

## Wihlborgs makes a positive start to the year

**Rental income increased by  
2 percent to SEK 470 million (462)**

**Operating surplus\* increased by  
4 percent to SEK 332 million (320)**

**Income from property management\*  
increased by 10 percent to SEK 212  
million (192)**

**Result for the period amounts to  
SEK 315 million (73), corresponding  
to earnings per share of SEK 4.10  
(0.95)**

Group key figures, SEKm	2015	2014
	Jan–Mar	Jan–Mar
Rental income	470	462
Operating surplus*	332	320
Income property management*	212	192
Changes in value	182	-198
Result for the period	315	73
Earnings per share, SEK	4.10	0.95
Surplus ratio, %*	71	69
Equity/assets ratio, %	28.5	29.9
Occupancy rate, %**	91	91

\* Excluding payments for early lease termination.

\*\* Excluding Projects & Land.

Wihlborgs' new office property Floretten 4 at Berga in Helsingborg will be completed in the second quarter of 2015. The building meets the requirements for receiving a Gold environmental rating from the Sweden Green Building Council, which is the highest classification.



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

The book value for the Company's properties totals SEK 25 billion. The annual rental value of the properties is SEK 2.1 billion.

Wihlborgs shares are quoted on Nasdaq OMX Nordic, Mid Cap.

## Business concept

Focusing on selected 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 percent
- An interest coverage ratio of no less than 2.0
- The loan-to-value ratio is not to exceed 60 percent

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## Financial information 2015

Wihlborgs' interim reports are distributed electronically. The Annual Report is printed in Swedish and English and will be sent to any shareholders notifying the Company that they wish to receive it in printed form.

Interim report Jan–Jun  
Interim report Jan–Sep  
Year-end report Jan–Dec

**6 July 2015**  
**21 October 2015**  
**9 February 2016**

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Production Wihlborgs.  
Photographer Peter Westrup, Felix Gerlach, Wihlborgs



# CEO's comments

Once again, we close the books on another strong quarter.

Rents are rising and costs are decreasing. Activity in the rental market has been extremely high, particularly in Malmö. During the quarter, we signed new leases with annual rents of SEK 65 million. This has only been exceeded by one other quarter, Q2 2011. Unfortunately, lease terminations were also significantly higher than previously at SEK 86 million of which SEK 52 million relate to modern offices in central Malmö. During the quarter, one tenant chose to pay Wihlborgs compensation to terminate its lease prematurely and, with the high level of activity currently prevailing in the rental market, this enables us to further increase our revenue.

Income from property management increased to SEK 212 million, up 10 percent year-on-year.

Despite slightly higher borrowings, interest expense declined, both due to lower market interest rates and lower margins for lenders. Access to capital remains favourable

and we have continued our capital-market activities. During the quarter, in partnership with a number of other property companies, we launched Nya Svensk FastighetsFinansiering, which has already completed several issues of senior secured bonds at advantageous terms. In addition, in April, we completed the first issue of unsecured bonds under the medium-term note (MTN) programme that we created in December.

The favourable access to capital and low interest rates mean that the transaction market is active. However, this does not mean that it is easy to acquire the right properties at the right price. We have completed some smaller, but strategically important transactions. I am thinking primarily about our acquisition of the properties Polstjärnan 1 and 2 in Malmö. These properties are located in Nyhamnen, which in the next few years will be Malmö's prime new development area due to its location directly adjacent to the central



station. We see Nyhamnen as a natural continuation of our development operations when Dockan nears completion. In Copenhagen, we purchased an office property located by Herlev Station, which further strengthens our position in this part of the city.

During the quarter, we completed Lautrupvang 1 in Copenhagen for Schneider Electric, who moved into the 14,000 m<sup>2</sup> premises in March. In Helsingborg, we are in the process of completing Floretten 4, where the first tenants will move in during April. The building is essentially fully let, with only one unit of 607 m<sup>2</sup> vacant on the top floor. The extension of Knutpunkten in Helsingborg is continuing and will be completed in about one year. In Malmö, total renovation is planned for Gängtappen 1, which Länsförsäkringar will move into. The same applies for Ubåtshallen, which is being converted for the Swedish Social Insurance Agency. During the year, we also plan to start construction of the Postterminalen property by the central station in Lund. A mix of larger and small projects guarantees continued high activity levels at the company.

Among our projects, I also want to mention MAX IV in north-east Lund which, at the time of writing, is almost completed. Together with Peab, we are building the world's foremost synchrotron-light facility for materials research. The project has gone extremely well, and was completed ahead of schedule and, furthermore, under budget. We are also proud that it is the first building in Sweden to receive environmental certification under BREEAM-SE with the top assessment rating; Outstanding. Through this project, we are able to contribute to Lund University's research initiatives and the development of our region.

The future will always contain challenges, but we are well-equipped to meet them. The value of our properties is increasing and, in the first quarter, our long-term net asset value (EPRA NAV) increased 6 percent to SEK 135 per share. Our loan-to-value ratio is now down to 57.4 percent, which gives a stable base from which to seize other market opportunities. This is something we intend to continue doing, to create even more employee satisfaction together with our tenants.



### Market comments

The global economy is showing signs of improving, which together with a weaker Swedish krona, means that Swedish exports are expected to increase. In its latest forecast, in March 2015, the assessment from the Swedish National Institute of Economic Research was that Swedish exports are expected to increase by 5 percent per year over the next two years. Rising exports will contribute to GDP growth of more than 3 percent this year and next year. Employment is expected to rise by 1.4 percent this year and continue at the same rate for the next two years.

