



# TECHNOPOLIS GROUP

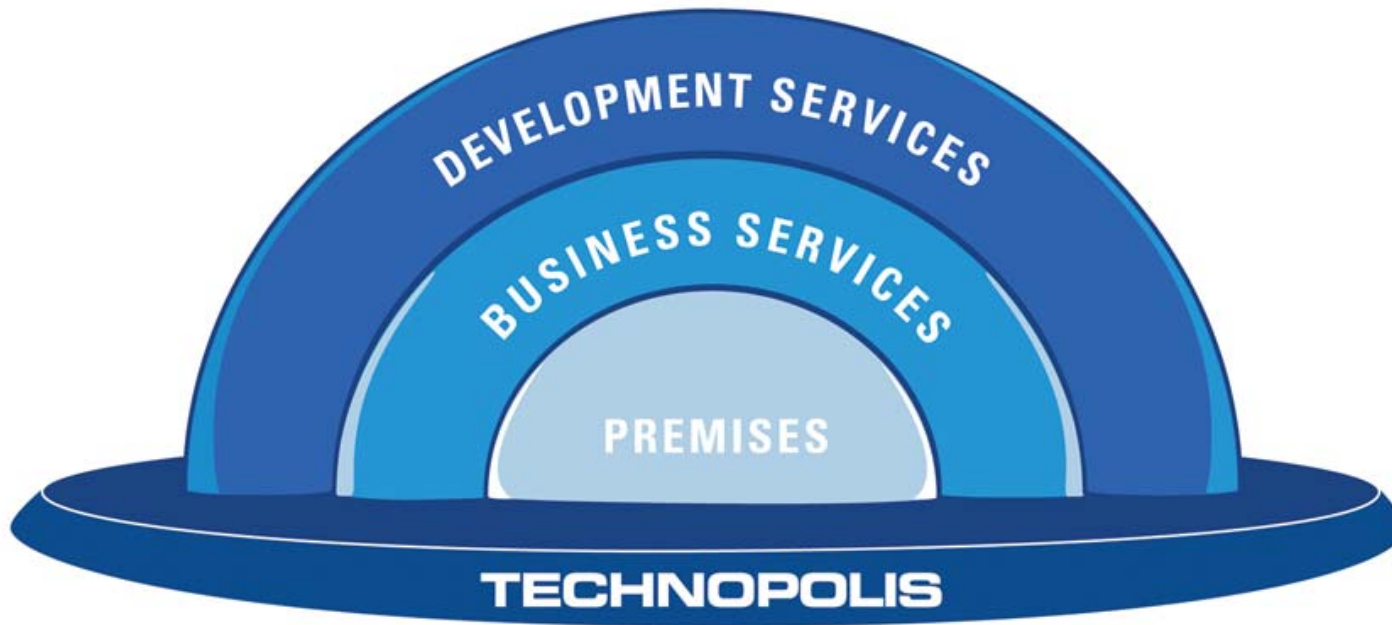
Q3 / 2009 Review

# Technopolis Group



- A real estate-service hybrid
- We provide business environments for knowledge-intensive companies and their partners
- Our specialty is the creation, management and growth of innovation ecosystems and services
- A scalable concept that we will copy/paste internationally
- A profitable growth company

