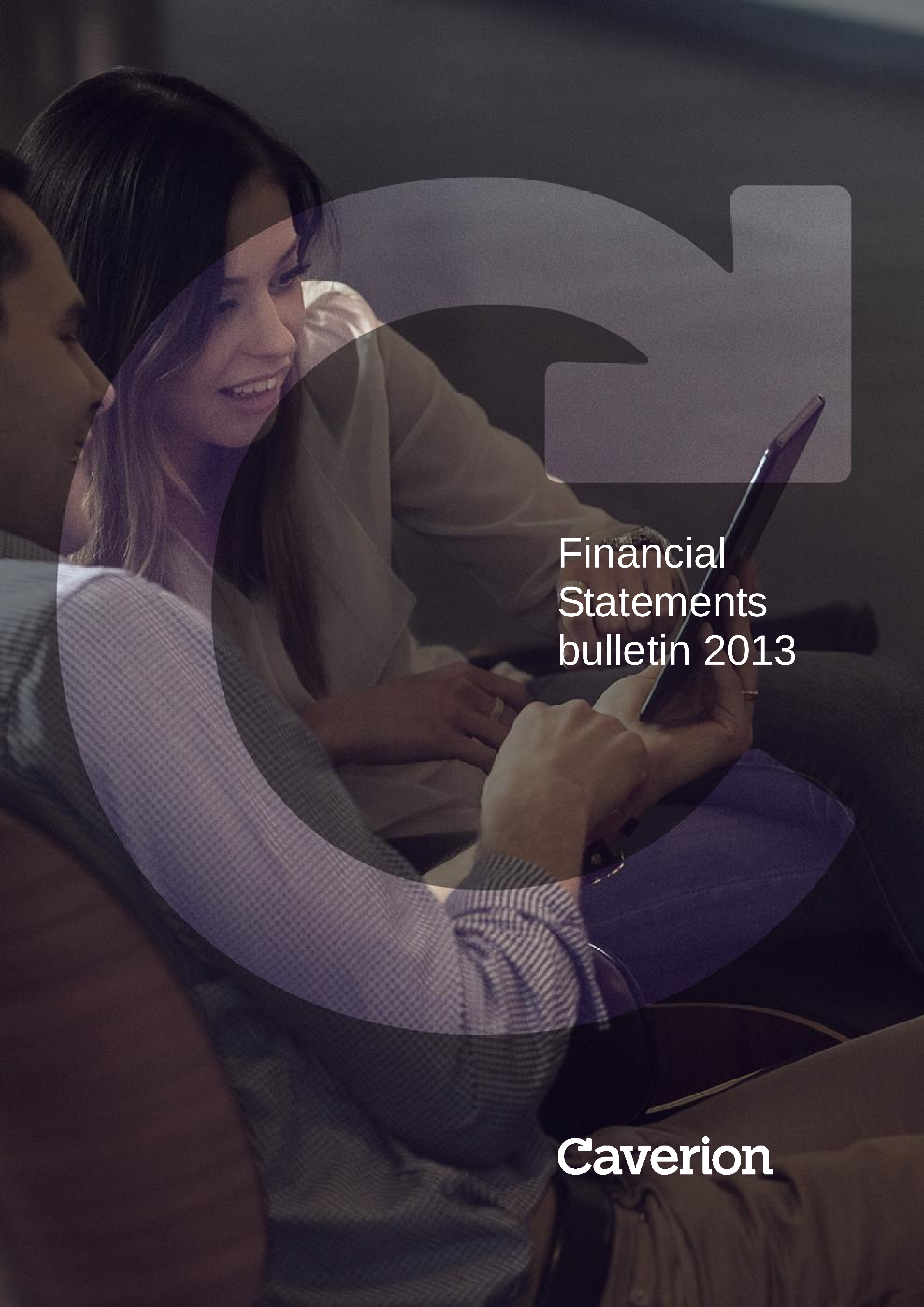

Financial Statements bulletin 2013

Caverion

FINANCIAL STATEMENTS BULLETIN FOR JANUARY 1 – DECEMBER 31, 2013

EBITDA improving according to plan – Strong cash flow in Q4 strengthened financial position

Guidance follow-up for the second half of 2013

- EBITDA amounted to EUR 53.4 million in July – December excluding the demerger related costs of EUR 4.8 million and revenue amounted to EUR 1,282.9 million.
- Earlier communicated guidance for the second half of 2013: EBITDA more than EUR 50 million and revenue approximately EUR 1.29 billion. The guidance did not take into account the non-recurring expenses related to the demerger, nor the expenses related to any potential mergers or acquisitions.

October 1 – December 31, 2013

- EBITDA excluding demerger related costs amounted to EUR 26.7 million (10-12/2012: EUR 9.8 million). EBITDA including the demerger related costs of EUR 1.4 million amounted to EUR 25.3 million (10-12/2012: EUR 9.8 million). The efficiency programme is progressing well in Sweden and profitability is developing according to plan. In Norway the project business had weak profitability while the results from the actions taken to improve profitability are expected to be seen during 2014.
- Operating cash flow after investments amounting to EUR 106.4 million (10-12/2012: EUR 79.3 million) (including demerger-related IT investments of EUR 2.3 million) was very strong.
- The revenue for October–December amounted to EUR 688.1 million (10-12/2012: EUR 748.4 million). The revenue decreased mainly due to increased selectiveness in project business, lower service and maintenance revenue and postponements in Caverion's project start-ups in Germany. Changes in foreign exchange rates decreased the revenue for October–December by EUR 20.9 million compared to the previous year.

January 1 – December 31, 2013

- EBITDA excluding non-recurring items amounted to EUR 81.7 million (1-12/2012: EUR 91.1 million). EBITDA including the non-recurring items amounted to EUR 70.9 million (1–12/2012: EUR 85.3 million). EBITDA for January–December was burdened by M&A related project costs amounting to EUR 1.4 million, one-off items relating to restructuring amounting to EUR 4.2 million as well as demerger related costs amounting to EUR 5.2 million.
- Operating cash flow after investments amounting to EUR 74.2 million (1-12/2012: EUR 40.5 million) (including demerger-related IT investments of EUR 21.3 million) was very strong.
- The revenue amounted to EUR 2,543.6 million (1–12/2012: EUR 2,803.2 million). Changes in foreign exchange rates decreased the revenue for January–December by EUR 21.2 million compared to the previous year.
- The order backlog increased from the end of the previous year and amounted to EUR 1,240.7 million (12/2012: EUR 1,199.1 million).

DIVIDEND PROPOSAL: The Board of Directors proposes a dividend of EUR 0.22 per share

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.22 per share be paid, representing 78 percent of the Group's net profit for the period.

KEY FIGURES

EUR million	10-12/13	7-9/13	4-6/13	1-3/13
Revenue	688.1	594.8	652.8	607.9
EBITDA	25.3	23.3	12.9	9.4
EBITDA margin, %	3.7	3.9	2.0	1.5
Operating cash flow after investments	106.4	5.3	-35.3	-2.2

EUR million	10-12/13	10-12/12[1)]	Change	1-12/13	1-12/12[1)]	Change
Revenue	688.1	748.4	-8%	2,543.6	2,803.2	-9%
EBITDA	25.3	9.8	159%	70.9	85.3	-17%
EBITDA margin, %	3.7	1.3		2.8	3.0	
Operating profit	19.5	4.3	358%	49.4	61.1	-19%
Operating profit margin, %	2.8	0.6		1.9	2.2	
Net profit for the period	17.2	2.6	553%	35.5	40.8	-13%
Working capital	46.0	94.0	-51%	46.0	94.0	-51%
Operating cash flow after investments	106.4	79.3	34%	74.2	40.5	83%
Interest-bearing net debt, end of period[2)]	86.5			86.5		
Gearing, end of period, %[2)]	34.6			34.6		
Earnings per share, basic, EUR[3)]	0.14	0.02	553%	0.28	0.32	-13%
Personnel, average for the period	17,753	18,767	-5%	18,071	19,132	-6%

1) The effects of the revised IAS 19 standard on the consolidated income statement for 1-12/2012 have been presented in the financial tables to the Financial Statements Bulletin.

2) 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. Interest-bearing net debt as per 30 June, 2013 amounted to EUR 194.0 million.

3) Excluding the financial cost effect for January–June 2013 of the new financing arrangements transferred to Caverion Corporation as a result of the partial demerger. If the refinancing under the new loan agreement would have been drawn down at the beginning of the financial year, the net financing expenses in January-December would have amounted to approximately EUR 8.4 million.

