



**Annual Report for
Index International AB**
556561-0770

01.01.2012 –
31.12.2012





The annual report is prepared in thousands of Swedish kronor, TSEK.

Administration Report

Information regarding operations

The Group owns, manages, develops and invests in properties, in the Stockholm and Mälardalen region, as well as in Toronto (Canada) and the State of Florida (USA). In addition to real estate, the Group has an investment in a biomass co-generation plant, located in Ajax, just east of Toronto in the Province of Ontario, which qualifies as renewable energy under the Ontario Power Authority's Feed in Tariff Program.

The Parent Company, Index International AB, also offers management services and administrative and financial services to the companies in the Group. Real estate holdings are located in various subsidiaries and associated companies.

Ownership structure

Index International AB has its registered office in the municipality of Stockholm, in Stockholm County and is a jointly-owned associated company of Bjarne Borg Management AB (Corporate Identity Number 556666-3000) and Fredrik Alama Management AB (Corporate Identity Number 556666-2051).

Significant events

During the year, the usual routine management of properties owned by Opalo Holding AB has taken place.

The project Jublet 1 (Västermalmsstrand), which is jointly-owned in equal proportion with Skanska Sverige AB, has progressed according to plan. In addition, the project Leendet 1 (Västermalmsterrassen), which is jointly-owned in equal proportion with Skanska Nya Hem AB, has progressed according to plan. The demand for these tenant-owner properties is high.

During the first quarter, the building right for Gyllene Ratten 1 in Fruängen, Stockholm, owned 50/50 with SSM Bygg & Fastighets AB, was sold.

Index International has continued to finance investments in new construction of multi-family rental apartments in Florida, so far primarily in Palm Beach County as well as in industrial properties in the northeastern United States, with high yield potential. The investments are made through lending to an American company structure owned by owners of the Index International AB with clear exit strategies.

The Company, has through its subsidiary Index Investment LLC, invested in the commercial aviation industry in the U.S. Index Investment, LLC established Index Aviation, LLC, which acquired several aviation related companies located in Palm Beach County, Florida. As of December 31, 2012, Index Investment, LLC and Stinson Aviation Holdings, LLC (U.S. Partner) each owned respectively 50% of Index Aviation, LLC. .

Index Aviation LLC represents a new investment in established business in the commercial aviation industry in Palm Beach County, Florida. Index Aviation, LLC has its principal office at North Palm Beach County Airport in West Palm Beach, Florida and offers a wide range of services through its subsidiaries, including aircraft maintenance, flight training and aircraft sales and aircraft management. The goal is to become one of Florida's finest full service providers in the private aviation industry.

Significant events after the end of the financial year

The Company's investment in the biomass plant in Ajax outside Toronto, province of Ontario, is presently going through a financing process with National Bank acting as the lead bank manager to raise debt financing in the approximate amount of CDN\$60 Million. The purpose of the construction loan is to redevelop the existing plant into a state of the art co-generation facility. After the redevelopment the plant will produce approximately 17.8 MW of electricity, together with steam for distribution via its dedicated steam distribution system. National Bank intends to syndicate the construction loan with approximately three other banks.

Five-year overview

The Group

Equity/assets ratio (%)

2012	60
2011	58
2010	58
2009	52
2008	13

Return on equity (%)

2012	
2011	5
2010	35
2009	86
2008	

Total assets

2012	1,470,554
2011	1,524,841
2010	1,635,142
2009	991,640
2008	673,299

Equity

2012	882,403
2011	881,737
2010	950,708
2009	517,931
2008	88,851

Parent Company

Equity/assets ratio (%)

2012	60
2011	72
2010	72
2009	66
2008	19

Return on equity (%)

2012	
2011	4
2010	2
2009	90
2008	20

Total assets

2012	832,469
2011	681,119
2010	754,059
2009	812,203
2008	427,946

Equity

2012	437,988
2011	491,124
2010	543,104
2009	544,271
2008	80,549

Summary covering several years (TSEK)

	2012	2011	2010	2009	2008
The Group					
Net sales	79,515	135,540	97,832	73,865	97,367
Income after financial items	-37,384	48,171	329,338	451,650	-26,975
Equity/assets ratio (%)	60	58	58	52	13
Return on equity (%)	neg	5	35	86	neg
Total assets	1,470,554	1,524,841	1,635,142	991,640	673,299

	2012	2011	2010	2009	2008
Parent Company					
Net sales	1,030	2,071	9,979	3,507	3,849
Income after financial items	-6,481	21,544	12,952	492,340	17,574
Equity/assets ratio (%)	53	72	72	66	19
Return on equity (%)	neg	4	2	90	20
Total assets	832,469	681,119	754,059	812,203	427,946

Proposed appropriation of profits

The Board of Directors proposes that the available profits (SEK):

profit brought forward	434,218,783
net profit for the year	-8,231,464
	425,987,319

be distributed as follows	
to be carried forward	425,987,319
	425,987,319

For information regarding the Company's results and financial position, refer to the income statement, balance sheet and cash flow statement below, with accompanying notes.