# The Technopolis Concept



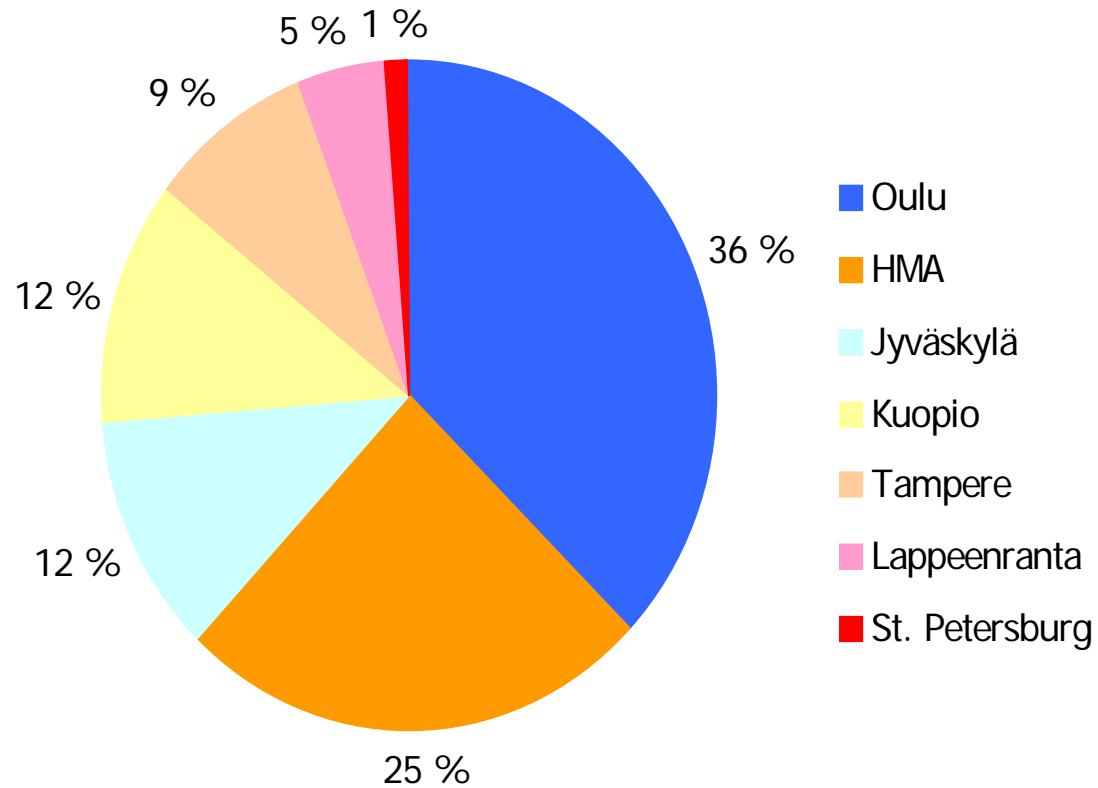
# The Technopolis Network

- 1 190 customers employing roughly 16 000 people
- 15 knowledge-intensive communities operating as a chain
- 487 000 m<sup>2</sup> of space in use and under construction
- High-quality business environments from 10 m<sup>2</sup> to 40 000 m<sup>2</sup>



# Technopolis Sites by Region

Q3 2009



Fair market value of investment property 30.9.2009 MEUR 620

Change in market yield Q3 2008 vs Q3 2009: 0.6 %.

Change in market yield Q2 2009 vs Q3 2009: 0.03 %

Fair market value change impact on operating profit: MEUR -31,1

TECHNOPOLIS PLC 29 October 2009

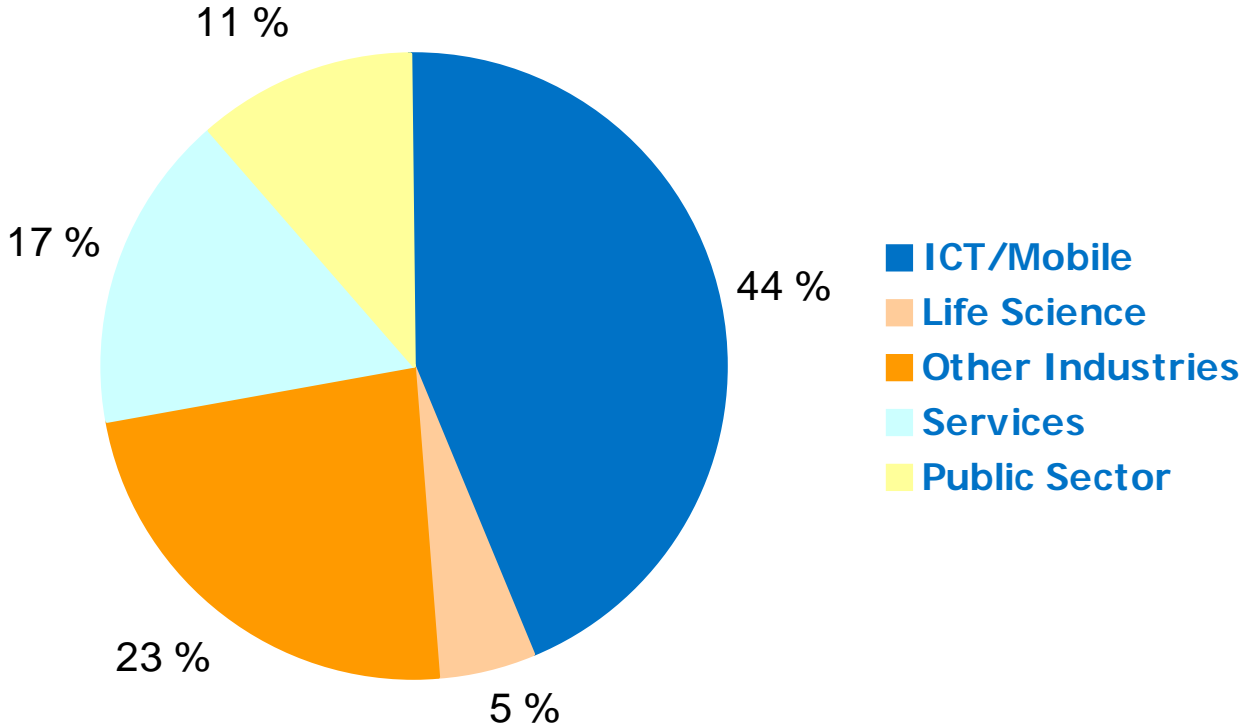
**TECHNOPOLIS**

# Largest Customers

Customer	Customer
ARK Therapeutics Ltd	Metso Paper Ltd
Aspocomp Oulu Ltd	NetHawk Ltd
Digia Plc	Nokia Oyj
Fazer Amica Ltd	PKC Group Plc
Honeywell Ltd	Pöyry Group
Inion Ltd	SWECO Industry Ltd
Jyväskylä University	TKK (Helsinki University of Technology)
Kemira Plc	TeliaSonera Finland Plc
Kuopio University	Tieto Corporation
Logica Suomi Ltd	VTT

- As of 30.9.2009 the 20 largest customers were renting 46 % of the company's space.
- No single company generates more than 9 % of the company's rental revenue.

