

# Year-end report 2005

- Profit for the year amounted to SEK 470 million (SEK 333m pro forma corresponding to period 2004), which is the equivalent of a result per share of SEK 24,66 (SEK 17,81 pro forma)
- Rental income for the year was SEK 736 million (SEK 709m pro forma)
- Profit for the year from ongoing property management was SEK 229 million (SEK 202m pro forma)
- The Board proposes a dividend of SEK 7,00 (0) per share and a share splitting 2:1, which means that an old share will be replaced by two new shares.
- Equity/assets ratio increased to 34,8 % (29,5)



Wihlborgs consolidates and strengthen its market position in the Öresund region by concentrating on selected sub-markets.

	2005 Jan-Dec 12 months	Pro forma 2004 Jan-Dec 12 months
<b>SEK million</b>		
Profit before taxes, ongoing property management	318	280
Profit ongoing property management	229	202
Profit before taxes	649	463
Profit	470	333
<b>Per share, SEK</b>		
Profit before taxes, ongoing property management	16,68	14,98
Profit ongoing property management	12,01	10,81
Profit before taxes	34,05	24,77
Profit	24,66	17,81
Shareholders' equity	147,91	123,62

## CEO'S COMMENTS

2005 proved to be a strong year for Wihlborgs as an operator in the expansive Öresund region. There is a time of prosperity in the region, the increase is wide and affects almost every line of business. We have experienced this and our letting has been strong during 2005.

184 new leases have been signed during the year, a lettable area of 82 000 sq.m. and a rental value of SEK 74m. 104 leases have been cancelled with a lettable area of 55 000 sq.m. and a rental value of SEK 35m.

One of the most important leases is the one made with Teleca. Wihlborgs will build a new officebuilding for Teleca in the Dockan area in Malmö. The new building will have a lettable area of 10 200 sq.m. and the Agreement with Teleca comprises 9 000 sq.m. The investment amounts to SEK 230m and the rental value to SEK 19m.

Through acquisitions and by concentrating on our selected sub-markets we have strengthened our position. Our occupancy rate has improved and is even better than the average occupancy rate on the market.

Profit after tax amounted to SEK 470m and equity/assets ratio increased from 29.5 to 34.8 per cent. Wihlborgs is financially strong and therefore, when opportunities arise, we can utilize an acquisition space in the balance sheet.

Wihlborgs has property holdings in Hamburg and has had so for quite some time. The property Bergedorf has now been sold which leaves only one property left in Hamburg. The sub-market in Lund was reinforced by purchasing three properties at 17 000 sq.m.

The Öresund regions strategic location and growth will continue to favour business and industry in both Denmark and Sweden. The Dockan area in Malmö continues to attract customers. There is also a great potential in Helsingborg and we are looking for good investments in Copenhagen.

## COMMENT ON THE MARKET

### The rental market

The Öresund region is an important growth force for Denmark and Sweden. The region accounts for 26 per cent of Denmark and Sweden's GNP. In the Baltic area the Öresund region is one of the strongest growth regions. According to Öresundsinstitutet there will be a concentration of a few regions within the Nordic countries. The Öresund region will be very competitive during this development.

Companies in the sphere of medicine and logistic have shown an interest in Malmö as an establishing town. The rental market in Malmö has displayed a degree of increased demand for modern offices and effective areas for industrial and warehousing premises.

Rental levels for modern office premises in central Malmö are at about SEK 1,500-1,800 per m<sup>2</sup>. For smaller office premises the rental level is about SEK 1,000-1,400 per m<sup>2</sup>. Rental levels for industrial and warehouse premises are at a level of SEK 600-800 per m<sup>2</sup>.

## INCOME, EXPENSES AND RESULT

Comparisons stated in brackets refer to the equivalent period in 2004 pro forma property stock as of 31 March 2005, except in sections describing assets and financing, whereby the comparison refers to the beginning of 2005.

### Rental income

The rental income was SEK 736m (709). The increase in rental income is explained by indexing, renegotiations and new rentals. The occupancy rate is 90 per cent, which is unaltered compared with last period.

New commercial leases have been issued on an annual basis for SEK 74m during the period, of which leases for SEK 20m concerns new production. Cancellations of leases amounts to SEK 35m.

### Property costs

With the aim of clarifying the seasonal variations, pro forma outcomes per quarter have been set up, see Certain income statements in 2004 pro forma per quarter.

The total property costs were SEK 239m (237).

### Net operating income

The net operating income amounted to SEK 497m (472).

### Central administration

Costs for central administration was SEK 26m (24).

### Property sales and changes in value

Eight properties have been sold during the year with a profit of SEK 9m (0).

An external evaluation of all properties in Sweden has been made by Malmöbryggan Fastighetsekonomi AB and Savills Sweden AB. The value of each property is estimated to correspond to the market value. The Danish properties have been evaluated by DTZ.

