An aerial photograph of a city, likely Stockholm, Sweden, showing a dense urban landscape with numerous buildings, streets, and green spaces. A large white graphic, resembling a stylized 'C' or a bracket, is overlaid on the left side of the image. The text 'Welcome to the Caverion Capital Markets Day 2019' is centered over the city view.

Welcome to the Caverion Capital Markets Day 2019

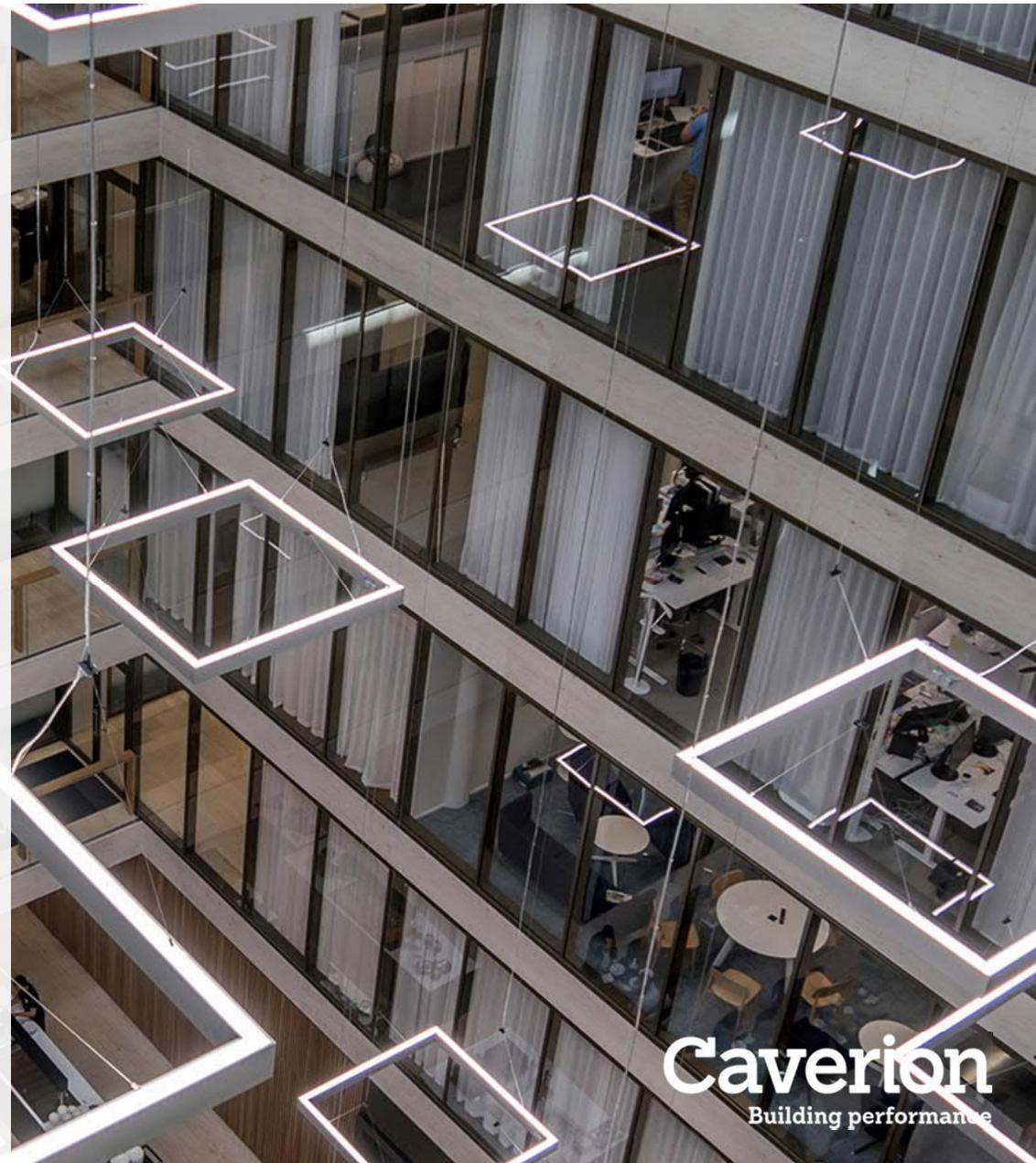
5 November 2019

Today's agenda

- 12:00 - 12:40 p.m. **Keeping Fit while moving to Growth**
Ari Lehtoranta, President and CEO*, **
- 12:40 - 1:20 p.m. **Focus on growth**
Thomas Hietto, Deputy CEO, Services
- 1:20 - 1:50 p.m. **Germany – Fit for Growth**
Frank Krause, Germany*
- 1:50 - 2:00 p.m. Meet our customer Hines; Ville Tamminen, Finland
- 2:00 - 2:20 p.m. Coffee break: Case Kasarmi 21
- 2:20 - 2:50 p.m. **Reaching updated financial targets through strategy execution**
Martti Ala-Härkönen, CFO
- 2:50 - 3:00 p.m. **Summary of the day**
Ari Lehtoranta*
- 3:00 - 4:00 p.m. **Break-out sessions on growth opportunity deep-dives**
Laura Karotie/Long-term customer partnerships as a source of future growth
Heikki Rostila/Helping customers with digitalisation and sustainability
- 4:00 - 5:00 p.m. Cocktails with management

*) Q&A session after the presentation

**) Open for conference call and webcast participants.





Keeping Fit while moving to Growth

Ari Lehtoranta, President and CEO

Driving the Growth phase of the strategy



01

Our Fit for Growth strategy launched in the previous CMD is working well



02

Digitalisation will revolutionise our industry and sustainability needs are growing rapidly – We are well positioned



03

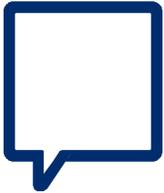
Growth fundamentals already created, we have numerous sources of profitable growth enabled by our existing strengths

Caverion
Building performance

01

Our Fit for Growth strategy
launched in the previous
CMD is working well

This is what we said in our previous CMD



1. Digitalisation will revolutionise our industry – We are well positioned to enable the digital future for our customers.
2. We are becoming a more selective master of projects, while the growth will come from service business.
3. After getting FIT through our Must-Wins, we accelerate our GROWTH to outpace the market in Services.



Caverion
Building performance

Fit for Growth strategy was launched at our CMD 2017



MISSION

Smart solutions and happy customers

VISION

First choice in digitalising environments

MUST-WINS



Excellent customer experience



Best solutions



Top performance at every level



Winning team

VALUES

Step ahead | Cooperation | Responsibility | High performance

MUST-HAVES

Safety | Quality | Sustainability

Caverion
Building performance

We are now Fit for Growth

Must-wins delivering results >



Excellent Customer Experience



Best Solutions



Top Performance at Every Level



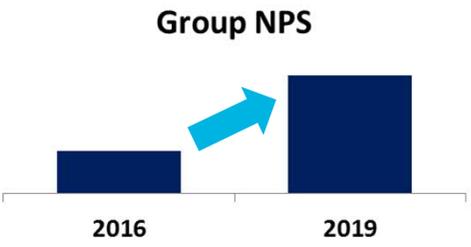
Winning Team

Caverion
Building performance



Excellent customer experience

Caverion people are very innovative and understand our business. They are extremely service-minded and come up with better solutions for us.



Winning team:
**Caverion #1 employer for
summer trainees in Finland**

- › Caverion won first prize in “Responsible Summer Job” campaign in Finland in 2019.
- › Caverion scored 3.75 out of 4 in the category “1000+ employees”.





Best Solutions

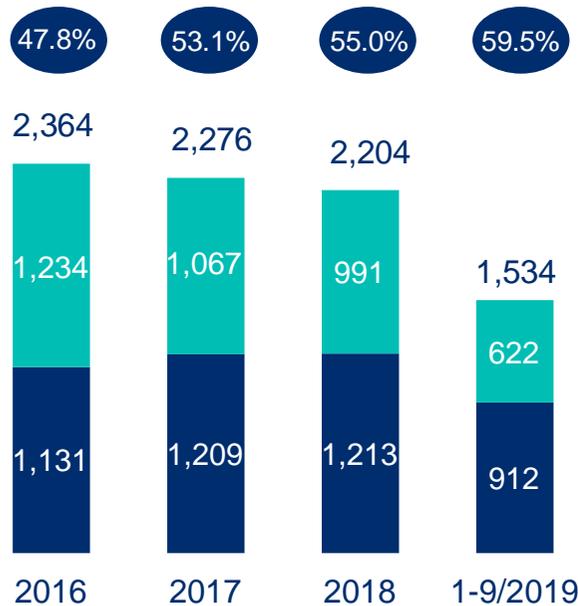
- **Focus segments:** Insights & growth plans across Caverion
- Boost **cross-border sales**
- **Digital Platform** including Caverion SmartView, Analytics, IoT solutions, Remote centers, Digital Service Process
- **Smart Technologies** – Create common Caverion solutions and market approach

Shift in business mix and turnaround in profitability taking place

Quality of growth driving sustained profitability

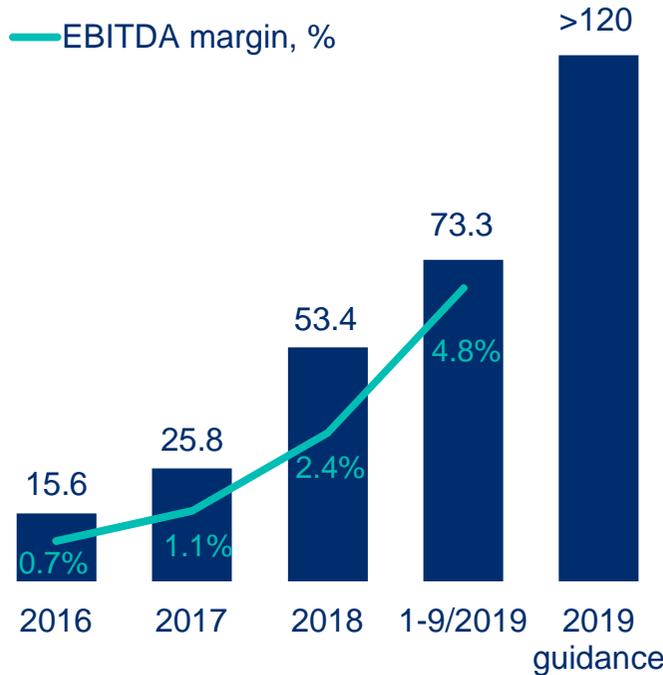
Group revenue, EUR million

Services share*

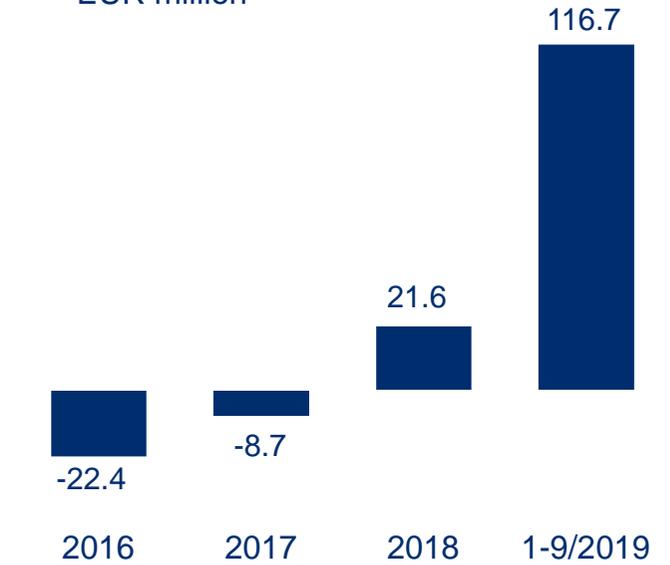


EBITDA, EUR million

EBITDA margin, %



Operating cash flow before financial and tax items LTM, EUR million



**2016-2018 growth (CAGR-%),
excl. impact of currencies and divestments**

- **Services: +5%**
- **Projects: -8%**

* Change in reporting of business unit revenue in 2018

Note! 2016: EBITDA excl. restructuring costs; 2017-2019: Adjusted EBITDA; 2019E: guidance for 2019. The same figures have been used for the presentation of the respective margins. Comparative figures for 2018 (or prior periods) have not been restated according to IFRS 16.

Comparative figures for 2018 (or prior periods) have not been restated according to IFRS 16.

Tangible progress in each division

Services improving across our portfolio, Projects developing in right direction

Illustrative performance by division in Q3/2019



* Divestment of project piping and tank business and the related Ylivieska workshop in 2018

We have successfully delivered on our targets

Cash conversion*

> 100%

1-9/2019: Operative cash flow before financial and tax items EUR 63.0 million

Profitability (Adjusted EBITDA-%)

> 8%

1-9/2019: 4.8%
Q3/2019: 7.1%

Leverage (Net debt/EBITDA**)

< 2.5x

1-9/2019: 1.1x

Growth

Services growth > market
Services generate > 2/3 of Group revenue (long-term target beyond 2020)

1-9/2019: Services growth 5.3% in local currencies,
Services share 59.5%

* Operating cash flow before financial and tax items / EBITDA.

