



TAMPERE REGION ECONOMY 2023

Financial review and future views of selected business sectors

TAMPERE.
FINLAND

EXCELLENT EXPERTISE IN TAMPERE REGION

Tampere Region is remarkably vibrant. We are Finland's second metropolis when considering vitality, attractiveness, and retention factors. We also have significant new development areas and strong expertise that is gaining recognition on the global stage.

We have witnessed new initiatives in our region, and more will be seen, particularly in relation to the opportunities offered by NATO membership, microchip expertise, growing exports to the United States, industrial investments, and development related to data and artificial intelligence.

While there are plenty of opportunities, action is also needed. Vitality and growth require continuous renewal and foresight. Research and development expenditures have increased in Tampere Region from 2017 to 2021. The number of patents sought in Tampere Region has also risen significantly from 2018 to 2022, indicating a commitment to research and development.

Expertise stems from high-quality education and research, and over 15% of the region's startup and scale-up companies originate from our university. These businesses cover a wide range of technology areas, with clear focuses on health technology, photonics, and sensors.

The European Space Agency (ESA) is also interested in the Tampere Region. We have players and strong expertise in space technology, including signal processing, imaging, radio and material technology, as well as IoT and artificial intelligence.

Good economic growth in 2022

Tampere Region's economy prospered in 2022. The combined turnover of industries grew by a robust 10.7%, totaling 43 billion euros. The overall industry grew by 13.4%, surpassing the 15 billion euro milestone for the first time. The crucial technology industry in the region grew even faster at 15.4%. The service sector and trade were also positive, with export turnover increasing by 13.7%.

In the first half of 2023 (January–June), the region's turnover has grown by 5.3%, and export turnover has followed at nearly the same pace (5.7%).

However, there are worrisome signals in this good half-year period. Growth temporarily halted in the second quarter, and the turnover of some industries has contracted.

The global operating environment is unstable, and resilience is needed. A shared vision for the future helps to focus efforts and actions over the long term. In the Tampere Region, we have always believed in our own efforts and strong collaboration.

By intensifying collaborative foresight and investing persistently in our areas of expertise, we will undoubtedly compete successfully on the global stage!



Photo: Visit Tampere, Laura Vanzo

Niina Immonen
Director, Business Development and
Operating Environment
Business Tampere

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BUSINESS
TAMPERE

TAMPEREEN
KAUPPAKAMARI

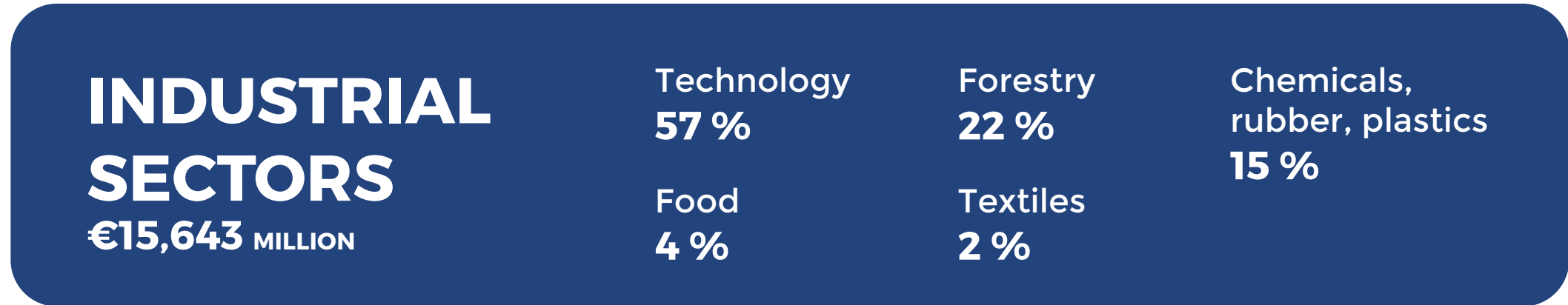
Yrittäjät
PIRKANMAA

PIRKANMAA
COUNCIL OF TAMPERE REGION

TAMPERE REGION TURNOVER BY INDUSTRY 2022

	2022	2023*
Turnover, all industries	€43,210 MILLION	€21,051 MILLION
Turnover change	10.7 %	4.2 %
Turnover, industry	€15,643 MILLION	€7,638 MILLION
Industry turnover change	13.3 %	5.5 %
Export, industry	€9,584 MILLION	€4,711 MILLION
Change in industrial export	13.7 %	5.7 %
Residents	532,671 (May 2023)	
Places of business	36,296	

* 1st half of the year



% of total industry turnover

A SMALL GIANT IN THE SPIRIT OF A FAMILY BUSINESS

From a garage startup to a global leader in its field, DYNASET has embarked on a robust growth trajectory. As the world's leading manufacturer of hydraulic-driven generators, high-pressure washers, and compressors, the company aims to double its production next year.

DYNASET has entered this year with a growth rate of 10 percent. The factory in Ylöjärvi is expanding, and logistics and storage are relocating there during the summer. The construction of new production lines will begin next year, with the goal of doubling production capacity.

"We have been able to maintain the spirit and culture of a small family business alongside our growth. A 150-person company certainly has bigger challenges than a one-person garage business," says CEO Anni Karppinen.

The reference is to Karppinen's father, Reijo Karppinen, who indeed started the business in his garage. Currently, DYNASET is a global player, exporting its products to over 80 countries.

Did you know?

The first DYNASET product was a hydraulic generator that produced power for a local scrapyard's magnet.

The largest growth potential is found not only in Europe but also in the North American and Chinese markets.

"It is important that growth is built on many different pillars."

The winding road to becoming a CEO

Anni Karppinen initially had no intention of taking over her father's position as CEO, or even working in the family business at all.

"It is important that growth is built on many different pillars."

"I came here for an internship in 2008, and because I had studied Asian trade, I ended up in promotion tasks in China," Karppinen explains.

"When I returned, I stayed for summer work and simultaneously searched for a so-called real job elsewhere. The more I worked in international sales and with our clients, the more the thoughts of other jobs disappeared."

Karppinen progressed from a sales secretary to a sales manager and finally to deputy CEO in 2018. When Reijo Karppinen began stepping back from operational activities, the generational change became imminent.

"Now there are many different development projects underway, so I look to the future with great expectations and enthusiasm."

Long-lasting machines

Challenges and new opportunities in the technology sector largely revolve around the same themes that are topical at the societal level: responsibility, environmental values, and technological development.

"Responsibility is primarily seen as social responsibility and supporting and helping employees. Environmental values are evident in our efforts to design machines to be as long-lasting as possible," says Karppinen.

AI solutions are already in use at DYNASET in marketing and content production. The next significant opportunities with the company's growth involve possible utilization in customer service and product development.

"Tampere Region deserves thanks as a business environment enabling growth. Positive migration and investment in education ensure that skilled workers can be found."

ENTREPRENEUR'S MESSAGE TO DECISION-MAKERS

"It's great that our society sees entrepreneurship as a good career option, and the positivity towards entrepreneurship has increased. I hope that the conditions in Finland are such that it is not worthwhile to sell international growth companies abroad but keep them here. We need both local businesses and international success stories!"



In the picture: Anni Karppinen

TURNOVER 2022: €30 MILLION
TURNOVER FORECAST 2023: €32.5 MILLION
NUMBER OF EMPLOYEES: 125

TECHNOLOGY INDUSTRY

The turnover of the technology industry showed positive development in the Tampere Region region throughout the year 2022 and from January to June 2023. The major units of Tampere Region's technology industry are in the machinery and equipment sector, where demand was strong in 2022.

 **€8,411** MILLION
Turnover 2022

 **15.4 %**
Turnover change

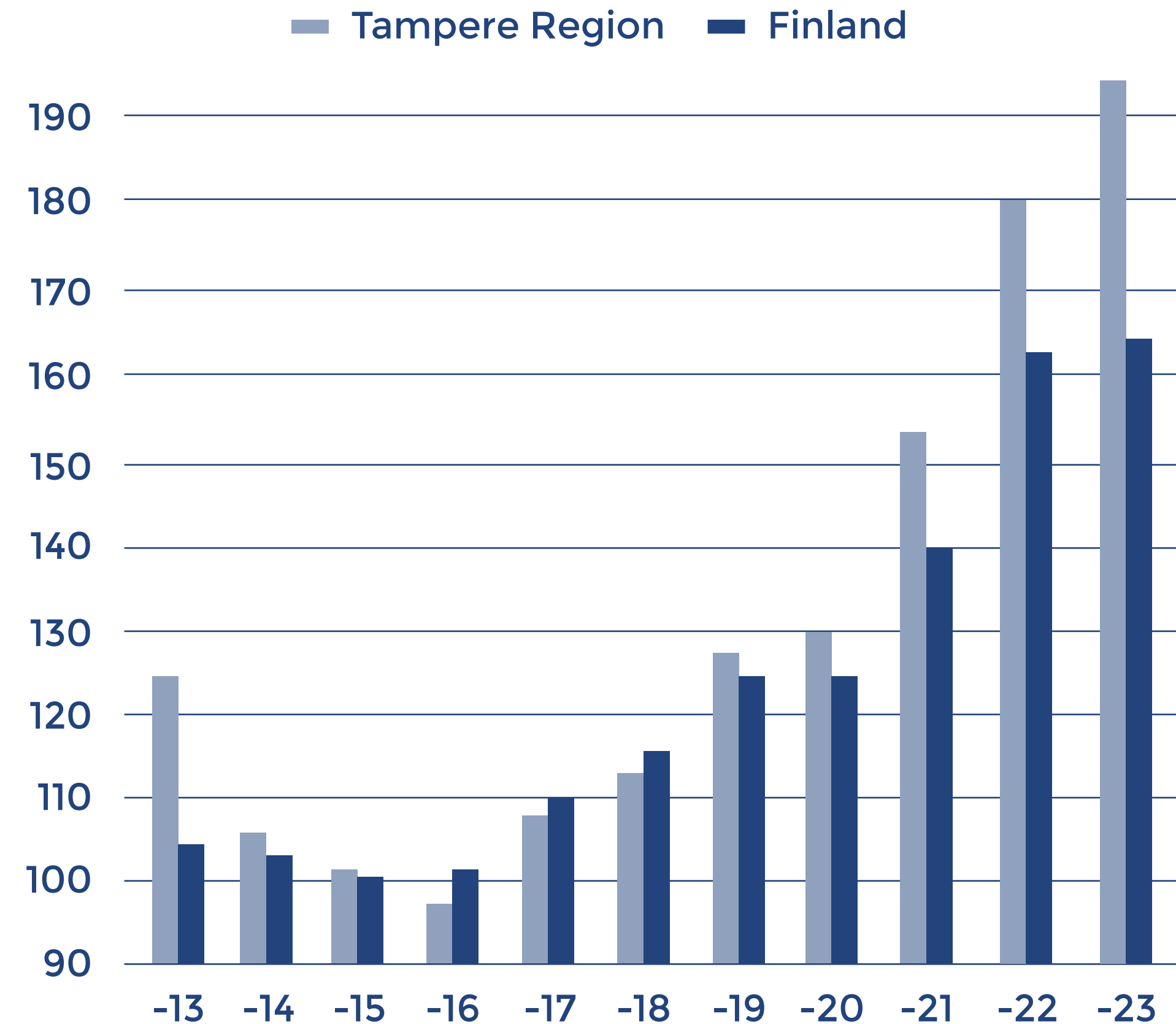
 **€5,205** MILLION
Export 2022

 **17 %**
Export change

 **958**
Establishments 2022

 **14.1 %**
Turnover change in the 1st half of 2023

Turnover trend comparison 2015=100



EXAMPLE COMPANIES
IN THE INDUSTRY:

SANDVIK MINING AND CONSTRUCTION • METSO OUTOTEC FINLAND • NOKIA SOLUTIONS AND NETWORKS •
AGCO POWER • VALMET TECHNOLOGIES • CARGOTEC FINLAND

TAMPERE REGION COMPANIES' CONFIDENCE IN THE FUTURE RECOVERING

The expectations of SMEs have improved since spring 2023. The stabilisation of the energy crisis and the effects of the war in Ukraine have brought expectations back to near the level of a year ago after an exceptionally negative spring. However, expectations remain negative for the time being.

