

Renor

Annual Review 2015



Renor is a Finnish real estate development and investment company that implements reliable, sustainable and service-oriented solutions for its clients in need of business premises rooted on properties that deserve a new life cycle. Renor is the most reliable partner for clients in need of business premises and a user-oriented professional.

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Renor

1 Renor in figures

MARKET VALUE OF
PROPERTY ASSETS

EUR 154 million

UNUSED BUILDING RIGHTS

320,000 m²

LEASABLE AREA

342,000 m²

RETURN ON MARKET VALUE

9%

NUMBER OF PERSONNEL

28 people

OUR REAL ESTATE
PORTFOLIO

OFFICE, BUSINESS, PRODUCTION
AND WAREHOUSE SPACE

UNUSED
BUILDING RIGHTS

LEASES

OCCUPANCY
RATE

Asko area, Lahti	169,000 m²	250,000 m²	306	84%
Shopping Centre Puuvilla, Pori	42,000 m²	*	69	91%
Porin Puuvilla Business Park, Pori	28,000 m²	*	84	86%
Finlayson area, Forssa	73,000 m²	4,700 m²	136	33%
WSOY building, Porvoo	21,500 m²	1,700 m²	111	80%
PMK building, Tampere	17,700 m²	-	89	81%
Karistonkulma, Hämeenlinna	4,700 m²	-	1	100%
Tikkurilan Silkki, Vantaa	11,100 m²	4,000 m²	91	57%
Höyläämöntie 3, Helsinki	3,000 m²	-	6	65%
Asko Village, Pori	6,500 m²	660 m²	11	92%

* Unused building rights in the Puuvilla block comprise 69,000 m²
Renor and Ilmarinen Mutual Pension Insurance Company own Puuvilla in equal shares

2 From the CEO

Renor's business continued strong in 2015. The revenues of the company grew by 16% compared to 2014. The investments implemented started to generate income and increased revenues and financial results as planned. Our occupancy rate continued growing and the company's economic occupancy rate was 87% at the end of the year.

Renor renewed its strategy in 2015. Renor's goal is to be a strong real estate investment company focusing on Finland's regional real estate markets. Our operations concentrate on emerging major cities in the provinces and the real estate properties located in their core areas. Our goal is to achieve significant growth as a company during the coming three years. Urbanisation progresses strongly in Finland, and the population is estimated to continue to concentrate further on growing urban areas in the major cities in the provinces. At the same time, our age structure is changing and senior citizens make up an even larger part of the population. Senior citizens are in a better condition than previously, and they also want better services in developed settings. Digitisation changes the world and business models at an increasing pace. Digital knowledge is available to all, and making use of it is a challenge to all operations. Sustainable development and responsible business operations play an even greater role in the future. The new international framework

convention on climate change provides clear objectives for such operation. There are several strong dynamics changing our business environment and creating new opportunities to build the future. Renor wants to be well prepared and involved in these changes, and serve its clients even better.

The year 2015 was the first year of operations for the Puuvilla Shopping Centre. Customers received Puuvilla in an excellent manner, and the diverse selection of the shopping centre was considered welcome. Approximately 4.8 million customers visited the shopping centre, and annual sales reached about EUR 70 million. The Puuvilla Shopping Centre won 2015's Shopping Centre Deed of the Year competition organised by the Finnish Council of Shopping Centres. In addition, we received recognition by winning 2014's Master Act of Pori competition organised by the Pori International Junior Chamber. The Puuvilla block is a unique education, business, trade and leisure centre.

” Our goal is to achieve significant growth as a company during the coming three years.

The development of the Asko area district, alongside the City of Lahti, is progressing. The renewal of the local detailed plan with regard to the first planning zone of approximately 100,000 floor square metres is beginning its final steps toward completion, and the goal is to start new construction projects in the area during 2016. The lease on the premises of the Päijät-Häme District Court was signed in the autumn of 2015, and the alteration work on the premises to be used by the District Court will be implemented during 2016.

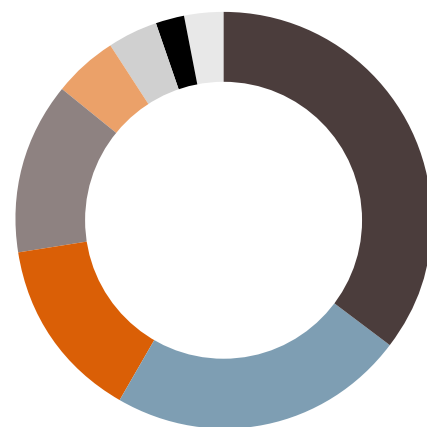
I thank our clients and partners for good cooperation and their trust in Renor. I also thank the personnel of Renor for their excellent work and strong commitment to our operations. Heartfelt thanks to our owners and the Board of Directors for their smooth cooperation.

Timo Valtonen
CEO



3 Renor's business

The diagram below shows the distribution of Renor's client base by industry according to rental income.



- Expert and service companies 35%
- Logistics 23%
- Public sector 14%
- Retail 13%
- Education 5%
- Production 4%
- Health care 2%
- Others 3%

Renor Ltd is a Finnish real estate development and investment company. The company's operations are divided into leasing and maintenance operations and real estate development operations. The leasing and maintenance operations consist of the ownership, management and leasing of the current real estate properties through our local presence. The real estate development operations, in turn, are focused on the redevelopment of current properties and properties to be acquired in regional growth centres. Renor invests in real estate properties by implementing renovation and fundamental improvement investments through which we can create modern business premises according to customers' needs.

