TECHNOPOLIS GROUP

1-9/2012

TECHNOPOLIS

Technopolis Group

Technopolis Plc is a listed real estate company that specializes in leasing space and providing services. Its core business idea is to combine business support services with modern, flexible, multi-user business environments. There are approximately 22,000 people and almost 1,400 companies and organizations in Technopolis premises in Finland, Russia, and Estonia. The company's net sales for 2011 totaled EUR 92.8 million, and its EBITDA was EUR 47.5 million. The Technopolis Plc share (TPS1V) is listed on NASDAQ OMX Helsinki.

TECHNOPOLIS

1-9/2012 Highlights

Financial Performance

- Strong net sales and EBITDA growth
  - ✓ Resulted a guidance upgrade with Tohloppi acquisition
  - ✓ Net sales and EBITDA guidance upgraded to 14%-16%

- EPRA Earning per Share EUR 0.31 (0.22)
  - ✓ 41% higher than prior year

- Company's average interest rates are 2.12%
  - ✓ Over 60% are in floating rates and fixing period 1.5 years

Real Estate

- Space in use and under construction 669,700 sqm
  - ✓ 7.4% more rentable space than year before
  - ✓ Financial occupancy was up by 70 bps

- Rents 3.4% higher than 2011
  - ✓ Lease stock EUR 238.2 million and +59.5% y/y
  - ✓ Average lease length 25 months - 4 months higher than 2011

1-9/2012 Highlights

Tohloppi Acquisition

- Total investment EUR 23.3 million
- 20 year leases: 100% for the first 2 years and the minimum 81.4%
- Net initial yield 9.7%

1-9/2012 Highlights

Environmental Highlights

- All company offices in Finland achieved WWF Green Office labels
  - ✓ Save up to 100,000 euros annually just by using double-sided printing
- Innova 2 in Jyväskylä reach highest LEED level – Platinum
  - ✓ Got a B level energy certificate
  - ✓ Saves up to 45% in energy
- Technopolis was accepted as a member of Green Building Council Finland
  - ✓ Council represents its' members nationally and internationally
- Energy and water consumption and carbon dioxide emissions down

GREEN OFFICE A WWF INITIATIVE TO REDUCE ECOLOGICAL FOOTPRINT WWF

GREEN BUILDING COUNCIL FINLAND

ENERGIATEHOKKUUS-sopimukset

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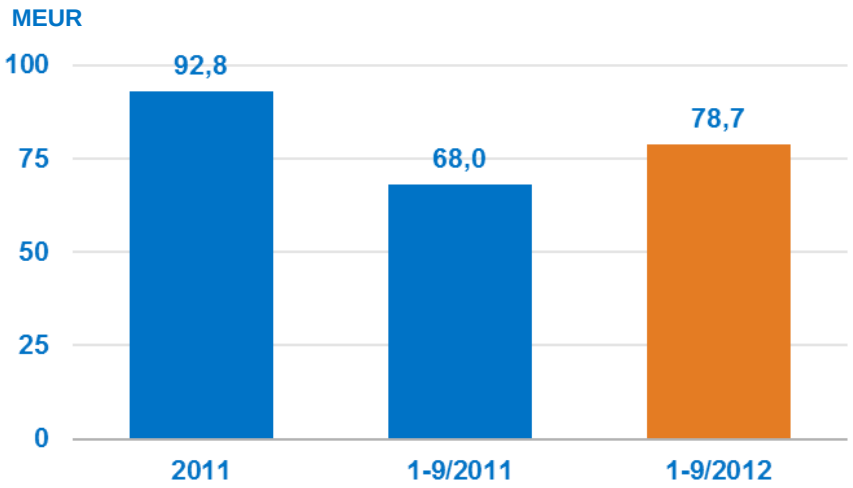
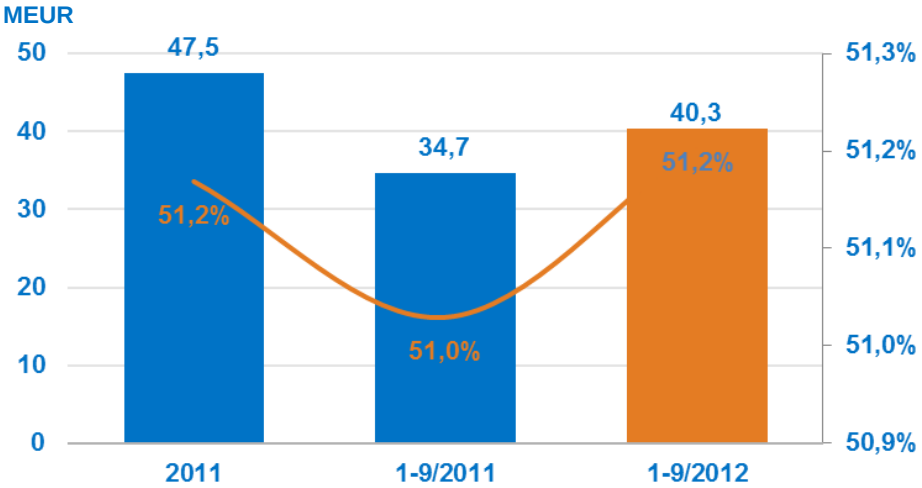
IFRS-Based Key Figures

