SRV GROUP PLC FINANCIAL STATEMENT RELEASE 17 February 2011, 8.30 a.m. EET

SRV'S ORDER BACKLOG GREW BY 23.3 PER CENT - SRV'S FINANCIAL STATEMENT RELEASE 1 JANUARY – 31 DECEMBER 2010

Reporting period 1 January–31 December 2010 in brief:

- SRV's revenue was EUR 484.8 million (EUR 390.5 million in January–December 2009), change 24.2%
- Operating profit was EUR 13.0 million (EUR 10.7 million), change 21.7%
- Profit before taxes was EUR 7.6 million (EUR 6.5 million), change 16.5%
- The order backlog at the close of the review period was EUR 593.7 million (EUR 481.6 million), change 23.3%
- New contracts EUR 559.9 million (EUR 396.1 million), change 41.4%
- The equity ratio was 35.1 per cent (41.3%)
- Earnings per share were EUR 0.19 (EUR 0.08)
- Proposed dividend EUR 0.12 (EUR 0.12) per share

Fourth quarter 1 July – 30 December 2010 in brief:

- Revenue amounted to EUR 157.2 million (EUR 120.1 million in October – December 2009)
- Operating profit was EUR 5.7 million (EUR 2.7 million)
- Profit before taxes was EUR 4.1 million (EUR 2.2 million)
- Earnings per share were EUR 0.10 (EUR 0.03)

"Our outlays on business premises and housing construction in Finland have produced results. SRV's order backlog grew by 23 per cent to EUR 594 million. The volume of new contracts grew by 41 per cent.

SRV's Business Premises had excellent success in acquiring customers and its order backlog was up 27 per cent. The growth of the order backlog proves that SRV's open operating model, robust expertise in implementation, reputation as a reliable construction firm and committed employees support new customer acquisition also in a tight market situation. Thanks to increased operating volumes, we have been able to keep the profitability of our business operations on a good level.

SRV's housing production focuses on growth centres, where the migration of the population and structural demand lay a strong foundation for expanding operations. During the past year, we bolstered our position as a residential constructor and became a major player in housing production. In 2010, we started the construction of 543 developer contracting housing units (251 in January - December 200) and sold 524 units to consumers (207). At the end of 2010, SRV had a total of 1629 residential units under construction (966 units in December 2009), of which 605 were developer contracting units and 1024 were built under contract agreements or negotiation contracts. Moreover, thanks to the positive response to premarketing, SRV had decided to start the construction of 104 housing units.

Russia is the main focus area in SRV's strategy. During 2010, we focused our effors on the start-ups of our key projects. In January, after the close of the financial period, we signed 100 million euro project management contract to build a shopping centre in St.Petersburg in the Baltic Pearl area. The total value of the investment is EUR 130 million. SRV has a 50 per cent stake in the project. As in other projects in Russia, SRV can remain, according to its strategy, a temporary owner in completed projects to increase the commercial value. Depending on the market situation, such projects are sold after 1 to 3 years after completion. Commencing the construction works of Pearl Plaza is a significant step in our Russian projects.

The financial result of the international operations was negative due to the fact that the volume of the operations and the order backlog were on insufficient level compared to the project development costs and fixed costs of the segment. SRV will continue its efforts in start-ups of its own key projects and in preparing the first investment projects of the real estate investment collaboration to secure the growth of the order backlog of international operations.

SRV boasts strong innovative project development, and we will continue our efforts on it by utilising the support from the company's solvency and financing position. Even though the business premises market is challenging, I believe that through project development SRV can start projects that are important to the business activities of our clients. As an example of successful result of persistence we can mention the Karisto shopping centre project in Lahti, the construction contract for which was signed in June.

In domestic housing production we focus on growth centres. We have created numerous major long-term possibilities in the Greater Helsinki Area, such as the Keilaniemi Towers project, the project for planning the land use of the neighbouring areas of the future metro station in Niittykumpu district in Espoo, the acquisition of the Perkkaa plots from Siemens in Espoo, as well as participation in Sitra's Low2No project with the aim to develop and implement a solution for the construction of low carbon or no-carbon sustainable urban environments," says Jukka Hienonen, CEO of SRV.

Group key figures (EUR million)	**IFRS 1-12/ 2010**	IFRS 1-12/ 2009	change, MEUR	change, %	**IFRS 10-12/ 2010**	IFRS 10-12/ 2009
Revenue	**484.8**	390.5	94.3	24.2	157.2	120.1
Operating profit	**13.0**	10.7	2.3	21.7	5.7	2.7
Financial income and expenses, total	**-5.4**	-4.2	-1.2	29,8	-1.6	-0.5
Profit before taxes	**7.6**	6.5	1.1	16.5	4.1	2.2
Order backlog	**593.7**	481.6	112.1	23.3		
New agreements	**559.9**	396.1	163.8	41.4	120.1	120.4
Operating profit, %	**2.7**	2.7			3.6	2.2
Net profit, %	**1.1**	0.7			1.5	0.8
Equity ratio, %	**35.1**	41.3				
Net interest bearing debt	**220.9**	179.9				
Gearing, %	**140.6**	109.8				
Return on investment, %	**4.0**	4.9				
Return on equity, %	**3.2**	1.8				
Earnings per share, EUR	**0.19**	0.08			0.10	0.03
Equity per share, EUR	**4.55**	4.48				
Weighted average number of shares outstanding	**33.9**	36.0		-5.8		

1) In calculating the key ratio only the profit for the period has been annualised

Consolidated revenue was EUR 484.8 million (EUR 390.5 million in January–December 2009), of which Finland accounted for 95 per cent (94%) and Russia and the Baltic countries for 5 per cent (6%). Revenue in the Business Premises business area was EUR 319.5 million (EUR 208.0 million). Revenue in the Housing business area was EUR 143.1 million (EUR 158.6 million). Revenue in the International business area was EUR 22.3 million (EUR 24.0 million).

The Group's operating profit was EUR 13.0 million (EUR 10.7 million in January–December 2009). Operating profit margin was 2.7 per cent (2.7%). Operating profit in the Business Premises business area was EUR 18.0 million (EUR 18.0 million). Operating profit in the Housing business area was EUR 8.4 million (EUR 5.4 million). Operating loss in the International business area was EUR 7.5 million (operating loss of EUR 7.7 million).

The Group's profit before taxes was EUR 7.6 million (profit of EUR 6.5 million in January–December 2009). The profit for the financial year was EUR 5.2 million (profit of EUR 2.9 million). Earnings per share were EUR 0.19 (EUR 0.08). Return on equity was 3.2 per cent (1.8%) and return on investment was 4.0 per cent (4.9%).

The Group's revenue for the fourth quarter was EUR 157.2 million (EUR 120.1 million in October-December 2009) and operating profit EUR 5.7 million (EUR 2.7 million). Profit before taxes was EUR 4.1 million (profit of EUR 2.2 million). Earnings per share were EUR 0.10 (EUR 0.03).

The order backlog grew by 23.3 per cent and was EUR 593.7 million on 31 December 2010 (EUR 481.6 million on 31 December 2009). The major reason behind the development of the order backlog was the 41.4 per cent increase of new contracts and the principle of the recognition of revenue from developer contracting housing projects based upon delivery. The share of sold order backlog increased by 39.3 per cent to EUR 441 million (EUR 317 million on 31 December 2009). The increase was due to the amount of new projects as well as to the fact that the housing sales concentrated more on production under construction. The share of the unsold order backlog amounted to EUR 153 million (EUR 165 million on 31 December 2009).

Key figures for the Segments

Revenue (EUR million)	**IFRS 1-12/ 2010**	IFRS 1-12/ 2009	change, MEUR	change, %	**IFRS 10-12/ 2010**	IFRS 10-12/ 2009
Business Premises	**319.5**	208.0	111.5	53.6	103.2	66.9
Housing	**143.1**	158.6	-15.4	-9.7	44.2	49.9
International	**22.3**	24.0	-1.7	-7.0	9.8	3.4
Other Operations	**10.3**	8.7	1.6	18.9	2.8	2.3
Eliminations	**-10.4**	-8.8	-1.7		-2.8	-2.3
Group, total	**484.8**	390.5	94.3	24.2	157.2	120.1

Operating profit (EUR million)	**IFRS 1-12/ 2010**	IFRS 1-12/ 2009	change, MEUR	change, %	**IFRS 10-12/ 2010**	IFRS 10-12/ 2009
Business Premises	**18.0**	18.0	0.0	0.0	4.5	4.3
Housing	**8.4**	5.4	3.0	55.0	3.9	1.9
International	**-7.5**	-7.7	0.2		-1.0	-2.0
Other Operations	**-5.9**	-4.7	-1.2		-2.0	-1.4
Eliminations	**0.0**	-0.3	0.3		0.2	-0.2
Group, total	**13.0**	10.7	2.3	21.7	5.7	2.7

Operating profit (%)	**IFRS 1-12/2010**	IFRS 1-12/2009	**IFRS 10-12/2010**	IFRS 10-12/2009
Business Premises	**5.6**	8.6	4.4	6.5
Housing	**5.9**	3.4	8.8	3.8
International	**-33.5**	-32.1	-9.8	-58.4
Group, total	**2.7**	2.7	3.6	2.2

Order backlog (EUR million)	**IFRS 31.12.10**	IFRS 31.12.09	change, MEUR	change,%
Business Premises	**324.6**	255.3	69.3	27.1
Housing	**249.9**	201.7	48.2	23.9
International	**19.2**	24.6	-5.4	-21.9
Group, total	**593.7**	481.6	112.1	23.3
- sold order backlog	441	317	125	39.3
- unsold order backlog	153	165	-12	-7.5

Earnings trends of the Segments

Business Premises (EUR million)	IFRS 1-12/ 2010	IFRS 1-12/ 2009	change, MEUR	change, %	IFRS 10-12/ 2010	IFRS 10-12/ 2009
Revenue	**319.5**	208.0	111.5	53.6	103.2	66.9
Operating profit	**18.0**	18.0	0.0	0.0	4.5	4.3
Operating profit, %	**5.6**	8.6			4.4	6.5
Order backlog	**324.6**	255.3	69.3	27.1		

The Business Premises business area comprises SRV Toimitilat Oy’s retail, office, logistics and rock construction operations and property development.

