

TECHNOPOLIS

ANNUAL REPORT 2001

Technopolis in a Nutshell

Technopolis Plc is the leading Finnish company specializing in providing operating environments for high tech companies. As many as 6,000 people are currently working in the over 200 companies situated in Technopolis high tech centers.

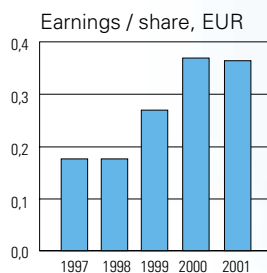
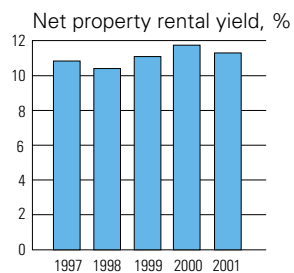
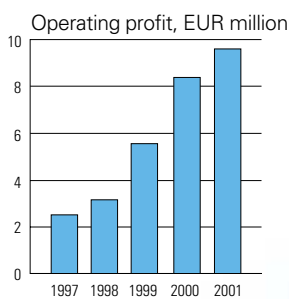
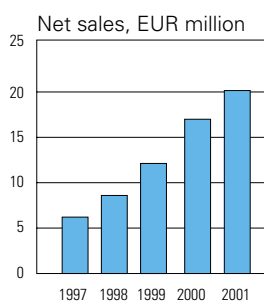
Technopolis' unique business concept comprises modern operating premises, comprehensive facilities and business services, the high tech and knowledge-based companies operating in the centers and extensive development programs. The operating environments also offer a wide range of services that promote employee efficiency and comfort in the work place and increase their ability to work.

Technopolis has three operating sites in the Oulu region: the Linnanmaa site on the University of Oulu campus, the Kontinkangas

site near Oulu city center and the Lentokentäntie site in Kempele. In the Helsinki metropolitan area, the company began its operations in the fall of 2001 by opening an office in the proximity of the Helsinki-Vantaa International Airport.

Preparations for the first stage of the Helsinki-Vantaa high tech enterprise center were underway in 2001 and construction should begin in 2002.

Technopolis Plc's generous dividend policy provides the owners with a good dividend yield. Successful customers in the high tech sector create good opportunities for Technopolis to continue its profitable growth in the future. Technopolis Plc's shares are quoted on the main list of the Helsinki Exchanges, in the Investment group.



To our shareholders



Profitable growth and good dividend yield

The Technopolis Group experienced profitable growth in 2001. The company's net sales increased by 19 % and the operating profit by 15 % over the previous year. Earnings per share were EUR 0.36. The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.25 be distributed, which is 70 % of the net profit for the year. The effective dividend yield is therefore 8.0 %, based on the closing price of EUR 3.14 at the end of the year. Technopolis' dividend yield is among the best in the Helsinki Exchanges.

Most experienced service provider for high tech companies

High tech companies form the fastest growing sector in the world, and have their own special characteristics and requirements. Technopolis is Finland's biggest and the Nordic countries' most experienced company specializing in operating environments for high tech companies. Over 200 customer companies

with approx. 6,000 employees operate in Technopolis' operating environments. Technopolis' service concept is the result of years of development. A more detailed description of the concept can be found on pages 7 - 13 of the Annual Report.

Excellent high tech environments in the Oulu region

Technopolis has excellent environments in the Oulu region from which to operate and grow. Technopolis Linnanmaa is a concentration of over 4,500 high tech specialists, situated near the University of Oulu and VTT. Technopolis is also the biggest company investing in the high tech environment alongside the Lentokentäntie road in the Kempele area of Oulu. Technopolis Mediaani is situated in the Kontinkangas area, in the vicinity of the Medipolis Center, Nokia Peltola and Oulu University Hospital. The first stage of the Mediaani center will be completed in May, and thanks to the excellent location, the probability of a quick continuation of construction in the area is good. Technopolis is

also planning a new, 100,000 floor-square-meters project in Kaakkuri, in the area between Oulu airport, Kempele and the Oulu city center.

Nearest enterprise center to Helsinki-Vantaa International Airport

In February 2001, Technopolis signed preliminary agreements with the Finnish Civil Aviation Administration and the City of Vantaa to purchase an area of land in the proximity of the Helsinki-Vantaa International Airport. This will enable Technopolis to build an enterprise center of 64,000 floor square meters and approximately 3,000 employees in the proximity of the airport. The location is unique in Finland - this is as close as an enterprise center can physically get to the Helsinki-Vantaa International Airport.

The zoning of Technopolis' Helsinki-Vantaa project progressed quickly in 2001 and the land use plan was approved in December. Technopolis aims to close the final land purchase agreement in March 2002 to allow it to begin the first stage of the construction project. The first stage is estimated to begin by the end of April and will be 4,000-6,000 square meters in size. Technopolis expects that by the end of 2004, approximately 1,000 employees will be working in Technopolis operating environments in the Helsinki metropolitan area.

Shareholders and share price trend

Technopolis has 2,454 shareholders, of which 2,120 are households. The percentage of households has risen significantly from the previous year and has now reached 31 %. We believe this increase is due to the interest of private investors in the company's high dividends and excellent growth prospects. The company



aims to distribute two thirds of the net profit annually as dividends.

The Technopolis share price continued to be quite stable during an otherwise challenging stock exchange year. If we compare the Technopolis share price to the HEX portfolio index, we can see that Technopolis has kept its value relatively well. The company's share price developed favorably towards the end of the year and rose by approximately 25 % from September to December.

Prospects for 2002

The management of Technopolis estimates that the company's net sales will increase by at least 5 - 10 % in 2002. The management also estimates that the net profit for 2002 will at least match the good level attained in 2001. The company's management expects that the occupancy ratio of the company's premises will remain good in 2002. Technopolis' business is protected against economic fluctuations by long-term leases which totaled EUR

80 million on December 31, 2001. Over 80 % of all leases have been signed with listed companies.

Personnel and Board of Directors

Technopolis' personnel have uniquely long experience in the sector. The key employees have been through many stages in the economic cycle during their years in the company, from times of rapid growth to the trials of a severe recession. The experience, skills and adaptability acquired during these years are the strengths that Technopolis' future success will be built on.

Technopolis has a very competent and well-connected six-person Board of Directors which, under the leadership of Oulu City Mayor Kari Nenonen, actively supported and encouraged the company's management. The cooperation between the company's strategic and operational functions was seamless and characterized by mutual respect. I wish to extend my warmest thanks



to the personnel and the Board for their work in 2001 which led to the best results ever in the history of the company.

Pertti Huuskonen
President and CEO

Main events in 2001

January

Oulu City Board made a reservation for Technopolis of an area of land in the Kaakkuri district of Oulu, containing 100,000 square meters of building rights. When completed, about 5,000 people will work in the complex.



February

The company signed preliminary agreements with the City of Vantaa and Lentoasemakiinteistöt Oy, a company owned by the Finnish Civil Aviation Administration. According to the preliminary agreements, Technopolis will purchase land in the proximity of the Helsinki-Vantaa International Airport, with total building rights of 64,000 floor square meters. The total value of the purchase is EUR 13.5 million.

The first stage of the office building on Elektronikkatie 6 was completed. The size of the building is 4,500 square meters and the investment was EUR 4.5 million.

March

The Annual General Meeting of Technopolis Plc was held on March 23, 2001 and decided to distribute a dividend of EUR 0.25 / share. The Annual General Meeting also decided to amend the Articles of Association, to cancel the previous share issue authorization granted to the Board of Directors and to grant a new one in its place, and to begin preparations for a share issue and for

issuing options to key personnel.

April

The Board of Directors of Technopolis Plc decided to raise the company's share capital through a private placement in which the share capital would be raised by no less than EUR 1.69 and by no more than EUR 2,531,620 by issuing a minimum of 1 and a maximum of 1,498,000 shares with a counter-book value of EUR 1.69. The share issue was carried out according to plan and resulted in 12 new shareholders for the company.

June

The company decided to begin construction of the new extensive Technopolis Mediaani project in the Kontinkangas area near Oulu city center.

The extension for the Elektronikkatie 6 building was handed over to the customer. The size of the



building is 2,300 square meters and the investment was EUR 2 million.

July

The "A" building on Elektronikkatie 2 was completed. The size of the building is 5,500 square meters and the investment was EUR 5.9 million.

September

Technopolis began its operations in

the Helsinki-Vantaa region by opening an office on Lentäjantie road.

October

Technopolis acquired a property of 1,200 square meters in the Oulu Science Park through an exchange of shares.

Technopolis Plc and Innopoli Ltd signed a partnership agreement, with the intention of starting customer-based development programs and projects, and strengthening the efficiency and customer service of both companies.

The "B" building on Elektronikkatie 2 was completed. The size of the building is 6,200 square meters and the investment was EUR 6.8 million.