** Based on calculation principles confirmed with the lending parties. The confirmed calculation principles exclude the effects of the IFRS 16 standard and contain certain adjustments. If IFRS 16 adjusted figures were applied in the calculation, the target would be adjusted accordingly.

02

Digitalisation will revolutionise our industry and sustainability needs are growing rapidly – We are well positioned

Megatrends have developed in our favour and support our growth



Increasing technology

Development since 2017

Continuous trend towards complexity of networked and integrated technologies that fewer players can manage



Digitalisation

Data-driven analytics and new technologies emerging to enable smart buildings and cities



Energy efficiency

Changes in EU legislation driving growth, increased focus on sustainability and carbon neutrality



Urbanisation

Security and safety are becoming even more important

Key future themes

Digitalisation

Sustainability

Impact of digitalisation and sustainability on profitability

Digitalisation

Higher revenue

- New offerings
- New digital services
- Smart technologies
- Change in business mix

Sustainability

Lower costs

- Improved efficiency and productivity
- Increased automation
- Increased flexibility in resourcing



Caverion is the most sustainable building technology service company in Northern Europe

- Caverion selected among the world's 200 most sustainable companies by Corporate Knights
- The only building technology company in Northern Europe on the list (#146)

03

Growth fundamentals
already created,
numerous sources of
profitable growth enabled
by our existing strengths

Key fundamentals in place for the Growth phase



Large customer base and investments in brand and sales

Building up a digital platform

Building up M&A pipeline

We are in a relationship business with a customer and life-cycle focus

Improved customer satisfaction and loyalty

- We have thousands of B-to-B customers
- As we grow together with our customers, understanding their business and needs is crucial
- In a recent feedback study, our customer satisfaction and loyalty had improved

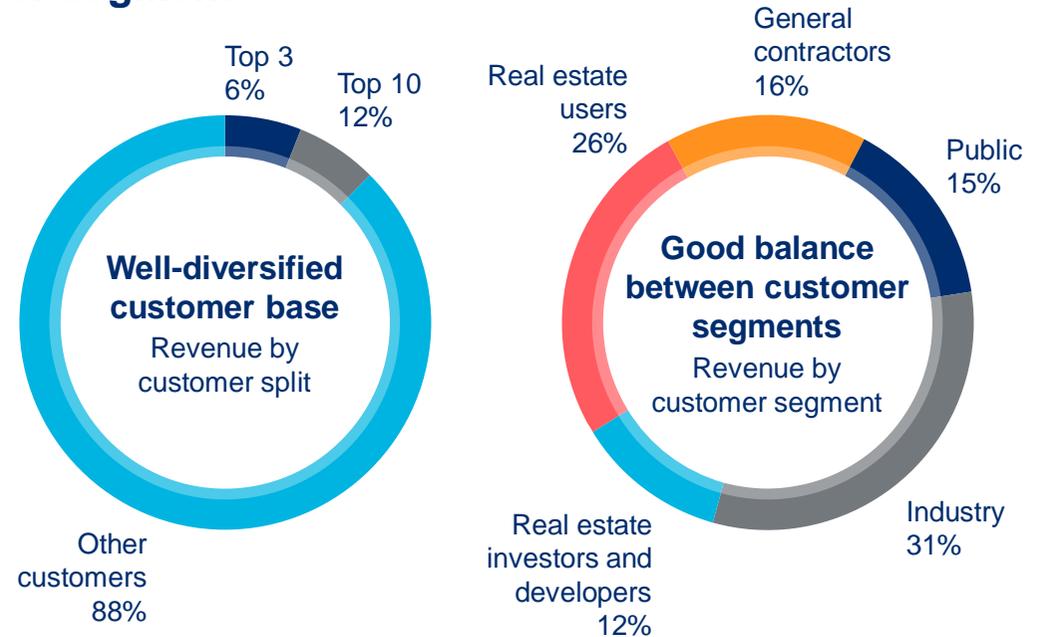


Offering for the whole life cycle

- Design, installation of building systems, operation, maintenance as well as renovation throughout the life-cycle of the building

Long-term relationships with maintenance up to 20–25 years

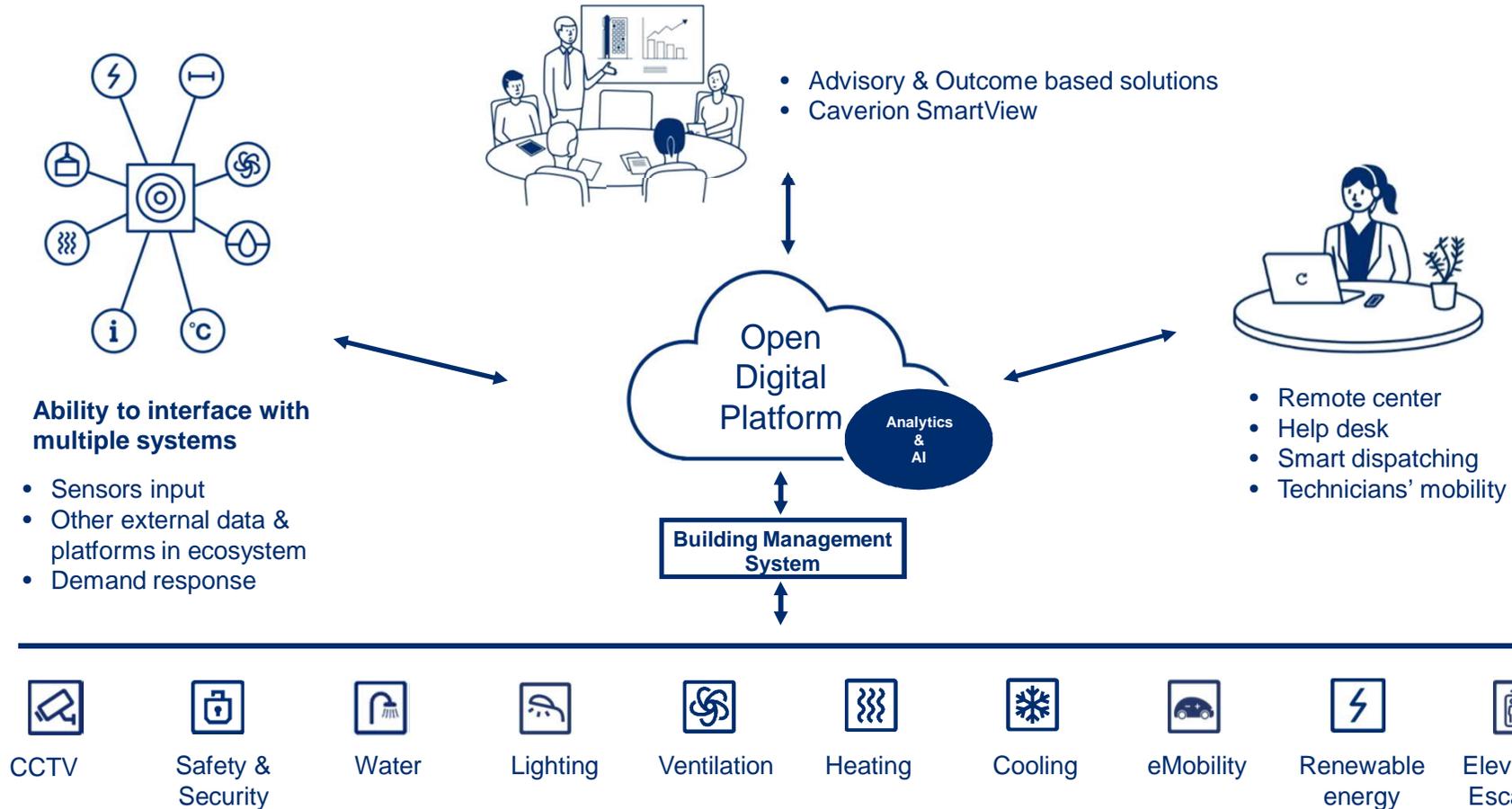
Low dependency on any specific customer or segment



2018 figures

Building up a unique digital platform for our customers

Caverion SmartView – Real estate managers' new best friend



Caverion enjoys a strong competitive position

Caverion has a strong competence in all these businesses

Industrial services

QUANT
EMPOWER

VEO
BILFINGER

Technical installation & maintenance

bravida
ROM
Technik für Mensch & Umwelt
ARE
Assemblin
GK
- for et bedre miljø

Facility management

STRABAG
PROPERTY AND
FACILITY SERVICES
COOR
ISS
APLEONA
WISAG
ENGIE

Caverion

Caverion estimate of overall market growth

3% p.a.

+ many local players and potential new entrants (construction, soft FM and Design & Engineering companies)

Fragmented market supporting growth

Lots of feasible M&A opportunities

Caverion has a strong market position and is ranked among the top-5 players in all of its largest operating countries. Market is still very fragmented in these countries. Caverion is also the leading industrial solutions company in Finland.

Finland	Sweden	Austria	Industry (Fin)
1. Caverion ●	1. Bravida ●	1. Ortner ●	1. Caverion ●
2. Are ●	2. Assemblin ●	2. Caverion ●	2. Empower ●
3. Consti ●	3. Vinci Energies Nordic ●	3. Engie ●	3. Maintpartner ●
4. Bravida ●	4. Caverion ●	4. EQOS Energie ●	4. Bilfinger Oy ●
5. Quatro Mikenti ●	5. Instalco ●	5. G. Klampfer ●	5. Quant ●

Germany	Denmark	Norway
1. SPIE ●	1. Kemp & Lauritzen ●	1. GK ●
2. Apleona ●	2. Bravida ●	2. Bravida ●
3. Strabag PFS ●	3. Kirkebjerg ●	3. Caverion ●
4. Engie ●	4. Lindpro ●	4. Coor ●
5. Caverion ●	5. Caverion ●	5. OneCo ●

Revenue ● 50-200 mEUR ● 200-500mEUR ● More than 500mEUR



Sources of future growth for Caverion

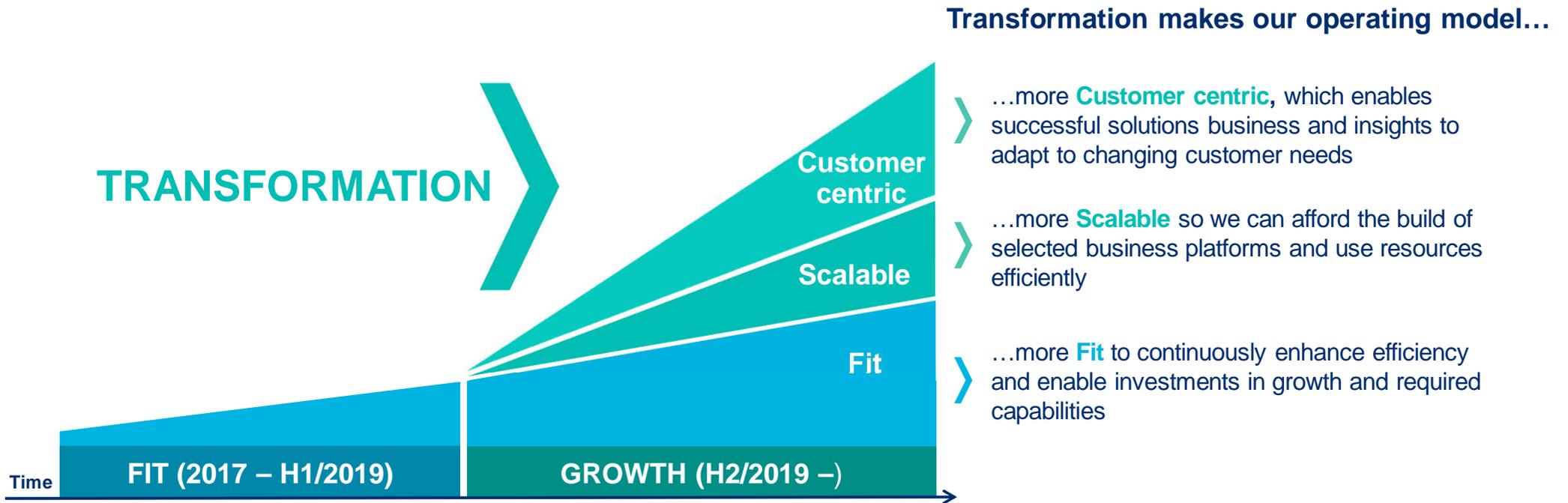
Advisory &
Outcome based Solutions

Digital Solutions

Smart Technologies

Long-term customer partnerships

Transforming our operating model to enable growth



Summary



01

Our Fit for Growth strategy launched in the previous CMD is working well



02

Digitalisation will revolutionise our industry and sustainability needs are growing rapidly – We are well positioned



