

YIT'S Interim Report January 1 - September 30, 2010:**SUCCESSFUL SHIFT OF FOCUS TO RESIDENTIAL DEVELOPMENT PROJECTS IMPROVED PROFITABILITY IN FINLAND - FOURTH QUARTER ESTIMATED TO BE THE STRONGEST OF THE YEAR****SEGMENT-LEVEL REPORTING 1-9/2010 (1-9/2009)****Operating profit for January-September 51% higher than in previous year**

- The operating profit of the segments was 51 percent higher than in previous year amounting to EUR 159.4 million (1-9/2009: EUR 105.8 million). Operating profit was clearly higher than the previous year in Construction Services Finland, with the focus of operations being shifted to residential development projects. Operating profit also improved in International Construction Services. In Building and Industrial Services the operating profit fell short of the year before due to the low level of new investments by the customers.
- The revenue of the segments increased by 7 percent compared to previous year and was EUR 2,659.4 million (1-9/2009: EUR 2,491.8 million). Revenue increased across all segments.
- The order backlog of the segments at the end of September increased by 20 percent on the previous year to EUR 3,366.9 million (9/2009: EUR 2,800.8 million). As a result of an acquisition completed in Central Europe in August, the Group's order backlog at the end of September increased by EUR 306 million.

Segment-level reporting 7-9/2010 (7-9/2009)

- The operating profit of the segments was 27 percent higher than in previous year amounting to EUR 57.9 million (7-9/2009: EUR 45.6 million). The operating profit of Building and Industrial Services was burdened by non-recurring expenses amounting to a total of approximately EUR 3.3 million associated with acquisitions.
- The revenue of the segments increased by 13 percent compared to previous year and was EUR 924.2 million (7-9/2009: EUR 815.0 million).

Construction Services' focus on residential development projects

YIT's goal is to be a forerunner in residential construction in all of its market areas - Finland, Russia, the Baltic countries and Central Eastern Europe. During 2010, the focus of residential construction in Finland has been successfully shifted to residential development projects sold directly to consumers, and the number of rental housing project start-ups has decreased compared to the year before. In January-September, YIT started the construction of a total of 4,875 residential units built as development projects, of which 2,003 in Finland (1-9/2009: 954), 2,543 (1-9/2009: 105) in Russia and 329 (1-9/2009: 0) in the Baltic countries and the Czech Republic, where YIT started its first residential project.

Residential start-ups are responding to the continued favourable demand among consumers and keeping the number of apartments for sale sufficiently high. During January-September, YIT has sold a total of 1,412 residential units directly to consumers in Finland (1-9/2009: 1,057), of which 435 residential units in July-September. In Russia, YIT has sold a total of 2,216 residential units during the year (1-9/2009: 1,646), of which 717 residential units in July-September. In Finland, YIT has also become more active in the business premises market, which is showing signs of picking up.

YIT's target is to start the construction of approximately 1,000 residential units in October-December 2010 in International Construction Services covering Russia, Baltic countries and Czech Republic and Slovakia.

Acquisition in Central Europe increased building system services

The acquisition of the Caverion Group, a provider of technical building system services in Central Europe, was agreed in June and completed at the end of August. Approximately 2,000 employees joined YIT. The integration of companies and the development of operations have started in line with the plans.

The Group's strategic target is to increase building system and industrial service and maintenance operations in the Nordic countries and Central Europe. Service and maintenance accounted for 60 percent of the revenue of Building and Industrial Services in January-September (1-9/2009: 54%), or EUR 950.5 million (1-9/2009: EUR 833.9 million).

GROUP REPORTING (IFRIC 15) 1-9/2010 (1-9/2009)

Due to the new recognition principles adopted at the beginning of 2010 the Group-level figures fluctuate greatly between different quarters. According to the recognition principle, residential development projects are only recognised in Group-level figures when the project has been completed, while in segment reporting they are recognised already as construction progresses. Both in Finland and in Russia, the number of completed units in residential development in January-September 2010 was considerably lower than in the previous year - in Finland 559 (1-9/2009: 1,029) and in Russia 940 (1-9/2009: 2,461).

- Group revenue remained at the previous year's level, amounting to EUR 2,449.6 million (1-9/2009: EUR 2,460.3 million).
- Group profit before taxes increased by 45 percent from the previous year to EUR 81.6 million (1-9/2009: EUR 56.4 million).
- The Group's earnings per share increased by 62 percent from the previous year to EUR 0.47 (1-9/2009: EUR 0.29).
- The Group's return on investment was 10.6 percent (9/2009: 11.1%) and the equity ratio was 29.2 percent (9/2009: 28.2%).

In the end of September, YIT had a total of 10,669 residential units under construction in all the countries where it operates. Especially in Russia, significantly more residential units will be completed during October-December than in January-September 2010, and the Group's revenue and profit will therefore be considerably emphasised during the fourth quarter. Completion of the projects requires commissioning by the authorities.

Outlook for 2010: Fourth quarter will be the strongest quarter of the year

YIT Corporation estimates that the Group's (IFRIC 15) revenue will increase and profit before taxes will increase significantly in 2010 compared with 2009. YIT estimates that the Group's fourth quarter revenue and profit before taxes will be the strongest of the year. (The outlook for the fourth quarter has been specified.)

KEY FIGURES

YIT has applied the IFRIC 15 Agreements for the Construction of Real Estate IFRS interpretation from the start of the financial period begun on January 1, 2010. Due to the application of the interpretation, Group-level reporting and segment-level reporting differ. The difference between the accounting policies is reported as an IFRIC 15 adjustment.

Development of segments and the Group

| | 1-9/10 | 1-9/09 | Change | | 7-9/10 | 7-9/09 | Change |
|-------------------------------------|-------------|-------------|---------------|--|-------------|-------------|---------------|
| Revenue | | | | | | | |
| Building and Industrial Services | 1,575.2 | 1,551.0 | 2% | | 550.9 | 483.9 | 14% |
| Construction Services Finland | 807.8 | 739.1 | 9% | | 279.7 | 246.3 | 14% |
| International Construction Services | 330.9 | 246.4 | 34% | | 111.9 | 97.6 | 15% |
| Other items | -54.5 | -44.7 | -22% | | -18.3 | -12.8 | 43% |
| YIT's segments total | 2,659.4 | 2,491.8 | 7% | | 924.2 | 815.0 | 13% |
| IFRIC 15 adjustment | -209.8 | -31.5 | 566% | | -94.6 | -60.7 | 56% |
| YIT Group, total | 2,449.6 | 2,460.3 | 0% | | 829.6 | 754.3 | 10% |
| Operating profit | | | | | | | |
| Building and Industrial Services | 72.7 | 81.7 | -11% | | 22.8 | 24.9 | -8% |
| Construction Services Finland | 78.7 | 61.6 | 28% | | 29.3 | 20.8 | 41% |
| International Construction Services | 21.3 | -25.3 | - | | 9.2 | 3.7 | 149% |
| Other items | -13.3 | -12.2 | 9% | | -3.4 | -3.8 | -11% |
| YIT's segments total | 159.4 | 105.8 | 51% | | 57.9 | 45.6 | 27% |
| IFRIC 15 adjustment | -55.7 | -1.0 | 5,470% | | -24.0 | -12.8 | 87% |
| YIT Group, total | 103.7 | 104.8 | -1% | | 33.9 | 32.8 | 4% |
| Order backlog | 9/10 | 9/09 | Change | | 9/10 | 6/10 | Change |
| Building and Industrial Services | 1,332.1 | 946.7 | 41% | | 1,332.1 | 1,025.3 | 30% |

| | | | | | | | |
|-------------------------------------|---------|---------|------|--|---------|---------|-----|
| Construction Services Finland | 1,205.2 | 909.9 | 32% | | 1,205.2 | 1,154.7 | 4% |
| International Construction Services | 884.8 | 998.4 | -11% | | 884.8 | 946.8 | -7% |
| Other items | -55.2 | -54.2 | 2% | | -55.2 | -59.4 | -7% |
| YIT's segments total | 3,366.9 | 2,800.8 | 20% | | 3,366.9 | 3,067.4 | 10% |
| IFRIC 15 adjustment | 360.6 | 258.8 | 39% | | 360.6 | 261.8 | 38% |
| YIT Group, total | 3,727.5 | 3,059.6 | 22% | | 3,727.5 | 3,329.2 | 12% |

Key figures of Group reporting (IFRIC 15)

| | 1-9/10 | 1-9/09 | Change | | 7-9/10 | 7-9/09 | Change |
|--|--------|--------|--------|--|--------|--------|--------|
| Profit before taxes, EUR million | 81.6 | 56.4 | 45% | | 27.0 | 17.2 | 57% |
| Profit for the review period, EUR million | 58.0 | 35.4 | 64% | | 18.7 | 8.8 | 112% |
| Earnings/share, EUR | 0.47 | 0.29 | 62% | | 0.16 | 0.08 | 100% |
| Return on investment (last 12 months), % | 10.6 | 11.1 | - | | 10.6 | 11.1 | - |
| Equity ratio at end of period, % | 29.2 | 28.2 | - | | 29.2 | 28.2 | - |
| Gearing ratio at end of period, % | 80.5 | 92.9 | - | | 80.5 | 92.9 | - |
| Operating cash flow after investments, EUR million | -56.1 | 83.4 | -167% | | -121.6 | 23.7 | - |
| Personnel at end of period | 25,943 | 24,003 | 8% | | 25,943 | 24,003 | 8% |

NEWS CONFERENCE, WEBCAST AND CONFERENCE CALL

YIT will hold a news conference on the Interim Report for investors, analysts and the media on Wednesday October 27, 2010 at 10:00 a.m. (Finnish time, EEST) at YIT's head office, address Panuntie 11, 00620 Helsinki, Finland. The news conference will be held in English. In the end of the news conference, representatives of the media can also ask questions in Finnish. The presentation material is available in English and Finnish.

The news conference can be viewed as a live webcast on YIT's website, at www.yitgroup.com/webcast. The replay of the webcast will be available at the same address starting at approximately 12:00 noon. To participate in conference call the participants are asked to call the assigned number +44 (0)207 162 177 at 9:55 a.m. (Finnish time, EEST) at the latest, i.e. a minimum of 5 minutes before the conference call begins.

Schedule in different time zones:

| | Interim Report published | News conference, conference call and live webcast | Recorded webcast available |
|-------------------------|--------------------------|---|----------------------------|
| EEST (Helsinki) | 08:00 | 10:00 | 12:00 |
| CEST (Paris, Stockholm) | 07:00 | 09:00 | 11:00 |
| BST (London) | 06:00 | 08:00 | 10:00 |
| US EDT (New York) | 01:00 | 03:00 | 05:00 |

Financial reports and other investor information are available at YIT's website, www.yitgroup.com/investors. The materials may be ordered via the Internet site, by sending an e-mail to InvestorRelations@yit.fi or by telephone at +358 20 433 2467.

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Distribution: NASDAQ OMX Helsinki, principal media, www.yitgroup.com

INTERIM REPORT JANUARY 1 - SEPTEMBER 30, 2010

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APPLICATION OF A NEW IFRS INTERPRETATION FROM JANUARY 1, 2010

YIT has applied the IFRIC 15 Agreements for the Construction of Real Estate IFRS interpretation from the start of the financial period begun on January 1, 2010. Due to the application of the interpretation, Group-level reporting and segment-level reporting differ. The key difference is that residential development projects are only recognised in Group-level figures when the project has been completed, while in segment reporting they are recognised already as construction progresses. The difference between the accounting policies is reported as an IFRIC 15 adjustment.

YIT published the comparison figures for the financial year 2009 calculated on the basis of the IFRIC 15 interpretation in a stock exchange release on March 23, 2010. The effects of the application of the interpretation on the figures have been explained in more detail in the notes to this Interim Report.

GROUP'S FINANCIAL DEVELOPMENT

The Group's financial performance is presented with both figures compliant with Group-level reporting and figures compliant with segment-level reporting, referred to as the segments' result or segments total figure. The figures for 2010 and 2009 are comparable.

SEGMENTS' REVENUE INCREASED SLIGHTLY

The revenue of YIT's segments increased by 7 percent in January-September compared to the previous year, amounting to EUR 2,659.4 million (1-9/2009: EUR 2,491.8 million). Changes in foreign exchange rates increased revenue by EUR 103.6 million compared to the corresponding period last year.

The majority of revenue was generated in the Building and Industrial Services segment. The segment's revenue remained at the previous year's level during January-September. During the third quarter, revenue was higher than the previous year. Due to seasonality of the business, the third quarter is typically weak in Building and Industrial Services.

In International Construction Services revenue increased considerably in January-September compared with the previous year and it also increased in Construction Services Finland.

Following the IFRIC 15 adjustment, YIT Group's revenue remained at the previous year's level and was EUR 2,449.6 million for January-September (1-9/2009: 2,460.3 million). The completion schedules of development projects affect the revenue recognition of the Group. Therefore, Group-level figures fluctuate greatly between different quarters. Both in Finland and in Russia, the number of completed units in residential development in January-September 2010 was considerably lower than in the previous year - in Finland 559 (1-9/2009: 1,029) and in Russia 940 (1-9/2009: 2,461). YIT has a total of 10,669 residential units under construction in all the countries where it operates. Especially in Russia, significantly more residential units will be completed during October-December than in January-September 2010. Completion of the projects requires commissioning by the authorities.

Revenue, EUR million

| | 1-9/10 | 1-9/09 | Change | | 7-9/10 | 7-9/09 | Change |
|-------------------------------------|---------|---------|--------|--|--------|--------|--------|
| Building and Industrial Services | 1,575.2 | 1,551.0 | 2% | | 550.9 | 483.9 | 14% |
| Construction Services Finland | 807.8 | 739.1 | 9% | | 279.7 | 246.3 | 14% |
| International Construction Services | 330.9 | 246.4 | 34% | | 111.9 | 97.6 | 15% |
| Other items | -54.5 | -44.7 | -22% | | -18.3 | -12.8 | 43% |
| YIT's segments total | 2,659.4 | 2,491.8 | 7% | | 924.2 | 815.0 | 13% |
| IFRIC 15 adjustment | -209.8 | -31.5 | 566% | | -94.6 | -60.7 | 56% |
| YIT Group, total | 2,449.6 | 2,460.3 | 0% | | 829.6 | 754.3 | 10% |

In January-September 2010, Finland accounted for 44 percent (1-9/2009: 48%) of the Group's revenue, Sweden for 16 percent (1-9/2009: 15%), Norway for 14 percent (1-9/2009: 12%), Central Europe for 12 percent (1-9/2009: 11%), Russia for 8 percent (1-9/2009: 7%), Denmark for 4 percent (1-9/2009: 4%) and the Baltic countries for 2 percent (1-9/2009: 2%).