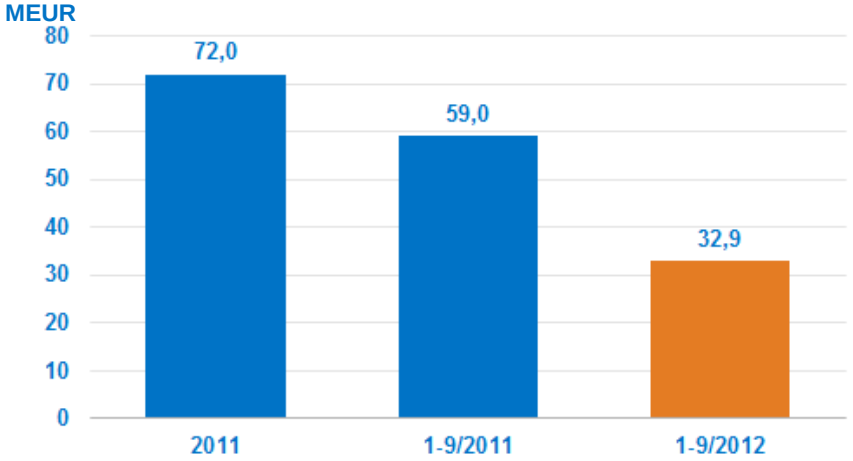
Net Sales



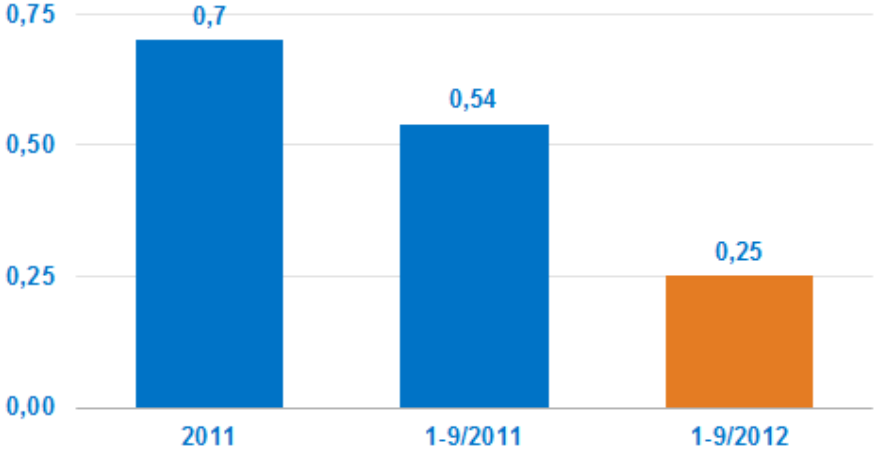
EBITDA



Operating Profit

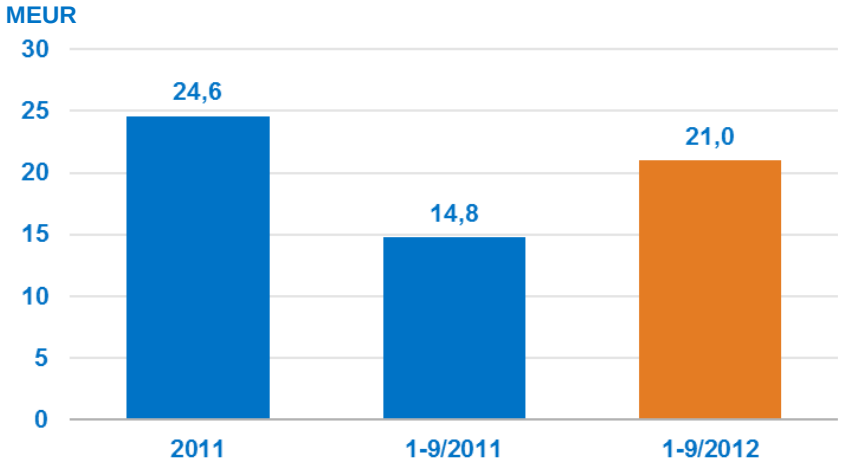


Earnings per Share (diluted), EUR

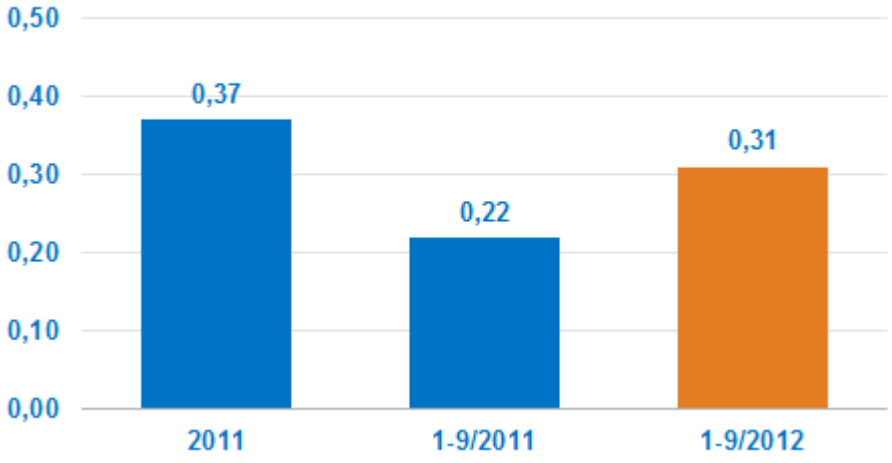


EPRA-Based Key Figures

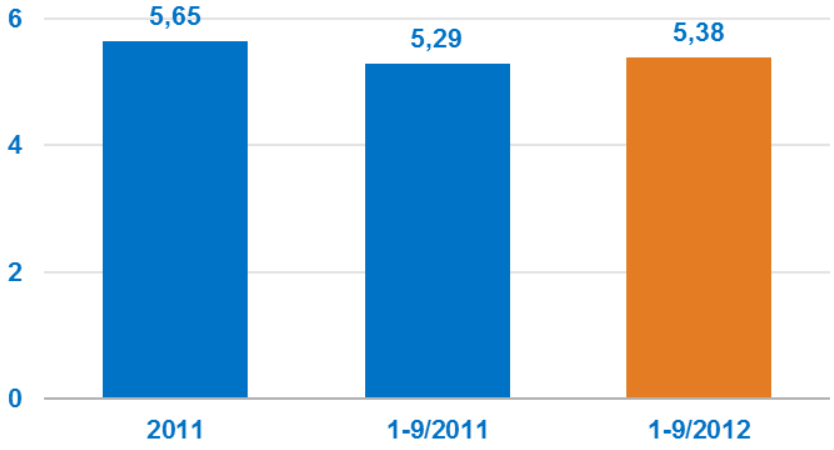
Direct Result



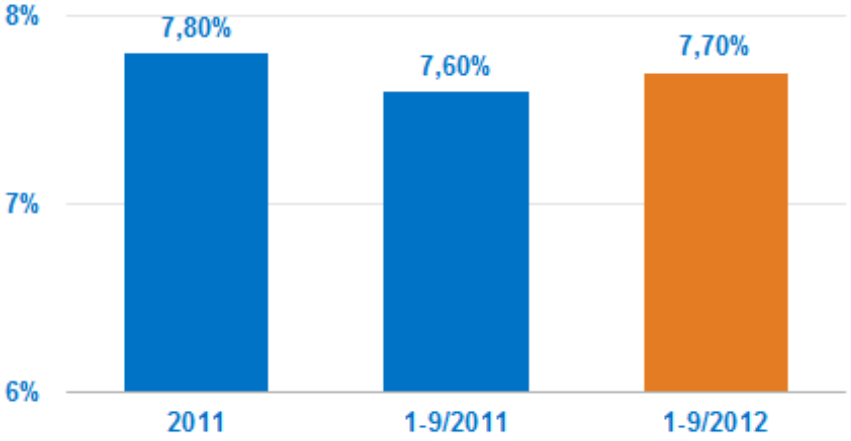
Earnings per Share (Diluted), EUR



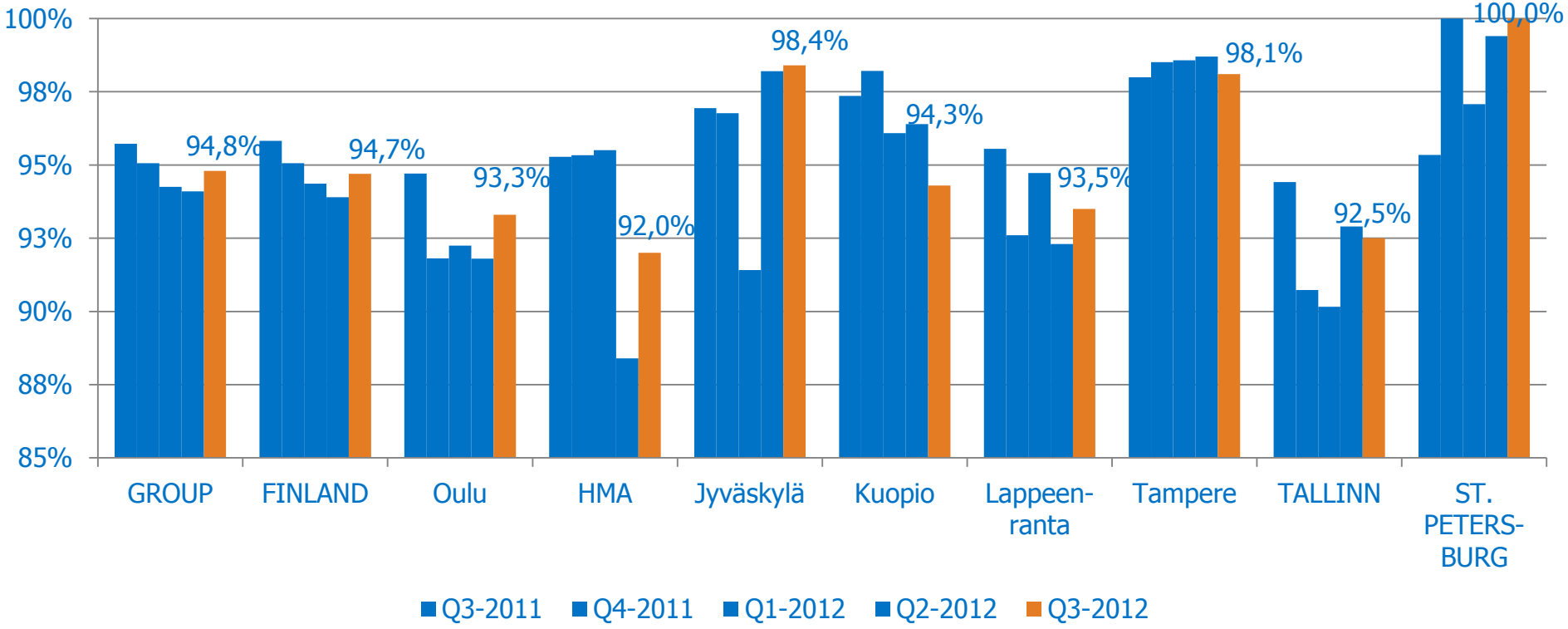
Net Asset Value per Share, EUR



