

- » Income increased by 14 per cent to SEK 669 million (587).
- » The operating surplus increased by 14 per cent to SEK 419 million (368).
- » Profit from property management increased by 39 per cent to SEK 227 million (163).
- » Changes in value of properties amounted to SEK 376 million (157), of derivatives to SEK –73 million (–156) and share in profit of associated companies amounted to SEK –1 million (–45).
- » Net profit amounted to SEK 400 million (87), corresponding to SEK 0.35 (0.04) per ordinary share.
- » Taking possession of 5 properties for SEK 357 million and sale of 6 properties for SEK 185 million.

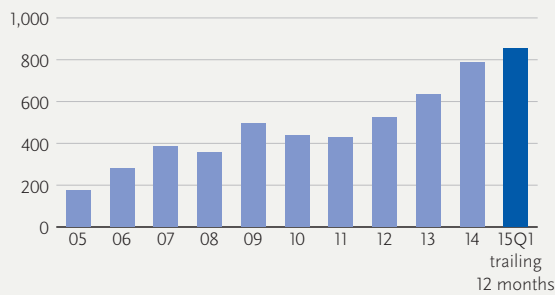
# THIS IS KLÖVERN

**KLÖVERN IS A REAL ESTATE COMPANY** committed, with closeness and commitment, to offering customers efficient premises in selected growth regions.

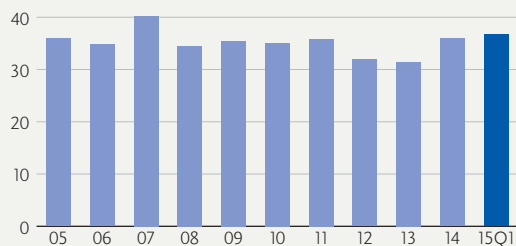
Our vision is to create environments for future enterprise. This requires active construction of city neighbourhoods, districts and other business clusters.

Klövern is one of the larger listed real estate companies in Sweden specializing in commercial premises.

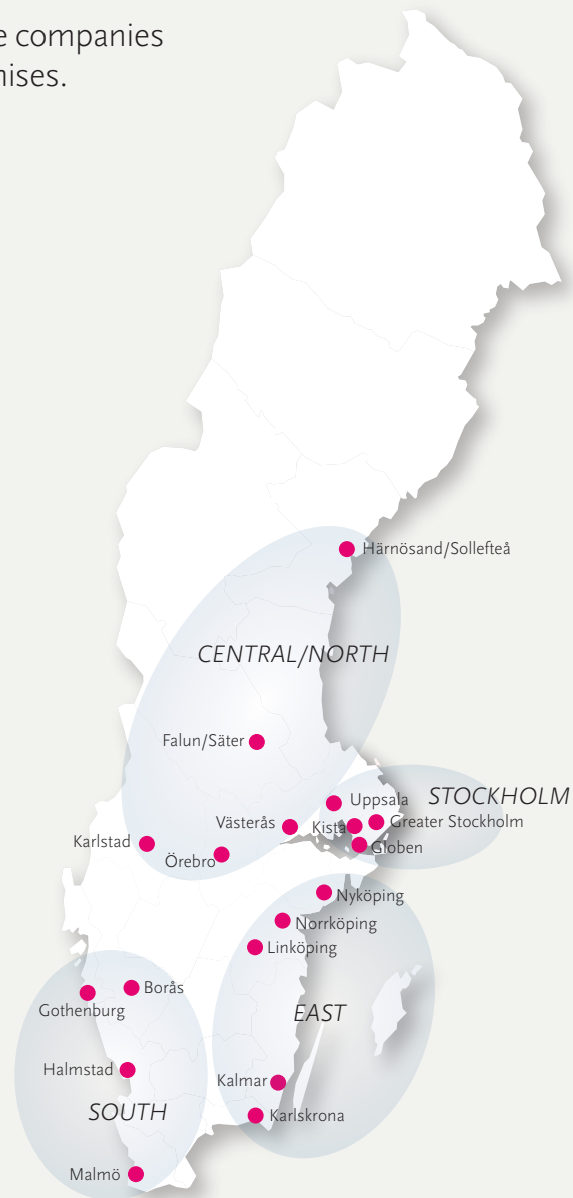
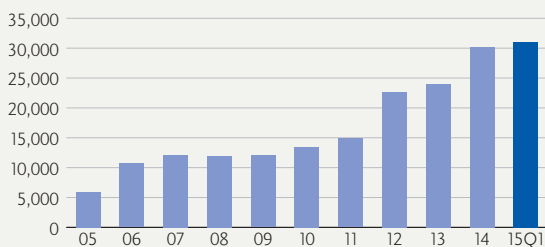
**PROFIT FROM PROPERTY MANAGEMENT, SEKm**



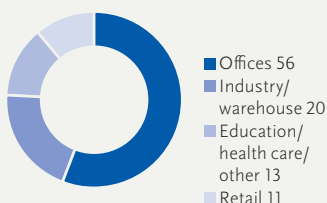
**EQUITY RATIO, adjusted, %**



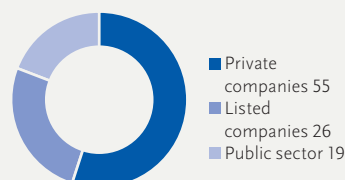
**PROPERTY VALUE, SEKm**



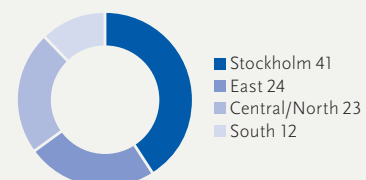
**RENTAL VALUE BY TYPE OF PREMISES %**



**CONTRACT VALUE BY CUSTOMER CATEGORY, %**



**RENTAL VALUE BY REGION, %**





## A strong first quarter

Klövern has shown a strong result for the first quarter of the year. A continued buoyant rental market, combined with somewhat lower costs than expected, because of a mild winter, has made a positive contribution. Interest in properties continues to increase, as shown by rising share prices and ever higher price expectations among vendors of real estate. At the same time, the financial situation is favourable and the trend towards decreasing financing costs persists.

The rental market is strong and income is developing well. It is gratifying that Klöverns can report a positive net moving-in for this quarter as well.

