

Mainor Ülemiste AS

Interim Report
January – March 2017



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

Main Events in the 1Q 2017

January began with the loan agreement for Öpik II construction

OÜ Öpiku Majad, the subsidiary of Ülemiste City's developer Mainor Ülemiste, signed 15.8 million euro financing agreement with Nordea bank, which enables to build Estonia's largest office building's second office tower and a new parking house.

On the 25th of January AS Merko Ehitus Eesti and OÜ Öpiku Majad, the subsidiary of Mainor Ülemiste, signed 15 million euro construction contract

Mainor Ülemiste chose Merko Ehitus Eesti as the main contractor for the construction of the 23,500-square meter office tower Öpik II. Construction contract is worth 15 million euros. According to the agreement Merko Ehitus Eesti will construct the second 13-storey office tower, which will be completed by the second half of 2018.

New restaurant Juur was opened at Ülemiste City on 14th of March

350 square meter top restaurant opened its doors in an old, fully renovated Dvigatel factory. The goal is to provide good meals and entertainment also after working hours to make Ülemiste City more accessible for our guests. It gives also the opportunity for 8,000 people who work on the campus to enjoy finer business lunches and stay in the district also after the end of the workday.

On the 21st of March, Mainor Ülemiste's subsidiary Öpiku Majad OÜ and OÜ Nordecon Betoon signed a contract to build a new 14,000 square meter parking house

The cost of the construction contract is EUR 3,995 million, plus VAT. The building will be completed by autumn 2018. The aim is to make the commute as easy as possible for our customers and visitors. The new parking house will provide space for 428 cars and it will improve the parking conditions in the whole Ülemiste campus. The location of the new parking house will be very convenient for people who wish to visit MyFitness Sports Club, newly opened gourmet restaurant or to walk from the campus to the airport.

29th of March – cornerstone to the Alexandre Liwentaal office building

Technopolis Ülemiste – co-developer of Ülemiste City and affiliated company of Mainor Ülemiste – and AS Nordecon laid the cornerstone of the Liwentaal house. The new 13-storey office building is located right next to the airport and will offer unique views to the airport and to Lake Ülemiste. Office building has a total area of 9,700 square meters and 9,100 square meters of office premises. The building will be completed in the second quarter of 2018.

Changes in the Supervisory Board of AS Mainor Ülemiste

On 06th of February 2017 the Board of Mainor Ülemiste chose Guido Pärnits to become the new Chairman of the Supervisory Board instead of Ülo Pärnits, who passed away in last December.

Ülemiste City Key Figures as of 31.03.2017

Rented space	161,550 square meters
Occupancy Rate	98%

Financial Performance

1Q 2017 – Net profit EUR 1,383 thousand

Net Sales and Net Profit

- Net sales amounted to EUR 1,837 th in the 1st quarter, increase of 34.4% compared to the 1st quarter of 2016
- Net profit amounted to EUR 1,383 th, increase of 20.1% compared to 1st quarter of 2016

Expenses

- Operating expenses decreased from EUR 1,131 th (4th quarter 2016) to EUR 1,083 th in the 1st quarter of 2017
- Interest expense on loans and issued bonds amounted to EUR 402 th, increase of 44.1% compared to the 1st quarter in 2016 (EUR 279 th)

Interest-bearing liabilities

- Mainor Ülemiste AS interest-bearing liabilities amounted to EUR 49,390 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 21,300 th in untapped credit facilities

Statement of the Management Board

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



Margus Nõlvak
Member of the Management Board
Tallinn, 28.04.2017

Consolidated Income Statement

(according to IFRS)

In thousands Euros

Mainor Ülemiste AS	1Q 2016	2Q 2016	3Q 2016	4Q 2016	1Q 2017
Sales	1 367	1 334	1 368	1 660	1 837
Cost of Sales	-466	-456	-463	-647	-651
Administrative expenses	-421	-430	-402	-484	-432
Depreciation	-12	-14	-14	-14	-15
Income from associate companies	881	674	891	930	950
Other operating income	0	1	0	0	15
Other operating expenses	-4	-3	-1	-1	-2
Operating profit	1 345	1 106	1 379	1 444	1 702
Other finance income	86	93	131	335	83
Interest paid and fees	-279	-334	-348	-431	-402
Income tax	0	0	0	0	0
Net profit*	1 152	865	1 162	1 348	1 383

* 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	31.03.2016	30.06.2016	30.09.2016	31.12.2016	31.03.2017
Tangible and intangible assets	120	121	122	111	99
Property	70 812	75 148	78 438	83 052	88 656
Other	9 895	10 240	9 744	9 791	9 668
Financial assets*	25 876	25 681	26 572	27 502	28 579
Receivables	953	1 428	842	1 107	1 267
Cash	6 188	6 096	7 235	6 989	9 543
Total assets	113 844	118 714	122 953	128 552	137 812
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*	58 661	58 733	59 895	61 261	64 526
Total equity	79 781	79 853	81 015	82 381	85 646
Liabilities					
Debt	31 213	35 798	39 815	42 693	49 390
Other liabilities	682	672	632	619	561
Accounts payable	2 168	2 391	1 491	2 859	2 215
Total liabilities	34 063	38 861	41 938	46 171	52 166
TOTAL LIABILITIES & OWNERS' EQUITY	113 844	118 714	122 953	128 552	137 812

Consolidated Cash Flow Statement

In thousands Euros

Mainor Ülemiste AS	1Q 2016	2Q 2016	3Q 2016	4Q 2016	1Q 2017
Operating activities					
Net result for the period	1 152	865	1 162	1 348	1 383
Adjustment:					
Depreciation	12	14	14	14	15
Income from associate companies	-881	-674	-891	-930	-950
Financial income and expenses	86	93	131	96	319
Change in operating assets	-210	-185	220	-145	120
Change in operating liabilities	517	223	-728	1 444	-942
Interest received	9	9	85	5	5
Dividends received	0	434	217	217	0
Interest paid and fees	-279	-319	-330	-431	-402
Income tax	0	0	0	0	0
Net cash flow from operating activities	406	460	-120	1 618	-452
Investing activities					
Investments in tangible and intangible assets	-15	-10	-25	0	0
Proceeds from sale of tangible and intangible assets	0	0	0	0	0
Investments in investment properties	-3 506	-4 336	-3 226	-4 613	-3 692
Loans granted	-10	0	0	0	0
Repayment of loans granted	0	0	490	0	0
Acquisition of associates	0	0	0	0	0
Cash flows from investing activities	-3 531	-4 346	-2 761	-4 613	-3 692
Financing activities					
Bond issue	538	311	0	0	0
Increase in long-term loans	3 226	4 479	4 226	2 959	7 037
Decrease in long-term loans	-209	-206	-206	-210	-339
Dividends paid	-120	-790	0	0	0
Cash flows from financing activities	3 435	3 794	4 020	2 749	6 698
Total cash flow	310	-92	1 139	-246	2 554
Cash and cash equivalents at period-start	5 878	6 188	6 096	7 235	6 989
Change in cash and cash equivalents	310	-92	1 139	-246	2 554
Cash and cash equivalents at period-end	6 188	6 096	7 235	6 989	9 543

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