The overall sentiment in businesses is subdued, although there is a noticeable cautious turn for the better. The assessment of the development of turnover in Tampere Region is more positive than the national average, but profitability is expected to decline. The exceptional years and the current uncertainty in the economy directly impact entrepreneurs' outlook on the short-term economic development.

The economic outlook for Tampere Region's SMEs is slightly more negative than the national average. However, assessments of the development of turnover and investment value are on average more positive. In the autumn SME barometer, the balance figures depicting companies' economic expectations and investment intentions returned slightly from spring, when they were still strongly negative.

In Tampere Region, the proportion of growth-oriented companies is modest, and a trend-like decline in growth orientation over the long term raises concerns. The slowing down of the long-standing decline in growth orientation is a positive. The most significant obstacles to business development for companies in the region are the general economic and financial situation, labour availability, and the rise in cost levels, which has a greater

impact on SMEs' operations in Tampere Region than the national average. The profitability of companies in the area is estimated to be slightly below average, but at the same time, Tampere Region's SMEs' forecasts for next year's turnover are slightly more positive than the Finnish average.

SMEs seek financing primarily for machinery, equipment, or construction investments. 16% of Tampere Region's SMEs plan to seek external financing. This figure has decreased by a few percentage points since spring. Tight bank regulations and companies' weakened creditworthiness are reflected in the use of external financing by SMEs. Finnvera has remained a significant financing actor. Its role as an alternative and complement to bank loans has slightly increased. In addition, Finnvera's guarantee plays a key role in obtaining financing. It is noteworthy that growth-oriented companies, in particular, are interested in Finnvera as a financier.

[You can access the SME Barometer \(PK-barometri\) here.](#)

The SME Barometer, published twice a year, is released by the Finnish Entrepreneurs, Finnvera, and the Ministry of Economic Affairs and Employment. This time, approximately 4,570 companies responded to the survey, of which 445 were from Tampere Region. The response period was from mid-June 2023 to mid-July 2023.



BETTER BUSINESS WITH MACHINE VISION

Visy, a global provider of applications and systems based on machine vision, artificial intelligence, and automation, may not be originally from Tampere, but it has become rooted here through its employees.

According to **Tomi Korpelainen**, CEO of Visy, without the universities of Tampere, the company would not operate in its current hometown.

"Most of our employees have moved to Tampere to study at university. Visy moved its base from Varkaus to Tampere because it was easier to find educated workers here," says Tomi Korpelainen.

"Since the beginning of this century, we have been international pioneers in using artificial intelligence and bringing related research into practical applications for the benefit of our customers."

A graduate of Hervanta University campus himself, Korpelainen has been the CEO of Visy for over a year, with over fifteen years of experience with the company.

"We were founded in 1994, and since the beginning of this century, we have been international pioneers in using artificial intelligence and bringing related research into practical applications for the benefit of our customers," adds Korpelainen.

Did you know?

Visy's machine vision applications perform over five million recognition events every day.

Container is king

In Finland, Visy is primarily known for its access control systems, with the forest industry being an important customer in this regard. Globally, Visy's primary business focuses on the automation of operations in ports and terminals handling shipping containers in over 25 countries.

"Global logistics chains and international trade heavily rely on containers," explains Korpelainen.

The company's applications use machine vision to automatically read and store container identifiers, as well as markings for hazardous materials, reporting potential damages.

"Visy's automation solutions contribute to ensuring that employees can engage in safe indoor work in port areas and terminals, away from heavy machinery and containers," says Korpelainen.

The many aspects of artificial intelligence

Tomi Korpelainen views the recent boom in artificial intelligence over the past couple of years with a hint of amusement.

"Artificial intelligence is in the headlines for understandable reasons. I notice that younger employees use it in their work, such as coding, and there is significant potential for change in our own work," mentions Korpelainen.

When talking about the future, Korpelainen also highlights the significance of climate change for Visy.

"It is a central issue that we can impact with our systems. Better access control in ports, terminals, and industrial sites affects truck turnaround times and idle running," he adds.

Overall, the business situation for Visy appears bright to the CEO.

"Investments in the automation of container terminals are not always dependent on economic cycles; investments in efficiency and safety are made continuously. We have a long-term perspective," says Korpelainen.

ENTREPRENEUR'S MESSAGE TO DECISION-MAKERS

"Do not cut education, and this applies to everything from early childhood education to the end of a university career. It is better to invest more because Finland's strength is having skilled workers. When I think about myself and my colleagues at Visy, we come from very different backgrounds, educated ourselves highly, and now we are working in a very successful AI company. This wouldn't be possible without such a good system."



In the picture: Tomi Korpelainen

TURNOVER 2022: €9,473 MILLION
TURNOVER FORECAST 2023: Expecting strong growth.

NUMBER OF EMPLOYEES: 50

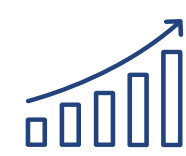
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INFORMATION AND COMMUNICATION

In 2022, the sector experienced a growth of 9.3% compared to the previous year. Growth continued in the first half of 2023, with a 11.6% increase in turnover in the first quarter and a 9.2% increase in the second quarter compared to the same periods a year earlier. The sector includes a significant subcategory of data processing services, essential for Tampere Region. The success of companies offering software and consulting services is reflected in the sector's figures.



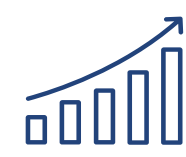
€2,115 MILLION
Turnover 2022



9.3 %
Turnover change



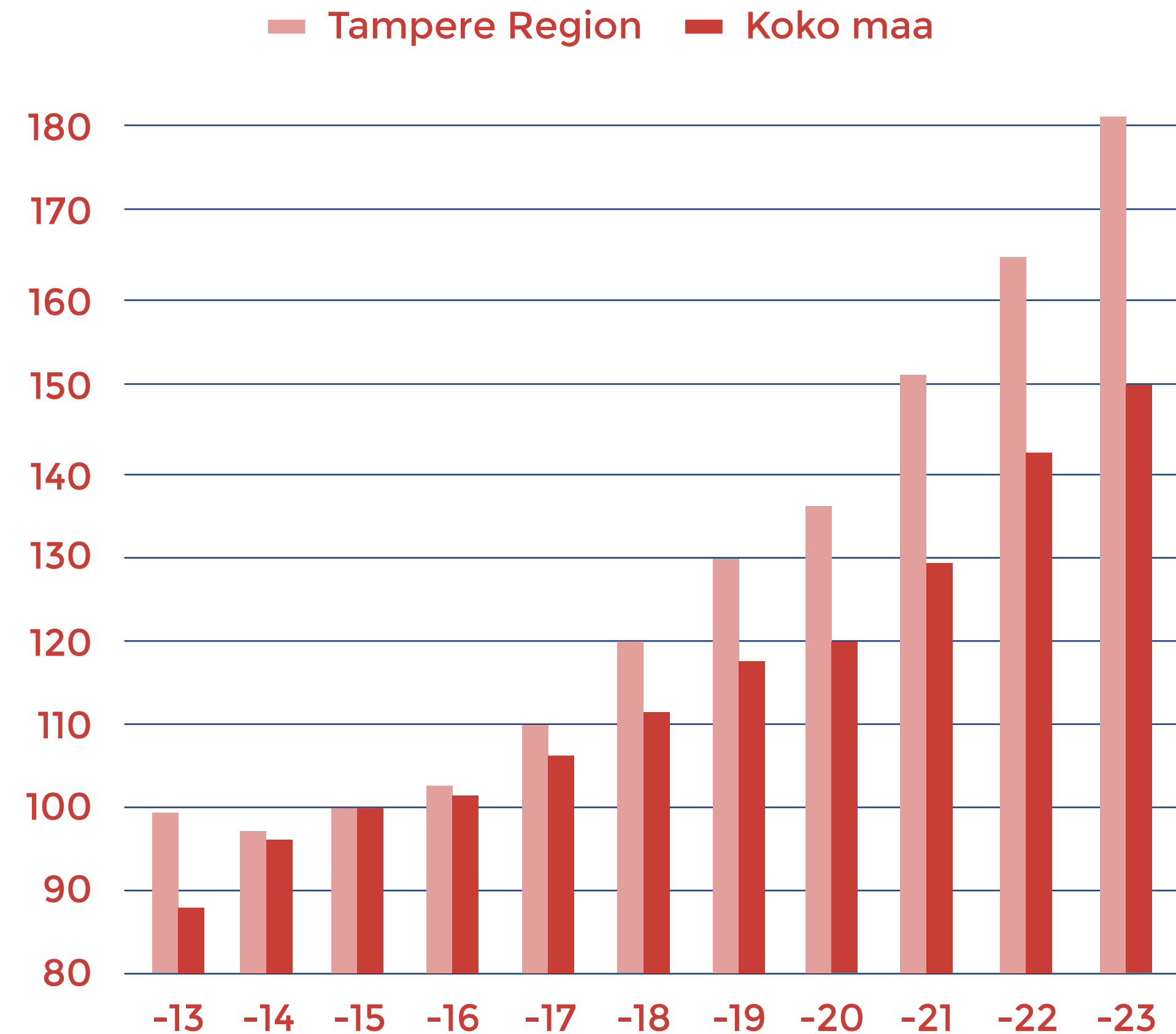
1,508
Establishments 2022



10.4 %
Turnover change in the 1st half of 2023

Standard Industrial Classification (TOL) J (58-63) - Information and communication: Publishing activities; film, video, and television program production, sound recording, and music publishing; radio and television broadcasting; telecommunications; software, consulting, and related activities; data processing services

Turnover trend comparison 2015=100



EXAMPLE COMPANIES
IN THE INDUSTRY:

SOLITA • YLEISRADIO • TIETO FINLAND • M-FILES • CGI SUOMI • GOFORE

ARTIFICIAL INTELLIGENCE BRINGS VITALITY TO THE REGION

Artificial intelligence has quietly become a part of our daily lives. It has permeated products and services, and it shapes our activities in both everyday life and business operations. It also creates new business opportunities, streamlines our actions, and when harnessed correctly, supports the development of the region's vitality.

According to the latest Nordic State of AI report and data from the European Commission, Finland has the second-highest utilisation rate of artificial intelligence in the Nordic countries and the third-highest in the EU. Nevertheless, investments in artificial intelligence in Finland are smaller than in other Nordic countries. Small and medium-sized enterprises (SMEs) need more expertise in artificial intelligence to derive new benefits from data.

Systematic smart city development has been ongoing in the Tampere region since the turn of the millennium. This development has facilitated the interaction between academic research, companies' product development and innovation activities, and public sector actors.

