

LEMMINKÄINEN'S INTERIM REPORT, 1 JANUARY – 30 SEPTEMBER 2011:

Good performance in Infrastructure Construction yields substantial improvement in profitability. In Building Construction, earnings are recognised mainly towards the end of the year.

Highlights for July-September 2011, compared with the corresponding period of the previous year:

- The order book grew by 21% and amounted to EUR 1,485.4 million (1,230.0).
- Q3 net sales were up 27% to EUR 748.8 million (589.2).
- Operating profit for Q3 increased by 64% and amounted to EUR 51.7 million (31.5). Operating margin was 6.9% (5.4).
- Pre-tax profit grew by 81% and was EUR 45.6 million (25.2).
- Earnings per share rose by 63% to EUR 1.76 (1.08).

Highlights for January-September 2011, compared with the corresponding period of the previous year:

- Net sales in January-September saw growth of 22% and were EUR 1,615.1 million (1,325.9).
- Operating profit was up 83% and amounted to EUR 44.3 million (24.2). The operating margin for the review period was 2.7% (1.8).
- Pre-tax profit was EUR 31.6 million (7.5).
- Earnings per share for the review period were EUR 1.80 (0.15).
- The Company's interest-bearing net debt was EUR 363.0 million (401.0) at the end of the review period.
- Operating profit and pre-tax profit for January-September do not account for the sale of the roofing business.
- Earnings for the review period are improved by EUR 11.0 million in negative goodwill from the Mesta Industri AS acquisition. The amount of goodwill was adjusted upwards in the third quarter.

Key figures, IFRS, EUR million	7-9/2011	7-9/2010	Change	1-9/2011	1-9/2010	Change	1-12/2010
Net sales	748.8	589.2	27%	1,615.1	1,325.9	22%	1,829.6
- of which operations outside Finland	297.1	198.4	50%	549.1	416.5	32%	543.5
Operating profit	51.7	31.5	64%	44.3	24.2	83%	29.6
Operating margin %	6.9	5.4		2.7	1.8		1.6
Pre-tax profit	45.6	25.2	81%	31.6	7.5	over 100	7.6
Earnings from discontinued operations		0.9		11.3	-0.1		-0.6
Result for the period	35.0	19.7	78%	35.6	3.1	over 100	1.2
Earnings per share, EUR	1.76	1.08	63%	1.80	0.15	over 100	0.02
Cash flow from operations	148.7	14.7		13.7	-82.2		-37.2

Key figures, EUR million	30.9.2011	30.9.2010	Change	31.12.2010
Order book	1,485.4	1,230.0	21%	1,226.4
- of which unsold	178.0	102.2	74%	135.3
- of which operations outside Finland	527.2	252.3	over 100	294.3
Balance sheet total	1,679.1	1,206.0	39%	1,065.3
Interest-bearing net debt	363.0	401.0	-9%	349.2
Equity ratio, %	23.5	30.7		35.2
Gearing, %	103.0	120.1		104.7
Return on investment (rolling 12 months), %	9.2	7.0		7.0

President & CEO Timo Kohtamäki:

"So far, 2011 has been in line with our expectations. That said, large differences are seen between the business sectors. The Infrastructure Construction business sector has had a good season, especially in paving in Norway and Denmark, concrete construction and rock engineering. The Norwegian company Mesta Industri, which we acquired in the early summer, is an excellent addition to our portfolio. Mesta rounds out our offerings and we now racked up greater net sales from our paving operations in Norway than in Finland. In Building Construction, projects will be completed towards the end of the year, as we have already reported.

"Our order book soared to an all-time high in the second quarter, and has remained at a good level. This shows that the measures we have been taking throughout the Company to bolster our competitiveness are starting to yield results. The strategy updates that we announced in October steer our operations into areas in which we have specialist expertise or already hold a strong market position – this will ensure a solid foundation for profitable growth. In particular, these areas are infrastructure construction in the other Nordic countries, our own housing development in Finland and the St Petersburg region in Russia as well as maintenance and servicing for technical building systems.

"In order to accelerate the permanent improvement of our profitability, we launched an efficiency programme in October. Our goal is to lighten our cost structure by EUR 50 million at the annual level, effective after 2013. We estimate that the procurement project we kicked off in the summer will yield EUR 30 million of these cost savings. In addition, we will streamline our organisational and management structures, processes and network of business locations. Unfortunately, this will probably mean personnel reductions in Finland and our other business countries. However, it is essential for us to take these steps to improve competitiveness and profitability, as the general economic situation is more uncertain than in the early months of the year."

Profit guidance for 2011:

Lemminkäinen will keep its earlier profit guidance intact. The Company estimates that in 2011 its net sales will increase and that its pre-tax profit will clearly improve on 2010. The estimate is based on the good earnings trend in the third quarter and the high order book.

Market outlook:

According to the Confederation of Finnish Construction Industries RT, the total volume of construction in Finland will see further growth of 4 per cent this year; however, in 2012 it will most likely remain at the current year's level. Although the general economic situation has already weakened and fears of a new recession have mounted, such factors have a delayed impact on construction. Construction operations will thus remain at a reasonable level in the first half of next year thanks to the projects that have already been started up. Demand for new housing in Russia is still rising. Likewise, the volume of infrastructure construction in the Nordic countries is expected to grow by 3-6 per cent both this year and the next.

Briefing:

A Finnish-language briefing for analysts and the media will be held at 2.00 p.m. on Thursday, 3 November at Lemminkäinen's head office. The street address is Salmisaarenaukio 2, Helsinki, Finland. The interim report will be presented by President and CEO Timo Kohtamäki. Presentation material is available in Finnish and English on the Company's website, www.lemminkainen.com.

Lemminkäinen Corporation's interim report for January-September 2011 is attached in full to this stock exchange release.

LEMMINKÄINEN CORPORATION

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ATTACHMENTS:

Interim Report, 1 Jan. – 30. Sept. 2011

Tabulated section of the interim report

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INTERIM REPORT, 1 JANUARY – 30 SEPTEMBER 2011

OPERATING ENVIRONMENT

Operations in Finland

The operating environment for construction remained relatively stable in spite of the rise in general economic uncertainty. Consumer confidence has weakened substantially, but this has not as yet been felt in housing sales, which have remained steady during the entire year. Low interest rates and the population shift into growth centres have maintained demand for new housing.

The construction of business premises has seen moderate growth this year, although office vacancy rates are high in certain areas. The construction of commercial premises was supported by the consolidation of retail outlets into ever-larger business units. However, finding tenants poses challenges, slowing down the start-up of many commercial buildings that are in the pipeline. Property investors are still cautious in their decision making. The number of start-ups in industrial construction has remained below normal after the 2008 recession.

The total volume of infrastructure construction in 2011 is expected to fall short of the previous year. Demand was weakened by higher input prices and the scarcity of financing available to clients. In particular, the government and municipalities have cut their allocations for basic road maintenance and road investments. Fewer new civil engineering projects were started than last year. The market for rock engineering was good. Demand was maintained by mine investments and underground rock excavation works in growth centres. On the other hand, the good workload in rock engineering attracted foreign players into the infrastructure construction market. New building construction projects kept the demand for geotechnical engineering works, concrete construction and mineral aggregates at a good level. In the case of paving, 2011 is turning out to be on a par with 2010.

Demand for technical building contracting and services increased during the first part of the year on the heels of the growth in new building construction. Profitability in this field also improved slightly. Demand for electrical contracting declined after the summer. Great regional differences were seen in demand. Brisk building construction increased demand for HVAC installation work and services.

Operations outside Finland

In Sweden, large tunnel projects and highly active mining operations have kept rock engineering contractors busy in particular. The Swedish government has made large outlays on infrastructure development, which has substantially increased the volume of infrastructure construction work. In building construction, the workload was good in both new construction and renovation.

In Norway and Denmark, the paving season has been significantly better than it was last year. Demand for infrastructure construction has also been increased by growth in the energy supply sector and numerous ongoing traffic route projects.

The economies of the Baltic countries started out on the road to recovery, but infrastructure construction was still muted. That said, more road renovation and construction projects have been started up this year than in 2010.

In St Petersburg, Russia, the prices of new residential units rose by about 8% and those of old units by about 5% during the first part of the year. More and more homebuyers wish to finance their homes with mortgages. The amount of mortgages granted in St Petersburg almost tripled year-on-year.

