

Diös



2012 ANNUAL REPORT

DIÖS FASTIGHETER ANNUAL REPORT 2012, NO. 8

DIRECTORS' REPORT
DIÖS FASTIGHETER
2012

PRINCIPAL ACTIVITIES IN 2012

The principal activities of Diös Fastigheter (Diös) are ownership and management of real estate. The company's property holding is concentrated on the Swedish market, north of the river Dalälven and mainly comprises real estate with a focus on commercial property. In 2012, its holding was geographically divided into six market areas: Dalarna, Gävleborg, Västernorrland, Jämtland, Västerbotten and Norrbotten, with each market constituting an administrative district. The main tasks of the administrative organisation are to create and foster long-term tenant relationships, manage the technical aspects efficiently and cost-effectively and be an active partner in the local market.

Over the past year, Diös has focused on coordinating the activities of the company, a task which it has performed in parallel with its daily operations.

The Annual General Meeting of Shareholders of Diös which was held on 2 May 2012 approved a dividend payout of SEK 1.10 per share (1.75) for 2011, representing a total distribution of approximately SEK 82 million (65). Bob Persson, Thorsten Åsbjer and Gustaf Hermelin were re-elected as Board members at the Annual General Meeting. Maud Olofsson, Ragnhild Backman and Anders Bengtsson were elected as new Board members.

The company acquired one property, sold six properties and part-sold four properties in the year. Investment in renovation, refurbishment and extension projects totalled SEK 152 million (108).

RESULTS

The rental income for 2012 was SEK 1,300 million (587), representing an 88.8% (89.6%) economic occupancy rate. Diös had a total of 10,605 contracts (10,248) spread over 2,781 property leases (2,812), 2,290 residential leases (2,300) and 5,534 contracts for parking lots and other space (5,136). On 31 December 2012, the contracted rental income was SEK 1,301 million (1,278). Diös' ten largest clients accounted for 16% (14%) of this, with an average lease term of 3.4 years (3.6).

The property costs in 2012 were SEK 565 million (274), of which SEK 450 million (222) were running and maintenance costs, SEK 59 million (26) property tax and SEK 55 million (26) property management costs. The operating surplus amounted to SEK 766 million (327), representing a surplus ratio of 58.9% (56.0%). The earnings

trend is chiefly attributable to the acquisition of Norrvidden on 30 December 2011.

Central administration expenses amounted to SEK 95 million (49), of which SEK 38 million were restructuring costs attributable to the purchase of Norrvidden. Value movement on properties was SEK 189 million (207), of which SEK 9 million (32) was realised movement. The operating profit was SEK 857 million (484).

Value movement on derivatives was SEK -76 million (-88). The net financial result was SEK -328 million (-144). The current tax expense for 2012 was SEK -6 million (-8), attributable to tax in subsidiaries, which were prevented from offsetting losses against profits through Group contributions during the year. A new valuation of deferred tax assets has caused a deferred tax expense of SEK -14 million (-66). The profit for the year after taxation amounted to SEK 432 million (177).

FINANCIAL POSITION

Unrealised movement on Diös' derivatives recognised in the income statement amounted to SEK -76 million (-88) in the period. Financial items amounted to SEK -328 million (-144), of which SEK -330 (-147) was interest expense. On 31 December 2012, the Group's interest-bearing liabilities totalled SEK 7,893 million (8,000) with an average annual interest rate of 3.21% (4.09%) excluding loan commitments and 3.23% (4.10%), including loan commitments. The loans' average interest rate commitment period was 2 months (3) on 31 December. The average capital commitment period was 2.9 years (3.9). The Group has derivatives amounting to SEK 4,200 million (2,600) to hedge the loans. The derivatives have an average remaining maturity of 4.1 years (5.0). The average annual interest rate, including costs related to derivative instruments, amounted to 3.75% (4.20%) excluding loan commitments and 3.77% (4.21%), including loan commitments.

On the balance sheet date, Diös' available cash and cash equivalents, excluding unused bank overdraft facilities, amounted to SEK 120 million (104). Return on equity was 14.7% (8.6%), the interest cover ratio was 2.0 times (1.9) and the visible equity/assets ratio was 25.3% (22.9%).

DEFERRED TAXES

In April 2005, Diös' original owners acquired a Group consisting of dormant limited companies. The aim of the acquisition was to create a basis for the formation of the new real estate company.

The only assets of the acquired companies at the time of acquisition were approximately SEK 40 million in cash and, according to the 2005 income tax returns, approximately SEK 1,026 million in unused tax losses carried forward. The reported deferred tax liability was SEK -593.3 million (-555.8) on 31 December 2012. The value of the deferred tax liability will be assessed at the end of each accounting period and, if necessary, re-valuation will be carried out.

Diös' reported temporary differences, i.e. the properties' fair values less tax residual values, amounted to SEK 3,170.9 million on 31 December 2012. At a tax rate of 22.0%, deferred tax liability relating to temporary differences was SEK 697.6 million.

Diös' tax losses carried forward on 31 December 2012 are estimated at SEK 565.7 million. At a tax rate of 22.0%, deferred tax asset relating to tax losses carried forward was SEK 124.5 million, which in Diös' financial statements has been offset against deferred tax liability.

The change since 31 December 2011 is attributable to a SEK 45.2 million deferred tax asset decrease and a SEK 27.9 million decrease in deferred tax on temporary differences. The reduction in the income tax rate from 26.3% to 22.0% has had a positive one-off SEK 112.0 million impact on recognised net deferred tax on temporary differences and deferred tax assets relating to tax losses carried forward. The one-off impact of a reduced income tax rate relating to other deferred tax is SEK 4.0 million (-).

PROPERTY HOLDING

At year-end, Diös owned 378 properties in 15 locations from Borlänge in the south to Luleå in the north. The gross leasable area was 1,504,738 square metres, of which 39% was office space, 19% retail space, 22% industrial and warehouse space, 12% residential and 8% other leasable space. On 31 December 2012, the total market value of the properties was SEK 11,878 million. See Note 11. In terms of value, the largest share of the portfolio is property in Gävle, Sundsvall and Östersund.

The company acquired one property, sold six properties and part-sold four properties in the year. Total investment in renovation, refurbishment and extension projects during the year totalled SEK 152 million (108).

PARENT COMPANY

The activities of the parent company consist of Group-wide functions as well as ownership and

operation of the Group's subsidiaries. Turnover in 2012 totalled SEK 12 million (11) and post-tax profit was SEK 1 million (-25). The improved net interest is attributable to increased inter-company lending of issued capital in connection with the acquisition of Norrvidden. The change in interests in Group companies is attributable to contributions in subsidiaries. The company's cash and cash equivalents were SEK 0 million (48) on 31 December 2012. External interest-bearing liabilities, excluding overdraft facilities, amounted to SEK 1,492 million (1,591). The amount of drawn overdraft facilities stands at SEK -27 million (0). The average annual interest rate based on the company's position on 31 December 2012 was 3.16% (4.14%).

SHARE CAPITAL

On 31 December 2012, the share capital in Diös Fastigheter AB was SEK 149,457,668. The total number of shares at year-end was 74,729,134, with a face value of SEK 2 per share. All shares give equal rights to Diös' assets and profits. Each share entitles the holder to one vote. There are no potential shares, nor any preferential rights to cumulative dividends.

At year-end, Diös Fastigheter AB had 2,669 shareholders. A significant proportion (99%) of the shareholders were in Sweden. The largest single shareholder was AB Persson Invest with a 15.4% holding. Other major shareholders were Humlegården Holding III AB with 13.8%, Brinova Inter AB with 12.0%, Klöver with 11.6%, Bengtssons Tidnings AB with 10.1% and Läns-försäkrings Fastighetsfond with 6.6%.

OPPORTUNITIES AND RISKS

Significant factors affecting Diös' income are the economic occupancy rate of the properties, Diös' ability to charge market-based rents and the lessees' ability to pay. Occupancy rates and rent levels are largely governed by the general and regional economic trends. The greater the number of major, individual lessees in the property holding, the greater the risk of large fluctuations in vacancies and loss of rental income. To limit the risk of falling rental income and a lower economic occupancy rate, Diös is committed to creating long-standing relationships with its current lessees, ensuring that not just one or a few lessees account for a large portion of the rental income, being an active partner on the local market in terms of economic development, and having a well-diversified portfolio of properties. The majority of Diös' properties are centrally located in attractive

areas in selected growing towns and cities. On 31 December 2012, the ten largest lessees accounted for 16% of Diös' contracted rental income.

Each market is responsible for keeping the property holding well-maintained and in good condition. A local presence ensures a better understanding of the preventive maintenance needs of each property, which in the long run is more cost effective than having to carry out extensive repairs. Some expenses, such as heating and water, are constrained by a limited choice of providers. Diös therefore places great emphasis on continually improving cost efficiency. It does this by adopting rational technical solutions, training its personnel, identifying synergies and potential coordination opportunities and by realising these and other practical initiatives and continuously reviewing and following up its activities. Diös' exposure to cost movements is mitigated by charging part of the property costs to the lessees.

The interest expense on borrowed capital is one of Diös' single largest cost items. In 2012, Diös' Board of Directors approved a financial policy on how Diös' finance department shall manage loans and maturities and how to mitigate the risks associated with financing activities. The market rate is affected by the monetary policy of the central bank of Sweden (Riksbanken) and by projections for national and international economic growth. The interest rate maturity profile is divided into different maturity terms through derivative instruments in order to mitigate this impact. The financial policy and risk management are explained in more detail in Notes 19 and 22.

The values of the properties are based on supply and demand, whereby the price is mainly determined by the estimated operating surplus of the properties and the investor's required rate of return. An increase in demand results in a lower required rate of return and thus an upward adjustment in price. A decrease in demand has the opposite effect. Correspondingly, positive strong growth in operating surplus results in an upward adjustment in price, while negative strong growth has the opposite effect. Whether Diös is able to capture value-added profit depends on how successfully it develops the properties, the rental trends and cost developments for these properties, and what the contract and client structures look like. The reporting of taxes complies with the accounting regulations, but it should be noted that the amount of tax paid over time generally differs from that reported. Tax regulations are also complex and difficult to interpret. Application of

the accounting regulations may also change over time; refer to the description of tax matters in Norrvidden below.

Other factors affecting the property prices are the general economic climate, projections for inflation and the current interest rate situation. Diös' operations are also impacted by local business development in the communities where the company is established and how well it leverages its presence in these local markets.

TAX MATTERS IN NORRVIDDEN

In the autumn of 2011, the Swedish Tax Agency made a request to the Administrative Court for the law on tax evasion to be applied to Norrvidden Norrland AB regarding the sale of properties packaged in limited partnerships. The transactions were carried out in 2005 and the Swedish Tax Agency is demanding a SEK 246 million increase in the tax assessment on Norrvidden Norrland AB's tax revenues. Diös has been aware of the matter with the Swedish Tax Agency throughout the entire acquisition process. Consideration has been made and the matter is regulated in the transfer agreement signed by both the parties. The agreement specifies the full responsibilities of the seller should the tax assessment notice of the Swedish Tax Agency become legally enforceable.

CORPORATE GOVERNANCE

Corporate governance is about conducting the affairs of a company in such a way as to satisfy shareholder expectations for return on capital invested. Corporate governance processes are conducted in compliance with legislation, industry standards, regulations and internal policies and procedures. With the Swedish Code on Corporate Governance (the Code) as a basis, a framework for good practice in the stock market has been developed with the purpose of enhancing governance of Swedish companies. In order for the system to operate optimally, it is essential for companies to take measures to ensure that the information supplied to the market is fair and correct. Diös adopted the Code on 1 January 2008. The Corporate Governance Report is presented on page 32.

ARTICLES OF ASSOCIATION

The company's firm is Diös Fastigheter AB and the company is publicly traded (publ.). The Board of Directors' registered office shall be in the municipality of Östersund.

Annual General Meetings shall be held in Östersund or Stockholm. Annual General

Meetings shall be held not later than six (6) months after the close of the financial year. The Company's business is to own and manage real estate, either directly or indirectly through subsidiaries, and engage in related business activities. The share capital shall consist of a minimum of SEK 74,000,000 and a maximum of SEK 296,000,000. The company's financial year is the same as the calendar year.

ANNUAL GENERAL MEETING

The Annual General Meeting is the highest decision-making body in a limited liability company in accordance with the Swedish Companies Act. Diös' Annual General Meeting shall be held in Östersund or Stockholm not later than six (6) months after the close of the financial year. Notice must be published in the Swedish "Post- och Inrikes Tidningar" newspaper and in the Svenska Dagbladet newspaper, or in another national newspaper. All shareholders who have registered and are entered in the company's share register are entitled to attend and vote at the Annual General Meeting.

Every shareholder has one vote for every share held or represented. Shareholders are entitled to submit business for consideration at the Annual General Meeting provided they notify Diös' Board of Directors of the business before the specified deadline.

The Board of Directors and, where applicable, auditors and any deputies, are elected at the Annual General Meeting. At the Annual General Meeting, the Annual Report and the Auditors' Report are presented, a vote is taken on the income statement and balance sheet, and on the appropriation of the company's profit or loss according to the adopted balance sheet. Furthermore, votes are cast on the proposal for remuneration to Board members and auditors and on discharge of the Board of Directors and the Managing Director for their activities during the financial year.

NOMINATION COMMITTEE

The Nomination Committee is appointed annually and consists of representatives from the four largest shareholders on 15 September each year. The Nomination Committee for the year to the 2013 Annual General Meeting consists of the following shareholder representatives:

- Per-Arne Rudbert, representing Humlegården (Chairman of the Nomination Committee)
- Bo Forsén, representing Brinova Inter AB

- Bob Persson, representing AB Persson Invest
- Jonas Bengtsson, representing Bengtssons Tidnings AB

BOARD OF DIRECTORS

Diös' Board of Directors is elected annually at the Annual General Meeting. All Board members hold office until the close of the next Annual General Meeting. The Board currently consists of six members and one employee representative. The company's Managing Director shall attend Board meetings but is not a member of the Board. For the year from the 2012 Annual General Meeting, the Board of Directors consists of Bob Persson (Chair), Gustaf Hermelin, Thorsten Åsbjer, Maud Olofsson, Ragnhild Backman, Anders Bengtsson and Tomas Mellberg (employee representative).

The Board of Directors for Diös Fastigheter AB has established rules of procedure in accordance with the Swedish Companies Act. According to the adopted rules of procedure, the Board of Directors will convene for at least six ordinary meetings, in addition to its inaugural meeting, per calendar year. In 2012, the Board of Directors for Diös held 11 (27) recorded meetings and one inaugural meeting.

At each of the ordinary Board meetings, the Board discusses matters of significance to the company, such as acquisitions, sale of properties and investments in current properties. Furthermore, the Board is informed about the current business situation, the rental and real estate market and the credit market. Regular items of business at Board meetings in 2012 included the business plan, company-wide policies, general strategies, rules of procedure for the Board, capital structure and financial needs, accounting and taxation matters and the company's insurance situation.

CHAIRMAN OF THE BOARD

The Chairman of the Board leads the work of the Board and ensures that the Board discharges its responsibilities and duties. The Chairman ensures that the members of the Board are provided with the information they require to carry out their work and is also responsible for making sure an assessment of the Board's work is conducted.

AUDIT ISSUES

The Board as a whole undertakes the duties of an Audit Committee. The task of the Audit Committee is to oversee and safeguard the assets of the Group and ensure compliance with laws and

regulations so as to achieve efficiency within the organisation, to ensure that correct reports and statements are prepared and that the financial information is reliable. The Audit Committee examines the company's procedures for accounting and financial controls, the work of the auditors, their qualifications and independence. The Audit Committee assists the management team in identifying and assessing the significant risks in the business and ensures that management takes measures to address these. The Audit Committee deals with all of the financial statements presented by the company and the Board as a whole deals with the company's interim report for the third quarter and year-end financial statement. The Audit Committee also reviews quarterly risk reports, information on risk assessments, litigation and any irregularities.

The company's auditor must be invited to attend the Board meeting at which the Annual Report is discussed, in order to give an opinion on the company's Annual Report and consolidated financial statements. The auditor must always attend the Board meetings at which decisions are made regarding the year-end financial statement and the interim report for the third quarter.

REMUNERATION

Diös' Board of Directors has appointed a Remuneration Committee consisting of the Chairman of the Board, in accordance with the approval of the Annual General Meeting, and one additional member. The Remuneration Committee shall prepare matters relating to remuneration and other terms of employment for the Managing Director. Salary, other benefits and pension premiums for the Managing Director, the management team and the Board for 2012 are presented in Note 5 of the Annual Report.

AUDITOR

At the 2009 Annual General Meeting, Deloitte AB was elected as auditors for Diös Fastigheter AB for the period until the close of the 2013 Annual General Meeting. Lars Helgesson, chartered accountant and auditor at Diös Fastigheter AB since 2005, is responsible for the audit.

POLICIES FOR REMUNERATION OF SENIOR EXECUTIVES

Remuneration and benefits to the Managing Director are decided by the company's Board of Directors. Remuneration to other senior executives is decided by the Managing Director in consultation with the company's Board of

Directors. The Managing Director is entitled to a company car. During the period of employment with the company, the Managing Director is entitled to insurance and retirement benefits in accordance with the ITP plan applicable at the time. The option of personal investment choice that is given may be exercised. Insurance and pension premiums are based on cash salary only. The age of retirement for the Managing Director is 65 years. During the period of notice, the Managing Director is entitled to salary and benefits as per the current agreement. The severance pay is not classed as pensionable income. Remuneration during a period of notice is deducted from income from another employer. Other senior executives are entitled to a company car. During the period of employment with the company, other executives are entitled to insurance and pension benefits in accordance with the ITP plan applicable at the time. The option of personal investment choice that is given may be exercised. Insurance and pension premiums are based on cash salary only. The retirement age for other senior executives is 65 years. The period of notice given by the company is 6-12 months. The period of notice given by an employee is 6 months. Diös has a profit-sharing foundation for all its employees. Provision to the profit-sharing foundation is based on return on equity and is capped at one base amount per year per employee.

The above policies are expected to be approved with the same wording at the 2013 Annual General Meeting.

EVENTS AFTER THE REPORTING PERIOD

CHANGES TO DIÖS' NOMINATION COMMITTEE

The names of the four representatives appointed to the Nomination Committee for Diös Fastigheter AB for the Annual General Meeting on 25 April 2013 were announced on 25 October 2012. Klöver AB has since relinquished its place on the Committee. Klöver has been replaced by Bengtssons Tidnings Aktiebolag, represented by Jonas Bengtsson. Diös' Nomination Committee consists of the four largest shareholders and, if a representative declines, the right to appoint a representative passes to the next largest shareholder.

PROPERTY SALES

On 9 January 2013, Diös Fastigheter AB (publ) sold the property Muttern 3 (address Verkstadsvägen 14, Hammarängen's Industrial Park) in Skellefteå. The property covers an area of 920 square

metres. The consideration is SEK 3.5 million. Possession took place on 15 January 2013.

An agreement was signed on 26 November 2012 for the sale of two separate properties, Mercurius 5 and 12, in Sundsvall. The properties cover an area of 16,300 square metres and consist of Mercurius 5, 11 and 12, Minerva 4 and 6, and Bacchus 10. The sale is conducted in the form of a company divestment at an underlying property value of SEK 140 million. Possession of the properties took place after a real estate formation on 28 February 2013.

LETTINGS

Clas Ohlson is opening a store in the IN shopping centre. On 6 March 2013, Clas Ohlson announced it would be opening a store in the IN shopping centre in Sundsvall. The IN shopping centre is at the heart of the Stenstan district of Sundsvall, where the three blocks, Lyckan, Hälsan and Glädjen, form the largest city shopping centre in Norrland (northern Sweden). Diös' refurbishment project for Clas Ohlson is part of the long-term improvement programme for the IN shopping centre. The purpose of the programme is to better meet the needs of the lessees and visitors.

The establishment of Clas Ohlson will be an important complement to the overall experience that Diös wants to offer everyone who visits the IN shopping centre. Clas Ohlson has made a profit every year since its inception in 1918 and the company plans to set up 15 to 20 new stores in the 2012-2013 financial year.

THE ENVIRONMENT

Commitment to sustainable growth is about taking responsibility for value-adding processes. For Diös as a property company, sustainability issues are of utmost importance. It is a strategic and significant responsibility for the company's management team and Board of Directors, since the link between environmental accountability and business benefits is becoming increasingly important and clear.

Diös' environmental policy specifies how Diös shall undertake its environmental activities with a constant and purposeful focus. In order to achieve continuous improvement and reduce negative environmental impacts, Diös must provide the best possible technologies and long-term sustainable properties, from an environmental perspective, at the rate and to the extent demanded by its lessees. When planning conversions, renovations and new building projects, and when considering the introduction of new technologies, the company will

analyse and take into account the environmental impacts and incorporate them into the data for decision making.

The knowledge, commitment and ambition of our employees are essential for the successful implementation of effective environmental practices. Diös shall produce concrete and measurable environmental targets, strategies to achieve the targets, and procedures for annual review and evaluation processes. Steps must be taken to reduce the environmental impact wherever this is environmentally motivated, technically feasible and economically viable. Good profitability is a requirement for Diös' environmental practices, as this creates resources for sustainability and efficiency within the environmental field.

PERSONNEL

Diös' future depends greatly on the commitment of its employees. It has a decentralised organisational structure and is characterised by confidence and trust in the individual. It is important to nurture the skills, knowledge and ideas of employees to ensure the company's positive future development. All employees should be aware of Diös' vision, mission, objectives, strategies, core values and prime business. Everyone should be informed that Diös is a listed company and must therefore conform to stock exchange rules, regulations and requirements. Diös works with a number of channels to ensure that information about its business operations and growth is communicated correctly to employees.

Training and skills development is a joint responsibility shared by the company and individual employees. The goal is to offer all employees good opportunities to develop skills and knowledge and thereby lay a solid foundation for company growth. Employees receive on-going training in the skills required, thus allowing the company to meet future challenges and demands. Individual targets and development plans form part of the regular planning and performance appraisals with line managers.

Diös needs to be an attractive employer in order to be able to recruit and retain competent personnel. Selection for positions is based on an objective assessment of the applicant's suitability, i.e. a combination of professional experience, theoretical knowledge and personal ability. Diös will support employees who wish to move within the company and encourage those who want to develop.

At Diös, the equal rights of men and women in terms of employment, working conditions and

development opportunities are a matter of course. The company aims to achieve diversity among its employees in terms of gender, age and ethnic background, and this should be reflected when appointing new employees. When selecting new employees, the company shall appoint the gender that is under-represented for the position, provided that the candidates are equal and have the same qualifications for the job. The pay levels of women and men will be compared at salary reviews.

The key to success in a service-producing company like Diös is the people who work in the organisation. This means that lifestyle and health issues are given high priority and Diös actively encourages personal health awareness among its employees.

An employee satisfaction survey is conducted annually to find out how well the company meets employee expectations and the goals stated in Diös' HR policy. The results then form the basis for improvements within the company.

OUTLOOK FOR 2013

In 2013, Diös will continue the process of coordinating company operations. This is expected to proceed in parallel with the regular operating activities for the current year.

At the beginning of 2013, the central bank of Sweden (Riksbanken) resolved to keep the repo rate at the current level of 1.00%. The most recent assessment of the National Institute of Economic Research (Konjunkturinstitutet) is that the repo rate will not be increased until late 2014 when inflation rises and the economy has started to show good signs of recovery. According to the National Institute of Economic Research's latest forecast, Sweden's economic growth is weakening and it will be some time before the labour market recovers its buoyancy. The underlying trend is not as strong as the GDP figures indicate. The weak development abroad, together with the strengthening of the krona, means that Swedish recovery from the recession receives comparatively little help from exports. It is considered possible that growth will therefore mainly be driven by domestic demand.

Low inflation and weak demand mean that the economy needs to be stimulated by a more expansionary monetary policy. Despite a slight slowdown in the Swedish economy, we are seeing stronger cash flows from our real estate operations and a stabilisation of the yield values in the market valuation of our properties. These

combined factors should strengthen the real estate class of assets.

FUTURE GROWTH

The operations of the Group are expected to continue at current levels and to grow in pace with possible acquisitions.

DIVIDENDS

For the 2012 financial year, the Board of Directors proposes a dividend of SEK 2.30 (1.10) per share, representing a total distribution of SEK 172 million (82). The proposal means that 50% (53%) of earnings, excluding unrealised gains and losses and deferred tax assets, will be paid out to shareholders.

