

Caverion



Q1

Interim Report 1-3/2016

INTERIM REPORT FOR JANUARY 1 – MARCH 31, 2016**January 1 – March 31, 2016**

- **Order backlog:** EUR 1,589.4 (12/2015: 1,461.4) million, an increase of 9% from the end of last year.
- **Revenue:** EUR 560.6 (563.4) million.
- **EBITDA:** EUR 11.5 (14.2) million, or 2.0 (2.5) percent of revenue.
- **Free cash flow:** EUR -28.8 (0.8) million.
- **Earnings per share, basic:** EUR 0.03 (0.04) per share.

Unless otherwise noted, the figures in brackets refer to the corresponding period in the previous year.

KEY FIGURES

EUR million	1-3/16	1-3/15	Change	1-12/15
Order backlog	1,589.4	1,392.4	14%	1,461.4
Revenue	560.6	563.4	-1%	2,443.0
EBITDA	11.5	14.2	-19%	91.5
EBITDA margin, %	2.0	2.5		3.7
Operating profit	4.8	7.9	-38%	65.0
Operating profit margin, %	0.9	1.4		2.7
Net profit for the period	3.3	5.4	-40%	46.6
Earnings per share, basic, EUR	0.03	0.04	-41%	0.37
Working capital	17.4	-13.1		-13.6
Free cash flow	-28.8	0.8		53.9
Interest-bearing net debt	59.2	49.7	19%	29.8
Gearing, %	26.4	23.0		11.6
Personnel, average for the period	17,506	17,004	3%	17,321

Word from the President and CEO Fredrik Strand

“Our order backlog grew by 8 percent from the end of last year and by 15 percent from the end of March 2015 at comparable exchange rates. Since the start of the year, we have announced two big and exciting life cycle contracts in line with our strategy. In Finland, we will deliver the Total Technical Solutions covering all building systems in the Nummi service centre for the City of Hämeenlinna. Once completed, we will be responsible for the property’s Technical Maintenance and Managed Services for the next 20 years. This means Caverion will be responsible for the property’s usability, conditions, safety and energy use during its entire life cycle. Another similar but even bigger project worth over EUR 80 million was signed at Kalvebod Brygge in Copenhagen at the beginning of the year. It is one of the largest PPP projects in Denmark and also one of the largest orders Caverion has ever received. These projects show that we are bringing our vision to life by providing Life Cycle Solutions for our clients.

We are still affected by changes in our operating environment in e.g. Norway. The market conditions in Norway have not improved from the end of 2015 and Caverion does not expect any immediate improvement.

During the period, we have also recognised a lower than planned utilisation rate. This mainly relates to the utilisation rate in Technical Installation and Maintenance in Sweden and Denmark-Norway, which was lower than expected during the first quarter. We have initiated actions to mitigate additional negative outcome: closed non-performing units, merged regions, made temporary lay-offs as well as decreased our administrative costs in the divisions. At the end of the first quarter we have 300 people on temporary layoffs and have initiated restructuring actions corresponding to a cost of EUR 2.0 million in the first quarter.

During the period, we continued to invest in the implementation of our harmonised systems throughout the group. At the end of the first quarter both Northern and Central Europe now share the same infrastructure. In the second quarter we continue to implement the harmonised systems in all our divisions, which also enable easier integration of potential acquired businesses into our operations.

OUTLOOK FOR 2016

Market outlook for Caverion's services and solutions

The megatrends in the industry, such as the increase of technology in buildings, energy efficiency requirements, increasing digitalisation and automation as well as urbanisation continue to promote demand for Caverion's services and solutions over the coming years.

The Technical Installation and Maintenance market is expected to remain stable. Requirements for increased energy efficiency, better indoor conditions and tightening environmental legislation will be significant factors supporting the positive market development. In Norway, the general economy has been impacted by the slowdown in the oil industry, which may continue to have a negative effect on the Technical Installation and Maintenance business.

In the Large Projects market, the new tenders for buildings and industry are expected to increase during the year. Positive signs have been seen both in received orders and in tendering activity, especially in the public and industrial sectors and we expect the positive trend to continue. Low interest rates and availability of financing are expected to support investments. The demand for Design & Build of Total Technical Solutions is expected to develop favourably in the large and technically demanding projects. The slowdown in the nuclear industry in Germany and Sweden, the mining industry in Sweden and the oil industry in Norway is still expected to continue and may result in further project postponements or cancellations.

Underlying demand for Managed Services is expected to remain strong. As technology in buildings is increasing the need for new services and the demand for Life Cycle Solutions are expected to increase. Clients' tendency towards focusing on their core operations continues to open opportunities for Caverion in terms of outsourced operation and maintenance especially for public authorities, industries and utilities.

Guidance for 2016

Caverion revised its guidance on April 27, 2016, according to which Caverion estimates that the Group's revenue for 2016 will remain at the previous year's level (2015: EUR 2,443 million) and the Group's EBITDA for 2016 will grow from the previous year (2015: EUR 91.5 million).

Caverion foresees that the divisions Sweden and Denmark-Norway cannot recover their lower performance in the first quarter in Technical Installation and Maintenance during the rest of the year. Low utilisation rate and restructuring measures within the Group in relation to this are expected to affect the reported EBITDA in 2016. Managed Services and Large Projects are expected to develop according to plan.

INFORMATION SESSION, WEBCAST AND CONFERENCE CALL

Caverion will hold a news conference and webcast on the Interim Report on Thursday, April 28, 2016, at 11:00 a.m. (Finnish Time, EEST) at the Kämp Hotel (Gallen-Kallela meeting room), Kluuvikatu 2, Helsinki, Finland. The news conference can also be viewed live on Caverion's website at www.caverion.com/investors. It is also possible to participate in the event through a conference call by calling the assigned number +44(0)20 3427 1909 at 10:55 a.m. (Finnish time, EEST) at the latest. Participant code for the conference call is "8764402 / Caverion". More practical information on the news conference can be found on Caverion's website, www.caverion.com/investors.

Financial information and IR events in 2016

Interim Reports will be published on July 21 and October 27, 2016. Financial reports and other investor information are available on 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 will also arrange a Capital Markets Day in Helsinki, Finland on September 8, 2016 at 9:00 a.m. (EEST). Further information on the programme will be published as a stock exchange release closer to the date.