Net Rental Revenue from Investment Properties



Financial Occupancy Rate



HMA = Helsinki Metropolitan Area

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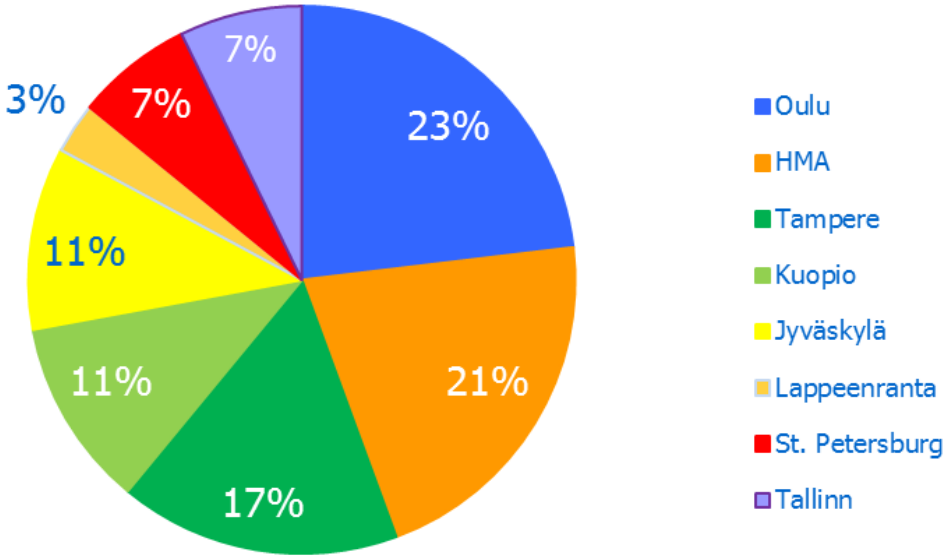
Technopolis Sites by Region

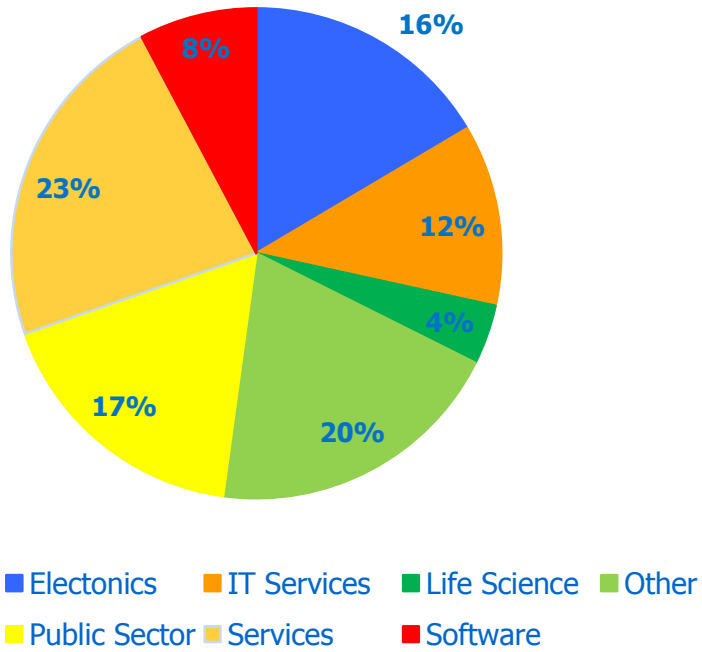


1-9/2012

- Fair market value of investment properties totaled EUR 963.2 million
- Net market yield of investment properties September 30, 2012 was 8.0%
- Fair market value change impact on operating profit: EUR -6.0 million

