Annual Report and Consolidated Statements

Index International AB (Publ)
556561-0770

01.01.2013 – 31.12.2013

INDEX
Est.1998

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 several states in the US. In addition to real estate, the Group has an investment in a biomass co-generation power 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 Group also has investments in established businesses in the commercial aviation sector in Florida.

The Parent Company, Index International AB (Publ), also offers management services and administrative and financial services to the companies in or affiliated with the Group. Real estate holdings and projects in the US are held in various local subsidiaries and associated companies owned by the same group as Index International AB (Publ).

Ownership structure

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

Significant events

Index International AB (Publ) has issued a 3.5 year corporate bond of SEK 275 million. The bond matures in December 2016 with a fixed interest rate of 9% and will be listed on NASDAQ OMX Stockholm. The loan have been used primarily for investments in the group's business in Canada.

The subsidiary Index Energy Mills Road Corporation has finalized negotiations for the financing of its investment in the biomass power plant in Ajax outside of Toronto, Province of Ontario. The Canadian subsidiary has borrowed CAD 60 million and the parent company has invested 33.8 MCAD in additional equity. This investment is for a complete replacement and new construction of the power plant and associated buildings. The reconstruction is proceeding according to plan and the plant is expected to be a full production by the end of 2014.When phase I of the new construction is completed, the plant will produce 17.8 MW of electricity. Index Energy has secured a 20 year contract from the Ontario Power Authority for the Ajax power plant to provide electricity to the Ontario electricity grid, commencing in 2014. In phase II, the plant will also produce hot water and steam in addition to 7.3 MW of electricity. Index Energy also owns the steam based district heating system within the city.

Significant events after the end of the financial period

Index International AB (Publ) is now setting up and running a program for the production of approximately 300 rental units per year. The company has signed a land use agreements with Norrtälje municipality. Under the agreement, the company will build 300 rental apartments divided into two blocks. Work on the detailed development is progressing as planned and expected to be completed in early 2015.

The company has several planned condominiums and rental unit projects that are imminent and will be presented in future quarterly reports.

In March 2014, the company sold the shares of Centrum 29:3 AB with financial access from 1st April, 2014

Proposed appropriation of profits

The Board of Directors proposes available profits (SEK thousands):

profit brought forward	437 510
net result for the year	-21 404
	416 105
be distributed as follows	
to be carried forward	416 105
	416 105

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

Five-year overview

The Group

Equity/assets ratio (%)

2013	51
2012	62
2011	58
2010	58
2009	52

Liquidity Ratio (%)

2013	153
2012	124
2011	273
2010	193
2009	274

Total assets

2013	1,909,880
2012	1,591,200
2011	1,524,841
2010	1,635,142
2009	991,640

Equity

2013	978,855
2012	982,495
2011	881,737
2010	950,708
2009	517,931

Parent Company

Equity/assets ratio (%)

2013	35
2012	53
2011	72
2010	72
2009	66

Liquidity Ratio (%)

2013	196
2012	240
2011	668
2010	945
2009	223

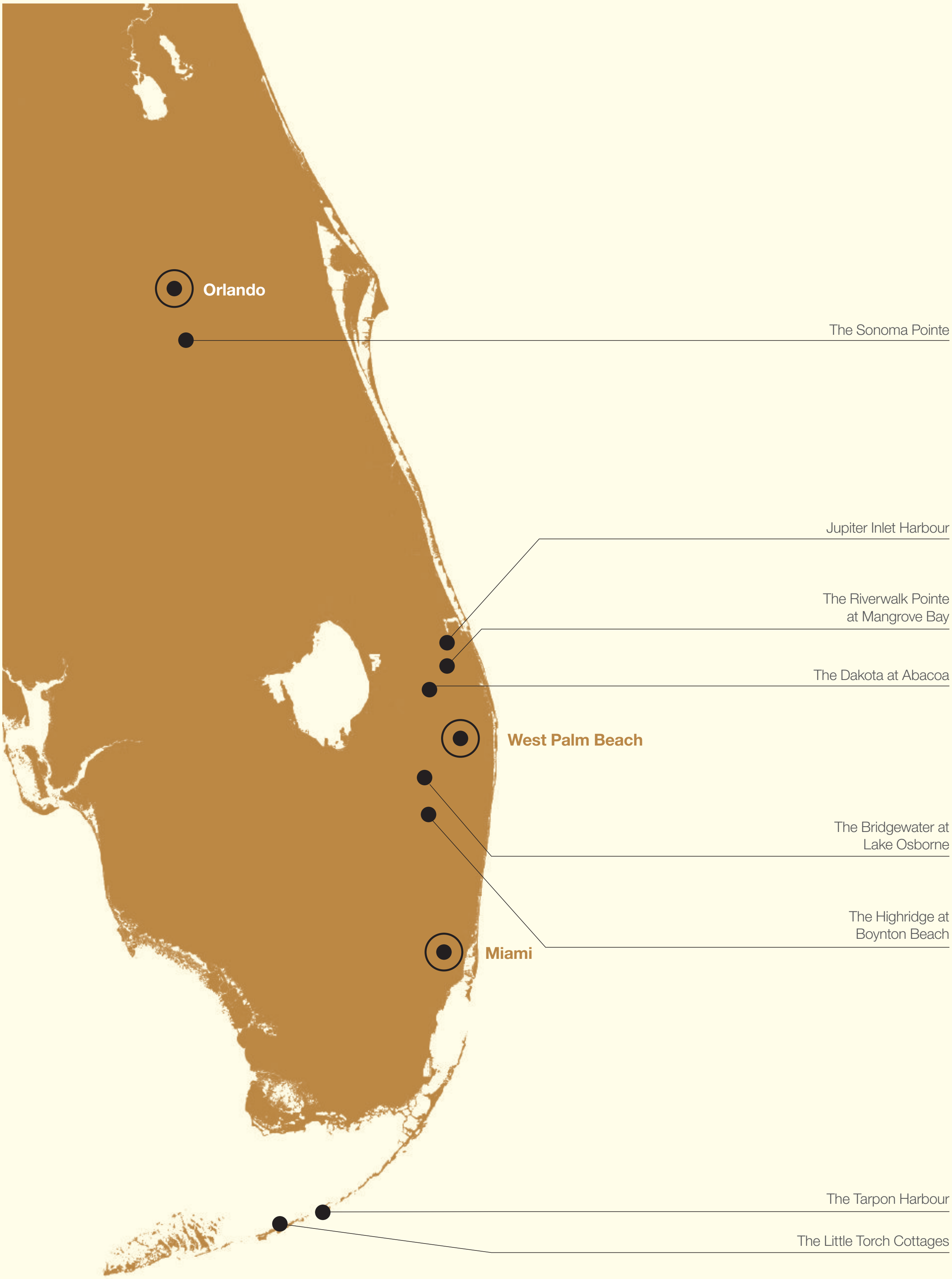
Total assets

2013	1,224,302
2012	832,469
2011	681,119
2010	754,059
2009	820,569

Equity

2013	428,105
2012	437,988
2011	491,124
2010	543,104
2009	544,271

Project Overview
Index Living in Florida



Project Overview
Index in Greater Stockholm region

Board of Directors Index International AB (Publ)

Arne Weinz
Chairman of the Board

Brian Borg
Member of the Board

Marie-Louise Alama
CEO

Fredrik Alama
Co-Founder

Bjarne Borg
Co-Founder

A selection of Index projects in Florida

Index Residence Riva, Fort Lauderdale

Index LivingThe Dakota at Abacoa, Jupiter

Watercrest Senior Living Lake Nona, Orlando

Consolidated Income Statement in Summary

Amounts in SEK thousands	Note	Fiscal year 2013	2012
Operating income			
Net sales	*5,6*	64 304	79 515
Other operating income	*10*	381	12 363
Total		**64 685**	**91 878**
Operating expenses			
Purchase of goods and services		-20 052	-37 339
Other external expenses	*8,40*	-21 681	-30 911
Personnel costs	*9,41,43*	-6 767	-10 746
Depreciation and write-downs of tangible and intangible fixed assets	*19,21*	-5 794	-5 667
Write-downs of sold properties		-	-202 294
Change in value of properties	*20*	-29 700	-3 699
Other operating expenses	*10*	-51	-1 550
Total operating expenses		**-84 045**	**-292 206**
Operating result		**-19 360**	**-200 328**
Financial income	*14*	78 200	234 585
Financial expenses	*14*	-65 221	-40 111
Financial items – net	*14*	12 979	-194 474
Result from participations in associated companies and joint ventures	*12*	2 671	-16 332
Result before tax		**-3 710**	**-22 186**
Tax	*17*	-1 207	74 312
Result for the period		**-4 917**	**52 126**
Other comprehensive income			
Items that may be reclassified to the income statement:			
Exchange difference		1 936	4 077
Other comprehensive income for the year, net post tax		**1 936**	**4 077**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**-2 981**	**56 203**
Result for the period attributable to:			
Parent company shareholders		-4 726	52 150
Non-controlling interests		-191	-24
Total comprehensive income attributable to:			
Parent company shareholders		-2 790	56 227
Non-controlling interests		-191	-24

Consolidated Balance Sheet Iin Summary

Amounts in SEK thousands	Note	2013-12-31	2012-12-31	2012-01-01
ASSETS				
Fixed assets				
Intangible fixed assets	**19**			
Consessions		11 699	12 388	13 076
Trademarks		7 282	10 922	15 010
Total Intangible fixed assets		**18 981**	**23 310**	**28 086**
Tangible fixed assets				
Investment properties	*20*	441 500	599 853	586 524
Buildings and land	*21*	30 473	32 963	39 927
Equipment, tools, fixtures and fittings	*21*	3 340	2 658	4 460
Constructions in progress	*21*	303 036	99 372	85 291
Total tangible assets		**778 349**	**734 846**	**716 202**
Financial assets				
Participations in associated companies	*15*	33 834	23 932	9 824
Participations in joint ventures	*16*	11 786	10 796	10 539
Receivable from associated companies and joint ventures	*25*	90 773	107 447	149 627
Other non-current receivables	*22,25*	327 984	165 159	9 733
Financial assets available for sale	*25*	257 685	272 509	488 932
Total financial assets		**722 062**	**579 843**	**668 655**
Deferred tax assets	*23*	2 508	7 801	11 552
Total fixed assets		**1 521 900**	**1 345 800**	**1 424 495**
Current assets				
Inventories	**29**			
Stock of tenant owner's apartment		-	-	2 809
Raw materials and consumables		196	247	223
Accounts receivable	*25,27*	10 587	21 457	9 336
Income tax recoverable		2 018	2 181	2 156
Receivable associated companies	*25*	19 514	-	-
Other receivables	*25,28*	99 755	38 851	28 751
Prepaid expenses and accrued income	*30*	8 672	12 131	10 417
Derivatives	*3,25,26*	-	209	3 228
Cash and cash equivalents	*25,31*	101 724	170 324	150 148
Non-current assets held for sale	*32*	145 514	0	0
Total current assets		**387 980**	**245 400**	**207 068**
TOTAL ASSETS		**1 909 880**	**1 591 200**	**1 631 563**

Consolidated Balance Sheet in Summary continued

Amounts in SEK thousands	Note	2013-12-31	2012-12-31	2012-01-01
EQUITY				
Equity attributable to Parent company shareholders				
Share capital	*33*	10 000	10 000	10 000
Restricted reserves		6 013	4 077	-
Non-restricted reserves including total comprehensive income for the year		959 310	964 036	950 391
Non-controlling interests		3 532	4 382	4 324
Total equity		**978 855**	**982 495**	**964 715**
LIABILITIES				
Long-term liabilities				
Liabilities to credit institutions	*3,34*	281 528	277 901	379 228
Bond loan	*3,34*	267 542	-	-
Other liabilities	*3,35*	2 907	2 904	3 146
Deferred tax liabilities	*23*	126 169	130 254	208 292
Total long-term liabilities		**678 146**	**411 059**	**590 666**
Current liabilities				
Liabilities to credit institutions	*3,34*	111 346	102 153	11 632
Accounts payable	*3*	37 569	19 384	22 044
Income tax liability		43	63	-
Liabilities to associated companies	*25*	2 379	541	520
Derivatives	*3,26*	10 870	8 397	1 760
Other liabilities	*3,36*	64 033	38 202	7 763
Accrued expenses and deferred income	*37*	26 640	28 906	32 463
Total current liabilities		**252 880**	**197 646**	**76 182**
TOTAL EQUITY AND LIABILITIES		**1 909 880**	**1 591 200**	**1 631 563**

For pledged assets and contingent liabilities, see note 38-39.