The operating surplus for a comparable portfolio is slightly higher than last year, which indicates that there are favourable prospects for 2015 being another good year for Klöverns. Costs have been positively affected by a mild winter, which has led to lower costs than expected, for heating, in particular.

Interest rates have continued to fall, which has decreased Klöverns financing cost. Klöverns loans are mainly based on three-month Stibor as a ground for computation of interest, with a supplement for the margin required by lenders. Stibor 3m amounted on 31 March to -0.06 per cent, which is a unique situation. Another reference rate that Klöverns monitors carefully is the 10-year swap rate, which, simplified, shows the price for interest rate hedging with a ten-year term. On 31 March, it was 1.00 per cent, which is exceptionally low. The financing possibilities are accordingly very good at present and Klöverns interest expense is falling apace with loans being renegotiated.

In February, Klöverns issued a new bond with a four-year maturity. This was mainly intended to re-finance bonds issued in 2012 that matured in March this year. As of this refinancing, Klöverns has a balanced maturity structure of

its bonds. Klöverns has a very strong balance sheet with an adjusted equity ratio of 36.7 per cent at 31 March.

The real estate market is currently very strong, not least in the light of the favourable terms for financing and a growing share of foreign investors as well as rising interest among Swedish institutional investors. The market's signals are that low interest rates will persist for a long period and the real estate segment will then be of great interest because of the opportunities for an attractive yield.

We have carried out many exciting transactions but I regard the purchase of two properties in Gothenburg's fishing port as especially attractive. Gothenburg is a strong market and the city will gradually continue its expansion in the area around the fishing port, not least after the planned move of the Stena terminal. Klöverns is a long-term owner in Gothenburg and will continue to make a contribution to the development of the city.

We are happy with the strong start of the year. Interest in real estate has seldom been as great as it is now and there are a lot of indications that 2015 will be yet another successful year for Klöverns.

Rutger Arnhult  
CEO, Klöverns



The property Majorna 219:7 in Gothenburg. Acquired in March 2015 with transfer of possession on 1 June.



The property Majorna 220:4 in Gothenburg. Acquired in March 2015 with transfer of possession on 1 April.

*Klövern is a real estate company offering, with closeness and commitment, customers efficient premises in selected growth regions. Klövern is one of the larger listed real estate companies in Sweden specializing in commercial premises. The income statement items refer to the period January–March and are compared with the corresponding period last year. The balance sheet items refer to the position at the end of the period and are compared with the preceding year-end. The quarter refers to January–March and the year to January–December.*

## PROFIT

Profit from property management, i.e. profit excluding changes in value and tax, increased to SEK 227 million (163) during the first quarter of the year. Besides the effect of net acquisitions of properties, profit from property management was affected positively by net moving-in and a mild first quarter. Profit before tax which amounted to SEK 528 million (118) was affected by SEK 376 million (157) for changes in value of properties, SEK –73 million (–156) for derivatives and SEK –1 million (–45) for Klövern's share in profits in the associated company Tribona. The operating margin was 63 per cent (63).

## INCOME AND EXPENSES

Income increased to SEK 669 million (587) during the quarter. The increase in income is mainly attributable to net acquisitions and net moving-in. A one-off item for insurance indemnity of SEK 13 million was included in income for the first quarter of last year. Property costs increased to SEK 250 million (219). A mild first quarter has had a positive effect on costs, partly offsetting the larger property portfolio. Property costs include rent losses of SEK 2 million (0). Central administration costs amounted to SEK 23 million (19).

## COMPARABLE PORTFOLIO

Operating surplus for a comparable portfolio rose by 1 per cent to SEK 354 million (351). Income rose by 2 per cent to SEK 567 million (558). Property costs increased by 3 per cent to SEK 213 million (207), partly due to higher costs for snow clearance compared with the previous year. The fair value of a comparable portfolio increased by SEK 1,073 million, or 5 per cent, compared with 31 March 2014, mainly

due to investments made in connection with new letting and reduced required yield.

## NET MOVING-IN, LEASE TERM, OCCUPANCY RATE

The quarter shows net moving-in of SEK 5 million (5).

The largest tenants moving in during the quarter are the Municipality of Kalmar at the property Korpen 18 in Kalmar with 2,000 sq.m. and DistriLog i Västerås AB at the property Gustavsvik 13 in Västerås with 5,000 sq.m. The largest vacating tenants are Skånes Svensk Arabiska Förening [Swedish-Arabic Association] at the property Triangeln 3 in Helsingborg with 1,500 sq.m. and ITERA Networks at the property Helgafjäll 5 in Kista with 1,000 sq.m..

The average remaining lease term was 3.5 years (3.3). The economic occupancy rate for all properties amounted to 90 per cent (90) and the area-related occupancy rate 82 per cent (81). The economic occupancy rate was 92 per cent (92) for investment properties and 60 per cent (57) for development properties.

Among the larger contracts signed during the quarter where the tenant has not yet moved in is a ten-year lease with Swedbank for 1,600 sq.m and a 20-year contract with Elite Hotels for 10,000 sq.m. – both in Uppsala. Moving-in is expected to take place in December 2015 and the autumn of 2016, respectively. This means that the refurbished and extended property, the former post office building in Uppsala, is now fully let with a total of 19,000 sq.m. of office and hotel space.

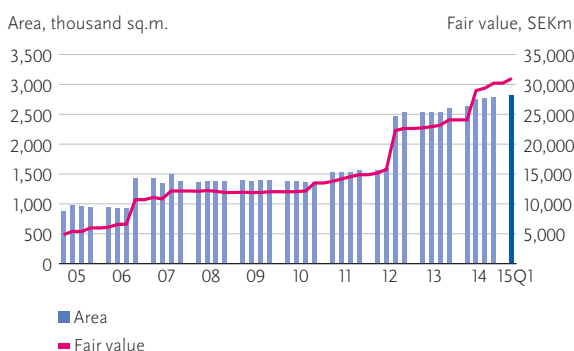
## SHAREHOLDINGS

Klövern's holding in Tribona amounts to 14,517,998 shares corresponding to 29.8 per cent of the total number of outstanding shares. Tribona has been reported as an associated company since 7 June 2013. Klövern's share of income for the quarter amounted to SEK –1 million (–45).

