

# YIT Group Interim Report 1-6/2008

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President and CEO

Event for analysts and investors  
July 25, 2008



Together we can do it. **YIT**

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# Interim Report 1-6/2008



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# First half of the year

## Revenue and EBIT increased

MEUR	1-6/2008	1-6/2007	Change	1-12/2007
Revenue <sup>1)</sup>	1,918.2	1,772.8	8%	3,706.5
Operating profit <sup>2)</sup>	149.1	139.7	7%	337.8
• of revenue	7.8%	7.9%	-	9.1%
Financial income and expenses, net <sup>3)</sup>	-18.3	-15.1	21%	-32.2
Profit before taxes	130.8	124.6	5%	305.6
Earnings per share, EUR <sup>4)</sup>	0.73	0.73	0%	1.77

1) 1-12/2007 including MEUR +77 (divestment of Network Services).

2) Q4/2007 including MEUR +14.4 (divestment of Network Services).

2) Q1/2008 including MEUR +3.5 (final ruling of the Supreme Court).

3) Q1/2008 including MEUR +2.2 (final ruling of the Supreme Court).

4) Q4/2007 including MEUR +9.0 (divestment of Network Services)

# Second quarter of the year

## Revenue increased, EBIT decreased

MEUR	1-3/2007	4-6/2007	1-3/2008	4-6/2008
Revenue <sup>1)</sup>	833.5	939.3	927.0	991.2
Operating profit <sup>2)</sup>	61.2	78.5	78.6	70.5
• of revenue	7.3%	8.4%	8.5%	7.1%
Financial income and expenses, net <sup>3)</sup>	-6.4	-8.7	-8.3	-10.0
Profit before taxes	54.8	69.8	70.3	60.5
Earnings per share, EUR	0.31	0.42	0.40	0.33

1) Network Services division was divested on Dec. 31, 2007.

2) Q1/2008 including MEUR +3.5 (final ruling of the Supreme Court).

3) Q1/2008 including MEUR +2.2 (final ruling of the Supreme Court).

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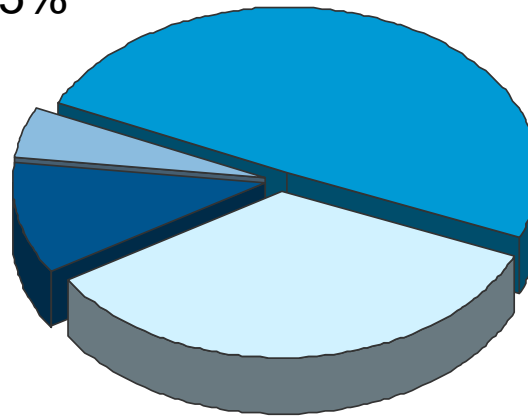
# Growth continued - large variation between countries

Revenue 1-6/2008 (1-6/2007)  
MEUR 1,918 (1,773)  
*Growth 8%*

Lithuania, Estonia, Latvia 5%  
MEUR 96 (108)  
*Change -11%*

Finland <sup>1)</sup> 49%  
MEUR 942 (956)  
*Change -2%*

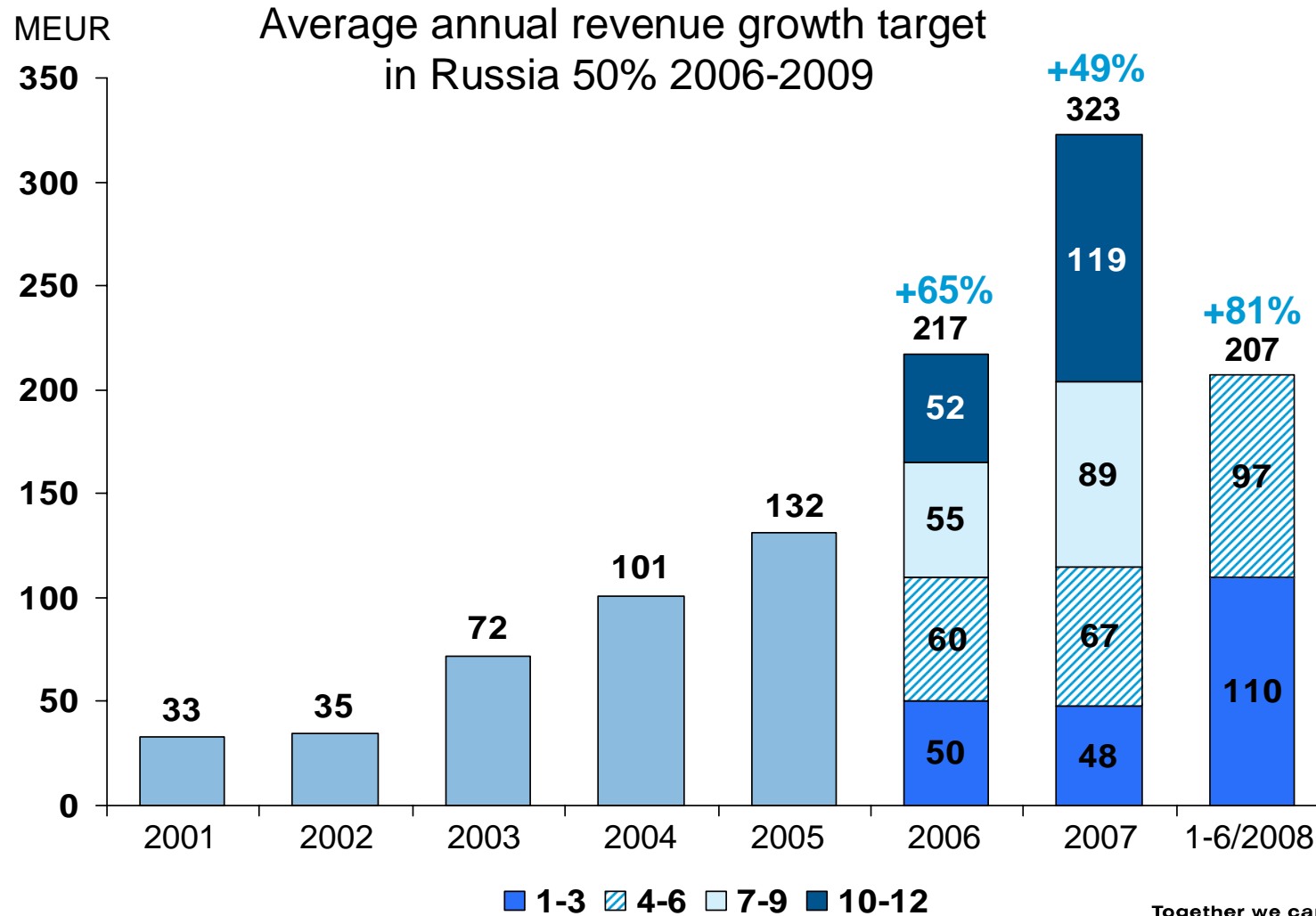
Russia 11%  
MEUR 207 (115)  
*Growth 81%*