Consolidated Statement of Changes in Equity, in Summary

		Attributable to Parent company shareholders					
Amounts in SEK thousands	**Not**	**Share Capital**	**Restricted reserves**	**Non-restricted reserves**	**Total**	**Non controlling interests**	**Total equity**
Openting balance per 1 January 2012	*33*	**10 000**	**-**	**873 233**	**883 233**	**4 324**	**887 557**
Effect of transition to IFRS		-	-	78 654	78 654	-	78 654
Opening balance per 1 January 2012 with IFRS		**10 000**	**-**	**951 887**	**961 887**	**4 324**	**966 211**
Result for the period		-	-	52 150	52 150	-24	52 126
Other comprehensive income		-	4 077	-	4 077	82	4 159
Dividends paid		-	-	-40 000	-40 000	-	-40 000
Closing balance per 31 December 2012		**10 000**	**4 077**	**964 037**	**978 114**	**4 382**	**982 496**
Opening balance per 1 January 2013		**10 000**	**4 077**	**964 037**	**978 114**	**4 382**	**982 496**
Result for the period		-	-	-4 726	-4 726	-191	-4 917
Other comprehensive income		-	1 936	-	1 936	-659	1 277
Closing balance per 31 December 2013		**10 000**	**6 013**	**959 310**	**975 323**	**3 532**	**978 855**

Consolidated Cash Flow Statement in Summary

		Fiscal year	
Amounts in SEK thousands	**Note**	**2013**	**2012**
Cash flow from operating activities			
Result after financial items		-6 381	-5 854
Depreciations		5 794	5 667
Unrealized changes in values	*20*	29 700	3 699
Other non-cash items	*42*	-7 732	220 761
Income from participations in group companies	*14*	-36 979	-214 358
Interest paid		-267	-918
Interest received		23 252	14 809
Income tax		163	-25
Net cash flow from operating activities before changes in working capital		**7 550**	**23 781**
Cash flows from changes in working capital			
Change in inventories and work in progress		51	2 785
Change in current receivables		-65 926	-50 839
Change in current liabilities		55 234	121 464
Total cash flows from changes in working capital		**-10 641**	**73 410**
Cash flows from operating activities		**-3 091**	**97 191**
Cash flows from investing activities			
Investments in tangible fixed assets	*21*	-213 730	-21 419
Sales of participation of group companies	*14*	36 979	214 358
Sales of tangible fixed assets		-	5 613
Investments in subsidiaries		-6 244	50
Investments in associated companies and joint ventures	*15,16*	-9 090	-30 507
Sale of associated companies		0	3
Change in receivables in associated companies		20 285	62 023
Change in other financial non-current assets	*22*	-162 825	-155 426
Total cash flows from investing activities		**-334 625**	**-74 595**
Cash flows from financing activities			
Raised debt		271 172	-
Repayment of debt		-	-111 754
Dividends paid		-	-40 000
Total cash flow from financing activities		**271 172**	**-151 754**
Changes in cash and cash equivalents			
Opening balance, cash and cash equivalents		170 324	150 148
Exchange effect in cash and cash equivalents		-2 056	144
Closing balance, cash and cash equivalents	***31***	**101 724**	**170 324**

Parent Company Income Statement

Amounts in SEK thousands	Not	2013-01-01 – 2013-12-31	2012-01-01 – 2012-12-31
Operating income			
Net sales	*6,7*	1 371	1 030
Total operating income			
Operating expenses			
Purchases of goods and services		-527	-130
Other external expenses	*8*	-19 118	-6 256
Personnel costs	*9*	-2 059	-2 149
Depreciation of tangible fixed assets	*21*	-79	-84
Total operating expenses		**-21 784**	**-8 619**
Operating income		**-20 413**	**-7 589**
Result from participations in group companies	*11*	-7 469	-1 545
Result from participation in associated companies and joint ventures	*12*	-	-16 140
Result from other securities and receivables accounted for as fixed assets	*13*	-27 307	-22 174
Interest income and similar items	*14*	56 411	52 650
Interest expenses	*14*	-25 876	-11 683
Result after financial items		**-24 654**	**-6 481**
Result before tax		**-24 654**	**-6 481**
Tax	*17*	3 250	-1 750
Result for the period		**-21 404**	**-8 231**

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	2013-12-31	2012-12-31
ASSETS			
Fixed assets			
Tangible fixed assets			
Building equipment	*21*	31	-
Equipment, tools, fixtures and fittings	*21*	854	862
Financial assets			
Participations in Group companies	*24*	248 415	33 170
Receivables from Group companies	*25*	547 499	545 627
Participations in associated companies		50	50
Participations in joint ventures		12 032	10 992
Receivables from associated companies and joint vetures	*25*	67 319	87 604
Other receivables	*22,25*	241 976	32 270
Total financial assets		**1 117 291**	**709 713**
Total fixed assets		**1 118 176**	**710 575**
Current assets			
Current receivables			
Accounts receivable	*25*	459	133
Receivables from group companies	*25*	75 681	86 223
Tax assets		13	-
Other receivables	*25,28*	3 792	2 094
Prepaid expenses and accrued income	*30*	1 671	1 764
Total current receivables		81 617	90 214
Cash and cash equivalents	*25,31*	24 509	31 680
Total current assets		**106 126**	**121 894**
TOTAL ASSETS		**1 224 302**	**832 469**

Parent Company Balance Sheet continued

Amounts in SEK thousands	Not	2013-12-31	2012-12-31
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	*33*	10 000	10 000
Statutory reserve		2 000	2 000
Total restricted equity		**12 000**	**12 000**
Non-restricted equity			
Non-restricted reserves		437 510	434 219
Result for the period		-21 404	-8 231
Total non-restricted equity		**416 105**	**425 988**
Total Equity		**428 105**	**437 988**
Provisions			
Other provisions	*26*	10 870	8 188
Long-term liabilities			
Bond loan	*34*	275 000	-
Liabilities to group companies	*25*	456 251	335 653
Total long-term liabilities		**742 122**	**343 841**
Current liabilities			
Accounts payable	*25*	1 144	150
Liabilities to group companies	*25*	24 387	23 802
Liabilities to associated companies	*25*	2 118	-
Current tax liability		-	36
Other liabilities	*25,36*	23 752	24 407
Accrued expenses and deferred income	*37*	2 673	2 245
Total current liabilities		**54 074**	**50 640**
TOTAL EQUITY AND LIABILITIES		**1 224 302**	**832 469**
Pledged assets	***38***	**442**	**442**
Contingent liabilities	***39***	**537 707**	**616 378**

Parent Company Statement of Change in Equity

		Restricted equity		Non-restricted equity	
Amounts in SEK thousands	**Note**	**Share**	**Reservfond**	**Balanserat resultat**	**Summa eget kapital**
Opening balance per 1 January 2012	*33*	**capital**	**Statutory reserve**	**Non-restricted reserves**	**Total equity**
Comprehensive income					
Result for the period		-	-	-8 231	-8 231
Total comprehensive income		**-**	**-**	**-8 231**	**-8 231**
Transactions with shareholders					
Dividend paid		-	-	-40 000	-40 000
Group contribution paid		-	-	-13 977	-13 977
Group contribution received		-	-	7 321	7 321
Tax effect of group contribution		-	-	1 750	1 750
Opening balance per 1 January 2013		**10 000**	**2 000**	**425 987**	**437 987**
Comprehensive income					
Result for the period		-	-	-21 404	-21 404
Total comprehensive income		**-**	**-**	**-21 404**	**-21 404**
Group contribution paid		-	-	-4 567	-4 567
Group contribution received		-	-	19 339	19 339
Tax effect of group contribution		-	-	-3 250	-3 250
Closing balance per 31 December 2013		**10 000**	**2 000**	**416 105**	**428 105**

Parent Company Cash Flow Statement

		Fiscal year	
Amounts in SEK thousands	**Note**	**2013**	**2012**
Operating activities			
Operating income after financial items		-24 654	-6 481
Other non-cash items	*42*	-2 024	25 165
Interest paid		-120	-175
Interest received		12 375	-
Net cash flow from operating activities before changes in working capital		**-14 423**	**18 509**
Cash flows from changes in working capital			
Change in current receivables		8 597	-6 739
Change in current liabilities		3 434	29 292
Cash flows from changes in working capital		**12 032**	**22 553**
Cash flows from operating activities		**-2 391**	**41 062**
Investment activities			
Investments in tangible fixed assets	*21*	-102	-577
Investments in subsidiaries	*24*	-222 714	-2 000
Investments in associated companies and joint ventures	*15,16*	-1 040	-16 057
Change of investments in financial non-current assets		-70 695	-3 155
Cash flow from investment activities		**294 551**	**-21 789**
Financing activities			
Raised debt	*25*	275 000	-
Dividends paid		-	-40 000
Group contribution received		19 340	7 321
Group contribution paid		-4 568	-13 976
Cash flows from financing activities		**289 772**	**-46 655**
Cash flow for the year		**-7 171**	**-27 382**
Cash and cash equivalents at beginning of the year		**31 680**	**59 062**
Cash and cash equivalents at the end of the year	***31***	**24 509**	**31 680**

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 April 25, 2014 this consolidated financial statement and annual report was approved by the Board of directors for publication.

All amounts are reported in thousands of Swedish kronor (ksek) unless otherwise stated. Amounts in brackets relate to previous year.

NOTE 2
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in these consolidated financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

2.1
Basis for preparation of the reports

The consolidated financial statements for the Index-group have been prepared in accordance with IFRS (International Financial Reporting Standards) as adopted by EU, RFR 1 Supplementary Accounting Rules for Groups and Companies Act. This Annual Report is Index International AB's first financial report prepared in accordance with IFRS. Historical financial information has been restated from January 1, 2012, which is the date of transition to IFRS. Explanation of transition from previous accounting principles to IFRS and the impact of the conversion has had on the income statement and equity are described in note 46.

The consolidated financial statements have been prepared under the historical cost convention, as valuations of investment property, and financial assets and liabilities (derivative instruments) at fair value through income statement. The principal accounting policies applied in these consolidated financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

The parent company's financial statements are prepared in accordance with RFR 2 Accounting for Legal Entities and the Annual Accounts Act. In cases where the parent company applies the accounting principles other than the group this is listed separately at the end of this note. Transition to reporting in accordance with RFR 2 has had no effect on the parent company's equity.

To prepare financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the management to make certain assessments in applying the Group's accounting policies, see note 4.

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group.

In preparing the consolidated financial statements at December 31, 2013, a number of standards and interpretations are not yet effective which are applicable to the Group. A preliminary assessment of the effects from the standards considered relevant to the Group, are shown below:

IFRS 9 "Financial instruments" addresses the classification, valuation and recognition of financial liabilities and assets. IFRS 9 was issued in November 2009 for financial assets and in October 2010 for financial liabilities and replaces those parts of IAS 39 related to classification and valuation of financial instruments. IFRS 9 requires financial assets to be classified into two different categories; valuation at fair value or at acquisition value. Classification is determined at initial recognition based on the company's business model and the characteristics of the contractual cash flows. In regards to financial liabilities, there are no major changes compared with IAS 39. The most significant change relates to liabilities which are identified as fair value. For these, the portion of the fair value change which is attributable to own credit risk be recognized in other comprehensive income instead of earnings unless this causes inconsistency in the accounts (accounting mismatch). The Group intends to apply the new standard by the financial year beginning 1 January 2015 and has not yet evaluated the impact. The Group will evaluate the impact of the remaining phases of IFRS 9 when they are completed by the IASB.

IFRS 10"Consolidated Financial Statements" is based on existing principles by identifying the controlling interest as the decisive factor in determining whether an entity should be included in the consolidated financial statements. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. The Group intends to adopt IFRS 10 for the financial year beginning 1 January 2014 and has not yet assessed the full impact on the financial statements.

IFRS 11"Cooperation arrangements", focuses on which rights and obligations of the parties in a joint activity has rather than the legal form of the arrangement. There are two types of joint arrangements, joint operations and joint ventures. Joint operations arise when a party to a joint activity has rights to the assets and undertaking of the liabilities of the cooperation arrangement. In such arrangement, assets, liabilities, revenues and expenses are recognized based on the holder's share. A joint venture is a joint arrangement whereby the parties which have joint control of the arrangement have rights to the net assets of the arrangement. Joint ventures are accounted for using the equity method, proportionate consolidation method is no longer permitted. The Group intends to adopt IFRS 11 for the financial year beginning 1 January 2014, the standard is not expected to have any material impact on the Group.

IFRS 12"Disclosure of interest in other companies" includes disclosure requirements for subsidiaries, joint arrangements, associates and unconsolidated structured companies. The Group intends to adopt IFRS 12 for the financial year beginning 1 January 2014, the standard is not expected to have any material impact on the Group.

IFRIC 21"Levies" clarifies the accounting by obligation to pay a tax or fee which is not income tax. The interpretation clarifies what the obligating event that triggers the obligation to pay the tax are and when a debt thus be accounted. The Group intends to adopt IFRIC 21 for the financial year beginning 1 January 2014, the standard is not expected to have any material impact on the Group.

No other IFRS or IFRIC interpretations not yet executed, is expected to have a material impact of the Group.

2.2
Consolidated accounts

Subsidiaries

A subsidiary is an entity where the Group has power to govern the financial and operating strategies (controlling interest) in a way that usually accompanies a shareholding of more than half the voting rights. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are excluded from the Group consolidation from the date on which control ceases.

The acquisition method is used to report the Group's business acquisition. The acquisition cost for the investment of a subsidiary comprises of fair value of the transferred assets, liabilities and the equity interests issued by the Group. Acquisition cost includes the fair value of all assets or liabilities that are a result of an agreement on conditional acquisition cost. Acquisition-related costs are accounted for in income statement when incurred. Identified assets acquired and liabilities repossessed in a business acquisition are measured initially at their fair values at the acquisition date.

