Q2/2013

Interim Report
1-6/2013

Caverion

INTERIM REPORT FOR JANUARY 1 – JUNE 30, 2013

Caverion Corporation established – Focus on operational efficiency

April 1 – June 30, 2013

- The revenue for April - June decreased by 9 percent compared to the previous year, amounting to EUR 652.8 million (4-6/2012: EUR 717.6 million). The revenue decreased in Northern Europe due to further postponements of additional service and maintenance work as well as due to increased selectiveness in project business in Norway. The decrease in revenue in Central Europe was mainly influenced by weaker order intake in the end of 2012 and postponed projects in Germany.
- The EBITDA decreased clearly in April - June compared to the previous year, amounting to EUR 12.9 million (4–6/2012: EUR 25.6 million) or EUR 16.0 million excluding one-off items (4–6/2012: EUR 28.4 million). In Northern Europe, the weak profitability of the project business, tight price competition and low business volume contributed to the decrease in EBITDA. The development of EBITDA has also been weaker due to low capacity utility rate in service and maintenance. In Central Europe the EBITDA decreased due to lower volume of German operations and postponements in project start-ups. EBITDA for April - June is burdened by M&A related project costs amounting to EUR 1.4 million, as well as other one-off items relating to restructuring amounting to EUR 1.4 million. Demerger related costs amounted to EUR 0.3 million in April - June.
- The order backlog was on a par with the end of March, amounting to EUR 1,274.2 million (3/2013: EUR 1,315.2 million). The order backlog grew by 6 percent from the end of the previous year.
- Operative cash flow after investments decreased from the previous year, amounting to EUR -35.3 million (4-6/2012: EUR -18.4 million).
- Net debt amounted to EUR 194.0 million as a result of the partial demerger.

January 1 – June 30, 2013

- The revenue decreased compared to previous year to EUR 1,260.6 million (1–6/2012: EUR 1,390.1 million).
- The EBITDA decreased by 55 percent in January - June compared to the previous year, amounting to EUR 22.3 million (1–6/2012: EUR 49.2 million). EBITDA for January - June is burdened by M&A related project costs amounting to EUR 1.4 million, as well as other one-off items relating to restructuring amounting to EUR 4.2 million. Demerger related costs amounted to EUR 0.3 million in January - June.

KEY FIGURES

Caverion has not formed a separate legal group before June 30, 2013. The carve-out financial information presented in this interim report reflects the financial performance of the entities that have historically formed the Building Services business within YIT Group. The balance sheet and the related key figures as per June 30, 2013 are based on actual figures, whereas the income statement, cash flow and comparative figures are based on carve-out financial information.

EUR million	4-6/13	4-6/12[1)]	Change	1-6/13	1-6/12[1)]	Change	1-12/12[1)]
Revenue	652.8	717.6	-9%	1,260.6	1,390.1	-9%	2,803.2
EBITDA	12.9	25.6	-50%	22.3	49.2	-55%	85.3
EBITDA margin, %	2.0	3.6		1.8	3.5		3.0
Operating profit	7.8	20.1	-61%	12.1	37.9	-68%	61.1
Operating profit margin, %	1.2	2.8		1.0	2.7		2.2
Financial income and expenses, net[2)]	-2.1	-1.7		-2.4	-2.7		-3.6
Net profit for the period	4.2	12.4	-66%	7.0	24.1	-71%	40.8
Operative cash flow after investments	-35.3	-18.4		-37.5	-13.3		40.5
Interest-bearing net debt, end of period[3)]	194.0	-11.1		194.0	-11.1		-9.8
Gearing, end of period, %[3)]	85.5	-2.6		85.5	-2.6		-2.5
Earnings per share, EUR[2)]	0.03	0.10	-66%	0.06	0.19	-71%	0.32
Personnel, average for the period	18,106	19,185	-6%	18,229	19,258	-5%	18,592

Revenue, EUR million	4-6/13	4-6/12	Change	1-6/13	1-6/12	Change	1-12/12
Building Services Northern Europe	501.0	538.1	-7%	969.6	1,051.2	-8%	2,089.2
Building Services Central Europe	152.1	179.5	-15%	291.4	339.0	-14%	714.2
Eliminations	-0.3	0.0		-0.3	-0.1		-0.2
Group, total	652.8	717.6	-9%	1,260.6	1,390.1	-9%	2,803.2

EBITDA, EUR million	4-6/13	4-6/12[1)]	Change	1-6/13	1-6/12[1)]	Change	1-12/12[1)]
Building Services Northern Europe	10.0	19.5	-49%	16.2	38.5	-58%	59.5
Building Services Central Europe	4.4	7.9	-44%	8.9	14.3	-38%	33.2
Group services and other items	-1.5	-1.7		-2.8	-3.6		-7.4
Group, total	12.9	25.6	-50%	22.3	49.2	-55%	85.3

EBITDA margin, %	4-6/13	4-6/12[1)]		1-6/13	1-6/12[1)]		1-12/12[1)]
Building Services Northern Europe	2.0	3.6		1.7	3.7		2.8
Building Services Central Europe	2.9	4.4		3.0	4.2		4.7
Group, total	2.0	3.6		1.8	3.5		3.0

Operating profit, EUR million	4-6/13	4-6/12[1)]	Change	1-6/13	1-6/12[1)]	Change	1-12/12[1)]
Building Services Northern Europe	6.1	15.2	-60%	8.3	29.7	-72%	41.1
Building Services Central Europe	3.2	6.6	-52%	6.6	11.8	-44%	27.4
Group services and other items	-1.5	-1.7		-2.8	-3.6		-7.4
Group, total	7.8	20.1	-61%	12.1	37.9	-68%	61.1

Operating profit margin, %	4-6/13	4-6/12[1)]		1-6/13	1-6/12[1)]		1-12/12[1)]
Building Services Northern Europe	1.2	2.8		0.9	2.8		2.0
Building Services Central Europe	2.1	3.7		2.3	3.5		3.8
Group, total	1.2	2.8		1.0	2.7		2.2

Order backlog, EUR million	6/13	3/13	Change		6/13	12/12	Change
Building Services Northern Europe	829.2	844.7	-2%		829.2	819.0	1%
Building Services Central Europe	444.9	470.5	-5%		444.9	380.1	17%
Group, total	1,274.2	1,315.2	-3%		1,274.2	1,199.1	6%

[1)] The revised IAS 19 standard has had the following effects on the consolidated income statement for 1-12/2012: personnel expenses increased by EUR 0.1 million and EBITDA and operating profit and profit before taxes decreased correspondingly by EUR 0.1 million. The revised IAS 19 standard has had the following effects on the consolidated income statement for 1-6/2012: personnel expenses increased by EUR 0.3 million and EBITDA and operating profit and profit before taxes decreased correspondingly by EUR 0.3 million. The revised IAS 19 standard has had the following effects on the consolidated income statement for 4-6/2012: personnel expenses increased by EUR 0.2 million and EBITDA and operating profit and profit before taxes decreased correspondingly by EUR 0.2 million.

[2)] Excluding the financial cost effect of the new financing arrangements transferred to Caverion Corporation as a result of the partial demerger. If the refinancing under new loan agreement would have been drawn down in the beginning of the financial year, the net financing expenses in January-June would have amounted to approximately EUR 3.6 million.

[3)] Interest-bearing net debt and gearing for 2012 are not comparable to the figures in 2013 due to the new credit facility transferred to Caverion Corporation as a result of the partial demerger as per June 30, 2013.

GUIDANCE FOR THE SECOND HALF OF 2013: Caverion repeats the estimate announced on 4 June 2013, according to which the Group's revenue for the second half of 2013 is more than EUR 1.3 billion and EBITDA more than EUR 50 million.

The guidance does not take into account the non-recurring expenses related to the demerger, nor the expenses related to any potential mergers or acquisitions.

Juhani Pitkäkoski, President and CEO: Trading in Caverion Corporation's shares began at Helsinki Stock Exchange on July 1, 2013

Caverion Corporation was established through the partial demerger of YIT Corporation on June 30, 2013 when YIT's Building Services and Industrial Services operations were transferred to an independent company. Trading in Caverion Corporation's shares at Helsinki Stock Exchange began on July 1, 2013. In connection with YIT's demerger, YIT Corporation's shareholders received as demerger consideration one Caverion share for each YIT share owned. Consequently, Caverion had approximately 39,000 shareholders at the beginning of trading. I would like to warmly welcome all of our new shareholders!

We aim to be the leading and the most efficient building systems company in Europe. Our strategy has three main objectives:

Firstly, 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 impact to be visible during the second half of 2013. As a result of the Demerger we now have a tighter grip on managing the business. The previously announced measures to carry out cost savings of EUR 40 million have been executed and personnel cuts of 800 employees were carried out by the end of the 2012. As a result, the pursued cost savings have been reached. Nonetheless the cost savings measures have turned out to be inadequate. The aim is to decrease the number of personnel by further 600 employees in 2013; of these, personnel cuts amounting to approximately 400 employees were carried out in January - June. In Sweden unprofitable units have been closed down and the restructuring of the organization in northern Sweden and the Stockholm area is at the final stage. These measures have begun to have a positive impact on the profitability of the Swedish operations in the second quarter. We are also focusing on improving the profitability of the project business in Norway, especially in the capital region. Our service efficiency program is ongoing in all countries where we operate. As a result of the ongoing actions, we estimate the profitability of Building Services Northern Europe to improve during the rest of the year.

Secondly, we will also continue to seek strong growth, especially in Germany and German-speaking countries, both organically and through acquisitions. Caverion's market shares in Central European countries are smaller than in Northern Europe, which offers good opportunities for growth in these fragmented markets.

Finally, we pursue growth and profitability by putting an emphasis on long-term service agreements in the service and maintenance business, Design & Build projects and deliveries related to energy savings.

Market outlook for Caverion's services

Caverion's operating environment varies by business and country. Caverion operates in Sweden, Finland, Norway, Germany, Austria, Denmark, Russia, Estonia, Latvia, Lithuania, Poland, the Czech Republic and Romania. The extensive geographical area of operations and comprehensive portfolio balance the effect of economic fluctuations, with the changes impacting business operations at different times and force.

The market situation for building systems is expected to vary by country also in 2013, especially in the project business. In 2013, the service and maintenance market is estimated to remain stable or even grow slightly in all major countries where Caverion operates. The increased technology in buildings increases the need for new services, and the demand for energy efficiency services is expected to remain stable. The opportunities for growth in service and maintenance are still favorable in all Caverion's operational areas. In Poland, the building systems market will continue to grow but suffer from oversupply, which has a negative impact on prices. The building services market in the rest of Central Eastern Europe (the Czech Republic and Romania) is developing slowly with a low level of activity.

Decision-making on new investments is still slow, but positive signs can be seen. After the stagnation in 2012, new investments in building systems are expected to increase slightly in Norway and Germany. Increasing public investments and an increasing need for renovation and repair work are expected to be the key factors behind the growth. However, there are still signs of postponed new investments in the market, particularly in Sweden and Finland. In these countries the customers are only expected to carry out the necessary services related to maintaining the core business and operational safety in the near term. Demand in the project market is expected to weaken further in 2013 in Finland and Sweden and decrease slightly or remain unchanged in Central Eastern Europe. The size of the Swedish project market as a whole is expected to decrease by approximately 7 percent during 2013, mainly due to weakening demand. The Norwegian project market has developed well during the first half of the year, and the favourable development is expected to continue during 2013. Also the Danish project market is expected to turn to slight growth in 2013. In the Baltic countries, both the project and service market demand is estimated to remain at a low level. In Russia the services market is expected to improve further.

