

*Wihlborgs Fastigheter AB*

# Interim report

## January – June 2010



WIHLBORGS FASTIGHETER AB • INTERIM REPORT • JANUARY – JUNE

- The profit of the period increased by SEK 8 million to SEK 269 million (261), and earnings per share SEK 7.07 (7.21)
- Continued positive net rentals by SEK 13 million
- Rental income increased by 3 per cent to SEK 639 million (621)
- Net operating income increased by SEK 452 million (443)
- Earnings from property management increased by 19 per cent to SEK 302 million (254)

	2010 Jan-Jun	2009 Jan-Jun	Changes in per cent
Rental income, SEKm	639	621	+ 3 %
Net operating income, SEKm	452	443	+ 2 %
Income from property management, SEKm	302	254	+ 19 %

# Wihlborgs interim report

January-June 2010



Wihlborgs  
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### Comment of the market The Öresund Region

Economic growth is now picking up momentum again, and the crisis appears to be over also for the Öresund Region. In its latest forecast, the Øresund Institute believes that GRP will increase by 3.4 percent in Skåne in 2010 and 3.1 percent in 2011. The economic recovery is broad, and embraces both export companies and those that are dependent on domestic demand. For the same period, GRP-growth in Sjælland is expected to be 2.2 percent and 2.4 percent respectively.

The recession has affected demand for both products and services, which in turn has led to lower employment levels. Demand is now rising again, and unemployment is deemed in principle to have peaked. In its latest forecast, the Swedish Public Employment Service (AMS) believes that employment growth will be greatest in Skåne and Stockholm County in 2010 and 2011. In Skåne, the rise in employment is expected to represent around 20,000 new jobs. The largest increase during the period is forecasted to take place within the private service sector. The manufacturing industry has good order intake levels, and it is believed that the number of employees will rise in 2011, apart from within the engineering sector. In its latest prognosis, the Øresund Institute revised its employment forecast upwards and believes that movements in employment figures will also be positive in Sjælland already in 2010.

The current improvement in the economic climate implies that we will enter a phase where the Swedish central bank (Riksbanken) will gradually increase the record-low key interest rate in the second half-year 2010.

The property market is late in the business cycle, and was characterised last year by a wait-and-see situation – followed by optimism that started to be perceived in the first half-year 2010. Demand increased, particularly within the office market. In view of that industry was harder hit by the economic crisis, the situation has been slightly tougher within the warehouse/industry sector – where it will take longer before demand can be considered as being back to normal levels.

Despite the economic downturn, rental markets in the region were relatively stable in 2009 with a moderate rise in vacancies and reasonably stable rent levels. The Lund market was hit the hardest. Downsizing carried out by the major tenants, Sony Ericsson and ST Ericsson, has led to them terminating a large number of office leases in order to consolidate. On the other hand, relatively strong demand in general has meant that most of the premises vacated by these companies in the Ideon centre have already been leased to other tenants.

The full impact of the finance crisis was felt in the third quarter of 2008, and led basically to the transactions market coming to a complete standstill. The market has started to return, and we have seen a number of major contracts in the spring. According to Newsec, the transaction volume as at 21 June 2010 amounted to SEK 34.1 billion (with regard to transactions in excess of SEK 100 million), representing an increase of close to 400 percent compared with the first half-year 2009.

Rent levels for modern office premises in central Malmö are currently SEK 2,000 per m<sup>2</sup>, and around SEK 1,950 - 2,100 in the Västra hamnen district. For other office premises in central Malmö, rent levels are in the range of SEK 1,400 - 1,850 per m<sup>2</sup>.



## Income, expenses and result

Comparison figures for income statement items relate to values for 30 June 2009 and balance sheet items as at 2009-12-31.

### Rental income

Rental income amounted to SEK 639 million (621). The sum includes SEK 5 million that relates to the final settlement for 2009 for supplementary debiting. An additional SEK 4 million has been received further to the one-off termination of a lease. Other increases of rental income are attributable to indexation, renegotiation, new leases, rental income from properties acquired in 2009, as well as projects that have been completed.

