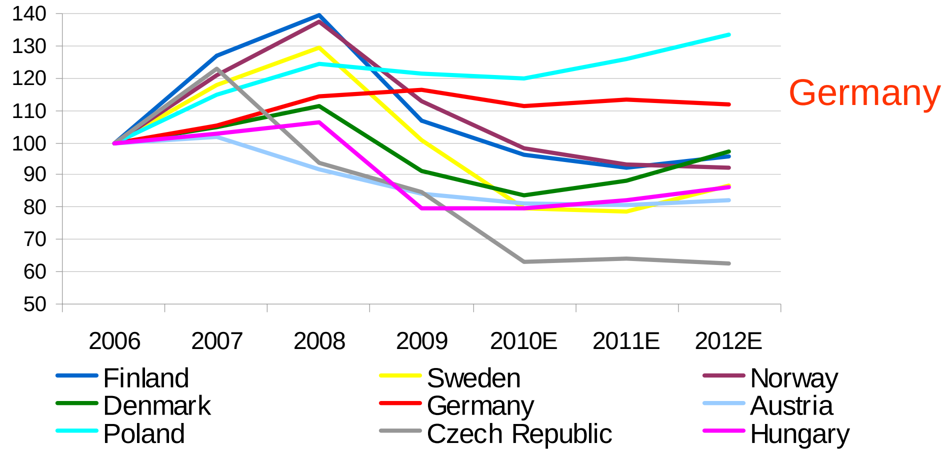
Great potential in German building systems market

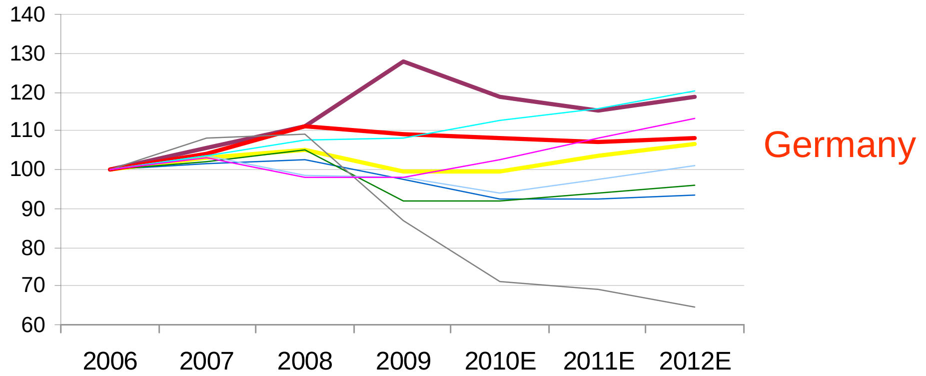
- YIT estimates that the market size for building systems in Germany was ~EUR 30 billion in 2009.
- Fragmented markets with only a couple of bigger players:
  - The market share of the biggest player in the market ~4%.
- In 2010 new non-residential construction estimated to amount to ~EUR 32 billion and renovation, modernisation and service ~EUR 43 billion.
- Market demand for both building systems and services estimated to remain stable in 2010-2012.

Source: Euroconstruct, June 2010 and YIT

New non-residential construction volumes, index



Service and renovation volumes, index



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Acquisition of Caverion doubles YIT's operations in Central Europe

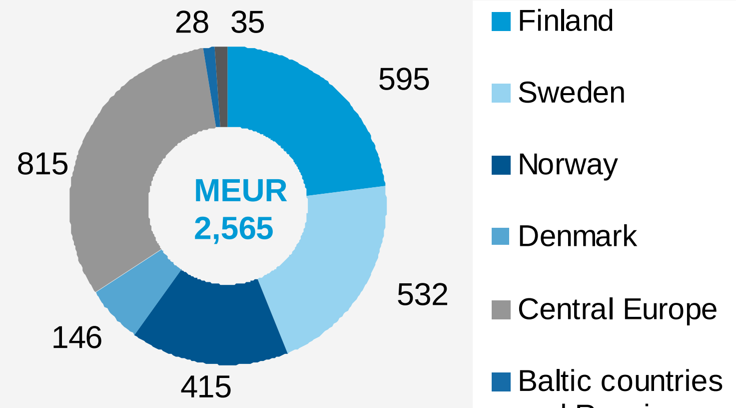
- Caverion GmbH offers services for technical building systems as well as ventilation and heating installations in Germany, Czech Republic, Hungary and Poland.
- The company's revenue in 2009 was EUR 440 million, of which 80% from Germany. Operating profit was EUR 10.9 million and net debt was negative. The company has ~1,900 employees.

With the acquisition:

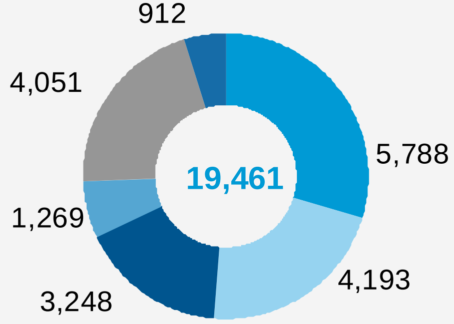
  - YIT's revenue and personnel will double in Central Europe
  - In building systems, YIT will be the second largest service provider in Germany and one of the leading actors in Central Europe
- Estimated closing of the acquisition by the end of August:
  - Completion subject to authorities' approval.
  - Purchase price, EUR 73 million, will be paid in Q3.

YIT after the acquisition (2009 pro forma)

Revenue by country



Employees by country



Pro forma = Calculated by adding YIT figures and Caverion figures in Central Europe.

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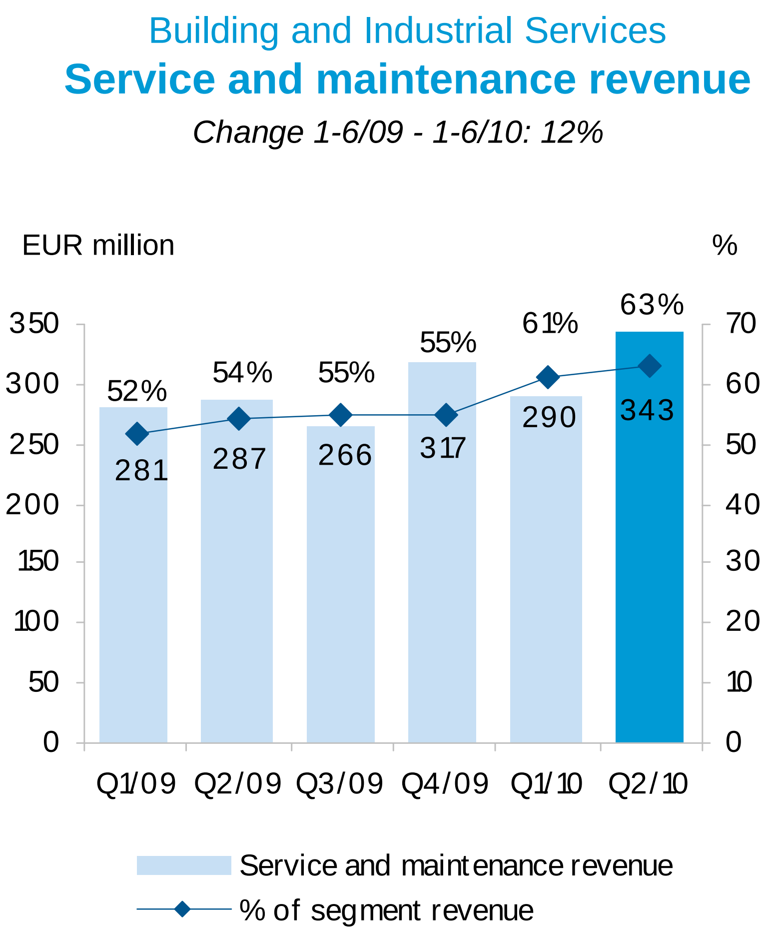
Service and maintenance increased



Recent agreements

- Service and maintenance of hospital technology in Karolinska University Hospital area in Solna, Sweden
- Service and maintenance of Itella's security systems in Finland

ServiFlex service contracts

- Service of new Wurth premises in Tornio, Finland
- Technical service of shopping centre Metropoli in Joensuu, Finland
- Service and maintenance of Vehmasjärvi school thermal heating in Kuopio, Finland
- Service of HeidelbergCement facilities in Norway

ServiFlex offers uniform concept for maintenance services in all YIT countries:

- ~80 services that can be flexibly combined
- One agreement, one contact point
- Focus on preventive maintenance

Construction Services Finland

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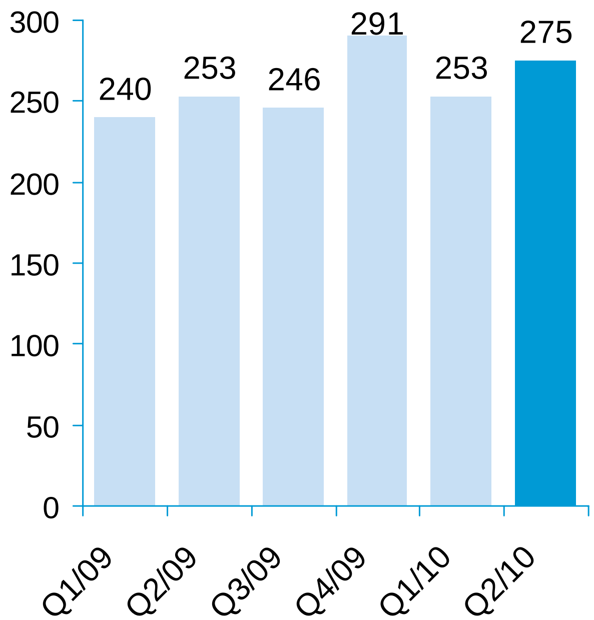
Construction Services Finland

Order backlog grew clearly

Revenue

Change 1-6/09 - 1-6/10: 7%

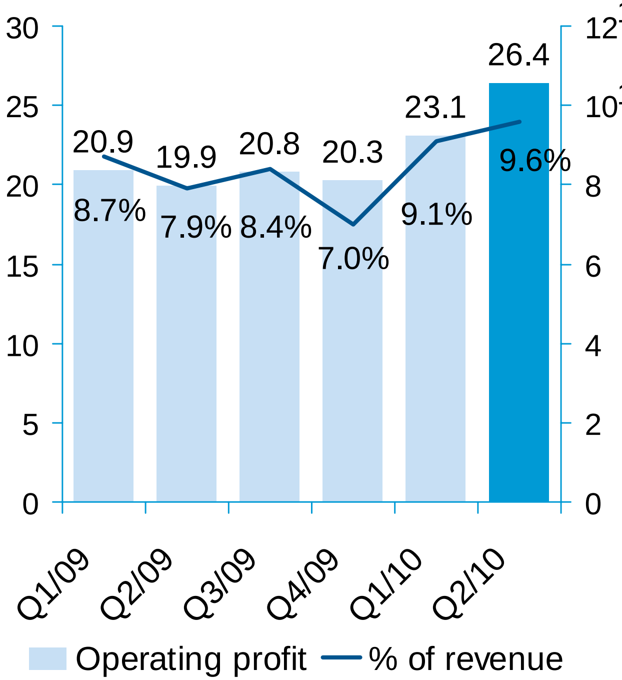
EUR million



Operating profit

Change 1-6/09 - 1-6/10: 21%

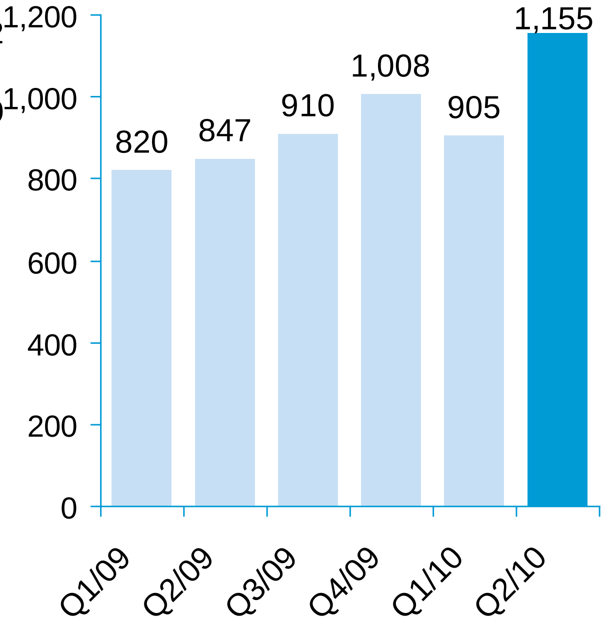
EUR million



Order backlog

Change 6/09 - 6/10: 36%

EUR million



All figures according to segment reporting (POC)

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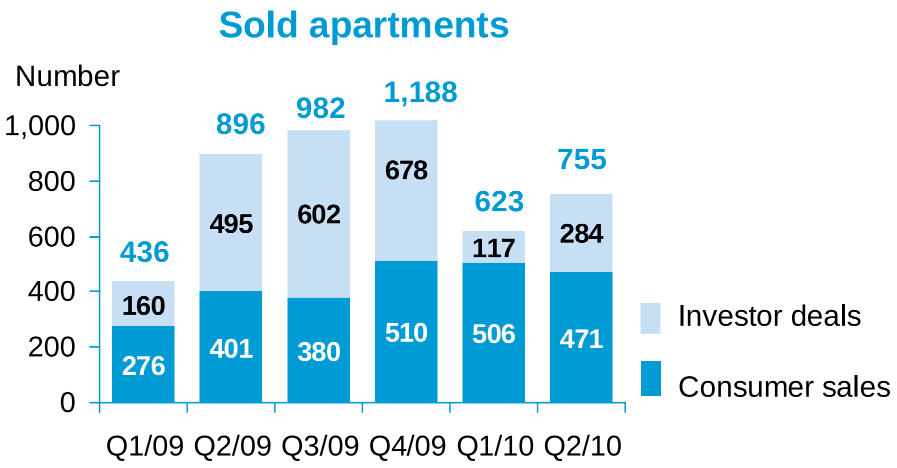
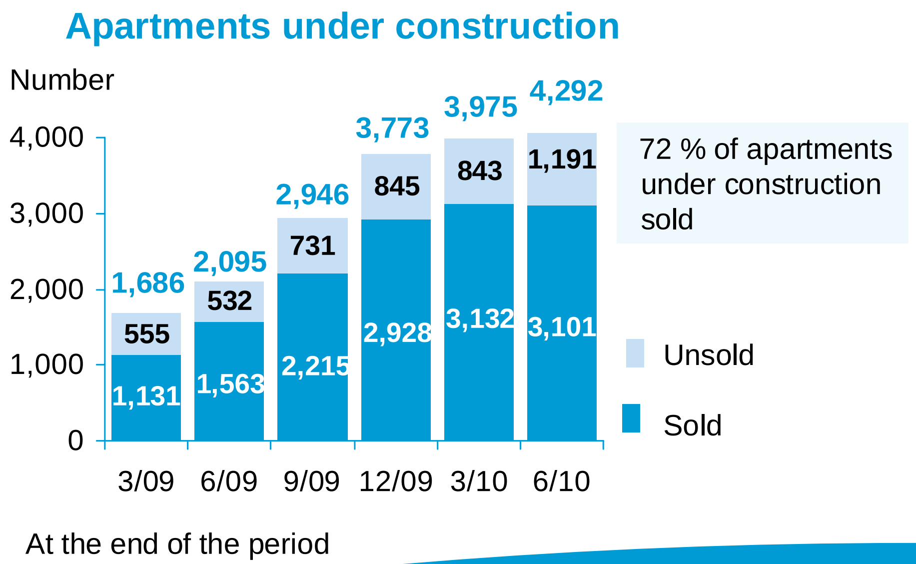
Good residential sales continued in Finland, production record high





- Good residential sales continued during the first half of 2010.
  - Over 70% apartments sold directly to consumers.
- Production has doubled in a year with
  - 4,292 apartments under construction at the end of June.
- There were 1,324 apartments for sale at the end of June.
  - Number of completed, unsold apartments decreased from 168 in Q1 to 133 in Q2.

