

Diös

Q3

INTERIM REPORT **JANUARY – SEPTEMBER 2013**



OVERVIEW OF THE PERIOD

JANUARY - SEPTEMBER 2013

- Rental income for the period was SEK 970.7 million (971.5)
- Property management income was SEK 274.8 million (260.8)
- Value movement on investment properties was SEK -55.8 million (62.2)
- Value movement on derivatives was SEK 96.6 million (-55.9)
- Earnings per share were SEK 3.22 (2.47)
- Shareholders' equity per share was SEK 42.21 (37.77)

| | 2013 9 months Jan-Sept | 2012 9 months Jan-Sept | 2012 12 months Jan-Dec |
|---|------------------------------|------------------------------|------------------------------|
| NET PROFIT FOR THE PERIOD, SEK million | | | |
| Rental income | 970.7 | 971.5 | 1,300.2 |
| Other revenue | 9.7 | 21.5 | 31.1 |
| Operating and central costs | -459.8 | -457.0 | -625.1 |
| Restructuring costs | -20.9 | -21.9 | -37.9 |
| Net finance income/expense | -224.9 | -253.3 | -328.5 |
| Property management income | 274.8 | 260.8 | 339.8 |
| Value movement, real estate and derivatives | 40.8 | 6.3 | 112.2 |
| Current tax | -13.0 | -4.6 | -6.2 |
| Deferred tax | -62.8 | -77.0 | -14.2 |
| Profit after tax | 239.8 | 185.5 | 431.6 |

FOR FURTHER INFORMATION, PLEASE CONTACT

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CHRISTER SUNDIN, MANAGING DIRECTOR

IMPROVED PROPERTY MANAGEMENT INCOME AND STRATEGIC SALES

The first nine months of the year have shown an improvement in income from property management and stronger performance indicators. Demand remains stable across our markets and net leasing amounted to SEK 5.3 million in the third quarter, which bodes well for our future performance. It should be noted that the property value showed a slight upward trend in the third quarter with a SEK 6.9 million increase in value.

Property management income for the period was SEK 274.8 million (260.8 million). This SEK 14 million improvement is mainly attributable to fewer properties in our portfolio and thus lower financing costs. The equity/assets ratio is 26.4% (23.4%) and the loan-to-value ratio has fallen to 65.7% (68.2%). Our cash flow for the period is SEK 3.53 per share (3.46). Shareholders' equity per share has increased to SEK 42.21 (37.77).

In the third quarter, we have sold three properties for a sales value of SEK 27.8 million. In 2013 to date, we have sold twelve properties for a sales value of SEK 226.9 million. Although we had fewer commercial and residential properties to rent out, the rental income for the first nine months of the year was SEK 970.7 million (971.5). The disposal of properties is in line with Diös' strategy to concentrate its property holdings to central areas in expanding towns and cities.

Operating and central costs totalled SEK 457.8 million (457.0) for the period. The reason why operating costs have not fallen compared to last year, despite sales of properties, is that the effect of the harsh winter conditions in the first quarter has continued through the year.

With regard to the current market conditions, there is still much uncertainty about the economic recovery and the predicted upturn has not really materialised. In Diös' operations, this is most apparent in the time it takes to progress from negotiations to signing a contract. It has been obvious throughout the year that this is now a more protracted process.

The restructuring costs that are charged to the income statement for 2013 will not carry through to next year.



REVENUE, EXPENSES AND INCOME, JANUARY - SEPTEMBER 2013

The property management income for the period, i.e. income excluding changes in value and tax, was SEK 274.8 million (260.8).

The operating surplus amounted to SEK 562.1 million (577.7), representing a surplus ratio of 57.9% (59.5%). The change in surplus ratio can be explained by higher expenses, due to winter-related costs.

- The rental income for the reporting period was SEK 970.7 million (971.5), representing an 88.7% (89.0%) economic occupancy rate.
- Other property management income amounted to SEK 9.7 million (21.5) and consisted mainly of re-billing to tenants regarding work carried out in leased premises. A reclassification of revenues from car parking has resulted in a lower recognition of other revenue for the current period.
- Total property costs were SEK 418.3 million (415.3). SEK 5.8 million (8.3) of the property costs were for work in leased premises which is re-billed to tenants. The increase is mainly attributable to higher costs for heating and for clearing snow and ice.

VALUE MOVEMENT, REAL ESTATE AND DERIVATIVE INSTRUMENTS

A valuation of all properties was conducted in the period. Diös' valuation model is based on an exterior valuation of 25% of the 100 properties with the highest value every quarter on a rolling basis and an interior valuation of the remaining 75% of the properties. Internal valuations are carried out quarterly on other properties and the quality is assessed by external valuers. The valuation shows a decrease of -0.49% (0.46), which is equivalent to SEK -57.5 million (53.9). On 30 September, the market value was SEK 11,748.5 million (11,699.4). The value movement since last year can mainly be attributed to the changing cash flows and required rates of return.

During the period, 12 (5) properties were sold with a realised gain of SEK 1.7 million (8.3) before tax.

Diös uses interest-rate derivatives to obtain the desired interest-rate maturity profile. The derivative portfolio is valued at the present value of future cash flows. The market value of the derivative is always zero upon maturity. If the agreed interest rate deviates from the market rate, a theoretical maximum or minimum value arises for the interest-rate derivative. The change in value is of a reporting nature and does not affect the cash flow. The change in value relating to the interest-rate derivative is recognised in the income statement.

During the period, unrealised gains arising on Diös' derivatives totalled SEK 96.6 million (-55.9), which are fully recognised in the income statement. The change in the derivatives' market values is attributable to a long-term forecast for higher interest rates.

NET FINANCE INCOME/EXPENSE

Net financial items for the period totalled SEK -224.9 million (-253.3). The interest expense for the period, including costs for interest-rate derivatives, represents borrowings at an average annual interest rate of 3.72% (4.18%) excluding loan commitment costs. The average annual interest rate is 3.74% (4.19%) if the loan commitment costs are included.

PROFIT BEFORE TAX

Profit before tax was SEK 315.6 million (267.1). This change in profit is mainly attributable to unrealised movements in the value of interest-rate derivatives.

PROFIT AFTER TAX

Profit after tax was SEK 239.8 million (185.5). Current tax totalled SEK -13.0 million (-4.6). This is mainly attributable to tax in subsidiaries, which may not offset losses against Group profits. The change in respect of current tax is attributable to increased, non-deductible costs. A new valuation of deferred tax has caused a deferred tax expense of SEK -62.8 million (-77.0).

THIRD QUARTER OF 2013

Third quarter profit after tax was SEK 72.3 million (-11.0). The profit was positively impacted by SEK 6.9 million (-17.3) relating to change in value of properties and by SEK 1.1 million (-67.6) relating to the market values of interest-rate derivatives. The value movement on properties is attributable to the changing cash flows. The change in the derivatives' market values is attributable to a long-term forecast for higher interest rates.

Negative deferred tax of SEK -35.8 million (-18.4) and current tax of SEK -1.9 million (-1.6) were recorded in the income statement.

The operating surplus totalled SEK 196.8 million (199.4) and net financial items SEK -76.8 million (-83.9). The cash flow was SEK -2.7 million (56.0). SEK -92.4 million (-36.7) of this was invested in property, plant and equipment.

Net borrowings in the period were SEK -22.4 million (-1.8). Amortisation in the period is attributable to property sales.