ALLOCATION OF PROFIT

Proposed allocation of profit The Board of Directors and the Managing Director propose that the available profits of SEK 1,119,890,000 be distributed as follows:

A dividend of SEK 2.30 per share be paid to shareholders (2.30 * 74,729,134)	SEK 171,877,000
Be carried forward	SEK 948,013,000
Total	SEK 1,119,890,000

The income statement and balance sheet will be presented for approval to the General Meeting on 25 April 2013.

BOARD OF DIRECTORS' STATEMENT ON PROPOSED DIVIDEND

Consolidated equity has been calculated in conformity with the IFRSs approved by the EU and the interpretations of these (IFRIC) and in accordance with Swedish law and the Swedish Financial Reporting Board's recommendation RFR 1, "Supplementary Accounting Regulations for Groups". Parent company equity has been calculated in accordance with Swedish law and the application of the Swedish Financial Reporting Board's recommendation RFR 2, "Accounting for Legal Entities".

The proposed dividend represents 50% of the Group's property management income, which is in line with the stated goal of a long-term transfer of at least 50% of the Group's management income after tax to its shareholders, taking investment plans, consolidation needs, liquidity and financial position into account. The Board of Directors finds there is full coverage for the company's restricted equity after the proposed

dividend. The Board of Directors is also of the opinion that the proposed dividend to the shareholders is justified with regard to the parameters specified in Chapter 17, Section 3, Paragraphs 2 and 3 of the Swedish Companies Act (the nature, scope and risks of the business and consolidation needs, liquidity and financial position). The Board of Directors considers that, after the proposed dividend, the equity of the company and the Group will be adequate for the nature, scope and risks of the business. In this respect, the Board takes into account the company's and Group's past and budgeted development, investment plans and current market conditions. The Board has undertaken a comprehensive assessment of the financial position of the company and the Group and their ability to meet their obligations in the future. The proposed dividend represents 11% of the company's equity and 6% of Group equity. The stated goal for the Group's capital structure with an equity/assets ratio above 25% and an interest coverage ratio of at least 1.8 times will be met after the proposed distribution. The Board of Directors therefore believes that the company and the Group are well placed to take future business risks and also withstand any losses. Planned investments were also considered when determining the proposed distribution of profits. The distribution of profits will not negatively affect the company's and Group's ability to make further business-driven investments according to the approved plans. Nor will the proposed distribution of profits affect the company's and Group's ability to meet their payment obligations on time.

The company and the Group maintain sufficient reserves of cash and cash equivalents in the form of both short-term and long-term credit lines. The lines of credit can be used at short notice, which means that the company and the Group are well prepared for fluctuations in liquidity and unexpected events. The Board of Directors has taken into account all other known circumstances that could have an impact on the financial position of the company and the Group and which have not been taken into account within the scope of the above considerations. In this respect, no circumstances have been found to indicate that the proposed distribution is not justified.

CONSOLIDATED INCOME STATEMENT 2012

AMOUNT SEK 000	NOTE	2012	2011
INCOME STATEMENT			
Revenue	3	1,331,292	601,386
Property costs	4	-565,091	-274,095
Operating surplus		766,201	327,291
Depreciation of property, plant and equipment		-3,134	-1,587
Gross profit or loss		763,067	325,704
Central administration and marketing	5.6	-56,973	-35,535
Transaction costs	6	-	-13,544
Restructuring costs	6	-37,861	-
Value movement on investment properties	7	188,499	206,920
Operating profit		856,732	483,545
Value movement on derivatives		-76,284	-88,176
Interest income	8	1,006	3,165
Interest expense and similar items	9	-329,536	-147,354
Profit/loss after financial items		451,918	251,180
Tax on profit/loss for the year	10	-20,345	-73,943
PROFIT OR LOSS FOR THE YEAR		431,573	177,238
Profit attributable to shareholders of the parent		428,457	182,270
Profit attributable to non-controlling interests		3,116	-5,032
TOTAL		431,573	177,238
STATEMENT OF COMPREHENSIVE INCOME			
Profit after taxation		431,573	177,238
Reversal of hedging reserve	19	11,850	5,379
COMPREHENSIVE INCOME FOR THE YEAR		443,423	182,617
Comprehensive income attributable to shareholders of the parent		440,307	187,649
Comprehensive income attributable to non-controlling interests		3,116	-5,032
Total		443,423	182,617
Data per share ¹			
Earnings per share, SEK		5.73	4.58
Average number of shares (thousands)		74,729	39,771
Number of shares at end of period (thousands)		74,729	74,729
Dividend per share, SEK		2.30 ²	1.10

¹ On 31 December 2012, Diös had no outstanding financial instruments which would dilute earnings.

² The Board of Directors' proposal

AMOUNT SEK 000	NOTE	2012	2011
ASSETS			
Fixed assets			
Property, plant and equipment			
Investment properties	11.12	11,877,621	11,562,241
Projects in progress		3,444	1,962
Other property, plant and equipment	13	8,812	11,583
Total property, plant and equipment		11,889,877	11,575,786
Financial fixed assets			
Shares and interests		10,673	12,739
Promissory notes		500	6,530
Total financial assets		11,173	19,269
Total fixed assets		11,901,051	11,595,055
CURRENT ASSETS			
Current receivables			
Trade receivables	16	16,678	17,766
Other receivables		124,345	110,489
Prepaid expenses and accrued income		30,961	51,804
Total current receivables		171,984	180,059
Cash on hand and demand deposits		120,084	103,806
Total current assets		292,068	283,866
TOTAL ASSETS		12,193,119	11,878,921

AMOUNT SEK 000	NOTE	2012	2011
EQUITY AND LIABILITIES			
Shareholders' equity¹			
Share capital	17	149,458	149,458
Capital contributed		1,819,788	1,819,788
Hedging reserve		-	-11,850
Retained earnings		1,116,820	767,074
Total equity		3,086,066	2,724,470
Non-current liabilities			
Deferred tax liability	15	593,352	555,797
Other provisions	18	9,490	20,159
Liabilities to credit institutions	19	7,885,388	7,993,147
Total non-current liabilities		8,488,230	8,569,103
Current liabilities			
Current portion of non-current liabilities		7,200	7,200
Trade payables		79,112	97,597
Other liabilities		222,516	193,885
Accrued expenses and deferred income	20	309,995	286,665
Total current liabilities		618,823	585,348
TOTAL EQUITY AND LIABILITIES		12,193,119	11,878,921
Pledged assets and contingent liabilities			
Pledged assets			
For own liabilities			
Shares in subsidiaries		1,640,489	1,215,824
Floating charges		238,800	238,800
Real estate mortgages		9,085,638	8,306,541
Total pledged assets		10,964,927	9,761,165
Contingent liabilities			
Other contingent liabilities		567	427
Total contingent liabilities		567	427

¹ Changes in equity, see page 12

PARENT COMPANY'S INCOME STATEMENT 2012

AMOUNT SEK 000	NOTE	2012	2011
INCOME STATEMENT			
Revenue	3	11,533	11,491
Operating surplus		11,533	11,491
Depreciation of property, plant and equipment		-479	-676
Gross profit or loss		11,054	10,815
Restructuring costs	6	-16,733	-
Central administration and marketing	5	-52,133	-55,271
Operating profit		-57,812	-44,456
Income from interests in Group companies		-1,055	1,665
Interest income	8	150,040	104,121
Interest expense and similar items	9	-103,086	-86,748
Group contributions		13,160	-
Profit/loss after financial items		1,248	-25,418
Tax on profit/loss for the year	10	-	-
PROFIT OR LOSS FOR THE YEAR		1,248	-25,418
There are no items for recognition in other comprehensive income			
Data per share ¹			
Earnings per share, SEK		0.02	-0.64
Average number of shares (thousands)		74,729	39,771
Number of shares at end of period (thousands)		74,729	74,729
Dividend per share, SEK		2.30 ²	1.10

¹ On 31 December 2012, Diös had no outstanding financial instruments which would dilute earnings.

² The Board's proposal.

AMOUNT SEK 000	NOTE	2012	2011
ASSETS			
Fixed assets			
Property, plant and equipment			
Projects in progress		1,653	120
Other property, plant and equipment	13	828	1,070
Total property, plant and equipment		2,481	1,190
Financial fixed assets			
Investments in Group companies	14	171,225	132,280
Other shares and participations		210	298
Receivables from Group companies		3,384,328	3,402,886
Total financial assets		3,555,763	3,535,464
Total fixed assets		3,558,244	3,536,654
CURRENT ASSETS			
Current receivables			
Trade receivables		11	211
Receivables from Group companies		40,485	50,154
Tax assets		469	511
Other receivables		21,187	2,625
Prepaid expenses and accrued income		13,773	13,508
Total current receivables		75,926	67,009
Cash on hand and demand deposits		11	48,407
Total current assets		75,937	115,416
TOTAL ASSETS		3,634,182	3,652,070

AMOUNT SEK 000	NOTE	2012	2011
EQUITY AND LIABILITIES			
Shareholders' equity¹			
Restricted equity			
Share capital	17	149,458	149,458
Statutory reserve		284,796	284,796
Total restricted equity		434,254	434,254
Unrestricted equity			
Share premium reserve		1,491,551	1,491,551
Retained earnings		-372,909	-265,664
Profit/loss for the year		1,248	-25,418
Total unrestricted shareholders' equity		1,119,890	1,200,469
Total equity		1,554,144	1,634,724
Non-current liabilities			
Liabilities to Group companies		415,135	340,580
Liabilities to credit institutions	19	1,484,898	1,583,648
Total non-current liabilities		1,900,033	1,924,228
Current liabilities			
Liabilities to credit institutions		7,200	7,200
Liabilities to Group companies		124,550	59,946
Overdraft facilities		27,409	-
Trade payables		4,826	16,167
Other liabilities		877	387
Accrued expenses and deferred income	20	15,143	9,418
Total current liabilities		180,005	93,118
TOTAL EQUITY AND LIABILITIES		3,634,182	3,652,070
Pledged assets and contingent liabilities			
Pledged assets			
For own liabilities			
Shares in subsidiaries		83,746	44,801
Non-current receivables in Group companies		2,592,609	2,592,609
Total pledged assets		2,676,355	2,637,410
Contingent liabilities			
Other contingent liabilities		255	211
Total contingent liabilities		255	211

¹ Changes in equity, see page 12

CHANGES IN EQUITY 2012

AMOUNT SEK 000	NUMBER OF OUT- STANDING SHARES, thousands ¹	SHARE CAPITAL	CAPITAL CONTRIBUTED	HEDGING RESERVE ²	RETAINED EARNINGS	TOTAL EQUITY
GROUP						
EQUITY 31 DECEMBER 2010	37,365	74,729	805,542	-17,229	655,224	1,518,266
Reversal of hedging reserve				5,379		5,379
Profit for the period after taxation					182,270	182,270
Comprehensive income for the year				5,379	182,270	187,649
Dividends					-65,388	-65,388
New issue	37,364	74,729	1,014,246			1,088,975
Proportion of equity held by non-controlling interests					-5,032	-5,032
EQUITY 31 DECEMBER 2011	74,729	149,458	1,819,788	-11,850	767,074	2,724,470
Reversal of hedging reserve				11,850		11,850
Profit for the period after taxation					428,457	428,457
Comprehensive income for the year				11,850	428,457	440,307
Dividends					-82,202	-82,202
Sale of own shares					375	375
Proportion of equity held by non-controlling interests					3,116	3,116
EQUITY 31 DECEMBER 2012	74,729	149,458	1,819,788	-	1,116,820	3,086,066

AMOUNT SEK 000	NUMBER OF OUT- STANDING SHARES, THOUSANDS ¹	SHARE CAPITAL	STATUTORY RESERVE	SHARE PRE- MIUM RESERVE	RETAINED EARNINGS	TOTAL EQUITY
PARENT COMPANY						
EQUITY 31 DECEMBER 2010	37,365	74,729	284,796	477,304	-200,278	636,553
Dividends					-65,388	-65,388
New issue	37,364	74,729		1,014,246		1,088,975
Sale of own shares						0
Profit/loss for the year					-25,418	-25,418
EQUITY 31 DECEMBER 2011	74,729	149,458	284,796	1,491,551	-291,083	1,634,724
Dividends					-82,202	-82,202
Repurchase of shares					-17,000	-17,000
Sale of own shares					17,375	17,375
Profit/loss for the year					1,248	1,248
EQUITY 31 DECEMBER 2012	74,729	149,458	284,796	1,491,551	-371,661	1,554,144

¹ See Note 16, Equity, relating to changes in the number of outstanding shares

² Since 30 September 2012, the hedging reserve is transferred to the income statement in its entirety

CASH FLOW STATEMENT 2012

		GROUP		PARENT COMPANY	
AMOUNT SEK 000	NOTE	2012	2011	2012	2011
Operating activities					
Operating profit/loss		856,732	483,545	-57,812	-44,457
Adjustments for non-cash items, etc.: ¹		-185,366	-205,333	479	676
Income from interests in Group companies		-	-	-	1,665
Interest received		1,085	3,165	151,411	69,575
Interest paid		-292,381	-163,237	-111,032	-124,727
Tax paid		-6,185	-8,041	-	-
OPERATING CASH FLOWS BEFORE MOVEMENTS IN WORKING CAPITAL		373,885	110,100	-16,954	-97,268
Movements in working capital					
Decrease (+)/increase (-) in receivables		8,417	1,912	-8,583	100,587
Decrease (-)/increase (+) in liabilities		-68,977	61,016	66,181	19,579
TOTAL MOVEMENT IN WORKING CAPITAL		-60,560	62,928	57,598	120,166
OPERATING CASH FLOW		313,325	173,028	40,644	22,898
Investing activities					
Acquisition of subsidiary	12	-	-585,362	-	-105
Investment in financial fixed assets		-73	-	-	-
Change in long-term receivables		-	-	-8,282	-1,145,112
Proceeds from sale of property, plant and equipment		25,704	135,653	-	958
Acquisition of property, plant and equipment ²		-132,654	-142,481	-1,770	-295
INVESTING CASH FLOW		-107,023	-592,190	-10,052	-1,144,554
Financing activities					
New issue		-	1,088,976	-	1,088,976
Dividend		-82,202	-65,388	-82,202	-65,388
Movement in borrowings		-107,822	-561,395	-24,195	96,759
FINANCING CASH FLOW		-190,024	462,193	-106,397	1,120,347
Cash flow for the year		16,217	43,030	-75,805	-1,309
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		103,806	60,776	48,407	49,716
CASH AND CASH EQUIVALENTS AT END OF YEAR ³		120,084	103,806	-27,398	48,407

¹ Non-cash flow items

	GROUP		PARENT COMPANY	
Value movement on investment properties	-179,564	-175,157	-	-
Depreciation of property, plant and equipment	3,134	1,587	479	676
Capital gain/loss on sales of property in subsidiaries	-8,936	-31,763	-	-
CARRYING AMOUNT AT END OF YEAR	-185,366	-205,333	479	676

² Acquisitions of property, plant and equipment via companies have been reduced by the liabilities assumed and the portion of the liquid assets comprising the value of own shares

³ Cash and cash equivalents comprise cash on hand and demand deposits

1. ACCOUNTING POLICIES

GENERAL INFORMATION

The Annual Report and the consolidated financial statements were approved and authorised by the Board of Directors for publication on Diös' website on 4 April 2013. The consolidated and parent company income statements and balance sheets will be presented for approval at the Annual General Meeting on 25 April 2013. Diös Fastigheter AB (CRN 556501-1771) is a Swedish-registered public limited company with its headquarters in Östersund in the county of Jämtland. The address of the Head Office is Ringvägen 4, Östersund. The postal address is Box 188, SE-831 22, Östersund, Sweden.

BUSINESS OPERATIONS

The Diös Fastigheter Group of companies was formed in April 2005 with the objective of acquiring, managing, improving and selling real estate. Its business activities are concentrated in the area north of Dalälven. Diös' general objective is to create good profitability in its property holding and thereby give its shareholders a sustainably high and stable return. Over the year, its operations were geographically divided into six market areas - Dalarna, Gävleborg, Västernorrland, Jämtland, Västerbotten and Norrbotten - with each market area constituting an administrative district. The staff in each area have operational responsibility for the properties and customer contacts in the market area. The goal is to use efficient, market-oriented property management strategies to create long-term tenant relationships and, through dialogues with clients, offer customised premises in well-maintained, cost-effective properties. In addition to the Managing Director, the parent company (Diös Fastigheter AB) includes the Group-wide functions of finance, valuation/analysis and market/information.

BASIS OF ACCOUNTING

The consolidated financial statements have been prepared in conformity with the International Financial Reporting Standards (IFRS) and interpretations of these as they have been adopted by the European Union. Furthermore, the consolidated financial statements have been prepared in accordance with Swedish law and the Swedish Financial Reporting Board's recommendation RFR 1, "Supplementary Accounting Regulations for Groups". The accounts have been prepared under the historical cost convention, except for investment properties and derivative instruments which are measured at fair value. The parent company's Annual Report has been prepared in conformity with Swedish law and the Swedish Financial Reporting Board's recommendation RFR 2, "Accounting for Legal Entities".

The recommendation states that a legal entity shall apply the IFRS, including interpretations from IFRIC/SIC, with exceptions for legislative provisions of the Swedish Annual Accounts Act and taking into account the relationship between accounting and taxation. The parent company applies the same recognition and measurement standards as the consolidated financial statements with the following exceptions. Derivative instruments are not measured at fair value in the parent company. Property, plant and equipment is recognised at cost less accumulated depreciation and impairment. The carrying amount increases for these in the balance sheet provided that requirements for revaluation exist.

Shares in subsidiaries are recognised using the cost method where the book value is continually reviewed against the subsidiaries' consolidated equity. In cases where the book value exceeds the consolidated value, the resulting impairment is charged to the income statement. Impairment loss is reversed when it is no longer justified. Acquisition-related costs for subsidiaries, which are recognised as an expense in the consolidated financial statements, are included as part of the cost of investments in subsidiaries. Group contribution is recognised as finance income by the recipient and as finance expense by the

contributor. Any subsequent impact on tax is recognised as current tax. Shareholder contributions are recognised by the contributor as an increase in shares in subsidiaries and by the recipient as an increase in unrestricted equity.

NEW AND AMENDED STANDARDS AND INTERPRETATIONS IN 2012

For accounting periods beginning on or after 1 January 2012, the Group applies the amendments to IFRS 7 Financial Instruments: Disclosures - Transfers of Financial Assets. Amendment to IAS 12 Income Taxes (Deferred Tax: Recovery of Underlying Assets). The amendments to IFRS 7 Financial Instruments: Disclosures require enhanced disclosures about transfers of financial assets. There are no new interpretations that have come into effect for the 2012 financial year. It is the opinion of the management that new and amended standards have had no impact on the 2012 consolidated financial statements.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In order to be able to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) and generally accepted accounting practice, management is required to make estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets, liabilities, income and expense in the next financial year. These estimates are based on historical experience and other factors that are believed to be reasonable under the circumstances. The actual results may differ from these estimates if other assumptions are made or other factors exist. Estimates and assumptions are reviewed regularly. Changes in estimates are recognised in the period in which the change is made, if the change affects that period only, or in the period in which the change is made and future periods if the change affects both the present and future periods. The estimates of the value of investment properties have a significant risk of causing a material adjustment to Group revenue and financial position. The valuation requires an estimation of the future cash flows and also the selection of appropriate discount rates. Details of the estimates and assumptions in respect of the current year are given in Note 11.

OPERATING SEGMENTS

The financial and operating performance of the identifiable operating segments are reviewed by the chief operating decision maker who, in Diös, is the Managing Director and CEO. The Group's management and financial structure is grouped into six segments. Group operations are organised by geographic market areas so that the return generated by each area can be monitored for internal reporting purposes. In addition, operations are followed up on the basis of property type.

The accounting policies for segment reporting are consistent with the Group's accounting policies. Segment information is only presented for the Group. From 1 January 2012, segments will be reported by county instead of by town. This means that Borlänge, Falun and Mora will be in Dalarna, Gävle in Gävleborg, Östersund in Jämtland, Sundsvall in Västernorrland, Umeå, Skellefteå and Lycksele in Västerbotten and Luleå in Norrbotten.

CLASSIFICATION

Non-current assets and liabilities are essentially only amounts that are expected to be recovered or paid more than twelve months after the reporting date. Current assets and liabilities are essentially only amounts that are expected to be recovered or paid within twelve months of the reporting date.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements include both the parent company and the subsidiaries in which the parent holds a direct or indirect controlling interest. Controlling interest exists when the parent company can govern

the financial and operating policies of a subsidiary so as to obtain economic benefits from its activities. Control exists when the parent owns, directly or indirectly, half or less of the voting power of an entity. In addition to the parent company, the Group comprises the subsidiaries and associated sub-groups specified in Note 14. The annual accounts are based on reports and statements that have been prepared for all Group companies as at 31 December 2012. The results of subsidiaries acquired in the year are included in the consolidated income statement from the effective date of acquisition. The results of subsidiaries disposed of in the year are included in the consolidated income statement up to the date of disposal. All inter-company transactions with regard to assets, liabilities, income and expense are eliminated on consolidation. Business combinations are accounted for using the acquisition method. Under the acquisition method, assets acquired and liabilities assumed are measured at their fair values at their acquisition date, which is the date on which the acquirer obtains control of the acquired entity. Transaction costs relating to the acquisition are not included in the cost of acquisition of the subsidiary. The difference between the cost of the acquisition, the amount of any non-controlling interest and the fair value of any previous equity interest and the fair value of the identifiable assets acquired and liabilities assumed and any contingent liabilities is recorded as goodwill. Negative difference is recognised directly in the income statement. For each acquisition, the non-controlling interests are either carried at fair value or according to the proportion of the net assets acquired. Additional consideration is recognised at estimated fair value with subsequent changes recognised in the income statement. Business combination achieved in stages (step acquisition) is measured at fair value on the date when control is obtained. Gain or loss resulting from remeasurement of previously held equity interest, before control was obtained, is recognised in the income statement. Increases or decreases in ownership interest are treated as changes in equity if control of the subsidiary is maintained. Non-controlling interests are recognised in the consolidated statement of financial position within equity, separately from the equity of the owners of the parent. Non-controlling interests are presented in the consolidated income statement and comprehensive income statement and are recognised separately from the parent company's income statement and comprehensive income statement as an allocation of the total profit or loss for the period.

REVENUE

Revenue is recognised in the income statement when the significant risks and rewards of goods and services have been passed to the buyer. Revenue is not recognised if there are significant uncertainties regarding payment, associated costs or risks, and if the seller retains involvement in the day-to-day management that is normally associated with the ownership.

Revenue comprises the fair value of the consideration received or receivable. Under IAS 17, Diös' leases are classified as operating leases. The rental income is recognised on a straight-line basis over the term of the lease. This means that only the portion of the rental income relevant to the current period is recognised. Rentals invoiced in advance are thus recognised as deferred rental income. Any payment in connection with premature termination of a lease is recognised immediately as income provided there are no remaining obligations towards the lessee. Discounts on leases are recognised on a straight-line basis over the term of the lease. Revenue from sales of properties is recognised on the date of takeover unless the risks and rewards of ownership have already been transferred. If control of the asset has already been transferred, the sale of the property is recognised in income at this earlier date. Income from the sale of property is recognised as the difference between the sale price received, less any costs directly related to the sale, and the latest fair value estimate, plus any improvements made since the last valuation. Interest income is calculated on the basis of the number of days outstanding, current asset balance and the interest rate prevailing at the time. Revenue is reported for the period in which the revenue is earned.

CENTRAL ADMINISTRATION

Central administration includes costs for general administration and group-wide activities. Parent company costs for Group management, human resources, data, marketing activities, investor relations, audit fees, financial statements and the expense of maintaining a stock exchange listing are included in central administration.

FINANCE EXPENSE

Finance expense relates to interest and other costs incurred in connection with borrowings. Costs for registration of mortgage deeds are not considered finance expense, but are disclosed on the balance sheet as investment properties. Finance expense is recognised in the period in which it is incurred. Finance expense also includes costs for interest rate derivative contracts. Flows of payments under these contracts are recognised in the period in which they are incurred.