Consolidated income statement

	Note	1 Jan 2012 - 31 Dec 2012	1 Jan 2011 - 31 Dec 2011
Net sales	1a,1b	79,515	135,540
Other operating income	2	8,751	1,672
		88,266	137,212

Operating expenses

Purchases of goods and services		-37,339	-46,579
Other external expenses	3	-30,911	-24,664
Personnel costs	4	-10,746	-14,638
Depreciation and write-downs of tangible and amortisation and write-downs of intangible fixed assets		-25,452	-30,275
Write-downs of sold properties		-202,294	-21,959
Other operating expenses		2,062	-4,332
Profit (loss) from participations in associated companies before tax		-228	4,922
		-304 908	-78,478
Operating income		-216,642	58,734

Result from financial items

Profit (loss) from participations in Group companies	5	214,358	59,047
Result from participations in associated companies	6	-16,140	-13,257
Result from other securities and receivables accounted for as fixed assets	7	-21,535	1,091
Interest income and similar profit/loss items	8	18,104	16,922
Interest expenses		-15,529	-15,319
Profit after financial items		-37,384	48,171
Profit/loss before tax		-37,384	48,171
	9		
Deferred tax		73,094	9,612
Minority interest in net profit/loss for the year		24	587
Net profit/loss for the year		35,734	58,370

Consolidated balance sheet

	Note	31 Dec 2012	31 Dec 2011
ASSETS			
Fixed assets			
Intangible fixed assets			
Concessions	10	12,388	13,076
Trademarks	11	10,922	15,010
		23,310	28,086
Tangible fixed assets			
Land and buildings	12	881,460	1,093,720
Land improvements	13	406	406
Permanent equipment, service facilities etc. in buildings	14	1,182	985
Equipment, tools, fixtures and fittings	15	2,658	4,460
		885,706	1,099,571
Financial assets			
Participations in associated companies	19, 20	34,728	20,363
Receivables from associated companies	21	107,447	149,627
Other non-current receivables	22	165,159	9,733
Deferred tax assets		7,518	11,552
		314,852	191,275
Total fixed assets		1,223,868	1,318,932
Current assets			
Inventories, etc.			
Stock of tenant owner's apartment		0	2,809
Raw materials and consumables		247	223
		247	3,032
Current receivables			
Accounts receivable and rents receivable		21,457	9,336
Income taxes recoverable		2,181	2,156
Other receivables		38,851	28,751
Prepaid expenses and accrued income	23	12,131	10,417
		74,620	50,660
Cash and bank balances		171,819	152,217
Total current assets		246,686	205,909
TOTAL ASSETS		1,470,554	1,524,841

Consolidated balance sheet

	Note	31 Dec 2012	31 Dec 2011
EQUITY AND LIABILITIES			
Equity	24		
Share capital		10,000	10,000
Restricted reserves		6,300	6,365
Non-restricted reserves		831,010	807,002
Net profit for the year		35,734	58,370
Total equity		883,044	881,737
Minority shareholding		4,382	4,324
Provisions			
Deferred taxes		103,156	180,224
Other provisions		8,188	678
		111,344	180,902
Long-term liabilities			
Liabilities to credit institutions	25	277,901	379,228
Other liabilities		2,904	3,146
		280,805	382,374
Current liabilities			
Liabilities to credit institutions		101,139	9,997
Accounts payable trade		19,384	22,044
Income tax liability		63	0
Liabilities to associated companies		541	520
Other liabilities		39,932	8,845
Accrued expenses and deferred income	26	29,920	34,098
Total current liabilities		190,979	75,504
TOTAL EQUITY AND LIABILITIES		1,470,554	1,524,841
Pledged assets			
For own liabilities and provisions	27	396,804	401,304
Contingent liabilities	28	616,378	481,401

Consolidated Cash Flow Statement

	Note	1 Jan 2012 -31 Dec 2012	1 Jan 2011 -31 Dec 2011
Operating activities			
Profit after financial items		-37,384	48,171
Adjustment for items not included in the cash flow	29	244,018	4,336
Income tax paid		-25	-7
Net cash flow from operating activities before changes in working capital		206,609	52,500
Cash flows from changes in working capital			
Change in inventories and work in progress		2,785	5,986
Change in current receivables		-23,935	-26,721
Change in current liabilities		24,333	-34,742
Cash flows from operating activities		209,792	-2,977
Investing activities			
Change in inventories and work in progress		-21,419	-19,360
Change in current receivables		5,613	1,644
Change in current liabilities		-50	-11,013
Cash flows from operating activities		0	2,520
Investments in associated companies		-30,507	-19,435
Sales of associated companies		3	-2,163
Change in receivables/liabilities in associated companies		62,023	126,632
Reclassifications from non-current receivables to associated companies to non-current receivables to Group companies		0	-18,374
Change in other financial non-current assets		-155,668	320
Cash flows from financing activities		-140,005	60,771
Financing activities			
Change in borrowings		-10,185	-10,743
Dividends paid		-40,000	-75,000
Cash flows from financing activities		-50,185	-85,743
Cash flow for the year		19,602	-27,949
Cash and cash equivalents at the beginning of the year		152,217	180,166
Cash and cash equivalents at the end of the year		171,819	152,217

Parent Company Income Statement

	Note	1 Jan 2012 -31 Dec 2012	1 Jan 2011 -31 Dec 2011
Net sales	1a	1,030	2,071
		1,030	2,071
Operating expenses			
Purchases of goods and services		-130	-252
Other external expenses	3	-6,256	-7,994
Personnel costs	4	-2,149	-2,092
Depreciation of tangible fixed assets		-84	-73
		-8,619	-10,411
Operating income		-7,589	-8,340
Result from financial items			
Profit/loss from participations in Group companies	5	-1,545	874
Profit/loss from participations in associated companies	6	-16,140	-12,625
Profit/loss from other securities and receivables accounted for as fixed assets	7	-22,174	1,703
Interest income and similar profit/loss items	8	45,140	45,057
Interest expenses		-4,173	-5,125
		-6,481	21,544
Profit after financial items		-6,481	21,544
Profit/loss before tax		-6,481	21,544
Tax on profit for the year	9	-1,750	388
Net profit/loss for the year		-8,231	21,932