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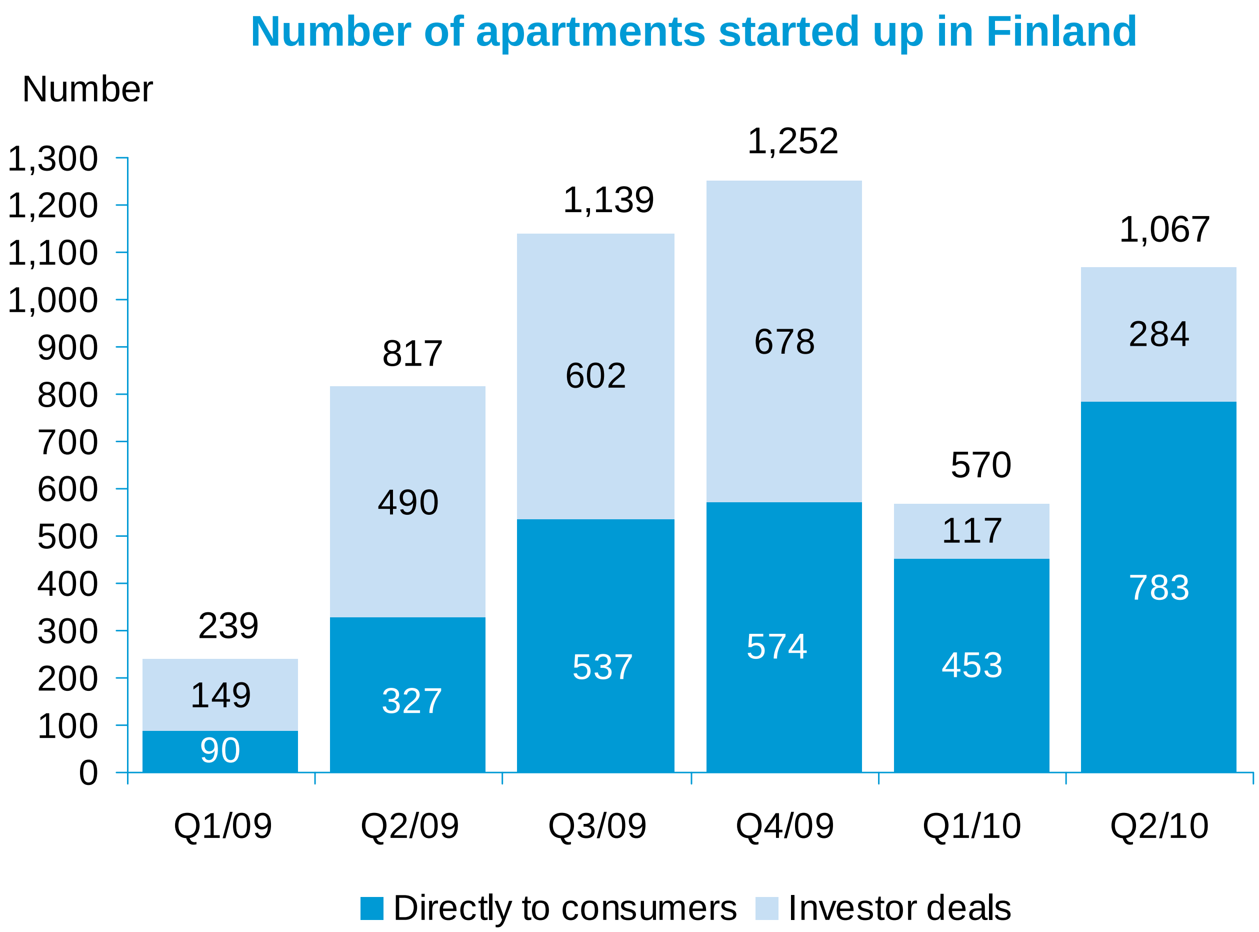
Residential start-ups increased clearly, focus back to consumer projects



1-6/2010: 1,637 apartments started up, of which 1,236 aimed directly to consumers.

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Active in business premises

Examples of YIT's projects in Q2

New construction

- Own development and contracting projects in Hyvinkää commercial and service centre project with total value of EUR 100 million
- Extension of the Turku University Hospital, phase 2, interior construction with total value of EUR 45 million
- Extension of Finlandia Hall, Helsinki
- MotorCenter Herttoniemi, Helsinki (own development project)
- Kaunisto old-age home, Hyvinkää

Renovation

- New head office for Finnish Transport Safety Agency Trafi in Vallila, Helsinki
- Kuntola school, training centre for people with physical disabilities, Järvenpää

Rental activity

~22,700 m2 of building area rented out in Q2/2010 from completed or on-going projects.

Hyvinkää shopping centre

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Stable development in infrastructure

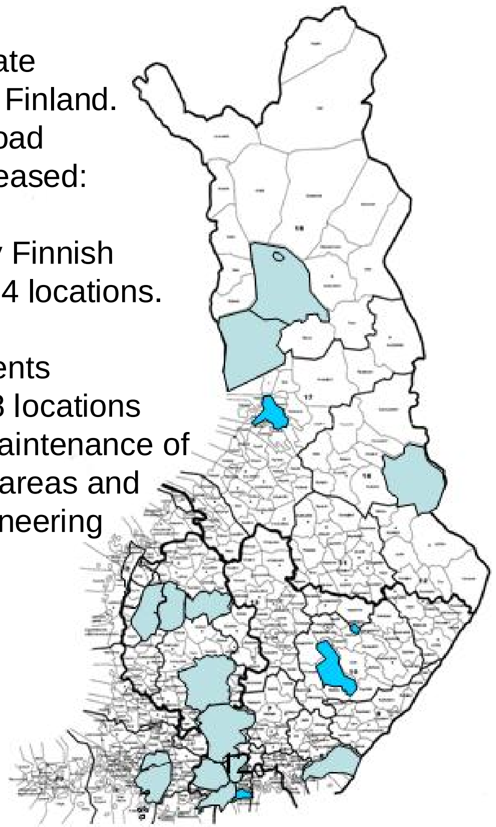
- During the first half 2010, YIT focused on several large road and rail projects started up in 2008 and 2009:
  - Kehä I, Helsinki metropolitan ring road, first phase in Leppävaara, Espoo
  - Savonlinna bridges, highway 14 Ruislahti-Miekkoniemi
  - Aviapolis tunnel station in the Ring rail line project in Vantaa

Possibilities in the market include

- Large road and rail projects (westward metro in Helsinki metropolitan area; Ring rail line project; Hamina, Savonlinna and Vaasa bypasses; E18 highway Koskenkylä-Kotka, second rail track between Kokkola and Ylivieska, second phase of Savolinna bridges)
- Rock excavation, mining industry investments
- Outsourcing of municipal engineering

Stable demand in infrastructure maintenance

- YIT is the largest private maintainer of roads in Finland. Our market share in road maintenance has increased: We currently maintain roads administered by Finnish Transport Agency in 14 locations.
- Maintenance agreements with municipalities in 8 locations
  - Service and maintenance of streets, green areas and municipal engineering
- The duration of these contracts varies between 4-10 years.



International Construction Services

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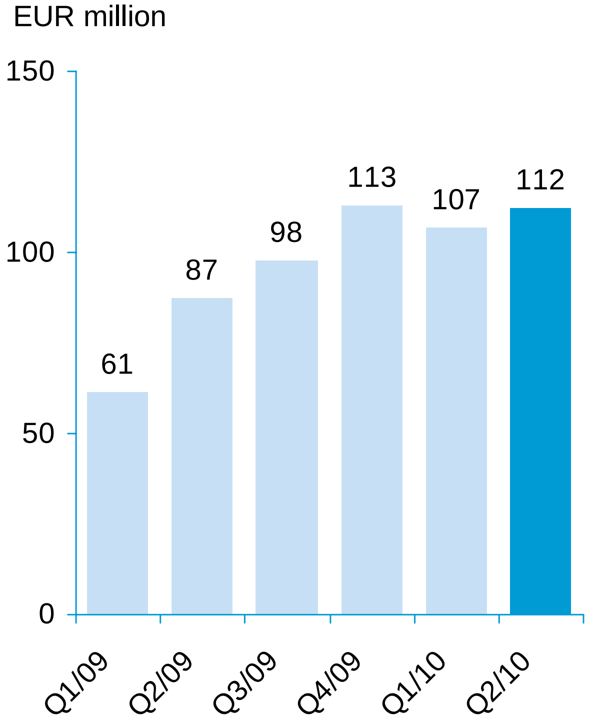
International Construction Services

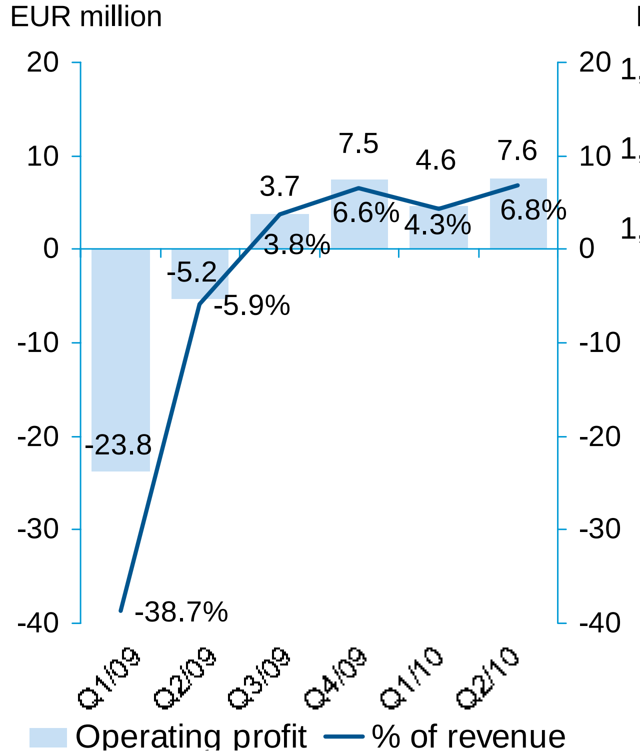
Continuing to improve profitability

Revenue

Change 1-6/09 - 1-6/10: 47%

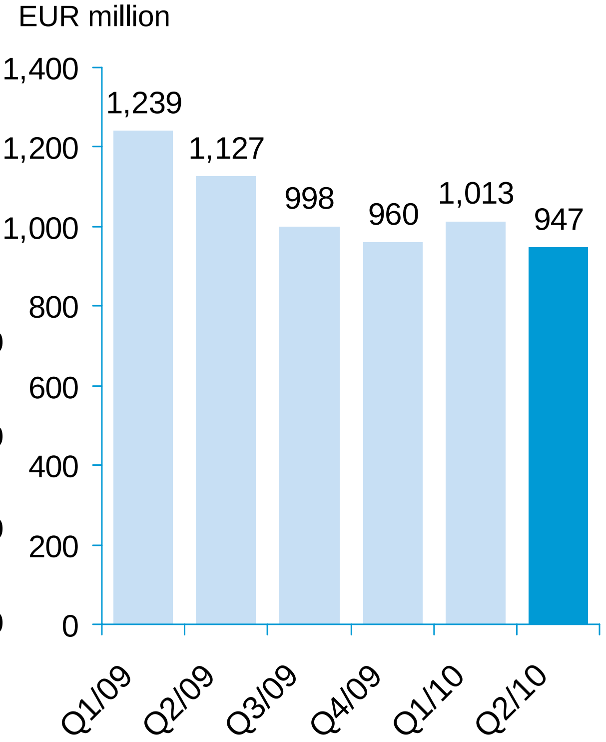


Operating profit



Order backlog

Change 6/09 - 6/10: -16%



All figures according to segment reporting (POC)

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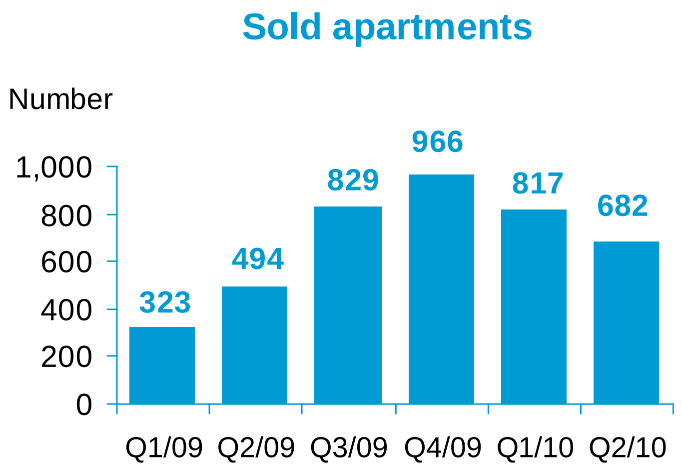
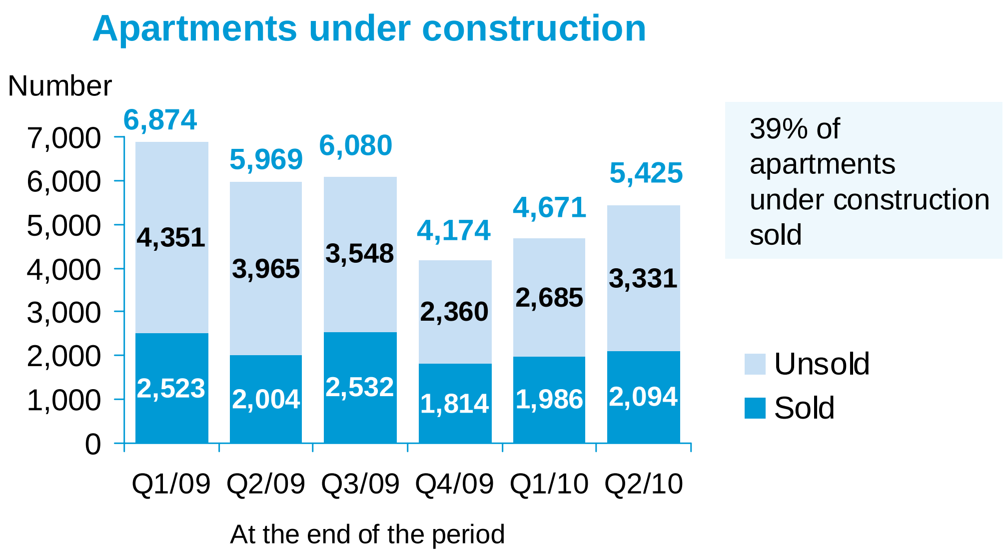
Residential production increased in Russia





- Good sales portfolio enabled an increase in selling prices in all operating cities.
- Reasonable residential sales continued:
  - The increase in selling prices improved profitability and decreased the number of sold apartments.
  - 70 apartments were sold to a single industrial actor in Moscow Oblast.
- Only 320 apartments were completed in April-June.
  - Significantly more apartments expected to be completed in the second half 2010.
- Number of unsold, completed apartments decreased from 900 in Q1 to 646 in Q2.

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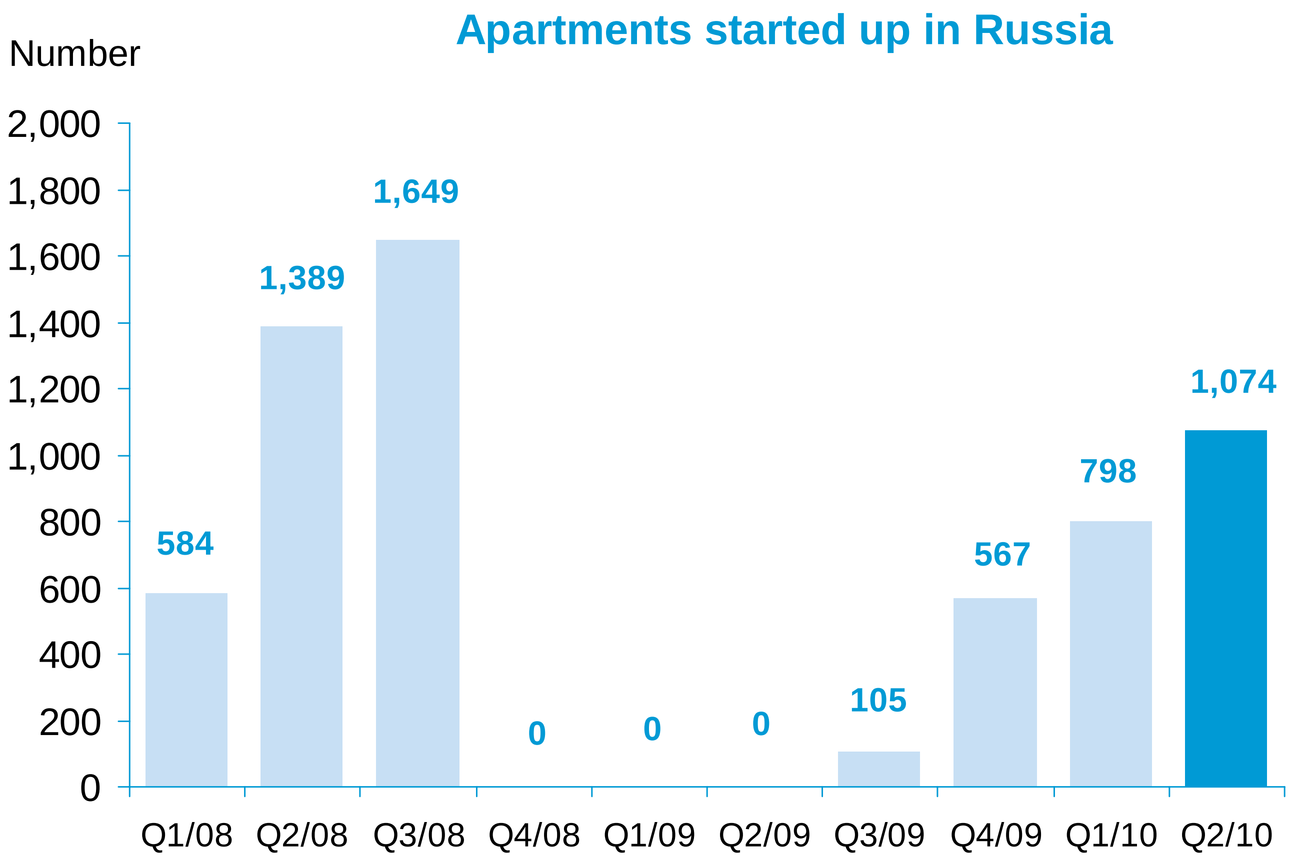
Increasing start-ups to correspond demand



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In the Baltic countries the focus was shifted back to residential start-ups

- With first residential start-ups in over two years in Q1, the number of start-ups were further increased in Q2.
- Total of 233 apartments were started up during the first half, of which 122 in April-June.
- 233 apartments were under construction at the end of June.
- 253 apartments were unsold, of which 26 were completed apartments.