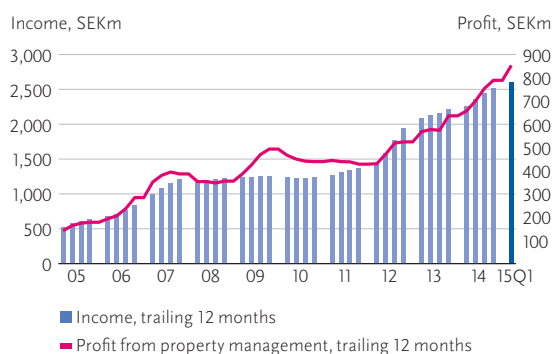
Tribona specializes in modern and strategically located logistics properties. The property portfolio consists of 29 properties in Sweden and one in Denmark. The lettable space amounts to 688,000 sq.m. and the property value to SEK 4,934 million.

Klövern's holding in Stendörren Fastigheter AB amounted to 1,000,000 shares at the end of the quarter. The shares were received as a partial payment in a property transaction.

### PROPERTIES: FAIR VALUE AND AREA



### INCOME & PROFIT



## CASH FLOW

The cash flow from current operations amounted to SEK 71 million (117). Investment operations have affected the cash flow by SEK –443 million (–422) net, through a combination of acquisition of properties and investments in existing properties. The cash flow from financing activities has affected cash flow by SEK 294 million (1,019). Altogether, the total cash flow was SEK –78 million (714). Liquid funds at the end of the quarter amounted to SEK 208 million compared with SEK 798 million on 31 March 2014.

## FINANCING

At the end of the quarter, the interest-bearing liabilities amounted to SEK 19,246 million (18,870) and the average financial interest rate for the whole of the financial portfolio was 3.3 per cent (3.5). Net financial income amounted to SEK –169 million (–186), of which financial income was SEK 1 million (1). The average fixed-interest period was 2.2 years (2.1) as at 31 March. Credit volumes with swap agreements are treated as having fixed interest. At the end of the period, Klöverner had interest swaps totalling SEK 8,045 million (8,166). The average remaining term of derivatives was 4.6 years.

The average period of tied-up capital amounted to 2.6 years (2.1) at the end of the period. Unutilized credit volumes, including unused credit facilities of SEK 397 million (400), amounted to 1,738 million (2,043).

Klöverner's interest rate swaps and interest caps effectively limit the interest rate risk. An increase in the short market rates of one percentage point would increase Klöverner's average borrowing rate by 0.6 percentage points and Klöverner's financial costs by SEK 113 million. Changes in value of derivatives, all unrealized, amounted to SEK –73 million (–156). On 31 March, the value was SEK –782 million (–709).

Unrealized change in value does not affect the cash flow. On maturity, the value of the derivative is always zero. All derivatives are classified at Level 2 according to IFRS 13.

No derivatives have changed classification during the period. Klöverner's assessment is that there is no significant difference between the book value and the fair value of interest-bearing liabilities.

## PROPERTY TRANSACTIONS

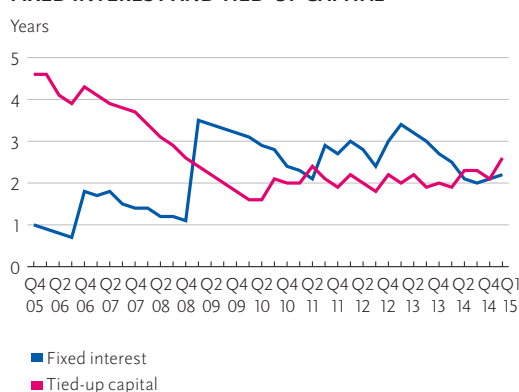
During the quarter, 5 properties (2) have been taken possession of for a total purchase price of SEK 357 million (276). Klöverner has sold and handed over 6 properties (3) during the quarter for a total of SEK 185 million (33).

## INVESTMENTS AND BUILDING RIGHTS

Investments in existing properties often take place in connection with new lettings with the aim of customizing and modernizing the premises and thus increasing the rental value. A total of SEK 235 million (178) was invested during the quarter. In all, 314 projects (301) are in process and SEK 1,369 million (1,265) remains to be invested in these properties. Total estimated expenditure for the projects amounts to SEK 2,707 million (2,439).

At the end of the quarter, assessed building rights and building rights with local plans totalled 1,417,000 sq.m. (1,417,000). 551,000 sq.m. (551,000) of the building rights

### FIXED INTEREST AND TIED-UP CAPITAL



### FIXED INTEREST AND TIED-UP CAPITAL

Year due	Fixed interest		Tied-up capital			
	Loan volume, SEKm	Interest, %	Contract volume, SEKm	Utilized, SEKm	Of which bonds outstanding, SEKm	Unutilized, SEKm
Floating	11,121	2.4	—	—	—	—
2015	—	—	3,617	2,359	—	1,258
2016	1,380	3.4	1,897	1,827	—	70
2017	1,275	4.3	7,876	7,466	1,150	410
2018	1,190	5.1	6,425	6,425	1,800	—
2019	900	4.9	1,000	1,000	1,000	—
2020	500	4.5	—	—	—	—
2021	500	4.7	—	—	—	—
2022	1,280	5.5	—	—	—	—
2023	1,100	4.6	—	—	—	—
Later	—	—	169	169	—	—
<b>Total</b>	<b>19,246</b>	<b>3.3</b>	<b>20,984</b>	<b>19,246</b>	<b>3,950</b>	<b>1,738</b>

are included in local plans. Almost half of these building rights consist of offices and a quarter of housing. The building rights are valued at SEK 911 million (864), corresponding to SEK 642 per sq.m. (610).

### PROPERTIES AND CHANGES IN VALUE

As at 31 March 2015, Klöver's portfolio consisted of 410 properties (408). The number of properties has increased during the quarter, in spite of net divestments, due to subdivisions in the portfolio. The rental value amounted to SEK 3,010 million (2,983) and the fair value of the properties was SEK 30,991 million (30,208).