Revenue in the Business Premises business area was EUR 319.5 million (EUR 208.0 million). Operating profit was EUR 18.0 million (EUR 18.0 million), generating an operating profit margin of 5.6 per cent (8.6%). The order backlog grew by 27.1 per cent to EUR 324.6 million (EUR 255.3 million). The increase in revenue was attributable to the growth in the contracts and the order backlog.

Fourth-quarter revenue amounted to EUR 103.2 million (EUR 66.9 million) and operating profit to EUR 4.5 million (EUR 4.3 million). The increase in revenue was attributable to the growth in the contracts and the order backlog. Competition for new contracts remained tight.

Among the projects completed during the financial year were extension and renovation of the Stockmanns’ Helsinki department store, the construction of the new Viikki parking garage and air raid shelter as well as the new logistics centre for Anttila Oy in Kerava. Moreover, the completed projects included the renovation of the shopping centre Forum in Jyväskylä, the first phase of Malmi Hospital in Helsinki, the renovation of Kiinteistö Oy Niittymäentie 7 for Ilmarinen Mutual Pension Insurance Company in Espoo, alteration and renovation works in the mail sorting department of Itella's postal centre in Pasila, Helsinki, as well as the repair works on the second stage of the University of Helsinki’s Metsätalo Building and the adjacent service tunnel in Unioninkatu, Helsinki. The new equestrian centre Primus in Espoo, the bus depot in Kivikko, Vantaa, the renovation and building of Mercuria business school in Vantaa, and a new production building for Lassila & Tikanoja in Kerava were also completed. The construction of Vierumäki Congress & Resort Hotel was completed and handed over to Mutual Pension Insurance Company Varma.

In January, SRV signed a contract for the construction of the spa hotel Holiday Club Saimaa in Lappeenranta. In addition to the hotel, the contract includes an aqua park with a wellness area, a restaurant world and a multifunction ice arena. The spa hotel will be completed in the summer of 2011.

In January, SRV and the Finnish Fair Corporation signed a contract for the heightening of the Helsinki Fair Centre’s car park, expanding it by approximately 1,200 new parking spaces.

In February, Citycon Oyj chose SRV as its project management contractor for the construction and renovation of Espoontori shopping centre. The total floor area of the project is about 18,600 square metres.

In February, SRV and Helsinki University Premises and Property Services signed a project management contract on the construction and renovation of the Kaisa-talo building, a shopping centre in Kaisaniemenkatu, Helsinki, which will be converted into the University's central campus library. This 30,740 square metre project will be completed by 1 May 2012.

In June, SRV and Kesko signed the project management contract for the construction of the shopping centre Karisma to be built in the Karisto district in Lahti. SRV and Kesko have jointly developed the project and SRV will act as the main contractor in the project. The total sales area in the shopping centre is 35,000 square meters including a modern K-Citymarket and some 90 shops. The shopping centre will open for Christmas 2011.

In July, SRV and Aro-Yhtymä Oy signed a project management contract for the construction of a car dealership in Vantaa. The building will measure 18,400 gross square metres and will be completed towards the end of 2011.

In October, SRV sold the STC Viinikkala property to Pohjola Insurance Ltd. STC Viinikkala is a logistics centre developed and built by SRV with 10,000 square metres of modifiable warehouse, production and office space. The project will be completed by the end of September 2011.

In November, Holiday Club Resorts Oy and SRV agreed on the construction of holiday homes. The first Villas-apartments will be completed in the Holiday Club Saimaa spa hotel complex being built in Lappeenranta next year. As a whole, Holiday Club Saimaa is the biggest tourism project under construction in the Nordic countries.

In December, SRV and Keva (Local Government Pensions Institution) signed a contract for the construction of rental apartments to be built on Abraham Wetterintie street in the Herttoniemi district of Helsinki. Six high-rise buildings will include a total of 345 apartments, commercial premises and basement parking. The total floor area of the project totals 42,386 square metres. The project will be completed in autumn 2012.

During the financial year, a project and construction contract was signed for the construction of a logistics centre for Tapiola General Mutual Insurance Company on Tuupakantie in Vantaa. Contracts were also signed with the City of Vaasa for the construction of day-care centre Punahilkka in Vaasa, for the construction of new car service and repair premises for ScanAuto in Hämeenlinna, the renovation of the premises of the European Chemicals Agency in Annankatu, Helsinki. Moreover, SRV signed a contract with the City of Hyvinkää on the construction of new premises for the Hyvinkää town hall in the Old Wool Factory. Contracts were also signed with the Helsinki University Premises and Property Services for the completion of the renovation of the Institute of Dentistry and the renovation of the Accelerator Laboratory on the Kumpula campus, for the construction of a K-supermarket for Ruokakesko in Espoo and for the extension works of an aviation service hangar at the Helsinki-Vantaa airport.

In a completion arranged by Rakennuslehti magazine SRV's Helsinki Music Centre was elected as the best construction site in Finland in 2010. In its arguments the professional jury praised SRV's solid working methods and site management. Also the work safety at the

Music Centre construction site is of the highest level. SRV has put extensive efforts into fighting grey economy, as well, and the Music Centre site has been a pilot site in implementing the SRV network register.

Housing (EUR million)	**IFRS 1-12/ 2010**	IFRS 1-12/ 2009	change, MEUR	change, %	**IFRS 10-12/ 2010**	IFRS 10-12/ 2009
Revenue	**143.1**	158.6	-15.4	-9.7	44.2	49.9
Operating profit	**8.4**	5.4	3.0	55.0	3.9	1.9
Operating profit, %	**5.9**	3.4			8.8	3.8
Order backlog	**249.9**	201.7	48.2	23.9		

The Housing business area comprises housing construction in the Helsinki Metropolitan Area and the neighbouring municipalities, in addition to regional business operations. Besides housing, regional business operations include commercial, business premises and logistics construction projects.

Revenue in the Housing business area amounted to EUR 143.1 million (EUR 158.6 million) in the review period and operating profit was EUR 8.4 million (EUR 5.4 million). The order backlog was EUR 249.9 million (EUR 201.7 million). The decline in revenue was attributable to the focus on developer contracting housing projects and the fact that housing sales concentrated more on production under construction. For the developer contracting housing projects SRV applies the recognition principle based upon delivery. By using the earlier percentage of completion method the revenue for the review period would have been around EUR 21.1 million higher. During the financial year construction of 543(251) residential units was started and 201 residential units (252) were completed during the financial year. Growth in operating profit was attributable to better project results compared to previous year.

Fourth-quarter revenue amounted to EUR 44.2 million (EUR 49.9 million) and operating profit to EUR 3.9 million (EUR 1.9 million). Housing sales concentrated more on production under construction. Increase in revenue and operating profit during the quarter resulted from the completion of four developer contracting projects with a total of 171 (64) residential units.

During the financial year we signed contracts worth EUR 75.7 million with external clients. Of the signed contracts, negotiation contracts amounted to EUR 19.9 million; in these contracts, SRV serves as project developer and in addition to construction attends to certain development tasks. A contract was signed with Scan-Auto for the construction of a new Scania centre in Oulu for servicing large vehicles. The project was completed before the year’s end. We signed a contract with YH-Asumisoikeus Länsi Oy for the construction of 28 right-of-occupancy flats in the Vatiala district in Kangasala and 20 flats in Pirkkala. In Ylöjärvi, SRV will build two blocks of flats housing a total of 40 residential units for AVO Vuokratalot Oy. Moreover, 28 flats in terraced houses will be built for Suomen Asumisoikeus Oy in Kaarina.

Contracts worth EUR 55.8 million that were won through bidding competitions were signed. The major contracts in the Helsinki metropolitan area were for a 66-unit apartment house to be built for VVO on Agronominkatu street in Viikki, Helsinki, for a 58-unit apartment house for Asokodit in Suurpelto, Espoo and an assisted-living building for Espoon Kruunu in Kauklahti, with 62 adjacent housing units. In Paattinen, Turku, construction of a school for the city of Turku was commenced. In Tampere, an assisted-living home is being built for Kotilinna-säätiö, with 76 units.

More resources were allocated to developing contracting projects. During the review period, 543 (251) new housing units were qualified for sale to consumers and were included in the order backlog. In Helsinki, SRV will build the HITAS project Isolokki in Arabianranta (142 price and quality controlled owner-occupied flats) and Tampuriini in Kannelmäki (29-unit apartment house). In Espoo, SRV started up Saunavuori, an apartment house with 57 units in Saunalahti, and Espoon Kokki, an apartment house with 78 units in Matinkylä. Espoon Kokki will be erected next to the Iso Omena shopping centre and the new metro station to be built in Matinkylä. In Vantaa, construction of two high-rise buildings (Mortti with 38 homes and Vertti with 47 homes) was started on a plot next to the Martinlaakso train station. One apartment house and three terraced-house projects were started in Pirkanmaa: apartment house Teravaskanto in Kangasala (32 units), Pirkkalan Sinisiipi (26 units), Nokian Walborg (16 untis) and Tampereen Frida (11 units). SRV builds Sello, a 26-unit apartment house, in Kaarina as well as Kirkkoväärti, a 21-unit apartment house in Vaajakoski, Jyväskylä. The first five homes in the 20-unit terraced-house project Marjalan Saunaranta were completed in Joensuu already during the financial year.

In addition to projects that are qualified for sale, SRV has decided to start the construction of high-rise blocks in Kaarina, Lahti, Saarijärvi and in Ylöjärvi. The projects include 104 housing units. Because the projects did not reach RS-stage by the end of the year they are not included in the order backlog.