There is potential for energy efficiency services over the next few years with the tightening of environmental legislation. Environmental certifications and energy efficiency will be increasingly significant factors in the future, allowing property owners to increase the value of their properties, which will continue to support growth opportunities. Services and projects related to the maintenance of traffic infrastructure are also estimated to develop favorably.

INFORMATION SESSION, WEBCAST AND CONFERENCE CALL

Caverion will hold a news conference on the interim report on Friday, July 26, 2013, at 10:00 a.m. (Finnish Time, EEST) together with YIT. The news conference will be held in English at Caverion's head office at Panuntie 11, 00620 Helsinki, Finland. The event is targeted for analysts, portfolio managers and the media.

The news conference is organised jointly by Caverion Corporation and YIT Corporation. It starts with the presentation by President and CEO of YIT Kari Kauniskangas, after which President and CEO of Caverion Juhani Pitkäkoski will give his presentation on Caverion's Interim Report.

The news conference and both presentations can be viewed live on Caverion's website at www.caverion.com/investors. The live webcast held will start at 10:00 a.m. (Finnish time, EEST). A recording of Caverion's part of the webcast will be available at the same address starting at approximately 14:00 (Finnish time, EEST).

It is also possible to participate in the event through a conference call. Participants are requested to call the assigned number +44 (0)207 1620 177 at least five minutes before the conference call begins, at 9:55 a.m. (Finnish time, EEST) at the latest. The participants will be asked to provide the following conference ID: 934550. 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	News conference, conference call and live webcast	Recorded webcast available
EEST (Helsinki)	8:00	10:00	14:00
CEST (Paris, Stockholm)	7:00	9:00	13:00
BST (London)	6:00	8:00	12:00
US EDT (New York)	1:00	3:00	7:00

Financial reports and other investor information are available at Caverion's website, www.caverion.com/investors. The materials may also be ordered by sending an e-mail to IR@caverion.com.

Invitation to the Capital Markets Day of Caverion

Caverion will arrange a Capital Markets Day for investors, analysts and capital markets representatives in Frankfurt, Germany on Tuesday, November 19, 2013. The purpose of the event is to give information on Caverion's strategy and business. The day's programme will consist of top management presentations. More detailed programme will be announced closer to the date. To register for Caverion's Capital Markets Day, participants are kindly asked to contact Tarja Albrecht by e-mail, address tarja.albrecht@caverion.fi. The registration should be done by October 15, 2013.

Caverion Corporation

Juhani Pitkäkoski
President and CEO

For further information, please contact:

Antti Heinola, Chief Financial Officer, Caverion Corporation, tel. +358 40 352 1033, antti.heinola@caverion.fi

Milena Hæggström, Head of Investor Relations, Caverion Corporation, tel. +358 40 5581 328, milena.haeggstrom@caverion.fi

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INTERIM REPORT JANUARY 1 – JUNE 30, 2013

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GROUP FINANCIAL DEVELOPMENT

Accounting principles applied in the interim report

Caverion has not formed a separate legal group before June 30, 2013. The carve-out financial statements presented in this interim report reflect the financial information of the entities that have historically formed the Building Services business within YIT Group, which consists of YIT's reportable segments Building Services Northern Europe and Building Services Central Europe.

The carve-out financial statements of Caverion Group for the year ended December 31, 2012 and the carve-out financial information for the six-month period ended June 30, 2013 and for the three-month period ended June 30, 2013, have been prepared by combining ("carve-out") from YIT's consolidated financial statements using the historical income and expenses, assets and liabilities and cash flows attributable to Building Services business. The carve-out financial statements and interim financial information also include allocations of income, expenses, assets, liabilities and cash-flows from YIT Corporation and Perusyhtymä Oy.

The carve-out financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union, under consideration of the principles for determining which assets and liabilities, income and expenses as well as cash flows are to be assigned to Caverion Group as described in the notes to the carve-out financial statements.

The carve-out financial statements may not be indicative of the future performance of Caverion Group and they do not necessarily reflect what its combined results of operations, financial position and cash flows would have been had Caverion with its subsidiaries operated as an independent group and had it presented stand-alone financial statements during the periods presented.

Revenue decreased compared to the previous year

Revenue, EUR million	4-6/13	4-6/12	Change	1-6/13	1-6/12	Change	1-12/12
Building Services Northern Europe	501.0	538.1	-7%	969.6	1,051.2	-8%	2,089.2
Building Services Central Europe	152.1	179.5	-15%	291.4	339.0	-14%	714.2
Eliminations	-0.3	0.0		-0.3	-0.1		-0.2
Group, total	652.8	717.6	-9%	1,260.6	1,390.1	-9%	2,803.2

The revenue decreased by 9 percent in January–June compared to the previous year, amounting to EUR 1,260.6 million (1–6/2012: EUR 1,390.1 million).The revenue for April - June decreased by 9 percent compared to the previous year, amounting to EUR 652.8 million (4-6/2012: EUR 717.6 million). Changes in foreign exchange rates increased the revenue for January–June by EUR 14.7 million and for April - June by EUR 5.4 million compared to the previous year.

The revenue of Building Services Northern Europe decreased by 8 percent in January–June compared to the previous year, amounting to EUR 969.6 million (1–6/2012: EUR 1,051.2 million). Changes in foreign exchange rates increased the revenue for January- June by EUR 14.7 million compared to the previous year. The revenue for April - June decreased by 7 percent compared to the previous year to EUR 501.0 million (4–6/2012: EUR 538.1 million). Changes in foreign exchange rates increased the revenue for April - June by EUR 5.4 million compared to the previous year. Revenue decreased in Norway and Industrial Services in particular.

The revenue of Building Services Central Europe decreased by 14 percent in January–June compared to the previous year, amounting to EUR 291.4 million (1–6/2012: EUR 339.0 million). Changes in foreign exchange rates did not have a substantial impact on the revenue compared to the year before. The revenue for April - June decreased by 15 percent from the previous year to EUR 152.1 million (4–6/2012: EUR 179.5 million). Changes in foreign exchange rates did not have a substantial impact on the revenue compared to the year before. The decrease in revenue was mainly influenced by weaker order intake in the end of 2012 and postponed projects in Germany. The decrease was foreseeable in lower order intake due to delays in customers' decision making especially in the second half of 2012.

Caverion signed several significant contracts during April - June.

In Germany Caverion received a contract worth over EUR 10 million at the University of Applied Sciences Düsseldorf. In a consortium with construction company Züblin and electrical installation company Oertel & Prümm Caverion acts in the capacity of a general contractor and will as the building services engineering expert be responsible for the following areas: sanitary facilities, heating, ventilation, air conditioning, fire protection, DDC control systems for technical facilities as well as user-specific facilities. Start of construction for the technical installations and systems is September 2013, with the project to be concluded by mid-2015. Caverion will subsequently assume facility maintenance. Caverion and the German town of Beckum have also signed an agreement to increase the energy efficiency of the town's public buildings. The length of the service agreement is 12 years and the value is EUR 4.8 million.

In Austria Caverion has been awarded the contract by Raiffeisen Informatik GmbH for the heating, air conditioning, refrigeration, ventilation, plumbing, fire extinguishing systems and instrumentation for the construction of new SPACE data centre in Vienna. The construction period is estimated to run from April 2013 to January 2014 and the contract value is approximately EUR 8.5 million.

In Sweden Caverion is one of the contractors involved in the construction of the new Stockholm City Line. Caverion won a contract to install power, lighting and automation at the Stockholm Odenplan station. The order value totals almost EUR 7.5 million. The project is expected to be completed in 2016.

In Russia, Caverion has in January – June signed several service agreements with the Castorama chain, British Petroleum Plc and World Class Fitness, among others. The total value of these agreements is over EUR 5 million.

Geographical distribution of revenue

Revenue, EUR million	4-6/13	4-6/12	Change	1-6/13	1-6/12	Change	1-12/12
Sweden	173.5	178.9	-3%	338.7	357.4	-5%	704.3
Finland	140.7	159.1	-12%	267.2	301.2	-11%	603.7
Norway	137.1	148.1	-7%	270.6	295.2	-8%	580.4
Germany	114.0	136.7	-17%	214.8	261.4	-18%	541.8
Austria	34.0	37.3	-9%	69.9	67.4	4%	154.3
Denmark	36.6	38.6	-5%	67.6	72.7	-7%	145.6
Other countries	16.9	18.9	-11%	31.8	34.9	-9%	73.2
Group, total	652.8	717.6	-9%	1,260.6	1,390.1	-9%	2,803.2

Revenue by country is presented based on the Group company location.

EBITDA decreased clearly in April - June compared to the previous year

EBITDA, EUR million	4-6/13	4-6/12[1)]	Change	1-6/13	1-6/12[1)]	Change	1-12/12[1)]
Building Services Northern Europe	10.0	19.5	-49%	16.2	38.5	-58%	59.5
Building Services Central Europe	4.4	7.9	-44%	8.9	14.3	-38%	33.2
Group services and other items	-1.5	-1.7		-2.8	-3.6		-7.4
Group, total	12.9	25.6	-50%	22.3	49.2	-55%	85.3

EBITDA margin, %	4-6/13	4-6/12[1)]		1-6/13	1-6/12[1)]		1-12/12[1)]
Building Services Northern Europe	2.0	3.6		1.7	3.7		2.8
Building Services Central Europe	2.9	4.4		3.0	4.2		4.7
Group, total	2.0	3.6		1.8	3.5		3.0

[1)] The revised IAS 19 standard has had the following effects on the consolidated income statement for 1-12/2012: personnel expenses increased by EUR 0.1 million and EBITDA and operating profit and profit before taxes decreased correspondingly by EUR 0.1 million. The revised IAS 19 standard has had the following effects on the consolidated income statement for 1-6/2012: personnel expenses increased by EUR 0.3 million and EBITDA and operating profit and profit before taxes decreased correspondingly by EUR 0.3 million. The revised IAS 19 standard has had the following effects on the consolidated income statement for 4-6/2012: personnel expenses increased by EUR 0.2 million and EBITDA and operating profit and profit before taxes decreased correspondingly by EUR 0.2 million.

Caverion's Group EBITDA decreased by 55 percent compared to the previous year, amounting to EUR 22.3 million in January–June (1–6/2012: EUR 49.2 million). The Group EBITDA margin was 1.8 percent in January–June (1–6/2012: 3.5%). The Group EBITDA for April - June decreased by 50 percent from the previous year to EUR 12.9 million (4–6/2012: EUR 25.6 million). The Group EBITDA margin was 2.0 percent in April - June (4–6/2012: 3.6%).

In Building Services Northern Europe, the weak profitability of the project business and tight price competition and low business volume contributed to the decrease in EBITDA. The segment's EBITDA for the review period decreased by 58 percent from the previous year to EUR 16.2 million (1–6/2012: EUR 38.5 million). EBITDA for January - June is burdened by one-off items relating to restructuring amounting to EUR 4.2 million. The segment's EBITDA for April - June decreased clearly from the previous year to EUR 10.0 million (4–6/2012: EUR 19.5 million). Customers postponed additional service and maintenance work, and as a result, the utility rate of operations was too low. In addition, one-off items relating to restructuring of approximately EUR 1.4 million burdened the EBITDA of the segment in April - June (4–6/2012: EUR 2.8 million).

In Building Services Central Europe the EBITDA for January–June decreased by 38 percent compared to the previous year, mainly due to the lower volume of German operations, and amounted to EUR 8.9 million (1–6/2012: EUR 14.3 million). EBITDA for January - June is burdened by M&A related project costs amounting to EUR 1.4 million. The segment's EBITDA for April - June decreased clearly from the previous year to EUR 4.4 million (4–6/2012: EUR 7.9 million). Postponements in project start-ups have had a negative impact on profitability. EBITDA for April - June is burdened by M&A related project costs amounting to EUR 1.4 million.

