

## Wihlborgs shows a positive start of the year

**Result for the period amounts to SEK 277 million (282), corresponding to earnings per share of SEK 3.60 (3.67)**

**Rental income increased by 4 per cent to SEK 397 million (380)**

**Operating surplus increased by 2 per cent to SEK 273 million (267)**

**Income from property management increased to SEK 165 million (164)**

### Group key figures, SEKm

	2013 Jan-Mar	2012 Jan-Mar
Rental income	397	380
Operating surplus	273	267
Income property management	165	164
Changes in value	193	216
Result for the period	277	282
Earnings per share, SEK	3.60	3.67
Surplus ratio, %	69	70
Equity/assets ratio, %	30.7	30.9
Occupancy rate, %	91	92

Wihlborgs Fastigheter AB (publ) is a property company that focuses on commercial properties in the Öresund region. Its property portfolio is located in Malmö, Helsingborg, Lund and Copenhagen. In Malmö and Helsingborg Wihlborgs is the leading property company.

The carrying value for the Company's properties totals SEK 20.3 billion. The lettable space totals 1.5 million sq.m. The annual rental value of the properties is SEK 1.7 billion. Wihlborgs shares are quoted on the Mid Cap List of the OMX Nordic Exchange.

## Business concept

Focusing on successful sub-markets in the Öresund region, Wihlborgs will own, manage in-house and develop commercial properties.

## Objective

Wihlborgs will operate according to a business model for growth and will be one of the leading and most profitable property companies on the Stockholm Stock Exchange.

## Financial targets

- A return on equity that exceeds the risk-free interest rate by no less than six percentage points
- An equity/assets ratio of no less than 30 per cent
- An interest coverage ratio of no less than 2.0
- The loan-to-value ratio is not to exceed 60 per cent

03

CEO's-/market-  
comments

04

Income, expenses  
and profit

06

Assets

10

Liabilities

12

Financial  
reports

15

Key figures

### Financial information 2013

Interim report Jan–Jun

5 July 2013

Interim report Jan–Sep

22 Oct 2013

Year-End report 2013

4 February 2014

**Production** Wihlborgs in cooperation with Adamsson Appelfeldt Advertising.

**Photographer** Felix Gerlach

**Distribution** Wihlborgs' interim reports are distributed electronically.

# CEO's comments

Wihlborgs made a good start to 2013. Income from property management continues to grow, entirely according to plan.

Despite the relatively weak economic growth in the region, we can report strong growth in both rental income and operating surplus. Our strong market positions and the high quality of our properties enable us to seize the business opportunities that arise even in a slightly cautious market. For that reason, we are pleased to be able once again to report a positive net letting of SEK 5 million in the first quarter.

We also brought two major projects to a successful conclusion; both Fören (Gängtappen 2) in Dockan, Malmö, and Rubinen 1, Helsingborg, were completed. Both are fully let and in each case the investment cost was on budget.

Rental income totalled SEK 397 million (380), an increase of 4 per cent, despite a slight increase in vacancies as a result mainly of existing tenants moving into now-completed project properties. However, we identify potential in the possibility of finding new tenants for the attractive premises that are now available. Previously, vacancies in Dockan were practically zero. Following ÅF's relocation, we now have a total of approximately 6,000 m<sup>2</sup> to offer in three different buildings, for immediate occupancy. We have not had this availability before.

As a result of the long, cold winter, operating costs rose during the quarter. We estimate that winter costs were SEK 9 million higher than in Q1 2012. Nevertheless, our operating surplus rose by 2 percent to SEK 273 million (267).

The upturn in market interest rates during the period led to a fall of SEK 185 million in the deficit value in the derivative portfolio, to SEK 374 million. The deficit value impacts negatively on our equity and therefore our equity/assets ratio.

Our property valuation indicates a change of SEK 8 million in net value in the first quarter. In Malmö we acquired the Östersjön 1 property and in Lund, Landstinget 2. Both are situated in one of the best office locations in the city, right next to Central Station.

In the second quarter we will conclude our biggest project ever, Landsdomaren in Lund, in which Region Skåne has signed a 20-year lease. After that, the number of major projects will go down. This does not mean that we are lacking in interesting ideas and opportunities, but in the current market situation we have decided not to engage in projects speculatively.

The economic outlook in Sweden and internationally remains uncertain. Even so, we anticipate continued growth at Wihlborgs in 2013.



# Market comments

Statistics, in the form of a purchasing manager index, the KI-barometer (National Institute of Economic Research's Economic Tendency Survey) and household expectations now suggest that recovery in the economy of the Öresund region is around the corner. This indicates that we are starting to pull away from recession and moving closer to normality. Øresundsinstittuttet has upgraded its forecast for growth in GRP in the Öresund region from 1.6 to 1.8 per cent. It should be pointed out all the same that clouds of uncertainty still darken the horizon.

A historical backward glance shows that over the past three years, Skåne's GRP growth has been approximately double Sjælland's, 11.4 compared to 5.9 per cent. This is now expected to even out and the forecast for GRP growth this year is 1.9 per cent for Skåne and 1.8 per cent for Sjælland.

The labour market in Skåne emerged from the previous recession in relatively good shape and since then the growth in employment has been relatively strong. The number of jobs increased by 15,000 between 2007 and 2011. The trend in Sjælland has been considerably weaker, with the number of jobs declining by 25,000 over same period. In 2013, the

number of new jobs in the region is forecast to be higher than in any of the years in the 2009–2012 period. Employment is also expected to rise in Denmark, for the first year in a long time. Positive growth in employment augurs well for demand in the commercial property sector.

Activity in the property market was relatively modest during the first quarter of 2013. According to Jones Lang LaSalle, the volume of transactions in Sweden was valued at SEK 14.4 billion. This represents a decline of 42 per cent compared with the same period last year. Even allowing for the fact that the volume in the first quarter of the year is usually the weakest, turnover this year is lower than normal. The likely explanation lies in the strong quarter last year, when turnover totalled SEK 48 billion. The majority of transactions – just short of 60 per cent – took place in Stockholm. 72 per cent of the volume in the first quarter was made up of cross-border transactions, mainly sales of holdings by international investors. The strength of the Swedish krona is making it more and more difficult for international investors to enter the market.

