Interim Report
January-June 2012

Picture: Scandic Victoria Tower, Stockholm, Sweden

Building Services
Northern Europe

Picture: The Squaire, Frankfurt airport, Frankfurt, Germany

Building Services
Central Europe

Picture: Merenkulkijanranta, Helsinki, Finland

Construction Services
Finland

Picture: Komendantsky kvartal residential complex, St. Petersburg, Russia

International
Construction Services

YIT'S INTERIM REPORT JANUARY 1 – JUNE 30, 2012: Good progress in Construction Services, order backlog exceeding EUR 4 billion gives visibility

April 1 – June 30, 2012: Good residential sales continued in the second quarter

- The operating profit of the segments amounted to EUR 60.5 million in April – June (4–6/2011: EUR 70.3 million). The operating profit of Construction Services Finland and International Construction Services remained at the previous year's level. The operating profit of Building Services Northern Europe was burdened by the low profitability of project operations and a negative non-recurring item of EUR 2.8 million in Industrial Services. The operating profit of Building Services Central Europe was burdened by a decrease in the segment's revenue, low profitability in Poland and the Czech Republic and costs arising from the restructuring of operations.
- The revenue of the segments for the second quarter was on a par with the previous year, amounting to EUR 1,184.5 million (4–6/2011: EUR 1,136.9 million). Revenue grew in Building Services Northern Europe, Construction Services Finland and International Construction Services. The development of revenue was supported by a slight recovery in the demand for building services in Northern Europe, favourable development of the infrastructure business in Finland and growth in construction services revenue in the Baltic countries and Central Eastern Europe.
- The order backlog of the segments was 15 percent higher than a year earlier, increasing to EUR 4,045.4 million (6/2011: EUR 3,509.4 million). The order backlog remained at the level of the end of March 2012.
- The Group's profit before taxes based on segment reporting was 17 percent lower than the year before in April–June, amounting to EUR 54.5 million (4–6/2011: EUR 65.5 million).
- The Group's earnings per share based on segment reporting decreased by 13 percent in April–June from the year before, amounting to EUR 0.33 (4–6/2011: EUR 0.38).

January 1 – June 30, 2012: Operating profit increased in Construction Services Finland

- The operating profit of the segments was EUR 112.9 million (1–6/2011: EUR 120.7 million). Operating profit increased in Construction Services Finland.
- The revenue of the segments was 5 percent higher in January–June than in the previous year, increasing to EUR 2,282.8 million (1–6/2011: EUR 2,163.8 million). Revenue grew in Building Services Northern Europe, Construction Services Finland and International Construction Services.
- The Group's profit before taxes based on segment reporting decreased by 9 percent from the year before, amounting to EUR 101.6 (1–6/2011: EUR 111.3 million).
- The Group's earnings per share based on segment reporting decreased by 5 percent from the year before, amounting to EUR 0.61 (1–6/2011: EUR 0.64).

GUIDANCE: The Group's revenue based on segment reporting will remain on a par with 2011 and operating profit will increase compared to 2011

YIT Corporation reiterates its estimate issued in connection with the financial statements for 2011 and according to which, in 2012, revenue will remain at the level of 2011 and operating profit will increase compared to 2011. The profit outlook is based on the segment-level reporting, i.e. recognition of income based on the percentage of completion.

With the improvement of profitability with the progress of the efficiency improvement programme, the Building Services Northern Europe business segment will support the growth of YIT's operating profit for 2012 during the second half of the year.

The high uncertainty over the general macroeconomic development may have a negative effect also on decision-making by YIT's customers and thereby the development and performance of YIT's business operations.

Juhani Pitkäkoski, President and CEO: Order backlog exceeding EUR 4 billion gives visibility to the rest of the year

We aim to utilise the opportunities presented by the market situation: we responded to the continued favourable demand by starting up the construction of nearly 2,500 residential units during the second quarter. Low interest rates support residential sales in Finland, and the favourable development in the housing loan market is promoting our residential sales in Russia.

We are satisfied with the good development in Construction Services during the second quarter. Residential sales picked up in Finland compared to the first quarter and continued to be good in Russia.

We will continue to focus on improving the profitability of Building Services Northern Europe: there are extensive efficiency improvement measures under way in the segment, and we expect their first impact to be visible during the second half of 2012. We will improve the profitability of Building Services Central Europe through the restructuring of operations.

KEY FIGURES

Development of the Group based on segment reporting (percentage of completion, POC)

Revenue, EUR million	1-6/12	1-6/11	Change		4-6/12	4-6/11	Change
Building Services Northern Europe	1,051.2	985.6	7%		538.1	509.4	6%
Building Services Central Europe	339.0	368.2	-8%		179.5	191.1	-6%
Construction Services Finland	677.4	621.8	9%		347.9	332.3	5%
International Construction Services	241.3	220.8	9%		133.4	120.5	11%
Other items	-26.0	-32.6			-14.4	-16.4	
Group, total	2,282.8	2,163.8	5%		1,184.5	1,136.9	4%

Operating profit, EUR million	1-6/12	1-6/11	Change		4-6/12	4-6/11	Change
Building Services Northern Europe	30.0	35.9	-17%		15.3	18.8	-19%
Building Services Central Europe	11.8	16.1	-27%		6.6	12.1	-45%
Construction Services Finland	61.7	58.4	6%		32.0	32.8	-2%
International Construction Services	21.2	20.7	3%		12.7	12.3	3%
Other items	-11.8	-10.4			-6.1	-5.7	
Group, total	112.9	120.7	-6%		60.5	70.3	-14%

Operating profit margin, %	1-6/12	1-6/11			4-6/12	4-6/11	
Building Services Northern Europe	2.9	3.6			2.8	3.7	
Building Services Central Europe	3.5	4.4			3.7	6.3	
Construction Services Finland	9.1	9.4			9.2	9.9	
International Construction Services	8.8	9.4			9.5	10.2	
Group, total	4.9	5.6			5.1	6.2	

Order backlog, EUR million	6/12	6/11	Change		6/12	3/12	Change
Building Services Northern Europe	955.1	879.5	9%		955.1	969.4	-1%
Building Services Central Europe	473.4	554.1	-15%		473.4	500.5	-5%
Construction Services Finland	1,499.9	1,239.5	21%		1,499.9	1,428.0	5%
International Construction Services	1,186.7	896.4	32%		1,186.7	1,142.9	4%
Other items	-69.7	-60.2			-69.7	-75.3	
Group, total	4,045.4	3,509.4	15%		4,045.4	3,965.5	2%

Key ratios of segment reporting (percentage of completion, POC)

	1-6/12	1-6/11	Change		4-6/12	4-6/11	Change
Profit before taxes, EUR million	101.6	111.3	-9%		54.5	65.5	-17%
Profit for the review period, EUR million [1)]	76.3	80.4	-5%		41.7	47.6	-13%
Earnings/share, EUR	0.61	0.64	-5%		0.33	0.38	-13%
Operating cash flow after investments, EUR million	33.6	15.9	111%		42.6	-0.2	
Personnel at the end of the period	26,255	26,807	-2%		26,255	26,807	-2%

[1)] attributable to equity holders

INFORMATION SESSION, WEBCAST AND CONFERENCE CALL

YIT will hold a news conference on the Interim Report on Thursday, July 26, 2012, at 10:00 a.m. (Finnish time, EEST). The news conference will be held at YIT's head office at Panuntie 11, 00620 Helsinki, Finland. The event is in English and targeted for investment analysts, portfolio managers and the media.

The news conference and the presentation, given by the company's President and CEO, Juhani Pitkäkoski, can be viewed live on YIT's website at www.yitgroup.com/webcast. The live webcast will start at 10:00 a.m. A recording of the webcast will be available at the same address starting at approximately 12:00 noon.

It is also possible to participate in the event through a conference call. Participants are requested to call the assigned number +44 (0)20 7162 0077 at least five minutes before the conference call begins, at 9:55 a.m. (Finnish time, EEST) at the latest.

During the webcast and conference call, all questions should be presented in English. At the end of the event, there will also be an opportunity for the media to ask questions in Finnish.

Schedule in different time zones:

	Interim Report published	The analyst, portfolio manager and media event, conference call and live webcast	Recorded webcast available
EEST (Helsinki)	8:00	10:00	12:00
CEST (Paris, Stockholm)	7:00	9:00	11:00
BST (London)	6:00	8:00	10:00
US EDT (New York)	1:00	3:00	5:00

Financial reports and other investor information are available at YIT's website, www.yitgroup.com/investors. The materials may be ordered via the website, by sending e-mail to InvestorRelations@yit.fi or by telephone on +358 20 433 2257.

YIT Corporation

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INTERIM REPORT JANUARY 1 – JUNE 30, 2012

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GROUP’S FINANCIAL DEVELOPMENT BASED ON SEGMENT REPORTING

Accounting principles applied in the Interim Report

YIT Corporation’s management follows the development of the company’s business according to the percentage of completion-based segment reporting. Therefore, the descriptive part of the Interim Report focuses on describing the company’s performance according to this reporting. YIT also reports on its operations in accordance with the IFRS guidelines, in connection with which the company applies, for example, the IFRIC 15 guidelines. The effects of the differences of the recognition principles are presented in detail in the tables to the Interim Report.

Development of Construction Services remained favourable

Revenue, EUR million	1-6/12	1-6/11	Change		4-6/12	4-6/11	Change
Building Services Northern Europe	1,051.2	985.6	7%		538.1	509.4	6%
Building Services Central Europe	339.0	368.2	-8%		179.5	191.1	-6%
Construction Services Finland	677.4	621.8	9%		347.9	332.3	5%
International Construction Services	241.3	220.8	9%		133.4	120.5	11%
Other items	-26.0	-32.6			-14.4	-16.4	
Group, total	2,282.8	2,163.8	5%		1,184.5	1,136.9	4%

The revenue of YIT's segments increased by 5 percent in January–June compared to the previous year, amounting to EUR 2,282.8 million (1–6/2011: EUR 2,163.8 million). Revenue for the second quarter remained on a par with the same period the previous year, amounting to EUR 1,184.5 million (4–6/2011: EUR 1,136.9 million). Revenue grew in Building Services Northern Europe, Construction Services Finland and International Construction Services. The development of revenue was supported by a slight revival in the demand for building services in Northern Europe, favourable development of the infrastructure business in Finland and growth in construction services revenue in the Baltic countries and Central Eastern Europe. Changes in foreign exchange rates increased the segments' revenue for January–June by EUR 13.9 million and for the second quarter by EUR 8.3 million compared to the previous year.

In January–June, Finland accounted for 44 percent of the Group’s revenue according to the segment reporting (1–6/2011: 43%), Sweden for 15 percent (1–6/2011: 15%), Norway for 13 percent (1–6/2011: 12%), Germany for 11 percent (1–6/2011: 14%), Russia for 8 percent (1–6/2011: 7%), Denmark for 3 percent (1–6/2011: 4%), Austria for 3 percent (1–6/2011: 2%), the Baltic countries for 2 percent (1–6/2011: 1%) and other countries for 1 percent (1–6/2011: 3%).

Profitability decreased from the previous year

Operating profit, EUR million	1-6/12	1-6/11	Change		4-6/12	4-6/11	Change
Building Services Northern Europe	30.0	35.9	-17%		15.3	18.8	-19%
Building Services Central Europe	11.8	16.1	-27%		6.6	12.1	-45%
Construction Services Finland	61.7	58.4	6%		32.0	32.8	-3%
International Construction Services	21.2	20.7	3%		12.7	12.3	3%
Other items	-11.8	-10.4			-6.1	-5.7	
Group, total	112.9	120.7	-6%		60.5	70.3	-14%

Operating profit margin, %	1-6/12	1-6/11			4-6/12	4-6/11	
Building Services Northern Europe	2.9	3.6			2.8	3.7	
Building Services Central Europe	3.5	4.4			3.7	6.3	
Construction Services Finland	9.1	9.4			9.2	9.9	
International Construction Services	8.8	9.4			9.5	10.2	
Group, total	4.9	5.6			5.1	6.2	

YIT's operating profit based on segment reporting decreased by 6 percent compared to the previous year, amounting to EUR 112.9 million in January–June (1–6/2011: EUR 120.7 million). The operating profit margin based on segment reporting was 4.9 percent (1–6/2011: 5.6%). The operating profit for the review period includes EUR -5.9 million of borrowing costs according to IAS 23 (1–6/2011: EUR -4.4 million).

The operating profit for the second quarter decreased by 14 percent from the previous year to EUR 60.5 million (4–6/2011: EUR 70.3 million). The operating profit margin based on segment reporting was 5.1 percent (4–6/2011: 6.2%). The operating profit for the second quarter includes EUR -2.9 million of borrowing costs according to IAS 23 (4–6/2011: EUR -2.4 million). The IAS 23 standard defines the recording method of borrowing costs in long-term construction projects.

