



Annual General Meeting 2019
Jani Nieminen, CEO

Building better urban living

Kojamo plc



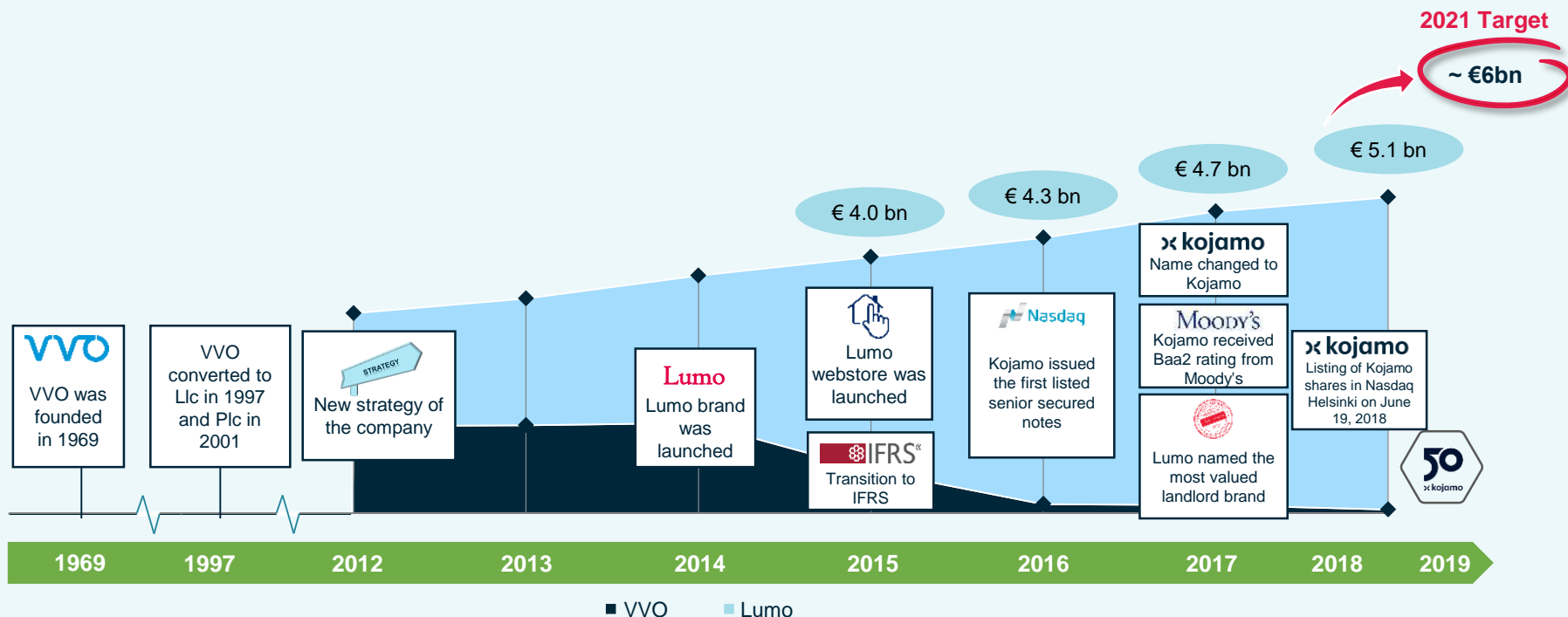
Agenda

- Operating environment
- Year 2018
- Outlook





From VVO Group to Kojamo



Source: Company information

Note: Kojamo adopted IFRS in FY 2015 and comparison figures for FY 2014 were prepared in conjunction with the transition. The financial information for FY 2012 and FY 2013 was prepared in accordance with the Finnish Accounting Standards ('FAS') and consequently, the financial information presented for those years may not be fully comparable with the financial information prepared in accordance with IFRS.

Note: Gross asset value ("GAV") as of 31-Dec-2015 – 2017. GAV represents the fair value of investment properties and includes items held for sale, ongoing projects, land plots owned by the Company and ownership of certain assets through shares like parking spaces.