### CHANGES IN THE PROPERTIES' BOOK VALUE

Changed item	Group total, SEK M
Book value 1 January 2005	7 312
Properties sold	-328
Investments	286
Acquisitions	264
Value changes	318
Foreign-currency translations	38
<b>Book value 31 December 2005</b>	<b>7 890</b>

### Net financial items

Net financial items was SEK -153m (-168), of which interest income was SEK 15m (16). A positive change in value of SEK 4m for the company's derivatives portfolio has been recorded as a result of increased market interest.

### Profit from ongoing property management

Profit from ongoing property management, profit before tax excluding sold properties and changes in value, amounted to SEK 318m (280). Charged with 28 per cent tax the result amounted to 229m (202).



### Profit before tax

Pre-tax profit amounted to SEK 649m (463).

### Taxes

A deferral of current tax has been achieved by way of a re-allocation from building to permanent equipment of the basis for depreciation on real estate investments, and this has simultaneously generated tax losses carried forward in the individual entities. A petition to the Swedish Tax Agency for reassessment of prior year income tax returns will be filed.

Apart from depreciation for tax purposes, the Company has applied the possibilities of immediate deduction for certain investments in the real estate. Summarily, this has reduced the current tax expense at an amount of SEK 5m. Unutilized tax losses carried forward in the Swedish entities summarizes to SEK 141m (SEK 24m).

According to the IFRS, the Company must report differences between the book value and the residual value for tax purposes, at the nominal tax rate with no discounting. This has resulted in a deferred tax expense of SEK 174m. By the year end, the deferred tax liability amounted to SEK 633m (SEK 489m).

### Profit for the year

Profit after taxes amounted to SEK 470m (333).

## PROPERTY PORTFOLIO

Wihlborgs' property portfolio consists of commercial properties in the Öresund region, located in Malmö, Helsingborg, Copenhagen and Lund. As of 31 December 2005 the property portfolio consisted of 197 properties with a lettable area of approximately 995,000 sq.m. 17 of the properties have a site leasehold right. The properties' book value was SEK 7 890m, equivalent to the properties' assessed market value.

The total rental value was SEK 839m and the contracted rental income on an annual basis was SEK 758m.

The economic occupancy rate was 90 per cent. The properties in Malmö and Helsingborg represented 86 per cent of the total rental value and 83 per cent of the properties' book value. The rental value for office and retail properties and industrial and warehouse properties

totalled 67 per cent and 30 per cent of the total rental value respectively.

### Acquisition of and investment in properties

During the year investments were made to the value of SEK 286m. A total of 13 properties at a value of SEK 264m have been acquired.

### Property sales

Eight properties have been sold during the year at a total purchase price of SEK 337m. The book value for properties sold was SEK 328m.

### Projects in progress

Investments in projects in progress that have been decided on total SEK 427m, of which SEK 146m was invested as of 31 December 2005. The current major projects are Teleca at Dockan in Malmö, Svea 7 and Hästhagen 4 in Helsingborg.

## FINANCIAL POSITION

### Shareholders' equity

As of 31 december shareholders' equity amounted to SEK 2,842m (2,320) and the equity/assets ratio was 34,8 per cent (29,6).

The long-term objective is that the equity/assets ratio will not be less than 25 per cent and not more than 35 per cent.

### Interest-bearing liabilities

As of 31 December the Group's interest-bearing liabilities were SEK 4,388m (4,868) with an average rate of interest, including credit facility fees, of 3,30 per cent.

As of 31 December the loans' average period of fixed interest including effects of utilised derivative instruments was 15 months (14). The average maturity of loans, including committed lines of credit, was 4,8 years (4,6).

### Liquid assets

The Groups' liquid assets amounted to SEK 164m (114) including unutilised overdraft facilities.



### PARENT COMPANY

The Parent Company's profit after taxes, which only pertains to Groupwide functions, amounted to SEK 77m (0). Sales, which mainly pertained to intra-Group services, amounted to SEK 61m (0). There were no investments in the Parent Company.

### STRUCTURE OF INTEREST AND LOAN MATURITIES AS PER 31 DEC 2005

Matures, year	Interest maturity		Loan maturity	
	Loan amount SEK M	Average interest rate, %	Credit agreements SEK M	Utilised SEK M
2006	3 881	3,03	434	434
2007				
2008	300	4,96	20	20
2009			1 135	1 120
2010			3 474	2 598
>2010	193	4,71	202	202
<b>Total</b>	<b>4 374</b>	<b>3,23</b>	<b>5 265</b>	<b>4 374</b>
Derivatives	14			
<b>Total incl. derivatives</b>	<b>4 388</b>			

### PROPERTY PORTFOLIO AS OF 31 DEC 2005

The summaries below are based on Wihlborgs' property portfolio as of 31 December 2005. Rental income pertains to contracted rental income on an annual basis as per 31 December 2005. The net operating income is based on the properties' earnings capacity on an annual basis as of 31 December 2005, based on contracted rental income and actual costs on a rolling 12-month basis.