November

The National Committee for the Centre of Expertise Programme chose the Multipolis project as the

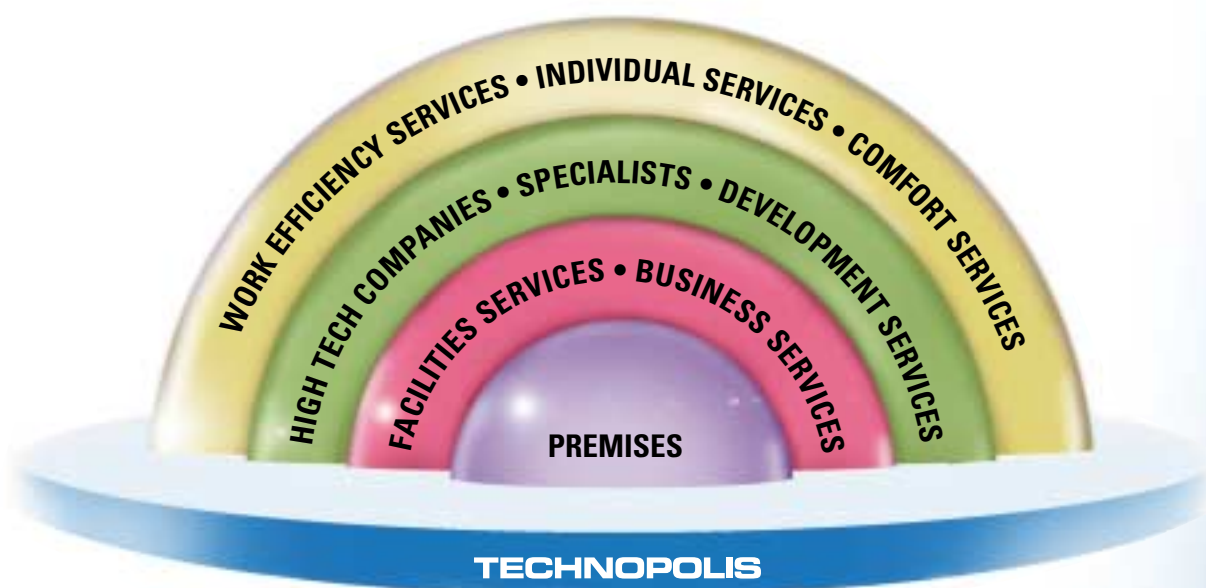
only national top project in 2001.

Construction began on the first stage of Technopolis Mediaani.

December

Technopolis, the Yokosuka Research Park from Japan and Novi A/S from Denmark signed an agreement to begin cooperation between the technology centers in order to develop wireless technologies.

The Technopolis concept



The Technopolis concept has been specially designed to accommodate the needs of high tech companies. It includes not only the provision of operating premises, facilities services and business services - which are the core of Technopolis Plc's business - but also the specialist, development and high tech services that are available in the operating environments provided by Technopolis through the mix of occupant companies. These environments also offer comprehensive services for the promotion of work efficiency and comfort in the workplace as well as personal services.

Technopolis operating environments connect product or service providers with their customers, big corporations with specialists in different fields, and entrepreneurs with other entrepreneurs. In the Technopolis concept, the focus is on providing better operating conditions for customer companies by increasing their interaction and by building contacts with information providers and business organizations, both in Finland and abroad.

The Technopolis enterprise centers constitute Finland's largest concentration of services for high tech companies. The good reputation of the centers and their wide range of services help companies to acquire new customers, recruit competent personnel, market their products, secure finance and solve many other critical issues.

A more detailed description of the Technopolis concept can be found on pages 8 - 13 of the Annual Report.



PREMISES

Technopolis offers individualized and modern operating premises for high tech companies and companies providing services for them. The adaptability and modularity of the premises have been taken into account in the planning stage, and this

enables companies to increase, alter or reduce their office space cost-efficiently. The Technopolis concept allows customer companies to make internal changes in a flexible way, in response to the needs of their own customers. Companies

can choose premises that suit their particular stage of development and their goals. Premises solutions are implemented quickly and efficiently to suit the needs and wishes of customers.

The Elektroniikkatie 6 office building for telecommunications companies was completed in two stages: the actual 4,400 square meter building was brought to use in February and the 2,200 square meter extension in June. The total investment amounted to EUR 6 million. The main tenant is Sonera Corporation.



In 2001, Technopolis Group continued its significant investment program which had began the year before. At the end of 2000, planning began on two 8-storey office buildings located at Elektroniikkatie 2. Construction began in January 2001 and the 'A' building was brought into use in July and the 'B' building in October. The total investment was EUR 12.5 million. The tenants include Digia Oy, eFennia, Net-Hawk Oy, Kolster Oy Ab and Talgo-Transtech Oy.



Technopolis' Helsinki-Vantaa International Airport project proceeded according to plan in 2001. In February, the company signed preliminary agreements to purchase 5.2 hectares of land near the Helsinki-Vantaa International Airport. Actual operations in the Helsinki metropolitan area began in September when the company opened an office at the Airport and the Unit's Director began her work.

During the fall, the company concentrated on the planning and marketing of the first stage of the Helsinki-Vantaa project, due to be completed in 2003. The first stage complex will house approx. 30 companies and 400 specialist employees. All of Technopolis' comprehensive services will be offered to these companies right from the start.

Both Technopolis and the company's Helsinki-Vantaa project have been enthusiastically received by the market, thanks to the company's unique business concept and its long history of providing services for high tech companies. The excellent, high-profile location in the vicinity of the Helsinki-Vantaa Airport has aroused particular interest.



In June, the company decided to begin construction of the new extensive Technopolis Mediaani project in the Kontinkangas area near Oulu city center. The project will be completed in stages, and construction of the first 4,500 square meter office building began in November. This will be completed in spring 2002. The estimated costs are slightly under EUR 6 million. The building has been wholly leased by TietoEnator Oyj.





FACILITIES SERVICES • BUSINESS SERVICES

Facilities services increase the flexibility and efficiency of our customer companies. Premises maintenance and access control services, area security and camera surveillance, and the maintenance and development of the whole building and lawn areas ensure maximum flexibility of oper-

ations and personnel comfort. In order to fulfil the changing needs of its customers and be able to respond to changes, Technopolis has a wide range of partners that can work quickly and cost-effectively. The large user volumes of the facilities services benefit customers directly.

For example, Technopolis submits its electricity and cleaning services to competitive bidding every year. Both big and small companies benefit from the bulk purchase prices attained.

Technopolis offers its customers a wide range of office services, ena-

Special attention has been paid to security in Technopolis' operating environments. Comprehensive camera surveillance of the area and modern access control systems are an essential part of facilities services.



bling companies to concentrate on their core activities. Technopolis' customer-based services help companies to improve their cost-efficiency and operating flexibility. The services include a corporate directory, postal, telephone, reception, telecommunications, conference,

communications and human resources services. Factors contributing to their effectiveness are the enterprise service points located near customers, the volume benefits created by the large number of users and the competent and professional staff. Technopolis' human resources

service provides customer companies with professional office staff or temporary help at the busiest times of the year.





HIGH TECH COMPANIES • SPECIALISTS • DEVELOPMENT SERVICES

High tech companies

A wide range of high tech companies ensures an excellent selection of high tech services. The Technopolis network includes circuit board designers and software houses, electronics, microwave technology, wireless communications, process engineering, medical technology, biotechnology and chemistry experts, as well as manufacturing companies that can produce one single prototype or a complete Ramp Up series. Close cooperation with research institutes and information providers guarantees that the latest technology and the best specialists are always at hand.

Specialists

The Technopolis network includes many specialist organizations and companies vital to business, such as patent agents, accounting offices, companies providing legal services, marketing and industrial design experts, business development companies and financing companies. The companies selected for the Technopolis network have been found reliable and are familiar with all issues related to high tech businesses. They can therefore offer valuable expertise when it is most needed.

Development services

Development services, also part of the Technopolis concept, often begin before the company has even started operating, and continue until it is fully prepared for international operations. Technopolis operating environments offer start-up companies a range of services including corporate consulting and incubator services, help in creating business plans and start-up financing. Growing companies can choose from various development projects and Centre of Expertise Programmes, such as the 4G program, Mobile Forum Oulu, the Wellness Forum and the Northern Centre of Electronics Manufacturing. The Centre of Expertise assists companies to network with each other and carries out projects based on the requests of companies.



Seminars are an important form of information transfer and support the success of Technopolis companies.

The lithographic patterning of an LTCC substrate with a mask aligner.





WORK EFFICIENCY SERVICES • INDIVIDUAL SERVICES • COMFORT SERVICES

A personnel that feels satisfied and well is an asset for any company. In Technopolis operating environments, special attention has been paid to employee comfort. Thousands of employees use our versatile canteen and café services every day,

and the health care services and gyms help to improve the wellbeing of both body and mind. Thanks to our daycare centers, employees know their children are safe and close by. The sauna facilities offer a chance to make contacts and nur-

ture new ideas. Our high tech breakfasts and group meetings deal with topics of interest to companies. There are also sporting and cultural events.