The total lettable area amounted to 2,800,000 sq.m. (2,792,000). The changes in value of the properties totalled SEK 376 million (157) during the quarter. The changes in value include realized changes in value of SEK 0 million (4) and unrealized changes in value of SEK 376 million (153). The unrealized changes in value do not affect the cash flow. On average, Klöver's property portfolio, as at 31 March, has been valued with a yield requirement of 6.8 per cent (6.9). The value of the properties has increased, mainly due to investments made in connection with new letting, rising market rents and lower yield requirements.

Klöver values 100 per cent of the property portfolio each quarter, of which 20 to 30 per cent are normally valued

externally. External valuations have been performed by DTZ Sweden and Savills. Every property in the portfolio has thus been externally valued at least once during a rolling 12-month period. DTZ has served as advisor when the yield requirements have been determined in most of the internal valuations. All properties are classified at Level 3 in accordance with IFRS 13. No properties have changed classification during the period. See Klöver's annual report for 2014 for a detailed description of valuation principles.

#### PROPERTY TRANSACTIONS 2015: ACQUISITIONS

City	Property	Category	Lettable area, sq.m.	Quarter
Örebro	Karossen 5	Office	5,127	Q1
Örebro	Karossen 19	Education, Health care/ other	12,754	Q1
Västerås	Livia 16	Office	5,962	Q1
Västerås	Kranlinan 1	Retail	5,005	Q1
Västerås	Traversföraren 1	Retail	2,500	Q1
<b>Total</b>			<b>31,348</b>	

#### PROPERTIES: FAIR VALUE

SEKm	2015 Jan–Mar	2014 Jan–Dec
Fair value, as per January 1	30,208	24,059
Acquisitions	357	4,452
Investments	235	1,021
Sales	–185	–531
Change in value	376	1,207
<b>Fair value at the end of the period</b>	<b>30,991</b>	<b>30,208</b>

#### PROPERTY TRANSACTIONS 2015: DIVESTMENTS

City	Property	Category	Lettable area, sq.m.	Quarter
Karlstad	Bromsen 13	Retail	370	Q1
Västerås	Skonerten 2 (tomträtt)	Industry/ warehouse	4,720	Q1
Stockholm	Luna 1	Office	6,651	Q1
Stockholm	Opalen 40	Office	770	Q1
Stockholm	Båglampan 35	Industry/ warehouse	7,855	Q1
Stockholm	Sjöhjälten 2	Office	3,409	Q1
<b>Total</b>			<b>23,775</b>	

#### KLÖVERN'S LARGEST PROJECTS IN PROGRESS

City	Property	Project type	Lettable area property, sq.m.	Project area, sq.m.	Economic occupancy rate after project, %	Estimated investment, SEKm	Remaining investment, SEKm	Increase in rental value due to project, SEKm	Rental value after project, SEKm	Estimated completion, year
Kista	Isafjord 8	Office	26,112	26,112	100	675	515	60	60	2017
Uppsala	Kungsängen 10:1;2	Office	11,376	11,376	100	250	69	15	21	2016
Kista	Borgarfjord 4	Office	13,356	13,356	100	170	164	19	32	2017
Örebro	Vindhjulet 3	Office	19,343	19,343	100	155	70	11	28	2016
Göteborg	Gamlestaden 39:13	Office	11,478	11,478	100	127	123	11	22	2017
Stockholm	Johannelund 7	Retail	22,107	3,565	57	66	62	3	22	2016
Stockholm	Rektangeln 3	Animal clinic	3,131	2,654	100	44	37	4	7	2016
Karlskrona	Skeppsbron 3	Office	1,980	1,980	100	42	10	5	5	2015
Halmstad	Halmstad 2:49	Office	2,843	2,943	100	33	2	4	6	2015
Stockholm	Konsumenten 3	Office	7,894	10,254	88	21	6	1	10	2015
<b>Total</b>			<b>119,620</b>	<b>103,061</b>		<b>1,583</b>	<b>1,058</b>	<b>133</b>	<b>213</b>	

## THE SHARE

As at 31 March, the total number of registered shares in the company was 932,437,980, of which 81,871,406 were ordinary shares of Class A, 834,122,574 ordinary shares of Class B and 16,444,000 preference shares. An ordinary share of Class A confers entitlement to one vote while an ordinary share of Class B, like a preference share, confers entitlement to one-tenth of a vote. Klöver's shares are listed on Nasdaq Stockholm. On 31 March, the share price was SEK 10.00 per ordinary share of Class A, SEK 10.00 per ordinary share of Class B and SEK 339.50 per preference share, corresponding to a total market capitalization of SEK 14,743 million (12,232). The number of shareholders at the end of the period was approximately 43,900 (42,700). 79 per cent (79) of the total number of shares are Swedish-owned. Klöver does not hold any ordinary or preference shares.

## PROFIT AND KEY RATIOS

The tables on the following page show income statement items and key ratios broken down according to Klöver's regions. For the group as a whole, figures are also broken down according to investment and development properties. Investment properties mean properties being actively managed. Development properties refer to properties where conversion or extension projects are in process or planned, leading to a higher standard or changed use of the premises. The operating surplus is affected by projects or restrictions on letting before development of the properties. The

SHAREHOLDERS 31.03.2015					
	No. ordinary shares A thousands	No. ordinary shares B thousands	No. preference shares, thousands	Share of capital, %	Share of votes, %
Corem Property Group	16,100	161,000	—	18.9	19.2
Arvid Svensson Invest	13,300	132,997	685	15.7	15.9
Rutger Arnhult via companies	9,377	85,174	597	10.2	10.7
Gårdarike	7,526	2,500	46	1.0	4.6
Länsförsäkringar funds	60	61,180	—	6.5	3.7
CBNY-Norges Bank	2,288	24,257	15	2.8	2.8
Handelsbanken funds	1,438	32,083	—	3.6	2.7
Swedbank Robur funds	2,290	22,458	8	2.6	2.7
Nordea Investment Funds	696	6,501	—	0.7	0.8
Robur Försäkring	566	6,562	614	0.7	0.7
Mellon US Tax Exempt Account	918	1,622	0	0.2	0.6
Lundmark & Co Fondförvaltning	388	6,305	51	0.7	0.6
Ralf Ekblad	1,000	—	—	0.1	0.6
Avanza Pension	421	4,870	751	0.6	0.5
SEB Investment Management	576	4,055	0	0.5	0.5
Klövern's Vinstandelsstiftelse	481	4,810	15	0.5	0.5
AP4	—	9,154	213	1.0	0.5
SSB Client Omnibus AC OM03	387	5,338	45	0.6	0.5
SEB	601	2,757	57	0.3	0.5
Invus Investment	436	4,356	11	0.5	0.5
<b>Total largest shareholders</b>	<b>58,849</b>	<b>577,979</b>	<b>3,108</b>	<b>68.6</b>	<b>70.0</b>
Other shareholders	23,022	256,144	13,336	31.3	29.9
<b>Total outstanding shares</b>	<b>81,871</b>	<b>834,123</b>	<b>16,444</b>	<b>100.0</b>	<b>100.0</b>
Repurchased own shares	—	—	—	—	—
<b>Total registered shares</b>	<b>81,871</b>	<b>834,123</b>	<b>16,444</b>		

