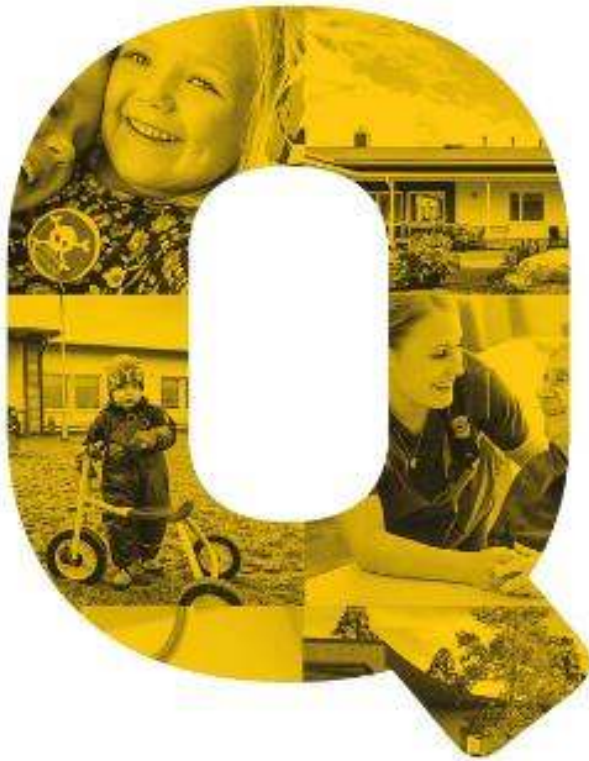


BUSINESS REVIEW, JANUARY–SEPTEMBER 2017



HOIVATILAT



Suomen Hoivatilat Oyj

Business review for January–September 2017 (unaudited)

Growth continues, guidance updated

Business review, January–September 2017

Suomen Hoivatilat Oyj stock exchange release, 8 November 2017, 8:00 a.m.

January–September 2017 in brief (January–September 2016 in brackets)

- Revenue: 8.6 (5.3) million euros, growth 61.9%
- Profit for the period: 19 (9.7) million euros, growth 95.9%
- Operational result: 3.6 (1.9) million euros, growth 86.0%
- Earnings per share, undiluted: 0.80 (0.51) euros, growth 56.9%
- Earnings per share, diluted: 0.79 (0.51) euros, growth 54.9%
- Operational result per share: 0.15 (0.10) euros, growth 50.0%
- Value of investment properties: 225.5 (131.7) million euros, growth 71.2%
- Economic occupancy rate: 100% (100%)
- Net asset value (NAV) per share: 5.33 (3.68) euros, growth 44.8%
- Value of the agreement portfolio (no index increases): 292.3 (212.3) million euros, growth 37.7%
- Average maturity of the agreement portfolio: 14.3 (14.3) years.

Outlook for 2017

The company expects its total revenue to reach at least 12 million euros in 2017. The operational result is estimated to be five million euros (previously 4.5 million). The fair value of the investment properties at the end of 2017 is estimated to be at least 240 million euros (previously 225–245 million).

Jussi Karjula, CEO:

We will continue on track for strong growth as planned, updating our financial guidance for the current financial period with regard to the operational result and the current value of investment properties. The change in guidance is due to growth being stronger than anticipated and reduced return requirements for the investment properties. Our revenue grew by 61.9%, the operational result by 86.0%, the NAV per share was 5.33 euros with an increase of 44.8%, and the fair value of the investment properties grew by 71.2% compared to the reference period. The assessment of the investment

properties' fair value is based on real estate appraisals carried out on 30 June 2017 and the return requirements at that time. The next external appraisal for the full property portfolio will be carried out on 31 December 2017.

The average maturity of the leases on completed properties and those under construction was 14.3 years on 30 September 2017, and the total combined value (= future lease cash flow without index increases) of the lease agreements was 292.3 million euros. 27 properties were completed in 2017 and occupied by tenants. Twelve properties were completed in the same period in 2016.

We introduced the "investment-free school" concept at the Kuntamarkkinat event in September. The reception was positive at the event and this school concept has raised interest. Negotiations for school projects are currently underway with several prospective customers.

Events after the review period

Since September, the company has entered into seven new contracts for properties. The total fair value of these projects once completed is approximately 20 million euros.

Financial calendar for 2018

Suomen Hoivatilat Oyj will release its financial statement on 13. February 2018.

Oulu, 8 November 2017

Suomen Hoivatilat Oyj
Board of Directors

Further information:

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HOIVATILAT

SUOMEN HOIVATILAT OYJ

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