Technopolis Plc: Technopolis Group Financial Statements Release for 2010

Highlights of 2010 compared to 2009:

- Net sales rose to EUR 81.2 million (EUR 76.4 million)
- EBITDA rose to EUR 41.4 million (EUR 40.0 million)
- Operating profit rose to EUR 43.0 million (EUR 2.3 million) including a change of EUR 2.7 million (EUR - 37.1 million) in the fair value of investment properties
– Profit before taxes totaled EUR 33.6 million (EUR -9.4 million)
- The financial occupancy rate was 94.4% (94.4%)
- The Group's equity ratio was 37.4% (37.3%)
- Earnings per share (undiluted) were EUR 0.38 (EUR -0.13) and diluted EUR 0.38 (EUR -0.13)
- The Board of Directors proposes a dividend of EUR 0.17 per share (EUR 0.15 per share)

Keith Silverang, CEO:

In 2010, the business environment recovered which could be seen in the company's strengthening financial performance in the second half of the year. Our investments in customer service, efficiency and scalability generated profitable growth during the year and laid a good foundation for continued growth in 2011.

In the second half of the year, our occupancies rose 1.6 % and the to 94.4% (94.4%) at the end of the year. We sought profitable growth through both green field investments and acquisitions. During the year, approximately 60,000 square meters of office space was under construction in the Helsinki Metropolitan Area, Kuopio and Tampere in Finland. Technopolis Yliopistonrinne 1 in Tampere and Technopolis Viestikatu in Kuopio were completed.

Technopolis Pulkovo in St. Petersburg has opened and will be commissioned gradually. The occupancy rate at the year end was 65%.

The establishment of Technopolis Ülemiste in Tallinn was completed on October 7, 2010, and the operations have started smoothly. The financial occupancy rate in Estonia was 93.5% at the end of the review period, and the operations were profitable.

After the year end in January, the company launched the construction of Innova 2 in Jyväskylä, with an area of 9,200 m2 and total investment of EUR 19.8 million. Today, the Board of Directors approved the launch of phase 2 of Yliopistonrinne in downtown Tampere. The investment including a parking facility will be approximately EUR 22.5 million and the building will have approximately 7,900 m2 of office space.

In 2010, we completed essential internal development programs aimed at creating a platform which can be copied and pasted for the Group's international growth. We are actively seeking new targets for investment.

Business Environment in Finland, St. Petersburg and Tallinn

The Finnish economy was in recovery throughout 2010, with the exception of the first quarter of the year. Forecasts for the 2010 economic growth vary between 2.1% and 3.7%. By the end of October, exports had increased by 16% compared to the corresponding period in the previous year (Catella December 31, 2010). Sampo Bank estimates that total production in Finland has grown by 3.3% in 2010 and will grow 2.8% in the current year (Sampo Bank, Suhdanteet ja rahoitusmarkkinat Q4, December 14, 2010).

The upward turn in the economy has halted the decline in the office rental market, which can be seen in the launch of as many as fifteen new office building projects in the Helsinki Metropolitan Area, with 100,000 square meters of office space under construction (Catella December 31, 2010). The situation in domestic growth centers regarding leased office space varies by city. The most favorable outlook in the leasing market is in the office space market in Jyväskylä and the retail space market in Oulu (Pohjola, Kiinteistösijoitus January 13, 2011).

In 2010, the vacancy rate in the St. Petersburg office market declined to the level of approximately 19.7% (Jones Lang LaSalle, St. Petersburg City Profile 10/2010). Supply and demand are expected to balance gradually by the end of 2012. The rents of office buildings remained stable throughout 2010. The rents are not expected to increase significantly in 2011. (Jones Lang LaSalle, St. Petersburg, Office market, Q3/2010.)

The yield requirements of high-quality properties with high occupancy rates, located in good areas and with good transportation connections are expected to decline in the Pulkovo area from the current level of 12.0%–12.5% to 10.0%–10.5% by the beginning of 2012 (Jones Lang LaSalle Q4-2010).

The Estonian economy is a positive exception among the other Baltic countries, and after the country joined the euro, the interest of foreign investors in the Estonian market increased. According to the reliability indicator on the Tallinn real estate market, the situation has remained favorable but the expectations in the market vary. Nearly half of the companies in the industry believe that within the next three months they will be able to increase sales and, at the same time, only one in eight companies are forecasting a decline in demand. The average vacancy rate in terms of class A offices decreased and the rent level slightly increased in 2010. There is in particular demand for office space of under one hundred square meters (Colliers, December 2010).

Operations

The Technopolis Group has three operating segments based on geographic units: Finland, Russia and Estonia. The segmentation presented is based on the Group's existing internal reporting procedures and the organization of the Group's operations.

During the second half of the year, demand recovered in the areas in which Technopolis operates and the Group's financial occupancy rate increased to a favorable level of 94.4% at the end of 2010 (June 30, 2010 92.8%, September 30, 2010 93.7% and December 31, 2009 94.4%). The Group's financial occupancy rate on December 31, 2010 also includes the lease stock of the Estonian subsidiary for the first time.

The competitive situation in Finnish growth centers stabilized in the second half of 2010. The company's occupancy rates are still above the average in all domestic growth centers. In St. Petersburg, the occupancy rate of the Technopolis Pulkovo technology center has increased, and the first tenants have moved in.

The unit in Tallinn was launched on October 7, 2010, and its operations have started according to plan.

The Group's financial occupancy rates, December 31, 2010:

Financial Occupancy Rate,%	Q4-2010	Q4-2009
Group	94.4%	94.4%
Finland	94.5%	94.4%
Oulu	91.7%	93.5%
HMA	98.0%	95.7%
Jyväskylä	94.6%	91.0%
Kuopio	96.3%	96.6%
Lappeenranta	94.4%	93.4%
Tampere	96.1%	96.8%
Estonia	93.5%	-

The commissioning of Technopolis Pulkovo (St. Petersburg) will be carried out in phases during the first half of 2011, after which the property will begin to influence the Group's financial occupancy rate.

The Group's net sales for the period under review were EUR 81.2 million (EUR 76.4 million in 2009), showing an increase of 6.3%. Net sales include EUR 2.0 million of non-recurring items. Rental revenues accounted for 85.8% (84.9%) and service revenues for 14.2% (15.1%) of net sales excluding non-recurring items. Like-for-like rental growth (i.e., the rental revenue from comparable properties) declined 1.8%, primarily due to lower than average occupancy rates compared to the previous year. The development of rental revenue from comparable properties has been calculated by comparing the 2010 and 2009 rental revenue. To ensure comparability, the rental revenues from properties commissioned or acquired during 2010 are excluded.