Sweden's central bank, the Riksbank, has identified signs that the global economic recovery is strengthening the Swedish economy and the labour market is improving. There are indicators that while underlying inflation has stopped decreasing it still remains low. Therefore, the Executive Board of the Riksbank was unanimous when it lowered the repo rate to -0.25 percent in March and, in parallel, decided to buy government bonds for SEK 30 billion. The Riksbank can quickly make monetary policy even more expansive if these measures prove insufficient.

The Danish economy is sending positive signals. Consumer confidence is at its highest level since 2006 and the economy is fuelled by low oil prices and a relatively low exchange rate for the Danish krona. In Denmark, growth was higher than expected in 2014 at 1.1 percent. Even the fourth quarter of 2014 saw higher than expected growth at 0.5 percent. This has led to the central bank in Denmark, Danmarks Nationalbank, raising its forecast for GDP growth in Denmark by 0.3 percent to 2.0 percent for 2015. The forecast for 2016 has also been slightly raised to 2.1 percent.

At present, the repo rate is at a record low, a negative level, and, according to its report Nordic Property Outlook Spring 2015, Newsec expects low interest rates to continue throughout 2015. Since, compared with other investment alternatives, properties currently offer a decent return, 2015 is expected to be another record year for the Swedish property transaction market. High demand levels in Denmark are not yet reflected in transaction volumes there, but Newsec's assessment is that activity will spread to and increase in secondary markets in 2015.

# Income, expenses and profits, Jan-Mar 2015

Comparative figures for income statement items relate to values for the corresponding period 2014 and balance sheet items as of 31-12-2014.

## Rental income

Rental income was SEK 470 million (462). Other revenues from property management was SEK 13 million (49) relating to payments for early lease termination.

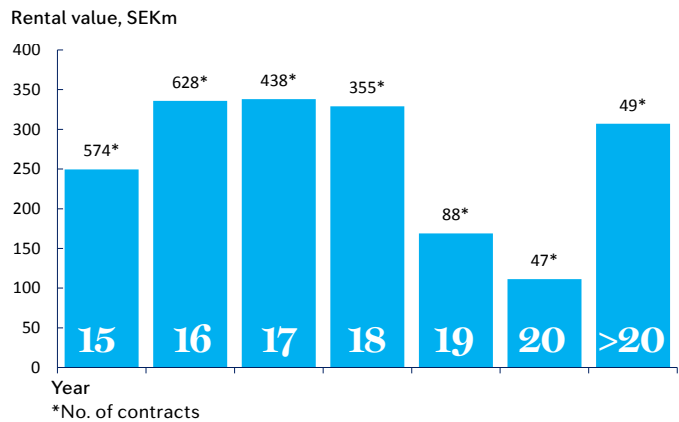
The increase in rental income is attributable to property acquisitions, renegotiations, new lettings and indexation in contracts.

The total growth in rental income was 2 percent compared with the corresponding period 2014.

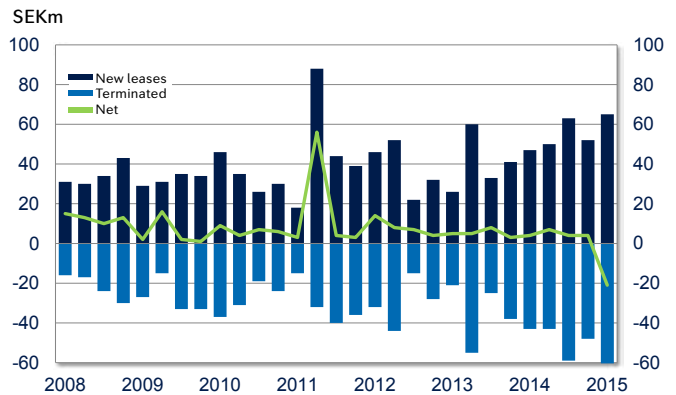
The occupancy rate for managed properties, remains unchanged compared with previous year-end, 91 percent (91).

During the period new leases were signed to a value of SEK 65 million (47) on an annualized basis. Lease terminations totalled SEK 86 million (43). This represents a net letting income of SEK -21 million (4).

Terms of Wihlborgs' rental contracts per 31 March 2015



Net letting



The Sweden Green Building Council has adapted the international environmental certification system BREEAM to conditions in Sweden and the MAX IV project in Lund became the first project to be classified under this system. The project prides itself on being awarded the classification of Outstanding, which is the highest level.



Preparations have started for the conversion of Gångtappen in Malmö, which until recently was Kockums head office. Here is an example of a possible design for one of the offices.

## Property costs

Total property costs amounted to SEK 138 (142) million. The year's first quarter is the most expensive. This is because the cost of snow clearance, electricity and heating is at its highest during the winter. However, costs for these items were somewhat lower than in the previous year because of the mild winter.

The historical summary at the bottom of page 16 illustrates how costs vary over the different quarters of the year.

## Operating surplus

The operating surplus including other income amounted to SEK 345 million (369). Excluding payments for early lease termination, the operating surplus totalled SEK 332 million (320), representing a surplus ratio of 71 percent (69).

## Central administration

The costs for central administration were SEK 11 million (10).

## Financial income and expense

Net interest totalled SEK -109 million (-118), of which interest income accounted for SEK 3 million (1).

The interest expense for the period was SEK 112 million (119). Accordingly, interest expenses were lower year-on-year despite higher borrowings. The average interest rate was lower than in the first quarter of 2014 and also lower than at the end of 2014. At the end of the period, the average interest rate, including the cost of credit agreements, was 2.98 percent, compared with 3.20 percent at year-end.

## Income from property management

Income from property management including other income amounted to SEK 225 million (241). Excluding payments for early lease termination, the income from property management amounted to SEK 212 million (192).

