

## Technopolis Group's Interim Report January 1- March 31, 2012

Highlights for period 1-3/2012 compared to the corresponding period in 2011

- Net sales rose to EUR 25.4 (22.2) million, a positive change of 14.5%
- EBITDA rose to EUR 12.2 (10.3) million, a positive change of 18.2%
- Operating profit decreased to EUR 13.0 (16.0) million and profit before taxes to EUR 11.5 (15.5) million; both included a positive change of EUR 1.2 (6.1) million in the fair value of investment properties
- The financial occupancy rate was 94.3% (94.5)
- The Group's equity ratio was 34.9% (36.6)
- Net rental revenue of investment properties amounted to 7.3% (7.7)
- Earnings/share (undiluted) were EUR 0.13 (0.18) and diluted EUR 0.13 (0.18)
- Cash flow from operations per share was EUR 0.11 (0.12)
- Equity per share was EUR 5.15 (4.70)

### Keith Silverang, CEO:

"Technopolis' operations continued to develop favorably during the first quarter of the year. Our net sales increased to EUR 25.4 million and EBITDA to EUR 12.2 million. Compared to the previous year, net sales improved by 14.5% and EBITDA by 18.2%. The favorable development was primarily the result of the commissioning of new facilities and slightly higher rents. New facilities were commissioned for instance at Hermia in Tampere and Viestikatu in Kuopio. The company's operating profit was EUR 13.0 million, a decrease of 18.8%. This was mainly due to changes in fair value, with positive changes of EUR 1.2 million recognized versus EUR 6.1 million recognized the previous year.

Despite the economic difficulties in the euro area and ongoing uncertainty, the company's and our customers' businesses have remained stable. Rents have held at a good level, and the Group's financial occupancy rate remains high. Technopolis' like-for-like rents increased by 4.4% in the first quarter, and the financial occupancy rate was 94.3% at the end of the period.

The company launched several growth projects during the first quarter. The two most significant of these are the investments in the Pulkovo and Tallinn airport campuses. In addition, the company decided to expand its campuses in Kuopio and Jyväskylä. The Kuopio investment is associated with the agreement concluded with the Savonia University of Applied Sciences, with the aim of Savonia leasing a total of 33,000 square meters from Technopolis by the end of 2015. The current size of the Kuopio campus is 53,900 square meters. The second phase of the Innova downtown campus in Jyväskylä was commissioned on March 30, 2012, and its pre-occupancy rate was 93.2%. Additional demand for corresponding space was evident, and Technopolis decided to launch the construction of the next phase at the end of March. The pre-occupancy rate of the new phase is 25%, and the duration of the anchor customer's lease is 15 years.

Financial market were unstable at the end of 2011, but the European Central Bank's actions succeeded in calming the markets, and the 12-month Euribor rate decreased from 1.95% at the end of December to 1.43% during the first quarter. In accordance with its risk management policy, the company has systematically hedged its loans using interest swaps in the prevailing low interest rates, thus preparing for potential increase in interest rates in the future. However, we expect the low interest rates to continue for some time until the European economy returns to a growth track. The availability of financing to the company has remained good, even under turbulent conditions. On the whole, the company's debt financing is in order, and in March we agreed on a new EUR 70 million credit facility with the European Investment Bank. The aim is to use the facility for growth projects in Finland and Estonia."

## Customers

The company concluded several significant agreements during the period. An example of these is the 15-year lease with Kesko in Jyväskylä. In addition, the company's units in Estonia and Russia renegotiated several agreements that will provide the company a higher rent level in the future.

The public sector's share increased in the company's customer base, accounting for 17% (14%) at the end of the period.

The lease stock held by the Group totaled EUR 215.6 (129.6) million at the end of the reporting period.

At the end of the period, the average lease period was 26 (19) months. Lease stock values and period data do not include the lease stock of buildings under construction.

At the end of the period under review, open-ended leases in the lease portfolio that could be terminated and renegotiated within the next 12 months covered approximately 57.5% (43.4%) of the lease stock. The termination notice for these agreements is broken down as shown in the table below.

Notice period in months	March 31, 2012 % of lease stock	March 31, 2011 % of lease stock
0 – 3	16.7	2.6
3 – 6	29.4	9.3
6 – 9	5.8	23.2
9 – 12	5.6	8.3
Total	57.5	43.4

## Business Environment

Conditions in the Finnish office rental market were stable at the beginning of the year. There is demand for prime locations in the market, but the supply is low. Transactions volumes have been low during the last three years. This makes it more difficult to get a reliable market price picture. The occupancy rates for prime office in the Helsinki region have remained stable, but there is no significant room for rent increases. Vacancy rates have been decreasing clearly in the Oulu region, amounting to approximately 6% at the end of the first quarter. There would be rental demand, especially for downtown offices, but the supply is scant. Demand has picked up also elsewhere in Oulu, as in the Linnanmaa district. In Tampere, mainly Finnish institutional and local investors are willing to buy. Interest in buying is mainly focused on prime locations. Heavy construction activity in Kuopio increased the amount of vacant office space during 2010, but vacancy rates decreased to 5.3% and the market situation stabilized during 2011. In Jyväskylä, the vacancy rate for offices was 5.6% at the end of June 2011 and 6.2% at the end of 2011.

In Tallinn, the office rental market has developed positively early in the year, and the office vacancy rate at 7% at the beginning of the year. Demand has been particularly strong in the IT and public sectors. During the year, demand is expected to shift outside the city center, and the vacancy rates for prime office is estimated to remain low throughout the year. The decrease in vacancy rates will also have a positive impact on rents, which have, in fact, been increasing.

The St. Petersburg office market has revived, and ruble-denominated rents have increased slightly at the year end and during the first months of the year. The vacancy rate for office properties increased slightly towards the end of 2011, amounting to 13.5%. In particular, the large number of completed buildings contributed to this. However, the situation changed during the first quarter of 2012, and vacancy rates decreased to 11.7%. Office property rents were also increasing slightly. In 2012, the demand for office space is expected to remain stable.

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## Operations

The Technopolis Group operates in the real estate and the service sector, in three geographic units: Finland, Russia, and Estonia.

Demand remained good during the first quarter in the markets where Technopolis operates, and the company's financial occupancy rate remained stable, 94.3% (94.5%). The company's occupancy rates are still above the average for the office rental market.

The net sales and EBITDA of the operations in Finland developed favorably. Net sales amounted to EUR 23.1 (20.7) million and EBITDA to EUR 11.3 (10.1) million. Net sales increased by 11.2% and EBITDA by 12.5% compared to the first quarter of the previous year. In particular, investments in the healthcare and education segments generated growth. The financial occupancy rate in Finland was 94.4% (94.6%).

