

# INDEX

RESIDENCE /

OCTOBER-  
DECEMBER  
2016



**Interim Report Fourth Quarter 2016**  
Index Residence AB (publ)

# Highlights

## The Group

### Equity/assets ratio (%)

2016	65
2015	47
2014	41
2013	51
2012	62
2011	58
2010	58
2009	52

### Total assets

2016	2,102,424
2015	2,353,760
2014	2,627,624
2013	1,909,880
2012	1,591,200
2011	1,524,841
2010	1,635,142
2009	991,640

### Equity

2016	1,365,680
2015	1,113,953
2014	1,084,495
2013	978,855
2012	982,495
2011	881,737
2010	950,708
2009	517,931

## Parent Company

### Equity/assets ratio (%)

2016	37
2015	33
2014	30
2013	35
2012	53
2011	72
2010	72
2009	66

### Total assets

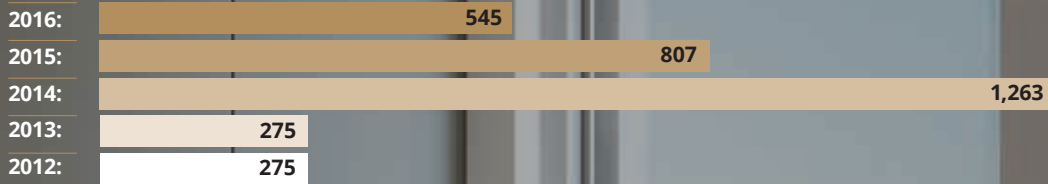
2016	1,827,272
2015	1,717,587
2014	1,606,420
2013	1,224,302
2012	832,469
2011	681,119
2010	754,059
2009	820,569

### Equity

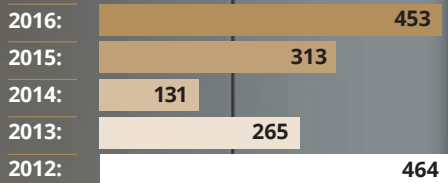
2016	606,945
2015	538,618
2014	488,137
2013	428,105
2012	437,988
2011	491,124
2010	543,104
2009	544,271

# Index Portfolio

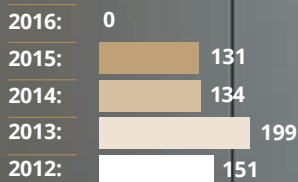
## Total units under planning/zoning:



## Total units in production:



## Total units leased/sold:



## Sum total of units in portfolio:







## Consolidated Income Statement in Summary

Amounts in SEK thousands	Note	Oct-Dec 2016	Oct-Dec 2015	Jan-Dec 2016	Jan-Dec 2015
<b>Operating income</b>	5				
Net sales		1,733	3,355	17,803	43,594
Other operating income		36,896	490	38,578	15,405
<b>Total</b>		<b>38,629</b>	<b>3,845</b>	<b>56,381</b>	<b>58,999</b>
<b>Operating expenses</b>	5				
Purchase of goods and services		-15,084	-3,094	-30,555	-21,239
Other external expenses		-10,359	-7,586	-40,319	-27,511
Personnel costs		-4,671	-4,210	-17,025	-21,049
Depreciation/amortization of property, plant and equipment and intangible fixed assets		-12,407	-2,337	-13,074	-3,477
Change in value of properties		-	-9,795	-	-9,795
Result from participations in group companies		-345	638	191,338	8,459
Result from participations in associates and joint venture		2,652	427	15,920	31,821
<b>Total operating expenses</b>		<b>-40,214</b>	<b>-25,957</b>	<b>106,285</b>	<b>-42,791</b>
<b>Operating result</b>		<b>-1,585</b>	<b>-22,112</b>	<b>162,666</b>	<b>16,208</b>
Financial income		81,503	37,523	301,211	233,759
Financial expenses		-62,202	-112,419	-161,297	-267,387
<b>Net financial items</b>	5	<b>19,301</b>	<b>-74,896</b>	<b>139,914</b>	<b>-33,628</b>
<b>Result before tax</b>		<b>17,716</b>	<b>-97,008</b>	<b>302,580</b>	<b>-17,420</b>
Tax		-5,696	22,405	-21,667	75,969
<b>Result for the period</b>		<b>12,020</b>	<b>-74,603</b>	<b>280,913</b>	<b>58,549</b>
<b>Other comprehensive income</b>					
Items that may later be reserved in the income statement:					
Exchange differences		1,845	3,297	-6,361	616
Exchange differences, non-controlling interests		-	-22	-	-
<b>Total comprehensive income for the year</b>		<b>13,865</b>	<b>-71,328</b>	<b>274,552</b>	<b>59,165</b>
Result for the period attributable to:					
Parent company shareholders		12,020	-74,628	280,913	59,378
Non-controlling interests		-	25	-	-829
Total comprehensive income attributable to:					
Parent company shareholders		13,865	-71,331	274,552	59,994
Non-controlling interests		-	3	-	-829
Earnings per share before dilution, SEK		138.65	-713.31	2,745.52	599.94
Earnings per share after dilution, SEK		138.65	-713.31	2,745.52	599.94

