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TECHNOPOLIS PLC INTERIM REPORT August 20, 2014 at 8:00 a.m.

Technopolis Group Interim Report January 1 – June 30, 2014

Financial Occupancy Rate and Direct Result Remained Strong

Key figures 1-6/2014 compared with 1-6/2013

- Net sales totaled EUR 80.0 (60.9) million, up 31.5%
- EBITDA rose to EUR 42.6 (30.2) million, up 41.3%
- Financial occupancy rate was 93.5% (92.7%)
- Earnings per share were EUR 0.08 (0.11), including changes in fair value and unrealized exchange rate losses
- Fair values down EUR 10.0 (6.5) million
- Unrealized exchange rate losses amounted to -2.4 (-4.1) million
- Direct result (EPRA) was EUR 25.0 (18.5) million, an increase of 35.5%
- Direct result per share (EPRA) was EUR 0.24 (0.22)
- Net asset value per share (EPRA) was EUR 4.86 (4.98)

The acquisitions completed in 2013 and investments in campus expansions fueled the growth in net sales, EBITDA and direct result. Technopolis reiterates its full 2014 financial outlook and expects a year-on-year increase of 27–32% in net sales and 35–40% in EBITDA.

Key Indicators	4-6/ 2014	4-6/ 2013	1-6/ 2014	1-6/ 2013	1-12/ 2013
Net sales, EUR million	40.4	31.2	80.0	60.9	126.3
EBITDA, EUR million	22.0	16.2	42.6	30.2	64.1
Operating profit, EUR million	9.7	5.7	30.4	22.4	43.9
Net result for the period, EUR million	2.1	-1.1	10.9	9.7	28.8
Earnings/share, EUR	0.01	-0.01	0.08	0.11	0.30
Cash flow from operations/share, EUR	0.16	0.14	0.32	0.26	0.53
Equity ratio, %			40.6	39.3	40.2
Equity/share, EUR			4.56	4.50	4.66

Earnings and balance sheet figures per share have been share-issue adjusted.

EPRA-based Key Indicators	4-6/ 2014	4-6/ 2013	1-6/ 2014	1-6/ 2013	1-12/ 2013
Direct result, EUR million	12.3	10.5	25.0	18.5	40.5
Direct result/share, diluted, EUR	0.12	0.12	0.24	0.22	0.47
Net asset value/share, EUR			4.86	4.98	4.90
Net rental yield, %			7.2	7.5	7.6
Financial occupancy rate, %			93.5	92.7	93.6

The EPRA-based (European Public Real Estate Association) direct result increased by 35.5% to EUR 25.0 (18.5) million. The EPRA-based direct result does not include unrealized exchange rate gains or losses or fair value changes. Growth came primarily from the increase in net sales and EBITDA.

Keith Silverang, CEO:

"The first half of 2014 was a good one for the company. Our net sales increased by 31.5% and EBITDA by 41.3%, and the company's financial position is strong. We have focused on integrating the acquisitions made in 2013, improving profitability, and developing operational efficiency. We are almost finished with the integration of the Vilnius and Espoo Innopoli 3 campuses. The initial take-over phase in Oslo is complete, but the service integration process will take a year or two.

The company's financial occupancy rate decreased by 0.5 percentage points from the first quarter to 93.5%.

Our view is that financial occupancy rate will remain strong in 2014, even though the sluggish performance of the Finnish economy will pose challenges in some cities. Demand and occupancy have been strong in Technopolis' international units. The impact of the Ukraine crisis on St. Petersburg operations has so far been minor. Russian business operations account for 6% of the company's balance sheet.

The shut-down of some electronics industry companies' operations in Oulu announced this summer will eventually have an impact on our operations, but the effects this year will be minor. The space leased by these companies totals 30,000 m², or approximately 4% of the total. Leases are expiring between 2015 and 2020.However, based on our track record I am confident we will be able to replace these customers, as we have done before. During the last five years, we have re-let 91,000 m² of space in Oulu, so this is nothing new for us.

Moving forward we will continue to focus on the basics: integrating acquired campuses, improving the profitability of operations, and enhancing both the efficiency of our operations and customer satisfaction."

Business Conditions and Business Segments

At the end of the reporting period, Technopolis had 740,900 m² of rentable space, divided between three business segments.

Finland

According to consensus information collected by the Federation of Finnish Financial Services (FK), Finland's GDP is forecast to increase by 0.2% in 2014, inflation is estimated to be 1.4%, and the unemployment rate is forecast to be 8.5%. The Ukraine crisis-related economic sanctions against Russia and import restrictions imposed by Russia will delay prospects for an economic upswing.

Finland	1-6/2014	1-6/2013	Change, %	1-12/2013
Number of campuses	17	17	-	17
Rentable space, m²	548,500	534,200	2.7	555,900
Average rent, €/m²/Mo	16.63	15.98	4.1	16.21
Financial occupancy rate, %	92.5	91.7	0.8 pp	92.9
Net rental income, EUR million	51.4	47.0	9.2	94.9
Net sales, EUR million	59.0	54.4	8.4	109.4
EBITDA, EUR million	31.1	27.4	13.5	56.1
Market yield requirement, average, %	7.9	7.9	0.0	7.9
Fair value of investment properties, EUR million	958.7	879.2	9.0	981.0

Technopolis operations and fair values in Finland increased over the corresponding period following the commissioning of new buildings in Jyväskylä and Kuopio, and the acquisition of properties in Oulu and Espoo. Meanwhile, the fair values of properties decreased in Oulu and Tampere in response to a decline in the forecasted long-term occupancy rates.

