

Wihlborgs Fastigheter AB  
Year-end report

January – December 2009

# 09:4



- The profit of the year increased with SEK 536 million to SEK 487 million (-49), and earnings per share SEK 13.43 (-1.32)
- The Board proposes a dividend of SEK 6.75 (6.50) per share.
- Rental income increased by 6 per cent to SEK 1,236 million (1,168)
- Net operating income increased by 7 per cent to SEK 888 million (832)
- Earnings from property management increased by 20 per cent to SEK 541 million (450).



Some of Wihlborgs' employees photographed in October 2009.  
Photographer: Stefan Larsson.

	2009 Jan-Dec	2008 Jan-Dec	Changes in per cent
Rental income, SEKm	1,236	1,168	+ 6 %
Net operating income, SEKm	888	832	+ 7 %
Income from property management, SEKm	541	450	+ 20 %

# Wihlborgs year-end report

January-December 2009



## The CEO's letter

2009 was another record year despite the recession.

As a consequence of continued good lease levels, increases in leasing charges and project development, we have increased our lease incomes by 6 % to SEK 1, 236 million as well as increasing our operating surplus by 7 % to SEK 888 million. The net financial income/expense has improved by SEK 36 million. In overall terms, we have an operating result of SEK 541 million by comparison with SEK 450 million for 2008. Our pre-tax result amounts to SEK 623 million and can be compared with the 2008 figure of SEK -187 million.

Even during the fourth quarter we can show a positive net lease figure of SEK 34 million (43) newly signed against SEK 33 million (30) that were cancelled. During the whole of 2009 we signed new contracts for an annual lease figure of SEK 129 million (138). Cancellations amounted to SEK 108 million (87). Net leasing for 2009 was therefore SEK 21 million (51).

The level of leased buildings held for investment purposes remains at 94 per cent. The degree of surplus, i.e. our operating surplus in relation to lease income, remains in excess of 70 per cent.

Our result after tax amounts to SEK 487 million (-49) as a consequence of a good operating surplus as well as an improved net financial income/expense. Furthermore we have achieved positive value changes for properties and derivatives.

Our entire portfolio of properties has been valued externally before the turn of the year. The market's yield requirement has been increased during the year for a number of our properties.

The yield on our properties excluding projects remains unchanged at 6.9%. The property value amounts to SEK 14.4 billion (13.6).

The concentration on our chosen market areas has continued during the year. During 2009, property acquisitions amounted to SEK 390 million and sales to SEK 287 million. During the year we acquired Kockums head office, known as Gångtappen, one of Malmö's best-known buildings. At the end of the year, we purchased a property where SVT Malmö moved in at Varvsstaden located next to Dockan. Financing of the SVT property was done through the sale of 1,250,000 of our own shares for a total of SEK 160 million. Shares that had previously been acquired at an average price per share of SEK 98:00 have now been sold at an average price of SEK 128:50 per share. The sale has meant that our solidity has been strengthened by 0.8 percentage points.

Solidity amounts to 29.6 per cent (29.4) and the interest coverage ratio is 2.7 (2.2). The key figures therefore agree with our financial objectives. Our loan debt amounts to SEK 8.8 billion (8.3) and the average interest at the year end amounts to 3.01 % (5.02) including the effects of derivative instruments used.

Wihlborgs' tax burden is low and the actual tax amounts to SEK 8 million. This is the result of tax write-downs on the property stock, direct deductions for certain rebuilds and the sale of properties in company form. The actual tax has arisen in companies where Wihlborgs has not had the possibility of group contributions.

Our investments in the property portfolio are considerable and we invested SEK 763 million in 2009. We continue to expand at Dockan and Region Skåne will move into its new premises after the summer.

*Anders Jarl*



### Comments on the Öresund region market market

The signals of an upturn in the business cycle are on the increase but there is an interesting difference in the Öresund region. Economic recovery is in full swing in Skåne as in the Euro zone whereas Själland has difficulty in climbing out of the depression even though there are signs of light according to Öresundsinstitutet. In its report from January, Nordea says that disposable income in Denmark will rise nominally by eight per cent since housing rents are falling noticeably and tax pressure is decreasing. Danish consumers with purchasing power could play an important role even for Skåne.