The Group's EBITDA was EUR 41.4 million (EUR 40.0 million), an increase of 3.6%. The EBITDA includes EUR 2.0 million of non-recurring items. The relative decline in EBITDA was due primarily to the lower average occupancy rate relative to the previous year, as well as investments in international operations and internal development programs. The EBITDA margins for rental operations exceed 55% and for service operations 10%. Service operations are a key factor in maintaining higher occupancy than competitors' and tying customers to Technopolis . The service concept will also be deployed in Estonia.

The Group's operating profit totaled EUR 43.0 million (EUR 2.3 million). The increase in operating profit is due to the change in the fair market value of investment properties, which was EUR 2.7 million (EUR -37.1 million). The change in the fair market value of investment properties has no impact on the Group's net sales, EBITDA or cash flow.

The Group's net financial expenses totaled EUR 9.4 million (EUR 11.8 million). The Group has extended the interest rate fixing period of its loans with interest rate swaps. The Group's result before taxes totaled EUR 33.6 million (EUR -9.4 million).

The Group's direct result was EUR 20.9 million (EUR 21.7 million), a decrease of 3.3%. The direct result shows the company's result for the financial period, excluding changes in the fair market value of investment properties and financial instruments during the period, as well as any non-recurring items and tax effects related to these items. The proportionate weakening of the direct result is due primarily to the lower average financial occupancy rate compared to the previous year and to investments in international operations and internal development programs.

Total assets were EUR 827.6 million (EUR 706.1 million), an increase of 17.2%. The Group's equity ratio at the end of the period was 37.4% (37.3%).

The fair market value of the Group's investment properties at the end of the period was EUR 727.7 million (EUR 596.7 million) and the fair market value of investment properties under construction was EUR 54.1 million (EUR 51.1 million). The change in the fair market value of investment properties during the period under review had a EUR 2.7 million (in 2009, EUR -37.1 million) impact on earnings. The change in the fair market value includes an increase in values due to a slight decline in market yields. Uncertainties concerning the development of the Russian market have been taken into account in the fair market value of the property under construction in Russia.

Net market yields on investment properties and properties under construction are calculated by taking the average of the upper and lower ranges of net market yield, as reported by two independent appraisal agencies for each individual region. On December 31, 2010, the average net yield for Group properties was 7.99% (8.07 on December 31, 2009). The average ten-year occupancy rate used in the fair value calculation was 95.7%. The Group has set a higher target for the financial occupancy rate than this. Over the period of 2001–2010, the Group's average occupancy rate was 96.7%.

The Group's total rentable space was 527,800 square meters at the end of the period (453,600 square meters on December 31, 2009) and 66,300 square meters were under construction. The Group's financial occupancy rate at the end of the year was 94.4% (94.4%). The Group's average financial occupancy rate in 2010 was 93.7% and in 2009, 94.6%. The financial occupancy rate depicts rental revenues from the properties as a percentage of the aggregate of the rents for occupied premises and the estimated market rent for vacant space. The lease stock held by the Group totaled EUR 135.3 million (EUR 118.3 million) at the end of the reporting period.

Geographically, the Group's property portfolio is diversified between the Oulu region, the Helsinki Metropolitan Area, Jyväskylä, Kuopio, Lappeenranta, Tampere, St. Petersburg in Russia, and Tallinn in Estonia. No single customer accounts for more than 6.0% of the Group's net sales. The Group has a total of approximately 1,300 customers across a wide range of sectors.

Investment properties December 31, 2010:

	Fair market value EUR million	Net yield requirement,%	m2
Finland	658.4	8.00%	448,300
Oulu	236.4	8.40%	192,900

HMA	161.6	6.90%	74,700
Jyväskylä	70.4	8.30%	47,100
Kuopio	78.2	8.30%	53,900
Lappeenranta	29.4	8.90%	27,300
Tampere	82.4	7.50%	52,400
Russia, St. Petersburg (land plot)	7.1		
Estonia, Tallinn (share of ownership 51%)	62.2	8.80%	70,000
Group's investment properties total	727.7	8.00%	518,300
Investment properties under construction*	54.1	several	66,300
Other properties (holdings)			9,500

* Investment properties under construction have been valued at fair value and recognized based on their rate of completion in the balance sheet date.

Technopolis has been continuously analyzing potential international investment targets in Europe for future growth. The key criteria are the growth potential of the innovation environment, sufficient initial scale, achieving rapid positive cash flow from operations, potential for post-acquisition growth, as well as the suitability of the targeted properties and customer base for the Technopolis concept.

Major Investments and Development Projects

Projects completed during 2010:

	Area	m2	EUR million	Net yield	Completed
Yliopistonrinne Phase 1 (1)	Tampere	12,000	32.3	6.95	5/2010
Viestikatu Phase 2	Kuopio	5,850	8.9	8.30	10/2010

(1) 130 parking spaces in the building

Projects under construction on December 31, 2010:

	Area	m2	EUR million	Occupancy rate Dec 31, 2010	Net yield	Due for completion
Pulkovo Phase 1 (2)	St. Petersb.	24,100	52.3	65.0	11.75	Q2/2011
Finn-Medi campus (3)	Tampere	12,900	29.6	90.9	7.35	11/2011
Ruoholahti 2 (4)	Helsinki	9,900	27.7	14.4	6.65	5/2012
Hermia 15 B (5)	Tampere	4,850	10.8	54.0	7.40	1/2012
Helsinki-Vantaa Phase 5, Part 2	HMA	2,700	6.0	75.0	7.00	5/2011

(2) Including plot. Completion indicates commissioning.
(3) 43 parking spaces in the building
(4) and (5) including parking

Phase 1 of Technopolis Pulkovo in St. Petersburg was issued a commissioning permit by the St. Petersburg governmental building control agency in September. A commissioning permit makes it possible to sign final official leases with the customers. The property is not yet finished and has not been handed over by the contractor. Technopolis Pulkovo (St. Petersburg) will be gradually brought on line during the first half of 2011, after which the property will begin impacting the Group's financial occupancy rate. The occupancy of Phase 1 with pre-leases now stands at 65%. In terms of the development of the lease stock, Pulkovo has succeeded well among the class A office properties in St. Petersburg. By the end of the period under review, a total of EUR 47.9 million had been committed to the operations in St. Petersburg.