PROPERTY HOLDING ON 30 SEPTEMBER 2013

Diös owned 366 properties in 15 locations, from Borlänge in the south to Luleå in the north. The gross leasable area was 1,462,559 square metres, of which 39% was office space, 19% retail space, 22% industrial and warehouse space, 12% residential and 8% other leasable space. Diös invested SEK 149.0 million in the construction, extension and conversion of premises in this period. In terms of value, the largest share of the portfolio is property in Gävle, Sundsvall and Östersund. The total market value of the properties was SEK 11,748.5 million.

| By market area | Dalarna | Gävleborg | Jämtland | Västernorrland | Västerbotten | Norrbottn | Diös Group |
|---|--------------|-------------|--------------|----------------|--------------|-------------|--------------|
| Rental income | 187.9 | 141.6 | 214.7 | 207.9 | 110.0 | 108.6 | 970.7 |
| Other revenue | 2.8 | 0.4 | 1.3 | 2.5 | 0.2 | 2.5 | 9.7 |
| Repair and maintenance | -11.5 | -6.6 | -13.3 | -15.7 | -7.1 | -3.3 | -57.5 |
| Tariff-based costs | -28.9 | -20.2 | -38.1 | -37.1 | -16.6 | -12.0 | -152.9 |
| Property tax | -8.7 | -7.2 | -10.7 | -10.3 | -5.3 | -5.9 | -48.1 |
| Other property costs | -21.3 | -15.9 | -23.9 | -32.5 | -13.2 | -12.3 | -119.1 |
| Property management | -4.2 | -4.9 | -10.1 | -11.1 | -3.7 | -6.7 | -40.7 |
| Operating surplus | 116.1 | 87.2 | 119.9 | 103.7 | 64.3 | 70.9 | 562.1 |
| Value movement | | | | | | | |
| Property, realised | - | - | 0.6 | -0.6 | 0.2 | 1.5 | 1.7 |
| Property, unrealised | -25.1 | 3.1 | -25.1 | -19.3 | -10.6 | 19.5 | -57.5 |
| Profit | 91.0 | 90.3 | 95.4 | 83.8 | 53.9 | 91.9 | 506.3 |
| Undistributed items | | | | | | | |
| Value movement on interest-rate derivatives | - | - | - | - | - | - | 96.6 |
| Depreciation of property, plant and equipment | - | - | - | - | - | - | -2.0 |
| Central administration | - | - | - | - | - | - | -39.5 |
| Restructuring | - | - | - | - | - | - | -20.9 |
| Net finance income/expense | - | - | - | - | - | - | -224.9 |
| Profit before tax | - | - | - | - | - | - | 315.6 |
| Current tax | - | - | - | - | - | - | -13.0 |
| Deferred tax | - | - | - | - | - | - | -62.8 |
| Non-controlling interests | - | - | - | - | - | - | 0.6 |
| Profit for period attributable to shareholders of the parent | - | - | - | - | - | - | 240.4 |
| Leasable area, sq.m. | 263,032 | 253,509 | 338,654 | 307,693 | 177,031 | 122,642 | 1,462,559 |
| Construction, extension, conversion investments, SEK million | 37.9 | 16.3 | 41.6 | 26.2 | 11.4 | 15.6 | 149.0 |
| Book value, SEK million | 2,391.7 | 1,674.5 | 2,727.1 | 2,297.7 | 1,283.0 | 1,374.6 | 11,748.5 |
| Rental value, SEK million | 206.5 | 160.8 | 249.2 | 238.2 | 120.4 | 119.1 | 1,094.2 |
| Economic occupancy rate, % | 91.0 | 88.0 | 86.2 | 87.3 | 91.4 | 91.2 | 88.7 |
| Surplus ratio, % | 61.8 | 61.6 | 55.8 | 49.9 | 58.5 | 65.3 | 57.9 |

PROPERTY HOLDING ON 30 SEPTEMBER 2012

Diös owned 379 properties in 15 locations, from Borlänge in the south to Luleå in the north. The gross leasable area was 1,508,157 square metres, of which 39% was office space, 19% retail space, 22% industrial and warehouse space, 12% residential and 8% other leasable space. Diös invested SEK 99.1 million in the construction, extension and conversion of premises in this period. In terms of value, the largest share of the portfolio is property in Gävle, Sundsvall and Östersund. The total market value of the properties was SEK 11,699.4 million.

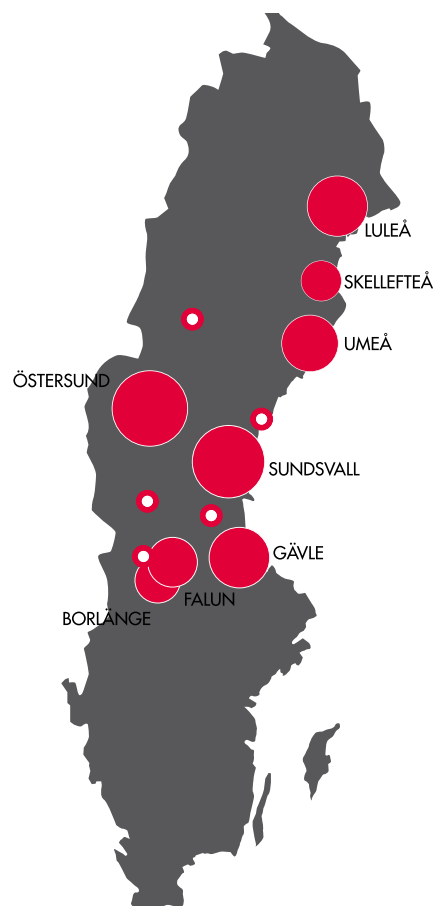
| By market area | Dalarna | Gävleborg | Jämtland | Västernorrland | Västerbotten | Norrbottn | Diös Group |
|---|--------------|-------------|--------------|----------------|--------------|-------------|--------------|
| Rental income | 190.1 | 138.1 | 214.2 | 210.7 | 112.2 | 106.1 | 971.5 |
| Other revenue | 4.5 | 3.2 | 1.7 | 6.3 | 0.4 | 5.4 | 21.5 |
| Repair and maintenance | -12.0 | -9.1 | -15.3 | -19.9 | -6.0 | -5.6 | -67.8 |
| Tariff-based costs | -29.9 | -19.5 | -36.4 | -37.0 | -15.3 | -12.7 | -151.0 |
| Property tax | -8.0 | -6.8 | -10.3 | -9.5 | -5.4 | -5.0 | -44.9 |
| Other property costs | -19.0 | -14.7 | -25.4 | -26.8 | -11.3 | -12.3 | -109.5 |
| Property management | -3.1 | -4.8 | -11.2 | -10.7 | -3.8 | -8.4 | -42.1 |
| Operating surplus | 122.6 | 86.4 | 117.2 | 113.1 | 70.9 | 67.4 | 577.7 |
| Value movement | | | | | | | |
| Property, realised | 4.5 | - | 1.5 | 1.2 | 1.0 | - | 8.3 |
| Property, unrealised | 5.7 | -21.2 | 6.4 | 0.2 | 35.6 | 27.2 | 53.9 |
| Profit | 132.9 | 65.2 | 125.1 | 114.5 | 107.6 | 94.7 | 639.9 |
| Undistributed items | | | | | | | |
| Value movement on interest-rate derivatives | - | - | - | - | - | - | -55.9 |
| Depreciation of property, plant and equipment | - | - | - | - | - | - | -2.4 |
| Central administration | - | - | - | - | - | - | -39.3 |
| Restructuring | - | - | - | - | - | - | -21.9 |
| Net finance income/expense | - | - | - | - | - | - | -253.3 |
| Profit before tax | - | - | - | - | - | - | 267.1 |
| Current tax | - | - | - | - | - | - | -4.6 |
| Deferred tax | - | - | - | - | - | - | -77.0 |
| Non-controlling interests | - | - | - | - | - | - | -1.0 |
| Profit for period attributable to shareholders of the parent | - | - | - | - | - | - | 184.5 |
| Leasable area, sq.m. | 263,032 | 253,509 | 344,359 | 331,178 | 178,736 | 137,343 | 1,508,157 |
| Construction, extension, conversion investments, SEK million | 16.6 | 22.7 | 26.6 | 23.6 | 3.9 | 5.6 | 99.1 |
| Book value, SEK million | 2,305.3 | 1,645.7 | 2,680.5 | 2,426.2 | 1,278.5 | 1,363.2 | 11,699.4 |
| Rental value, SEK million | 207.5 | 157.6 | 241.9 | 243.9 | 121.2 | 118.9 | 1,091.0 |
| Economic occupancy rate, % | 91.6 | 87.6 | 88.5 | 86.4 | 92.6 | 89.2 | 89.0 |
| Surplus ratio, % | 64.5 | 62.5 | 54.7 | 53.7 | 63.2 | 63.6 | 59.5 |

MARKET COMMENTS

Our vision is for Diös to be the most successful real estate owner in our chosen market. Our focus is on creating value in the property portfolio by acquiring, improving, managing and selling properties in our market, which extends from Borlänge in the south to Luleå in the north. The company is geographically divided into the six market areas of Dalarna, Gävleborg, Jämtland, Västernorrland, Västerbotten and Norrbotten.