Baltic Rim

This segment includes Estonia, Russia and Lithuania. Estonia's GDP is expected to grow by 1.5% during the year while the inflation rate is estimated to be 1.6% and the unemployment rate 8.9%. Economic sanctions against Russia have clouded the outlook for the export sector and are holding back economic growth. Russia's GDP is expected to fall by 2.0 %, the inflation rate is estimated to be 7.4 % and the unemployment rate 5.5 %. The gradually harshening sanctions are eroding Russia's economic growth prospects. Lithuania's GDP is forecast to grow by 2.4%. The inflation rate is estimated to be 1.8%, and the unemployment rate 10.8%, with domestic consumption and investments driving the growth.

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Baltic Rim	1-6/2014	1-6/2013	Change, %	1-12/2013
Number of campuses	3	3	-	3
Rentable space, m²	129,100	99,500	29.7	119,500
Average rent, €/m²/Mo	15.04	14.61	2.9	15.04
Financial occupancy rate, %	96.9	98.4	-1.5 pp	99.1
Net rental income, EUR million	11.5	6.1	88.9	15.3
Net sales, EUR million	12.0	6.5	85.7	15.9
EBITDA, EUR million	6.3	2.8	128.6	7.6
Market yield requirement, average, %	9.0	9.4	-0.4 pp	9.0
Fair value of investment properties, EUR million	237.2	165.3	43.5	212.4

Technopolis recorded strong year-on-year growth in operations and in the fair values of properties. This growth resulted from both the acquisition of a 42,200 m² campus in Vilnius and investments in the expansion of the Tallinn and St. Petersburg campuses.

Scandinavia

Norway's GDP is forecast to grow by 1.9% in 2014 with the inflation rate at 2.0% and the unemployment rate at 3.6%. GDP growth is fueled by growing domestic demand.

Scandinavia	1-6/2014	1-6/2013	Change, %	1-12/2013*)
Number of campuses	1	-	-	1
Rentable space, m²	63,300	-	-	71,400
Average rent, €/m²/Mo	21.45	-	-	21.16
Financial occupancy rate, %	95.9	-	-	89.5
Net rental income, EUR million	8.8	-	-	1.0
Net sales, EUR million	9.1	-	-	1.0
EBITDA, EUR million	6.0	-	-	0.6
Market yield requirement, average, %	6.4	-	-	6.5
Fair value of investment properties, EUR million	217.4	-	-	217.0

*) December 11 – 31, 2013

As the acquisition of the IT Fornebu campus in Oslo was completed on December 11, 2013, no corresponding figures for the first three quarters of last year are available. In the first half, the rentable floor area shrank from year-end 2013 because of renovation works covering 5,800 m² of floor area and the expansion of public service areas in the campus.

Financial Performance

The Group's total net sales were up by 31.5% to EUR 80.0 (60.9) million. The Group's rental revenue amounted to EUR 71.6 (53.1) million; an increase of 34.9% compared to the corresponding period in 2013 which resulted primarily from an increase in rentable space. Service revenue grew by 8.4% to EUR 8.4 (7.8) million. The acquisition of new campuses contributed to the growth in the service business being slower than in rental revenue. Depending on the campus, service operations are expected to reach their net sales target within one to three years of acquisition.

Property maintenance expenses amounted to EUR 20.7 (16.1) million, showing an increase of 29.1%. In spite of the rapid revenue growth, the Group's administrative costs grew moderately, by 24.9% to EUR 6.6 (5.3) million. Other operating expenses decreased to EUR 10.3 (10.5) million.

In January–June, the Group's EBITDA rose 41.3% to EUR 42.6 (30.2) million. The EBITDA margin was 53.3% (49.5%).

Changes of EUR -10.0 (-6.5) million in the fair value of investment properties had a negative effect on financial performance. The Group's operating profit was EUR 30.4 (22.4) million.

The Group's net financial expenses were EUR 11.4 (10.0) million. Unrealized exchange rate losses of EUR -2.4 (-4.1) million were booked under financial items. The Group's pre-tax profit totaled EUR 19.0 (12.4) million. The pre-tax profit excluding fair value changes was EUR 28.9 (18.9) million. The net profit for the period was EUR 16.9 (10.6) million.

The EPRA-based direct result increased by 35.5% to EUR 25.0 (18.5) million. Earnings per share rose to EUR 0.24 (0.22). An increase in net sales and EBITDA contributed to the improvement in the EPRA-based figures. Financial expenses in the EPRA-based direct result were EUR 9.1 (5.8) million and taxes EUR 5.0 (3.8) million.