CAVERION CORPORATION

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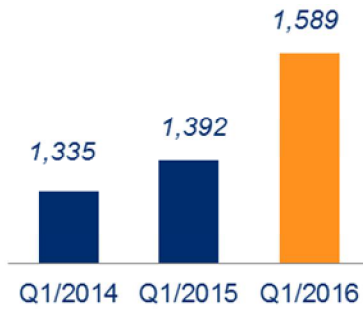
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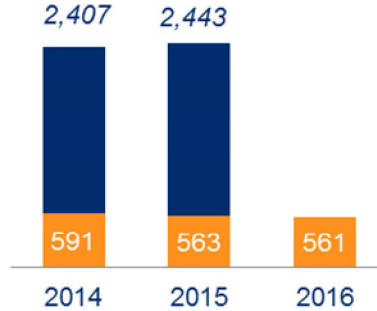
GROUP FINANCIAL DEVELOPMENT

Key Figures

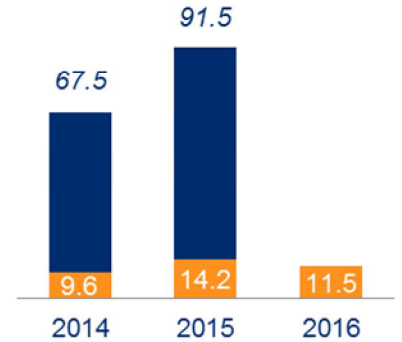
Order backlog
(EUR million)



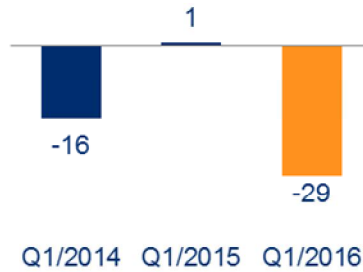
Revenue
(EUR million)



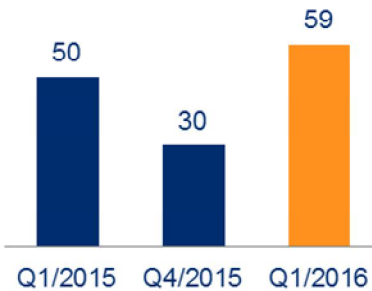
EBITDA (EUR million)



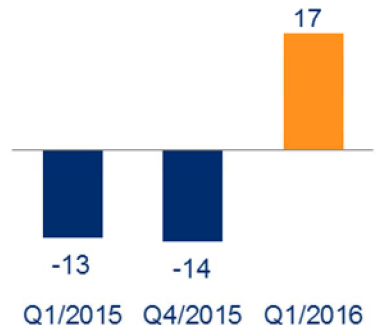
Free cash flow
(EUR million)



Net debt
(EUR million)



Working capital
(EUR million)



Revenue by business area
% of revenue 1-3/2016



- Technical Installation and Maintenance 67%
- Large Projects 20%
- Managed Services 13%

Revenue by division
% of revenue 1-3/2016



- Germany 22%
- Sweden 22%
- Denmark-Norway 20%
- Industrial Solutions 14%
- Finland 13%
- Austria 6%
- Eastern Europe 3%

Personnel by division
at the end of 1-3/2016



- Germany 14%
- Sweden 20%
- Denmark-Norway 21%
- Industrial Solutions 16%
- Finland 14%
- Austria 4%
- Eastern Europe 11%
- Group Services 1%

Changes in external financial reporting in 2016

Caverion announced in a stock exchange release on January 27, 2016 that it is making changes to its external financial reporting as of January 1, 2016 in order to increase the transparency of its operations and align the financial reporting with the next phase of Group strategy. The old business areas (“Service and Maintenance” and “Projects”) will thereby be replaced by three new business areas: “Technical Installation and Maintenance”, “Large Projects” and “Managed Services”. Going forward, Caverion will disclose revenue based on this new business area breakdown. Furthermore, the geographical breakdown will be reported by divisions: Sweden, Finland, Germany, Denmark-Norway, Austria, Eastern Europe and Industrial Solutions. Going forward, Caverion will disclose revenue and personnel by division. All the above reporting changes will be implemented as of January 1, 2016 onwards. Caverion will not report all historically comparable figures for the periods preceding January 1, 2016. Going forward, the Group will still only have one single operative segment that also includes the Group services and other items.

Operating environment in the first quarter in 2016

The overall market situation was relatively stable throughout the period. Demand developed favourably for divisions Germany and Sweden as well as division Finland and Industrial Solutions. Divisions Eastern Europe and Austria remained stable. In Denmark-Norway, the general economy has been impacted by the slowdown in the oil industry. Caverion has actively responded to the recent market changes in Norway through careful selection of new projects and service contracts as well as by proving its long-term commitment to key clients while also restructuring its operations.

The market for Technical Installation and Maintenance business was weaker than expected for the period. However, requirements for increased energy efficiency, better indoor climate and tightening environmental legislation are significant factors to support positive market development for the rest of the year. In Norway, the slowdown in the oil industry also had an effect on the Technical Installation and Maintenance business. The utilisation rate was lower than expected in Sweden.

In general in the market for Large Projects, development was good with new clients and contracts. Positive signs were seen in tendering activity, especially in the public and industrial sectors. The demand for Design & Build of Total Technical Solutions developed favourably within large and technically demanding projects. Low interest rates and availability of financing supported investments. A tough pricing environment prevailed but Caverion was able to maintain its price levels with focus on quality and execution. In Norway and Austria there have been postponements in new investments. In certain industries, such as the nuclear industry in Germany and Sweden, the mining industry in Sweden and the oil industry in Norway, there were however less investments made compared to the previous year, which resulted in project postponements or cancellations.

Demand for Managed Services remained strong. Clients’ willingness to focus on their core operations opened up new opportunities for Caverion in terms of outsourced operation and maintenance mainly for public authorities, industries and utilities. Interest in private public partnerships and other Life Cycle Solutions was increasing while these kind of commercial models still represent only a marginal part of the entire market.

Order backlog

The order backlog increased by 9 percent from the end of December and amounted to EUR 1,589.4 million at the end of March (December 2015: EUR 1,461.4 million), reflecting our growth targets in Large Projects and Managed Services. The order backlog increased by 14 percent compared to the previous year (end of March 2015: EUR 1,392.4 million). At comparable exchange rates the order backlog increased by 8 percent from the end of December 2015 and by 15 percent from the end of March 2015.