The total growth in lease income amounted to 3 per cent compared with 2009 this is in spite of the consumer price index in October 2009 which is the reconciliation month for leases' index calculation for 2010 showing a negative figure of 1.5 percentage units. Furthermore the rental income has been adversely affected by a change in exchange rates against Denmark. This effect amounts to SEK 4 million.

The leasing level is unchanged at 94 per cent, which is the same as at the end of 2009.

During the period, the signing of new lease agreements on a full-year basis amounted to SEK 81 million (60).

Notices of termination during the period were SEK 68 million (42).

### Property costs

Total property costs were SEK 187 million (178). Despite the consequences of a winter that was more severe than normal there were increased costs for road maintenance and energy for the period. The deviation by comparison with a normal winter is estimated at approximately SEK 5 million.

### Net operating income

The net operating income amounts to SEK 452 million (443), which is a surplus ratio of 71 per cent (71).

### Central administration

Costs for central administration was SEK 16 million (15).

### Property sales and changes in values

Wihlborgs disposed two properties during the period, a total purchase price of SEK 18 million. The valuation of the properties as at 30 June 2010 has been carried out internally and has resulted in the property net value increasing by SEK 128 million (-7).

As at 30 June 2010 the properties' book value amounts to SEK 14,950 million. The yield is 6.4 per cent for office properties and 8.2 per cent for industrial/warehouses.

#### CHANGES IN PROPERTIES' BOOK VALUE

Changed Item	Group total, SEKm
Book value 1 January 2010	14,418
Acquisitions	128
Investments	385
Properties sold	-18
Value regulation	128
Foreign currency translations	-91
Book value 30 June 2010	14,950

### Net financial items

The period's net financial items amounted to SEK -134m (-174), of which rental income is SEK 1m (4).

Interest costs for the period, SEK -135m (-178), corresponding to an borrowing rate of interest of 3.03. At the end of the period, the average interest of 3.05 per cent.

### Income from property management

The income from property management, i.e. the result before value changes and tax amounted to SEK 302m (254).

### Profit before tax

Pre-tax profit amounted to SEK 354m (336).

### Profit for the period

Profit after taxes amounted to SEK 269m (261).

SEKm	2010 Jan-Jun 6 months	2009 Jan-Jun 6 months
Income from property management for the period	302	254
Profit for the period before taxes	354	336
Profit for the period	269	261

#### PER SHARE, SEK

Income from property management for the period	7.93	7.01
Profit for the period before taxes	9.30	9.28
Profit for the period	7.07	7.21

	2010-06-30	2009-12-31
Shareholders' equity I (26.3% deferred tax)	118.66	117.90
Shareholders' equity II (10% deferred tax)	137.24	135.50

### Property acquisitions

A total of seven properties were acquired during the period for a total price of SEK 128m. The acquisition of the property Landsdomaren 6, Regionhuset in Lund, SEK 160m, will be shown on the date of possession in the Autumn of 2010 like the acquisition of the property Gjuteriet 18, SEK 43m, in Malmö.

### Investments and projects in progress

Investments in the stock of properties have amounted SEK 385m.

Investments agreed on in projects in progress amounts to SEK 835m of which SEK 525m was invested by the end of the period.

The major projects in progress are the new office block for Region Skåne at Dockan and, at Slagthuset in Malmö the rebuilding and addition for Comfort Hotel.



#### PROJECTS IN PROGRESS >50 SEKM, 2010-06-30

Property	Category	Area	Completed	Lettable area, sq.m.	Occupancy rate, %	Estimated investment	Developed 100630
Skåneland	Office	Malmö	Q3, 2010	11,000	100	265	198
Slagthuset 1	Hotel	Malmö	Q1, 2011	7,500	100	190	91
<b>Total</b>				<b>18,500</b>	<b>100</b>	<b>455</b>	<b>289</b>

# Financial positions

## Shareholders' equity

As of 30 June shareholders' equity amounted to SEK 4,560m (4,417) and the equity/assets ratio was 29.2 per cent (29.6). 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 9,293m (8,844) with an average interest rate including costs for credit agreements of 3.06 per cent (3.02).

