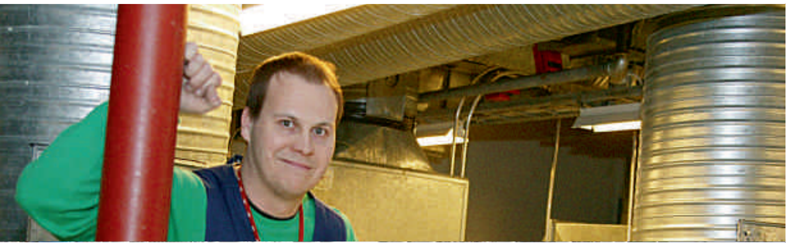
YIT's Interim Report, January 1 – September 30, 2007

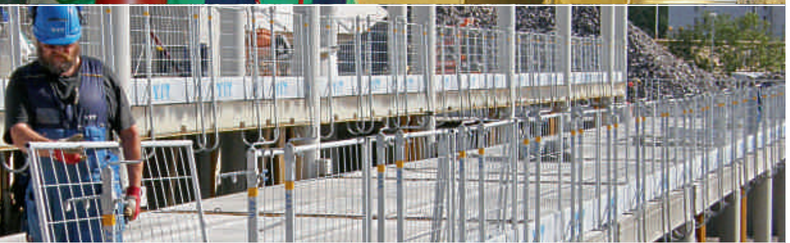
Together we can do it.

Building a good technical living environment

- **YIT is a successful service company focused on building, developing and maintaining the technical structures of the living environment.**
- **We provide investment and upkeep services for property and construction sectors as well as industry and networks.**
- **Nearly 24,000 people strong, we offer services in eight countries: Finland, Sweden, Norway, Denmark, Estonia, Latvia, Lithuania and Russia.**
- **YIT's share is quoted on the OMX Nordic Exchange in Helsinki in the Large Cap market capitalization group.**

- **Market leader in building system services in the Nordic countries.**
- **Market leader in all its fields of business in Finland.**
- **Largest foreign-owned housing construction company in Russia.**
- **One of the largest construction companies in the Baltic countries.**
- **Leading company providing building system services in Lithuania.**





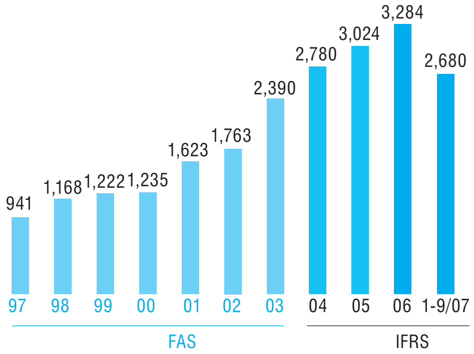
	Area	Revenue 2006	Operating profit 2006	Personnel 2006
Building Systems Design, installation and maintenance services for building equipment systems and property networks as well as property management	Nordic countries. Baltics and Russia	42% MEUR 1,415.1	32% MEUR 87.6	52% 11,643
Construction Services Development projects, construction and renovation of housing. other properties and industrial facilities as well as infrastructure construction and maintenance services	Finland. Russia and Baltics	44% MEUR 1,452.2	62% MEUR 170.8	26% 5,693
Industrial and Network Services Services for industry's investments in piping, tanks, boilers and electrical, automation and ventilation systems, and the maintenance of production plants as well as field services for electricity networks and telecommunications and related technology	Finland and Russia and in rest of Europe on prjoject basis	14% MEUR 476.9	6% MEUR 18.0	21% 4,642

Key figures

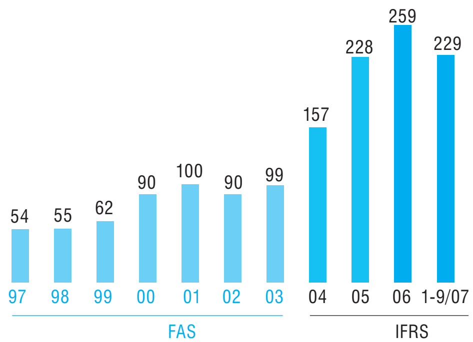
	1–12/2006	1–9/2007
Revenue, MEUR	3,284.4	**2,679.5**
Operating profit, MEUR	258.8	**229.1**
Profit for the period, MEUR	175.4	**154.1**
Operating profit margin	7.9%	**8.6%**
Return on investment	24.8%	**25.8%**
Equity ratio	34.5%	**33.8%**
Gearing ratio	75.1%	**79.1%**
Earnings/share, EUR	1.36	**1.20**
Equity/share, EUR	5.29	**5.85**
At end of period		
Balance sheet total, MEUR	2,117.8	**2,418.4**
Order backlog, MEUR	2,802.3	**3,172.5**
Personnel	22,311	**23,836**
Share and shareholders		
Shareholders	14,364	**14,772**
Non-Finnish ownership	45.9%	**52.2%**
Share price, EUR	20.95	**20.84**
Market capitalization, MEUR	2,656.0	**2,644.7**

Target levels for the financial indicators	
Annual average growth in revenue	**10%**
Operating profit margin	**9%**
Return on investment	**22%**
Equity ratio	**35%**
Dividend payout from annual result after taxes and minority interest	**40–60%**

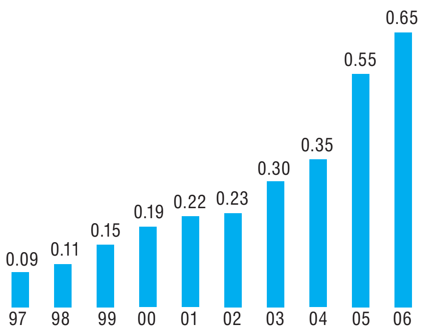
Revenue, MEUR



Operating profit, MEUR



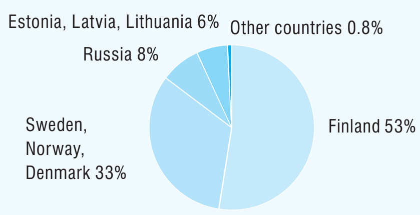
Dividend per share, EUR



Development during January - September

- Revenue growth 13%.
- Operating profit growth 33%.
- Return on investment remained good and was 25.8%.
- The financial position remained strong. The gearing ratio was 79.1% and the equity ratio 33.8%
- The order backlog rose by 41%.

Revenue by country



Outlook for 2007

We estimate that revenue in 2007 will be bigger than in the previous year and operating profit (EBIT) will increase clearly compared to the previous year.

The outlook for revenue growth is supported by the strong order backlog. ongoing economic growth and YIT's major investments in the Russian market. The healthy margin of the order backlog and the company's own profitability improvement measures underlie our expectations of growth in operating profit.

Revenue up 13 per cent

The YIT Group's revenue for the January-September period grew by 13 per cent on the previous year without major acquisitions and amounted to EUR 2,679.5 million (Jan-Sept/2006: EUR 2,376.3 million). Revenue in Russia grew by 23 per cent to EUR 203.4 million (EUR 164.9 million). During the third quarter the revenue growth in Russia was 60 per cent (July-Sept/2007: EUR 89 million, July-Sept/2006: EUR 55 million). Of YIT's revenue, 53 per cent came from Finland, 33 per cent from the other Nordic countries, 8 per cent from Russia and 6 per cent from the Baltic countries.

YIT's services spans the entire life cycle of investments. The life cycle strategy seeks to achieve a comprehensive service capability, growth in our business operations and a steady stream of profits. A substantial share of the Group's revenue comes from its industrial, property, telecom network and traditional infrastructure maintenance and servicing business. In the review period, the revenue generated by this business was EUR 963.5 million (EUR 919.0 million), representing 36 per cent (39%) of total revenue.

The YIT Group's strategic target for revenue growth is 10 per cent annually on average. In addition, YIT has set itself the goal of increasing its revenue in Russia by an average of 50 per cent annually during the 2006-2009 period.

Revenue by business segment, EUR million

	Jan-Sept/ 2007	Jan-Sept/ 2006	Change, %	Share of the Group's revenue, Jan-Sept/ 2007, %
Building Systems	**1,170.3**	1,009.2	16	44
Construction Services	**1,196.1**	1,055.9	13	45
Industrial and Network Services	**359.0**	352.9	2	13
Other items	**-45.9**	-41.7	10	-2
YIT Group, total	**2,679.5**	2,376.3	13	100

Operating profit by business segment, EUR million

	Jan-Sept/ 2007	Jan-Sept/ 2006	Change, %	Share of the Group's operating profit, Jan-Sept/ 2007, %
Building Systems *)	**71.1**	52.6	35	31
Construction Services	**150.0**	120.8	24	65
Industrial and Network Services **)	**18.9**	12.8	48	8
Other items	**-10.9**	-13.8	-21	-5
YIT Group, total	**229.1**	172.4	33	100

Order backlog by segment, EUR million

	9/2007	9/2006	Change, %	Share of the Group's backlog, Sept/2007, %
Building Systems	**740.5**	582.7	27	23
Construction Services	**2,263.3**	1,524.4	48	71
Industrial and Network Services	**221.7**	180.3	23	7
Other items	**-53,0**	-41.2	29	-1
YIT Group, total	**3,172.5**	2,246.2	41	100

Operating profit margin by business segment, %

	Jan-Sept/ 2007	Jan-Sept/ 2006	Jan-Dec/2006
Building Systems *)	**6.1**	5.2	6.2
Construction Services	**12.5**	11.4	11.8
Industrial and Network Services **)	**5.3**	3.6	3.8
YIT Group, total	**8.6**	7.3	7.9

*) In the October-December/2006 period, Building Systems released provisions for certain contractual obligations that had come to an end. This had a positive impact of EUR 7.2 million on operating profit.

