

Caverion

President and CEO's review at the Annual General Meeting

Fredrik Strand, President and CEO

March 21, 2016

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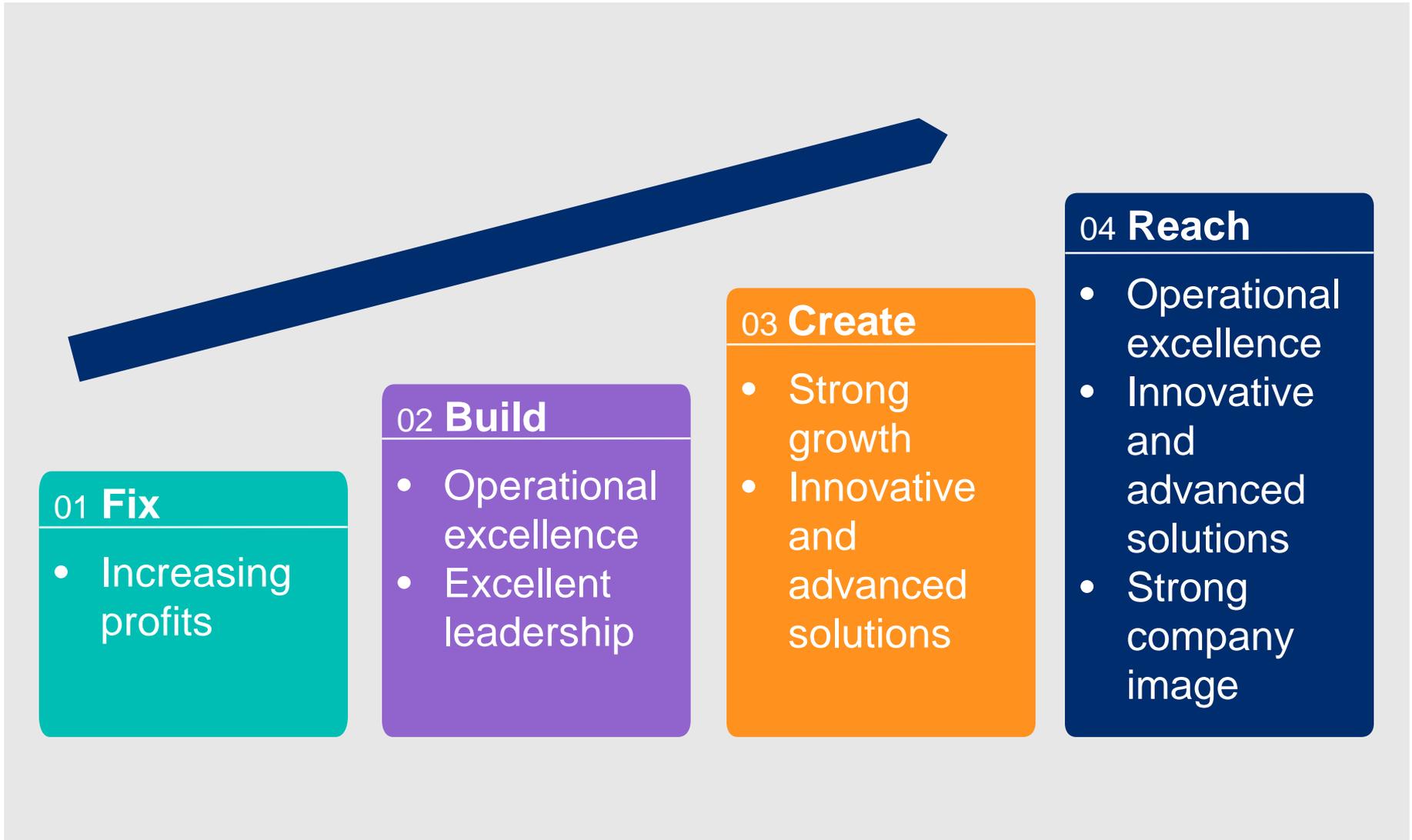




Caverlon

Strategic milestones

Strategic milestones to reach profitable growth



New business areas

Technical Installation & Maintenance



- Small and mid size projects and maintenance agreements
- Single and multiple technologies
- Over 30,000 contracts in this area

Large Projects



- Contract volume > EUR 5m
- Integrated solutions
- Customisation
- Life Cycle focus
- Caverion is running some 50 projects of this type.

