



TRIPLA PROJECT
HELSINKI, FINLAND

Roadshow presentation

June 2019



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All 2018 figures are pro forma, please see slide 29 for additional information. Figures in brackets refer to comparison period unless otherwise stated.



1

YIT in a nutshell



YIT in brief

February 1, 2018

YIT and Lemminkäinen merged

10,000

employees

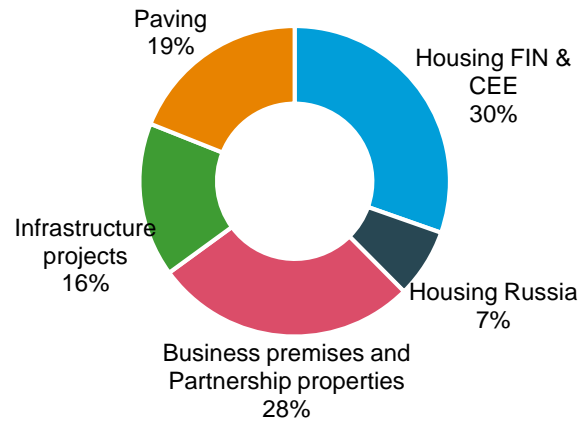
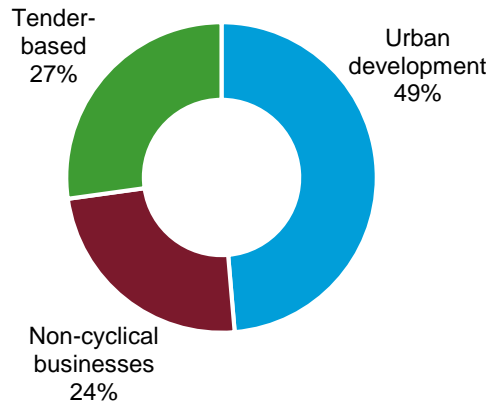
3.8 billion

EUR, pro forma revenue for 2018

11

operating countries

ILLUSTRATIVE REVENUE PER BUSINESS AND SEGMENT IN 2018*, %



Geographic revenue split, 2018

- Paving
- Infrastructure projects
- Business premises
- Partnership properties
- Housing

SCANDINAVIA
9% of total revenue
Nº of personnel: 757



FINLAND
70% of total revenue
Nº of personnel: 5,034



RUSSIA
9% of total revenue
Nº of personnel: 1,740



CEE COUNTRIES
4% of total revenue
Nº of personnel: 290



BALTIC COUNTRIES
8% of total revenue
Nº of personnel: 1,249



We offer the whole package



HOUSING FINLAND AND CEE

Revenue: 1.2 bn€
Adjusted operating profit: 103 M€

Development and construction of apartments and entire living areas, living services, for consumers and investors

Mainly self-developed but also contracting



HOUSING RUSSIA

Revenue: 300 M€
Adjusted operating profit: -33 M€

Development and construction of apartments and entire living areas, living services, for consumers and investors

Mainly self-developed but also contracting



BUSINESS PREMISES

Revenue: 1 bn€
Adjusted operating profit: 68 M€

Tailored office, retail, logistics, production, health and care premises, renovation services

Self-developed and contracting



INFRA-STRUCTURE PROJECTS

Revenue: 600 M€
Adjusted operating profit: -8 M€

Transportation infrastructure, industrial construction, water supply and power plants, excavation and reinforcement works

Contracting



PAVING

Revenue: 700 M€
Adjusted operating profit: 3 M€

Paving, production of mineral aggregates, stabilisation, crushing, water-proofing, road maintenance

Contracting



PARTNERSHIP PROPERTIES

Equity investments/ commitments: 164 M€
Adjusted operating profit: 27 M€

Financing and partial ownership of projects together with partners

Ownership of project in:
Business premises, Housing Finland and CEE, Infrastructure projects

The merger of YIT and Lemminkäinen, February 1st 2018

Merger rationale

1 | Strong platform for growth

- Target to become a leader in urban development
- More balanced business portfolio (housing, business premises, infrastructure projects, paving and partnership properties)
- Wider geographical presence in several economic regions

2 | Synergies and improved competitiveness

- Good references and wide pool of professional people
- Potential for profitability improvement
- Wider opportunities for specialisation and scale

3 | Improved financial position and reduced risk profile

- Counter cyclicity of businesses and geographies
- Lower financing costs
- Lower dependency on investment demand

4 | Enhanced investment case

- Significant market value, good liquidity of the share
- Balanced and improved risk profile
- Growing dividend expectation

Reasons to invest - Good outlook for 2019

1

Strong order backlog ~EUR 4.6 billion

- Diverse portfolio of businesses, over 60% of pro forma revenue in 2018 from non-housing segments

2

Potential for result improvement

- Synergy impact expected to be 45-50M€ by the end of 2020
- Three underperforming segments in 2018 – actions taken starting to show improvement
- Recognition of the remaining 38.75% of Mall Of Tripla's revenue and EBIT (total value 600M€) as well as fair valuation, rental income and potential capital gains

3

Wide plot portfolio (4 million sqm) and large project pipeline (EUR 4 billion)

4

Strong market position in all main markets



2

YIT's strategy 2019–2021



Megatrends driving growth and productivity



URBANISATION

- Urban development
- Public transportation connections
- Complex projects



DIGITALISATION

- Customer experience
- Higher productivity
- Utilisation of data



SUSTAINABILITY

- Circular and sharing economy
- Resource efficiency
- Re-vitalisation of urban areas

YIT Strategy 2019–2021 – Performance through cycles

Profitable and financially stable YIT

STRATEGIC PRIORITIES

URBAN DEVELOPMENT

Focus in self-developed, longer value chain and negotiation based projects

NON-CYCLICAL BUSINESSES

Annual EBIT EUR >100 million from non-cyclical businesses from 2019 on



CORNERSTONES OF SUCCESS

TOP PERFORMANCE

- Synergies EUR 40–50 million
- Focus on productivity improvement

CAPITAL EFFICIENCY

- Leaner operating model in Russia
- Annual free cashflow EUR +150 million

SUCCESS WITH CUSTOMERS AND PARTNERS

- Improving customer experience and NPS
- Deeper partnerships, higher value, more speed

HAPPY PEOPLE

- Common culture, open and involving way to lead
- Most preferred employer in the field

YIT Strategy 2019–2021 – Performance through cycles

Profitable and financially stable YIT

STRATEGIC PRIORITIES

URBAN DEVELOPMENT 2018

Revenue EUR 1,855 million
Adjusted EBIT EUR 146 million

NON-CYCLICAL BUSINESSES 2018

Revenue EUR 921 million
Adjusted EBIT EUR 35 million

TENDER-BASED CONTRACTING 2018

Revenue EUR 1,037 million
Adjusted EBIT EUR -21 million



CORNERSTONES OF SUCCESS

TOP PERFORMANCE

EUR 19 million of realised synergies during 2018

CAPITAL EFFICIENCY

Capital employed EUR 319 million in Russia on 12/2018 (397)

SUCCESS WITH CUSTOMERS AND PARTNERS

52% Net Promoter Score in 2018

HAPPY PEOPLE

Exit rate (own request) 3.8% in 2018

Examples of urban development projects

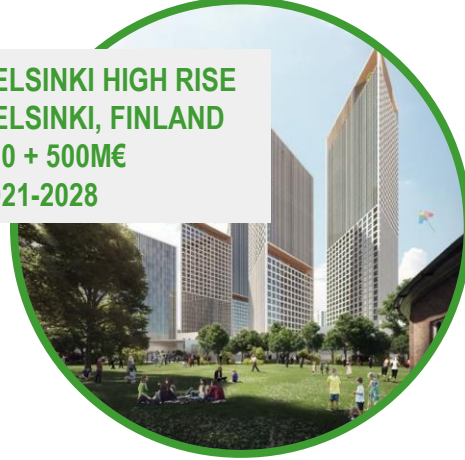
ONGOING PROJECTS

TRIPLA
HELSINKI, FINLAND
1.4BN€
2014-2020



FUTURE PROJECTS

HELSINKI HIGH RISE
HELSINKI, FINLAND
500 + 500M€
2021-2028



CAMPUS MARIA
HELSINKI, FINLAND
300M€
2021-2024



PLANNED PROJECTS

GARDEN HELSINKI
HELSINKI, FINLAND



KEILANIEMENRANTA
ESPOO, FINLAND
800M€
2018-2023



JOKERI LIGHT RAIL
HELSINKI, FINLAND
300M€
2019-2022



JOKERIKORTTELI
HELSINKI, FINLAND

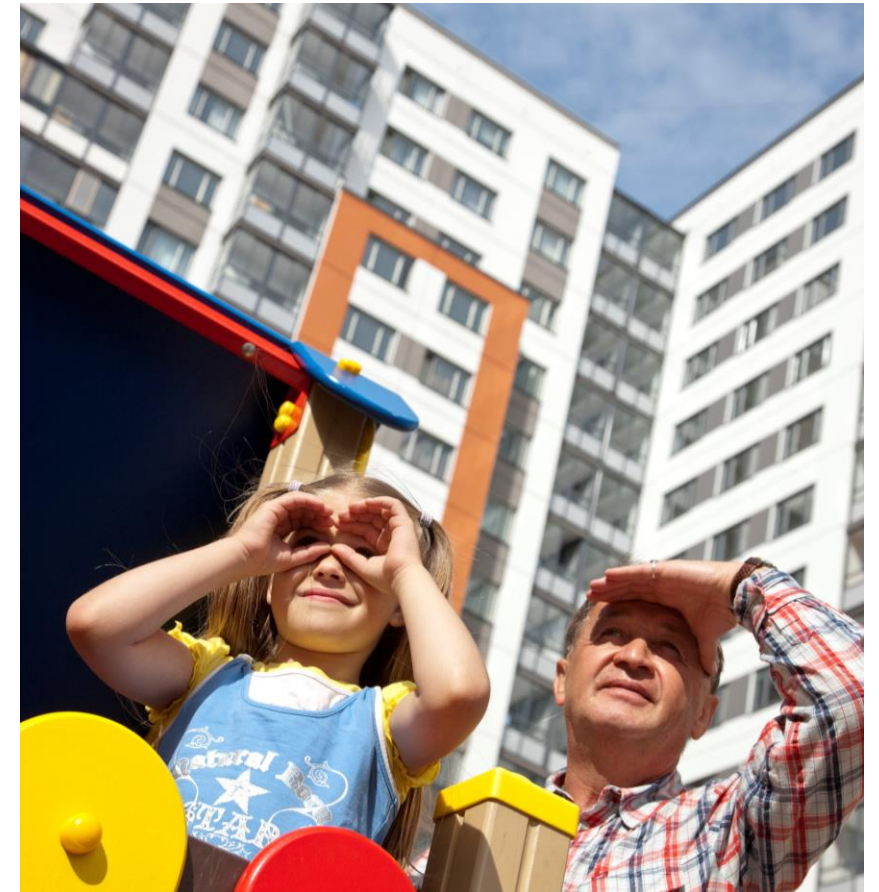


ISTROPOLIS AREA
DEVELOPMENT
BRATISLAVA,
SLOVAKIA

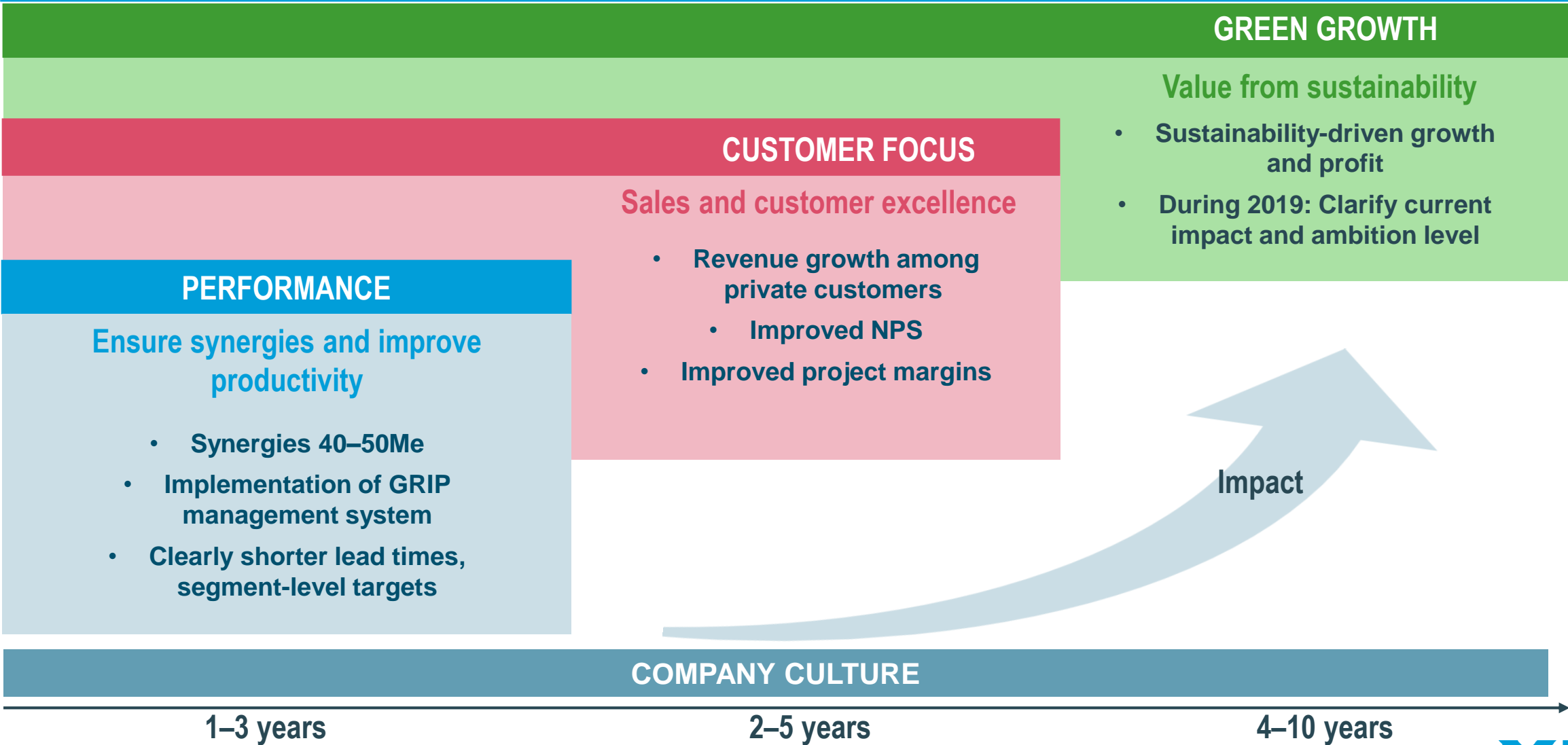


Strategic financial targets 2019–2021

Financial target	Long-term target level
ROCE-%	>12%
Gearing	30–50%
Dividend per share	Growing annually



Implementation by strategic development programmes



KEY ELEMENTS OF YIT CULTURE

VALUES

RESPECT

- We care about our customers and personnel
- We look for environmentally sustainable solutions

COOPERATION

- We are open and share knowledge
- We involve and partner to succeed

CREATIVITY

- We trust and build a positive spirit
- We empower people to innovate and challenge

PASSION

- We aim high with quality, expertise and results
- We work ethically and keep our promises



LEADERSHIP PRINCIPLES

- Act as one YIT team
- Lead by example
- Welcome change and new ideas
- Be available, listen and ask
- Celebrate success and learn from mistakes

MANAGEMENT PHILOSOPHY

- Management By Key Results, MBKR

3

Group development in Q1/2019



Q1 in brief

**Paving's and
Housing
Russia's
result
improvements**

+19.6

EUR million
combined adjusted operating
profit improvement

**Synergies
realised
faster than
estimated**

25

EUR million realised
cumulative synergies by
the end of Q1/2019

**Good cash
flow
considering
seasonality**

-3

EUR million
operating cash flow
after investments
(-153)

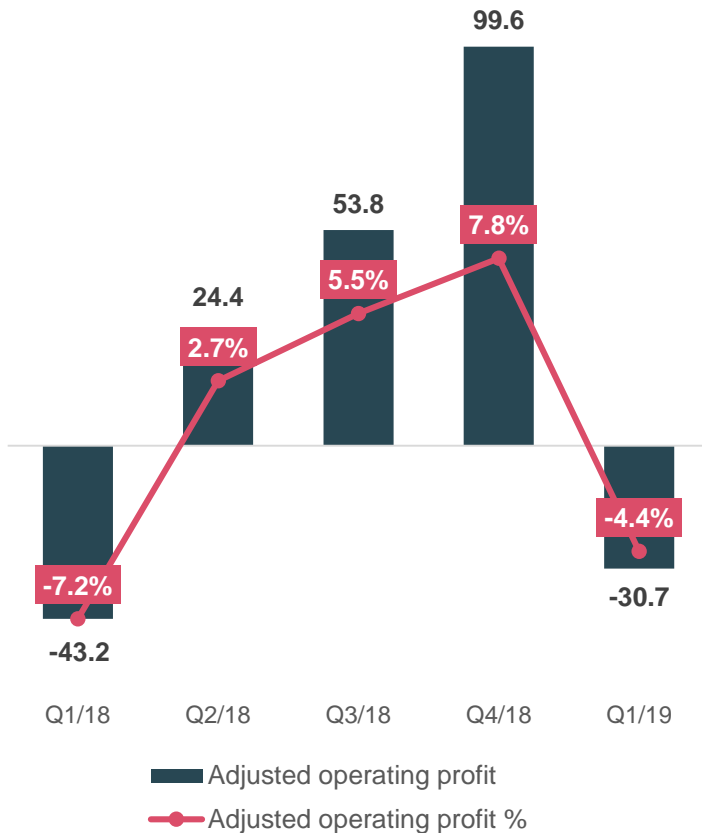
**Strong order
backlog**

4,556

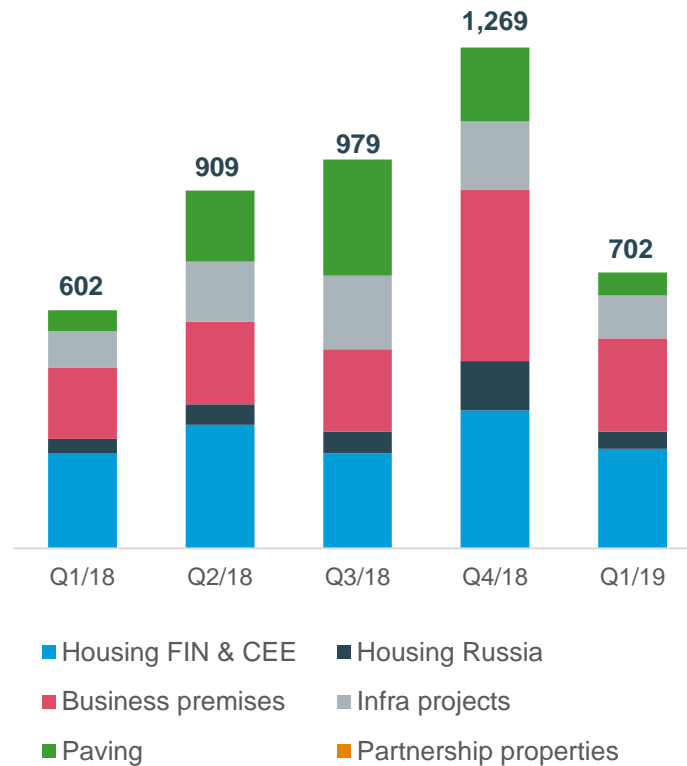
EUR million order
backlog on 31 March
(31 Dec 18: 4,434)

Positive development in key figures

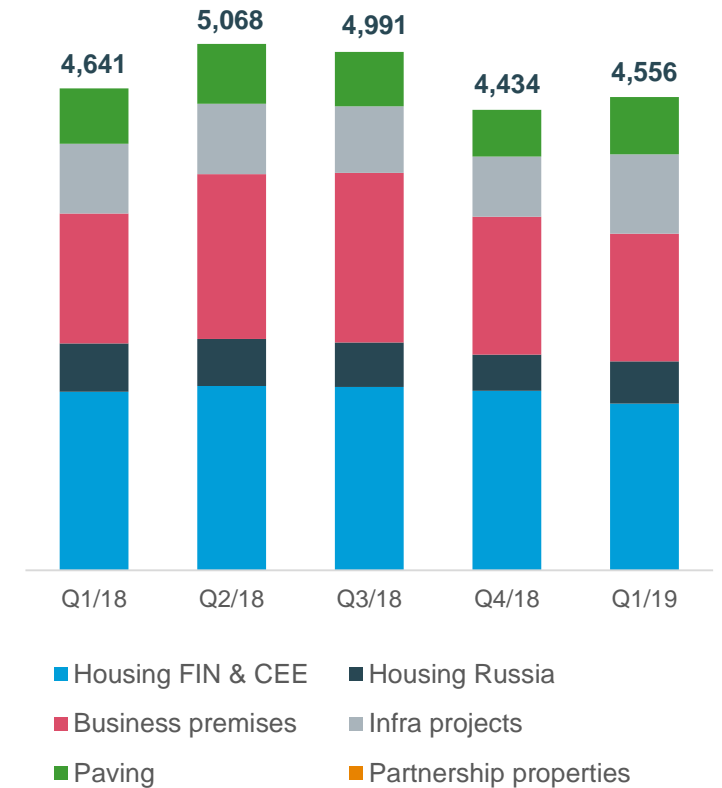
ADJUSTED OPERATING PROFIT, EUR million, %



