

Wihlborgs Fastigheter AB

# Interim report

January – June 2009

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- Rental income increased by 7 per cent to SEK 621 million (579)
- Net operating income increased by 8 per cent to SEK 443 million (409)
- The income from property management increased by 12 per cent to SEK 254m (227)
- The result for the period increased by 28 per cent to SEK 261 million (204) and earnings per share SEK 7,21 (5,45)
- New lease agreements amounts to SEK 60 million (61)
- The yield on buildings held for investment purposes is now 7.0 per cent compared with 6.9 per cent at the year-end.



Photographs taken at Wihlborgs' Annual General Meeting on 23rd April 2009.  
Photographer: Stefan Larsson.

	2009 Jan-Jun	2008 Jan-Jun	Changes per cent
Rental income, SEKm	621	579	+ 7 %
Net operating income, SEKm	443	409	+ 8 %
Income from property management, SEKm	254	227	+ 12 %

# Wihlborgs Interim Report

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## **Business concept**

Wihlborgs shall own, manage and develop commercial properties with a focus on well-functioning sub-markets in the Öresund region.

## **Overall objectives and strategies**

Wihlborgs aims to be the leading and most profitable property company in the Öresund market.

## **Comments on the Öresund region market**

The Öresund region has never before grown as quickly as it did in 2008. The population increased by 33,700. The largest growth in population was in Själland which increased by 18,300 whereas the population of Skåne increased by 15,400. To give comparisons of the increases, the population of Denmark excluding Själland and its islands grew by 17,400 whereas the population of the county of Stockholm grew by 31,700 in 2008.

The Öresund region is now in its first economic recession since the Öresund Bridge was opened in 2000. The Öresund Institute expects 85,000 jobs to disappear over the next two years – 62,000 on Själland and 23,000 in Skåne. But the figures for the region are falling from a high level. 115,000 jobs have been created over the last four years. This is why we expect the level of employment at the end of 2010 to still be higher than in 2005.

In April 2009, there were 40,000 unemployed people in Denmark and 25,500 in Skåne. The labour market in the Öresund Institute's principle scenario will normalise after a period of "over-employment". The region's growth potential will increase over a period of a few years. Structural change will contribute to a number of companies and parts of the labour force looking for growth regions with a future. This will mean that Malmö's and Copenhagen's business and commerce will eventually find it easier to recruit manpower.

The Öresund Institute is of the opinion that, in the middle of the crisis, there is evidence that the Öresund Region will cope relatively well and there are green shoots of an underlying faith in the future. This is confirmed by the population growing by more than ever before. The City Tunnel in Malmö will be officially opened next year and this will bind the two parts of the region together. The decision on the major materials research facility ESS in Lund and the synchrotron facility Max IV has been reached. This will make the region the centre for materials research in Europe. A metro ring will be constructed in Copenhagen. The Fehmarn Belt link will be officially opened in 2018. More companies and several Nordic head offices will be established in the region.

The transaction volume on the Swedish property market declined during the first quarter. The decrease was 76 per cent in the country as a whole. There is, however, a clear trend that the largest transactions in terms of volume take place in the three conurbations according to a report by Jones Lang LaSalle.

The previous strong growth in the labour market has had a positive effect on the vacancy level for offices. In the region's main urban areas there is now more or less a balance between supply and demand. However, the decline in employment will affect vacancy figures in the future. The vacancy level of offices in central Malmö and Västra Hamnen is currently 5-6 per cent.



A total of 58,000 m<sup>2</sup> of offices will be completed during 2010 and 2011 in Malmö. This new production will have only a marginal effect on the vacancy level in central Malmö. The majority of the newly-built areas are already contracted by businesses that come from outside the central areas. And, in the case of premises that will become vacant, new lease agreements have already been signed.

Lease costs in Malmö remain stable and there is more or less a balance between supply and demand. The leasing costs of modern office premises in central Malmö are around SEK 2,000 per m<sup>2</sup>. At Västra Hamnen the level is still SEK 1,950 – 2,100 kronor per m<sup>2</sup>. Lease costs for other office premises in central Malmö are in the range of SEK 1,400 - 1,850 per m<sup>2</sup>.

### **Income, expenses and result**

Comparision figures for income statement items relate to values for the same period as at 30 June 2008 and balance sheet items as at 31 December 2008.