Managed Services



- At its widest form delivered as Managed Life Cycle Solutions
- Services can be executed either by Caverion or third parties.
- In total some 100 contracts in this area

Number of competitors

Barriers of entry, complexity, margin potential, risk level

Pie charts: Estimated share of Group revenue in 2015.





Overview of
year 2015

2015: Year of building "One Caverion"

Good development with new clients and contracts

- Order backlog grew by 10%.
- Revenue increased by 4% at previous year's exchange rates.



Business mix developed into new business areas:

- Technical Installation and Maintenance
- Large Projects
- Managed Services

Unified operational model, systems and processes

- Increases cooperation between divisions and business areas
- Positive outcome already visible

Common market offering

- Commercialised and fully industrialised market offering



2015: Year of building "One Caverion"



Space Saga marketing campaign

- First common market campaign supports our growth
- Continues until the end of 2016

Excellent leadership

- Talent, succession planning and leadership development
- Unified operational model and new competence areas development

Good development in work safety

- Accident frequency rate* was 8.3 (2014: 10.1) and there were 40% fewer incidents
- Harmonised reporting

* number of accidents per one million working hours

2016: Focus on profitable growth

- Strong financial position
- We continue to develop our company according to our strategic roadmap.



Caverion in brief

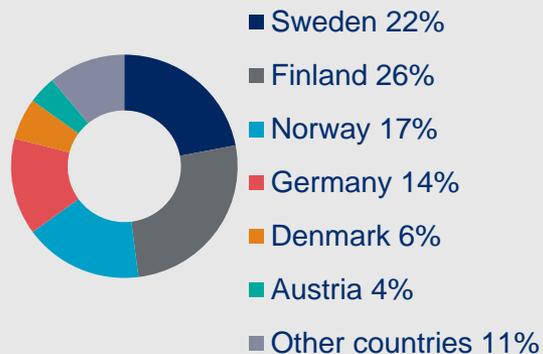
Caverion designs, builds, operates and maintains user-friendly and energy-efficient solutions for buildings, infrastructure and industrial plants.



Revenue by country in 2015



Personnel by country in 2015



Revenue based on the Group company location

Key figures in 2015

Revenue

2,443

EUR million

Order backlog

1,461

EUR million

EBITDA

91.5

EUR million

(3.7% of revenue)

Operating cash flow before financial and tax items

85.8

EUR million

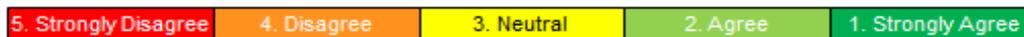
17,399

employees at the end of 2015



Positive development in employee engagement survey

Key Engagement Drivers	Caverion Group (N=12 829)	Line Managers (N=681)	Management Teams of Caverion Group and Divisions (N=111)
	Percent Favorable 2015		
Our vision of being a leading European provider of advanced and sustainable life cycle solutions for buildings and industries inspires me to work for Caverion.	60% (2014 56%)	75% (2014 74%)	85% (2014 82%)
I believe Caverion has an promising future.	67% (2014 58%)	80% (2014 76%)	85% (2014 84%)
I feel there is a promising future for me at Caverion.	61% (2014 56%)	73% (2014 72%)	80% (2014 73%)
I have confidence in the senior management of Caverion Group to make the right decisions for Caverion.	61% (2014 56%)	70% (2014 74%)	82% (2014 74%)
Caverion attracts talented people.	51% (2014 45%)	62% (2014 54%)	81% (2014 59%)



Target: annual revenue growth of > 10% by the end of 2016

Group revenue

EUR million

1-12/14: 2,407

1-12/15: 2,443

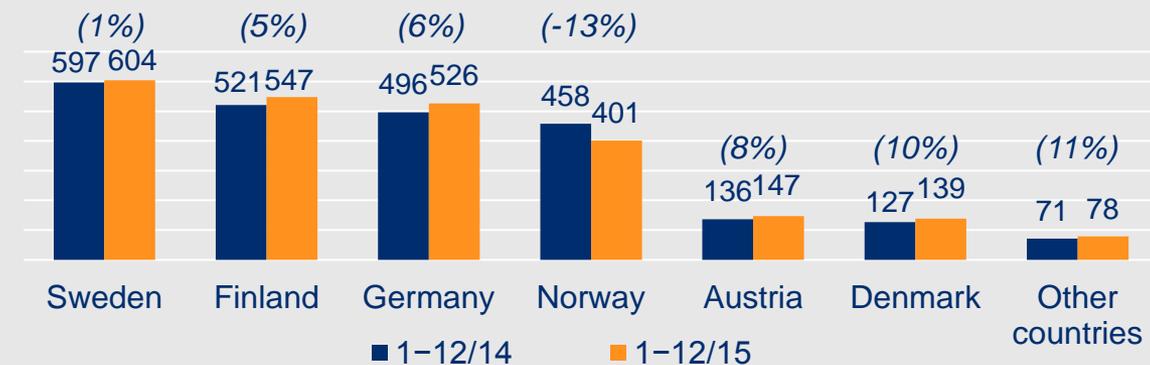


- Revenue was EUR 2,443 million in 2015, an increase of 4% at previous year's exchange rates.