Housing production in Finland	**1-12/ 2010**	1-12/ 2009	change, units	**10-12/ 2010**	10-12/ 2009
Developer contracting					
Start-ups	**543**	251	292	133	247
Sold	**524**	207	317	163	86
Completed	**201**	252	-51	171	64
Completed and unsold	**137**	171	-34		
Under construction, total 1) 2)	**1 629**	966	663		
- negotiation and construction contracts 1) 2)	**1 024**	703	321		
- developer contracting 1)	**605**	263	342		
- of which unsold 1)	**284**	231	53		

1)at the end of the period
2) housing contracts of SRV Business Premises Ltd are included in the production under construction

The S-Group's Kodin Terra hardware and home decor department store and ABC service station in the Kolmenkulma business estate in Nokia were completed in late spring. Major developer contracting projects under construction include Martti, Mortti and Vertti in the Martinlaakso district of Vantaa (152 units), Isolokki in Arabianranta, Helsinki (142 units) and Kokki in Matinkylä, Espoo (78 units).

SRV increased significantly its housing production and at the close of the financial year SRV had a total of 1629 residential units under construction. 83 per cent of the production under construction was implemented under building contracts or they were our own production which had already been sold. During the financial year, SRV started the construction of 543 (251) developer contracting residential units. SRV sold 524 (207) housing units to consumers, most of them in projects under construction. With negotiation contracts, 116 (323) units were sold to investors. At the end of the period, 605 (263) residential units for sale to consumers were being constructed, 284 (231) of which had not been sold. There were 137 (171) completed but unsold units, 22 of which were rented at the period-end. A total of 201 (252) developer contracting residential units were completed during the review period. The most significant completed projects included apartment building Musketööri which was completed in Kartanonkoski, Vantaa in December and Rubiini with 43 units in Vallikallio, Espoo. Based on the current completion schedules, SRV estimates that a total of 465 developer contracting residential units will be completed during 2011 of which 67 units during the first quarter.

SRV is participating in the Low2No project, which aims to develop and implement a solution for the construction of low carbon or no-carbon sustainable urban environments in order to minimise energy consumption. This project is partly funded by Tekes. In addition to SRV, the participants include Sitra (the Finnish Innovation Fund), VVO Yhtymä Oyj and an international design team that was selected in a sustainable construction competition in 2009. The City of Helsinki has reserved a city block for Sitra in Jätkänsaari that will be built in line with the Low2No concept. The housing units and business premises in this block will be designed as multipurpose environments that serve changing work and life patterns, making use of innovative environment, layout and service planning.

International Operations (EUR million)	**IFRS 1-12/ 2010**	IFRS 1-12/ 2009	change, MEUR	change, %	**IFRS 10-12/ 2010**	IFRS 10-12/ 2009
Revenue	**22.3**	24.0	-1.7	-7.0	9.8	3.4
Operating profit	**-7.5**	-7.7	0.2		-1.0	-2.0
Operating profit, %	**-33.5**	-32.1			-9.8	-58.4
Order backlog	**19.2**	24.6	-5.4	-21.9		

International Operations comprises the business activities of the SRV International subgroup in Russia and the Baltic countries.

Revenue in the International business area was EUR 22.3 million (EUR 24.0 million). Operating loss was EUR 7.5 million (a loss of EUR 7.7 million). The order backlog was EUR 19.2 million (EUR 24.6 million). The revenue level was a result of the small number of projects under construction while the activities were focused on the development of our own projects in Russia, in particular. In addition to the small number of projects under construction, operating profit was affected by the development costs of developer contracting projects and the fixed costs of business operations. Furthermore cost entries of around EUR 2.0 million were recorded. They related to projects which were completed earlier and to inventories.

Fourth-quarter revenue amounted to EUR 9.8 million (EUR 3.4 million) and operating loss to EUR 1.0 million (loss of EUR 2.0 million). Commenced hotel renovations increased the revenue. In addition to the small number of projects under construction, operating loss was affected by the development costs of developer contracting projects, the fixed costs of business operations and to cost entries totalling around EUR 1 million relating to inventories.

Russia

The official opening ceremonies of Etmia II office and parking house project in the heart of Moscow were arranged during the financial year. More than 90 per cent of the facilities are leased and SRV is negotiating with several tenant candidates for the rest of the premises. SRV's role in the project is to act as co-owner with a 50 per cent stake and as the project management contractor.

During the review period, SRV had a particular focus on the analysis and clarification of the investment sites of VTBC-Ashmore Real Estate Partners I in Moscow. The fund primarily invests in the construction of offices, commercial premises, hotels and upscale housing in Moscow and St. Petersburg. SRV's share of the investment commitments in the first phase is EUR 20 million. During the spring, Deutsche Bank announced its wishes to withdraw from its position in the General Partner company due to tightened bank control regulations. Deutsche Bank has been replaced with Ashmore Group Plc ("Ashmore"), which also became a shareholder in the General Partner company and, together with various funds it manages, a Limited Partner investor. The other investors involved in the fund are VTB Capital and the Finnish pension insurance companies Ilmarinen and Etera. VTB Capital and Ashmore act as sponsors and general partners of the fund. Their tasks include identifying investments and arranging financing for the projects. SRV acts both as an investor and project management contractor with respect to the fund, through which it expects to receive at least EUR 200 million worth of construction contracts. The fund is currently primarily analysing Elite residential sites as well as office, commercial and hotel sites in the heart of Moscow.

During the review period, SRV continued the development of the shopping centre to be built on the Baltic Pearl area in St.Petersburg. SRV and Shanghai Industrial Investment Company (SIIC) established a joint project company, OOO Pearl Plaza, to develop the project. SRV's share of the joint venture is 50 per cent. SRV is responsible for the development and construction of the project. During the review period, SRV signed a project management contract with OOO Pearl Plaza for the design and development of the shopping centre. Urban Planning and Architectural Committee of St. Petersburg approved the conceptual plan in November. Negotiations concerning the final investment decision were going on at the end of the year. The shopping centre is part of the Baltic Pearl development project, in which Baltic Pearl CJSC will use a land area of over 205 hectares, located south-west of central St. Petersburg, for development. This project is China's largest international investment project, apart from oil and natural gas investments. The cornerstone laying ceremony of the Baltic Pearl project was held at the end of September. Paavo Väyrynen, the Finnish Minister for Foreign Trade and Development, attended the ceremony.

In the Moscow area, construction of the electrical connection for the Mytischi shopping centre project was completed during the summer. Financing of the project has not advanced, and implementation possibilities of alternative concepts are being studied. The majority owner of the project is the Finnish real estate investment company Vicus, with a 75 per cent stake. SRV owns 25 per cent of the shopping centre project and its total investments amount to EUR 7.5 million.

At the Sheremetyevo airport in Moscow, SRV continued the renovation of the old Aeroport hotel. In St.Petersburg, the renovation of some 200 rooms in the Pulkovskaya Hotel began also in October. Both hotels belong to the Wenaas Group. The projects are a continuation of the cooperation that started already in 2007.

SRV continued the development of the Septem City project which is located on a 8.5 hectare land area in the Ohta district in St. Petersburg. The plans include the construction of office and retail space, as well as hotel, restaurant and entertainment premises. Moreover, facilities will be built for the IBI University. The Urban Planning and Architectural Committee of St. Petersburg has approved the overall concept of the project allowing the construction of 600,000 square metres. The project will be implemented in several phases. In the first phase, a shopping centre will be built in the area. The concept development of the shopping centre is being processed and the decision concerning the final scope will be done in terh near future. SRV has invested about EUR 51.8 million in acquisition of land and properties in this area; further investment in land acquisition is estimated at about EUR 8 million. At the moment, SRV owns 87.5 per cent of the project, but its ownership will decline to 77.5 per cent when all ownership arrangements have been completed according to the cooperation contract.

The development of the Eurograd logistics area in St. Petersburg continued. SRV has 49 per cent ownership of the Russian company that possesses a plot of 24.9 hectares located north of St. Petersburg, in the immediate vicinity of the Ring Road. Over 100,000 square metres of logistics facilities are planned for the site, to be built in several stages during the next few years. The zoning of the area for logistics has been completed.

In the city of Vyborg, the intensified marketing campaign for the apartments in the Papula residential area continued till the summer. A total of 17 housing units have been sold while 21 units remained unsold at the end of the period.

Baltic countries

Business volumes in the Baltic countries were low. In Estonia, 14 (11) residential units were sold during the period. All in all, there were 17 (31) completed but unsold units at the end of the period. In Estonia, the number of staff was adjusted to the market situation.

In Latvia, the construction of the International School of Latvia commenced in September according to the construction contract between SRV and the school which was signed in 2009. The project start-up was postponed due to a delay in the financing.

Other Operations (EUR million)	**IFRS 1-12/ 2010**	IFRS 1-12/ 2009	change, MEUR	change, %	**IFRS 10-12/ 2010**	IFRS 10-12/ 2009
Revenue	**10.3**	8.7	1.6	18.9	2.8	2.3
Operating profit	**-5.9**	-4.7	-1.2		-2.0	-1.4

Other Operations comprise mainly the SRV Group Plc and SRV Kalusto Oy businesses.

The revenue of Other Operations during the review period was EUR 10.3 million (EUR 8.7 million) and operating loss was EUR 5.9 million (a loss of EUR 4.7 million). Fourth-quarter revenue was EUR 2.8 million (EUR 2.3 million) and operating profit EUR 2.0 million (a loss of EUR 1.4 million). The increase in revenue was attributable to higher operation volumes and the decrease in operating profit was attributable to increased costs used for project development.

Financing and financial position

Net operational cash flow was EUR 26.8 million negative (EUR 6.1million in January-December 2009). The weakening of the cash flow during the review period was attributed to the increase of inventories as a result of land investments in the housing production and the start-ups of developer contracting production. The Group's inventories were EUR 338.9 million (EUR 292.2 million), the share of land areas and plot-owning companies being EUR 183.1 million (EUR 153.0 million). The Group's invested capital amounted to EUR 387.0 million (EUR 349.0 million).