## Pre-tax profit

The pre-tax profit, i.e. after value changes on properties and derivatives, was SEK 407 million (143). During the period value changes on properties amounted to SEK 378 million (14) and value changes on derivatives amounted to SEK -196 million (-212).

## Profit after taxes

The profit after taxes was SEK 315 million (73).



# Assets

## Property portfolio as of 31 March 2015

The summaries below are based on Wihlborgs' property portfolio as of 31 March 2015. Rental income relates to contracted rental income on an annual basis as of 1 April 2015.

The surplus ratio is based on the properties' earning capacity on an annual basis based on rental income for April 2015, operating and maintenance costs, property administration on a rolling twelve-month basis, property tax and leasehold rent.

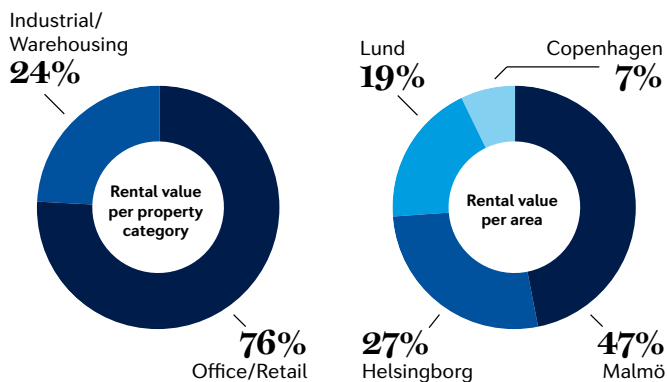
Wihlborgs' property portfolio consists of commercial properties in the Öresund region, located in Malmö, Helsingborg, Lund and Copenhagen. The property portfolio 31 March 2015 consisted of 270 properties (269) with a lettable area of 1,571,000 m<sup>2</sup> (1,552,000).

Thirteen of the properties (12) are leasehold rights. The properties' carrying amount was SEK 24,998 million (24,299), which corresponds to the estimated market value. The total rental value was SEK 2,100 million (2,058) and the contracted rental income on annual basis SEK 1,902 million (1,863).

The economic occupancy rate for Office/Retail properties was

93 percent (92) and for Industrial/Warehousing properties 86 percent (86). The rental value for Office/Retail properties represented 76 percent and Industrial/Warehousing properties 24 percent of the total rental value.

The operating surplus from managed properties, excluding property administration and Projects & Land, is SEK 1,452 million (1,420) which with a carrying amount of SEK 23,716 million (22,804) corresponds to a direct return of 6.1 percent (6.2). Broken down by property category, this is 5.8 percent (5.9) for Office/Retail and 7.8 percent (7.9) for Industrial/Warehousing.



In January 2015, Wihlborgs acquired the Kroksabeln 12 property in Helsingborg. The property comprises a modern warehouse and office building of 15,000 m<sup>2</sup> and the site size is about 30,000 m<sup>2</sup>. The acquisition strengthens Wihlborgs' position as the largest property owner in Helsingborg.



## Changes in values of properties

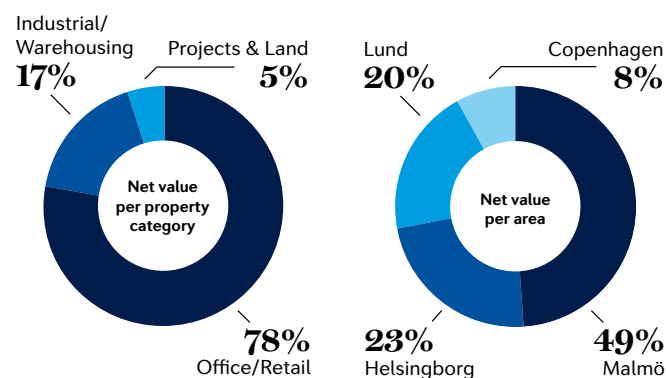
According to an internal valuation, with external support from Malmöbryggan Fastighetsekonomi, of the properties on 31 March 2015, their value had risen by SEK 378 million (14).

Fair value is determined by a combination of a yield-based and a comparable sales method. The value is considered to correspond to the yield value that is calculated from normally five-year cash flow analyses. The value of newbuild projects in progress is determined as the value as if the project were complete, less deduction of the remaining cost.

As of 31 March 2015, the carrying amount for the properties was SEK 24,998 million.

### CHANGES IN CARRYING AMOUNT OF PROPERTIES

Changes	Group total, SEKm
Carrying amount 1 January 2015	24,299
Acquisitions	198
Investments	252
Properties sold	-78
Change in value	378
Currency translations	-51
Carrying amount 31 March 2015	24,998



## Investments and current projects

Investments in the property portfolio totalled SEK 252 million (119).

Approved investments in ongoing projects amount to SEK 1,006 million, of which SEK 857 million had been invested at end of period. The biggest current project is redevelopment of Knutpunkten, Helsingborg. The investment totals around SEK 315 million and comprises 8,000 m<sup>2</sup> of lettable area.

## Liquid assets

The Groups liquid assets totalled SEK 399 million (185) including unutilised overdraft facilities.



Wihlborgs offers various platforms for meetings between tenants and other stakeholders. In January, we held a breakfast meeting under the theme of digital development in Malmö.

