

The Renor logo is rendered in a bold, white, rounded sans-serif typeface. The letters are thick and closely spaced, with a friendly, approachable feel. The 'R' and 'n' are particularly prominent due to their rounded terminals.

**Renor**

ANNUAL REVIEW 2016

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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.  
[www.renor.fi](http://www.renor.fi)

# Year 2016 in brief



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

<span style="color: #8B0000;">●</span> Retail trade	18%	<span style="color: #FFD700;">●</span> Health care, sports	10%
<span style="color: #3CB371;">●</span> Specialist and service companies	17%	<span style="color: #00008B;">●</span> Industry	8%
<span style="color: #90EE90;">●</span> Public sector	17%	<span style="color: #A9A9A9;">●</span> Wholesales	4%
<span style="color: #FFA500;">●</span> Logistics	16%	<span style="color: #696969;">●</span> Education	3%
		<span style="color: #D2B48C;">●</span> Others	7%

## A strong year in business.

Renor’s operating profit increased by 30 per cent and was EUR 12.5 million. The profit for the financial year increased to EUR 7.7 million.

## Very active property development

investments amounted to approximately 20 million euros.

## Our sustainable operations

became even more visible: we participated in GRESB reporting for the first time, reaching the Finnish top.

**A record year** in Porin Puuvilla in terms of the number of visitors and total sales.

**Leaps made** in the development of services in the Asko area.

TOTAL RETURN,  
EXCLUDING PORIN PUUVILLA

**8.9%**

TOTAL RETURN

**7.2%**

MARKET VALUE OF  
PROPERTY ASSETS

**196.4M€**

RETURN ON EQUITY

**11.5%**

UNUSED BUILDING RIGHTS\*

**330,000 m<sup>2</sup>**

LEASABLE AREA\*

**337,000 m<sup>2</sup>**

NUMBER OF PERSONNEL

**28**

\*) including Porin Puuvilla



# Successful year in cooperation with our customers

**The positive development of Renor Oy's results in 2016 gained momentum by successes both in leasing activities and in property transactions. Also the significant investments in property development are a sign of active operations.**

The activity of our customers was reflected in our leasing operations. Renor Oy's economic occupancy rate was approximately 86 per cent at the end of the year. The lease level was increased by successes in Lahti, Pori and Forssa in particular. The most significant property divestment took place at the end of 2016 with the sales of the Karistonkulma court house building in the centre of Hämeenlinna to the Swedish company Hemsö.

We made record investments in property development with approximately 20 million euros worth of renovations. The most significant investments were made in the Asko area in Lahti. We renovated the premises for the new Lahti court house and opened a new restaurant and event premises in the Askotalo building. We additionally invested in the renovation of the premises which were leased by DNA Oyj. In the Finlayson area in Forssa, we made investments in care premises in the Vanha kutomo building. Two new care units were completed for use by Esperi Care.

The peak of success was our shopping centre in Pori, which achieved 11.2 per cent growth in the number of visitors, clearly exceeding the national average for shopping centres. The sales of Puuvilla shopping centre increased by 7.5 per cent in 2016, and Puuvilla is reaching the leading market position as the most important retail venue in Satakunta.

## **Valued by the customers**

Our customers are highly committed to the solutions we provide. During the year, we received thanks for our ability to develop our locations and for the maintenance service level we provide in the properties. Our success is based on Renor's unique property maintenance model in which our own staff are responsible for the management of maintenance and services. The maintenance duties are produced locally in cooperation with trusted partners. The conclusion or renewal of 141 new lease agreements during the year is an indication of how comfortable and satisfied our customers are.

## **Three stars for responsibility**

In 2016, we participated in the international GRESB evaluation (Global Real Estate Sustainability Benchmark) of the property sector for the first time. Our result, three stars, corresponds to the GRESB Green Star recognition used earlier. In its peer group, Renor was among the best of the unlisted Finnish participants, achieving second place in the comparison.

Our extensive utilisation of renewable energy solutions reduces the environmental burden caused by our locations. We are experts in this respect: the share of geothermal energy of the annual heating and cooling energy consumption of Puuvilla shopping centre amounted to 98 per cent. In the Asko area properties in Lahti, we produced 160,000 kWh of cooling from groundwater in 2016. The electricity savings correspond to the average consumption of electricity of approximately 13 one-family houses.

Our business operations are based on our strong client base and the demand for varied premises and services. Also the interest in taking historical properties into use again and developing them, utilising existing infrastructure and introducing renewable sources of energy are factors bringing us together with the customers and various decision-makers.

I wish to thank our customers and cooperation partners as well as Renor employees for joining us in the sustainable construction of future. I also wish warm thanks to the owners and the Board of Directors for fluent cooperation.

Lahti, 27 February 2017  
**Timo Valtonen**  
CEO

# Built for life

## – also for the next 100 years

### GET TO KNOW US

Our property base is a cross-section of the Finnish economy. We are developing industrial environments of historical importance into lively city blocks.