Parent Company Balance Sheet

	Note	31 Dec 2012	31 Dec 2011
ASSETS			
Fixed assets			
Tangible fixed assets			
Equipment, tools, fixtures and fittings	15	862	369
		862	369
Financial assets			
Participations in Group companies	16,17	33,170	32,716
Receivables from Group companies	18	545,627	341 860
Participations in associated companies	19,20	11,042	10,835
Receivables from associated companies	21	87,604	149,627
Other non-current receivables	22	32,270	3,175
		709,713	538,213
Total fixed assets		710,575	538,582
Current assets			
Current receivables			
Accounts receivable - trade		133	133
Receivables from Group companies		86,223	81,262
Tax assets		0	12
Other receivables		2,094	1,959
Prepaid expenses and accrued income	23	1,764	109
		90,214	83,475
Cash and bank balances		31,680	59,062
Total current assets		121,894	142,537
TOTAL ASSETS		832,469	681,119

Parent Company Balance Sheet

	Note	31 Dec 2012	31 Dec 2011
EQUITY AND LIABILITIES			
Equity	24		
Restricted equity			
Share capital		10,000	10,000
Statutory reserve		2,000	2,000
		12,000	12,000
Non-restricted equity			
Profit brought forward		434,219	457,192
Net profit for the year		-8,231	21 932
		425,988	479,124
Total equity		437,988	491,124
Provisions			
Other provisions		8,188	678
Long-term liabilities			
Liabilities to Group companies		335,653	167,969
		335,653	167,969
Current liabilities			
Accounts payable - trade		150	97
Liabilities to Group companies		23,802	17,424
Current tax liability		36	0
Other liabilities		24,407	1,150
Accrued expenses and deferred income	26	2,245	2,677
Total current liabilities		50,640	21,348
TOTAL EQUITY AND LIABILITIES		832,469	681,119
Pledged assets			
		442	235
Contingent liabilities			
	28	616,378	481,401

Parent Company Cash Flow Statement

	Note	1 Jan 2012 -31 Dec 2012	1 Jan 2011 -31 Dec 2011
Operating activities			
Operating activities			
Profit after financial items		-6,481	21,544
Adjustment for non-cash items, etc	29	24,990	11,990
Net cash flow from operating activities before changes in working capital		18,509	33,534
Cash flows from changes in working capital			
Change in current receivables		-6,739	11,279
Change in current liabilities		29,292	-3,607
Cash flows from operating activities		41,062	41,206
Investing activities			
Investments in tangible fixed assets		-577	-13
Acquisition of subsidiaries		-2,000	-16,563
Sale of subsidiaries		0	4,186
Dividends received from subsidiaries		0	4,668
Investments in associated companies		-16,057	-19,435
Sales of associated companies		0	-1,375
Change of investments in financial non-current assets		-3,155	-21,221
Cash flow from investment activities		-21,789	-49,753
Financing activities			
Dividends paid		-40,000	-75,000
Group contribution received/paid		-6,655	1,475
Cash flows from financing activities		-46,655	-73,525
Cash flow for the year		-27,382	-82,072
Cash and cash equivalents at beginning of the year			
Cash and cash equivalents at beginning of the year		59,062	141,134
Cash and cash equivalents at the end of the year		31,680	59,062



Accounting and valuation principle

Supplementary information

General disclosures

The annual report has been prepared in accordance with the Swedish Annual Accounts Act and with the general advice, recommendations and statements issued by the Accounting Standards Board, with the exception of BFNAR 2008:1 Annual accounts in smaller shareholder companies (K2-regulation). The accounting principles remain unchanged as compared with previous years, unless otherwise stated.

Receivables have been valued at the lower of acquisition value and the amount by which they are expected to be settled. Other assets, liabilities and provisions have been valued at acquisition cost unless otherwise stated. Allocation of income and expenses has taken place in accordance with generally accepted accounting principles.

Consolidated accounts

The consolidated accounts have been prepared in accordance with the Swedish Financial Accounting Standards Council's recommendations on consolidated accounts.

The Group's annual accounts have been prepared according to the purchase method, which entails that subsidiaries' equity at the time of acquisition, established as the difference between the actual value of the assets and liabilities, is eliminated in its entirety. The Group's equity includes, therefore, only that portion of the subsidiaries' equity which has arisen after the acquisition.

In the consolidated balance sheet, acquired assets and assumed liabilities in subsidiaries are reported at market value in accordance with the relevant acquisition analysis. If the acquisition cost on consolidation for shares exceeds the market value of the subsidiary's net assets according to the acquisition analysis, the difference is reported as Group goodwill. If the asset is related to property, the difference is reported as changes in the value of buildings.

Companies acquired during the year are included in the consolidated accounts with the amounts that have accrued after acquisition. Earnings from companies sold during the year have been included in the consolidated income statement for the period up to the date of divestment.

Accounting for associated companies

Associated companies are defined as those companies which are not subsidiaries but in which parent company, directly or indirectly, holds at least 20% of votes for all participations, or in some other manner exercise a significant influence.

Participations in associated companies are reported participations in the consolidated accounts according to the equity method. The equity method entails that participations in a company are reported at the acquisition cost at the date of acquisition and, subsequently, adjusted with an amount corresponding to the Group's participation in the change in the associated company's net assets. The value of such participations includes goodwill at

the time of acquisition (after deduction for accumulated depreciation). In the consolidated income statement, the Group's participations in the earnings of associated companies are included. Undistributed accumulated profit shares, deriving from associated companies, are reported in the consolidated balance sheet as equity method reserves, under restricted equity Unrealised intra-Group gains are eliminated in an amount corresponding to the share of the gain accruing to the Group.

Participations in associated companies are reported in the consolidated annual accounts at acquisition cost with deductions for any possible write-downs. Only those dividends received from profits accruing after the acquisition of an associated company are reported as income from associated companies.