# Customer Breakdown



# Largest Investments

Project	Status	City	Year	m <sup>2</sup>	MEUR	Pre-lets
Yliopistonrinne Phase 1	under const.	Tampere	2010	19 200	33,3	89 %
Microkatu Phase 5	under const.	Kuopio	2009	815	2,0	100%
St. Pete, Pulkovo Phase 1	under const.	Russia	2010	24 100	50,0	3 %
<b>Total</b>				<b>44 115</b>	<b>85,3</b>	



# Hermia 15, Tampere



- Completed 8/2009
- MEUR 14,5 investment
- 11 790 m2 total space
- 100 % binding pre-lets
  - EpiCrystals Ltd
  - TAC Finland Ltd
  - Saska Finland Ltd

# Yliopistonrinne Phase 1, Tampere



- Started 6/2008
- MEUR 33,3 cost projection
- 19 200 m2 total space
- 88,7 % binding pre-lets
  - Ruokakesko Plc
  - Safety Technology Authority
  - VR-Track Ltd
  - Aleksin Ravintolat Oy
- Projected completion 2/2010

# Tampere Eye Center



- Starts 3/2010
- MEUR 14,2 cost projection
- 6 450 m<sup>2</sup> total space
- 100 % binding pre-lets for 20 years
  - Pirkanmaa hospital district
- Projected completion 10/2011

# Pulkovo Phase 1, St. Petersburg



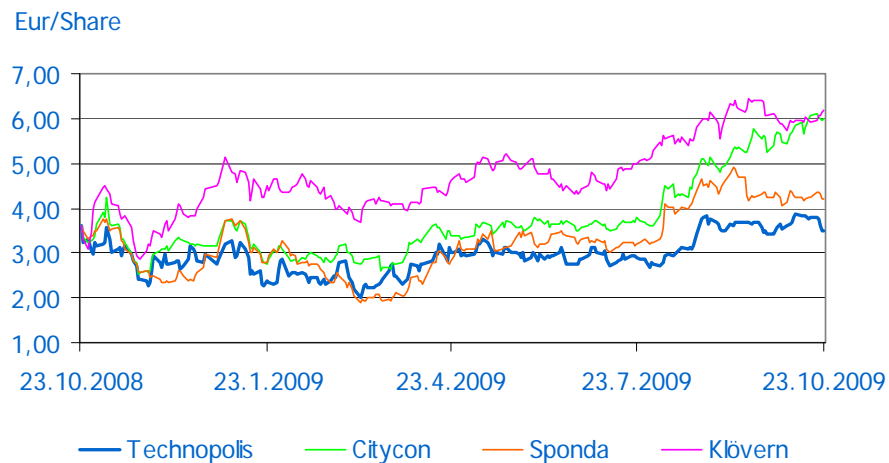
- Started 8/2008
- MEUR 50 cost projection
- 24 100 m2 total space
- Focus on ICT & software
- 3 % binding pre-lets
- 1st pre-lease signed  
- M-Cloud Ltd
- Projected completion Spring, 2010

# Business Development Services

Start-Up Operations*	2005	2006	2007	2008	2009 Q3
Class-A start-ups	19	36	52	65	90
Risk investments for clients (deals)	22	25	20	41	11
Risk financing for clients (MEUR)	NA	12	15	53	19
Early stage Risk financing deals avg. (MEUR)	NA	0.48	0.70	1.29	1.73