REVENUE PER SEGMENT, EUR million

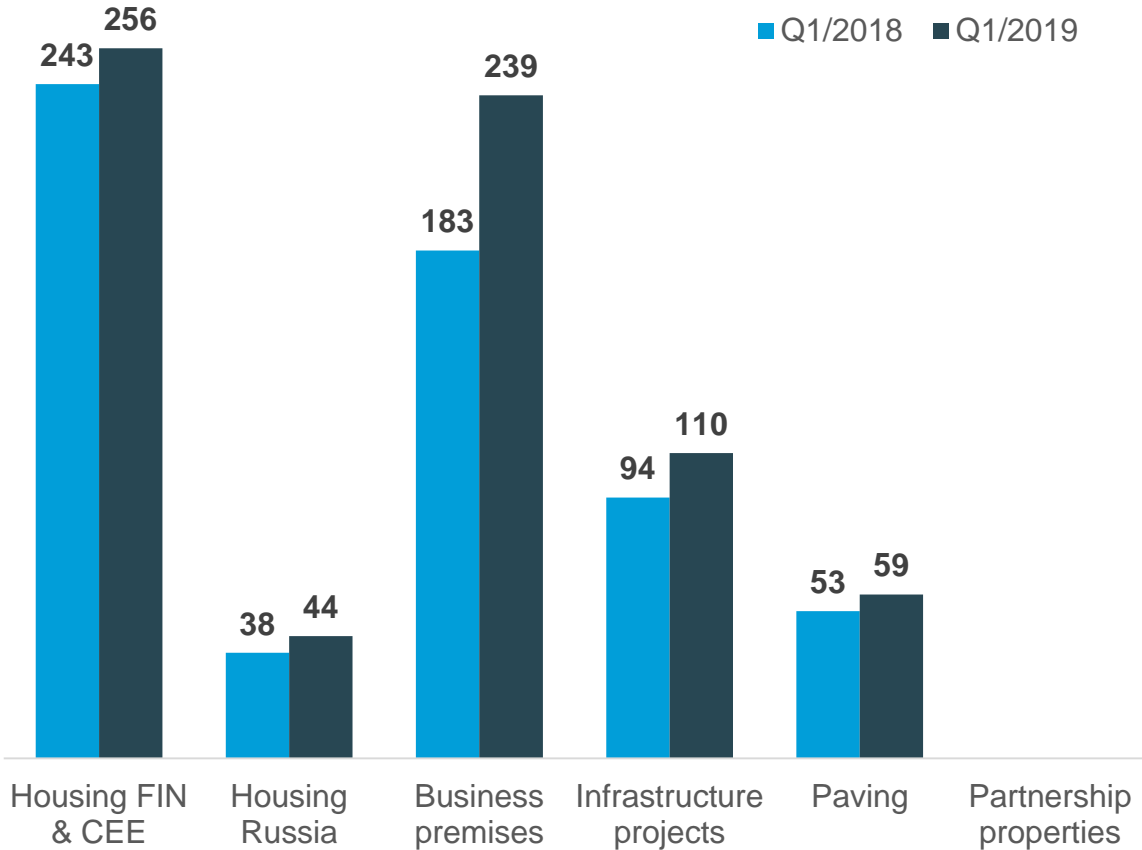


ORDER BACKLOG PER SEGMENT, EUR million

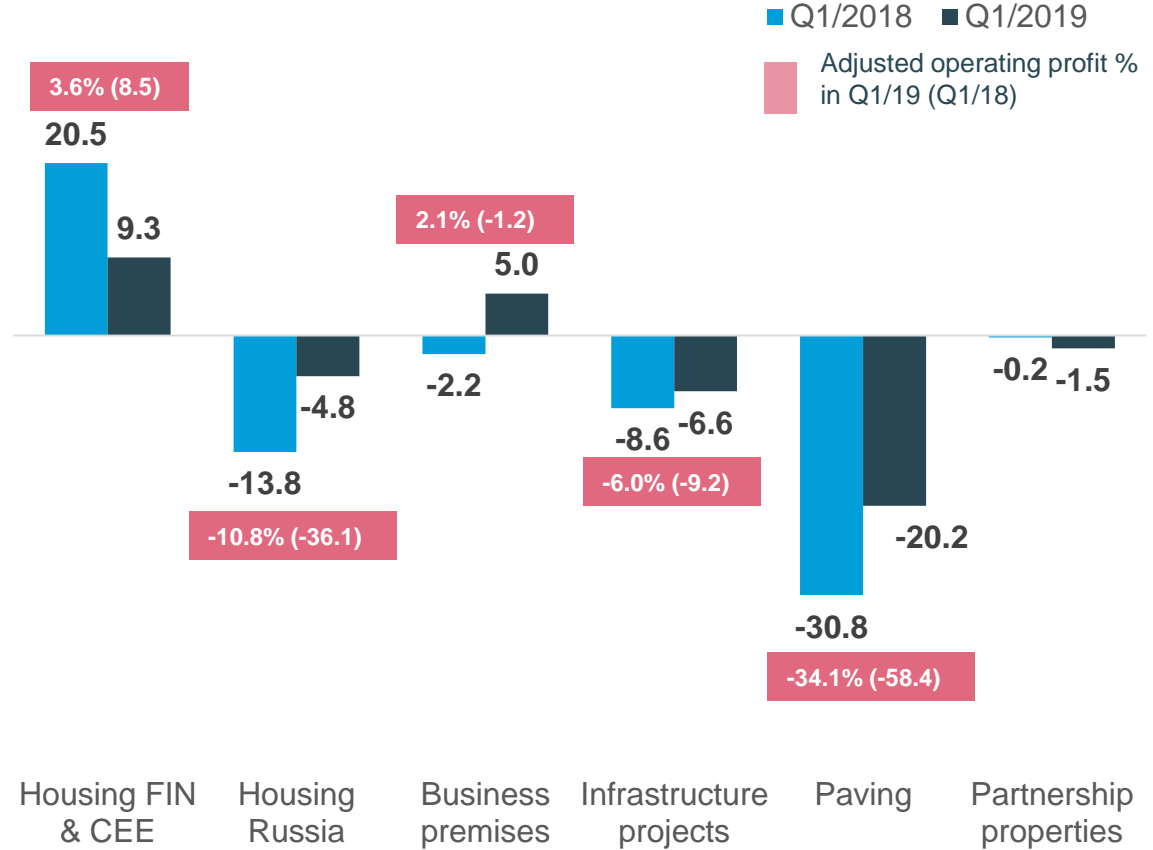


Performance by segment in Q1

REVENUE PER SEGMENT, EUR million

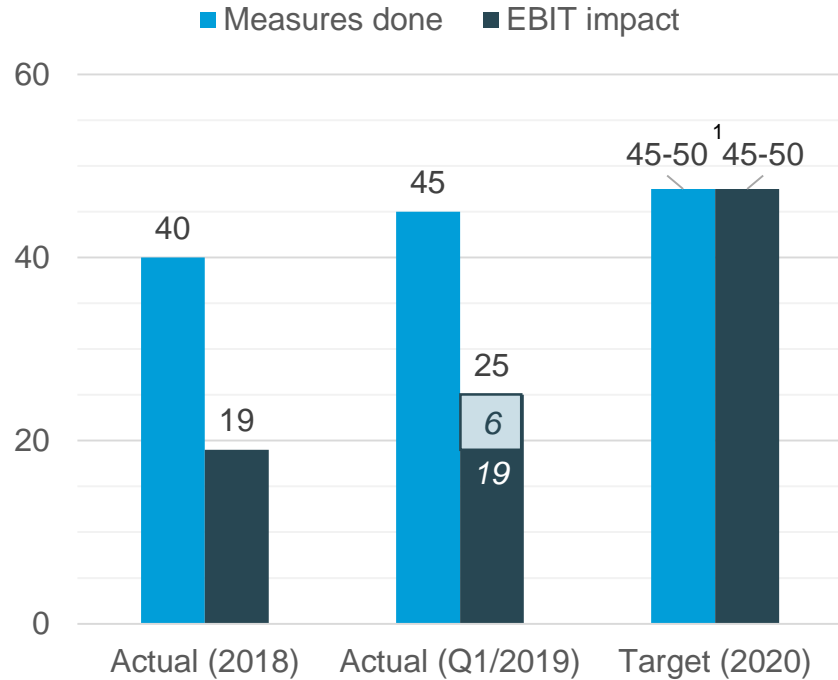


ADJUSTED OPERATING PROFIT PER SEGMENT, EUR million, %

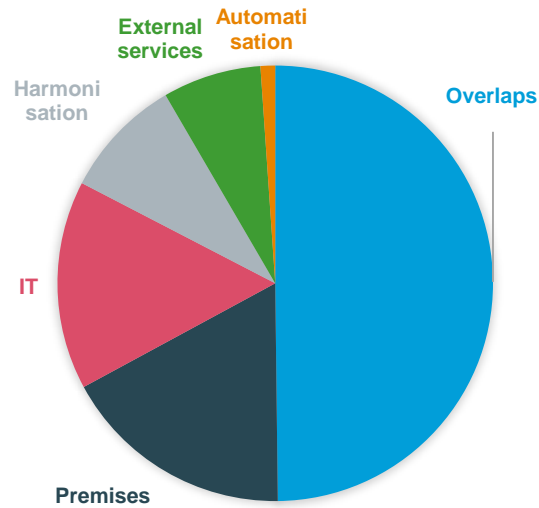


Synergies and integration costs

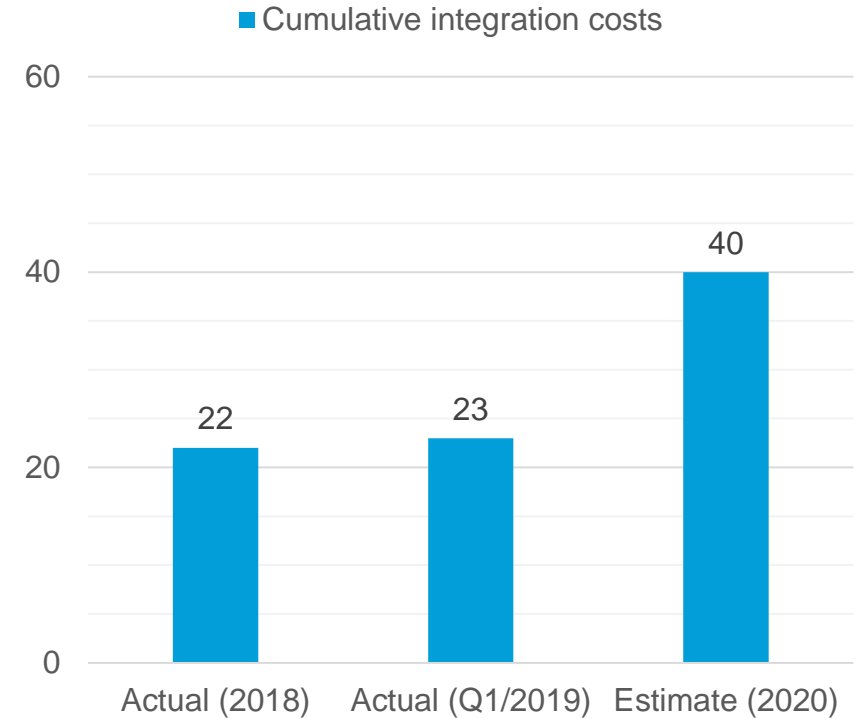
CUMULATIVE SYNERGIES



MAIN SOURCES OF SYNERGIES



INTEGRATION COSTS²



Additional synergy benefits expected from refinancing

¹ According to the original target, full EBIT improvement potential per annum by the end of 2020, original target was set in June 2017. The target was raised in connection with Interim Report January–March 2018.

² Integration costs for 2017, EUR 4 million included in the cumulative figure

Market outlook for the next 12 months

	Housing Finland and CEE	Housing Russia	Business premises	Infrastructure projects	Paving	Partnership properties
Finland	●		●	●	● → ●	●
Russia		●			●	
<i>The CEE countries</i>						
The Baltic countries	●		●	●	●	●
The Czech Republic, Slovakia, Poland	●		●			●
<i>Scandinavia</i>						
Sweden				●	●	
Norway				●	●	
Denmark					●	

● Weakened outlook compared to the past 12 months' development

● Unchanged outlook compared to the past 12 months' development

● Improved outlook compared to the past 12 months' development

4

Segment reviews



Housing Finland and CEE

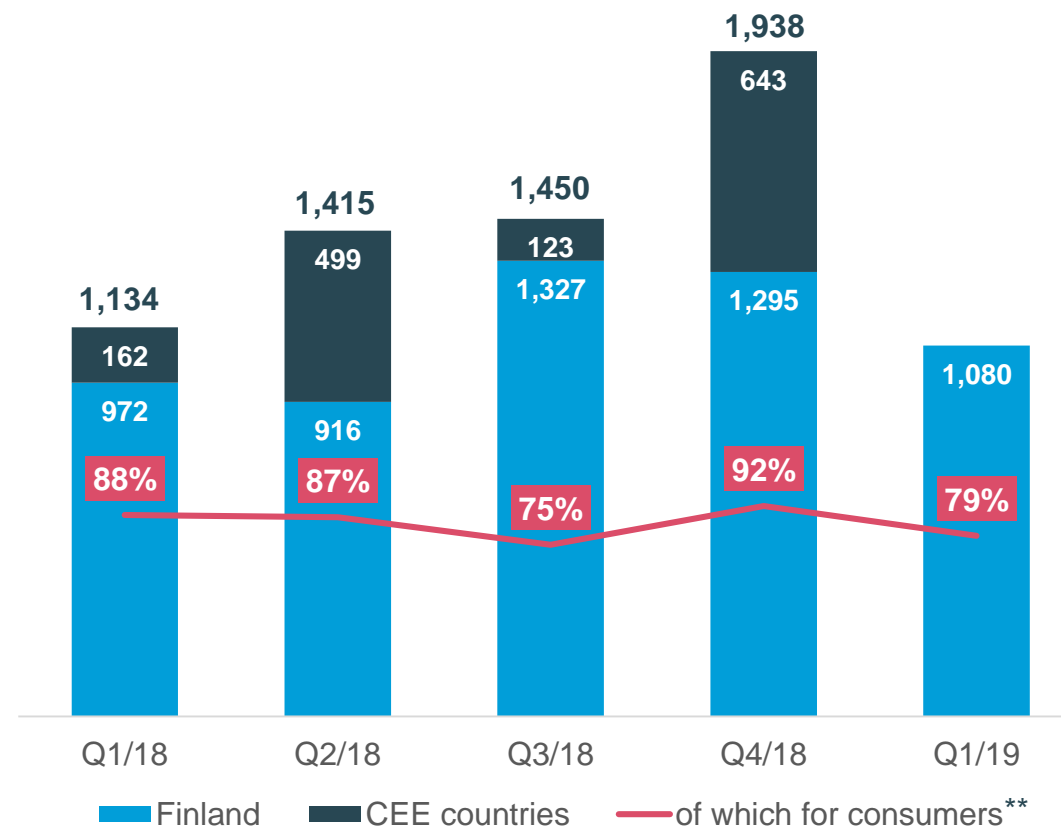
Risk level adjusted for current demand

- Operating profit declined due to no completions in the CEE countries and a lower year-on-year number of completed apartments in the Helsinki metropolitan area.
- The segment sold almost 600 completed apartments or apartments in the final stage of construction in Finland to a new joint venture partly owned by YIT.
 - The revenue impact was approximately 40 M€ and it had a weakening impact on profitability.
- Number of unsold completed units at the end of the period was 216 in Finland (12/18: 422) and 73 in CEE countries (12/18: 130).

EUR million	Q1/2019 reported	Q1/2018 pro forma
Revenue	256	243
Adjusted operating profit	9.3 (3.6%)	20.5 (8.5%)
Order backlog	1,607	1,720
Capital employed	679	571*)

* Reported, excl. IFRS 16 impact

COMPLETED APARTMENTS, units



** Includes projects in the CEE sold to YCE housing I fund that is reported in the Partnership properties segment

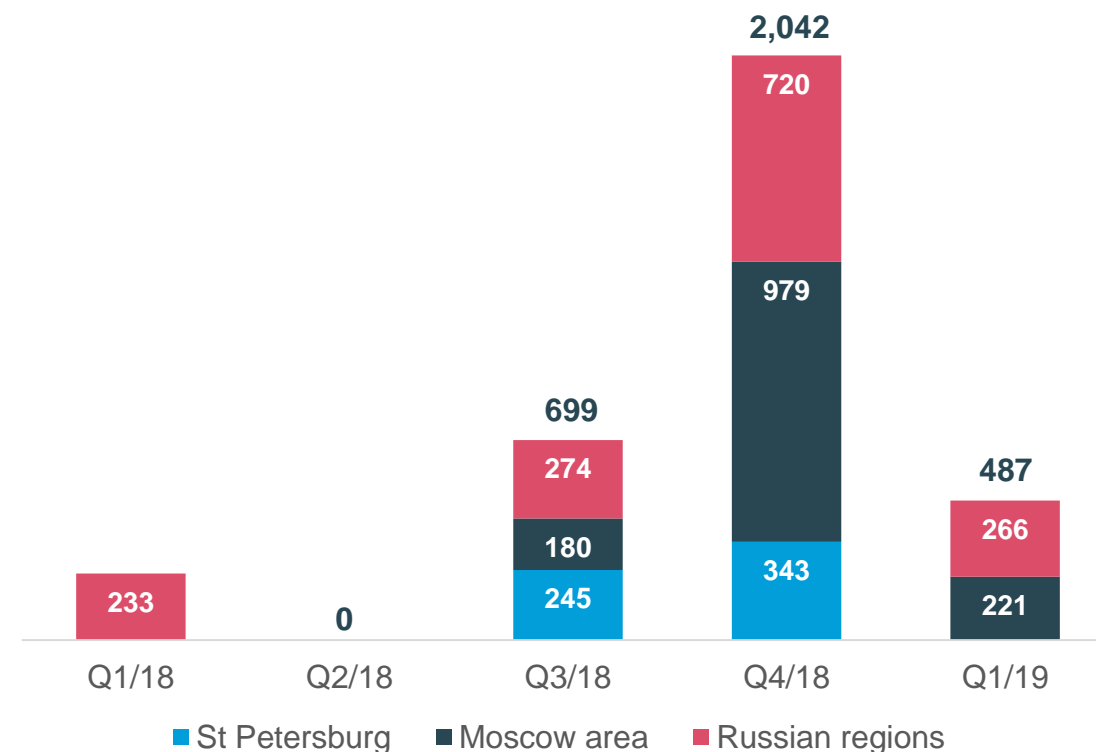
Low result, but better performance in contracting

- Weak comparison period due to project write-down in contracting.
- Revenue increased due to higher year-on year number of completed apartments.
- Number of unsold completed units at the end of the period was 584 (12/18: 683).
- The majority of completions in 2019 will be in Q4/2019.

EUR million	Q1/2019 reported	Q1/2018 pro forma
Revenue	44	38
Adjusted operating profit	-4.8 (-10.8%)	-13.8 (-36.1%)
Order backlog	405	466
Capital employed	314	393*)

* Reported, excl. IFRS 16 impact

COMPLETED APARTMENTS, units



Business premises

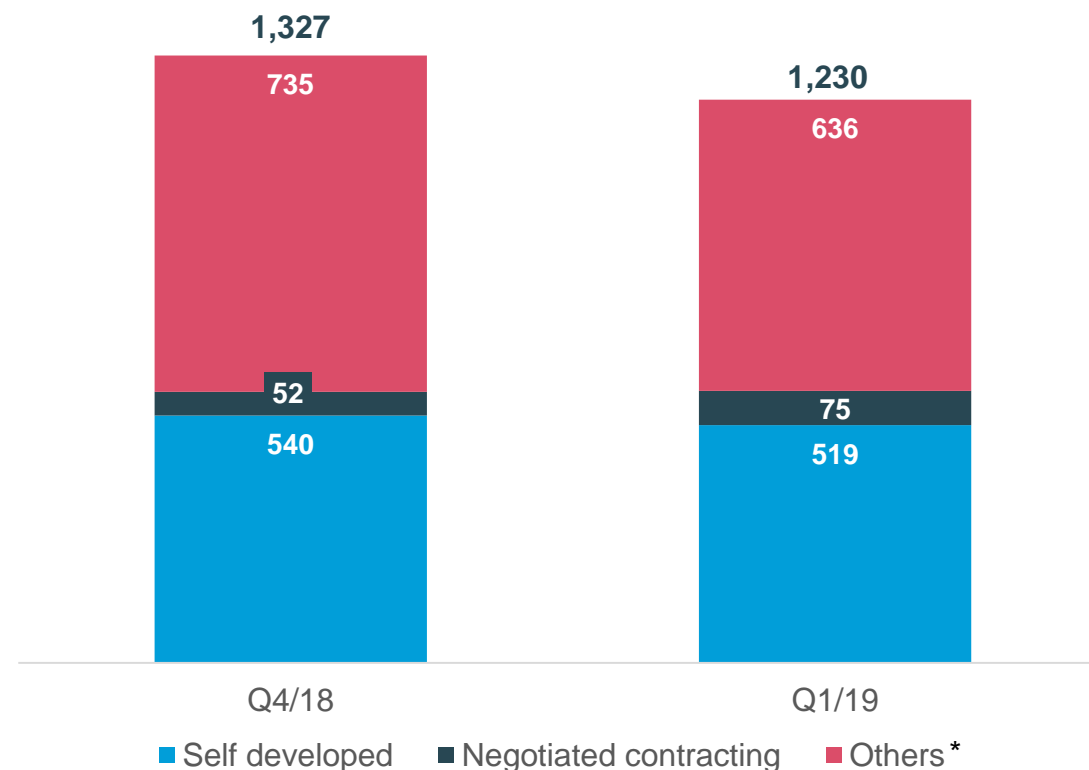
Major projects boosted revenue and operating profit

- Revenue and operating profit improved mainly due to higher renovation volumes as well as the start of Tripla offices' revenue and profit recognition.
- Operating profit was also supported by overall higher year-on-year margins.
- Large projects such as Tripla progressed as planned.
- Several projects won during Q1, not yet in order backlog.

EUR million	Q1/2019 reported	Q1/2018 pro forma
Revenue	239	183
Adjusted operating profit	5.0 (2.1%)	-2.2 (-1.2%)
Order backlog	1,230	1,250
Capital employed	65	122*)

* Reported, excl. IFRS 16 impact

ORDER BACKLOG BY PROJECT TYPE, EUR million



* Includes tender-based projects as well as lifecycle projects and their service agreements.

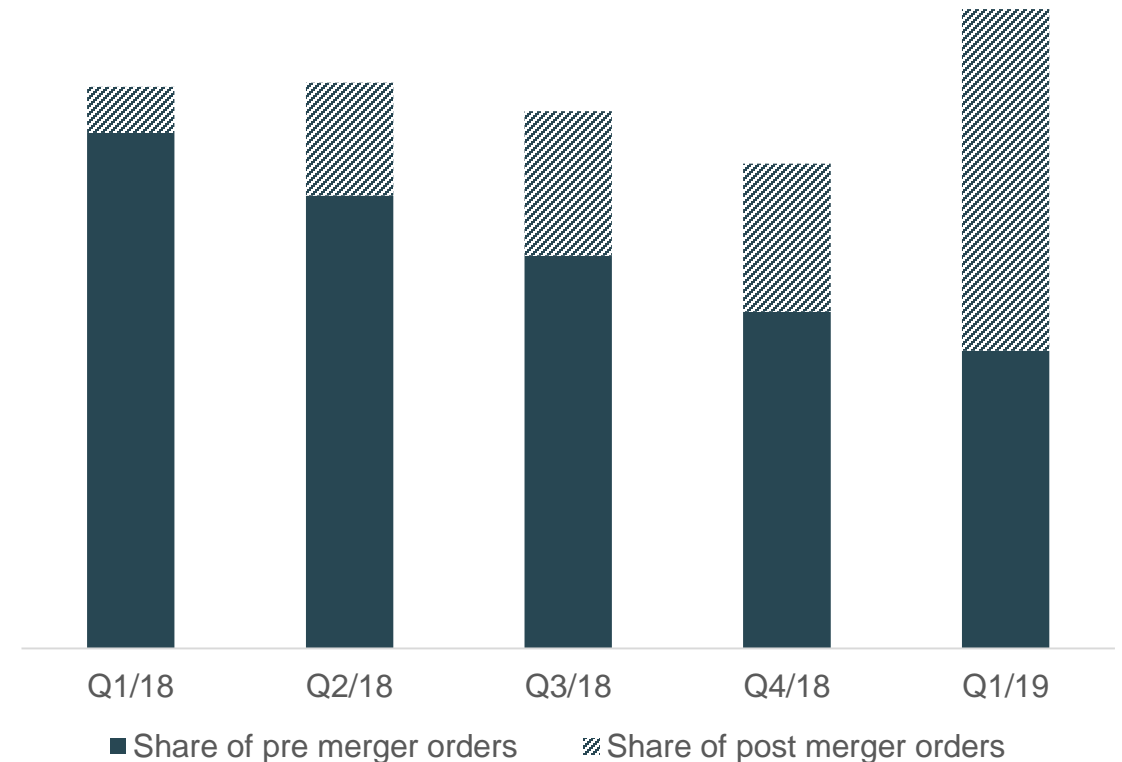
Positive development in order backlog and margins of new projects

- Revenue increased due to higher year-on-year volumes.
- Operating profit improved, but the result was still burdened by low margin level of old projects.
- Positive development in order backlog and margins of new projects during the quarter. New orders won during Q1 will be started in Q2.

ORDER BACKLOG AND ILLUSTRATIVE SHARE OF POST MERGER ORDERS, EUR million

EUR million	Q1/2019 reported	Q1/2018 pro forma
Revenue	110	94
Adjusted operating profit	-6.6 (-6.0%)	-8.6 (-9.2%)
Order backlog	765	672
Capital employed	83	98 ^{*)}

* Reported, excl. IFRS 16 impact



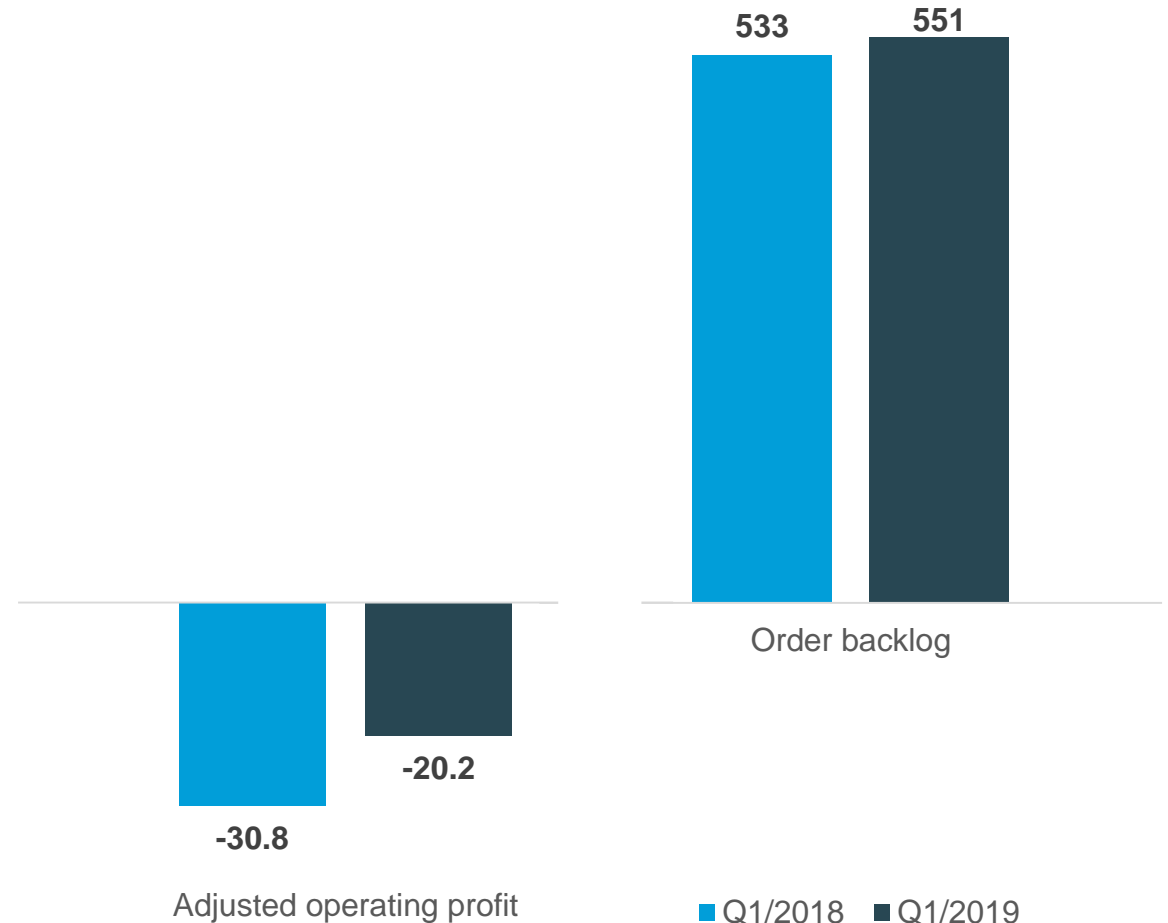
Paving Efficiency measures improved result

- Operating profit improved due to better results in Sweden and Norway where sizeable measures were taken in 2018 to improve operational efficiency and decrease winter planning costs.
- Revenue grew slightly due to increased volumes in road maintenance.
- Strong order inflow during the quarter in all Nordic countries.