Renor's properties are located in central positions in regional growth centres. The most well-known of our properties are the Asko area in Lahti, the Puuvilla block in Pori, the Finlayson area in Forssa, the WSOY building in Porvoo, the PMK building in Tampere, Karistunkulma in Hämeenlinna, and Tikkurilan Silkki in Vantaa, which are all historically important sites.

„ by means of a maintenance and leasing operating model based on a local presence and local knowledge, it is possible to produce added value for our customers' business

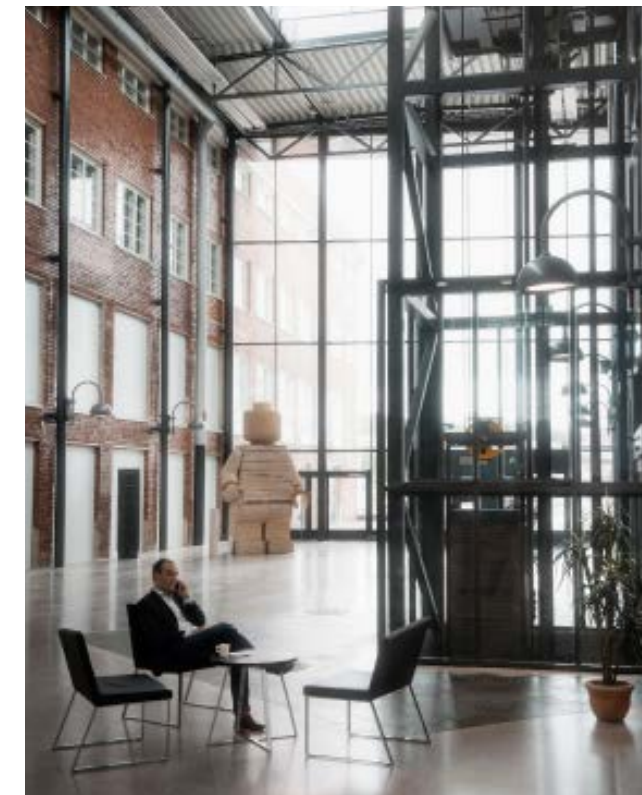
Renor's own local personnel leases the business premises and maintains the properties.

Renor's largest clients are public sector operators, expert and service companies, such as care service companies, production and logistics companies, grocery stores and chains selling specialty goods.

RENOR HAS THE MOST SATISFIED CLIENTS

In autumn 2015, in a telephone questionnaire carried out by KTI Property Information Ltd and involving a number of real estate companies, Renor achieved the best grade in overall customer satisfaction.

The results of the customer satisfaction survey show that by means of a maintenance and leasing operating model based on a local presence and local knowledge it is possible to produce added value for our customers' business. In accordance with its operating model, Renor's purpose is also to serve its customers locally in the future and thus maintain its high level of customer satisfaction.



4 Corporate social responsibility at the core of our strategy



Renor's vision is to be a strong real estate development and investment company focusing on Finland's regional real estate market. Renor's mission is to be the most expert and valued lessor and developer of the existing real estate base in Finland's regional growth centres.

Renor's strategy is to own and manage properties and lease business premises to its customers. In addition, Renor develops the properties and areas it owns and maintains a sustainable and comfortable built-up environment. Renor's goal is also to acquire properties in accordance with its strategy from regional growth centres. Renor wishes to increase the use of existing historical properties and their redevelopment for the Finnish real state market.

Customer value is the cornerstone of Renor's business. In their own business, our customers meet with various challenges and changes in their operating environment. We at Renor want to serve our customers so that their business premises support the success of their business in all situations – without compromising the safety, healthiness and economical nature of the premises.

Renor's property base largely consists of historical industrial environments and properties located in them, which are developed determinedly and over the long term, treasuring the Finnish-built heritage. In addition to historical industrial environments, we also want to extend our operations to other existing properties and their redevelopment. Through regional development, we create opportunities for new construction, thus ensuring the development of urban environments into diversified and humane hubs of working, living, services and leisure time. In these operations, listening to our stakeholders and involving them in development work is vitally important.

Renor's properties are located in growing urban environments. The development of the city structure creates opportunities for finding new purposes for properties. Transport connections between areas and the promotion

„ In our view, responsibility and the promotion of sustainable development consist, above all, of the use and redevelopment of the existing built-up environment.

of public transport and pedestrian and bicycle traffic are the key to the development programmes shaping the city structure in the long term.

In our view, responsibility and the promotion of sustainable development consist, above all, of the use and redevelopment of the existing developed environment. Resource-efficiency through the use of the existing property base supports sustainable development in society. Existing properties are part of the developed environment, and they use the existing infrastructure. This creates cost-efficiency and saves the resources of society. The renewal of old properties improves their energy efficiency and reduces the environmental loading of the properties.

In the autumn of 2015, Renor implemented a stakeholder questionnaire with the consultants of Ramboll, through which we wanted to better understand what our stakeholders expect from us in terms of our corporate social responsibility. We were glad to note that the most important matters were closely anchored to Renor's current strategy. As development targets in terms of corporate social responsibility, we recognise stakeholder cooperation, communication, the improvement of the energy efficiency of properties, reporting on waste, and the promotion of the recycling of waste.