- In Norway, Technical Installation and Maintenance is impacted by the general economic environment.

Revenue breakdown by country

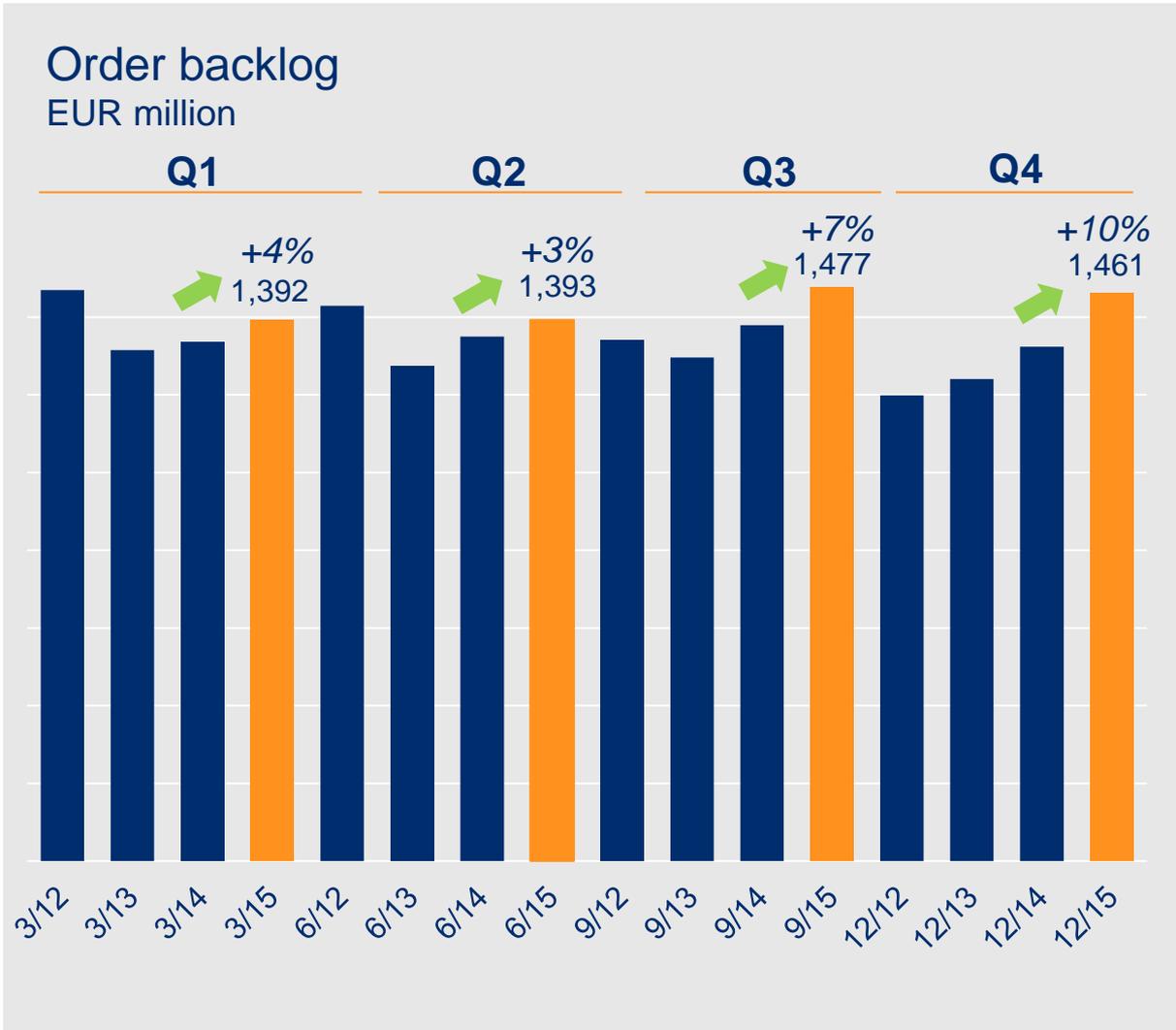
EUR million



- Revenue -6% with comparable exchange rates during 2015
- Exit of one large services contract now fully visible



Positive order backlog development in each quarter in 2015



- Order backlog grew by 10% compared to the previous year (by 11% at comparable exchange rates).
- The order backlog continued to increase reflecting the growth targets in Large Projects and Managed Services.