NET SALES

Net sales by business sector, EUR million	7-9/2011	7-9/2010	Change	1-9/2011	1-9/2010	Change	1-12/2010
Building Construction	211.6	204.7	3%	605.9	522.5	16%	770.2
Infrastructure Construction	482.6	365.1	32%	861.7	707.4	22%	932.9
Technical Building Services	75.9	64.9	17%	209.2	195.0	7%	269.1
Other operations and Group eliminations	-16.4	-20.3	19%	-44.8	-42.6	- 5%	-61.2
Business sectors, total	753.8	614.5	23%	1,632.1	1,382.3	18%	1,911.0
Reconciling items	-5.0	-25.3	80%	-17.0	-56.4	70%	-81.4
Group, total (IFRS)	748.8	589.2	27%	1,615.1	1,325.9	22%	1,829.6
- of which operations outside Finland	297.1	198.4	50%	549.1	416.5	32%	543.5

Consolidated net sales in July-September saw year-on-year growth of 27% and amounted to EUR 748.8 million (589.2). Consolidated net sales in January-September were up 22% and were EUR 1,615.1 million (1,325.9). Net sales grew in all of Lemminkäinen's business sectors. Infrastructure construction outside Finland saw the greatest net sales growth. The volume of rock engineering and the demand for mineral aggregates and concrete products were larger in Finland than last year. Growth in housing production in Finland boosted the rise in the net sales of Building Construction.

During the review period, more than a third of Lemminkäinen's net sales came from its international operations. The Company's net sales from operations outside Finland saw year-on-year growth of 32% in January-September, and amounted to EUR 549.1 million (416.5). Growth was generated particularly by infrastructure construction in Norway and Denmark. Construction activity was also more brisk than last year in the Baltic countries. Of total net sales for the review period, 66% (70) was generated in Finland, 24% (19) in other Nordic countries, 4 (5%) in Russia and 6 (6%) in other countries.

OPERATING PROFIT

Operating profit by business sector, EUR million	7-9/2011	7-9/2010	Change	1-9/2011	1-9/2010	Change	1-12/2010
Building Construction	1.6	2.7	-41%	0.7	7.5	-91%	25.6
Infrastructure Construction	50.3	31.3	61%	67.5	20.2	over 100	15.3
Technical Building Services	1.6	1.6		0.9	6.2	-85%	4.5
Other operations	-3.6	-3.9	8%	-10.7	-11.0	-3%	-15.6
Business sectors, total	49.7	31.8	56%	58.3	23.0	over 100	29.7
Reconciling items	2.0	-0.3		-14.0	1.2		-0.1
Group, total (IFRS)	51.7	31.5	64%	44.3	24.2	83%	29.6

Operating margin by business sector, %	7-9/2011	7-9/2010	1-9/2011	1-9/2010	1-12/2010
Building Construction	0.8	1.3	0.1	1.4	3.3
Infrastructure Construction	10.4	8.6	7.8	2.9	1.6
Technical Building Services	2.1	2.5	0.4	3.2	1.7
Group, total (IFRS)	6.9	5.4	2.7	1.8	1.5

Consolidated operating profit in July-September increased by 64% year-on-year and amounted to EUR 51.7 million (31.5). In Infrastructure Construction, almost all business areas posted better results for the third quarter than they did last year. The earnings trend was particularly good in business operations in Norway and Denmark, rock engineering and the concrete business. The operating profit of Building Construction fell short of the previous year. The earnings of Building Construction were particularly burdened by weak profitability in competitive contracts and the rise in construction costs.

Consolidated operating profit for January-September was EUR 44.3 million (24.2), 83% higher than in the corresponding period of the previous year. Operating profit for the review period is improved by EUR 11.0 million in negative goodwill from the Mesta Industri AS acquisition. The amount of goodwill was adjusted upwards in the third quarter. Consolidated operating profit does not include EUR 15.3 million in capital gains from the sale of the roofing business. Its impact is included in the Group's result for the review period and earnings per share.

Lemminkäinen is shifting the focus of its operations to more profitable segments, such as own housing development as well as maintenance and servicing for technical building systems.

ORDER BOOK

Order book by business sector, EUR million

	30.9.2011	30.9.2010	Change	31.12.2010
Building Construction	784.4	666.0	18%	683.9
- of which unsold	178.0	102.2	74%	135.3
Infrastructure Construction	577.8	434.5	33%	416.6
Technical Building Services	123.3	129.5	-5%	125.9
Group, total	1,485.4	1,230.0	21%	1,226.4
- of which operations outside Finland	527.2	252.3	over 100	294.3

Lemminkäinen's order book grew by 21% year-on-year and amounted to EUR 1,485.4 million (1,230.0) at the end of the period. The order book of Infrastructure Construction saw growth particularly in geotechnical engineering works, rock engineering and operations outside Finland. In Building Construction, the order book grew thanks to the increase in housing production in Finland.

The order book of Lemminkäinen's operations outside Finland more than doubled compared with the corresponding period of the previous year and amounted to EUR 527.2 million (252.3). The growth derived especially from infrastructure construction in the Nordic and Baltic countries.

BALANCE SHEET, CASH FLOW AND FINANCING

The balance sheet total stood at EUR 1,679.1 million (1,206.0) on 30 September 2011. The figure changed due to the year-on-year growth in business volume and the capital committed to own housing development. Furthermore, Lemminkäinen prepared itself to face the uncertainty in the financial markets by strengthening its cash reserves. At the end of the review period, the Company had a credit facility of EUR 160 million in use, which increased the amount of liquid funds and long-term interest-bearing debt. Liquid funds at the end of the review period were EUR 251.5 million (52.1).

Rolling 12-month return on investment was 9.2 (7.0). The equity ratio was 23.5% (30.7) and gearing was 103.0% (120.1). The equity ratio declined due to the growth of the balance sheet. Lemminkäinen seeks to achieve return on investment of 18 per cent and an equity ratio of 35 per cent by the end of the 2010-2013 strategy period.

The amount of interest-bearing debt at the end of the review period was EUR 614.5 million (453.1). Long-term interest-bearing net debt amounted to EUR 342.4 million (222.2) and short-term interest-bearing debt to EUR 272.1 million (230.9). The changes in long-term interest-bearing debt are largely due to the credit facilities used by the Company. Short-term interest-bearing debt increased as a result of the growth in business volume. Interest-bearing net debt was EUR 363.0 million (401.0).

Net financial expenses during the review period amounted to EUR 12.7 million (16.9), representing 0.8% (1.3) of net sales. Financial expenses declined due to the Company's financial arrangements in 2010.

Thanks to the financial arrangements in 2010, Lemminkäinen has a broader financial base. Of the Company's interest-bearing debt, 36% (16) comprise loans from financial institutions, 27% (27) commercial paper, 7% (7) project loans related to own production of housing and business premises, 11% (21) pension loans, 9% (12) finance leasing liabilities and 10% (13) bonds. At the end of the review period, Lemminkäinen did not have unused binding credit facilities (EUR 150.0 million at the end of the comparison period).

Working capital saw a year-on-year increase of 29% and amounted to EUR 1,075.7 million (836.0) during the review period. One of the primary reasons behind the rise in working capital was the growth in both business volume and capital committed to own housing development. Net working capital was EUR 395.1 million (442.9). In order to improve profitability and solvency, Lemminkäinen has set its sights on decreasing net working capital by about EUR 100 million by the end of the 2010-2013 strategy period.

According to the cash flow statement, cash flow from operations in July-September amounted to EUR 148.7 million (14.7). Cash flow from operations in January-September was EUR 13.7 million (-82.2).

BUSINESS SECTORS

BUILDING CONSTRUCTION

Key figures, EUR million	7-9/2011	7-9/2010	Change	1-9/2011	1-9/2010	Change	1-12/2010
Net sales	211.6	204.7	3%	605.9	522.5	16%	770.2
Operating profit	1.6	2.7	-41%	0.7	7.5	-91%	25.6
<i>Operating margin %</i>	<i>0.8</i>	<i>1.3</i>		<i>0.1</i>	<i>1.4</i>		<i>3.3</i>
Order book at end of period				784.4	666.0	18%	683.9
- of which unsold				178.0	102.2	74%	135.3

The July-September net sales of Building Construction amounted to EUR 211.6 million (204.7). Net sales in January-September grew by 16% and were EUR 605.9 million (522.5). Net sales growth was primarily generated by housing construction in Finland. Of the net sales, 83% came from Finland, 12% from Sweden and 5% from Russia.