Sweden, Norway, Denmark 35%  
MEUR 661 (582)  
*Growth 14%*

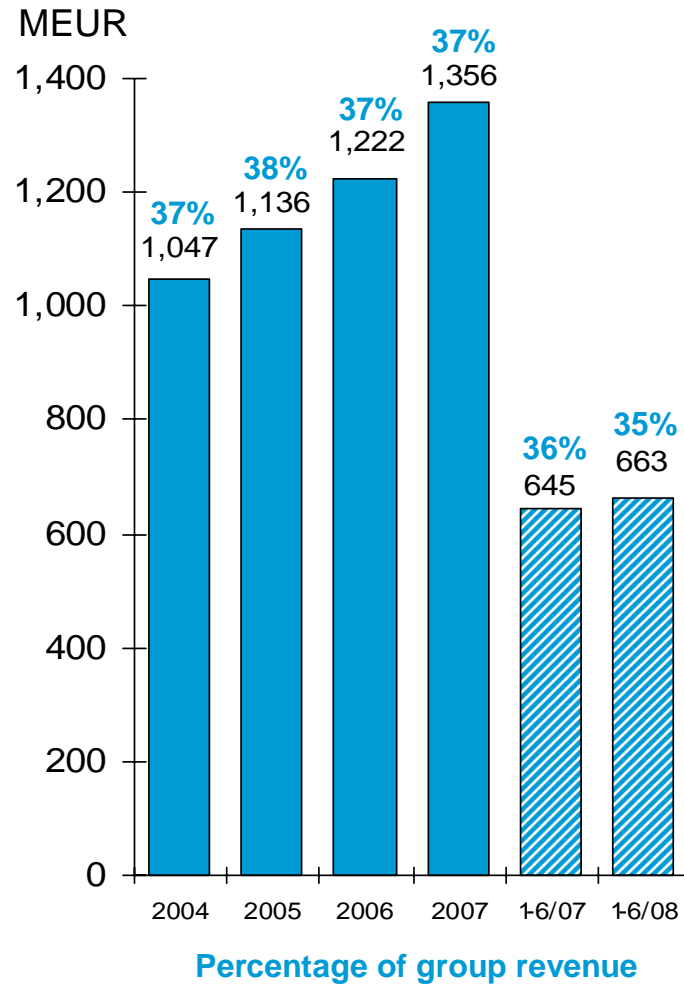
1) Revenue in 2007 includes Network Services division, which was divested on Dec. 31, 2007.

# Growth in Russia on track

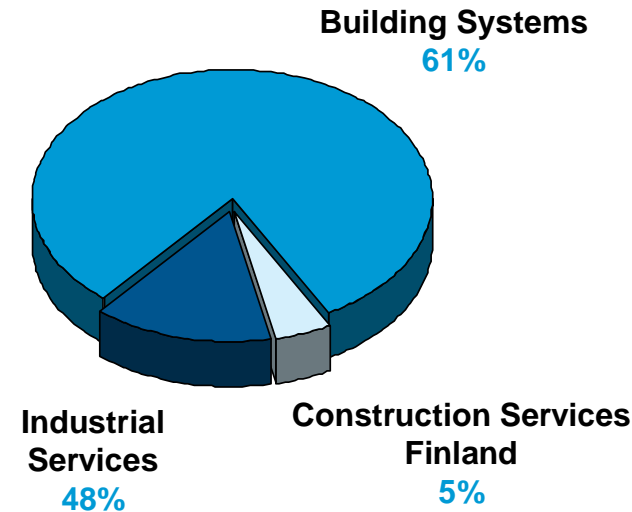


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# More than one third in maintenance services



