

OFFER MEMORANDUM

THIS OFFER MEMORANDUM IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. THIS OFFER MEMORANDUM IS NOT FOR DISTRIBUTION IN OR INTO THE UNITED STATES, OR TO ANY UNITED STATES PERSON OR TO ANY PERSON RESIDENT AND/OR LOCATED IN THE UNITED STATES, OR ANY OTHER JURISDICTION WHERE PROHIBITED BY APPLICABLE LAW.

Invitation to Tender by YIT Oyj for its series of Floating Rate Notes due March 2014 and August 2014



YIT Oyj (the “Company” or the “Offeror”) hereby invites holders of the outstanding floating rate notes issued by the Company on 26 March 2007 and 17 February 2012, respectively, to offer to sell such notes to the Company (the “Invitation to Tender”) in accordance with the terms and conditions of this Offer Memorandum (the “Offer Memorandum”). There are 1,000 outstanding floating rate notes issued on 26 March 2007 which have a total outstanding principal amount of EUR 50 million (the “Floating Rate Notes due March 2014”, and each separately, a “Floating Rate Note due March 2014”) and 500 outstanding floating rate notes issued on 17 February 2012 which have a total outstanding principal amount of EUR 50 million (the “Floating Rate Notes due August 2014”, and each separately, a “Floating Rate Note due August 2014”). The Floating Rate Notes due March 2014 are jointly with the Floating Rate Notes due August 2014 hereinafter referred to as the “Floating Rate Notes”, and each separately, a “Floating Rate Note”.

The Offeror is a public limited liability company incorporated under the laws of Finland with its shares listed on the Official List of NASDAQ OMX Helsinki Ltd. (“NASDAQ OMX Helsinki”) under the trading symbol YTY1V.

The maturity date of the Floating Rate Notes due March 2014 is 26 March 2014 and the maturity date of the Floating Rate Notes due August 2014 is 18 August 2014. The Floating Rate Notes are registered in the RM-system of Euroclear Finland Ltd (“Euroclear Finland”), the Floating Rate Notes due March 2014 under ISIN code FI0003024216 and the Floating Rate Notes due August 2014 under ISIN code FI4000037874. The Floating Rate Notes due August 2014 are listed on NASDAQ OMX Helsinki and have a trading symbol YITZVAIH14. The Floating Rate Notes due March 2014 are not subject to public trading.

The consideration offered for the Floating Rate Notes tendered in the Invitation to Tender (the “Offer Consideration”) shall be a cash amount that equals the aggregate of (i) a fixed price of 100.1 per cent of the nominal principal amount of each Floating Rate Note (i.e. EUR 50,050 per each Floating Rate Note due March 2014 with a current nominal principal amount of EUR 50,000 and EUR 100,100 per each Floating Rate Note due August 2014 with a current nominal principal amount of EUR 100,000) (the “Offer Price”) and (ii) any accrued but unpaid interest on the Floating Rate Notes, as set out in section “*Terms and Conditions of the Invitation to Tender – Offer Consideration*”.

The acceptance period for the Invitation to Tender (the “Offer Period”) will commence on 22 May 2013 at 9:30 am (Finnish time) and expire on 29 May 2013 at 4:00 pm (Finnish time) unless the Offer Period is re-opened. For details please see “*Terms and Conditions of the Invitation to Tender – Offer Period*”.

The Company has on 21 February 2013 announced that the Board of Directors of YIT has approved a demerger plan concerning a partial demerger of the Company. The purpose of this Invitation to Tender is to offer the holders of the Floating Rate Notes an option to dispose of their holdings prior to the completion of the aforementioned contemplated demerger.

The Company has retained Danske Bank Oyj and Handelsbanken Capital Markets, Svenska Handelsbanken AB (publ) as dealer managers (the “Dealer Managers”) and Danske Bank Oyj as tender agent (the “Tender Agent”) of the Invitation to Tender.

The information on this front page should be read in conjunction with, and is qualified in its entirety by, the more detailed information in this Offer Memorandum, in particular in section “*Terms and Conditions of the Invitation to Tender*”.