03

Growth fundamentals already created, numerous sources of profitable growth enabled by our existing strengths

Caverion
Building performance

Q&A



Focus on growth

Thomas Hietto

Deputy CEO

Head of BU Services

Agenda



01

Key fundamentals in place for the Growth phase



02

Four clear sources of future growth



03

Reasons why we will succeed and deliver our targets

01 Key fundamentals in place for the Growth phase



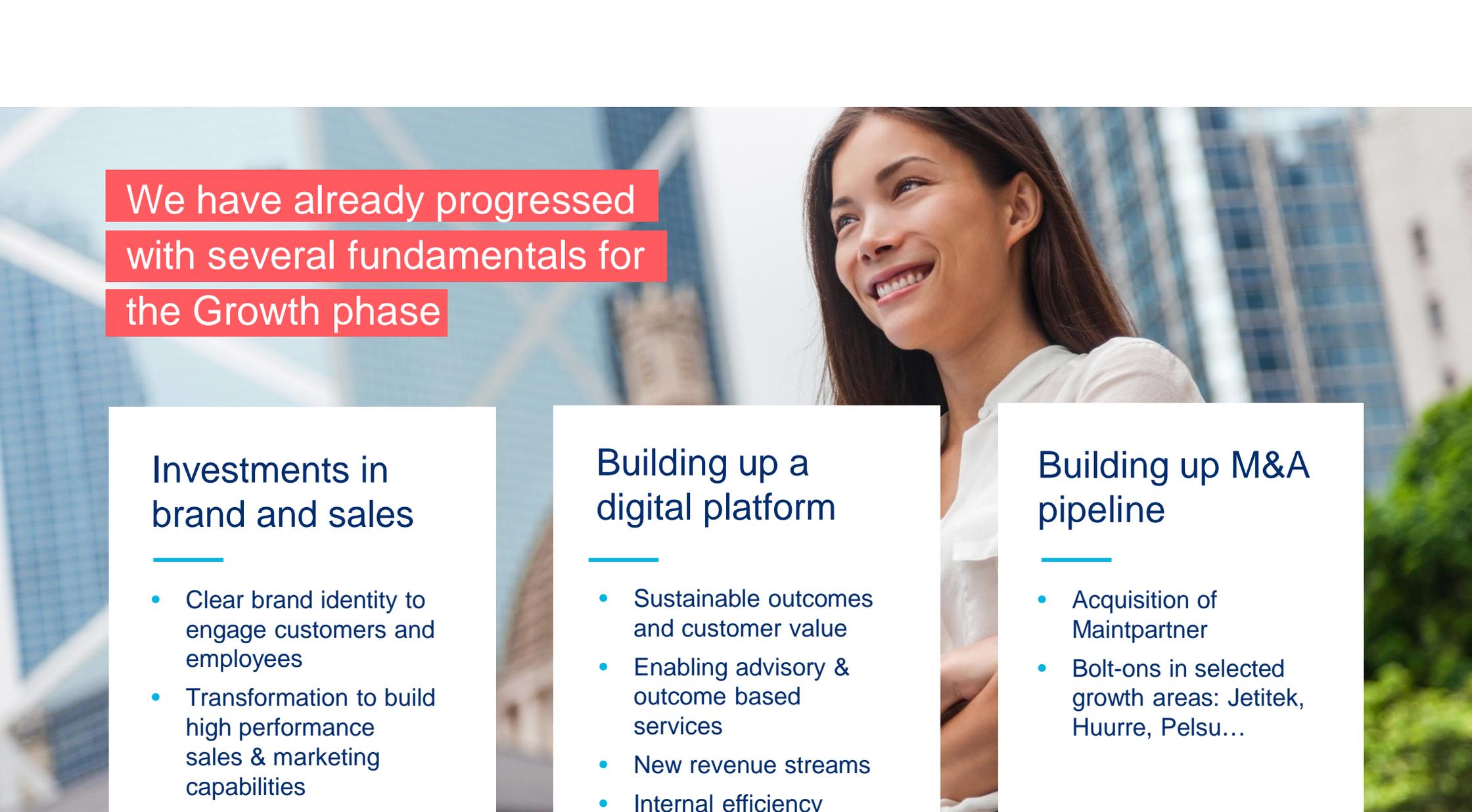
We are entering the Growth phase

Good progress in Fit for Growth strategy

- The critical phase of turnaround is behind us
- We are delivering increasing profits and cash flow
- We have started to invest in growth

Focus will remain on efficiency improvement

- Significant potential still in pricing, productivity and procurement
- Data enabled efficiency
- Transforming our operating model



We have already progressed
with several fundamentals for
the Growth phase

Investments in brand and sales

- Clear brand identity to engage customers and employees
- Transformation to build high performance sales & marketing capabilities

Building up a digital platform

- Sustainable outcomes and customer value
- Enabling advisory & outcome based services
- New revenue streams
- Internal efficiency

Building up M&A pipeline

- Acquisition of Maintpartner
- Bolt-ons in selected growth areas: Jetitek, Huurre, Pelsu...

Building performance



The world is changing at an increasing pace. And so are technologies and people's needs.

Our purpose remains the same and is the foundation of a strong brand.

Buildings, Infrastructures and Industries are an integral part of our everyday life.

We help make them good for people: reliable, sustainable, efficient, inter-connected, safe.

We create sustainable outcomes and economic value.

We contribute to a better world through energy-efficiency and environmentally friendly solutions.

Building performance offering: Delivering sustainable outcomes for people and the environment, and economic value for companies

Efficiency business (~3/4 of revenue)

Solution business (~1/4 of revenue)

Build

- Design & Build
- Technical installation

+

Maintain

- Technical maintenance
- Small service projects

++

Partner

- Performance agreements
- Facility management
- Outsourcing
- Life-cycle solutions

+++

Smart

- Advisory services
- Digital solutions
- Smart technologies
- Energy efficiency

++++

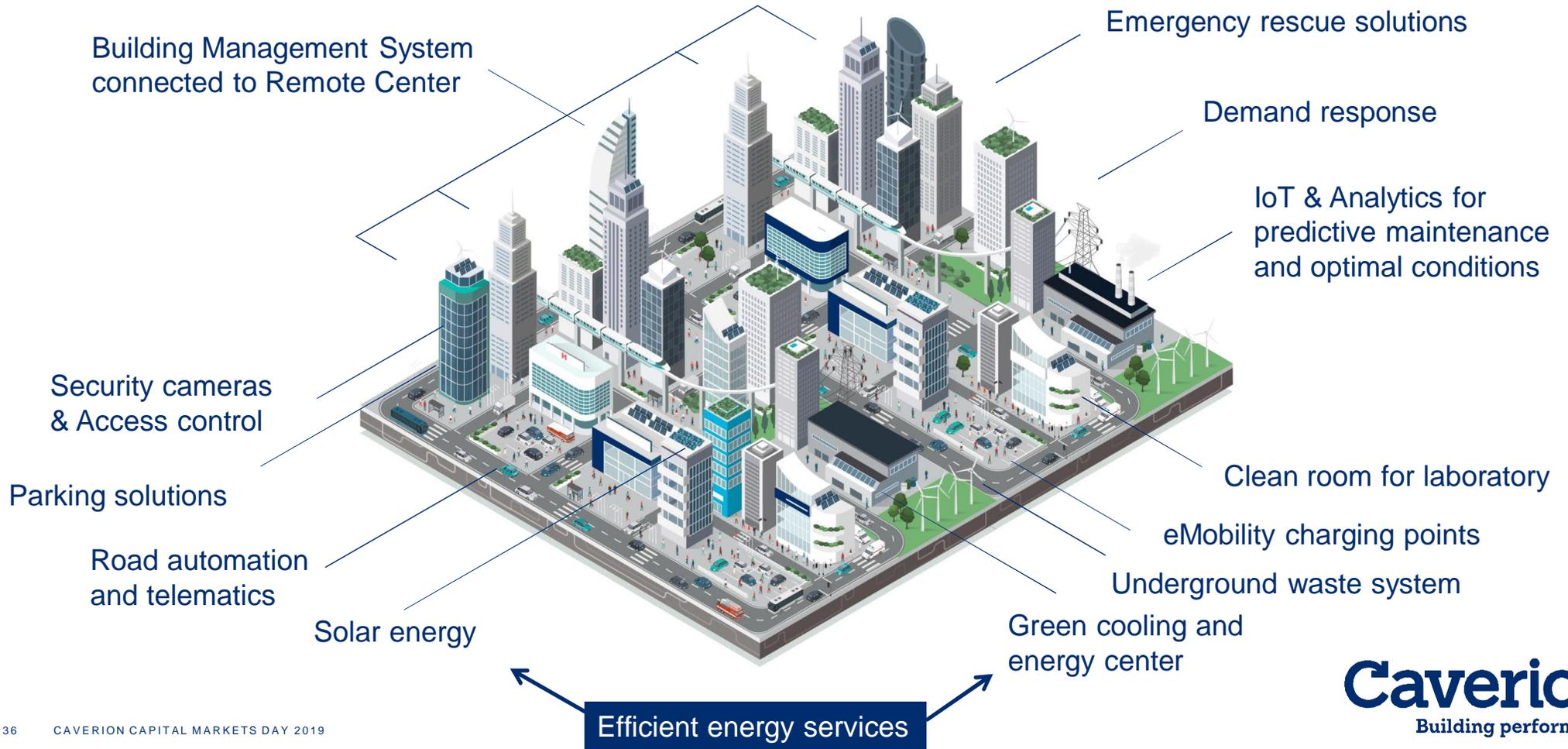
Meeting increasing regulatory requirements from governments

+ = Our estimate of market growth

Caverion
Building performance

Delivering sustainable outcomes and value in a smart city

Energy efficiency, CO2 reduction, safe and healthy environment, optimal lifecycle costs and asset value



02 Four clear sources of future growth

Sources of future growth for Caverion

Advisory & Outcome based Solutions

- Deliver thought leadership and proactive advice
- Customers increasingly want outcome based services and projects
- We want to help our customers to excel in their core business

Digital Solutions

- Caverion SmartView platform
- IoT & Analytics: deliver predictive maintenance and sustainable outcomes
- End-to-end digital service process: superior CX & efficient delivery

Smart Technologies

- Key technologies in Smart Buildings offer major growth potential
- Critical impact to building performance
- Life-cycle business
- Scalable solutions complemented with strong field operations
- Plug-in to our digital platform

Long-term customer partnerships

- Focus on selected customer segments
- Strategic growth accounts program



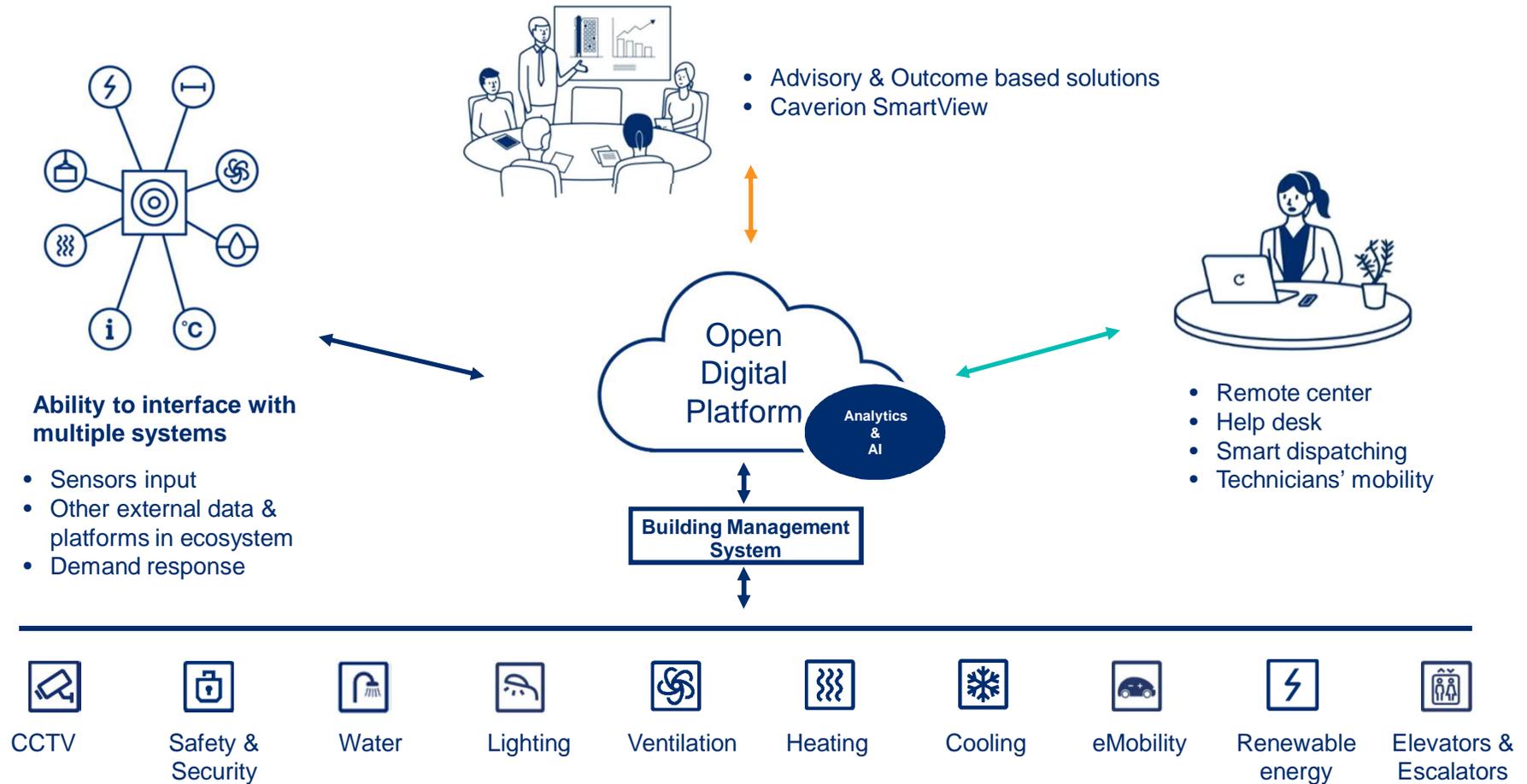
”

Are my buildings
sustainable?