Service and maintenance operations generated EUR 994.9 million (1-9/2009: EUR 874.3 million), or 41 percent (1-9/2009: 35%) of the Group's total revenue. The majority of the Group's service and maintenance operations are related to building systems and industrial processes in the Nordic countries and Central Europe, and part to road maintenance in Finland. Service and maintenance operations in Building and Industrial Services increased compared with the previous year.

PROFIT AND PROFITABILITY OF THE SEGMENTS IMPROVED

The operating profit of YIT's segments increased by 51 percent to about EUR 159.4 million (1-9/2009: EUR 105.8 million). The operating profit margin calculated on the basis of the segment figures was 6.0 percent (1-9/2009: 4.2%).

Profitability was improved by shifting the focus of operations on residential development projects in Construction Services Finland. The profitability of International Construction Services has improved through favourable development of residential sales and YIT's higher selling prices compared to last year.

The operating profit of Building and Industrial Services fell short of the year before due to the low level of new building system and industrial investments. In addition, the operating profit in July-September 2010 was weakened by non-recurring expenses amounting to a total of approximately EUR 3.3 million associated with acquisitions. The profitability of the acquired businesses is weaker than YIT's earlier profitability.

Residential development projects are only recognised in Group-level figures when the project has been completed. Following the IFRIC 15 adjustment, the Group's operating profit remained at the previous year's level, amounting to EUR 103.7 million (1-9/2009: EUR 104.8 million). The Group's operating profit margin was 4.2 percent (1-9/2009: 4.3%).

Operating profit, EUR million

| | 1-9/10 | 1-9/09 | Change | | 7-9/10 | 7-9/09 | Change |
|-------------------------------------|--------|--------|--------|--|--------|--------|--------|
| Building and Industrial Services | 72.7 | 81.7 | -11% | | 22.8 | 24.9 | -8% |
| Construction Services Finland | 78.7 | 61.6 | 28% | | 29.3 | 20.8 | 41% |
| International Construction Services | 21.3 | -25.3 | - | | 9.2 | 3.7 | 149% |
| Other items | -13.3 | -12.2 | 9% | | -3.4 | -3.8 | -11% |
| YIT's segments total | 159.4 | 105.8 | 51% | | 57.9 | 45.6 | 27% |
| IFRIC 15 adjustment | -55.7 | -1.0 | 5,470% | | -24.0 | -12.8 | 87% |
| YIT Group, total | 103.7 | 104.8 | -1% | | 33.9 | 32.8 | 4% |

Operating profit margin

| | 1-9/10 | 1-9/09 | | 7-9/10 | 7-9/09 |
|-------------------------------------|--------|--------|--|--------|--------|
| Building and Industrial Services | 4.6% | 5.3% | | 4.1% | 5.1% |
| Construction Services Finland | 9.7% | 8.3% | | 10.5% | 8.4% |
| International Construction Services | 6.4% | -10.3% | | 8.2% | 3.8% |
| YIT's segments total | 6.0% | 4.2% | | 6.3% | 5.6% |
| YIT Group, total | 4.2% | 4.3% | | 4.1% | 4.3% |

EARNINGS PER SHARE IMPROVED

The Group's profit before taxes increased by 45 percent from the previous year to EUR 81.6 million in January-September (1-9/2009: EUR 56.4 million). Earnings per share increased by 62 percent to EUR 0.47 (1-9/2009: EUR 0.29).

Financial expenses decreased compared with the previous year's comparison period due to lower hedging costs of the ruble and a decrease in net liabilities, and generally lower interest rates. The Group's net debt increased during the third quarter and the overall interest rate increased slightly.

ORDER BACKLOG INCREASED DUE TO AN ACQUISITION

The order backlog of YIT's segments was EUR 3,366.9 million at the end of September (9/2009: EUR 2,800.8 million), increasing by 10 percent at the end of June, when it was EUR 3,067.4 million.

An acquisition made in Central Europe increased the order backlog at the end of September by EUR 306 million in the Building and Industrial Services segment. The order backlog transferred in the acquisition has a lower margin than YIT's earlier order backlog. In Construction Services Finland, the order backlog has clearly grown compared to the previous year as YIT has started up new residential and business premises projects. In International Construction Services, the order backlog decreased slightly from the level at the end of June due to the weakening of the ruble, which had an effect of EUR -69.9 million in the segment's order backlog in July-September.

Following the IFRIC 15 adjustment, YIT Group's order backlog was EUR 3,727.5 million at the end of September (9/2009: EUR 3,059.6 million).

Order backlog, EUR million

| | 9/10 | 9/09 | Change | | 9/10 | 6/10 | Change |
|-------------------------------------|---------|---------|--------|--|---------|---------|--------|
| Building and Industrial Services | 1,332.1 | 946.7 | 41% | | 1,332.1 | 1,025.3 | 30% |
| Construction Services Finland | 1,205.2 | 909.9 | 32% | | 1,205.2 | 1,154.7 | 4% |
| International Construction Services | 884.8 | 998.4 | -11% | | 884.8 | 946.8 | -7% |
| Other items | -55.2 | -54.2 | 2% | | -55.2 | -59.4 | -7% |
| YIT's segments total | 3,366.9 | 2,800.8 | 20% | | 3,366.9 | 3,067.4 | 10% |
| IFRIC 15 adjustment | 360.6 | 258.8 | 39% | | 360.6 | 261.8 | 38% |
| YIT Group, total | 3,727.5 | 3,059.6 | 22% | | 3,727.5 | 3,329.2 | 12% |

NEGATIVE CASH FLOW FROM OPERATIONS IN THE THIRD QUARTER

In January-September, the Group's operating cash flow after investments amounted to EUR -56.1 million (1-9/2009: EUR 83.4 million), of which EUR -121.6 million (7-9/2009: EUR 23.7 million) was generated in July-September. The operative cash flow was negative in July-September due to expenditure on acquisitions and plot investments, an increase in development projects under construction as well as smaller advance payments in contracting.

At the end of September, the Group's invested capital amounted to EUR 1,601.4 million (9/2009: EUR 1,646.5 million), whereas it was EUR 1,582.7 million at the end of June. Return on investment remained clearly weaker than the target level, amounting to 10.6 percent for the last 12 months (9/2009: 11.1%). Invested capital is

calculated by deducting non-interest bearing liabilities from the balance sheet total. The Group's balance sheet total at the end of September was EUR 3,234.6 million (9/2009: EUR 3,041.6 million). In Russia, significant projects will be completed during October-December, which will decrease the Group's invested capital and balance sheet total.

Of the Group's invested capital 32 percent (9/2009: 35%), or EUR 509.7 million (9/2009: EUR 563.5 million), was invested in Russia. At the beginning of the year, invested capital invested in Russia amounted to EUR 557.6 million. The invested capital in Russia has decreased due to favourable residential sales. On the other hand, exchange rate changes of the ruble increased the amount of capital invested in Russia by EUR 17.3 million in January-September. The Group's capital invested in Russia is primarily accounted for by the International Construction Services segment.

GROUP'S FINANCIAL POSITION REMAINED GOOD

The gearing ratio decreased compared with the previous year, amounting to 80.5 percent at the end of September 2010 (9/2009: 92.9%). The equity ratio was 29.2 percent (9/2009: 28.2%). Net financing debt decreased on the previous year to EUR 636.6 million (9/2009: EUR 674.4 million). Cash reserves amounted to EUR 173.9 million (9/2009: EUR 245.8 million) at the end of September. The balanced business structure and financial position of the Group enable acquisitions and plot investments required by YIT's growth strategy. Dividends of a total of EUR 50.0 million were paid in the second quarter in accordance with the resolution of the Annual General Meeting. During the third quarter of the year, YIT paid EUR 73.0 million for the shares in Caverion GmbH, acquired in Central Europe. The cash reserves of Caverion were EUR 48.0 million when it was transferred to YIT and thus the cash flow effect of the acquisition (net) was EUR -25 million.

The capital structure was reinforced in March 2010 by establishing a bond programme of EUR 400 million, under which a EUR 100 million bond targeted at domestic investors was issued. The five-year bond carries an annual fixed rate coupon of 4.823 percent.

Net financial expenses decreased to EUR 22.1 million (1-9/2009: EUR 48.4 million), or 0.9 percent (1-9/2009: 2.0%) of the Group's revenue. The exchange rate differences included in the net financial expenses, totalling EUR -6.5 million (1-9/2009: EUR -22.5 million), consisted nearly entirely of the costs of hedging debt investments in Russia. At the end of September 2010, EUR 180.1 million of the capital invested in Russia comprised debt investments and EUR 329.5 million were equity investments or similar fixed net investments.

Financial liabilities amounted to EUR 810.5 million (9/2009: EUR 920.2 million) at the end of September, and its average interest rate was 3.4 percent (9/2009: 3.3%). Fixed-interest loans accounted for 60 percent (9/2009: 51%) of the Group's financial liabilities. Of the loans, 35 percent (9/2009: 34%) had been raised directly on the capital and money markets. The maturity distribution of long-term loans is balanced.

The total amount of construction-stage contract receivables sold to financial institutions grew as residential development projects increased, amounting to EUR 165.6 million (9/2009: EUR 86.1 million). Of this amount, EUR 162.0 million (9/2009: EUR 74.8 million) is included in interest-bearing liabilities on the balance sheet and the remainder comprises off-balance sheet items in accordance with IAS 39. Interest expenses on receivables sold to financing companies amounted to EUR 1.6 million (1-9/2009: EUR 1.5 million) during the review period and these are fully included in the financial expenses of the review period.

Participations in the housing corporation loans of unsold completed residential units, EUR 23.9 million (9/2009: EUR 39.5 million) at the end of September, are included in interest-bearing liabilities. The interest on the participations, EUR 0.7 million (1-9/2009: EUR 2.0 million), is included in housing corporation charges and is thus booked in project expenses.

CAPITAL EXPENDITURES AND ACQUISITIONS

Gross capital expenditures on non-current assets included on the balance sheet totalled EUR 99.1 million (EUR 1-9/2009: 15.7 million) during January-September, representing 4.0 percent (1-9/2009: 0.6%) of revenue. Investments in construction equipment amounted to EUR 6.7 million (1-9/2009: EUR 5.0 million) and investments in information technology to EUR 5.9 million (1-9/2009: EUR 5.0 million). Other investments, including acquisitions, amounted to EUR 86.5 million (1-9/2009: EUR 5.7 million). The revenue obtained through business acquisitions in January-September totals approximately EUR 500 million at an annual level.

In June, YIT agreed to acquire the business operations of Caverion GmbH, a company providing technical building system services in Central Europe. In addition, YIT has implemented other, smaller business acquisitions in Building and Industrial Services during January-September.

In the International Construction Services segment, YIT increased its holding in YIT Don to 100 percent in January and in YIT CityStroi to 75 percent in July. An agreement entered into force after the review period whereby YIT acquired a 70% holding in the Slovakian construction company Reding a.s.

Business acquisitions and companies consolidated into the Group are discussed in more detail in the notes to the interim report for January-September 2010 and under events after the review period.

DEVELOPMENT BY BUSINESS SEGMENT

The development by business segment is presented using figures compliant with segment reporting. The figures for 2010 and 2009 are comparable.

BUILDING AND INDUSTRIAL SERVICES

Key figures

| | 1-9/10 | 1-9/09 | Change | | 7-9/10 | 7-9/09 | Change |
|-------------------------------|---------|---------|--------|--|---------|---------|--------|
| Revenue, EUR million | 1,575.2 | 1,551.0 | 2% | | 550.9 | 483.9 | 14% |
| Operating profit, EUR million | 72.7 | 81.7 | -11% | | 22.8 | 24.9 | -8% |
| Operating profit margin, % | 4.6% | 5.3% | - | | 4.1% | 5.1% | - |
| | 9/10 | 9/09 | Change | | 9/10 | 6/10 | Change |
| Order backlog, EUR million | 1,332.1 | 946.7 | 41% | | 1,332.1 | 1,025.3 | 30% |

- Revenue in January-September remained at the previous year's level. Changes in foreign exchange rates increased the revenue by EUR 74.5 million compared to the corresponding period last year. During the third quarter, revenue was clearly stronger than the previous year. Due to seasonality of the business, the third quarter is typically weak in Building and Industrial Services.
- Operating profit fell short of the year before due to the low level of new building system and industrial investments. In addition, the operating profit in July-September 2010 was weakened by non-recurring expenses amounting to a total of approximately EUR 1.9 million associated with the acquisition made in Central Europe, expenses amounting to approximately EUR 1 million connected with post-acquisition personnel reductions in Denmark, and EUR 0.4 million associated with other acquisitions. The profitability of the acquired businesses is weaker than YIT's earlier profitability.
- The order backlog at the end of September was 41 percent higher than in previous year. As a result of the acquisition made in Central Europe at the end of August, the order backlog at the end of September increased by EUR 306 million. The order backlog transferred in the acquisition has a lower margin than YIT's earlier order backlog.

Acquisition expands operations in Central Europe

YIT aims to offer services related to all building equipment systems close to its customers. The goal is to reinforce the local market position through acquisitions and organically.