Revenue

The revenue for January–March remained on par with the previous year and was EUR 560.6 (563.4) million. The revenue growth was largest in Germany, Industrial Solutions and Eastern Europe compared to the previous year. In Industrial Solutions the main driver for growth was the increased activity among industrial clients in Finland, while in Germany the increase was due to improved demand in Large Projects. In Norway, the general economy has been impacted by the slowdown in the oil industry, which has also had an effect on the demand in the Technical Installation and Maintenance business.

Changes in foreign exchange rates decreased the Group's total revenue for January–March by EUR 8.3 million compared to the previous year, of which the Norwegian crown accounted for EUR 7.8 million, the Russian rouble for EUR 1.1 million, while the Swedish crown increased the Group's total revenue by EUR 0.8 million. Revenue increased by 1 percent at previous year's exchange rates for January–March. In Denmark-Norway the revenue with comparable exchange rates decreased by 10 percent compared to the previous year.

The Technical Installation and Maintenance revenue for January–March amounted to EUR 372.8 million, or 67 percent of the Group's total revenue. The Large Projects revenue was EUR 112.9 million, or 20 percent of the Group's total revenue. The revenue for Managed Services amounted to EUR 74.9 million, or 13 percent of the Group's total revenue.

Distribution of revenue

Revenue, EUR million	1-3/ 2016	%	1-3/ 2015	%	Change	1-12/ 2015
Germany	125.1	22%	112.9	20%	11%	526.4
Sweden	124.3	22%	129.7	23%	-4%	537.6
Denmark-Norway	109.8	20%	130.9	23%	-16%	503.2
Industrial Solutions	80.9	14%	73.9	13%	9%	363.8
Finland	71.6	13%	66.9	12%	7%	286.7
Austria	32.4	6%	35.0	6%	-8%	149.1
Eastern Europe	16.5	3%	14.1	3%	17%	76.3
Group, total	560.6	100%	563.4	100%	-1%	2,443.0
- Technical Installation and Maintenance	372.8	67%	-	-	-	-
- Large Projects	112.9	20%	-	-	-	-
- Managed Services	74.9	13%	-	-	-	-

Profitability

EBITDA

The EBITDA for January–March decreased clearly from the previous year and amounted to EUR 11.5 (14.2) million, or 2.0 (2.5) percent of revenue.

During the period, Caverion has recognised a lower than planned utilisation rate in its Technical Installation and Maintenance units. This mainly relates to the utilisation rate in Technical Installation and Maintenance in Sweden and Denmark-Norway, which was lower than expected during the first quarter. Caverion is still affected by changes in its operating environment in e.g. Norway. The market conditions in Norway have not improved from the end of 2015 and Caverion does not expect any immediate improvement. At the end of the first quarter Caverion has 300 people on temporary layoffs and has initiated restructuring actions corresponding to a cost of EUR 2.0 million in the first quarter.

Caverion has continued investments in common processes, which has also been reflected in operational expenses. The EBITDA for the period is also burdened expenses of EUR 0.1 million in Germany related to ongoing legal investigations.

EBITDA is defined as Operating profit + Depreciation, amortisation and impairment.

Operating profit

The operating profit for January–March amounted to EUR 4.8 (7.9) million, or 0.9 (1.4) percent of revenue.

Depreciation, amortisation and impairment amounted to EUR 6.6 (6.4) million in January–March, of which EUR 1.6 million were allocated intangibles related to acquisitions and EUR 5.0 million were other depreciations.

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

Profit before taxes, net profit and earnings per share

Profit before taxes amounted to EUR 4.3 (7.1) million, net profit to EUR 3.3 (5.4) million and earnings per share to EUR 0.03 (0.04) in January–March. The net financing expenses in January–March were EUR -0.6 (-0.7) million.

The effective tax rate of the Group was 23.3 (23.8) percent in January–March.

Capital expenditure, acquisitions and disposals

During the period, Caverion has invested in its harmonised operational model, processes and systems. Gross capital expenditure on non-current assets included in the balance sheet totalled EUR 7.1 (7.3) million during January–March, representing 1.3 (1.3) percent of revenue.

Investments in information technology totalled EUR 5.1 (3.8) million during January–March. IT investments were focused on building a harmonised IT platform and implementing a common ERP template. The IT systems and mobile tools were also developed to improve the internal processes and efficiency. Other investments, including acquisitions, amounted to EUR 2.0 (3.6) million.

During the period, Caverion signed an agreement with Mr Alfred Lotter on the purchase of the business of Arneg Kühlmöbel u. Ladeneinrichtungen, Produktions- u. Handelsgesellschaft mbH ("Arneg Kühlmöbel"). The transaction was approved by the Austrian Federal Competition Authority on January 19, 2016. The acquisition supports Caverion's growth strategy and expands on its position within the cooling technology market in Austria. The purchase price was not disclosed. Arneg Kühlmöbel is one of the leading suppliers of cooling technology in Austria. In 2014, the company's revenue was about EUR 7.0 million. The company employs about 35 people.

Furthermore, Caverion signed an agreement with YIT Kuntatekniikka Oy to acquire the company's technical maintenance business in January. The transaction supports Caverion's growth strategy and presence in the Mikkeli area in Finland. The purchase price was not disclosed. In connection with the transaction, approximately 60 employees from YIT Kuntatekniikka were transferred into Caverion Suomi Oy's employment. IT Kuntatekniikka is jointly owned by the City of Mikkeli and YIT Construction Oy.

Cash flow, working capital and financing

The Group's Free cash flow amounted to EUR -28.8 (0.8) million in January–March. The Free cash flow is defined as: Free cash flow = Operating cash flow before financial and tax items – Taxes paid – Net cash used in investing activities (net, including acquisitions and disposals). The Group's operating cash flow before financial and tax items amounted to EUR -18.8 (9.8) million in January–March.

Working capital was EUR 17.4 million at the end of March (12/2015: EUR -13.6 million). The working capital in the end of the first quarter was affected by the technical completion of projects with related legal disputes and building up of material inventory in Large Projects in Industrial Solutions.