FINANCIAL ASSETS AND LIABILITIES

Financial assets and liabilities are initially recognised at fair value and subsequently measured at amortised cost or fair value depending on their initial classification. For financial assets and liabilities carried at amortised cost, transaction costs are included at fair value. The company should recognise a financial asset or financial liability on its balance sheet when it becomes a party to the contractual provisions of the instrument. The company should derecognise a financial asset from its balance sheet when it realises the rights to benefits specified in the contract, the rights expire or the company loses control of the contractual rights. The company should derecognise a financial liability from its balance sheet when the obligation specified in the contract is discharged, cancelled or otherwise expires. The same applies to part of a financial liability. Unless otherwise stated in a note, the carrying amount of all financial assets and liabilities is considered to be a good approximation of their fair values. Derivative instruments are recognised on the trade date. Spot purchases and sales of financial assets are recognised on the settlement date. The fair values of derivative instruments are determined using discounted cash flow analysis, with quoted market rates for the term of each instrument. The future cash flows of the derivative portfolio are calculated as the difference between the fixed rate agreed by the respective derivative contracts and the implied STIBOR reference rate for each period. The present value of the consequential interest flows are determined using the implied STIBOR curve. The option component of the callable swaps in the portfolio has not been assigned a value, as cancellation does not have an impact on Diös' income. The issuer decides whether to cancel the swap or not. The fair values of borrowings are determined using discounted future cash flows, with quoted market rates for each term. Shares and participations are classified as "Available-for-sale financial assets". These are measured at fair value with changes in value recognised in equity. These shares have been measured at cost as Diös was not able to reliably determine their market value.

Receivables are carried at amortised cost less impairment. Trade receivables are recognised in the balance sheet when the invoice is sent. They are measured at the lower of cost and net realisable value at their nominal amount and are not discounted as they are considered to have a short duration. Doubtful receivables are determined individually. Cash and cash equivalents comprise cash on hand and deposits held at call with banks that are categorised as "Loans and receivables". Recognition is subsequently measured at amortised cost. Because bank deposits are payable on demand, amortised cost corresponds to nominal value.

Trade payables and other liabilities are recognised when the counterpart has performed and there is a contractual obligation to pay, even if an invoice has not yet been received. Trade payables are recognised in the balance sheet when an invoice has been received and are valued at nominal value without discounting as they are considered to have a short duration. Loans are carried at amortised cost less allowances for any debt reductions.

Interest, dividends, gains and losses relating to financial instruments are recognised as income or expense in the income statement. If the company declares distributions to equity holders, these are recognised directly in equity, taking into account any income tax consequences. Derivative instruments are recognised and measured in the balance sheet at fair value. Derivative instruments that have a positive market value are recognised as other current receivables and derivative instruments that have a negative market value are recognised as other current liabilities.

Equity instruments that are issued by the company are recognised at the consideration received less transaction costs.

SHAREHOLDERS' EQUITY

When the company repurchases its own shares, the company's equity is reduced by the amount of consideration paid for the shares plus any transaction costs.

Pursuant to the decision of the Annual General Meeting, dividends are recognised as a decrease in equity. The calculation of earnings per share is based on the Group's net earnings for the year attributable to the parent company's shareholders and on the average number of outstanding shares during the year.

PROPERTY, PLANT AND EQUIPMENT

INVESTMENT PROPERTIES

Investment properties are real estate that is held for the purpose of generating income from rent or lease, or from an increase in value, or a combination of the two. On the balance sheet date, Diös' property holding consists solely of investment properties. The properties are recognised in the balance sheet at fair value based on the valuation performed. Their fair values are subsequently remeasured during the year at quarterly intervals on the basis of external and internal valuations. The value movement is recognised in the income statement under value movement on properties. The fair values are based on the market values. These are the estimated sale prices of the properties as agreed upon between a willing and well-informed buyer and seller under usual and ordinary circumstances. No deductions are made for the selling transaction costs. The cost of acquisition comprises the purchase price and costs directly attributable to the acquisition. Other costs that add value are capitalised for properties undergoing major new construction, extension, refurbishment or conversion work. This means that repair and maintenance costs are expensed in the period in which they are incurred. Estimates are conducted continuously throughout the year to ascertain how far ongoing investment projects have progressed, value-adding expenditure is carried forward, other expenditure is charged to the current year's profit and loss account. The value movement is recognised in the income statement. Transactions concerning the acquisition of properties or companies are normally reported on the takeover date since that is the date on which the risks and rewards associated with ownership are usually passed on. For sales see Revenue.

OTHER PROPERTY, PLANT AND EQUIPMENT

Other property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the asset will flow to the company and the cost of the asset can be measured reliably. Other property, plant and equipment is recognised in the balance sheet at cost less accumulated depreciation and impairment. Cost comprises the purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended. Subsequent expenditure is added to the cost to the extent that it improves the performance of the asset. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

Scheduled depreciation is based on the original cost of the asset and, where applicable, taking into account other costs that add value and write-ups and write-downs. Items are depreciated on a straight-line basis over the

estimated useful life of the asset. The date on which the depreciation starts is the date of acquisition.

The following percentages are applied:

Parent company and Group	
Equipment and vehicles	10-20%
Office equipment	20%
Computers	33%

EMPLOYEE BENEFITS

Short-term employee benefits include salaries, paid annual leave, paid sick leave and social security contributions. These are recognised as the employees perform the work that entitles them to such benefits.

PENSIONS

Pensions and other post-employment benefits can be classified as defined contribution or defined benefit pension schemes. Diös only operates defined contribution pension schemes. Its legal or constructive liability is thus limited to the amount that the company is contractually required to contribute to the scheme. This means that the amount of retirement benefits provided to an employee will depend on the contributions that the company pays to the scheme, or to an insurance company, and the investment returns from the contributions. Hence, it is the employee who bears the actuarial risk and investment risk. The commitment to retirement and occupational pensions is covered by insurance with Alecta. In compliance with current regulations, these are classified as defined benefit ITP plans, which are covered by several employers.

Where there is insufficient information to account for them as defined benefit schemes, they are accounted for as defined contribution schemes. Obligations in respect of contributions to defined contribution schemes are recognised in the income statement as an expense as incurred.

TERMINATION BENEFITS

Termination benefits are recognised as a liability. They are only recognised as an expense when the company is demonstrably committed to terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. The benefits in connection with voluntary redundancy are calculated on the basis of the number of employees expected to accept the offer.

RELATED PARTIES

IAS 24, Related Party Disclosures requires the disclosure of related-party transactions and outstanding balances. A party is related to an entity if the party directly or indirectly through one or more intermediaries controls, is controlled by, or is under common control with the entity. A party is related to an entity if the party has an interest in the entity that gives it significant influence or joint control over the entity. This includes parents, subsidiaries and affiliated companies.

A party is also related to an entity if the party is an associate of the entity, a joint venture in which the entity is a venturer, a member of the key management personnel of the entity or its parent, a close member of the family of any individual defined as a related party, an entity that is controlled, jointly controlled or significantly influenced by a member of the key management personnel or close family. A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Joint control is the contractually agreed sharing of control over an economic activity. Significant influence is the power to participate in the financial and operating policy decisions of an entity, but without control over those policies. Significant influence may be gained by share ownership, statute or agreement. Key management personnel are those persons with the authority and responsibility

for directly or indirectly planning, managing and controlling the operations of a company. Close members of the family of a person are the person's children and spouse or domestic partner, the children of that person's spouse or domestic partner, and dependants of that person or that person's spouse or domestic partner.

TAXATION

The Company and the Group apply the measurement principles of IAS 12, Income Taxes. Aggregate tax is current and deferred tax. Tax is recognised in the income statement, unless it arises from transactions recognised in other comprehensive income or directly in equity, in which case any related tax effects are also recognised directly in equity. Current tax is the amount of tax the company is liable to pay in respect of the taxable profit (loss) for the year, including adjustments of any current tax pertaining to earlier periods. Diös uses the balance sheet method to calculate deferred tax, where deferred tax is recognised on all temporary differences, except to the extent that the deferred tax is attributable to the initial recognition of goodwill or an asset or liability arising from a transaction that is not a business combination and at the time of acquisition affects neither recognised profit nor taxable profit. These amounts are calculated based on how the temporary differences are expected to be settled and using the tax rates and tax regulations that have been enacted or announced on the balance sheet date. Deferred taxes are measured using the tax rates and tax regulations enacted or substantively enacted on the balance sheet date.

Deferred tax assets are recognised for deductible temporary differences and loss carryforwards only to the extent that it is probable that they will result in lower tax payments in the future. Deferred tax assets are reduced to the extent that it is no longer probable that a sufficient taxable benefit will arise. As of 2012, other deferred tax is also included. This was previously reported in other provisions, under deferred tax liability. This change has been made retrospectively and has led to a SEK 23.4 million increase in deferred tax liability related to other deferred tax on 31 December 2011. Other deferred tax was SEK 20.2 million on 31 December 2012.

CASH FLOW STATEMENT

The cash flow statement has been prepared using the indirect method, which means that net earnings have been adjusted for transactions not involving receipts and payments during the period, and for any income and expense associated with investing or financing cash flows.

NEW STANDARDS AND INTERPRETATIONS

The International Accounting Standards Board (IASB) has issued a number of new and amended standards and interpretations which are effective from the beginning of the 2013 financial year. These have not been applied when preparing the 2012 consolidated financial statements.

The IASB has issued the following new and amended standards, which have not yet been approved for application in the European Union. IFRS 9 Financial Instruments with subsequent amendments (with effect from 1 January 2015 onwards), Improvements to IFRS's 2009-2011 Cycle, with effect from 1 January 2013 and onwards. Amendments to IFRS 10, IFRS 11 and IFRS 12 (Transitional requirements), Investment Entities (amendments to IFRS 10, IFRS 12 and IAS 27), with effect for accounting periods beginning on or after 1 January 2014.

The IASB has also issued the following standards and amendments, which have been approved for use within the European Union. Amendment to IAS 1 Presentation of Financial Statements (with effect for accounting periods beginning on or after 1 July 2012), and amendment to IAS 19 Employee Benefits (with effect on or after 1 January 2013). IFRS 13 Fair Value Measurement (with effect on or after 1 January 2013). IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Ventures, IFRS 12 Disclosure of Interests of Other

Entities and amendments to IAS 27 Consolidated and Separate Financial Statements and IAS 28 Investments in Associates (all with effect for accounting periods beginning on or after 1 January 2014). Changes have also been made to IFRS 7 Financial Instruments: Disclosures (1 January 2013) and IAS 32 Financial Instruments: Classification (1 January 2014).

IFRS 9 requires all recognised financial assets that are currently within the scope of IAS 39 "Financial Instruments: Recognition and Measurement" to be subsequently measured at amortised cost or fair value. The most significant effect of IFRS 9 regarding the classification and measurement of financial liabilities relates to the accounting for changes in fair value of a financial liability (designated at fair value through profit or loss) attributable to changes in the credit risk of that liability.

IFRS 10 Consolidated Financial Statements replaces those parts of IAS 27 "Consolidated and Separate Financial Statements" which address when and how an investor should prepare consolidated financial statements, and SIC-12 Consolidation - Special Purpose Entities (SPE). The objective of IFRS 10 is to have a single basis for consolidation for all types of investment entities. Under IFRS 10, the only basis for consolidation is control.

IFRS 13 Fair Value Measurement provides guidance on how to measure the fair value of assets and liabilities where that is required by other standards. The standard is used when measuring the fair value of both financial and non-financial items. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date ("the exit price"). IFRS 13 requires additional quantitative and descriptive disclosures about fair value measurements.

IFRS 11 Joint Arrangements supersedes IAS 31 Interests in Joint Ventures and SIC-13 Jointly Controlled Entities - Non-Monetary Contributions by Venturers. IFRS 11 classifies "joint arrangements" as either "joint operations" or "joint ventures". The classification of a joint arrangement as a joint operation or a joint venture depends upon the rights and obligations of the parties to the arrangement. In accordance with IFRS 11, an investment in a joint venture shall be accounted for using the equity method. Proportional consolidation is no longer an acceptable accounting practice for joint ventures.

The objective of IFRS 12 Disclosure of Interest in Other Entities is for an entity to disclose information about its interests in unconsolidated subsidiaries, joint arrangements, associates and structured entities.

In the opinion of the management, the application of IFRS 9 and IFRS 13 may affect the reported amounts in the financial statements for the Group's financial assets and liabilities. Management has not yet conducted a thorough analysis of the implications of adopting IFRS 9 and IFRS 13 and is therefore as yet unable to quantify the effects.

Management is currently analysing the implications of other new standards and amendments and a preliminary assessment is that these will not have a material impact on the financial statements of the Group.

2. SEGMENT REPORTING 2012

The financial results include the properties acquired with the purchase of the Norrvidden Group on 30 December 2011.

SEK million By market area	Dalarna	Gävleborg	Jämtland	Västernorrland	Västerbotten	Norrbotten	Diös Group
Rental income	253.9	184.6	286.5	283.3	149.8	142.2	1,300.2
Other revenue	6.1	4.1	3.6	9.2	0.7	7.4	31.1
Repair and maintenance	-15.7	-14.2	-20.8	-22.5	-9.7	-7.2	-90.1
Tariff-based costs	-41.4	-27.5	-51.9	-52.4	-21.9	-17.5	-212.7
Property tax	-10.6	-9.1	-13.3	-12.7	-7.1	-6.6	-59.4
Other property costs	-26.1	-20.5	-36.0	-34.2	-14.6	-16.3	-147.6
Property management	-4.8	-7.1	-15.5	-13.1	-4.4	-10.3	-55.3
Operating surplus	161.3	110.3	152.5	157.6	92.7	91.8	766.2
Value movement							
Property, realised	4.5	-	1.2	2.2	1.0	-	8.9
Property, unrealised	59.8	-17.0	22.9	28.7	41.2	44.0	179.6
Profit	225.6	93.3	176.6	188.5	134.9	135.8	954.7
Undistributed items							
Value movement on interest-rate derivatives	-	-	-	-	-	-	-76.3
Depreciation of property, plant and equipment	-	-	-	-	-	-	-3.1
Central administration	-	-	-	-	-	-	-57.0
Restructuring costs	-	-	-	-	-	-	-37.9
Net finance income/expense	-	-	-	-	-	-	-328.5
Pre-tax profit/loss for the year	-	-	-	-	-	-	451.9
Tax on profit/loss for the year	-	-	-	-	-	-	-20.3
Non-controlling interests	-	-	-	-	-	-	-3.1
Profit/loss for the year attributable to Parent Company shareholders	-	-	-	-	-	-	428.5
Leasable area, sq.m.	263,032	253,509	341,489	330,631	178,736	137,342	1,504,738
Construction, extension, conversion investments, SEK million	34.7	27.9	41.7	31.7	6.5	9.4	151.9
Book value, SEK million	2,378.9	1,655.0	2,710.6	2,462.7	1,286.6	1,383.8	11,877.6
Rental value, SEK million	278.4	210.7	326.1	327.6	161.9	159.5	1,464.3
Economic occupancy rate, %	91.2	87.6	87.8	86.5	92.5	89.2	88.8
Surplus ratio, %	63.5	59.8	53.2	55.6	61.9	64.6	58.9

SEGMENT REPORTING 2011

On 30 December 2011, Diös acquired Norrvidden Fastigheter AB. The income statement for 2011 has not been affected by the acquisition, while the balance sheet total includes the acquisition.

By market area	Dalarna	Gävleborg	Jämtland	Västernorrland	Västerbotten	Norrbottn	Diös Group
Rental income	251.4	99.4	122.6	22.4	55.4	35.4	586.7
Other revenue	5.7	3.2	1.5	0.1	0.2	4.0	14.7
Repair and maintenance	-21.0	-13.1	-7.9	-6.3	-3.3	-1.8	-53.5
Tariff-based costs	-44.9	-16.1	-22.0	-5.9	-9.9	-6.1	-104.9
Property tax	-10.7	-4.5	-5.2	-1.2	-2.7	-1.6	-26.0
Other property costs	-23.4	-12.0	-13.6	-4.2	-6.0	-4.8	-64.1
Property management	-9.1	-4.0	-4.9	-1.5	-0.5	-5.7	-25.8
Operating surplus	147.9	52.8	70.5	3.4	33.3	19.4	327.3
Value movement							
Property, realised	4.3	17.4	4.8	-	1.4	3.9	31.8
Property, unrealised	137.0	33.5	-23.5	4.8	7.5	15.9	175.2
Profit	289.2	103.7	51.7	8.2	42.1	39.2	534.1
Undistributed items							
Value movement on interest-rate derivatives							-88.2
Depreciation of property, plant and equipment	-	-	-	-	-	-	-1.6
Central administration	-	-	-	-	-	-	-35.5
Transaction costs	-	-	-	-	-	-	-13.6
Net finance income/expense	-	-	-	-	-	-	-144.2
Profit before tax							251.1
Current tax	-	-	-	-	-	-	-8.0
Deferred tax	-	-	-	-	-	-	-65.9
Non-controlling interests	-	-	-	-	-	-	5.0
Profit for period attributable to shareholders of the parent		-	-	-	-	-	182.2
Leasable area, sq.m. ¹	267,910	253,509	344,359	332,693	56,519	261,559	1,516,549
Construction, extension, conversion investments, SEK million	26.9	20.7	17.7	32.7	6.3	3.2	107.6
Book value, SEK million ¹	2,292.9	1,644.1	2,645.3	2,404.3	444.1	2,131.6	11,562.2
Rental value, SEK million	272.6	112.7	133.5	30.7	58.9	46.4	654.8
Economic occupancy rate, %	92.2	88.3	91.8	72.8	94.2	76.3	89.6
Surplus ratio, %	58.8	53.1	57.5	15.1	60.0	54.9	55.8

¹ Amounts include the properties gained through the acquisition of the Norrvidden Group on 30 December 2011

3. REVENUE

SEK 000	2012	2011
GROUP		
Rental income	1,300,225	586,650
Other revenue	31,067	14,736
Total	1,331,292	601,386

The total rental income for the Group was SEK 1,300,225,000 (586,650,000), or SEK 864/sq.m. (848).

Other revenue was SEK 31,067,000 (14,736,000). SEK 11,045,000 (7,960,000) of this relates to costs that have been charged to tenants for work carried out in leased premises.

PARENT COMPANY

Inter-company revenue	11,482	11,453
Other revenue	51	38
Total	11,533	11,491

Inter-company revenue in the parent company relates to invoiced administration and management fees. The contract maturity structure for Diös' property holding is shown in the table below, where contracted rental income relates to annual value.

Lease maturities on 31 December 2012

	Maturity year	Signed contracts	Rented area, sq.m.	Contracted rental income at 31 Dec, SEK 000	Share of value, %
Lease for premises	2012	151	49,564	47,100	4
	2013	706	152,538	153,631	12
	2014	816	273,715	298,442	23
	2015	607	240,502	248,861	19
	2016+	501	357,057	374,924	29
Total leases for premises		2,781	1,073,376	1,122,967	86
Residential leases		2,290	167,265	151,020	12
Other leases		5,534	–	26,899	2
TOTAL		10,605	1,240,641	1,300,886	100

4. PROPERTY COSTS

SEK 000	2012	2011
GROUP		
Operations costs	360,332	168,908
Repair and maintenance costs	90,077	53,453
Property tax	59,377	25,969
Property management	55,305	25,765
Total	565,091	274,095

Property costs were SEK 565,091,000 (274,095,000) or SEK 375/sq.m. (396). The property costs comprise direct costs for operation, maintenance, property taxes, etc. and indirect costs in the form of leasing and property management. The increase is mainly attributable to an expanded property holding in 2012. Operations costs include electricity, heating, water, property maintenance, cleaning, insurance and property-specific marketing costs. Some of the operations costs are charged to the tenants as additional rent. The operations costs were SEK 360,332,000 (168,908,000), or SEK 239/sq.m. (244). SEK 11,045,000 (7,960,000), which is SEK 7/sq.m. (12), of the operations costs is for the work carried out in leased premises which is charged to tenants.

Repair and maintenance costs comprise periodic and ongoing measures necessary to maintain the standards of the properties and their technical systems. Costs in 2012 amounted to SEK 90,077,000 (53,453,000) or SEK 60/sq.m. (77).

Property tax is a state tax based on the taxation value of a property. A large proportion of the property tax is charged to the tenants and lessees. The tax rate in 2012 was 1% of the taxation value for office/retail space and 0.5% for warehouse/industrial space. Property tax for residential properties is calculated at SEK 1365/apartment or 0.4% of taxation value, whichever is the lower. Property tax expenses were SEK 59,377,000 (25,969,000) or SEK 39/sq.m. (38).

Property management costs are indirect costs for the ongoing management of the properties. These include costs for personnel responsible for lease administration, lease negotiations, consumables and project administration. Consolidated expenses in 2012 were SEK 55,305,000 (25,765,000) or SEK 37/sq.m. (37). SEK 5,521,000 (2,405,000) or SEK 4/sq.m. (3) of this was debt collection costs and bad debt losses.

5. EMPLOYEES, PERSONNEL EXPENSES AND BOARD FEES

Average number of employees	2012 of whom men		2011 of whom men	
Parent company	28	45%	23	43%
Other companies	127	67%	49	80%
Group total	155	63%	72	68%

At year-end, the Board in the parent company consisted of 6 members, 2 of whom were women. The number of senior executives in the parent company was 4 (3), of whom 0 were women (1).

Salaries, other remuneration and social security contributions

	2012		2011	
SEK 000	Salaries and benefits	Social security contributions	Salaries and benefits	Social security contributions
Parent company	17,920	6,090	14,812	4,917
(of which pension costs) ¹	2,343	554	2,558	598
Group total	69,554	26,249	32,868	10,246
(of which pension costs) ²	6,306	2,785	4,176	1,003

¹ SEK 825,000 (717,000) of parent company pension costs relate to the Managing Director.

² SEK 825,000 (717,000) of the Group's pension costs relate to the Managing Director.

Diös has a profit-sharing foundation for all its employees. Transfer to the foundation is capped at SEK 35,000 per employee and is based on Diös' performance. In February 2013, the Board of Directors decided on a provision of SEK 2,103,000 for 2012.

Salaries and other remuneration of the Board, the Managing Director and other employees

	2012		2011	
SEK 000	Board and Managing Director	Other employees	Board and Managing Director	Other employees
Parent company	4,684	13,236	3,409	11,403
(of which bonuses, etc.)	–	–	–	–
Group total	4,684	64,870	3,409	29,459
(of which bonuses, etc.)	–	–	–	–

Remuneration and other benefits during the year

SEK 000	Base salary/ Board fees	Other benefits	Pension expense	Total
Chairman of the Board	175	–	–	175
Other Board members	625	–	–	625
Managing Director	2,531	84	1,269	3,884
Other senior executives (4 people)	4,135	290	1,107	5,532
Total	7,466	374	2,376	10,216

Other Board Members have received SEK 125 thousand each.

6. CENTRAL ADMINISTRATION

Central administration includes costs for Group-wide functions such as Group management, data, annual reports, auditors' fees, legal advice and so on. The central administration costs, including restructuring costs relating to the acquisition of Norrvidden, amounted to SEK 94,834,000 (49,079,000) or SEK 63/sq.m. (71). The restructuring costs amounted to SEK 37,861,000 (-) or SEK 25/sq.m. (-). The results for 2011 include SEK 13,544,000 in transaction costs, or SEK 20/sq.m.

Auditors' fees and remuneration

SEK 000	GROUP		PARENT COMPANY	
	2012	2011	2012	2011
Deloitte				
Audit services	2,116	1,201	850	610
Audit activities other than the audit assignment	431	1,280	431	1,280
Fiscal advice	537	851	537	851
Other services	365	1,745 ¹	365	1,745 ¹
Total	3,449	5,077	2,183	4,486

¹ Of which SEK 863,000 are costs in connection with a new share issue and have been offset against provision of equity.

Auditing refers to the examination of the Annual Report and accounting records and the administration of the Board of Directors and Managing Director. Audit activities other than the audit assignment involve other quality assurance services that must be performed according to statutes, Articles of Association or agreements, as well as consultation or other assistance resulting from observations made during an audit. The amount for 2011 includes the audit of a prospectus for submission of a report regarding a pro forma statement and the estimated earning capacity in connection with the acquisition of Norrvidden. Fiscal advice refers to consultations and quality assurance reviews relating to the area of taxation. The amount differs to 2011 because it includes audit of a prospectus for submission of a report regarding a pro forma statement and the estimated earning capacity in connection with the acquisition of Norrvidden (Audit activities other than the audit assignment), tax due diligence in connection with the acquisition of Norrvidden (Fiscal advice) and financial due diligence in connection with the acquisition of Norrvidden and quality assurance review and consultation relating to prospectuses (Other services).

