

Amounts in SEK million	2015	2014	2013	2012	2011
Income statement					
Property income	2,000	2,063	1,887	1,899	1,671
Property costs	-524	-577	-547	-535	-469
Net operating income	1,476	1,486	1,340	1,364	1,202
Central administrative expenses	-154	-173	-173	-169	-150
Financial items	-416	-690	-703	-731	-619
Profit before changes in value	906	623	464	464	433
Profit from property management	959	833	674	674	643
Changes in value, properties	581	-261	-125	84	897
Changes in value, derivatives	140	-760	297	-128	-235
Current tax	-46	-89	-9	-17	-19
Deferred tax	-231	127	-99	178	-250
Profit for the year	1,350	-360	528	581	826
Other comprehensive income	-50	42	16	-13	-3
Total comprehensive income	1,300	-318	544	568	823
Statement of financial position					
Investment properties	26,502	24,668	22,637	22,951	20,858
Other assets	443	209	156	201	443
Cash and cash equivalents	157	107	13	70	265
Total assets	27,102	24,984	22,806	23,222	21,566
Equity	6,764	2,682	3,061	2,633	2,169
Deferred tax liability	1,518	1,289	1,416	1,325	1,502
Derivatives	679	826	66	363	235
Shareholder loan	-	3,000	3,000	3,000	3,000
Interest-bearing liabilities	17,454	16,507	14,699	15,085	13,445
Non-interest-bearing liabilities	687	680	564	816	1,215
Total equity and liabilities	27,102	24,984	22,806	23,222	21,566
Key ratios					
Financial key ratios					
Loan-to-value ratio, %	65.2	66.5	64.9	65.7	64.5
Interest-coverage ratio, times	3.6	2.7	2.4	2.3	2.6
Secured debt, %	15.4	29.2	40.6	62.5	64.5
Average interest rate, %	1.95	2.26	3.04	3.42	3.61
Property-related key ratios					
Market value of investment properties, SEKm	26,502	24,668	22,637	22,951	20,858
Yield, %	5.7	6.0	6.1	6.2	6.2
Net operating income margin, %	73.8	72.0	71.0	72.2	71.9
Economic occupancy rate, %	96.2	96.5	96.4	96.4	97.0
Property value, SEK/sqm	17,686	16,186	13,956	13,445	13,731
Number of properties	317	313	348	357	312
Lettable area, tsqm	1,499	1,524	1,622	1,707	1,519

GROUP – CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME IN SUMMARY

Amounts in SEK million	Note	2015	2014
Property income			
Rental income		1,988	2,054
Other income		12	9
Total property income	3-4	2,000	2,063
Property costs			
Operating expenses	5	-364	-410
Maintenance costs		-121	-130
Other property costs		-39	-37
Total property costs		-524	-577
Net operating income	3	1,476	1,486
Central administrative expenses	6-8	-154	-173
Financial items			
Interest income	10	2	2
Interest expenses	10	-418	-692
Total financial items		-416	-690
Changes in value			
Investment properties, realised		-45	-142
Investment properties, unrealised	11	626	-119
Derivatives, realised		-7	-
Derivatives, unrealised	11	147	-760
Total changes in value		721	-1,021
Profit before tax		1,627	-398
Current tax	12	-46	-89
Deferred tax	12	-231	127
Profit for the year		1,350	-360
Other comprehensive income			
Profit for the period		-50	42
Translation difference			
Total comprehensive income for the year		1,300	-318
Profit for the period attributable to:			
Parent Company shareholders		1,344	-365
Non-controlling interests		6	5
Total comprehensive income attributable to:			
Parent Company shareholders		1,294	-318
Non-controlling interests		6	-
Data per share (since there are no potential common stock, there is no effect of dilution)			
Average number of shares, thousand		100,001	1,000
Profit for the year, SEK		13,5	-360,6

GROUP – CONSOLIDATED STATEMENT OF FINANCIAL POSITION IN SUMMARY

Amounts in SEK million	Note	31 dec 2015	31 dec 2014
ASSETS			
Fixed assets			
Tangible fixed assets			
Investment properties	13	26,502	24,668
Equipment	14	6	7
Total tangible fixed assets		26,508	24,675
Financial assets			
Other non-current receivables		43	–
Total financial assets		43	–
Total fixed assets		26,551	24,675
Current assets			
Current receivables			
Rent- and accounts receivables	16	24	13
Tax receivables		–	5
Other current receivables		226	126
Prepaid costs and accrued income		144	58
Total current assets	17, 20	394	202
Cash and cash equivalents		157	107
Total current assets		551	309
TOTAL ASSETS		27,102	24,984
EQUITY AND LIABILITIES			
Equity			
Share capital		1	1
Other capital contributions		6,835	3,835
Provisions		-8	42
Retained earnings		-164	-1,236
Total shareholders' equity attributable to the Parent Company's shareholders		6,664	2,642
Non-controlling interests		100	40
Total equity		6,764	2,682
LIABILITIES			
Non-current liabilities			
Shareholder loan	19, 20	–	3,000
Liabilities to minority shareholders	19, 20	21	–
Deferred tax liability	12	1,518	1,289
Derivatives	26	671	815
Interest-bearing liabilities	19, 20	10,061	10,578
Total non-current liabilities		12,271	15,682
Current liabilities			
Interest-bearing liabilities	19	7,372	5,929
Accounts payable		120	85
Derivatives	26	8	11
Tax liabilities		39	11
Other non-interest-bearing liabilities		101	80
Prepaid costs and accrued income	25	427	504
Total current liabilities	20	8,067	6,620
Total liabilities		20,338	22,302
TOTAL EQUITY AND LIABILITIES		27,102	24,984

GROUP – CONSOLIDATED STATEMENT OF CHANGES IN EQUITY IN SUMMARY

Amounts in SEK million	Share capital	Other capital contributions	Translation reserve	Retained earnings	Non-controlling interest	Total equity
Opening balance, 2014-01-01	1	3 835	–	-776	1	3 061
Capital contribution from non-controlling interests 2014	–	–	–	29	34	63
Dividend	–	–	–	-124	–	-124
Total comprehensive income for the period	–	–	42	-365	5	-318
Closing balance, 2014-12-31	1	3 835	42	-1,236	40	2,682
Opening balance, 2015-01-01	1	3,835	42	-1,236	40	2,682
Transfer of capital contribution from non-controlling interests 2014	–	–	–	-29	29	–
Rights issue	–	3,000	–	–	–	3,000
Shareholders' contribution	–	–	–	21	–	21
Capital contribution from non-controlling interests 2014	–	–	–	–	25	25
Dividend	–	–	–	-264	–	-264
Total comprehensive income for the year	–	–	-50	1,344	6	1,300
Closing balance, 2015-12-31	1	6,835	-8	-164	100	6,764

During the year, the Parent Company decided to repay existing shareholder loans of SEK 3,000 million. The repayment was financed by issuing new shares totalling the same amount. A share split was implemented. The total number of shares is now 100,001,000, each with a nominal value of SEK 0.01.

GROUP – CONSOLIDATED STATEMENT OF CASH FLOW IN SUMMARY

Amounts in SEK million	Note	2015	2014
Operating activities			
Profit before tax		1,627	-398
Unrealised changes in value		-773	879
Other items not included in the cash flow	23	30	40
Income tax paid		-14	-50
Cash flow from current operations before changes in working capital		870	471
Change in working capital			
Increase(+)/decrease(-) in current receivables		-409	-58
Increase(+)/decrease(-) in current liabilities		333	18
Cash flow from operating activities		794	431
Investment activities			
Property acquisitions	23	-1,223	-4,606
Investment in new constructions, extensions and reconstructions		-1,059	-697
Property divestments	23	778	3,352
Other fixed assets		-40	-6
Cash flow from investment activities		-1,544	-1,957
Financing activities			
Shareholder contribution		21	–
Borrowing in interest-bearing liabilities		7,204	9,395
Amortisation of interest-bearing liabilities		-6,192	-7,714
Contribution from non-controlling interests		25	63
Dividend paid		-264	-124
Cash flow from financing activities		794	1,620
Cash flow for the year		44	94
Opening balance, cash and cash equivalents		107	13
Exchange rate differences in cash and cash equivalents		6	–
Closing balance, cash and cash equivalents		157	107

PARENT COMPANY – INCOME STATEMENT

Amounts in SEK million	Note	2015	2014
Net sales		71	139
Central administrative expenses	7-8	-166	-177
Other operating income		–	216
Other operating expenses		-32	–
Operating profit/loss		-127	178
Profit/loss from financial items			
Profit from participations in Group companies	9	91	507
Interest income and similar profit items	10	123	171
Interest expenses and similar profit/loss items	10	-407	-580
Financial instruments, realised		-7	–
Profit/loss after financial items		-327	276
Appropriations			
Group contributions received		310	236
Provision to tax allocation reserve		11	–
Profit/loss before tax		-6	512
Current tax	12	–	–
Deferred tax	12	-1	-4
PROFIT/LOSS FOR THE YEAR		-7	508

PARENT COMPANY – COMPREHENSIVE INCOME

Amounts in SEK million	2015	2014
Profit/loss for the year	-7	508
Other comprehensive income	–	–
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	–	508

PARENT COMPANY – BALANCE SHEET

Amounts in SEK million	Note	31 Dec 2015	31 Dec 2014
ASSETS			
Fixed assets			
Tangible fixed assets			
Equipment	14	5	7
Total tangible fixed assets		5	7
Financial fixed assets			
Participations in Group companies	15	6,176	5,740
Other non-current receivables in Group companies	20	3,997	4,016
Total financial fixed assets		10,173	9,756
Total fixed assets		10,178	9,763
Current assets			
Current receivables			
Receivables in Group companies		7,340	5,217
Other receivables		24	88
Prepaid expenses and accrued income		13	19
Total current receivables	20	7,377	5,324
Cash and cash equivalents		1	48
Total current assets		7,378	5,372
TOTAL ASSETS		17,556	15,135
EQUITY AND LIABILITIES			
Equity			
Share capital (100,001,000 at SEK 0.01)		1	1
Share premium reserve		3,000	–
Retained earnings		602	358
Profit/loss for the year		–7	508
Total equity		3,596	867
Untaxed reserves	18		
Tax allocation reserves		33	43
Provisions			
Deferred tax liabilities	12	27	26
Total provisions		27	26
Non-current liabilities			
Shareholder loans	19	–	3,000
Interest-bearing liabilities	19	6,800	4,344
Total non-current liabilities	20	6,800	7,344
Current liabilities			
Interest-bearing liabilities	19	6,960	5,909
Accounts payable		7	4
Liabilities to Group companies		–	818
Tax liabilities		1	–
Other current liabilities		42	4
Accrued expenses and deferred income	25	90	120
Total current liabilities	20	7,100	6,855
TOTAL EQUITY AND LIABILITIES		17,556	15,135
MEMORANDUM ITEMS			
Pledged assets	22	3,026	3,028
Contingent liabilities	23	3,792	7,538