### DEVELOP

In the past, cities grew around our property locations. We are excited to see how we are able to bring these areas back to life in cooperation with cities and companies.

### SUCCEED

We have jointly succeeded in modernising premises, properties and entire areas. We have also taken into use the renewable forms of energy offered by the Finnish nature. We are jointly creating a sustainable city culture which will last the next 100 years.

[Read more about our responsible operations >>>](#)

# Three stars for responsibility



Renor participated in the GRESB comparison on the responsibility of the property business for the first time in spring 2016.\* We came second among the seven unlisted participants operating in Finland and achieved the three-star GRESB classification as well as the Green Star. For a newcomer, we showed strong results in almost all areas of the comparison. Our goal for 2017 is to achieve four stars.

## Our strengths in 2016 included:

- clearly defined management practices and responsibilities as well as responsibility integrated into the core business
- excellent coverage of energy, water, CO<sub>2</sub> and waste information in the property and portfolio level in 2014-2015

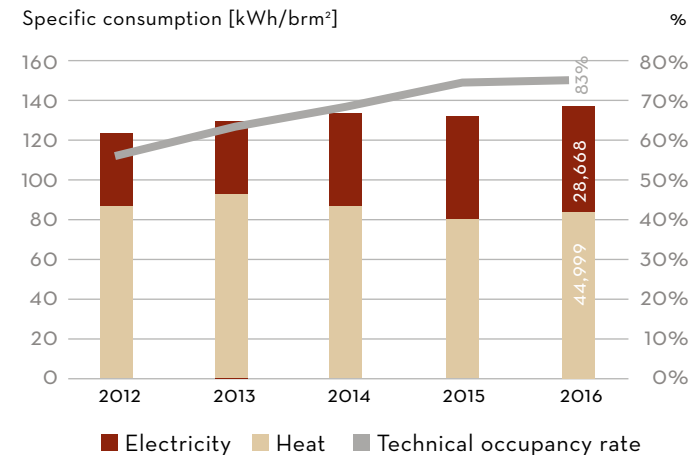
## Areas for further development:

- reinforcing the communications about responsibility
- systematic monitoring and documentation of work satisfaction of our own staff, training on responsibility
- interaction with tenants, communications and instructions for tenants
- creating the criteria, framework and guidelines for sustainable construction

\*) The LEED certification of Puuvilla shopping centre and the BREEAM of Askotalo building were not yet valid at the time of the evaluation as they were granted at the beginning of 2016.

## From the beginning of 2017, we have committed to:

- Carry out our business in a sustainable manner and to continue to participate in the GRESB survey.
- The energy efficiency agreement for the property sector, which has been concluded between the property sector and the Ministry of Economic Affairs and Employment and the Finnish Energy Authority for 2017-2025.



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		123.4		413,001
2013	34,343	13,269	47,612	5.1	128.0	3.7	413,001
2014	37,107	19,561	56,668	19.0	131.1	2.4	432,391
2015	43,024	27,456	70,481	24.4	130.7	-0.3	539,391
2016	44,999	28,668	73,667	4.5	136.6	4.5	539,391

\*\*) weather adjusted





The Asko area is the most rapidly developing area of central Lahti, located in the immediate vicinity of the Lahti railway station and the travel centre. The versatile construction possibilities of the area make Asko area one of the most important area construction projects in southern Finland. It is the largest Renor project in terms of area.

### DNA moved to the Upotalo building

DNA has had offices in the Asko area since 2009. We re-examined the possibilities of the Asko area in spring 2016. We found that the raw space of the Upotalo with its rich industrial history offered an interesting framework for our new premises. We quickly started negotiations about the leasing of approximately 2,000 m<sup>2</sup> of premises. Renor took our goals seriously, studying our concept and brand closely. During the design phase, special attention was also paid to the fluency of work and factors affecting the indoor climate. I feel that we succeeded to create a pleasant and healthy workplace together.

We also have offices in Porin Puuvilla Business Park. In my opinion, their feedback also describes the project implemented in Lahti: The construction project in Pori ran very well, and cooperation continues without problems. Cooperation such as this is not automatic. Big thumbs up.

Leena Helenius, specialist FMA, Properties, DNA Ltd

## UNIQUE ASKO AREA – 250 companies already operating in the vivid area

Major renewals were made in the service and premises of the Asko area in 2016. The most significant ones were executed in the Askotalo building and Uptalo building. The logistics premises were fully leased for almost the entire year. The detailed plan proposal for the first planning area of the detailed plan renewal was completed at the end of the year and moved on to the approval phase. When the new detailed plan is confirmed, it will allow extensive possibilities for housing construction in the area, for example.

