

- » Net profit increased by 66 per cent to SEK 1,482 million (892), corresponding to SEK 1.35 (0.81) per ordinary share.
- » Income increased by 8 per cent to SEK 2,013 million (1,863).
- » The operating surplus increased by 8 per cent to SEK 1,333 million (1,238).
- » Profit from property management increased by 32 per cent to SEK 786 million (594).
- » Changes in value of properties amounted to SEK 1,084 million (880). After taking possession of 15 properties for SEK 1,199 million, divestment of 14 properties for SEK 543 million and investments of SEK 852 million the value of the property portfolio amounted to SEK 32,800 million.
- » The adjusted equity ratio improved to 36.4 per cent.

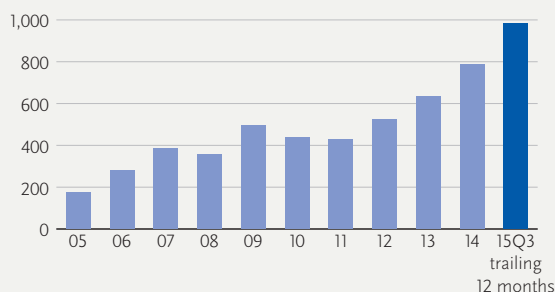
# THIS IS KLÖVERN

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

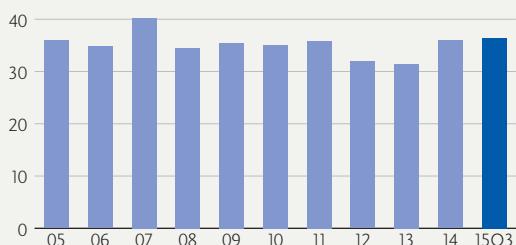
Our vision is to create environments for future enterprise. This requires active construction of city neighbourhoods, districts and other business clusters.

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

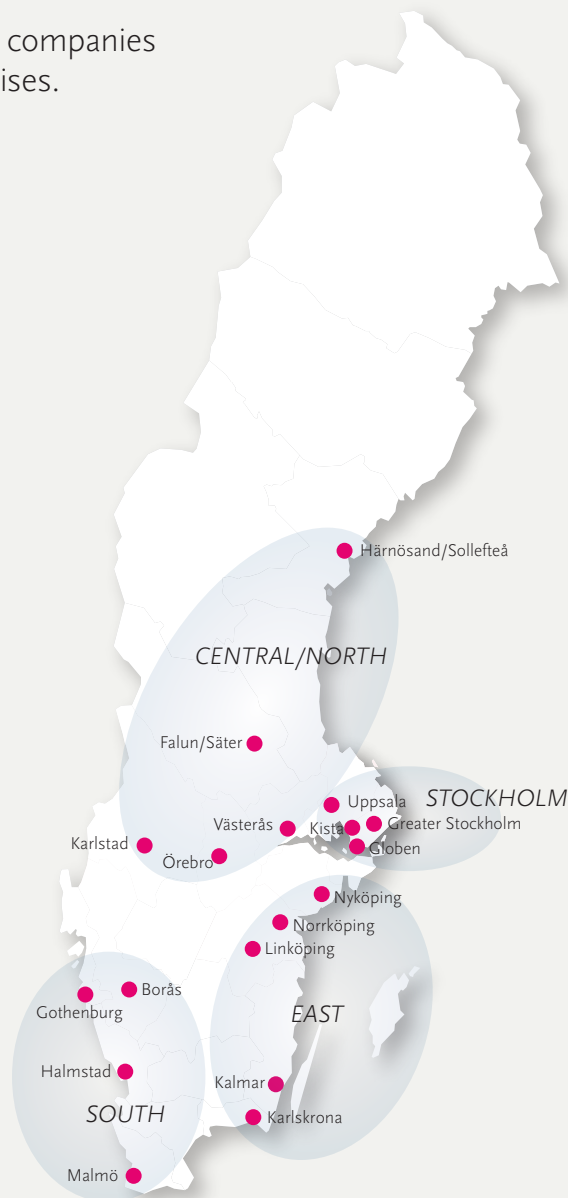
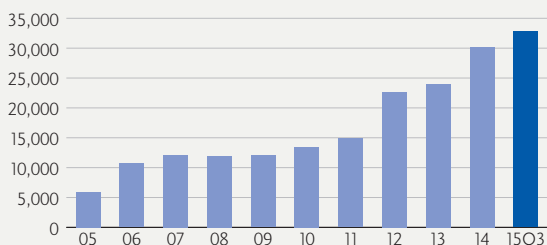
**PROFIT FROM PROPERTY MANAGEMENT, SEKm**



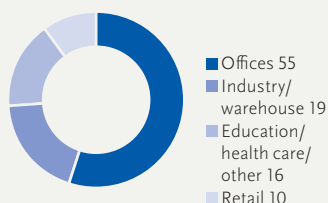
**EQUITY RATIO, adjusted, %**



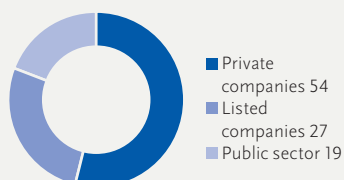
**PROPERTY VALUE, SEKm**



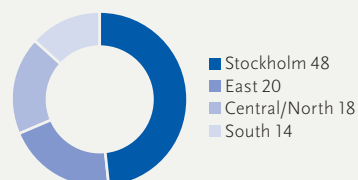
**RENTAL VALUE BY TYPE OF PREMISES, %**



**CONTRACT VALUE BY CUSTOMER CATEGORY, %**



**PROPERTY VALUE BY REGION, %**



## Good profit development

Profit continued to develop well during the third quarter with profit from property management increasing by 28 per cent. Market conditions are favourable in the form of a robust state of the economy and historically low interest rates. Hand in hand with this, the transaction market continues to be strong, as reflected in rising property values although this also means that it is important to be selective when making acquisitions. At the same time, there is a great potential for long-term creation of value in project activities at a number of the growth locations where Klöveren has a leading position.