Comparative figures are carve-out figures for the periods before the effective date of the partial demerger (June 30, 2013).

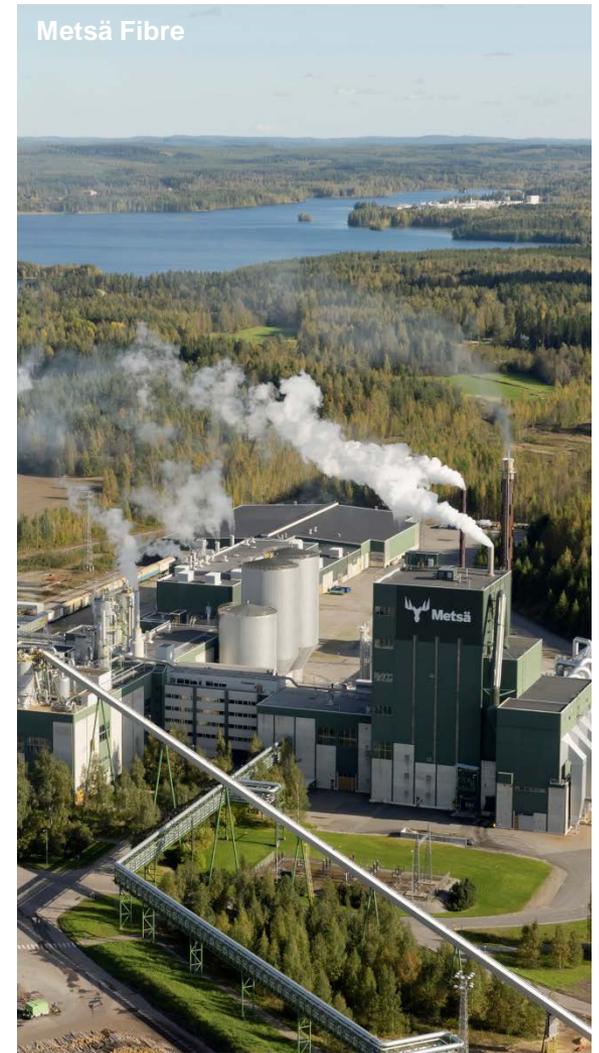


Several large orders received in 2015

Metsä Fibre, Äänekoski, Finland

Caverion will deliver five pulp towers to the new bioproduct plant. The plant under construction is the largest investment in the history of wood-processing industry in Finland.

- Service areas: Design, Project Management
- Contract value: not disclosed
- Lifespan: The design and prefabrication will begin in 2015, installation will take place in 2016.



Several large orders received in 2015

Congress Center Hamburg, CCH Immobilien GmbH & Co. KG., Germany

One of the largest projects after the establishment of Caverion. Top priority is to guarantee good indoor climate in all conditions. In order to achieve this, Caverion will install 10,000 data points to log air conditions and an intelligent air conditioning system.

- Service areas: Design & Engineering, Project Execution
- Contract value: over EUR 43 million
- Technical disciplines: Total technical solutions
- Lifespan: Center is scheduled to reopen in 2019.
- Size: 36,000 m²



Several large orders received in 2015

Söderhamn municipality, Sweden

The largest Energy Performance Contracting (EPC) project implemented by Caverion in the Nordic countries.

For the client, EPC service guarantees energy savings by optimising the buildings and their performance over time.



- Service areas: Managed Services
- Contract value: over EUR 29 million
- Lifespan: Maintenance of the buildings and their configuration management until 2019 and guaranteed energy savings for 10 years
- Client: Söderhamn municipality and housing company Faxeholmen AB
- Size: 430,000 m²



Several large orders received in 2015

Moss municipal property company, Norway

Aim: reduction of energy consumption by 45% through modernising and optimising the building systems.