Customers and Lease Stock

Technopolis has a total of approximately 1,700 customers, and roughly 40,000 people work in Technopolis facilities. The twenty largest customers had leased approximately 28.8% of the company's rentable space by June 30, 2014.

Lease stock, % of space Maturity, years	June 30, 2014	March 31, 2014	Dec 31, 2013
< 1	14	17	22
1-3	24	21	22
3-5	9	12	13
> 5	24	22	26
Open-ended leases	28	28	17
Average lease term in months	40	37*)	35
Lease stock, EUR million	468,2	478,6	470,5

*) Revised in accordance with the reporting August 20,2014

The company has changed the reporting of its lease stock as of the beginning of 2014 by dividing the maturities on an annual level and reporting open-ended leases on a separate line.

Investments

The investment projects in progress during the reporting period, their rentable areas and estimated acquisition costs on June 30, 2014 are as follows:

Area	Name	Pre-let Rate, %	m²	EUR million	Stabilized Yield, % *)	Completion
Tallinn	Löötsa 8A***)	89.5	7,500	11.8**)	9.1	09/2014
St. Petersburg	Pulkovo 2***)	60.2	18,700	42.0	12.6	10/2014
Tallinn	Löötsa 5	8.6	9,200	17.0**)	8.8	09/2015
Vantaa	G Building	30.0	5,300	18.3	8.0	09/2015
Tampere	Yliopistorinne 3–4	28.9	11,900	39.0	7.2	03/2016

*) Stabilized yield = estimated net operating income / acquisition cost)
**) Technopolis' share 51%
***) Commissioning in phases

Financing

The Group's balance sheet total was EUR 1,534.1 (1,202.2) million, with liabilities accounting for EUR 914.2 (732.9) million. The Group's equity per share was EUR 4.56 (4.50). The Group's equity ratio was 40.6% (39.3%) and its loan-to-value ratio was 57.9% (57.8%). At the period-end, the Group's net gearing was 131.5% (136.8%) and the interest coverage ratio was 4.6 (5.5).

The Group's interest-bearing liabilities from financial institutions amounted to EUR 840.0 (658.8) million and the average capital-weighted loan maturity was 6.7 years (8.3 years) at the end of the period. The average interest rate on interest-bearing liabilities excluding the hybrid loan was 2.50% (2.07%), increasing mainly due to Norwegian crown-denominated liabilities in Norway and an increased interest rate hedging ratio.

At the end of the period, 48.2% (60.2%) of interest-bearing liabilities were floating-rate loans and 51.8% (39.8%) were fixed-rate loans with maturities of 13–60 months. Of all interest-bearing liabilities, 4.0 (3.9)% were pegged to the under-3-month Euribor rate and 44.2 (56.3)% to Euribor rates from 3 to 12 months. The Group's interest fixing period was 2.1 (2.0) years at the end of the period.

At the end of the reporting period, Technopolis had EUR 97.5 (131.6) million in untapped credit facilities, and cash reserves amounting to EUR 25.1 (16.7) million. The credit facilities contained a EUR 87.0 (106.5) million credit line and a EUR 10.5 (25.1) million revolving credit facility. In addition, the company has a EUR 150.0 (120.0) million commercial paper program, of which EUR 37.5 (50.0) million was issued at the end of the reporting period.

During the 12-month period following the reporting period, EUR 146.1 (130.5) million in existing interest-bearing loans will mature.

The company's five largest creditors at the end of the period were the European Investment Bank, Handelsbanken, Nordea, Skandinaviska Enskilda Banken, and Swedbank, whose total lending to Technopolis amounted to EUR 585.5 million.

Technopolis had interest-bearing liabilities with covenants worth EUR 642.6 (477.2) million, with loans totaling EUR 362.4 (361.0) million, including equity ratio-linked covenants. Of these loans, EUR 214.0 (203.4) million have a call provision. The call covenant is breached if the equity ratio falls below 30%. The principal of EUR 166.9 (157.8) million includes an interest margin revision term. If the equity ratio falls below 33%, the additional impact on the interest expenses of these loans with the interest margin revision term would be EUR 0.8 (0.5) million per annum.

A one percentage point change in market rates would cause a EUR 3.0 (2.8) million change in interest costs per annum. At the end of the reporting period, interest rate swaps covered EUR 411.6 (233.3) million of principal. The hedging ratio for interest-bearing liabilities was 49.0% (35.4%) and the average hedging period was 5.1 (5.6) years.

Organization and Personnel

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

The Group Management Team comprises Keith Silverang, Reijo Tauriainen, Juha Juntunen, Sami Juutinen, Kari Kokkonen, and Outi Raekivi. As of January 1, 2014, Sami Juutinen is responsible for all merger, acquisition, and divestiture-related activities throughout the Group as Chief Investment Officer (CIO) and Juha Juntunen for the business activities of all business units as Chief Operating Officer (COO). Kari Kokkonen has assumed responsibility for service operations in addition to real estate operations as of February 2014.

The Technopolis line organization consists of three geographical units: Finland, the Baltic Rim, and Scandinavia. The Group organization also has matrix support functions for the Group's real estate, services, sales, marketing, and support services.