The second quarter operating profit margin of Building Systems Northern Europe fell short of the previous year due to the low profitability of project operations and a negative non-recurring item of EUR 2.8 million in Industrial Services. The operating profit of Building Services Central Europe was burdened by a decrease in the segment's revenue, low profitability in Poland and the Czech Republic and costs arising from the restructuring of operations. The operating profit of Construction Services Finland and International Construction Services remained at the previous year's level.

Strong order backlog gives visibility

Order backlog, EUR million	6/12	6/11	Change		6/12	3/12	Change
Building Services Northern Europe	955.1	879.5	9%		955.1	969.4	-1%
Building Services Central Europe	473.4	554.1	-15%		473.4	500.5	-5%
Construction Services Finland	1,499.9	1,239.5	21%		1,499.9	1,428.0	5%
International Construction Services	1,186.7	896.4	32%		1,186.7	1,142.9	4%
Other items	-69.7	-60.2			-69.7	-75.3	
Group, total	4,045.4	3,509.4	15%		4,045.4	3,965.5	2%

The order backlog of YIT's segments was EUR 4,045.4 million at the end of June (6/2011: EUR 3,509.4 million); 15 percent more than at the end of June the previous year. The order backlog remained unchanged from the end of March 2012, at which time it stood at EUR 3,965.5 million.

The order backlogs of Building Services Northern Europe and International Construction Services remained at the level of the end of March 2012. The order backlog of Building Services Central Europe decreased slightly and the order backlog of Construction Services Finland increased slightly compared to the end of March 2012.

Capital expenditure and acquisitions

Gross capital expenditure on non-current assets included on the balance sheet totalled EUR 24.1 million during January-June (1–6/2011: EUR 23.3 million), representing 1.1 percent of revenue (1–6/2011: 1.1%). Investments in construction equipment amounted to EUR 5.6 million (1–6/2011: EUR 7.1 million) and investments in information technology to EUR 5.2 million (1–6/2011: EUR 4.9 million). Other investments, including acquisitions, amounted to EUR 13.3 million (1–6/2011: EUR 11.3 million).

YIT made two acquisitions in the Building Services Northern Europe business segment during the second quarter. In Sweden, YIT acquired electrical installations company Dala Elmontage Lindkvist & Bodin AB. The company's annual revenue is approximately EUR 5 million, and it has about 30 employees. In Norway, YIT acquired the electrical installations company Madla Elektro. The company's annual revenue is approximately EUR 4 million and it has around 30 employees. A more detailed description of acquisitions made during the review period can be found in the tables to the Interim Report.

Positive cash flow during the second quarter

The Group's operating cash flow after investments amounted to EUR 33.6 million in January–June (1–6/2011: EUR 15.9 million). The operating cash flow after investments for the second quarter amounted to EUR 42.6 million (4–6/2011: EUR -0.2 million). In Construction Services Finland, the operating cash flow for the second quarter was good. The Group's operating cash flow for the second quarter was burdened by plot investments in Construction Services and the increase in production in International Construction Services.

At the end of June, the Group's invested capital amounted to EUR 1,883.5 million (3/2012: EUR 1,848.7 million). Of the Group's invested capital, 27 percent (3/2012: 29%), or EUR 509.2 million (3/2012: EUR 528.7 million) was invested in Russia. Exchange rate changes of the ruble decreased the capital invested in Russia by EUR 26.9 million in April–June.

In spite of the increasing volume of residential production, the amount of capital invested in Russia remained on a par with the end of March, taking the exchange rate change of the ruble into account. Smaller project sizes, sales of residential units at an earlier construction phase, improved terms of payment and an increased share of mortgage deals all increase capital efficiency in the segment.

The Group's return on investment based on segment reporting amounted to 13.7 percent for the last 12 months (4/2011–3/2012: 14.8%). Only operational items are taken into account in calculating the segments' invested capital.

Profit before taxes decreased from the previous year

Profit before taxes based on segment reporting decreased by 9 percent compared to the previous year, amounting to EUR 101.6 million in January–June (1–6/2011: EUR 111.3 million). The profit before taxes for the second quarter decreased by 17 percent from the previous year to EUR 54.5 million (4–6/2011: EUR 65.6 million).

Earnings per share based on segment reporting decreased by 5 percent from the year before in January–June, amounting to EUR 0.61 (1–6/2011: EUR 0.64). Earnings per share for the second quarter decreased by 13 percent from the year before, amounting to EUR 0.33 (4–6/2011: EUR 0.38).

DEVELOPMENT BY BUSINESS SEGMENT

Development by business segment is presented using figures compliant with segment reporting.

BUILDING SERVICES NORTHERN EUROPE

	1-6/12	1-6/11	Change		4-6/12	4-6/11	Change
Revenue, EUR million	1,051.2	985.6	7%		538.1	509.4	6%
Operating profit, EUR million	30.0	35.9	-17%		15.3	18.8	-19%
Operating profit margin, %	2.9	3.6			2.8	3.7	

	7/11-6/12	4/11-3/12
Return on operative invested capital (last 12 months), %	21.4	24.5

	6/12	6/11	Change		6/12	3/12	Change
Operative invested capital, EUR million	357.8	323.5	11%		357.8	339.4	5%
Order backlog, EUR million	955.1	879.5	9%		955.1	969.4	-1%

Revenue, EUR million	1-6/12	1-6/11	Change		4-6/12	4-6/11	Change
Sweden	357.4	325.1	10%		178.9	169.4	6%
Finland	301.0	299.3	1%		158.8	159.5	0%
Norway	295.2	255.7	15%		148.1	128.3	15%
Denmark	72.7	80.8	-10%		38.7	39.4	-2%
Russia and the Baltic countries	25.0	24.7	1%		13.8	12.8	8%
Total	1,051.2	985.6	7%		538.1	509.4	6%

The revenue of Building Services Northern Europe increased by 7 percent in January–June compared to the previous year, amounting to EUR 1,051.2 million (1–6/2011: EUR 985.6 million). Changes in foreign exchange rates increased the revenue for the review period by EUR 12.1 million compared to the previous year. The revenue for the second quarter increased by 6 percent from the previous year to EUR 538.1 million (4–6/2011: EUR 509.4 million). Changes in foreign exchange rates increased the revenue for the second quarter by EUR 7.3 million compared to the previous year. Revenue increased in Sweden and Norway in particular. The growth in revenue was supported by a slight revival in the demand for building services.

The segment's operating profit for the review period decreased by 17 percent from the previous year to EUR 30.0 million (1–6/2011: EUR 35.9 million). The operating profit for the second quarter decreased by 19 percent from the previous year to EUR 15.3 million (4–6/2011: EUR 18.8 million). The segment's profitability was burdened by the low profitability of project operations and a negative non-recurring item in Industrial Services. The operational performance of Industrial Services improved during the second quarter, but the operating profit was at a loss due to a non-recurring item of EUR 2.8 million related to the final settlement of a customer project completed in 2011. YIT made a cost provision of EUR 3.0 million related to the same project during the second quarter of 2011.

The restructuring of operations underway in all countries where Building Services Northern Europe operates proceeded according to plan during the review period. The efficiency of the segment's regional organisations was enhanced during the review period, and organisation structures streamlined in order to improve the control and profitability of operations. The profitability of project operations are being improved through more selective project selection, increasingly systematic risk management and making procurement more efficient. In the servicing business, capacity planning, preparation of work, material logistics, the invoicing process and mobile data transfer to technicians will be made more efficient. These efforts are estimated to result in annual savings of approximately EUR 40 million from 2013 onwards.

The order backlog at the end of June increased by 9 percent from the previous year, amounting to EUR 955.1 million (6/2011: EUR 879.5 million). The order backlog remained unchanged from the end of March 2012, at which time it stood at EUR 969.4 million.

Service and maintenance revenue continued to grow

Service and maintenance operations generated EUR 672.5 million (1–6/2011: EUR 610.6 million), or 64 percent of the segment's total revenue in January–June (1–6/2011: 62%). During the second quarter, service and maintenance operations generated EUR 344.4 million (4–6/2011: EUR 308.1 million), or 64 percent of the segment's total revenue (4–6/2011: 60%).

During the second quarter, YIT signed several service and maintenance agreements in Northern Europe. YIT will supply building system services to Seabroker Eiendom's energy-efficient building in Norway. YIT also signed an agreement with the City of Varkaus on the delivery of energy efficiency services to the city's ice stadium.

In accordance with an agreement signed during the second quarter, YIT and Finnair will continue their collaboration, which began in 2006, to make the technical maintenance of Finnair Facilities Management and properties more efficient. The agreement covers approximately 250,000 square metres of premises at the Helsinki-Vantaa airport and extends to the end of 2014.

Level of new investments was relatively low

The recovery of new investments in building systems continued slightly during the second quarter, but investments still remained at a relatively low level.

During the second quarter, YIT signed agreements on the delivery of pipework, ventilation and sprinkler installations to the Bodø cultural centre in Norway, among other projects. In addition, YIT will deliver building system installation work to Deloitte's head office constructed in Oslo. The total value of the contracts is about EUR 11 million.

YIT signed an agreement on the installation of building operating systems at the University Hospital in Linköping, Sweden, during the second quarter. The value of the contract is approximately EUR 4 million.

BUILDING SERVICES CENTRAL EUROPE

	1-6/12	1-6/11	Change		4-6/12	4-6/11	Change
Revenue, EUR million	339.0	368.2	-8%		179.5	191.1	-6%
Operating profit, EUR million	11.8	16.1	-27%		6.6	12.1	-45%
Operating profit margin, %	3.5	4.4			3.7	6.3	

	7/11-6/12	4/11-3/12
Return on operative invested capital (last 12 months), %	39.4	59.7

	6/12	6/11	Change		6/12	3/12	Change
Operative invested capital, EUR million	106.5	40.8	161%		106.5	96.4	10%
Order backlog, EUR million	473.4	554.1	-15%		473.4	500.5	-5%

Revenue, EUR million	1-6/12	1-6/11	Change		4-6/12	4-6/11	Change
Germany	261.4	296.8	-12%		136.7	155.7	-12%
Austria	67.4	46.6	45%		37.4	24.7	51%
Poland, the Czech Republic and other countries	10.2	24.8	-59%		5.5	10.7	-49%
Total	339.0	368.2	-8%		179.6	191.1	-6%

The revenue of Building Services Central Europe decreased by 8 percent in January–June compared to the previous year, amounting to EUR 339.0 million (1–6/2011: EUR 368.2 million). The revenue for the second quarter decreased by 6 percent from the previous year to EUR 179.5 million (4–6/2011: EUR 191.1 million). The decrease in revenue was due to the slight decrease in demand at the end of 2011 and beginning of 2012 in Germany, the low level of activity in Central Eastern Europe and the decision of the company to discontinue international project activities.

The operating profit for January–June decreased by 27 percent from the previous year to EUR 11.8 million (1–6/2011: EUR 16.1 million). The operating profit for the second quarter decreased by 45 percent from the previous year to EUR 6.6 million (4–6/2011: EUR 12.1 million). The decrease in revenue, low profitability in Poland and the Czech Republic and costs arising from the restructuring of operations impaired the segment's profitability during the second quarter. YIT has initiated restructuring of operations in Poland, aiming to decrease the share of project business and increasing the share of more profitable service and maintenance operations. In Germany, YIT will close down its low-performing units. The operating profit for the second quarter of 2011 was improved by a sales gain of EUR 5 million from the divestment of Hungarian operations.

Demand in the Central European building services market continued to be relatively stable during the review period. The order backlog amounted to EUR 473.4 million at the end of June (6/2011: EUR 554.1 million). The order backlog at the end of June decreased by 15 percent from the previous year and by 5 percent from the end of March 2012 (3/2012: EUR 500.5 million).

Service and maintenance revenue is growing

Service and maintenance operations generated EUR 99.1 million (1–6/2011: EUR 94.3 million), or 29 percent of the segment's total revenue in January–June (1–6/2011: 26%). During the second quarter, service and maintenance operations generated EUR 53.5 million (4–6/2011: EUR 49.0 million), or 30 percent of the segment's total revenue (4–6/2011: 26%). The share of service and maintenance was significantly lower in Building Services Central Europe (4–6/2012: 30%) than in Building Services Northern Europe (4–6/2012: 64%), and therefore the opportunities for increasing it in Building Services Central Europe are good.

The share of agreements pursuant to the YIT-developed ServiFlex concept is increasing, and the company signed several new service and maintenance agreements during the second quarter. In Germany, YIT signed an agreement on the delivery of service functions to the German Aerospace Centre (DLR) and Krones AG. Furthermore, several long-term contracts were renewed during the second quarter.

