

# Interim Report

JANUARY – JUNE 2013

- 
- 2012 Year-end numbers included into this interim report were adjusted to conform with Company's Audited Annual report published on 5 July 2013.
  - As per Ruric Bond agreement the relationship between the outstanding loan amount and total assets should not exceed 80 per cent. This ratio as of 30 June 2013 equals to 105.8 percent, which constitutes a violation of Ruric Bond terms. The Board is aware of the issue and currently negotiating to the Bondholders Committee on Company restructuring to remedy the breach or change the Bond terms and conditions.
  - Net turnover for the interim period amounted to SEK 19.9 m (20.4).
  - The result after tax was -38.1 m (-151.6). The negative result is directly attributable to high legal and consulting costs related to the on-going negotiations with the creditors and increase of exchange rate of SEK to RUB.
  - Earnings per share amounted to SEK -0.37 (-1.45).
  - Vacancy rate in the three business centres increased because of some tenants left Oscar and Gustaf. As of 30 June it was 8.1 (1.9 as of 31 December 2012) percent.
  - The valuation of properties was adjusted to SEK 382.0 m (407.9) as of June 30 on the basis of valuation performed by CBRE as of 31 December 2012 and sale of Apraksin Dvor from real estate projects. Decrease is mainly explained by the exchange rate fluctuations. Changes in the fair value of the investment properties amounted to SEK -0.4 m (nil) and in the value of project properties amounted to SEK nil (-103.0). The net effect was SEK -0.4 m (-103.0). Ruric engaged CBRE to update the valuations of property portfolio as of 30 June 2013. As of the date of this report the valuations were not finalised yet.
  - 1 February 2013 Ruric has finalised the chain of transactions to sell LLC Incom and LLC Crocus, which were the parties in the investment contract for Apraksin Dvor with the City for USD 1.5 m / SEK 9.8 m, payable within 12 months subsequent to the deal closure. Transaction has been completed on market terms with an independent third party. During the years 2009-2012 Inkom LLC and Crocus LLC were financed by the Group through loans granted by the other Group companies. As part of sale in 2013 of Apraksin Dvor project, the Group committed to transfer the rights on aforementioned loans receivable to the buyer (Gledecco Assets Limited). Consideration price for 100% share (Group share of 65.5% and non-controlling interest share of 34.5%) in LLC Incom and LLC Crocus and loans transfer was equal to SEK 9.8 m. The transfer in 2013 resulted in dilution of non-controlling interest for 34.5% of loans receivable. As a result the related debit balance of non-controlling interest in the amount of SEK 122.8 m was transferred to retained losses.
  - Ruric has not secured financing until the end of 2013 and therefore there is significant doubt that Ruric is able to act on a going concern basis. With interest levels twice as high as its net operating income, the Company has to find a way to refinance its debt. Current intention is to find a way to restructure the bond loan and reduce or eliminate the debt burden over the cash flows.
  - There is a significant coupon payment in November 2013 and the company holds investment properties, which bear no income but instead require substantial rental payments and maintenance costs. Ruric Board is currently in negotiations with bondholders to secure funding in the short term and working on a solution to enable Ruric to act on a going concern basis.

## Key Events

### January

15 January 2013 Ingvar Ljungqvist left the position as CEO in Ruric AB.  
16 January 2013 Tatiana Ottestig has taken the position of CEO in Ruric AB.

### February

1 February 2013 Ruric finalised the sale of 100% in LLC Incom and LLC Crocus, approved by the Board of Directors in December 2012 to Gledeco Assets Ltd for USD 1.5 m / SEK 9.8 m payable within 12 months following the closing date.  
7 February 2013 Aleksandrs Tralmaks resigned from the Board in Ruric AB and its subsidiaries.  
7 February 2013 the court hearing on Moika Glinki against Russian Ministry of Defense was postponed to 18 March 2013.  
8 February 2013 the Board of Directors of Ruric AB called an extraordinary meeting of shareholders to be held on 12 March 2013.  
28 February 2013 Ruric won the case against AUIPIK (Russian governmental agency in charge for historical buildings), who tried to increase the rental payments for Fontanka 57 since September 2012.

### March

12 March 2013 EGM did not elect any new Directors due to the absence of candidates. Liquidation balance sheets were not approved as they were not finalised.  
18 March 2013 Moscow Arbitration Court has postponed until 24 April 2013 the hearing of the claim on compensation for Moika Glinki investment agreement expenses against Russian Ministry of Defense.