The region has developed a significant hub of artificial intelligence expertise, the Tampere AI ecosystem, which currently comprises about 70 organisations promoting the development of artificial intelligence, and Tampere University's AI Hub competence centre. Its free services have attracted particular interest from manufacturers of work machines and operators interested in human-machine interaction and social robotics.

Through a Nordic collaborative initiative, AI Hub is launching a new research centre for applied research on generative artificial intelligence solutions (GPT Lab) in Tampere.

Kristian Valkama, Program Director, Digital Transformation:

”Generative artificial intelligence learns from various data sources and uses them to create its own versions of content. This can include code, images, music, text, or even video.”

The possibilities of artificial intelligence are a topic of discussion in many organisations. Recent leaps in the development of large language models, the explosive popularity of ChatGPT, and the influx of

thousands of new productivity tools have made the demand more current. Increased interest and usage also bring new considerations: How does artificial intelligence affect our competitiveness in the future? Is falling behind in this development a risk? How does artificial intelligence change people's job roles and workplace skills? How to manage the use of artificial intelligence in business ethically and sustainably?

In the near future, artificial intelligence offers significant opportunities for companies in terms of operational efficiency, product development, and the creation of entirely new businesses. Companies that adopt artificial intelligence early on can harness it for a key competitive advantage, says **Pekka Abrahamsson**, Professor of Software Engineering and Director of AI Hub at Tampere University.

Tampere AI brings together artificial intelligence expertise in the Tampere urban region

Business Tampere supports the development of regional AI expertise by coordinating the Tampere AI ecosystem. Its business advisors, members, and stakeholders help organisations find answers to key questions for future success. AI awareness has been raised, for example, through the joint production of the "Smarter Organization" event series by AI ecosystem actors. The series has reached approximately 700 representatives from various organisations in the past year, addressing topics such as AI-specific opportunities, life cycle management, ethics, and intellectual property rights. Welcome to join the activities of the AI ecosystem to promote artificial intelligence expertise in the Tampere urban region!

[Business Tampere's article on internationalisation.](#)

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[Tampere](#), [Kangasala](#), [Lempäälä](#), [Nokia](#), [Orivesi](#), [Pirkkala](#), [Vesilahti](#) and [Ylöjärvi](#).

Our activities are guided by the "Let's Make Some Noise!" - Tampere urban region's economic strategy 2020-2025.

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STEM CELLS AS A CURE FOR BLINDNESS

StemSight, founded in 2021 by four researchers from different fields, has an ambitious goal – nothing less than curing blindness. The company's invention, based on stem cell technology, aims to restore vision for individuals suffering from corneal blindness without the need for organ transplants.

"We are a researcher-driven team originating from the academic world. Over the past year, the company's staff has grown, operations have stabilised, and we have noticed that international pharmaceutical companies and investors take us seriously," says CEO **Laura Koivusalo**.

Founded by Koivusalo, Chief Operating Officer **Anni Mörö**, **Tanja Ilmarinen**, and **Heli Skottman**, StemSight has secured permanent premises at Tampere University's Kauppi campus, which is a hub for health and medical research in the city.

"We have fantastic facilities, and Kauppi offers excellent infrastructure. Establishing the entire company would not have been possible if we had to invest the initial capital in equipment and walls," adds Koivusalo.

No quick wins

While StemSight's focus is on developing a technology aimed at curing corneal blindness, the technology the company is developing is not limited to just one treatment for blindness.

"When it comes to drug development, we are talking about approximately ten years, and there is

Did you know?

Tampere University established the Regea Tissue Center in 2004, enabling the birth of companies like StemSight in Tampere.

no revenue generated before the product is sold," says Laura Koivusalo.

Globally, there is significant interest in cell therapies, and all major pharmaceutical companies have a strategy and development work related to them. For StemSight, it is crucial that the company's unique product and story appeal to investors.

"We have a strong sense that we want to pay back public funding to society. Since we, as medical researchers, are supported, we have a responsibility not only to develop treatment methods but also to create jobs," says Anni Mörö.

Mörö estimates that in the near future, the company could employ at least dozens of people in the Tampere Region region and create an entirely new industry based on biotechnology and cell therapy research.

Staying in Tampere

The company actively leverages an international research network in its work.

"At Tampere, there is expertise and room to grow, and with the long-standing training in the field, there is also a skilled workforce."

"Tampere has expertise and room to grow, and with the long-standing training in the field, there is also a skilled workforce," says Anni Mörö.

"Companies based on stem cell technology have an especially good sense of community because all applications are different despite the same underlying technology," adds Laura Koivusalo.

Despite international opportunities, Koivusalo and Mörö hope that the company will remain in Tampere in the future, both in terms of research and production.

"Here, there is expertise and room to grow, and with the long-standing training in the field, there is also a skilled workforce," says Koivusalo.

"We can offer a working environment that is unique in Finland," adds Anni Mörö.

ENTREPRENEUR'S MESSAGE TO DECISION-MAKERS

"We are proud that we come from Tampere University, from which it was possible to start and take our developed technology with us into the business world. We hope that this will be increasingly possible not only in the Tampere Region but elsewhere as well, as it would encourage researchers to start more companies."



In the picture: Anni Mörö and Laura Koivusalo

NUMBER OF EMPLOYEES: 9

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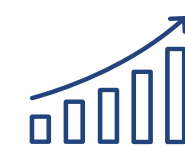
FOOD INDUSTRY

The largest units in the Tampere Region food industry are focused on the production of convenience foods, as well as meat processing and fish products. In 2022, the turnover increased by 11.3% compared to 2021. The turnover continued to grow in the first quarter of 2023 by 14.4% and in the second quarter by 4.3%, compared to the corresponding quarters of the previous year.



€603 MILLION

Turnover 2022



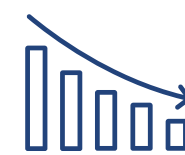
8.9 %

Turnover change



€41 MILLION

Exports 2022



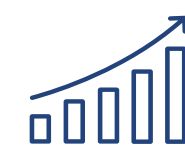
-3.7 %

Export change



166

Establishments 2022

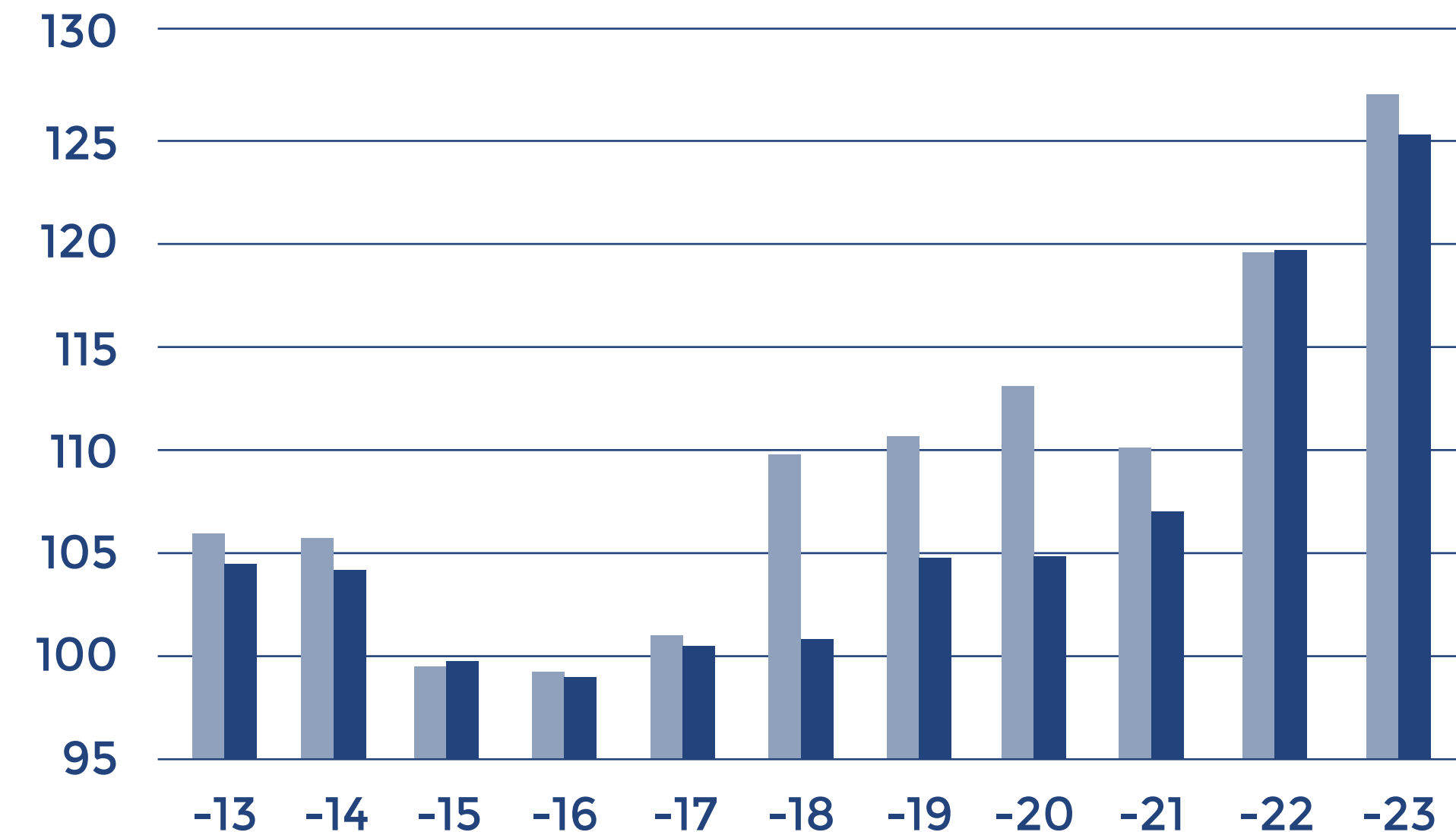


9.2 %

Turnover change in
the 1st half of 2023

Turnover trend comparison 2015=100

■ Tampere Region ■ Finland



Standard Industrial Classification (TOL) 10-12 – Manufacture of food products, beverages, and tobacco products

EXAMPLE COMPANIES
IN THE INDUSTRY:

SAARIOINEN • LEIVON LEIPOMO BAKERY • KALANEUVOS • TAPOLA MEAT PROCESSING •
YRJÖ WIGREN • LINKOSUO BAKERY • KYMPPI-MAUKKAAT

EUROPEAN UNION FUNDING MUST BE WISELY TARGETED IN TAMPERE REGION

In a developing and growing region like Tampere Region, success cannot solely rely on external aid or support. In the freely phrased words of Regional Director Emeritus Esa Halme: European Union development funding can, however, be the key to unlocking a crucial lock.

Limited tools

Tampere Region has fewer tools for regional development compared to its size. The funding from the European Union's regional and structural policy program to the region, calculated per inhabitant for the 2021–2027 program period, is 13.4 euros annually. In a similarly successful region like Northern Ostrobothnia, this figure, for example, is nearly seven times higher. With significant amounts of euro-denominated support missing, Tampere Region needs to use the available instruments intelligently and wisely.

Success in competition

Tampere Region has been successful in directing its limited resources to the right targets. Well-directed small streams have grown into significant currents of influence. The region's ability to utilise large, international financing instruments is strong. In exploring Horizon funding for research and innovation, Tampere Region is second in Finland, following overwhelmingly behind Uusimaa. It is also noteworthy that the funding received by national

research institutes, such as VTT, is recorded at the headquarters in Uusimaa.