The upturn predicted by Öresundsinstitutet based on commercial stock run-down is over and there are resources available for use and they can pull up growth figures quite significantly. Öresundsinstitutet forecasts a GDP growth for the Öresund region of 2.3 per cent for 2010 and 2.2 per cent for 2011.

Skåne is expected to grow and, after the opening of Citytunnel in December 2010, can look forward to Skåne's labour market becoming more cohesive. This can result in higher productivity growth as well as a more mobile and more efficient labour market.

Jones Lang LaSalle reports that the demand for office premises during the latest quarter has been considerable and vacancies have decreased in nearly all markets. Considerable activity during the fourth quarter of 2009 has been noted in Stockholm and Malmö/Lund.

Transactions were made in Sweden to the value of SEK 48 billion for the whole of 2009 according to Jones Lang LaSalle's assessment. This corresponds to a decline of 60 percentage points compared with 2008 and lies at a level of the transaction volume for 2003. The greatest transactions in terms of volume still take place in our three major cities. Stockholm's proportion of the total transaction volume is 46 per cent for the whole of 2009 (45) whereas Gothenburg and Malmö significantly increase their proportions and return to more "normal" levels – Gothenburg 9 per cent (4) and Malmö to 10 per cent (4).

The leasing costs of modern office premises in central Malmö are around SEK 2,000 per m<sup>2</sup>. At Västra hamnen they continue to be SEK 1,950 - 2,100 per m<sup>2</sup>. Lease income for other office premises in central Malmö is 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 2008 and balance sheet items as at 2008-12-31.

#### Rental income

Rental income amounted to SEK 1,236 million (1,168). Increases in rental income can be explained by index linking, renegotiation, new leases and rental income from projects that were completed during 2009. The total growth in rental income amounted to 6 per cent compared with 2008.

The occupancy rate is 94 per cent and remains unchanged.

During the year, the signing of new lease agreements on a full-year basis amounted to SEK 129 million (138). Notices of termination during the year were SEK 108 million (87).

#### Property costs

The total property costs were SEK 348 million (336).

#### Net operating income

The net operating income amounts to SEK 888 million (832), which is a surplus ratio of 72 per cent (71).

## Changes in properties' book value

Changed Item	Group total, SEKm
Book value 1 January 2009	13,620
Acquisitions	390
Investments	763
Properties sold	-287
Value regulation	16
Foreign currency translations	-84
Book value 31 December 2009	14,418

## Central administration

Costs for central administration was SEK 32 million (31).

## Property sales and changes in values

A total of ten properties were disposed of during the year for a total purchase price of SEK 287m, this is SEK 61 million above the total invested capital.

Malmöbryggan Fastighetsekonomi AB and Savills Sweden AB have valued all of Wihlborgs' properties in Sweden. The values of the properties are individually considered to correspond to the market value of the respective property. The properties in Denmark have been valued by DTZ.

The valuation has meant that the property value has increased by SEK 16 million (-423). Of the increase, SEK 54 million can be attributed to property sales during the year. The evaluation of projects in progress has increased with SEK 201 million whereas the value adjustment of the remaining properties gives a figure of SEK -239 million. Yield requirements have increased for certain properties during the period.

As at 31 December 2009, the net value of properties amounted to SEK 14,418 million.

The net value exceeds the value of properties in the group for tax purposes. There was a deferred tax liability for properties on 31 December 2009 amounting to SEK 1,064 million.

## Net financial items

The net financial items amounted to SEK -315m (-351), of which rental income amounted to SEK 7m (14).

Interest costs for the year, SEK -322m (-365), correspond to a borrowing rate of interest of 3.74 per cent (4.63). At the end of the year, the average interest amounts to 3.01 per cent (5.02).

SEKm	2009 Jan-Dec 12 months	2008 Jan-Dec 12 months
Income from property management for the period	541	450
Profit for the period before taxes	623	-187
Profit for the period	487	-49

## Per share, SEK

Income from property management for the period	14.92	12.09
Profit for the period before taxes	17.18	-5.03
Profit for the period	13.43	-1.32
Shareholders' equity I (26.3% deferred tax)	117.90	110.84
Shareholders' equity II (10% deferred tax)	135.50	126.91

### Income from property management

Pre tax profit from ongoing property management, i.e. pre-tax profit excluding changes in value and derivatives amounted to SEK 541m (450). Charged with tax the result amounted to SEK 487m (-49).

