

Mainor Ülemiste AS

Interim Report

January – March 2016



<http://mainorulemiste.ee/opiku/>

Highlights of Q1 2016

Öpik Building's rafter party held

On January 8th Öpik Building rafter party was held. Among other guests there was the Minister of Entrepreneurship Mrs Liisa Oviir and ex British MP and London mayor candidate Lembit Öpik. The Öpik building is named after Lembit's grandfather Ernst Julius Öpik - the world-known Estonian rooted astrophysicist.

Estonian Civil Aviation Administration moved to Ülemiste City

Estonian CAA office moved to Ülemiste City's Schmidt Building in the end of January. "New office location enables us to be closer to where our customers are," commented Director of ECAA Kristjan Telve.

New tramline to connect Ülemiste City with city centre

Merko Ehitus was selected as the main constructor of the new tramline that will connect Tallinn Airport and Ülemiste City with city centre. Construction work will begin in June 2016.

First OfficeHotel concept opened in Ülemiste City

In February Technopolis Ülemiste launched its' first short-term shared office space concept OfficeHotel in Schmidt building.

TEDx Lasnamäe

World famous TEDx local event was held on April 9th in Ülemiste City conference centre. Centred on creativity theme, TEDx attracted more than 300 participants.

Ülemiste City Key Figures as of 31.03.2016

| | |
|----------------|-----------------------|
| Rented space | 152 277 square meters |
| Occupancy rate | 98.5 % |

Financial Performance

1 Q 2016 – Net profit EUR 1,152 th

Net Sales and Net Profit

- Net Sales amounted to EUR 1,367 th in 1st quarter, increase of 11.1 % compared to 1st quarter of 2015
- Net Profit amounted to EUR 1,152 th, increase of 31.6% compared to 1st quarter of 2015

Expenses

- Operating expenses increased from EUR 876 thousand (Q4 2015) to EUR 899 thousand in 1st quarter of 2016
- Interest expense on loans and issued bonds amounted to EUR 279 th, increase of 32% compared to 4th quarter of 2015 (EUR 212 th)

Interest-bearing liabilities

- Mainor Ülemiste AS interest-bearing liabilities amounted to EUR 31,213 th. The Company's three largest creditors at the end of the period were Nordea Bank AB, LHV Pank AS and SEB Pank AS
- At the end of the reporting period, Mainor Ülemiste AS had EUR 21,500 th in untapped credit facilities

Statement of the Management Board

The financial and other additional information published in the Interim Report January – March 2016 is true and complete. Consolidated financial statements give a true and fair view of the actual financial position, results of operations and cash flows of the group.

Consolidated financial statements in the report for the period January – March 2016 are not audited.



Margus Nõlvak

Member of the Management Board

Tallinn, 28.04.2016

Consolidated Income Statement

(according to IFRS)

In thousands Euros

| Mainor Ülemiste AS | 1Q 2015 | 2Q 2015 | 3Q 2015 | 4Q 2015 | 1Q 2016 |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|
| Sales* | 1,230 | 1,244 | 1,252 | 1,356 | 1,367 |
| Cost of Sales | -398 | -385 | -362 | -447 | -466 |
| Administrative expenses | -332 | -402 | -345 | -416 | -421 |
| Depreciation | -4 | -5 | -8 | -13 | -12 |
| Income from associate companies | 495 | 687 | 705 | 826 | 881 |
| Other operating income | 0 | 2 | 1 | 5 | 0 |
| Other operating expenses | -15 | -1 | -2 | 2 | -4 |
| Operating profit | 976 | 1,140 | 1,241 | 1,313 | 1,345 |
| Other finance income | 81 | 86 | 83 | 219 | 86 |
| Interest paid and fees | -182 | -227 | -249 | -258 | -279 |
| Income tax | 0 | -10 | 0 | 0 | 0 |
| Net profit** | 875 | 989 | 1,075 | 1,274 | 1,152 |

* Counting method was changed

** Without change of valuation of Mainor Ülemiste AS's and associate companies' investments properties.

Consolidated Balance Sheet

(according to IFRS)

