



**Welcome to Caverion's
Capital Markets Day
2015**

Agenda of the day

- 9:00–10:00 a.m. **Reaching the strategic targets – Business mix development and growth**
Fredrik Strand, President and CEO*
- 10:00–10:30 a.m. **Large Projects – Moving towards total technical solutions with a life cycle focus**
Werner Kühn, Germany
- 10:30–11:00 a.m. **From Technical Maintenance towards Managed Services**
Thomas Lundin, Sweden*
- 11:00–11:30 a.m. **Coffee break and visit to the “Space for Innovation” show room**
- 11:30 a.m. - 12:00 **Increasing demand for Life Cycle Solutions supporting our growth**
Jarno Hacklin, Finland
- 12:00–12:30 p.m. **Financial update – Increasing efficiency and improving procurement and sourcing**
Antti Heinola, CFO*
- 12:30–1:30 p.m. **Lunch and visit to the “Space for Innovation” show room**
- 1:30–3:30 p.m. **R&D Laboratory visit**



Caverion

Reaching the strategic targets – Business mix development and growth

Fredrik Strand
President and CEO

Capital Markets Day in Aachen
September 9, 2015

Reaching our strategic targets

1. Megatrends drive our strategy.

2. Operational model & Enterprise Architecture in place to enable profitable growth

3. Our business mix is being developed to drive profitable growth.



Megatrends supporting demand for our business



Increasing technology

- Technology in buildings currently account for 40–60% of building costs.
- Integrated technologies require multi-discipline expertise.
- Maintenance is increasingly based on preventive measures as well as on actual needs and conditions.



Improving energy efficiency

- Tightening legislation relating to energy efficiency
- Integrated technologies require multi-discipline expertise.
- Increasing demand for energy-efficient solutions also for existing buildings



Growing digitalisation

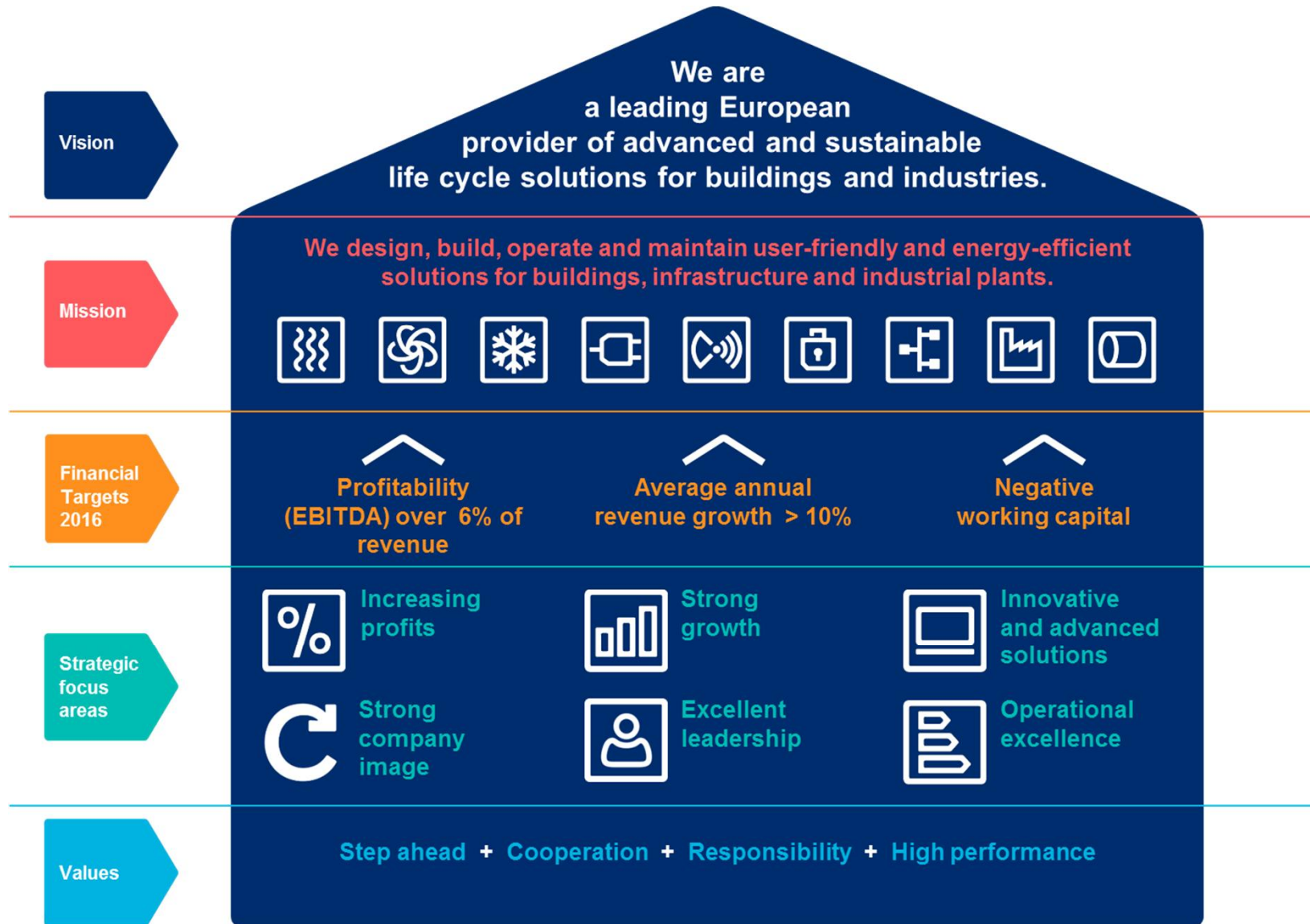
- All technologies in buildings have an IP address.
- Demand for remote monitoring is increasing.
- 10,000 buildings currently under Caverions' remote control.