During the period, the Group employed an average of 210 (184) people. The increase in personnel is attributable to acquisitions and organic growth. Rental operations employed 72 (64) people, the service business 90 (78) people and the Group's administration 48 (42) people. The number of personnel at the period end was 214 (183).

Environment and Responsibility

The main goals of Technopolis' environmental strategy are to reduce energy consumption by 10%, water consumption by 8%, and CO_2 emissions by 20%. In addition, the company aims to reduce landfill waste by

10% and achieve a waste utilization rate of at least 60%. Additional information on energy efficiency and other responsibility goals is available in our social responsibility report.

Consumption by units held by the Group for the whole year compared to the base year 2011:

	1-6/2014	1-6/2011	Change, %
Energy consumption, kWh/gross m²	119.4	123.9	-3.6
Water consumption, m3/person	2.2	2.7	-17.7
Carbon dioxide emissions, kg CO2e/gross m²	22.0	38.9	-43.5

Measures such as property energy reviews, investments, savings achieved through technical improvements, and target-setting designed to support energy efficiency have improved eco-efficiency and thereby reduced energy and water consumption in properties. Although the temperate winter supported energy savings, cool weather in the spring prolonged the heating season. The key factors behind reduced emissions was 100% green electricity use in all Finnish campuses, energy savings in campuses and the energy source replacements carried out at certain Finnish power plants. Technopolis achieved five new LEED certifications during the first quarter, one of which was the first international Technopolis site in St. Petersburg. Two new building projects seeking the LEED certification were launched in Finland in the second quarter, one in Vantaa and one in Tampere.

Evaluation of Operational Risks and Uncertainties

The most significant risks affecting Technolopolis' have to do with general economic development, translating into financing and customer risks 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 objective of the company's interest rate risk policy is also to diversify the interest rate risk of loan contracts over different loan periods based on the prevailing market situation.

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. In order to manage financing risks, Technopolis draws upon the resources of a wide range of financers, a variety of financing instruments, and maintains a sufficient degree of solvency.

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

The differences between legislation and administrative procedures in Finland and abroad may create risks.

Changes in exchange rates may affect the company's financial performance and operations. Foreign currency items are recorded at the exchange rate on the transaction date. Any translation differences are entered in the comprehensive income statement under other operating expenses or financial income and expenses, according to the type of transaction involved.

In accordance with its foreign exchange hedging policy, the company does not hedge balance sheet items. In addition to the euro, the company also has liabilities in other currencies associated with an exchange rate risk. The most important of these are the Russian ruble (RUB) and the Norwegian crown (NOK). Translation differences arising from investments denominated in the Russian ruble and Norwegian crown made in the Russian and Norwegian subsidiaries are recognized under shareholders' equity. In addition, unrealized financial income and expenses arising from the translation of the euro-denominated portion of the Russian subsidiary's borrowings are entered in the income statement. The direct effect of changes in exchange rates on the Group's operating profit and balance sheet as at June 30, 2014:

Foreign exchange % change against euro	Income statement effect, EUR million	Translation difference effect, EUR million	Total effect on the Group's equity, EUR million
RUB +10	5.2	5.0	10.2
RUB -10	-4.2	-4.1	-8.3
NOK +10	-	8.9	8.9
NOK -10	-	-7.3	-7.3

The objective of customer risk management is to minimize the negative impact of potential changes in customers' financial positions on the company's business and financial performance. Customer risk management focuses on having a solid understanding of the customer's business and active monitoring of customer information. Customer risks are diversified by acquiring customers from all sectors, including the public sector. As part of customer risk management, the leases signed by Technopolis include rental security arrangements.

Leases fall into two categories: fixed-term and open-ended. Both lease types are used as applicable, depending on the market situation, the property in question, and the sector in which the customer operates.

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 size of their premises 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, long-term experience and competence in this business model in different stages of the economic cycle.

In new construction projects, Technopolis focuses on quality and on the manageability of properties over their 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 acquiring any 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 values of investment properties. As the yields increase, the fair value of properties decreases, and, 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, the covenant terms of the loans may be met. In this case, the change in value may have an impact on the cash flow and earnings for the period.

Group Structure

Technopolis Group comprises the parent company Technopolis Plc, whose subsidiaries have operations in Finland, Norway, Estonia, Russia, and Lithuania. The parent company has several subsidiaries and associates in Finland.

General Meetings of Shareholders

Annual General Meeting 2014

The Annual General Meeting of Shareholders (AGM) of Technopolis was held in Espoo on March 26, 2014.

Resolutions of the Annual General Meeting

Financial Statements and Dividend

The AGM 2014 adopted the Group and parent company's financial statements for the fiscal year 2013 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 0.10 per share. The dividend was paid to shareholders who were registered by Euroclear Finland Ltd on the record date of March 31, 2014. The dividend payment date was April 8, 2014.

Board of Directors and their Remuneration

The number of members of the Board of Directors was confirmed at six. Sari Aitokallio, Carl-Johan Granvik, Jorma Haapamäki, Pekka Korhonen, Pekka Ojanpää, 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 Jorma Haapamäki 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 to Board members will be paid on the condition that the Board member commits to using 50% of their annual remuneration to acquire Technopolis Plc shares on the market at a 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, 2014. If the shares cannot be purchased during this period due to insider regulations, they will be acquired on the first occasion possible according to valid insider regulations. Board members are not allowed to transfer the shares obtained as annual remuneration before their membership of the Board has ended.