\* 2004-2007 pro forma, Tampere and Kuopio from 2007

# KEY FIGURES Q3 2009

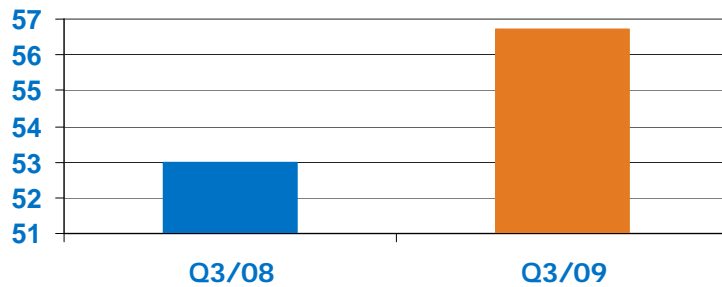


# Highlights Q3 / 2009

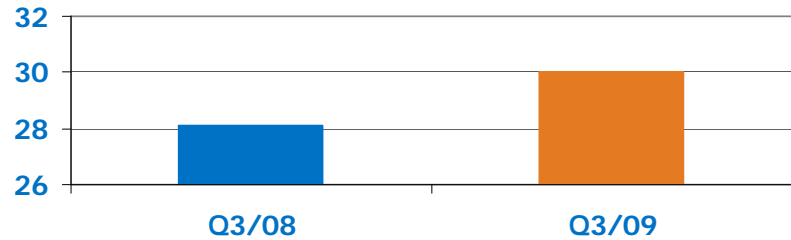
Key Sales & Earnings Figures, MEUR	Q3/2009	Q3/2008
Net Sales	56,7	53,0
EBITDA	30,0	28,1
EBITDA %	52,9 %	52,9%
Direct Result	15,6	12,2
Operating Profit	-1,5	25,9
Investment Property Fair Value Change	-31,1	-1,3
Profit before Taxes	-10,8	15,9
Earnings per Share (Diluted )	-0,14	0,23
Other Key Figures & Ratios		
Financial Occupancy Rate	94,3 %	96,4 %
Equity Ratio	38,0 %	41,4 %
Financing-Related Ratios		
Interest Bearing Liabilities, Period End, MEUR	376,2	333,9
Average Interest Rate, Period End	2,72 %	5,08 %
Interest Coverage Ratio	3,6	2,4
Loan to Value	58,4 %	55,1 %

# Sales & Earnings

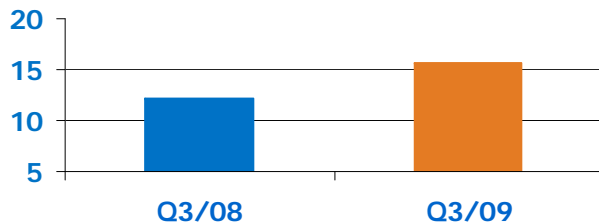
Net Sales, EUR Million



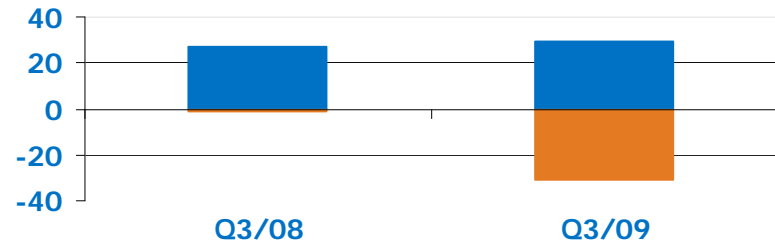
EBITDA, EUR Million



Direct Result, EUR Million



Operating Profit, EUR Million

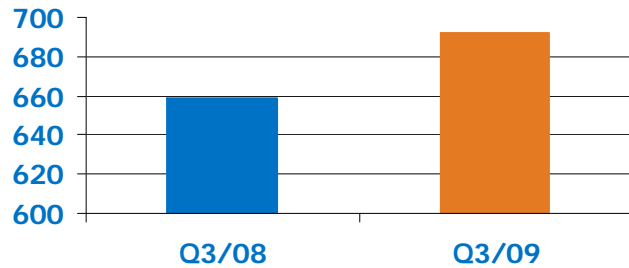


■ Change in fair value of investment properties  
■ Operating profit without change in fair value

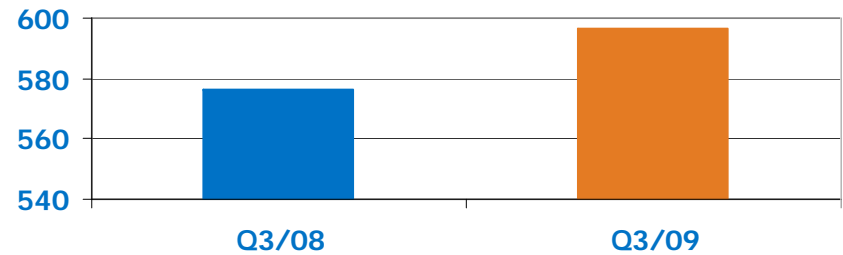


# Balance Sheet

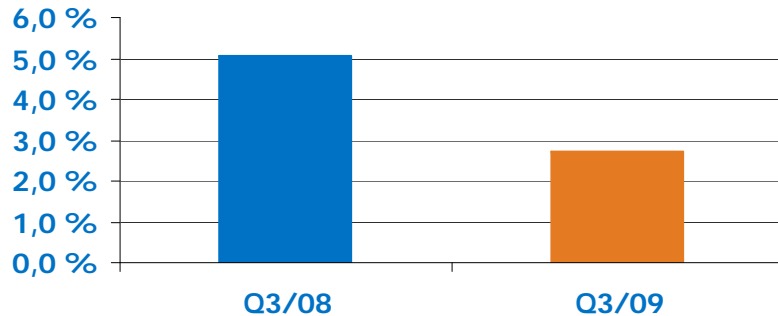
Total Assets & Liabilities, EUR Million



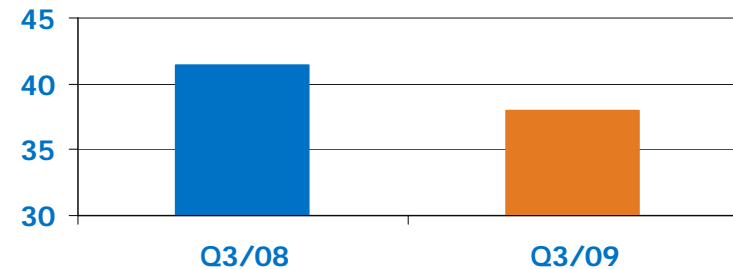
Fair Value of Investment Properties, EUR Million



