



**Interim Financial Statements for
Index Enterprise LLC**

**01.01.2013 –
31.12.2013**



The manager of Index Enterprise LLC hereby presents the interim financial statement for the period 1 January 2013 – 31 December 2013.

The financial report is prepared in US Dollars, USD.

Administration Report

OPERATIONS

Information regarding operations

Index Enterprise is a limited liability company organized under the laws of the state of Florida. The Company presently owns, develops and invest in properties through its wholly owned subsidiaries together with its US joint venture partners in Florida, New York and Michigan, with a primary emphasis on Multi-family Residential Rental Developments in Florida. Although Index Enterprise strategy still rest on the Multifamily Residential Platform, The Company has diversified its Real Estate Portfolio with the acquisition of Commercial Properties (Offices, Restaurant and Industrial Properties) meeting certain specified criteria and is actively engaged in the acquisition and development of Assisted Living Facilities.

Ownership structure

Index Enterprise LLC has its principal office in Jupiter, Palm Beach County, Florida in the US and is a jointly-owned company of Bjarne Borg (indirectly via Trust) and Fredrik Alamaa.

Significant events

Multifamily Rental Projects

Index Enterprise through its wholly owned subsidiary Index Apartments, LLC, has a current portfolio of five multi-family rental apartment properties in Florida, which includes: the Dakota at Abacoa; the Bridgewater; the High Ridge, the River Walk Pointe and Little Torch Cottages. Negotiations are advanced for two (2) more Projects: Sonoma Pointe and Tarpon Harbour for a total of 800 intelligently designed multifamily residential rental apartment units in attractive locations throughout Florida. Index Apartments is developing friendly and attractive rental apartment communities with environmentally sustainable features and excellence in construction, employing elegance in design and sustainable technology. Dakota Phase I is completed and leased at 80%. Bridgewater's construction is completed and leasing activity just started. Construction is being performed on Riverwalk and Little Torch Projects with 50% and 57% of completion respectively.

Assisted Living Facilities

Index Enterprise through its wholly owned subsidiary Index Senior Living Group became partner with Watercrest Senior Living Group (one of the most well respected assisted living developers/operators in the area). The Index-Watercrest partnership is focused on acquiring land and developing Assisting Living Communities in Florida and throughout the southeastern United States. The current portfolio consists of 3 Florida projects: Lake Nona in Orlando; Sebastian in Indian River County, and East Lake in Tarpon Springs, Pinellas County. The objective is to co-develop and own a portfolio of assisted living projects expected to generate an IRR of 17% to 22% net of fees over a five year period.

Commercial-Industrial Projects

Index Enterprise LLC through its subsidiary Viking Ventures LLC continues to work on redevelopment of its NY industrial properties which have significant interest from potential tenants. The present tenant in the Michigan property moved out according to plan and we are actively looking for new tenants with the alternative of redevelop and/or demolish the building.

Jupiter Inlet Development LLC (wholly owned by Index Apartments) site plan mixed use reconversion was approved by the Town of Jupiter. Jupiter Inlet is a waterfront property with a restaurant building. The 10,000 sf building will be demolished and rebuilt to include office space on the second floor. The property also has certain construction rights for residential units, which likely will be developed, provided certain conditions are met going forward. We are presently in negotiations with various restaurant operators, including a potential tenant, which is a growing and well recognized national chain

Significant events after the end of the financial period

Index Enterprise LLC continues to see opportunities to invest in real estate for residential use in the southeastern US. Negotiations are advanced for two (2) more Multifamily Projects: Sonoma Pointe and Tarpon Harbour.

Index Enterprise LLC through its subsidiary Viking Ventures LLC continues seeking opportunities to invest in industrial properties in the northeastern US for redevelopment.

Closing of Land Acquisition of the Lake Nona is projected in April/14. Lake Nona is a joint project with Watercrest which consists in 80 planned unit assisted living facility located in Lake Nona, 10 minutes from Orlando International Airport in Orange County, Florida. Lake Nona has secured a 5 year construction loan/mini-permanent term sheet from C&S Bank that will provide an estimated USD 12.8 million in financing out of total projected development costs of USD 18.2 million. Construction is expected to commence right after Closing.

Jupiter Harbour Office LLC (wholly owned by Index Enterprise) secured a loan to acquire a 12,000 sf office building located in the desirable area by the inlet in Jupiter, Florida. Building is 100% leased. With this acquisition Index Enterprise through its 100% owned affiliated companies will control the whole commercial area of Jupiter Harbour with redevelopment opportunities.