Revenue recognition

Rental income is recognised in the period to which the rent refers. Other income recognised upon delivery of the goods / services.

Concessions, patents, licenses, trademarks and similar rights

Expenses for acquired concessions, patents, licenses, trademarks and similar rights are written off on a straight-line basis over the asset's contractual useful life.

Tangible fixed assets

Tangible fixed assets are reported at acquisition value reduced by the amount of depreciation. Expenses for improving the performance of the assets beyond their original level of performance increase the asset's reported value. Expenses for repairs and maintenance are reported as expenses.

The Company reports all borrowing costs as costs in the period in which they arise.

The Company classifies properties which are not used in the Company's operations and which are held for long-term letting purposes as investment property.

Tangible fixed assets are depreciated systematically over their estimated useful lifetimes. If applicable, the residual value of the assets is taken into consideration when determining the amount of depreciation of the assets.

The straight-line method of depreciation is utilised for all types of tangible assets

Impairment losses

When there is an indication that the value of an asset or a group of assets has declined, an assessment is made of the carrying amount. In those cases in which the carrying amount exceeds the estimated recoverable amount, the carrying amount is immediately written down to the recoverable value.

Inventories

Inventories are valued, using the first-in, first-out method, at the lower of acquisition cost or net realisable value on balance sheet date.

Pension commitments

The Group's Swedish pension commitments are reported in accordance with FAR SRS's Recommendation no 4. The pension commitments of foreign (non-Swedish) subsidiaries are reported according to the local regulations in the respective countries. The main portion of the Group's pension commitments are insured on the basis of insurance with insurance companies.

Hedging of financial receivables and liabilities in foreign currency

Forward exchange agreements are entered into with the intention of protecting the Group against fluctuations in exchange rates. These contracts stipulate the exchange rates at which the assets or liabilities in foreign currencies are to be realised. An increase or a decrease in the amount required to settle the asset/liability is compensated by an equivalent change in value of the forward agreement. Both assets/liabilities and derivative instruments are valued at the lower of the closing rate of exchange and the acquisition cost, value changes are reported in the income statement. For a financial fixed asset and a derivative utilised as a hedging instrument, changes in value are reported in the income statement item 'Income from other securities and receivables held as fixed assets'. For a financial current asset which does not relate to operations and a derivative instrument utilised as a hedging instrument, changes in value are reported in the item 'Other interest income and similar profit/loss items'.

Taxes

Reported income tax includes tax which is to be paid or received, regarding the current year, and adjustments concerning the previous years' current taxes and changes in deferred tax.

In the case of items reported in the income statement, related tax effects are also reported in the income statement. The tax effects of items that are accounted for directly against equity are also?

Deferred tax is calculated according to the balance sheet method on all temporary differences arising between the reported value and the tax value of the assets and liabilities.

Deferred tax assets regarding loss carried forward or other future tax deductions are reported to the extent that it is probable that the deduction can be settled against a surplus when taxed in the future.

Group contribution

Group and shareholders contribution is accounted as recommended by Swedish Annual accounts act, URA 7 Group contribution and shareholder contribution.

Conversion rate

Receivables and liabilities in foreign currency have been converted at end of fiscal year.

Translation of foreign subsidiaries

Foreign subsidiaries' annual accounts have been converted in accordance with the current rate method. All balance sheet items have been converted at end of fiscal year. All income statement items have been converted at the average rate.

Lease agreements

All lease agreements are of operational nature. The Parent Company has not incurred any leasing charges during 2012 or 2011. The Group's leasing charges amounted to SEK 518,919 (462,283).

Depreciation/amortisation

Fixed assets are depreciated/amortised according to plan over the assets' estimated useful lifetimes, with consideration given to the assets' residual value. The following percentages of depreciation/amortisation have been applied:

Tangible fixed assets

Equipment and tools	20 %
Buildings	2 %
Land improvements	0 %
Permanent equipment, service facilities etc. in buildings	26 %
Hotel buildings	3%

Intangible fixed assets

Concessions	5%
Trademarks	20 %

Cash Flow Statement

The cash flow statement has been prepared using the indirect method. The reported cash flow includes only those transactions that have resulted in receipts or payments?. The cash flow statement is classified into:

- operating activities
- investing activities and
- financing activities

Definitions of key ratios

Net sales

Main operating revenue, invoiced costs, incidental revenue and revenue adjustments.

Income after financial items

Profit/loss after financial income and expenses, but before extraordinary income and expenses, appropriations and taxes.

Equity/assets ratio (%)

Adjusted equity (equity and untaxed reserves less deferred tax) as a percentage of total assets

Return on equity (%)

Income after financial items as a percentage of equity and untaxed reserves (less deferred tax)

Total assets

The Company's total assets.

Notes

Note 1a Transactions with related parties

During the year and the previous year, sales have been made between the following Group companies at the amounts stated below. Sales relate mainly to management fees.

	2012	2011
From Index International to Textile Real Estate	0	991
From Index International to Index Projekt AB	100	100
From Index International to Galgvreten 3:5 AB	120	120
From Index International to Hornsberg Projekt och Förvaltning AB	100	100
From Index International to Centrum 29:5 AB	60	60
From Index International to Opalo Holding AB	60	60
From Index International to Loftahammar Projekt AB	60	60
From Index International to Djurgårdsbrunns Tennis AB	60	60
From Index International to Index Equity Sweden AB	60	60
From Index International to Index Asset Management AB	60	60
From Index International to Index Alternative Equity AB	60	0
	740	1,671

Note 1b Specification of various business segments

Business area	2012	2011
The Group		
Property management	68,381	122,854
Project operations	11,134	12,686
	79,515	135,540