Caverion's cash and cash equivalents amounted to EUR 38.6 million at the end of March (12/2015: EUR 68.1 million). In addition, Caverion has undrawn revolving credit facilities amounting to EUR 100.0 million and undrawn overdraft facilities amounting to EUR 19.0 million.

The Group's interest-bearing loans and borrowings amounted to EUR 97.9 million at the end of March (12/2015: EUR 97.9 million), and the average interest rate after hedges was 1.29 percent. Fixed-rate loans after hedges against interest rate rise accounted for almost 100 percent of the Group's borrowings. Approximately 92 percent of the loans have been raised from banks and other financial institutions, and approximately 6 percent from insurance companies. A total of EUR 22.5 million of the interest-bearing loans and borrowings will fall due during the next 12 months.

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 59.2 million at the end of March (12/2015: EUR 29.8 million).

PERSONNEL

Personnel by division, end of period	3/16	3/15	Change	12/15
Finland	2,382	2,244	6%	-
Denmark-Norway	3,677	3,763	-2%	-
Sweden	3,468	3,446	1%	-
Germany	2,460	2,300	7%	-
Austria	769	774	-1%	-
Eastern Europe	1,859	1,597	16%	-
Industrial Solutions	2,747	2,800	-2%	-
Group Services	137	81	69%	-
Group, total	17,499	17,005	3%	17,399

In January–March 2016 the Group employed 17,506 (17,004) people on average. At the end of March 2016, the Group employed 17,500 (17,005) people. The personnel expenses for January–March 2016 amounted to a total of EUR 243.9 (247.5) million.

The key focus areas for human resources and people were to continue building a firm foundation for future growth and competitiveness, an efficient way of operating and support to lead transformation professionally. During the period, Caverion strengthened its teams with senior leaders, key professionals and trainees to grow by recruiting and conducting trainee and learning programs. The strategic focus area Excellent Leadership was continued to lead effectively group-wide development projects such as implementation of a common job structure and performance development, group-wide leadership development and code of conduct learning program and implementation of common people processes with integrated solutions. The group-wide work safety project progressed with high ambition level. One of the key targets of the Caverion human resource and safety management is to provide prerequisites for health and safe working circumstances for all employees.

Changes in Caverion's Group Management Board

Caverion announced on February 29, 2016 that in line with the shifting focus within Caverion from development to implementation and growth, the following changes in Caverion's Group Management Board will take place as of March 1, 2016. Group support function Group Development and Strategy will be discontinued and its tasks are divided between two other group support functions to increase focus on implementation of the Group Enterprise architecture and efficient, group-wide procurement. Information Technology & Systems Management (IS/IT) as well as Strategy and Mergers & Acquisitions (M&A) will be part of the Business Development & Marketing group function, led by Carina Qvarngård. Procurement will be part of Delivery & Operations Development group function, led by Matti Malmberg. The changes will not have any change to the operational model of the divisions. Sakari Toikkanen, the head of the discontinued group function Group Development and Strategy continues in the Group's employ, focusing solely on strategy execution and driving the M&A processes within the group. Mr. Toikkanen resigned from the Group Management Board of Caverion as of March 1, 2016.

MOST SIGNIFICANT BUSINESS RISKS AND RISK MANAGEMENT

Caverion's business involves a number of strategic, operational, financial and event risks. 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. A strategic risk assessment is carried out at Group level once a year in connection with the review of the strategy.

The investigation of violations of competition law related regulations in the technical services industry in Germany continues. As part of the investigation German authorities have searched information at various technical services providers, including Caverion. Caverion actively co-operates with the local authorities in the matter. Based on the currently available information, it is not possible to evaluate the magnitude of the potential risk and costs for Caverion related to these issues. It is possible that the costs and/or sanctions can be material.

As part of this co-operation Caverion has identified activities during 2009-2011 that are likely to fulfil the criteria of corruption or other criminal commitment in one of its client project executed in that time. Caverion has brought its findings to the knowledge of the authorities and supports them to further investigate the case. It is possible that these infringements will cause considerable damage to Caverion in terms of fines, civil claims as well as legal

expenses. However, the magnitude of the potential damage cannot be assessed at the moment. Caverion is monitoring the situation and will disclose any relevant information as applicable under regulations.

Following the insolvency of Imtech Germany the commitments of the consortium ImCa at the Berlin Brandenburg Airport lie solely with Caverion. This does not have a material impact on Caverion's commitments at the end of the period.

In 2015, Caverion strengthened its Enterprise Risk Management and Compliance organisations and the development the related policies and processes is ongoing. Caverion has also launched an annual, group-wide compliance training program that all employees are going through.

Caverion's financial statements bulletin for January–December 2015 published on January 27, 2016 describes the most significant other business risks, and no significant changes in them have taken place compared to the status stated therein.

A more detailed account of the risks relating to Caverion and its operating environment and business has been published in the Board of Director's Report published in the Annual Report for 2015. Financial risks have been described in more detail in the Financial Statements note 29 "Financial Risk Management".

RESOLUTIONS PASSED AT THE ANNUAL GENERAL MEETING

The Annual General Meeting of Caverion, held on March 21, 2016, decided on the composition of the Board of Directors and their fees, the election of the auditor and its fee as well as the authorisation of the Board of Directors on the repurchase of own shares and share issues.

The Annual General Meeting elected a Chairman, Vice Chairman and four ordinary members to the Board of Directors. Ari Lehtoranta was elected as the Chairman, Michael Rosenlew as the Vice Chairman and Markus Ehrnrooth, Anna Hyvönen, Eva Lindqvist and Ari Puheloinen as members for a term continuing until the end of the next Annual General Meeting.

The stock exchange release on the resolutions passed at the Annual General Meeting is available on Caverion's website at www.caverion.com.

The Board of Directors held its organisational meeting on March 21, 2016. At the meeting the Board decided on the composition of the Human Resources Committee and the Audit Committee. A description of the committees' tasks and charters are available on Caverion's website at www.caverion.com/investors - Corporate Governance.

DIVIDENDS AND DIVIDEND POLICY

The Annual General Meeting, held on March 21, 2016, decided that a dividend of EUR 0.28 was to be paid per share, or a total of EUR 35.0 million. No dividend was paid for the treasury shares. Dividend payment record date was March 23, 2016, and the dividends were paid on April 4, 2016.