In thousands Euros

| Mainor Ülemiste AS | 31.03.2015 | 30.06.2015 | 30.09.2015 | 31.12.2015 | 31.03.2016 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| Tangible and intangible assets | 54 | 81 | 118 | 106 | 120 |
| Property | 59,212 | 61,452 | 63,498 | 67,130 | 70,812 |
| Other | 9,773 | 10,591 | 9,738 | 9,817 | 9,895 |
| Financial assets | 22,986 | 22,996 | 23,676 | 24,995 | 25,876 * |
| Receivables | 702 | 1,009 | 902 | 766 | 953 |
| Cash | 4,288 | 4,827 | 5,499 | 5,878 | 6,188 |
| Total assets | 97,015 | 100,956 | 103,431 | 108,692 | 113,844 |
| Owners' equity | | | | | |
| Share capital | 19,200 | 19,200 | 19,200 | 19,200 | 19,200 |
| Mandatory reserves | 1,920 | 1,920 | 1,920 | 1,920 | 1,920 |
| Retained earnings | 53,645 | 54,634 | 54,969 | 57,509 | 58,661 |
| Total equity | 74,765 | 75,754 | 76,089 | 78,629 | 79,781 |
| Liabilities | | | | | |
| Debt | 20,285 | 22,511 | 24,606 | 27,659 | 31,213 |
| Other liabilities | 392 | 389 | 414 | 497 | 682 |
| Accounts payable | 1,573 | 2,301 | 2,321 | 1,907 | 2,168 |
| Total liabilities | 22,250 | 25,201 | 27,341 | 30,063 | 34,063 |
| Total Liabilities and Owner's Equity | 97,015 | 100,955 | 103,430 | 108,692 | 113,844 |

* Without change of valuation of Mainor Ülemiste AS's and associate companies' investments properties.

Consolidated Cash Flow Statement

In thousands Euros

| Mainor Ülemiste AS | 2Q 2015 | 3Q 2015 | 4Q 2015 | 1Q 2016 |
|--|---------------|---------------|---------------|---------------|
| Operating activities | | | | |
| Net result for the period | 989 | 1,075 | 1,274 | 1,152 |
| Adjustment: | | | | |
| Depreciation | 5 | 8 | 8 | 12 |
| Income from associate companies | -687 | -705 | -826 | -881 |
| Financial income and expenses | 141 | 166 | 39 | 86 |
| Change in operating assets | 13 | -148 | -300 | -330 |
| Change in operating liabilities | 487 | 281 | 80 | 517 |
| Interest received | 2 | 4 | 1 | 9 |
| Dividends received | 176 | 176 | 350 | 0 |
| Interest paid and fees | -227 | -249 | -212 | -279 |
| Income tax | -10 | 0 | 0 | 0 |
| Net cash flow from operating activities | 889 | 608 | 414 | 286 |
| Investing activities | | | | |
| Investments in tangible and intangible assets | -17 | -59 | -1 | -15 |
| Proceeds from sale of tangible and intangible assets | 0 | 0 | 0 | 0 |
| Investments in investment properties | -2,146 | -1,929 | -3,052 | -3,506 |
| Loans granted | -8 | -39 | -39 | -10 |
| Repayment of loans granted | 0 | 0 | 0 | 0 |
| Acquisition of associates | 0 | -1 | 0 | 0 |
| Cash flows from investing activities | -2,171 | -2,028 | -3,092 | -3 531 |
| Financing activities | | | | |
| Bond issue | 825 | 461 | 2,865 | 538 |
| Increase in long-term loans | 1,823 | 1,837 | 400 | 3,226 |
| Decrease in long-term loans | -207 | -206 | -208 | -209 |
| Dividends paid | -620 | 0 | 0 | 0 |
| Cash flows from financing activities | 1,821 | 2,092 | 3,057 | 3,555 |
| Total cash flow | 539 | 672 | 379 | 310 |
| Cash and cash equivalents at period-start | 4,288 | 4,827 | 5,499 | 5,878 |
| Change in cash and cash equivalents | 539 | 672 | 379 | 310 |
| Cash and cash equivalents at period-end | 4,827 | 5,499 | 5,878 | 6,188 |

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