A favourable rental market combined with acquisitions led to an increase in income of 4 per cent during the quarter. Good cost control including successful long-term work on improving energy efficiency, contributed to the operating margin being 69 per cent. Although net moving-in was slightly weak during the quarter, after nine months we are not so far from the goal for the full year of a net moving-in of at least 1 per cent of the rental value, and conditions are good for the last quarter of the year. Further down in the income statement the favourable level of interest rates is reflected in a continued improvement in net financial items.

The property portfolio continued to increase in value as a result of both acquisitions and positive changes in value. In a strong transaction market, it is important to be selective about additions to the portfolio. We reject considerably more properties than those that we go on to endeavour to acquire. During 2015, we have primarily strengthened Klöveren's position in Stockholm and Gothenburg by acquisitions of high quality properties with solid well-known tenants. Not least Solna Gate – with tenants such as Santander, BP, Bristol-Myers Squibb and GlaxoSmithKline. The same applies to the property Inom Vallgraven 15:2, centrally located in Gothenburg with Swedbank as its largest tenant.

In all, Klöveren has 5.000 tenants in a broad spectrum of industries, geographically distributed over a number of growth locations. This mix, together with almost every fifth krona of income coming from public sector activities, creates stability.

Stability on the income side provides in turn the prerequisites to develop the business through projects. In the next few years, it may very well be the case that our project operations will be the single largest creator of value for Klöveren. At present, we have over 300 ongoing projects with a total investment volume of over SEK 3 billion. Among the largest projects are Tele2's new head office in Kista and construction of Elite Hotels' new landmark hotel at the central station in Uppsala. At the same time, in a structured way, we continue to focus on how changed local plans can create opportunities both for new offices and housing, sometimes through infilling, to create even more attractive urban environments. One example of a planned coming project is the property Sigurd 7, also known as S7, at the central station in Västerås. As recently as last week, we submitted planning applications for an exciting new modern building encompassing around 8,000 sq.m. of lettable area. Another project, which is closer in time, is Skeppet in Karlstad, a roughly 14,000 sq.m. large office and retail property in the best location at the city's inner harbour.

Overall, we are satisfied with the development in the third quarter and the prospects look favourable for a good conclusion to the year.

Rutger Arnhult  
CEO Klöveren



The property Inom Vallgraven 15:2 in Gothenburg, acquired during the third quarter. Possession will be in November.



Interior from Inom Vallgraven 15:2.

The income statement items 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 July–September, the period to January–September and the year to January–December.

## PROFIT

Profit from property management, i.e. profit excluding changes in value and tax, increased to SEK 288 million (225) during the third quarter. Profit from property management was affected positively by acquisitions. Profit before tax which amounted to SEK 514 million (248) was affected by SEK 309 million (152) for changes in value of properties, SEK –75 million (–105) for derivatives and SEK 0 million (–23) for Klöver's share in profits in the associated company Tribona. The operating margin was 69 per cent (69).

## INCOME AND EXPENSES

Income increased to SEK 667 million (641) during the quarter. The increase in income is mainly attributable to net acquisitions. The settlement of a rental dispute has reduced income by SEK 6 million. Property costs increased to SEK 207 million (197). Property costs include rent losses of SEK 6 million (1), or in total SEK 7 million (2) during the period. Central administration costs amounted to SEK 20 million (20) during the quarter.

## COMPARABLE PORTFOLIO

Operating surplus for the quarter for a comparable portfolio rose by 3 per cent to SEK 388 million (376). Income rose by 2 per cent to SEK 556 million (545). Property costs decreased marginally to SEK 168 million (169). The fair value of a comparable portfolio increased by SEK 1,425 million, or 6 per cent, compared with 30 September 2014, mainly due to investments made in connection with new letting, rising market rents and reduced required yield.

## NET MOVING-IN AND OCCUPANCY RATE

The quarter shows net moving-in of SEK –6 million (13), the corresponding figure for the period January–September being SEK 23 million (19).

The largest tenants moving in during the quarter include the Municipality of Karlstad at the property Stolpen 1 in

Karlstad, encompassing 1,400 sq.m., and Livsförsäkringsbolaget Skandia at the property Arenan 3 in Globen area with 600 sq.m. The largest vacating tenants were MultiQ Products AB at the property Sufflören 4 in Malmö with 1,600 sq.m. and Intel Sweden AB at the property Knarrarnäs 9 in Kista with 900 sq.m.

The average remaining lease term on 30 September was 3.4 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.

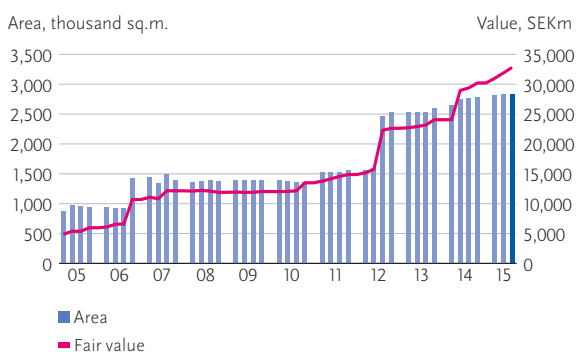
On 1 April 2016 Eniro will leave the property Hilton 3 in Solna, where the company currently rents around 7,700 sq.m, and instead move into 2,100 sq.m. in the property Borgarfjord 4 in Kista. Both Eniro AB and Eniro Sverige Försäljning AB will move into the new premises. The new contract is for a bit more than 5 years.