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Securing professional and satisfied personnel

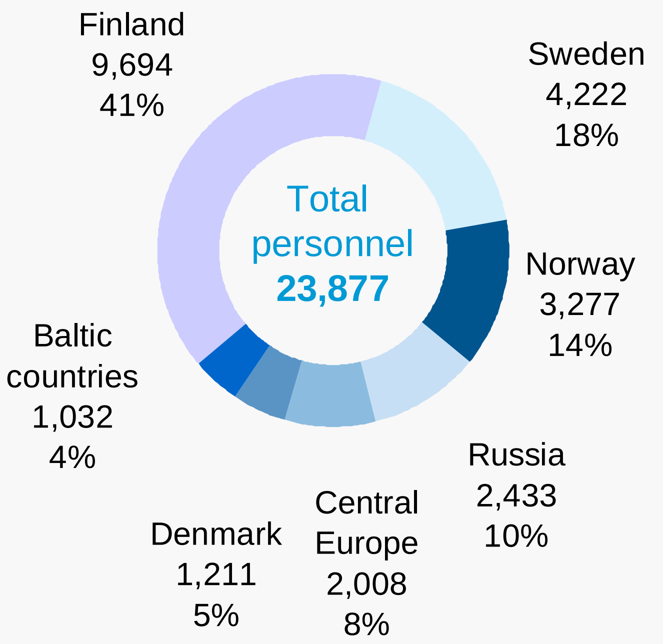
Focus areas in 2010

Work safety
Less accidents and sickness-related absences

Employer image
The most desired employer

Professional development
The best personnel in the industry

Personnel by country 6/2010



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Financial position

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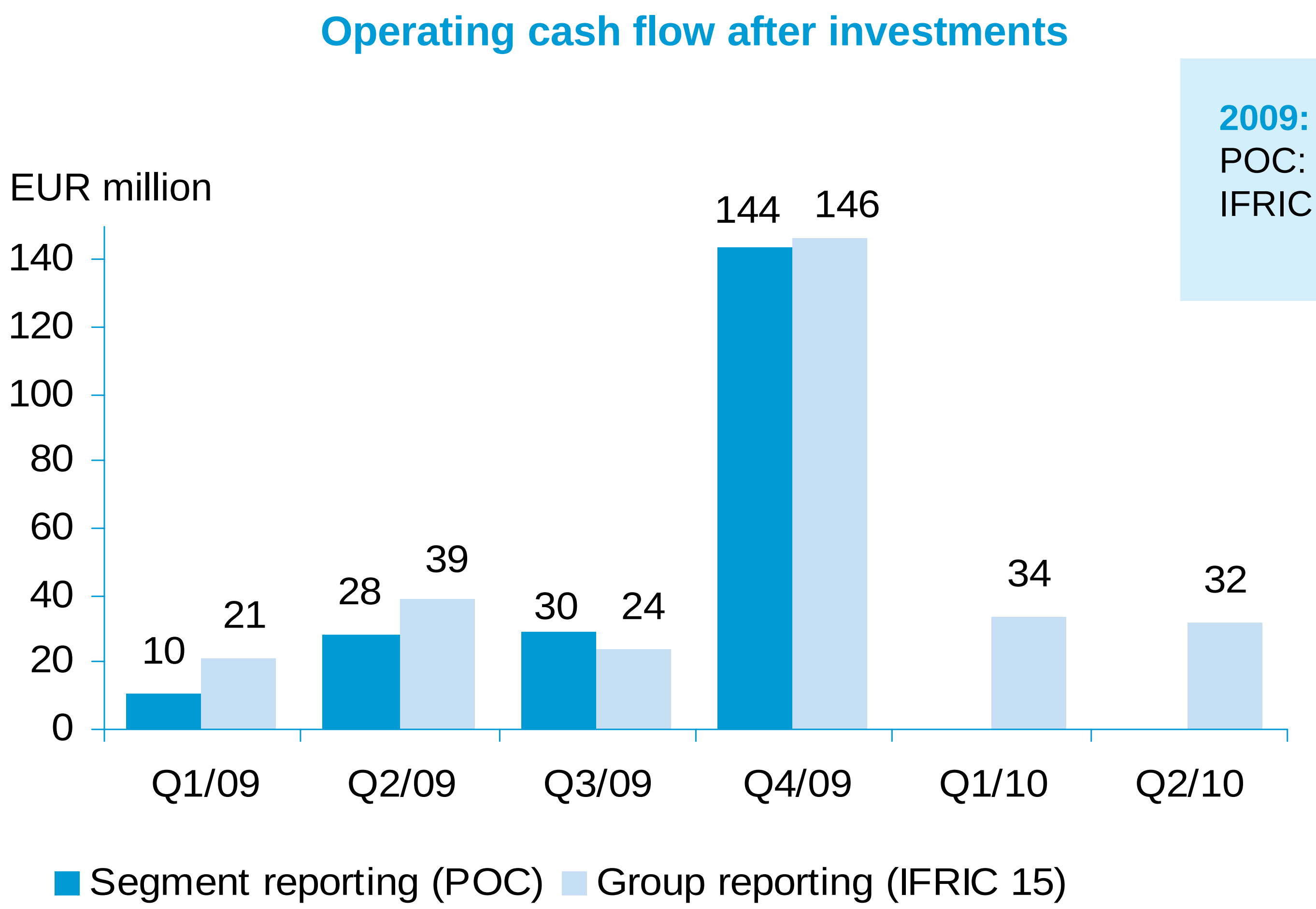
Operating cash flow remained positive



2009:
POC: EUR 211 million
IFRIC: EUR 230 million

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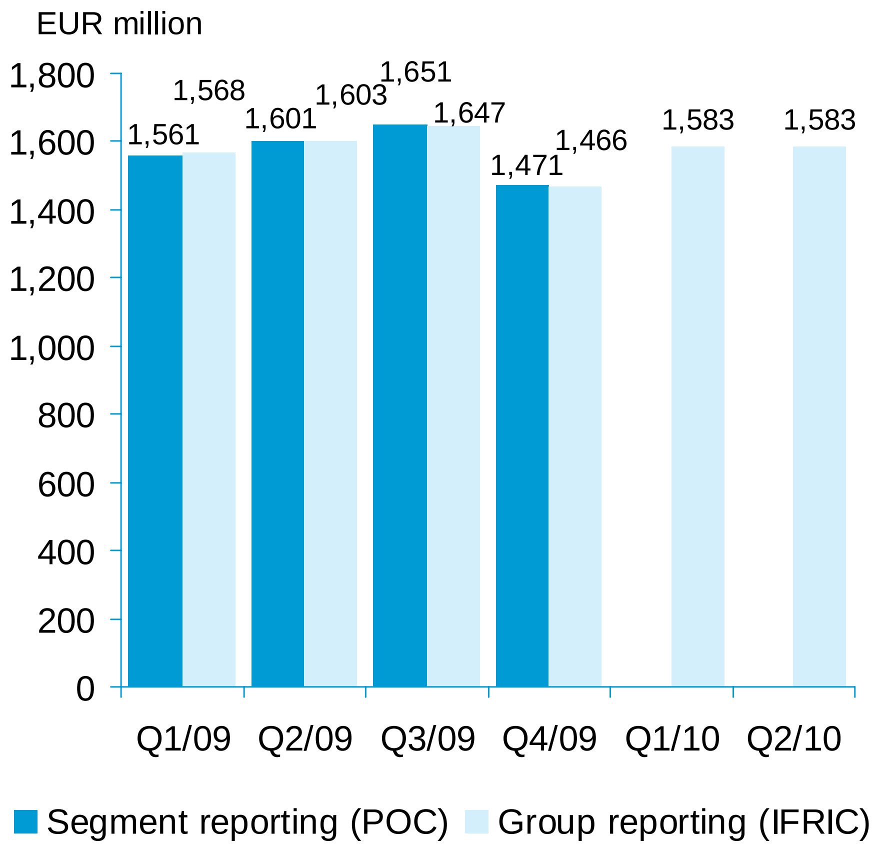
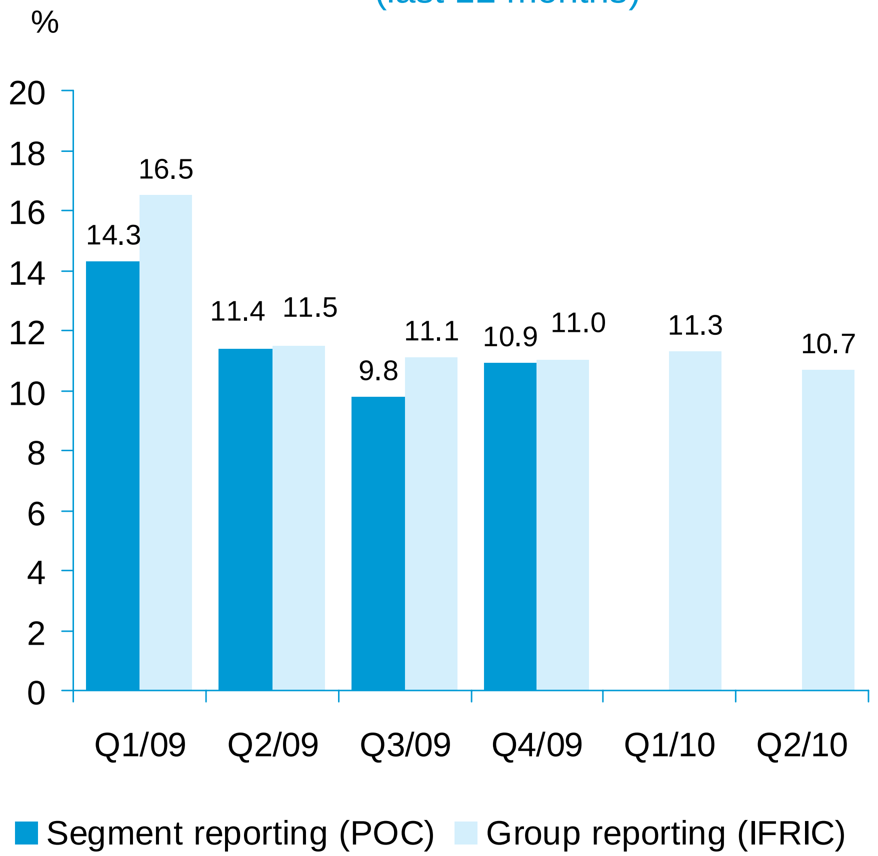
Return on investment clearly below target level

Invested capital



Return on investment

(last 12 months)



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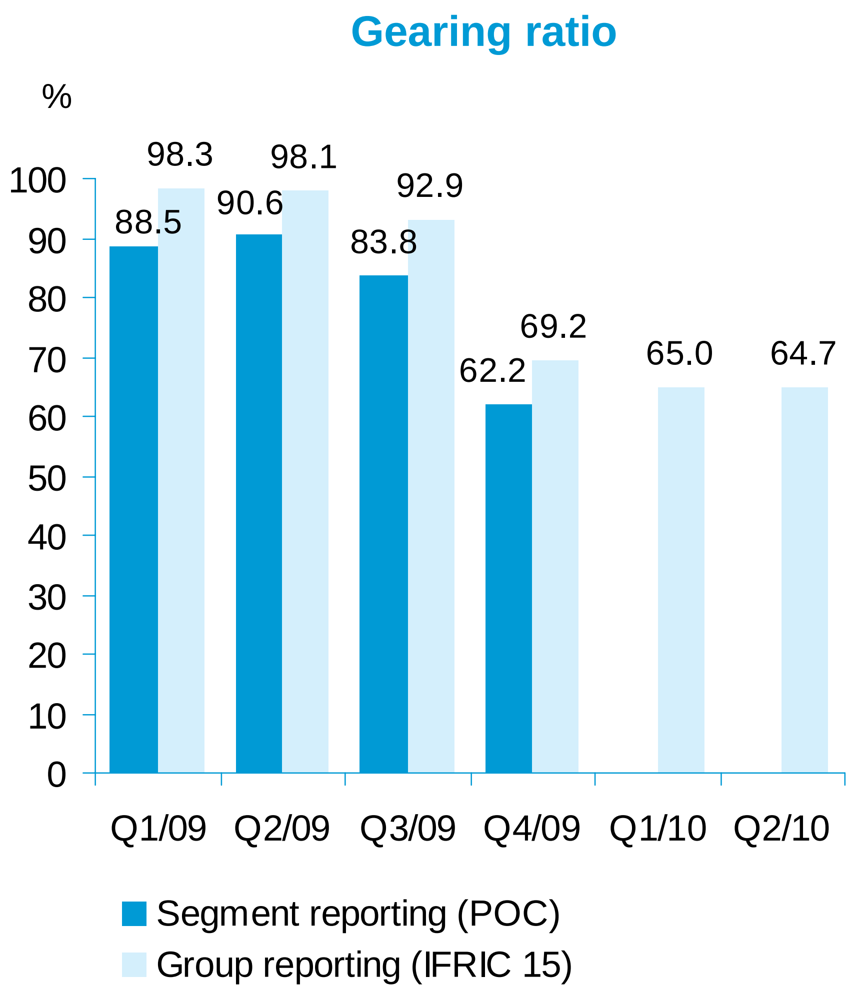
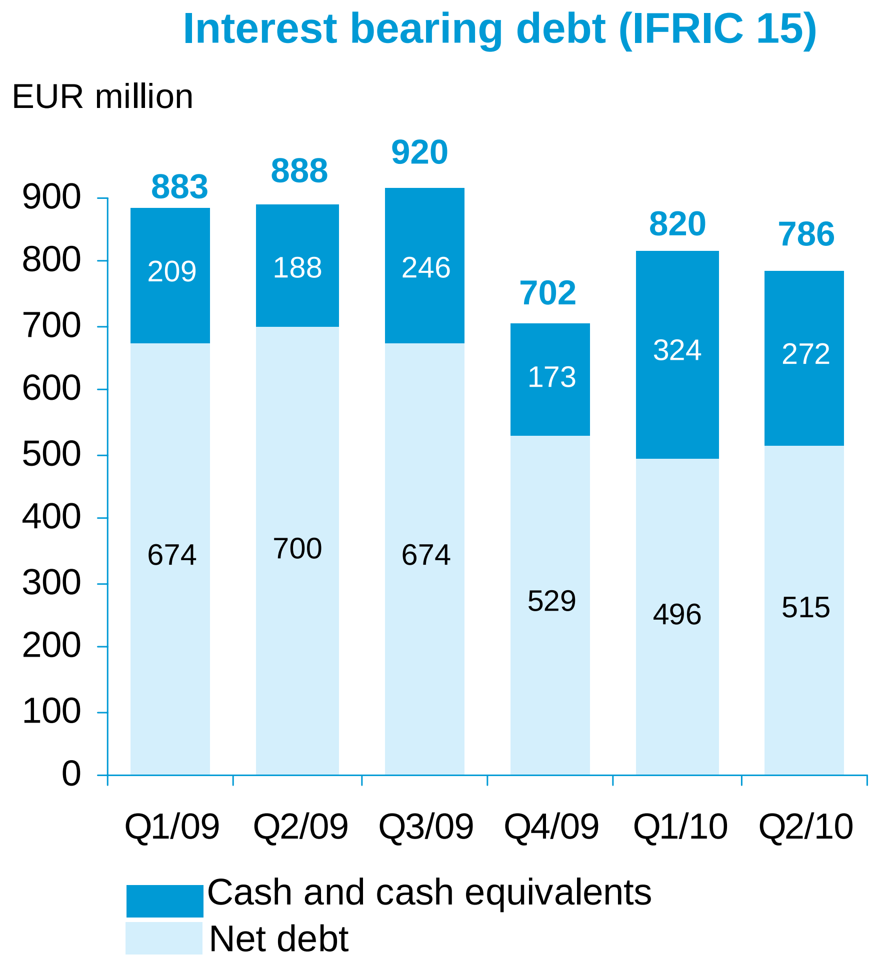
Solid financial position





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Future outlook

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Market outlook

- Residential demand continues to be good
  - Russia: need for housing, improved consumer confidence, development in mortgage market
  - Baltics: signs of recovery in housing markets
  - Finland: low interest rates, stronger consumer confidence, stabilizing price level, increasing supply
- Infrastructure construction relatively stable in Finland
- Non-residential new construction and new investments in building systems at a low level
- Stable increase in renovation and modernisation of buildings
- Industrial investments remaining at a low level, maintenance more stable

International Construction services

Construction Services Finland

Building and Industrial Services

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Outlook for 2010

YIT estimates that in 2010 the Group revenue will increase and profit before taxes will increase significantly compared to 2009.