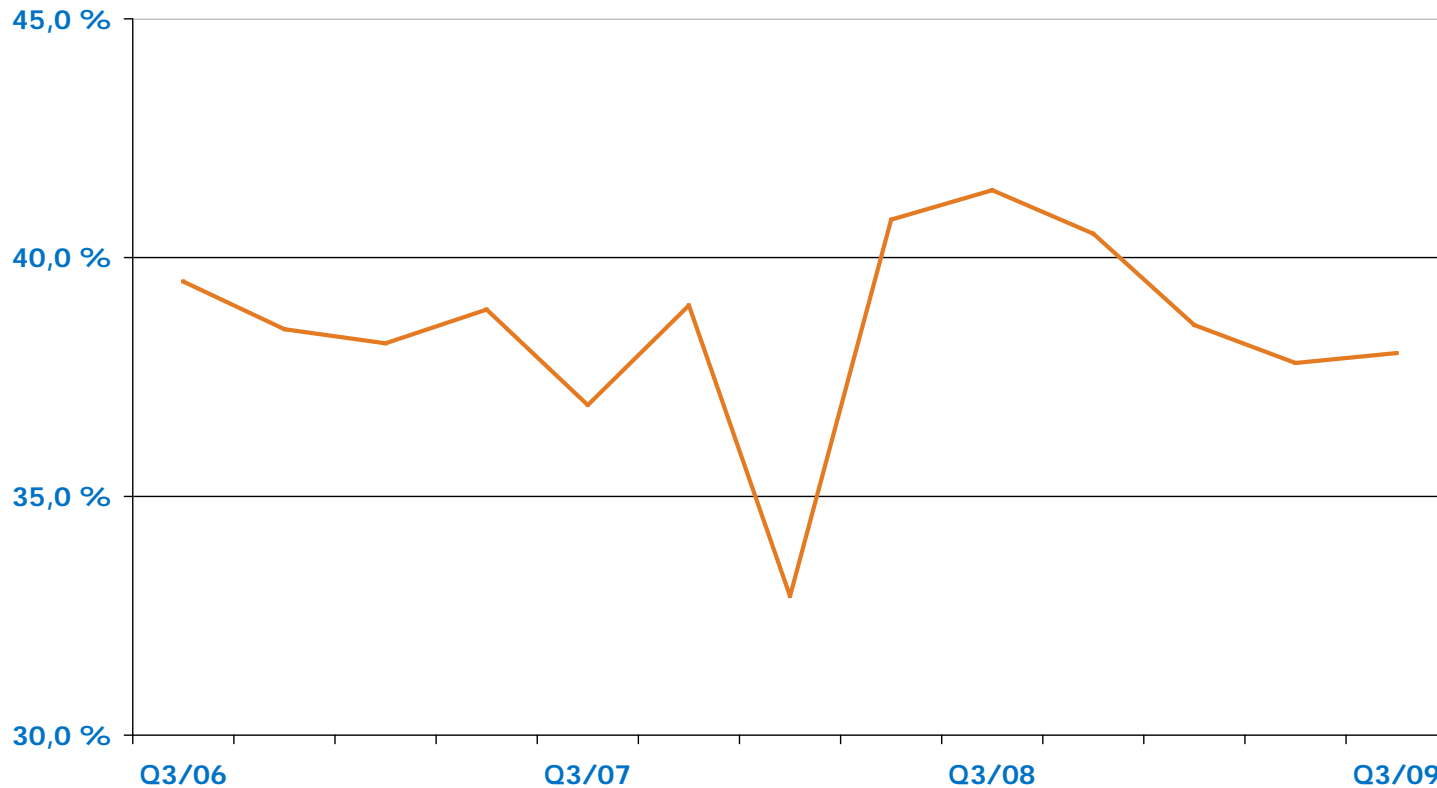
Average Interest Rate



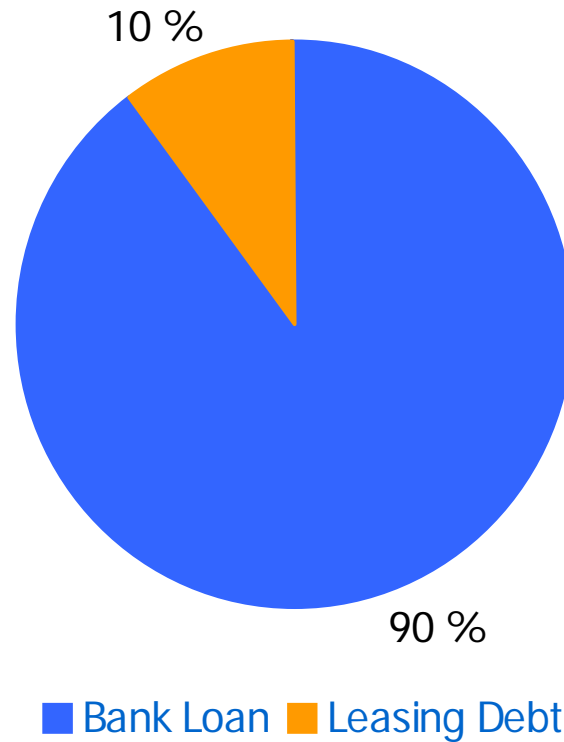
Equity Ratio %



# Equity Ratio



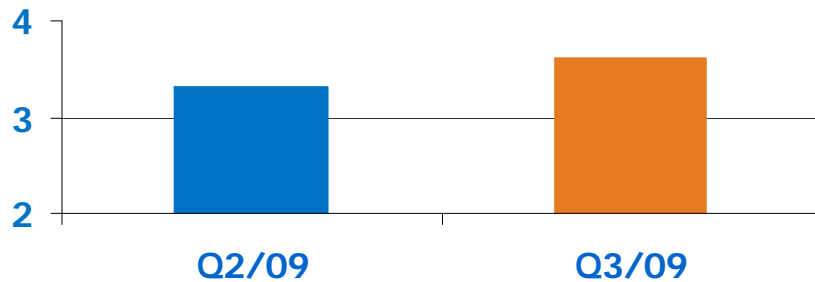
# Breakdown of Loans



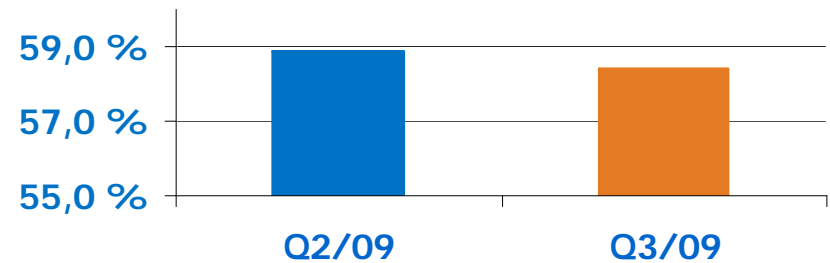
Total loans 30.9.2009 MEUR 376

# Interest Coverage Ratio and Loan to Value

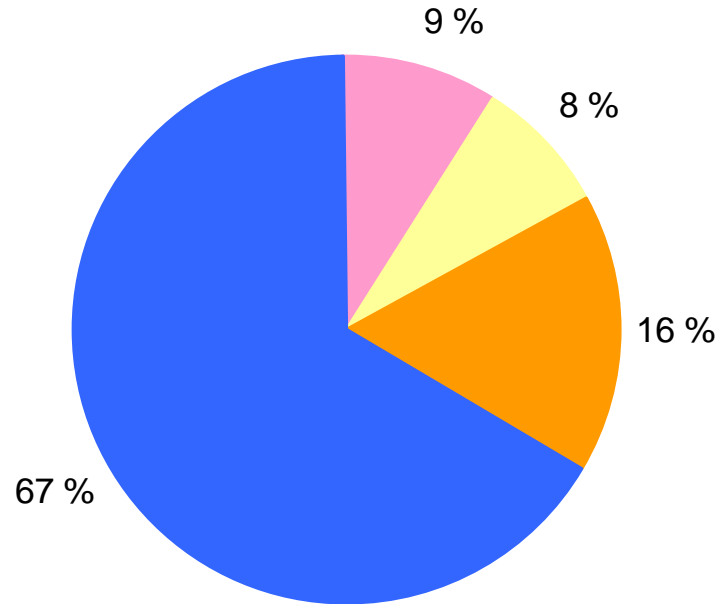