Among other contracts signed during the quarter where the tenant has not yet moved in are a three-year lease with Region Östergötland encompassing 750 sq.m. at the property Stjärnan 15 in Norrköping. Klöver has also extended two major lease contracts at the property Isafjord 4 in Kista. In all, this amounts to leases for around 35,000 sq.m. of office space, which have been extended to 31 December 2025. In addition, rental contracts in Kista encompassing in total around 41,000 sq.m have been terminated as of 31 August 2016.

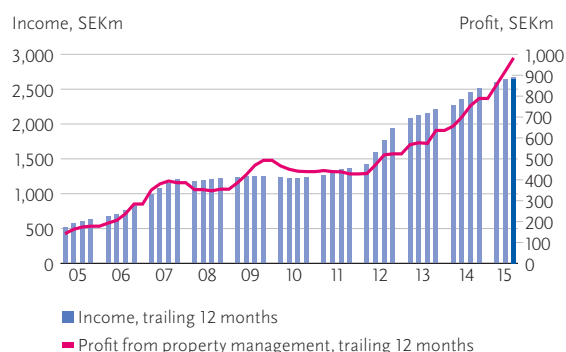
## SHAREHOLDINGS

On 30 September Klöver's holding in Tribona amounted to 14,377,428 shares corresponding to 29.5 per cent of the total number of outstanding shares. Tribona has been reported as an associated company since 7 June 2013. Klöver's share of income for the quarter amounted to SEK 0 million (–23). In the middle of September Corem Property Group made a public offer to the shareholders of Tribona. But in the middle of October Klöver entered into an agreement to sell the shares in Tribona to Catena AB for SEK 42 per share in cash. Klöver has thus chosen to say no to a similar bid from Corem which at the time that offer was announced was worth the equivalent of SEK 42 per share, of which around 50 per cent in cash and around 50 per cent in preference shares.

### PROPERTIES: VALUE AND AREA



### INCOME & PROFIT



Klövern's holding in the real estate company A Group of Retail Assets Sweden AB (Agora) amounts to 2,325,000 shares corresponding to 9.3 per cent of the total number of outstanding shares. The shareholding in Agora is reported in the income statement as financial assets.

## CASH FLOW

The cash flow from current operations during the quarter amounted to SEK 184 million (274). Investment operations have affected the cash flow by SEK –621 million (–285), through a combination of net acquisition of properties and investments in existing properties. The cash flow from financing activities has affected the cash flow by SEK 417 million (5). Altogether, the total cash flow was SEK –20 million (–6). Liquid funds at the end of the quarter amounted to SEK 124 million compared with SEK 5 million on 30 September 2014.

## FINANCING

At the end of the period, the interest-bearing liabilities amounted to SEK 20,309 million (18,870) and the average financial interest rate for the whole of the financial portfolio was 2.9 per cent (3.5). Net financial income during the quarter amounted to SEK –152 million (–199), of which financial income was SEK 0 million (1). The average fixed interest term was 2.0 years (2.1) as at 30 September. Credit volumes with swap agreements are treated as having fixed interest. At the end of the period, Klöverner had interest swaps totalling SEK 8,042 million (8,166). The average remaining term of derivatives was 4.4 years.

The average period of tied-up capital amounted to 2.3 years (2.1) on 30 September. Unutilized credit volumes, including unused credit facilities of SEK 400 million (400), amounted to SEK 3,316 million (2,043).

During the third quarter, Klöverner has increased the commercial paper programme to a framework amount of SEK 2,500 million. At the end of the quarter, the amount of outstanding commercial paper totalled SEK 1,830 million (–).

Klövern'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 0.5 percentage points and Klöverner's financial costs by SEK 105 million. Changes in value of derivatives amounted during the quarter to SEK –75 million (–105). On 30 September, the value was SEK –641 million (–709).

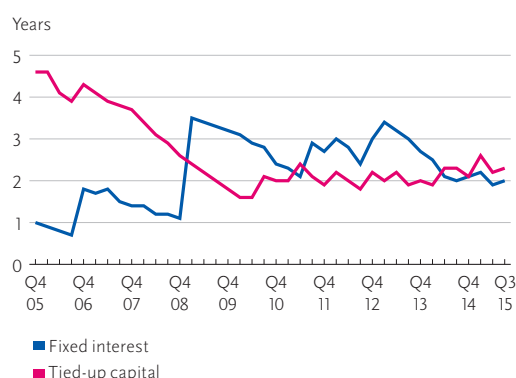
Unrealized change in value does not affect the cash flow. On maturity, the value of the derivative is always zero. All derivatives are classified at Level 2 according to IFRS 13. No derivatives have changed classification during the period. Klöverner's assessment is that there is no significant difference between the book value and the fair value of interest-bearing liabilities.

At the end of the period, the adjusted equity ratio was 36.4 per cent (35.9).

## PROPERTY TRANSACTIONS

During the period January to September, 15 properties (14) have been taken possession of for a total purchase price of SEK 1,199 million (4,183). Klöverner has sold and handed over 14 properties (10) during the quarter for a total of SEK 543 million (389).

## 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	11,252	2.2	—	—	—	—
2015	—	—	1,650	1,381	—	269
2016	1,915	2.4	3,623	2,576	—	1,047
2017	730	3.3	7,887	7,187	1,150	700
2018	1,502	3.9	9,210	7,910	1,800	1,300
2019	1,215	4.1	1,090	1,090	1,000	—
2020	815	3.7	—	—	—	—
2021	500	4.5	—	—	—	—
2022	1,280	5.3	—	—	—	—
2023	1,100	4.4	—	—	—	—
Later	—	—	165	165	—	—
<b>Total</b>	<b>20,309</b>	<b>2.9</b>	<b>23,625</b>	<b>20,309</b>	<b>3,950</b>	<b>3,316</b>

## 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 852 million (654) was invested during the period. In all, 308 projects (301) are in process and SEK 1,506 million (1,265) remains to be invested in these properties. Total estimated expenditure for the projects amounts to SEK 3,267 million (2,439).

