

# Mainor Ülemiste AS

Interim Report  
July – September 2017



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

## Main Events in the 3Q 2017

### **New parking space of 26,000 m<sup>2</sup> will be built in Ülemiste City**

The cornerstones for two new parking houses were placed on the 5<sup>th</sup> of July. At Sepise Street 10, the Dvigatel production building, which owner is Mainor Ülemsite AS, will be renovated and expanded into a five-storey parking house. The new Technopolis Ülemsite parking house will be in the immediate vicinity of the airport at Lõõtsa Street 11. Both buildings will be completed by the summer of 2018, which will add 900 more places, or nearly a third, to the existing 3,000 parking spaces.

### **The opening of Ülemiste tram line**

A tram route passing through Ülemsite City to Tallinn Airport was opened on August 30<sup>th</sup>. The tram runs through the 150-meter tunnel beneath the Suur-Sõjamäe Street, reaching the ground on Keevise Street, and ending with a U-turn at the airport. According to Tallinn's acting Mayor Taavi Aas, who spoke at the opening, the extension of the tram route to the airport is a facility that significantly changes the city's old logistics. In addition to a quick connection between the city center and the airport, it also gives new development perspectives to Ülemiste City.

### **The opening ceremony of the new international school on the 1<sup>st</sup> of September**

The Tallinn International School, belonging to the Mainor Group, started its operations in September to support of the vision of Ülemiste City and provide high quality education for the children of foreign professionals, who have come to work here. In the first year 20 children from more than 10 different nationalities began their studies. Teaching is in English and will be based on the Estonian and internationally recognized International Baccalaurate (IB) curriculum. The goal of the school is to cover the full cycle from the primary classes to the end of the upper secondary school, in order to ensure the possibility of obtaining international education for children of all ages, who have relocated to Estonia with their parents.

### **Conference Futurism 2017 in Ülemsite City with Hyperloop One and Boris Johnson**

The international conference Futurism 2017 was held in Ülemiste City, bringing together experts in the field of transport of the future and specialists from more than 9 countries: the United Kingdom, Latvia, Lithuania, Finland, Sweden, Norway, Denmark, Iceland, etc. The most exiting presentation was made by Alan James, the VP Worldwide Business Development at Hyperloop One, whose mission is to build a tunnel with a 6 minute transport link between Helsinki and Tallinn. The stop of the new train connection is planned directly at the gate of Ülemiste City. The main speaker of the conference was the UK Foreign Minister Boris Johnson, who praised Estonia's achievements on the field of technology.

### **Traditional rafters celebration on the new office building at Lõõtsa 12 on the 11<sup>th</sup> of September**

Technopolis Ülemiste's new 13-storey Liwentaal office building roofraising celebration was held on September 11<sup>th</sup> in Ülemiste City. This is the highest (45 meters) building that can be built right next to Tallinn airport, thus it has stunning view directly overlooking the planes and Ülemiste lake. Kadri Simson, Minister of Economic Affairs and Infrastructure also participated in the ceremony. The building will be completed in the first half of 2018.

### **Financing agreement with Nordea Bank signed on 13<sup>th</sup> of September for renovation of Ülemiste City's IT house**

Mainor Ülemiste, a developer of Ülemiste City, signed a financing agreement with Nordea Bank to renovate an old brick house in the Dvigatel complex, into a modern IT house in amount of 1.2 million euros. A nearly 860 m<sup>2</sup> building will be designed especially for IT companies; the premium office space has already been reserved by the anchor tenant. The Ülemiste City IT house will be located at Sepise 8 – right next to the newly renovated MyFitness Sports Club and on the opposite from Estonia's largest office building – the Õpik House.

### **Ülemiste City Key Figures as of 30.09.2017**

Rented space	165,075 square meters
Occupancy Rate	98.5%

## Financial Performance

3Q 2017 – Net profit EUR 1,469 thousand

### Net Sales and Net Profit

- Net sales amounted to EUR 1,904 th in the 3<sup>rd</sup> quarter, increase of 39.2% compared to the 3<sup>rd</sup> quarter of 2016
- Net profit amounted to EUR 1,469 th, increase of 26.4% compared to 3<sup>rd</sup> quarter of 2016

### Expenses

- Operating expenses decreased from EUR 1,057 th (2<sup>nd</sup> quarter 2017) to EUR 988 th in the 3<sup>rd</sup> quarter of 2017
- Interest expense on loans and issued bonds amounted to EUR 506 th, increase of 45.4% compared to the 3<sup>rd</sup> quarter in 2016 (EUR 348 th)

### Interest-bearing liabilities

- Mainor Ülemiste AS interest-bearing liabilities amounted to EUR 55,217 th. The Company's three largest creditors at the end of the period were Nordea Bank AB, LHV Pank AS and OP Corporate Bank Plc
- At the end of the reporting period, Mainor Ülemiste had EUR 20,820 th in untapped credit facilities

## Statement of the Management Board

The financial and other additional information published in the Interim Report July – September 2017 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 July – September 2017 are not audited.