The guidance is based on IFRIC 15.

The outlook has not been changed since the Financial Statements Bulletin published on February 4, 2010.

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More information

Timo Lehtinen
Chief Financial Officer (CFO)

Tel. +358 20 433 2258
Mob. +358 45 670 0626
timo.lehtinen@yit.fi

Hanna-Maria Heikkinen
Vice President, Investor Relations

Tel. +358 2043 32 635
Mobile +358 40 82 62 172
hanna-maria.heikkinen@yit.fi

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Appendices

- IFRIC 15
- Ownership
- Market development

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Impacts of the new IFRS interpretation

YIT will apply the IFRIC 15 Agreements for the Construction of Real Estate IFRS interpretation from the start of the financial period beginning on January 1, 2010.

As a result, the Group and segment reporting will differ:

Segment reporting (POC)

No change in segment figures: they are accounted using the previous accounting principles

- Recognition of own residential development projects: Percentage of completion method (POC)
- Recognition of own commercial real estate development projects: Percentage of completion method (POC)
- More stable development in revenue and profitability
- Volume changes in production will reflect on key financials faster than in Group reporting

Group reporting (IFRIC 15)

Changes in certain items of the consolidated income statement, balance sheet and cash flow statement

- Recognition of own residential development projects: When the project is completed
- Recognition of own commercial real estate development projects: Either when the project is completed or percentage of completion method (POC)
- Revenue and profitability development: Greater fluctuation between quarters
- Consolidated balance sheet total will be higher - key figures/ratios calculated from the balance sheet will weaken

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YIT’s major shareholders

on June 30, 2010

Shareholder	Shares	% of share capital
1. Structor S.A.	13,400,000	10.53
2. Varma Mutual Pension Insurance Company	6,570,908	5.16
3. Ilmarinen Mutual Pension Insurance Company	5,474,685	4.30
4. Mandatum Life Insurance Company Limited	5,286,243	4.16
5. Suomi Mutual Life Assurance Company	2,667,386	2.10
6. YIT Corporation	2,145,000	1.69
7. Svenska Litteratursällskapet i Finland	1,874,200	1.47
8. Tapiola Mutual Pension Insurance Company	1,785,000	1.40
9. OP-Delta Fund	1,763,871	1.39
10. Etera Mutual Pension Insurance Company	1,755,429	1.38
Ten largest, total	42,722,722	33.58
Other shareholders	56,477,458	44.39
Nominee registered shares	28,023,242	22.03
Total	127,223,422	100.0

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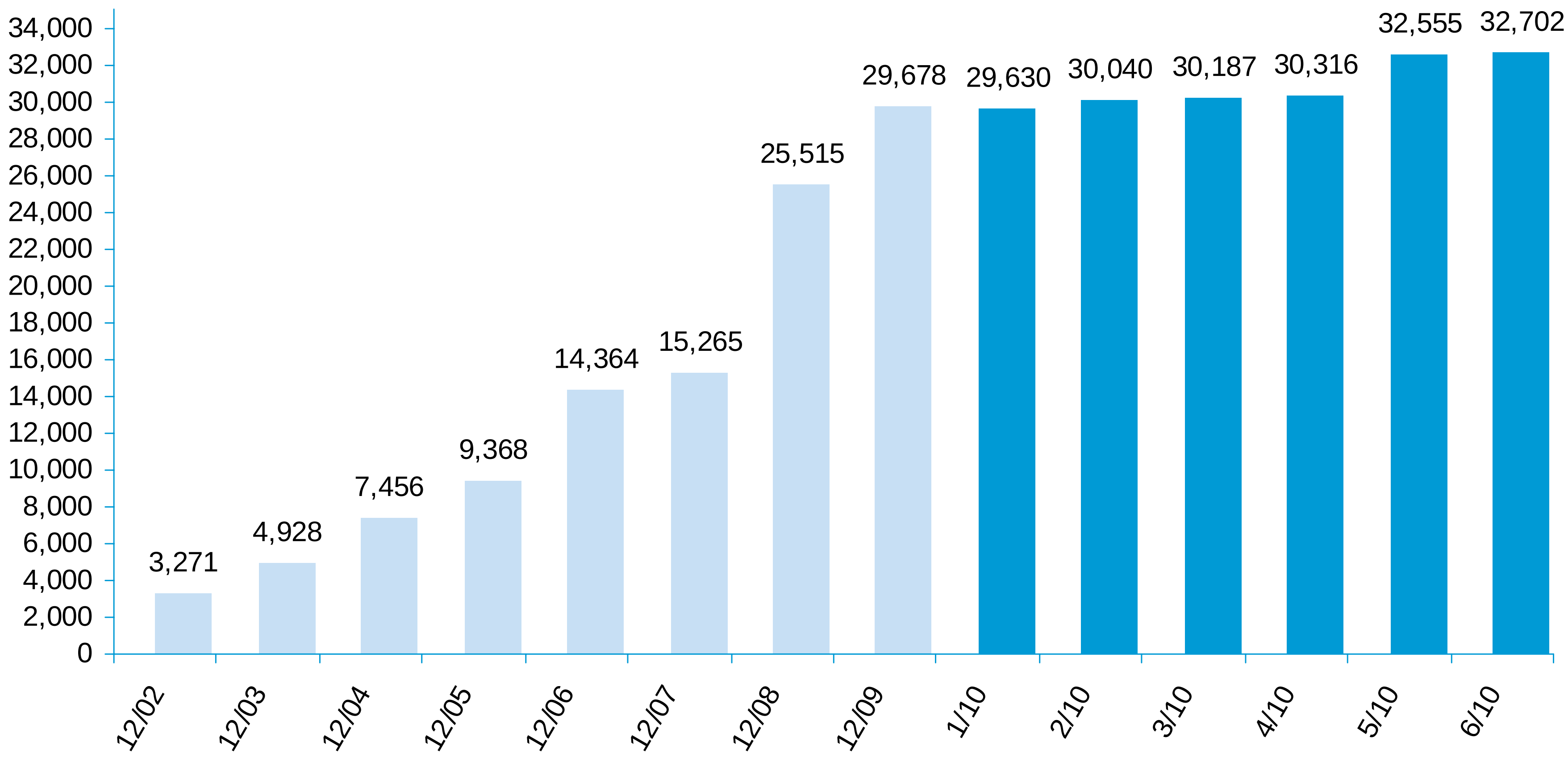
32,702 shareholders

on June 30, 2010

Number of shareholders



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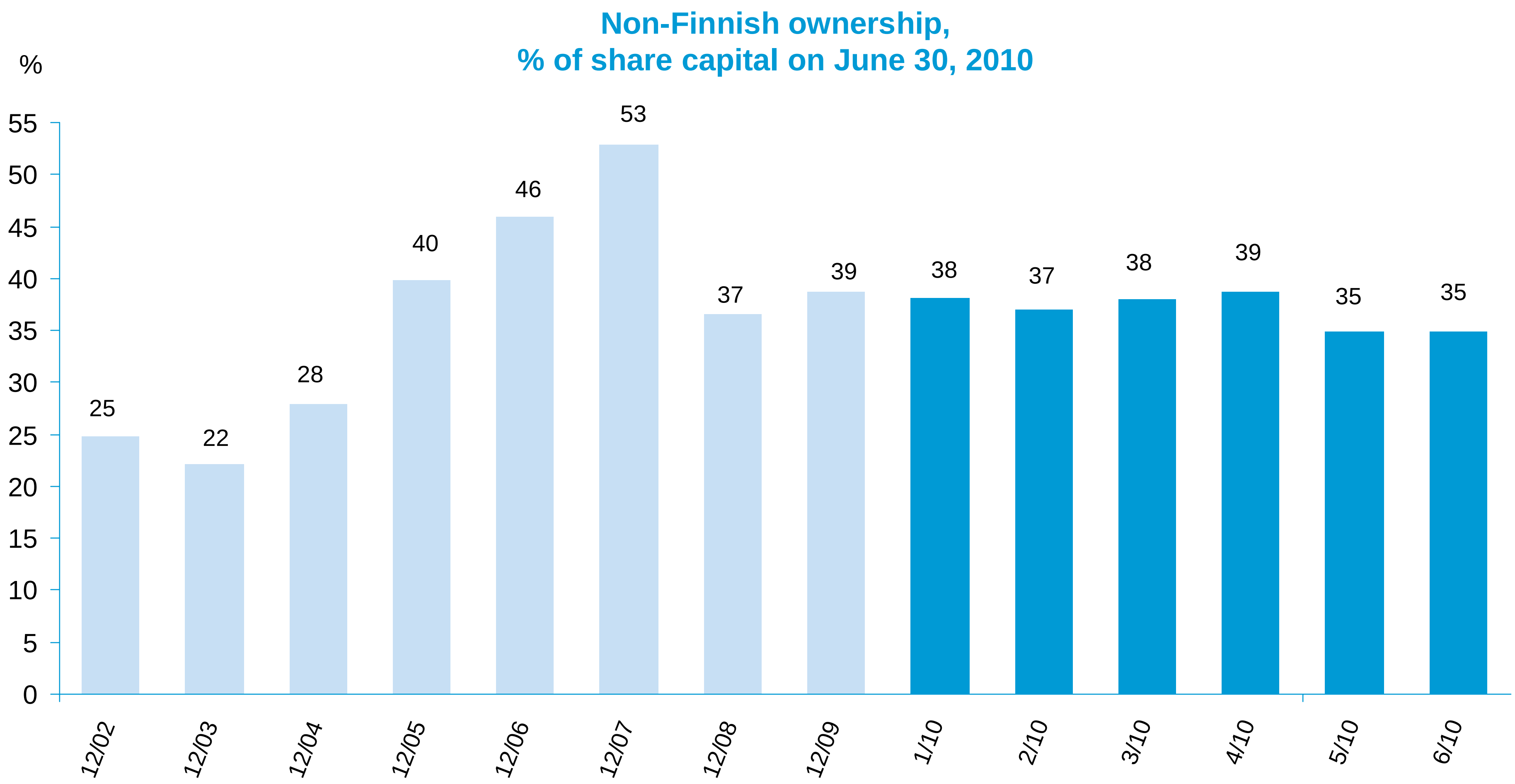
35% of shares in international ownership



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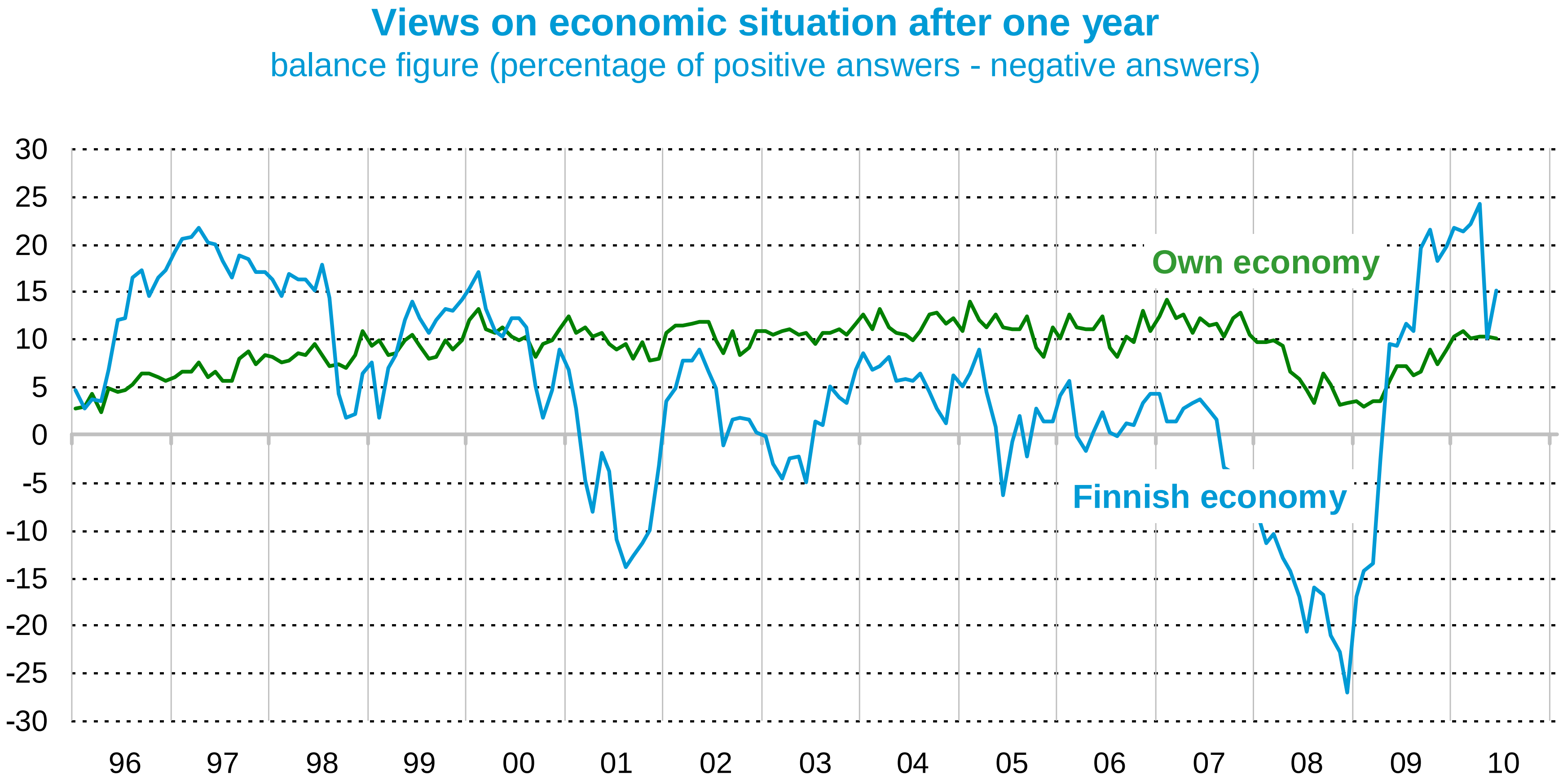
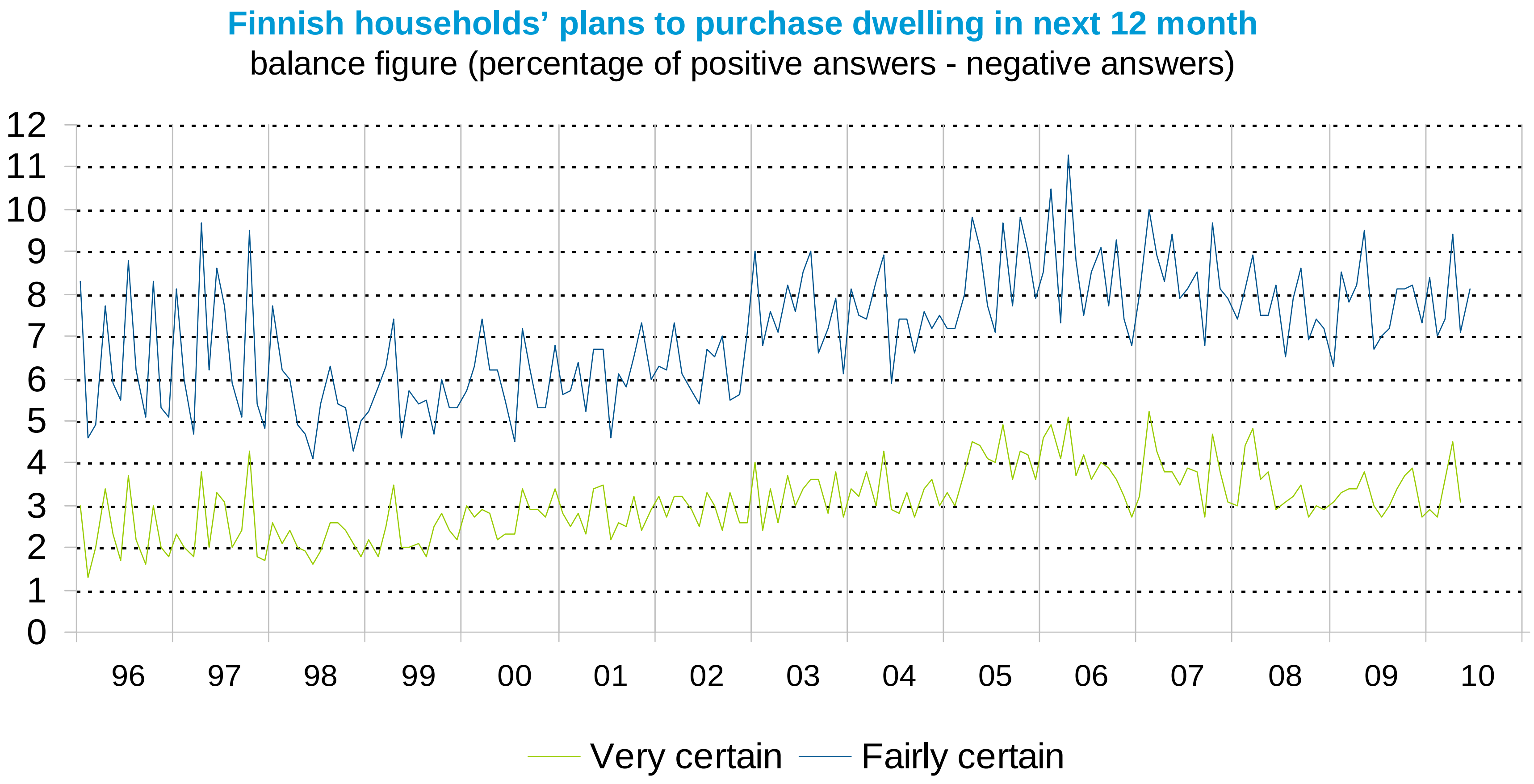
Finnish consumers´ confidence in own economy strongest in three years