#### **Lease income**

Lease income amounted to SEK 621 million (579). The sum includes SEK 3 million that relates to the final settlement for 2008 for supplementary debiting. Other increases in lease income can be explained by index linking, renegotiation, new leases, lease income from properties that were acquired during 2008, and properties that were completed. The total growth in lease income amounted to 7 per cent compared with 2008.

The leasing level is 93 per cent and remains unchanged compared with 31 December 2008.

Net leasing remains positive. During the period, the signing of new lease agreements on a full-year basis amounted to SEK 60 million (61). Notices of termination during the period were SEK 42 million (33).

#### **Property costs**

The total property costs were SEK 178 million (170).

#### **Net operating income**

The net operating income amounts to SEK 443m (409), which is a surplus ratio of 71 per cent (71).

#### **Central administration**

Costs for central administration was SEK 15m (15).

#### **Changes in the properties' book value**

Changed Item	Group total, SEKm
Book value 1 January 2009	13,620
Acquisitions	230
Investments	332
Properties sold	-113
Value regulation	-7
Foreign currency translations	-12
Book value 30 June 2009	14,050



### Property sales and changes in values

A total of three properties were disposed of during the period for a total purchase price of SEK 113m. The purchasers will take possession of the properties Altona 5, Altona 22 and Macken 12-14 during the third quarter of 2009.

The valuation of the properties as at 30 June 2009 has been carried out internally and has resulted in the property net value decreasing by SEK 7 million (30 June 2008 an increase by 55).

The changed accounting rules have meant that construction of properties in progress for future use as buildings held for investment purposes shall be shown at true value according to IAS 40. Buildings held for investment purposes were not given a market value during construction but were shown as accrued expenses. The completed project properties have therefore been valued at a total of SEK 201 million. In total, the value of buildings held for investment purposes have been adjusted downwards by a total of SEK 208 million.

The yield on office properties now amounts to 6.6 per cent and warehouses to 8.5 per cent.

### Net financial items

The period's net financial items excluding changes of value in derivatives amounted to SEK -174m (-167), of which lease income amounted to SEK 4m (3).

Interest costs for the period, SEK -178m (-170), correspond to a borrowing rate of interest of 4.19 per cent. At the end of the period, the average interest amounts to 3.10 per cent including the effects of derivative instruments.

Agreements have been reached during the period on a higher loan margin with the company's lenders.

SEKm	2009 Jan-Jun 6 months	2008 Jan-Jun 6 months
Income from property management for the period	254	227
Profit for the period before taxes	336	271
Profit for the period	261	204

### Per share, SEK

Income from property management for the period	7.01	6.06
Profit for the period before taxes	9.28	7.24
Profit for the period	7.21	5.45
Shareholders' equity I (26.3% resp. 28 % deferred tax)	111.53	115.44
Shareholders' equity II (10% deferred tax)	128.70	135.19

### Income from property management

The income from property management, i.e. the result before tax and excluding value changes amounted to SEK 254 million (227).

### Profit before tax

Pre-tax profit amounted to SEK 336m (271).

## Taxes

Tax has been estimated according to a tax rate of 26.3 per cent (28) that applies from and including 2009. Wihlborgs is not affected by the tax decisions within the property sector that the Supreme Administrative Court issued in June 2009.

## Profit for the period

Profit after taxes amounted to SEK 261m (204).

## Property acquisitions

One property was acquired during the period at a value of SEK 230m.

## Investments and projects in progress

Investments in the stock of properties have amounted to SEK 332m.

Investments agreed on in projects in progress amounts to SEK 1,186m of which SEK 520m was invested by the end of the period. The major projects in progress are an office block for Region Skåne, a multi-storey car park and an office block for ÅF and Fojab at Dockan in Malmö. A new building is being constructed at Svågertorp for Honda and, at Slagthuset, rebuilding and addition for Comfort Hotel.

# Financial positions

## Shareholders' equity

As of 30 June shareholders' equity amounted to SEK 4,039m (4,134) and the equity/assets ratio was 27.8 per cent (29.4). The long-term objective is that the equity/assets ratio will not be less than 25 and not more than 35 per cent.

## Interest-bearing liabilities

The group's interest-bearing liabilities as at 30 June amounted to SEK 8,892m (8,271) with an average interest rate, including credit promise commission, of 3.10 per cent.

The loans' average fixed interest period including effects of derivatives on 30 June 2009 amounted to 30 months (44). The average period during which the capital is tied up, including credit promise, amounted to 3.2 years (2.8).