Our wide and versatile range of services creates operating environments where companies and their employees feel comfortable and can achieve good results.



Board of Directors' Report Jan 1 - Dec 31, 2001

The Technopolis Group's consolidated net sales grew to EUR 20.1 million in 2001, an increase of 19 % on the previous year. The operating profit was EUR 9.7 million, an increase of 15 %. The company's Board of Directors proposes a dividend distribution of EUR 0.25 per share, totaling 70 % of the net profit for the year. The company estimates that net sales will increase in 2002 by 5 to 10 % and that the operating profit will achieve at least the level of 2001. The company is preparing for future investments through a share capital increase plan.

Business environment

The general environment for the operating premises business was more challenging in 2001 than in previous years. Many Internet and IT sector businesses with high growth expectations had to reassess their growth forecasts and adjust their premises for lower personnel numbers. Property under-utilization rates remained relatively low in the growth centers, however, and the demand for good premises was very satisfactory.

In the Oulu region, there was no significant excess supply of premises because of the moderate number of new construction projects initiated in previous years. The business areas of Technopolis' customers progressed well in general, providing the Group with good conditions for business.

Results

The Technopolis Group, which specializes in providing operating environments for high tech companies, grew profitably in 2001. The consolidated net sales for the financial year totaled EUR 20.1 million (EUR 17.0 million in 2000), representing growth of 19 % on the previous year. The operating profit was EUR 9.7 million (EUR 8.4 million), representing growth of 15 % on the previous year. The income after financial items was EUR 5.8 million (EUR 5.3 million), up by 8 % on the previous year. The net profit for the year was EUR 4.1 million (EUR 3.7 million). Earnings per share were EUR 0.36 (EUR 0.37). The company's Board of Directors proposes that a dividend of EUR 0.25 per share (EUR 0.25 per share), totaling 70 % of the net profit for the year, be distributed. According to the proposal, the effective dividend yield would be 8 % calculated from the share price at the end of the year.

Investments and premises

Technopolis continued its significant investment program in 2001. Total investments amounted to EUR 20.2 million. During the year, several buildings and extensions were completed, and new projects were started.

The two 8-floor office buildings at Elektroniikkatie 2 in Oulu were completed and brought into use in July and October 2001 respectively. Total investment amounted to EUR 12.6 million. At Elektroniikkatie 6, a 6,600 square meter building was completed in two stages, the investment totaling EUR 6.5 million.

The construction of Technopolis Mediaani, situated in Kontinkangas near the Oulu city center, began in November. The project will be completed in stages and the first 4,500 square meter office building will be ready in the spring of 2002. It is estimated to cost nearly EUR 6 million.

Technopolis' Helsinki-Vantaa International Airport project proceeded according to plan in 2001. The preliminary agreements on the approximately 5.2 hectares of land area near the Helsinki-Vantaa International Airport were signed in February. Technopolis began its actual operations in the Helsinki Metropolitan area in September when the company opened an office at the Airport and the Unit's Director began her work.

At the end of 2001, Technopolis' premises for leasing had a total area of about 150,000 square meters. At the end of the year, the occupancy ratio of these premises was 99.2 % (99.9 %). The premises include approximately 10,000 square meters for sub-letting. It is estimated that by the end of 2002, the Group's leasing premises will increase to about 154,000 square meters.

Structure of net sales

The business of the Technopolis Group was divided between Group companies as follows:

	Parent Company EUR mill.	Technopolis Hitech Ltd EUR mill.	Medipolis Ltd EUR mill.
Net sales	15.66	2.91	2.25
Other income	2.45		0.66
Planned depreciation	-2.46	-0.08	-0.38
Operating expenses	-7.13	-2.28	-1.87
Operating profit	8.51	0.55	0.66
Net financial costs	-3.09		-0.45
Net profit	2.43	0.39	0.35

At the end of 2001, Technopolis Plc had a 100 % holding in Technopolis Hitech Ltd and 55.7 % in Medipolis Ltd.

Events related to the company's shares

The company's shares were quoted on the main list of the Helsinki Exchanges, in the Investment group. The share price varied between EUR 2.50 and EUR 3.25 in 2001. The average price for 2001 was EUR 2.83. The last trading price on Dec. 28, 2001 was EUR 3.14. The share turnover in 2001 was EUR 7,958,834.

The Annual General Meeting decided on March 23, 2001 to cancel the unused portion of the share issue authorization given to the Board of Directors in 2000, and to authorize the Board to decide, by March 23, 2002, on the raising of share capital by a rights offering, or by issuing options or convertible bonds. Based on the authorization, the company's share capital may be raised by a maximum of EUR 3,391,323.

In deviation from the pre-emptive rights of shareholders, the Annual General Meeting decided that a maximum of 600,000 options would be offered for subscription to key personnel of the company and its subsidiaries and/or to key personnel to be recruited by the companies.

Based on the authorization, the Board of Directors decided on April 9, 2001 to carry out a private placement. The shares were offered for subscription by Finnish investors at a price of EUR 2.80 per share. The share issue was executed on April 10-11, 2001, and the total number of shares corresponding to the new share subscriptions was 1,498,000,

divided between 12 investors and equivalent to 14.93 % of the number of shares before the issue.

On September 26, 2001, the Board decided to acquire a property in the Oulu Science Park by an exchange of shares and offered shares for subscription by the owner of Kiinteistö Oy Oulun Moderava. The shares of Kiinteistö Oy Oulun Moderava were exchanged for 148,000 shares of Technopolis Plc at a price of EUR 3.30/share.

As a result of the above-mentioned capital increase, on December 31, 2001 the share capital of the company totaled EUR 19,738,355, which is divided into 11,679,500 shares with a counter-book value of EUR 1.69.

At the end of 2001, the company had 2,354 shareholders. 31.36 % of the shares were held by households, while 0.27 % were nominee-registered.

No convertible bonds were launched. The company has not redeemed its own shares.

The company abides by and applies the insider guidelines prepared by the Helsinki Exchanges for listed companies on October 28, 1999.

Financing

The Group's net financial expenses were EUR 4.0 million (EUR 3.1 million). The Group's balance sheet total was EUR 130.1 million (EUR 113.3 million), of which liabilities accounted for EUR 85.7 million (EUR 75.3 million). The Group's equity ratio was 34.1 % (33.6 %). The Group's equity per share was EUR 3.47 (EUR 3.42).

The Group's long-term liabilities at the end of the year amounted to EUR 74.7 million (EUR 66.6 million). The average maturity period of the loans of the Group at the end of the year was 12 years and the average interest rate was 4.54 %. On December 31, 2001, 82 % of the company's loans were bound to either the 6 or 12 month Euribor rate or to the Bank of Finland's rate. 14 % of the loans were fixed-term loans of 24 - 60 months. EUR 8 million of the total loan portfolio were converted into fixed-interest loans in a five-year interest rate swap on October 1, 2001.

As part of total financing, Technopolis has a EUR 20 million domestic commercial paper program which allows the company to issue commercial papers with a maturity of less than a year.

The Group

Medipolis GMP Oy, a company owned wholly by Technopolis' subsidiary Medipolis Ltd, was registered on August 20, 2001. The company's business area is the upkeep and maintenance of Good Manufacturing Practice (GMP) operating environments, and the leasing of the facilities to biotechnology companies. The company will begin its actual operations at the beginning of 2002.

Kiinteistö Oy Oulun Mediaani, owned 100 % by Technopolis Plc, was registered on December 12, 2001 for the purpose, through its leasing rights, of controlling 5 plots in the Kontinkangas district of the City of Oulu and owning and controlling the buildings thereon.

The company's Board of Directors has decided to propose that negotiations be started with the City of Oulu and the Oulu University Hospital on the acquisition of the Medipolis Ltd shares owned by them. The company's objective is thus to raise its holding in Medipolis Ltd as near as possible to 100 %.

Organization and personnel

At the end of the financial year, the company's Board of Directors comprised Kari Nenonen, Chairman, Juha Hulkko, Vice Chairman, and the following elected members: Antti Hannula, Pentti Kinnunen, Lauri

H.J. Lajunen and Pertti Rantanen.

The company's auditor was Tilintarkastajien Oy - Ernst & Young, Authorized Public Accountants, with Rauno Sipilä, APA, as the responsible auditor. During the year, the Group employed an average of 65 (52) people, of whom 17 (12) were employed by the parent company, 16 (21) by Medipolis Ltd and 32 (19) by Technopolis Hitech Ltd. The increase in personnel was caused by the strong growth of the service business area.

Development activity

The Group was responsible for the implementation of the Oulu Region Centre of Expertise program. Expenses paid through the Group for the centre of expertise program and other projects in 2001 amounted to EUR 2.4 million, from which the corresponding incomes have been entered as "other operating income". These project operations had no effect on the Group's results.