Source: Statistics Finland, Consumer survey, June 28, 2010

Together we can do it. YIT

8% of Finnish households planning to buy a dwelling within a year



Source: Statistics Finland, Consumer survey, June 28, 2010

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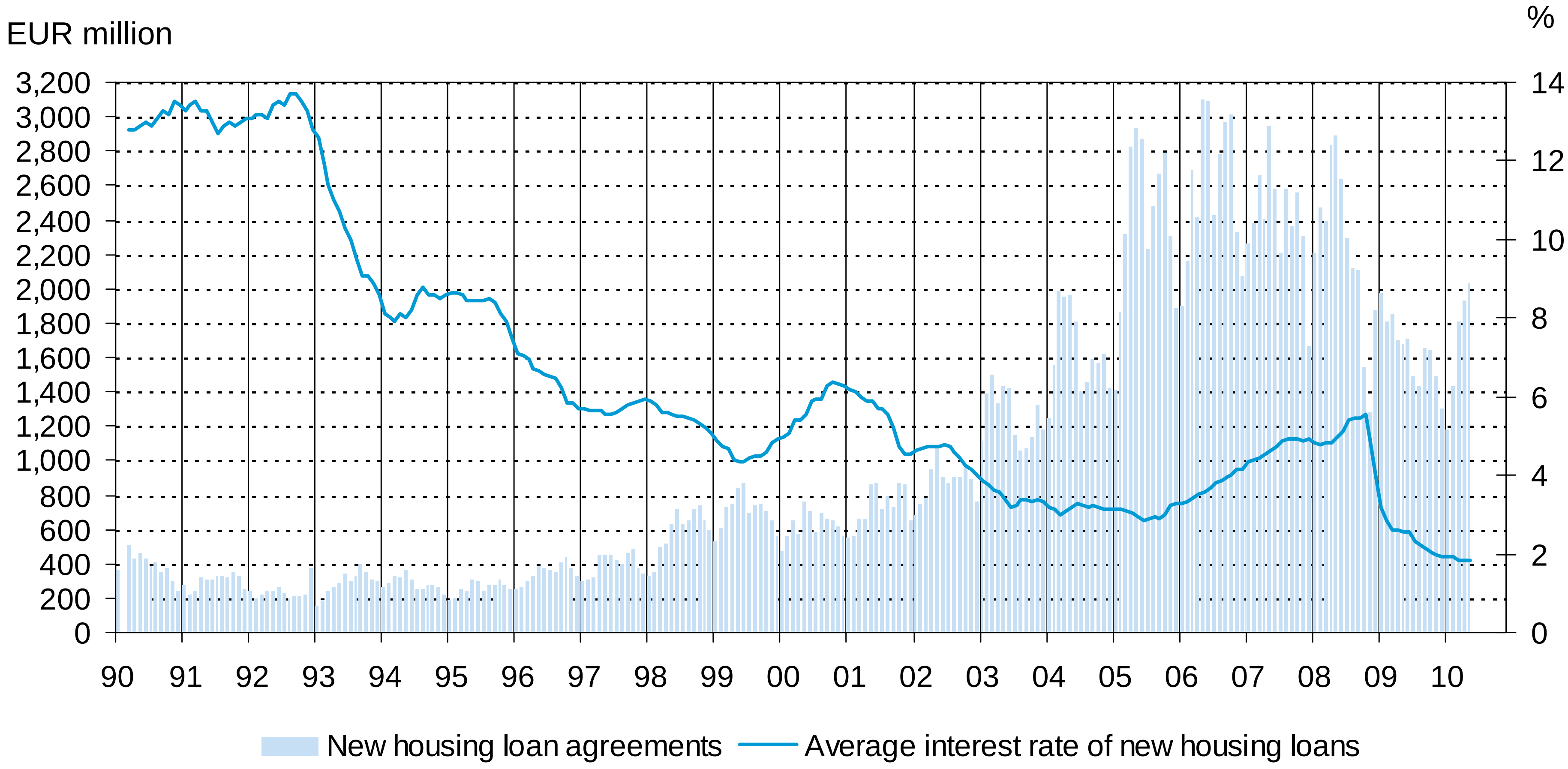
Residential market in Finland

Interest rates at a low level



Source: Bank of Finland, June 30, 2010

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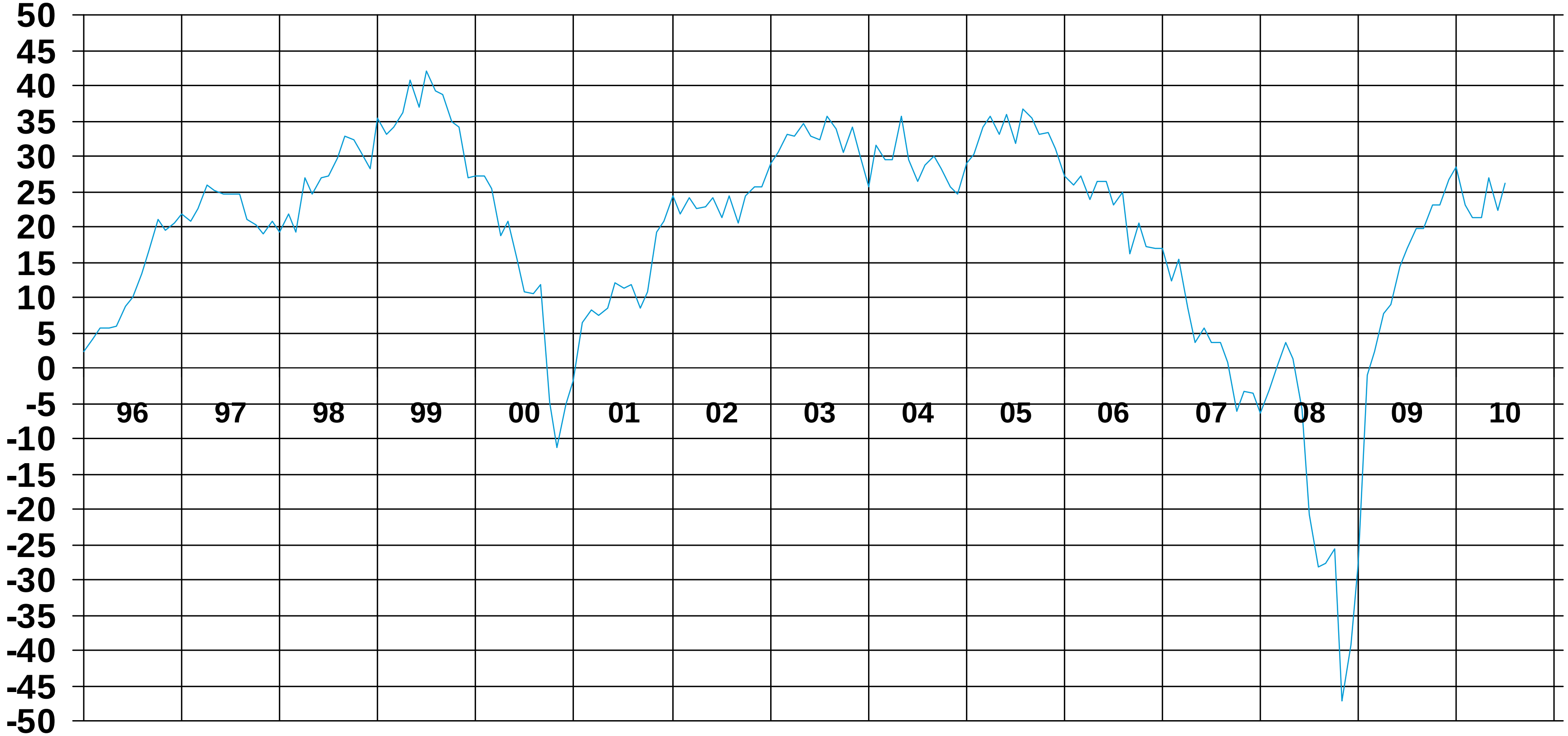
69% of Finnish consumers regard the time good for raising a loan

View on feasibility of borrowing in Finland

Balance figure (percentage of positive answers – percentage of negative answers)



Source: Statistics Finland, June 28, 2010

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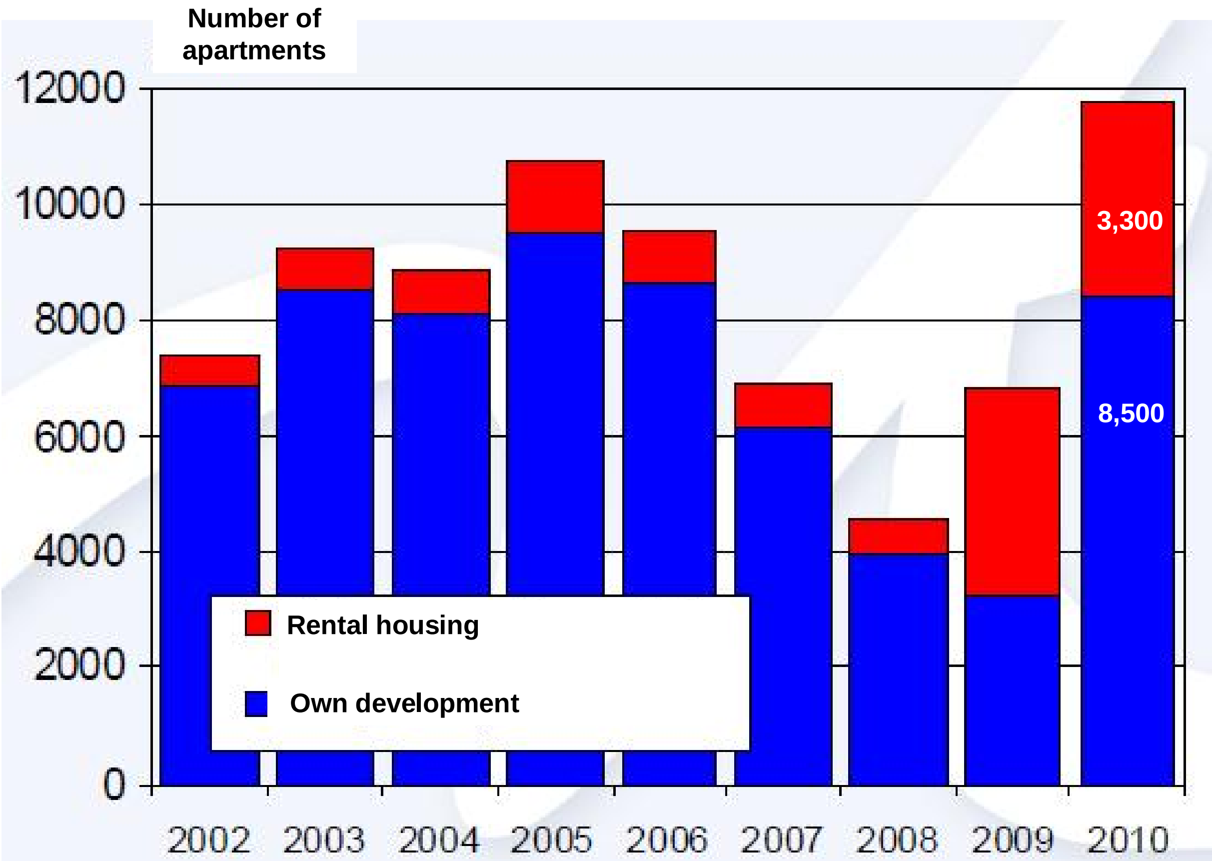
The share of own development construction to grow

Residential start-ups in Finland: Non-subsidized apartments and terraced houses



Estimated start-ups in 2010:

January-June:
5,553

July-December:
6,211

Source: The Confederation of Finnish Construction Industries (RT), June, 2010

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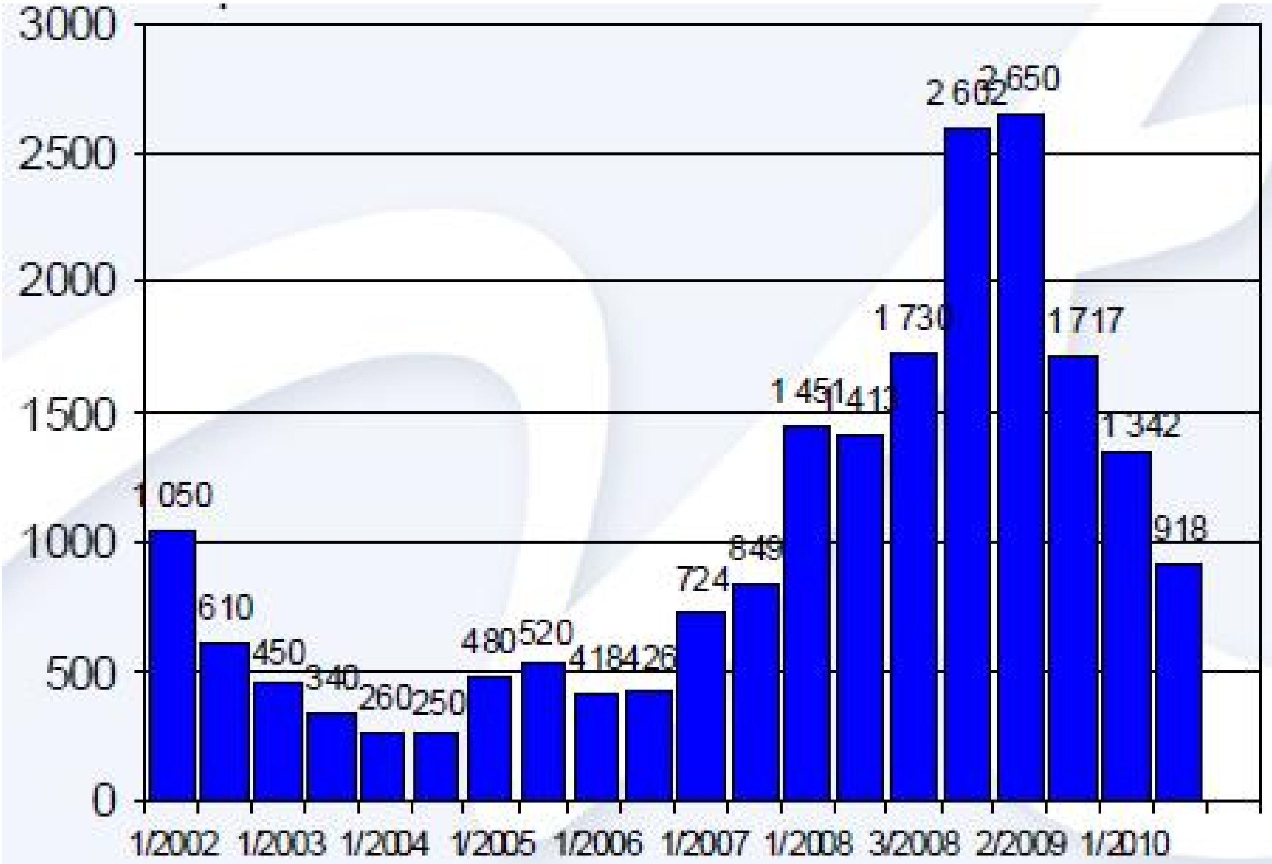
New, completed apartments for sale in Finland