- Service areas: Managed Life Cycle services in the form of EPC
- Contract value: not disclosed
- Technical disciplines: Heating, Ventilation and air conditioning, Automation
- Lifespan: The first of three phases started in June 2015
- Size: 91,000 m²



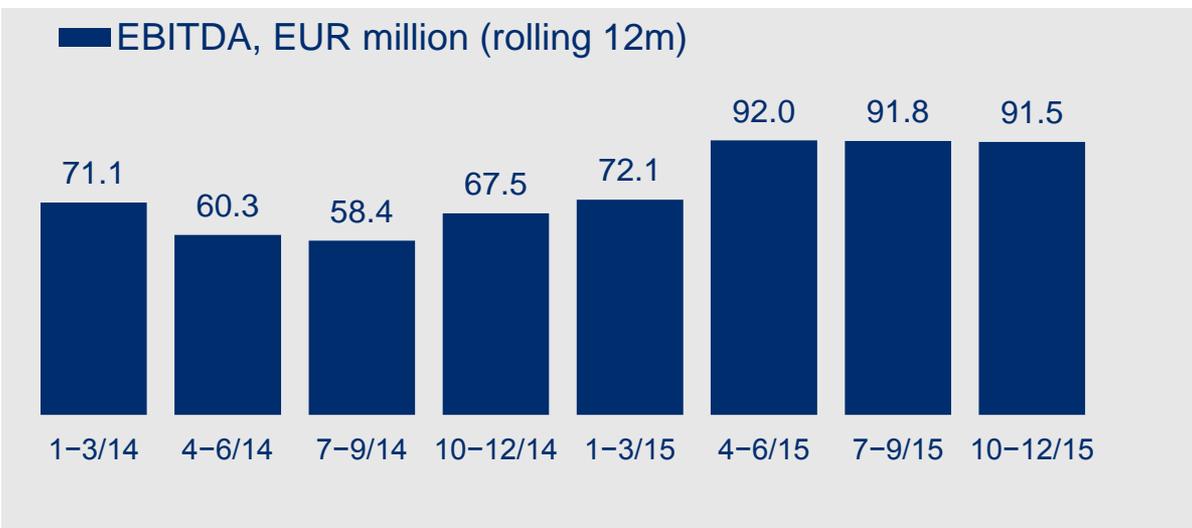
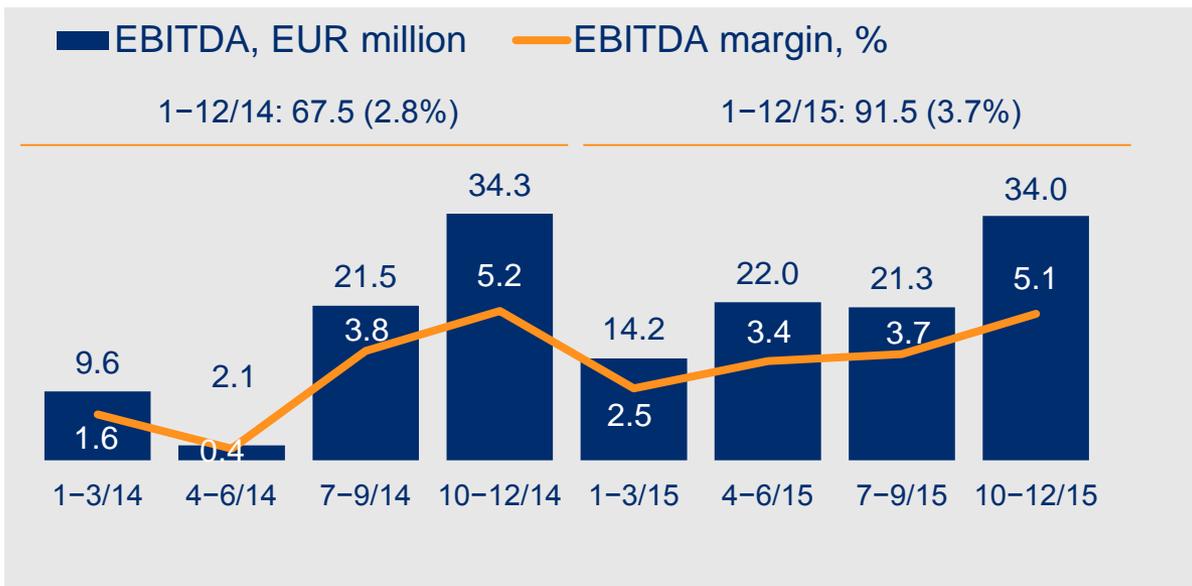
Railway Farriseidet-Porsgrunn, Southern Norway

Electricity solutions for a new, about 23-kilometer railway route, including seven tunnels.

