

# KLÖVERN

## YEAR-END REPORT 2006

- Earnings totalled SEK 843 million (639)
- Net profit for the period increased to SEK 631 million (379)
- Earnings per share increased to SEK 5.04 (3.27)
- SEK 262 million (158) of the profit consists of changes in value of properties.
- During the year, 63 properties (55) have been acquired for SEK 4,672 million (2,108) and 15 properties (36) have been sold for SEK 348 million (557)
- The Board of Directors are proposing a dividend of SEK 1.25 per share (1.00)

# Statement by CEO

## Expansion underlying the increase in earnings

Klövern's net profit increased by more than 66 per cent during 2006. Underlying this increase are in the first place a larger property portfolio and a large increase in value in this portfolio. The property holdings have increased during the year from SEK 6.0 to SEK 10.7 billion, the major part of the increase being accounted for by the acquisition in Kista and Täby at the end of the year.

"Hard work, a larger property portfolio and a favourable state of the economy are three factors that have contributed to the positive development of earnings", says Klöver's CEO Gustaf Hermelin.

During 2007 the letting out work will be intensified and efficiency improvements in organisation and administrative systems will be continued.

"We are now focusing on filling vacancies and trimming the company to be well equipped for future years", says Gustaf Hermelin.



## Earnings

Net profit for the year was SEK 631 million (379). This improvement is primarily due to increased unrealised changes in value and a considerably larger property portfolio. The profit includes realised changes in value from property sales of SEK 45 million (25) and unrealised changes in value of properties of SEK 217 million (133). Net financial income was SEK -122 million (-181), of which changes in value of financial instruments and securities accounted for SEK 49 million (-3).

## Cash flow and financial position

The cash flow for the year was SEK -46 million (31). The equity ratio at the end of the period was 34.3 per cent, compared with 34.8 per cent at the beginning of the year. Equity increased to SEK 3,868 million, compared with SEK 2,264 million at the beginning of the year. Liquid funds amounted to SEK 95 million (141) and interest-bearing liabilities SEK 6,878 million (3,987).

## Income and property costs

Income during the year increased to SEK 843 million (639), of which rental income amounted to SEK 808 million (635). This increase is mainly due to the increase in size of the property portfolio. Other income, consisting of service sales to customers, who are not tenants, and income from rental guarantees, amounted to SEK 35 million (4). Property costs totalled SEK 339 million (247). The operating surplus was SEK 504 million (391), corresponding to an operating margin of 60 per cent (61). The decrease in the operating margin is mainly due to the increase in the vacancy rate resulting from acquisitions.

During 2006 there has been an increased interest in letting at practically all of Klöver's locations. The majority of units have also been able to let at higher rental levels, in particular compared with the last quarter of 2005. At the end of the year, the financial occupancy ratio was 84 per cent, which is one percentage point higher than at the end of the third quarter of the year. In terms of annual income, net new leases for the fourth quarter totalled SEK 2 million, which gives a total net new leases of SEK 16 million during the year.

## Fourth quarter 2006

Net profit for the fourth quarter totalled SEK 203 million (112). Total income was SEK 254 million (172), of which rental income accounted for SEK 238 million (170) and other income SEK 16 million (2). Rental income for the quarter included lump-sum payments from vacating tenants of approximately SEK 14 million. The profit includes realised changes in value from property sales of SEK 21 million (6) and unrealised changes in value for properties of SEK 38 million (25). The operating surplus was SEK 146 million (99), net financial income SEK -24 million (-56), of which changes in value for financial instruments and securities amounted to SEK 31 million (3). The cash flow for the quarter was SEK -29 million (32).

## Property holdings

Klövern's property portfolio consisted of 205 properties at the end of the year, compared with 162 at the beginning of the year. The total rental value was SEK 1,276 million (798) and the fair value of the properties was SEK 10,701 million (5,968). The total lettable area was 1,436,000 sq.m. (1,042,000).