During the year, Asko area gained even more recognition when the premises for the District Court of Päijät-Häme and the Salpausselkä prosecutor's office were completed and the services of the area were developed further. There's a lot of demand for the premises, and a total of 70 new lease agreements were made or old ones renewed. Currently, more than 250 companies are operating in the Asko area, providing employment for more than 2,500 people.

Askotalo building underwent a major transition in 2016. The extensive renovation, which required some patience from our customers as well, was completed at the end of 2016. The ground floor of Askotalo now houses reception services and Restaurant Werstas with its event facilities. The opening of the renewed Askotalo was celebrated in January 2017.

### **New premises in the Uptalo**

The Uptalo building located in Asko area was renewed in 2016. New premises of more than 2,200 m<sup>2</sup> were planned and implemented for DNA Ltd in the Uptalo. Operations of

the company moved into the premises at the beginning of 2017. The structural and building technology renovations implemented in the premises changed the raw space into modern offices. All technical work was done from the perspective of the users of the premises, paying special attention to energy efficiency as well as a healthy, controlled indoor climate.

### **Full use of the logistics areas of the Asko area**

The logistics premises of the Asko area are flexibly adapted to the requirements of the customer. This is important for the furniture business, for example, where the summer season leads to an increased need of space in the spring already. In addition to the efficient service premises, logistics customers operating nationally were able to benefit from The Asko area's excellent location near the greater Helsinki area and by central traffic connections.

### **Specialist in special premises**

Renor has the ability to renew existing properties into energy efficient ones and thereby reduce the environmental burden caused by them. Groundwater is used for



the cooling of premises in the Asko area, which reduces the consumption of electricity compared to conventional cooling.

Premises serving the special requirements of companies were implemented in the Asko area in 2016. One example of these are the final archives for the Housing Finance and Development Centre of Finland (ARA), the City of Lahti and the court house. Such premises must meet specific requirements in terms of structure and conditions.

#### The year 2017

Completely new meeting facilities and a business centre will be completed in the Askotalo during the first half of 2017, thereby providing first-class meeting and event services for meetings and events of all sizes. The area is even more interesting and serving after the implementation of these renewals.

Property Manager Timo Väisänen is in charge of the business operations.

LOT SURFACE AREA

31 ha

UNUSED  
BUILDING RIGHTS

250,000 m<sup>2</sup>

LEASABLE AREA

165,000 m<sup>2</sup>

OCCUPANCY RATE

89%

CUSTOMERS

257

JOBS

2,500

PARKING SPACES

2,000



### Attractive Asko area

We wanted to find premises in an area of Lahti that is developing. There are lots of growth expectations in The Asko area in terms of the construction of housing, for example. Also the transfer of the Court House to the Askotalo is important and adds to the reputation of the area. For a bank, it's important to place itself in a developing area that continues to attract others.

Renor has succeeded in finding businesses with operations matching the business park image of the Askotalo building, which serves both us and businesses active in various sectors. Also the renewal of the restaurant and the meeting facilities have impressed us and our customers. The building now provides facilities for the organisation of our customer events as well.

Branch Manager Henri Lilja, Handelsbanken



The Askotalo building was granted BREEAM In-Use certification.

## Askotalo area even closer to everyone living in Lahti

In 2016, the development investments to the The Askotalo area amounted to approximately 14 million euro. Operations mainly aimed at the development of the premises, building technology and services increased the surface area of leased premises to 165,000 m<sup>2</sup> and further improved both customer comfort and the technical properties of the buildings.

The change of the detailed plan for the area progressed into the approval phase at the end of 2016. The plan comprises some 80,000 m<sup>2</sup> of gross floor area for housing as well as commercial and office buildings, which are already currently being designed. New zoned plots are also actively offered to various housing constructors, property investors and property developers.

Askotalo area is an essential part of the development of central Lahti, and this is also supported by the opening of the new travel centre in February 2016. The centre located right next to The Askotalo area seamlessly connects local and regional transport and various modes of transport.

In 2016, we invited students of the Institute of Design to design the Uppsilta bridge and its surroundings. This resulted in six different concepts. We also arranged

a discussion event for people living nearby, discussing the plans for the area.

### Ecological Askotalo area

We have focused on the utilisation of renewable forms of energy in conjunction with the development of energy efficiency of the properties in the Askotalo area. We have obtained positive results both in terms of the environment as the economy of the properties. The BREEAM environmental certification for the operation of the area was an important achievement in 2016.

Approximately 8,500 m<sup>2</sup> of offices are cooled with groundwater in The Askotalo area. In 2016, 160,000 kWh of cooling was produced using the groundwater system. Counting the new premises constructed in 2016, groundwater is currently used for the cooling of some 15,000 m<sup>2</sup> of offices, restaurant premises and lobbies.

The saving of energy is the most concrete benefit obtained from this solution. The consumption of electricity in premises with ground water cooling is 30-50 per cent smaller than in those with traditional cooling. The savings correspond to the average consumption of electricity of approximately 13 one-family houses.

