

LISTING PROSPECTUS

The logo for Sponda, featuring the word "SPONDA" in white, uppercase, sans-serif font, centered within a dark blue rounded rectangular background.

**Listing of
SEK 650,000,000 Notes due 2016
The Notes are represented by units in denominations of SEK 1,000,000.**

On 4 April 2011, Sponda Plc (“**Sponda**”, the “**Issuer**” or the “**Company**”) issued senior unsecured notes with an aggregate nominal amount of SEK 650,000,000 (the “**Notes**”) mainly to certain institutional investors. The Notes are represented by units in denominations of SEK 1,000,000. The rate of interest of the Notes is three (3) months STIBOR added with 2.40 per cent. This document (this document and the documents incorporated herein by reference jointly referred to as the “**Listing Prospectus**”) has been prepared solely for the purpose of admission to listing of the Notes to public trading on NASDAQ OMX Helsinki Ltd (the “**Helsinki Stock Exchange**”) and does not constitute any offering of the Notes.

This Listing Prospectus has been drawn up in accordance with the Finnish Securities Markets Act (26.5.1989/495, as amended) (the “**Finnish Securities Markets Act**”), the Decree of the Finnish Ministry of Finance (23.6.2005/452), the Commission Regulation (EC) No 809/2004, in application of the Annexes IX and XIII thereof, and the regulations and guidelines of the Finnish Financial Supervisory Authority (the “**FIN-FSA**”).

The FIN-FSA, which is the competent authority for the purposes of Directive 2003/71/EC (the “**Prospectus Directive**”) and relevant implementing measures in Finland, has approved this Listing Prospectus (journal number 46/212/2011), but assumes no responsibility for the correctness of the information contained herein.

Application has been made for the Notes to be admitted to public trading on the Helsinki Stock Exchange (the “**Listing**”) and the Listing is expected to take place on or about 16 May 2011.

Besides filing this Listing Prospectus with the FIN-FSA and the application to the Helsinki Stock Exchange, neither the Issuer nor the Lead Manager (defined hereafter) have taken any action, nor will they take any action to render the public offer of the Notes or their possession, or the distribution of this Listing Prospectus or any other documents relating to the Notes admissible in any other jurisdiction than Finland requiring special measures to be taken for the purpose of public offer. In particular, this Listing Prospectus may not be sent to any person in the United States, Australia, Canada, Japan, Hong Kong, Singapore or any other jurisdiction in which it would not be permissible to deliver the Notes and the Notes may not be offered, sold, resold, transferred or delivered, directly or indirectly in or into any of these countries.

In the United Kingdom this Listing Prospectus may be distributed only to, and may be directed at (a) persons who have professional experience in matters relating to investments falling within article 19(1) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”) or (b) high net worth entities falling within article 49(2)(a) to (d) of the Order, and other persons to whom it may be lawfully communicated, falling within article 49(1) of the Order (all such persons together being referred to as “**relevant persons**”). Any person who is not a relevant person should not act or rely on this document or any of its contents.

The Notes have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the “**Securities Act**”) or with any securities regulatory authority of any state of the United States. The Notes may not be offered, sold, pledged or otherwise transferred directly or indirectly within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the Securities Act (“**Regulation S**”), except to a person who is not a U.S. Person (as defined in Regulation S) in an offshore transaction pursuant to Regulation S.

The Issuer or the Notes have not been assigned any credit ratings at the request or with the co-operation of the Issuer in the rating process.

Investment in the Notes involves certain risks. The principal risk factors that may affect the ability of the Issuer to fulfil its obligations under the Notes are discussed under “*Risk Factors*” below.

Lead Manager

The logo for Nordea, featuring the word "Nordea" in a blue, sans-serif font, followed by a stylized blue wave icon.

The date of this Listing Prospectus is 11 May 2011.

CERTAIN INFORMATION WITH REGARD TO THE LISTING

In this Listing Prospectus, the “Company”, the “Issuer” and “Sponda” refer to Sponda or Sponda and its subsidiaries, on a consolidated basis, as the context may require.

Nordea Bank Finland Plc (“**Nordea**”) is acting for Sponda as arranger and lead manager of the Listing (the “**Lead Manager**”) and for no-one else in connection with the Listing and will not be responsible to anyone other than Sponda for providing the protections afforded to the clients of Nordea nor for providing any advice in relation to the Listing or the contents of this Listing Prospectus. Investors should rely only on the information contained in this Listing Prospectus. Neither the delivery of this Listing Prospectus nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of Sponda since the date of this Listing Prospectus or that the information herein is correct as of any time subsequent to the date of this Listing Prospectus.

This Listing Prospectus is available on the Company’s website at www.sponda.fi > sijoittajat and www.sponda.com > investors.

Apart from the responsibilities and liabilities, if any, which may be imposed on the Lead Manager and Sponda by Finnish laws or under the regulatory regime of any other jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, neither the Lead Manager nor Sponda accepts any responsibility whatsoever for the contents of this Listing Prospectus or for any statement made or purported to be made by it, or on its behalf, in connection with the Company, the Notes or the Listing. The Lead Manager and Sponda accordingly disclaim any and all liability whether arising in tort, contract, or otherwise (save as referred to above) which they might otherwise have in respect of such document or any such statement.

Nothing contained in this Listing Prospectus is, or shall be relied upon as, a promise or representation by the Company or Lead Manager as to the future. The Company shall, as deemed necessary, update information set forth in this Listing Prospectus pursuant to Chapter 2, Section 3b of the Finnish Securities Markets Act. Investors are advised to inform themselves of any stock exchange release published by the Company since the date of this Listing Prospectus.

This Listing Prospectus has been prepared in English only. In making an investment decision, investors must rely on their own examination of the Company and the terms of the Notes, including the merits and risks involved.

The distribution of this Listing Prospectus may, in certain jurisdictions, be restricted by law, and this Listing Prospectus may not be used for the purpose of, or in connection with, any offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. No actions have been taken to register or qualify the Notes, or otherwise to permit a public offering of the Notes, in any jurisdiction outside of Finland. Sponda and the Lead Manager require persons into whose possession this Listing Prospectus comes to inform themselves of and observe all such restrictions. Neither Sponda nor the Lead Manager accept any legal responsibility for any violation by any person, whether or not a prospective purchaser of Notes is aware of such restrictions. In particular:

- the Notes may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into the United States, Australia, Canada, Japan, Hong Kong, Singapore or any other jurisdiction in which it would not be permissible to offer the Notes; and
- this Listing Prospectus may not be sent to any person in the aforementioned jurisdictions.

Any dispute arising out of the Listing shall be settled exclusively by Finnish courts in accordance with Finnish law.

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RISK FACTORS

Investors considering investment in the Notes of the Company should carefully review the information contained in this Listing Prospectus and, in particular, the risk factors described below and in the stock exchange releases published by the Company. Factors possibly affecting the investment decision are also discussed elsewhere in the Listing Prospectus. Should one or more of the risk factors described herein materialise, it could have a material adverse effect on the value of the Notes and the Issuer's ability to fulfil its obligations under the Notes. The following description is a summary of certain risk factors that may affect the Issuer's ability to fulfil its obligations under the Notes or that are material in order to assess the market risk associated with the Notes. This description is based on information known and assessed at the time of preparing this Listing Prospectus, and, therefore, the description of the risk factors is not necessarily exhaustive. The risks involved in an investment in the Notes are not limited to the factors identified below and the sequence in which the following risk factors are listed is not an indication of their likelihood to occur or of the extent of their commercial consequences. All investors should make their own evaluations of the risks associated with an investment in the Notes and consult with their own professional advisers if they consider it necessary. The market price of the Notes could decline due to the realisation of these risks, and investors could lose part or all of their investments.

Risks Relating to Macroeconomic Conditions

Disruptions and volatility in the global markets may negatively affect the Company

Since 2007, the global financial system has experienced unprecedented credit and liquidity conditions and disruptions leading to a reduction in liquidity, greater volatility, general widening of credit spreads and, in some cases, lack of price transparency in money and capital markets interest rates. The restrictions on credit availability, the additional cost of credit to the extent it is available and the difficulties faced by major financial institutions, among other economic and geopolitical events, have substantially increased the risk profiles of companies.

The events described above have also significantly impacted the global real estate market, reducing the volume of commercial real estate transactions and negatively impacting real estate pricing in many countries and markets. The potential consequences of the international financial and economic crisis on virtually all business organisations are significant and complex and may include, to one degree or another, among others, materially lower earnings, inability to obtain necessary credit, inability to satisfy covenant and other obligations in debt and other arrangements, inability to meet financial obligations and inability to retain key staff members.

Although the economic recovery towards the end of 2010 has contributed to a pick-up in the real estate market, the economic difficulties of some member states of the European Union and the natural catastrophe in Japan, among other factors, have made it inherently difficult to make accurate predictions as to the development of the real estate markets, as the real estate markets are impacted by macro movements of the financial markets and many other factors, including the stock, bond and derivatives markets, over which Sponda has no control.

Variations in macroeconomic factors, including difficulties in individual countries' ability to meet their financial obligations, and property market fluctuations as well as a delay in the expected recovery in the economy may have a material adverse effect on Sponda's business, financial condition, results of operations and future prospects and thereby, on Sponda's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Negative economic developments and conditions in the countries in which Sponda operates may adversely affect Sponda's business and results of operations

Sponda has experienced in the past and expects to experience in the future, the negative impact of periods of economic slowdown or recession and declines in the demand for property in the commercial real estate markets in which it operates. The economic situation both in Finland and in Russia has been adversely affected by the general weakening in economic conditions and the turmoil in the global financial markets. Both Finland and Russia have, among others, experienced declining economic growth, and increasing rates of unemployment. Negative economic developments of the kind described above have affected and may affect in the future Sponda's business in a number of ways, including, among others, the income, wealth, liquidity, business and/or financial condition of Sponda's customers. As a result, any or all of the conditions described above could have a material adverse effect on the value of Sponda's property portfolio, and therefore, also on Sponda's ability to meet its obligations under the Notes as well as the market price and the value of the Notes.

Variations in supply and demand on property market may affect the Company

The property market is sensitive to fluctuations in supply and demand. Property values are affected by a number of factors including interest rates, inflation, economic growth, business environment, availability of credit, property

taxation, demographical factors, level of construction activity, and availability of leasable space. Changes in supply and demand in local markets, resulting from new construction, investor demand/supply and/or other factors, may also materially affect property values regardless of the overall development in the local real property market. Without a corresponding change in rental income, lower yield requirements lead to higher property values. On the other hand, a decrease in property values may negatively affect Sponda's ability to continue to develop its property portfolio.

Demand for commercial properties is dependent on general macroeconomic developments. Slower economic development can lead, for example, to higher vacancy rates for commercial properties. In addition, the supply of rental space may increase considerably as a result of the completion of new construction projects resulting in an excessive supply of rental space or marketable property. In the past, excessive availability of commercial properties has led to a decrease in rental income and in property values, whereas a reduction of available rental space has resulted in increasing rents and property valuations. These factors, either alone or in combination, may have a material adverse effect on Sponda's ability to meet its obligations under the Notes as well as the market price and the value of the Notes.

Risks Relating to Sponda's Business Operations

Operational disturbances and events may affect Sponda's business operations

Sponda's operational risks result from inadequate or defective internal processes or systems. They also include risks associated with the legal operating environment and the dependency on IT systems. Operational risks relate, for example, to the functionality of the Company's information systems and to the Company's ability to retain its skilled employees.

