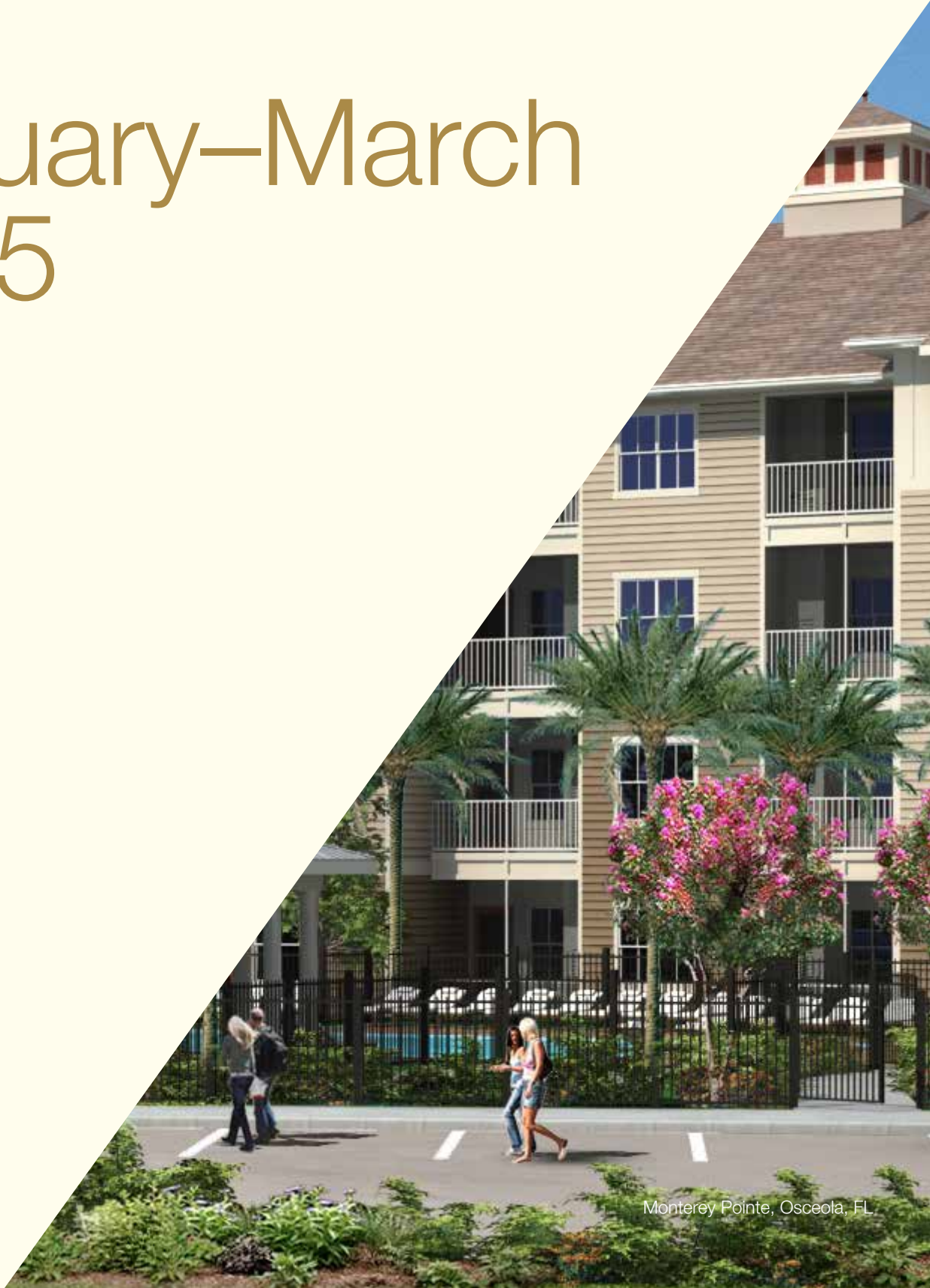




Interim Report First Quarter 2015
Index International AB (publ)

