




**Interim Financial Statements for
Index International AB (Publ.)**
556561-0770

01.01.2013 –
31.12.2013





The Board of Directors of Index International AB (publ) hereby presents the interim financial statement for the period 1 January 2013 – 31 December 2013.

This interim financial statement has not been audited in accordance with Swedish Standard on Review Engagements SÖG 2410, review of Interim Report Performed by the Independent Auditor of the Entity.

The financial report is prepared in thousands of Swedish Kronor, TSEK.

Administration Report

OPERATIONS

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 essentially by the same owner 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 will be 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 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 in 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 and an additional 7.3 MW of electricity. Index Energy also owns the steam based district heating system within the city.

The Company has, through its subsidiary Index Equity Sweden AB bought a 30.01% stake in GoExcellent Holding AB and will contribute new operating capital to continue its expansion.

Significant events after the end of the financial year

Index International AB (Publ) is now setting up and running a program for the production of approximately 200 rental units per year. The company has signed a land use agreements with Norrtälje. Under the agreement, the company will build 300 rental apartments divided into two blocks. The company has several planned condominiums and rental unit projects that are imminent and will be presented in future quarterly reports.

Consolidated Income Statement

| | 1 Jan 2013 -31 Dec 2013 (12 months) | 1 Jan 2012 -31 Dec 2012 (12 months) |
|------------------------|---|---|
| Net sales | 64,304 | 79,515 |
| Other operating income | 381 | 8,751 |
| | 64,685 | 88,266 |

Operating expenses

| | | |
|---|----------------|-----------------|
| Purchases of goods and services | -20,052 | -37,339 |
| Other external costs | -29,139 | -30,911 |
| Personnel costs | -6,767 | -10,746 |
| Depreciation and write-downs of tangible fixed assets and amortization and write-downs of intangible fixed assets | -25,068 | -25,452 |
| Write-downs of sold properties | 0 | -202,294 |
| Other operating expenses | -51 | 2,062 |
| Profit (loss) from participations in associated companies before tax | 3,171 | -228 |
| | -77,906 | -304,908 |
| Operating income | -13,221 | -216,642 |

Result from financial items

| | | |
|--|---------------|----------------|
| Profit (loss) from participations in group companies | 36,979 | 214,358 |
| Result from participations in associated companies | 0 | -16,140 |
| Result from other securities and receivables - accounted for as fixed assets | -22,768 | -21,535 |
| Interest income and similar profit/loss items | 19,198 | 18,104 |
| Interest expenses | -27,526 | -15,529 |
| | -7,338 | -37,384 |
| Profit/loss before tax | -7,338 | -37,384 |
| Deferred tax | -2,412 | 73,094 |
| Minority interest in net profit/loss for the year | 191 | 24 |
| Net profit/loss for the year | -9,559 | 35,734 |

Consolidated Balance Sheet

| | 31 Dec 2013 | 31 Dec 2012 |
|---|------------------|------------------|
| ASSETS | | |
| Fixed assets | | |
| Intangible fixed assets | | |
| Concessions | 11,699 | 12,388 |
| Trademarks | 7,282 | 10,922 |
| | 18,981 | 23,310 |
| Tangible fixed assets | | |
| Land and buildings | 1,064,157 | 881,460 |
| Land improvements | 406 | 406 |
| Permanent equipment, service facilities etc. in buildings | 1,408 | 1,182 |
| Equipment, tools, fixtures and fittings | 3,340 | 2,658 |
| | 1,069,311 | 885,706 |
| Financial assets | | |
| Participations in associated companies | 45,620 | 34,728 |
| Receivables in associated companies | 90,773 | 107,447 |
| Other non-current receivables | 267,943 | 165,159 |
| Deferred tax asset | 2,508 | 7,518 |
| | 406,844 | 314,852 |
| Total fixed assets | 1,495,136 | 1,223,868 |
| Current assets | | |
| Inventories, etc. | | |
| Raw materials and consumables | 196 | 247 |
| | 196 | 247 |
| Current receivables | | |
| Accounts receivable and rent receivable | 10,588 | 21,457 |
| Income taxes recoverable | 2,018 | 2,181 |
| Receivables from associated companies | 19,514 | 0 |
| Other receivables | 99,673 | 38,851 |
| Prepaid expenses and accrued income | 8,671 | 12,131 |
| | 140,464 | 74,620 |
| Cash and bank balances | 162,779 | 171,819 |
| Total current assets | 303,439 | 246,686 |
| TOTAL ASSETS | 1,798,575 | 1,470,554 |