### INVESTMENTS IN PROGRESS >SEK 50 MILLION, 31 MARCH 2015

Property	Category of use	Municipality	Completion date	Lettable area, m <sup>2</sup>	Occupancy rate, %	Estimated investment, SEKm	Expended 141231, SEKm
Floretten 4	Office/Retail	Helsingborg	Q2 2015	4,800	88	104	98
Terminalen 1	Office/Retail	Helsingborg	Q1 2016	8,000	20	315	229
<b>Total</b>				<b>12,800</b>		<b>419</b>	<b>327</b>

**526,000 m<sup>2</sup>**

**32**

Office/Retail

**58**

Industrial/  
Warehousing

**13**

Projects &  
Land

**205,000 m<sup>2</sup>**

**21**

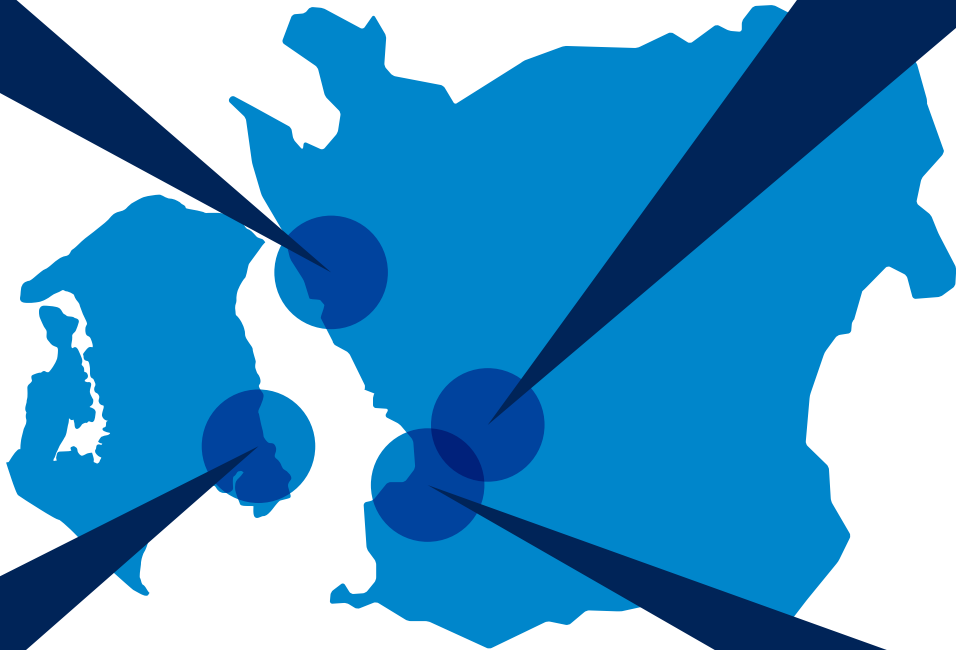
Office/Retail

**4**

Industrial/  
Warehousing

**2**

Projects &  
Land



**174,000 m<sup>2</sup>**

**16**

Office/Retail

**3**

Industrial/  
Warehousing

**1**

Projects &  
Land

**665,000 m<sup>2</sup>**

**46**

Office/Retail

**49**

Industrial/  
Warehousing

**25**

Projects &  
Land

### ANALYSIS OF LETTABLE SPACE PER AREA AND CATEGORY OF USE

Area	Office, m <sup>2</sup>	Retail, m <sup>2</sup>	Ind./Warehousing, m <sup>2</sup>	Education/Health care, m <sup>2</sup>	Misc., m <sup>2</sup>	Total, m <sup>2</sup>	Share, %
Malmö	306,750	47,615	245,926	49,465	15,618 <sup>1</sup>	665,373	42
Helsingborg	154,852	58,679	280,417	19,126	12,910 <sup>2</sup>	525,984	34
Lund	120,572	10,598	32,309	33,272	8,619 <sup>3</sup>	205,370	13
Copenhagen	157,793	0	15,740	0	559	174,092	11
<b>Total</b>	<b>739,967</b>	<b>116,892</b>	<b>574,392</b>	<b>101,863</b>	<b>37,706</b>	<b>1,570,819</b>	<b>100</b>
<b>Share, %</b>	<b>47</b>	<b>7</b>	<b>37</b>	<b>7</b>	<b>2</b>	<b>100</b>	

1) Includes 10,275 m<sup>2</sup> hotel.

2) Includes 5,260 m<sup>2</sup> residential.

3) Includes 8,215 m<sup>2</sup> hotel.

### ANALYSIS PER PROPERTY CATEGORY IN EACH MANAGEMENT AREA

Area/ property category	Number of properties thousand	Area, m <sup>2</sup>	Carrying amount, SEKm	Rental value, 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	Direct return, excl. property admin., %
<b>MALMÖ</b>											
Office/Retail	46	396	9,842	753	1,898	93	699	531	76	552	5.6
Industrial/Warehousing	49	249	1,719	203	817	87	177	126	71	133	7.7
Projects & Land	25	20	763	27	1,343	-	16	9	-	10	-
<b>Total Malmö</b>	<b>120</b>	<b>665</b>	<b>12,324</b>	<b>983</b>	<b>1,477</b>	<b>91</b>	<b>892</b>	<b>666</b>	<b>75</b>	<b>695</b>	<b>5.6</b>
<b>HELSINGBORG</b>											
Office/Retail	32	171	3,201	283	1,655	96	271	194	72	203	6.3
Industrial/Warehousing	58	352	2,241	279	793	84	234	165	70	176	7.9
Projects & Land	13	3	423	4	1,645	-	4	4	-	4	-
<b>Total Helsingborg</b>	<b>103</b>	<b>526</b>	<b>5,865</b>	<b>567</b>	<b>1,078</b>	<b>90</b>	<b>510</b>	<b>363</b>	<b>71</b>	<b>383</b>	<b>6.5</b>
<b>LUND</b>											
Office/Retail	21	184	4,747	391	2,125	92	358	259	72	273	5.8
Industrial/Warehousing	4	20	120	14	712	95	14	11	78	11	9.3
Projects & Land	2	1	59	2	1,362	-	2	1	-	1	-
<b>Total Lund</b>	<b>27</b>	<b>205</b>	<b>4,926</b>	<b>407</b>	<b>1,982</b>	<b>92</b>	<b>374</b>	<b>270</b>	<b>72</b>	<b>286</b>	<b>5.8</b>
<b>COPENHAGEN</b>											
Office/Retail	16	154	1,728	135	876	88	118	90	76	96	5.5
Industrial/Warehousing	3	20	117	8	421	99	8	7	82	7	6.3
Projects & Land	1	-	37	-	-	-	-	-	-	-	-
<b>Total Copenhagen</b>	<b>20</b>	<b>174</b>	<b>1,882</b>	<b>143</b>	<b>824</b>	<b>88</b>	<b>127</b>	<b>97</b>	<b>76</b>	<b>103</b>	<b>5.5</b>
<b>Total Wihlborgs</b>	<b>270</b>	<b>1,571</b>	<b>24,998</b>	<b>2,100</b>	<b>1,337</b>	<b>91</b>	<b>1,902</b>	<b>1,396</b>	<b>73</b>	<b>1,467</b>	<b>5.9</b>
<b>Total excluding Projects &amp; Land</b>	<b>229</b>	<b>1,547</b>	<b>23,716</b>	<b>2,067</b>	<b>1,336</b>	<b>91</b>	<b>1,880</b>	<b>1,382</b>	<b>74</b>	<b>1,452</b>	<b>6.1</b>