January–March 2015



Monterey Pointe, Osceola, FL

Financial Statements

Consolidated Income Statement in Summary

Amounts in SEK thousands	Note	2015-03-31	2014-03-31	2014-12-31
Operating income				
Net sales	5	14,911	15,326	56,572
Other operating income		2,066	169	16,371
Total		16,977	15,495	72,943
Operating expenses				
Purchase of goods and services		-5,217	-5,115	-51,455
Other external expenses		-10,620	-7,505	-27,921
Personnel costs		-2,813	-2,076	-13,381
Depreciation/amortization of property, plant and equipment and intangible fixed assets		-2,134	-1,459	-5,419
Write-downs of sold properties		-	-20	-
Change in value of properties		-	-21	32,560
Other operating expenses		-	-	-
Total operating expenses		-20,784	-16,196	-65,616
Operating income		-3,807	-701	7,327
Financial income		90,752	21,395	183,464
Financial expenses		-25,999	-35,259	-79,018
Net financial items		64,753	-13,864	104,446
Investments in associates and joint ventures		14	-	-1,815
Result before tax		60,960	-14,565	109,958
Tax		7,948	-1,014	-8,428
Result for the period		68,908	-15,579	101,530
Other comprehensive income				
Exchange differences		1,065	-653	4,200
Exchange differences, non-controlling interests		-95	-	-90
Other comprehensive income for the year, net of tax		970	-653	4,110
Total comprehensive income for the year		69,878	-16,232	105,640
Result for the period attributable to:				
Parent company shareholders		69,275	-15,566	102,836
Non-controlling interests		-367	-13	-1,306
Total comprehensive income attributable to:				
Parent company shareholders		70,340	-16,219	107,036
Non-controlling interests		-462	-13	-1,396

Consolidated Balance Sheet in Summary

Amounts in SEK thousands	Note	2015-03-31	2014-03-31	2014-12-31
ASSETS				
NON-CURRENT ASSETS				
Intangible assets				
Concessions		10,839	11,527	11,011
Trademarks		–	6,371	–
Total Intangible assets		10,839	17,898	11,011
Property, plant and equipment				
Investment properties		461,742	442,500	461,742
Buildings and land		243,415	29,631	192,695
Equipment, tools, fixtures and fittings		2,991	4,005	2,984
Constructions in progress		681,799	359,916	650,675
Total property, plant and equipment		1,389,947	836,052	1,308,096
Non-current financial assets				
Investments in associates		14,288	34,125	12,560
Investments in joint ventures		12,273	12,826	12,273
Receivable from associates and joint ventures		48,451	92,224	44,388
Other non-current receivables	4	797,379	356,136	687,394
Financial assets available for sale	4	–	257,685	239,000
Total non-current financial assets		872,391	752,996	995,615
Deferred tax assets		947	7,272	904
Total non-current assets		2,274,124	1,614,218	2,315,626
CURRENT ASSETS				
Inventories				
Raw materials and consumables		65,974	197	54,868
Accounts receivables		11,293	8,701	3,580
Tax assets		4,171	2,735	1,975
Receivable associates		–	19,941	–
Other receivables		61,032	108,988	51,096
Financial assets available for sale	4	101,500	–	–
Prepaid expenses and accrued income		6,864	8,562	8,128
Cash and cash equivalents		141,930	75,968	132,351
Non-current assets held for sale		60,000	145,502	60,000
Total current assets		452,764	370,594	311,998
TOTAL ASSETS		2,726,888	1,984,812	2,627,624

Consolidated Balance Sheet in Summary, continued

Amounts in SEK thousands	Note	2015-03-31	2014-03-31	2014-12-31
EQUITY				
Equity attributable to Parent company shareholders				
Share capital		10,000	10,000	10,000
Reserves		5,052	5,360	10,213
Retained earnings including comprehensive income for the year		1,137,647	943,744	1,062,146
Non-controlling interests		1,674	3,519	2,136
Total equity		1,154,373	962,623	1,084,495
LIABILITIES				
Non-current liabilities				
Borrowings	4	644,818	330,807	581,908
Bond loan	4	368,356	268,163	367,838
Derivatives		19,176	–	10,591
Other non-current liabilities		21,628	12,801	21,628
Deferred tax liabilities		136,606	126,324	115,437
Other provisions		117,500	–	117,500
Total long-term liabilities		1,308,084	738,095	1,214,902
Current liabilities				
Borrowings	4	18,721	117,572	26,166
Accounts payable		57,850	54,487	52,297
Current tax liabilities		34,878	19	11,580
Liabilities to associates		346	2,429	136,816
Derivatives		–	5,472	–
Other current liabilities		123,388	78,624	52,623
Accrued expenses and deferred income		29,249	25,491	48,746
Total current liabilities		264,432	284,094	328,227
TOTAL EQUITY AND LIABILITIES		2,726,888	1,984,812	2,627,624