7. VALUE MOVEMENT ON INVESTMENT PROPERTIES

SEK 000	2012	2011
Group		
Realised gain/loss	8,936	31,763
Unrealised gain/loss	179,563	175,157
Total	188,499	206,920

During 2012, 6 property sales (12) and 4 partial sales (0) were made. The selling price for these exceeded the latest valuation by SEK 8,936,000 (31,763,000), resulting in a realised gain. A valuation of all properties was carried out at year-end in line with annual business plans and based on a 5-year cash flow model with a valuation of future earnings capacity and required rate of return for each individual property. See Note 11. On 31 December 2012, an external valuation had been conducted for 25% of the properties. An internal estimate has been made for the other properties, based on the most recent external valuation. These valuations have resulted in an unrealised value movement of SEK 179,563,000 (175,157,000) on the properties' market values. An external valuation of all properties was conducted in 2012r.

8. INTEREST INCOME

SEK 000	2012	2011
GROUP		
Interest income, other	1,006	3,165
Total	1,006	3,165
PARENT COMPANY		
Interest income, Group companies	149,892	101,578
Interest income, other	149	2,543
Total	150,040	104,121

All interest income refers to financial instruments that are not classified as fair value through the income statement.

9. INTEREST EXPENSE AND SIMILAR ITEMS

SEK 000	2012	2011
GROUP		
Interest expense	-321,968	-146,393
Other finance expense	-7,568	-961
Total	-329,536	-147,354
PARENT COMPANY		
Interest expense, Group companies	-12,703	-10,383
Interest expense	-85,139	-75,418
Other finance expense	-5,243	-946
Total	-103,086	-86,748

All interest expense refers to financial instruments that are not classified as fair value through the income statement. Value movement on derivatives was SEK -76,284,000 (-88,176,000).

INTEREST EXPENSE FOR 2012, INCLUDING WEIGHTED AVERAGE

INTEREST RATE Diös' average interest-bearing liabilities amounted to SEK 7,946,468,000 (3,600,489,000) in 2012. Actual interest expense, including costs related to undrawn credit facilities and the performance of financial instruments, amounted to SEK 322,928,000 (146,495,000), which represents an annual average interest rate of 4.06% (4.07%). During the period, unrealised gains or losses arising on derivatives held totalled SEK -76.3 million (-88.2). As the company does not apply hedge accounting, these are fully recognised in the income statement.

GROUP, SEK 000	Amount	Annual expense	Weighted average interest rate
Average interest-bearing liabilities	7,946,468	300,832	3.79%
Undrawn credit facilities	268,725	1,196	0.02%
Economic outcome of financial instruments		20,900	0.26%
		322,928	4.06%

10. TAX ON PROFIT/LOSS FOR THE YEAR

SEK 000	GROUP		PARENT COMPANY	
	2012	2011	2012	2011
Current tax	-6,185	-8,041	-	-
Deferred tax	-14,160	-65,902	-	-
Total tax	-20,345	-73,943	-	-
Pre-tax profit/loss for the year	451,918	251,180	1,248	-25,418
Tax at the applicable rate of 26.3%	-118,854	-66,060	328	6,685
Tax effect of adjustments:				
- adjustment loss carry forward and temporary differences	-17,464	-7,883	-328	-6,685
- revaluation deferred tax 22%	115,973	-	-	-
Tax on profit/loss for the year	-20,345	-73,943	-	-

Tax is reported in the income statement in two line items, current tax and deferred tax. Current tax for 2012 has been calculated at the nominal tax rate of 26.3%. The tax rate on deferred tax changed during the year from 26.3% to 22%. Consequently, the deferred tax liability has been restated in the financial statements. This had a one-off positive impact of SEK 115,973,000. Current tax expense is attributable to tax in subsidiaries which were prevented from offsetting losses against profits through Group contributions during the year. The Group has accumulated tax losses to carry forward to set against future taxable profits and offset against deferred tax liabilities. See Note 15.

11. INVESTMENT PROPERTIES

SEK 000	GROUP		PARENT COMPANY	
	2012	2011	2012	2011
Group				
Opening cost	11,562,241	5,203,727	-	-
Acquisitions	4,800	6,173,567	-	-
Investment in existing properties	151,890	107,451	-	-
Sales	-20,874	-97,661	-	-
Value movement	179,564	175,157	-	-
Closing cost	11,877,621	11,562,241	-	-

Closing costs are consistent with values according to property valuation on 31 December 2012.

In 2012, Diös invested a total of SEK 151,890,000 (107,451,000) in new construction, extensions and refurbishments. Diös acquired 1 property (255), sold 6 (12) properties and part-sold 4 (-) properties in the year.

Investments in progress

	Investment, SEK 000	Uninvested, SEK 000	Completed
Norr 14:5, Gävle	13,444	2,156	Q2, 2013
Norr 40:3, Gävle	20,000	5,582	Q2, 2013
Nejonögat 3, Östersund	40,580	2,873	Q2, 2013
Kilen 1, Sveg	2,650	2,054	Q3, 2013
Aborren 11, Luleå	2,250	2,222	Q3, 2013
Kansliet 20, Falun	11,500	10,926	Q3, 2013
Totten 1:68, Åre	8,500	8,500	Q3, 2013
Myrten 5, Östersund	9,000	8,900	Q4, 2013
Elevator safety in compliance with EU Directive	32,702	18,106	Q4, 2013

VALUATION

The value of an asset is the discounted present value of the expected cash flows that the asset is expected to generate. The value of the property holding is calculated as the sum of the present value of net operating profit, less the value of remaining investments for ongoing projects over the next five years, and the present value of the estimated residual value in year 6. The residual value in year 6 is the amount of the present value of net operating profit over the remaining economic life of the property. The estimated market value of undeveloped land is added to this.

The required rate of return and the assumption regarding future real growth are crucial to the calculated value of the property holding, as they are the most important value-driving factors in the valuation model. The required rate of return is the weighted cost of borrowed capital and equity. The cost of borrowed capital is based on the market interest rate for loans. The cost of equity is based on a risk-free interest rate equivalent to a long-term government bond rate with the addition of a risk premium. Each investment has a unique risk premium which depends on the investor's perception of future risks and potential.

Diös reports its investment properties at fair value and the company carried out external valuations on all of its properties in 2012. The fair market value is the most probable price for which a property will sell in a competitive and open market. A property's fair value does not become a reality until it is sold. The valuation was carried out in a uniform manner and was based on a five-year cash flow model. The valuation was based on an individual assessment of future earnings capacity and the required rate of return for each individual property. The assessment of a property's future earnings capacity takes into account an assumed inflation of 2.0% and any changes in rental levels based on each contract's rent and expiry date compared with the estimated current market rent, as well as changes in occupancy rate and property costs. The property costs comprise costs for operation, maintenance, property taxes, ground rent fees and property management.

Property transaction volumes were particularly strong, with SEK 107 billion reported in 2012, which makes it one of the best transaction years ever. Unlike 2011, very few transactions were carried out at the beginning of the year. This changed as the year progressed. The fact that Sweden has an efficient property

transaction market is important in many respects, not only for the actual property owners but also for the buyers and sellers so that they feel confident about what they are buying and selling. All property transactions offer valuable information that leads to improvements and provides important guidelines when determining the required rates of return that form the basis of the valuations carried out.

The required rate of return on equity is unique for each property and is based on assumptions about real interest rates, inflation and risk premiums. The risk premium is unique for each property and can be divided into general and individual risk. The general risk makes up for the fact that a real estate investment is not as liquid as a bond and that the asset is affected by the general economic situation. The individual risk is specific to each property and comprises the market's overall assessment of the property's category, the town/city in which it is located, its location within the town/city with regard to the property's category, whether it is properly designed, appropriate and makes efficient use of space, its technical standard in respect of materials, quality of general systems, furnishing, equipment etc. in premises and apartments, and the nature of lease contracts, taking length, size, number and other aspects of the contracts into account.

The average required rate of return on comparable holdings has been lowered by 0.06 percentage points (0.22). This reflects the market trends during the year. Projects in progress have been measured at cost. Sites with building rights and land have been valued on the basis of an estimated market value per square metre.

Required rate of return at 31 Dec 2012	Weighted direct return, %	Weighted cost of capital, %
Dalarna	7.14	9.28
Gävleborg	7.32	9.47
Västernorrland	6.59	8.72
Jämtland	6.72	8.85
Västerbotten	6.91	9.05
Norrbotten	6.90	9.04
DIÖS 2012	6.91	9.07
DIÖS 2011	6.97	9.00

VALUE OF PROPERTY HOLDING

An estimation of the market value of all of Diös' properties has been performed. The date of valuation is 31 December 2012. External valuations are carried out on 25% of the property portfolio each quarter. Internal valuation estimates are carried out on the other properties. The quality of these estimates is assessed by external valuers. The details on which the valuations are based are all lease contracts, information about premises to let, actual operations and maintenance costs, property taxes and property management as well as information about ongoing and planned investments. Physical inspections were also carried out on the properties upon completion of major investment projects or in conjunction with other changes that would probably have an effect on the value. These valuations showed a fair value of SEK 11,877,621,000 (11,562,241,000) and resulted in an unrealised movement of SEK 179,564,000 (175,157,000) in the market values of the properties, which is about a 1.5% (3.3%) increase. The table below presents the breakdown of fair value by property category and market area.

Property value, 31 Dec 2012, SEK 000	Office	Retail	Residential	Industrial/warehouse	Other	Total
Dalarna	1,435,083	581,662	206,088	88,475	67,619	2,378,927
Gävleborg	600,027	625,969	100,204	318,092	10,713	1,655,005
Västernorrland	1,071,644	842,525	313,270	168,580	66,729	2,462,748
Jämtland	643,797	776,666	800,244	102,634	387,266	2,710,607
Västerbotten	501,603	363,623	210,149	128,460	82,731	1,286,566
Norrbotten	696,587	504,700	89,500	92,981	-	1,383,768
Total	4,948,741	3,695,145	1,719,455	899,222	615,058	11,877,621

UNCERTAINTY RANGE

A property's market value can only be determined when it is sold. Property values are calculated according to accepted principles based on certain assumptions. The value range specified in property valuations is often within +/- 5% to 10% and should be seen as a measure of the uncertainty in the assumptions and calculations. Savills has assessed the current range of uncertainty at +/- 7.5% and DTZ has assessed the range of uncertainty at +/- 7.0%. For Diös, this represented a value range of SEK 11,018,221,000 to SEK 12,737,021,000.

12. BUSINESS COMBINATIONS

The following assets and liabilities at 31 December 2011 are attributable to the acquisition of Norrvidden	Amount, SEK 000
Cash and cash equivalents	42,538
Investment properties	6,130,300
Equipment	9,012
Investments in associates	4,612
Financial fixed assets	11,223
Current receivables	117,745
Provisions	-3,000
Interest-bearing liabilities	-4,439,700
Deferred tax liabilities	-531,700
Current liabilities	-708,860
Acquired net assets	632,000
Consideration paid at 31 Dec 2012	627,900
Less cash and cash equivalents in subsidiaries acquired	-42,538
Movement in Group cash and cash equivalents on acquisition	585,362

On 30 December, Diös acquired the entire share capital of the Norrvidden AB Group. The consideration paid was equivalent to the fair value of the net assets acquired. The preliminary purchase price was SEK 632,000,000, SEK 627,900,000 of which was paid as cash consideration on 30 December 2011. The acquisition resulted in SEK 13.5 million in direct transaction costs. The calculation of the acquisition price includes fair value of acquired properties of SEK 6,130,300,000 on the takeover date of 30 December 2011. The consideration was based on an underlying property value of SEK 5,800,000,000 on the contract date of 22 September 2011. Norrvidden reported income of SEK 702,176,000 and pre-tax profit of SEK 43,870,000 in 2011. The consolidated statement of comprehensive income for 2011 includes neither income nor profit or loss for Norrvidden since the consideration was based on a balance sheet at the date of takeover on 31 December 2011. Diös became the largest privately-owned real estate company in northern Sweden when it acquired Norrvidden. The acquisition gives the company greater opportunities to increase the profit margin through synergies in both the income and expense side of the business.

13. OTHER PROPERTY, PLANT AND EQUIPMENT

	GROUP		PARENT COMPANY	
SEK 000	2012	2011	2012	2011
Opening cost	40,654	20,535	3,367	3,070
New acquisitions	363	1,196	236	297
Reclassifications	-	-5,501	-	-
Acquisition of subsidiaries	-	24,424	-	-
Closing cost	41,017	40,654	3,603	3,367
Opening depreciation	-29,071	-15,140	-2,296	-1,620
Reclassifications	-	3,049	-	-
Acquisition of subsidiaries	-	-15,393	-	-
Depreciation for the year	-3,134	-1,587	-479	-638
Closing accumulated depreciation	-32,205	-29,071	-2,775	-2,296
Closing residual value	8,812	11,583	828	1,070

14. INVESTMENT IN GROUP COMPANIES

SEK 000	2012	2011
PARENT COMPANY		
Accumulated cost	132,280	132,175
Impairment	-1,055	-
Acquisition and shareholder contributions	40,000	105
Carrying amount at end of period	171,225	132,280

A specification of the parent company's directly owned subsidiaries is given below. Other Group companies can be found in the annual reports of each subsidiary. The principle for consolidation of Group companies is presented in the accounting policies in Note 1.

SUBSIDIARIES

Name	CRN	Reg. office	Share of equity in %	Book value, SEK 000
Diös Fastigheter I AB	556544-4998	Östersund	100	16,060
Diös Fastigheter II AB	556610-9111	Östersund	100	12,812
Diös Fastigheter V AB	556571-9969	Östersund	100	90
Diös Fastigheter VI AB	556561-0861	Östersund	100	3,102
Diös Fastigheter VII AB	556589-8433	Östersund	100	11,370
Diös Fastigheter VIII AB	556482-7433	Östersund	100	126
Diös Fastigheter X AB	556671-7459	Östersund	80 ¹	80
Äre Centrum AB	556624-4678	Äre	72	87,479
Fastighets AB Uprum	556711-2619	Östersund	100	40,105
Total book value				171,225

¹⁾ The remaining 20% is owned by wholly-owned subsidiaries.

15. DEFERRED TAX ASSETS/TAX LIABILITIES

SEK 000	2012	2011
GROUP		
Deferred tax assets relating to tax losses carried forward	124,458	169,682
Deferred tax liabilities relating to temporary differences in properties	-697,603	-725,479
Deferred tax liabilities relating to other items	-20,207	-
Total deferred tax assets/liabilities	-593,352	-555,797

Recognised deferred tax liability was SEK -593,352,000 (555,797,000) on 31 December 2012. The value of a deferred tax asset/liability will be assessed at the end of each accounting period and, if necessary, re-valuation will be carried out. The tax rate on deferred tax changed during the year from 26.3% to 22%. Consequently, the deferred tax liability has been restated in the financial statements. This had a one-off positive impact of SEK 115,973,000.

Diös' tax losses carried forward are estimated at SEK 565,717,000. At a tax rate of 22%, deferred tax assets relating to tax losses carried forward amounted to SEK 124,458,000, which it is considered can be used against future taxable profits and resulting temporary differences.

Diös' reported temporary differences, i.e. properties' real values less tax residual values, amounted to SEK 3,170,921,000. At a tax rate of 22%, deferred tax liability relating to temporary differences was SEK 697,603,000. In Diös' financial statements, deferred tax assets have been offset against deferred tax liabilities. Diös reports other deferred taxes at SEK 20,207,000. Other deferred taxes are calculated on untaxed reserves and replacement funds.

16. IMPAIRMENT OF TRADE RECEIVABLES

SEK 000	2012	2011
GROUP		
Trade receivables not past due and trade receivables up to 30 days past due	13,388	14,889
Trade receivables between 31-60 days past due	1,214	856
Trade receivables more than 61 days past due	16,521	13,811
Doubtful debts	-14,445	-11,790
Total	16,678	17,766

Doubtful debts

Doubtful debts at the beginning of the year	11,790	12,093
Doubtful debts from acquisitions	-	7,648
Reserves for the year	6,577	2,442
Reversal of reserves	-1,010	-4,334
Actual credit losses	-2,912	-6,059
Closing balance	14,445	11,790

17. SHARE CAPITAL

On 31 December 2012, the share capital in Diös Fastigheter AB was SEK 149,457,668. The total number of shares at year-end was 74,729,134 with a face value of SEK 2 per share. All shares give equal rights to Diös' assets and profits. Each share entitles the holder to one vote. There are no potential shares (e.g. convertible bonds), nor any preferential rights to cumulative dividends (preference shares).

Movement in share capital

Date	Event	Increase in number of shares	Total number of shares	Increase in share capital, SEK	Total share capital, SEK	Face value, SEK
1 Jan 2005	At beginning of year	–	10,000	–	100,000	10.00
30 May 2005	Split 100:1	990,000	1,000,000	–	100,000	0.10
31 May 2005	New issue	1,489,903	2,489,903	148,990	248,990	0.10
1 Sept 2005	New issue	1,503,760	3,993,663	150,376	399,366	0.10
15 Nov 2005	Bonus issue	–	3,993,663	–	39,936,630	10.00
15 Nov 2005	Split 5:1	15,974,652	19,968,315	–	39,936,630	2.00
18 May 2006	New issue	8,333,400	28,301,715	16,666,800	56,603,430	2.00
11 July 2006	Non-cash issue	5,000,000	33,301,715	10,000,000	66,603,430	2.00
19 April 2007	Non-cash issue	666,250	33,967,965	1,332,500	67,935,930	2.00
29 Oct 2010	Non-cash issue	99,729	34,067,694	199,458	68,135,388	2.00
14 Dec 2010	New issue	3,285,466	37,353,160	6,570,332	74,705,720	2.00
17 Dec 2010	New issue	11,407	37,364,567	22,814	74,728,534	2.00
5 Dec 2011	New issue	22,854,136	60,218,703	45,708,272	120,436,806	2.00
14 Dec 2011	New issue	14,510,431	74,729,134	29,020,862	149,457,668	2.00
31 Dec 2012	At year-end		74,729,134		149,457,668	2.00

Diös did not hold any of its own shares at the end of 2012.

A dividend payout is proposed by the Board of Directors in conformity with the provisions of the Swedish Companies Act and is adopted by the Annual General Meeting. The Board of Directors of Diös proposes that a dividend of SEK 2.30 (1.10) per share be paid out for the 2012 financial year, representing a total payout of SEK 171,877,000 (82,202,000). The proposal means that 50% (53%) of earnings, excluding unrealised gains or losses and deferred taxes, will be paid out to shareholders. The amount is recognised as a liability when the Annual General Meeting has decided on the dividend.

18. OTHER PROVISIONS

Provisions relate to pensions and deferred stamp duty in connection with inter-company sales of properties.

	GROUP	
Other provisions, SEK 000	2012	2011
At beginning of year	20,159	14,564
Pension provision movement	-3,030	-
Tax movement	-7,639	5,595
Carrying amount at end of period	9,490	20,159

19. LIABILITIES TO CREDIT INSTITUTIONS**INTEREST RATES AND LOAN MATURITY at 31 December**

	Interest maturity		Loan maturity	
	Loan amount SEK 000	Average interest rate %	Credit agreements SEK 000	Drawn SEK million
Maturity, year				
2013	7,892,588	3.21	936,000	885,517
2014	-	-	-	-
2015	-	-	3,525,313	3,308,721
2016	-	-	3,700,000	3,698,350
TOTAL	7,892,588	3.21	8,161,313	7,892,588

	GROUP		PARENT COMPANY	
Interest-bearing liabilities, SEK 000	2012	2011	2012	2011
Maturity date from the balance sheet date:				
>1 year	885,517	-	148,800	-
1-2 years	-	892,717	-	156,000
2-3 years	3,308,721	-	-	-
3-4 years	3,698,350	3,407,630	1,343,298	1,427,648
4-5 years	-	3,700,000	-	-
Total	7,892,588	8,000,347	1,492,098	1,583,648

	GROUP		PARENT COMPANY	
Overdraft facilities, SEK 000	2012	2011	2012	2011
Credit limit granted	134,700	134,700	100,000	34,700
Undrawn	107,291	134,700	72,591	34,700
Drawn	27,409	-	27,409	-

All borrowings have mortgage collateral and the parent company maintains promissory notes with its subsidiaries with the mortgage collateral pledged therein. In addition to mortgages, there are financial covenants which require leverage and interest coverage ratios to be maintained. Whatever the form of borrowing agreement, they include the usual cancellation terms and conditions for renegotiation if there is a change in the direction of the business and this exposes the lender to an unacceptable level of risk. Diös can increase or decrease the credit utilisation during the term of the borrowing agreements at short notice.

FUNDING AND FINANCIAL RISK MANAGEMENT POLICIES

As Diös is a net borrower, it is exposed to financial risks. Diös is particularly exposed to interest-rate risk, refinancing risk and credit risk. As of 31 December 2012, there was no foreign currency exposure risk. The company's funding and financial risk management is conducted in accordance with the Board's established financial policy.

INTEREST RATE RISK

Interest rate risk is the risk associated with movement of interest rates that increase the cost of borrowing for the Group. Interest expense is one of Diös' major cost items. The fixed rate term should be two to four years according to the current financial policy. On 31 December 2012, the Group's interest-bearing liabilities totalled SEK 7,892,588,000 (8,000,347,000) with an average annual interest rate of 3.21% (4.09%) excluding loan commitments and 3.23% (4.10%), including loan commitments. The loans' average interest rate commitment period was 2 months (3). The average capital commitment period was 2.9 years (3.9). The Group has derivatives amounting to SEK 4,200 million (2,600) to hedge the loans. The derivatives have an average remaining maturity of 4.1 years (5.0). The average annual interest rate, including effects of derivative instruments, amounted to 3.75% (4.20%) excluding loan commitments and 3.77% (4.21%), including loan commitments. If interest rates had been increased by 1 percentage point on 31 December 2012, the interest expense, excluding effects of derivative instruments, would have increased by SEK 78,926,000 annually. If the interest rates had been increased by 1 percentage point on 31 December 2012, Diös' average interest rate, including effects of derivative instruments, would have risen by 0.46%.

During the period, unrealised gains or losses arising on derivatives held totalled SEK -76,284,000 (-88,176,000). As the company does not apply hedge accounting, these are fully recognised in the income statement. Furthermore, SEK 11,850,000 (5,379,000) has been recognised in the statement of comprehensive income as a result of the dissolution of the remaining portion of the hedging reserve. The company has not applied hedge accounting for newly issued derivatives since 30 September 2011.

FINANCING AND LIQUIDITY RISKS

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as and when they fall due. Borrowing risk is the risk that it will be costly or difficult to refinance borrowings outstanding. The financial policy states that cash and cash equivalents and undrawn credit facilities must be available to ensure sufficient liquidity levels. The cash and cash equivalents of the Diös Group must be financial instruments with good liquidity or short-term maturity. At year-end, the Group's undrawn credit facilities amounted to SEK 268,726,000.

CREDIT RISK

Credit risk is the risk of financial loss to the Group due to the failure of a counterparty to meet its contractual obligations. The Group minimises concentrations of credit risk through its policy of only undertaking financial transactions with creditworthy counterparts and by carrying out the usual credit checks before accepting new tenants. The carrying amount of trade receivables and promissory notes represents the maximum credit exposure for the Group. The book value of cash on hand and demand deposits represents the credit risk in financial counterparts. At year-end, there were no concentrations of credit risk with respect to trade and other receivables. Impaired trade receivables amounted to SEK 14,445,000 (11,790,000). Diös' ten largest clients accounted for 16% of turnover.

Financial instruments measured at fair value

SEK 000	31 Dec 2012	Level 2
GROUP		
Derivative instruments	-175,200	-175,200
Total	-175,200	-175,200

Financial instruments are measured at fair value on three different levels.

- 1: Measurement is based on quoted prices in an active market for identical assets and liabilities
- 2: Measurement is mainly based on observable market data for the asset or liability
- 3: Measurement is mainly based on the entity's own assumptions

Diös measures all financial instruments in accordance with Level 2 inputs. The fair values of derivative instruments are determined using discounted future cash flows, with quoted market rates for the term of each instrument. The future cash flows of the derivative portfolio are calculated as the difference between the fixed rate agreed by the respective derivative contracts and the implied STIBOR reference rate for each period. The present value of the consequential interest flows are determined using the implied STIBOR curve. The option component of the callable swaps in the portfolio has not been assigned a value, as cancellation does not have an impact on Diös' income. The issuer decides whether to cancel the swap or not.