## PROPERTY PORTFOLIO 31.12.2006

Type of premises	No. of properties <sup>2)</sup>	Area, 000 sq.m.	Rental value, SEKm	Fin. occupancy rate, % <sup>3)</sup>
Offices	93	658	697	82
Industry/warehouse	62	520	273	85
Retail	29	84	105	94
Education/lab/health care/recreation	9	112	113	77
Restaurant/hotel	5	44	38	90
Residential	1	18	15	94
Other <sup>1)</sup>	6	—	35	93
<b>Total</b>	<b>205</b>	<b>1,436</b>	<b>1,276</b>	<b>84</b>

<sup>1)</sup> Refers to leaseholds, garages, parking spaces, sign areas, sites and telecom masts.

<sup>2)</sup> Property portfolio adjustments during 2006 mean that the number of properties has been reduced by a total of five.

<sup>3)</sup> Effects of rental guarantees are not included in the financial occupancy rate.

## CONTRACT STRUCTURE 31.12.2006

Maturity year <sup>1)</sup>	No. of contracts	Area, 000 sq.m.	Contract value, SEKm	Share of contract value, %
<b>Commercial premises</b>				
2007	914	285	216	20
2008	640	269	248	23
2009	411	211	208	19
2010	191	195	209	20
2011	56	47	40	4
2012–	68	111	103	10
<b>Sum</b>	<b>2,280</b>	<b>1,118</b>	<b>1,024</b>	<b>96</b>
Residential	219	18	14	1
<b>Sum</b>	<b>2,499</b>	<b>1,136</b>	<b>1,038</b>	<b>97</b>
Garages/parking spaces	1,480	—	31	3
<b>Total</b>	<b>3,979</b>	<b>1,136</b>	<b>1,069</b>	<b>100</b>

<sup>1)</sup> The average contract time was 2.6 years as per 31 December 2006

## Acquisitions and investments

During the year, 63 properties (55) have been acquired for a total of SEK 4,672 million (2,108) with a total area of around 450,000 sq.m. (332,000). The majority of the acquired properties are located in Kista, Nyköping, Täby and Uppsala. Investment in refurbishment during the period totalled SEK 147 million (67) for properties mainly in Eskilstuna, Karlstad, Linköping, Nyköping and Örebro.

## Property sales

During the period, 15 properties (36) have been sold for a total sales price of SEK 348 million (557), which exceeded the last reported fair value by SEK 45 million (25). Of the sold properties of approximately 56,000 sq.m. (95,000), four are located in Västerås, two in Linköping, two in Nässjö and one each in Eskilstuna, Karlstad, Motala, Norrköping, Nyköping, Tranås and Uppsala.