### April

19 April 2013 the extraordinary general shareholders meeting introduced further changes in the Board of Directors of Ruric. Vadim Gurinov resigned as Chairman and Board member in Ruric AB, while Ilya Sosnov has taken the Chairman responsibility. Roger Stuart Poppleton and Elizabeth Woollam both reside in the UK were appointed new Board members.  
22 April 2013 the Arbitration Court of Saint-Petersburg and Leningrad region has recognised the right of Litera LLC (Ruric 50% owned company) to set-off SEK 17.3 m against rental payments for the use of the building at the Fontanka 57, lit. A under the lease agreement with the Russian governmental agency AUIPIK.  
24 April 2013 as per the request of the defendant Moscow Arbitration Court postponed the hearing on compensation of claim from LLC Glinki 2 to the Ministry of Defense of the Russian Federation until 10 June. The counsel of the defendant did not accept the claim on compensation at the court.

### May

6 May 2013 the Bond Agent convened the bondholders meeting because of Ruric did not comply with certain provisions of the Bond Loan Agreement. The bondholders' meeting resolves that the breaches of these provisions may be materially detrimental to the interest of the Bondholders, however the bondholders' meeting decided to commission the Bondholders Committee, consisting of several major bondholders to continue negotiations with Ruric on restructuring. If it in the opinion of the Bondholders Committee is not possible to reach a reasonable negotiated solution within a reasonable period of time and provided an Event of Default is continuing, the Agent is authorised to accelerate the Bonds and enforce the security.  
20 May 2013 Ruric received a letter from NASDAQ OMX Surveillance Stockholm regarding disclosure of information, unauthorized Board of Directors and control balance sheet. In the letter NASDAQ OMX expressed their concern about the level of corporate governance of the Company because of untimely disclosure of information, preparation of the control balance sheet and unauthorized Board of Directors during March 15 to April 19, 2013. NASDAQ OMX requested a statement of explanation from the Board of Directors, which was provided on 2 June 2013.  
22 May, 2013 RURIC was informed by the Department of Property Relations of the Ministry of Defence that the provided documents evidencing the costs incurred by Glinky 2 LLC within the framework of the agreement #01-8/9/1 dated 27 March 2006 didn't meet requirements of the Town Planning Code of the Russian Federation and the Order of the Ministry of Defence #1700 of 6 July 2001.

### June

4 June 2013 the Board of Directors agreed a preliminary term sheet on the restructuring of the existing bond loan with a total nominal amount outstanding of SEK 619.8 m with the Bondholders' Committee, which had been commissioned to negotiate with Ruric by the bondholders' meeting held on 6 May 2013.  
6 June 2013, Denis Panovitsin was appointed as General Director of Ruric Management in Saint-Petersburg.  
10 June 2013 at the request of the defendant Moscow Arbitration Court postponed the hearing on compensation of claim from LLC Glinki 2 to the Ministry of Defence of the Russian Federation until July 17. The counsel of the defendant did not accept the claim on compensation at the court.  
13 June 2013 The Board of Directors has prepared a balance sheet for liquidation purposes in accordance with Chapter 25 Section 13 and 14 of the Swedish Companies Act and caused the Company's auditor to issue a statement thereon. The balance sheet for liquidation purposes evidences that the shareholders' equity in the Company is less than one-half of the registered share capital. As a consequence thereof, the Board of Directors has issued notice to attend an initial meeting for liquidation purposes in order to present the balance sheet for liquidation purposes to the meeting and for the meeting to determine whether the company shall go into liquidation.  
28 June 2013 Ruric has held an Initial Meeting for Liquidation Purposes. The meeting has resolved that Ruric shall not go into liquidation, but continue its business operations.

## Description of Ruric AB

### *Business concept, overall goal and strategy*

The company's business concept is to acquire, develop, let and manage real estate in St Petersburg, Russia with a focus on commercial premises of high class in attractive locations that thereby contribute positively to the business of the tenants.

The company has the goal of becoming a leading real estate company in the St Petersburg region within its segment.

The strategy is to manage properties in the central parts of St. Petersburg. Through professional management and tenant relationship commercial premises of the high class are offered to tenants that are looking for premises in attractive locations and are willing to pay for it. In addition to that, Ruric shall divest, sell or swap the properties under development and focus on running the operational business centres, trying to maximize the net operating income and improve Ruric cash flow.

## Real estate stock

Ruric owns, disposes of or has interests in four properties in central St Petersburg at the end of the reporting period. Three are completed and operating and the remaining one is in a planning, design and renovation phase. There is also a land plot outside the city centre. During the period, the real estate stock\* has developed as shown below:

| SEK, m                    | Q1    | Q2    |
|---------------------------|-------|-------|
| <b>Opening balance</b>    | 407.9 | 390.5 |
| Divestments               | -9.5  | 0.0   |
| Changes in value          | -0.2  | -0.2  |
| Changes in exchange rates | -7.7  | -8.4  |
| <b>Closing balance</b>    | 390.5 | 382.0 |

\* The table shows the investment property and the project properties

### Acquisitions

No acquisitions have been carried out during the period.