Demand for new investments remained stable

The demand for new building system investments remained stable during the review period in Germany and Austria, but the level of activity in large projects slowed down to some extent in Germany during the second quarter. YIT secured several significant projects during the second quarter. In Germany, YIT will deliver energy-efficient building systems to the Joseph Pschorr Haus building constructed in Munich and ventilation systems to BMW's plant built in Leipzig.

CONSTRUCTION SERVICES FINLAND

	1-6/12	1-6/11	Change		4-6/12	4-6/11	Change
Revenue, EUR million	677.4	621.8	9%		347.9	332.3	5%
Operating profit, EUR million	61.7	58.4	6%		32.0	32.8	-2%
Operating profit excluding IAS 23 adjustment, EUR million	64.9	61.5	6%		33.6	34.4	-2%
Operating profit margin, %	9.1	9.4			9.2	9.9	
Operating profit margin excluding IAS 23 adjustment, %	9.6	9.9			9.7	10.4	

	7/11-6/12	4/11-3/12
Return on operative invested capital (last 12 months), %	25.0	24.6

	6/12	6/11	Change		6/12	3/12	Change
Operative invested capital, EUR million	515.3	451.7	14%		515.3	552.1	-7%
Order backlog, EUR million	1,499.9	1,239.5	21%		1,499.9	1,428.0	5%

Revenue amounted to EUR 677.4 million in January–June (1–6/2011: EUR 621.8 million) and it increased by 9 percent from the previous year. The revenue for the second quarter increased by 5 percent from the previous year to EUR 347.9 million (4–6/2011: EUR 332.3 million). The growth in revenue was supported by an increase in the volume of the infrastructure services in the second quarter.

The segment's operating profit increased by 6 percent in January–June compared to the previous year, amounting to EUR 61.7 million (1-6/2011: EUR 58.4 million). The operating profit for the review period includes EUR -3.3 million of borrowing costs according to IAS 23 (1–6/2011: EUR -3.1 million). Operating profit for the second quarter remained on a par with the previous year, amounting to EUR 32.0 million (4–6/2011 EUR 32.8 million). The operating profit for the second quarter includes EUR -1.6 million of borrowing costs according to IAS 23 (4–6/2011: EUR -1.6 million). The operating profit increased in infrastructure services during the second quarter.

The order backlog amounted to EUR 1,499.9 million at the end of June (6/2011: EUR 1,239.5 million). The order backlog increased by 21 percent from the previous year and by 5 percent from the end of March 2012 (3/2012: EUR 1,428.0 million).

The segment's capital tied into plot reserves totalled EUR 279.2 million (3/2012: EUR 297.0 million) at the end of June. The reserves included plots for 1,658,000 m^2 of residential plots (3/2012: 1,652,000) and 628,000 m^2 of business premises (3/2012: 634,000).

Good residential sales to consumers continued

Residential sales continued at a good level in the second quarter. The demand focused particularly on residential units in the final stages of construction and completed residential units. Housing prices remained stable during the review period. Residential sales to consumers have continued at a normal level in July.

Residential construction in Finland, number of residential units

	1-6/12	1-6/11	Change		4-6/12	1-3/12	Change
Sold	1,492	1,347	11%		717	775	-7%
- of which directly to consumers	950	1,048	-9%		497	453	10%
Started	1,555	1,579	-2%		996	559	78%
- of which directly to consumers	1,013	1,280	-21%		776	237	227%
Completed	1,552	2,262	-31%		936	616	52%
- of which directly to consumers	1,346	1,354	-1%		847	499	70%
Under construction at the end of the period	4,109	3,875	6%		4,109	4,049	1%
- of which sold at the end of the period	2,293	2,127	8%		2,293	2,398	-4%
For sale at the end of the period	2,245	1,956	15%		2,245	1,966	14%
- of which completed	429	208	106%		429	315	36%

Changes in the number of residential units may take place after the start of construction due to the division or combination of residences.

The focus of YIT's housing construction is on own residential development projects aimed directly at consumers in accordance with market demand. During the second quarter, YIT started up the construction of 776 residential units as own development projects. In addition, YIT started up the construction of approximately 200 residential units as tender-based projects.

YIT has actively replenished its plot reserves by acquiring plots and making preliminary agreements on plots in order to ensure good opportunities for residential start-ups also in the future.

The number of completed but unsold residential units has remained at a relatively low level. Of the residential units under construction, 56 percent have been sold (6/2011: 56%), which reduces YIT's sales risk. The sales inventory is focused on medium-priced residential production: approximately 75 percent of the residential units for sale are priced at less than EUR 300,000.

YIT is well prepared to adjust its residential production according to the market situation. The costs of completing the current residential and business premises development projects for sale amounted to EUR 301.4 million at the end of June 2012.

Favourable development in the business and office premises market continued

The development of the business and office premises market continued to be favourable in the second quarter, and the order backlog of YIT's business and office premises operations remained at a good level. The leasing of business and office premises under construction proceeded well in April–June: lease agreements were signed on approximately 5,800 m^2 of premises. Rents for business premises and investors' yield requirements remained stable in the second quarter.

During the second quarter, YIT sold the Ratinankaari office and commercial building in Tampere to a fund managed by Pohjola. The value of the transaction was approximately EUR 37 million. The construction of Ratinankaari has begun, and it is estimated to be complete in June 2013. During the second quarter, YIT announced that it will start up the construction of the Avia Line 3 office building in Vantaa. The office building of some 3,300 m^2 is the third in a group of four which, when completed, will comprise a total of about 12,000 m^2 of office space. At the same time, a garage with 250 parking spaces will be built for the use of all tenants in the Avia Line office buildings. Starting in August, the construction work is expected to be complete in June 2013.

Development of infrastructure construction remained favourable

Demand for infrastructure construction continued to be good in the second quarter, and the order backlog of infra services at the end of June 2012 was double the order backlog of the previous year.

During the second quarter, YIT won seven separate regional contracts in the Finnish Transport Agency's competitive bidding for regional road maintenance contracts. The grand total of the contracts to be signed is approximately EUR 91 million, and the contracts will start in October 2012. YIT was also selected to implement the interior contract of the Ruskeasanta railway station, a part of the Ring Railway project in Vantaa, Finland. The value of the contract is approximately EUR 28 million, and it includes the construction of a railway station, pipework, ventilation and electrical engineering, and the interior of the tunnel section. The construction work for the station, built underground, has been started and will last for approximately two years.

INTERNATIONAL CONSTRUCTION SERVICES

	1-6/12	1-6/11	Change		4-6/12	4-6/11	Change
Revenue, EUR million	241.3	220.8	9%		133.4	120.5	11%
Operating profit, EUR million	21.2	20.7	3%		12.7	12.3	3%
Operating profit excluding IAS 23 adjustment, EUR million	23.8	22.0	8%		14.1	13.1	8%
Operating profit margin, %	8.8	9.4			9.5	10.2	
Operating profit margin excluding IAS 23 adjustment, %	9.9	10.0			10.6	10.9	

	7/11-6/12	4/11-3/12
Return on operative invested capital (last 12 months), %	6.5	6.1

	6/12	6/11	Change		6/12	3/12	Change
Operative invested capital, EUR million	655.7	668.3	-2%		655.7	651.8	1%
Order backlog, EUR million	1,186.7	896.4	32%		1,186.7	1,142.9	4%

Revenue for January–June increased by 9 percent compared to the previous year, which was particularly attributable to revenue growth in the Baltic countries and Central Eastern Europe, amounting to EUR 241.3 million (1–6/2011: EUR 220.8 million). The revenue for the second quarter increased by 11 percent from the previous year to EUR 133.4 million (4–6/2011: EUR 120.5 million).

The operating profit for the review period remained on a par with the previous year, amounting to EUR 21.2 million (1–6/2011 EUR 20.7 million). The segment's operating profit for January–June includes EUR -2.6 million of borrowing costs according to IAS 23 (1–6/2011: EUR -1.3 million). The revenue for the second quarter was also on a par with the previous year, amounting to EUR 12.7 million (4–6/2011: EUR 12.3 million). The operating profit for the second quarter includes EUR -1.4 million of borrowing costs according to IAS 23 (4–6/2011: EUR -0.8 million). The sale of projects at an earlier phase of construction than before had an effect on the recognition of revenue and operating profit: only a limited amount of revenue is recognised at the time of the sale for projects in their early stage of construction. The weaker profitability of competitive tendering compared to own residential development projects and its continued high share of the revenue in the Baltic countries in particular impaired the segment's profitability during the second quarter.

Thanks to several residential start-ups, the order backlog at the end of June increased by 32 percent on the previous year, amounting to EUR 1,186.7 million (6/2011: EUR 896.4 million). The order backlog remained on a par with the end of March 2012, at which time it stood at EUR 1,142.9 million. The segment's order backlog was partly decreased by the weakening of the ruble, which had an impact of EUR -52.6 million in April–June.

The costs of completing the current residential and business premises development projects for sale amounted to EUR 462.0 million at the end of June 2012.

The segment's capital tied into plot reserves totalled EUR 362.3 million at the end of June (3/2012: EUR 346.1 million). The reserves included plots for 2,566,000 m^2 of residential plots (3/2012: 2,562,000) and 689,000 m^2 of business premises in Russia, the Baltic countries, the Czech Republic and Slovakia (3/2012: 689,000).

The segment's return on operative invested capital for the last 12 months was 6.5 percent, which is below the Group's strategic target for return on invested capital (20 percent). YIT aims to increase the segment's return on invested capital primarily by increasing the volume of operations, improving profitability and further increasing capital efficiency.

Russian residential sales continued to be strong

Russia generated 77 percent of the revenue of International Construction Services for January–June (1–6/2011: 85%). Revenue generated in Russia remained on a par with the previous year, amounting to EUR 185.7 million (1–6/2011 EUR 187.4 million).

The capital tied into plot reserves in Russia totalled EUR 281.2 million (3/2012: EUR 260.7 million) at the end of June. The reserves included plots for 2,211,000 m^2 of residential plots (3/2012: 2,200,000) and 546,000 m^2 of business premises (3/2012: 546,000).

Residential construction in Russia, number of residential units

	1-6/12	1-6/11	Change		4-6/12	1-3/12	Change
Sold	1,889	1,457	30%		934	955	-2%
Started	2,663	2,240	19%		1,123	1,540	-27%
Completed 1)	1,358	343	296%		765	593	29%
Under construction at the end of the period 2)	8,670	6,346	37%		8,670	8,313	4%
- of which sold at the end of the period	3,159	1,762	79%		3,159	2,881	10%
For sale at the end of the period	5,987	4,993	20%		5,987	5,799	3%
- of which completed	476	409	16%		476	367	30%

Under construction at the end of the period 2)	6/12	6/11	Change		6/12	3/12	Change
St. Petersburg	2,290	1,801	27%		2,290	2,102	9%
Moscow region	4,016	3,570	12%		4,016	3,882	3%
Yekaterinburg, Kazan, Don Rostov and Moscow city	2,364	975	142%		2,364	2,329	2%

1) Completion of the projects requires commissioning by the authorities.
2) At the end of June 2012, YIT had 365 residential units at Russian sites whose construction was suspended in the autumn of 2008 (6/2011: 365). 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.

In Russia, the focus of operations is on own residential development projects in St. Petersburg, Moscow and cities in the Moscow region, Yekaterinburg, Rostov-on-Don and Kazan. YIT actively continued plot investments in St. Petersburg and the Moscow region during the second quarter.

Residential sales continued to focus on projects at an early stage of construction in Russia during the review period, meaning that a relatively smaller amount of revenue is recognised for the sold residential units at the time of the sale. In July, residential sales have continued at a normal level in Russia.

Residential sales have been supported by YIT's established position as a reliable construction company in Russia, YIT's diverse housing offering, YIT's own marketing and promotion measures and extensive housing loan cooperation with banks. The significance of loan financing has increased in Russia, and, in the second quarter, customers have taken out housing loans in 39 percent of YIT's residential sales. Residential sales were also supported by the pent up demand for new housing, continued favourable consumer confidence, oil prices and moderate interest rates for mortgages.

Housing prices continued to increase at a moderate rate during the second quarter in Russia, and YIT slightly increased the prices of its residential units in all of its operating cities in Russia.

Based on the favourable demand, YIT has actively started up new residential projects in Russia, and in the second quarter start-ups were made in St. Petersburg, the Moscow region, Rostov-on-Don and Yekaterinburg. During the second quarter, YIT expanded its operations to the city of Elektrostal, located in the eastern part of Moscow region.

The number of residential units for sale has been increased in a controlled manner, and the sales inventory at the end of June was geographically balanced. The number of completed but unsold residential units has remained at a relatively low level. Of the residential units under construction, 36 percent had been sold (6/2011: 28%).

After the handover of residential projects, YIT offers its customers service and maintenance. At the end of June 2012, YIT was responsible for the service and maintenance of approximately 11,500 residential units.