Events after the financial year

The company's Board of Directors decided to hold an Extraordinary General Meeting on February 20, 2002, to be convened through a stock exchange release and newspaper announcements. The reason for the meeting is the Board's proposal to raise the company's share capital by a rights offering. The company's objective is to gather up to a maximum of EUR 7 million in capital from the market. The purpose of the increase in share capital is to secure the company's ability to finance, through its own resources, an investment program planned for execution in the next 12 to 18 months. The investment program will focus on both the Oulu region and the Helsinki Metropolitan area. Through the increase in share capital, the company will also be able to prepare for possible corporate and property acquisitions.

Future outlook

The management of Technopolis estimates that in 2002 the Company's net sales will increase by at least 5 to 10 % compared with the previous year. The management also estimates that the operating profit for 2002 will at minimum match the good level of the previous year.

Technopolis is preparing investments in both Oulu and the Helsinki Metropolitan area. The land deal on the first stage of the Helsinki-Vantaa International Airport project will be signed in March. The company estimates that construction on the first building will begin in April by the latest, and thus the building would be completed in the spring of 2003. The company also estimates that by the end of 2004, approximately one thousand employees will be working in the Technopolis premises in the Helsinki area.

The company's management estimates that the occupancy ratio of the company's premises will remain good in 2002. Technopolis is protected against fluctuations in the business cycle by long-term leases which totaled EUR 79.8 million on December 31, 2001. 80 % of the lease agreements are with stock exchange listed customer companies.

The development of the company's financial result is dependent on trends in the general operating environment, customer businesses and the financial markets. Factors in these areas may affect the company's result through changes in occupancy ratios, the use of services, financing costs or office rent prices.

Consolidated Income Statement

	Jan 1 - Dec 31, 2001	Jan 1 - Dec 31, 2000
Net sales	20 132 994	16 959 873
Other operating income	2 896 062	2 583 548
Personnel expenses	-2 496 614	-2 161 125
Depreciation and write-downs	-2 967 286	-2 398 486
Other operating expenses	-7 844 296	-6 557 472
Operating profit	9 720 859	8 426 338
Financial income and expenses	-3 888 809	-3 035 801
Share of profits of affiliated companies	-76 639	-65 722
Profit before extraordinary items	5 755 412	5 324 815
Extraordinary items	172 305	
Direct taxes	-1 708 712	-1 558 924
Minority interests	-118 504	-69 372
Net profit for the year	4 100 500	3 696 519

Currency unit: EUR

Consolidated Balance Sheet

	Dec 31, 2001	Dec 31, 2000
ASSETS		
Non-current assets		
Intangible assets	505 822	490 746
Tangible assets	125 196 854	107 588 842
Investments	950 913	874 274
Total non-current assets	126 653 589	108 953 862
Current assets		
Short-term receivables	1 762 825	2 421 375
Cash and bank	1 690 365	1 911 260
Total current assets	3 453 190	4 332 635
TOTAL ASSETS	130 106 779	113 286 497
	31.12.2001	31.12.2000
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Share capital	19 738 355	16 956 615
Premium fund	11 871 257	9 970 197
Revaluation fund	412 382	412 382
Other funds	5 872	5 872
Other shareholders' equity	2 763 858	1 455 017
Retained earnings	1 651 549	1 773 349
Net profit for the year	4 100 500	3 696 519
Total shareholders' equity	40 543 773	34 269 951
Minority interests	3 836 272	3 718 264
Liabilities		
Deferred taxes	1 780 181	1 114 483
Long-term liabilities	72 915 437	65 468 896
Short-term liabilities	11 031 116	8 714 903
Total liabilities	85 726 734	75 298 282
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	130 106 779	113 286 497

Consolidated Statement of Cash Flows

Cash flows from operating activities	Jan 1 - Dec 31, 2001	Jan 1 - Dec 31, 2000
Operating profit	9 720 859	8 426 338
Adjustments to operating profit	3 139 592	2 398 486
Increase / decrease in working capital	333 905	-496 259
Interests received	94 760	140 546
Interests paid and payments	-4 004 960	-3 050 088
Dividends received	2 000	3 400
Taxes paid	-1 040 249	-955 994
Net cash provided by operating activities	8 245 907	6 466 429
Cash flows from investing activities		
Investments in other securities		-482 676
Investments in tangible and intangible assets	-19 575 011	-25 287 770
Subsidiaries acquired	-496 214	
Net cash used in investing activities	-20 071 225	-25 770 445
Net cash before financing activities	-11 825 318	-19 304 016
Cash flows from financing activities		
Withdrawal of long-term loans	20 947 368	28 585 947
Repayment of long-term loans	-11 028 971	-8 100 383
Dividends paid	-2 508 375	-1 856 265
Paid share issue	4 194 400	
Net cash provided by financing activities	11 604 422	18 629 300
Net increase / decrease in cash assets	-220 896	-674 716
Cash assets on January 1	1 911 260	2 585 977
Cash assets on December 31	1 690 364	1 911 260

Currency unit: EUR

Parent Company Income Statement

	Jan 1 - Dec 31, 2001	Jan 1 - Dec 31, 2000
Net sales	15 658 377	12 723 608
Other operating income	2 455 376	2 145 930
Personnel expenses	-914 028	-739 095
Depreciation and write-downs	-2 465 312	-1 929 100
Other operating expenses	-6 220 523	-4 821 302
Operating profit	8 513 890	7 380 041
Financial income and expenses	-3 087 864	-2 587 799
Profit before extraordinary items	5 426 026	4 792 242
Appropriations	-2 001 168	-1 843 438
Direct taxes	-995 329	-857 625
Net profit for the year	2 429 529	2 091 180

Currency unit: EUR

Parent Company Balance Sheet

	Dec 31, 2001	Dec 31, 2000
ASSETS		
Non-current assets		
Intangible assets	325 548	333 166
Tangible assets	109 417 682	92 506 671
Investments	6 001 939	5 505 060
Total non-current assets	115 745 169	98 344 897
Current assets		
Short-term receivables	987 670	1 320 324
Cash and bank	1 209 040	1 393 788
Total current assets	2 196 710	2 714 112
TOTAL ASSETS	117 941 880	101 059 010
	Dec 31, 2001	Dec 31, 2000
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Share capital	19 738 355	16 956 615
Premium fund	11 844 996	9 943 936
Retained earnings	1 624 889	2 042 085
Net profit for the year	2 429 529	2 091 180
Total shareholders' equity	35 637 769	31 033 815
Accumulated appropriations	5 893 925	3 892 757
Liabilities		
Long-term liabilities	66 560 217	59 624 511
Short-term liabilities	9 849 969	6 507 926
Total liabilities	76 410 186	66 132 438
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	117 941 880	101 059 010

Currency unit: EUR

Parent Company Statement of Cash Flows

Cash flows from operating activities	Jan 1 - Dec 31, 2001	Jan 1 - Dec 31, 2000
Operating profit	8 513 889	7 380 041
Adjustments to operating profit	2 465 312	1 929 100
Increase / decrease in working capital	400 490	-251 441
Interests received	212 400	109 032
Interests paid and payments	-3 654 340	-2 702 754
Dividends received	354 077	5 923
Taxes paid	-995 329	-857 625
Net cash provided by operating activities	7 296 499	5 612 277
Cash flows from investing activities		
Investments in other securities	-8 479	-481 725
Investments in tangible and intangible assets	-19 368 705	-24 779 522
Net cash used in investing activities	-19 377 184	-25 261 247
Net cash before financing activities	-12 080 685	-19 648 970
Cash flows from financing activities		
Withdrawal of long-term loans	20 345 020	25 541 751
Repayment of long-term loans	-10 135 108	-3 550 132
Dividends paid	-2 508 375	-1 856 265
Paid share issues	4 194 400	
Net cash provided by financing activities	11 895 937	20 135 354
Net increase / decrease in cash assets	-184 748	486 384
Cash assets on January 1	1 393 788	907 404
Cash assets on December 31	1 209 040	1 393 788

Notes to the Financial Statements

Accounting Principles

Scope of consolidated financial statements

The consolidated financial statements include the parent company Technopolis Plc and those subsidiaries in which the parent company directly or indirectly controls more than 50 % of the voting rights produced by the shares. Affiliated companies are primarily those in which the parent company controls 20 - 50 % of the voting rights and holds more than 20 % of the shares.

The subsidiaries Medipolis Ltd, Technopolis Hitech Ltd, Oulun Teknoparkki Oy, Kiinteistö Oy Oulun Moderava, acquired on October 8, 2001, and Kiinteistö Oy Oulun Mediaani, entered in the Trade Register on December 12, 2001, are included in the consolidated financial statements. The subsidiary Tekno-Tennis Oy has not been included in the consolidated financial statements due to lack of activities.

OuluTech Oy, Iin Micropolis Oy and Technocenter Kempele Oy are included in the financial statements as affiliated companies.

Principles of consolidation

All intra-Group transactions, internal margins on fixed assets, internal receivables and liabilities and internal profit distribution have been eliminated in the consolidation process.