### Divestment

1 February 2013 Ruric has finalised the chain of transactions to sell LLC Incom and LLC Crocus, which were the parties in the investment contract for Apraksin Dvor with the city for USD 1.5 m / SEK 9.8 m, payable within 12 months subsequent to the deal closure. Transaction has been completed on market terms with an independent third party.

### Changes in value

The Board of Directors have chosen to base the valuation per 30 June on CBREs valuations as of 31 December 2012. Because of non-going concern assumption CBRE assessed the liquidation value of properties, which is different to the fair values due to limited period of exposition for sale and may imply haircut from the fair values from 7% for investment properties up to 25% for real estate projects. The valuation as of 30 June 2013 is currently in progress and will be presented in the report for the third quarter.

As per CBRE valuations as of 31<sup>st</sup> of December 2012 Ruric investment properties portfolio was as follows:

### INVESTMENT PROPERTIES

The value of the investment property portfolio per 30 June 2013 amounts to SEK 276.0 m (287.5), which is equivalent to 21,024 SEK per lettable sq m.

| Property                       | Lettable area | Operating income at full tenancy<br>(6.4 SEK/USD) | External valuation<br>30 June 2013<br>(Liquidation values) | External valuation<br>31 December 2012<br>(Fair values) |
|--------------------------------|---------------|---|--|---|
| R. Fontanki nab. 13 (Oscar)    | 2,983         | 9.5   | 74.6   | 86.0  |
| 9-ya Liniya V.O. 34 (Magnus)   | 5,547         | 11.6  | 98.9   | 112.6   |
| Sredny Prospekt 36/40 (Gustaf) | 4,597         | 14.2  | 102.5  | 115.8   |
| <b>Investment properties</b>   | <b>13,127</b> | <b>35.3</b>                                       | <b>276.0</b>   | <b>314.3</b>  |

### DEVELOPMENT PROPERTIES

The development portfolio as of 30 June 2013 is represented by jointly owned property on Fontanka 57 (50%). Ruric also owns a land plot of 33 hectares in Strelna, southwest of the city centre. Strelna land plot is recorded as project property, whereas the Fontanka 57 is recorded as financial assets - shares and participations.

#### *Fontanka 57:*

The property could be developed into A-class offices. As it is possible to construct a parking garage at the back of the building this could be a very attractive office project in the City. The building is well suited for tenants in need of high profile offices in St Petersburg. The rent paid for true A-class projects in St Petersburg are at attractive levels.

Since 2013 Ruric started to earn rental income from sublease of Fontanka 57.

On 22 April 2013 the Arbitration Court of Saint-Petersburg and Leningrad region has recognised the right of Litera LLC (Ruric 50% owned company) to set-off SEK 17.3 m / RUB 84.2 m against rental payments. As of 30 June 2013 two tenants occupy 3,459 square meters which represents 25% of lettable area.

#### *Land plot in Strelina:*

Ruric believes that this area, together with two other areas in the proximity of St Petersburg, with good road and rail communication, are specifically attractive and will most certainly gain in attractiveness once the supply in capital markets is better. No development is currently conducted on the land plot.

Before development is launched, Ruric has to agree with the authorities on removal of high voltage power line from the land plot, which may require substantial time and costs. Land plot development before the power line is removed is unlikely.

#### LONG-TERM RECEIVABLE

##### *Moika / Glinki:*

As of 31 December 2012 in line with the cancellation of Moika Glinki investment contract by the Russian Ministry of Defence Ruric reclassified the value of the investment into Moika Glinki into a receivable from the Russian Ministry of Defence. Based on an independent legal opinion prepared by international legal advisor as of 31 December 2012, the estimated recovery of the receivable is expected to be two years from the date of the hearing. Net present value of the receivable as of 30 June 2013 has been assessed to SEK 210.9 m.

#### **Future prospects – Financing**

With high oil prices the Russian national budget remains strong. Even if Russia is also hit by the international financial turmoil and even if domestic political turmoil influences the perception of Russia, the economy is kept up by high commodity prices and high local consumption.

The Company is focusing its attention on its financial difficulties. With interest payments twice as high as its Net Operating Income, the company has to find a way to refinance its debt.

As of 31 December 2012 CBRE has undertaken the assessment of liquidation value of the assets because of non-going concern assumption. These values may imply haircut from the fair values from 7% for investment properties up to 25% for real estate projects. In addition, there is a significant coupon payment in November 2013 and the Company holds investment properties, which bear no income but instead require substantial rental payments and maintenance costs. These facts raise doubts that Ruric will be able to perform as going concern. Ruric Board is currently in negotiations with bondholders to secure funding in the short term and working on a solution to enable Ruric to act on a going concern basis.

It is Ruric strategy to divest, sell or swap the properties under development and focus on running the operational business centres, trying to maximize the net operating income and improve Ruric cash flow.