We studied the extent of the groundwater reserves under the Askotalo area in a Tekes-funded project, which ended last year. If the groundwater reserves are adequate, the heating and cooling of the new city district to be constructed in the area can be arranged by utilising the groundwater reserves.

Marko Liimatainen, Senior Vice President, Property Development, is in charge of property development. Maintenance Manager Toni Pajulahti is in charge of the development of maintenance services.



Porin Puuvilla Oy is owned by Renor and Ilmarinen with equal shares. The Puuvilla block covers an extensive block area in the centre of Pori which is being developed vividly. Also the Askokylä property serving office customers is owned by Renor in Pori.

### Goals met in Citymarket

Our store is located in the centre of Pori in a beautiful shopping centre with lots of daily visitors. Our Citymarket store of more than 5,000 square metres in Puuvilla shopping centre has seen a favourable development in the number of customers and sales volumes. Our store and its location have been able to reach the goals set.

Responsible operations in all aspects are important for our chain, also in terms of the environment. Puuvilla shopping centre is utilising renewable sources of energy in an exemplary manner, for example, and we do the same in Citymarket. This means, for example, the management of the energy consumption of refrigerated spaces, the choice of furniture, lighting and, in our case, also the remote monitoring of refrigerating and freezing equipment that allows us to optimise the energy consumption of such equipment smartly.

Shopkeeper Juha Jylli, K-Citymarket



## RECORD YEAR FOR PORIN PUUVILLA – more than 5 million visitors

The number of visitors and total sales of the two-year-old Puuvilla shopping centre increased significantly in 2016. This shopping centre utilising geothermal energy extensively and, in what follows, also solar energy, was awarded the Platinum-level LEED® environmental certification in the spring. The shopping centre is also an important attraction for the Puuvilla Business Park with its praiseworthy leasing level of 88 per cent.

In 2016, approximately 5.3 million people visited the Puuvilla shopping centre. The number of visits increased by some 11.2 per cent from the previous year, which is, according to the monitoring reporting of shopping centres conducted by KTI Property Information Ltd, substantially higher than the average for shopping centres. At the same time, the total sales of the shopping centre increased by approximately 7.5 per cent.

The Puuvilla shopping centre owned by Renor and Ilmarinen with equal shares is the largest shopping centre in Satakunta, housing more than 60 stores. The demand for premises was high in 2016, and the shopping centre now provides even more varied services with the opening of a library, a bank, an Alko liquor store, real estate agent services and new indoor decoration stores opening in Puuvilla.

### **Large solar power station on the roof of the shopping centre**

In 2016, the share of geothermal energy of the annual heating and cooling energy consumption of Puuvilla shopping centre

amounted to as much as 98 per cent. The construction of a solar power station was decided in 2016. In addition to taking care of the environmental aspects of the shopping centre's own operations, focus has been paid to supporting the environmental choices of the customers. Additional electrical car charging outlets available for the customers were installed during the year.

### **A service area attracting office customers**

The Puuvilla block is an extensive area, which has turned into Satakunta's most important business, education and leisure centre. The versatility of the area also guarantees the financial preconditions and good services for continued growth. The attraction of the area was also reflected as the favourable development of the leasing level of Puuvilla Business Park in 2016.

### **The year 2017**

Puuvilla shopping centre has been utilising smart digital solutions in customer and business service right from the start. The shops are using, for example, the shopping

centre's electronic advertising boards through the shopping centre's intranet. Also an online store is available for the shops of the shopping centre. The digital solutions will be developed even further this year and applied more extensively in the service of the business park customers as well.

In addition to digitalisation, the shopping centre has invested in a customer magazine of high quality and circulation that is expected to, in addition to online marketing, further improve the attraction to the offerings of the shopping centre in an even wider market area.

Property Director Juha Veistonen is in charge of our operations in Pori. Realprojekti Oy is our commercial management partner, and Tea Siivola was appointed as the Shopping Centre Director in 2016.

## PUUVILLA SHOPPING CENTRE

LEASABLE AREA

42,000 m<sup>2</sup>

OCCUPANCY RATE

93%

CUSTOMERS

67

## PUUVILLA BUSINESS PARK

LEASABLE AREA

28,000 m<sup>2</sup>

OCCUPANCY RATE

87%

CUSTOMERS

60

## PUUVILLA CITY BLOCK

LEASABLE AREA

70,000 m<sup>2</sup>

UNUSED BUILDING RIGHTS

69,000 m<sup>2</sup>

JOBS

1,150

PARKING SPACES

2,000



## Designers like it in Puuvilla

Offices were built for us from the raw space. The 800 m<sup>2</sup> premises and solutions provide excellent support for our work.

The location is quite excellent and appreciated by both our employees and our customers. This place is easy to reach, several options are available for lunch, and when you leave for home, you can drop by the grocery store on the way. It's also a great location for customers as plenty of free parking is available for people coming to meetings.

