



Index International AB (publ)
Interim Report First Quarter for 2014

01.01.2014 –
31.03.2014



Comparative years

	Note	Jan-Mar 2014	Jan-Mar 2014	Jan-Mar 2014
Operating income				
Net sales	5	15,326	15,642	64,304
Other operating income		169	15	381
Total		15,495	15,657	64,685
Operating expenses				
Purchase of goods and services		- 5,115	- 5,747	- 20,052
Other external expenses		- 7,505	- 7,849	- 21,681
Personnel costs		- 2,076	- 1,653	- 6,767
Depreciation and write-downs of tangible and intangible fixed assets		- 1,459	- 38,033	- 5,794
Write-downs of sold properties		- 20	- 15	-
Change in value of properties		- 21	- 4,051	- 29,700
Other operating expenses				-51
Total operating expenses		- 16,196	- 57,348	-84,045
Operating income		- 701	- 41,691	- 19,360
Financial income		21,395	48,618	78,200
Financial expenses		- 35,259	- 13,732	- 65,221
Financial items – net		- 13,864	34,886	12,979
Result from participations in associated companies and joint ventures		372	902	2,671
Profit/Loss before tax		-14,193	-5,903	- 3,710
Tax		- 1,386	8,444	- 1,207
Profit/Loss for the period		- 15,579	2,541	- 4,917
Other comprehensive income				
Exchange difference		- 653	6,955	1,936
Other comprehensive income for the year		- 16,232	9,496	- 2,981
Total comprehensive income for the year				
Profit/Loss for the period attributable to:				
Parent company shareholders		-15,566	2,567	- 4,726
Non-controlling interests		- 13	- 26	- 191
Total comprehensive income attributable to:		- 16,219	9,522	- 2,790
Parent company shareholders		- 16,219	9,522	- 2,790
Non-controlling interests		- 13	- 26	- 191

Consolidated Balance Sheet in Summary

Amounts in SEK thousands	Note	2014-03-31	2013-03-31	2013-12-31
ASSETS				
FIXED ASSETS				
Intangible fixed assets				
Concessions		11,527	12,216	11,699
Trademarks		6,371	10,012	7,282
Total Intangible fixed assets		17,898	22,228	18,981
Tangible fixed assets				
Investment properties		442,500	599,853	441,500
Buildings and land		29,631	32,245	30,473
Equipment, tools, fixtures and fittings		4,005	2,563	3,340
Constructions in progress		359,916	128,241	303,036
Total tangible assets		836,052	762,903	778,349
Financial assets				
Participations in associated companies		34,125	24,026	33,834
Participations in joint ventures		12,826	10,746	11,786
Receivable from associated companies and joint ventures		92,224	87,394	90,773
Other non-current receivables	4	362,136	198,974	327,984
Financial assets available for sale	4	257,685	232,389	257,685
Total financial assets		758,996	553,529	722,062
Deferred tax assets		7,272	7,689	2,508
TOTAL FIXED ASSETS		1,614,218	1,346,348	1,521,900

Consolidated Balance Sheet in Summary, continued

Amounts in SEK thousands	Note	2014-03-31	2013-03-31	2013-12-31
CURRENT ASSETS				
Inventories				
Raw materials and consumables		197	247	196
Accounts receivable		8,701	2,724	10,587
Income tax recoverable		2,735	3,323	2,018
Receivable associated companies		19,941	-	19,514
Other receivables		108,988	81,763	99,755
Prepaid expenses and accrued income		8,562	12,328	8,672
Derivatives		-	184	-
Cash and cash equivalents		75,968	120,545	101,724
Non-current assets held for sale		145,502	-	145,514
Total current assets		370,594	221,114	387,980
TOTAL ASSETS		1,984,812	1,567,462	1,909,880

Consolidated Balance Sheet in Summary, continued

EQUITY

Equity attributable to Parent company shareholders

Share capital		10,000	10,000	10,000
Restricted reserves		5,360	11,032	6,013
Non-restricted reserves including total comprehensive income for the year		943,744	966,603	959,310
Non-controlling interests		3,519	4,356	3,532
Total equity		962,623	991,991	978,855