Sweden accounted for EUR 400.8 million (1-9/2009: EUR 374.6 million) of the segment's revenue, Finland for EUR 392.7 million (1-9/2009: EUR 450.1 million), Norway for EUR 333.3 million (1-9/2009: EUR 302.1 million), Central Europe for 295.2 million (1-9/2009: EUR 270.0 million), Denmark for EUR 98.8 million (1-9/2009: EUR 108.5 million), the Baltic countries and Russia for EUR 30.4 million (1-9/2009: EUR 21.8 million) and export countries for EUR 24.0 million (1-9/2009: EUR 23.9 million). The changes in the revenue in Sweden and Norway are partially due to strengthening exchange rates.

An acquisition whereby YIT acquired the shares of a company offering technical building system services in Central Europe was completed at the end of August. In addition, YIT has implemented several other, smaller business acquisitions in the Nordic countries during January-September. The revenue obtained through business acquisitions in 2010 totals approximately EUR 500 million at an annual level.

Service and maintenance accounted for 60 percent of the segment's revenue

YIT's goal is to be the leading provider of technical system maintenance in the Nordic countries and Central Europe. The target is to increase service and maintenance operations at a faster rate than other operations. YIT has improved the offering of service and maintenance operations by developing a ServiFlex concept where customers can agree on extensive service entities in a single contract. Service and maintenance operations accounted for 60 percent (1-9/2009: 54%), or EUR 950.5 million (1-9/2009: EUR 833.9 million), of Building and Industrial Services January-September revenue. In third quarter the service and maintenance revenue amounted to EUR 317.2 million (7-9/2009: EUR 266.0 million) accounting for 58 percent (7-9/09: 55%) of the segment's revenue.

In Norway, ServiFlex agreements were made on the maintenance of more than 20 properties owned by Vital Eiendom and with the Jakob Hatteland Group Management AS at two localities. In addition, YIT agreed on the maintenance of a total of 450 buildings with four municipalities.

In Sweden, YIT has agreed with three hospitals and several healthcare centres on the supply, management and maintenance of technical services in Norrbotten County. A framework agreement on the installation and renewal of residential building systems was made with Vellingebostäder AB. In addition, YIT is in charge of maintenance, operation and monitoring services associated with the information networks of Mälarenergi Stadsnät.

In Denmark, YIT services the ventilation of a Vattenfall power plant, among others. In Finland, YIT is responsible for the building system maintenance of five Metsäliitto plants in Äänekoski. In Leuna, Germany, YIT signed an extension contract on facility management at the TOTAL oil refinery, including both building systems and infrastructure.

Industrial Services agreed on the maintenance of the process line and facilities of Nordkalk AB's limestone plant in Köping, Sweden. After the review period, an agreement was made on the expansion of services with Yara to pump and valve servicing and maintenance of pipework and steel structures at the Uusikaupunki, Harjavalta and Siilinjärvi plants in Finland.

Need for energy-saving services both in buildings and industry

YIT aims to be a forerunner in energy-saving services for buildings and industry, whose demand is expected to increase in the next few years. Energy-saving may be part of both new construction and renovation projects as well as maintenance agreements.

In Germany, a ten-year energy-saving project will be carried out at Germany's Foreign Office premises in Berlin. Energy savings will be pursued at ten Statkraft power stations in Norway through the renewal of automation systems. In Finland, an agreement on the total delivery of an energy-saving project was signed with the Town of Akaa, where the old heating systems of the school and sports centre will be converted to utilise bioenergy. With regard to industrial customers, YIT will implement an energy-saving project at Outokumpu's steel mill in Tornio, replacing the cold rolling mill's existing system of 50 separate cooling compressors with a new cooling system based on absorption technology. In addition, YIT will be in charge of the operation and maintenance of the plant for seven years.

New investments still low

New investments in building systems have recovered slightly, but still remained at a low level. Demand among industrial customers was focused on service and maintenance, and the demand for new investments remained at a low level as a whole.

In Sweden, YIT will deliver, for example, pipework and ventilation and adjustment systems to the new court house in Örebro, and in Denmark all technical building systems to four court houses in Holstebro, Herning, Kolding and Holbæk. In Denmark, the agreement also includes the maintenance of building equipment systems for 20 years. In addition, electrical engineering is supplied in Denmark to IBM's new data centre and Odense Steel Shipyard vessels, among others.

In Norway, YIT is responsible for cable, electric and lighting installations in a project to renew Oslo's local railway network, and the company will supply audiovisual systems to the Ulstein shipping company's office and showroom. Electric system deliveries were agreed in Finland during the third quarter at, for example, the Tapiola

head office in Espoo and Metso's valve plant in Helsinki, as was the delivery of all technical building systems at a private medical centre in Turku.

In Germany, YIT will build the local heating network in Bodenmais and supply ventilation systems to, for example, the Brandenburg airport in Berlin, Byk-Chemie and the new Centre Charlemagne museum in Aachen. In Poland, YIT will supply building system services at the Wroclaw main railway station and Lodz airport.

In Lithuania, YIT will design and install all technical building systems, including clean rooms, to the Kaunas University of Medicine pharmacy and the plant of Viltechmeda, a company manufacturing medical instruments.

With regard to industrial customers, in Luleå, Sweden, a significant boiler modernisation project was completed during the reporting period whereby a partially rebuilt gas boiler was installed at the Lulekraft plant.

CONSTRUCTION SERVICES FINLAND

Key figures

| | 1-9/10 | 1-9/09 | Change | | 7-9/10 | 7-9/09 | Change |
|-------------------------------|---------|--------|--------|--|---------|---------|--------|
| Revenue, EUR million | 807.8 | 739.1 | 9% | | 279.7 | 246.3 | 14% |
| Operating profit, EUR million | 78.7 | 61.6 | 28% | | 29.3 | 20.8 | 41% |
| Operating profit margin, % | 9.7% | 8.3% | - | | 10.5% | 8.4% | - |
| | 9/10 | 9/09 | Change | | 9/10 | 6/10 | Change |
| Order backlog, EUR million | 1,205.2 | 909.9 | 32% | | 1,205.2 | 1,154.7 | 4% |

- Revenue increased as production volumes remained at a record-high level in residential construction and business premises construction picked up.
- Profitability improved while operations focused on residential development projects.
- The order backlog increased clearly on the previous year as YIT started up new residential and business premises projects.
- The segment's capital tied into plot reserves totalled EUR 283.5 million (9/2009: EUR 340.7 million) at the end of September. The plot reserves included 1,682,000 (9/2009: 1,748,000) m² of floor area of residential plots and 969,000 (9/2009: 904,000) m² of floor area of plots for business premises.

Residential sales continued steadily - sufficient sales inventory was maintained with new start-ups

YIT's goal is to strengthen its position as the largest housing developer in Finland. Residential sales continued to be good for all housing types, including high-value housing, during the third quarter. YIT sold a total of 1,412 (1-9/2009: 1,057) residential units directly to consumers in January-September, 506 of them during the first quarter, 471 during the second quarter and 435 during the third quarter. Housing prices have increased at a moderate rate.

The focus of housing construction has been successfully shifted to residential development projects aimed directly at consumers in accordance with the market demand. YIT has started the construction of a total of 2,003 residential units aimed directly at consumers, of which 767 were started during the third quarter. The number of rental housing project start-ups has decreased compared to the year before.

The new residential start-ups have maintained the sales inventory at a sufficiently high level. At the end of September, YIT had 1,624 (9/2009: 997) residential units for sale. The number of completed residential units for sale has decreased to a low level, amounting to 116 (9/2009: 266) at the end of September. Two-thirds of the residential units under construction have been sold.

Residential construction in Finland, number of residential units

| | 1-9/10 | 1-9/09 | Change | | 7-9/10 | 4-6/10 | 1-3/10 |
|---|--------|--------|--------|--|--------|--------|--------|
| Sold | 1,954 | 2,314 | -16% | | 576 | 755 | 623 |
| - of which directly to consumers | 1,412 | 1,057 | 34% | | 435 | 471 | 506 |
| Start-ups | 2,545 | 2,195 | 16% | | 908 | 1,067 | 570 |
| - of which directly to consumers | 2,003 | 954 | 110% | | 767 | 783 | 453 |
| Completed | 1,776 | 1,137 | 56% | | 657 | 751 | 368 |
| - of which directly to consumers | 559 | 1,029 | -46% | | 184 | 272 | 103 |
| Under construction at the end of the period | 4,543 | 2,946 | 54% | | 4,543 | 4,292 | 3,975 |
| - of which sold at the end of the period | 3,035 | 2,215 | 37% | | 3,035 | 3,101 | 3,132 |
| For sale at the end of the period | 1,624 | 997 | 63% | | 1,624 | 1,324 | 1,011 |
| - of which completed | 116 | 266 | -56% | | 116 | 133 | 168 |

Business premises market shows signs of picking up

The construction of business premises picked up as the year advanced. The decrease in rent levels has stopped, and investors' yield requirements have somewhat decreased.

New started real estate development projects included the Tiilitie Trade Park in Petikko, Vantaa, with office, warehouse, production and retail facilities, and the construction of Business Park Safiiri in Espoo. In addition, an agreement was signed to construct Fingrid's head office in Käpylä, Helsinki. With regard to projects started earlier this year, the shopping centre complex connected with the Hyvinkää centre quarter project in which the value of YIT's construction and building system work is EUR 100 million was under construction.

YIT will construct the new premises of Saunalahti School in Espoo and carry out the renovation of the VTT Technical Research Centre of Finland's Fire Safety Technology Laboratory. YIT will renovate an office building of 9,200 m² in Pitäjänmäki, Helsinki, for Aberdeen. YIT is implementing a MotorCenter area focusing on automotive-related services and equipment in Konala, Helsinki.

Fewer municipal investments in infrastructure services

The demand for infrastructure construction has remained relatively stable, but investments by the municipal sector have decreased. This and next year, new opportunities will open in the market in the form of, for example, major road projects, such as the construction of a second rail track between Kokkola and Ylivieska and the construction and renovation of the E18 motorway between Koskenkylä and Kotka. YIT is participating in the tenders in cooperation with Destia. In the Kokkola-Ylivieska rail track tenders and E18 project, the value of the work exceeds EUR 1 billion. In addition, opportunities will open in rock engineering, investments by the mining industry and the outsourcing of municipalities' technical services.

During the reporting period, YIT entered into contract agreements, for example, in earth construction and foundation engineering. In Helsinki's Länsisatama, YIT is in charge of the construction of the shoreline walls and banks, water supply and street bases in the Saukonpaasi planning area. In Lahti, YIT will construct the foundations of the Laune parking facility. Regional road maintenance contracts were signed in Lieto, Alavus and Oulu, for example, in July-September. During January-September, YIT had large-scale road projects underway in infrastructure services, such as the major project related to the improvement of the Kehä I ring road, a project involving bridge and road work in Savonlinna, and a tunnel for the Kehärata (Ring line) project in Vantaa.

INTERNATIONAL CONSTRUCTION SERVICES

Key figures

| | 1-9/10 | 1-9/09 | Change | | 7-9/10 | 7-9/09 | Change |
|-------------------------------|--------|--------|--------|--|--------|--------|--------|
| Revenue, EUR million | 330.9 | 246.4 | 34% | | 111.9 | 97.6 | 15% |
| Operating profit, EUR million | 21.3 | -25.3 | - | | 9.2 | 3.7 | 149% |
| Operating profit margin, % | 6.4% | -10.3% | - | | 8.2% | 3.8% | - |
| | 9/10 | 9/09 | Change | | 9/10 | 6/10 | Change |
| Order backlog, EUR million | 884.8 | 998.4 | -11% | | 884.8 | 946.8 | -7% |

- Revenue increased on the previous year as a result of progress of residential construction and the picking up of residential sales.
- Operating profit improved through favourable development of residential sales and YIT's higher selling prices compared to last year.
- The order backlog increased slightly from the end of June, at which time it stood at EUR 946.8 million. The weakening of the ruble had an effect of EUR -69.9 million in the segment's order backlog in July-September. The order backlog includes residential units whose construction was suspended in Russia in October 2008 due to market uncertainties. At the end of September 2010, the value of projects that were still suspended amounted to EUR 161.3 million (9/2009: EUR 308.1 million).
- The segment's capital tied into plot reserves totalled EUR 282.8 million (9/2009: EUR 244.7 million) at the end of September. The plot reserves included 2,394,000 (9/2009: 2,295,000) m² of floor area of residential plots and 699,000 (9/2009: 701,000) m² of floor area of plots for business premises in Russia, the Baltic countries and the Czech Republic.
- YIT's target is to start the construction of approximately 1,000 residential units in October-December 2010 in International Construction Services covering Russia, Baltic countries and Czech Republic and Slovakia.

Russian residential sales remained favourable - a considerable number of units will be completed during the fourth quarter

YIT aims to increase housing production in Russia according to market demand in the current cities and improve its reputation as a reliable housing construction company. Russia generated 90 percent (1-9/2009: 83%) of the segment's revenue for January-September. Revenue increased by 46 percent in Russia compared with the previous year, amounting to EUR 297.1 million (1-9/2009: EUR 203.4 million). Capital tied into plot reserves in Russia totalled EUR 208.4 million (9/2009: EUR 166.9 million) at the end of September. The plot reserves included 2,025,000 (9/2009: 1,950,000) m² of floor area of residential plots and 563,000 (9/2009: 565,000) m² of floor area of plots for business premises.

In Russia, the focus of operations is on residential development projects. The majority of housing start-ups have taken place in St. Petersburg and the Moscow Oblast. Of business premises projects, production facilities for Dermosil in Gorelovo, near St. Petersburg, are underway. The extension work for Atria's factory was completed during the period.

Residential sales volume for January-September increased on the year before. In January-September, YIT sold 2,216 (1-9/2009: 1,646) residential units in Russia. The number of residential units sold during the first quarter was 817 units, during the second quarter 682 units and during the third quarter 717 units.

Residential sales have been supported by YIT's own marketing and promotion activities and housing loan collaboration with banks. Loan financing was utilised in 22 percent of YIT's residential sales in 2010. The significance of loan financing has increased during the course of the year, and in the third quarter, the customer has taken out a home loan in 29 percent of YIT's residential sales. Residential demand is supported by the gradual improvement of the economy, consumer confidence and increased availability of loans to customers. In October YIT has increased the residential selling prices in some projects following the steadier development of prices during the summer. The price development of residential units on the market is uneven and the average selling prices have declined in some cities. Typically the selling prices of apartments are lower in projects that are in their early stage of construction.