Customers

Customer Segments



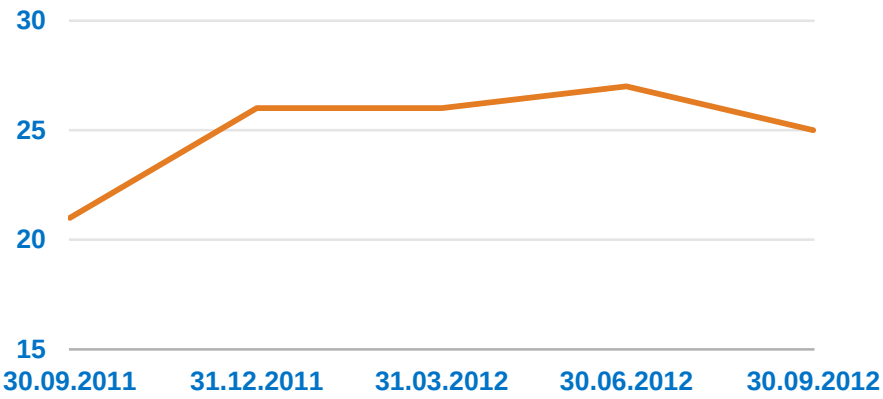
Top 20 Customers

As of 30 September 2012 the 20 largest customers were renting less than 33% of the company's space

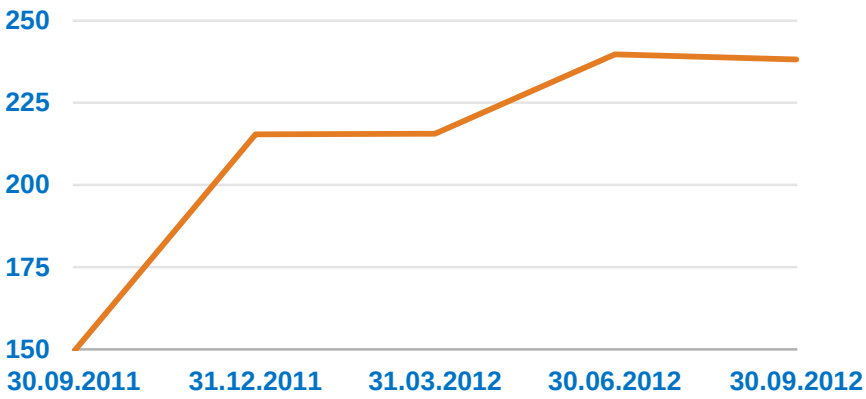
TECHNOPOLIS

Lease Portfolio

Average Lease Term, Months



Lease Stock, EUR million



- As of the end of the period the average lease period was 25 (21) months
- Lease stock was EUR 238.2 (149.3) million