Caverion has formed a separate legal group as of June 30, 2013. The financial information presented in this Financial Statements Bulletin is based on actual figures as an independent group after the consummation of the demerger and carve-out figures prior to the consummation of the demerger. The carve-out financial information presented in this Financial Statements Bulletin reflects the performance and financial position of the entities that have historically formed the Building Services business within YIT Group. Accordingly, the consolidated statement of financial position as of December 31, 2013, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the period July – December 2013 and the related key figures are based on actual figures as an independent group. The income statements, statements of cash flows, statements of financial position and comparative figures for the periods before June 30, 2013 are based on carve-out financial information of Building Services business of YIT Group.

Word from the CEO Juhani Pitkäkoski: Strong cash flow strengthened financial position – Profitability development actions ongoing according to plan

“We have had extensive efficiency improvement measures under way and their impact is already visible. As a result, profitability has developed according to plan also in the fourth quarter.

In line with our financial target to reach negative working capital by the end of 2016 we continue to focus on freeing up capital tied into our operations and improving our cash flow going forward. Our working capital decreased significantly to EUR 46.0 million and our operating cash flow for the fourth quarter was seasonally very strong. As a result, our net debt decreased and amounted to EUR 86.5 million at the end of December.

Our service efficiency programme is ongoing in all countries in which we operate. The market for service and maintenance is expected to improve slightly in 2014.”

GUIDANCE FOR 2014

The Board of Directors of Caverion Corporation confirmed in its meeting on 27 January, 2014 the outlook and guidance for 2014.

Caverion estimates that the Group's revenue for 2014 with comparable exchange rates will remain at the previous year's level and EBITDA for 2014 excluding non-recurring items will grow clearly to EUR 90–110 million.

In 2014 the EBITDA increase will be executed by improving the operational efficiency, growing the service and maintenance business as well as increasing the project business in Germany. The potential changes in general macroeconomic environment nonetheless may have an effect on Caverion's business and customers.

SEGMENT PERFORMANCE

Revenue, EUR million	10-12/13	10-12/12[1)]	Change	1-12/13	1-12/12[1)]	Change
Building Services Northern Europe	519.1	552.7	-6%	1,922.7	2,089.2	-8%
Building Services Central Europe	169.2	195.8	-14%	621.3	714.2	-13%
Eliminations	-0.3	-0.1		-0.4	-0.2	
Group, total	688.1	748.4	-8%	2,543.6	2,803.2	-9%

EBITDA, EUR million	10-12/13	10-12/12[1)]	Change	1-12/13	1-12/12[1)]	Change
Building Services Northern Europe	18.5	0.3	6,002%	52.3	59.5	-12%
Building Services Central Europe	7.9	12.1	-35%	23.6	33.2	-29%
Group services and other items	-1.1	-2.6		-5.0	-7.4	
Group, total	25.3	9.8	159%	70.9	85.3	-17%

EBITDA margin, %	10-12/13	10-12/12[1)]		1-12/13	1-12/12[1)]	
Building Services Northern Europe	3.6	0.1		2.7	2.8	
Building Services Central Europe	4.7	6.2		3.8	4.7	
Group, total	3.7	1.3		2.8	3.0	

Operating profit, EUR million	10-12/13	10-12/12[1)]	Change	1-12/13	1-12/12[1)]	Change
Building Services Northern Europe	14.5	-4.0		36.4	41.1	-11%
Building Services Central Europe	6.6	10.8	-39%	18.8	27.4	-31%
Group services and other items	-1.6	-2.6		-5.8	-7.4	
Group, total	19.5	4.3	358%	49.4	61.1	-19%

Operating profit margin, %	10-12/13	10-12/12[1)]		1-12/13	1-12/12[1)]	
Building Services Northern Europe	2.8	-0.7		1.9	2.0	
Building Services Central Europe	3.9	5.5		3.0	3.8	
Group, total	2.8	0.6		1.9	2.2	

Order backlog, EUR million	12/13	9/13	Change	12/13	12/12	Change
Building Services Northern Europe	764.6	797.1	-4%	764.6	819.0	-7%
Building Services Central Europe	476.0	498.9	-5%	476.0	380.1	25%
Group, total	1,240.7	1,296.0	-4%	1,240.7	1,199.1	3%

[1)] The effects of the revised IAS 19 standard on the consolidated income statement for 1-12/2012 have been presented in the financial tables to the Financial Statements Bulletin.

Market outlook for Caverion's services in 2014

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.

The opportunities to grow in service and maintenance business are still favourable in all Caverion's operational areas. As technology in buildings is increasing the need for new services and the demand for energy efficiency services are expected to remain stable.

Decision-making on new investments is still slow, but positive signs can be seen. New investments in building systems are expected to increase slightly. The growing public investments and the need for renovation and repair work are expected to be the key factors behind the growth.

The tightening of environmental legislation will improve the growth potential of energy efficiency services. Environmental certifications and energy efficiency will be significant factors that will allow the property owners to upgrade their property value. An increasing number of properties will be connected to remote monitoring through command centres. Furthermore, services and projects related to traffic infrastructure maintenance are estimated to develop favourably.

Annual General Meeting 2014

Caverion Corporation's Annual General Meeting will be held on Monday, March 17, 2014, starting at 11:00 a.m. (Finnish time, EET) in Finlandia Hall, Conference Wing. Full notice of the meeting, including the Board of Directors' proposals to the Annual General Meeting, will be published as a separate stock exchange release on January 28, 2014.

Financial information in 2014

The Annual Report, including the financial statements for 2013, will be published on Caverion's website and IR App in Finnish and English at the latest on February 21, 2014. Interim Reports will be published on April 24, July 22 and October 22, 2014.

INFORMATION SESSION, WEBCAST AND CONFERENCE CALL

Caverion will hold a news conference on the Financial Statements Bulletin on Tuesday, January 28, 2014, at 10:00 a.m. (Finnish Time, EET). The news conference will be held in English at Restaurant Bank, Unioninkatu 20, Helsinki, Finland. The event is targeted for analysts, portfolio managers and the media.

The news conference and the presentation, given by the company's President and CEO, Juhani Pitkäkoski, can be viewed live on Caverion's website at www.caverion.com/investors. The live webcast held will start at 10:00 a.m. (Finnish time, EET). A recording of the webcast will be available at the same address starting at approximately 12:00 (Finnish time, EET).

It is also possible to participate in the event through a conference call. Participants are requested to call the assigned number +44 203 1940 544 (no conference ID or pin code required) at least five minutes before the conference call begins, at 9:55 a.m. (Finnish time, EET) at the latest. During the webcast and conference call, all questions should be presented in English. At the end of the event, there will also be an opportunity for the media to ask questions in Finnish.

Schedule in different time zones:

	Financial Statements Bulletin published	News conference, conference call and live webcast	Recorded webcast available
EET (Helsinki)	8:00	10:00	12:00
CET (Paris, Stockholm)	7:00	9:00	11:00
GMT (London)	6:00	8:00	10:00
US EST (New York)	1:00	3:00	5:00

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

Caverion Corporation

Juhani Pitkäkoski
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FINANCIAL STATEMENTS BULLETIN JANUARY 1 – DECEMBER 31, 2013

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GROUP FINANCIAL DEVELOPMENT

Caverion has formed a separate legal group as of June 30, 2013. The financial information presented in this Financial Statements Bulletin is based on actual figures as an independent group after the consummation of the demerger and carve-out figures prior to the consummation of the demerger. The carve-out financial information presented in this Financial Statements Bulletin reflects the performance and financial position of the entities that have historically formed the Building Services business within YIT Group. Accordingly, the consolidated statement of financial position as of December 31, 2013, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the period July – December 2013 and the related key figures are based on actual figures as an independent group. The income statements, statements of cash flows, statements of financial position and comparative figures for the periods before June 30, 2013 are based on carve-out financial information of Building Services business of YIT Group.

Revenue decreased by 8 percent in October–December compared to the previous year

Revenue, EUR million	10-12/13	10-12/12	Change	1-12/13	1-12/12[1)]	Change
Building Services Northern Europe	519.1	552.7	-6%	1,922.7	2,089.2	-8%
Building Services Central Europe	169.2	195.8	-14%	621.3	714.2	-13%
Eliminations	-0.3	-0.1		-0.4	-0.2	
Group, total	688.1	748.4	-8%	2,543.6	2,803.2	-9%

Revenue decreased by 9 percent in January–December compared to the previous year, amounting to EUR 2,543.6 million (1–12/2012: EUR 2,803.2 million). The revenue for October–December decreased by 8 percent compared to the previous year, amounting to EUR 688.1 million (10-12/2012: EUR 748.4 million). The revenue decreased mainly due to increased selectiveness in project business in Norway and Sweden, lower service and maintenance revenue and postponements in Caverion's project start-ups in Germany. Changes in foreign exchange rates decreased the revenue for January–December by EUR 21.2 million and for October–December by EUR 20.9 million compared to the previous year.