## COMMENTS ON THE FINANCIAL DEVELOPMENT

### Rental income

The rental income that includes the buildings at the 9-aya V.O. Linia 34 (Magnus), Fontanka 13 (Oscar) and Sredny Prospekt 36/40 (Gustaf) amounted to SEK 19.9 m (20.4) during the first half of year. The income from Fontanka 57 is not recognised in the group accounts as Fontanka 57 is accounted for as equity accounted investee.

### Real estate expenses

Direct real estate expenses and expenses for legal administration, marketing of premises, management fees etc. amounted to SEK -4.1 m (-6.4) for the interim period and -1.6 m (-2.9) for the second quarter.

### Operating surplus

The operating surplus amounted to SEK 15.8 m (14.0) for the interim period and 8.6 m (7.1) for the second quarter.

### Other operating income / (expenses)

Other operating expenses mainly referred to expenses for central administration that include expenses for group management as well as other central functions including personnel expenses. These expenses amounted to SEK 14.8 m (-27.6) for the interim period and -6.9 m (-21.9) for the second quarter.

### Operating result

The operating result for the interim period amounted to SEK -3.7 m (-116.9) and -2.7 m (-5.8) for the second quarter.

### Net financial income/expense

Net financial income and expenses amounted to SEK -38.7 m (-30.2) for the interim period and -34.9 m (-10.6) for the second quarter. Results from participations were SEK nil (-4.5).

### Result after financial items

The result after financial items amounted to SEK -42.4 m (-151.6) for the interim period and -37.6 m (-23.0) for the second quarter.

### Taxes

Tax expenses amounted to SEK 4.3 m (0.6) during the interim period and mainly relate to deferred taxes.

### Cash flow, liquidity and financial position

The cash flow during the interim period amounted to SEK -3.1 m (-5.0), whereof SEK -5.7 m (3.2) was from operating activities. The equity ratio amounted to -5.8 (0.2) percent at the end of the reporting quarter. Equity amounted to SEK -39.1 m (1.7). Liquid funds amounted to SEK 2.1 m (5.1) and interest-bearing liabilities amounted to SEK 645.0 m (635.7) including accumulated coupon.

#### Interest-bearing liabilities

Ruric's financing consists of a secured bond loan listed at OMX with nominal amount of SEK 619.8 m (619.8) with maturity 16 November 2014. The bond has a coupon of 10 or 13 percent, where Ruric may elect to pay 10 percent in a cash coupon or elect to pay a 3 per cent cash coupon with a payment-in-kind of 10 percent, accumulated to the bond. The second coupon was paid 16<sup>th</sup> November 2012 with 3 percent cash plus 10 percent payment-in-kind.

### Risk assessment

The risk factors presented in the annual report for 2012 are continuously assessed.

#### Exchange rate effects

The functional currency of the operation in Russia is the Russian rouble. Most of Ruric income and expenses, except for interest expense, are incurred in Russian roubles. This provides a natural hedge against foreign currency deviations. Ruric uses no hedge against movement of the Swedish Krona against the Russian rouble.

### Personnel and organisation

The Group had 32 employees at the end of the period, of which 31 are in the Russian subsidiary companies in St Petersburg, and 1 in the parent company.

## The Parent Company

The Parent Company comprises the central management in Stockholm with overall responsibility for operational management. The number of employees in the parent company amounts to 1 person at the period end.

The parent company's net turnover for the interim period amounted to SEK 0.4 m (0.5). The result after financial items amounted to SEK -7.5 m (-5.3). Liquid funds amounted to SEK 0.8 m (0.5) at the end of the interim period.

## The share and the owners

The largest owner is Gano Services with 20.03% of the votes. Second largest is Dancaif Limited with 14.32%. The Ruric series B-share is listed at First North on OMX Stockholmsbörsen. Erik Penser Bankaktiebolag is the certified advisor.

## Related party transactions

During the reporting period maintenance SEK 0.95 m on business centers were commenced through the company LLC Glinki Expluatatcia, which used to be a former subsidiary of Ruric named LLC Technostroy, sold to a related party in December 2011. No other significant related party transactions were commenced.

## Events after the close of the period

### July

5 July 2013 Annual report of Ruric AB for 2012 has been published.

17 July 2013 Court hearing on Moika–Glinki case is being postponed At the request of the defendant Moscow Arbitration Court postponed the hearing on compensation of claim from LLC Glinki 2 to the Ministry of Defence of the Russian Federation until September 11, 2013. The Ministry of Defence of the Russian Federation had no position for the case so they requested extra time to study the case materials. Representatives of the Ministry of Defence of the Russian Federation informed Ruric that amicable agreement is not possible and they will use the time to prepare their objections to challenge the full amount of the claim. The Court has asked the parties to prepare the final clarifications on the claim and objections to the claim by September 11, 2013.