Urbanisation continues

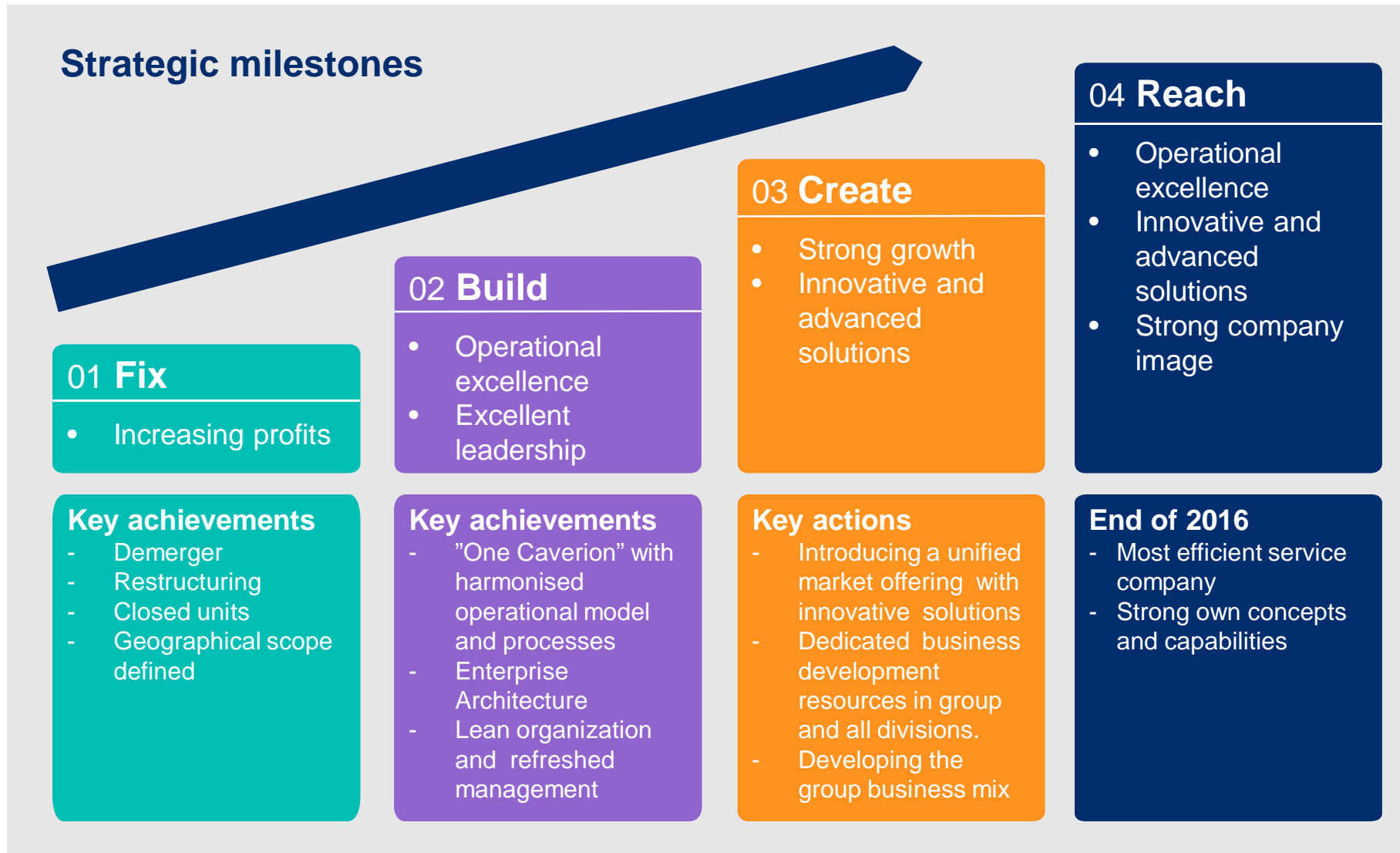
- Needs for necessary infrastructure (water, sanitation, energy, information, transportation) increase.
- Urban development management important (manage of land, housing, working environment, transportation)