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 members. The Audit Committee comprises Carl-Johan Granvik (Chair), Sari Aitokallio, and Pekka Korhonen. The Remuneration Committee comprises Timo Ritakallio (Chair), Jorma Haapamäki, and Pekka Ojanpää. The Board of Directors' view is that all of the Board members are independent of the company and, with the exception of Timo Ritakallio, of its significant shareholders.

Auditor

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

Board Authorizations

The AGM authorized the Board of Directors to decide on the repurchase and/or on the acceptance as pledges of treasury shares as follows.

The amount of treasury shares to be repurchased and/or accepted as pledge shall not exceed 10,625,000 shares, which corresponds to approximately 10 per cent of all the shares in the company. Under the authorization, the treasury shares may only be purchased using unrestricted equity. Treasury 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 treasury shares will be repurchased and/or accepted as a pledge. Treasury shares can be repurchased using financial instruments such as derivatives, and in proportion other than the shareholdings of the shareholders (directed repurchase). The authorization will be valid until the end of the next Annual General Meeting; however, no later than June 30, 2015.

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:

The maximum number of shares to be issued pursuant to the authorization is 10,625,000, equaling approximately 10% of the company's shares. The Board of Directors shall decide 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). However, the authorization cannot be used for incentive schemes. The authorization will be valid until the end of the next Annual General Meeting; however, no later than June 30, 2015.

Stock-Related Events and Disclosures of Changes in Holdings

In January 2014, a total of 20,860 new Technopolis Plc shares were subscribed based upon 2007C stock options. The shares were entered into the Trade Register on February 19, 2014.

In March 2014, a total of 118,474 new Technopolis Plc shares were subscribed based upon 2007C stock options and entered into the Trade Register on March 20, 2014.

In April 2014, a total of 103,891 new Technopolis Plc shares were subscribed based upon 2007C stock options and entered into the Trade Register on May 15, 2014.

The share subscription period for the 2007C stock options ended on April 30, 2014, and the company has no other stock option plans in effect.

Unused Board Authorizations

The Board of Directors was authorized by the Annual General Meeting of 2014 to decide on the repurchase and/or on the acceptance as pledge of treasury shares, as well as on the issue of shares and special rights referred to in the Limited Liability Companies Act entitling holders to shares. The company's Board of Directors has not exercised the authorizations, and the company did not hold any treasury shares at the end of the reporting period.

Post-Fiscal Events

There have been no significant events after June 30, 2014.

Future Outlook

Technopolis expects to see an increase of 27–32% in net sales and 35–40% in EBITDA in 2014.

The Group's financial performance depends on the development of the overall business environment, customer operations, financial markets, and market yields in the property markets. Furthermore, any changes in the property portfolio may have an impact on the guidance.

Helsinki, August 19, 2014

Technopolis Plc

Board of Directors

Additional information:
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TECHNOPOLIS

Tables

The accounting policies applied in the Interim Report are the same as in the latest financial review. The formulas for calculating key indicators are available on the company website.

The Interim Report has been prepared in accordance with 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	4-6/ 2014	4-6/ 2013	1-6/ 2014	1-6/ 2013	1-12/ 2013
Rent income	35,9	27,1	71,6	53,1	111,1
Service income	4,4	4,0	8,4	7,8	15,2
Net sales total	40,4	31,2	80,0	60,9	126,3
Other operating income	0,1	0,3	0,2	1,1	2,0
Premises expenses	-9,8	-7,5	-20,7	-16,1	-32,8
Administration costs 1)	-3,5	-2,4	-6,6	-5,3	-11,1
Other operating expenses	-5,1	-5,3	-10,3	-10,5	-20,4
Change in fair value of investment properties	-10,9	-9,8	-10,0	-6,5	-17,6
Depreciation	-1,4	-0,6	-2,2	-1,3	-2,7
Operating profit/loss	9,7	5,7	30,4	22,4	43,9
Unrealized exchange rate profit/loss	0,8	-4,5	-2,4	-4,1	-5,7
Finance income and expenses	-4,0	-3,1	-9,1	-5,8	-15,5
Result before taxes	6,5	-1,8	19,0	12,4	22,6
Deferred taxes	0,3	2,7	0,2	0,8	13,8
Current taxes	-1,4	-1,6	-2,4	-2,7	-4,9
Net result for the period	5,4	-0,7	16,9	10,6	31,6
Distribution:					
To parent company shareholders	2,1	-1,1	10,9	9,7	28,8
To non-controlling shareholders	3,2	0,4	6,0	0,9	2,7
	5,4	-0,7	16,9	10,6	31,6
Earnings per share, basic, EUR	0,01	-0,01	0,08	0,11	0,30
Earnings per share, diluted, EUR	0,01	-0,01	0,08	0,11	0,30

