



Financial Results Q2 2009

Kari Inkinen, President and CEO

Erik Hjelt, CFO


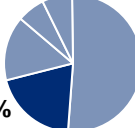
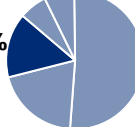
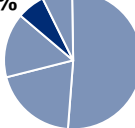
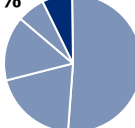
Pia Arrhenius, SVP, IR

SPONDA

- Introduction
- Market review
- Business overview
- Financial overview
- Appendix



Overview of reporting segments

	Segment in brief	Fair value ¹	% of portfolio ²	Yield requirement ³
Office & Retail	<ul style="list-style-type: none"> Office and retail properties in the largest cities of Finland Focus on Helsinki CBD and the Ruoholahti area 	EUR 1,434.4m	 51%	6.62%
Shopping Centres	<ul style="list-style-type: none"> Specialises in leasing shopping centres in Finland Reported as a separate segment as of Q1/09 	EUR 544.6m	 20%	6.11%
Logistics	<ul style="list-style-type: none"> One of the largest owners and lessors of logistics properties in Finland and largest supplier in the Helsinki Metropolitan Area 	EUR 409.6m	 15%	8.03%
Property Development	<ul style="list-style-type: none"> Sponda's development projects and land assets City-Center shopping centre is currently the only on-going development project 	EUR 196.5m	 7%	n/m
Russia	<ul style="list-style-type: none"> Office properties, shopping centres and land assets in the Moscow and St Petersburg areas 	EUR 201.0m	 7%	11.48%
Real Estate Funds	<ul style="list-style-type: none"> Owns and manages office, retail and logistics properties through real estate funds 	EUR 690m (assets under management)	n/m	n/m

Q2 2009 in brief

- **Cash flow remained strong, as estimated previously**
 - NOI increased 12% year-on-year (EUR 89.8 m vs. EUR 80.5 m)
 - Occupancy rate declined only slightly despite market expectations (to 88.4% from 88.8% in March 09)
- **Negative property revaluations of EUR 12.0 million during the second quarter**
- **Continued selected divestments**
 - Sponda finalised sale of two logistics properties and a small retail property for EUR 22.0 million in Q2-2009

	4-6/2009	4-6/2008	1-6/2009	1-6/2008	1-12/08
Total revenue (EURm)	61.8	57.3	122.4	109.2	224.3
Net operating income (EURm)	44.8	42.3	89.8	80.5	166.8
Operating profit (EURm)	27.9	34.9	(49.9)	81.3	117.3
Profit for the period (EURm)	10.1	13.8	(81.8)	34.3	29.2
Earnings/share (EUR)	0.05	0.08	(0.45)	0.19*	0.16*
Operating cash flow/share (EUR)	0.19	0.15	0.37	0.29	0.78
Fair value of inv. prop. (EURm)			2,786.2	2,761.5	2,915.5
NAV / share (EUR)			3.54	5.21*	4.93*
EPRA NAV / share (EUR)			4.20	6.26*	6.04*
Economic occupancy rate (%)			88.4	91.1	88.5

*As the result of the rights offering in the second quarter, per share figures have been adjusted, in accordance with IAS 33.

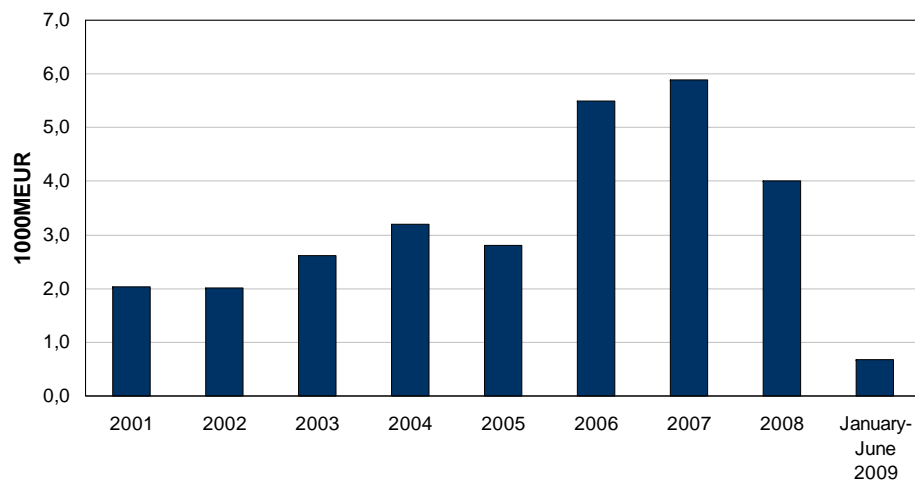
- Introduction
- Market review
- Business overview
- Financial overview
- Appendix