Technopolis is building a campus for well-being services and life sciences in the Finn-Medi area in Tampere. The location includes the Eye Center of the Pirkanmaa Hospital District, a Patient Hotel for Norlandia Care Oy and a multi-user office facility for other parties. Approximately 84% of the facilities have been leased to the Eye Center and the Patient Hotel with long-term leases. The occupancy rate of the campus under construction is 90.9%.

At the end of the reporting period, Technopolis had office space under construction also in Helsinki-Vantaa and Ruoholahti in the Helsinki Metropolitan Area and in Hermia in Tampere. The projects are expansions of existing innovation centers.

Technopolis will divest properties that do not suit innovation center operations, or are not part of the core business.

Planned projects:

	Status	Area	Gross sqm	Estimated launch
Pulkovo 2	Planning	St. Petersb.	22,400	2011-2012
Technopolis Ülemiste 1	Planning	Tallinn	7,500	2011
Viestikatu 2B	Planning	Kuopio	3,600	2011

Strategy

In accordance with its strategy, Technopolis aims to operate in the best knowledge-intensive cities in Finland, Russia, Estonia and two or three other countries by 2015. The Group aims to increase net sales by an annual average of 10%. The goal is that 25% of the net sales will be generated outside of Finland by 2015 With growth generated through both organic expansion and acquisitions. The Group's equity ratio target is a minimum of 35%.

Financing

Technopolis can finance all Board approved investments with existing credit facilities,. At the end of the reporting period Technopolis' available funds consisted of EUR 219.0 million in untapped credit facilities, and cash amounting to EUR 4.5 million. These contained a EUR 108.0 million of commercial paper program, a EUR 100.8 million credit line and a EUR 10.2 million revolving credit facility. Use of the available credit limit facilities requires collateral arrangements. At the end of the reporting period, the value of commercial paper issued by Technopolis totaled EUR 12.0 million.

Technopolis carried out a directed share issue for a limited number of Finnish and international institutional investors after the mid-May. All 5,700,000 shares offered were subscribed for in the issue. The subscription price was EUR 3.40 per share, and the issue raised capital totaling approximately EUR 19.4 million.

There were significant financial reasons for executing the issue as its aim was to strengthen the company's capital structure, finance investments according to the company's investment plan, and support the company's growth.

The Group's net financial expenses totaled EUR 9.4 million (EUR 11.8 million). The Group's interest coverage ratio was 4.9 (3.8). The interest coverage ratio indicates the relation between EBITDA and accrual-based interest expenses.

The Group's total assets were EUR 827.6 million (EUR 706.1 million), of which liabilities totaled EUR 520.0 million (EUR 444.2 million). The Group's equity ratio was 37.4% (37.3%). At the end of the period, the Group's net gearing was 147.4% (146.7%). The Group's equity per share was EUR 4.69 (EUR 4.57).

At the end of the period, the Group's interest-bearing liabilities amounted to EUR 457.9 million (EUR 388.7 million). The average interest rate on interest-bearing liabilities was 2.42% on December 31, 2010 (2.47%). Of interest-bearing liabilities, 67.5% (75.4%) were floating rate loans and 32.5% (24.6%) were fixed rate loans at the end of the period. The average capital-weighted loan period was 8.8 years (10.3 years).

Technopolis has prepared for a potential increase in interest rates by increasing the number of interest swaps and by decreasing the 12-month market rate dependency. A one percentage point change in market rates would cause a EUR 2.3 million change in the interest costs per annum.

The Group's loan-to-value ratio, i.e., the ratio of interest-bearing liabilities to the fair value of investment properties and properties under construction, was 58.0% (59.1%).

The Group has interest-bearing liabilities from credit institutions worth EUR 457.9 million, of which EUR 185.5 million include covenants related to equity ratio, debt service ratio or loan-to-value.

The covenant relating to debt service ratio and loan-to-value rate is included in the EUR 41.4 million borrowing of Technopolis Ülemiste (share of ownership 51%). In terms of the aforementioned loan amount, the subsidiary's debt service ratio must be at a minimum 1.1 and its loan-to-value rate 70% at a maximum. If the covenants are breached, the lender may terminate the loan.

Loans amounting to EUR 144.1 million include covenants relating to the equity ratio. A decline in the equity ratio may lead to higher interest rate margins or premature repayment in these loans. The margins of some loans and bank guarantees may rise as the equity ratio falls. Potential changes in the margins take effect in accordance with the contractual provisions of each loan.

If the Group's equity ratio would be 35% and the covenant equity ratio covenant would take effect immediately, the impact on the Group's interest rate expenses would be EUR 0.1 million. Correspondingly, if the equity ratio would be 33% or less, the impact on the Group's interest rate expenses would be EUR 0.4 million.

Bank guarantees in the amount of EUR 86.0 million have been given as security for the EUR 83.7 million in loans granted by the European Investment Bank. EUR 21.0 million of these bank guarantees will expire by the end of 2013, and the plan is to extend them. The extension of these bank guarantees may result in increased loan guarantee margins.

During the 12-month period following the period under review, EUR 48.0 million in existing interest-bearing loans will mature.

The financing of Technopolis Pulkovo, Phase 1, has been arranged through the parent company's investments in shareholders' equity and with an EBRD loan of EUR 31.6 million. At the end of the period under review, EUR 15.8 million of the EBRD loan had been drawn down.

Organization and Personnel

The CEO of Technopolis is Keith Silverang, MBA. Mr. Silverang has dual U.S. and Finnish citizenship. He has an undergraduate degree from Boston University and an MBA from the Helsinki School of Economics. Mr. Reijo Tauriainen is the company's Deputy CEO.

A decision was made in August to restructure the Technopolis organization. The organizational changes became effective in October 2010. The Group Management Team comprises Keith Silverang, CEO; Reijo Tauriainen, CFO; Satu Eskelinen, Marko Järvinen, Kari Kokkonen and Jukka Rauhala.

In December, Sami Juutinen, Master of Laws, was appointed Technopolis' Director of International Operations and member of the Group Management Team as of February 14, 2011. He joins Technopolis from Kone where he has held various positions in past ten years, most recently as Director of Service Business and Business Development for Kone's Middle Eastern operations.

The Technopolis line organization consists of three units: Finland, Russia, and Estonia. The Group organization also has matrix support functions for the Group's property development, business services, business development and support services.