The July-September operating profit of the business sector was EUR 1.6 million (2.7). The business sector's operating profit for January-September was weaker than in the corresponding period of the previous year, amounting to EUR 0.7 million (7.5). The earnings trend in Building Construction was particularly affected by weak profitability in competitive contracting and the rise in construction costs. The Company estimates that more than 60% of its own housing development slated for completion in 2011 will be wrapped up and recognised as income in the last quarter, provided that housing sales remain on a par with the first part of the year. In order to improve profitability, Lemminkäinen seeks to increase the share of the net sales of Building Construction accounted for by own development projects from its current figure of about 25 per cent to over 50 per cent.

The order book of Building Construction grew by 18% year-on-year and amounted to EUR 784.4 million (666.0) at the end of the period. The share of the order book accounted for by operations outside Finland saw slightly greater relative

growth and amounted to EUR 154.4 million (100.5). The order book for building construction outside Finland increased, particularly in operations in Sweden.

Operations in Finland

In the review period, Lemminkäinen started the construction of 1,317 (1,315) new residential units, of which 849 (675) are developed by the Company. All in all, Lemminkäinen estimates that it will kick off the construction of about 1,200 units in its own housing development this year. Start-ups of contracted housing will fall short of last year, when the Company began building 1,248 such units.

Weaker consumer confidence and the growth in the supply of new residential units did not have a significant impact on Lemminkäinen's housing sales. In the third quarter, the Company sold 220 of its own residential units. The number of units sold during the first and second quarters amounted to 158 and 280, respectively. If general economic uncertainty continues to mount, this might decrease demand for new residential units in the near future.

Lemminkäinen's own housing development, Finland	1-9/2011	1-9/2010	2010	2009
Housing starts	849	675	1,004	351
Housing units sold	658	601	911	771
Completed	454	152	418	533
Under construction at end of period	1,386	928	991	405
- of which unsold	639	382	439	193
Completed and available for sale at end of period	98	148	110	263

At the end of the period, the Company owned a total floor space of 810,000 square meters of unused building rights in Finland, of which 384,000 square meters were residential building rights. The Company also had binding or conditional co-operation and zoning agreements for 549,000 square meters, of which 215,000 square meters were residential building rights. The balance sheet value of the plots was EUR 98.8 million (94.2) at the end of the period.

During the third quarter, Lemminkäinen sold several properties. In Tampere, a residential property that will be completed in spring 2013 was sold to SATO. The Company sold the third phase of Polaris Business Park in Leppävaara, Espoo, to a German property investor. In addition, Lemminkäinen sold a number of smaller individual business premises projects around Finland to both Finnish and foreign property investors.

Lemminkäinen has several business premises construction projects on the go in Finland. In Helsinki, the Company is building three office buildings valued at a total of about EUR 150 million in Töölönlahti. Two large hotel projects valued at a total of about EUR 36 million are in progress in Tampere. In Sipoo and Vantaa, Lemminkäinen is building two large logistics centres that will be completed in 2012 and are valued at around EUR 45 million.

In the Jätkäsaari district of Helsinki, the Company is building 430 units in four residential blocks. The project comprises a total of seven buildings, of which four are developed by the Company. Two of the buildings are HITAS projects (price and quality controlled owner-occupied flats). The residential quarter is expected to be completed in its entirety by 2016.

Operations outside Finland

In the third quarter, Lemminkäinen sold 50 new residential units in St Petersburg. The number of residential units sold during the first and second quarters amounted to 46 and 34, respectively. During the present year, the opportunities of Russian homebuyers to get mortgages have improved substantially, which has increased demand for new housing. In 2011, about a third of Lemminkäinen's customers financed their home purchases partly with loans – a year ago, no one took mortgages.

This year, Lemminkäinen will start up the construction of a project comprising about 500 units on Vasily Island, St Petersburg. It is expected that the work will be started up immediately once the authorities have given their official go-ahead. In addition, the Company is currently building about 150 residential units in northern St. Petersburg, and this project will be completed at the end of the present year. The amount of capital that the Company had tied up in Russia at the end of the review period was EUR 45.2 million (47.9).

Lemminkäinen is seeking growth from operations outside Finland and particularly from housing construction in Russia. In St Petersburg, the Company intends to start up the construction of about 1,000 residential units annually. The Company estimates that it will reach this goal in 2013, provided that the Russian market remains favourable and the demand for residences does not decline.

Lemminkäinen's own housing development, Russia	1-9/2011	1-9/2010	2010	2009
Housing starts	0	154	154	0
Housing units sold	130	202	276	133
Completed	0	498	498	104
Under construction at end of period	154	154	154	479
- of which unsold	97	154	154	367
Completed and available for sale at end of period	49	196	122	22

Lemminkäinen's operations in Sweden have remained in line with the previous year, and the near-future outlook is good. Operations in Sweden account for about 10% of the net sales of Lemminkäinen's building construction. At the end of the third quarter, the order book in Sweden was larger than it was last year. In Sweden, the Company primarily builds housing and renovates business premises, particularly public buildings.

INFRASTRUCTURE CONSTRUCTION

Key figures, EUR million	7-9/2011	7-9/2010	Change	1-9/2011	1-9/2010	Change	1-12/2010
Net sales	482.6	365.1	32%	861.7	707.4	22%	932.9
Operating profit	50.3	31.3	61%	67.5	20.2	over 100	15.3
Operating margin %	10.4	8.6		7.8	2.9		1.6
Order book at end of period				577.8	434.5	33%	416.6

The July-September net sales of Infrastructure Construction were up 32% and amounted to EUR 482.6 million (365.1). Net sales in January-September grew by 22% to EUR 861.7 million (707.4). In Finland, net sales saw steady growth in

almost all business areas in Infrastructure Construction. Outside Finland, paving operations in Denmark and Norway in particular contributed to net sales growth. Furthermore, activity in the Baltic countries picked up clearly compared with 2010. Operations outside Finland accounted for about half of the net sales of Infrastructure Construction, or EUR 406.1 million (267.3), and saw year-on-year growth of 52% in January-September.

Infrastructure Construction typically racks up its strongest earnings in the third quarter due to the seasonal nature of this type of construction work and particularly of paving operations. The July-September operating profit of the business sector was up 61% and amounted to EUR 50.3 million (31.3). The earnings trend was good in all the business areas of Infrastructure Construction. Paving operations in Norway and Denmark as well as the concrete business in Finland made the most notable contributions to earnings growth.

Operating profit for January-September more than tripled compared with the corresponding period of the previous year, amounting to EUR 67.5 million (20.2). Operating profit for the review period is improved by a total of EUR 11.0 million in negative goodwill recognised from the Mesta Industri AS acquisition. Of this amount, EUR 8.1 million was already recognised in the second quarter. In the third quarter, the amount of negative goodwill was adjusted upwards by EUR 2.9 million. In addition, operating profit for the review period includes EUR 15.3 million in capital gains from the sale of the roofing business.

At the end of the review period, the order book had seen year-on-year growth of 33% and amounted to EUR 577.8 million (434.5). The order book grew particularly in rock engineering, geotechnical engineering works and operations outside Finland. Operations outside Finland accounted for 63% of the order book, or EUR 365.6 million.

Operations in Finland

In Finland, operations in almost all areas of the Infrastructure Construction business sector remained brisk in the third quarter. Numerous underground construction projects and mining in Northern Finland provided plenty of work, especially in rock engineering. High activity in building construction increased the demand for geotechnical engineering works, concrete products and mineral aggregates.

In paving, the season has been similar to the previous year. The share of private clients, both companies and individuals, increased. On the other hand, the share of the public sector decreased due to the contraction in government allocations for basic road maintenance and the weak finances of municipalities. About a third of the Company's paving clients are private individuals and companies.

Operations outside Finland

In Sweden, Lemminkäinen has ongoing mine excavation contracts, such as at the Svartliden and Kiiruna mines. In addition, the Company is building a diversion channel for a power plant in central Sweden. It is expected to be completed at the beginning of 2014.

In Norway, Lemminkäinen concluded the Mesta Industri AS acquisition in the early summer and is now one of the largest paving contractors in the country. In 2011, the Company's net sales from paving operations have been greater in

Norway than in Finland. In addition, the Company's net sales and earnings from paving operations outperformed the previous year in Denmark as well.

In the Baltic countries, activity in infrastructure construction has gradually increased, but construction volumes are still far from the peak figures for 2007. In the summer and early autumn, Lemminkäinen received numerous infrastructure construction works in Estonia, Latvia and Lithuania, valued at a total of about EUR 48 million.