Shares of capital/votes have been rounded off downwards to the nearest one-tenth of a percentage point.

DEVELOPMENT OF SHARE CAPITAL						
Date	Event	Change no. ordinary shares	Total no. ordinary shares	Change no. preference shares	Total no. preference shares	Acc. share capital, SEK
01.01.2012	Opening balance		166,544,326		—	832,721,630
13.01.2012	Cash new issue	34	166,544,360			832,721,800
13.01.2012	Bonus issue			4,163,609	4,163,609	853,539,845
06.03.2012	New issue			7,544,531	11,708,140	891,262,500
10.04.2012	New issue			66,638	11,774,778	891,595,690
19.04.2012	New issue			585	11,775,363	891,598,615
29.06.2012	New issue			463,000	12,238,363	893,913,615
09.07.2012	New issue			448,000	12,686,363	896,153,615
14.09.2012	New issue			912,500	13,598,863	900,716,115
17.09.2012	New issue			132,475	13,731,338	901,378,490
08.10.2012	New issue			3,583,350	17,314,688	919,295,240
08.10.2012	New issue			1,105,000	18,419,688	924,820,240
17.10.2012	New issue			116,650	18,536,338	925,403,490
24.03.2014	New issue			300,000	18,836,338	926,903,490
11.04.2014	New issue			987,468	19,823,806	931,840,830
28.05.2014	New issue			564,194	20,388,000	934,661,800
11.11.2014	Reduction of share capital					186,932,360
25/27.11.2014	New issue			12,500,000	32,888,000	199,432,360
05.12.2014	Bonus issue of B-shares	1,665,443,600	1,831,987,960			1,864,875,960
22.12.2014	Reverse split	-915,993,980	915,993,980	-16,444,000	16,444,000	1,864,875,960
31.03.2015	Closing balance		915,993,980		16,444,000	1,864,875,960



income statement table shows current operations, including properties sold during the period and investments made. The table with key ratios shows the situation at the end of the respective quarter, and the figures in the two tables are accordingly not wholly comparable.

## ORGANIZATION AND ENVIRONMENT

Klövern's business model entails closeness to the customer by having our own local staff at all 18 business units, allocated to four geographic regions. The regions are Stockholm (Kista, Globen, Greater Stockholm and Uppsala), East (Linköping, Norrköping, Nyköping, Karlskrona and Kalmar), Central/North (Västerås, Karlstad, Örebro, Falun/Säter and Härnösand/Sollefteå) and South (Gothenburg, Malmö, Borås and Halmstad).

At the end of the quarter, Klöver had Klöver 201 employees (190). The average age was 45 (45) and the proportion of women was 39 per cent (42). The company has been certified in accordance with the Swedish Environmental Standard (Svensk Miljöbas) since 2011.

## TAXES

Deferred tax of SEK –6 million (–7) has been charged to profit on current real estate operations. Furthermore, among other things, the change in the difference between fair value and residual value for tax purposes of properties, derivatives and financial assets entailed an effect on deferred tax of SEK –122 million (–24). In all, an effect on deferred tax of SEK –128 million (–31) and on current tax of SEK 0 million (0) are included.

### PROFIT PER PROPERTY SEGMENT AND REGION

	Income, SEKm		Costs, SEKm		Operating surplus, SEKm		Operating margin, %		Investments, SEKm	
	2015 Jan–Mar	2014 Jan–Mar	2015 Jan–Mar	2014 Jan–Mar	2015 Jan–Mar	2014 Jan–Mar	2015 Jan–Mar	2014 Jan–Mar	2015 Jan–Mar	2014 Jan–Mar
Stockholm	272	197	–98	–70	174	127	64	64	150	37
East	163	162	–61	–57	102	105	63	65	33	48
Central/North	150	145	–58	–57	92	88	61	61	41	43
South	84	83	–33	–35	51	48	60	58	11	50
Investment	642	557	–231	–194	411	363	64	65	109	124
Development	27	30	–19	–25	8	5	29	17	126	54
<b>Total</b>	<b>669</b>	<b>587</b>	<b>–250</b>	<b>–219</b>	<b>419</b>	<b>368</b>	<b>63</b>	<b>63</b>	<b>235</b>	<b>178</b>

### KEY RATIOS PER PROPERTY SEGMENT AND REGION

	Fair value, SEKm		Required yield <sup>1)</sup> , %		Area, 000 sq.m.		Rental value, SEKm		Ec. occupancy rate, %	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Stockholm	14,544	9,597	6.3	6.7	758	647	1,234	891	90	89
East	6,477	5,994	7.1	7.2	759	746	714	684	91	91
Central/North	6,073	5,294	7.3	7.4	760	724	690	646	90	90
South	3,897	3,752	7.2	7.4	523	527	372	371	91	89
Investment	27,946	22,366	6.8	7.1	2,486	2,322	2,827	2,407	92	93
Development	3,045	2,271	6.9	7.0	314	322	183	185	60	55
<b>Total</b>	<b>30,991</b>	<b>24,637</b>	<b>6.8</b>	<b>7.1</b>	<b>2,800</b>	<b>2,644</b>	<b>3,010</b>	<b>2,592</b>	<b>90</b>	<b>90</b>

<sup>1)</sup> Required yield are estimated excluding building rights.