The revenue of Building Services Northern Europe decreased by 8 percent in January–December compared to the previous year, amounting to EUR 1,922.7 million (1–12/2012: EUR 2,089.2 million). The revenue for October–December decreased by 6 percent compared to the previous year to EUR 519.1 million (10–12/2012: EUR 552.7 million). Revenue decreased in particular in Norway in October–December compared to the previous year. Changes in foreign exchange rates decreased the revenue for January–December by EUR 20.8 million and for October–December by EUR 20.6 million compared to the previous year.

The revenue of Building Services Central Europe decreased by 13 percent in January–December compared to the previous year, amounting to EUR 621.3 million (1–12/2012: EUR 714.2 million). Changes in foreign exchange rates did not have a substantial impact on the revenue compared to the year before. The revenue for October–December decreased by 14 percent from the previous year to EUR 169.2 million (10–12/2012: EUR 195.8 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 backlog at the end of 2012, restructuring of operations and the closing of unprofitable units.

Geographical distribution of revenue

Revenue, EUR million	10-12/13	10-12/12	Change	1-12/13	1-12/12	Change
Sweden	178.2	188.5	-5%	665.9	704.3	-5%
Finland	147.9	154.0	-4%	546.8	603.7	-9%
Norway	136.9	155.6	-12%	516.4	580.4	-11%
Germany	124.7	147.8	-16%	458.4	541.8	-15%
Austria	39.7	44.4	-11%	148.1	154.3	-4%
Denmark	40.1	37.8	6%	139.8	145.6	-4%
Other countries	20.6	20.2	2%	68.2	73.2	-7%
Group, total	688.1	748.4	-8%	2,543.6	2,803.2	-9%

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

EBITDA increased significantly in October–December compared to the previous year

EBITDA, EUR million	10-12/13	10-12/12[1)]	Change	1-12/13	1-12/12[1)]	Change
Building Services Northern Europe	18.5	0.3	6,002%	52.3	59.5	-12%
Building Services Central Europe	7.9	12.1	-35%	23.6	33.2	-29%
Group services and other items	-1.1	-2.6		-5.0	-7.4	
Group, total	25.3	9.8	159%	70.9	85.3	-17%

EBITDA margin, %	10-12/13	10-12/12[1)]		1-12/13	1-12/12[1)]	
Building Services Northern Europe	3.6	0.1		2.7	2.8	
Building Services Central Europe	4.7	6.2		3.8	4.7	
Group, total	3.7	1.3		2.8	3.0	

[1)] The effects of the revised IAS 19 standard on the consolidated income statement for 1-12/2012 have been presented in the financial tables to the Financial Statements Bulletin.

The Group EBITDA decreased by 17 percent compared to the previous year, amounting to EUR 70.9 million in January–December (1–12/2012: EUR 85.3 million). The Group EBITDA for January–December is burdened by HOCHTIEF Service Solutions M&A related project costs amounting to EUR 1.4 million, one-off items relating to restructuring amounting to EUR 4.2 million, as well as demerger related costs amounting to EUR 5.2 million. The Group EBITDA margin was 2.8 percent in January–December (1–12/2012: 3.0%). The Group EBITDA for October–December increased significantly from the previous year to EUR 25.3 million (10–12/2012: EUR 9.8 million) or more than doubled to EUR 26.7 million excluding one-off items (10-12/2012: EUR 12.8 million). The Group EBITDA for October–December is burdened by demerger related costs which amounted to EUR 1.4 million in October–December, of which EUR 1.0 million in Northern Europe and EUR 0.3 million in Central Europe. The Group EBITDA margin was 3.7 percent in October–December (10–12/2012: 1.3%).

In Building Services Northern Europe, the EBITDA for the review period decreased by 12 percent from the previous year to EUR 52.3 million (1–12/2012: EUR 59.5 million). The segment EBITDA for January–December is burdened by one-off items relating to restructuring amounting to EUR 4.2 million and demerger related costs amounting to EUR 3.6 million. The weak profitability of the project business in Norway and low business volume contributed to the decrease in the segment EBITDA in January–December. Customers also postponed additional service and maintenance work, and as a result, the utility rate of operations was too low. The segment's EBITDA for October–December increased significantly from the previous year to EUR 18.5 million (10–12/2012: EUR 0.3 million). EBITDA for the fourth quarter in 2012 was burdened by significant project forecast changes. In addition, demerger related costs of approximately EUR 1.0 million burdened the EBITDA of the segment in October–December. Caverion aims to improve the profitability in Northern Europe. In Northern Europe, the EBITDA margins improved in all countries apart from Norway in October–December compared to the previous year. In Sweden and Denmark, profitability is developing according to plan. The restructuring measures have had a positive impact on the profitability of the Swedish and Danish operations and, as a result, the profitability improved according to plan in October–December compared to the previous year. Industrial Services and the operations in Finland performed well in October–December. In Norway, the project business (especially in the capital region) had weak profitability also in the fourth quarter while the results from the actions taken to improve profitability are expected to be seen during 2014. Furthermore, a service efficiency programme is on-going in all countries in which Caverion operates.

In Building Services Central Europe, the EBITDA for January–December decreased by 29 percent compared to the previous year, mainly due to the lower volume of German operations, and amounted to EUR 23.6 million (1–12/2012: EUR 33.2 million). EBITDA of Building Services Central Europe for January–December is burdened by HOCHTIEF Service Solutions M&A related project costs amounting to EUR 1.4 million and demerger related costs of EUR 1.1 million. The segment's EBITDA for October–December decreased by 35 percent and was EUR 7.9 million (10–12/2012: EUR 12.1 million). In Germany and Austria EBITDA decreased due to lower volume. EBITDA for October–December is burdened by demerger related costs amounting to EUR 0.3 million.

Operating profit increased significantly in October–December compared to the previous year

Operating profit, EUR million	10-12/13	10-12/12[1)]	Change	1-12/13	1-12/12[1)]	Change
Building Services Northern Europe	14.5	-4.0		36.4	41.1	-11%
Building Services Central Europe	6.6	10.8	-39%	18.8	27.4	-31%
Group services and other items	-1.6	-2.6		-5.8	-7.4	
Group, total	19.5	4.3	358%	49.4	61.1	-19%

Operating profit margin, %	10-12/13	10-12/12[1)]		1-12/13	1-12/12[1)]	
Building Services Northern Europe	2.8	-0.7		1.9	2.0	
Building Services Central Europe	3.9	5.5		3.0	3.8	
Group, total	2.8	0.6		1.9	2.2	

[1)] The effects of the revised IAS 19 standard on the consolidated income statement for 1-12/2012 have been presented in the financial tables to the Financial Statements Bulletin.

Caverion's operating profit decreased by 19 percent compared to the previous year, amounting to EUR 49.4 million in January–December (1–12/2012: EUR 61.1 million). The operating profit margin was 1.9 percent (1–12/2012: 2.2%). The operating profit for October–December increased significantly from the previous year to EUR 19.5 million (10–12/2012: EUR 4.3 million). The operating profit margin was 2.8 percent (10–12/2012: 0.6%).

Depreciation, amortisation and impairment amounted to EUR 5.8 million in October–December (10-12/2012: EUR 5.6 million), of which EUR 2.3 million were allocated intangibles related to acquisitions and EUR 3.5 million were other depreciations. Depreciation, amortisation and impairment amounted to EUR 21.5 million in January–December (1-12/2012: EUR 24.2 million) of which EUR 10.2 million were allocated intangibles related to acquisitions and EUR 11.4 million were other depreciations.

The other factors affecting operating profit have been described in more detail under EBITDA.

Order backlog increased by 3 percent from the end of last year

Order backlog, EUR million	12/13	9/13	Change	12/13	12/12	Change
Building Services Northern Europe	764.6	797.1	-4%	764.6	819.0	-7%
Building Services Central Europe	476.0	498.9	-5%	476.0	380.1	25%
Group, total	1,240.7	1,296.0	-4%	1,240.7	1,199.1	3%

The order backlog was EUR 1,240.7 million at the end of December and grew by 3 percent from the end of 2012 (12/2012: EUR 1,199.1 million). The order backlog decreased by 4 percent from the end of September 2013, at which time it stood at EUR 1,296.0 million. Changes in foreign exchange rates decreased the order backlog for

January–December by EUR 26.2 million compared to the previous year and by EUR 8.5 million compared to the end of September.