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

Consolidated Statement of Changes in Equity in Summary

Attributable to Parent company shareholders

Amounts in SEK thousands	Share Capital	Restricted reserves	Non-restricted reserves	Total	Non- controlling interests	Total equity
Opening balance 1 January 2014	10,000	6,013	959,310	975,323	3,532	978,855
Profit/Loss for the period	-	-	-15,566	-15,566	-13	-15,579
Other comprehensive income	-	-653	-	-653	-	-653
Closing balance 31 March 2014	10,000	5,360	943,744	959,104	3,519	962,623
Opening balance 1 januari 2015	10,000	10,213	1,062,146	1,082,359	2,136	1,084,495
Profit/Loss for the period	-	-	69,275	69,275	-367	68,908
Other comprehensive income	-	-5,161	6,226	1,065	-95	970
Closing balance 31 March 2015	10,000	5,052	1,137,647	1,152,699	1,674	1,154,373

Consolidated Cash Flow Statement in Summary

Amounts in SEK thousands	Note	2015-03-31	2014-03-31	2014-12-31
Cash flow from operating activities				
Result after financial items		60,946	-14,565	111,773
Depreciation/amortization		2,134	1,459	5,419
Unrealized changes in values		-	21	-32,560
Other non-cash items		-55,577	-9,271	-99,337
Income from investments in group companies		-	-2,250	-2,830
Interest paid		-13,596	-17	-60,892
Interest received		9,760	8,654	5,582
Income tax		-880	685	-5,977
Net cash flow from operating activities before changes in working capital		2,787	-15,284	-78,822
Cash flows from changes in working capital				
Change in inventories and work in progress		-2,247	-1	-22,380
Change in current receivables		-11,855	-8,381	17,781
Change in current liabilities		3,804	31,214	31,010
Total cash flows from changes in working capital		10,298	22,832	26,411
Cash flows from operating activities		-7,511	7,548	-52,411
Cash flows from investing activities				
Investments in tangible fixed assets		-18,160	-56,620	-332,663
Sales of investments in group companies		-	2,250	104,819
Sales of tangible fixed assets		-	483	-
Investments in subsidiaries		-	-316	-49,977
Investments in associated companies and joint ventures		-420	-1,996	-1,220
Sale of associated companies		-	-495	500
Change in receivables in associated companies		922	-	188,966
Change in other financial non-current assets		52,993	-35,603	-176,090
Total cash flows from investing activities		35,335	-92,297	-265,665
Cash flows from financing activities				
Raised debt		119,834	61,676	427,594
Repayment of debt		-139,184	-1,882	-86,994
Dividends paid		-	-	600
Total cash flow from financing activities		-19,350	59,794	341,200
Changes in cash and cash equivalents				
Opening balance, cash and cash equivalents		132,351	101,724	101,724
Exchange effect in cash and cash equivalents		1,105	-801	7,503
Closing balance, cash and cash equivalents		141,930	75,968	132,351

Parent Company Income Statement

Amounts in SEK thousands	Note	2015-03-31	2014-03-31	2014-12-31
Operating income				
Net sales	5	152	171	2,242
Total operating income		152	171	2,242
Operating expenses				
Purchases of goods and services		–	–52	–190
Other external expenses		–5,637	–5,395	–16,170
Personnel costs		–1,983	–742	–5,254
Depreciation/amortization of property, plant and equipment		–17	–	–90
Total operating expenses		–7,637	–6,189	–21,704
Operating result		–7,485	–6,018	–19,462
Result from investments in group companies				
		919	–	1,100
Result from investments in associates and joint ventures				
		137,037	–	1,931
Result from other securities and receivables accounted for as fixed assets				
		–307	–11,639	97,246
Other interest income and similar result items				
		97,573	29,808	122,254
Interest expenses				
		–10,076	–20,485	–63,267
Result after financial items		217,661	–8,334	139,802
Result before tax		217,661	–8,334	139,802
Appropriations				
		836	–	–68,220
Tax on earnings for the period				
		–19,732	–293	–11,551
Result for the period		198,766	–8,627	60,031