Geographical market

The Group

	2012	2011
North America	13,703	12,435
Sweden	65,812	123,435
	79,515	135,540

Note 2 Other operating income

The Group	2012	2011
Insurance compensation	58	62
Contract income	7,392	0
Other	1,301	1,610
	8,751	1,672

Note 3 Remuneration to auditors

The Group	2012	2011
PwC		
Audit assignment	564	623
Tax consultancy	1,050	500
Other services	182	102
	1,886	1,225

Parent Company	2012	2011
PwC		
Audit assignment	314	383
Tax consultancy	1,034	500
Other assignments	182	87
	1,530	970

Note 4 Employees and personnel costs

Group	2012	2011
Average number of employees		
Women	4	5
Men	18	22
	22	27
Salaries and other remuneration		
The Board of Directors and Managing Director	2,512	3,245
Other employees	7,785	9,242
	10,297	12,487
Social security contributions		
Pension costs for the Board of Directors and Managing Director	271	250
Pension costs for other employees	949	198
Statutory and contractual contributions	1,677	2,443
	2,897	2,891
Total salaries, remuneration, social security contributions and pension costs	13,194	15,378
Parent Company		
Average number of employees		
Women	0	0
Men	1	1
	1	1
Salaries and other remunerations		
The Board of Directors and Managing Director	1,212	1,085
Other employees	124	0
	1,336	1,085
Social security contributions		
Pension costs for the Board of Directors and Managing Director	250	249
Statutory and contractual contributions	479	687
	729	936
Total salaries, remuneration, social security contributions and pension costs	2,065	2,021

Note 5 Income from participations in Group companies

The Group	2012	2011
Gains/losses on sales of subsidiaries	214,358	7,044
Elimination/reversal of intra-Group profits attributable to additional purchase price	0	52,004
	214,358	59,047

Parent Company	2012	2011
Gains/losses on sales of subsidiaries	0	3,623
Dividends received	0	4,668
Write-downs of shares in subsidiaries	-1,545	-7,417
	-1,545	874

Note 6 Income from participations in associated companies

The Group	2012	2011
Write-downs of shares in associated companies	-15,850	-11,250
Gains/losses from sales of associated companies	-290	-2,007
	-16,140	-13,257

Parent Company	2012	2011
Write-downs of shares in associated companies	-15,850	-11 250
Gains/losses from sales of associated companies	-290	-1 375
	-16,140	-12 625

Note 7 Income from other securities and receivables accounted for as fixed assets

The Group	2012	2011
Write-downs of receivables from external companies	0	-927
Write-downs of receivables from associated companies	0	-100
Exchange rate differences, non-current receivables	-21,535	2,119
	-21,535	1,091

Parent Company	2012	2011
Gain on purchase of receivable	0	511
Write-downs of receivables from external parties	0	-927
Exchange rate differences, non-current receivables	-22,174	2,119
	-22,174	1,703

Note 8 Other interest income and similar profit/loss items

The Group	2012	2011
Profit/loss on current investments	-3,983	7,599
Exchange rate differences, current receivables	1,860	1,096
Interest income	20,227	8,227
	18,104	16,922

Parent Company	2012	2011
Profit/loss on current investments	-3,983	7,599
Exchange rate differences, current receivables	1,860	1,096
Interest income, other	5,385	7,739
Interest income, Group companies	41,878	28,623
	45,140	45,057

Note 9 Taxes

The Group	2012	2011
Deferred tax on accumulated deficits	-4,202	4,972
Deferred tax attributable to share of income in associated companies	-36	-1,304
Deferred tax attributable to surplus value	53,203	3,126
Deferred tax to reverse on depreciated surplus value	3,623	2,818
Revaluation Income tax liability from 26.3% to 22.0%	20,506	0
	73,094	9,612

Parent Company

	2012	2011
Current taxes on Group contributions	-1,750	388
	-1,750	388

Note 10 Concessions

	31 Dec 2012	31 Dec 2011
Opening acquisition cost	13,764	0
Purchases	0	13,764
Closing accumulated acquisition cost	13,764	13,764
Opening amortisation	-688	0
Amortisation for the year	-688	-688
Closing accumulated amortisation	-1,376	-688
Closing book value	12,388	13,076

Note 11 Trademarks

	31 Dec 2012	31 Dec 2011
Opening acquisition cost	18,651	0
Purchases	0	447
Changes in Group structure	-447	18,204
Closing accumulated acquisition cost	18,204	18,651
Opening amortisation	-3,641	0
Amortisation for the year	-3,641	-3,641
Closing accumulated amortisation	-7,282	-3,641
Closing book value	10,922	15,010

Note 12 Land and buildings

	31 Dec 2012	31 Dec 2011
Opening acquisition cost	1,484,225	1,540,514
Purchases	20,559	13,857
Sales/disposals	-5,959	-68,940
Translation differences / Corporate changes 1)	-4,592	-1,206
Closing accumulated acquisition cost	1,494,233	1,484,225
Opening depreciation	-90,420	-71,474
Sales/disposals	0	583
Translation differences / Corporate changes 1)	26	283
Depreciation for the year	-19,811	-19,812
Closing accumulated depreciation	-110,205	-90,420
Accumulated write-ups		
Opening revaluation	10,512	10,512
Corporate changes	0	0
Closing accumulated revaluation	10,512	10,512
Accumulated depreciation on write-ups		
Opening accumulated depreciation on write-ups	-2,327	-2,139
Depreciation for the year of revalued amount	-188	-188
Corporate changes	0	0
Closing accumulated depreciation on write-ups	-2,515	-2,327
Closing book value on write-ups	7,997	8,185
Accumulated write-downs		
Opening accumulated impairment charges	-308,270	-354,668
Impairment losses, surplus value sold land	-24,275	-2,635
Impairment losses, surplus value sold buildings	-178,020	-19,324
Sales/disposals	0	68,357
Closing accumulated write-downs	-510,565	-308,270
Closing book value	881,460	1,093,720
Book value, buildings	748,190	931,318
Book value, land	133,270	162,402
	881,460	1,093,720

1) Refers to an associated company which has become a subsidiary as well as exchange rate fluctuations in the Canadian companies.