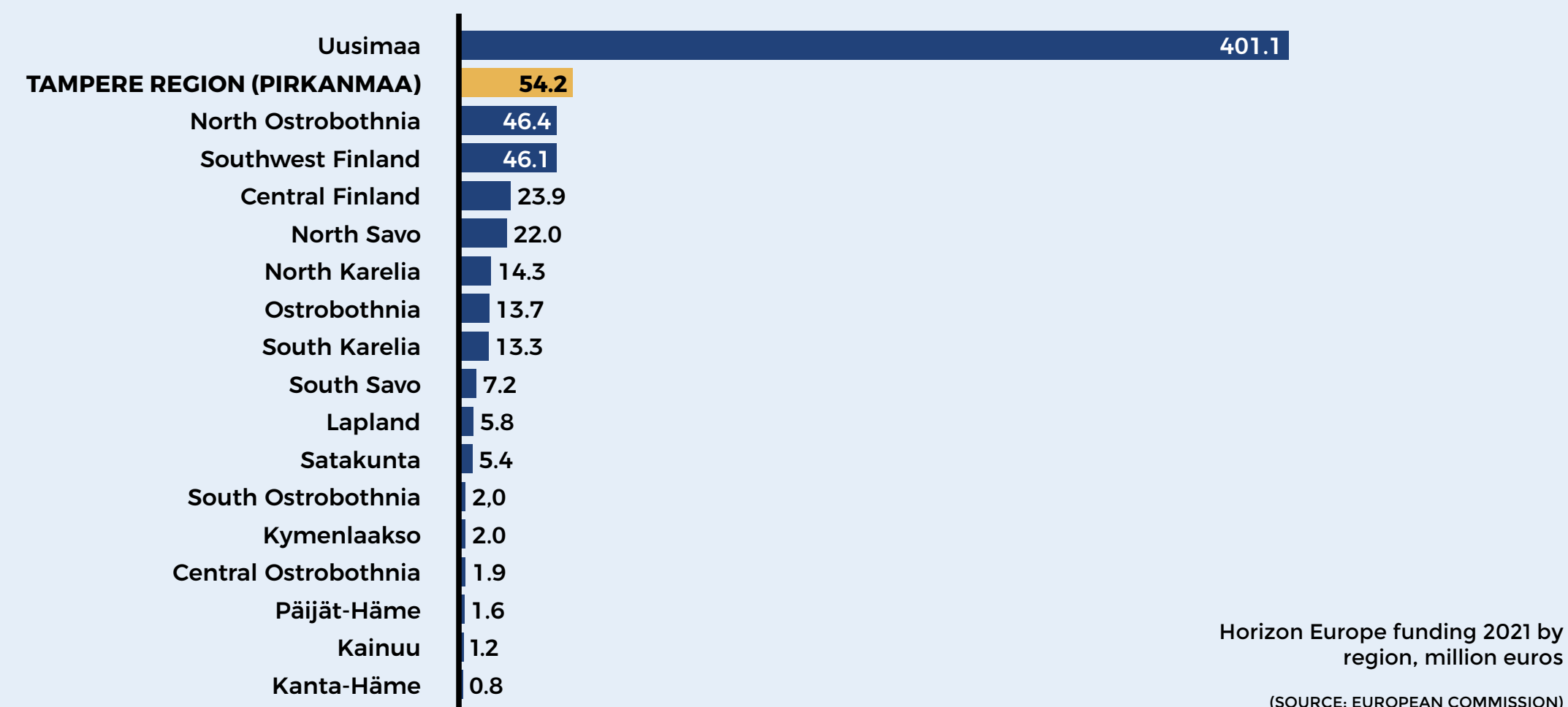
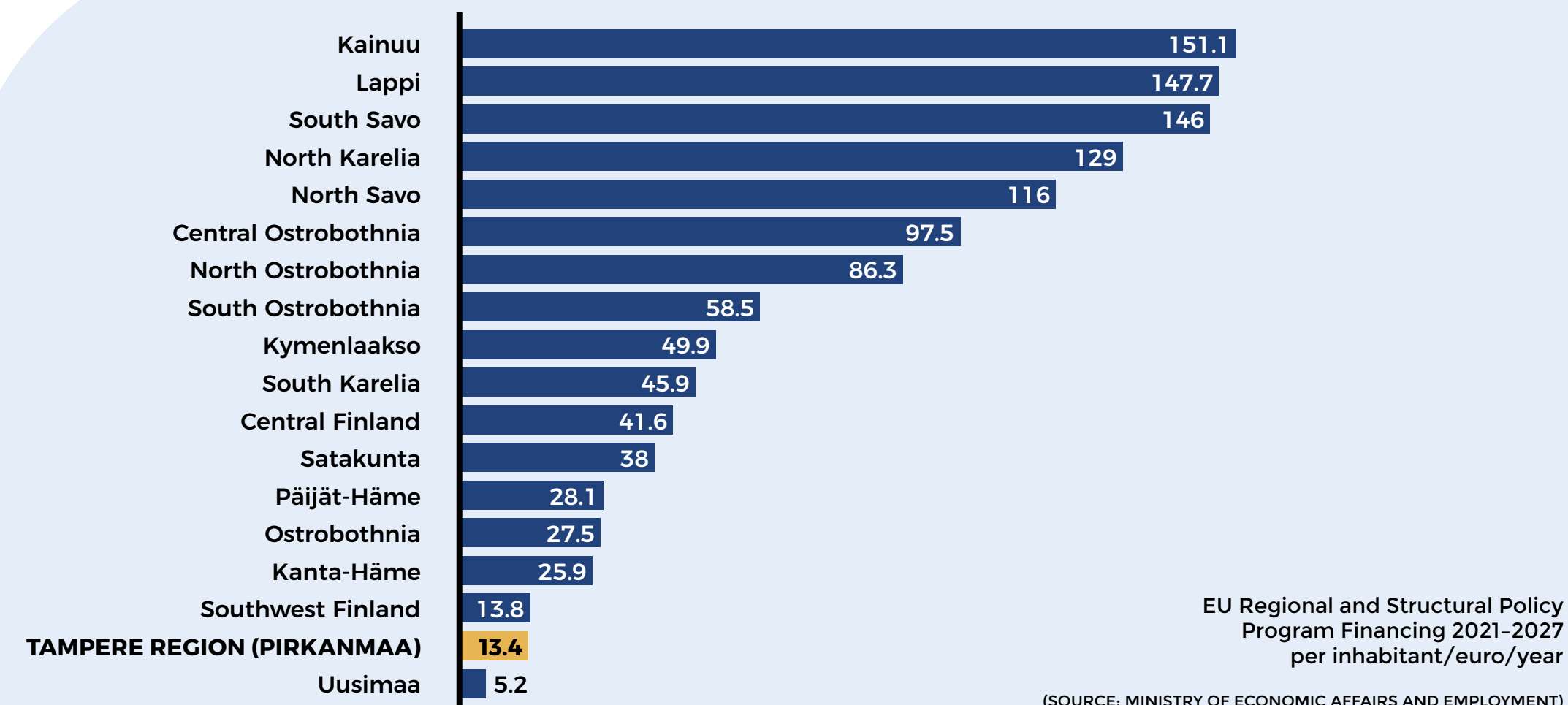
Tampere Region has also received the second-highest amount of funding from the European Union's Recovery and Resilience Facility (RRF), which is competitive money. Additionally, the region has a strong grip on utilising Interreg funding for inter-regional cooperation.

Towards the future

The projects of the European Union's previous 2014–2020 program period have just concluded, with the last payments to be made next spring. The new 2021–2027 period has just begun, and the first projects have only recently received funding decisions and initiated actions. Nevertheless, the focus is already on the more distant future.

Projects for the upcoming EU program period starting in 2028 will still be implemented in 2037. In an uncertain world, the perspective is exceptionally long. Discussions are ongoing, for example, on whether the emphasis should be on competitiveness or actions strengthening cohesion. According to EU Regional Commissioner Ferreira, who visited Finland, the green and digital transition will remain central. The potential EU membership of Ukraine will have a significant impact on the allocation of funding.

Particular attention has been paid in Tampere Region to the capability of companies to leverage European Union funding. This choice is undoubtedly correct, even in the future.



A BOOKSTORE MAKES THE WHOLE TOWN THRIVE

Vinha Bookstore in Ruovesi, founded in the early 1900s, came to life again this spring when two veterans in the book industry purchased it. Simultaneously, the entire business life in Ruovesi gained new vitality.

"Was buying Vinha Bookstore a rational decision? No, it wasn't. This was based on something other than Excel spreadsheets," says Mikko Vartiainen, another of the new owners.

Vartiainen and the other co-owner of the bookstore, Pasi Vainio, opened the renovated store on the Day of the Book and the Rose on April 23, and since then, the bookstore has been open every day. Business has been thriving.

"When we were planning to buy the store, it was clear that a simple bookstore in a rural location would not be profitable. A vision emerged that the house would also have an antiquarian bookstore, an art gallery, a café-restaurant with a liquor licence, events, and accommodation," Vartiainen continues.

To top it off, the bookstore includes a terrace and a thousand-square-metre garden with a performance stage converted from a 1950s garage, equipped with fixed lights and sound.

"Behind everything is the idea that the bookstore itself remains."

A selection that reflects the owners

Vinha's business was originally put up for sale as just a building because the previous owners didn't believe that anyone would want to continue

running a bookstore in Ruovesi. Vartiainen and Vainio bought the building and the name but decided to create an entirely new product range.

"The selection is very much like us. We favour literature that we consider important," says Vartiainen.

Funding for the project came partly from the duo's own pockets, partly from the Tampere Region Fund of the Finnish Cultural Foundation and Leader funding. The local Osuuspankki bank became the main funder.

"The bank's branch is next door, and they have been really proud of our support. Ruovesi has gained an entirely new life with the renewed Vinha."

"Ruovesi has gained an entirely new life with the renewed Vinha Bookstore."

"Despite all the additional activities, the most important item for sale in the bookstore is the book."

"We closely monitor cash register reports, and every day, our best-selling product has been a new book," says Vartiainen.

Positive radiance

Both Vartiainen and Vainio have been book enthusiasts for a long time. Vartiainen owns a group of antiquarian bookstores and has worked in publishing. Vainio, on the other hand, has had a career, among other things, as the CEO of the publishing company Otava.

Did you know?

Vinha Bookstore celebrated its 120th anniversary this year. For the first 119 years, it was run by the Vinha family across four generations.

"In Vinha, we favour not only books from major publishers but especially books from small publishers, and the entire selection is carefully curated. It has received a lot of praise," says Vartiainen.

The day at the store starts early because breakfast needs to be prepared for the guests. On weekends, the doors close only at ten in the evening so that the patrons on the terrace don't get the last calls too early.

"After three months, it feels like we've been running the store for much longer because the days are so long. In terms of finances, the operation has started well, but the best reward emotionally is that other entrepreneurs in Ruovesi thank us. We've been told that Ruovesi has come back to life, and Vinha radiates customers to all the other businesses in the village."

ENTREPRENEUR'S MESSAGE TO DECISION-MAKERS

"Take care of the infrastructure, and we will take care of the business. Many criticise bureaucracy, but I think we have a good country to live in, and it's a joint success. Politicians and officials are at the forefront in that."



