

SUOMEN YLIOPISTOKIINTEISTÖT OY PORTFOLIO

VALUATION SUMMARY

12 OCTOBER 2018



Valuation summary

Newsec Valuation Oy (“Newsec”) has conducted a property valuation of a property portfolio owned by Suomen Yliopistokiinteistöt Oy (together “Portfolio”). The Portfolio consists of 84 properties and unseparated parcels as well as 7 part-ownership mutual real estate companies across Finland.

Date of valuation is 28 September 2018.

Valuation is conducted by income valuation method (discounted cash flow) and property values are based on forecasted cash flows received from the properties and terminal values of the properties. Estimations regarding future cash flows are based on following items:

- Current rents, operating and capital expenses received from Suomen Yliopistokiinteistöt Oy
- Estimated market rents after current lease agreements
- Estimation of market and regional development
- Future opportunities and threats of the properties
- Operating and capital expenses in similar properties, compared to target properties
- For the assets currently under construction or renovation have been valued taking into account the estimated start of lease period and the estimated construction and renovation costs not yet paid.

Estimated cash flows are discounted with estimated, market-based, discount factor. Used parameters are based on Newsec’s opinion of investors act in real estate investment market.

The sales comparison method has been used as a supporting method. Unused building rights have been appraised using the sales comparison approach.

Transaction costs and taxes are not considered in the valuation. This valuation determines the unlevered market value of the subject. It does not take into consideration any mortgages or debt associated to the subjects of valuation.

Newsec has conducted site visits between March 2018 and September 2018 to the most significant assets which constitute 70 % of the whole value of the portfolio.

The valuation does not completely fulfill the requirements of a Finnish AKA- valuation in terms of extent, accuracy, nor verification of the input values.

Market value is estimated to be EUR 1,413,100,000

(One billion four hundred thirteen million one hundred thousand euros)

Newsec has acted as an independent property valuer. All factual statements presented in the valuation report are correct to the best of the Valuer's knowledge. The Valuer has no interest in the subject portfolio or portfolio management company. The Valuer's fee is not contingent upon any aspect of the report. The valuation was performed in accordance with an ethical code and performance standards. The Valuer has satisfied professional education requirements. The Valuer has experience in the location and category of the property being valued. This valuation statement is carried out based upon information supplied to us by the Client and the market information received in the real estate business of Newsec Valuation Oy.

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NEWSEC VALUATION OY



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