The order backlog of Building Services Northern Europe decreased by 7 percent from the end of the previous year and by 4 percent from the end of September due to selectiveness in projects. The order backlog of Building Services Central Europe increased by 25 percent from the end of 2012 and decreased by 5 percent compared to the end of September. The weaker order backlog at the end of 2012 has been reflected as lower revenue in January–December compared to the previous year. The improved order backlog in 2013 was a positive sign, but is not expected to contribute to revenue until the first half of 2014.

Capital expenditure and acquisitions

Gross capital expenditure on non-current assets included on the balance sheet totalled EUR 27.8 million (1–12/2012: EUR 16.2 million) during January–December, representing 1.1 percent (1–12/2012: 0.6%) of revenue.

Investments in information technology totalled EUR 22.5 million (1–12/2012: EUR 1.3) and related primarily to the partial demerger. Other investments amounted to EUR 5.3 million (1–12/2012: EUR 5.3 million). Caverion made no acquisitions or disposals during January–December 2013 (1-12/2012: EUR 9.5 million).

Operative invested capital

Return on operative invested capital (last 12 months), %[1]	1-12/13	10/12-9/13
Building Services Northern Europe	11.6	4.9
Building Services Central Europe	19.1	18.0

[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	12/13	9/13	Change	12/13	12/12	Change
Building Services Northern Europe	283.5	330.0	-14%	283.5	344.8	-18%
Building Services Central Europe	100.6	141.9	-29%	100.6	96.6	4%

At the end of December, the Group's operative invested capital amounted to EUR 470.0 million (12/2012: EUR 478.6 million). Invested capital is calculated by deducting non-interest bearing liabilities from the balance sheet total.

Cash flow strengthened in October–December

The Group's operating cash flow after investments for January–December amounted to 74.2 million (1–12/2012: EUR 40.5 million), which was burdened by demerger-related IT investments of EUR 21.3 million.

Operating cash flow for the fourth quarter was seasonally very strong supported by release in working capital. The Group's operating cash flow after investments for October–December amounted to EUR 106.4 million (10–12/2012: EUR 79.3 million).

Working capital management in focus

Caverion's target is to reach negative working capital by the end of 2016. By addressing this, we can free up capital tied into our operations and improve our cash flow going forward.

Working capital decreased significantly compared to the previous year and amounted to 46.0 million at the end of December (12/2012: EUR 94.0 million).

Profit before taxes and earnings per share

Profit before taxes amounted to EUR 42.8 million and earnings per share amounted to EUR 0.28 in January–December, excluding the financial cost effect for January–June 2013 of the new financing arrangements transferred to Caverion Corporation as a result of the partial demerger of YIT. If the refinancing under the new loan agreement would have been drawn down at the beginning of the financial year, the net financing expenses in January–December would have amounted to approximately EUR 8.4 million.

The effective tax rate of the Group was 17.0 percent in January–December (1–12/2012: 29.0%). The tax rate changes for 2014 in Finland, Norway and Denmark and revaluation of deferred tax assets and liabilities had a positive impact on the effective tax rate in 2013. Excluding the effects of these changes the effective tax rate would have been approximately 27 percent.

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 is also aiming further in the value chain and 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.

Group revenue, EUR million	10-12/13	% of total	10-12/12	% of total	Change	1-12/13	% of total	1-12/12	% of total	Change
Service and maintenance	386.0	56	409.6	55	-6%	1,409.3	55	1,542.4	55	-9%
Project business	302.1	44	338.8	45	-11%	1,134.3	45	1,261.0	45	-10%
Group, total	688.1	100	748.4	100	-8%	2,543.6	100	2,803.2	100	-9%

Service and maintenance business

Service and maintenance revenue, EUR million	10-12/13	% of total	10-12/12	% of total	Change	1-12/13	% of total	1-12/12	% of total	Change
Northern Europe	318.7	83	345.5	84	-8%	1,173.5	83	1,322.6	86	-11%
Central Europe	67.2	17	64.0	16	5%	235.8	17	219.8	14	7%
Group revenue of service and maintenance	386.0	100	409.6	100	-6%	1,409.3	100	1,542.4	100	-9%

The Group revenue of service and maintenance business decreased by 9 percent in 2013 and was EUR 1,409.3 million, or 55 percent of the Group's total revenue. In October–December, the service and maintenance business generated EUR 386.0 million on a Group level, or 56 percent of the total revenue of Caverion Group.

In Building Services Northern Europe the service and maintenance business generated EUR 1,173.5 million, or 61.0 percent of the segment's total revenue in January–December. In October–December, service and maintenance business generated EUR 318.7 million, or 61 percent of the segment's total revenue.

In Building Services Central Europe the service and maintenance business generated EUR 235.8 million, or 38 percent of the segment's total revenue in January–December. The share of service and maintenance was still significantly lower in Building Services Central Europe (1–12/2013: 38%) than in Building Services Northern Europe (1–12/2013: 61%), and therefore the opportunities for increasing it in Building Services Central Europe are good. The revenue of service and maintenance increased by 7 percent in January–December from the corresponding period the previous year. In October–December, service and maintenance business generated EUR 67.2 million, or 40 percent of the segment's total revenue. The opportunities, both internal and market driven, for increasing the share of service and maintenance in Building Services Central Europe remain good.

Project business

Project business revenue, EUR million	10-12/13	% of total	10-12/12	% of total	Change	1-12/13	% of total	1-12/12	% of total	Change
Northern Europe	200.2	66	207.2	61	-3%	749.0	66	766.8	61	-2%
Central Europe	102.0	34	131.6	39	-23%	385.4	34	494.2	39	-22%
Group revenue of project business	302.1	100	338.8	100	-11%	1,134.3	100	1,261.0	100	-10%

The Group revenue of project business decreased by 10 percent in 2013 and was EUR 1,134.3 million, or 45 percent of the Group's total revenue. In October–December, the project business generated EUR 302.1 million on a Group level, or 44 percent of the total revenue of Caverion Group.

In Building Services Northern Europe, the project business generated EUR 749.0 million, or 39 percent of the segment's total revenue in January–December. In October–December, the project business generated EUR 200.2 million, or 39 percent of the segment's total revenue.

In Building Services Central Europe, the project business generated EUR 385.4 million, or 62 percent of the segment's total revenue in January–December. In October–December, the project business generated EUR 102.0 million, or 60 percent of the segment's total revenue.

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	12/13	9/13	Change	12/13	12/12	Change
Finland	4,772	4,826	-1%	4,772	4,977	-4%
Sweden	3,993	4,029	-1%	3,993	4,492	-11%
Norway	3,469	3,595	-4%	3,469	3,642	-5%
Germany	2,429	2,434	0%	2,429	2,450	-1%
Austria	711	714	0%	711	706	1%
Denmark	1,019	1,018	0%	1,019	1,104	-8%
Other countries	1,280	1,274	0%	1,280	1,247	3%
Group, total	17,673	17,890	-1%	17,673	18,618	-5%

Personnel by business segment	12/13	9/13	Change	12/13	12/12	Change
Building Services Northern Europe	14,259	14,469	-1%	14,259	15,159	-6%
Building Services Central Europe	3,328	3,336	0%	3,328	3,380	-2%
Corporate Services	86	85	1%	86	79	9%
Group, total	17,673	17,890	-1%	17,673	18,618	-5%

In January–December 2013, the Group employed 18,071 people on average (1–12/2012: 19,132). At the end of December, the Group employed 17,673 people (12/2012: 18,618). The personnel expenses for January–December amounted to a total of EUR 1,062.8 million (1–12/2012: EUR 1,127.4 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 Board of Directors of Caverion approved the amended financial targets of Caverion Corporation on October 31, 2013. The financial targets for Caverion for the strategy period 2014-2016 are:

	TARGET	2013*
Revenue growth (%)	Average annual growth in revenue of more than 10 percent	-9.3
Profitability (%)	EBITDA over six percent of revenue	2.8
Working capital (EUR million)	Negative	46.0

* Carve-out before June 30, 2013.

Working capital has been defined as inventories + current, non-interest-bearing receivables and liabilities excluding cash and cash equivalents (calculation formula below):

Working capital = Inventories + Trade and POC receivables + Other current receivables - Trade and POC payables - Other current payables - Advances received - Current provisions. Working capital does not include non-current provisions or pension obligations.