STATEMENT OF COMPREHENSIVE INCOME					
Net result for the period	5,4	-0,7	16,9	10,6	31,6
Other comprehensive income items					
Translation difference	0,9	-1,7	-0,9	-1,4	-3,5
Available-for-sale financial assets	0,0	0,0	0,0	0,0	0,0
Derivatives	-4,0	2,4	-6,7	2,9	3,0
Taxes related to other comprehensive income items	1,1	-0,6	1,5	-0,7	-0,7
Other comprehensive income items after taxes for the period	-2,0	0,1	-6,1	0,8	-1,2
Comprehensive income for the period, total	3,4	-0,6	10,7	11,4	30,4
Distribution:					
To parent company shareholders	1,0	-1,0	5,1	10,5	27,6

To non-controlling shareholders	2,4	0,4	5,6	0,9	2,7
	3,4	-0,6	10,7	11,4	30,4

STATEMENT OF FINANCIAL POSITION, ASSETS Currency unit: EUR million	30.06.2014	30.06.2013	31.12.2013
Non-current assets			
Intangible assets	6,4	5,7	6,3
Tangible assets	33,6	18,1	18,6
Completed investment properties	1.413,3	1.044,6	1.410,4
Investment properties under construction	12,6	81,6	26,4
Investments	10,9	13,7	12,1
Deferred tax assets	15,7	5,1	15,8
Non-current assets	1.492,5	1.168,8	1.489,6
Current assets	41,5	33,5	70,8
Assets, total	1.534,1	1.202,2	1.560,4

STATEMENT OF FINANCIAL POSITION, SHAREHOLDERS' EQUITY AND LIABILITIES Currency unit: EUR million	30.06.2014	30.06.2013	31.12.2013
Shareholders' equity			
Share capital	96,9	96,9	96,9
Premium fund	18,6	18,6	18,6
Equity related bond	74,2	74,3	74,2
Other funds	207,2	112,9	211,8
Translation difference	-4,2	-1,1	-3,2
Retained earnings	156,0	141,4	142,2
Net profit for the period	10,9	9,7	28,8
Parent company's shareholders' interests	559,5	452,6	569,3
Non-controlling interests	60,4	16,8	55,0
Shareholders' equity, total	619,9	469,4	624,3
Liabilities			
Non-current liabilities			
Interest-bearing liabilities	694,0	528,3	716,3
Non-interest-bearing liabilities	0,5	2,0	0,5
Deferred tax liabilities	31,9	41,8	32,8
Non-current liabilities, total	726,4	572,1	749,6
Current liabilities			
Interest-bearing liabilities	146,1	130,5	145,6
Non-interest-bearing liabilities	41,7	30,3	40,9
Current liabilities, total	187,8	160,8	186,5
Liabilities, total	914,2	732,9	936,1
Shareholders' equity and liabilities, total	1.534,1	1.202,2	1.560,4

1) Administration costs includes group expenses from key resources and administration.

STATEMENT OF CASH FLOWS Currency unit: EUR million	1-6/ 2014	1-6/ 2013	1-12/ 2013
Cash flows from operating activities			
Net result for the period	16,9	10,6	31,6

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Adjustments:			
Change in fair value of investment properties	10,0	6,5	17,6
Depreciation	2,2	1,3	2,7
Share of profits of associates	0,0	0,0	0,1
Gains from disposals	0,1	0,0	0,0
Other adjustments for non-cash transactions	0,5	0,1	0,3
Financial income and expenses	11,5	9,9	21,2
Taxes	2,1	1,9	-8,9
Increase / decrease in working capital	1,3	-0,1	1,2
Interests received	0,3	0,1	0,2
Dividends received	0,0	0,0	0,0
Interests paid and fees	-7,9	-4,0	-8,4
Other financial items in operating activities	-1,7	-2,9	-10,2
Taxes paid	-1,2	-1,9	-2,0
Net cash provided by operating activities	34,0	21,6	45,2
Cash flows from investing activities			
Investments in investment properties	-18,2	-72,1	-114,4
Investments in tangible and intangible assets	-3,8	-0,8	-4,2
Investments in other securities			
Granted loans		-1,4	-1,6
Repayments of loan receivables	0,5		0,3
Proceeds from sale of investments	0,9		
Proceeds from sale of tangible and intangible assets	0,0	0,0	5,9
Acquisition of subsidiaries	-1,9	-22,7	-65,5
Proceeds from sale of associates			0,0
Acquisition of associates			
Net cash used in investing activities	-22,5	-97,0	-179,5
Cash flows from financing activities			
Issue of hybrid bond		75,0	75,0
Increase in long-term loans	51,3	51,3	285,0
Decrease in long-term loans	-54,6	-39,5	-291,2
Dividends paid	-10,9	-15,1	-15,5
Paid share issue	0,3	0,5	100,4
Capital investment by the minority			10,6
Hybrid bond interest paid	-5,6		
Acquisition of subsidiaries, no change in command	-0,4		
Change in short-term loans	-19,7	4,7	9,7
Net cash provided by financing activities	-39,5	76,8	174,1
Net increase/decrease in cash assets	-28,0	1,4	39,8
Effects of exchange rate fluctuations on cash held	-1,1	-0,3	-1,3
Cash and cash equivalents at period-start	54,1	15,7	15,7
Cash and cash equivalents at period-end	25,1	16,7	54,1