Each area is organised in a structure with a market area manager, account manager, administrator, maintenance technician, caretaker and area administrator. The aim is for each market area to consist of one concentrated property holding (in our main locations) with centrally located properties and a primary focus on commercial properties.

Our strategy is to create good relationships with our existing and future tenants, build strong networks in the locations where we have a presence, play an active part in social development and nurture our brand. We have therefore chosen to work with a decentralised management organisation and strong local base. We place a particular focus on the management and improvement of our properties, in order to improve our net operating income and subsequently increase the market value of the properties.

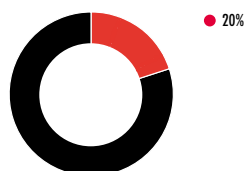


DALARNA

PROPERTY HOLDINGS

| | |
|-----------------------------|---------|
| Number of properties | 43 |
| Area, sq.m. | 263,032 |
| Property value, SEK million | 2,391.7 |

DALARNA'S SHARE OF PROPERTY VALUE



DALARNA'S DISTRIBUTION PER TYPE OF PREMISES

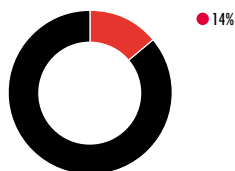


GÄVLEBORG

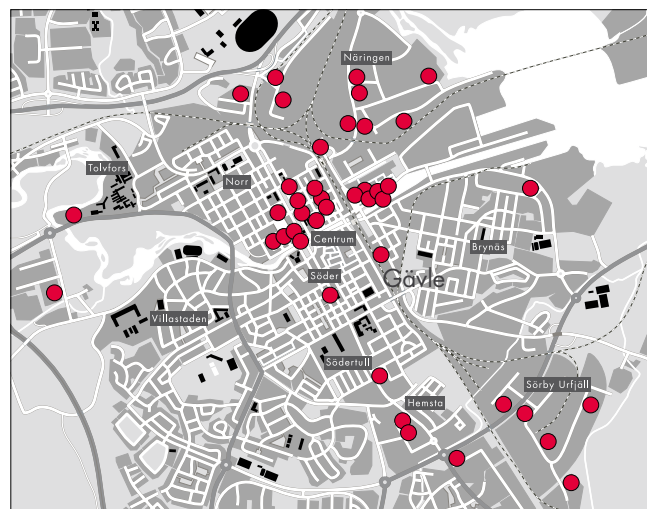
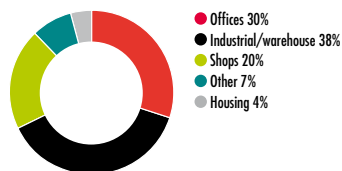
PROPERTY HOLDING

| | |
|-----------------------------|---------|
| Number of properties | 52 |
| Area, sq.m. | 253,509 |
| Property value, SEK million | 1,674.5 |

GÄVLEBORG'S SHARE OF PROPERTY VALUE



GÄVLEBORG'S DISTRIBUTION PER TYPE OF PREMISES



JÄMTLAND

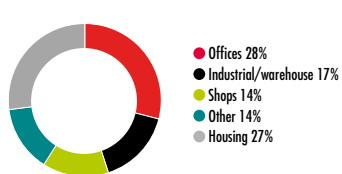
DIÖS PROPERTY HOLDINGS

| | |
|-----------------------------|---------|
| Number of properties | 126 |
| Area, sq.m. | 338,654 |
| Property value, SEK million | 2,727.1 |

JÄMTLAND'S SHARE OF PROPERTY VALUE



JÄMTLAND'S DISTRIBUTION PER TYPE OF PREMISES



VÄSTERNORRLAND

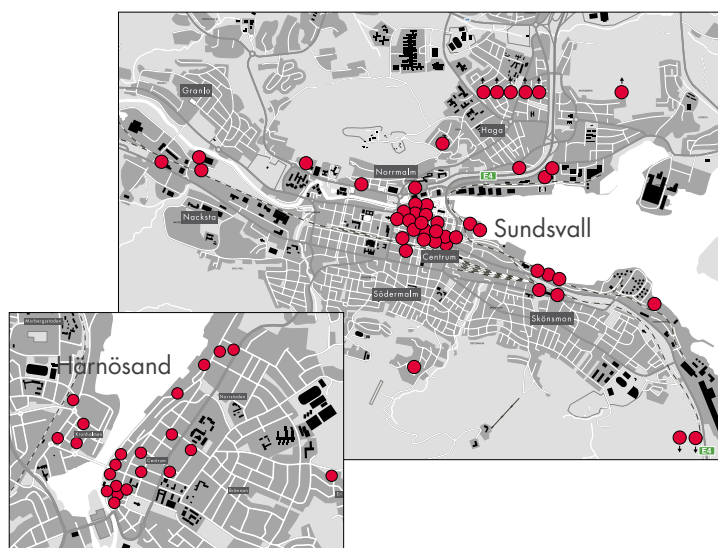
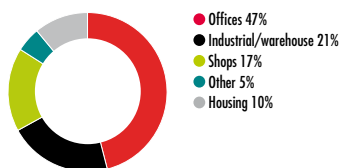
PROPERTY HOLDING

| | |
|-----------------------------|---------|
| Number of properties | 84 |
| Area, sq.m. | 307,693 |
| Property value, SEK million | 2,297.7 |

VÄSTERNORRLAND'S SHARE OF PROPERTY VALUE



VÄSTERNORRLAND'S DISTRIBUTION PER TYPE OF PREMISES



VÄSTERBOTTEN

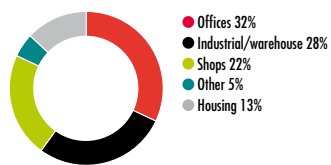
DIÖS PROPERTY HOLDINGS

| | |
|-----------------------------|---------|
| Number of properties | 41 |
| Area, sq.m. | 177,031 |
| Property value, SEK million | 1,283.0 |

VÄSTERBOTTEN'S SHARE OF PROPERTY VALUE



VÄSTERBOTTEN'S DISTRIBUTION PER TYPE OF PREMISES



NORRBOTTEN

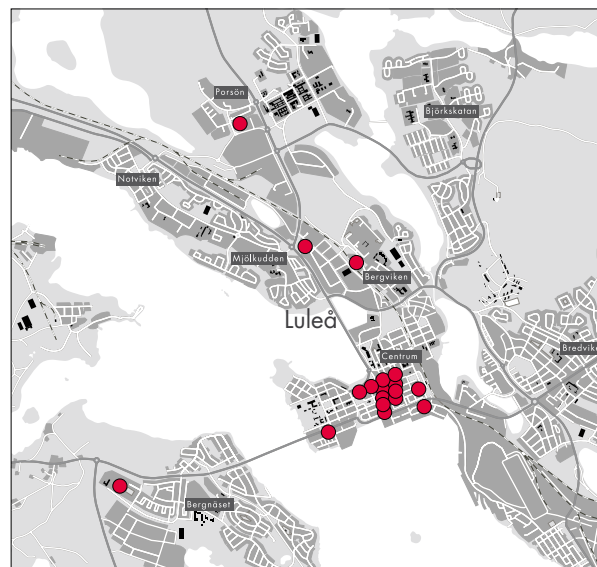
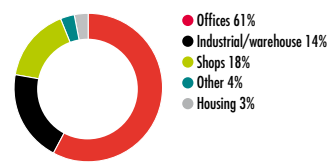
DIÖS PROPERTY HOLDINGS

| | |
|-----------------------------|---------|
| Number of properties | 20 |
| Area, sq.m. | 122,642 |
| Property value, SEK million | 1,374.6 |