Operational risks and related losses may result from inadequate internal processes, fraud, errors by employees, failure to comply with regulatory requirements and Sponda's internal guidelines, equipment failures or malfunctions of information systems or external systems as well as natural disasters. Although Sponda has implemented risk controls and loss mitigation actions and strives for continuous development of procedures, it is not certain that such procedures will be effective in controlling each of the operational risks faced by Sponda. If the above or any other operational risk materialises, it may, either alone or in combination, have a material adverse effect on Sponda's business, financial condition, results of operations and future prospects and, thereby, on Sponda's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Legal and regulatory risks

Sponda has to comply with a wide variety of laws and regulations, notably: urban planning regulations, construction and operating permits, health and safety regulations (particularly for assets that are open to the public), environmental regulations, lease laws, labour regulations, and corporate and tax laws. Changes in the regulatory framework and/or the loss of benefits associated with a status or an authorisation could require Sponda to adapt its business activities, its assets or its strategy, possibly leading to a negative impact on the value of its property portfolio or its results, an increase in its expenses, and/or a slowing or even halting of the development of certain investment or letting activities. In the normal course of its business activities, Sponda could be involved in legal proceedings (for instance, regarding contractual responsibility, employers' liabilities, penal issues) and is subject to tax and administrative audits. Should Sponda be ordered to sanctions, it may have a material adverse effect on Sponda's business, financial condition, results of operations and future prospects and, thereby, on Sponda's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

The loss or insolvency of major tenants can lead to significant rent losses

As at 31 March 2011, Sponda had 3,131 lease agreements and 2,021 tenants. Sponda's ten largest tenants accounted for about 34 per cent of the Company's rental income for the three months ended 31 March 2011. Sponda's largest customer groups include major retailers, the finance sector and the public sector. As a result of the slowdown in the economy, the tenants' ability to pay their rents may weaken. The Company's leases do not generally contain provisions designed to monitor the creditworthiness of any particular tenant on an ongoing basis. Bankruptcy or insolvency could reduce or eliminate a tenant's ability to pay rents. For the three months ended 31 March 2011, indefinite leases accounted for 13.6 per cent of Sponda's total rental revenue. Under the terms of these indefinite leases either the landlord or the tenant may terminate the occupancy on a relatively short notice, generally three to 12 months. This could lead to a significant number of leases being terminated during a short period of time. If Sponda loses one or more of its major tenants, or they become insolvent, this may result in a considerable loss of income, void costs, and an increase in bad debts. Any downgrading of customers' credit ratings or adverse change in their financial condition or bankruptcy or insolvency may negatively affect the value of the property in which such customer leases space and the amount of rental income received from such property. If a property or a part of a property is vacant for a long period after the most significant tenant has vacated its premises, this could have a material adverse effect on Sponda's

business, financial condition, results of operations and future prospects and, thereby, on Sponda's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

In general, Sponda's management considers Sponda's relationship with its tenants to be good. However, no assurance can be given that, in the future, one or more of these tenants would not move to other premises, seek to obtain lease terms more favourable to it or that a significant number of leases would not be terminated during a short period of time, all of which could have a material adverse effect on Sponda's business, financial condition, results of operations and future prospects and, thereby, on Sponda's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Decreasing rents and occupancy rates may erode Sponda's results of operations

Rental levels and occupancy rates are affected by general economic factors as well as the number of premises available on the market. A slowdown in business activity may cause Sponda's customers considerable downsizing, high-levels of write-downs, reduced output and decreased willingness by Sponda's various customer segments to spend, which could result in a decrease in demand for the Company's properties. In periods of economic slowdown or recession, Sponda's customers' ability to pay rent to Sponda may be reduced. Such tenants may present a specific risk to Sponda's business because: (i) Sponda's rent receivables may increase; and (ii) customers may neglect their obligations. The failure to collect rent receivables could have a material adverse effect on Sponda's cash flows and ability to service its debt obligations and to comply with its financial covenants in the longer term and, consequently, on Sponda's business, financial condition, results of operations and future prospects and, thereby, on Sponda's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

If customers do not renew their leases, Sponda may need to spend significant resources to obtain replacement tenants. If Sponda cannot promptly renew the leases or re-let the vacated spaces, or if the rental rates upon renewal or re-letting are significantly lower than the expected rates, Sponda's ability to meet its obligations under the Notes as well as the market price and value of the Notes could be adversely affected. In addition, in connection with any renewal or re-letting, Sponda could also incur costs for renovating or remodelling the vacant space. There can be no assurance that expiring leases can be renewed at their existing terms and conditions or that any property will be fully leased and, therefore, a reduction in rents and increase in vacancies may occur. As regards vacant premises, Sponda bears the loss of rent from that property as well as the costs it would normally charge to the tenant if the property was rented.

Sponda's consolidated balance sheet and income statement may be significantly affected by fluctuations in the fair market value of its properties

Any change in the fair value of Sponda's properties is recorded as a revaluation gain or loss in its consolidated income statement for the period during which the revaluation occurs. As a result, the Company can have significant non-cash gains or losses each quarter depending on changes in the fair market values of its properties, whether or not such properties are sold. Sponda may suffer from revaluation losses from its existing properties and, absent an amendment to or waiver of covenants under the relevant debt obligations, this could result in non-compliance with those covenants. If a substantial decrease in the fair market value of its properties occurs, it may have a material adverse effect on Sponda's business, financial condition, results of operations and future prospects and, thereby, on Sponda's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes. The Company's borrowings or other leverage may increase the volatility of the Company's financial performance, and amplify the effect of any change in the valuation of the Company's assets on its financial condition as well as the value of the Notes and may have a material adverse effect on Sponda's business, financial condition, results of operations and future prospects and, thereby, on Sponda's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes. See "*Financial Risks—Sponda's level of debt may adversely affect its operations*" below.

Property valuation is inherently subjective and uncertain

Although Sponda's properties are internally revalued each quarter and externally revalued by an independent valuer at least twice a year, the valuation is inherently subjective. This is particularly the case when there have been a limited number of benchmark transactions, which has been the case during the last 12 months' period. As a result, valuations are subject to uncertainty. Moreover, property valuations are made on the basis of assumptions which may not prove to be accurate. The Company or external independent valuers make certain assumptions about the development of future property market trends (including valuation yields and market rents). Incorrect assumptions or flawed assessments underlying the valuations could potentially inhibit Sponda's ability to realise a sales price that reflects the stated valuation or to obtain financing which may thus have a material adverse effect on Sponda's business, financial condition, results of operations and future prospects and, thereby, on Sponda's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes. There can be no assurance that the valuations of Sponda's

properties will be reflected in any actual transaction prices, even where any such real estate transactions occur shortly after the relevant valuation date, or that the estimated yield and annual rental income will prove to be attainable.

Risks related to property development operations have an effect on Sponda

Sponda's property development operations focus on undeveloped land properties and buildings with modernisation needs as well as on greenfield development projects. The development projects typically require an extensive planning before the commencement of the project is secured, and Sponda incurs costs in relation to the planning phase. The development projects are subject to official regulation in connection with obtaining and renewing licenses, permits, approvals and authorisations and this may cause delays as well as hinder the commencement of the project. The development projects and related investments may take several years to complete, and Sponda does not receive full rental income from the property until the project is completed. The commencement of a development project typically requires a certain pre-leasing rate, but there can be no assurance that Sponda will be able to achieve commercially viable occupancy rates after the completion of the project.

Sponda relies on subcontractors for its design and construction work. If Sponda cannot enter into subcontracting arrangements on acceptable terms, it will incur additional costs which may have an adverse effect on its business. The competition for the services of quality contractors and subcontractors may cause delays in real estate development and construction, potentially exposing Sponda to a loss of competitive advantage. Subcontracting arrangements may have to be carried out on less favourable terms than would otherwise be available, which may result in increased real estate development and construction costs. By relying on subcontractors, Sponda becomes subject to a number of risks relating to these entities, such as quality of performance and construction defects. Furthermore, particularly in the current unstable economic environment, contractors may experience financial or other difficulties which may affect their ability to carry out construction work and, therefore, delay the completion of Sponda's real estate development projects or result in additional costs for Sponda. There can be no assurance that costs associated with any of these risks will not be incurred in the future. A labour shortage of subcontractors may also have an adverse effect on Sponda and its subcontractors and, as a result, on Sponda's ability to conclude the construction phase on time and within budget. Any such inability to engage and retain skilled contractors and subcontractors to construct its projects could have a material adverse effect on Sponda's business, financial condition, results of operations and future prospects and, thereby, on Sponda's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes. Deviation from the agreed timetable, quality requirements or budgeted construction costs may also cause termination of investment agreements and further result in claims by third parties for damages and/or termination of respective lease agreements.

Supply of vacant premises and competition for high-quality tenants in the Finnish real estate market has increased

During the past few years, property investment has become an increasingly international business and the Finnish real estate market has also established its position as a target for international property investors. New investors are mostly large international property investors that have sufficient resources to enter the market with major acquisitions, and these foreign investors have accounted for a significant part of the property transactions in Finland in recent years. Competition in the Finnish real estate market is currently driven by increasing supply of vacant properties, and competition for high-quality tenants has increased. Landlords are exposed to the risks of losing high-quality tenants or being forced to lower rents in the new competitive environment.

According to Sponda's own opinion, Sponda is now the market leader in the property investment business but there can be no assurance that Sponda will be able to benefit from its current position and maintain its market share. The increased competition in the Finnish commercial real estate market could weaken Sponda's position, market share and growth possibilities, which could in turn have a material adverse effect on Sponda's business, financial condition, results of operations and future prospects and, thereby, on Sponda's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Risks related to Sponda's operations in Russia

The Russian business environment, developments in the property market and differences in the legal systems between Finland and Russia could present risks for Sponda's business

Sponda has expanded its business into the Moscow and St Petersburg regions in Russia. As at 31 March 2011, approximately 7 per cent of the Company's property assets were located in the Moscow and St Petersburg regions, as measured by fair market value. The business environment and political situation in Russia and the differences of Russian legislation and official practices when compared to Finnish, including deficiencies in the legal system, administrative proceedings and mechanisms of legal enforcement in Russia, may cause significant risks for Sponda. For example, Russia is not a party to international investment protection treaties. The transparency, operation and practices

of the Russian banking system also differ to a large extent from the Finnish banking system, and Russian legislation relating to banks and bank accounts is subject to varying interpretations and inconsistent application. Legislation of the Russian Federation may be inadequate or unpredictable or its enactment may be delayed, which may create risks for the implementation of Sponda's Russian investments. There may be discrepancies between the legislation of the Russian Federation and regulations based on regional legislation. In addition, decisions and interpretations made by authorities on different levels of the administration or fields may be conflicting. Sponda bears the risk that the decisions of regional and local administrative authorities may be amended or revoked on the federal level, or regional legislation may have to be amended to correspond to higher-level legislation. In addition, the jurisdiction and methods of the Russian authorities may differ from the methods of the Finnish authorities, and the authorities might not necessarily grant permits, or implement decisions according to the Company's planned timetable or at all. As the zoning of land is slow, the land areas attractive for future use as commercial real estate are, to a large extent, in land categories, the intended use of which requires the land category or permitted use to be reconsidered by authorities of different levels of administration. In addition, any construction, reconstruction or extension of real estate objects can be carried out only in accordance with the city-planning regulations applicable to each territorial zone. In practice, many cities in Russia have not yet developed proper city-planning regulations and territorial zoning systems, which brings uncertainty to the issue of suitability of land plots for the particular development projects. Furthermore, declining tax revenues from Russian companies as a result of negative economic developments may result in aggressive tax inspections against solid taxpayers. There can also be no assurance that Russia will not reintroduce a currency control regime in case of negative economic developments. Risks relating to the Russian business environment, legal system, administrative proceedings and legal enforcement mechanisms may have a material adverse effect on Sponda's business, financial condition, results of operations and future prospects and, thereby, on Sponda's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Russian market practice exposes Sponda to risk of decreasing rent income

The current unstable global economic environment may weaken the solvency of Sponda's tenants and reduce their space requirements in Russia. Sponda's lease agreements in Russia tend to have shorter maturities than those in Finland, mainly due to market practice prevailing in the country. The Company aims to enter into long-term lease agreements also in Russia or, if this is not possible due to reasons related to the tenant or other reasons, into short-term agreements with a maximum maturity of 11 months. In accordance with local legislation, all lease agreements with a maturity exceeding 11 months and any possible amendments or additions to the same must be registered and, to the extent that Sponda has unregistered lease agreements with a maturity exceeding 11 months, it is possible that such agreements would be considered invalid. This exposes Sponda to risk of renegotiation of rents or loss of tenants. While the tenant may remain responsible for paying the rent in full if it vacates the property before the expiration of the lease period, compensation of a landlord's loss of rent through court process is complicated in Russia. Owing to the difficulties in enforcement, collecting unpaid rents may be difficult. If a number of Sponda's significant tenants in Russia were to default on their rent obligations and/or terminate their lease agreements or if a significant number of lease agreements were considered invalid, this could have a material adverse effect on Sponda's business, financial condition, results of operations and future prospects and, thereby, on Sponda's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

It is not considered binding in Russia to lease properties under construction with a letter of intent, which complicates Sponda's possibilities to secure rent and occupancy levels for new properties that may be developed in the future.

The illiquidity of the property market could make it difficult for Sponda to dispose of properties or make new investments

Since the second half of 2008, the global financial and economic crisis has been reflected in the investment activity in the real estate sector in Finland. The number of real estate transactions declined significantly after the summer of 2008 and only started to increase towards the end of 2010. Furthermore, the financial and economic crisis made the real property market in Russia significantly more challenging. In accordance with its strategy, Sponda continues to make selective divestments of properties in Finland. The divestment of assets may be affected by many factors, such as the availability of bank financing (to potential buyers), interest rates and the supply of and demand for property, which are beyond Sponda's control. A possible lack of liquidity in the property market may inhibit the Company's ability to sell its properties and limit Sponda's ability to modify its portfolio promptly in response to changes in economic or other conditions. Sponda also may not be able to accurately predict the length of time needed for the acquisitions or divestments of properties. There can be no certainty that the Company will succeed in divestments of property in a profitable way or that such divestments will be at all possible on acceptable terms, if the market functions poorly or is illiquid.