Renor participates for the first time in the GRESB Real Estate Assessment in 2016. Gresb is a global benchmarking system developed for real estate companies, which assesses and compares the corporate social responsibility of companies.

Renor's key responsibility themes

Responsible and transparent business operations

- Open communication, interaction and continuous cooperation with stakeholders
- Responsibility communication and reporting

Energy and resource efficiency

- Use of the existing property base and infrastructure
- Improvement of the energy efficiency of properties, renewable energy
- Sorting and recycling of waste

Success of our customers' business

- Safe, appropriate and economical premises
- Customer interaction and development of customer satisfaction

Well-being of personnel

- Equal treatment of personnel
- Well-being at work and occupational safety

Development of a comfortable and sustainable developed environment

- Taking care of the developed environment
- Preserving and developing our structural heritage



5 Asko area, Lahti



- LOT SURFACE AREA
31 ha
- UNUSED BUILDING RIGHTS
250,000 m²
- LEASABLE PREMISES
169,000 m²
- OCCUPANCY RATE
84%
- LEASES
306
- JOB
1800
- PARKING SPACES
1400



The Asko area in Lahti is an area of 31 ha owned by Renor. The history of the Asko area in Lahti extends to the year 1918, when the industrial manufacture of furniture in the area was started. A number of furniture factories were completed in the Asko area in the 1920s, and in the 1950s the largest furniture and household appliance factory in the Nordic countries operated in the area. In 2000, Uponor Oyj incorporated its real estate business to the predecessor of the company, Asko Properties Ltd.



GET FAMILIAR WITH THE FB PAGES OF ASKO AREA

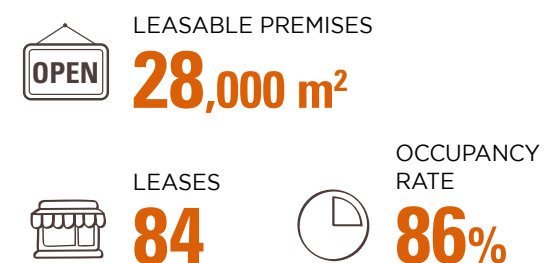
In the 2000s, Renor cleaned the soil of the area and renovated new leasable premises in the area. A remote cooling network was built in the area, and the real estate technology of the buildings was extensively renewed. Since 2012, Renor has actively developed the Asko area as part of the trackside development plan launched by the City of Lahti. The latest structures and renovations were completed in 2013 for the Asko House (Askonkatu 9) property. The Asko area currently consists of six properties: Asko 1, the Asko House, Koy Lahden Teollisuuskeskus, the Upo House, Upo2 ja Koy Lahden Liesitehdas. The Asko House has been granted the BREEAM In-Use good-level environmental certificate.

Our customers in the Asko area include expert and service companies, logistics and warehouse users, production companies and staff restaurants. New significant events in the Asko area include the renovation of the premises of the Päijät-Häme District Court and the premises of the Handelsbanken bank in the Asko House property. In addition, new restaurant and conference facilities are being designed there, which will serve all users and visitors to the Asko area. The Market Area located in the Asko Houseproperty is becoming a new active meeting place for Lahti residents. In 2015, a number of seminars and corporate events were organised there. In the context of the Lahti Arts Saturday, an Arts Workshop was arranged in the Asko House for families with children, which attracted a great deal of people.

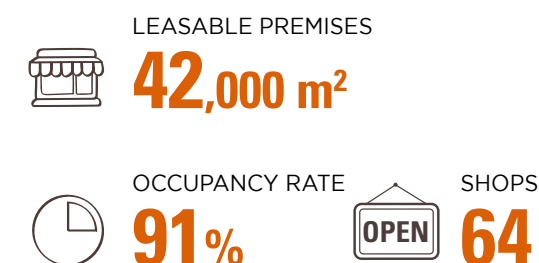
6 Puuvilla, Pori



Puuvilla Business Park



Puuvilla Shopping Centre



Puuvilla block in total



” The architectural competition launched by Porin Puuvilla Oy and the SAFA, the Finnish Association of Architects in the autumn of 2014 is in progress to develop the district and to explore the opportunities for housing construction. The planning is continued in cooperation with the City of Pori.



GET FAMILIAR WITH THE FB PAGES OF THE PUUVILLA SHOPPING CENTRE



Puuvilla block in Pori's Isosanta district on the shores of the River Kokemäenjoki is made up of the Puuvilla Shopping Centre and other buildings in the district, which are owned by the mutual real estate company Porin Puuvilla Oy. Renor and Ilmarinen Mutual Pension Insurance Company own Porin Puuvilla Oy in equal shares.

Pori cotton mill was established in 1898, and the factory building was completed in phases by the year 1909. The factory buildings were designed by the architect August Krook. In 1973, Porin Puuvilla Osakeyhtiö was merged with Oy Finlayson Ab. In 2012, Ilmarinen became an owner of Porin Puuvilla Oy by a directed share issue, and Porin Puuvilla Oy started the construction of the Puuvilla Shopping Centre in 2012. The building was

inaugurated in the autumn of 2014.