Strategy to address megatrends



Delivering our strategic milestones

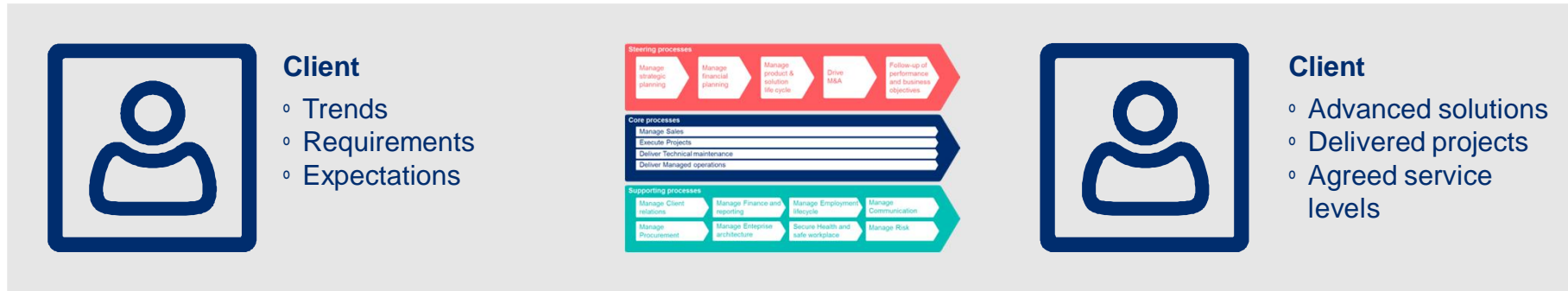
Now focusing on growth and developing business mix