Consolidated Balance Sheet

| | 31 Dec 2013 | 31 Dec 2012 |
|--------------------------------------|------------------|------------------|
| EQUITY AND LIABILITIES | | |
| Equity | | |
| Share capital | 10,000 | 10,000 |
| Restricted reserves | 6,300 | 6,300 |
| Non-restricted reserves | 868,680 | 831,010 |
| Net profit for the year | -9,559 | 35,734 |
| Total equity | 875,421 | 883,044 |
| Minority shareholding | 3,532 | 4,382 |
| Provisions | | |
| Deferred taxes | 100,059 | 103,156 |
| Other provisions | 10,870 | 8,188 |
| | 110,929 | 111,344 |
| Long-term liabilities | | |
| Liabilities to credit institutions | 281,527 | 277,901 |
| Bond loan | 275,000 | 0 |
| Other liabilities | 2,907 | 2,904 |
| | 559,434 | 280,805 |
| Current liabilities | | |
| Liabilities to credit institutions | 110,899 | 101,139 |
| Accounts payable - trade | 37,569 | 19,384 |
| Income tax liabilities | 43 | 63 |
| Liabilities to associated companies | 2,379 | 541 |
| Other liabilities | 71,282 | 39,932 |
| Accrued expenses and deferred income | 27,087 | 29,920 |
| Total current liabilities | 249,259 | 190,979 |
| TOTAL EQUITY AND LIABILITIES | 1,798,575 | 1,470,554 |
| Pledged assets | | |
| For own liabilities and provisions * | 396,804 | 396,804 |
| Contingent liabilities | 537,707 | 616,378 |

* Of the total 397 MSEK listed as collateral includes mortgages for a loan of 235 MSEK. This loan of 235 MSEK are included in contingent liabilities since Index International AB also has guaranteed the loan.

Consolidated Cash Flow Statement

| | 1 Jan 2013 -31 Dec 2013 (12 months) | 1 Jan 2012 -31 Dec 2012 (12 months) |
|--|---|---|
| Operating activities | | |
| Profit after financial items | -7,338 | -37,384 |
| Adjustments for items not included in the cash flow | 38,747 | 244,018 |
| Income tax paid | 163 | -25 |
| Net cash flow from operating activities before changes in working capital | 31,572 | 206,609 |
| Cash flows from changes in working capital | | |
| Change in inventories and work in progress | 51 | 2,785 |
| Change in current receivables | -66,007 | -23,935 |
| Change in current liabilities | 58,280 | 24,333 |
| Cash flows from operating activities | 23,896 | 209,792 |
| Investing activities | | |
| Investments in tangible fixed assets and intangible fixed assets | -213,730 | -21,419 |
| Sales of tangible fixed assets | 0 | 5,613 |
| Acquisition of subsidiaries | -6,244 | -50 |
| Investments in associated companies | -9,090 | -30,507 |
| Sales of associated companies | 0 | 3 |
| Change in receivables/liabilities in associated companies | 20,285 | 62,023 |
| Change in other financial non-current assets | -102,786 | -155,668 |
| Cash flow from investing activities | -311,565 | -140,005 |
| Financing activities | | |
| Change in borrowings | 278,629 | -10,185 |
| Dividends paid | 0 | -40,000 |
| Cash flow from financing activities | 278,629 | -50,185 |
| Cash flow for the year | -9,040 | 19,602 |
| Cash and cash equivalents at the beginning of the period | 171,819 | 152,217 |
| Cash and cash equivalents at the end of the period | 162,779 | 171,819 |

Parent Company Income Statement

| | 1 Jan 2013 -31 Dec 2013 (12 months) | 1 Jan 2012 -31 Dec 2012 (12 months) |
|---|---|---|
| Net sales | 1,371 | 1,030 |
| | 1,371 | 1,030 |
| Operating expenses | | |
| Purchases of goods and services | -527 | -130 |
| Other external expenses | -19,119 | -6,256 |
| Personnel costs | -2,059 | -2,149 |
| Depreciation of tangible fixed assets | -79 | -84 |
| | -21,784 | -8,619 |
| Operating income | -20,413 | -7,589 |
| Result from financial items | | |
| Profit/loss from participations in Group companies | -7,469 | -1,545 |
| Profit/loss from participations in associated companies | 0 | -16,140 |
| Profit/loss from other securities and receivables accounted for as fixed assets | -27,307 | -22,174 |
| Interest income and similar profit/loss items | 49,081 | 45,140 |
| Interest expenses | -25,876 | -4,173 |
| Profit after financial items | -31,984 | -6,481 |
| Profit/loss before tax | -31,984 | -6,481 |
| Tax on profit for the year | 3,250 | -1,750 |
| Net profit/loss for the year | -28,734 | -8,231 |