# Income, expenses and profits, Jan-Mar 2013

Comparative figures for income statement items relate to values for the corresponding period 2012 and balance sheet items as of 31-12-2012.

## Rental income

Rental income was SEK 397 million (380). This figure includes SEK 3 million (5) relating to the final settlement for 2012 in respect of additional charges. It also includes SEK 1 million (8) relating to premature cancellation of rental contracts.

Other increases in rental income are attributable to property acquisitions, renegotiations, new lettings and indexation in contracts.

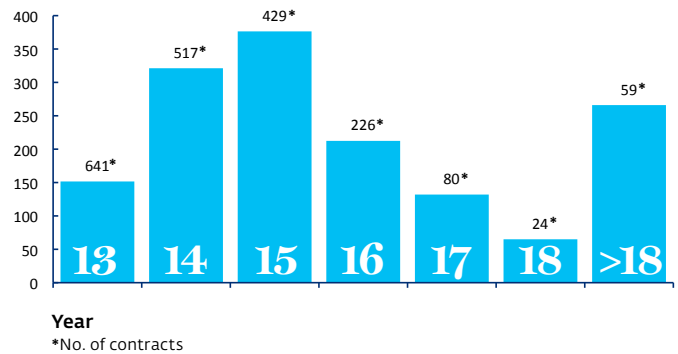
The total growth in rental income was 4 per cent compared with 2012.

The occupancy rate for managed properties was 91 per cent (92).

During the period new rental agreements were signed on a full-year basis totalling SEK 26 million (46). Notices to terminate lease agreements during the period totalled SEK 21 million (31). Net leasing totalling SEK 5 million (15).

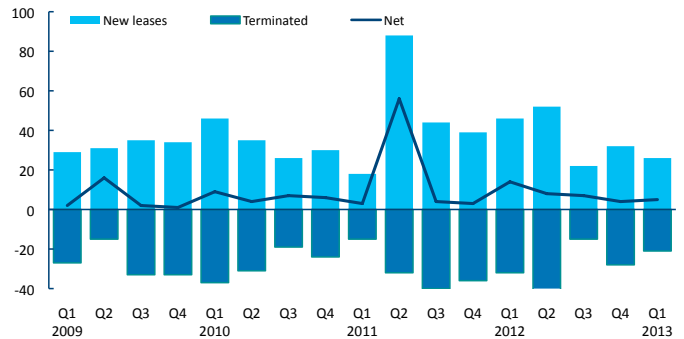
## Terms of Wihlborgs' rental contracts per 31 March 2013

Rental value, SEKm



## Net rental surplus

SEKm



Several of Wihlborgs properties are certified under different environmental classifications.



A conference room in the property Kranen 8, Malmö.

## Property costs

Total property costs amounted to SEK 124 million (113). The year's first quarter is the most expensive. This is because the cost of snow clearance, electricity and heating is at highest during the winter. The historical summary at the bottom of page 12 illustrates how costs vary over the different quarters of the year.

## Operating surplus

The operating surplus was SEK 273 million (267), with a surplus ratio of 69 per cent (70).

## Central administration

The costs for central administration were SEK 9 million (9).

## Financial income and expenses

Net interest totalled SEK -99 million (-94), of which interest income represented SEK 4 million (2).

Interest costs for the period were SEK 103 million (96). Higher interest costs resulted from higher borrowings. The average interest rate was somewhat higher than in the preceding year. At the end of the period, the average interest rate, including the cost of credit agreements, was 3.73 per cent, compared with 3.57 per cent at year-end.

## Income from property management

Income from property management, i.e. the profit before value changes and taxes, totalled SEK 165 million (164).

## Pre-tax profit

The pre-tax profit was SEK 358 million (380).

## Profit after taxes

The profit after taxes was SEK 277 million (282).

### RESULTS

SEK million	2013		2012
	Jan–Mar 3 months		Jan–Mar 3 months
Income from property management	165		164
Pre-tax profit for the period	358		380
Profit for the period	277		282
PER SHARE, SEK			
Income from property management	2.15		2.13
Pre-tax profit for the period	4.66		4.94
Profit for the period	3.60		3.67
	<b>31-03-2013</b>		31-03-2012
Equity I (22% deferred tax)	83.47		76.51
Equity II (0% deferred tax)	101.60		96.73



# Assets

## Property portfolio as of 31 March 2013

The summaries below are based on Wihlborgs' property portfolio as of 31 March 2013. Rental income relates to contracted rental income on an annual basis as of 1 April 2013.

The surplus ratio is based on the properties' earning capacity on an annual basis based on rental income for April 2013, operating and maintenance costs, property administration on a rolling twelve-month basis, property tax and leasehold rent.

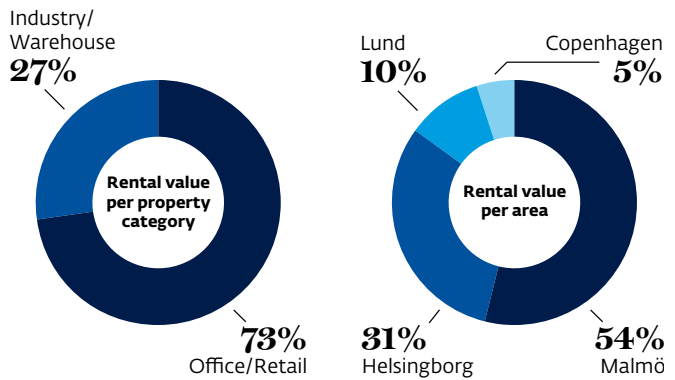
Wihlborgs' property portfolio consists of commercial properties in the Öresund region, located in Malmö, Helsingborg, Lund and Copenhagen. The property portfolio 31 March 2013 consisted of 252 properties with a lettable area of approx. 1,451, 000 m<sup>2</sup>.

Twelve of the properties are leasehold rights. The properties' carrying amount was SEK 20,303 million, which corresponds to the estimated market value. The total rental value was SEK 1,741 million and the contracted rental income on annual basis SEK 1,576 million.

The economic occupancy rate for office properties was 92 per cent and for warehouse properties 87 per cent. The properties in

Malmö and Helsingborg accounted for 85 per cent of total rental value and 81 per cent of properties' carrying amount. The rental value of office and retail properties together with industrial and warehouse was 73 and 27 per cent respectively of the total rental value.