## Consolidated Balance Sheet in Summary

Amounts in SEK thousands	Note	2016-12-31	2015-12-31
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
<b>Intangible assets</b>			
Concessions		-	10,323
Capitalised expenditure for software		1,707	277
<b>Total Intangible assets</b>		<b>1,707</b>	<b>10,600</b>
<b>Property, plant and equipment</b>			
Investment properties	5	32,607	77,209
Buildings and land		-	-
Equipment, tools, fixtures and fittings		4,929	2,129
Constructions in progress	5	-	642,298
<b>Total property, plant and equipment</b>		<b>37,536</b>	<b>721,636</b>
<b>Non-current financial assets</b>			
Investments in associates		21,106	751
Investments in joint ventures		6,396	2,941
Other non-current receivables	4	1,542,666	991,914
Financial assets available for sale	4	5,000	7,500
<b>Total non-current financial assets</b>		<b>1,575,168</b>	<b>1,003,106</b>
Deferred tax assets		-	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,614,411</b>	<b>1,735,342</b>
<b>Current assets</b>			
<b>Inventories</b>			
Residential units under development		223,200	242,372
Securities		85,649	56,751
Inventories		-	137
Accounts receivables		8,808	10,358
Tax assets		129	62
Receivables to associates		89,935	-
Other receivables		20,779	44,100
Financial assets available for sale	4	-	15,000
Prepaid expenses and accrued income		2,993	7,307
Derivatives	4	3,410	6,924
Cash and cash equivalents		53,110	186,407
Non-current assets held for sale		-	49,000
<b>TOTAL CURRENT ASSETS</b>		<b>488,013</b>	<b>618,418</b>
<b>TOTAL ASSETS</b>		<b>2,102,424</b>	<b>2,353,760</b>

## Consolidated Balance Sheet in Summary, Continued

Amounts in SEK thousands	Note	2016-12-31	2015-12-31
<b>EQUITY</b>			
<b>Equity attributable to Parent company shareholders</b>			
Share capital		10,000	10,000
Reserves		4,468	10,829
Retained earnings including comprehensive income for the year		1,351,212	1,093,124
Non-controlling interests		–	–
<b>Total equity</b>		<b>1,365,680</b>	<b>1,113,953</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	4	55,753	379,190
Bond loan	4	371,980	369,909
Derivatives	4	9,413	73,986
Other non-current liabilities		–	1,628
Deferred tax liabilities		63,639	73,097
Other provisions		86,986	120,662
<b>Total long-term liabilities</b>		<b>587,771</b>	<b>1,018,472</b>
<b>Current liabilities</b>			
Borrowings		3,793	13,414
Accounts payable		11,783	77,515
Current tax liabilities		20,564	25,581
Derivatives	4	43,136	1,410
Other current liabilities		65,655	86,241
Accrued expenses and deferred income		4,042	17,174
<b>Total current liabilities</b>		<b>148,973</b>	<b>221,335</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,102,424</b>	<b>2,353,760</b>