Operating environment

Operating environment

- Kojamo is affected particularly by the situation in the residential property market and development in the Finnish growth centres, as well as macro-economic factors
- As more trade barriers are set up, world trade is estimated to grow more slowly, which is expected to put the brakes on export growth
- Driven by a more rapid rise in earnings, growth in household disposable income is expected to continue. Even though the inflation is accelerating, household spending is estimated to increase in 2019 compared with last year
- According to the Ministry of Finance, investment growth is forecasted to slow down clearly in 2019 which is caused especially by the downturn in new construction project start-ups.
- Additionally, the establishment of additional trade barriers and weakening growth prospects in the world economy are also making industries and other sectors less willing to make investments

Business environment key figures	2020E	2019E
GDP growth forecast, %	1.3	1.5
Unemployment, %	6.7	6.9
Inflation, %	1.6	1.4

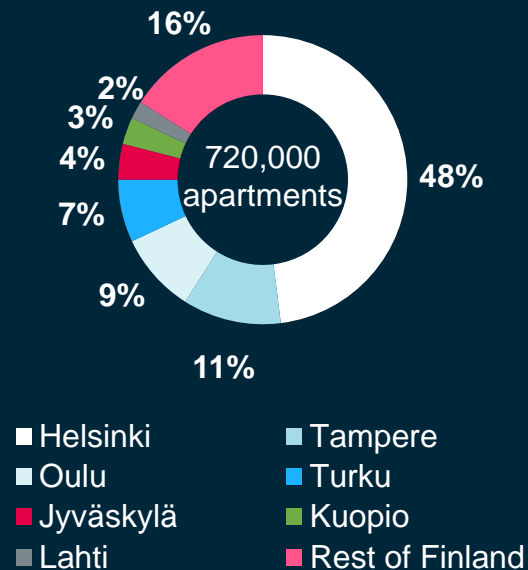
Operating environment

Industry key figures	2019E	2018
Residential start-ups, units	39,000	44,000
Building permits granted, annual, units	n/a	45,000
Construction costs, %	2.0	2.5
Prices of dwellings in the whole country, change, %	1.2	1.2
Prices of dwellings in the capital region, change, %	2.2–3.5	2.5–3.2
Rents of non-subsidised rental dwellings in the whole country, change, %	1.8	1.6
Rents of non-subsidised rental dwellings in the capital region, change, %	2.0–2.8	2.3–2.6

Sources: Confederation of Finnish Construction Industries RT, Pellervo Economic Research PTT

13 March 2019

Housing production 2016 – 2040¹



¹ VTT, Need for housing 2015-2040 urbanisation forecast

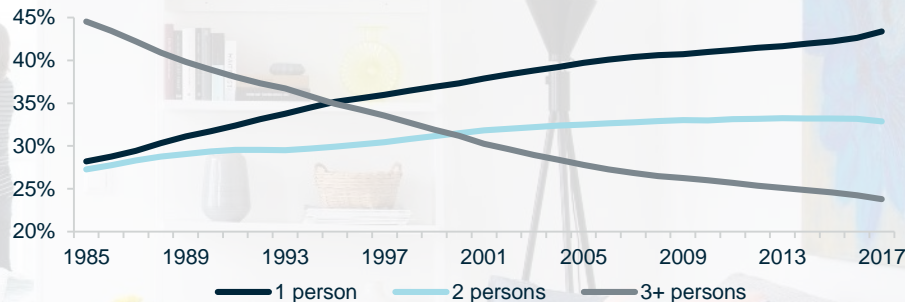


The popularity of rental housing increases

- Urbanisation increases the demand for rental housing. For those moving in growth centres rental housing appears more often as easier, more safe and flexible choice of living
- Many people moving in to cities want to live in the pulse of the city close to services, hobby possibilities and leisure time activities
- The increasing demand for services is visible in living preferences. Living related needs can be satisfied more often by services instead of owning