Maintenance services 1-6/08  
MEUR 663



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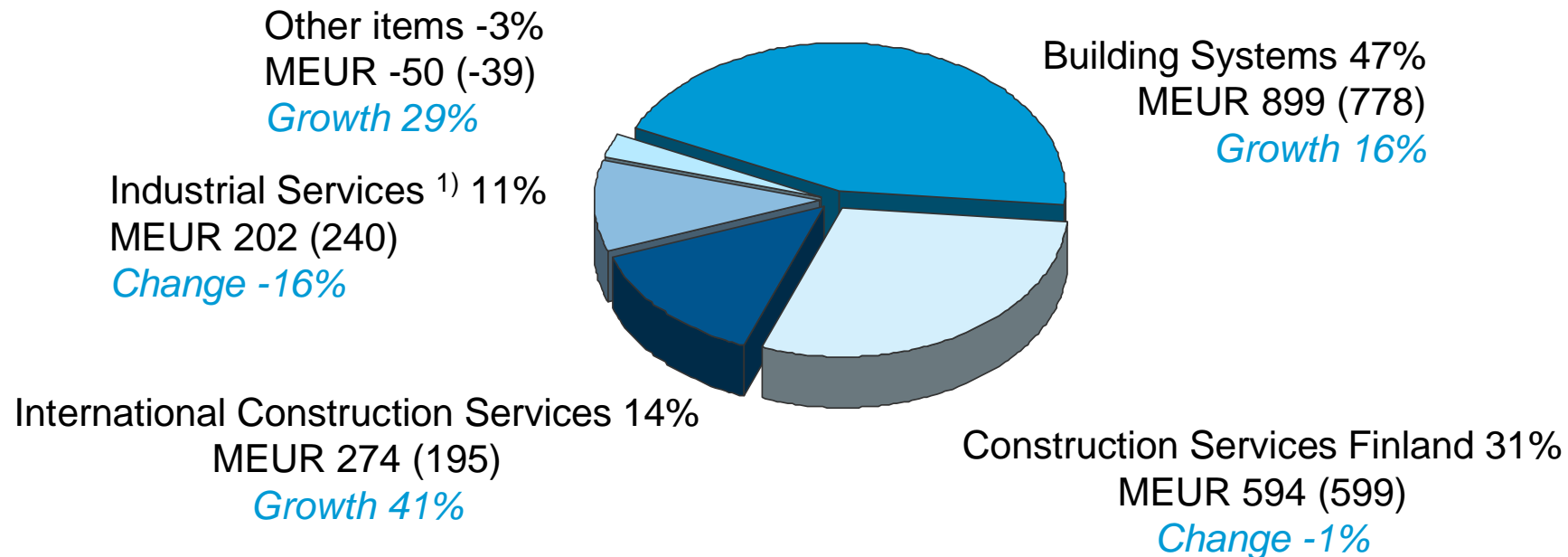


# Revenue growth driven by Building Systems and International Construction Services

Revenue 1-6/2008 (1-6/2007)

MEUR 1,918 (1,773)

*Growth 8%*



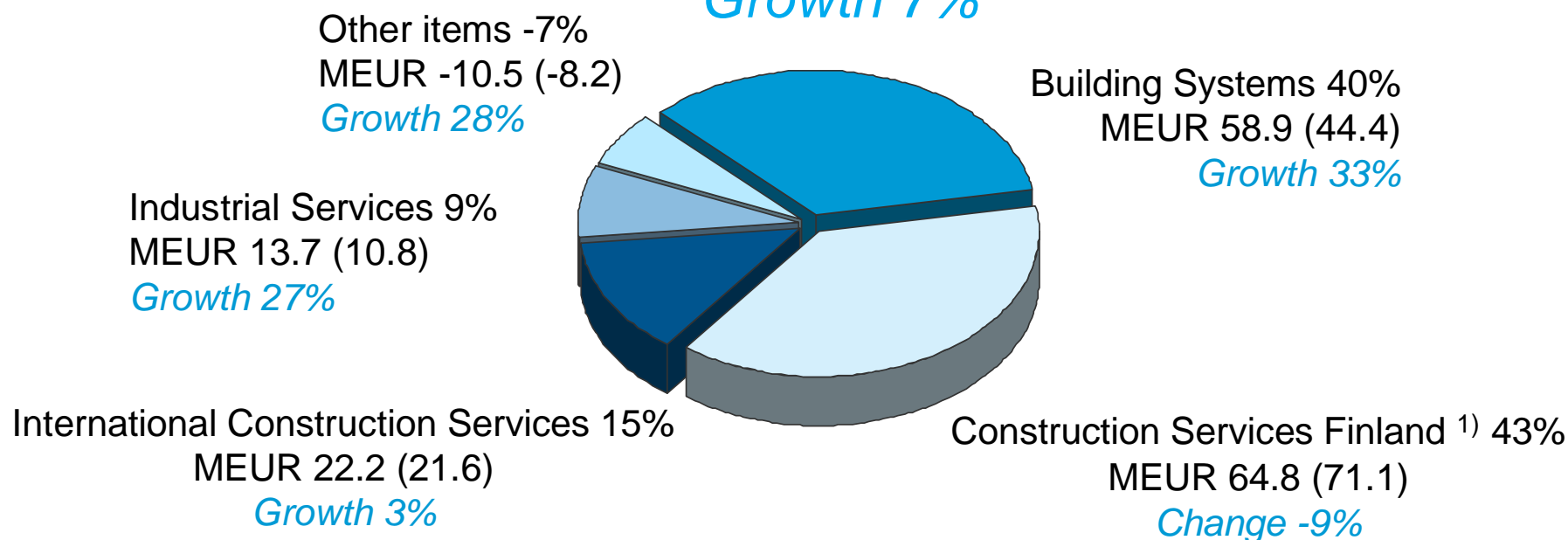
1) Revenue in 2007 includes Network Services division, which was divested on Dec. 31, 2007.