Margus Nõlvak  
Member of the Management Board  
Tallinn, 31.10.2017

# Consolidated Income Statement

(according to IFRS)

*In thousands Euros*

	3Q 2016	4Q 2016	1Q 2017	2Q 2017	3Q 2017
<b>Sales</b>	<b>1 368</b>	<b>1 660</b>	<b>1 837</b>	<b>1 910</b>	<b>1 904</b>
Cost of Sales	-463	-647	-651	-572	-520
Administrative expenses	-402	-484	-432	-485	-452
Depreciation	-14	-14	-15	-14	-16
Income from associate companies*	891	930	950	966	953
Other operating income	0	0	15	0	1
Other operating expenses	-1	-1	-2	-2	-1
<b>Operating profit</b>	<b>1 379</b>	<b>1 444</b>	<b>1 702</b>	<b>1 803</b>	<b>1 869</b>
Other finance income	131	335	83	94	106
Interest paid and fees	-348	-431	-402	-481	-506
Income tax	0	0	0	-190	0
<b>Net profit*</b>	<b>1 162</b>	<b>1 348</b>	<b>1 383</b>	<b>1 226</b>	<b>1 469</b>

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

# Consolidated Balance Sheet

(according to IFRS)

*In thousands Euros*

<b>Mainor Ülemiste AS</b>	<b>30.09.2016</b>	<b>31.12.2016</b>	<b>31.03.2017</b>	<b>30.06.2017</b>	<b>30.09.2017</b>
Tangible and intangible assets	122	111	99	76	93
Property	78 438	84 810	88 656	91 539	95 748
Other	9 744	9 720	9 668	9 667	9 679
Financial assets	26 572	27 629	28 579	29 545	30 498
Receivables	842	1 193	1 267	1 585	1 673
Cash	7 235	6 989	9 543	8 295	8 234
<b>Total assets</b>	<b>122 953</b>	<b>130 452</b>	<b>137 812</b>	<b>140 707</b>	<b>145 925</b>
<b>Owners' equity</b>					
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	59 895	63 135	64 526	64 905	66 374
<b>Total equity</b>	<b>81 015</b>	<b>84 255</b>	<b>85 646</b>	<b>86 025</b>	<b>87 494</b>
<b>Liabilities</b>					
Debt	39 815	42 693	49 390	51 789	55 217
Other liabilities	632	646	561	527	531
Accounts payable	1 491	2 858	2 215	2 366	2 683
<b>Total liabilities</b>	<b>41 938</b>	<b>46 197</b>	<b>52 166</b>	<b>54 682</b>	<b>58 431</b>
<b>TOTAL LIABILITIES &amp; OWNERS' EQUITY</b>	<b>122 953</b>	<b>130 452</b>	<b>137 812</b>	<b>140 707</b>	<b>145 925</b>

# Consolidated Cash Flow Statement

In thousands Euros

<b>Mainor Ülemiste AS</b>	<b>3Q 2016</b>	<b>4Q 2016</b>	<b>1Q 2017</b>	<b>2Q 2017</b>	<b>3Q 2017</b>
<b>Operating activities</b>					
Net result for the period	1 162	1 348	1 383	1 226	1 469
Adjustment:					
Depreciation	14	14	15	14	16
Income from associate companies	-891	-930	-950	-966	-953
Financial income and expenses	131	96	319	387	400
Change in operating assets	220	-145	120	-445	-51
Change in operating liabilities	-728	1 444	-942	295	484
Interest received	85	5	5	18	0
Dividends received	217	217	0	0	0
Interest paid and fees	-330	-431	-402	-481	-506
Income tax	0	0	0	0	-190
<b>Net cash flow from operating activities</b>	<b>-120</b>	<b>1 618</b>	<b>-452</b>	<b>48</b>	<b>669</b>
<b>Investing activities</b>					
Investments in tangible and intangible assets	-25	0	0	0	-33
Proceeds from sale of tangible and intangible assets	0	0	0	0	0
Investments in investment properties	-3 226	-4 613	-3 692	-2 898	-4 124
Loans granted	0	0	0	0	0
Repayment of loans granted	490	0	0	0	0
Acquisition of associates	0	0	0	0	0
<b>Cash flows from investing activities</b>	<b>-2 761</b>	<b>-4 613</b>	<b>-3 692</b>	<b>-2 898</b>	<b>-4 157</b>
<b>Financing activities</b>					
Bond issue	0	0	0	0	0
Increase in long-term loans	4 226	2 959	7 037	2 804	3 785
Decrease in long-term loans	-206	-210	-339	-362	-358
Dividends paid	0	0	0	-840	0
<b>Cash flows from financing activities</b>	<b>4 020</b>	<b>2 749</b>	<b>6 698</b>	<b>1 602</b>	<b>3 427</b>
<b>Total cash flow</b>	<b>1 139</b>	<b>-246</b>	<b>2 554</b>	<b>-1 248</b>	<b>-61</b>
<b>Cash and cash equivalents at period-start</b>	<b>6 096</b>	<b>7 235</b>	<b>6 989</b>	<b>9 543</b>	<b>8 295</b>
Change in cash and cash equivalents	1 139	-246	2 554	-1 248	-61
<b>Cash and cash equivalents at period-end</b>	<b>7 235</b>	<b>6 989</b>	<b>9 543</b>	<b>8 295</b>	<b>8 234</b>

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