The operating surplus from managed properties, excluding property administration, is SEK 1,205 million which with a carrying amount of SEK 19,026 million corresponds to a current yield of 6.3 per cent. Broken down by property category, this is 5.9 per cent for office/retail and 8.0 per cent for industry/warehouse.



Media Evolution City, Ubåten 2, won Malmö's City Architectural Award in 2012.

**DISTRIBUTION OF LETTABLE SPACE PER AREA AND PROPERTY CATEGORY**

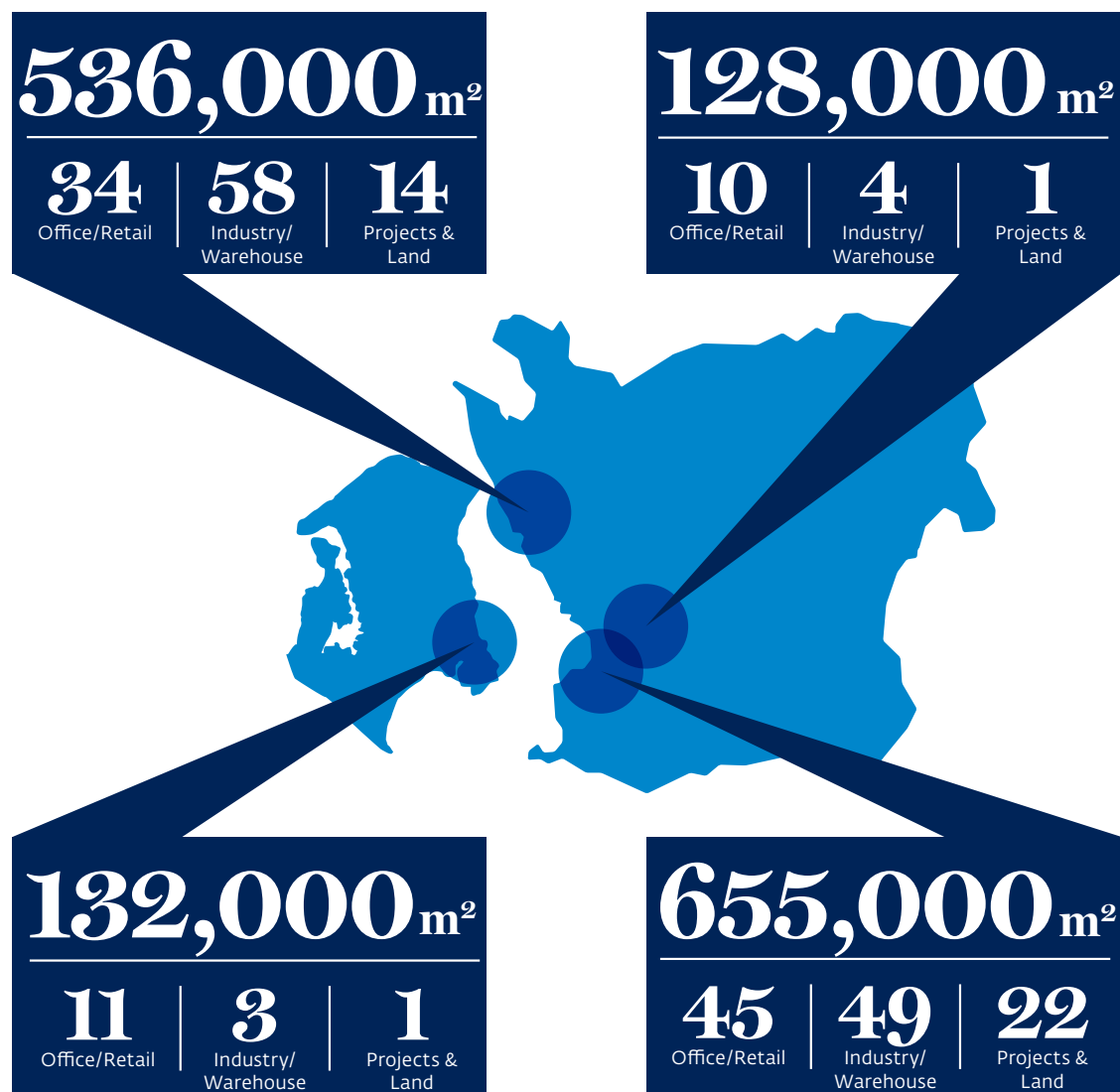
Area	Office, m <sup>2</sup>	Retail, m <sup>2</sup>	Ind/Wareh, m <sup>2</sup>	Edu/Care, m <sup>2</sup>	Other, m <sup>2</sup>	Total, m <sup>2</sup>	Proportion, %
Malmö	307,702	41,804	240,477	49,024	15,792 <sup>1</sup>	654,799	45
Helsingborg	145,561	54,223	288,611	20,192	27,475 <sup>2</sup>	536,062	37
Lund	81,964	9,805	31,172	5,122	380	128,443	9
Copenhagen	115,806	0	15,740	0	0	131,546	9
<b>Total</b>	<b>651,033</b>	<b>105,832</b>	<b>576,000</b>	<b>74,338</b>	<b>43,647</b>	<b>1,450,849</b>	<b>100</b>
<b>Proportion, %</b>	<b>45</b>	<b>7</b>	<b>40</b>	<b>5</b>	<b>3</b>	<b>100</b>	

<sup>1</sup> Including 10,275 sq.m. hotel in Malmö.

<sup>2</sup> Including 5,390 sq.m. residential and 13,158 sq.m. hotel in Helsingborg.