Puuvilla district is a significant corporate, educational, mercantile and leisure centre. Over 60 shops operate in the Puuvilla Shopping Centre, and it is the largest shopping centre in Satakunta. In the other buildings in the Porin Puuvilla district, over 50 customers operate from a number of different industries. The architectural competition launched by Porin Puuvilla Oy and SAFA, the Finnish Association of Architects in the autumn of 2014 is in progress to develop the district and to explore the opportunities for housing construction. The planning is continued in cooperation with the City of Pori. Platinum-level LEED environmental certification has been applied for the Puuvilla Shopping Centre.

7 Finlayson area, Forssa

WSOY building, Porvoo

8 PMK building, Tampere

Karistonkulma, Hämeenlinna

LEASABLE PREMISES	UNUSED BUILDING RIGHTS	LEASES	OCCUPANCY RATE
73,000 m ²	4,700 m ²	136	45%

The **Finlayson area** consists of properties owned by Renor in the former Finlayson factory area in Forssa. The Finlayson area is one of the best preserved factory milieus in Finland, and it consists of 'the Old Weaving Mill' renovated for office and care service use and the building complex 'Finlayson mill buildings', currently in warehouse and logistics use.

Over 100 customers operate in the Finlayson area from a number of different industries, such as care service companies, expert and service companies, as well as users of production and warehouse space. In the autumn of 2015, a winter storage space was opened in the Finlayson area for boats and motor vehicles, termed the Forssa Garage.

LEASABLE PREMISES	UNUSED BUILDING RIGHTS	LEASES	OCCUPANCY RATE
21,500 m ²	1,700 m ²	111	80%

The **WSOY building** is a property spanning the entire block in the centre of Porvoo, owned by Renor. The WSOY building has been named after the publishing house Werner Söderström Osakeyhtiö, which previously operated in the building.

The WSOY building is a diversified hub of educational institutions, private and public services and companies, the service offering of which we intend to expand further. Renor is exploring the opportunities for using the remaining building rights and improving the efficiency of parking spaces.

LEASABLE PREMISES	LEASES	OCCUPANCY RATE
17 700 m ²	89	81%

The **PMK building** is a property owned by Renor in the Tammela district of Tampere, at a distance of approximately half a kilometre from the Tampere railway station. PMK is short for Puuvillatehtaiden Myyntikonttori (sales office for cotton mills).

Approximately 80 customers from a number of industries operate in the PMK BUILDING, such as expert and service companies, and users of production and warehouse space. The local detailed plan for the area is being renewed, at it is expected to be confirmed in 2016. In the new local detailed plan, the PMK BUILDING has been assigned 4,700 floor square metres of building rights for housing construction.

LEASABLE PREMISES	LEASES	OCCUPANCY RATE
4 700 m ²	1	100%

Karistonkulma is a building fully owned by Renor, located in the centre of Hämeenlinna. A printing press and a publishing house of Karisto originally operated in the building. The whole building has been leased to Senaatti-kiinteistöt for use by the Ministry of Justice.

New business premises have been renovated for the Hämeenlinna courthouse in 2015, which correspond to the need for modern premises of the judicial administration. The Kanta-Häme District Court, the Hämeenlinna Administrative Court and the headquarters of the Kanta-Häme enforcement authority operate on the new premises. Premises are also renovated for the finance unit of the Ministry of Justice in Karistonkulma.

9 Metropolitan area: Helsinki and Vantaa

Höyläämötie 3, Helsinki

LEASABLE PREMISES	LEASES	OCCUPANCY RATE
3,000 m²	6	65%

Höyläämötie 3 property is a building owned by Renor, located in Pitäjänmäki, Helsinki. The property offers premises for production and office use. The three-storey building constructed in 1958 and renovated from 1998–2000 has approximately 3,000 m² of leasable, cooled premises.

Tikkurilan Silkki, Vantaa

LEASABLE PREMISES	LEASES	OCCUPANCY RATE	UNUSED BUILDING RIGHTS
11,000 m²	91	57%	4,000 m²

Tikkurilan Silkki is a building complex located on the shores of the River Keravanjoki in the centre of Tikkurila in Vantaa. Silk industry companies formerly operated in the buildings, among them Tikkurilan Silkki Oy and Suomen Silkkiteollisuus Oy. The premises of Tikkurilan Silkki are currently in temporary use, and the development planning concerning the property is under-way. The progress of the extensive development investments in Tikkurilan Silkki to a launch stage requires that a primary tenant is found for the property.



Other properties: Asko Village, Pori



Asko Village, Pori

LEASABLE PREMISES	LEASES	OCCUPANCY RATE	UNUSED BUILDING RIGHTS
6,500 m²	11	92%	660 m²

The Asko Village is a property complex owned by Renor in Herra-lahti, Pori, which consists of four buildings and parking spaces in their immediate vicinity.

The name of the Asko Village comes from the previous use of the properties as Asko's furniture shops. Approximately ten lessees operate in the Asko Village.

10 Real estate development

ASKO AREA, LAHTI

The Asko area is a central part of the extensive trackside development project of the City of Lahti and its neighbouring municipalities. In 2012, the City of Lahti and the property owners in the area organised an architectural and idea competition through which a new overall idea was sought for the planned new trackside district. The land use planning in the Asko area is based on the starting points created in this competition.

The Asko area will be a throbbing new future district of approximately 5,000 inhabitants, which combines living, work and leisure time in a natural manner. The goal of the regional planning is a compact, comfortable and suitably green urban structure. In the valid master plan, the western part of the Asko area up to the Upo bridge belongs to the area of urban functions. This will enable the change of the over-30-hectare Asko area from a mere corporate centre into an active and diversified district of living, events, work and activities in the coming years.