CONTINUED NOTE 19. LIABILITIES TO CREDIT INSTITUTIONS

Maturity analysis of financial assets

SEK 000	2012				2011			
	0-1 month	1-3 months	3-12 months	1-3 years	0-1 month	1-3 months	3-12 months	1-3 years
GROUP								
Promissory notes	-	500	-	-	-	1,500	1,500	500
Trade receivables	-	16,678	-	-	-	17,766	-	-
Other receivables	-	78,387	54,596	39,000	-	54,750	68,543	39,000
Cash and cash equivalents	120,084	-	-	-	103,806	-	-	-
Total	120,084	95,565	54,596	39,000	103,806	74,016	70,043	39,500

Maturity analysis of financial assets

SEK 000	2012				2011			
	0-1 month	1-3 months	3-12 months	1-3 years	0-1 month	1-3 months	3-12 months	1-3 years
PARENT COMPANY								
Trade receivables	-	11	-	-	-	211	-	-
Receivables from Group companies	-	2,591	37,894	-	-	35,555	14,599	-
Other receivables	-	34,960	511	-	-	16,133	511	-
Cash and cash equivalents	-	-	-	-	48,407	-	-	-
Total	-	37,562	38,405	-	48,407	51,899	15,110	-

Maturity analysis of financial liabilities

SEK 000	2012			2011		
	1-3 months	3-12 months	1-3 years	1-3 months	3-12 months	1-3 years
GROUP						
Trade payables	79,112	-	-	97,597	-	-
Amortisation of liabilities	-	-	-	-	-	-
Interest expense	63,378	190,135	760,539	81,830	245,489	981,954
Derivative instruments	10,758	32,273	129,093	-717	-2,152	-8,608
Total	153,248	222,408	889,632	178,710	243,337	973,346

Maturity analysis of financial liabilities

SEK 000	2012			2011		
	1-3 months	3-12 months	1-3 years	1-3 months	3-12 months	1-3 years
PARENT COMPANY						
Trade payables	6,475	-	-	16,167	-	-
Interest expense	11,777	35,331	141,324	16,475	49,424	197,694
Derivative instruments	8,166	24,497	97,989	-717	-2,152	-8,608
Total	26,418	59,828	239,313	31,925	47,272	189,086

20. ACCRUED EXPENSES AND DEFERRED INCOME

SEK 000	GROUP		PARENT COMPANY	
	2012	2011	2012	2011
Prepaid rents	217,087	226,875	–	–
Accrued interest expense	34,749	6,771	3,512	5,389
Other items	58,159	53,019	11,631	4,029
Total	309,995	286,665	15,143	9,418

21. CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES

SEK 000	2012	2011
GROUP		
Loans and receivables	225,363	202,160
Available-for-sale financial assets	10,673	12,739
Other liabilities	7,981,340	8,138,656
Hedging instruments	175,200	110,767
Total	8,392,576	8,464,322

22. ASSET MANAGEMENT

Diös' operations are financed by equity and liabilities. The relationship between equity and liabilities is regulated on the basis of a selected financial risk level and the amount of equity required to meet the lenders' requirements for loans received. The cost of capital is set at a level to meet the required rate of return on equity, to make it possible to obtain necessary loan financing and to create room for investment. The object of the capital structure is to have an equity/assets ratio of at least 25% and an interest coverage ratio of at least 1.8 times. On 31 December 2012, the value of Diös' assets was SEK 12,193,119,000 (11,878,921,000). These were financed partly through equity of SEK 3,086,066,000 (2,724,470,000) and liabilities of SEK 9,107,053,000 (9,154,451,000) of which SEK 7,892,588,000 (8,000,347,000) were interest-bearing.

Diös' funding and financial risk management is conducted in accordance with the Board's established financial policy. The financial activities are centralised in the parent company. The parent company's finance department acts as the Group's internal bank, with responsibility for the Group's financing, financial risk management and cash management. The financial policy specifies mandates and thresholds for managing the financial risks as defined in the policy, and the general areas of responsibilities. The financial activities will be conducted in a manner that minimises financial risk management costs. This means that financial transactions are based on an estimate of the Group's requirements for funding, liquidity and interest rate risk. An inter-company transaction, such as an internal loan, does not therefore necessarily mean that an identical external loan transaction is carried out. External loans are taken up once the Group's aggregate borrowing requirements have been assessed. Diös uses group account systems to enable net management of the Group's payment flows. The Group's interest rate risk is managed cost-effectively by assessing the interest rate risk that arises from a single loan with a short interest rate duration, after which interest-rate derivative transactions are carried out when necessary to achieve the desired fixed interest term for total borrowings.

Policy	Goal	Outcome
Loan-to-value ratio	Capped at 75%	66.4%
Interest coverage ratio	At least 1.8 times	2.0 times
Interest rate risk - average fixed interest term	2-4 years	2.4 years
Currency risk	Not allowed	No exposure
Liquidity risk	Liquidity reserve to meet payment obligations	SEK 268,726,000 in committed undrawn loan facilities
Equity/assets ratio	At least 25%	25.3%

23. RELATED PARTY TRANSACTIONS

One of the company's former owners, Lantbrukarnas Ekonomi AB, is a member of The Federation of Swedish Farmers (Lantbrukarnas Riksförbund, LRF). In 2012, one of LRF's wholly-owned subsidiaries, LRF Konsult AB, leased premises from Diös and, in connection with this, paid a total rent of SEK 2,257,000 (2,717,000). As of August 2012, Lantbrukarnas Ekonomi AB is no longer a shareholder in Diös.

The company believes that all transactions with related parties were carried out on market terms. None of the Board members, senior executives or auditors of Diös Fastigheter AB or its subsidiaries have themselves, via companies or related parties, had any involvement in business transactions conducted by Diös which were or are unusual in nature or terms and which took place in 2012.

24. EVENTS AFTER THE END OF THE YEAR

The names of the four representatives appointed to the Nomination Committee for Diös Fastigheter AB for the Annual General Meeting on 25 April 2013 were announced on 25 October 2012. Klövern AB has since relinquished its place on the Committee. Klövern has been replaced by Bengtssons Tidnings Aktiebolag, represented by Jonas Bengtsson.

Diös' Nomination Committee consists of the four largest shareholders and, if a representative declines, the right to appoint a representative passes to the next largest shareholder. Following this change, the Nomination Committee consists of:

AB Persson Invest – Bob Persson
Humlegården Holding III AB – Per-Arne Rudbert
Brinova Inter AB – Bo Forsén
Bengtssons Tidnings Aktiebolag – Jonas Bengtsson.

PROPERTY SALES**Diös sells property portfolio in central Sundsvall**

An agreement was signed on 26 November 2012 for the sale of two separate properties, Mercurius 5 and 12, in Sundsvall. The properties cover an area of 16,300 square metres and consist of Mercurius 5, 11 and 12, Minerva 4 and 6, and Bacchus 10. The sale is conducted in the form of a company divestment at an underlying property value of SEK 140 million. Possession of the properties takes place after the real estate formation which had not been finalised on 31 December 2012. Possession of the properties took place after a real estate formation on 28 February 2013.

Diös sells industrial property in Skellefteå

On 9 January 2013, Diös Fastigheter AB (publ) sold the property Muttern 3 in Skellefteå. The property covers an area of 920 square metres. It was purchased by MåBo Property AB for a consideration of SEK 3.5 million. The takeover date is 15 January 2013.

LETTINGS**Clas Ohlson store opens in the IN shopping centre**

On 6 March 2013, Clas Ohlson announced it would be opening a store in the IN shopping centre in Sundsvall. The IN shopping centre is at the heart of the Stenstan district of Sundsvall, where the three blocks, Lyckan, Hälsan and Glädjen, form the largest city shopping centre in Norrland (northern Sweden). Diös' refurbishment project for Clas Ohlson is part of the long-term improvement programme for the IN shopping centre. The purpose of the programme is to better meet the needs of the lessees and visitors.

The establishment of Clas Ohlson will be an important complement to the overall experience that Diös wants to offer everyone who visits the IN shopping centre. Clas Ohlson has made a profit every year since its inception in 1918 and the company plans to set up 15 to 20 new stores in the 2012-2013 financial year.

The Board of Directors and the Managing Director hereby affirm that the Annual Report has been prepared in conformity with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 and that it gives a true and fair view of the company's financial position and performance and that the Director's Report gives a true and fair view of the development of the company's business operations, financial position and performance, and describes significant risks and uncertainties faced by the Company.

The Board of Directors and the Managing Director hereby affirm that the consolidated financial statements have been prepared in conformity with the International Financial Reporting Standards (IFRS) as they have been adopted by the European Union, and that they give a true and fair view of the Group's financial position and performance and that the Directors' Report for the Group gives a true and fair view of the development of the Group's business operations, financial position and performance, and describes significant risks and uncertainties faced by the Group's companies.

Östersund, 19 March 2013

Bob Persson
Chair

Thorsten Åsbjer
Board member

Gustaf Hermelin
Board member

Ragnhild Backman
Board member

Anders Bengtsson
Board member

Tomas Mellberg
*Board member/
Employee representative*

Maud Olofsson
Board member

Christer Sundin
Managing Director

Our Auditors' Report was submitted on 19 March 2013

Deloitte AB

Lars Helgesson
Authorised public accountant

**TO THE ANNUAL GENERAL MEETING OF SHAREHOLDERS
IN DIÖS FASTIGHETER AB
CRN 556501-1771**

STATEMENT ON THE ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

We have conducted an audit of the Annual Report and consolidated financial statements of Diös Fastigheter AB for the financial year 1 January - 31 December 2012. The company's Annual Report and consolidated financial statements are included in this document on pages 1-28.

THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR ARE RESPONSIBLE FOR THE ANNUAL REPORT AND THE CONSOLIDATED FINANCIAL STATEMENTS.

The Board of Directors and the Managing Director are responsible for the preparation of an Annual Report that gives a true and fair view, as required by the Swedish Annual Accounts Act, and consolidated financial statements that give a true and fair view, as required by the International Financial Reporting Standards (IFRS), as approved by the European Union, and the Swedish Annual Accounts Act, and for the internal control that the Board of Directors and the Managing Director consider necessary in the preparation of an Annual Report and consolidated financial statements that are free from material misstatement, whether due to irregularities or errors.

RESPONSIBILITIES OF AUDITORS

Our responsibility is to express an opinion on the Annual Report and the consolidated financial statements based on our audit. We have conducted our audit in compliance with the requirements of the International Standards on Auditing and generally accepted auditing standards in Sweden. Those standards require us to comply with professional requirements and plan and conduct the audit to obtain reasonable assurance that the Annual Report and consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Annual Report and consolidated financial statements. The auditor decides which procedures to use, by assessing the risks of material misstatement in the Annual Report and the consolidated financial statements, whether due to irregularities or errors. In making those risk assessments, the auditor considers the components of the internal control that are relevant to how the company prepares the Annual Report and consolidated financial statements to give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also involves evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the Managing Director, as well as evaluating the overall presentation of the Annual Report and the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the Annual Report has been prepared as required by the Swedish Annual Accounts Act and presents fairly, in all material respects, the financial position of the parent company on 31 December 2012, and its financial performance and its cash flows for the year, in accordance with the Swedish Annual Accounts Act. The consolidated financial statements have been prepared as required by the Swedish Annual Accounts Act and present fairly, in all material respects, the financial position of the Group

on 31 December 2012, and its financial performance and cash flows for the year, in accordance with the International Financial Reporting Standards (IFRS), as approved by the European Union, and the Swedish Annual Accounts Act. The Directors' Report is consistent with the other sections of the Annual Report and the consolidated financial statements.

We therefore recommend that the Annual General Meeting adopts the income statement and the balance sheet of the parent company and the Group.

STATEMENT ON OTHER LEGAL AND STATUTORY REQUIREMENTS

In addition to our audit of the Annual Report and consolidated financial statements, we have conducted an audit of the proposal for the appropriation of the company's profit or loss, and an audit of the management of Diös Fastigheter AB by the Board of Directors and the Managing Director for the financial year 1 January - 31 December 2012.

RESPONSIBILITIES OF THE BOARD AND THE MANAGING DIRECTOR

The Board of Directors is responsible for the proposal for the appropriation of the company's profit or loss, and the Board of Directors and the Managing Director are responsible for the management of the company in accordance with the Swedish Companies Act.

RESPONSIBILITIES OF AUDITORS

Our responsibility is to express an opinion, with a reasonable level of assurance, on the proposal for appropriation of the company's profit or loss and on its management based on our audit. We have conducted our audit in compliance with generally accepted auditing standards in Sweden.

As a basis for our opinion on the Board's proposal for appropriation of the company's profit or loss, we have examined the Board's statement and a selection of the underlying information for this in order to be able to determine whether the proposal is consistent with the Swedish Companies Act.

As a basis for our opinion on whether discharge shall be granted to the members of the Board and the Managing Director for their activities during the financial year, in addition to our audit of the Annual Report and consolidated financial statements, we have examined significant decisions, actions taken and circumstances in the company in order to determine the possible liability to the company of any member of the Board or the Managing Director. We have also examined whether any member of the Board or the Managing Director has, in any other way, acted in contravention of the Swedish Companies Act (Aktiebolagslagen), the Swedish Annual Accounts Act (Årsredovisningslagen) or the company's Articles of Association.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

We recommend that the Annual General Meeting appropriate the profit as proposed in the Directors' Report and grant the members of the Board and the Managing Director discharge from liability for the financial year.

Östersund, 19 March 2013
Deloitte AB

Lars Helgesson
Authorised public accountant

DIÖS FASTIGHETER'S CORPORATE GOVERNANCE

Diös Fastigheter AB (publ) (hereafter called Diös and the company) is a Swedish public limited liability company with its registered office in Östersund, in Sweden. Diös conducts its operations principally in the northern regions of Sweden. Diös' shares are traded on the NASDAQ OMX Stockholm stock exchange and the company is governed, managed and controlled by the shareholders at the Annual General Meeting, the company's Board of Directors and the Managing Director. The company's operations are regulated by the Swedish Companies Act, the Articles of Association of the Company currently in force, the regulations for the issuance of shares on the NASDAQ OMX Stockholm stock exchange and the provisions of the Swedish Code on Corporate Governance.

Diös' corporate governance, leadership and management and its system of internal controls for financial reporting are explained in the Corporate Governance Report for the 2012 financial year. No significant changes have occurred in relation to the previous financial year. Corporate governance is concerned with how the company should be managed and operated from a shareholder perspective. The objective of high-performance management and effective control of operations is to ensure strong growth of Diös' business. This benefits the company's clients, shareholders, tenants and employees. The following external regulations and internal policy documents regulate corporate governance:

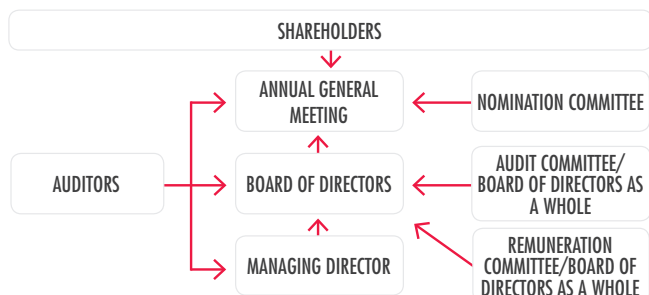
EXTERNAL REGULATIONS

- Swedish Companies Act
- NASDAQ OMX regulations for the issuance of shares
- Current accounting legislation
- Swedish Code on Corporate Governance

INTERNAL POLICY DOCUMENTS

- Articles of Association
- Instructions and rules of procedure for the Board and the Managing Director
- Internal policies, manuals and guidelines

REPORTING STRUCTURE OF DIÖS FASTIGHETER AB (PUBL)



The Swedish Code on Corporate Governance ("the Code") operates on the principle of "comply or explain". If a company applies the Code, it does not always have to follow every single rule, provided that any deviations from the Code are explained. Diös noted the following deviation from the Code for the 2012 financial year:

- The code places independent requirements on the Nomination Committee. The Nomination Committee for Diös consists of representatives for the four largest shareholders. The deviations are explained below.

ARTICLES OF ASSOCIATION

In accordance with the Articles of Association, Diös is a public limited company with its registered office in Östersund. The company's business is to own

and manage real estate, either directly or indirectly through subsidiaries, and engage in related business activities. The Board of Directors shall consist of no less than three (3) and no more than ten (10) members, with a maximum of ten (10) deputies. The Board of Directors is elected annually at the Annual General Meeting for the period until the close of the next Annual General Meeting. The company acts in conformity with the provisions of the Swedish Companies Act with regard to the removal of Board members from office. The Articles of Association can be viewed in full at www.dios.se.

SHARE CAPITAL AND SHAREHOLDERS

Diös Fastigheter's share capital consists of a minimum of SEK 74,000,000 and a maximum of SEK 296,000,000. The number of shares shall be no less than 37,000,000 and no more than 148,000,000. Each share entitles the holder to one vote and refers to a portion of Diös' share capital. At the end of 2012, Diös Fastigheter had 2,669 shareholders with a total holding of 74,729,134 shares. The largest single shareholder on 31 December 2012 was AB Persson Invest with 15.4% of votes and capital, Humlegården Holding III AB with 13.8% of votes and capital, Brinova Inter AB with 12.0% of votes and capital, Klöver AB with 11.6% of votes and capital and Bengtssons Tidnings AB with 10.1% of votes and capital. The company's ten largest shareholders together owned 83.9% of votes and capital.

ANNUAL GENERAL MEETING

The Annual General Meeting, which is the Company's highest decision-making body, is the name of the annual ordinary meeting of shareholders at which the Annual Report is presented. The right of shareholders to decide on Diös' business are exercised at the Annual General Meeting. Some of the mandatory procedures of the Meeting are to adopt the Group's balance sheet and income statement, and to decide on the distribution and payment of profits, on remuneration policies for senior executives and on whether to grant discharge to the members of the Board and the Managing Director for their activities during the financial year. The Annual General Meeting elects members of the Board for the period extending to the close of the next Annual General Meeting on the basis of proposals made by the Nomination Committee (see below). Prior to the 2013 Annual General Meeting, the company's shareholders have been notified well in advance on the company's website, www.dios.se, of the time and place of the meeting and also of their right to have matters considered at the meeting. The minutes of last year's Annual General Meeting are available for viewing at www.dios.se.

ANNUAL GENERAL MEETING 2012

THE KEY DECISIONS TAKEN AT DIÖS' ANNUAL GENERAL MEETING ON 2 MAY 2012:

At the Annual General Meeting, the shareholders approved the accounts of the company for 2011 and granted the members of the Board and the Managing Director discharge from liability for the 2011 financial year. A dividend payment of SEK 1.10 per share to shareholders was approved in accordance with the proposal of the Board. At the Meeting, the shareholders voted to approve the Board's proposal for policies for the remuneration and other terms of employment of the company's senior executives. The Annual General Meeting gave the Board the authority to acquire and transfer company shares, according to the Board's proposal. The authorisation remains in effect until the next Annual General Meeting.

THE SHAREHOLDERS VOTED TO ELECT THE BOARD OF DIRECTORS, AS FOLLOWS:

Re-election of Gustaf Hermelin, Thorsten Åsber and Bob Persson, election of Maud Olofsson, Ragnhild Backman and Anders Bengtsson. All members were elected for one year, as stipulated in the company's Articles of Association. At the Annual General Meeting, shareholders voted to elect Bob Persson as Chairman of the Board.

Shareholders also voted to approve the payment of Board of Directors' fees of SEK 800,000, to be allocated as follows: The Chairman of the Board is to

receive SEK 175,000 and members of the Board are to receive SEK 125,000 each. Shareholders voted to approve the decision that the auditor's compensation will be paid against an invoice as approved by the company. At the Annual General Meeting, it was decided not to make any changes to the policy concerning the composition of the Nomination Committee for the 2013 Meeting. This means that a Nomination Committee, consisting of representatives for each of the four largest shareholders, must be appointed no later than six (6) months prior to the 2013 Annual General Meeting. The minutes of the Annual General Meeting held on 2 May 2012 are available for viewing at www.dios.se.

NOMINATION COMMITTEE

The work of the Nomination Committee begins by conducting an evaluation of the current Board, in consultation with the company's chairperson. The Nomination Committee shall conduct its work with a high level of openness and discussion to achieve a well-balanced Board. The Nomination Committee then nominates members to the Board of Directors of Diös for the coming mandate period. The Nomination Committee also puts forward proposals for the fees of the Board of Directors and the auditors and, where appropriate, on the election of an auditor. The names of the members of the Nomination Committee and the shareholders they represent shall be announced no later than six months prior to the Annual General Meeting and shall be based on the known ownership on 15 September 2012.

IN ACCORDANCE WITH THE DECISION TAKEN, THE FOLLOWING NOMINATION COMMITTEE HAS BEEN FORMED:

- Per-Arne Rudbert, representing Humlegården (Nomination Committee Chair)
- Bo Forsén, representing Brinova Inter AB
- Bob Persson, representing Persson Invest
- Jonas Bengtsson, representing Bengtsson Tidnings AB

Bengtsson Tidnings AB replaces Klövern AB which was the fourth largest shareholder prior to the change in shareholding. The Nomination Committee jointly represents about 51.2% of the votes in Diös. Shareholders who have wished to submit proposals to the Nomination Committee have been able to do so by e-mail to nominatingcommittee@dios.se or by letter to: Diös Fastigheter AB, Nomination Committee, Box 188, SE-831 22 Östersund, Sweden, by 15 February 2013.

BOARD OF DIRECTORS

Diös' Board of Directors consists of six members. Managing Director, Christer Sundin, is rapporteur to the Board and is not a member of the Board. The Board

members are presented below together with the Board's assessment regarding each member's position of dependence in relation to the company and its shareholders. For more information about the Board of Directors, see page 34.

RESPONSIBILITIES OF THE BOARD

Diös' Board of Directors has overall responsibility for the organisation and management of the company and for ensuring that guidelines for the management of the company's funds are appropriately structured. The Board is also responsible for the development and follow-up of the Group's strategies through plans and objectives, decisions concerning acquisition and sale of operations, major investments, appointments to and remuneration of the executive management team and for conducting regular reviews of operations during the year. The Board draws up a business plan and annual accounts and oversees the work of the Managing Director, Christer Sundin.

RULES OF PROCEDURE FOR THE BOARD

The Board's rules of procedure are drawn up annually at the inaugural Board meeting. The rules of procedure are revised as necessary. The rules of procedure include the Board's responsibilities and tasks, the Chairman's duties and auditing matters. They specify which reports and financial information the Board should receive prior to each scheduled Board meeting. The rules of procedure also include instructions to the Managing Director. The rules of procedure require a Remuneration Committee and an Audit Committee to be set up and their duties to be established. The most recent rules of procedure were adopted at the inaugural Board meeting on 2 May 2012.

CHAIRMAN OF THE BOARD

The Chairman of the Board, Bob Persson leads the work of the Board and ensures that the Board discharges its responsibilities and duties in accordance with laws and regulations. Furthermore, the Chairman of the Board, in consultation with the Managing Director, monitors the development of the business and is responsible for ensuring that other members of the Board are provided with the information necessary for efficient discussions and decision-making. The Chairman also participates in the evaluation and development issues concerning the Group's senior executives.

THE BOARD'S WORK IN 2012

The company's performance and financial position, total assets, interim reports, annual reports, real estate transactions and integration processes are all issues addressed by the Directors at the Board meetings at which minutes are taken. Market assessments, the focus of the business and organisational issues are also addressed at these Board meetings.

BOARD OF DIRECTORS 2012

	Elected	Independent	Board Meetings	Remuneration Committee	Audit Committee	Fees, SEK 000
Bob Persson, Chairman	2007	No	11/11	1/1	3/3	175
Gustaf Hermelin, Member	2005	No	11/11	-	3/3	125
Thorsten Åsbjer, Member	2005	No	10/11	1/1	3/3	125
Anders Bengtsson	2011	No	6/6	-	2/2	125
Maud Olofsson	2011	Yes	5/6	-	1/2	125
Ragnhild Backman	2011	Yes	6/6	-	2/2	125
Lars-Göran Pettersson, resigning Member	2010	No	2/5	-	-	-
Bo Forsén, resigning Member	2011	No	5/5	-	1/1	-
Anna-Stina Nordmark, resigning Member	2005	yes	4/5	-	1/1	-

EVALUATION OF THE WORK OF THE BOARD

The rules of procedure also state that an annual evaluation of the Board's work and performance is to be carried out in a systematic and structured way. In 2012, the Chairman assured that such evaluation was carried out and that the Chairman of the Nomination Committee, Per-Arne Rudbert, was informed of the findings of the evaluation prior to the nomination process of the Nomination Committee for the 2013 Annual General Meeting.