At the end of the financial year, the Group's financing reserves were EUR 108.8 million, of which the Group's cash assets amounted to EUR 9.0 million and the share of committed undrawn financing reserves amounted to EUR 99.9 million. In addition, the group had committed financing commitments amounting to EUR 38.0 million. The Group's net interest-bearing liabilities were EUR 220.9 million on 31 December 2010 (EUR 179.9 million on 31 December 2009). Net financing expenses totalled EUR 5.4 million (EUR 4.2 million).

Investments in SRV's developer contracting housing projects in Finland including completed, unsold projects, total around EUR 88.5 million. SRV estimates that the completion of these projects requires another EUR 69.0 million. Undrawn housing corporate loans related to RS projects totalled EUR 74.9 million. Investments in the international business area related to unsold residential projects in Estonia amount to EUR 1.1 million, and EUR 2.7 million in Vyborg. EUR 32.4 million is invested in the Etmia office project.

Equity ratio was 35.1 per cent (41.3%). The change in the equity ratio and net liabilities was affected by the EUR 8.5 million derivative agreement signed by SRV with Nordea Bank Ab for 1,909,483 SRV Group Plc's shares which are considered equal to treasury shares held by the company as well as the increase in inventories. The Group's shareholders' equity totalled EUR 157.1 million (EUR 163.9 million on 31 December 2009). The return on investment was 4.0 per cent (4.9%) and the return on equity was 3.2 per cent (1.8%).

In its reporting SRV Group applies IFRIC 15 Agreements for the Construction of Real Estate. The recognition of developer contracting production upon delivery increases the total amount of inventories, interest bearing debts and balance sheet, thus weakening the key figures related to the financing position for its part.

Investments

The Group's investments totalled EUR 2.3 million (EUR 3.7 million) and were mainly related to the acquisition of machinery and equipment.

Unbuilt land areas, land acquisition commitments and land development agreements

Land reserve 31.12.2010	Business Operations	Housing	International Operations	Total
Unbuilt land areas and land acquisition commitments				
Building rights*, m^2	**206 000**	**284 000**	**861 000**	**1 351 000**
Land development agreements				
Building rights*, m^2	**481 000**	**369 000**	**152 000**	**1 002 000**

* Building rights also include the estimated building rights/construction volume of unzoned land reserves and land areas covered by agreements in projects that are wholly or partly owned by SRV

During the financial year, SRV bought a total of 10,000 square metres of building rights in the Matinkylä district from the City of Espoo. Furthermore, the company agreed with the City of Espoo on the purchase of 4,000 square metres in Matinkylä. SRV bought 7,000 square metres of building rights in the Kaarela area in the district of Kannelmäki in Helsinki. Moreover, the lease of 12,000 square metres of building rights in a HITAS project in the Arabianranta district of Helsinki was transferred from VVO to SRV.

On 14 June 2010, The Trade and Competitiveness Division of the Espoo City Board decided to make a reservation for SRV, Mutual Pension Insurance Company Varma and SATO Oyj regarding the future Niittykumpu metro station and neighbouring areas in the intersection of Merituulentie and Haukilahdenkatu for planning of the metro station and related use of land. The intention is to plan and build residential and commercial buildings in the area. The preliminary plan includes building rights of about 150,000 m2 of floor area.

On 11 October 2010, Siemens Osakeyhtiö sold its plots and office building in the Perkkaa area of Espoo to Kiinteistö Oy Perkkaantalo, a joint venture of SRV, SATO Oyj and Ilmarinen Mutual Pension Insurance Company. City plan alterations to designate new block areas for apartment houses are pending. The joint venture will start developing the area in cooperation with the City of Espoo. The target for residential floor area is 110,000-120,000 m2.

On 4 October 2010, based on competition, the Town Council of Mikkeli decided to approve SRV as their partner to develop market and build the Itäportti area in Visulahti, Mikkeli. The aim of the town and SRV is to develop the area into a competitive commercial area with valid zoned building right for 72 500 floor square metres.

Group structure

SRV is Finland's leading project management contractor that builds and develops commercial and business premises, residential units as well as infrastructure and logistics projects. Apart from Finland, the company operates in Russia and the Baltic countries. SRV Group Plc, the Group's parent company, is responsible for the Group's management, treasury, finance and administrative functions. The Property Development and Building Systems units support and serve all of the Group's business operations.

SRV's business areas are Business Premises, Housing, International Operations, and Other Operations. The Business Premises business area comprises the operations of SRV Toimitilat Oy. Housing comprises the operations of SRV Asunnot Oy and one regional subsidiary. International Operations comprises the business activities in Russia and the Baltic countries. Other Operations consist primarily of the SRV Group Plc and SRV Kalusto Oy businesses.

Changes in Group structure

SRV decided to merge its Business Premises and Housing and Regional business areas in Finland as from 1 January 2011. The aim is that the juridical changes are finalised by the end of March 2011.

After the merger, SRV's business operations will be divided into two business areas: Operations in Finland and International Operations. In addition, the company will report Other operations in accordance with the present practice. In its financial reporting, the company will give more detailed information on Business Premises construction and Housing construction within the business segments.

The CEO of the company resulting from the merger, SRV Construction Ltd, is Juha Pekka Ojala. He s in charge of the Business Premises and Housing business areas. SRV Construction ltd has regional units in Turku, Tampere, Jyväskylä, Oulu, Lappeenranta and Joensuu.

Changes in the Group management

Jukka Hienonen started as CEO of the Group on 1 August 2010. Hannu Linnoinen. Senior Executive Vice President, CFO, acted as CEO during 1 January - 31 July 2010. SRV's Country Manager (Russia) Jussi Kuutsa was nominated as member of SRV's Corporate Executive Team as of 3 November 2010. SRV's Russian business operations were divided into two segments. Jussi Kuutsa is in charge of operational functions in Russia, and Veli-Matti Kullas is in charge of project development. SRV's Executive Vice President, Business Premises, Juha Pekka Ojala was appointed SRV Group's Senior Executive Vice President in charge of business premises and housing in Finland as of 14 December 2010. Jussi Ollila, member of the Corporate Executive Team, Senior Vice President, Communications and Marketing, joined another company outside the Group as of 1 September 2010. Taneli Hassinen was appointed Group's Senior Vice President, Communications and Marketing and member of the Corporate Executive Team at SRV Group Plc as of 15 March 2011.

Personnel

SRV had an average payroll of 794 (776) employees, of whom 566 (544) were white-collar. The parent company had an average staff of 47 (53) white-collar employees. At the close of the financial year, the Group had 792 (766) employees, of whom 47 (47) were employed by the parent company. An average of 16 per cent (17) of the employees work in subsidiaries and representative offices abroad. At the end of the financial year, SRV had a total of 17 (18) trainees working in the Group's operations in Finland (in summer jobs and in work training as well as students working on their thesis or diploma). The salaries and compensations paid during the financial year totalled EUR 39.0 million (EUR 35.8 million).

In 2010, SRV launched an extensive training programme for leadership and interaction skills. More than 100 supervisors from all SRV locations, both offices and the work site organisation, are participating in the programme. Our partner is JTO School of Management. The training programme will continue in 2011.

Personnel by business area	31.12.2010	31.12.2009	Share of Group personnel, 31.12.2010, %
Business Premises	**337**	289	42.6
Housing	**222**	215	28.0
International	**153**	182	19.3
Other Operations	**80**	81	10.1
Group, total	**792**	767	100.0

The share-based incentive plan for 2010 includes about 70 employees and the reward is based mainly on consolidated and partly on business area performance. The reward for the earning period 2010 is 56,869 SRV Group Plc shares. In addition, a sum of money corresponding to this number of shares is paid for tax withholding purposes.

Outlook for construction

During the review period, the world economy continued to grow. The recovery is unstable and the situation continues to be challenging in the property and construction markets. Expectations for increases in interest rates have been postponed in Europe and the United States due to the slow start of the recovery.

The total number of building permits increased during the review period due to a sharp rise in permits for residential buildings while the number of permits for commercial and office buildings declined. Due to revived residential construction, there have been delays in the availability of certain building materials. On monthly level, the construction costs have shown an upward trend.

Strong consumer confidence in the housing markets and the low interest level has sustained demand. The volume of new start-ups in developer contracting housing projects is still growing. Weak employment trends will have a negative short-term effect on the housing markets. In the longer term, trends such as migration to population growth centres and the smaller size of households will increase the need for housing construction.

New start-ups in commercial and office construction continued to decrease during the period. Vacancy rates in office premises in particular have reached a high level and construction is slow. The near future outlook for commercial and logistics construction is somewhat better.

The slight growth in renovations is expected to continue in 2010. The cutback in civil engineering is predicted to be over at the end of the year.

The economic situation in the Baltic countries has remained weak. The Estonian economy is predicted to grow during the ongoing year. In Latvia and Lithuania, the growth in total production is meagre. Construction and the property markets are slow, still. In the short term, the economic situation in the Baltic countries will continue to be challenging.

The Russian economy continues to be challenging. The Russian national economy has revived due to rising oil prices, inflation has abated and interest rates have declined while the scarce availability of financing limits growth opportunities. In 2010, Russia's total production is expected to grow by 4-5 per cent.

Risks, risk management and corporate governance

General economic trends and changes in customers' operating environments have an immediate effect on the construction and property markets. A change in the general interest level has a direct impact on both SRV's cash flow from operating activities and financing costs. The general economic trend is upward but unstable. Demand for property investments has remained weak. Interest rates are low but, compared to pre-recession times, the availability of credit from banks is lower and loan margins are clearly higher. The global financial crisis is making it more difficult for SRV's clients to obtain financing and is hampering the functioning of the property markets. Property values face pressures and the number of property transactions and, in particular, new large-scale project start-ups have decreased due to difficulties in securing financing. The financial crisis adds SRV's risk to be forced to tie up capital in projects longer than intended.