### Profit before tax

Pre-tax profit amounted to SEK 623m (-187).

### Taxes

The actual tax has been calculated using a nominal tax rate of 26.3 per cent. The tax basis has been reduced by tax depreciation on the property portfolio and with direct deductions for certain rebuilding investments. Together with property sales in company format, this has led to the current tax being reduced to SEK 8 million.

Unused deficit deductions amount to SEK 500m (517), of which SEK 322m (326) is blocked until 2012.

### Profit for the year

Profit after taxes amounted to SEK 487m (-49).

### Property acquisitions

A total of 2 properties at a value of SEK 390 million have been acquired. The acquisition of Regionhuset in Lund from Region Skåne will be accounted for on the date of possession in the autumn of 2010.

### Investments and projects in progress

Investments in the stock of properties have amounted to SEK 763m.

Investments agreed on in projects in progress amounts to SEK 759m of which SEK 335m was invested by the end of the year.

The major projects in progress are the newbuilding for Region Skåne at Dockan i Malmö and the newbuilding for Honda at Svåger-  
torp. Comfort Hotel is being rebuilt and extended at Slagthuset.

The project for ÅF and Fojab as well as the multi-storage car park at Dockan were completed during the year.

## Financial positions

### Shareholders' equity

As of 31 December shareholders' equity amounted to SEK 4,417m (4,134) and the equity/assets ratio was 29.6 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 31 December amounted to SEK 8,844m (8,271) with an average interest rate of 3.01 per cent (5.02).

The loans' average fixed interest period including effects of derivatives on 31 December 2009 amounted to 30 months (44). The average period during which the capital is tied up, including credit promise, amounted to 5.1 years (2.8).

Wihlborgs holds eight derivative instruments and four closeable swaps of SEK 2.5 billion. The terms vary between 1.8 years to 8.4 years. A threshold swap of SEK 1 billion with a term of 7.0 years and three yield curve swaps of 0.5 billion with terms of 3.5 years.

During the first quarter of 2009, Wihlborgs held SEK 4.8 billion in three Stina swaps. This meant that Wihlborgs paid a fixed interest rate of 4.69 per cent.

The undervalue of the derivative portfolio has during the year decreased from SEK 203m to 137. In total, the derivative portfolio shows a positive value change of SEK 66 million.

### Structure of interest and loan maturities as of 31 December 2009

SEKm	Interest maturity		Loan maturity	
	Matures, year	Loan amount, SEKm	Av. interest rate, %	Cred.agreements, SEKm
2010	5,080	1.59	635	635
2011	1,000	4.92	1,977	1,970
2012	52	4.29	2,628	2,626
2013				
2014	500	4.02	2,800	2,721
>2014	2,212	5.17	892	892
<b>Total</b>	<b>8,844</b>	<b>3.01</b>	<b>8,932</b>	<b>8,844</b>

### Liquid assets

The Groups' liquid assets amounted to SEK 358m (232) including unutilised overdraft facilities.

### Employees

At the end of the year the number of employees was 80 (81), of whom 25 was caretakers. The distribution of employees by region was as follows: Malmö 53, Helsingborg 18, Lund 5 and Copenhagen 4.

The average age was 49 years, and the proportion of women was 33 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 536 million (162). These investments are primarily in shares in subsidiaries.

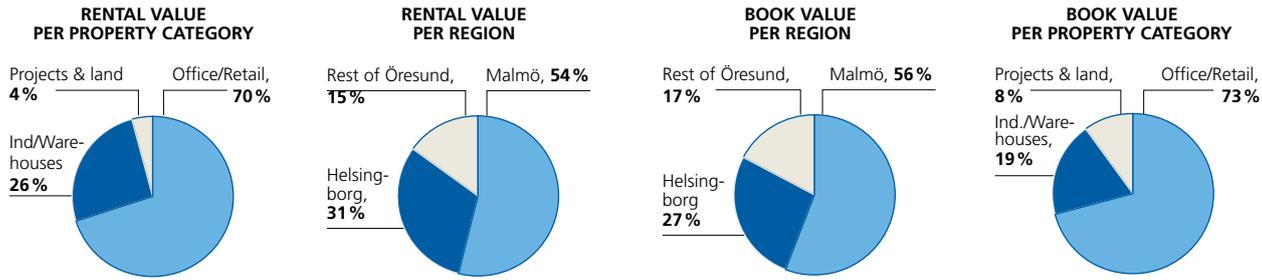
Income and balance statements for the parent company can be found on page 14 in this year-end report.