We are building a unique digital platform
to create sustainable customer value and
new revenue streams

Caverion
Building performance

We are building a unique digital platform to deliver sustainable outcomes and value



SMART TECHNOLOGIES

The Smart Readiness Indicator is a catalyst to promote benefits of Smart Technologies in buildings



The Smart Readiness Indicator (SRI) is a part of the revised Energy Performance of Building Directive (EPBD, 2018/844/EU)

*SRI is a cost-effective measure which can effectively assist in creating **more healthy and comfortable** buildings with a **lower energy** use and **carbon impact** and can facilitate the integration of renewable energy sources.*

Caverion
Building performance

Technical needs

Readiness to

- Adapt in response to the needs of the occupant
- Facilitate maintenance and efficient operations
- Adapt in response to the status of the energy grid

Value proposition

- Cost savings
- Sustainability
- CO2 reduction
- Reputation benefits

01



02

Improvement areas

For example

- Heating
- Ventilation
- Demand response

Recommendations

For example

- To improve energy efficiency, it is recommended to upgrade the automation system with heating, ventilation and demand response modules.

04

03

Caverion Building Management System

New age sustainability and comfort for new build and modernisations

Customer benefits

- Guaranteed performance, measurable SLAs
- Sustainable value & comfortable conditions
- Real time transparency with SmartView
- To comply with Energy Performance of Building Directive (2018/ 844/ EU)

Key solution features

- Capability to connect with all building technologies, other IoT and external data sources
- 24/7 Remote center and analytics to enable predictive actions
- Industrial configuration & programming
- New features constantly released



SMART TECHNOLOGIES

Environmentally friendly cooling & energy solutions optimise energy flows in complex buildings

Customer benefits

- Guaranteed performance, measurable SLAs
- Sustainable value by optimizing energy flows across multiple equipment
- Real-time transparency with SmartView
- Comply with EU legislation regarding environmentally harmful refrigerants

Key solution features

- Connects to Caverion BMS
- Plug-in to our digital platform
- Analytics to enable predictive actions and control
- 24/7 Remote Center and field service



Caverion
Building performance

Smart security for people, assets and data

Customer benefits

- Secure and safe buildings
- People flow data to guide building use and drive optimal sustainability
- Real-time transparency with SmartView

Key solution features

- Connects to Caverion BMS
- Analytics to enable predictive actions



03

Reasons why we will
succeed and deliver
our targets



Building on our strengths

Long-term customer partnerships, excellent people and capabilities in building technology

Sustainable value

We contribute to a better world through energy-efficiency and environmentally friendly solutions

Digital forerunner

Advanced digital platform enables leading advisory & outcome based solutions, new revenue streams and internal efficiency

Summary



We have the key fundamentals in place for the Growth phase



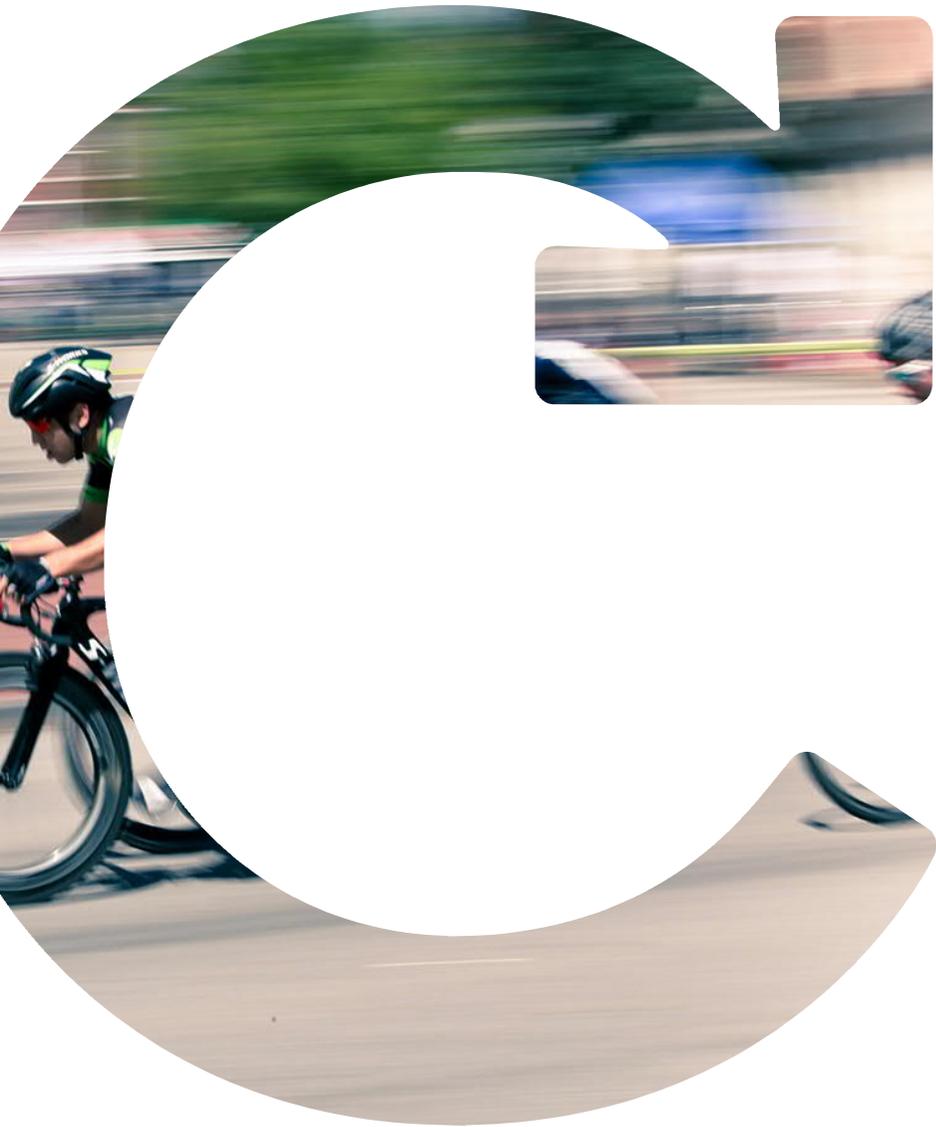
Sources for future growth are:

- Long-term customer partnerships
- Advisory & outcome based solutions
- Digital solutions
- Smart technologies



We will succeed because:

- We build on our strengths
- We deliver sustainable value
- We are the digital forerunner



Germany – Fit for Growth

**Frank Krause, Executive Vice President,
Caverion Germany**

Caverion
Building performance

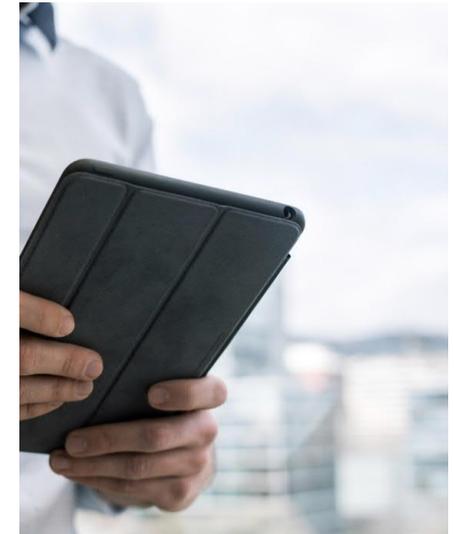
Agenda



The German market is large and offers major growth opportunities



We are finalising the turnaround, focusing on staying Fit and growing faster than the market in Services



We grow profitably with our customers through our digital and sustainability solutions

01

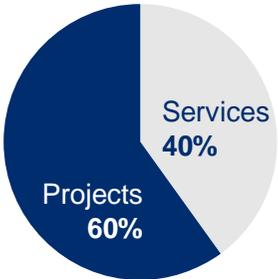
The German market is large and offers major growth opportunities

Overview of Caverion Germany

Revenue
EUR million (2018)



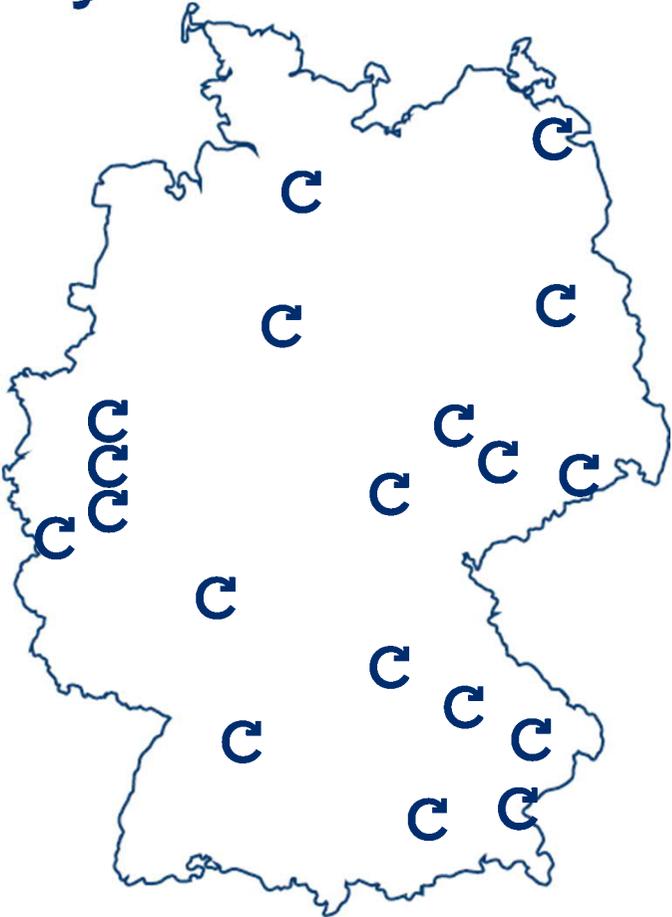
Revenue share 2018



~2,200
Employees



~800
Service cars



C Branch offices



Caverion
Building performance

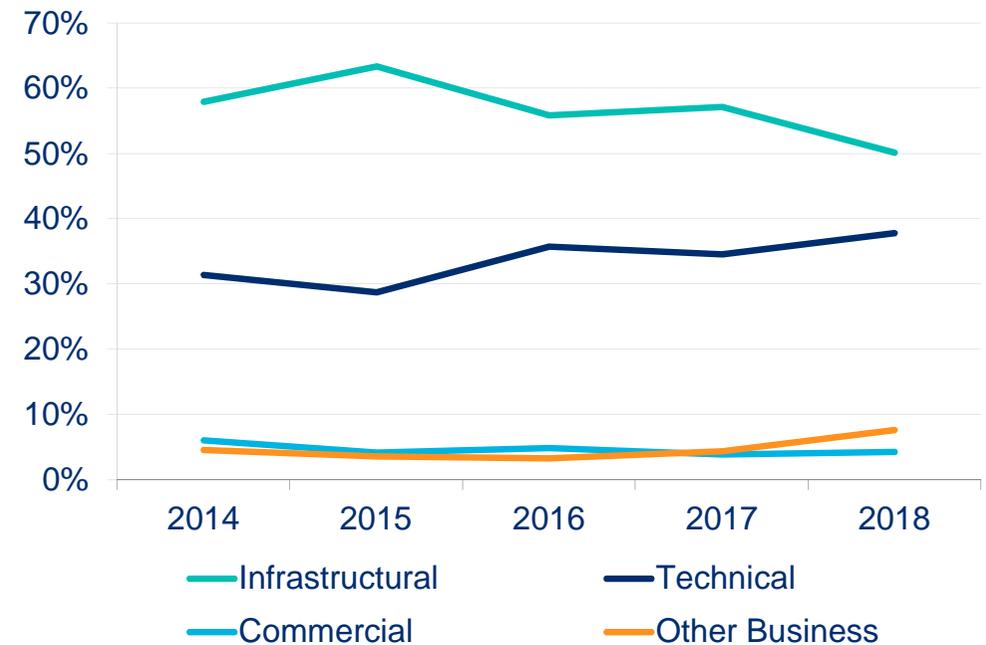
Major opportunities in the large German market

Germany >70% of our market



- The outsourced German Facility Management (FM) market is over twice the size of the outsourced Nordic FM market.
- Outsourced FM is the largest sector in German B-to-B service market with an annual volume of EUR 55bn.