AUDIT COMMITTEE

No formal Audit Committee has been appointed within Diös' Board of Directors. Instead, the Board as a whole has undertaken the duties of an Audit Committee as it is considered that this can be done in an appropriate manner and that the Board is able to perform the tasks that are normally performed by the Audit Committee. The task of the Audit Committee is to monitor the company's financial reporting process and the effectiveness of the company's systems of internal controls and risk management, keep itself informed about the audit of the Annual Report and consolidated financial statements and meet regularly with the company's auditors to keep itself informed about the audit and the risks faced by the company. The Audit Committee shall also scrutinise and monitor the impartiality and independence of the auditor and evaluate the audit process and inform the company's Nomination Committee of the findings of the evaluation. The company's auditor attended two meetings during the year to report the audit findings and assessment of the company's internal controls for financial reporting. The Board of Directors' work as an Audit Committee is set out in the Board's rules of procedure.

REMUNERATION COMMITTEE

The Remuneration Committee has been tasked to prepare, within the scope of the guidelines for remuneration to senior executives that were approved at the 2012 Annual General Meeting, the questions concerning remuneration to the Managing Director and other senior executives who come under the supervision of the Board of Directors. The Remuneration Committee held a meeting in 2012 at which guidelines for remuneration to senior executives were reviewed.

AUDITORS

The Annual General Meeting appoints one or two auditors and, at most, two deputies to audit the company's Annual Report, its accounts, and the administration exercised by the Board of Directors and the Managing Director. The 2009 Annual General Meeting appointed Deloitte AB as the company's auditors for the period to the 2013 Annual General Meeting. Lars Helgesson is the chief auditor. The auditing fees paid to Deloitte in 2012 were SEK 3,449,000 (5,077,000), of which SEK 2,116,000 (1,201,000) were for the audit assignment, SEK 431,000 (1,280,000) were for additional audits and SEK 365,000 (1,745,000) were for other regular consultation.

INTERNAL CONTROLS FOR FINANCIAL REPORTING FOR THE 2012 FINANCIAL YEAR

Under the provisions of the Swedish Companies Act and the Swedish Code on Corporate Governance, the Board of Directors is responsible for the company's internal control systems and for ensuring that the financial reports are prepared in conformity with current legislation. The internal controls comply with the regulatory guidance, Internal Control – Integrated Framework, COSO, which consists of five components: control environment, risk assessment, control activities, information and communication, and monitoring. To assure the quality of Diös' financial reporting processes, the Board reviews critical accounting

matters and the financial reports presented by the company. This means that the Board reviews policies and practices relating to internal controls, compliance with regulations, significant uncertainties in the carrying amounts, any uncorrected irregularities or errors, events after the balance sheet date, changes in estimates and judgements, any noted inconsistencies and inaccuracies, and other circumstances that affect the quality of the financial statements.

INTERNAL CONTROL SYSTEM

Control environment - Effective work by the Board of Directors is the basis for good internal control. The Board has developed well-defined processes and procedures to create clear guidelines for its work. A key task of the Board is to develop and approve a number of basic policies, guidelines and frameworks for financial reporting. The company's main policy document is entitled "Instructions for the Managing Director, including financial reporting, financial policy and credit policy". The purpose of these instructions is to provide a foundation for effective internal control. The system of internal control is monitored and reviewed on a regular basis and findings are communicated to all employees who are involved in the financial reporting process. The Board conducts regular evaluations of the company's performance and results, using a reporting package which includes an income statement, projected key ratios and other significant operational and financial information. The Board as a whole serves as the Audit Committee. Subsequently, the Board as a whole monitored the risk management and internal control systems in 2012. These systems aim to ensure that the company's operations are conducted in compliance with applicable legislation and regulations, that they are efficient and that financial reporting is reliable. The Board has familiarised itself with and assessed the procedures for accounting and financial reporting, and has followed up and assessed the work, qualifications and independence of the external auditors. In 2012, the Board conducted a review with and received a written report from the company's external auditors.

RISK ASSESSMENT - Diös works continuously and pro-actively with risk assessment and risk management activities to ensure that the risks to which the company is exposed are managed in an appropriate manner within the criteria defined. Diös' management conducts an annual risk analysis which involves the analysis and assessment of the risks according to a risk scale. Risk assessment considers factors such as the company's administrative procedures for invoicing and contract management. Balance sheet and income statement items are also reviewed regularly wherever there is a risk of material misstatement.

CONTROL ACTIVITIES - Control structures are designed to manage the risks that the Board considers may materially affect the internal control over financial reporting. These control structures consist of an organisation with delegated areas of responsibility, well-defined procedures and specific work roles. Control activities may include reporting of processes and procedures for making critical decisions, such as major new tenants, major investments, current contracts, and reviews of all the financial statements that are presented.

INFORMATION AND COMMUNICATION - The company's main policies, guidelines and manuals concerning internal and external communication are regularly updated and communicated internally through appropriate channels, such as meetings and e-newsletters. All policies and manuals are available via the company's intranet. The company has a clear policy on communication with external parties. The policy guidelines explain how this communica-

tion should take place to ensure that all of Diös' obligations with regard to information are correctly and fully observed.

FOLLOW-UP AND MONITORING -Continuous follow-up processes are conducted within the Group at property, subsidiary and Group levels. These follow-up and monitoring processes are performed to ensure that the internal controls are carried out regularly by the company's Board. The Board and the company's auditor meet at least once a year, without the Managing Director or any other members of the management team, to review the current situation. The Board also ensures that the company's auditors conduct a general review of the Q3 interim report. The Board annually evaluates whether to appoint a separate internal audit function. The financial operations and financial and leasing administration are managed from Diös' head office. The company's balance sheets and income statements are reviewed quarterly by the different functions, the company's management team and the Board of Directors. The company's management and reporting practices are reviewed by the company's auditor and the findings of the review are reported to the Board. Based on the above, there is no need for the company to have a separate internal audit function.

GUIDELINES FOR REMUNERATION TO SENIOR EXECUTIVES

The 2012 Annual General Meeting approved the following guidelines for remuneration to senior executives. Remuneration and benefits to the Managing Director are decided by the company's Board of Directors. Remuneration to other senior executives is decided by the Managing Director in consultation with the company's Board of Directors. The Managing Director is entitled to a company car and insurance and retirement benefits in accordance with the ITP scheme applicable during the period of employment. Individual investment options are available. Insurance and pension premiums are based on cash salary only. Retirement age for the Managing Director is 65 years. The period of notice given by the company to the Managing Director is 12 months. The period of notice given by the Managing Director to the company is 6 months. Remuneration during a period of notice is deducted from income from another employer. Other senior executives are entitled to a

company car. During the period of employment with the company, other executives are entitled to insurance and pension benefits in accordance with the ITP plan applicable at the time. Individual investment options are available. Insurance and pension premiums are based on cash salary only. The retirement age for other senior executives is 65 years. The period of notice given by the company is 6-12 months. The period of notice given by an employee is 3 months. Diös has a profit-sharing foundation for all its employees. Provision to the profit-sharing foundation is based on return on equity and is capped at one base amount per year per employee. The above policies are expected to be approved with the same wording at the 2013 Annual General Meeting.

MANAGING DIRECTOR AND GROUP MANAGEMENT

Managing Director, Christer Sundin, is responsible for leading the Group and its operations within the limits defined by the Board of Directors. The most recent instructions for the Managing Director were approved by the Board of Directors on 2 May 2012. The Managing Director regularly prepares the necessary information and basis for decisions prior to the Board meetings and justifies proposals for resolutions. The Chairman of the Board annually conducts a performance appraisal with the Managing Director in accordance with the instructions for the Managing Director and the current requirements specification. The Managing Director leads the work of the Group's executive team and makes decisions in consultation with other members of management. The Group's executive management team, which consists of managers of the key business areas of the Diös Group, holds weekly meetings at which it addresses operational issues. The Group's executive management team also prepares an annual business plan which it follows up through monthly reports with a focus on improvement, new investments and growth.

REMUNERATION OF THE MANAGING DIRECTOR

Christer Sundin – fixed remuneration SEK 2,531,000, benefits in kind SEK 84,000 and pension provisions SEK 825,000 (Note 5).

Other Group executives (4 people) – fixed remuneration SEK 4,135,000, benefits in kind SEK 290,000 and pension provisions SEK 1,107,000 (Note 5).

AUDITOR'S STATEMENT ON THE CORPORATE GOVERNANCE REPORT

To the Annual General Meeting of Shareholders in Diös Fastigheter, CRN 556501-1771

The Board of Directors is responsible for the Corporate Governance Report for 2012 and for ensuring that it has been prepared in accordance with the Swedish Annual Accounts Act.

We have read the Corporate Governance Report and, based on this reading and our knowledge of the company and the Group, we believe that we have obtained sufficient basis for our opinion. This means that our statutory review of the Corporate Governance Report has a different aim and is of significantly smaller scope than the aim and scope of an audit as per the International Standards on Auditing and good auditing practice in Sweden.

We believe that a Corporate Governance Report has been prepared and its statutory content is consistent with the Annual Report and consolidated financial statements.

Östersund, 19 March 2013

Deloitte AB

Lars Helgesson
Authorised public accountant



From the left: Gustav Hermelin, Anders Bengtsson, Bob Persson, Maud Olofsson, Thorsten Åsbjer, Ragnhild Backman, Tomas Mellberg.

GUSTAF HERMELIN

Board member since 2005.
Born in 1956.
Managing Director of Brinova AB and a number of companies in Brinova AB.
Other board assignments: Board member of Platzer AB and AMF Fastigheter.
Education: Economics degree from the School of Economics.
Shareholding: –

ANDERS BENGTTSSON

Board member since 2012.
Born in 1963.
More than 20 years as managing director of SMEs and several years as a management consultant for Semcon AB, etc.
Board member and partner of Bengtssons Tidnings Aktiebolag.
Other board assignments: Several board assignments.
Education: MBA from Monterey Institute of International Studies, USA.
Shareholding: –

BOB PERSSON

Chairman of the Board since 2011.
Born in 1950.
Board member since 2007.
Chairman of the Board and partner in AB Persson Invest, Östersund.
Other board assignments: Board member of AB Volvofinans, Gothenburg and NHP Eiendom AS in Trondheim.
Education: Economics degree from the University of Umeå.
Shareholding: –

MAUD OLOFSSON

Board member since 2012.
Born in 1955.
Other board assignments: LKAB, Arise AB, Creades.
Education: High school.
Shareholding: –

THORSTEN ÅSBJER

Board member since 2005.
Born in 1948.
Vice Managing Director of Humlegården Fastigheter AB.
Other board assignments: Various board positions for Humlegården.
Education: Architect.
Shareholding: 75,000 shares.

RAGNHILD BACKMAN

Board member since 2012.
Born in 1963.
Managing Director of Byggnads AB O. Tjärnberg, Backmans Fastighets- och Företagsutveckling AB.
Other board assignments: Board member of Malux AB, Örnköldsvik and Fastighetsägarna Sverige.
Education: M.Sc. Engineering, KTH Royal Institute of Technology.
Shareholding: –

TOMAS MELLBERG

Employee representative
Born in 1959.
Board member since 2012.
Has previously worked for Skanska AB, Hallström & Nisses Fastigheter AB and Norrvidden Fastigheter AB.
Education: Economics at the University of Umeå. Four-year technical course at Härnösand High School.
Shareholding: 400 shares.

CHRISTER SUNDIN

Managing Director.

Born in 1949.

MBA. Experience from a number of real estate companies – Managing Director of Hallström & Nisses Fastigheter AB. Board member of the Diös Group subsidiaries. Board member of Peak Business & Sport AB, Repallet, Fastigo, Destination Östersund. Experience as a consultant in listed companies.

Employed by Diös since 2005. Shareholding: 295,124 directly held shares and 50,572 shares through companies.



ROLF LARSSON

Chief Financial Officer since October 2005.

Born in 1964.

MBA and Executive MBA.

Various management positions since 1995, member of management teams and rapporteur for boards since 1997.

Employed by Diös since 2005. Shareholding: 3,745 shares.



BO TJÄLLDÉN

Market Area Manager for Västernorrland since January 2012.

Born in 1959.

Construction engineer. Market Area Manager of Norrvidden Fastigheter since 2004, Managing Director of Fastighetsägarna Norr 1999-2004 and Market Area Manager and head of Ecuo Sverige AB's operations in northern Sweden. Board member of the Chamber of Commerce Mid Sweden's regional board. Board member of Hyresnämnden (Tenancies Board) Sundsvall.

Employed by Diös since 2012.



ANDERS HEDSTRÖM

Market Area Manager for Gävleborg since January 2012

Born in 1973.

Economics degree, specialising in real estate, Gävle University College.

Former Market Area Manager for Gävle. Market Area Manager for Falun and Gävle at AP Fastigheter 2001-2005. Employed by Diös since 2005.



HANS AXELSSON

Business Development Manager since January 2012.

Born in 1957.

M.Sc. Engineering, KTH Royal Institute of Technology, specialising in real estate economics. Real Estate Manager and then Managing Director of Skanska Fastigheter Nord AB and Business Development Manager for Skanska Sverige AB and Norrvidden Fastigheter AB.

Employed by Diös since 2012. Shareholding: 500 shares.



NASDAQ OMX NORDIC EXCHANGE STOCKHOLM

SHARES AND SHARE CAPITAL

Diös' share capital amounts to SEK 149,457,668. The total number of shares is 74,729,134 and the share has a face value of SEK 2. All shares give equal rights in the company. The ticker symbol on the NASDAQ OMX Nordic Exchange is DIOS and the ISIN code is SE0001634262.

STOCK PRICE PERFORMANCE

Diös Fastigheter AB began trading on the NASDAQ OMX Nordic Exchange Stockholm's Small Cap list in May 2006. The closing price of SEK 35.00 (28.50) on 28 December 2012 gave the company a stock market value of SEK 2,615.5 million (2,129.8). The highest share price in 2012 was SEK 37.90 (42.72) and the lowest was SEK 28.00 (28.00).

Diös' shares have been trading on the NASDAQ OMX Nordic Exchange in Stockholm, Mid Cap list since 2 January 2012. The ticker symbol is DIOS and the ISIN code is SE0001634262.

SHAREHOLDERS

Diös Fastigheter AB's shareholders numbered 2,669 at the close of 2012. A significant proportion (98.57%) of the shareholders were in Sweden. The largest single shareholder on 28 December 2012 was AB Persson Invest with a 15.39% holding. The ten largest shareholders accounted for 83.9% of the holdings and voting rights.

DIVIDEND POLICY AND DIVIDENDS TO SHAREHOLDERS

In the long-term, Diös will transfer at least 50% of the profit after tax to its shareholders

through dividends or the repurchase of shares. The Board proposes a dividend of SEK 2.30 (1.10) per share for the 2012 financial year. This means that 50% (53%), or a total of SEK 171.9 million (82.2), excluding unrealised gains or losses and deferred taxes, will be paid out to the shareholders. The decision on the distribution and payment of dividends will be taken by the Annual General Meeting on 25 April 2013.

CONTACT WITH ANALYSTS AND INVESTORS

Diös maintains ongoing communications with shareholders, potential investors and analysts through company presentations at capital market days, seminars and networking events.

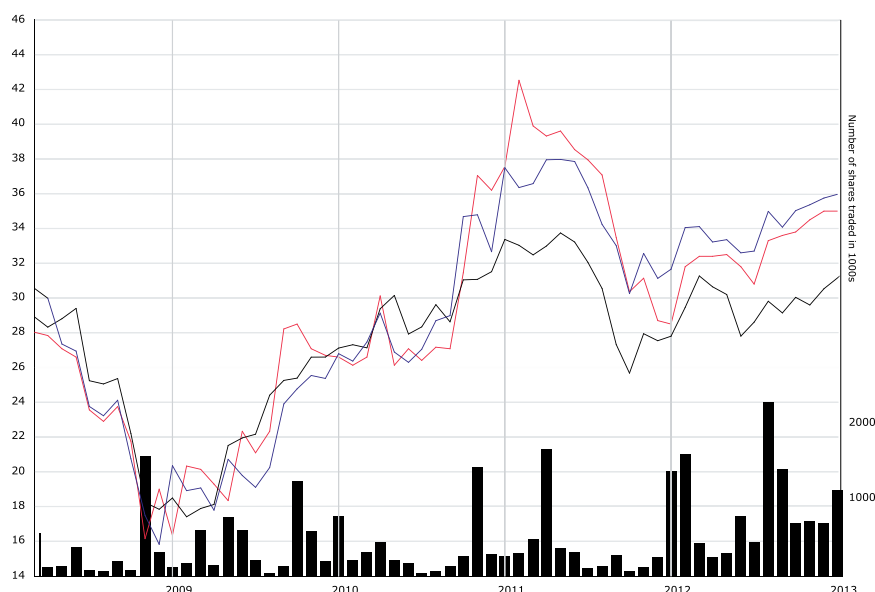
NET WORTH PER SHARE

On 31 December 2012, shareholders' equity per share was SEK 41.30 (36.46).

DIÖS SHARES 2007-2012

Diös 2012

■ Diös Aktien ■ OMX Stockholm PI ■ OMX Stockholm Real Estate PI ■ Number of shares traded, thousands



Diös Fastigheter AB is a publicly traded company listed on the NASDAQ OMX Nordic Exchange Stockholm, Mid Cap list. The ticker symbol is DIOS and the ISIN code is SE0001634262.

The number of shares in Diös on 28 December 2012 was 74,729,134. The closing price of SEK 35.00 (28.50) gave the company a stock market value of SEK 2,615.5 million (2,129.8).

SHARE REPURCHASES

Diös Fastigheter AB (publ) repurchased 500,000 shares at an average price of SEK 34.00 per share on 17 August 2012. The repurchase took place in accordance with a decision taken at the Annual General Meeting on 2 May 2012.

A shareholders' resolution was passed at the Annual General Meeting authorising the Board to purchase Diös shares. The authorisation, which remains in effect until the next Annual General Meeting, is for a limited purchase of shares of up to 10% of the total issued share capital of the company at any given time.

On 21 December 2012, Diös sold its entire holding of 500,000 own shares at an average share price of SEK 34.80.

DATA PER SHARE

	2012	2011	2010	2009	2008	2007
Earnings per share, SEK	5.73	4.58	6.74	3.06	-3.82	4.26
Quoted share price on 31 Dec	35.00	28.50	38.60	28.00	17.20	30.60
Dividend per share, SEK	2.30 ¹⁾	1.10	1.75	1.75	1.40	1.40
Dividend as % of property management income	50	53	51	43	45	51
P/E ratio, times	6.1	6.2	5.7	9.2	-4.5	7.2
Equity/share, SEK	41.30	36.46	40.63	33.99	31.81	40.30
Number of shares on 31 Dec (thousands)	74,729	74,729	37,365	33,968	33,968	33,968
Average number of shares (thousands)	74,729	39,771	34,148	33,968	33,968	33,771

¹⁾ The Board of Directors' proposal

LARGEST SHAREHOLDERS – 28 DECEMBER 2012

Shareholder	Number of shares	Holding and votes %
AB Persson Invest	11,499,691	15.39
Humlegården Holding III AB	10,302,510	13.79
Brinova Inter AB	8,930,754	11.95
Klövern AB	8,671,889	11.60
Bengtssons Tidnings Aktiebolag	7,518,222	10.06
Länsförsäkringar Fastighetsfond	4,908,384	6.57
Pensionskassan SHB Försäkringsförening	4,498,239	6.02
Fastighets AB Eric Ekblad	2,600,000	3.48
Länsförsäkringar Jämtland	2,000,002	2.68
Ralf Ekblad	1,800,000	2.41
Total largest shareholders	62,729,691	83.94
Other shareholders	11,999,443	16.06
Total, all shareholders	74,729,134	100.0

HOLDING – 28 DECEMBER 2012

Holding	Number of shareholders	Number of shares	Holding (%)	Votes (%)	Market value (SEK 000)
1 - 500	1,398	315,419	0.42	0.42	11,040
501 - 1000	463	384,515	0.51	0.51	13,458
1001 - 5000	625	1,328,280	1.78	1.78	46,490
5001 - 10000	80	574,269	0.77	0.77	20,099
10001 - 15000	25	303,156	0.41	0.41	10,610
15001 - 20000	13	234,807	0.31	0.31	8,218
20001 -	65	71,588,688	95.80	95.80	2,505,604
TOTAL 28 Dec 2012	2,669	74,729,134	100.0	100.0	2,615,520

Diös Fastigheter AB had 2,669 shareholders on 28 December. A significant proportion (98.57%) of the shareholders were in Sweden. The largest single shareholder was AB Persson Invest with a 15.39% holding. The ten largest shareholders accounted for 83.94% of the holdings and voting rights. Diös does not hold any of its own shares (-), since the holding of 500,000 shares, acquired through a repurchase on 17 August 2012, was sold on 21 December 2012.

SHARE CAPITAL DEVELOPMENT

Date	Event	Increase in number of shares	Total number of shares	Increase in share capital, SEK	Total share capital, SEK	Face value, SEK
1 Jan 2005	At beginning of year	–	10,000	–	100,000	10.00
30 May 2005	Split 100:1	990,000	1,000,000	–	100,000	0.10
31 May 2005	New issue	1,489,903	2,489,903	148,990	248,990	0.10
1 Sept 2005	New issue	1,503,760	3,993,663	150,376	399,366	0.10
15 Nov 2005	Bonus issue	–	3,993,663	–	39,936,630	10.00
15 Nov 2005	Split 5:1	15,974,652	19,968,315	–	39,936,630	2.00
18 May 2006	New issue	8,333,400	28,301,715	16,666,800	56,603,430	2.00
11 July 2006	Non-cash issue	5,000,000	33,301,715	10,000,000	66,603,430	2.00
19 April 2007	Non-cash issue	666,250	33,967,965	1,332,500	67,935,930	2.00
29 Oct 2010	Non-cash issue	99,729	34,067,694	199,458	68,135,388	2.00
14 Dec 2010	New issue	3,285,466	37,353,160	6,570,332	74,705,720	2.00
17 Dec 2010	New issue	11,407	37,364,567	22,814	74,728,534	2.00
5 Dec 2011	New issue	22,854,136	60,218,703	45,708,272	120,436,806	2.00
14 Dec 2011	New issue	14,510,431	74,729,134	29,020,862	149,457,668	2.00
31 Dec 2012	At year-end		74,729,134		149,457,668	2.00

GENERAL MEETING OF SHAREHOLDERS

The General Meeting of Shareholders of Diös Fastigheter AB will be held on Thursday 25 April, 2013, at 11 a.m. at Diös' head office, Ringvägen 4, Östersund, Sweden. Shareholders who wish to attend the General Meeting must:

- Be entered in the register of shareholders held by VPC AB (the Swedish Securities Register Centre) no later than Friday 19 April, 2013.
- Notify the company of their intention to attend the Annual General Meeting no later than 12.00 p.m. on Friday 19 April, 2013.

Shareholders may notify the company of their intention to attend by regular mail to Diös Fastigheter AB, Box 188, SE-831 22 Öster-

sund, Sweden, or by calling +46 (0)770-33 22 00 or via the company's website, www.dios.se. When giving notice of attendance, shareholders should state their name and personal identity number (date of birth) or company registration number, address and phone number, their shareholding and the names of any proxies.

Shareholders who have registered their shares in the name of an authorised agent must temporarily register their shares in their own name with VPC AB (the Swedish Securities Register Centre) in good time to ensure that the shares are registered by Friday 19 April, 2013. Such request to register shares with VPC AB must be made well in advance of this date.

If a proxy is to attend the meeting, the

authorisation documents must be sent to the company together with the notification of attendance. Proxies for shareholders must produce a signed and dated power of attorney at the Annual General Meeting. The document must not be more than one (1) year old. If the appointer is a legal entity, a registration certificate or other document which indicates the signatory's authorisation must be presented.

The Board of Directors proposes a dividend of SEK 2.30 per share. The Board of Directors proposes Tuesday 30 April, 2013, as the record date for the right to receive dividends. Subject to the approval of the Annual General Meeting, the dividend will be paid by VPC (the Swedish Securities Register Centre) on Monday 6 May, 2013.

On 30 December 2011, Diös acquired Norrvidden Fastigheter AB. The acquisition does not impact the income statement for Diös, while the acquired business is included in the balance sheet which may also impact some of the key performance indicators.