### 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 group's profit growth are variations in rental 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.

### 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.



## Distribution of lettable area and type of premises

Region	Office m <sup>2</sup>	Retail m <sup>2</sup>	Ind./Warehouses 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	308,888	33,579	247,649	2,947		5,118	598,180	47.1
Helsingborg	157,919	40,038	232,569	20,799	5,260	7,767	464,352	36.6
Rest of Öresund region	127,555	3,006	75,848			253	206,662	16.3
Total	594,362	76,623	556,067	23,746	5,260	13,138	1,269,193	100.0
Proportion, %	46.8	6.0	43.8	1.9	0.4	1.0		

## Distribution by region and property category

Region/ property category	No. of properties	Lettable area m <sup>2</sup>	Book value/ market value SEKm	SEKm/m <sup>2</sup>	Rental value SEKm	SEKm/m <sup>2</sup>	Financial occupancy rate %	Rental income SEKm	Net op. income SEKm	Yield %	Surplus ratio %
<b>Malmö</b>											
Office/Retail	39	334,050	6,170	18,470	561	1,679	95	531	398	6.5	75
Industrial/Warehouses	43	184,648	946	5,123	127	689	90	115	76	8.0	66
Projects & land	37	79,482	1,012	12,727	48	607	40	19	4	0.4	21
<b>Total Malmö</b>	<b>119</b>	<b>598,180</b>	<b>8,127</b>	<b>13,587</b>	<b>736</b>	<b>1,231</b>	<b>90</b>	<b>665</b>	<b>478</b>	<b>5.9</b>	<b>72</b>
<b>Helsingborg</b>											
Office/Retail <sup>1</sup>	34	165,732	2,281	13,761	220	1,329	96	211	155	6.8	73
Industrial/Warehouses	51	293,725	1,480	5,037	203	690	91	184	130	8.8	70
Projects & land	3	4,895	25	5,209	3	545	2	55	1	0.0	2
<b>Total Helsingborg</b>	<b>88</b>	<b>464,352</b>	<b>3,786</b>	<b>8,153</b>	<b>425</b>	<b>916</b>	<b>93</b>	<b>396</b>	<b>284</b>	<b>7.5</b>	<b>72</b>
<b>Rest of Öresund region</b>											
Office/Retail	16	151,045	2,119	14,026	180	1,194	92	166	132	6.2	79
Industrial/Warehouses	10	45,399	238	5,239	24	523	92	22	18	7.7	84
Projects & land	8	10,218	148	14,523	2	231	62	1	0	-0.1	-11
<b>Total rest of Öresund region</b>	<b>34</b>	<b>206,662</b>	<b>2,505</b>	<b>12,120</b>	<b>206</b>	<b>999</b>	<b>91</b>	<b>189</b>	<b>150</b>	<b>6.0</b>	<b>79</b>
<b>Total Wihlborgs</b>	<b>241</b>	<b>1,269,193</b>	<b>14,418</b>	<b>11,360</b>	<b>1,368</b>	<b>1,078</b>	<b>91</b>	<b>1,250</b>	<b>912</b>	<b>6.3</b>	<b>73</b>
<b>Total excluding projects and land</b>	<b>193</b>	<b>1,174,598</b>	<b>13,232</b>	<b>11,266</b>	<b>1,315</b>	<b>1,120</b>	<b>94</b>	<b>1,229</b>	<b>908<sup>2</sup></b>	<b>6.9<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 50 million.