17 July 2013 Litera LLC (Ruric 50% owned company) won the court of appeal to set-off the incurred capital expenses for restoration of the building at the Fontanka 57 lit. A in the amount of SEK 17.3 m / RUB 84 m against rental payments for the use of the building under the lease agreement with the Russian governmental agency AUIPIK. This fact allows LLC Litera to effectively offset future rental payments since August 2013.

26 July 2013, the Annual General meeting in Russian Real Estate Investment Company AB (publ) was held. The Annual General meeting approved the profit and loss account and the balance sheet as well as the consolidated profit and loss accounts and the consolidated balance sheet, resolved on the allocation of available profits, on the discharge from liability for members of the Board of Directors and the Managing Directors for the financial year of 2012, on the approval of fees for the Board of Directors and the auditors and elected a Board of Directors and auditor for the period up to and including the next annual general meeting.

### August

There were no significant events in August

## Accounting principles

The consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS). This interim report is prepared in accordance with IAS 34 Interim reporting. The updated standard IAS 1 has been applied in this interim report. The group adopts the same accounting principles as the latest annual report.

## Dividend

The Annual meeting resolved that no dividend should be distributed.

## Annual report

The report is available on the Company website [www.ruric.com](http://www.ruric.com).

## Annual meeting

The annual meeting was held 26 July 2013. The minutes of meeting are available on corporate website [www.ruric.com](http://www.ruric.com).

## Change of address

The company has changed its post address for correspondence to the following:

Russian Real Estate Investment Company AB  
Visma services AB  
Box 34212  
100 26 Stockholm  
Sweden

## Future reporting dates

|                                       |                  |
|---------------------------------------|------------------|
| Interim Report January-September 2013 | 30 November 2013 |
| Year-End Report January-December 2013 | 28 February 2014 |

## For additional information

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This Interim Report has not been the subject of examination by the Company's Auditor.

Stockholm, 30 August 2013  
Russian Real Estate Investment Company AB (publ)

The Board of Directors

*Ruric's business concept is to acquire, develop, let, manage, and divest real estate in St Petersburg, Russia, with a focus on commercial premises of the highest quality in attractive locations that can thereby contribute positively to the business of the tenants. The company has the vision of becoming a leading real estate company in central St Petersburg*

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Corporate identity number: 556653-9705    Registered office: Stockholm