TECHNICAL BUILDING SERVICES

Key figures, EUR million	7-9/2011	7-9/2010	Change	1-9/2011	1-9/2010	Change	1-12/2010
Net sales	75.9	64.9	17%	209.2	195.0	7%	269.1
Operating profit	1.6	1.6		0.9	6.2	-85%	4.5
Operating margin %	2.1	2.5		0.4	3.2		1.7
Order book at end of period				123.3	129.5	-5%	125.9

The July-September net sales of Technical Building Services were up 17% and amounted to EUR 75.9 million (64.9). Net sales in January-September grew by 7% to EUR 209.2 million (195.0). Steady growth was seen in all business areas of Technical Building Services. During the review period, 82% of net sales were generated in Finland. The business sector's operations outside Finland mainly comprise the construction of telecom networks in North and South America.

The July-September operating profit of the business sector amounted to EUR 1.6 million (1.6). Operating profit for January-September was weaker than in the corresponding period of the previous year, amounting to EUR 0.9 million (6.2). The earnings trend of Technical Building Services was impacted by the weak profitability of contracting and the rise in certain raw material and input prices. The earnings of the business sector were also burdened by foreign exchange losses from the telecom network business. However, the earnings performance of the business sector is gradually improving thanks to efficiency measures. Technical Building Services has started measures to improve profitability, such as enhancing efficiency in sales and marketing and shifting the focus of operations to maintenance and servicing. The Company seeks to bolster its maintenance and servicing for technical building systems and to increase the share of the business sector's net sales accounted for by the service business to about 50%.

The order book of Technical Building Services amounted to EUR 123.3 million (129.5) at the end of the period. During the third quarter, Lemminkäinen agreed on a technical building systems contract for the Linnankiinteistö property, which will be renovated in the Port of Turku. The contract is valued at about EUR 7 million. In addition, Lemminkäinen is currently carrying out a large-scale electrification contract at the Kevitsa mine. The contract is valued at about EUR 9 million and is the Technical Building Services business sector's largest single industrial electrification project.

Brisk building construction has maintained the demand for technical building services and contracts at a relatively good level in 2011, but the profitability of these works has been weak. The deteriorating HVAC systems of residential buildings and growing energy efficiency requirements in new building construction will maintain the need for technical building services in the near future as well.

EMPLOYEES

During the review period, the Group companies had 8,436 employees (8,339) on average. Of the employees, 70% (71) worked in Finland, 13% (12) in other Nordic countries, 6% (5) in Russia and 11% (12) in other countries.

Personnel on average	1-9/2011	1-9/2010	Change	1-12/2010
Hourly paid employees	5,495	5,423	1%	5,401
Salaried employees	2,940	2,916	1%	2,913
Personnel, total	8,436	8,339	1%	8,314
- of whom working outside Finland	2,571	2,398	7%	2,372
Personnel at end of period	9,121	8,920	2%	7,744

Personnel by business sector, average	1-9/2011	1-9/2010	Change	1-12/2010
Building Construction	2,256	2,246	0%	2,063
Infrastructure Construction	3,907	4,054	-4%	4,000
Technical Building Services	2,020	1,893	7%	2,060
Parent company	253	146	73%	191
Group, total	8,436	8,339	1%	8,314

Employees transferred from the business sectors to the parent company as a result of the centralisation of the Group's support functions. Support functions are handled on a centralised basis by the internal competence and service centres, enabling the business functions to focus more effectively on their core operations.

In Infrastructure Construction, Lemminkäinen gained about 170 new employees in connection with the Mesta Industri AS acquisition. In addition, about 400 employees left Lemminkäinen's employ in early 2011 due to the divestment of the roofing business.

INVESTMENTS

Gross investments in January-September amounted to EUR 62.2 million (44.5), representing 3.9% (3.4) of the Company's net sales. They were earmarked mainly for acquisitions and replacement investments in infrastructure construction.

SHARES, SHAREHOLDERS AND SHARE CAPITAL

The Company has one share class. Each share carries one vote at a general meeting of shareholders and confers an equal right to a dividend.

The listed price of Lemminkäinen Corporation's share was EUR 26.00 (24.20) at the beginning of the period and EUR 20.20 (24.70) at the end. Market capitalisation at the end of the period was EUR 396.8 million (485.2). Share turnover during the period totalled 3,125,190 (3,166,561). The total value of share turnover was EUR 72.2 million (78.4). At the end of the review period, the Company had 4,607 shareholders (5,069).

The Company received one flagging notification during the review period. According to the notification, Peab AB's holding in Lemminkäinen exceeded 5 per cent. Peab AB (publ) held 1,140,225 Lemminkäinen Corporation shares on 13 September 2011, which is 5.80 per cent of Lemminkäinen Corporation's shares and votes. In addition to this, Peab Invest AS, a fully-owned subsidiary of Peab AB (publ), holds a forward contract of 940,000 shares, which represents 4.78 per cent of Lemminkäinen Corporation's shares and votes. The forward contract was rolled forward at the end of the review period. Lemminkäinen does not know the new maturity date.

At the end of the review period, the largest shareholder group was the Pentti family, who owned about 57 per cent of the shares. International shareholders owned about 10 per cent of Lemminkäinen's shares.

Lemminkäinen's share capital is EUR 34,042,500 and the total number of shares is 19,644,764. Neither the share capital nor number of shares changed during the review period.

CHANGES IN THE ORGANISATION STRUCTURE

Lemminkäinen's internal support functions – HR, financial administration, IT, legal affairs as well as communications and marketing – have been centralised in internal competence and service centres that were launched at the beginning of 2011. The Group's business sectors will gradually start using the competence and service centres this year. The shared services target to provide optimal support to business objectives. The Company is seeking a competitive edge and support for growth from cost-effective, professional and high-quality internal support services.

LEGAL PROCEEDINGS

In 2009, the Supreme Administrative Court (SAC) ordered Finnish asphalt industry companies to pay an infringement fine for violations of the Act on Competition Restrictions.

At the beginning of October 2011, 40 claims for damages brought by municipalities and the Finnish state (Finnish Transport Agency) were pending against Lemminkäinen and other asphalt industry companies in the District Court. The claimants contend that restrictions of competition have caused them damages. The total amount of damages sought from Lemminkäinen is currently about EUR 102 million. The claims presented in the statements of claim differ from each other as regards their amounts and grounds.

The ruling rendered by the SAC in 2009 as it stands does not mean that Lemminkäinen or the other asphalt industry companies actually caused any damages to the asphalt work clients. The ruling does not concern the individual contracts that the claimants cited in support of their claims. Nor does the ruling concern the pricing of individual contracts. The SAC has not investigated the contention that inflated prices have been charged for the contracts.

Lemminkäinen's initial position is that the claims for damages are without foundation. The claims will be processed in the order and schedule set by the District Court.

No provisions have been made in respect of the claims of the municipalities and the Finnish Transport Agency that are pending in the District Court.

Lemminkäinen will provide information on the proceedings in its interim reports or in separate releases, as necessary.

RISKS AND UNCERTAINTIES

Lemminkäinen's business risks are divided into four categories: strategic, operative, financial and accident risks. In order to manage these risks, the Company has specified the measures that can be used to predict any external and internal factors that might threaten its operations.

The current global economic climate has led to uncertainty in the operating environment, which in turn makes it difficult to forecast future changes. New construction in Finland is sensitive to economic cycles and therefore poses a market risk. This risk is managed both structurally and operationally. The more stable demand for infrastructure construction balances out fluctuating volumes in new domestic construction, as does the growth in maintenance, servicing and renovation.

The Company's own housing development involves both sales and price risks. Unsold residences tie up capital and therefore the Company starts new housing construction only if a sufficient number of the units have been reserved by buyers in advance. When undertaking the own development of business premises, the premises are usually sold to real estate investors in the early stages of construction at the latest, thereby reducing sales risks.

Weather conditions also pose a risk in the construction industry. Unusual or harsh weather can weaken the profitability of our operations by interrupting or delaying projects.

Lemminkäinen uses great amounts of oil-based products in asphalt production. The price of bitumen is tied to the global price of oil and the Company manages the bitumen price risk with oil derivatives and contractual terms.

Writs of summons filed to the District Court by the Finnish Road Administration and a number of municipalities pose a risk.

The Company's Annual Report and website provide more information on Lemminkäinen's major risks and risk management policy. A more detailed account of the financial risks is also provided in the notes to the 2010 financial statements.