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

## Lease expiration 31 December 2009

Contracted rental income as per 31 Dec 2009

Expires in year	No. of leases	Lettable area, m <sup>2</sup>	SEKm	Proportion, %
<b>Lease for renting premises</b>				
2010	533	173,459	163	13
2011	430	280,910	262	21
2012	374	223,325	264	22
2013	219	130,432	144	12
2014	81	132,816	189	15
2015	17	46,319	60	5
>2015	45	96,812	137	11
<b>Total commercial leases</b>	<b>1,699</b>	<b>1,084,073</b>	<b>1,219</b>	<b>100</b>
Residential areas	63	5,260	5	
Parking spaces etc.	477	0	27	
<b>Total</b>	<b>2,239</b>	<b>1,089,333</b>	<b>1,250</b>	

### 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.

IAS 1 prescribes what information shall be accounted for in the income statement while the appendix describes how this shall be structured. However, neither that which is prescribed nor described is comprehensive or directed at a property-management company's conditions. Practice in property management companies in Sweden has evolved and a quite clear trend can be discerned.

Bearing this in mind, the division of the income statement has been changed as from the third quarter so that the operating statement is shown in a section in the income statement and value changes of properties and derivatives in a separate section between the operating result and the pre-tax result. Comparative figures for earlier periods have been reworked.

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, page 58, gives further descriptions of new and amended accounting principles.

### Property portfolio as of 31 December 2009

The summaries are based on Wihlborgs' property portfolio as of 31 December 2009. Rental income pertains to contracted rental income on an annual basis as of 31 December 2009.

The net operating income is based on the properties' earnings capacity on an annual basis as of 31 December 2009, based on contracted rental income and actual costs on a rolling 12-months basis. The operating surplus also includes the costs of property management.

Wihlborgs property portfolio consists of commercial properties' in the Öresund region, located in Malmö, Helsingborg, Lund and Copenhagen. As of 31 December 2009 the property portfolio consisted of 241 properties with a lettable area of 1,269,000 m<sup>2</sup>.

Fifteen of the properties have a site leasehold right. The properties' book value was SEK 14,418m, equivalent to the properties' assessed market value. The total rental value was SEK 1,368m and the contracted rental income on an annual basis was SEK 1,250m. The financial occupancy rate was 91 per cent.

The properties in Malmö and Helsingborg represented 85 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/warehouse properties totalled 70 and 26 per cent of the total rental value respectively.



The net operating income is SEK 908m. This item also includes the costs of property administration amounting to SEK 50m. This cost therefore excludes the current net operating amounting to SEK 959m which, with a value of SEK 13,232m means a current yield of 7.3 per cent. When broken down according to property category this is 6.8 per cent for offices and 9.0 per cent for warehouses.

#### Proposal for dividend and repurchase

The Board of Directors will submit proposals to the annual general meeting on the following for approval:

- a dividend of SEK 6.75 (6.50) per share which corresponds to SEK 253m. The proposal means an increase of 4.0 per cent by comparison with the previous year. The proposal also follows Wihlborgs' dividend policy that the dividend shall comprise 50 per cent from the continuous management and 50 per cent of the realised profit from property sales that are subject to 26.3 per cent standard tax,
- to give the Board the authority up to the next AGM to acquire and assign Wihlborgs' shares corresponding to a maximum of 10 per cent of the remaining shares,
- to give the Board the authority up to the next AGM to decide on a new issue corresponding to a maximum of 10 per cent of the remaining shares.

#### Largest shareholders in Wihlborgs per 31 December 2009

The two largest shareholders in Wihlborgs are Brinova Fastigheter AB and Sten K Johnson through company and family who owns 10.3 and 6.8 per cent of the outstanding shares respectively.

As of 31 December 2009, the ten largest Swedish shareholders owned 34.5 per cent. The number of shareholders totalled 26,714, an increase by 250 shareholders since the year end. The percentage of shares abroad has decreased by 4.4 percentage units to 31.1 per cent.

Shareholders of 31 December 2009	No. of shares, thousands	% of shares and capital
Brinova Fastigheter AB	3,867	10.3
Sten K Johnson via comp. and family	2,560	6.8
Länsförsäkringar Funds	1,347	3.6
Robur Funds	1,250	3.3
Handelsbanken Funds	1,058	2.8
Qviberg Family	726	1.9
SEB Funds	674	1.8
Skandia Funds	566	1.5
Folksam Funds	460	1.2
Skandia Liv	425	1.1
Other shareholders reg. in Sweden	12,876	34.4
Shareholders reg. abroad	11,655	31.1
<b>Total outstanding shares</b>	<b>37,464</b>	<b>100.0</b>
Repurchased own shares	964	
<b>Total registered shares</b>	<b>38,428</b>	

During the year, Wihlborgs sold 1,250,000 of its own repurchased shares at an average rate of SEK 128:50. The shares were acquired at an average rate of SEK 98:00.