SRV's revenue is generated by construction projects, and the company's result depends on the profitability of individual projects as well as their progress. Fierce competition for new orders in the construction sector may affect the volume and profitability of SRV's new order backlog. In developer contracting projects, recognition of revenue is based mainly on the Completed Contract method. Revenue recognition depends on the percentage of sold premises in delivered projects. Delivery schedule of developer contracting projects can affect essentially on the development of revenue and profit for the financial year and the quarters. Project sales are affected by factors such as the availability of financing for the buyer and occupancy rate. When sales are delayed, the recognition of revenue and operating profit is delayed correspondingly. Postponed start-ups of developer contracting projects increase the level of development expenses, which are recorded as costs. The slowdown in housing sales will increase sales and marketing costs and interest expenses in developer contracting housing production. After a rapid decline, housing sales have recovered in Finland while remaining virtually at a standstill in Estonia.

Construction is subject to significant cost risks relating to subcontracting and deliveries, and the control of these underlines the need for long-term planning. A weak economic cycle increases financial risks relating to subcontractors. SRV's contracting model requires skilled and competent personnel. Warranty and liability obligations related to construction can span up to ten years. Construction costs in many materials are rising. The swift growth in residential construction has hampered the availability of purchases in adjusted production chains. SRV is involved in some arbitration and legal proceedings. SRV's management believes that the cases or their outcome do not have a significant impact on SRV's financial result.

Besides land acquisition risks, property projects face other challenges, such as those related to the outcome of zoning, soil conditions, financing, commercialisation of projects, partners, and the geographical location and type of project. In accordance with its strategy, SRV has focused on developer contracting projects and has increased its land acquisition in Finland and Russia, in particular. The crisis in the international financial market has substantially weakened the availability of financing in property projects for property development and investments. It has also put project start-ups on hold.

The financial risks connected with SRV's operations are interest rate, currency, liquidity and contractual party risks, which are discussed in more detail in the Notes to the Financial Statements. Currency risks are divided into transaction risks and translation risks. Transaction risks are related to currency-denominated business and financing cash flows. The accounting effects of translation risks are shown in the translation differences of equity in the consolidated figures in investments made in foreign subsidiaries with some other operating currency than euro.

Liquidity risks may have an effect on the Group's earnings and cash flow if the Group is unable to ensure sufficient financing for its operations. SRV maintains adequate liquidity by means of efficient management of cash flows and solutions linked to it, such as binding lines of credit that are valid until further notice. The company has a long-term liquidity arrangement of EUR 100 million, of which EUR 55 million will mature in December 2012 and EUR 45 million in December 2013. The company's financing agreements contain customary terms and conditions. The financial terms and conditions of the agreements concern the equity ratio.

The Group's risk management is carried out in line with the Group's operations system and control is exercised in accordance with the Group strategy approved by the Board of Directors of the Group's parent company. SRV also makes every effort to cover operational risks by means of insurance and contractual terms. A more detailed account of SRV's risks, risk management and corporate governance policies will be disclosed in the 2010 Annual Report and Notes to the Financial Statements.

Environmental issues

The Group's aim is to minimise the harmful environmental impacts and to contribute to sustainable development in built environment. SRV wants to be a forerunner also in development and construction of attractive living and working environments that encourage to ecologic way of life.

In 2010, SRV together with Sitra and VVO launched a sustainable development design competition for the implementation of a Low2No city block to be built in Jätkäsaari, Helsinki. SRV arranged also an extensive design competition together with VTT and Orimattila town to find ecologically, financially and socially sustainable solutions for a future town. Several other projects are under construction or being developed with special focus on minimising the environmental impacts.

In 2010, SRV's personnel's awareness of environment was enhanced through training and information and by updating model documents. In autumn 2010 SRV joined the Green Building Council Finland which fosters sustainable development practices in construction and real estate business.

Corporate governance and resolutions of general meetings

The Annual General Meeting was held on 16 March 2010. The AGM adopted the financial statements for 2009 and granted release from liability to the members of the Board of Directors and the Presidents and CEOs. A dividend of EUR 0.12 per share was declared. Mr Ilpo Kokkila was elected chairman of the Board of Directors and Mr Arto Hiltunen, Mr Timo Kokkila, Mr Lasse Kurkilahti, Mr Matti Mustaniemi and Mr Ilkka Salonen were elected to seats on the Board. The firm of public accountants Ernst & Young Oy was elected as the company's auditor. Mikko Rytilahti, authorised public accountant, will act as the principal auditor.

The general meeting authorised the Board of Directors to decide on the acquisition of the company's own shares, using the company's unrestricted equity. The Board was authorised to acquire a maximum of 3,676,846 own shares, however, in such a manner that the number of shares acquired on the basis of this authorisation when combined with the shares already owned by the company and its subsidiaries, does not at any given time exceed 3,676,846 shares, or 10 per cent of all shares of the company. Based on this authorisation, the Board may acquire a maximum of 3,676,846 shares of the company in public trading arranged by Nasdaq OMX Helsinki Oy at a market price valid at the moment of acquisition, and a maximum of 2,400,000 shares of the company in public trading arranged by Nasdaq OMX Helsinki Oy or otherwise for a maximum price of EUR 4.45 per share, the maximum being, however, 3,676,846 shares. The aforementioned authorisations include the right to acquire own shares otherwise than in proportion to the holdings of the shareholders. These authorisations will remain in force for 18 months from the decision of the meeting.

The general meeting authorised the Board of Directors to decide on the issue of new shares or the transfer of treasury shares against payment or without consideration. This authorisation includes the right to issue new shares or to transfer the treasury shares in deviation from the shareholders' pre-emptive subscription right under the terms of the Companies Act. This authorisation is in force for two years from the decision of the meeting.

In its organisational meeting on 16 March 2010, the Board of Directors elected Lasse Kurkilahti vice chairman of the Board, Matti Mustaniemi chairman of the Audit Committee, Lasse Kurkilahti and Timo Kokkila members of the Audit Committee, Arto Hiltunen and Ilkka Salonen members of the Nomination and Remuneration Committee and Ilpo Kokkila chairman of the Nomination and Remuneration Committee.

Shares and shareholders

SRV Group Plc's share capital is EUR 3,062,520. The share has no nominal value and the number of shares outstanding is 36,768,468. The company has one class of shares. SRV had a total of 5,740 shareholders on 30 June 2010.

The company received six flagging notifications during the financial year Bank AB (publ) announced that it had bought 1,909,483 SRV Group Plc shares, increasing Nordea Group's total holding in SRV to 5.28 per cent. On 17 March 2010, Nordea Bank Suomi Oyj announced that it had purchased the above-mentioned shares from Nordea Bank AB (publ), after which the total holding of Nordea Group in SRV was 5.28 per cent. On 17 May 2010 Nordea Bank AB (publ) announced that it had bought the above-mentioned shares, the holding of Nordea Group being 5.27%. The flagging notifications are related to a futures contract between Nordea and SRV. Upon termination of the contract, the shares will be sold and Nordea Group's holding in SRV will fall to below 1/20. On 20 December 2010, Timo Kokkila announced that his portion of ownership had increased to 12.30 per cent (earlier 0.0%) and that his ownership had increased to 4,522,288 shares (5,000 shares). On 20.12.2010, Ilpo Kokkila announced that his portion of ownership had decreased to 38.65 per cent (50.94%) and that his ownership had decreased to 14,212,841 shares (18,730,129 shares).

The share closing price at OMX Helsinki at the end of the financial year was EUR 6.63 (EUR 5.89 on 31 December 2009). The highest share price in the review period was EUR 7.14 and the lowest was EUR 5.50. The change in the all-share index of the Helsinki Stock Exchange (OMX Helsinki) during the same period was 16.2 per cent and the OMX Industrial and Services index 46.0 per cent.

At the end of the financial year, the company had a market capitalisation of EUR 224.8 million, excluding the Group's own shares. About 12.1 million shares were traded during the financial year and the trade volume was EUR 71.3 million.

On 5 January 2010, SRV implemented the agreement signed with Eero Heliövaara on 11 August 2009, and Nordea Bank AB (publ) acquired Heliövaara's shares for a per-share price of EUR 4.45. In the same connection, SRV signed an EUR 8.5 million derivative agreement with Nordea for 1,909,483 company shares, according to which the shares will be sold to SRV or an entity named by SRV. These shares are considered equal to treasury shares held by the company. The derivative agreement will mature in March 2011.

At the end of the financial year, SRV Group Plc had 2,867,399 of SRV Group Plc's shares taking account of the derivative contract concluded with Nordea Bank AB (7.8 per cent of the total number of the company's shares and combined number of votes). On 16 February 2011, the Group had 2,867,339 shares (7.8 per cent of the total number of the company's shares and combined number of votes).

Financial targets

As SRV's medium term aim, the Board of Directors has set the achievement of annual average growth of approximately 15 per cent in Group revenue and annual average growth of over 30 per cent in revenue from International Operations. SRV aims to increase the level of operating profit and, in the medium to long term, to achieve an operating margin of 8 per cent. In addition, the company aims to maintain an equity ratio of over 30 per cent.

The international economic and financial crisis has hampered the growth outlook for business operations. Realisation of the sales of developer contracting projects has a substantial effect on the development of profitability. In the current economic conditions, the set financial targets cannot be met. The company is endeavouring to maintain profitability by rationalising operations.

Events after the end of the Financial year

In January, SRV and Pearl Plaza LLC, the joint venture of SRV and Shanghai Industrial Investment (Holdings) Co Ltd, concluded the investment decision on construction of the first phase of the shopping centre in Saint Petersburg, Russia and signed with SRV Project Management contract for the construction works of the first phase of the project. The PM contract is worth about 100 million Euros. The value of investment is about 130 million Euros. Financing of the project will come mainly from China. SRV will invest approximately 20 Million Euros in the implementation of the first phase. SRV is responsible for commercial development and leasing of the premises. The scope of the first phase of Pearl Plaza SC is about 86,500 m2, with GLA about 46,500 m2. Pearl Plaza has signed a letter of intent with the Finnish Prisma supermarket operator, who will lease around 7600 square meters from the shopping centre for a hypermarket.

Outlook for 2011

Revenue and profit before taxes in 2011 are expected to exceed the previous year's level.