Caverion Enterprise Architecture

Foundation for our growth strategy

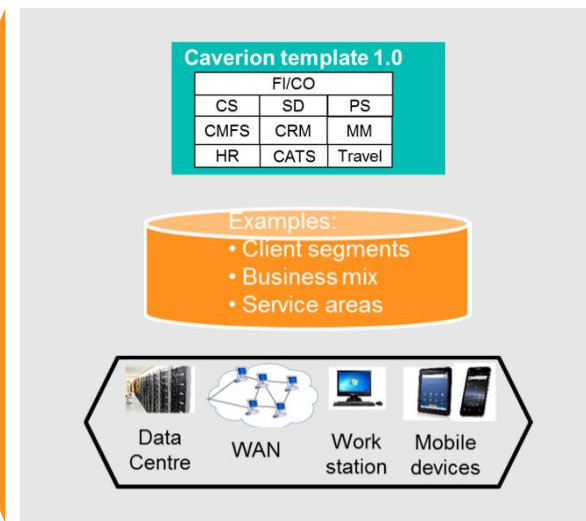
Harmonised processes



Operational model

Division XX		Project Office	Managed Services Office	Region 1	Region 2	Region 3	Region 4
Finance & Governance	Centre of excellence	Centre of excellence & RAM	Technical installations and Maintenance				
HR & People	Complex and large projects	Complex agreements in managed operations and life cycle					
Operational Development	Advocacy services						
Business Development	Design Engineering Project input & execution						