EUR million	Q1/2019 reported	Q1/2018 pro forma
Revenue	59	53
Adjusted operating profit	-20.2 (-34.1%)	-30.8 (-58.4%)
Order backlog	551	533
Capital employed	167	143*)

* Reported, excl. IFRS 16 impact

ADJUSTED OPERATING PROFIT AND ORDER BACKLOG, EUR million



Partnership properties

A new joint venture established

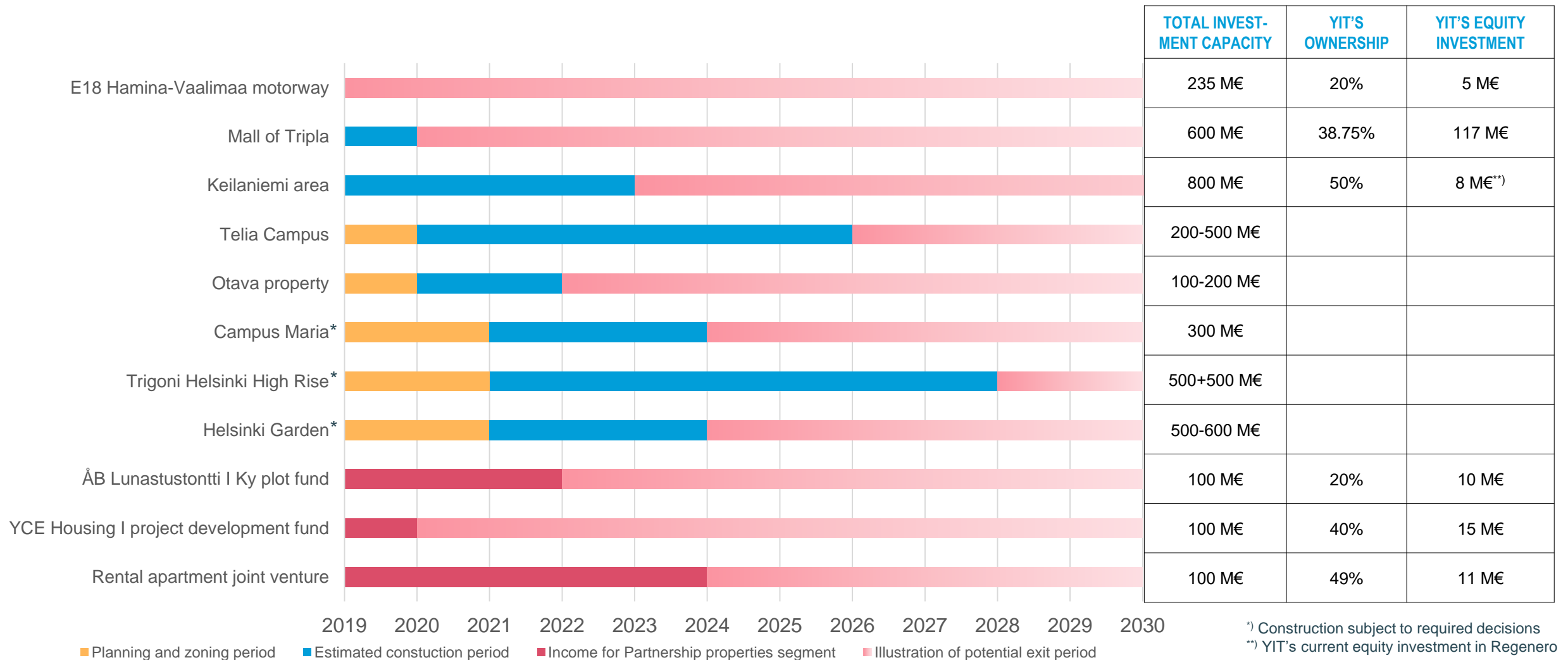
- During Q1, YIT established a new joint venture investing in rental apartments YIT has constructed in Finland. The investors in the joint venture are YIT (49%) and a group of Finnish private investment companies.
- The transaction strengthened the investments of the segment in rental housing generating stable cash flow. It enables YIT to speed up capital turnover, while keeping a value upside on the portfolio.
- The occupancy rate of the Mall of Tripla was 90% at the end of period.

EUR million	Q1/2019 reported	Q1/2018 pro forma
Adjusted operating profit	-1.5	-0.2
Capital employed	150	137*)

* Reported, excl. IFRS 16 impact



Partnership properties project portfolio and estimated timelines



Mall of Tripla in a nutshell

Housing
Completed Q1-Q3/2020

1

Office, Workery West
SOLD 100% 12/2018
Completed Q1/2020

Office, Workery East
SOLD 100% 12/2018
Completed Q1/2020

Office, Workery East
SOLD 100% 12/2018
Completed Q1/2020

Hotel, Exilion
SOLD 100% 6/2017
Completed Q1/2020

Pasila Station (Mall of Tripla)
SOLD 61.25% 6/2016
Opening Q4/2019

Mall of Tripla and Parking
JV company:
Ilmarinen 38.75%, YIT 38.75%,
Conficap 15%, Fennia 7.5%
Opening Q4/2019
Occupancy rate 90% at 3/2019

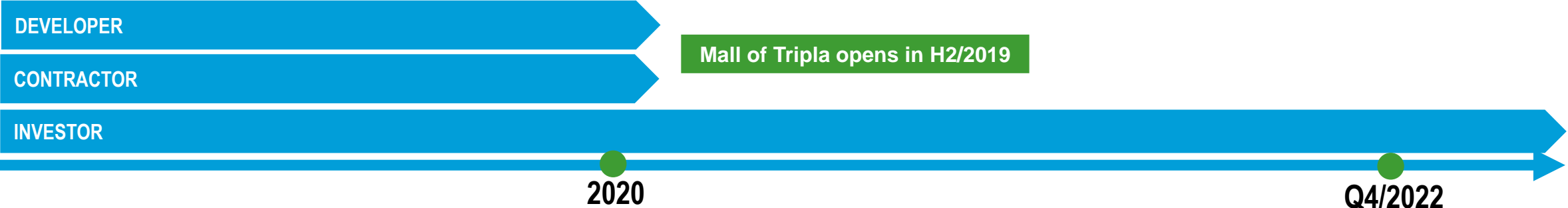
Tripla project in brief

- Total cost estimate EUR 1.1 billion
- Hybrid project: offices, shopping centre, parking facilities, hotel, public transportation hub and apartments
- Total construction time 6 years
- Located in Pasila, 3.5 km away from the Helsinki Central Railway Station
- Connection point for all rail traffic in HMA
- Daily people flow through Pasila railway station ~80,000
- Over 30% of Finns live within a 30-minute drive from Tripla



Revenue recognition structure and timeline in Mall of Tripla

YIT ROLE FROM DEVELOPER-CONTRACTOR TO INVESTOR



CURRENT RECOGNITION

61.25% according to construction

Of contract revenue and profit (in Business premises)

YIT has option to decrease YIT's ownership to **20%** (in Partnership properties)

RECOGNITION IN Q4/2019

Remaining 38.75% in one recognition

Of contract revenue and profit (in Business premises)

Fair valuation starts (in Partnership properties)

RECOGNITION AFTER Q4/2019

Profit generated from three sources (in Partnership properties)

- Rental income through JV ownership
- Fair value changes
- Capital gains, option to lower ownership down to 20%

FULL PROFIT CAN BE REALISED FROM Q4/2022

YIT is free to divest fully ownership from Q4/2022 onwards (in Partnership properties)

- Mall of Tripla JV has funding in place till Q2/2028
- Long-term funding allows YIT to divest its ownership fully at optimal time between 2023-2028

5

Financial position and key ratios



Impact of the IFRS 16 adoption in 2019 for YIT

ESTIMATED ANNUAL IMPACT ON INCOME STATEMENT

	IFRS 16 impact
Revenue	No material impact
EBITDA	+45 M€
Operating profit	+10 M€
Profit before tax	-7 M€
Profit for the period	-6 M€
EPS	EUR -0.03

The figures above describe the estimated annual impact and are based on current estimates that are subject to possible changes.

IMPACT ON BALANCE SHEET ON 1 JAN 2019

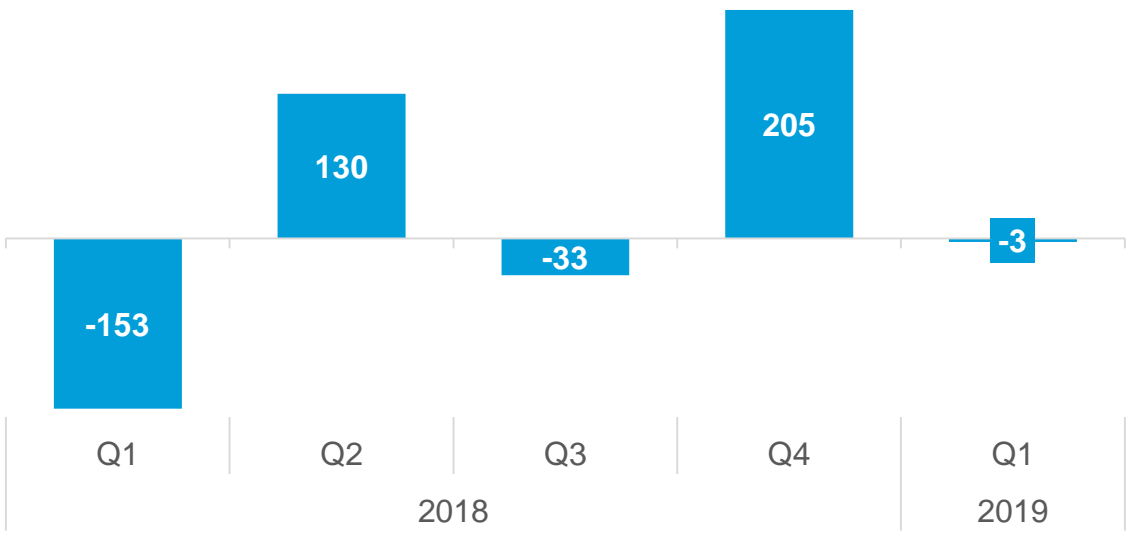
	IFRS 16 impact
Assets	+306 M€
Property plant and equipment	-19 M€
Leased property, plant and equipment	+138 M€
Leased inventories	+187 M€
Liabilities	+306 M€
Borrowings, non-current	-10 M€
Lease liabilities, non-current	+245 M€
Borrowings, current	-8 M€
Lease liabilities, current	+73 M€
Advances received	+14 M€
Provisions	-8 M€

The figures above describe the impact to the opening balance sheet on 1 Jan 2019.

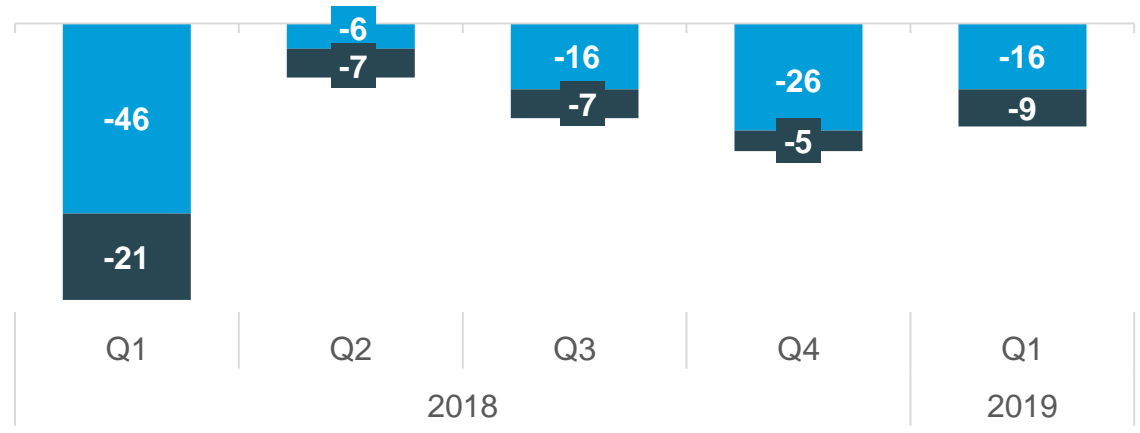
Good operating cash flow considering seasonality

- Operating cash flow in Q1 after investments was EUR -3 million (-153) supported by Housing Finland and CEE

OPERATING CASH FLOW AFTER INVESTMENTS, EUR million



CASH FLOW OF PLOT INVESTMENTS AND INVESTMENTS TO ASSOCIATED COMPANIES AND JOINT VENTURES, EUR million



■ Cash flow from investments to associated companies and joint ventures
■ Cash flow from plot investments

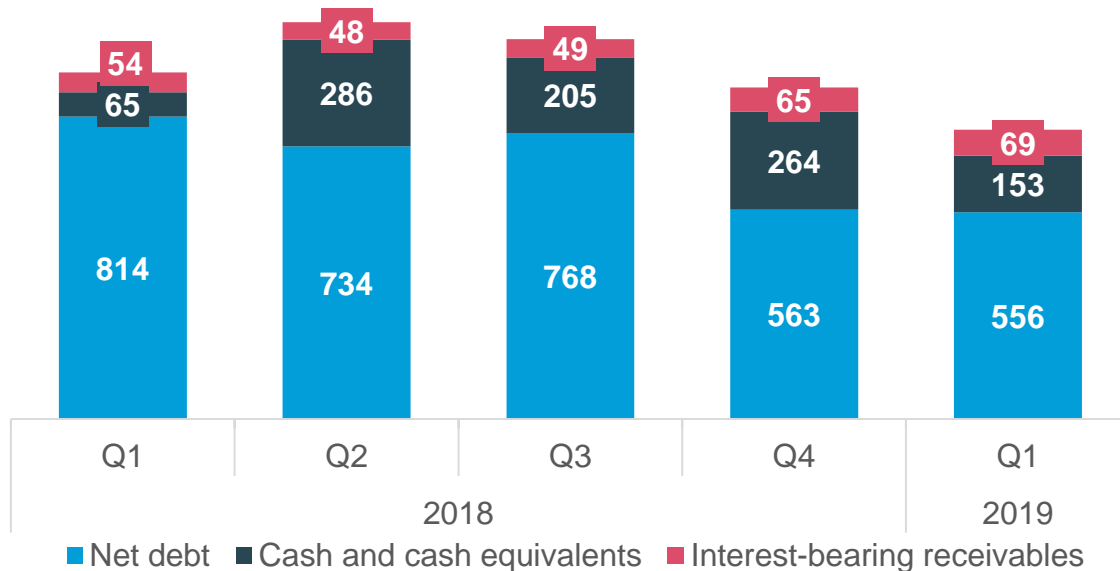
Figures are actual reported figures.



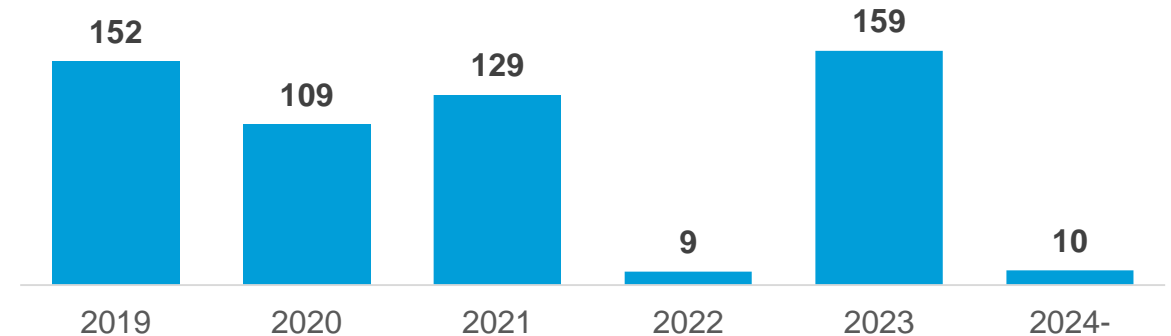
Adjusted net debt stable compared to 12/2018

- In order to improve comparability between quarters, the company has excluded the IFRS 16 impact from the graphs below
- Adjusted net debt amounted to EUR 556 million

ADJUSTED NET INTEREST-BEARING DEBT¹, EUR million



MATURITY STRUCTURE, NOMINAL AMOUNTS¹, EUR million



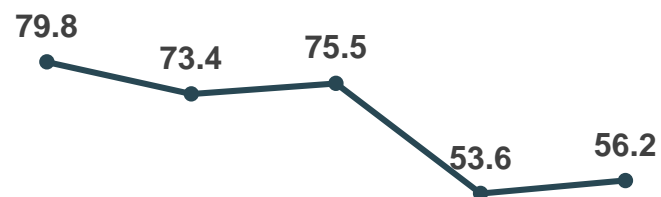
¹ Excluding housing corporation loans, EUR 210.5 million (these loans will be transferred to the buyers of the apartments when the units are handed over), and IFRS 16 lease liabilities, 312.7 EUR million.

¹ Excluding IFRS 16 lease liabilities, 312.7 EUR million. Finance lease liabilities are included in lease liabilities as of 1.1.2019.

Adjusted financial key ratios

- In order to improve comparability between quarters, the company has excluded the IFRS 16 impact from the graphs below.
- The adoption of the IFRS standard 16 will not have an impact on the company's gearing target of 30-50% by the end of the strategy period.

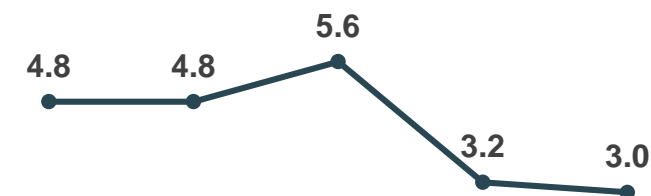
ADJUSTED GEARING¹, %



ADJUSTED EQUITY RATIO¹, %



ADJUSTED NET DEBT¹ / ADJUSTED PRO FORMA EBITDA (multiple, x)



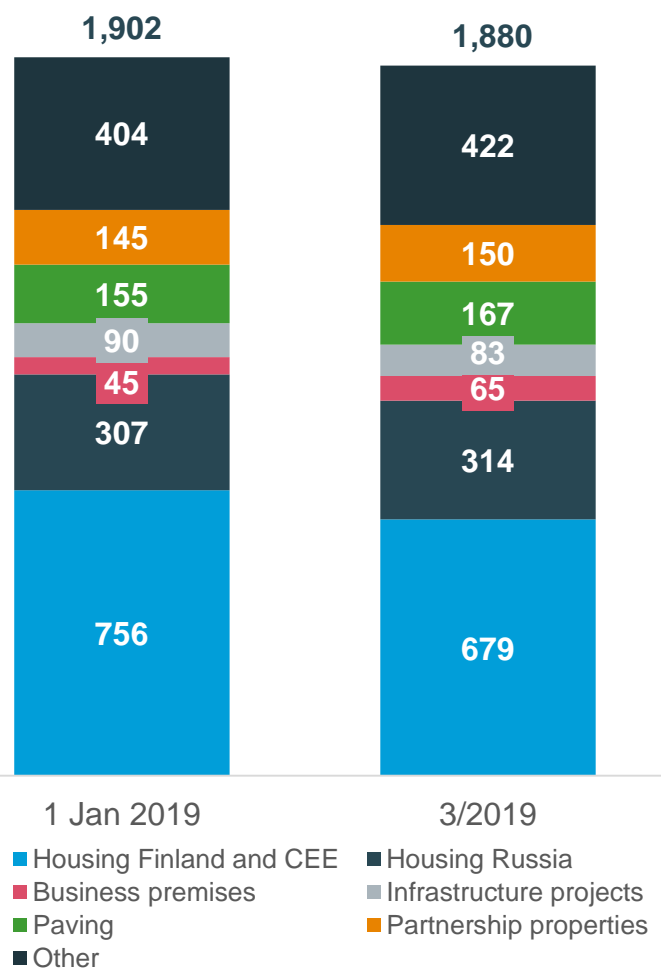
Q1	Q2	Q3	Q4	Q1
2018				2019

Q1	Q2	Q3	Q4	Q1
2018				2019

Q1	Q2	Q3	Q4	Q1
2018				2019

¹ Excluding IFRS 16 impact in 2019 figures. 2018 figures are reported figures.

Capital employed by segment



The impact of the IFRS 16 standard implementation on capital employed on 1 Jan 2019

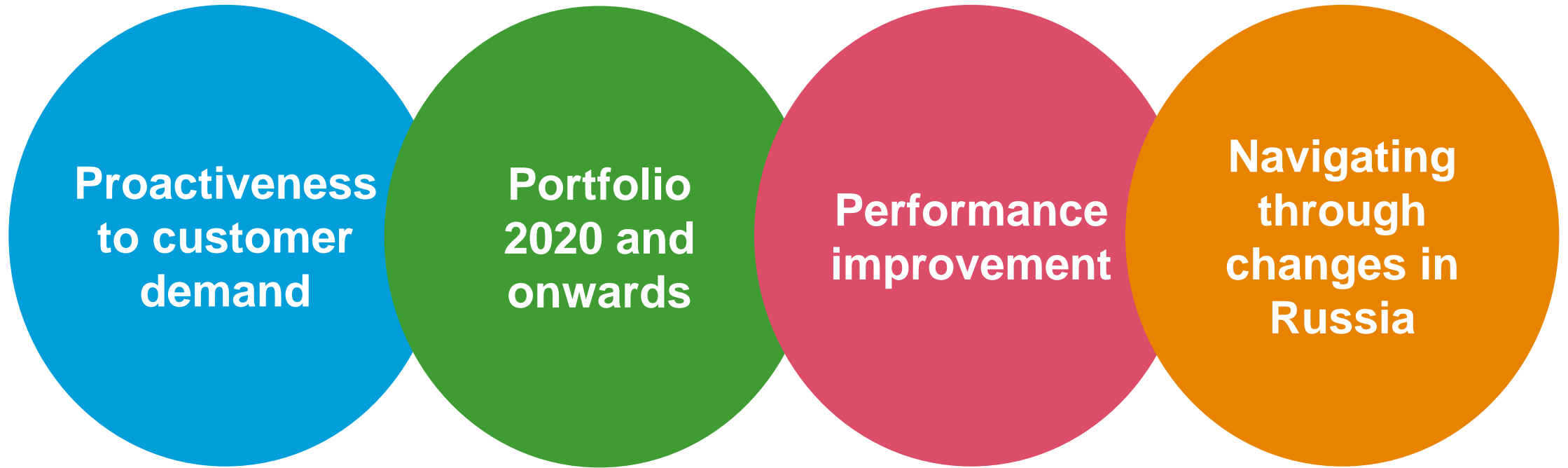
Capital employed, M€	Housing FIN & CEE	Housing Russia	Business premises	Infra projects	Paving	Partnership properties	Other and eliminations	Group, IFRS
31/12/2018	584.9	294.3	38.2	83.0	123.7	145.0	332.1	1,601.2
IFRS 16 impact of adoption	170.8	13.0	6.4	7.2	31.7	0.0	71.5	300.6
1/1/2019	755.7	307.3	44.6	90.2	155.4	145.0	403.6	1,901.8

6

Outlook and guidance



Strategic focus areas in 2019



Estimated completions of consumer apartment projects under construction

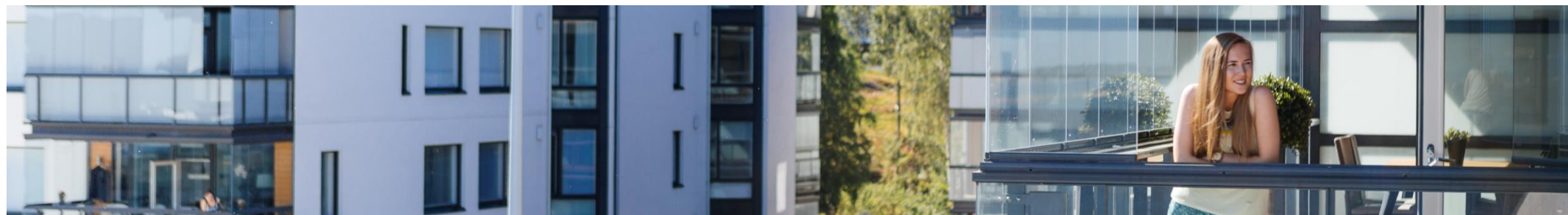
Apartments under construction in total on March 31, 2019: 13,350. The table below shows the company's current estimate of completed consumer apartment projects under construction. In addition, the company has 2,364 apartments (12/18: 1,429) that are recognised in accordance with percentage of completion. The timing of the commissioning permit may deviate from the technical completion of a building, and the company cannot fully influence the reported completion date. Also other factors may influence the completion date.

	FY 2018 Actual	Q1/2019 Actual	Q2/2019 Estimate	Q3/2019 Estimate	Q4/2019 Estimate	Q1/2020 Estimate	Later
Finland ¹	3,657	858	1,000	300	600	400	1,305
CEE ²	1,427	0	500	700	400	200	905
Russia ³	2,974	437	400	600	2,400	400	1,760
In total	8,058	1,295	1,900	1,600	3,400	1,000	3,970

¹ In Finland, the estimate of completions may deviate with tens apartments depending on the construction schedule.

² In CEE countries, the estimate of completions may vary with tens apartments, a deviation of over 100 apartments is possible depending on authorities' decisions. The figure includes projects sold to YCE housing fund I.

³ In Russia, the estimate of completions may vary with hundreds apartments, a deviation of over 500 apartments is possible depending on authorities' decisions.



Guidance for 2019

The Group revenue 2019 is estimated to be in the range of +5% – -5% compared to revenue 2018 (pro forma 2018: EUR 3,759.3 million).

In 2019, the adjusted operating profit¹ is estimated to be EUR 170–230 million (pro forma 2018: EUR 134.5 million).

GUIDANCE RATIONALE

- The guidance for 2019 is based, among others, on the completion of Mall of Tripla in the last quarter, the estimated timing of completion of the residential projects under construction and the company's solid order backlog. At the end of March, 73% of the order backlog was sold.
- Significant fluctuation is expected between the quarters due to normal seasonal variation, sales of business premises projects and the timing of completions of residential projects as well as Mall of Tripla. As in 2018, the last quarter of the year is expected to be clearly the strongest.
- The company estimates that the adjusted operating profit for the second quarter of 2019 will improve slightly from the comparison period (pro forma).

¹ The adjusted operating profit reflects the result of ordinary course of business and does not include material reorganisation costs, impairment charges or other items affecting comparability. Adjusted operating profit is disclosed to improve comparability between reporting periods. Adjusting items are defined more precisely in bulletin's the tables section.

7

Appendices



Presentation of financial information in Q1

- In this presentation, all figures for 2018 are pro forma figures, unless otherwise stated, to facilitate the comparability of the combined company's financial information
 - YIT reports pro forma figures for 2018 to include Lemminkäinen's financial statements for January 1–January 31, 2018
 - Balance sheet based figures are actual reported figures
- All figures and comparisons are according to IFRS reporting unless otherwise stated
- Unless otherwise noted, the figures in brackets refer to the corresponding period in the previous year and are of the same unit

Merger related fair value cost effects and goodwill have not been allocated to the segments' capital employed but are reported in segment level in "other items and eliminations". Therefore, adjustments due to merger related items have no impact on the segments' results.