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

SHARES AND SHAREHOLDERS

Caverion Corporation is a public limited company organised under the laws of the Republic of Finland, incorporated 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

At the beginning of January 1, 2016, the number of shares was 125,596,092 and the share capital was EUR 1,000,000. Caverion held 512,091 treasury shares on January 1, 2016.

During January–March 237 Caverion shares were returned to the company in accordance with the terms and conditions of the share-based incentive scheme of YIT Corporation. Caverion held 512,328 treasury shares at the end of March 2016. Number of shares outstanding was thus 125,083,764 on March 31, 2016. Own shares held by Caverion Corporation represent 0.41% of the total number of shares and voting rights.

Caverion has not made any decision regarding the issue of option rights or other special rights entitling to shares. Caverion's Board of Directors approved a new long-term share-based incentive plan for the Group's senior management in December 2015. The new plan consists of a Performance Share Plan, complemented with a Restricted Share Plan for special situations. Both plans consist of annually commencing individual plans, each with a three-year period. The commencement of each new plan is subject to a separate decision of the Board. The first plans commenced at the beginning of 2016 and any potential share rewards thereof will be delivered in the spring of 2019. If all targets of the Performance Share Plan will be met, the share rewards based on the first plans for 2016-2018 will comprise a maximum of approximately 728,000 Caverion shares (gross before the deduction of applicable payroll tax). More information on incentive plan was released in a stock exchange release on December 18, 2015. Furthermore, more information on the earlier long-term share-based incentive plan 2014–2016 for the company's key senior executives has been released in a stock exchange release on May 26, 2014.

Authorisations of the Board of Directors

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

The Annual General Meeting of Caverion Corporation, held on March 21, 2016, authorised Caverion's Board of Directors to decide on the repurchase of own shares. The authorisation covers the repurchase of a maximum of 12,000,000 company's own shares using the company's unrestricted equity, at fair value at the date of repurchase, which shall be the prevailing market price in the trading at the regulated market organized by Nasdaq Helsinki Ltd. The shares may be repurchased other than pro rata to the shareholders' existing holdings. The authorisation is valid for eighteen months from the date of the resolution of the Annual General Meeting. The Board of Directors has not used the authorisation during 2016.

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

The Annual General Meeting authorised Caverion's Board of Directors to decide on share issues. The authorisation may be used in full or in part by issuing a maximum of 25,000,000 Caverion shares in one or more issues. The share issues may be directed, that is, in deviation from the shareholders' pre-emptive rights, and shares may be issued for subscription against payment or without charge. A share issue may also be directed to the company itself, within the limitations laid down in the Limited Liability Companies Act.

The share issue authorisation also includes the authorisation to transfer own shares that are in the possession of company or may be acquired. This authorisation applies to a maximum of 12,500,000 company's own shares. The Board of Directors was authorised to decide on the purpose and the terms and conditions for such transfer. The authorisation is valid until March 31, 2017. The Board of Directors has not used the authorisation during 2016.

Trading in shares

The opening price of Caverion's share was EUR 8.96 at the beginning of the year 2016. The closing rate on the last trading day of the review period on March 31 was EUR 8.51. The share price decreased by 5.0 percent during January–March. The highest price of the share during the review period January–March was EUR 9.38, the lowest was EUR 7.35 and the average price was EUR 8.36. Share turnover on Nasdaq Helsinki in January–March amounted to 10.2 million shares. The value of share turnover was EUR 85.6 million (source: Nasdaq Helsinki).

Caverion's shares are also traded in other market places, such as BATS Chi-X, Frankfurt Stock Exchange (Open Market), and Turquoise. During January–March, 2.4 million Caverion Corporation shares changed hands in alternative market places, corresponding to approximately 45.9 percent of the total share trade. Of the alternative market places, Caverion shares changed hands particularly in BATS Chi-X. Furthermore, during January–March, 2.8 million Caverion Corporation shares changed hands in OTC trading outside Nasdaq Helsinki, corresponding to approximately 18.1 percent of the total share trade (source: Fidessa Fragmentation Index).

Caverion Corporation's market capitalisation at the end of the review period was EUR 1,064.5 million. Market capitalisation has been calculated excluding the 512,328 shares held by the company as per March 31, 2016.

Number of shareholders and flagging notifications

At the end of March 2016, the number of registered shareholders in Caverion was 30,893 (12/2015: 30,594). At the end of March 2016, a total of 34.3 percent of the shares were owned by nominee-registered and non-Finnish investors (12/2015: 34.6%).

Updated lists of Caverion's largest shareholders, the holdings of public insiders and ownership structure by sector as per March 31, 2016, are available on Caverion's website at www.caverion.com/investors.

INTERIM REPORT JANUARY 1–MARCH 31, 2016: FINANCIAL TABLES
Condensed consolidated income statement

EUR million	1-3/2016	1-3/2015	1-12/2015
Revenue	560.6	563.4	2,443.0
Other operating income and expenses	-549.1	-549.2	-2,351.6
Share of results of associated companies	0.0	0.0	0.0
Depreciation, amortisation and impairment	-6.6	-6.4	-26.5
Operating profit	4.8	7.9	65.0
% of revenue	0.9	1.4	2.7
Financial income and expenses, net	-0.6	-0.7	-3.7
Profit before taxes	4.3	7.1	61.3
% of revenue	0.8	1.3	2.5
Income taxes	-1.0	-1.7	-14.7
Profit for the period	3.3	5.4	46.6
% of revenue	0.6	1.0	1.9
Attributable to:			
Equity holders of the parent company	3.2	5.4	46.6
Non-controlling interest	0.0	0.0	0.0
Earnings per share attributable to the equity holders of the parent company			
Earnings per share, basic, EUR	0.03	0.04	0.37
Earnings per share, diluted, EUR	0.03	0.04	0.37

Consolidated statement of comprehensive income

EUR million	1-3/2016	1-3/2015	1-12/2015
Profit for the period	3.3	5.4	46.6
Other comprehensive income			
Items that will not be reclassified to profit/loss:			
- Change in fair value of defined benefit pension	-0.4	2.2	4.4
-- Deferred tax	0.0	0.2	0.4
Items that may be reclassified subsequently to profit/loss:			
- Cash flow hedges	-0.3	0.0	-0.3
-- Deferred tax			
- Change in fair value of available for sale investments	0.0	0.0	0.2
-- Deferred tax			
- Translation differences	0.5	-1.3	-4.8
Other comprehensive income, total	-0.3	1.0	-0.1
Total comprehensive result	3.0	6.5	46.5
Attributable to:			
Equity holders of the parent company	2.9	6.5	46.5
Non-controlling interests	0.0	0.0	0.0