# EBIT growth driven by Building Systems and Industrial Services

EBIT 1-6/2008 (1-6/2007)

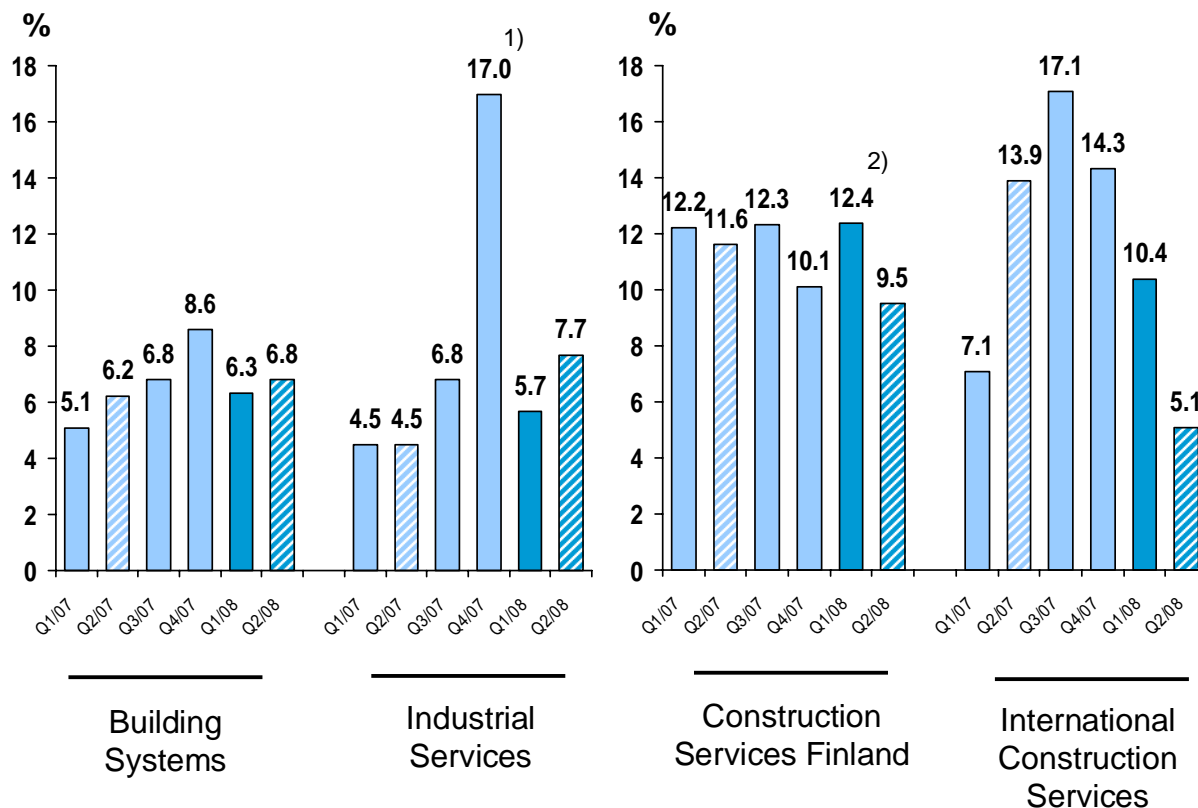
MEUR 149.1 (139.7)

*Growth 7%*



1) Q1/2008 including MEUR +3.5 (final ruling of the Supreme Court).

# EBIT margin development by business segment



## Building Systems

– Strong development continued

## Industrial Services

– Profitability improved

## Construction Services Finland

– Decrease in second quarter

## International Construction Services

– Profitability weakened in Q2

- Delays in big real estate development projects in Gorelovo, St. Petersburg
- Weak market in Baltic countries

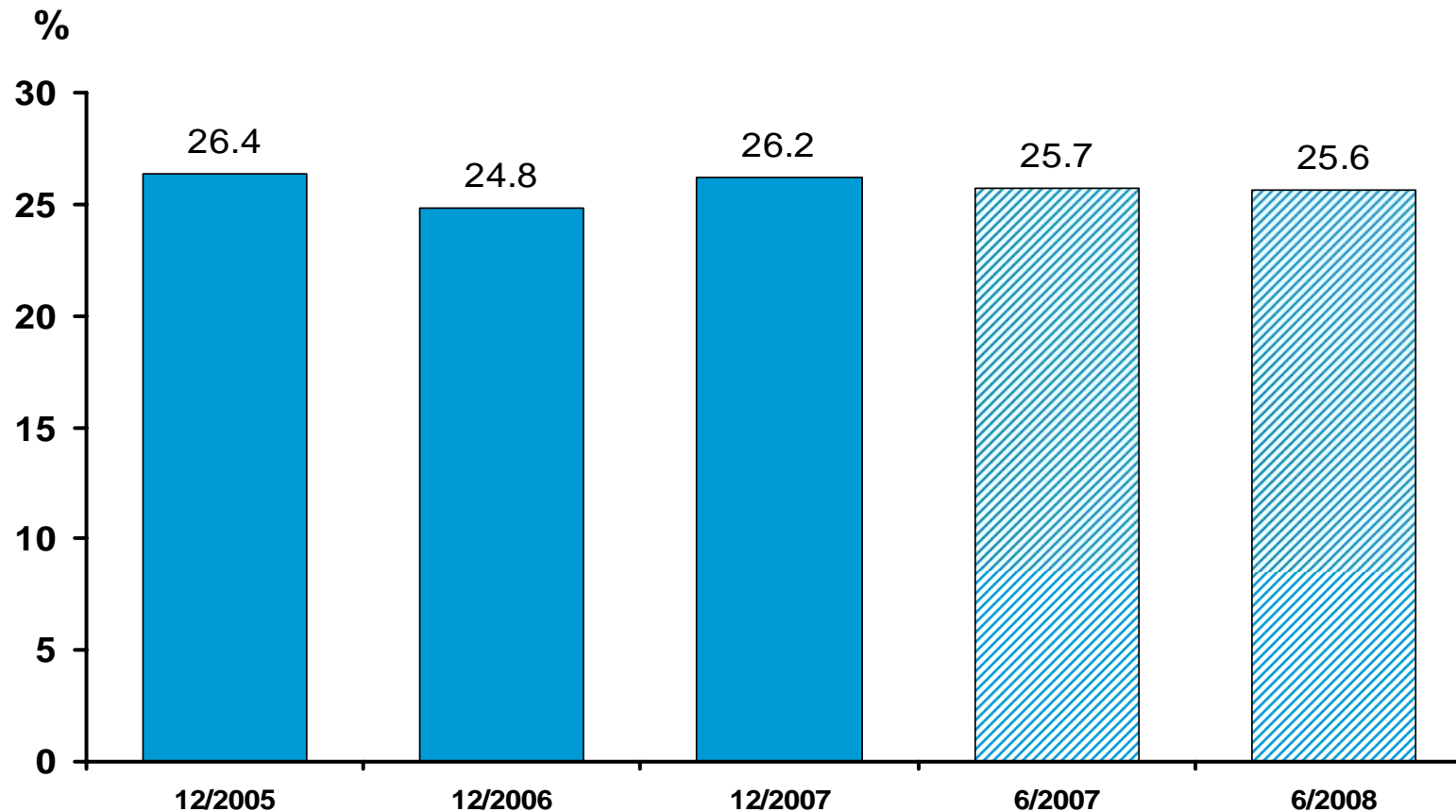
1) Q4/2007 including MEUR +14.4 (divestment of Network Services).