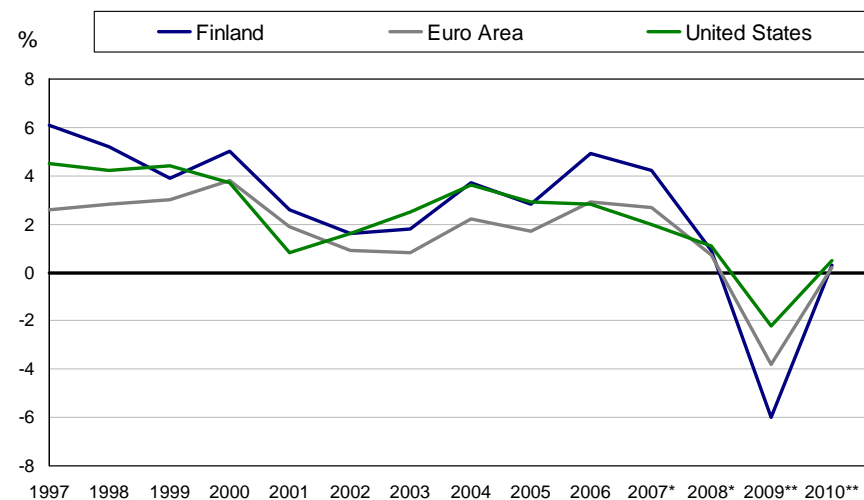
Finnish property market

- According to KTI, the Finnish property investment market saw a transaction volume of only EUR 680 million in the first half of 2009
- Estimates for GDP growth in Finland for 2009 is approx. -6 %

Transaction volume in the Finnish Commercial Property Market¹



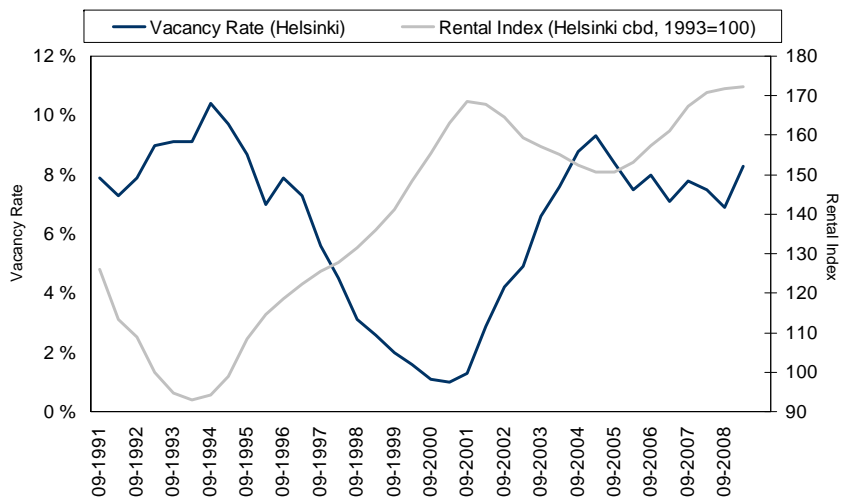
GDP growth



Market vacancy and construction

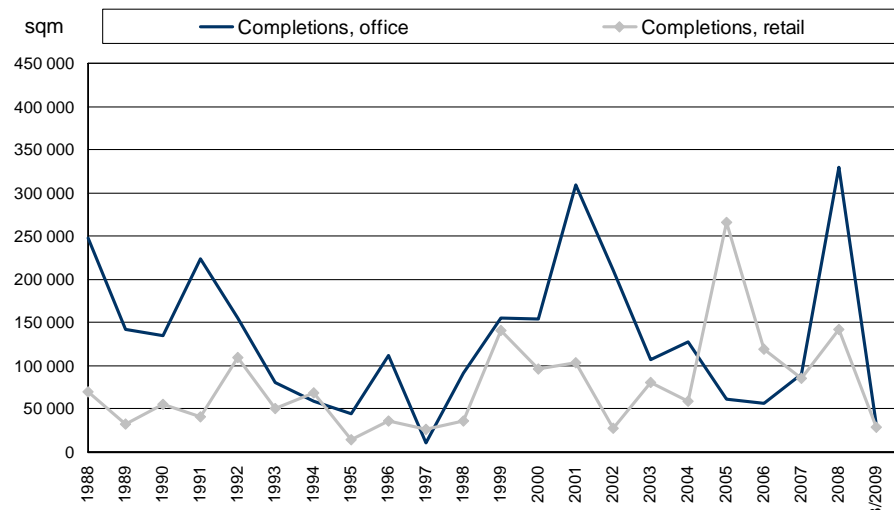
- Office vacancy expected to increase to around 12 % in 2010
- The rents have remained stable but there is a downward pressure
- Most of the rise in vacancy is due to completion of new development
 - Completions will be very low in 2009 and 2010