During the financial period, the Group employed an average of 135 (152) people. Facilities operations employed 66 (61) people, Business Services 35 (34) people and Development Services 34 (57) people. At the end of the period under review, the Group's personnel totaled 134 (151).

Technopolis Plc adheres to the Finnish Corporate Governance Code for listed companies of the Securities Market Association, effective as of October 1, 2010. The Corporate Governance Statement is included as an Appendix to this release.

Group Structure

The Technopolis Group comprises the parent company Technopolis Plc, which has operations in Espoo, Helsinki, Jyväskylä, Kuopio, Lappeenranta, Oulu, Tampere and Vantaa, and its subsidiaries, Innopoli Ltd and Kiinteistö Oy Innopoli II, both wholly owned and located in Espoo, as well as other subsidiaries.

During the financial period a mutual real estate company, Finnmedi 6-7 (100%), was established in Tampere. The mutual real estate company Hermia 1 became a subsidiary (63,9%) after Technopolis increased its holdings in the company.

Technopolis has established two Russian companies in St. Petersburg, Technopolis Neudorf LLC and Technopolis St. Petersburg LLC, both wholly owned. In Estonia, Technopolis has Technopolis Baltic Holding AS (wholly owned), which manages the holdings in Technopolis Ülemiste AS (51%).

The parent company has non-controlling interests in the affiliated companies Technocenter Kempele Oy (48.5%), Kiinteistö Oy Bioteknia (28.5%), Iin Micropolis Oy (25.7%), Jyväskylä Innovation Ltd (24%), Kuopio Innovation Ltd (24%), and Lappeenranta Innovation Ltd (20%). Technopolis Plc has a 13% holding in Oulu Innovation Ltd. The Technopolis Group owns 35% of Otaniemi Marketing Ltd.

The Group also includes Technopolis Ventures Ltd, wholly owned by Innopoli Ltd, in Espoo. The Group plans to merge Innopoli Ltd. and Technopolis Ventures Ltd. into the parent company Technopolis Ltd by the end of May 2011. The mergers will not affect the personnel.

Annual General Meeting

On March 26, 2010, the Annual General Meeting of Shareholders (AGM) of Technopolis Plc adopted the Group and parent company's financial statements for fiscal 2009 and released the company management and Board from liability for the period. The AGM approved a dividend of EUR 0.15 as proposed by the Board. The dividend payment date was April 9, 2010.

The AGM decided to amend a section in the Articles of Association that concerns the terms of Board members by specifying that the term of a member of the Board ends when the next Annual General Meeting following the election has concluded. The AGM also decided to amend the section concerning the notice of the AGM so that it should be distributed no later than three weeks before the AGM but no later than nine days before the record date of the AGM. Furthermore, the notice of the AGM may be alternatively delivered by publishing it on the company's website.

The number of members on the Board of Directors was confirmed at six. Teija Andersen, Pertti Huuskonen, Pekka Korhonen, Matti Pennanen, Timo Ritakallio and Erkki Veikkolainen were elected members of the Board for a term that ends at the close of the next Annual General Meeting. Pertti Huuskonen was elected the full-time Chairman of the Board and Matti Pennanen the Vice Chairman of the Board.

The AGM decided that, for a period beginning at the close of the 2010 AGM and ending at the close of the following AGM, Pertti Huuskonen will be paid remuneration in accordance with the decision made by the March 26, 2009 AGM and the agreement made regarding the extension of the remuneration agreement with Pertti Huuskonen. Pertti Huuskonen's monetary compensation is EUR 339,000 per year.

The other members of the Board are paid annual remuneration as follows: EUR 30,000 to the Vice Chairman of the Board and EUR 25,000 to each member of the Board. An additional EUR 600 per meeting is paid as compensation for attending Board meetings or the meetings of the Board committees. Travel expenses are reimbursed in accordance with the company's travel policy.

Fifty percent of the annual remuneration is paid in Technopolis Ltd shares to be purchased in the market. The shares were purchased in May 2010. A Board member may not dispose of the shares received in annual remuneration before the expiry of his or her term.

KPMG Oy Ab was re-elected the auditor, and it announced that Tapio Raappana, APA, will continue as the Auditor-in-Charge. A decision was made to pay the auditor's fee in accordance with a reasonable invoice submitted by the auditor.

Other decisions by the AGM are covered in the company's previous Interim Report, published on April 29, 2010, and a release published on March 26, 2010, concerning the decisions of the AGM.

Board Authorizations

The agenda of the AGM of 2010 did not contain any share related authorizations.

The AGM of 2009 authorized the Board of Directors to decide on a share issue and on granting options and other special rights entitling to shares as referred to in Chapter 10, Section 1 of the Limited Liability

Companies Act as follows: Pursuant to this authorization, the maximum number of shares to be issued will be 11,400,000, equaling approximately 19.88% of the company's 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). The authorization supersedes the authorizations granted by the General Meeting of November 29, 2007 and the Annual General Meeting of March 27, 2008 regarding a share issue and granting of special rights entitling to shares. The authorization expires on March 26, 2012, and as of the situation on September 30, 2010, the maximum number of shares yet to be issued pursuant to the authorization is 5,700,000, equaling approximately 9.0% of the company's shares.

The AGM of 2009 decided to adopt a performance share incentive plan for key personnel in the Technopolis Group. Based on the plan, a maximum of 390,000 shares may be given as remuneration.

The share incentive plan has been implemented, and in 2011, the company key personnel have the opportunity to earn a maximum of 150,000 shares. If the total of 150,000 shares are earned, the nominal dilution effect will be 0.2%.

Stock-Related Events

Technopolis carried out a directed share issue for a limited number of Finnish and international institutional investors after mid- May 2010. The share issue was implemented on the basis a Board authorization given at the Annual General Meeting of March 26, 2009. All 5,700,000 shares offered were subscribed in the share issue, which accounts for approximately 9.9% of all the Company's shares and voting rights immediately prior to the share issue. The subscription price was EUR 3.40 per share, and the issue gathered capital totaling approximately EUR 19.4 million.

Trading in the shares together with the other shares in the Company has taken place on the Official List of NASDAQ OMX Helsinki Ltd as of May 24, 2010.

On June 2, 2010, Technopolis issued 339,703 new shares pursuant to the subscriptions of 2005A option rights. The subscription price when subscribed pursuant to the option was EUR 3.266 per share. Trading in these shares together with the other shares in the Company has taken place on the Official List of NASDAQ OMX Helsinki Ltd as of June 3, 2010.