**Stockholm:** Kista, Globen, Greater Stockholm and Uppsala. **East:** Linköping, Norrköping, Nyköping, Karlskrona and Kalmar. **Central/North:** Västerås, Karlstad, Örebro, Falun/Säter and Härnösand/Sollefteå. **South:** Gothenburg, Malmö, Borås and Halmstad.





The property Livia 16 in Västerås.  
Acquired in December 2014 with  
transfer of possession in March 2015.

During 2014, the Supreme Administrative Court granted leave to appeal in the matter of the upward adjustment of tax of SEK 77 million made by the Tax Agency for the income year 2008. Klöver has won the case in the lower courts.

#### **SIGNIFICANT RISKS AND UNCERTAINTY FACTORS**

A real estate company is exposed to various risks and opportunities in its business activities. Internal regulations and policies limit exposure to different risks. Klöver's significant risks and exposure and management of these are described on pages 64–67 of the 2014 annual report.

#### **DISPUTES**

Klöver has an ongoing larger rent dispute. The tenant has deposited SEK 15 million for 2012, SEK 60 million for January–December 2013 and SEK 15 million for January–March 2014 at the County Administrative Board. Klöver has, by reduction of rental income, reserved SEK 15 million for 2012 and SEK 15 million for 2013.

### ACCOUNTING POLICIES

This interim report for the Group has been prepared in accordance with the Annual Accounts Act and IAS 34 Interim Financial Reporting and, in the case of the Parent Company, the Annual Accounts Act. The new interpretation of IFRIC 21:Levies is applied from 1 January 2015. For the group, IFRIC 21 entails that property tax is recognized as a liability in its entirety when the obligation to pay arises. This means that Klöverner recognizes the liability for the whole year as at 1 January. Furthermore, a prepaid expense is recognized which is accrued on a linear basis over the financial year. Other accounting policies applied in this interim report are in essential parts those described in note 1 of Klöverner's Annual Report for 2014.

Klöverner's holding in Tribona AB (publ) amounted on 31 March to 29.8 per cent. Holdings which exceed 20 per cent, but are less than 50 per cent of the votes, are reported as participation rights in associated companies and Klöverner therefore reports the holding in Tribona as participation rights in an associated company. The holding is reported in accordance with the equity method. This means that the book value for the Group of the holding is adjusted by Klöverner's share of the net profit for the period and other comprehensive income with the exception of any dividend received. The associated company is reported at acquisition value in the parent company. The participation rights in Tribona have previously been reported as financial assets valued in the statement of income. This means that the participation rights have been valued at fair value as at 7 June 2013 when the company became an associated company. The holding in Tribona has affected Klöverner's statement of income as follows:

- Klöverner's share of Tribona's net profit for the period is reported as Share of profit in an associated company.
- Klöverner's share of Tribona's other comprehensive income is reported as Other comprehensive income.

### DIVIDEND

The Board of Directors is proposing a dividend of SEK 0.30 per ordinary share and SEK 20.00 per preference share for the 2014 financial year. The dividend for the 2013 financial year amounted to SEK 1.50 per ordinary share and SEK 10.00 per preference share. Adjusted for the bonus issue and reverse split carried out during 2014, this corresponds to a dividend for the previous year of SEK 0.27 per ordinary share and SEK 20.00 per preference share. Dividend on the preference share is paid at SEK 5.00 per quarter. It is proposed that the record date for dividend to ordinary shareholders be 27 April 2015 and estimated payment date 30 April 2015. The record date for dividend to preference shareholders is the last weekday of each quarter and the payment date is around three days later. During the first quarter of 2015, a dividend of SEK 5.00 per preference share has been paid, totalling SEK 82 million (46).

### EVENTS AFTER THE END OF THE PERIOD

After the end of the period Klöverner has sold its entire shareholding in Stendörren Fastigheter AB, 1,000,000 shares, for SEK 50 million.

Nyköping, 23 April 2015

The Board of Directors of Klöverner AB (publ)

This interim report has not been reviewed by Klöverner's auditors.

## Consolidated Statement of Income

SEKm	2015 3 months Jan–Mar	2014 3 months Jan–Mar	2014 12 months Jan–Dec	Rolling 12 months Apr–Mar
Income	669	587	2,521	2,603
Property costs	–250	–219	–878	–909
<b>Operating surplus</b>	<b>419</b>	<b>368</b>	<b>1,643</b>	<b>1,694</b>
Central administration	–23	–19	–84	–88
Net financial items	–169	–186	–770	–753
<b>Profit from property management</b>	<b>227</b>	<b>163</b>	<b>789</b>	<b>853</b>
Share in earnings of associated companies	–1	–45	–126	–82
Changes in value, properties	376	157	1,207	1,426
Changes in value, derivatives	–73	–156	–565	–482
Changes in value, financial assets	8	—	—	8
Write-down of goodwill	–9	–1	–10	–18
<b>Profit before tax</b>	<b>528</b>	<b>118</b>	<b>1,295</b>	<b>1,705</b>
Current tax	0	0	–2	–2
Deferred tax	–128	–31	–129	–226
<b>Net profit for the period</b>	<b>400</b>	<b>87</b>	<b>1,164</b>	<b>1,477</b>
Other comprehensive income, items which may later be reversed in the income statement	–1	–1	4	4
<b>Comprehensive income for the period</b>	<b>399</b>	<b>86</b>	<b>1,168</b>	<b>1,481</b>
Earnings per ordinary share <sup>1</sup> , SEK	0.35	0.04	1.02	1.32
Earnings per preference share <sup>1</sup> , SEK	5.00	5.00	14.06	16.20
No. of ordinary shares outstanding at the end of the period <sup>1</sup> , million	916.0	916.0	916.0	916.0
No. of preference shares outstanding at the end of the period <sup>1</sup> , million	16.4	9.4	16.4	16.4
Average no. of outstanding ordinary shares <sup>1</sup> , million	916.0	916.0	916.0	916.0
Average no. of outstanding preference shares <sup>1</sup> , million	16.4	9.3	10.5	12.3

The profit is fully attributable to the parent company's shareholders.

There are no outstanding warrants or convertibles.

<sup>1</sup> Historical figures are adjusted for the bonus issue and reverse share split completed during Q4,2014.