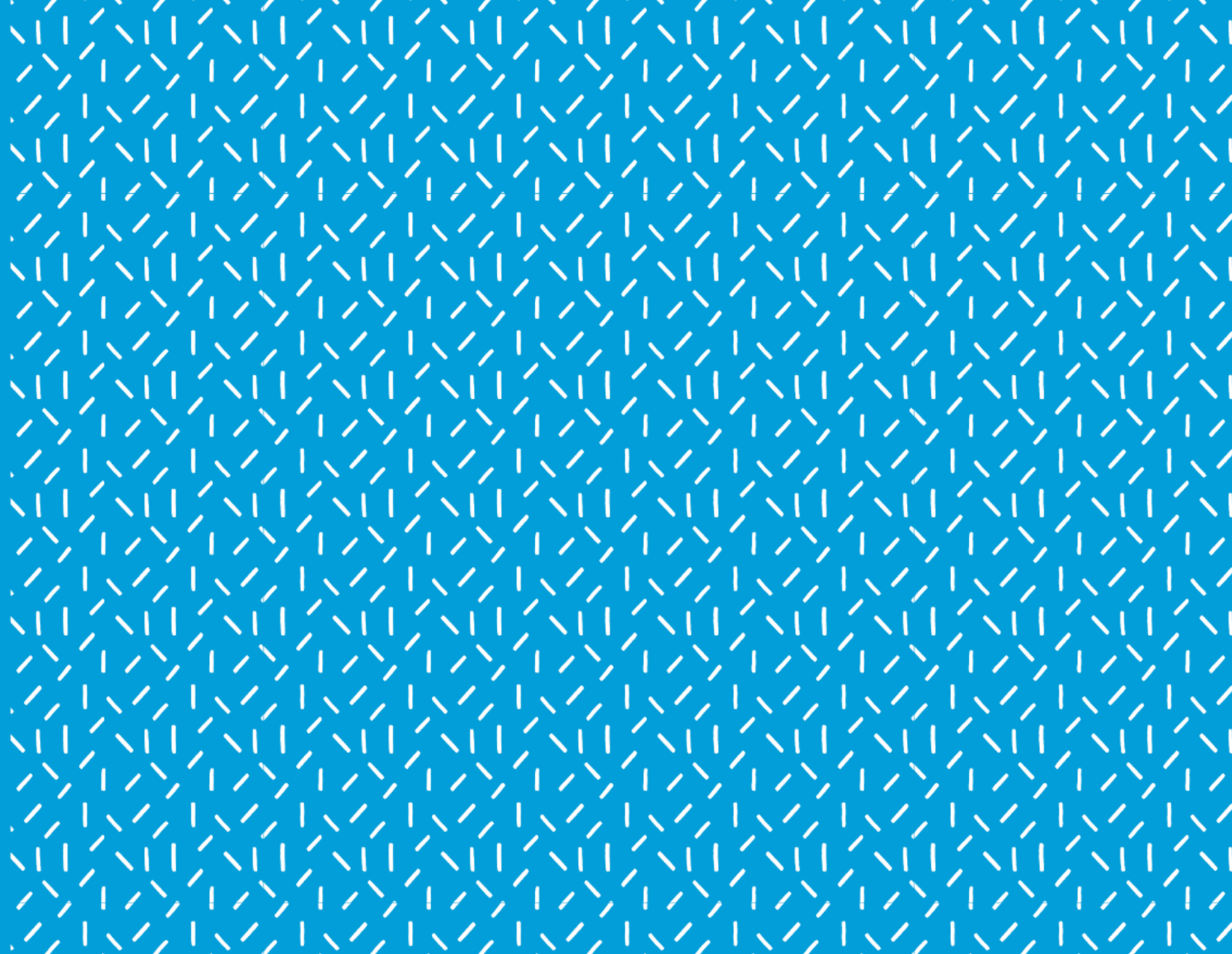
Appendices

- I. Key figures and additional information about financial position and IFRS 16
- II. Housing sales and start-ups
- III. Share ownership
- IV. General economic and construction indicators
- V. Housing indicators
- VI. Business premises, infrastructure and paving indicators
- VII. Additional strategy material





Key figures and additional information about financial position and IFRS 16



Key figures

EUR million	Reported 1–3/19	Pro forma 1–3/18	Change	Reported 1-12/18	Pro forma 1–12/18
Revenue	701.6	602.2	16%	3,689.4	3,759.3
Operating profit	-34.6	-51.1	32%	94.6	91.3
Operating profit margin, %	-4.9%	-8.5%		2.6%	2.4%
Adjusted operating profit	-30.7	-43.2	29%	152.5	134.5
Adjusted operating profit margin, %	-4.4%	-7.2%		4.1%	3.6%
Adjustments	3.9	7.8	-50%	57.9	43.2
Order backlog	4,556.2	4,640.8	-2%	4,433.8	4,433.8
Result before taxes	-45.3	-57.8	22%	59.1	57.2
Result for the period ¹	-38.0	-52.2	27%	39.2	33.3
Earnings per share, EUR	-0.18	-0.25	28%	0.19	0.16
Operating cash flow after investments, excluding discontinued operations	-3.2	n/a		148.6	n/a
Equity ratio, %	33.1%	n/a		38.1%	n/a
Adjusted equity ratio, %	37.0%	n/a		n/a	n/a
Net interest-bearing debt	868.7	813.8		562.9	562.9
Adjusted net interest-bearing debt	556.0	n/a		n/a	n/a
Gearing, %	87.7%	n/a		53.6%	n/a
Adjusted gearing, %	56.2%	n/a		n/a	n/a
Number of personnel at end of period	8,715	9,296		9,070	9,070

¹ Attributable to equity holders of the parent company

Foreign exchange rates in Q1

PRINCIPLES OF MANAGING CURRENCY RISKS

- Sales and project costs typically in same currency, all foreign currency items hedged
→ no transaction impact
- Currency positions affecting the income statement, such as loans to subsidiaries, are hedged
- Equity and equity-like investments in foreign currency not hedged
 - Considered to be of permanent nature
 - FX changes recognised as translation difference in equity

EUR/RUB exchange rates	1-3/2019	1-3/2018
Average rate	74.8898	69.9378
End of period	72.8564	70.8897

Balanced debt portfolio

BONDS

Maturity	Initial amount	Issue date	Coupon
July 6, 2019	EUR 100 million	June 26, 2014	7.375%
June 11, 2021	EUR 100 million	June 11, 2018	3.150%
June 11, 2023	EUR 150 million	June 11, 2018	4.250%

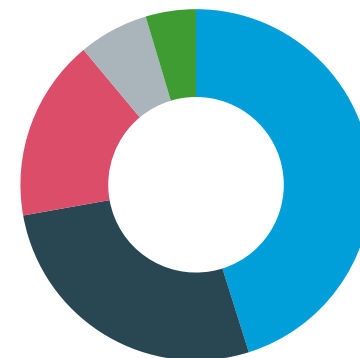
RCF

Maturity	Initial amount	Issue date	Status
August 2021	EUR 300 million	February 2018	Undrawn

COVENANTS

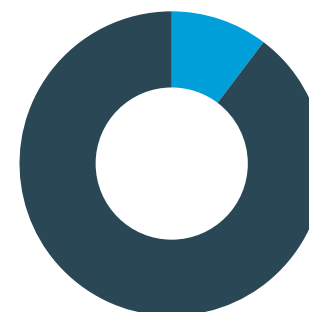
- YIT's generally used covenants: gearing, equity ratio and interest cover ratio

DEBT PORTFOLIO¹ AT THE END OF THE PERIOD 3/2019, EUR 778 MILLION



- Bonds, 45%
- Housing corporation loans, 27%
- Loans from financial institutions, 17%
- Pension loans, 6%
- Other loans, 5%

INTEREST RATE DISTRIBUTION OF THE DEBT PORTFOLIO¹ AT THE END OF 3/2019






- Floating rate, 10%
- Fixed rate, 90%

New IFRS 16 standard principles

INCOME STATEMENT

	IAS 17		IFRS 16
	Finance leases	Operating leases	All leases
Revenue	x	x	x
Operating costs	--	Expense	--
EBITDA			↑
Depreciation and amortisation	Depreciation		Depreciation
Operating profit			↑
Finance costs	Interest		Interest
Profit before tax			↔

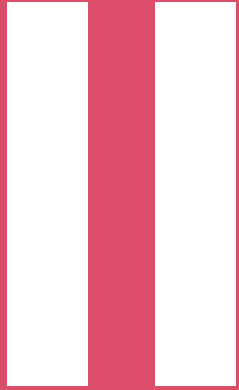
BALANCE SHEET

	IAS 17		IFRS 16
	Finance leases	Operating leases	All leases
Assets		--	
Liabilities	€€€	--	€€€€€€€€
Off balance sheet rights / obligations	--	 €€€€	--

Source: IASB

Recognition of housing plots according to the IFRS 16 standard

CONSTRUCTION NOT YET STARTED		UNDER CONSTRUCTION		COMPLETED PROJECTS	
IAS 17	IFRS 16	IAS 17	IFRS 16	IAS 17	IFRS 16
EBIT					
Lease expenses impact in EBIT	No impact to EBIT	Lease expenses capitalised to cost of inventory	No impact to EBIT	Lease expenses related to unsold completed apartments impact in EBIT Capitalised lease expenses related to sold apartments impact to EBIT	No impact to EBIT from unsold completed apartments Lease liability of sold apartments recognised in revenue and related assets recognised as cost
ASSETS					
Off balance sheet	Leased inventory	Capitalised lease expenses	Leased inventory	Capitalised lease expenses related to unsold completed apartments	Leased inventory related to unsold apartments
LIABILITIES					
Off balance sheet	Lease liability	Off balance sheet	Lease liability related to unsold apartments in lease liabilities Lease liability related to sold apartments in advances received	Off balance sheet	Lease liability related to unsold apartments

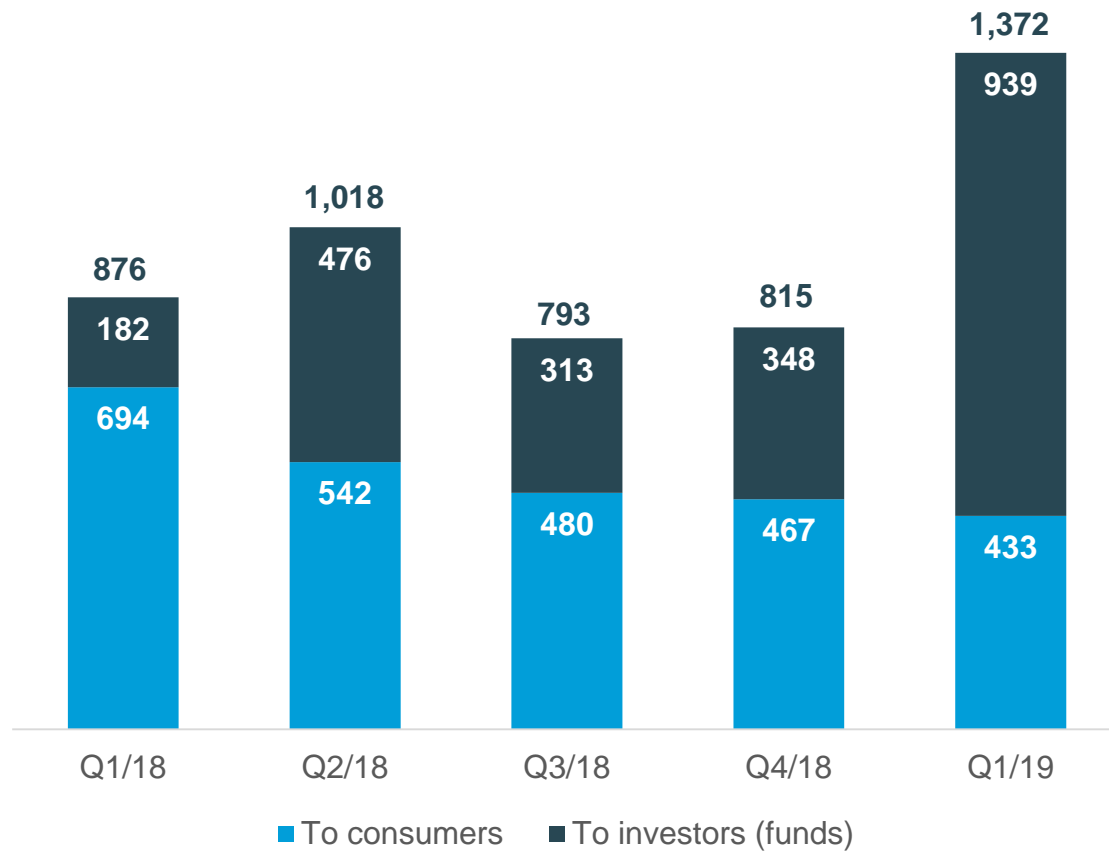


Housing sales and start-ups

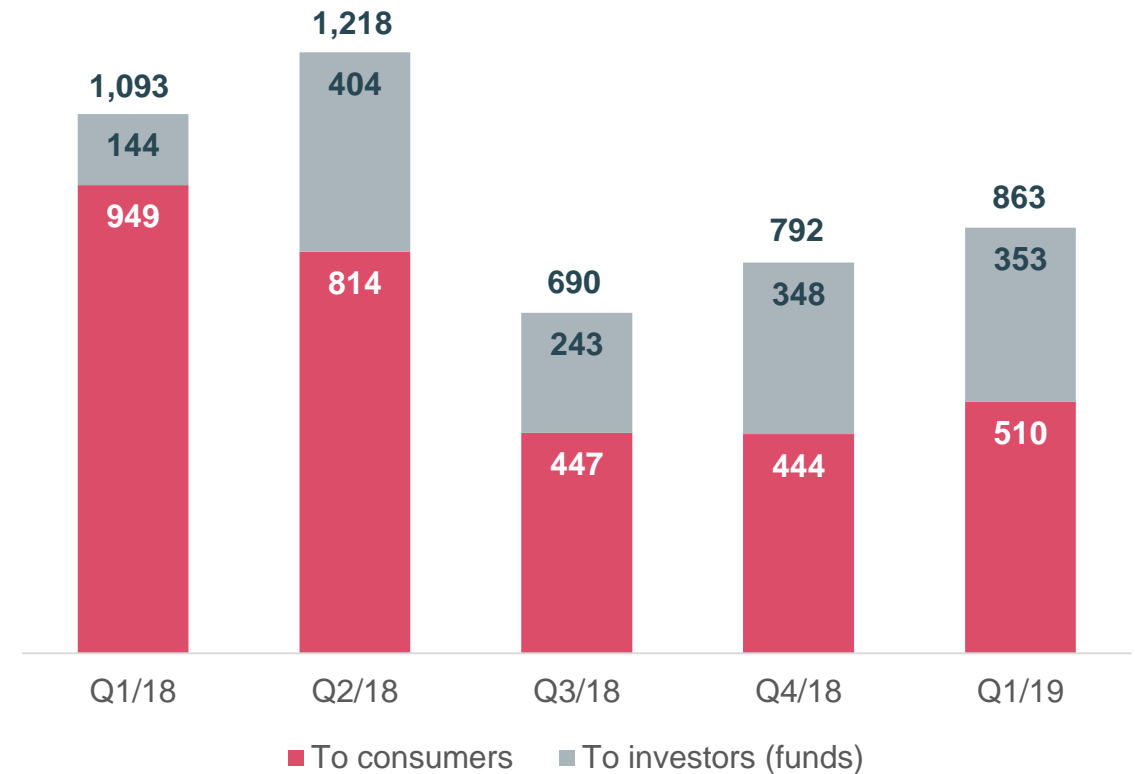
Housing Finland

Sales and start-ups in Q1

SOLD APARTMENTS, units

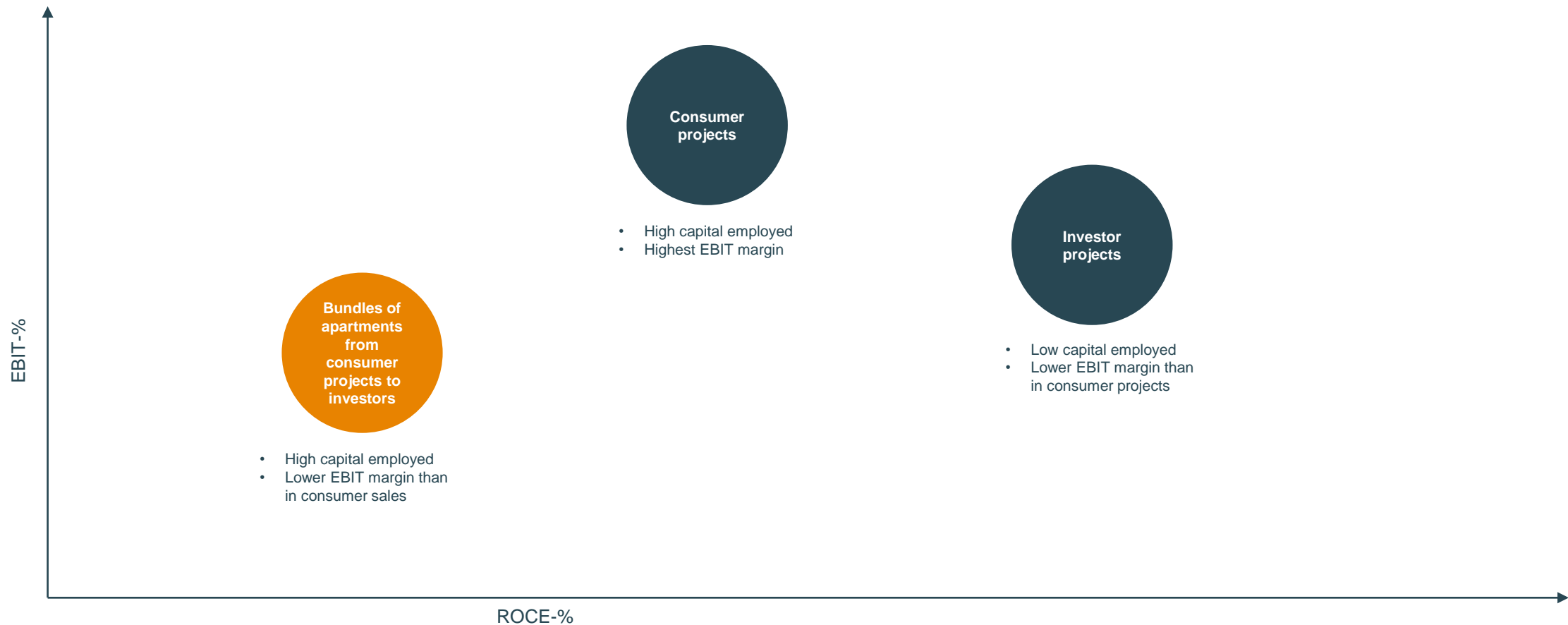


APARTMENT START-UPS, units



Impact of the mix in Finnish housing

Different types of customer profiles have different EBIT-% and ROCE-% impacts

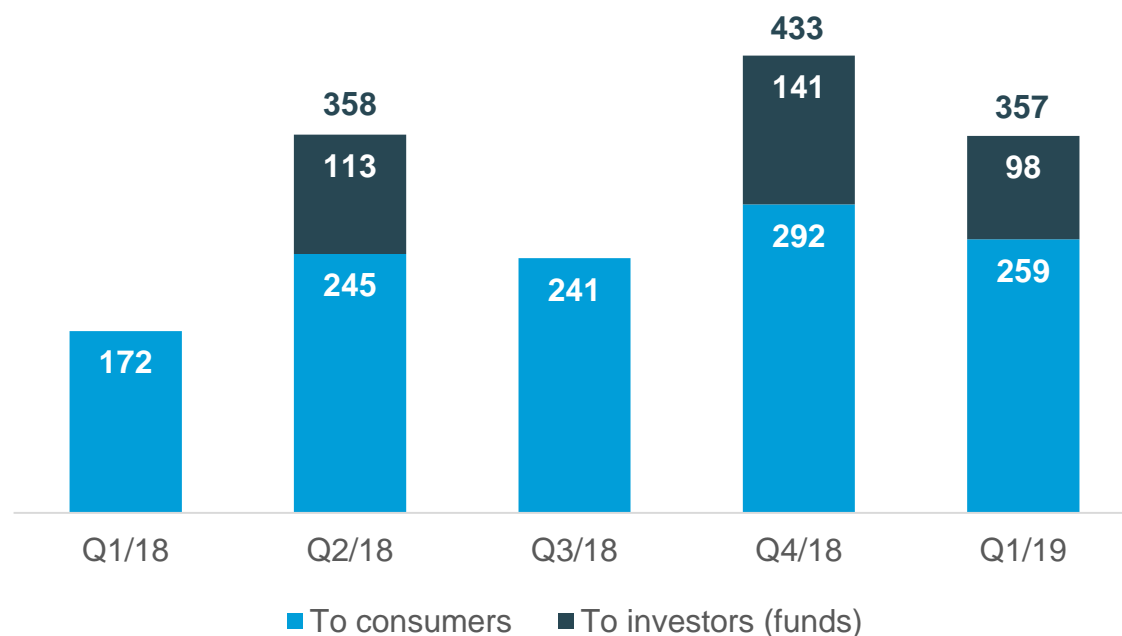


Housing CEE

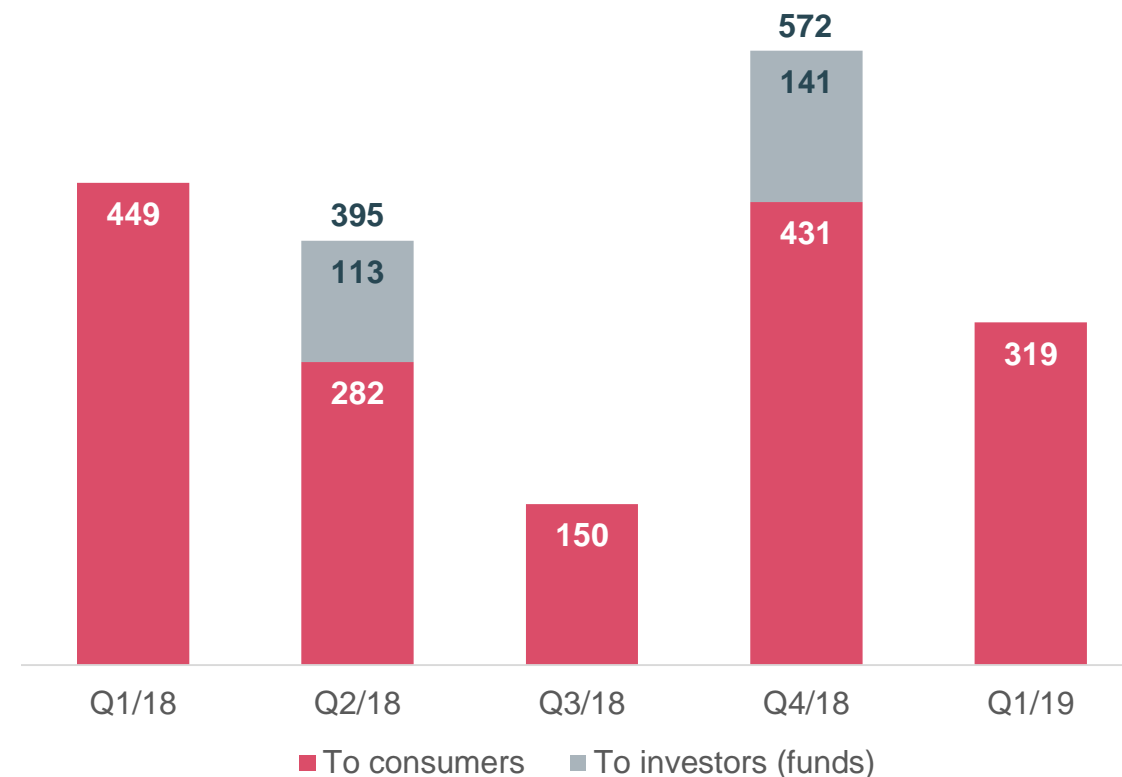
Sales and start-ups in Q1

SOLD APARTMENTS, units

Of projects earlier sold to YCE Housing I fund or a JV, and recorded as investor sales, YIT sold 129 apartments further to consumers (Q1/2018: 113)