| Consolidated income statement<br>SEK m                | Apr - June<br>2013 | Apr - June<br>2012 | Jan - Jun<br>2013 | Jan-Jun<br>2012   | Jan-Dec<br>2012<br>(adjusted)    |
|---|--------------------|--------------------|-------------------|-------------------|----------------------------------|
| Rental income   | 10.2               | 10.0               | 19.9              | 20.4              | 40.3                             |
| Real estate expenses                                  | -1.6               | -2.9               | -4.1              | -6.4              | -12.3                            |
| <b>Operating surplus</b>                              | <b>8.6</b>         | <b>7.1</b>         | <b>15.8</b>       | <b>14.0</b>       | <b>28.0</b>                      |
| Depreciation of equipment                             | -0.2               | -0.1               | -0.3              | -0.3              | -0.5                             |
| Other operating income / (expenses)                   | -6.9               | -21.9              | -14.8             | -27.6             | -35.5                            |
| Changes in value, real estate                         | -0.2               | 0.0                | -0.4              | -103.0            | -306.4                           |
| Impairment  | -4.0               | 9.1                | -4.0              | 0.0               | 0.0                              |
| <b>Operating profit / (loss)</b>                      | <b>-2.7</b>        | <b>-5.8</b>        | <b>-3.7</b>       | <b>-116.9</b>     | <b>-314.4</b>                    |
| Income from participation in the associated companies | -                  | -6.6               | -                 | -4.5              | -19.0                            |
| Financial income                                      | -                  | 2.6                | -                 | 4.6               | 7.8                              |
| Financial expenses                                    | -34.9              | -13.2              | -38.7             | -34.8             | -132.4                           |
| <b>Profit/loss after financial items</b>              | <b>-37.6</b>       | <b>-23.0</b>       | <b>-42.4</b>      | <b>-151.6</b>     | <b>-457.9</b>                    |
| Taxes   | 3.4                | 6.3                | 4.3               | 0.6               | 14.5                             |
| <b>Profit/loss after tax</b>                          | <b>-34.2</b>       | <b>-16.7</b>       | <b>-38.1</b>      | <b>-151.6</b>     | <b>-443.4</b>                    |
| Non-controlling interest                              | -                  | -                  | -                 | -                 | -23.9                            |
| Currency translation differences                      | -6.0               | 38.4               | -2.7              | -6.6              | 2.0                              |
| <b>Total result</b>                                   | <b>-34.2</b>       | <b>21.7</b>        | <b>-40.8</b>      | <b>-157.6</b>     | <b>-417.5</b>                    |
| Earnings per share. SEK                               | -0.33              | -0.16              | -0.37             | -1.45             | -4.03                            |
| Earnings per share incl. dilution. SEK                | n.a                | n.a                | n.a.              | n.a               | n.a.                             |
| Number of shares at the close of the period           | 104,148,555        | 104,148,555        | 104,148,555       | 104,148,555       | 104,148,555                      |
| Average number of shares                              | 104,148,555        | 104,148,555        | 104,148,555       | 104,148,555       | 104,148,555                      |
| Average number of shares. incl. dilution              | 104,148,555        | 104,148,555        | 104,148,555       | 104,148,555       | 104,148,555                      |
| <b>Consolidated balance sheet MSEK</b>                |                    |                    |                   |                   |                                  |
|   |                    |                    | <b>30-06-2013</b> | <b>30-06-2012</b> | <b>31-12-2012<br/>(adjusted)</b> |
| <b>Fixed assets</b>                                   |                    |                    |                   |                   |                                  |
| Investment property                                   |                    |                    | 276.0             | 316.1             | 297.5                            |
| Real estate projects                                  |                    |                    | 106.0             | 495.2             | 110.4                            |
| Equipment   |                    |                    | 1.7               | 1.8               | 2.0                              |
| Participations in the associated companies            |                    |                    | 0.0               | 29.2              | 0.0                              |
| Deferred tax assets                                   |                    |                    | 0.0               | 23.2              | 0.0                              |
| Other long-term receivables                           |                    |                    | 214.1             | 74.2              | 213.1                            |
| <b>Total fixed assets</b>                             |                    |                    | <b>597.8</b>      | <b>939.7</b>      | <b>623.0</b>                     |
| <b>Current assets</b>                                 |                    |                    |                   |                   |                                  |
| Current receivables                                   |                    |                    | 72.4              | 41.9              | 76.5                             |
| Liquid funds  |                    |                    | 2.1               | 36.8              | 5.1                              |
| <b>Total current assets</b>                           |                    |                    | <b>74.5</b>       | <b>78.7</b>       | <b>81.6</b>                      |
| <b>TOTAL ASSETS</b>                                   |                    |                    | <b>672.3</b>      | <b>1,018.4</b>    | <b>704.6</b>                     |
| <b>EQUITY AND LIABILITIES</b>                         |                    |                    |                   |                   |                                  |
| Equity  |                    |                    | -39.1             | 359.0             | 1.7                              |
| Deferred tax liabilities                              |                    |                    | 45.1              | 17.3              | 45.1                             |
| Interest-bearing liabilities                          |                    |                    | 645.0             | 563.4             | 635.7                            |
| Accounts payable                                      |                    |                    | 6.7               | 4.8               | 8.2                              |
| Other liabilities                                     |                    |                    | 5.8               | 9.5               | 5.0                              |
| Accrued expenses and deferred income                  |                    |                    | 8.9               | 64.4              | 8.9                              |
| <b>TOTAL EQUITY AND LIABILITIES</b>                   |                    |                    | <b>672.4</b>      | <b>1,018.4</b>    | <b>704.6</b>                     |