**DISTRIBUTION PER CATEGORY WITHIN EACH AREA**

Area/ property category	Number of properties	Area, '000 m <sup>2</sup> .	Carrying amount, SEKm	Rental amount, SEKm	Rental value, SEK/m <sup>2</sup>	Economic occupancy rate, %	Rental income, SEKm	Operating surplus incl. property mgmt, SEKm	Surplus ratio %	Operating surplus excl. property mgmt, SEKm	Investment yield excl. property mgmt, %
<b>MALMÖ</b>											
Office/Retail	45	408	9,444	751	1,841	92	694	520	75	540	5.7
Industry/Warehouse	49	241	1,542	185	769	87	162	113	70	120	7.8
Projects & Land	22	6	216	3	494	-	1	-1	-	-1	-
<b>Total Malmö</b>	<b>116</b>	<b>655</b>	<b>11,202</b>	<b>940</b>	<b>1,435</b>	<b>91</b>	<b>857</b>	<b>632</b>	<b>74</b>	<b>659</b>	<b>5.9</b>
<b>HELSINGBORG</b>											
Office/Retail	34	178	3,068	285	1,596	97	275	198	72	207	6.7
Industry/Warehouse	58	348	2,013	254	730	87	221	153	69	164	8.1
Projects & Land	14	10	81	2	232	-	1	-2	-	-1	-
<b>Total Helsingborg</b>	<b>106</b>	<b>536</b>	<b>5,161</b>	<b>541</b>	<b>1,008</b>	<b>92</b>	<b>496</b>	<b>349</b>	<b>70</b>	<b>369</b>	<b>7.2</b>
<b>LUND</b>											
Office/Retail	10	90	1,643	155	1,721	87	134	91	68	99	6.0
Industry/Warehouse	4	21	126	15	713	84	13	11	82	11	8.9
Projects & Land	1	17	937	-	-	-	-	-1	-	-1	-
<b>Total Lund</b>	<b>15</b>	<b>128</b>	<b>2,706</b>	<b>170</b>	<b>1,325</b>	<b>86</b>	<b>147</b>	<b>101</b>	<b>69</b>	<b>110</b>	<b>4.1</b>
<b>COPENHAGEN</b>											
Office/Retail	11	111	1,083	83	743	83	69	54	78	57	5.3
Industry/Warehouse	3	20	108	7	363	100	7	6	82	6	5.9
Projects & Land	1	-	43	-	-	-	-	-	-	-	-
<b>Total Copenhagen</b>	<b>15</b>	<b>132</b>	<b>1,234</b>	<b>90</b>	<b>685</b>	<b>84</b>	<b>76</b>	<b>60</b>	<b>79</b>	<b>63</b>	<b>5.1</b>
<b>Total Wihlborgs</b>	<b>252</b>	<b>1,451</b>	<b>20,303</b>	<b>1,741</b>	<b>1,200</b>	<b>91</b>	<b>1,576</b>	<b>1,142</b>	<b>72</b>	<b>1,202</b>	<b>5.9</b>
<b>Total excluding projects &amp; land</b>	<b>214</b>	<b>1,418</b>	<b>19,026</b>	<b>1,735</b>	<b>1,224</b>	<b>91</b>	<b>1,575</b>	<b>1,146</b>	<b>73</b>	<b>1,205</b>	<b>6.3</b>



## Property transactions

During the period, Wihlborgs acquired one property at a cost of SEK 241 million. Two properties were sold during the period, for a total of SEK 25 million.

An agreement was entered into in Q1 on the purchase of the property Landstinget 2, Lund, at a cost of SEK 29 million. Possession of the property will be taken in April 2013.

### PROPERTY ACQUISITIONS AND SALES JAN–MAR 2013

Quarter	Property	Municipality	Management area	Category	Area m <sup>2</sup>	Price, SEKm	Operating surplus 2013, SEKm <sup>1</sup>
1	Östersjön 1	Malmö	Centre	Office/Retail	8,301	-	-
<b>Total acquisitions Jan–Mar 2013</b>					<b>8,301</b>	<b>241</b>	<b>3.5</b>
1	Gäddan 6	Malmö	Centre	Projects & Land	2,530	-	-
	Vipan 7	Malmö	Limhamn	Ind./Warehousing	1,002	-	-
<b>Total sales Jan–Mar 2013</b>					<b>3,532</b>	<b>25</b>	<b>-0.1</b>

<sup>1</sup> Operating surplus from properties acquired and sold that are included in the results for the period.



## Value changes in properties

The valuation as of 31-03-2013 was undertaken internally and resulted in the value of properties increasing by SEK 8 million (25).

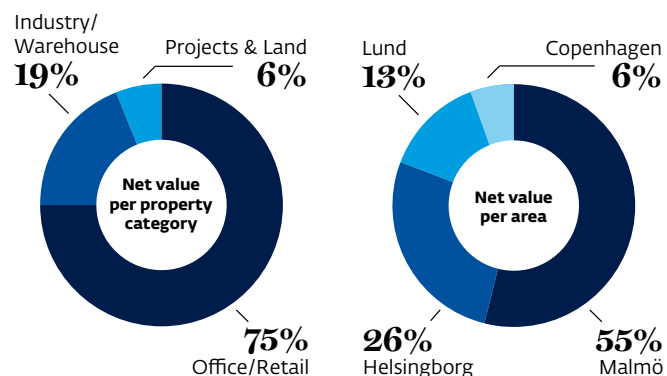
In the valuation of fair value a combination of yield-based method and a comparable sales method is used. The value is considered to correspond to the yield value that is calculated from, normally 5-year, cash flow statements. Newbuild projects in progress are valued as if the project were completed, less the budgeted remaining cost of the project.

As of 31 March 2013 the carrying amount of the properties is SEK 20,303 million (19,876).

The investment yield from office/retail is 5.9 per cent and industry/warehouse 8.0 per cent.

### CHANGE IN CARRYING AMOUNT OF PROPERTIES

Change	Group total, SEKm
Carrying amount 1 January 2013	19,876
Acquisitions	241
Investments	243
Properties sold	-25
Change in value	8
Currency translations	-40
Book value 31 March 2013	20,303



## Investments and projects in progress

There were investments in the property portfolio to the order of SEK 243 million.

Authorised investments in ongoing projects totalled SEK 945 million, of which SEK 680 million was invested as of

31 March 2013. The largest ongoing project is the new construction and renovation of the Landsdomaren property in Lund for Psychiatry Skåne. The investment totals SEK 730 million, including land acquisition SEK 895 million, and involves 30,000 m<sup>2</sup> of lettable area.

During the period, the Company's investments in Gängtappen 2 and Rubinen 1 were concluded. Two site leasehold rights in Malmö were acquired at a total cost of SEK 32 million.