PARENT COMPANY – STATEMENT OF CHANGES IN EQUITY

Amounts in SEK million	Restricted equity		Unrestricted equity	
	Share capital	Share premium reserve	Retained earnings including profit/loss for the year	Total equity
Opening equity, January 1, 2013	1	–	217	218
Change in accounting policy according to IAS 8	–	–	283	283
Dividends	–	–	-116	-116
Profit/loss for the year	–	–	99	99
Closing equity, December 31, 2013	1	–	483	484
Opening equity, January 1, 2014	1	–	483	484
Dividends	–	–	-124	-124
Profit/loss for the year	–	–	508	508
Closing equity, 31 Dec 2014	1	–	866	867
Opening equity, 1 Jan 2015	1	–	866	867
New share issue to share premium reserve	–	3,000	–	3,000
Dividends	–	–	-264	-264
Profit/loss for the year	–	–	-7	-7
Closing equity, 31 Dec 2015	1	3,000	595	3,596

PARENT COMPANY – STATEMENT OF CASH FLOWS

Amounts in SEK million	Note	2015	2014
Operating activities			
Profit/loss before tax		-6	512
Adjustment for non-cash items	23	27	-20
Income tax paid		1	–
Cash flow from operations before change in working capital		22	492
Changes in working capital			
Increase-)/decrease(+) in operating receivables		33	-4,421
Increase(+)/decrease(-) in operating liabilities		-808	4,793
Cash flow from operating activities		-753	864
Investing activities			
Acquisition of shares and participations in subsidiaries		-417	-945
Sales of shares and participations in subsidiaries		2	767
Purchase/sale of equipment		-1	-4
Cash flow from investing activities		-416	-182
Financing activities			
External borrowings		6,657	4,194
Repayment of external borrowings		-3,148	-3,761
Intra-Group loans		-2,123	-948
Dividends paid		-264	-124
Cash flow from financing activities		1,122	-639
Cash flow for the year		-47	43
Cash and cash equivalents at beginning of the year		48	5
Cash and cash equivalents at year-end		1	48

Note 1 Accounting policies

GROUP

Compliance with standards and legislation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRIC), as adopted by the EU. In addition, the consolidated financial statements have been prepared in accordance with Swedish law, applying the Swedish Financial Reporting Board's recommendation RFR 1, Supplementary Accounting Rules for Groups. The same accounting policies, which were used in the Statements for 2014, have been applied to this year's Annual Report. The IASB has issued some changes applicable for 2015, but none of these has had any material impact on Hemsö's financial statements.

New and revised IFRS Standards effective 1 January 2016

A number of new and revised IFRS Standards will become effective during the coming financial year, but have not been adopted early in the preparation of Hemsö's financial statements.

Annual improvements to the IFRS 2012-2014 cycle

Minor amendments and clarifications of nine standards will become effective from 2016. These changes are not expected to have any material effect on Hemsö's financial statements.

IFRS 9 Financial Instruments

This standard will replace IAS 39 Financial Instruments: Recognition and Measurement. It contains rules for the classification and measurement of financial assets and liabilities, impairment of financial instruments and hedge accounting. The standard will be effective for financial periods on or after 2018 but has not yet been endorsed for use in the EU. Hemsö has not yet evaluated the new standard, but a preliminary estimate is that it will not have any material impact on the financial statements.

IFRS 15 Revenue from Contracts with Customers

This standard specifies how and when revenue from contracts, and the sale of certain non-financial assets, is to be recognised. It will replace the current IAS 11 Construction Contracts and IAS 18 Revenue and Related Interpretations. The standard will be effective for financial periods on or after 2018 but has not yet been endorsed for use in the EU. Hemsö has not yet evaluated the new standard, but a preliminary estimate is that it will not have any material impact on the financial statements.

IFRS 16 Leases

This standard requires that the lessee recognise the assets and liabilities for all leases, unless the lease term is 12 months or less or the underlying asset has a low value. The presentation of the lessor will essentially remain unchanged. The standard replaces IAS 17 Leases and Related Interpretations. The standard will be effective for financial periods on or after 2019 but has not yet been endorsed for use in the EU.

Basis of preparation of financial statements

The Parent Company's functional currency is the Swedish krona (SEK), which is also the reporting currency for the Group. All amounts, unless otherwise stated, are presented in millions of SEK, and cover the period 1 January to 31 December 2015 (2014) for income-statement items, and 31 December 2015 (2014) for balance-sheet items. Due to rounding, some totals may not correspond with the sum of notes and tables. Assets and liabilities are recognised at historical cost, except for investment properties and certain financial instruments measured at fair value. Changes in fair value are recognised in the income statement. Preparation of the financial statements in compliance with IFRS requires management to make estimates and assumptions that affect the application of accounting policies and the recognised amounts of assets, liabilities, income and expenses. Estimates and assumptions are based on historical experience and other various factors deemed reasonable under the current circumstances. The results of these estimates and assumptions are then used to assess the carrying amounts of assets and liabilities that are not clear from other sources. Actual results may differ from these estimates.

Estimates and assumptions

Judgments made by management in the process of applying IFRS that have a material impact on the information in the financial statements and estimates are described in Note 2.

Consolidated financial statements

The consolidated financial statements include the Parent Company and all subsidiaries. Subsidiaries are entities over which the Parent Company has a controlling interest. The consolidated financial statements have been prepared in accordance with the acquisition method, whereby assets, liabilities and contingent liabilities have been measured at fair value on the acquisition date in the acquisition analysis. The revenues and expenses of acquired companies are included in the consolidated income statement from the date of acquisition. The income statements of divested companies are included until the date of divestment. Intra-Group receivables and liabilities, income and expenses and unrealised gains or losses arising from transactions between Group companies are eliminated in their entirety when preparing the consolidated financial statements. The portion of equity from non-controlling interests is recognised as a separate component of equity, separately from Parent Company owners' portion of equity. The share of net profit allocated to non-controlling interests is presented separately. Companies owned by 50 per cent are consolidated in the financial statements, based on agreements to acquire additional shares.

Related-party transactions

The delivery of services between Group companies and other related companies and individuals is based on commercial terms and market prices.

Purchases and sales

A purchase or sale is recognised when the rights and obligations have been transferred. Receivables or liabilities with a counterparty between the transaction date and settlement date are recognised gross under other receivables or other liabilities.

Asset acquisitions

In recent years, indirect property transactions have often taken place with companies holding properties, and not through direct property transactions. When an asset is acquired through a company transaction, the acquisition is treated as a direct property transaction. This type of acquired company normally has no employees, organization or activities other than those directly attributable to the property holding. Deferred tax is not recognised as a liability on initial temporary differences attributable to the acquisition. Any deductions in deferred taxes (discounts) obtained in addition to the recognised tax in acquired companies reduces the property's cost instead. In the subsequent valuation, the value changes are thus affected by the tax discounts. In 2015, all acquisitions were classified as asset acquisitions.

Business combinations

In acquisitions where Hemsö obtains control over one or more, basically autonomous, businesses, the acquisition method is applied in accordance with IFRS 3 Business Combinations. The acquired identifiable assets, liabilities and contingent liabilities are measured at their fair values on the acquisition date, and the profit attributable to the acquired business is included from the date of possession. Deferred tax for surplus value, except goodwill, attributable to the acquisition is recognised as a liability based on the nominal tax rate. The difference between deferred taxes at the nominal tax rate, and the temporary value difference in the acquisition analysis is recognised as goodwill. Deferred taxes are not recognised as goodwill. In 2015, no acquisitions were classified as business combinations.

Income

Leases are classified as operating leases on the basis that the property remains in Hemsö's ownership even when the contract runs for up to 20 years.

Financial income and expenses

Interest income is recognised in the accounting period to which it relates. Derivatives are used to achieve the desired fixed-interest structure. Revenues and expenses relating to derivatives are recognised on a continuous

basis. Revenues and expenses deriving from redemption and renegotiation of derivatives, as well as redemption fees, are recognised when they occur. Interest income and expense on financial instruments is recognised using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument, or the net value of the asset or liability.

Income taxes

The income statement includes current and deferred income tax for Swedish and foreign Group units, unless the underlying transaction is recognised in other comprehensive income or directly in equity, whereby the associated tax effect is recognised in other comprehensive income or in equity. The Group's companies are taxable under the laws of each country. In 2015, the tax rate in Sweden was 22 per cent, and is calculated on nominal recognised income adding non-deductible items and deducting non-taxable income. Income tax is recognised using the balance-sheet method, implying that deferred tax is calculated on the closing date's identified temporary differences between assets and liabilities for tax purposes and their carrying amounts. Temporary differences are primarily related to property, financial instruments and allocation. Deferred taxes are only recognised for temporary differences. Temporary differences are valued at the nominal tax rate and the change from the previous balance-sheet date is recognised as deferred tax in the income statement. Deferred tax assets for deductible temporary differences and loss carryforwards are only recognised to the extent that it is probable they will be utilized. The value of deferred tax assets is reduced when it is no longer considered likely that they can be utilized.

Employee Benefits

Employee benefits, such as salaries and social security costs, holidays and paid sick leave, etc. are recognised when the employees perform services for the company. Commitments to employees are secured through defined-contribution plans or ITP. Defined-contribution pension plans are classified as plans when the company's obligation is limited to the contributions the company has undertaken to pay. In such cases, the size of the employee's pension depends on the contributions the company pays into the plan or to an insurance company, and the yield the capital charges provides. Consequently, it is the employee who bears the actuarial risk (that benefits will be lower than expected) and investment risk (that the invested assets will be insufficient to meet expected benefits). The company's obligations for contributions to defined-contribution plans are recognised as expenses in the income statement when the employees perform services for the company during a period. The Group's ITP pension plan is secured through insurance with Alecta, which according to a statement from the Swedish Financial Reporting Board, UFR 10, is considered a defined-benefit plan covered by many employers. However, the plan has been treated as a defined-contribution plan, since Alecta has not been able to produce the values required to recognise the plan as a defined-benefit plan. An expense for remuneration in connection with the termination of employees is only recognised if the company is demonstrably committed, without realistic possibility of withdrawal, by a formally detailed plan to terminate employment before the normal time. When remuneration is paid as an offer to encourage voluntary redundancy, a cost is recognised if it is probable that the offer will be accepted, and if the number of employees who will accept the offer can be reliably estimated.

Leasing

Hemsö is a major lessor, since its leasing arrangements are classified as operating leases, see Revenues above. As a lessee, Hemsö has entered into a number of leasing agreements and smaller leases for office machines. The total amount of these is of no material significance. The expenditure is expensed as incurred.