The planning will take place in a number of phases. An alteration of plan is pending concerning the first planning zone. The planning zone is limited by the junction of Askonkatu in the west and the Upo bridge in the east. The total volume of the sought building rights is approximately 80,000 floor square metres, comprising the exist-

ing Asko House and the forthcoming new building. The parking spaces will be moved in phases to parking halls while the construction progresses. The goal is a legally valid plan in the spring of 2016.

The total volume of the Asko area will increase up to 400,000 floor square metres, of which housing will occupy approximately one half. The investment potential of the entire Asko area totals approximately EUR 600–700 million. The housing building rights will be sold project by project to housing implementers; other projects may also be implemented for Renor's ownership.

TIKKURILAN SILKKI, VANTAA

The Tikkurila centre is undergoing an era of strong renewal. Tikkurila is being developed into a compact and lively urban centre. The river shores of Tikkurila are desired to be a high-quality part of the urban townscape. Tikkurilan Silkki is a key part in this development.

Its central location, excellent accessibility and the C provision in the local detailed plan have, over the years, provided the prerequisites for examining the property from the point of view of a number of different user groups. The physical dimensions of the building frames, the weak technical condition and the strict preconditions set by building protection have been central factors



making it difficult to find a new purpose of use.

In the autumn of 2015, a survey was launched to explore the development of the B building of Tikkurilan Silkki extending to approximately 5,000 m² for office use. The plan has raised interest and led to negotiations with office users. The strengthening of the foundations and the fundamental improvement investment comprising the renewal of the entire building technology requires that a primary tenant adheres to the project.

” In Puuvilla, the location of the extension of the shopping centre in the district is being explored.

PMK BUILDING, TAMPERE

The PMK building, which primarily contains office and working premises and the related warehouses is located in Tampere, along Ratapihankatu leading to the eastern multi-level junction in the new Rantaväylä tunnel. The PMK building block is part of an alteration in the local detailed plan, which guides the complementary building in the nearby blocks of the PMK building, along with the traffic arrangements required by the tunnel.

In the future local detailed plan, 4,700 floor square metres of housing building rights have been assigned to the PMK district. The local detailed plan is expected to be confirmed during the spring of 2016.

The building of Ratapihankatu will take up part of the parking field used by the PMK building as a street area. The implementation of the housing project will also, for its part, require parking space arrangements. Covering the need for additional parking spaces requires shifting to structural parking.

WSOY BUILDING, PORVOO

The local detailed plan of the WSOY building has 1,700 floor square metres of unused building rights. The location of the WSOY building at the core of Porvoo enables

use of the building rights not only for office/workplace construction, but also for other purposes. The WSOY building is limited by housing blocks on the side of Papinkatu, which creates the prerequisites for exploring the opportunity for housing. The preconditions for this are also included in the local detailed plan. Any additional construction would be located on top of the parking area located in the unbuilt north-east corner. Due to the current rising need for additional parking spaces, the parking spaces would have to be located on a number of levels below the additional construction.

PUUVILLA, PORI

An architectural invitational competition was launched in Puuvilla in September 2015. The purpose of the competition is to explore the use of the remaining building rights in Puuvilla for housing construction, in particular. In addition, the location of the extension of the shopping centre in the district will be examined. Five leading Finnish architectural firms have been invited to take part in the competition. The results will be published in March 2016.



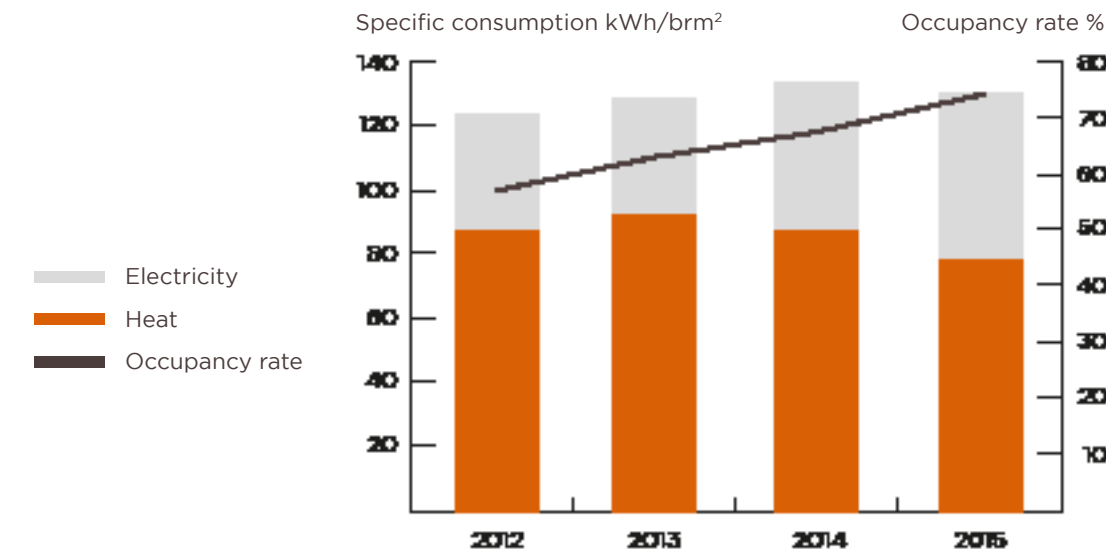


11 Renor and the environment

In its operations, Renor implements the principles of sustainable development by using the existing property base and seeking competitiveness in the business opportunities offered by sustainable development. In terms of our environmental responsibility, our key goal is to continuously improve our energy efficiency, sort our waste and improve the efficiency of recycling. This means the renewal of the technical systems and building parts of properties to be developed, and the use of new forms of energy, such as ground heat, in the heating and cooling of the premises.