- Service areas: Project Execution, Project Management
- Contract value: over EUR 35 million
- Technical disciplines: Electricity
- Lifespan: final design in autumn 2015, installation phase Jan 2016 – June 2018



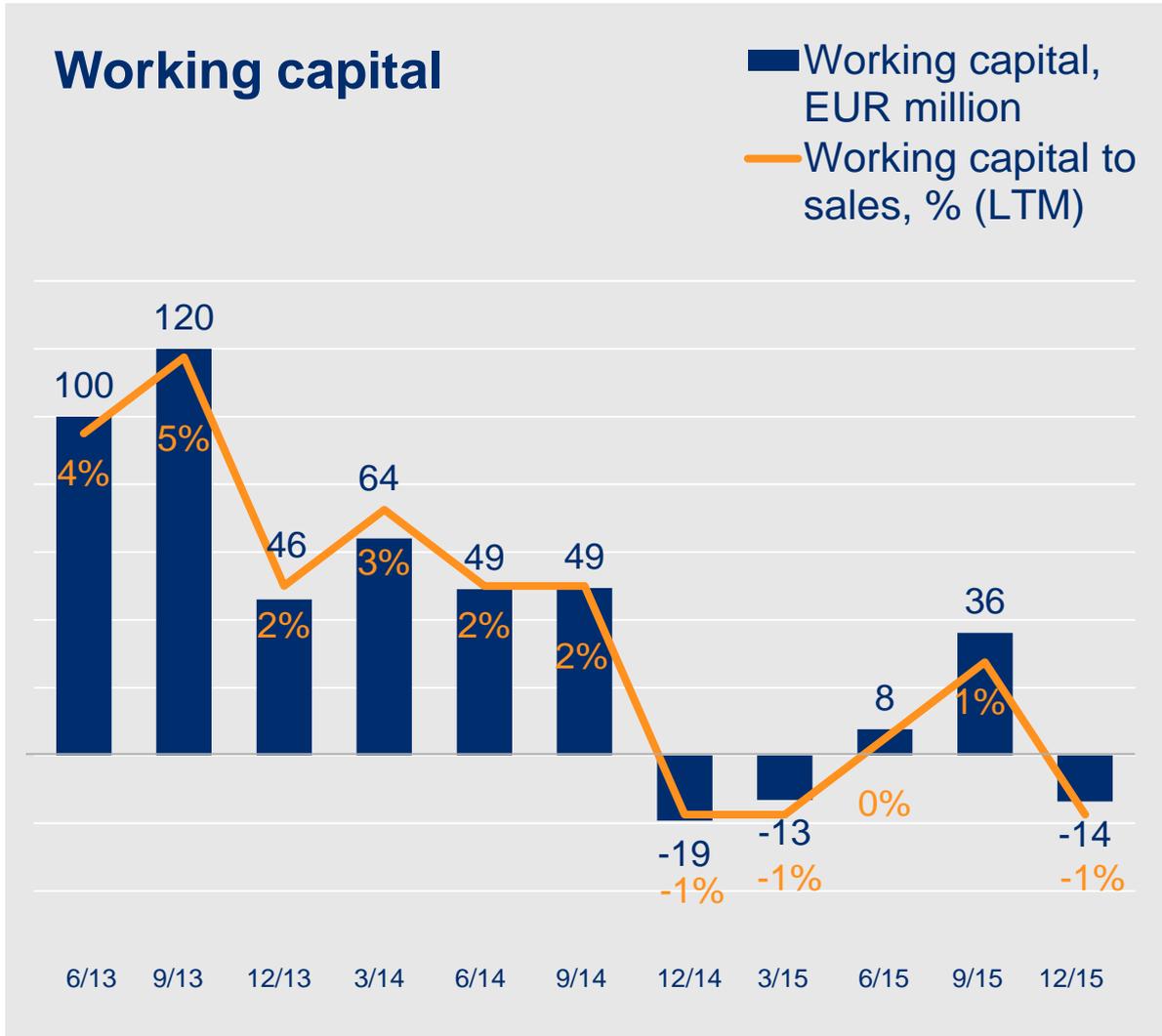
Profitability on track to reach financial target



- EBITDA grew significantly by 36% from the previous year and amounted to EUR 91.5 million in January–December.
- EBITDA negatively affected by certain project losses in Norway and Germany, restructuring expenses in Finland and legal expenses in Germany.
- Investments in common processes also reflected in operational expenses
- EBITDA for Q4 was in line with the previous year and amounted to EUR 34.0 million.