THE INVITATION TO TENDER IS NOT BEING MADE DIRECTLY OR INDIRECTLY IN OR INTO THE UNITED STATES OR ANY OTHER JURISDICTION WHERE PROHIBITED BY APPLICABLE LAW. THIS OFFER MEMORANDUM AND RELATED TENDER FORMS ARE NOT AND MAY NOT BE DISTRIBUTED, FORWARDED OR TRANSMITTED IN, INTO OR FROM THE UNITED STATES OR ANY JURISDICTION WHERE PROHIBITED BY APPLICABLE LAW (INCLUDING, WITHOUT LIMITATION, BY MAIL, FACSIMILE TRANSMISSION, E-MAIL OR TELEPHONE). ALL PERSONS RECEIVING THIS OFFER MEMORANDUM AND RELATED TENDER FORMS MUST OBSERVE THE FOREGOING RESTRICTIONS.

Dealer Managers to the Offeror

Danske Bank Oyj

Handelsbanken Capital Markets,
Svenska Handelsbanken AB (publ)

The logo for Danske Bank, featuring the word 'Danske' in white on a blue rectangular background, followed by the word 'Bank' in blue.

The logo for Handelsbanken Capital Markets, featuring the word 'Handelsbanken' in blue and 'Capital Markets' in a lighter blue.

IMPORTANT INFORMATION

This Offer Memorandum does not constitute or form part of (i) a prospectus within the meaning of Chapter 4 of the Finnish Securities Market Act (746/2012, as amended) nor Commission Regulation (EC) No 809/2004 issued on 29 April 2004, implementing Directive 2003/71/EC of the European Parliament and of the Council and the amendments thereto (the "Prospectus Directive") concerning information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses, nor (ii) a tender offer document as referred to in Chapter 11 of the Finnish Securities Market Act. This Offer Memorandum has not been approved or authorised by the Finnish Financial Supervisory Authority nor any other competent authority.

The Offer Memorandum is available in the English language only.

The Offer Memorandum will be available from 21 May 2013 onwards at the offices of the Dealer Managers at their respective addresses provided on the back cover of this Offer Memorandum and on the internet site of the Offeror at <http://www.yitgroup.com/>.

As permitted under Finnish law, the Company may repurchase Floating Rate Notes also outside the Invitation to Tender on NASDAQ OMX Helsinki, by way of OTC trades or otherwise.

The Invitation to Tender is not being made directly or indirectly in or into the United States or any other jurisdiction where prohibited by applicable law. The Invitation to Tender may not be, and has not been and will not be, made by the use of the mails or by any means or instrumentality of interstate commerce or of any facility of a national securities exchange or otherwise in the United States. The making of the Invitation to Tender in other jurisdictions may be prohibited by applicable law and recipients of this Offer Memorandum should inform themselves as to the applicable requirements for the making and acceptance of the Invitation to Tender in their jurisdiction. No action will be taken by the Offeror to authorise the making of the Invitation to Tender in any jurisdiction other than in Finland. The materials relating to the Invitation to Tender do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law.

This Offer Memorandum and related tender forms are not and may not be distributed, forwarded or transmitted in, into or from the United States or any other jurisdiction where prohibited by applicable law (including, without limitation, by mail, facsimile transmission, e-mail or telephone). All persons receiving this Offer Memorandum and related tender forms must observe the foregoing restrictions.

The distribution of this document may be restricted by law in certain jurisdictions. Persons into whose possession this document comes are required by the Company, the Dealer Managers and the Tender Agent to inform themselves about, and to observe, any such restrictions. Neither the Company, the Dealer Managers nor the Tender Agent will incur any liability for its own failure or the failure of any other person or persons to comply with the provisions of any such restrictions.

This Offer Memorandum will not be supplemented or updated with any stock exchange releases published by the Company after the date of this Offer Memorandum nor will the Company otherwise separately inform the holders of Floating Rate Notes (the "Noteholders", and each separately a "Noteholder") about the announcement of such stock exchange releases. Any stock exchange releases published by the Company after the date of this Offer Memorandum will be deemed to be made known to the Noteholders upon their publication on the internet site of the Company at <http://www.yitgroup.com/> without any notice or other action on the part of the Company.