With regard to Renor's properties, we have performed systematic surveys of environmental risks and cleaned contaminated land areas since 2004 in cooperation with the previous owner of the properties, who is responsible for the recognised environmental risks. By 2014, all the risk sites had been examined and cleaned. One environmental study on a property not classified as a risk site was performed in 2014. In 2015, we did not recognise any new contaminated land areas or land areas to be cleaned.

” In terms of our environmental responsibility, our key goal is to continuously improve our energy efficiency, sort our waste and improve the efficiency of recycling.



YEAR	HEAT [MWh]	ELECTRICITY [MWh]	TOTAL CONSUMPTION [MWh]	CHANGE IN THE TOTAL CONSUMPTION COMPARED TO THE PREVIOUS YEAR	SPECIFIC CONSUMPTION [kWh/brm²]	CHANGE IN THE SPECIFIC CONSUMPTION COMPARED TO THE PREVIOUS YEAR	GROSS AREA OF THE REAL ESTATE PORTFOLIO [brm²]
2012	31,794	13,506	45,300		123		413,001
2013	34,343	13,268	47,612	5,1%	128	3,75%	413,001
2014	37,196	19,561	56,757	19,2%	133	4,00%	432,391
2015	41,784	27,456	69,241	22,0%	128	-3,6%	539,391

Examples of measures in Renor's properties

In the Asko area, on the premises of the Asko House, groundwater is used to cool approximately 8,800 m² of office and production premises. Groundwater cooling enables 30-50% lower electricity consumption compared to other machine-cooled premises.

In the Asko area, we are examining the use of groundwater not only for cooling, as it does presently, but also for heating. The purpose of the study project supported by TEKES is to explore the amount of available groundwater reserves and the technology suitable for its use. The objective is to achieve the largest possible self-sufficiency in energy in the entire Asko area.

The Asko House was granted a BREEAM (Building Research Establishment's Environmental Assessment Method) In-Use environmental certificate. It was placed in the category 'good'.

The environmental certification process of LEED (Leadership in Energy and Environmental Design) in the Puuvilla Shopping Centre is currently underway.

In the Puuvilla Shopping Centre, geoenergy is used for the heating and cooling of the property. Ground heat accounts for 98% of the need for both heating and cooling energy.

12 Board of Directors and Owners



Board of Directors

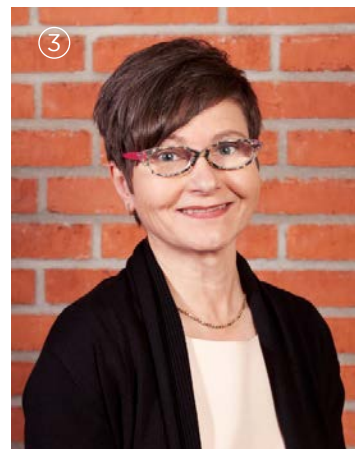
1. Erkka Valkila, Chairman
2. Kari Kolu, Deputy Chairman
3. Heikki Hyppönen, Member
4. Niilo Pellonmaa, Member
5. Timo Kokkila, Member
6. Helena Kinnunen, Member

Owners

Renor is owned through their companies by Heikki Hyppönen, Hannu Katajamäki, Ilpo Kokkila, Kari Kolu, Janne Larma, Niilo Pellonpää, Jarmo Rytelahti.

Renor's CEO is Timo Valtonen.

13 Management team and personnel



Management team

1. Timo Valtonen, CEO
2. Sami Laine, CFO
3. Irma Savolainen, Principal Legal Counsel
4. Marko Liimatainen, Property Development Director
5. Toni Pajulahti, Maintenance Manager

EXPERIENCED AND COMMITTED PERSONNEL

At the end of 2015, Renor employed 28 (29) people, of which women accounted for 10 (10) and men for 18 (19). During the year, an average of 29 (30) people were employed by Renor. The average age of personnel was approximately 50.5 (50) years, and the average length of employment was about 17 (18) years. Renor's personnel are committed experts.

Each site has a head of real estate, between one and five maintenance persons and a property assistant, who are responsible for the properties locally. The heads of real estate have a broad job description: they are responsible for leasing the property, and for its maintenance and development. Renor has personnel in Group administration working in Helsinki and Lahti in development, marketing and communications, in financial and human resources management, and in senior management.

Renor's management has long-term experience in the real estate sector in both leasing and maintenance operations and continued development of properties and the related new building.

