

# Business



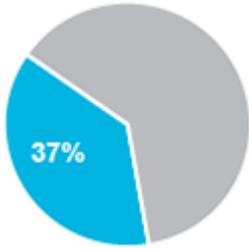
We provide smart technical solutions and services for buildings, industrial processes and infrastructure. Our unique service offering covers the entire life cycle: design, build and maintenance.

We have two business units: Services and Projects.

## Services

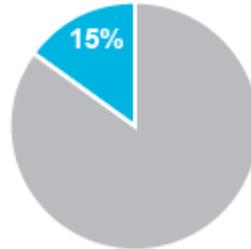
In 2017, the Service business accounted for 52 per cent of Group revenue, consisting of the Technical Maintenance revenue of EUR 850.5 million and Managed Services revenue of EUR 344.6 million.

### Technical Maintenance



- Preventive maintenance, condition-based maintenance and small maintenance projects
- Digital services: IoTFlex service concept for industrial customers, ServiFlex+ service concept for building customers and remote centre services.

### Managed Services



- Customer tailored and comprehensive service. For example, all services related to facility management, energy management and energy efficiency projects and maintenance during the life cycle or overall responsibility for maintenance for industrial customers
- Around one hundred Managed Services customers operating in the public sector and in the process and energy industries

Caverion is one of the major players in its market, serving both real estate and industrial customers. Our goal is to be a leading service company and customer’s trusted partner and advisor, and have profitable growth faster than market.

Our competitive advantage is based on our capabilities in technology, digitalisation and excellent customer service. We have advanced digital services for industrial and building customers. Also, we have a nationwide local presence to ensure short response times, and remote management capabilities to ensure fast and efficient service 24/7.

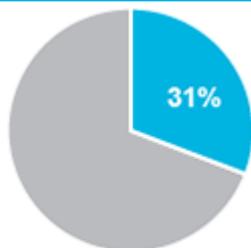
At the end of 2017, Caverion had three digital services ready to roll-out and scale. These include the IoTFlex service concept for industrial customers, the ServiFlex+ service

concept for building customers and remote centre services. In addition, Caverion is developing Caverion smart solutions, digitalised service delivery process, analytics, and new business models.

### Projects

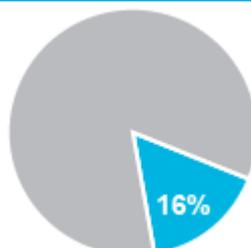
In 2017, the Project business accounted for 48 per cent of Group revenue, consisting of the Technical Installation revenue of EUR 716.2 million and Large Projects revenue of EUR 371.4 million.

## Technical Installation



- Small and mid-size projects
- Single and multiple technologies
- Implemented for building systems clients and industrial clients
- Customers and industrial customers, including both building renovations and future properties

## Large Projects



- Contract value of over EUR 5 million
- Design & build or tender-based projects
- Total Technical Solutions, life cycle projects, project deliveries to industry
- About 50 large projects ongoing

Caverion aims to be a selective master of projects. The projects that we embark on are selected according to increasingly strict criteria, and so the Services' share of our revenue will increase accordingly.

Our competitive advantage in the Projects business is based on integrated life cycle deliveries of all building systems, productivity and quality through prefabrication, our own smart solutions and being a forerunner in digitalising project planning and execution (BIM). Also, expertise in clean room, tunnel, telematics and traffic control are among our key capabilities.

In 2017, we supported our selectivity approach by building a new tender approval tool to ensure all relevant risks and opportunities are considered at the tendering phase. We also published new Project Categorisation principles that form the basis for our new decision making and approval limits.

Projects' performance management programmes were started in Sweden and Germany during the last quarter of 2017. The purpose is to build a Group-wide Project Management system for all divisions with selected KPI's to be implemented throughout the organisation.

In 2017, our customers could benefit from our life cycle competencies with partnership models in Finland, Sweden and Denmark. With our long experience and expertise in building technologies and multidiscipline integration we are providing customers with successful project execution and we will ensure the optimal conditions of buildings for end users.

[See Services and Projects highlights in 2017](#)