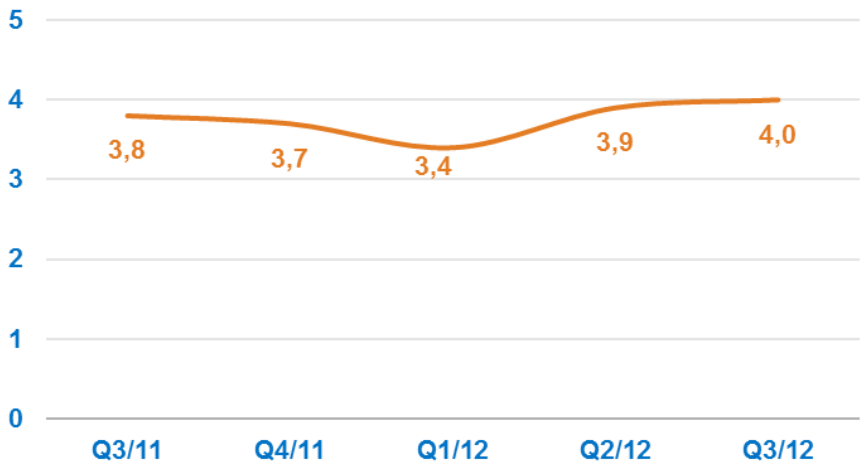
Investments ca. EUR 140 Million

Area	Name	Occupancy and pre-let rate, %	sqm	EUR million	Initial yield, %	Completion
Completed						
Tampere	Finnmedi	99,9	12,900	27.9	7.1	11/2011
Kuopio	Viestikatu 2 B	99,3	3,400	5.0	7.9	01/2012
Tampere	Hermia 15 B	99,5	4,800	10.9	7.2	01/2012
Jyväskylä	Innova 2	100,0	9,600	20.5	7.7	03/2012
HMA	Ruoholahti 2	87,8	9,000	27.3	5.9	06/2012
Under construction						
Tampere 1)	Yliopistonrinne 2	55,4	7,900	22.5	6.2	10/2012
Kuopio	Viestikatu 7B	80,0	4,800	8.5	7.4	01/2013
Kuopio	Viestikatu 7C	50,6	4,800	8.2	8.3	01/2013
Tallinn	Löötsa 8C	96,0	8,200	8.3	8.6	01/2013
St. Petersburg	Pulkovo 2	-	22,700	42.0	10.6	10/2013
Tallinn	Löötsa 8A&B	52.6	17,800	24.3	8.1	10/2013
Jyväskylä	Innova 4	24,6	8,900	23.4	7.7	10/2013
Total			75,100	137.2		

