

# Strategy Review 2017–2020



Keith Silverang, CEO  
June 7, 2017

**TECHNOPOLIS**  
more than squares

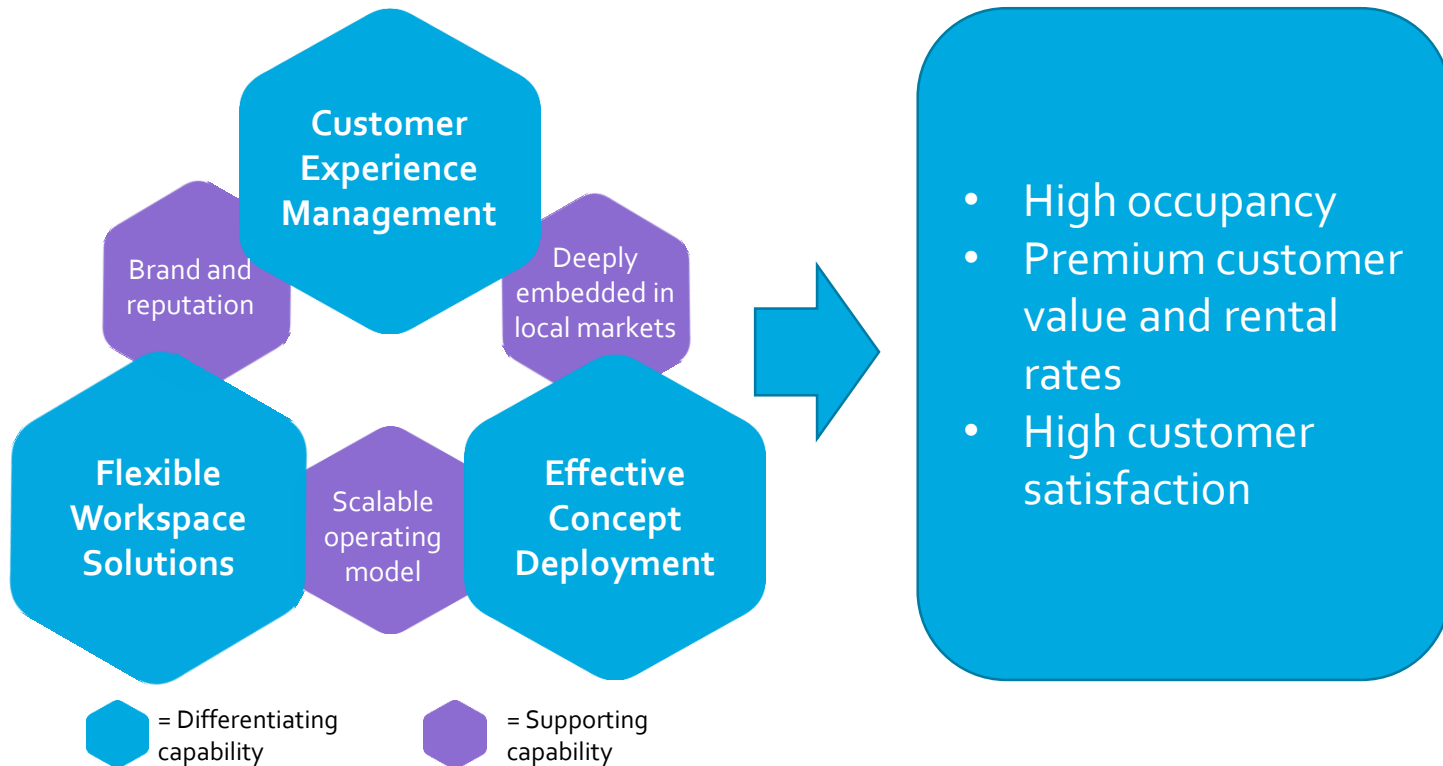
# The Primary Focus of the Revised Strategy Is Shareholder Value Creation

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- > Enhancement of the Technopolis service concept
- > Accelerated **organic expansion** of current campuses
- > Exploiting value-creating **acquisition opportunities** in the Nordic-Baltic region
- > Expansion & increasing profitability of our **service business**
- > Significant expansion of the **UMA co-working** network
- > Execution of the strategy and investments **without new equity issues**