Dividends and dividend policy

Caverion's aim is to distribute at least 50 percent of the result for the year after taxes, excluding changes in fair value, as dividend and capital redemption to the company's shareholders.

FINANCING

Refinancing relating to the partial demerger was finalised as planned during June. As a result, Caverion's loan portfolio 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 133.3 million at the end of December (9/2013: EUR 56.2 million). In addition, Caverion has undrawn revolving credit facilities amounting to EUR 60 million and undrawn overdraft facilities amounting to EUR 19 million.

The Group's interest-bearing loans and borrowings amounted to EUR 219.8 million at the end of December (9/2013: EUR 246.3 million), and the average interest rate after hedges was 2.31 percent. Fixed-rate loans after hedges accounted for approximately 38 percent of the Group's borrowings. Approximately 94 percent of the loans have been raised from banks and other financial institutions and approximately 5 percent from insurance companies. A total of EUR 71.3 million of the interest-bearing loans and borrowings will fall due during the next 12 months.

Caverion's external financing consists mainly of a credit facility with a Nordic bank group. The facility was transferred to Caverion Corporation upon the registration of the partial demerger. It includes an amortising 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 (which was undrawn at the end of December) and a short-term bridge loan facility of EUR 22 million falling due in June 2014. In addition to the credit facility, amortising loans transferred to Caverion Corporation in the demerger amounted to EUR 58 million at the end of December.

The Group's net financing expenses in January–December amounted to EUR 6.6 million. Net financing expenses for the review period are burdened by one-off items relating to the partial demerger amounting to EUR 0.7 million. If the refinancing under the credit facility would have been drawn down at the beginning of the financial year, the net financing expenses in January–December would have amounted to approximately EUR 8.4 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 86.5 million at the end of December (9/2013: EUR 190.1 million).

PARTIAL DEMERGER OF YIT

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 June 5, 2013, on YIT's website at www.yit.fi/sijoittajat. The unofficial English translation of the Prospectus has been available as of June 5, 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 organisational meeting on June 17, 2013. At the meeting the Board decided on the composition of the Personnel Committee and the Audit Committee. A description of the committees' tasks and charters are available on Caverion's website at www.caverion.com.

SHARES AND SHAREHOLDERS

Caverion Corporation is a public limited company organised under the laws of the Republic of Finland, incorporated on the effective date of YIT's partial 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 and to an equal dividend. The company's shares have no nominal value.

Share capital and number of shares

Caverion Corporation's share capital and the number of shares did not change during the review period. At the beginning of trading on July 1, 2013, the number of shares subject to public trading was 125,596,092 and the share capital was EUR 1,000,000.

Caverion Corporation did not hold any treasury shares at the beginning of the review period. During the review period, 2,706 Caverion shares were returned to the company in accordance with the terms and conditions of the share-based incentive scheme of YIT Corporation, after which the company held 4,080 treasury shares at the end of December 2013.

Caverion has not made any decision regarding the issue of option rights or other special rights entitling to shares. During the reporting period Caverion did not have any share-based incentive plan.

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 March 31, 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 in 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 of the 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 March 31, 2014.

The Board of Directors has not used the authorization during 2013.

Trading in shares

Trading in Caverion shares commenced on July 1, 2013. Friday, June 28, 2013, was the last trading day on which Caverion was included in the YIT share and its price.

The opening price of Caverion's share was EUR 3.00 on July 1. The closing rate of the share on the last trading day of the review period on (December 30, 2013) was EUR 8.90. The share price increased by 197 percent during July–December. The highest price of the share during the review period July–December was EUR 8.94, the lowest was EUR 3.00 and the average price was EUR 5.54. Share turnover on NASDAQ OMX excluding OTC trading in July–December amounted to 46.2 million shares. The value of share turnover excluding OTC trading was EUR 255.7 million (source: NASDAQ OMX). The volume of OTC trading on NASDAQ OMX was 80,000 shares or EUR 0.32 million in July–December.

In addition to the Helsinki Stock Exchange, Caverion's shares are also traded in other market places, such as BATS Chi-X and Burgundy. During July–December, 1.1 million Caverion Corporation shares changed hands in alternative market places, corresponding to approximately 2.1 percent of the total share trade. Of the alternative market places, Caverion shares changed hands particularly in BATS Chi-X. Furthermore, during July–December, 4.8 million Caverion Corporation shares changed hands in OTC trading outside NASDAQ OMX, corresponding to approximately 9.3 percent of the total share trade (source: Fidessa Fragmentation Index).

Caverion Corporation’s market capitalisation at the end of the review period was EUR 1,117.8 million. Market capitalisation has been calculated excluding the shares held by the company.

Number of shareholders and flagging notifications

At the end of December 2013, the number of registered shareholders in Caverion was 33,353 (6/2013: 39,250). At the end of December 2013, a total of 38.2 percent of the shares were owned by nominee-registered and non-Finnish investors (6/2013: 35.2%).

During the review period, the company received no "flagging notifications" of change in ownership in Caverion Corporation in accordance with Chapter 9, section 5 of the Securities Market Act.

Updated lists of Caverion's largest shareholders and ownership structure by sector as per December 31, 2013, are available on Caverion's website at www.caverion.com/investors and on Caverion's IR App.

MOST SIGNIFICANT 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.

From strategic point-of-view Caverion has developed its business structure towards a more stable and balanced direction in order to handle changing economic cycles. 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. The company has an extensive customer base, comprised of customers of various sizes from the public as well as private sector.

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.

Caverion's typical operational risks include risks related to contract tenders, service agreements, project management and personnel. With regard to various 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. 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. 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.

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.

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 December 31, 2013.

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

A more detailed account of the risks relating to Caverion and its operating environment and business has been published in the Demerger Prospectus dated June 4, 2013. Financial risks are described in more detail in the Financial Statements note 30.

OPERATING ENVIRONMENT IN 2013

In 2013, the overall market situation was stable despite the general economic environment and overall uncertainty.

In Northern Europe, the service and maintenance market was stable in all operating countries in 2013. However, the customers postponed new investments, particularly in Sweden and Finland. In these countries the customers only carried out the necessary services related to maintenance of the core business and near term operational safety, which lead to postponed additional service and maintenance work throughout the year. The demand in the non-residential construction market remained low in Finland and the decline continued towards the rest of the year. In Sweden the project market developed relatively well despite the weaker prospects in the beginning of the year and improved towards the rest of the year. In Sweden the overall market was stable in service and maintenance, while technical facility services and especially EPC (Energy Performance Contracting) developed well and are expected to continue to grow also in 2014. Norway had a good operating environment in the project market throughout the year while the challenges in Caverion's profitability in the Norwegian project business were internal. In Denmark the project market developed slowly with a low level of activity. The industrial project market in Finland and Sweden remained at a low level throughout the year, which also had an impact on the demand for industrial service and maintenance. However, the demand for industrial outsourcing has improved. In Russia the project market remained stable and the market for service and maintenance continued to grow further. In the Baltic countries demand remained at a low level in both project business and service and maintenance.

In Central Europe, demand remained favourable and uncertainty in the project market eased in Germany and in Austria in 2013. Decision-making on new investments was still slow, but positive signs were emerging. After stagnation in 2012 new building system investments grew in 2013. The building system services market in the rest of Central Eastern Europe developed slowly with a low level of activity.

OUTLOOK FOR 2014

Guidance for 2014

The Board of Directors of Caverion Corporation confirmed in its meeting on 27 January, 2014 the outlook and guidance for 2014.

Caverion estimates that the Group's revenue for 2014 with comparable exchange rates will remain at the previous year's level and EBITDA for 2014 excluding non-recurring items will grow clearly to EUR 90–110 million.

In 2014 the EBITDA increase will be executed by improving the operational efficiency, growing the service and maintenance business as well as increasing the project business Germany. The potential changes in general macroeconomic environment nonetheless may have an effect on Caverion's business and customers.

Market outlook for Caverion's services in 2014

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.

The opportunities to grow in service and maintenance business are still favourable in all Caverion's operational areas. As technology in buildings is increasing the need for new services and the demand for energy efficiency services are expected to remain stable.

Decision-making on new investments is still slow, but positive signs can be seen. New investments in building systems are expected to increase slightly. The growing public investments and the need for renovation and repair work are expected to be the key factors behind the growth.