The amount by which the acquisition price exceeds the fair value of identifiable net assets acquired is accounted for as goodwill. If the amount is less than the fair value of the acquired subsidiary's assets in the event of a so called "Bargain purchase", the difference is recognized directly in the statement of comprehensive income.

Intercompany transactions, balances and unrealized gains and losses on transactions between Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency adopted by the Group.

Associates and joint ventures

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the votes. Joint ventures are companies in which the Group through a cooperative agreement with one or more parties have joint control over the governance of the company. Investments in associates and joint ventures accounted for using the equity method. In applying the equity method, the investment is initially valued at cost and the carrying amount is increased or decreased to recognize the Group's share of profits or losses after date of acquisition.

The Group's share of earnings after the acquisition is recognized in the income statement and its share of changes in other comprehensive income after the acquisition is recognized in other comprehensive income with a corresponding amendment to the carrying value. When the Group's share in associated companies / joint ventures losses equals or exceeds its interest, including any other unsecured receivables, the Group does not recognize further losses, unless the Group has incurred legal or constructive obligations or made payments on behalf of the associated companies / joint ventures.

The Group assesses at each reporting period whether there is objective evidence of impairment exists for the investment in associates / joint ventures. If so, the Group calculates the amount of impairment as the difference between associates / joint ventures recoverable amount and the carrying value and recognizes the amount in the "participation of associates and joint ventures" in the income statement.

Gains and losses from 'upstream' and 'downstream' transactions between the Group and its associates / joint ventures are included in the consolidated financial statements only to the extent that they correspond to unrelated corporate investments in associates / joint ventures. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of associates / joint ventures have been changed where necessary to ensure consistency adopted by the Group.

2.3
Conversion of foreign currencies

Functional currency and reporting currency

The various entities in the Group has the local currency as the functional currency as the local currency has been defined as the currency of the primary economic environment in which the entity mainly operates. The consolidated financial statements are presented in Swedish kronor (SEK), which is the Company's functional currency and reporting currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the transaction date. Exchange gains and losses resulting from the settlement of such transactions and from the conversion of monetary assets and liabilities denominated in foreign currencies at the balance sheet date are accounted in operating income in the income statement.

Conversion of foreign subsidiaries

The results and financial position of all Group entities that have a functional currency different from the reporting currency are conversed into the reporting currency. Assets and liabilities for each balance sheet presented are conversed from their functional currency into the Group's reporting currency, the Swedish krona, at the exchange rate prevailing at the balance sheet date. Income and expenses for each income statement are conversed to Swedish kronor at the average exchange rates prevailing at each transaction date. Exchange differences arising on conversion of foreign operations are recognized in other comprehensive income.

2.4
Intangible assets

Concessions

Intangible assets consist to 62% of concessions. Concessions have been acquired through business acquisition (in Canada) and recorded at fair value at the acquisition date. Concessions has a defined life term and are carried at acquisition cost less depreciation. Depreciation is linear over the life term of 20 years.

Trademarks

Trademarks acquired through business acquisition are carried at fair value at henceforth of acquisition date. Trademarks have a defined term and are carried at acquisition cost less depreciation. Depreciation is linear over the life term of 5 years.

2.5
Tangible fixed assets

Investment Property

Investment properties are held to earn rental income and increase property valuations. Investment properties of the Group are recognized initially at cost, including directly attributable transaction costs. After initial accounting, investment properties are measured at fair value. Fair value is based primarily on prices in an active market and is the amount for which an asset could be transferred between informed parties who are independent of each other and who have an interest in the transaction. To determine the properties' fair value at each reporting date, external valuation is made of all properties. Note 20 provides a more detailed description of the basics of Index International's valuation of investment properties.

Changes in fair value of investment properties are recognized as change in income statement.

Subsequent expenditure is capitalized only when it is probable that future economic benefits associated with the item will be received by the Group and the cost can be reliable and that the measure is intended to exchange an existing or introduction of a new identified component. Other repair and maintenance expenditures are accounted for in the period in which they arise.

Other tangible fixed assets

Other tangible fixed assets are accounted for at acquisition cost less depreciation. Acquisition cost includes expenditure that is directly attributable to the acquisition of the asset. Land improvements are not amortized.

Additional costs are added to the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will be beneficial to the Group and the cost of the asset can be reliably measured. The carrying amount of a replaced part is de-recognized. All other repairs and maintenance are accounted for in the income statement in the period in which they arise.

Each part of a tangible fixed asset with an acquisition cost which is significant in relation to the total acquisition cost is depreciated separately. There is no depreciation on land or assets under construction. Depreciation on other assets is linear, as follows:

Building equipment	4 years
Equipment, tools, fixtures and fittings	5 years

The assets' residual values and useful lives are reviewed at each reporting date and adjusted if appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount exceeds its estimated recoverable amount.

Gains and losses on disposal of property, plant and equipment are determined by comparing proceeds with the carrying amount and are recognized in other operating income and other operating expenses in the income statement.

2.6
Impairment of non-financial assets

Assets subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). For assets other than financial assets, which have previously been written down at each reporting date an assessment of whether reversal is required.

2.7
Non-current assets held for sale

Non-current assets classified as held for sale when their carrying amount will be recovered principally through a sale transaction and a sale is considered highly probable. They are accounted to the lower of carrying amount and fair value less selling costs.

2.8
Financial instruments - general

Financial instruments are available in many different balance items and are described below 2.8-2.13.

2.8.1
Classification

The Group classifies its financial assets and liabilities in the following categories: financial assets and liabilities at fair valued through income statement, loans and receivables and other financial liabilities. The classification depends on the purpose for which the financial asset or liability was acquired.

Financial assets and liabilities at fair value through income statement

Financial assets and liabilities valued at fair value through income statement are financial instruments held for trading. Derivatives are classified as held for trading unless they are designated as securities. The Group classifies derivative instruments (currency options) in this category.

Loans and receivables

Loans and receivables are financial assets that are not derivatives with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the reporting date which are classified as non-current assets. The Group "loans and receivables" comprises receivables from associated companies, other long-term receivables, accounts receivable, cash and cash equivalents (see note 2.8 and 2.9) and the financial instruments recognized in other receivables.

Financial assets held for sale

Financial assets held for sale are assets which are not derivative assets and where assets are available for sale or are not classified in any other categories. They are included in current assets if they are going to be settled more than 12 months after the reporting date. The Group's "Financial assets available for sale" consists of additional purchase price relating to sales of properties.

Other financial liabilities

The Group's long- and short term liabilities to credit institutions, other long-term liabilities, accounts payable, short-term liabilities to associated companies and the part of other current liabilities relating to financial instruments classified as other financial liabilities.

2.8.2
Accounting and valuation

Purchases and sales of financial assets are recognized on the trade date, the date that the Group commits to purchase or sell the asset. Financial instruments are recognized initially at fair value plus transaction costs for all financial assets not carried at fair value through income statement. Financial assets valued at fair value through income statement are initially recognized at fair value while attributable transaction costs are recognized in income statement. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards associated with ownership. Financial liabilities are derecognized when the contractual obligations have been completed or otherwise terminated.
Financial assets and liabilities at fair value through income statement are subsequently carried at fair value. Loans and receivables and other financial liabilities are subsequently measured at acquisition cost using the effective interest method.

Gains and losses arising from changes in fair value of financial assets and liabilities at fair value through income statement, are reported in the period incurred and are included in net finance cost as it relates to financing activities.

2.8.3
Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented in the balance sheet only when there is a legally enforceable right to offset the recognized amounts and intends to settle them on a net basis or to realize the asset and settle the liability.

2.8.4
Impairment financial instruments

Assets carried at accrued acquisition cost (loans and receivables).
The Group assesses at each reporting period whether there is objective evidence of impairment exists for a financial asset or group of financial assets. A financial asset or group of financial assets is impaired and is written down only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliable.

The impairment is calculated as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The asset's carrying amount is written down and the impairment amount is recognized in the consolidated income statement within "other external costs" or net financial items, depending on the financial asset is written down. If the impairment loss decreases in a subsequent period and the decrease can be related objectively to an event occurring after the impairment was recognized, the reversal of the previously recognized impairment loss in the consolidated income statement within "other external costs" or net financial items, depending on how the financial asset is written down.

2.9
Derivatives

Derivatives are financial instruments recognized in the balance sheet on the trade date and are measured at fair value, both initially and in subsequent revaluations. The gain or loss arising on recalculation are recognized in income statement when the requirements for hedge accounting are not met.

The fair value of a derivative is classified as non-current asset or liability when the remaining hedged item is more than 12 months and as a current asset or liability when the remaining hedged item is less than 12 months.

2.10
Accounts receivable

Trade receivables are financial instruments that consist of amounts due from customers for goods and services sold in the ordinary course of business. If payment is expected within a year or less, they are classified as current assets. If not, they are recognized as assets.

Trade receivables are recognized initially at fair value and subsequently measured at acquisition value using the effective interest method, less provision for impairment.

2.11
Cash and cash equivalents

Cash and cash equivalents are financial instruments and includes, in both the balance sheet in the cash flow statements, cash and bank balances.

2.12
Accounts payable

Accounts payable are financial instruments and represents obligations to pay for goods and services acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year. If not, they are reported as non-current liabilities.

Accounts payables are recognized initially at fair value and subsequently at acquisition cost using the effective interest method.

2.13
Liabilities to credit institutions

Liabilities to credit institutions are financial instruments and are initially recognized at fair value, net of transaction costs. Borrowings are subsequently stated at acquisition value and any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

2.14
Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to prepare for their intended use or sale, are reported as part of those assets acquisition value. Capitalization ceases when all the activities necessary to prepare the asset for its intended use or sale are completed.

Financial income arises when borrowed funds temporarily invested pending the use to finance the asset, reduces the activation of borrowing costs.

All other borrowing costs are expenses incurred.

2.15
Provisions

Provisions are measured at the present value of the amount expected to be required to settle the obligation. A discount rate before tax that reflects current market assessments of the time value of money and the risks associated with the provision. The increase in the provision due to passage of time is recognized as interest expense.

2.16
Current and deferred tax

Tax expense is comprised of current and deferred tax. The current tax expense is calculated on the basis of the tax as at balance sheet date are enacted or substantively enacted in countries where the parent and its subsidiaries operate and generate taxable income.

Deferred tax is recognized, using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets on tax losses are recognized to the extent that it is probable that future taxable profit will be available to be utilized against losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and tax liabilities, deferred tax assets and liabilities relate to taxes levied by the same taxation authority on either the same taxable entity or different taxable entities and there is an intention to settle the balances on net payments.

2.17
Allowances to employees

Pension obligations

The Group has only defined contribution pension plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available to the Group.

Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits.

The Group recognizes termination benefit when it is demonstrably committed to terminate employees according to a detailed formal plan without possibility of withdrawal. In the event the company has made an offer to encourage voluntary redundancy, the redundancy payment based on the number of employees expected to accept the offer. Benefits that are due 12 months after the reporting period are discounted to present value.

2.18
Accounting revenue

Revenue is comprised of fair value of the consideration received or receivable for goods sold in the Group's operating activities in addition rental income. Group revenues mainly consist of rental income from investment properties, aviation revenues, revenues from biogas plant and the sale of investment properties. Revenue is recognized net of VAT and discounts and after eliminating sales within the Group.

Revenue from sale of goods is recognized when the risks and rewards of ownership have passed to the buyer, which usually occurs in connection with the delivery when the revenue and associated costs can be measured reliably and it is probable that the economic benefits associated with the sale of the units to the Group.

Service revenue

The Group offers variety of services, such as fees for real estate advisory, administration and when financing. Revenue from the sale of services is recognized in the period in which the services were performed.

Property income

The leases are entirely classified as operating leases in accordance with Note 2.19 below, which is why the Group reported revenues primarily relatds to rental income. Rental income and rental discounts are accounted linearly in the income statement based on the terms of the lease. Prepaid rent is recognized as deferred income from properties. Proceeds from early termination of leases are recognized in the period in which payment is received, the case no further action is required from the Index International's.

Income from sale of properties

Index International reports revenues and expenses from acquisitions and disposals of property at the time when the risks and rewards have been transferred to the buyer, which normally coincides with the completion date. In assessing the revenue accounting date are taken into account what has been agreed between the parties concerning the risks and benefits and involvement in the ongoing management. Consideration is also given to circumstances that may affect the transaction, which are beyond control of the seller and / or buyer. Criteria for accounting revenue are applied to each transaction.

On sale of investment properties through one of the Group's joint ventures to a condominium association, 50% of the revenue is accounted when Index International sells the investment property to a joint venture, and the remaining 50% reported when the investment property is handed over to the condominium association.

2.19
Leasing

Index International is the lessee

The Group holds leases concerning copiers and office rental.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement over the lease period. All leases are classified as operating leases in the Group.

Index International is the lessor

Leases where substantially all the risks and rewards associated with ownership are retained by the lessor are classified as operating leases. Group's lease agreements are classified on this basis as operating leases. Properties leased under operating leases are included in the item investment properties.

2.20
Cash Flow Analysis

Cash flow statement is prepared using the indirect method. This means that operating income adjusted for transactions that do not result in cash payments during the period or for any income and expense associated with investing or financing cash flows.

2.21
Share Capital

Ordinary shares are classified as equity.