Wihlborgs holds eight derivative instruments and four closeable swaps of 2.5 billion. The terms vary between 2.3 years to 8.9 years. A threshold swap of SEK 1 billion with a term of 7.5 years and three yield curve swaps with terms of 4 years.

What are referred to as Stina swaps amounting to SEK 4.8 billion were completed at the end of the period.



The undervalue of the derivative portfolio has since the turn of the year decreased from 203 to 114. In total, the derivative portfolio shows a positive value change of SEK 89 million.

A settlement has been reached with Swedbank on an extension of a credit agreement of SEK 1,500 million for three years. The credit agreement will lapse in December 2009 and has applied for five years.

### Liquid assets

The groups' liquid assets amounted to SEK 294 (232) including unutilised overdraft facilities.

### Structure of interest and loan maturities as of 30 June 2009

SEKm	Interest maturity		Loan maturity		
	Matures, year	Loan amount, SEKm	Av. interest rate, %	Cred. agreements, SEKm	Utilised, SEKm
2009	5,077	1.92			
2010	35	3.01	878	872	
2011	1,000	4.68	1,800	1,793	
2012	55	4.93	2,628	2,626	
2013			2,725	2,723	
>2013	2,725	4.68	878	878	
<b>Total</b>	<b>8,892</b>	<b>3.10</b>	<b>8,909</b>	<b>8,892</b>	

### Property portfolio as of 30 June 2009

The summaries are based on Wihlborgs' property portfolio as of 30 June 2009. Rental income pertains to contracted rental income on an annual basis as of 30 June 2009.

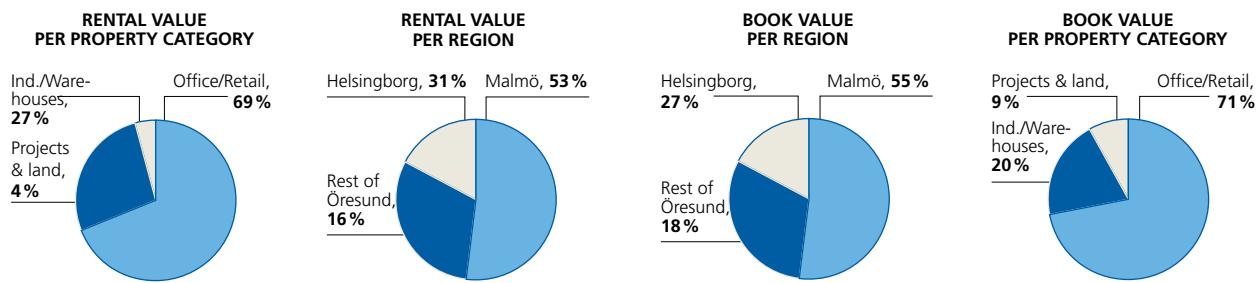
The net operating income is based on the properties' earnings capacity on an annual basis as of 30 June 2009, based on contracted rental income and actual costs on a rolling 12-months basis.

The operating surplus also includes the costs of management administration amounting to SEK 52 million.

Wihlborgs property portfolio consists of commercial properties' in the Öresund region, located in Malmö, Helsingborg, Lund and Copenhagen. As of 30 June 2009 the property portfolio consisted of 247 properties with a lettable area of 1,272,000 sq.m.

Fifteen of the properties have a site leasehold right. The properties' book value was SEK 14,050m, equivalent to the properties' assessed market value. The total rental value was SEK 1,341m and the contracted rental income on an annual basis was SEK 1,240m. The economic occupancy rate was 93 per cent.

The properties in Malmö and Helsingborg represented 84 per cent of the total rental value and 82 per cent of the properties' book value. The rental value for office and retail properties and industrial/warehouse properties totalled 69 and 27 per cent of the total rental value respectively.