The loans' average fixed interest period including effects of derivatives on 30 June 2010 amounted to 32 months (30). The average period during which the capital is tied up, including credit promises, amounted to 4.9 years (5.1).

Wihlborgs holds eight interest derivative instruments and four closeable swaps of 2.5 billion. The terms vary between 1.3 years to 7.9 years.

A threshold swap of SEK 1 billion with a term of 6.5 years and three yield curve swaps with a term of 3.0 years.

The undervalue of the derivative portfolio has during the period increased from SEK 137m to 213, a negative value change of SEK 76m.

An agreement has been reached with Danske Bank regarding the extension of a credit facility of SEK 600 million for three years. The agreement also contains an increase of the facility by SEK 150 million. The previous credit agreement was to expire in October 2010, and has been in force for five years.

### STRUCTURE OF INTEREST AND LOAN MATURITIES AS OF 30 JUNE 2010

SEKm	Interest maturity		Loan maturity		
	Matures, year	Loan amount, SEKm	Av. interest rate, %	Credit agreements, SEKm	Utilised, SEKm
2010		5,450	1.71		
2011		1,043	4.85	1,942	1,942
2012		49	5.47	1,628	1,628
2013				2,250	2,100
2014				2,800	2,719
>2014		2,751	5.00	904	904
<b>Total</b>		<b>9,293</b>	<b>3.05</b>	<b>9,524</b>	<b>9,293</b>

## Liquid assets

The Groups' liquid assets amounted to SEK 488m (358) including unutilised overdraft facilities.

## Employees

At the end of the period the number of employees was 83 (80), of whom 25 was caretakers. The distribution of employees by region was as follows: Malmö 57, Helsingborg 17, Lund 5 and Copenhagen 4.

The average age was 48 years, and the proportion of women was 35 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 27m (276), 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 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 52-53 and 67-68 of Wihlborgs 2009 annual report for a detailed description of the company's risks.

### Accounting principles

Wihlborgs applies the IFRS (International Financial Reporting Standards) from IASB (International Accounting Standards Board) 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.

A reworked IFRS3 enterprise acquisition applies from the 2010 accounting year. The changes mean that the definition of what is an enterprise acquisition will change. As far as Wihlborgs is concerned, this will mean that indirect acquisitions of properties will, in some cases, be classified as enterprise acquisitions instead of asset acquisitions. According to the new rules, transaction costs will be costed on a continuous basis. The true value of the additional purchase price will be determined at the time of acquisition and any differences will be booked against the result.

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, page 65-67, gives further descriptions of new and amended accounting principles.

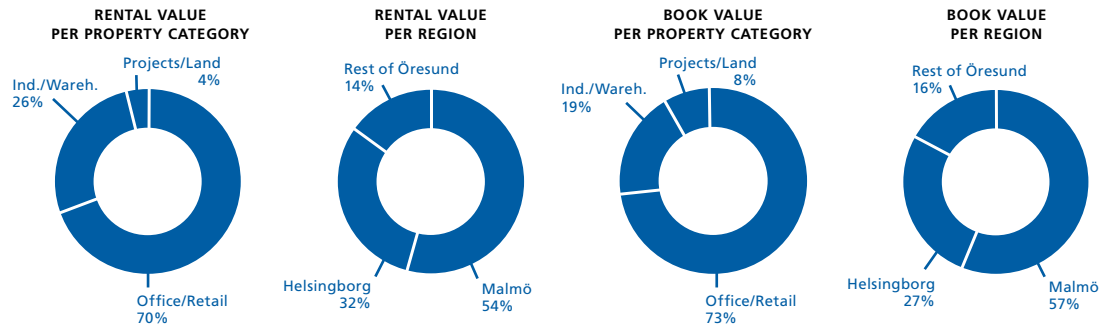
### Property portfolio as of 30 June 2010

The summaries are based on Wihlborgs' property portfolio as of 30 June 2010. Rental income pertains to contracted rental income on an annual basis as of 1 July 2010.

The net operating income is based on the properties' earnings capacity on an annual basis as of July 2010, based on contracted rental income, actual costs, property taxes and leaseholders' rent on a rolling 12-months basis. Net operating income also includes administrative costs related to property management in the amount of SEK 51 million.