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
<b>Opening balance 1 January 2015</b>	<b>10,000</b>	<b>10,213</b>	<b>1,062,146</b>	<b>1,082,359</b>	<b>2,136</b>	<b>1,084,495</b>
Profit/Loss for the period	-	-	59,378	59,378	-829	58,549
Other comprehensive income	-	616	-	616	-	616
Disposal of the subsidiaries	-	-	-	-	-1,307	-1,307
<b>Closing balance 31 December 2015</b>	<b>10,000</b>	<b>10,829</b>	<b>1,093,124</b>	<b>1,113,953</b>		<b>-1,113,953</b>
<b>Opening balance 1 januari 2016</b>	<b>10,000</b>	<b>10,829</b>	<b>1,093,124</b>	<b>1,113,953</b>	<b>-</b>	<b>1,113,953</b>
Profit/Loss for the period	-	-	280,913	280,913	-	280,913
Other comprehensive income	-	-6361	-	-6,361	-	-6,361
Paid Dividend	-	-	-28,000	-28,000	-	-28,000
Capital contributions	-	-	5,175	5,175	-	5,175
<b>Closing balance 31 december 2016</b>	<b>10,000</b>	<b>4,468</b>	<b>1,351,212</b>	<b>1,365,680</b>	<b>-</b>	<b>1,365,680</b>

## Consolidated Cash Flow Statement in Summary

Amounts in SEK thousands	Note	2016-12-31	2015-12-31
<b>Cash flow from operating activities</b>			
Result after financial items		302,580	-17,420
Depreciation/amortization		824	3,477
Other non-cash items		-247,788	15,548
Interest paid		-54,940	-49,313
Interest received		28,851	32,998
Income tax		-32,949	-1,215
<b>Net cash flow from operating activities before changes in working capital</b>		<b>-3,422</b>	<b>-15,925</b>
<b>Cash flows from changes in working capital</b>			
Change in inventories and work in progress		-9,748	2,400
Change in current receivables		-15,928	239
Change in current liabilities		-34,842	13,962
<b>Total cash flows from changes in working capital</b>		<b>-60,518</b>	<b>16,601</b>
<b>Cash flows from operating activities</b>		<b>-63,940</b>	<b>676</b>
<b>Cash flows from investing activities</b>			
Investments in intangible fixed assets		-1,839	-282
Investments in tangible fixed assets		-4,211	-101,921
Sales/Investments in subsidiaries		-135,159	422,004
Sales/Investments in associated companies and joint venture		11,357	254,180
Change in receivables in associated companies		-89,935	922
Change in other financial non-current assets		225,006	-158,131
<b>Total cash flows from investing activities</b>		<b>5,219</b>	<b>416,772</b>
<b>Cash flows from financing activities</b>			
Borrowings		5,260	108,851
Repayment of debt		-59,839	-434,352
Dividends received/paid		-28,000	-28,400
Capital contributions		5,175	
<b>Total cash flow from financing activities</b>		<b>-77,404</b>	<b>-353,901</b>
<b>Changes in cash and cash equivalents</b>			
Opening balance, cash and cash equivalents		186,407	132,351
Exchange effect in cash and cash equivalents		3,528	-9,491
<b>Closing balance, cash and cash equivalents</b>		<b>53,810</b>	<b>186,407</b>

## Parent Company Income Statement

Amounts in SEK thousands	Note	Oct-Dec 2016	Oct-Dec 2015	Jan-Dec 2016	Jan-Dec 2015
<b>Operating income</b>					
Net sales		379	1,119	1,942	1,897
<b>Total operating income</b>		<b>379</b>	<b>1,119</b>	<b>1,942</b>	<b>1,897</b>
<b>Operating expenses</b>					
Purchases of goods and services		-	-15	-	-15
Other external expenses		-5,345	-4,868	-20,534	-17,803
Personnel costs		-2,712	-3,574	-10,264	-10,566
Depreciation/amortization of property, plant and equipment		-28	-18	-103	-70
<b>Total operating expenses</b>		<b>-8,085</b>	<b>-8,475</b>	<b>-30,901</b>	<b>-28,454</b>
<b>Operating result</b>		<b>-7,706</b>	<b>-7,356</b>	<b>-28,959</b>	<b>-26,557</b>
Result from investments in group companies		-13	10,647	11,834	-208,174
Result from investments in associates and joint ventures			105,500	28,200	244,300
Result from other securities and receivables accounted for as fixed assets		41,220	-21,772	104,195	-2,121
Other interest income and similar result items		30,751	43,688	177,454	169,204
Interest expenses and similar result items		-55,864	-19,038	-118,618	-94,910
<b>Result after financial items</b>		<b>8,388</b>	<b>111,669</b>	<b>174,107</b>	<b>81,742</b>
<b>Result before tax</b>		<b>8,388</b>	<b>111,669</b>	<b>174,107</b>	<b>81,742</b>
Appropriations		-42,705	-5,850	-49,810	10,696
Tax on earnings for the period		-1,576	2,660	-27,970	-13,557
<b>Result for the period</b>		<b>-35,893</b>	<b>108,479</b>	<b>96,327</b>	<b>78,881</b>