Minority interests are presented separately in the consolidated balance sheet and income statement.

The acquisition method has been used in eliminating the mutual shareholdings of Group companies. The goodwill arising from the acquisition of Kiinteistö Oy Oulun Moderava has been allocated to buildings. Affiliated companies have been treated using the equity method of accounting. A share of the net profit for the year of affiliated companies, corresponding to the ownership percentage, has been presented as financial income in the consolidated statements.

Other operating income

The business subsidies received for certain development projects have been entered in other operating income. Correspondingly, the expenses relating to the development projects have been entered as other operating expenses and personnel expenses.

Valuation of fixed assets

Intangible and tangible assets are stated in the balance sheet at cost, less accumulated depreciation. Fixed assets are valued in variable expenses. The book value of buildings includes a revaluation of EUR 1,042,765, originating from a subsidiary. A deferred tax liability of EUR 0.17 million has been transferred, after deducting minority interests, from the revaluation fund to long-term liabilities.

In the parent company financial statements, the depreciation difference is presented in the income statement as appropriations, while the accumulated depreciation difference is presented in the balance sheet as accumulated appropriations. In the consolidated financial statements, the accumulated depreciation difference is divided between shareholders' equity and the tax liability.

A depreciation plan is used to determine the depreciation of fixed assets. The depreciation based on estimated economic lifetimes is as follows:

	2001	2000	
Intangible rights	20 %	20 %	straight-line depreciation
Other long-term expenditure	10 %	10 %	straight-line depreciation
Buildings and structures (stone or similar)	2.-2.5 %	2.-2.5 %	straight-line depreciation
Buildings and structures (wooden)	3 %	3 %	straight-line depreciation
Machinery and equipment	15-25 %	15-25 %	depreciation from book value

The subsidiary, Medipolis Ltd, applies a depreciation plan which differs from that of the parent company, i.e. 15 % depreciation from book value with regard to machinery and equipment.

Translation of foreign currency items

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of each transaction. At the end of the financial year, unsettled foreign currency transaction balances are valued at the average rates of the balance sheet date.

Direct taxes

The direct income taxes for the financial year are accrued and written into the income statement. The change in deferred tax liabilities and assets is entered in the consolidated financial statements and calculations are made of accrual differences and other temporary differences in accordance with alternative 2 of the guidelines of the Finnish Accounting Standards Board. The deferred tax liabilities and assets are not written into the parent company balance sheet. Deferred taxes are calculated according to the tax rates on the balance sheet date. In the consolidated balance sheet the deferred tax liabilities and assets are netted and detailed in the notes to the balance sheet. The tax assets outstanding at the end of the financial year originate from unused depreciation in taxation.

Notes Concerning the Income Statement

Net sales by business area	Group		Parent company	
	2001	2000	2001	2000
Rent income	16 803 808	13 582 394	15 469 519	12 472 234
Service income	3 329 185	3 377 479	188 858	251 374
Net sales	20 132 993	16 959 873	15 658 377	12 723 608
Personnel expenses				
Salaries and fees	2 003 296	1 671 107	727 163	563 964
Pensions	341 194	285 637	121 226	94 554
Indirect employee costs	152 124	204 381	65 639	80 577
Total	2 496 614	2 161 125	914 028	739 095
Average number of employees	65	52	17	12
Salaries of President and Board members				
President & CEO	354 460	293 499		
Members of the Board	38 104	23 336	34 782	18 417
Depreciation and write-downs				
Depreciation of tangible and intangible assets	2 967 286	2 398 486	2 465 312	1 929 100
Financial income and expenses				
Dividend income				
From Group companies			350 071	2 523
From affiliated companies	2 006		2 006	
From others	2 000	3 400	2 000	3 400
Income from share of profits of affiliated companies				
Other interest income				
From Group companies			4 244	4 244
From affiliated companies	341	4 055	341	4 569
From others	65 403	514	63 536	93 880
Other financial income				
From Group companies			142 987	
From share of profits of affiliated companies	76 639	-65 722		
From others	29 357	140 546	1 291	6 340
Interest and other financial expenses				
To others	-4 141 193	-3 184 315	-3 654 340	-2 702 754
Total financial income and expenses	-3 965 448	-3 101 522	-3 087 864	-2 587 798
Exchange rate losses from earlier years included in 'interest and other financial expenses'	-63 336	-63 336		
Appropriations				
Depreciation difference			2 001 168	1 843 438
Direct taxes				
Income tax from extraordinary items	49 969			
Income tax from actual operations	993 045	972 622	995 329	857 625
Change in deferred tax liability	665 698	586 302		
Total	1 708 712	1 558 924	995 329	857 625

Notes Concerning Balance Sheet Assets

Changes in non-current assets	Group		Parent company	
	2001	2000	2001	2000
Intangible rights				
Acquisition cost, Jan 1	91 463	78 130	34 578	32 371
Increases	5 846	13 333		2 208
Accumulated depreciation, Jan 1	-51 573	-35 836	-21 838	-16 462
Depreciation for the year	-13 894	-15 737	-5 068	-5 376
Intangible rights, Dec 31	31 841	39 889	7 672	12 740
Other long-term expenditure				
Acquisition cost, Jan 1	719 287	694 234	521 899	497 858
Increases	127 264	25 053	73 330	24 041
Accumulated depreciation, Jan 1	-268 429	-184 081	-201 472	-143 925
Depreciation for the year	-104 141	-84 348	-75 880	-57 547
Other long-term expenditure, Dec 31	473 981	450 858	317 877	320 427
Land areas				
Acquisition cost, Jan 1	4 418 931	1 977 357	2 364 308	
Increases	11 965	1 235 313	11 965	1 235 313
Revaluation 1997	1 042 765	1 042 765		
Connection fees		890 525		813 259
Increases	176 876	315 736	176 464	315 736
Land areas, Dec 31	5 650 537	5 461 696	2 552 736	2 364 308
Buildings and structures				
Total acquisition cost, Jan 1	105 884 199	79 643 191	93 132 341	67 612 033
Increases	20 306 311	25 532 101	20 291 958	25 520 308
Accumulated depreciation, Jan 1	-8 041 136	-6 045 262	-6 935 040	-5 178 590
Depreciation for the year	-2 531 996	-1 995 874	-2 254 943	-1 756 450
	115 617 378	97 134 156	104 234 317	86 197 301
Construction period interest, Jan 1	708 907	708 907		
Accumulated depreciation, Jan 1	-614 386	-543 496		
10-year straight-line depreciation for year	-70 891	-70 891		
Construction period interest, Dec 31	23 630	94 520		
Goodwill from construction, Jan 1				
Increases	378 767			
Depreciation for the year	-11 363			
Goodwill from construction, Dec 31	367 404			
Buildings and structures, Dec 31	116 008 412	97 228 676	104 234 317	86 197 301
Depreciation of construction period interest is included in 'other financial expenses' in the income statement.				
Machinery and equipment				
Net expenditures, Jan 1	1 281 746	981 770	329 177	316 415
Increases	384 307	656 629	188 508	135 161
Decreases	-54 100	-54 126		-12 673
Depreciation for the year	-317 255	-302 527	-129 421	-109 726
Machinery and equipment, Dec 31	1 294 699	1 281 746	388 263	329 177

Currency unit: EUR

	Group 2001	2000	Parent company 2001	2000
Advance payments and projects in progress				
Net expenditures, Jan 1	3 599 771	5 111 569	3 599 771	5 115 874
Increases / decreases	-1 375 201	-1 511 798	-1 375 201	-1 516 103
Projects in progress, Dec 31	2 224 570	3 599 771	2 224 570	3 599 771
Investments				
Holdings in Group companies				
Acquisition cost, Jan 1			4 518 855	4 518 855
Increases			504 644	
Holdings in Group companies, Dec 31			5 023 499	4 518 855
Holdings in affiliated companies				
Acquisition cost, Jan 1	706 371	117 900	697 962	109 491
Increases		588 471		588 471
Group share of profit / loss	20 878	-55 761		
Holdings in affiliated companies, Dec 31	727 249	650 610	697 962	697 962
Other shareholdings				
Acquisition cost, Jan 1	223 664	224 505	205 314	206 155
Decreases		-841		-841
Other shareholdings, Dec 31	223 664	223 664	205 314	205 314
Receivables from Group companies				
Loans, Jan 1			82 930	87 922
Decreases			-7 766	-4 992
Receivables from Group companies, Dec 31			75 164	82 930
Investments, Dec 31	950 913	874 274	6 001 939	5 505 061