At the end of the quarter, assessed building rights and building rights with local plans totalled 1,425,000 sq.m.

### PROPERTIES: FAIR VALUE

SEKm	2015 Jan–Sep	2014 Jan–Dec
Fair value, as per January 1	30,208	24,059
Acquisitions	1,199	4,452
Investments	852	1,021
Sales	–543	–531
Change in value	1,084	1,207
<b>Fair value at the end of the period</b>	<b>32,800</b>	<b>30,208</b>

### 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
Mölndal	Spinnaren 5	Industry/ warehouse	1,763	Q2
Göteborg	Majorna 220:4	Office	5,709	Q2
Göteborg	Majorna 219:7 <sup>1</sup>	Office	15,760	Q2
Göteborg	Sävenäs 170:12	Industry/ warehouse	4,106	Q2
Göteborg	Sävenäs 170:17	Education, Health care/ other	0	Q2
Lund	Rivan 1	Office	1,484	Q2
Mölndal	Gastuben 3	Office	5,990	Q2
Örebro	Bageriet 2	Retail	2,570	Q3
Örebro	Vindtunneln 1	Office	3,318	Q3
Stockholm	Malten 1	Office	13,318	Q3
<b>Total</b>			<b>85,366</b>	

<sup>1</sup>Leasehold

### PROPERTY TRANSACTIONS 2015: DIVESTMENTS

City	Property	Category	Lettable area, sq.m.	Quarter
Karlstad	Bromsen 13	Retail	370	Q1
Västerås	Skonerten 2 <sup>1</sup>	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
Eslöv	Rådjuret 1	Office	3,206	Q2
Eslöv	Kidet 1	Education, Health care/ other	0	Q2
Katrineholm	Nejlikan 13	Education, Health care/ other	2,566	Q2
Eskestuna	Vampyren 9	Retail	16,422	Q2
Karlskrona	Garvaren 26	Industry/ warehouse	3,625	Q2
Linköping	Masugnen 1	Retail	1,054	Q3
Linköping	Masugnen 2	Industry/ warehouse	3,461	Q3
Göteborg	Tingstadsvassen 27:2 <sup>1</sup>	Office	3,868	Q3
<b>Total</b>			<b>57,977</b>	

<sup>1</sup>Leasehold

### KLÖVERN'S LARGEST PROJECTS IN PROGRESS

City	Property	Project type	Entreprenör	Largest tenant	Project area, sq.m.	Estimated investment, SEKm	Remaining investment, SEKm	Increase in rental value due to project, SEKm	Estimated completion year
Kista	Isafjord 8	Office	In3prenör	Tele2	26,112	675	395	60	2017
Uppsala	Kungsängen 10:1, 2	Office/hotel	Wästbygg	Elite Hotels	19,240	474	203	33	2016
Kista	Borgarfjord 4	Office	Gärahovs Bygg	Eniro	13,356	170	138	19	2017
Kista	Helgafjäll 1, 2	Hotel	Gärahovs Bygg	StayAt Hotel	13,293	167	159	21	2017
Örebro	Vindhjulet 3	Office	Peab Sverige	Transportstyrelsen	19,343	164	47	11	2016
Göteborg	Gamlestaden 39:13	Office	AF Bygg Göteborg	—	11,478	127	117	11	2017
<b>Total</b>					<b>102,822</b>	<b>1,777</b>	<b>1,059</b>	<b>155</b>	

(1,417,000). 587,000 sq.m. (551,000) of the building rights are included in local plans. A third each of the building rights consist of offices and housing. The building rights are valued at SEK 952 million (864), corresponding to SEK 668 per sq.m. (610).

## PROPERTIES AND CHANGES IN VALUE

As at 30 September 2015, Klöverns portfolio consisted of 412 properties (408). The number of properties has increased during the period due to net acquisitions and sub-division of properties within the portfolio. The rental value amounted to SEK 3,076 million (2,983) and the fair value of the properties was SEK 32,800 million (30,208).

The total lettable area amounted to 2,823,000 sq.m. (2,792,000). The changes in value of the properties totalled SEK 1,084 million (880) during the period January–September. The changes in value include realized changes in value of SEK –4 million (8) and unrealized changes in value of SEK 1,088 million (872). The unrealized changes in value do not affect the cash flow. On average, Klöverns property portfolio, as at 30 September, has been valued with a yield requirement of 6.6 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.