In the picture: Mikko Vartiainen

REVENUE FORECAST FOR 2023: €500,000
NUMBER OF EMPLOYEES: 4

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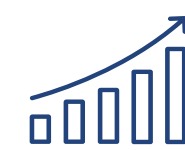
RETAIL TRADE

Inflation and the weakening of consumer purchasing power have posed challenges to the retail sector. However, in a net migration gain region like Tampere Region, the trade can develop favourably. In the first quarter of 2023, the turnover of the retail trade increased by 3.4%, and in the second quarter, by 0.9% compared to the same quarters of the previous year.



€4,162 MILLION

Turnover 2022



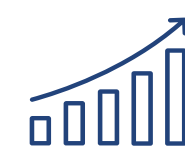
2.8 %

Turnover change



2,521

Establishments 2022

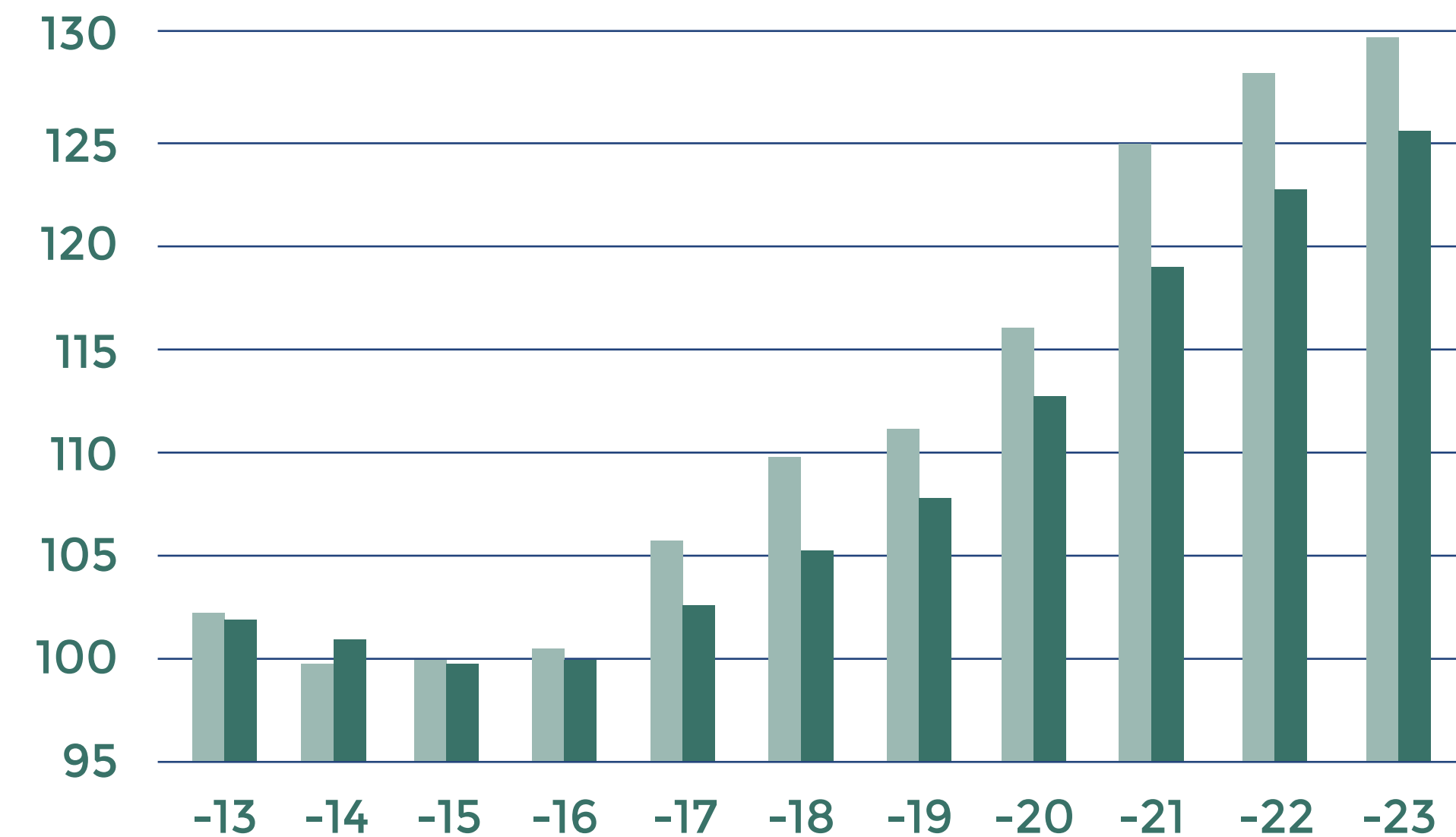


2 %

Turnover change in
the 1st half of 2023

Turnover trend comparison 2015=100

■ Tampere Region ■ Finland



Standard Industrial Classification (TOL) 47

EXAMPLE COMPANIES
FROM THE INDUSTRY:

PIRKANMAAN OSUUSKAUPPA • KESKO • IKEA • POWER FINLAND • BAUHAUS & CO. •
VERKKOKAUPPA.COM • STOCKMANN

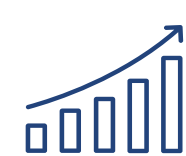
WHOLESALE TRADE

The turnover of wholesale trade in the Tampere Region region grew throughout the year 2022, except for a slight dip in December. In the first quarter of 2023, turnover increased by 2.7%, but in the second quarter, it contracted by 0.8% compared to the corresponding quarters of the previous year.



€6,588 MILLION

Turnover 2022



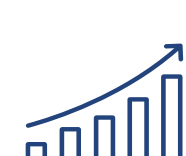
5.3 %

Turnover change



2,468

Establishments 2022

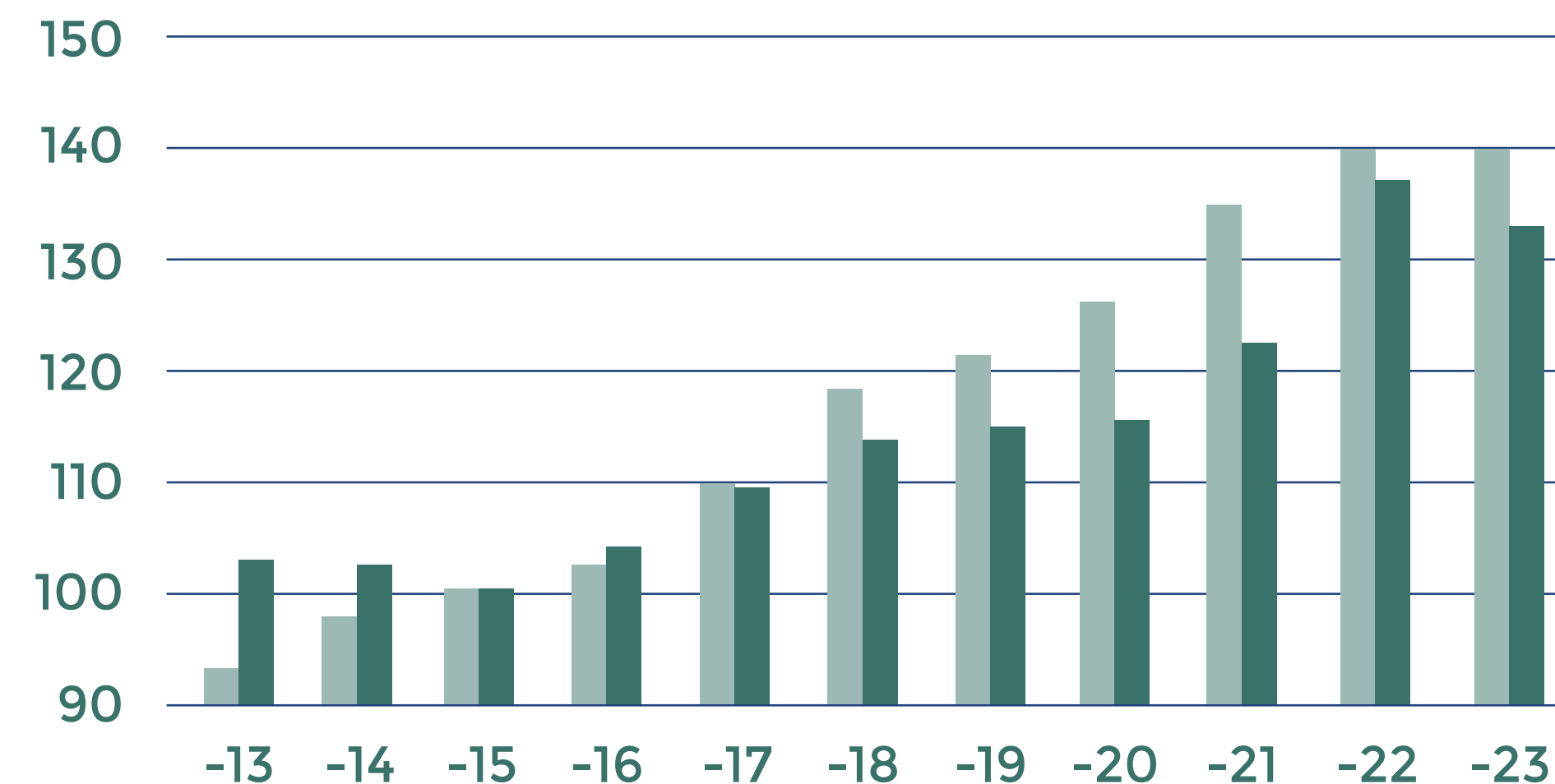


0.8 %

Turnover change in
the 1st half of 2023

Turnover trend comparison 2015=100

■ Tampere Region ■ Finland



Standard Industrial Classification (TOL) 45-46

**EXAMPLE COMPANIES
FROM THE INDUSTRY:**

**TAMRO • UPM-KYMMENE • F9 DISTRIBUTION • STARTAX FINLAND • ALSO FINLAND •
TAMMER BRANDS • SANTEN**

GEOPOLITICAL WAVES AFFECTING THE EVERYDAY LIFE OF TAMPERE REGION EXPORT COMPANIES

Export companies have had to adapt to disruptions in global trade and distribution channel problems. First, the pandemic disrupted global trade flows. Russia's invasion of Ukraine in the spring of 2022 further complicated the situation. Nevertheless, Tampere Region's export companies performed well in 2022 and the first half of 2023.

The export turnover of Tampere Region companies grew by 13.4% in 2022, reaching 9.5 billion euros. With favourable development continuing, the 10 billion mark will be surpassed in 2023.

During the first half of this year, export growth has continued at a rate of 5.7%. Geopolitics has made a return to international trade. For an increasing number of export items, the world has started to divide into blocs. Trade barriers have also increased.

In a survey of export directors conducted by chambers of commerce, about 98% of the companies reported that geopolitical uncertainty and the resulting disruptions affect the company's profitability in some way: 12% significantly, 64% to some extent, and 21% slightly.

In a survey conducted at the beginning of the year, 94% of respondents estimated that geopolitical uncertainty and resulting disruptions affect

their company's profitability. At that time, 19% of companies responded significantly, 50% to some extent, and 24% slightly.

