

Market outlook facing challenges

YIT reports its Q1 results on April 28th. We anticipate growth on group level, and continued softness in Residential Finland. Having lowered our estimates for Residential Finland, and seeing risks to the overall market outlook ahead, we adjust our TP to EUR 2.7 (2.9), REDUCE-rating intact.

Expecting growth but weakness in Residential Finland

YIT reports its Q1 results on April 28th. YIT recently updated its segment reporting, with revenue recognition from self-developed projects now reported as percentage of completion instead of upon project completion, primarily affecting the Residential Finland and Residential CEE segments. After revisions to the new reporting structure, we estimate a revenue of EUR 410m (Q1/26: EUR 386m) and adj. operating profit of EUR 14m (Q1/26: EUR 13m). We anticipate Residential Finland to in relative terms remain the weakest performing segment driven by the challenging demand situation.

Housing construction in Finland expected to decline in 2026

We have lowered our expectations for residential Finland ahead of the Q1 results and anticipate a slightly larger decline in 2026 revenue. In its most recent economic outlook, the Confederation of Finnish Construction Industries RT lowered its estimate for start-ups of block-of-flats production, now estimating a decline of 16% y/y. The expectations for 2027 are also cautious, with volumes not expected to improve. Based on our discussions with construction companies, we consider RT's expectations in line with our own revised market assumptions. The weakness is mainly driven by reduced construction of government subsidized housing, which for YIT has been limited, and we for now expect growth in 2027 through consumer apartments. The interest rate environment due to the situation in Iran however poses further risks, with rate hikes being floated, which we see would be detrimental for the already struggling residential construction in Finland.

REDUCE-rating with a TP or EUR 2.7 (2.9)

Based on our estimate revisions and potential increased weakness in the market outlook, we adjust our target price to EUR 2.7 (2.9) and retain our REDUCE-rating. As of now all YIT's segments, except Residential Finland, are performing well, but a more unfavourable interest rate environment could limit growth.

Rating ■ Reduce



Share price, EUR (Last trading day's closing price)	2.77
Target price, EUR	2.7
Latest change in recommendation	21-Jan-26
Latest report on company	09-Feb-26
Research paid by issuer:	YES
No. of shares outstanding, '000's	230 646
No. of shares fully diluted, '000's	230 646
Market cap, EURm	639
Free float, %	55.0 %
Exchange rate	1.0
Reuters code	YIT.HE
Bloomberg code	YIT FH
Average daily volume, EURm	0.5
Next interim report	28-Apr-26
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■ BUY
 ■ ACCUMULATE
 ■ REDUCE
 ■ SELL

KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2024	1820.0	-55.0	-3.0%	63.0	-0.49	-5.1	0.8	-26.0	11.0%	
2025	1756.0	45.0	2.6%	80.0	-0.10	-29.6	0.9	33.4	11.3%	
2026E	1878.3	76.6	4.1%	107.3	0.09	32.5	0.7	17.3	16.8%	
2027E	2012.1	109.3	5.4%	92.1	0.22	12.6	0.6	11.3	14.4%	0.11
2028E	2140.3	126.6	5.9%	52.3	0.29	9.5	0.6	9.5	8.2%	0.15
Market cap, EURm	639		Gearing 2026E, %	66.7 %		CAGR EPS 2025-28, %	0.0 %			
Net debt 2026E, EURm	685		Price/book 2026E	1.0		CAGR Sales 2025-28, %	6.8 %			
Enterprise value, EURm	1 324		Dividend yield 2026E, %	0.0 %		ROE 2026E, %	3.0 %			
Total assets 2026E, EURm	2 258		Tax rate 2026E, %	20.0 %		ROCE 2026E, %	5.1 %			
Goodwill 2026E, EURm	248		Equity ratio 2026E, %	35.9 %		PEG, P/E 26/CAGR	0.6			

All the important disclosures can be found on the last pages of this report.