One of Sponda's long-term strategic goals is to selectively grow its portfolio. Too high investor demand can have an equally adverse effect on Sponda's ability to execute profitable acquisitions. In addition, there is a risk that the acquired

properties or businesses will not produce the expected profits or that business judgments concerning the value, strengths and weaknesses of an acquired property prove to be incorrect. Therefore, the financial profitability of transactions may differ from expectations, which could have a material adverse effect on Sponda's business, financial condition, results of operations and future prospects and, thereby, on Sponda's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Locations where Sponda's properties are situated may become unattractive

The attractiveness of a particular property for potential tenants is impacted by the location of such property. Locations where Sponda's properties are situated may become unattractive. The perceived quality of a location may change considerably over time and, therefore, have an adverse effect on the performance of the property.

As the Company's current property portfolio is concentrated on properties in the Helsinki Central Business District and the Ruoholahti Area in Helsinki as well as certain other major cities in Finland, its business is highly dependent on both the continued development of these areas and on the development of the Finnish economy as a whole. To facilitate new growth, Sponda expanded its business into Russia. Although Sponda currently expects significant growth in this geographic focus area over the longer term, the dependency on the positive development of the Finnish economy and Finnish real estate markets, particularly in Helsinki, constitute risks for Sponda's business and may have a material adverse effect on its ability to meet its obligations under the Notes as well as the value of the Notes.

Sponda's business may be adversely affected by the loss of employees in key positions

The future operating results of Sponda depend to a large extent upon the continued contributions of the Company's senior management and personnel and, therefore, Sponda depends largely on its ability to recruit, train, motivate and retain highly skilled employees. However, there is fierce competition for employees with the level of experience and qualifications in the real estate business that Sponda depends upon, which could result in significantly increased personnel costs. Accordingly, it may be increasingly difficult for Sponda to hire and/or retain qualified personnel.

If Sponda cannot recruit, train, retain and/or motivate qualified personnel, it may be unable to compete effectively in the real estate business and the successful implementation of Sponda's strategies may be limited, which in each case could have a material adverse effect on Sponda's business, financial condition, results of operations and future prospects and thereby, on Sponda's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Sponda is exposed to potential environmental liabilities

The main environmental impacts caused by Sponda's operations relate to property development, repair services, property maintenance and the use of buildings. All properties must comply with the Finnish, or in respect of Russian properties, the Russian regulations in relation to, for example, environment, health and safety. Buildings as well as installations located therein may violate the relevant statutory provisions or contain building materials detrimental to one's health. In order to restore conformity with the law, specific investments for the removal, upgrade or substitution of construction components or installations are required.

Properties may also be located on contaminated sites. Soil contamination can cause substantial delays and increase in costs of the construction projects (e.g., new construction, conversion, extension). Environmental factors such as deterioration, contamination, damage or encumbrance caused by a substance, energy, noise, vibration, radiation, light, heat, smell or other hazardous effect caused to buildings or their use or which are caused by buildings and their use can have a direct influence on the value of the property and its profitability. As the owner of the land, Sponda can be held liable by third parties for deterioration, damage, encumbrance or other hazardous causes originating from the operation of the properties.

Any deterioration, contamination, damage, encumbrance, hazardous cause or material decrease in value of the property not known or not recognisable at the time of the purchase occurring at a later date can have a material adverse effect on Sponda's financial condition and results of operations, and, thereby, on Sponda's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes. Equally, the costs of the removal or clean up of any deterioration, contamination, damage, encumbrance or hazardous cause may be higher than anticipated. In addition, failure to comply with environmental regulations, or the need to comply with significant new environmental regulations that could be introduced, could lead to higher expenses or hinder the development of Sponda's operations and affect its results of operations. Furthermore, natural disasters (such as climate change, health or ecological crises) could have an adverse effect on the Company's properties.

Should any of the above mentioned factors materialise, this could have a material adverse effect on Sponda's business, financial condition, results of operations and future prospects and, thereby, on Sponda's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Lack of sufficient insurance cover may affect Sponda if uninsured losses occur

Sponda's insurance policies are subject to exclusions of liability and limitations of liability both in amount and with respect to the insured loss events. The Company does not have insurance coverage for certain types of catastrophic losses, which are not insurable or for which economically reasonable insurance is unavailable. In addition, there can be no assurance that the Company's current insurance coverage will not be cancelled or become unavailable on economically reasonable terms in the future. If the Company were to suffer damage to an asset for which it was uninsured or in excess of insured limits, it may be forced to obtain additional financing to repair or rebuild the damaged asset or it may lose the value of the damaged asset partly or altogether, which could have a material adverse effect on Sponda's business, financial condition, results of operations and future prospects and, thereby, on Sponda's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Financial Risks

Sponda is sensitive to the financial risks (i.e., interest rate, funding, liquidity and currency risks), which are customary for companies within the real estate industry. Sponda's main financial risks are interest rate and exchange rate risks, risks relating to the availability of financing and credit risks.

Sponda may not receive financing at competitive terms or at all

Uncertainty in the financial market may mean that the price of the financing needed to carry out Sponda's business will increase and that it will be less readily available. Sponda aims to reduce the risk relating to the availability of financing by using credit agreements of varying durations, by having a broad base of lenders, by applying credit limits and by maintaining the Company's reputation as a trustworthy debtor among its creditors. A part of Sponda's debt financing has standard covenants that apply, among other things, to the equal status of the lenders, certain key financial indicators, and the use of collateral by the Company. The most important covenants in Sponda's loans are: (i) interest cover ratio (EBITDA / Net interest cost), which must be at least 1.75, and (ii) equity ratio, which must be at least 28 per cent. These covenants can affect the future funding of Sponda and/or require negotiations with lenders. Sponda's ability to meet these financial covenants can be affected by major investments or other changes in the conditions for operation and in Sponda's capital structure but also by events beyond its control such as changes in the equity and debt finance markets and cyclical fluctuations. It is possible that Sponda could – at any given point in time – encounter difficulties in raising funds and, as a result, lack the access to liquidity that it needs. There can be no assurance that Sponda will be able to meet its financial covenants when required. The level of Sponda's leverage may affect its ability to refinance its existing credits. The level of Sponda's leverage could also affect its competitiveness and limit its ability to react to market conditions, changes in the real estate industry and economic downturns. Should any of the above factors materialise, this could have a material adverse effect on Sponda's business, financial condition, results of operations and future prospects and, thereby, on Sponda's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Sponda's level of debt may adversely affect its operations

Sponda requires, and expects to continue to require, a significant amount of liquidity and capital resources to finance its business. As at 31 March 2011, Sponda's consolidated interest-bearing debt amounted to EUR 1,619.4 million. Extensive indebtedness may have a significant effect on the operations of Sponda, such as (i) limit the Company's ability to raise additional finance on corresponding or more favourable financial and other terms than currently in force in order to finance its future working capital needs, investments, acquisitions or other general operative needs; (ii) require that a considerable part of the cash flow from operating activities of the Company be used for payments of the principle and interests of the debts, which would reduce the assets and cash flows available for operating activities and development of the operations; (iii) make the Company more exposed to unfavourable financial conditions than its competitors, which could weaken the Company's competitiveness and (iv) expose the Company to increases in interest rate levels. Although Sponda currently generates sufficient funds from operating cash flows to satisfy its debt service requirements and its capacity to obtain new financing is adequate, there can be no assurance that it will maintain such cash flows and adequate financial structure in the future. Breach of any of the debt covenants included in Sponda's financing documents or the inability to comply with the required financial ratios could result in a default under Sponda's debt obligations. This could result in the need to renegotiate Sponda's financing as a result of which the terms of financing may weaken.

If any payment default occurs, Sponda's lenders may elect to declare all of Sponda's outstanding borrowings, together with accrued interest and fees, to be immediately due and payable. In such circumstances, the lenders under Sponda's credit agreements also have the right to terminate any commitments to provide further financing. If Sponda is unable to repay outstanding borrowings when due, the lenders under the credit agreements will have the right to proceed against the collateral granted to them to secure the debt. Sponda's secured debts as at 31 March 2011 were EUR 141 million. If the payment of debt under Sponda's credit agreements was accelerated, there can be no assurance that this collateral would be sufficient to repay Sponda's debt.

Should any of the above factors materialise, this could have a material adverse effect on Sponda's business, financial condition, results of operations and future prospects and, thereby, on Sponda's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Fluctuations in interest rates may adversely affect Sponda's earnings and the value of its property

Fluctuations in interest rates can have a significant effect on real estate business and the valuation of properties. A substantial increase in interest rates may affect private consumption and the ability of tenants to pay rents and could potentially lead to increased vacancy rates, a decrease in the value of properties and an increase in yields for the Company's properties. In addition, an increase in the interest rate level would have a material adverse effect on the cost of financing and any of the Company's current financing expenses. The Company carefully monitors the development of interest rates and actively seeks to hedge its position against changes in the interest rates. Despite the Company's active measures to manage these potential developments, a failure to properly manage such risks could have a material adverse effect on Sponda's business, financial condition, results of operations and future prospects and, thereby, on Sponda's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Fluctuations in currency exchange rates may adversely affect Sponda's earnings and balance sheet

Sponda's business in Russia exposes Sponda to currency risk. Sponda's most significant exchange rate risks are currently caused by the Russian rouble and the US dollar. Sponda's reporting currency is euro and all balance sheet items for foreign properties as well as all income and expenses generated by them are converted to euro. Currently, Sponda's investments in Russia are financed in euro and Sponda hedges its currency-denominated future net cash flows for six months by derivatives. However, the positions are not completely hedged. Fluctuations in currency exchange rates affect the market value of properties and the Company has not acquired any hedge to protect itself from this effect. A fall in the value of the Russian rouble and the US dollar may negatively affect the value of Sponda's properties in Russia. There can be no assurance that currency exchange rates could not in the future have a material adverse effect on Sponda's business, financial condition, results of operations and future prospects and, thereby, on Sponda's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

A global economic downturn and serious dislocation of the financial markets may expose the Company to counterparty risks

The global financial and economic crisis since 2007 caused a number of the world's largest financial and other corporate institutions significant operational and financial difficulties. Should such difficulties occur in the future, they could inhibit the capability of a counterparty of Sponda to honour its pre-existing lending arrangements or to permit withdrawal of deposits. While Sponda has no reason to believe that these commitments will not remain outstanding and available to it during the term of such lending commitments, if Sponda were to be unable to access cash on deposits with financial institutions or if it were to be unable to access funding available under its existing credit facilities or were to be unable to access funding through alternative arrangements in the longer term, it may be unable to meet its financial obligations (including interest payments, loan repayments, operating expenses, development costs and/or dividends) when they became due or to raise new funding needed to finance its operations. The Company could also face increased credit exposure and incur costs of re-arranging the credit transaction, including on less favourable terms, such as an incremental change in its financing rate. Actions by counterparties who fail to fulfil their obligations to the Company may impact the Company's cash flow and liquidity, which could have a material adverse effect on Sponda's business, financial condition, results of operations and future prospects and, thereby, on Sponda's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

A large number of major international financial institutions are counterparties to the interest rate derivatives and foreign exchange contracts entered into or deposits made by Sponda. To minimise the counterparty risk in financing operations, Sponda enters into agreements only with leading creditworthy banks and other financial institutions. In investing activities, the counterparty risk is managed by defining separate risk limits for each counterparty. In the case of default by a counterparty, Sponda could lose all or part of its deposits or may lose the benefit from hedges signed with such counterparties. Furthermore, if a counterparty to a hedge defaults or is otherwise unable to honour its obligations towards Sponda, Sponda may lose the protection provided by the hedge and the possible positive market value, which

might lead to a financial loss and increased costs for Sponda. This could then result in an increase in interest rate or currency exposure and could thus have a material adverse effect on Sponda's business, financial condition, results of operations and future prospects and, thereby, on Sponda's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Possible weakness in the global economy may put additional financial stress on Sponda's customers, which may negatively impact Sponda's ability to collect its receivables fully or in a timely manner, which, in turn, could require Sponda to contribute additional capital or obtain alternative financing to meet its obligations under any financing arrangements relating to such properties. This may have a material adverse effect on Sponda's business, financial condition, results of operations and future prospects and, thereby, on Sponda's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes. See "*—Risks Related to Sponda's Business Operations—The loss or insolvency of major tenants can lead to significant rent losses*" above and "*—Risks Related to Sponda's Business Operations—Falling rents and occupancy rates may erode Sponda's results of operations*" above.

Risks Relating to the Notes

The following risk factors are material in order to assess the risks associated with the Notes. Words and expressions in this section shall have the meaning defined in Annex A "*Terms and Conditions of the Notes*".

Possibility to forfeit interest and principle amount invested

Should the Issuer become insolvent during the tenor of the Notes, an investor may forfeit interest payable on, and the principle amount of, the Notes in whole or in part. An investor is always solely responsible for the economic consequences of his/her investment decisions.