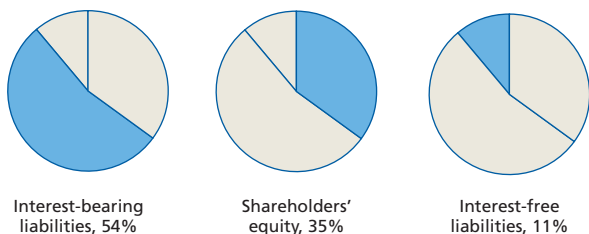
### ACCOUNTING PRINCIPLES

The accounting principles and methods of calculation applied by Wihlborgs comply with the IFRS adopted by the EU, including applicable IAS and interpretations of in accordance with IFRIC/SIC. In two areas, there are substantial differences compared to the principles that were in force until and including 2004 —Investment Property (IAS 40) and Financial Instruments (IAS 39).

Investment properties have according to IAS 40 been accounted at market value, which has affected opening shareholder's equity reported in the 2004 Annual report. Changes occurring thereafter are reported on a current account basis in the income statement. As a consequence of this accounting principle, no depreciation and no impairment losses are reported for the property portfolio.

As of 1 January 2005, IAS 39 is applied, whereby fixed income derivative instruments are reported in the balance sheet at market value. The effect of this change of principle, after taking tax into account, has been reported directly against shareholders' equity at the beginning of the year.

### Financing as per 31 December 2005



### EMPLOYEES

The average number of employees amounted to 68 (71).

The distribution of employees by region was as follows: Malmö 44, Helsingborg 19 and Copenhagen 5. The average ages was 49 years and the proportion of women was 32 per cent.

## DISTRIBUTION BY REGION AND PROPERTY CATEGORY

Region/property category	Number of properties	Lettable area sq.m.	Book value		Rental value		Economic occupancy %	Rental income SEK M	Net op. income SEK M	Yield %	Surplus ratio %
			SEK M	SEK/sq.m.	SEK M	SEK/sq.m.					
<b>Malmö</b>											
Offices/retail	39	259 444	3 469	13 371	343	1 320	93	320	239	6,9	75
Industrial/warehouses	32	158 034	570	3 605	97	616	85	82	47	8,2	57
Projects & land <sup>3)</sup>	20	12 193	168	13 812	4	292	82	3	1	0,3	20
<b>Total Malmö</b>	<b>91</b>	<b>429 671</b>	<b>4 207</b>	<b>9 791</b>	<b>443</b>	<b>1 032</b>	<b>92</b>	<b>405</b>	<b>286</b>	<b>6,8</b>	<b>71</b>
<b>Helsingborg</b>											
Offices/retail <sup>2)</sup>	34	128 201	1 212	9 454	123	962	93	115	81	6,7	70
Industrial/warehouses	33	239 661	912	3 804	136	567	89	121	79	8,7	65
Projects & land	6	49 054	199	4 063	15	313	80	12	4	2,1	34
<b>Total Helsingborg</b>	<b>73</b>	<b>416 916</b>	<b>2 323</b>	<b>5 572</b>	<b>275</b>	<b>659</b>	<b>91</b>	<b>249</b>	<b>164</b>	<b>7,1</b>	<b>66</b>
<b>Rest of Öresund <sup>1)</sup></b>											
Offices/retail	18	102 550	1 196	11 661	100	972	85	85	62	5,2	73
Industrial/warehouses	7	43 182	127	2 948	17	405	96	17	10	7,8	59
Projects & land	8	2 374	37	15 674	3	1 410	100	3	2	6,5	73
<b>Total, rest of Öresund region <sup>1)</sup></b>	<b>33</b>	<b>148 106</b>	<b>1 360</b>	<b>9 185</b>	<b>121</b>	<b>814</b>	<b>87</b>	<b>105</b>	<b>74</b>	<b>5,5</b>	<b>71</b>
<b>Total Wihlborgs</b>	<b>197</b>	<b>994 693</b>	<b>7 890</b>	<b>7 932</b>	<b>839</b>	<b>843</b>	<b>90</b>	<b>758</b>	<b>524</b>	<b>6,6</b>	<b>69</b>

<sup>1)</sup> One property located in Hamburg, Germany, with lettable area of 8 090 sq.m., are reported in the rest of Öresund region.

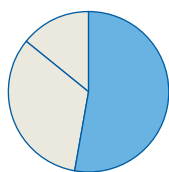
<sup>2)</sup> Two hotel properties located in Helsingborg, with lettable area of 20 759 sq.m., are reported in offices/retail.

<sup>3)</sup> According to the IFRS def. of project properties, Wihlborgs owns a project property - the site of the Dockan area in Malmö - with a book value of SEK 60m.