Investment property

Properties are initially recognised at cost. Within the Group, properties are measured at fair value in accordance with the method stated below. Expenditures for new construction or renovations are recognised as construction in progress until the project is completed and the final inspection performed. Work regarding maintenance, maintenance activities associated with renovation and tenant adaptations is activated when deemed value-added. Value-added means that the measure is expected to generate a future economic benefit, compared with earlier measures, and thus affect the market value. Buildings and land owned or leased through a finance lease to earn rental income and/or increases in value are classified within the Group as investment properties. IAS 40 is applied and the holding is measured at fair value. During the financial year, revaluations are recognised on a quarterly basis of internal valuations. For a description

of valuation methods, refer to Note 13. For considerations etc., regarding the valuation of property, see Note 2. Any deductions for deferred tax on the purchase of property through a company (asset acquisition) obtained in addition to the recognised tax in the acquired company is recognised net against the fair value of the purchased property on both the acquisition date and in subsequent financial statements. Buildings under construction for future use as investment properties are measured at fair value in accordance with IAS 40. Interest expenses relating to specific financing of major new construction and property redevelopment are capitalized until the project is completed and the final inspection performed. The basis of valuation is estimates of future cash flows, and the price level is expected to be achieved in a transaction between knowledgeable, willing parties on market terms. Non-completed properties are slightly more difficult to value than existing properties, because the final cost and process until the property is functional/leased can only be assessed.

Machinery and equipment

Machinery and equipment are recognised at cost less accumulated depreciation and impairment. Machinery and equipment are depreciated on a straight line basis over five years.

FINANCIAL INSTRUMENTS

Recognition in the statement of financial position

A financial asset or financial liability is recognised in the statement of financial position when the company becomes party to the instrument's contractual terms. A receivable is recognised when the company has performed its obligation and there is contractual obligation for the counterparty to pay, even if no invoice has been sent. Accounts receivable are recognised in the statement of financial position when the invoice has been sent. Long-term receivables, which consist exclusively of so-called promissory notes, are recognised at nominal amounts adjusted for the present value of the potential difference against market rates. Liabilities are recognised when the counterparty has performed its obligations and there is a contractual obligation to pay, even if an invoice has not been received. Accounts payable are recognised when an invoice is received. A financial asset is removed from the statement of financial position when the contractual rights are realised, expire or the company loses control over them. The same applies to part of a financial asset. A financial liability is removed from the statement of financial position when the contractual obligation is fulfilled or otherwise not up to date. The same applies to parts of financial liabilities. To determine the fair value of interest-rate derivatives, market rates are used for each term listed on the closing date and generally accepted calculation methods, which means that their fair value measurement is a level 2 input according to IFRS 13. Trade receivables are recognised at the amount expected to be received after deductions for doubtful receivables assessed individually. Accounts receivable have a short maturity, and their value is recognised at nominal value without discounting. Write-downs of accounts receivable are recognised in operating expenses. Recognition at amortised cost relating to other receivables means that the financial instrument is measured at cost less any impairment. The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment.

Categories of financial instruments

Loans and accounts receivable – These receivables are financial assets that are not derivatives, with fixed or determinable payments that are not quoted in an active market. These assets are measured at amortised cost. The amortised cost is determined using the effective interest rate calculated at the acquisition date. Loans and accounts receivable are measured at the amounts expected to be received, meaning after deductions for doubtful receivables.

Other financial liabilities – This category includes other financial liabilities, such as loans, accounts payable and purchased, but not paid properties. Liabilities are measured at amortised cost. Transaction costs are amortised over the expected term.

Financial assets and liabilities at fair value through profit or loss for the period – Hemsö uses interest-rate derivatives to hedge a low, long-term interest rates. Changes in the market value of a derivative are recognised as unrealised value changes in the income statement. Currency exposure can be included in hedging to reduce the impact of currency fluctuations on the net assets in euro attributable to foreign operations.

Provisions

A provision differs from other liabilities because there is an uncertainty about the timing and/or the amount required to settle the obligation. A provision is recognised in the statement of financial position when there is a present legal or informal obligation due to a past event, and it is probable that an outflow of financial resources will be required to settle the

obligation and a reliable estimate of the amount can be made. Provisions are made for the amount which is the best estimate of the expenditure required to settle the present obligation at the balance-sheet date. Where the effect of when in time the payment will be made is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Contingent liabilities

A contingent liability is recognised when the existence of a possible obligation is confirmed only by the occurrence of one or more uncertain future events, or when there is a commitment that is not recognised as a liability or provision because it is not probable that an outflow of resources will be required.

Transactions in foreign currency

Transactions in foreign currency are translated using the current exchange rate at the transaction date. Monetary assets and liabilities in foreign currencies are converted at the closing rate, and exchange differences are recognised in the income statement. Exchange-rate differences relating to operating receivables and liabilities are recognised in operating income, while differences attributable to financial assets and liabilities are recognised in net financial items. Non-monetary assets and liabilities carried at historical cost are converted using the current exchange rate at the transaction date. Assets and liabilities of foreign operations are converted to SEK using the current exchange rate at the balance-sheet date. Revenues and expenses of foreign operations are converted to SEK using an average rate that approximates the exchange rates at the transaction date. Translation differences arising from the translation of foreign operations are recognised in other comprehensive income and accumulated in the translation reserve under equity.

Statement of cash flows

The statement of cash flows has been prepared using the indirect method. Cash flows from realised changes in value in connection with the sale of properties are recognised together with other sales and cash settlements under investing activities. The purchase or sale of properties through companies, asset acquisitions, is recognised on a separate line as property acquisitions or property divestments. Selling expenses are recognised under investing activities as a deduction from the sale settlement of the year in which the cash flow occurs. Acquisition costs are recognised in the same way under investing activities.

PARENT COMPANY

Compliance with standards and legislation

The financial statements have been prepared in accordance with the Swedish Annual Accounts Act and RFR 2, Accounting for Legal Entities. Pronouncements from the Swedish Financial Reporting Board have also been applied. The accounting policies applied are presented in the relevant parts of the Group's accounting policies, with the following additions for the Parent Company.

Group contributions and shareholder contributions

Shareholder contributions are recognised directly in equity of the recipient, and capitalized in shares of the contributor, to the extent that impairment is not required. Hemsö reports Group contributions paid and received as transfers to/from untaxed reserves.

Shares in subsidiaries

Shares in subsidiaries are recognised in the Parent Company using the cost method, less any impairment losses.

Financial instruments

All financial assets and liabilities are carried at amortised cost.

Financial guarantees

The Parent Company's financial guarantees consist of guarantees on behalf of other companies in the Group. When reporting financial guarantee contracts, the Parent Company deviates from IAS 39, which is permitted by the Swedish Financial Reporting Board.

When the Parent Company has a commitment for the probable payment, the financial guarantee contract is recognised as a provision in the balance sheet, whereas the obligation is otherwise recognised as a contingent liability.

Group information

Hemsö Fastighets AB (publ) has its registered office in Stockholm and the address of the Head Office is Linnégatan 2. Hemsö is 85-per cent owned by the Third AP Fund, Corporate Identity Number 802014-4120, with its registered office in Stockholm, and 15-per cent owned by Sagax AB, Corporate Identity Number 556 520-0028, with its registered office in Stockholm.

Note 2 Special considerations and judgements

The preparation of financial statements in accordance with IFRS and generally accepted accounting policies requires the making of estimates and assumptions that affect the recognised amounts of assets, liabilities, revenues and expenses and other information. These estimates and assumptions are based on historical experience and other factors deemed reasonable under the circumstances. The actual results may differ from these estimates under different assumptions or conditions. The accounting is particularly sensitive to the estimates and assumptions used in the valuation of investment properties. The value of properties is assessed individually by property throughout the year based on a variety of judgements, estimates of future cash flows and returns in a potential transaction. Reconciliation is made in most cases against external valuations. The value interval between the estimated market value and sale price in a functioning market is normally (+/-) 5-10 per cent. Information about this, and the assumptions and estimates made, are presented in Note 13. An essential assessment is how deferred tax attributable to temporary differences should be treated in the consolidated accounts.

Note 3 Segment reporting

The identification of reportable segments is based on internal reporting. The CEO mainly uses net operating income per segment for performance analysis. Administrative costs, financial income and expenses and income tax are managed at Group level. The Group is managed and reported in the following six operating segments: East, West, North, South, Germany and Finland.

2015	East	West	North	South	Germany	Finland	Non-allocated items	The Group
Property income	550	336	546	294	162	112	–	2,000
Property expenses	-134	-122	-137	-103	-8	-20	–	-524
Net operating income	416	214	409	191	154	92	–	1,476
Central administrative expenses	–	–	–	–	–	–	-154	-154
Net financial items	–	–	–	–	–	–	-416	-416
Profit/loss before changes in value	416	214	409	191	154	92	-570	906
Changes in value								
Properties, realised	-8	-16	-21	–	–	–	–	-45
Properties, unrealised	279	-32	222	159	2	-4	–	626
Financial instruments, realised	–	–	–	–	–	–	-7	-7
Financial instruments, unrealised	–	–	–	–	–	–	147	147
Total changes in value	271	-48	201	159	2	-4	140	721
Current tax	–	–	–	–	–	–	-46	-46
Deferred tax	–	–	–	–	–	–	-231	-231
Profit/loss for the year	687	166	610	350	156	88	-707	1,350
Investment properties – investments, acquisitions, divestments per segment								
Investments, new construction, extension and reconstruction	458	140	184	260	6	–	–	1,048
Acquisitions	281	113	214	200	265	81	–	1,154
Divestments	-464	-389	–	–	–	–	–	-853
Total	275	-136	398	460	271	81	–	1,349
Assets per segment at period-end								
Investment properties	8,305	3,569	7,252	3,863	2,223	1,290	–	26,502
Non-allocated corporate assets	–	–	–	–	–	–	600	600
Total assets	8,305	3,569	7,252	3,863	2,223	1,290	600	27,102

2014	East	West	North	South	Germany	Finland	Non-allocated items	The Group
Property income	654	376	513	304	124	92	–	2,063
Property expenses	-159	-135	-151	-106	-8	-18	–	-577
Net operating income	495	241	362	198	116	74	–	1,486
Central administrative expenses	–	–	–	–	–	–	-173	-173
Net financial items	–	–	–	–	–	–	-690	-690
Profit/loss before changes in value	495	241	362	198	116	74	-863	623
Changes in value								
Properties, realised	-46	-28	-11	-46	–	–	-11	-142
Financial instruments, realised	123	-219	15	-23	-6	-9	–	-119
Properties, unrealised	–	–	–	–	–	–	–	–
Financial instruments, unrealised	–	–	–	–	–	–	-760	-760
Total changes in value	77	-247	4	-69	-6	-9	-771	-1,021
Current tax	–	–	–	–	–	–	-89	-89
Deferred tax	–	–	–	–	–	–	127	127
Profit/loss for the year	572	-6	366	129	110	65	-1,596	-360
Investment properties – investments, acquisitions, divestments per segment								
Investments, new construction, extension and reconstruction	271	104	104	217	–	1	–	697
Acquisitions	2,830	241	96	175	407	857	–	4,606
Divestments	-1,093	-256	-1,640	-363	–	–	–	-3,352
Total	2,008	89	-1,440	29	407	858	–	1,951
Assets per segment at period-end								
Investment properties	9,850	3,737	4,533	3,244	2,038	1,266	–	24,668
Non-allocated corporate assets	–	–	–	–	–	–	316	316
Total assets	9,850	3,737	4,533	3,244	2,038	1,266	316	24,984

Note 4 Operating leases

Lessor

Future minimum lease payments for non-cancellable leases amounted to:

Group	31 Dec 2015	31 Dec 2014
Contractual rental income, payment within 1 year	1,981	1,188
Contractual rental income, payment within 1-5 years	6,051	5,758
Contractual rental income, payment later than 5 years	7,449	7,111
Total	15,481	14,057

For accounting purposes, rental leases are considered operating leases when Hemsö is the lessor. The table shows rental income calculated on current rental leases.