No person has been authorised to make any recommendation on behalf of the Company, the Dealer Managers or the Tender Agent as to whether the Noteholders should tender their Floating Rate Notes. No person has been authorised to give any information, or to make any representation in connection therewith, other than those contained herein. If made or given, such recommendation or any such information or representation must not be relied upon as having been authorised by the Company, the Dealer Managers or the Tender Agent.

This Offer Memorandum is issued and directed only to the Noteholders and no other person shall, or is entitled to, rely or act on, or be able to rely or act on, its contents.

Each person receiving this Offer Memorandum is deemed to acknowledge that such person has not relied on the Company, the Dealer Managers or the Tender Agent in connection with its decision whether or not to participate in the Invitation to Tender and if such person is in any doubt about any aspect of the Invitation to Tender and/or the action it should take, it should consult its professional advisers.

The Dealer Managers and the Tender Agent may contact any of the Noteholders regarding the Invitation to Tender and may request brokerage houses, custodians, nominees, fiduciaries and others to forward this Offer Memorandum and related materials to all Noteholders.

The Dealer Managers and their respective affiliates have provided and continue to provide certain investment banking services to the Company for which they have received and will receive compensation that is customary for services of such nature.

Neither the Dealer Managers and the Tender Agent nor any of their respective directors, employees or affiliates assume any responsibility for the accuracy or completeness of the information concerning the Invitation to Tender, the Company, any of its affiliates or the Floating Rate Notes contained in this Offer Memorandum or for any failure by the Company to disclose events that may have occurred and may affect the significance or accuracy of such information.

The Dealer Managers may submit instructions for the Invitation to Tender for (i) their own account and (ii) (subject to the offer restrictions set out under *Terms and Conditions of the Invitation to Tender - Certain Offer and Distribution Restrictions*) on behalf of Noteholders. None of the Company, the Dealer Managers, the Tender Agent, or any director, officer, employee, agent or affiliate of any such person, is acting for any Noteholder, or will be responsible to any Noteholder for providing any protections which would be afforded to its clients or for providing advice in relation to the Invitation to Tender, and accordingly none of the Company, the Dealer Managers, the Tender Agent, or any of their respective directors, officers, employees, agents or affiliates make any representation or recommendation whatsoever regarding the Invitation to Tender, or any recommendation as to whether a Noteholder should tender Floating Rate Notes in the Invitation to Tender.

This Offer Memorandum has been prepared in accordance with Finnish law. The Offer Memorandum and the Invitation to Tender shall be governed by Finnish law and any disputes related thereto shall be exclusively settled by Finnish courts.

Certain Key Dates

The following timetable sets forth certain key dates relating to the Invitation to Tender, provided that the Offer Period has not been re-opened in accordance with the terms and conditions of this Invitation to Tender:

21 May 2013	Announcement of the Offeror's decision to launch the Invitation to Tender
22 May 2013	Offer Period commences
29 May 2013	Offer Period expires
30 May 2013	Announcement of the final result of the Invitation to Tender (expected)
24 June 2013	Settlement Date (as defined below)

The Offeror will make (or cause to be made) announcements in connection with the Invitation to Tender in accordance with applicable law and the terms and conditions of the Floating Rate Notes (i) by the issue of stock exchange releases, (ii) by delivery of notices to the account operators of Euroclear Finland (each an "Account Operator") for communication to direct participants, and/or (iii) by providing documents obtainable from the Tender Agent.

Any questions or requests for assistance in connection with this Offer Memorandum may be directed to Danske Bank Oyj and Handelsbanken Capital Markets, Svenska Handelsbanken AB (publ) acting as Dealer Managers at their respective telephone numbers or e-mail addresses provided on the back cover of this Offer Memorandum.