Environmental values are important to us, and our own operations are guided by the ISO 14001 standard. We therefore value the choices of the shopping centre in terms of the use of renewable energy sources. We are also a service producer for Puuvilla shopping centre, currently working on an HVAC and electricity plan related to the shopping centre, among others.

Area manager Jani Kautto, Etteplan Design Center Oy



Puuvilla shopping centre was granted Platinum level LEED environmental certification.

## The renewal of the detailed plan for Porin Puuvilla brings more versatility to the services available in the city

The architectural competition for the development of the Porin Puuvilla city block ended in 2016. The purpose of the competition was to examine the possibilities for the utilisation of the remaining maximum allowable gross floor area for the construction of housing and, at the same time, design an extension for the shopping centre.

Five architects' offices were invited to the competition which was implemented in accordance with the competition rules of the Finnish Association of Architects SAFA. The winner of the competition was Arkkitehtitoimisto Huttunen-Lipasti-Pakkanen from Helsinki under the pseudonym "Kudottu kaupunki", or "Woven City". An honourable mention was awarded to Arkkitehtitoimisto Brunow & Maunula's proposal "Cotona".

The planning of the city block continued based on the winning entry. The change of the detailed plan allowing the construction of housing has been initiated with the City

of Pori. The new plan would allow the construction of housing of 20,000 m<sup>2</sup> gross floor area and the extension of the shopping centre by 6,000 m<sup>2</sup>.

### We invest in solar power station

Puuvilla shopping centre was awarded the highest, Platinum level LEED environmental certification in spring 2016. This is the first shopping centre renovated into an existing industrial property receiving the certification in Finland.

Right from the start, special attention has been paid to energy efficiency, the utilisation of renewable sources of energy and the minimising of environmental burden in the shopping centre. The cooling and heating of Puuvilla have been implemented with one of Finland's largest geothermal systems. In 2016, the share of geothermal energy of the annual heating and cooling energy consumption of Puuvilla shopping centre amounted to 98 per cent.

The decision to invest in solar energy was made in Porin Puuvilla at the end of 2016. The system will be one of Finland's largest property-specific solar power plants. A total of 2,226 solar panels will be installed on the roof of the shopping centre, producing approximately 534,000 kWh of solar energy annually. This corresponds to the annual electricity consumption of 266 apartments in a block of flats. The construction will begin at the beginning of March 2017, and the power plant will be taken into production at the end of spring 2017.

Marko Liimatainen, Senior Vice President, Property Development, is in charge of property development.



## A NEW ERA FOR TIKKURILAN SILKKI

Our location in Vantaa, Tikkurilan Silkki, is a central block housing several small and service companies as well as the Vantaa theatre.

The redevelopment of the Tikkurila Silkki property area progressed further, and we started the marketing of premises for this renewal project in 2016. At the end of the year, we signed a lease agreement with the City of Vantaa for the leasing of approximately 2,000 m<sup>2</sup> of office premises from the B building at Tikkurilan Silkki. This is an important step towards the renewal of the city block.

The parking area of the Tikkurilan Silkki block was renewed in summer 2016. During the year, preparations were also made for the technical design of the property by executing structural and geotechnical studies.

The project planning of the renewal of the block took significant steps further in 2016. Offices, business premises and restaurants as well as housing are planned for this unique location with excellent traffic connections, located near the beautiful river Keravanjoki.

A CITY BLOCK  
OFFERING VERSATILE  
SOLUTIONS AND SERVICES

OFFICES  
5,000 m<sup>2</sup>

MULTI-PURPOSE PREMISES  
3,000 m<sup>2</sup>

SERVICES  
2,000 m<sup>2</sup>

HOUSING  
2,750 m<sup>2</sup>



### Tikkurilan Silkki to become the most beautiful block in Vantaa

The Tikkurilan Silkki city block in Vantaa, undergoing major development, consists of offices, housing, meeting and restaurant services as well as multifunctional and service spaces.

The block is bursting with history and stories from the times of the silk factory at the beginning of the 20th century. We are now implementing spacious premises full of light in Tikkurilan Silkki. We estimate that the first renewed office premises will be completed at the end of 2018.



## Beautiful premises for Esperi homes in Forssa's Vanha kutomo

Esperi Care Oy expanded its operations in Finlayson area in 2016. The new Esperi Home Popliini and Esperi Nursing Home Puuvilla care facilities were opened in the premises of "the Vanha kutomo building" in traditional surroundings in the summer. The cosy Esperi Nursing Home Puuvilla provides 24/7 care for 30 elderly people and people with memory disease, and the new Esperi Home Popliini provides 24/7 assisted living services for mentally disabled people. Esperi Home Popliini provides homes for 15 residents.