The tightening of environmental legislation will improve the growth potential of energy efficiency services. Environmental certifications and energy efficiency will be significant factors that will allow the property owners to upgrade their property value. An increasing number of properties will be connected to remote monitoring through command centres. Furthermore, services and projects related to traffic infrastructure maintenance are estimated to develop favourably.

Board’s proposal for the use of distributable equity

The distributable equity of Caverion Corporation on December 31, 2013 is:

Retained earnings	154,145,083.77
Profit for the period	3,787,653.81
Retained earnings, total	157,932,737.58

The Board of Directors proposes to the Annual General Meeting that the distributable equity be disposed of as follows:

Payment of a dividend from retained earnings EUR 0.22 per share to shareholders	27,630,242.64
To remain in distributable equity	130,302,494.94

No significant changes have taken place in the company’s financial position after the end of the financial year. The company’s liquidity is good and, in the view of the Board of Directors, the proposed dividend payout does not jeopardise the company’s solvency.

Helsinki, January 27, 2014

Caverion Corporation

Board of Directors

FINANCIAL STATEMENTS BULLETIN JAN 1–DEC 31, 2013: FINANCIAL TABLES

The Financial Statements Bulletin is based on the audited Financial Statements for 2013.

Financial Statements Bulletin

Notes to the Financial Statements Bulletin

Financial Statements Bulletin

Condensed consolidated income statement

EUR million	10-12/13	10-12/12	1-12/13	1-12/12
		Carve-out Restated	1-6/13 carve-out + 7-12/13 actual	Carve-out Restated
Revenue	**688.1**	**748.4**	**2,543.6**	**2,803.2**
Other operating income and expenses	-662.8	-738.5	-2,472.7	-2,717.9
Share of results of associated companies	0.0	0.0	0.0	0.0
Depreciation, amortisation and impairment	-5.8	-5.6	-21.5	-24.2
Operating profit	**19.5**	**4.3**	**49.4**	**61.1**
% of revenue	2.8	0.6	1.9	2.2
Financial income and expenses, net*	-2,3	-0.6	-6,6	-3.6
Profit before taxes	**17.2**	**3.7**	**42.8**	**57.5**
% of revenue	2.5	0.5	1.7	2.1
Income taxes**	-0.1	-1.0	-7.3	-16.7
Profit for the period	**17.2**	**2.6**	**35.5**	**40.8**
% of revenue	2.5	0.4	1.4	1.5
Attributable to:				
Equity holders of the parent company	17.2	2.6	35.5	40.7
Non-controlling interest	0.0	0.0	0.0	0.1
Earnings per share attributable to the equity holders of the parent company***				
Earnings per share, basic, EUR	0.14	0.02	0.28	0.32
Earnings per share, diluted, EUR	0.14	0.02	0.28	0.32

* The income statement information for the carve-out periods does not include the cost effect of the new financing arrangements transferred to Caverion Corporation as a result of the partial demerger.

**The tax rate changes for 2014 in Finland, Norway and Denmark and revaluation of deferred tax assets and liabilities had a positive impact on the effective tax rate in 2013.

*** The earnings per share for the periods prior to the demerger were computed as if the shares issued at the demerger were outstanding for all periods presented.

Consolidated statement of comprehensive income

EUR million	10-12/13	10-12/12	1-12/13	1-12/12
		Carve-out Restated	1-6/13 carve-out + 7-12/13 actual	Carve-out Restated
Profit for the period	**17.2**	**2.6**	**35.5**	**40.8**
Other comprehensive income				
Items that will not be reclassified to profit/loss:				
- Change in fair value of defined benefit pension	-2.1	1.2	-2.1	16.6
-- Deferred tax	1.5	-0.3	1.5	-5.5
Items that may be reclassified subsequently to profit/loss:				
- Cash flow hedges	0.0	0.0	0.1	-0.1
-- Deferred tax	0.0		0.0	0.0
- Change in fair value of available for sale investments	-0.1	-0.4	-0.3	-0.4
-- Deferred tax	0.1	0.1	0.1	0.1
- Translation differences	-4.9	-1.8	-5.9	3.9
Other comprehensive income, total	**-5.7**	**-1.1**	**-6.6**	**14.6**
Total comprehensive result	**11.5**	**1.6**	**28.9**	**55.3**
Attributable to:				
Equity holders of the parent Company	11.5	1.6	28.9	55.2
Non-controlling interests	0.0	0.0	0.0	0.1

Consolidated statement of financial position

EUR million	31.12.13	31.12.12	1.1.12
		Carve-out Restated	Carve-out Restated
Assets			
Non-current assets			
Property, plant and equipment	27.9	31.8	34.7
Goodwill	335.7	335.7	336.6
Other intangible assets	48.4	39.0	32.8
Shares in associated companies	0.1	0.1	0.1
Other investments	2.0	2.5	2.9
Other receivables	2.3	5.3	6.4
Deferred tax assets	3.5	5.5	8.7
Current assets			
Inventories	29.5	39.0	37.5
Trade and other receivables	691.4	779.4	797.0
Cash and cash equivalents	133.3	100.8	155.4
Total assets	**1,274.3**	**1,339.0**	**1,412.0**
Equity and liabilities			
Equity	**250.1**	**387.4**	**413.0**
Non-current liabilities			
Deferred tax liabilities	62.1	68.7	55.3
Pension obligations	51.1	51.8	66.1
Provisions	9.1	6.9	9.9
Borrowings	148.5	75.6	90.3
Other liabilities	0.2	4.6	6.1
Current liabilities			
Advances received	147.4	143.7	117.7
Trade and other payables	517.8	561.4	611.3
Provisions	16.7	23.3	25.8
Borrowings	71.3	15.4	16.5
Total equity and liabilities	**1,274.3**	**1,339.0**	**1,412.0**

Working capital

EUR million	31.12.13	31.12.12
		Carve-out
Inventories	29.5	39.0
Trade and POC receivables	647.1	733.3
Other current receivables	42.8	43.5
Trade and POC payables	-280.4	-301.9
Other current payables *	-245.5	-276.1
Advances received	-147.4	-143.7
Working capital	**46.0**	**94.0**

* including current provisions

Consolidated statement of changes in equity

	Equity attributable to owners of the parent								
EUR million	Invested equity	Share capital	Retained earnings	Cumulative translation differences	Fair value reserve	Treasury shares	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 1-6/13									
Profit for the period	7.0						7.0	0.0	7.0
Other comprehensive income:									
Cash flow hedges					0.1		0.1		0.1
- Deferred tax									
Change in fair value of available for sale assets					0.0		0.0		0.0
- Deferred tax					0.0		0.0		0.0
Translation differences				-1.5			-1.5		-1.5
Comprehensive income 1-6/13, total *	7.0			-1.5	0.1		5.6	0.0	5.6
Transactions with owners									
Share-based payments **	-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 capitalised 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**
Comprehensive income 7-12/13									
Profit for the period			28.5				28.5	0.0	28.5
Other comprehensive income:									
Change in fair value of defined benefit pension			-2.1				-2.1		-2.1
- Deferred tax			1.5				1.5		1.5
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 assets					-0.2		-0.2		-0.2
- Deferred tax					0.1		0.1		0.1
Translation differences				-4.3			-4.3		-4.3
Comprehensive income 7-12/13, total			27.9	-4.3	-0.2		23.3	0.0	23.3
Transactions with owners									
Share-based payments**			0.1			0.0	0.1		0.1
Transactions with owners, total			0.1			0.0	0.1		0.1
Equity on December 31, 2013	**-**	**1.0**	**247.0**	**1.7**	**-0.2**	**0.0**	**249.5**	**0.6**	**250.1**

* carve-out figures

** cost from YIT Group's share-based incentive plan transferred to Caverion Group in the partial demerger

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	16.6			16.6		16.6
-Deferred tax	-5.5			-5.5		-5.5
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 payments	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**

* carve-out figures

Condensed consolidated statement of cash flows

EUR million	10-12/13	10-12/12	1-12/13	1-12/12
		Carve-out Restated	1-6/13 carve-out + 7-12/13 actual	Carve-out Restated
Cash flows from operating activities				
Net profit for the period	17.2	2.6	35.5	40.8
Adjustments to net profit	5.3	2.9	31.0	29.7
Change in working capital	78.9	67.1	42.0	3.7
Financial items, net	-2.3	-0.9	-2.3	-7.0
Taxes paid	11.3	7.2	-5.7	-17.9
Net cash from operating activities	**110.3**	**78.9**	**100.4**	**49.3**
Cash flows used in investing activities				
Acquisition of subsidiaries, net of cash			-0.8	-7.3
Capital expenditure and other investments, net	-4.0	0.3	-25.5	-1.5
Net cash used in investing activities	**-4.0**	**0.3**	**-26.2**	**-8.8**
Operating cash flow after investments	**106.4**	**79.3**	**74.2**	**40.5**
Cash flows used in financing activities				
Change in current liabilities, net	-23.4	-0.2	-0.7	-0.5
Proceeds from borrowings			162.0	
Repayments of borrowings	-4.0	-4.0	-33.5	-15.0
Equity financing with YIT Group		-68.4	-164.5	-81.9
Net cash used in financing activities	**-27.4**	**-72.6**	**-36.8**	**-97.4**
Change in cash and cash equivalents	**79.0**	**6.7**	**37.3**	**-56.9**
Cash and cash equivalents at the beginning of the period	56.2	93.8	100.8	154.5
Change in the fair value of the cash equivalents	-1.8	0.2	-4.8	3.1
Cash and cash equivalents at the end of the period	133.3	100.8	133.3	100.8

Notes to the Financial Statements Bulletin

1 Accounting principles

General

On June 30, 2013 the partial demerger of Building Services business (“demerger”) of YIT Corporation became effective. At this date, all of the assets and liabilities directly related to the Building Services business were transferred to Caverion Corporation.