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	Note	2016-12-31	2015-12-31
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Intangible assets</b>			
Software		207	–
<b>Property, plant and equipment</b>			
Equipment, tools, fixtures and fittings		757	824
<b>Non-current financial assets</b>			
Investments in Group companies		154,792	58,932
Receivables from Group companies		77,101	722,548
Investments in associates		–	800
Investments in joint ventures		1,532	1,532
Other non-current receivables		1,424,490	792,293
<b>Total non-current financial assets</b>		<b>1,657,915</b>	<b>1,576,105</b>
<b>Total non-current assets</b>		<b>1,658,879</b>	<b>1,576,929</b>
<b>Current assets</b>			
<b>Current receivables</b>			
Trade receivables		1,761	1,487
Receivables from group companies		112,275	89,478
Receivables from associates		4,047	–
Other receivables		8,205	4,387
Prepaid expenses and accrued income		2,353	2,478
<b>Total current receivables</b>		<b>128,641</b>	<b>97,830</b>
Cash and cash equivalents		39,752	42,828
<b>Total current assets</b>		<b>168,393</b>	<b>140,658</b>
<b>TOTAL ASSETS</b>		<b>1,827,272</b>	<b>1,717,587</b>

## Parent Company Balance Sheet, Continued.

Amounts in SEK thousands	Note	2016-12-31	2015-12-31
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Restricted equity</b>			
Share capital		10,000	10,000
Statutory reserve		2,000	2,000
<b>Total restricted equity</b>		<b>12,000</b>	<b>12,000</b>
<b>Non-restricted equity</b>			
Non-restricted reserves		498,618	447,737
Result for the period		96,327	78,881
<b>Total non-restricted equity</b>		<b>594,945</b>	<b>526,618</b>
<b>Total Equity</b>		<b>606,945</b>	<b>538,618</b>
Untaxed reserves		77,500	35,200
<b>Provisions</b>			
Other provisions		49,139	6,443
<b>Non-current liabilities</b>			
Bond loan		371,980	369,909
Liabilities to Group companies		660,653	661,968
<b>Total non-current liabilities</b>		<b>1,032,633</b>	<b>1,031,877</b>
<b>Current liabilities</b>			
Trade payables		1,802	949
Liabilities to Group companies		12,442	31,459
Tax liabilities		20,335	21,112
Other liabilities		20,950	42,808
Accrued expenses and deferred income		5,526	9,121
<b>Total current liabilities</b>		<b>61,055</b>	<b>105,449</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,827,272</b>	<b>1,717,587</b>

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

Group key ratios	Oct-Dec 2016	Oct-Dec 2015	Jan-Dec 2016	Jan-Dec 2015
<b>Return on equity</b>				
Return on total equity in %	0.84	-4.01	14.39	0.74
Return on equity in %	1.30	-7.97	22.16	-1.56
Return on total equity in % (Parent company)	0.46	6.50	9.53	4.76
Return on equity in % (Parent company)	1.26	19.73	26.09	14.44
EBITDA, SEK in thousands	10,822	-23,620	175,740	19,685

### Profit/Loss

Operating income in SEK thousands	-1,585	-22,112	162,666	16,208
Operating margin in %	-4.10	-575.08	288.51	27.47