YIT	2024	Q1/'25	Q2/'25	Q3/'25	Q4/'25	2025	Q1/'26E	Q2/'26E	Q3/'26E	Q4/'26E	2026E	2027E	2028E
Infrastructure	393	110	128	127	152	517	115	131	133	158	538	565	593
Building Construction	734	125	187	161	175	648	139	186	159	170	654	668	681
Residential Finland	427	78	84	81	72	315	59	73	80	77	289	360	440
Residential CEE	304	84	66	105	100	355	105	109	110	106	430	452	459
Other Items	-37	-7	-9	-7	-9	-32	-8	-8	-8	-8	-32	-32	-32
Total net sales	1820	386	412	467	490	1755	410	490	474	504	1878	2012	2140
<i>Growth</i>	-15.9%	-6.3%	-5.1%	3.1%	-6.0%	-3.6%	6.3%	19.0%	1.6%	2.8%	7.0%	7.1%	6.4%
EBIT	-57	6	7	23	3	39	13	16	26	22	77	109	127
Infrastructure	18	3	5	7	7	22	4	7	8	7	25	27	28
Building Construction	2	1	5	6	2	13	2	6	7	1	16	21	24
Residential Finland	-20	-1	2	0	-11	-9	-3	-2	-2	1	-6	7	17
Residential CEE	37	11	3	14	10	39	12	8	16	14	50	61	64
Other Items	-5	-1	-1	-3	-2	-6	-1	-2	-2	-1	-6	-6	-6
Total adj. EBIT	32	13	14	24	6	59	14	17	27	22	79	109	127
<i>Margin</i>	17%	3.4%	3.4%	5.2%	1.3%	3.4%	3.3%	3.4%	5.6%	4.5%	4.2%	5.4%	5.9%
Net interest expense	-64	-14	-13	-14	-15	-56	-13	-13	-13	-13	-52	-46	-43
Tax expense	6	-1	-2	-5	-6	-14	0	-1	-3	-2	-5	-13	-17
Net earnings	-112	-8	-9	-11	3	-20	0	2	10	7	20	51	67
Adj. EPS*	-0.51	-0.05	-0.05	-0.05	0.00	-0.12	-0.01	0.00	0.03	0.02	0.05	0.18	0.25

*Adjusted for hybrid bond interest

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC
Current share price	2.77 PV of Free Cash Flow	706 Long-term growth, %	2.0 % Risk-free interest rate, %
DCF share value	2.53 PV of Horizon value	669 WACC, %	8.7 % Market risk premium, %
Share price potential, %	-8.8 % Unconsolidated equity	0 Spread, %	0.5 % Debt risk premium %
Maximum value	3.0 Marketable securities	116 Minimum WACC, %	8.2 % Equity beta coefficient
Minimum value	2.1 Debt – dividend	-908 Maximum WACC, %	9.2 % Target debt ratio, %
Horizon value, %	48.7 % Value of stock	583 No. of shares, Mn	230.6 Effective tax rate, %

DCF valuation, EURm	2025	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	TERMINAL
Net sales	1 756	1 878	2 012	2 140	2 258	2 326	2 396	2 467	2 541	2 618	2 670	2 723
Sales growth (%)	-3.5%	7.0%	7.1%	6.4%	5.5%	3.0%	3.0%	3.0%	3.0%	3.0%	2.0%	2.0%
Operating income (EBIT)	45	77	109	127	140	144	144	136	140	144	147	150
Operating income margin %	2.6%	4.1%	5.4%	5.9%	6.2%	6.2%	6.0%	5.5%	5.5%	5.5%	5.5%	5.5%
+ Depreciation+amort.	19	18	19	21	22	23	24	25	25	26	27	
EBITDA	64	95	129	147	162	167	168	160	165	170	174	
- Paid taxes	-17	-15	-22	-25	-28	-29	-29	-27	-28	-29	-29	
- Change in NWC	35	-44	20	1	-12	-13	-14	-14	-14	-27	-18	
NWC / Sales, %	42.3%	41.9%	38.1%	35.8%	34.4%	34.0%	33.6%	33.2%	32.7%	32.8%	32.8%	
+ Change in other liabs	-24											
- Operative CAPEX	29	-19	-21	-22	-23	-24	-25	-25	-26	-27	-27	
opCAPEX / Sales, %	-2.4%	0.9%	-0.1%	1.7%	0.6%	1.3%	1.3%	1.3%	1.3%	1.3%	1.2%	
- Acquisitions												
+ Divestments		131										
- Other items												
= FCFF	87	147	106	101	99	101	101	94	97	88	99	1 502
= Discounted FCF		139	92	80	73	68	63	54	51	42	44	669
= DFCF min WACC		139	93	81	74	70	64	56	53	44	46	756
= DFCF max WACC		138	91	79	72	67	61	52	49	41	42	595