For the purposes of this financial statements bulletin “Caverion Group” refers to Caverion Corporation and its subsidiaries in relation to the period after the consummation of the demerger and to the Building Services business of YIT Corporation and its subsidiaries (“YIT Group”) prior to the consummation of the demerger.

Accounting principles applied in the financial statements bulletin

Caverion Group’s financial statements bulletin for January 1 - December 31, 2013 has been prepared in accordance with IAS 34: Interim Financial Reporting and in conformity with IFRS as adopted by the European Union. The information presented in this financial statements bulletin is based on the audited financial statements for 2013. Caverion has applied the same accounting principles ih the preparation of the financial statements bulletin as in its Financial Statements for 2013.

Caverion has formed a separate legal group as of June 30, 2013. The financial information presented in this financial statements bulletin is based on actual figures as an independent group after the consummation of the demerger and carve-out figures prior to the consummation of the demerger. The carve-out financial information presented in this financial statements bulletin reflects the performance and financial position of the entities that have historically formed the Building Services business within YIT Group.

Accordingly, the consolidated statement of financial position as of December 31, 2013, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the period July – December 2013 and the related key figures are based on actual figures as an independent group. The income statements, statements of cash flows, statements of financial position, statement of changes in equity and comparative figures for the periods before June 30, 2013 are based on carve-out financial information of Building Services business of YIT Group.

The consolidated financial information should be read in conjunction with the carve-out financial statements of Caverion Group as of and for the years ended December 31, 2012, 2011 and 2010 as included in the demerger and listing prospectus dated June 4, 2013.

The earnings per share for the periods prior to the demerger were computed as if the shares issued at the demerger were outstanding for all periods presented.

In the financial statements bulletin the figures are presented in million euros subject to rounding, which may cause some rounding inaccuracies in column and total sums.

Accounting principles of carve-out financial information

The carve-out financial statements of Caverion Group have been prepared on a carve-out basis 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 also include allocations of income, expenses, assets, liabilities and cash flows from the YIT parent company and Perusyhtymä Oy.

The carve-out financial statements of Caverion Group have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted and endorsed 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” of the carve-out financial statements as of and for the years ended December 31, 2012, 2011 and 2010.

The carve-out financial statements have 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.

Refinancing relating to the partial demerger was arranged and finalized during June 2013. The carve-out financial statements for the periods prior to the consummation of the demerger have not been adjusted to reflect the effects of this reorganization of financing. Thus, the assets, equity and liabilities presented in this financial statements bulletin are not comparable with comparative periods.

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 statement of financial position. 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 for the year ended December 31, 2012 has been presented in the demerger and listing prospectus dated June 4, 2013 and in the consolidated financial statements for 2013.

2 Segment information

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

Revenue

EUR million	1-12/13		1-12/12	
Building Services Northern Europe	1,922.7		2,089.2	
- group internal	-0.2		0.0	
- external	1,922.5		2,089.2	
Building Services Central Europe	621.3		714.2	
- group internal	-0.2		-0.2	
- external	621.1		714.0	
Revenue in total	**2,543.6**		**2,803.2**	

EBITDA and operating profit

EUR million	1-12/13	%	1-12/12	%
EBITDA				
Building Services Northern Europe	52.3	2.7	59.5	2.8
Building Services Central Europe	23.6	3.8	33.2	4.7
Group services and other items	-5.0		-7.4	
EBITDA total	**70.9**	**2.8**	**85.3**	**3.0**
Operating profit				
Building Services Northern Europe	36.4	1.9	41.1	2.0
Building Services Central Europe	18.8	3.0	27.4	3.8
Group services and other items	-5.8		-7.4	
Operating profit total	**49.4**	**1.9**	**61.1**	**2.2**

Order backlog

EUR million	12/13	9/13	6/13	3/13	12/12	9/12	6/12	3/12
Building Services Northern Europe	764.6	797.1	829.2	844.7	819.0	904.9	955.1	969.4
Building Services Central Europe	476.0	498.9	444.9	470.5	380.1	435.5	473.4	500.5
Order backlog, total	1,240.7	1,296.0	1,274.2	1,315.2	1,199.1	1,340.4	1,428.5	1,469.9

Operative invested capital*)

EUR million	12/13	9/13	6/13	3/13	12/12	9/12	6/12	3/12
Building Services Northern Europe	283.5	330.0	335.3	321.5	344.8	393.6	352.0	327.8
Building Services Central Europe	100.6	141.9	136.5	118.8	96.6	114.2	107.0	97.0

Return on operative invested capital*)

last 12 months, %	12/13	9/13	6/13	3/13	12/12	9/12	6/12	3/12
Building Services Northern Europe	11.6	4.9	5.8	9.0	11.0	16.9	20.3	23.4
Building Services Central Europe	19.1	18.0	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

	12/13	12/12
Revenue, EUR million	2,543.6	2,803.2
EBITDA, EUR million	70.9	85.3
EBITDA margin, %	2.8	3.0
Operating profit, EUR million	49.4	61.1
Operating profit margin, %	1.9	2.2
Profit before taxes, EUR million	42.8	57.5
Margin, %	1.7	2.1
Profit for the period, EUR million	35.5	40.8
Margin, %	1.4	1.5
Earnings per share, basic, EUR *	0.28	0.32
Earnings per share, diluted, EUR *	0.28	0.32
Equity per share, EUR	2.0	3.1
Financial income and expenses, net, EUR million	-6.6	-3.6
Equity ratio, %	22.2	32.4
Interest-bearing net debt, EUR million	86.5	-9.8
Gearing ratio, %	34.6	-2.5
Total assets, EUR million	1,274.3	1,339.0
Operating cash flow after investments, EUR million	74.2	40.5
Working capital, EUR million	46.0	94.0
Gross capital expenditures, EUR million	27.8	16.2
% of revenue	1.1	0.6
Order backlog, EUR million	1,240.7	1,199.1
Personnel, average for the period	18,071	19,132
Number of outstanding shares at the end of the period (thousands)	125,592	n/a
Average number of shares (thousands)	125,595	n/a

* Earnings per share for the financial year 2012 has been computed using the number of shares issued at the partial demerger.