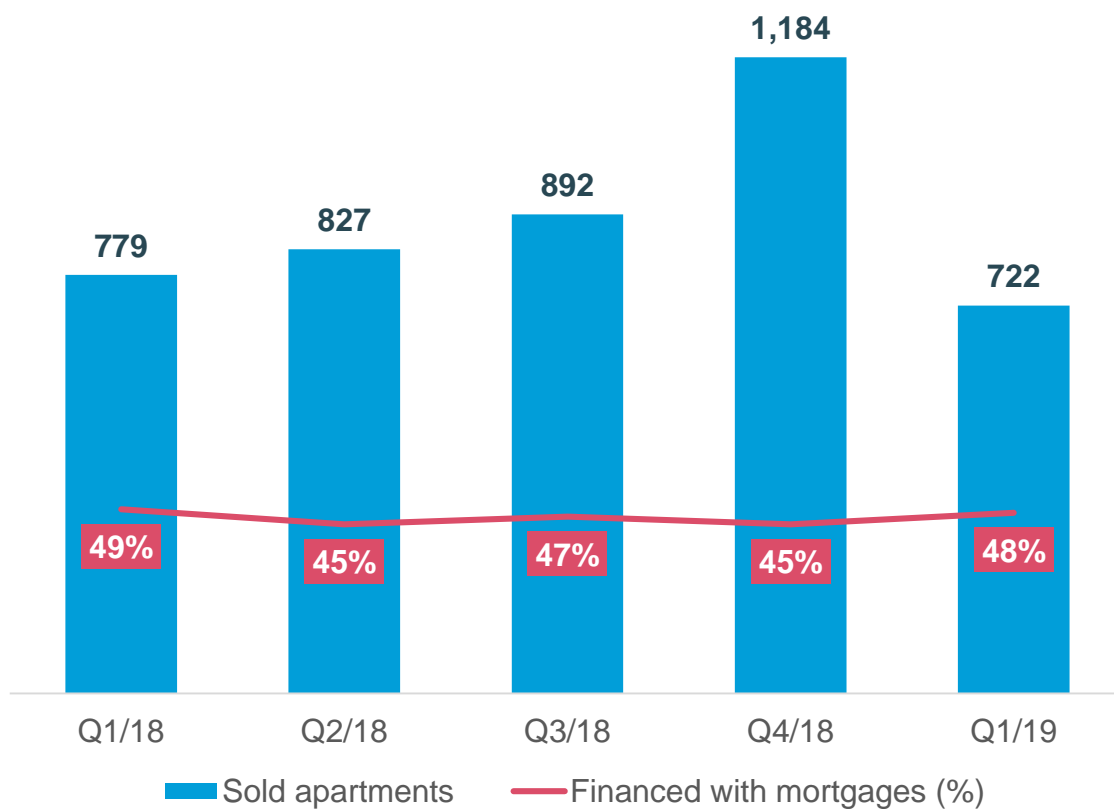
APARTMENT START-UPS, units



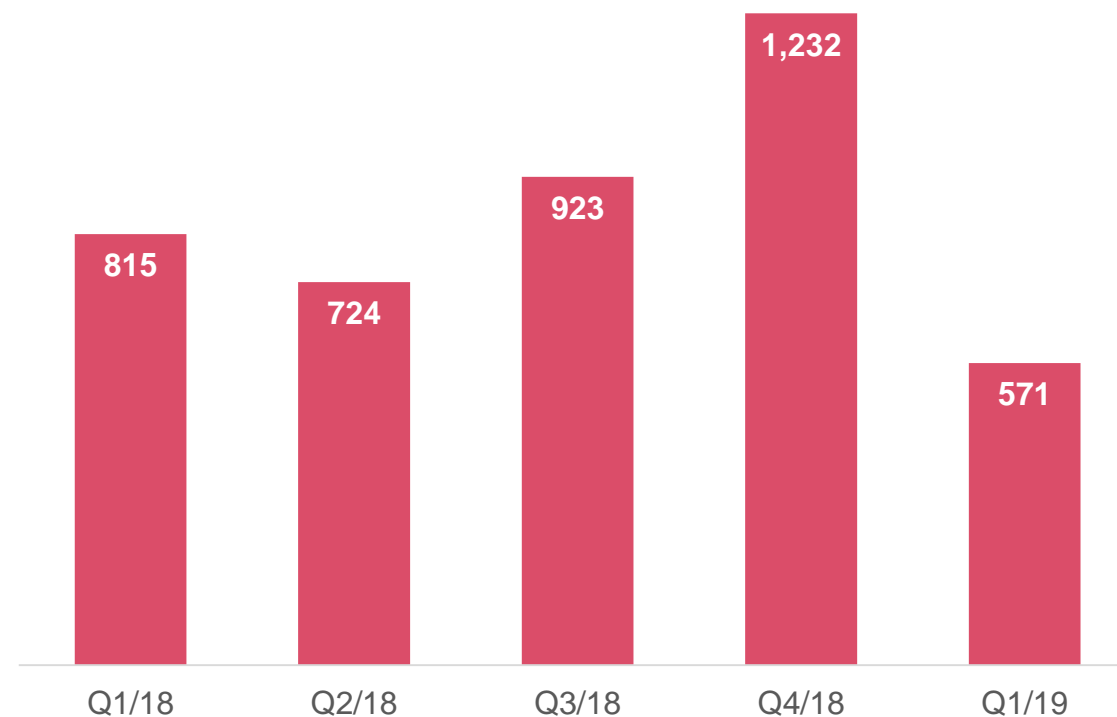
Housing Russia

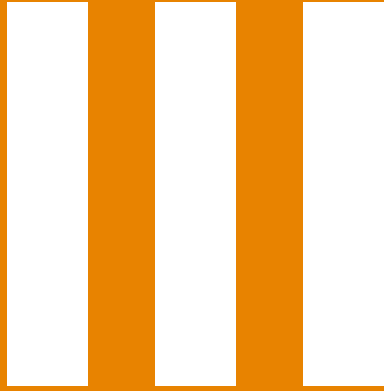
Sales and start-ups in Q1

SOLD APARTMENTS, units



APARTMENT START-UPS, units





Share ownership

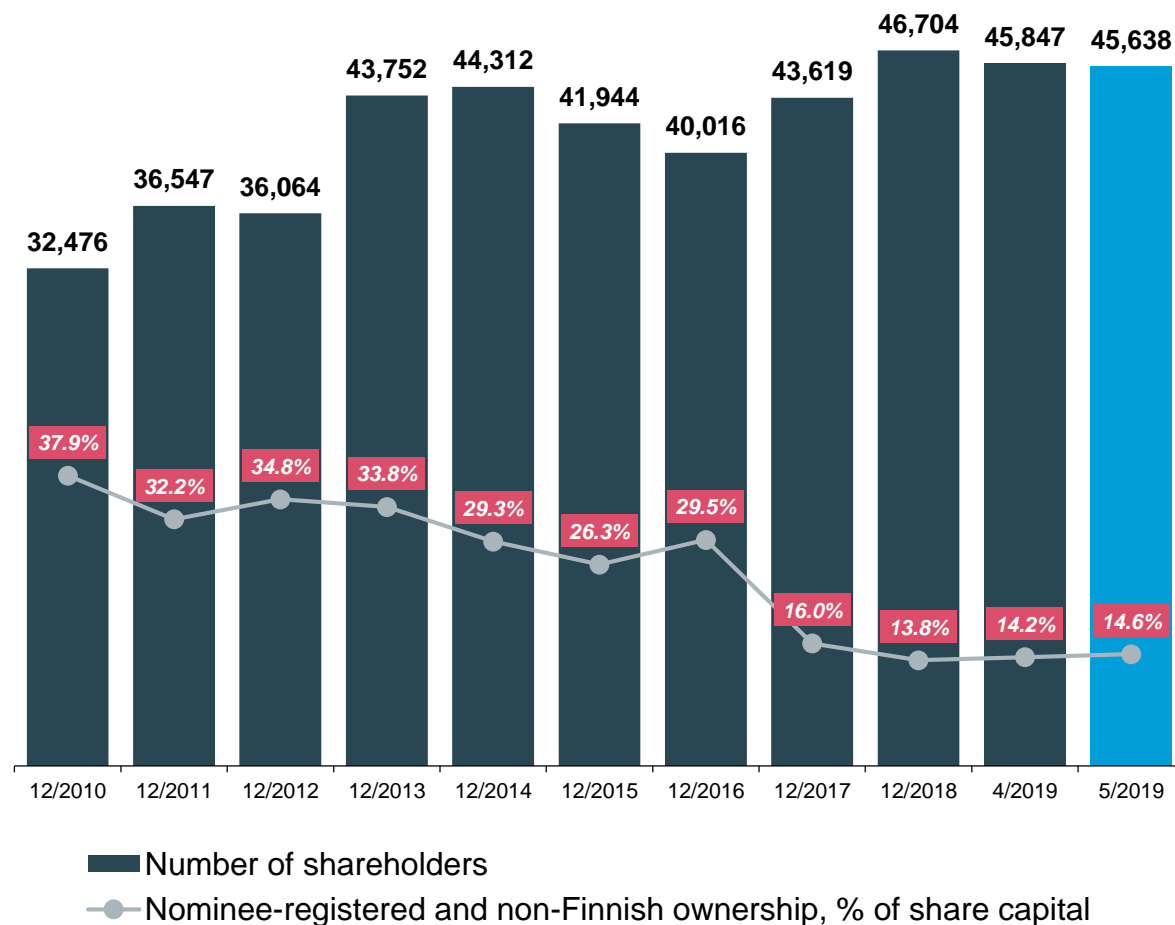
YIT's shareholders

May 31, 2019

MAJOR SHAREHOLDERS

Shareholder	Shares	% of share capital
1. Tercero Invest AB	24,125,000	11.43
2. Varma Mutual Pension Insurance Company	15,945,975	7.55
3. PNT Group Oy	15,296,799	7.25
4. Conficap Invest Oy	8,886,302	4.21
5. Pentti Heikki Oskari Estate	8,146,215	3.86
6. Ilmarinen Mutual Pension Insurance Company	5,610,818	2.66
7. Forstén Noora Eva Johanna	5,115,529	2.42
8. Herlin Antti	4,710,180	2.23
9. Elo Mutual Pension Insurance Company	3,916,587	1.86
10. Pentti Lauri Olli Samuel	3,398,845	1.61
Ten largest total	95,152,250	45.08
Nominee registered shares	24,914,264	11.80
Other shareholders	91,033,339	43.12
Total	211,099,853	100.00

NUMBER OF SHAREHOLDERS AND SHARE OF NOMINEE-REGISTERED AND NON-FINNISH OWNERSHIP



Board of Directors as of March 12, 2019



**Harri-Pekka
Kaukonen**
Chairman of the
Board



Eero Heliövaara
Vice Chairman of
the Board



**Alexander
Ehrnrooth**
Member of the
Board



Frank Hyldmar
Member of the
Board



**Olli-Petteri
Lehtinen**
Member of the
Board



**Kristina
Pentti-von
Walzel**
Member of
the Board



**Barbara
Topolska**
Member of
the Board



Tiina Tuomela
Member of the
Board

Group Management Team as of November 1, 2018



Kari Kauniskangas
President and CEO



Ilkka Salonen
CFO
Deputy to CEO



Teemu Helppolainen
EVP, Housing Russia



Antti Inkilä
EVP, Housing
Finland and CEE



Harri Kailasalo
EVP, Infrastructure
projects



Juha Kostianen
EVP, Urban
development



Esa Neuvonen
EVP, Business
premises and
Partnership
properties



Juhani Nummi
EVP, Strategy and
development,
integration



Pii Raulo
EVP, Human
resources



Heikki Vuorenmaa
EVP, Paving

The merger of YIT and Lemminkäinen, February 1st 2018

YIT



Revenue: EUR 1,909 million
Adjusted EBIT: EUR 122.3 million
Personnel: 5,427

YIT creates more attractive and sustainable urban environments by building housing, business premises, infrastructure and entire areas.

Lemminkäinen



Revenue: EUR 1,847 million
Adjusted EBIT: EUR 46.6 million
Personnel: 4,632

An expert in complex infrastructure construction and building construction in northern Europe and one of the largest paving companies in our market area.

2018 - MERGER

YIT is the largest Finnish and significant North European construction company. We develop and build apartments, business premises and entire areas.

We are also specialised in demanding infrastructure construction and paving. Together with our customers our 10,000 professionals are creating more functional, more attractive and more sustainable cities and environments.

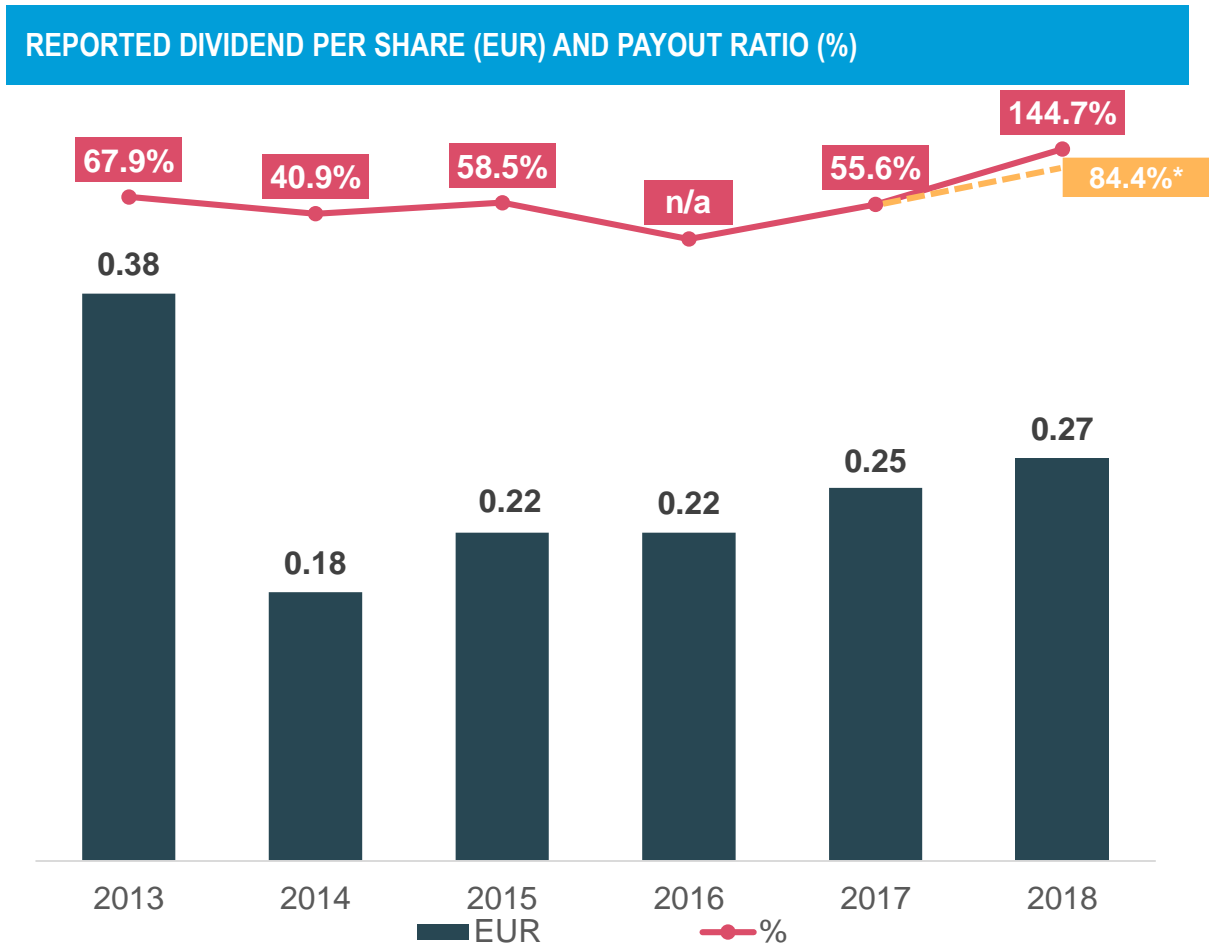
We work in 11 countries: Finland, Russia, Scandinavia, the Baltic States, the Czech Republic, Slovakia and Poland.

Target to become together the leading urban developer in Northern Europe

* Revenue, adjusted EBIT and personnel at the end of period in 2017. YIT's figures according to POC (percentage-of-completion) and Lemminkäinen figures according to IFRS.

Dividend payout

- A dividend of EUR 0.27 per share (0.25) was paid for 2018
- The dividend was 84% of the adjusted pro forma EPS of the year
- Adjusted pro forma earnings per share were EUR 0.32 (0.35) and reported earnings per share EUR 0.19 (pro forma 0.13).
- According to YIT's new strategy, the company's target is an annually growing dividend per share; the dividend payout for 2018 is in line with this



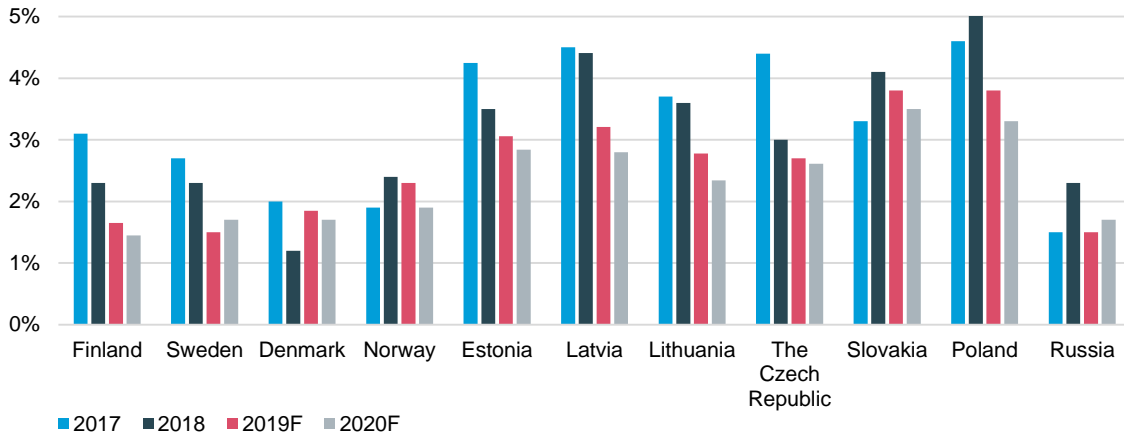
* Calculated with the adjusted pro forma EPS

IV

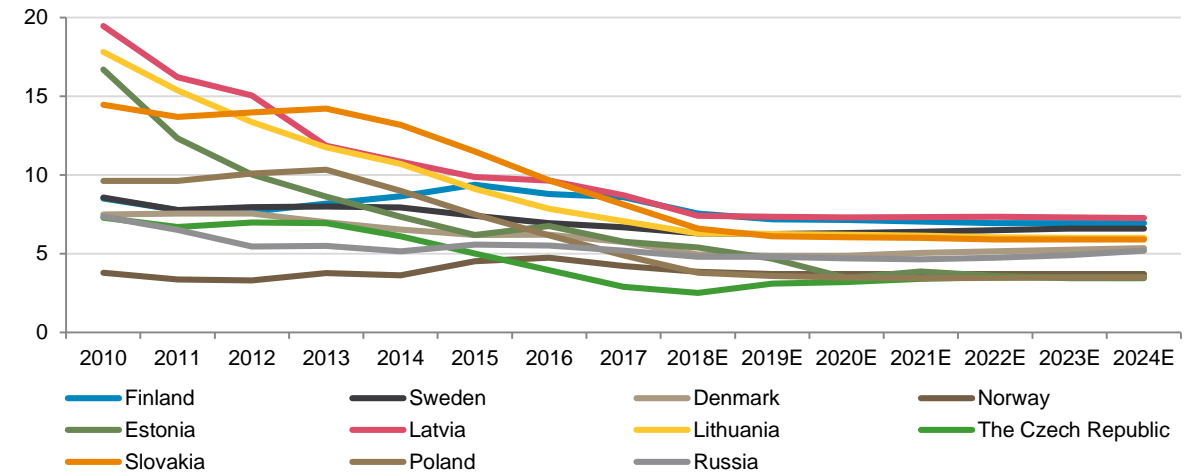
General economic and construction indicators

General economic and construction indicators

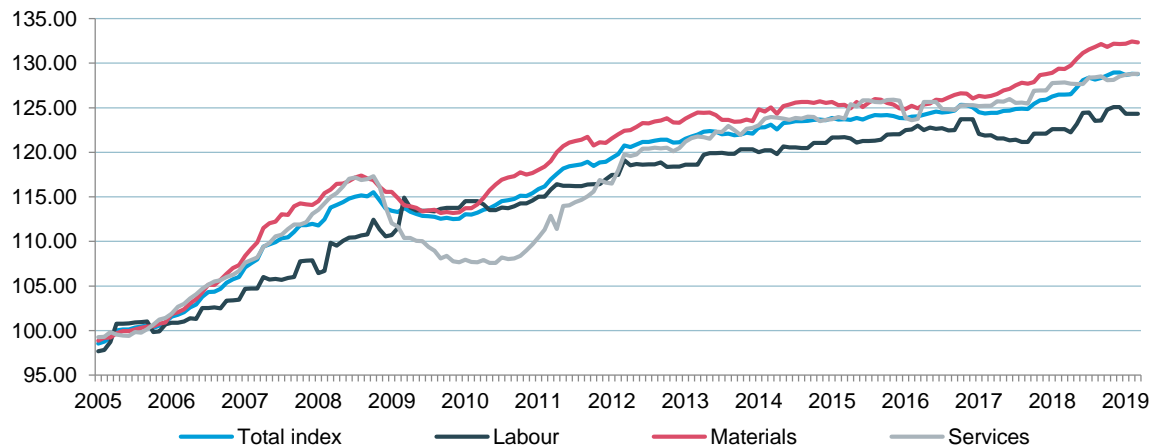
GDP GROWTH IN YIT'S OPERATING COUNTRIES, %



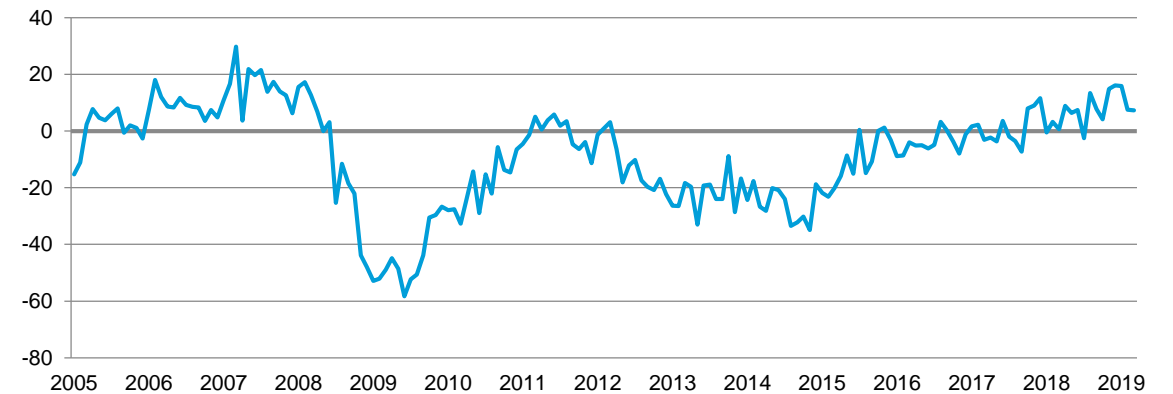
UNEMPLOYMENT RATE IN YIT'S OPERATING COUNTRIES, %



CONSTRUCTION COST INDEX IN FINLAND (index 2005=100)



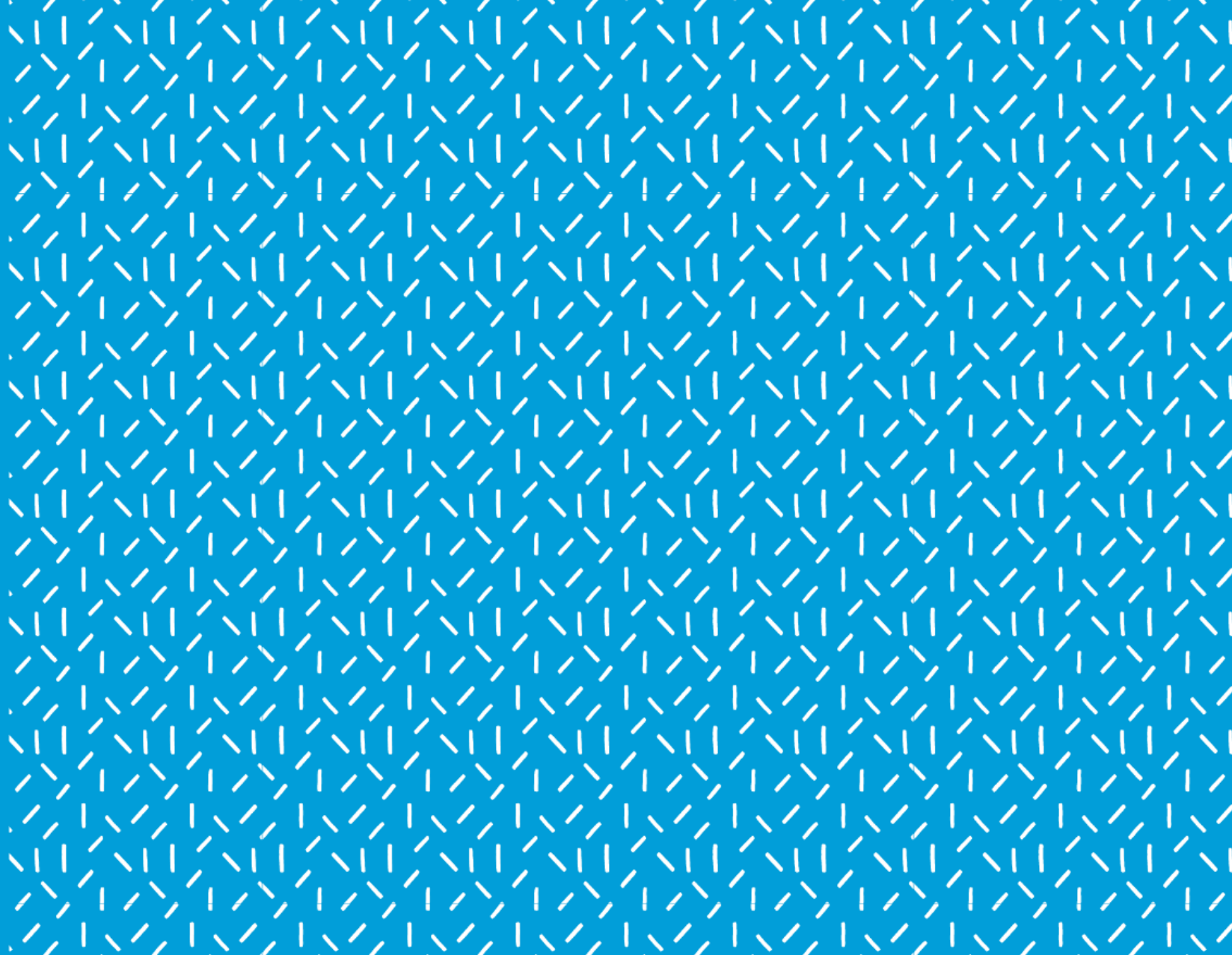
CONSTRUCTION CONFIDENCE IN FINLAND (balance)



Sources: GDP growth: Bloomberg consensus 1 April 2019; Unemployment: IMF
Construction cost index: Statistics Finland; Construction confidence: Confederation of Finnish Industries EK

V

Housing indicators



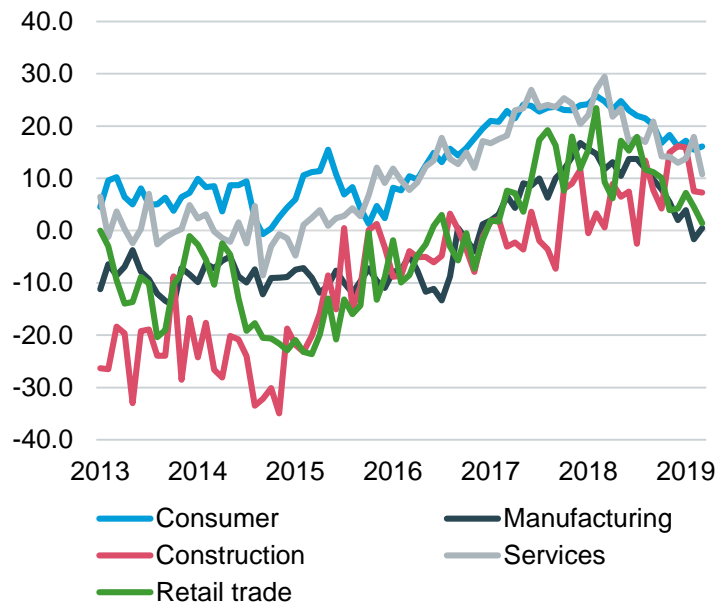
Operating environment for housing in Q1

- In Finland, consumer demand was on a good level, supply on a high level
- Residential demand of private investors remained at a low level