### Key ratio – financial position

Cash liquidity in %	328	279	328	279
Solidity i %	64.96	47.33	64.96	47.33
Equity in SEK thousands	1,365,680	1,113,953	1,365,680	1,113,953
Equity per share, SEK	13,657	11,140	13,657	11,140
Net income per share before dilution, SEK	138.65	-713.31	2,745.52	599.94
Net income per share after dilution, SEK*	138.65	-713.31	2,745.52	599.94
Number of share	100,000	100,000	100,000	100,000
Average number of shares	100,000	100,000	100,000	100,000
Number of apartments under zoning planning	545	807	545	807
Number of apartments under production	453	313	453	313
Numbers of sold apartments	47	0	105	0
Number of occupied apartments	0	0	0	131
Number of apartments in the portfolio	998	1,300	998	1,300

### 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

## Notes

### Note 1 General information

Index Residence AB (publ), corporate identity number 556561-0770 is parent company in Index-Group. Index Residence 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.

On February 28, 2017 this Interim report was approved by the Board of directors for publication.

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

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

### Note 2 Basis for establishing of the reports

Index Residence 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, 2015.

### 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 2015.

### 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:

	Booked value		Fair value	
	2016-12-31	2015-12-31	2016-12-31	2015-12-31
Oth non-curr rec.	1,542,666	991,914	1,542,666	991,914
Borrowing	-55,753	-379,190	-55,753	-379,190
Bond loan	-371,980	-369,909	-371,980	-369,909
<b>Total long-term lending and borrowing</b>	<b>1,114,933</b>	<b>242,815</b>	<b>1,114,933</b>	<b>242,815</b>

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).
- The value of the asset or liability are not based on observable market data, it is financial forecasts underlying the calculation of the value. Input for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

## Notes

The following table shows the Group's financial assets and liabilities measured at fair value as of December 31, 2016.

(SEK in thousands)	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Financial assets at fair value through income statement	-	-	-	-
- Financial assets held for sale:				
Currency Option	-	3,410	-	3,410
Real Estate projects	-	-	5,000	5,000
<b>Total assets</b>	<b>-</b>	<b>3,410</b>	<b>5,000</b>	<b>8,410</b>

### Liabilities

Financial liabilities at fair value through income statement				
- Derivatives held for trading:				
Currency Option	-	43,136	-	43,136
Interest Rate Swap	-	9,413	-	9,413
<b>Total liabilities</b>	<b>-</b>	<b>52,549</b>	<b>-</b>	<b>52,549</b>

The following table shows the Group's financial assets and liabilities measured at fair value as of December 31, 2015.

(SEK in thousands)	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Financial assets at fair value through income statement				
- Derivatives held for trading:				
Currency Option	-	6,924	-	6,924
- Financial assets held for sale	-	-	22,500	22,500
<b>Total assets</b>	<b>-</b>	<b>6,924</b>	<b>22,500</b>	<b>29,424</b>

### Liabilities

Financial liabilities at fair value through income statement				
- Derivatives held for trading:				
Currency Option	-	1,410	-	1,410
Interest rate swap	-	73,986	-	73,986
<b>Total liabilities</b>	<b>-</b>	<b>75,396</b>	<b>-</b>	<b>75,396</b>

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.



## Notes

Following table shows the changes in fair value of financial assets held for sale:

(SEK in thousands)	2016-12-31	2015-12-31
<b>Opening balance</b>	<b>22,500</b>	<b>239,000</b>
Transfer to level 3	-22,500	-239,000
Gains and losses recognized in the income statement	5,000	22,500
<b>Closing balance</b>	<b>5,000</b>	<b>22,500</b>

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 construc-

tion 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

The Group's operation is managed and reported by business area as follows. Segment consolidation is based on the same principles as for the whole Group. Transactions between segments are based on market conditions.