In Tallinn, the net sales and EBITDA of Technopolis Ülemiste remained at a good level. Net sales were EUR 1.2 (1.2) million and EBITDA was EUR 0.5 (0.8) million. The decrease in EBITDA was mainly due to increased marketing expenses. In Tallinn, the company renegotiated leases with some of its customers which led to the termination of some leases, and the occupancy rate decreased to 90.2% (92.9%). This will however have a positive impact on rental levels, and the occupancy rate is expected to increase already during the second quarter.

In St. Petersburg, the net sales of the Technopolis Pulkovo airport campus were EUR 1.2 (0.3) million and EBITDA was EUR 0.3 (-0.6) million. Rents will increase markedly as the result of lease renegotiations held early in 2012. The full-year EBITDA is expected to remain positive. The financial occupancy rate was 97.1% in March.

The Group's financial occupancy rates on March 31, 2012:

	Q1-2012	Q4-2011	Q3-2011	Q2-2011	Q1-2011
<b>Group</b>	<b>94.3%</b>	<b>95.1%</b>	<b>95.7%</b>	<b>93.6%</b>	<b>94.5%</b>
<b>Finland</b>	<b>94.4%</b>	<b>95.1%</b>	<b>95.8%</b>	<b>95.4%</b>	<b>94.6%</b>
Oulu	92.2%	91.8%	94.7%	92.8%	92.3%
HMA	95.5%	95.3%	95.3%	96.9%	97.1%
Tampere	98.6%	98.5%	98.0%	97.3%	97.3%
Kuopio	96.1%	98.2%	97.4%	97.2%	94.4%
Jyväskylä	91.4%	96.8%	96.9%	96.2%	94.1%
Lappeenranta	94.7%	92.6%	95.6%	98.2%	98.4%
<b>Estonia</b>	<b>90.2%</b>	<b>90.7%</b>	<b>94.4%</b>	<b>93.7%</b>	<b>92.9%</b>
<b>St. Petersburg 1)</b>	<b>97.1%</b>	<b>100.0%</b>	<b>95.3%</b>	<b>61.7%</b>	<b>-</b>

1) The figures for the Group's financial occupancy rates are not comparable, as the lease stock of the St. Petersburg subsidiary has been included in the figures from June 30, 2011.

The financial occupancy rate of Jyväskylä was affected by the commissioning of Innova 2 on March 30, 2012, which temporarily decreased the unit's occupancy rate with customers moving in only at the beginning of April. The pre-occupancy rate was 93.2%.

The Group's net sales for the period under review were EUR 25.4 million (EUR 22.2 million), showing an increase of 14.5%. Rental revenue accounted for 87.4% (86.6%) and service revenue for 12.6% (13.4%) of net sales. Like-for-like rental growth was 6.8%, primarily due to index increases.

The Group's EBITDA was EUR 12.2 (10.3) million, an increase of 18.2%.

Breakdown of net sales and EBITDA by business function: (Figures excluding eliminations.)

Space	1-3/2012	1-3/2011	1-12/2011
Net sales	22.2	19.3	80.7
EBITDA	13.8	11.6	52.9
EBITDA %	62.2%	60.2%	65.6%

  

Services	1-3/2012	1-3/2011	1-12/2011
Net sales	3.2	2.9	12.1
EBITDA	0.2	0.5	2.0
EBITDA %	6.8%	15.7%	16.4%

EBITDA's share of net sales decreased to 6.8% (15.7%) in the service business. The decrease was due to investments in the service business and clarification of the business area's structure. The company recruited additional personnel and reallocated its personnel expenses.

The Group's operating profit totaled EUR 13.0 (16.0) million. The decrease in operating profit is mainly due to the change in the fair market value of investment properties being lower, EUR 1.2 (6.1) million. The change in the fair market value of investment properties has no impact on the Group's net sales, EBITDA or cash flow.

The Group's net financial expenses totaled EUR 1.4 (0.6) million. The net financial expenses include EUR 2.1 million of unrealized exchange rate gains due to the strengthening of the Russian ruble. EUR 1.9 million of unrealized interest swap income was recognized in the comprehensive statement of income for the comparison period 2011. As of May 1, 2011, Technopolis Group has recorded interest rate swaps in accordance with the IAS 39 criteria for hedge accounting, in order to eliminate the effect of the changes in the fair value of derivative instruments on the Group's result and to reduce fluctuations in fiscal results. Most of the Group's current interest rate swaps satisfy the criteria for hedge accounting. The Group's interest fixing period was 1.6 (1.4) years. The Group's result before taxes totaled EUR 11.5 million (EUR 15.5 million).

The Group's direct result increased by 45.3% to EUR 7.5 (5.2) million. The increase was primarily due to the strengthening of the ruble, which had an impact of EUR 2.1 million. The direct result shows the company's result for the financial period, excluding changes in the fair market value of investment properties and financial instruments during the period, as well as any non-recurring items and tax effects related to these items.

Cash flow from operations/share totaled EUR 0.11 (0.12).

Total assets were EUR 982.8 million (EUR 847.4 million), an increase of 16.0%. The Group's equity ratio at the end of the period was 34.9% (36.6%).

The fair market value of the Group's investment properties at the end of the period was EUR 932.8 (804.8) million, of which completed investment properties accounted for EUR 883.2 (737.1) million investment properties under construction for EUR 49.6 (67.8) million.

The fair values of investment properties increased slightly. The increase was primarily due to properties under construction. Net market yields on investment properties and properties under construction are calculated by taking the average of the upper and lower ranges of net market yield, as reported by two independent appraisal agencies for each individual region. On March 31, 2012, the average net yield for Group properties was 8.0% (7.9%). The average ten-year occupancy rate used in the fair value calculation was 95.1%. The Group has set a higher target for the financial occupancy rate than this. Over the period of 2002-2011, the Group's average occupancy rate was 96.2%.

The Group's total rentable space at the end of the period was 595,200 (527,500) square meters, with 61,500 (71,000) square meters under construction. The Group's financial occupancy rate at the end of the period was 94.3% (94.5%). The financial occupancy rate depicts rental revenues from

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the properties as a percentage of the aggregate of the rents for occupied premises and the estimated market rent for vacant space. The lease stock held by the Group totaled EUR 215.6 (129.6) million at the end of the reporting period.