Currency unit: EUR

Shareholdings of parent company	End of financial year	Holding, %	Nominal value	Book value
Holdings in Group companies				
Medipolis Ltd, 26,350 shares, Oulu	31.12.2001	55.7	4 431 752	4 431 752
Technopolis Hitech Ltd, 100 shares, Oulu	31.12.2001	100.0	16 819	64 415
Oulun Teknoparkki Oy, 100 shares, Oulu	31.12.2001	69.0	16 819	22 688
Kiinteistö Oy Oulun Moderava, 22,270 shares, Oulu	31.12.2001	100.0	375 958	496 214
Kiinteistö Oy Oulun Mediaani, 2,810 shares, Oulu	31.12.2002	100.0	8 430	8 430
Total				5 023 499
Holdings in affiliated companies				
OuluTech Oy, 30 shares, Oulu	31.12.2001	30.0	5 046	33 806
Iin Micropolis Oy, 450 shares, Ii	31.12.2001	23.1	75 685	75 685
Technocenter Kempele Oy, 485 shares, Kempele	31.12.2001	48.5	125 250	588 471
Total				697 961
Other shareholdings				
Incap Oyj, 20,000 shares	31.12.2001	0.5	1.68	84 094
Oulun Puhelin Oyj, 22,500 shares	31.12.2001	0.06	0.50	51 079
Kiinteistö Oy Teknocent, 250 shares	31.12.2001	6.2	42 047	42 047
Tekno-Tennis Oy, 68 shares	31.10.2001	64.8	2 859	16 238
Oulun Teknologia kylän Päiväkoti Oy, 5 shares		2.0	8 409	8 409
Nallikari-Tennis Oy, 20 shares		0.9	3 027	3 196
Subscription rights				252
Total				205 315
Shareholdings of Group				
Holdings in affiliated companies				
OuluTech Oy, 30 shares		30.0	5 046	33 806
Group share of profit / loss				74 404
Iin Micropolis Oy, 500 shares		25.6	84 094	84 094
Group share of profit / loss				-84 094
Technocenter Kempele Oy, 485 shares		48.5	588 471	588 471
Group share of profit / loss				30 568
Total				727 249
Other shareholdings				
Incap Oyj, 20,000 shares		0.5	1.68	84 094
Oulun Puhelin Oyj, 30,000 shares		0.08	0.50	69 344
Kiinteistö Oy Teknocent, 250 shares		6.2	42 047	42 047
Tekno-Tennis Oy, 68 shares		64.8	2 859	16 238
Other shares				11 941
Total				223 664

Currency unit: EUR

	Group 2001	2000	Parent company 2001	2000
Short-term receivables				
Sales receivables	785 022	488 583	384 233	45 099
Receivables from Group companies				
Sales receivables			34 701	37 432
Accrued income and prepaid expenses			354	
Receivables from affiliated companies				
Sales receivables	7 693	25 584	4 842	19 693
Accrued income and prepaid expenses	970 110	1 907 207	563 540	1 218 100
Total short-term receivables	1 762 825	2 421 375	987 670	1 320 324
Adjusting entries for assets				
Exchange rate losses on foreign currency credits, Jan 1				
	158 340	221 676		
Decreases				
	-63 336	-63 336		
Exchange rate losses on foreign currency credits, Dec 31				
	95 004	158 340		

Depreciation of capitalized exchange rate losses on foreign currency credits is presented under "financial expenses" in the income statement. Exchange rate losses are depreciated annually based on loan periods.

Notes concerning Balance Sheet Shareholders' Equity and Liabilities

Changes in shareholders' equity	Group		Parent company	
	2001	2000	2001	2000
Share capital, Jan 1	16 956 615	16 956 615	16 956 615	16 956 615
Share issues	2 781 740		2 781 740	
Share capital, Dec 31	19 738 355	16 956 615	19 738 355	16 956 615
Share issues, Jan 1				
Increases	4 682 800		4 682 800	
Transfer to share capital	-2 781 740		-2 781 740	
Transfer to premium fund	-1 901 060		-1 901 060	
Share issues, Dec 31				
Premium fund, Jan 1	9 970 197	9 970 197	9 943 936	9 943 936
Issue premium	1 901 060		1 901 060	
Premium fund, Dec 31	11 871 257	9 970 197	11 844 996	9 943 936
Revaluation fund, Jan 1	412 383	418 191		
Change in deferred tax liability		-5 808		
Revaluation fund, Dec 31	412 383	412 383		
Other funds				
Building fund, Jan 1	5 872	5 872		
Increases				
Building fund, Dec 31	5 872	5 872		
Retained earnings, Jan 1	6 924 884	5 088 500	4 133 264	3 898 349
Other decreases	-1 103	-3 870		
Dividends distributed	-2 508 375	-1 856 265	-2 508 375	-1 856 265
Net profit for the year	4 100 500	3 696 519	2 429 529	2 091 180
Retained earnings, Dec 31	8 515 906	6 924 884	4 054 418	4 133 264
Shareholders' equity	40 543 773	34 269 951	35 637 768	31 033 815
Distributable funds				
Retained earnings	4 415 406	3 228 365	1 624 889	2 042 085
Net profit for the year	4 100 500	3 696 519	2 429 529	2 091 180
Accumulated depreciation difference and amount transferred to shareholders' equity from optional reserves	-4 184 687	-2 763 858		
Distributable funds	4 331 219	4 161 028	4 054 418	4 133 265
Revaluation				
<p>The value of a lot owned by Medipolis Ltd was raised by EUR 1,042,765 in 1997, based on a calculation of the probable sales price. A deferred tax liability of EUR 168,438 million (EUR 168,438 in 2000) has been transferred, after deducting minority interests, from the revaluation fund to long-term liabilities.</p>				
Long-term liabilities				
Loans from financial institutions	71 602 789	64 093 515	65 623 974	58 688 269
Deferred taxes	1 780 181	1 114 483		
Other liabilities	1 312 647	1 375 381	936 242	936 242
Total long-term liabilities	74 695 618	66 583 380	66 560 217	59 624 511

Currency unit: EUR

	Group 2001	2000	Parent company 2001	2000
Short-term liabilities				
Advances received	146 034	182 704	117 955	122 104
Accounts payable	1 242 494	1 080 541	1 046 211	806 890
Liabilities to Group companies				
Accounts payable			149 107	179 842
Adjusting entries for liabilities			1 923	
Liabilities to affiliated companies				
Accounts payable	83 855	35 905	83 855	35 905
Other short-term liabilities	8 205 302	5 637 994	7 518 567	4 184 831
Adjusting entries for liabilities	1 353 431	1 777 759	932 352	1 178 355
Total short-term liabilities	11 031 116	8 714 903	9 849 969	6 507 927
Deferred tax assets				
Deferred tax assets				
From accrued items	97 495	182 854		
Total	97 495	182 854		
Deferred tax liabilities				
From appropriations	1 709 238	1 128 899		
From other temporary items	168 438	168 438		
Total	1 877 676	1 297 337		
Deferred tax liabilities (net)	1 780 181	1 114 483		
Assets pledged and contingent liabilities				
Mortgages				
Loans from financial institutions	78 850 304	68 179 575	72 984 241	62 774 329
Mortgages	93 115 115	75 719 612	87 228 418	69 832 915
Rent liabilities				
Mortgages	456 825	217 625	456 825	217 625
Total mortgages	93 571 940	75 937 237	87 685 243	70 050 540
Pledged rent income				
Loans from financial institutions	3 813 907	4 620 220	3 813 907	4 620 220
Pledged rent income	759 088	733 974	759 088	733 974
Other liabilities				
Liability for return of VAT, realizable if properties are sold or their intended use is changed in the cases referred to in section 33 of the VAT Act	18 400 000		18 000 000	
Collateral given on behalf of Group companies				
Guarantees	840 940	840 940	840 940	840 940
Collateral given on behalf of affiliated companies				
Guarantees	504 563	504 563	504 563	504 563
Leasing liabilities				
To be paid in the current financial year	25 710	31 306		
To be paid later	36 890	55 897		
Leasing liabilities, total	62 600	87 203		