The Lautrupvang 1 property in Ballerup was acquired at the beginning of 2014. Shortly after the acquisition, the entire property was leased to Schneider Electric Denmark and extensive renovation started. One year later, Schneider moved into a modern, efficient and energy-optimised building.

## Property transactions

Two properties was acquired and two properties have been sold during the first quarter.

### PROPERTY ACQUISITIONS AND SALES JANUARY–MARCH 2015

Quarter	Property	Municipality	Management area	Category	Area, m <sup>2</sup>	Price, SEKm	Operating surplus 2014, SEKm <sup>1</sup>
1	Kroksabeln 12	Helsingborg	Berga	Ind/Warehousing	15,058		
	Stationsalléen 40-46	Herlev	Copenhagen	Office/Retail	5,585		
<b>Total acquisitions 2015</b>					<b>20,643</b>	<b>198</b>	<b>3</b>
1	Bunkagården Mellersta 1	Helsingborg	South	Ind/Warehousing	2,463		
	Gjuteriet 18, part of	Malmö	Limhamn	Projects & Land			
<b>Total sales 2015</b>					<b>2,463</b>	<b>78</b>	<b>0</b>

1) Operating surplus from properties acquired and sold that are included in the results for the period.



# Liabilities and equity

As of 31 March 2015, equity totalled SEK 7,281 million (6,967) and the equity/assets ratio 28.5 percent (28.2).

## Interest-bearing liabilities

The group's interest-bearing liabilities as of 31 March amounted to SEK 14,359 million (14,148) with an average interest rate including costs for credit agreements of 2.98 percent (3.20).

With consideration to the company's net debt of SEK 14.4 billion, as a percentage of property values, the loan-to-value ratio is 57.4 percent (58.2).

The loans' average fixed interest period including effects of derivatives on 31 March 2015, amounted to 6.2 years (6.0). The average loan maturity, including committed credit facilities, amounted to 4.2 years (4.1).

### STRUCTURE OF INTEREST AND LOAN MATURITIES AS OF 31 MARCH 2015

Matures, year	Interest maturity		Loan maturity	
	Loan amount, SEKm	Av. interest rate, %	Credit ag, SEKm	Utilised, SEKm
2015	3,743	1.19	61	61
2016	418	1.19	4,635	4,060
2017	300	0.80	3,877	3,840
2018	0	0	4,768	3,918
2019	0	0	903	903
>2019	9,898	3.74	1,577	1,577
<b>Total</b>	<b>14,359</b>	<b>2.94</b>	<b>15,821</b>	<b>14,359</b>

Wihlborgs use interest rate derivatives in order to reduce the risk level in the loan portfolio. A summary of the terms is shown below.

### INTEREST RATE DERIVATIVES PORTFOLIO 31 MARCH 2015

Amount, SEKm	Interest, %	Can be closed	End date
<b>Cancellable swaps*</b>			
500	2.63	quarterly	2026
500	2.69	quarterly	2026
500	2.33	quarterly	2026
500	2.58	quarterly	2027
1,000	1.96	quarterly	2021
<b>Interest-rate swaps</b>			
2,000	2.70		2021
1,000	2.04		2022
1,000	2.01		2022
1,000	3.40		2024
500	3.32		2024
<b>Threshold swap</b>			
1,000	3.07	Threshold 4.75	2021

\* Cancellable at the initiative of the counterpart.

As a result of lower market rates, the deficit in Wihlborgs' interest rate derivative portfolio rose to SEK 1,344 million, a negative change during the year totalling SEK 196 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.

Wihlborgs' interest derivatives are recognized at fair value in accordance with IAS 39. The cancellable swaps are classified at level 3 in accordance with IFRS 13. The change during year for these swaps amounts to SEK -86 million. The remaining swaps are classified at level 2 in accordance with IFRS 13.

During the first quarter, Wihlborgs – together with Fabège, Platzer, Diös and Catena – launched the finance company Nya Svensk FastighetsFinansiering ("Nya SFF"), which has in turn created a medium-term note (MTN) programme for issuing senior secured corporate bonds. In February, the first bonds were issued under this structure and Wihlborgs borrowed slightly more than SEK 1.3 billion via Nya SFF. In parallel, loans through Svensk FastighetsFinansiering of about SEK 580 million were redeemed early. At the end of March, Wihlborgs' loans through these two companies totalled about SEK 1.4 billion.