German FM market breakdown



Source: Lünendonk® Study 2019: Facility service companies in Germany and management estimates.

02

We are finalising the turnaround, focusing on staying Fit and growing faster than the market in Services

Germany has turned cash flow positive

EURm



— Operating cash flow before financial and tax items, excl. cartel fine, LTM

2019 figures according to IFRS 16



Caverion
Building performance

Turnaround in Projects progressing

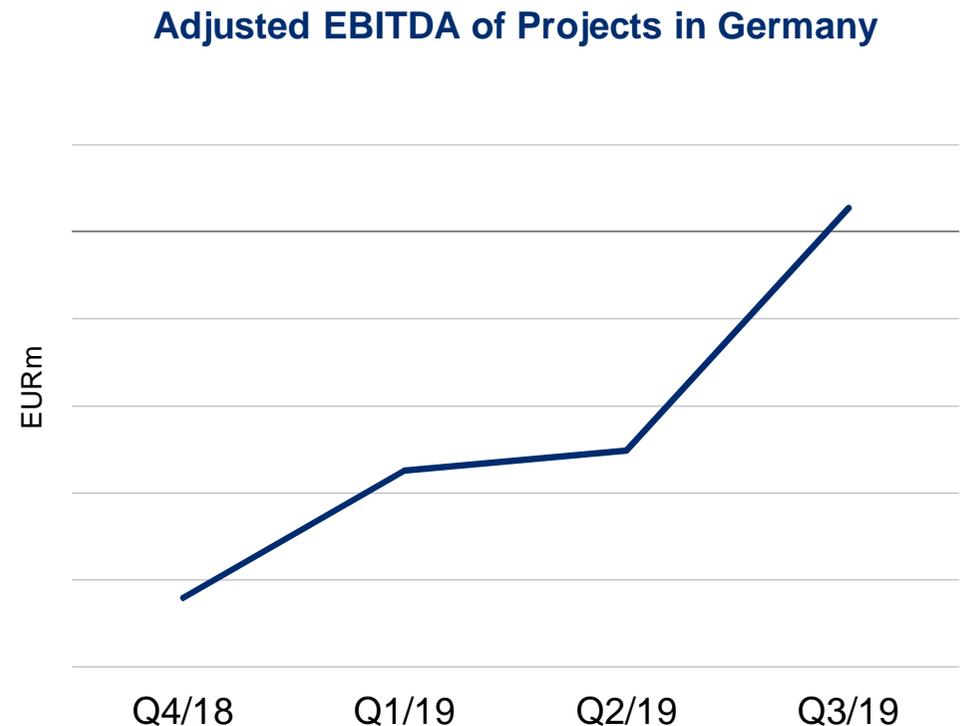
Focus on staying Fit

Turnaround in Projects progressing

- Burden from old projects coming to an end
- New projects performing better
- Units reduced from 14 to 5
- Clear profitability improvement in Q3/2019
- Cash flow turned positive in 2019

How we stay Fit

- Performance management focus
- Central PMO team with a strong bid selection process
- Focus on project risk list and bi-weekly project reviews
- Early warning system follow-up



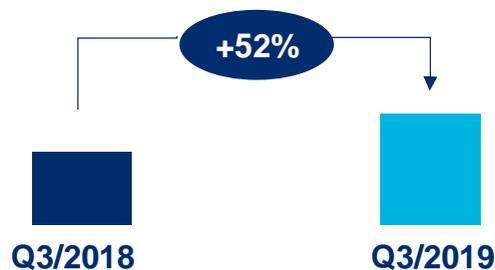
Projects order backlog growing with improved quality

Improving Projects order backlog after selectivity



- During the turnaround phase, the order backlog declined due to selectivity and restructuring.
- In 2019, the order backlog has again started to increase in Projects with substantially better quality.
- This will support our organic growth going forward.

Increase in Projects order backlog



More disciplined criteria for project selection

Cash flow and profitability

Smart technologies and right customer segments

Project management and resourcing

Service opportunity

Solid transformation towards Services in Germany

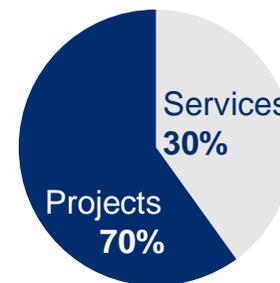
Profitable Services growth

- Services business in Germany has continued its positive development in line with plan
- Performance management system established with simplified KPIs
- Focus on invoicing and faster collection
- Regular weekly meeting structure to manage portfolio
- Central support functions (Performance Management, Sales, Calculation, Procurement) established to support our growth efforts

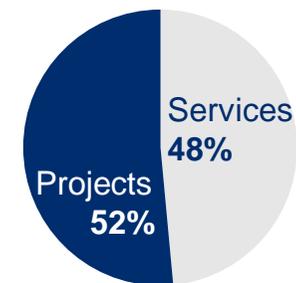
Solid transformation towards Services

- Top- and bottom-line growth in Services since 2014
- FM sales pipeline grown by 57% from 2018 to 2019
- Share of Services in Germany has grown:

Revenue share 2014

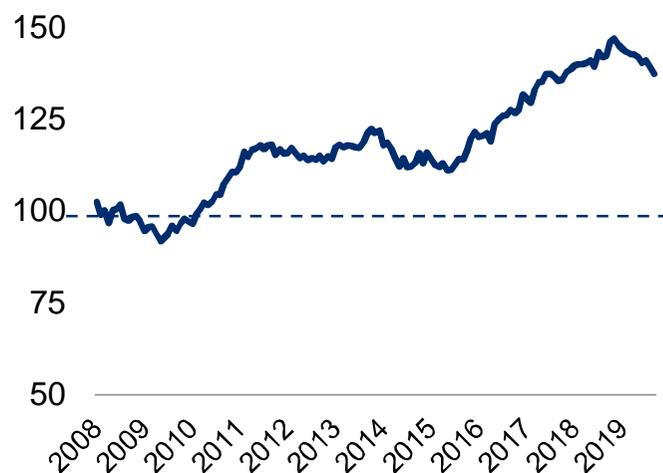


Revenue share Q3/2019

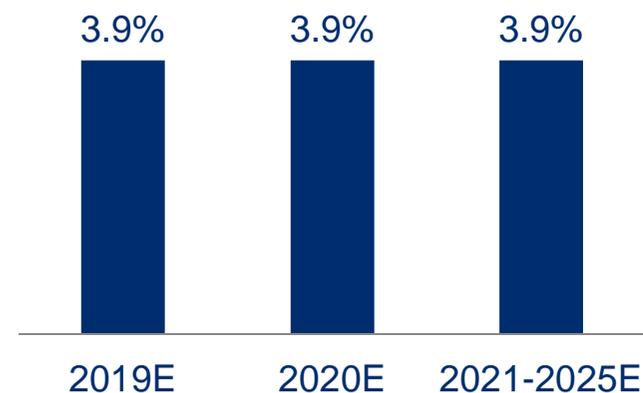


Set to grow faster than the market

Construction confidence indicator (2008 – 09/2019)



FM market growth outlook in Germany



The underlying market sentiment stable in Germany

Sources: European Commission, October 2019; Lünendonk® Study 2019: Facility service companies in Germany.

03

We grow profitably with
our customers through
our digital and
sustainability solutions

Key fundamentals in place for the Growth phase in Germany



Fit for Growth

- Focus on long-term Services contracts
- Selectivity in Projects
- Performance management to enable profitable growth

Smart Technologies

- Clean rooms
- Cooling
- Sprinklers (Security & Safety)
- Building automation

Energy & Digital

- Expansion of Energy / Digital service offerings
- Remote management saving 1/3 of energy consumption on average

Clean rooms – outstanding market position

Caverion delivers the entire technical services portfolio, from consulting, planning and installation to maintenance and servicing.

There are 4 laboratories in Germany with the highest security standard (BSL 4) – Caverion has built them all and is maintaining 3 of them.

Caverion is the only company in Germany that can both build and maintain BSL4 labs.

Our technology is used in the industries such as

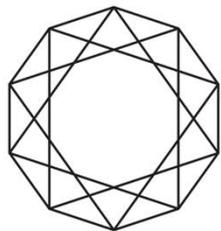
Biotechnology, Research, Hospital technology, Food technology, Microbiology, Medical technology, Electronics, Pharmaceuticals, Optoelectronics



Caverion won the European Real Estate Brand Award

Winner of the Growth Award in the category “personal brand experience” and TOP3 of the strongest FM brands in Germany.

More than 91,000 real estate experts in 47 countries were surveyed.



EUROPEAN
REAL
ESTATE
BRAND
AWARD
2019

*Strongest Growth
Personal Experience*

Caverion elected as the Best Facility Manager 2018



What do the customers say?

- In the Bell FM Report 2018, FM customers in Germany voted Caverion #1 in the sales category up to 300 million euros.
- Caverion was also the overall winner on points and outperformed many large competitors.

How we win in the German market

Sustainability

Our solutions help customers to meet the CO2 reduction requirements by German Federal legislation

Excellent customer experience

Caverion SmartView and operational centre offer added value to our customers

Trusted partner

Already today a good position in Germany, building on our existing strengths

Business value

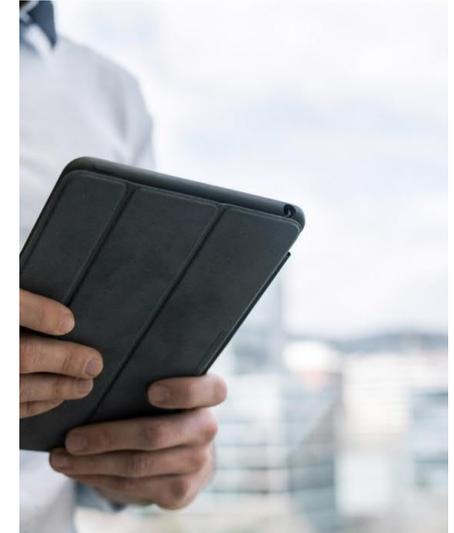
Our customers can save up to 1/3 in their energy consumption



The German market is large and offers major growth opportunities



We are finalising the turnaround, focusing on staying Fit and growing faster than the market in Services



We grow profitably with our customers through our digital and sustainability solutions

Summary

Q&A



CASE KASARMIKATU 21 / HINES

Exceeding the customer's expectations with technical property management

BACKGROUND

In 2017, Hines, global real estate investment, development and management firm, acquired Kasarmikatu 21, a 7-storey, 16,000-square-metre office building located in the heart of Helsinki's business district, representing Hines' entry to the Finnish property market.

CHALLENGE

Kasarmikatu 21 is fully leased to notable companies including Danske Bank and Roschier. The property must meet the highest standards to guarantee superior end-user satisfaction and to maintain property value.

CAVERION SOLUTION

- Caverion acts as a strategic partner providing Hines with Property Management and Technical Maintenance services.
- Caverion has a comprehensive knowledge of the building technology, as we were already involved in the development project of the property (Design&Build).
- Caverion is committed to provide high-end services on long term basis for Kasarmikatu 21 and strengthen the strategic partnership.
- In 2019, the property was connected to Caverion SmartView, a new platform offering transparent, real time information about the operations and conditions in the building.