**) The operating profit of the Industrial and Network Services business segment in January-March 2007 includes EUR 1.0 million and the operating profit for July-September 2006 EUR 5.1 million in costs related to the downscaling measures carried out in the Network Services business unit in 2006.

Operating profit growth 33 per cent

Operating profit grew by 33 per cent on the previous year and amounted to EUR 229.1 million (EUR 172.4 million). The operating profit margin was 8.6 per cent (7.3%).

Profit before taxes rose by 31 per cent to EUR 207.1 million (EUR 158.1 million). Return on investment for the 12-month period ending at the conclusion of the review period was 25.8 per cent (25.2%). Earnings per share amounted to EUR 1.20 (EUR 0.88). up 36 per cent on the previous year.

YIT has set itself the target of increasing its operating profit to 9 per cent of revenue in the 2007-2009 strategic period. The strategic target level for return on investment is 22 per cent.

Order backlog growth 41 per cent

The Group's market position is strong. At period's end, the uninvoiced backlog of orders rose by 41 per cent and was EUR 3,172.5 million (EUR 2,246.2 million). The margin of the backlog is good.

The order backlog comprises the uninvoiced portion of orders and contracts from customers as well as residential and business premise development projects that involve a sales risk. In line with IFRS regulations, residential development projects are recognized as revenue using the formula degree of completion times the degree of sale. Business premise development projects are recognized as revenue using the formula degree of completion times degree of sale times the degree of lease. Contracts are typically recognized as revenue in line with the degree of completion.

The order backlog of Construction Services comprises contracts as well as residential and business premise development projects. Contracted projects are sold in full. Business premise development projects are sold to investors before the start of the construction phase or in an early phase of the construction. The sales risk included in the order backlog is for the most part caused by unsold residences that are under construction. The sales risk is controlled by adjusting the number of residential start-ups in line with the trend in sales. Housing in Russia is sold mainly in the final stages of projects and the construction time is about 2 years.

About 60 per cent of the revenue of both Building Systems and Industrial and Network Services is generated by the maintenance and servicing business, which enjoys stable development. Due to their nature, part of the maintenance and servicing operations are not included in the order backlog. The remainder of the order backlog of these business segments mainly comprises contracted projects that have been sold in full.

YIT confirms its strategic targets

On September 25, 2007, YIT Corporation's Board of Directors confirmed the Group's strategy and financial targets for the period 2008-2010. The financial target levels were confirmed unchanged. The targets are: average annual revenue growth of 10 per cent, operating profit of 9 per cent of revenue by 2009. return on investment of 22 per cent, equity ratio of 35 per cent and a dividend payout ratio of 40-60 per cent of earnings after taxes and minority interest. In addition, YIT has set the target of increasing revenue in Russia by an average of 50 per cent annually during the 2006-2009 period.

Business operations will be bolstered in YIT's current business countries during the next few years. The Building Systems business segment aims to increase its market share in its whole territory: the Nordic countries in particular, and also in the Baltic countries and Russia. In Construction Services, growth focuses on Russia and increasing business premise development projects. Residential development will be stepped up in Russia by strengthening YIT's presence in its current business cities and carrying on with expansion into other Russian cities with populations in excess of a million. The strategic focus of the Industrial and Network Services business segment is maintenance services outsourced by industry in Finland.

In addition, the Group will seek to expand its geographical scope during the strategy period. Construction Services aims to start up residential development in central Eastern Europe. Building Systems is assessing opportunities for enlarging its offerings in Western Europe.

A stock exchange release concerning the confirmation of the strategic targets was published on September 26, 2007.

The Group's financial position remains stable

Invested capital in Russia increased due to growth in business operations, the acquisition of plots and growth in ongoing production. At period's end, 30 per cent, or EUR 417 million, of the Group's invested capital was tied up in Russia. At the end of 2006, these figures were 23 per cent and EUR 279 million. Interest-bearing liabilities at the end of the period amounted to EUR 648.5 million (EUR 451.1 million) and liquid assets to EUR 57.1 million (EUR 34.3 million). Net debt rose to EUR 591.4 million (EUR 416.8 million). The gearing ratio was 79.1 per cent (68.1%) at period's end. The equity ratio was 33.8 per cent (34.6%). A total of EUR 82.6 million in dividends were paid during the report period (EUR 68.9 million).

The target level for the equity ratio is 35 per cent. The strategic dividend payout target is 40-60 per cent of annual earnings after taxes and minority interest.

Financial income during the period amounted to EUR 1.8 million (EUR 2.3 million), exchange rate losses to EUR 1.2 million (EUR 1.8 million) and financial expenses to EUR 22.6 million (EUR 14.8 million). Net financial expenses were EUR 22.0 million (EUR 14.3 million), or 0.8 per cent (0.6%) of revenue.

Short-term credit was converted into long-term credit by means of two EUR 50 million private placement bonds in March.

The proportion of fixed-interest loans in the Group's entire loan portfolio was 66 per cent (36%). Loans raised directly on the capital and money markets amounted to 58 per cent (49%).

The construction-stage contract receivables sold to financing companies totalled EUR 250.4 million (EUR 225.4 million) at the end of the period. Of this amount, EUR 104.8 million (EUR 115.8 million) is included in interest-bearing liabilities in the balance sheet and the remainder comprises off-balance sheet items as per IAS 39. The interest on sold receivables paid to financing companies, EUR 8.0 million (EUR 7.0 million). is included in financial expenses in its entirety.

Participations in the housing corporation loans of unsold completed residences, EUR 36.7 million (EUR 22.7 million), are also included in interest-bearing liabilities, but the interest on them, EUR 1.2 million (EUR 0.5 million), is booked in project expenses, as said interest is included in housing corporation maintenance charges.

Interest-bearing liabilities included EUR 1.9 million in leasing commitments (EUR 3.3 million).

The balance sheet total at the end of the report period was EUR 2,418.4 million (EUR 1,925.5 million).

Capital expenditures and acquisitions

Gross capital expenditures on non-current assets included in the balance sheet totalled EUR 33.5 million (EUR 29.9 million) during the January-September period, representing 1.3 per cent (1.3%) of revenue. Investments in construction equipment amounted to EUR 11.0 million (EUR 11.5 million) and investments in information technology to EUR 4.4 million (EUR 3.3 million). Other investments including acquisitions amounted to EUR 18.1 million (EUR 15.1 million). Acquired business operations are disclosed in the notes to the January-September/2007 Interim Report. No businesses were divested during the period.

Changes in Group management

On June 1, 2007, Sakari Ahdekivi (44), M.Sc. (Econ.), was appointed as CFO of YIT Corporation and as a member of the Group's Management Board as from September 1, 2007.

After the end of the review period, the division of tasks in YIT's Group management was

Personnel by business segment

	Sept/ 2007	Sept/ 2006	Share of the Group's employees, Sept/2007, %
Building Systems	**12,513**	11,456	53
Construction Services	**6,394**	5,511	27
Industrial and Network Services	**4,593**	4,895	19
Corporate Services	**336**	326	1
YIT Group, total	**23,836**	22,188	100

Personnel by country

	Sept/ 2007	Sept/ 2006	Share of the Group's employees. Sept/2007, %
Finland	**11,561**	11,534	49
Sweden	**4,478**	4,085	19
Norway	**2,922**	2,550	12
Denmark	**1,282**	1,247	5
Russia	**1,930**	1,231	8
Estonia, Latvia, Lithuania	**1,663**	1,541	7
YIT Group, total	**23,836**	22,188	100

realigned. This concerned CFO Sakari Ahdekivi, Executive Vice President Sakari Toikkanen and Antero Saarilahti, Vice President, Administration. Juha Kostiainen (42), Vice President, Business Development, Ph.D. (Admin.), M.Sc. (Eng.), was appointed as Vice President, Corporate Communications and Business Development. The changes in tasks came into effect on October 8, 2007.

Major near-term business risks and uncertainties

YIT's risk management policy has specified the Group's major risks as well as means of managing strategic and administrative risks. Financial risks include liquidity, interest rate, foreign exchange and credit risks, and their management is part of the Group's Finance Policy. Project-specific insurance coverage has been taken out for accident risks.

The near-term risks have not changed significantly after the financial statement date.

A more detailed account of YIT's risk management policy and the major risks has been published in the 2006 financial statements and Annual Report. An account of the financial risks is presented in the notes to the 2006 financial statements and the notes to the January-September/2007 Interim Report.

Number of employees close to 24,000

In the review period, the Group employed 23,176 (21,704) people on average. At the end of the period, the Group had 23,836 employees (22,188). Of YIT's employees, 49 per cent work in Finland, 36 per cent in the other Nordic countries, 8 per cent in Russia and 7 per cent in the Baltic countries.

Shares, options and ownership

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

In 2007, YIT Corporation shares can be subscribed for with the Series E and F options issued in 2004 and the Series K and L options issued in 2006.

Share capital and number of shares

YIT Corporation's share capital was EUR 63,388,536.00 at the beginning of the review period and the number of shares outstanding was 126,777,072.

In accordance with the resolution of the Annual General Meeting, the company's share capital was increased by EUR 82,822,459.92 with a reserve fund transfer on March 30, 2007. No new shares were issued in connection with the increase.