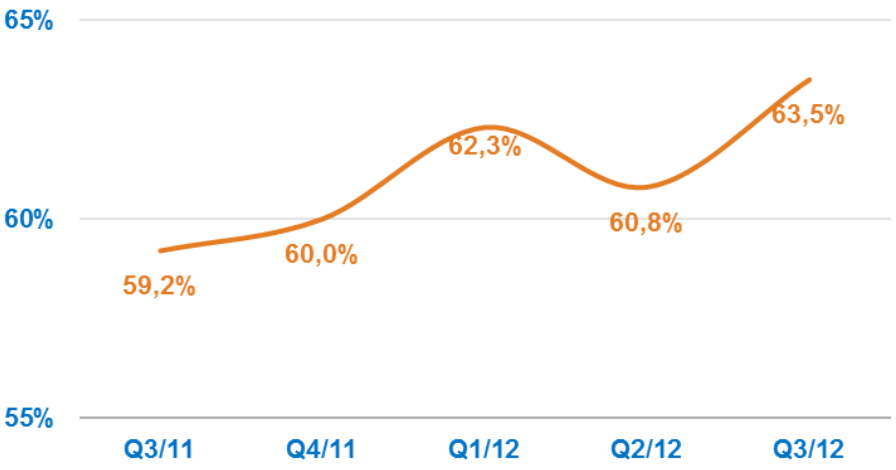
1) Occupancy rate 85.4% in October

Equity and Debt

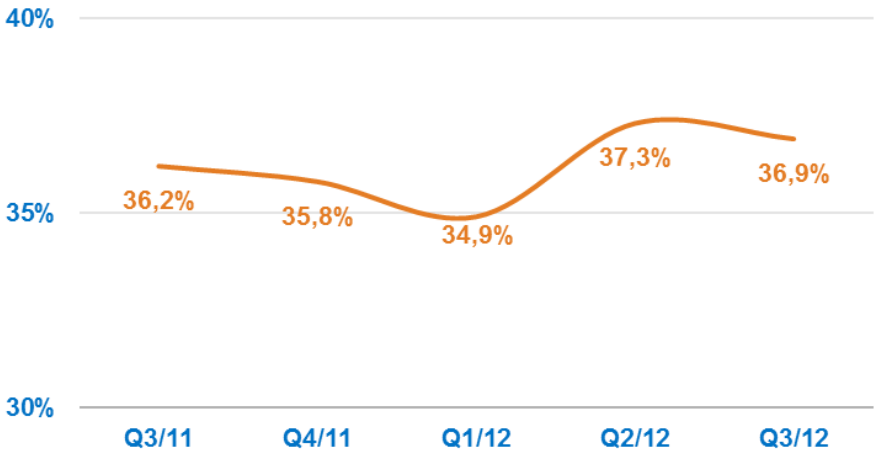
Interest Cover Ratio, %



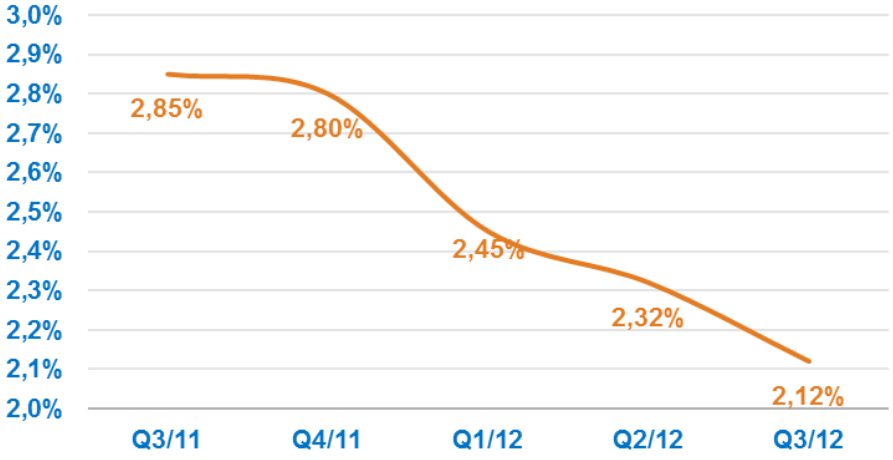
Loan to Value



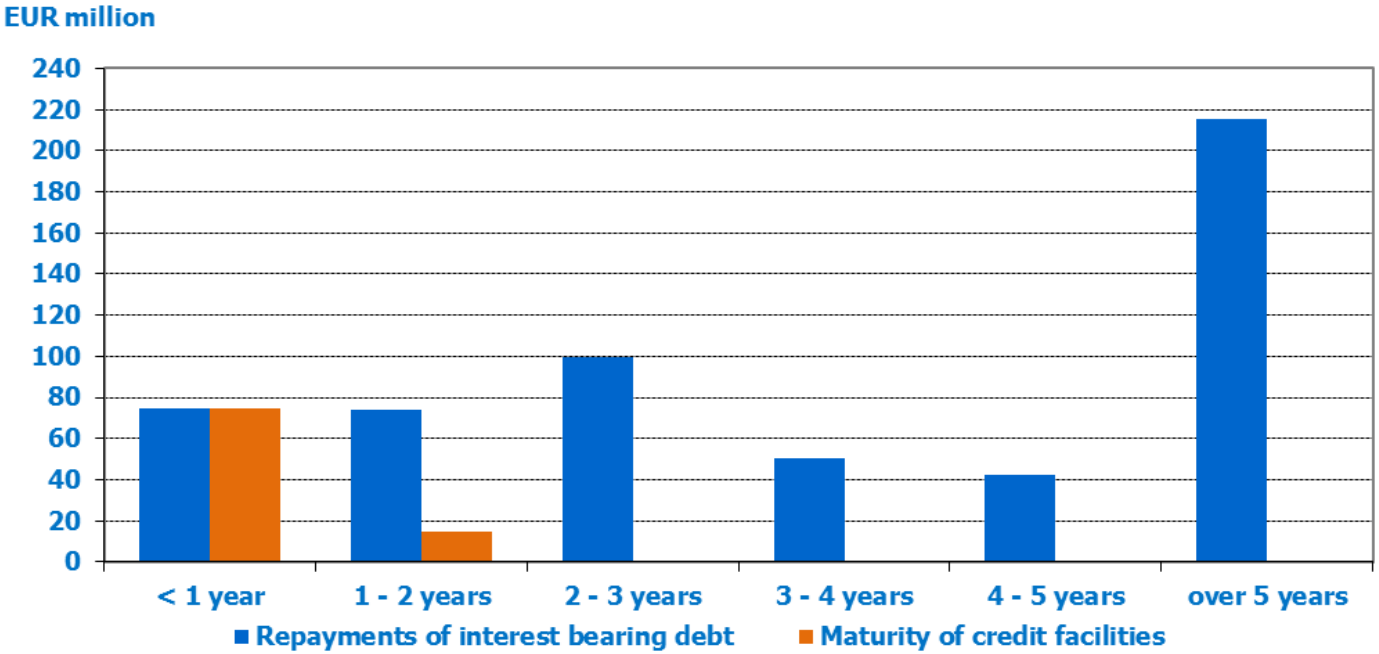
Equity Ratio



Average Interest Rate



Loan Maturities



- The Group's loan maturities on average is 9.0 (8.6) years
- Within 12 months EUR 94.9 million of loans are coming to due

2012 Outlook

- Technopolis markets and most customers appear relatively stable currently, but macro situation remains uncertain
- Good growth opportunities at home and abroad
- Net sales and EBITDA Guidance for 2012 upgraded from +12-15% to 14-16%

Appendices: Additional Data

Strategic Targets 2012 - 2016

- Net sales and EBITDA growth 15% on average per annum
- Net sales outside Finland over EUR 50 million by 2016
- At least 6% return on capital employed per annum
- Equity ratio over 35% over the cycle
- Dividend payout 40-50% of net profit (excluding fair value changes and their tax effects)

Technopolis Sites by Region

Investment properties September 30, 2012		Fair value, EUR million	Net Yield, %	Floor-m^2
Finland		**784.7**	**7.9**	**491,300**
	Oulu	224.2	8.5	192,900
	HMA	206.5	7.0	86,600
	Tampere	134.1	7.3	70,300
	Kuopio	93.6	8.4	57,500
	Jyväskylä	97.1	7.9	56,700
	Lappeenranta	29.1	8.9	27,300
Estonia (subsidiary by 51%)	**Tallinn**	**64.4**	**8.4**	**79,200**
Russia	**St. Petersburg**	**53.5**	**10.6**	**24,100**
Completed investment properties total		**902.5**	**8.0**	**594,600**
Investment properties under construction, 8 properties*		**60.7**	**6.9-10.1**	**75,100**
Completed and properties under construction		**963.2**		**669,700**

* Valued at fair value and recognized on the basis of rate of completion on 30 September, 2012