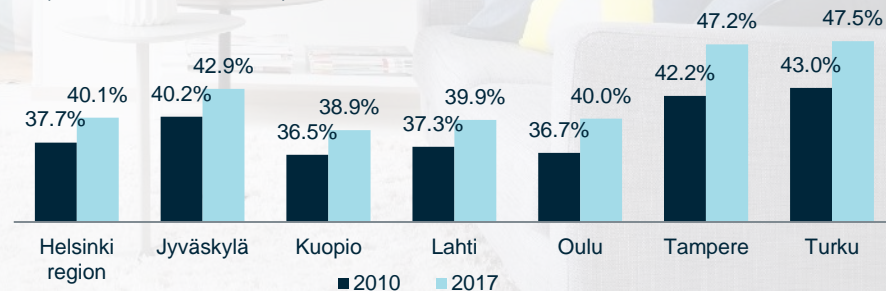
Development of household sizes

(% of all households)



Development of rental household-dwelling units

(% of all households)





Year 2018



Our strategy

Megatrends

Urbanisation & internationalisation



Ageing population & smaller family sizes



New technologies & digitalisation



Individuality & sense of community



Environment & sustainable development



Mission

We create better urban housing.

Vision 2021

We are the property market frontrunner and the number one choice for our customers.

Strategic focal points

- Delivering the best customer experience
- Generating long-term shareholder value
- Leading on sustainable development
- Dynamic and professional place to work

Values



Happy to serve



Strive for success

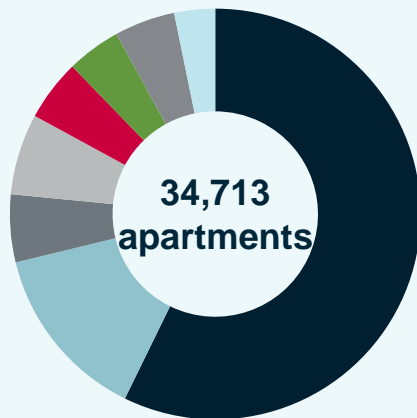
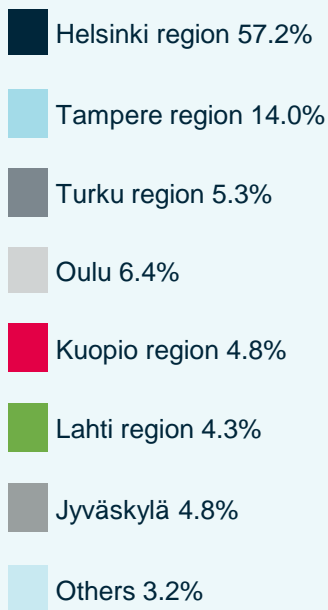


Courage to change



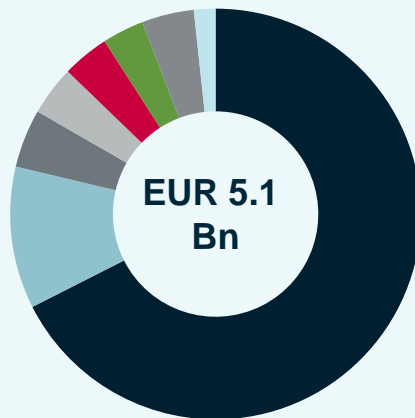
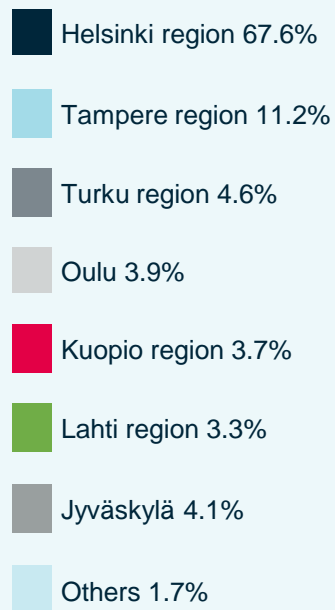
Of the apartments' fair value 98.3% in the seven main urban regions in Finland