Financial target: negative working capital



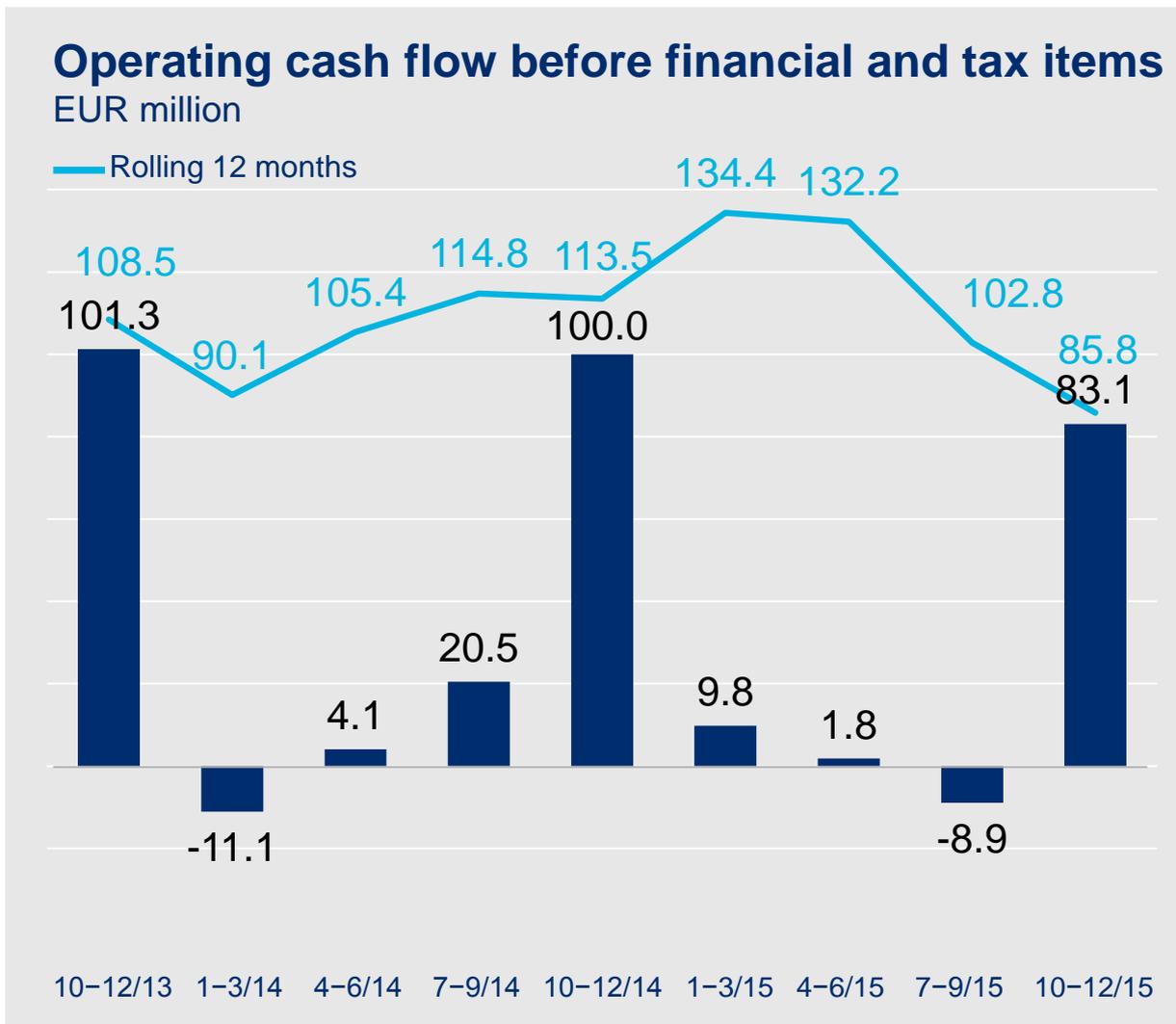
Working capital has been stabilised on negative level

Continued focus on invoicing process

Comparative figures are carve-out figures for the periods before the effective date of the partial demerger (June 30, 2013).



Cash flow in line with EBITDA



- Continuous development and investment in technologies, processes and competences
- Capex investments (including acquisitions) of EUR 26.9 million in 2015, mainly relating to IT and the development of common business processes.

Comparative figures are carve-out figures for the periods before the effective date of the partial demerger (June 30, 2013).