## Interest Coverage Ratio



## Loan to Value



# Covenants and Bank Guarantees

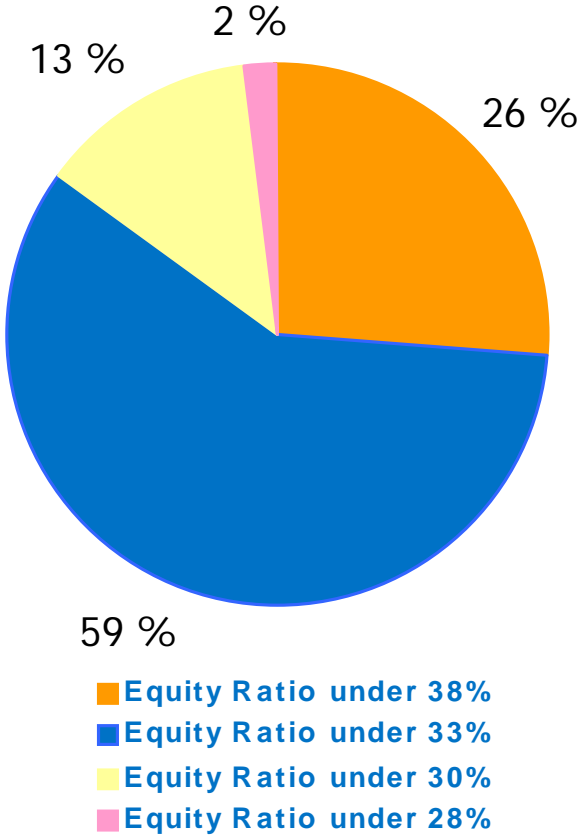


- Loans Requiring Bank Guarantees with Covenants
- Loans Requiring Bank Guarantees without Covenants
- Loans with Covenants
- Loans without Covenants or Bank Guarantees