In the January-September period, 129.586 shares were subscribed for on the basis of the Series E and F share options from 2004 and the Series K and L share options from 2006. On the basis of the share subscriptions, the share capital was increased by EUR 477,848.00 on April 30, 2007, by EUR 305,047.40 on June 26, 2007 and by EUR 75,922.00 on August 20, 2007.

At the end of the period, the share capital amounted to EUR 147,069,883.32 and the number of shares to 126,906,258.

Authorizations to increase the share capital

During the review period, no share issues were organized and convertible bonds or bonds with warrants were not floated. At the end of the period, the Board of Directors did not have valid share issue authorizations or authorizations to issue convertible bonds or bonds with warrants.

Own shares

At the beginning of 2007, YIT Corporation held 400 of its own shares, representing 0.0 per cent of the company's shares. YIT Corporation's Board of Directors decided to annul the YIT shares in the company's possession, and the annulment was entered in the Trade Register on April 10, 2007.

At the end of the review period, YIT Corporation did not hold any of its own shares. The Board of Directors of the parent company did not have authorizations to purchase or dispose of YIT's own shares. Subsidiaries did not own shares in the parent company during the period.

Trading in shares

The average share price in the January-September period was EUR 23.72 (EUR 19.11). The highest share price in the period was EUR 27.90 (EUR 23.88) and the lowest was EUR 19.25 (EUR 15.20). The closing rate at the end of the period was EUR 20.84 (EUR 18.27).

The value of share turnover during the review period amounted to EUR 4,122.7 million (EUR 2,551.2 million) and the number of shares traded to 173,934,790 (132,841,404). Market capitalization at the end of the period was EUR 2,644.7 million (EUR 2,294.4 million).

Trading in share options

During the report period, 72,539 Series E share options were traded at an average price of EUR 35.90/option, 106,488 Series F share options at an average price of EUR 39.24/option, 34,338 Series K share options at an average price of EUR 6.09/option and 94,615 Series L share options at an average price of EUR 6.08/option.

Growth in share of non-Finnish ownership

The number of registered shareholders was 14,364 (9,368) at the beginning of the period and 14,772 (13,965) at its end.

A total of 45.9 per cent (39.9%) of YIT's total shares outstanding were owned by nomineeregistered or non-Finnish investors at the beginning of the year and 52.2 per cent (43.3%) at the end of the period.

On May 1, 2007, Schroder Investment Management Compliance Limited sent an announcement that its shareholding in YIT had risen to 5.36 per cent. Sampo Life Insurance Company announced on May 3, 2007 that its holding in YIT's shares had fallen below 5 per cent. Varma Mutual Employment Pension Insurance Company announced on September 28, 2007 that its holding in YIT's shares had declined below 5 per cent.

Outlook for the economy remains good, but uncertainty increases

Bank of Finland states in its economic forecast that the outlook for the global economy is still good, but the risk of slow down has increased. In YIT's territory, the boom in the Nordic countries peaked last year, but according to Nordea's estimate in September the economic growth will continue during the next few years, outpacing growth in the euro zone by about one percentage point. Russia and Norway still benefit from the high prices of oil. The rate of growth in the Russian, Estonian, Latvian and Lithuanian economies is slackening slightly but is still over twice as fast as in the Nordic countries. According to Nordea rapid inflation threatens to put a halt to positive economic development in Latvia and Estonia in particular. Expectations of a rise in euro interest rates have declined and the markets anticipate that the main lending rate of the European Central Bank will be at its present level next summer. Great need for housing in the large cities of Russia enables the company to expand residential production over the long term, too. Euroconstruct estimates that the growth in the construction of business premises compensates the decline in housing production in the Nordic countries during next year. Growth in exports and industrial output increases the need for industrial investments and maintenance in all the Nordic countries.

Finland

In October, the Bank of Finland estimated that GDP will rise by 4.4 per cent this year and 3.1 per cent the next. The improvement in the employment count, the positive trend in incomes and the still moderate interest rate level support household consumption and demand for housing. Growth in the index of wage and salary earnings will rise to 3.5 per cent this year and to 5.0 per cent the next. Private investments will grow by 5.7 per cent, with growth next year amounting to 5.4 per cent. According to the estimate released by the Ministry of Finance's expert group on construction in August, building construction will see growth of 5-6 per cent this year and 3 per cent the next. The business cycle report published by the Confederation of Finnish Construction Industries RT in October states that 32,000 residential units will be started up this year and 31,000 the next, while the number of start-ups was 34,000 last year. In June, Euroconstruct estimated that residential construction will decline by 2.4 per cent this year, while other types of building construction will see growth of 13.1 per cent. Euroconstruct predicts a decline of 0.9 per cent and 0.5 per cent during the subsequent two years, with production volumes remaining high in relation to the resources available. Civil engineering will grow slightly in 2007 - 2009. According to the business cycle bulletin that was released by the Finnish Association of Building Owners and Construction Clients RAKLI in September, the construction of offices and business premises will remain brisk in the Greater Helsinki Area, but the number of start-ups will not see further growth. According to VTT, annual growth in renovation works will be 2-3.5 per cent during the present decade. Growth in new construction and renovation maintains demand in the construction and building system markets (heating, plumbing, air-conditioning, electrical and automation contracting, and maintenance). The investment survey the Confederation of Finnish Industries EK released in June indicates that the value of the fixed investments of industrial companies will grow to almost EUR 3.9 billion this year, representing an increase of slightly over eight per cent on the previous year. The market for industrial, property and infrastructure maintenance will expand as the outsourcing trend progresses.

Sweden

In August, the Swedish National Institute of Economic Research KI estimated that Sweden's GDP will grow by 3.5 per cent this year, 3.8 per cent in 2008 and 3.1 per cent in 2009. The factors underlying the positive development of the economy are the high capacity utilization ratio in industry, solid earnings, and the positive incomes trend enjoyed by households. Time wages will increase by 4.3, 4.7 and 4.8 per cent in 2007 - 2009. The ranks of the employed will swell by a total of 100,000 people this year and further by a total of 100,000 during the subsequent two years. The unemployment rate will decline from the present year's figure of 6.2 per cent to 5.5 per cent in 2009. Inflation will accelerate to over 2.5 per cent. KI expects that the Riksbank, Sweden's central bank, will keep raising its policy rate, nudging it to 4.75 per cent next year. The growth of the national economy rests on a broad footing. In 2007, exports will increase by 5.8 per cent and next year by 7.1 per cent due to international demand and the effect of the relatively weak Swedish kronor. Fixed investments will see growth of 9.6 per cent this year, but growth will slacken to 5.6 per cent next year. Fixed investments by industry will increase by 12.5 per cent this year and by 4.5 per cent the next. Investments by the service sector are higher than those of industry, with growth amounting to 7.5 per cent this year and to 6.9 per cent the next. According to the construction business cycle barometer KI released in September, order backlogs have grown, construction activity and employment have increased, and companies expect to see further production growth. Over 70 per cent of construction companies reported that the shortage of skilled labour slows down production growth, and a third expect tender prices to rise. In October, the Swedish Construction Federation BI predicted that residential investments will grow by 13 per cent this year and by 4 per cent the next. Production of other types of buildings will see growth of 8 per cent this year and 6 per cent in 2008. The elimination of state subsidies from the beginning of the present year and changes in housing taxation artificially inflated housing start-ups to 42,100 units last year. The Swedish Construction Federation BI estimates that housing start-ups will be 29,000 during this year and 37,000 during the next. The labour shortage has been alleviated with foreign labour and a vigorous drive to develop productivity.

Norway

Norway's four-year boom is levelling off, with growth settling at a more moderate level. According to the forecast released by Statistics Norway at the beginning of September, GDP will grow by 3.5 per cent this year and by 3.7, 2.2 and 2.7 per cent during the next three years. The GDP growth figures for continental Norway are 5.1 and 3.1 per cent, respectively. Household consumption will grow by 6.3 per cent this year and by 3.7 per cent the next. Fixed investments will grow by 7.8 per cent this year and by 6.6 per cent the next. Investments in housing will grow by 6.8 per cent this year and by 3.1, 0.5 and -2.3 per cent in 2008-2010. Fixed investments by business and industry will rise by 8.9 per cent this year and by 8.2, 3.4 and 3.3 per cent during the next three years. Investments by the oil and gas sector will gain momentum again as from the beginning of next year, with annual growth of over 9 per cent. Housing prices will rise by about 13 per cent this year, as they did last year, but it is expected that the increase next year will only be 4.5 per cent. Prices in Bergen and Trondheim declined in September. The construction of 33,300 residential units was started up last year. Start-ups in the January-August period numbered 20,700 units, an increase of 4.1 per cent on the corresponding period of the previous year. The floor area of the residential units that were started up was 7.1 per cent larger than last year, while in the case of other buildings the increase in floor area was 18.7 per cent. Norges Bank raised its key interest rate ("sight deposit rate") to 4.75 per cent in August. Statistics Norway expects that the key interest rate will rise to 5.25 per cent in the next few months and remain there until 2010. Higher interest rates, stronger currency and a labour shortage slow down growth in many sectors of the economy. Statistics Norway nevertheless expects economic development to remain positive until at least 2010 and the unemployment rate to drop to 2.4 per cent.