Wihlborgs is continuing to grow in Copenhagen, through such activities as the acquisition of the office property Stationsalleen 40–46 in Herlev with a lettable area of 5,600 m<sup>2</sup>. The property is located near excellent transport links adjacent to Herlev Station and close to the motorway network.

# Miscellaneous

## Employees

At the year end Wihlborgs' number of full-time employees was 113 (113), 45 of whom are property caretakers.

There were 52 employees in Malmö, 25 in Helsingborg, 16 in Lund and 20 in Copenhagen. The average age was 45 and the proportion of women was 38 percent.

## 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 is mostly related to the billing of services to Group companies.

The parent company has invested SEK 251 (0) in shares in subsidiaries, including shareholders' contributions, during the period.

The parent company's income statement and balance sheet are found on page 19.

## Participations in other companies

A description of all participations held by Wihlborgs in other companies will be found on pages 114-115 in the Company's 2014 annual report.

## Largest shareholders 31 March 2015

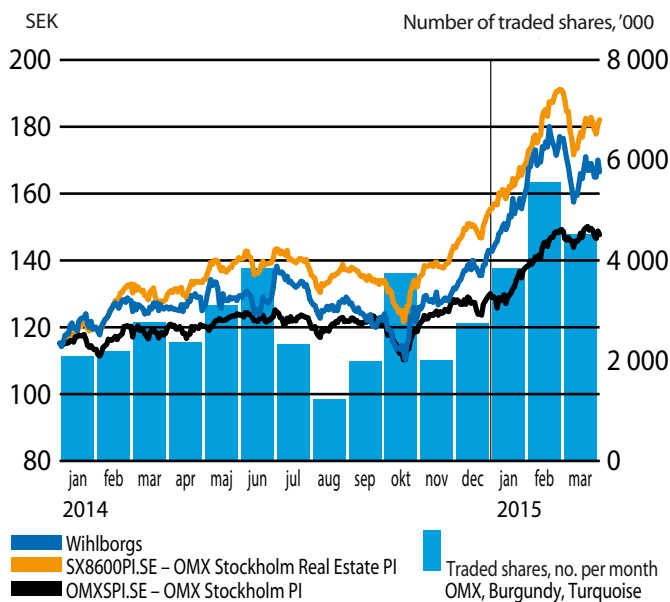
The largest shareholder in Wihlborgs is Erik Paulsson with family, with 10.1 per cent of the shares outstanding.

Shares held by owners registered abroad accounted for 35.5 percent of the total. The number of shareholders was 23,890.

### LARGEST SHAREHOLDERS IN WIHLBORGS 31 MARCH 2015

	Number of shares, thousands	Proportion of equity and votes, %
Erik Paulsson with family, privately and via company	7,790	10.1
Länsförsäkringar funds	4,559	5.9
SEB funds	3,408	4.4
Handelsbanken funds	2,626	3.4
Qviberg family	2,162	2.8
Robur funds	1,674	2.2
Skandia funds	961	1.3
Lannebo funds	834	1.1
Tibia Konsult AB	812	1.1
DnB Carlson funds	750	1.0
Other shareholders reg. in Sweden	24,016	31.2
Other shareholders reg. abroad	27,265	35.5
<b>Total outstanding shares</b>	<b>76,857</b>	<b>100.0</b>

### DEVELOPMENT OF SHARE PRICE 01-01-2014 – 31-03-2015



## 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 are also risks relating to cash flow and borrowing.

There is a comprehensive description of the risks facing the Group on pages 82–85 and 106–107 in the Company's 2014 annual report.

## Accounting policies

Wihlborgs complies with International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board (IASB), as well as interpretations issued by the IFRS and approved by the European Union. The interim report has been prepared in accordance with IAS 34.

Accounting policies and calculation methods are identical to those applied in Wihlborgs' latest annual report.

In accordance with IFRIC 21 Levies, which was adopted by the EU in May, the entire property tax liability for 2014 is accounted for in quarter 1. As the cost is accrued in the same way as previously, the result is not affected. However, the balance sheet total increases during the year.

Furthermore, the Group applies the Swedish Financial Accounting Standards Council's recommendation RFR 1, Supplementary Rules for Consolidated Financial Statements. The Parent Company applies RFR 2.

## Events after the reporting period

In March, Wihlborgs signed an agreement with Lantmännen to acquire the Polstjärnan 1 and 2 properties in Malmö, in parallel with Lantmännen acquiring Brottaren 17 in Helsingborg from Wihlborgs. Possession will be taken in May.

The Högvakten 6 property in Malmö was sold for SEK 90.7 million and the buyer takes possession on 1 April.

In April, the first issue of unsecured bonds was completed under Wihlborgs' MTN programme. Bonds for a total of SEK 500 million were issued with a maturity of three years and an interest rate set at STIBOR 3M plus 100 basis points.

In April, Wihlborgs won the competition for land allocation in the first phase of the Science Village Scandinavia in Lund.



With its SPACE proposal, Wihlborgs won the competition for land allocation in the first phase of the Science Village Scandinavia in Lund. The proposal was prepared together with FOJAB Arkitekter, led by Chief Architect Greger Dahlström.