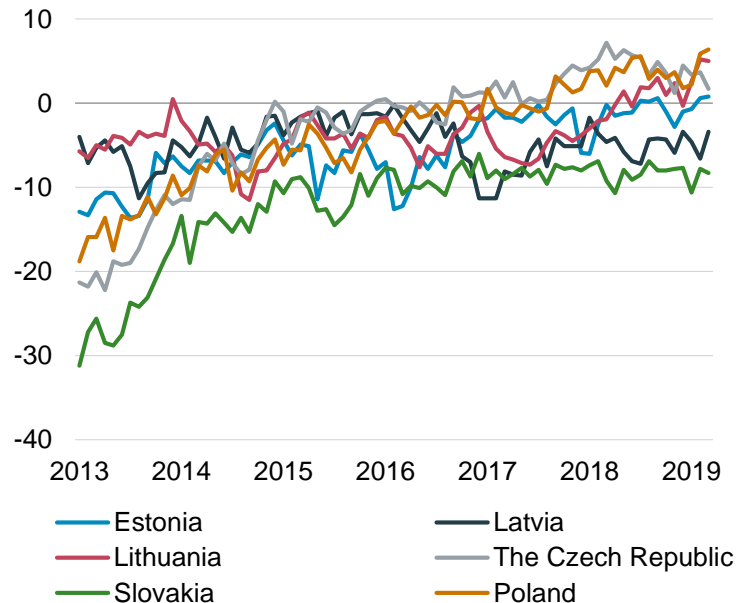
- Consumer demand was brisk in all CEE countries
- Due to increased construction volume, shortage of resources caused cost pressure

- In Russia, consumers were cautious with their apartment buying decisions
- Demand and prices remained stable
- Changes of the housing sales legislation coming into force in summer caused uncertainty

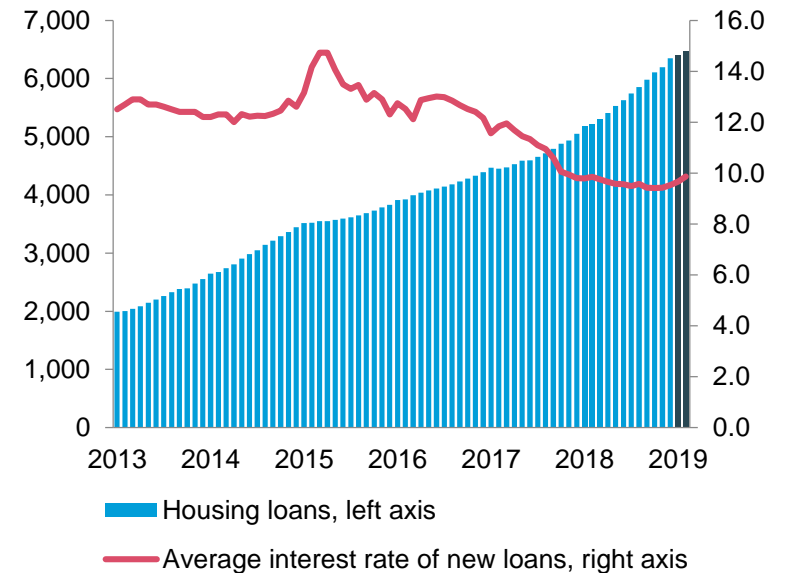
CONFIDENCE INDICATORS IN FINLAND



CONSUMER CONFIDENCE IN THE CEE COUNTRIES



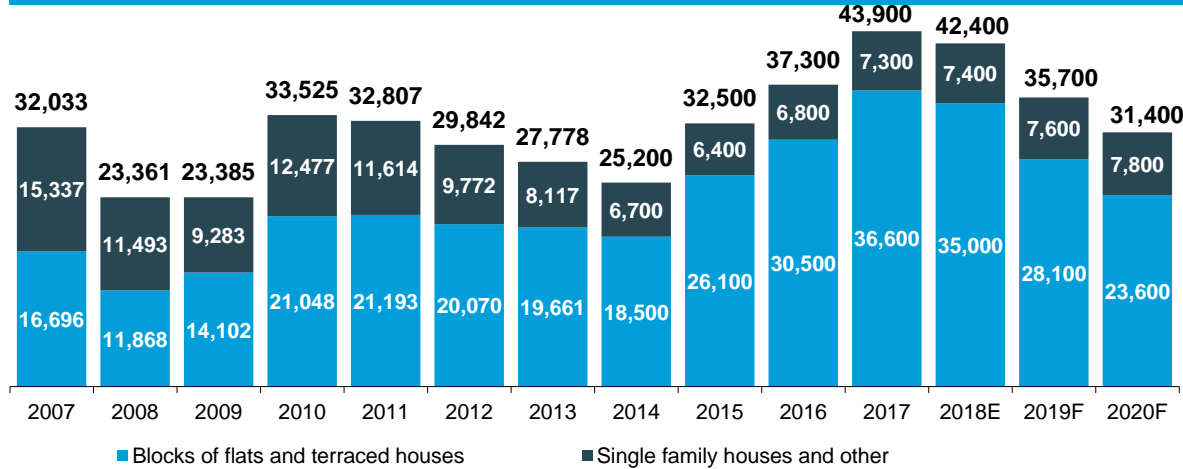
HOUSING LOANS AND AVERAGE INTEREST RATE IN RUSSIA (RUB billion, %)



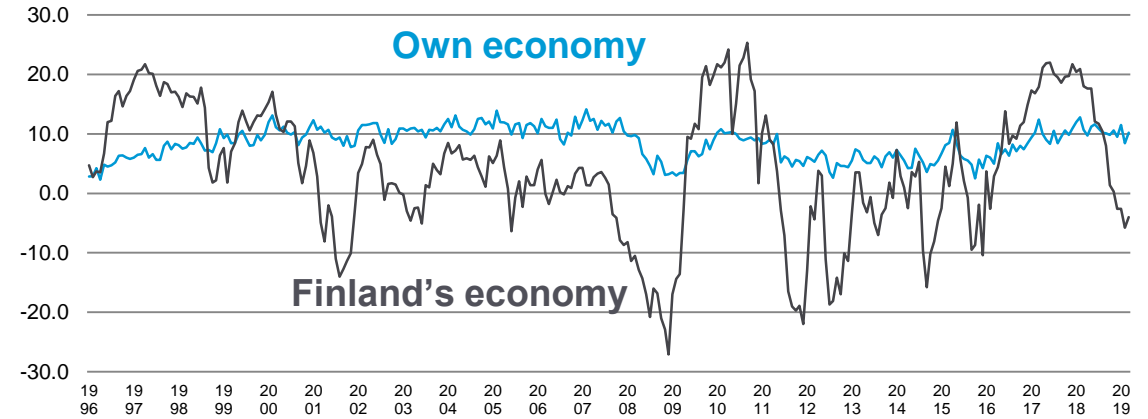
Sources: Statistics Finland and Confederation of Finnish Industries, EK; European Commission; Central Bank of Russia

Start-ups expected to decrease in 2019 and 2020

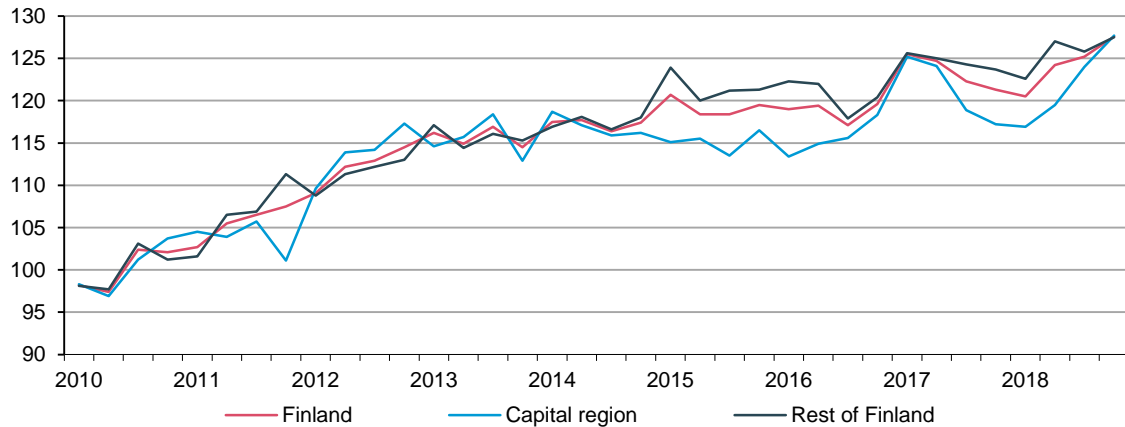
RESIDENTIAL START-UPS (units)



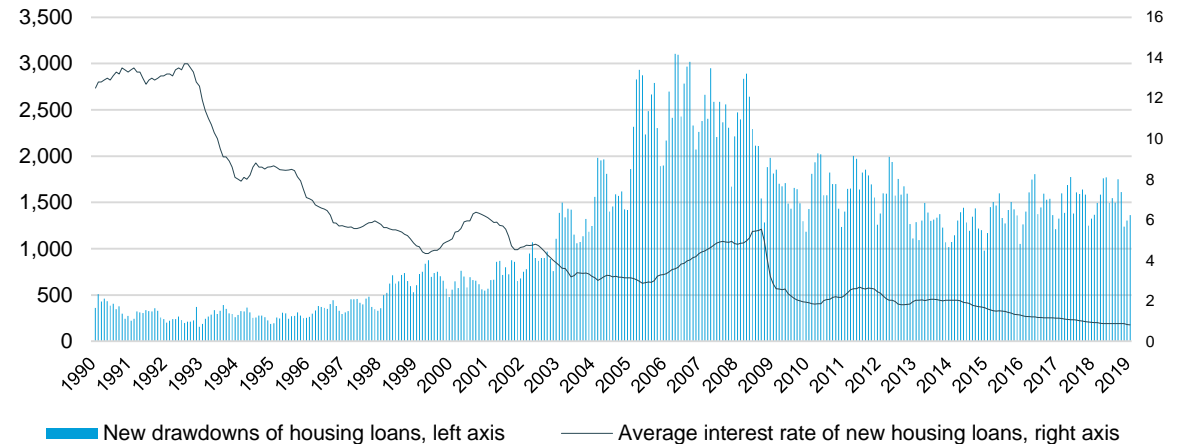
CONSUMERS' VIEWS ON ECONOMIC SITUATION IN ONE YEAR'S TIME (balance)



PRICES OF NEW DWELLINGS (index 2010=100)



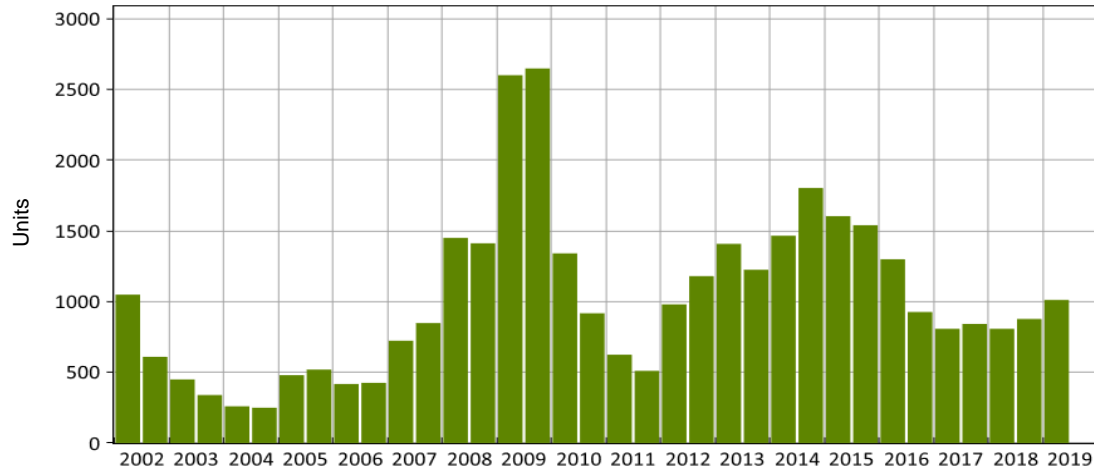
VOLUME OF NEW MORTGAGES AND AVERAGE INTEREST RATE (EUR million, %)



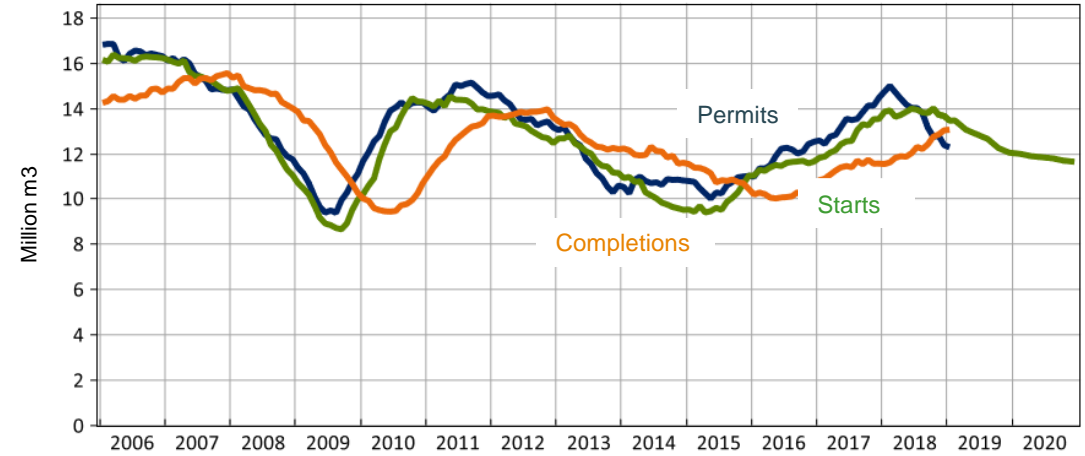
Finland

Construction indicators

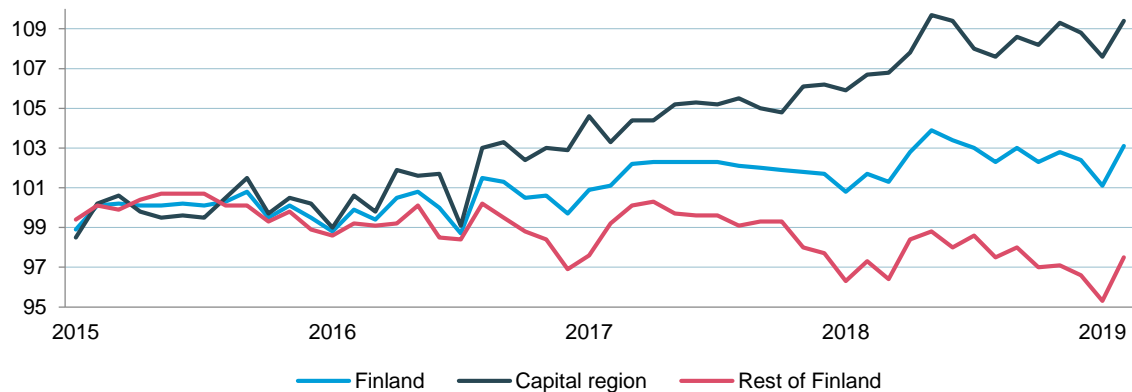
UNSOLD COMPLETED UNITS, RESIDENTIAL DEVELOPMENT PROJECTS (units)



RESIDENTIAL BUILDING PERMITS, START-UPS AND COMPLETIONS (million ,m³)



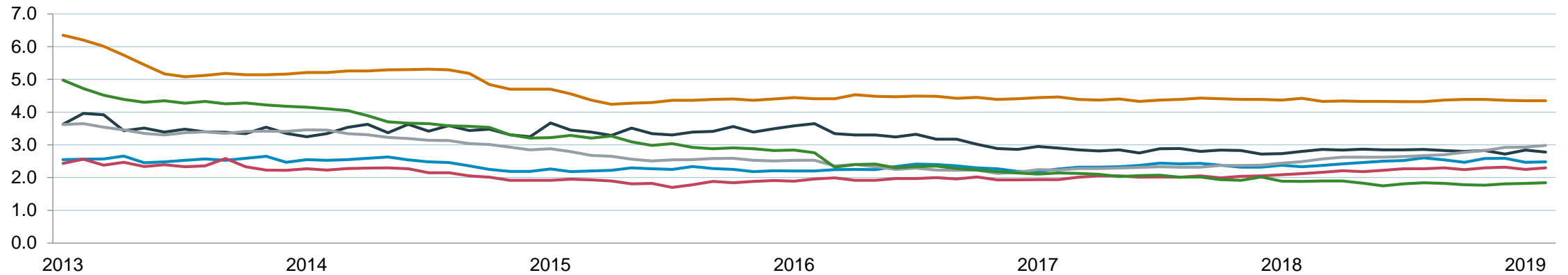
PRICES OF OLD APARTMENTS IN FINLAND (index 2015=100)



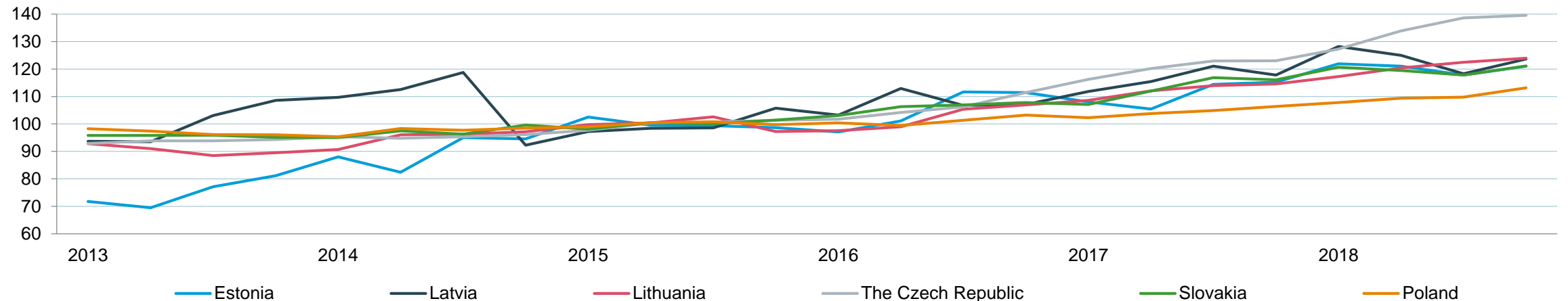
CEE

Operating environment in CEE

AVERAGE INTEREST RATE OF MORTGAGES IN CEE COUNTRIES (%)



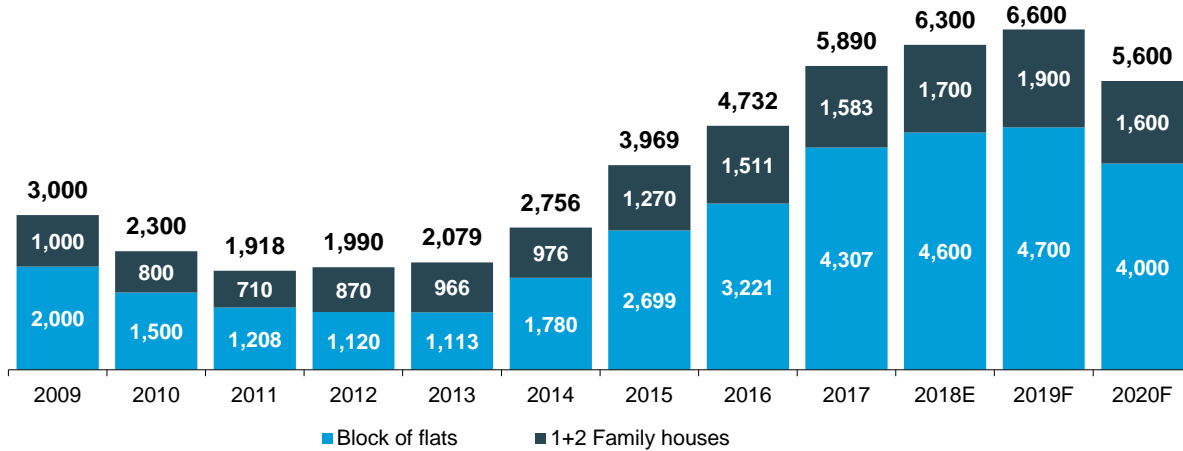
HOUSE PRICE INDEX, NEW DWELLINGS IN CEE COUNTRIES (2015=100)



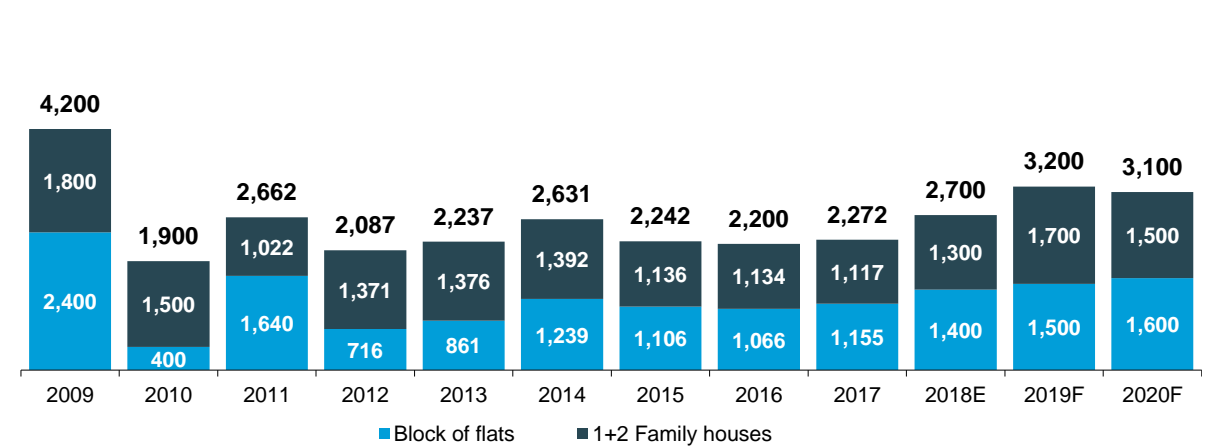
The Baltic Countries

Residential construction is expected to level off

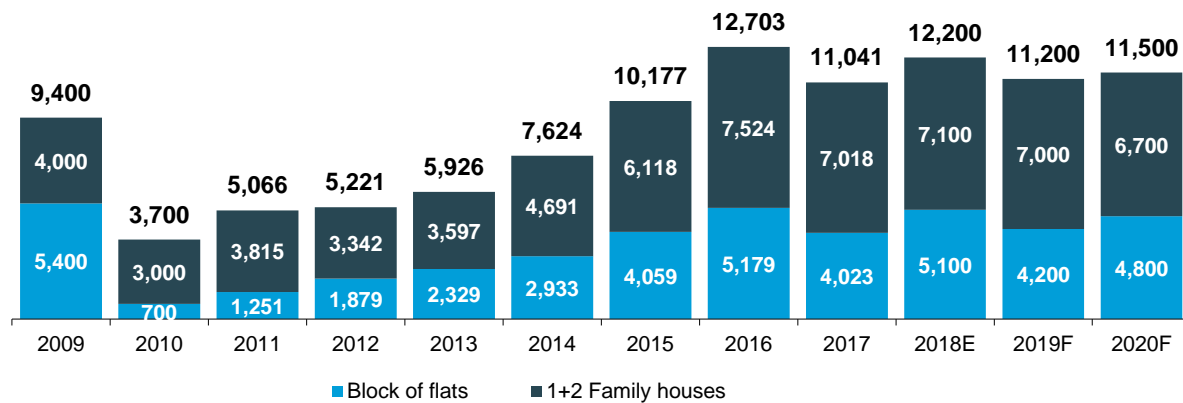
RESIDENTIAL COMPLETIONS IN ESTONIA (UNITS)



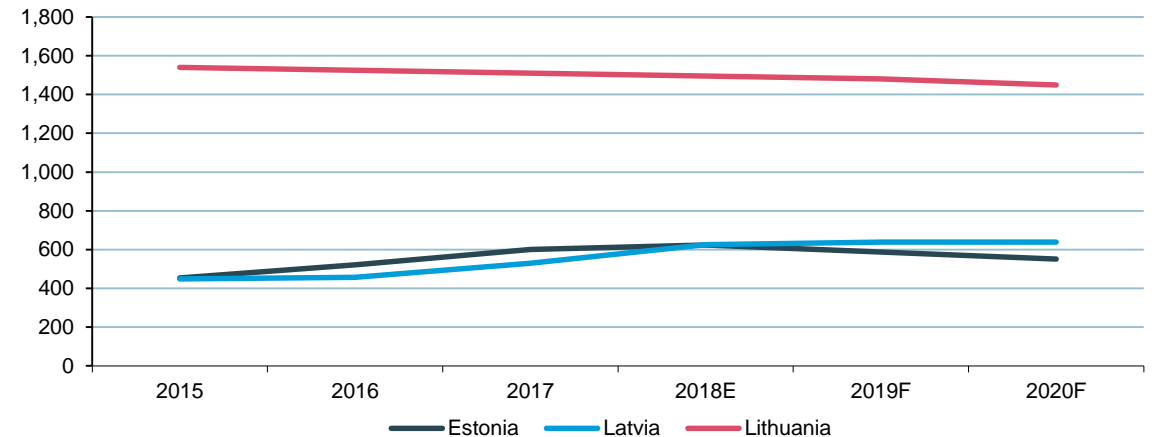
RESIDENTIAL COMPLETIONS IN LATVIA (UNITS)



RESIDENTIAL COMPLETIONS IN LITHUANIA (UNITS)