Denmark

In September, Nordea anticipated that GDP growth will amount to 1.9 per cent this year. Growth will slacken to 1.4 per cent in 2008. Export growth gathered steam last year, and will continue at an annual rate of slightly over 4.5 per cent in 2007-2009. Growth in private consumption is estimated to slacken to 1.8 per cent this year. Investments will increase by 3.5 per cent during the present year. Housing prices rose by 24.3 per cent last year. The rapid rise in prices has increased the supply of housing, as a result of which the increase in housing prices is expected to come to a halt. Prices have declined in Copenhagen. In June, Euroconstruct estimated that the number of new residential start-ups will be about 29,000 each year from 2007-2009, compared to 31,000 last year. Growth in real incomes and full employment have strengthened the confidence of households in their own finances, which means that opportunities in the demand for housing will remain good. Housing renovation will not see growth in 2007-2009. According to Euroconstruct, the construction of other types of new buildings will increase by 4.7 per cent this year, and by 5.6 and 5.0 per cent in 2008 and 2009, with renovation works on such buildings rising by 2 per cent annually. Construction will remain buoyant during the next few years – maintaining it at a high level will entail greater use of labour from the new EU countries and Germany.

Baltic countries

GDP and investments grow at a significantly faster rate in Latvia, Lithuania and Estonia than in the Nordic countries. According to VTT's estimate in June, the aggregate GDP of the Baltic countries amounted to EUR 53 billion and the value of construction to EUR 7.2 billion in 2006. In September, Nordea predicted that Latvia's GDP will grow by 10.0 per cent this year and by 8.0 per cent in 2008. GDP growth in Estonia would be 7.7 and 6.4 per cent, respectively, and in Lithuania 7.8 and 8.3 per cent. Inflation in Estonia is double the EMU average, and it is triple in Latvia. Growth in investments this year will be 14 per cent in Estonia, 16 per cent in Latvia and 17 per cent in Lithuania. In 2008, investments will continue to grow at a rate of 12-13 per cent in these countries, and by 19 per cent in Lithuania. Affordable borrowing, economic growth and the greater affluence of the population have increased demand for new residences and renovation in recent years. VTT estimates that a total of about 22,000 residential units will be completed in the Baltic countries this year. Building permits have been granted for twice as many residences as have been completed. According to the estimates collected by VTT, 30 per cent more residences and other buildings were completed in Estonia last year than in 2005. The number of residences completed in Latvia grew by 50 per cent and the capacity of other types of buildings by 40 per cent. Residences and other buildings completed in Lithuania saw growth of 20 per cent. The value of the mortgage stock in Estonia has risen to 33 per cent relative to the value of GDP, which is on a par with Finland. The same figure is 29 per cent in Latvia and only 13 per cent in Lithuania. In Estonia the rapidly increased apartment prices and rise of interest rates have diminished the demand for mortgages during the first part of the year, which has been reflected negatively in the housing market. Housing prices have declined in Estonia and Latvia during 2007.

Russia

The high price of oil supports Russian economic growth. In September, Nordea estimated that Russia's GDP will grow by 7.5 per cent this year and by 6.9 per cent in 2008. Russia has recently tapped its oil funds to accelerate the repayment of the government debt. Considering its currency reserves, Russia is now in practice a debt-free country. Last year, inflation was 9.7 per cent; according to Nordea's estimate, it will slow down to 8.3 per cent this year and 7.7 per cent the next. The rate of growth in investments will accelerate to 20 per cent this year and continue at the same rate the next. The bulk of the investments are earmarked for raw material-intensive production and the transport infrastructure. The share of investments accounted for by construction is also on the rise, but the share of industry has declined. Investments have gained momentum from private sector borrowing and record-high direct foreign investments. The pace of investments will still remain significantly faster than the EU and Nordic average over the next few years. A significant share of investments is earmarked for residential construction. Thanks to the good employment and incomes trend, household consumption has become the primary engine of growth. Private consumption will rise by 12 per cent this year. comprising half of GDP. The greater affluence of the middle class has strengthened demand for market-financed residences in large Russian cities. Last year, the prices of residences in some large cities saw an exceptional rise of 60-100 per cent due to the decline in supply, weakening home purchasing ability. The rate of growth in housing prices has remained moderate in 2007.

DEVELOPMENT BY BUSINESS SEGMENT

Building Systems

Building Systems continued to improve its profitability and focused on revenue growth. The business segment's revenue in the January-September period was up 16 per cent to EUR 1,170.3 million (Jan-Sept/2006: EUR 1,009.2 million). The share of the business segment's revenue accounted for by the maintenance and servicing business was 63 per cent (65%). Business operations have been strengthened in line with the strategy in Sweden and Norway with six small acquisitions during 2007.

Operating profit grew by 35 per cent to EUR 71.1 million (EUR 52.6 million). The operating profit margin improved to 6.1 per cent (5.2%). The operating profit margin in Q3 2007 was 6.8 per cent (6.3%).

The order backlog at the end of the period was up by 27 per cent to EUR 740.5 million (EUR 582.7 million).

The business segment had 12,513 employees (11,456) at the end of the period.

Market situation in Sweden remained favourable

The trend in the market for building system services continued to be favourable. New construction remained brisk, with growth in the construction of commercial and business premises in particular. Repair and maintenance works increased. Industrial output continued to grow.

During the report period, an agreement was made with AstraZeneca for the implementation of all the piping and electrical installation works of a new laboratory that will be built in Gothenburg. Full turbine and water treatment piping will be supplied to Övik Energi AB for a new thermal power plant.

A six-year service agreement was signed with Wedholms Industrihus AB, covering the upkeep of ventilation systems and the modernization of building equipment systems.

Market growth in Norway

The market for building system services saw growth compared with the previous year. New construction increased. especially in the case of commercial and business premises. Demand for renovation remained good.

In Oslo, YIT is responsible for electrical installation works at the Akerselva Atrium centre built by NCC, which features both a shopping centre and office space. In Halden, electrical works will be carried out at a state-of-the-art penitentiary built by Statsbygg, the Directorate of Public Construction and Property.

Maintenance and servicing agreements under the ServiFlex concept have been made with many partners. The portfolio of services offered to both public agencies and airlines has been steadily expanded at Oslo Airport Gardermoen.

Good market situation in Finland

The market for building system services remained good. The market for property services and property management services continued to grow. Structural changes in industry and reforms in municipal service structures open up the market to the outsourcing of technical services and partnership agreements.

Service agreements for property management were made with the international property investors Property Group and Reef. The co-operation agreement made with Tapiola Real Estate Ltd was expanded to cover the premises management and upkeep of Business Park Mankkaa, which will be completed in Espoo. The provision of acute maintenance services for housing corporations and real-estate companies was expanded to new localities. An agreement on the implementation of industrial energy analyses was made with Huhtamäki Oyj and the baking company Elonen Oy Leipomo.

Construction remained brisk in Denmark

The economy continued to develop well and construction remained brisk. Demand for building system services held firm in both industry and the construction of commercial facilities and public premises. Corporate interest in the outsourcing of technical services increased.

A long-term service agreement was made with Mærsk Olie og Gas for the maintenance of the electrical systems and instrumentation of oil rigs on the North Sea. A property management agreement was forged with Merrild Kaffe in Kolding; the agreement will be in effect until further notice. An order for a new ventilation system came in from Danske Bank under a long-term service agreement.

Electrical installations will be supplied for the University of Copenhagen as part of the reorganization of its campus area. Reconditioning of office ventilation systems will be carried out for Novo Nordisk. YIT will perform electrical works at a new kindergarten for the municipality of Vejle.

Good market situation holds in Estonia, Latvia, Lithuania and Russia

The market for building system services remained favourable in Russia. Construction activity was brisk and western investments saw further growth. Demand for property maintenance and property management services grew in Russia and the Baltic countries.

A two-year agreement on property management and technical maintenance services was signed with K-Rauta in Russia. An electrical contracting agreement was made with Knauf Hips Novomoskovsk Ltd in the Tula area. Building equipment works at the Kolomagi residential complex built by YIT were agreed on in St Petersburg.

In Lithuania, property management and technical maintenance agreements covering two sites were signed with Baltic Red Management UAB. In the City of Elektrenai, an agreement was

Revenue of the Building Systems business segment by country, EUR million

	Jan-Sept/2007	Jan-Sept/2006	Change, %	Share of the business segment's revenue, Jan-Sept/2007, %
Sweden	**429.8**	383.3	12	37
Norway	**313.0**	249.9	25	27
Finland	**274.4**	237.8	15	23
Denmark	**119.0**	101.7	17	10
Estonia, Latvia, Lithuania and Russia	**34.1**	36,5	-7	3
Total	**1,170.3**	1,009.2	16	100

forged for a total technical solution for the Maxima XX supermarket to be carried out as a Design & Build delivery. Numerous electrical contracts got under way in Estonia at business premises and warehouses on behalf of Elion Ettevötted, Skanska and Eesti Ehitus.

Construction Services

In the January-September period, the revenue of Construction Services grew by 13 per cent on the previous year and amounted to EUR 1,196.1 million (EUR 1,055.9 million). The share of revenue accounted for by the maintenance business was 3 per cent (3%). Of the revenue, 71 per cent came from Finland, 16 per cent from Russia, 13 per cent from Lithuania, Latvia and Estonia and less than one per cent from other countries.

Operating profit was up 24 per cent to EUR 150.0 million (EUR 120.8 million). The operating profit margin remained excellent, 12.5 per cent (11.4%).

The order backlog grew by 48 per cent to EUR 2,263.3 million (EUR 1,524.4 million).

The business segment had 6,394 employees (5,511) at the end of the period.

Housing sales started to grow in Russia

Both the need for and interest in new housing have remained strong in Russia. The number of residences sold by YIT in the January-September period was lower than in the previous year, but housing sales turned to growth at the end of the review period. In Q3 2007, YIT sold 476 residential units in Russia (July-Sept/06: 462).