# Enhancement of the Technopolis Concept

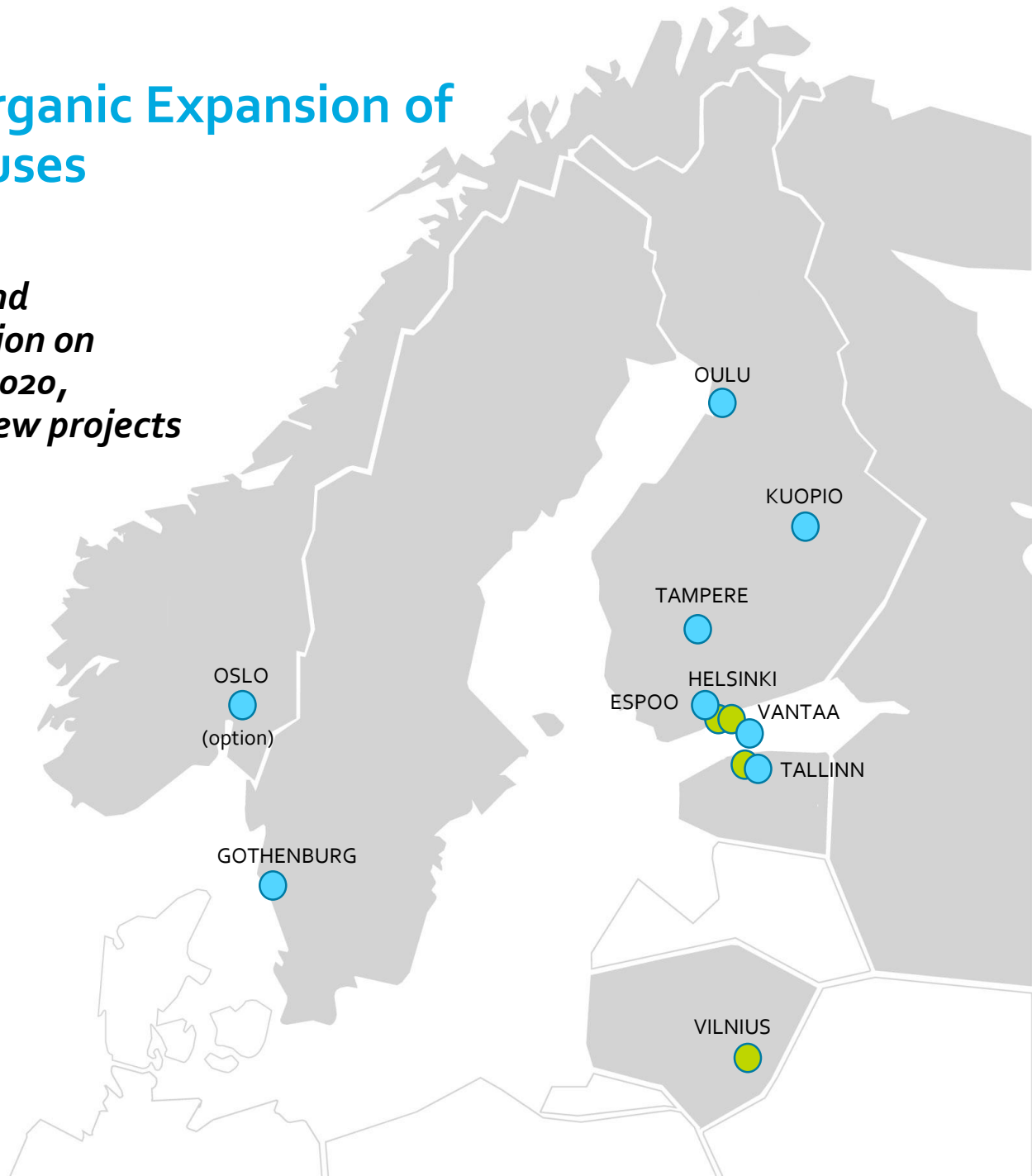
## Technopolis Core Competences



# Accelerated Organic Expansion of Current Campuses

- > *We expect to spend EUR 200–250 million on development by 2020, including 10–15 new projects*

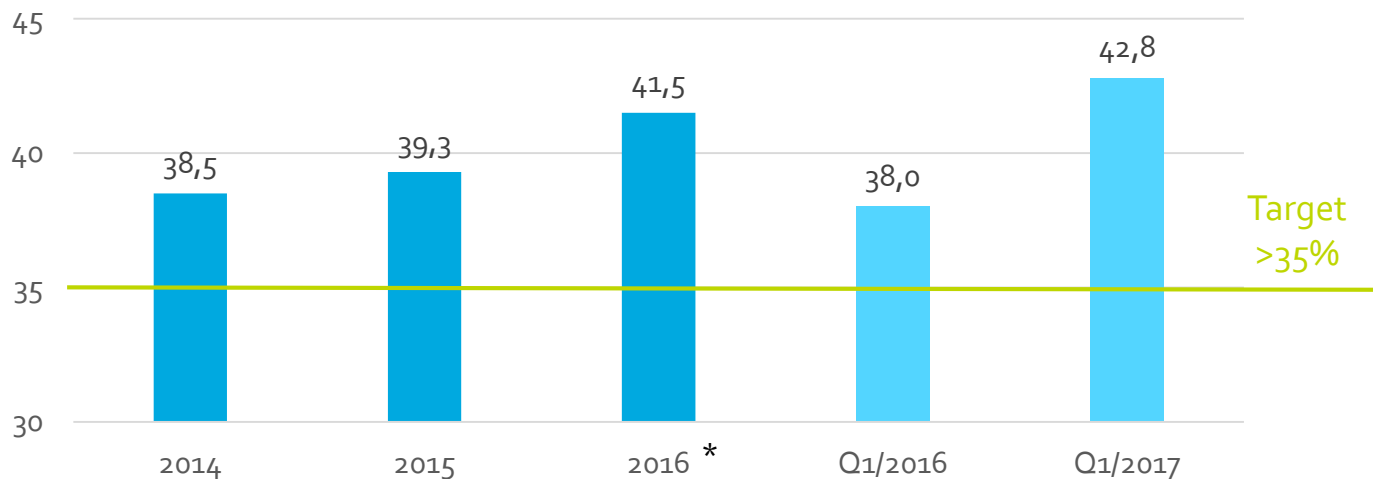
- = On-going expansion
- = Expansion in pipeline