## SHAREHOLDERS 30.09.2015

	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	160,000	—	18.8	19.2
Arvid Svensson Invest	13,300	132,997	685	15.7	15.9
Rutger Arnhult via bolag	9,377	85,174	597	10.2	10.7
Gårdarike	7,531	2,250	46	1.0	4.6
Länsförsäkringar fondförvaltning	—	57,968	—	6.2	3.4
Handelsbanken fonder	1,358	37,956	—	4.2	3.0
CBNY-Norges Bank	2,453	22,704	53	2.7	2.8
Swedbank Robur fonder	2,184	20,789	—	2.4	2.5
SEB Investment Management	1,162	10,759	0	1.2	1.3
Nordea Investment Funds	734	11,357	161	1.3	1.1
Swedbank Försäkring	487	6,699	619	0.8	0.7
Avanza Pension	583	5,197	838	0.7	0.7
Klöverns Vinstandelsstiftelse	481	4,960	15	0.5	0.5
Mellon US Tax Exempt Account	780	1,265	0	0.2	0.5
Invus Investment	436	4,356	11	0.5	0.5
<b>Total largest shareholders</b>	<b>56,966</b>	<b>564,431</b>	<b>3,025</b>	<b>67.0</b>	<b>68.1</b>
Other shareholders	24,896	269,701	13,419	33.0	31.9
<b>Total outstanding shares</b>	<b>81,862</b>	<b>834,132</b>	<b>16,444</b>	<b>100.0</b>	<b>100.0</b>
Repurchased own shares	—	—	—	—	—
<b>Total registered shares</b>	<b>81,862</b>	<b>834,132</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	Number of ordinary shares A	Number of ordinary shares B	Number of ordinary shares A+B	Number of preference shares	Accumulated share capital, SEK
01.01.2010		166,544,326		166,544,326		832,721,630
13.01.2012	New issue	166,544,360		166,544,360		832,721,800
13.01.2012	Bonus issue	166,544,360		166,544,360	4,163,609	853,539,845
06.03.2012	New issue	166,544,360		166,544,360	11,708,140	891,262,500
10.04.2012	New issue	166,544,360		166,544,360	11,774,778	891,595,690
19.04.2012	New issue	166,544,360		166,544,360	11,775,363	891,598,615
29.06.2012	New issue	166,544,360		166,544,360	12,238,363	893,913,615
09.07.2012	New issue	166,544,360		166,544,360	12,686,363	896,153,615
14.09.2012	New issue	166,544,360		166,544,360	13,598,863	900,716,115
17.09.2012	New issue	166,544,360		166,544,360	13,731,338	901,378,490
08.10.2012	New issue	166,544,360		166,544,360	17,314,688	919,295,240
08.10.2012	New issue	166,544,360		166,544,360	18,419,688	924,820,240
17.10.2012	New issue	166,544,360		166,544,360	18,536,338	925,403,490
24.03.2014	New issue	166,544,360		166,544,360	18,836,338	926,903,490
11.04.2014	New issue	166,544,360		166,544,360	19,823,806	931,840,830
28.05.2014	New issue	166,544,360		166,544,360	20,388,000	934,661,800
11.11.2014	Reduction of share capital	166,544,360		166,544,360	20,388,000	186,932,360
25/27.11.2014	New issue	166,544,360		166,544,360	32,888,000	199,432,360
05.12.2014	Bonus issue of B-shares	166,544,360	1,665,443,600	1,831,987,960	32,888,000	1,864,875,960
22.12.2014	Reverse split	83,272,180	832,721,800	915,993,980	16,444,000	1,864,875,960
20.01.2015	Conversion	82,187,432	833,806,548	915,993,980	16,444,000	1,864,875,960
03.02.2015	Conversion	81,871,406	834,122,574	915,993,980	16,444,000	1,864,875,960
16.07.2015	Conversion	81,862,506	834,131,474	915,993,980	16,444,000	1,864,875,960
05.08.2015	Conversion	81,862,397	834,131,583	915,993,980	16,444,000	1,864,875,960

Klövern 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 Cushman & Wakefield Sweden and Savills. Every property in the portfolio is externally valued at least once during a rolling 12-month period. All properties are classified at Level 3 in accordance with IFRS 13. No properties have changed classification during the period. See Klöverns annual report for 2014 for a detailed description of valuation principles.

## THE SHARE

As at 30 September, the total number of registered shares in the company was 932,437,980, of which 81,862,397 were ordinary shares of Class A, 834,131,583 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. Klöverns shares are listed on Nasdaq Stockholm. On 30 September, the share price was SEK 7.95 per ordinary share of Class A, SEK 7.90 per ordinary share of Class B and SEK 292.00 per preference share, corresponding to a total market capitalization of SEK 12,042 million (12,232). The number of shareholders at the end of the period was approximately 45,000 (42,700). 79 per cent (79) of the total number of shares are Swedish-owned. Klöverns does not hold any of its own ordinary or preference shares.

## PROFIT AND KEY RATIOS

The tables below show income statement items and key ratios broken down according to Klöverns regions. For the group as a whole, the corresponding 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 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

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, Öresund, Borås and Halmstad). From 1 January the business unit Globen will change name to Stockholm South. At

### PROFIT PER PROPERTY SEGMENT AND REGION

	Income, SEKm		Property costs, SEKm		Operating surplus, SEKm		Operating margin, %		Investments, SEKm	
	2015 Jan-Sep	2014 Jan-Sep	2015 Jan-Sep	2014 Jan-Sep	2015 Jan-Sep	2014 Jan-Sep	2015 Jan-Sep	2014 Jan-Sep	2015 Jan-Sep	2014 Jan-Sep
Stockholm	811	713	-272	-223	539	490	66	69	539	236
East	484	474	-155	-157	329	317	68	67	116	145
Central/North	454	429	-166	-153	288	277	63	64	130	134
South	264	247	-87	-92	177	154	67	63	67	139
Investment	1,930	1,783	-626	-564	1,304	1,218	68	68	440	482
Development	83	80	-54	-61	29	20	35	25	412	172
<b>Total</b>	<b>2,013</b>	<b>1,863</b>	<b>-680</b>	<b>-625</b>	<b>1,333</b>	<b>1,238</b>	<b>66</b>	<b>66</b>	<b>852</b>	<b>654</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, %	
	30.09.2015	30.09.2014	30.09.2015	30.09.2014	30.09.2015	30.09.2014	30.09.2015	30.09.2014	30.09.2015	30.09.2014
Stockholm	15,788	13,915	6.1	6.5	771	766	1,273	1,228	90	90
East	6,572	6,268	7.0	7.2	750	762	711	712	90	91
Central/North	6,016	5,353	7.3	7.5	751	716	677	636	90	89
South	4,424	3,851	7.0	7.4	551	521	415	366	90	90
Investment	29,710	27,288	6.6	6.9	2,505	2,447	2,881	2,759	92	92
Development	3,090	2,099	6.6	7.7	318	318	195	183	60	56
<b>Total</b>	<b>32,800</b>	<b>29,387</b>	<b>6.6</b>	<b>6.9</b>	<b>2,823</b>	<b>2,765</b>	<b>3,076</b>	<b>2,942</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 Malten 1, Sollentuna. Transfer of possession was on 1 September. The largest tenants are Pfizer and BMW.

the same time the business units Kista and Greater Stockholm will be merged under the name Stockholm North.