## A new home for Esperi's residents

"We started using our new and beautiful Esperi homes in Forssa last year. We often receive positive feedback about how traditional industrial facilities are taken into new use. The five-metre ceiling height and the lightness and spaciousness of the premises have created a lot of excitement. We are happy that our homes are located in the historic Finlayson area. This is an important area for Forssa and its inhabitants as well, as the city was built around the factory.

The current use of our premises is completely different from the original one. Cosiness and comfort were absolute requirements in the renovation. In addition, the premises had to be made accessible and such that the use of disability aids is possible. The transition required a lot of planning, but the competent Renor and Esperi team did a good job."

Supervisor Kirsi Tuomola, Esperi Nursing Home Puuvilla and Esperi Home Popliini

### FORSSA VANHA KUTOMO

LEASABLE AREA  
**11,600 m<sup>2</sup>**

OCCUPANCY RATE  
**86%**

CUSTOMERS  
**39**

## TAMPERE PMKTALO

The PMKtalo building houses several expert and service companies as well as users of production and storage facilities. The accessibility of the PMKtalo and its services was improved by the completion of the Rantatunneli tunnel and the renewal of Ratapihankatu street. In order to further develop the service level of the block, we bought a new plot for a parking area in spring 2016.

The new detailed plan for the area was confirmed in 2016. The new detailed plan allocates the PMKtalo 4,700 square metres gross floor area in housing construction rights. During the second half of the year, we sold a part of a plot in the PMK block to Mandatum Life Vuokratontit 2 Oy. A residential block of flats constructed by Pohjola Rakennus Oy will be completed in this plot in 2018.

LEASABLE AREA  
**16,400 m<sup>2</sup>**

OCCUPANCY RATE  
**84%**

CUSTOMERS  
**60**

## PORVOO WSOYTALO

WSOYtalo building in Porvoo is one of the most important properties providing business premises in the city centre. The leasing level of the WSOYtalo developed favourably in 2016. Some of our customers expanded their premises in the property, and we also concluded new lease agreements successfully.

In addition to business premises, WSOYtalo has been able to provide versatile solutions for, for example, the city of Porvoo, the Hospital District of Helsinki and Uusimaa HUS and the Porvoo academy of music.

Basic renovations were implemented in the property in 2016, such as the replacement of the roof in the listed section of the property.

LEASABLE AREA  
**23,100 m<sup>2</sup>**

UNUSED BUILDING RIGHTS  
**1,700 m<sup>2</sup>**

OCCUPANCY RATE  
**91%**

CUSTOMERS  
**98**

## FORSSA FINLAYSON FACTORY

The Finlayson area owned by Renor in Forssa consist of the well-being, care service and office centre "Vanha kutomo building" and "Finlayson factory" logistics centre.

The industrial and logistics centre of the Finlayson area serves several production and logistics companies. Investments made in 2016 were focused on the development of logistics services. We implemented a new 8,000 m<sup>2</sup> high warehouse for Finlayson Oy, and also renewed the long-term lease agreement with Finlayson Oy at the same time.

LEASABLE AREA  
**30,300 m<sup>2</sup>**

UNUSED BUILDING RIGHTS  
**4,700 m<sup>2</sup>**

OCCUPANCY RATE  
**49%**

CUSTOMERS  
**43**



# Enthusiasm at the core of our competence



**Serving the customers in everyday matters is at the core of Renor. We take care of smooth leasing and maintenance services, the development of properties and the related new construction.**

The central locations of our properties in various cities as well as our responsible and active role as a property developer and investor are factors which encourage us to renew our properties – and entire areas of cities.

Our employees work as specialists in customer service, leasing, property service and property development. We work efficiently ourselves and value a competent network of partners.

- Renor employs 28 persons; 9 women and 19 men.
- The average duration of employment is approximately 14 years.
- The average age of our employees is approximately 48 years.

Employees of Renor and Porin Puuvilla in December 2016.

# Board of Directors and owners



KARI KOLU

Member of the Board since 2004  
and Deputy Chairman of the Board  
since 2014  
M.Sc. (Econ.)

NIILO PELLONMAA

Member of the Board since 2004  
B.Sc. (Econ.)

HEIKKI HYPPÖNEN

Member of the Board since 2004  
M.Sc. (Econ. & Bus. Admin.)

ERKKA VALKILA

Member of the Board and  
Chairman of the Board since 2015  
B.Sc. (Eng.)

TIMO KOKKILA

Member of the Board since 2008  
M.Sc. (Eng.)

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



# Management team



TONI PAJULAHTI  
Maintenance Manager  
Member of the Team since 2013  
B. Eng., Technical Manager

EMILIA RIIKONEN  
Legal Counsel  
Secretary of the Team since 2017  
Master of Laws

MARKO LIIMATAINEN  
Senior Vice President,  
Property Development  
Member of the Team since 2013  
M.Sc. (C.E.)

TIMO VALTONEN  
CEO  
Member of the Team since 2011  
M.Sc. (C.E.)