Sensitivity analysis, EUR

		Terminal WACC				
		6.69 %	7.69 %	8.69 %	9.69 %	10.69 %
Terminal EBIT-%	3.50 %	2.15	1.46	0.96	0.57	0.26
	4.50 %	3.49	2.47	1.74	1.20	0.77
	5.50 %	4.83	3.48	2.53	1.82	1.28
	6.50 %	6.18	4.49	3.31	2.45	1.78
	7.50 %	7.52	5.50	4.10	3.07	2.29

INTERIM FIGURES

EVLI ESTIMATES, EURm	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1E	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Net sales	386.0	413.0	400.0	557.0	1756.0	410.3	490.2	474.2	503.5	1878.3	2012.1	2140.3
EBITDA	12.0	11.0	13.0	28.0	64.0	17.9	20.1	30.3	26.3	94.6	128.5	147.3
<i>EBITDA margin (%)</i>	<i>3.1%</i>	<i>2.7%</i>	<i>3.3%</i>	<i>5.0%</i>	<i>3.6%</i>	<i>4.4%</i>	<i>4.1%</i>	<i>6.4%</i>	<i>5.2%</i>	<i>5.0%</i>	<i>6.4%</i>	<i>6.9%</i>
EBIT	7.0	6.0	9.0	23.0	45.0	13.4	15.6	25.8	21.8	76.6	109.3	126.6
<i>EBIT margin (%)</i>	<i>1.8%</i>	<i>1.5%</i>	<i>2.3%</i>	<i>4.1%</i>	<i>2.6%</i>	<i>3.3%</i>	<i>3.2%</i>	<i>5.4%</i>	<i>4.3%</i>	<i>4.1%</i>	<i>5.4%</i>	<i>5.9%</i>
Net financial items	-14.0	-13.0	-14.0	-14.0	-55.0	-13.0	-13.0	-13.0	-13.0	-52.0	-46.0	-43.0
Pre-tax profit	-7.0	-7.0	-5.0	9.0	-10.0	0.4	2.6	12.8	8.8	24.6	63.2	83.7
Tax	-1.0	-2.0	-6.0	-5.0	-14.0	-0.1	-0.5	-2.6	-1.8	-4.9	-12.6	-16.7
<i>Tax rate (%)</i>	<i>-14.3%</i>	<i>-28.6%</i>	<i>-120.0%</i>	<i>55.6%</i>	<i>-140.0%</i>	<i>20.0%</i>	<i>20.0%</i>	<i>20.0%</i>	<i>20.0%</i>	<i>20.0%</i>	<i>20.0%</i>	<i>20.0%</i>
Net profit	-8.0	-9.0	-11.0	4.0	-24.0	0.3	2.1	10.2	7.0	19.7	50.6	66.9
EPS	-0.03	-0.04	-0.05	0.02	-0.10	0.00	0.01	0.04	0.03	0.09	0.22	0.29
EPS adj. (diluted)	-0.03	-0.04	-0.05	0.02	-0.10	0.00	0.01	0.04	0.03	0.09	0.22	0.29
Dividend per share											0.11	0.15

SALES, EURm	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1E	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Residential Finland	81.0	77.0	71.0	88.0	317.0	59.0	72.5	80.0	77.0	288.5	360.0	440.1
Residential CEE	76.0	30.0	49.0	151.0	306.0	104.8	108.8	110.0	106.0	429.6	452.0	458.5
Building Construction	125.0	187.0	161.0	175.0	648.0	139.3	185.7	159.3	170.2	654.5	667.6	680.9
Infrastructure	110.0	128.0	127.0	152.0	517.0	115.2	131.2	132.9	158.3	537.7	564.6	592.8
Group	-6.0	-9.0	-8.0	-9.0	-32.0	-8.0	-8.0	-8.0	-8.0	-32.0	-32.0	-32.0
Total	386.0	413.0	400.0	557.0	1756.0	410.3	490.2	474.2	503.5	1878.3	2012.1	2140.3