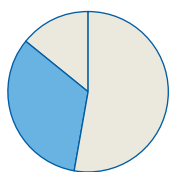
## LEASE EXPIRATION 31 DECEMBER 2005

Expires in year	Number of leases	Lettable area, sq.m.	Contracted rental income as per 31 Dec 2005	
			SEK M	proportion, %
<b>Leases for renting premises</b>				
2006	503	162 590	132	18
2007	354	166 272	141	19
2008	317	195 346	146	20
2009	159	142 494	129	17
2010	40	33 386	44	6
2011	13	35 154	39	5
>2011	33	82 011	108	15
<b>Total commercial leases</b>	<b>1 419</b>	<b>817 253</b>	<b>739</b>	<b>100</b>
Residential leases	128	7 747	8	
Parking spaces etc.	329	0	11	
<b>Total</b>	<b>1 876</b>	<b>825 000</b>	<b>758</b>	

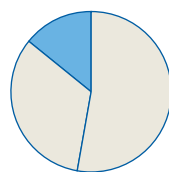
## RENTAL VALUE PER REGION



Malmö 53 %

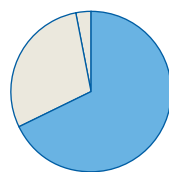


Helsingborg 33 %

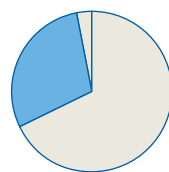


Rest of Öresund region 14%

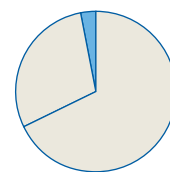
## RENTAL VALUE BY PROPERTY CATEGORY



Office/retail, 67%



Industrial/warehouses, 30%



Projects &amp; land, 3%

## DISTRIBUTION OF LETTABLE AREA BY REGION AND TYPE OF PREMISES

Region	Lettable area by type of premises							Total, sq.m.	Proportion, %
	Offices, sq.m.	Retail, sq.m.	Ind/wareh. sq.m.	Hotel sq.m.	Residential sq.m.	Other, sq.m.	Garage, sq.m.		
Malmö	219 884	20 947	162 517	2 193	3 478	18 982	1 670	429 671	43,2
Helsingborg	110 900	34 794	238 421	20 799	2 541	9 031	430	416 916	41,9
Rest of Öresund region	77 629	5 010	62 866	-	1 773	168	660	148 106	14,9
<b>Total</b>	<b>408 413</b>	<b>60 751</b>	<b>463 804</b>	<b>22 992</b>	<b>7 792</b>	<b>28 181</b>	<b>2 760</b>	<b>994 693</b>	<b>100,0</b>
Proportions, %	41,4	5,1	46,6	2,3	0,8	2,8	0,3	100,0	

A reconciliation of the preliminary differences between the Financial Accounting Standards Council's principles (SwGAAP) and IFRS are shown below.

A reconciliation of the income statement for 2004 is shown with pro forma figures, since the company was founded at the turn of the year 2004/2005.

#### EFFECTS ON THE BALANCE SHEET AT 31 DEC 2004 AND 1 JAN 2005

SEK M	31 Dec 04	Effects of IFRS		1 Jan 05
	SwGAAP	31 Dec 2004	1 Jan 2005	IFRS
Properties	6,896	416		7,312
Other tangible fixed assets	7			7
Financial fixed assets	483			483
Current assets	29			29
Liquid assets	36			36
<b>Total assets</b>	<b>7,451</b>	<b>416</b>	<b>0</b>	<b>7,867</b>
Shareholders' equity	2,020	300	-13	2,307
Deferred tax	373	116	-5	484
Other long-term liabilities	4,905		18	4,923
Current liabilities	153			153
<b>Total shareholders' equity and liabilities</b>	<b>7,451</b>	<b>416</b>	<b>0</b>	<b>7,867</b>

#### EFFECTS ON THE INCOME STATEMENT 1 JAN - 31 DEC 2004

SEK M	Proforma 2004	Effects of IFRS		Proforma 2004
	SwGAAP			IFRS
Rental income	709			709
Property costs	-252		15	-237
<b>Net operating income</b>	<b>457</b>		<b>15</b>	<b>472</b>
Depreciation	-60		60	0
<b>Gross profit</b>	<b>397</b>		<b>75</b>	<b>472</b>
Central administration	-24			-24
Changes in value, properties	-		183	183
<b>Operating profit</b>	<b>373</b>		<b>258</b>	<b>631</b>
Net financial items	-168			-168
<b>Profit after financial items</b>	<b>205</b>		<b>258</b>	<b>463</b>
Tax	-58		-72	-130
<b>Net profit for the period</b>	<b>147</b>		<b>186</b>	<b>333</b>

The interim report has been issued according to IAS34 - Interim Reporting.