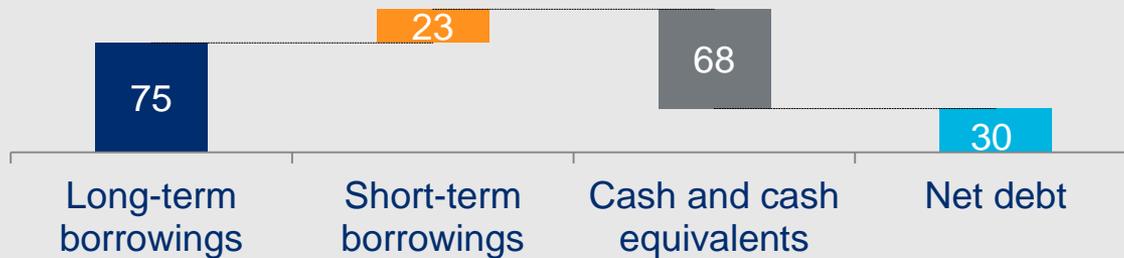


Liquidity reserve of EUR 187 million

Net debt, EUR million — Net debt/EBITDA, Rolling 12 Months



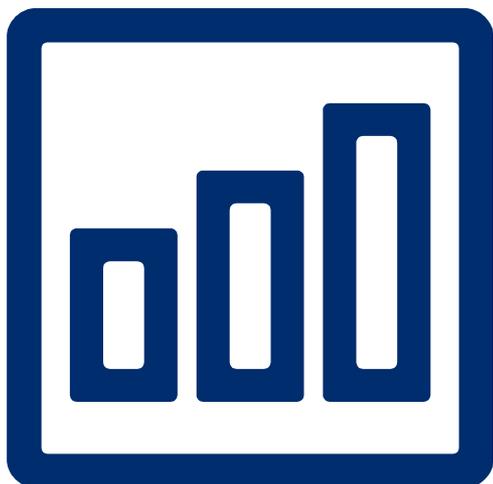
Gross debt to net debt
EUR million



Liquidity reserve
EUR 187 million

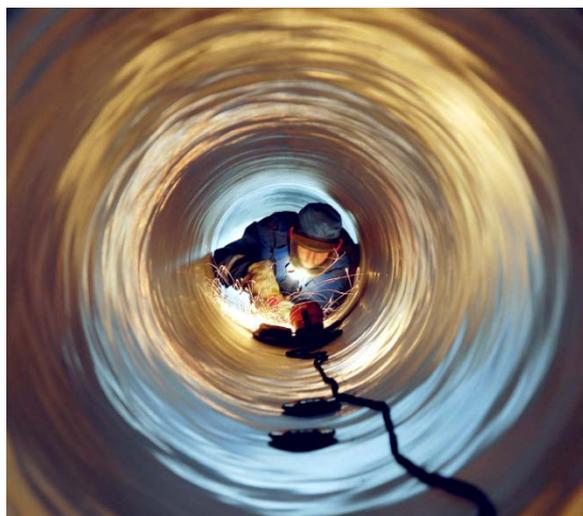


Guidance for 2016



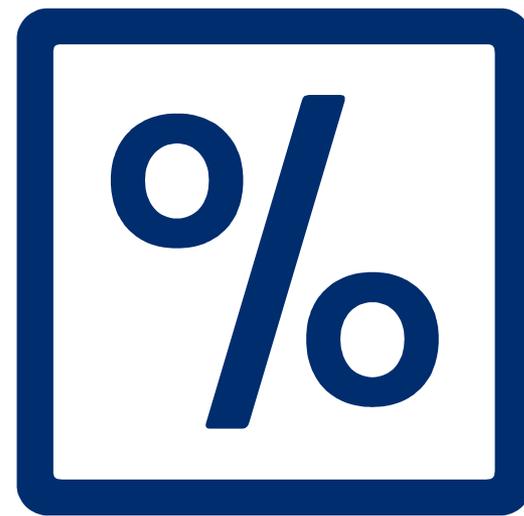
Revenue

Caverion estimates that the Group's revenue for 2016 will grow from the previous year (2015: EUR 2,443 million).



EBITDA

Caverion estimates that the Group's EBITDA for 2016 will grow significantly from the previous year (2015: EUR 91.5 million).





**Life Cycle Solutions for
Buildings and Industries**

Dividend proposal

Dividend pay-out at least 50% of the net profit for the period.

The Board of Directors proposes a dividend of EUR 0.28 per share, representing 75% of the Group's net profit for 2015.

Earnings per share

- Earnings per share increased significantly by 69% and amounted to 0.37 euros per share in January–December.

■ Dividend per share, EUR
— Dividend pay-out ratio, %

