



Fabege AB (publ)

PRESS RELEASE

4 July 2014, 8:00 a.m. CET

Interim report January–June 2014

- Rental income amounted to SEK 1,039m (1,032). In an identical portfolio, income rose nearly 2 per cent.
- Net operating income increased about 5 per cent to SEK 738m (704). The surplus ratio rose to 71 per cent (68).
- Profit from property management increased 6 per cent to SEK 317m (300).
- Realised and unrealised changes in value amounted to SEK 646m (525) on properties and SEK -287m (417) on interest-rate derivatives.
- Profit before tax for the period amounted to SEK 686m (1,239). The decline was entirely due to higher deficit value in the portfolio of derivative instruments. Profit after tax for the period amounted to SEK 563 (1,031), corresponding to SEK 3.40 per share (6.25). Tax on profit for the year includes SEK 58m for an increase in the provision for ongoing tax cases.
- Net lettings for the period amounted to SEK 258m (23) after project lettings to both TeliaSonera and SEB in Arenastaden. The rent levels from all renegotiated leases were an average of 7 per cent higher.

Comments by Christian Hermelin, CEO

The first six months of the year were characterised by a positive financial climate, with low interest rates and favorable access to capital. In terms of the rental market, we see healthy demand for modern, flexible and sustainable offices with excellent communications. Fabege's property portfolio meets this demand well.

The leases to TeliaSonera and SEB made the net lettings for the quarter the best in Fabege's history. This bodes well for continued value creation and Arenastaden's position as a modern and attractive workplace district is further strengthened.

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This constitutes information that Fabege AB (publ) may be legally obliged to publish under the Securities Market Act and/or the Financial Instruments Trading Act. The information was released for publication at 8:00 am CET on 4 July 2014.

Fabege AB (publ) is one of Sweden's leading property companies focusing mainly on letting and managing office premises and property development. Fabege owns properties with a carrying amount of SEK 33.3bn. The property portfolio, which is concentrated in the Stockholm region, has an annualised rental value of SEK 2.3bn and a lettable area of 1.1m sqm. Fabege's shares are listed on NASDAQ OMX Stockholm, Large Cap segment.