Geographically, the Group's property portfolio is diversified between the Oulu region, the Helsinki Metropolitan Area, Jyväskylä, Kuopio, Lappeenranta, Tampere, St. Petersburg, and Tallinn. No single customer accounts for more than 3% of the Group's net sales. The Group has a total of approximately 1,400 customers across a wide range of sectors.

Technopolis facilities are located next to good traffic connections, primarily comprising university, airport and downtown campuses.

Investment properties March 31, 2012		Fair value, EUR million	Net yield requirement, %	m2
<b>Finland</b>	Oulu	229.2	8.3	192,900
	HMA	179.7	7.0	77,600
	Tampere	134.4	7.3	70,300
	Kuopio	95.7	8.2	57,500
	Jyväskylä	96.8	7.8	56,700
	Lappeenranta	29.5	8.8	27,300
	<b>Finland, total</b>	<b>765.3</b>	<b>7.8</b>	<b>482,300</b>
<b>Estonia</b>	<b>Tallinn</b>	<b>63.8</b>	<b>8.4</b>	<b>79,200</b>
<b>Russia</b>	<b>St. Petersburg</b>	<b>54.0</b>	<b>10.1</b>	<b>24,100</b>
<b>Completed investment properties</b>	<b>Total</b>	<b>883.2</b>	<b>8.0</b>	<b>585,600</b>
<b>Investment properties under construction 1)</b>	<b>Total 6 properties</b>	<b>49.6</b>	<b>6.1-10.1%</b>	<b>61,500</b>
<b>Investment properties completed and under construction, total</b>		<b>932.8</b>		<b>647,100</b>
Other properties (holdings, rented)				9,600

1) Investment properties under construction have been valued at fair value and recognized on the basis of their rate of completion on the balance sheet date.

## Major Investments and Development Projects

At the end of the period under review, Technopolis had office space under construction in the Helsinki Metropolitan Area, Tampere, Kuopio, and Jyväskylä in Finland as well as in Tallinn, Estonia and St. Petersburg, Russia. The projects are expanding existing centers.

Projects completed during 2012:

	Campus type	Area	Occupancy rate %	m2	EUR million	Initial yield, %	Completed
Innova 2 1)	Downtown	Jyväskylä	93.2	9,200	20.1	8.1	3/2012
Hermia 15 B	University	Tampere	98.4	4,800	10.9	7.9	1/2012
Viestikatu 2B	Other	Kuopio	79.0	3,400	5.0	9.6	1/2012

1) Innova 2 in Jyväskylä was commissioned on March 30, 2012, occupancy rate as per April 1.

Projects under construction on March 31, 2012:

	Campus type	Area	m2	EUR million	Pre-occupancy rate % March 31, 2012	Initial yield %	Due for completion
Ruoholahti 2	Downtown	HMA	9,000	27.7	53.3	6.7	6/2012
Yliopistonrinne 2	Downtown	Tampere	7,900	22.5	50.0	6.9	10/2012
Viestikatu 7B	Other	Kuopio	4,800	8.5	53.0	8.2	12/2012
Innova 4	Downtown	Jyväskylä	8,900	23.0	25.0	7.8	9/2013
Pulkovo 2	Airport	St. Petersburg	22,700	42.0	-	10.6	9/2013
Löötisa 8C	Airport	Tallinn	8,200	8.3	50.0	8.5	1/2013

Planned projects as of March 31, 2012:

	Campus type	Area	m2	EUR million	Due for completion
Löötisa 8A	Airport	Tallinn	8,900	11.9	10/2013
Löötisa 8B	Airport	Tallinn	8,900	12.4	10/2013

## Strategy and Financial Targets

In September 2011, the company's Board of Directors confirmed the company's financial targets for the period 2012–2016 as follows:

- net sales and EBITDA by an annual average of 15%
- over EUR 50 million net sales outside Finland by 2016
- at least 6% return on capital employed annually
- equity ratio over 35% over the cycle
- the aim is to distribute 40%–50% of net profit excluding changes in fair value and their tax effects as dividends

The company aims to strengthen the contribution of the health and education sectors in its customer portfolio by investing in these segments and specific services employed by them. Technopolis aims to diversify its customer portfolio both between business sectors and regionally.

Technopolis has been continuously analyzing potential international investment targets in the Baltic Sea region for growth. The key criteria for potential acquisitions are the sufficient size and growth potential of the target, excellent location in growth centers, high-quality and flexible property portfolio, and positive cash flow. In addition, the project must have a positive impact on earnings per share, and the customer base of the property must match the Technopolis concept. The company is also investigating opportunities for selling some locations that are not suitable for its concept. All new Technopolis buildings and potential existing properties will apply for LEED environmental certification.

## Financing

The Group's total assets were EUR 982.8 (847.4) million, of which liabilities totaled EUR 641.8 (538.8) million. The Group's equity ratio was 34.9% (36.6%). At the end of the period, the Group's net gearing was 161.0% (149.5%). The Group's equity per share was EUR 5.15 (EUR 4.70).



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At the end of the period, the Group's interest-bearing liabilities amounted to EUR 555.1 million (EUR 466.1 million), and the average capital-weighted loan period was 8.5 years (8.4 years). The average interest rate on interest-bearing liabilities was 2.45% (2.55 %) on March 31, 2012. Of interest-bearing liabilities, 64.9% (69.4%) were floating rate loans and 35.1% (30.6%) were fixed rate loans at the end of the period.

At the end of the reporting period, funds available to Technopolis consisted of EUR 140.7 (95.7) million in untapped credit facilities, and cash amounting to EUR 6.3 (4.9) million. The credit facilities contained a EUR 139.7 million (EUR 85.0 million) credit line and a EUR 1.0 million (EUR 10.7 million) revolving credit facility. Use of the available credit limit facilities requires collateral arrangements. In addition, the company has a EUR 120.0 (120.0) million commercial paper program, of which EUR 20.0 million was outstanding at the end of the reporting period.

During the 12-month period following the period under review, EUR 70.3 (62.1) million in existing interest-bearing loans will mature.

The company's five largest creditors on March 31, 2012 were the European Investment Bank, EUR 141.3 (83.7) million; Nordea, EUR 88.2 (84.6) million; OP-Pohjola Group, EUR 65.5 (45.2) million; Sampo, EUR 64.2 (70.4) million; and Handelsbanken, EUR 49.8 (29.7) million.

Technopolis prepared for a potential increase in interest rates by extending rate fixing periods by carrying out interest rate swaps. The Group's interest fixing period was 1.6 (1.4) years at the end of the period. A one percentage point change in market rates would cause a EUR 2.6 (2.5) million change in interest costs per annum. At the end of the reporting period, there were interest rate swaps covering EUR 163.0 million (EUR 107.9 million) of principal.