RESOLUTIONS OF THE ANNUAL GENERAL MEETING AND ADMINISTRATION

On 4 April 2011, Lemminkäinen Corporation's Annual General Meeting adopted the Company's financial statements for 2010 and granted the members of the Board of Directors and the President and CEO discharge from liability. The General Meeting resolved, in accordance with the Board of Directors' proposal, to pay a dividend of EUR 0.50 per share

to a total of EUR 9,822,382. The record date for payment of dividend was 7 April 2011 and the dividend was paid on 14 April 2011.

Berndt Brunow, Juhani Mäkinen, Mikael Mäkinen, Kristina Pentti-von Walzel, Heikki Rätty and Teppo Taberman were re-elected to serve as members of the Board of Directors. PricewaterhouseCoopers Oy, a firm of authorised public accountants, was re-elected to serve as the company's auditors, with Kim Karhu, Authorised Public Accountant, as chief auditor.

Lemminkäinen Corporation's Board of Directors held an organising meeting on 4 April 2011. Berndt Brunow will continue as the Chairman of the Board of Directors, and Juhani Mäkinen as the Vice Chairman.

AUTHORISATIONS OF THE BOARD OF DIRECTORS

The Extraordinary General Meeting of Lemminkäinen Corporation, held on 12 November 2009, decided in accordance with the proposal of the Board of Directors to authorise the Board of Directors to resolve on a share issue and/or an issue of special rights entitling their holders to shares, as referred to in Chapter 10, Section 1 of the Finnish Companies Act, in one or more instalments, either against payment or without consideration. The Board of Directors is still authorised to issue 1,576,486 shares and/or special rights entitling their holders to shares. The authorisation is valid for five (5) years after being granted.

Lemminkäinen Corporation's Annual General Meeting, which convened on 4 April 2011, resolved to authorise the Board of Directors to decide on the repurchase of a maximum of 1,000,000 own shares in one or several instalments, using the unrestricted shareholders' equity of the Company, subject to the provisions of the Finnish Companies Act on the maximum amount of own shares in the possession of the company or its subsidiaries. The authorisation will remain in force for a period of 18 months from the resolution of the General Meeting.

OUTLOOK FOR 2011

According to the Confederation of Finnish Construction Industries RT, the total volume of construction in Finland will see further growth of 4 per cent this year; however, in 2012 it will most likely remain at the current year's level. Although the general economic situation has already weakened and fears of a new recession have mounted, such factors have a delayed impact on construction. Construction operations will thus remain at a reasonable level in the first half of next year thanks to the projects that have already been started up. Demand for new housing in Russia is still rising. Likewise, the volume of infrastructure construction in the Nordic countries is expected to grow by 3-6 per cent both this year and the next.

It is estimated that the construction of 30,000 new residential units will be started up in Finland in 2011, fewer units than predicted earlier this year. In 2012, the number of start-ups is forecast to drop to as few as 27,000. Increased consumer caution and the growth in the supply of new residences put the brakes on residential start-ups. The number of market-financed residential start-ups will most likely remain unchanged in the next few months, but state-supported housing production will decline substantially. Lemminkäinen estimates that it will start up the construction of about

1,200 units in its own housing development this year. In addition, the Company has already kicked off the construction of about 500 contracted residential units in 2011.

The construction of business premises in Finland will see moderate growth in 2011, but the number of start-ups is expected to head downward next year. There is demand for new business premises, especially in the growth centres, and several new projects for the construction of commercial buildings are in the pipeline. The weakening of consumer confidence will most likely be felt in the number of commercial building start-ups, as it has become harder to find tenants for pending projects. Lemminkäinen is erecting business premises in Töölönlahti, Helsinki. The total value of this large-scale project is about EUR 150 million. In addition, several individual projects for the construction of business premises and logistics facilities are ongoing. These projects are slated for completion in 2012-2013. The Company is preparing commercial building projects in growth centres, but they have as yet not been green-lighted.

There is still a great need for new housing in St Petersburg, Russia. Demand for new residential units is improved by measures to increase per capita living space, the growth in consumer purchasing power and better opportunities to get mortgages. Factors that might weaken demand in the near future include political risks in Russia and the threat of a global financial crisis, which could make it harder for consumers to get money and also increase the price of money. Lemminkäinen estimates that it will start up the construction of about 500 units in its own housing development in St Petersburg this year. The Company expects that the housing project kicked off last year – comprising about 150 residential units – will be completed towards the end of the year.

The total volume of infrastructure construction in Finland is expected to decline by about 3 per cent in 2011, but to start rising slightly next year. The market situation for rock engineering will most likely remain good in 2012, as demand is maintained by greater mining activity and underground excavation work in the growth centres. A number of new rail and railway projects will also be launched in 2012. The market for building construction impacts particularly on the demand for geotechnical engineering works, concrete products and mineral aggregates. The weak finances of cities and municipalities are now clearly evident in the decline in basic road maintenance. Lemminkäinen has a better workload in special contracting in infrastructure construction than in the corresponding period of the previous year, and the outlook for the first half of next year is good.

The volume of infrastructure construction in Sweden, Norway and Denmark is expected to grow by 3-6 per cent both this year and the next. Growth in the energy supply sector will increase demand for infrastructure construction in the next few years in all of the Nordic countries. Lemminkäinen currently has power plant contracts ongoing in Sweden and Norway as well as mine excavation contracts in Sweden. These contracts extend until 2012-2013. The construction markets of the Baltic countries are gradually improving in step with the recovery of their economies. Lemminkäinen has numerous infrastructure construction projects in progress in Estonia, Latvia and Lithuania, which extend until 2012-2013.

In Technical Building Services, growth expectations in Finland are still maintained by growth in the construction of new buildings, stricter energy requirements and the deterioration of HVAC systems. In electrical contracting, tender requests have declined in certain market areas after the summer. Decisions by housing cooperatives to delay large repair projects may also weaken the market for technical building services in the near future. Lemminkäinen's short-term order book in Technical Building Services is satisfactory, and the margins of the order book have become healthier during the early

year. The Company has set its sights on transferring the focus of operations to maintenance and servicing, increasing the share of Technical Building Services' net sales accounted for by these services to over 50 per cent.

Lemminkäinen will keep its earlier profit guidance intact. The Company estimates that in 2011 its net sales will increase and that its pre-tax profit will clearly improve on 2010. The estimate is based on the good earnings trend in the third quarter and the high order book.

EVENTS AFTER THE END OF THE REVIEW PERIOD

Lemminkäinen updates its strategy

Lemminkäinen updated its strategy for the strategy period ending in 2013. The Company's main objectives continue to be profitable growth and improving solvency. The financial target levels will remain unchanged.

In business operations, the focus will be shifted to more profitable segments. In Building Construction, the aim is to increase the share of operations accounted for by own development to over 50 per cent (about 25% in 2010) and strengthen Lemminkäinen's market share in residential construction. Maintenance and servicing for technical building systems will also be bolstered. The Company seeks to raise the share of the Technical Building Services business sector's net sales accounted for by the service business to approximately 50 per cent (about 30% in 2010).

Growth is being sought from operations outside Finland. In St Petersburg, the Company intends to start up the construction of about 1,000 residential units annually. The Company seeks to increase net sales from infrastructure construction in Norway, Denmark and Sweden by about EUR 100 million in 2012-2013. In addition to the paving business, Lemminkäinen is seeking growth from special contracting in infrastructure construction, in which the Company has achieved a good competitive position in, for example, the growing Nordic market for rock engineering and geotechnical engineering works. Growth will be accelerated by means of acquisitions when necessary.

International Operations to be the Company's fourth business sector

Effective 1 January 2012, Lemminkäinen will create a new business sector – the Company's fourth – out of its international operations in order to accelerate profitable growth and ensure the Company's competitiveness in an international operating environment. In addition to Finland, Lemminkäinen's main market areas comprise neighbouring regions of Russia, the other Nordic countries and the Baltic countries.

Henrik Eklund, M.Sc. (Eng.), who is a member of the Group's Executive Board, will start out as the Executive Vice President of International Operations on 1 January 2012. He is currently Lemminkäinen's Executive Vice President of Infrastructure Construction. Eklund will take on responsibility for managing Lemminkäinen's operations outside Finland.

Harri Kailasalo, M.Sc. (Eng.), eMBA, has been appointed Executive Vice President of Infrastructure Construction and a member of the Executive Board as of 1 January 2012. He will be responsible for infrastructure construction operations in Finland. Kailasalo is currently a director in Lemminkäinen's Infrastructure Construction business sector.