The new shares issued pursuant to the share issue and the subscriptions of 2005A option rights have been registered in the trade register and the company shareholders' register. They entitle the holder to a dividend for fiscal 2010 and to other shareholder rights.

The number of the company's shares after subscription is 63,385,044 shares. Share capital remained unchanged, totaling EUR 96,913,626.29, because the subscription price of the new shares has been registered in the company's unrestricted equity reserve. The shares are in a single series, and each share entitles the holder to one vote at the Annual General Meeting.

Technopolis 2007A Stock Options were listed on the trading list of the OMX Nordic Exchange on May 3, 2010. The subscription price of 2007A stock options is EUR 7.119 per share. The subscription period begins on May 1, 2010 and ends on April 30, 2012. The total number of 2007A stock options is 500,000. The maximum number of new shares that can be subscribed using the options is 521,500 with a nominal dilution effect of 0.8%. The details of the 2007A stock options were provided in a stock exchange release published on April 30, 2010.

Disclosures of Changes in Holdings

On June 6, 2010, BNP Paribas Investment Partners announced that the proportion of Technopolis Plc's share capital and votes held by the mutual funds managed by BNP Paribas Investment Partners exceeded one-tenth (10%) as a result of a share transaction carried out on June 1, 2010. The proportion of Technopolis Plc's share capital and votes indirectly controlled by BNP Paribas Investment Partners was 6,597,296 and 10.41% respectively.

On May 26, 2010, OP-Pohjola Group Central Cooperative announced that the proportion of Technopolis Plc's share capital and votes held by OP-Pohjola Group and its related parties as well as OP-Pohjola Group affiliates and the mutual funds managed by them, had exceeded one-twentieth (5%) as a result of a share transaction carried out on May 19, 2010. The proportion of Technopolis Plc's share capital and votes indirectly controlled by OP-Pohjola Group was 3,912,443 shares and 6.206% respectively.

On May 20, 2010, Henderson Global Investors Limited notified that its indirect holding in Technopolis shares and votes had gone below one twentieth (5%) as a result of a transaction completed on September 25, 2010. The indirect holding of Henderson Global Investors Limited in Technopolis share capital and votes was 2,800,049 and 4.88% respectively.

On May 20, 2010, the City of Oulu notified that its direct holding in Technopolis' share capital and votes would go below one twentieth (5%) as a result of the share issue. As of May 21, 2010, the direct holding of the City of Oulu in Technopolis' share capital and votes was 3,062,925 and 4.86% respectively.

Varma Mutual Pension Insurance Company notified on February 17, 2010, that its direct holding in Technopolis' share capital and its number of votes had exceeded one tenth (10%) as a result of a purchase of shares that was completed on February 16, 2010. Following this transaction, the direct holding of Varma in Technopolis' share capital and votes was 6,856,980 shares and 11.96% respectively.

Shareholders on December 31, 2010

Registered shareholders	Number of shares	% of shares
Varma Mutual Pension Insurance Company	7,979,371	12.6
Ilmarinen Mutual Pension Insurance Company	5,272,725	8.3
City of Oulu	3,062,925	4.8
City of Tampere	1,956,649	3.1
OP Life Assurance Company Ltd	1,222,884	1.9
OP-Suomi Pienyhtiöt Fund	998,589	1.6
OP Bank Group Pension Fund	885,938	1.4
OP-Suomi Arvo Fund	815,197	1.3
OP Bank Group Pension Foundation	757,380	1.2
Jyrki Hallikainen	750,000	1.2
Other registered, total	19,581,783	30.9
Nominee-registered, total	20,101,603	31.7
Total	63,385,044	100.0

After the year end Varma Mutual Pension Insurance Company and OP-Pohjola co-operative flagged changes in holdings. The specific information of these changes can be found from paragraph "Post-Fiscal Events".

Shareholding breakdown on December 31, 2010

Number of shares	Shareholders	% of shareholders	Number of shares	% of shares
1 – 100	307	7.3	17,770	0.0
101 – 500	1,204	28.8	361,115	0.6
501 – 1000	851	20.4	651,885	1.0
1001 – 5000	1,419	33.9	3,167,811	5.0
5001 – 10000	207	5.0	1,449,882	2.3
10001 – 50000	134	3.2	2,508,268	4.0
50001 – 100000	15	0.4	968,982	1.5
100001 – 500000	21	0.5	4,559,975	7.2
500001 -	23	0.6	49,680,076	78.4
Joint account	0	0.0	19,280	0.0
Total	4,181	100.0	63,385,044	100.0

Shareholding by sector on December 31, 2010

Sector	Number of shares	% of shares
Private companies	3,581,271	5.7
Financial and insurance institutions	5,618,050	8.9
Public sector organizations	21,014,686	33.1
Non-profit organizations	3,109,037	4.9

Private households	8,620,942	13.6
Foreign and nominee-registered	21,421,778	33.8
Joint account	19,280	0.0
Total	63,385,044	100.0

Management Holdings, December 31, 2010

On December 31, 2010, the holdings of the Technopolis Plc Board of Directors, CEO and Deputy CEO in the company's shares, pursuant to the Finnish Securities Market Act Chapter 1 Section 5, totaled 179,897 shares, equaling 0.3% of the share capital and votes of the company. The Chairman of the Board of Directors, CEO and Deputy CEO held 1,300,000 options, equaling 2.2% of the company's share capital and votes, provided that all issued options are converted into shares in the future. The total quantity of holdings and options was 1,479,897, equaling 2.5% of the company's share capital and votes, provided that all issued options are converted into shares in the future.

Technopolis has executed a a share incentive plan for key personnelbased on the the authorization of the AGM and by the decision by the Board of Directors.These key persons have an opportunity to earn a total of 150,000 shares in 2011. The earning criteria forthe performance shares are weighted and consist of the growth of the company's earnings per share (60% weight) and the increase in the like-for-like rental income (40% weight).

Evaluation of Operational Risks and Uncertainties

Technopolis' most significant risks are primarily those associated with financing and customers, as well as operational and 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 company's policy concerning interest rate risks also aims to diversify the interest rate risk of loan contracts over different loan periods based on the prevailing market situation and the interest rate forecast created by the company.

Indicative of the structure of Technopolis' loan portfolio at the end of the period is the equation that a one percentage point change in the money market rates would change interest rate costs by EUR 2.3 million per annum.