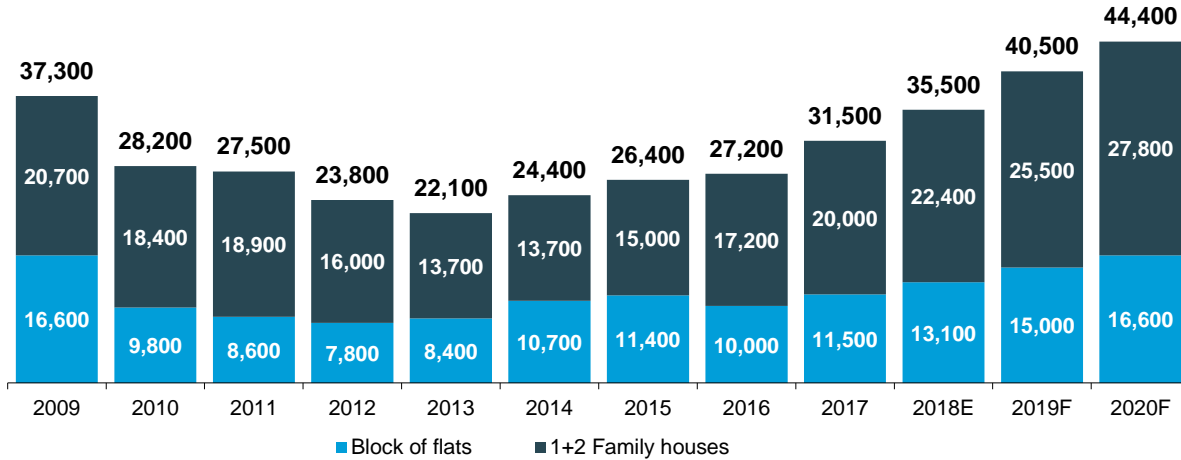
NEW RESIDENTIAL CONSTRUCTION VOLUME (EUR MILLION at 2017 prices, excl. taxes)



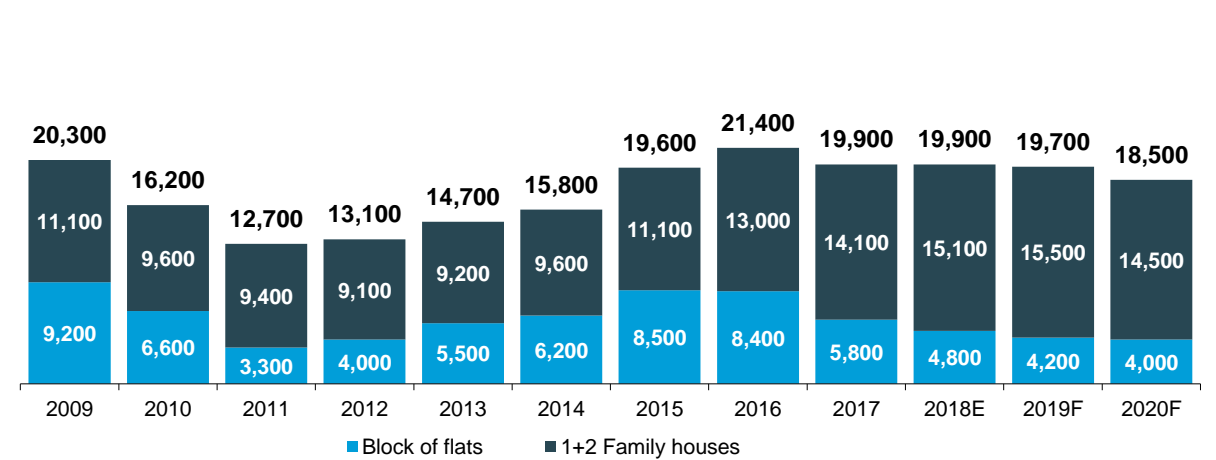
The Czech Republic, Slovakia and Poland

Start-ups forecasted to grow in the Czech Republic

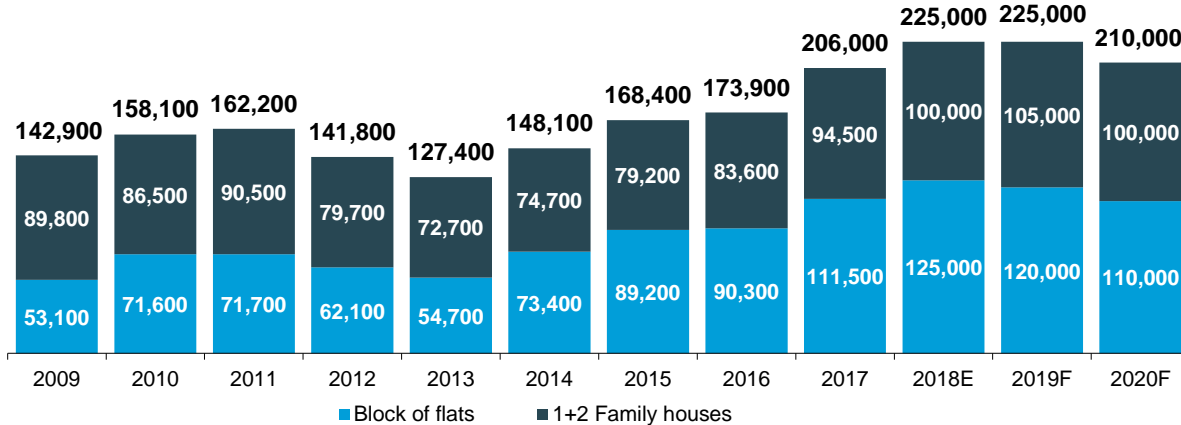
RESIDENTIAL START-UPS IN THE CZECH REPUBLIC (UNITS)



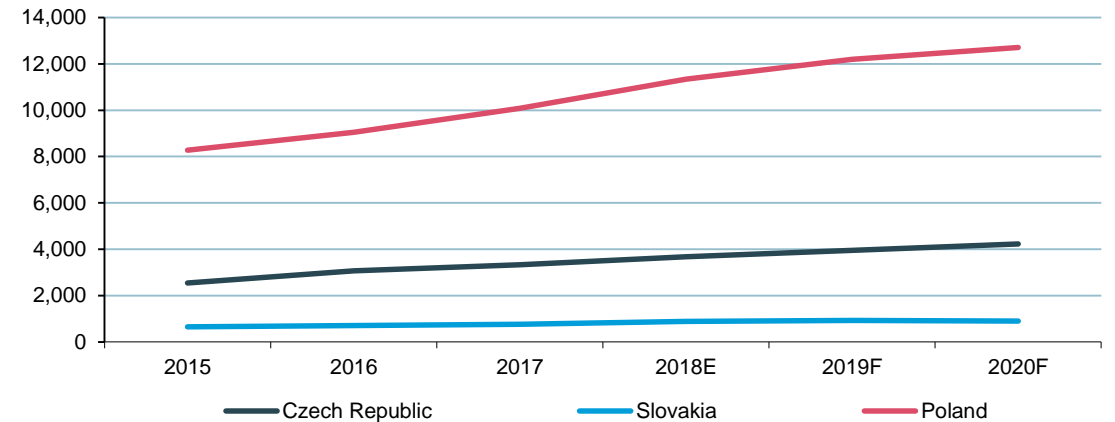
RESIDENTIAL START-UPS IN SLOVAKIA (UNITS)



RESIDENTIAL START-UPS IN POLAND (UNITS)



NEW RESIDENTIAL CONSTRUCTION VOLUME (EUR MILLION at 2017 prices)



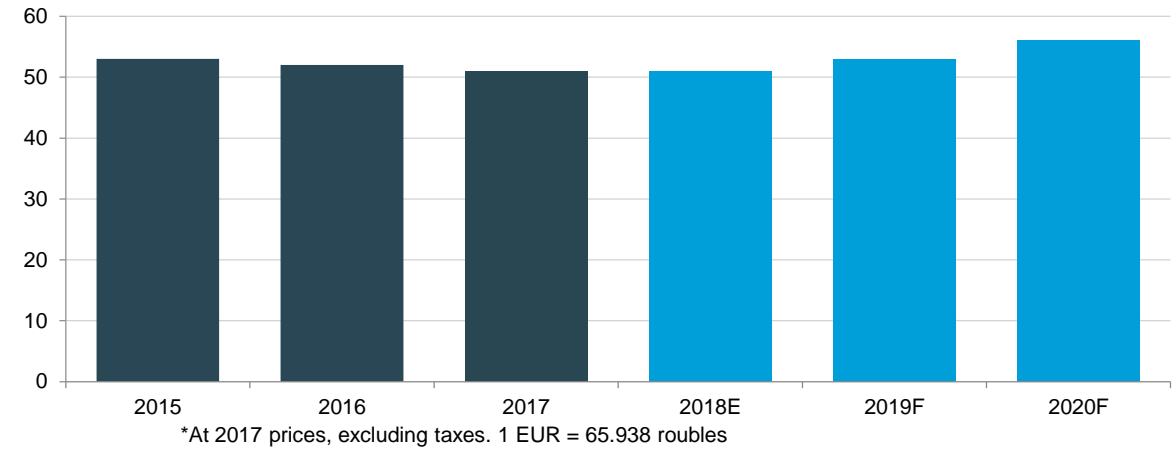
Russia

EUR/RUB exchange rate and housing indicators

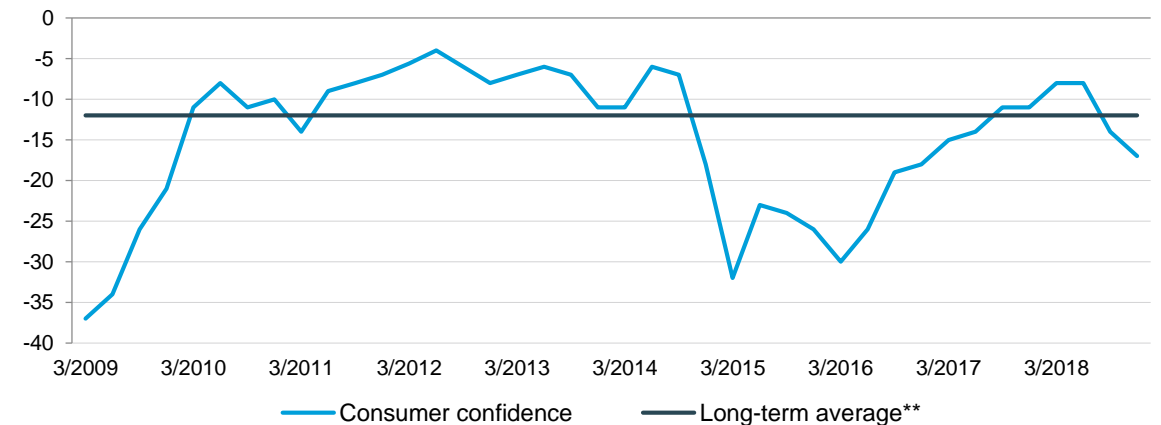
EUR/RUB EXCHANGE RATE



NEW RESIDENTIAL CONSTRUCTION VOLUMES (EUR billion*)



CONSUMER CONFIDENCE



VI

Business premises,
infrastructure and paving
indicators

Group

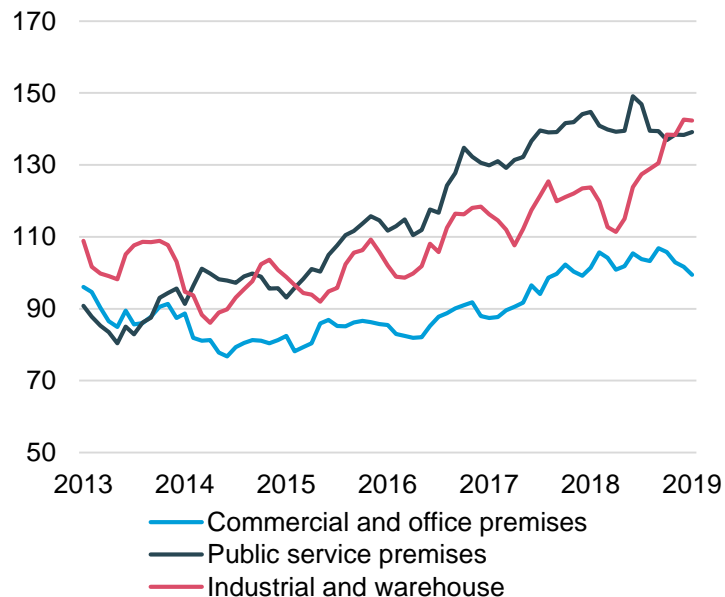
Operating environment for business premises, infrastructure projects and paving in Q1

- The good market in Finland continued to support public and private investments. The volume of construction on a high level. Tenant demand on a good level in the Helsinki metropolitan area.
- The rental levels remained on a good level in Finland and in the Baltic countries.

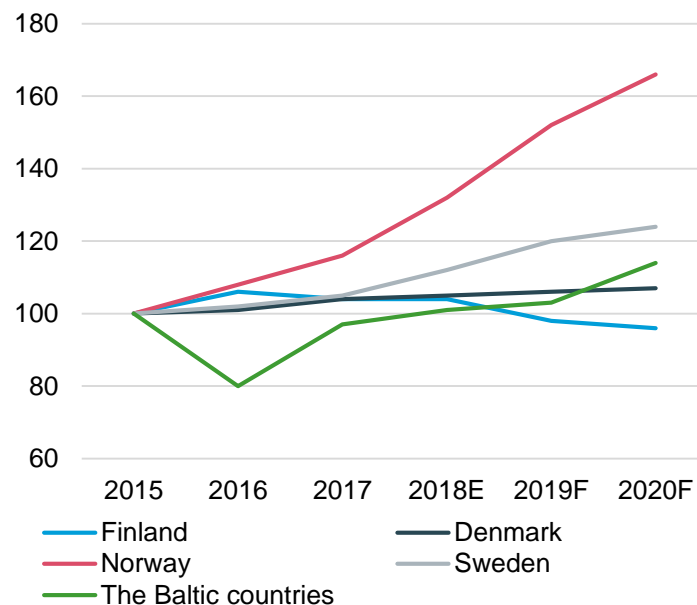
- In Sweden and Norway, the infrastructure market remained strong, and there are several major infra projects and industrial investments ongoing or planned in both countries.
- In Finland, volume in infrastructure construction has declined following the decrease in construction project start-ups.

- In Finland, State investments have declined clearly in the beginning of the year 2019.
- In Sweden, the market was solid, and in Norway the state investments continued to be strong. In Denmark, the competition remained intense.

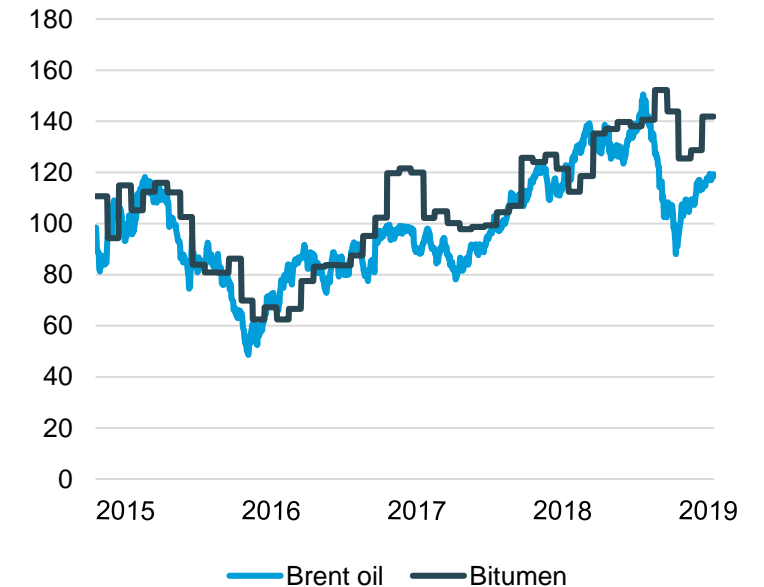
VOLUME OF NEW CONSTRUCTION IN FINLAND (index 2010=100)



INFRASTRUCTURE MARKET (index 2015=100)



BITUMEN AND BRENT OIL PRICE DEVELOPMENT (index 2015=100)

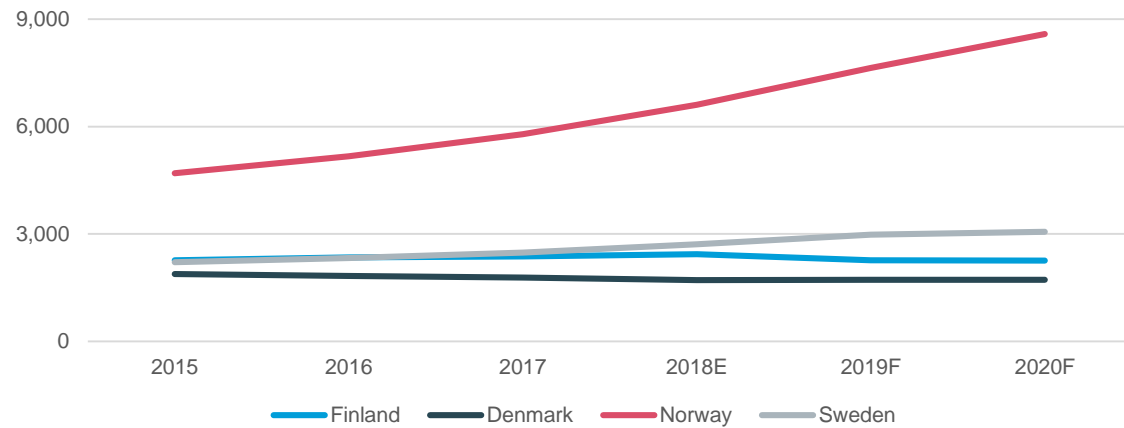


Sources: Statistics Finland, Euroconstruct, November 2018, Bloomberg

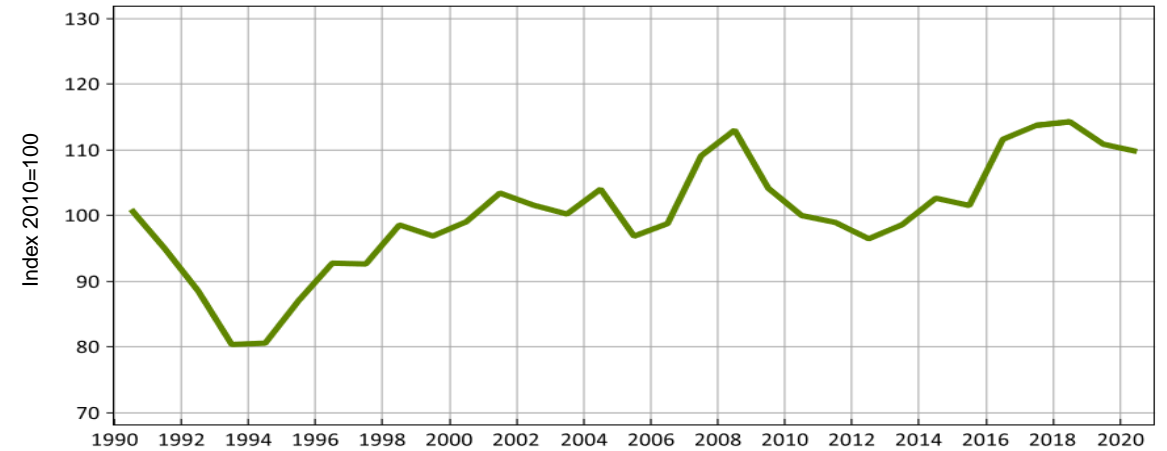
Infrastructure, paving and business premises

Operating environment

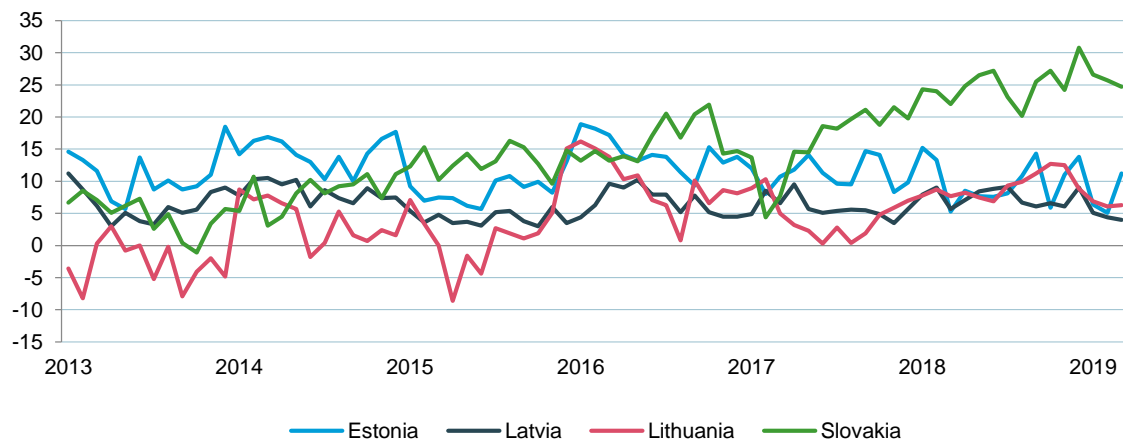
TRANSPORT INFRASTRUCTURE, ROADS (EUR million at 2017 prices)



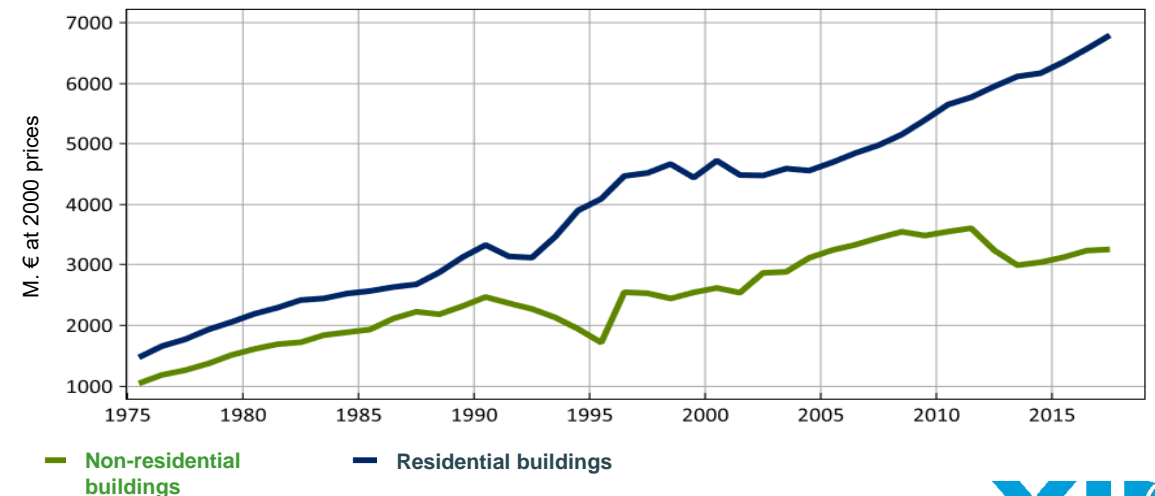
CIVIL ENGINEERING INVESTMENT VOLUME IN FINLAND



RETAIL TRADE CONFIDENCE IN THE BALTIC COUNTRIES AND SLOVAKIA



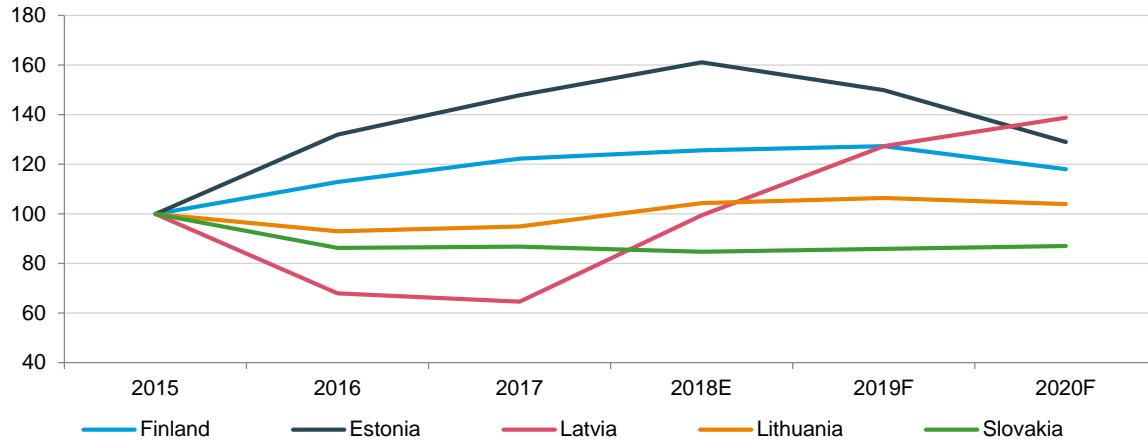
RENOVATION AND MODERNISATION OF BUILDING CONSTRUCTION IN FINLAND



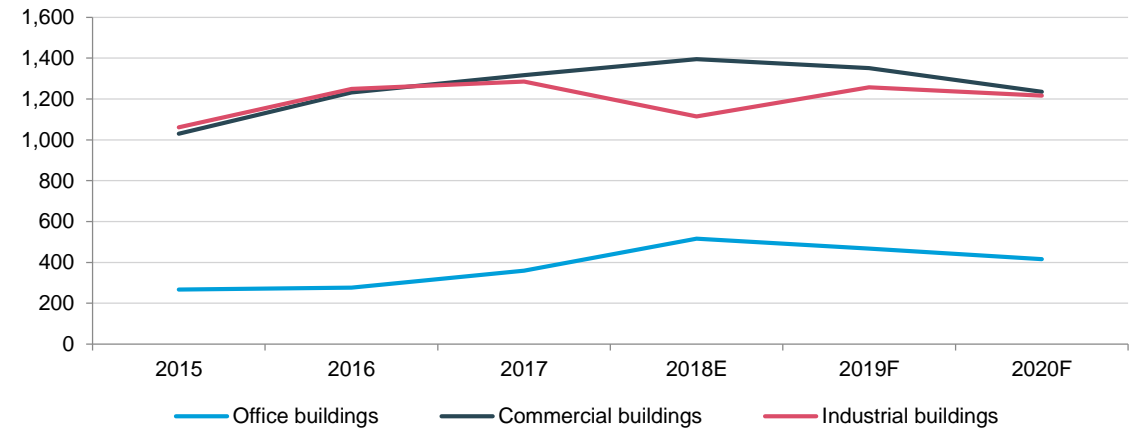
Finland, the Baltic countries and Slovakia