Chambers of commerce are also assisting companies

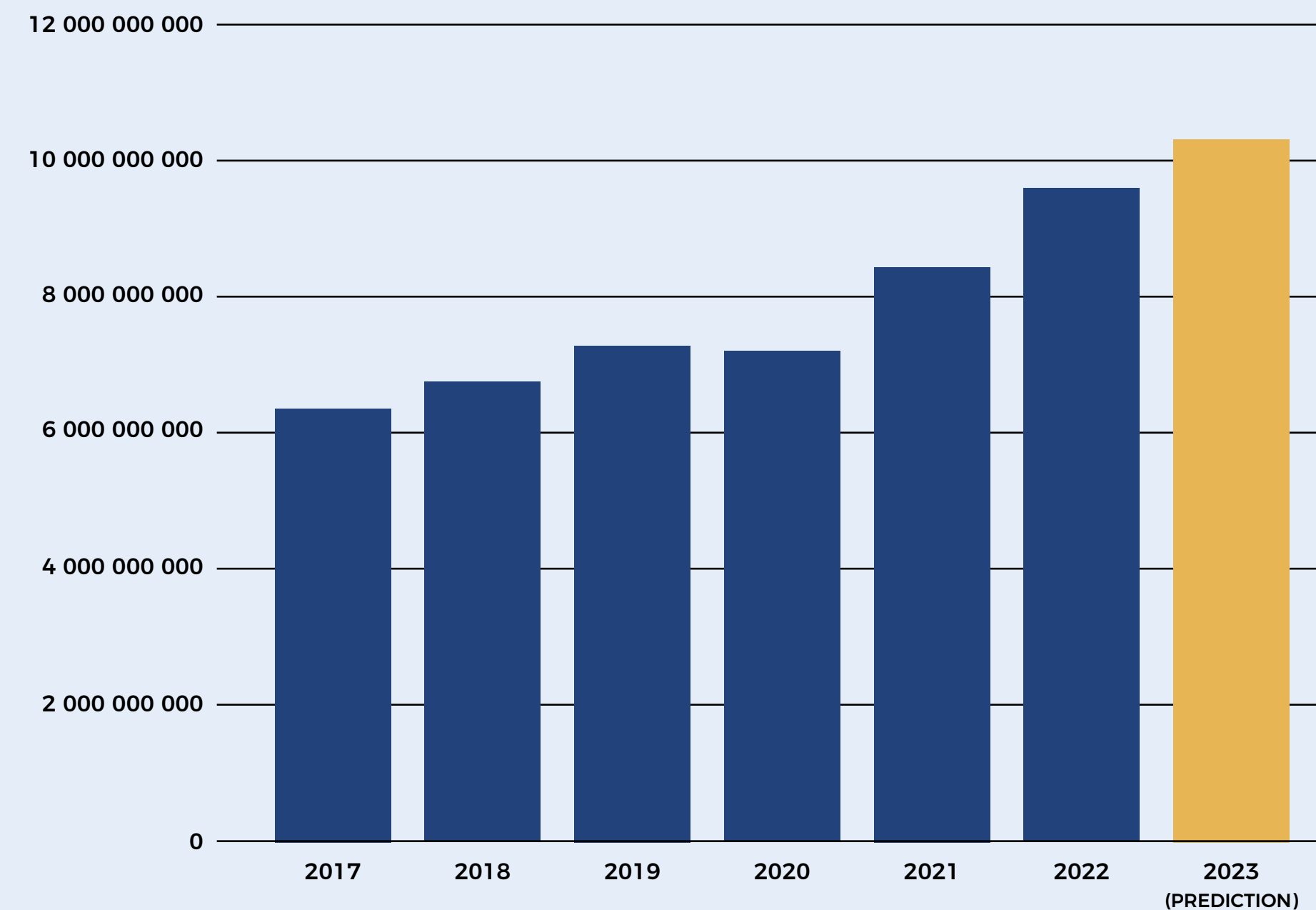
Tampere Chamber of Commerce has established a new international trade working group. In the inaugural meeting, the group was likened to rapid response forces that come to the aid of companies in exceptional situations and other obstacles in international trade.

Markus Sjölund, Director of Tampere Chamber of Commerce, explained: "Readiness for rapid response was particularly sought after both during the COVID-19 pandemic and the outbreak of the war in Ukraine." The international trade working group was established for joint efforts, benchmarking, and sharing of expertise.

The group includes sixteen export, import, and logistics companies, with **Reetta Heinonkoski**, Head of Office responsible for foreign trade documents at Tampere Chamber of Commerce, serving as secretary.

And when it comes to exports, the chamber naturally issues important export documents!

Tampere Region export turnover



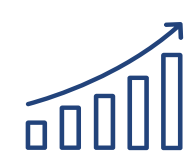
CHEMICALS, RUBBER, AND PLASTICS

The industrial sector in Tampere Region is concentrated on the manufacturing of tires, as well as plastic sheets, films, pipe profiles, and construction plastics. In the first half of 2023, the industry has been affected by a challenging comparison period (significant growth in 2022) and a weakened demand in the construction sector.



€2,212 MILLION

Turnover 2022



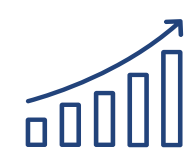
6.3 %

Turnover change



€1,265 MILLION

Export 2022



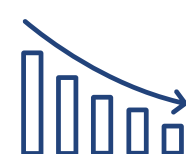
2.7 %

Export change



136

Establishments 2022

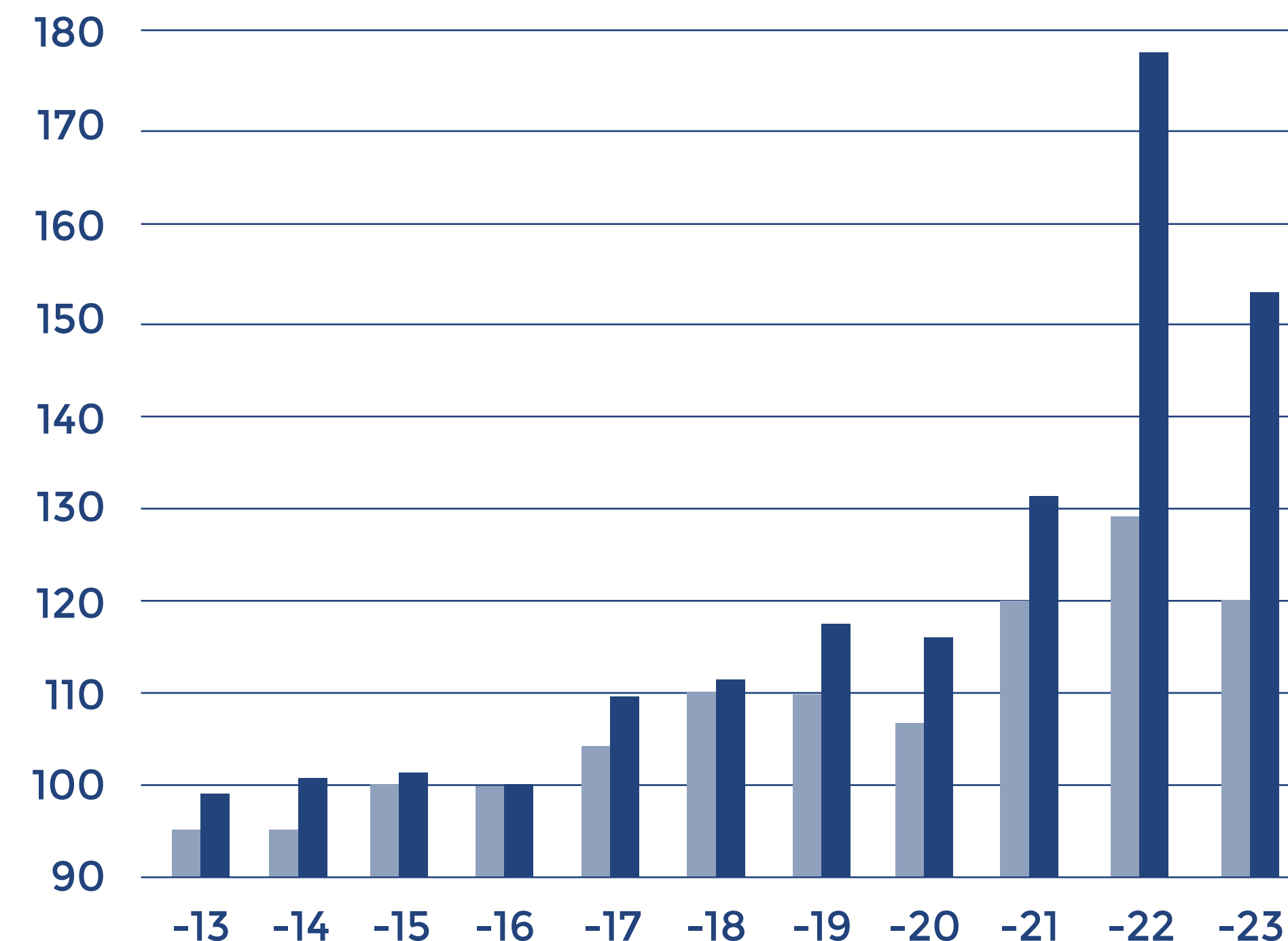


-8.7 %

Turnover change in
the 1st half of 2023

Turnover trend comparison 2015=100

■ Tampere Region ■ Finland



EXAMPLE COMPANIES
FROM THE INDUSTRY:

NOKIAN RENKAAT • AMCOR FLEXIBLES VALKEAKOSKI • NOKIAN RASKAAT RENKAAT •
TEKNIKUM • KIILTO • FORMICA IKI • MOLOK

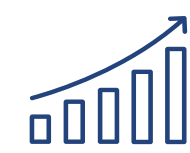
FOREST INDUSTRY

Throughout 2022, the turnover of the forest industry in Tampere Region increased by 13.1%. In the first half of 2023, the industry's turnover has contracted by 4.4%. Companies in Tampere Region produce, among other things, corrugated board and cardboard. Reduced consumption and the decrease in transport related to online shopping have challenged the demand for packaging products.