### Distribution of lettable area and type of premises

Region	Office	Retail	Ind./Warehouses	Hotel	Residential	Other	Total	Proportion
	sq.m.	sq.m.	sq.m.	sq.m.	sq.m.	sq.m.	sq.m.	%
Malmö	303,312	32,769	243,310	2,947	5,891	4,879	593,107	46.6
Helsingborg	153,918	39,657	239,248	20,799	5,322	7,767	466,711	36.7
Rest of Öresund region	127,852	3,006	81,358			253	212,469	16.7
Total	585,081	75,432	563,916	23,746	11,213	12,899	1,272,286	100.0
Proportion, %	46.0	5.9	44.3	1.9	0.9	1.0		

### Distribution by region and property category

Region/ property category	No. of properties	Lettable area	Book value/ market value		Rental value		Economic occupancy	Rental income	Net op. income	Yield	Surplus ratio
			sq.m.	SEKm	SEK/sq.m.	SEKm	SEK/sq.m.				
<b>Malmö</b>											
Office/Retail	39	329,572	5,849	17,746	543	1,647	95	518	385	6.6	74
Industrial/warehouses	45	197,526	1,010	5,115	133	676	92	123	83	8.2	67
Projects and land	38	66,009	952	14,419	35	538	46	16	2	0.2	13
<b>Total Malmö</b>	<b>122</b>	<b>593,107</b>	<b>7,811</b>	<b>13,169</b>	<b>712</b>	<b>1,200</b>	<b>92</b>	<b>658</b>	<b>470</b>	<b>6.0</b>	<b>72</b>
<b>Helsingborg</b>											
Office/Retail <sup>1</sup>	34	160,894	2,164	13,453	210	1,302	97	203	146	6.8	72
Industrial/warehouses	51	294,843	1,490	5,055	200	678	93	185	132	8.9	71
Projects and land	4	10,974	97	8,860	5	470	47	2	0	-0.3	-11
<b>Total Helsingborg</b>	<b>89</b>	<b>466,711</b>	<b>3,752</b>	<b>8,040</b>	<b>415</b>	<b>888</b>	<b>94</b>	<b>390</b>	<b>278</b>	<b>7.4</b>	<b>71</b>
<b>Rest of Öresund region</b>											
Office/retail	15	146,977	2,029	13,804	178	1,208	91	162	129	6.4	80
Industrial/warehouses	11	51,041	269	5,263	28	554	89	25	21	7.8	83
Projects & land	10	14,451	190	13,126	9	600	62	5	2	1.2	41
<b>Total rest of Öresund region</b>	<b>36</b>	<b>212,469</b>	<b>2,487</b>	<b>11,706</b>	<b>215</b>	<b>1,010</b>	<b>90</b>	<b>192</b>	<b>152</b>	<b>6.1</b>	<b>79</b>
<b>Total Wihlborgs</b>	<b>247</b>	<b>1,272,286</b>	<b>14,050</b>	<b>11,043</b>	<b>1,341</b>	<b>1,054</b>	<b>93</b>	<b>1,240</b>	<b>900</b>	<b>6.4</b>	<b>73</b>
<b>Total excluding projects and land</b>	<b>195</b>	<b>1,180,852</b>	<b>12,811</b>	<b>10,849</b>	<b>1,292</b>	<b>1,094</b>	<b>94</b>	<b>1,216</b>	<b>896</b>	<b>7.0</b>	<b>74</b>

1. Two hotel properties located in Helsingborg, with lettable area of 21,262 sq.m. are reported in office/retail.

### Lease expiration 30 June 2009

### Contracted rental income as per 30 June 2009

Expires in year	No. of leases	Lettable area, sq.m.	SEKm	Proportion, %
<b>Lease for renting premises</b>				
2009	150	59,595	38	3
2010	574	289,910	304	25
2011	425	268,713	267	22
2012	374	215,673	247	21
2013	109	74,066	80	7
2014	56	94,200	135	11
>2014	53	86,805	132	11
<b>Total commercial leases</b>	<b>1,741</b>	<b>1,088,962</b>	<b>1,205</b>	<b>100</b>
Residential areas	158	10,889	11	
Parking spaces etc.	458	0	24	
<b>Total</b>	<b>2,357</b>	<b>1,099,851</b>	<b>1,240</b>	

## **Employees**

At the end of the period the number of employees was 82 (81), of whom 27 were caretakers. The distribution of employees by region was as follows: Malmö 53, Helsingborg 18, Lund 5 and Copenhagen 6.

The average age was 49 years, and the proportion of women was 31 per cent.

## **Parent company**

The parent company has no properties, it handles questions about the stock market and group functions for administration, management and borrowing transactions. The parent company has made investments during the period amounting to SEK 276 million (12). These investments are primarily in shares in subsidiaries.

Income and balance statements for the parent company can be found on page 14 in this interim report.