The rent is usually indexed. In most cases, property tax is payable in addition to base rent. Additional amounts are based on the actual costs incurred by the landlord.

Lessee

As an operating lessee, a number of leases have been signed for site leaseholds, company vehicles and office equipment.

Group	31 Dec 2015	31 Dec 2014
Due within 1 year	13	9
Due within 1-5 years	61	25
Due later than 5 years	8	187
Total	82	221

Note 7 Employees, personnel costs and remuneration of senior executives

Group	2015		2014	
	Total	of whom men	Total	of whom men
Average no. of employees	103	61	101	54
No. of Group Management, 31 Dec	12	8	12	8
Board members, 31 Dec	6	4	6	4

All of the Group's employees are employed by the Parent Company, except for five employees in the jointly owned Vitartes companies, two employees in Germany and one employee in Finland.

Group	2015		2014	
	Salaries and remuneration, SEK 000s	Salaries and fees	Variable remuneration	Salaries and fees
Board	788	–	394	–
President	4,290	–	4,041	–
Vice President	3,804	–	–	–
Other senior executives	7,281	–	12,462	535
Other employees	51,467	3,340	43,693	2,735
Total Sweden	67,630	3,340	60,590	3,270
Other senior executives	2,868	–	473	–
Other employees	524	18	255	–
Total Foreign	3,392	18	728	–
Total Group	71,022	3,358	61,318	3,270

Note 5 Operating costs

Group	2015	2014
Utilities	195	235
Supervision	157	162
Other operating costs	12	13
Total	364	410

Note 6 Central administrative expenses

Group	2015	2014
Personnel costs	125	109
Premises and office expenses	12	13
Purchased services	40	42
Depreciation and amortisation	2	1
Other operating expenses	7	30
Less re-invoicing	-32	-22
Total	154	173

Group	2015			2014		
	Payroll overheads, incl. special employer's contribution	Pension costs	Payroll overheads, incl. special employer's contribution	Pension costs		
Board	247	–	204	–		
President	1,650	1,245	1,563	1,208		
Vice President	1,397	832	–	–		
Other senior executives	2,733	1,836	4,782	2,878		
Other employees	18,811	6,554	15,922	5,498		
Total Sweden	24,838	10,467	22,471	9,584		
Other senior executives	143	274	2	85		
Other employees	55	52	25	24		
Total Foreign	198	326	27	109		
Total Group	25,036	10,793	22,498	9,693		

Parent Company	2015		2014	
	Total	of whom men	Total	of whom men
Average no. of employees	95	54	101	54
No. of Group Management, 31 Dec	10	6	12	8
Board members, 31 Dec	6	4	6	4

Parent Company	2015		2014	
	Salaries and remuneration, SEK 000s	Salaries and fees	Variable remuneration	Salaries and fees
Board	788	–	394	–
President	4,290	–	4,041	–
Vice President	3,804	–	–	–
Other senior executives	7,281	–	12,462	535
Other employees	49,312	3,340	43,693	2,735
Total Sweden	65,475	3,340	60,590	3,270
Other senior executives	–	–	473	–
Other employees	–	–	255	–
Total Foreign	–	–	728	–
Total Parent Company	65,475	3,340	61,318	3,270

Parent Company	2015		2014	
Payroll overheads, SEK 000s	Payroll overheads, incl. special employer's contribution	Pension costs	Payroll overheads, incl. special employer's contribution	Pension costs
Board	247		204	–
President	1,650	1,245	1,563	1,208
Vice President	1,397	832		
Other senior executives	2,733	1,836	4,782	2,878
Other employees	18,027	6,116	15,922	5,498
Total Sweden	24,054	10,029	22,471	9,584
Other senior executives	–	–	2	85
Other employees	–	–	25	24
Total Foreign	–	–	27	109
Total Parent Company	24,054	10,029	22,498	9,693

Remuneration of employees relates to remuneration paid in 2015, while remuneration of the Board relates to the annual fees adopted by the AGM. The Chairman and other members of the Board of Hemsö Fastighets AB are remunerated in accordance with a resolution adopted by the AGM. Remuneration of the Chairman amounts to SEK 375,000, while each of the other Board members are paid an amount of SEK 160,000. The Chairman of the Board's Audit Committee receives remuneration of SEK 60,000, while each of the other Committee members are paid an amount of SEK 35,000. The Chairman of the Board's Remuneration Committee receives remuneration of SEK 35,000, while each of the other Committee members are paid an amount of SEK 22,500. Members of the Board who are employed by the owners receive no remuneration.

Variable remuneration

Hemsö's variable remuneration scheme for 2015 includes all permanent employees except for senior executives. Recognised variable remuneration of senior executives in 2014 pertains to four people who were previously included in the category of senior executives. Under the scheme, the majority of employees can receive up to one additional monthly salary in variable remuneration, while a smaller number of employees can receive a maximum of two monthly salaries subject to the achievement of predefined targets.

The targets are 50 per cent based on the company's financial performance, and 50 per cent based on individual, team or department performance, depending on the employee's role. The variable remuneration scheme is determined annually by the Board.

Pensions

Under the President's contract, Hemsö is to pay premiums for occupational pension and health insurance amounting to 30 per cent of gross salary. Senior executives and other employees are covered by the ITP Plan. The age of retirement is 65 for the President, and 67 for other senior executives.

Severance pay

An agreement has been reached whereby the President will be eligible for severance pay in the event of termination by the company. The severance pay corresponds to 12 months' fixed salary, in addition to the mutual six-month notice period. The severance pay is not pensionable, is fully deductible and not payable upon retirement. Other senior executives have a mutual notice period of six months.

Note 8 Auditor fees and remuneration

	Group		Parent Company	
	2015	2014	2015	2014
Ernst & Young				
Audit engagement	2	1	2	1
Audit activities in addition to the audit engagement	–	1	–	–
Tax consultancy	–	–	–	–
Other assignments	2	–	1	–
Total	4	2	3	1

The audit engagement refers to the statutory audit of the annual accounts and of the administration of the Board and the President. Audit activities in addition to the audit engagement refer to reviews of the administration or financial statements pursuant to statute, the Articles of Association, regulation or agreement that is not included in the audit engagement, and is to result in a report, certificate or any other type of documentation that is also intended for audiences other than Hemsö. Tax consultancy refers to consultation on fiscal issues. Other assignments refer to consultation that cannot be linked to any of the other categories.

Note 9 Profit/loss from participations in Group companies

Parent Company	2015	2014
Dividends	74	703
Profit from unlimited and limited partnerships	85	3
Impairment	-68	-199
Total	91	507

During the year, the value of some properties, which are owned by subsidiaries of Hemsö Fastighets AB, was impaired. In some cases, the impairment losses had a direct impact on the value of the subsidiaries, as well as on the carrying amount of shares and participations in subsidiaries, which explains the impairment losses for the year.

Note 10 Financial income and expenses

Group	2015	2014
Net financial items		
<i>Interest income, loans and receivables</i>		
Other financial income	2	2
Total	2	2
Interest income on bank deposits	0	–
Total	0	–
<i>Interest expenses, other financial liabilities</i>		
Interest expenses	-323	-428
Interest expenses, Third Swedish National Pension Fund	-53	-210
Total	-376	-638
<i>Other financial expenses</i>		
Handling charges for bank loans	-19	-22
Currency translations	–	-7
Other financial expenses	-23	-25
Total	-42	-54
Total	-416	-690

All interest income and expenses are attributable to financial assets and liabilities not measured at fair value through profit and loss.

Parent Company	2015	2014
Interest income and similar profit items		
Interest income, Group companies	113	169
Interest income, other	10	2
Total	123	171

Parent Company	2015	2014
Interest expenses and similar profit items		
Interest expenses, Group companies	-66	-226
Interest expenses, other	-314	-326
Other	-27	-28
Total	-407	-580

Note 11 Changes in value**Investment properties**

Changes in value attributable to investment properties amounted to SEK 581 million (-261). The value changes comprised realised changes in value of negative SEK 45 million (-142) and unrealised changes in value of positive SEK 626 million (-119).

The realised change in value is mainly attributable to sales of several properties and companies in spring 2015.

Unrealised changes in value are mainly related to a reduction in the market's yield requirements. The yield requirements have been generally lowered for retirement homes throughout the entire portfolio. Yield requirements have also been lowered for schools and premises for the legal sector and health care in major cities, regional cities and in several towns. The unrealised changes in value are also due to revised estimates of net operating income as a result of new lettings, terminated leases and renegotiations. The yield for the entire property portfolio was 5.7 per cent (6.0).

Unrealised changes in value, SEK million	2015	2014
New lettings/Renegotiations	239	249
Terminated leases/Renegotiations	-208	-487
General change in value	597	133
Subtotal Sweden	628	-105
New lettings/Renegotiations	–	9
Terminated leases/Renegotiations	-14	–
General change in value	12	-23
Subtotal Foreign	-2	-14
Total changes in value	626	-119

Derivatives

Hemsö uses interest-rate derivatives to reduce the Group's interest-rate exposure. If the contractual interest rate deviates from the market-derived interest rate, credit margins notwithstanding, a theoretical surplus or deficit value arises on the interest-rate derivatives, whereby the non-cash changes in value are recognised in the statement of comprehensive income.

The change in value of the derivatives was SEK 147 million (-760), mainly due to higher long-term market rates at the closing day compared with the preceding year.

Note 12 Tax

Tax expense in the income statement	Group		Parent Company	
	2015	2014	2015	2014
Current tax	-46	-89	-	-
Deferred tax	-231	127	-1	-4
Total	-277	38	-1	-4

	Group		Parent Company	
	2015	2014	2015	2014
Actual tax expense	-46	-89	-1	-
Expected tax expense at current tax rate	-342	-	-2	-113
Difference	-296	89	-1	-113

The Group's tax in the income statement	2015		2014	
	Current tax	Deferred tax	Current tax	Deferred tax
Profit/loss before tax	1,627	-	-397	-
Tax-deductible depreciation and amortisation	-717	717	-689	689
Non-taxable changes in value of properties	-626	626	119	-119
Non-taxable changes in value of derivatives	-147	147	760	-760
Tax effect of company and property sales	45	-	141	-141
Non-deductible expenses	55	-	218	-
Total profit from operations	236	1,490	152	-331
Utilisation of accumulated deficit	-77	48	-24	24
New deficit	3	-3	20	-20
Adjustment for effects of properties sold	-	-445	-35	-483
Adjustment for change in tax allocation reserve	77	-77	5	-5
Total taxable profit	239	1,013	118	-815
Estimated tax	-48	-218	-23	175
Adjustment of tax expense in previous year	2	-13	-66	-48
Total tax	-46	-231	-89	127

Tax expense accounts for 17 per cent (-) of the Group's profit before tax. Tax expense is calculated using the current tax rate, which is 22.0 per cent in Sweden, 20.0 per cent in Finland and 15.8 per cent in Germany.