# Value-Creating Acquisition Opportunities in the Nordic-Baltic Region

- > *We expect to spend EUR 100-200 million on acquisitions by 2020, but only if a compelling value creation opportunity presents itself*
- > New investment criteria framework set up for evaluating acquisition opportunities in different markets.

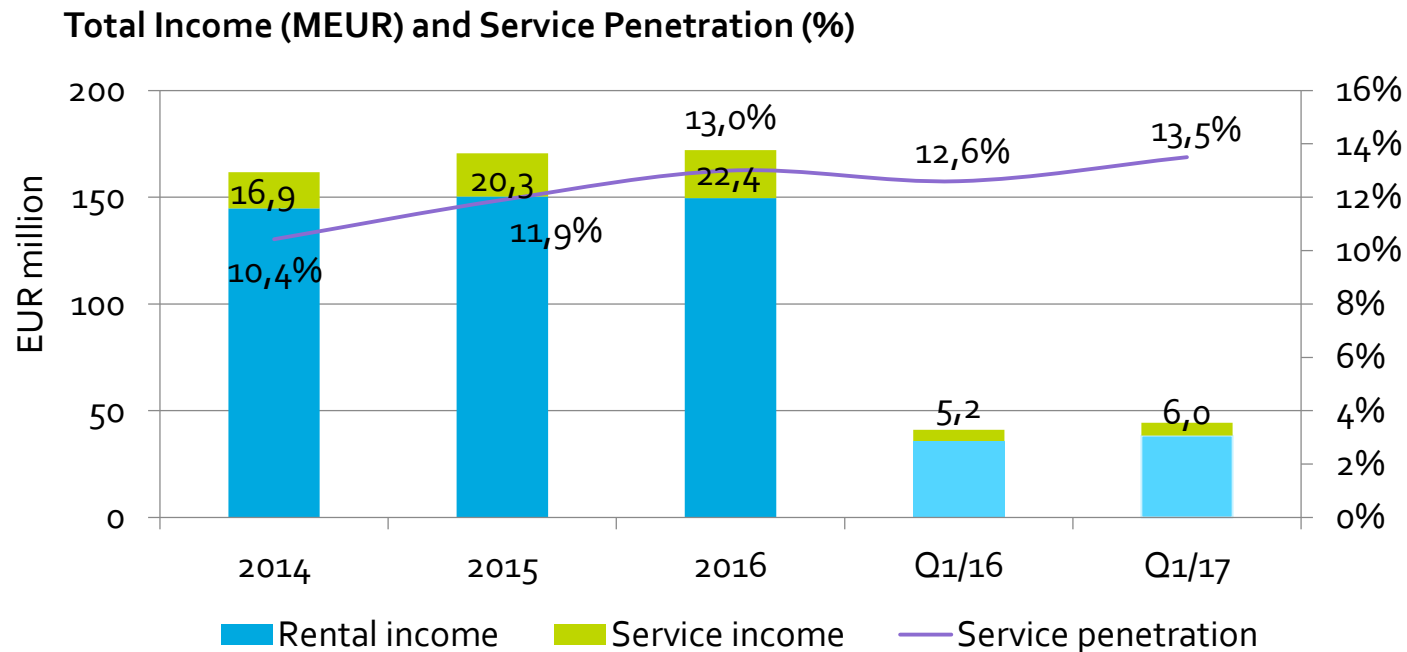
Equity Ratio, %



\* Share issue

# Expansion & Increasing Profitability of the Service Business

- > **Target is to:**
  - > **Increase services like-for-like share of net sales above 20% on all campuses**
  - > **Increase EBITDA-margin of services to 20%+ in 2020**





# Significant Expansion of the UMA Concept

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- > *EUR 30 million capex allocated over the next five years*
- > *Expansion in both current Technopolis cities and new ones*
- > *A dedicated team will be created for this activity*



# New Strategic Financial Targets Set

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**EPS Growth of 8-10% p.a.**  
(EPRA earnings basis)

**ROE > 8% p.a.**  
(EPRA basis)

**NAV per Share Growth >5% p.a.**  
(EPRA basis)

**Equity Ratio >35%**



# The Board's Perspective

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> New dividend policy:

Technopolis aims to pay out an increasing annual dividend of 40-60% of the EPRA-based direct result (EPRA earnings).

> Execution of the strategy and investments **without new equity issues**

> Management incentive schemes – both long-term and short-term – will be updated during the second half of 2017 to reflect the value creation targets



Drive

Service

Integrity

Technopolis

- A World-Class Workspace Provider