In 2006, the prices of residences in some large cities in Russia saw an exceptional rise of 60-100 per cent due to the decline in supply. weakening home purchasing ability in the first part of 2007. The rate of growth in housing prices has remained moderate in 2007.

In Russia, YIT builds housing in St Petersburg, Moscow, the Moscow Oblast. Yaroslavl. Yekaterinburg and Kazan. In June, YIT expanded its operations in line with its strategy to Rostov-na-Donu in Russia by setting up a joint venture in the city. The aim is to start up construction on the first site by the end of 2007.

Of the Baltic countries, housing demand remained moderate in Lithuania. In Estonia and Latvia the demand is weak and the prices of residences have declined.

In July-September, the average selling price of the residences YIT built in Russia was about 53 per cent (July-September/06: 40%) of the average selling price of the market-financed

Residential construction in Jan-Sept/2007 (Jan-Sept/2006), number of residences

	Finland			Russia	Estonia, Latvia, Lithuania
	Market-financed (incl. leisure residences and investor deals)	State-financed, rental housing and tender-based	Total	Total	Total
Sold	1,935 (2,057)	- (-)	1,935 (2,057)	1,168 (1,633)	346 (502)
Start-ups	1,747 (2,425)	156 (158)	1,903 (2,583)	1,510 (974)	506 (500)
Under construction at period's end	2,733 (3,453)	244 (158)	2,977 (3,611)	7,320 (4,696)	1,779 (1,790)
Completed	2,224 (2,389)	98 (153)	2,322 (2,542)	1,258 (1,522)	600 (238)
Completed and unsold at period's end	299 (174)	- (-)	299 (174)	13 (6)	2 (-)

The recording of the status of residential units in Russia has changed. Apartments are deemed to have been completed three months after the authorities have performed the inauguration inspection. Previously an apartment was designated as being completed only when the homebuyer had registered it with the authorities. The figures for residences under construction. completed, and completed and unsold in the January-September/2007 and January-September/2006 periods have been presented in line with the new practice. In Russia and Baltic countries there may be small changes in the number of apartments during the construction period due to splitting up or combining the apartments.
Market-financed residential development projects sold to investors have been added to residential units sold in Finland.

Plot reserves, Sept 30, 2007 (Sept 30, 2006)

Building rights and zoning potential, 1.000 m² of floor area			
	Finland	Russia	Estonia, Latvia, Lithuania
Housing plots	1,700 (1,793)	2,559 (784)	382 (308)
Business premise plots	853 (969)	521 (444)	23 (33)
Total	2,553 (2,762)	3,080 (1,228)	405 (341)
Capital tied into plot reserves, EUR million	332.2 (297.5)	127.3 (58.4)	58.5 (43.3)

Plot reserves include plots that have been zoned and an estimate of the potential building rights on areas that are under zoning. Building rights provided by regional development agreements made with landowners are not included in YIT's balance sheet until the zoned sections are each in turn slated for construction.

residences sold by YIT in Finland, and in the Baltic countries about 59 per cent (60%).

Housing sales in Finland declined slightly
In January-September 2007, YIT sold 1,935 residential units in Finland (Jan-Sept/06: 2,057). There was growth in the number of residences sold to rental housing companies, while the number of residences sold directly to consumers decreased.

Leisure-time residences were sold at Ylläs in Kolari, Vuokatti in Sotkamo, Tahko in Nilsiä and Virpiniemi in Haukipudas. Construction of leisure-time residences and centres proceeded as planned. New cooperation agreements were signed for projects at the Hiekkäsärkät sand dunes in Kalajoki.

YIT cooperates with numerous cities in the development of commercial and tourism services and the supply of residences. Projects are ongoing and under planning in cities such as Rovaniemi, Kemi and Loviisa.

YIT estimates that it will start up 7,500 residences this year
YIT estimates that this year it will start up the construction of a total of about 7,500 residential units (start-ups in 2006: 7,404). Start-ups of market-financed residential units will amount to about 2,300 (2,818) in Finland. about 4,500 (3,699) in Russia and about 700 (887) in the Baltic countries. The number of residential start-ups in Finland has been reduced due to the slackening of the housing sales in the early autumn.

The market outlook for developer-contracting of housing is expected to remain good on the whole in YIT's market area. Growth in housing demand in Finland has come to a halt after rising for many years. However, the Ministry of Finance forecasts that annual construction of housing will remain at a level of about 30,000 units. Housing demand is maintained by the improvement in the employment count, the development of incomes and wealth, the brisk ongoing population shift and the still moderate interest rates. In Russia and the Baltic countries, strong economic growth, the positive trend in household earnings and the need to improve housing quality uphold the demand for residences.

At the end of September, YIT had 299 completed unsold residential units in Finland; the corresponding figure at the end of June was 291. At the end of September, there were 13 completed unsold apartments in Russia and 2 in the Baltic countries.

Construction of commercial and business premises remains brisk
Construction of office, retail and logistics premises was brisk in Finland and the outlook remained favourable. Demand for offices stayed good in the Greater Helsinki Area. Construction of business premises is also brisk in Russia and the Baltic countries.

YIT has started up and sold numerous property development projects in 2007: Grandis Retail Centre in Vantaa, the Entresse Shopping Centre in Espoo, Kauppakortteli Atomi shopping quarter in Riihimäki as well as YIT's head office and the Duetto Business Park in Helsinki. In September, YIT sold the Joensuu Shopping Center project, which was developed by the company and is currently under construction, to the Danish real-estate investment company I/S EjendomsInvest.

In July-September, YIT started up the construction of the AviaLine 1 office building in Vantaa. A lease agreement was forged with the head tenant of the Koskelo Trade Park in Espoo and the Viinikkala Logistics Centre in Vantaa; construction work on these projects continued.

Construction of offices and logistics facilities that will be owned by EPI Russia and a production plant for Atria continued in St Petersburg. Russia, In Lithuania, the last phase of the FEZ logistics project was completed in Kaunas, as was the extension of the Parliament Building in Vilnius.

Demand holds firm in infrastructure construction
The market for civil engineering remained good. Reforms in municipal service structures open up the market to the outsourcing of technical services and partnership agreements. During the report period, three- and four-year area maintenance agreements were signed with the Cities of Lahti and Oulu.

A large-scale contract came in from the Lapland Road Region of the Finnish Road Administration for the construction of two bridges on Highway 4 in Kemi. An agreement was made with the City of Espoo for the construction of Lintulaaksontie road. The construction of a fitness centre for Meilahden Liikuntakeskus Oy was agreed in Helsinki. YIT landed an order from Fortum Lämpö Oy for the construction of a boiler facility in Seinäjoki.

Industrial and Network Services

The revenue of Industrial and Network Services grew by 2 per cent in January-September and amounted to EUR 359.0 million (EUR 352.9 million). The share of revenue accounted for by the maintenance business was 58 per cent (60%). Of the revenue, 91 per cent came from Finland and 9 per cent from other countries.

Operating profit was EUR 18.9 million (EUR 12.8 million). The operating profit margin was 5.3 per cent (3.6%). Accounting for the downscaling costs of Network Services, profitability remained at the previous year's level. Q1/2007 operating profit includes EUR 1.0 million and the operating profit for Q3/2006 EUR 5.1 million in costs related to downscaling measures carried out in the Network Services business unit.

The order backlog at the end of the period was up 23 per cent to EUR 221.7 million (EUR 180.3 million). The order backlog in Network Services is based on forecasts from customers, which declined since the previous year.

At the end of the period, the business segment had 4,593 employees (4,895).

Demand for services for industry remains brisk
The market situation for maintenance services for industry remained good. During the report period, end-to-end maintenance works and large-scale maintenance shutdowns were carried out. Maintenance services were provided for the forest industry at StoraEnso's mills in Imatra, UPM's Seikku mill in Pori and Botnia's mill in Kemi. Maintenance shutdowns were carried out for the energy and process industry at Neste Oil's oil refinery and Borealis' ethylene and phenol plant in Porvoo, Ovako Bari's steel

plant in Imatra and Pohjolan Voima's power plant in Meripori.

New orders for investment projects for industry

Demand remained solid in investment services for industry and many new orders came in during the report period. Agreements were made with Siemens Plc for a turnkey delivery of piping for a combined cycle gas power plant in Marchwood, England, and Metso Power Oy for the delivery of piping for a soda recovery and power boiler plant in Brazil. Deliveries of high-pressure piping for Porin Prosessivoima's power plant as well as tank and piping for the Talvivaara mine project in Sotkamo were agreed in Finland. An agreement was signed with StoraEnso for an electrical contract in Varkaus. The implementation of lightweight substations in Hämeenlinna was agreed with Vattenfall.

During the report period, piping deliveries as well as electricity distribution and instrumentation works for UPM's REC08 project in Kuusankoski and piping deliveries for the VALKI project in Valkeakoski were under way. In Tornio, YIT has been responsible for a gasometer delivery for Outokumpu.

Market for network services is still tight

The market situation in field services for teleoperators continued to be tight. Mobile network construction grew towards the end of the period. The market for electricity network upkeep, repair and construction remained solid.

During the report period, YIT made two Finland-wide agreements with Elisa, under which YIT is responsible for the construction of 3G base station equipment for mobile phone networks as well as the installation and repair of DSL connections and related devices for corporate networks.

Events after the end of the review period

On October 1, 2007, YIT Industrial and Network Services Oy acquired in Finland Inesco Oy, which specializes in projects to upgrade performance in energy and material consumption in industry.