## **Significant risks and uncertainty factors**

Wihlborgs' activities, financial position and profit are affected by a number of risk factors. The risks that represent a decisive impact on the company's profit growth are variations in lease income, changes in rates of interest, growth in costs, property valuation and taxes. To this is added the liquidity and borrowing risk. Refer to pages 48-49 and 63-64 of Wihlborgs 2008 annual report for a detailed description of the company's risks. The described risks can be affected ahead by finance turbulence and business recession.

## **Accounting principles**

Wihlborgs applies the IFRS (International Financial Reporting Standards) and the interpretation of these (IFRIC), adopted by the European Union.

The interim report was prepared in accordance with IAS 34 Interim Financial Reporting. The accounting principles and methods of calculations are the same as were applied in the last annual report unless stated otherwise below.

## **New accounting principles 2009**

The revised IAS 1 on the presentation of financial statements came into force on 1 January 2009. The changes mean that income and costs that were previously shown directly against equity are now shown in a separate report directly after the income statement. In future, only transactions related to shareholders and overall result are shown in a separate section. A further change is new designations of the financial reports. These are not compulsory however. Wihlborgs has chosen to retain the previous designations.

The current building of properties for future use as buildings held for investment purposes shall, in the future, be classified as buildings held for investment purposes and therefore shown at true value according to IAS 40 if other buildings held for investment purposes are valued according to the true value method. Buildings held for investment purposes were not previously valued at market value while being built but were shown as accrued expenses.

Other new or revised IFRS and interpretation statements were not considered to have had any great effect on Wihlborgs' financial reports. The latest annual report gives further descriptions of new and amended accounting principles.



### Forthcoming reports

- Interim report January-September 29 October 2009
- Year-end report 2009 9 February 2010
- Interim report January-March 21 April 2010
- Annual General Meeting 21 April 2010

This interim financial statements has not been examined by the company's auditors.

The board of directors and the chief executive officer confirm that the half-yearly report provides a true overview of the parent company's and the group's activities, balance and profit and describes the significant risks and uncertainty factors faced by the parent company and the companies that make up the group.

Malmö 8 July 2009  
 Wihlborgs Fastigheter AB (publ)  
 The Board

Erik Paulsson Chairman of the board	Kerstin Fredriksson Deputy chairman	Arne Bernroth Member of the board
Anders Jarl CEO and Member of the board	Sara Karlsson Member of the board	Helen Olausson Member of the board
Tommy Qvarfort Member of the board	Johan Qviberg Member of the board	

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## Property acquisitions and sales January–June 2009

PROPERTY	Municipality	Area	Category	Area, sq.m.	Price, SEKm	Oper. income 2009, SEKm <sup>1</sup>
<b>Acquisitions quarter 2</b>						
Kranen 3	Malmö	Malmö	Office/retail	15,751		
<b>Total acquisitions quarter 2</b>				<b>15,571</b>	<b>230</b>	<b>3.3</b>
<b>Total acquisitions Jan-Jun 2009</b>				<b>15,571</b>	<b>230</b>	<b>3.3</b>
<b>Sales quarter 2</b>						
Gråbröder 34	Lund	Rest of Öresund	Office/retail	2,758		
Postterminalen 2	Lund	Rest of Öresund	Project & land	-		
Oscar 4	Malmö	Malmö	Office/retail	1,235		
<b>Total sales quarter 2</b>				<b>3,993</b>	<b>113</b>	<b>2.9</b>
<b>Total sales Jan-Jun 2009</b>				<b>3,993</b>	<b>113</b>	<b>2.9</b>