Efficiency programme to accelerate the profitability trend – as part of the measures, Lemminkäinen starts personnel reduction negotiations

Lemminkäinen will accelerate its profitability trend with an efficiency programme that seeks annual cost-savings of EUR 50 million after 2013. Boosting efficiency in procurements will yield about EUR 30 million of these savings. Savings of approximately EUR 20 million are sought by improving the efficiency of operations, existing processes, the business locations network and organisational and management structures. According to Lemminkäinen's estimate, approximately half of the savings will materialise in 2012. The efficiency programme covers all operations.

As part of the efficiency programme, Lemminkäinen announced on 18 October 2011 that it will initiate negotiations with its personnel groups regarding more efficient operating methods as well as potential personnel and cost cuts. The negotiations will affect the entire Lemminkäinen Group in Finland and in other operating countries. Lemminkäinen estimates the total personnel reduction need in the entire Group to be 300 man-years at most. The negotiations aim to identify alternative adjustment measures to personnel reductions.

Helsinki, 3 November 2011

LEMMINKÄINEN CORPORATION
Board of Directors

TABULATED SECTION OF THE INTERIM REPORT

ACCOUNTING PRINCIPLES

The same IFRS recognition and measurement principles have been observed in the preparation of this interim report as in the 2010 financial statements, except for the changes mentioned below. As the tabulated section is presented in a shortened form, not all the requirements of IAS 34 – Interim Financial Reporting have been applied in the preparation of the report.

The information contained in the interim report has not been audited.

Standards and interpretations adopted from the beginning of 2011

- IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments. The interpretation clarifies the accounting when an entity renegotiates the terms of its debt with the result that the debtor issues its own equity instruments to the creditor to extinguish the financial liability in full or in part (conversion of debt to equity). The interpretation requires a gain or loss to be recognised in profit or loss. The amount of the gain or loss recognised in profit or loss will be the difference between the carrying value of the financial liability and the fair value of the equity instruments issued. If the fair value of the issued equity instruments cannot be determined reliably, they are measured at the fair value of the extinguished financial liability. This interpretation does not have an impact on the consolidated financial statements.

- IAS 32 (amendment) Financial Instruments: Presentation - Classification of Rights Issues. The amendment applies to the issuance of shares, options and subscription rights denominated in foreign currency. In the future such issues may, in certain circumstances, be classified as equity and not derivative instruments, unlike before. The amendment came into effect for accounting periods beginning on 1 February 2010 or later. This interpretation does not have an impact on the consolidated financial statements.

The following interpretations and standards will have no essential bearing on the consolidated financial statements: IFRS 1 (amendment), IFRS 3 (amendments), IFRS 7 (amendment), IAS 1 (amendment), IAS 24 (amendment), IAS 27 (amendment), IAS 34 (amendment), IFRIC 13 (amendment) and IFRIC 14.

New standards and interpretations that are not in force in the financial year beginning 1 January 2011 and which have not been adopted early

- IFRS 9 Financial Instruments – classification of financial assets and financial liabilities. The new standard includes requirements concerning the classification and measurement of financial assets. The recognition and measurement of financial liabilities should remain unchanged under the new standard, with the exception of financial liabilities to which the fair value option is applied. The standard will come into force on 1 January 2013. However, the standard has not yet been approved for application in the EU. The standard will have no essential bearing on the consolidated financial statements.

The following interpretations and standards will have no essential bearing on the consolidated financial statements: IFRS 1 (amendments), IAS 12 (amendment) and IFRS 7 (amendment).

FINANCIAL STATEMENTS AND OTHER TABULATED INFORMATION

- 1) Consolidated income statement
- 2) Consolidated statement of comprehensive income
- 3) Consolidated statement of financial position
- 4) Consolidated cash flow statement
- 5) Consolidated statement of changes in equity
- 6) Consolidated income statement, quarterly
- 7) Segment information
- 8) Economic trends and financial indicators
- 9) Share-specific indicators
- 10) Discontinued operations
- 11) Guarantees and contingent liabilities
- 12) Legal proceedings

1) CONSOLIDATED INCOME STATEMENT

EUR mill.	7-9/ 2011	7-9/ 2010	1-9/ 2011	1-9/ 2010	1-12/ 2010
Net sales	748.8	589.2	1,615.1	1,325.9	1,829.6
Operating income and expenses	-684.7	-545.9	-1,543.5	-1,275.4	-1,765.7
Depreciation	13.8	13.4	28.7	27.5	35.0
Impairment on goodwill	0.1		0.1		
Share of the results of affiliated companies	1.5	1.7	1.5	1.2	0.7
Operating profit/loss	51.7	31.5	44.3	24.2	29.6
Financial expenses	11.0	8.5	22.9	30.5	41.7
Financial income	4.8	2.1	10.2	13.8	19.8
Profit/loss before taxes	45.6	25.2	31.6	7.5	7.6
Income taxes	-10.6	-6.4	-7.3	-4.4	-5.8
Profit/loss from continuing operations	35.0	18.7	24.3	3.1	1.8
Profit/loss from discontinued operations		0.9	11.3	-0.1	-0.6
Profit/loss for the accounting period	35.0	19.7	35.6	3.1	1.2
Distribution of the profit/loss for the accounting period					
To shareholders of the parent company	34.6	20.1	35.3	2.9	0.3
To non-controlling interest	0.4	0.4	0.4	0.2	0.9
Diluted and undiluted EPS calculated from profit/loss attributable to parent company shareholders					
Continuing operations	1.76	1.03	1.23	0.15	0.05
Discontinued operations		0.05	0.57	0.00	-0.03
Total	1.76	1.08	1.80	0.15	0.02

2) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR mill.	7-9/ 2011	7-9/ 2010	1-9/ 2011	1-9/ 2010	1-12/ 2010
Profit/loss for the accounting period	35.0	19.7	35.6	3.1	1.2
Translation difference	-2.5	-1.5	-2.5	2.3	3.9
Cash flow hedge	-0.1	0.3	0.5	0.2	0.5
Change in fair value		-0.1	0.0	0.0	0.0
Other comprehensive income, total	-2.6	-1.3	-2.0	2.6	4.4
Comprehensive income for the accounting period	32.4	18.3	33.6	5.6	5.5
Distribution of comprehensive income for the accounting period					
To shareholders of the parent company	32.0	18.7	33.2	5.5	4.7
To non-controlling interest	0.4	-0.4	0.4	0.2	0.9

3) CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR mill.	9/2011	9/2010	12/2010
Non-current assets			
Tangible assets	199.3	182.3	175.3
Goodwill	85.4	83.9	84.8
Other intangible assets	17.3	10.0	14.4
Investments	15.0	14.2	14.0
Deferred tax asset	28.9	20.5	16.3
Other non-current receivables	6.1	7.2	7.2
Total	352.0	317.9	312.0
Current assets			
Inventories	460.3	386.3	369.8
Trade and other receivables	615.4	449.7	343.1
Cash funds	251.5	52.1	26.3
Total	1,327.2	888.0	739.2
Available-for-sale non-current assets			14.1
Assets, total	1,679.1	1,206.0	1,065.3
Shareholders' equity and liabilities			
Share capital	34.0	34.0	34.0
Share premium account	5.7	5.8	5.8
Hedging reserve	-1.0	-1.8	-1.5
Fair value reserve	0.0	0.0	0.0

Invested unrestricted equity reserve	63.2	63.1	63.1
Translation differences	-0.3	0.6	2.2
Retained earnings	213.8	224.7	224.5
Profit/loss for the period	35.3	2.9	0.3
Equity attributable to shareholders of the parent company	350.7	329.4	328.4
Non-controlling interest	1.5	4.6	5.1
Shareholders' equity, total	352.2	334.0	333.5
Non-current liabilities			
Deferred tax liabilities	21.3	19.6	17.6
Pension liabilities	3.3	0.5	0.5
Provisions	4.4	1.7	2.3
Financial liabilities	342.4	222.2	214.1
Other liabilities	2.8	3.9	3.9
Total	374.3	248.0	238.4
Current liabilities			
Accounts payable and other liabilities	672.3	385.8	321.2
Provisions	8.3	7.3	6.4
Financial liabilities	272.1	230.9	161.4
Total	952.6	624.0	489.0
Liabilities recorded against available-for-sale non-current assets			4.4
Liabilities, total	1,326.9	872.0	731.7
Shareholders' equity and liabilities, total	1,679.1	1,206.0	1,065.3