On October 2, 2007, YIT Construction Ltd and its Lithuanian subsidiary AB YIT Kausta signed an agreement on the sale of their shares in UAB Kausta Guder, which engages in the lease, sale and servicing of small construction machines in Lithuania and Latvia. The approval of the Lithuanian competition authority is required for the consummation of the transaction.

In the Building Systems business segment, YIT A/S acquired Monies & Andersens Eftf. A/S in Denmark on October 12, 2007. The acquiree provides building equipment contracting, installation and maintenance services in the Copenhagen area. As a result of the transaction, 40 people will transfer to YIT's employ on January 1, 2008.

Outlook for 2007

We estimate that revenue in 2007 will be bigger than in the previous year and operating profit (EBIT) will increase clearly compared to the previous year.

The outlook for revenue growth is supported by the strong order backlog, ongoing economic growth and YIT's major investments in the Russian market. The healthy margin of the order backlog and the company's own profitability improvement measures underlie our expectations of growth in operating profit.

Helsinki, October 25, 2007

Board of Directors

Interim Report January 1 - September 30, 2007: Tables

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The information presented in the Interim Report has not been audited.

1. KEY FIGURES OF YIT GROUP

KEY FIGURES	9/2007	9/2006	Change, %	12/2006
Earnings per share, EUR	**1.20**	0.88	36	1.36
Diluted earnings per share, EUR	**1.19**	0.87	37	1.35
Equity per share, EUR	**5.85**	4.83	21	5.29
Average share price during the period, EUR	**23.72**	19.11	24	19.24
Share price at end of period, EUR	**20.84**	18.27	14	20.95
Market capitalization at end of period, MEUR	**2,644.7**	2,294.4	15	2,656.0
Weighted average share-issue adjusted number of shares outstanding, thousands	**126,836**	125,154	1	125,357
Weighted average share-issue adjusted number of shares outstanding, thousands, diluted	**127,350**	126,735	-	126,773
Share-issue adjusted number of shares outstanding at end of period, thousands	**126,906**	125,581	1	126,777
Net interest-bearing debt at end of period, MEUR	**591.4**	416.8	42	506.5
Return on investment, from the last 12 months, % 1)	**25.8**	25.2	-	24.8
Equity ratio, %	**33.8**	34.6	-	34.5
Gearing ratio, %	**79.1**	68.1	-	75.1
Gross capital expenditures, MEUR	**33.5**	29.9	12	50.4
% of revenue	**1.3**	1.3	-	1.5
Order backlog at end of period, MEUR 2)	**3,172.5**	2,246.2	41	2,802.3
of which order backlog outside Finland	**1,689.3**	908.5	86	1,490.0
Average number of personnel	**23,176**	21,704	7	21,846

1) Calculated for the period from October 1, 2006 - September 30, 2007, using the balance sheet figures at September 30, 2006 and September 30, 2007.

2) Portion of received orders and development projects not recognized as income.

YIT GROUP FIGURES BY QUARTER	I/ 2006	II/ 2006	III/ 2006	IV/ 2006	I/ 2007	III/ 2007	III/ 2007
Revenue, MEUR	768.8	818.0	789.5	908.1	833.5	939.3	**906.8**
Operating profit, MEUR	53.7	60.1	58.6	86.4	61.2	78.5	**89.4**
% of revenue	7.0	7.3	7.4	9.5	7.3	8.4	**9.9**
Financial income, MEUR	1.3	0.4	0.6	0.3	0.6	0.5	**0.6**
Exchange rate differences, MEUR	-0.6	-0.6	-0.6	-0.9	-0.1	-1.6	**0.5**
Financial expenses, MEUR	-4.3	-4.6	-5.9	-5.7	-6.9	-7.6	**-8.1**
Profit before taxes, MEUR	50.1	55.3	52.7	80.1	54.8	69.8	**82.4**
% of revenue	6.5	6.8	6.7	8.8	6.6	7.4	**9.1**
Balance sheet total, MEUR	1,722.0	1,847.2	1,925.5	2,117.8	2,155.9	2,346.1	**2,418.4**
Earnings per share, EUR	0.29	0.31	0.28	0.48	0.31	0.42	**0.47**
Equity per share, EUR	4.23	4.54	4.83	5.29	4.95	5.38	**5.85**
Share price at end of period, EUR	22.38	19.17	18.27	20.95	25.80	23.35	**20.84**
Market capitalization at end of period, MEUR	2,792.9	2,406.7	2,294.4	2,656.0	3,270.8	2,963.1	**2,644.7**
Return on investment, from the last 12 months, %	28.1	28.2	25.2	24.8	25.4	25.7	**25.8**
Equity ratio, %	33.5	34.5	34.6	34.5	31.8	32.4	**33.8**
Net interest-bearing debt at end of period, MEUR	334.2	342.5	416.8	506.5	540.9	548.9	**591.4**
Gearing ratio, %	62.7	59.5	68.1	75.1	85.6	79.8	**79.1**
Gross capital expenditures, MEUR	9.1	18.7	29.9	50.4	15.8	21.5	**33.5**
Order backlog at end of period, MEUR	2,007.2	2,151.3	2,246.2	2,802.3	2,995.4	3,275.2	**3,172.5**
Personnel at end of period	21,140	21,873	22,188	22,311	22,418	23,474	**23,836**

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SEGMENT INFORMATION BY QUARTER

Revenue by business segment (EUR million)	I/ 2006	II/ 2006	III/ 2006	IV/ 2006	I/ 2007	II/ 2007	III/ 2007
Building Systems	325.6	348.4	335.2	405.9	367.7	410.3	**392.3**
Construction Services	350.8	368.1	337.0	396.3	369.2	416.3	**410.6**
Industrial and Network Services	107.7	116.9	128.3	124.0	110.7	129.6	**118.7**
Other items	-15.3	-15.4	-11.0	-18.1	-14.1	-16.9	**-14.9**
YIT Group, total	768.8	818.0	789.5	908.1	833.5	939.3	**906.7**

Operating profit by business segment (EUR million)	I/ 2006	II/ 2006	III/ 2006	IV/ 2006	I/ 2007	II/ 2007	III/ 2007
Building Systems *)	11.7	19.8	21.1	35.0	18.8	25.6	**26.7**
Construction Services	40.7	40.5	39.6	50.0	41.2	51.5	**57.3**
Industrial and Network Services **)	5.3	5.0	2.5	5.2	5.0	5.8	**8.1**
Other items	-4.0	-5.2	-4.6	-3.8	-3.8	-4.4	**-2.7**
YIT Group, total	53.7	60.1	58.6	86.4	61.2	78.5	**89.4**

*) In the October-December/2006 period, Building Systems released provisions for certain contractual obligations that had come to an end. This had a positive impact of EUR 7.2 million on operating profit.

**) The operating profit of the Industrial and Network Services business segment in July-September/2006 includes EUR 5.1 million and in January-March/2007 EUR 1.0 million in costs for the downsizing of Network Services carried out in 2006.

Order backlog by business segment at end of period (EUR million)	I/ 2006	II/ 2006	III/ 2006	IV/ 2006	I/ 2007	II/ 2007	III/ 2007
Building Systems	517.6	584.1	582.7	601.7	670.3	721.8	**740.5**
Construction Services	1,296.5	1,391.8	1,524.4	2,053.5	2,137.9	2,378.3	**2,263.3**
Industrial and Network Services	219.5	208.4	180.3	184.0	228.8	213.6	**221.7**
Other items	-26.4	-33.0	-41.2	-36.9	-41.6	-38.5	**-53,0**
YIT Group, total	2,007.2	2,151.3	2,246.2	2,802.3	2,995.4	3,275.2	**3,172.5**

2. CONSOLIDATED FINANCIAL STATEMENTS JANUARY 1 - SEPTEMBER 30, 2007

CONSOLIDATED INCOME STATEMENT JAN 1 - SEPT 30, 2007 (EUR million)	1-9/2007	1-9/2006	Change, %	1-12/2006
Revenue	**2,679.5**	2,376.3	13	3,284.4
of which activities outside Finland	**1,268.8**	1,047.7	21	1,477.4
Operating income and expenses	**-2,432.0**	-2,187.1	11	-3,002.8
Share of results of associated companies	**1.0**	0.8	25	1.3
Depreciation and write-downs	**-19.4**	-17.6	10	-24.1
Operating profit	**229.1**	172.4	33	258.8
% of revenue	**8.6**	7.3	-	7.9
Financial income	**1.8**	2.3	-22	2.6
Exchange rate differences	**-1.2**	-1.8	-33	-2.7
Financial expenses	**-22.6**	-14.8	53	-20.5
Profit before taxes	**207.1**	158.1	31	238.2
% of revenue	**7.7**	6.7	-	7.3
Income taxes 3)	**-53.0**	-43.6	22	-62.8
Profit for the report period	**154.1**	114.6	34	175.4
% of revenue	**5.8**	4.8	-	5.3
Attributable to				
Equity holders of the parent company	**152.1**	110.7	37	171.0
Minority interests	**2.0**	3.9	-49	4.4
Earnings per share attributable to the equity holders of the parent company				
Earnings per share, EUR	**1.20**	0.88	36	1.36
Diluted earnings per share, EUR	**1.19**	0.87	37	1.35

3) Income taxes have been accounted for as a share of the estimated taxes for the entire financial year, calculated in proportion to the result for the review period.