NORRBOTTEN'S SHARE OF PROPERTY VALUE



NORRBOTTEN'S DISTRIBUTION PER TYPE OF PREMISES



LEASE MATURITIES ON 30 SEPTEMBER 2013

| | Maturity year | Signed contracts no. | Rented area sq.m. | Contracted rental income on 30 September 2013 SEK million | Holding in % |
|----------------------------------|------------------|-------------------------|----------------------|---|-----------------|
| Lease for premises | 2013 | 219 | 60,841 | 56.2 | 4 |
| | 2014 | 830 | 190,187 | 193.6 | 15 |
| | 2015 | 634 | 242,153 | 240.8 | 19 |
| | 2016 | 529 | 259,275 | 291.9 | 23 |
| | 2017+ | 384 | 279,022 | 307.8 | 24 |
| Total leases for premises | | 2,596 | 1,031,478 | 1,090.3 | 85 |
| Residential leases | | 2,271 | 164,490 | 152.2 | 12 |
| Other leases | | 3,505 | | 39.2 | 3 |
| TOTAL | | 8,372 | 1,195,968 | 1,281.7 | 100 |

CHANGES IN THE PROPERTY PORTFOLIO JANUARY - SEPTEMBER 2013

IMPROVEMENT

- SEK 149 million has been invested in conversion and extension work on existing properties in the period. There are 34 major improvement projects currently in progress. SEK 200 million of the budgeted SEK 348 million has been accrued.

SALES

- On 9 January 2013, the property Mutttern 3 in Skellefteå was sold. The property covers an area of 920 square metres. The sale price was SEK 3.5 million.
- On 28 February 2013, two separate properties, Mercurius 5 and 12 in Sundsvall, were sold. The properties cover an area of 16,864 square metres and consist of Mercurius 5, 11 and 12, Minerva 4 and 6, and Bacchus 10. The sale price was SEK 140 million.
- On 8 April 2013, the property Gällivare 12:334 was sold. The property covers an area of 14,701 square metres. The sale price was SEK 55 million.
- On 31 May 2013, the plot of land, Sprinten 6 in Lugnvik Industrial Estate, Östersund, was sold. The sale price was SEK 600 thousand.
- On 1 July 2013, the property Gruvfogden 1 in Skellefteå was sold. The property covers an area of 785 square metres. The sale price was SEK 1.5 million.
- On 12 July 2013, the property Kompaniet 1 in Sundsvall was sold. The property covers an area of 1,558 square metres. The sale price was SEK 5.6 million.
- On 12 August 2013, the property Mars 2 in Sundsvall was sold. The property covers an area of 4,517 square metres. The sale price was SEK 20.7 million.

FINANCIAL POSITION AS OF 30 SEPTEMBER 2013

EQUITY AND EQUITY/ASSETS RATIO

Shareholders' equity amounted to SEK 3,154.0 million (2,822.7) and the equity ratio was 26.4% (23.4%). The goal is that the equity/assets ratio should not fall below 25%.

CASH AND CASH EQUIVALENTS

The Group's cash and cash equivalents (excluding unused bank overdraft facilities) were SEK 96.7 million (95.9) at the end of the period.

INTEREST EXPENSES JANUARY - SEPTEMBER 2013

| | Amount | Cost | Weighted average interest rate |
|-------------------------------|---------|--------------|--------------------------------|
| Interest-bearing debt | 7,807.3 | 182.6 | 3.12% |
| Undrawn credit facilities | 265.9 | 1.2 | 0.02% |
| Cost of financial instruments | | 35.1 | 0.60% |
| | | 218.9 | 3.74% |

In the period, Diös' average interest-bearing liabilities amounted to SEK 7,807.3 million (7,987.4). Actual interest costs, including costs related to undrawn credit facilities and the performance of financial instruments, amounted to SEK 218.9 million (250.4),

which represents an average annual interest rate of 3.74% (4.19%). During the period, unrealised gains arising on derivatives held totalled SEK 96.6 million (-55.9), which are fully recognised in the income statement.

INTEREST RATES AND LOAN MATURITY ON 30 SEPTEMBER 2013

| Maturity year | Interest maturity | | Loan maturity | |
|--------------------------------|----------------------------|--|----------------------------------|----------------------|
| | Loan amount SEK million | Average annual interest rate ¹ % | Credit agreements SEK million | Drawn SEK million |
| 2013 | 7,722.1 | 3.10 | 923.4 | 880.1 |
| 2014 | - | - | - | - |
| 2015 | - | - | 3,512.1 | 3,292.3 |
| 2016 | - | - | 3,549.7 | 3,549.7 |
| Drawn credit facilities | 7,722.1 | 3.10 | 7,985.2 | 7,722.1 |
| Undrawn credit facilities | 263.1 | 0.02 | | |
| Financial instruments | 4,200.0 | 0.63 | | |
| TOTAL | | 3.76 | | |

¹ Average annual interest rate refers to the average interest rate based on interest-rate terms and current liability on 30 September 2013.

Average capital commitment period 2.2 years

Average interest rate commitment period 2.0 years

Derivative instruments

| Swaps | Amount, SEK million | Remaining maturity, years | Interest rate level, % | Market value, SEK million |
|--------------|---------------------|---------------------------|------------------------|---------------------------|
| Swap 1 | 2,000.0 | 3.0 | 2.31 | -31.3 |
| Swap 2 | 600.0 | 4.0 | 3.69 | -42.3 |
| Swap 3 | 1,600.0 | 3.3 | 1.95 | -5.0 |
| TOTAL | 4,200.0 | 3.2 | 2.37 | -78.6 |

It is Diös' view that the interest rate market is stable and the company has thus not entered into any new derivative instruments in the period.

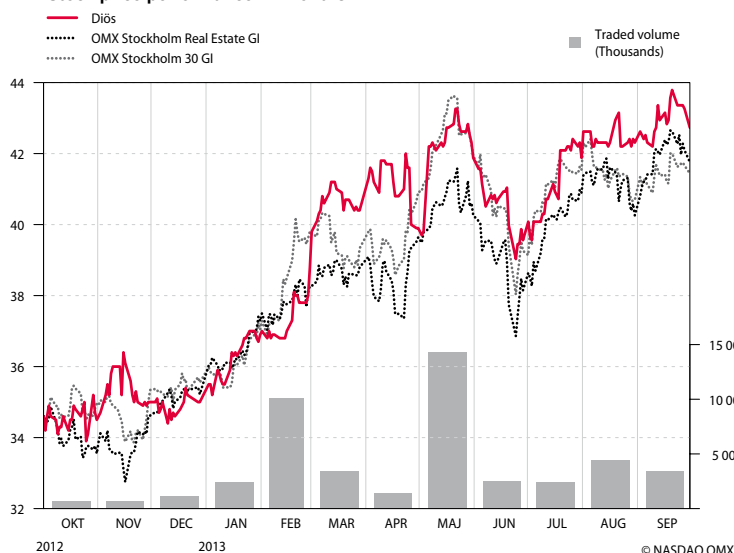
INTEREST-BEARING LIABILITIES AND AVERAGE INTEREST RATE ON 30 SEPTEMBER 2013

The Group's interest-bearing liabilities totalled SEK 7,722.1 million (7,974.4) with an average annual interest rate of 3.10% (3.23%) excluding loan commitments and 3.12% (3.24%), including loan commitments. The loans' average interest rate commitment period was 2.8 months (2.8). The average interest rate commitment period was 2.0 years (2.6) when the impact of the derivative portfolio is included. The average capital commitment period was 2.2 years (3.2). Of the Group's total interest-bearing liabilities, SEK 4,200.0 million (4,200.0) are hedged through derivative instruments. The average remaining term is 3.2 years (4.3). The average annual interest rate, including costs related

to derivative instruments, amounted to 3.74% (3.59%) excluding loan commitments and 3.76% (3.60%), including loan commitments. Diös' financial instruments restrict any impact from increased interest rates on the company's average borrowing rate. If interest rates had been increased by 1 percentage point on 30 September 2013, Diös' average interest rate would have risen by 0.45 per cent. The market value of the derivative portfolio on 30 September 2013 was SEK -78.6 million and the weighted average annual interest rate was 2.37%. With the derivative portfolio totalling SEK 4,200 million, 54.39% of the Group's total outstanding borrowings has been hedged.