No guarantee or security

The Notes will not be obligations of anyone other than the Issuer and they will not be guaranteed. No one other than the Issuer will accept any liability whatsoever in respect of any failure by the Issuer to pay any amount due under the Notes.

The Notes are unsecured debt instruments and the holders of the Notes (the "**Holders**") would be unsecured creditors in the event of the Issuer's bankruptcy. Accordingly, in addition to that any adverse change in the financial condition or prospects of the Issuer may have a material adverse effect on the liquidity of the Notes, and may result in a material decline in their market price, such adverse change may endanger the probability that the Holders will receive the prompt and full payment, when due, for principal, interest and/or any other amounts and items payable to the Holders pursuant to the Notes from time to time.

Active trading market for the Notes may not develop

The Notes constitute a new issue of securities by Sponda. Prior to the listing of the Notes on the Helsinki Stock Exchange, there is no public market for the Notes. Although application will be made to list the Notes on the Helsinki Stock Exchange, no assurance can be given that such application will be approved. In addition, listing of the Notes will not guarantee that a liquid public market for the Notes will develop and even if such a market were to develop neither the Issuer nor the Lead Manager is/are under any obligation to maintain such market. The liquidity and the market prices of the Notes can be expected to vary with changes in market and economic conditions, the financial condition and prospects of the Issuer as well as many other factors that generally influence the market prices of securities. Such factors may significantly affect the liquidity and the market prices of the Notes, which may trade at a discount to the price at which the Holders purchased the Notes.

There can be no assurance that an active trading market for the Notes will develop, or, if one does, that it will be maintained. If an active trading market for the Notes does not develop or is not maintained, it may result in a material decline in the market price of the Notes, and the liquidity of the Notes may be adversely affected. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Further, if additional and competing products are introduced in the markets, this may also result in a material decline in the market price and value of the Notes.

Floating interest rate

The Notes bear interest on their outstanding principal at a floating interest rate. A holder of a security with a floating interest rate is exposed to the risk that market interest rates follow the changes in general economic conditions, and are affected by, among many other things, demand and supply for money, liquidity, inflation rate, economic growth, central

banks' benchmark rates, implied future rates, and changes and expectations related thereto. Interest payable on the Notes may therefore increase or decrease continuously during the term of the Notes.

Payments on the Notes involve exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in SEK. Sponda has swapped the proceeds and cash flows of the issue to euros, thus reducing Sponda's currency risk. The Notes' denomination in SEK presents risks relating to currency conversions if a Holder's financial activities are denominated in a currency (the "Investor's Currency") other than SEK. These include the risk that exchange rates may change (including changes due to devaluation of SEK or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to SEK would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose exchange controls that could adversely affect the applicable exchange rate. As a result, Holders may receive interest or principal less than expected, or no interest or principal at all.

Absence of rating

The Notes are not currently rated by any rating agency.

The completion of transactions relating to the Notes is reliant on Euroclear Finland Ltd.'s operations and systems

The Notes are issued in the book-entry securities system of Euroclear Finland Ltd ("EFi"). Pursuant to the Act on Book-Entry System (826/1991, as amended) the Notes will not be evidenced by any physical note or document of title other than statements of account made by EFi or its account operator. The Notes are dematerialized securities and title to the Notes is recorded and transfers of the Notes are effected only through the relevant entries in the book-entry system and registers maintained by EFi and its account operators. Payments under the Notes are made in SEK, which requires specific procedures and timetables in the book-entry system compared to payments in euro. These include the appointment of a payment transfer bank to process the payments in SEK instead of using central bank money and the Bank of Finland's systems for making the payments, as is the case with payments made in euro. Furthermore, the account operator of each Holder shall have taken necessary measures to be able to process payments made in SEK in accordance with EFi's rules and regulations. Therefore, timely and successful completion of transactions relating to the Notes, including but not limited to transfers of, and payments made under, the Notes, depend on the fact that the book-entry securities system is operational and that the relevant parties, including but not limited to the payment transfer bank and the Holder's account operator, are functioning when transactions are executed. Any malfunction or delay in the book-entry securities system or failure by any relevant party may result in the transaction not to take place as expected or to be delayed, which may cause financial losses or damage to the Holders whose rights depended on the timely and successful completion of the transaction.

The Issuer or any other third party will not assume any responsibility for the timely and full functionality of the book-entry securities system. Payments under the Notes will be made in accordance with the laws governing the book-entry securities system, the rules of EFi and the Terms and Conditions of the Notes. For purposes of payments under the Notes, it is the responsibility of each Holder to maintain with its respective book-entry account operator up to date information on applicable bank accounts.

No assurance on change of laws or practices

The Notes are governed by the laws of Finland, as in force from time to time. Finnish laws (including but not limited to tax laws) and regulations governing the Notes may change during the validity of the Notes, and new judicial decisions can be given and administrative practices take place. No assurance can be given as to the impact of any such possible change of laws or regulations, or new judicial decision or administrative practice taking place after the date of this Listing Prospectus. Hence, if materialised, such event may have a material adverse effect on Sponda's business, financial condition, results of operations and future prospects and, thereby, Sponda's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes. Such event may also cause material financial losses or damage to the Holders.

The Notes do not, as a rule, contain covenants governing the Issuer's operations and do not limit its ability to merge, effect asset sales or otherwise effect significant transactions that may have a material adverse effect on the Notes and the Holders

As a rule, the Notes do not contain provisions designed to protect Holders from a reduction in the creditworthiness of the Issuer. In particular, the Terms and Conditions of the Notes do not, except for the Change of Control condition (see Condition 8 of the Terms and Conditions of the Notes) which grants the Holders the right of repayment of the Notes in certain limited circumstances, restrict the Issuer's ability to enter into a merger, asset sale or other significant transaction that could materially alter its existence, jurisdiction of organisation or regulatory regime and/or its composition and business. In the event the Issuer was to enter into such a transaction, Holders could be materially and adversely affected. Furthermore, the Change of Control condition does not restrict any of the current shareholders of the Issuer from disposing any or all of their shareholdings.

Right to redeem and purchase the Notes prior to maturity

As specified in the terms and conditions of the Notes, the Holders are entitled to demand premature repayment of the Notes in case of an Event of Default, a Change of Control, or if the Issuer or any of its subsidiaries encumbers its present or future assets, rights or receivables by placing Collateral as security, the amount of which exceeds twenty (20) per cent of the Issuer's total consolidated assets at any given time, as evidenced by the then latest consolidated financial statements of the Issuer. Such premature repayment may have a material adverse effect on Sponda's business, financial condition, results of operations and future prospects and, thereby, on Sponda's ability to fulfil its obligations under the Notes of such Holders who elect not to exercise their right to get their Notes prematurely repaid as well as the market price and value of such Notes.

In addition, as specified in the terms and conditions of the Notes, Sponda may at any time purchase Notes in any manner and at any price prior to maturity. Only if such purchases are made by tender, such tender must be available to all Holders alike. Sponda is entitled to cancel, dispose of or hold the purchased Notes at its discretion. Consequently, a Holder offering Notes to Sponda in connection with such purchases may not receive the full invested amount. Furthermore, a Holder may not have the possibility to participate in such purchases. The purchases – whether by tender or otherwise – may have a material adverse effect on Sponda's business, financial condition, results of operations and future prospects and, thereby, on Sponda's ability to fulfil its obligations under the Notes to such Holders who do not participate in the purchases as well as the market price and value of such Notes.

Furthermore, in case at least 75 per cent of the aggregate volume of the Notes has been repaid pursuant to a demand by the Holders based on a Change of Control of the Issuer or the placement of Collateral, the Issuer is entitled to prepay also the remaining outstanding Notes by notifying the Holders of such prepayment. It should be noted, that such early repayment may not be initiated by the Issuer in case of an Event of Default. Such early repayment initiated by the Issuer may incur financial losses or damage, among other things, to such Holders who had prepared themselves to have the amount of the Notes invested until the contractual final maturity of the Notes.

Amendments to the Notes bind all Holders of the Notes

The Terms and Conditions of the Notes may be amended in certain circumstances, with the required consent of a defined majority of the Holders. The Terms and Conditions of the Notes contain provisions for Holders to call and attend meetings to consider and vote upon matters affecting their interests generally. Resolutions passed at such meetings can bind all Holders, including Holders who did not attend and vote at the relevant meeting and Holders who voted in a manner contrary to the majority. This may incur financial losses, among other things, to all Holders, including such Holders who did not attend and vote at the relevant meeting and Holders who voted in a manner contrary to the majority.

Prescription

In case any payment under the Notes has not been claimed within three (3) years from the original due date thereof, the right to such payment shall become void. Such prescription may incur financial losses to such Holders who have not claimed payment under the Notes within the prescription time of three (3) years.

No voting rights

The Notes carry no voting rights with respect to shareholders meetings of the Issuer. Consequently, the Holders cannot influence any decisions by the Issuer's shareholders concerning, for instance, the capital structure of the Issuer.

No limitation on issuing additional debt

Except for the limitation to secured indebtedness and to issuance of collateralised notes and bonds as provided in the Terms and Conditions of the Notes, there is no restriction on the amount of debt which the Issuer may raise or issue after the issuing of the Notes. Such further debt may reduce the amount recoverable by the Holders upon winding-up or insolvency of the Issuer, or may worsen the position and priority of the Holders in such winding-up or insolvency procedure.

THE COMPANY

Sponda Plc
Korkeavuorenkatu 45
FI-00130 Helsinki
Finland

RESPONSIBILITY STATEMENT

The Company accepts responsibility for the completeness and accuracy of the information contained in this Listing Prospectus. To the best knowledge of the Company, having taken all reasonable care to ensure that such is the case, the information contained in this Listing Prospectus is in accordance with the facts and contains no omission likely to affect its import.

Other than as set forth above, no representation or warranty, express or implied, is made by the Company or the Lead Manager as to the accuracy or completeness of information contained in this Listing Prospectus. However, the Company will update information contained herein prior to the listing in accordance with Chapter 2, section 3b of the Finnish Securities Markets Act, if deemed necessary.

AUDITORS

The consolidated financial statements of the Company for the years ended as at 31 December 2009 and 31 December 2010 incorporated in this Listing Prospectus by reference have been audited by Raija-Leena Hankonen, Authorised Public Accountant and KPMG Oy Ab, under the supervision of principal auditor Kai Salli, Authorised Public Accountant. For the aforementioned financial periods, Authorised Public Accountant Riitta Pyykkö has been appointed as the deputy auditor. The Annual General Meeting held on 16 March 2011 appointed Authorised Public Accountant Ari Eskelinen as the deputy auditor for a term ending at the end of the next Annual General Meeting. The business address of the auditors and KPMG Oy Ab is Mannerheimintie 20 B, FI-00100 Helsinki, Finland.

LEAD MANAGER

Nordea Bank Finland Plc
Aleksis Kiven katu 9, Helsinki
FI-00020 NORDEA
Finland

LEGAL ADVISER TO THE COMPANY

Castrén & Snellman Attorneys Ltd
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FI-00130 Helsinki
Finland

SPECIAL CAUTIONARY NOTICE REGARDING FORWARD LOOKING STATEMENTS

Certain statements in this Listing Prospectus, including but not limited to certain statements set forth under the captions “*Risk Factors*”, “*Information about the Issuer*” and “*Financial and Trend Information, Prospects*”, are based on the beliefs of Sponda’s management as well as assumptions made by and information currently available to it, and such statements may constitute forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of Sponda, or industry results, to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Such risks, uncertainties and other important factors include, among other things, the risks described in the section “*Risk Factors*”. The forward-looking statements are not guarantees of the future operational or financial performance of Sponda. In addition to factors that may be described elsewhere in the Listing Prospectus, the factors discussed under “*Risk Factors*” could cause Sponda’s actual results of operations or its financial condition to differ materially from those expressed in any forward-looking statement. Should one or more of these risks or uncertainties materialise, or should any underlying assumptions prove to be incorrect, Sponda’s actual results of operations, its financial condition or its ability to fulfil its obligations under the Notes could differ materially from those described herein as anticipated, believed, estimated or expected. The Company does not intend and does not assume any obligation to update any forward-looking statements contained herein unless required by applicable legislation. For additional information that could affect the results, performance or achievements of Sponda, see “*Risk Factors*”.

MARKET AND INDUSTRY INFORMATION

This Listing Prospectus contains information about the Company's markets, the size of the markets and the Company's competitive position therein. Industry publications generally state that the information they contain has been obtained from sources believed to be reliable, but the correctness and completeness of such information is not guaranteed. The Company has not independently verified and cannot give any assurances as to the appropriateness of market data and industry forecasts contained in this Listing Prospectus that were taken or derived from these industry publications.