14 Consolidated income statement and balance sheet

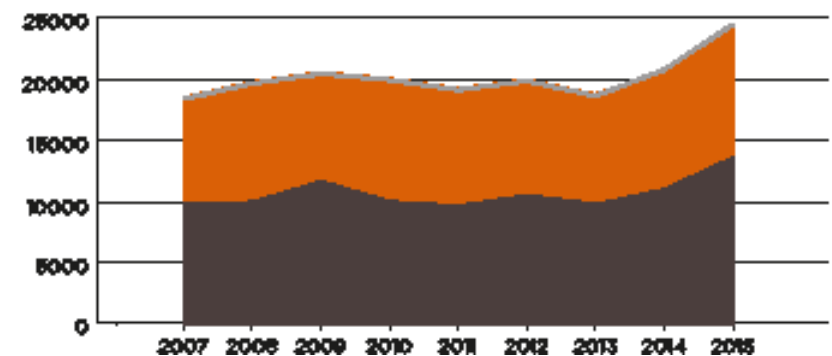
EUR 1,000

CONSOLIDATED INCOME STATEMENT	JAN-31 DEC 15	1 JAN-31 DEC 14
Rental income	24,415	20,803
Property expenses	-10,845	-9,673
Net operating income	13,570	11,130
Depreciation and amortisation	-4,495	-4,427
Administrative expenses	-2,631	-1,575
Profit from disposal of properties	3,218	1,209
Capital losses on real estate	-186	0
Other operating income	156	0
Operating profit	9,632	6,337
Financial expenses	-2,431	-2,439
Profit before taxes	7,201	3,898
Income taxes	-1,565	-871
Profit for the period	5,636	3,027

CONSOLIDATED BALANCE SHEET	31 DEC 15	31 DEC 14
Investment properties	144,947	152,075
Receivables	2,207	6,746
Cash and cash equivalents	3,424	1,216
Total assets	150,578	160,037
Share capita	64,726	62,565
Non-current liabilities	77,208	88,145
Current liabilities	8,644	9,327
Total of shareholders' equity and liabilities	150,578	160,037
Interest-bearing debt, total	78,829	90,825

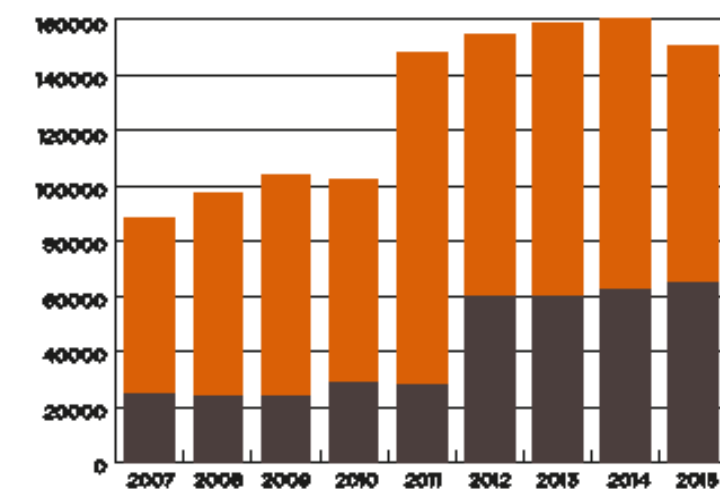
CONSOLIDATED CASH FLOW STATEMENT	JAN-31 DEC 15	1 JAN-31 DEC 14
Cash flow from operations before financial items and taxes	9,999	9,419
Net financial items	-2,239	-2,851
Taxes paid/received	-1,546	-507
Net cash from operating activities	6,214	6,061
Investments in real estate properties and investments	-4,352	-5,377
Proceeds from disposal of properties and investments	10,239	2,706
Net cash from investment activities	5,887	-2,671
Cash flow from financing activities	-9,893	-3,198
Cash flow	2,208	192

PROFIT FOR PERIOD Net operating income Property expenses Gross operating income

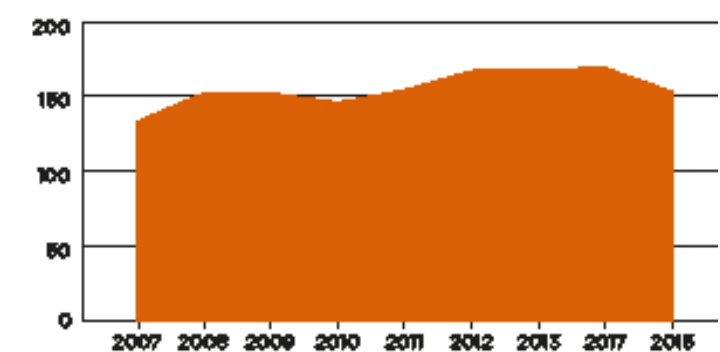


15 Key figures

FINANCIAL DEVELOPMENT Share capital Liabilities EUR 1,000



MARKET VALUE EUR 1,000



PROPERTY PORTFOLIO



Forssa
Finlayson area approx. 73,000 m²

Helsinki
Höyläämötie approx. 3,000 m²

Hämeenlinna
Karistonkulma 4 700 m²

Lahti
Asko area approx. 169,000 m²

Porvoo
WSOY building approx. 21,500 m²

Pori
Puuvilla Business Park approx. 28,000 m²
Puuvilla Shopping Centre approx. 42,000 m²
Asko Village approx. 6,500 m²

Tampere
PMK building approx. 17,700 m²

Vantaa
Tikkurilan Silkki approx. 11,100 m²

16 Key events and investments



The Puuvilla Shopping Centre wins the Shopping Centre Deed competition organised by the Finnish Council of Shopping Centres

Renor opened a winter storage space for boats and motor vehicles, 'the Forssa Garage', in the Finlayson area

Renor and Senaatti-kiinteistöt renewed the lease for the Hämeenlinna court house in Karistunkulma

Renor and Senaatti-kiinteistöt signed the lease on the premises of the Päijät-Häme District court.