DIÖS SHARES

Stock price performance 12 months



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 30 September 2013 was 74,729,134. The closing price of SEK 40.40 (33.80) gave the company a stock market value of SEK 3,019.1 million (2,526).

The diagram shows the total return (return including reinvested dividends) for the past 12 months for both Diös and the indexes. In the past 12 months, Diös' total return was 26.58%, OMX Stockholm 30 GI 20.70% and OMX Stockholm Real Estate GI 19.75%. Diös has thus achieved a return above that of comparable indexes in the period.

LARGEST SHAREHOLDERS IN DIÖS FASTIGHETER AB

on 30 September 2013

| SHAREHOLDER | Number of shares | Holding and votes % |
|---|-------------------|---------------------|
| AB Persson Invest | 11,499,691 | 15.39 |
| Brinova Inter AB | 8,930,754 | 11.95 |
| Bengtssons Tidnings Aktiebolag | 7,518,222 | 10.06 |
| Länsförsäkringar fondförvaltning AB | 5,911,383 | 7.91 |
| Pensionskassan SHB Försäkringsförening | 4,498,239 | 6.02 |
| Fastighets AB Eric Ekblad | 2,300,000 | 3.08 |
| Staffan Rasjö | 2,225,000 | 2.98 |
| Länsförsäkringar Jämtland | 2,000,002 | 2.68 |
| Försäkringsaktiebolaget, Avanza Pension | 1,942,964 | 2.60 |
| Ralf Ekblad | 1,600,000 | 2.14 |
| Total, largest shareholders | 48,426,255 | 64.80 |
| Other shareholders | 26,302,879 | 35.20 |
| Total, all shareholders | 74,729,134 | 100.0 |

HOLDINGS

on 30 September 2013

| Holdings | Number of shareholders | Number of shares | Holding (%) | Votes (%) | Market value (SEK 000) |
|-------------------------|------------------------|-------------------|--------------|--------------|------------------------|
| 1 - 500 | 2,424 | 560,526 | 0.75 | 0.75 | 22,645 |
| 501 - 1,000 | 1,003 | 857,042 | 1.15 | 1.15 | 34,624 |
| 1,001 - 5,000 | 1,290 | 3,111,696 | 4.16 | 4.16 | 125,713 |
| 5,001 - 10,000 | 218 | 1,720,683 | 2.30 | 2.30 | 69,516 |
| 10,001 - 15,000 | 60 | 790,376 | 1.06 | 1.06 | 31,931 |
| 15,001 - 20,000 | 41 | 768,730 | 1.03 | 1.03 | 31,057 |
| 20,001 - | 145 | 66,920,081 | 89.55 | 89.55 | 2,703,571 |
| TOTAL 30/09/2013 | 5,181 | 74,729,134 | 100.0 | 100.0 | 3,019,057 |

Diös Fastigheter AB had 5,181 shareholders on 30 September. A significant proportion of the shareholders (94.43%) were in Sweden. The largest single owner of Diös was AB Persson Invest with 15.39% of the shares. The ten largest shareholders accounted for 64.80% of the holdings and voting rights.

SHARE CAPITAL DEVELOPMENT

| Date | Event | Increase in number of shares | Increase in share capital, SEK | Total number of shares | Total share capital | Par value |
|--------------|----------------------------|------------------------------|--------------------------------|------------------------|---------------------|-----------|
| 1 Jan 2005 | At the start of the period | - | - | 10,000 | 100,000 | 10.00 |
| 21/06/2005 | Split | 990,000 | - | 1,000,000 | 100,000 | 0.10 |
| 21/06/2005 | New issue | 1,489,903 | 148,990 | 2,489,903 | 248,990 | 0.10 |
| 14 Sept 2005 | Non-cash issue | 1,503,760 | 150,376 | 3,993,663 | 399,366 | 0.10 |
| 15 Nov 2005 | Bonus issue | - | 39,537,264 | 3,993,663 | 39,936,630 | 10.00 |
| 15 Nov 2005 | Split | 15,974,652 | - | 19,968,315 | 39,936,630 | 2.00 |
| 18/05/2006 | New issue | 8,333,400 | 16,666,800 | 28,301,715 | 56,603,430 | 2.00 |
| 11/07/2006 | Non-cash issue | 5,000,000 | 10,000,000 | 33,301,715 | 66,603,430 | 2.00 |
| 19/04/2007 | Non-cash issue | 666,250 | 1,332,500 | 33,967,965 | 67,935,930 | 2.00 |
| 29 Oct 2010 | New issue | 99,729 | 199,458 | 34,067,694 | 68,135,388 | 2.00 |
| 14 Dec 2010 | New share issue | 3,285,466 | 6,570,332 | 37,353,160 | 74,705,720 | 2.00 |
| 17 Dec 2010 | New share issue | 11,407 | 22,814 | 37,364,567 | 74,728,534 | 2.00 |
| 5 Dec 2011 | New share issue | 22,854,136 | 45,708,272 | 60,218,703 | 120,436,806 | 2.00 |
| 14 Dec 2011 | New share issue | 14,510,431 | 29,020,862 | 74,729,134 | 149,457,668 | 2.00 |

PERSONNEL AND ORGANISATION

The number of employees on 30 September 2013 was 136 (134), of whom 48 were women (49).

Diös Fastigheter is geographically divided into the six market areas of Gävleborg, Dalarna, Västernorrland, Jämtland, Västerbotten and Norrbotten. Its head office and corporate functions are located in Östersund. Most of the employees, 94 (86) of them, work in the market areas, 49 (45) of them with the physical aspects of real estate management.

PARENT COMPANY

The activities of the parent company consist of Group-wide functions as well as ownership and operation of the Group's subsidiaries. Sales totalled SEK 75.8 million (8.8) and post-tax profit was SEK -19.1 million (1.2). The company's cash and cash equivalents were SEK 0 million (0) on 30 September 2013. External interest-bearing liabilities, excluding overdraft facilities, amounted to SEK 1,484.5 million (1,573.9). The amount of drawn overdraft facilities stands at SEK 12.1 million (22.2). The average annual interest rate based on the situation at 30 September 2013 amounted to 2.98% (3.63%). The parent company prepares its financial reports in compliance with the regulations of RFR 2 "Accounting for Legal Entities".

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 -656.2 million (-632.8) on 30 September 2013. 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 3,228.7 million on 30 September 2013. At a tax rate of 22.0%, deferred tax liability relating to temporary differences was SEK -710.3 million.

Diös' tax losses carried forward on 30 September are estimated at SEK 338.0 million. At a tax rate of 22.0%, deferred tax asset relating to tax losses carried forward was SEK 74.3 million, which in Diös' financial statements has been offset against deferred tax liability. Other deferred tax liability on 30 September was SEK -20.2 million.

The change since 31 December 2012 is attributable to a SEK 50.1 million deferred tax asset decrease and a SEK 12.7 million increase in deferred tax on temporary differences.

