

# Mainor Ülemiste AS

Interim Report

October – December 2016



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

## Main Events in the 4Q 2016

### **ABB Opened New Regional Business Service Center in Tallinn Ülemiste City Business Campus**

ABB's regional business service center operations started in newly built Öpik tower in October. ABB plans to establish six similar business service centers worldwide – in addition to Estonia the locations include Poland, India, China, the US and Mexico. With these new service centers, ABB will consolidate support services previously offered in 68 different countries. ABB has brought up Ülemiste City with well-established infrastructure and Estonia's suitable business environment as arguments for the choice of location.

### **Mainor Ülemiste's Affiliate Technopolis Ülemiste and Selver Signed Lease Contract In October**

Technopolis Ülemiste AS, the developer of Ülemiste City campus, and Selver AS signed an agreement according to which Selver will rent the 900 m<sup>2</sup> building at Sepapaja 2 for the next 13 years. The grocery store will be opened in the historic building from the Dvigatel factory era in spring-summer 2017.

Sepapaja Selver will be equipped with the newest sales environment solution, such as self-service checkouts and e-Selver collection point, which allow shoppers to form their baskets electronically and save time.

### **The Opening the First Tower of Estonia's Prospective Biggest Office Building's on November 3**

22,000-square meter 13-floor building houses already more than 30 operating companies, the new conference center and cafeteria Mamo. In addition, the office tower has an underground parking for cars and bicycles and a luxury lobby. The Öpiku tower, built according to *LEED Gold* certificate requirements, is currently the most energy-efficient building in Ülemiste City.

### **Technopolis Ülemiste AS and Nordecon AS Entered Into a Contract for Construction of an Office Building in November**

The new 13-floor office building at Lõõtsa 12 in the Ülemiste City will be named after Alexandre Liwentaal and will offer 9,000 m<sup>2</sup> of office premises. The cost of the construction contract exceeds 8 million euros plus value added tax.

### **Mainor Ülemiste Signed Financing Agreement for the Second Öpik Tower and the New Parking House**

OÜ Öpiku Majad, the subsidiary of Ülemiste City's developer Mainor Ülemiste, and Nordea Bank signed a 15.8 million euro financing agreement, which allows starting the construction of the second tower of Estonia's largest office building and a new parking garage for 450 cars.

### **Survey: The Companies in Ülemiste City Create Almost Third of Estonian IT-sector's Export**

According to the survey conducted by Estonian Entrepreneurship University Mainor, the companies headquartered in Ülemiste City business campus create about 21% of value added in Estonian ICT-sector and 29% of sector's exports. The survey also affirms that the salaries of employees in Ülemiste City are 1.5 times higher than the Estonian average and the total revenues of the companies exceed one billion euros.

### **Ülemiste City Key Figures as of 31.12.2016**

Rented space	161 450 square meters
Occupancy Rate	97%

## Financial Performance

4Q 2016 – Net profit EUR 1,366 thousand

### Net Sales and Net Profit

- Net sales amounted to EUR 2,012 th in the 4<sup>th</sup> quarter, increase of 48.4% compared to the 4<sup>th</sup> quarter of 2015
- Net profit amounted to EUR 1,366 th, increase of 7.3% compared to 4<sup>th</sup> quarter of 2015

### Expenses

- Operating expenses increased from EUR 879 th (3<sup>rd</sup> quarter 2016) to EUR 1,239 th in the 4<sup>th</sup> quarter of 2016
- Interest expense on loans and issued bonds amounted to EUR 457 th, increase of 31.3% 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 42,693 th. The Company's three largest creditors at the end of the period were Nordea Bank AB, LHV Pank AS, OP Corporate Bank, SEB Pank AS
- At the end of the reporting period, Mainor Ülemiste had EUR 25,575 th in untapped credit facilities

## Statement of the Management Board

The financial and other additional information published in the Interim Report October – December 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 October – December 2016 are not audited.