LIABILITIES

Long-term liabilities

Liabilities to credit institutions	4	330,807	276,589	281,528
Bond loan	4	268,163	-	267,542
Other liabilities		12,801	2,904	2,907
Deferred tax liabilities		126,324	121,698	126,169
Total long-term liabilities		738,095	401,191	678,146

Current liabilities

Liabilities to credit institutions	4	117,572	101,300	111,346
Accounts payable		54,487	20,902	37,569
Income tax liability		19	-	43
Liabilities to associated companies		2,429	261	2,379
Derivatives		5,472	13,884	10,870
Other liabilities		78,624	17,755	64,033
Accrued expenses and deferred income		25,491	20,178	26,640
Total current liabilities		284,094	174,280	252,880

TOTAL EQUITY AND LIABILITIES		1,984,812	1,567,462	1,909,880
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For information in regards to pledged assets and contingent liabilities, see note 6-7.

Consolidated Statement of Changes in Equity, in Summary

Attributable to Parent company shareholders

Amounts in SEK thousands	Share Capital	Restricted reserves	Non-restricted reserves	Total	Non- controlling interests	Total equity
Opening balance 1 January 2014	10,000	6,013	959,310	975,323	3,532	978,855
Profit/Loss for the period	-	-	-15,566	-15,566	-13	-15,579
Other comprehensive income	-	-653	-	-653	-	-653
Closing balance 31 March 2014	10,000	5,360	943,744	959,104	3,519	962,623
Opening balance 1 januari 2013	10,000	4,077	964,037	978,114	4,382	982,496
Profit/Loss for the period	-	-	2,567	2,567	-26	2,541
Other comprehensive income	0	6,955	-	6,955	-	6,955
Closing balance 31 March 2013	10,000	11,032	966,603	987,635	4,356	991,991

Consolidated Cash Flow Statement in Summary

Amounts in SEK thousands	Note	Jan-Mar 2014	Jan-Mar 2013	Jan-Dec 2013
Cash flow from operating activities				
Result after financial items		-14,565	-6,805	-6,381
Depreciations		1,459	6,247	5,794
Unrealized changes in values		21	-	29,700
Other non-cash items		-9,271	39,756	-7,732
Income from participations in group companies		-2,250	-43,803	-36,979
Interest paid		-17	-16	-267
Interest received		8,654	3,277	23,252
Income tax		685	-1,142	163
Net cash flow from operating activities before changes in working capital		-15,284	- 2,486	7,550
Cash flows from changes in working capital				
Change in inventories and work in progress		-1	-	51
Change in current receivables		-8,381	-25,493	-65,926
Change in current liabilities		31,214	-23,366	55,234
Total cash flows from changes in working capital		22,832	-48,859	-10,641
Cash flows from operating activities		7,548	-51,345	-3,091
Cash flows from investing activities				
Investments in tangible fixed assets		-56,620	-27,828	-213,730
Sales of participation of group companies		2,250	-	36,979
Sales of tangible fixed assets		483	-	-
Investments in subsidiaries		-316	-	-6,244
Investments in associated companies and joint ventures		-1,996	-	-9,090
Change in receivables in associated companies		-495	21,770	20,285
Change in other financial non-current assets		-35,603	-13,762	-162,825
Total cash flows from investing activities		-92,297	-19,820	-334,625
Cash flows from financing activities				
Raised debt		61,676	-	271,172
Repayment of debt		-1,882	1,312	-
Dividends paid		-	-	-
Total cash flow from financing activities		59,794	1,312	271,172
Changes in cash and cash equivalents				
Opening balance, cash and cash equivalents		101,724	170,324	170,324
Exchange effect in cash and cash equivalents		-801	-1,134	-2,056
Closing balance, cash and cash equivalents		75,968	97,847	101,724