THIRD PARTY INFORMATION

Information compiled and published by KTI Property Information Ltd and Jones Lang LaSalle has been referred to in this Listing Prospectus under "*Financial and Trend Information, Prospects – Trend Information*". The Company confirms that this information has been accurately reproduced and that, as far as the Company is aware and is able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

ADDITIONAL INFORMATION

The Issuer or its debt securities have not been assigned any credit ratings at the request or with the co-operation of the Issuer in the rating process.

NO INCORPORATION OF WEBSITE INFORMATION

This Listing Prospectus will be published on Sponda's website at www.sponda.fi > sijoittajat and www.sponda.com > investors. However, the contents of Sponda's website or any other website do not form a part of this Listing Prospectus, and prospective investors should not rely on such information in making their decision to invest in the Notes.

INFORMATION ABOUT THE ISSUER

General

The business name of the Company is Sponda Oyj (Plc). Sponda is a public limited liability company incorporated on 23 October 1991, and is organised under the laws of the State of Finland. The Company is registered in the Finnish Trade Register under the business identity code 0866692-3. Its registered address is Korkeavuorenkatu 45, FI-00130 Helsinki, Finland and telephone number +358 20 431 31.

Sponda is a real estate investment company specialising in commercial properties in the Helsinki Metropolitan Area, Turku, Tampere and Oulu. Sponda also owns properties in Russia; St Petersburg and Moscow. Sponda's business concept is to own, lease, and develop office, retail and logistics properties that promote the business success of its clients. With its innovative, customer-oriented solutions, Sponda actively creates best practices in the sector and acts with responsibility in developing the environment and the cityscape. On 31 March 2011 Sponda had a total of 194 properties, with an aggregate leasable area of about 1.5 million square meters. Of this some 50 per cent were office and retail premises, 10 per cent shopping centres and 37 per cent logistics premises. On 31 March 2011, Sponda's entire property portfolio had a fair value of EUR 2,916.0 million.

History and Development of the Issuer

Sponda was formed by the Bank of Finland in 1991 for the purpose of acquiring assets previously held for investment purposes by Skopbank Group, a Finnish commercial bank that historically acted as a central bank for Finnish savings banks. When Skopbank encountered severe liquidity problems, the Bank of Finland assumed its liabilities, and formed Sponda to assume the title to certain of Skopbank's properties and securities holdings. Certain other assets of Skopbank were transferred to other entities. The securities portfolio received by Sponda from Skopbank consisted of equity holdings in Finnish industrial companies. Sponda disposed of these holdings through a series of unrelated transactions effected from 1992 through the end of 1997.

In 1998, Sponda's shares were listed on the Helsinki Stock Exchange and in this connection the State of Finland sold part of its holdings.

In 2005, Sponda defined its strategy and focused on growth and profitability through customer focused operations and active property development as well as by expanding its property development and investment activities in Russia and the Baltic countries. In 2005, the organisation of Sponda was streamlined to four business units: Office and Retail, Logistics, Property Development and New Business Areas.

In 2006, Sponda acquired the entire share capital of property investment company Kapiteeli Plc for approximately EUR 943 million. The transaction further strengthened Sponda's position as one of the leading actors in the Finnish property market. During the same year, Sponda established its first property fund First Top Lux Co and made its first investment to Russia in a logistics property in St Petersburg. Sponda also signed an agreement with Helsinki Harbour to build a logistics centre in the new Vuosaari Harbour.

In 2007, Sponda opened its own office in St Petersburg to support its strategic growth objectives in Russia and to strengthen its local market expertise. During 2007, Sponda acquired three office buildings and two land areas in Russia. Two of the office properties are located in St Petersburg and one in Moscow. In 2007, Sponda also started a number of property development projects in the Helsinki Metropolitan Area and completed a rights offering of EUR 250 million to partly finance the acquisition of Kapiteeli Plc.

In 2009, Sponda completed a rights offering of EUR 200 million to strengthen its balance sheet and revised its strategy so that the Baltic Countries were no longer seen as a strategic investment target. Sponda's strategy was adjusted to challenging market conditions and modest growth was financed by property disposals. Property development activities increased at the end of year 2009.

Recent Events

On 31 March 2011 Sponda published the sale of its 45.1 per cent share in Ovenia Oy, a provider of property management services, to funds managed by Vaaka Partners Ltd and to Ovenia's current management. The parties agreed not to disclose the transaction price. Sponda records a profit of approximately EUR 7.8 million on the sale, which will be allocated to the second quarter of 2011.

On 29 April 2011 Sponda signed a sale and purchase agreement concerning the purchase of the Fennia Quarter located in the Helsinki Central Business District from Suomi Mutual Life Assurance Company. Sponda paid to Suomi Mutual

Life Assurance Company a total of EUR 122,000,000 as debt-free purchase price for the Fennia Quarter. Sponda paid a part of the purchase price through an issue of 5,500,000 new shares (valued at 22,000,000 euros at purchase) in Sponda representing approximately 1.94 per cent of Sponda's shares after the issue directed to Suomi Mutual Life Assurance Company.

As to recent events relating to the financing of the Company, please see “*Financial and Trend Information, Prospects – Sponda’s Financing Structure*”.

Business Overview

Sponda’s business operations

Sponda owns, leases and develops business properties in the Helsinki Metropolitan Area and the largest cities in Finland, and in Russia.

Effective 1 January 2009, Sponda reorganised its business operations into four business units: Investment Properties, Property Development, Real Estate Funds and Russia.

The Investment Properties business unit, which comprises the Office and Retail Properties, Shopping Centres and Logistics Properties business segments, is responsible for leasing, purchasing, maintenance and selling office, retail and logistics premises in Finland.

The Property Development business unit focuses on generating and marketing new property development projects, both in new and existing properties.

The Real Estate Funds business unit owns and manages retail, office and logistics premises through real estate funds. It currently manages four funds and has a minority holding in three of such funds.

The Russia business unit leases, acquires, sells and develops business premises in Russia.

Property portfolio

General

On 31 March 2011, Sponda had a total of 194 properties, with an aggregate leasable area of about 1.5 million square meters. Of this, some 50 per cent is office and retail premises, 10 per cent shopping centres and 37 per cent logistics premises. Approximately 3 per cent of the leasable area of the properties is located in Russia.

In 2010, net operating income from all of Sponda’s property assets totalled EUR 168.7 million (EUR 175.8 million in 2009) during the year. Net operating income from all of Sponda's property assets in January-March 2011 totalled EUR 39.6 million (in January-March 2010 EUR 40.4 million).

The fair values of Sponda's investment properties are confirmed as a result of the Company's own cash flow-based yield value calculations. The assessment method complies with International Valuation Standards (IVS). The data used in the calculations of fair value is audited at least twice a year by external valuers to ensure that the parameters and values used in calculations are based on market observations.

At the end of the first quarter of 2011, the values of Sponda's investment properties were assessed internally within the Company. The change in the fair value of the investment properties in January-March 2011 was EUR 3.1 million. The positive change in the fair value was primarily the result of changes in yield requirements in Finland due to longer lease agreements, while currency exchange rates had a negative impact on the fair values.

Investments and divestments

During 2010, Sponda sold properties for a total value of EUR 56.8 million. New property acquisitions amounted to EUR 0.8 million. Investments in property maintenance totalled EUR 29.9 million in 2010. Altogether EUR 46.5 million was invested in property development during the year. This was primarily directed to the modernisation of the City-Center complex in the centre of Helsinki and the production facility being constructed in the Hakkila district of Vantaa.

During the first quarter of 2011, Sponda sold properties for a total value of EUR 2.3 million. The Company purchased properties for a total of EUR 10.0 million during the first quarter of 2011. Investments in property maintenance totalled EUR 11.9 million in the first three months of the year 2011. During the first quarter of 2011, property development

investments totalled EUR 23.1 million and were primarily directed to the modernisation of the City-Center property in Helsinki's Central Business District and the construction of a production facility and office building in the Hakkila district of Vantaa.

Investment Properties business unit

Office and Retail Properties

The economic occupancy rate for Office and Retail Properties was 87.7 per cent on 31 March 2011. On 31 March 2011, the property portfolio had a fair value of EUR 1,478.6 million, and the change in fair value from the beginning of 2011 was EUR 3.1 million. The leasable area of office and retail properties was 738,500 square meters on 31 March 2011.

During 2010, Sponda sold office and retail properties for EUR 23.2 million and during the first quarter of 2011 for EUR 2.3 million. No properties were bought during 2010. During the first quarter of 2011, the Company purchased properties for EUR 10.0 million. Investments in property maintenance for the segment totalled EUR 25.0 million during year 2010 and EUR 8.5 million during the first quarter in 2011.

Shopping Centres

The Shopping Centres segment had an economic occupancy rate of 97.4 per cent on 31 March 2011. On 31 March 2011, the properties had a fair value of EUR 553.7 million, including a change in fair value of EUR -4.2 million from the beginning of 2011. The shopping centres had a combined leasable area of 141,000 square meters by the end of the first quarter in 2011.

The Company purchased properties for a total of EUR 0.8 million during 2010. No properties were purchased or sold in January-March 2011. Investment in property maintenance totalled EUR 0.7 million during year 2010 and EUR 0.2 million during the first quarter in 2011.

Logistics Properties

The Logistics Properties segment had an economic occupancy rate of 77.8 per cent on 31 March 2011. At the end of March 2011, the properties had a fair value of EUR 441.9 million, including a change in fair value of EUR 5.1 million from the beginning of the year. The logistics properties had a total leasable area of 536,500 square meters.

During 2010, Sponda sold logistics properties for a total of EUR 4.7 million. No new logistics properties were bought. In the first quarter of 2011, no properties were purchased or sold in the logistics properties segment. Investments in property maintenance totalled EUR 3.7 million during year 2010 and EUR 3.2 million during the first quarter in 2011.

Property Development business unit

The balance sheet value of Sponda's property development portfolio at the end of March 2011 stood at EUR 239.5 million. Of this total, EUR 81.4 million was in undeveloped land sites and EUR 143.9 million was tied up in property development projects in progress. Investments in property development and acquisitions totalled EUR 23.1 million in January-March 2011. Most of these investments were allocated to the development of the City-Center and Hakkila properties.

Sponda aims to obtain development gains of 15 per cent on the investment costs for property development projects. Sponda's property development operations comprise new construction projects and refurbishment of existing properties.

During the first quarter of 2011, the construction of a production facility and renovation of an office building in the Hakkila district of Vantaa was completed on schedule and the primary tenant, Metso Automation, moved in. The project exceeded the Company's target profit margin of 15 per cent.

In the City-Center project, construction of the inner court office building was nearing completion in the first quarter of 2011. The office building and the new retail premises developed in the second phase of the shopping complex are scheduled for completion in summer 2011. The City-Center refurbishment project is expected to be completed for the most part in 2012 with a total investment of approximately EUR 125 million.

During the first quarter of 2011, Sponda has begun work to expand the Zeppelin shopping centre in Oulu. The project will add some 4,000 m² of new retail space for the Prisma hypermarket and 4,700 m² of space for specialty retail. Lease

agreements have been concluded in advance for over 60 per cent of the new retail space. The total investment in the expansion is approximately EUR 18 million and the shopping centre will be completed in late 2011.

During the first quarter of 2011, Sponda purchased an office and retail property in central Tampere for approximately EUR 10 million. The Company is planning to make an additional investment of approximately EUR 6.5 million to modernise the property. The aim is to complete the project by the end of 2011.

At the date of this Listing Prospectus, Sponda is developing an office property in the Ruoholahti district of Helsinki with a total floor space of approximately 6,000 m². Over 70 per cent of the building will be leased to the primary tenant, Talentum Plc. Construction of the office building is set to begin in August 2011 and the project is scheduled for completion in April 2013. The project's total investment is estimated at approximately EUR 23.5 million, inclusive of the value of the current building at the location, which will be demolished.

At the date of this Listing Prospectus, Sponda is carrying out development projects for the Ratina shopping complex in Tampere and related areas. The current plans are for a shopping centre with a total area of 55,000 m² and a total investment of approximately EUR 200 million. The marketing of the property is still on-going and no final decision on the investment has been made.

Russia business unit

At the end of March 2011, the economic occupancy rate for the Russia business unit was 98.3 per cent. The property portfolio had a fair value of EUR 202.3 million, and the change in the fair value from the beginning of 2011 was EUR -2.4 million, which resulted from changes in market rents and maintenance costs (EUR 2.2 million) and exchange rate fluctuations (EUR -4.5 million).

Real Estate Funds business unit

Sponda is a minority holder in three real estate funds, First Top LuxCo, Sponda Fund I Ky and Sponda Fund II Ky. Sponda is responsible for managing the funds and their properties, and receives management fees.

The properties are valued at least two times a year by an external valuator. The property portfolios owned by the funds were not assessed at fair value at the end of the January-March 2011 period.