SAMI LAINE  
CFO  
Member of the Team since 2016  
M.Sc. (Econ.)

# Financial statement 2016

## CONSOLIDATED INCOME STATEMENT

1 JAN–  
31 DEC  
2016

1 JAN–  
31 DEC  
2015

EUR 1,000

<b>Net sales</b>	<b>24,158</b>	<b>24,415</b>
Other operating income	6,124	3,374
Administrative expenses	-1,861	-2,056
Depreciation and amortization	-4,354	-4,495
Other expenses	-11,543	-11,606
<b>Operating profit</b>	<b>12,524</b>	<b>9,632</b>
Financial income and expenses	-2,705	-2,431
<b>Profit before taxes</b>	<b>9,819</b>	<b>7,201</b>
Income taxes	-2,145	-1,565
<b>Profit for the period</b>	<b>7,674</b>	<b>5,635</b>

## CONSOLIDATED BALANCE SHEET

1 JAN–  
31 DEC  
2016

1 JAN–  
31 DEC  
2015

EUR 1,000

Investment properties	155,331	144,947
Receivables	2,652	2,207
Cash and cash equivalents	4,953	3,424
<b>Total assets</b>	<b>162,936</b>	<b>150,578</b>
Equity	69,011	64,726
Non-current liabilities	85,890	80,042
Current liabilities	8,034	5,810
<b>Total of shareholders' equity and liabilities</b>	<b>162,936</b>	<b>150,578</b>
Interest-bearing debt, total	85,488	78,829

## CONSOLIDATED CASH FLOW STATEMENT

1 JAN–  
31 DEC  
2016

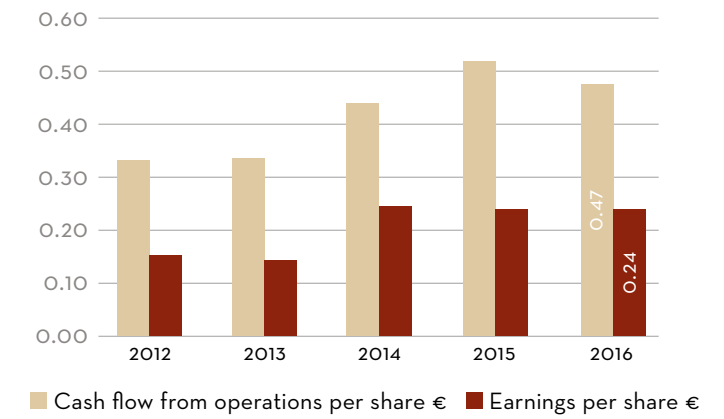
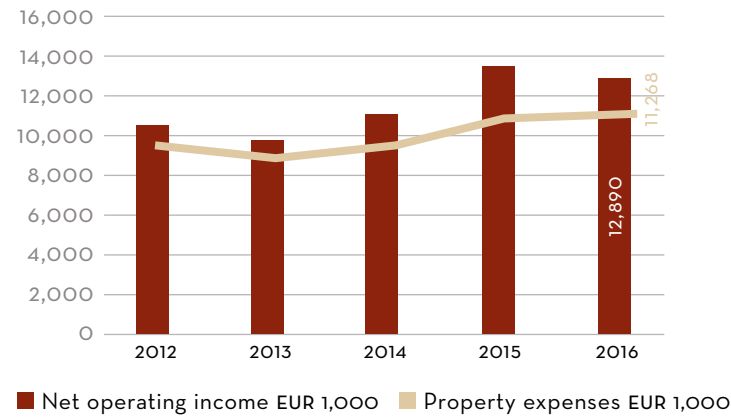
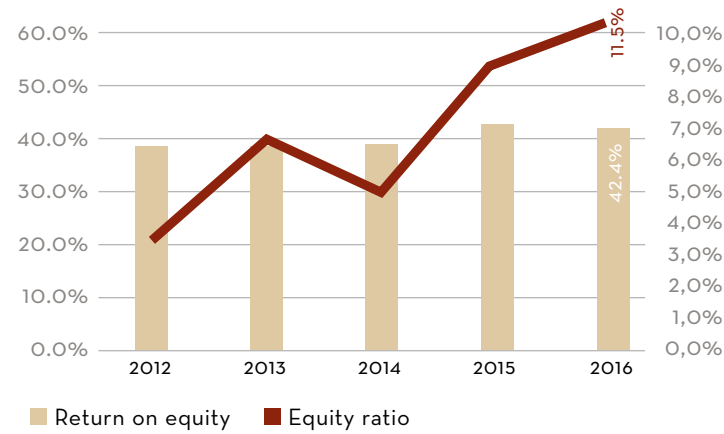
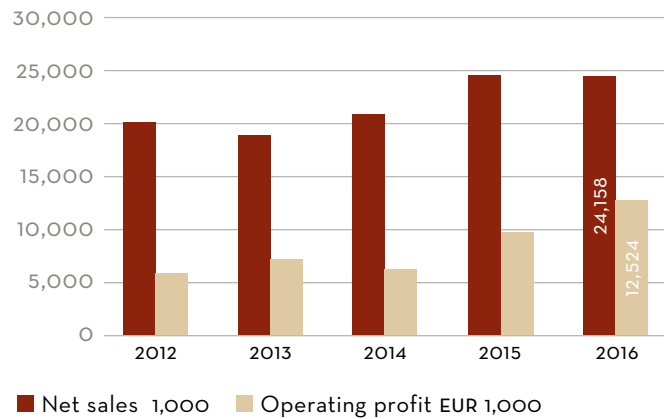
1 JAN–  
31 DEC  
2015