Caverion aims to improve the profitability of Building Services Northern Europe. The previously announced measures to carry out cost savings of EUR 40 million have been executed and personnel cuts of 800 employees were carried out by the end of the 2012. The cost savings measures related to personnel have been executed and the pursued cost savings have been reached. Nonetheless the cost savings measures have turned out to be inadequate due to market development and decrease in revenue. Hence, the adjustment of costs will continue in Building Services Northern Europe during 2013.

The restructuring of operations proceeded during the review period in all countries where Building Services Northern Europe operates. The aim is to decrease the number of personnel by further 600 employees in 2013; of these, personnel cuts amounting to approximately 400 employees were carried out in January - June. As a result of the Demerger we now have a tighter grip on managing the business. In Sweden unprofitable units have been closed down and the restructuring of the organization in northern Sweden and the Stockholm area is at the final stage. These measures have begun to have a positive impact on the profitability of the Swedish operations in the second quarter. Actions are on-going to improve the profitability of the project business in Norway especially in the capital region. Service efficiency program is on-going in all countries where Caverion operates. The effects of the implemented cost-savings are expected to be shown as improved profitability during the rest of the year. The additional service and maintenance work postponed by customers since the fourth quarter of 2012 is expected to result in increasing demand, which is also estimated to contribute to the favourable development of revenue and profitability during the rest of the year.

Operating profit decreased significantly compared to the previous year

Operating profit, EUR million	4-6/13	4-6/12[1)]	Change	1-6/13	1-6/12[1)]	Change	1-12/12[1)]
Building Services Northern Europe	6.1	15.2	-60%	8.3	29.7	-72%	41.1
Building Services Central Europe	3.2	6.6	-52%	6.6	11.8	-44%	27.4
Group services and other items	-1.5	-1.7		-2.8	-3.6		-7.4
Group, total	7.8	20.1	-61%	12.1	37.9	-68%	61.1

Operating profit margin, %	4-6/13	4-6/12[1)]		1-6/13	1-6/12[1)]		1-12/12[1)]
Building Services Northern Europe	1.2	2.8		0.9	2.8		2.0
Building Services Central Europe	2.1	3.7		2.3	3.5		3.8
Group, total	1.2	2.8		1.0	2.7		2.2

[1)] The revised IAS 19 standard has had the following effects on the consolidated income statement for 1-12/2012: personnel expenses increased by EUR 0.1 million and EBITDA and operating profit and profit before taxes decreased correspondingly by EUR 0.1 million. The revised IAS 19 standard has had the following effects on the consolidated income statement for 1-6/2012: personnel expenses increased by EUR 0.3 million and EBITDA and operating profit and profit before taxes decreased correspondingly by EUR 0.3 million. The revised IAS 19 standard has had the following effects on the consolidated income statement for 4-6/2012: personnel expenses increased by EUR 0.2 million and EBITDA and operating profit and profit before taxes decreased correspondingly by EUR 0.2 million.

Caverion's operating profit decreased by 68 percent compared to the previous year, amounting to EUR 12.1 million in January–June (1–6/2012: EUR 37.9 million). The operating profit margin was 1.0 percent (1–6/2012: 2.7%). The operating profit for April - June decreased by 61 percent from the previous year to EUR 7.8 million (4–6/2012: EUR 20.1 million). The operating profit margin was 1.2 percent (4–6/2012: 2.8%).

Depreciations and impairments amounted to EUR 5.1 million in April – June (4-6/2012: EUR 5.5 million) and to EUR 10.2 million in January – June (1-6/2012: EUR 11.3 million).

Order backlog remained on a par with the end of March

Order backlog, EUR million	6/13	3/13	Change		6/13	12/12	Change
Building Services Northern Europe	829.2	844.7	-2%		829.2	819.0	1%
Building Services Central Europe	444.9	470.5	-5%		444.9	380.1	17%
Group, total	1,274.2	1,315.2	-3%		1,274.2	1,199.1	6%

The order backlog was EUR 1,274.2 million at the end of June and grew by 6 percent from the end of 2012 (12/2012: EUR 1,199.1 million). The order backlog remained on a par with the end of March 2013, at which time it stood at EUR 1,315.2 million.

The order backlog of Building Services Northern Europe remained on a par with the end of previous year and at the end of March. The order backlog of Building Services Central Europe increased by 17 percent from the end of 2012 and decreased by 5 percent compared to the end of March.

Capital expenditure and acquisitions

Gross capital expenditure on non-current assets included on the balance sheet totalled EUR 22.6 million (1–6/2012: EUR 11.6 million) during January-June, representing 1.8 percent (1–6/2012: 0.8%) of revenue. Investments in equipment amounted to EUR 1.2 million (1–6/2012: EUR 2.5 million) and demerger-related investments in information technology to EUR 21.4 million (1–6/2012: EUR 0.3 million). Caverion made no acquisitions or disposals during January-June.

Operative invested capital

Return on operative invested capital (last 12 months), %[1]	7/12-6/13	4/12-3/13
Building Services Northern Europe	5.8	9.0
Building Services Central Europe	17.8	23.3

[1] In the comparison figures the impact of IAS 19 and adjustments of internal items have been taken into account.

Operative invested capital, EUR million	6/13	3/13	Change	6/13	12/12	Change
Building Services Northern Europe	335.3	321.5	4%	335.3	344.8	-3%
Building Services Central Europe	136.5	118.8	15%	136.5	96.6	41%

At the end of June, the Group's operative invested capital amounted to EUR 464.6 million (12/2012: EUR 478.6 million). Invested capital is calculated by deducting non-interest bearing liabilities from the balance sheet total.

Cash flow weakened in April - June

The Group's operating cash flow after investments for January–June amounted to EUR -37.5 million (1–6/2012: EUR -13.3 million). The Group's operating cash flow after investments for April-June amounted to EUR -35.3 million (4–6/2012: EUR -18.4 million), which was burdened by demerger-related IT investments of EUR 13.0 million. Operating cash flow was also affected by an increase in working capital as no significant advance payments were received in Central Europe.

Profit before taxes and earnings per share decreased significantly

Profit before taxes decreased significantly compared to the previous year, amounting to EUR 9.7 million in January–June (1–6/2012: EUR 35.2 million), excluding the financial cost effect of the new financing arrangements transferred to Caverion Corporation as a result of the partial demerger. If the refinancing under new loan agreement would have been drawn down in the beginning of the financial year, the net financing expenses in January-June would have amounted to approximately EUR 3.6 million.

Earnings per share based on carve-out figures decreased significantly in January–June from the year before, amounting to EUR 0.06 (1–6/2012: EUR 0.19).

The effective tax rate of the Group was 28.0 percent in January –June (1–12/2012: 29.0%).

DEVELOPMENT BY BUSINESS AREA

Caverion aims to be the leading and the most efficient building systems company in Europe. In the future, Caverion aims to increase the share of service and maintenance operations of the business volume in Central Europe both organically and through acquisitions, as service and maintenance is considered to offer high growth potential, especially in German-speaking countries. The company also aims further in the value chain and it aims to strengthen its position particularly in Design & Build projects and increase the share of long-term service agreements in the service and maintenance business.

Service and maintenance business

The Group revenue of service and maintenance business decreased by 8.9 percent and was EUR 702.9 million (1–6/2012: EUR 771.6 million), or 55.8 percent of the Group's total revenue in January–June (1–6/2012: 55.5%). As a result of prolonged uncertainty the customers have postponed additional service and maintenance work further. In April - June, the service and maintenance business generated EUR 363.1 million (4–6/2012: EUR 397.8 million) on a Group level, or 55.6 percent of the total revenue of Caverion Group (4–6/2012: 55.4%).

In Building Services Northern Europe the service and maintenance business generated EUR 596.8 million (1–6/2012: EUR 672.5 million), or 61.5 percent of the segment's total revenue in January–June (1–6/2012: 64.0%). In April - June, service and maintenance business generated EUR 305.5 million (4–6/2012: EUR 344.4 million), or 61.0 percent of the segment's total revenue (4–6/2012: 64.0%).

In Building Services Central Europe the service and maintenance business generated EUR 106.2 million (1–6/2012: EUR 99.1 million), or 36.4 percent of the segment's total revenue in January–June (1–6/2012: 29.2%). The share of service and maintenance was still significantly lower in Building Services Central Europe (1–6/2013: 36.4%) than in Building Services Northern Europe (1–6/2013: 61.5%), and therefore the opportunities for increasing it in Building Services Central Europe are good. In April - June, service and maintenance business generated EUR 57.6 million (4–6/2012: EUR 53.4 million), or 37.9 percent of the segment's total revenue (4–6/2012: 29.8%). The volume of service and maintenance was already increasing, and it generated 7.8 percent more turnover in April - June than the corresponding period the previous year. The opportunities, both internal and market driven, for increasing the share of service and maintenance in Building Services Central Europe remain good.

Project business

The Group revenue of project business decreased by 9.8 percent and was EUR 557.9 million (1–6/2012: EUR 618.5 million), or 44.2 percent of the Group's total revenue in January–June (1–6/2012: 44.5%). In April - June, the project business generated EUR 289.9 million (4–6/2012: EUR 319.8 million) on a Group level, or 44.4 percent of the total revenue of Caverion Group (4–6/2012: 44.6%).

In Building Services Northern Europe the project business generated EUR 372.8 million (1–6/2012: EUR 378.7 million), or 38.5 percent of the segment's total revenue in January–June (1–6/2012: 36.0%). In April - June, the project business generated EUR 195.4 million (4–6/2012: EUR 193.7 million), or 39.0 percent of the segment's total revenue (4–6/2012: 36.0%).

In Building Services Central Europe the project business generated EUR 185.1 million (1–6/2012: EUR 239.9 million), or 63.6 percent of the segment's total revenue in January–June (1–6/2012: 70.8%). In April - June, the project business generated EUR 94.5 million (4–6/2012: EUR 126.1 million), or 62.1 percent of the segment's total revenue (4–6/2012: 70.2%).

In the project business, the aim is to grow as a supplier of Design & Build projects and total deliveries of building systems. Caverion excels in large projects where it is involved throughout the project from designing the solution to delivering the technology. Higher profitability than in individual tender-based projects is typical of such project development. The aim is to improve the profitability of project business through more careful project selection, increasingly systematic risk management and more efficient procurement.

PERSONNEL

Personnel by country	6/13	3/13	Change	6/13	6/12	Change	12/12
Finland	4,987	4,893	2%	4,987	5,351	-7%	4,977
Sweden	4,138	4,273	-3%	4,138	4,629	-11%	4,492
Norway	3,581	3,646	-2%	3,581	3,617	-1%	3,642
Germany	2,399	2,408	0%	2,399	2,530	-5%	2,450
Austria	700	700	0%	700	680	3%	706
Denmark	1,041	1,093	-5%	1,041	1,160	-10%	1,104
Other countries	1,279	1,247	3%	1,279	1,313	-3%	1,247
Group, total	18,125	18,260	-1%	18,125	19,280	-6%	18,618

Personnel by business segment	6/13	3/13	Change	6/13	6/12	Change	12/12
Building Services Northern Europe	14,751	14,870	-1%	14,751	15,736	-6%	15,159
Building Services Central Europe	3,291	3,311	-1%	3,291	3,465	-5%	3,380
Corporate Services	83	79	5%	83	79	5%	79
Group, total	18,125	18,260	-1%	18,125	19,280	-6%	18,618

In January–June 2013, the Group employed 18,229 people on average (1–6/2012: 19,258). At the end of June, the Group employed 18,125 people (6/2012: 19,280). The personnel expenses for January–June amounted to a total of EUR 545.0 million (1–6/2012: EUR 572.5 million).