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BACKGROUND AND OBJECTIVES

Background to the Invitation to Tender

YIT Oyj is a public limited liability company incorporated under the laws of Finland with its shares listed on the Official List of NASDAQ OMX Helsinki under trading symbol YTY1V. The Company issued on 26 March 2007 and 17 February 2012 Floating Rate Notes to certain institutional investors. The Floating Rate Notes are registered in the RM-system of Euroclear Finland, the Floating Rates due March 2014 under ISIN code FI0003024216 and the Floating Rate Notes due August 2014 under ISIN code FI4000037874. The Floating Rate Notes due August 2014 are listed on NASDAQ OMX Helsinki and have a trading symbol YITZVAIH14. The Floating Rate Notes due March 2014 are not subject to public trading. The original principal amount of the Floating Rate Notes due March 2014 was EUR 50 million and such Floating Rate Notes carry floating interest at the rate of 3 month's EURIBOR and a margin of 0.51 per cent payable quarterly. The original principal amount of the Floating Rate Notes due August 2014 was EUR 50 million and such Floating Rate Notes carry floating interest at the rate of 3 month's EURIBOR and a margin of 1.75 per cent payable quarterly.

The Board of Directors of the Company approved on 21 February 2013 a demerger plan concerning a partial demerger. According to the demerger plan the Company shall be demerged through a partial demerger of the Company. The demerger plan relating to the aforementioned contemplated demerger of the Company was registered with the Finnish Trade Register on 22 February 2013. The Company's Board of Directors resolved on 21 May 2013 to repurchase the Floating Rate Notes through the Invitation to Tender. The purpose of this Invitation to Tender is to offer the Noteholders an option to dispose of their holdings of the Floating Rate Notes prior to the completion of the contemplated demerger of the Company.

Financing of the Invitation to Tender

The financing of the Invitation to Tender has been secured, since the payment of the Offer Consideration under the Invitation to Tender will be financed by a committed EUR 150 million bridge term loan facility made available to the Company.

Applicable Law

The Invitation to Tender and this Offer Memorandum shall be governed by Finnish law and all disputes relating thereto shall be finally settled by a competent court in Finland.

INFORMATION ON GROUNDS FOR PRICING OF THE INVITATION TO TENDER

Grounds for Determining the Offer Consideration

The Offer Consideration relating to the Floating Rate Notes is a cash amount that equals the aggregate of (i) the Offer Price being a fixed price of 100.1 per cent of the principal amount of each Floating Rate Note (i.e. EUR 50,050 per each Floating Rate Note due March 2014 with a current nominal principal amount of EUR 50,000 and EUR 100,100 per each Floating Rate Note due August 2014 with a current nominal principal amount of EUR 100,000) and (ii) any accrued but unpaid interest on each Floating Rate Note as set out in section “*Terms and Conditions of the Invitation to Tender – Offer Consideration*”.

Trading Prices of the Floating Rate Notes

<i>Floating Rate Notes</i>	Floating Rate Note due August 2014	Floating Rate Note due March 2014
<i>ISIN</i>	FI4000037874	FI0003024216
Average bid-side indications calculated as arithmetic average on 20 th May 2013	99.91%	99.17%
<i>Aritmetic average on bid-side average indication from 5th February to 20th May 2013</i>	99.72%	98.79%
<i>Aritmetic average on bid-side average indication from 4th January to 4th February 2013</i>	100.06%	98.60%

All price indications above are calculated from bid-side price indications from pages YITYH Float 3/26/14 Corp ALLQ and YITYH Float 8/18/14 Corp ALLQ Bloomberg Terminal computer system provided Bloomberg L.P. Price data was gathered on 20th May 2013.

TERMS AND CONDITIONS OF THE INVITATION TO TENDER

The terms and conditions of the Invitation to Tender have been presented below. Capitalized terms appearing in these terms and conditions not defined in this section have been defined elsewhere in this Offer Memorandum.

Object of the Invitation to Tender

Pursuant to the terms and conditions set forth below, the Offeror invites the holders of the outstanding Floating Rate Notes to submit tenders to sell their Floating Rate Notes to the Company. The outstanding Floating Rate Notes due March 2014 have a total principal amount of EUR 50 million and the outstanding Floating Rate Notes due August 2014 have a total principal amount of EUR 50 million.

Offer Consideration

The Offer Consideration for the Floating Rate Notes tendered in the Invitation to Tender shall be a cash amount that equals the aggregate of (i) the Offer Price being a fixed price of 100.1 per cent of the principal amount of each Floating Rate Note (i.e. EUR 50,050 for each Floating Rate Note due March 2014 and EUR 100,100 for each Floating Rate Note due August 2014) and (ii) any accrued but unpaid interest on the Floating Rate Notes under the terms and conditions of the relevant Floating Rate Notes up to (and excluding) the Settlement Date (as defined below).