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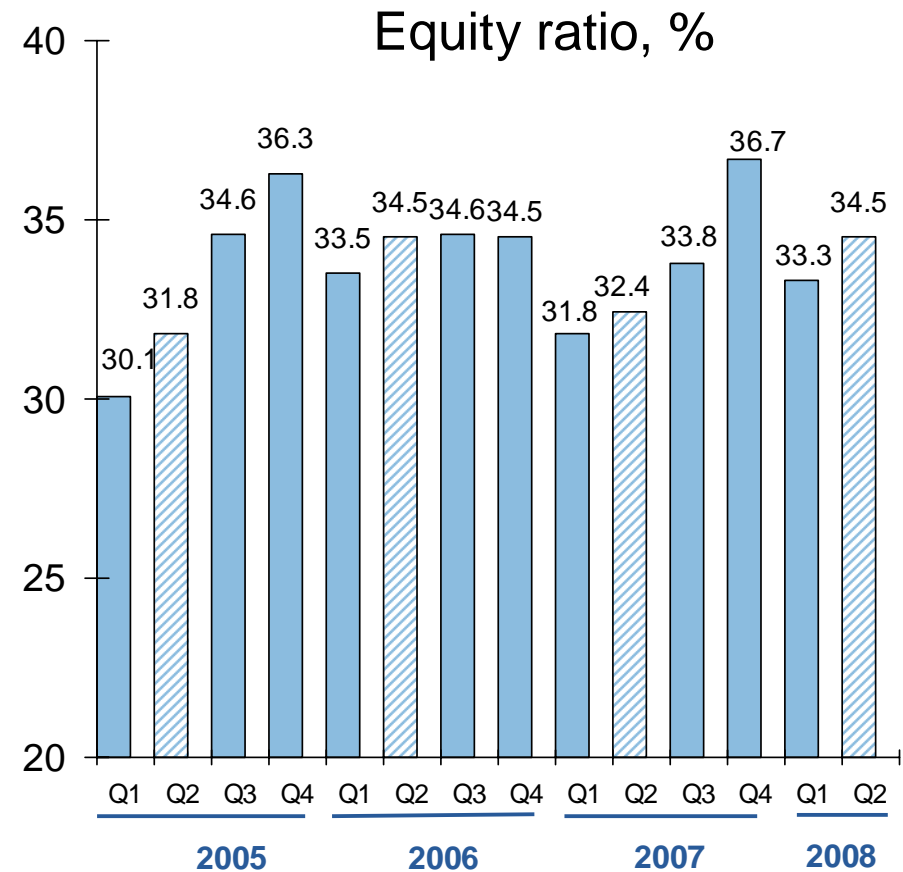
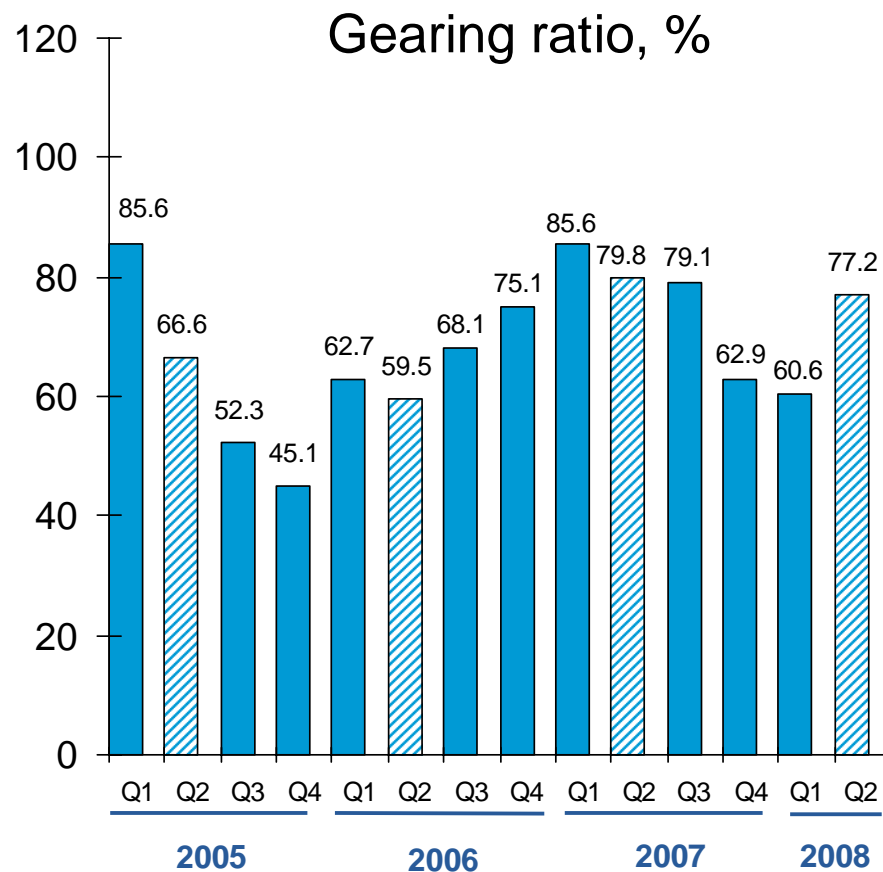
Together we can do it.