EUR 1,000

Cash flow from operations before financial items and taxes	11,014	10,000
Net financial items	-2,810	-2,239
Taxes paid	-1,372	-1,547
<b>Net cash from operating activities</b>	<b>6,832</b>	<b>6,214</b>
Investments in tangible and intangible assets	-20,120	-3,133
Proceeds from sale of tangible and intangible assets	11,951	10,240
Investments in other securities	-405	-1,220
<b>Net cash from investment activities</b>	<b>-8,574</b>	<b>5,888</b>
<b>Cash flow from financing activities</b>	<b>3,270</b>	<b>-9,893</b>
<b>Change in cash and cash equivalents</b>	<b>1,528</b>	<b>2,208</b>
<b>Cash and cash equivalents at period-end</b>	<b>4,953</b>	<b>3,424</b>

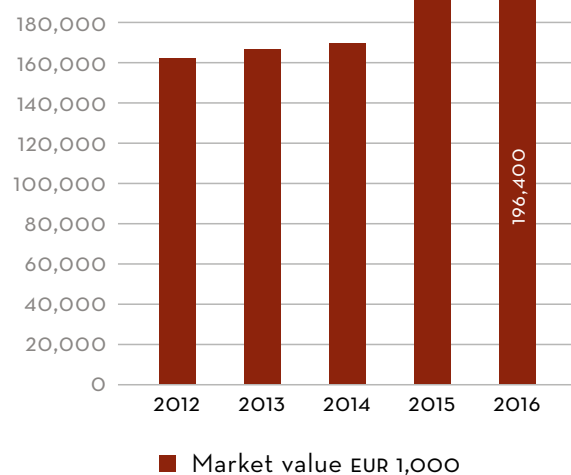


# Key figures 2016



# Key figures 2016

## Market value of property assets



## Renor's property portfolio 2016

	LEASABLE AREA m <sup>2</sup>	UNUSED BUILDING RIGHTS m <sup>2</sup>	ECONOMIC OCCUPANCY RATE %	CUSTOMERS
Asko area, Lahti	165,000	250,000	89	257
Shopping Centre Puuvilla, Pori	42,000	69,000	93	67
Porin Puuvilla Business Park, Pori	28,000		87	60
Finlayson area, Vanha kutomo building, Forssa	11,600		86	39
Finlayson factory, logistics centre, Forssa	30,300	4,700	49	43
WSOYtalo building, Porvoo	23,100	1,700	91	98
PMKtalo building, Tampere	16,400		84	60
Tikkurilan Silkki, Vantaa	11,100	4,000	69	72
Höyläämöntie 3, Helsinki	2,900		49	4
Askokylä, Pori	6,500	660	97	12

### OTHER INFORMATION

The most significant property transactions executed during the year:

- Sales of the court house located in the centre of Hämeenlinna to Hemsö.
- Sales of part of a plot in the PMK block in Tampere to Mandatum Life Vuokratontit 2 Oy.





RENOR LTD

Pursimiehenkatu 26 C, 6th floor

P.O. Box 199

FI-00151 HELSINKI

Company's switchboard

+ 358 207 220 800

Email: [firstname.lastname@renor.fi](mailto:firstname.lastname@renor.fi)

[www.renor.fi](http://www.renor.fi)

**FORSSA** Finlayson area

Puuvillakatu 4 A 1

FI-30100 FORSSA

**LAHTI** Asko area

Askonkatu 9 E, 3rd floor

P.O. Box 45

FI-15101 LAHTI

**PORVOO** WSOYtalo

Mannerheiminkatu 20

FI-06100 PORVOO

**TAMPERE** PMKtalo

Erkkiläncatu 11 A, 7th floor

FI-33100 TAMPERE

**VANTAA** Tikkurilan Silkki

Silkkitie 5

FI-01300 VANTAA

Porin Puuvilla Oy

**PORI** Porin Puuvilla

Business Park and Shopping Centre

Siltapuistokatu 14

FI-28100 PORI

Email:

[firstname.lastname@porinpuuvilla.fi](mailto:firstname.lastname@porinpuuvilla.fi)

[www.porinpuuvilla.fi](http://www.porinpuuvilla.fi)