The Group's interest coverage ratio was 3.4 (4.1). The interest coverage ratio indicates the relation between EBITDA and accrual-based interest expenses.

The Group's loan-to-value ratio, that is, the ratio of interest-bearing liabilities to the fair value of investment properties and properties under construction, was 62.3% (57.6%). The Group had interest-bearing liabilities from credit institutions worth EUR 498.7 (411.4) million, of which EUR 348.3 (183.4) million include covenants related to equity ratio, debt service ratio or loan-to-value. Compared to the previous quarter the increase was EUR 95.4 million, translating into 37.7%, when the company reported covenant-related loans worth of EUR 252.9 million. The EUR 25 million increase was due to new covenant carrying loans and a EUR 70.4 million increase which was related to findings from an internal auditing of loan agreements.

Loans amounting to EUR 308.5 (142.5) million include covenants relating to the equity ratio. A decline in the equity ratio may lead to higher interest rate margins or premature repayment in these loans. Potential changes in the margins take effect in accordance with the contractual provisions of each loan. Of these loans, EUR 119.2 (47.9) million includes a repayment term. The repayment term is met if the equity ratio falls below 30%.

The Group's equity ratio declined at the end of the reporting period to 34.9% (36.6%). With an equity ratio level of 33%-35% the equity ratio covenant impact on the Group's interest rate expenses is EUR 0.1 million per annum. If the equity ratio falls below 33%, the impact on the Group's interest expenses will be EUR 0.4 (0.4) million per annum.

The covenant relating to the debt service ratio and loan-to-value is included in the EUR 39.7 (40.9) million borrowings of Technopolis Ülemiste (Group share of ownership 51%). In terms of the aforementioned loan amount, the subsidiary's debt service ratio must be at a minimum of 1.1 and its loan-to-value must not exceed 70%.. If the covenants are breached, the lender may terminate the loan. At the end of the reporting period, Technopolis Ülemiste's debt service ratio was 1.5 (1.2) and loan-to-value was 53.4% (54.4%).

Bank guarantees amounting to EUR 146.0 million have been given as security for the EUR 141.3 million in loans granted by the European Investment Bank (EIB). Of the loans granted by the EIB, EUR 106.3 million has been covered with shorter bank guarantee agreements than the actual loan period. If the bank guarantees cannot be renewed, it will be necessary to rearrange the loans. EUR

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10.0 million of the bank guarantees will expire by the end of 2013, and the plan is to extend them.

The financing of Technopolis Pulkovo has been arranged through a European Bank for Reconstruction and Development (EBRD) with a loan of EUR 56.3 million and the parent company's investments in shareholders' equity.

On May 11, 2011, the Finnish Financial Supervisory Authority approved Technopolis' registration document (prospectus). The company's policy is to update the registration document annually. The registration document is valid for 12 months following its publication.

## **Evaluation of Operational Risks and Uncertainties**

Technopolis' most significant business risks relate primarily to general economic development associated with financing and customers as well as international business risks.

The objective of interest rate risk management is to mitigate the negative impact of market rate fluctuations on the Group's earnings, financial position, and cash flow. If necessary, the company uses forwards, interest rate swaps and interest rate options to hedge interest rate risks. The company's policy concerning interest rate risks also aims to diversify the interest rate risk of loan contracts over different loan periods based on the prevailing market situation and the interest rate forecast created by the company.

Indicative of the structure of Technopolis' loan portfolio at the end of the period is the equation that a one percentage point change in the money market rates would change interest rate costs by EUR 2.6 million per annum.

Because of the interest rate risk associated with loans, a policy of diversifying interest bases is pursued. 9.5% of interest-bearing liabilities were pegged to the under 3-month Euribor rate and 55.3% were pegged to the 3–12 month Euribor rate. Of the interest-bearing liabilities, 35.1% were fixed-rate loans with maturities of 13–60 months.

The objective of refinancing risk management is to ensure that the Group's loan portfolio is sufficiently diversified with regard to repayment schedules and financing instruments. The average capital-weighted outstanding loan period was 8.5 years. In order to manage financing risk, Technopolis draws upon the resources of a wide range of financiers and a variety of financing instruments, and maintains a sufficient degree of solvency.

Uncertainty in the financial markets may adversely affect the availability of growth financing and refinancing and their margins in the future.

The differences between Russian, Estonian, and Finnish legislation and administrative procedures may create risks.

Changes in the exchange rates between the Russian ruble and the euro may have an effect on the company's financial performance and operations. Ruble-denominated transactions are recorded at the exchange rate of the transaction date. Any translation differences are entered in the comprehensive income statement under other operating expenses or finance income and expenses according to the type of transaction involved.

Customer risk management aims to minimize the negative impact of potential changes in the customers' financial position on the company's business and financial performance. Customer risk management focuses on having a profound understanding of the customer's business and active monitoring of customer information. Customer risks are diversified by acquiring customers from many sectors. As part of client risk management, Technopolis leases include rental security arrangements.

The company's leases fall into two categories: fixed-term and open-ended. The company aims to apply both lease types depending on the market situation, the property in question, and the sector in which the internal customer operates.



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Declining financial occupancy rates may reduce rental and service revenue and profit, and reduce the fair value of investment properties and, thus, the equity ratio. The current lease structure allows customers to flexibly adjust the space they need as their business needs change. Although the flexibility of the lease structure may pose a risk to the Group, it is an essential element of Technopolis' service concept. The company has solid and long-term experience in this business model over a wide variety of economic cycles.

In new construction projects, Technopolis focuses on quality and the management of the property's entire life cycle. In the design phase, consideration is given to the property's maintenance and repair requirements in order to implement environmentally sustainable solutions for energy consumption, adaptability of premises, and recycling potential. When purchasing properties, Technopolis carries out standard property and environmental audits before committing to the transaction. All properties are covered by full value insurance.

Changes in market yields may have a significant impact on the company's financial performance through the fair value of investment properties. As the yields increase, the fair value of properties decreases. Conversely, as the yields decrease, the fair value of properties increases. Such changes either decrease or increase the Group's operating profit. Changes in market yields do not have any direct impact on the company's net sales, EBITDA, or cash flow, but a negative change in the value of investment properties may reduce the company's equity ratio and, as a result of this, covenant terms of the leases may be met. In that case, the change in value will have an impact on the cash flow and result for the period.

## Organization and Personnel

The CEO of Technopolis Plc is Keith Silverang. Mr. Reijo Tauriainen, CFO, is the company's Deputy CEO.