SALES GROWTH, Y.Y.%	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1E	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Residential Finland	-31.4%	-22.2%	-33.0%	-14.6%	-25.6%	-27.2%	-5.8%	12.7%	-12.5%	-9.0%	24.8%	22.2%
Residential CEE	49.0%	-33.3%	-40.2%	18.9%	0.3%	37.9%	262.7%	124.5%	-29.8%	40.4%	5.2%	1.4%
Building Construction	-26.0%	-8.8%	-8.0%	-4.9%	-11.6%	11.4%	-0.7%	-1.1%	-2.8%	1.0%	2.0%	2.0%
Infrastructure	29.4%	36.2%	29.6%	31.0%	31.6%	4.7%	2.5%	4.7%	4.2%	4.0%	5.0%	5.0%
Group	-45.5%				-13.5%	33.3%	-11.1%		-11.1%			
Total	-6.3%	-4.8%	-11.7%	6.9%	-3.5%	6.3%	18.7%	18.6%	-9.6%	7.0%	7.1%	6.4%

EBIT, EURm	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1E	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Residential Finland	-1.0	2.0	-2.0	-7.0	-8.0	-3.0	-2.0	-2.0	1.0	-6.0	6.8	17.2
Residential CEE	5.0	-2.0	1.0	26.0	30.0	12.0	8.0	16.0	14.0	50.0	60.6	64.2
Building Construction	2.0	6.0	7.0	1.0	16.0	2.4	6.6	7.8	1.8	18.6	21.4	23.8
Infrastructure	2.0	4.0	6.0	5.0	17.0	3.0	5.0	6.0	6.0	20.0	26.5	27.9
Group	-1.0	-4.0	-3.0	-2.0	-10.0	-1.0	-2.0	-2.0	-1.0	-6.0	-6.0	-6.4
Total	7.0	6.0	9.0	23.0	45.0	13.4	15.6	25.8	21.8	76.6	109.3	126.6

EBIT margin %	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1E	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Residential Finland	-1.2%	2.6%	-2.8%	-8.0%	-2.5%	-5.1%	-2.8%	-2.5%	1.3%	-2.1%	1.9%	3.9%
Residential CEE	6.6%	-6.7%	2.0%	17.2%	9.8%	11.5%	7.4%	14.6%	13.2%	11.6%	13.4%	14.0%
Building Construction	1.6%	3.2%	4.4%	0.6%	2.5%	1.7%	3.6%	4.9%	1.1%	2.8%	3.2%	3.5%
Infrastructure	1.8%	3.1%	4.7%	3.3%	3.3%	2.6%	3.8%	4.5%	3.8%	3.7%	4.7%	4.7%
Group	16.7%	44.4%	37.5%	22.2%	31.3%	12.5%	25.0%	25.0%	12.5%	18.8%	18.9%	20.1%
Total	1.8%	1.5%	2.3%	4.1%	2.6%	3.3%	3.2%	5.4%	4.3%	4.1%	5.4%	5.9%