RESULTS

High level of end-user satisfaction and user experience

REPORT SUMMARY

KEY PERFORMANCE INDICATORS VS. THE KINGSLEY INDEX

AVERAGE SCORES
■ Report score ■ Kingsley Index ▲ Greater than Kingsley Index ▼ Less than Kingsley Index



Caverion
Building performance



Reaching updated financial targets through strategy execution

Martti Ala-Härkönen, CFO

Agenda



01

Must-Win actions have successfully contributed to cash flow and profitability and their implementation will continue



02

From the Fit phase to the Growth phase through capital and investments reallocation



03

Caverion is now ready to grow and reach the next level of profitability

01

Must-Win actions have successfully contributed to cash flow and profitability and their implementation will continue

Summary of Caverion's strategic Must-Wins



Excellent Customer Experience



Best Solutions



Top Performance at Every Level



Winning Team

Strategy execution

- Professional sales management
- Service culture
- Drive increased customer loyalty

- Roll out sustainable solutions and digital services
- Boost profitable growth in smart technologies & FM
- Roll out Caverion brand story and new offering
- Drive selectivity and productivity strategy in Projects

- Service performance management
- Project performance management
- Transformation in procurement
- Fixed cost performance management

- Building Performance culture
- Right people in right places
- Professional growth

Financial impact of Caverion's strategic Must-Wins



Excellent Customer Experience



Best Solutions

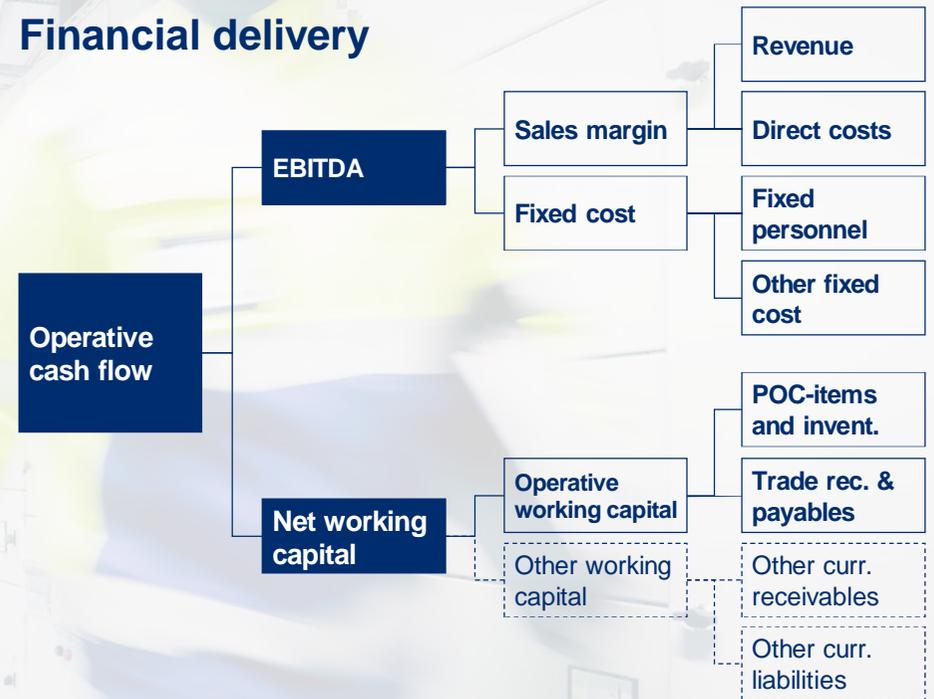


Top Performance at Every Level



Winning Team

Financial delivery



Progress at achieving our financial targets

Targets published in 2017 until the end of 2020

1 Cash conversion

> 100%

LTM Operating cash flow (EURm) and Cash conversion (%)



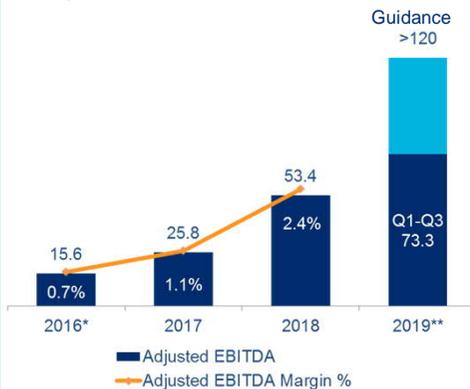
* 2019 figures according to IFRS16

2 Profitability

(Adjusted EBITDA-%)

> 8%

Adjusted EBITDA (EURm) and margin (%)



(Q3/19 Adj. EBITDA 7.1%)

* 2016 figure is EBITDA excl. restructuring

** 2019 figures according to IFRS16

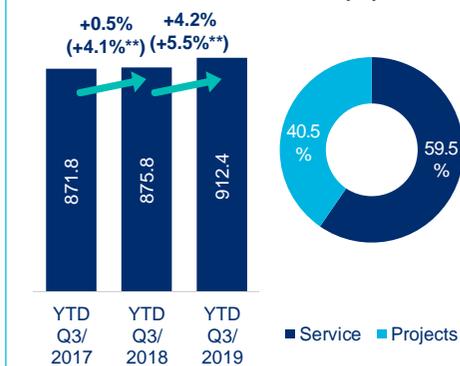
3 Growth

Services growth > market

Services generate > 2/3 of Group revenue (long-term target beyond 2020)

Group revenue growth target specified by the end of 2019

Revenue, Services business unit (EURm) and Share of Services revenue YTD Q3 2019 (%)



** Organic growth excl. unit closures, constant fx rate

4 Leverage

(Net debt/EBITDA)

< 2.5x

Leverage (Net debt / EBITDA***)

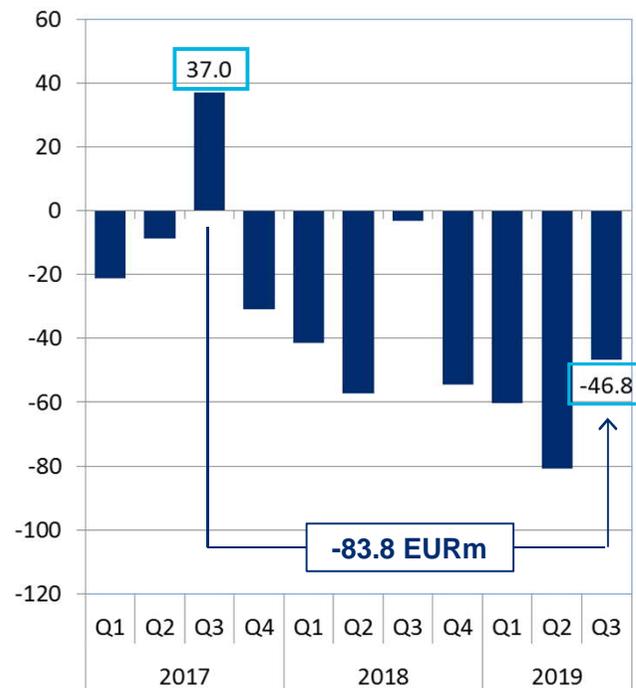


*** According to agreed calculation principles

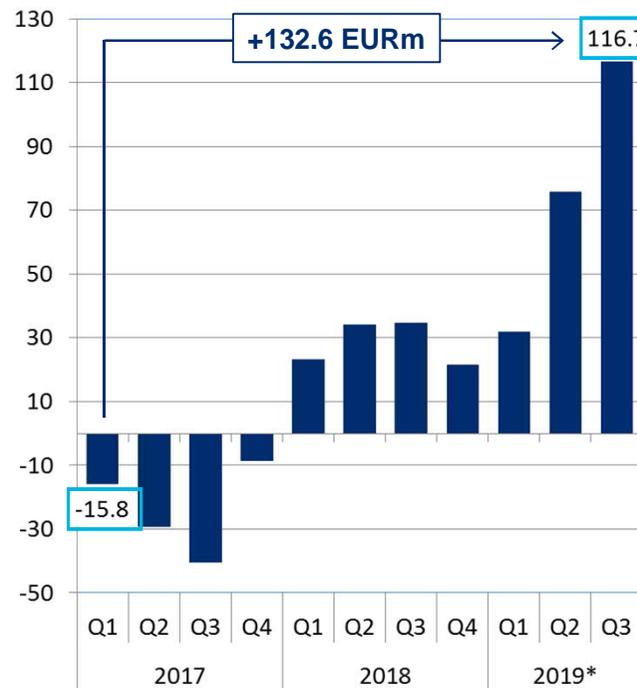
Cash flow & cash conversion improved to target level

Substantial cash release from working capital

Working capital EURm



Cash flow from operations LTM, EURm



Completed in the Fit phase

- Tight weekly follow up of invoicing and receivables
- Focus on resolving old risk projects
- Longer payment terms in purchases
- Reduced investment levels
- Invoicing related KPIs and competitions at various levels of the organisation

To continue in the Growth phase

- Centralised management of invoicing-related processes to be rolled out across all divisions
- Further automation of order-to-cash and source-to-pay processes
- Investment focus will be on digitalisation and growth investments including M&A

* 2019 figures according to IFRS16

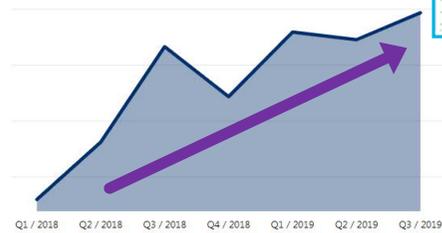
Service Performance management

Substantial profitability and cash flow improvement across divisions – Case Service unit in Norway

Unit & service manager dash-boards with critical KPIs



Utilisation rate %



Invoicing lead time

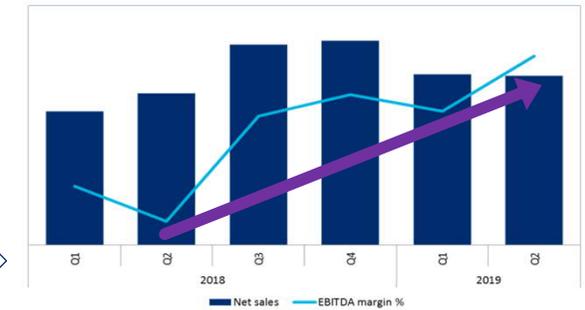


Action logging and follow-up

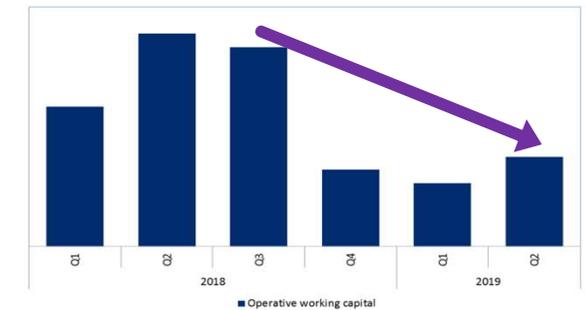
KPI	REGISTRERT UKE	UTFORDRING / GAP / PRESTASJON	PLANLAGT AKSJON	ANSVAR	Start (dato/tid)	Forventet utført (dato/tid)	STATUS	NOTAT/RESULTAT

Sustainable financial impact

Revenue and EBITDA margin %

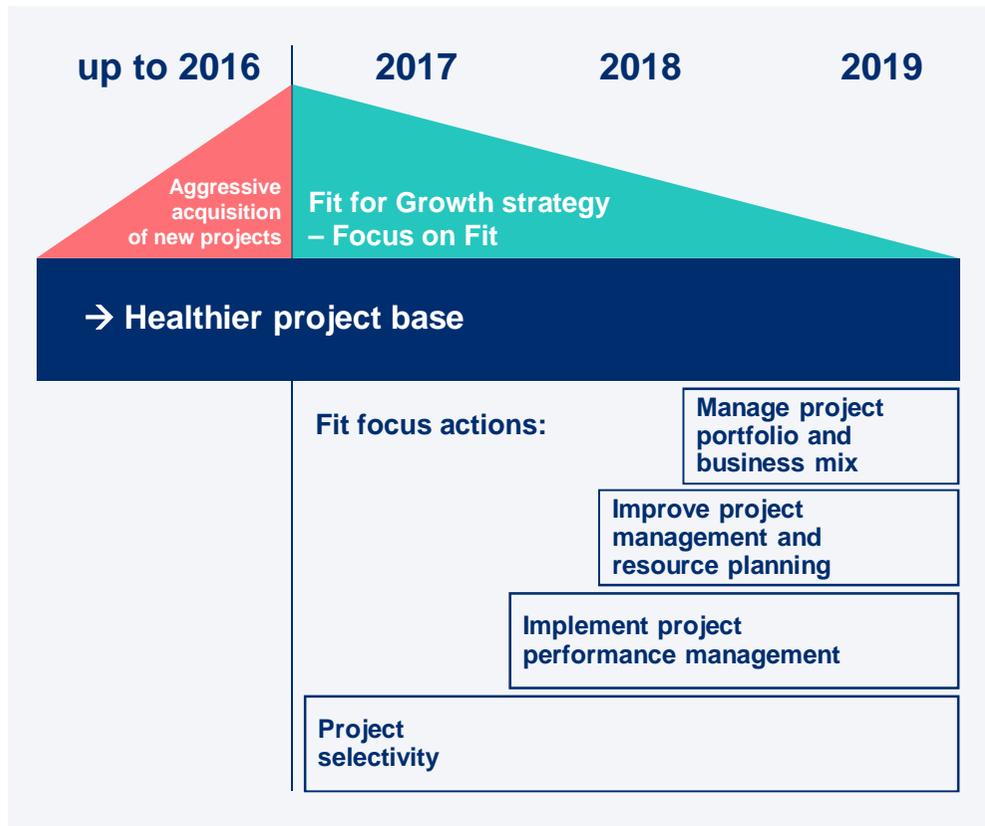


Operative working capital



Project Performance management

Following substantial restructuring and selectivity, Projects gradually Fit for Growth