The Group Management Team comprises Keith Silverang, Reijo Tauriainen, Marko Järvinen, Satu Eskelinen, Sami Juutinen, Kari Kokkonen, and Jukka Rauhala. The Technopolis line organization consists of three geographical units: Finland, Russia, and Estonia. The Group organization also has matrix support functions for the Group's real estate development, services, and support functions.

During the period, the Group employed an average of 176 (144) people. Space operations employed 97 (85) people and the service business 79 (59) people. At the end of the period under review, the Group's personnel totaled 178 (150). The increase in the number of personnel is mainly due to strengthening the central corporate functions and services.

## Environment

The key objectives of the company's environmental strategy for 2011–2015 include reducing comparable energy consumption by 10%, water consumption by 8% and carbon dioxide emissions by 20% compared to 2010. As part of this, the company has adopted quarterly reporting of allocated consumption. The initial quarterly comparison includes the Finnish units, and comparison is made to the previous year. Technopolis publishes an extensive environmental report once a year.

	1-3/2012	1-3/2011	% change
Energy consumption, kWh/gross m <sup>2</sup>	77.3	71.8	7.7
Water consumption, m <sup>3</sup> /person	1.6	1.3	23.1
Carbon dioxide emissions, CO <sub>2</sub> e kg/gross m <sup>2</sup>	10.8	21.2	-49.1

Reasons for the increase in energy consumption allocated for gross floor area included growth project-related construction operations on existing campuses, which temporarily increase unallocated energy consumption. In addition, the shift of the company's customer base towards the health care and educational sector has increased the operational opening hours of the properties, the number of people working there and changed the nature of operations taking place in the properties, which has contributed to the increase in water and energy consumption. The significant decrease in carbon dioxide emissions is primarily due to the Finnish campuses adopting so-called "green electricity" as of January 1, 2012.

## Group Structure

Technopolis Group comprises the parent company Technopolis Plc, which has operations in Espoo, Helsinki, Jyväskylä, Kuopio, Lappeenranta, Oulu, Tampere, and Vantaa, and as the largest subsidiaries the mutual real estate company Innopoli II in Espoo (wholly owned), mutual real estate company Finnmedi 6-7 (wholly owned), and mutual real estate company Hermia (65.0 %) in Tampere, as well as mutual real estate companies Microkatu 1 (91.37%), Viestikatu 7 (wholly owned) and Viestikatu 1-3 (wholly owned) in Kuopio. In addition, the parent company has five other subsidiaries in Finland. A mutual real estate company called Innopoli 3 was established during the period.

Technopolis has established two Russian companies in St. Petersburg, Technopolis Neudorf LLC and Technopolis St. Petersburg LLC, both wholly owned. In Estonia, Technopolis has Technopolis Baltic Holding OÜ (wholly owned), which manages the holdings in Technopolis Ülemiste AS (51%).

The parent company has non-controlling interests in the associated companies Kiinteistö Oy Bioteknia (28.5%), Iin Micropolis Oy (25.7%), Jyväskylä Innovation Ltd (24%), and Kuopio Innovation Ltd (24%). In addition, the parent company has a 35% holding in Otaniemi Development Ltd and a 50% holding in Rehaparkki Oy.

## Annual General Meeting 2012

The Annual General Meeting of Shareholders (AGM) of Technopolis Plc was held in Espoo on March 27, 2012.

### *Resolutions of the Annual General Meeting*

The AGM 2012 adopted the Group and parent company's financial statements for the financial year 2011 and discharged the company's Board of Directors and CEO from liability. The AGM decided, in accordance with the proposal of the Board of Directors, to distribute a dividend of EUR 0.20 per share. The dividend was paid to shareholders who were registered in the company shareholders register kept by Euroclear Finland Ltd on the record date of March 30, 2012. The dividend payment date was April 11, 2012.

### Board of Directors and remuneration of the members of the Board of Directors

The number of members on the Board of Directors was confirmed at six. Carl-Johan Granvik, Matti Pennanen, Teija Andersen, Pertti Huuskonen, Pekka Korhonen, and Timo Ritakallio were elected members of the Board for a term of office expiring at the end of the next Annual General Meeting. Carl-Johan Granvik was elected Chairman of the Board of Directors and Matti Pennanen was elected Vice Chairman.

It was resolved to pay the members of the Board of Directors annual remuneration as follows: EUR 50,000 to the Chairman of the Board, EUR 30,000 to the Vice Chairman of the Board and EUR 25,000 to each of the other members of the Board. In addition, it was decided that for participation in meetings of the Board of Directors each member of the Board of Directors shall, in addition to the annual remuneration, be paid a fee of EUR 600 and the Chairman of the Board of Directors a fee of EUR 1,200 for each Board meeting and the chairmen of the committees a fee of EUR 800 and each member of the committees a fee of EUR 600 for each meeting of the committees, and that the travel expenses of the members of the Board of Directors and the members of the committees shall be compensated in accordance with the company's travel policy.

The AGM decided that the annual remuneration is paid on the condition that the Board member commits to using 50% of his or her annual remuneration to acquire Technopolis Plc shares on the market at the price determined in public trading. The shares are to be acquired within three weeks of the publication of the Interim Report for the period January 1 – March 31, 2012. If the remuneration cannot be paid as shares in the company, it will be paid fully in cash. Board members are not allowed to transfer the shares obtained as annual remuneration before their membership in the Board has ended.

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In the first organizational meeting of the Board of Directors following the AGM, the Board appointed an audit committee and a remuneration committee from among its number. The Audit Committee consists of Carl-Johan Granvik, chair, and Pertti Huuskonen and Pekka Korhonen. The remuneration committee consists of Timo Ritakallio, chair, and Teija Andersen and Matti Pennanen. The Board of Director's opinion is that all of the Board members, apart from Pertti Huuskonen, are independent of the company, and excluding Timo Ritakallio, of its major shareholders.

## Auditor

KPMG Oy Ab, authorized public accountants, was elected as auditor of the company, with Mr. Ari Eskelinen, APA, as the Auditor-in-Charge.