YIT's volume in the Russian business premises market remained at a low level during the second quarter of the year.

Revival of the residential market is slow in the Baltic countries and Central Eastern Europe

Estonia, Latvia, Lithuania, the Czech Republic and Slovakia accounted for 23 percent of the revenue of International Construction Services for January–June (1–6/2011: 15%). Revenue generated in these countries increased by 67 percent compared to the year before to EUR 55.6 million (1–6/2011: EUR 33.4 million). The capital tied into plot reserves in the Baltic countries, the Czech Republic and Slovakia totalled EUR 81.1 million at the end of June (3/2012: EUR 85.4 million). The reserves included plots for 355,000 m^2 of residential plots (3/2012: 362,000) and 143,000 m^2 of business premises (3/2012: 143,000).

The weaker profitability of competitive tendering compared to own residential development projects and its continued high share of the revenue in the Baltic countries in particular continued to impair the segment's profitability during the second quarter. YIT aims to shift the focus of operations from tender-based production to own residential development projects in order to improve profitability as residential demand revives.

Residential construction in the Baltic countries and Central Eastern Europe, number of residential units

	1-6/12	1-6/11	Change		4-6/12	1-3/12	Change
Sold	167	156	7%		92	75	23%
Started	284	316	-10%		284	0	
Completed	279	81	244%		47	232	-80%
Under construction at the end of the period	615	611	1%		615	378	63%
- of which sold at the end of the period	110	108	2%		110	104	6%
For sale at the end of the period	718	609	18%		718	526	37%
- of which completed	213	106	101%		213	252	-15%

Residential sales were at a relatively low level in the second quarter, and housing prices remained stable in the Baltic countries and Central Eastern Europe.

YIT's residential sales inventory in the Baltic countries, the Czech Republic and Slovakia is approximately 700 units, and YIT aims to increase the number of residential units for sale in accordance with demand. YIT made residential start-ups in Latvia, Lithuania, Slovakia and in the Czech Republic in particular. Acquisition of new residential plots was continued during the second quarter. YIT's relative position in the region has strengthened as a result of YIT's stable financial position.

Construction of business premises in the Baltic countries and Central Eastern Europe

During the second quarter, YIT signed an agreement according to which Capital Mill purchases YIT's 90% holding of an office building in Tallinn. The floor area of the office building constructed by YIT is approximately 8,300 m², and it is estimated to be completed in August 2012.

PERSONNEL

Personnel by business segment	6/12	6/11	Change		6/12	3/12	Change
Building Services Northern Europe	15,736	16,269	-3%		15,736	15,640	1%
Building Services Central Europe	3,465	3,597	-4%		3,465	3,505	-1%
Construction Services Finland	3,918	3,730	5%		3,918	3,438	14%
International Construction Services	2,713	2,785	-3%		2,713	2,730	-1%
Corporate Services	423	426	-1%		423	390	8%
Group, total	26,255	26,807	-2%		26,255	25,703	2%

Personnel by country/region	6/12	6/11	Change		6/12	3/12	Change
Finland	9,652	10,031	-4%		9,652	8,967	8%
Sweden	4,629	4,681	-1%		4,629	4,690	-1%
Norway	3,617	3,423	6%		3,617	3,621	0%
Germany	2,530	2,706	-7%		2,530	2,577	-2%
Russia	2,596	2,465	5%		2,596	2,579	1%
Denmark	1,160	1,369	-15%		1,160	1,169	-1%
Baltic countries	963	1,074	-10%		963	989	-3%
Other countries (Central Europe excluding Germany)	1,108	1,058	5%		1,108	1,111	0%
Group, total	26,255	26,807	-2%		26,255	25,703	2%

In January-June 2012, the Group employed 25,919 people on average (1–6/2011: 25,754). At the end of June, the Group employed 26,255 people (6/2011: 26,807).

YIT hired almost 1,000 summer employees in its Finnish operations for the summer 2012. The summer employees work in a variety of production-related and administrative tasks at YIT in construction, building services, industrial and corporate services functions.

The cost effect of YIT's share-based incentive scheme was about EUR 2.5 million in January–June (1–6/2011: EUR 2.7 million).

STRATEGIC OBJECTIVES

YIT Corporation's Board of Directors confirmed the Group's strategy for 2012–2014 on September 21, 2011. The key strategic objective is balanced and profitable growth. The Group's other strategic long-term target levels remain unchanged: average annual revenue growth of more than 10 percent, return on investment of 20 percent, operating cash flow after investments 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. When determining the target levels, the assumption was made that economic growth in YIT's market areas will continue.

In terms of business operations, the focus areas of YIT's growth continue to be building systems service and maintenance operations and residential construction. Growth is sought through acquisitions and organically. Building system services will be 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 Switzerland in building system services and Poland in construction services. Particular focus areas for growth include residential construction in Russia and building system services in Germany.

YIT published a stock exchange release on the confirmation of the strategy and materials for the Capital Market Day focusing on the strategic focus areas on September 22, 2011.

GROUP'S FINANCIAL DEVELOPMENT BASED ON GROUP REPORTING (IFRS)

	1-6/12	1-6/11	Change		4-6/12	4-6/11	Change
Revenue, EUR million	2,317.3	2,106.9	10%		1,218.9	1,137.2	7%
Operating profit, EUR million	122.8	107.1	15%		67.7	67.9	0%
Operating profit margin, %	5.3	5.1			5.6	6.0	
Profit before taxes, EUR million	111.5	97.7	14%		61.6	63.0	-2%
Profit for the review period, EUR million [1)]	83.6	71.0	18%		46.6	46.1	1%
Earnings/share, EUR	0.67	0.57	18%		0.37	0.37	0%
Operating cash flow after investments, EUR million	33.6	15.9	111%		42.6	-0.2	

[1)] attributable to equity holders

	6/12	6/11	Change		6/12	3/12	Change
Order backlog, EUR million	4,409.3	3,796.9	16%		4,409.3	4,385.3	1%
Return on investment (last 12 months) %	12.5	15.7			12.5	12.8	
Equity ratio, %	30.0	29.7			30.0	28.8	
Gearing ratio, %	86.7	79.9			86.7	84.2	

Revenue based on Group reporting increased by 10 percent compared to the previous year, amounting to EUR 2,317.3 million in January–June (1–6/2011: EUR 2,106.9 million). The revenue for the second quarter increased by 7 percent from the previous year to EUR 1,218.9 million (4–6/2011: EUR 1,137.2 million). The completion schedules of own development projects affect the Group's revenue recognition, and therefore Group-level figures may fluctuate greatly between different quarters. The number of residential units completed during the second quarter was higher than the previous year. The number of residential units completed in Russia, the Baltic countries and Central Eastern Europe was clearly higher than the year before, while in Finland the number of residential units completed was clearly lower than the year before.

In Group-level reporting, own residential development projects are only recognised as income upon project delivery. Following the IFRIC 15 adjustment, the Group's operating profit for January–June increased by 15 percent compared to the previous year, amounting to EUR 122.8 million (1–6/2011: EUR 107.1 million). Following the IFRIC 15 adjustment, the Group's operating profit margin for January–June was 5.3 percent (1–6/2011: 5.1%). Operating profit for the second quarter was on a par with the previous year, amounting to EUR 67.7 million (4–6/2011: EUR 67.9 million). Operating profit margin for the second quarter was 5.6 percent (4–6/2011: 6.0%).

Profit before taxes based on Group reporting increased by 14 percent compared to the previous year, amounting to EUR 111.5 million in January–June (1–6/2011: EUR 97.7 million). Profit before taxes for the second quarter was on a par with the previous year, amounting to EUR 61.6 million (4–6/2011: EUR 63.0 million).

Earnings per share based on Group reporting increased by 18 percent from the year before in January–June, amounting to EUR 0.67 (1-6/2011: EUR 0.57). Earnings per share for the second quarter was on a par with the previous year, amounting to EUR 0.37 (4–6/2011: EUR 0.37).

The order backlog based on Group reporting amounted to EUR 4,409.3 million at the end of June (6/2011: EUR 3,796.9 million).

Return on investment amounted to 12.5 percent for the last 12 months (4/2011–3/2012: 12.8%). Invested capital is calculated by deducting non-interest bearing liabilities from the balance sheet total. The balance sheet total at the end of June was EUR 3,646.9 million (3/2012: EUR 3,631.9 million).

The equity ratio increased slightly compared to the end of March 2012, amounting to 30.0 percent (3/2012: 28.8%).

Diverse capital structure and good liquidity position

YIT has a diverse capital structure and a good liquidity position. Cash reserves amounted to EUR 169.5 million at the end of June (3/2012: EUR 209.3 million). In addition, committed credit and overdraft facilities amounting to a total of EUR 357.1 million were unutilised. YIT has a total of EUR 280 million in committed credit facilities, of which EUR 50 million are valid until December 2013, EUR 30 million until December 2014 and EUR 200 million until December 2015. The committed credit facilities do not include an obligation to maintain financial key ratios, i.e. covenants.

The gearing ratio increased compared with the end of March 2012, amounting to 86.7 percent at the end of June (3/2012: 84.2%). Net financial liabilities increased from the end of March 2012 to EUR 803.1 million (3/2012: EUR 755.8 million).

Net financial expenses increased in January–June compared to the previous year and amounted to EUR 11.3 million (1–6/2011: EUR 9.4 million), or 0.5 percent (1–6/2011: 0.4%) of the Group's revenue. The net financial expenses include EUR 7.9 million of capitalisations in compliance with IAS 23 (1–6/2011: EUR 6.3 million). The exchange rate differences included in the net financial expenses, totalling EUR -2.7 million (1–6/2011: EUR -2.1 million), were comprised almost entirely of costs of hedging debt investments in Russia. Net financial expenses increased in the second quarter compared to the previous year and amounted to EUR -6.1 million (4–6/2011: EUR -4.9 million), or 0.5 percent (4–6/2011: 0.4%) of the Group's revenue. The net financial expenses include EUR 4.2 million of capitalisations in compliance with IAS 23 (4–6/2011: EUR 3.2 million). The exchange rate differences included in the net financial expenses totalled EUR -1.6 million (4–6/2011: EUR -0.8 million).

The hedged ruble exposure increased from the end of March 2012. At the end of June 2012, EUR 103.1 million of the capital invested in Russia was comprised of debt investments (3/2012: EUR 88.1 million) and EUR 406.1 million were equity investments or similar fixed net investments (3/2012: EUR 440.6 million). In accordance with YIT's hedging policy, the debt investments are hedged against exchange rate risk, while equity investments are not hedged due to their permanent nature.

Financial liabilities amounted to EUR 972.6 million at the end of June (3/2012: EUR 965.2 million), and the average interest rate was 3.1 percent (3/2012: 3.2%). Fixed-interest loans accounted for 58 percent of the Group’s financial liabilities (3/2012: 59%). Of the loans, 47 percent had been raised directly from the capital and money markets (3/2012: 42%), 41 percent from banks and other financial institutions (3/2012: 46%) and 11 percent from insurance companies (3/2012: 12%). The maturity distribution of long-term loans is balanced. A total of EUR 23.1 million of long-term loans will mature during the latter half of 2012.

The total amount of construction-stage contract receivables sold to financial institutions decreased from the end of March 2012, amounting to EUR 274.3 million at the end of June (3/2012: EUR 323.3 million). Of this amount, EUR 182.0 million is included in interest-bearing liabilities on the balance sheet (3/2012: EUR 237.0 million) and the remainder comprises off-balance sheet items in accordance with IAS 39. Interest expenses on receivables sold to financing companies amounted to EUR 2.6 million in the review period (1–6/2011: EUR 2.2 million), of which EUR 1.2 million in the second quarter (4–6/2011: EUR 1.1 million) and these are fully included in the financial expenses.

Participations in the housing corporation loans of unsold completed residential units amounted to EUR 62.9 million at the end of June (3/2012: EUR 45.4 million), and they are included in interest-bearing liabilities. The interest on the participations is included in housing corporation charges and is thus booked in project expenses. Interest on the participations amounted to EUR 1.0 million in the review period (1–6/2011: EUR 0.5 million) of which EUR 0.5 million in the second quarter (4–6/2011: EUR 0.3 million).

During the second quarter, YIT Corporation paid out dividends of EUR 87.7 million for 2011 in compliance with the resolution of the Annual General Meeting.

The Group's balanced business structure and solid financial position enable the implementation of YIT's growth strategy and the acquisitions and plot investments required by it. On the other hand, the Group has also prepared for macroeconomic uncertainty by strengthening its liquidity position.

RESOLUTIONS PASSED AT THE ANNUAL GENERAL MEETING

YIT Corporation’s Annual General Meeting was held on March 13, 2012. The Annual General Meeting adopted the 2011 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, decided on the Board of Directors' fees and elected the auditor. The Annual General Meeting confirmed the composition of the Board of Directors: Henrik Ehrnrooth (Chairman), Reino Hanhinen (Vice Chairman), Kim Gran, Antti Herlin, Satu Huber and Michael Rosenlew were re-elected as Board members.