Apartment distribution



**Total number of
apartments 34,713**

Fair value distribution, %

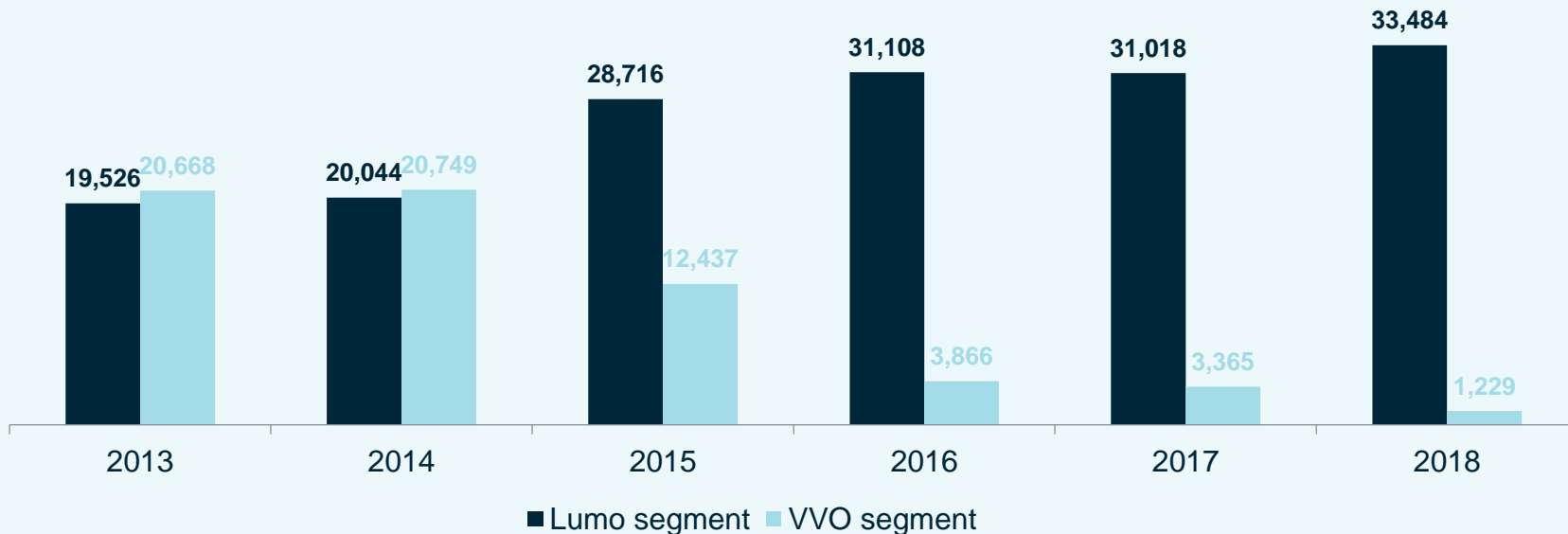


**Fair value of
investment
properties EUR 5.1 Bn**



The number of Lumo apartments increased by 8% in 2018

- At the end of the year, the Lumo segment included 33,484 apartments
- The number of VVO apartments was 1,229
- Kojamo's apartment portfolio comprised of 34,713 (34,383) apartments in total



Highlights of year 2018

7 Feb 2018

We agreed on the purchase of 981 rental apartments, which was completed on 5 March 2018.

29 Mar 2018

We agreed on the sale of 1,594 rental apartments, which was completed on 30 April 2018.

15 Jun 2018

Trading in our shares began on Nasdaq Helsinki.

22 Nov 2018

We announced a Smartpost cooperation with Posti Group Corporation.

4 Dec 2018

We announced the appointment of Tiina Kuusisto as Chief Customer Officer and Ville Raitio as Chief Investment Officer.

12 Oct 2018

We announced an agreement with Leanheat Oy, a provider of artificial intelligence solutions for controlling district heating: Leanheat's AI-based IoT solution to control the indoor temperature of approximately 29,000 Kojamo owned apartments.

21 May 2018

We announced our plan to list on the official list of Nasdaq Helsinki.