Note 13 Land improvements

	31 Dec 2012	31 Dec 2011
Opening acquisition cost	406	406
Closing accumulated acquisition cost	406	406
Closing book value	406	406

Note 14 Permanent equipment, service facilities, etc. in buildings

Group	31 Dec 2012	31 Dec 2011
Opening acquisition cost	3,535	2,988
Purchases	283	690
Translation differences	-40	-143
Closing accumulated acquisition cost	3,778	3,535
Opening depreciation	-2,550	-2,309
Sales/disposals	107	0
Translation differences	30	137
Depreciation for the year	-183	-378
Closing accumulated depreciation	-2,596	-2,550
Closing book value	1,182	985

Note 15 Equipment, tools, fixtures and fittings

Group	31 Dec 2012	31 Dec 2011
Opening acquisition cost	11,151	8,430
Purchases	786	4,365
Sales/disposals	-5,613	-1,644
Corporate changes	-786	0
Closing accumulated acquisition cost	5,538	11,151
Opening depreciation	-6,691	-3,554
Sales/disposals	4,222	1,227
Corporate changes	525	-0
Depreciation for the year	-937	-4,364
Closing accumulated depreciation	-2,880	-6,691
Closing book value	2,658	4,460

Parent Company	31 Dec 2012	31 Dec 2011
Opening acquisition cost	985	973
Purchases	577	12
Closing accumulated acquisition cost	1,562	985
Opening depreciation	-616	-544
Depreciation for the year	-84	-72
Closing accumulated depreciation	-700	-616
Closing book value	862	369

Note 16 Participations in Group companies

Parent Company	31 Dec 2012	31 Dec 2011
Opening acquisition cost	136,445	130,145
Purchases	0	11,424
Sales/disposals	0	-10,774
Shareholders' contribution received/ repaid	2,000	5,650
Closing accumulated acquisition cost	138,445	136,445
Opening write-downs	-103,730	-106,525
Write-downs for the year	-1,545	-7,417
Reversal in connection with sales	0	10,212
Closing accumulated write-downs	-105,275	-103,730
Closing book value	33,170	32,715

Note 17 Specification of participations in Group companies

Name	Share of capital	Share of voting power	Number of Shares	Book value
Dalringen Förvaltning AB	100%	100%	20,000	200
Index Projekt AB	66.68%	66.68%	3,334	333
Djurgårdsbrunns Tennis AB	100%	100%	1,000	100
Index Equity Sweden AB	100%	100%	1,000	100
Loftahammar Projekt AB	100%	100%	1,000	1,335
Opalo Holding AB	100%	100%	1,000	20,836
Index Asset Management AB	100%	100%	1,000	122
Index Investment LLC	100%	100%	1	0
Index Energy Mills Road Corp	70%	70%	70	10,144
Textile Real Estate Corp	100%	100%	100	0
Index Waste Management Corp	100%	100%	100	0
				33,170

	Corporate Identity Number	Registered offices	Equity	Profit/loss
Dalringen Förvaltning AB	556400-4694	Stockholm	694	485
Index Projekt AB	556632-5907	Stockholm	10,386	-232
Djurgårdsbrunns Tennis AB	556708-0204	Stockholm	4,996	913
Index Equity Sweden AB	556671-1601	Stockholm	487	-406
Loftahammar Projekt AB	556743-5374	Stockholm	101	-2,865
Opalo Holding AB	556697-2906	Stockholm	671	-2,471
Index Asset Management AB	556711-6586	Stockholm	90	-3,626
Index Investment LLC		USA	neg	5
Index Energy Mills Road Corp		Canada	neg	-23,558
Textile Real Estate Corp		Canada	829	120
Index Waste Management Corp		Canada	neg	0

Index Equity Sweden AB owns to 100%:

	Corporate Identity Number	Registered offices	Equity	Profit/loss
Kings of Tennis AB	556812-3581	Stockholm	4 799	-3,085
Index Alternative Equity AB	556883-7131	Stockholm	54	6,265

Index Investment LLC owns to 100%:

	Corporate Identity Number	Registered offices	Equity	Profit/loss
North County Aviation Holding		USA	-2,392	3,152
Index Energy LLC		USA	0	0
Viking Asset Management LLC		USA	neg	-11
Kings of Tennis LLC		USA	0	0
Index Management Services LLC		USA	0	0

Index Investment LLC owns to 90%:

	Corporate Identity Number	Registered offices	Equity	Profit/loss
Viking Acquisitions America LLC		USA	0	0

North County Aviation Holding Corp owns to 100%:

	Corporate Identity Number	Registered offices	Equity	Profit/loss
North County Aircraft Two Corp		USA	-633	564
North County Aircraft ThreeCorp		USA	-86	7
North County Aircraft FourCorp		USA	-741	388
North County Aircraft Five Corp		USA	-357	671
North County Aircraft Six Skycatcher Corp		USA	-171	1,572
North County Aircraft Seven 162 Corp		USA	-73	20

Opalo Holding owns to 100%:

	Corporate Identity Number	Registered offices	Equity	Profit/loss
Galgvreten 3:5 AB	556666-1004	Stockholm	12,389	5,174
Centrum 29:5 AB	556628-5796	Stockholm	1,817	2,734
Hornsberg Intressenter AB	556717-7885	Stockholm	793,904	64,000
Index Fritidsbostäder Holding AB	556859-0482	Stockholm	50	-4