## Shareholders' Nominating Committee

The Annual General Meeting decided to form a shareholders' nominating committee to prepare proposals for the next Annual General Meeting on the composition and remuneration of the Board of Directors. The Nominating Committee is composed of three members representing the three largest shareholders, who may not be members of the Board of Directors of the company, and the Chairman of the Board of Directors as an expert member and secretary to the committee. The member appointed by the largest shareholder acts as Chairman of the Committee. The term of office of the Nominating Committee will continue until a new nomination committee is appointed, unless the general meeting resolves otherwise. The Nominating Committee prepares the above-mentioned proposals also for extraordinary general meetings, if needed. A person who could not, according to the applicable Finnish Corporate Governance Code, be appointed to a nominations committee of the Board of Directors, cannot be appointed to the nominating committee. The shareholders' nominating committee will also fulfill the requirements of independence in relation to the company as set out in the Code. Based on shareholding on October 1, 2011, members of the Nominating Committee are Risto Murto, Vice President of Varma Mutual Pension Insurance Company as the chairman, and Harri Sailas, President and CEO of Ilmarinen Mutual Pension Insurance Company and Timo Kenakkala, Deputy Mayor of City of Oulu. In addition, Carl-Johan Granvik, Chairman of the Board of Directors of Technopolis Plc, acts as the Nominating Committee's expert member and secretary.

## Board Authorizations

The AGM authorized the Board of Directors to decide on the repurchase and/or on the acceptance as pledge of the company's own shares as follows.

The amount of own shares to be repurchased and/or accepted as pledge shall not exceed 6,338,500 shares, which corresponds to approximately 10 per cent of all the shares in the company. Under the authorization, the company's own shares may only be purchased using unrestricted equity. The company's own shares may be purchased at a price set in public trading on the date of purchase or at a price otherwise determined on the market. The Board of Directors decides how own shares will be repurchased and/or accepted as pledge. Own shares can be repurchased using, inter alia, derivatives. The company's own shares can be repurchased otherwise than in proportion to the shareholdings of the shareholders (directed repurchase). The authorization is effective until the end of the next Annual General Meeting; however, no longer than until June 30, 2013.

The Annual General Meeting authorized the Board of Directors to decide on the issuance of shares and other special rights entitling to shares referred to in Chapter 10 Section 1 of the Limited Liability Companies Act as follows:

Pursuant to this authorization, the maximum number of shares to be issued will be 12,677,000, equaling approximately 20% of the company's shares. The Board of Directors decides on all the terms and conditions of the issuance of shares and of special rights entitling to shares. The issuance of shares and of special rights entitling to shares may be carried out in deviation from the shareholders' pre-emptive rights (directed issue). The Board of Director's may decide on the company's share-based incentive schemes. However, no more than 350,000 shares may be issued on the basis of the authorization for the purpose of implementing incentive schemes decided upon

# TECHNOPOLIS

by the General Meeting or the Board of Directors. The authorization is effective until the end of the next Annual General Meeting, however, no longer than until June 30, 2013, and it cancels the authorization given to the Board of Directors by the General Meeting on March 30, 2011 to decide on the issuance of shares as well as the issuance of other special rights entitling to shares.

## **Stock-Related Events and Disclosures of Changes in Holdings**

The number of the company's shares is 63,385,044 shares. The shares are in a single series, and each share entitles the holder to one vote at the Annual General Meeting. The company's share capital is EUR 96,913,626.29, and the subscription price of new shares is registered in the company's unrestricted equity reserve. If the authorization regarding the issuance of shares is exercised in full, the nominal dilution effect will be 20%.

On February 2, 2012, Varma Mutual Pension Insurance Company announced that its direct holding of Technopolis Plc's share capital and votes had increased above two twentieths (10%) as a result of a share transaction carried out on February 2, 2012. After the transaction, the proportion of Technopolis Plc's share capital and votes controlled directly by Varma Mutual Pension Insurance Company is 6,372,725 shares and 10.05%, respectively.

According to information received on March 13, 2012 from BNP Paribas Investment Partners, the proportion of Technopolis Plc's shares and votes held by its funds had decreased below one tenth (10%) on October 20, 2010 and below one twentieth (5%) on January 17, 2012. The proportion of Technopolis Plc's shares and votes directly and indirectly controlled on March 9, 2012 by BNP Paribas Investment Partners and its funds was 2,653,086 shares and 4.19%, respectively. Indirect holdings were 70,717 shares, which represents 0.001% of shares and votes.

## **Post-Fiscal Events**

On April 23, 2012 Technopolis announced the listing of Technopolis 2007C Stock Options on the Stock Exchange. The subscription period for 2007C stock options decided upon by the Annual General Meeting of Technopolis Plc on March 22, 2005 will commence in accordance with the option program's terms and conditions on May 1, 2012 and Technopolis has applied for entry of these stock options on the trading list of the NASDAQ OMX Helsinki exchange. The trading of 2007C stock options on the NASDAQ OMX Helsinki exchange will commence on May 2, 2012.

## **Future Outlook**

The Group's management estimates that net sales and EBITDA will grow 12%–15% in 2012 over the previous year.

The Group's financial performance depends on the development of the overall business environment, customer operations, as well as the yield requirements from the financial markets and properties.

Espoo, April 27, 2012

TECHNOPOLIS PLC

Board of Directors

Additional information:

Keith Silverang

CEO

tel. +358 40 566 7785

## APPENDICES:

A presentation of the Interim Report is available on the company's website at [www.technopolis.fi/for\\_investors/presentations](http://www.technopolis.fi/for_investors/presentations). The Interim Report is available in PDF format on the company's website at [www.technopolis.fi](http://www.technopolis.fi). To request a hardcopy of the document, please call +358 46 712 000 /Technopolis info.

Technopolis offers a service for receiving reports and releases at the company's website at [www.technopolis.fi/for\\_investors/presentations](http://www.technopolis.fi/for_investors/presentations). Individuals who sign up with the service will receive the company's bulletins electronically.

## Tables

The accounting policies applied in the Financial Report and the formulas for calculating key indicators are the same as in the 2011 annual report.

Technopolis Group employs derivative instruments (mainly rate swaps) for hedging risks relating to market rate fluctuations. As of May 1, 2011, the Group implements hedge accounting in accordance with IAS 39. Consequently, changes in the fair value of derivative instruments designated as effective hedges are recognized directly as comprehensive income in the consolidated financial statements. Changes in the fair value of ineffective hedges are recognized immediately in the income statement. Most of the Group's current interest rate swaps meet the criteria for hedge accounting.

The financial report has been prepared in accordance with the IFRS recognition and valuation principles; the IAS 34 requirements have also been complied with.

The figures are unaudited.