Source: The Confederation of Finnish Construction Industries (RT), June, 2010

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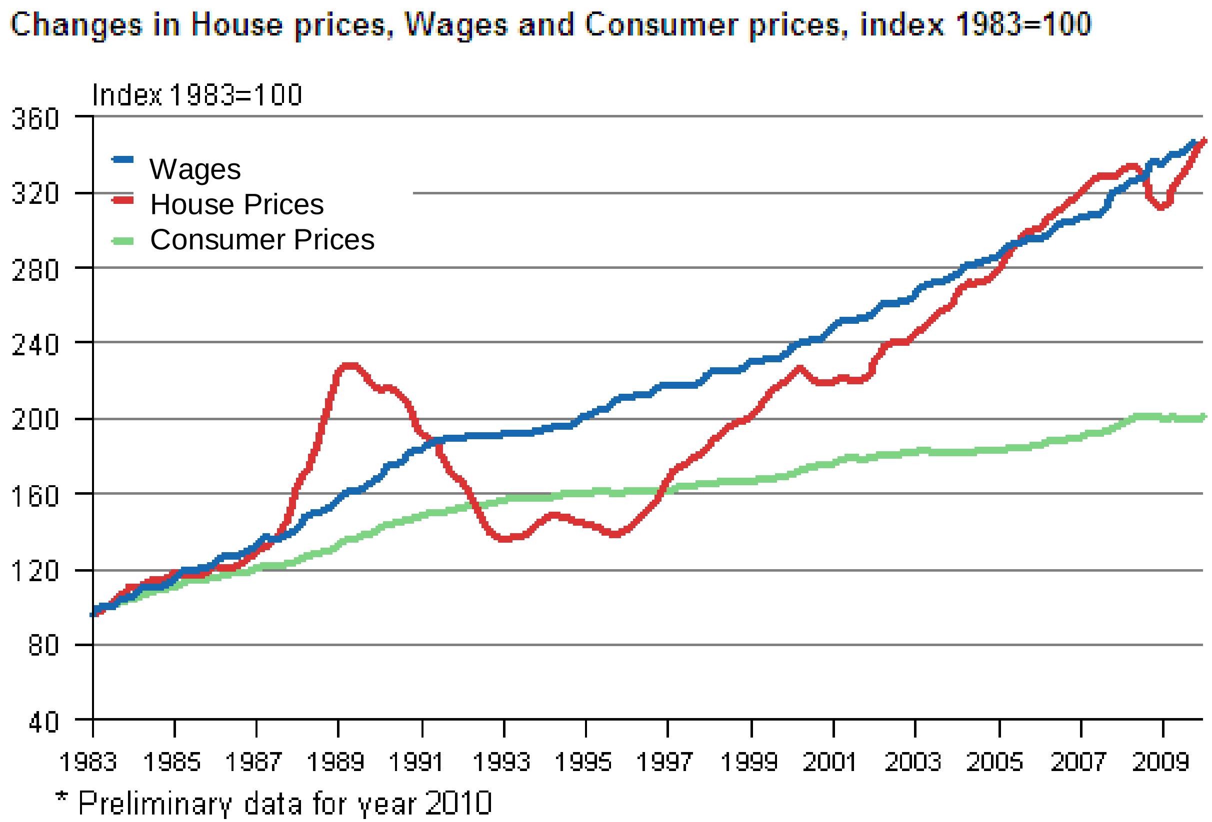
Residential market in Finland

Development of housing prices

1983 - Q1/2010



Source: Statistics Finland, April 30, 2010

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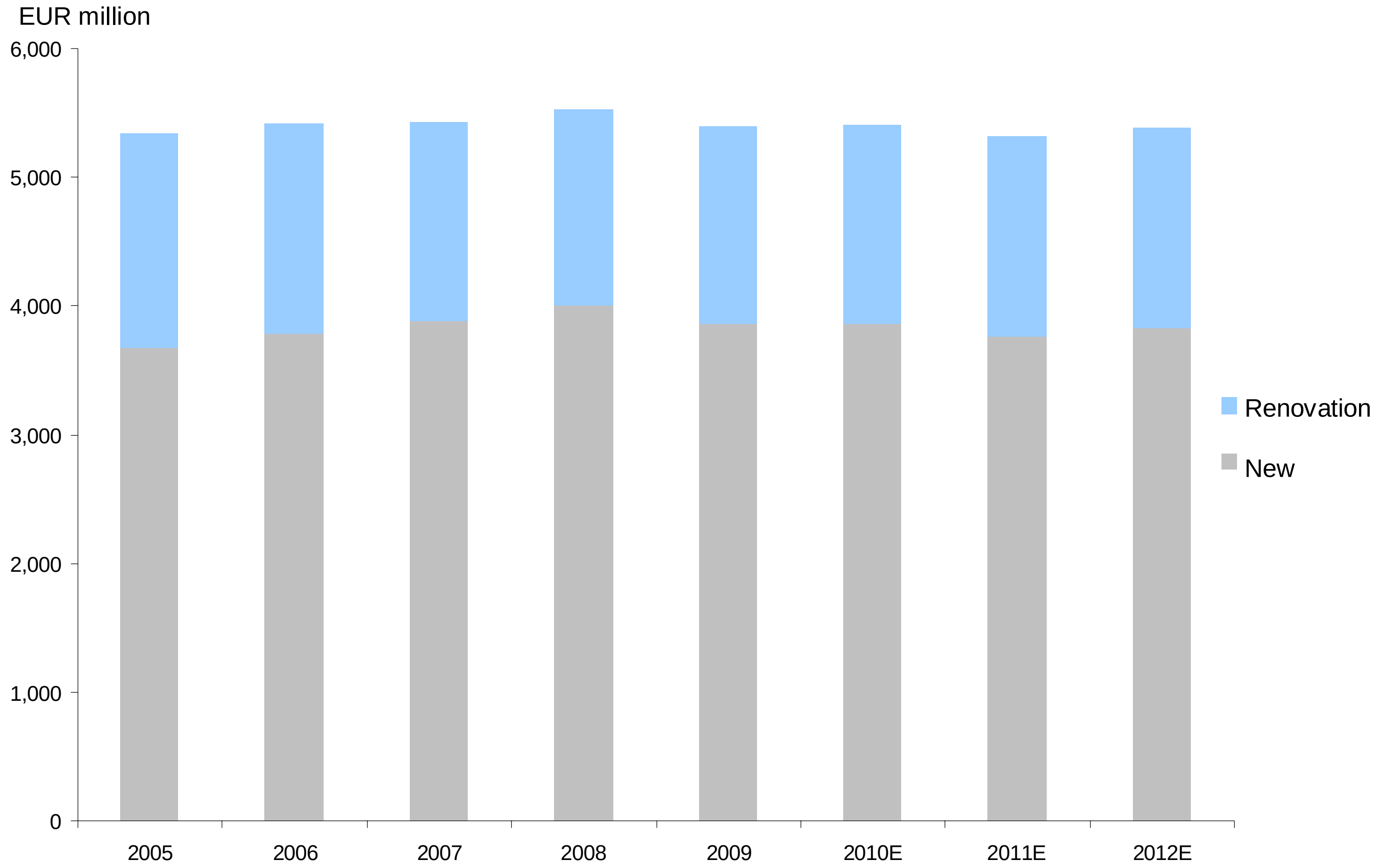
Infrastructure construction relatively stable in Finland



Source: Euroconstruct, June 2010

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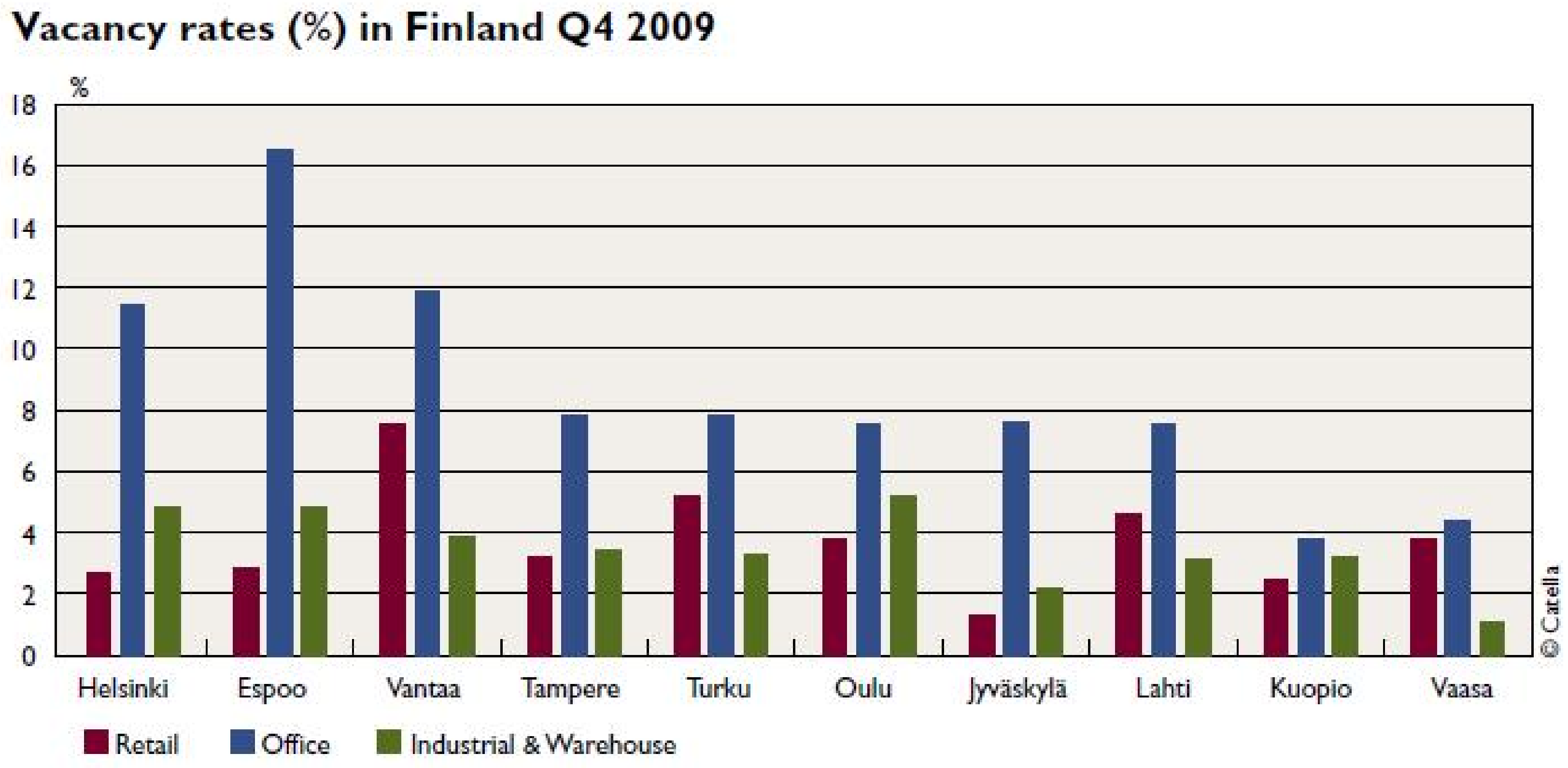
Vacancy rates increasing in office premises

Higher occupancy in retail, industrial and warehouse space



Source: Catella, March 4, 2010

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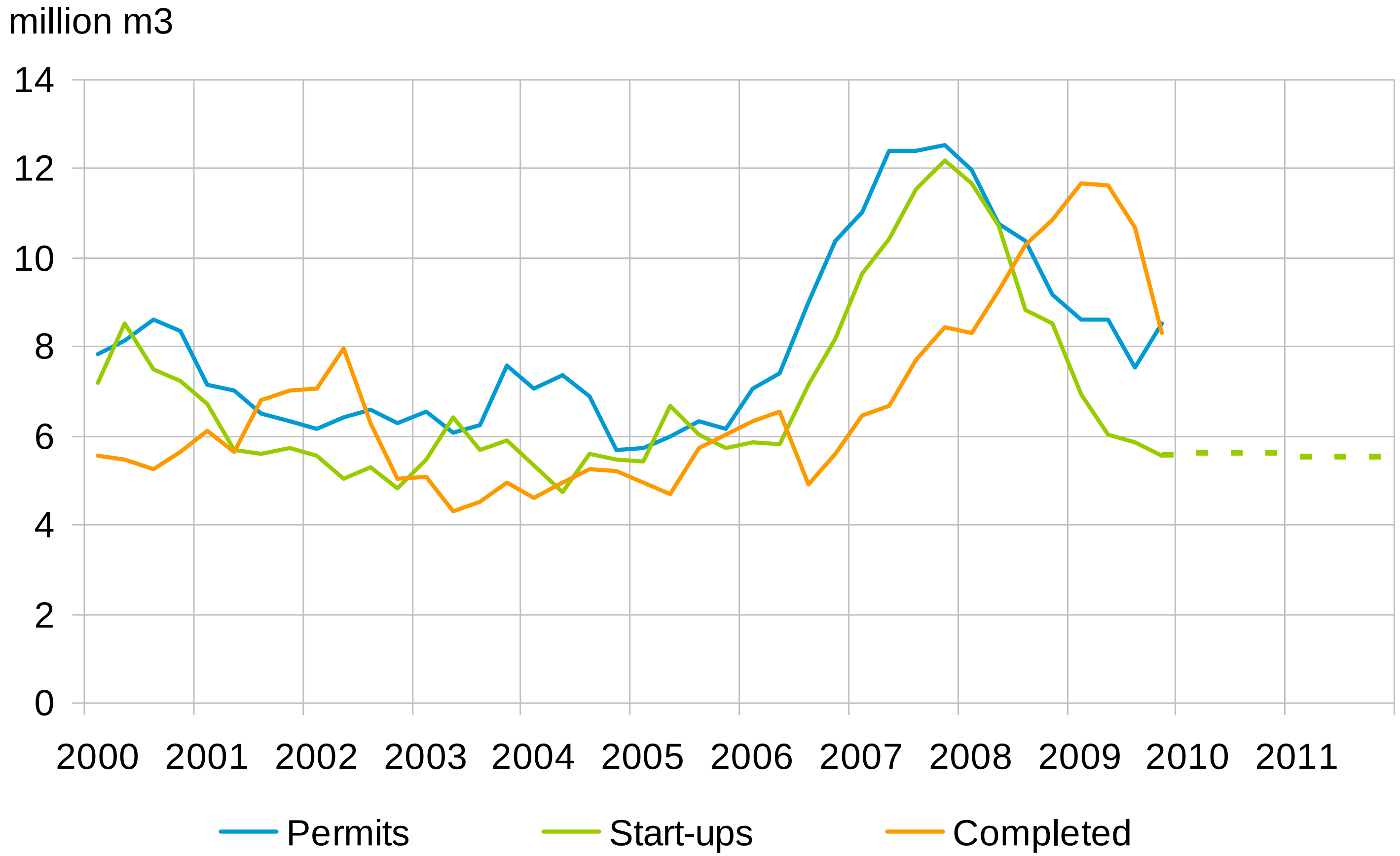
Decrease in construction volumes of new business premises stabilising in Finland