At its organisational meeting on March 13, 2012, the Board elected the chairmen and members of the Audit Committee, Personnel Committee as well as the Working 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 13, 2012. The stock exchange releases and a presentation of the members of the Board of Directors are available at YIT's website: www.yitgroup.com.

SHARES AND SHAREHOLDERS

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

Share capital and number of shares

YIT Corporation's share capital and the number of shares outstanding did not change during the review period. YIT Corporation's share capital was EUR 149,216,748.22 at the beginning of 2012 (2011: EUR 149,216,748.22), and the number of shares outstanding was 127,223,422 (2011: 127,223,422).

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 13, 2012, to authorise the Board of Directors to purchase the company's shares as proposed by the Board of Directors. In addition to this, the Board of Directors has a valid share issue authorisation issued by YIT's Annual General Meeting on March 10, 2010. The share issue authorisation also includes an authorisation to decide on the conveyance of treasury shares.

YIT Corporation held 1,952,414 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.

YIT Corporation's Board of Directors confirmed the rewards for the 2011 earning period under the share-based incentive scheme for YIT's management on April 26, 2012, which were conveyed as a directed share issue without consideration. In the share issue, 130,976 YIT Corporation shares were issued and conveyed without consideration to the key persons participating in the Share Ownership Plan according to the terms and conditions of the plan.

During the review period, 12,672 shares were returned to the company in accordance with the terms and conditions of the share-based incentive scheme, after which the company held 1,834,110 treasury shares at the end of June 2012.

Trading in shares

The price of YIT's share was EUR 12.38 at the beginning of the year (January 1, 2011: EUR 18.65). The closing rate of the share on the last trading day of the review period was EUR 13.38 (June 30, 2011: EUR 17.24). The share price increased by approximately 8 percent during January–June. The highest price of the share during the review period was EUR 17.25 (1–6/2011: EUR 21.92), the lowest was EUR 11.87 (1–6/2011: EUR 15.41) and the average price was EUR 14.95 (1–6/2011: EUR 19.58). Share turnover on Nasdaq OMX in January–June amounted to 61,906 thousand shares (1–6/2011: 61,762 thousand). The value of turnover was EUR 925.8 million (1–6:2011: EUR 1,204.7 million), source: Nasdaq OMX.

In addition to the Helsinki Stock Exchange, YIT shares are also traded on alternative market places, such as Chi-X, BATS and Turquoise. The share of trade volume on alternative market places decreased slightly compared to the previous year during the review period. During January–June, 36,340 thousand YIT Corporation shares changed hands on alternative market places (1–6/2011: 39,241 thousand), corresponding to approximately 37 percent of the total share trade (1–6/2011: 39%). Of the alternative market places, YIT shares changed hands particularly in Chi-X, source: Nasdaq OMX and Fidessa Fragmentation Index.

YIT Corporation's market capitalisation at the end of the review period was EUR 1,677.7 million (6/2011: EUR 2,159.7 million). The market capitalisation has been calculated excluding the shares held by the company.

Number of shareholders and flagging notifications

At the end of June 2012, the number of registered shareholders was 35,888 (6/2011: 32,975). At the end of June, a total of 31.5 percent of the shares were owned by nominee-registered and non-Finnish investors (6/2011: 39.3%).

During the review period, the company received no "flagging notifications" of change in ownership in YIT Corporation in accordance with Chapter 2, section 9 of the Securities Market Act.

MAJOR SHORT-TERM BUSINESS RISKS AND RISK MANAGEMENT

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.

YIT has developed the Group's business structure to be balanced and more tolerant of economic fluctuations. The share of steadily developing service and maintenance operations has been increased. Cash flow-generating (building system and industrial services, contracting) and capital-intensive business operations (own residential and commercial development production) balance the risks related to business operations and the use of capital and enable better risk management at the Group level.

Operations have been expanded geographically so that economic fluctuations impact operations at different times in different markets. Continuous monitoring and analysis as well as alternative scenarios and action plans based on them make it possible to react quickly to changes in the operating environment and also to utilise the business opportunities provided by the changes.

The Group's aim is to grow profitably, both organically and through acquisitions. Risks associated with acquisitions are managed by selecting projects according to strict criteria and effective integration processes that familiarise new employees with YIT's values, operating methods and strategy.

YIT's typical operational risks include risks related to plot investments, sales risk of own residential and commercial development projects and risks related to contract tenders, service agreements, project management and personnel. 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 figures for residential production are presented under Development by business segment) and by normally securing key tenants and/or the investor prior to starting a business premises project. A strong increase in interest rates and changes in the availability of housing loans and real estate financing are key risks related to the demand for residential units.

YIT tests the value of its plots as required by IFRS accounting principles. Plot reserves are measured at acquisition cost and the plot 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. No write-offs were made to plots in the review period.

Financing and financial risks include liquidity, credit and counterparty, interest rate and currency risks and risks related to the reporting process. Financing and financial risks are managed through accounting and financing policies, internal control as well as internal and external audit.

YIT's most significant currency risk is related to investments denominated in rubles. Capital invested in Russia totalled EUR 509.2 million at the end of the period (3/2012: EUR 528.7 million). The amount of equity or equivalent net investments at the end of the period was EUR 406.1 million (3/2012: EUR 440.6 million). The equity investments in the Russian subsidiaries are unhedged in accordance with the treasury policy, and a potential devaluation of the ruble would have an equal negative impact on the Group's shareholders' equity. Debt investments amounted to EUR 103.1 million at the end of the period (3/2012: EUR 88.1 million), and this exposure was hedged in full. The differences in the interest rates between the euro and ruble have an effect on hedging costs and therefore net financial expenses.

Possible event risks include accidents related to personal or information security and sudden and unforeseen material damage to premises, project sites and other property, resulting from, for example, fire, collapse or theft. YIT complies with a group-wide security policy covering the different areas of security.

A more detailed account of YIT's risk management policy and the most significant risks was published in the Annual Report 2011. Financing risks were described in more detail in the notes to the Financial Statements for 2011.

REDUCING CARBON DIOXIDE EMISSIONS AS PART OF CORPORATE RESPONSIBILITY

YIT aims to reduce its carbon dioxide (CO_2) emissions significantly in the years to come. Reduction of emissions supports cost-efficiency and is part of YIT's strategy of balanced and profitable growth. YIT aims to minimise the environmental impacts of its activity by, among others, making its operations more efficient and utilising its services and solutions related to energy efficiency. Measures that influence the energy consumption of buildings include 24-hour monitoring of indoor conditions, LED illumination, heat recovery and continuous maintenance. In the future, emissions will also be reduced by increasingly using renewable energy sources and creating innovative energy and material efficient working methods.

Furthermore, YIT aims to make its energy consumption more efficient and improve the reporting on carbon dioxide emissions. YIT responded to the CDP survey (Carbon Disclosure Project) for the first time with regard to YIT's carbon dioxide emissions in 2011 and measures to reduce them and fight climate change.

OUTLOOK FOR 2012

YIT Corporation reiterates its estimate issued in connection with the financial statements for 2011 and according to which, in 2012, revenue will remain at the level of 2011 and operating profit will increase compared to 2011. The profit outlook is based on the segment-level reporting, i.e. recognition of income based on the percentage of completion.

With the improvement of profitability with the progress of the efficiency improvement programme, the Building Services Northern Europe business segment will support the growth of YIT's operating profit for 2012 during the second half of the year.

The high uncertainty over the general macroeconomic development may have a negative effect also on decision-making by YIT's customers and thereby the development and performance of YIT's business operations.

Building Services Northern Europe

The market situation in building services varies by country in the Nordic countries. According to an estimate by the construction industry's Euroconstruct expert network, the service and maintenance market is estimated to grow slightly in all Nordic countries during 2012 (June 2012 report). The increase in technology in buildings increases the need for new services. The demand for energy efficiency services is expected to remain stable. The public sector is expected to continue the outsourcing of real estate services.

According to the Euroconstruct forecast, the building system project market in Finland is expected to remain soft in 2012. New investments have not increased much due to the continued low level of construction of business premises and offices. In Denmark, construction of business premises and renovation are estimated to begin to increase slightly during 2012–2013. According to an estimate by Prognoscentret, the project market in Sweden and Norway will increase at a reasonable rate in 2012. The construction of business premises is estimated to increase both in Sweden and Norway, which will open up new opportunities for YIT. The building system market is, however, post-cyclic by nature. The public sector invests less in new buildings than the year before, with governments aiming to balance their budgets.

In the Baltic countries and Russia, both the project and service market is estimated to stay at a low level.

According to an investment survey by the Confederation of Finnish Industries EK, manufacturing industry and energy sector investments in Finland will increase slightly in 2012. The investments are mainly made to replace capacity, and the amount of expansion investments is estimated to remain low. The industrial maintenance market is estimated to remain stable.

Building Services Central Europe

In Building Services Central Europe, the service and maintenance market as well as the project market, which is dependent on new investments, are expected to grow at a moderate rate. The opportunities for growth in service and maintenance are favourable, particularly in the German and Austrian maintenance markets. The building system services market in Central Eastern Europe (Poland, the Czech Republic and Romania) is developing slowly.

New investments in building systems have remained at a good level in the countries where YIT operates in Central Europe, especially in Germany and Austria. New investments in building systems are expected to remain stable.

Growth in the demand for energy-efficient services is possible over the next few years with high energy prices and tightening environmental legislation, particularly in Germany and Austria.

Construction Services Finland

With regard to Construction Services Finland, housing demand is expected to continue to be good. Residential demand continues to be supported by low interest rates, the relatively stable employment rates and migration to growth centres. Interest rates are estimated to remain low in 2012. Migration will continue to be strong in Finland, with people increasingly moving to growth centres. Furthermore, the population and the number of household-dwelling units will increase with continued migration and the increasing number of one-person households.

According to the Confederation of Finnish Construction Industries' forecast, the construction of 28,000 residential units will start in Finland during 2012 (2011: 32,200). According to a report published by VTT Technical Research Centre of Finland in January, the annual need for the production of new residential units amounts to 24,000–29,000 residential units over the long term. YIT's goal is to strengthen its position as the leading housing developer in Finland.

YIT estimates that housing prices will remain stable in 2012. Construction costs are estimated to increase, mainly due to new energy regulations, but the increase is expected to be moderate in 2012.

According to VTT's (Technical Research Centre of Finland) estimate, the volume of office construction will decrease by approximately 8–9 percent during 2012. Vacancy rates of offices continue to be rather high after the last recession, with the vacant building stock also including relatively old office premises. YIT estimates that the demand will focus on modern and energy-efficient offices.

According to the VTT estimate, the volume of business premises construction will begin to decrease. The shift of the retail trade towards larger and larger business properties and the expansion of foreign retail chains in Finland maintain the volume of construction. Vacancy rates of business premises are rather low. The decrease in the willingness to take risks due to the European credit crunch may be reflected in the level of new investments in the business premises market in 2012.

According to the VTT's forecast, infrastructure construction remains stable in 2012. Rail and metro construction is expected to continue to increase, at least during 2012–2013. The market situation of rock construction is expected to remain favourable due to mine investments and underground rock excavation projects, at least until 2014. The road maintenance market is expected to remain stable, and new tenders will create opportunities for YIT to increase its market share.

International Construction Services

The volume of residential construction is estimated to increase in Russia in 2012: according to an estimate by the Russian government, residential construction in Russia will amount to approximately 67 million m^2, showing an increase of approximately 5 percent on the previous year.

Moscow, the Moscow region and St. Petersburg make up the largest residential markets in Russia: these areas account for approximately one-fifth of all residential construction. Even though the volume of residential construction has been increasing over the past few years, there is still a need for new residential units in all areas. Residential demand has remained favourable also due to strong economic development in Russia, good consumer confidence and favourable development in the housing loan market. However, housing loan interest rates began to increase at the end of 2011.

The future outlook of Russian residential construction is good. Living space per person is still clearly lower than in Western Europe and housing is in poor condition, which creates the need for new, high-quality housing. Furthermore, the number of household-dwelling units is expected to increase, and the middle class to increase as a share of the population. The development of the housing loan market in Russia has also contributed to the demand for new residential units. YIT has promoted the availability of loans to consumers through extensive cooperation with banks. YIT expects housing prices to increase in Russia in 2012 at a rate slightly higher than local inflation. Construction costs are estimated to increase hand in hand with housing prices. A decrease in oil prices might weaken the Russian economy and thereby also affect the housing construction outlook.

The volume of business premises construction is expected to grow at a moderate rate in 2012. YIT’s largest single market is St. Petersburg, where YIT will continue the marketing and sales of the Gorelovo industrial park.