Technopolis Group:

### STATEMENT OF COMPREHENSIVE INCOME

Currency unit: EUR million

	1-3/ 2012	1-3/ 2011	1-12/ 2011
Net sales	25,43	22,21	92,83
Other operating income 1)	0,21	0,40	1,22
Other operating expenses	-13,41	-12,27	-46,52
Change in fair value of investment properties	1,20	6,13	26,28
Depreciation	-0,46	-0,43	-1,83
Operating profit/loss	12,97	16,05	71,99
Finance income and expenses	-1,45	-0,55	-11,98
Result before taxes	11,52	15,50	60,01
Current taxes	-2,68	-3,98	-11,22
Net result for the period	8,84	11,52	48,80
Other comprehensive income items			
Translation difference	1,37	0,33	0,06
Available-for-sale financial assets	0,03	0,02	0,05
Derivatives	-0,95	0,00	-4,39
Taxes related to other comprehensive income items	0,23	0,00	1,13
Other comprehensive income items after taxes for the period	0,68	0,34	-3,15
Comprehensive income for the period, total	9,52	11,86	45,64
Distribution of profit for the period:			
To parent company shareholders	8,51	11,17	46,70
To non-controlling shareholders	0,33	0,35	2,10
	8,84	11,52	48,80

Distribution of comprehensive income for the period:

To parent company shareholders	9,19	11,51	43,55
To non-controlling shareholders	0,33	0,35	2,10
	9,52	11,86	45,64

Earnings per share based on result of flowing to parent company shareholders:

Earnings/share, basic (EUR)	0,13	0,18	0,74
Earnings/share, adjusted for dilutive effect (EUR)	0,13	0,18	0,73

1) Other operating income consists of operating subsidies received for development services; an equal amount is recorded under operating expenses for development services.

## STATEMENT OF FINANCIAL POSITION, ASSETS

Currency unit: EUR million	03/31/2012	03/31/2012	12/31/2011
Non-current assets			
Intangible assets	4,22	4,01	6,72
Tangible assets	11,98	8,64	12,02
Completed investment properties	883,16	737,08	843,78
Investment properties under construction	49,61	67,75	61,70
Investments	12,65	13,06	12,21
Deferred tax assets	2,33	4,18	2,57
Non-current assets	963,95	834,72	938,99
Current assets	18,84	12,71	23,89
Assets, total	982,79	847,43	962,88

## STATEMENT OF FINANCIAL POSITION, SHAREHOLDERS' EQUITY AND LIABILITIES

Currency unit: EUR million	03/31/2012	03/31/2012	12/31/2011
Shareholders' equity			
Share capital	96,91	96,91	96,91
Premium fund	18,55	18,55	18,55
Other funds	80,41	84,23	81,10
Translation difference	1,02	0,33	-0,64
Other shareholders' equity	121,31	86,80	87,42
Retained earnings	8,51	11,17	46,70
Parent company's shareholders' interests	326,71	298,00	330,04
Non-controlling interests	14,24	10,60	13,13
Shareholders' equity, total	340,96	308,60	343,17
Liabilities			
Non-current liabilities			
Interest-bearing liabilities	485,36	404,00	468,84
Non-interest-bearing liabilities	0,81	1,15	1,04
Deferred tax liabilities	47,18	43,68	45,97
Non-current liabilities, total	533,36	448,83	515,85
Current liabilities			
Interest-bearing liabilities	69,74	62,14	78,87
Non-interest-bearing liabilities	38,73	27,86	24,99
Current liabilities, total	108,47	90,00	103,86
Liabilities, total	641,83	538,83	619,71
Shareholders' equity and liabilities, total	982,79	847,43	962,88



STATEMENT OF CASH FLOWS	1-3/ 2012	1-3/ 2011	1-12/ 2011
Currency unit: EUR million			
<b>Cash flows from operating activities</b>			
Net result for the period	8,84	11,52	48,80
Adjustments:			
Change in fair value of investment properties	-1,20	-6,13	-26,28
Depreciation	0,46	0,43	1,83
Share of profits of associates		-0,04	-0,03
Gains from disposals			0,03
Other adjustments for non-cash transactions	0,12	0,14	0,60
Financial income and expenses	1,45	0,58	12,01
Taxes	2,68	3,98	11,22
Increase / decrease in working capital	0,18	1,39	-0,90
Decrease in provisions	-0,13		
Interests received	0,03	0,06	0,18
Dividends received			0,01
Interests paid and fees	-3,47	-2,25	-10,24
Other financial items in operating activities	-0,63	-0,63	-2,40
Taxes paid	-1,15	-1,10	-4,35
<b>Net cash provided by operating activities</b>	<b>7,17</b>	<b>7,95</b>	<b>30,47</b>
<b>Cash flows from investing activities</b>			
Investments in other securities		-0,02	-0,01
Investments in investment properties	-19,87	-15,38	-98,13
Investments in tangible and intangible assets	-0,68	-0,15	-4,36
Granted loans			-0,08
Repayments of loan receivables	0,01	0,03	0,13
Proceeds from sale of investments			0,41
Proceeds from sale of tangible and intangible assets	0,00	0,04	0,16
Acquisition of subsidiaries	-0,18		
Acquisition of associates	-0,54		-0,72
Proceeds from sales of associates			0,87
<b>Net cash used in investing activities</b>	<b>-21,26</b>	<b>-15,48</b>	<b>-101,74</b>
<b>Cash flows from financing activities</b>			
Increase in long-term loans	36,99	15,81	113,32
Decrease in long-term loans	-25,04	-12,83	-36,83
Dividends paid			-10,77
Capital investment by the minority	0,78		0,78
Change in short-term loans	-5,01	4,99	12,87
<b>Net cash provided by financing activities</b>	<b>7,72</b>	<b>7,97</b>	<b>79,38</b>
Net increase/decrease in cash assets	-6,37	0,44	8,10
Effects of exchange rate fluctuations on cash held	0,19	-0,03	-0,08
Cash and cash equivalents at period-start	12,51	4,49	4,49
Cash and cash equivalents at period-end	6,33	4,90	12,51

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## STATEMENT OF CHANGES IN EQUITY

	Equity attributable to owners of the parent					Non-controlling shareholders	Shareholders' equity
	Share capital	Premium fund	Other funds	Translation difference	Retained earnings		
Equity January 1, 2011	96,91	18,55	84,22		97,67	10,25	307,60
Comprehensive income							
Net profit for the period					11,17	0,35	11,52
Other comprehensive income items							
Translation difference				0,33			0,33
Available-for-sale financial assets			0,01				0,01
Comprehensive income for the period			0,01	0,33	11,17	0,35	11,86
Related party transactions							
Dividend					-10,78		-10,78
Other changes					-0,09		-0,09
Related party transactions					-10,86	0,00	-10,86
Equity March 31, 2011	96,91	18,55	84,23	0,33	97,98	10,60	308,60
Equity January 1, 2012	96,91	18,55	81,10	-0,64	134,12	13,13	343,17
Comprehensive income							
Net profit for the period					8,51	0,33	8,84
Other comprehensive income items							
Translation difference				1,37			1,37
Derivatives			-0,71				-0,71
Available-for-sale financial assets			0,03				0,03
Comprehensive income for the period			-0,69	1,67	8,51	0,33	9,52
Related party transactions							
Dividend					-12,68		-12,68
Change in ownership interests in subsidiaries 2)					0,06		0,06
Other changes					0,10	0,78	0,88
Related party transactions					-12,52	0,78	-11,73
Equity March 31, 2012	96,91	18,55	80,41	0,73	130,11	14,24	340,96

2) Acquisition of non-controlling interests without change in control

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## Financial Information by Segment

Technopolis Group has three operating segments based on geographical units: Finland, Russia and Estonia. The segment division presented in this interim report is based on the Group's existing internal reporting procedures and the organization of the Group's operations. The Group's net sales or EBITDA do not include significant inter-segment items.