STRATEGY AND LONG-TERM FINANCIAL TARGETS

Caverion's strategic objective is to achieve a leading position in the European building systems market. The strategy has three main objectives:

- In Northern Europe, the key aim is to improve profitability.
- In Central Europe, Caverion will pursue strong growth, especially in Germany and German-speaking countries. The aim is to grow both organically and through acquisitions.
- Extensive new and advanced projects and services. The company will pursue growth and profitability by putting an emphasis on long-term service agreements in the service and maintenance business, Design & Build projects and deliveries related to energy savings.

The financial targets for Caverion until 2016 are:

	TARGET UNTIL 2016	ACTUAL 2012 (Carve-out)
Revenue growth (%)	Average annual growth in revenue of more than 10 percent	-2.5
Profitability (%)	EBITDA over six percent of revenue	3.0
Operating cash flow after investments (EUR million)	Strong operating cash flow to enable organic growth, repayment of loans and distribution of dividend	40.5

There is no certainty of the company achieving the above financial targets or being able to maintain them if it reaches them. The company uses the above-mentioned and other financial targets and performance indicators at selected intervals in its business.

Dividends and dividend policy

Caverion’s aim is to distribute at least 50 per cent of the result for the year after taxes, excluding changes in fair value, as dividend and capital redemption to the company’s shareholders. Even though there are no plans to amend this dividend policy, there is no guarantee that a dividend or capital redemption will actually be paid in the future, and also there is no guarantee of the amount of the dividend or return of capital to be paid for any given year.

FINANCING

Refinancing relating to the partial demerger was finalized as planned during June. As a result Caverion’s loan portfolio consists of diverse sources and has a diversified maturity structure to mitigate refinancing risk. Caverion has a solid liquidity reserve to meet the debt repayments falling due during the calendar year and to cover the potential funding need over the planning period of business operations including planned capital expenditure. Overall, the Group’s financing position enables the implementation of the Group’s growth strategy.

Caverion’s cash and cash equivalents amounted to EUR 43.8 million at the end of June. In addition, Caverion has undrawn revolving credit facilities amounting to EUR 45 million and undrawn overdraft facilities amounting to EUR 19 million.

The Group’s interest-bearing loans and borrowings amounted to EUR 237.8 million at the end of June, and the average interest rate after hedges was 2.36 per cent. A total of EUR 65.7 million of the interest-bearing loans and borrowings will fall due during the next 12 months.

Caverion’s external financing consists mainly of the new credit facility with a Nordic bank group. The facility was transferred to Caverion Corporation upon the registration of the partial demerger. It includes an amortizing long-term loan facility of EUR 140 million falling due in June 2016, a long-term revolving credit facility of EUR 60 million falling due in June 2016 (of which EUR 15 million has been drawn) and a short-term bridge loan facility of EUR 22 million falling due in June 2014. In addition to the new credit facility, amortizing loans amounting to a total of EUR 59 million were transferred to Caverion Corporation in the demerger.

The Group's net financing expenses in January-June amounted to EUR 2.4 million. Net financing expenses for the review period are burdened by one-off items relating to partial demerger amounting to EUR 0.7 million. If the refinancing under new loan agreement would have been drawn down in the beginning of the financial year, the net financing expenses in January-June would have amounted to approximately EUR 3.6 million.

Caverion's external loans are subject to a financial covenant based on the ratio of the Group's net debt to EBITDA. Net debt amounted to EUR 194.0 million at the end of June.

PARTIAL DEMERGER OF YIT COMPLETED

The demerger of YIT became effective when YIT's Extraordinary General Meeting approved the demerger and its implementation was recorded with the Finnish Trade Register on June 30, 2013. Trading in Caverion shares commenced on July 1, 2013.

YIT's shareholders received as demerger consideration one (1) share in Caverion for each share owned in YIT. No action was required from the shareholders in relation to the receipt of the demerger consideration.

More detailed information related to the demerger is presented in the registration document according to the Finnish Securities Markets Act as well as the securities note and summary (together with the registration document the "Prospectus"), which have been available as of 5 June 2013 on YIT's website at www.yit.fi/sijoittajat. The unofficial English translation of the Prospectus has been available as of 5 June 2013 on YIT's website at www.yitgroup.com/investors. All demerger-related information is available in the Investors section of YIT's website at www.yitgroup.com/demerger.

RESOLUTIONS PASSED AT THE EXTRAORDINARY GENERAL MEETING OF YIT

The Extraordinary General Meeting of YIT Corporation, held on June 17, 2013, approved the demerger plan concerning YIT's partial demerger and decided on the partial demerger in accordance with the demerger plan. In addition, the Extraordinary General Meeting decided on the composition of the Board of Directors of Caverion and their fees, the election of the auditor of Caverion and its fee as well as the authorisation of the Board of Directors of Caverion on the repurchase of own shares and share issues. The stock exchange release on the resolutions passed at the extraordinary general meeting of YIT Corporation is available on YIT's website at www.yitgroup.com.

The Board of Directors of Caverion Corporation held its organizational meeting on June 17, 2013. In the meeting the Board decided on the composition of the Personnel Committee and the Audit Committee. Description of the Committees' tasks and charters are available on Caverion's website at www.caverion.com.

SHARES AND SHAREHOLDERS

Caverion is a public limited company organised under the laws of the Republic of Finland, incorporated on the Effective Date of the Demerger on June 30, 2013. The company has a single series of shares, and each share entitles its holder to one vote at the General Meeting of the company. The company's shares have no nominal value.

Share capital and number of shares

In accordance with the Demerger Plan, Caverion's share capital is EUR 1,000,000. At the beginning of trading on July 1, 2013 the number of shares subject to public trading was 125,596,092.

Caverion Corporation currently holds no treasury shares.

Authorisations of the Board of Directors

Authorising Caverion's Board of Directors to decide on the repurchase of own shares of Caverion

The Extraordinary General Meeting of YIT Corporation, held on June 17, 2013, authorised the Board of Directors of Caverion to decide on the repurchase of own shares of Caverion in accordance with the proposal by the Board of Directors. The authorisation covers the purchasing of a maximum of 12,500,000 company shares using the funds from the company's unrestricted equity. The shares are not to be purchased in proportion to the shareholders' holdings. The shares will be purchased in public trading on NASDAQ OMX Helsinki Ltd, and the shares will be purchased at their market value in public trading on NASDAQ OMX Helsinki Ltd at the time of purchase. The share purchase will decrease Caverion's distributable unrestricted equity. The authorisation is valid until 31 March 2014.

Authorising Caverion's Board of Directors to decide on share issues

The Extraordinary General Meeting of YIT Corporation, held on June 17, 2013, authorised the Board of Directors of Caverion to decide on share issues in accordance with the proposal by the Board of Directors. The authorisation may be used in full or in part by issuing shares in Caverion in one or more issues so that the maximum number of shares issued is a total of 25,000,000 shares.

The Board of Directors may decide on a directed share issue in deviation from the shareholders' pre-emptive rights. According to the authorisation the Board of Directors decides to whom and in which order the shares will be issued. In the share issues shares may be issued for subscription against payment or without charge.

Based on the authorisation the Board of Directors may also decide on a share issue without payment directed to the company itself, provided that the number of shares held by the company after the issue would be a maximum of 10% of the issued and outstanding shares in the company. This amount includes shares held by Caverion and its subsidiaries in the manner provided for in Chapter 15(11)(1) of the Limited Liability Companies Act.

The authorisation empowers the Board of Directors to decide on the terms and conditions of and measures related to the share issues in accordance with the Limited Liability Companies Act, including the right to decide whether the subscription price will be recognised in full or in part in the invested unrestricted equity reserve or as an increase to the share capital.

The share issue authorisation also includes the authorisation of the Board of Directors to decide on the transfer of own shares that may be acquired on the bases of the above mentioned authorisation. The authorisation applies to a maximum of 12,500,000 company's own shares. The Board of Directors was authorised to decide on the purpose for transferring such shares and on the terms and conditions for such transfer.

The authorisation is valid until 31 March 2014.

Trading in shares

The trading with Caverion shares commenced on July 1, 2013 and hence there was no trading in Caverion shares during the review period. Friday, June 28, 2013, was the last trading day on which Caverion was included in the YIT share and its price.

Caverion Corporation's market capitalisation was EUR 500 million based on the volume-weighted average price (EUR 3.98) during the first week of trading during July 1 – 5, 2013.

Number of shareholders and flagging notifications

At the end of June 2013, the number of registered shareholders was 39,250. At the end of June 2013, a total of 35.2 percent of the shares were owned by nominee-registered and non-Finnish investors.

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

Updated lists of Caverion's largest shareholders and ownership structure by sector as per July 22, 2013 are available on Caverion's website at www.caverion.com/investors.

MOST SIGNIFICANT SHORT-TERM BUSINESS RISKS AND RISK MANAGEMENT

Caverion Group classifies as risks those factors that might endanger the achievement of the Group's strategic and financial goals if they should materialise. Risks are divided into strategic, operational, financial and event risks. The identification and management of risk factors takes into account the special features of the business and operating environment. Risk management is an integral part of the Group’s management, monitoring and reporting systems. The nature and probability of strategic risks is continuously monitored and reported on. A strategic risk assessment is carried out at Group level once a year in connection with the review of the strategy.

There are several risk factors relating to Caverion and its operating environment, business and the demerger. Caverion's typical operational risks include risks related to contract tenders, service agreements, project management and personnel. The share of steadily developing service and maintenance operations has been increased. Operations have been expanded geographically so that economic fluctuations impact operations at different times in different markets. Continuous monitoring and analysis make it possible to react quickly to changes in the operating environment and to utilise the new business opportunities provided by them.

Caverion’s business is comprised of thousands of projects and service agreements, and therefore agreement management and project management are an important part of efficient business. Management of costs and implementation is particularly important for major individual projects, such as property development projects. In long-term service agreements, Caverion commits to a certain service level and pricing principles, which may also have an unfavorable effect on Caverion's profitability. With regard to various tender-based projects, it is important to act selectively, taking into account the risks and profitability of the projects, and review the content, risks and terms and conditions of all contracts and agreements in accordance with specified processes. In particular, the management of tender-based projects requires comprehensive project management expertise in order to reach the desired profitability. Inefficient and unsuccessful project management may have a material effect on Caverion’s ability to offer high-quality and profitable services, which may have an unfavorable effect on Caverion’s business, result of operations and financial position.

The success of the company materially depends on the professional skills of the company’s management and personnel, as well as on the ability of the company to retain its current management and personnel and, when necessary, recruit new and skilled personnel. Project management personnel in particular are required to hold specified competencies, and shared decision-making processes and quality systems must be followed in the management process. The majority of Caverion's business is labour-intensive, meaning that the availability and commitment of skilled employees is a prerequisite for organic growth. The loss of management members or employees or the inability to attract qualified new personnel may have a material unfavorable effect on the company’s business, result of operations and financial position. Work stoppages, strikes or other labour disputes in industries associated with Caverion’s business may also have negative effects on Caverion’s business operations.

Caverion’s business is exposed to economic cycles, and slow or negative economic growth may have an unfavourable effect on the demand for Caverion’s services. The increased insecurity of the general macroeconomic development has an effect on Caverion’s business and customers.