7 Mar 2018

We successfully issued an unsecured EUR 500 million Eurobond.



Kojamo in 2018

total revenue

358.8 M€

(EUR 337.0 million,
+6.5%)

net rental income

234.0 M€

(EUR 216.0 million,
+8.3%)

profit before taxes

277.3 M€

(EUR 266.7 million,
+4.0%)

occupancy rate

97.0%

(96.7%)

fair value of investment properties

5.1 Bn€

(EUR 4.7 billion,
+8.1%)

gross investments

365.2 M€

(EUR 367.3 million,
-0.6%)

funds from operations (FFO)

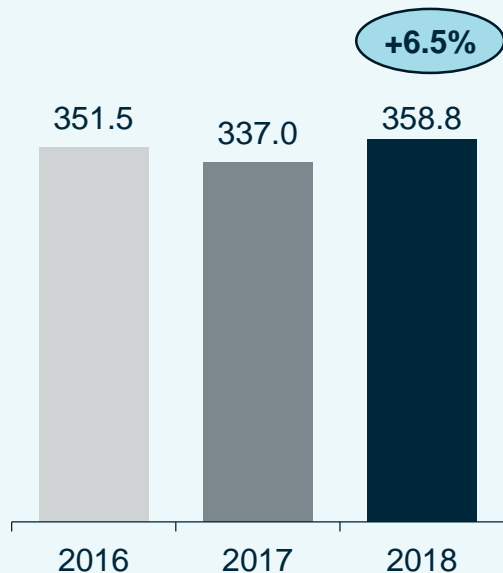
116.4 M€

(EUR 107.8 million,
+8.0%)

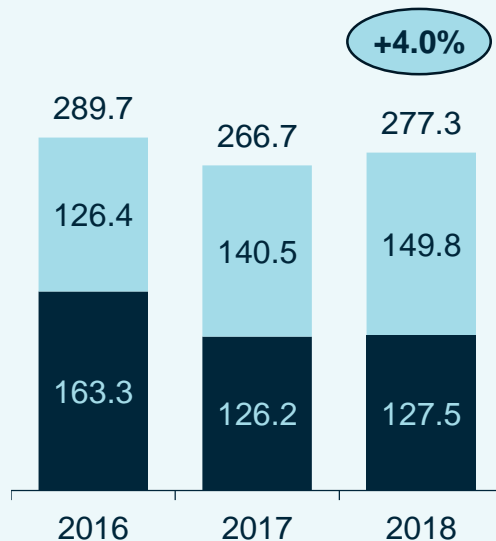


Total revenue, profit and FFO increased

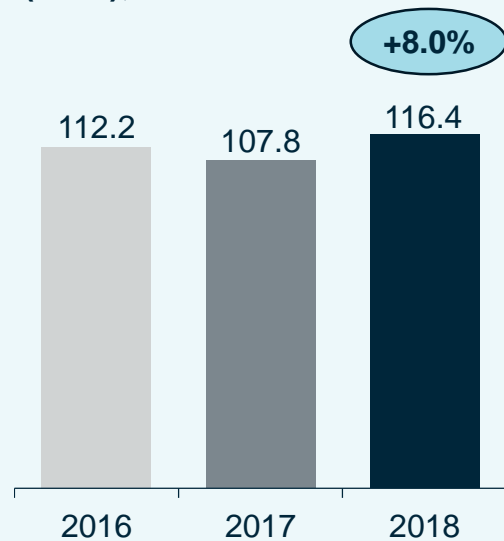
Total revenue, M€



Profit before taxes, M€



Funds From Operations (FFO), M€



- Other items
- Change in the fair value of investment properties



Investments in Lumo segment continued

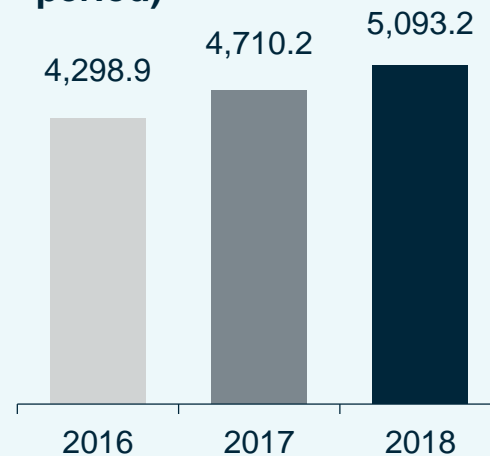
Gross investments and sales of investment properties, M€