The Group's tax in the balance sheet	2015		2014	
	Tax base	Deferred tax	Tax base	Deferred tax
Deferred tax assets				
Tax loss carry forwards, opening balance	83	20	87	21
Change in loss carryforwards	-30	-10	-4	-1
Deferred tax loss carry forwards, closing balance	53	10	83	20
Derivatives, opening balance	827	181	67	14
Change in derivatives	-145	-32	760	167
Deferred tax on derivatives, closing balance	682	149	827	181
Deferred tax assets, closing balance	735	159	910	201
Deferred tax liabilities				
Investment properties, opening balance	-6,585	-1,450	-6,410	-1,411
Change in investment properties	-1,166	-204	-175	-40
Deferred tax on investment properties, closing balance	-7,751	-1,655	-6,585	-1,451
Tax allocation reserves, opening balance	-177	-39	-185	-40
Change in tax allocation reserves	77	17	8	1
Deferred tax on tax allocation reserve, closing balance	-100	-22	-177	-39
Deferred tax liabilities, closing balance	-8,380	-1,678	-6,762	-1,490

Parent Company's tax in the balance sheet	2015		2014	
	Tax base	Deferred tax	Tax base	Deferred tax
Deferred tax assets				
Tax loss carry forwards, opening balance	36	8	36	8
Change in loss carryforwards	-36	-8	-1	-
Deferred tax loss carry forwards, closing balance	-	-	35	8
Deferred tax assets, closing balance	-	-	35	8
Deferred tax liabilities				
Investment properties at beginning of the year	-155	-34	-141	-31
Change in investment properties	32	7	-14	-3
Deferred tax on investment properties, closing balance	-123	-27	-155	-34
Deferred tax liabilities, closing balance	-123	-27	-155	-34

Deferred tax assets related to deficits utilised after more than 12 months amounted to SEK 9 million (9) in the Group, and SEK - (-) in the Parent Company. Deferred tax liabilities utilised after more than 12 months amounted to SEK 1,677 million (1,490) in the Group, and SEK 27 million (34) in the Parent Company. Non-recognised receivables on deficits amounted to SEK 7 million (8), of which all deficits have an unlimited life. Of recognised closing deficits, an amount of SEK 10 million (20) has an unlimited life.

Note 13 Investment properties

Group	31 Dec 2015	31 Dec 2014
Opening balance	24,668	22,637
Acquisitions	1,154	4,606
Investments in new construction, extension and reconstruction	1,048	697
Divestments	-853	-3,352
Currency translations	-141	199
Unrealised changes in value	626	-119
Closing balance	26,502	24,668
of which recognised in Statement of Comprehensive Income	581	-261

Estimated market value, corresponding to the carrying amount, totalled SEK 26,502 million (24,668) at 31 December 2015. The total change in value was SEK 1,834 million (-2,031), corresponding to 7.4 per cent (8.2) of the total property portfolio. The change in value compared with a comparable portfolio corresponds to an increase of 2.3 per cent (-0.3). The table below shows the estimated market value per property category and segment.

Significant obligations

Hemsö has no significant obligations to acquire or divest any investment property. However, Hemsö does have an obligation to complete ongoing projects where the remaining investment amounts to approximately SEK 1,906 million (918), in addition to the amount recognised in the balance sheet.

Valuation method

Hemsö determines the value of a property using internal assessments that are conducted quarterly and are an integral part of Hemsö's business process. The market value of each property is assessed individually. Hemsö uses a cash flow model for valuation, based on the budgeted net operating

income of a property. The starting point for the budget is the action plan for measures that are expected to optimise the net operating income and value of the properties. Factors affecting the valuation that are included in the cash flow statement, such as yield requirement, are determined using the location-based pricing method. The location's market rent level and long-term vacancy rate are also assessed. Each property has been assessed on the basis of property-specific value-impacting events, such as newly signed and renegotiated rental leases, terminated leases and investments. The valuations have included the highest and best use (HBU) of the properties.

Changes to the unobservable inputs used in the valuations during the period are analysed by management at each closing date against internally available information, information from completed and planned transactions and information from external valuers.

The valuation method therefore complies with Level 3 of the fair value hierarchy in IFRS 13.

No properties have been transferred to other fair value hierarchies.

The same valuation method has been used for all of Hemsö's properties.

Hemsö recognises its investment properties in Sweden at an internally assessed fair value in accordance with IAS 40 and, at 31 December 2015, had conducted internal valuations of all Swedish properties.

Hemsö's property portfolios in Germany and Finland are determined using external valuations. Ongoing projects are accounted for on the basis of costs incurred.

Market value refers to the price that would probably be received if the property was put up for sale in a free and open market, without party relations and undue pressure. The yield requirement and future earnings capacity of the property have been determined in a coherent manner and applied consistently in the valuations.

Property value per property category and segment at 31 December 2015, SEK million

	Property value, SEK million	No. of properties	Rental value, SEK million	Letting rate, %	Lettable area, tsqm	Long-term yield requirement, %	Average long-term yield requirement, %
Nursing home	2,247	18	161	99.9	99	4.85-6.00	5.30
Education	2,677	27	147	99.7	77	5.00-7.00	5.84
Health care	2,284	17	191	93.0	105	4.75-7.25	6.12
Legal sector	1,097	1	77	88.8	36	5.75-5.75	5.75
East	8,305	63	576	97.8	317	4.75-7.25	5.76
Nursing home	451	6	38	95.5	30	4.75-8.00	5.51
Education	1,277	20	115	93.0	107	5.60-8.25	6.74
Health care	1,841	49	205	87.1	186	5.65-9.50	7.16
Legal sector	-	-	-	-	-	-	-
West	3,569	75	358	89.1	323	4.75-9.50	6.93
Nursing home	3,727	53	284	97.9	232	4.75-7.00	5.84
Education	1,998	25	160	94.9	114	5.75-10.00	6.35
Health care	229	5	21	97.0	16	5.50-9.00	6.75
Legal sector	1,299	5	102	98.8	59	5.50-6.25	5.90
North	7,253	88	567	97.1	421	4.75-10.00	6.03
Nursing home	1,580	27	130	98.7	92	4.75-9.00	5.70
Education	1,903	15	157	81.3	136	6.00-8.50	6.44
Health care	121	2	15	96.2	14	6.75-7.75	7.25
Legal sector	259	3	22	100.0	10	5.50-6.30	5.93
South	3,863	47	324	93.5	252	5.00-9.00	6.38
Nursing home	2,223	26	160	99.9	129	7.00-9.00	7.87
Germany	2,223	26	160	99.9	129	7.00-9.00	7.87
Nursing home	674	14	58	100.0	29	5.50-8.00	7.07
Education	326	1	29	100.0	16	6.50-6.50	6.50
Health care	289	3	24	100.0	12	7.00-7.50	7.17
Finland	1,289	18	111	100.0	57	5.50-8.00	7.06
Nursing home	10,902	144	831	98.7	611	4.75-9.00	6.20
Education	8,181	88	608	93.9	450	5.00-10.00	6.26
Health care	4,764	76	456	89.7	333	4.75-9.50	6.90
Legal sector	2,655	9	201	98.1	105	5.50-6.30	5.89
Total	26,502	317	2,096	95.3	1,499	4.75-10.00	6.38

Note 13, cont.

Yield requirement assumptions

The yield requirement is individually assessed for each property. The yield requirement applied have been determined on the basis of Hemsö's knowledge of completed contracts in the markets in which Hemsö operates, and in bidding processes in which Hemsö has participated. The yield requirement is based on the location of the property, the location within the specific area and the intended use of the property. Additional parameters that are taken into account include the effectiveness and design of the premises, the standard and condition of the property, the contractual term and type of tenant. The average yield of Hemsö's internal valuations is 5.7 per cent (6.0).

Project properties have a negative effect on the yield until ongoing investment has generated net operating income for one year. In other words, the yield is not a normalised value for Hemsö's property portfolio.

Cash flow assumptions

When assessing the future earnings capacity of each property, the existing contract portfolio has been analysed. Future lease payments for each property are calculated by using the current CPI index to estimate the increase on existing rental leases. Lease payments for future lease periods, and for vacant premises, are calculated on the basis of individual assessments of market rent and the long-term vacancy rate for each property.

Property expenses consist of operating, energy and maintenance costs, excluding costs for the site leasehold, property tax and administration. These are determined on the basis of historical cost. Age, maintenance status and intended use are also taken into account when estimating future costs.

Average cash flow assumptions on 31 December 2015, year 1

Rental value, SEK/sqm	1,404
Operating and maintenance costs, SEK/sqm	-326
Vacancy rate, %	-3.2

Uncertainty range and sensitivity analysis

Property valuation is the result of an estimate regarding the value of a particular property on a specific date. The calculation of a property's market value is performed using assumptions of expected rental income, property expenses, economic vacancy and yield requirements. These factors vary depending on the economic climate, demand for properties and interest rates. Internal valuations assume an uncertainty range of +/- 5 per cent, corresponding to values between the range of SEK 25,177 million and SEK 27,827 million (23,434 and 25,901). The following sensitivity analysis shows how changes in cash flow as well as yield requirements affect the valuation.

However, the sensitivity analysis is not realistic since one isolated parameter rarely changes. The various assumptions regarding cash flow and yield requirement are interconnected.

Sensitivity analysis of change in value

	Change	Earnings effect, SEK million
Rental income	+/- 5-10 per cent	+/-1,788-3,577
Operating costs	+/- 5-10 per cent	-/+463-927
Vacancy	+/- 5-10 per cent	-/+1,847-3,695
Net operating income	+/- 5-10 per cent	+/-1,324-2,649
	+/- 0.5-1	
Yield requirement	percentage point	-/+2,562-5,674

External valuation

To quality-assure the internal valuation, 313 properties, comprising 26 properties in Germany and 18 in Finland, representing 99 per cent of the portfolio's value, have been valued by an external, independent valuer. Savills performed the valuation of the Swedish portfolio, Axion and Wüst & Partner valued the German portfolio, and JLL the Finnish portfolio. A full valuation was performed on 74 of the 313 properties, including a physical inspection. A desktop valuation was performed on the remaining properties. During the year, 15 properties were acquired in Sweden, three in Germany and two in Finland. External valuations had not been performed on four of the acquisitions by year-end 2015.