Total loans 30.9.2009 MEUR 376

Total loans with covenants MEUR 75,5

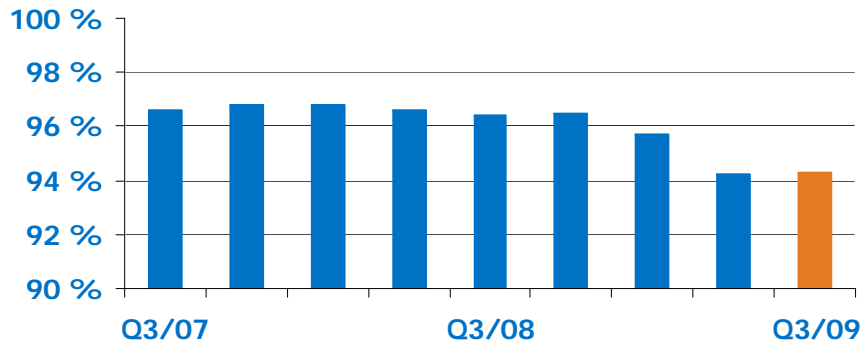
# Covenant Equity Ratio Triggers



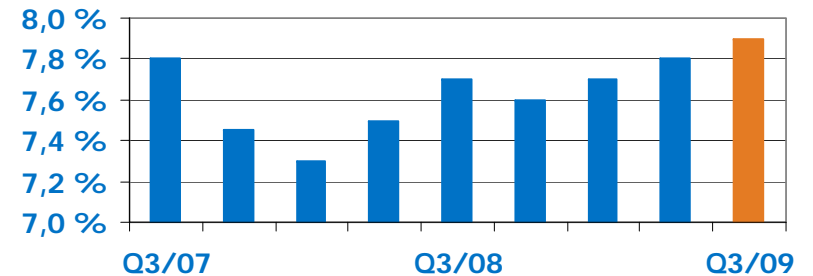
Total loans with covenants MEUR 75,5

# Occupancy & Net Rental Yield

Financial Occupancy Rate, %

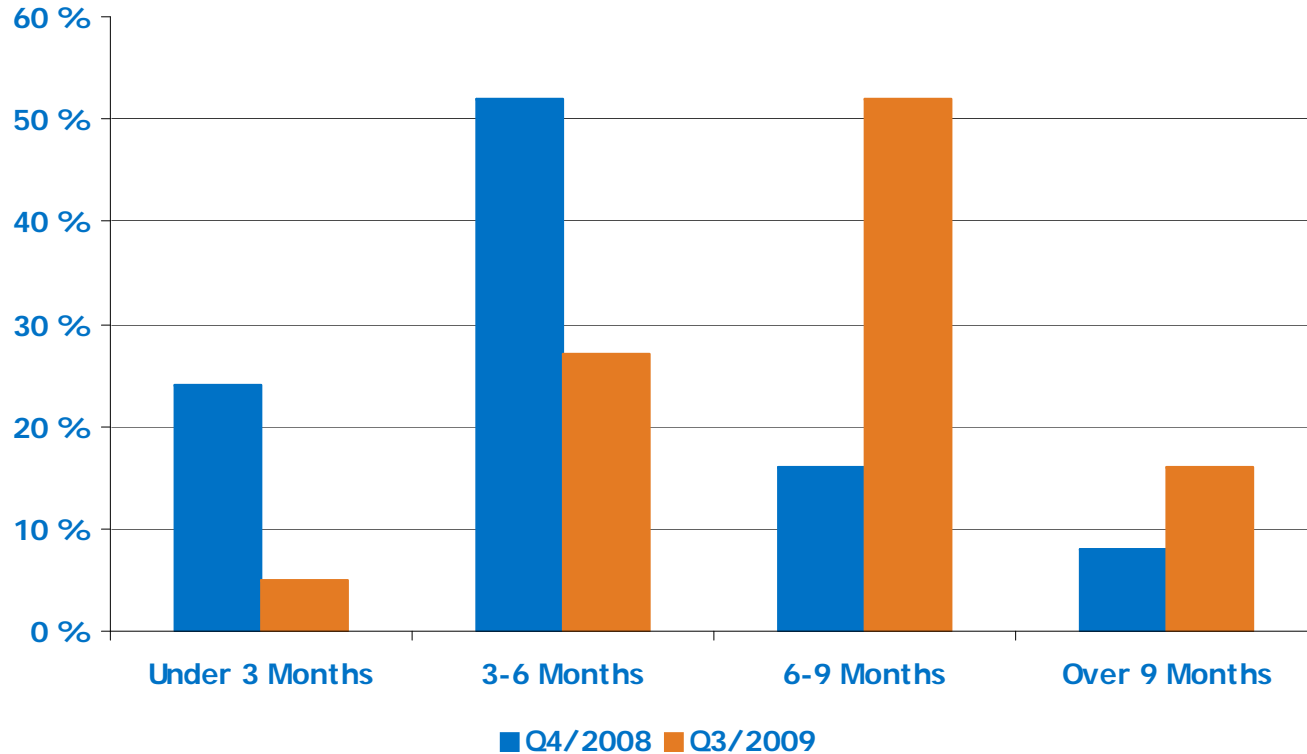


Net Rental Yield, %



-Net Rental Yield: Total Rental Income from Investment Properties-Direct Costs/Fair Market Value of Investment Properties

# Q3 Lease Portfolio Structure



At the end of the period under review, the open-ended leases that could be terminated and renegotiated during the following 12 months covered a total of 45% (57% Q4 2008) of the entire property portfolio.