Parent Company Income Statement

Amounts in SEK thousands	Note	Jan-Mar 2014	Jan-Mar 2013	Jan-Dec 2013
ASSETS				
Operating income				
Net sales	5	171	412	1,371
Total operating income		171	412	1,371
Operating expenses				
Purchases of goods and services		-52	-	- 627
Other external expenses		- 5,374		
Personnel costs		- 742	- 470	- 2,059
Depreciation of tangible fixed assets				- 79
Total operating expenses		-6,189	- 5,398	-21,784
Operating income		-6,018	- 4,986	-20,413
Result from participations in group companies		-	-	-7,469
Result from participation in associated companies and joint ventures		-	-	-
Result from other securities and receivables accounted for as fixed assets		-11,639	-4,484	-27,307
Interest income and similar items		29,808	7,707	56,411
Interest expenses		-20,485	2,697	-25,876
Profit/Loss after financial items		-8,334	4,460	-24,654
Profit/Loss before tax		-8,334	-4,460	-24,654
Tax		-293	-	3,250
Profit/Loss for the period		-8,627	-4,460	-21,404

In the parent company, there are no items reported as other comprehensive income and therefore total comprehensive income equals result for the period.

Parent Company Balance Sheet

Amounts in SEK thousands	Not	2014-03-31	2013-03-31	2013-12-31
ASSETS				
Fixed assets				
Tangible fixed assets				
	5			
Building equipment		31	-	31
Equipment, tools, fixtures and fittings		915	848	854
Financial assets				
Participations in Group companies		248,415	33,170	248,415
Receivables from Group companies		533,179	518,582	547,499
Participations in associated companies		50	50	50
Participations in joint ventures		13,072	10,992	12,032
Receivables from associated companies and joint vetures		67,814	65,834	67,319
Other receivables		290,148	171,523	241,976
Total financial assets		1,152,678	800,150	1,117,291
Total fixed assets		1,153,624	800,998	1,118,176
Current assets				
Current receivables				
Accounts receivable		108	133	459
Receivables from group companies		70,813	83,132	75,681
Tax assets		78	24	13
Other receivables		4,526	5,006	3,792
Prepaid expenses and accrued income		1,948	70	1,671
Total current receivables		77,473	88,366	81,617
Cash and cash equivalents		8,386	11,779	24,509
Total current assets		85,860	100,145	106,126
TOTAL ASSETS		1,239,484	901,143	1,224,302

Parent Company Balance Sheet, Continued

Amounts in SEK thousands	Not	2014-03-31	2013-03-31	2013-12-31
EQUITY AND LIABILITIES				
Equity				
Restricted equity				
Share capital		10,000	10,000	10,000
Statutory reserve		2,000	2,000	2,000
Total restricted equity		12,000	12,000	12,000
Non-restricted equity				
Non-restricted reserves		415,066	425,987	437,510
Result for the period		-8,627	-4,460	-21,404
Total non-restricted equity		406,439	421,527	416,105
Total Equity		418,439	433,527	428,105
Provisions				
Other provisions		5,471	13,701	10,870
Long-term liabilities				
Bond loan		275,000	-	275,000
Liabilities to group companies		462,081	437,232	456,251
Total long-term liabilities		742,552	450,933	742 122
Current liabilities				
Accounts payable		2,021	191	1,144
Liabilities to group companies		23,925	23,815	24,387
Liabilities to associated companies		2,168	-	2,118
Other liabilities		41,119	4,629	23,752
Accrued expenses and deferred income		2,259	1,885	2,673
Total current liabilities		71,492	30,519	54,074
TOTAL EQUITY AND LIABILITIES		1,232,484	914,979	1,224,302

For information in regards to pledged assets and contingent liabilities, see note 6-7.

Summary covering several years (TSEK)

Key ratios	Jan-Mar 2014	Jan-Mar 2013	Jan-Dec 2013
Return on equity			
Return on total equity in %	-0.73	-0.43	-0.33
Return on equity in %	-1.51	-0.69	-0.65
Return on total equity in % (Parent company)	-0.49	-0.54	-1.67
Return on equity in % (Parent company)	-1.99	-1.03	-5.76
EBITDA, SEK in thousands	758	-3,658	-13,566

Profit/Loss

Operating income in SEK thousands	-701	-41,691	-19,360
Operating margin in %	-4.6	-266.5	-30.1

Key ratio – financial position

Cash liquidity in %	130	127	153
Solidity i %	48.50	63.29	51.25
Equity in SEK thousands	962,623	991,991	978,855
Equity per share, SEK	9,626	9,920	9,789