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	2015-03-31	2014-03-31	2014-12-31
ASSETS				
Non-current assets				
Property, plant and equipment	5			
Building equipment		–	31	–
Equipment, tools, fixtures and fittings		877	915	880
Non-current financial assets				
Investments in group companies		281,969	248,415	248,315
Receivables from group companies		774,787	533,179	668,804
Investments in associates		180	50	180
Investments in joint ventures		12,452	13,072	12,032
Receivables from associates and joint vetures		–	67,814	922
Other non-current receivables		602,767	290,148	540,825
Total non-current financial assets		1,672,155	1,152,678	1,471,078
Total non-current assets		1,673,032	1,153,624	1,471,958
Current assets				
Current receivables				
Trade receivables		489	108	499
Receivables from group companies		105,605	70,813	93,458
Tax assets		–	78	–
Other receivables		4,056	4,526	3,591
Prepaid expenses and accrued income		227	1,949	2,009
Total current receivables		110,377	77,474	99,557
Cash and cash equivalents		11,013	8,386	34,905
Total current assets		121,390	85,860	134,462
TOTAL ASSETS		1,794,422	1,239,484	1,606,420

Parent Company Balance Sheet, continued.

Amounts in SEK thousands	Note	2015-03-31	2014-03-31	2014-12-31
EQUITY AND LIABILITIES				
Equity				
Restricted equity				
Share capital		10,000	10,000	10,000
Statutory reserve		2,000	2,000	2,000
Total restricted equity		12,000	12,000	12,000
Non-restricted equity				
Non-restricted reserves		476,137	415,066	416,105
Result for the period		198,766	-8,627	60,031
Total non-restricted equity		674,903	406,439	476,136
Total Equity		686,903	418,439	488,136
Provisions				
Other provisions		19,176	5,471	10,591
Untaxed reserves		17,500	-	17,500
Non-current liabilities				
Bond loan		368,356	275,000	367,838
Liabilities to group companies		534,895	462,081	527,502
Total non-current liabilities		939,927	742,552	923,432
Current liabilities				
Trade payables		1,126	2,021	739
Liabilities to group companies		40,374	23,925	12,546
Liabilities to associates		-	2,168	136,503
Tax liabilities		31,205	-	11,490
Other liabilities		93,583	41,119	29,116
Accrued expenses and deferred income		1,304	2,259	4,458
Total current liabilities		167,592	71,492	194,852
TOTAL EQUITY AND LIABILITIES		1,794,422	1,232,484	1,606,420

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



Key ratios	2015-03-31	2014-03-31	2014-12-31
Return on equity			
Return on total equity in %	2.24	-0.73	4.25
Return on equity in %	5.28	-1.51	10.31
Return on total equity in % (Parent company)	-0.42	-0.49	-1.21
Return on equity in % (Parent company)	31.69	-1.99	28,64
EBITDA, SEK in thousands	-1,673	758	12,746

Profit/Loss

Operating income in SEK thousands	-3,807	-701	7,327
Operating margin in %	-25,53	-4,57	12,95

Key ratio – financial position

Cash liquidity in %	171	130	95
Solidity i %	42.33	48.5	41.27
Equity in SEK thousands	1,154,373	962,623	1,084,495
Equity per share, SEK	11,544	9,626	10,845

Key ratio definitions

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

Notes

Not 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 co-generation power plant located in Ajax outside of Toronto, Province of Ontario. The Group also has investments in commercial flight industry in Florida. Both of these investments are included in the restructuring plan and planned for sale in the near future.

On May 29, 2015 this Interim report was approved by the Board of directors for publication.

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

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

Note 2 Basis for establishing of the reports

Index International AB applies IFRS (International Financial Reporting Standards) as adopted by the European Union. This report is prepared in accordance with IAS 34, Interim Financial Reporting. The interim report has been prepared in accordance with Annual Accounts Act (AAA) chapter 9 and RFR 2 Accounting for Legal Entities. The interim report should be read in conjunction with the annual report for the fiscal year ended December 31, 2014.

Note 3 Accounting principles

The accounting policies are consistent with the principles applied in the previous financial year. See full accounting principles described in the Annual Report for 2014.