Index Projects AB holds 100%:

	Corporate Identity Number	Registered offices	Equity	Profit/loss
Kalmarsand Projekt AB	556676-5177	Stockholm	91	-505

Index Projects AB holds 80%:

	Corporate Identity Number	Registered offices	Equity	Profit/loss
Solslätten Projekt AB	556349-3187	Stockholm	105	5
Solfältet Fastighets AB	556705-5529	Stockholm	106	-12

Hornsberg Intressenter owns to 100%:

	Corporate Identity Number	Registered offices	Equity	Profit/loss
Hornsberg Förvaltning och Projekt AB	556683-0344	Stockholm	217,423	217,005

Index Fritidsbostäder Holding AB holds 100%:

	Corporate Identity Number	Registered offices	Equity	Profit/loss
Index Skärgårdsbostad AB	556859-0441	Stockholm	182	501

Note 18 Receivables from Group companies

	31 Dec 2012	31 Dec 2011
Opening acquisition cost	341,860	211,162
Additional receivables	186,000	113,422
Receivables, deducted	1,433	-1,097
Reclassifications	16,334	18,373
Closing accumulated acquisition cost	545,627	341,860
Closing book value	545,627	341,860

Note 19 Participations in associated companies

Group	31 Dec 2012	31 Dec 2011
Opening acquisition cost	29,375	7,671
Purchases/shareholders' contribution	30,507	21,509
Reclassifications	106	195
Closing accumulated acquisition cost	59,988	29,375
Opening write-downs	-11,250	0
Write-downs for the year	-16,020	-11,250
Closing accumulated write-downs	-27,270	-11,250
Opening change in share of equity	2,238	877
Change in share of equity in associated companies	-228	1,361
Opening change in share of equity	2,010	2,238
Closing book value	34,728	20,363

Parent Company	31 Dec 2012	31 Dec 2011
Opening acquisition cost	22,085	2,650
Shareholders' contribution	16,057	19,435
Closing accumulated acquisition cost	38,142	22,085
Opening write-downs	-11,250	0
Write-downs for the year	-15,850	-11,250
Closing accumulated write-downs	-27,100	-11,250
Closing book value	11,042	10,834

Note 20 Participations in associated companies

The Group / Name	Share of capital	Share of voting power	Number of participations	Book value
Fröjden AB	50%	50%	500	10,550
Västermalmsstrand Holding AB	50%	50%	500	246
Gyllene Ratten Holding AB	50%	50%	500	139
Code Right AB	20%	20%	200	5,084
Solid Software AB	43%	43%	1,785	0
Intercoastal Park LLC	50%	50%	1	4,258
Magnusson Mäkleri AB	20%	20%	500	8,508
Index Aviation LLC	50%	50%	500	5,943
				34,728

	Corporate Identity Number	Registered offices	Equity	Profit/loss
Fröjden AB	556794-0332	Stockholm	8,467	-716
Västermalmsstrand Holding AB	556794-0316	Stockholm	68	-414
Gyllene Ratten Holding AB	556795-1321	Stockholm	158	-31,895
Code Right AB	556573-2129	Stockholm	18,139	15,958
Solid Software AB	556320-1952	Stockholm	-76	0
Magnusson Mäkleri AB	556769-0317	Stockholm	13,450	4,753
Index Aviation LLC		USA	11,883	-41

Parent Company / Name	Share of capital	Share of voting power	Number of participations	Book value
Fröjden AB	50%	50%	500	10,550
Västermalmsstrand Holding AB	50%	50%	500	442
Gyllene Ratten Holding AB	50%	50%	500	50
				11,042

	Corporate Identity Number	Registered offices	Equity	Profit/loss
Fröjden AB	556794-0332	Stockholm	8 467	-716
Västermalmsstrand Holding AB	556794-0316	Stockholm	68	-414
Gyllene Ratten Holding AB	556795-1321	Stockholm	158	-31,895

Note 21 Receivables from associated companies

Group	31 Dec 2012	31 Dec 2011
Opening acquisition cost	149,627	276,260
Additional/deductible receivables	-26,330	-108,259
Reclassifications	-15,850	-18,374
Closing book value	107,447	149,627

Parent Company	31 Dec 2012	31 Dec 2011
Opening acquisition cost	149,627	276,260
Additional/deductible receivables	-46,173	-108,259
Reclassifications	-15,850	-18,374
Closing book value	87,604	149,627

Note 22 Other non-current receivables

Group	31 Dec 2012	31 Dec 2011
Opening acquisition cost	9,733	8,515
Additional receivables	155,426	1,218
Closing book value	165,159	9,733

Parent Company	31 Dec 2012	31 Dec 2011
Opening acquisition cost	3,175	4,050
Additional receivables	29,095	0
Retiring receivables	0	-875
Closing book value	32,270	3,175

Note 23 Prepaid expenses and accrued income

Group	31 Dec 2012	31 Dec 2011
Prepaid insurance premiums	245	164
Prepaid rental expenses	334	333
Other prepaid expenses	10,866	8,911
Other accrued income	686	1,009
	12,131	10,417

Parent Company	31 Dec 2012	31 Dec 2011
Prepaid insurance premiums	82	10
Other prepaid expenses	1,681	99
Other accrued income	1,764	109

Note 24 Change in equity**The Group**

Number of Class A shares: 5,000 shares with a quotient value of SEK 100

Number of B shares: 95,000 shares with a quotient value of SEK 100

	Share capital	Restricted reserves	Non-restricted reserves	Net profit/loss for the year
Amount at beginning of year	10,000	6,365	807,002	58,370
Appropriation in accordance with resolution of annual general meeting:			58,370	-58,370
Reconciliation item, associated companies			1,496	
Transfer between restricted and non-restricted equity		-65	65	
Translation differences			4,077	
Dividend paid			-40,000	
Net profit/loss for the year				35,734
Amount at year-end	10,000	6,300	831,010	35,734

The shareholders have provided a conditional shareholders' contribution of an amount of TSEK 110,115 (110,115).