#### PROPOSAL TO AGM

The Board will propose that the Annual General Meeting decide:

- on a dividend of SEK 7,00 (0) per share, corresponding to SEK 135m,
- on a split with conditions 2:1,
- whether to authorize the Board to acquire and transfer Wihlborgs shares representing no more than 10 per cent of the total number of outstanding shares during the period up to next Annual General Meeting,
- whether to authorize the Board to decide upon issue of new shares representing no more than 10 per cent of the total number of outstanding shares during the period up to the next Annual General Meeting,
- on a change in the articles of incorporation according to the new Companies Act.

#### BIGGEST OWNERS IN WIHLBORGS AS PER 31 DEC

Shareholders of 31 December 2005	Number of shares thousands	Perc. of share capital and voting rights
Brinova Fastigheter AB	1,933	10,1
Maths O Sundqvist including family	1,150	6,0
AMF Pension	1,100	5,7
Investment AB Öresund	1,000	5,2
SEB funds	792	4,1
LF Property funds	621	3,2
Robur funds	593	3,1
Mats Qviberg including family	284	1,5
Färgax	241	1,3
HQ funds	218	1,1
Other shareholders reg. in Sweden	6,816	35,5
Shareholders reg. abroad	4,466	23,2
<b>Total outstanding shares</b>	<b>19,214</b>	<b>100,0</b>

#### EVENTS AFTER THE END OF THE PERIOD

During January Wihlborgs freed an interest rate swap for SEK 300m with maturity date June 30, 2008. The exercise price was SEK 14m, equivalent to the market value at the year-end 2005/06. At the same time Wihlborgs changed a loan for SEK 500m with an interest rate of 6.25 per cent to a loan with short-term interest rate.

As a result of this together with Bank of Swedens increase in January, Wihlborgs accounts for an average interest rate of 2.66 per cent as per January 31, 2006.

During the beginning of 2006 Wihlborgs sold four properties for a total of SEK 190m. The properties are situated in Malmö; Dimman 11, in Lund; Kvartsen 7, in Vellinge; Eskilstorp 14:99 and in Trelleborg; Spelmanshejdan 5. Lettable area 32 300 sq.m.

Wihlborgs acquired two properties in Fosie, Malmö for SEK 11m with a lettable area of 2 300 sq.m.

#### FORTHCOMING REPORTS

- Annual report 2005 April 2006
- Annual General Meeting 26 April 2006
- Interim report Jan-March 26 April 2006
- Interim report Jan-June 10 August 2006
- Interim report Jan-September 2 November 2006

Malmö, 10 February 2006  
Wihlborgs Fastigheter AB (publ)  
The Board of Directors

This year-end financial statement has not been examined by the company's auditors.

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## LIST OF PROPERTY ACQUISITIONS AND SALES JANUARY-DECEMBER 2005

Property	Municipality	Area	Category	Area, sq.m.	Price, SEK M	Operating income Jan-Sep, SEK M 1)
<b>Property acquisitions</b>						
<b>Quarter 2</b>						
Bronsspannen 5	Malmö	Malmö	Industry/warehouses	735		
Bronsspannen 13	Malmö	Malmö	Industry/warehouses	1 765		
Dubbelknappen 23	Malmö	Malmö	Projects & land			
Kolga 4	Malmö	Malmö	Offices/retail	2 236		
Minerva 19	Helsingborg	Helsingborg	Offices/retail	1 200		
Olympiaden 8	Helsingborg	Helsingborg	Industry/warehouses	6 600		
Måsen 16	Lund	Rest of Öresund	Industry/warehouses	8 128		
Måsen 17	Lund	Rest of Öresund	Offices/retail	4 233		
<b>Total property acquisitions April-June 2005</b>				<b>24 897</b>	<b>172</b>	<b>4,9</b>
<b>Property acquisitions</b>						
<b>Quarter 3</b>						
Töebacken 7-8	Lund	Rest of Öresund	Offices/retail	4 617		
<b>Total property acquisitions July-September 2005</b>				<b>4 617</b>	<b>48</b>	<b>1,1</b>
<b>Property acquisitions</b>						
<b>Quarter 4</b>						
Förbygeln 1	Malmö	Malmö	Industry/warehouse	5 146		
Musköten 11	Helsingborg	Helsingborg	Industry/warehouse	2 920		
Mörsaren Västra 5	Helsingborg	Helsingborg	Offices/retail	1 890		
<b>Total property acquisitions Oct-Dec 2005</b>				<b>9 956</b>	<b>44</b>	<b>0</b>
<b>Property Sales</b>						
<b>Quarter 1</b>						
Ledebur 15	Malmö	Malmö	Offices/retail	7 507		
Württemberg 19	Helsingborg	Helsingborg	Offices/retail	13 615		
Karlsvik 8	Malmö	Malmö	Projects & land	-		
<b>Total property sales Jan-March 2005</b>				<b>21 122</b>	<b>174</b>	<b>0</b>
<b>Property sales</b>						
<b>Quarter 2</b>						
Studsaren 5	Helsingborg	Helsingborg	Industry/warehouses	2 950		
Maria Park 32	Helsingborg	Helsingborg	Projects & land	1 169		
Åkarp 18:1	Burlöv	Malmö	Offices/retail	178		
<b>Total Property sales April-June 2005</b>				<b>4 297</b>	<b>33</b>	<b>1</b>
<b>Property sales</b>						
<b>Quarter 3</b>						
Maria Park 34	Helsingborg	Helsingborg	Projects & land	2 430		
Bergedorf	Hamburg	Rest of Öresund	Offices/retail	5 610		
<b>Total Property sales July-September 2005</b>				<b>8 040</b>	<b>120</b>	<b>4,3</b>
<b>Property sales</b>						
<b>Quarter 4</b>						
Part of Läsidan 2	Helsingborg	Helsingborg	Industry/warehouse	7 463		
<b>Total Property sales Oct-Dec 2005</b>				<b>7 463</b>	<b>10</b>	<b>0,8</b>