2.22
Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating officer. The chief operating officer fills the function of being responsible for allocating resources and assessing performance of the operating segments. Index International has identified one operating segment, which is the group as a whole. The assessment is based on the Group's management team which represents "Chief operating officer" and follows up on the group as a whole, then some form of geographic split or broken down by business / product category, etc. does not apply. The financial reporting is based on a group-wide functional organizational and management structure.

2.23
The parent company's accounting principles

In connection with the transition to IFRS in the consolidated financial statements, the parent company has switched to RFR 2 Accounting for Legal Entities. No effect has been required in the transition to reporting in accordance with RFR 2.

The parent company applies alternate accounting methods in unique cases that fall outside the main concern, examples are listed below.

Accounting statement setup

The income statement and balance sheet follow the Annual Accounts Act Statement. Statement of changes in equity also follow the group's standard form but shall contain the columns specified in the Annual Accounts Act Statement. Furthermore, the difference in names, as compared to the consolidated financial statements, primarily related to financial income, expenses and equity.

Interests in subsidiaries
Interests in subsidiaries are accounted at acquisition value less any impairment losses. Acquisition value includes acquisition-related costs and any additional consideration.

When there is an indication that the investments in subsidiaries decreased in value, an estimate of recoverable amount is carried out. If this is lower than the carrying amount, an impairment loss is recognized and accounted for. Impairment losses are reported in “Income from participations in Group companies”.

Leasing agreement
All leases, whether they are financial or operational are classified as operating leases.

Financial instruments
IAS 39 is not applied in the parent company and financial instruments are valued at acquisition value.

NOTE 3
FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors
The Group is exposed to a variety of financial risks: market risk (currency risk and interest rate risk, cash flow), credit risk and liquidity risk. The Group’s overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potentially adverse effects on the financial performance. The Group uses derivative financial instruments such as foreign currency options to hedge certain risk exposures. Financial and risk management is managed by the company’s finance department along with the owners and the board. The parent company is mostly responsible for the Group’s debt financing, currency and interest rate risk management, and serves as an internal bank for the Group companies’ financial transactions.

a) Market risk
(i) Currency risk
The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the U.S. dollar (USD) and CA-dollars (CAD). Currency risk arises primarily through the reported assets, liabilities and net investments in foreign operations.

Transaction risk
Transaction risk is the risk of impact on consolidated net income and cash flow due to the value of recognized assets and liabilities denominated in foreign currencies and commercial flows in foreign currencies are altered by changes in exchange rates. The group makes most purchases and sales of each group entity’s in the local currency and therefore has less significant foreign exchange risk in the commercial flows. Transaction risk arises primarily from the Group’s borrowings and loans in USD and CAD.

In 2013, there were exchange differences recognized in the income statement for 1,936 ksek (4,077 ksek).

Currency translation risk
The Group hasrisk associated with the conversion of foreign subsidiaries’ net assets to the consolidation currency, the Swedish krona (SEK). Foreign subsidiaries currently include assets in the U.S. and Canada. Currency exposure arising from the net assets of the Group’s foreign operations is managed primarily through borrowing in the currencies, CAD and USD.

The Group has analyzed its sensitivity to changes in the CAD and USD.
If the Swedish krona had weakened / strengthened by 10% against the U.S. dollar with all other variables held constant, the net income per 2013-12-31 have been 2,065 ksek higher / lower (2,043 ksek higher / lower).
If the Swedish krona had weakened / strengthened by 10% against the CAD with all other variables held constant, the net income per 2013-12-31 have been 11,251 ksek higher / lower (9,855 ksek higher / lower).

(ii) Interest rate risk
The Group’s interest-bearing financial assets and liabilities whose changes linked to market interest rates affect earnings and cash flow from operations. Interest rate risk is the risk that occurs when changes in market interest rates affect the Group’s net profit negatively. The Group’s interest rate risk arises primarily through long-term borrowing, most of which have variable interest rates. Borrowings issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by loans and deposits with variable interest. Borrowings issued at fixed rates expose the Group to interest rate risk in respect of fair value. In 2013 and 2012 the Group’s borrowed and lended within the currencies SEK, USD and CAD. The Group does not use derivative instruments to manage interest rate risk in borrowing.

Liabilities to credit at a variable rate balance sheet date amounted to 392,874 ksek (380,054 ksek) and cash and cash equivalents to 101,724 ksek (170,324 ksek). A change in interest rates of + / - 2% would mean an impact on net interest income of + / - 7,343 ksek (7,554 ksek).

b) Credit risk
Credit risk is managed on group level, with the exception of credit risk relating to outstanding accounts receivable. Each Group company is responsible for monitoring and analyzing the credit for each new customer before the standard terms of payment and delivery offered. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and outstanding receivables and committed transactions. In cases where no credit assessment is made available, a risk assessment of the customer / tenant creditworthiness is created in which financial position is considered, as well as past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board / management. The utilization of credit limits is regularly monitored. No credit limits were exceeded during the reporting period, and management does not anticipate any losses arising from default by these counterparties.

c) Liquidity risk
Liquidity risk is the risk that the Group does not have the cash for payment of its obligations related to financial liabilities. The goal of the company’s liquidity management is to minimize the risk that the Group will not have sufficient cash to meet its commercial obligations. Cash flow forecasts are prepared regularly by the Group’s finance department with reporting to management. The Finance Department closely monitors rolling forecasts of the Group’s liquidity reserve to ensure that the Group has sufficient cash resources

to meet the need in the current business. The Finance Department also ensures that the Group maintaining sufficient space for the agreed facilities that are not used so that the Group does not breach borrowing limits / loan conditions (where applicable) on any of its borrowing facilities. Excess liquidity in the Group's operating companies, in excess of the part needed to manage working capital needs, is transferred to the Group's parent company.

The Group has no undrawn credit facilities. Future liquidity stress in general refers to the payment of accounts payable and other current liabilities and amortization of loans.

The table below analyzes the Group's non-derivative financial liabilities and net-settled derivative financial liabilities, divided by the time on the closing date until the contractual maturity date. Derivative instruments are financial liabilities are included in the analysis if their contractual maturities are essential for understanding the timing of future cash flows. The amounts shown in the table are the contractual undiscounted cash flows.

Amounts in SEK thousands	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
Per 31 December 2013				
Bond loan	-	-	267 542	-
Liabilities to credit institutions	111 346	6 236	27 725	247 567
Other long-term liabilities	-	-	-	2 907
Accounts payable	37 569	-	-	-
Liabilities to assoc.companies	2 379	-	-	-
Derivatives	10 870	-	-	-
Other short-term liabilties	64 033	-	-	-
Summa	**226 197**	**6 236**	**295 267**	**250 474**
Per 31 December 2012				
Liabilities to credit institutions	102 153	6 107	21 413	250 381
Other long-term liabilities	-	-	-	2 904
Accounts payable	19 384	-	-	-
Liabilities to assoc.companies	541	-	-	-
Derivatives	8 397	-	-	-
Other short-term liabilties	38 202	-	-	-
Summa	**168 677**	**6 107**	**21 413**	**253 285**

3.2
Management of capital risk

The Group's goal in regards to capital structure is to safeguard the Group's ability to continue its operations so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group monitors capital on the basis of the debt equity ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including short-term borrowings and long-term debt in the consolidated balance sheet) less cash and cash equivalents. Total capital is calculated as equity plus net debt.

(SEK in thousands)	2013-12-31	2012-12-31
Total borrowings (note 34)	392 874	380 054
Minus: cash and cash equivalents (note 31)	-101 724	-170 324
Net debt	291 150	209 730
Equity	978 855	982 496
Total Capital	**1 270 005**	**1 192 226**
Debt equity ratio	**22,93%**	**17,59%**

3.3
Calculating fair value

The carrying value less impairment provision of trade receivables and other receivables and trade and other payables are assumed to approximate their fair values due to the short-term in nature.

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).
• Inputs 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 December 31, 2013.

(SEK in thousands)	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value through income statement				
- Derivatives held for trading:	-	-	-	-
Currency Option	-	-	257 685	257 685
- Financial assets held for sale	**-**	**-**	**257 685**	**257 685**
Liabilities				
Financial liabilitiesmat fair value through income statement				
- Derivatives held for trading: Currency Option	-	10 870	-	10 870
Total liabilities	**-**	**10 870**	**-**	**10 870**

The following table shows the Group's financial assets and liabilities measured at fair value as of December 31, 2012.

(SEK in thousands)	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value through income statement				
- Derivatives held for trading: Currency Option	-	209	-	209
- Financial assets held for sale	-	-	272 509	272 509
Total assets	**-**	**209**	**272 509**	**272 718**
Liabilities				
Financial liabilitiesmat fair value through income statement				
- Derivatives held for trading: Currency Option	-	8 397	-	8 397
Total liabilities	**-**	**8 397**	**-**	**8 397**

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 market data (whenever available) and company-specific information as little as possible. If all significant input requirements 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 are 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 in thousands)	2013-12-31	2012-12-31
Opening balance	272 509	488 932
Transfer to level 3	21 300	-2 309
Gains and losses recognized in the income statement (see Note 14)	-36 124	-214 114
Closing balance	**257 685**	**272 509**

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 4
SIGNIFICANT ESTIMATES AND ASSUMPTIONS

Estimates and assumptions are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant estimates and assumptions for accounting purposes

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates that result from these, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of material adjustments to the carrying values of assets and liabilities within the next financial year are outlined below.

Valuation of investment properties

Investment property shall be accounted at fair value as determined by management based on the property value. Significant assumptions have thus been made regarding, among other things, cost of capital and yield, which are based on valuers empirical assessments of the market demands on comparable properties. Estimates of cash flows for operating, maintenance and administrative costs are based on actual costs but also the experience of comparable properties. Future investments have been assessed based on the actual needs that exist. Note 20 Change in value of investment properties includes detailed information on estimates and assumptions in general.

Delimitation between business acquisition and asset acquisition

When a company is acquired it constitutes either an acquisition of a business or the acquisition of assets. An acquisition of assets if the acquisition relates to real estate, with or without contracts, but not including the organization and the processes required to conduct management activities. Other acquisitions are business acquisitions. Management assesses at each acquisition which criteria are met. In 2013 and 2012 it is estimated that only asset acquisitions have been completed.

Valuation of tax losses carried forward

The Group analyses annually whether there is any impairment of deferred tax assets related to tax loss carried forward. In addition, the Group assesses whether it is appropriate to activate the new deferred tax assets for the year's tax loss carried forward. Deferred tax assets are only recognized for tax losses for which it is probable that they can be utilized against future taxable income and the taxable temporary differences. Index International has recognized deferred tax assets for loss carried forward available in Hornsberg Projects och Förvaltning AB then it is likely that these losses carried forward can be utilized against future profits. Unrecognized loss carried forward at December 31, 2013 amounts to 6,235 ksek (1,999 ksek).

NOTE 5
SEGMENT INFORMATION

Group-wide information

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

	2013	2012
Analysis of revenue by revenue source:		
– Sale of goods	33	10 553
– Property rents	62 372	68 381
– Sale of services	1 899	581
Total	**64 304**	**79 515**

The Group is headquartered in Sweden. Revenues from external customers in Sweden amounts to 60,626 ksek (65,812 ksek) and total revenue from external customers in other countries amounted to 3,678 ksek (13,703 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 750,773 ksek (926,159 ksek) and the total of such assets located in other countries amounted to 349,862 ksek (139,234 ksek).

Revenues of approximately 7,883 ksek (7,883 ksek) relates to a single external customer. These revenues are attributable to rental of premises.

NOTE 6
NET SALES BREAKDOWN

Breakdown of net sales by type of income, as follows:

	2013	2012
Group		
Sale of goods	33	10 553
Property rents	62 372	68 381
Sale of services	1 899	581
Group total	**64 304**	**79 515**
Parent company		
Sale of services	1 371	1 028
Parent company total	**1 371**	**1 028**

NOTE 7
THE PARENT COMPANY'S SALES TO AND PURCHASES FROM GROUP COMPANIES

The Parent Company has during the year invoiced subsidiaries 800 ksek (740 ksek) for group services. The parent company has purchased services from Group companies amounting to 75 ksek (150 ksek) relating to management fees to the Company's owners.

NOTE 8
REMUNERATION TO AUDITORS

	2013	2012
Koncernen		
PwC		
Audit assignment	802	564
Consulting outside audit assignment	98	-
Tax advisory	**452**	**912**
Other services	**477**	**182**
Group total	**1 829**	**1 658**
Parent company		
PwC		
Audit assignment	619	314
Consulting outside audit assignment	98	-
Tax advisory	397	896
Other services	477	182
Parent company total	**1 591**	**1 392**

NOTE 9
ALLOWANCES TO EMPLOYEES ETC.