## Consolidated Balance Sheet

SEKm	31.03.2015	31.03.2014	31.12.2014
<b>ASSETS</b>			
Goodwill	235	254	245
Investment properties	30,991	24,637	30,208
Machinery and equipment	13	12	12
Participation rights in associated companies	446	443	448
Financial assets at fair value through statement of income	83	32	35
Other receivables	544	358	424
Liquid funds	208	798	286
<b>TOTAL ASSETS</b>	<b>32,520</b>	<b>26,534</b>	<b>31,658</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
Shareholders' equity	10,387	7,331	9,988
Minority interest	0	0	0
Deferred tax liability	1,104	892	978
Interest-bearing liabilities	19,246	17,181	18,870
Derivatives	782	300	709
Accounts payable	79	104	197
Other liabilities	147	59	206
Accrued expenses and prepaid income	775	667	710
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>32,520</b>	<b>26,534</b>	<b>31,658</b>

## Change in Consolidated Shareholders' Equity

SEKm	
Shareholders' equity 31.12.2013	7,198
Repurchase/sale of own shares	2,138
Dividend	-516
Other comprehensive income	4
Net profit for the period	1,164
<b>Shareholders' equity 31.12.2014</b>	<b>9,988</b>
Other comprehensive income	-1
Net profit for the period	400
<b>Shareholders' equity 31.03.2015</b>	<b>10,387</b>

## Consolidated Cash Flow Statement

SEKm	2015 3 months Jan–Mar	2014 3 months Jan–Mar	2014 12 months Jan–Dec
<b>Current operations</b>			
Profit from property management	227	163	789
Adjustment for items not included in the cash flow	1	1	4
Income tax paid	0	—	-2
<b>Cash flow from current operations before change in working capital</b>	<b>228</b>	<b>164</b>	<b>791</b>
<b>Changes in working capital</b>			
Change in operating receivables	-115	-53	-127
Change in operating liabilities	-42	6	179
<b>Total change in working capital</b>	<b>-157</b>	<b>-47</b>	<b>52</b>
<b>Cash flow from current operations</b>	<b>71</b>	<b>117</b>	<b>843</b>
<b>Investment operations</b>			
Divestment of properties	143	33	531
Acquisition of and investment in properties	-592	-454	-5,473
Acquisition of machinery and equipment	-1	-1	-4
Change in financial assets	7	—	-95
<b>Cash flow from investment operations</b>	<b>-443</b>	<b>-422</b>	<b>-5,041</b>
<b>Financing operations</b>			
Change in interest-bearing liabilities	376	1,018	2,707
New issue of preference shares	—	47	2,138
Dividend	-82	-46	-445
<b>Cash flow from financing operations</b>	<b>294</b>	<b>1,019</b>	<b>4,400</b>
<b>Total cash flow</b>	<b>-78</b>	<b>714</b>	<b>202</b>
Liquid funds at the beginning of the period	286	84	84
Liquid funds at the end of the period	208	798	286



## Parent Company Income Statement

SEKm	2015 3 months Jan–Mar	2014 3 months Jan–Mar	2014 12 months Jan–Dec
Net sales	48	40	187
Cost of services sold	–37	–38	–143
<b>Gross profit</b>	<b>11</b>	<b>2</b>	<b>44</b>
Central administration	–23	–19	–84
<b>Operating profit</b>	<b>–12</b>	<b>–17</b>	<b>–40</b>
Net financial items	–97	–88	279
<b>Profit before tax</b>	<b>–109</b>	<b>–105</b>	<b>239</b>
Current tax	—	—	—
Deferred tax	—	—	25
<b>Net profit for the period</b>	<b>–109</b>	<b>–105</b>	<b>264</b>
Other comprehensive income	—	—	—
<b>Comprehensive income for the period</b>	<b>–109</b>	<b>–105</b>	<b>264</b>

## Parent Company Balance Sheet

SEKm	31.03.2015	31.03.2014	31.12.2014
<b>ASSETS</b>			
Machinery and equipment	4	3	4
Participation rights in group companies	1,875	1,850	1,875
Participation rights in other companies	522	435	522
Receivables from group companies	13,767	11,419	13,662
Deferred tax assets	364	339	364
Accounts receivables	44	39	41
Liquid funds	43	806	277
<b>TOTAL ASSETS</b>	<b>16,619</b>	<b>14,891</b>	<b>16,745</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
Shareholders' equity	7,150	5,316	7,259
Interest-bearing liabilities	8,377	6,095	8,361
Liabilities to group companies	864	3,321	856
Accounts payable	2	3	9
Other liabilities	109	66	179
Accrued expenses and prepaid income	117	90	81
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>16,619</b>	<b>14,891</b>	<b>16,745</b>