Wihlborgs property portfolio consists of commercial properties' in the Öresund region, located in Malmö, Helsingborg, Lund and Copenhagen. As of 30 June 2010 the property portfolio consisted of 246 properties with a lettable area of 1,295,000 m<sup>2</sup>.

Fifteen of the properties have a site leasehold right. The properties' book value was SEK 14,950m, equivalent to the properties' assessed market value. The total rental value was SEK 1,391m and the contracted rental income on an annual basis was SEK 1,275m. The financial occupancy rate including projects was 92 per cent.



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

Region	Office m <sup>2</sup>	Retail m <sup>2</sup>	Ind./Wareh m <sup>2</sup>	Hotel m <sup>2</sup>	Residential m <sup>2</sup>	Other m <sup>2</sup>	Total m <sup>2</sup>	Proportion %
Malmö	311,631	33,864	247,976	2,947	0	5,118	601,535	46.5
Helsingborg	164,434	40,516	247,393	20,799	5,390	7,767	486,299	37.6
Rest of Öresund	127,688	3,006	75,895	0	0	253	206,842	16.0
<b>Total</b>	<b>603,752</b>	<b>77,386</b>	<b>571,264</b>	<b>23,746</b>	<b>5,390</b>	<b>13,138</b>	<b>1,294,675</b>	<b>100.0</b>
<b>Proportion, %</b>	<b>46.6</b>	<b>6.0</b>	<b>44.1</b>	<b>1.8</b>	<b>0.4</b>	<b>1.0</b>		

#### DISTRIBUTION BY REGION AND PROPERTY CATEGORY

Region/ property category	No. of properties	Lettable area m <sup>2</sup>	Book value/ market value m <sup>2</sup>	SEK/ m <sup>2</sup>	Rental value SEKm	SEK/ m <sup>2</sup>	Financial occupancy rate %	Rental income SEKm	Net op. income SEKm	Yield %	Surplus ratio %
<b>MALMÖ</b>											
Office/retail	41	344,525	6,508	18,891	578	1,679	96	554	418	6.4	76
Industrial/Wareh.	42	186,081	976	5,242	130	700	89	117	77	7.9	66
Projects & land	35	70,928	1,012	14,274	40	559	38	15	1	0.1	8
<b>Total Malmö</b>	<b>118</b>	<b>601,535</b>	<b>8,496</b>	<b>14,124</b>	<b>748</b>	<b>1,244</b>	<b>92</b>	<b>685</b>	<b>496</b>	<b>5.8</b>	<b>72</b>
<b>HELSINGBORG</b>											
Office/retail <sup>1</sup>	34	165,839	2,307	13,912	221	1,334	96	213	154	6.7	72
Industrial/Wareh.	54	313,321	1,648	5,259	216	691	91	197	140	8.5	71
Projects & land	6	7,139	49	6,870	4	576	30	1	-1	-1.9	-76
<b>Total Helsingborg</b>	<b>94</b>	<b>486,299</b>	<b>4,004</b>	<b>8,233</b>	<b>442</b>	<b>909</b>	<b>93</b>	<b>411</b>	<b>292</b>	<b>7.3</b>	<b>71</b>
<b>REST OF ÖRESUND REGION</b>											
Office/retail	17	152,573	2,076	13,606	177	1,163	89	158	124	6.0	78
Industrial/Wareh.	10	45,399	228	5,028	23	511	89	21	17	7.6	84
Projects & land	7	8,870	145	16,380	0	5	100	0	-1	-0.5	-1,583
<b>Total rest of Öresund region</b>	<b>34</b>	<b>206,842</b>	<b>2,449</b>	<b>11,842</b>	<b>201</b>	<b>970</b>	<b>89</b>	<b>179</b>	<b>141</b>	<b>5.7</b>	<b>79</b>
<b>Total Wihlborgs</b>	<b>246</b>	<b>1,294,675</b>	<b>14,950</b>	<b>11,547</b>	<b>1,391</b>	<b>1,074</b>	<b>92</b>	<b>1,275</b>	<b>929</b>	<b>6.2</b>	<b>73</b>
<b>Total excluding projects &amp; land</b>	<b>198</b>	<b>1,207,738</b>	<b>13,743</b>	<b>11,379</b>	<b>1,347</b>	<b>1,115</b>	<b>94</b>	<b>1,259</b>	<b>929<sup>2</sup></b>	<b>6.8<sup>3</sup></b>	<b>74</b>

1. Two hotel properties located in Helsingborg, with lettable area of 21,270 m<sup>2</sup> are reported in office/retail.