Key ratio definitions

Cash liquidity in %	Current assets divided by current liabilities
Solidity in %	Equity divided by total capital
Return on total equity in %	Profit/Loss after financial items and interest expense divided by total equity
Return on equity in %	Profit/Loss after financial items divided by non-restricted equity
Operating income in SEK millions	Profit/Loss before financial items
Operating margin in %	Operating income divided by net sales
Net profit margin in %	Profit/Loss after financial items divided by net sales

Notes

Note 1

General information

Index International AB (publ), corporate identity number 556561-0770 is parent company in Index-Group. Index International AB (publ) is headquartered in Stockholm with address Kungsträdgårdsgatan 18, Box 7744, 103 95 Stockholm, Sweden.

The operations of the Parent Company consists of group functions and organization with CEO and administrative functions. Organization of projects and management of real estate is headed by subsidiaries of the Group. No properties is owned directly by the parent company.

Index Group manages and develops real estate. In addition to real estate, the Group has an investment in a power plant fueled by biomass, a so-called Renewable Energy Facility located in Ajax outside of Toronto, Province of Ontario. The Group also has investments in commercial flight industry in Florida. On May 28, 2014 this Interim report was approved by the Board of directors for publication.

This report has not been reviewed by the Index International's auditors.

All amounts are reported in thousands of Swedish kronor (ksek) unless otherwise stated.

Note 2

Basis for establishing of the reports

Index International AB applies IFRS (International Financial Reporting Standards) as adopted by the European Union. This report is prepared in accordance with IAS 34, Interim Financial Reporting. The interim report has been prepared in accordance with Annual Accounts Act (AAA) chapter 9 and RFR 2 Accounting for Legal Entities. The interim report should be read in conjunction with the annual report for the fiscal year ended December 31, 2013.

Note 3

Accounting principles

The accounting policies are consistent with the principles applied in the previous financial year. See full accounting principles described in the Annual Report for 2013.

Note 4

Financial instruments – Fair value

Information on fair value of lending and borrowing

The carrying amount and fair value of long-term borrowing and lending are as follows:

Attributable to Parent company shareholders

	Booked value			Fair value		
	2014-03-31	2013-03-31	2013-12-31	2014-03-31	2013-03-31	2013-12-31
Oth non-curr rec.	362,136	198,974	327,984	362,136	198,974	327,984
Borrowing	-330,807	-276,589	-281,528	-330,807	-276,589	-281,528
Bond loan	-275,000	-	-275,000	-268,163	-	267,542
Total long-term lending and borrowing	-243,671	-77,615	-228,544	-263,834	-77,615	-221,086

The fair value of current borrowings equal to its carrying amount, as the impact of discounting is not significant. Fair value is based on discounted cash flows using a rate based on the borrowing rate of 9% and are classified in Level 2 of the fair value hierarchy.

Calculating fair value

The table below analyzes financial instruments carried at fair value, based on the classification in the fair value hierarchy. The different levels are defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Other observable data for the asset or liability other than quoted prices included in Level 1, either directly (ie as prices) or indirectly (ie derived from prices) (level 2).
- Input for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3)

The following table shows the Group's financial assets and liabilities measured at fair value as of March 31, 2014.

SEK thousands	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value through income statement				
- Financial assets held for sale	-	-	257,685	257,685
Total assets	-	-	257,685	257,685
Liabilities				
Financial liabilities at fair value through income statement				
- Derivatives held for trading:				
Currency Option	-	5,472	-	5,471
Total liabilities	-	5,472	-	5,472

The following table shows the Group's financial assets and liabilities measured at fair value as of March 31, 2013.

SEK thousands	Level 1	Level 2	Level 3	Total
Tillgångar				
Financial assets at fair value through income statement				
- Derivatives held for trading:				
Currency Option	-	184	-	184
- Financial assets held for sale	-	-	232,389	232,389
Total assets	-	184	232,389	232,573
Liabilities				
Financial liabilities at fair value through income statement				
- Derivatives held for trading:				
Currency Option	-	13,884	-	13,884
Total liabilities	-	13,884	-	13,884

The following table shows the Group's financial assets and liabilities measured at fair value as of December 31, 2013.