Modernisation investments and repairs, M€



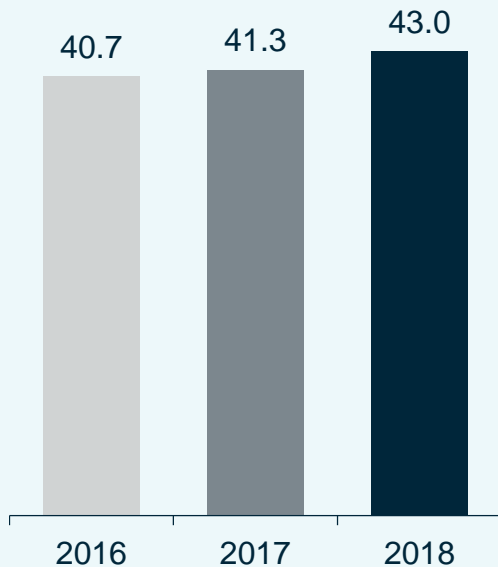
Fair value of investment properties, M€ ¹⁾
(at the end of the review period)



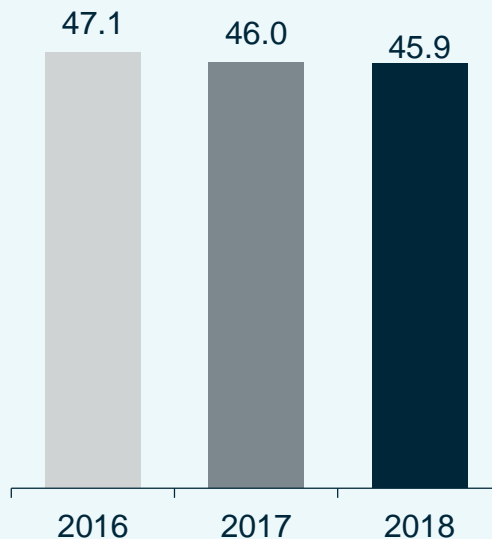
1) Investment properties include completed apartments, as well as development projects and land areas.

Equity ratio improved

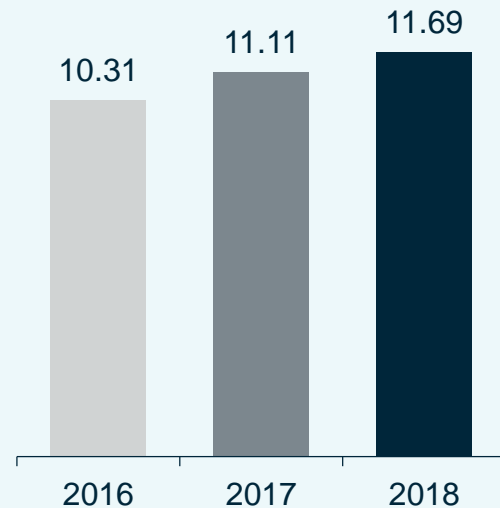
Equity ratio, %



Loan to Value (LTV), %



EPRA NAV per share, €



The share issue improved the equity ratio by 1.6 percentage points.

Key figures have been adjusted to reflect the impact of the decision by the Extraordinary General Meeting of Shareholders on 25 May, 2018 regarding the share split. In the share split the shareholders received 30 new shares per each existing share.