YIT has started new residential projects in Russia in response to demand since the second half of 2009. The number of residential units for sale has remained steady, amounting to 3,931 at the end of September. The number of completed residential units for sale decreased to 602 at the end of September.

The number of residential units under construction has increased as residential projects have not been completed in Russia, significantly more residential units will be completed during October-December than in January-September when the corresponding figure was 940 (1-9/2009: 2,461). Completion of the projects requires commissioning by the authorities.

Residential construction in Russia, number of residential units

| | 1-9/10 | 1-9/09 | Change | | 7-9/10 | 4-6/10 | 1-3/10 |
|--|--------|--------|--------|--|--------|--------|--------|
| Sold | 2,216 | 1,646 | 35% | | 717 | 682 | 817 |
| Start-ups | 2,543 | 105 | 2,322% | | 671 | 1,074 | 798 |
| Completed 1) | 940 | 2,461 | -62% | | 299 | 320 | 321 |
| Under construction at the end of the period 2) | 5,797 | 6,080 | -5% | | 5,797 | 5,425 | 4,671 |
| - of which sold at the end of the period | 2,468 | 2,532 | -3% | | 2,468 | 2,094 | 1,986 |
| For sale at the end of the period | 3,931 | 4,014 | -2% | | 3,931 | 3,977 | 3,585 |
| - of which completed 1) | 602 | 466 | 29% | | 602 | 646 | 900 |

1) Completion of the projects requires commissioning by the authorities.

2) At the end of September 2010, YIT had 928 (9/2009: 2,485) residential units at Russian sites whose construction was suspended in the autumn of 2008. These residential units are not included in the figure for residential units under construction shown in the table. Changes in the number of residential units may take place after the start of construction due to the division or combination of residences.

Housing start-ups were continued in Central Eastern Europe

YIT's aim is to increase its residential production in the Central Eastern European countries. Lithuania, Estonia, Latvia and the Czech Republic accounted for 10 percent (1-9/2009: 16%) of the segment's revenue for January-September. The revenue of these countries decreased by 21 percent compared with the previous year, amounting to EUR 33.8 million (1-9/2009: EUR 43.0 million). Capital tied into plot reserves in the Baltic countries and the Czech Republic totalled EUR 74.5 million (9/2009: EUR 77.9 million) at the end of September. The plot reserves included 351,000 (9/2009: 345,000) m² of floor area of residential plots and 136,000 (9/2009: 136,000) m² of floor area of plots for business premises.

During the first quarter of 2010, YIT started its first new residential construction projects for more than two years in the Baltic countries. In the third quarter, YIT started the construction of its first housing project in the Czech Republic, to which country the Group expanded its operations through an acquisition in 2008.

In total, the construction of 329 (1-9/2009: 0) residential units was started in the Baltic countries and the Czech Republic, of which 111 were in the first quarter, 122 in the second quarter and 96 in the third quarter. At the end of September, there were 329 (9/2009: 0) residential units under construction.

YIT's number of apartments for sale is still low in the Baltic countries and the Czech Republic. A total of 33 (1-9/2009: 250) residential units were sold in these countries in January-September. There were 336 (9/2009: 46) residential units for sale at the end of September, 24 (9/2009: 46) of them completed. The number of residential units completed during the period was 0 (1-9/2009: 592).

The Group's operations were expanded to Slovakia in October when YIT acquired 70 percent of Reding a.s., a construction company specialising in residential and business premises construction.

PERSONNEL

In January-September 2010, the Group employed 23,796 (1-9/2009: 24,787) people on average. At the end of the period, the Group employed 25,943 (9/2009: 24,003) people, whereas at the end of June the figure was 23,877. In connection with the acquisition completed in Central Europe, approximately 2,000 employees were transferred to YIT's Building and Industrial Services segment at the beginning of September. YIT employed approximately 1,000 summer employees during the summer of 2010.

During the first half of the year, it was decided to adopt a new share-based incentive scheme, aimed at supporting the company's strategy of profitable growth and supplementing the already available incentive schemes. The incentive scheme covers about 250 people in 2010, and its cost effect was about EUR 2.5 million in January-September.

Personnel by business segment

The largest segment by personnel was Building and Industrial Services, employing 76 percent (9/2009: 75%) of YIT's personnel. Construction Services Finland employed 12 percent (9/2009: 12%), International Construction Services 10 percent (9/2009: 12%) and Corporate Services 1 percent (9/2009: 1%) of the personnel.

| | 9/10 | 9/09 | Change | | 9/10 | 6/10 | Change |
|-------------------------------------|--------|--------|--------|--|--------|--------|--------|
| Building and Industrial Services | 19,694 | 17,849 | 10% | | 19,694 | 17,521 | 12% |
| Construction Services Finland | 3,221 | 2,971 | 8% | | 3,221 | 3,403 | -5% |
| International Construction Services | 2,681 | 2,841 | -6% | | 2,681 | 2,591 | 3% |
| Corporate Services | 347 | 342 | 1% | | 347 | 362 | -4% |
| YIT Group, total | 25,943 | 24,003 | 8% | | 25,943 | 23,877 | 9% |

Personnel by country/region

Of YIT's employees, 36 percent worked in Finland (9/2009: 39%), 36 percent (9/2009: 37%) in the other Nordic countries, 15 percent (9/2009: 9%) in Central Europe, 9 percent (9/2009: 11%) in Russia and 4 percent (9/2009: 4%) in the Baltic countries.

| | 9/10 | 9/09 | Change | | 9/10 | 6/10 | Change |
|------------------|--------|--------|--------|--|--------|--------|--------|
| Finland | 9,333 | 9,311 | 0% | | 9,333 | 9,694 | -4% |
| Sweden | 4,296 | 4,242 | 1% | | 4,296 | 4,222 | 2% |
| Central Europe | 3,863 | 2,172 | 78% | | 3,863 | 2,008 | 92% |
| Norway | 3,461 | 3,259 | 6% | | 3,461 | 3,277 | 6% |
| Russia | 2,397 | 2,759 | -13% | | 2,397 | 2,433 | -1% |
| Denmark | 1,462 | 1,293 | 13% | | 1,462 | 1,211 | 21% |
| Baltic countries | 1,131 | 967 | 17% | | 1,131 | 1,032 | 10% |
| YIT Group, total | 25,943 | 24,003 | 8% | | 25,943 | 23,877 | 9% |

RESOLUTIONS PASSED AT THE ANNUAL GENERAL MEETING

YIT Corporation's Annual General Meeting was held on March 10, 2010. The Annual General Meeting adopted the 2009 financial statements, discharged the members of the Board of Directors and the President and CEO from liability, confirmed the dividend as proposed by the Board of Directors, confirmed the composition of the Board of Directors to be the same as in the previous year, decided on the Board of Directors' fees and elected the auditor.

In its organisational meeting on March 10, 2010, the board elected the chairmen and members of the audit committee and the nomination and rewards committee from among its number.

YIT Corporation published stock exchange releases on the resolutions passed at the Annual General Meeting and the organisation of the Board of Directors on March 10, 2010. The stock exchange releases, the Board of Directors' proposals to the Annual General Meeting and a presentation of the members of the Board of Directors

are available at YIT's website, www.yitgroup.com.

SHARES, SHARE OPTIONS AND SHAREHOLDERS

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

Shares can be subscribed for in 2010 under the Series N share options issued by YIT Corporation in 2006 between April 1 and November 30, 2010.

Share capital and number of shares

YIT Corporation's share capital was EUR 149,216,748.22 at the beginning of the review period (2009: EUR 149,216,748.22), and the number of shares outstanding was 127,223,422 (2009: 127,223,422). The share capital and number of shares did not change during the review period.

Treasury shares and authorisations of the Board of Directors

In accordance with the Limited Liability Companies Act, the General Meeting decides on the buyback and conveyance of shares, as well as any decisions leading to changes in the share capital. The Annual General Meeting of YIT Corporation resolved on March 10, 2010, to authorise the Board of Directors to decide on purchases of the company's shares and on share issues as proposed by the Board of Directors. The share issue authorisation also includes an authorisation to decide on the conveyance of treasury shares.

YIT Corporation held 2,145,000 treasury shares at the beginning of the review period, purchased on the basis of the authorisation given by the General Meeting of October 6, 2008. The number of shares held by the company did not change during the review period. During the period, no shares in the parent company were owned by subsidiaries.

There were no share issues during the period and the company did not float convertible bonds or bonds with warrants. At the end of the period, the parent company's Board of Directors did not have authorisations to issue convertible bonds or bonds with warrants.

Trading in shares and share options

At the beginning of the year, YIT's share price was EUR 14.45, and the closing rate on the last trading day of the period was EUR 17.39 (9/2009: EUR 13.01). The share price increased 20 percent during January-September. The highest price of the share during January-September 2010 was EUR 17.96 (1-9/2009: EUR 13.47), the lowest EUR 12.98 (1-9/2009: EUR 4.31) and the average price was EUR 15.98 (1-9/2009: EUR 7.34). Share turnover in January-September 2010 amounted to 102,882,735 shares (1-9/2009: 152,930,248). The value of turnover was EUR 1,644.8 million (1-9/2009: EUR 1,122.4 million).

YIT Corporation's market capitalisation at the end of the period was EUR 2,175.1 million (9/2009: EUR 1,627.3 million). The market capitalisation has been calculated excluding the shares held by the company.

A total of 64,867 Series N share options issued in 2006 were traded in January-September at an average price of EUR 0.70. No shares were subscribed for during the period with the share options. During the corresponding period on previous year N share options were not traded and no shares were subscribed with them.

Number of shareholders

At the beginning of the year, the number of registered shareholders was 29,678 (2009: 25,515) and 32,751 (9/2009: 30,127) at the end of the period. The number of private investors increased by approximately 2,700 during January-September. At the beginning of the year, a total of 38.7 percent (2009: 36.5%) of the shares were owned by nominee-registered and non-Finnish investors, while this figure was 36.3 percent (9/2009: 37.9%) at the end of September.

During January-September 2010, one "flagging notification" of change in ownership in YIT Corporation was made in accordance with Chapter 2, section 9 of the Securities Market Act. Varma Mutual Pension Insurance Company gave notification that its holdings had increased to above 5 percent of YIT Corporation's shares and votes

following a share transaction on May 21, 2010. The company held a total of 6,570,908 YIT shares, which equals 5.17 percent of YIT Corporation's shares.

ESTIMATE OF FUTURE TRENDS

Market situation

In the Building and Industrial Services segment, the growth in the demand for building system service and maintenance operations will continue hand in hand with an increase in the level of technical equipment in buildings. The efficiency enhancement measures of companies and government open up opportunities for the outsourcing of real estate services. The demand for energy-efficiency services will increase in the next few years in the Nordic countries, Germany and Austria, in particular, with public sector stimulus measures and renewed environmental legislation. New investments in office premises will remain low, but the construction of retail premises will continue at a moderate level, and, additionally, public sector investments will be realised. The demand for renovation and reconstruction projects will continue to grow. Industrial investments are at a low level in Finland, but the demand for industrial maintenance services will remain relatively stable.

With regard to Construction Services Finland, housing demand is expected to continue to be good. The demand for owner-occupied housing continues to be supported by low interest rates, favourable employment rates and increased consumer confidence. The need for new housing is also maintained by the smaller size of household-dwelling units, migration and population growth. The increase in residential prices has continued to be moderate. The business premises market shows signs of picking up. The decrease in rents has stopped, and investors' yield requirements have decreased. The need for renovation will rise steadily. In the Finnish infrastructure market, new traffic-related projects will begin in this and the next year. Opportunities will also open in connection with road and regional maintenance contracts. The demand for municipal infrastructure projects decreases, and there is uncertainty related to decision making regarding project start-ups.

With regard to International Construction Services, the slight increase in housing demand in Russia is expected to continue. There is still a great need for housing in Russia, and the demand outlook for residential units aimed at YIT's customer segment is good in the long term. Russia's economic situation and consumer behaviour are strongly influenced by oil prices and the development of the ruble exchange rate. In addition, the development of the housing loan market, interest rates, employment rates and spending power and expectations of inflation will have an impact on residential sales. In October YIT has increased the residential selling prices in some projects following the steadier development of prices during the summer, but price development of residential units on the market is uneven. Construction of offices is low in Russia, but the demand for industrial and retail premises is increasing. There is a need for more room and improving the quality of housing in the long term in the Baltic countries and Central Eastern Europe.

Strategic targets

YIT Corporation's Board of Directors confirmed the Group's strategy for 2011-2013 on August 18, 2010. The key strategic target is profitable growth. The Group's annual revenue growth target has been increased to more than 10 percent on average. The target was an average annual revenue growth of 5-10 percent. The Group's other strategic target levels remain unchanged: return on investment of 20 percent, operating cash flow after investments must be sufficient for dividend payout and reduction of debt, equity ratio of 35 percent and dividend payout of 40-60 percent of net profit for the period.

In terms of business operations, the focus areas of YIT's growth are building system service and maintenance operations and residential construction. YIT seeks growth by strengthening its local market position and through geographical expansion to new countries. Building system services are increased in the Nordic countries and Central Europe and residential construction in Finland, Russia, the Baltic countries and Central Eastern Europe. The Group's potential new market areas are the United Kingdom, the Netherlands and Belgium in building system services and Poland in construction services. Growth is sought both through acquisitions and organically.

YIT published a stock exchange release on the confirmation of the strategy on August 19, 2010, and materials for the Capital Market Day focusing on the strategic focus areas on September 2, 2010.

Most significant business risks and uncertainties

YIT has specified the major risk factors and their management from the point of view of the Group as a whole, taking the special characteristics of YIT's business operations and environment into consideration. Risks are divided into strategic, operational, financial and event risks. A more detailed account of YIT's risk management policy and the most significant risks has been published in the Annual Report 2009. Financing risks are described in more detail in the notes to the financial statements for 2009.