2. The operating surplus includes costs for property administration that amount to SEK 51 million.

3. The yield excluding the cost of management administration amounts to 7.3 per cent.

#### LEASE EXPIRATION 30 JUNE 2010

#### CONTRACTED RENTAL INCOME AS AT 30 JUNE 2010

Expires in year	No. of leases	Lettable area m <sup>2</sup>	SEKm	Prop, %
<b>LEASE FOR RENTING PREMISES</b>				
2010	342	108,351	88	7
2011	535	288,045	250	20
2012	384	220,773	253	21
2013	319	176,064	201	16
2014	115	142,526	203	16
2015	42	61,708	83	7
>2015	58	111,203	166	13
<b>Total commercial leases</b>	<b>1,795</b>	<b>1,108,670</b>	<b>1,244</b>	<b>100</b>
Residential areas	64	5,390	5	
Parking spaces etc.	479	0	26	
<b>Total</b>	<b>2,338</b>	<b>1,114,060</b>	<b>1,275</b>	



The properties in Malmö and Helsingborg represented 86 per cent of the total rental value and 84 per cent of the properties' book value. The rental value for office and retail properties and industrial/warehouse properties totalled 70 and 26 per cent of the total rental value respectively. The operating surplus from properties held for investment is SEK 929m. This item also includes the costs of property administration amounting to SEK 51m.

This cost therefore excludes the current operating surplus amounting to SEK 980m which, with a value of SEK 13,743m means a current yield of 7.1 per cent. When broken down according to property category this is 6.7 per cent for offices and 8.7 per cent for warehouses.

### Forthcoming reports

- Interim report Jan-Sep 28 October 2010
- Year end report 7 February 2011
- Interim report Jan-Mar 28 April 2011
- Annual General Meeting 28 April 2011

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 7 July 2010

### Wihlborgs Fastigheter AB (publ)

The Board

Erik Paulsson <i>Chairman of the Board</i>	Kerstin Fredriksson <i>Deputy chairman</i>	Anders Jarl <i>CEO, Member of the Board</i>
Sara Karlsson <i>Member of the Board</i>	Helen Olausson <i>Member of the Board</i>	Per-Ingemar Persson <i>Member of the Board</i>
Tommy Qvarfort <i>Member of the Board</i>	Johan Qviberg <i>Member of the Board</i>	

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## LIST OF PROPERTY ACQUISITIONS AND SALES JANUARY–JUNE 2010

PROPERTY	Municipality	Area	Category	Area, m <sup>2</sup>	Price, SEKm	Net op. income 2010, SEKm <sup>1</sup>
<b>PROPERTY ACQUISITION QUARTER 1</b>						
Afrika 18	Helsingborg	Helsingborg	Industrial/wareh.	1,439		
Ametisten 5	Helsingborg	Helsingborg	Industrial/wareh.	7,669		
Påfågeln 9	Helsingborg	Helsingborg	Projects & land	795		
Ruuth 23	Helsingborg	Helsingborg	Projects & land	3,645		
Spanien 5	Helsingborg	Helsingborg	Industrial/wareh.	868		
Spanien 11	Helsingborg	Helsingborg	Industrial/wareh.	7,229		
Tyfonen 1	Helsingborg	Helsingborg	Industrial/wareh.	4,500		
<b>Total acquisition Jan-Mar 2010</b>				<b>26,145</b>	<b>128</b>	<b>2.2</b>
<b>Total acquisition Jan-Jun 2010</b>				<b>26,145</b>	<b>128</b>	<b>2.2</b>
<b>PROPERTY SALES QUARTER 1</b>						
Hälsingland 1	Malmö	Malmö	Industrial/wareh.	1,213		
<b>Total sales Jan-Mar 2010</b>				<b>1,213</b>	<b>9</b>	<b>0.0</b>
<b>PROPERTY SALES QUARTER 2</b>						
Värjan 9	Helsingborg	Helsingborg	Industrial/wareh.	2,007		
<b>Total sales Apr-Jun 2010</b>				<b>2,007</b>	<b>9</b>	<b>0.0</b>
<b>Total sales Jan-Jun 2010</b>				<b>3,220</b>	<b>18</b>	<b>0.0</b>