Offer Period

The Offer Period commences on 22 May 2013 at 9:30 am (Finnish time) and expires on 29 May 2013 at 4:00 pm (Finnish time), unless the Offer Period is re-opened as set forth below.

The Offeror may re-open the Offer Period after the expiry of the Offer Period. If the Offeror re-opens the Offer Period (such period hereinafter, the "Re-Opened Offer Period"), the Re-Opened Offer Period will expire on the date and at the time to which the Offeror in its sole discretion extends the Offer Period.

The Offeror may at any time during the Offer Period or as applicable, the Re-Opened Offer Period, terminate the Invitation to Tender.

The Offeror shall announce any re-opening of the Offer Period or termination of the Invitation to Tender through stock exchange notices and possibly in addition through other means set out under section "*Certain Key Dates*" above.

Tender Procedure of the Invitation to Tender

Most of the Account Operators will send a notification of the Invitation to Tender, including instructions and the related tender form to their customers registered as Noteholders in the Finnish Book-Entry System operated by Euroclear Finland. Noteholders who do not receive such notification from their book-entry Account Operator or asset manager can contact any of the Dealer Managers at their respective telephone numbers provided on the back cover of this Offer Memorandum where such Noteholders shall receive all necessary information and can accept the Invitation to Tender.

A Noteholder, whose Floating Rate Notes are registered in the name of a nominee and who wishes to tender his Floating Rate Notes in the Invitation to Tender, shall effect such tender in accordance with the nominee's instructions.

Pledged Floating Rate Notes may only be tendered with the consent of the relevant pledgee. The obtaining of such consent shall be the responsibility of the relevant Noteholder.

A Noteholder who wishes to tender its Floating Rate Notes in the Invitation to Tender shall submit a properly completed and duly executed tender form to the Account Operator managing the relevant Noteholder's book-entry account in accordance with its instructions and within the time limit set by the Account Operator or, in the case such Account Operator does not accept tender forms (e.g. Euroclear Finland), such Noteholder shall submit the relevant tender form to the Tender Agent at the fax. no. or e-mail address provided on the back cover of this Offer Memorandum to give its acceptance to tender the Floating Rate Notes. The tender form

shall be submitted so that it is received during the Offer Period or, as applicable, Re-Opened Offer Period, however, always in accordance with the instructions of the relevant Account Operator.

The method of delivery of tender forms is at the option and the risk of the Noteholder, and the delivery will be deemed made only when actually received by such Account Operator or the Tender Agent.

By tendering its Floating Rate Notes in the Invitation to Tender, the Noteholder authorizes (each severally) the Tender Agent and the Account Operator managing the person's book-entry account and any party appointed by any of them to make the necessary entries, to undertake any other necessary actions for the technical execution of the Invitation to Tender and to sell all of the Floating Rate Notes owned by the same to the Offeror in accordance with these terms and conditions.

By tendering its Floating Rate Notes in the Invitation to Tender, the Noteholder will be deemed to have represented and warranted to the Offeror and its agents that the Noteholder is not in or tendering his Floating Rate Notes in the Invitation to Tender from within the United States, or by the use of the mails or by any means or instrumentality of interstate commerce or of any facility of a national securities exchange or otherwise in the United States, and is not in or tendering his Floating Rate Notes in the Invitation to Tender from within any other jurisdiction where prohibited by applicable law, as described in greater detail below.

A Noteholder may only tender all of the Floating Rate Notes (including for the avoidance of doubt, both Floating Rate Notes due March 2014 and Floating Rate Notes due August 2014) owned by the same. The Offeror reserves the right to reject any partial tender of the Floating Rate Notes.

A Noteholder who has tendered its Floating Rate Notes in the Invitation to Tender may not sell or otherwise dispose of its tendered Floating Rate Notes unless otherwise provided by mandatory law. A transfer restriction in respect of the tendered Floating Rate Notes will be registered in the relevant book-entry account after a Noteholder has submitted the tender form for the Invitation to Tender. Tenders submitted may not be withdrawn or revoked.