The most significant operational short-term business risks and uncertainties are connected with the development of business system and industrial projects, success in the integration of the acquired companies and the continuity of the favourable development of residential sales and the sales and price risk of the order backlog mainly due to unsold residential units. In Building and Industrial Services the order backlog has grown due to an acquisition completed in August in Central Europe and the integration of companies and the development of operations have started in line with the plans. YIT manages sales risk by matching the number of housing start-ups with the estimated residential demand and the number of unsold residential units. The housing production figures are presented under Development by business segment.

There is a currency risk related to investments in ruble terms. Capital invested in Russia totalled EUR 509.7 million (9/2009: EUR 563.5 million) at the end of the period. The amount of net equity investments at the end of the period was EUR 329.5 million (9/2009: EUR 235.4 million). The net investments in the Russian subsidiaries are unhedged in accordance with the finance policy, and a potential devaluation of the ruble would have a negative impact equal to the amount of equity on the Group's shareholders' equity. Debt investments amounted to EUR 180.1 million (9/2009: EUR 328.1 million) at the end of the period, and this exposure was hedged in full. The difference in the interest rates between the euro and ruble have an effect on hedging costs and therefore net financial expenses.

YIT tests the value of its plots as required by the IFRS accounting principles. Plot reserves are measured at acquisition cost and the value is impaired when it is estimated that the building being constructed on the plot will be sold at a price lower than the sum of the price of the plot and the construction costs.

OUTLOOK FOR 2010

YIT Corporation estimates that the Group's (IFRIC 15) revenue will increase and profit before taxes will increase significantly in 2010 compared with 2009. YIT estimates that the Group's fourth quarter revenue and profit before taxes will be the strongest of the year. (The outlook for the fourth quarter has been specified.)

The Group's revenue and profit will clearly focus on the fourth quarter, because in accordance with the new accounting policy adopted at the beginning of 2010, residential development projects are only recognised in Group-level figures when the project has been completed. Both in Finland and in Russia, the number of completed units in residential development in January-September 2010 was considerably lower than in the previous year - in Finland 559 (1-9/2009: 1,029) and in Russia 940 (1-9/2009: 2,461). Especially in Russia, significantly more residential units will be completed during October-December than in January-September 2010. Completion of the projects requires commissioning by the authorities.

The demand for housing is expected to remain at a favourable level in 2010 in Finland as well as Russia.

In Finland, residential demand continues to be supported by low interest rates, favourable employment rates, increased consumer confidence and structural factors, such as migration, population growth and decreasing family sizes. The increase in residential prices has continued to be moderate. YIT had 4,543 (9/2009: 2,946) residential units under construction at the end of September 2010, of which two thirds were sold. There were 1,624 (9/2009: 997) residential units for sale, of which completed units numbered 116 (9/2009: 266).

There is a great need for new housing in Russia, and therefore the demand outlook for residential units aimed at YIT's customer segment is good in the long term. In October YIT has increased the residential selling prices in some projects following the steadier development of prices during the summer. Residential demand is supported by increased consumer confidence and increased availability of financing for housing. YIT had 5,797 (9/2009: 6,080) residential units under construction at the end of September 2010. There were 3,931 (9/2009: 4,014) residential units for sale, of which completed units numbered 602 (9/2009: 466).

YIT's target is to start the construction of approximately 1,000 residential units in October-December 2010 in International Construction Services covering Russia, Baltic countries and Czech Republic and Slovakia.

The opportunities for organic growth in Building and Industrial Services are supported by the need for service and maintenance as well as renovation and public sector projects. There are many small companies operating in the technical building system market, and the consolidation of the market will provide opportunities for acquisitions. New investments in technical building systems will remain low in all YIT markets, particularly due to the low volumes of business premises construction. Industrial investments are also at a low level in Finland, but the demand for industrial maintenance services will remain relatively stable. YIT has an extensive network of local offices in the markets where it operates and a solid market position in building system and industrial service and maintenance operations, projects and energy-efficiency services.

In the Finnish infrastructure market, new traffic-related projects will begin in this and the next year at the same time with decreasing demand in the municipal sector. Opportunities will also open in connection with road and regional maintenance contracts. YIT has large-scale road projects underway in infrastructure services. The Group has special expertise in infrastructure and a solid position as the largest private provider of road maintenance services in Finland.

EVENTS AFTER THE REVIEW PERIOD

In the International Construction Services segment, YIT entered into an agreement on acquiring the Slovakian construction company Reding a.s. on August 12, 2010. Reding is a construction company focusing on residential and business premises construction. The company has 150 employees. The transaction was completed on October 7, 2010, after the Slovakian competition authorities had approved the share transaction and the other terms and conditions of the agreement had been fulfilled. YIT acquired a 70 percent holding in the company. YIT has additionally agreed to purchase the remaining 30 percent from the seller gradually by 2016. The seller will continue as the company's Managing Director.

Helsinki, October 26, 2010

Board of Directors

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

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1. KEY FIGURES OF YIT GROUP

As from the beginning of 2010, Group reporting will apply the new IFRIC 15 interpretation, according to which own residential development projects will be recognised at the time of delivery and own commercial real estate development projects based on the percentage of completion or at the time of delivery. The figures for 2010 and 2009 are comparable.

KEY FIGURES

| | 9/2010 | 9/2009 | change, % | 12/2009 |
|--|---------|---------|-----------|---------|
| Earnings per share, EUR | 0.47 | 0.29 | 62 | 0.55 |
| Diluted earnings per share, EUR | 0.47 | 0.29 | 62 | 0.55 |
| Equity per share, EUR | 6.30 | 5.78 | 9 | 6.09 |
| Average share price during the period, EUR | 15.98 | 7.34 | 118 | 8.52 |
| Share price at end of period, EUR | 17.39 | 13.01 | 34 | 14.45 |
| Market capitalization at end of period, MEUR | 2,175.1 | 1,627.3 | 34 | 1,807.4 |
| Weighted average share-issue adjusted number of shares outstanding, thousands | 125,078 | 125,196 | 0 | 125,167 |
| Weighted average share-issue adjusted number of shares outstanding, thousands, diluted | 125,078 | 125,196 | 0 | 125,167 |
| Share-issue adjusted number of shares outstanding at end of period, thousands | 125,078 | 125,078 | 0 | 125,078 |
| Net interest-bearing debt at end of period, MEUR | 636.6 | 674.4 | -6 | 529.1 |
| Return on investment, from the last 12 months, % | 10.6 | 11.1 | -5 | 11.0 |
| Equity ratio, % | 29.2 | 28.2 | - | 32.4 |
| Gearing ratio, % | 80.5 | 92.9 | - | 69.2 |
| Gross capital expenditures, MEUR | 99.1 | 15.7 | 531 | 27.9 |
| % of revenue | 4.0 | 0.6 | - | 0.8 |
| Order backlog at end of period, MEUR 1) | 3,727.5 | 3,059.6 | 22 | 2,983.3 |
| of which order backlog outside Finland | 2,122.1 | 1,525.9 | 39 | 1,885.7 |
| Average number of personnel | 23,796 | 24,787 | -4 | 24,497 |

1) Portion of binding orders and own development projects not recognized as income.

YIT GROUP FIGURES BY QUARTER

| | I/2009 | II/2009 | III/2009 | IV/2009 | I/2010 | II/2010 | III/2010 |
|--|---------|---------|----------|---------|---------|---------|----------|
| Revenue, MEUR | 843.2 | 862.8 | 754.3 | 1,025.3 | 765.3 | 854.7 | 829.6 |
| Operating profit, MEUR | 28.7 | 43.3 | 32.8 | 63.3 | 33.9 | 35.9 | 33.9 |
| % of revenue | 3.4 | 5.0 | 4.3 | 6.2 | 4.4 | 4.2 | 4.1 |
| Financial income, MEUR | 1.3 | 0.4 | 0.9 | 1.9 | 0.7 | 1.1 | 1.1 |
| Exchange rate differences, MEUR | -9.6 | -5.1 | -7.8 | -5.9 | -2.3 | -1.9 | -2.3 |
| Financial expenses, MEUR | -11.6 | -8.2 | -8.8 | -6.2 | -5.6 | -7.2 | -5.7 |
| Profit before taxes, MEUR | 8.8 | 30.4 | 17.1 | 53.1 | 26.7 | 27.9 | 27.0 |
| % of revenue | 1.0 | 3.5 | 2.3 | 5.2 | 3.5 | 3.3 | 3.3 |
| | | | | | | | |
| Balance sheet total, MEUR | 2,998.6 | 2,993.3 | 3,041.6 | 2,777.1 | 2,994.8 | 3,067.9 | 3,234.6 |
| | | | | | | | |
| Earnings per share, EUR | 0.06 | 0.15 | 0.08 | 0.26 | 0.15 | 0.16 | 0.16 |
| Equity per share, EUR | 5.46 | 5.67 | 5.78 | 6.09 | 6.08 | 6.35 | 6.30 |
| Share price at end of period, EUR | 5.05 | 7.40 | 13.01 | 14.45 | 17.10 | 14.78 | 17.39 |
| Market capitalization at end of period, MEUR | 631.6 | 925.6 | 1,627.0 | 1,807.4 | 2,138.8 | 1,848.7 | 2,175.1 |
| | | | | | | | |
| Return on investment, from the last 12 months, % | 16.5 | 11.5 | 11.1 | 11.0 | 11.3 | 10.7 | 10.6 |
| Equity ratio, % | 27.0 | 28.1 | 28.2 | 32.4 | 30.2 | 31.8 | 29.2 |
| Net interest-bearing debt at end of period, MEUR | 674.1 | 699.7 | 674.4 | 529.1 | 496.0 | 514.8 | 636.6 |
| Gearing ratio, % | 98.3 | 98.1 | 92.9 | 69.2 | 65.0 | 64.7 | 80.5 |
| | | | | | | | |
| Gross capital expenditures, MEUR | 6.7 | 3.9 | 5.1 | 12.2 | 9.4 | 8.7 | 81.0 |
| Order backlog at end of period, MEUR | 3,256.3 | 3,120.0 | 3,059.6 | 2,983.3 | 3,152.5 | 3,329.2 | 3,727.5 |
| Personnel at end of period | 25,239 | 24,763 | 24,003 | 23,480 | 23,211 | 23,877 | 25,943 |

SEGMENT INFORMATION BY QUARTER

YIT applies the IFRIC 15 Agreements for the Construction of Real Estate IFRS interpretation from the start of the financial period begun on January 1, 2010. Due to the application of the interpretation, Group reporting and segment reporting differ.

In segment reporting, the figures will continue to be calculated based on the previous accounting principle, i.e. percentage of completion will be applied in the recognition of revenue from own residential and commercial real estate development projects.

As from the beginning of 2010, Group reporting applies the new interpretation. According to the interpretation own residential development projects will be recognised at the time of delivery. Own commercial real estate development projects will be recognized based on the percentage of completion or alternatively at the time of delivery.

Figures for 2010 and 2009 are comparable.

Revenue by business segment (EUR million)

| | I/2009 | II/2009 | III/2009 | IV/2009 | I/2010 | II/2010 | III/2010 |
|-------------------------------------|--------|---------|----------|---------|--------|---------|----------|
| Building and Industrial Services | 537.9 | 529.2 | 483.9 | 573.9 | 477.0 | 547.4 | 550.9 |
| Construction Services Finland | 239.8 | 253.0 | 246.3 | 290.6 | 252.9 | 275.2 | 279.7 |
| International Construction Services | 61.4 | 87.4 | 97.6 | 113.0 | 106.9 | 112.1 | 111.9 |
| Other items | -15.5 | -16.4 | -12.8 | -17.0 | -16.0 | -20.4 | -18.3 |
| YIT's segments total | 823.7 | 853.2 | 815.0 | 960.5 | 820.8 | 914.3 | 924.2 |
| IFRIC 15 adjustments | 19.5 | 9.7 | -60.7 | 64.7 | -55.5 | -59.6 | -94.6 |
| YIT Group, total | 843.2 | 862.8 | 754.3 | 1 025.3 | 765.3 | 854.7 | 829.6 |

Operating profit by business segment (EUR million)

| | I/2009 | II/2009 | III/2009 | IV/2009 | I/2010 | II/2010 | III/2010 |
|-------------------------------------|--------|---------|----------|---------|--------|---------|----------|
| Building and Industrial Services 1) | 28.6 | 28.2 | 24.9 | 37.6 | 21.6 | 28.2 | 22.8 |
| Construction Services Finland | 20.9 | 19.9 | 20.8 | 20.3 | 23.1 | 26.4 | 29.3 |
| International Construction Services | -23.8 | -5.2 | 3.7 | 7.5 | 4.6 | 7.6 | 9.2 |
| Other items | -3.6 | -4.8 | -3.8 | -5.7 | -4.8 | -5.1 | -3.4 |
| YIT's segments total | 22.1 | 38.1 | 45.6 | 59.7 | 44.5 | 57.1 | 57.9 |
| IFRIC 15 adjustments | 6.6 | 5.2 | -12.8 | 3.6 | -10.6 | -21.2 | -24.0 |
| YIT Group, total | 28.7 | 43.3 | 32.8 | 63.3 | 33.9 | 35.9 | 33.9 |

Operating profit margin by business segment (%)

| | I/2009 | II/2009 | III/2009 | IV/2009 | I/2010 | II/2010 | III/2010 |
|-------------------------------------|--------|---------|----------|---------|--------|---------|----------|
| Building and Industrial Services 1) | 5.3% | 5.3% | 5.1% | 6.6% | 4.5% | 5.2% | 4.1% |
| Construction Services Finland | 8.7% | 7.9% | 8.4% | 7.0% | 9.1% | 9.6% | 10.5% |
| International Construction Services | -38.7% | -5.9% | 3.8% | 6.6% | 4.3% | 6.8% | 8.2% |
| YIT's segments total | 2.7% | 4.5% | 5.6% | 6.2% | 5.4% | 6.2% | 6.3% |
| YIT Group, total | 3.4% | 5.0% | 4.3% | 6.2% | 4.4% | 4.2% | 4.1% |

1) The operating profit of Building and Industrial Services in 7-9/2010 was weakened by non-recurring expenses amounting to a total of approximately EUR 1.9 million associated with the acquisition made in Central Europe, expenses amounting to approximately EUR 1 million connected with post-acquisition personnel reductions in Denmark, and EUR 0.4 million associated with other acquisitions.