Should one or several customers face financial difficulties, this may have an unfavorable effect on the company’s business, result of operations and financial position. The company has an extensive customer base, comprised of customers of various sizes from the public as well as private sector. The counterparty risks of Caverion’s business operations are above all associated with fulfilling the obligations of agreements made with customers, customer receivables and long-term service agreements. In particular, strong fluctuations in the economy may lead to financial difficulties or insolvency of Caverion's customers. The revenue recognition of long-term agreements includes a risk of the revenue recognized on the basis of percentage of completion and result presented by financial period not corresponding with the even allocation of the final overall result over the agreement.

Companies in Caverion Group have business-related disputes and associated legal and arbitration proceedings, and predicting their outcomes involves uncertainties. The project practice in Germany in particular relatively often leads to having to settle the rights and responsibilities of the contracting parties in court. According to the company's experience, the outcome of the processes rarely differs significantly from the expectations of the company. Therefore, the outcome of dispute-related processes is not expected to have a significant effect on the Group's result or financial position. However, it is not completely ruled out that the company’s estimate turns out to be materially wrong and the outcomes of the processes will have an unfavorable effect on the company’s result of operations and financial position.

The Group books write-offs or provision on receivables when it is evident that no payment can be expected. Caverion Group adopts its policy of valuing trade receivables and the bookings include estimates and critical judgements. The estimates are based on experience on realised write-offs in previous years, empirical knowledge of debt collecting, collateral and analyses made by clients and general market economic situation at the time.

The Group's aim is to grow both organically and through acquisitions. Risks associated with acquisitions and outsourcing are managed by selecting projects according to strict criteria and effective integration processes that familiarise new employees with Caverion's values, operating methods and strategy. The Group has a uniform process and guidelines for the implementation of acquisitions.

Goodwill recognized on Caverion's balance sheet is not amortised, but it is tested annually for any impairment. The amount by which the carrying amount of goodwill exceeds the recoverable amount is recognised as an impairment loss through profit and loss. If negative changes take place in Caverion's result and growth development, this may lead to an impairment of goodwill, which may have an unfavorable effect on Caverion's result of operations and shareholders' equity. Caverion Group's goodwill amounted to EUR 335.7 million on June 30, 2013.

Financial risks include risks related to the sufficiency of financing, currency and interest rates, credit and counterparty risks and risks related to the reporting process. Financial risks are managed through accounting and financing policies as well as internal and external auditing.

Possible event risks include accidents related to personal or information security as well as sudden and unforeseen material damage to premises, project sites and other property resulting, for example, from fire, collapse or theft. Caverion complies with a group-wide security policy covering the different areas of security. The Demerger may have undesirable effects on the uninterrupted continuity of certain functions central to Caverion's operations, such as ICT systems.

A more detailed account of the risks relating to Caverion and its operating environment and business has been published in the Demerger Prospectus dated 4 June 2013. Financial risks are described in more detail in the notes to the Interim Report 1-6/2013.

OUTLOOK FOR THE SECOND HALF OF 2013

Caverion repeats the estimate announced on June 4, 2013, according to which Caverion estimates that the Group's revenue for the second half of 2013 is more than EUR 1.3 billion and EBITDA more than EUR 50 million. The guidance does not take into account the non-recurring expenses related to the Demerger, nor the expenses related to any potential mergers or acquisitions.

Company's management may with its actions affect the controllability of operations and the improvement of profitability by streamlining the segment organization and by lowering the organizational structures as well as with business restructurings. The profitability of the project business is sought to be improved by choosing the projects more carefully, by a more systematic risk management and by improving the sourcing process. In addition to these improvement measures commenced earlier the aim is to improve the tender process and to focus the project business in knowledge centers. The criteria for the tendering process have been made clearly stricter with regard to the profitability and risks of the project, among other factors, and the number of offers made will be decreased. The systems and software used in offer calculations will be harmonised, and authorisations for approving projects have been made more stringent. The company also aims further in the value chain and it aims to strengthen its position particularly in Design & Build projects. The restructuring of operations proceeded during the first half of the year in all countries where Building Services Northern Europe operates. The aim is to decrease the number of personnel by further 600 employees in 2013; of these, personnel cuts amounting to approximately 400 employees were carried out in January - June. The effects of the executed cost savings and measures are estimated to be seen as an improvement of the profitability during 2013.

Company's management cannot affect the general market development with its actions. According to the company management's estimate, the effects of the implemented cost-savings are expected to be shown as improved profitability during the rest of 2013. The additional service and maintenance work postponed by customers starting from the fourth quarter of 2012 is expected to result in increasing demand, which is also estimated to contribute to the favorable development of revenue and profitability during the rest of the year. The clear strengthening of the order backlog of Building Services Central Europe and picking up of demand in Germany in the first quarter of 2013 will contribute, according to the management's estimates, to the development during the rest of the year. The increased insecurity of the general macroeconomic development has nonetheless an effect on Caverion's business and customers.

Market outlook for Caverion's services

Caverion's operating environment varies by business and country. Caverion operates in Sweden, Finland, Norway, Germany, Austria, Denmark, Russia, Estonia, Latvia, Lithuania, Poland, the Czech Republic and Romania. The extensive geographical area of operations and comprehensive portfolio balance the effect of economic fluctuations, with the changes impacting business operations at different times and force.

The market situation for building systems is expected to vary by country also in 2013, especially in the project business. In 2013, the service and maintenance market is estimated to remain stable or even grow slightly in all major countries where Caverion operates. The increased technology in buildings increases the need for new services, and the demand for energy efficiency services is expected to remain stable. The opportunities for growth in service and maintenance are still favorable in all Caverion's operational areas. In Poland, the building systems market will continue to grow but suffer from oversupply, which has a negative impact on prices. The building services market in the rest of Central Eastern Europe (the Czech Republic and Romania) is developing slowly with a low level of activity.

Decision-making on new investments is still slow, but positive signs can be seen. After the stagnation in 2012, new investments in building systems are expected to increase slightly in Norway and Germany. Increasing public investments and an increasing need for renovation and repair work are expected to be the key factors behind the growth. However, there are still signs of postponed new investments in the market, particularly in Sweden and Finland. In these countries the customers are only expected to carry out the necessary services related to maintaining the core business and operational safety in the near term. Demand in the project market is expected to weaken further in 2013 in Finland and Sweden and decrease slightly or remain unchanged in Central Eastern Europe. The size of the Swedish project market as a whole is expected to decrease by approximately 7 percent during 2013, mainly due to weakening demand. The Norwegian project market has developed well during the first half of the year, and the favourable development is expected to continue during 2013. Also the Danish project market is expected to turn to slight growth in 2013. In the Baltic countries, both the project and service market demand is estimated to remain at a low level. In Russia the services market is expected to improve further.

There is potential for energy efficiency services over the next few years with the tightening of environmental legislation. Environmental certifications and energy efficiency will be increasingly significant factors in the future, allowing property owners to increase the value of their properties, which will continue to support growth opportunities. Services and projects related to the maintenance of traffic infrastructure are also estimated to develop favorably.

INTERIM REPORT JAN 1 – JUNE 30, 2013: FINANCIAL TABLES

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

Interim Report

Notes to the Interim Report

Interim Report

Consolidated income statement

EUR million	4-6/13	4-6/12	1-6/13	1-6/12	1-12/12
	Carve-out	Carve-out	Carve-out	Carve-out	Carve-out
Revenue	**652.8**	**717.6**	**1,260.6**	**1,390.1**	**2,803.2**
Other operating income and expenses	-639.8	-692.0	-1,238.3	-1,340.9	-2,717.9
Share of results of associated companies	0.0	0.0	0.0	0.0	0.0
Depreciation and impairments	-5.1	-5.5	-10.2	-11.3	-24.2
Operating profit	**7.8**	**20.1**	**12.1**	**37.9**	**61.1**
% of revenue	1.2	2.8	1.0	2.7	2.2
Financial income and expenses, net	-2.1	-1.7	-2.4	-2.7	-3.6
Profit before taxes	**5.7**	**18.4**	**9.7**	**35.2**	**57.5**
% of revenue	0.9	2.6	0.8	2.5	2.1
Income taxes	-1.5	-6.0	-2.7	-11.1	-16.7
Profit for the period	**4.2**	**12.4**	**7.0**	**24.1**	**40.8**
% of revenue	0.6	1.7	0.6	1.7	1.5
Attributable to:					
Equity holders of the parent company	4.2	12.3	7.0	24.0	40.7
Non-controlling interest	0.0	0.1	0.0	0.1	0.1

Consolidated statement of comprehensive income

EUR million	4-6/13	4-6/12	1-6/13	1-6/12	1-12/12
	Carve-out	Carve-out	Carve-out	Carve-out	Carve-out
Profit for the period	**4.2**	**12.4**	**7.0**	**24.1**	**40.8**
Other comprehensive income					
Items that will not be reclassified to profit/loss:					
- Change in fair value of defined benefit pension		5.5		9.5	15.3
-- Deferred tax		-1.6		-2.7	-4.2
Items that may be reclassified subsequently to profit/loss:					
- Cash flow hedges	0.1	-0.2	0.2	-0.2	-0.1
-- Deferred tax					0.0
- Change in fair value of available for sale investments					-0.4
-- Deferred tax					0.1
- Translation differences	-3.1	1.2	-1.6	2.4	3.9
Other comprehensive income, total	**-3.0**	**5.0**	**-1.4**	**9.0**	**14.6**
Total comprehensive result	**1.2**	**17.4**	**5.6**	**33.1**	**55.3**
Attributable to:					
Equity holders of the parent Company	1.2	17.3	5.6	33.0	55.2
Non-controlling interest	0.0	0.1	0.0	0.1	0.1

Consolidated statement of financial position

EUR million	30.6.13	30.6.12	31.12.12
		Carve-out	Carve-out
Assets			
Non-current assets			
Property, plant and equipment	30.2	33.7	31.8
Goodwill	335.7	336.6	335.7
Other intangible assets	53.5	39.1	39.0
Shares in associated companies	0.1	0.1	0.1
Other investments	2.3	2.9	2.5
Other receivables	3.1	5.9	5.3
Deferred tax assets	5.8	6.4	5.5
Current assets			
Inventories	42.4	42.6	39.0
Trade and other receivables	770.5	807.1	779.4
Cash and cash equivalents	43.8	109.3	100.8
Total assets	**1,287.4**	**1,383.7**	**1,339.0**
Equity and liabilities			
Equity	**226.8**	**420.9**	**387.4**
Non-current liabilities			
Deferred tax liabilities	68.2	61.1	68.7
Pension obligations	45.5	58.9	51.8
Provisions	7.1	7.9	6.9
Borrowings	172.0	82.8	75.6
Other liabilities	0.2	5.0	4.6
Current liabilities			
Advances received	147.0	141.2	143.7
Trade and other payables	535.1	569.2	561.4
Provisions	19.6	21.2	23.3
Borrowings	65.7	15.4	15.4
Total equity and liabilities	**1,287.4**	**1,383.7**	**1,339.0**

Consolidated statement of changes in equity

EUR million	Equity attributable to owners of the parent							
	Invested equity	Share capital	Retained earnings	Cumulative translation differences	Fair value reserve	Total	Non-controlling interest	Total equity
Equity on January 1, 2013	379.3			7.7	-0.1	386.8	0.6	387.4
Comprehensive income								
Profit for the period	7.0					7.0	0,0	7.0
Other comprehensive income:								
Cash flow hedges					0.2	0.2		0.2
-Deferred tax								
Translation differences				-1.6		-1.6		-1.6
Comprehensive income, total	7.0			-1.6	0.2	5.6	0,0	5.6
Transactions with owners								
Share-based incentive Scheme	-0.8					-0.8		-0.8
Equity transactions with YIT Group	-164.5					-164.5		-164.5
Transactions with owners, total	-165.3					-165.3		-165.3
Demerger on June 30, 2013	-221.0	1.0	220.0			0.0		0.0
Demerger related capitalized costs			-0.9			-0.9		-0.9
Equity on June 30, 2013	0.0	1.0	219.1	6.1	0.1	226.2	0.6	226.8