INCOME STATEMENT, EURm	2021	2022	2023	2024	2025	2026E	2027E	2028E
Sales	2 652.0	2 403.0	2 163.0	1 820.0	1 756.0	1 878.3	2 012.1	2 140.3
<i>Sales growth (%)</i>		-9.4%	-10.0%	-15.9%	-3.5%	7.0%	7.1%	6.4%
EBITDA	88.0	135.0	80.0	-22.0	64.0	94.6	128.5	147.3
<i>EBITDA margin (%)</i>	3.3%	5.6%	3.7%	-1.2%	3.6%	5.0%	6.4%	6.9%
Depreciation	-32.0	-33.0	-29.0	-33.0	-19.0	-18.0	-19.3	-20.6
EBITA	56.0	102.0	51.0	-55.0	45.0	76.6	109.3	126.6
Goodwill amortization / writedown								
EBIT	56.0	102.0	51.0	-55.0	45.0	76.6	109.3	126.6
<i>EBIT margin (%)</i>	2.1%	4.2%	2.4%	-3.0%	2.6%	4.1%	5.4%	5.9%
Reported EBIT	54.0	-336.0	51.0	-55.0	45.0	76.6	109.3	126.6
<i>EBIT margin (reported) (%)</i>	2.0%	-14.0%	2.4%	-3.0%	2.6%	4.1%	5.4%	5.9%
Net financials	-35.0	-28.0	-56.0	-63.0	-55.0	-52.0	-46.0	-43.0
Pre-tax profit	21.0	74.0	-5.0	-118.0	-10.0	24.6	63.2	83.7
Taxes	-18.0	-10.5	8.0	6.0	-14.0	-4.9	-12.6	-16.7
Minority shares								
Net profit	1.0	-374.5	3.0	-112.0	-24.0	19.7	50.6	66.9
Cash NRIs	-2.0	-438.0						
Non-cash NRIs								
BALANCE SHEET, EURm								
Assets								
Fixed assets	338	331	316	293	238	108	110	111
Goodwill	249	249	248	248	248	248	248	248
Right of use assets	253	226	252	259	246	244	221	235
Inventory	1 285	1 426	1 417	1 185	1 100	1 165	1 167	1 188
Receivables	449	377	422	291	294	314	337	358
Liquid funds	389	206	128	137	116	124	133	141
Total assets	2 994	2 845	2 832	2 475	2 296	2 258	2 270	2 336
Liabilities								
Shareholders' equity	1 017	883	838	672	647	667	717	759
Minority interest								
Convertibles				98	144	144	144	144
Lease liabilities	235	208	256	276	258	244	221	235
Deferred taxes	19	9	4	1	1	1	1	1
Interest bearing debt	516	624	742	617	506	421	360	328
Non-interest bearing current liabilities	1 034	950	793	636	591	632	677	720
Other interest-free debt	87	83	112	97	83	83	83	83
Total liabilities	2 994	2 845	2 832	2 475	2 296	2 258	2 270	2 336
CASH FLOW, EURm								
+ EBITDA	88	135	80	-22	64	95	129	147
- Net financial items	-35	-28	-56	-63	-55	-52	-46	-43
- Taxes	-30	-20	-16	-10	-6	-5	-13	-17
- Increase in Net Working Capital	-654	-148	-169	193	35	-44	20	1
+/- Other	-2	-438						
= Cash flow from operations	-633	-499	-161	98	38	-6	90	88
- Capex	-527	-19	-34	-35	42	-17	2	-36
- Acquisitions								
+ Divestments						131		
= Free cash flow	-1 160	-518	-195	63	80	107	92	52
+/- New issues/buybacks	1 045	274	-10	-54	-1			
- Paid dividend	33	38					25	33
+/- Other	533	94	165		-100	-99	-83	-19
Change in cash	389	-183	-78	9	-21	8	9	8

KEY FIGURES	2022	2023	2024	2025	2026E	2027E	2028E
M-cap	515	417	574	710	639	639	639
Net debt (excl. convertibles)	626	870	756	648	541	449	422
Enterprise value	1 141	1 287	1 428	1 502	1 324	1 231	1 204
Sales	2 403	2 163	1 820	1 756	1 878	2 012	2 140
EBITDA	135	80	-22	64	95	129	147
EBIT	102	51	-55	45	77	109	127
Pre-tax	74	-5	-118	-10	25	63	84
Earnings	64	3	-112	-24	20	51	67
Equity book value (excl. minorities)	883	838	672	647	667	717	759

Valuation multiple	2022	2023	2024	2025	2026E	2027E	2028E
EV/Sales	0.5	0.6	0.8	0.9	0.7	0.6	0.6
EV/EBITDA	8.5	16.1	-64.9	23.5	14.0	9.6	8.2
EV/EBITA	11.2	25.2	-26.0	33.4	17.3	11.3	9.5
EV/EBIT	11.2	25.2	-26.0	33.4	17.3	11.3	9.5
EV/OCF	-2.3	-8.0	14.6	39.5	-214.8	13.7	13.6
EV/FCF	-2.2	-10.7	12.0	17.3	9.0	11.6	12.0
P/FCFR	-1.0	-2.1	9.1	8.9	6.0	6.9	12.2
P/E	8.1	139.0	-5.1	-29.6	32.5	12.6	9.5
P/BV	0.6	0.5	0.9	1.1	1.0	0.9	0.8
Target EV/EBITDA					13.8	9.5	8.1
Target EV/EBIT					17.1	11.1	9.4
Target EV/FCFF					12.2	13.2	22.7
Target P/BV					0.9	0.9	0.8
Target P/E, diluted					31.6	12.3	9.3

Per share measures	2022	2023	2024	2025	2026E	2027E	2028E
Number of shares (million)	209.51	209.55	230.57	230.65	230.65	230.65	230.65
Number of shares (diluted, million)	209.51	209.55	230.57	230.65	230.65	230.65	230.65
EPS	0.30	0.01	-0.49	-0.10	0.09	0.22	0.29
Operating cash flow per share	-2.38	-0.77	0.43	0.16	-0.03	0.39	0.38
Free cash flow per share	-2.47	-0.93	0.27	0.35	0.47	0.40	0.23
Book value per share	4.21	4.00	2.91	2.81	2.89	3.11	3.29
Dividend per share	0.18					0.11	0.15
Dividend payout ratio, %	59.4%					50.0%	50.0%
Dividend yield, %	7.3%					4.0%	5.2%
FCF yield, %	-100.4%	-46.8%	11.0%	11.3%	16.8%	14.4%	8.2%

