













A woman in a black climbing suit and an orange helmet is climbing a steep, grey rock face. She is positioned on the right side of the frame, with her body angled towards the rock. The background is a blurred forest of tall, thin trees.


SUMMARY AND CONCLUSION

Eero Hautaniemi,
President and CEO
Capital Markets Day 8 November 2019

MEGATRENDS ACT LARGELY IN THE FAVOUR OF L&T'S BUSINESS PORTFOLIO

<p>CLIMATE CHANGE AND SUSTAINABILITY</p>	<ul style="list-style-type: none">  Demand for L&T's sustainable waste solutions and renewable energy grows  Demand for smart building maintenance and energy efficiency services increases 	<ul style="list-style-type: none">  Focus increasing on industrial and agricultural waste – L&T well positioned  Regulation changes in municipal waste
<p>DIGITALISATION</p>	<ul style="list-style-type: none">  L&T is a forerunner in digitalisation of our industry  Technology development provides opportunities for new competitive advantages 	
<p>CHANGES IN WORK AND LABOUR</p>	<ul style="list-style-type: none">  Sense of meaningfulness in work grows in importance  Competition of professionals increases and e.g. work-related immigration not sufficient 	<ul style="list-style-type: none">  Government efforts to promote employment of special groups
<p>URBANISATION AND DEMOGRAPHY CHANGE</p>	<ul style="list-style-type: none">  More efficient use of spaces, growth focused on selected areas  Opportunities for new efficient outsourcing models especially in financially distressed municipalities 	

 Positive impact

 Varying impact

 Negative impact



L&T'S OPERATES IN GROWING MARKETS AND THE BUSINESSES ARE LEADING PLAYERS IN THEIR FIELDS

Business area	Size of the relevant markets	Growth of the markets	L&T position	L&T net sales in 2018
Environmental Services	2.0 BEUR	0-5%	#1	309 MEUR
Industrial Services	0.8 BEUR	1-5%	#2	97 MEUR
Facility Services, Finland	3.4 BEUR	2-4%	#3	270 MEUR
Facility Services, Sweden	5.4 BEUR	1-4%	#4 Technical services	134 MEUR

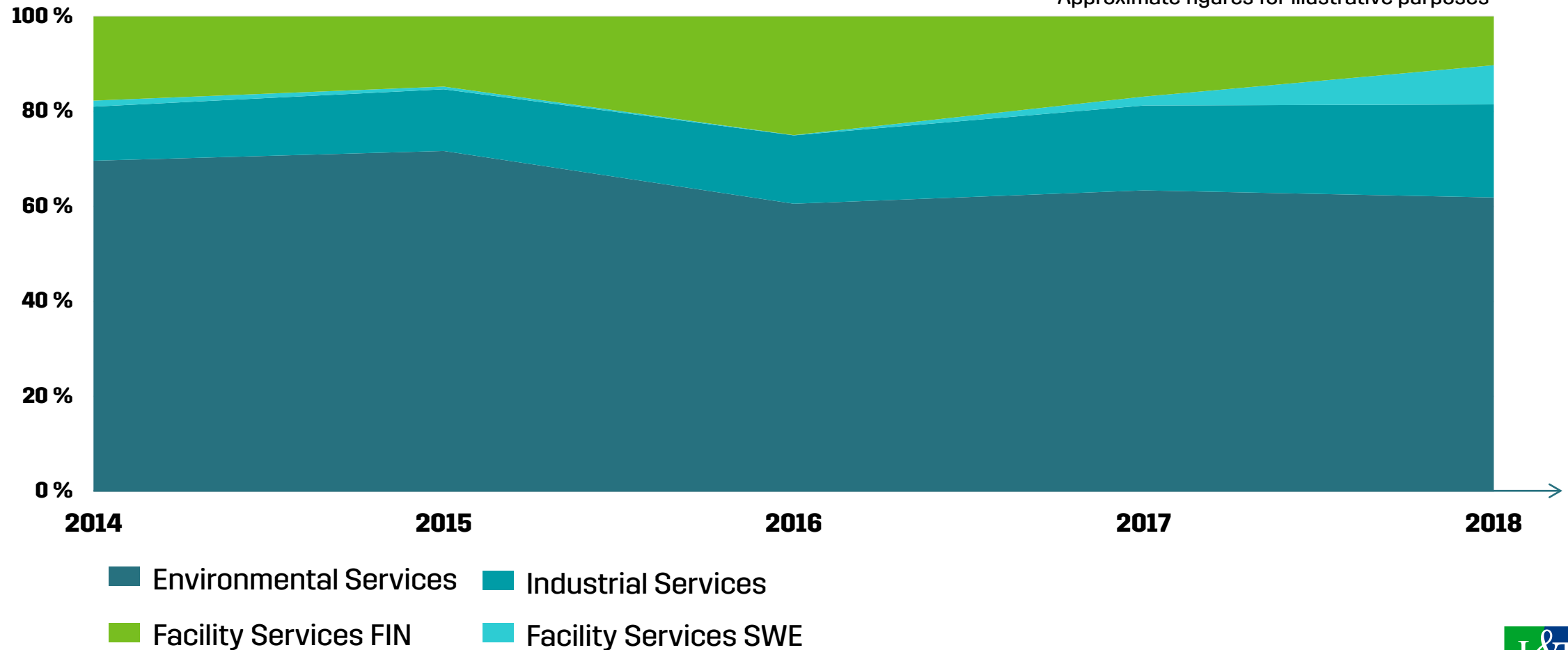
Source: L&T's management estimates



L&T PORTFOLIO IS BALANCED OVER MACRO-ECONOMICAL CYCLES

Breakdown of group operating profit development

Approximate figures for illustrative purposes



EACH OF THE BUSINESSES HAVE A STRATEGY TO WIN THEIR RESPECTIVE MARKETS

ENVIRONMENTAL SERVICES	<ul style="list-style-type: none"> • Fulfils customers' recycling and sustainability goals with the best services in the market 	<ul style="list-style-type: none"> • Invests into new circular economy solutions 	<ul style="list-style-type: none"> • Pursues fast growth promising growth opportunities and renewable energy sources
INDUSTRIAL SERVICES	<ul style="list-style-type: none"> • Improves utilisation of side streams jointly with customers 	<ul style="list-style-type: none"> • Maintains market leadership position in process cleaning and hazardous waste management 	<ul style="list-style-type: none"> • Pursues growth in the market for industrial services
FACILITY SERVICES FINLAND	<ul style="list-style-type: none"> • Develops services based on the needs of key customer segments 	<ul style="list-style-type: none"> • Improves employee satisfaction by leadership practices and meaningful work opportunities 	<ul style="list-style-type: none"> • Maximises lifetime and value in built environment • Promotes social responsibility • Enables profitable growth with low capital employment
FACILITY SERVICES SWEDEN	<ul style="list-style-type: none"> • Grows with a positively differentiated business model 	<ul style="list-style-type: none"> • Advances energy efficiency solutions to minimise the carbon footprint of buildings 	<ul style="list-style-type: none"> • Provides a growth platform into Swedish market

>> WE CREATE MORE VALUE WITH CIRCULAR ECONOMY





Employed by tomorrow.