#### 2016-10-01 – 2016-12-31

(SEK in thousands)	Sweden	North America	Group
<b>Operating income</b>			
Net sales	408	1,325	1,733
Other operating income	36,893	3	36,896
<b>Total income</b>	<b>37,301</b>	<b>1,328</b>	<b>38,629</b>
<b>Operating expenses</b>			
Purchase of goods and services	-15,140	56	-15,084
Other external expenses	-6,657	-3,702	-10,359
Personnel costs	-4,671	-	-4,671
Depreciation and write-downs of tangible and intangible fixed assets	-12,003	-404	-12,407
Change in value of properties	-	-	-
Result from participants in Group companies	-178	-167	-345
Result from participants in associated companies	2,652	-	2,652
<b>Total operating expenses</b>	<b>-35,997</b>	<b>-4,217</b>	<b>-40,214</b>
<b>Operating result</b>	<b>1,304</b>	<b>-2,889</b>	<b>-1,585</b>
Financial items – net	19,277	24	19,301
<b>Result before tax</b>	<b>20,581</b>	<b>-2,865</b>	<b>17,716</b>
<b>Assets</b>			
Investment properties	406	32,201	32,607
Construction work in progress	-	-	-
Residential units under development	223,200	-	223,200
Number of apartments under detailed zoning plan	545	-	545
Number of apartments under development	453	-	453
Number of occupied apartments during the period	-	-	-
Number of apartments in the portfolio	998	-	998

## Notes

### 2015-10-01 – 2015-12-31

(SEK in thousands)	Sweden	North America	Group
<b>Operating income</b>			
Net sales	3,830	-475	3,355
Other operating income	156	334	490
<b>Total income</b>	<b>3986</b>	<b>-141</b>	<b>3,845</b>
<b>Operating expenses</b>			
Purchase of goods and services	-2,978	-116	-3,094
Other external expenses	-6,843	-743	-7,586
Personnel costs	-4,210	-	-4,210
Depreciation and write-downs of tangible and intangible fixed assets	-1,682	-655	-2,337
Change in property	-11,000	1,205	-9,795
Result from participants in Group companies	638	-	638
Result from participants in associated companies	427	-	427
<b>Total operating expenses</b>	<b>-25,648</b>	<b>-309</b>	<b>-25,957</b>
<b>Operating result</b>	<b>-21,662</b>	<b>-450</b>	<b>-22,112</b>
Financial items – net	875	-75,771	-74,896
<b>Result before tax</b>	<b>-20,787</b>	<b>-76,221</b>	<b>-97,008</b>
<b>Assets</b>			
Investment properties	48,436	28,773	77,209
Construction work in progress		642,298	642,298
Number of apartments under zoning planning	807	-	807
Number of apartments under development	313	-	313
Number of occupied apartments during the period	-	-	-
Number of apartments in the portfolio	1,300	-	1,300

# Notes

## 2016-01-01 – 2016-12-31

(SEK in thousands)	Sweden	North America	Group
<b>Operating income</b>			
Net sales	6,144	11,659	17,803
Other operating income	38,059	519	38,578
<b>Total income</b>	<b>44,203</b>	<b>12,178</b>	<b>56,381</b>
<b>Operating expenses</b>			
Purchase of goods and services	-18,913	-11,642	-30,555
Other external expenses	-26,253	-14,066	-40,319
Personnel costs	-15,459	-1,566	-17,025
Depreciation and write-downs of tangible and intangible fixed assets	-12,607	-467	-13,074
Result from participants in Group companies	189,647	-1,691	191,338
Result from participants in associated companies	15,920	-	15,920
<b>Total operating expenses</b>	<b>132,335</b>	<b>-26,050</b>	<b>106,285</b>
<b>Operating result</b>	<b>176,538</b>	<b>-13,872</b>	<b>162,666</b>
Financial items – net	176,411	-36,497	139,914
<b>Result before tax</b>	<b>400,653</b>	<b>-50,369</b>	<b>302,580</b>
<b>Assets</b>			
Investment properties	406	32,201	32,607
Construction work in progress	-	-	-
Warehouse properties	223,200	-	223,200
Number of apartments under zoning planning	545	-	810
Number of apartments under development	453	-	453
Number of occupied apartments during the period	-	-	-
Number of apartments in the portfolio	998	-	998