Announcement of the Result of the Invitation to Tender

The Offeror will announce the final result of the Invitation to Tender on the first (1st) Finnish banking day following the expiry of the Offer Period (on or about 30 May 2013). The announcement of the final result will confirm the percentage share of the Floating Rate Notes purchased through the Invitation to Tender of all the Floating Rate Notes.

Terms of Payment and Settlement

The sale and purchase of the Floating Rate Notes tendered in accordance with these terms and conditions will be executed after the expiry of the Offer Period or, as applicable, the Re-Opened Offer Period on the Settlement Date (as defined below). The sale and purchase of the Floating Rate Notes will take place as OTC trades outside of NASDAQ OMX Helsinki.

Settlement will be effected on 24 June 2013 (the "Settlement Date"). The payment of the Offer Consideration will be deposited on the Settlement Date into the bank account connected to the book-entry account of a Noteholder entitled to such payment or, in the case of a Noteholder whose holdings are registered in the name of a nominee, into the bank account specified in the tender form. If the bank account of a tendering Noteholder is with a different banking institution than such Noteholder's book-entry account, the Offer Consideration will be paid, in accordance with the schedule of money transactions between banking institutions, to the bank account of the Noteholder so that it is on such Noteholder's bank account approximately two (2) Finnish banking days following the Settlement Date, at the latest. All payments shall be made in accordance with the standard procedures applicable to EUR-denominated payments in the RM-system of Euroclear Finland and in accordance with applicable law.

The Offeror reserves the right to postpone the payment of the Offer Consideration if payment is prevented or suspended due to a *force majeure* event, but shall immediately effect such payment once the *force majeure* event preventing or suspending payment is resolved.

Transfer of Ownership

Title to the Floating Rate Notes tendered in the Invitation to Tender will pass to the Offeror on the Settlement Date against the payment of the Offer Consideration by the Offeror to the tendering Noteholders whose tender has been accepted under these terms and conditions.

Transfer Tax and Other Payments

The Offeror will pay the Finnish transfer tax, if any, payable on the sale and purchase of the Floating Rate Notes.

Possible fees charged by Account Operators, asset managers, nominees or any other person for registering the release of pledges or other possible restrictions preventing a sale of the relevant Floating Rate Notes, will be borne by the relevant Noteholder. The Offeror shall be responsible for other customary fees relating to book-entry registrations required for the purposes of the Invitation to Tender, the sale and purchase of the Floating Rate Notes tendered under the Invitation to Tender or the payment of the Offer Consideration.

Noteholders should take their own tax advice in relation to the tax consequences of tendering Floating Rate Notes pursuant to the Invitation to Tender.

Certain Offer and Distribution Restrictions

United States

The Invitation to Tender is not being made, and will not be made, directly or indirectly in or, or by use of the mails of, or by any means or instrumentality of interstate or foreign commerce of or of any facilities of a national securities exchange of, the United States. This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone, the internet and other forms of electronic communication. The Floating Rate Notes may not be tendered in the Invitation to Tender by any such use, means, instrumentality or facility from or within the United States or by persons located or resident in the United States. Accordingly, copies of this Offer Memorandum and any other documents or materials relating to the Invitation to Tender are not being, and must not be, directly or indirectly mailed or otherwise transmitted, distributed or forwarded (including, without limitation, by custodians, nominees or trustees) in or into the United States or to any persons located or resident in the United States. Any purported tender of Floating Rate Notes in the Invitation to Tender resulting directly or indirectly from a violation of these restrictions will be invalid and any purported tender of the Floating Rate Notes made by a person located in the United States or any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States will be invalid and will not be accepted.

Each Noteholder participating in the Invitation to Tender will be deemed to represent that it is not located in the United States and it is not participating in the Invitation to Tender from the United States, or that it is acting on a non-discretionary basis for a principal that is located outside the United States and that is not giving an order to participate in the Invitation to Tender from the United States. For the purposes of this and the above paragraph, "United States" means the United States of America, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any state of the United States of America and the District of Columbia.