Because of the interest rate risk associated with loans, a policy of diversifying interest bases is pursued. On December 31, 2010, 12.0% of interest-bearing liabilities were pegged to the under 3-month Euribor rate and 55.5% were pegged to the 3–12 month Euribor rate. Of the interest-bearing liabilities, 32.5% were fixed-rate loans with maturities of 13–60 months.

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. The average capital-weighted outstanding loan period was 6.9 years. In order to manage financing risk, Technopolis draws upon the resources of a wide range of financers and a variety of financing instruments, and maintains a sufficient degree of solvency.

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

The differences between Russian, Estonian and Finnish legislation and administrative procedures may create risks. If the Pulkovo premises cannot be leased as planned, the Pulkovo technology center will pose a financial risk for the Group. Once completed, the Pulkovo technology center will account for approximately 5.1% of the fair value of the Group's entire investment property portfolio.

Changes in the exchange rates between the Russian ruble and the euro may have an effect on the company's financial performance and operations. Ruble-denominated transactions are recorded at the exchange rate of the transaction date. Any translation differences are entered in the income statement under other operating expenses or finance income and expenses according to the type of transaction involved.

Changes in the general economic environment may have an adverse effect on the company's clients and hence on the Group's business operations.

Customer risk management aims to minimize the negative impact of potential changes in the customers' financial position on the company's business and financial performance. Customer risk management focuses on having a profound understanding of the customer's business and active monitoring of customer information. Customer risks are diversified by acquiring customers from all technology sectors, knowledge-intensive operations, and the public sector. As part of client risk management, Technopolis leases include rental security arrangements.

The company's leases fall into two categories: fixed-term and open-ended. The company aims to apply both lease types depending on the market situation, the property in question and the sector in which the internal customer operates.

At the end of the period under review, open-ended leases in the lease portfolio that could be terminated and renegotiated within the next 12 months covered approximately 206,800 (188,200 on December 31, 2009) square meters of allocated space, equaling 43.3% (46.1% on December 31, 2009) of the weighted area in the entire property portfolio. The term of notice for these agreements is broken down as shown in the table below.

	Dec 31, 2010	Dec 31, 2010	Dec 31, 2009	Dec 31, 2009
Notice period months	Allocated space m2	% of lease stock	Allocated space m2	% of lease stock
0 - 3	12,400	2.6	13,000	3.2
3 - 6	44,300	9.3	54,100	13.3
6 - 9	110,600	23.2	84,000	20.6
9 - 12	39,500	8.27	37,100	9.1
Total	206,800	43.3	188,200	46.1

At the end of the period, the average lease period was 23 (21) months. The figure does not include the lease stock of properties under construction.

Declining financial occupancy rates may decrease rental and service revenues 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 space they need 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 and long-term experience in this business model over a wide variety of economic cycles.

In new construction projects, Technopolis focuses on quality and the management of the property's entire lifecycle. 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 purchasing properties, Technopolis carries out standard property and environmental audits before committing to the transaction. All properties are covered by full value insurance.

Changes in the market yields may have a significant impact on the company's financial performance through the fair value of investment properties. As the yields increase, the fair value of properties decrease. Conversely, as the yields decrease, the fair value of properties increases. Such changes either decrease or increase the Group's operating profit. Changes in the 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 decrease the company's equity ratio and, as a result of this, covenants of the leases may be triggered. In that case, the change in value will have an impact on the cash flow and result for the period.

Post-Fiscal Events

After the end of the reporting period in January 2011, the construction of Phase 2 of Innova was launched in the vicinity of the city center in Jyväskylä. The area of the office space in Phase 2 is approximately 9,200 square meters and the investment, including parking facility, is approximately EUR 19.8 million. Thirty percent of the facilities in Phase 2 have been leased.

On January 28, 2011, the Technopolis Board of Directors in its meeting approved an investment proposal in Tampere to launch construction of Phase 2 of the Yliopistonrinne center in downtown Tampere. The investment is approximately EUR 22.5 million, including a parking garage, and the rentable area of the office facilities is approximately 7,900 square meters.

On January 19, 2011, Varma Mutual Pension Insurance Company announced that its direct holding of Technopolis Ltd's share capital and votes had exceeded three-twentieths (15%) as a result of a purchase of shares that was completed on January 18, 2011. Following this transaction, the direct holdings of Varma in Technopolis' share capital and votes was 10,279,371 shares and 16.22% respectivey.

On January 19, 2011, OP-Pohjola Cooperative notified that the proportion of Technopolis Plc's share capital and votes held by OP-Pohjola Group and its related parties as well as OP-Pohjola Group affiliates and the mutual funds managed by them, had fallen below one-twentieth (5%) as a result of a share transaction carried out on January 18, 2010. The proportion of Technopolis Plc's share capital and votes indirectly controlled by OP-Pohjola Cooperative was 2,649,543 shares and 4.180% respectively.

Board of Directors' Proposal for Distribution of Profit

Distributable funds of the parent company Technopolis Plc, totaling EUR 13,827,652, will be available at the Annual General Meeting. The Board of Directors proposes that a dividend of EUR 0.17 per share be paid, totaling EUR 10,775,457. The Board proposes that the remainder be left in the retained earnings account. The proposed dividend is 49% of the earnings per share excluding changes in the fair value of investment properties.

There have been no significant changes to the company's financial status after the end of the financial period. The company's liquidity is good and, according to the opinion of the Board of Directors, the proposed distribution of profit will not negatively influence the company's solvency.

Future Outlook

The Group's Management estimates that both the net sales and EBITDA will grow 9–11% in 2011.

The Group's financial performance depends of the development of the overall business environment, customer operations, as well as the yield requirements from the financial markets and properties. Developments in these areas and resulting changes in the occupancy rate, use of services, financing costs, the fair value of properties and facilities rents may have an impact on the Group's sales and earnings.

Oulu, January 28, 2011

TECHNOPOLIS PLC

Board of Directors

Keith Silverang
CEO
tel. +358 40 566 7785

APPENDICES:

Charts of financial information
Corporate Governance Statement January 28,.2010

A presentation of the Financial Statements Release in pdf format is available on the company's website at www.technopolis.fi/for_investors/presentaations. The Financial Statements Release is available in PDF format on the company's website at www.technopolis.fi. To request a hardcopy of the document, please call +358 46 712 000 /Technopolis info.

Technopolis offers a service for receiving reports and releases at the company's website at www.technopolis.fi/for_investors/presentations. Individuals who sign up with the service will receive the company's reports and releases electronically.

The company's Annual Report will be published on week 9 on the company's website.