## Notes

### 2015-01-01 – 2015-12-31

(SEK in thousands)	Sweden	North America	Group
<b>Operating income</b>			
Net sales	39,213	4,381	43,594
Other operating income	-326	15,731	15,405
<b>Total income</b>	<b>38,887</b>	<b>20,112</b>	<b>58,999</b>
<b>Operating expenses</b>			
Purchase of goods and services	-20,211	-1,028	-21,239
Other external expenses	-23,507	-4,004	-27,511
Personnel costs	-14,004	-7,045	-21,049
Depreciation and write-downs of tangible and intangible fixed assets	-2,254	-1,223	-3,477
Change in property	-11,000	1,205	-9,795
Result from participants in Group companies	8,459	-	8,459
Result from participants in associated companies	31,821	-	31,821
<b>Total operating expenses</b>	<b>-30,696</b>	<b>12,095</b>	<b>-42,791</b>
<b>Operating result</b>	<b>8,191</b>	<b>8,017</b>	<b>16,208</b>
Financial items – net	36,678	-70,306	-33,628
<b>Result before tax</b>	<b>44,869</b>	<b>-62,289</b>	<b>-17,420</b>
<b>Assets</b>			
Investment properties	48,436	28,773	77,209
Construction work in progress	-	642,298	642,298
Warehouse properties	242,372	-	242,372
Number of apartments under zoning planning	807	-	807
Number of apartments under development	313	-	313
Number of occupied apartments during the period	131	-	131
Number of apartments in the portfolio	1,300	-	1,300

# Notes

## 2014-01-01 – 2014-12-31

(SEK in thousands)	Sweden	North America	Group
<b>Operating income</b>			
Net sales	54,812	1,760	56,572
Other operating income	651	15,720	16,371
<b>Total</b>	<b>55,463</b>	<b>17,480</b>	<b>72,943</b>
<b>Operating expenses</b>			
Purchase of goods and services	-51,451	-4	-51,455
Other external expenses	-21,376	-6,545	-27,921
Personnel costs	-8,560	-4,821	-13,381
Depreciation and write-downs of tangible and intangible fixed assets	-4,167	-1,252	-5,419
Change in value of properties	32,560	-	32,560
Result from participants in Group companies	-1,813	-2	-1,815
<b>Total operating expenses</b>	<b>-54,807</b>	<b>-12,624</b>	<b>-67,431</b>
<b>Operating result</b>	<b>656</b>	<b>4,856</b>	<b>5,512</b>
Financial items – net	162,952	-58,506	104,446
<b>Result before tax</b>	<b>163,608</b>	<b>-53,650</b>	<b>109,958</b>
<b>Assets</b>			
Investment properties	431,000	30,742	461,742
Construction work in progress	6,049	644,626	650,675
Number of apartments under zoning planning	1,263	-	1,263
Number of apartments under development	131	-	131
Number of occupied apartments during the period	134	-	134
Number of apartments in the portfolio	1,668	-	1,668

## Notes

### Note 6 Pledged assets

Group	2016-12-31	2015-12-31
Real estate mortgages	15,975	394,053
Restricted cash	–	61,946
Pledged shares	2,409	242
<b>Total Group</b>	<b>18,384</b>	<b>456,241</b>
<b>Parent company</b>	<b>2016-12-31</b>	<b>2015-12-31</b>
Pledged shares	1,040	1,040
<b>Total parent company</b>	<b>1,040</b>	<b>1,040</b>

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

### Note 7 Contingent liabilities

Parent company	2016-12-31	2015-12-31
General guarantees for subsidiary loans	60,000	60,000
General guarantees for other company loans	411,332	557,818
<b>Total parent company</b>	<b>471,332</b>	<b>617,818</b>

Of total liabilities includes construction loans 0 ksek (Jan–Dec 2015: 470,058 ksek) for projects in Florida, US.

## **Note 8 Events post reporting date**

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### **Upcoming reporting dates**

- April 28, 2017 Annual report for period January – December 2016
- May 31, 2017 Interim report for period January – March 2017
- August 31, 2017 Interim report for period January – June 2017
- November 30, 2017 Interim report for period January –September 2017

**Stockholm, 28<sup>th</sup> of February 2017**



**Bjarne Borg**  
Chairman of the Board



**Rickard Haraldsson**  
CEO /Board member



**Arne Weinz**  
Board member