As of the end of the period the average lease period was 23 (24) months.



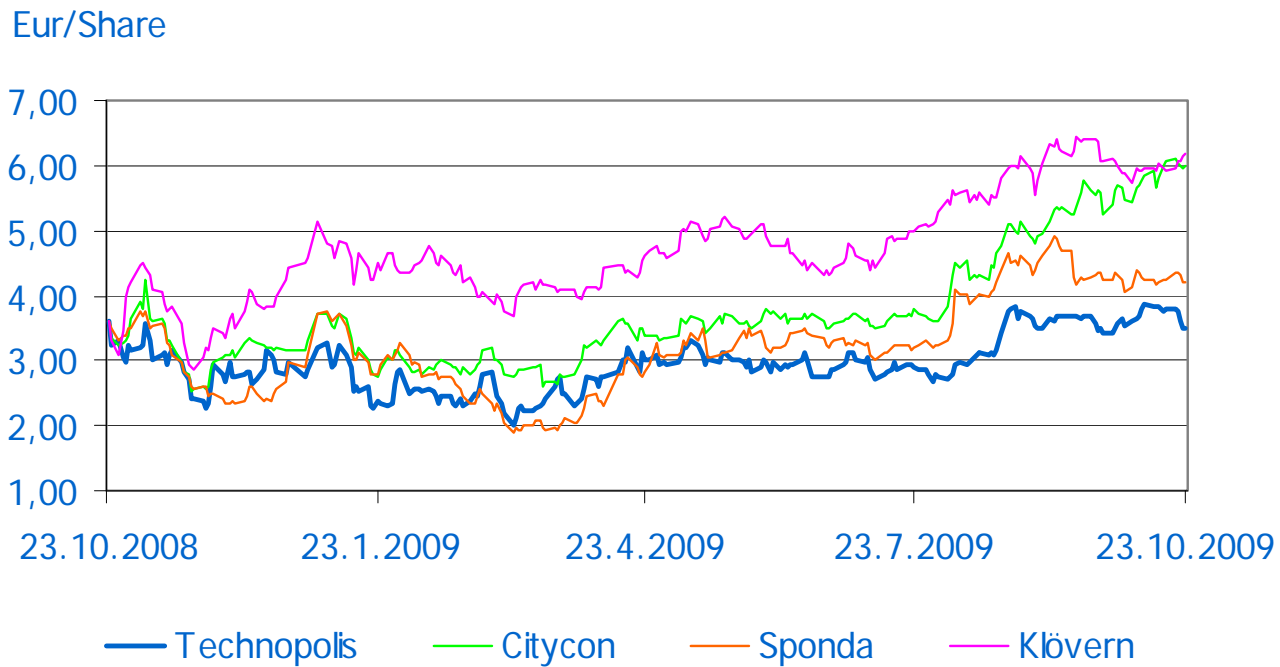
# Shareholders

Major Finnish Shareholders	% of Share Capital	Number of Shares
Varma Mutual Pension Insurance Company	9,37	5 374 740
Ilmarinen Mutual Pension Insurance Company	6,52	3 737 725
City of Oulu	5,34	3 062 925
City of Tampere	3,41	1 956 649
Jyrki Hallikainen and Kickoff Oy	2,27	1 300 000
OP Life Assurance Company Ltd	2,13	1 222 884
OP Pension Fund	1,54	885 938
OP Pension Foundation	1,32	757 380
The Finnish Cultural Foundation	1,24	712 693
Odin Finland	1,23	707 200
<b>Total</b>	<b>34,37</b>	<b>19 718 134</b>

<b>Nominee registered (International Shareholders)</b>	<b>41, 09</b>	<b>23 562 834</b>
Cities Total	11,6	6 671 839
OP-Pohjola Group Total	5,4	3 115 303

# Share Price Performance

## 23.10.2008-23.10.2009 (peers scaled)



# 2009 Outlook

- Market showing signs of recovery
- Less risks to occupancy and financial performance
- Continued actions to safeguard earnings in 2009/2010
- 5-8 % guidance still in effect

# Vision 2014

## Mission

To be a leading provider of operating environments with value-added services for our customers

## Vision 2014

An international chain of knowledge-intensive business communities

## Competitive Strategy

We will grow profitably by providing our customers with world class business environment services through our unique, cost-effective and scalable service platform

## Strategic Financial Targets

- Growth 10 % on average per annum
- Share of international sales in total revenues 25 % by 2014
- EBITDA over 50 % per year
- Equity ratio 35 %
- Dividend payout 40-50 % (excluding valuation changes)

# Thanks!



## Technopolis Management Team

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