Condensed consolidated statement of financial position

EUR million	Mar 31, 2016	Mar 31, 2015	Dec 31, 2015
Assets			
Non-current assets			
Property, plant and equipment	28.1	26.4	27.4
Goodwill	335.7	335.7	335.7
Other intangible assets	47.5	50.8	47.5
Shares in associated companies	0.1	0.2	0.2
Other investments	1.4	1.3	1.4
Other receivables	2.5	1.4	2.6
Deferred tax assets	3.4	1.8	1.0
Current assets			
Inventories	27.8	22.8	25.4
Trade and other receivables	646.3	616.1	649.4
Cash and cash equivalents	38.6	79.1	68.1
Total assets	1,131.6	1,135.4	1,158.7
Equity and liabilities			
Equity	224.7	216.6	256.7
Non-current liabilities			
Deferred tax liabilities	63.6	61.9	58.3
Pension obligations	40.8	40.1	40.6
Provisions	8.5	7.4	9.0
Borrowings	75.3	79.8	75.2
Other liabilities	0.8	0.1	0.4
Current liabilities			
Advances received	187.1	177.1	195.3
Trade and other payables	491.2	485.4	482.9
Provisions	17.2	17.9	17.7
Borrowings	22.6	49.0	22.7
Total equity and liabilities	1,131.6	1,135.4	1,158.7

Working capital

EUR million	Mar 31, 2016	Mar 31, 2015	Dec 31, 2015
Inventories	27.8	22.8	25.4
Trade and POC receivables	590.6	561.7	607.5
Other current receivables	51.6	52.2	40.9
Trade and POC payables	-223.7	-227.3	-256.7
Other current payables *	-241.8	-245.4	-235.5
Advances received	-187.1	-177.1	-195.3
Working capital	17.4	-13.1	-13.6

* including current provisions

Consolidated statement of changes in equity

EUR million	Equity attributable to owners of the parent						Non-controlling interest	Total equity
	Share capital	Retained earnings	Cumulative translation differences	Fair value reserve	Treasury shares	Total		
Equity on January 1, 2016	1.0	265.8	-6.5	-0.7	-3.2	256.3	0.4	256.7
Comprehensive income								
Profit for the period		3.2				3.2	0.0	3.3
Other comprehensive income:								
Change in fair value of defined benefit pension		-0.4				-0.4		-0.4
-Deferred tax		0.0				0.0		0.0
Cash flow hedges				-0.3		-0.3		-0.3
Change in fair value of available for sale assets				0.0		0.0		0.0
Translation differences			0.5			0.5		0.5
Comprehensive income, total		2.8	0.5	-0.4		2.9	0.0	3.0
Transactions with owners								
Dividend distribution		-35.1				-35.1		-35.1
Share-based payments		0.1			0.0	0.1		0.1
Transactions with owners, total		-34.9			0.0	-34.9		-34.9
Equity on March 31, 2016	1.0	233.6	-6.1	-1.1	-3.2	224.3	0.4	224.7

EUR million	Equity attributable to owners of the parent						Non-controlling interest	Total equity
	Share capital	Retained earnings	Cumulative translation differences	Fair value reserve	Treasury shares	Total		
Equity on January 1, 2015	1.0	241.7	-1.8	-0.6	-3.2	237.2	0.6	237.8
Comprehensive income								
Profit for the period		5.4				5.4	0.0	5.4
Other comprehensive income:								
Change in fair value of defined benefit pension		2.2				2.2		2.2
-Deferred tax		0.2				0.2		0.2
Cash flow hedges				0.0		0.0		0.0
Change in fair value of available for sale assets				0.0		0.0		0.0
Translation differences			-1.3			-1.3		-1.3
Comprehensive income, total		7.8	-1.3	0.0		6.5	0.0	6.5
Transactions with owners								
Dividend distribution		-27.5				-27.5		-27.5
Share-based payments		0.1				0.1		0.1
Transactions with owners, total		-27.4				-27.4		-27.4
Disposal of subsidiaries			0.0			0.0	-0.3	-0.2
Equity on March 31, 2015	1.0	222.2	-3.1	-0.6	-3.2	216.3	0.4	216.6

EUR million	Equity attributable to owners of the parent						Non-controlling interest	Total equity
	Share capital	Retained earnings	Cumulative translation differences	Fair value reserve	Treasury shares	Total		
Equity on January 1, 2015	1.0	241.7	-1.8	-0.6	-3.2	237.2	0.6	237.8
Comprehensive income								
Profit for the period		46.6				46.6	0.0	46.6
Other comprehensive income:								
Change in fair value of defined benefit pension		4.4				4.4		4.4
-Deferred tax		0.4				0.4		0.4
Cash flow hedges				-0.3		-0.3		-0.3
Change in fair value of available for sale assets				0.2		0.2		0.2
Translation differences			-4.8			-4.8		-4.8
Comprehensive income, total		51.4	-4.8	-0.1		46.5	0.0	46.5
Transactions with owners								
Dividend distribution		-27.5				-27.5		-27.5
Share-based payments		0.2			0.0	0.2		0.2
Transactions with owners, total		-27.3			0.0	-27.3		-27.3
Disposal of subsidiaries			0.0			0.0	-0.3	-0.2
Equity on December 31, 2015	1.0	265.8	-6.5	-0.7	-3.2	256.3	0.4	256.7

Condensed consolidated statement of cash flows

EUR million	1-3/2016	1-3/2015	1-12/2015
Cash flows from operating activities			
Net profit for the period	3.3	5.4	46.6
Adjustments to net profit	7.4	6.1	44.8
Change in working capital	-29.5	-1.7	-5.6
Operating cash flow before financial and tax items	-18.8	9.8	85.8
Financial items, net	-0.5	-1.2	-4.4
Taxes paid	-2.1	-2.4	-9.9
Net cash from operating activities	-21.3	6.2	71.6
Cash flows used in investing activities			
Acquisitions and disposals of subsidiaries, net of cash	-0.1	-1.2	0.6
Capital expenditure and other investments, net	-7.9	-5.4	-22.7
Net cash used in investing activities	-7.9	-6.7	-22.1
Cash flows used in financing activities			
Change in current liabilities, net	-0.2	-0.9	-1.6
Repayments of borrowings		-20.0	-50.5
Dividends paid	0.0	0.0	-27.6
Net cash used in financing activities	-0.2	-21.0	-79.6
Change in cash and cash equivalents	-29.5	-21.4	-30.0
Cash and cash equivalents at the beginning of the period	68.1	98.8	98.8
Change in the fair value of the cash equivalents	-0.1	1.7	-0.6
Cash and cash equivalents at the end of the period	38.6	79.1	68.1