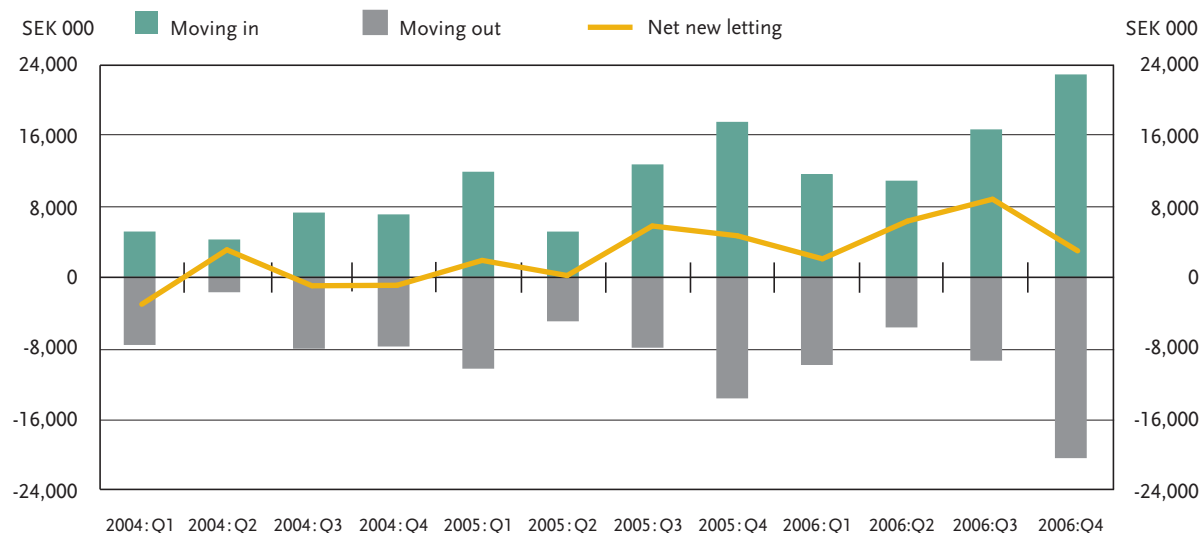
## Valuation of properties

Every quarter Klöver values 100 per cent of the property portfolio. 25 per cent of the valuations are carried out by an external valuation company and the remaining valuations are made internally. Accordingly, every property in the portfolio is valued externally during a rolling 12-month period. The external valuations have been made by DTZ Sweden. See Klöver's annual report for 2005 for a detailed description of valuation principles.

## The properties' unrealised changes in value

On 31 December 2006, the fair value of Klöver's properties was SEK 10,701 million. The unrealised change in value during the year was SEK 217 million (133).

## Net new letting



**Positive net new letting:** Positive net new letting for 2006 amounts to SEK 16 million on a full-year basis. The diagram net new letting shows current changes for new and vacating tenants. Accordingly, effects generated by the tenants who moved out during the respective quarter after making lump-sum payments are not included.

## Financing

At the end of the year, the interest-bearing liabilities amounted to SEK 6,878 million, compared with SEK 3,987 million at the beginning of the year. The average interest rate was 4.1 per cent (3.5) and the average period of fixed interest 1.8 years (1.0). The loans, including variable loans, that mature during 2007 had at the end of the period an average fixed-interest period of ten days (49).

The average period of tied-up capital was 4.3 years (4.6). A total of SEK 3,329 million of the variable loans have been interest capped at 4.0 per cent and 4.5 per cent related to STIBOR 90 days. Of the interest caps, SEK 730 million mature in 2009, SEK 1,099 million in 2010, SEK 1,000 million in 2011 and SEK 500 million in 2012. During the year, the unrealised changes in value of Klöver's financial instruments and securities, which are reported under net financial income, amounted to SEK 44 million (-3). Realised changes in value of SEK 5 million (0) for securities, are attributable to Klöver's sale of the shareholding in Diös for SEK 68 million.

### INTEREST RATE AND LOAN MATURITY STRUCTURE 31.12.2006

Year	Interest maturity structure		Loan maturity structure	
	Interest maturity, SEKm	Average interest rate, %	Credit agreement, SEKm	Utilised, SEKm
Variable <sup>1)</sup>	4,685	3.8	—	—
2007	256	4.8	504	404
2008	534	5.1	183	183
2009	63	5.1	141	141
2010	32	3.7	2,254	2,197
2011	308	6.5	2,345	1,945
2012–	1,000	4.4	2,375	2,008
<b>Total</b>	<b>6,878</b>	<b>4.1</b>	<b>7,802</b>	<b>6,878</b>

<sup>1)</sup> Variable loans are loans with a maturity of 90 days or shorter. SEK 3,329 million of these loans have been provided with interest caps.

## The share and shareholders

The Klöver share is listed on the Stockholm Stock Exchange's Nordic list, midcap. The closing price as at 29 December 2006 – the last trading day of the year – was SEK 30.00, which corresponds to a market capitalisation of SEK 5.0 billion.

As at 29 December 2006, there were 166,544,326 Klöver shares distributed among approximately 19,100 shareholders.