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

## GROUP INCOME STATEMENT

SEKm	2010 Apr-Jun 3 months	2009 Apr-Jun 3 months	2010 Jan-Jun 6 months	2009 Jan-Jun 6 months	2009/10 Jul-Jun 12 months	2009 Jan-Dec 12 months
Rental income	321	310	639	621	1,254	1,236
Property expenses	-44	-46	-106	-102	-194	-190
Repairs and maintenance	-11	-11	-22	-23	-49	-50
Property tax	-16	-13	-31	-27	-58	-54
Ground rent	-1	-1	-2	-2	-3	-3
Property administration	-14	-12	-26	-24	-53	-51
<b>Net operating income</b>	<b>235</b>	<b>227</b>	<b>452</b>	<b>443</b>	<b>897</b>	<b>888</b>
Central administration	-8	-8	-16	-15	-33	-32
Net interest income	-69	-74	-134	-174	-275	-315
<b>Operating profit</b>	<b>158</b>	<b>145</b>	<b>302</b>	<b>254</b>	<b>589</b>	<b>541</b>
Change in value of properties	83	-4	128	-7	151	16
Change in value of derivatives	-45	85	-76	89	-99	66
<b>Profit before tax</b>	<b>196</b>	<b>226</b>	<b>354</b>	<b>336</b>	<b>641</b>	<b>623</b>
Current tax	-2	-2	-4	-3	-9	-8
Deferred tax	-45	-44	-81	-72	-137	-128
<b>Profit for the period<sup>1</sup></b>	<b>149</b>	<b>180</b>	<b>269</b>	<b>261</b>	<b>495</b>	<b>487</b>
Earnings per share <sup>2</sup>	3.88	4.97	7.07	7.21	13.31	13.43
No. of shares at the end of period, thousands	38,428	36,214	38,428	36,214	38,428	37,464
Average no. of shares, thousands	38,428	36,214	38,061	36,214	37,181	36,266

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

2. 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	2010 Apr-Jun 3 months	2009 Apr-Jun 3 months	2010 Jan-Jun 6 months	2009 Jan-Jun 6 months	2009/10 Jul-Jun 12 months	2009 Jan-Dec 12 months
<b>Profit/loss for the period</b>	<b>149</b>	<b>180</b>	<b>269</b>	<b>261</b>	<b>495</b>	<b>487</b>

## OTHER TOTAL PROFIT/LOSS

Conversion differences for international activities including tax

	-2	-1	-9	-1	-17	-9
<b>Total profit/loss for the period<sup>1</sup></b>	<b>147</b>	<b>179</b>	<b>260</b>	<b>260</b>	<b>478</b>	<b>478</b>

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

## CERTAIN INCOME STATEMENTS IN 2009 PER QUARTER

SEKm	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
Rental income	311	310	307	308
Operating expenses	-56	-46	-39	-49
Repairs and maintenance	-12	-11	-12	-15
Property tax	-14	-13	-13	-14
Ground rent	-1	-1	-	-1
Property administration	-12	-12	-13	-14
<b>Net operating income</b>	<b>216</b>	<b>227</b>	<b>230</b>	<b>215</b>

## GROUP BALANCE SHEET

SEKm	2010-06-30	2009-06-30	2009-12-31
<b>ASSETS</b>			
Properties	14,950	14,050	14,418
Other fixed assets	156	180	164
Current receivables	93	79	69
Liquid assets	413	214	281
<b>Total assets</b>	<b>15,612</b>	<b>14,523</b>	<b>14,932</b>
<b>EQUITY AND LIABILITIES</b>			
Shareholders' equity	4,560	4,039	4,417
Deferred tax liability	1,152	1,003	1,064
Other long-term liabilities	7,883	8,692	8,363
Current liabilities	2,017	789	1,088
<b>Total shareholders' equity &amp; liabilities</b>	<b>15,612</b>	<b>14,523</b>	<b>14,932</b>