On September 30, 2009, the court of arbitration issued its ruling in the dispute concerning the mechanical installation contract YIT carried out for Neste Oil's Porvoo oil refinery. The effect of the ruling on Building and Industrial Services' operating profit for Q3/2009 was EUR -3.2 million.

Order backlog by business segment at end of period (EUR million)

| | I/2009 | II/2009 | III/2009 | IV/2009 | I/2010 | II/2010 | III/2010 |
|--|---------|---------|----------|---------|---------|---------|----------|
| Building and Industrial Services | 1,048.3 | 984.7 | 946.7 | 850.4 | 964.2 | 1,025.3 | 1,332.1 |
| Construction Services Finland | 819.8 | 846.9 | 909.9 | 1,007.5 | 905.4 | 1,154.7 | 1,205.2 |
| International Construction Services 1) | 1,239.1 | 1,126.8 | 998.4 | 960.1 | 1,013.2 | 946.8 | 884.8 |
| Other items | -62.1 | -41.9 | -54.2 | -44.4 | -45.8 | -59.4 | -55.2 |
| YIT's segments total | 3,045.0 | 2,916.4 | 2,800.8 | 2,773.6 | 2,837.0 | 3,067.4 | 3,366.9 |
| IFRIC 15 adjustments | 211.3 | 203.6 | 258.8 | 209.7 | 315.5 | 261.8 | 360.6 |
| YIT Group, total | 3,256.3 | 3,120.1 | 3,059.6 | 2,983.3 | 3,152.5 | 3,329.2 | 3,727.5 |

1) YIT has suspended the construction of certain residential projects in the start-up phase in Russia. The sales of these projects had not yet begun. These projects have 928 (9/2009: 2,485) residential units and they accounted for EUR 161.3 million (9/2009: EUR 308.1 million) in the order backlog at the end of September 2010.

2. CONSOLIDATED FINANCIAL STATEMENTS JAN 1 - SEP 30, 2010

As from the beginning of 2010, Group reporting will apply the new IFRIC 15 interpretation, according to which own residential development projects will be recognised at the time of delivery and own commercial real estate development projects based on the percentage of completion or at the time of delivery. The figures for 2010 and 2009 are comparable.

CONSOLIDATED INCOME STATEMENT JAN 1 - SEP 30, 2010 (EUR million)

| | 1-9/2010 | 1-9/2009 | change, % | 1-12/2009 |
|---|----------|----------|-----------|-----------|
| Revenue | 2,449.6 | 2,460.3 | 0 | 3,485.6 |
| of which activities outside Finland | 1,381.4 | 1,290.1 | 7 | 1,885.7 |
| Operating income and expenses | -2,319.5 | -2,329.9 | 0 | -3,283.3 |
| Share of results of associated companies | -0.3 | -0.4 | -25 | -0.6 |
| Depreciation and write-downs | -26.1 | -25.2 | 4 | -33.6 |
| Operating profit 1) | 103.7 | 104.8 | -1 | 168.1 |
| % of revenue | 4.2 | 4.3 | - | 4.8 |
| Financial income | 2.9 | 2.6 | 12 | 4.5 |
| Exchange rate differences | -6.5 | -22.5 | -71 | -28.4 |
| Financial expenses | -18.5 | -28.5 | -35 | -34.7 |
| Profit before taxes | 81.6 | 56.4 | 45 | 109.5 |
| % of revenue | 3.3 | 2.3 | - | 3.1 |
| Income taxes | -23.6 | -21.0 | 12 | -41.4 |
| Profit for the report period | 58.0 | 35.4 | 64 | 68.1 |
| % of revenue | 2.4 | 1.4 | - | 2.0 |
| | | | | |
| Attributable to | | | | |
| Equity holders of the parent company | 58.8 | 35.9 | 64 | 68.3 |
| Minority interests | -0.8 | -0.5 | 60 | -0.2 |
| | | | | |
| Earnings per share attributable to the equity holders of the parent company | | | | |
| Earnings per share, EUR | 0.47 | 0.29 | 62 | 0.55 |
| Diluted earnings per share, EUR | 0.47 | 0.29 | 62 | 0.55 |

1) The operating profit of Building and Industrial Services in 7-9/2010 was weakened by non-recurring expenses amounting to a total of approximately EUR 1.9 million associated with the acquisition made in Central Europe, expenses amounting to approximately EUR 1 million connected with post-acquisition personnel reductions in Denmark, and EUR 0.4 million associated with other acquisitions.

The operating profit 7-9/2009 includes EUR -3.2 million due to the ruling issued by the court of arbitration on September 30, 2009 concerning the mechanical installation contract YIT carried out for Neste Oil's Porvoo oil refinery.

STATEMENT OF COMPREHENSIVE INCOME JAN 1 - SEP 30, 2010 (EUR million)

| | 1-9/2010 | 1-9/2009 | change, % | 1-12/2009 |
|--|-----------------|-----------------|------------------|------------------|
| Profit for the report period | 58.0 | 35.4 | 64 | 68.1 |
| Other comprehensive income | | | | |
| - Change in the fair value of interest derivatives | -2.3 | 1.4 | - | -3.1 |
| -- Deferred tax | 0.6 | -0.3 | - | 0.0 |
| -- Transferred to income statement | 0.0 | 0.0 | - | 3.1 |
| - Change in translation differences | 21.3 | -11.4 | - | -5.8 |
| - Other change | 0.0 | -0.1 | -100 | 0.0 |
| Other comprehensive income, total | 19.6 | -10.4 | - | -5.8 |
| Total comprehensive income | 77.6 | 25.0 | 210 | 62.3 |
| | | | | |
| Attributable to | | | | |
| Equity holders of the parent company | 78.1 | 24.7 | 216 | 63.1 |
| Minority interests | -0.5 | 0.3 | - | -0.8 |

CONSOLIDATED INCOME STATEMENT JUL 1 - SEP 30, 2010 (EUR million)

| | 7-9/2010 | 7-9/2009 | change, % |
|---|-----------------|-----------------|------------------|
| Revenue | 829.6 | 754.3 | 10 |
| of which activities outside Finland | 473.4 | 387.2 | 22 |
| Operating income and expenses | -786.7 | -713.1 | 10 |
| Share of results of associated companies | 0.1 | 0.0 | - |
| Depreciation and write-downs | -9.1 | -8.4 | 8 |
| Operating profit 1) | 33.9 | 32.8 | 3 |
| % of revenue | 4.1 | 4.3 | - |
| Financial income | 1.1 | 0.9 | 22 |
| Exchange rate differences | -2.3 | -7.8 | -71 |
| Financial expenses | -5.7 | -8.7 | -34 |
| Profit before taxes | 27.0 | 17.2 | 57 |
| % of revenue | 3.3 | 2.3 | - |
| Income taxes | -8.3 | -8.4 | -1 |
| Profit for the report period | 18.7 | 8.8 | 113 |
| % of revenue | 2.3 | 1.2 | - |
| | | | |
| Attributable to | | | |
| Equity holders of the parent company | 19.7 | 9.1 | 116 |
| Minority interests | -1.1 | -0.3 | 267 |
| | | | |
| Earnings per share attributable to the equity holders of the parent company | | | |
| Earnings per share, EUR | 0.16 | 0.08 | 100 |
| Diluted earnings per share, EUR | 0.16 | 0.08 | 100 |

1) The operating profit of Building and Industrial Services in 7-9/2010 was weakened by non-recurring expenses amounting to a total of approximately EUR 1.9 million associated with the acquisition made in Central Europe, expenses amounting to approximately EUR 1 million connected with post-acquisition personnel reductions in Denmark, and EUR 0.4 million associated with other acquisitions.

The operating profit 7-9/2009 includes EUR -3.2 million due to the ruling issued by the court of arbitration on September 30, 2009 concerning the mechanical installation contract YIT carried out for Neste Oil's Porvoo oil refinery.

CONSOLIDATED BALANCE SHEET (EUR million)

| | 9/2010 | 9/2009 | change 9/2009- 9/2010, % | 31.12.2009 | 1.1.2009 |
|---|----------------|----------------|--------------------------------|----------------|----------------|
| ASSETS | | | | | |
| Non-current assets | | | | | |
| Property, plant and equipment | 104.0 | 96.2 | 8 | 99.8 | 104.6 |
| Goodwill | 351.0 | 291.0 | 21 | 291.0 | 291.0 |
| Other intangible assets | 43.9 | 32.9 | 33 | 32.8 | 35.1 |
| Shares in associated companies | 2.9 | 3.4 | -15 | 3.2 | 3.8 |
| Other investments | 2.0 | 2.3 | -13 | 2.0 | 2.5 |
| Assets held for sale | 18.2 | - | - | - | - |
| Other receivables | 15.7 | 13.0 | 21 | 14.4 | 12.7 |
| Deferred tax assets | 59.4 | 48.4 | 23 | 43.1 | 40.4 |
| Current assets | | | | | |
| Inventories | 1,566.6 | 1,588.5 | -1 | 1,477.6 | 1,715.4 |
| Trade and other receivables | 897.0 | 720.1 | 25 | 640.1 | 731.2 |
| Cash and cash equivalents | 173.9 | 245.8 | -29 | 173.1 | 201.7 |
| Total assets | 3,234.6 | 3,041.6 | 6 | 2,777.1 | 3,138.4 |
| EQUITY AND LIABILITIES | | | | | |
| Equity attributable to equity holders of the parent company | | | | | |
| Share capital | 149.2 | 149.2 | 0 | 149.2 | 149.2 |
| Other equity | 638.6 | 573.8 | -5 | 612.7 | 615.6 |
| Non-controlling interest | 3.2 | 3.3 | -3 | 2.2 | 3.8 |
| Total equity | 791.0 | 726.3 | 9 | 764.1 | 768.6 |
| Non-current liabilities | | | | | |
| Deferred tax liabilities | 86.3 | 66.2 | 30 | 66.8 | 63.2 |
| Pension liabilities | 28.8 | 19.4 | 48 | 17.6 | 19.7 |
| Provisions | 49.3 | 49.1 | 0 | 49.0 | 45.0 |
| Interest-bearing liabilities | 524.2 | 516.5 | 1 | 502.0 | 516.2 |
| Other liabilities | 9.1 | 3.6 | 153 | 3.3 | 4.0 |
| Current liabilities | | | | | |
| Trade and other payables | 1,395.2 | 1,206.9 | 16 | 1,133.5 | 1,298.2 |
| Liabilities of assets held for sale | 15.6 | - | - | - | - |
| Provisions | 48.8 | 49.9 | -2 | 40.6 | 43.6 |
| Interest-bearing current liabilities | 286.3 | 403.7 | -29 | 200.2 | 379.9 |
| Total equity and liabilities | 3,234.6 | 3,041.6 | 6 | 2,777.1 | 3,138.4 |

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (EUR million)

| | Share capital | Legal reserve | Other reserve | Cumulative translation differences | Fair value reserve | Treasury shares | Retained earnings | Total | Non-controlling interest | Total equity |
|--|---------------|---------------|---------------|------------------------------------|--------------------|-----------------|-------------------|-------|--------------------------|--------------|
| Balance at January 1, 2010 | 149.2 | 1.7 | 11.6 | -41.5 | -1.7 | -10.6 | 653.2 | 761.9 | 2.2 | 764.1 |
| Comprehensive income | - | - | - | - | - | - | - | - | - | - |
| Profit for the period | - | - | - | - | - | - | 58.8 | - | -0.8 | 58.0 |
| Other comprehensive income | | | | | | | | | | |
| Change in the fair value of interest derivatives | - | - | - | - | -2.3 | - | - | - | - | -2.3 |
| - Deferred tax asset | - | - | - | - | 0.6 | - | - | - | - | 0.6 |
| Change in translation differences | - | - | - | 19.1 | - | - | 1.9 | - | 0.3 | 21.3 |
| Other change | - | - | - | - | - | - | -2.3 | - | 2.3 | 0.0 |
| Comprehensive income, total | 0.0 | 0.0 | 0.0 | 19.1 | -1.7 | 0.0 | 58.4 | 75.8 | 1.8 | 77.6 |
| Transactions with owners | - | - | - | - | - | - | - | - | - | - |
| Dividend paid | - | - | - | - | - | - | -50.5 | - | -0.8 | -51.3 |
| Transfer from retained earnings | - | 0.3 | - | - | - | - | -0.3 | - | - | 0.0 |
| Share-based incentive scheme | - | - | - | - | - | - | 0.6 | - | - | 0.6 |
| Transactions with owners, total | 0.0 | 0.3 | 0.0 | 0.0 | 0.0 | 0.0 | -50.2 | -49.9 | -0.8 | -50.7 |
| Balance at September 30, 2010 | 149.2 | 2.0 | 11.6 | -22.4 | -3.4 | -10.6 | 661.4 | - | 3.2 | 791.0 |
| | | | | | | | | | | |
| Restated equity balance at January 1, 2009 | 149.2 | 1.4 | 13.9 | -35.2 | -1.7 | -6.6 | 643.8 | 764.8 | 3.8 | 768.6 |
| Comprehensive income | - | - | - | - | - | - | - | - | - | - |
| Profit for the period | - | - | - | - | - | - | 35.9 | - | -0.5 | 35.4 |
| Other comprehensive income | | | | | | | | | | |
| Change in the fair value of interest derivatives | - | - | - | - | 1.4 | - | - | - | - | 1.4 |
| - Deferred tax asset | - | - | - | - | -0.3 | - | - | - | - | -0.3 |
| Change in translation differences | - | - | - | -13.0 | - | - | 1.0 | - | 0.6 | -11.4 |
| Other change | - | - | - | - | - | - | -0.3 | - | 0.2 | -0.1 |
| Comprehensive income, total | - | - | - | -13.0 | 1.1 | - | 36.6 | 24.7 | 0.3 | 25.0 |
| Transactions with owners | - | - | - | - | - | - | - | - | - | - |
| Dividend paid | - | - | - | - | - | - | -62.5 | - | -0.8 | -63.3 |
| Purchase of treasury shares | - | - | - | - | - | -4.0 | - | - | - | -4.0 |
| Transfer from retained earnings | - | 0.3 | - | - | - | - | -0.3 | - | - | 0.0 |
| Employee share option scheme | - | - | -2.3 | - | - | - | 2.3 | - | - | 0.0 |
| Transactions with owners, total | 0.0 | 0.3 | -2.3 | 0.0 | 0.0 | -4.0 | -60.5 | -66.5 | -0.8 | -67.3 |
| Balance at September 30, 2009 | 149.2 | 1.7 | 11.6 | -48.2 | -0.6 | -10.6 | 619.9 | 723.0 | 3.3 | 726.3 |
| | | | | | | | | | | |
| Equity balance at 1 January 2009 | 149.2 | 1.4 | 13.9 | -35.2 | -1.7 | -6.6 | 682.1 | 803.1 | 4.6 | 807.7 |
| The effects of application of IFRIC 15 | - | - | - | - | - | - | -38.3 | -38.3 | -0.8 | -39.1 |
| Restated equity balance at 1 January 2009 | 149.2 | 1.4 | 13.9 | -35.2 | -1.7 | -6.6 | 643.8 | 764.8 | 3.8 | 768.6 |