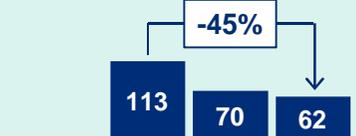


KPI development 2016-Q3/2019

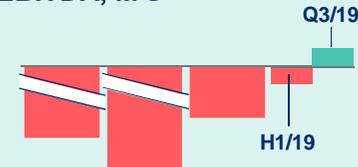
Number of open projects



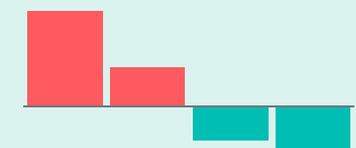
Number of project units



EBITDA, M€



Invoicing backlog, M€



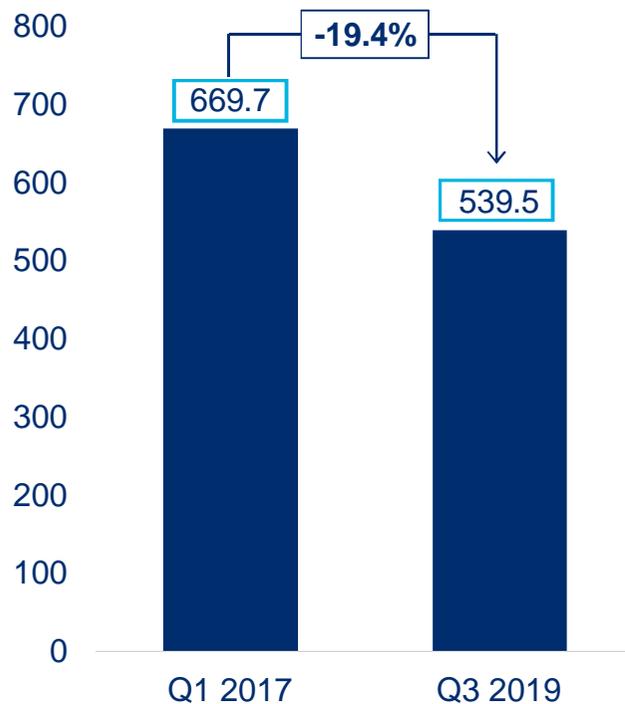
- Due to the size of the old unprofitable project base, Fit for Growth strategy implementation has taken time
- Visible progress in cash flow and profitability
- Performance management actions to be continued

Tight cost control

Successful streamlining achieved to adjust to lower volumes

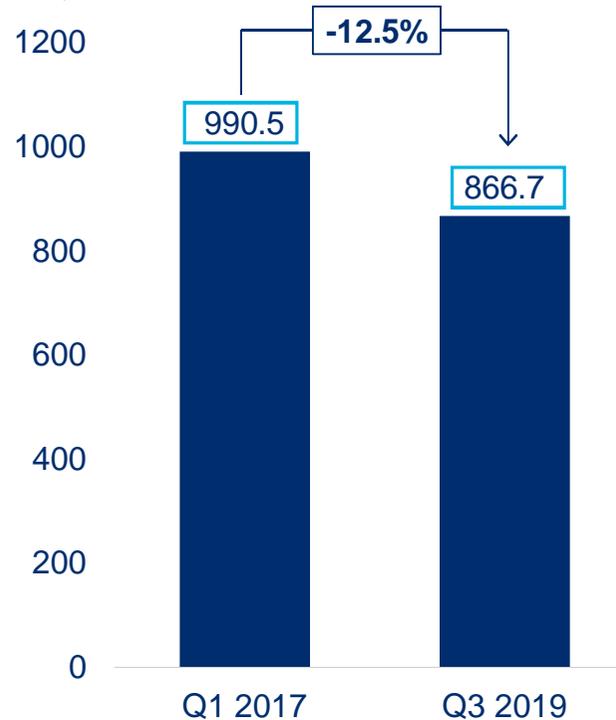
Materials and supplies

LTM, EURm



Personnel expenses

LTM, EURm



Completed in the Fit phase

- Restructurings and Fit for Growth turnaround programs
- Fixed cost reduction programs, e.g. IT, fixed personnel, service cars
- Premises consolidation
- Procurement and material logistics performance management

To continue in the Growth phase

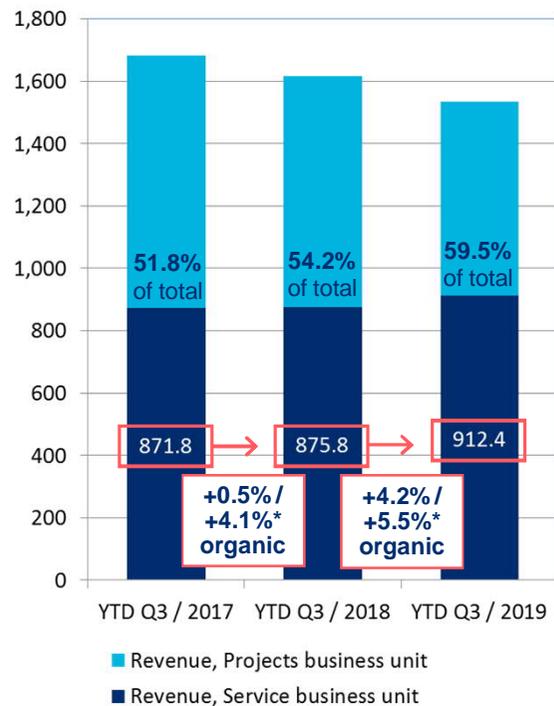
- Further optimised personnel planning and resource utilisation in operations
- Further benefits from harmonised processes and centralised support and development functions
- Optimised operating model

Focus on growing the Services business

Growth in Services and a shift in business mix achieved already in the Fit phase

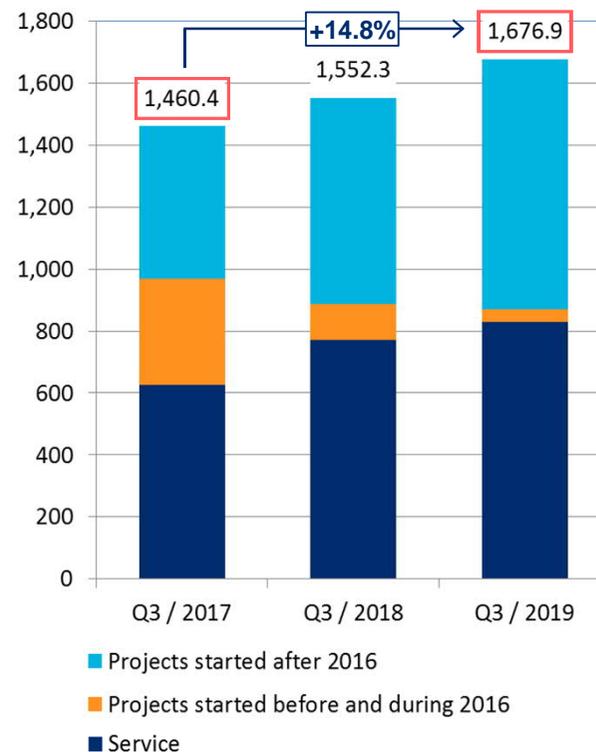
Revenue by business unit, Q1-Q3

Revenue, EUR million



Order backlog trend

Order backlog, EUR million



Completed in the Fit phase

- Services business and its offering trimmed to organic growth
- Selectivity in taking on new projects
- Focus on growing in most profitable customer segments and markets

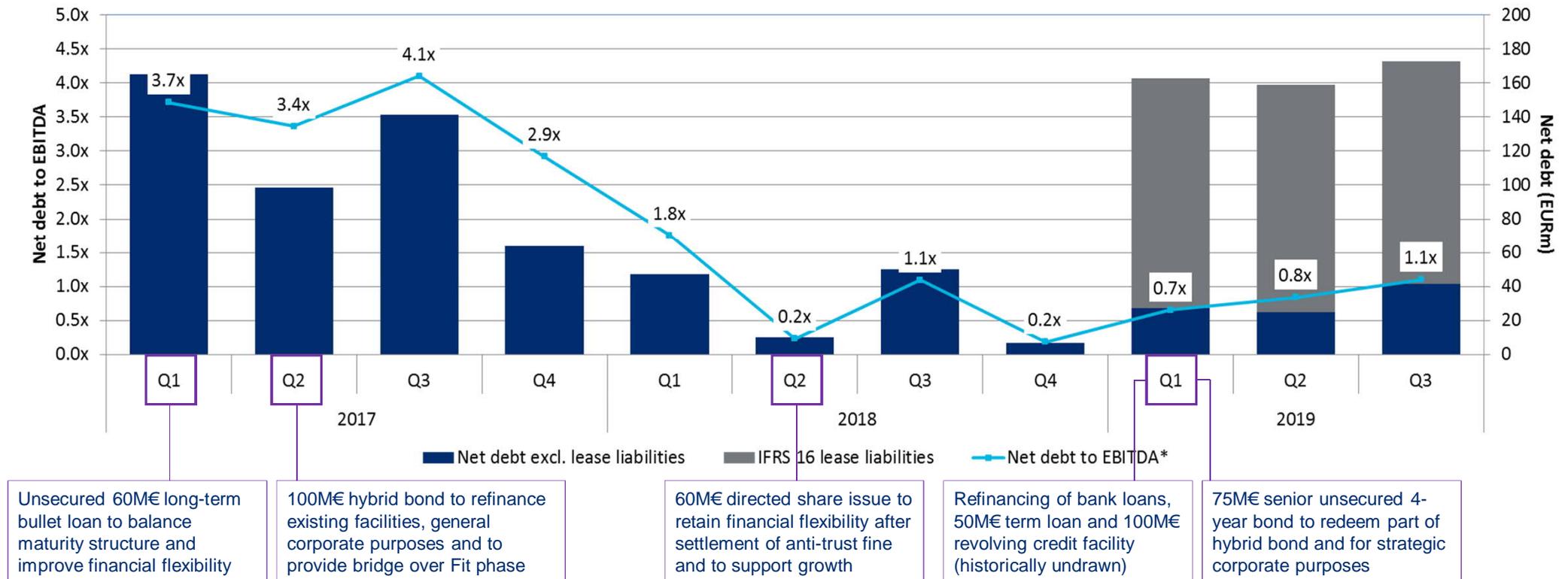
To continue in the Growth phase

- Growing with existing and new customers and targeted customer segments
- Investments into digitalisation, sustainable solutions, Smart Technologies and Facility Management
- Bolt-on M&A in selected growth areas and complementary capabilities

* Organic growth excl. unit closures, constant fx rate

De-leveraging and improvement in debt capacity

Leverage and net debt



* According to agreed calculation principles with lending parties

02

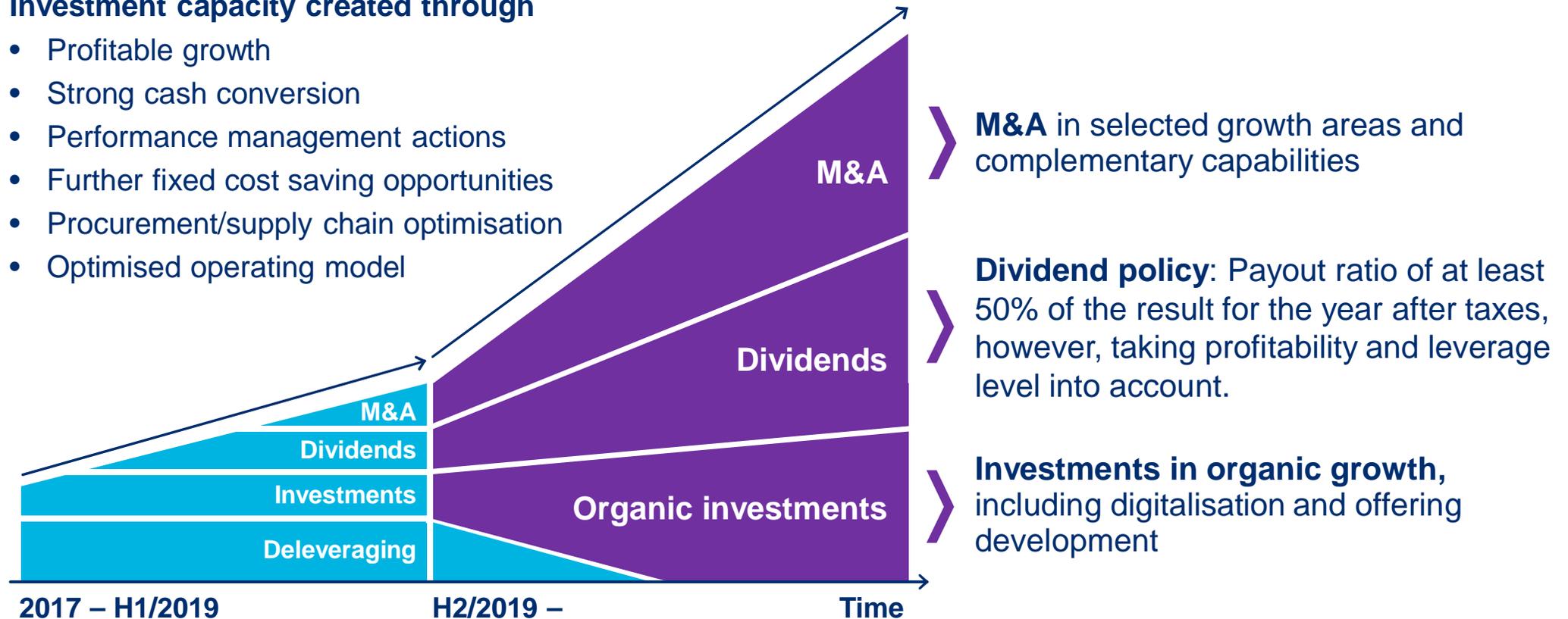
From the Fit phase to
the Growth phase
through capital and
investments reallocation