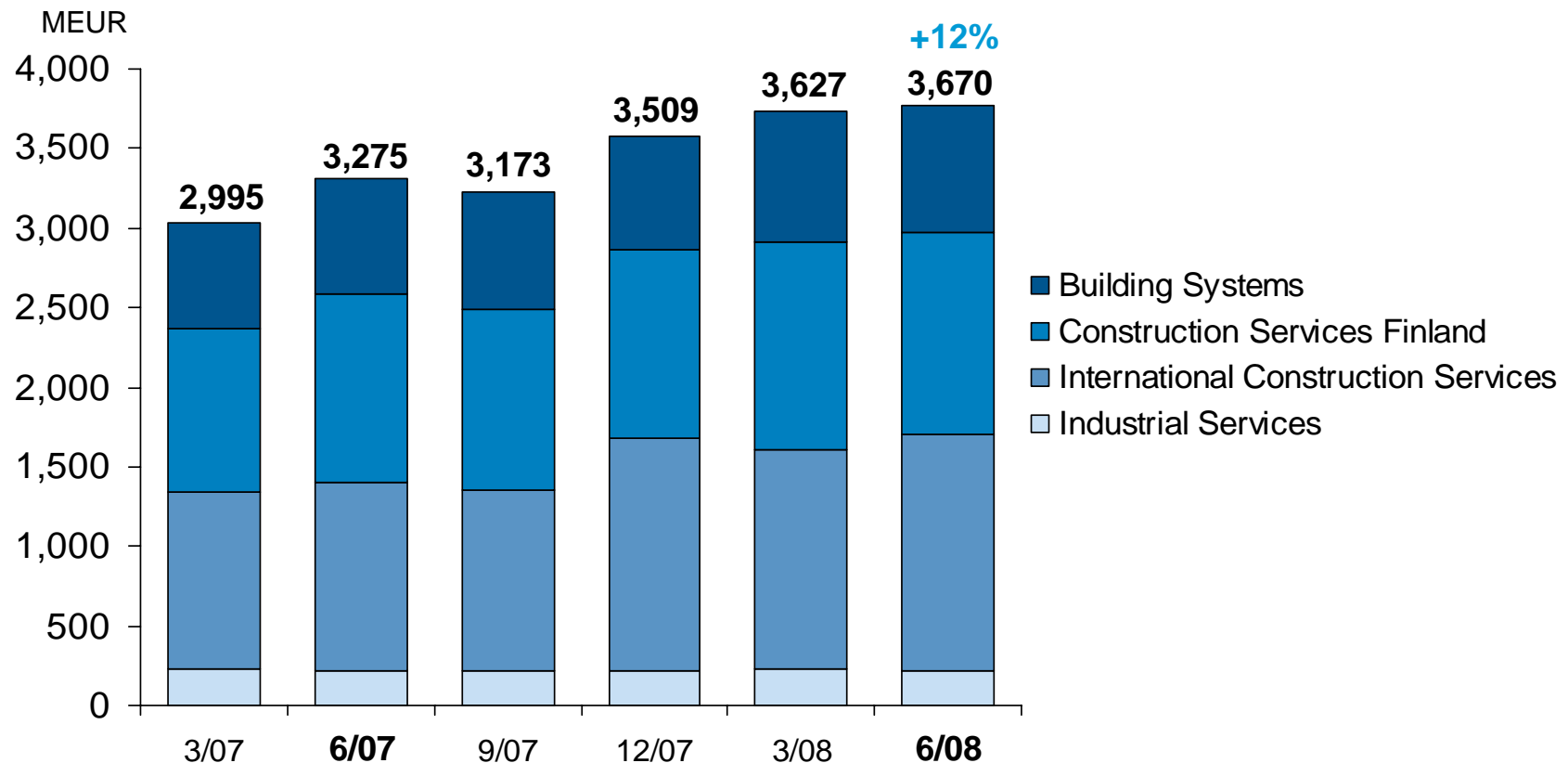
# Return on investment on high level



# Balanced financial position



# Order backlog on high level

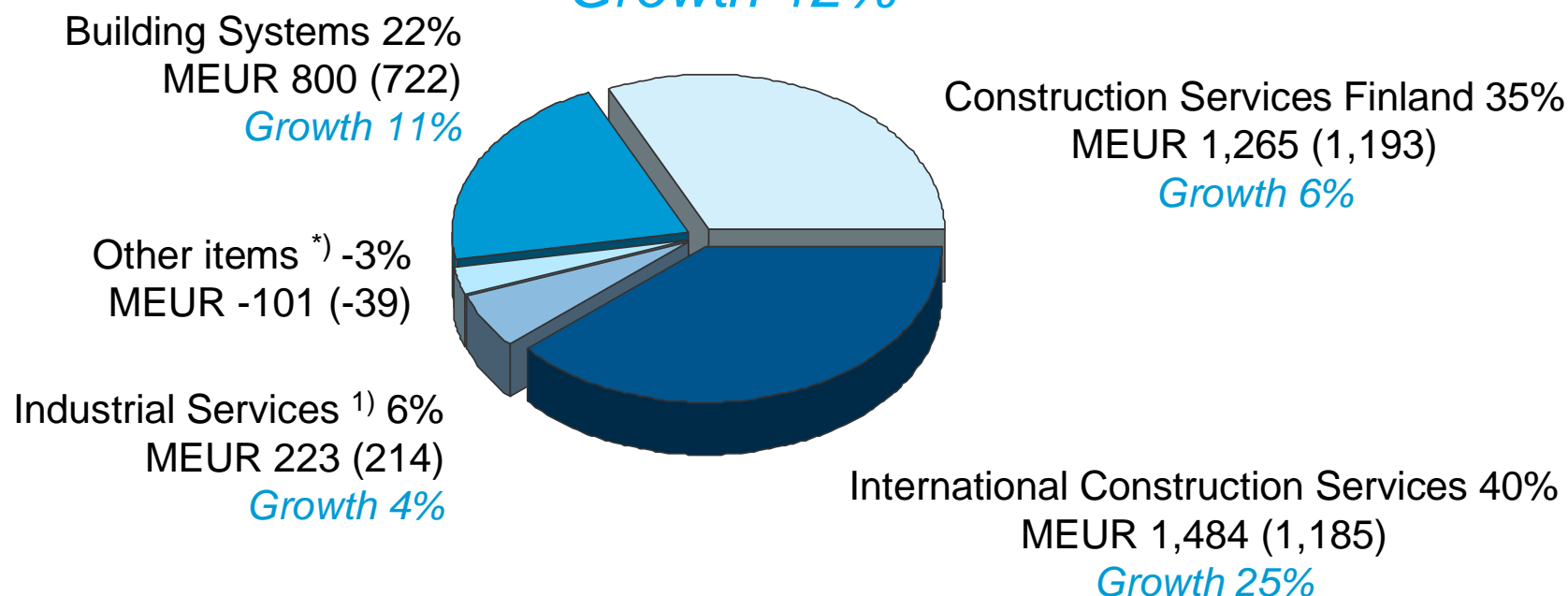


# Order backlog strengthened in all business segments

Order backlog 6/2008 (6/2007)

MEUR 3,670 (3,275)

*Growth 12%*



1) Order backlog 6/2007 includes Network Services division, which was divested on Dec. 31, 2007.

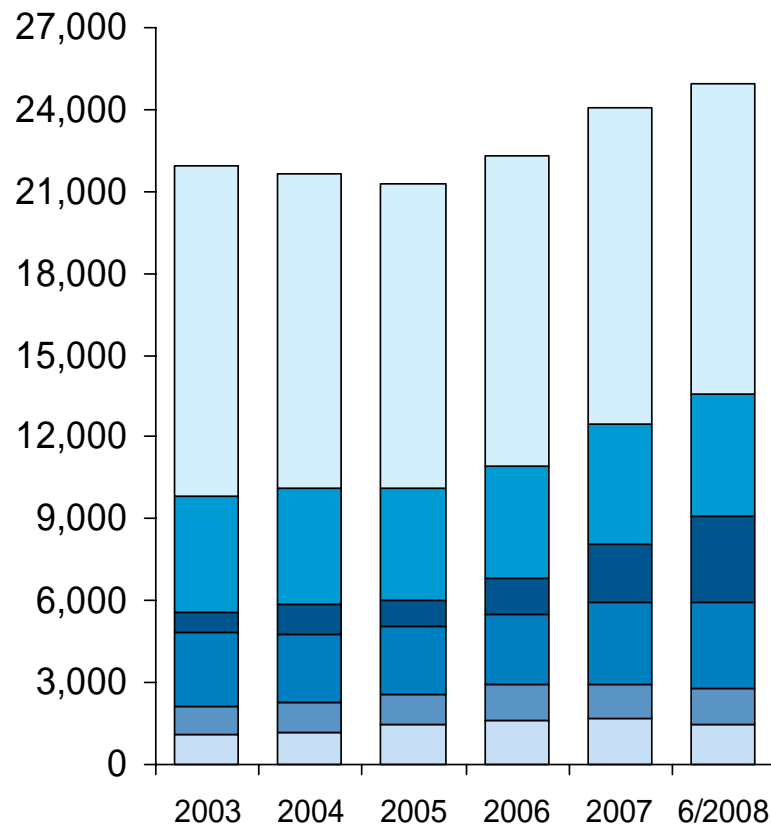
\*) Change over 100%

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# Number of employees continued to grow - 25,000 professionals

Personnel 6/2008 *(Growth in 12 months)*



Finland 11,433 <sup>1)</sup> -3%

Sweden 4,411 +5%

Russia 3,175 +83%

Norway 3,147 +15%

Denmark 1,360 +9%

Baltic countries 1,452 -16%



1) About 1,000 employees left YIT in Finland in the beginning of 2008 from Industrial Services segment due to divestment of Network Services division.



# Major Strategic Steps During the Period



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# Implementing strategy of geographical expansion

## Expansion into Central Europe in Building Systems

- Acquisition of MCE's building system service operations in Germany, Austria, Poland, Czech Republic, Hungary and Romania
- Revenue EUR 355 million in 2007
- Personnel 1,900
- Enterprise value EUR 55 million
- Estimated completion date July 31, 2008

## Foothold for residential development in Czech Republic

- YIT bought 85% of Euro Stavokonsult s.r.o. - local management owns 15%
- Target to start up construction during spring 2009



# Steps to improve energy efficiency

- **Start-up of low-energy housing**
  - All YIT Homes in Finland planned in 2008 or later will be built as low-energy houses
  - Siilinjärven Kotisatama: city plan confirmed, construction to begin in fall of 2008
- **New agreements in investments and maintenance**
  - In Finland with Genencor International
  - In Denmark with City of Copenhagen and Hededanmark A/S
  - In Sweden with the provincial parliament of Västerbotten
  - In Norway energy-saving projects under ENOVA -agreement
  - For Ovako Wire steel factory - seventh agreement by Inesco, acquired by YIT in 2007
- **Knowledge strengthened in building automation**
  - Acquisition of Computec in Finland expands YIT's expertise in property automation and digital systems