## Liquid assets

The Group's liquid assets totalled SEK 188 million (141) including unutilised overdraft facilities.



The property Hamnen 22:188, called Magasinet, has been completely renovated.

### PROJECTS IN PROGRESS > SEK 50 MILLION, 31 MARCH 2013

Property	Category	Area	Completed	Lettable area, m <sup>2</sup>	Occupancy rate, %	Estimated investment, SEKm	Expended 310313, SEKm
Landsdomaren 6	Edu/Care	Lund	Q2 2013	30,000	100	730	560
<b>Total</b>				<b>30,000</b>		<b>730</b>	<b>560</b>

<sup>1</sup> Including land.

# Liabilities and Equity

As of 31 March equity totalled SEK 6,415 million (6,138) and the equity/assets ratio 30.7 per cent (30.0).

## Interest-bearing liabilities

The group's interest-bearing liabilities as of 31 March amounted to SEK 12,026 million (11,786) with an average interest rate including costs for credit agreements of 3.73 per cent (3.60).

With consideration to the company's net debt of SEK 12.0 billion, as a percentage of property values, the leverage ratio is 59.2 per cent (59.3).

The loans' average fixed interest period including effects of derivatives on 31 March 2013 amounted to 6.4 years (7.0). The average loan maturity, including committed credit facilities, amounted to 4.1 years (4.2).

### STRUCTURE OF INTEREST AND LOAN MATURITIES AS OF 31 MARCH 2013

Matures, years	Interest maturity		Loan maturity	
	Loan amount, SEKm	Av. interest rate, %	Credit ag, SEKm	Utilised, SEKm
2013	2,032	2.06	340	340
2014	1,234	3.35	1,649	1,649
2015	0	0.00	6,300	6,143
2016	0	0.00	3,233	2,840
2017	500	3.74	235	235
>2017	8,260	4.18	819	819
<b>Total</b>	<b>12,026</b>	<b>3.72</b>	<b>12,576</b>	<b>12,026</b>

Our derivatives positions have given us a lower risk level in the loan portfolio. A summary of the terms is shown below.

### DERIVATIVES PORTFOLIO 31 MARCH 2013

Amount, SEKm	Interest, %	Can be closed	End date
<b>Closable swaps</b>			
1,000	3.95	quarterly	2021
500	3.83	quarterly	2021
500	2.63	quarterly	2026
500	2.66	quarterly	2026
500	2.33	quarterly	2026
500	2.58	quarterly	2027
1,000	1.96	August 2014	2021
<b>Interest rate swaps</b>			
2,000	2.70		2021
1,000	2.04		2022
1,000	2.01		2022
<b>Threshold swap</b>			
1,000	3.07	Threshold 4.75	2021
<b>Yield curve swaps</b>			
500 <sup>1</sup>		Discount 1.18 %	2013

<sup>1</sup> Ceases 30-06-2013.

As a result of higher market rates, the deficit in Wihlborgs' interest rate derivative portfolio decreased to SEK 374 million, a positive change totalling SEK 185 million. The change in value for the interest rate derivatives does not affect the cash flow. When the term of the derivative expires, the value is always zero.

According to the accounting standard IAS 39, derivatives are subject to market valuation. If the agreed interest rate deviates from the market interest rate, a surplus or deficit arises in the interest rate derivatives, which is reported as a change in value of derivatives in the income statement. The interest rate derivatives are valued through a present value computation of future cash flows based on the implied Stockholm Interbank Offered Rate (STIBOR). In determining future cash flows, anticipated market rates during the remaining term of each derivative agreement have been used. For the closable swaps included in the portfolio, the counterparty's option component to close the swap has been valued to zero. The closable swaps are classified in level 3 according to IFRS 13. The change in value of the closable swaps during the first quarter amounts to SEK 78 million, which in total refers to an increase in market value. The remaining interest swaps are classified in level 2 according to IFRS 13.

In order to eliminate the exchange rate risk in the Company's net Danish assets, Wihlborgs entered into a currency hedge in Danish kroner during 2012. If the agreed exchange rate deviates from the current exchange rate on the balance sheet date, a surplus or deficit arises. As of March 31st, 2013 this forward contract showed a surplus of SEK 34 million (21), the change in value of SEK 13 million has in total been recognized in other comprehensive income, where it has been offset against the translation difference in the net Danish assets. The currency derivatives are classified in level 2 according to IFRS 13.

## Employees

At the end of the period Wihlborgs employed 88 people (87), 28 of whom as property caretakers. There were 54 employees in Malmö, 24 in Helsingborg, 5 in Lund and 5 in Copenhagen. The average age was 47 and the proportion of women was 35 per cent.

## Parent company

The parent company owns no properties, but deals with questions relating to the stock market and joint Group functions for administration, management and borrowing. The parent company's turnover are mostly related to the billing of services to Group companies.

The parent company has invested SEK 115 million (0) in shares in subsidiaries during the period (0).

The parent company's income statement and balance sheet are on page 15.

## Shares in joint ventures

Wihlborgs has interests in Fastighets AB ML4 in association with PEAB. The building, MaxLab 4, is expected to be completed in summer 2015. The investment is estimated at SEK 2.2 billion. A lease agreement with the University of Lund has been signed, according to which the building will be unencumbered by debt after the end of the 25-year lease term.

In association with Region Skåne and PEAB, collaboration took place within a joint venture company under the name of HälsoStaden Ängelholm Holding AB. The objective of the company is to redevelop the Ängelholm Hospital area.

The part-owned finance company Svensk FastighetsFinansiering AB has established an MTN-programme amounting to SEK 5 billion through which Wihlborgs during 2011 and 2012 has borrowed SEK 1,045 million.

Wihlborgs accounts for its commitments within these companies via the equity method. A description of all joint ventures is on pages 113–114 in the Annual Report for 2012.