INCOME STATEMENT, SEK million					
	2012	2011	2010	2009	2008
Rental income	1,300.2	586.7	486.0	462.9	452.8
Other revenue	31.1	14.7	13.2	14.5	17.1
Property costs	-565.1	-274.1	-213.6	-204.5	-209.8
Operating surplus	766.2	327.3	285.6	273.0	260.0
Depreciation of property, plant and equipment	-3.1	-1.6	-4.0	-3.9	-4.1
Central administration	-94.8 ¹	-49.1 ²	-30.9	-32.4	-27.4
Value movement on properties, realised	8.9	31.8	10.7	0.5	10.6
Value movement on properties, unrealised	179.6	175.2	163.2	-52.9	-234.0
Operating profit/loss	856.7	483.5	424.6	184.2	5.1
Unrealised value movement on interest-rate derivatives	-76.3	-88.2	3.5	32.4	-46.6
Profit/loss from financial items	-328.5	-144.2	-122.3	-105.9	-134.1
Profit before tax	451.9	251.1	305.8	110.7	-175.7
Current tax	-6.2	-8.0	-10.0	-2.1	-1.6
Deferred tax	-14.2	-65.9	-61.9	-3.1	39.1
Non-controlling interests	-3.1	5.0	-3.6	-1.4	8.3
Profit/loss for the year attributable to parent company shareholders	428.5	182.2	230.3	104.1	-129.9

¹ SEK 37,859,000 of which relates to restructuring costs in connection with the acquisition of Norrvidden ² SEK 13,544,000 of which relates to transaction costs in connection with the acquisition of Norrvidden.

BALANCE SHEET, SEK million						
	2012	2011	2010	2009	2008	2007
Investment properties	11,877.6	11,562.2	5,203.7	3,906.2	3,898.8	4,067.3
Other property, plant and equipment	12.3	13.5	9.2	11.1	13.2	23.0
Financial fixed assets	11.2	19.3	6.1	8.3	2.8	0.7
Deferred tax asset	-	-	36.8	120.1	122.7	83.5
Current receivables	172.0	180.1	51.9	46.1	37.5	79.9
Cash and cash equivalents	120.1	103.8	60.8	48.7	36.7	37.5
ASSETS	12,193.1	11,878.9	5,368.6	4,140.5	4,111.7	4,291.9
Shareholders' equity	3,086.1	2,724.5	1,518.3	1,154.5	1,080.6	1,369.3
Deferred tax liability	593.4	555.8	-	-	-	-
Non-current liabilities	7,894.9	8,013.3	3,654.2	2,472.1	2,467.7	2,706.5
Current liabilities	618.8	585.3	196.1	513.9	563.4	216.1
LIABILITIES AND EQUITY	12,193.1	11,878.9	5,368.6	4,140.5	4,111.7	4,291.9

CASH FLOW STATEMENT, SEK million

	2012	2011	2010	2009	2008
Operating cash flow	313.3	173.0	38.7	87.0	52.0
Investing cash flow	-107.0	-592.2	-537.0	-49.1	-30.6
Financing cash flow	-190.0	462.2	510.4	-26.0	-22.2
Cash flow for the year	16.3	43.0	12.1	12.0	-0.8
Cash and cash equivalents at end of year	120.1	103.8	60.8	48.7	36.7

FINANCIAL KPIS

Return on equity, %	14.7	8.6	17.2	9.3	-10.6
Return on total assets, %	6.5	4.6	9.0	5.3	-0.5
Return on capital employed, %	6.8	4.8	9.8	6.0	-1.1
Equity/assets ratio, %	25.3	22.9	28.3	27.9	26.3
Loan-to-value ratio, properties, %	66.4	69.2	69.9	71.1	71.0
Interest coverage ratio, times	2.0	1.9	2.0	2.2	1.7
Debt/equity ratio, times	2.7	3.1	2.6	2.1	2.3

DATA PER SHARE

Earnings per share, SEK	5.73	4.58	6.74	3.06	-3.82
Equity per share, SEK	41.30	36.46	40.63	33.99	31.81
Cash flow per share, SEK	4.50	3.17	3.59	3.90	2.73
Average number of shares outstanding at year-end (thousands)	74,729	39,771	34,148	33,968	33,968
Number of shares outstanding at end of period (thousands)	74,729	74,729	37,365	33,968	33,968
Dividend per share, SEK	2.30 ¹	1.10	1.75	1.75	1.40

¹ The Board of Directors' proposal

PROPERTY-RELATED KPIS AT YEAR-END

	2012	2011	2010	2009	2008
Number of properties	378	385	142	114	120
Leasable area, sq.m.	1,504,738	1,516,549	699,670	547,350	558,900
Book value of investment properties, SEK million	11,877.6	11,562.2	5,203.7	3,906.2	3,898.8
Rental value, SEK million	1,464.3	654.8	536.9	512.2	498.5
Economic occupancy rate, %	88.8	89.6	90.5	90.4	90.8
Surplus ratio, %	58.9	55.8	58.8	59.0	57.4

FINANCIAL**RETURN ON EQUITY**

Profit for the period in relation to average equity. Average equity is calculated as the sum of the opening and closing balance divided by two.

RETURN ON TOTAL ASSETS

Profit/loss before tax plus finance expense divided by average assets. Average assets are calculated by adding the opening and closing balances and dividing by two.

RETURN ON CAPITAL EMPLOYED

Profit before tax plus finance expense in relation to average capital employed.

CAPITAL EMPLOYED

Total assets at the end of the period minus non-interest bearing liabilities and provisions. Average capital employed is calculated by adding the opening and closing balances and dividing by two.

EQUITY/ASSETS RATIO

Equity divided by total assets at the end of the period.

LOAN-TO-VALUE RATIO, PROPERTIES

Interest-bearing and other liabilities relating to properties divided by the properties' book value at the end of the period.

INTEREST COVERAGE RATIO

Profit after financial items, excluding unrealised gains or losses, plus finance expense, in relation to finance expense during the period.

DEBT/EQUITY RATIO

Interest-bearing liabilities in relation to shareholders' equity at the end of the period.

Diös has no outstanding financial instruments which would dilute earnings.

SHARE-RELATED**EARNINGS PER SHARE**

The profit for the period after taxation, attributable to shareholders, divided by the average number of outstanding shares.

EQUITY PER SHARE

Equity at the end of the period divided by the number of shares outstanding at the end of the period.

CASH FLOW PER SHARE

Profit before tax, adjusted for unrealised gains or losses, plus depreciation less current tax divided by the average number of outstanding shares.

AVERAGE NUMBER OF OUTSTANDING SHARES

Number of shares outstanding at the beginning of the period, adjusted by the number of shares issued or withdrawn during the period weighted by the number of days that the shares were outstanding in relation to the total number of days in the period.

NUMBER OF OUTSTANDING SHARES

Actual number of shares outstanding at the end of the period.

DIVIDEND PER SHARE

Approved or proposed dividend divided by the number of shares outstanding at the end of the period.

PROPERTY RELATED AND OTHER**ECONOMIC OCCUPANCY RATE**

The rental income for the period divided by the rental value at the end of the period.

RENTAL INCOME

Rents invoiced for the period minus rent losses and rent discounts.

RENTAL VALUE

Rent invoiced for the period plus estimated market rent for unoccupied floor space.

SURPLUS RATIO

Operating surplus for the period divided by the rental income for the period.

DIRECT RETURN

Operating surplus divided by the properties' market value at the end of the period.

OPERATING SURPLUS

The rental income less operations and maintenance costs, ground rent fees, property taxes and property management.

OPERATIONS COSTS

Costs of electricity, heating, water, cleaning, insurance, repairs, care and regular maintenance.

PROPERTY CATEGORY

The main use of the properties is based on the distribution of their areas. Properties are defined according to the purpose and use of the largest proportion of the property's total area.

PROPERTY TYPES

The area is classified according to how it is used. The classifications are office, retail, residential, industrial/warehouse and other space.

MARKET VALUE OF PROPERTIES

Estimated market value from the most recent valuation.

DALARNA								
	Municipality	Address	Residential	Retail	Office	Industrial/ warehouse	Other	Total sq.m.
Björken 8	Falun	Bergmästaregatan 2	86	0	2,277	41	0	2,404
Dalpilen 10	Falun	Myntgatan 20	0	224	2,273	0	662	3,159
Falan 20	Falun	Stora torget	0	5,854	15,905	518	1,084	23,361
Falan 22	Falun	Ö:a Hamngatan 16, 18	471	619	0	0	600	1,690
Fisken 5	Malung	Grönlandsvägen 23	0	2,298	93	0	390	2,781
Frigga 7	Borlänge	Målaregatan 1	0	1,276	2,196	122	0	3,594
G:a Bergsskolan 15	Falun	Holmgatan 14,26	0	8,420	1,670	0	0	10,090
Gullvivan 18	Falun	N Järnvägsg 2-4, Seminarieg 3	0	0	0	0	6,000	6,000
Hammaren 6	Borlänge	Hammargatan 4-6	0	4,475	1,002	400	0	5,877
Hattmakaren 16	Falun	Nybrogatan 21, Slaggatan 19, Ö:a Hamngatan	0	709	2,263	60	259	3,291
Holmen 7	Falun	Holmgatan 11	64	743	495	0	0	1,302
Holmen 8	Falun	Holmgatan 9	0	15,891	1,757	17	1,062	18,727
Intagan 1	Borlänge	Röda Vägen 1	0	0	32,681	49	795	33,525
Kansliet 20	Falun	Nybrogatan 20	124	0	15,314	342	4,979	20,759
Köpmannen 3	Falun	Holmgatan 13	670	530	180	0	400	1,780
Köpmannen 4	Falun	Falugatan 5	1,687	1,395	325	33	0	3,440
Lasarettet 16	Falun	Svärdsjögatan 28	86	0	233	0	1,655	1,974
Mimer 1	Borlänge	Stationsgatan 2-4	0	2,646	2,773	370	1,302	7,091
Mobyarna 113:4	Malung	Västra Industrigatan	0	0	15	24,413	0	24,428
Målaren 3	Borlänge	Skomakargatan 18	0	0	883	0	350	1,233
Nedre Gruvriset 33:156	Falun	Krontallsvägen 1, 3, 16	0	0	0	5,325	0	5,325
Nya Bergsskolan 4	Falun	Engelbrektsgatan 25, Sturegatan 60, Stigaregatan 8 & 10	0	0	1,183	984	0	2,167
Rolf 2	Borlänge	Borganäsvägen 43	0	560	5,628	58	482	6,728
Rolf 5	Borlänge	Borganäsvägen 37, 39, 41, Målaregatan 5	207	341	2,119	0	335	3,002
Saga 25	Borlänge	Borganäsvägen 30	401	3,589	1,631	823	0	6,444
Sigrid 10	Borlänge	Borganäsvägen 26	0	2,431	3,466	275	0	6,172
Sigrid 11	Borlänge	Stationsgatan 12	0	1,482	978	12	0	2,472
Stranden 11:4	Mora	Fridhemsgatan 9	0	0	2,816	89	0	2,905
Stranden 16:1	Mora	Kyrkogatan 31	2,389	713	349	327	156	3,934
Stranden 16:2	Mora	Kyrkogatan 27	0	447	1,026	105	223	1,801
Stranden 17:4	Mora	Moragatan 13	3,497	333	308	531	276	4,945
Stranden 17:6	Mora	Strandgatan 24	1,538	246	0	30	0	1,814
Stranden 18:2	Mora	Kyrkogatan 25	0	3,167	1,106	410	475	5,158
Stranden 19:6	Mora	Kyrkogatan 20	0	573	2,082	50	0	2,705
Stranden 20:2	Mora	Millåkersgatan 6	0	0	3,895	369	298	4,562
Stranden 20:4	Mora	Hantverkaregatan 14	0	0	2,365	0	507	2,872
Stranden 35:7, 35:8	Mora	Kyrkogatan 10	1,397	904	287	20	0	2,608
Teatern 6	Falun	Engelbrektsgatan 25, Stigaregatan 7A-B, Sturegatan 58	0	63	1,925	0	0	1,988
Tyr 10, Valhall 1	Borlänge	Wallingatan 37	0	72	6,534	32	0	6,638
Verdandi 10	Borlänge	Borganäsvägen 46-48	0	834	861	2,727	4,701	9,123
Verdandi 9	Borlänge	Borganäsvägen 42-44	195	1,192	1,415	361	0	3,163
Total Dalarna			12,812	62,027	122,309	38,893	26,991	263,032

GÄVLEBORG

	Municipality	Address	Residential	Retail	Office	Industrial/ warehouse	Other	Total sq.m.
Alderholmen 18:1	Gävle	Hamntorget 6, 2:a Magasinsgatan 1	0	0	1,829	1,180	0	3,009
Alderholmen 19:2	Gävle	Hamntorget 4, Första Magasinsgatan 1, Andra Magasinsgatan 2, 4A	0	0	793	0	0	793
Alderholmen 19:3	Gävle	1:a Magasinsgatan 3, 2:a Magasinsgatan 4	0	0	809	0	0	809
Alderholmen 23:1	Gävle	Elfbrinksgatan 2; Första Magasinsgatan 8; Norra Skeppsbron 7	0	0	1,766	0	0	1,766
Alderholmen 24:3	Gävle	Norra Skeppsbron 5 A	0	0	1,155	0	0	1,155
Alderholmen 24:5	Gävle	Norra Skeppsbron 5 B	0	0	1,181	0	0	1,181
Brynäs 12:1	Gävle	S:a Fältskärgsgatan 10	0	1,026	3,425	1,995	0	6,446
Brynäs 34:9	Gävle	Atlasgatan 12	0	0	0	3,498	0	3,498
Furan 1	Söderhamn	Köpmangatan 13	0	2,481	0	0	0	2,481
Furan 10	Söderhamn	Kungsgatan 10	709	257	0	0	316	1,282
Furan 9	Söderhamn	Köpmangatan 15	1,059	3,566	334	0	162	5,121
Hemlingby 56:10	Gävle	Kryddstigen 1-3	0	3,415	1,255	0	0	4,670
Hemsta 12:16	Gävle	Skolgången 18-20	0	625	2,384	0	0	3,009
Hemsta 12:17	Gävle	Skolgången 10	0	0	0	3,425	0	3,425
Järvsta 63:3	Gävle	Utjordsvägen 9A-H, 9J-O	0	0	848	2,232	0	3,080
Klappsta 8:1	Sandviken	-	0	0	0	0	0	0
Kungsbäck 2:13	Gävle	Nobelvägen 1	0	0	5,327	0	0	5,327
Norr 11:4	Gävle	Kaplangatan 12, 14; Norra Stapeltorgsgatan 11-13; Nygatan 9-11, 9A-I, 9K-N, 11A-I, 11K-M (Gävle)	4,940	3,467	1,132	489	180	10,208
Norr 14:5	Gävle	Norra Kansligatan 7-9; Norra Slottsgatan 8, 10; Nygatan 21, 23 (Gävle); Ruddammsgatan 24, 26	0	6,784	1,109	289	193	8,375
Norr 16:5	Gävle	Norra Köpmangatan 13; Norra Rådmansgatan 12, 12C; Nygatan 29-31 (Gävle)	0	258	6,385	479	0	7,122
Norr 19:4	Gävle	Hattmakargatan 10; Nygatan 41	0	866	2,000	0	0	2,866
Norr 23:5	Gävle	Nygatan 22, N Rådmansgatan 8A-C, Drottningg. 21	1,415	2,211	2,358	5	136	6,125
Norr 26:1	Gävle	Nygatan 34, Hattmakargatan 8	88	0	1,168	200	0	1,456
Norr 26:3	Gävle	Hattmakargatan 6, Drottningg. 33	209	220	2,578	0	0	3,007
Norr 29:5	Gävle	Drottninggatan 6, N Skepparg. 5, N Stapeltorgsg. 6	0	332	2,911	25	2,289	5,557
Norr 30:5	Gävle	N:a Slottsgatan 3 A-B	1,464	303	0	0	1,245	3,012
Norr 31:9	Gävle	Kyrkog. 17, Drottninggatan 16-18	0	11,500	6,491	1,572	2,972	22,535
Norr 34:3	Gävle	Kyrkogatan 25, N Kopparslagsgatan 3	0	0	89	0	5,991	6,080
Norr 40:3	Gävle	Kyrkogatan 16, 18; Norra Kungsgatan 1; Norra Strandgatan 15-17	0	1,920	5,172	0	0	7,092
Norr 6:7	Gävle	Norra Köpmangatan 21; Norra Rådmansgatan 20; Staketgatan 32, 34	0	959	2,473	0	68	3,500
Norrkämsta 16:3	Ljusdal	Norrkämstaleden 8-20, 12B	50	500	1,924	13,515	8	15,997
Norrkämsta 17:2	Ljusdal	Norrkämstaleden 7	0	0	2,300	0	0	2,300
Näringen 11:3	Gävle	Strömsbrovägen 18	0	0	1,981	2,057	0	4,038
Näringen 12:2	Gävle	Strömsbrovägen 12	0	0	0	592	0	592
Näringen 13:11	Gävle	Förrådsgatan 7	0	0	780	1,150	0	1,930
Näringen 16:6	Gävle	Kanalvägen 6	0	0	819	5,859	400	7,078
Näringen 22:3	Gävle	Beckasinvägen 15	0	0	0	0	0	0
Näringen 5:15	Gävle	Lötängsgatan 6-12	0	0	0	25,400	0	25,400
Näringen 6:4	Gävle	Lötängsgatan 13	0	0	904	624	0	1,528
Näringen 8:5	Gävle	Strömsbrovägen 19	0	0	0	5,945	0	5,945

Svalan 6	Söderhamn	Västra Tullgatan 12	0	0	1,150	0	0	1,150
Såtra 107:7	Gävle	Bromsargatan 3, Marielundsvägen 2	0	0	3,134	75	0	3,209
Söder 38:5	Gävle	Södra Kansligatan 27; Södra Kungsgatan 32, 32A-H, 32J-P	1,320	1,401	0	130	0	2,851
Södertull 33:1	Gävle	S Kungsgatan 59, Helgöгатan 2,	0	3,113	2,466	791	4,678	11,048
Sörby Urfjäll 27:2	Gävle	Rålsгатan 2-4	0	0	354	4,688	0	5,042
Sörby Urfjäll 28:3	Gävle	Utmarksvägen 35	0	0	0	2,223	0	2,223
Sörby Urfjäll 36:4	Gävle	Utmarksvägen 15	0	142	1,295	5,087	0	6,524
Sörby Urfjäll 37:3	Gävle	Utmarksvägen 10	0	2,530	688	9,928	123	13,269
Tälle 23:8	Ljusdal	Bokhandlärgränd 12; Norra Järnväggsgatan 39; Stationsгатan 1-5	0	3,337	658	20	0	4,015
Väster 4:17	Gävle	V:a Vägen 52	0	0	159	2,336	0	2,495
Öster 10:1	Gävle	Ö Hantverkargatan 62	0	0	1,193	0	0	1,193
Östernäs 14:4	Ljusdal	Löjtnantsgatan 9	0	0	1,695	0	0	1,695
Total Gävleborg			11,254	51,213	76,472	95,809	18,761	253,509

VÄSTERNORRLAND

	Municipality	Address	Residential	Retail	Office	Industrial/ warehouse	Other	Total sq.m.
Adjunkten 3	Härnösand	Backgränd 16; Brunnhusgatan 8	684	0	751	0	0	1,435
Aeolus 5	Sundsvall	Köpmangatan 8B-C, 10; Tullgatan 18	0	332	2,722	110	0	3,163
Aeolus 9	Sundsvall	Trädgårdsgatan 7-9	0	0	2,768	0	0	2,768
Alliero 20	Sundsvall	Universitetsallén 14, Universitetsallén 20	0	787	314	1,288	0	2,389
Apollo 3, 7, 8	Sundsvall	Trädgårdsgatan 1-3	933	1,005	77	1,201	193	3,409
Arbetet 3	Sundsvall	Centralgatan 11; Esplanaden 8-10; Rådhusgatan 25; Trädgårdsgatan 24	0	794	3,087	151	520	4,552
Bacchus 10	Sundsvall	Tullgatan 5	752	1,343	1,338	75	0	3,508
Balder 3	Sundsvall	Normalmmsgatan 8-10	3,676	0	0	526	0	4,202
Banken 11	Härnösand	Norra Kyrkogatan 9; Pumpbacksgatan 10	1,236	0	0	0	0	1,236
Barkassen 3	Härnösand	Stationsgatan 2; Strandgatan 3-5	0	424	246	67	13	750
Barken 9	Härnösand	Strandgatan 4	0	0	1,702	1,318	0	3,020
Bisittaren 1	Sundsvall	Thulegatan 25; Södra Järnvägsgatan 29	0	263	1,300	185	0	1,748
Björneborg 10, 12	Sundsvall	Björneborgsgatan 47, Björneborgsgatan 41	0	0	3,028	2,271	0	5,299
Björneborg 11	Sundsvall	Björneborgsgatan 37	0	0	6,709	0	0	6,709
Borgmästaren 10	Sundsvall	Köpmangatan 19, N.a Järnvägsgatan 24	0	0	4,244	368	873	5,485
Börsen 1	Härnösand	Köpmangatan 9; Nybrogatan 1; Skeppsbron 7	1,074	928	1,485	100	0	3,587
Cupido 5	Sundsvall	Köpmangatan 16	1,052	700	100	0	0	1,852
Fryshuset 2	Sundsvall	Nya Hamngatan 12	0	0	5,853	0	0	5,853
Fyrvaktaren 19	Härnösand	Långgatan 41; Skeppsbron 69-71	0	0	0	1,649	0	1,649
Försöket 2	Sundsvall	Storgatan 24; Centralgatan 7; Esplanaden 4	0	651	513	0	0	1,164
Glädjen 4, 9	Sundsvall	Storgatan 30-34; Thulegatan 3; Torggatan 2-4; Sjögatan 23	537	10,979	4,644	792	0	16,951
Guldsmeden 10	Härnösand	Storgatan 23	591	424	0	0	0	1,015
Guldsmeden 11	Härnösand	Storgatan 25; Trädgårdsgatan 4-6	0	1,009	698	65	4	1,776
Guldsmeden 9	Härnösand	Stora Torget 3A-D, 4A-D; Trädgårdsgatan 2; Västra Kyrkogatan 1	0	1,479	2,259	91	0	3,829
Hälsan 6	Sundsvall	Storgatan 26; Centralgatan 6	1,281	989	1,039	77	0	3,385
Hälsan 7	Sundsvall	Storgatan 28; Centralgatan 4; Torggatan 1-3; Sjögatan 15-17, 16-18	0	7,785	3,329	559	8	11,680
Högom 3:170	Sundsvall	Bergsgatan 130	0	0	4,623	244	0	4,867