Key Indicators and Financial Ratios

	2001	2000	1999	1998	1997
Summary of income statement					
Net sales	20 133	16 960	12 260	9 016	6 711
Rent income	15 589	12 486	9 257	6 052	4 224
Sub-rent income	1 215	1 096	1 104	1 266	1 068
Total rent income	16 804	13 582	10 360	7 318	5 292
Service income	3 329	3 376	1 900	1 699	1 419
Other operating income	2 896	2 584	2 192	1 827	1 873
Gross margin	12 688	10 825	7 419	4 760	3 691
Operating profit	9 721	8 426	5 636	3 170	2 553
Income after financial items	5 755	5 325	3 847	1 320	1 309
Net profit for the year	4 101	3 697	2 856	918	908
Summary of balance sheet					
Total assets	130 107	113 286	89 444	70 496	47 005
Buildings and structures	116 008	97 229	73 763	57 312	32 317
Financial securities, cash & bank	1 690	1 911	2 586	3 376	3 299
Shareholders' equity	40 544	34 270	32 439	24 319	13 630
Interest-bearing liabilities	79 962	69 973	49 488	41 844	27 417
Key indicators and financial ratios					
Change in net sales, %	18.71	38.33	35.98	34.36	15.84
Operating profit / net sales, %	48.28	49.68	45.97	35.15	38.05
Return on equity (ROE), %	9.95	10.17	8.76	4.49	6.20
Return on investment (ROI), %	8.52	8.79	7.43	5.91	6.68
Equity to assets ratio, %	34.15	33.59	40.44	38.27	34.55
Net debt / equity, %	176.37	179.17	129.96	142.92	148.80
Interest margin, %	238.98	267.22	303.65	165.92	191.77
Employees in Group companies	65	52	31	25	22
Share-related indicators					
Earnings / share	0.36	0.37	0.27	0.18	0.18
Equity / share	3.47	3.42	3.23	2.91	2.83
Dividend / share	0.25 *	0.25	0.19	0.07	0.05
Average issue-adjusted no. of shares	11 151 451	10 033 500	9 355 538	5 151 911	4 811 500
Issue-adjusted no. of shares on Dec 31	11 679 500	10 033 500	10 033 500	8 361 500	4 811 500
Real estate portfolio indicators					
Book value of real estate portfolio	121 659	102 690	76 783	59 283	34 287
Net investments in real estate portfolio	21 531	26 765	18 996	26 333	3 773
Net investments in real estate portfolio (incl. projects in progress)	20 156	25 253	20 310	25 208	7 856
Net yield of book value of real estate	11.42	11.82	11.28	10.44	10.94
Other key indicators and financial ratios					
Price / earnings (P/E) ratio, %	8.80	7.65	10.75		
Dividend payout ratio, %	70.08 *	67.86	67.62		
Effective dividend yield, %	7.96	8.87	6.29		
Market capitalization of shares, EUR	36 673 630	28 294 470	29 498 490		
Share turnover	2 812 126	3 507 575	1 406 863		
Share turnover / ave. no. of shares, %	25.22	34.96	14.02		
Share prices, EUR					
Highest price	3.25	3.92	3.60		
Lowest price	2.50	2.75	2.35		
Average price	2.83	3.09	2.86		
Dec 28	3.14	2.82	2.94		

* Proposal for distribution of dividends

Definitions of Key Indicators and Financial Ratios

Return on equity (ROE), %

$$100 \times \frac{\text{Profit or loss before extraordinary items - Taxes}}{\text{Equity + Minority interests}}$$

Return on investment (ROI), %

$$100 \times \frac{\text{Profit or loss before extraordinary items + Interest and other financial expenses}}{\text{Total assets - Non interest-bearing liabilities}}$$

Equity to assets ratio, %

$$100 \times \frac{\text{Equity + Minority interests}}{\text{Total assets - Advances received}}$$

Net debt / equity, %

$$100 \times \frac{\text{Interest-bearing debt - Cash and bank and financial securities}}{\text{Equity + Minority interests}}$$

Interest margin, %

$$100 \times \frac{\text{Income before extraordinary items + Financial expenses}}{\text{Financial expenses}}$$

Earnings / share

$$\frac{\text{Profit before extraordinary items - Taxes +/- Minority interests}}{\text{Average number of shares adjusted for share issues}}$$

Equity / share

$$\frac{\text{Equity}}{\text{Issue-adjusted number of shares on Dec 31}}$$

Dividend / share

$$\frac{\text{Dividend}}{\text{Issue-adjusted number of shares on Dec 31}}$$

Dividend payout ratio, %

$$100 \times \frac{\text{Dividend/share}}{\text{Earnings/share}}$$

Price/earnings (P/E) ratio

$$\frac{\text{Issue-adjusted shares price on Dec 31}}{\text{Earnings / share}}$$

Effective dividend yield, %

$$100 \times \frac{\text{Issue-adjusted dividend/share}}{\text{Issue-adjusted shares price on Dec 31}}$$

Net rent income ratio, %

$$100 \times \frac{\text{Rent income - Direct expenses (from Group-owned properties)}}{\text{Average book value of real estate portfolio during year}}$$

Surface area renting ratio, %

$$100 \times \frac{\text{Total surface area (floor square meters)}}{\text{Total surface area for rent (floor square meters)}}$$

Shares and shareholders

The company's business name is Technopolis Oyj, in English Technopolis Plc, and its domicile is Oulu, Finland. The company was registered in the Trade Register on September 16, 1982 under the name Oulun Teknologia kylä Oy with the registration number 309.397. The company was converted into a public limited company on November 5, 1997, and the name of the company was changed to Technopolis Oulu Oyj on April 15, 1998, and again to Technopolis Oyj on April 7, 2000. The company's business identity code is 0487422-3. The shares of Technopolis Plc are quoted on the main list of the Helsinki Exchanges, under the trading code TEC.

Shares and share capital

According to the Articles of Association of Technopolis Plc, the company's minimum share capital is EUR 15,000,000 and its maximum share capital 60,000,000, within which limits the share capital may be increased or decreased without amending the company's Articles of Association. The company's registered share capital was EUR 19,738,355 on October 8, 2001, and it is divided into 11,679,500 fully-paid shares with a counter-book value of EUR 1.69. The company has one share series. Each share entitles one vote at a general meeting. The company's shares have been in the book-entry system since March 7, 1998.

Increases in share capital

	Share capital	Nominal- value	Number of shares	Entered in the register
Company foundation	336 375.80	168.19	2 000	16.9.1982
Increase in share capital	1 345 503.40	168.19	8 000	22.5.1986
Increase in share capital	2 691 006.80	168.19	16 000	10.2.1988
Increase in share capital	4 372 886.10	8.41	520 000	28.3.1990
Increase in share capital	6 392 654.90	8.41	760 180	10.4.1991
Increase in share capital	8 092 362.10	8.41	962 300	7.3.1996
Increase in share capital	14 063 033.50	1.68	8 361 500	26.11.1998
Increase in share capital	16 875 135.60	1.68	10 033 500	8.6.1999
Increase in share capital	16 956 615.00	1.69	10 033 500	7.4.2000
Increase in share capital	19 488 235.00	1.69	11 531 500	20.4.2001
Increase in share capital	19 738 355.00	1.69	11 679 500	8.10.2001

Annual General Meeting of March 23, 2001

The Annual General Meeting of Technopolis Plc, held on March 23, 2001, decided to authorize the Board of Directors to decide on raising the share capital by a rights offering, granting options and issuing convertible bonds. The authorization entitled the Board to deviate from shareholders' pre-emptive rights to subscribe for new shares. Based on the authorization, the company's share capital could be raised by a maximum of EUR 3,391,323.

The Annual General meeting decided to authorize the Board of Directors to begin preparations for one or more share issues, offered to the public and/or institutional investors over the 12 months following the Annual General Meeting.

The Annual General Meeting also decided that, in deviation from the pre-emptive rights of shareholders, options would be offered for subscription to key personnel of Technopolis Plc and its subsidiaries

and/or to key personnel to be recruited by the companies, as part of the Group's incentive and commitment system.

The maximum number of options was 600,000. As a result of the share subscriptions, the share capital of the company could be raised by a maximum of EUR 1,014,000.

Share issue, April 10 - 11, 2001

The Board of Directors of Technopolis Plc decided at its meeting on April 9, 2001 to use the authorization provided at the company's Annual General Meeting on March 23, 2001, to carry out a private placement. The Board decided that the share capital would be raised by a minimum of EUR 1.69 and a maximum of EUR 2,531,620, by offering a minimum of 1 and a maximum of 1,498,000 shares with a counter-book value of EUR 1.69. The shares were offered, in deviation from the pre-emptive rights of shareholders, for subscription by Finnish investors, at a price of EUR 2.80 per share.

The share issue was executed on April 10-11, 2001. The total number of shares corresponding to the new share subscriptions was 1,498,000, divided between 12 investors and equivalent to 14.93 % of the number of shares before the issue. After the new shares were entered in the register on April 20, 2001, the share capital of the company totaled EUR 19,488,235.

Share issue, September 27 - October 1, 2001

After the company decided on September 26, 2001 to acquire a property in the Oulu Science Park, the Board of Directors decided to use the authorization granted by the Annual General Meeting on March 23, 2001, to raise the company's share capital with a EUR 250,120 private placement offered to the owner of Kiinteistö Oy Oulun Moderava in order to acquire the property. 148,000 new shares with a counter-book value of EUR 1.69 per share, were offered for subscription by the owner of Kiinteistö Oy Oulun Moderava at a price of EUR 3.30 per share. After the new shares were entered in the register on October 8, 2001, the share capital of the company totaled EUR 19,738,355, which is divided into 11,679,500 shares with a counter book value of EUR 1.69.

Largest shareholders, Dec 31, 2001

	Number of shares	Percentage of shares and votes
City of Oulu	2 092 050	17.91
Etola Erkki	1 189 000	10.18
Etra Invest Oy	567 400	4.86
Finnvera Plc	506 300	4.33
Fortel Invest Oy	305 000	2.61
City of Vantaa	300 000	2.57
Yleisradio Pension Trust	296 000	2.53
Suomi Insurance Company Ltd	285 000	2.44
KTV - Trade Union for the Municipal Sector	250 000	2.14
The Central Union of Agricultural Producers and Forest Owners (MTK)	250 000	2.14

As a result of the share issue executed in April, the City of Oulu's holding of the company's share capital and votes is now under 1/5, the holding of Finnvera Plc under 1/20 and the holding of Etra Invest Oy under 1/20. According to the notifications received by the company, Erkki Etola's holding exceeded 1/20 in August and 1/10 in November. To the company's knowledge, no other ownership changes of the type referred to in chapter 2, section 9 of the Securities Market Act have occurred.