At the turn of the year, Wihlborgs held 964,350 of its own shares.

### Forthcoming reports

- Annual report 2009 April 2010
- Interim report January-March 21 April 2010
- Annual General Meeting 21 April 2010
- Interim report January-June 7 July 2010
- Interim report January-September 28 October 2010

Malmö 9 February 2010  
Wihlborgs Fastigheter AB (publ)  
The Board of Directors

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

### List of property acquisitions and sales January–December 2009

PROPERTY	Municipality	Area	Category	Area, m <sup>2</sup>	Price, SEKm	Net operating income, SEKm <sup>1</sup>
<b>Property acquisitions Quarter 2</b>						
Kranen 3	Malmö	Malmö	Office/Retail	15,571		
<b>Total acquisitions April-June 2009</b>				<b>15,571</b>	<b>230</b>	<b>14,8</b>
<b>Property acquisitions Quarter 4</b>						
Hamnen 21:149 (part of)	Malmö	Malmö	Office/Retail	5,226		
<b>Total acquisitions Oct-Dec 2009</b>				<b>5,226</b>	<b>160</b>	<b>0,0</b>
<b>Total acquisitions 2009</b>				<b>20,797</b>	<b>390</b>	<b>14,8</b>
<b>Property sales Quarter 2</b>						
Gråbröder 34	Lund	Rest of Öresund	Office/Retail	2,758		
Postterminalen 2	Lund	Rest of Öresund	Projects & land	-		
Oscar 4	Malmö	Malmö	Office/Retail	1,235		
<b>Total sales April-June 2009</b>				<b>3,993</b>	<b>113</b>	<b>2,8</b>
<b>Property sales Quarter 3</b>						
Generalens Hage 49	Malmö	Malmö	Office/Retail	1,034		
Altona 5	Malmö	Malmö	Office/Retail	693		
Altona 22	Malmö	Malmö	Office/Retail	771		
Macken 12-14	Hässleholm	Rest of Öresund	Ind./Wareh.	5,642		
<b>Total sales Jul-Sep 2009</b>				<b>8,140</b>	<b>61</b>	<b>1,3</b>
<b>Property sales Quarter 4</b>						
Erik Menved 38	Malmö	Malmö	Office/Retail	5,090		
John Ericsson 2	Helsingborg	Helsingborg	Office/Retail	866		
Svedala 122:85	Svedala	Rest of Öresund	Projects & land			
<b>Total sales Oct-Dec 2009</b>				<b>5,956</b>	<b>113</b>	<b>3,4</b>
<b>Total sales 2009</b>				<b>18,089</b>	<b>287</b>	<b>7,5</b>

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

## Income statements for the group

SEKm	2009 Oct-Dec 3 months	2008 Oct-Dec 3 months	2009 Jan-Dec 12 months	2008 Jan-Dec 12 months
Rental income	308	299	1,236	1,168
Operating expenses	-49	-48	-190	-178
Repairs and maintenance costs	-15	-15	-50	-51
Property tax	-14	-13	-54	-52
Ground rent	-1	0	-3	-3
Property administration	-14	-14	-51	-52
<b>Net operating income</b>	<b>215</b>	<b>209</b>	<b>888</b>	<b>832</b>
Central administration	-9	-8	-32	-31
Net financial expense	-69	-93	-315	-351
<b>Property management</b>	<b>137</b>	<b>108</b>	<b>541</b>	<b>450</b>
Change in value of properties	23	-485	16	-423
Change in value of derivatives	-2	-204	66	-214
<b>Profit before tax</b>	<b>158</b>	<b>-581</b>	<b>623</b>	<b>-187</b>
Current tax	-2	-2	-8	-7
Deferred tax	-29	227	-128	145
<b>Net profit for the period<sup>1</sup></b>	<b>127</b>	<b>-356</b>	<b>487</b>	<b>-49</b>
Earnings per share <sup>2</sup>	3,49	-9,53	13,43	-1,32
No. of shares at period end, thousands	37,464	37,214	37,464	36,214
Average no. of shares, thousands	36,422	37,359	36,266	37,208