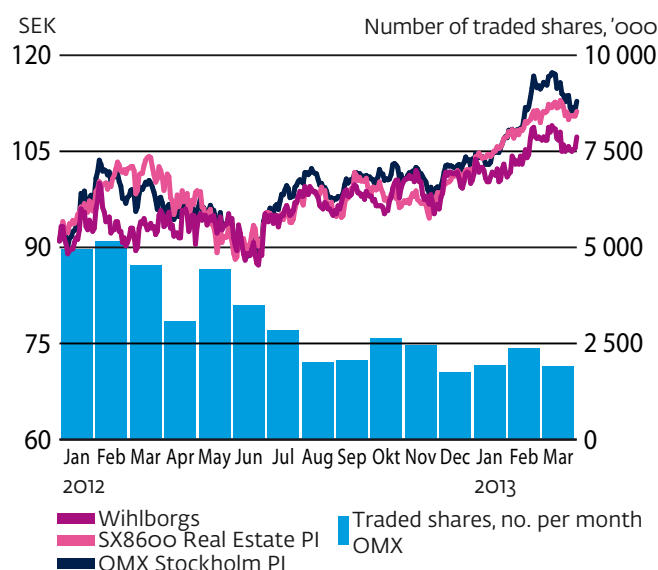
## Largest shareholders in Wihlborgs

The largest shareholder in Wihlborgs is Brinova Fastigheter AB, who hold 10.1 per cent of the outstanding shares. The number of registered ownership abroad amounted to 41.7 per cent. The number of shareholders was 24.613.

### LARGEST SHAREHOLDERS IN WIHLBORGS 31 MAR 2013

31-03-2012	No. of shares, thousands	Share of capital and votes, %
Brinova	7,734	10.1
SEB Funds	2,926	3.8
Handelsbanken Funds	2,837	3.7
Qviberg Family	2,029	2.6
Länsförsäkringar Funds	1,999	2.6
Skandia Funds	1,351	1.8
Tibia Konsult AB	1,232	1.6
Robur Funds	809	1.1
Second AP-fund	757	1.0
Lannebo Funds	682	0.9
Other shareholders reg in Sweden	22,445	29.1
Other shareholders reg abroad	32,056	41.7
<b>Total no. of registered shares</b>	<b>76,857</b>	<b>100.0</b>

### DEVELOPMENT OF SHARE PRICE 01-01-2012 – 31-03-2013



## Significant risks and uncertainty factors

Wihlborgs operations, financial status and profit are affected by a number of risk factors. Risks that have a decisive influence on the Group's profit trend are variations in rental income, interest rate changes, costs, property valuations and taxes. There is also the risk relating to cash flow and borrowing.

There is a comprehensive description of the risks facing the Group on pages 82–85 and 105–107 of the Annual Report 2012.

## Accounting policies

Wihlborgs applies International Financial Reporting Standards (IFRS), which are issued by the International Accounting Standards Board (IASB), as well as IFRIC interpretations as adopted by the EU. The interim report was prepared in accordance with IAS 34 Interim Financial Reporting.

Accounting policies and calculation methods are identical to those applied in Wihlborgs' latest annual report, other than to reflect an amendment in IAS 1 which requires items in Other comprehensive income are to be grouped in two categories, according to whether they will be reclassified to profit/loss for the period or not. Furthermore, the new IFRS 13 standard Fair Value Measurement, which came into effect on 1 January 2013, introduced stricter disclosure requirements regarding measurement of the value of derivatives.

The Group has also applied the Swedish Financial Accounting Standards Council's recommendation RFR 1, Supplementary Rules for Consolidated Financial Statements. The Parent Company applies RFR2.

## Events after the acc. period

During the quarter an agreement was entered into on the purchase of the property Landstinget 2, Lund, at a cost of SEK 29 million. Possession of the property will be taken in April 2013.

A project began on redevelopment of the property Ruuth 23, in central Helsingborg, into a school, at a cost of SEK 45 million.

An industrial/warehouse property, Kniven 2, in Helsingborg, was totally destroyed in a fire. The building, which has a book value of SEK 38 million, was insured to its full value.

## Forthcoming reports

**05 Jul 2013**

Interim report Jan–Jun

**22 Oct 2013**

Interim report Jan–Sep

**04 Feb 2014**

Year-end report

*Malmö, 23 April 2013*

### Wihlborgs Fastigheter AB (publ)

Anders Jarl, CEO

For further information, please contact:

Anders Jarl, CEO.

Telephone +46 (0)40-690 57 10, +46 (0)733-71 17 10

Arvid Liepe, CFO.

Telephone +46 (0)40-690 57 31, +46 (0)733-71 17 31

*This interim report has not been examined by the company's auditors.*

## CONSOLIDATED INCOME STATEMENT Summary

SEKm	2013 Jan–Mar 3 months	2012 Jan–Mar 3 months	2012/2013 Apr–Mar 12 months	2012 Jan–Dec 12 months
Rental income	397	380	1,522	1,505
Operating costs	-77	-66	-224	-213
Repairs and maintenance	-13	-16	-59	-62
Property tax	-18	-17	-70	-69
Leasehold rent	-1	-1	-6	-6
Property administration	-15	-13	-58	-56
<b>Operating surplus</b>	<b>273</b>	<b>267</b>	<b>1,105</b>	<b>1,099</b>
Central administration	-9	-9	-35	-35
Net interest	-99	-94	-384	-379
<b>Income from property management</b>	<b>165</b>	<b>164</b>	<b>686</b>	<b>685</b>
Change in value of properties	8	25	123	140
Change in value of derivatives	185	191	-142	-136
<b>Pre-tax profit</b>	<b>358</b>	<b>380</b>	<b>667</b>	<b>689</b>
Current tax	-2	-2	-5	-5
Deferred tax	-79	-96	156	139
<b>Profit for the period<sup>1</sup></b>	<b>277</b>	<b>282</b>	<b>818</b>	<b>823</b>
OTHER TOTAL PROFIT/LOSS <sup>2</sup>				
Translation differences and hedging for international activities, including tax	0	-2	5	3
<b>Total comprehensive income for the period<sup>1</sup></b>	<b>277</b>	<b>280</b>	<b>823</b>	<b>826</b>
Earning per share <sup>3</sup>	3.60	3.67	10.64	10.71
No. of shares at end of the period, thousands	76,857	76,857	76,857	76,857
Average no. of shares, thousands	76,857	76,857	76,857	76,857

<sup>1</sup> The entire profit/income is attributable to the parent company's shareholders.

<sup>2</sup> Refers to records that have been or can be transferred to the result for the period.