Group	2013	2012
Allowances and other benefits	7 086	10 297
Social security expenses	1 499	1 677
Pension costs – defined contribution plans	626	1 220
Group total	**9 211**	**13 194**

Salaries and other benefits and social security expenses	2013		2012	
	Salaries and other benefits (with bonuses)	Social security expenses (with pension costs)	Salaries and other benefits (with bonuses)	Social security expenses (with pension costs)
Directors, CEO and other senior executives	2 668	527 (220)	2 512	373 (271)
Other employees	4 418	972 (406)	7 785	1 304 (949)
Group total	**7 086**	**1 499 (626)**	**10 297**	**1 677 (1 220)**

Break down by gender in the Group (including subsidiaries) for directors and other senior executives

	2013		2012	
	Total on balance date	Of which are women	Total on balance date	Of which are women
Board members	38	16	37	16
CEO and other senior executives	4	1	6	2
Group total	**42**	**17**	**43**	**18**

Parent company	2013	2012
Allowances and other benefits	1 481	1 336
Social security expenses	457	479
Pension costs – defined contribution plans	215	250
Parent company total	**2 153**	**2 065**

Salaries and other benefits and social security expenses

	2013		2012	
	Salaries and other benefits (with bonuses)	Social security expenses (with pension costs)	Salaries and other benefits (with bonuses)	Social security expenses (with pension costs)
Directors, CEO and other senior executives	1 311	438 (206)	1 212	435 (250)
Other employees	170	19 (9)	124	44 (-)
Parent company total	**1 481**	**457 (215)**	**1 336**	**479 (250)**

Average number of employees by geographical breakdown by country

	2013		2012	
	Average employees	Of which are women	Average employees	Of which are women
Sweden	2	2	1	-
Total parent company	2	2	1	-
Subsidiaries				
Sweden	6	2	8	3
Canada	6	1	13	1
Total subsidiaries	**12**	**3**	**21**	**4**
Group total	**14**	**5**	**22**	**4**

Break down by gender for the Board and other senior executives of the parent company

	2013		2012	
	Total on balance date	Of which are men	Total on balance date	Of which are men
Board members	3	2	2	1
CEO and other senior executives	1	-	1	1
Total parent company	**4**	**2**	**3**	**2**

NOTE 10
OTHER OPERATING INCOME AND OTHER OPERATING EXPENSES

Other operating income

	Group		Parent company	
	2013	**2012**	**2013**	**2012**
Sale of fixed assets	-	7 391	-	-
Insurance compensation	171	58	-	-
Reversal of write-down stock	-	3 612	-	-
Other	211	1 301	-	-
Total operating income	**381**	**12 363**	**-**	**-**

NOTE 11
RESULT FROM PARTICIPATIONS IN GROUP COMPANIES

	Parent company	
	2013	**2012**
Write-downs of shares	-7 469	-1 545
Total result from participations in Group companies	**-7 469**	**-1 545**

NOTE 12
RESULT FROM PARTICIPATIONS IN ASSOCIATED COMPANIES AND JOINT VENTURES

	Group		Group	
	2013	**2012**	**2013**	**2012**
Write-down shares in associated companies	-	-15 850	-	-15 850
Result from sale of associated companies	-	-290	-	-290
Result from investments in associated companies	2 671	-192	-	-
Total result from participations in associated companies and joint ventures	**2 671**	**-16 332**	**-**	**-16 140**

NOTE 13
RESULT FROM OTHER INVESTMENTS HELD AS FIXED ASSETS

	Parent Company	
	2013	**2012**
Exchange difference long-term receivables	-27 257	-22 174
Write-down recievables	-50	-
Total result from other investments held as fixed assets	**-27 307**	**-22 174**

NOTE 14
FINANCIAL INCOME AND EXPENSES/INTEREST INCOME AND EXPENSE

Financial income/Interest income

	Group		Parent company	
	2013	2012	2013	2012
Interest income on bank deposits	161	263	120	175
Interest income on loans	39 713	14 577	62 237	47 088
Exchange differernce on short-term receivables	-	1 860	-8 293	1 860
Change in fair value of derivative instruments - currency options	1 347	3 527	1 347	3 527
Result from participations in Group companies *	36 979	214 358	-	-
Total financial income/Interest income	**78 200**	**234 585**	**56 411**	**52 650**

* Relates to results of financial assets available for sale equivalent to 36,124 ksek (214,114 ksek)

Financial expenses/Interest expenses

	Group		Parent company	
	2013	2012	2013	2012
Interest expense on liabilities to owner	-15 151	-15 203	-959	-202
Interest expense on liabilities to Group	-	-	-12 541	-3 901
Interest expense on bond loan	-12 375	-	-12 375	-
Exchange differernce on short-term receivables	-5 610	-	-	-
Exchange differernce on long-term receivables	-23 420	-16 148	-	-
Change in fair value of derivative instruments - currency options	-8 665	-7 510	-	-7 510
Other financial expenses	-	-1 251	-1	-70
Total financial expenses/Interest expenses	**-65 221**	**-40 111**	**-25 876**	**-11 683**
Total financial items – net	**12 979**	**194 474**	**30 535**	**40 967**

NOTE 15
INVESTMENTS IN ASSOCIATED COMPANIES

	2013	2012
Opening acquisition values	49 192	18 786
Investments/shareholder contributions	8 050	30 300
Reclassifications	131	106
Closing ackumulated acquisition values	**57 373**	**49 192**
Opening impairments	-27 270	-11 250
Write-downs for the year	-	-16 020
Closing ackumulated impairments	**27 270**	**-27 270**
Opening change in share of equity	2 010	2 238
Change in share of equity in associated companies	1 721	-228
Closing change of share of equity	**3 731**	**2 010**
Closing booked value	**33 834**	**23 932**

The Group's share of the earnings of the principal associates and its total assets and liabilities are as follows:

Name	Country of registration	Assets	Liabilities	Income	Result	Shareholding %
2013						
Gyllene Ratten Holding AB	Sweden	28 557	28 458	-	-58	50%
Code Right AB	Sweden	*	*	*	*	20%
Soldig Software AB	Sweden	*	*	*	*	43%
Magnusson Mäkleri AB	Sweden	11 183	2 201	12 462	33	20%
Luccibello Travel AB	Sweden	7 202	3 908	5 603	244	30%
GoExcellent Holding AB	Sweden	101 302	80 428	21 603	-6 350	30%
Index Aviation LLC	USA	2 967	2 722	-	-342	50%
Intercoastal Park LLC	USA	-	-	-	-	50%
		151 211	**117 717**	**39 668**	**-6 473**	

* At the date of signing the annual report, no financial information has been reported for complementary.

Name	Country of registration	Assets	Liabilities	Income	Result	Shareholding %
2012						
Gyllene Ratten Holding AB	Sweden	35 989	35 833	-	-31 895	50%
Code Right AB	Sweden	20 822	2 876	-	-193	20%
Soldig Software AB	Sweden	42	133	52	-15	43%
Magnusson Mäkleri AB	Sweden	17 694	4 244	16 600	4 753	20%
Index Aviation LLC	USA	8 675	-	-	-	50%
Intercoastal Park LLC	USA	-	-	-	-	50%
		83 222	**43 086**	**16 652**	**-27 350**	

NOTE 16
INVESTMENTS IN JOINT VENTURES

	2013	2012
Opening acquisition values	10 796	10 589
Investments/shareholder contributions	1 040	207
Reclassifications	-50	-
Closing ackumulated acquisition values	**11 786**	**10 796**
Closing booked value	**11 786**	**10 796**

The Group has participation of 50% in Fröjden AB and Västermalms Strand Holding AB which represent interests in joint ventures. The following total items associated with Index International's participations in joint ventures;

Name	Fixed assets	Current assets	Current liabilities	Non-current liablilities	Income	Expenses	Shareholding %
2013							
Fröjden AB	543	10 118	1 821	-	-	-70	50%
Västermalms Strand Holding AB	102 970	28 443	3 767	127 548	925	-2 975	50%
Total	**103 513**	**38 561**	**5 588**	**127 548**	**925**	**-3 045**	

Name	Fixed assets	Current assets	Current liabilities	Non-current liablilities	Income	Expenses	Shareholding %
2012							
Fröjden AB	543	26 930	18 563	-	500	-773	50%
Västermalms Strand Holding AB	102 970	26 596	2 621	126 877	53	-467	50%
Total	**103 513**	**53 526**	**21 184**	**126 877**	**553**	**-1 240**	

There are no contingent liabilities arising from the Group's interest in these joint ventures.

NOTE 17
INCOME TAX/ TAX ON RESULT FOR THE YEAR

	Group		Parent company	
	2013	**2012**	**2013**	**2012**
Current tax:				
Current tax on result for the year	-	-	3 250	-1 464
Total current tax	**-**	**-**	**3 250**	**-1 426**
Deferred tax (see note 23)	-1 270	68 376	-	-
Effect of change in Swedish tax rate	-	5 936	-	-286
Total deferred tax	**-1 270**	**74 312**	**-**	**-286**
Income tax	**-1 270**	**74 312**	**3 250**	**-1 750**

Income tax on profit differs from the theoretical amount that would arise using the effective tax rate to profits of the consolidated companies as follows:

	Group		Parent company	
	2013	**2012**	**2013**	**2012**
Result before tax	-3 710	-22 186	-24 654	-6 481
Income tax calculated according to national tax rates applicable to income in each country	1 053	3 415	5 424	1 705
Tax effects of:				
- Non-taxable income	6 426	71 075	0	0
- Non-deductible expenses	-7 487	-11 922	-2 251	-6 781
- Tax losses for which no deferred tax assets has been recognized	-1 372	-526	-	-
- Utilisation of losses not previously recognized	109	6 334	76	3 612
Revaluation of deferred tax - change in Swedish tax rate *	-	5 936	-	-284
Income tax	**-1 270**	**74 312**	**3 250**	**-1 750**

Weighted rate for the group is 28.4% (15.4%)., And the parent company is 22.0% (26.3%).

*Following the amendment of the Swedish corporate tax rate from 26.3% to 22%, which was adopted in December 2012 and will apply from January 1, 2013, the carrying amounts of deferred tax is recalculated.

NOTE 18
EXCHANGE DIFFERENCES

Exchange differences are recognized in the income statement as follows:

	Group		Parent company	
	2013	2012	2013	2012
Financial net items	-32 495	-21 162	-32 867	-20 313
Total exchange differences in the income statement	**-32 495**	**-21 162**	**-32 867**	**-20 313**

NOTE 19
INTANGIBLE FIXED ASSETS

Group

	Consessions	Trademarks	Total
Per 1 January 2012			
Acquisition value	13 764	18 651	32 415
Ackumulated depreciation	-688	-3 641	-4 329
Opening booked value	**13 076**	**15 010**	**28 086**
Fiscal year 2012			
Opening booked value	13 076	15 010	28 086
Investments/reprocessing	-	-	-
Depreciations	-688	-3 641	-4 329
Impairment/Corporate changes	-	-447	-447
Closing booked value	**12 388**	**10 922**	**23 310**
Per 31 December 2012			
Acquisition value	13 764	18 651	32 415
Ackumulated depreciation	-1 376	-7 282	-8 658
Corporate changes	-	-447	-447
Closing booked value	**12 388**	**10 922**	**23 310**
Fiscal year 2013			
Opening booked value	12 388	10 922	23 310
Investments/reprocessing	-	-	-
Depreciations	-688	-3 640	-4 329
Impairment	-	-	-
Closing booked value	**11 699**	**7 282**	**18 981**
Per 31 December 2013			
Acquisition value	13 764	18 651	32 415
Ackumulated depreciation	-2 065	-11 369	-13 434
Closing booked value	**11 699**	**7 282**	**18 981**

NOTE 20
INVESTMENT PROPERTIES

Group	
	Office buildings
Fiscal year 2012	
Opening booked value	586 524
Investments in existing properties	1 544
Adjustment fair value investment properties	-3 699
Other investments	15 484
Closing booked value per 31 December 2012	**599 853**
Fiscal year 2013	
Ingående redovisat värde	599 853
Non-current assets held for sale	-144 500
Adjustment fair value investment properties	-29 700
Other investments	15 847
Closing booked value per 31 December 2013	441 500

Fair values of investment properties

Index International reports its properties at fair value in the balance sheet which corresponds to property market value. Changes in market value are recognized as change in income statement. Fair value is determined from year-end 2013, based on external appraisers. As external valuers have FS Fastighetsstrategi AB / Real Advisor AB commissioned independent consulting firm.

The calculation of fair value is made for each individual property by a 10-year cash flow model. The most significant variables that are crucial to the estimated fair value, the model is required yield and the estimated real growth, ie. inflation assumption. Other important variables are the net operating income and long-term vacancy rate. The basis for determining the dividend yield is among other market risk rate for real estate investments at any given time. This is based on a number of factors such as market rate. Debt to equity ratio, inflation expectations and the rate of return on invested capital. But even property-specific conditions affect the yield requirement. The yield is the property's net operating income seen in relation to the fair value.

Level of annual future inflation is forecast to 2 percent. The discount rate is determined yield rate plus the annual inflation.

Discount rate at valuation, 2013-12-31,%	
– Stockholm kommun	7,3-8,5
– Enköping	9,5-10,0
– Västervik/Gunnebo	9,1

Valuation Adoption, weighted average, 2013-12-31	
– Estimated inflation	2,0%
– Calculated interest for residual value	8,73%
– Yield residual value	6,73%
– Long-term vacancy rate	3,18%
– Operating and maintenance costs year 1	278 kr/sqm
– Market rent	1 283 kr/sqm

Net operating income is the difference between property income and operating and maintenance expenses (property expenses before property administration). The starting point is the current forecast of net operating income based on last year's results. Revenues and or operating and maintenance costs for a single year may be influenced by factors that are not commonly found in the property's long-term lifetime. If this were the case for the current forecast values, there is a normalization of the individual year's amount.