Equity booked to Caverion Corporation as a result of the demerger:

EUR million	Share capital	Retained earnings	Fair value reserve	Total equity
Equity on June 30, 2013	1.0	140.4	0.0	141.4

EUR million	Equity attributable to owners of the parent Invested equity	Cumulative translation differences	Fair value reserve	Total	Non-controlling interest	Total invested equity
Equity on January 1, 2012	445.6	3.8	0.2	449.5	0.5	450.0
Defined benefit pension, re-measurement due to IAS 19 change	-37.0			-37.0		-37.0
Adjusted equity on January 1, 2012	408.5	3.8	0.2	412.5	0.5	413.0
Comprehensive income						
Profit for the period	24.2			24.2	0.1	24.3
Profit for the period, re-measurement due to IAS 19 change	-0.2			-0.2		-0.2
Other comprehensive income:						
Change in fair value of defined benefit pension, re-measurement due to IAS 19 change	9.5			9.5		9.5
-Deferred tax	-2.7			-2.7		-2.7
Cash flow hedges			-0.2	-0.2		-0.2
-Deferred tax						
Translation differences		2.4		2.4		2.4
Comprehensive income, total	30.8	2.4	-0.2	33.0	0.1	33.1
Transactions with owners						
Share-based incentive Scheme	0.8			0.8		0.8
Equity transactions with YIT Group	-26.1			-26.1		-26.1
Transactions with owners, total	-25.3			-25.3		-25.3
Equity on June 30, 2012	414.0	6.2	0,0	420.2	0.6	420.9

EUR million	Equity attributable to owners of the parent Invested equity	Cumulative translation differences	Fair value reserve	Total	Non-controlling interest	Total invested equity
Equity on January 1, 2012	445.6	3.8	0.2	449.5	0.5	450.0
Defined benefit pension, re-measurement due to IAS 19 change	-37.0			-37.0		-37.0
Adjusted equity on January 1, 2012	408.5	3.8	0.2	412.5	0.5	413.0
Comprehensive income						
Profit for the period	40.8			40.8	0.1	40.9
Profit for the period, re-measurement due to IAS 19 change	-0.1			-0.1		-0.1
Other comprehensive income:						
Change in fair value of defined benefit pension, re-measurement due to IAS 19 change	15.3			15.3		15.3
-Deferred tax	-4.2			-4.2		-4.2
Cash flow hedges			-0.1	-0.1		-0.1
-Deferred tax			0.0	0.0		0.0
Change in fair value of available for sale investments			-0.4	-0.4		-0.4
- Deferred tax			0.1	0.1		0.1
Translation differences		3.9		3.9		3.9
Comprehensive income, total	51.7	3.9	-0.4	55.2	0.1	55.3
Transactions with owners						
Share-based incentive Scheme	1.0			1.0		1.0
Equity transactions with YIT Group	-81.9			-81.9		-81.9
Transactions with owners, total	-80.9			-80.9		-80.9
Equity on December 31, 2012	379.3	7.7	-0.1	386.8	0.6	387.4

Consolidated statement of cash flows

EUR million	4-6/13	4-6/12	1-6/13	1-6/12	1- 12/12
	Carve-out	Carve-out	Carve-out	Carve-out	Carve-out
Cash flows from operating activities					
Net profit for the period	4.2	12.4	7.0	24.1	40.8
Adjustments to net profit	17.8	6.3	14.2	18.6	29.7
Change in working capital	-33.3	-23.4	-25.2	-23.0	3.7
Financial items, net	0.3	-0.4	-0.5	-3.0	-7.0
Taxes paid	-8.3	-10.0	-15.7	-20.8	-17.9
Net cash from operating activities	**-19.3**	**-15.2**	**-20.3**	**-4.2**	**49.3**
Cash flows used in investing activities					
Acquisition of subsidiaries, net of cash		-2.1	-0.8	-7.1	-7.3
Capital expenditure and other investments, net	-16.0	-1.2	-16.4	-2.0	-1.5
Net cash used in investing activities	**-16.0**	**-3.3**	**-17.2**	**-9.1**	**-8.8**
Operating cash flow after investments	**-35.3**	**-18.4**	**-37.5**	**-13.3**	**40.5**
Cash flows used in financing activities					
Change in current liabilities, net	14.8	-0.1	14.7	-0.1	-0.5
Proceeds from borrowings	162.0		162.0		
Repayments of borrowings	-26.0	-4.0	-29.5	-7.5	-15.0
Equity financing with YIT Group	-135.8	-12.9	-164.5	-26.1	-81.9
Net cash used in financing activities	**14.8**	**-17.0**	**-17.5**	**-33.7**	**-97.4**
Change in cash and cash equivalents	**-20.5**	**-35.4**	**-55.0**	**-47.0**	**-56.9**
Cash and cash equivalents at the beginning of the period	66.4	144.2	100.8	154.5	154.5
Change in the fair value of the cash equivalents	-2.1	0.4	-2.0	1.8	3.1
Cash and cash equivalents at the end of the period	43.8	109.3	43.8	109.3	100.8

Notes to the Interim Report

1 Accounting principles

Caverion Corporation's Interim Report for January 1 - June 30, 2013 has been prepared in accordance with IAS 34: Interim Financial Reporting. The information presented in this Interim Report has not been audited. In the Interim Report the figures are presented in million euros doing the rounding on each line, which may cause some rounding inaccuracies in column and total sums.

Background

Caverion Corporation was established through the partial demerger of YIT Corporation on June 30, 2013 when the ownership of YIT's Building Services and Industrial Services operations were transferred to a new parent company. Thus, Caverion has not formed a separate legal group before June 30, 2013. The balance sheet and the related key figures as per 30 June 2013 are based on actual figures, whereas the income statement, cash flow statement and comparative figures are based on carve-out financial information.

The carve-out financial information presented herein reflect income and expenses, assets and liabilities and cash flows of those entities that have historically formed the Building Services business within YIT Group, which consists of YIT's reportable segments Building Services Northern Europe and Building Services Central Europe.

The carve-out financial information also include those income and expenses, assets and liabilities and cash flows from YIT parent company and Perusyhtymä Oy which can be allocated to Building Systems business. Collectively these entities and income and expenses, assets and liabilities and cash flows form now a separate legal group called "Caverion Group" or "Group" in the carve-out financial information presented in this Interim Report.

The carve-out financial information has been prepared in accordance with the basis of preparation and accounting policies set out below.

Basis of preparation

The carve-out financial information of Caverion Group for the six-month period ended June 30, 2013, for the three-month period ended June 30, 2013 and for the year ended December 31, 2012 have been prepared on a carve-out basis from YIT's consolidated financial statements and interim reports using the historical income and expenses, assets and liabilities and cash flows attributable to Building Services business. The carve-out financial information also includes allocations of income, expenses, assets, liabilities and cash flows from the YIT parent company and Perusyhtymä Oy.

The carve-out financial information may not be indicative of Caverion Group's future performance and they do not necessarily reflect what its combined results of operations, financial position and cash flows would have been, had Caverion with its subsidiaries operated as an independent group and had it presented stand-alone financial statements or interim report during the periods presented.

The carve-out financial information has been prepared on a going concern basis and under the historical cost convention, except for the available-for-sale -investments, financial assets and liabilities at fair value through profit and loss and derivative instruments at fair value. Share-based payments are measured at fair value at the time of granting.

The carve-out financial information of Caverion Group has been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union, under consideration of the principles for determining which assets and liabilities, income and expenses as well as cash flows are to be assigned to Caverion Group as described under "Basis of accounting" below. References to "IFRS" hereafter should be construed as references to IFRS as adopted by EU. Hereafter by "IFRS" is referred to IFRS standards endorsed by the EU.

IFRS does not provide guidance for the preparation of carve-out financial statements, and accordingly in preparing the carve-out financial statements certain accounting conventions commonly used for the preparation of historical financial statements for inclusion in Prospectuses have been applied. The application of these conventions has been described under "Basis of accounting" below.

The following section describes how the carve-out financial statements and carve-out financial information for Caverion Group have been prepared.

Basis of accounting

Structure of the carve-out financial statements and carve-out financial information

The following entities and financial statement items have been included in these carve-out financial statements and carve-out financial information:

- YIT Building Systems Oy and its subsidiaries which were transferred to Caverion Corporation in the demerger.
- YIT Industry Ltd and its subsidiaries, which were transferred to Caverion Corporation in the demerger.
- Assets, liabilities, income and expenses from the demerged YIT Corporation and Perusyhtymä Oy that relate to the Building Services business.

The Caverion Group carve-out financial statements and financial information include all those legal entities that have historically formed YIT's reportable segments Building Service Northern Europe and Building Service Central Europe. The historical financial information of those entities included in the carve-out financial statements and financial information on the entities' separate financial statements which have been used in preparing YIT's consolidated financial statements.

The Caverion Group carve-out financial statements and financial information consist of assets, liabilities, results of operations and cash flows of the acquired entities within the Building Systems business from the date of acquisition. The assets, liabilities, results of operations and cash flows from the sold entities are included in the carve-out financial statements and financial information until the entities have been sold.

Principles applied in preparing the carve-out financial statements and financial information

The following summarizes the accounting and other principles applied in preparing the carve-out financial statements and financial information. Caverion management considers that the allocations described below have been made on a reasonable basis, but are not necessarily indicative of the costs that would have been incurred if Caverion had been a standalone entity.

Intercompany transactions

Intercompany transactions and assets and liabilities between entities included in the carve-out financial statements and financial information have been eliminated. The carve-out financial statements and financial information include the Caverion Group's transactions and balance sheet items.

In the carve-out financial statements and financial information, the intercompany receivables and liabilities of YIT parent company where the counterparty has been a subsidiary belonging to the Caverion Group have been allocated to the Caverion parent company, including the financial income and expenses relating to these receivables and liabilities.

Acquisition costs relating to Caverion subsidiaries owned by YIT parent company have been allocated to Caverion parent company and the acquisition cost method has been used to eliminate the acquisition of subsidiaries.

Invested equity

Caverion has not before June 30, 2013 formed a separate legal group nor presented any stand-alone financial statements or interim report, and accordingly it is not conceivable to present share capital or an analysis of equity reserves before June 30, 2013. The net assets of Caverion group are represented by capital invested in Caverion Group and shown as "invested equity".

Changes in net assets allocated to Caverion are presented separately in the statement of changes in equity through line "Equity transactions with YIT Group" and in the cash flow statement through line "Equity financing with YIT Group, net", reflecting the internal financing between YIT Group and Caverion Group during the periods presented. The amount is dependent on the net assets allocated to the Caverion parent company. The net assets allocated to Caverion parent company consists mainly of investments in group companies, intercompany receivables and liabilities, financial liabilities, other receivables and liabilities and net cash and cash equivalents.

This interim report is presented in euro, which is Caverion parent company's functional and reporting currency. The Caverion Group entities have also other functional currencies. Translation differences arising from translating the results for the period and equity are recognized in invested equity and their changes are presented in other comprehensive income.

Cash management and financing

Cash management has been centralized so that YIT has managed Group's cash needs mainly through cash pool arrangement. Caverion Group's cash and cash equivalents comprised before June 30, 2013 of cash in the centralized cash pool of YIT parent entity transferred to Caverion and cash held by Caverion entities. Caverion receives the proportion of cash and cash equivalents of YIT Corporation that equals the portion of intra-group account liabilities allocated to Caverion compared to the entire intra-group account liabilities to all YIT Group's direct and indirect subsidiaries. No interest income has been allocated related to these cash and cash equivalents allocated to Caverion.