<sup>3</sup> 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.

## HISTORICAL SUMMARY OF LAST EIGHT QUARTERS

SEKm	Q1 2013	Q4 2012	Q3 2012	Q2 2012	Q1 2012	Q4 2011	Q3 2011	Q2 2011
Rental income	397	380	372	373	380	353	365	363
Operating costs	-77	-62	-41	-44	-66	-56	-41	-47
Repairs and maintenance	-13	-17	-15	-14	-16	-21	-16	-14
Property tax	-18	-17	-18	-17	-17	-16	-17	-17
Leasehold rent	-1	-1	-2	-2	-1	-1	-2	-1
Property administration	-15	-16	-14	-13	-13	-16	-15	-13
<b>Operating surplus</b>	<b>273</b>	<b>267</b>	<b>282</b>	<b>283</b>	<b>267</b>	<b>243</b>	<b>274</b>	<b>271</b>
Income from property management	165	158	180	183	164	145	176	173
Surplus ratio, %	68.8	70.3	75.8	75.9	70.3	68.8	75.1	74.7
Direct return, %	5.4	5.4	5.9	6.1	5.9	5.5	6.4	6.4
Equity/assets ratio, %	30.7	30.0	28.7	30.1	30.9	30.1	30.6	30.7
Return on equity, %	17.7	25.4	1.9	9.3	19.7	11.6	8.6	13.0
Earnings per share, SEK	3.60	4.92	0.36	1.76	3.67	2.08	1.51	2.28
Income property management per share, SEK	2.15	2.06	2.34	2.38	2.13	1.89	2.29	2.25
Cash flow per share, SEK	2.17	2.02	3.90	1.13	2.56	2.38	2.49	2.00
Equity per share II, SEK	101.60	96.96	95.76	95.29	96.73	91.85	89.54	87.6
Market value as % of Equity II	105.6	104.7	102.3	97.3	96.7	99.1	97.4	104.4

The above key ratios are based on the results for each quarter. The direct return and the return on equity have been converted into annual figures without taking seasonal variations into account.

**CONSOLIDATED BALANCE SHEET** summary

SEKm	31-03-2013	31-03-2012	31-12-2012
<b>ASSETS</b>			
Managed properties	20,303	18,286	19,876
Other fixed assets	385	208	382
Derivatives	34	-	22
Current receivables	90	101	67
Liquid assets	76	415	102
<b>Total assets</b>	<b>20,888</b>	<b>19,010</b>	<b>20,449</b>
<b>EQUITY AND LIABILITIES</b>			
Equity	6,415	5,880	6,138
Deferred tax liability	1,394	1,554	1,314
Borrowings	12,026	10,693	11,786
Derivatives	374	229	560
Other long-term liabilities	66	65	66
Current liabilities	613	589	585
<b>Total equity &amp; liabilities</b>	<b>20,888</b>	<b>19,010</b>	<b>20,449</b>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

SEKm	Jan-Mar 2013	Jan-Mar 2012	Jan-Dec 2012
<b>Total equity at beginning of period</b>	6,138	5,600	5,600
<b>Equity attributable to parent company's shareholders</b>			
Opening amount	6,138	5,600	5,600
Dividend paid	-	-	-288
Profit for the period	277	282	823
Other comprehensive income	-	-2	3
<b>Closing amount</b>	<b>6,415</b>	<b>5,880</b>	<b>6,138</b>
<b>Equity attributable to minority shares</b>			
	-	-	-
<b>Total equity at end of period</b>	<b>6,415</b>	<b>5,880</b>	<b>6,138</b>

**CONSOLIDATED CASH FLOW STATEMENT** summary

SEKm	Jan-Mar 2013	Jan-Mar 2012	Jan-Dec 2012
<b>Operating activities</b>			
Operating surplus	273	267	1,099
Central administration	-9	-9	-35
Net financial items paid	-84	-78	-354
Income tax paid	0	-2	-4
Change in other working capital	-13	19	33
<b>Cashflow from operating activities</b>	<b>167</b>	<b>197</b>	<b>739</b>
<b>Investment activities</b>			
Acquisition of participations in Group companies	-240	-	-542
Investments in and acquisitions of properties	-243	-265	-1,277
Sales of properties	25	41	93
Change in other non-current assets	-5	24	-156
<b>Cash flow from investment activities</b>	<b>-463</b>	<b>-200</b>	<b>-1,882</b>
<b>Financing activities</b>			
Dividend paid	-	-	-288
Change in borrowing	270	212	1,327
<b>Cash flow from financing activities</b>	<b>270</b>	<b>212</b>	<b>1,039</b>
<b>Cash flow for the period</b>	<b>-26</b>	<b>209</b>	<b>-104</b>
<b>Opening cash flow</b>	<b>102</b>	<b>206</b>	<b>206</b>
<b>Closing cash flow</b>	<b>76</b>	<b>415</b>	<b>102</b>



**CONSOLIDATED SEGMENT REPORTING JAN–MAR**

SEKm	Malmö		Helsingborg		Lund		Copenhagen		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Rental income	216	193	124	130	37	40	20	17	397	380
Property costs	-63	-57	-44	-40	-13	-13	-4	-3	-124	-113
Operating surplus	153	136	80	90	24	27	16	14	273	267

In the Group's internal reporting, activities are divided into the above segments, which are the same as described in the latest annual report. The total operating surplus shown above corresponds with the operating surplus recorded in the income statement. The difference between the operating surplus of

SEK 273 million (267) and the pre-tax profit of SEK 358 million (380) consists of central administration SEK -9 million (-9), net interest SEK -99 million (-94) and changes in value of properties and derivatives SEK 193 million (216).

## Definitions

### Financial

#### Return on equity

Profit for the period as a percentage of average shareholders' equity excluding minority shares. In interim reports the return is converted to its annualised value without taking account of seasonal variations.

#### Return on total capital

Profit before tax plus interest expenses and value changes of derivatives as a percentage of average balance sheet total. In interim reports the return is converted to its annualised value without taking account of seasonal variations.

#### 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 of properties

Borrowings as a percentage of the carrying amount for the properties.

#### Debt/equity ratio

Interest-bearing liabilities divided by shareholders' equity.