Efficiency measures	2022	2023	2024	2025	2026E	2027E	2028E
ROE	6.7%	0.4%	-14.8%	-3.6%	3.0%	7.3%	9.1%
ROCE	5.9%	2.9%	-3.1%	2.8%	5.1%	7.5%	8.7%

Financial ratios	2022	2023	2024	2025	2026E	2027E	2028E
Inventories as % of sales	59.3%	65.5%	65.1%	62.6%	62.0%	58.0%	55.5%
Receivables as % of sales	15.7%	19.5%	16.0%	16.7%	16.7%	16.7%	16.7%
Non-int. bearing liabilities as % of sales	39.5%	36.7%	34.9%	33.7%	33.7%	33.7%	33.7%
NWC/sales, %	33.4%	44.9%	42.8%	42.3%	41.9%	38.1%	35.8%
Operative CAPEX/Sales, %	0.8%	1.6%	1.9%	-2.4%	0.9%	-0.1%	1.7%
CAPEX/sales (incl. acquisitions), %	0.8%	1.6%	1.9%	-2.4%	0.9%	-0.1%	1.7%
FCFF/EBITDA	-3.9	-1.5	-5.4	1.4	1.6	0.8	0.7
Net Debt/EBITDA, book-weighted	4.6	10.9	-34.4	10.1	5.7	3.5	2.9
Debt/equity, market-weighted	1.2	1.8	1.1	0.7	0.7	0.6	0.5
Equity ratio, book-weighted	0.3	0.3	0.3	0.3	0.4	0.4	0.4
Gearing, %	70.9%	103.8%	98.2%	81.9%	66.7%	52.1%	46.7%

COMPANY DESCRIPTION: YIT is a European developer and contractor with operations in Finland, Baltics and Central Eastern European countries. YIT was founded in 1912 and listed in 1995 on the Helsinki stock exchange. The company employs currently some 4,100 employees across the operating regions. YIT specializes in the development and construction of residential, business premises, and infrastructure projects. In 2024, majority of the company's revenue came from Housing and Business Premises construction (approximately 80% of total sales) while Infrastructure was approximately fifth of the revenue. In 2024, YIT was by a clear margin the largest construction company in Finland. In addition to its overall leading position, the company is also a leading player in the Finnish market in both infrastructure and renovation sectors. In the Baltics and CEE, the company's competitive position varies by market, with opportunities to increase market share in countries such as Poland.

INVESTMENT CASE: YIT's revenue in 2025 declined slightly as a result of a low number of residential completions. Going forward, we expect strong starts in Residential CEE to drive completion volumes in 2026, which supports the segments volumes and profitability. For Residential Finland, the market remains largely in stand-by mode and we forecast more material pick-up in pace starting from 2027. With higher volumes, improving sales mix and ongoing self-help in contracting, we estimate rapid earnings growth from a low base during 2025–2027.

OWNERSHIP STRUCTURE	SHARES	EURm	%
Tercero Invest Ab	43 000 000	119.110	18.6 %
Pnt Group Oy	15 203 799	42.115	6.6 %
Varma Mutual Pension Insurance Company	13 195 975	36.553	5.7 %
Conficap Oy	10 776 302	29.850	4.7 %
Pentti Heikki Oskari Kuolinpesä	8 041 215	22.274	3.5 %
Herlin Antti	8 015 750	22.204	3.5 %
Ilmarinen Mutual Pension Insurance Company	5 994 252	16.604	2.6 %
Forsten Noora Eva Johanna	5 085 529	14.087	2.2 %
Elo Mutual Pension Insurance Company	3 651 000	10.113	1.6 %
Pentti Lauri Olli Samuel	3 268 845	9.055	1.4 %
Ten largest	116 232 667	321.964	50.4 %
Residual	114 413 394	316.925	49.6 %
Total	230 646 061	638.890	100%