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	2009 Oct-Dec 3 months	2008 Oct-Dec 3 months	2009 Jan-Dec 12 months	2008 Jan-Dec 12 months
<b>Profit/loss for the period</b>	<b>127</b>	<b>-356</b>	<b>487</b>	<b>-49</b>
<b>Other total profit/loss</b>				
Conversion differences for international activities including tax	-1	41	-9	51
<b>Total profit/loss for the period<sup>1</sup></b>	<b>126</b>	<b>-315</b>	<b>478</b>	<b>2</b>

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

## Certain income statements in 2009 per quarter

SEKm	January-March	April-June	July-September	October-December
Rental income	311	310	307	308
Operating expenses	-56	-46	-39	-49
Repairs and maintenance costs	-12	-11	-12	-15
Property tax	-14	-13	-13	-14
Ground rent	-1	-1	0	-1
Property administration	-12	-12	-13	-14
<b>Net operating income</b>	<b>216</b>	<b>227</b>	<b>230</b>	<b>215</b>

## Balance sheet

SEKm	31 Dec 2009	31 Dec 2008
<b>Assets</b>		
Properties	14,418	13,620
Other fixed assets	182	181
Current receivables	51	99
Liquid assets	281	140
<b>Total assets</b>	<b>14,932</b>	<b>14,040</b>
<b>Shareholders' equity and liabilities</b>		
Shareholders' equity	4,417	4,134
Deferred tax liability	1,064	939
Other long-term liabilities	8,363	7,039
Current liabilities	1,088	1,928
<b>Total shareholders' equity and liabilities</b>	<b>14,932</b>	<b>14,040</b>

## Changes in shareholders' equity

SEKm	2009	2008
<b>Total shareholders' equity at period start</b>	<b>4,134</b>	<b>4,473</b>
<i>Shareholders' equity attributable to parent company's shareholders</i>		
Amount at beginning of period	4,014	4,353
Dividends paid	-235	-234
Share buybacks	160	-107
Total profit/loss for period	478	2
<b>Amount at end of period</b>	<b>4,417</b>	<b>4,014</b>
<i>Shareholders' equity attributable to minority shares</i>		
Amount at beginning of period	120	120
Minority share resulting from the acquisition of subsidiaries	-120	-
<b>Amount at end of period</b>	<b>0</b>	<b>120</b>
<b>Total shareholders' equity at end of period</b>	<b>4,417</b>	<b>4,134</b>

## Cashflow analysis

SEKm	2009	2008
<i>Current activities</i>		
Net operating income	888	832
Central administration	-32	-31
Add-back depreciation	2	3
Net financial items	-303	-317
Income tax paid	-3	-10
Change in other working capital	29	55
<b>Cashflow from operations</b>	<b>581</b>	<b>532</b>
<i>Investments activities</i>		
Acquisition of Group companies	-230	-278
Sale of Group companies	283	267
Investments in and acquisitions of properties	-923	-846
Sale of properties	2	409
Change in other fixed assets	-7	-82
<b>Cashflow from investing activities</b>	<b>-875</b>	<b>-530</b>
<i>Financial activities</i>		
Dividends paid	-235	-234
Acquisitions of minority interest	-120	-
Share buybacks	160	-107
Divestment derivatives	12	-
Change in loan and long-term liabilities	618	332
<b>Cashflow from financing activities</b>	<b>435</b>	<b>-9</b>
<b>Cashflow during the period</b>	<b>141</b>	<b>-7</b>
<b>Liquid assets at beginning of period</b>	<b>140</b>	<b>147</b>
<b>Liquid assets at end of period</b>	<b>281</b>	<b>140</b>



### Segment reporting Jan-Dec

SEKm	Malmö		Helsingborg		Rest of Öresund		Total	
	2009	2008	2009	2008	2009	2008	2009	2008
Rental income	648	612	388	366	200	190	1,236	1,168
Property expenses	-184	-178	-115	-106	-49	-52	-348	-336
Net operating income	464	434	273	260	151	138	888	832

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 888 (832) million and the profit before tax SEK 623 million (-187) comprises central administration SEK -32 million (-31), net financial income/expense SEK -315 million (-351) and changes in value of properties and derivatives SEK 82 million (-637).