Non-residential construction volumes

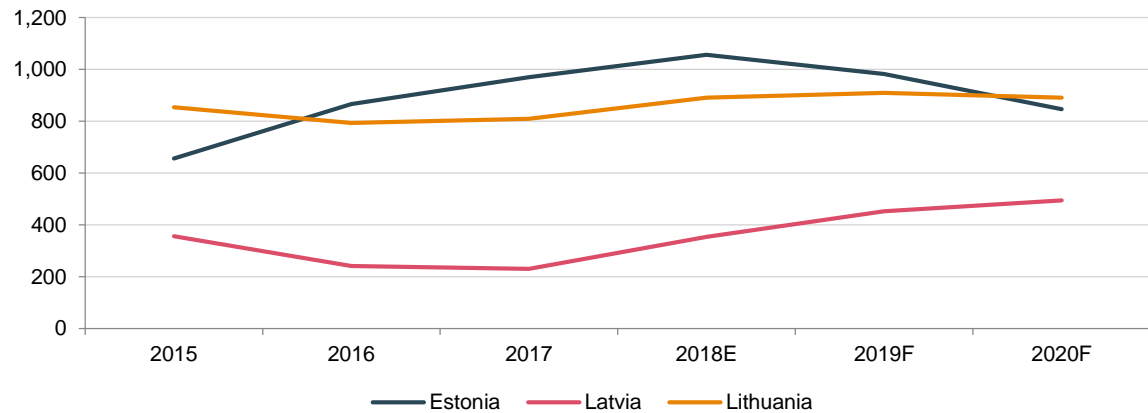
NEW NON-RESIDENTIAL CONSTRUCTION VOLUMES (index 2015=100)



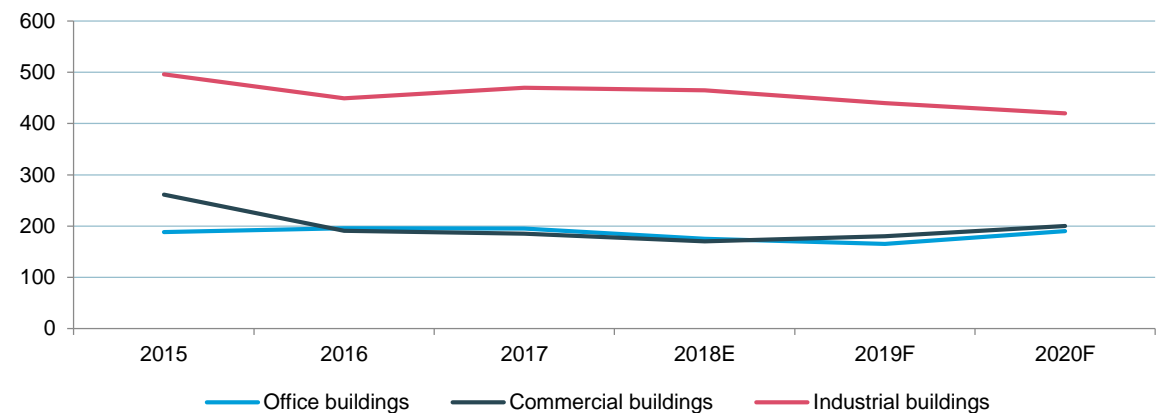
NEW NON-RESIDENTIAL CONSTRUCTION IN FINLAND (EUR million at 2017 prices)



NEW NON-RESIDENTIAL CONSTRUCTION IN THE BALTIC COUNTRIES (EUR million at 2017 prices)



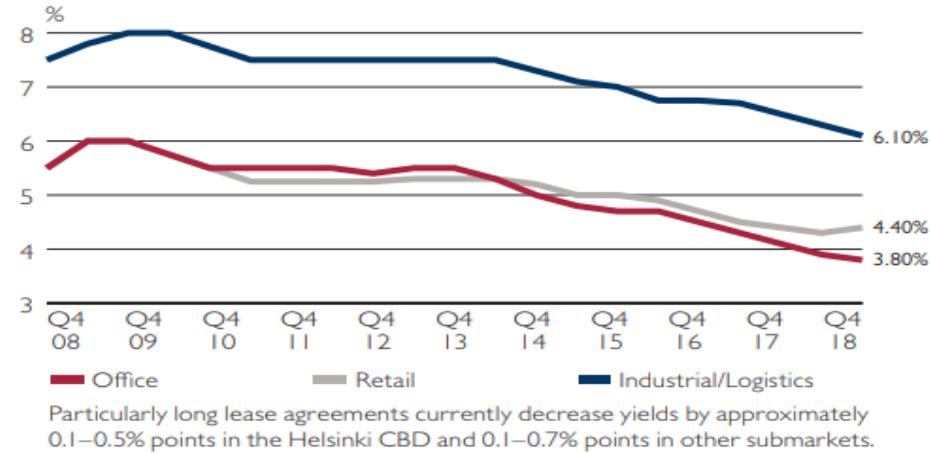
NEW NON-RESIDENTIAL CONSTRUCTION IN SLOVAKIA (EUR million at 2017 prices)



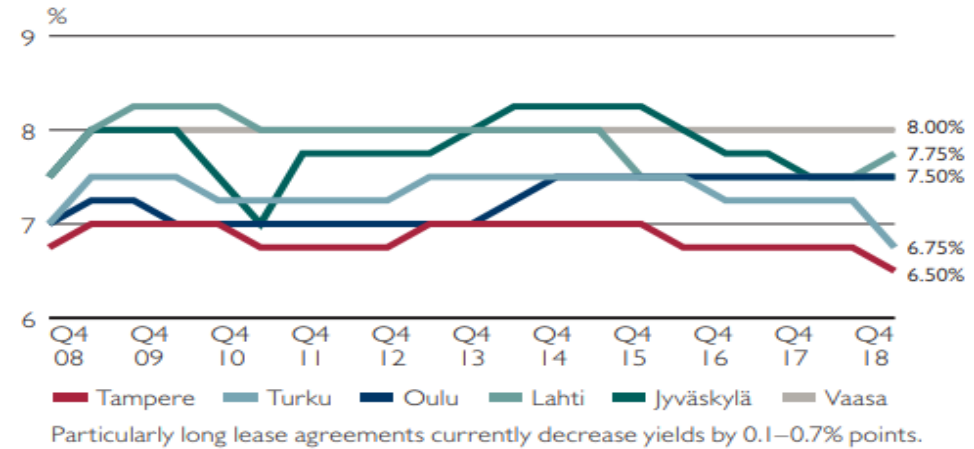
Finland

Yields and transaction volumes in Finland

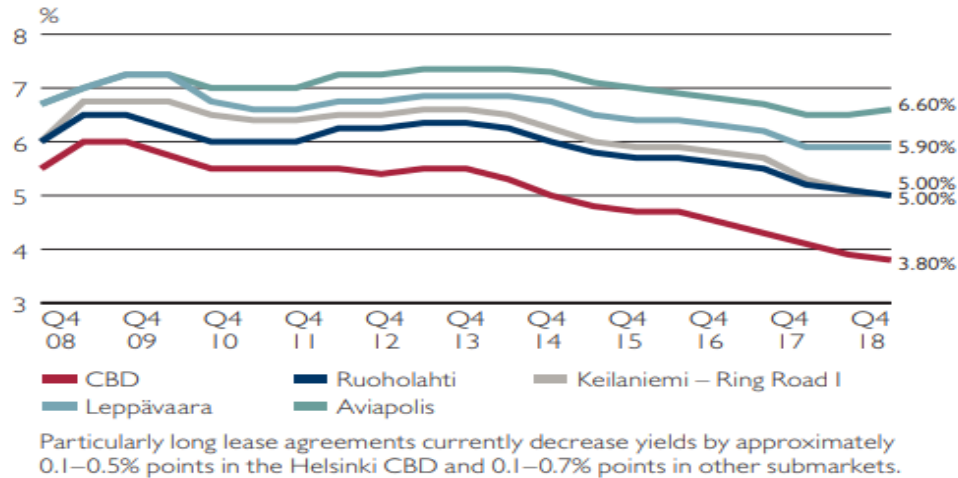
PRIME YIELDS IN THE HELSINKI METROPOLITAN AREA, (%)



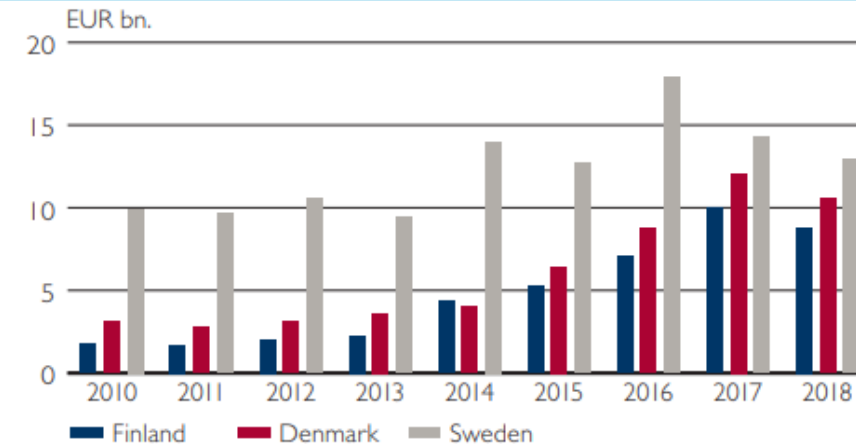
PRIME YIELDS IN GROWTH CENTRES, (%)



OFFICE YIELDS IN THE HELSINKI METROPOLITAN AREA, (%)



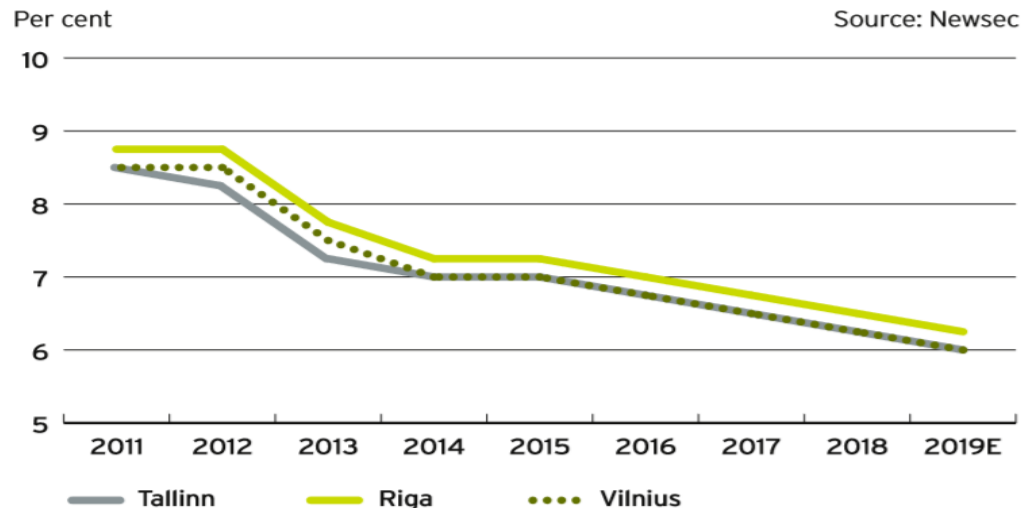
TRANSACTION VOLUME IN FINLAND, DENMARK AND SWEDEN, (EUR bn)



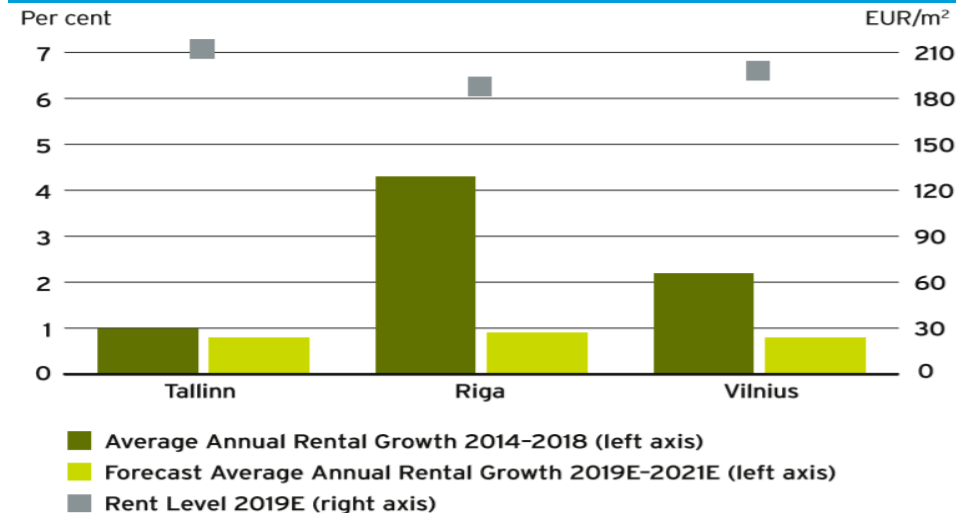
The Baltic countries

Yields are expected to decrease slightly

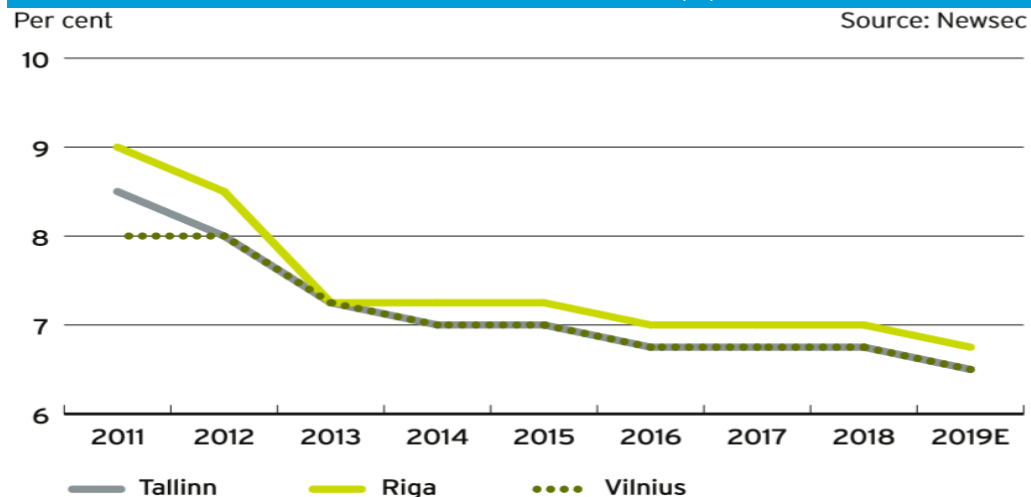
PRIME OFFICE YIELDS IN THE BALTIC COUNTRIES (%)



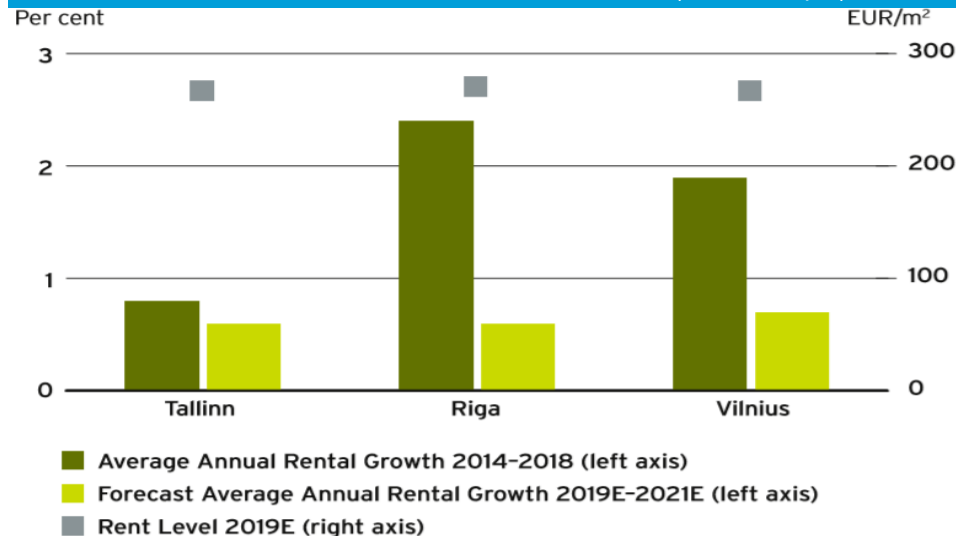
PRIME OFFICE RENTS IN THE BALTIC COUNTRIES (% , EUR/sq.m)



PRIME RETAIL YIELDS IN THE BALTIC COUNTRIES (%)



PRIME RETAIL RENTS IN THE BALTIC COUNTRIES (% , EUR/sq.m)



VII

Additional material

Strategic priorities

URBAN DEVELOPMENT

More out of the urban development capability
Average ROCE >15% through the pipeline

Sustainable
urban
development



Project
development

Project
management and
construction

Rental incomes
Fair valuation
Service fees

Capital gain

NON-CYCLICAL BUSINESSES

Portfolio of businesses with stable nature and performance
> EUR 100 million of annual operating profit 2019 on

STABLE OR
GROWING
DEMAND
THROUGHOUT
CYCLES

LONG-TERM
SERVICE AND
RENTAL
AGREEMENTS

TIMELY AND
RECURRING
CAPITAL
GAINS

GROWING
DEMAND FOR
SUSTAINABILITY

Cornerstones for success

TOP PERFORMANCE

- Capture synergies of the integration
- Common management system (GRIP) as a foundation for continuous improvement
- Scaling up practices of successful productivity pilots group wide
- Systematic collection and utilisation of data and analytics



**SYNERGIES
EUR 40–50
MILLION**

**CLEARLY
SHORTER LEAD
TIMES**

CAPITAL EFFICIENCY

- Lower working capital and continued divestment of slow-moving assets
- Co-investments and external funds utilised
- Improved operating profit through higher productivity and captured synergies
- Decreased financing costs
- Reducing ownership in Mall of Tripla step by step

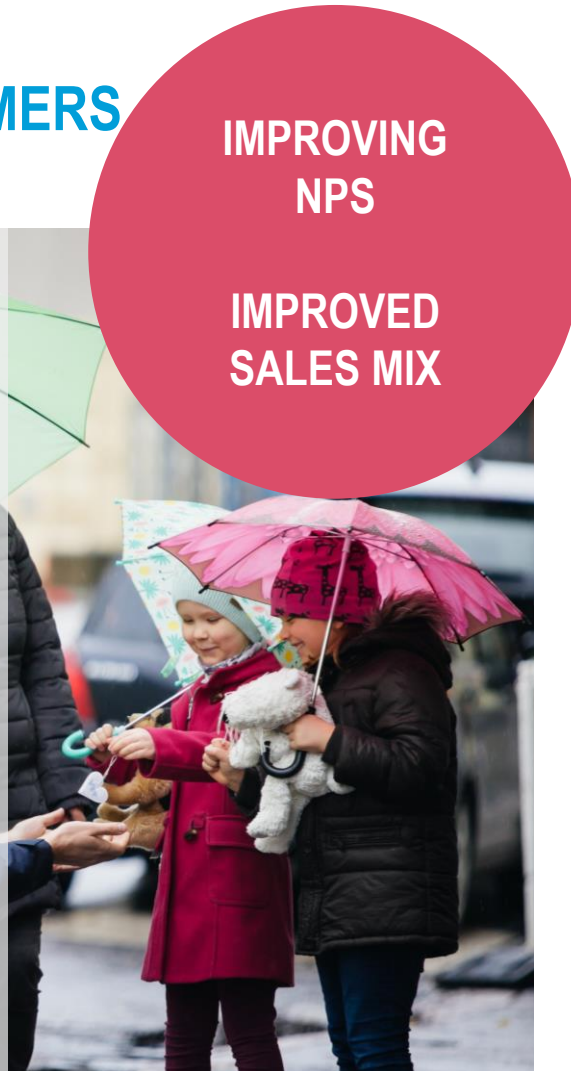


**GEARING
30–50%**

Cornerstones for success

SUCCESS WITH CUSTOMERS AND PARTNERS

- Increased customer activity and deeper customer insight
- Better product and service concepts
- Better customer experience
- Ensuring higher speed, innovativeness and financing capacity through deeper co-operation with partners



HAPPY PEOPLE

- Create common values and culture
- Ensure best resources
- Continue people development
- Confirm commitment
- Improve Occupational safety, health & well-being



Housing Finland and CEE and Housing Russia



HOUSING FINLAND AND CEE



- Customer experience improvement
- Industrialisation: Design management, BIM, modular construction
- Agile reactions to market changes
- Harmonised ways of working
- Focus in area development in plot investments



HOUSING RUSSIA



- Less capital intensive business model
 - Capital employed further down in Russia¹ by EUR ~100 million (RUB 8 billion)
- Implementation of common processes and new operating model to improve profitability
- Better sales mix in contracting
- Growth in Living services

¹ Including all operations in Russia

Key implications and targets

Infrastructure projects and Paving



INFRASTRUCTURE PROJECTS



- Focus in profitability improvement
 - Project and customer mix, operating model, risk management practices
- Harmonised ways of working
- Continuous hunting of competitive edges
 - Wider co-operation across units, segments and countries
- Growth in self-developed and collaboration projects



PAVING



- Business minded culture, good employer image and systematic training
- Customer-focused and proactive sales
- Harmonised ways of working, supported by digital and automated processes
- Developing sustainable products with strong laboratory network
- Optimised machinery and plant network

Key implications and targets

Business premises and Partnership properties



BUSINESS PREMISES



- Increasing revenue from self-developed and negotiation based projects
- Growth in renovation services
- Higher activity among potential clients and better concepts for sales
- Harmonising processes for improved productivity and control



PARTNERSHIP PROPERTIES



- Ensuring continuously stronger project pipeline for upcoming years
- Stable operating profit recognition every year; mix of rental incomes, fair valuation and capital gain of assets
- Invested capital from EUR 150 million up to EUR 300 million by the end of 2021

Establishing a portfolio enabling stable profits annually

CREATING A PORTFOLIO OF STABLE CASH FLOWS

Solid project pipeline will be generating significant cash flows and profits annually

...AND STABLE PROFITS

- 2018 Profits are mainly from capital gains and smaller recurring revenue sources
- 2019 → Mall of Tripla will be opened and profit will be generated from all three sources in relevant scale



¹ Consolidated through JV profits when asset is ready and in final use

Additional information

Ilkka Salonen

Chief Financial Officer (CFO)

+358 45 359 4434

ilkka.salonen@yit.fi

Hanna Jaakkola

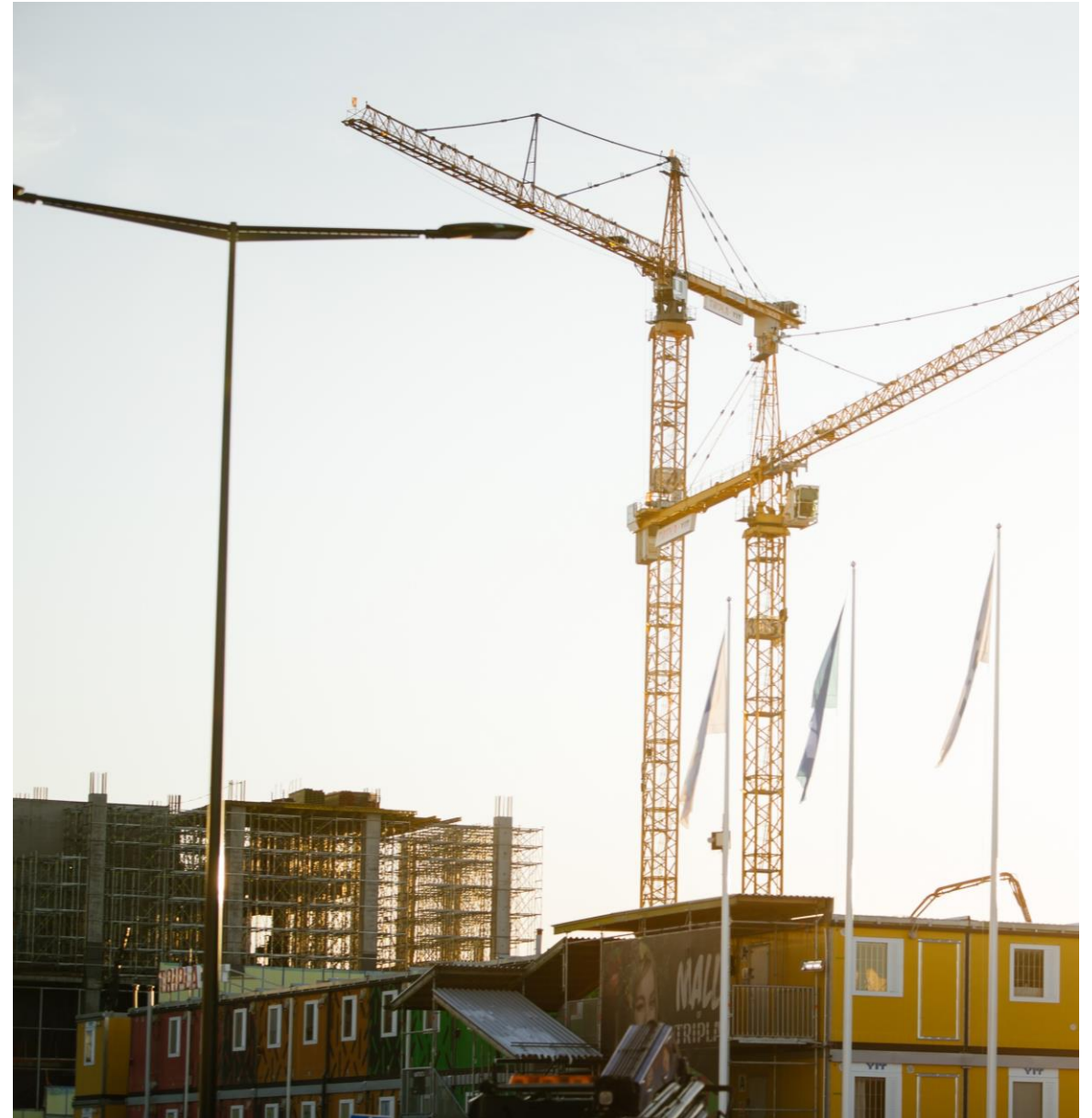
Vice President,
Investor Relations

+358 40 566 6070

hanna.jaakkola@yit.fi

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we can
do it.**