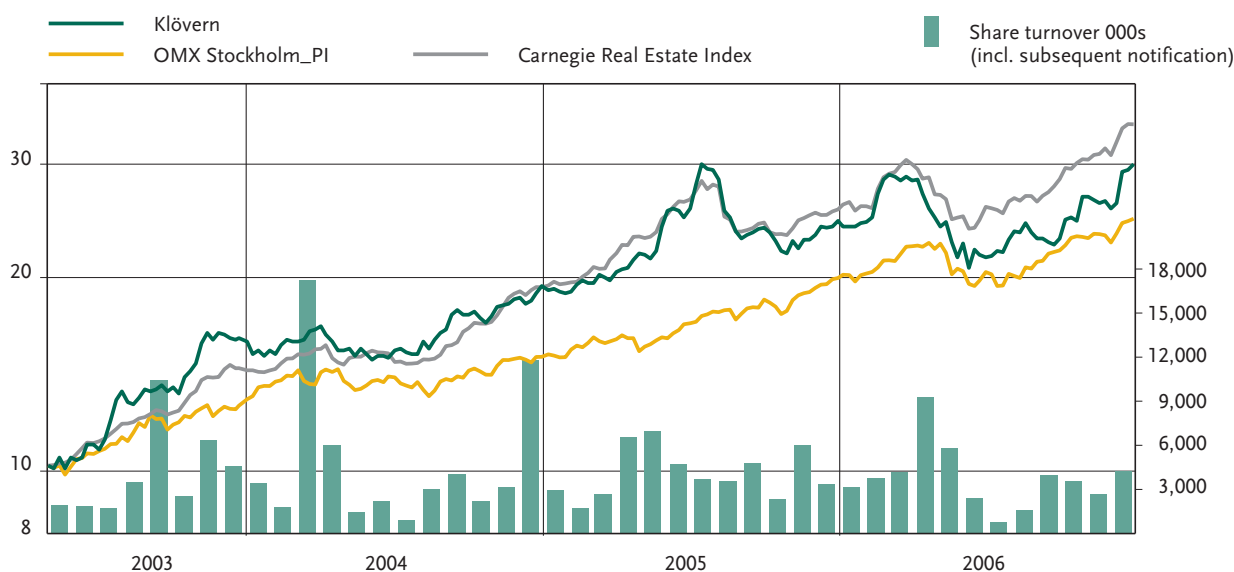
### LARGEST OWNERS 29.12.2006

	No. of shares, million	Holding, %
Fabege AB	46.2	27.7
Arvid Svensson Invest	17.0	10.2
Lantbrukarnas Riksförbund	16.6	10.0
Investment AB Öresund	9.1	5.5
Skandia Liv	7.9	4.7
Länsförsäkringar Fonder	6.4	3.8
Fortis Banque Luxembourg	3.9	2.4
Länsförsäkringar Södermanland	3.7	2.2
HQ Fonder	3.5	2.1
SEB Fonder	2.7	1.6
<b>Total largest owners</b>	<b>117.0</b>	<b>70.2</b>
Other owners	49.6	29.8
<b>Total all owners</b>	<b>166.6</b>	<b>100.0</b>

## Organisation and personnel

During 2006, the organisation has expanded apace with the expansion of the group. At the beginning of the year, Klöver had 75 employees, which increased to 110 by the end of the year. Klöver is organised in twelve units based on the geographical location of the properties with a head office and group functions in Nyköping. During the year, units have been established in Kista, Täby and Uppsala, which account for the major part of the increase in the number of employees.

## The Klöver share



(c) SIX

### Central administration

The costs of central administration amounted during the year to SEK 49 million (35). Of this amount, SEK 9 million (6) consists of fees to advisors in Klöver's tax proceedings concerning reconsideration of tax assessment for 2003. The costs for central administration include SEK 4 million (3) which have been transferred during the year to a profit-sharing foundation for Klöver's employees.

### Parent company

Activity consists of group functions and ownership of the group's subsidiaries. The net profit of the parent company was SEK 58 million (33). The parent company has received group contributions of SEK 172 million (85) from subsidiaries in the group. The parent company's liquid funds totalled SEK 9 million on 31 December, compared with SEK 15 million at the beginning of the year. Net investments in shares, participation rights and equipment totalled SEK 2 million (1).

### New issue in connection with acquisition of properties in Kista and Täby

In November, Klöver acquired properties in Kista, Täby and Sigtuna from Fabege. The purchase price was SEK 4,032 million. At an Extraordinary Shareholders' Meeting of Klöver on 17 November 2006, it was decided to issue 46,180,067 new shares. The right to subscribe to new shares was granted only to Fabege Holding Nacka AB (Fabege). As payment for the shares, Fabege presented the promissory notes which were received in connection with Klöver's acquisition of properties in corporate form from Fabege.