A shareholder who wishes to include a certain matter on the agenda of the Annual General Meeting should submit such request in writing to the address Technopolis Oyj/Board of Directors, Hiilikatu 3, 00180 Helsinki, by February 15, 2011.

The accounting policies applied in the Financial Statements Release and the formulas for calculating key indicators are the same as in the 2009 Financial Statements. The Interim Report has been prepared in accordance with the 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	10-12/ 2010	10-12/ 2009	1-12/ 2010	1-12/ 2009
Net sales	22.82	19.66	81.18	76.40
Other operating income	0.73	0.92	1.57	2.43
Other operating expenses	-13.25	-10.65	-41.34	-38.86
Change in fair value of investment properties	4.53	-5.98	2.74	-37.13
Depreciation	-0.39	-0.13	-1.13	-0.52
Operating profit/loss	14.44	3.82	43.01	2.31
Finance income and expenses	-2.18	-2.48	-9.43	-11.76
Result before taxes	12.26	1.34	33.59	-9.45
Income taxes	-3.33	-0.61	-10.13	1.95
Net result for the period	8.92	0.73	23.46	-7.50
Other comprehensive income items				
Available-for-sale financial assets	-0.01	0.01	0.02	0.08
Taxes related to other comprehensive income items	0.00	0.00	-0.01	-0.02
Other comprehensive income items after taxes for the period	0.00	0.01	0.02	0.06
Comprehensive income for the period, total	8.92	0.74	23.48	-7.44
Distribution of profit for the period:				
To parent company shareholders	8.72	0.74	23.25	-7.44
To non-controlling shareholders	0.21	-0.01	0.21	-0.05
	8.92	0.73	23.46	-7.50

Distribution of comprehensive income for the period:

To parent company shareholders	8.71	0.75	23.27	-7.38
To non-controlling shareholders	0.21	-0.01	0.21	-0.05
	8.92	0.74	23.48	-7.44

Earnings per share based on result of flowing to parent company shareholders:

Earnings/share, basic (EUR)	0.14	0.01	0.38	-0.13
Earnings/share, adjusted for dilutive effect (EUR)	0.14	0.01	0.38	-0.13

Currency unit: EUR million	12/31/2010	12/31/2009
Non-current assets		
Intangible assets	4.05	2.81
Tangible assets	65.17	62.79
Investment property	727.67	596.73
Investments	13.05	25.61
Deferred tax assets	4.41	2.81
Non-current assets	814.36	690.75
Current assets	13.25	15.34
Assets, total	827.61	706.09

Currency unit: EUR million	12/31/2010	12/31/2009
Shareholders’ equity		
Share capital	96.91	96.91
Premium fund	18.55	18.55
Other funds	84.22	63.94
Other shareholders’ equity	0.60	0.65
Retained earnings	73.81	89.21
Net result for the period	23.25	-7.44
Parent company’s shareholders’ interests	297.35	261.83
Non-controlling interests	10.25	0.01
Shareholders’ equity, total	307.60	261.84
Liabilities		
Non-current liabilities		
Interest-bearing liabilities	409.92	360.67
Non-interest-bearing liabilities	1.30	1.25
Deferred tax liabilities	41.44	32.62
Non-current liabilities, total	452.65	394.55
Current liabilities		
Interest-bearing liabilities	47.95	28.03
Non-interest-bearing liabilities	19.41	21.67
Current liabilities, total	67.36	49.70
Liabilities, total	520.01	444.25

Shareholders’ equity and liabilities, total	827.61	706.09

STATEMENT OF CASH FLOWS Currency unit: EUR million	1-12/ 2010	1-12/ 2009
Cash flows from operating activities		
Net result for the period	23.46	-7.50
Adjustments:		
Change in fair value of investment properties	-2.74	37.13
Depreciation	1.13	0.52
Share in affiliate profits	0.03	-0.01
Gains from disposals	-2.01	
Other adjustments for non-cash transactions	0.70	0.67
Financial income and expenses	9.40	11.77
Taxes	10.13	-1.95
Increase / decrease in working capital	1.65	1.85
Interests received	0.40	0.57
Dividends received	0.01	0.01
Interests paid and fees	-7.16	-10.54
Other financial items in operating activities	-3.09	-1.74
Taxes paid	-6.84	-1.79
Net cash provided by operating activities	25.05	28.99
Cash flows from investing activities		
Investments in other securities	-0.47	-0.02
Investments in investment properties	-54.17	-62.96
Investments in tangible and intangible assets	-2.41	-1.05
Repayments of loan receivables	4.07	1.06
Proceeds from sale of investments	1.52	0.01
Proceeds from sale of tangible and intangible assets	2.21	
Acquisition of subsidiaries	-11.88	-0.21
Net cash used in investing activities	-61.13	-63.17
Cash flows from financing activities		
Increase in long-term loans	43.74	58.41
Decrease in long-term loans	-31.56	-15.98
Dividends paid	-8.60	-6.88
Paid share issue	20.49	
Change in short-term loans	11.98	-4.00
Net cash provided by financing activities	36.05	31.55
Net increase/decrease in cash assets	-0.03	-2.63
Cash and cash equivalents at period-start	4.52	7.15
Cash and cash equivalents at period-end	4.49	4.52

STATEMENT OF CHANGES IN EQUITY

Currency unit: EUR million	Share capital	Premium fund	Other funds	Retained earnings	Non-controlling share-holders	Share-holders' equity
EQUITY Dec 31, 2008	96.91	18.55	63.82	96.16	0.26	275.70
Dividend distribution				-6.88		-6.88
Comprehensive income for the period			0.06	-7.44	-0.05	-7.44
Other changes			0.06	0.59	-0.20	0.46
EQUITY December, 31, 2009	96.91	18.55	63.94	82.42	0.01	261.84
EQUITY Dec 31, 2009	96.91	18.55	63.94	82.42	0.01	261.84
New shares to issue in deviation			20.19			20.19
Dividend distribution				-8.60		-8.60
Business combinations					10.03	10.03
Comprehensive income for the period			0.02	23.25	0.21	23.48
Other changes			0.06	0.59		0.66
EQUITY December, 31, 2010	96.91	18.55	84.22	97.67	10.25	307.60

Financial Information by Segment

On December 31, 2010, Technopolis Group has three operating segments based on geographical units: Finland, Russia and Estonia. Estonia became the third segment due the establishment of the new subsidiary in Tallinn in October 2010.The segment division presented in this interim report is based on the Group's existing internal reporting procedures and the organization of the Group's operations.