Renor and LGT Logistics concluded a long-term lease on storage spaces of approximately 21,000 m² located in the Lahti Asko area

The Asko House in the Asko area was granted a 'good' level BREEAM In-Use environmental certificate

A LEED environmental certification has been applied for from the Puuvilla Shopping Centre

Realprojekti Oy was selected as the partner to manage the commercial management of the Puuvilla Shopping Centre

Sami Laine was appointed CFO of the company

The architectural competition for the development of the Puuvilla district continues in terms of housing construction, for example

The Puuvilla Shopping Centre achieves its visitor goal of five million during its first year of operations

Renor sells the production and office property Ansatie 3 in Vantaa and the Asko House in Joensuu

17 History

” Company name Renor comes from trade name 'Uponor' and the words 'real estate'

1820 Finlayson's cotton mill is established

1847 The cotton industry in Forssa begins

1898 Pori cotton mill is established

1918 Asko is established

1934 Oy Forssa Ab and Oy Finlayson Ab merge

1973 Finlayson purchases Porin Puuvilla

1985 Asko purchases the majority stake of Finlayson

1999 Asko Oyj establishes Asko Properties Ltd
Asko Oyj changes its name to Uponor Oyj

2000 Uponor Oyj incorporates its real estate business as Asko Properties Ltd

2001 Asko Properties changes its name to Renor Ltd

2002 Hannu Katajamäki is appointed CEO of Renor

2004 Nine Finnish investors purchase Renor Ltd from Uponor

2005 Renor purchases the Hämeentie 29 property in Helsinki. Kari Kolu is appointed CEO of Renor and Renor purchases the WSOY building in Porvoo

2006 Renor purchases the Höyläämötie 3 property in Helsinki. Renor starts to plan a shopping centre for the Puuvilla area

2007 Renor purchases Karistunkulma Oy in Hämeenlinna

2008 The confirmation of a component master plan enables the construction of a shopping centre in Porin Puuvilla

2010 Renor Oy, Ilmarinen Mutual Pension Insurance Company and Skanska Talonrakennus Oy sign preliminary agreements on the development of Puuvilla, and Renor sells the Hämeentie 29 office and business property to Asenion Estate Oy

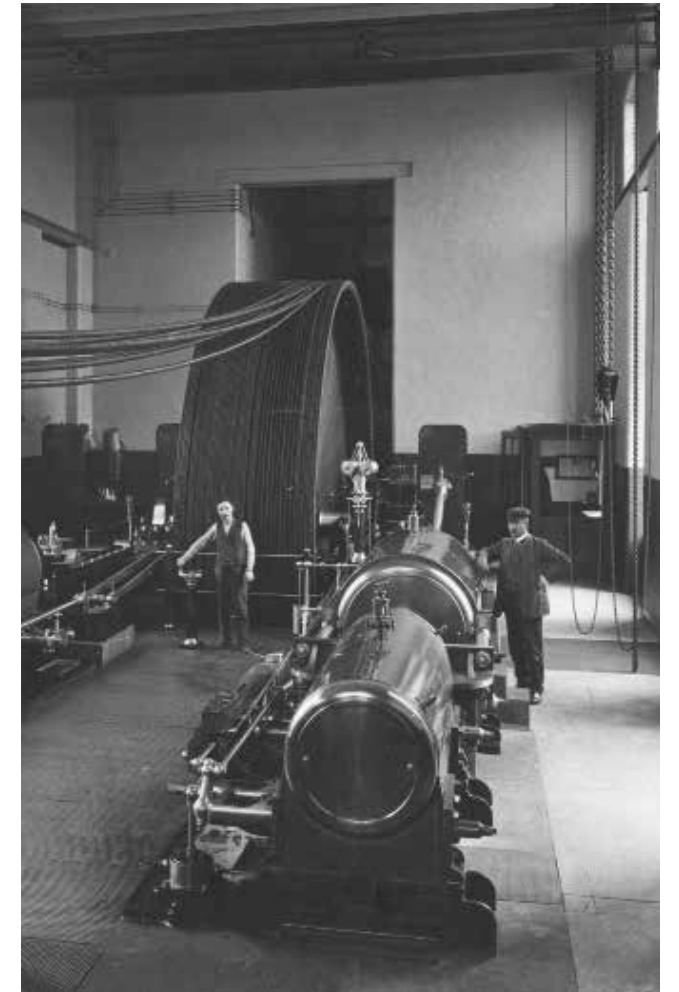
2011 Timo Valtonen is appointed CEO of Renor

2012 Renor and Ilmarinen launch the construction work on the Puuvilla Shopping Centre in Pori. The architectural competition for the development project of the Asko area along the trackside in the centre of Lahti is launched.

2014 Roofwetting at the Puuvilla Shopping Centre in February and inauguration in October

2014 The architectural competition for the Porin Puuvilla district is launched.

2015 Renor sells the Ansatie property in Vantaa and sells the Asko House in Joensuu.



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The Renor logo is displayed in a large, bold, dark grey font. The letters are thick and have a slightly irregular, hand-drawn feel. The 'R' is particularly prominent, with a large loop. The 'e' and 'n' are also very bold. The 'o' is a simple circle, and the 'r' has a short, thick tail. The overall impression is one of strength and reliability.