Proposal for the distribution of profits

The parent company's distributable funds on 31 December 2010 are EUR 131,871,340.63
of which net profit for the financial year is EUR 2,810,343.35

The Board of Directors proposes to the Annual General Meeting that distributable funds be disposed of as follows:

A dividend of EUR 0.12 per share be paid to shareholders, or EUR 4,412,216.16
The amount to be transferred to shareholders' equity EUR 127,459,124.47

No material changes have taken place in the company's financial position after the close of the financial year. The company's liquidity is good and, in the view of the Board of Directors, the proposed dividend payout does not compromise the company's solvency.

Espoo, 16 February 2011

Board of Directors

All forward-looking statements in this review are based on the management's current expectations and beliefs about future events, and actual results may differ materially from the expectations and beliefs such statements contain.

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Key figures:

		IFRS 1-12/ 2010	IFRS 1-12/ 2009	IFRS 10-12/ 2010	IFRS 10-12/ 20009
Revenue	EUR million	484.8	390.5	157.2	120.1
Operating profit	EUR million	13.0	10.7	5.7	2.7
Operating profit, % of revenue	%	2.7	2.7	3.6	2.2
Profit before taxes	EUR million	7.6	6.5	4.1	2.2
Profit before taxes, % of revenue	%	1.6	1.7	2.6	1.8
Net profit attributable to equity holders of the parent company	EUR million	6.4	2.9	3.3	1.0
Return on equity	%	3.2	1.8		
Return on investment	%	4.0	4.9		
Invested capital	EUR million	387.0	349.0		
Equity ratio	%	35.1	41.3		
Net interest-bearing debt	EUR million	220.9	179.9		
Gearing ratio	%	140.6	109.8		
Order backlog	EUR million	593.7	481.6		
New agreements		559.9	396.1		
Personnel on average		794	776		
Property, plant and equipment investments	EUR million	2.3	3.7	0.2	1.0
Property, plant and equipment investments, % of revenue	%	0.5	0.9	0.1	0.8
Earnings per share, share issue adjusted	EUR	0.19	0.08	0.10	0.03
Equity per share, share issue adjusted	EUR	4.55	4.48	-	-
Dividend per share, share issue adjusted [1)]	EUR	0.12	0.12	-	-
Dividend payout ratio	%	63.2	150.0	-	-
Dividend yield	%	1.8	2.0	-	-
Price per earnings ratio		34.9	73.6	-	-
Share price development				-	-
Share price at the end of the period	EUR	6.63	5.89	-	-
Average share price	EUR	6.42	4.06	-	-
Lowest share price	EUR	5.50	2.75	-	-
Highest share price	EUR	7.14	5.97	-	-
Market capitalisation at the end of the period	EUR million	224.8	210.7	-	-
Trading volume	1,000	12 114	8 309	-	-
Trading volume	%	35.7	23.1	-	-
Weighted average number of shares outstanding	1,000	33 923	35 999	-	-
Number of shares outstanding at the end of the period	1,000	33 901	35 768	-	-

1) Board of Directors' proposal for the distribution of profits of 2010

Calculation of key figures:

Net gearing ratio, %	=	100 x	Net interest-bearing debt / Total equity
Return on equity, %	=	100 x	Profit before taxes - income taxes / Total equity, average
Return on investment, %	=	100 x	Profit before taxes + interest and other financial expenses / Invested capital, average
Equity ratio, %	=	100 x	Total equity / Total assets - advances received
Invested capital	=		Total assets - non-interest bearing debt - deferred tax liabilities – provisions
Net interest bearing debt	=		Interest bearing debt - cash and cash equivalents
Earnings per share, share issue adjusted	=		Net profit for the period attributable to equity holders of the parent company / Weighted average number of shares outstanding
Equity per share, share issue adjusted	=		Shareholders' equity attributable to equity holders of the parent company / Number of shares outstanding at the end of the period, share issue adjusted
Price per earnings ratio	=		Share price at the end of the period / Earnings per share, share issue adjusted
Dividend payout ratio, %	=	100 x	Dividend per share, share issue adjusted / Earnings per share, share issue adjusted
Dividend yield, %	=	100 x	Dividend per share, share issue adjusted / Share price at the end of the period, share issue adjusted
Average share price	=		Number of shares traded in euros during the period / Number of shares traded during the period
Market capitalisation at the end of the period	=		Number of shares outstanding at the end of the period x share price at the end of the period
Trading volume	=		Number of shares traded during the period and in relation to the weighted average number of shares outstanding

SRV Group Plc Financial Statements Review 1 January - 31 December 2010: Tables

APPENDIXES
1) Condensed consolidated financial statements: income statement, balance sheet, statement of changes in equity, cash flow statement, commitments and contingent liabilities, derivative contracts liabilities
2) Quarterly development
3) Segment information
4) Events after the financial year

1. Group financials 1.1. - 31.12.2010

IFRS standards and operating segments

SRV Group's consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) valid on 31 December 2010. The figures in the tables have been rounded which should be noted when counting the total sums. The condensed consolidated financial statement information has been prepared in accordance with the accounting policies set out in the IAS 34 standard, and the information disclosed for the periods January December 2010 and January - December 2009 is audited and the information disclosed for the periods October - December 2010 and October December 2009 is unaudited. The consolidated financial statements have been prepared based on a historical cost basis, except for available-for-sale investments, financial assets and liabilities measured at fair value through income statement and derivative contracts measured at fair value as well as share-based payments which are measured at fair value.

SRV's reporting segments comprise Business Premises, Housing, International Operations and Other Operations. The operating segment figures are disclosed in accordance with IFRS 8, following the accounting principles applied in the consolidated financial statements.

Estimate of the impacts of the new standards, changes and interpretations:

The following standards, amendments and interpretations have been applied as from the accounting period beginning on 1 January 2010.

- IAS 27 Consolidated and Separate Financial Statements. The changes in the ownership interest of a subsidiary that does not result in loss of control are recognized in equity. Losses incurred by the subsidiary will be allocated to the non-controlling interest even if the losses exceed the non-controlling equity investment in the subsidiary.

- IFRIC 15 Agreements for the Construction of Real Estate. The interpretation specifies when the revenue in connection with construction contracts may be recognized using the percentage of completion method and when completed contract method should be used instead. The application of this interpretation will have an impact primarily on revenue recognition of the housing developer contracting. The Group previously recognised revenue from developer contracting housing projects on a percentage of completion basis. Under the new interpretation, revenue will from now on mainly be recognised on the basis of project delivery. The interpretation has been applied retroactively.

The amendments have impact on Group's financial position and to some extent on the presentation of of consolidated financial statements.

- Annual improvements 2009. The amendments and interpretations do not have an effect on the Group's financial position. They have to some extent effect on the presentation of the consolidated financial statements.

The following standards, amendments and interpretations shall be applied as from the accounting period beginning on 1 January 2011 or thereafter:

- IFRS 9 Financial instruments, part 1. Since EU has not approved the new standard, it cannot be applied for the time being. According to IFRS 9, the new standard would be effective for annual periods beginning on or after 1 January 2013. The amendments shall be applied retroactively. Early adoption is permitted. These standards, amendments and interpretations have impact on Group's financial position and to some extent on the presentation of of consolidated financial statements.

- Annual improvements 2010 (effective on 1 January 2011). The Group will apply this amendment as of 1 January 2011.
- Amendment IFRS 7 Financial instruments: Disclosures - Transfers of financial assets. The amendment will be effective for annual periods beginning on or after 1 July 2011. EU has not yet approved this standard.

Based on current information, these standards, amendments and interpretations have no impact on Group's financial position. To some extent, they have impact on the presentation of of consolidated financial statements.

Consolidated income statement (EUR million)	**IFRS 1-12/ 2010**	IFRS 1-12/ 2009	change, MEUR	change, %	**IFRS 10-12/ 2010**	IFRS 10-12/ 2009
Revenue	**484.8**	**390.5**	**94.3**	24.2	**157.2**	**120.1**
Other operating income	3.2	2.6	0.7	25.2	1.0	1.0
Change in inventories of finished goods and work in progress	29.7	-10.3	40.1	-388.3	6.1	-14.3
Use of materials and services	-437.8	-313.5	-124.4	39.7	-139.6	-88.1
Employee benefit expenses	-49.6	-44.5	-5.1	11.5	-14.0	-12.3
Depreciation and impairments	-3.5	-3.7	0.2	-4.4	-1.0	-0.8
Other operating expenses	-13.8	-10.4	-3.4	32.8	-4.0	-2.9
Operating profit	**13.0**	**10.7**	**2.3**	21.7	**5.7**	**2.7**
Financial income	2.1	6.0	-3.9	-64.6	0.1	0.5
Financial expenses	-7.5	-10.2	2.7	-26.1	-1.7	-1.0
Financial income and expenses, total	-5.4	-4.2	-1.2	29,8	-1.6	-0.5
Profit before taxes	**7.6**	**6.5**	**1.1**	16.5	**4.1**	**2.2**
Income taxes	-2.5	-3.6	1.2	-32.1	-1.7	-1.3
Net profit for the period	**5.2**	**2.9**	**2.2**	76.8	**2.4**	**0.9**
Attributable to						
Equity holders of the parent company	6.4	2.9			3.3	1.0
Minority interest	-1.2	0.0			-0.9	-0.1
Earnings per share calculated on the profit attributable to equity holders of the parent company (undiluted and diluted)	0.19	0.08		137.5	0.10	0.03

Statement of comprehensive income (EUR million)	**IFRS 1-12/ 2010**	IFRS 1-12/ 2009	**IFRS 10-12/ 2010**	IFRS 10-12/ 2010
Net profit for the period	**5.2**	**2.9**	**2.4**	**0.9**
Items recognised directly in equity:				
Exchange differences on translating foreign operations	0.0	0.0	0.0	-0.1
Available for sale financial assets	0.1	0.0	0.1	0.0
Income (loss) recognised directly in equity net of tax	**0.0**	**0.0**	**0.0**	**0.0**
Total comprehensive income for the period	**5.2**	**2.9**	**2.4**	**0.9**
Profit for the period attributable to:				
Equity holders of the parent company	6.4	2.9	3.3	0.9
Minority interest	-1.2	0.0	-0.9	-0.1