## Key ratios

	2015-03-31 3 months Jan–Mar	2014-03-31 3 months Jan–Mar	2015-03-31 rolling 12 months Apr–Mar	2014	2013	2012	2011	2010
<b>Property</b>								
Number of properties	410	401	410	408	402	387	255	250
Lettable area, 000 sq.m.	2,800	2,644	2,800	2,792	2,624	2,529	1,561	1,528
Rental value, SEKm	3,010	2,592	3,010	2,983	2,570	2,468	1,554	1,486
Fair value properties, SEKm	30,991	24,637	30,991	30,208	24,059	22,624	14,880	13,493
Yield requirement valuation, %	6.8	7.1	6.8	6.9	7.2	7.2	7.1	7.2
Operating margin, %	63	63	63	65	63	62	63	60
Occupancy rate, economic, %	90	90	90	90	90	88	89	89
Occupancy rate, area, %	82	81	82	81	82	81	80	79
Average lease term, years	3.5	3.6	3.5	3.3	3.5	3.4	2.8	2.8
<b>Financial</b>								
Return on equity, %	3.9	1.2	17.1	14.5	11.6	5.8	10.1	14.0
Equity ratio, %	31.9	27.6	31.9	31.5	28.5	28.1	31.6	33.0
Equity ratio, adjusted, %	36.7	31.1	36.7	35.9	31.4	31.9	35.8	35.1
Leverage, %	59	65	59	60	65	64	63	63
Leverage properties, %	52	55	52	51	57	59	63	63
Interest coverage ratio	2.3	1.9	2.1	2.0	1.9	1.9	2.2	2.8
Average interest, %	3.3	4.2	3.3	3.5	4.3	4.3	4.2	3.6
Average fixed-interest period, years	2.2	2.5	2.2	2.1	2.7	3.0	2.7	2.4
Average period of tied-up capital, years	2.6	1.9	2.6	2.1	2.0	2.2	1.9	2.0
Interest-bearing liabilities, SEKm	19,246	17,181	19,246	18,870	16,163	15,229	9,345	8,517
<b>Share<sup>1</sup></b>								
Earnings per ordinary share, SEK	0.16	0.13	0.64	0.61	0.49	0.43	0.48	0.50
Earnings per preference share, SEK	0.35	0.04	1.32	1.02	0.68	0.23	0.53	0.68
Equity per share, SEK	11.14	7.92	11.14	10.71	7.78	7.46	5.36	5.11
Share price ordinary share A at end of period, SEK	10.00	6.29	10.00	8.20	5.18	4.65	4.71	6.18
Share price ordinary share B at end of period, SEK	10.00	—	10.00	7.60	—	—	—	—
Share price preference share at end of period, SEK	339.50	307.00	339.50	317.50	300.00	273.50	—	—
Market capitalization, SEKm	14,743	8,654	14,743	12,232	7,527	6,670	4,165	5,467
Total no. of registered ordinary shares at end of period, million	916.0	916.0	916.0	916.0	916.0	916.0	916.0	916.0
Total no. of outstanding ordinary shares at end of period, million	916.0	916.0	916.0	916.0	916.0	888.5	884.4	884.4
Total no. of registered preference shares at end of period, million	16.4	9.4	16.4	16.4	9.3	9.3	—	—
Total no. of outstanding preference shares at end of period, million	16.4	9.4	16.4	16.4	9.3	9.3	—	—
Dividend per ordinary share, SEK	—	—	—	0.30 <sup>2</sup>	0.27	0.27	0.23	0.27
Dividend per preference share, SEK	—	—	—	20.00 <sup>2</sup>	20.00	20.00	20.00	—
Dividend in relation to profit from property management, %	—	—	—	77 <sup>2</sup>	68	83	79	55

<sup>1</sup>) Historical figures are adjusted for the bonus issue and reverse share split completed during Q4 2014.

<sup>2</sup>) Based on proposed dividend.

NUMBER OF PROPERTIES

410

PROPERTY VALUE,  
SEK BILLION

31.0

RENTAL VALUE,  
SEK BILLION

3.0

## Definitions

### PROPERTY

#### AREA-BASED OCCUPANCY RATE

Let area in relation to total lettable area.

#### DEVELOPMENT PROPERTIES

Properties where conversion or extension projects are in process or planned, which lead to a higher standard or changed use of the premises.

#### ECONOMIC OCCUPANCY RATE

Lease value in relation to rental value at the end of the period.

#### INVESTMENT PROPERTIES

Properties currently being actively managed.

#### LEASE VALUE

Rent for premises, index and rent supplement according to lease.

#### NET MOVING-IN

Lease value of tenants moving in less lease value of vacating tenants.

#### OPERATING MARGIN

Operating surplus in per cent of total income.

#### OPERATING SURPLUS

Total income less rent losses, operating and maintenance costs, property administration, site leasehold charges and property tax.

#### PROFIT FROM PROPERTY MANAGEMENT

Profit before changes in value and tax.

#### REALIZED CHANGE IN VALUE

Property sales during the period after deduction of the properties' most recent reported fair value and selling expenses.

#### RENTAL VALUE

Lease value plus assessed market value for space not rented at end of period.

#### REQUIRED YIELD, VALUATION

The required yield of property valuations on the residual value.

#### UNREALIZED CHANGE IN VALUE

Change in fair value of the property portfolio after deduction of investments made.

### FINANCE

#### EQUITY RATIO

Reported equity in relation to reported total assets at the end of the period.

#### EQUITY RATIO, ADJUSTED

Reported equity adjusted for the value of derivatives, goodwill and deferred tax liabilities exceeding 5 per cent of the difference between taxable value and fair value of the properties in relation to reported total assets adjusted for goodwill at the end of the period.

#### INTEREST COVERAGE RATIO

Profit from property management plus financial costs in relation to financial costs.

#### LEVERAGE

Interest-bearing liabilities after deduction of the market value of the listed share portfolio and liquid funds in relation to the fair value of the properties at the end of the period.

#### LEVERAGE PROPERTIES

Interest-bearing liabilities with secured financing in properties in relation to the fair value of the properties at the end of the period.

#### RETURN ON EQUITY

Profit for the period in relation to average equity.

### SHARE

#### EARNINGS PER ORDINARY SHARE

Profit for the period, after deduction of earnings to preference shares, in relation to average number of outstanding ordinary shares.

#### EARNINGS PER PREFERENCE SHARE

The periods accumulated share of yearly dividend of SEK 20 per preference share calculated on outstanding preference shares at the end of each quarter.

#### EQUITY PER SHARE

Shareholders' equity in relation to outstanding common and preference shares at balance sheet date.

#### PROFIT FROM PROPERTY MANAGEMENT PER ORDINARY SHARE

Profit from property management after deduction of earnings to preference shares, in relation to the average number of outstanding ordinary shares.

LETTABLE AREA,  
THOUSAND SQ.M.

**2,800**

EQUITY RATIO,  
ADJUSTED, %

**36.7**

NUMBER OF  
SHAREHOLDERS

**43,900**

# Calendar

Annual General Meeting 2015	23 April 2015
Record date for dividend to ordinary shareholders	27 April 2015
Expected date for dividend to ordinary shareholders	30 April 2015
Final day for trading conferring right to dividend to preference shareholders	26 June 2015
Record date for dividend to preference shareholders	30 June 2015
Expected date for dividend to preference shareholders	3 July 2015
Interim report Jan–Jun 2015	10 July 2015
Interim report Jan–Sep 2015	22 Oct 2015
Year-end report 2015	11 Feb 2016

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This information is such that Klöver AB (publ) is obliged to disclose under the Securities Market Act and/or the Financial Instruments Trading Act. The information was made available for publication on 23 April 2015.

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