Free cash flow

EUR million	1-3/2016	1-3/2015	1-12/2015
Operating cash flow before financial and tax items	-18.8	9.8	85.8
Taxes paid	-2.1	-2.4	-9.9
Net cash used in investing activities	-7.9	-6.7	-22.1
Free cash flow	-28.8	0.8	53.9

Notes to the Interim Report

1 Accounting principles

Caverion Corporation's Interim Report for January 1 – March 31, 2016 has been prepared in accordance with IAS 34, 'Interim Financial Reporting'. Caverion has applied the same accounting principles in the preparation of the Interim Report as in its Financial Statements for 2015.

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

2 Key figures

	3/2016	3/2015	12/2015
Revenue, EUR million	560.6	563.4	2,443.0
EBITDA, EUR million	11.5	14.2	91.5
EBITDA margin, %	2.0	2.5	3.7
Operating profit, EUR million	4.8	7.9	65.0
Operating profit margin, %	0.9	1.4	2.7
Profit before taxes, EUR million	4.3	7.1	61.3
% of revenue	0.8	1.3	2.5
Profit for the period, EUR million	3.3	5.4	46.6
% of revenue	0.6	1.0	1.9
Earnings per share, basic, EUR	0.03	0.04	0.37
Earnings per share, diluted, EUR	0.03	0.04	0.37
Equity per share, EUR	1.8	1.7	2.0
Financial income and expenses, net, EUR million	-0.6	-0.7	-3.7
Equity ratio, %	23.8	22.6	26.6
Interest-bearing net debt, EUR million	59.2	49.7	29.8
Gearing ratio, %	26.4	23.0	11.6
Total assets, EUR million	1,131.6	1,135.4	1,158.7
Free cash flow, EUR million	-28.8	0.8	53.9
Working capital, EUR million	17.4	-13.1	-13.6
Gross capital expenditures, EUR million	7.1	7.3	26.9
% of revenue	1.3	1.3	1.1
Order backlog, EUR million	1,589.4	1,392.4	1,461.4
Personnel, average for the period	17,506	17,004	17,321
Number of outstanding shares at the end of the period (thousands)	125,084	125,085	125,084
Average number of shares (thousands)	125,084	125,087	125,085

3 Financial development by quarter

EUR million	1-3/2016	10-12/2015	7-9/2015	4-6/2015	1-3/2015
Revenue	560.6	667.8	573.7	638.1	563.4
EBITDA	11.5	34.0	21.3	22.0	14.2
EBITDA margin, %	2.0	5.1	3.7	3.4	2.5
Operating profit	4.8	26.9	14.7	15.5	7.9
Operating profit margin, %	0.9	4.0	2.6	2.4	1.4

	1-3/2016	10-12/2015	7-9/2015	4-6/2015	1-3/2015
Earnings per share, basic, EUR	0.03	0.17	0.08	0.08	0.04
Earnings per share, diluted, EUR	0.03	0.17	0.08	0.08	0.04
Equity per share, EUR	1.8	2.0	1.9	1.8	1.7
Financial income and expenses, net, EUR million	-0.6	-1.1	-1.0	-1.0	-0.7
Equity ratio, %	23.8	26.6	24.9	23.7	22.6
Interest-bearing net debt, EUR million	59.2	29.8	101.9	84.9	49.7
Gearing ratio, %	26.4	11.6	43.4	37.3	23.0
Total assets, EUR million	1,131.6	1,158.7	1,129.2	1,138.8	1,135.4
Free cash flow, EUR million	-28.8	73.6	-14.2	-6.3	0.8
Working capital, EUR million	17.4	-13.6	36.1	7.7	-13.1
Gross capital expenditures, EUR million	7.1	9.0	5.0	5.5	7.3
% of revenue	1.3	1.3	0.9	0.9	1.3
Order backlog, EUR million	1,589.4	1,461.4	1,477.2	1,393.1	1,392.4
Personnel at the end of the period	17,499	17,399	17,450	17,414	17,005
Number of outstanding shares at the end of the period (thousands)	125,084	125,084	125,085	125,085	125,085
Average number of shares (thousands)	125,084	125,085	125,085	125,085	125,087

4 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
Equity ratio (%) =	$\frac{\text{Equity} + \text{non-controlling interest} \times 100}{\text{Total assets} - \text{advances received}}$
Gearing ratio (%) =	$\frac{\text{Interest-bearing liabilities} - \text{cash and cash equivalents} \times 100}{\text{Shareholder's equity} + \text{non-controlling interest}}$
Interest-bearing net debt =	Interest-bearing liabilities - cash and cash equivalents
Earnings / share, basic =	$\frac{\text{Net profit for the period (attributable for equity holders)}}{\text{Weighted average number of shares outstanding during the period}}$
Earnings / share, diluted =	$\frac{\text{Net profit for the period (attributable for equity holders)}}{\text{Weighted average dilution adjusted number of shares outstanding during the period}}$
Equity / share =	$\frac{\text{Shareholders' equity}}{\text{Number of outstanding shares at the end of period}}$
Free cash flow =	Operating cash flow before financial and tax items – taxes paid – net cash used in investing activities

5 Business combinations and disposals

During the period, Caverion signed an agreement with Mr Alfred Lotter on the purchase of the business of Arneg Kühlmöbel u. Ladeneinrichtungen, Produktions- u. Handelsgesellschaft mbH ("Arneg Kühlmöbel"). The transaction was approved by the Austrian Federal Competition Authority on January 19, 2016. The acquisition supports Caverion's growth strategy and expands on its position within the cooling technology market in Austria. The purchase price was not disclosed. Arneg Kühlmöbel is one of the leading suppliers of cooling technology in Austria. In 2014, the company's revenue was about EUR 7.0 million. The company employs about 35 people.