TECHNOPOLIS

STATEMENT OF CHANGES IN EQUITY

Currency unit: EUR million	Equity attributable to owners of the parent						
	Share capital	Premium fund	Other reserves	Translation differ-ences	Retained earnings	Share of non-controlling interests	Total shareholders' equity
Equity January 1, 2013	96,9	18,6	110,2	0,3	157,0	16,1	399,0
Comprehensive income							
Net profit for the period					9,7	0,9	10,6
Other comprehensive income items							
Translation difference				-1,4			-1,4
Derivatives			2,2				2,2
Available-for-sale financial assets			0,0				0,0
Comprehensive income for the period			2,2	-1,4	9,7	0,9	11,4
Related party transactions							
Dividend					-15,3	-0,2	-15,5
Equity related bond issue			74,3				74,3
Other changes			0,5		-0,3	0,0	0,2
Related party transactions			74,8		-15,6	-0,2	59,0
Equity June 30, 2013	96,9	18,6	187,1	-1,1	151,1	16,8	469,4
Equity January 1, 2014	96,9	18,6	286,0	-3,2	171,0	55,0	624,3
Comprehensive income							
Net profit for the period					10,9	6,0	16,9
Other comprehensive income items							
Translation difference				-1,0		0,1	-0,9
Derivatives			-4,7			-0,5	-5,2
Available-for-sale financial assets			0,0				0,0
Comprehensive income for the period			-4,8	-1,0	10,9	5,6	10,7
Related party transactions							
Dividend					-10,6	-0,5	-11,1
Interest paid to quity related bond					-4,3		-4,3
Other changes			0,2		-0,1	0,2	0,3
Related party transactions			0,2		-15,0	-0,3	-15,1
Equity June 30, 2014	96,9	18,6	281,4	-4,2	166,9	60,4	619,9

FINANCIAL INFORMATION BY SEGMENTS

Technopolis Group has three operating segments based on geographical units: Finland, Baltic Rim and Scandinavia. The Group's net sales or EBITDA do not include significant inter-segment items.

SEGMENT INFORMATION

Currency unit: EUR million	4-6/ 2014	4-6/ 2013	1-6/ 2014	1-6/ 2013	1-12/ 2013
Net sales					
Finland	29,7	27,6	58,9	54,4	109,4
Baltic Rim	6,1	3,5	12,0	6,5	15,9
Scandinavia	4,5	0,0	9,1	0,0	1,0
Total	40,4	31,2	80,0	60,9	126,3

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EBITDA					
Finland	16,1	14,3	31,1	27,4	56,1
Baltic Rim	3,4	1,7	6,3	2,8	7,6
Scandinavia	3,0	0,0	6,0	0,0	0,6
Unallocated	-0,4	0,2	-0,8	0,0	-0,1
Total	22,0	16,2	42,6	30,2	64,1
Assets					
Finland			1.055,4	964,5	1.147,9
Baltic Rim			281,9	301,4	282,7
Scandinavia			237,2		231,9
Eliminations			-40,3	-63,6	-102,1
Total			1.534,1	1.202,2	1.560,4

EPRA EARNINGS

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 net result for the period excluding the change in the fair value of investment properties, the change in the fair value of financial instruments, unrealized exchange rate gains and losses and any non-recurring items, such as gains and losses on disposals. Additionally, the statement of comprehensive income showing the direct result presents the related taxes, deferred tax assets and liabilities and share of non-controlling interests.

Items excluded from the direct result and their tax effects and share of non-controlling interests are presented in the statement of income showing the indirect result.

DIRECT RESULT Currency unit: EUR million	4-6/ 2014	4-6/ 2013	1-6/ 2014	1-6/ 2013	1-12/ 2013
Net sales	40,4	31,2	80,0	60,9	126,3
Other operating income	0,1	0,3	0,2	1,0	1,3
Other operating expenses	-18,3	-15,3	-37,4	-31,8	-64,0
Depreciation	-1,4	-0,6	-2,2	-1,3	-2,7
Operating profit/loss	20,8	15,5	40,6	28,8	61,0
Finance income and expenses, total	-4,0	-3,1	-9,1	-5,8	-15,0
Result before taxes	16,8	12,4	31,5	22,9	46,0
Taxes for direct result items	-4,1	-1,7	-5,0	-3,8	-4,0
Non-controlling interests	-0,4	-0,3	-1,5	-0,6	-1,5
Direct result for the period	12,3	10,5	25,0	18,5	40,5
INDIRECT RESULT					
Non-recurring items	-0,1	0,0	-0,2	0,1	0,4
Change in fair value of investment properties	-10,9	-9,8	-10,0	-6,5	-17,6
Operating profit/loss	-11,1	-9,8	-10,2	-6,4	-17,2
Change in fair value of financial instruments	0,8	-4,5	-2,4	-4,1	-6,2
Result before taxes	-10,3	-14,3	-12,5	-10,5	-23,4
Taxes for indirect result items	2,9	2,8	2,9	2,0	12,9
Non-controlling interests	-2,8	-0,1	-4,5	-0,2	-1,2
Indirect result for the period	-10,1	-11,6	-14,2	-8,8	-11,6
Result for the period to the parent company shareholders, total	2,1	-1,1	10,9	9,7	28,8
Earnings per share, diluted					