Consolidated Balance sheet

Period ended 31 december 2013

	31 Dec 2013	30 Sep 2013	30 June 2013
Assets			
Property, plant & equipment, net	71,697,501	60,935,186	52,030,810
Cash and cash equivalents	6,936,883	9,006,168	2,077,599
Accounts receivable, net	95,003	175,038	42,057
Finance receivables, net	2,980,000	2,980,000	2,982,529
Prepaid expenses and other assets	201,996	208,529	254,750
Total fixed assets	81,911,383	73,304,921	57,387,745
Liabilities and Members' Equity			
Mortgage loans payable	30,066,984	22,730,883	16,599,554
Accounts payable and accrued expenses	3,836,628	2,903,422	3,126,848
Deferred rent payable	14,004	38,343	0
Security deposits payable	66,311	28,213	2,850
Accrued interests	3,645,950	3,539,640	469,147
Other loans payable ¹	44,825,750	44,923,079	36,070,011
Total liabilities	82,455,627	74,163,580	56,268,410
Members' equity attributable to the Company	(2,725,861)	(2,808,853)	(1,202,032)
Members' equity attributable to non-controlling interest	2,181,617	1,950,194	2,321,367
Total liabilities and members' equity	81,911,383	73,304,921	57,387,745
Pledged assets			
For own liabilities and provisions	30,066,984	22,730,883	None
Contingent liabilities	47,100,000	47,100,000	None

1. Other loans payable includes loans from Index International AB (Publ) Group in Sweden, a related company to Index Enterprise LLC. Loans in total USD 42.5 million per 31 December 2013 (equivalent to USD 42.4 million per 30 September and USD 33.4 million per 30 June, 2013).

Consolidated Balance sheet

Period ended 31 december 2013

	1 Jan 2013 -31 Dec 2013 (12 months)	1 Jan 2013 -30 Sep 2013 (9 months)	1 Jan 2013 -30 June 2013 (6 months)
Revenues			
Rental revenue	1,836,728	1,134,216	521,191
Tenant reimbursements and other income	1,367,621	850,655	446,043
Total revenues	3,204,349	1,984,871	967,234
Expenses			
Operating expenses	(766,777)	(620,799)	(564,515)
Real estate taxes	(182,594)	(12,622)	(12,622)
General and administrative	(227,084)	(58,167)	(1,066)
Ground rent expense	(9,902)	(9,902)	(9,902)
Management fee	(363,627)	(411,768)	(217,848)
Operating income	1,654,366	871,613	161,281
Other expenses			
Interest expense	(4,076,701)	(3,304,172)	(726,214)
Net income (loss)	(2,422,335)	(2,432,559)	(564,933)
Net income (loss) attributable to non-controlling interest	162,490	81,995	(170,943)
Net income (loss) attributable to the Company	(2,259,844)	(2,350,564)	(735,876)

Consolidated statement of Operations

Period ended 31 december 2013

	1 Jan 2013 -31 Dec 2013 (12 months)	1 Jan 2013 -30 Sep 2013 (9 months)	1 Jan 2013 -30 June 2013 (6 months)
Cash flows from operating activities			
Net loss	(2,422,335)	(2,432,559)	(564,933)
Changes in assets and liabilities:			
Increase in tenant receivables	(95,003)	(175,038)	(42,057)
Decrease in other receivable	(2,980,000)	(2,980,000)	(2,982,529)
Increase in prepaid expenses	(201,996)	(208,529)	(254,750)
Increase in accounts payable and accrued expenses	3,850,632	2,941,765	3,126,848
Net cash provided by operating activities	(1,848,702)	(2,854,362)	(717,421)
Cash flows from investing activities			
Acquisition of and improvement to investments in real estate	(48,710,682)	(37,948,368)	(29,043,992)
Net cash used in investing activities	(48,710,682)	(37,948,368)	(29,043,992)
Cash flows from financing activities			
Payments of deferred financing costs	57,396,310	50,058,956	31,996,199
Contribution from non-controlling interests	22,742	(289,178)	(170,943)
Increase in security deposits payable	66,311	28,213	2,850
Net cash provided by financing activities	57,485,363	49,797,992	31,828,107
Increase in cash and cash equivalents	6,925,978	8,995,263	2,066,694
Cash and cash equivalents			
Beginning of year	10,905	10,905	10,905
End of period	6,936,883	9,006,168	2,077,599

Stockholm, February 2014

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

Bjarne Borg
Manager