Vacancy rate and rental index in Helsinki 1991-2008



Source: KTI and Catella Property Group

Completed constructions, office and retail 1988-2009



Source: Statistics Finland



Russian market

- Economic growth forecast for GDP is -6 % (IMF) for 2009
 - For 2010, estimates are that the GDP growth will be zero or even positive
- Property development projects are still on hold
- Rents are stabilising and vacancy levels still rising in the current economic environment
- The forecast in yields vary between 11.5 % and 15% (warehouses)

- Introduction
- Market review
- Business overview
- Financial overview
- Appendix



Summary of the rights issue

Reasons for the offering

- Strengthen financial position and provide debt covenant headroom
 - Equity ratio was 37 % on 30 June 2009
- Maintain position as a leading Finnish real estate company
- Position Sponda to take advantage of the eventual market recovery

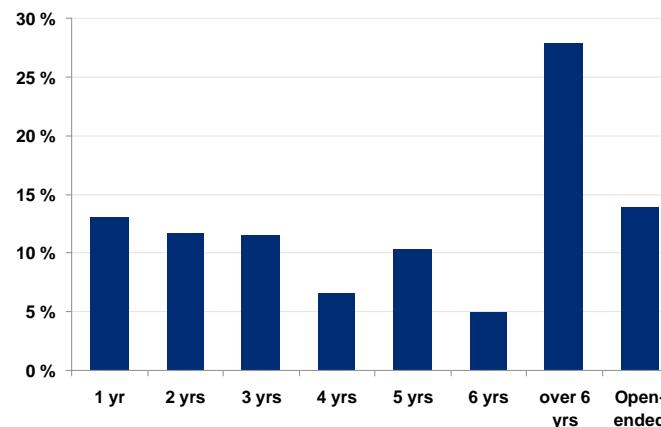
Offering

- Size: EUR 208.2 million (166,545,277 new shares)
- Total number of shares 277,575,462
- Market cap on 3 August 2009: EUR 580 million
- New shares started trading 30 June 2009
- Proceeds were fully used to pay down debt

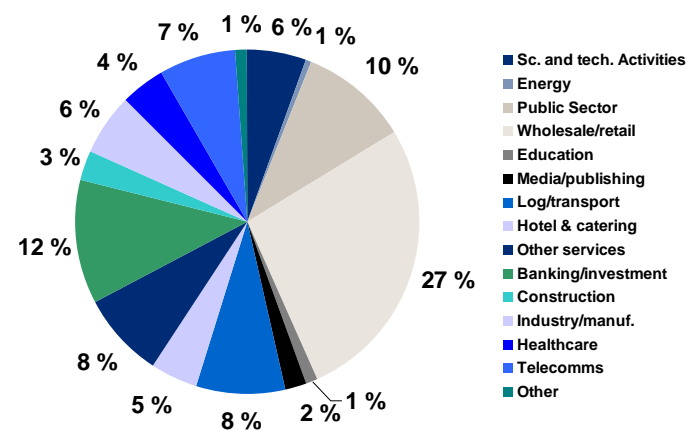
High-quality tenant base and balanced lease agreement base

- Future cash flows
EUR 1,108 million
- Average length of contracts
4.7 years:
 - O&R 5.0 yrs
 - Shopping Centres 5.3 yrs
 - Log 3.3 yrs
- No single sector risk:
approximately 30 % of total rental income comes from 10 largest tenants