In the Baltic countries, residential demand has been increasing as the result of pent up demand, improved consumer confidence and the employment situation. VTT estimates that the number of residential units completed in 2012 will increase to 11,200 or by approximately 9 percent from the previous year.

According to VTT's estimate, residential start-ups in 2012 are estimated to be at last year’s level in the Czech Republic. Interest and unemployment rates are increasing, which typically decreases the demand for residential units. Residential prices have remained stable in Slovakia. VTT estimates that residential start-ups will remain low in 2012 due to the high stocks of unsold residential units. On the other hand, the residential market is supported by the favourable economic growth in Slovakia and interest rates remaining low.

INTERIM REPORT JAN 1 – JUN 30, 2012: TABLES

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

1. SEGMENT REPORTING

2 GROUP REPORTING, IFRS

1. SEGMENT REPORTING

1.1 Accounting principles of segment reporting

Building Services Northern Europe and Building Services Central Europe segments' reporting to YIT Group's management board is based on YIT Group's accounting principles. In the reporting of Construction Services Finland segment and International Construction Services segment, the revenue from own residential and commercial development projects is recognised on the basis of the percentage of degree of completion and the degree of sale, using percentage of completion method, which does not fully comply with Group's IFRS accounting principles. According to Group's IFRS accounting principles revenue from own residential and commercial development projects is recognised at the completion. In the case of YIT's 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. Sold projects are recognised either when the construction work has started or when the project is complete. The share of income and expenses to be recognised is calculated by multiplying the percentage of completion by the percentage of sale multiplied by the occupancy rate. YIT usually sells commercial real estate development projects to investors either prior to construction or during an early phase. The impact on revenue and operating profit of two revenue recognition principles is shown in the line IFRIC 15 adjustment. As a result of the accounting policy, Group figures can fluctuate greatly between quarters.
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.

1.2 Key figures, segment reporting

	1-6/12	1-6/11	Change	1-12/11
Revenue, EUR million	2,282.8	2,163.8	5%	4,524.7
Operating profit, EUR million	112.9	120.7	-6%	240.5
% of revenue	4.9	5.6		5.3
Profit before taxes, EUR million	101.6	111.3	-9%	215.8
Profit for the report period, EUR million [1)]	76.3	80.4	-5%	156.7
Earnings per share, EUR	0.61	0.64	-5%	1.25
Diluted earnings per share, EUR	0.61	0.64	-5%	1.25
Equity per share, EUR	7.91	7.42	7%	7.93
Return on investment, from the last 12 months, %	13.7	15.4		14.8
Equity ratio, %	32.2	31.8		32.9
Order backlog at the end of the period, EUR million	4,045.4	3,509.4	15%	3,752.7
Average number of personnel	25,919	26,021	0%	26,254

[1)] Attributable to equity holders of the parent company

1.3 Revenue, segment reporting

EUR million	1-6/12	1-6/11	Change	1-12/11
Building Services Northern Europe	1,051.2	985.6	7%	2,097.6
- Group internal	-25.6	-28.9		-63.2
- external	1,025.5	956.7	7%	2,034.4
Building Services Central Europe	339.0	368.2	-8%	779.3
- Group internal	-0.1	-0.1		-0.3
- external	338.8	368.1	-8%	779.0
Construction Services Finland	677.4	621.8	9%	1,226.9
- Group internal	-0.9	-0.7		-1.9
- external	676.5	621.1	9%	1,225.0
International Construction Services	241.3	220.8	9%	489.2
- Group internal	-0.1	-3.7		-4.2
- external	241.2	217.1	11%	485.0
Other items	0.8	0.8		1.5
Revenue in total, segment reporting	2,282.8	2,163.8	5%	4,524.7
IFRIC 15 adjustments	34.5	-56.9		-142.6
Revenue in total, IFRS	2,317.3	2,106.9	10%	4,382.1

1.4 Operating profit and Profit for the review period, segment reporting

EUR million	1-6/12	1-6/11	Change	1-12/11
Building Services Northern Europe	30.0	35.9	-17%	78.8
Building Services Central Europe	11.8	16.1	-27%	33.3
Construction Services Finland	61.7	58.4	6%	111.6
International Construction Services	21.2	20.7	3%	37.2
Other items	-11.8	-10.4		-20.4
Operating profit total, segment reporting	112.9	120.7	-6%	240.5
Financial income and expenses	-11.3	-9.4	20%	-24.8
Profit before taxes, segment reporting	101.6	111.3	-9%	215.8
Taxes	-25.0	-30.4	-18%	-58.0
Attributable to non-controlling interests	-0.3	-0.5	-44%	-1.0
Profit for the review period, segment reporting	76.3	80.4	-5%	156.7
IFRIC 15 adjustments	7.1	-9.5		-32.3
Profit for the review period, IFRS	83.4	70.9	18%	124.4

Operating profit margin, segment reporting

%	1-6/12	1-6/11	1-12/11
Building Services Northern Europe	2.9	3.6	3.8
Building Services Central Europe	3.5	4.4	4.3
Construction Services Finland	9.1	9.4	9.1
International Construction Services	8.8	9.4	7.6
Operating profit, segment reporting	4.9	5.6	5.3

1.5 Order backlog, segment reporting

EUR million	6/12	6/11	Change	12/11
Building Services Northern Europe	955.1	879.5	9%	913.1
Building Services Central Europe	473.4	554.1	-15%	449.5
Construction Services Finland	1,499.9	1,239.5	21%	1,493.6
International Construction Services	1,186.7	896.4	32%	962.5
Other items	-69.7	-60.2		-66.0
Order backlog total, segment reporting	4,045.4	3,509.4	15%	3,752.7
IFRIC 15 adjustments	363.9	287.5	27%	395.9
Order backlog, IFRS	4,409.3	3,796.9	16%	4,148.6

1.6 YIT Group figures by quarter, segment reporting

	4-6/12	1-3/12	10-12/11	7-9/11	4-6/11	1-3/11
Revenue, EUR million	1,184.5	1,098.3	1,264.5	1,096.5	1,136.9	1,026.9
Operating profit, EUR million	60.5	52.3	76.2	43.6	70.3	50.4
% of revenue	5.1	4.8	6.0	4.0	6.2	4.9
Profit before taxes, EUR million	54.5	47.1	68.6	35.8	65.5	45.9
Profit for the review period, EUR million [1)]	41.7	34.6	51.8	24.5	47.6	32.7
Earnings/share, EUR	0.33	0.28	0.41	0.20	0.38	0.26
Diluted earnings/share, EUR	0.33	0.28	0.41	0.20	0.38	0.26
Equity/share, EUR	7.91	7.74	7.93	7.38	7.42	7.05
Return on investment, from the last 12 months, %	13.7	14.8	14.8	14.4	15.4	15.1
Equity ratio, %	32.2	31.5	32.9	31.4	31.8	31.0
Order backlog at the end of the period, EUR million	4,045.4	3,965.5	3,752.7	3,489.0	3,509.4	3,355.6
Average number of personnel	25,998	25,821	26,245	23,796	26,021	25,754
Personnel at the end of the period	26,255	25,703	25,996	26,502	26,807	25,748

[1)] Attributable to equity holders of the parent company

1.7. Segment information by quarter, segment reporting

Revenue by business segment

EUR million	4-6/12	1-3/12	10-12/11	7-9/11	4-6/11	1-3/11
Building Services Northern Europe	538.1	513.1	600.1	511.9	509.4	476.2
Building Services Central Europe	179.5	159.4	200.3	210.8	191.1	177.1
Construction Services Finland	347.9	329.5	335.7	269.4	332.3	289.5
International Construction Services	133.4	107.9	145.9	122.5	120.5	100.3
Other items	-14.4	-11.6	-17.5	-18.1	-16.4	-16.2
Revenue in total, segment reporting	1,184.5	1,098.3	1,264.5	1,096.5	1,136.9	1,026.9

Operating profit by business segment

EUR million	4-6/12	1-3/12	10-12/11	7-9/11	4-6/11	1-3/11
Building Services Northern Europe	15.3	14.6	23.0	19.9	18.8	17.1
Building Services Central Europe	6.6	5.2	9.3	7.9	12.1	4.0
Construction Services Finland	32.0	29.7	32.1	21.1	32.8	25.6
International Construction Services	12.7	8.5	17.4	-0.9	12.3	8.4
Other items	-6.1	-5.7	-5.6	-4.4	-5.7	-4.7
Operating profit in total, segment reporting	60.5	52.3	76.2	43.6	70.3	50.4

Operating profit margin by business segment

%	4-6/12	1-3/12	10-12/11	7-9/11	4-6/11	1-3/11
Building Services Northern Europe	2.8	2.9	3.8	3.9	3.7	3.6
Building Services Central Europe	3.7	3.3	4.6	3.7	6.3	2.3
Construction Services Finland	9.2	9.0	9.6	7.8	9.9	8.8
International Construction Services	9.5	7.9	11.9	-0.7	10.2	8.4

Order backlog by business segment

EUR million	6/12	3/12	12/11	9/11	6/11	3/11
Building Services Northern Europe	955.1	969.4	913.1	886.1	879.5	804.9
Building Services Central Europe	473.4	500.5	449.5	523.9	554.1	573.2
Construction Services Finland	1,499.9	1,428.0	1,493.6	1,289.3	1,239.5	1,176.0
International Construction Services	1,186.7	1,142.9	962.5	850.1	896.4	862.7
Other items	-69.7	-75.3	-66.0	-60.3	-60.2	-61.2
Order backlog, segment reporting	4,045.4	3,965.5	3,752.7	3,489.0	3,509.4	3,355.6

Operative invested capital

EUR million	6/12	3/12	12/11	9/11	6/11	3/11
Building Services Northern Europe	357.8	339.4	372.9	375.6	323.5	282.8
Building Services Central Europe	106.5	96.4	72.0	56.0	40.8	18.9
Construction Services Finland	515.3	552.1	558.4	503.0	451.7	436.1
International Construction Services	655.7	651.8	602.2	601.5	668.3	720.0

Return on operative invested capital

last 12 months, %	6/12	3/12	12/11	9/11	6/11	3/11
Building Services Northern Europe	21.4	24.5	23.8	23.5	28.6	34.8
Building Services Central Europe	39.4	59.7	53.8	58.5	91.7	83.1
Construction Services Finland	25.0	24.6	24.0	26.3	30.9	28.3
International Construction Services	6.5	6.1	6.5	5.8	6.7	5.8

1.8 Reconciliation of the segment reporting and the group reporting

Reporting period	1-6/12			1-6/11			1-12/11		
Income statement, EUR million	Segment reporting	IFRIC 15 adjust-ments	IFRS	Segment reporting	IFRIC 15 adjust-ments	IFRS	Segment reporting	IFRIC 15 adjust-ments	IFRS
Revenue	2,282.8	34.5	2,317.3	2,163.8	-56.9	2,106.9	4,524.7	-142.6	4,382.1
Other operating income and expenses	-2,148.5	-24.5	-2,173.0	-2,023.7	43.3	-1,980.3	-4,244.6	102.1	-4,142.5
Depreciation	-21.5		-21.5	-19.4		-19.4	-39.6		-39.6
Operating profit	112.9	10.0	122.8	120.7	-13.6	107.1	240.5	-40.5	200.0
Financial income and expenses	-11.3		-11.3	-9.4		-9.4	-24.8		-24.8
Profit before taxes	101.6	10.0	111.5	111.3	-13.6	97.7	215.7	-40,5	175.3
Income taxes	-25.0	-2.9	-27.9	-30.4	3.7	-26.7	-58.0	-7,8	-50.2
Profit for the review period	76.6	7.1	83.6	80.9	-9.9	71.0	157.7		125.1
Attributable to:									
Equity holders of the parent company	76.3	7.1	83.4	80.4	-9.5	70.9	156.7	-32.2	124.5
Non-controlling interests	0.3	-0.1	0.2	0.5	-0.4	0.1	1.0	-0.4	0.6
Earnings/share, EUR	0.61		0.67	0.64		0.57	1.25		0.99
Diluted earnings/share, EUR	0.61		0.67	0.64		0.57	1.25		0.99

Quarter	4-6/12			4-6/11		
Income statement, EUR million	Segment reporting	IFRIC 15 adjust-ments	IFRS	Segment reporting	IFRIC 15 adjustments	IFRS
Revenue	1,184.5	34.4	1,218.9	1,136.9	0.3	1,137.2
Other operating income and expenses	-1,113.4	-27.3	-1,140.7	-1,056.8	-2.7	-1,059.4
Depreciation	-10.6		-10.6	-9.8		-9.8
Operating profit	60.5	7.1	67.7	70.3	-2.4	67.9
Financial income and expenses	-6.1		-6.1	-4.8		-4.8
Profit before taxes	54.5	7.1	61.6	65.5	-2.4	63.2
Income taxes	-12.8	-2.2	-15.0	-17.5	0.6	-16.9
Profit for the review period	41.7	4.9	46.6	48.0	-1.8	46.3
Attributable to:						
Equity holders of the parent company	41.7	5.2	46.9	47.6	-1.4	46.2
Non-controlling interests	0.0	-0.3	-0.3	0.3	-0.2	0.1
Earnings/share, EUR	0.33		0.37	0.38		0.37
Diluted earnings/share, EUR	0.33		0.37	0.38		0.37