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



### Consolidated income statement

SEKm	2009 Apr-Jun 3 months	2008 Apr-Jun 3 months	2009 Jan-Jun 6 months	2008 Jan-Jun 6 months	2008/09 Jul/Jun 12 months	2008 Jan-Dec 12 months
Rental income	310	292	621	579	1,210	1,168
Operating expenses	-46	-43	-102	-94	-186	-178
Repairs and maintenance costs	-11	-11	-23	-23	-51	-51
Property tax	-13	-12	-27	-26	-53	-52
Ground rent	-1	-1	-2	-2	-3	-3
Property administration	-12	-13	-24	-25	-51	-52
<b>Net operating income</b>	<b>227</b>	<b>212</b>	<b>443</b>	<b>409</b>	<b>866</b>	<b>832</b>
Central administration and marketing	-8	-7	-15	-15	-31	-31
Change in value derivatives	-4	15	-7	55	-485	-423
<b>Operating profit</b>	<b>215</b>	<b>220</b>	<b>421</b>	<b>449</b>	<b>350</b>	<b>378</b>
Interest income	3	2	4	3	15	14
Interest costs	-77	-88	-178	-170	-373	-365
Change in value derivatives	85	-10	89	-11	-114	-214
<b>Profit after financial items</b>	<b>226</b>	<b>124</b>	<b>336</b>	<b>271</b>	<b>-122</b>	<b>-187</b>
Current tax	-2	-1	-3	-3	-7	-7
Deferred tax	-44	-36	-72	-64	137	145
<b>Net profit for the period<sup>1</sup></b>	<b>180</b>	<b>87</b>	<b>261</b>	<b>204</b>	<b>8</b>	<b>-49</b>
<b>Income from property management<sup>2</sup></b>	<b>145</b>	<b>119</b>	<b>254</b>	<b>227</b>	<b>477</b>	<b>450</b>
Earnings per share <sup>3</sup>	4.97	2.32	7.21	5.45	0.22	-1.32
No. of shares at period end, thousands	36,214	37,431	36,214	37,431	36,214	36,214
Average no. of shares, thousands	36,214	37,431	36,214	37,431	36,608	37,208

1. The entire profit/loss is attributable to the parent company's shareholders.

2. Profit after financial items excluding value changes in properties and derivatives.

3. Key ratios per share have been calculated based on a weighted average number of shares during the period. There are no outstanding subscription options, convertibles or other potential ordinary shares to take into consideration.

### Total profit/loss for the group

SEKm	2009 Apr-Jun 3 months	2008 Apr-Jun 3 months	2009 Jan-Jun 6 months	2008 Jan-Jun 6 months	2008/09 Jul/Jun 12 months	2008 Jan-Dec 12 months
<b>Profit/loss for the period</b>	<b>180</b>	<b>87</b>	<b>261</b>	<b>204</b>	<b>8</b>	<b>-49</b>
<b>Other total profit/loss</b>						
Conversion differences for international activities including tax	-1	-2	-1	-2	52	51
<b>Total profit/loss for the period<sup>1</sup></b>	<b>179</b>	<b>85</b>	<b>260</b>	<b>202</b>	<b>60</b>	<b>2</b>

1. The entire profit/loss is attributable to the parent company's shareholders.

### Certain income statements in 2008 per quarter

SEKm	Jan.-March	April-June	July-Sept.	Oct.-Dec.
Rental income	287	292	290	299
Operating expenses	-51	-43	-36	-48
Repairs and maintenance costs	-12	-11	-13	-15
Property tax	-14	-12	-13	-13
Ground rent	-1	-1	-1	0
Property administration	-12	-13	-13	-14
<b>Net operating income</b>	<b>197</b>	<b>212</b>	<b>214</b>	<b>209</b>

### Consolidated balance sheet

SEKm	30 Jun 2009	30 Jun 2008	31 Dec 2008
<b>Assets</b>			
Properties	14,050	13,310	13,620
Other fixed assets	180	176	181
Current receivables	79	112	99
Liquid assets	214	148	140
<b>Total assets</b>	<b>14,523</b>	<b>13,746</b>	<b>14,040</b>
<b>Shareholders' equity and liabilities</b>			
Shareholders' equity	4,039	4,441	4,134
Deferred tax liability	1,003	1,150	939
Other long-term liabilities	8,692	7,802	7,039
Current liabilities	789	353	1,928
<b>Total shareholders' equity and liabilities</b>	<b>14,523</b>	<b>13,746</b>	<b>14,040</b>

### Consolidated changes in equity

SEKm	30 Jun 2009	30 Jun 2008	31 Dec 2008
<b>Total shareholders' equity beginning of period</b>	<b>4,134</b>	<b>4,473</b>	<b>4,473</b>
<i>Shareholders' equity attributable to parent company's shareholders</i>			
Amount at the beginning of the period	4,014	4,353	4,353
Dividends paid	-235	-234	-234
Buy-back own shares	-	-	-107
Total profit/loss for the period	260	202	2
<b>Amount at the end of the period</b>	<b>4,039</b>	<b>4,321</b>	<b>4,014</b>
<i>Shareholders' equity attributable to minority shares</i>			
Amount at the beginning of the period	120	120	120
Minority share resulting from the acquisition of subsidiaries	-120	-	-
<b>Amount at the end of the period</b>	<b>0</b>	<b>120</b>	<b>120</b>
<b>Total shareholders' equity, period end</b>	<b>4,039</b>	<b>4,441</b>	<b>4,134</b>