Consolidated balance sheet (EUR million)	IFRS 31.12.10	IFRS 31.12.09	change. %
ASSETS			
Non-current assets			
Property. plant and equipment	14.0	16.3	-14.1
Goodwill	1.7	1.7	0.0
Other intangible assets	0.4	0.5	-18.3
Other financial assets	5.2	4.8	7.9
Receivables	21.9	16.2	35.4
Deferred tax assets	5.5	2.3	142.0
Non-current assets. total	**48.7**	**41.7**	16.7
Current assets			
Inventories	338.9	292.2	16.0
Trade and other receivables	81.9	76.9	6.5
Current tax receivables	1.5	1.9	-18.9
Cash and cash equivalents	9.0	5.2	71.8
Current assets. total	**431.3**	**376.2**	14.6
ASSETS. TOTAL	**480.0**	**418.0**	14.9

Consolidated balance sheet (EUR million)	IFRS 31.12.10	IFRS 31.12.09	change. %
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent company			
Share capital	3.1	3.1	0.0
Invested free equity fund	87.8	87.3	0.5
Translation differences	-0.1	-0.1	13.7
Fair value reserve	0.0	-0.1	-100.0
Retained earnings	63.7	69.9	-8.9
Equity attributable to equity holders of the parent company. total	**154.4**	**160.1**	-3.6
Minority interest	**2.7**	**3.8**	-27.1
Equity. total	**157.1**	**163.9**	-4.1
Non-current liabilities			
Deferred tax liabilities	0.8	0.5	58.2
Provisions	4.2	4.8	-11.6
Interest-bearing liabilities	78.8	96.9	-18.7
Other liabilities	1.3	0.8	70.4
Non-current liabilities. total	**85.1**	**102.9**	-17.3
Current liabilities			
Trade and other payables	79.7	56.4	41.2
Current tax payables	3.4	2.6	31.0
Provisions	3.5	3.8	-8.0
Interest-bearing liabilities	151.1	88.2	71.3
Current liabilities. total	**237.8**	**151.1**	57.3
Liabilities. total	**322.9**	**254.1**	27.1
EQUITY AND LIABILITIES	**480.0**	**418.0**	14.9

Consolidated cash flow statement (EUR million)	IFRS 1-12/2010	IFRS 1-12/2009
Cash flows from operating activities		
Net profit for the period	**5.2**	**2.9**
Adjustments:		
Depreciation and impairments	3.5	3.7
Non-cash transactions	0.6	2.7
Financial income and expenses	5.4	4.2
Capital gains on sales of tangible and intangible assets	0.0	0.0
Income taxes	2.5	3.6
Adjustments. total	**12.0**	**14.1**
Changes in working capital:		
Change in loan receivables	1.1	-13.5
Change in trade and other receivables	-10.6	17.7
Change in inventories	-46.4	10.0
Change in trade and other payables	22.9	-12.3
Changes in working capital. total	**-33.0**	**1.9**
Interest paid	-7.7	-12.7
Interest received	0.8	5.7
Dividends received	0.1	0.0
Income taxes paid	-4.2	-5.9
Net cash flow from operating activities	**-26.8**	**6.1**
Cash flow from investing activities		
Acquisition of subsidiaries. net of cash	-0.3	-2.3
Property. plant and equipment	-1.5	-0.8
Intangible assets	-0.1	-0.1
Other financial assets	-0.4	-0.5
Sale of property. plant and equipment and intangible assets	0.1	0.0
Sale of financial assets	0.0	0.0
Net cash used in investing activities	**-2.2**	**-3.7**
Cash flows from financing activities		
Proceeds from loans	15.4	19.6
Repayments of loans	-6.1	-22.2
Change in loan receivables	0.0	0.0
Change in housing corporation loans	-2.2	-9.2
Change in credit limits	38.2	17.5
Purchase of treasury shares	-8.5	-1.8
Dividends paid	-4.1	-4.4
Net cash from financing activities	**32.8**	**-0.6**
Net change in cash and cash equivalents	**3.7**	**1.8**
Cash and cash equivalents at the beginning of period	5.2	3.4
Cash and cash equivalents at the end of period	**9.0**	**5.2**

Inventories (EUR million)	**IFRS 31.12.10**	IFRS 31.12.09	change. %
Raw materials and consumables	**0.2**	0.0	
Work in progress	**46.8**	35.1	33.3
Land areas and plot-owning companies	**183.1**	153.0	19.7
Shares in completed housing corporations and real estate companies	**88.3**	86.5	2.1
Advance payments	**5.6**	3.6	57.9
Other inventories	**14.9**	14.0	6.4
Inventories. total	**338.9**	292.2	16.0

Statement of changes in Group equity 1.1. - 31.12.2010

	Equity attributable to the equity holders of the parent company							
IFRS (EUR million)	Share capital	Invested free equity fund	Trans-lation differ-ences	Fair value reserve	Retai-ned earnings	Total	Minority interest	Total equity
Equity on 1.1.2010	**3.1**	**87.3**	**-0.1**	**-0.1**	**69.9**	**160.1**	**3.8**	**163.9**
Total income and expenses for the financial year	**0.0**		**0.0**	**0.1**	**6.4**	**6.4**		
Dividends paid					-4.1	**-4.1**		
Share based incentive plan					0.3	**0.3**		
Purchase of treasury shares					-8.5	**-8.5**		
Other changes		**0.4**			-0.4	**0.1**		
Equity on 31.12.2010	**3.1**	**87.8**	**-0.1**	**0.0**	**63.7**	**154.4**	2.7	**157.1**

Statement of changes in Group equity 1.1 - 31.12.2009

	Equity attributable to the equity holders of the parent company							
IFRS (EUR million)	Share capital	Invested free equity fund	Trans-lation differ-ences	Fair value reserve	Retai-ned earnings	Total	Minority interest	Total equity
Equity on 1.1.2009	**3.1**	**87.3**	**-0.1**	**-0.1**	**73.4**	**163.6**	**2.2**	**165.9**
Total income and expenses for the financial year	**0.0**	**0.0**	**0.0**	**0.0**	**2.9**	**2.9**		
Dividends paid					-4.3	**-4.3**		
Share based incentive plan					0.0	**0.0**		
Purchase of treasury shares					-1.8	**-1.8**		
Other changes					-0.2	**-0.2**		
Equity on 31.12.2009	**3.1**	**87.3**	**-0.1**	**-0.1**	**69.9**	**160.2**	3.8	**163.9**

Commitments and contingent liabilities EUR million	**IFRS 31.12.10**	IFRS 31.12.09	change. %
Collateral given for own liabilities			
Real estate mortgages given	**129.0**	106.0	21.7
Pledges given	0.0	0.0	
Other commitments			
Guarantees given for liabilities on uncompleted projects	**0.0**	0.0	
Investment commitments given	**21.8**	**22.1**	-1.3
Plots purchase commitments	**16.6**	**19.5**	-15.1

Fair and nominal values of derivative instruments	**IFRS 31.12.10**		IFRS 31.12.2009	
(EUR million)	Fair Values		Fair Values	
	Positive	Negative	Positive	Negative
Hedge accounting not applied				
Foreign exchange forward contracts	**0.0**	**0.0**	**0.0**	**0.0**
Interest rate swaps	**0.0**	**1.3**	**0.0**	**0.7**

Nominal values of derivative instruments	**IFRS 31.12.10**	IFRS 31.12.09
Foreign exchange forward contracts	**0.0**	**0.0**
Interest rate swaps	**63.4**	**63.4**

The fair values of derivative instruments are based on market prices at the end of the reporting period. Open foreign exchange forward contracts are hedging the financing cash flow.

2. Group and Segment information by quarter

SRV Group (EUR million)	**IFRS 10-12/10**	IFRS 7-9/10	IFRS 4-6/10	IFRS 1-3/10	IFRS 10-12/09	IFRS 7-9/09	IFRS 4-6/09	IFRS 1-3/09
Revenue	**157.2**	115.3	117.3	95.0	120.1	87.3	96.0	87.0
Operating profit	**5.7**	4.3	1.5	1.6	2.7	2.3	3.9	1.8
Financial income and expenses. total	**-1.6**	-0.8	-1.6	-1.4	-0.5	-1.2	-1.0	-1.5
Profit before taxes	**4.1**	3.5	-0.1	0.2	2.2	1.1	2.9	0.3
Order backlog [1)]	**593.7**	604.3	604.4	530.0	481.6	465.8	461.1	458.5
New agreements	**120.1**	112.6	186.7	140.6	120.4	86.2	98.2	91.3
Earnings per share. eur	**0.10**	0.08	0.02	-0.01	0.03	0.01	0.04	0.00
Equity per share. eur [1)]	**4.55**	4.47	4.38	4.36	4.48	4.45	4.44	4.40
Share price. eur [1)]	**6.63**	6.14	6.16	6.41	5.89	5.64	4.18	3.00
Equity ratio. % [1)]	**35.1**	35.0	35.1	37.0	41.3	40.9	40.1	40.5
Net interest bearing debt [1)]	**220.9**	227.7	216.7	199.8	179.9	189.8	186.8	172.6
Gearing. % [1)]	**140.6**	146.7	142.3	132.3	109.8	116.3	116.6	107.1

Revenue (EUR million)	**IFRS 10-12/10**	IFRS 7-9/10	IFRS 4-6/10	IFRS 1-3/10	IFRS 10-12/09	IFRS 7-9/09	IFRS 4-6/09	IFRS 1-3/09
Business Premises	**103.2**	84.8	76.8	54.7	66.9	40.2	46.1	54.8
Housing	**44.2**	24.7	35.8	38.3	49.9	39.7	42.4	26.6
International	**9.8**	5.8	4.8	2.0	3.4	7.4	7.6	5.6
Other Operations	**2.8**	2.5	2.5	2.5	2.3	2.1	2.1	2.2
Eliminations	**-2.8**	-2.5	-2.6	-2.5	-2.3	-2.1	-2.1	-2.2
Group. total	**157.2**	**115.3**	**117.3**	**95.0**	**120.1**	**87.3**	**96.0**	**87.0**