Balance sheet, EUR million	6/12			6/11			12/11		
	Segment reporting	IFRIC 15 adjust-ments	IFRS	Segment reporting	IFRIC 15 adjust-ments	IFRS	Segment reporting	IFRIC 15 adjust-ments	IFRS
Non-current assets									
Other non-current assets	540.0		540.0	532.3		532.3	538.1		538.1
Deferred tax assets	44.0	9.7	53.7	41.6	10.2	51.8	47.2	13.1	60.3
Current assets									
Inventories	1,469.0	300.5	1,769.5	1,324.7	267.3	1,592.0	1,348.2	324.4	1,672.6
Trade and other receivables	1,161.6	-47.4	1,114.3	1,040.1	-62.9	977.2	1,122.0	-94.7	1,027.3
Cash and cash equivalents	169.5		169.5	234.1		234.1	206.1		206.1
Total assets	3,384.1	262.8	3,646.9	3,172.8	214.6	3,387.4	3,261.6	242.9	3,504.5
Equity	994.7	-68.7	926.0	933.0	-53.7	879.3	996.7	-75.6	921.1
Non-current liabilities									
Financial liabilities	549.9		549.9	555.5		555.5	522.9		522.9
Other non-current liabilities	131.9		131.9	97.0		97.0	128.5		128.5
Deferred tax liabilities	98.1	-8.4	89.6	97.8	-6.2	91.6	96.6	-8.3	88.3
Current liabilities									
Financial liabilities	341.6	81.0	422.7	280.4	101.0	381.4	325.2	98.4	423.6
Advances received	298.5	259.6	558.1	243.0	178.8	421.8	231.3	227.0	458.3
Other current liabilities	969.3	-0.6	968.8	966.3	-5.4	960.9	960.4	1.2	961.6
Total equity and liabilities	3,384.1	262.8	3,646.9	3,172.8	214.6	3,387.4	3,261.6	242.9	3,504.5

2. GROUP REPORTING, IFRS

2.1 Key figures, IFRS

	6/12	6/11	Change	12/11
Earnings/share, EUR	0.67	0.57	18%	0.99
Diluted earnings/share, EUR	0.67	0.57	18%	0.99
Equity/share, EUR	7.37	7.00	5%	7.33
Average share price during the period, EUR	14.95	19.58	-24%	15.28
Share price at the end of the period, EUR	13.38	17.24	-22%	12.38
Market capitalization at the end of the period, EUR million	1,677.7	2,159.7	-22%	1,550.9
Weighted average share-issue adjusted number of shares outstanding, thousands	125,316	125,113	0%	125,210
Weighted average share-issue adjusted number of shares outstanding, thousands, diluted	125,316	125,113	0%	125,210
Share-issue adjusted number of shares outstanding at the end of the period, thousands	125,389	125,274	0%	125,271
Net interest-bearing debt at the end of the period, EUR million	803.1	702.7	14%	740.4
Return on investment, from the last 12 months, %	12.5	15.7		12.0
Equity ratio, %	30.0	29.7		30.2
Gearing ratio, %	86.7	79.9		80.4
Gross capital expenditures, EUR million	24.1	23.1	4%	48.7
% of revenue	1.0	1.1		1.1
Unrecognised order backlog at the end of the period, EUR million	4,409.3	3,796.9	16%	4,148.6
of which order backlog outside Finland	2,299.4	2,068.3	11%	2,066.9
Average number of personnel	25,919	25,754	1%	26,254

2.2 YIT Group figures by quarter, IFRS

EUR million	4-6/12	1-3/12	10-12/11	7-9/11	4-6/11	1-3/11
Revenue, EUR million	1,218.9	1,098.4	1,190.4	1,084.8	1,137.2	969.7
Operating profit, EUR million	67.7	55.2	57.5	35.4	67.9	39.2
% of revenue	5.6	5.0	4.8	3.3	6.0	4.0
Financial income, EUR million	2.8	1.4	1.4	0.0	0.3	2.4
Exchange rate differences, EUR million	-1.6	-1.0	-2.1	0.0	-0.8	-1.3
Financial expenses, EUR million	-7.3	-5.7	-6.9	-7.8	-4.4	-5.6
Profit before taxes, EUR million	61.6	49.9	49.9	27.6	63.0	34.7
% of revenue	5.1	4.5	4.2	2.5	5.5	3.6
Balance sheet total, EUR million	3,646.9	3,631.9	3,504.5	3,418.6	3,387.4	3,274.8
Earnings/share, EUR	0.37	0.29	0.27	0.15	0.37	0.20
Equity/share, EUR	7.37	7.14	7.33	6.93	7.00	6.64
Share price at the end of the period, EUR	13.38	16.12	12.38	11.33	17.24	20.92
Market capitalization, EUR million	1,677.7	2,019.3	1,550.9	1,419.3	2,159.7	2,616.6
Return on investment, from the last 12 months, %	12.5	12.8	12.0	15.6	15.7	14.0
Equity ratio, %	30.0	28.8	30.2	29.2	29.7	28.5
Net interest-bearing debt at the end of the period, MEUR	803.1	755.9	740.4	755.0	702.7	626.1
Gearing ratio, %	86.7	84.2	80.4	86.8	79.9	75.2
Gross capital expenditures, EUR million	10.5	13.6	7.1	18.3	14.6	8.7
% of revenue	0.9	1.2	0.6	1.7	1.3	0.9
Unrecognised order backlog at the end of the period, EUR million	4,409.3	4,385.3	4,148.6	3,738.3	3,796.9	3,699.0
Personnel at the end of the period	26,255	25,703	25,996	26,502	26,807	25,748

2.3 Consolidated income statement, IFRS

EUR million	1-6/12	1-6/11	Change	1-12/11
Revenue	2,317.3	2,106.9	10%	4,382.1
of which activities outside Finland	1,307.4	1,219.6	7%	2,607.7
Other operating income and expenses	-2,173.3	-1,980.3	10%	-4,142.9
Share of results of associated companies	0.3	-0.1		0.4
Depreciation and impairments	-21.5	-19.4	11%	-39.6
Operating profit	122.8	107.1	15%	200.0
% of revenue	5.3	5.1	4%	4.6
Financial income	4.3	2.7	58%	4.2
Exchange rate differences	-2.7	-2.1	27%	-4.1
Financial expenses	-12.9	-10.0	29%	-24.8
Profit before taxes	111.5	97.7	14%	175.3
% of revenue	4.8	4.6	5%	4.0
Income taxes 1)	-27.9	-26.7	4%	-50.2
Profit for the review period	83.6	71.0	18%	125.1
% of revenue	3.6	3.4	6%	2.9
Attributable to				
Equity holders of the parent company	83.4	70.9	18%	124.5
Non-controlling interests	0.2	0.1	130%	0.6
Earnings per share attributable to the equity holders of the parent company				
Earnings/share, EUR	0.67	0.57	18%	0.99
Diluted earnings/share, EUR	0.67	0.57	18%	0.99

1) Taxes for the review period are based on the taxes for the whole financial year.

2.4 Statement of comprehensive income, IFRS

EUR million	1-6/12	1-6/11	Change	1-12/11
Profit for the review period	83.6	71.0	18%	125.0
Other comprehensive income				
- Cash flow hedges	-0.6	1.4		-2.0
-- Deferrred tax	0.1	-0.4		0.4
- Change in fair value for available for sale investments				0.5
-- Deferrred tax				-0.1
- Change in translation differences	6.0	1.8	233%	-8.5
- Other change		-0.5		0.1
Other comprehensive income, total	5.5	2.3	139%	-9.7
Total comprehensive result	89.2	73.3	22%	115.3
Attributable to				
Equity holders of the parent company	89.1	72.8	22%	114.5
Non-controlling interest	0.1	0.5	-74%	0.9

2.5 Consolidated income statement, quarter, IFRS

EUR million	4-6/12	4-6/11	Change
Revenue	1,218.9	1,137.2	7%
of which activities outside Finland	668.3	628.1	6%
Other operating income and expenses	-1,140.9	-1,059.6	8%
Share of results of associated companies	0.2	0.1	106%
Depreciation and impairments	-10.6	-9.8	8%
Operating profit	67.7	67.9	0%
% of revenue	5.6	6.0	
Financial income	2.8	0.3	841%
Exchange rate differences	-1.6	-0.8	101%
Financial expenses	-7.3	-4.4	65%
Profit before taxes	61.6	63.0	-2%
% of revenue	5.1	5.5	
Income taxes 1)	-15.0	-16.9	-12%
Profit for the review period	46.6	46.1	1%
% of revenue	3.8	4.1	
Attributable to			
Equity holders of the parent company	46.9	46.1	2%
Non-controlling interests	0.2	0.0	
Earnings per share attributable to the equity holders of the parent company			
Earnings/share, EUR	0.37	0.37	0%
Diluted earnings/share, EUR	0.37	0.37	0%

1) Taxes for the review period are based on the taxes for the whole financial year.

2.6 Consolidated balance sheet, IFRS

EUR million	6/12	6/11	Change	12/11
Assets				
Non-current assets				
Property, plant and equipment	108.1	106.4	2%	110.8
Goodwill	347.5	349.4	-1%	347.5
Other intangible assets	62.3	52.3	19%	54.1
Shares in associated companies	0.6	2.6	-78%	3.1
Other investments	3.8	3.4	13%	3.8
Other receivables	17.8	18.2	-2%	18.8
Deferred tax assets	53.7	51.8	4%	60.3
Current assets				
Inventories	1,769.5	1,592.0	11%	1,672.6
Trade and other receivables	1,114.3	977.2	14%	1,027.3
Cash and cash equivalents	169.5	234.1	-28%	206.1
Total assets	3,646.9	3,387.4	8%	3,504.5
Equity and liabilities				
Equity attributable to equity holders of the parent company				
Share capital	149.2	149.2	0%	149.2
Other equity	774.6	727.9	6%	769.5
Non-controlling interest	2.2	2.2	1%	2.5
Total equity	926.0	879.3	5%	921.1
Non-current liabilities				
Deferred tax liabilities	89.6	91.6	-2%	88.3
Pension liabilities	27.6	26.9	3%	26.5
Provisions	61.7	49.6	24%	54.1
Borrowings	549.9	555.5	-1%	522.9
Other liabilities	42.6	20.5	108%	47.9
Current liabilities				
Advances received	558.1	421.8	32%	458.3
Trade and other payables	918.1	916.7	0%	909.3
Provisions	50.7	44.2	15%	52.3
Current borrowings	422.7	381.4	11%	423.6
Total equity and liabilities	3,646.9	3,387.4	8%	3,504.5

2.7 Consolidated statement of changes in equity

	Attributable to equity holders of the parent company									
EUR million	Share capital	Legal reserve	Other reserve	Cumulative translation differences	Fair value reserve	Treasury shares	Retained earnings	Total	Non-controlling interest	Total equity
Equity on January 1, 2012	149.2	1.9	2.8	-23.4	-3.6	-9.7	801.5	918.7	2.5	921.1
Comprehensive income										
Profit for the period							83.4	83.4	0.2	83.6
Other comprehensive income:										
Cash flow hedges					-0.6			-0.6		-0.6
- Deferred tax					0.1			0.1		0.1
Change in translation differences				6.1				6.1	-0.1	6.0
Comprehensive income, total				6.1	-0.5		83.4	89.1	0.1	89.2
Transactions with owners										
Dividend paid							-87.7	-87.7	-0.4	-88.1
Share-based incentive schemes			1.1			0.6	2.0	3.7		3.7
Transactions with owners, total			1.1			0.6	-85.7	-84.0	-0.4	-84.4
Equity on June 30, 2012	149.2	1.9	3.9	-17.4	-4.0	-9.2	799.2	923.8	2.2	926.0