Source: The Confederation of Finnish Construction Industries (RT), April 19, 2010 and Statistics Finland

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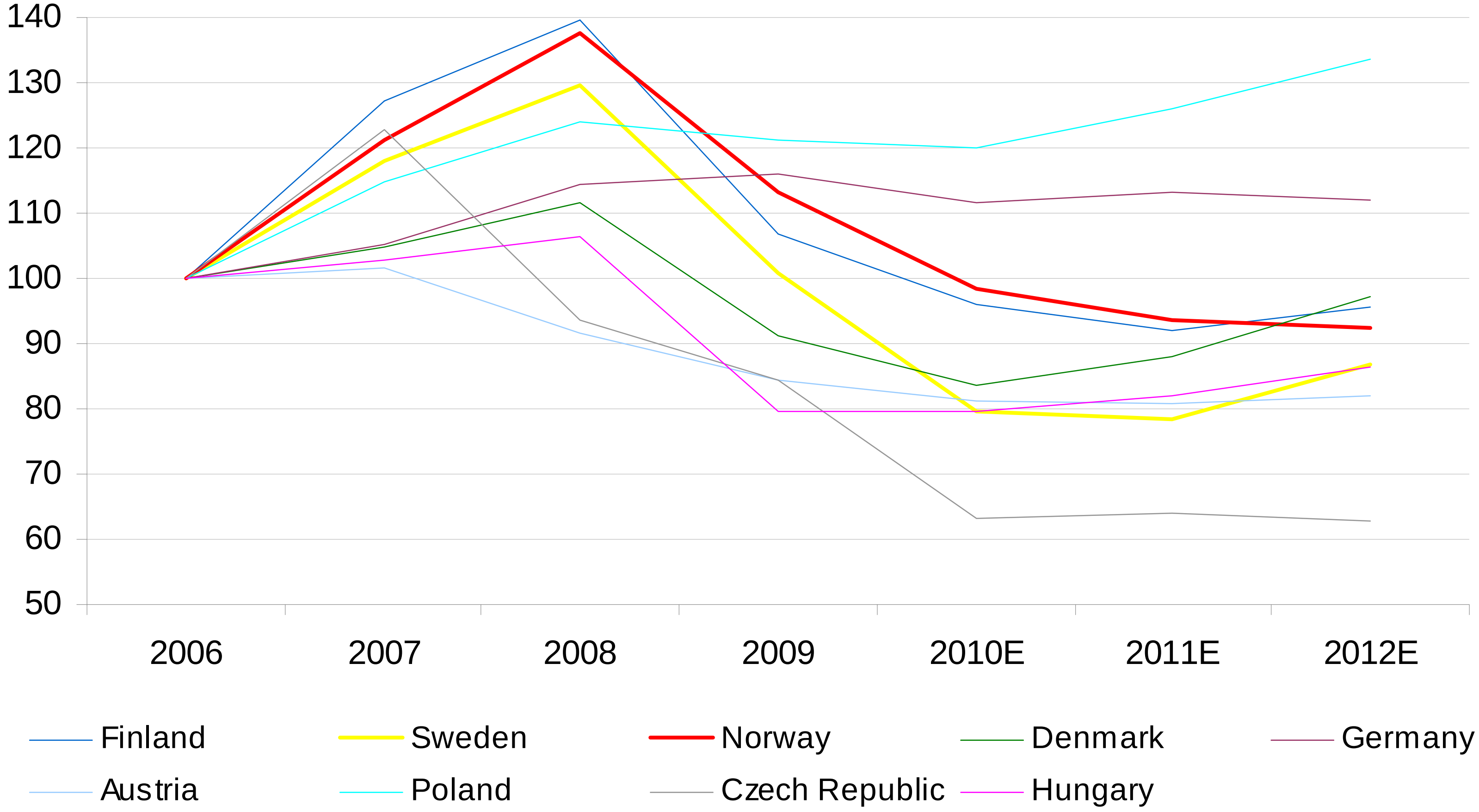
Decrease of new investments in building systems levelling off

New non-residential construction volumes in Europe, index



Source: Euroconstruct, June 2010

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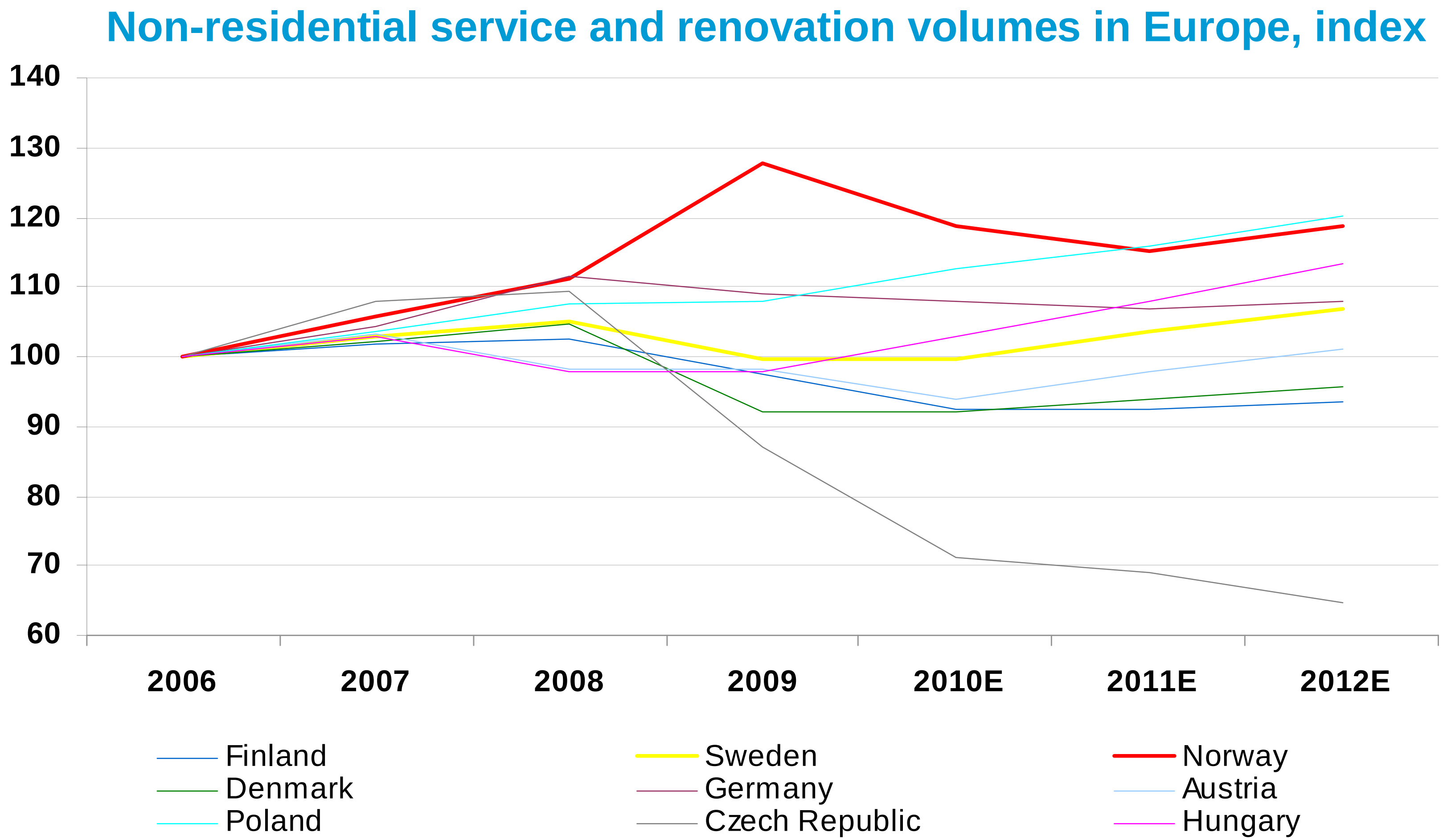
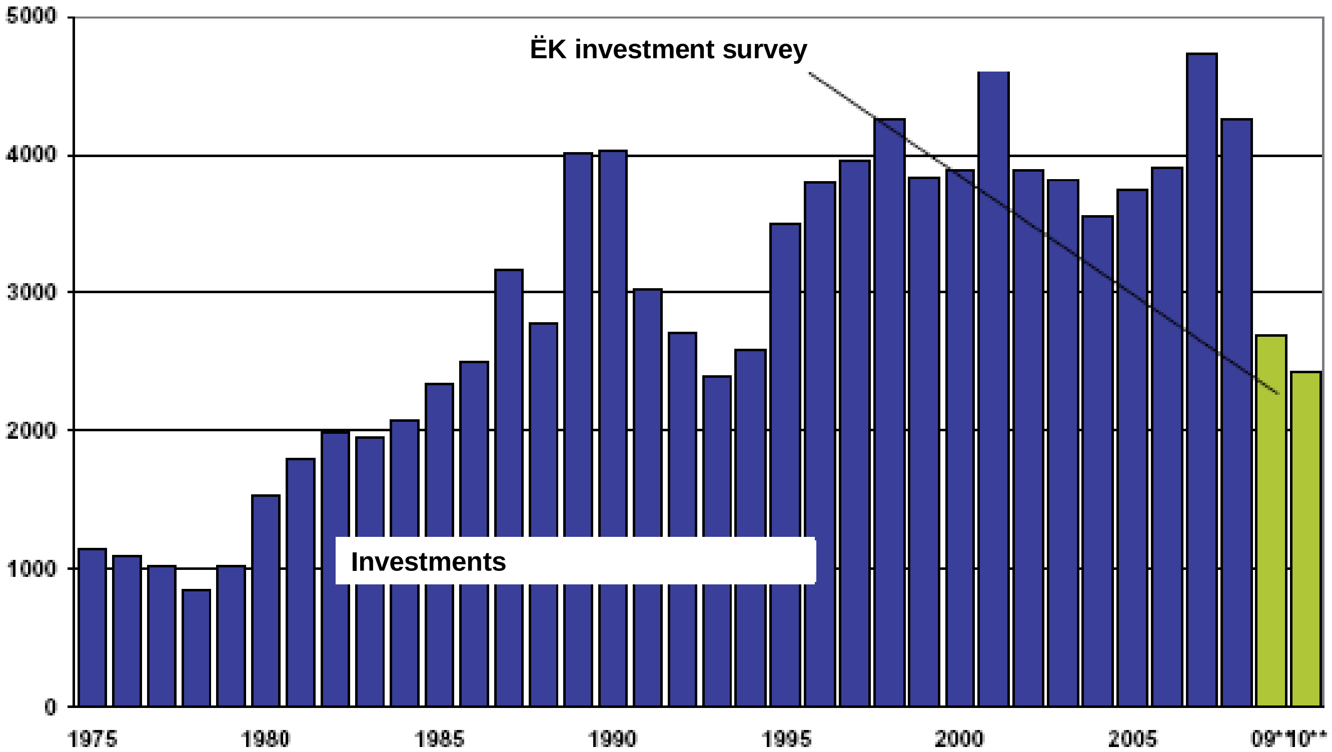
Stable demand in service and maintenance



Source: Euroconstruct, June 2010

Industrial investments in Finland still slightly down in 2010

Industrial sector fixed investments in Finland (EUR million)



Source: Confederation of Finnish Industries EK, June 2010

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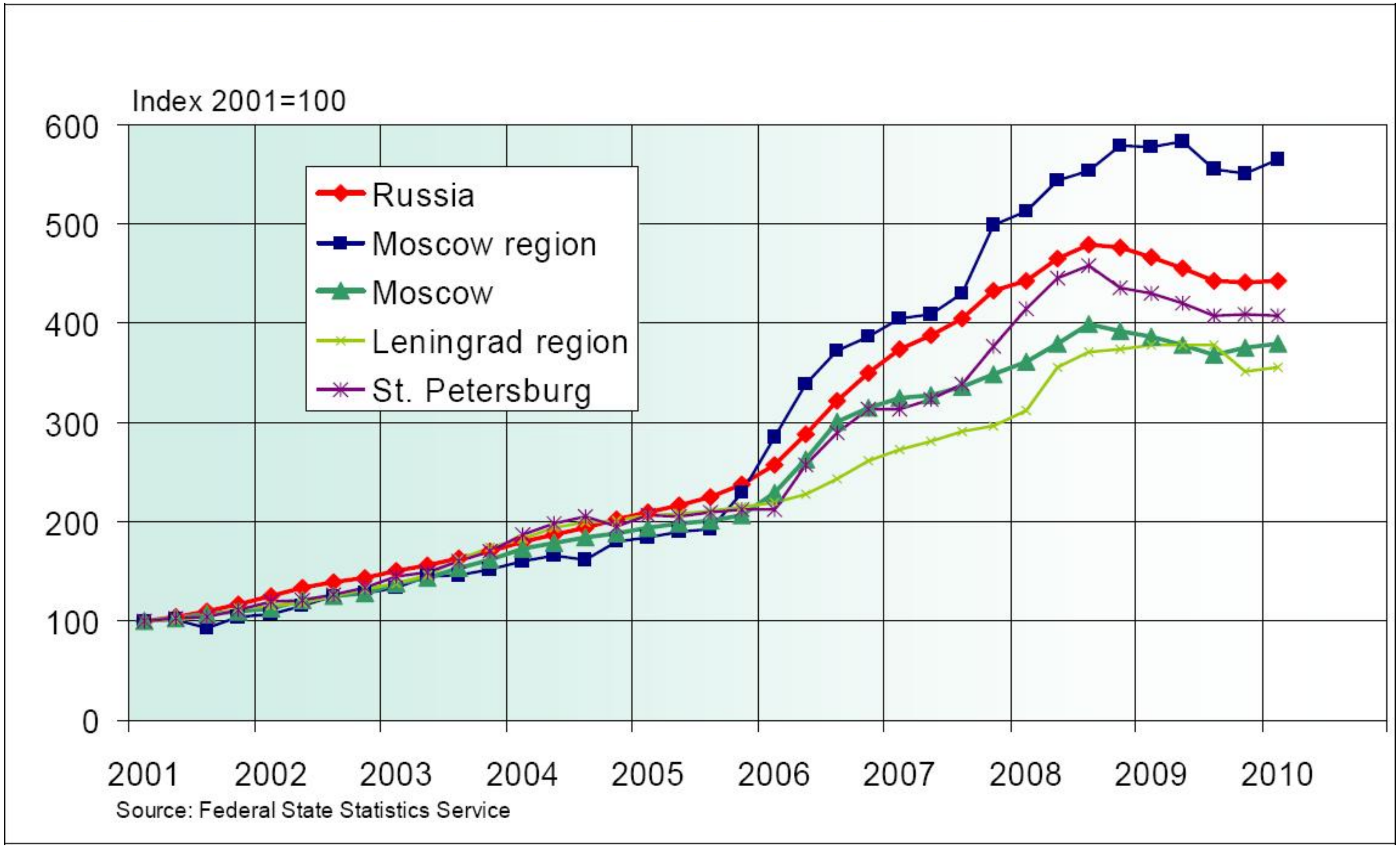
Consumer confidence in Russia keeps improving