### Share-related

#### Earnings per share

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

#### Earnings per share before tax

Profit before tax divided by the average number of outstanding shares.

#### Income from property management per share

Income from property management divided by the average number of outstanding shares.

#### Cash flow from operations per share

Cash flow from operations (after change in working capital) 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 year in relation to the number of shares at period end.

#### Equity per share II

Calculated as Equity per share I, but not charged with deferred tax. Equity is increased by the addition of the carrying amount for deferred tax.

#### Direct return from shares

Proposed dividend as a percentage of the stock exchange market value at the year end.

#### The share's total return

The share's growth and actual dividend in relation to the market value at the beginning of the year.

#### P/E-ratio I, times

The market value per share divided by the profit per share. The conversion has been carried out to full-year basis without taking account of seasonal variations.

#### P/E-ratio II, times

The market value divided by the income from property management loaded with nominal tax, per share. The conversion has been carried out to full-year basis without taking account of seasonal variations.

### Property related

The key figures are based on property stocks at the end of each quarter.

#### 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.

#### Direct return

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 m<sup>2</sup>

Annualized 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.

#### Surplus ratio

Net operating income as a percentage of rental income.



**KEY FIGURES FOR THE GROUP**

SEKm	Jan-Mar 2013	Jan-Mar 2012	Apr/Mar 2012/13	Jan-Dec 2012
<b>FINANCIAL</b>				
Return on equity, %	17.7	19.7	13.3	14.0
Return on total capital, %	5.3	6.1	6.1	6.2
Equity/assets ratio, %	30.7	30.9	30.7	30.0
Interest coverage ratio, multiple	2.6	2.7	2.7	2.7
Leverage properties, %	59.2	58.5	59.2	59.3
Debt/equity ratio, multiple	1.9	1.8	1.9	1.9
<b>SHARE-RELATED</b>				
Earnings per share, SEK	3.60	3.67	10.64	10.71
Earnings per share before tax, SEK	4.66	4.94	8.68	8.96
Operating earnings per share, SEK	2.15	2.13	8.93	8.91
Cashflow from operations per share, SEK	2.17	2.56	9.22	9.62
Equity per share I, SEK	83.47	76.51	83.47	79.86
Equity per share II, SEK	101.60	96.73	101.60	96.96
Market value per share, SEK	107.25	93.50	107.25	101.50
Dividend per share, SEK	-	-	-	4.00
Return from share, % <sup>1</sup>	-	-	-	3.9
Total return from share, % <sup>1</sup>	-	-	-	15.7
P/E-ratio I, multiple	7.4	6.4	10.1	9.5
P/E-ratio II, multiple	16.0	14.9	15.4	15.5
Number of shares at the end of period, thousands	76,857	76,857	76,857	76,857
Average number of shares, thousands	76,857	76,857	76,857	76,857
<b>PROPERTY-RELATED</b>				
Number of properties	252	247	252	253
Carrying amount of properties, SEKm	20,303	18,286	20,303	19,876
Direct return, %				
– all properties	5.6	6.0	5.6	5.6
Direct return, %				
– excl project properties	6.0	6.4	6.0	6.1
Lettable area, m <sup>2</sup>	1,450,849	1,372,881	1,450,849	1,425,072
Rental income, SEK per m <sup>2</sup>	1,086	1,060	1,086	1,085
Operating surplus, SEK per m <sup>2</sup>	787	761	787	786
Financial occupancy rate, %				
– all properties	91	91	91	92
Financial occupancy rate, %				
– excl project properties	91	92	91	92
Surplus ratio, %	72	72	72	72
<b>EMPLOYEES</b>				
Number of employees at period end	88	87	88	87

<sup>1</sup> Calculated only per calendar.

**PARENT COMPANY'S INCOME STATEMENT** summary

SEKm	Jan-Mar 2013	Jan-Mar 2012	Jan-Dec 2012
Income	27	22	98
Expenses	-26	-25	-108
<b>Operating profits</b>	<b>1</b>	<b>-3</b>	<b>-10</b>
Financial income	301	287	671
Financial expenses	-120	-115	-585
<b>Pre-tax profit</b>	<b>182</b>	<b>169</b>	<b>76</b>
Tax	-41	-45	6
<b>Profit for the period</b>	<b>141</b>	<b>124</b>	<b>82</b>
Other comprehensive income	0	0	0
<b>Comprehensive income for the period</b>	<b>141</b>	<b>124</b>	<b>82</b>

**PARENT COMPANY'S BALANCE SHEET** summary

SEKm	31-03-2013	31-03-2012	31-12-2012
Participations in Group companies	3,897	3,993	3,782
Receivables from Group companies	10,124	10,038	10,146
Other assets	555	305	581
Cash and bank balances	70	287	75
<b>Total assets</b>	<b>14,646</b>	<b>14,623</b>	<b>14,584</b>
Equity	1,875	2,064	1,734
Liabilities to credit institutions	10,073	9,294	9,783
Liabilities to Group companies	2,193	2,927	2,414
Other liabilities	505	338	631
<b>Total equity and liabilities</b>	<b>14,646</b>	<b>14,623</b>	<b>14,584</b>

# Where job satisfaction is key

Through our commitment and our properties,  
we create conditions for strong growth for business  
in the Öresund region.



wihlborgs.se

## **Malmö - Headquarters**

Wihlborgs Fastigheter AB  
Box 97, SE-201 20 Malmö  
Visitors: Dockplatsen 16  
Tel: +46 (0)40-690 57 00

## **Helsingborg**

Wihlborgs Fastigheter AB  
Garnisonsgatan 25 A  
SE-254 66 Helsingborg  
Tel: +46 (0)42-490 46 00

## **Lund**

Wihlborgs Fastigheter AB  
Ideon Science Park  
Scheelevägen 17  
SE-223 70 Lund  
Tel: +46 (0)40-690 57 00

## **Danmark**

Wihlborgs A/S  
Ellekær 6, opgang C  
DK-2730 Herlev, Danmark  
Tel: +45 396 161 57

[www.wihlborgs.se](http://www.wihlborgs.se)

[info@wihlborgs.se](mailto:info@wihlborgs.se)

Registered office: Malmö

Corporate registration no.:

556367-0230