Högom 3:186	Sundsvall	Tegelvägen 20-22	0	0	1,500	1,888	0	3,388
Högom 3:189	Sundsvall	Tegelvägen 17	0	0	367	2,213	0	2,580
Kandidaten 3	Härnösand	Seminariegatan 11-33; Eriksbergsgård 12A-B	1,789	0	0	150	0	1,939
Kompaniet 1	Sundsvall	Bataljonsvägen 8; Kompanivägen 2	76	0	576	906	0	1,558
Kopparslagaren 28	Härnösand	Storgatan 15; Västra Kyrkogatan 2-4	0	2,260	1,462	90	0	3,812
Kostern 1	Härnösand	Stationsgatan 7	0	0	0	1,172	0	1,172
Kullen 1:35	Härnösand	Bergsstigen 18	241	0	0	0	0	241
Köpmannen 9	Härnösand	Köpmangatan 5-7; Nybrogatan 2; Skeppsbron 3	759	1,142	2,519	361	1,035	5,816
Lagmannen 9	Sundsvall	Fredsgatan 3-5; Södra Järnväggsgatan 23	0	0	4,501	22	0	4,523
Lagret 4	Sundsvall	Heffnersvägen 34	0	384	8,322	438	0	9,144
Ljusta 3:10	Sundsvall	Gesällvägen 20; Läringsvägen 9, 13B	0	0	38	2,741	0	2,779
Lyckan 6	Sundsvall	Storgatan 36-40; Ågatan 1-5, 2-4; Thulegatan 2; Varvsgränd 1	152	8,973	107	162	2	9,396
Mallberget 1:15	Ånge	Verkmästargatan 11	0	0	326	2,912	0	3,238
Mars 2	Sundsvall	Köpmangatan 20-22	165	85	2,995	613	659	4,517
Mercurius 11	Sundsvall	Storgatan 2-4	1,288	923	795	0	0	3,006
Mercurius 12	Sundsvall	Storgatan 6-8; Tullgatan 3	1,869	574	550	373	0	3,366
Mercurius 5	Sundsvall	Storgatan 5-7, 2-4, 12-14; Nybrogatan 57; Strandgatan 2-4; Tullgatan 5, 2; Sjögatan 1, 7, 6-8	0	0	560	18	0	578
Minerva 4	Sundsvall	Sjögatan 6-8	318	899	2,060	57	0	3,334
Minerva 6	Sundsvall	Storgatan 12-14	1,701	997	166	208	0	3,072
Motorn 3	Härnösand	Matrosgatan 5	0	0	50	1,576	90	1,716
Målsås 3:20	Sundsvall	Birstavägen 21	0	0	0	3,116	0	3,116
Nolby 7:139	Sundsvall	Sandslävågen 3	0	0	150	5,561	0	5,711
Norrbacka 12	Sundsvall	Baldersvägen 15; Kungsvägen 17A-D, 19A-C, 21, 23A-B, 25	90	0	2,172	24	6,164	8,450
Norrmalm 1:24	Sundsvall	Universitetsallén 32	0	462	11,771	199	1,467	13,898
Notarien 5	Härnösand	Eriksbergsgård 6A-C; Norra Kyrkogatan 16A-C, 18A-D	5,467	0	328	0	0	5,795
Penningen 12	Sundsvall	Storgatan 29; Varvsgränd 3	0	0	1,522	0	0	1,522
Penningen 9	Sundsvall	Storgatan 23-27; Thulegatan 4	96	2,371	1,469	124	1,759	5,819
Rätten 1	Sundsvall	Centralgatan 9; Esplanden 6; Kyrkogatan 17; Rådhusgatan 20	935	0	1,185	0	0	2,120
Rävsund 1:338	Sundsvall	Pionvägen 5	0	0	0	14,249	0	14,249
Saltvik 2:68	Härnösand	Saltviksvägen 11	0	0	2,578	0	0	2,578
Skepparen 5, 8	Härnösand	Storgatan 44A-D	767	0	216	0	0	983
Skepparen 6, 7	Härnösand	-	0	0	0	0	0	0
Skutan 8	Härnösand	Djuphamnsvägen 3-7	0	39	912	1,528	0	2,479
Sköns Prästbord 1:58	Sundsvall	Läringsvägen 15, 15A	0	0	606	2,700	0	3,306
Sköns Prästbord 1:59	Sundsvall	Arbetsledarvägen 14	0	0	0	1,774	0	1,774
Sköns Prästbord 1:69	Sundsvall	Norra Förmansvägen 22	0	2,632	0	0	0	2,632
Skönsberg 1:7, 1:8	Sundsvall	Industrigatan 1; Ortviksvägen 2-4, -	0	1,252	3,333	73	0	4,658
Skönsberg 1:73	Sundsvall	Lagergatan 12-14	0	0	5,762	0	0	5,762
Skönsmon 2:13	Sundsvall	Kontorsvägen 8	0	0	481	3,332	0	3,813
Skönsmon 2:4	Sundsvall	Kolvägen 15	0	850	2,215	300	0	3,365
Skönsmon 2:5	Sundsvall	Kolvägen 19-21	0	0	2,719	0	0	2,719
Skönsmon 2:97	Sundsvall	Kolvägen 17	0	0	2,560	11	0	2,571
Smultronet 4	Härnösand	utsiktswägen 2	456	0	0	0	0	456
Solhöjden 31	Sundsvall	Bjälkvägen 13	0	0	0	0	0	0
Staden 2:26, 2:29	Sollefteå	-	0	0	0	0	0	0

Stenhammar 1:209	Härnösand	Talgoxevägen 6	298	0	0	0	0	298
Stenstaden 1:14	Sundsvall	Nya Hamngatan 21	0	0	1,488	0	73	1,561
Städet 2,15 Svarven 1,3,13,14,15	Härnösand	Fiskaregatan 6; Strengbergsgatan 1, Brunnhusgatan 37, Fiskaregatan 4; Strengbergsgatan 2-4	0	126	20,187	3,523	840	24,676
Städet 8, 17	Härnösand	Brunnhusgatan 47-53; Sälstensgränd 4, 4A-B	3,252	0	0	0	0	3,252
Tullen 10	Härnösand	Köpmangatan 13	0	0	2,318	2,191	0	4,509
Venus 3	Sundsvall	Storgatan 11; Kyrkogatan 12; Nybrogatan 9-11	1,202	1,624	2,380	13	0	5,219
Vesta 4	Sundsvall	Esplanaden 13 / Trädgårdsgatan 22	574	200	354	0	274	1,402
Vivsta 3:39	Timrå	Köpmangatan 44	0	205	2,122	59	0	2,386
Västland 26:3	Sundsvall	Finstavägen 36	0	546	0	600	1,140	2,286
Åland 2:87	Härnösand	Ramsåsvägen 55A-B, 57A-B, 59A-B, 61A-B, 63A-B, 65A-B, 67A-B, 69A-B, 71A-B, 73A-B, 75A-B, 77A-B, 79A-B, 81A-B, 83A-B, 85A-B, 87A-B, 89A-B, 91A-B, 93A-B, 95A-B, 97A-B, 99A-B, 101A-B, 103A-B, 105A-B, 107A-B, 109A-B	3,548	0	0	0	0	3,548
Ön 2:53	Härnösand	Storgatan 28-30; Trädgårdsgatan 5	495	1,110	4,562	283	817	7,267
Total Sundsvall			37,353	57,544	153,109	66,694	15,931	330,631

NORRBOTTEN

	Municipality	Address	Residential	Retail	Office	Industrial/ warehouse	Other	Total sq.m.
Abborren 11	Luleå	Storgatan 36, 36A; Köpmangatan 45; Skomakargatan 19	0	9,161	0	543	12	9,715
Bergnäset 2:671	Luleå	Västra Skolgatan 10, Upplagsvägen 28 A-B	0	0	7,335	3,798	2,090	13,223
Braxen 1	Luleå	Köpmangatan (32), 34; Smedjegatan 12-16; Stationsgatan 45	0	324	7,468	174	144	8,110
Braxen 2	Luleå	Köpmangatan 36 A-; Stationsgatan 47 A-B	0	448	303	0	0	751
Djuret 3	Luleå	Blomgatan 17	0	107	628	6,626	266	7,627
Gällivare 12:334	Gällivare	Vuoskojärvivägen 11-23; Industricentra, Vuoskojärvivägen 16	0	0	5,817	8,631	253	14,701
Gösen 7	Luleå	Sandviksgatan 81	0	0	2,003	158	290	2,451
Humlan 6	Luleå	Sandviksgatan 12; Varvsgatan 9A-D, 11, 11A	0	0	7,685	530	1,544	9,759
Mörten 1	Luleå	Köpmangatan 38, 40A-C	0	270	4,673	314	12	5,269
Pelikanen 6	Luleå	Smedjegatan 1	0	0	3,930	90	0	4,020
Porsön 1:423	Luleå	Aurorum	0	0	19,528	68	185	19,781
Rudan 7	Luleå	Skomakargatan 18B; Storgatan 40A-G	1,288	850	0	0	0	2,138
Råttan 18	Luleå	Storgatan 53, Kungsgatan 23	0	10	3,350	0	90	3,450
Siken 7	Luleå	Sandviksgatan 55; Smedjegatan 8-10, 10A; Stationsgatan 50 (52)	0	859	4,079	10	0	4,948
Simpan 1	Luleå	Köpmangatan 42, 44A-B, 46; Kungsgatan 11-13, 13 A-B	675	385	3,721	0	5	4,786
Strutsen 6	Luleå	Nygatan 18; Storgatan 27, 27 A-C	1,598	436	1,023	0	20	3,077
Stören 17	Luleå	Bangårdsgatan 12, 12A; Småbåtsgatan 3-7	0	5,230	4,630	2,781	10	12,651
Svartön 18:28	Luleå	Viktorivägen 1 , 3	0	0	0	2,567	0	2,567
Tjädern 17	Luleå	Nygatan 13-15; Skeppsbrogatan; 24; Storgatan 25, 25A	0	4,360	0	0	54	4,414
Vattenormen 8	Luleå	Midgårdsvägen 19	0	0	3,905	0	0	3,905
Total Luleå			3,561	22,439	80,079	26,289	4,975	137,343

VÄSTERBOTTEN

	Municipality	Address	Residential	Retail	Office	Industrial/ warehouse	Other	Total
Gruvfogden 1	Skellefteå	Gruvgatan 12	0	0	0	785	0	785
Höken 2	Skellefteå	Stationsgatan 5, Storgatan 38-40	871	0	2,546	335	0	3,752
Idun 12	Skellefteå	Kanalgatan 40, Trädgårdsgatan 13-15	0	4,196	993	342	1,103	6,634
Idun 6	Skellefteå	Nygatan 47	240	1,485	30	13	0	1,768
Kastor 6	Skellefteå	Stationsgatan 21	0	0	1,650	0	0	1,650
Lekatten 9	Skellefteå	Nygatan 46-48, Storgatan 43 A-B, Trädgårdsgatan 8	2,893	7,117	2,423	171	710	13,314
Loke 7	Skellefteå	Hörnellgatan 13, Nygatan 51, Torget 2	364	1,232	3,041	272	3,835	8,744
Motorn 18	Skellefteå	Plåtvägen 3	0	926	2,624	952	0	4,502
Muttern 3	Skellefteå	Verkstadsvägen 14	0	0	0	920	0	920
Orion 8	Skellefteå	Kanalgatan 41 A-B, Kanalagatan 43, Trädgårdsgatan 17	979	873	883	397	394	3,526
Polaris 8	Skellefteå	Kanalgatan 45 A-B Kanalagatan 49, Torggatan 2	0	629	1,830	401	0	2,860
Servicen 1	Skellefteå	Servicegatan 1	0	0	3,442	2,622	0	6,064
Björnjägaren 1	Umeå	Björnvägen 9	0	4,008	0	0	0	4,008
Cisternen 3,4	Umeå	Lärlingsgatan 33, Lärlingsgatan 31	0	0	1,509	739	0	2,248
Formen 2	Umeå	Formvägen 3	0	1,941	0	0	0	1,941
Granberg 1:59,1:76	Vilhelmina	Terminalgatan 2A, 2B; Terminalgatan 2C-D, 4-6	0	0	2,737	7,127	0	9,864
Grubbe 9:55	Umeå	Mätarvägen 11B	0	0	240	960	0	1,200
Hantverkaren 1	Umeå	Per Jans Väg 1-3	1,222	0	0	35	0	1,257
Karbinen 13	Umeå	Östra Kyrkogatan 45-47	1,508	0	100	0	0	1,608
Kedjan 4	Umeå	Gräddvägen 7	0	0	1,783	98	0	1,881
Kolven 4	Umeå	Spärvägen 8	0	2,697	1,007	1,861	0	5,565
Kopplingen 6	Umeå	Pendelgatan 2; Rondellgatan 3	0	0	3,815	399	0	4,214
Krukan 16	Umeå	Mjölkvägen 28-56	4,133	0	0	0	0	4,133
Krukan 18	Umeå	Filgränd 11-21, 25-29	2,330	0	0	0	0	2,330
Kärran 9	Umeå	Löpevägen 15-17	0	0	0	955	0	955
Matsdal 1:144	Vilhelmina	Matsdal 611	0	0	0	0	0	0
Plasten 1	Vilhelmina	Sälggatan 1	0	0	374	12,732	0	13,106
Pumpen 3	Umeå	Spärvägen 20	0	497	4,060	5,835	0	10,392
Rind 5	Umeå	Nygatan 23-25; Vasagatan 17-19	342	0	6,239	0	0	6,581
Röbäck 30:94;30:113	Umeå	Täktvägen 4, Täktvägen 6	0	0	0	5,110	0	5,110
Saga 3	Umeå	Götgatan 1-3; Magasinsgatan 4; Nygatan 16; Skolgatan 47	0	1,119	2,466	101	630	4,316
Skarpskytten 3	Umeå	Bankgatan 10, 10A-B; Kungsgatan 45; Skolgatan 44; Västra Esplanaden 7A-B, 9A-B	2,884	1,142	1,508	286	556	6,376
Stadshuset 7	Lycksele	Fabriksgränd 12, Storgatan 24	0	394	278	816	50	1,538
Stigbygeln 2	Umeå	Signalvägen 12	0	0	0	4,321	0	4,321
Stipendiet 2	Umeå	Ekonomstråket 1-3, 7, 11; Examensvägen 3	1,673	5,871	1,717	0	0	9,261
Syllen 14	Umeå	Industrivägen 28	0	273	760	1,377	0	2,410
Tändstiftet 2	Umeå	Norra Obbolavägen 118	0	0	2,260	0	0	2,260
Vale 17	Umeå	Kungsgatan 69-73, 69B-C, 71B, 73B; Vasagatan 10, 10B-C; Västra Kyrkogatan 9	913	3,502	4,269	435	823	9,942
Vale 6	Umeå	Skolgatan 68; Västra Kyrkogatan 11	0	1,825	1,420	141	985	4,371
Vittergubben 1,4	Umeå	Folkrosvägen 32-78, Folkrosvägen 1-27, 29A-B	2,963	0	0	0	66	3,029
Total Västerbotten			23,315	39,727	56,004	50,538	9,152	178,736

JÄMTLAND								
Östersund	Municipality	Address	Residential	Retail	Office	Industrial/ warehouse	Other	Total sq.m.
Arvesund 2:185 etc.	Åre	-	0	0	0	0	0	0
Bandsågen 11	Östersund	Hagvägen 17	0	0	1,106	299	0	1,405
Barberaren 7	Östersund	Biblioteksgatan 11; Prästgatan 28-30	1,065	1,833	602	70	621	4,191
Befälhavaren 2	Östersund	Frösövägen 3A-C	0	0	1,888	0	0	1,888
Bergvik 10	Östersund	Bergsgatan 44	746	0	0	0	0	746
Boktryckaren 1	Östersund	Köpmangatan 39; Biblioteksgatan 6A-C, 8; Storgatan 32-34, 34A-B	489	1,488	1,231	159	0	3,367
Boktryckaren 5	Östersund	Köpmangatan 43; Postgränd 5	90	320	0	0	0	410
Boktryckaren 6	Östersund	Köpmangatan 41, 41B	212	0	341	0	0	553
Bonden 3	Östersund	Fritzhemsgatan 14	855	0	90	0	0	945
Borgmästaren 4	Östersund	Strandgatan 22, 22B-C	1,075	0	0	0	0	1,075
Brandenburg 5	Östersund	Brunnsgränd 6; Storgatan 61A-C	1,225	38	0	15	887	2,165
Brunflo-Viken 5:2	Östersund	Mariebyvägen 10 A-Å, 12 A-T	4,514	0	0	0	200	4,714
Bräcke 4:4	Bräcke	Svedjegatan 20	0	0	0	12,000	0	12,000
Buntmakaren 2	Östersund	Törnstens Gränd 11; Stortorget 8	153	575	842	124	0	1,694
Buntmakaren 3	Östersund	Prästgatan 22-24; Stortorget 10; Törnstens Gränd 13	0	1,107	1,178	170	81	2,536
Busken 1	Östersund	Splintvägen 5	0	0	2,012	0	0	2,012
Fabrikören 3	Östersund	Byvägen 74	458	0	0	0	0	458
Frösö 3:7	Östersund	Öneslingan, Önevägen	1,418	140	12,884	1,670	23,879	39,991
Frösö 6:22, 6:30	Östersund	Fjällgatan 10A-B,	926	0	0	10	0	936
Förskinet 6	Östersund	S:a Gröngatan 39	1,431	0	208	0	0	1,639
Gubbåkern 8	Östersund	Frösövägen 19	561	94	0	0	5	660
Guckuskon 1	Östersund	Löfstavägen 6	0	0	1,643	0	0	1,643
Gårdvaren 1	Östersund	Eriksbergsvägen 19A-H, 21A-D	2,791	0	0	59	0	2,850
Gästgivaren 3, 6	Östersund	Hamngatan 11; Prästgatan 40	465	1,162	449	0	182	2,258
Handlanden 4	Östersund	Hornsgatan 16 A-B	1,225	0	0	30	0	1,255
Hejaren 5	Östersund	Odenskogsvägen 35-37	0	725	617	9,733	0	11,075
Häradshövdingen 1	Östersund	Prästgatan 29; Törnstens Gränd 14	465	697	173	49	432	1,816
Häradshövdingen 6	Östersund	Prästgatan 31, 31A, 31C-D	416	691	476	70	624	2,277
Hästen 4	Åre	Grönvägen 6A-C	971	0	0	0	0	971
Kilen 1	Härjedalen	Fjällvägen 7; Genvägen (1)	0	0	1,238	0	0	1,238
Kommunalmannen 4	Östersund	Bergsgatan 5; Fjällgatan 4A-C; Fritzhemsgatan 1A-F	0	0	3,461	1,710	0	5,171
Kopparslagaren 3	Östersund	Prästgatan 21; Samuel Permans Gata 7-9	990	595	3,513	0	5	5,103
Kopparslagaren 5	Härjedalen	-	0	0	1,300	4,041	0	5,341
Kräftan 6	Östersund	Rådhusgatan 82	0	0	1,203	0	1,615	2,818
Körfältet 11	Östersund	Körfältsvägen 4	0	0	0	0	2,187	2,187
Lien 2:7	Åre	Kabinbanevägen 1	4,565	443	0	0	0	5,008
Logen 6	Östersund	Kyrkgatan 47, 49, Thoméeegränd 18 A-C	1,450	985	1,622		1,959	6,016
Lutfisken 2	Östersund	Odensviksvägen 19; Brunflovägen 66	1,447	0	110	0	0	1,557
Lutfisken 4, 5	Östersund	Odensviksvägen 15A-B, Odensviksvägen 17	2,003	0	24	0	0	2,027
Lutfisken 9	Östersund	Tjalmargatan 14-16, 18A-B	2,684	0	0	47	0	2,731
Läkaren 12, 13, 14	Östersund	Storgatan 27; Zätagränd 2-4, Biblioteksgatan 10; Storgatan 29; Zätagränd 1-11, 6-8; Postgränd 11; Prästgatan 32-36, Storgatan 31; Zätagränd 10-14	1,306	6,084	4,860	252	822	13,324
Magistern 1	Östersund	Kyrkgatan 43, 43B	0	335	2,080	0	0	2,415
Magistern 2	Östersund	Postgränd 20; Rådhusgatan 46	0	0	1,954	0	0	1,954

Magistern 5	Östersund	Hamngatan 17-19; Kyrkgatan 45	86	1,408	1,843	65	0	3,402
Majoren 5	Östersund	Örjansvägen 10; Östbergsvägen 11	488	0	0	0	0	488
Majoren 6	Östersund	Örjansvägen 12	708	0	0	0	0	708
Majoren 9	Östersund	Fritzhemsgatan 49; Östbergsvägen 13A-B	1,409	0	38	0	10	1,457
Moroten 9	Härjedalen	Grängsgatan 17	0	213	1,192	1,242	0	2,647
Motboken 1	Östersund	Rådhusgatan 37	0	0	2,109	742	12	2,863
Motboken 3	Östersund	Södra Gröngatan 38A-B	1,070	0	30	9	0	1,109
Motorsågen 2	Östersund	Kolarevägen 2	0	0	0	918	0	918
Musslan 13	Östersund	Bangårdsgatan 27	0	0	0	1,017	0	1,017
Musslan 16	Östersund	Bangårdsgatan 21, 23-25; Fabriksgränd 3; Furutorpsgränd 2; Rådhusgatan 90, 94	145	3,929	1,252	1,558	0	6,884
Myrten 5	Östersund	Allégatan 13; Bryggargränd 6; Ringvägen 31; Tingsgatan 12	0	0	2,835	0	0	2,835
Månadsmötet 8	Östersund	Kyrkgatan 64; Prästgatan 45	0	4,805	1,983	408	27	7,223
Mörviken 1:107	Åre	Kabinbanevägen 22 (Hotell Åre Torg)	0	0	0	0	1,400	1,400
Mörviken 2:102	Åre	Sankt Olavs väg 33, 37	0	4,368	0	149	3,435	7,952
Nejonögat 3	Östersund	Rådhusgatan 104	0	0	4,991	630	0	5,621
Nordsvensken 1	Östersund	Havrevägen 36-168	6,779	0	0	0	0	6,779
Odlaren 5	Östersund	Ruuthsvägen 3	938	0	0	0	0	938
Pantbanken 1	Östersund	Hamngatan 10, 10B; Storgatan 39	337	661	1,429	100	0	2,527
Pantbanken 5	Östersund	Prästgatan 46, 46B; Thoméeegränd 11	597	640	698	0	0	1,935
Parketten 6	Östersund	Skogvaktarvägen 1-139	5,331	0	0	0	0	5,331
Postiljonen 6	Östersund	Kyrkgatan 60-62	0	175	6,261	1,541	18	7,995
Postiljonen 9	Östersund	Hamngatan 13; Prästgatan 39-43	910	3,632	1,559	20	74	6,195
Riksbanken 7	Östersund	Storgatan 46	0	0	4,153	0	0	4,153
Rudan 2	Östersund	Tjalmargatan 4-8	0	855	1,726	977	0	3,558
Rudan 4	Östersund	Bangårdsgatan 55-57; Odensviksvägen 5, 7; Tjalmargatan 2	0	1,375	2,483	100	0	3,958
Sarven 21	Östersund	Bangårdsgatan 41-43	0	3,709	0	450	0	4,159
Siken 10	Östersund	Nedre Frejagatan 5	342	0	0	8	0	350
Sjökaptenen 8	Östersund	Bergsgatan 30A-B	710	0	0	0	0	710
Skogsskiftet 5	Östersund	Tullgatan 26; Regementsgatan 44-48	2,531	0	0	0	0	2,531
Slätterängen 7	Östersund	Nekvägen 2-92, Skylvägen 5-59	5,727	0	0	0	0	5,727
Snäcken 25	Östersund	Rådhusgatan 100	0	0	1,519	1,949	0	3,468
Sprinten 4	Östersund	Ställverksvägen 1	0	0	456	12,736	0	13,192
Sprinten 6	Östersund	-	0	0	0	0	0	0
Spökis 1	Östersund	Lugnviksvägen 3	0	0	0	1,045	0	1,045
Staben 14	Östersund	Prästgatan 54, 54A-D; Storgatan 51A-B	3,181	262	180	0	30	3,653
Staben 2	Östersund	Prästgatan 48A, 48B, 48C; Thoméeegränd 12	202	0	1,002	0	15	1,219
Staben 6	Östersund	Storgatan 53A-D	1,287	0	0	50	216	1,553
Stallet 10	Östersund	Lingonvägen 7B	0	0	1,700	0	0	1,700
Strömningen 6	Östersund	Rådhusgatan 107 A-B	750	0	163	0	0	913
Strömningen 7	Östersund	Rådhusgatan 105 A-B	849	33	125	0	0	1,007
Svarvaren 1	Östersund	Bergsgatan 31A-B	599	60	50	0	0	709
Svarvaren 2	Östersund	Bergsgatan 29A-B	578	50	0	50	0	678
Svarvaren 4	Östersund	Bergsgatan 25, 25A-B; Kaptensgatan 6A-E	976	141	48	0	0	1,165
Söre 5:26	Östersund	Ängevägen 2A-E (Lit)	2,176	0	0	0	0	2,176
Söre 5:74	Östersund	Näsvägen 1A-B (Lit)	923	95	0	0	0	1,018
Tivolit 2	Östersund	Hornsgatan 8, 8A-B	1,110	0	93	24	0	1,227

Totten 1:68	Åre	Kurortsvägen 20	0	0	3,173	830	6,870	10,873
Traktorn 6	Östersund	Odenskogsvägen 13-17	0	0	2,351	0	0	2,351
Traktören 10	Östersund	Prästgatan 25	667	0	1,520	23	10	2,220
Traktören 5	Östersund	Prästgatan 27; Törnstens Gränd 15	260	994	426	0	0	1,680
Traktören 9	Östersund	Kyrkgatan 42; Samuel Permans Gata 10	625	470	0	10	0	1,105
Vadmalsväven 5	Östersund	Regementsgatan 13-15	2,101	0	0	0	0	2,101
Valkyrian 1	Östersund	Fritzhemsgatan 58-62; Östmundstigen 5-11	1,982	0	0	0	0	1,982
Varmblodet 1	Östersund	Havrevägen 9-43	5,671	0	0	0	183	5,854
Åre Prästbord 1:37	Åre	Årevägen 55	0	1,419	2,240	0	479	4,138
Åre Prästbord 1:76	Åre	Årevägen 78	648	2,006	0	22	399	3,075
Ängsbetet 4	Östersund	Skördevägen 1-44	3,600	0	0	0	0	3,600
Total Östersund			92,288	48,612	96,732	57,181	46,677	341,489
Total Diös			180,582	281,562	584,705	335,404	122,486	1,504,738



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