Lease maturity profile

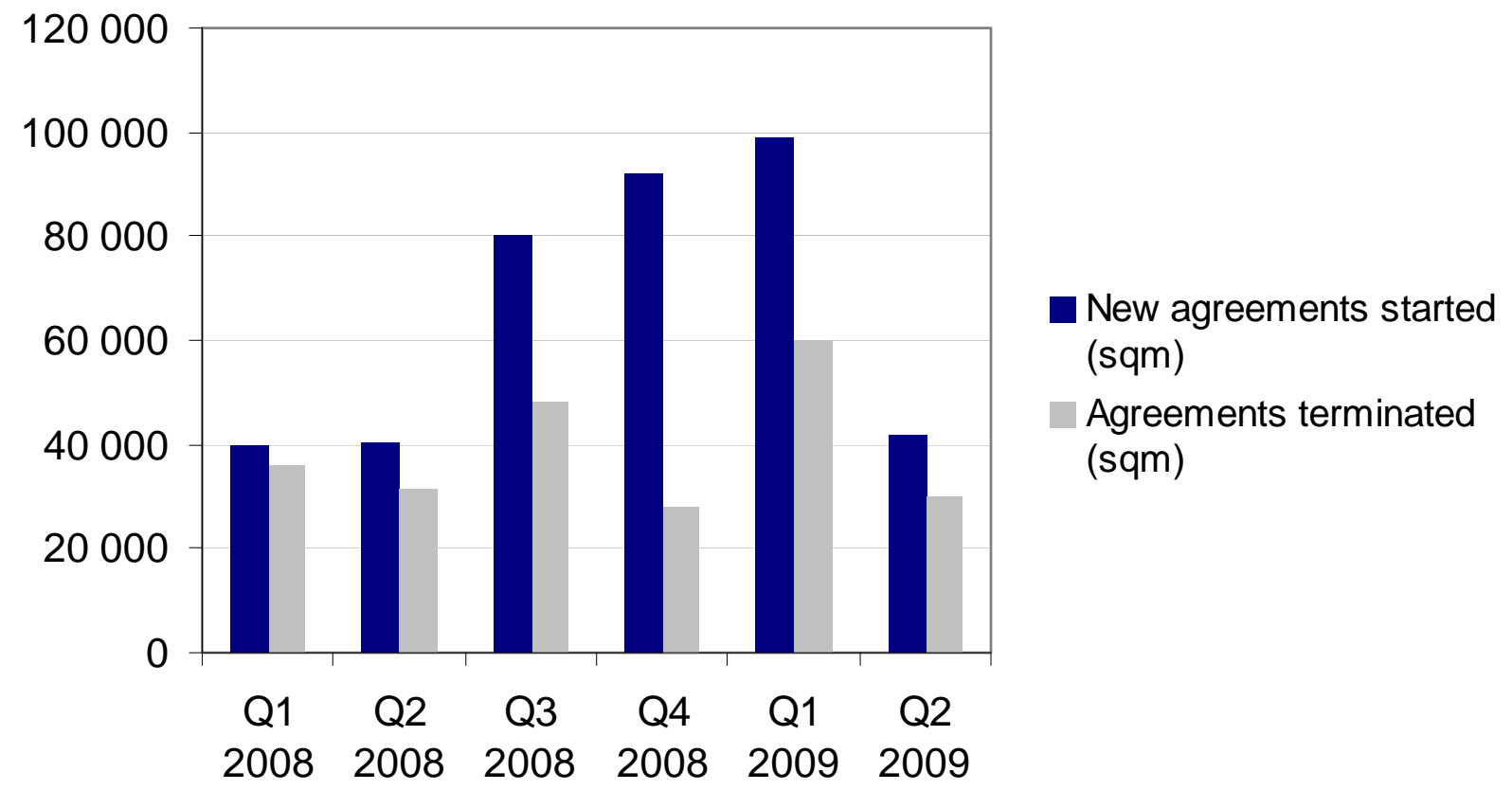


Tenant breakdown by sector¹



Note 1: Based on rental income

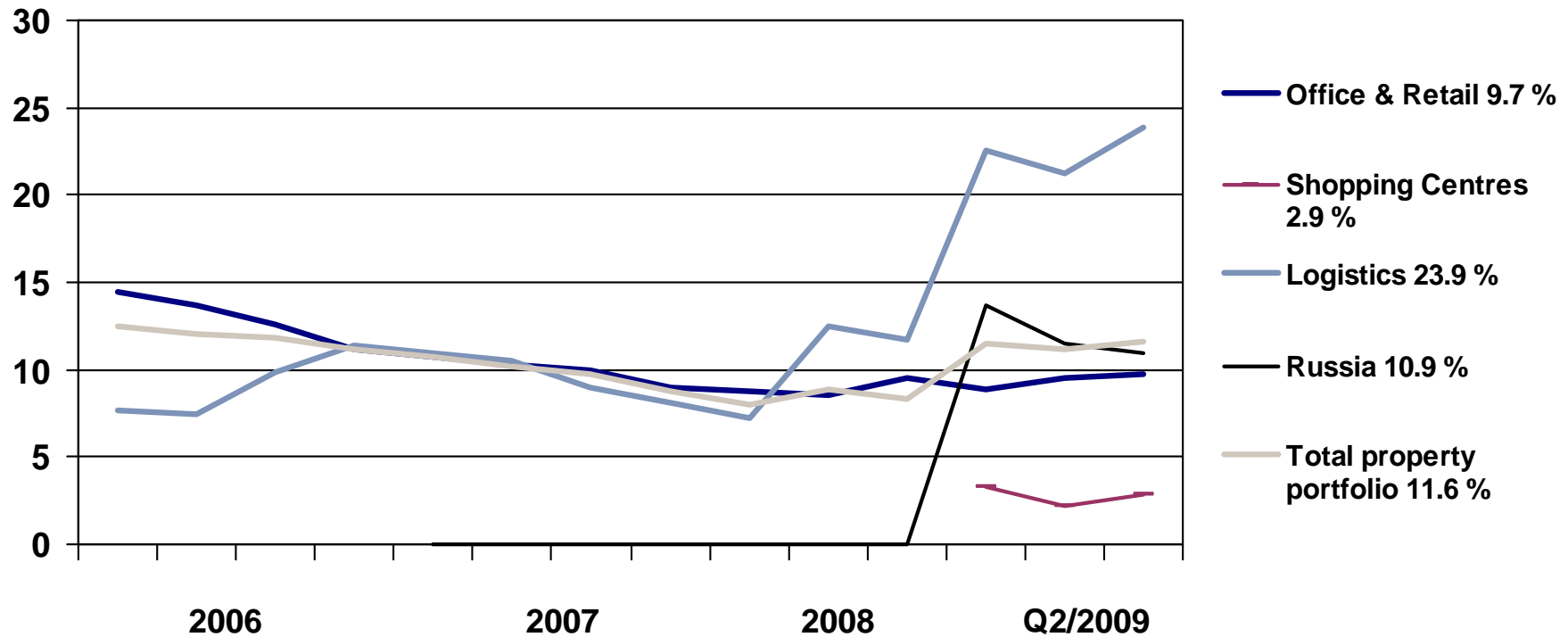
Leasing activity in Q2 2009



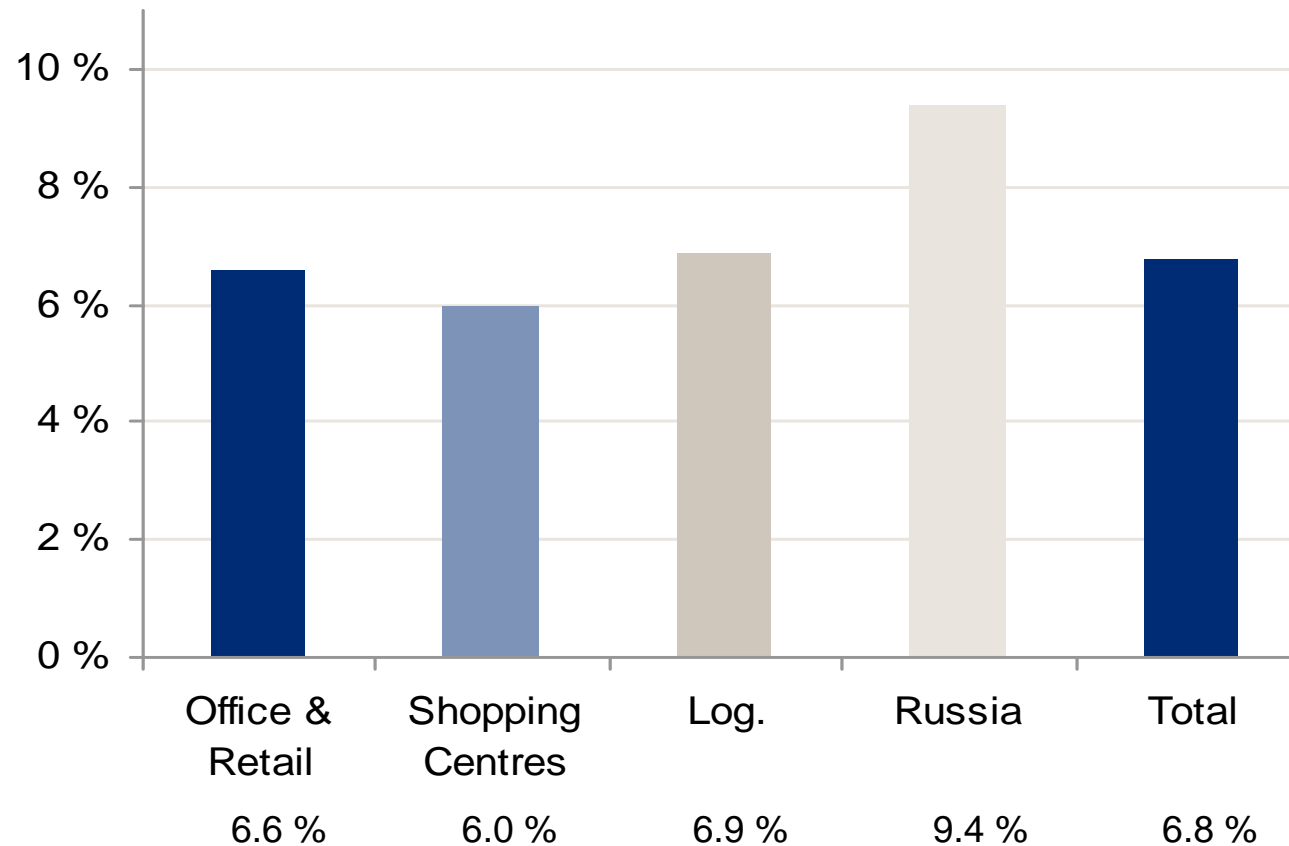
Economic vacancy rate 2006-Q2 2009

Sponda

- figures 2006 exclude the Kapiteeli portfolio
- Office & Retail vacancy restated from 31 Dec 2008



Cash yield for fair value 30 June 2009



Leading property development operations

- The value of development portfolio was EUR 196.5 million
 - Land sites: EUR 81.5 million
 - Development projects: EUR 115.0 million
- Investments for development projects were EUR 7.9 million in total in Q2 2009
- Up to 30 June 2009, approximately EUR 76 million was invested in the project in the City-Center project (total capex estimated at EUR 110 million)
 - Construction in City-Center will continue with the underground service facilities and technical shafts
- Currently Sponda has no other major investment commitments
- Sponda still has uncommitted development projects
 - Starting of any of these will require improved market conditions

Prospects in 2009

- Sponda forecasts:
 - The company's net operating income will be higher than in 2008. The reasons for this are that during 2008 rent levels rose and several fully leased office and retail properties were completed and added to Sponda's investment property portfolio.
 - The company also forecasts that its economic occupancy rate will decline only slightly in 2009 from the figure at the end of 2008, even though the property market expects the number of vacant business premises to increase in 2009, even quite sharply. The forecast for the occupancy rate is based on the company's assessment of the lease agreements that are starting or expiring by the end of 2009.
 - When making the forecasts for 2009, the company has assumed that, despite the uncertain market conditions, no significant losses of income will occur in 2009 due to the insolvency of tenants.

Long-term strategy and short-term initiatives

- Sponda's long-term strategic goal is to seek growth and profitability through its customer-focused operations and active property investments, management and development
- However, due to the current market conditions, Sponda is currently focusing on the following short-term initiatives:
 - Maintaining the Company's position as a leading property owner in the Helsinki Metropolitan Area
 - Preserving strong cash flow and preventing increase in vacancy rates
 - Continuing selective divestments of properties in Finland
 - No pressure to sell properties, divestments are day-to-day business activity
 - Further improving the efficiency of operations
 - Maintaining good customer relationships and quality of service
 - Maintaining the Company's healthy balance sheet and ensuring refinancing in the future

- Introduction
- Market review
- Business overview
- Financial overview
- Appendix



Profit & loss statement

Me	4-6/2009	4-6/2008	1-6/2009	1-6/2008	1-12/2008
Total revenue	61.8	57.3	122.4	109.0	224.3
Expenses	(17.0)	(15.0)	(32.6)	(28.7)	(57.5)
Net operating income	44.8	42.3	89.8	80.5	166.8
Profit on sale of inv. properties	0.3	0.9	0.5	1.3	12.1
Valuation gain / loss	(12.0)	(3.3)	(129.3)	9.3	(44.9)
Allocation of goodwill	-	-	-	-	(13.0)
Profit on sale of trading properties	0.4	1.7	0.2	2.2	21.5
SGA expenses	(5.8)	(6.6)	(11.2)	(12.3)	(22.1)
Other operating income/expenses	0.2	(0.2)	0.1	0.3	(0.9)
Operating result	27.9	34.9	(49.9)	81.3	117.3
Financial income and expenses	(14.2)	(17.7)	(33.2)	(36.1)	(75.1)
Profit before taxes	13.7	17.1	(83.0)	45.2	42.2
Taxes from previous and current fin. years	(0.8)	(0.2)	(1.2)	(0.1)	(1.3)
Deferred taxes	(2.8)	(3.1)	2.4	(10.8)	(11.8)
Profit for the period	10.1	13.8	(81.8)	34.3	29.2