First Top LuxCo (in which Sponda has a holding of 20 per cent) invests in office and retail properties outside Finland's largest cities. The value of the fund's property investments stood at EUR 94.2 million at the end of the first quarter of 2011.

Sponda Fund I Ky invests in logistics sites outside the Helsinki metropolitan area. Sponda's holding in the fund is 46 per cent. At the end of March 2011, the value of the fund's property portfolio was EUR 185.3 million.

Sponda Fund II Ky (in which Sponda has a holding of 44 per cent) mainly invests in logistics properties in medium sized cities in Finland. The fund has a target size for its real estate investment of approximately EUR 200 million and the fair value of its property portfolio at the end of March 2011 was EUR 125.2 million.

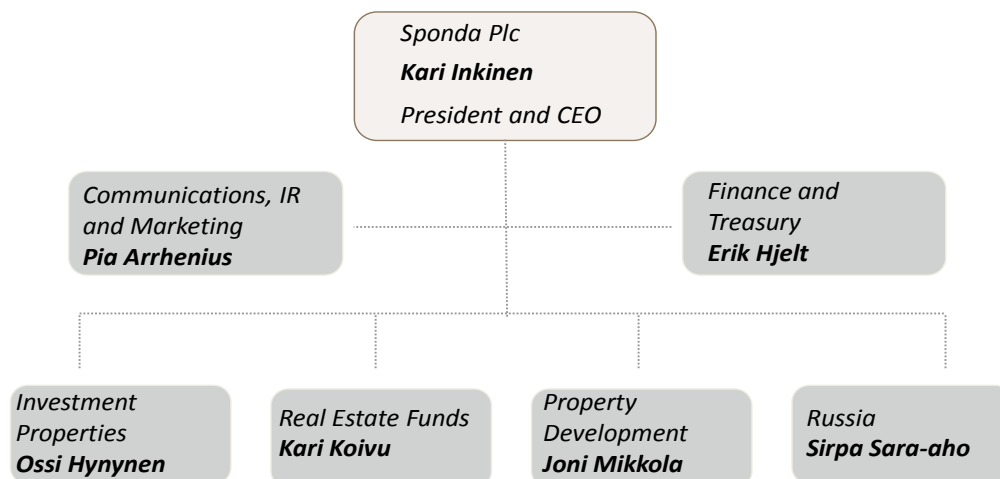
In addition to the funds mentioned above, Sponda is also responsible for managing the property portfolio, with a value of approximately EUR 230 million, sold in March 2007 to Whitehall Street Real Estate Limited and Niam Nordic Investment Fund III.

Organisation

Sponda's group comprises the parent company Sponda Plc and the subsidiary Sponda Kiinteistöt Oy (formerly Kapiteeli Oyj) as well as the group's mutually owned property companies, which are either wholly or majority owned by Sponda Plc or Sponda Kiinteistöt Oy. Sponda group also includes Sponda Russia Ltd and Sponda Asset Management Oy as well as their subsidiaries.

Sponda's organisation is as follows:

Sponda Plc's Executive Board



Material Contracts

Sponda has entered into loan agreements that could result in a group member being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to the Holders in respect of the Notes.

Sponda's loan agreements with creditors include representations and warranties as well as covenants typical for such agreements. In accordance with these provisions, Sponda has, among other things, agreed to ensure that the claims under the loan agreements will rank at least *pari passu* with the present and future claims of all of Sponda's other unsecured and unsubordinated creditors, save those whose claims are preferred by any bankruptcy, insolvency, liquidation or other similar laws of general application. Furthermore, except for intra-group arrangements and save for creditors' prior consent, the loan agreements generally restrict Sponda's possibilities (i) to increase the aggregate amount of indebtedness in respect of which collateral has been provided only to a certain level compared to Sponda's total assets; (ii) to borrow money, grant credit, provide guarantees or indemnity otherwise than in the ordinary course of business; (iii) to dispose of assets exceeding a certain level compared to Sponda's total assets; (iv) entering into merger, consolidation or demerger; (v) to allow Sponda's subsidiaries to enter into indebtedness exceeding a certain level of total indebtedness of Sponda's group; and (vi) to make material changes to the general nature of Sponda's business.

In addition, the loan agreements include provisions requiring Sponda to maintain at least a certain equity ratio and a certain ratio between its EBITDA and net interest expense.

FINANCIAL AND TREND INFORMATION, PROSPECTS

Historical Financial Information

Sponda's consolidated audited financial statements for the financial years 1 January 2009–31 December 2009 (IFRS) and 1 January 2010–31 December 2010 (IFRS) and the unaudited interim report for the period of 1 January 2011–31 March 2011 (IFRS) have been incorporated into this Listing Prospectus by reference. Except for the two financial statements mentioned above, the information included in this Listing Prospectus has not been audited.

Sponda's Financing Structure

The main principles of Sponda's treasury strategy are having a broad base of financiers, a diversified range of financing instruments, a debt portfolio with evenly spread maturity dates for taking refinancing into consideration, managed hedging of interest rate risks and good liquidity.

Sponda's objective in its financing operations is to arrange credit that is unsecured.

In January 2010 Sponda signed an agreement for a 3-year continuation of its EUR 57.6 million loan. In May 2010 it also released a EUR 100 million 5-year bond, which was fully subscribed. In November 2010 Sponda signed a credit facility of EUR 650 million, which consisted of a 3-year EUR 100 million credit limit and a 5-year EUR 550 million syndicated credit facility. All the credit arrangements were completed with existing creditors. Additionally, on 4 April 2011 Sponda signed an agreement with Svenska Handelsbanken for an unsecured EUR 50 million credit limit for five years. The loans were used to repay existing debts.

Sponda Group's debt portfolio on 31 March 2011 comprised syndicated loans with a nominal value of EUR 640 million, EUR 250 million in bonds, EUR 99 million in issued commercial papers and EUR 630 million in loans from financial institutions. Sponda had EUR 460 million in unused credit limits. Sponda Group had mortgaged loans of EUR 141 million, or 4.5 per cent of the consolidated balance sheet.

The Company's treasury operations are centrally handled by its treasury unit, which is responsible for financing and hedging.

Legal and Arbitration Proceedings

The Supreme Administrative Court resolved a dispute pertaining to the deductibility of the confirmed losses of Sponda Kiinteistöt Oy in Sponda's favour in July 2010. The decision is not subject to appeal. The decision had no effect on the Company's result for 2010.

There are no other governmental, legal, arbitration or administrative proceedings against or affecting Sponda or any of its subsidiaries (and no such proceedings are pending or threatened of which Sponda is aware) during a period covering at least the previous 12 months which have or may have in the recent past, individually or in the aggregate, significant effects on the profitability or the financial position of Sponda or of Sponda and its subsidiaries taken as a whole.

No Significant Change in the Issuer's Financial or Trading Position

The Company's interim report for the period of 1 January 2011–31 March 2011 has been incorporated into this Listing Prospectus by reference.

There has been no significant change in Sponda's financial or trading position since 31 March 2011.

Trend Information

Business conditions – Finland

According to consensus forecasts, Finland's GDP will grow approximately 4 per cent in 2011. This growth is supported by increased volume in the Finnish manufacturing and construction sectors.

The property markets in Finland are showing positive signs in both property transactions and rental operations. According to estimates by KTI Property Information Ltd, the transaction volume in the first quarter of the year was approximately EUR 0.2 billion. While this total figure is similar to the previous year, it is clear that activity on the market has increased in terms of both the number of properties and the volume of buyers.

Rental levels for commercial properties in Helsinki are on the rise, with rents for office and retail space in the Central Business District, in particular, already showing an increase on 2010. Moderate growth is expected to continue throughout 2011. The vacancy rates for office properties began to decline in 2010 and this trend is expected to continue in 2011. The vacancy rates of retail properties are expected to remain low. Vacancy rates for logistics properties are also expected to decline during the year.

Business conditions – Russia

Forecasts suggest that the annual growth in the Russian economy will be slightly above 4 per cent in 2011. Growth in Russia is driven by the increase in oil prices, falling unemployment and improved consumer confidence.

Property values have begun to increase slowly in Moscow. Jones Lang LaSalle estimates the vacancy rate of office properties in Moscow to be approximately 14 per cent. There has been a moderate rise in rental levels, which is expected to continue in 2011.

In St Petersburg, the vacancy rate for office properties is 15-17 per cent depending on location and quality. While rental levels on the whole have remained stable, the expectation is that they will increase moderately in the Central Business District.

Influence of Sponda's Board of Directors and management on factors affecting the estimates

Sponda's Board of Directors and Executive Board may, in a certain time span, initiate changes in the rents charged by Sponda. Rent cuts may lead to higher demand for Sponda's premises, but on the other hand such cuts would also decrease profitability. Rent increases may, respectively, reduce the occupancy rates of and demand for Sponda's properties. Furthermore, resolutions by Sponda's Board of Directors and the Executive Board have an effect on certain costs items. Other factors expressed in "*Financial and Trend Information, Prospects – Trend Information*" and "*Financial and Trend Information, Prospects – Prospects*" are generally outside of the influence of the Board of Directors and Executive Board.

Prospects

Sponda's strategic goal is to achieve profitable growth through customer-focused operations, active property development, property acquisitions and real estate funds in Finland and Russia. In its report for the period of 1 January 2011–31 March 2011, the Company provided the following information on the prospects:

Sponda expects the vacancy rates of its investment properties to continue falling in 2011. This assessment is based on the 2011 growth forecasts for the Finnish economy and increased demand for properties in prime locations.

The Company expects net operating income in 2011 to exceed that of 2010. This expected increase is based on the predicted fall in vacancy rates and the completion of property development projects during the year.

Sponda confirms that this information on the prospects has been properly prepared on the basis stated and that the basis of accounting is consistent with Sponda's accounting policies.

There has been no material adverse change in the prospects of the Company since 31 March 2011.

Risks and uncertainty factors in the near future

Sponda believes that the key risks and uncertainty factors in the current financial period arise from the possibility of the economy growing at a slower rate than expected and relate to a decline in economic occupancy rates and a fall in rental income resulting from the insolvency of tenants.

For Sponda's property development projects, the key risks are related to the degree of success in leasing premises and the potential increase in construction costs. Higher than expected vacancy rates in newly completed business premises would have an impact on the Sponda Group's total vacancy rate and, as a result, have a negative effect on the Sponda Group's net operating income.

The differences between Russian and Finnish legislation and the way the authorities operate in the two countries may cause additional risks for Sponda. The operations in Russia increase Sponda's foreign exchange risk. Changes in exchange rates may cause exchange rate losses that have a negative impact on the Company's financial result.

A rapid and sharp rise in market interest rates in 2011 would increase Sponda's financial expenses, which would have a negative impact on the Company's result.

DIRECTORS, MANAGEMENT AND MAJOR SHAREHOLDERS

Board of Directors

Lauri Ratia (born 1946) has been the Chairman and member of Sponda's Board of Directors since 2007. Mr Ratia has been the Chairman of the Boards of Directors of Edita Plc since 2005, Medisize Ltd since 2007 and Paroc Group Oy Ab since 2010. Mr Ratia has also been a member of the Boards of Directors of Inspecta Holding Oy since 2007 and Samesor Ltd since 2009. Mr Ratia holds a Master of Science degree in Engineering. On 11 May 2011 Mr Ratia owned 33,580 shares in Sponda.

Klaus Cawén (born 1957) has been a member of Sponda's Board of Directors since 2008 and the Deputy Chairman of the Board of Directors since 2011. Mr Cawén has been a member of the Executive Board of KONE Corporation since 1995. Mr Cawén has been a member of the Boards of Directors of Karl Fazer Ltd since 2002 and Toshiba Elevator and Building Systems Company since 2002. Mr Cawén holds a Master of Laws degree as well as an LLM degree from Columbia University. On 11 May 2011 Mr Cawén owned 16,960 shares in Sponda.

Tuula Entelä (born 1955) has been a member of Sponda's Board of Directors since 2005. Ms Entelä has been in various managerial positions with Sato Corporation since 1994 including the Senior Vice President since 2009 and the Deputy Chief Executive Officer since 2003 and a member of the Boards of Directors in a large number of SATO Group companies. Ms Entelä has been Deputy Chairman of the Board of Directors of Helsingin Osuuskauppa Elanto since 2007 and a member of the same since 2003. In addition, Ms Entelä has been a member of the Directorate of Diaconia and Common Development Services since 2009. Ms Entelä holds a Master of Laws degree and a Master of Science degree in Economics. On 11 May 2011 Ms Entelä owned 4,460 shares in Sponda.