Italy

None of the Invitation to Tender, this Offer Memorandum or any other documents or materials relating to the Invitation to Tender has been submitted to the clearance procedures of the *Commissione Nazionale per le Società e la Borsa* ("CONSOB") pursuant to Italian laws and regulations. The Invitation to Tender is being carried out in the Republic of Italy ("Italy") as an exempted offer pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of 24 February 1998, as amended (the "Financial Services Act") and article 35-bis, paragraph 4, letter b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended. Holders or beneficial owners of the Floating Rate Notes may tender their Floating Rate Notes in the Invitation to Tender through authorised persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007, as amended from time to time, and Legislative Decree No. 385 of September 1, 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

United Kingdom

None of the Invitation to Tender, this Offer Memorandum or any other documents or materials relating to the Offer has been made and such documents and/or materials have not been approved by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom, and are only for circulation to persons outside the United Kingdom or to persons within the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order")) or within Article 43 of the Order, or to other persons to whom it may lawfully be communicated in accordance with the Order.

Insofar as the communication of this Offer Memorandum and any other documents or materials relating to the Invitation to Tender is made to or directed at investment professionals (as defined in Article 19(5) of the Financial Promotion Order), it is made to or directed at persons having professional experience in matters relating to investments, and any investment or investment activity to which it relates is available only to such persons or will be engaged in only with such persons and persons who do not have professional experience in matters relating to investments should not rely upon it. Each Noteholder located in the United Kingdom participating in the Invitation to Tender will be deemed to have represented that it is a person to whom the Offering Memorandum and any other documents or materials relating to the Invitation to Tender may be legally directed in accordance with the foregoing.

General

This Offer Memorandum does not constitute an offer to buy or the solicitation of an offer to sell the Floating Rate Notes (and tenders of Floating Rate Notes in the Invitation to Tender will not be accepted from Noteholders) in any circumstances in which such offer or solicitation is unlawful. In those jurisdictions where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer or similar and either of the Dealer Managers or any of their respective affiliates is such a licensed broker or dealer or similar in any such jurisdiction, such Invitation to Tender shall be deemed to be made by such Dealer Manager or such affiliate, as the case may be, on behalf of the Company in such jurisdiction. In addition to the representations referred to above in respect of the United States and the United Kingdom, each Noteholder participating in the Offer will also be deemed to give certain representations in respect of the other jurisdictions referred to above and generally as set out in "Representations by the Noteholders". Any tender of the Floating Rate Notes for purchase pursuant to the Offer from a Noteholder that is unable to make these representations may be rejected. Each of the Company, the Dealer Managers and the Tender Agent reserves the right, in its absolute discretion (and without prejudice to the relevant Noteholder's responsibility for the representations made by it), to investigate, in relation to any tender of Floating Rate Notes for purchase pursuant to the Invitation to Tender, whether any such representation given by a Noteholder is correct and, if such investigation is undertaken and as a result the Company determines (for any reason) that such representation is not correct, such tender may be rejected.

Representations by the Noteholders

The submission of a tender instruction or form will be deemed to constitute a representation and warranty by the Noteholder to the Company that:

- a) it has observed the laws of all relevant jurisdictions, obtained all requisite governmental, exchange control or other required consents, complied with all requisite formalities and paid any issue, transfer or other taxes or requisite payments due from it in each respect in connection with any offer to sell, in any jurisdiction and that it has not taken or omitted to take any action in breach of the representations or which will or may result in the Company, or any other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with the Invitation to Tender or offers to sell;
- b) it has full power and authority to offer to sell, assign or transfer the Floating Rate Notes being offered for sale and such Floating Rate Notes can, on the Settlement Date, be transferred to the Offeror in accordance with these terms and conditions free from all liens, charges and encumbrances and together with all rights attached thereto;

