



## Caverion specifies its guidance for 2016

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**In the third quarter of 2016, Caverion Corporation continued the restructuring of its operations and the review of its project portfolio. As a result of the review, several projects were still identified with challenges in project management and execution. The identified challenges mainly relate to divisions Sweden, Denmark-Norway, Germany and Industrial Solutions. Based on the review, Caverion has completed and will complete more conservative cost estimate adjustments and provisions related to its project portfolio. The adjustments have an impact in the Group's third and fourth quarter results in 2016.**

Caverion has implemented a stricter project tendering process in the Group since the second quarter. As a result Caverion's order backlog has slightly decreased in the third quarter compared to the previous year. This has led to a need to somewhat increase the Group's restructuring actions from the previously estimated level.

Caverion now estimates that the total personnel reductions for 2016 will affect approximately 1,000 employees (previous estimate approximately 700 employees). The total cost estimate of the restructuring actions is EUR 20-24 million during 2016 (previous estimate approximately EUR 22-26 million). The positive impacts of the restructuring actions are expected to be visible in 2017.

Caverion Group's preliminary EBITDA excluding restructuring costs amounted to EUR 19.5 million and reported EBITDA to EUR 13.8 million in July–September 2016. In 2015, Caverion Group reported an EBITDA of EUR 21.3 million in July–September.

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#### **New guidance for 2016:**

Caverion estimates that the Group's revenue for 2016 will remain at the previous year's level (2015: EUR 2,443 million) and the Group's EBITDA excluding restructuring costs for 2016 will be in the range EUR 40-50 million (2015: EUR 91.5 million).

#### **Previous guidance for 2016 announced on June 20:**

Caverion estimates that the Group's revenue for 2016 will remain at the previous year's level (2015: EUR 2,443 million) and the Group's EBITDA excluding restructuring costs for 2016 will decrease clearly from the previous year's EBITDA level (2015: EUR 91.5 million).

Caverion will publish its interim report for January–September 2016 on Thursday October 27 at approximately 9.00 a.m. Finnish time (EEST). A news conference for media, analysts and investors will be arranged in conjunction with the interim report.

CAVERION CORPORATION

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*Caverion designs, builds, operates and maintains user-friendly and energy-efficient technical solutions for buildings, industries and infrastructure. Our services and solutions are used in commercial and residential buildings and on industrial and public sector properties, as well as in processes, ensuring business continuity, safety, healthy and pleasant surroundings, optimal performance and cost management. Our vision is to be a leading European provider of advanced and sustainable life cycle solutions for buildings and industries. Our strengths include technological expertise and comprehensive services, covering all technical disciplines throughout the entire life cycles of properties and industrial plants. Our revenue in 2015 was approximately EUR 2.4 billion. Caverion has over 17,000 employees in 12 countries in Northern, Central and Eastern Europe. Caverion's shares are listed on Nasdaq Helsinki. [www.caverion.com](http://www.caverion.com), @CaverionGroup*

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