The reporting of taxes complies with the reporting standards but it should be noted that the amount of tax paid over the period generally differs from that reported. Tax regulations are also complex and difficult to interpret. Application of the reporting standards may also change over time; refer to the description of tax matters in Norrvidden.

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. Norrvidden Norrland AB has responded to the Swedish Tax Agency and contests the Swedish Tax Agency's notice. 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. Further details are given on page 15 under *Events after the Reporting Date*.

PRINCIPAL RISKS AND UNCERTAINTIES

Diös Fastigheter's principal risks and uncertainties are described in the 2012 Annual Report on pages 25 to 27. Apart from the following, there have not been any substantial changes to Diös' risks and uncertainties.

At its most recent monetary policy meeting, the central bank of Sweden (Riksbanken) resolved to keep the repo rate at 1.00%. The most recent assessment of the central bank of Sweden (Riksbanken) is that the repo rate will remain unchanged through 2014 in order to help the economic recovery and achieve the 2% inflation target. This contributes to low-cost funding for companies and households in Sweden.

According to the National Institute of Economic Research's latest forecast, Sweden's GDP growth will accelerate and economic recovery will begin towards the end of 2013. There is increased confidence about economic recovery among households and businesses in Sweden and in the majority of the OECD countries. A reduced risk of financial collapse in one of the weaker EU countries has led to increased market confidence in the financial system. Unemployment in Sweden is expected to fall over the next year from 8.0% to 7.8%. This will occur gradually as there are a lot of vacant resources within companies.

Thanks to Sweden's strong public finances, healthy Swedish banks and a growing domestic GDP, the prospects for growth in our markets are considered to be good. As our real estate operations continue to generate strong cash flows, we are seeing a stabilisation of the yield levels in the market valuation of our properties and our property values. These combined factors should strengthen the real estate class of assets.

RELATED PARTY TRANSACTIONS

There were no significant related party transactions in the period.

ACCOUNTING POLICIES

Diös complies with the EU approved IFRS standards and interpretations of these (IFRIC). This Interim Report has been prepared in accordance with IAS 34, Interim Financial Reporting and the Swedish Annual Accounts Act. The report for the parent company has been prepared in accordance with RFR 2, Accounting for Legal Entities and the Swedish Annual Accounts Act. The accounting policies applied in the interim report are consistent with the accounting policies applied when preparing the consolidated financial statements and Annual Report for 2012, Note 1, with the exception of the following new and amended standards.

RFR 2 Reporting for Legal Entities

An amendment to RFR 2 means that the accounting policy for Group contributions is different from 2013. Under the revised standard, Group contributions received are reported as financial income and Group contributions paid are reported as an increase in interests in Group companies.

IAS 1 Presentation of Financial Statements

An amendment to IAS 1, with effect as of 2013, requires disclosures of other comprehensive income as items that will be transferred to

the income statement and items that will not be transferred to the income statement.

Diös' application of the amended IAS 1 standard is presented in the consolidated income statement.

IAS 19 Employee benefits

The amended IAS 19 (IAS 19R) standard is to be adopted as of 1 January 2013. The amendments to IAS 19 affect the reporting of termination benefits. However, this has not had any effect on Diös' financial statements.

IFRS 13 Fair Value Measurement

The new IFRS 13 standard is used when measuring the fair value of both financial and non-financial items. It supersedes previous guidance in the standard with regard to fair value. IFRS 13 defines fair value 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 is to be applied prospectively starting with the financial statements for 2013. The adoption of IFRS 13 has not had any effect on the Group's financial position or performance with regard to valuation of the Group's investment properties or financial instruments. IFRS 13 requires additional quantitative and descriptive disclosures in the Annual Report about fair value measurements. IAS 34 Interim Financial Reporting has also been updated as a result of the disclosure requirements in IFRS 13. IAS 34 requires interim reports from 2013 onwards to include specific disclosures about financial instruments that have been recognised at fair value. The amendment to IAS 34 also requires disclosures to be made in the interim report about the fair value of financial instruments that have been recognised at amortised cost.

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.

All of Diös' financial instruments are measured in accordance with Level 2 and on 30 September 2013 totalled SEK -78.6 million. 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.

The reported value of financial instruments recognised at amortised cost is consistent with the fair value on 30 September 2013.

IFRS 7 Financial Instruments: Disclosures

The amendments to IFRS 7 require additional disclosures to be made with regard to offsetting financial assets and financial liabilities. Diös has interest rate swaps that are reported gross in the balance sheet amounting to SEK -78,560 thousand (-154,774). These swaps are covered by netting agreements.

Other new or revised IFRS standards and IFRIC interpretations that became effective on 1 January 2013 have not had a material impact on the financial statements of the Group.

¹ Annual Report 2012 is available at www.dios.se

DIVIDEND POLICY

In the long-term, Diös will transfer at least 50% of the profit after taxation to its shareholders through dividends or the repurchase of shares.

EVENTS AFTER THE REPORTING DATE

On 1 October, the property Björneborg 12 and the site leasehold right Björneborg 10 were sold. The property covers 5,299 sq.m. and the sale price was SEK 14.5 million. The sale does not have an impact on income in the fourth quarter.

The Administrative Court announced on 16 October that it approves the request of the Swedish Tax Agency for the law on tax evasion to be applied to Norrvidden Norrland AB regarding the sale of properties packaged in limited partnerships. The ruling means a SEK 246 million increase in Norrvidden Norrland AB's tax revenues for the 2006 fiscal year, which increases the tax expense amount, including charges, to SEK 79 million. The matter is regulated in the transfer agreement for Norrvidden, entered into between the buyer and seller, under which the seller is solely liable for subsequent taxes and costs related to the above transactions, which means that there is no impact on earnings in Diös.

The Board of Directors and the Managing Director declare that the interim report gives a true and fair view of the operations, financial position and income of the parent company and the Group, and describes the principal risks and uncertainties faced by the parent company and the Group's companies.

Entire financial reports can be viewed on Diös' website www.dios.se

Östersund, 24 October 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

To the Board of Directors of Diös Fastigheter AB (publ) Corporate identity no. 556501-1771

Introduction

We have conducted a review of the interim report for Diös Fastigheter AB on 30 September 2013 and the nine-month period ending on that date. It is the Board of Directors and the CEO who are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

The focus and scope of the review

We conducted our review in accordance with the Standard for Reviews (SÖG) 2410, Review of interim financial information performed by the company's selected auditor. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and a much smaller scale compared to the focus and scope of an audit in accordance with ISA and generally accepted auditing standards. The procedures taken when conducting a review mean that it is not possible for us to claim with certainty that we are aware of all material facts that could have been identified if an audit had been performed. The conclusion expressed on the basis of a review does not have the level of certainty as a conclusion expressed on the basis of an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not, in all material respects, drawn up for the group in accordance with IAS 34 and the Annual Accounts Act, and for the parent company in accordance with the Annual Accounts Act.