Furthermore, Caverion signed an agreement with YIT Kuntatekniikka Oy to acquire the company's technical maintenance business in January. The transaction supports Caverion's growth strategy and presence in the Mikkeli area in Finland. The purchase price was not disclosed. In connection with the transaction, approximately 60 employees from YIT Kuntatekniikka were transferred into Caverion Suomi Oy's employment. IT Kuntatekniikka is jointly owned by the City of Mikkeli and YIT Construction Oy.

6 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 subsidiaries.

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.

The table below presents the maturity structure of interest-bearing liabilities. The amounts are undiscounted. Cash flows of foreign denominated liabilities are translated into euro at the reporting date.

EUR million	2016	2017	2018	2019	2020->	Total
Interest-bearing liabilities	22.5	23.4	22.0	19.9	10.0	97.9

7 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	Mar 31, 2016	Mar 31, 2016	Dec 31, 2015	Dec 31, 2015
	Carrying amount	Fair value	Carrying amount	Fair value
Non-current liabilities				
Loans from financial institutions	69.8	71.8	69.8	71.7
Pension loans	4.0	4.1	4.0	4.1
Other financial loans	0.5	0.5	0.5	0.5
Finance lease liabilities	1.0	1.0	0.9	1.0

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 Mar 31, 2016				
EUR million	Level 1	Level 2	Level 3	Total
Available-for-sale investments	0.7		0.7	1.4
Derivatives (hedge accounting not applied)		0.3		0.3
Derivatives (hedge accounting applied)				
Total assets	0.7	0.3	0.7	1.7
Liabilities Mar 31, 2016				
EUR million	Level 1	Level 2	Level 3	Total
Derivatives (hedge accounting not applied)		0.1		0.1
Derivatives (hedge accounting applied)		0.6		0.6
Total liabilities		0.7		0.7

Assets Dec 31, 2015				
EUR million	Level 1	Level 2	Level 3	Total
Available-for-sale investments	0.7		0.7	1.4
Derivatives (hedge accounting not applied)		0.1		0.1
Derivatives (hedge accounting applied)				
Total assets	0.7	0.1	0.7	1.5
Liabilities Dec 31, 2015				
EUR million	Level 1	Level 2	Level 3	Total
Derivatives (hedge accounting not applied)		0.1		0.1
Derivatives (hedge accounting applied)		0.3		0.3
Total liabilities		0.4		0.4

There were no transfers between the levels of the fair value hierarchy during the period ended March 31, 2016.

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 Mar 31, 2016	Liabilities Mar 31, 2016	Assets Dec 31, 2015	Liabilities Dec 31, 2015
Opening balance	0.7		0.7	
Transfers into / from Level 3				
Purchases and sales				
Gains and losses recognised in profit or loss				
Gains and losses recognised in other comprehensive income				
Closing balance	0.7		0.7	

Derivative instruments

Nominal amounts			
EUR million	Mar 31, 2016	Mar 31, 2015	Dec 31, 2015
--Interest rate derivatives	90.0		90.0
--Foreign exchange forwards	49.8	52.2	76.9

Fair values			
EUR million	Mar 31, 2016	Mar 31, 2015	Dec 31, 2015
--Interest rate derivatives			
positive fair value			
negative fair value	-0.6		-0.3
--Foreign exchange forwards			
positive fair value	0.3	0.4	0.1
negative fair value	-0.1	-0.3	-0.1

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

8 Commitments and contingent liabilities

EUR million	Mar 31, 2016	Mar 31, 2015	Dec 31, 2015
Guarantees given on behalf of associated companies	0.2	0.2	0.2
Parent company's guarantees on behalf of its subsidiaries	483.5	512.3	491.7
Other commitments			
- Operating leases	176.9	183.0	169.2
- Other contingent liabilities	0.2	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 bond, 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 this YIT Corporation's floating rate bond was EUR 3.6 million on March 31, 2016, and it matures 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 338.0 million at the end of March 2016.

The investigation of violations of competition law related regulations in the technical services industry in Germany continues. As part of the investigation German authorities have searched information at various technical services providers, including Caverion. Caverion actively co-operates with the local authorities in the matter. Based on the currently available information, it is not possible to evaluate the magnitude of the potential risk and costs for Caverion related to these issues at the closing date. It is possible that the costs and/or sanctions can be material.

9 Events after the reporting period

Caverion published a stock exchange release on April 28, 2016 on possible bribery during 2009-2011 identified in Caverion's project in Germany. As informed previously Caverion actively co-operates with authorities in the investigation of violations of competition law related regulations in the technical services industry in Germany. As part of this co-operation Caverion has identified activities during 2009-2011 that are likely to fulfil the criteria of corruption or other criminal commitment in one of its client project executed in that time. Caverion has brought its findings to the knowledge of the authorities and supports them to further investigate the case. It is possible that these infringements will cause considerable damage to Caverion in terms of fines, civil claims as well as legal expenses. However, the magnitude of the potential damage cannot be assessed at the moment. Caverion is monitoring the situation and will disclose any relevant information as applicable under regulations.

Caverion revised its guidance on April 27, 2016, according to which Caverion estimates that the Group's revenue for 2016 will remain at the previous year's level (2015: EUR 2,443 million) and the Group's EBITDA for 2016 will grow from the previous year (2015: EUR 91.5 million). Caverion foresees that the divisions Sweden and Denmark-Norway cannot recover their lower performance in the first quarter in Technical Installation and Maintenance during the rest of the year. Low utilisation rate and restructuring measures within the Group in relation to this are expected to affect the reported EBITDA in 2016. Managed Services and Large Projects are expected to develop according to plan.

Caverion Corporation provided preliminary information on its first quarter EBITDA in a stock exchange release on April 22, 2016. The reported Group EBITDA for January–March 2016 decreased clearly from the previous year and amounted to EUR 11.5 (1-3/2015: 14.2) million. The reported Group EBITDA for January-March was earlier estimated to be in line with the previous year (stock exchange release on March 21, 2016). The guidance published on January 27, 2016 remained unchanged. Caverion estimated that the Group's revenue for 2016 will grow from the previous year (2015: EUR 2,443 million) and EBITDA for 2016 will grow significantly from the previous year (2015: EUR 91.5 million).