At the end of the quarter, Klöver'n had 211 employees (190). The average age was 44 (45) and the proportion of women was 38 per cent (42).

#### THE TAX SITUATION

Deferred tax of SEK –25 million (–9) has been charged to profit on current real estate operations during the quarter. 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 –109 million (–18). In all, an effect on deferred tax of SEK –134 million (–27) and on current tax of SEK 0 million (0) are included.

During the second quarter, the Supreme Administrative Court decided to refer the case concerning upward adjustment of tax of SEK 77 million made by the Tax Agency to the Administrative Court. No provisions have been made in the financial statements regarding this case.

#### 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'n's significant risks, and exposure and management of these, are described on pages 64–67 of the 2014 annual report.

#### DISPUTES

Klöver'n has settled a large rent dispute during the third quarter. Klöver'n has, by reduction of rental income, previously reserved SEK 15 million for 2012 and SEK 15 million for 2013. The settlement of the dispute entails that an additional SEK 6 million was charged to income during the third quarter of 2015.

## 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 has been applied since 1 January 2015. For the Group, IFRIC 21 entails that property tax is recorded as a liability in its entirety from the time that the obligation to pay arises. This means that the year's whole liability for property tax is reported as at 1 January and also recorded as a prepaid expense, 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 Klöver's Annual Report for 2014.

Klöver's holding in Tribona AB (publ) amounted on 30 September to 29.5 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 Klöver therefore reports the holding in Tribona as participation rights in associated companies. 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 Klöver'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 Klöver's statement of income as follows:

- Klöver's share of Tribona's net profit for the period is reported as Share in earnings of associated companies.
- Klöver's share of Tribona's other comprehensive income is reported as Other comprehensive income.

## DIVIDEND

During the second quarter, a dividend of SEK 0.30 per ordinary share has been paid, totalling SEK 275 million (250). During the respective quarter of the period, a dividend of SEK 5.00 per preference share has been paid, totalling SEK 247 million (144).

## EVENTS AFTER THE END OF THE PERIOD

On 1 October, Klöver took possession of the property Aprikosen 2 in Solna (also known as Solna Gate). The total lettable area amounts to approximately 35,200 sq.m, consisting mainly of office space.

In the middle of October Klöver entered into an agreement to sell its shares in Tribona to Catena AB for SEK 42 per share in cash or a total of SEK 604 million.

Stockholm, 22 October 2015

The Board of Directors of Klöver AB (publ)

## REVIEW REPORT

To the Board of Directors of Klöver AB (publ)  
Reg.no. 556482-5833

### Introduction

We have reviewed the summary financial information in the interim report for Klöver AB (publ) as at 30 September 2015 for the nine-month period that ended on that date. The Board of Directors and the CEO are responsible for preparing and presenting this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express an opinion on this interim report based on our review.

### The direction and scope of the review

We have performed this review in accordance with the International Standard on Review Engagements ISRE 2410 2410 Review of financial interim report information performed by the auditor appointed by the company. A review consists of making enquiries in the first place to persons who are responsible for financial issues and accounting matters, performing an analytical review and undertaking other general review measures. A review has a different focus and a considerably reduced scope compared with the focus and scope of an audit in accordance with the International Standards on Auditing, ISA, and generally accepted auditing standards in Sweden otherwise. The review measures undertaken have not made it possible for us to acquire such certainty as to be aware of all important circumstances that could have been identified in the performance of an audit. The conclusion stated is based on a general review and does not therefore have the same degree of certainty as a statement based on an audit.

### Conclusion

On the basis of our general review, no circumstances have emerged which would lead us to consider that the interim report is not, in all substantial, prepared in accordance with IAS 34 and the Annual Accounts Act and, in the case of the parent company, with the Annual Accounts Act.

Stockholm, 22 October 2015

Ernst & Young AB

Fredric Hävrén

Authorized public accountant

## Consolidated Statement of Income

SEKm	2015 3 months Jul-Sep	2014 3 months Jul-Sep	2015 9 months Jan-Sep	2014 9 months Jan-Sep	2014 12 months Jan-Dec	Rolling 12 months Oct-Sep
Income	667	641	2,013	1,863	2,521	2,671
Property costs	-207	-197	-680	-625	-878	-933
<b>Operating surplus</b>	<b>460</b>	<b>444</b>	<b>1,333</b>	<b>1,238</b>	<b>1,643</b>	<b>1,738</b>
Central administration	-20	-20	-66	-59	-84	-91
Net financial items	-152	-199	-481	-585	-770	-666
<b>Profit from property management</b>	<b>288</b>	<b>225</b>	<b>786</b>	<b>594</b>	<b>789</b>	<b>981</b>
Share in earnings of associated companies	0	-23	24	-79	-126	-23
Changes in value, properties	309	152	1,084	880	1,207	1,411
Changes in value, derivatives	-75	-105	12	-424	-565	-129
Changes in value, financial assets	-8	—	-8	—	—	-8
Write-down of goodwill	—	-1	-10	-10	-10	-10
<b>Profit before tax</b>	<b>514</b>	<b>248</b>	<b>1,888</b>	<b>961</b>	<b>1,295</b>	<b>2,222</b>
Current tax	0	0	0	0	-2	-2
Deferred tax	-134	-27	-406	-69	-129	-466
<b>Net profit for the period</b>	<b>380</b>	<b>221</b>	<b>1,482</b>	<b>892</b>	<b>1,164</b>	<b>1,754</b>
Other comprehensive income, items which may later be reversed in the income statement	1	2	0	2	4	2
<b>Comprehensive income for the period</b>	<b>381</b>	<b>223</b>	<b>1,482</b>	<b>894</b>	<b>1,168</b>	<b>1,756</b>
Earnings per ordinary share <sup>1</sup> , SEK	0.33	0.19	1.35	0.81	1.02	1.56
No. of ordinary shares outstanding at the end of the period <sup>1</sup> , million	916.0	916.0	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	10.2	16.4	10.2	16.4	16.4
Average no. of outstanding ordinary shares <sup>1</sup> , million	916.0	916.0	916.0	916.0	916.0	916.0
Average no. of outstanding preference shares <sup>1</sup> , million	16.4	10.2	16.4	9.8	10.5	15.5