Systems and Data

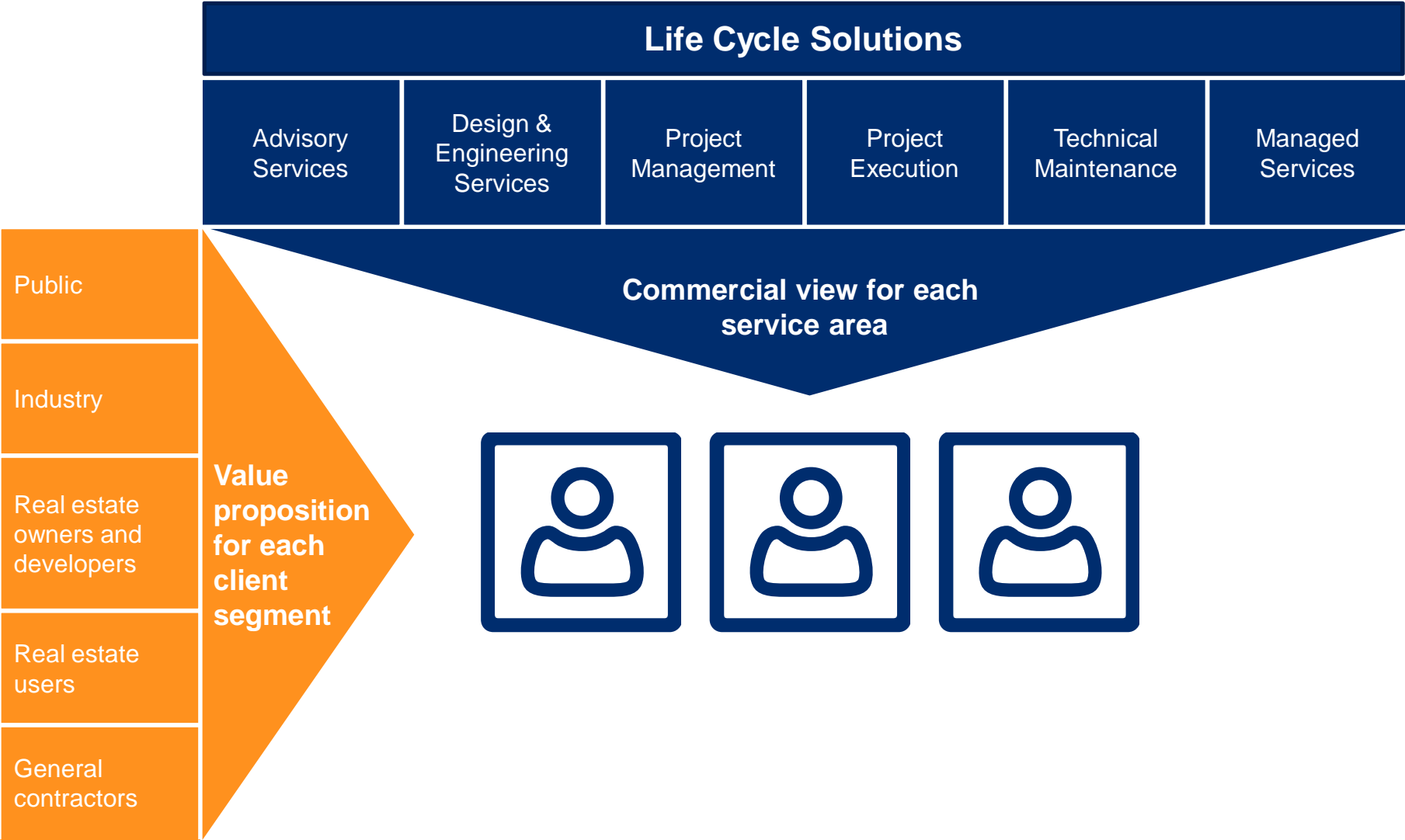


Strategy



A fully industrialised and unique market offering

A fundament for development of the business mix



Business mix supporting growth

Technical Installations

- Renovations and new buildings, can include one or several disciplines.
- Technical design is done by the client, or his representative.
- Caverion is responsible for project execution of Technical Installations.

Large Projects

- Proactively sold, Large Projects with total technical solutions.
- Typically includes advisory services, design & engineering, project management and execution.
- Caverion is responsible for managing project fulfilment.

Life Cycle Solutions

- Includes design, installation of building systems, operation, maintenance as well as renovation throughout the contract period.
- Maintenance period of 20-25 years against a fixed monthly fee in PPP projects.
- Investment phase typically run in a consortia.

Technical Maintenance

- Fixed price preventive maintenance contract
- Corrective maintenance performed on time and material (“ad-hoc”).
- Small improvement projects (“service projects”)

Managed Services

- Medium term contracts to operate, develop and maintain technology/systems and related processes in commercial, industrial and residential buildings.
- Including both hard services and sometimes some contracted soft services



Developing our business mix

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.