Valuation gains/losses on assessing Sponda properties at fair value

	4-6/2009	1-6/2009
Changes in yield requirements (Finland)	-	(50.7)
Changes in yield requirements (Russia)	-	(49.4)
Profit from property development projects	-	-
Modernization investments	(5.3)	(10.2)
Change in market rents and maintenance costs (Finland)	(3.1)	(1.8)
Change in market rents and maintenance costs (Russia)	2.0	(11.5)
Investment properties, total	(6.4)	(123.7)
Real estate funds	(5.6)	(5.6)
Group, total	(12.0)	(129.3)

Balance sheet

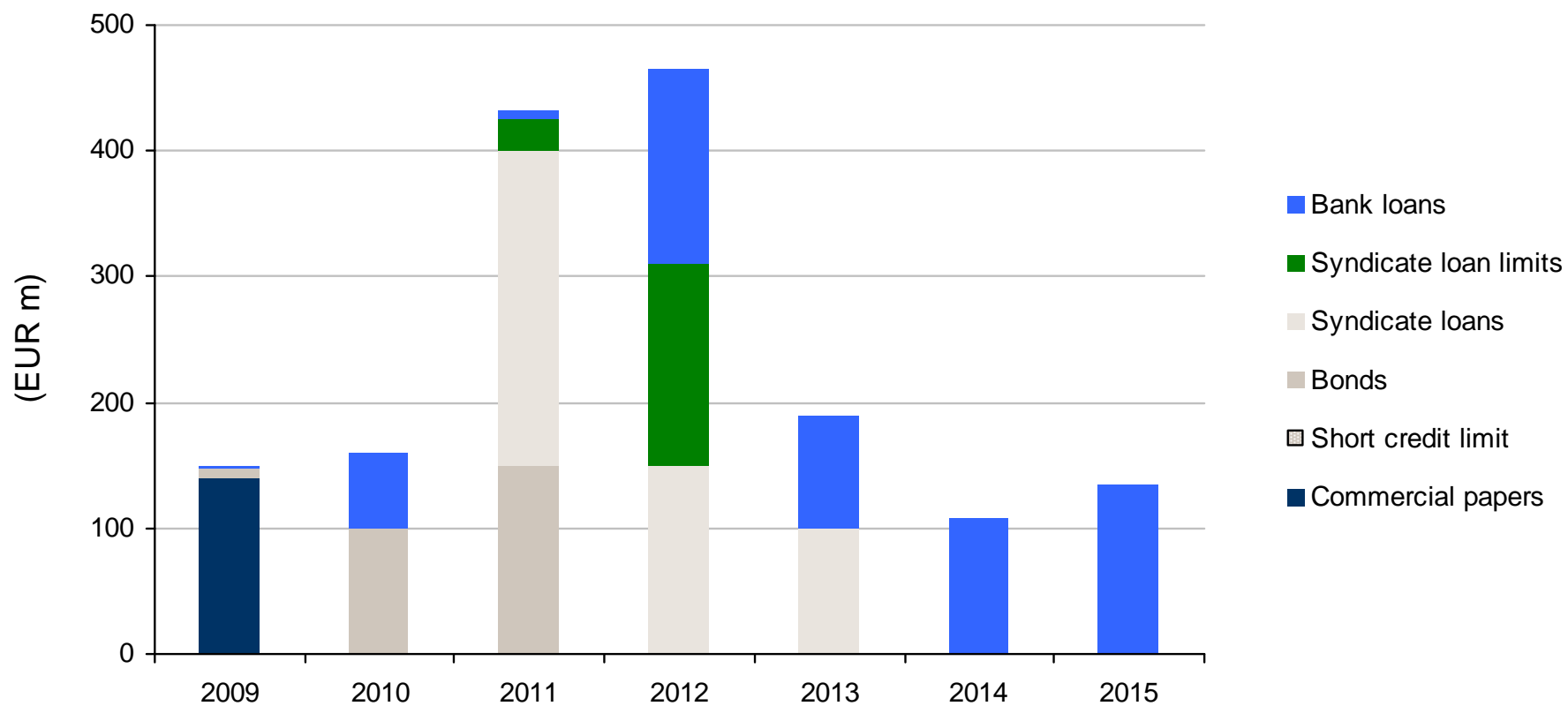
ASSETS	30.6.09	31.12.08	30.6.08	1.1.2008
Non-current assets	2,936.2	3,072.5	2,963.4	2,707.7
Current assets	100.1	102.3	109.9	195.3
Assets total	3,036.3	3,174.7	3,073.3	2,903.0
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity total	1,112.1	1,008.9	1,057.7	938.1
Non-current liabilities				
Interest-bearing debt	1,326.9	1,543.8	1,262.1	1,056.4
Provisions	0.3	8.7	13.7	15.0
Other liabilities	38.3	26.3	0.1	0.0
Deferred tax liabilities	199.9	216.7	224.8	213.7
Non-current liabilities total	1,565.4	1,795.5	1,500.7	1,285.2
Current liabilities total	358.8	370.4	514.9	679.7
Liabilities total	1,924.2	2,165.8	2,015.6	1,964.8
Shareholders' equity and liabilities	3,036.3	3,174.7	3,073.3	2,903.0