Parent Company Balance Sheet

| | 31 Dec 2013 | 31 Dec 2012 |
|---|------------------|----------------|
| ASSETS | | |
| Fixed assets | | |
| Tangible fixed assets | | |
| Permanent equipment, service facilities etc. in buildings | 31 | 0 |
| Equipment, tools, fixtures and fittings | 854 | 862 |
| | 885 | 862 |
| Financial assets | | |
| Participations in Group companies | 248,415 | 33,170 |
| Receivables from Group companies | 547,499 | 545,627 |
| Participations in associated companies | 12,082 | 11,042 |
| Receivables from associated companies | 67,319 | 87,604 |
| Other non-current receivables | 241,976 | 32,270 |
| | 1,117,291 | 709,713 |
| Total fixed assets | 1,118,176 | 710,575 |
| Current assets | | |
| Current receivables | | |
| Accounts receivable - trade | 460 | 133 |
| Receivables from Group companies | 75,681 | 86,223 |
| Tax assets | 13 | 0 |
| Other receivables | 3,792 | 2,094 |
| Prepaid expenses and accrued income | 1,671 | 1,764 |
| | 81,617 | 90,214 |
| Cash and bank balances | 24,509 | 31,680 |
| Total current assets | 106,126 | 121,894 |
| TOTAL ASSETS | 1,224,302 | 832,469 |

Parent Company Balance Sheet

| | 31 Dec 2013 | 31 Dec 2012 |
|--------------------------------------|------------------|----------------|
| EQUITY AND LIABILITIES | | |
| Equity | | |
| Restricted equity | | |
| Share capital | 10,000 | 10,000 |
| Statutory reserve | 2,000 | 2,000 |
| | 12,000 | 12,000 |
| Non-restricted equity | | |
| Profit brought forward | 437,510 | 434,219 |
| Net profit for the year | -28,734 | -8,231 |
| | 408,776 | 425,988 |
| Total equity | 420,776 | 437,988 |
| Provisions | | |
| Other provisions | 10,870 | 8,188 |
| Long-term liabilities | | |
| Other liabilities | 275,000 | 0 |
| Liabilities to Group companies | 456,251 | 335,653 |
| | 731,251 | 335,653 |
| Current liabilities | | |
| Accounts payable - trade | 1,144 | 150 |
| Liabilities to Group companies | 24,387 | 23,802 |
| Liabilities to associated companies | 2,118 | 0 |
| Current tax liabilities | 0 | 36 |
| Other liabilities | 31,083 | 24,407 |
| Accrued expenses and deferred income | 2,673 | 2,245 |
| | 61,405 | 50,640 |
| TOTAL EQUITY AND LIABILITIES | 1,224,302 | 832,469 |
| Pledged assets | | |
| | 442 | 442 |
| Contingent liabilities | | |
| | 537,707 | 616,378 |

Parent Company Cash Flow

| | 1 Jan 2013 -31 Dec 2013 (12 months) | 1 Jan 2012 -31 Dec 2012 (12 months) |
|--|---|---|
| Operating activities | | |
| Profit after financial items | -31,984 | -6,481 |
| Adjustments for non-cash items, etc | 10,231 | 24,990 |
| Net cash flow from operating activities before changes in working capital | -21,753 | 18,509 |
| Cash flows from changes in working capital | | |
| Change of current receivables | 8,597 | -6,739 |
| Change of current liabilities | 10,765 | 29,292 |
| Cash flow from operating activities | -2,391 | 41,062 |
| Investing activities | | |
| Investments in tangible fixed assets | -102 | -577 |
| Acquisition of subsidiaries | -222,714 | -2,000 |
| Investments in associated companies | 1,040 | -16,057 |
| Change in other financial non-current assets | -191,293 | -170,839 |
| Cash flow from investment activities | -415,149 | -189,473 |
| Financing activities | | |
| Change in borrowings | 395,597 | 167,684 |
| Dividends paid | 0 | -40,000 |
| Group contribution received/paid | 14,772 | -6,655 |
| Cash flow from financing activities | 410,369 | 121,029 |
| Cash flow for the year | -7,171 | -27,382 |
| Cash and cash equivalents at beginning of the period | 31,680 | 59,062 |
| Cash and cash equivalents at the end of the period | 24,509 | 31,680 |

Stockholm, February 2014



Arne Weinz
Chairman of the board



Marie-Louise Alamaa
Managing Director and Board Member



Brian Borg
Board Member