## Forthcoming reports

**6 Jul 2015**

Interim report Jan – Jun

**21 Oct 2015**

Interim report Jan – Sep

**9 Feb 2016**

Year-end report Jan – Dec

*Malmö 29 April 2015*

### **Wihlborgs Fastigheter AB (publ)**

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## CONSOLIDATED INCOME STATEMENT Summary

SEKm	2015 Jan–Mar 3 months	2014 Jan–Mar 3 months	2014/15 Apr–Mar 12 months	2014 Jan–Dec 12 months
Rental income	470	462	1,864	1,856
Other revenues	13	49	13	49
<b>Total income</b>	<b>483</b>	<b>511</b>	<b>1,877</b>	<b>1,905</b>
Operating costs	-73	-80	-233	-240
Repairs and maintenance	-17	-18	-76	-77
Property tax	-22	-22	-87	-87
Leasehold rent	-1	-1	-5	-5
Property administration	-25	-21	-94	-90
<b>Total property costs</b>	<b>-138</b>	<b>-142</b>	<b>-495</b>	<b>-499</b>
<b>Operating surplus</b>	<b>345</b>	<b>369</b>	<b>1,382</b>	<b>1,406</b>
Central administration	-11	-10	-42	-41
Net interest	-109	-118	-468	-477
<b>Income from property management</b>	<b>225</b>	<b>241</b>	<b>872</b>	<b>888</b>
Change in value of properties	378	14	1,006	642
Change in value of derivatives	-196	-212	-1,022	-1,038
<b>Pre-tax profit</b>	<b>407</b>	<b>43</b>	<b>856</b>	<b>492</b>
Current tax	-2	-2	-5	-5
Deferred tax	-90	32	-214	-92
<b>Profit for the period<sup>1</sup></b>	<b>315</b>	<b>73</b>	<b>637</b>	<b>395</b>
OTHER TOTAL PROFIT/LOSS <sup>2</sup>				
Translation differences and hedging for international activities, including tax	-1	0	4	5
<b>Total comprehensive income for the period<sup>1</sup></b>	<b>314</b>	<b>73</b>	<b>641</b>	<b>400</b>
Earning per share <sup>3</sup>	4.10	0.95	8.29	5.14
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

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

2) Refers to records that can be transferred to the result for the period.

3) Key ratios per share have been calculated based on a weighted average number of shares during the period.

There are no outstanding subscription options, convertibles or other potential ordinary shares to take into consideration.

## HISTORICAL SUMMARY OF LAST EIGHT QUARTERS

SEKm	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013
Rental income	470	468	458	468	462	453	451	404
Other revenues	13	0	0	0	49	0	1	1
Operating costs	-73	-68	-40	-52	-80	-68	-44	-49
Repairs and maintenance	-17	-21	-18	-20	-18	-22	-19	-16
Property tax	-22	-22	-21	-22	-22	-21	-23	-20
Leasehold rent	-1	-1	-2	-1	-1	-2	-1	-2
Property administration	-25	-24	-23	-22	-21	-24	-20	-14
<b>Operating surplus</b>	<b>345</b>	<b>332</b>	<b>354</b>	<b>351</b>	<b>369</b>	<b>316</b>	<b>345</b>	<b>304</b>
Income from property management	225	200	224	223	241	185	211	188
Surplus ratio, % *	70.6	70.9	77.3	75.0	69.3	69.8	76.3	75.0
Investment yield, % *	5.4	5.6	6.1	6.1	5.6	5.6	6.4	5.9
Equity/assets ratio, %	28.5	28.2	28.2	28.3	29.9	29.7	29.4	30.6
Return on equity, %	17.7	11.9	4.6	2.3	4.2	10.0	16.0	21.9
Earnings per share, SEK	4.10	2.67	1.01	0.51	0.95	2.22	3.42	4.58
Income property management per share, SEK	2.93	2.60	2.91	2.90	3.14	2.41	2.75	2.45
Cash flow per share, SEK	3.45	2.62	3.23	2.37	4.09	2.65	3.79	1.39
EPRA net asset value, SEK	134.59	126.76	118.12	114.34	114.49	111.92	109.02	105.48
Market value as % of Equity II	123.7	112.6	105.0	111.9	110.1	103.0	94.7	94.3

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

\* Excluding payments for early lease termination.



**CONSOLIDATED BALANCE SHEET summary**

SEKm	2015-03-31	2014-03-31	2014-12-31
<b>ASSETS</b>			
Managed properties	24,998	22,751	24,299
Other fixed assets	201	188	197
Derivatives	0	48	0
Current receivables	170	198	111
Liquid assets	221	132	71
<b>Total assets</b>	<b>25,590</b>	<b>23,317</b>	<b>24,678</b>
<b>EQUITY AND LIABILITIES</b>			
Equity	7,281	6,967	6,967
Deferred tax liability	1,719	1,509	1,627
Borrowings	14,359	13,586	14,148
Derivatives	1,344	371	1,148
Other long-term liabilities	53	52	53
Current liabilities	834	832	735
<b>Total equity &amp; liabilities</b>	<b>25,590</b>	<b>23,317</b>	<b>24,678</b>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

SEKm	Jan–Mar 2015	Jan–Mar 2014	Jan–Dec 2014
<b>Total equity at beginning of period</b>	<b>6,967</b>	<b>6,894</b>	<b>6,894</b>
<b>Equity attributable to parent company's shareholders</b>			
Opening amount	6,967	6,894	6,894
Dividend paid	-	-	-327
Profit for the period	315	73	395
Other comprehensive income	-1	-	5
<b>Closing amount</b>	<b>7,281</b>	<b>6,967</b>	<b>6,967</b>
<b>Equity attributable to minority shares</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity at end of period</b>	<b>7,281</b>	<b>6,967</b>	<b>6,967</b>