Financing

	Q2/2009	Q1/2009	Q4/2008	Q3/2008	Q2/2008
Equity ratio	37 %	30 %	32 %	32 %	34 %
Average interest rate	3.8 %	3.6 %	4.6 %	4.8 %	4.7 %
Hedging	63 %	61 %	58 %	63 %	69 %
Average loan maturity	2.8 Yrs	2.8 Yrs	3.0 yrs	3.1 yrs	2.9 yrs
Average fixed interest rate period	1.7 Yrs	1.8 Yrs	1.7 yrs	2.2 yrs	2.4 yrs
Interest cover	2.4 X	2.2 x	2.1 x	2.0 x	2.2 x
Loan to Value	57 %	63 %	62 %	63 %	62 %

Loan maturities

- Interest-bearing debt EUR 1,633.1 million
- Unused credit limits EUR 400 million and EUR 10 million.





IR contact:

**Pia Arrhenius
Senior Vice President,
Corporate
Communications and
IR**

Tel: +358-20-431 3454

- Introduction
- Market review
- Business overview
- Financial overview
- Appendix



Vacancy and rental level development

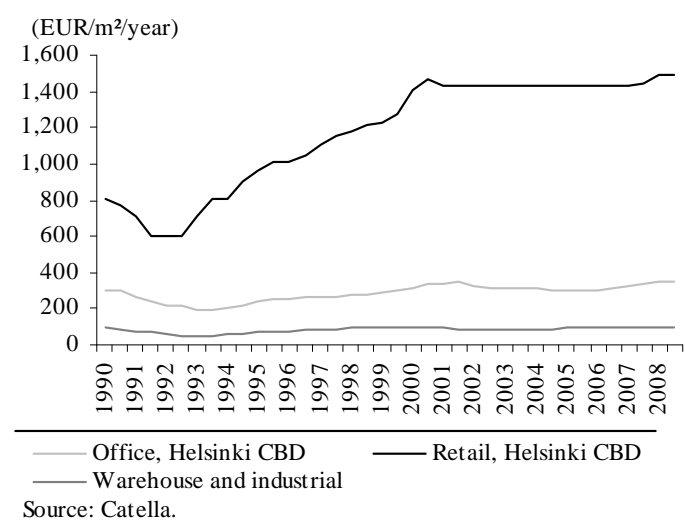
- The economic downturn has put pressure on occupancy rates and rents in Finland, mainly on non-prime properties
- Sponda expects the market rents to decrease somewhat by the end of 2009 in the Helsinki Metropolitan Area, with Helsinki CBD and Ruoholahti likely to outperform the wider market

Vacancy Rate in the Helsinki Metropolitan Area



Source: Catella.

Prime Rents in the Helsinki Metropolitan Area



Source: Catella.

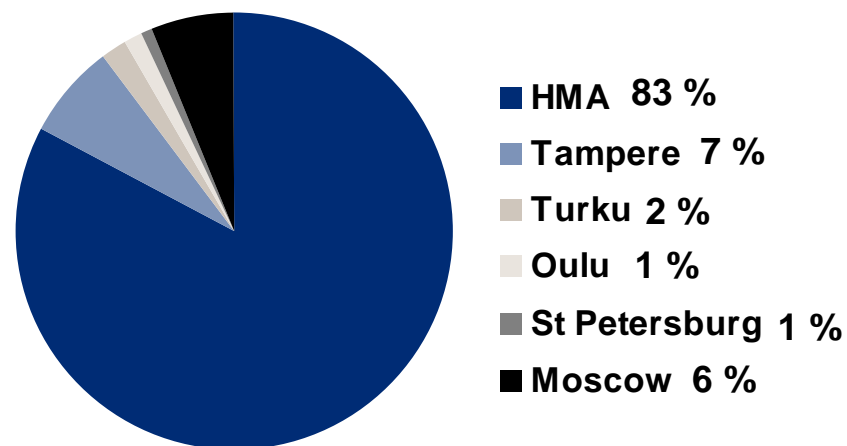
Property portfolio focused on prime locations in the Helsinki Metropolitan Area

Sponda owns a diversified property portfolio with a wide range of space solutions

Helsinki CBD and Ruoholahti areas



Investment properties by location (excl. Property development & Funds)



EUR 2,589.7 million