Reallocation of capital to achieve sustainable profitable growth

Illustrative

Investment capacity created through

- Profitable growth
- Strong cash conversion
- Performance management actions
- Further fixed cost saving opportunities
- Procurement/supply chain optimisation
- Optimised operating model

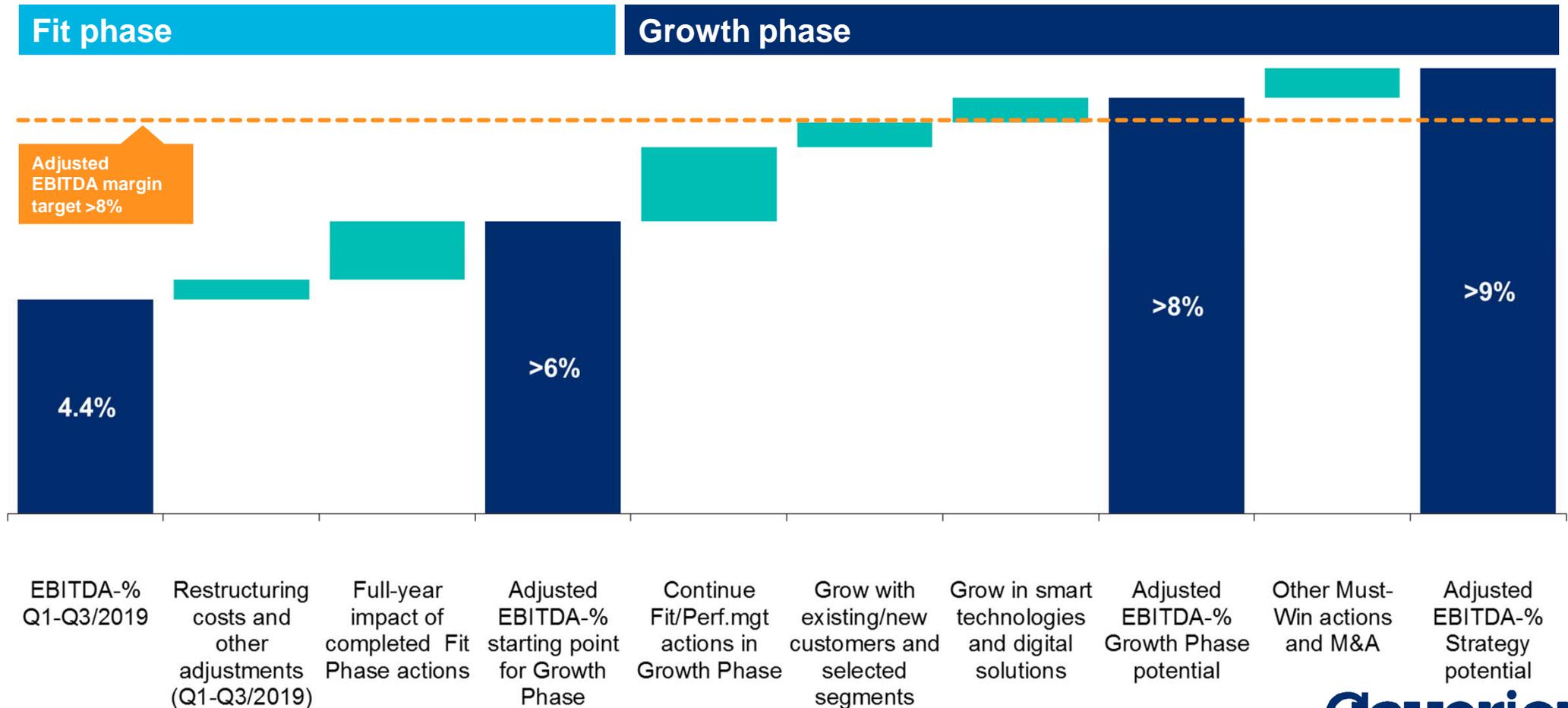


03

Caverion is now ready to grow and reach the next level of profitability

Targeting sustainable profitable growth – illustrative

Growth actions and continuing Fit actions projected to take us to the next level of profitability



Updated financial targets (mid-term)

Profitability target converted from Adj. EBITDA to Adj. EBITA – New target for organic growth

1	Cash flow	Cash conversion > 100%	<ul style="list-style-type: none"> • Full conversion of EBITDA into cash flow
2	Profitability	Adjusted EBITA* > 5.5% of revenue (Conversion from Adjusted EBITDA > 8% target)	<ul style="list-style-type: none"> • Sustainable profitability target covering also depreciations • Attractive level of return on equity
3	Growth	Organic revenue growth > 4% p.a. over cycle	<ul style="list-style-type: none"> • Services revenue growth > market growth • Services generate > 2/3 of Group revenue • Supported by bolt-on M&A in selected growth areas and complementary capabilities
4	Debt leverage	Net debt / EBITDA** < 2.5x	<ul style="list-style-type: none"> • Strong balance sheet and financial flexibility • Capacity to make investments and acquisitions and pay out dividends

* EBITA is defined as Operating profit + amortisation and impairment on intangible assets. Adjustments according to defined Items affecting comparability (IAC).

** According to agreed calculation principles with lending parties.



Summary

01

Must-Win actions have successfully contributed to cash flow and profitability and their implementation will continue

02

From the Fit phase to the Growth phase through capital and investments reallocation

03

Caverion is now ready to grow and reach the next level of profitability



Summary of the day

Ari Lehtoranta, President and CEO

Fit and Growth

DIGITALISATION SUSTAINABILITY



Caverion is a leading service company and a selective master of projects. We are building performance for the whole life cycle of buildings, industries and infrastructure.

We are a technology forerunner providing excellent customer experience. We will grow faster than the market in services.

MISSION

Smart solutions and happy customers

VISION

First choice in digitalising environments

MUST-WINS



Excellent customer experience



Best solutions



Top performance at every level



Winning team

VALUES

Step ahead | Cooperation | Responsibility | High performance

MUST-HAVES

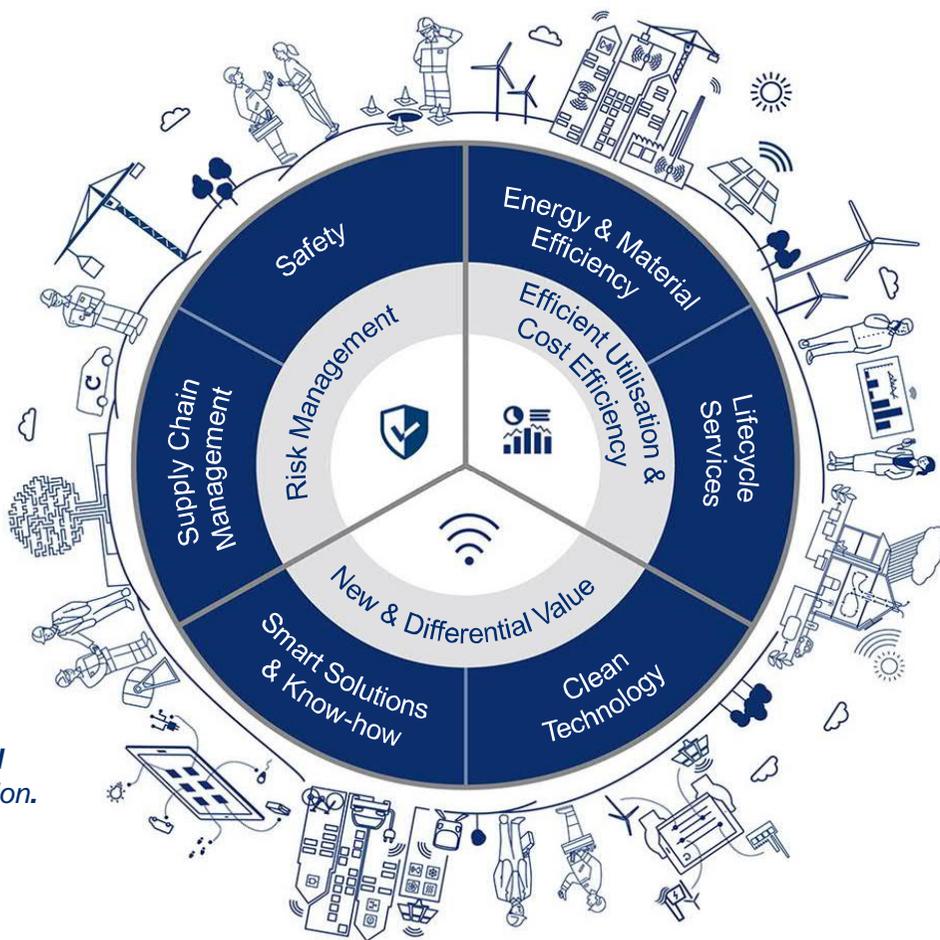
Safety | Quality

Caverion
Building performance

Caverion is well positioned to support customers' sustainability and CSR

Caverion Sustainability Framework – Sustainability targets to be published in 2020

- We want to make sure that people return home healthy after a day's work, by focusing on **indoor air quality and providing a healthy and safe working environment**.
- We guarantee **a responsibly managed service chain** for our customer, by service management, processes and Code of Conduct.
- With SRI, Smart Solutions and SmartView, we can develop our customers' **smart sustainability, reporting and support fact-based investment decisions** in cooperation.



- The easiest way to reach **carbon neutrality goals**, without carbon credits, is improving **energy efficiency** of the built environment, which we can deliver with our Energy and Environmental solution.
- With a life-cycle approach to the management of existing properties, we can **optimise the life-cycle costs and also help sustain the performance of the building**, improving the sustainable corporate citizenship.
- We can help our customers to **minimise waste and emissions** by continuously developing new disruptive clean technology innovations (e.g. CO2 cooling technology and demand response solutions).

Winning team in place: Group Management Board



Ari Lehtoranta
President and CEO



Thomas Hietto
Deputy CEO and
Head of Services



Michael Kaiser*
Head of Projects



**Minna
Schrey-Hyppänen**
HR and Safety



Martti Ala-Härkönen
Finance, Strategy and IT



Kari Sundbäck*
Transformation and Supply
Operations (& Russia)



Anne Viitala
Legal and Governance

Divisions



Manfred Simmet
Austria



Knut Gaaserud
Norway



Ville Tamminen
Finland (& Baltics)



Sakari Toikkanen
Industrial Solutions



Frank Krause*
Germany



Carsten Sørensen*
Tanska



Juha Mennander*
Sweden

(*Joined the Group Management Board in or after 2018)

Key investment highlights

1. Sustainability and digitalisation trends are creating growth opportunities
2. A leading, innovative European forerunner in technical solutions and digitalisation for built environments
3. Turnaround results visible with clear path to profitable growth, supported by bolt-on M&A
4. Asset-light, cash generative business model with a diversified customer base
5. Healthy order backlog with an increasing share of services and high-quality projects
6. Market outlook remains attractive

Cash conversion*

> 100%

Profitability
(Adjusted EBITA-%)

> 5.5%

Leverage
(Net debt/EBITDA**)

< 2.5x

Growth
Organic growth

> 4% p.a.

Services growth > market
Services generate > 2/3 of Group revenue
Supported by bolt-on M&A

* Operating cash flow before financial and tax items / EBITDA
** Based on calculation principles confirmed with the lending parties. The confirmed calculation principles exclude the effects of the IFRS 16 standard and contain certain adjustments. If IFRS 16 adjusted figures were applied in the calculation, the target would be adjusted accordingly.

Summary



01

Our Fit for Growth strategy launched in the previous CMD is working well



02

Digitalisation will revolutionise our industry and sustainability needs are growing rapidly – We are well positioned



03

Growth fundamentals already created, numerous sources of profitable growth enabled by our existing strengths

Caverion
Building performance

Q&A