# Outlook for 2008



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# Outlook for 2008

- In Building Systems good demand on all market areas, strong order backlog.
- In Russia huge need for apartments. Strong order backlog and amount of housing under production provide good prerequisites for growth in line with targets set.
- In Finland construction continues overall on good level, more weighted towards business premises and infra services where order backlog is strong. Outlook for residential production has weakened after last summer. Higher interest rates increase uncertainty in the development of the residential market during the second half of the year.
- In Industrial Services good order backlog, business possibilities in maintenance outsourcings in Finland.

# Outlook for 2008

We estimate that revenue and profit before taxes for 2008 will increase compared to the previous year.

Nevertheless, uncertainties in the general economic development have increased and that may weaken the profit development during the last part of the year.

# More information

[www.yitgroup.com](http://www.yitgroup.com)

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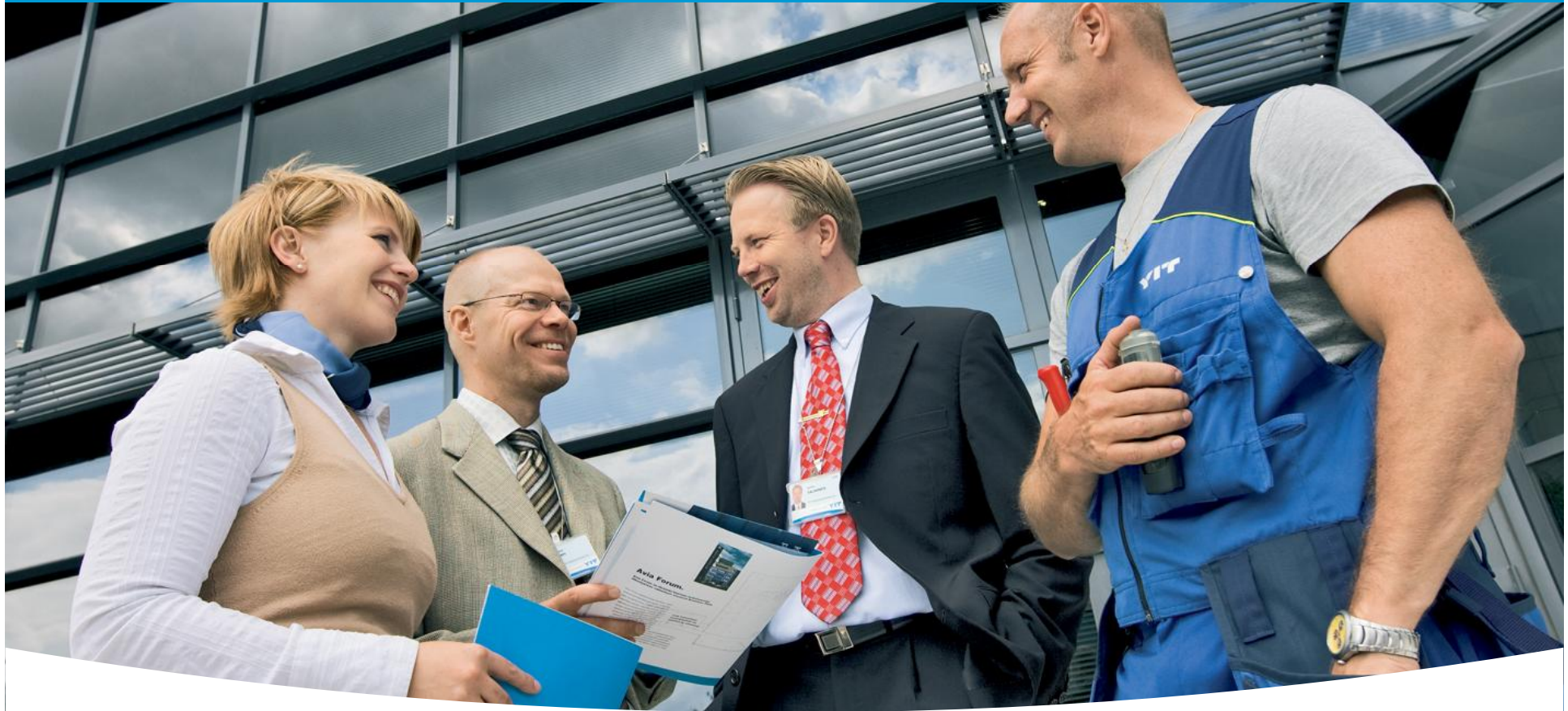
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# Appendix YIT Share



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# Principal shareholders June 30, 2008

	Owners	Shares	%
1	Suomi Mutual Life Assurance Company	7,071,180	5.56
2	Sampo Life Insurance Company Ltd	5,564,504	4.37
3	Varma Mutual Pension Ins. Company	5,295,804	4.16
4	Ilmarinen Mutual Pension Ins. Company	2,004,579	1.58
5	Tapiola Group	1,912,077	1.50
6	Svenska litteratursällskapet i Finland r.f.	1,627,655	1.28
7	Brotherus Ilkka	1,424,740	1.12
8	Odin Norden	1,405,266	1.10
9	Etera Mutual Pension Ins. Company	1,384,400	1.09
10	State Pension Fund	1,100,000	0.86
	Others	33,612,423	26.42
	Nominee registered shares total	64,820,794	50.95
	Total	127,223,422	100.00

# Nominee-registered shareholders and other international ownership as percentage of equity

