

Wallenstam AB (publ) Interim Report January 1–June 30, 2016

CEO Hans Wallenstam and CFO in charge of IR Susann Linde comments on the interim report at www.wallenstam.se/filmsandpresentations. The film will be released by 8.30 a.m. (CET) at the latest.

A conference call with Susann Linde, CFO in charge of IR, will take place at 9.30 a.m. (CET) at www.financialhearings.com, the presentation is available at www.wallenstam.se/filmsandpresentations.

JANUARY 1–JUNE 30, 2016

- Income from property management increased by 9 percent and amounted to SEK 350 million (322).
- Unrealized changes in the value of investment properties amounted to SEK 1,615 million (1,711), of which new construction of rental apartments represented SEK 561 million (302).
- Unrealized changes in the value of derivative instruments amounted to SEK -366 million (160).
- Profit after tax amounted to SEK 1,325 million (1,981), equivalent to SEK 4.0 (5.9) per share.
- Rental income amounted to SEK 789 million (771).
- Properties were sold with a value of SEK 730 million (1,756), resulting in realized changes in value of SEK 113 million (133), which was 18 percent above the latest valuation.
- Acquisitions of properties totaled SEK 133 million (955) and investments in properties amounted to SEK 1,080 million (972).
- The growth rate in net asset value, excluding dividends and repurchases, on a rolling full-year basis was just over 15 percent.
- We had around 1,700 apartments under construction on the closing day.

APRIL 1–JUNE 30, 2016

- Income from property management increased by 8 percent and amounted to SEK 184 million (171).
- Unrealized changes in the value of investment properties amounted to SEK 1,215 million (1,537), of which new construction of rental apartments represented SEK 276 million (182).
- Unrealized changes in the value of derivative instruments amounted to SEK -155 million (298).
- Profit after tax amounted to SEK 1,043 million (1,823), equivalent to SEK 3.2 (5.5) per share.
- Rental income amounted to SEK 397 million (390).

Comment from Hans Wallenstam, CEO

“The result for the first half of 2016 showed excellent figures and reflected the fact that the operations are performing very well and are continually generating value. Compared to the year-earlier period, rental income increased despite completed divestments, as did net operating income, mainly due to the successful entry of our new construction projects into our management operations. Income from property management increased by 9 percent and one third of the increase in property value, SEK 561 million, was generated through our own new construction work.”

“We are halfway in the business plan in which our goal is to achieve an average rate of net asset value growth, excluding dividends and repurchases, of at least 10 percent per year. When we decided on the goal for the business plan it was set at a challenging level, and a target that also becomes a little tougher each year during the period. Now when I sum up the first 2.5 years and see that the average net asset value growth in relation to our goal is more than 13 percent, I feel very proud about what we have achieved so far. Now we will work hard through our effective construction and management organization to create more value, generate strong income from property management and good net asset value growth in the next phase of our business plan.”

For the complete report, please refer to the attached PDF.

This information is information that Wallenstam is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out below, at 08:00 CET on August 3, 2016.

For further information:

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Wallenstam is a growing property company that manages, builds and develops properties for sustainable living and enterprise in Gothenburg and Stockholm. The property holdings are valued at around SEK 34 billion and the customer base consists of just over 7,500 households and 1,000 enterprises. The total lettable area is around 1 million sq m. Wallenstam is self-sufficient in renewable energy through Svensk NaturEnergi. The company's B shares have been listed on Nasdaq Stockholm since 1984.