SEGMENT INFORMATION	1-3/ 2012	1-3/ 2011	1-12/ 2011
Currency unit: EUR million			
Net sales			
Finland	23,05	20,73	85,19
Russia	1,20	0,31	2,93
Estonia	1,18	1,16	4,67
Unallocated	0,01	0,01	0,04
Total	25,43	22,21	92,83
EBITDA			
Finland	11,35	10,09	44,82
Russia	0,32	-0,56	-0,23
Estonia	0,54	0,80	3,13
Unallocated	0,02	0,01	-0,18
Total	12,23	10,34	47,54
Assets			
Finland	853,92	732,39	840,19
Russia	70,36	52,24	62,52
Estonia	82,03	73,94	79,04
Eliminations	-23,52	-11,14	-18,87
Total	982,79	847,43	962,88

## Direct and Indirect Result

Technopolis presents its official financial statements by applying the IFRS standards. The statement of comprehensive income includes a number of items unrelated to the company's actual business operations. Therefore, the company presents its direct result, which better reflects its real result.

The direct result presents the company's financial result for the period excluding the change in the fair value of investment properties, the change in the fair value of financial instruments and any non-recurring items, such as gains and losses on disposals. As the company had interest rate and currency swaps in 2011 that did not satisfy the IFRS criteria for hedge accounting, the changes in the fair value of these financial instruments are recognized in the statement of comprehensive income. Additionally, the statement of comprehensive income showing the direct result presents the related taxes and deferred tax assets and liabilities.

Items excluded from the direct result and their tax effects are presented in the statement of income showing the indirect result. Earnings per share have been calculated both from the direct and indirect results in accordance with the instructions issued by the European Public Real Estate Association EPRA. The direct and indirect result and the earnings per share calculated from them are consistent with the company's financial result and earnings per share for the period.

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DIRECT RESULT	1-3/ 2012	1-3/ 2011	1-12/ 2011
Currency unit: EUR million			
Net sales	25,43	22,21	92,83
Other operating income 1)	0,19	0,39	1,12
Other operating expenses	-13,41	-12,27	-46,49
Depreciation	-0,46	-0,43	-1,83
Operating profit/loss	11,75	9,90	45,64
Finance income and expenses, total	-1,45	-2,41	-13,68

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Taxes for direct result items	10,31	7,50	31,95
Result before taxes	-2,45	-1,96	-5,23
Non-controlling interests	-0,33	-0,35	-2,10
Direct result for the period	7,52	5,18	24,62

## INDIRECT RESULT

Non-recurring items	0,01	0,01	0,07
Change in fair value of investment properties	1,20	6,13	26,28
Operating profit/loss	1,22	6,14	26,36
Change in fair value of financial instruments		1,86	1,71
Result before taxes	1,22	8,01	28,06
Taxes for indirect result items	-0,23	-2,01	-5,99
Indirect result for the period	0,99	5,99	22,08

Result for the period to the parent company shareholders, total	8,51	11,17	46,70
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## Earnings per share, diluted 3)

From direct result	0,12	0,08	0,39
From indirect result	0,02	0,09	0,35
From net result for the period	0,13	0,18	0,73

3) Earnings per share calculated according to EPRA's instructions.

CHANGE IN VALUE OF INVESTMENT PROPERTIES	1-3/ 2012	1-3/ 2011	1-12/ 2011
Change in fair value, Finland	-0,99	7,51	15,45
Change in fair value, Russia	0,60	-0,01	4,67
Change in fair value, Estonia	-0,05	0,00	2,45
Change in fair value	-0,44	7,50	22,57
Changes in acquisition costs of investment properties in financial year	-1,05	-0,28	-9,20
Changes in fair value of projects in progress	2,69	-1,09	12,93
Effect on profit of change in value of investment properties	1,20	6,13	26,30

KEY INDICATORS	1-3/ 2012	1-3/ 2011	1-12/ 2011
Change in net sales, %	14,5	14,6	14,4
Operating profit/loss/net sales, %	51,0	72,3	77,5
Interest coverage ratio	3,4	4,1	3,7
Equity ratio, %	34,9	36,6	35,8
Loan to value, %	62,3	57,6	60,0
Group company personnel during the period, average	176	144	158
Gross expenditure on assets, EUR million	27,9	14,7	150,0
Net rental revenue of investment properties, % 3)	7,3	7,7	7,8
Financial occupancy rate, %	94,3	94,5	95,1
Earnings/share			
basic, EUR	0,13	0,18	0,74

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diluted, EUR	0,13	0,18	0,73
Cash flows from operating activities/share, EUR	0,11	0,22	0,48
Equity/share, EUR	5,15	4,70	5,21
Average issue-adjusted number of shares			
Basic	63.385.044	63.385.044	63.385.044
Diluted	63.576.453	63.600.941	63.556.767

4) The figure does not include properties commissioned and acquired during the fiscal year.

## CONTINGENT LIABILITIES

Currency unit: EUR million	03/31/2012	03/31/2012	12/31/2011
Pledges and guarantees on own debt			
Mortgages of properties	525,54	428,60	472,49
Book value of pledged securities	204,71	184,60	208,24
Other guarantee liabilities	58,39	61,70	60,87
Collateral given on behalf of associates		0,50	0,00
Leasing liabilities, machinery and equipment	4,43	3,80	4,30
Project liabilities	0,18	0,30	0,18
Interest rate and currency swaps			
Nominal values	163,00	107,90	169,96
Fair values	-4,77	0,75	-3,87

Distribution:

NASDAQ OMX Helsinki

Main news media

[www.technopolis.fi](http://www.technopolis.fi)