### Consolidated cashflow analysis

SEKm	30 Jun 2009	30 Jun 2008	31 Dec 2008
<i>Current activities</i>			
Net operating income	421	449	378
Adjustments for items not included in cash flow	8	-54	426
Paid net financial expense	-150	-143	-317
Paid income tax	-2	-11	-10
Change in other working capital	-1,489	-39	1,067
<b>Cash flow from operating activities</b>	<b>-1,212</b>	<b>202</b>	<b>1,544</b>
<i>Investments activities</i>			
Acquisition of Group companies	-230	-16	-278
Sale of Group companies	111	112	267
Investments in and acquisitions of properties	-332	-408	-846
Sale of properties	-	445	409
Change in other fixed assets	-	-73	-69
<b>Cash flow from investing activities</b>	<b>-451</b>	<b>60</b>	<b>-517</b>
<i>Financial activities</i>			
Dividends paid	-235	-234	-234
Acquisition of minority interest	-120	-	-
Buy-back own shares	-	-	-107
Change in long-term liabilities	2,092	-27	-693
<b>Cash flow from financial acitivities</b>	<b>1,737</b>	<b>-261</b>	<b>-1,034</b>
<b>Cash flow during the period</b>	<b>74</b>	<b>1</b>	<b>-7</b>
<b>Liquid assets, beginning of the period</b>	<b>140</b>	<b>147</b>	<b>147</b>
<b>Liquid assets, end of period</b>	<b>214</b>	<b>148</b>	<b>140</b>

### Consolidated segment reporting Jan-Jun

SEKm	Malmö 2009	Malmö 2008	Helsingborg 2009	Helsingborg 2008	Rest of Öresund 2009	Rest of Öresund 2008	Total 2009	Total 2008
	2009	2008	2009	2008	2009	2008	2009	2008
Rental income	319	303	195	183	107	93	621	579
Property expenses	-96	-92	-58	-55	-24	-23	-178	-170
Net operating income	223	211	137	128	83	70	443	409

In the group's internal reporting, the activity is divided into the above segments. These are the same as shown in the latest annual report. The total operating surplus according to the above agrees with the net operating surplus in the income statement. The difference between the operating surplus of SEK 443 (409) million and the profit before tax SEK 336 million (271) comprises central administration SEK -15 million (-15), changes in value of properties and derivatives SEK 82 million (44) and net financial income/expense SEK -174 million (-167).

### Income sheets Parent Company

SEKm	30 Jun 2009	30 Jun 2008	31 Dec 2008
Income	36	37	77
Costs	-43	-49	-95
<b>Operating profit</b>	<b>-7</b>	<b>-12</b>	<b>-18</b>
Financial income	199	413	850
Financial costs	-106	-216	-668
<b>Income pre-tax</b>	<b>86</b>	<b>185</b>	<b>164</b>
Current tax	3	12	76
<b>Net income</b>	<b>89</b>	<b>197</b>	<b>240</b>

### Balance sheets Parent Company

SEKm	30 Jun 2009	30 Jun 2008	31 Dec 2008
Participations in group companies	3,315	2,931	3,076
Receivables from group companies	7,588	7,828	8,216
Other assets	206	160	337
Cash and bank balances	211	140	137
<b>Total assets</b>	<b>11,320</b>	<b>11,059</b>	<b>11,766</b>
Equity	1,676	1,871	1,823
Liabilities to credit institutions	7,456	6,489	6,843
Liabilities to group companies	2,008	2,645	2,832
Other liabilities	180	54	268
<b>Total equity and liabilities</b>	<b>11,320</b>	<b>11,059</b>	<b>11,766</b>