### Nominations Committee

Klöver's nominations committee consists of the Chairman of the Board, one representative of each of the owners, whose shareholding in the company exceeds five per cent of the shares and votes in the company as at 31 August and one representative of the other shareholders. The nominations committee consists of the following representatives: Rickard Svensson (Arvid Svensson Invest), Göran Almberg (The Federation of Swedish Farmers LRF), Bo Jansson (Skandia Liv), Erik Törnberg (Investment AB Öresund), Klas Andersson (representing other shareholders) and Stefan Dahlbo (Chairman of the Board of Klöver).

Representatives can be reached via e-mail [styrelsenominering@klovern.se](mailto:styrelsenominering@klovern.se) or by telephone at Klöver +46-(0)155-44 33 12.

### Tax proceedings

#### *Deficits and depreciation of residual value*

At the beginning of the 2006 financial year, Klöver AB has, after increases and reductions of the taxable profit due to the tax audit which was completed in autumn 2006, a tax deficit of SEK 1,060 million and a depreciation basis for depreciation of residual value that exceeds book depreciation basis of SEK 998 million. For the 2006 financial year, Klöver has accordingly established the tax loss carry forward and tax depreciation basis, exceeding book basis, of SEK 2,058 million together. The deficits and depreciation basis are mainly attributable to sales of Swedish and foreign subsidiaries and fixed assets and goodwill in the previous IT business activity.

#### *Current tax and deferred tax asset*

The accounts for 2006 include a current tax expense of SEK 16 million attributable to tax in subsidiaries, which have been prohibited to equalise profit on group contributions during the year. The reported deferred tax asset amounts to SEK 333 million, which is based on Klöver's assessment of the company's present earning capacity. The deferred tax asset has thereby increased by SEK 54 million as at 31 December 2006. The deferred tax asset is attributable to established tax loss carry forwards and taxable depreciation basis, in addition to book basis of equipment and goodwill.

#### *Calculation of deferred tax asset and effects from and including 2007*

The calculation of the deferred tax assets consists of the current tax rate, 28 per cent, on the company's current annual profit before tax excluding unrealised changes in value for properties for a period of five years. At the end of the 2006 financial year, the scope consisting of established tax loss carry forwards and additional depreciation basis for tax purposes in addition to book basis, on equipment and goodwill, which serves as the basis for the deferred tax asset, has been entirely used up. This means that from and including the 2007 financial year, the deferred tax claim will be reduced by the amount in the income statement taken up as a deferred tax expense.

### Temporary differences and deferred tax liability

Klövern's reported temporary differences between tax residual values of properties and fair value for properties and temporary differences for financial instruments, amount to SEK 655 million as at 31 December 2006. At a 28 per cent tax rate, the deferred tax liability for temporary differences amounts to SEK 183 million, which has been set off in Klöverns accounts against the deferred tax asset for the same amount.

### Tax proceedings

In summary, Klöverns present tax proceedings concern the following years and amounts:

*Tax assessment years 1999–2003, tax surcharge totalling SEK 20 million and a reduction of the tax loss carry forward of SEK 21 million net*

The amounts have not yet been paid (respite) and are reported as a contingent liability. Klöverns has appealed and the cases are awaiting consideration by the county administrative court.

*Tax assessment year 2003, deduction for capital loss of SEK 4,933 million and tax surcharge of SEK 493 million*

At the end of 2003, Klöverns requested reconsideration of the tax assessment for the same year. The intention was to have considered whether Klöverns was entitled to further tax loss carry forwards of SEK 5 billion due to a loss which the company, and indirectly the shareholders, had made in previous business activity as an IT company. During the spring of 2006, Klöverns withdrew its request for reconsideration,

but, despite this, the Tax Agency decided to impose a tax surcharge of SEK 493 million on Klöverns, which Klöverns appealed against to the county administrative court. Klöverns has submitted a new request for reconsideration of the capital loss of SEK 5 billion (tax assessment year 2003) and this request has been refused by the Tax Agency. Klöverns has therefore appealed against the decision to the county administrative court.