1) Operating income from the properties acquired and sold are included in the net profit for the period.

## INCOME STATEMENTS

SEK M	2005	Pro forma	2005	Pro forma
	Oct-Dec 3 months	2004 Oct-Dec 3 months	Jan-Dec 12 months	2004 Jan-Dec 12 months
Rental income	190	178	736	709
Operating expenses	-31	-33	-126	-122
Repairs and maintenance costs	-13	-14	-48	-51
Property tax	-5	-7	-25	-28
Ground rent	-1	-1	-4	-4
Property administration	-11	-8	-36	-32
<b>Net operating income</b>	<b>129</b>	<b>115</b>	<b>497</b>	<b>472</b>
Central administration and marketing	-6	-6	-26	-24
Profit property sales	2	0	9	0
Value changes properties	118	92	318	183
<b>Operating profit</b>	<b>243</b>	<b>201</b>	<b>798</b>	<b>631</b>
Interest income	2	4	15	16
Interest costs	-40	-46	-168	-184
Change in value derivatives	9	0	4	0
<b>Profit after financial items</b>	<b>214</b>	<b>159</b>	<b>649</b>	<b>463</b>
Current tax	20	-11	-5	-48
Deferred tax	-78	-34	-174	-82
<b>Net profit</b>	<b>156</b>	<b>114</b>	<b>470</b>	<b>333</b>
<i>Profit on ongoing management</i>	<i>61</i>	<i>48</i>	<i>229</i>	<i>202</i>
Earnings per share <sup>1)</sup>	6,12	6,10	24,66	17,81
Dividend			7,00 <sup>2)</sup>	-
Number of shares at period end, thousands	19,214	18,695	19,214	18,695
Average number of shares, thousands	19,214	18,695	19,063	18,695

<sup>1)</sup> The key ratio per share has been calculated on the basis of the balance average number of shares during the period. As regards the key ratio per share pro forma, the number of outstanding shares as of 31 March 2005 has been used. The company has no outstanding subscription options or convertibles.

<sup>2)</sup> Proposed dividend

## OPERATING PROFIT BY REGION

SEK M	Malmö Jan-Dec		Helsingborg Jan-Dec		Rest of Öresund Jan-Dec		Group total Jan-Dec	
	2005	Pro forma 2004	2005	Pro forma 2004	2005	Pro forma 2004	2005	Proforma 2004
	Rental income	390	380	248	237	98	92	736
Operating expenses	-124	-121	-84	-86	-31	-30	-239	-237
<b>Net operating income</b>	<b>266</b>	<b>259</b>	<b>164</b>	<b>151</b>	<b>67</b>	<b>62</b>	<b>497</b>	<b>472</b>
Central administration							-26	-24
<b>Operating profit <sup>1)</sup></b>							<b>471</b>	<b>448</b>
SEK M	2005-12-31	2004-12-31	2005-12-31	2004-12-31	2005-12-31	2004-12-31	2005-12-31	2004-12-31
Book Value of properties	4,207	3,891	2,323	2,118	1,360	1,140	7,890	7,149

<sup>1)</sup> Excluding value changes

## CERTAIN INCOME STATEMENTS IN 2004, PRO FORMA PER QUARTER

SEK M	Jan-March	April-June	July-Sep	Oct-Dec
Rental income	176	177	178	178
Operating expenses	-41	-27	-20	-33
Repairs and maintenance costs	-11	-12	-14	-14
Property tax	-7	-8	-7	-7
Ground rent	-1	-1	-1	-1
Property administration	-8	-8	-8	-8
<b>Net operating income</b>	<b>108</b>	<b>121</b>	<b>128</b>	<b>115</b>