4 Financial development by quarter

EUR million	10-12/13	7-9/13	4-6/13	1-3/13	10-12/12	7-9/12	4-6/12	1-3/12
Revenue								
Building Services Northern Europe	519.1	434.0	501.0	468.6	552.7	485.3	538.1	513.1
Building Services Central Europe	169.2	160.7	152.1	139.2	195.8	179.5	179.5	159.4
Eliminations	-0.3	0.0	-0.3	0.0	-0.1	-0.1	0.0	0.0
Revenue, total	**688.1**	**594.8**	**652.8**	**607.9**	**748.4**	**664.7**	**717.6**	**672.5**
EBITDA								
Building Services Northern Europe	18.5	17.5	10.0	6.3	0.3	20.7	19.5	19.0
Building Services Central Europe	7.9	6.9	4.4	4.5	12.1	6.8	7.9	6.4
Group services and other items	-1.1	-1.1	-1.5	-1.3	-2.6	-1.3	-1.7	-1.8
EBITDA, total	**25.3**	**23.3**	**12.9**	**9.4**	**9.8**	**26.3**	**25.6**	**23.6**
% of revenue	3.7	3.9	2.0	1.5	1.3	4.0	3.6	3.5
Operating profit								
Building Services Northern Europe	14.5	13.5	6.1	2.2	-4.0	15.4	15.2	14.5
Building Services Central Europe	6.6	5.6	3.2	3.4	10.8	4.8	6.6	5.2
Group services and other items	-1.6	-1.4	-1.5	-1.3	-2.6	-1.3	-1.7	-1.8
Operating profit, total	**19.5**	**17.8**	**7.8**	**4.3**	**4.3**	**18.9**	**20.1**	**17.8**
% of revenue	2.8	3.0	1.2	0.7	0.6	2.9	2.8	2.6

	10-12/13	7-9/13	4-6/13	1-3/13	10-12/12	7-9/12	4-6/12	1-3/12
Earnings per share, basic, EUR*	0.14	0.09	0.03	0.02	0.02	0.11	0.10	0.09
Earnings per share, diluted, EUR*	0.14	0.09	0.03	0.02	0.02	0.11	0.10	0.09
Equity per share, EUR	2.0	1.9	1.8	2.9	3.1	3.6	3.3	3.3
Financial income and expenses, net, EUR million	-2.3	-1.9	-2.1	-0.3	-0.6	-0.3	-1.7	-1.0
Equity ratio, %	22.2	21.1	19.9	32.8	32.4	36.4	33.9	33.5
Interest-bearing net debt, EUR million	86.5	190.1	194.0	21.2	-9.8	1.4	-11.1	-41.9
Gearing ratio, %	34.6	79.7	85.5	5.8	-2.5	0.3	-2.6	-10.1
Total assets, EUR million	1,274.3	1,291.1	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	106.4	5.3	-35.3	-2.2	79.3	-25.5	-18.4	5.1
Gross capital expenditures, EUR million	4.4	0.8	21.7	0.9	2.3	2.2	4.1	7.5
% of revenue	0.6	0.1	3.3	0.1	0.3	0.3	0.6	1.1
Order backlog, EUR million	1,240.7	1,296.0	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	17,673	17,890	18,125	18,260	18,618	19,013	19,280	19,198
Number of outstanding shares at the end of the period (thousands)	125,592	125,595	125,596	n/a	n/a	n/a	n/a	n/a
Average number of shares (thousands)	125,595	125,596	125,596	n/a	n/a	n/a	n/a	n/a

* Earnings per share for the periods prior to the demerger has been computed using the number of shares issued at the partial demerger.

5 Formulas for calculation of financial indicators

EBITDA =	Operating profit (EBIT) + depreciation, amortisation and impairment
Working capital =	Inventories + trade and POC receivables + other current receivables - trade and POC payables - other current payables - advances received - current provisions
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 Total assets - 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) Average number of outstanding shares during period
Equity / share (EUR) =	Shareholders' equity Number of outstanding shares at the end of period

6 Unusual items affecting operating profit

EUR million	10-12/13	7-9/13	4-6/13	1-3/13	10-12/12	7-9/12	4-6/12	1-3/12
Building Services Northern Europe	-1.0	-2.7	-1.4	-2.8	-3.0		-2.8	
Building Services Central Europe	-0.3	-0.8	-1.4			-0.9		
Group services	-0.1		-0.3					
Total	-1.4	-3.5	-3.1	-2.8	-3.0	-0.9	-2.8	

Demerger related costs totalled EUR 1.0 million in Building Services Northern Europe, EUR 0.3 million in Building Services Central Europe and EUR 0.1 million in Group Services during October - December 2013.

Demerger related costs totalled EUR 2.7 million in Building Services Northern Europe and EUR 0.8 million in Building Services Central Europe during July–September 2013.

During April–June 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 HOCHTIEF Service Solutions 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, approximately EUR 2.8 million of adjustment costs were entered during January–March in 2013.

Building Services Northern Europe entered costs relating to the reorganisation 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 the 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 9.0 months.

The objective of capital management in Caverion Group is to maintain the optimal capital structure, maximise the return on the respective capital employed, and to minimise 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.

EUR million	31 December 2013 Carrying amount	31 December 2013 Fair value	31 December 2012 Carrying amount	31 December 2012 Fair value
Non-current liabilities				
Loans from financial institutions	138.1	139.5	63.5	56.3
Pension loans	8.0	7.7	10.0	9.2
Other financial loans	1.2	1.2	1.6	1.6
Finance lease liabilities	1.2	1.3	0.5	0.5

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 a 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 December 31, 2013				
EUR million	**Level 1**	**Level 2**	**Level 3**	**Total**
Available-for-sale investments	0.6		1.4	2.0
Derivatives (hedge accounting not applied)		0.1		0.1
Derivatives (hedge accounting applied)				
Total assets	**0.6**	**0.1**	**1.4**	**2.1**
Liabilities December 31, 2013				
EUR million	**Level 1**	**Level 2**	**Level 3**	**Total**
Derivatives (hedge accounting not applied)		0.8		0.8
Derivatives (hedge accounting applied)		0.1		0.1
Total liabilities		**0.9**		**0.9**

Assets December 31, 2012				
EUR million	**Level 1**	**Level 2**	**Level 3**	**Total**
Available-for-sale investments	0.6		1.9	2.5
Derivatives (hedge accounting not applied)				
Derivatives (hedge accounting applied)				
Total assets	**0.6**		**1.9**	**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 31 December 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 on 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 or prices obtained from a broker as their fair value cannot be measured reliably.

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

EUR million	Assets December 31, 2013	Liabilities December 31, 2013	Assets December 31, 2012	Liabilities December 31, 2012
Opening balance	1.9		2.3	
Transfers into / from Level 3				
Purchases and sales	-0.1			
Gains and losses recognised in profit or loss				
Gains and losses recognised in other comprehensive income	-0.3		-0.4	
Closing balance	1.4		1.9	

Derivative instruments

NOMINAL AMOUNTS		
EUR million	**December 31, 2013**	**December 31, 2012**
--Interest rate derivatives	70.0	45.5
--Foreign exchange forwards	32.9	32.1

FAIR VALUES		
EUR million	**12/13**	**12/12**
--Interest rate derivatives		
positive fair value		
negative fair value	-0.1	-0.2
--Foreign exchange forwards		
positive fair value	0.1	0.2
negative fair value	-0.8	-0.7

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	December 31, 2013	December 31, 2012
Collateral given for own commitments		
- Corporate mortgages		0.7
Guarantees given on behalf of associated companies	0.2	0.2
Parent company's guarantees on behalf of its subsidiaries	468.1	557.1
Other commitments		
- Operating leases	210.4	219.5
- Other contingent liabilities	0.2	0.2

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. The nominal amount for these YIT Corporation's floating rate bonds was EUR 94.6 million on December 31, 2013, and they mature as follows: 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 389.1 million at the end of December 2013.

11 Events after the reporting period

The Board of Directors of Caverion Corporation decided on 27 January, 2014 that Caverion's external reporting structure will be changed as of January 1, 2014 to better match the company's new management structure and business areas. The segments based on geographical areas (Building Services Northern Europe and Building Services Central Europe) are replaced by one single operative segment, that will also include the Group services and other items. Since Caverion's establishment, both service and maintenance and project businesses have been developed strongly across all countries. Therefore, replacing reporting segments that are purely based on geographical areas was an evident decision. The first interim report based on the new reporting structure will be published on April 24, 2014 (interim report for January–March 2014). The change in reporting structure will have no effect on the Group's strategic targets. At the same time, Caverion is renewing its guidance terminology so that it will more closely reflect the newly established company's practice in estimating the future financial development. In the future, the company will give a verbal guidance with regard to revenue and profitability. However, the development of profitability in 2014 will be estimated also in absolute figures, due to the exceptional comparison period.

Caverion announced on January 20, 2014 that its Board of Directors had chosen Fredrik Strand as Caverion's new President and Chief Executive Officer. He will take up the new position during Q2, 2014. Currently, Fredrik Strand works as President and CEO at Sodexo, being responsible for the company's Nordic businesses. Swedish citizen Fredrik Strand has worked in his current position since 2009. Between 1989 and 2009 he worked at Ericsson in several leadership positions. During this period he led e.g. Ericsson's global service delivery operations and its development. He has also been responsible for the company's service business in Latin America and the United States. Caverion's current President and CEO Juhani Pitkäkoski will continue in his position until Fredrik Strand will take up the position. After that Pitkäkoski will support onboarding of the new CEO and will enhance development of Caverion's strategic growth process, reporting to Fredrik Strand.