According to the external valuations, the estimated market value totalled SEK 26,315 million. Hemsö's valuations of the same properties amounted to SEK 26,239 million. This represents a net negative deviation of SEK 76 million, corresponding to negative deviation of 0.3 per cent. The deviation lies within the adopted uncertainty range of +/- 5 per cent.

Note 14 Equipment

	Group		Parent Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Opening acquisition value	13	9	12	8
Purchases	1	4	-	4
Sales/Disposals	-	-	-	-
Total	14	13	12	12
Opening depreciation	-6	-4	-5	-3
Depreciation	-2	-2	-2	-2
Total	-8	-6	-7	-5
Book value at year-end	6	7	5	7

Note 15 Participations in Group companies

Book value at year end. Specification of the company's holding of shares and participations in Group companies.

Parent Company	Share in equity, %						
	Subsidiary	Corp. Id. No.	Reg. office	Country	Direct	Indirect	Book value
	Hemsö Vårdfastigheter AB	556657-9958	Stockholm	Sweden	100.0		675
	Fastighets AB Fordonsskolan	556691-2654	Stockholm	Sweden	100.0		177
	Russeliana AB	556686-3733	Stockholm	Sweden	100.0		63
	Tipton Erik AB	556617-6128	Stockholm	Sweden	100.0		13
	Hemsö Bänken AB	556718-3396	Stockholm	Sweden	100.0		115
	Hemsö Tavlan 08 AB	556746-9852	Stockholm	Sweden	100.0		22
	Fastighets AB Beckomberga 1:12	556753-3780	Stockholm	Sweden	100.0		29
	Hemsö Vreten AB	556417-3952	Stockholm	Sweden	100.0		774
	Ärlingheden Fastighets AB	556761-3756	Stockholm	Sweden	100.0		1
	Hemsö Skara Fastigheter AB	556773-7159	Stockholm	Sweden	100.0		15
	Hemsö Draget Fastigheter AB	556340-0869	Stockholm	Sweden	100.0		44
	Nya Vilunda Fastighets AB	556781-6789	Stockholm	Sweden	100.0		–
	Hemsö Köping Fastigheter AB	556845-8912	Stockholm	Sweden	100.0		11
	Hemsö Dona Fastigheter AB	556795-8987	Stockholm	Sweden	100.0		28
	Hemsö Botkyrka Fastigheter AB	556786-3427	Stockholm	Sweden	100.0		13
	Hemsö Krokslätt Fastighets AB	556259-2815	Stockholm	Sweden	100.0		37
	Hemsö Gransångaren Fastighet AB	556591-2994	Stockholm	Sweden	100.0		40
	Hemsö Rosengård AB	556709-9205	Stockholm	Sweden	100.0		42
	Hemsö Patienthotell AB	556709-9206	Stockholm	Sweden	100.0		35
	Hemsö Upplands Väsby Fastigheter AB	556911-7855	Stockholm	Sweden	100.0		–
	Hemsö Öst B AB	556610-9103	Stockholm	Sweden	100.0		57
	Hemsö Cullberg Holding AB	556932-8080	Stockholm	Sweden		100	–
	Hemsö Skolfastigheter AB	556537-6901	Stockholm	Sweden	100.0		482
	Bokbacken Fastigheter AB	556340-5538	Stockholm	Sweden	100.0		1,234
	Hemsö Öresund KB	969647-9295	Stockholm	Sweden	99.0	1.0	2
	Förvaltningsbolaget Krokslätt KB	969601-3839	Stockholm	Sweden	10.0	90.0	15
	Förvaltningsbolaget Hanen 4 KB	969601-3862	Stockholm	Sweden	10.0	90.0	15
	Bokbacken Fastigheter Fiskebäck KB	916850-4570	Stockholm	Sweden	10.0	90.0	27
	Bokbacken Fastigheter Solskiftet KB	916434-5549	Stockholm	Sweden	10.0	90.0	24
	KB S:t Jörgen Äldreboende	969673-1430	Stockholm	Sweden	10.0	90.0	12
	FB Fair Fyrtiotre KB	916630-7455	Stockholm	Sweden	1.0	99.0	19
	Bjölåhemmet KB	916849-3212	Stockholm	Sweden	1.0	99.0	10
	Hemsö Britsen AB	556718-3388	Stockholm	Sweden	100.0		9
	Krusleden Fastighets AB	556712-4986	Stockholm	Sweden	100.0		9
	Ystad Liv 1 Fastighets AB	556640-8737	Stockholm	Sweden	100.0		32
	Hemsö Hissen 08 AB	556746-9837	Stockholm	Sweden	100.0		470
	Hemsö Klockarkärleken AB	556750-0862	Stockholm	Sweden	100.0		238
	Hemsö Valsätra AB	556761-3749	Stockholm	Sweden	100.0		5
	Hemsö Söderport AB	556752-5554	Stockholm	Sweden	100.0		36
	Hemsö Landsdomaren HB	916615-7579	Stockholm	Sweden	100.0		223
	Hemsö Beckomberga Fastigheter AB	556617-6151	Stockholm	Sweden	100.0		1
	Hemsö Täby Fastigheter AB	556710-8930	Stockholm	Sweden	100.0		14
	Hemsö Heden Holding AB	556873-8529	Stockholm	Sweden	100.0		–
	Hemsö Holding AB	556920-8050	Stockholm	Sweden	100.0		–
	Hemsö LSS fastigheter Holding	556923-9527	Stockholm	Sweden	100.0		–
	Hemsö Tuna Fastigheter Holding	556709-6812	Stockholm	Sweden	100.0		27
	Hemsö Tuna Fastigheter AB	556709-6820	Stockholm	Sweden		100.0	–
	Hemsö Jungfruholmen Holding AB	556937-6493	Stockholm	Sweden	100.0		–
	Hemsö Jungfruholmen HB	916585-3921	Stockholm	Sweden		100.0	–
	Hemsö Kvillebäcken AB	556874-5292	Stockholm	Sweden	100.0		29
	Hemsö Medicinaren AB	556822-2359	Stockholm	Sweden	100.0		235
	Hemsö Sandudden Fastigheter AB	556928-1958	Stockholm	Sweden	100.0		4
	Hjärup Fastighets AB	556973-2752	Stockholm	Sweden	100.0		–
	Hemsö Häradsövdingen AB	556761-9035	Stockholm	Sweden	100.0		–
	Hemsö Tegen AB	556761-8938	Stockholm	Sweden	100.0		288
	Hemsö Vingen AB	556723-2342	Stockholm	Sweden	100.0		36
	Hemsö Samset FAB	556931-8644	Stockholm	Sweden	100.0		–
	Hemsö Borlänge Fastigheter AB	556955-6516	Stockholm	Sweden	100.0		–
	Fastigheten Hälsan AB	556658-9510	Stockholm	Sweden	100.0		92
	Hemsö Centrumhuset i Göteborg AB	556991-6249	Stockholm	Sweden	100.0		–
	Alexander Holding 1 AB	556989-1491	Stockholm	Sweden	100.0		–
	Blå Kruset 1 AB	556989-0014	Stockholm	Sweden	100.0		–
	Blå Kruset 17 AB	556992-5679	Stockholm	Sweden	100.0		–
	Blå Kruset 9 AB	556989-0089	Stockholm	Sweden	100.0		–
	Blå Kruset 13 AB	556989-0162	Stockholm	Sweden	100.0		–
	TKV Fastighets AB	556900-1323	Stockholm	Sweden	50.0		26
	TKV 2 Fastighets AB	556967-4624	Stockholm	Sweden	50.0		–
	Hemsö Gotland Holding Fastigheter AB	556930-2713	Stockholm	Sweden	100.0		–
	Hemsö Gotland Fastigheter AB	556923-9592	Stockholm	Sweden	89.0	11.0	–
	Hemsö Gotland Samhällsfastigheter AB	556933-1589	Stockholm	Sweden		100.0	–
	Hemsö Intende AB	556802-4789	Stockholm	Sweden	100.0		5
	Hemsö Norden KB	969769-2961	Stockholm	Sweden		50.0	–
	Hemsö Komplementär AB	556951-8086	Stockholm	Sweden		50.0	–
	Hemsö Häggen KB	969769-2920	Stockholm	Sweden		50.0	–
	Hemsö Life Holding AB	559017-8314	Stockholm	Sweden	100.0		–
	Vitartes AB	559015-3549	Stockholm	Sweden		50.0	–
	Vitartes Development AB	559017-8405	Stockholm	Sweden		50.0	–
	Vitartes Holding AB	559017-8371	Stockholm	Sweden		50.0	–
	Göteborg Life Science AB	559015-3564	Stockholm	Sweden		50.0	–
	Haninge SSJH AB	556993-0968	Stockholm	Sweden		50.0	–
	Scandinavian Life Science AB	556761-5082	Stockholm	Sweden		50.0	–
	Scandinavian Life Science Två AB	559015-3531	Stockholm	Sweden		50.0	–
	Oslo Naeringseiendom AS	889976152	Hamar	Norway		100	–

Note 15, cont.