## Key figures

	Jan-Jun 2009	Jan-Jun 2008	Jul-Jun 2008/09	Jan-Dec 2008
<b>Financial</b>				
Return on equity, %	13.0	9.4	0.2	-1.2
Return on total capital, %	6.0	6.6	2.6	2.8
Equity/assets ratio, %	27.8	32.3	27.8	29.4
Interest coverage ratio, times	2.4	2.3	2.3	2.2
Leverage properties, %	63.3	58.3	63.3	60.7
Debt/equity, ratio	2.2	1.7	2.2	2.0
<b>Share-related</b>				
Earnings per share, SEK	7.21	5.45	0.22	-1.32
Earnings per share before tax, SEK	9.28	7.24	-3.33	-5.03
Operating earnings per share, SEK	7.01	6.06	13.03	12.09
Equity per share I, SEK	111.53	115.44	111.53	110.84
Equity per share II, SEK	128.70	135.19	128.70	126.91
Market value per share, SEK	103.75	108.25	103.75	100.00
P/E ratio I, times	7.2	9.9		
P/E ratio II, times	10.0	12.4	10.8	11.2
Cash flow from operations before change in working capital per share, SEK	6.96	6.01	12.92	11.99
Proposed dividend per share, SEK	-	-	-	6.50
No. of shares at period end, thousands	36,214	37,431	36,214	36,214
Average no. of shares, thousands	36,214	37,431	36,608	37,208
<b>Property related</b>				
Number of properties	247	243	247	247
Carrying amount of properties, SEKm	14,050	13,310	14,050	13,620
Yield, % - all properties	6.4	6.2	6.4	6.5
Yield, % - excluding project properties	7.0	6.4	7.0	6.9
Lettable area, sq.m.	1,272,286	1,234,929	1,272,286	1,257,410
Rental income, SEK per sq.m.	975	926	975	968
Net operating income, SEK per sq.m.	708	665	708	699
Economic occupancy, %	93	94	93	93
Surplus ratio, %	73	72	73	72
<b>Employees</b>				
No. of employees at year-end	82	83	82	81
Average no. of employees	81	83	82	82

## DEFINITIONS

### FINANCIAL

#### Return on equity

Profit as a percentage of average shareholders' equity excluding minority shares.

#### Return on total capital

Profit before tax plus interest expenses as a percentage of average balance sheet total.

#### Equity/assets ratio

Shareholders' equity as a percentage of balance sheet total.

#### Interest coverage ratio

Profit after financial items and reversal of interest expenses and value changes, divided by interest expenses.

#### Leverage

Interest-bearing liabilities as a percentage of the carrying amount of the properties.

#### Debt/equity ratio

Interest-bearing liabilities divided by shareholders' equity.

### SHARE-RELATED

#### Earnings per share before tax

Profit before tax divided by average number of outstanding shares.

#### Earnings per share

Profit divided by average number of outstanding shares.

#### Operating earnings per share

Profit after financial items and reversal of gains/losses from changes in value divided by average number of outstanding shares.

#### Equity per share I

The parent company's shareholders' share of the equity at the end of the period relation to the number of shares at the end of the period.

#### Equity per share II

Calculated as the equity per share I but with the tax rate for deferred tax of 10 per cent instead of 26.3 (28) per cent.

### P/E ratio I, times

The market value per share divided by the profit per share.

### P/E ratio II, times

The market value divided by the income from property management loaded with 26.3 (28) per cent tax, per share.

### Cash flow from operations before change in working capital per share

Cash flow from operations before change in working capital in relation to average number of shares.

### PROPERTY-RELATED

#### No. of properties

Total number of properties owned by Wihlborgs at the end of the period.

#### Carrying amount of properties

Carrying amount of the Group's property portfolio at the end of the period.

#### Yield

Net operating income as a percentage of the carrying amount of the properties at the end of the period.

#### Lettable area

Total area that is available to let.

#### Rental income per square metre

Annualised rental income divided by lettable area.

#### Net operating income per square metre

Net operating income divided by lettable area.

#### Financial occupancy rate

Rental income as a percentage of rental value.

#### Surplus ratio

Net operating income as a percentage of rental income.

# "They responded and wanted to help"

Sita is one of Sweden's largest companies in recovery and waste management. Around 90 people, including contract drivers, work in Helsingborg where Sita has its largest branch. The property houses a number of offices and about 50 vehicles and, regrettably, frequent burglaries and considerable vandalism were experienced over a number of years.

– On average we experienced two incidents a week in the form of break-ins and theft, tells Departmental Manager Michael Liverstam with hardly-concealed annoyance.

– It was Wihlborgs who took the initiative since they were aware that there were problems throughout the area. When they asked if I would like an electric fence around the property I jumped at the chance. We have not suffered a single incident since Wilborgs installed the fence in January 2008!



*Michael Liverstam, Sita in Helsingborg*



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