## CHANGES IN GROUP SHAREHOLDERS' EQUITY

SEKm	Jan-Jun 2010	Jan-Jun 2009	Jan-Dec 2009
<b>Total equity at beginning of the period</b>	<b>4,417</b>	<b>4,134</b>	<b>4,134</b>
<i>Shareholders' equity attributable to parent company's shareholders</i>			
Amount at beginning of period	4,417	4,014	4,014
Dividends paid	-259	-235	-235
Sale of own shares	142	-	160
Total profit/loss for the period	260	260	478
<b>Amount at end of period</b>	<b>4,560</b>	<b>4,039</b>	<b>4,417</b>
<i>Shareholders' equity attributable to minority shares</i>			
Amount at beginning of period	0	120	120
Acquisition of minority shares	0	-120	-120
<b>Amount at end of period</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholders' equity end of period</b>	<b>4,560</b>	<b>4,039</b>	<b>4,417</b>

## GROUP STATEMENT OF CASH FLOW

SEKm	Jan-Jun 2010	Jan-Jun 2009	Jan-Dec 2009
<i>Current activities</i>			
Net operating income	452	443	888
Central administration	-16	-15	-32
Add-back depreciation	1	1	2
Net financial items paid	-126	-150	-303
Income tax paid	0	-2	-3
Change in other working capital	-97	-17	11
<b>Cashflow from operations</b>	<b>214</b>	<b>260</b>	<b>563</b>
<i>Investments activities</i>			
Acquisitions of Group companies	-126	-230	-230
Sales of Group companies	9	111	283
Investments in and acquisitions of properties	-385	-332	-923
Sales of properties	9	-	2
Change in other fixed assets	7	-	11
<b>Cashflow from investing activities</b>	<b>-486</b>	<b>-451</b>	<b>-857</b>
<i>Financial activities</i>			
Dividends paid	-259	-235	-235
Acquisitions of minority interest	-	-120	-120
Disposal of own shares	142	-	160
Derivatives turnover	-	-	12
Changes in loan and long-term liabilities	521	620	618
<b>Cashflow from financing activities</b>	<b>404</b>	<b>265</b>	<b>435</b>
<b>Cashflow during the period</b>	<b>132</b>	<b>74</b>	<b>141</b>
<b>Liquid assets at beginning of period</b>	<b>281</b>	<b>140</b>	<b>140</b>
<b>Liquid assets at end of period</b>	<b>413</b>	<b>214</b>	<b>281</b>



## SEGMENT REPORTING JAN-DEC

SEKm	Malmö		Helsingborg		Rest of Öresund		Total	
	2010	2009	2010	2009	2010	2009	2010	2009
Rental income	347	319	201	195	91	107	639	621
Property expenses	-101	-96	-63	-58	-23	-24	-187	-178
Net operating income	246	223	138	137	68	83	452	443

In the Group's internal reporting activities are divided into the above segments, these are the same as shown in the latest annual report. The total operating surplus shown above agrees with the net operating surplus in the income statement. The difference between net operating surplus of SEK 452m (443) and the profit before tax SEK 354m (336) comprises central administration SEK -16m (-15), net financial income SEK -134m (-174) and changes in value of properties and derivatives SEK 52m (82).