SEK thousands	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value through income statement				
- Financial assets held for sale	-	-	257,685	257,685
Total assets	-	-	257,685	257,685
Liabilities				
Financial liabilities at fair value through income statement				
- Derivatives held for trading:				
Currency Options	-	10,870	-	10,870
Total liabilities	-	10,870	-	10,870

Fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices from an exchange, broker, industry group, pricing service or regulatory agency are readily and regularly available and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets is the current bid price. The Group has no financial instruments classified in Level 1.

Fair value of financial instruments not traded in an active market (such as OTC derivatives) is determined using valuation specialists. The Group uses (as far as possible) market data where it is available and company-specific information is used as little as possible. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Consolidated financial instruments are included in level 2 consists of currency options.

In cases where one or more significant inputs not based on observable market data, the instrument is classified in level 3. Following table shows the changes in fair value of financial assets held for sale:

SEK thousands	2014-03-31	2013-03-31	2013-12-31
Opening balance	257,685	272,509	272,509
Transfer to level 3	-	3,683	21,300
Gains and losses recognized in the income statement		-43,803	-36,124
Closing balance	257,685	232,389	257,685

The real value in the table is based on the forecast net profit of fixed revenues from sales of newly built condominiums (to the condominium association), the costs of the works in construction projects. Forecasts of projects based largely on fixed income, and expenses, resulting in a minimal margin of error for its results.

NOTE 5**Segment information**

Group-wide information

A breakdown of the revenues from all products and services as follows:

	Jan-mar 2014	Jan-mar 2013	Jan-dec 2013
Analysis of revenue by revenue source:			
– Sale of goods	-	214	33
– Property rents	15,320	15,016	62,372
– Sale of services	6	412	1,899
Total	15,326	15,642	64,304

The Group is headquartered in Sweden. Revenues from external customers in Sweden amounts to 14,329 ksek (Jan-Mar 2013: 14,697 ksek and Jan-Dec 2013: 60,626 ksek) and total revenue from external customers in other countries amounted to 997 ksek (Jan-Mar 2013: 945 ksek and Jan-Dec 2013: 3,678 ksek).

Total non-current assets other than financial instruments and deferred tax assets (there are no assets related to post-retirement benefits or rights under insurance contracts), which are located in Sweden amounts to 815,680 ksek (2013-03-31: 887,366 ksek and 2013-12-31: 750,773 ksek) and the total of such assets located in other countries amounted to 393,901 ksek (2013-03-31: 164,863 ksek and 2013-12-31: 349,862 ksek).

Revenues of approximately 2,389 ksek (Jan-Mar 2013: 2,443 ksek and Jan-Dec 2013: 7,883 ksek) relates to a single external customer. These revenues are attributable to rental of premises.

NOTE 6**Pledged assets**

Group	2014-03-31	2013-03-31	2013-12-31
Real estate mortgages	396,804	396,804	396,804
Restricted cash	59,352	-	61,055
Pledged shares	2,326	442	1,286
Total Group	458,482	397,246	459,145
Parent company	2014-03-31	2013-03-31	2013-12-31
Pledged shares	2,522	442	1,482
Total parent company	2,522	442	1,482

Real estate mortgages and share pledges are pledged as collateral for the Group's interest-bearing liabilities.

NOTE 7**Contingent liabilities**

Group	2014-03-31	2013-03-31	2013-12-31
General guarantees for subsidiary loans	233,450	240,162	234,650
General guarantees for other company loans	293,057	244,329	303,057
Total Group	526,507	484,491	537,707

Group	2014-03-31	2013-03-31	2013-03-31
General guarantees for subsidiary loans	233,450	240,162	234,650
General guarantees for other company loans	293,057	244,329	303,057
Total parent company	526,507	484,491	537,707

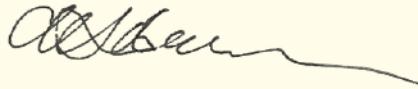
NOTE 8**Events post reporting date****Upcoming reporting dates**

- August 29, 2014: Interim report for period January – June 2014
- November 28, 2014: Interim report for period January – September 2014

Stockholm, 28 May 2014



Arne Weinz
Chairman of the board



Marie-Louise Alamaa
Managing Director and Board Member



Brian Borg
Board Member