Östersund, 24 October 2013

Deloitte AB

Svante Forsberg

Authorised public accountant

CONDENSED CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME, SEK MILLION

| | 2013 | 2012 | 2013 | 2012 | 2012 |
|---|--------------|--------------|--------------|--------------|--------------|
| | 3 months | 3 months | 9 months | 9 months | 12 months |
| | July - Sept | July - Sept | Jan-Sept | Jan-Sept | Jan-Dec |
| INCOME STATEMENT | | | | | |
| Rental income & other property management income | 324.0 | 330.3 | 980.4 | 993.0 | 1331.3 |
| Property costs | -127.2 | -130.9 | -418.3 | -415.3 | -565.1 |
| Operating surplus | 196.8 | 199.4 | 562.1 | 577.7 | 766.2 |
| Depreciation | -0.6 | -0.7 | -2.0 | -2.4 | -3.1 |
| Central administration | -12.3 | -13.6 | -39.5 | -39.3 | -56.9 |
| Restructuring costs ¹ | -5.0 | -7.3 | -20.9 | -21.9 | -37.9 |
| Value movement on properties | 6.9 | -17.3 | -55.8 | 62.2 | 188.5 |
| Operating profit/loss | 185.8 | 160.5 | 443.9 | 576.3 | 856.8 |
| Value movement on interest-rate derivatives | 1.1 | -67.6 | 96.6 | -55.9 | -76.3 |
| Net finance income/expense | -76.8 | -83.9 | -224.9 | -253.3 | -328.5 |
| Profit before tax | 110.0 | 9.0 | 315.6 | 267.1 | 452.0 |
| Current tax | -1.9 | -1.6 | -13.0 | -4.6 | -6.2 |
| Deferred tax | -35.8 | -18.4 | -62.8 | -77.0 | -14.2 |
| Profit after tax | 72.3 | -11.0 | 239.8 | 185.5 | 431.6 |
| Profit attributable to shareholders of the parent | 72.9 | -11.4 | 240.4 | 184.5 | 428.5 |
| Profit attributable to non-controlling interests | -0.6 | 0.4 | -0.6 | 1.0 | 3.1 |
| Total | 72.3 | -11.0 | 239.8 | 185.5 | 431.6 |
| STATEMENT OF COMPREHENSIVE INCOME | | | | | |
| Profit after tax | 72.3 | -11.0 | 239.8 | 185.5 | 431.6 |
| Items to be transferred to the income statement | | | | | |
| Hedging reserve/reclassified to income statement | - | 4.0 | - | 11.9 | 11.9 |
| Comprehensive income for the period | 72.3 | -7.1 | 239.8 | 197.4 | 443.5 |
| Comprehensive income attributable to shareholders of the parent | 72.9 | -7.5 | 240.4 | 196.4 | 440.4 |
| Comprehensive income attributable to non-controlling interests | -0.6 | 0.4 | -0.6 | 1.0 | 3.1 |
| Total | 72.3 | -7.1 | 239.8 | 197.4 | 443.5 |
| Profit per share after tax, SEK | 0.98 | -0.15 | 3.22 | 2.47 | 5.73 |
| Number of shares at end of period (thousands) | 74,729 | 74,729 | 74,729 | 74,729 | 74,729 |
| Average number of shares (thousands) | 74,729 | 74,729 | 74,729 | 74,729 | 74,729 |

¹ Costs related directly to integration and reorganisation as a result of the acquisition of Norrvidden. Restructuring includes costs for reorganisation and move of head office operations to Östersund. These costs will not carry through to 2014.

CONDENSED CONSOLIDATED BALANCE SHEET, SEK MILLION

| | 2013 30 Sept | 2012 30 Sept | 2012 31 Dec |
|-------------------------------------|-----------------|-----------------|-----------------|
| ASSETS | | | |
| Fixed assets | | | |
| Investment properties | 11,748.5 | 11,699.4 | 11,877.6 |
| Other property, plant and equipment | 7.5 | 11.2 | 12.3 |
| Intangible fixed assets | 3.1 | - | - |
| Financial fixed assets | 9.6 | 13.6 | 11.2 |
| Total fixed assets | 11,768.7 | 11,724.2 | 11,901.1 |
| Current assets | | | |
| Current receivables | 85.3 | 223.4 | 172.0 |
| Cash and cash equivalents | 96.7 | 95.9 | 120.1 |
| Total current assets | 182.0 | 319.3 | 292.1 |
| TOTAL ASSETS | 11,950.7 | 12,043.6 | 12,193.2 |
| EQUITY AND LIABILITIES | | | |
| Shareholders' equity | 3,154.0 | 2,822.7 | 3,086.1 |
| Deferred tax liability | 656.2 | 632.8 | 593.3 |
| Non-current liabilities | 7,724.4 | 8,000.1 | 7,894.9 |
| Current liabilities | 416.2 | 588.0 | 618.8 |
| TOTAL LIABILITIES AND EQUITY | 11,950.7 | 12,043.6 | 12,193.2 |

CONDENSED STATEMENT OF CHANGES IN EQUITY, SEK MILLION

| | Shareholders' equity | Attributable to shareholders of the parent | Attributable to minority interests |
|---|----------------------|--|---------------------------------------|
| Equity at 31 Dec 2011 | 2,724.5 | 2,706.7 | 17.8 |
| <i>Hedging reserve/reclassified to income statement</i> | 11.9 | 11.9 | - |
| <i>Profit for the period after taxation</i> | 185.5 | 184.5 | 1.0 |
| Comprehensive income for the period | 197.4 | 196.4 | 1.0 |
| Cash dividend | -82.2 | -82.2 | - |
| Share repurchases | -17.0 | -17.0 | - |
| Equity at 30 Sep 2012 | 2,822.7 | 2,803.9 | 18.8 |
| <i>Profit for the period after taxation</i> | 246.1 | 244.0 | 2.1 |
| Comprehensive income for the period | 246.1 | 244.0 | 2.1 |
| Sale of own shares | 17.4 | 17.4 | - |
| Equity at 31 Dec 2012 | 3,086.1 | 3,065.2 | 20.9 |
| <i>Profit for the period after taxation</i> | 239.8 | 240.4 | -0.6 |
| Comprehensive income for the period | 239.8 | 240.4 | -0.6 |
| Cash dividend | -171.9 | -171.9 | - |
| Equity at 30 Sep 2013 | 3,154.0 | 3,133.7 | 20.3 |

CONDENSED CONSOLIDATED CASH FLOW STATEMENT, SEK MILLION

| | 2013 3 months July - Sept | 2012 3 months July - Sept | 2013 9 months Jan-Sept | 2012 9 months Jan-Sept | 2012 12 months Jan-Dec |
|---|---------------------------------|---------------------------------|------------------------------|------------------------------|------------------------------|
| OPERATING ACTIVITIES | | | | | |
| Operating profit/loss | 185.7 | 160.5 | 443.9 | 576.3 | 856.8 |
| Adjustments for non-cash flow items | -6.3 | 18.0 | 57.8 | -59.8 | -185.4 |
| Interest received | - | 0.4 | 2.2 | 0.8 | 1.1 |
| Interest paid | -69.3 | -73.4 | -235.1 | -220.2 | -292.4 |
| Tax paid | -1.9 | -1.6 | -13.0 | -4.6 | -6.2 |
| Operating cash flows before movements in working capital | 108.2 | 103.9 | 255.8 | 292.5 | 373.9 |
| MOVEMENTS IN WORKING CAPITAL | | | | | |
| Decrease (+)/increase (-) in receivables | 50.8 | 45.8 | 77.8 | -43.3 | 8.4 |
| Decrease (-)/increase (+) in current liabilities | -69.1 | -40.2 | -107.9 | -70.2 | -69.0 |
| Total movements in working capital | -18.3 | 5.6 | -30.1 | -113.5 | -60.6 |
| Operating cash flow | 89.9 | 109.5 | 225.7 | 179.0 | 313.3 |
| INVESTING ACTIVITIES | | | | | |
| Investment in financial fixed assets | -2.9 | 0.2 | 1.8 | 0.2 | -0.1 |
| Proceeds from sale of property, plant and equipment | 25.5 | 1.8 | 232.9 | 24.3 | 25.7 |
| Acquisition of intangible fixed assets | -0.4 | - | -1.6 | - | - |
| Purchases of property, plant and equipment | -92.4 | -36.7 | -139.8 | -86.2 | -132.6 |
| Investing cash flow | -70.2 | -34.7 | 93.3 | -61.7 | -107.0 |
| FINANCING ACTIVITIES | | | | | |
| Dividends paid | - | - | -171.9 | -82.2 | -82.2 |
| Acquisition of own shares | - | -17.0 | - | -17.0 | - |
| Change in non-current liabilities | -22.4 | -1.8 | -170.5 | -26.0 | -107.8 |
| Financing cash flow | -22.4 | -18.8 | -342.4 | -125.2 | -190.0 |
| Cash flows for the period | -2.7 | 55.9 | -23.4 | -7.9 | 16.3 |
| Cash and cash equivalents at beginning of period | 99.4 | 40.0 | 120.1 | 103.8 | 103.8 |
| Cash and cash equivalents at end of period | 96.7 | 95.9 | 96.7 | 95.9 | 120.1 |