The cash flows for operating, maintenance and administrative costs are based on actual costs and experience of comparable properties. Net operating income is the difference between property income and operating and maintenance expenses (property expenses before property administration). Investments have been assessed from the need that exists.

When all variables are determined based on the above description, a calculation of the present value of the next 10 years of operation, net of the cash flow model. Moreover, the present value of the residual value based on the 10th year's net operating income in this model. Thereafter possible adjustment for the value of ongoing projects and land with unused development rights.
The revaluation, net of deferred tax, is accounted for in the line item "Change in value of investment properties".

All the fair value measurement of investment properties has been carried out using significant unobservable inputs (Level 3). There has been no change in the method of valuation between periods, and hence no transfer between fair value levels. For an explanation of fair value levels, see Note 3.3.

Sensitivity analysis
The parameters that significantly affect the value of a property is the discount rate and the rental value. The discount rate assumption such as interest rates, indebtedness, inflation assumptions, the required return on invested capital, located on the property, tenant structure etc. The rental value reflects the market picture for what tenants are willing to pay for real estate space. To illustrate how a change in - 1 per cent of these parameters affect the estimated fair value, the following sensitivity analysis done:

Changes in 2013	+1%	-1%
Discounted interest, SEK in millions	-44,1	48,2
Hyresvärde, SEK in millions	8,5	-8,5

NOTE 21
TANGIBLE FIXED ASSETS

Group

	Buildings and land	Equipment, tools, fixtures and fittings	Construction in progress	Total
Per 1 January 2012				
Acquisition value	41 587	11 151	85 291	138 029
Ackum. depreciation	-2 385	-6 691	0	-9 076
Booked value	**39 202**	**4 460**	**85 291**	**128 953**
Fiscal year 2012				
Opening booked value	39 202	4 460	85 291	128 953
Investments	1 200	786	19 433	21 419
Sales and disposals	-5 959	-1 391	-	-7 350
Reclassifications	-	-261	-	-261
Exchange differences	-890	-	-5 297	-6 187
Depreciations	-589	-937	-	-1 526
Closing booked value	**32 963**	**2 658**	**99 372**	**134 993**
Per 31 December 2012				
Acquisition value	35 911	5 538	99 372	140 822
Ackum. depreciation	-2 948	-2 880	-	-5 828
Booked value	**32 963**	**2 658**	**99 372**	**134 993**
Fiscal year 2013				
Opening booked value	32 963	2 658	99 372	140 822
Investments	400	1 200	212 130	213 730
Exchange differences	-2 349	-4	-8 380	-10 733
Depreciations	-541	-513	-85	-1 140
Closing booked value	**30 473**	**3 341**	**303 036**	**342 679**
Per 31 December 2013				
Acquisition value	33 739	6 735	303 122	343 596
Ackum. depreciation	-3 266	-3 395	-85	-6 746
Booked value	**30 473**	**3 340**	**303 036**	**336 850**

Construction in progress by December 31, 2013 consist primarily of investments in biogas plant in Canada. During the year the Group capitalized borrowing costs for 19,906 ksek (14,560 ksek) on qualifying assets in the form of construction in progress. Capitalized interest was determined by applying the interest attributable to borrowings direct investment in a qualifying asset.

Tangible fixed assets are transferred to the disposal group classified as held for sale amounted to 145,514 ksek and relate the properties Centrum 29:5 and Galgvreten 3:5. See Note 32 for additional information on the disposal group held for sale.

Parent company

	Building equipment	Equipment, tools, fixtures and fittings	Total
Per 1 January 2012			
Acquisition value	-	985	985
Ackumulated depreciation	-	-616	-616
Booked value	**-**	**369**	**369**
Fiscal year 2012			
Opening booked value	-	369	369
Investments	-	577	577
Depreciations	-	-84	-84
Closing booked value	**-**	**862**	**862**
Per 31 December 2012			
Acquisition value	-	1 562	1 562
Ackumulated depreciation	-	-700	-700
Booked value	**-**	**862**	**862**
Fiscal year 2013			
Opening booked value	-	862	862
Investments	31	71	102
Depreciations	-	-79	-79
Closing booked value	**31**	**854**	**885**
Per 31 December 2013			
Acquisition value	31	1 633	1 664
Ackumulated depreciation	-	-779	-779
Booked value	31	854	885

NOTE 22
OTHER LONG-TERM RECEIVABLES

Other long-term assets include restricted cash on deposit as security, in Canada. Cash reserves, equivalent to 10, 000 thousands CA-dollar, held in an interest bearing account in the event of default during the term of the loan to 2018-07-15.

Group	2013-12-31	2012-12-31
Restricted cash (on deposit)	61 055	-
Promissory note to the other owner groups *	260 058	155 813
Promissory note to other	6 871	9 346
Total Group	**327 984**	**165 159**

Parent company	2013-12-31	2012-12-31
Promissory note to owner groups	235 523	23 342
Promissory note to other	6 453	8 928
Total parent company	**241 976**	**32 270**

The carrying value of other long-term receivables represent fair value.

* The other owner groups referres to other subsidiaries included in another group, outside the group for the Index International AB (publ).

NOTE 23
DEFERRED TAX

	Group		Parent company	
	2013-12-31	2012-12-31	2013-12-31	2012-12-31
Deferred tax expense relating to temporary differences	-6 763	-4 326	-	-
Deferred tax income relating to temporary differences	5 556	72 702	-	-
Total deferred tax in the income statement	**-1 207**	**68 376**	**-**	**-**

Deferred tax assets and liabilities – break down according to the following:

	Group	
Deferred tax assets	**2013-12-31**	**2012-12-31**
Deferred tax assets to be utilized after more than 12 months	-	2 508
Deferred tax assets to be utilized within 12 months	2 508	5 293
Total deferred tax assets	**2 508**	**7 801**
Deferred tax liabilities		
Deferred tax liabilities to be utilized after more than 12 months	-123 114	-128 809
Deferred tax liabilities to be utilized within 12 months	-3 055	-1 445
Total deferred tax assets	**-126 169**	**-130 254**
Deferred tax liabilities / assets (net)	**-123 661**	**-122 453**

Change in deferred tax assets and liabilities during the year, which has been accounted for in income statement, without regard to offsets made within the same tax jurisdiction, are shown below:

Deferred tax liabilities		Temporary differences properties	Fair value investment properties	Other	Total
Accounted in income statement	1 January 2012	180 224	27 763	305	208 292
		-77 068	-695	-275	-78 038
	31 December 2012	**103 156**	**27 068**	**30**	**130 254**
Accounted in income statement		-3 097	-2 599	1 611	-4 085
	31 December 2013	**100 059**	**24 469**	**1 641**	**126 169**

Deferred tax assets		Underskotts-avdrag	Övrigt	Summa
Accounted in income statement	1 January 2012	11 552	-	11 552
		-4 034	283	-3 751
	31 December 2012	**7 518**	**283**	**-7 801**
Accounted in income statement		-5 009	-283	-5 292
	31 December 2013	**2 508**	**-**	**2 508**

Deferred tax assets are accounted for tax loss carrying forward to the extent that it is probable that they can be utilized by future taxable profits. Deferred tax assets not accounted for, in the Group, amounts to 1,372 ksek (526 ksek), in respect of losses amounting to 6,235 ksek (1,999 ksek), which can be offset against future taxable profits. Losses carried forward do not expire at any given time.

NOTE 24
PARTICIPATION IN GROUP COMPANIES

Parent company	2013-12-31	2012-12-31
Opening acquisition value	138 445	136 445
Shareholder contributions	222 714	2 000
Closing ackumulated acquisition value	**361 159**	**138 445**
Opening impairments	-105 275	-103 730
Impairments for the year	-7 469	-1 545
Closing ackumalated impairments	**-112 144**	**-105 275**
Closing booked value	**248 415**	**33 170**

The parent company holds interests in the following subsidiaries:

Name	Corporation number	Registration office	Share capital	Number of shares	Booked value	
					2013-12-31	2012-12-31
Dalringen Förvaltning AB	556400-4694	Stockholm	100%	20 000	200	200
Index Projekt AB	556632-5907	Stockholm	66,68%	3 334	333	333
Djurgårdsbrunns Tennis AB	556708-0204	Stockholm	100%	1 000	100	100
Index Equity Sweden AB	556671-1601	Stockholm	100%	1 000	100	100
Loftahammar Projekt AB	556743-5374	Stockholm	100%	1 000	110	1 335
Opalo Holding AB	556697-2906	Stockholm	100%	1 000	20 836	20 836
Index Asset Management AB	556711-6586	Stockholm	100%	1 000	122	122
Index Investment LLC		USA	100%	1	-	-
Index Energy Mills Road Corp		Canada	70%	70	226 614	10 144
Textile Real Estate Corp		Canada	100%	100	-	-
Index Waste Management Corp		Canada	100%	100	-	-
Total					**248 415**	**33 170**

NOTE 25
FINANCIAL INSTRUMENTS BY CATEGORY

Group **Assets in Balance sheet**	**Assets valued at fair value through income statement**	**Loans and receivables**	**Financial assets available for sale**	**Total**
31 December 2013				
Financial assets available for sale	-	-	257 685	257 685
Receivables from associated companies and joint ventures	-	90 773	-	90 773
Other long-term receivables	-	327 984	-	327 984
Accounts receivable	-	10 587	-	10 587
Other receivables	-	99 014	-	99 014
Cash and cash equivalents	-	101 724	-	101 724
Total		**630 082**	**257 685**	**887 767**
31 December 2012				
Financial assets available for sale	-	-	272 509	272 509
Receivables from associated companies and joint ventures	-	107 447	-	107 447
Other long-term receivables	-	165 159	-	165 159
Accounts receivable	-	21 457	-	21 457
Other receivables	-	36 777	-	36 777
Derivatives	209	-	-	209
Cash and cash equivalents	-	170 234	-	170 234
Total	**209**	**501 164**	**272 509**	**773 882**

Group **Liabilities in Balance sheet**	**Liabilities valued at fair value through income statement**	**Other financial liabilities**	**Total**
31 december 2013			
Borrowings	-	392 874	392 874
Bond loan	-	267 542	267 542
Other long-term liabilities	-	2 907	2 907
Accounts payable	-	37 569	37 569
Liabilities to associated companies	-	2 379	2 379
Derivatives	10 870	-	10 870
Other liabilities	-	58 045	58 045
Total	**10 870**	**761 316**	**772 186**
31 December 2012			
Borrowings	-	380 054	380 054
Other long-term liabilities	-	2 904	2 904
Accounts payable	-	19 384	19 384
Liabilities to associated companies	-	541	541
Derivatives	8 397	-	8 397
Other liabilities	-	35 194	35 194
Total	**8 397**	**438 078**	**446 475**

Parent company Assets in Balance sheet	**Loans and receivables**
31 December 2013	**547 499**
Long-term receivables from Group companies	67 319
Receivables from associated companies and joint ventures	241 976
Other long-term receivables	459
Accounts receivable	75 681
Current receivables form Group companies	3 322
Other receivables	24 509
Cash and cash equivalents	960 765
Total	
31 December 2012	
Long-term receivables from Group companies	545 627
Receivables from associated companies and joint ventures	87 604
Other long-term receivables	32 270
Accounts receivable	133
Current receivables form Group companies	86 223
Other receivables	1 578
Cash and cash equivalents	31 680
Total	**785 115**

Parent company Liabilities in Balance sheet	**Other financial liabilities**
31 December 2013	
Bond loan	275 000
Long-term liabilities to Group companies	456 251
Liabilities to associated companies	2 118
Accounts payable	1 144
Current liabilities to Group companies	24 387
Other liabiilities	23 752
Total	**782 652**
31 December 2012	
Long-term liabilities to Group companies	335 653
Accounts payable	150
Current liabilities to Group companies	23 802
Other liabiilities	24 407
Total	**384 012**

NOTE 26
DERIVATINSTRUMENT

	2013		2012	
	Assets	Liabilities	Assets	Liabilities
Currency options	-	10 870	209	8 397
Current portion	-	10 870	209	8 397

Derivative instruments are classified as current assets or current liabilities when the maturity of the derivative instrument is less than 12 months.

Currency options
The notional amount of outstanding currency option amounts at December 31, 2013 to 101,480 ksek (205,600 ksek). Gains and losses on currency options are accounted as net financial income (Note 14).

NOTE 27
ACCOUNTS RECEIVABLE

Group	2013-12-31	2012-12-31
Accounts receivable	11 218	22 174
Minus: provision for bad debts	-631	-717
Accounts receivable – net	**10 587**	**21 457**

The aging analysis of these trade receivables is as follows:

	2013-12-31	2012-12-31
1-30 days	-	-
31-60 days	2 338	9
> 61 days	118	562
Total overdues	**2 456**	**572**

Changes in provision for bad debts are as follows:

	2013-12-31	2012-12-31
Per 1 January	-717	-671
Provision for bad debts	-	-51
Receivables written off during the year as uncollectible	-	-
Reversed non-utilized amounts	86	5
Per 31 December	**-631**	**-717**

Allocations to and reversals of provisions for bad debts includes in other external expenses. There are no collateral or other security for the closing day of outstanding trade receivables.