CONSOLIDATED INCOME STATEMENT JULY 1 - SEPT 30, 2007 (EUR million)	7-9/2007	7-9/2006	Change, %
Revenue	**906.8**	789.5	15
of which activities outside Finland	**451.9**	354.7	27
Operating income and expenses	**-811.0**	-725.1	12
Share of results of associated companies	**0.4**	0.4	-
Depreciation and write-downs	**-6.8**	-6.2	10
Operating profit	**89.4**	58.6	53
% of revenue	**9.9**	7.4	-
Financial income	**0.6**	0.6	-
Exchange rate differences	**0.5**	-0.6	*)
Financial expenses	**-8.1**	-5.9	37
Profit before taxes	**82.4**	52.7	56
% of revenue	**9.1**	6.7	-
Income taxes 3)	**-20.9**	-16.1	30
Profit for the report period	**61.5**	36.7	68
% of revenue	**6.8**	4.6	-
Attributable to			
Equity holders of the parent company	**60,0**	35.1	71
Minority interests	**1.5**	1.6	-6
Earnings per share attributable to the equity holders of the parent company			
Earnings per share, EUR	**0.47**	0.28	68
Diluted earnings per share, EUR	**0.47**	0.27	74

*) Change over 100%.

3) Income taxes have been accounted for as a share of the estimated taxes for the entire financial year, calculated in proportion to the result for the review period.

CONSOLIDATED BALANCE SHEET (EUR million)	9/2007	9/2006	Change, %	12/2006
ASSETS				
Non-current assets				
Property, plant and equipment	**95.1**	85.0	12	91.8
Goodwill	**248.8**	248.8	-	248.8
Other intangible assets	**21.6**	14.4	50	15.6
Shares in associated companies	**3.6**	2.6	38	2.9
Investments	**2.9**	2.8	4	3.0
Receivables	**16.8**	10.0	68	13.4
Deferred tax assets	**32.0**	21.5	49	21.1
Current assets				
Inventories	**1,175.7**	839.8	40	1,006.4
Trade and other receivables	**764.8**	666.4	15	688.9
Cash and cash equivalents	**57.1**	34.3	66	25.9
Total assets	**2,418.4**	1,925.5	26	2,117.8
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the parent company				
Share capital	**147.1**	62.8	*)	63.4
Other equity	**594.8**	543.8	9	607.1
Minority interests	**6.0**	5.2	15	3.9
Total equity	**747.9**	611.8	22	674.4
Non-current liabilities				
Deferred tax liabilities	**71.7**	45.0	59	52.5
Pension liabilities	**7.7**	10.9	-29	11.6
Provisions	**33.5**	30.9	8	32.2
Interest-bearing liabilities	**439.3**	264.6	66	275.8
Other liabilities	**3.6**	5.7	-37	8.4
Current liabilities				
Trade and other payables	**883.1**	748.6	18	788.0
Provisions	**22.4**	21.5	4	18.3
Interest-bearing current liabilities	**209.2**	186.5	12	256.6
Total equity and liabilities	**2,418.4**	1,925.5	26	2,117.8

*) Change over 100%.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (EUR million)	Share capital	Share premium reserve	Legal reserve	Other reserve	Cumulative translation differences	Fair value reserve	Retained earnings	Minority interest	Total equity
Equity on Jan 1, 2007	63.4	83.8	0.8	13.7	-4.5	1.0	512.3	3.9	**674.4**
Bonus issue	82.8	-82.8	-	-	-	-	-	-	**-**
Shares subscribed with options	0.9	-	-	-	-	-	-	-	**-**
Change in the fair value of interest derivatives	-	-	-	-	-	1.1	-	-	**-**
Change in translation differences	-	-	-	-	-3.1	-	0.4	-	**-**
Employee share option scheme	-	-	-	-0.4	-	-	3.0	-	**-**
Net profit for the period	-	-	-	-	-	-	152.1	-	**-**
Dividend paid	-	-	-	-	-	-	-82.5	-	**-**
Other change	-	-1.0	0.1	1.0	-	-	-0.2	-	**-**
Equity on Sept 30, 2007	147.1	0.0	0.9	14.3	-7.6	2.1	585.1	6.0	**747.9**

	Share capital	Share premium reserve	Legal reserve	Other reserve	Cumulative translation differences	Fair value reserve	Retained earnings	Minority interest	Total equity
Equity on Jan 1, 2006	62.4	77.2	0.7	2.5	-3.0	-0.1	420.0	3.7	**563.5**
Shares subscribed with options	0.4	2.2	-	-	-	-	-	-	**-**
Change in the fair value of interest derivatives	-	-	-	-	-	0.3	-	-	**-**
Change in translation differences	-	-	-	-	0.4	-	-	-	**-**
Employee share option scheme		-	-	12.1	-	-	-10.5	-	**-**
Net profit for the period	-	-	-	-	-	-	110.7	-	**-**
Dividend paid	-	-	-	-	-	-	-68.6	-	**-**
Other change	-	-	0.1	-	-	-	-0.4	-	**-**
Equity on Sept 30, 2006	62.8	79.6	0.8	14.6	-2.6	0.2	451.2	5.2	**611.8**

	Share capital	Share premium reserve	Legal reserve	Other reserve	Cumulative translation differences	Fair value reserve	Retained earnings	Minority interest	Total equity
Equity on Jan 1, 2006	62.4	77.2	0.7	2.5	-3.0	-0.1	420.0	3.7	**563.5**
Shares subscribed with options	1.0	5.6	-	-	-	-	-	-	**-**
Change in the fair value of interest derivatives	-	-	-	-	-	0.9	-	-	**-**
Change in the fair value of other investments	-	-	-	-	-	0.2	-	-	**-**
Change in translation differences	-	-	-	-	-1.5	-	-0.3	-	**-**
Employee share option scheme	-	1.0	-	11.2	-	-	-9.6	-	**-**
Net profit for the period	-	-	-	-	-	-	171.0	-	**-**
Dividend paid	-	-	-	-	-	-	-68.9	-	**-**
Other change	-	-	0.1	-	-	-	0.1	-	**-**
Equity on Dec 31, 2006	63.4	83.8	0.8	13.7	-4.5	1.0	512.3	3.9	**674.4**

CONSOLIDATED CASH FLOW STATEMENT (EUR million)	1-9/2007	1-9/2006	Change, %	1-12/2006
Cash flows from operating activities				
Net profit for the period	**154.1**	113.3	36	175.4
Reversal of accrual-based items	**94.8**	75.7	25	106.8
Change in working capital				
Change in trade and other receivables	**-74.5**	-115.2	-35	-140.0
Change in inventories	**-167.9**	-152.9	10	-319.5
Change in current liabilities	**80.1**	54.2	48	105.6
Change in working capital, total	**-162.3**	-213.9	-24	-353.9
Interest paid	**-17.5**	-13.3	32	-24.9
Interest received	**1.8**	2.1	-14	2.4
Taxes paid	**-46.4**	-34.0	36	-54.1
Net cash generated from operating activities	**24.5**	-70.1	*)	-148.3
Cash flows from investing activities				
Acquisition of subsidiaries, net of cash	**-7.6**	-8.2	-7	-11.1
Acquisition of shares in associated companies	**-**	-0.2	*)	-
Proceeds from sale of shares in associated companies	**0.5**	-	*)	-
Purchase of property, plant and equipment	**-18.5**	-21.7	-15	-33.8
Purchase of intangible assets	**-6.1**	-1.9	*)	-3.1
Increases in other investments	**-**	-0.1	*)	-
Disposals of subsidiaries and businesses	**-**	2.5	*)	2.5
Proceeds from sale of property, plant and equipment	**3.0**	2.6	15	3.0
Proceeds from sale of other investments	**0.2**	0.4	-50	0.5
Net cash used in investing activities	**-28.5**	-26.6	7	-42.0

	1-9/2007	1-9/2006	Change, %	1-12/2006
Cash flow from financing activities				
Proceeds from share issues	**0.9**	2.8	-68	6.6
Decrease in loan receivables	**0.1**	0.1	-	0.1
Change in current liabilities	**-44.4**	33.8	*)	61.9
Proceeds from borrowings	**168.1**	118.7	42	175.0
Repayments of borrowings	**-5.7**	-34.5	-83	-37.4
Payments of financial leasing debts	**-1.2**	-1.8	-33	-1.9
Dividends paid	**-82.6**	-68.9	20	-68.9
Net cash used in financing activities	**35.2**	50.2	-30	135.4
Net change in cash and cash equivalents	**31.2**	-46.5	*)	-54.8
Cash and cash equivalents at the beginning of the period	**25.9**	80.6	-68	80.6
Change in the fair value of the cash equivalents	**-**	0.2	*)	0.1
Cash and cash equivalents at the end of the period	**57.1**	34.3	66	25.9

*) Change over 100%.

3. NOTES

ACCOUNTING PRINCIPLES OF THE INTERIM REPORT

YIT Corporation's Interim Report for January 1 - September 30, 2007 has been drafted in line with IAS 34: Interim Financial Reporting. YIT has applied the same accounting policy in the drafting of the Interim Report as in its annual financial statements for 2006. The information presented in the Interim Report has not been audited.

Application of amended IFRS standards or interpretations as from January 1, 2007

The Group has applied the following amendments to the standards or new interpretations as from January 1, 2007:

- IFRS 7 Financial Instruments: Disclosures. The standard mainly affects the scope of the notes to the financial statements.
- IAS 1 (Amendment) Presentation of Financial Statements - Capital Disclosures. The amendment of the standard did not have an effect on this Interim Report.
- IFRIC 10 Interim Financial Reporting and Impairment. The application of the interpretation did not have an effect on this Interim Report.