**CONSOLIDATED CASH FLOW STATEMENT summary**

SEKm	Jan–Mar 2015	Jan–Mar 2014	Jan–Dec 2014
<b>Operating activities</b>			
Operating surplus	345	369	1,406
Central administration	-11	-10	-41
Depreciation	0	0	1
Net financial items paid	-109	-116	-481
Income tax paid	-2	-18	-18
Change in other working capital	42	89	78
<b>Cashflow from operating activities</b>	<b>265</b>	<b>314</b>	<b>945</b>
<b>Investment activities</b>			
Investments in and acquisitions of properties	-198	-300	-489
Investments in existing properties	-252	-119	-802
Sales of properties	78	318	376
Change in other non-current assets	-4	63	52
<b>Cash flow from investment activities</b>	<b>-376</b>	<b>-38</b>	<b>-863</b>
<b>Financing activities</b>			
Dividend paid	-	-	-327
Change in borrowing	261	-155	305
Change in other long-term liabilities	-	-	-
<b>Cash flow from financing activities</b>	<b>261</b>	<b>-155</b>	<b>-22</b>
<b>Cash flow for the year</b>	<b>150</b>	<b>121</b>	<b>60</b>
<b>Opening cash flow</b>	<b>71</b>	<b>11</b>	<b>11</b>
<b>Closing cash flow</b>	<b>221</b>	<b>132</b>	<b>71</b>

## CONSOLIDATED SEGMENT REPORTING JAN–MAR

Property management SEKm	Malmö		Helsingborg		Lund		Copenhagen		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Revenues	236	221	125	126	92	140	30	24	483	511
Costs	-62	-62	-42	-46	-26	-27	-8	-7	-138	-142
Operating surplus	174	159	83	80	66	113	22	17	345	369

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 345 million (369) and the pre-tax profit of SEK 407 million (43) consists of central administration SEK -11 million (-10), net interest SEK -109 million (-118) and changes in value of properties and derivatives SEK 182 million (-198).

## 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

Income from property management increased by interest expenses divided by interest expenses.

#### 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/share

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

#### Cash flow from operations per share

Cash flow from operations 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.

#### EPRA NAV

Equity per share, including reversal of interest rate derivatives and deferred tax, as shown on the balance sheet.

#### Dividend yield from shares

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

#### The share's total return

The share price 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 charged 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.

#### Investment 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 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 2015	Jan-Mar 2014	Apr/Mar 2014/15	Jan-Dec 2014
<b>FINANCIAL</b>				
Return on equity, %	17.7	4.2	8.9	5.7
Return on total capital, %	11.4	6.4	9.7	8.4
Equity/assets ratio, %	28.5	29.9	28.5	28.2
Interest coverage ratio, multiple	3.0	3.0	2.8	2.8
Leverage properties, %	57.4	59.7	57.4	58.2
Debt/equity ratio, multiple	2.0	2.0	2.0	2.0
<b>SHARE-RELATED</b>				
Earnings per share, SEK	4.10	0.95	8.29	5.14
Earnings per share before tax, SEK	5.30	0.56	11.14	6.40
Income from property management per share, SEK	2.93	3.14	11.35	11.55
Cashflow from operations per share, SEK	3.45	4.09	11.66	12.30
Equity per share I, SEK	94.73	90.65	94.73	90.65
Equity per share II, SEK	117.10	110.28	117.10	111.82
EPRA net asset value per share, SEK	134.59	114.49	134.59	126.76
Market value per share, SEK	166.50	126.00	166.50	142.75
Dividend per share, SEK	-	-	-	4.75
Dividend yield, %	-	-	-	3.3
Total return from share, %	-	-	-	27.5
P/E-ratio I, multiple	10.2	33.2	20.1	27.8
P/E-ratio II, multiple	18.2	12.9	18.8	15.8
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	270	267	270	269
Carrying amount of properties, SEKm	24,998	22,751	24,998	24,299
Investment yield, %				
– all properties	5.6	5.8	5.6	5.6
Direct return, %				
– excl project properties	5.8	6.0	5.8	5.9
Lettable area, m <sup>2</sup>	1,570,819	1,548,528	1,570,819	1,551,666
Rental income, SEK per m <sup>2</sup>	1,211	1,175	1,211	1,201
Operating surplus, SEK per m <sup>2</sup>	889	854	889	876
Financial occupancy rate, %				
- all properties	91	91	91	91
Financial occupancy rate, %				
- excl project properties	91	91	91	91
Surplus ratio, %	73	73	73	73
<b>EMPLOYEES</b>				
Number of employees at period end	113	109	113	113

**PARENT COMPANY'S INCOME STATEMENT summary**

SEKm	Jan-Mar 2015	Jan-Mar 2014	Jan-Dec 2014
Income	29	27	119
Expenses	-30	-31	-122
<b>Operating profits</b>	<b>-1</b>	<b>-4</b>	<b>-3</b>
Financial income	146	83	1,095
Financial expenses	-317	-348	-1,626
<b>Pre-tax profit</b>	<b>-172</b>	<b>-269</b>	<b>-534</b>
Appropriations	0	0	256
Tax	52	59	226
<b>Profit for the year</b>	<b>-120</b>	<b>-210</b>	<b>-52</b>
Other comprehensive income	0	0	0
<b>Comprehensive income for the year</b>	<b>-120</b>	<b>-210</b>	<b>-52</b>

**PARENT COMPANY'S BALANCE SHEET summary**

SEKm	2015-03-31	2014-03-31	2014-12-31
Participations in Group companies	8,280	7,625	8,029
Receivables from Group companies	10,030	8,593	9,028
Derivatives	0	48	0
Other assets	569	607	1,152
Cash and bank balances	137	7	33
<b>Total assets</b>	<b>19,016</b>	<b>16,880</b>	<b>18,242</b>
Equity	1,597	1,885	1,717
Liabilities to credit institutions	11,639	10,988	12,152
Derivatives	1,344	371	1,148
Liabilities to Group companies	4,286	3,391	3,060
Other liabilities	150	245	165
<b>Total equity and liabilities</b>	<b>19,016</b>	<b>16,880</b>	<b>18,242</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

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