NOTE 28
OTHER RECEIVABLES

Group	2013-12-31	2012-12-31
Promissory note receivables	79 882	28 510
Receivable in regards to business deal condominium	11 570	-
Other receivables	8 303	10 341
Total Group	**99 755**	**38 851**

Parent company	2013-12-31	2012-12-31
Promissory note receivables	3 310	1 578
Other receivables	482	516
Total parent company	**3 792**	**2 094**

NOTE 29
INVENTORIES

	2013-12-31	2012-12-31
Raw materials and consumables	196	247
Total	**196**	**247**

The cost of inventories accounted as expense and included in the purchase of goods and services and amounts to 51 ksek (-23 ksek).

NOTE 30
PREPAID EXPENSES AND ACCRUED INCOME

Group	2013-12-31	2012-12-31
Prepaid insurance premiums	211	283
Prepaid rental expenses	345	334
Prepaid sponsorship deal	1 560	1 560
Deposit Accounts	3 772	8 650
Other prepaid expenses	2 198	617
Other accrued income	586	686
Total Group	**8 672**	**12 131**

Parent company	2013-12-31	2012-12-31
Prepaid insurance premiums	28	82
Prepaid sponsorship deal	1 560	1 560
Other prepaid expenses	83	121
Total parent company	**1 671**	**1 764**

NOTE 31
CASH AND CASH EQUIVALENTS

Group	2013-12-31	2012-12-31
Cash and cash equivalents	101 724	170 324

Parent company	2013-12-31	2012-12-31
Cash and cash equivalents	24 509	31 680

For restricted cash, 2013, see Note 22.

NOTE 32
NON-CURRENT ASSETS HELD FOR SALE

The assets and liabilities relating to the properties Centrum 29:5 and Galgvreten 3:5 has been reported as held for sale following the approval of senior management and shareholders. The properties are intended to be sold in 2014. This comes as a result of the owners looking to invest in other investment projects, real estate development, and want to free up capital for these purposes.

Assets of disposal group classified as held for sale:

	2013-12-31	2012-12-31
Investment properties	144 500	-
Other non-current receivables	1 014	-
Total assets	**145 514**	**-**

NOTE 33
SHARE CAPITAL AND OTHER CAPITAL RESERVES

	Number of shares (thousands)	Share capital
vPer 1 Januari 2012		
A-shares	5 000	500 000
B-shares	95 000	9 500 000
Per 31 December 2012	100 000	10 000 000
A-shares	-	-
B-shares	-	-
Per 31 December 2013	100 000	10 000 000

The share capital consists of 5,000 class A-shares and 95,000 Class B-shares. The shares have a voting interest of 10 votes / A-share and one voice / B-share. All shares issued by the parent company are fully paid.

NOTE 34
BORROWINGS

Group	2013-12-31	2012-12-31
Long-term		
Bond loan	267 542	-
Liabilities to credit institutions	281 528	277 901
Total long-term borrowings	**549 070**	**277 901**
Current		
Liabilities to credit institutions	**111 346**	**102 153**
Total current borrowings	**111 346**	**102 153**
Total borrowings	**660 416**	**380 054**

Bond loan
Corporate bond loan of 275,000 ksek was issued June 28, 2013 and will run until 28 December 2016. The loan is mortgage-free and carries a fixed interest rate of 9% payable quarterly. Terms related to the bond loan demonstrates that the percentage of equity is obligated to stay above 40% of total assets and that transactions for owners not allowed to put the bond contract terms in default. Other conditions of the bond is specific to external transactions (not part of existing operations) and must not exceed sums greater than 10,000 ksek or 30% of the Group's total annual profit for the previous year. Bond Agreement also states that the proportion of equity to total assets should not fall below 35%.

Liabilities to credit institutions
Liabilities to credit institutions of 281,528 ksek (277,901 ksek) have a term ending 2016-12-28 and has an average interest rate of 3.99% which is payable quarterly. Liabilities to credit institutions are subject to credit may be terminated at two months and that the floating rate is determined by the creditor with respect to market interest rates. The interest rate is subject to change. Assets pledged for liabilities to credit institutions related to property mortgage.

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

	Booked value		Fair value	
	2013-12-31	2012-12-31	2013-12-31	2012-12-31
Bond loan	267 542	-	275 000	-
Liabilities to credit institutions	281 528	277 901	281 528	277 901
Total long-term borrowings	**549 070**	**277 901**	**556 528**	**277 901**

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, see Note 3.3.

NOTE 35
OTHER LONG-TERM LIABILITIES

Group	2013-12-31	2012-12-31
Other loans	1 608	1 608
Deposited rent	1 279	1 279
Other deposits	20	17
Total Group	**2 907**	**2 904**

NOTE 36
OTHER LIABILITIES

Group	2013-12-31	2012-12-31
Liability to owners	39 301	21 494
VAT	3 007	3 008
Social security fees and employee withholding taxes	211	242
Deposits	**240**	**258**
Other loans	**20 606**	**12 905**
Others	**668**	**295**
Total Group	**64 033**	**38 202**

Parent company	2013-12-31	2012-12-31
Liability to owners	22 621	21 494
Social security fees and employee withholding taxes	91	76
Other loans	1 040	2 837
Total parent company	**23 752**	**24 407**

NOTE 37
ACCRUED EXPENSES AND DEFERRED INCOME

Koncernen	2013-12-31	2012-12-31
Prepaid rental income	19 830	20 247
Accrued operating expenses	3 996	2 484
Accrued vacation pay	290	138
Social security fees	**192**	**146**
Other accrued expenses	**2 332**	**5 891**
Total Group	**26 640**	**28 906**

Parent company	2013-12-31	2012-12-31
Accrued operating expenses	517	904
Accrued vacation pay	115	70
Social security fees	73	
Other accrued expenses	1 968	1 188
Total parent company	**2 673**	**2 245**

NOTE 38
PLEDGED ASSETS

Group	2013-12-31	2012-12-31
Real estate mortgages	396 804	396 804
Restricted cash	61 055	-
Pledged shares	1 286	246
Koncernen totalt	**459 145**	**397 050**

Parent company	2013-12-31	2012-12-31
Pledged shares	1 482	442
Total parent company	**1 482**	**442**

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

NOTE 39
CONTINGENT LIABILITIES

Group	2013-12-31	2012-12-31
General guarantees for subsidiary loans	234 650	242 300
General guarantees for other company loans	303 057	374 078
Total Group	**537 707**	**616 378**

Parent company	2013-12-31	2012-12-31
General guarantees for subsidiary loans	234 650	242 300
General guarantees for other company loans	303 057	374 078
Total parent company	**537 707**	**616 378**

The Group's parent company has a guarantee for mortgage loans with property Hornsberg 10, a total of 234,650 ksek (242,300 ksek). Of total liabilities includes construction loans 136,400 ksek (136,400 ksek) for Mälarhöjdsparken 2.

NOTE 40
LEASING AGREEMENTS

Operating leases
The Group holds leases concerning copiers and office rental. Index International also acts as a lessor in the lease of real estate.
The Group intends to continue its lease contracts and related service agreements. It is very likely that existing contract will be extended upon expiration. The largest lease expense for the Group's lease for office rent equivalent to 1,370 ksek (1,327 ksek) per year.

Current future minimum lease payments under non-cancellable operating leases at the reporting period are payable as follows:

Group	2013-12-31	2012-12-31
Within one year	1 512	1 386
After one year but within five years	2 433	3 469
Later than five years	-	52
Total Group	**3 945**	**4 907**

Costs for operating leases in the Group during the financial year amounted to 1,450 ksek (1,409 ksek). The Parent Company does not have any leases.

Operating leases in which a Group company is the lessor
Future minimum lease payments related to non-cancellable operating leases are as follows:

Group	2013-12-31	2012-12-31
Within one year	38 308	39 111
After one year but within five years	65 725	89 100
Later than five years	41 195	46 838
Total Group	**145 228**	**175 049**

The variable portion of fees included in the result for the period was 9,255 ksek (9,951 ksek).
The Company leases premises under various agreements that expire between 2013 and 2030.

NOTE 41
EMPLOYEE BENEFITS POST-EMPLOYMENT

The Group has only defined contribution pension plans. The amounts recognized in the income statement are as follows:

Group	2013	2012
Income statement charge for:		
Costs for defined contribution pension plans	626	1 220
Total Income statement	**626**	**1 220**

NOTE 42
OTHER NON-CASH ITEMS

Koncernen	2013-12-31	2012-12-31
Impairment of tangible fixed assets	-	202 294
Gain / loss on disposal of tangible fixed assets	-	-5 944
Write-down of shares in associates	-	15 850
Equity in associated companies	3 171	228
Interest received	267	918
Interest paid	-23 252	-14 809
Other impairment losses and exchange rate changes	12 082	22 224
Total Group	**-7 732**	**220 761**

Parent company	2013-12-31	2012-12-31
Depreciation of tangible fixed assets	79	84
Write-down of shares in subsidiaries and associates	7 470	17 395
Interest received	120	175
Interest paid	-12 375	-
Unrealized change in short-term investments	2 682	7 511
Total parent company	**-2 024**	**25 165**

NOTE 43
TRANSACTIONS WITH RELATED PARTIES

Samisa Management AB owns 50% and Capstone Management AB owns 50% stake in Index International AB (publ) and are considered to have significant influence over the Group. Other related parties are all subsidiaries within the Group and senior executives of the Group, ie Board and Management, as well as its family members.

The following transactions has occurred with related parties:

(a) Purchases of services

	2013	2012
Purchases of services:		
- Key management personnel (consultant cost marketing)	690	433
- Key management personnel (consultant cost property facilities)	803	827
Total	**1 493**	**1 260**

The services are purchased to subsidiaries on normal commercial terms, on a commercial basis

(b) Remuneration to senior executives
For information on the remuneration of senior executives, see Note 9.

Riktlinjer
The Chairman and members of the Board are paid fees by the Annual General Meeting.

Remuneration to the CEO and other senior executives consists of basic salary. Other senior executives are the people who, together with the CEO, comprise Group management. Other benefits to the CEO and other senior executives are part of total compensation.

Conditions for the CEO and other senior executives
For the company's CEO and other senior executives, there are no severance pay. The notice period is 3 months.

Pensions

For the employees of the group who are entitled to a pension under their employment agreements, Index pays pension contributions for employees under a fixed percent plan. Percent plan is divided as follows:

- 4.8% of salary up to 7.5 price base amount
- 31.6% of salary over 7.5 price base amount

Index has a contract with an insurance and pension advisory firm where employees can choose how their pension contributions will be invested.

Remuneration to senior executives

Of the companies' wages and other remuneration, CEO relates to 1,249 ksek (1,462 ksek) and the board 100 ksek (0 ksek).

Ersättningar och övriga förmåner 2013

	Base salary/ Board fee	Pension costs	Total
Charirman of the Board and CEO (01/2013-08/2013) Rickard Haraldsson	723	125	848
Charirman of the Board (08/2013-12/2013) Arne Weinz	100	-	100
CEO (08/2013-12/2013) Marie-Louise Alamaa	320	81	401
Member of the Board (01/2013-08/2013) Marie-Louise Alamaa	480	135	615
Member of the Board (08/2013-12/2013) Brian Borg	359	13	373
Other senior executives (3 persons)	1 906	40	1 947
Total	**3 888**	**395**	**4 283**

Remuneration and other benefits in 2012

	Base salary/ Board fee	Pension costs	Total
Charirman of the Board and CEO Rickard Haraldsson	1 212	250	1 462
Member of the Board Marie-Louise Alamaa	660	133	793
Other senior executives (3 persons)	2 217	60	2 277
Total	**4 089**	**443**	**4 532**

(d) Loans to / from related parties

	2013	2012
Loans to / from companies with significant influence over the company (net)		
Opening balance	66 110	149 627
Borrowings during the year	-19 227	21 303
Amortizations	-2 251	59 965
Interest income / expenses	66	191
Paid / received interest	-	-2 058
Closing balance	**44 698**	**109 098**

Loans to / from related parties running long-term with option to receive full repayment on demand. On demand total loan amount (including interest) is refunded within 30 days. Longest maturity date expire 2018-12-31. Interest rate is fixed or with a reference rate plus 2%. In general, interest runs at the rate between 3 to 7 percent.

NOTE 44
EFFEKTER AV ÖVERGÅNG TILL RFR 2 FÖR MODERFÖRETAGET

The annual report for 2013 is the Group's first financial report prepared in accordance with IFRS. Due to the Group's transition to IFRS 1 January 2012 the parent company also replaces accounting principles as of 1 January 2012 and transitions to accounting in accordance with RFR 2, Accounting for Legal Entities. Comparative year adjusted in accordance with IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors. The transition to reporting in accordance with RFR 2 had no effect on the parent company's equity.

NOTE 45
EFFEKTER VID ÖVERGÅNG TILL INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

This is the first annual report for the Index International Group prepared in accordance with IFRS. The accounting policies set out in Note 2 have been applied in preparing the consolidated financial statements prepared as at 31 December 2013 and the comparative information presented on December 31, 2012 and in the preparation of the statement of the period's opening financial position (balance sheet prepared) as at 1 January 2012 (the Group's date of transition to IFRS).