Shareholding Breakdown, Dec 31, 2001

Share amount	Holdings	%	Shares/votes	%
1 - 500	1 193	50.68	331 310	2.84
501 - 1 000	561	23.83	479 860	4.11
1 001 - 10 000	528	22.43	1 498 380	12.83
10 001 - 100 000	53	2.25	1 792 250	15.35
100 001 -	19	0.81	7 546 250	64.61
Total	2 354	100.00	11 648 050	99.73
Joint account			31 450	0.27
No. of shares issued			11 679 500	100.00

Shareholdings by Sector, Dec 31, 2001

	Holdings	%	Shares/votes	%
Private companies	164	6.97	2 316 083	19.83
Finance & insurance	14	0.59	1 556 250	13.32
Public bodies	16	0.68	2 841 800	24.33
Non-profit institutions	35	1.49	1 265 900	10.84
Households	2 120	90.10	3 662 517	31.36
Foreign investors	4	0.17	5 500	0.05
Total	2 353	100.00	11 648 050	99.73
Joint account			31 450	0.27
No. of shares issued			11 679 500	100.00
Nominee-registered shares	1		31 000	0.27

Share-related Indicators

Issue-adjusted number of shares

On Dec 31, 2001	11 679 500
Average during year	11 151 451

Share-related indicators

Earnings / share	0.36
Equity / share	3.47
Dividend / share (proposal)	0.25
Dividend payout ratio, % (proposal)	70.08
P/E ratio, %	8.80
Effective dividend yield, %	7.96

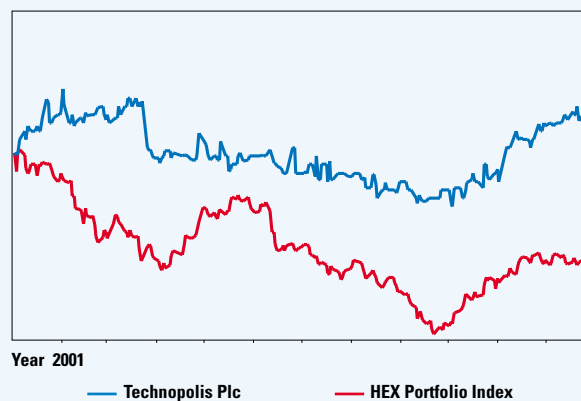
Share prices

Highest price	3.25
Lowest price	2.50
Average price	2.83
Price on Dec 28	3.14

Market capitalization of shares, Dec 28	36 673 630
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Share turnover, EUR	7 958 834
Shares traded	2 812 126

Share prices



Board of Directors' Proposal for the Distribution of Profits

The distributable funds at the disposal of the Annual General Meeting amount to EUR 4,054,418. The Board of Directors proposes that dividends of EUR 0.25 per share be distributed, totaling EUR 2,919,875. The Board proposes that the remaining EUR 1,134,543 be left in retained earnings.

Oulu, January 28, 2002

Kari Nenonen
Chairman of the Board

Juha Hulkko
Vice Chairman of the Board

Antti Hannula
Member

Lauri H.J. Lajunen
Member

Pentti Kinnunen
Member

Pertti Rantanen
Member

Pertti Huuskonen
President and CEO

Auditor's Report

To the shareholders of Technopolis Plc

We have audited the accounting, the financial statements and the corporate governance of Technopolis Plc for the period of 1.1. - 31.12.2001. The financial statements, which include the report of the Board of Directors, consolidated and parent company income statements, balance sheets and notes to the financial statements, have been prepared by the Board of Directors and the President and CEO. Based on our audit we express an opinion on these financial statements and on corporate governance.

We have conducted the audit in accordance with Finnish Standards on Auditing. Those standards require that we perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement, assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall financial statement presentation. The purpose of our audit of corporate governance is to examine that the members of the Board of Directors and the President and CEO have legally complied with the rules of the Companies Act.

In our opinion the financial statements have been prepared in accordance with the Accounting Act and other rules and regulations governing the preparation of financial statements. The financial statements give a true and fair view, as defined in the Accounting Act, of both the consolidated and parent company's result of operations as well as of the financial position. The financial statements with the consolidated financial statements can be adopted and the members of the Board of Directors and the President and CEO of the parent company can be discharged from liability for the period audited by us. The proposal by the Board of Directors regarding the distribution of retained earnings is in compliance with the Companies Act.

Oulu, January 30, 2002

TILINTARKASTAJIEN OY - ERNST & YOUNG
Authorized Public Accounting Firm

Rauno Sipilä Authorized Public Accountant

Company Management and Auditors

Board of Directors

Mr. Kari Nenonen, M.A., born 1953, has served as Chairman of the Board since 2000. He has also been the Mayor of Oulu since 1999. Before that, he was the Business Enterprise Director and Internationalization Manager of the City of Oulu, and the Development Manager of the Regional Council of Northern Ostrobothnia.

Mr. Juha Hulkko, M.Sc. (Tech.), eMBA, born 1954, has been the Vice Chairman of the Board since March 2001 and a Member of the Board since 1995. He is a CEO in the Elektrobitt Group and the Chairman of the Board of Elektrobitt Ltd, a company founded by him.

Mr Antti Hannula, LL.M., MBA, born 1964, has been a Member of the Board since 1998. He is currently a Partner in Nexit Ventures Oy, having previously been Vice President, Investment in Norvestia Oy in 1997 - 1999.

Mr. Pentti Kinnunen, M.Sc. (Econ. & Bus. Adm.), born 1954, has been a Member of the Board since 2000. He has held various posts in Kera Oyj and Finnvera Plc since 1991, and has been the Regional Director of Finnvera Plc's Oulu office since 1999.

Dr. Lauri H.J. Lajunen, Professor of Chemistry, born 1950, has served in different roles on the Board of Directors of Technopolis since 1996. He has been President of the University of Oulu since 1993, having been appointed Professor of Chemistry in 1976.

Mr. Pertti Rantanen, Civil Engineer, born 1942, has been a Member of the Board since March 2001. Since 1989, he has acted as the responsible Construction Manager and Real Estate Director of the Nokia Group, and since the beginning of 2002 as the Real Estate Development Director of Nokia Asset Management Ltd.

Operating Management

Mr Pertti Huuskonen, M.Sc. (Tech), eMBA (Marketing), born 1956, has been the President and CEO of Technopolis Plc since 1985. Previously, he was the CEO of Vakote Oy, a machine automation company founded by him.

Ms Satu Barsk, M.Sc. (Econ. & Bus. Adm.), eMBA, born 1961, has been the President and CEO of the Technopolis subsidiary, Technopolis Hitech Oy, since 1997. Previously, she was Sales Director of Finland Post Ltd, responsible for corporate services in Northern Finland.

Mr. Jouni Hannuksela, Building Engineer, born 1947, has been the Real Estate Director of Technopolis Plc since 1997, having previously been the Real Estate Manager from 1988. Before that, he held different contractor posts in the construction sector.

Members of the Board of Directors of Technopolis Plc in 2001, front row, from the left: Kari Nenonen (Chairman), Juha Hulkko, Antti Hannula and Pentti Kinnunen. Back row, from the left: Lauri H.J. Lajunen and Pertti Rantanen.





Ms. Mervi Käki, MJD, born 1957, has been Director of Technopolis Plc's operations in the Helsinki Metropolitan area since September 2001. She was previously Managing Director of Helsinki Fair Ltd Wanha Satama.

Dr. Saara Lampelo, docent, born 1950, has been the President and CEO of the Technopolis subsidiary, Medipolis Ltd, since 1994. From 1989 to 1994 she served as Director of the Training and Development Center of the University of Kuopio.

Dr. Martti Launonen, born 1953, has been the Director of the Oulu Region Centre of Expertise since 1999. Previously, from 1990 to 1999, he was a Director in the POHTO Institute for Management and Technological Training, specializing in business management and organizational development.

Mr. Seppo Selmgren, Dip.EMC, born 1965, has served as Marketing Director, Marketing Manager and Project Manager of Technopolis Plc since 1997. Previously, he was Marketing Manager at the Spa Hotel Eden.

Shareholdings of the management, December 31, 2001

The Members of the Board, the President and CEO and companies under their control held 155,200 shares of Technopolis Plc on December 31, 2001, which is 1.33% of the total number of shares.

Auditors

The company's auditor has been Tilintarkastajien Oy - Ernst & Young, Authorized Public Accountants, with Rauno Sipilä, APA, as the responsible auditor.



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