EARNINGS CALENDAR

April 28, 2026	Q1 report
July 24, 2026	Q2 report
October 30, 2026	Q3 report

OTHER EVENTS

COMPANY MISCELLANEOUS

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OFO: Tuomas Mäkipeska	Tel: +358 20 433 111
IR: Essi Nikitin	

DEFINITIONS

P/E $\frac{\text{Price per share}}{\text{Earnings per share}}$	EPS $\frac{\text{Profit before extraord. items and taxes} - \text{income taxes} + \text{minority interest}}{\text{Number of shares}}$
P/BV $\frac{\text{Price per share}}{\text{Shareholder's equity} + \text{taxed provisions per share}}$	DPS Dividend for the financial period per share
Market cap Price per share * Number of shares	OCF (Operating cash flow) EBITDA – Net financial items – Taxes – Increase in working capital – Cash NRIs ± Other adjustments
EV (Enterprise value) Market cap + net debt + minority interest at market value – share of associated companies at market value	FCF (Free cash flow) Operating cash flow – Operative CAPEX – acquisitions + divestments
EV/Sales $\frac{\text{Enterprise value}}{\text{Sales}}$	FCF yield, % $\frac{\text{Free cash flow}}{\text{Market cap}}$
EV/EBITDA $\frac{\text{Enterprise value}}{\text{Earnings before interest, tax, depreciation and amortization}}$	Operative CAPEX / Sales $\frac{\text{Capital expenditure} - \text{divestments} - \text{acquisitions}}{\text{Sales}}$
EV/EBIT $\frac{\text{Enterprise value}}{\text{Operating profit}}$	Net working capital Current assets – current liabilities
Net debt Interest bearing debt – financial assets	Capital employed / Share $\frac{\text{Total assets} - \text{non-interest bearing debt}}{\text{Number of shares}}$
Total assets Balance sheet total	Gearing $\frac{\text{Net debt}}{\text{Equity}}$
Div yield, % $\frac{\text{Dividend per share}}{\text{Price per share}}$	Debt/Equity, % $\frac{\text{Interest bearing debt}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}$
Payout ratio, % $\frac{\text{Total dividends}}{\text{Earnings before extraordinary items and taxes} - \text{income taxes} + \text{minority interest}}$	Equity ratio, % $\frac{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}{\text{Total assets} - \text{interest-free loans}}$
ROCE, % $\frac{\text{Profit before extraordinary items} + \text{interest expenses} + \text{other financial costs}}{\text{Balance sheet total} - \text{non-interest bearing debt (average)}}$	CAGR, % Cumulative annual growth rate = Average growth rate per year
ROE, % $\frac{\text{Profit before extraordinary items and taxes} - \text{income taxes}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions (average)}}$	

Important Disclosures

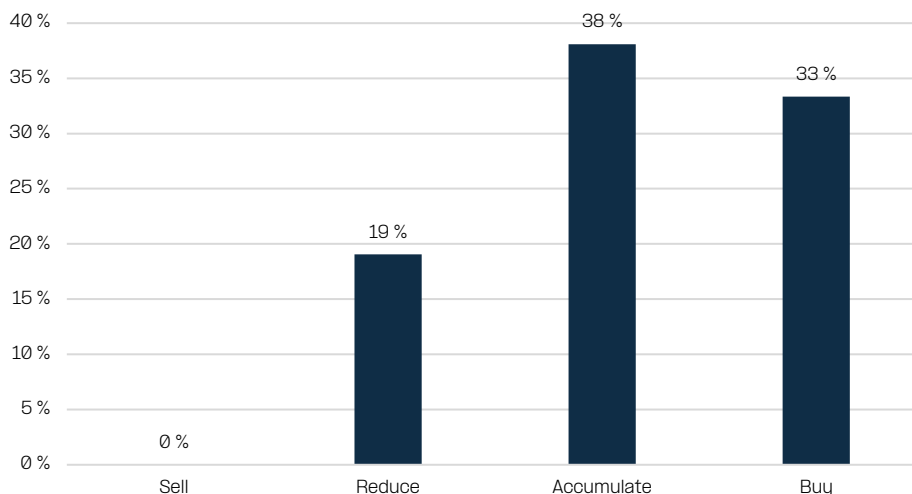
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Target price compared to share price	Recommendation
< -10 %	SELL
-10 - 0 %	RECUDE
0 - (+10) %	ACCUMULATE
> 10 %	BUY

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Name(s) of the analyst(s): Jerker Salokivi

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