The tax surcharge has not yet been paid (respite) and is reported as a contingent liability. Klöverns has appealed and the case is awaiting consideration by the county administrative court.

### Accounting principles

This year-end report has been prepared in accordance with IAS 34 Interim Financial Reporting, which is in accordance with the requirements made in the Swedish Financial Accounting Standards Council's recommendation RR 31 Interim reports for groups. The accounting principles applied in this year-end report are those described in Klöverns annual report for 2005, note 1, according to which the International Financial Reporting Standards (IFRS) are applied from and including 2005.

### New dividend policy

Klövern's Board of Directors has decided to adjust the dividend policy, meaning that the dividend level should be based on the company's cash flow. The new policy is as follows:

Klövern shall in the long term transfer at least 50 per cent of net profit, excluding unrealised changes in value and deferred taxes, to shareholders.



## Proposed dividend

The Board proposes that dividend for the 2006 financial year be paid at SEK 1.25 per share, (1.00) corresponding to a total of SEK 208 million (120). This proposal entails that 66 per cent (60) of the profit, excluding unrealised changes in value and deferred taxes, is distributed to the shareholders.

## Events after the period covered by the report

No important events have taken place after the period covered by the report.

## Prospects for the full year of 2007

During 2007, the work of decreasing vacancies in the existing portfolio will be further intensified. The economy is expected to remain strong and interest rates to rise from their present level. It is forecast that profit before tax for the full year 2007, excluding realised and unrealised changes in value, will exceed SEK 325 million. The corresponding profit for 2006 amounted to SEK 281 million.

## Annual Report and Annual General Meeting

The Annual Report for 2006 will be available at the company's head office in Nyköping and on Klöver's website [www.klovern.se](http://www.klovern.se) from week 10 2007. Klöver AB's Annual General Meeting will take place at 4 pm on Wednesday, 28 March 2007 at Restaurangskolan, Gästabudsvägen 4, Nyköping Strand in Nyköping.

## Calendar 2007

Annual Report 2006	March
Annual General Meeting 2007	Wednesday, 28 March
Interim Report January–March 2007	Wednesday, 25 April
Interim Report January–June 2007	Friday, 13 July
Interim Report January–September 2007	Tuesday, 23 October

Reports are available on Klöver's website, [www.klovern.se](http://www.klovern.se), where it is also possible to subscribe to annual reports, interim reports and press releases.

This year-end report has been subject to a review by Klöver's company auditors.

Nyköping, 6 February 2007

Klöver AB  
*Board of Directors*

## Review report

We have reviewed the financial interim report information in summary (interim report) for Klöver AB as at 31 December 2006 and the twelve-month period which 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.

We have performed this review in accordance with the standard for review SÖG 2410 *Review of financial interim report information performed by the auditor appointed by the company* published by FAR. 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 Auditing Standards in Sweden RS [in Swedish] and generally accepted accounting standards otherwise. The review measures undertaken in general review does not make 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.

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.