Source: Rosstat, July 7, 2010

Price index of new apartments in Russia



Source: Euroconstruct and Federal State Statistics Service, June 2010

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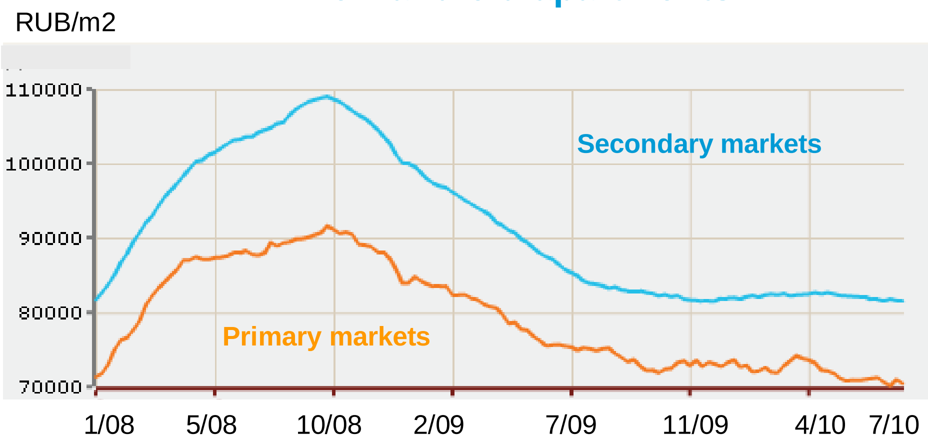
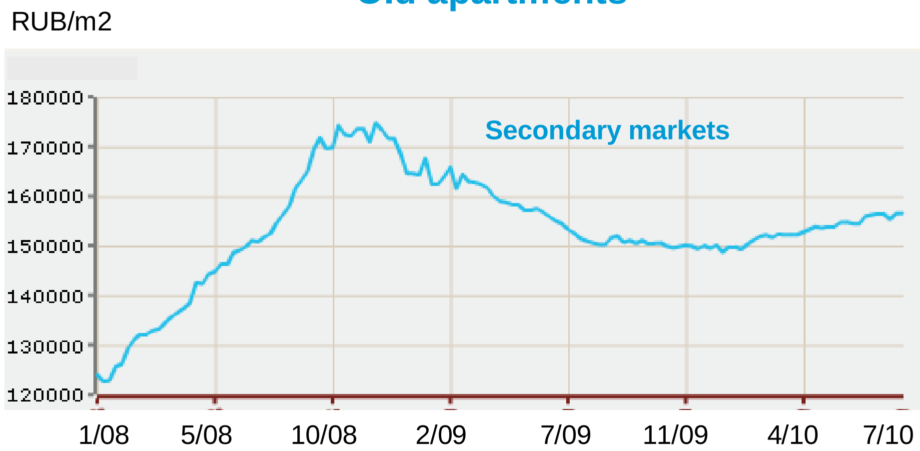
Housing price development in St. Petersburg and Moscow

St. Petersburg:
New and old apartments



Moscow:
Old apartments



Price on June 28, 2010:

Primary markets: 70,615 RUB m/2
Secondary markets: 81,536 RUB/m2

Price on June 28, 2010:

Secondary markets: 156, 489 RUB/m2

Source: www.bn.ru

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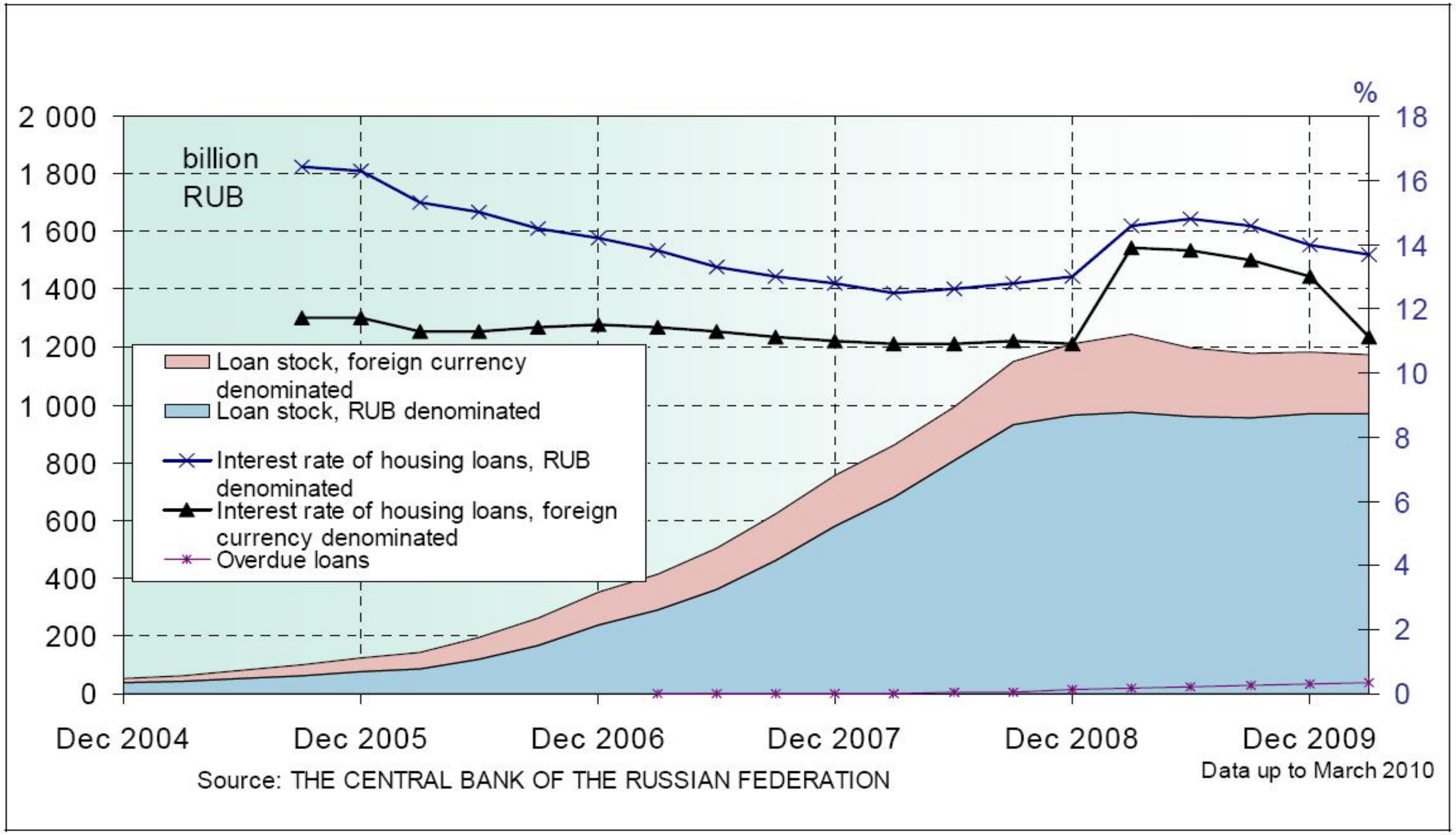
Housing loan stock and interest rates in Russia



Source: Euroconstruct, June 2010

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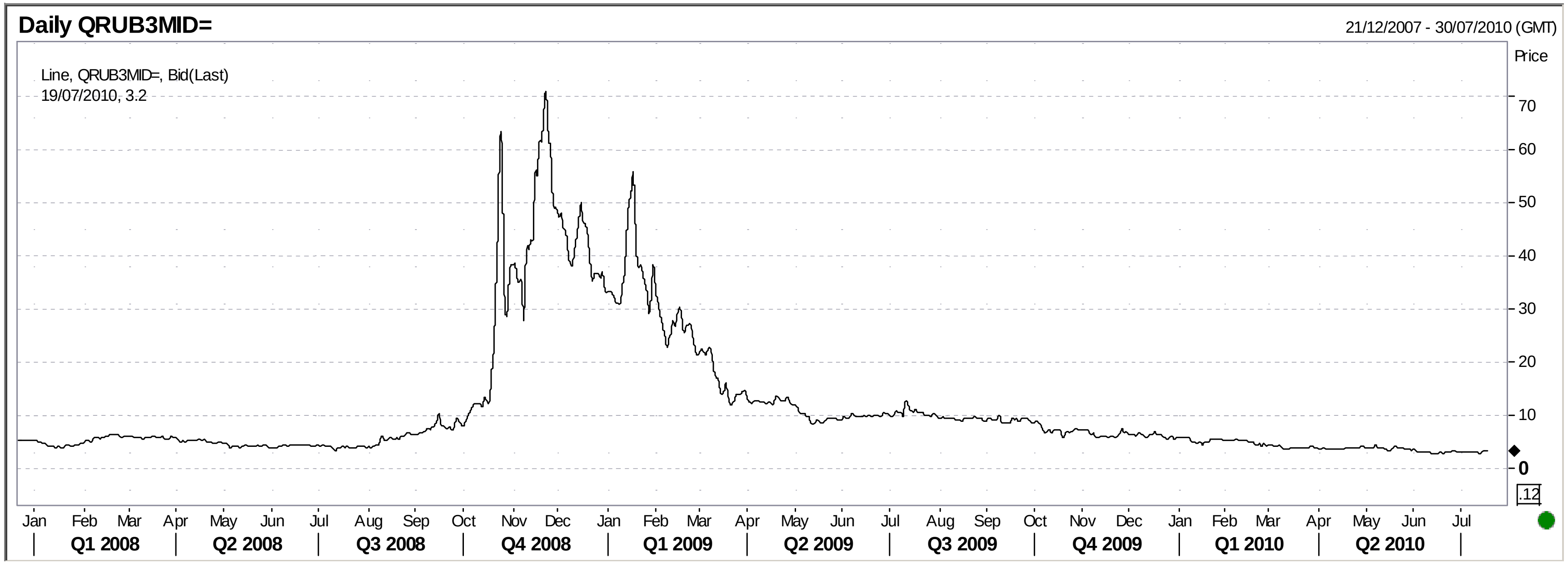
Development of ruble interest rate impacts financing and hedging costs



Source: Reuters

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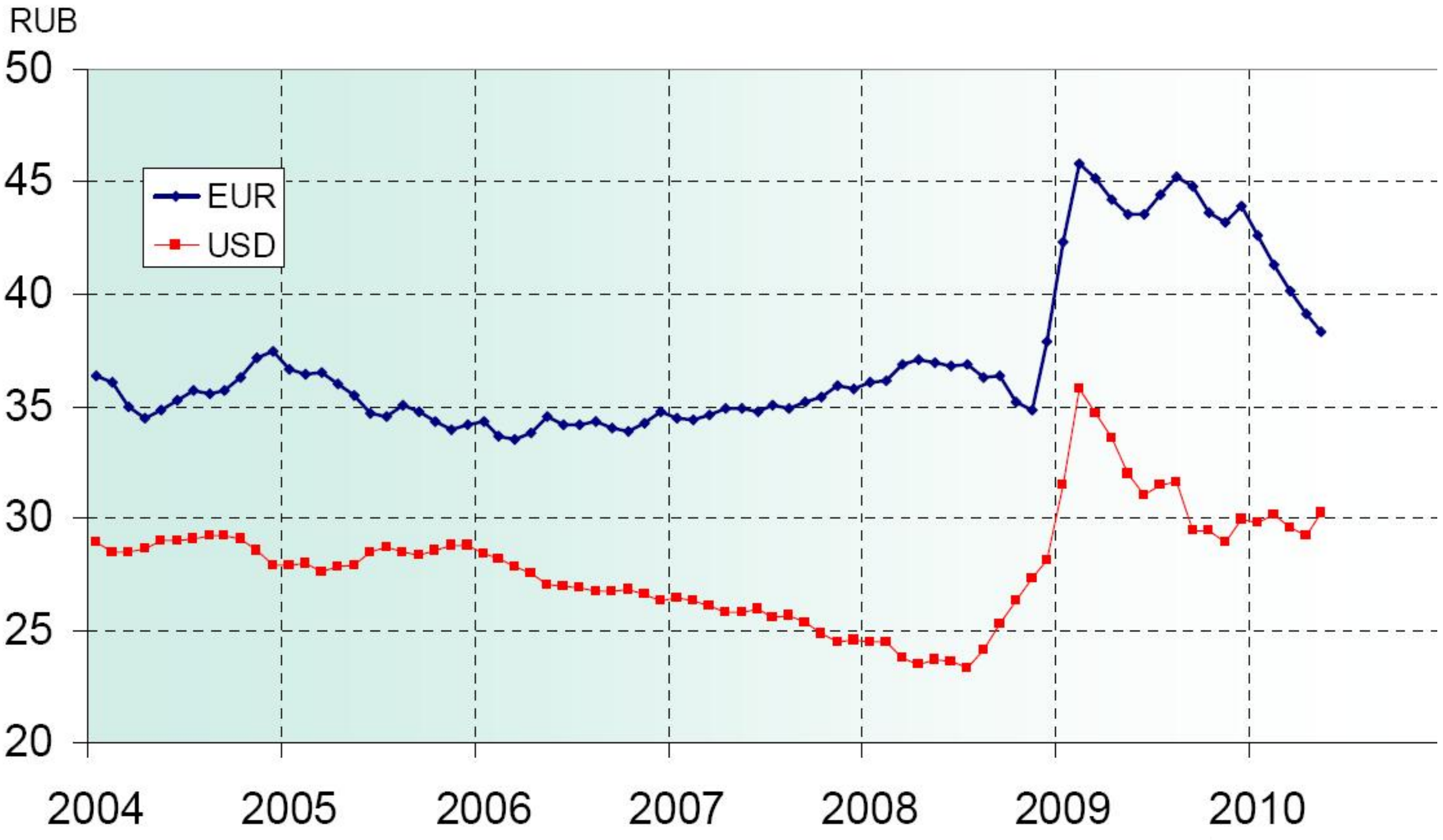
Exchange rate of ruble, monthly average



Source: Bank of Finland, Russian Central Bank and Euroconstruct, June 2010

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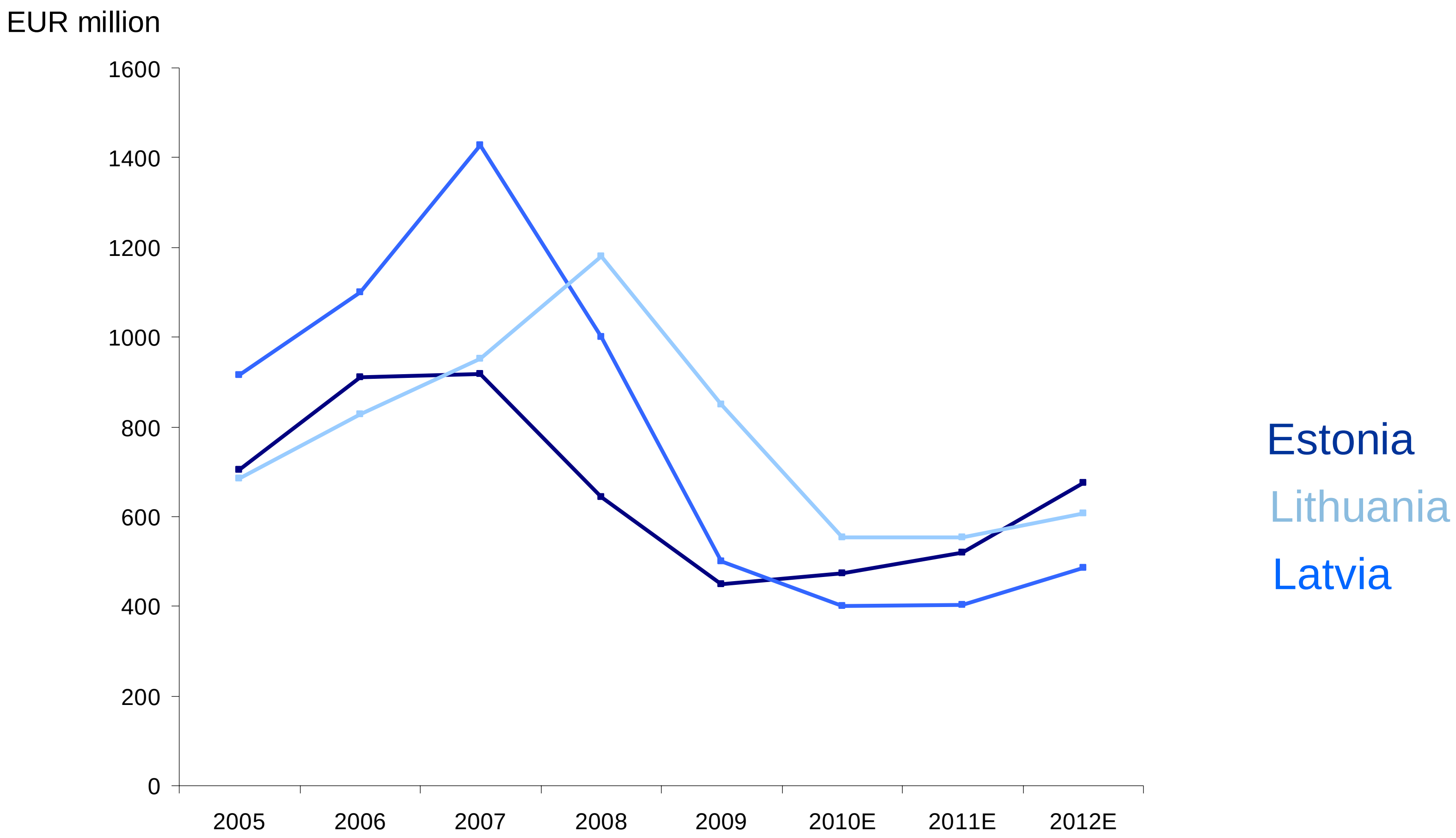
Total residential construction in the Baltics



Includes new residential construction and renovation

Source: Euroconstruct, June 2010

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