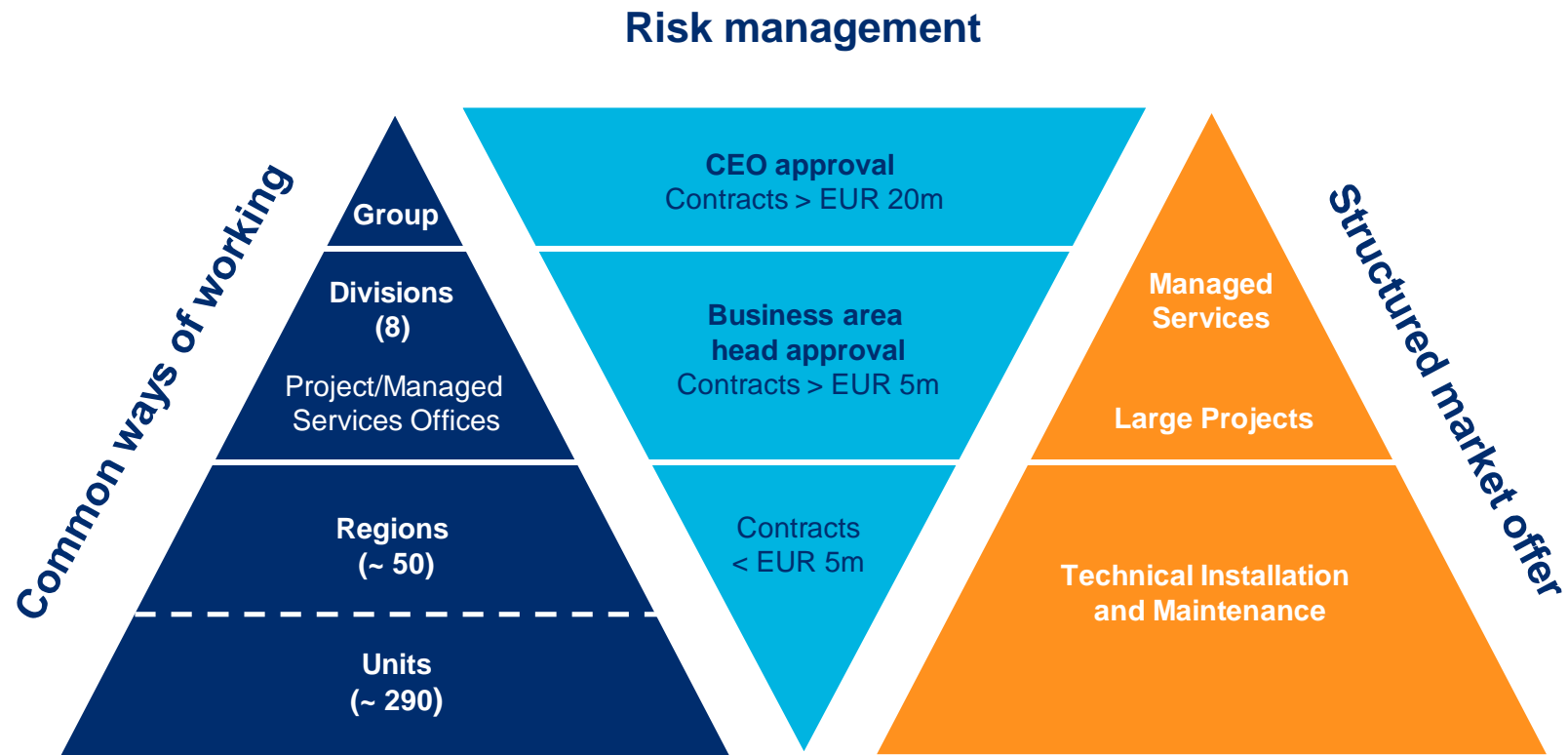
Number of competitors

Barriers of entry, complexity, margin potential, risk level

Pie charts: Estimated share of Group revenue in 2014.



Managing development of the business mix



Reaching our strategic targets

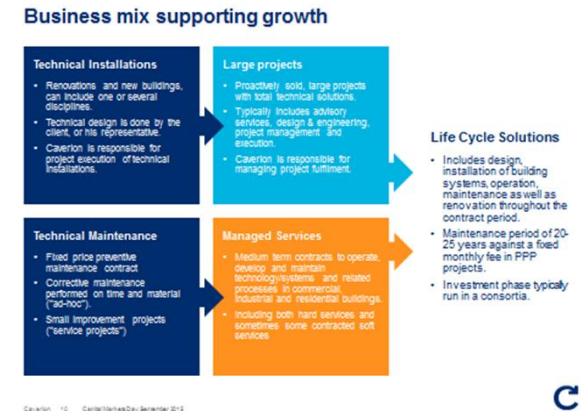
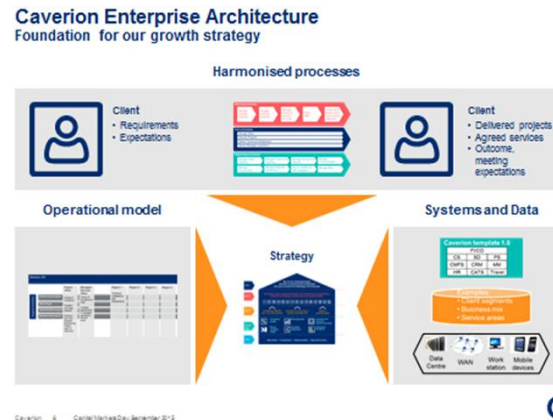
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2. Operational model & Enterprise Architecture in place to enable profitable growth

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Megatrends supporting demand for our business

- Increasing technology**
 - Technology in buildings currently account for 40-60% of building costs.
 - Integrated technologies require multi-discipline expertise.
 - Maintenance is increasingly based on preventive measures as well as on actual needs and conditions.
- Improving energy efficiency**
 - Tightening legislation relating to energy efficiency.
 - Integrated technologies require multi-discipline expertise.
 - Increasing demand for energy-efficient solutions also for existing buildings.
- Growing digitalisation**
 - All technologies in buildings have an IP address.
 - Demand for remote monitoring is increasing.
 - 10,000 buildings currently under Caverion's remote control.
- Urbanisation continues**
 - Needs for necessary infrastructure (water, sanitation, energy, information, transportation) increase.
 - Urban development management imposes (re)usage of land, housing, working environment, transportation.





**Life Cycle Solutions for
Buildings and Industries**