Stockholm, 6 February 2007

Ernst & Young AB

Björn Fernström  
*Authorised public accountant*

## Groups' Income of Statement

SEK m	2006 3 months Oct-Dec	2005 3 months Oct-Dec	2006 12 months Jan-Dec	2005 12 months Jan-Dec
Rental income	238.0	169.7	807.6	634.8
Other income <sup>1)</sup>	15.9	2.0	35.4	3.9
<b>Total income</b>	<b>253.9</b>	<b>171.7</b>	<b>843.0</b>	<b>638.7</b>
Property costs	-107.6	-72.4	-338.8	-247.4
<b>Operating surplus</b>	<b>146.3</b>	<b>99.3</b>	<b>504.2</b>	<b>391.3</b>
Changes in value properties, realised	20.6	5.8	45.0	25.2
Changes in value properties, unrealised	37.7	25.2	217.0	132.5
Depreciation of equipments	-0.7	-0.3	-2.7	-1.8
Central administration	-14.4	-9.9	-49.3	-35.1
<b>Operating profit</b>	<b>189.5</b>	<b>120.1</b>	<b>714.2</b>	<b>512.1</b>
Financial income	1.1	0.7	2.3	3.7
Financial costs <sup>2)</sup>	-56.1	-59.8	-173.2	-182.2
Changes in value financial items, unrealised	25.4	2.8	27.6	-2.7
Changes in value securities, realised	5.2	0.0	5.2	0.0
Changes in value securities, unrealised	0.0	0.0	16.4	0.0
<b>Profit after financial items</b>	<b>165.1</b>	<b>63.8</b>	<b>592.5</b>	<b>330.9</b>
<b>Profit before tax</b>	<b>165.1</b>	<b>63.8</b>	<b>592.5</b>	<b>330.9</b>
Current tax <sup>3)</sup>	-15.8	-0.2	-15.8	-0.2
Deferred tax <sup>4)</sup>	54.0	48.0	54.0	48.0
<b>Net profit for the period</b>	<b>203.3</b>	<b>111.6</b>	<b>630.7</b>	<b>378.7</b>
Earnings per share, SEK	1.45	0.93	5.04	3.27
Number of shares outstanding at the end of the period, million	166.5	120.4	166.5	120.4
Average number of shares, million	139.9	120.4	125.2	115.8

There are no outstanding warrants or convertibles.

<sup>1)</sup> Other income consists of service sales to external customers and income from rental guarantees.

<sup>2)</sup> The amounts for 2005 include one-off costs for redemption of loans at SEK 24 million.

<sup>3)</sup> Current tax of SEK -15.8 million refers to subsidiaries who have been prohibited to equalise profit by group contributions during 2006.

<sup>4)</sup> Re-taxation of deferred tax claim affected the profit for 2006 by SEK 54 million and 2005 by SEK 48 million.



## Consolidated Balance Sheets

SEK m	31.12.2006	31.12. 2005
<b>Assets</b>		
Properties	10,700.9	5,967.9
Equipment	14.0	4.9
Deferred tax claim	333.0	279.0
Short-term receivables etc <sup>1)</sup>	140.7	97.3
Blocked accounts <sup>2)</sup>	3.9	16.3
Liquid funds	95.4	141.3
<b>Total assets</b>	<b>11,287.9</b>	<b>6,506.7</b>
<b>Shareholders's equity and liabilities</b>		
Shareholder's equity	3,868.2	2,264.4
Provision	6.8	7.1
Interest-bearing liabilities	6,877.8	3,987.4
Accounts payable	113.1	35.0
Other liabilities <sup>3)</sup>	186.9	7.2
Accrued expenses and prepaid income	235.1	205.6
<b>Total shareholder's equity and liabilities</b>	<b>11,287.9</b>	<b>6,506.7</b>

<sup>1)</sup> Of this amount as at 31 December 2005, SEK 46 million is shares in Diös, which were received as part payment in a property sale in the third quarter of 2005. The shares in Diös were sold for SEK 68 million in the fourth quarter of 2006.

<sup>2)</sup> Consists of amounts in blocked accounts as collateral for repayment of loans or to be used for financing of investments in properties.

<sup>3)</sup> Of this amount as at 31 December 2006, SEK 160 million is interest-free loans in connection with property acquisition.

## Groups' changes in shareholder's equity

SEK m	Shareholder's equity
<b>Shareholder's equity 01.01.2005</b>	<b>1,701.0</b>
Dividend	-84.3
New issue	269.0
Net profit for the year	378.7
<b>Shareholder's equity 31.12.2005</b>	<b>2,264.4</b>
Dividend	-120.4
New issue	1,093.5
Net profit for the year	630.7
<b>Shareholder's equity 31.12.2006</b>	<b>3,868.2</b>