- c) it has given its consent to the demerger of the Company, the related demerger plan of which has been registered with the Finnish Trade Register on 22 February 2013, and shall not hinder the completion of such demerger in its capacity as Noteholder;
- d) it accepts that the rights and obligations of the Company pursuant to this Offer Memorandum shall remain with the Company in the partial demerger carried out materially in accordance with the demerger plan dated 21 February 2013 and Caverion Corporation, the entity to be formed in said demerger, shall not have any secondary liability pursuant to Chapter 17, Section 16, Subsection 6 of the Finnish Companies Act, or otherwise, towards the Noteholder on the basis of the Company's obligations under this Offer Memorandum.
- e) either (a) (i) it is the beneficial owner of the Floating Rate Notes being offered for sale and (ii) it is located outside the United States, it is not a resident of the United States and it is not a U.S. person (within the meaning of Regulation S of the United States of the Securities Act of 1933, as amended) or (b) (i) it is acting on behalf of the beneficial owner of the Floating Rate Notes being offered for sale and has been duly authorised to so act and (ii) such beneficial owner has confirmed to it that such beneficial owner is located outside the United States, it is not a resident of the United States and it is not a U.S. person and to the extent that the account from which the tender instruction is made is shown in the records of Euroclear or Clearstream as being domiciled in the United States, such order was originated by a branch or agency of the accountholder that is located outside the United States; and
- f) it is not located in Italy or, if it is located in Italy, it is an authorised person or is tendering Floating Rate Notes through an authorised person (such as an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with the Legislative Decree No. 58 of 24 February 1998, as amended, *Commissione Nazionale per le Società e la Borsa* (CONSOB) Regulation No. 16190 of 29 October 2007, as amended from time to time, and Legislative Decree No. 385 of 1 September 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

Other Issues

The Offeror shall have sole discretion to determine all other issues relating to the Invitation to Tender, subject to the requirements of applicable law.

INFORMATION ON THE COMPANY

General

The Company is a public limited liability company registered in the Finnish Trade Register on 31 August 1940 with Business Identity Code 0112650-2. Its registered domicile is Helsinki. The shares of the Company have been listed on NASDAQ OMX Helsinki since 1995. The Company has one series of shares.

The Company together with its group companies is a European service company engaged in building systems, construction services and services for industry. The Company's mission is to build, develop and maintain a good living environment for people. The Company builds residential units and business premises, entire areas and required infrastructure. The Company offers technical building system solutions, service and maintenance for properties, energy efficiency and other expert services as well as project deliveries to industry and industrial maintenance. Energy efficiency is an integral part of all its business. The Company and its group companies have operations in 14 countries: in the Nordic countries, Central Europe, Russia and the Baltic countries.

Customers include households, users and owners of business premises, developers and construction companies, the public sector and industry. The Company is one of the leading providers of building system services in the Nordic countries and Central Europe. In construction services, the Company has a solid market position in all of its market areas. The Company is the largest construction company in Finland and has a solid position in residential construction and construction of business premises and infrastructure, the Company is a significant foreign housing developer in Russia, and one of the leading companies in the Baltic construction market. In addition, the Company is engaged in residential construction in the Czech Republic and Slovakia.

The administration of the Company complies with applicable legislation, its Articles of Association and the rules and regulations of bodies that regulate and supervise the operations of Finnish listed companies. The Company also complies with all of the recommendations of the Finnish Corporate Governance Code issued by the Securities Market Association in June 2010, which took effect on 1 October 2010.

In 2012, YIT group's revenues were approximately EUR 4,676 million and operating profit was EUR 248.8 million while the operating profit margin stood at 5.3 percent in 2012 based on segment reporting. The business segments were Building Services Northern Europe, Building Services Central Europe, Construction Services Finland and International Construction Services. At the end of 2012, the Company had over 36,000 shareholders, and together with its group companies employed 25,283 people.

On 21 February 2013, the Company announced that it is contemplating to carry out a partial demerger of the Company. In the demerger, the Company will demerge so that all of the assets and liabilities related to the Company's Building Systems business are transferred to a company to be established in the demerger named Caverion Corporation. The Company's Construction Services business will remain with the same

The demerger will become effective when the Extraordinary General Meeting of the Company has approved the demerger and its implementation is recorded with the Finnish Trade Register. The planned registration date is 30 June 2013.

Financial Information

The Company has published Financial Statements for the year 2012 and audited interim financial statements for the three months ending ended 31 March 2013 which documents have been incorporated by reference to this Invitation to Tender. Such information and any other interim financial statements issued by the Company on or after the date of this Invitation to Tender will be available on the Company's website at <http://www.yitgroup.com/>.

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