Arja Talma (born 1962) has been a member of Sponda's Board of Directors since 2007. Ms Talma has been the Senior Vice President and Chief Financial Officer of Kesko Corporation since 2005. She has been a member of the Boards of Directors of Ruokakesko Oy since 2005, Rautakesko Oy since 2005, Konekesko Oy since 2005, Stroymaster Holding Oy since 2005, Sincera Oy since 2005, Vähittäiskaupan Tilipalvelu Oy since 2005, Valluga-sijoitus Oy since 2007, Vähittäiskaupan Takaus Oy since 2008, K-talousoalvelukeskus Oy since 2008, Luottokunta since 2008 and VR-Yhtymä Ltd since 2006. In addition, Ms Talma has been a Deputy Member of the Board of Directors of Kesko Pension Fund since 2005. Ms Talma holds a Master of Science degree in Economics and also an eMBA degree. On 11 May 2011 Ms Talma owned 4,460 shares in Sponda.

Raimo Valo (born 1955) has been a member of Sponda's Board of Directors since 2011. Mr. Valo has been a partner of Septem Partners Oy since 2010 and a member of the Boards of Directors of Neo Industrial Oyj and Ccs Cold Cargo Solutions Oy since 2011. Mr Valo holds a Master of Laws degree. On 11 May 2011 Mr Valo owned no shares in Sponda.

Erkki Virtanen (born 1950) has been a member of Sponda's Board of Directors since 2008. Mr Virtanen has been the Permanent Secretary of the Ministry of Employment and the Economy since 2008. Mr Virtanen has been the Deputy Chairman of the Board of Directors of Sitra, the Finnish Innovation Fund, since 1998. Mr Virtanen holds a Master of Social Sciences degree in Economics. On 11 May 2011 Mr Virtanen owned 4,460 shares in Sponda.

Sponda's Executive Board

Kari Inkinen (born 1957) has been the President and Chief Executive Officer of Sponda since 2005. Mr Inkinen has been a member of the Boards of Directors of Rake Oy since 2001. Mr Inkinen holds a Master of Science degree in Engineering. On 11 May 2011 Mr Inkinen owned 288,340 shares in Sponda.

Pia Arrhenius (born 1968) has been Senior Vice President, Corporate Communications and IR, since 2009. Ms Arrhenius joined Sponda in 2003 and has worked as IR, Manager and Senior Vice President, Corporate Communications and IR of the Company prior to her current position. Ms Arrhenius holds an EMBA degree. On 11 May 2011 Ms Arrhenius owned 23,101 shares in Sponda.

Erik Hjelt (born 1961) has been the Chief Financial Officer of Sponda since 2009. Before his current position, Mr Hjelt was the Senior Vice President, Legal Affairs and Treasury, of Sponda since 2007 and the Senior Vice President of Finance and Legal Affairs of Kapiteeli since 2006. Mr Hjelt holds a Licentiate degree in Law and an eMBA degree. On 11 May 2011 Mr Hjelt owned 79,731 shares in Sponda.

Ossi Hynynen (born 1955) has been Senior Vice President of the Investment Properties business unit of Sponda since 2009. Mr Hynynen was the Senior Vice President, Office and Retail Properties business unit of Sponda since the

completion of the Kapiteeli Acquisition until 2008. Mr Hynynen holds a Master of Science degree in Engineering. On 11 May 2011 Mr Hynynen owned 118,343 shares in Sponda.

Kari Koivu (born 1966) has been Senior Vice President of the Real Estate Funds business unit of Sponda since 2007. Mr Koivu holds a Master of Science degree in Engineering and a Master of Science degree in Economics. On 11 May 2011 Mr Koivu owned 83,348 shares in Sponda.

Joni Mikkola (born 1965) has been Senior Vice President of the Property Development business unit of Sponda since 2002. Mr Mikkola holds a Master of Science degree in Engineering. On 11 May 2011 Mr Mikkola owned 79,513 shares in Sponda.

Sirpa Sara-aho (born 1963) has been the Senior Vice President of the Russia business unit of Sponda since 2009. Ms Sara-aho was the Senior Vice President of the Russia and the Baltic Countries business unit since 2007 before her current position. Ms Sara-aho has been a member of the Board of Directors of Solteq Oyj since 2010. Ms Sara-aho is a graduate from a Finnish commercial institute. On 11 May 2011 Ms Sara-aho owned 82,500 shares in Sponda.

Board Committees and the Nomination Board

The Board of Directors has established two permanent committees, the Audit Committee and the Structure and Remuneration Committee, to assist it in preparing matters for which the Board of Directors is responsible. The Board is responsible for carrying out the duties it assigns to the committees. The committees report regularly to the Board of Directors on their work. The Board confirms written rules of procedure for the committees. If required, the Board of Directors may appoint other committees and working groups from among its members to prepare matters for the Board's consideration.

The following were elected to the Audit Committee: Arja Talma, chairman, Raimo Valo, deputy chairman, and Erkki Virtanen, ordinary member.

The following were elected to the Structure and Remuneration Committee: Lauri Ratia, chairman, Klaus Cawén, deputy chairman, and Tuula Entelä, ordinary member.

In addition, the Annual General Meeting appointed on 16 March 2011 a Nomination Board to prepare proposals for candidate members of the Board of Directors and their remuneration for the following Annual General Meeting.

Business Address

The business address of the members of the Board of Directors, the Chief Executive Officer and the Executive Board is Korkeavuorenkatu 45, FI-00130 Helsinki, Finland.

Absence of Conflicts of Interest

Except for Ms Arja Talma's main duty as the Chief Financial Officer of Kesko Corporation, which is one of the Company's largest tenants, to the knowledge of the Company, the members of the Board of Directors or the Executive Board or the President and Chief Executive Officer do not have any conflicts of interest between their duties relating to the Company and their private interests and/or their other duties.

Major Shareholders

To the extent known to the Issuer, the Issuer is not directly or indirectly owned or controlled by any person for the purposes of Chapter 1, Section 5 of the Finnish Securities Markets Act, and the Issuer is not aware of any arrangement the operation of which may result in a change of control of the Issuer.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents have been incorporated by reference to this Listing Prospectus. They will be published on the Company's website at www.sponda.fi > sijoittajat and www.sponda.com > investors.

Document	Information Incorporated by Reference
Annual Report 2009, p. 74–142	Financial Statements for the year 2009
Annual Report 2009, p. 142	Auditor's Report for the year 2009
Annual Report 2010, p. 79–154	Financial Statements for the year 2010
Annual Report 2010, p. 154	Auditor's Report for the year 2010
Interim Report 1.1.–31.3.2011	Sponda's unaudited consolidated interim report for the three months ended as at 31 March 2011

DOCUMENTS ON DISPLAY AND AVAILABLE INFORMATION

In addition to the documents incorporated by reference, Sponda's Articles of Association and Extract from the Finnish Trade Register concerning Sponda may be inspected during the loan period at the head office of the Company, Korkeavuorenkatu 45, FI-00130 Helsinki, Finland on weekdays from 9:00 am to 4:00 pm. In order to ensure best possible service, persons wishing to examine the documents referred to in this section are kindly requested to notify the Company of their visit in advance by telephone (+358 20 431 31).

The Company publishes annual reports, including its audited consolidated financial statements, quarterly interim financial information and other information as required by the Helsinki Stock Exchange. All annual reports, interim reports and stock exchange releases are published in Finnish and English. Copies of these documents can be obtained from Sponda, Korkeavuorenkatu 45, FI-00130 Helsinki, tel. +358 20 431 31 and fax +358 20 431 3333 or by email at tuija.hakama@sponda.fi.

ANNEX A: TERMS AND CONDITIONS OF THE NOTES

SPONDA SEK 650,000,000 NOTES DUE 2016

TERMS AND CONDITIONS

ISIN CODE FI4000022413

The Board of Directors of Sponda Oyj (the "**Issuer**") has in its meeting on 16 March 2011 authorised issuance of notes (the "**Notes**") referred to in paragraph 1 of Section 34 of the Act on Promissory Notes (622/1947, as amended in 746/1993) and authorised the CEO or a person authorised by him to decide on the definitive terms and conditions of the Notes, which are as specified below.

The arranger of the issue of the Notes is Nordea Bank Finland Plc (the "**Arranger**").

1. Amount and issuance of the Notes

The maximum principal amount of the Notes is six hundred and fifty million Swedish Kronor (SEK 650,000,000) or a higher amount, as may be determined by the Issuer.

The Notes will be issued in the RM-book-entry securities system of Euroclear Finland Oy ("**EFi**") in accordance with the Finnish legislation governing book-entry system and book-entry accounts as well as the regulations and decisions of EFi.

The Issue Administrator (*liikkeeseenlaskun hoitaja*) of the Notes referred to in the regulations of EFi (the "**Issue Administrator**") and the paying agent of the Notes (the "**Paying Agent**") is Nordea Bank Finland Plc.

The issue date of the Notes is 4 April 2011 (the "**Issue Date**").

The Notes will be offered for subscription in a minimum amount of SEK 1,000,000. The principal amount of each book-entry unit relating to the Notes (*arvo-osuuden yksikkökoko*) is SEK 1,000,000. The maximum number of the Notes is 650, or a higher number if the Issuer decides to increase the maximum principal amount of the Notes. Each Note will be freely transferable after it has been registered into the respective book-entry account.

2. Subscription of the Notes

Notes shall be offered for subscription mainly to institutional investors in book-building procedure (private placement). The subscription period shall commence and end on 25 March 2011 (the "**Subscription Period**").

Bids for subscription shall be submitted to Nordea Bank Finland Plc, Nordea Markets / Institutional Sales, Aleksis Kiven katu 9, FI-00020 NORDEA, Finland, telephone +358 9 369 50880 or to Nordea Bank AB (publ) Nordea Markets, Institutional Sales, Smålandsgatan 17, Se-10571 Stockholm, Sweden, telephone +46 8 614 67 02, during the Subscription Period and within regular business hours.

The Issuer shall accept the final subscriptions. The Issuer may reject a subscription in part or in whole. The Issuer shall decide on the procedure in the event of over-subscription.

Subscriptions shall be paid for as instructed in connection with the subscription.

Notes subscribed and paid for shall be entered by the Issue Administrator to the book-entry accounts of the subscribers on a date advised in connection with the issuance of the Notes in accordance with the Finnish legislation governing book-entry system and book-entry accounts as well as regulations and decisions of EFi.

3. Issue Price

The issue price of the Notes is 100 per cent.

4. Interest

The rate of interest of the Notes is three (3) months STIBOR added with 2.40 per cent.

Interest on the Notes will be paid quarterly each year 4 January, 4 April, 4 July and 4 October commencing on 4 July 2011 (each an "**Interest Payment Date**") until Redemption Date (as defined below). Interest shall accrue for each interest period from and including the first day of the interest period to and excluding the last day of the interest period on the principal amount of Notes outstanding from time to time. The first interest period commences on the Issue Date and ends on the first Interest Payment Date. Each consecutive interest period begins on the previous Interest Payment Date and ends on the following Interest Payment Date. The last interest period ends on the Redemption Date (as defined below). The interest shall be determined two (2) Business Days prior to the first day of each interest period (the "**Quotation Day**").

Interest in respect of the Notes will be calculated on "Actual/360" basis, meaning that the number of days elapsed in the relevant Interest Period is divided by 360.

"**STIBOR**" means in relation to the Notes in Swedish Kronor:

(a) the percentage rate per annum for the relevant period displayed on the appropriate page of the Reuters screen for Swedish Kronor for such period at or about 11.00 a.m. (CET); or

(b) if STIBOR rate, as defined in Clause (a), is not available on the Quotation Day, the arithmetic mean of the rates as determined by the Arranger (rounded upwards to four decimal places) as supplied to the Arranger at its request quoted by the three (3) leading reference banks in the European interbank market, at or about 11.00 a.m. (CET) on the Quotation Day for the offering of deposits in Swedish Kronor.

5. Redemption

The Notes shall be repaid in full at their nominal principal amount on 4 April 2016 (the "**Redemption Date**"), unless the Issuer has prepaid the Notes in accordance with Clause 8, 9 or 10 below.

6. Status and Security

The Notes constitute direct, unsecured, unguaranteed and unconditional obligations of the Issuer ranking pari passu among each other and with all other unsecured and unsubordinated indebtedness of the Issuer. The Notes involve a risk of the Issuer's repayment ability.

7. Payments

Interest on and principal of the Notes shall be paid in Swedish Kronor accordance with the Finnish legislation governing book-entry system and book-entry accounts as well as the regulations and decisions of EFi.

Should the payment date of interest or principal fall on a date which is not a Business Day, the payment of the amount due will be postponed to the next following Business Day. The postponement of the payment date shall not have an impact on the amount payable.

In these Terms and Conditions, "**Business Day**" shall mean a day on which banks in Helsinki and Stockholm are open for general business and on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System is open.

8. Change of Control

If, after the Issue Date a Change of Control (as defined below) occurs, the Issuer shall promptly notify the holders of Notes of such event in accordance with Condition 13.

The Issuer shall on the Prepayment Date (as defined below) prepay the nominal principal amount of and accrued interest on the Notes, but without any premium or penalty, held by holders of Notes who have required prepayment of Notes held by them by a written notice to be given to the Issuer no later than fifteen (15) Business Days before the Prepayment Date.