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	30.09.2015	30.09.2014	31.12.2014
<b>ASSETS</b>			
Goodwill	235	245	245
Investment properties	32,800	29,387	30,208
Machinery and equipment	13	12	12
Participation rights in associated companies	459	492	448
Financial assets at fair value through statement of income	109	38	35
Other receivables	381	363	424
Liquid funds	124	5	286
<b>TOTAL ASSETS</b>	<b>34,121</b>	<b>30,542</b>	<b>31,658</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
Shareholders' equity	10,866	7,925	9,988
Minority interest	0	0	0
Deferred tax liability	1,383	929	978
Interest-bearing liabilities	20,309	20,212	18,870
Derivatives	641	568	709
Accounts payable	53	111	197
Other liabilities	268	141	206
Accrued expenses and prepaid income	601	656	710
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>34,121</b>	<b>30,542</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>
Dividend	-604
Other comprehensive income	0
Net profit for the period	1,482
<b>Shareholders' equity 30.09.2015</b>	<b>10,866</b>

## Consolidated Cash Flow Statement

SEKm	2015 3 months Jul-Sep	2014 3 months Jul-Sep	2015 6 months Jan-Sep	2014 6 months Jan-Sep	2014 12 months Jan-Dec
<b>Current operations</b>					
Profit from property management	288	225	786	594	789
Adjustment for items not included in the cash flow	1	1	3	3	4
Income tax paid	0	0	0	0	-2
<b>Cash flow from current operations before change in working capital</b>	<b>289</b>	<b>226</b>	<b>789</b>	<b>597</b>	<b>791</b>
<b>Changes in working capital</b>					
Change in operating receivables	70	157	37	-55	-127
Change in operating liabilities	-175	-109	-274	-14	179
<b>Total change in working capital</b>	<b>-105</b>	<b>48</b>	<b>-237</b>	<b>-69</b>	<b>52</b>
<b>Cash flow from current operations</b>	<b>184</b>	<b>274</b>	<b>552</b>	<b>528</b>	<b>843</b>
<b>Investment operations</b>					
Divestment of properties	56	59	408	389	531
Acquisition of and investment in properties	-674	-340	-2,051	-4,837	-5,473
Acquisition of machinery and equipment	-2	-1	-4	-3	-4
Change in financial assets	-1	-3	72	-98	-95
<b>Cash flow from investment operations</b>	<b>-621</b>	<b>-285</b>	<b>-1,575</b>	<b>-4,549</b>	<b>-5,041</b>
<b>Financing operations</b>					
Change in interest-bearing liabilities	556	56	1,439	4,049	2,707
Realized changes in value, derivatives	-56	—	-56	—	—
New issue of preference shares	—	—	—	287	2,138
Dividend	-83	-51	-522	-394	-445
<b>Cash flow from financing operations</b>	<b>417</b>	<b>5</b>	<b>861</b>	<b>3,942</b>	<b>4,400</b>
<b>Total cash flow</b>	<b>-20</b>	<b>-6</b>	<b>-162</b>	<b>-79</b>	<b>202</b>
Liquid funds at the beginning of the period	144	11	286	84	84
Liquid funds at the end of the period	124	5	124	5	286

## Parent Company Income Statement

SEKm	2015 3 months Jul–Sep	2014 3 months Jul–Sep	2015 9 months Jan–Sep	2014 9 months Jan–Sep	2014 12 months Jan–Dec
Net sales	46	46	149	132	187
Cost of services sold	–32	–33	–102	–104	–143
<b>Gross profit</b>	<b>14</b>	<b>13</b>	<b>47</b>	<b>28</b>	<b>44</b>
Central administration	–20	–20	–66	–59	–84
<b>Operating profit</b>	<b>–6</b>	<b>–7</b>	<b>–19</b>	<b>–31</b>	<b>–40</b>
Net financial items	–92	–109	–284	–282	279
<b>Profit before tax</b>	<b>–98</b>	<b>–116</b>	<b>–303</b>	<b>–313</b>	<b>239</b>
Current tax	—	—	—	—	—
Deferred tax	—	—	—	—	25
<b>Net profit for the period</b>	<b>–98</b>	<b>–116</b>	<b>–303</b>	<b>–313</b>	<b>264</b>
Other comprehensive income	—	—	—	—	—
<b>Comprehensive income for the period</b>	<b>–98</b>	<b>–116</b>	<b>–303</b>	<b>–313</b>	<b>264</b>