4) CONSOLIDATED CASH FLOW STATEMENT

EUR mill.	1-9/ 2011	1-9/ 2010	1-12/ 2010
Profit/loss before taxes	31.6	7.5	7.6
Depreciation and impairment on goodwill	28.8	27.5	35.0
Other adjustments	-4.8	9.4	0.8
Cash flow before change in working capital	55.5	44.4	43.3
Change in working capital	-20.4	-92.0	-45.5
Financial items	-12.4	-21.9	-23.6
Direct taxes paid	-9.0	-12.7	-11.4
Cash flow from operating activities	13.7	-82.2	-37.2
Cash flow provided by investing activities	38.6	11.8	34.4
Cash flow used in investing activities	-45.4	-31.2	-44.9
Share issue for cash consideration		39.5	39.5
Change in non-current receivables	0.9	0.3	0.3
Drawings of loans	445.1	244.6	327.5
Repayments of loans	-216.9	-201.1	-364.5
Dividends paid	-10.4	-2.1	-2.1

Cash flow from financing activities	218.7	81.2	0.8
Change in cash funds	225.6	-20.4	-46.9
Cash funds at beginning of period	26.3	74.4	74.4
Translation difference of cash funds	-0.4	-1.9	-1.2
Cash funds at end of period	251.5	52.1	26.3

5) CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

A = Share capital
 B = Share premium account
 C = Hedging reserve
 D = Fair value reserve
 E = Invested unrestricted equity reserve
 F = Translation difference
 G = Retained earnings
 H = Non-controlling interest
 I = Shareholders' equity total

EUR mill.	A	B	C	D	E	F	G	H	I
Shareholders' equity 1.1.2010	34.0	5.8	-2.0			-1.7	234.5	23.2	293.8
Profit/loss for the accounting period							2.9	0.2	3.1
Translation difference						2.3			2.3
Cash flow hedge			0.2						0.2
Change in fair value				0.0					0.0
Comprehensive income, total			0.2	0.0		2.3	2.9	0.2	5.6
Share issue to investors for cash consideration					39.5				39.5
Share issue to non-controlling interest for cash consideration					24.3				24.3
Transaction expenses of share issues					-0.7				-0.7
Gains on share-based payments							0.1		0.1
Direct entries, non-controlling interest							-10.0		-10.0
Cancellation of dividend liability							0.1		0.1
Dividend distribution								-1.9	-1.9
Change in non-controlling interest								-16.9	-16.9
Transactions with owners, total					63.1		-9.8	-18.8	34.5
Shareholders' equity 30.9.2010	34.0	5.8	-1.8	0.0	63.1	0.6	227.6	4.6	334.0

EUR mill.	A	B	C	D	E	F	G	H	I
Shareholders' equity 1.1.2010	34.0	5.8	-2.0			-1.7	234.5	23.2	293.8
Profit/loss for the accounting period							0.3	0.9	1.2
Translation difference						3.9			3.9
Cash flow hedge			0.5						0.5
Change in fair value				0.0					0.0
Comprehensive income, total			0.5	0.0		3.9	0.3	0.9	5.5
Share issue to investors for cash consideration					39.5				39.5
Share issue to non-controlling interest for cash consideration					24.3				24.3
Transaction expenses of share issues					-0.7				-0.7
Direct entries, non-controlling interest							-10.1		-10.1
Cancellation of dividend liability							0.1		0.1
Dividend distribution								-1.9	-1.9
Change in non-controlling interest								-17.1	-17.1
Transactions with owners, total					63.1		-10.0	-19.0	34.1
Shareholders' equity 31.12.2010	34.0	5.8	-1.5	0.0	63.1	2.2	224.8	5.1	333.5

EUR mill.	A	B	C	D	E	F	G	H	I
Shareholders' equity 1.1.2011	34.0	5.8	-1.5	0.0	63.1	2.2	224.8	5.1	333.5
Profit/loss for the accounting period							35.3	0.4	35.6
Translation difference						-2.5			-2.5
Cash flow hedge			0.5						0.5
Change in fair value				0.0					0.0
Comprehensive income, total			0.5	0.0		-2.5	35.3	0.4	33.6
Direct entries, non-controlling interest							-1.1		-1.1
Transfers between funds		-0.1			0.1				
Dividend distribution							-9.8	-0.6	-10.4
Profit/loss for the non-controlling interest								-3.3	-3.3
Transactions with owners, total		-0.1			0.1		-11.0	-3.9	-14.9
Shareholders' equity 30.9.2011	34.0	5.7	-1.0	0.0	63.2	-0.3	249.1	1.5	352.2

6) CONSOLIDATED INCOME STATEMENT, QUARTERLY

EUR mill.	7-9/ 2011	4-6/ 2011	1-3/ 2011	10-12/ 2010	7-9/ 2010
Net sales	748.8	550.0	316.3	503.6	589.2
Operating income and expenses	-684.7	-519.7	-339.1	-490.3	-545.9
Depreciation	13.8	9.9	5.1	7.5	13.4
Impairment on goodwill	0.1				
Share of the results of affiliated companies	1.5	0.2	-0.2	-0.5	1.7
Operating profit/loss	51.7	20.6	-28.0	5.3	31.5
Financial expenses	11.0	6.5	5.4	11.2	8.5
Financial income	4.8	1.9	3.4	6.0	2.1
Profit/loss before taxes	45.6	16.1	-30.0	0.1	25.2
Income taxes	-10.6	-3.8	7.1	-1.5	-6.4
Profit/loss from continuing operations	35.0	12.3	-23.0	-1.4	18.7
Profit/loss from discontinued operations			11.3	-0.5	0.9
Profit/loss for the accounting period	35.0	12.3	-11.7	-1.9	19.7
Distribution of the profit/loss for the accounting period					
To shareholders of the parent company	34.6	12.3	-11.7	-2.6	20.1
To non-controlling interest	0.4	0.0	0.0	0.7	-0.4
EPS calculated from profit/loss attributable to parent company shareholders					
From continuing operations	1.76	0.63	-1.16	-0.11	1.03
From discontinued operations			0.57	-0.03	0.05
Total	1.76	0.63	-0.59	-0.14	1.08

7) SEGMENT INFORMATION

IFRS 8 Operating Segment Reporting requires that reported segment information be based on internal segment reporting to management, which in Lemminkäinen Group means the President and CEO of Lemminkäinen Corporation, who is the chief operative decision-maker. Internal segment reporting to management covers net sales, depreciation, operating profit, non-current assets, inventories and trade receivables.

The segment information reported to management is generally prepared according to the same principles as those applied in the consolidated financial statements. Imputed items are not considered in segment reporting. Such items include, among others, depreciation of assets acquired by finance leasing, interest separated from payments and warranty provisions. In segment reporting to management, finance leasing arrangements are treated as ordinary rental agreements, which deviate from the accounting principles of IFRS financial statements. Associated companies are combined in segment reporting in proportion to ownership share using the line-by-line method. In IFRS financial statements affiliated companies are combined by the equity method. In segment reporting, intersegment sales are not allocated to segments, owing to their minimal magnitude, and are not reported to management.

BLDCO = Building Construction
 INFRA = Infrastructure Construction
 TECBS = Technical Building Services
 OTHER = Other operations
 ELIM = Group eliminations
 SEGM = Segments total
 RECON = Reconciling items
 TOTAL = Group total, IFRS

EUR mill.
1-9/2011

	BLDCO	INFRA	TECBS	OTHER	ELIM	SEGM	RECON	TOTAL
Net sales	605.9	861.7	209.2	22.2	-67.0	1,632.1	-17.0	1,615.1
Depreciation and impairment on goodwill	0.5	26.9	0.7	2.3		30.4	-1.6	28.8
Operating profit/loss	0.7	67.5	0.9	-10.7		58.3	-14.0	44.3

The reconciling items for net sales comprise EUR -13.8 million from the equity share treatment of associated companies and discontinued operations EUR 0.6 million and the treatment difference between entries made to net sales and other income.

The reconciling items for operating profit comprise EUR 0.6 million in personnel expenses, EUR 0.3 million from the IFRS treatment of finance leasing, EUR -0.3 million from the equity share treatment of associated companies, EUR 0.7 million in other closing entries and EUR -15.3 from discontinued operations.

EUR mill.
1-9/2010

	BLDCO	INFRA	TECBS	OTHER	ELIM	SEGM	RECON	TOTAL
Net sales	522.5	707.4	195.0	8.5	-51.1	1,382.3	-56.4	1,325.9
Depreciation	1.8	26.2	0.7	0.8		29.5	-2.0	27.5
Operating profit/loss	7.5	20.2	6.2	-11.0		23.0	1.2	24.2

The reconciling items for net sales comprise EUR -13.0 million from the equity share treatment of associated companies, EUR -47.7 million from discontinued operations and the treatment difference between entries made to net sales and other income.