Caverion Group's external financing is centralized to the group's parent entity. Subsidiaries' working capital needs have been funded in addition to cash pool arrangement mainly by intercompany loans.

The external debt financing of the demerged YIT parent entity that is directly attributable to the operations of Caverion, and interest expenses relating to the financing, are included in the carve-out financial statements and financial information. In addition, carve-out financial statements and financial information comprise debt financing of the Caverion entities to third parties and interest expenses relating to these.

YIT negotiated with the primary financers and was able to confirm adequate financing and credit and guarantee facilities for the demerging businesses. In February 2013 new financing arrangements were agreed with Nordic financial institutions to Caverion. These comprise a EUR 140 million long-term loan facility, a EUR 60 million long-term credit facility and up to EUR 67 million bridge financing. The carve-out financial statements have not been adjusted to present the effects of the reorganization of financing.

Therefore the financing costs included in the carve-out financial statements and financial information may not necessarily represent what the financing costs would have been, if Caverion had historically obtained financing on a stand-alone basis. It is not representative of the cost of financing that will arise in the future.

Derivatives

External derivative contracts entered by YIT have been allocated to Caverion if those are directly connected with Caverion. These are the interest rate swap related to the financing loan, the currency swaps relating to the cash pool arrangement and projects in foreign currency.

Income tax

During the periods presented in these carve-out financial statements and financial information, the legal entities in the Caverion group have operated as separate taxpayers. For these entities the tax charges and the tax liabilities and receivables in the carve-out financial statements and financial information are based on actual taxation.

The taxes allocated to Caverion from the demerged YIT parent company have been calculated as Caverion had been a separate taxpayer. Therefore, the income tax for the period of Caverion parent company is the amount of tax payable or refundable based on the entity's hypothetical tax returns, and it is presented as current tax expense in the income statement. In the balance sheet these tax entries are presented as transactions through invested equity, because any payable or refundable taxes will not arise to Caverion parent company due to these hypothetical taxes. Deferred taxes on temporary differences are recognized where such temporary differences exist.

The tax charges recorded in the carve-out income statements are not necessarily representative of the tax charges that may arise in the future.

Pensions

Pensions and other post-employment benefit plans and their respective portion of the plan liabilities, plan assets, interest and service costs have either been included or allocated to Caverion Group from YIT parent company for the purpose of preparing these carve-out financial statements and financial information.

Centrally provided services

YIT Group has historically recharged centrally provided services from its subsidiaries, such as financing, IT, HR and services related to the premises. Historically these recharged costs have been allocated to Caverion Group entities, and they are included in the carve-out financial statements and financial information.

YIT parent company has also been responsible for the management and general administration of the YIT Group. The income and expenses of YIT parent company have been allocated to the Caverion parent company mainly based on the transferring employers and subsidiary allocations. The carve-out financial statements and financial information include also employee cost allocations relating to Caverion parent company's employees' participation in the YIT share-based compensation plan.

The need for such centralized services remains after the legal separation of Caverion from YIT. However, the costs may be different and thus will not be comparable to the amounts reflected in the carve-out financial statements and financial information.

Leases

In the carve-out financial statements and financial information the non-cancellable operating leases allocated to Caverion Group include lease agreements of Caverion subsidiaries with third parties and lease agreements for office facilities with YIT Group. The minimum lease payments of the non-cancellable lease agreements made with YIT Group presented in the carve-out financial statements and financial information are equivalent with the minimum lease payments of the corresponding external lease agreements made by YIT Group.

The minimum lease payments of the non-cancellable lease agreements might change substantially after Caverion has been demerged legally from YIT and therefore, they may not be representative of the future lease obligations.

Adoption of new and amended standards January 1, 2013

Changes in International accounting standard IAS 19 Employee benefits and the restated comparative numbers

The Group adopted the revised IAS 19 Employee benefits standard on January 1, 2013. The standard includes changes to accounting principles of defined benefit plans. The amendment eliminates the possibility to use the corridor approach and all the actuarial gains and losses are recognised immediately in the statement of other comprehensive income. The full net liability or net asset is recorded in the balance sheet. The expected interest income on assets is calculated using the same discount rate as calculating the present value of the pension obligation. The changes in fair value of pension obligation are recorded in the statement of other comprehensive income where previously those were included in the personnel expenses in the income statement.

The revised IAS 19 standard requires that the amendments are applied retrospectively to all periods presented. The impact of the revised standard on Caverion's figures for the six-month period ended June 30, 2012 is presented in the tables below. The impact for the year ended December 31, 2012 and for the three-month period ended March 31, 2012 has been presented in the Demerger Prospectus.

Consolidated income statement

EUR million	Group, 1-6/2012	IAS 19 restatement	Restated Group, 1-6/2012
Revenue	1,390.1		1,390.1
Other operating income and expenses	-1,340.6	-0.3	-1,340.9
Share of results of associated companies	0.0		0.0
Depreciation and impairment	-11.3		-11.3
Operating profit	38.2	-0.3	37.9
Financial income and expense	-2.7		-2.7
Profit before taxes	35.5	-0.3	35.2
Income taxes	-11.2	0.1	-11.1
Profit for the period	24.3	-0.2	24.1
Attributable to:			
Equity holders of the parent company	24.2	-0.2	24.0
Non-controlling interest	0.1		0.1

Consolidated statement of comprehensive income

EUR million	Group, 1-6/2012	IAS 19 restatement	Restated Group, 1-6/2012
Profit for the period	24.3	-0.2	24.1
Other comprehensive income			
Change in fair value of defined benefit Pension		9.5	9.5
-Deferred tax		-2.7	-2.7
Cash flow hedges	-0.2		-0.2
Translation differences	2.4		2.4
Other comprehensive income, total	2.2	6.8	9.0
Total comprehensive result	26.5	6.6	33.1
Attributable to:			
Equity holders of the parent company	26.4	6.6	33.0
Non-controlling interest	0.1		0.1

Consolidated statement of financial position

EUR million	Group 30.6.2012	IAS 19 restatement	Restated Group, 30.6.2012
Assets			
Non-current assets			
Property, plant and equipment	33.7		33.7
Goodwill	336.6		336.6
Other intangible assets	39.1		39.1
Shares in associated companies	0.1		0.1
Other investments	2.9		2.9
Other receivables	17.0	-11.1	5.9
Deferred tax assets	6.4		6.4
Current assets			
Inventories	42.6		42.6
Trade and other receivables	807.1		807.1
Cash and cash equivalents	109.3		109.3
Total assets	**1,394.7**	**-11.1**	**1,383.7**
Equity and liabilities			
Equity	451.4	-30.5	420.9
Non-current liabilities			
Deferred tax liabilities	73.2	-12.1	61.1
Pension liabilities	27.4	31.5	58.9
Provisions	7.9		7.9
Borrowings	82.8		82.8
Other liabilities	5.0		5.0
Current liabilities			
Advances received	141.2		141.2
Trade and other payables	569.2		569.2
Provisions	21.2		21.2
Borrowings	15.4		15.4
Total equity and liabilities	**1,394.7**	**-11.1**	**1,383.7**

IFRS 13 Fair value measurement: The standard defines fair value and contains requirements for how fair value is measured and disclosures. The standard has an impact on the disclosures given in the interim financial report.

IAS 1 (amendment) Presentation of statements of changes in equity: The Group presents components in other comprehensive income grouped to items that will not be reclassified to profit or loss and to items that may be reclassified subsequently to profit or loss.

Other standards or their amendments endorsed by the EU did not have an impact on the Caverion Group reporting.

Critical accounting estimates and judgements

Preparing Caverion Group carve-out financial information requires the Group management to make estimates and exercise judgement. These estimates and judgements have an effect on the applied accounting principles and amounts of the reported assets, liabilities, income and expenses. Final actual results may differ from the estimates and assumptions.

Estimates, judgments and assumptions have been used for example for impairment of goodwill, revenue recognition of long-term contracts, income taxes, provisions, pension benefits, trade receivables and the carve-out adjustments.

The Group management exercises judgment in the application of accounting policies especially in those cases, where the applicable IFRS standards give alternative ways for recognition, measurement or presentation.

The accounting principles to prepare the audited carve-out financial statements for the years ended December 31, 2012, December 31, 2011 and December 31, 2010 have been published in the Demerger Prospectus dated June 4, 2013.

2 Segment information

Caverion has two IFRS reportable segments; Building Services Northern Europe and Building Services Central Europe.

Revenue

EUR million	1-6/13		1-6/12		1-12/12	
Building Services Northern Europe	969.6		1,051.2		2,089.2	
- group internal	0.0		0.0		0.0	
- external	969.6		1,051.2		2,089.2	
Building Services Central Europe	291.4		339.0		714.2	
- group internal	-0.2		-0.1		-0.2	
- external	291.1		338.9		714.0	
Revenue in total	**1,260.6**		**1,390.1**		**2,803.2**	

EBITDA and operating profit

EUR million	1-6/13	%	1-6/12	%	1-12/12	%
EBITDA						
Building Services Northern Europe	16.2	1.7	38.5	3.7	59.5	2.8
Building Services Central Europe	8.9	3.0	14.3	4.2	33.2	4.7
Group services and other items	-2.8		-3.6		-7.4	
EBITDA total	**22.3**	1.8	**49.2**	3.5	**85.3**	3.0
Operating profit						
Building Services Northern Europe	8.3	0.9	29.7	2.8	41.1	2.0
Building Services Central Europe	6.6	2.3	11.8	3.5	27.4	3.8
Group services and other items	-2.8		-3.6		-7.4	
Operating profit total	**12.1**	1.0	**37.9**	2.7	**61.1**	2.2

Order backlog

EUR million	6/13	3/13	12/12	9/12	6/12	3/12
Building Services Northern Europe	829.2	844.7	819.0	904.9	955.1	969.4
Building Services Central Europe	444.9	470.5	380.1	435.5	473.4	500.5
Order backlog, total	1,274.2	1,315.2	1,199.1	1,340.4	1,428.5	1,469.9

Operative invested capital*)

EUR million	6/13	3/13	12/12	9/12	6/12	3/12
Building Services Northern Europe	335.3	321.5	344.8	393.6	352.0	327.8
Building Services Central Europe	136.5	118.8	96.6	114.2	107.0	97.0

Return on operative invested capital*)

last 12 months, %	6/13	3/13	12/12	9/12	6/12	3/12
Building Services Northern Europe	5.8	9.0	11.0	16.9	20.3	23.4
Building Services Central Europe	17.8	23.3	32.5	30.9	39.9	60.2

*) Only operational items are taken into account in calculating the segments' invested capital.