Note 4 Financial instruments – Fair value

Information on fair value of lending and borrowing

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

	Booked value			Fair value		
	2015-03-31	2014-03-31	2014-12-31	2015-03-31	2014-03-31	2014-12-31
Oth non-curr rec.	797,379	356,136	687,394	797,379	356,136	687,394
Borrowing	644,818	-330,807	-581,908	-644,818	-330,807	-581,908
Bond loan	-368,356	-275,000	-367,838	-368,356	-275,000	367,838
Total long-term lending and borrowing	-215,795	-249,671	-262,352	-215,795	-249,671	-262,352

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

Calculating fair value

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

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

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

(SEK in thousands)	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value through income statement				
– Financial assets held for sale	–	–	101,500	101,500
Total assets	–	–	101,500	101,500
Liabilities				
Financial liabilities at fair value through income statement				
– Derivatives held for trading: Currency Option	–	19,176	–	19,176
Total liabilities	–	19,176	–	19,176

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

(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	–	–	–	–
– Financial assets held for sale	–	–	257,685	257,685
Total assets	–	–	257,685	257,685
Liabilities				
Financial liabilities at fair value through income statement				
– Derivatives held for trading: Currency Option	–	5,472	–	5,472
Total liabilities	–	–5,472	–	5,472

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

(SEK in thousands)	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value through income statement				
– Financial assets held for sale	–	–	239,000	239,000
Total assets	–	–	239,000	239,000
Liabilities				
Financial liabilities at fair value through income statement				
– Derivatives held for trading: Currency Options	–	10,591	–	10,591
Total liabilities	–	10,591	–	10,591

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

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

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

(SEK in thousands)	2015-03-31	2014-03-31	2014-12-31
Opening balance	239,000	257,685	257,685
Transfer to level 3	-137,037	-	-18,685
Gains and losses recognized in the income statement	-463	-	-
Closing balance	101,500	257,685	239,000

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

Note 5 Segment information

Group-wide information

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

	2015-03-31	2014-03-31	2014-12-31
Analysis of revenue by revenue source:			
– Sale of goods	–	–	–
– Property rents	14,575	15,320	55,392
– Sale of services	2,402	175	17,551
Total	16,977	15,495	72,943

The Group is headquartered in Sweden. Revenues from external customers in Sweden amounts to 15,060 ksek (Jan–Mar 2014: 14,329 ksek and Jan–Dec 2014: 55,462 ksek) and total revenue from external customers in other countries amounted to 1,917 ksek (Jan–Mar 2014: 997 ksek and Jan–Dec 2014: 17,481 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 599,059 ksek (2014-03-31: 686,589 ksek and 2014-12-31: 781,899 ksek) and the total of such assets located in other countries amounted to 828,288 ksek (2014-03-31: 471,997 ksek and 2014-12-31: 801,041 ksek).

Revenues of approximately 2,290 ksek (Jan–Mar 2014: 2,389 ksek and Jan–Dec 2013: 7,883 ksek) relates to a single external customer. These revenues are attributable to rental of premises.

Note 6 Pledged assets

Group	2015-03-31	2014-03-31	2014-12-31
Real estate mortgages	319,935	396,804	319,935
Restricted cash	69,155	59,352	67,196
Pledged shares	1,723	2,326	1,723
Total Group	390,813	458,482	388,854
Parent company	2015-03-31	2014-03-31	2014-12-31
Pledged shares	1,040	2,522	1,040
Total parent company	1,040	2,522	1,040

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

Note 7 Contingent liabilities

Parent company	2015-03-31	2014-03-31	2014-12-31
General guarantees for subsidiary loans	272,300	244,969	274,400
General guarantees for other company loans	428,473	281,537	189,668
Total parent company	700,773	526,507	464,068

The Group's parent company has a guarantee for mortgage loans with property Hornsberg 10, a total of 272,300 ksek (Jan–Mar 2014: 233,450 ksek and Jan–Dec 2014: 274,400 ksek). Of total liabilities includes construction loans 428,473 ksek (Jan–Mar 2013: 156,657 ksek and Jan–Dec 2013: 189,668 ksek) for projects in Florida, US.

Note 8 Events post reporting date

Upcoming reporting dates

- August 31, 2015: Interim report for period January–June 2015
- November 27, 2015: Interim report for period January–September 2015

Stockholm, 29 May 2015



Bjarne Borg
Chairman of the Board



Rickard Haraldsson
CEO



Arne Weinz
Board member



Brian Borg
Board member