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From direct result	0,12	0,12	0,24	0,22	0,47
From indirect result	-0,10	-0,14	-0,13	-0,10	-0,14
From net result for the period	0,02	-0,01	0,10	0,12	0,34
Effect of the interest expenses from equity related bond	-0,01	0,00	-0,02	0,00	-0,04
From adjusted net result for the period	0,01	-0,01	0,08	0,11	0,30

KEY INDICATORS	1-6/ 2014	1-6/ 2013	1-12/ 2013
Change in net sales, %	31,5	16,8	17,7
Operating profit/loss/net sales, %	38,0	36,8	34,7
Interest coverage ratio	4,6	5,5	5,3
Equity ratio, %	40,6	39,3	40,2
Loan to value, %	57,9	57,8	59,5
Group company personnel during the period, average	210	184	187
Gross expenditure on assets, MEUR	26,5	128,9	466,7
Net rental yield of investment properties, % 2)	7,2	7,5	7,6
Financial occupancy rate, %	93,5	92,7	93,6
Earnings/share			
basic, EUR	0,08	0,11	0,30
diluted, EUR	0,08	0,11	0,30
Cash flows from operating activities/share, EUR	0,32	0,26	0,53
Equity/share, EUR	4,56	4,50	4,66
Average issue-adjusted number of shares			
basic	106.376.018	83.824.994	85.352.432
diluted	106.376.018	84.148.284	85.531.524
Issue-adjusted number of shares at the end of period	106.511.632	84.069.517	106.268.407

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

CHANGE IN VALUE OF INVESTMENT PROPERTIES	4-6/ 2014	4-6/ 2013	1-6/ 2014	1-6/ 2013	1-12/ 2013
Change in fair value, Finland	-20,2	-8,8	-22,3	-10,4	-5,7
Change in fair value, Baltia	-0,8	-1,3	3,1	0,7	3,6
Change in fair value, Scandinavia	2,6	0,0	1,5	0,0	1,6
Change in fair value	-18,3	-10,1	-17,8	-9,8	-0,5
Changes in acquisition costs of investment properties in financial year	2,7	-0,4	1,2	-0,5	-19,7
Changes in fair value of projects in progress	4,7	0,6	6,6	3,7	2,5
Effect on profit of change in value of investment properties	-10,9	-9,8	-10,0	-6,5	-17,6

CONTINGENT LIABILITIES Currency unit: EUR million	30.06.2014	30.06.2013	31.12.2013
Pledges and guarantees on own debt			
Mortgages of properties	1044,5	237,9	1051,0
Pledged securities and investment properties	783,1	711,6	782,5
Other guarantee liabilities	207,8	164,3	173,3
Leasing liabilities, machinery and equipment	4,1	3,0	3,9
Project liabilities	0,3	0,4	0,3

Interest rate and currency swaps			
Nominal values	420,6	233,4	400,4
Fair values	-13,0	-6,5	-6,7

BREAKDOWN OF FINANCIAL ASSETS AND LIABILITIES June 30, 2014

The following table provides a list of the groups of financial assets and liabilities used for valuation in accordance with IAS 39.

	Loans and other receivables	Available-for-sale financial assets	Financial liabilities measured at amortized purchase price	Financial assets/ liabilities measured at fair value	Total
Non-current financial assets					
Assets measured at fair value					
Available-for-sale investments					
Available-for-sale quoted financial assets (level 1)		1,1			1,1
Financial assets recognized at amortized cost					
Available-for-sale financial assets					
Available for sale non-quoted financial assets, measured at acquisition cost (level 3)		3,7			3,7
Other non-current receivables	0,2				0,2
Total	0,2	4,8			5,0
Current assets					
Trade and other receivables					
Sales receivables	3,0				3,0
Other current receivables	13,4				13,4
Cash and cash equivalents	25,1				25,1
Derivatives					
Interest rate swaps, meeting the criteria for hedge accounting				0,0	0,0
Financial liabilities recognized at amortized cost					
Non-current finance lease liabilities (level 2)			33,7		33,7
Non-current interest-bearing liabilities (level 2)			660,3		660,3
Non-current non-interest-bearing liabilities (level 2)			0,5		0,5
Other non-current liabilities			31,9		31,9
Total			726,4		726,4
Current liabilities					
Financial liabilities at fair value through profit or loss					
Derivatives (level 2)					
Interest rate swaps, not meeting the criteria for hedge accounting				13,1	13,1
Financial liabilities recognized at amortized cost					
Current finance lease liabilities			2,6		2,6
Other current interest-bearing liabilities			143,4		143,4
Trade and other payables			26,4		26,4
Conditional additional purchase price			1,9		1,9
Income tax liability			0,3		0,3
Total			174,7	13,1	187,8

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