### Income sheets Parent Company

SEKm	Jan-Dec 2009	Jan-Dec 2008
Income	77	77
Costs	-91	-95
<b>Operating profit</b>	<b>-14</b>	<b>-18</b>
Financial income	426	850
Financial costs	-273	-668
<b>Income pre-tax</b>	<b>139</b>	<b>164</b>
Tax	9	76
<b>Net income</b>	<b>148</b>	<b>240</b>

### Balance sheets Parent Company

SEKm	31 Dec 2009	31 Dec 2008
Participations in group companies	3,433	3,076
Receivables from group companies	7,299	8,216
Other assets	262	337
Cash and bank balances	246	137
<b>Total assets</b>	<b>11,240</b>	<b>11,766</b>
Equity	1,967	1,823
Liabilities to credit institutions	7,464	6,843
Liabilities to group companies	1,610	2,832
Other liabilities	199	268
<b>Total equity and liabilities</b>	<b>11,240</b>	<b>11,766</b>

## Key figures

	Jan-Dec 2009	Jan-Dec 2008
<b>Financial</b>		
Return on equity, %	11.8	-1.2
Return on total capital, %	6.1	2.8
Equity/assets ratio, %	29.6	29.4
Interest coverage ratio, times	2.7	2.2
Leverage properties, %	61.3	60.7
Debt/equity ratio, times	2.0	2.0
<b>Share-related</b>		
Earnings per share, SEK	13.43	-1.32
Earnings per share before tax, SEK	17.18	-5.03
Property management earnings per share, SEK	14.92	12.09
Equity per share I, SEK	117.90	110.84
Equity per share II, SEK	135.50	126.91
Market value per share, SEK	132.50	100.00
P/E ratio I, times	9.9	neg.
P/E ratio II, times	12.1	11.2
Cashflow from operations before change in working capital per share, SEK	14.86	12.04
Proposed dividend per share, SEK <sup>1</sup>	6.75	6.50
No. of shares at period end, thousands	37,464	36,214
Average no. of shares, thousands	36,266	37,208
<b>Property related</b>		
Number of properties	241	247
Book value of properties, SEKm	14,418	13,620
Yield, % – all properties	6.3	6.5
Yield, % – excluding project properties	6.9	6.9
Lettable area, m <sup>2</sup>	1,269,193	1,257,410
Rental income, SEK per m <sup>2</sup>	985	968
Net operating income, SEK per m <sup>2</sup>	719	699
Financial occupancy rate, %	91	93
Surplus ratio, %	73	72
<b>Employees</b>		
No. of employees at year-end	80	81
Average no. of employees	81	82

<sup>1</sup> Refers to the proposed dividend for 2009.

## 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 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

This is management result divided by the 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.

#### Cashflow 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 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 book value of the properties at the end of the period.

#### Lettable area

Total area that is available to rent.

#### Rental income per m<sup>2</sup>

Annualised rental income divided by lettable area.

#### Net operating income per m<sup>2</sup>

Net operating income divided by lettable area.

#### Financial occupancy rate

Rental income as a percentage of rental value (including projects/land and property administration).

#### Surplus ratio

Net operating income as a percentage of rental income.

# “Audience figures have increased noticeably”

In 2005 Skånes Dansteater moved to their new premises in Båghallarna at Dockan in Malmö.

– Wihlborgs has provided us with quite unique premises that are entirely appropriate for a dance company. If we are to believe what our audiences say, the premises for our activities are among the best in Europe, says Åsa Söderberg, CEO and artistic director of Skånes Dansteater.

But perhaps the most important is the smart layout:

– The different parts of the organisation provide visual contact all the time. The people in the office can see the dance studio and vice versa. This provides us with a quite different feeling of belonging together compared with what we had before. For me as the artistic director, everything is much easier and freer. Since we moved here in 2005 we have been able to expand our public activities by 40 per cent and our audience figures by much the same amount, concluded Åsa Söderberg.



Åsa Söderberg, Skånes Dansteater



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