The reconciling items for operating profit comprise EUR 3.8 million in personnel expenses, EUR 1.3 million from the IFRS treatment of finance leasing, EUR 0.3 million from the equity share treatment of associated companies, EUR -0.1 million from discontinued operations and EUR -4.1 million in other closing entries.

NET SALES
EUR mill.

	1-9/ 2011	1-9/ 2010	1-12/ 2010
Building Construction	605.9	522.5	770.2
Infrastructure Construction	861.7	707.4	932.9
Technical Building Services	209.2	195.0	269.1
Other operations	22.2	8.5	11.4

Group eliminations	-67.0	-51.1	-72.6
Segments total	1,632.1	1,382.3	1,911.0
Reconciling items	-17.0	-56.4	-81.4
Group total, IFRS	1,615.1	1,325.9	1,829.6

OPERATING PROFIT/LOSS EUR mill.	1-9/ 2011	1-9/ 2010	1-12/ 2010
Building Construction	0.7	7.5	25.6
Infrastructure Construction	67.5	20.2	15.3
Technical Building Services	0.9	6.2	4.5
Other operations	-10.7	-11.0	-15.6
Segments total	58.3	23.0	29.7
Reconciling items	-14.0	1.2	-0.1
Group total, IFRS	44.3	24.2	29.6

NET SALES, QUARTERLY EUR mill.	7-9/ 2011	4-6/ 2011	1-3/ 2011	10-12/ 2010	7-9/ 2010
Building Construction	211.6	210.1	184.2	247.7	204.7
Infrastructure Construction	482.6	293.7	85.4	225.5	365.1
Technical Building Services	75.9	69.7	63.6	74.1	64.9
Other operations	8.3	7.4	6.5	2.9	2.8
Group eliminations	-24.7	-23.2	-19.1	-21.5	-23.1
Segments total	753.8	557.7	320.6	528.7	614.5
Reconciling items	-5.0	-7.7	-4.3	-25.1	-25.3
Group total, IFRS	748.8	550.0	316.3	503.6	589.2

OPERATING PROFIT/LOSS, QUARTERLY EUR mill.	7-9/ 2011	4-6/ 2011	1-3/ 2011	10-12/ 2010	7-9/ 2010
Building Construction	1.6	2.8	-3.7	18.1	2.7
Infrastructure Construction	50.3	24.3	-7.1	-4.9	31.3
Technical Building Services	1.6	-1.4	0.7	-1.7	1.6
Other operations	-3.6	-3.5	-3.6	-4.6	-3.9
Segments total	49.7	22.4	-13.8	6.7	31.8
Reconciling items	2.0	-1.8	-14.2	-1.4	-0.3
Group total, IFRS	51.7	20.6	-28.0	5.3	31.5

ASSETS EUR mill.	9/2011	9/2010	12/2010
Building Construction	458.4	420.0	440.1
Infrastructure Construction	430.6	417.6	317.8
Technical Building Services	48.7	39.8	44.5

Other operations	57.8	45.9	46.2
Segments total	995.5	923.2	848.6
Assets unallocated to segments and Group eliminations, total	683.6	282.8	216.7
Group total, IFRS	1,679.1	1,206.0	1,065.3

8) ECONOMIC TRENDS AND FINANCIAL INDICATORS

	9/2011	9/2010	12/2010
Return on equity, rolling 12 months, % ¹⁾	9.8	1.2	0.4
Return on investment, rolling 12 months, % ¹⁾	9.2	7.0	7.0
Operating profit, % of net sales	2.7	1.8	1.6
Equity ratio, %	23.5	30.7	35.2
Gearing, %	103.0	120.1	104.7
Interest-bearing net debt, EUR million	363.0	401.0	349.2
Gross investments, EUR million (incl. leasing purchases)	62.2	44.5	59.6
Order book, EUR mill.	1,485.4	1,230.0	1,226.4
- of which foreign orders, EUR mill.	527.2	252.3	294.3
Average number of employees	8,436	8,339	8,314
Employees at end of period	9,121	8,920	7,744
Net sales, EUR mill.	1,615.1	1,325.9	1,829.6
- of which operations abroad, EUR mill.	549.1	416.5	543.5
% of net sales	34.0	31.4	29.7

1) Includes the effect of discontinued operations

9) SHARE-SPECIFIC INDICATORS

	9/2011	9/2010	12/2010
Earnings per share, EUR	1.80	0.15	0.02
Equity per share, EUR	17.85	16.77	16.72
Dividend per share, EUR			0.50
Dividend to earnings ratio, %			over 100
Market capitalisation, EUR mill.	396.8	485.2	510.8
Share price at end of period, EUR	20.20	24.70	26.00
Trading volume during period, 1000 shares	3,125	3,167	4,172
Number of issued shares, 1000 shares	19,645	19,645	19,645
Weighted average number of shares over the period, 1000 shares	19,645	18,948	19,124

10) DISCONTINUED OPERATIONS

The Group sold its roofing business in January 2011. The result of operations of the sold unit and the capital gains from its sale were as follows:

EUR million	1-9/ 2011	1-9/ 2010	1-12/ 2010
Income	3.8	47.7	62.9
Expenses	5.7	47.8	63.8
Profit before taxes	-1.9	-0.1	-0.8
Taxes	0.5	0	0.2
Result for the financial period	-1.4	-0.1	-0.6
Pre-tax capital gains from the sale of the roofing business	17.1		
Taxes	-4.4		
Capital gains after taxes	12.7		
Result for the period from discontinued operations	11.3	-0.1	-0.6
Cashflows from roofing business			
Cash flow from operating activities	-1.9		
Cash flow provided by investing activities	-0.1		
Cash flow from financing activities	2.0		
Cash flows, total	0.0		

11) GUARANTEES AND CONTINGENT LIABILITIES

EUR mill.	9/2011	9/2010	12/2010
Securities for own commitments			
Property mortgages		80.0	
Business mortgages		1,218.8	0.4
Bonds pledged as security	0.0	0.3	0.3
Deposits		0.1	0.1
Total	0.0	1,299.2	0.7
Guarantees			
On behalf of affiliated companies	20.3	9.8	25.8
On behalf of others	21.0		
Bonds pledged as security			
On behalf of others	0.0	0.1	0.1
Minimum lease payments of irrevocable lease agreements			
One year or less	14.2	16.7	15.2
Over one year but no more than five years	27.8	30.5	30.4
Over five years	14.5	18.5	17.5

Total	56.5	65.7	63.0
Purchase commitments of investments	8.7	4.6	7.1
Derivative contracts			
Forward foreign exchange contracts			
Nominal value	82.1	54.6	48.9
Fair value	1.5	1.6	-0.9
Interest rate swap contracts			
Nominal value	41.5	53.8	58.1
Fair value	-1.9	-2.4	-2.6
Commodity derivatives			
Volume, mill.	16,750		21,350
Nominal value	7.4		8.0
Fair value, €	0.7		0.1

The fair value of contracts is the gain or loss arising from closure of the contract based on the market price on the accounting date.

12) LEGAL PROCEEDINGS

In 2009, the Supreme Administrative Court (SAC) ordered Finnish asphalt industry companies to pay an infringement fine for violations of the Act on Competition Restrictions.

At the beginning of October 2011, 40 claims for damages brought by municipalities and the Finnish state (Finnish Transport Agency) were pending against Lemminkäinen and other asphalt industry companies in the District Court. The claimants contend that restrictions of competition have caused them damages. The total amount of damages sought from Lemminkäinen is currently about EUR 102 million. The claims presented in the statements of claim differ from each other as regards their amounts and grounds.

The ruling rendered by the SAC in 2009 as it stands does not mean that Lemminkäinen or the other asphalt industry companies actually caused any damages to the asphalt work clients. The ruling does not concern the individual contracts that the claimants cited in support of their claims. Nor does the ruling concern the pricing of individual contracts. The SAC has not investigated the contention that inflated prices have been charged for the contracts.

Lemminkäinen's initial position is that the claims for damages are without foundation. The claims will be processed in the order and schedule set by the District Court.

No provisions have been made in respect of the claims of the municipalities and the Finnish Transport Agency that are pending in the District Court.

Lemminkäinen will provide information on the proceedings in its interim reports or in separate releases, as necessary.