## Consolidated Statements of Cash Flow

SEK m	2006 3 months Oct-Dec	2005 3 months Oct-Dec	2006 12 months Jan-Dec	2005 12 months Jan-Dec
<b>Current operations</b>				
Profit after financial items excluding depreciation and changes in value	76.9	30.3	284.0	177.7
Realised changes in value, properties	20.6	5.8	45.0	25.2
Income tax paid	-0.3	-0.2	-0.3	-0.2
<b>Cash flow from current operations before change in working capital</b>	<b>97.2</b>	<b>35.9</b>	<b>328.7</b>	<b>202.7</b>
<b>Change in working capital</b>				
Change in operating receivables	40.9	16.3	0.6	-34.2
Change in operating liabilities	104.6	-24.2	111.8	59.9
<b>Total change in working capital</b>	<b>145.5</b>	<b>-7.9</b>	<b>112.4</b>	<b>25.7</b>
<b>Cash flow from current operations</b>	<b>242.7</b>	<b>28.0</b>	<b>441.1</b>	<b>228.4</b>
<b>Investment operations</b>				
Sale of properties	71.1	47.2	302.6	532.1
Acquisition of and investment in properties <sup>1)</sup>	-3,045.0	-624.0	-3,725.2	-1,905.4
Acquisition of tangible fixed assets	-1.1	-1.2	-11.8	-3.6
Change in amounts in blocked accounts	-0.1	6.0	12.5	-15.3
<b>Cash flow from investment operations</b>	<b>-2,975.1</b>	<b>-572.0</b>	<b>-3,421.9</b>	<b>-1,392.2</b>
<b>Financing operations</b>				
Change in long-term liabilities	2,698.0	576.4	3,050.1	1,279.4
Realised changes in value	5.2	0.0	5.2	0.0
Dividend	0.0	0.0	-120.4	-84.3
<b>Cash flow from financing operations</b>	<b>2,703.2</b>	<b>576.4</b>	<b>2,934.9</b>	<b>1,195.1</b>
<b>Cash flow for the period</b>	<b>-29.2</b>	<b>32.4</b>	<b>-45.9</b>	<b>31.3</b>
Liquid funds at the beginning of the period	124.6	108.9	141.3	110.0
<b>Liquid funds at the end of the period</b>	<b>95.4</b>	<b>141.3</b>	<b>95.4</b>	<b>141.3</b>

<sup>1)</sup> The property acquisitions were financed in the fourth quarter of 2006 and the first six months of 2005 partly by non-cash issues of SEK 1,094 million and SEK 269 million respectively.

## Key financial indicators

	2006 3 months Oct-Dec	2005 3 months Oct-Dec	2006 12 months Jan-Dec	2005 12 months Jan-Dec
Return on equity, %	6.3	10.4	20.6	19.1
Return on total capital, %	2.1	4.1	8.0	9.2
Equity ratio, %	34.3	34.8	34.3	34.8
Interest coverage ratio, times	3.9	2.1	4.4	2.8
Equity per share, SEK	23.2	18.8	23.2	18.8
Debt-equity ratio, times	1.8	1.8	1.8	1.8
Financial occupancy rate, %	84	87	84	87
Operating margin, %	58	58	60	61

# Definitions

Key ratios based on the average number of shares have been calculated on the basis of weighted averages.

## **Debt-equity ratio**

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

## **Earnings per share**

Profit for the period in relation to the average number of shares.

## **Equity per share**

Reported equity in relation to the number of shares at the end of the period.

## **Equity ratio**

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

## **Interest coverage ratio**

Profit after net financial items plus financial costs in relation to financial costs.

## **Occupancy rate – financial**

Rental income in relation to rental value at the end of the period.

## **Operating margin**

Operating surplus as a percentage of rental income.

## **Operating surplus**

Rental income minus rent discounts, rent losses, operating and maintenance expenses, site leasehold charges and property tax.

## **Realised change in value, properties**

Property sales during the period after deduction for the fair value of the properties.

## **Rental value**

Rental income plus assessed market value for unlet areas.

## **Return on shareholder's equity**

Net profit in relation to average equity.

## **Return on total capital**

Operating profit in relation to average balance sheet.

## **Unrealised change in value, properties**

Change in fair value for the property holding at the end of each quarter.

### For further information, please contact

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