## INCOME SHEETS PARENT COMPANY

SEKm	Jan-Jun 2010	Jan-Jun 2009	Jan-Dec 2009
Income	38	36	77
Costs	-48	-43	-91
<b>Operating profit</b>	<b>-10</b>	<b>-7</b>	<b>-14</b>
Financial income	163	199	462
Financial costs	-205	-106	-309
<b>Income pre-tax</b>	<b>-52</b>	<b>86</b>	<b>139</b>
Tax	22	3	9
<b>Profit for the period</b>	<b>-30</b>	<b>89</b>	<b>148</b>
Other total profit	0	0	0
<b>Total profit for the period</b>	<b>-30</b>	<b>89</b>	<b>148</b>

## BALANCE SHEETS PARENT COMPANY

SEKm	2010-06-30	2009-06-30	2009-12-31
Participations in group companies	3,460	3,315	3,433
Receivables from group companies	8,116	7,588	7,299
Other assets	146	205	262
Cash and bank balances	380	211	246
<b>Total assets</b>	<b>12,102</b>	<b>11,320</b>	<b>11,240</b>
Equity	1,820	1,676	1,967
Liabilities to credit institutions	8,119	7,456	6,917
Liabilities to group companies	1,900	2,008	1,610
Other liabilities	263	180	746
<b>Total equity and liabilities</b>	<b>12,102</b>	<b>11,320</b>	<b>11,240</b>

**KEY FIGURES**

	Jan-Jun 2010	Jan-Jun 2009	Jul-Jun 2009/10	Jan-Dec 2009
<b>FINANCIAL</b>				
Return on equity, %	12.0	13.0	11.6	11.8
Return on total capital, %	7.4	6.0	6.8	6.1
Equity/assets ratio, %	29.2	27.8	29.2	29.6
Interest coverage ratio, times	3.3	2.4	3.0	2.7
Leverage properties, %	62.2	63.3	62.2	61.3
Dept/equity ratio, times	2.0	2.2	2.0	2.0
<b>SHARE-RELATED</b>				
Earnings per share, SEK	7.07	7.21	13.31	13.43
Earnings per share before tax, SEK	9.30	9.28	17.24	17.18
Operating earnings per share, SEK	7.93	7.01	15.84	14.92
Cashflow from operations before change in working capital per share, SEK	7.86	6.96	15.76	14.86
Equity per share I, SEK	118.66	111.53	118.66	117.90
Equity per share II, SEK	137.24	128.70	137.24	135.50
Market value per share, SEK	148.50	103.75	148.50	132.50
Proposed dividend per share, SEK	-	-	-	6.75
Yield from shares, % <sup>1)</sup>	-	-	-	5.1
The share's total yield, % <sup>1)</sup>	-	-	-	39.0
P/E-tal I, times	10.5	7.2	11.2	9.9
P/E-tal II, times	12.7	10.0	12.7	12.1
No. of shares at period end, thousands	38,428	36,214	38,428	37,464
Average no. of shares, thousands	38,061	36,214	37,181	36,266
<b>PROPERTY RELATED</b>				
Number of properties	246	247	246	241
Book value of properties, SEKm	14,950	14,050	14,950	14,418
Yield, % – all properties	6.2	6.4	6.2	6.3
Yield, % – excluding project properties	6.8	7.0	6.8	6.9
Lettable area, sq.m.	1,294,675	1,272,286	1,294,675	1,269,193
Rental income, SEK per sq.m.	985	975	985	985
Net operating income, SEK per sq.m.	718	708	718	719
Financial occupancy rate, % - all properties	92	93	92	91
Financial occupancy rate, % - excl. project prop.	94	94	94	94
Surplus ratio, %	73	73	73	73
<b>EMPLOYEES</b>				
No. of employees at end of period	83	82	83	80
Average no. of employees	82	81	82	81

<sup>1)</sup> Can only be calculated in a full year.

**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**

Property management increased by interest costs divided by interest costs.

**Leverage properties**

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

**Debt/equity ratio**

Interest-bearing liabilities divided by shareholders' equity.

**SHARE-RELATED**

**Earnings per share**

Profit divided by average number of outstanding shares.

**Earnings per share before tax**

Profit before tax divided by average number of outstanding shares.

**Operating earnings per share**

This is management result divided by the average number of outstanding shares.

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

Cash flow from operations less current tax before change in working capital in relation to the average no. of shares.

**Equity per share I**

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

**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 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 per cent tax, per share.

**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.

**Lease value**

Lease income plus estimated market rent on unrented areas.

**Yield**

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

**Lettable area**

Total area that is available to let.

**Rental income per m2**

Annualised rental income divided by lettable area.

**Net operating income per m2**

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.



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