€3,182 MILLION

Turnover 2022



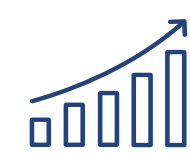
13.1 %

Turnover change



€2,526 MILLION

Export 2022



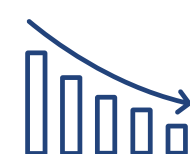
11.2 %

Export change



363

Establishments 2022

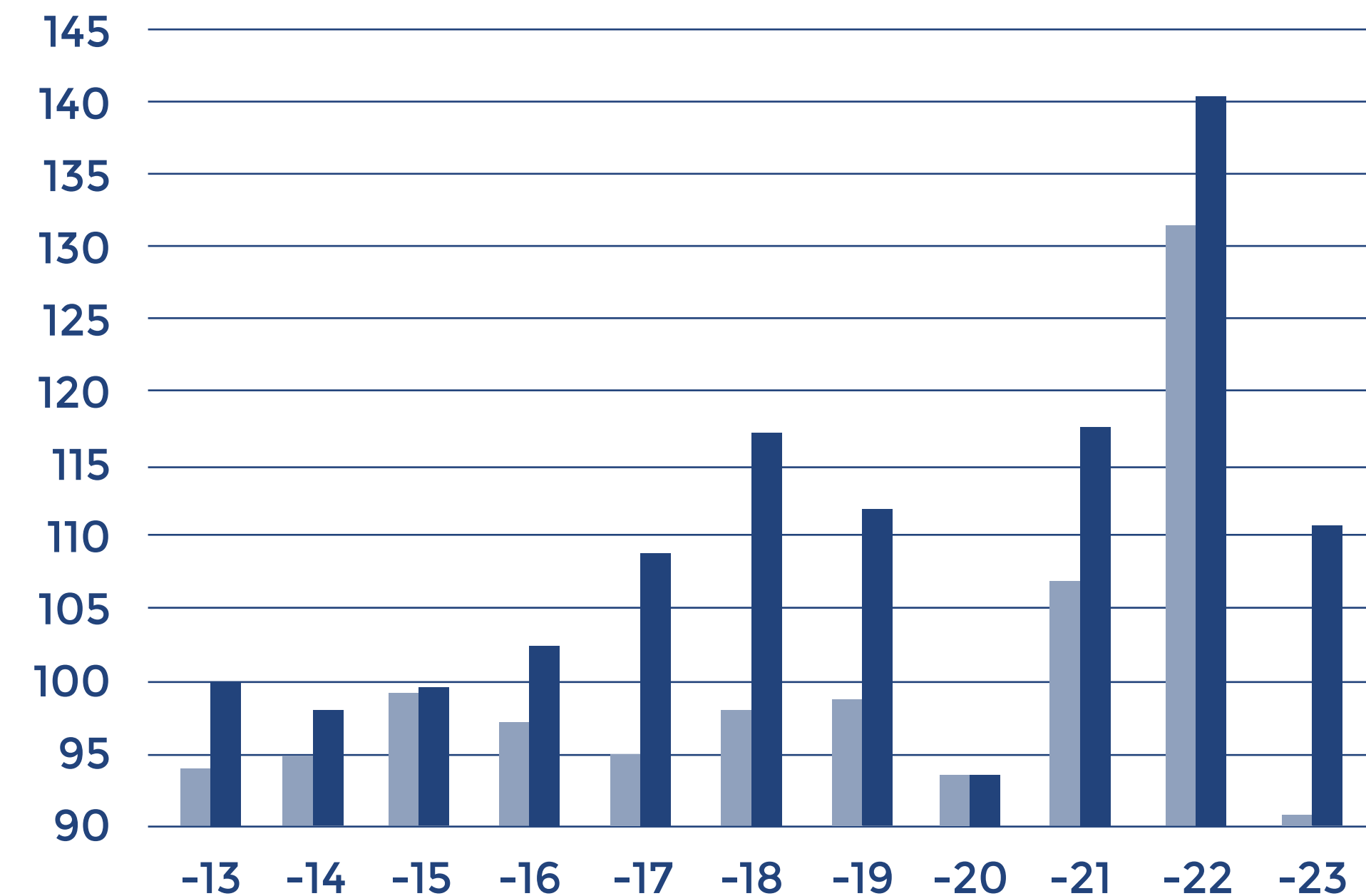


-4.4 %

Turnover change in
the 1st half of 2023

Turnover trend comparison 2015=100

■ Tampere Region ■ Finland



Standard Industrial Classification (TOL) 16-18

**EXAMPLE COMPANIES
FROM THE INDUSTRY:**

UPM-KYMMENE • METSÄ TISSUE • UPM RAFLATAC • ADARA PAKKAUS • METSÄ BOARD • ESSITY FINLAND

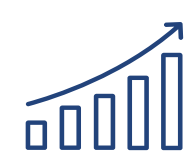
ACCOMMODATION AND CATERING INDUSTRY

Throughout 2022, the turnover grew by 32.3%, surpassing the previous year. In the first quarter of 2023, the industry's turnover increased by 43.8%, and in the second quarter, by 7.7% compared to the same periods in the previous year. Events held in Tampere Region, such as the Ice Hockey World Championships, have contributed to the industry's robust growth and recovery to post-pandemic levels.



€837 MILLION

Turnover 2022



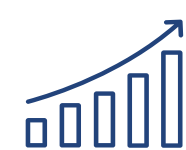
32.3 %

Turnover change



1,575

Establishments 2022

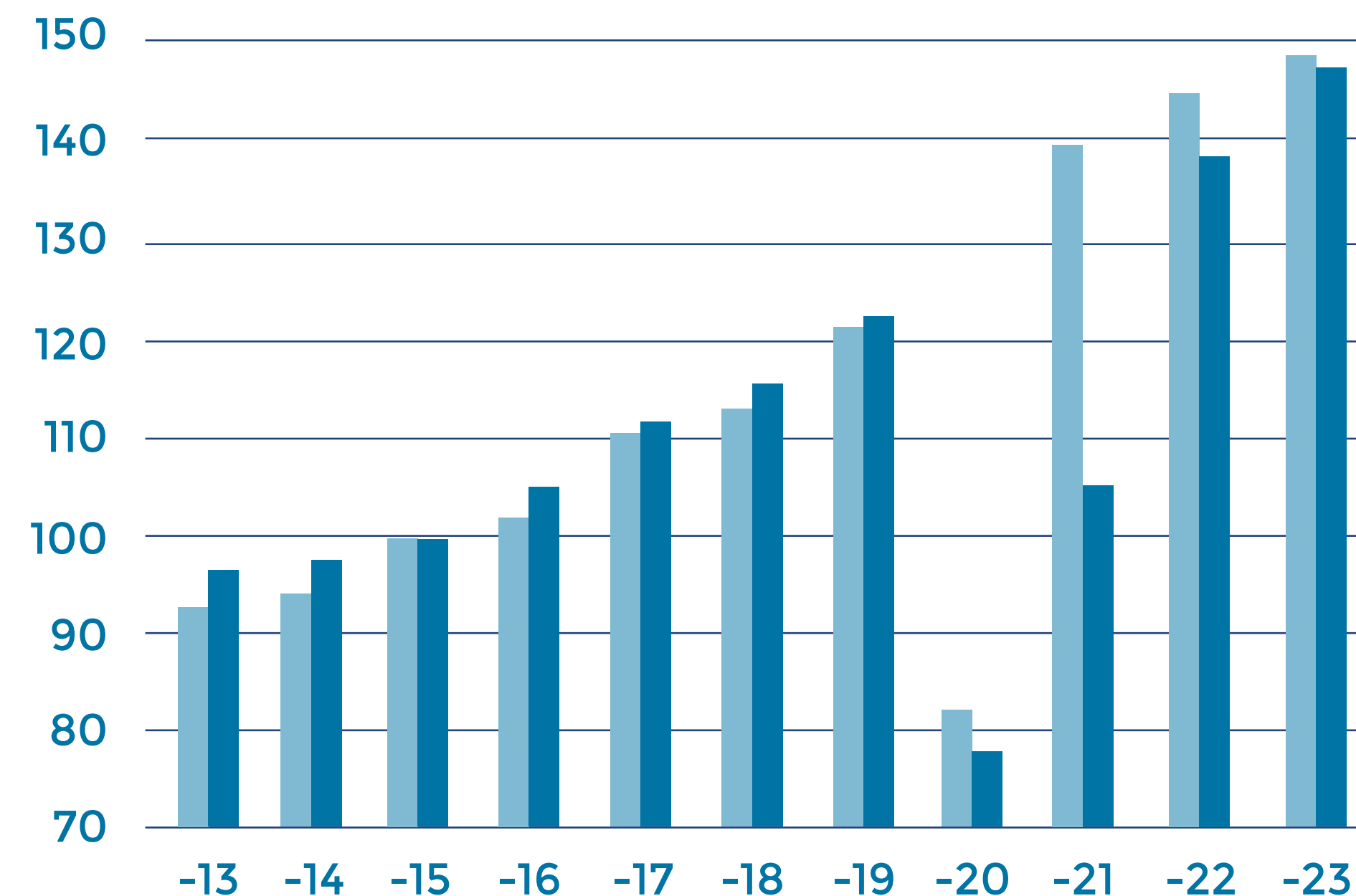


21.8 %

Turnover change
1st half of 2023

Turnover trend comparison 2015=100

■ Tampere Region ■ Finland



Standard Industrial Classification (TOL) I (55-56):
Accommodation and food service activities

EXAMPLE COMPANIES
FROM THE INDUSTRY:

PIRKANMAAN OSUUSKAUPPA • PIRKANMAAN VOIMIA • SOKOTEL • HOLIDAY CLUB RESORTS •
TAMPEREEN PANIMORAVINTOLA • JUVENES • NORLANDIA CARE

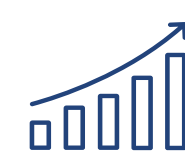
BUSINESS SERVICES

In Tampere Region, the turnover of businesses serving the business sector, such as insurance, finance, real estate, and personnel services, has developed favourably.



€4,104 MILLION

Turnover 2022



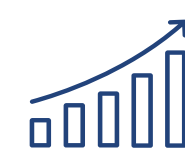
10.2 %

Turnover change



8,567

Establishments 2022



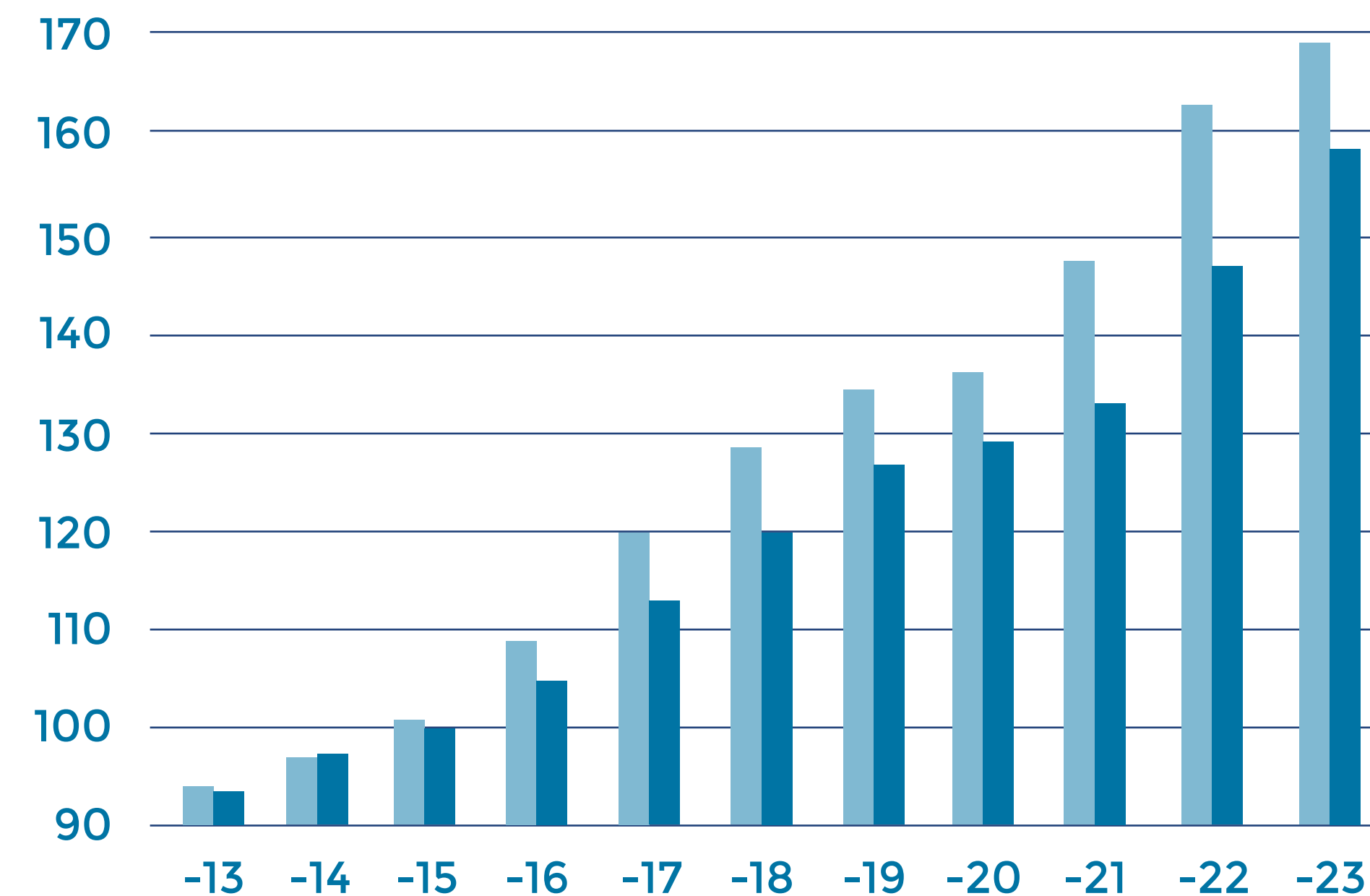
5.3 %

Turnover change in
the 1st half of 2023

Standard Industrial Classification (TOL) K (64-66): Financial and insurance activities; L (68): Real estate activities; M (69-75): Professional, scientific and technical activities; N (77-82): Administrative and support service activities