CONSOLIDATED CASH FLOW STATEMENT (EUR million)

| | 1-9/2010 | 1-9/2009 | change, % | 1-12/2009 |
|--|-----------------|-----------------|------------------|------------------|
| Cash flows from operating activities | | | | |
| Net profit for the period | 58.0 | 35.4 | 64 | 68.3 |
| Reversal of accrual-based items | 87.3 | 128.4 | -32 | 166.4 |
| Change in working capital | | | | |
| Change in trade and other receivables | -73.7 | 49.1 | - | 98.1 |
| Change in inventories | -50.7 | 61.8 | - | 173.5 |
| Change in current liabilities | 71.8 | -114.6 | - | -154.1 |
| Change in working capital, total | -52.6 | -3.7 | 1,322 | 117.5 |
| Interest paid | -21.3 | -26.0 | -18 | -35.3 |
| Other financial items, net | -41.5 | -2.6 | 1,496 | -22.0 |
| Interest received | 2.7 | 2.8 | -4 | 4.7 |
| Taxes paid | -42.5 | -31.2 | 36 | -38.7 |
| Net cash generated from operating activities | -9.9 | 103.1 | - | 260.9 |
| | | | | |
| Cash flows from investing activities | | | | |
| Acquisition of subsidiaries, net of cash | -31.8 | -7.5 | 324 | -7.5 |
| Purchase of property, plant and equipment | -12.4 | -11.2 | 11 | -20.8 |
| Purchase of intangible assets | -5.6 | -4.5 | 24 | -7.2 |
| Increases in other investments | 0.0 | -0.1 | 100 | 0.0 |
| Proceeds from sale of tangible and intangible assets | 3.6 | 3.3 | 9 | 4.1 |
| Proceeds from sale of other investments | 0.0 | 0.3 | -100 | 0.3 |
| Net cash used in investing activities | -46.2 | -19.7 | 135 | -31.1 |
| | | | | |
| Operating cash flow after investments | -56.1 | 83.4 | - | 229.8 |
| | | | | |
| Cash flow from financing activities | | | | |
| Change in current liabilities | 35.5 | -11.3 | - | -138.6 |
| Proceeds from borrowings | 100.0 | 60.0 | 67 | 60.0 |
| Repayments of borrowings | -32.9 | -21.6 | 52 | -110.6 |
| Payments of financial leasing debts | 1.1 | -0.1 | - | -0.3 |
| Purchase of treasury shares | 0.0 | -4.0 | - | -4.0 |
| Dividends paid | -51.3 | -62.8 | -18 | -63.4 |
| Net cash used in financing activities | 52.3 | -39.8 | - | -256.9 |
| | | | | |
| Net change in cash and cash equivalents | -3.8 | 43.6 | - | -27.1 |
| Cash and cash equivalents at the beginning of the period | 173.1 | 197.7 | -12 | 197.7 |
| Change in the fair value of the cash equivalents | 3.0 | 1.9 | 58 | 2.5 |
| Cash and cash equivalents at the end of the period | 172.3 | 243.2 | -29 | 173.1 |

3. NOTES

ACCOUNTING PRINCIPLES OF THE INTERIM REPORT

YIT Corporation's Interim Report for January 1 - September 30, 2010 has been drawn up in line with IAS 34: Interim Financial Reporting. The information presented in the Interim Report has not been audited. YIT has applied the same accounting policy and IFRS standards and interpretations in the drafting of the Interim Report as in its annual financial statements for 2009. However, the following new standards, interpretations and amendments on current standards that have been approved by EU have been applied as of January 1, 2010.

IFRIC 15 Agreements for the Construction of Real Estate

YIT applies the IFRIC 15 Agreements for the Construction of Real Estate IFRS interpretation from the start of the financial period beginning on January 1, 2010. The IFRIC 15 interpretation contains guidelines on when the revenue generated by the construction of real estate must be recognised on the basis of the delivery of the building and when the percentage of completion method can be applied. In YIT, the new interpretation will have an impact on the recognition of own development projects involving residential and commercial real estate. The interpretation will not have any impact on construction contracting or building and industrial services.

In Group-level reports as of January 1, 2010, the revenue generated by YIT's own residential development projects are recognised when the project is complete i.e. when the residential units are ready to be handed over to the client. The share of income and expenses to be recognized will be calculated also in the future by multiplying the percentage of completion by the percentage of sale. Under the old practice, the revenue recognition began when the construction work started using the percentage of completion method.

YIT had sold its commercial real estate development projects that were under construction to investors before the start of construction or during the early stages of the construction work, which together with other facts means that in most cases the revenue of these projects could be recognised in accordance with the old practice also in the future. The share of income and expenses to be recognized would then be calculated also in the future by using the formula percentage of completion multiplied by the percentage of sale multiplied by the occupancy rate. Under the old practice, the recognition of sold projects was possible to start always immediately when the construction work started. In the case of YIT's new commercial real estate development projects, the recognition practice will be evaluated on a case-by-case basis and in accordance with the terms and conditions of each contract. These projects will be recognised when the construction work has started or when the project is complete.

In Finland, YIT finances its projects by selling construction-stage contract receivables to financing companies. According to the new interpretation, sold residential units from own development projects will be recognised as revenue when the project is complete. As a result, all construction-stage contract receivables related to residential production and sold to financing companies must be reported as part of the interest-bearing liabilities on the balance sheet. Under the old practice, part of construction-stage contract receivables related to residential production was reported as off-balance sheet items.

Due to applying the interpretation the items in consolidated income statement, consolidated balance sheet and consolidated cash flow statement for the previous periods have been adjusted for comparability as follows:

Changes in consolidated income statement (EUR million)

| | 1-3/09 | 4-6/09 | 7-9/09 | 10-12/09 | | 1-3/09 | 1-6/09 | 1-9/09 | 1-12/09 |
|-----------------------|--------|--------|--------|----------|--|--------|--------|--------|---------|
| Revenue | 19.5 | 9.7 | -60.7 | 64.7 | | 19.5 | 29.2 | -31.5 | 33.2 |
| Operating profit | 6.6 | 5.2 | -12.8 | 3.6 | | 6.6 | 11.8 | -1.0 | 2.6 |
| Profit before taxes | 6.6 | 5.2 | -12.8 | 3.6 | | 6.6 | 11.8 | -1.0 | 2.6 |
| Deferred taxes | -1.3 | -1.1 | 2.8 | -1.1 | | -1.3 | -2.4 | 0.4 | -0.7 |
| Profit for the period | 5.3 | 4.1 | -10.0 | 2.5 | | 5.3 | 9.4 | -0.6 | 1.9 |

Changes in consolidated balance sheet (EUR million)

| | Jan 1, 2009 | 3/09 | 6/09 | 9/09 | 12/09 |
|-----------------------------|--------------------|-------------|-------------|-------------|--------------|
| Inventories | 205.5 | 186.1 | 183.0 | 230.8 | 168.1 |
| Trade and other receivables | -46.8 | -33.6 | -33.7 | -43.9 | -20.7 |
| Deferred tax receivables | 5.8 | 6.4 | 6.1 | 8.8 | 3.3 |
| Equity | -39.1 | -31.8 | -28.1 | -38.2 | -36.5 |
| Current borrowings | 49.8 | 38.9 | 28.3 | 34.0 | 31.4 |
| Trade and other liabilities | 157.4 | 149.2 | 152.3 | 197.6 | 162.0 |
| Provisions | 1.6 | 5.4 | 5.0 | 4.6 | 0.6 |
| Deferred tax liabilities | -5.2 | -2.8 | -2.1 | -2.3 | -6.8 |
| Balance sheet total | 164.5 | 158.9 | 155.4 | 195.7 | 150.7 |

Changes in consolidated cash flow statement (EUR million)

| | 1-3/09 | 1-6/09 | 1-9/09 | 1-12/09 |
|--|---------------|---------------|---------------|----------------|
| Net cash generated from operating activities | 10.9 | 21.5 | 15.7 | 18.4 |
| Operating cash flow after investments | 10.9 | 21.5 | 15.7 | 18.4 |
| Net cash used in financing activities | -10.9 | -21.5 | -15.7 | -18.4 |

Under the new practice, the quarterly revenue and profits of the YIT Group will now fluctuate more in accordance with the completion dates of development projects. The new revenue recognition practice also means that it will take more time for the Group's financial figures to reflect changes in production volumes. The adoption of the interpretation will not have any impact on the figures covering YIT's segments published by the Group as the information will continue to be calculated in accordance with prior accounting principles.

YIT published the comparison figures for consolidated income statement, consolidated balance sheet, consolidated cash flow statement and key figures for 2009 in a stock exchange release published on March 23, 2010.

Other standards and interpretations

Other standards and interpretations that have been applied as of January 1, 2010 have minor or no effects on YIT during the report period, and they include:

- IFRS 3 (revised): Business Combinations. All the acquisition-related costs have been expensed during the period.
- IAS 27 (revised): Consolidated and Separate Financial Statements
- IFRIC 12: Service Concession Arrangements
- IFRIC 16: Net Investment in a Foreign Operation
- IFRIC 17: Distribution of non cash assets to owners
- IFRIC 18: Transfers of Assets from Customers
- IFRIC 9 ja IAS 39 (Amendment): Reassessment of embedded derivatives on reclassification
- IAS 39 (Amendment): Financial Instruments: Recognition and measurement – Eligible Hedged Items'
- IFRS 2 (Amendment): Share based payments
- Improvements to IFRS-amendments 2009

Currency exchange rates used in the Interim Report

| | | Average rate 1-9/2010 | Balance sheet rate September 30, 2010 | | Average rate 1-9/2009 | Balance sheet rate September 30, 2009 |
|---------|-----|----------------------------------|--|--|----------------------------------|--|
| 1 EUR = | CZK | 25.4620 | 24.6000 | | 26.6080 | 25.1640 |
| | DKK | 7.4445 | 7.4519 | | 7.4476 | 7.4443 |
| | EEK | 15.6466 | 15.6466 | | 15.6466 | 15.6466 |
| | HUF | 275.2700 | 275.7500 | | 283.5800 | 269.7000 |
| | MYR | 4.0570 | 4.2101 | | - | - |
| | NOK | 7.9900 | 7.9680 | | 8.8416 | 8.4600 |
| | PLN | 4.0048 | 3.9847 | | 4.3785 | 4.2295 |

| | | | | | | |
|--|-----|---------|---------|--|---------|---------|
| | RUB | 39.7807 | 41.6923 | | 44.3164 | 43.9800 |
| | SEK | 9.6555 | 9.1421 | | 10.7089 | 10.2320 |
| | SGD | 1.7439 | 1.7942 | | - | - |
| | USD | 1.3067 | 1.3648 | | - | 1.4643 |
| | LVL | 0.7028 | 0.7028 | | 0.7028 | 0.7028 |
| | LTL | 3.4528 | 3.4528 | | 3.4528 | 3.4528 |

FINANCIAL RISK MANAGEMENT

Financial risks include liquidity, interest rate, currency and credit risk, and their management is a part of the Group's financing policy. The Board of Directors has approved the Corporate Finance Policy. The Group's Finance Department is responsible for the practical implementation of the policy in association with the business segments and units.

The Group's strategic financial targets guide the use and management of the Group's capital. Achieving the strategic targets is supported by maintaining an optimum Group capital structure. Capital structure is mainly influenced by controlling the investments and the amount of working capital tied to business operations.

A more detailed account of financial risks has been published in the notes to the financial statements for 2009.

SEGMENT INFORMATION

YIT applies the IFRIC 15 Agreements for the Construction of Real Estate IFRS interpretation from the start of the financial period begun on January 1, 2010. Due to the application of the interpretation, Group reporting and segment reporting differ.

In segment reporting, the figures will continue to be calculated based on the previous accounting principle, i.e. percentage of completion will be applied in the recognition of revenue from own residential and commercial real estate development projects.

As from the beginning of 2010, Group reporting will apply the new interpretation. According to the interpretation own residential development projects will be recognised at the time of delivery. Own commercial real estate development projects will be recognized in most cases based on the percentage of completion or alternatively at the time of delivery.

The figures for 2010 and 2009 are comparable.

The chief operating decision-maker has been identified as the YIT Group's Management Board, which review the Group's internal reporting in order to assess performance and allocate resources to the segments.