Parent Company Subsidiary	Corp. Id. No.	Reg. office	Country	Share in equity, %		Book value
				Direct	Indirect	
Hemsö Huginerva AB	559002-6570	Stockholm	Sweden	100.0		97
Hemsö Arttäv Fastigheter AB	556745-4979	Stockholm	Sweden	100.0		18
Hemsö Skarpnäck AB	556757-1186	Stockholm	Sweden	100.0		22
Hemsö Eskulapen AB	556767-6423	Stockholm	Sweden	100.0		21
Hemsö Ystad Tonsättaren AB	559005-5348	Stockholm	Sweden	100.0		41
Hemsö skolfastigheter i Järvastaden AB	559017-4354	Stockholm	Sweden	100.0		–
Hemsö Borstahusen Fastigheter AB	559017-4586	Stockholm	Sweden	100.0		–
Hemsö Växjö Dörrer AB	556906-7431	Stockholm	Sweden	100.0		34
Hemsö Motala Munken AB	559001-0434	Stockholm	Sweden	100.0		–
Hemsö Kungshamn Fastigheter AB	556805-3085	Stockholm	Sweden	100.0		25
Fastighetsutveckling Lindholmen AB	559011-5233	Stockholm	Sweden	100.0		68
KV Mode Fastighetsutveckling AB	559029-6736	Stockholm	Sweden	100.0		30
Hemsö Finland AB	556948-0139	Stockholm	Sweden	100.0		–
Hemsö Åbo AB	556948-0147	Stockholm	Sweden			–
Hemsö Åbo Fastigheter Oy	2584434-9	Helsinki	Finland		100.0	–
Kiinteistö Oy Turun Lemminkäisenkatu 30	1879924-4	Helsinki	Finland		100.0	–
Hemsö Samhällsfastigheter Finland AB	556959-2859	Stockholm	Sweden		100.0	–
Hemsö Samhällsfastigheter Finland OY	2601763-6	Helsinki	Finland		100.0	–
Koy Hemsö Care I Holding 9	2552093-4	Helsinki	Finland		100.0	–
Koy Louhelan Hoivakodit	2552379-9	Helsinki	Finland		100.0	–
Koy Kuparitie 2	2552080-3	Helsinki	Finland		100.0	–
Koy Espoon Kiltakallionrinne 1	2552077-4	Helsinki	Finland		100.0	–
Koy Kuopion Koiravedenkatu 10	2552078-2	Helsinki	Finland		100.0	–
Koy Espoon Kattilatanhua 6	2552076-6	Helsinki	Finland		100.0	–
Koy Vaasan Huvilatie 2	2552091-8	Helsinki	Finland		100.0	–
Koy Pitkäniemen R15	2552085-4	Helsinki	Finland		100.0	–
Koy Arppentie 6B	2552075-8	Helsinki	Finland		100.0	–
Koy Kontinkankaan Kuntoutussairaala	2552100-5	Helsinki	Finland		100.0	–
Koy Hovakoti Villa Olavi	2552096-9	Helsinki	Finland		100.0	–
Koy Kununkaanlaakson Hoivakoti	2552099-3	Helsinki	Finland		100.0	–
Koy Palvelutalo Untuva	2552094-2	Helsinki	Finland		100.0	–
Koy Hyvinkään Haavantie 4	2552097-7	Helsinki	Finland		100.0	–
Koy Jämsän Hotellitie 1	2552098-5	Helsinki	Finland		100.0	–
Hemsö Keskityöntie AB	556986-5495	Stockholm	Sweden		100.0	–
Hemsö Keskityöntie OY	2650175-1	Helsinki	Finland		100.0	–
Koy Helsingin Keskityöntie 6	2536809-8	Helsinki	Finland		100.0	–
Hemsö Björneborg AB	559016-8950	Stockholm	Sweden		100.0	–
Hemsö Björneborg OY	2699026-8	Helsinki	Finland		100.0	–
Hemsö Kangasala AB	559010-1688	Stockholm	Sweden		100.0	–
Hemsö Kangasala OY	2713978-2	Helsinki	Finland		100.0	–
Koy Kangasalan Herttuatar	2713658-1	Helsinki	Finland		100.0	–
Hemsö EKO Finland AB	559026-2068	Stockholm	Sweden		100.0	–
Hemsö EKO Finland OY	2725168-6	Helsinki	Finland		100.0	–
Hemsö Storåker Finland AB	556989-0139	Stockholm	Sweden		100.0	–
Hemsö Storåker Finland OY	2734709-8	Helsinki	Finland		50.0	–
Hemsö Tyskland AB	556843-9771	Stockholm	Sweden	100.0		10
Hemsö Steglitz GmbH	HRB 201253	Berlin	Germany		100.0	–
Hemsö Offenbach GmbH	HRB 205413	Berlin	Germany		100.0	–
Hemsö Dresden GmbH	HRB 156831 B	Berlin	Germany		100.0	–
Hemsö GmbH	HRB 169543	Berlin	Germany		100.0	–
Hemsö Asset Mgmt GmbH	HRB 165326	Berlin	Germany		100.0	–
Hemsö Vita GmbH	HRB 169542	Berlin	Germany		94.9	–
Hemsö Beteiligungs GmbH	HRB 170669	Berlin	Germany		100.0	–
Aveca GmbH & Co KG	HRA 39598 B	Berlin	Germany		94.9	–
Hemsö Wetter und Rositz GmbH	HRB 170964	Berlin	Germany		94.9	–
Hemsö Barsel GmbH	HRB 171219	Berlin	Germany		94.9	–
Hemsö Bocholt GmbH	HRB 172025	Berlin	Germany		100.0	–
Hemsö Lauterbach GmbH	HRB 183667	Berlin	Germany		100.0	–
Aveca Vermögensverwaltung	HRA 40144 B	Berlin	Germany		100.0	–
Hemsö Germany Invest 10 GmbH	HRB 217922	Berlin	Germany		100.0	–
Total						6,176

Parent Company	31 Dec 2015	31 Dec 2014
Opening acquisition value	6,184	5,786
Acquisitions	368	737
Profit from participations in limited partnerships after dividend	85	3
Shareholders' contribution	63	49
Divestments	-12	-391
Total	6,688	6,184
Opening impairment losses	-444	-245
Impairment losses	-68	-199
Total	-512	-444
Total	6,176	5,740

The holdings in TKV Fastighets AB, Corp. Reg. No. 556900-1323, and TKV 2 Fastighets AB, Corp. Reg. No. 556967-4624, were 50 per cent. The remaining 50 per cent of the shares were owned by SveaNor Holding AB, Corp. Reg. No. 556932-6308. The companies are conducting a project related to the construction of a medical training and research

centre at Karolinska University Hospital at Huddinge. The premises are due for completion by summer 2016. Hemsö aims to have acquired the remaining 50 per cent of the shares in the companies by the time the premises have been completed.

The holding in Vitartes AB, Corp. Reg. No. 559015-3549, and its subsidiaries was 50 per cent. The remaining 50 per cent was owned by SveaNor JV Holding AB, Corp. Reg. No. 559017-8397. The Vitartes companies conduct development projects for the construction of life science properties, with Hemsö as the long-term property owner. The projects include constructions at the New Karolinska Solna University Hospital and Sahlgrenska University Hospital.

The holding in Hemsö KB, Corp. Reg. No. 969769-2961, was 50 per cent. The remaining 50 per cent of the participations was owned by the Third Swedish National Pension Fund, Corp. Reg. No. 802014-4120. However, Hemsö Fastighets AB is an unlimited partner, and is therefore equally liable for the company's obligations. In addition, the parties have agreed that Hemsö is individually entitled to participate in administration of the company's affairs.

During the year, the value of some properties, which are owned by subsidiaries of Hemsö Fastighets AB, was impaired. In some cases, the impairment losses had a direct impact on the value of the subsidiaries, as well as on the carrying amount of shares and participations in subsidiaries, which explains the impairment losses for the year.

Note 16 Accounts receivable

	Group		Parent Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Rent receivables	11	6	–	–
Accounts receivable	18	13	–	–
Provision for doubtful receivables	-5	-6	–	–
Total	24	13	–	–

An individual assessment of all accounts and rent receivables is made on a quarterly basis to identify any need for provision.

Provision for doubtful accounts and rent receivables amounted to SEK 5 million (6), corresponding to 18 per cent (32) of the total rent and accounts receivables balance.

Maturity analysis

	Not due		Due 1-30 days		Due 31-60 days		Due 61-90 days		Due >90 days		Total	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Group												
Accounts receivable	17	11	–	–	–	–	–	–	1	2	18	13
Rent receivables	–	2	1	2	–	–	–	–	10	2	11	6
Total	17	13	1	2	–	–	–	–	11	4	29	19
Parent Company												
Accounts receivable	–	–	–	–	–	–	–	–	–	–	–	–
Total	–	–	–	–	–	–	–	–	–	–	–	–

Note 17 Maturity structure of receivables

Group	31 Dec 2015	31 Dec 2014
Current assets		
Payment due within 1 year		384
Fixed assets		
Payment due 1-5 years		–
Total	384	202

Note 18 Tax allocation reserves

Parent Company	31 Dec 2015	31 Dec 2014
Tax allocation reserve, set aside for taxation in 2016	–	–
Tax allocation reserve, set aside for taxation in 2015	–	–
Tax allocation reserve, set aside for taxation in 2014	–	–
Tax allocation reserve, set aside for taxation in 2013	–	–
Tax allocation reserve, set aside for taxation in 2012	12	12
Tax allocation reserve, set aside for taxation in 2011	21	20
Tax allocation reserve, set aside for taxation in 2010	–	11
Total	33	43

Note 19 Interest-bearing liabilities

Group	31 Dec 2015	31 Dec 2014
Statement of financial position		
<i>Interest-bearing liabilities</i>		
Shareholder loans	–	3,000
Loans from minority shareholders	21	–
Bonds	8,330	5,449
Commercial paper	5,000	3,860
Bank loans	4,103	7,198
Total	17,454	19,507
Opening balance	19,507	17,699
Liabilities to credit institutions	6,030	6,227
Liabilities to minority shareholders	21	–
Amortisation	-9,160	-5,089
Commercial paper	1,140	560
Currency translation	-84	110
Liabilities at year-end	17,454	19,507

At the end of the period, Hemsö's external debt portfolio amounted to SEK 17,433 million (16,507). The external debt portfolio consisted of secured bank loans of SEK 4,103 million (7,198), outstanding commercial papers of SEK 5,000 million (3,860) and unsecured bonds of SEK 8,330 million (5,449). Available liquidity amounted to SEK 10,715 million (5,516), comprising bank deposits of SEK 157 million (107) and unutilised credit facilities of SEK 10,558 million (5,409) (of which unutilised construction loans amounted to SEK 590 million). In addition to the external liabilities, loans from minority shareholders amounted to SEK 21 million (0). Shareholder loans of SEK 3,000 million were redeemed during the year.

Liabilities	Group		Parent Company	
	2015	2014	2015	2014
Interest-bearing liabilities due within 1 year of the closing day	7,372	5,929	6,960	5,909
Other non-interest-bearing liabilities due within 1 year of the closing day	–	–	–	–
Interest-bearing liabilities due within 1-5 years of the closing day	8,650	9,146	6,600	4,344
Interest-bearing liabilities due later than five years after the closing day	1,432	4,432	200	3,000
Total excluding deferred tax liabilities and interest-rate derivatives	17,454	19,507	13,760	13,253

Note 19, cont.

Maturity structure, interest-bearing liabilities and derivative instruments

Maturity year	Debt maturity		Interest at maturity	
	Share, %	Utilised	Amount	Share, %
2016	42.3	7,372	5,744	32.9
2017	20.2	3,516	1,000	5.7
2018	15.0	2,611	1,057	6.1
2019	6.3	1,102	2,354	13.5
2020	6.3	1,100	1,100	6.3
2021	1.7	300	800	4.6
2022	5.2	900	1,557	8.9
2023	–	–	1,500	8.6
2024	–	–	1,500	8.6
2029	3.1	532	821	4.7
Total interest-bearing liabilities	100.0	17,433	17,433	100.0

Maturity structure, derivative instruments

Maturity year	Amount	Share, %
2016	750	6.5
2017	800	7.0
2018	857	7.5
2019	2,113	18.4
2020	800	7.0
2021	800	7.0
2022	1,557	13.5
2023	1,500	13.0
2024	1,500	13.0
2025	822	7.1
Total	11,499	100.0

Sensitivity analysis, interest-rate fluctuations

	Effect on net financial items (12 months), SEK million
Change in loan portfolio's average rate, +/- 1 percentage point	-/+174
Change in short-term market rate (≤ 3 months), +/- 1 percentage point	-/+43

Financial risks and risk management

The financial activities of Hemsö are conducted in accordance with the finance policy established by the Board, which regulates the frameworks and guidelines for Hemsö's financing and treasury management. The Group's financial transactions and risks are managed centrally by the Group's Treasury department. The finance policy outlines the overall delegation of responsibilities for financial activities, and the mandates and limits for financial risk management at Hemsö.