| <b>Consolidated change in equity<br/>SEK m</b>                                  | <b>Apr-Jun<br/>2013</b> | <b>Apr-Jun<br/>2012</b> | <b>Jan-Jun<br/>2013</b> | <b>Jan-Jun<br/>2012</b> | <b>Jan-Dec<br/>2012<br/>(adjusted)</b> |
|---|-------------------------|-------------------------|-------------------------|-------------------------|--|
| <b>Equity at the start of the period</b>  | 1.1                     | 337.3                   | 1.7                     | 516.6                   | 440.5                                  |
| Preferential rights issue   | 0.0                     | 0.0                     | 0.0                     | 0.0                     | 0.0                                    |
| Issue expenses  | 0.0                     | 0.0                     | 0.0                     | 0.0                     | 0.0                                    |
| Revaluation   | 0.0                     | 0.0                     | 0.0                     | 0.0                     | 0.0                                    |
| <b>Profit/loss for the period</b>   | -40.2                   | 21.7                    | -40.8                   | -157.5                  | -438.3                                 |
| <b>Equity at the close of the period</b>  | -39.1                   | 359.0                   | -39.1                   | 359.1                   | 1.7                                    |
| <b>Consolidated cash flow statement<br/>SEK m</b>                               |                         |                         |                         |                         |  |
|   | <b>Apr-Jun<br/>2013</b> | <b>Apr-Jun<br/>2012</b> | <b>Jan-Jun<br/>2013</b> | <b>Jan-Jun<br/>2012</b> | <b>Jan-Dec<br/>2012</b>                |
| <b>Operating activities</b>   |                         |                         |                         |                         |  |
| Profit/loss after financial items   | -37.6                   | -23.0                   | -42.4                   | -151.6                  | -457.9                                 |
| Adjustment for items not included in<br>the cash flow                           | 21.7                    | 4.5                     | 37.0                    | 107.7                   | 431.2                                  |
| Taxes paid  | 3.4                     | 0.2                     | 4.3                     | -0.6                    | -2.8                                   |
| <b>Cash flow from operating activities<br/>before change in working capital</b> | <b>-12.5</b>            | <b>-18.3</b>            | <b>-1.1</b>             | <b>-44.5</b>            | <b>-29.5</b>                           |
| <b>Changes in working capital</b>   |                         |                         |                         |                         |  |
| Change in operating receivables   | 13.8                    | -3.3                    | -1.3                    | 7.2                     | 12.1                                   |
| Change in operating liabilities   | 3.5                     | 13.0                    | -3.3                    | 40.5                    | 8.5                                    |
| <b>Total change in working capital</b>  | <b>17.3</b>             | <b>9.7</b>              | <b>-4.6</b>             | <b>47.7</b>             | <b>20.6</b>                            |
| <b>Cash flow from operating activities</b>                                      | <b>4.8</b>              | <b>-8.6</b>             | <b>-5.7</b>             | <b>3.2</b>              | <b>-8.9</b>                            |
| <b>Investing activities</b>   |                         |                         |                         |                         |  |
| Acquisition of participations   | 0.0                     | 0.0                     | 0.0                     | 0.0                     | 0.0                                    |
| Acquisition of tangible fixed assets  | -0.2                    | -0.4                    | -0.4                    | -3.0                    | -12.6                                  |
| Sale of tangible fixed assets   | 0.0                     | 0.0                     | 9.3                     | 0.0                     | 0.0                                    |
| Investments in other financial assets   | 0.0                     | -0.1                    | 0.0                     | -14.8                   | -15.2                                  |
| Disposal of subsidiaries  | -4.9                    | 9.6                     | -6.3                    | 9.6                     | 0.0                                    |
| <b>Cash flow from investing activities</b>                                      | <b>-5.1</b>             | <b>9.1</b>              | <b>2.6</b>              | <b>-8.2</b>             | <b>-27.8</b>                           |
| <b>Financing activities</b>   |                         |                         |                         |                         |  |
| Preferential rights issue   | 0.0                     | 0.0                     | 0.0                     | 0.0                     | 0.0                                    |
| Warrant settlement  | 0.0                     | 0.0                     | 0.0                     | 0.0                     | 0.0                                    |
| Change in long-term borrowing   | 0.0                     | 0.0                     | 0.0                     | 0.0                     | 0.0                                    |
| <b>Cash flow from financing activities</b>                                      | <b>0.0</b>              | <b>0.0</b>              | <b>0.0</b>              | <b>0.0</b>              | <b>0.0</b>                             |
| <b>Cash flow for the period</b>   | <b>-0.3</b>             | <b>0.5</b>              | <b>-3.1</b>             | <b>-5.0</b>             | <b>-36.7</b>                           |
| Opening liquid funds  | 2.4                     | 36.3                    | 5.1                     | 41.8                    | 41.8                                   |
| <b>Liquid funds at the close of<br/>the period</b>                              | <b>2.1</b>              | <b>36.8</b>             | <b>2.1</b>              | <b>36.8</b>             | <b>5.1</b>                             |

| <b>Group key ratios</b>                      | <b>Apr-Jun<br/>2013</b> | <b>Apr-Jun<br/>2012</b> | <b>Jan-Jun<br/>2013</b> | <b>Jan-Jun<br/>2012</b> | <b>Jan-Dec<br/>2012</b> |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| <i>Real estate related key ratios</i>        |                         |                         |                         |                         |                         |
| Lettable area. m <sup>2</sup>                | 13,127                  | 26,400                  | 13,127                  | 26,400                  | 26,400                  |
| Book value real estate                       | 381.9                   | 811.4                   | 381.9                   | 811.4                   | 407.7                   |
| Occupancy ratio. area. %                     | 92.3                    | 92.6                    | 92.3                    | 92.6                    | 98.1                    |
| <i>Financial ratios</i>                      |                         |                         |                         |                         |                         |
| Equity ratio. %                              | -5.8                    | 35.2                    | -5.8                    | 35.2                    | 0.1                     |
| Liabilities/Assets. %                        | 105.8                   | 64.8                    | 105.8                   | 64.8                    | 99.8                    |
| Interest coverage ratio. Times               | Neg                     | Neg                     | Neg                     | Neg                     | Neg                     |
| Debt/equity ratio. Times                     | -15.9                   | 1.6                     | -15.9                   | 1.6                     | 673.4                   |
| Return on equity. %                          | -67.9                   | -3.82                   | 200.7                   | -43.38                  | -201.8                  |
| <i>Data per share and share data</i>         |                         |                         |                         |                         |                         |
| Number of shares at the close of the period  | 104,148,555             | 104,148,555             | 104,148,555             | 104,148,555             | 104,148,555             |
| Average number of shares                     | 104,148,555             | 104,148,555             | 104,148,555             | 104,148,555             | 104,148,555             |
| Average number of shares. incl. dilution     | 104,148,555             | 104,148,555             | 104,148,555             | 104,148,555             | 104,148,555             |
| Earnings per share. SEK                      | -0.16                   | -0.16                   | -0.37                   | -1.45                   | -5.00                   |
| Dividend. SEK                                | 0                       | 0                       | 0                       | 0                       | 0                       |
| <i>Employees</i>                             |                         |                         |                         |                         |                         |
| Average number of employees                  | 24                      | 13                      | 24                      | 13                      | 16                      |
| Number of employees at the end of the period | 32                      | 13                      | 32                      | 13                      | 20                      |

