

Mainor Ülemiste AS

Interim Report

October – December 2017



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

Main Events in the 4Q 2017

Mainor Ülemiste AS built a student hostel in Ülemiste City

On 20th of October a new student Hostel was opened in Ülemiste campus. Hostel can accommodate 80 people and was fully booked already before the opening. New student hostel will contribute to relieving the shortage of dorm-places in Tallinn and will give students the opportunity to rent affordable accommodation. Margus Nõlvak, Chairman of the Management Board of Mainor Ülemiste, who was the developer of the building, said that opening of a student-hostel is a significant event for Ülemiste City. "From today, the business district, which has followed the rhythm of 9 to 5, is now functioning around the clock," explained Nõlvak.

Traditional rafters celebration of Lõõtsa 11 parking house

On 12th of October the roofraising of 12,000 square meters parking house at Lõõtsa 11 was celebrated. There will be places for 430 cars in the parking house. The developer of the building is Technopolis Ülemiste AS. The completion date of the parking lot is scheduled for February 2018, just before the end of the construction of the office building at Lõõtsa 12.

Öpik II office building roofraising celebration

On 26th of October, the roofraising celebration of the second office tower of the Öpik House, which is emerging to be the largest office building in Estonia, took place. The building with a total area of 40,000 square meters will be finalized in the second half of 2018. The first office tower of the Öpik building was opened in fall 2016; the second tower has 13 floors similarly to the first tower next to it.

The developer of Öpik building is Mainor Ülemiste's subsidiary Öpiku Majad OÜ. Main contractor of the Öpik building is Merko Ehitus Eesti and financial partner is Nordea Bank AB. Architect of the building is Mattias Agabus. The office building will be built according to the requirements of the B-energy class and LEED Platinum Environmental Certificate.

Technopolis Ülemiste presented a fresh zoning

On 15th of November Technopolis Ülemiste presented a fresh zoning, according to which the company plans to build seven new office buildings with about 71,600 square meters of space between the Suur-Sõjamäe, Lõõtsa, Ääsi and Valukoja streets that will accommodate approximately 6,500 workplaces. In addition, a town square, park and two new parking houses will be created, which turns the center of the campus into a car-free zone in near future.

International House MOU signed

On 18th of December a Memorandum of Understanding was signed between Enterprise Estonia (EAS) and Mainor AS, according to which the parties will cooperate to create a service center for foreign specialists in the Ülemiste City. The international house project is developed under the leadership and participation of Mainor AS and in co-operation with EAS programme for the inclusion of foreign specialists - Work in Estonia (WiE). The international house is scheduled to open in the fall of 2018. The purpose of the house is to provide foreign specialists the necessary information and services in one place to enable smoother adaption in Estonia.

Ülemiste City Key Figures as of 31.12.2017

Rented space	163,369 square meters
Occupancy Rate	97%

Financial Performance

4Q 2017 – Net profit EUR 1,470 thousand

Net Sales and Net Profit

- Net sales amounted to EUR 2,122 th in the 4th quarter, increase of 27.2% compared to the 4th quarter of 2016
- Net profit amounted to EUR 1,470 th, increase of 9.1% compared to 4th quarter of 2016

Expenses

- Operating expenses increased from EUR 972 th (3rd quarter 2017) to EUR 1,119 th in the 4th quarter of 2017
- Interest expense on loans and issued bonds amounted to EUR 659 th, increase of 52.9% compared to the 4th quarter in 2016 (EUR 431 th)

Interest-bearing liabilities

- Mainor Ülemiste AS interest-bearing liabilities amounted to EUR 59,823 th. The Company's four largest creditors at the end of the period were Nordea Bank AB, LHV Pank AS and OP Corporate Bank Plc, Luminor Bank AS
- At the end of the reporting period, Mainor Ülemiste had EUR 18,900 th in untapped credit facilities

Statement of the Management Board

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



Margus Nõlvak
Member of the Management Board
Tallinn, 31.01.2018

Consolidated Income Statement

(according to IFRS)

In thousands Euros

Mainor Ülemiste AS	4Q 2016	1Q 2017	2Q 2017	3Q 2017	4Q 2017
Sales	1 660	1 837	1 910	1 904	2 122
Cost of Sales	-647	-651	-572	-520	-695
Administrative expenses	-484	-432	-485	-452	-424
Depreciation	-14	-15	-14	-16	-14
Income from associate companies*	930	950	966	953	981
Other operating income	0	15	0	1	10
Other operating expenses	-1	-2	-2	-1	-5
Operating profit	1 444	1 702	1 803	1 869	1 975
Other finance income	335	83	94	106	154
Interest paid and fees	-431	-402	-481	-506	-659
Income tax	0	0	-190	0	0
Net profit*	1 348	1 383	1 226	1 469	1 470

* 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	31.12.2016	31.03.2017	30.06.2017	30.09.2017	31.12.2017
Tangible and intangible assets	111	99	76	93	83
Property	84 810	88 656	91 539	95 748	100 642
Other	9 720	9 668	9 667	9 679	9 511
Financial assets*	27 629	28 579	29 545	30 498	31 479
Receivables	1 193	1 267	1 585	1 673	1 602
Cash	6 989	9 543	8 295	8 234	9 400
Total assets	130 452	137 812	140 707	145 925	152 717
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*	63 135	64 526	64 905	66 374	67 844
Total equity	84 255	85 646	86 025	87 494	88 964
Liabilities					
Debt	42 693	49 390	51 789	55 217	59 823
Other liabilities	646	561	527	531	604
Accounts payable	2 858	2 215	2 366	2 683	3 326
Total liabilities	46 197	52 166	54 682	58 431	63 753
TOTAL LIABILITIES & OWNERS' EQUITY	130 452	137 812	140 707	145 925	152 717

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

Consolidated Cash Flow Statement

In thousands Euros

Mainor Ülemiste AS	4Q 2016	1Q 2017	2Q 2017	3Q 2017	4Q 2017
Operating activities					
Net result for the period	1 348	1 383	1 226	1 469	1 470
Adjustment:					
Depreciation	14	15	14	16	14
Income from associate companies	-930	-950	-966	-953	-981
Financial income and expenses	96	319	387	400	505
Change in operating assets	-145	240	-371	-14	260
Change in operating liabilities	1 444	-909	295	514	858
Interest received	5	5	18	0	0
Dividends received	217	0	0	0	0
Interest paid and fees	-431	-402	-481	-506	-659
Income tax	0	0	0	-190	0
Net cash flow from operating activities	1 618	-299	122	736	1 467
Investing activities					
Investments in tangible and intangible assets	0	-1	-3	-32	0
Proceeds from sale of tangible and intangible assets	0	0	0	0	0
Investments in investment properties	-4 613	-3 844	-2 969	-4 162	-4 896
Loans granted	0	0	0	0	0
Repayment of loans granted	0	0	0	0	0
Acquisition of associates	0	0	0	0	0
Cash flows from investing activities	-4 613	-3 845	-2 972	-4 194	-4 896
Financing activities					
Bond issue	0	0	0	0	2 620
Increase in long-term loans	2 959	7 037	2 804	3 755	2 344
Decrease in long-term loans	-210	-339	-362	-358	-369
Dividends paid	0	0	-840	0	0
Cash flows from financing activities	2 749	6 698	1 602	3 397	4 595
Total cash flow	-246	2 554	-1 248	-61	1 166
Cash and cash equivalents at period-start	7 235	6 989	9 543	8 295	8 234
Change in cash and cash equivalents	-246	2 554	-1 248	-61	1 166
Cash and cash equivalents at period-end	6 989	9 543	8 295	8 234	9 400

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