## BALANCE SHEETS

SEK M Assets	31 Dec 2005	31 Dec 2004	Pro forma 31 Dec 2004	Pro forma 31 Dec 2003
Properties	7,890	7,312	7,149	6,805
Other fixed assets	148	490	534	534
Short-term assets	46	29	36	36
Liquid assets	89	36	97	97
<b>Total assets</b>	<b>8,173</b>	<b>7,867</b>	<b>7,816</b>	<b>7,472</b>
<b>Shareholders' equity and liabilities</b>				
Shareholders' equity	2,842	2,320	2,311	1,977
Postponed deferred tax	633	489	522	440
Other long-term liabilities	4,428	4,905	4,778	4,850
Short-term liabilities	270	153	205	205
<b>Total shareholders' equity and liabilities</b>	<b>8,173</b>	<b>7,867</b>	<b>7,816</b>	<b>7,472</b>

## CHANGES IN SHAREHOLDERS' EQUITY

SEK M	31 Dec 2005	31 Dec 2004
Shareholders' equity, beginning of period	2,320	0
Change in accounting principles	-13	-
Shareholder contributions	55	1,030
Group formation <sup>1)</sup>	-	1,099
New issue	5	187
Group contributions	-	6
Tax on Group contributions	-	-2
Translation differences	5	-
Profit	470	-
<b>Shareholders' equity, end of period</b>	<b>2,842</b>	<b>2,320</b>

<sup>1)</sup> On the Company's formation, the Group assumed ownership of assets and liabilities in the Öresund region at the consolidated book value that these assets and liabilities had in the Fabege Group.

## CASH FLOW STATEMENTS

SEK M	2005 Jan-Dec 12 months	2004 Jan-Dec 12 months	Pro forma 2004 Jan-Dec 12 months
Operating profit excluding depreciation and value changes	472	-	448
Paid net financial expense	-145	-	-168
Paid income tax	-2	-	-48
Change in other working capital	89	-	-
<b>Cash flow from operating activities</b>	<b>414</b>	<b>0</b>	<b>232</b>
Acquisition of Group companies	-122	-1,007	-
Sale of Group companies	158	0	-
Investments in and acquisition of properties	-425	-885	-161
Sale of properties	160	-	-
Change in other tangible fixed assets	335	-2,688	-
<b>Cash flow from investing activities</b>	<b>106</b>	<b>-4,580</b>	<b>-161</b>
New issue	5	187	-
Shareholder contribution	55	1,030	-
Group contributions	-	6	-
Change in interest-bearing liabilities	-527	3,393	-71
<b>Cash flow from financing activities</b>	<b>-467</b>	<b>4,616</b>	<b>-71</b>
<b>Cash flow during the period</b>	<b>53</b>	<b>36</b>	<b>0</b>
<b>Liquid assets, beginning of period</b>	<b>36</b>	<b>0</b>	<b>97</b>
<b>Liquid assets, end of period</b>	<b>89</b>	<b>36</b>	<b>97</b>

## KEY FIGURES

SEK M	2005 Jan-Dec 12 months	Pro forma 2004 Jan-Dec 12 months
<b>Financial</b>		
Return on shareholders' equity, %	18,2	15,5
Return on total capital, %	10,2	8,5
Equity/assets ratio, %	34,8	29,6
Interest-coverage ratio, multiple	4,9	3,5
Interest-coverage ratio, ongoing property management, multiple	3,5	2,5
Loan-to-value ratio, properties, %	55,6	66,8
Debt/equity ratio, multiple	1,5	2,1
<b>Share related <sup>1)</sup></b>		
Pre-tax profit per share, SEK	34,05	24,77
Net profit per share, SEK	24,66	17,81
Pre-tax profit, ongoing property management per share, SEK	16,68	14,98
Profit, ongoing property management per share, SEK	12,01	10,81
Shareholders' equity per share, SEK	147,91	123,62
Cash flow from operating activities before change in working capital per share, SEK	16,73	12,41
Dividend per share, SEK	7,00 <sup>2)</sup>	-
Number of shares at period end, thousands	19,214	18,695
Average number of shares, thousands	19,063	18,695
<b>Property related</b>		
Number of properties	197	190
Book value of properties, SEK M	7,890	7,149
Yield on properties, %	6,6	6,6
Lettable area, sq.m.	994,693	963,331
Rental income per sq.m., SEK	762	736
Net operating income per sq.m., SEK	524	490
Economic occupancy rate, %	90	89
Surplus ratio, %	69	67
<b>Employees</b>		
Number of employees at period end	68	71
Average number of employees	71	71

<sup>1)</sup> When calculating key figures per share there are no dilution effects of potential ordinary shares to consider.

<sup>2)</sup> Proposed dividend.



## DEFINITIONS

### FINANCIAL

#### Return on shareholders' equity

Net profit for the period as a percentage of average shareholders' equity.

#### Return on total capital

Profit after financial items plus interest expense as a percentage of average total assets.

#### Equity/assets ratio

Shareholders' equity as a percentage of total assets.

#### Interest-coverage ratio

Profit after financial items after reversing interest expense, divided by interest expense.