The Group's net sales or EBITDA do not include significant inter-segment items. Items after the EBITDA, such as depreciation, financing items and taxes, are not presented in the segment information because they are not allocated to segments.

SEGMENT INFORMATION	10-12/	10-12/	1-12/	1-12/
Currency unit: EUR million	2010	2009	2010	2009
Net sales				
Finland	21.80	19.58	79.92	76.13
Russia	-0.02	0.10	0.27	0.34
Estonia	1.04		1.04	
Unallocated and eliminations	-0.01	-0.02	-0.05	-0.06
Total	22.82	19.66	81.18	76.40
EBITDA				
Finland	10.55	10.54	42.22	43.81
Russia	-1.26	-0.08	-1.97	-0.43
Estonia	0.78		0.78	
Unallocated and eliminations	0.24	-0.53	0.37	-3.41
Total	10.30	9.93	41.40	39.97
Assets				
Finland			728.73	691.46
Russia			47.87	38.41
Estonia			73.64	
Eliminations			-22.63	-23.78

Total	827.61	706.09

Direct and Indirect Result

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 financial result for the period excluding the change in the fair value of investment properties, the change in the fair value of financial instruments and any non-recurring items, such as gains and losses on disposals. As the company has interest rate and currency swaps that do not satisfy the IFRS criteria for hedge accounting, the changes in the fair value of these financial instruments are recognized in the statement of comprehensive income. Additionally, the statement of comprehensive income showing the direct result presents the related taxes and deferred tax assets and liabilities.

Items excluded from the direct result and their tax effects are presented in the statement of income showing the indirect result. Earnings per share have been calculated both from the direct and indirect results in accordance with the instructions issued by the European Public Real Estate Association EPRA. The direct and indirect result and the earnings per share calculated from them are consistent with the company's financial result and earnings per share for the period.

Technopolis Group

DIRECT RESULT Currency unit: EUR million	10-12/ 2010	10-12/ 2009	1-12/ 2010	1-12/ 2009
Net sales	21.65	19.66	79.17	76.40
Other operating income (1)	0.78	0.84	1.53	2.24
Other operating expenses	-13.25	-10.65	-41.34	-38.86
Depreciation	-0.39	-0.13	-1.13	-0.52
Operating profit/loss	8.78	9.72	38.22	39.26
Finance income and expenses, total	-2.71	-0.91	-8.88	-9.75
Result before taxes	6.07	8.81	29.34	29.51
Taxes for direct result items	-1.90	-2.81	-8.20	-7.91
Non-controlling interests	-0.21	0.01	-0.21	0.05
Direct result for the period	3.97	6.01	20.94	21.66
INDIRECT RESULT				
Non-recurring items	1.12	0.08	2.05	0.18
Change in fair value of investment properties	4.53	-5.98	2.74	-37.13
Operating profit/loss	5.66	-5.90	4.79	-36.95
Change in fair value of financial instruments	0.53	-1.57	-0.55	-2.01
Result before taxes	6.19	-7.48	4.24	-38.96
Taxes for indirect result items	-1.44	2.20	-1.93	9.86
Indirect result for the period	4.75	-5.27	2.31	-29.10
Result for the period to the parent company shareholders, total	8.72	0.74	23.25	-7.44

Earnings per share, diluted *)

From direct result	0.06	0.10	0.34	0.38
From indirect result	0.08	-0.09	0.04	-0.51
From net result for the period	0.14	0.01	0.38	-0.13

*) Earnings per share calculated
according to EPRA's instructions.

KEY INDICATORS	1-12/ 2010	1-12/ 2009
Change in net sales, %	6.3	5.3
Operating profit/loss/net sales, %	53.0	3.0
Interest coverage ratio	4.9	3.8
Equity ratio, %	37.4	37.3
Loan to value, %	58.0	59.1
Group company personnel during the period, average	135	152
Gross expenditure on assets, MEUR	134.4	66.0
Net rental revenue of investment properties, % (2)	7.7	7.6
Financial occupancy rate, %	94.4	94.4
Earnings/share		
basic, EUR	0.38	-0.13
diluted, EUR	0.38	-0.13
Equity/share, EUR	4.69	4.57
Average issue-adjusted number of shares		
basic	61,040,730	57,345,341
diluted	61,186,677	57,345,341
Issue-adjusted number of shares at year-end	63,385,044	57,345,341
P/E ratio	10.71	-23.88
Dividend/share, EUR (3)	0.17	0.15
Dividend payout ratio, %	44.62	-115.57
Effective dividend yield	4.17	4.84

OTHER KEY INDICATORS		
Market value of shares, EUR million, Dec 31	258.61	177.77
Share turnover, shares	22,547,191	18,870,550
Share turnover out of average number of shares, %	36.94	32.91
Share prices, EUR		
Highest price	4.24	3.96
Lowest price	2.96	1.95
Average price	3.59	3.01
Price Dec 31	4.08	3.10

CONTINGENT LIABILITIES

Currency unit: EUR million	12/31/2010	12/31/2009
Pledges and guarantees on own debt		
Mortgages of properties	351.90	353.90
Pledged securities and investment properties	171.52	162.10
Other guarantee liabilities	20.70	12.70
Collateral given on behalf of associates	0.50	0.50
Leasing liabilities, machinery and equipment	3.78	2.21
Project liabilities	0.15	0.15
Interest rate and currency swaps		
Nominal values	136.89	107.74
Fair values	-1.27	-0.99

1) Other operating income consists of operating subsidies received for development services; an equal amount is recorded under operating expenses for development services.

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

3) Proposal for distribution of 2010 dividends

Value added tax (VAT) adjustment liability on property investments

	5-year adjustment period	10-year adjustment period			
Year	2007	2008	2009	2010	Total
property investment expense (net)	4.7	57.4	32.3	38.5	133.0
VAT on property investment	1.0	12.6	7.1	8.6	29.4
Annual share of VAT on investment	0.2	1.3	0.7	0.9	3.0
VAT deducted	1.0	12.6	7.1	8.5	29.2
Annual share of the VAT deducted	0.2	1.3	0.7	0.9	3.0
Number of years remaining in the adjustment period	1	2	8	9	
Refundable amount of deduction 12/31/2010	0.2	8.8	5.7	7.7	22.3
VAT adjustment liability 12/31/2010					22.3
VAT adjustment liability 12/31/2009					18.7
Change					3.6

Distribution:
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