Turnover trend comparison 2015=100

■ Tampere Region ■ Finland



EXAMPLE COMPANIES
FROM THE INDUSTRY:

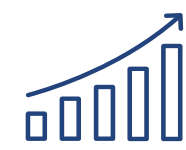
ISS PALVELUT • POHJOLA INSURANCE • ADECCO FINLAND • SOL PALVELUT •
REKRYTOINTIPALVELU SIHTI • RAMBOLL FINLAND

CONSTRUCTION

In the construction sector, the year 2022 went well due to ongoing projects. In the first quarter of 2023, the turnover continued to grow by 6.9% from the previous year but declined by 2.5% in the second quarter. In addition to increased costs, the industry faces the challenge of rising interest rates.



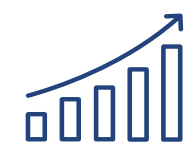
€4,111 MILLION
Turnover 2022



9.3 %
Turnover change

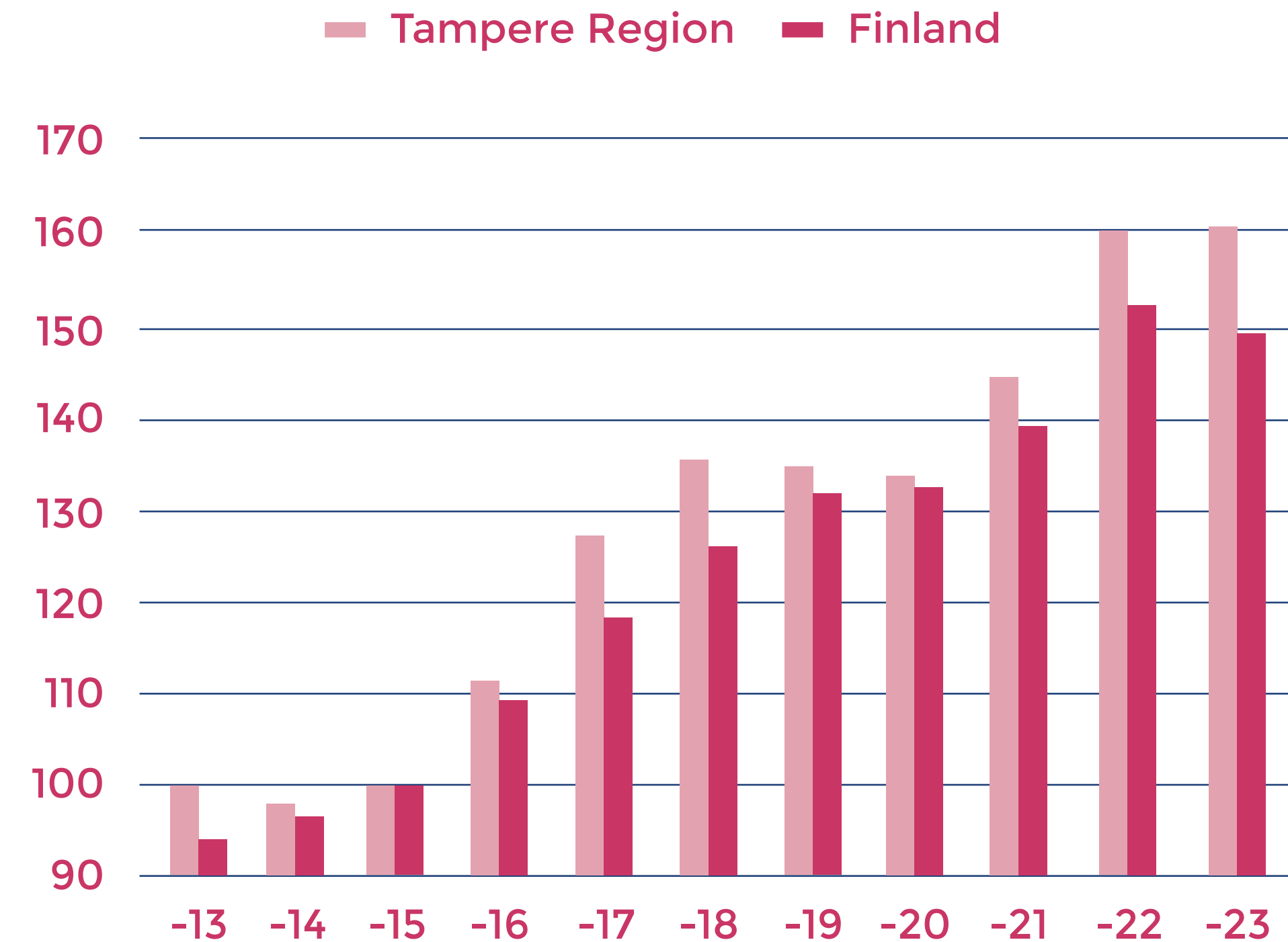


4,209
Establishments 2022



1.7 %
Turnover change in
the 1st half of 2023

Turnover trend comparison 2015=100



Standard Industrial Classification (TOL) F (4-43): Building construction, civil engineering, and specialised construction activities

**EXAMPLE COMPANIES
FROM THE INDUSTRY:**

**TAMPEREEN INFRA • YIT FINLAND • CAVERION FINLAND • ARE • NRC GROUP FINLAND •
SKANSKA TALONRAKENNUS • LUJATALO**

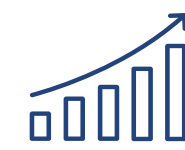
EXPERIENCE ECONOMY

The turnover of the experience economy cluster increased by 21.9% in 2022 compared to the previous year. In the first quarter of 2023, the turnover was 19.1% higher, and in the second quarter, 5.4% higher than a year ago. Events held in Tampere Region, such as the Ice Hockey World Championships, have contributed to the industry's robust growth and recovery to post-pandemic levels.



€2,068 MILLION

Turnover 2022



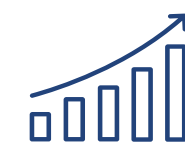
20.9 %

Turnover change



6,229

Establishments 2022

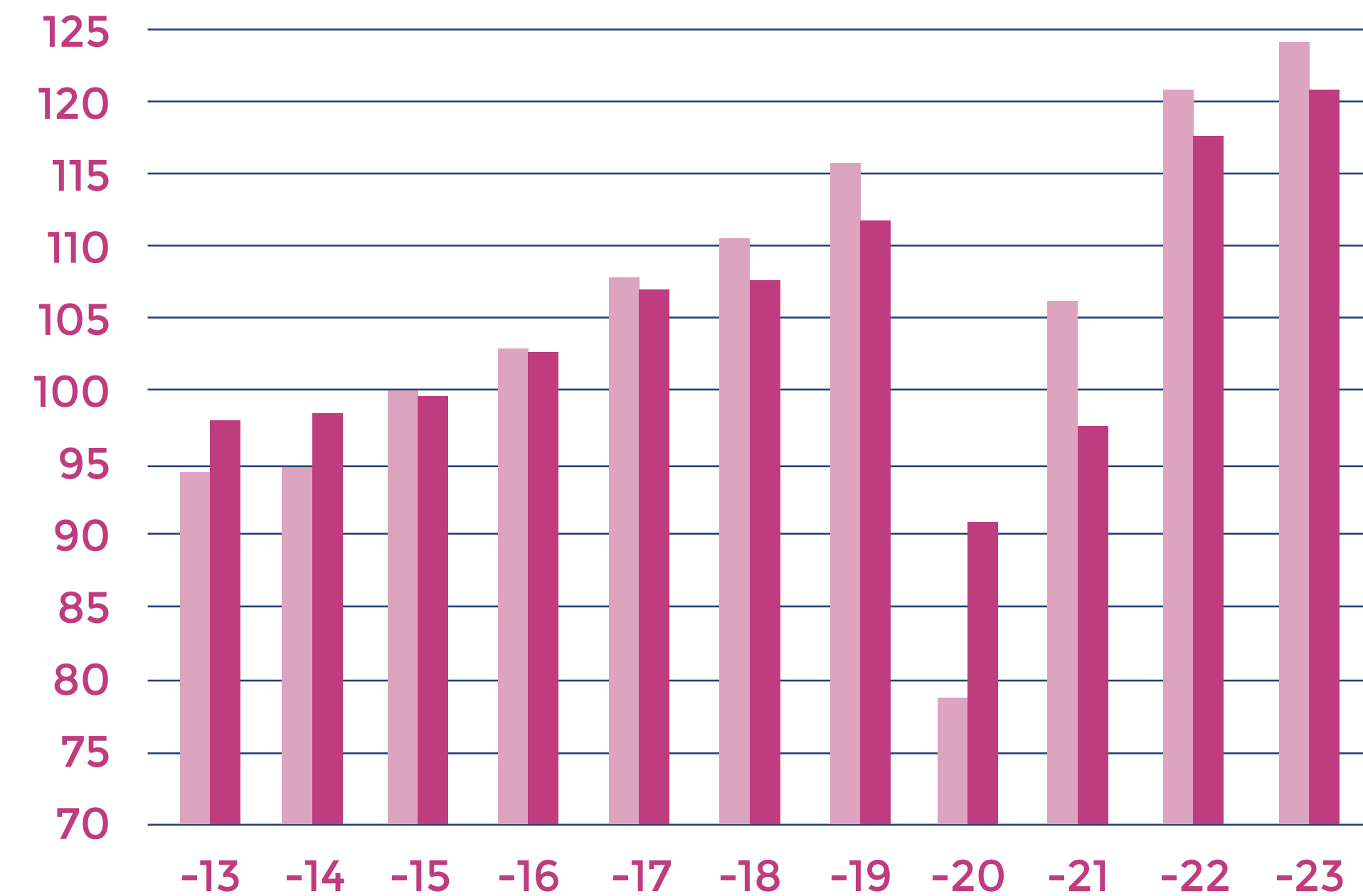


13.2 %

Turnover change in
the 1st half of 2023

Turnover trend comparison 2015=100

■ Tampere Region ■ Finland



TAMPERE REGION ECONOMIC REVIEW 2023

PUBLISHERS

Business Tampere
www.businesstampere.com

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Pirkanmaa Federation of Entrepreneurs
www.yrittajat.fi/pirkanmaa

Tampere Chamber of Commerce
www.tampere.chamber.fi

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