	Attributable to equity holders of the parent company									
EUR million	Share capital	Legal reserve	Other reserve	Cumulative translation differences	Fair value reserve	Treasury shares	Retained earnings	Total	Non-controlling interest	Total equity
Equity on January 1, 2011	149.2	2.0	0.0	-14.2	-2.4	-10.6	756.1	880.1	2.8	882.9
Comprehensive income										
Profit for the period							70.9	70.9	0.1	71.0
Other comprehensive income:										
Cash flow hedges					1.4			1.4		1.4
- Deferred tax					-0.4			-0.4		-0.4
Change in translation differences				1.6			-0.2	1.4	0.4	1.8
Other change		-0.2					-0.3	-0.5		-0.5
Comprehensive income, total		-0.2		1.6	1.0		70.4	72.8	0.5	73.3
Transactions with owners										
Dividend paid							-81.3	-81.3	-0.2	-81.5
Share-based incentive schemes			2.9			0.9	0.8	4.6		4.6
Transfer from retained earnings		0.2	1.8				-2.0	0.0		0.0
Transactions with owners, total		0.2	4.7			0.9	-82.5	-76.7	-0.2	-76.9
Changes in ownership shares in subsidiaries										
Changes in group ownership shares in subsidiaries - no loss of control							0.9	0.9	-0.9	0.0
Changes in ownership shares in subsidiaries, total							0.9	0.9	-0.9	0.0
Equity on June 30, 2011	149.2	2.0	4.7	-12.6	-1.4	-9.7	744.9	877.1	2.2	879.3

2.8 Consolidated cash flow statement

EUR million	4-6/12	4-6/11	Change	1-6/12	1-6/11	Change	1-12/11
Cash flow from operating activities							
Net profit for the period	46.6	46.1	1%	83.6	71.0	18%	125.1
Reversal of accrual-based items	24.9	29.3	-15%	66.9	53.1	26%	143.5
Change in working capital							
Change in trade and other receivables	-50.5	-121.7	-59%	-31.1	-76.2	-59%	-159.2
Change in inventories	-32.5	-40.7	-20%	-88.2	-98.0	-10%	-196.3
Change in current liabilities	86.8	118.5	-27%	84.6	135.1	-37%	189.4
Change in working capital, total	3.8	-43.9		-34.7	-39.1	-11%	-166.1
Interest paid	-10.7	-5.4	98%	-22.1	-18.2	21%	-34.3
Other financial items, net	0.3	-2.0		-5.9	-4.3	36%	-5.3
Interest received	0.7	0.7	-4%	1.8	1.6	11%	4.1
Taxes paid	-12.5	-21.3	-41%	-36.4	-36.5	0%	-49.6
Net cash generated from operating activities	53.3	3.5	over thousand	53.4	27.6	93%	17.4
Cash flow from investing activities							
Acquisition of subsidiaries, net of cash	-5.0	-4.7	6%	-7.1	-5.0	42%	-8.8
Purchase of property, plant and equipment	-5.7	-6.8	-16%	-10.5	-13.4	-22%	-30.0
Purchase of intangible assets	-2.3	-2.3	-2%	-4.9	-4.1	18%	-8.9
Increases in other investments	0.0			0.0	0.0		-0.1
Disposal of subsidiaries, net of cash	0.0	5.9		0.0	5.9		5.9
Proceeds from sale of fixed assets	2.1	1.5	40%	2.5	2.2	14%	4.5
Proceeds from sale of other investments	0.1	2.7	-96%	0.1	2.7	-96%	2.7
Net cash used in investing activities	-10.7	-3.7	189%	-19.8	-11.7	69%	-34.7
Operating cash flow after investments	42.6	-0.2		33.6	15.9	111%	-17.3
Cash flow from financing activities							
Change in loan receivables	-3.7			-11.8			
Change in current liabilities	21.9	-33.7		50.5	46.8	8%	139.4
Proceeds from borrowings	50.0	100.0	-50%	100.0	175.0	-43%	175.0
Repayments of borrowings	-64.3	-18.7	244%	-123.1	-71.2	73%	-157.4
Payments of financial leasing debts	-0.1	-1.0	-87%	-0.2	-1.6	-85%	-0.9
Dividends paid and other distribution of assets	-88.1	-81.5	8%	-88.1	-81.5	8%	-81.5
Net cash used in financing activities	-84.2	-34.9	141%	-72.6	67.5		74.6
Net change in cash and cash equivalents	-41.6	-35.1	19%	-39.0	83.4		57.3
Cash and cash equivalents at the beginning of the period	209.3	266.2	19%	204.7	147.6	39%	147.6

Change in the fair value of the cash equivalents	0.0	0.2		2.0	0.3	567%	-0.2
Cash and cash equivalents at the end of the period	167.6	231.3	-28%	167.6	231.3	-28%	204.7

2.9 Accounting principles of the interim report

YIT Corporation's Interim Report for January 1 - June 30, 2012 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 2011. The new standards, interpretations and amendments on current standards that have been approved by EU and have been applied as of January 1, 2012 have no effect on group reporting.

In the Interim report the figures are presented in million euros doing the roundings on each line, which may cause some rounding inaccuracies in column and total sums.

Currency exchange rates used in the interim report bulletin

		Average rate Jan-Jun, 2012	Balance sheet rate Jun 30, 2012		Average rate Jan-Jun, 2011	Balance sheet rate Jun 30, 2011
1 EUR =	CZK	25.1690	25.6400		24.3490	24.3450
	DKK	7.4350	7.4334		7.4561	7.4587
	HUF	295.4500	287.7700		269.4200	266.1100
	MYR	4.0027	3.9960		4.2552	4.3626
	NOK	7.5728	7.5330		7.8235	7.7875
	PLN	4.2450	4.2488		3.9520	3.9903
	RUB	39.6976	41.3700		40.1453	40.4000
	SEK	8.8823	8.7728		8.9391	9.1739
	SGD	1.6391	1.5974		1.7655	1.7761
	USD	1.2966	1.2590		1.4033	1.4453
	LVL	3.4528	3.4528		3.4528	3.4528
	LTL	0.6983	0.6967		0.7028	0.7028

2.10 Definitions of key financial figures

Return on investment (ROI %) =	Group's profit before taxes + interest expenses + other financial expenses +/- exchange rate differences x 100 Balance sheet total - capitalised interest - non-interest bearing liabilities (average)
Segment's operative invested capital =	Tangible and intangible assets + goodwill + shares in associated companies + investments + inventories + trade receivables + other non-interest bearing operational receivables *) - provisions - trade payables - advances received - non-interest bearing liabilities *) *) excl. items associated with taxes, distribution of profit and financial items
Return on operative invested capital (%) =	Segment's operating profit + interest included in operating profit Segment's operative invested capital (average)
Equity ratio (%) =	Equity + non-controlling interest x 100 Balance sheet total - advances received
Gearing ratio (%) =	Interest-bearing liabilities - cash and cash equivalents x 100 Shareholder's equity + non-controlling interest
Segment reporting, earnings / share (EUR) =	Net profit for the period (attributable for equity holders), segment reporting Share issue-adjusted average number of outstanding shares during the period
Group IFRS reporting, earnings/ share (EUR) =	Net profit for the period (attributable for equity holders), group reporting Share issue-adjusted average number of outstanding shares during the period
Equity/share (EUR) =	Shareholders' equity Share issue-adjusted average number of outstanding shares at the end of period
Market capitalization =	(Number of shares - treasury shares) x share price on the closing date by share series

2.11 Financial risk management

Financial risks include liquidity, interest rate, currency and credit risk, and their management is a part of the Group's treasury policy. The Board of Directors has approved the Corporate Treasury Policy. The Group's treasury 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 2011

2.12 Unusual items affecting operating profit

EUR million	1-6/12	1-6/11	Change	1-12/11
Building Services Northern Europe	-2.8	-3.0	-7%	-3.0
Building Services Central Europe		5.0		5.0
International Construction Services				-10.0
YIT Group, total	-2.8	2.0		-8.0

In 2012 during second quarter Building Service Nothern Europe's operating profit is decreased by a non-recurring item of EUR 2.8 million related to the final settlement of a customer project completed in 2011. Building Service Nothern Europe made a cost provision of EUR 3.0 million related to the same project during the second quarter of 2011.

In 2011 during second quarter a EUR 5.0 million gain on the sale of Hungarian businesses affects positively Building Services Central Europe's operating profit. International Construction Services segment's operating profit is weakened by a provision of EUR 10 million related to the rectifying of the ammonia problem booked in the third quarter of 2011.

2.13 Business combinations and disposals

Building Service Central Europe acquired in January 2012 a cooling solutions and services provider, P&P Kälteanlagenbau GmbH and an HVAC solution provider, WM Haustechnik GmbH. Building Services Northern Europe segment acquired as well in January 2012 the share capitals of Elektriska Installationer i Finspång AB and Kraftmontage i Finspång AB and in April 2012 the share capitals of companies specialized in electrical installations, Dala Elmontage Lidkvist & Bodin AB in Sweden and Madla Elektro AS in Norway. Total acquisition price amounted to EUR 8.8 million. The acquisitions are not expected to result in goodwill.

Composition of acquired net assets and goodwill

EUR million	6/12
Consideration	
Cash	8.1
Contingent consideration	0.6
Total consideration	8.8
Acquisition -related costs, (recognised as other operating expenses)	0.2
Recognised amounts of identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	1.1
Tangible assets	0.5
Intangible rights:	
Customer base	1.5
Order backlog	3.8
Other intangible rights	7.7
Inventories	0.9
Trade and other receivables	6.6
Deferred tax liabilities, net	-0.7
Trade and other payables	-12.6
Total identifiable net assets	8.8
Non-controlling interest (minority share)	
Goodwill	0.0
Total entity value	8.8

There were no disposals during the review period.

2.14 Changes in property, plant and equipment

EUR million	1-6/12	1-6/11	Change	1-12/11
Carrying value at the beginning of the period	110.8	106.7	4%	106.7
Increase	10.6	13.4	-21%	30.1
Increase through acquisitions	0.5	0.1	427%	1.1
Decrease	-2.9	-2.0	43%	-3.7
Decrease through disposals		-0.1		-0.1
Depreciation and value adjustments	-11.7	-12.1	-3%	-23.9
Reclassifications	0.2	0.4	-55%	0.6
Carrying value at the end of the period	108.1	106.4	2%	110.8

2.15 Inventories

EUR million	6/12	6/11	Change	12/11
Raw materials and consumables	33.3	27.7	20%	27.6
Work in progress	815.9	701.7	16%	792.8
Land areas and plot owning companies	641.8	665.4	-4%	643.8
Shares in completed housing and real estate companies	218.4	157.6	39%	158.2
Advance payments	56.8	38.6	47%	49.5
Other inventories	3.3	1.0	229%	0.7
Total inventories	1 769.5	1 592.0	11%	1,672.6

2.16 Notes on equity

Share capital and share premium account	Number of out-standing shares	Share capital (EUR million)	Treasury shares (EUR million)
January 1, 2012	125,271,008	149.2	-9.7
Return of treasury shares, 1.1.- 31.3.2012	-4,131		
Return of treasury shares, 1.4.- 30.6.2012	-8,541		
Transfer of treasury shares	130,976		0.6
June 30, 2012	125,389,312	149.2	-9.2

2.17 Borrowings

EUR million	Fair value	Carrying value	Nominal value
Bonds in financial statements December 31, 2011	330.8	335.1	335.7
Valuation of the above bonds on June 30, 2012	286.8	281.6	282.2
Bonds raised during the review period:			
Floating-rate bonds			
1/2012 -2014, Euribor 3 month + 1,75% 1)	50.0	49.9	50.0
Total bonds on June 30, 2012	336.8	331.6	332.2

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

1) Loan period February 17, 2012 - August 18, 2014, interest payments annually February 17, May 17, August 17 and November 17 in arrear. The bond is unsecured and its ISIN code is FI4000037874.

2.18 Change in contingent liabilities and assets and commitments

EUR million	6/12	6/11	Change	12/11
Collateral given for own commitments				
- Corporate mortgages	30.2	29.3	3%	31.2
- Other pledged assets		0.6		0.9
Other commitments to associated companies	7.0	7.0		7.0
Other commitments				
- Repurchase commitments	311.0	228.1	36%	293.1
- Operating leases	323.8	321.0	1%	330.7
- Rental guarantees for clients	2.5	5.2	-52%	4.1
- Other contingent liabilities	1.4	4.0	-65%	1.5
- Guarantees given				0.0
Liability under derivative contracts				
- Value of underlying instruments				
-- Interest rate derivatives	403.0	385.9	4%	329.4
-- Foreign exchange derivatives	173.1	174.8	-1%	194.1
-- Commodity derivatives	4.3	0.2	over thousand	
- Market values				
-- Interest rate derivatives	-13.7	-5.8	136%	-11.9
-- Foreign exchange derivatives	3.4	-2.9		1.1
-- Commodity derivatives	-1.5	0.0		
YIT Corporation’s guarantees on behalf of its subsidiaries	1 523.3	1 279.5	19%	1,515.4

2.19 Transactions with associated companies

EUR million	1-6/12	1-6/11	Change	1-12/11
Sales to associated companies	0.8	0.7	16%	1.5
Purchases from associated companies	0.0	0.0		0.1
Trade and other receivables	0.7	0.3	138%	0.0
Trade and other liabilities	0.0	0.0		0.0