3 Key figures

	6/13	6/12	12/12
Revenue, EUR million	1,260.6	1,390.1	2,803.2
EBITDA, EUR million	22.3	49.2	85.3
EBITDA margin, %	1.8	3.5	3.0
Operating profit, EUR million	12.1	37.9	61.1
Operating profit margin, %	1.0	2.7	2.2
Profit before taxes, EUR million	9.7	35.2	57.5
Margin, %	0.8	2.5	2.1
Profit for the period, EUR million	7.0	24.1	40.8
Margin, %	0.6	1.7	1.5
Earnings per share, EUR	0.06	0.19	0.32
Equity per share, EUR	1.8	3.3	3.1
Financial income and expenses, net	-2.4	-2.7	-3.6
Equity ratio, %	19.9	33.9	32.4
Interest-bearing net debt, EUR million	194.0	-11.1	-9.8
Gearing ratio, %	85.5	-2.6	-2.5
Balance sheet total, EUR million	1,287.4	1,383.7	1,339.0
Operating cash flow after investments, EUR million	-37.5	-13.3	40.5
Gross capital expenditures, EUR million	22.6	11.6	16.2
% of revenue	1.8	0.8	0.6
Order backlog, EUR million	1,274.2	1,428.5	1,199.1
Personnel, average for the period	18,229	19,258	18,592

4 Financial development by quarter

EUR million	4-6/13	1-3/13	10-12/12	7-9/12	4-6/12	1-3/12
Revenue						
Building Services Northern Europe	501.0	468.6	552.7	485.3	538.1	513.1
Building Services Central Europe	152.1	139.2	195.8	179.5	179.5	159.4
Eliminations	-0.3	0.0	-0.1	-0.1	0.0	0.0
Revenue, total	**652.8**	**607.9**	**748.4**	**664.7**	**717.6**	**672.5**
EBITDA						
Building Services Northern Europe	10.0	6.3	0.3	20.7	19.5	19.0
Building Services Central Europe	4.4	4.5	12.1	6.8	7.9	6.4
Group services and other items	-1.5	-1.3	-2.6	-1.3	-1.7	-1.8
EBITDA, total	**12.9**	**9.4**	**9.8**	**26.3**	**25.6**	**23.6**
% of revenue	2.0	1.5	1.3	4.0	3.6	3.5
Operating profit						
Building Services Northern Europe	6.1	2.2	-4.0	15.4	15.2	14.5
Building Services Central Europe	3.2	3.4	10.8	4.8	6.6	5.2
Group services and other items	-1.5	-1.3	-2.6	-1.3	-1.7	-1.8
Operating profit, total	**7.8**	**4.3**	**4.3**	**18.9**	**20.1**	**17.8**
% of revenue	1.2	0.7	0.6	2.9	2.8	2.6

	4-6/13	1-3/13	10-12/12	7-9/12	4-6/12	1-3/12
Earnings per share, EUR	0.03	0.02	0.02	0.11	0.10	0.09
Equity per share, EUR	1.8	2.9	3.1	3.6	3.3	3.3
Financial income and expenses, net	-2.1	-0.3	-0.6	-0.3	-1.7	-1.0
Equity ratio, %	19.9	32.8	32.4	36.3	33.9	33.5
Interest-bearing net debt, EUR million	194.0	21.2	-9.8	1.4	-11.1	-41.9
Gearing ratio, %	85.5	5.8	-2.5	0.3	-2.6	-10.1
Balance sheet total, EUR million	1,287.4	1,263.1	1,339.0	1,388.9	1,383.7	1,370.9
Operating cash flow after investments, EUR million	-35.3	-2.2	79.3	-25.5	-18.4	5.1
Gross capital expenditures, EUR million	21.7	0.9	2.3	2.2	4.1	7.5
% of revenue	3.3	0.1	0.3	0.3	0.6	1.1
Order backlog, EUR million	1,274.2	1,315.2	1,199.1	1,340.4	1,428.5	1,469.9
Personnel at the end of the period	18,125	18,260	18,618	18,983	19,280	19,198

5 Formulas for calculation of financial indicators

EBITDA =	Operating profit (EBIT) + depreciation and impairment
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
Earnings / share (EUR) =	Net profit for the period (attributable for equity holders) Number of outstanding shares on June 30, 2013
Equity / share (EUR) =	Shareholders' equity Number of outstanding shares on June 30, 2013

6 Unusual items affecting operating profit

EUR million	4-6/13	1-3/13	10-12/12	7-9/12	4-6/12	1-3/12
Building Services Northern Europe	-1.4	-2.8	-3.0		-2.8	
Building Services Central Europe	-1.4			-0.9		
Group services	-0.3					
Total	-3.1	-2.8	-3.0	-0.9	-2.8	

During April - June in 2013, Building Services Northern Europe entered one-off items relating to restructuring amounting to EUR 1.4 million. The operating profit of Building Services Central Europe was burdened by M&A related project costs amounting to EUR 1.4 million. Demerger related costs in Group Services amounted to EUR 0.3 million in the review period.

In Building Services Northern Europe cost adjustments continued during the first quarter of 2013. Approximately EUR 2.8 million adjustment costs were entered during January-March.

Building Services Northern Europe entered costs relating to the reorganization of operations amounting to approximately EUR 3 million during the fourth quarter of 2012.

Restructuring of operations was started in Poland during the second quarter of 2012 and a write-down of EUR 0.9 million was made in goodwill in the third quarter of 2012 as a result.

During April - June in 2012, the operating profit for Building Services Northern Europe was burdened by a non-recurring expense of EUR 2.8 million associated with the final financial report of a customer project completed in 2011.

7 Business combinations and disposals

There have been no acquisitions or disposals in 2013.

8 Financial risk management

Caverion's main financial risks are liquidity risk, credit risk and market risks including foreign exchange and interest rate risk. The objectives and principles of financial risk management are defined in the Treasury Policy approved by the Board of Directors. Financial risk management is carried out by the Group Treasury in co-operation with the operating units and subsidiaries.

To manage the interest rate risk, the Board of Directors has defined an average interest rate fixing term target of 18 months for Group's net debt (excluding cash). The Group Treasurer is authorised to deviate +/- 12 months from the target interest rate fixing period. At the balance sheet date the average interest rate fixing term of net debt (excluding cash) was 6.9 months.

The objective of capital management in Caverion Group is to maintain optimal capital structure, maximize the return on the respective capital employed, and to minimize the cost of capital within the limits and principles stated in the Treasury Policy. The capital structure is modified primarily by directing investments and working capital employed.

9 Financial assets and liabilities

Those financial assets and liabilities for which their carrying amounts do not correspond to their fair values are presented in the table below.

	June 30, 2013	June 30, 2013	December 31, 2012	December 31, 2012
EUR million	Carrying amount	Fair value	Carrying amount	Fair value
Non-current liabilities				
Loans from financial institutions	161.2	160.8	63.4	56.3
Pension loans	9.0	8.4	10.0	9.2
Other financial loans	1.2	1.2	1.2	1.2

Fair values for non-current loans are based on discounted cash flows. The discount rate used is the rate at which the Group could draw similar external loan at the balance sheet date and it consists of risk-free market rate and a company specific risk premium in accordance with the maturity of the loan.

The carrying amounts of all other financial assets and liabilities are reasonably close to their fair values.

Fair value hierarchy

The Group categorises the financial assets and liabilities measured at fair value into different levels of the fair value hierarchy as follows:

Level 1: The fair values are based on quoted prices in active markets for identical assets or liabilities.
Level 2: The fair values are based on inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
Level 3: The fair values are based on inputs for the asset or liability that are not based on observable market data.

The table below presents the financial assets and liabilities measured at fair value categorised into different levels of the fair value hierarchy.

Assets June 30, 2013				
EUR million	**Level 1**	**Level 2**	**Level 3**	**Total**
Available-for-sale investments	1.8		0.5	2.3
Derivatives (hedge accounting not applied)		0.9		0.9
Derivatives (hedge accounting applied)		0.0		0.0
Total assets	**1.8**	**0.9**	**0.5**	**3.2**
Liabilities June 30, 2013				
EUR million	**Level 1**	**Level 2**	**Level 3**	**Total**
Derivatives (hedge accounting not applied)				
Derivatives (hedge accounting applied)		0.0		0.0
Total liabilities		**0.0**		0.0
Assets December 31, 2012				
EUR million	**Level 1**	**Level 2**	**Level 3**	**Total**
Available-for-sale investments	1.9		0.6	2.5
Derivatives (hedge accounting not applied)				
Derivatives (hedge accounting applied)				
Total assets	**1.9**		**0.6**	**2.5**
Liabilities December 31, 2012				
EUR million	**Level 1**	**Level 2**	**Level 3**	**Total**
Derivatives (hedge accounting not applied)		0.5		0.5
Derivatives (hedge accounting applied)		0.2		0.2
Total liabilities		**0.7**		**0.7**

There were no transfers between the levels of the fair value hierarchy during the period ended June 30, 2013.

The fair values for the derivative instruments categorised in Level 2 have been defined as follows: The fair values of foreign exchange forward agreements have been defined by using the market prices at the closing day. The fair values of interest rate swaps are based on discounted cash flows.

The available-for-sale investments categorised in Level 3 are non-listed equity instruments and they are measured at acquisition cost less any impairment as their fair value cannot be measured reliably.

Changes in the items categorised into Level 3 are presented below:

EUR million	Assets June 30, 2013	Liabilities June 30, 2013	Assets December 31, 2012	Liabilities December 31, 2012
Opening balance	0.6		0.6	
Transfers into / from Level 3				
Purchases and sales			0.0	
Gains and losses recognised in profit or loss				
Gains and losses recognised in other comprehensive income	-0.1			
Closing balance	0.5		0.6	

Derivative instruments

NOMINAL AMOUNTS			
EUR million	June 30, 2013	June 30, 2012	December 31, 2012
--Interest rate derivatives	20.0	14.0	45.5
--Foreign exchange forwards	22.2	22.3	32.1

FAIR VALUES			
EUR million	June 30, 2013	June 30, 2012	December 31, 2012
--Interest rate derivatives			
positive fair value	0.0		
negative fair value		-1.2	-0.2
--Foreign exchange forwards			
positive fair value	1.1	0.4	
negative fair value	-0.2	-0.3	-0.5

Hedge accounting in accordance with IAS 39 is applied to all interest rate derivatives. Hedge accounting is not applied to other derivative instruments.

10 Commitments and contingent liabilities

EUR million	June 30, 2013	June 30, 2012	December 31, 2012
Collateral given for own commitments			
- Corporate mortgages	0.0	1.0	0.7
Guarantees given on behalf of associated companies	0.2	0.2	0.2
Parent company's guarantees on behalf of its subsidiaries	510.2	540.3	556.0
Other commitments			
- Operating leases	207.9	212.3	219.5
- Other contingent liabilities	1.3	1.3	1.3

Entities participating in the demerger are jointly and severally responsible for the liabilities of the demerging entity which have been generated before the registration of the demerger. Hereby, a secondary liability up to the allocated net asset value has been generated to Caverion Corporation, incorporated due to the partial demerger of YIT Corporation, for those liabilities that have been generated before the registration of the demerger and remain with YIT Corporation after the demerger. Except for the bond holders of YIT Corporation's certain floating rate bonds, the creditors of YIT Corporation's major financial liabilities have waived their right to claim for a settlement from Caverion Corporation on the basis of the secondary liability. Nominal amount for these YIT Corporation's floating rate bonds was EUR 97.4 million on June 30, 2013 and they mature as follows: EUR 2.7

million will be due in 2013, EUR 83.8 million in 2014, EUR 5.4 million in 2015 and EUR 5.4 million in 2016. In addition, Caverion Corporation has a secondary liability relating to the Group guarantees that remain with YIT Corporation after the demerger. These Group guarantees amounted to EUR 404 million at the end of June 2013.

11 Events after the reporting period

Caverion Corporation was established through the partial demerger of YIT Corporation on June 30, 2013 when YIT's Building Services and Industrial Services operations were transferred to an independent company. Trading in Caverion Corporation's shares at Helsinki Stock Exchange (NASDAQ OMX Helsinki Ltd) began on July 1, 2013. In connection with YIT's demerger, YIT Corporation's shareholders received as demerger consideration one (1) Caverion share for each YIT share owned. Consequently, Caverion had approximately 39,000 shareholders at the beginning of trading.