Net yields are market rates based on the average of two third-party appraisals

Technopolis Investment Criteria

Property Criteria

- Excellent location in the growth hubs and additional building rights
- Good quality, flexible assets
- > 40,000 m2

Customer Criteria

- Corporate and/or public sector and/or academic anchors
- Well balanced customer mix

Management & financial criteria

- Experienced, skilled and connected local teams
- Positive cash flow and EPS impact

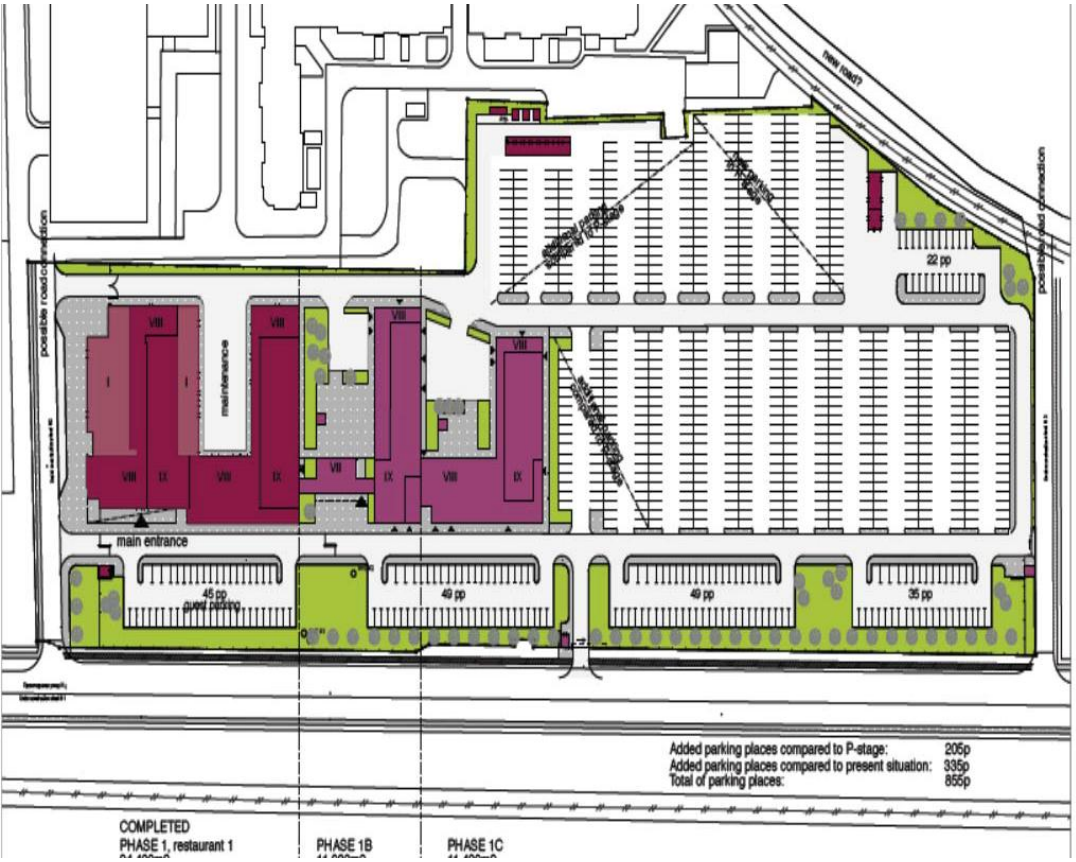
Yliopistonrinne 2, Tampere

- Started 4/2011
- EUR 22.5 million cost including parking
- 7,900 m^2 total space
- 85.4% pre-lets in October
- Estimated completion 10/2012

Ülemiste , Lõõtsa 8, Tallinn

- 8C phase started 1/2012 and 8A and 8B started in 8/2012
- EUR 30 million cost
- 26,000 m^2 total space
- C has 96% and A and B 52.6% pre-lets
- Estimated completion 8C in 1/2013. 8A and B in 10/2013