| Parent company income statement<br>MSEK | Apr-Jun<br>2013 | Apr-Jun<br>2012 | Jan-Jun<br>2013 | Jan-Jun<br>2012 | Jan-Dec<br>2012<br>(adjusted) |
|---|-----------------|-----------------|-----------------|-----------------|-------------------------------|
| Net income                              | 0.2             | 0.5             | 0.4             | 0.5             | 1.1                           |
| <b>Net income</b>                       | <b>0.2</b>      | <b>0.5</b>      | <b>0.4</b>      | <b>0.5</b>      | <b>1.1</b>                    |
| Depreciation                            | 0.0             | 0.0             | 0.0             | 0.0             | 0.0                           |
| Other company cost                      | -3.0            | -5.6            | -7.7            | -7.7            | -18.3                         |
| Impairment                              | 0.0             | 0.0             | 0.0             | 0.0             | 0.0                           |
| <b>Operating profit/(loss)</b>          | <b>-2.8</b>     | <b>-5.1</b>     | <b>-7.3</b>     | <b>-7.2</b>     | <b>-17.2</b>                  |
| Financial items                         | 1.8             | 19.9            | -0.2            | 1.9             | -698.0                        |
| <b>Profit/loss before tax</b>           | <b>-1.0</b>     | <b>14.8</b>     | <b>-7.5</b>     | <b>-5.3</b>     | <b>-715.2</b>                 |
| Taxes                                   | 0.0             | 0.0             | 0.0             | 0.0             | 0.0                           |
| <b>Profit / loss after tax</b>          | <b>-1.0</b>     | <b>14.8</b>     | <b>-7.5</b>     | <b>-5.3</b>     | <b>-715.2</b>                 |

| Parent company balance sheets<br>MSEK | 30-06-2013    | 30-06-2012     | 31-12-2012<br>(adjusted) |
|---------------------------------------|---------------|----------------|--------------------------|
| <b>Fixed assets</b>                   |               |                |                          |
| Tangible fixed assets                 | 0.0           | 0.1            | 0.1                      |
| Financial fixed assets                | 294.2         | 682.1          | 298.3                    |
| <b>Total fixed assets</b>             | <b>294.2</b>  | <b>682.2</b>   | <b>298.4</b>             |
| <b>Current assets</b>                 |               |                |                          |
| Short term receivables                | 104.6         | 404.6          | 97.4                     |
| Cash                                  | 0.8           | 3.6            | 0.5                      |
| <b>Total current assets</b>           | <b>105.4</b>  | <b>408.2</b>   | <b>97.9</b>              |
| <b>TOTAL ASSETS</b>                   | <b>399.6</b>  | <b>1,090.4</b> | <b>396.3</b>             |
| <b>EQUITY AND LIABILITIES</b>         |               |                |                          |
| Share capital and reserves            | 441.3         | 444.3          | 444.3                    |
| Retained earnings                     | -704.7        | 19.6           | -699.6                   |
| <b>Total equity</b>                   | <b>-263.4</b> | <b>463.9</b>   | <b>-255.3</b>            |
| <b>Long term liabilities</b>          | <b>645.0</b>  | <b>563.6</b>   | <b>635.7</b>             |
| <b>Short term liabilities</b>         | <b>18.0</b>   | <b>62.9</b>    | <b>15.9</b>              |
| <b>TOTAL EQUITY AND LIABILITIES</b>   | <b>399.6</b>  | <b>1,090.4</b> | <b>396.3</b>             |

#### Definitions

##### Return on equity

Profit/loss after tax in relation to average equity.

##### Loan-to-value ratio real estate

Interest-bearing liabilities concerning real estate in relation to the book value of the real estate.

##### Earnings per share

The profit/loss for the period in relation to the average number of shares.

##### Interest coverage ratio

The profit/loss after financial items plus financial expenses divided by financial expenses.

##### Debt/equity ratio

Interest-bearing liabilities in relation to equity.

##### Equity ratio

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

##### Equity per share

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