Revenue by business segment (EUR million)

| | 1-9/2010 | 1-9/2009 | change, % | 1-12/2009 |
|-------------------------------------|----------|----------|-----------|-----------|
| Building and Industrial Services | 1,575.2 | 1,551.0 | 2 | 2,124.9 |
| - Group internal | -49.4 | -42.4 | 17 | -58.6 |
| - external | 1,525.8 | 1,508.6 | 1 | 2,066.3 |
| Construction Services Finland | 807.8 | 739.1 | 9 | 1,029.7 |
| - Group internal | -1.3 | -1.3 | 0 | -1.8 |
| - external | 806.5 | 737.8 | 9 | 1,028.0 |
| International Construction Services | 330.9 | 246.4 | 34 | 359.4 |
| - Group internal | -4.7 | -2.5 | 88 | -3.1 |
| - external | 326.2 | 243.9 | 34 | 356.3 |
| Other items | 0.9 | 1.5 | -40 | 1.8 |
| YIT's segments total | 2,659.4 | 2,491.8 | 7 | 3,452.4 |
| IFRIC 15 adjustments | -209.8 | -31.5 | 566 | 33.2 |
| YIT Group, total - external | 2,449.6 | 2,460.3 | 0 | 3,485.6 |

Operating profit by business segment (EUR million)

| | 1-9/2010 | 1-9/2009 | change, % | 1-12/2009 |
|-------------------------------------|----------|----------|-----------|-----------|
| Building and Industrial Services 1) | 72.7 | 81.7 | -11 | 119.3 |
| Construction Services Finland | 78.7 | 61.6 | 28 | 81.9 |
| International Construction Services | 21.3 | -25.3 | 184 | -17.8 |
| Other items | -13.3 | -12.2 | 9 | -17.9 |
| YIT's segments total | 159.4 | 105.8 | 51 | 165.5 |
| IFRIC 15 adjustments | -55.7 | -1.0 | 5,470 | 2.6 |
| YIT Group, total | 103.7 | 104.8 | -1 | 168.1 |

1) The operating profit of Building and Industrial Services in 7-9/2010 was weakened by non-recurring expenses amounting to a total of approximately EUR 1.9 million associated with the acquisition made in Central Europe, expenses amounting to approximately EUR 1 million connected with post-acquisition personnel reductions in Denmark, and EUR 0.4 million associated with other acquisitions.

On September 30, 2009, the court of arbitration issued its ruling in the dispute concerning the mechanical installation contract YIT carried out for Neste Oil's Porvoo oil refinery. The effect of the ruling on Building and Industrial Services' operating profit for 7-9/2009 was EUR -3.2 million.

Order backlog by business segment at end of period (EUR million)

| | 9/2010 | 9/2009 | change, % | 12/2009 |
|--|---------|---------|-----------|---------|
| Building and Industrial Services | 1,332.1 | 946.7 | 41 | 850.4 |
| Construction Services Finland | 1,205.2 | 909.9 | 32 | 1,007.5 |
| International Construction Services 1) | 884.8 | 998.4 | -11 | 960.1 |
| Other items | -55.2 | -54.2 | 2 | -44.4 |
| YIT's segments total | 3,366.9 | 2,800.8 | 20 | 2,773.6 |
| IFRIC 15 adjustments | 360.6 | 258.8 | 39 | 209.7 |
| YIT Group, total | 3,727.5 | 3,059.6 | 22 | 2,983.3 |

1) The order backlog includes housing projects whose construction was suspended in Russia in October 2008 due to market uncertainties. At the end of September 2010, the projects that were still suspended included 928 (9/2009: 2,485) residential units and they accounted for EUR 161.3 million (9/2009: EUR 308.1 million) in the order backlog.

UNUSUAL ITEMS AFFECTING OPERATING PROFIT (EUR million)

| | 1-9/2010 | 1-9/2009 | change, % | 1-12/2009 |
|----------------------------------|----------|----------|-----------|-----------|
| Building and Industrial Services | -3.3 | -3.2 | 3 | -3.2 |
| YIT Group, total | -3.3 | -3.2 | 3 | -3.2 |

The operating profit of Building and Industrial Services in 7-9/2010 was weakened by non-recurring expenses amounting to a total of approximately EUR 1.9 million associated with the acquisition made in Central Europe, expenses amounting to approximately EUR 1 million connected with post-acquisition personnel reductions in Denmark, and EUR 0.4 million associated with other acquisitions.

On September 30, 2009, the court of arbitration issued its ruling in the dispute concerning the mechanical installation contract YIT carried out for Neste Oil's Porvoo oil refinery. The effect of the ruling on Building and Industrial Services' operating profit for 7-9/2009 was EUR -3.2 million.

BUSINESS COMBINATIONS AND DISPOSALS (EUR million)

In the Building and Industrial Services segment, YIT agreed on June 23, 2010, that it will acquire the entire share capital of Caverion GmbH, the parent company of the German Caverion group of companies, providing technical building system services. Caverion Group's most significant countries of operation are Germany, Poland and

Hungary. The completion of the transaction was subject to approval by the competition authorities. The companies in Caverion Group will be consolidated into YIT Group from September 1, 2010.

The final purchase price of the Caverion GmbH shares was EUR 73.0 million, and it has been paid in cash. The fair value of the acquired identifiable intangible assets is, according to preliminary calculations, approximately EUR 4.4 million, and the net fair value of the assets held for sale is approximately EUR 2.6 million. The acquisition will preliminary generate approximately EUR 60.0 million of goodwill. According to the management's estimate, the goodwill is based on the operational network provided by the Caverion Group companies, competence of the personnel and market share in the Central European market as well as shifting the focus of business operations in the acquired units towards long-term service agreements and servicing and maintenance operations. Significant synergy benefits are seen in operational models that will be harmonised, the expanding service offering and procurement.

Composition of acquired net assets and goodwill (EUR million)

| | 9/2010 |
|--|--------|
| Consideration | |
| Cash | 73.0 |
| Total consideration, transferred | 73.0 |
| Asset item based on a compensation obligation | - |
| Total consideration | 73.0 |
| Acquisition-related costs (recognised as expenses) | 1.9 |
| Recognised amounts of identifiable assets acquired and liabilities assumed | |
| Cash and cash equivalents | 48.0 |
| Property, plant and equipment | 7.8 |
| Order backlog | 1.6 |
| Compensation for prohibition of competition | 2.8 |
| Assets held for sale | 18.2 |
| Inventories | 6.4 |
| Trade and other receivables | 116.7 |
| Deferred tax liabilities, net | -0.6 |
| Pension liabilities | -11.7 |
| Loans | -0.3 |
| Trade and other liabilities | -160.8 |
| Liabilities of the assets held for sale | -15.6 |
| Total identifiable net assets | 12.7 |
| Non-controlling interest | 0.3 |
| Goodwill | 60.0 |
| Total | 73.0 |
| Revenue included in the income statement for the period | 29.5 |
| Profit for the period included in the income statement for the period | -0.3 |
| Revenue had the consolidation taken place from the beginning of 2010 | 310.3 |
| Profit for the period had the consolidation taken place from the beginning of 2010 | 1.8 |

Moreover, YIT implemented other small business acquisitions in the Building and Industrial Services segment during the review period. The companies acquired were Eltjänst Br Björk Installation AB, Ekonomisk Luftbehandling AB, Fristads Rör-El AB, G:sson Teleteknik AB and Ferm VVS in Sweden, Ugelvik Nasset AB, Haug og Ruud AS and Energiprosjekt in Norway and Brdr. Petersens Eftf. A/S and Carl Christensen & Co. A/S in Denmark.

The total cost of the smaller acquisitions amounts to EUR 7.8 million. The acquisitions do not result in goodwill. EUR 9.4 million of the purchase price has been allocated to intangible rights or assets in connection with the customer base, agreement base, compensation for prohibition of competition or unpatented technology.

Composition of acquired net assets and goodwill (EUR million)

| | 9/2010 |
|---|--------|
| Consideration | |
| Cash | 7.8 |
| Total consideration, transferred | 7.8 |
| Asset item based on a compensation obligation | - |
| Total consideration | 7.8 |
| Acquisition-related costs (recognised as expenses) | 0.4 |
| Recognised amounts of identifiable assets acquired and liabilities assumed | |
| Cash and cash equivalents | 0.7 |
| Property, plant and equipment | 2.4 |
| Allocations of intangible assets | 9.4 |
| Inventories | 0.7 |
| Trade and other receivables | 3.3 |
| Deferred tax liabilities, net | -0.2 |
| Pension liabilities | 0.0 |
| Loans | -1.6 |
| Trade and other liabilities | -7.0 |
| Conditional debt | - |
| Total identifiable net assets | 7.8 |
| Non-controlling interest | 0.0 |
| Goodwill | 0.0 |
| Total value | 7.8 |

YIT increased its holding in YIT Don to 100 percent in January and in YIT CityStroi from 65 percent to 75 percent in July.

There were no business divestments during the period under review.

CHANGES IN PROPERTY, PLANT AND EQUIPMENT (EUR million)

| | 1-9/2010 | 1-9/2009 | change, % | 1-12/2009 |
|---|----------|----------|-----------|-----------|
| Carrying value at the beginning of period | 99.8 | 104.6 | -5 | 104.6 |
| Increase | 12.3 | 11.7 | 5 | 21.5 |
| Increase through acquisitions | 10.3 | 0.0 | - | 0.0 |
| Decrease | -3.1 | -2.6 | 19 | -3.4 |
| Depreciation and value adjustments | -17.5 | -17.4 | 1 | -22.9 |
| Reclassification | 2.2 | -0.1 | -2 300 | 0.0 |
| Carrying value at the end of period | 104.0 | 96.2 | 8 | 99.8 |

INVENTORIES (EUR million)

| | 9/2010 | 9/2009 | change, % | 12/2009 |
|---|---------|---------|-----------|---------|
| Raw materials and consumables | 25.2 | 18.1 | 39 | 18.8 |
| Work in progress | 794.4 | 817.6 | -3 | 610.0 |
| Land areas and plot owing companies | 566.0 | 585.4 | -3 | 572.1 |
| Shares in completed housing and real estate companies | 134.9 | 123.7 | 9 | 224.8 |
| Advance payments | 45.1 | 43.0 | 5 | 51.5 |
| Other inventories | 1.0 | 0.7 | 43 | 0.4 |
| Total inventories | 1,566.6 | 1,588.5 | -1 | 1,477.6 |

NOTES ON EQUITY (EUR million)

| | Number of shares, 1000 | Share capital (EUR million) | Treasury shares (EUR million) |
|---|------------------------|-----------------------------|-------------------------------|
| Share capital and share premium reserve | | | |
| Jan 1, 2010 | 125,078,422 | 149.2 | -10.6 |
| Sep 30, 2010 | 125,078,422 | 149.2 | -10.6 |

BORROWINGS (EUR million)

| | Fair value | Carrying value | Nominal value |
|--|------------|----------------|---------------|
| Bonds in financial statements December 31, 2009 | 189.2 | 199.9 | 200.0 |
| Valuation of the above bonds on September 30, 2010 | 183.5 | 192.8 | 192.9 |
| Bonds raised during the review period: | | | |
| Fixed-rate bonds | | | |
| 1/2010-2015, interest rate 4.823%, EUR 1) | 101.8 | 99.8 | 100.0 |
| Total bonds September 30, 2010 | 285.3 | 292.6 | 292.9 |

Terms of the bonds raised during the revenue period in brief:

1) Loan period March 26, 2010 - March 26, 2015, interest payments in arrear at March 26, annually.

The bond is unsecured. ISIN code FI4000012067.

CHANGE IN CONTINGENT LIABILITIES AND ASSETS AND COMMITMENTS (EUR million)

| | 9/2010 | 9/2009 | change, % | 12/2009 |
|--------------------------------------|--------|--------|-----------|---------|
| Collateral given for own commitments | | | | |
| - Corporate mortgages | 29.3 | 29.3 | 0 | 29.3 |
| - Other mortgages | 0.0 | - | - | 45.2 |
| Other commitments | | | | |
| - Repurchase commitments | 142.9 | 119.3 | 20 | 106.4 |
| - Operating leases | 327.4 | 335.7 | -2 | 321.9 |
| - Rental guarantees for clients | 10.3 | 9.2 | 12 | 9.2 |
| - Other contingent liabilities | 4.3 | 0.6 | 617 | 0.4 |
| - Other guarantees | 5.2 | - | - | - |
| Liability under derivative contracts | | | | |
| - Value of underlying instruments | | | | |
| -- Interest rate derivatives | 304.7 | 213.8 | 43 | 362.3 |
| -- Currency derivatives | 247.0 | 131.2 | 88 | 83.5 |
| -- Commodity derivatives | 0.5 | - | - | - |
| - Market value | | | | |
| -- Interest rate derivatives | -10.6 | -6.7 | 58 | -5.9 |
| -- Currency derivatives | 9.2 | 1.9 | 384 | -9.4 |

| | | | | |
|--|---------|-------|----|-------|
| -- Commodity derivatives | 0.0 | - | - | - |
| YIT Corporation's guarantees on behalf of its subsidiaries | 1,191.2 | 956.5 | 25 | 943.3 |

TRANSACTIONS WITH ASSOCIATED COMPANIES (EUR million)

| | 1-9/2010 | 1-9/2010 | change, % | 1-12/2009 |
|-------------------------------------|----------|----------|-----------|-----------|
| Sales to associated companies | 1.2 | 4.0 | -70 | 1.3 |
| Purchases from associated companies | 0.2 | 1.6 | -88 | 0.2 |
| Trade and other receivables | 0.0 | 0.1 | -100 | 0.1 |
| Trade and other liabilities | 0.0 | 0.0 | - | 0.1 |

EVENTS AFTER THE REVIEW PERIOD

In the International Construction Services segment, YIT entered into an agreement on acquiring the Slovakian construction company Reding a.s. on August 12, 2010. Reding is a construction company focusing on residential and business premises construction. The company has 150 employees. The transaction was completed on October 7, 2010, after the Slovakian competition authorities had approved the share transaction and the other terms and conditions of the agreement had been fulfilled. YIT acquired a 70 percent holding in the company. YIT has additionally agreed to purchase the remaining 30 percent from the seller gradually by 2016. The seller will continue as the company's Managing Director.

Reding a.s. is consolidated into YIT Group from October 7, 2010, with a 100 percent share. According to preliminary calculations, the purchase price is approximately EUR 14.5 million and the fair value of the acquired net assets is approximately EUR 9.7 million. The remaining purchase price will be allocated to intangible assets and rights, and the transaction is not expected to result in goodwill.