| | 2013 3 months July - Sept | 2012 3 months July - Sept | 2013 9 months Jan-Sept | 2012 9 months Jan-Sept | 2012 12 months Jan-Dec |
|---|---------------------------------|---------------------------------|------------------------------|------------------------------|------------------------------|
| Return on equity, % ¹ | 2.3 | -0.4 | 7.7 | 6.7 | 14.7 |
| Equity/assets ratio, % | 26.4 | 23.4 | 26.4 | 23.4 | 25.3 |
| Loan-to-value ratio, properties, % | 65.7 | 68.2 | 65.7 | 68.2 | 66.4 |
| Interest coverage ratio, times | 2.3 | 2.1 | 2.2 | 2.0 | 2.0 |
| Equity per share, SEK | 42.21 | 37.77 | 42.21 | 37.77 | 41.30 |
| Cash flow per share, SEK | 1.35 | 1.24 | 3.53 | 3.46 | 4.50 |
| Number of properties at end of period | 366 | 379 | 366 | 379 | 378 |
| Leasable area at end of period, sq.m. | 1,462,559 | 1,508,157 | 1,462,559 | 1,508,157 | 1,504,738 |
| Market value of properties, SEK million | 11,748.5 | 11,699.4 | 11,748.5 | 11,699.4 | 11,877.6 |
| Rental value, SEK million | 367.8 | 363.1 | 1,094.2 | 1,091.0 | 1,464.3 |
| Economic occupancy rate, % | 88.9 | 88.9 | 88.7 | 89.0 | 88.8 |
| Direct return, % ¹ | 1.7 | 1.7 | 4.8 | 4.9 | 6.5 |
| Surplus ratio, % | 60.2 | 61.8 | 57.9 | 59.5 | 58.9 |

¹ The results for the quarter and period have not been restated to full year effects.



CONDENSED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME OF THE PARENT COMPANY, SEK MILLION

| | 2013 | 2012 | 2012 |
|--|--------------|--------------|--------------|
| | 9 months | 9 months | 12 months |
| | Jan-Sept | Jan-Sept | Jan-Dec |
| INCOME STATEMENT | | | |
| Net sales | 75.8 | 8.8 | 11.5 |
| Depreciation | -0.4 | -0.4 | -0.5 |
| Gross profit or loss | 75.4 | 8.4 | 11.0 |
| Central administration | -108.4 | -33.7 | -52.1 |
| Restructuring costs | -20.8 | -9.6 | -16.7 |
| Operating profit/loss | -53.8 | -34.9 | -57.8 |
| Income from interests in Group companies | - | - | -1.0 |
| Interest income | 115.0 | 113.4 | 150.0 |
| Interest expense and similar items | -80.3 | -77.3 | -103.1 |
| Group contributions | - | - | 13.2 |
| Profit/loss after financial items | -19.1 | 1.2 | 1.3 |
| Current tax | - | - | - |
| Profit after tax | -19.1 | 1.2 | 1.3 |
| STATEMENT OF COMPREHENSIVE INCOME | | | |
| Profit after tax | -19.1 | 1.2 | 1.3 |
| Comprehensive income for the year | -19.1 | 1.2 | 1.3 |

CONDENSED PARENT COMPANY BALANCE SHEET, SEK MILLION

| | 2013 | 2012 | 2012 |
|---|----------------|----------------|----------------|
| | 30 Sept | 30 Sept | 31 Dec |
| ASSETS | | | |
| Projects in progress | 2.1 | 0.1 | 1.7 |
| Machinery and equipment | 0.7 | 0.9 | 0.8 |
| Interests in Group companies | 171.2 | 172.3 | 171.2 |
| Other shares and interests | 0.2 | 0.3 | 0.2 |
| Non-current receivables from Group companies | 3,264.9 | 3,321.7 | 3,384.3 |
| Total fixed assets | 3,439.1 | 3,495.3 | 3,558.2 |
| Current receivables from Group companies | 164.0 | 86.1 | 40.5 |
| Other current receivables | 11.2 | 19.8 | 35.5 |
| Cash and cash equivalents | - | - | - |
| Total current assets | 175.2 | 105.9 | 76.0 |
| TOTAL ASSETS | 3,614.3 | 3,601.2 | 3,634.2 |
| EQUITY AND LIABILITIES | | | |
| Shareholders' equity | 1,363.2 | 1,536.7 | 1,554.2 |
| Non-current liabilities to credit institutions | 1,477.3 | 1,566.7 | 1,484.9 |
| Non-current liabilities to Group companies | 670.9 | 344.6 | 415.1 |
| Current liabilities to credit institutions | 7.2 | 7.2 | 7.2 |
| Current liabilities to Group companies | 50.6 | 71.5 | 124.6 |
| Overdraft facilities | 12.1 | 22.2 | 27.4 |
| Trade payables | 3.4 | 2.8 | 4.8 |
| Other current liabilities | 29.6 | 49.5 | 16.0 |
| Total current liabilities | 102.9 | 153.2 | 180.0 |
| TOTAL LIABILITIES AND EQUITY | 3,614.3 | 3,601.2 | 3,634.2 |

DEFINITIONS

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.

EQUITY/ASSETS

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 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.

EARNINGS PER SHARE

The profit for the period after taxation, attributable to shareholders, divided by the average number of 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 taxation, adjusted for unrealised gains or losses, plus depreciation less current tax divided by the average number of shares.

AVERAGE NUMBER OF 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 SHARES AT END OF PERIOD

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

RENTAL VALUE

Rent at the end of the period plus estimated market rent for unoccupied floor space.

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.

DIRECT RETURN

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

SURPLUS RATIO

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

PROFIT FROM IMPROVEMENTS

Sale price minus capital invested.

CALENDAR

Financial Statement 2013

26th February 2014

Annual General Meeting 2014

28th April 2014

Interim report Jan-March 2014

29th April 2014

LIST OF PROPERTY SALES JANUARY - SEPTEMBER 2013

| Property | Market area | Municipality | Category | Area, sq.m. |
|---|----------------|--------------|----------------------|---------------|
| Quarter 1 | | | | |
| Muttern 3 | Västerbotten | Skellefteå | Industrial/warehouse | 920 |
| Mercurius 5 | Västernorrland | Sundsvall | Offices | 578 |
| Mercurius 11 | Västernorrland | Sundsvall | Residential | 3,006 |
| Mercurius 12 | Västernorrland | Sundsvall | Residential | 3,366 |
| Minerva 4 | Västernorrland | Sundsvall | Offices | 3,334 |
| Minerva 6 | Västernorrland | Sundsvall | Residential | 3,072 |
| Bacchus 10 | Västernorrland | Sundsvall | Retail | 3,508 |
| Total property sales January - March | | | | 17,784 |
| Quarter 2 | | | | |
| Gällivare 12:334 | Norrbotten | Gällivare | Industrial/office | 14,701 |
| Sprinten 6 | Jämtland | Östersund | Land | - |
| Total property sales April - June | | | | 14,701 |
| Quarter 3 | | | | |
| Gruvfogden 1 | Västerbotten | Skellefteå | Industrial/warehouse | 785 |
| Mars 2 | Västernorrland | Sundsvall | Offices | 4,517 |
| Kompaniet 1 | Västernorrland | Sundsvall | Industrial/warehouse | 1,558 |
| Total property sales July - September | | | | 6,860 |
| Total property sales January - September | | | | 39,345 |



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