Pulkovo 2, St. Petersburg



Started 1/2012

EUR 42.0 million

22,700 m^2 total space

0% pre-lets

Estimated completion 10/2013

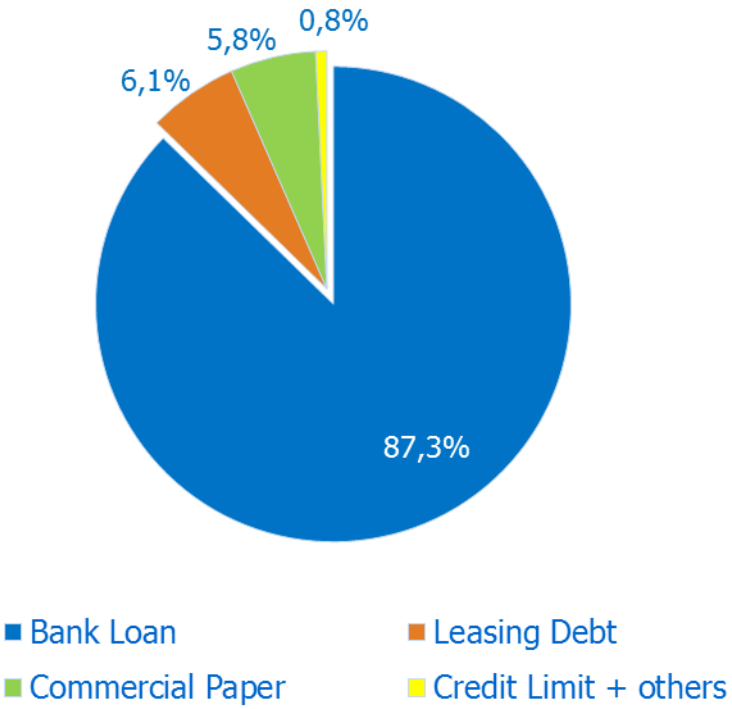
Viestikatu 7B and 7C, Kuopio

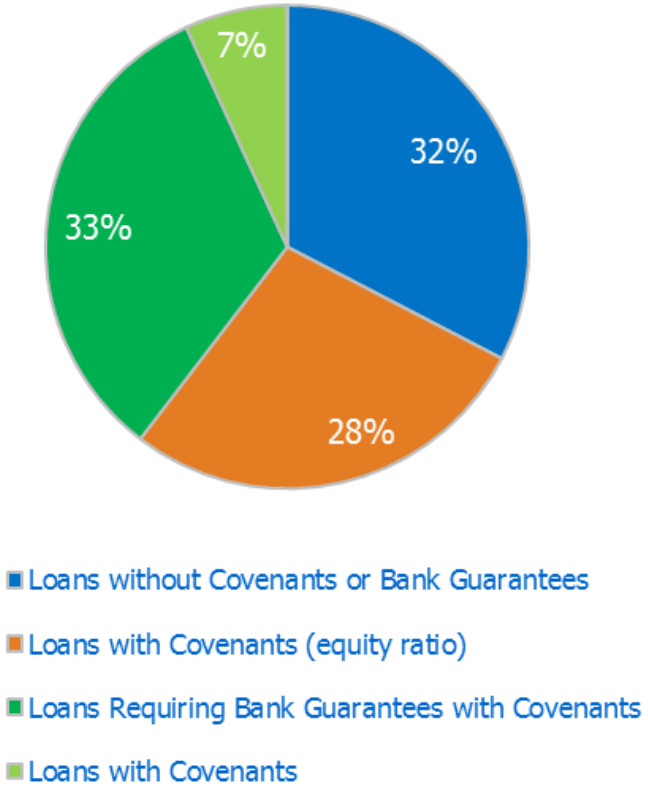
- Started 1/2012 and 7/2012
- EUR 16.7 million cost
- 9,600 m^2 total space
- B has 80% and C 50.6% pre-lets
- Estimated completion 1/2013

Innova 4, Jyväskylä

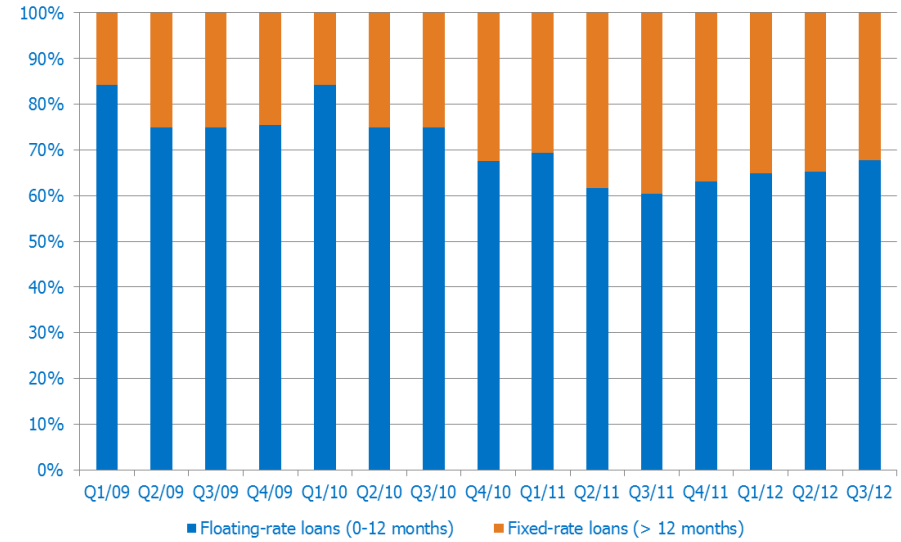
- Started 4/2012
- EUR 23.1 million cost
- 8,900 m² total space
- 24.6% pre-lets with 15 yr agreement
- Estimated completion 10/2013

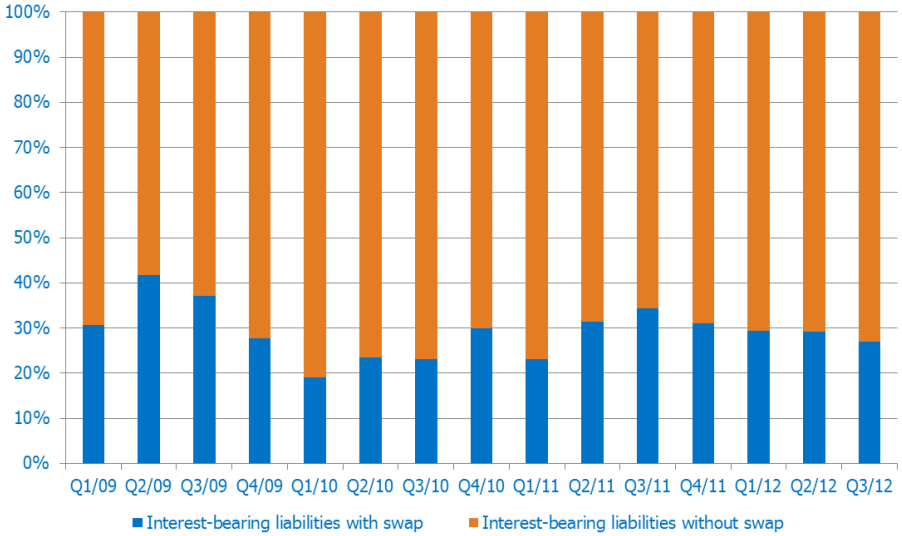
Breakdown of Debts and Covenants





Fixed-Rate Loans and Swaps





- Floating rate loans represent 67.7% of company loans
- 27% of loans are currently hedged with swaps

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