If Notes representing more than seventy-five (75) per cent. of the aggregate nominal principal amount of the Notes have been prepaid pursuant to this Condition 8 on the Prepayment Date, the Issuer is entitled to prepay also the remaining outstanding Notes at their nominal principal amount with accrued interest but without any premium or penalty by notifying the holders of Notes in accordance with Condition 13 no later than fifteen (15) Business Days after the Prepayment Date. Such prepayment may occur at the earliest on the tenth (10th) Business Day following the date of publication of such notice.

“**Change of Control**” means that any person acting solely or any person and any company controlled by or under common control with such person acting together or any group of persons acting together acquires or acquire control of the Issuer. For the purposes of this definition, one person shall be regarded as "controlled" by another person or persons if that other person or persons holds or hold more than fifty (50) per cent of the voting rights (being votes which are capable of being cast generally at meetings of shareholders) of that person, and "control" shall be construed accordingly.

“**Prepayment Date**” means the date falling forty-five (45) Business Days after the publication of the notice referred to in the first paragraph of this Condition 8.

9. Excess Secured Indebtedness

If, after the Issue Date, the Issuer or any of its subsidiaries encumbers its present or future assets, rights or receivables by placing Collateral (as defined below) as security, the amount of which exceeds twenty (20) per cent of the Issuer’s total consolidated assets at any given time, as evidenced by the then latest consolidated financial statements of the Issuer, the Issuer shall promptly notify the holders of Notes of such event in accordance with Condition 13.

The Issuer shall on the Prepayment Date (as defined below) prepay the nominal principal amount of and accrued interest on the Notes, but without any premium or penalty, held by holders of Notes who have required prepayment of Notes held by them by a written notice to be given to the Issuer no later than fifteen (15) Business Days before the Prepayment Date.

If Notes representing more than seventy-five (75) per cent. of the aggregate nominal principal amount of the Notes have been prepaid pursuant to this Condition 9 on the Prepayment Date, the Issuer is entitled to prepay also the remaining outstanding Notes at their nominal principal amount with accrued interest but without any premium or penalty by notifying the holders of Notes in accordance with Condition 13 no later than fifteen (15) Business Days after the Prepayment Date. Such prepayment may occur at the earliest on the tenth (10th) Business Day following the date of publication of such notice.

“**Collateral**” means real estate or other mortgage, pledge, lien, security or other right of pledge or other similar arrangement which guarantees the obligation of a natural person or legal person.

“**Prepayment Date**” means the date falling forty-five (45) Business Days after the publication of the notice referred to in the first paragraph of this Condition 9.

10. Events of Default

If an Event of Default (as defined below) occurs, any holder of a Note may by a written notice to the Issuer declare the nominal principal amount of such Note together with the interest and any other amounts then accrued on such Note to be prematurely due and payable at the earliest on the tenth (10) day from the date such claim was presented provided that an Event of Default is continuing on the date of receipt of the notice and on the specified early repayment date.

Each of the following events shall constitute an **Event of Default**:

- (a) any amount of interest on or principal of the Notes has not been paid within five (5) Business Days from the relevant due date, unless the failure to pay is caused by a reason referred to in Condition 14; or
- (b) the Issuer has granted Collateral over any other issue of notes or bonds (together in Finnish *joukkovelkakirjalaina*) issued after the issuance of the Notes; or
- (c) any indebtedness (including guarantees given by the Issuer) of the Issuer in a minimum amount of EUR fifteen million (€15,000,000) or its equivalent in any other currency is accelerated prematurely because of default, howsoever described, or if any such indebtedness is not repaid on the due date thereof or within any applicable grace period after the due date. A holder of a Note shall not be entitled to demand repayment under this sub-condition (c) if the Issuer has bona fide disputed the existence of the occurrence of an Event of Default under this sub-condition (c) in the relevant court or in arbitration as long as such dispute has not been finally and adversely adjudicated against the Issuer; or
- (d) the Issuer ceases to carry on its current business in its entirety; or
- (e) the Issuer has been adjudged into winding-up (*selvitystila*) or declared bankrupt.

In this Condition 10 “Collateral” shall have the same meaning as in Condition 9.

11. Taxation

All payments in respect of the Notes by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (“Taxes”) imposed or levied by or on behalf of Finland or any political subdivision of, or any authority in, or of, Finland having power to tax, unless the withholding or deduction of the Taxes is required by law. In such case, the Issuer shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. The Issuer will not be obligated to make any additional payments to holders of Notes in respect of such withholding or deduction.

12. Noteholders’ Meeting

- (a) The Issuer may convene a meeting of the holders of Notes (a “**Noteholders’ Meeting**”) to decide on amendments of these terms and conditions or other matters as specified below.
 - (b) Notice of a Noteholders’ Meeting shall be published in accordance with Condition 13 no later than ten (10) days prior to the meeting. The notice shall specify the time, place and agenda of the meeting as well as any action required on the part of a holder of Notes to attend the meeting.
 - (c) Only those who, according to the register kept by EFi in respect of the Notes, were registered as holders of Notes on the fifth Business Day prior to the Noteholders’ Meeting on the list of holders of Notes to be provided by EFi in accordance with Condition 13, or proxies authorised by such holders of Notes, shall, if holding any of the principal amount of the Notes at the time of the meeting, be entitled to vote at the meeting and shall be recorded in the list of holders of Notes present in the Noteholders’ Meeting.
 - (d) Noteholders’ Meeting shall be held in Helsinki and its Chairman shall be appointed by the Issuer.
 - (e) Noteholders’ Meeting shall constitute a quorum only if two or more holders of Notes holding fifty (50) per cent or more of the principal amount of the Notes outstanding are present in the meeting.
 - (f) If, within thirty (30) minutes after the time specified for the start of the Noteholders’ Meeting, a quorum is not present, any consideration of the matters to be dealt with at the meeting may, at the request of the Issuer, be adjourned for consideration at a meeting to be convened on a date no earlier than fourteen (14) days and no later than twenty-eight (28) days after the original meeting at a place to be determined by the Issuer. The adjourned Noteholders’ Meeting shall constitute a quorum if two (2) or more holders of Notes holding ten (10) per cent or more of the principal amount of the Notes outstanding are present.
 - (g) Notice of an adjourned Noteholders’ Meeting shall be given in the same manner as notice of the original meeting. The notice shall also state the conditions for the constitution of a quorum.
 - (h) Voting rights of holders of Notes shall be determined according to the principal of the Notes held. The Issuer and any companies belonging to its group shall not hold voting rights at the Noteholders’ Meeting.
 - (i) Resolutions shall be carried by a majority of two-thirds (2/3) of the votes cast. In the event of a tied vote, the Chairman of the meeting shall have the casting vote.
 - (j) A representative of the Issuer and a person authorised to act for the Issuer may attend and speak at a Noteholders’ Meeting.
 - (k) A Noteholders’ Meeting is entitled to make the following decisions that are binding on all the holders of Notes:
 - (i) to change the terms and conditions of the Notes;
 - (ii) to grant a temporary waiver on the terms and conditions of the Notes;However, consent of all the holders of Notes is required to:
 - (iii) decrease the principal of or interest on the Notes;
 - (iv) extend the maturity of the Notes;
 - (v) amend the conditions for the constitution of a quorum at a Noteholders’ Meeting; or
 - (vi) amend the majority requirements of the Noteholders’ Meeting.The consents can be given at a Noteholders’ Meeting or by other verifiable means.
- The Noteholders’ Meeting can authorise a named person to take necessary action to enforce the decisions of the Noteholders’ Meeting.
- (l) Resolutions passed at a Noteholders’ Meeting shall be binding on all holders of Notes irrespective of whether they have been present at the Noteholders’ Meeting.

- (m) Resolutions passed at a Noteholders' Meeting shall be deemed to have been notified to the holders of Notes once they have been entered into the issue account of the Notes maintained by EFi. In addition, holders of Notes are obliged to notify subsequent transferees of the Notes of the resolutions of the Noteholders' Meeting.

13. Notices and Right to Information

Holders of Notes shall be advised of matters relating to the Notes by a notice published in Helsingin Sanomat or any other national (Finnish and/or Swedish) daily newspaper selected by the Issuer. Once approved by EFi, account operators of the EFi book-entry system may give notices relating to the Notes also through the book-entry system. The Issuer may deliver notices on the Notes in writing directly to holders of Notes at the address appearing on the list of holders of Notes provided by EFi in accordance with the below paragraph.

Notwithstanding any secrecy obligation, the Issuer shall, subject to the regulations of EFi and applicable laws, be entitled to obtain information of the holders of Notes from EFi and EFi shall be entitled to provide such information to the Issuer. Furthermore, the Issuer shall, subject to regulations of EFi and applicable laws, be entitled to acquire from EFi a list of the holders of Notes, provided that it is technically possible for EFi to maintain such a list. The Issuer shall at the request of the Issue Administrator pass on such information to the Issue Administrator.

14. Force Majeure

The Issuer, the Arranger, Issue Administrator or the Paying Agent shall not be responsible for any damage caused by force majeure or any other unreasonable obstacle of their operations caused by any similar reason.

15. Prescription

In case any payment under the Notes has not been claimed within three (3) years from the original due date thereof, the right to such payment shall become void.

16. Listing

An application will be made to have the Notes listed on Helsinki Stock Exchange maintained by NASDAQ OMX Helsinki Ltd.

Offers to purchase and sell Notes may be submitted to the Lead Manager, but the Lead Manager are under no obligation to maintain a secondary market for the Notes.

The Issuer shall be entitled to repurchase Notes from the secondary market. The repurchased Notes may be resold or nullified.

17. Purchases

The Issuer may at any time purchase Notes in any manner and at any price. If purchases are made by tender, tenders must be available to all holders of Notes alike.

The Issuer shall be entitled to cancel, dispose of or hold the Notes purchased in accordance with the above paragraph.

18. Further issues

The Issuer may from time to time, without the consent of the holders of the Notes, create and issue further Notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them, the issue price and/or the minimum subscription amount thereof) by increasing the maximum principal amount of the Notes or otherwise.

19. Information

Copies of the documents relating to the Notes shall be available for inspection during office hours at the office of the Issuer at Korkeavuorenkatu 45, 00100 Helsinki, and at Nordea Bank Finland Plc, Nordea Markets, Aleksis Kiven katu 9, 00020 NORDEA, Helsinki.

20. Applicable Law and Jurisdiction

The Notes shall be governed by Finnish law.

Any disputes relating to the Notes shall be settled in the first instance at the District Court of Helsinki (*Helsingin käräjäoikeus*).

ANNEX B: ADDITIONAL INFORMATION ON THE ISSUE OF THE NOTES

Decisions and authorisations:	Decision of the Board of Directors of the Issuer dated 16 March 2011.
Type of the Issue:	Individual issue of Notes offered mainly to institutional investors. The maximum principal amount of the Notes (SEK 650,000,000) was issued on 4 April 2011.
Interest of the Arranger of the issue of the Notes:	Business interest normal in the financial markets.
Form of Notes:	Dematerialized securities issued in book-entry form in the book-entry system maintained by EFi.
Depository and Settlement System:	EFi, address Urho Kekkosen katu 5C, 00100, Helsinki, Finland, RM system of EFi.
Listing:	Application will be made to have the Notes listed on the Helsinki Stock Exchange maintained by NASDAQ OMX Helsinki Ltd.
Estimated time of listing:	On or about 16 May 2011.
Yield:	The interest of the Notes is three (3) months Stibor added with 2.40%. The yield for the first interest period, starting on Issue Date until the first interest payment date, is 4.793% (Act/360).
Taxation:	<p>If the recipient of interest paid on the Notes is an individual residing in Finland or an undistributed estate of a deceased Finnish resident, such interest is subject to preliminary withholding tax in accordance with the Withholding Tax Act (<i>ennakkoperintälaki</i>) (1118/1996, as amended) and final taxation as capital income in accordance with the Income Tax Act (<i>tuloverolaki</i>) (1535/1992, as amended). The current rate of withholding tax and capital income tax is 28 per cent. The Act on Source Tax on Interest Income (1341/1990, as amended) is not applicable to the Notes.</p> <p>If the recipient of interest paid on the Notes is a corporation further defined in Income Tax Act (<i>tuloverolaki</i>) (1535/1992, as amended) residing in Finland, such interest is not subject to any preliminary withholding. The interest is subject to final taxation of the recipient in accordance with the Business Income Tax Act (<i>laki elinkeinotulon verottamisesta</i>)(360/1968, as amended). The current rate of corporate income tax is 26 per cent. The interest paid to a corporation not residing in Finland may be subject to other tax regulations.</p> <p>The Holders of the Notes are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Notes.</p>
ISIN Code of the Notes:	FI4000022413

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