Operating profit (EUR million)	**IFRS 10-12/10**	IFRS 7-9/10	IFRS 4-6/10	IFRS 1-3/10	IFRS 10-12/09	IFRS 7-9/09	IFRS 4-6/09	IFRS 1-3/09
Business Premises	**4.5**	4.5	4.7	4.3	4.3	3.1	4.6	5.9
Housing	**3.9**	1.4	0.7	2.4	1.9	1.3	2.3	-0.1
International	**-1.0**	-0.4	-2.2	-3.9	-2.0	-1.3	-1.9	-2.5
Other Operations	**-2.0**	-1.1	-1.6	-1.2	-1.4	-0.7	-1.0	-1.6
Eliminations	**0.2**	0.0	-0.1	-0.1	-0.2	-0.1	0.0	0.0
Group. total	**5.7**	**4.3**	**1.5**	**1.6**	**2.7**	**2.3**	**3.9**	**1.8**

Operating profit (%)	IFRS 10-12/10	IFRS 7-9/10	IFRS 4-6/10	IFRS 1-3/10	IFRS 10-12/09	IFRS 7-9/09	IFRS 4-6/09	IFRS 1-3/09
Business Premises	**4.4**	5.3	6.1	7.9	6.5	7.7	10.0	10.8
Housing	**8.8**	5.5	2.1	6.3	3.8	3.4	5.3	-0.4
International	**-9.8**	-7.1	-46.6	-197.5	-58.4	-17.6	-25.6	-44.4
Group. total	**3.6**	**3.7**	**1.3**	**1.6**	**2.2**	**2.6**	**4.1**	**2.1**

Order backlog (EUR million)	IFRS 31.12.10	IFRS 30.9.10	IFRS 30.6.10	IFRS 31.3.10	IFRS 31.12.09	IFRS 30.9.09	IFRS 30.6.09	IFRS 31.3.09
Business Premises	**324.6**	338.5	358.2	331.7	255.3	252.0	224.3	252.8
Housing	**249.9**	242.6	220.5	174.3	201.7	187.5	206.1	174.3
International	**19.2**	23.1	25.7	24.0	24.6	26.3	30.7	31.5
Group. total	**593.7**	**604.3**	**604.4**	**530.0**	**481.6**	**465.8**	**461.1**	**458.5**
- sold order backlog	**441**	443	426	389	317	325	306	291
- unsold order backlog	**153**	162	178	141	165	141	155	168

Invested capital (EUR million)	IFRS 31.12.10	IFRS 30.9.10	IFRS 30.6.10	IFRS 31.3.10	IFRS 31.12.09	IFRS 30.9.09	IFRS 30.6.09	IFRS 31.3.09
Business Premises	**54.4**	79.2	75.8	56.2	42.0	61.0	77.0	69.2
Housing	**125.3**	127.7	127.7	121.6	122.9	124.1	137.0	136.7
International	**185.3**	175.2	177.2	173.6	176.3	165.6	152.0	150.5
Other and eliminations	**22.0**	8.2	4.2	6.0	7.7	6.2	-12.2	-14.0
Group. total	**387.0**	**390.2**	**384.9**	**357.5**	**349.0**	**356.9**	**353.8**	**342.3**

Residential production in Finland (units)	**10-12/10**	7-9/10	4-6/10	1-3/10	10-12/09	7-9/09	4-6/09	1-3/09
Developer contracting								
Start-ups	**133**	110	300	0	247	0	0	4
Sold	**163**	164	102	95	86	43	51	27
Completed 1)	**171**	14	0	16	64	37	93	58
Completed and unsold 1)	**137**	90	105	138	171	161	185	156
Under construction 1) 2)	**1 629**	1 183	1 064	996	966	783	694	625
- negotiation and construction contracts 1) 2)	**1 024**	540	517	749	703	703	576	414
- developer contracting 1)	**605**	643	547	247	263	80	118	211
- of which unsold 1)	**284**	361	400	169	231	79	100	180

1) at the end of the period
2) units under construction includes housing construction projects of SRV Toimitilat Oy

3. Segment information

Assets (EUR million)	IFRS 31.12.10	IFRS 31.12.09	change. MEUR	change. %
Business Premises	**108.2**	88.7	19.5	22.0
Housing	**165.4**	151.5	13.9	9.2
International	**191.3**	182.5	8.8	4.8
Other Operations	**251.7**	214.5	37.2	17.3
Eliminations	**-236.7**	-219.3	-17.4	
Group. total	**480.0**	418.0	62.1	14.9

Liabilities (EUR million)	**IFRS 31.12.10**	IFRS 31.12.09	change. MEUR	change. %
Business Premises	**77.1**	55.5	21.6	38.9
Housing	**140.2**	133.2	7.1	5.3
International	**198.4**	181.7	16.6	9.1
Other Operations	**109.1**	79.2	29.9	37.7
Eliminations	**-201.8**	-195.6	-6.3	
Group. total	**322.9**	254.1	68.8	27.1

Invested capital (EUR million)	**IFRS 31.12.10**	IFRS 31.12.09	change. MEUR	change. %
Business Premises	**54.4**	42.0	12.4	29.4
Housing	**125.3**	122.9	2.4	1.9
International	**185.3**	176.3	9.0	5.1
Other and eliminations	**22.0**	7.7	14.3	185.0
Group. total	**387.0**	349.0	38.0	10.9

Inventories (MEUR)	**IFRS 31.12.10**	IFRS 31.12.09	change. MEUR
Land areas and plot-owning companies	**183.1**	**153.0**	**30.1**
Business Premises	34.5	27.8	6.7
Housing	56.2	41.4	14.8
International	92.2	83.6	8.6
Work in progress	**46.8**	**35.1**	**11.7**
Business Premises	0.0	0.0	0.0
Housing	46.0	21.2	24.8
International	0.9	14.0	-13.1
Shares in completed housing corporations and real estate companies	**88.3**	**86.5**	**1.8**
Business Premises	25.8	25.5	0.3
Housing	42.5	55.5	-13.0
International	20.0	5.5	14.5
Other inventories	**20.7**	**17.6**	**3.1**
Business Premises	5.1	5.1	0.0
Housing	6.2	3.7	2.5
International	10.5	9.9	0.6
Inventories. total	**338.9**	**292.2**	**46.7**
Business Premises	65.3	58.4	7.0
Housing	150.9	121.7	29.2
International	123.4	112.9	10.6

Business Premises (EUR million)	IFRS 1-12/2010	IFRS 1-12/2009	change. MEUR	change. %
Revenue	**319.5**	208.0	111.5	53.6
Operating profit	**18.0**	18.0	0.0	0.0
Segment's assets				
Non-current assets	**0.8**	0.9	-0.1	-9.2
Current assets	**107.5**	87.8	19.6	22.3
Total assets	**108.2**	88.7	19.5	22.0
Segment's liabilities				
Non-current liabilities	**0.7**	11.0	-10.3	-93.8
Current liabilities	**76.4**	44.5	31.9	71.6
Total liabilities	**77.1**	55.5	21.6	38.9
Invested capital at end of period	**54.4**	42.0	12.4	29.4
Return on investment. %	**37.3**	35.2		
Order backlog at end of period	**324.6**	255.3	69.3	27.1

Housing (EUR million)	IFRS 1-12/2010	IFRS 1-12/2009	change. MEUR	change. %
Revenue	**143.1**	158.6	-15.4	-9.7
Operating profit	**8.4**	5.4	3.0	55.0
Segment's assets				
Non-current assets	**4.6**	1.4	3.2	224.6
Current assets	**160.8**	150.1	10.7	7.1
Total assets	**165.4**	151.5	13.9	9.2
Segment's liabilities				
Non-current liabilities	**71.1**	68.2	2.9	4.2
Current liabilities	**69.1**	65.0	4.2	6.4
Total liabilities	**140.2**	133.2	7.1	5.3
Invested capital at end of period	**125.3**	122.9	2.4	1.9
Return on investment. %	**6.8**	4.2		
Order backlog at end of period	**249.9**	201.7	48.2	23.9

International Operations (EUR million)	IFRS 1-12/2010	IFRS 1-12/2009	change. MEUR	change. %
Revenue	**22.3**	24.0	-1.7	-7.0
Operating profit	**-7.5**	-7.7	0.2	
Segment's assets				
Non-current assets	**26.0**	25.1	0.8	3.2
Current assets	**165.4**	157.4	8.0	5.1
Total assets	**191.3**	182.5	8.8	4.8
Segment's liabilities				
Non-current liabilities	**9.0**	18.4	-9.3	-50.8
Current liabilities	**189.3**	163.4	26.0	15.9
Total liabilities	**198.4**	181.7	16.6	9.1
Invested capital at end of period	**185.3**	176.3	9.0	5.1
Return on investment. %	**-3.4**	**-1.4**		
Order backlog at end of period	**19.2**	24.6	-5.4	-21.9

4. Events after the end of the reporting period

In January. SRV and Pearl Plaza LLC. the joint venture of SRV and Shanghai Industrial Investment (Holdings) Co Ltd. concluded the investment decision on construction of the first phase of the shopping centre in Saint Petersburg. Russia and signed with SRV Project Management contract for the construction works of the first phase of the project. The PM contract is worth about 100 million Euros. The value of investment is about 130 million Euros. Financing of the project will come mainly from China. SRV will invest approximately 20 Million Euros in the implementation of the first phase. SRV is responsible for commercial development and leasing of the premises. The scope of the first phase of Pearl Plaza SC is about 86.500 m2. with GLA about 46.500 m2. Pearl Plaza has signed a letter of intent with the Finnish Prisma supermarket operator. who will lease around 7600 square meters from the shopping centre for a hypermarket.