#### Interest-coverage ratio, ongoing property management

Profit after financial items after reversing interest expense, profit property sales and value changes, divided by interest expense.

#### Loan-to-value ratio, properties

Interest-bearing liabilities as a percentage of the book value of the properties.

#### Debt/equity ratio

Interest-bearing liabilities divided by shareholders' equity.

### SHARE RELATED

#### Net profit for the period per share

Profit for the period divided by the average number of outstanding shares.

#### Pre-tax profit for the period per share

Profit after financial items for the period divided by the average number of outstanding shares.

#### Profit for the period, ongoing property management, per share

Profit after financial items for the period, after reversing profit property sales and value changes, charged with 28 percent tax, divided by the average number of outstanding shares.

#### Pre-tax profit for the period, ongoing property management, per share

Profit after financial items for the period, after reversing profit property sales and value changes, divided by the average number of outstanding shares.

#### Cash flow from operating activities before change in working capital, per share

Cash flow from operating activities before change in working capital in relation to the average number of outstanding shares.

#### Shareholders' equity per share

Shareholders' equity at the end of the period in relation to the number of shares at the end of the year.

#### Dividend per share

Actual dividend for the financial year in relation to the number of shares at the end of the year.

### PROPERTY RELATED

#### Number of properties

Total number of properties owned by Wihlborgs as per 31 December 2005.

#### Book value of properties

Book value of buildings, land, construction in progress and building fittings and fixtures.

#### Yield on properties

Net operating income as a percentage of book value of the properties at period end.

#### Lettable area

Total area available for letting.

#### Rental income per sq.m.

Rental income on an annual basis divided by lettable area.

#### Net operating income per sq.m.

Net operating income on an annual basis divided by lettable area.

#### Economic occupancy rate

Rental income as a percentage of gross rental income/rental value.

#### Surplus ratio

Net operating income as a percentage of rental income.

## PRINCIPLES FOR THE PRO FORMA ACCOUNTS

In order to show the financial trend for Wihlborgs, pro forma accounts are presented for the period 2004. Acquisitions of sales during the pro forma period are not reported in the pro forma accounts. The pro forma accounts show the outcome for the properties owned by Wihlborgs as per 31 March 2005 as if they had been owned as per 1 January 2004. The pro forma accounts have been prepared in accordance with the international Financial Reporting Standards (IFRS).

### Income statements

The pro forma income statements for 2004 are based on the history of the property portfolio owned by the Group on 31 March 2005. Accordingly, rental income, operation and maintenance costs, property tax and ground rents are essentially based on the actual outcome. For buildings that are newly produced or properties that were acquired from parties other than Group companies during 2004, access to historical data may be limited. In the event that no annual results are available, adjustments have been made on the basis of the estimated outcome for rental income and property costs.

Costs for central administration comprise the new Group's calculated costs for central administration during 2005. Estimated costs are based on the assumption that the Company will operate as an independent listed company.

Unrealised value changes consist of the difference in the properties' book value between 2003 and 2004, adjusted for investments implemented during 2004. The supporting documentation for the properties' book value consists of estimated market value established at the close of the particular year.

Interest expense has been estimated on the basis of Wihlborgs' current interest maturity structure as per 31 March 2005. In this context, it has been supposed that the interest maturity structure was constant during 2004 and that the current market interest rate on a quarterly basis for the corresponding interest maturity period plus a supplement for the interest margin constituted the annual interest expense on the annual interest-bearing liability. Interest income has been calculated on the basis of Wihlborgs' interest-bearing assets on 31 March 2005, assuming that the receivable from Fabegre has been fully settled in cash.

In the pro forma accounts, tax has been divided into current and deferred tax. Current tax has been calculated on the basis of the current year's taxable profits, which have been charged with depreciation of 2,5 per cent for the tax purposes based on the taxable depreciation base as per 31 December 2004, which during the pro forma period was adjusted for investments made. Deferred tax is the difference between the 28 percent tax on the reported pro forma profit after financial items and current tax. The total reported pro forma tax cost amounts to 28 percent of profit after financial items.

### Balance sheets

The balance sheet for the Wihlborgs Group as per 31 March 2005 served as the starting point for the calculation of the pro forma balance sheets for 31 December 2003, 30 September 2004 and 31 December 2004.

In this context, the balance sheet as per 31 December 2004 has been adjusted for estimated property values at this date. Shareholders' equity has been adjusted by net profit for the period less 28 percent reported tax. Provisions have been adjusted for deferred tax during the period. Interest-bearing liabilities have been adjusted for surplus liquidity. It has been assumed that other balance-sheet items remained constant during the pro forma period. A corresponding calculation method was used for the balance sheet as per 31 December 2003 and 30 September 2004.

### Cash flow statements

No assumptions about changes in working capital or dividends have been made in the cash flow statement. The items that are reported as investments in the pro forma cash flow statement pertain to all investments in the property portfolio, excluding investments in newly produced or acquired properties.



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