When opening balance sheet according to IFRS was established, amounts were adjusted in the previous financial statements reported in accordance with Accounting Standards Board. An explanation of how the transition from previous GAAP to IFRS has affected the Group's results, financial position and cash flows are shown in the tables and notes below.

Selections made in the transition to IFRS
The transition to IFRS in accordance with IFRS 1, First time adoption of IFRS. The main rule is that all applicable IFRS and IAS standards, which come into force and are approved by the EU, should be applied retroactively. IFRS 1 contains transitional provisions which give companies a certain options.

Outlined below are the IFRS permitted exceptions from full retrospective application of all standards that the Group has chosen to apply the transition from previous GAAP to IFRS.

Exemptions for business combinations
IFRS 1, which governs how the transition to IFRS will be made, offers the possibility to apply the principles in IFRS 3, Business combinations, either prospectively from the date of transition to IFRSs or from a specific time prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date. The Group has elected to apply IFRS 3 prospectively to business combinations occurring after the date of transition to IFRS. Business combinations that took place prior to the transition date have not been restated.

Exceptions for cumulative translation differences
IFRS 1 allows cumulative translation differences recognized in equity is reset at the transition date. It involves a relief compared to determine cumulative currency translation differences in accordance with IAS 21, The Effects of Changes in Foreign Exchange, from the time a subsidiary or associate was formed or acquired. The Group has elected to reset all cumulative translation differences in the translation reserve and reclassifying them to retained earnings at the date of transition to IFRS.

Below are the mandatory exemption in IFRS 1 which are relevant to the Group and applied in the transition from previous GAAP to IFRS.

Exclusion of non-controlling interests
Under IFRS 1, a first-time only prospectively apply the requirements of IAS 27, Consolidated and Separate Financial Statements, p 28 that total comprehensive income attributable to owners of the parent and to the non-controlling interests even if this results in a negative value of non-controlling interests.

Reconciliation of the previous accounting principles and IFRS
Under IFRS 1, the Group will show a reconciliation of shareholders' equity and total comprehensive income as reported under previous GAAP for prior periods with the corresponding items under IFRS. The transition from previous GAAP to IFRS has had no impact on the presentation of the cash flow generated by the Group. The following tables show the reconciliation between the previously applied accounting principles and IFRS for the respective periods of equity and total comprehensive income.

Reconciliation equity per 1/1-2012 and 31/12-2012

		1 January 2012				31 December 2012		
Ksek	**Notes**	**OB (according to previous GAAP)**	**Total effect of transition to IFRS**	**According to IFRS**	**Notes**	**CB (according to previous GAAP)**	**Total effect of transition to IFRS**	**According to IFRS**
ASSETS								
Fixed assets								
Intangible fixed assets		28 086	0	28 086		23 310	**0**	23 310
Investment properties	**a**	0	586 524	586 524	**a**	0	**599 853**	**599 853**
Buildings and land	**a, b, c**	1 093 720	-1 053 793	39 927	**a, b, c**	881 460	**-848 497**	**32 963**
Land improvements	**a**	406	-406	0	**a**	406	**-406**	**0**
Permanent equipment	**a**	985	-985	0	**a**	1 182	**-1 182**	**0**
Equipment, tools, fixtures and fittings		4 460	0	4 460		2 658	**0**	**2 658**
Construction in progress	**c**	0	85 291	85 291	**c**	0	**99 372**	**99 372**
Participation in associated companies	**d**	20 363	-10 539	9 824	**d**	34 728	-10 796	23 932
Participation in joint ventures	**d**	0	10 539	10 539	**d**	0	**10 796**	**10 796**
Receivables from associated companies and joint ventures		149 627	0	149 627		107 447	**0**	107 447
Other non-current receivables		9 733	0	9 733		165 159	**0**	**165 159**
Financial assets available for sale	**b**	0	488 932	488 932	**b**	0	**272 509**	**272 509**
Deferred tax assets		11 552	0	11 552	**e**	7 518	283	7 801
Current assets								
Inventories		3 032	0	3 032		247	**0**	**247**
Accounts receivables and other receivables (including prepayments and accrued income)		50 660	0	50 660		74 620	**0**	**74 620**
Derivatives	**f**	0	3 228	3 228	**f**	0	**209**	**209**
Cash and cash equivalents	**f**	152 217	-2 069	150 148	**f**	171 819	**-1 495**	**170 324**
Total assets		**1 524 841**	**106 722**	**1 631 563**		**1 470 554**	**120 646**	**1 591 200**

Reconciliation equity per 1/1-2012 and 31/12-2012

		1 January 2012				31 December 2012		
Ksek	**Notes**	**OB (according to previous GAAP)**	**Total effect of transition to IFRS**	**According to IFRS**	**Notes**	**OB (according to previous GAAP)**	**Total effect of transition to IFRS**	**According to IFRS**
EQUITY AND LIABILITIES								
Equity attributable to parent company shareholders								
Share capital		10 000	0	10 000		10 000	0	10 000
Other capital contribution		0	0	0		0	0	0
Restricted reserves		0	0	0		0	4 077	4 077
Retained earnings including net result	a, f	871 737	78 654	950 391	a, f	873 044	95 070	964 037
Non-controlling interest		4 324	0	4 324		4 382	0	4 382
Total equity		**886 061**	**78 654**	**964 715**		**887 426**	**95 070**	**982 496**
Long-term liabilities								
Other long-term liabilities (incl. borrowings)		382 374	0	382 374		280 805	0	280 805
Deferred tax liabilities	e	180 224	28 068	208 292	e	103 156	27 098	130 254
Övriga avsättningar	f	678	-678	0	f	8 188	-8 188	0
Current liabilities								
Liabilities to credit institutions	g	9 997	1 635	11 632	g	101 139	1 014	102 153
Accounts payable		22 044	0	22 044		19 384	0	19 384
Income tax liability		0	0	0		63	0	63
Liabilities to associated companies		520	0	520		541	0	541
Derivatives	f	0	1 760	1 760	f	0	8 397	8 397
Other liabilities	f	8 845	-1 082	7 763	f	39 932	-1 731	38 201
Accrued expenses and deferred income	g	34 098	-1 635	32 463	g	29 920	-1 014	28 906
Total Equity and Liabilities		**1 524 841**	**106 722**	**1 631 563**		**1 470 554**	**120 646**	**1 591 200**

Reconciliation of total comprehensive income by 2012

Total comprehensive income		2012		
Ksek	Notes	Income statement (according to previous GAAP)	Total effect of transition to IFRS	According to IFRS
Net sales		79 515	0	79 515
Other operating income		12 363	0	12 363
Total		**91 878**	**0**	**91 878**
Purchase of goods and services		-37 339	0	-37 339
Other external expenses		-30 911	0	-30 911
Personnel costs		-10 746	0	-10 746
Depreciation and write-downs of tangible and intangible fixed assets	**a**	-25 452	19 785	-5 667
Write-downs of sold properties		-202 294	0	-202 294
Change in value of properties	**a**	0	-3 699	-3 699
Other operating expenses		-1 550	0	-1 550
Operating result		**-216 414**	**16 086**	**-200 328**
Financial income	**f**	234 585	0	234 585
Financial expenses		-39 187	-924	-40 111
Financial items - net	**f**	195 398	-924	194 474
Result from participations in associates and joint ventures		-16 332	0	-16 332
Result before tax		**-37 348**	**15 162**	**-22 186**
Tax	**a, f**	73 058	1 254	74 312
Results for the period attributable to non-controlling interests		24	-24	0
Result for the period		**35 734**	**16 392**	**52 126**
Other comprehensive income				
Exchange difference			4 077	4 077
Other comprehensive income for the year, net post tax				
Summa totalresultat för året		**35 734**	**20 469**	**56 203**

a) Investment properties
In accordance with the Group's accounting policies, investment properties of the Group are recognized at their fair values as of the date of transition to IFRS. Under previous GAAP, investment property using the cost method.

The effect in the transition to IFRS represents a change in the carrying value of investment property with 106 ksek 1 January 2012 and 16 ksek 31 December 2012. The value changes are recognized in the income statement under both realized and unrealized depreciation, which resulted in 4 ksek in 2012. Investment properties have also been reclassified to a separate line in the balance sheet.

b) Financial assets available for sale
Additional purchase price, in consideration for the sale of properties under previous GAAP, is recognized as a tangible asset, but according to IFRS at fair value as financial assets available for sale. Additional purchase price amounting to 488,932 ksek at January 1, 2012 and 272,509 ksek at December 31, 2012 was thus reclassified from "Land and buildings" to "Financial assets available for sale" in the balance sheet.

c) Construction in progress
Construction in progress relates to the biogas plant under construction in Canada and was included under previous GAAP in the item "Land and buildings".

d) Participation in joint ventures
Participation in joint ventures, under previous GAAP included in the item "Participations in associated companies" but, according to IFRS reclassified to a separate line called "Participations in joint ventures". This reclassification has on 1 January 2012 reduced the item "Participation in associated companies" with 10,539 ksek and increased Participation in joint ventures" by the same amount. On 31 December 2012, the same reclassification reduced "Participations in associated companies" with 10,796 ksek and increased the item "Participations in joint ventures" with the same amount.

e) Deferred tax
Revaluation of foreign currency options (see Derivatives below) resulted in an increase in the deferred tax liability with 305 ksek at January 1, 2012, an increase in the deferred tax liability by 30 ksek at December 31, 2013 and an increase in the deferred tax asset with 283 ksek at December 31, 2013.

Approval of investment properties at fair value as of January 1, 2012 resulted in an increase in the deferred tax liability with 27,763 ksek and a decrease in the deferred tax liability with 1,000 ksek per December 31, 2012.

f) Derivatives
Derivative instruments is required by IFRS to be valued at fair value. Under the previous GAAP requirements, derivative instruments were stated at lower of cost than fair market value in the balance sheet. In the opening balance adjusted changes in the fair value of retained earnings, and subsequently affects recognition at fair value, net income.

Index International Currency options are measured at fair value through the income statement. These are referred to in the balance sheet as derivative instruments and are classified as current and non-current asset or liability, depending on the actual value and maturity date. Deferred tax is recognized on these adjustments.

Index International do not qualify for hedge accounting under IAS 39. In the statement of comprehensive income, foreign currency options is recognized in the "financial net" when these transactions are derived from financing.

g) Reclassification of accrued interest on liabilities to credit institutions
Accrued interest on liabilities to credit institutions was under previous GAAP recorded as accrued expenses in the balance sheet. Under IFRS, these are included under "Liabilities to credit institutions" in the balance sheet.

h) Reclassification of equity and non-controlling interest

Ksek	Equity, layout, according to previously applied accounting principles	Reclassification	The layout equity according to IFRS	Reclassified amount per equity component before IFRS adjustments
Share capital	10 000	-	Share capital	10 000
Restricted reserves	6 365	-6 365	Non-restricted reserves including total comprehensive income for the year	871 737
Non-restricted reserves	807 002	-807 002		
Result for the period	58 370	-58 370		
			Non controlling interest	4 324
Total equity per 2012-01-01	**881 737**			**886 061**
Non-controlling interest	4 324	-4 324		-
Total equity and non-controlling interest 2012-01-01	**886 061**			

i) Exchange differences on translation of subsidiaries
Enligt tidigare redovisningsprinciper har valutakursdifferenser vid omräkning av dotterföretag redovisats direkt mot eget kapital. Enligt IFRS ska dessa valutakursdifferenser redovisas i övrigt totalresultat (4 077 tkr för år 2012).

Reclassification according to IAS 1

The Balance Sheet
Renaming and reclassifications has been altered in the following items in the balance sheet; “Shares in associated companies” titled “Participation in associated companies” and “Cash in Bank” is titled “Cash or cash equivalents”. Provisions are recognized under IFRS as a long or short-term debt and not under a separate heading entitled “Provisions”.

Equity is recognized in accordance with UFR 8, Accounting equity in the Group. Equity is no longer divided into restricted and unrestricted equity. Certain reclassifications in equity have been made (see above). Equity is divided into share capital, other contributed capital and retained earnings including net income. “Minority interests” recognized according to IFRS, not as a liability but as a component of equity and is titled “Non-controlling interests’.

The Income Statement

Renaming and reclassifications have been altered in the following items in Total Comprehensive income; ”Result from participations in associated companies and joint ventures” has been moved from operations/financial items - net to after financial items - net, ”Result from participation in Group companies” is now part of the heading ”Financial income” and currency exchange differences on loans which was recognized under ”Income from other investments held as fixed assets” is now part of the heading ”Financial expenses”.

Furthermore, titled “Tax on profit” as “Tax”. Non-controlling interest in net income under IFRS are included in net income and separately specified in the separate statement after the consolidated statement of comprehensive income. Index International has chosen to present the Group’s results in a statement of comprehensive income. Exchange differences are recognized in other comprehensive income in accordance with IAS 1 instead of equity as history shows. Under IFRS, only transactions with shareholders are recognized as equity.

Consolidated income statement and balance sheet, in summary, will be presented to the Annual General Meeting 2014-04-25 for determination.

Stockholm 2014- -

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Styrelseordförande Verkställande direktör

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Styrelseledamot

My audit report was issued 2014-04-25

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Arne Engvall
Auktoriserad revisor