## Parent Company Balance Sheet

SEKm	30.09.2015	30.09.2014	31.12.2014
<b>ASSETS</b>			
Machinery and equipment	6	4	4
Participation rights in group companies	1,875	1,875	1,875
Participation rights in other companies	517	522	522
Receivables from group companies	21,366	17,818	13,662
Deferred tax assets	364	339	364
Accounts receivables	62	41	41
Liquid funds	228	146	277
<b>TOTAL ASSETS</b>	<b>24,418</b>	<b>20,745</b>	<b>16,745</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
Shareholders' equity	6,352	4,893	7,259
Interest-bearing liabilities	9,665	8,869	8,361
Liabilities to group companies	7,833	6,734	856
Accounts payable	4	4	9
Other liabilities	485	168	179
Accrued expenses and prepaid income	79	77	81
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>24,418</b>	<b>20,745</b>	<b>16,745</b>

## Key ratios

	30.09.2015 3 months Jul–Sep	30.09.2014 3 months Jul–Sep	30.09.2015 9 months Jan–Sep	30.09.2014 9 months Jan–Sep	30.09.2015 12 months Oct–Sep	2014	2013	2012	2011
<b>Property</b>									
Number of properties	412	406	412	406	412	408	402	387	255
Lettable area, 000 sq.m.	2,823	2,765	2,823	2,765	2,823	2,792	2,624	2,529	1,561
Rental value, SEKm	3,076	2,942	3,076	2,942	3,076	2,983	2,570	2,468	1,554
Fair value properties, SEKm	32,800	29,387	32,800	29,387	32,800	30,208	24,059	22,624	14,880
Yield requirement valuation, %	6.6	6.9	6.6	6.9	6.6	6.9	7.2	7.2	7.1
Operating margin, %	69	69	66	66	65	65	63	62	63
Occupancy rate, economic, %	90	90	90	90	90	90	90	88	89
Occupancy rate, area, %	82	82	82	82	82	81	82	81	80
Average lease term, years	3.4	3.5	3.4	3.5	3.4	3.3	3.5	3.4	2.8
<b>Financial</b>									
Return on equity, %	3.6	2.8	14.2	11.8	17.7	14.5	11.6	5.8	10.1
Equity ratio, %	31.8	25.9	31.8	25.9	31.8	31.5	28.5	28.1	31.6
Equity ratio, adjusted, %	36.4	29.7	36.4	29.7	36.4	35.9	31.4	31.9	35.8
Leverage, %	60	67	60	67	60	60	65	64	63
Leverage properties, %	46	57	46	57	46	51	57	59	63
Interest coverage ratio	2.9	2.1	2.6	2.0	2.5	2.0	1.9	1.9	2.2
Average interest, %	2.9	3.7	2.9	3.7	2.9	3.5	4.3	4.3	4.2
Average fixed-interest period, years	2.0	2.0	2.0	2.0	2.0	2.1	2.7	3.0	2.7
Average period of tied-up capital, years	2.3	2.3	2.3	2.3	2.3	2.1	2.0	2.2	1.9
Interest-bearing liabilities, SEKm	20,309	20,212	20,309	20,212	20,309	18,870	16,163	15,229	9,345
<b>Share<sup>1</sup></b>									
Equity per ordinary share, SEK	6.62	5.01	6.62	5.01	6.62	5.20	4.83	4.69	5.36
EPRA NAV, SEK	8.83	6.65	8.83	6.65	8.83	7.05	5.93	5.94	5.95
Profit from property management per ordinary share, SEK	0.22	0.19	0.59	0.49	0.71	0.61	0.49	0.43	0.48
Earnings per ordinary share, SEK	0.33	0.19	1.35	0.81	1.56	1.02	0.68	0.23	0.53
Share price ordinary share A at end of period, SEK	7.95	6.33	7.95	6.33	7.95	8.20	5.18	4.65	4.71
Share price ordinary share B at end of period, SEK	7.90	—	7.90	—	7.90	7.60	—	—	—
Share price preference share at end of period, SEK	292.00	327.00	292.00	327.00	292.00	317.50	300.00	273.50	—
Market capitalization, SEKm	12,042	9,129	12,042	9,129	12,042	12,232	7,527	6,670	4,165
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	916.0
Total no. of outstanding ordinary shares at end of period, million	916.0	916.0	916.0	916.0	916.0	916.0	916.0	888.5	884.4
Total no. of registered preference shares at end of period, million	16.4	10.2	16.4	10.2	16.4	16.4	9.3	9.3	—
Total no. of outstanding preference shares at end of period, million	16.4	10.2	16.4	10.2	16.4	16.4	9.3	9.3	—
Dividend per ordinary share, SEK	—	—	—	—	—	0.30	0.27	0.27	0.23
Dividend per preference share, SEK	—	—	—	—	—	20.00	20.00	20.00	20.00
Dividend in relation to profit from property management, %	—	—	—	—	—	77	68	83	79

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

NUMBER OF PROPERTIES

412

PROPERTY VALUE,  
SEK BILLION

32.8

RENTAL VALUE,  
SEK BILLION

3.1

## 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

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

#### EPRA NAV

Equity, after deduction for equity attributable to preference shares adding back derivatives and deferred tax liability, in relation to the number of outstanding ordinary shares at the end of the period.

#### EQUITY PER ORDINARY SHARE

Equity after deduction for equity attributable to preference shares in relation to the number of outstanding ordinary shares at the end of the period.

#### EQUITY PER PREFERENCE SHARE

Based on the share price for the preference share at the end of the period.

#### 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.

**2,823**

EQUITY RATIO,  
ADJUSTED, %

**36.4**

NUMBER OF  
SHAREHOLDERS

**45,000**

# Calendar

Final day for trading conferring right to dividend to preference shareholders	28 Dec 2015
Record date for dividend to preference shareholders	30 Dec 2015
Expected date for dividend to preference shareholders	7 Jan 2016
Year-end report 2015	11 Feb 2016

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