Parent Company

Number of Class A shares: 5,000 shares with a quotient value of SEK 100

Number of B shares: 95,000 shares with a quotient value of SEK 100

	Share capital	Statutory reserve	Retained earnings	Net profit/loss for the year
Amount at beginning of year	10,000	2,000	457,192	21,932
Appropriation in accordance with resolution of annual general meeting:			21,932	-21,932
Dividend			-40,000	
Group contribution – Paid			7,321	
Group contribution - Received			-13,976	
Tax effect of Group contribution			1,750	
Net profit/loss for the year				-8 231
Amount at year-end	10,000	2,000	434,219	-8,231

The shareholders have provided a conditional shareholders' contribution of an amount of TSEK 110,115 (110,115).

Note 25 Long-term liabilities

	31 Dec 2012	31 Dec 2011
Maturity later than 1 and earlier than 5 years after balance sheet date		
	27,520	29,339
	27,520	29,339
Later than 5 years after balance sheet date		
	250,381	349,888
	250,381	349,888

Note 26 Accrued expenses and deferred income

Group	31 Dec 2012	31 Dec 2011
Prepaid rental income	11,812	19,593
Accrued interest expenses	1,014	1,635
Holiday pay liability	132	162
Liabilities for social security contributions	144	154
Other accrued expenses	16,818	12,554
	29,920	34,098
Parent Company	31 Dec 2012	31 Dec 2011
Holiday pay liability	70	63
Liabilities for social security contributions	83	82
Other accrued expenses	2,092	2,532
	2,245	2,677

Note 27 Pledged assets

Group	31 Dec 2012	31 Dec 2011
For own liabilities and allocations		
Property mortgages	396,804	401,304
Floating charges	0	0
	396,804	401,304

The total MSEK 397 reported as pledged assets includes property mortgages of MSEK 254. This amount of MSEK 254 is also reported under contingent liabilities, as Index International is guarantor for the mortgages.

Note 28 Contingent liabilities

The Group/Parent Company	31 Dec 2012	31 Dec 2011
General guarantee commitment for subsidiaries' borrowings	254,127	246,800
General guarantee commitment for other companies' borrowings	362,251	234,601
	616,378	481,401

Note 29 Adjustments for non-cash items

Group	31 Dec 2012	31 Dec 2011
Capital gains on disposals of subsidiaries/associated companies	0	-49,844
Share of equity in associated companies	228	-5,078
Amortisation of intangible fixed assets	4,329	5,533
Depreciation of tangible fixed assets	21,119	24,742
Write-down of shares in associated companies	15,850	11,250
Capital gains/losses of disposals of tangible fixed assets	0	-511
Write-down of sold properties	202,294	21,959
Capital gains on disposals of tangible fixed assets	-5,944	0
Other write-downs and exchange rate fluctuations	6,142	-3,715
	244,018	4,336

Parent Company	31 Dec 2012	31 Dec 2011
Capital gains on disposals of subsidiaries/associated companies	0	-2,249
Write-downs of receivables/gains on purchases of receivables	0	-511
Depreciation of tangible fixed assets	84	73
Write-downs of shares in subsidiaries and associated companies	17,395	18,667
Unrealised changes in value, current investments	7,511	678
Dividends received	0	-4,668
	24,990	11,990

Stockholm, 8 May 2012


Rickard Haraldsson
Managing Director/Chairman



Marie-Louise Alamaa

My audit report was presented on 21 May 2013.



Arne Engvall
Authorised Public Accountant

Auditor's report



To the annual meeting of the shareholders of Index International AB, corporate identity number 556561-0770

Report on the annual accounts and consolidated accounts

I have audited the annual accounts and consolidated accounts of Index International AB for the year 2012.

Responsibilities of the Board of Directors and the Managing Director for the annual accounts and consolidated accounts

The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of these annual accounts and consolidated accounts in accordance with the Annual Accounts Act, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

My responsibility is to express an opinion on these annual accounts and consolidated accounts based on my audit. I conducted my audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts and consolidated accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the annual accounts and consolidated accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the Managing Director, as well as evaluating the overall presentation of the annual accounts and consolidated accounts.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinions

In my opinion, the annual accounts and consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company and the group as of 31 December 2012 and of their financial performance and cash flows for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

I therefore recommend that the annual meeting of shareholders adopt the income statement and balance sheet for the parent company and the group.

Report on other legal and regulatory requirements

In addition to my audit of the annual accounts and consolidated accounts, I have also audited the proposed appropriations of the company's profit or loss and the administration of the Board of Directors and the Managing Director of Index International AB for the year 2012.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss, and the Board of Directors and the Managing Director are responsible for administration under the Companies Act.

Auditor's responsibility

My responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the company's profit or loss and on the administration based on my audit. I conducted the audit in accordance with generally accepted auditing standards in Sweden.

As a basis for my opinion on the Board of Directors' proposed appropriations of the company's profit or loss, I examined whether the proposal is in accordance with the Companies Act.

As a basis for my opinion concerning discharge from liability, in addition to my audit of the annual accounts and consolidated accounts, I examined significant decisions, actions taken and circumstances of the company in order to determine whether any member of the Board of Directors or the Managing Director is liable to the company. I also examined whether any member of the Board of Directors or the Managing Director has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions

Opinions

I recommend to the annual meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Stockholm 21 May, 2013

PwC

Arne Engvall

Authorized Public Accountant