FINANCIAL RISK MANAGEMENT

In the January-March/2007 period the Board of Directors amended the management of foreign exchange risk such that YIT Group's shareholders' equity in the home currency is no longer hedged against changes in foreign exchange rates. Foreign exchange positions are reported to the Audit Committee once per year.

SEGMENT INFORMATION

YIT's business operations are divided into three business segments: Building Systems, Construction Services and Industrial and Network Services

Revenue by business segment (EUR million)	1-9/2007	1-9/2006	Change, %	1-12/2006
Building Systems	**1,170.3**	1,009.2	16	1,415.1
Construction Services	**1,196.1**	1,055.9	13	1,452.2
Industrial and Network Services	**359.0**	352.9	2	476.9
Other items	**-45.9**	-41.7	10	-59.8
YIT Group, total	**2,679.5**	2,376.3	13	3,284.4

Operating profit by business segment (EUR million)	1-9/2007	1-9/2006	Change, %	1-12/2006
Building Systems	**71.1**	52.6	35	87.6
Construction Services	**150.0**	120.8	24	170.8
Industrial and Network Services	**18.9**	12.8	48	18.0
Other items	**-10.9**	-13.8	-21	-17.6
YIT Group, total	**229.1**	172.4	33	258.8

Order backlog by business segment at end of period (EUR million)	9/2007	9/2006	Change, %	12/2006
Building Systems	**740.5**	582.7	27	601.7
Construction Services	**2,263.3**	1,524.4	48	2,053.5
Industrial and Network Services	**221.7**	180.3	23	184,0
Other items	**-53.0**	-41.2	29	-36.9
YIT Group, total	**3,172.5**	2,246.2	41	2,802.3

UNUSUAL ITEMS AFFECTING OPERATING PROFIT (EUR million)	1-9/2007	1-9/2006	1-12/2006
Building Systems			
Released provisions	**-**	-	7.2
Industrial and Network Services			
Rearrangements	**-1.0**	-5.1	-5.1
YIT Group, total	**-1.0**	-5.1	2.1

In the October-December/2006 period, Building Systems released provisions for certain contractual obligations that had come to an end. This had a positive impact of EUR 7.2 million on operating profit.

The operating profit of the Industrial and Network Services business segment in July-September/2006 includes EUR 5.1 million and in January-March/2007 EUR 1.0 million in costs for the downsizing of Network Services carried out in 2006.

ACQUIRED BUSINESSES (EUR million)

On April 2, 2007, YIT Industrial and Network Services Oy acquired T. Kanerva Oy, the only Finnish supplier of special seals used in the process and energy industry.

In January-September/2007 period, the business operations were strengthened within Building Systems business segment with six small acquisitions of companies in Sweden and Norway.

	The fair value in balance sheet	Seller's carrying amount before the consolidation
The effect on balance sheet assets an liabilities:		
Property, plant and equipment	3.2	2.9
Intangible assets	4.6	0.1
Inventories	1.4	1.3
Trade and other receivables	3.6	3.6
Cash and cash equivalents	1.3	1.3
Other liabilities	-5.2	-5.2
Acquired net assets	8.9	4.0
Total consideration	8.9	
Goodwill	0.0	
The effect on cash flow:		
Paid in cash	8.9	
Cash and cash equivalents in acquired entity	-1.3	
Cash flow on acquisitions	7.6	

CHANGES IN PROPERTY, PLANT AND EQUIPMENT (EUR million)	1-9/2007	1-9/2006	Change, %	1-12/2006
Carrying value at the beginning of period	**91.8**	77.1	19	77.1
Increase	**19.0**	22.6	-16	33.6
Increase through acquisitions	**3.2**	1.2	*)	2.4
Decrease	**-2.1**	-1.7	24	-2.6
Decrease through disposals	**-**	-1.1	*)	-0.3
Depreciation and value adjustments	**-14.7**	-12.8	15	-18.6
Reclassification	**-2.1**	0.1	-	0.2
Carrying value at the end of period	**95.1**	85.4	11	91.8

*) Change over 100%.

INVENTORIES (EUR million)	9/2007	9/2006	Change, %	12/2006
Raw materials and consumables	**25.7**	19.1	35	19.5
Work in progress	**485.5**	381.1	27	378.2
Land areas and plot owing companies	**518.0**	359.4	44	500.0
Shares in completed housing and real estate companies	**71.1**	55.6	28	64.9
Advance payments	**75.4**	24.6	*)	35.3
Total inventories	**1,157.2**	839.8	40	1,006.4

NOTES ON EQUITY (EUR million)

Share capital and share premium reserve	Number of shares, 1000	Share capital	Share premium reserve	Treasury shares	Total
Jan 1, 2007	126,777,072	63.4	83.8	0.0	147.2
Bonus issue	-	82.8	-82.8	-	0.0
Reclassification	-	-	-1.0	-	-1.0
Annulment of treasury shares	-400	-	-	0.0	0.0
Share subscription with options	129,586	0.9	-	-	0.9
Sept 30, 2007	126,906,258	147.1	0.0	0.0	147.1

INTEREST-BEARING LIABILITIES (EUR million)

Bonds			Fair value	Carrying value	Nominal value
Bonds in financial statements December 31, 2006			275.5	275.0	275.0
Valuation of the above bonds on Sept 30, 2007			274.8	275.0	275.0
Bonds raised during the review period					
	Interest rate,%	Currency			
(1) 1/2007-2014	interest rate 5.233%	EUR	49.6	50.0	50.0
(2) 2/2007-2012	interest rate 5.126%	EUR	49.6	49.9	50.0
Total bonds Sept 30, 2007			374.0	374.9	375.0

Terms of the bonds raised during the revenue period in brief

1) Loan period March 26, 2007 - March 26, 2014, interest payments by quarter in arrear, starting on June 26, 2007. The bond is unsecured. ISIN code FI0003024216. Interest rate is 3 months Euribor + 0.51%. (Private placement)

1) Loan period March 29, 2007 - March 29, 2012, interest payments by quarter in arrear, starting on June 29, 2007. The bond is unsecured. ISIN code SE0001991068. Interest rate is 3 months Euribor + 0.40%. (Private placement)

Management of the interest rate risk of interest-bearing liabilities

Derivative interest-rate contracts to which hedge accounting is applied are designated as hedges of floating rate loans: 3 month Euribor-linked loan with a nominal value of EUR 225 million and 6 month Euribor-linked loan with a nominal value of EUR 45 million. These hedges qualify for effective hedging requirements and changes in fair value are, in accordance with the accounting principles applied in the financial statements, recognized in the fair value reserve in shareholders' equity. Derivative interest-rate contracts to which hedge accounting is not applied are designated as hedges of floating rate 1-3 month Euribor-linked loans with a nominal value of EUR 130 million. Fair value changes in such derivative interest-rate contracts are recognized through profit or loss in accordance with the accounting principles applied in the financial statements. Derivative interest-rate contracts decrease the weighted average rate of the whole loan portfolio by 0.451 percentage point.

The duration of long term loans and derivative instruments hedging these loans was 1.27 years at the end of the review period (1.52 years on December 31, 2006). A change of one ercentage point in the interest level would on September 30, 2007 have affected the annual net financial expenses by EUR 3.0 million (EUR 4.1 million on Dec 31, 2006).

CHANGE IN CONTINGENT LIABILITIES AND ASSETS AND COMMITMENTS (EUR million)	9/2007	9/2006	Change, %	12/2006
Collateral given for own commitments				
Corporate mortgages	**29.3**	29.3	-	29.3
Pledged shares	**-**	2.0	*)	1.5
Other commitments				
Repurchase commitments	**213.8**	313.6	-32	252.5
Operating leases	**267.1**	192.1	39	202.1
Rental guarantees for clients	**8.3**	3.8	*)	6.5
Other contingent liabilities	**2.4**	2.3	4	0.8
Liability under derivative contracts				
Value of underlying instruments				
Interest rate forward contracts	**100.0**	-	*)	-
Interest rate options, purchased	**27.9**	28.4	-2	28.4
Interest rate swaps	**300.0**	95.0	*)	145.0
Foreign currency forward contracts	**233.7**	116.2	*)	202.7
Market value				
Interest rate foward contracts	**0,0**	-	-	-
Interest rate options, purchased	**1.1**	0.7	57	0.8
Interest rate swaps	**2.5**	0.3	*)	1.2
Foreign currency forward contracts	**2.3**	-1.9	*)	1.7
Contingent assets				
Legal processes	**11.1**	11.1	-	11.1

*) Change over 100%.

TRANSACTIONS WITH ASSOCIATED COMPANIES (EUR million)	1-9/2007	1-9/2006	Change, %	1-12/2006
Sales to associated companies	0.5	0.4	25	1.2
Purchases from associated companies	3.9	-	*)	0.4
Trade and other receivables	0.1	-	*)	2.6
Trade and other liabilities	1.5	0.2	*)	-

*) Change over 100%.

Events after the end of the review period

On October 1, 2007, YIT Industrial and Network Services Oy acquired Inesco Oy in Finland. In the Building Systems business segment, YIT A/S acquired Monies & Andersens Eftf. A/S in Denmark on October 12, 2007. The total acquisition cost of the acquisitions is about EUR 5 million. Preliminary calculations indicate that they will yield goodwill of EUR 3 million that will be allocated to intangible rights in full.

On October 2, 2007, YIT Construction Ltd and its Lithuanian subsidiary AB YIT Kausta signed an agreement on the sale of their shares in UAB Kausta Guder. The approval of the Lithuanian competition authority is required for the consummation of the transaction.

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Production: **YIT Corporation** Corporate Communications. October 2007