We are progressing toward our strategic targets

Key figure	31 Dec 2018	Target, Dec 2021
Fair value of investment properties	EUR 5.1 billion	EUR 6.0 billion
Number of apartments	34,713	Approximately 38,000
Equity ratio, %	43.0	> 40
Loan to Value (LTV), %	45.9	< 50
FFO as a percentage of total revenue	32.4	> 32
Net Promoter Score (NPS)	35	40



Services enabling better urban living

	Unique Lumo webstore	Lumo is a home full of services	Activities and other benefits to customers	Constantly improving customer experience
	✓ The only residential real estate company with a web platform offering all the services from choosing apartment to moving in	✓ Comprehensive services that make living easier and more convenient	✓ Activities and other benefits such as free events to enrich living in Lumo communities	✓ Developing digital housing services and smart home solutions to improve convenient living
Lumo	✓	✓	✓	✓
Common market practice in Finland ¹	✗	✗	✗	✗



Lumo builds customer experience in a new way

Services of a new customer



Lumo
webstore

Key courier service

 Personal open house

 Pets are welcome

0-250 € Affordable security deposit

 Broadband included in rent

 Move and installation service

 Interior paints for free

Services during tenancy



My Lumo

posti
SmartPOST

 **LEANHEAT**

Easy pick up service
Installation service

 Lumo janitors

 Yard coach

 Benefits from partners

 Car-sharing

 Versatile events for tenants

 Customer service center



Sustainability is visible in our every day life

29,000

apartments' indoor
temperature controlled by
Leanheat's IoT solution

**Eco-friendly
motoring**

– shared cars in use of
Lumo tenants

All of

new construction projects
utilising own plot reserves
nearly zero-energy
buildings in accordance
with FInZEB concepts and
guidelines

**Anti-grey
economy
models**

exceed legislative
requirements

7.5%

savings targeted to be
reached by 2025 according
to Rental Property Energy
Efficiency Agreement

2nd place

in the Responsible
Summer Job competition in
the category of large
companies

All of

Kojamo's premises
included or becoming a
part of WWF Green Office
network

Members of

Climate Leadership
Coalition that aims at
carbon neutral operations
that utilise natural
resources in a sustainable
way



Outlook



Outlook for Kojamo in 2019

Kojamo estimates that in 2019, the Group's total revenue will increase by 2–7 per cent year-on-year. In addition, the company estimates that the Group's FFO for 2019 will amount to between EUR 126–141 million, excluding one-off items. Investments in new development and housing stock acquisitions are forecast to exceed EUR 300 million

The outlook takes into account the effects of the housing divestments and acquisitions completed in 2018, the estimated occupancy rate and rises in rents, as well as the number of apartments to be completed. The outlook is based on the management's assessment of total revenue, net rental income, administrative expenses, financial expenses, taxes to be paid and new development to be completed, as well as the management's view on future developments in the operating environment

Additionally, the outlook is based on strong demand sustained by migration, which will increase like-for-like rental income. The management can influence total revenue and FFO through the company's business operations. In contrast, the management has no influence over market trends, the regulatory environment or the competitive landscape



Important information

This presentation shall not constitute an offer to sell or the solicitation of an offer to buy securities in any jurisdiction. No part of this presentation, nor the fact of its distribution, should form the basis of, or be relied on in connection with, any contract or commitment or investment decision.

This presentation includes forward-looking statements, which include statements regarding the Kojamo's business strategy, operating and financial targets, financial condition, profitability, results of operations and market data, as well as other statements that are not historical facts. Words such as “believe,” “anticipate,” “plan,” “expect,” “target,” “estimate,” “project,” “predict,” “forecast,” “guideline,” “should,” “aim,” “continue,” “could,” “guidance,” “may,” “potential,” “will,” as well as similar expressions and the negative of such expressions are intended to identify forward-looking statements, but are not the exclusive means of identifying these statements. By their nature, forward-looking statements are subject to numerous factors, risks and uncertainties that could cause actual outcomes and results to be materially different from those projected. Undue reliance should not be placed on these forward-looking statements. Except for any ongoing disclosure obligation as required by applicable law, Kojamo does not have any intention or obligation to publicly update or revise any forward-looking statements, whether to reflect any future events or circumstances or otherwise.