Margus Nõlvak  
Member of the Management Board  
Tallinn, 31.01.2017

# Consolidated Income Statement

(according to IFRS)

*In thousands Euros*

<b>Mainor Ülemiste AS</b>	<b>4Q 2015</b>	<b>1Q 2016</b>	<b>2Q 2016</b>	<b>3Q 2016</b>	<b>4Q 2016</b>
<b>Sales</b>	<b>1 356</b>	<b>1 367</b>	<b>1 334</b>	<b>1 368</b>	<b>2 012</b>
Cost of Sales	-447	-466	-456	-463	-704
Administrative expenses	-416	-421	-430	-402	-521
Depreciation	-13	-12	-14	-14	-14
Income from associate companies	826	881	674	891	930
Other operating income	5	0	1	0	0
Other operating expenses	2	-4	-3	-1	-1
<b>Operating profit</b>	<b>1 313</b>	<b>1 345</b>	<b>1 106</b>	<b>1 379</b>	<b>1 702</b>
Other finance income	219	86	93	131	121
Interest paid and fees	-258	-279	-334	-348	-457
Income tax	0	0	0	0	0
<b>Net profit*</b>	<b>1 274</b>	<b>1 152</b>	<b>865</b>	<b>1 162</b>	<b>1 366</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>31.12.2015</b>	<b>31.03.2016</b>	<b>30.06.2016</b>	<b>30.09.2016</b>	<b>31.12.2016</b>
Tangible and intangible assets	106	120	121	122	111
Property	67 130	70 812	75 148	78 438	83 052
Other	9 817	9 895	10 240	9 744	9 791
Financial assets*	24 995	25 876	25 681	26 572	27 502
Receivables	766	953	1 428	842	1 107
Cash	5 878	6 188	6 096	7 235	6 989
<b>Total assets</b>	<b>108 692</b>	<b>113 844</b>	<b>118 714</b>	<b>122 953</b>	<b>128 552</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*	57 509	58 661	58 733	59 895	61 261
<b>Total equity</b>	<b>78 629</b>	<b>79 781</b>	<b>79 853</b>	<b>81 015</b>	<b>82 381</b>
<b>Liabilities</b>					
Debt	27 659	31 213	35 798	39 815	42 693
Other liabilities	497	682	672	632	619
Accounts payable	1 907	2 168	2 391	1 491	2 859
<b>Total liabilities</b>	<b>30 063</b>	<b>34 063</b>	<b>38 861</b>	<b>41 938</b>	<b>46 171</b>
<b>TOTAL LIABILITIES &amp; OWNERS' EQUITY</b>	<b>108 692</b>	<b>113 844</b>	<b>118 714</b>	<b>122 953</b>	<b>128 552</b>

\* 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 2015	1Q 2016	2Q 2016	3Q 2016	4Q 2016
<b>Operating activities</b>					
Net result for the period	1 274	1 152	865	1 162	1 366
Adjustment:					
Depreciation	8	12	14	14	14
Income from associate companies	-826	-881	-674	-891	-930
Financial income and expenses	39	86	93	131	121
Change in operating assets	-300	-210	-185	220	-145
Change in operating liabilities	80	517	223	-728	1 368
Interest received	1	9	9	85	5
Dividends received	350	0	434	217	217
Interest paid and fees	-212	-279	-319	-330	-398
Income tax	0	0	0	0	0
<b>Net cash flow from operating activities</b>	<b>414</b>	<b>406</b>	<b>460</b>	<b>-120</b>	<b>1 618</b>
<b>Investing activities</b>					
Investments in tangible and intangible assets	-1	-15	-10	-25	0
Proceeds from sale of tangible and intangible assets	0	0	0	0	0
Investments in investment properties	-3 052	-3 506	-4 336	-3 226	-4 613
Loans granted	-39	-10	0	0	0
Repayment of loans granted	0	0	0	490	0
Acquisition of associates	0	0	0	0	0
<b>Cash flows from investing activities</b>	<b>-3 092</b>	<b>-3 531</b>	<b>-4 346</b>	<b>-2 761</b>	<b>-4 613</b>
<b>Financing activities</b>					
Bond issue	2 865	538	311	0	0
Increase in long-term loans	400	3 226	4 479	4 226	2 959
Decrease in long-term loans	-208	-209	-206	-206	-210
Dividends paid	0	-120	-790	0	0
<b>Cash flows from financing activities</b>	<b>3 057</b>	<b>3 435</b>	<b>3 794</b>	<b>4 020</b>	<b>2 749</b>
<b>Total cash flow</b>	<b>379</b>	<b>310</b>	<b>-92</b>	<b>1 139</b>	<b>-246</b>
<b>Cash and cash equivalents at period-start</b>	<b>5 499</b>	<b>5 878</b>	<b>6 188</b>	<b>6 096</b>	<b>7 235</b>
Change in cash and cash equivalents	379	310	-92	1 139	-246
<b>Cash and cash equivalents at period-end</b>	<b>5 878</b>	<b>6 188</b>	<b>6 096</b>	<b>7 235</b>	<b>6 989</b>

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