Financing risk

Financing risk is the risk of not having access to the capital required by Hemsö's business operations, or that financing can only be obtained at significantly increased costs.

A substantial proportion of Hemsö's supply of capital is secured through external borrowing. As these loans mature, they must be repaid or renewed. The conditions for Hemsö to refinance the loan facilities on acceptable terms as they expire depend on the amount of credit available in the market, Hemsö's financial position and the market's credit risk margins on those dates. Hemsö has credit agreements with several banks, a wide spread of loan maturities and is active in the capital market to achieve a diverse supply of capital.

Interest-rate risk

Interest-rate risk is the risk that fluctuations in market interest rates will have a negative impact on Hemsö's cash flow, or on the fair value of financial assets and liabilities.

Hemsö's interest expenses are the Group's largest single cost item. Interest expenses are mainly affected by current market interest rates, lenders' margins and the strategy that Hemsö chooses for fixed-interest

rates. The management of Hemsö's interest-rate risk includes derivatives with different maturities to extend the loan portfolio's fixed-interest period and thereby achieve stable and more predictable net financial items.

Counterparty risk

Counterparty risk is the risk that a financial counterparty cannot fulfil all or some of its obligations. This includes derivatives, long and short-term credit agreements and the investment of temporary liquidity surpluses. Hemsö only enters into transactions with counterparties with high credit ratings.

Currency risk

Currency risk is the risk that exchange-rate fluctuations will affect Hemsö's income statement and statement of financial position. Hemsö's currency risk is limited to EUR and pertains to the properties owned by the Group in Germany and Finland. The foreign properties are financed with external financing in EUR, which reduces the risk.

Hemsö owns 18 (16) properties in Finland and 26 (23) properties in Germany, entailing EUR exposure. The properties are financed with equity, intra-Group loans and external loans. On 31 December 2015, external interest-bearing liabilities in EUR corresponded to SEK 2,775 million (2,531), including loans of SEK 1,000 million, which were converted to loans in EUR using derivatives.

At the same date, the market value of the properties in Finland and Germany was SEK 3,512 million (3,304). Net exposure on 31 December – property assets less external liabilities in EUR – amounted to SEK 737 million (773). Since Hemsö applies IAS 21, most of the company's exchange-rate effects are recognised directly in equity. Only a small portion of the exchange-rate effects are recognized in profit or loss.

Liquidity risk

Liquidity risk is the risk of not having access to cash and cash equivalents or credit facilities to meet payment commitments. Hemsö's payment commitments mainly comprise the ongoing costs of operation and maintenance, investments and interest expense and debt repayments. Hemsö has a liquidity buffer and makes regular liquidity forecasts to increase predictability and ensure sufficient funds to meet loan maturities and other major payment commitments.

Note 20 Financial assets and liabilities

Group

Hemsö assesses that there is no significant difference between the fair value and carrying amount of financial assets and liabilities. Loans and receivables are financial assets that are not derivatives, that have fixed or determinable payments and are not quoted in an active market. These assets are measured at amortised cost. These assets are due within one year and no negative values are untaxed.

Other financial liabilities are recognised at amortised cost, since the liabilities accrue variable interest rates.

Derivatives are recognised at fair value and classified as Level 2 under IFRS 13, except for currency derivatives of SEK 1,000 million which are hedged and measured at nominal cost. Hemsö applies netting contracts for interest-rate derivatives.

The loans and receivables category consists of other non-current receivables, accounts receivable and other receivables and amounted to SEK 394 million (202). Other financial liabilities consist of liabilities to credit institutions, accounts payable and other liabilities and amounted to SEK 18,141 million (20,187). In addition to the external liabilities, loans from minority shareholders amounted to SEK 21 million (0). Shareholder loans of SEK 3,000 million were redeemed during the year.

Financial assets and liabilities measured at fair value through other comprehensive income consisted of derivatives and amounted to SEK 679 million (826).

Parent Company

The loans and receivables category consists of other non-current receivables, accounts receivable and other receivables and amounted to SEK 11,385 million (9,340). Other financial liabilities consist of liabilities to credit institutions, accounts payable and other liabilities and amounted to SEK 13,899 million (14,199). Shareholder loans of SEK 3,000 million were redeemed during the year.

Note 21 Pledged assets

	Group		Parent Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Property mortgages	10,036	12,881	–	–
Participations in Group companies	163	439	26	28
Receivables from subsidiaries	–	–	3,000	3,000
Cash and cash equivalents	–	–	–	–
Total	10,198	13,320	3,026	3,028

The assets are mainly pledged for bank loans. Loan agreements usually include obligations related to the interest-coverage ratio and loan volume in relation to the fair value of the properties.

Note 22 Contingent liabilities

	Group		Parent Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Liability as partner in unlimited/limited partnerships	–	–	121	225
Guarantees on behalf of Group companies	–	–	3,671	6,255
Total	–	–	3,792	6,480

Commitments leading to costs for restoring contaminated soil or other environmental obligations for owned properties may arise in the future. Costs may arise, for example, in the form of additional costs in connection with new construction or extensions, or price discounting on the sale of a property. The assessment of any future amounts is not possible at this stage.

Hemsö is involved in a number of minor disputes with tenants, mainly regarding ongoing management issues, which may result in future obligations. Costs may, for example, take the form of fees for advisory services in connection with negotiations. The assessment of any future amounts in relation to these disputes is not possible at present.

Note 23 Supplemental disclosures of cash flow information

Group	2015	2014
No funds other than cash and bank balances are included in the cash and cash equivalents item		
Cash flows		
Interest received	3	5
Interest paid	459	368
Acquisition of subsidiaries		
<i>Acquired assets and liabilities</i>		
Investment properties	706	4,110
Operating receivables	93	13
Total assets	799	4,123
Deferred tax liabilities	–	–
Operating liabilities	259	45
Total liabilities	259	45
Payment made, shares	-416	-1,539
Payment made, repayment of loans	-137	-2,737
Additional: Cash and cash equivalents in the acquired operations	38	125
Effect on cash and cash equivalents – property acquisitions via companies	-515	-4,151
Effect on cash and cash equivalents – direct property acquisitions	-708	-455
Acquisition of properties	-1,223	-4,606

Group	2015	2014
Divestment of subsidiaries		
<i>Divested assets and liabilities</i>		
Investment properties	-1,101	-3,285
Operating receivables	-295	-9
Total assets	-1,396	-3,294
Deferred tax liabilities	-99	-22
Operating liabilities	-663	-1,537
Total liabilities	-762	-1,559
Purchase price received, shares	470	1,147
Payment received, repayment of loan	297	2,178
Less: Cash and cash equivalents in the divested operations	-1	–
Effect on cash and cash equivalents – divestment of properties via companies	766	3,325
Effect on cash and cash equivalents – direct divestment of properties	12	27
Divestment of properties	778	3,352

Group	2015	2014
Adjustments for non-cash items		
Depreciation and impairment	2	1
Other	28	39
Total	30	40

Parent Company	2015	2014
No funds other than cash and bank balances are included in the cash and cash equivalents item		

Cash flows	2015	2014
Interest received	123	175
Interest paid	373	491

Parent Company	2015	2014
Adjustments for non-cash items		
Depreciation and impairment	70	200
Profit/loss from divestment of participations	32	-216
Loss from participations in unlimited/limited partnerships	-85	-3
Provisions	–	-1
Other items	10	–
Total	27	-20

Note 24 Related-party transactions

Parent Company

Dividends to the Parent Company totalled SEK 74 million (703). See Note 9 regarding Profit/loss from participations in Group companies. The Parent Company leases office space from subsidiaries at market rate. Of the company's total purchasing and sales measured in SEK, 0 per cent (0) pertains to purchases and 100 per cent (100) to the net sales of other companies in the Group.

Owners of the Parent

In 2015, dividends totalling SEK 264 million were paid to the owners of the Parent, the Third Swedish National Pension Fund and AB Sagax. Interest of SEK 53 million (210) on a shareholder loan was paid to the Third Swedish National Pension Fund. During the year, the Parent Company decided to repay an existing shareholder loan of SEK 3,000 million in its entirety. The repayment was financed by a new issue of shares totalling the same amount.

Board of Directors

For information about remuneration, see Note 7. No Board member was directly or indirectly involved in any business transaction with Hemsö as counterparty. For a presentation of the Board of Directors, refer to page 45.

Group Management

For information about remuneration, see Note 7. No senior executive was directly or indirectly involved in any business transaction with Hemsö as counterparty. For a presentation of Group Management, refer to pages 46-47.

Subsidiaries

Holdings are presented in Note 15.

Note 25 Accrued expenses and prepaid income

	Group		Parent Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Prepaid rental income	217	220	–	–
Accrued interest expenses	39	113	74	104
Accrued personnel costs	11	11	11	11
Accrued project costs	–	27	–	–
Other items	160	133	7	5
Total	427	504	92	120

Note 26 Supplementary information on financial assets and liabilities

Derivative instruments in the consolidated and Parent Company balance sheet

Recognised as financial assets	2015	2014
Derivatives	3	0
Total	3	0

Recognised as financial liabilities	2015	2014
Derivatives	682	826
Total	682	826
Net derivative instruments	-679	-826

Derivative instruments

Derivative instruments are mainly used to achieve the desired fixed-interest rates in the loan portfolio. In addition, currency derivatives are used to eliminate all currency exposure on foreign currency loans. The value of the derivatives can be derived from the quotation from the counterparty if they are categorised within Level 2 of the fair value hierarchy under IFRS 13. Fair value is based on the discounting of future cash flows for each maturity term using a market-derived interest rate.

Classification of the Group's financial instruments

	Derivatives that do not qualify for hedge accounting		Items subject to fair value hedging		Loans and receivables		Total carrying amount	
	2015	2014	2015	2014	2015	2014	2015	2014
Financial assets								
Cash and cash equivalents	–	–	–	–	157	107	157	107
Derivatives	–	–	–	–	–	–	–	–
Total	–	–	–	–	157	107	157	107

	Derivatives that do not qualify for hedge accounting		Items subject to fair value hedging		Financial liabilities		Total carrying amount	
	2015	2014	2015	2014	2015	2014	2015	2014
Financial liabilities								
Bonds	–	–	–	–	8,330	5,449	8,330	5,449
Bank loans	–	–	–	–	4,103	7,198	4,103	7,198
Commercial papers	–	–	–	–	5,000	3,860	5,000	3,860
Derivatives	679	826	–	–	–	–	679	826
Shareholder loans	–	–	–	–	–	3,000	–	3,000
Loans from minority shareholders	–	–	–	–	21	–	21	–
Total	679	826	0	0	17,454	19,507	18,133	20,333

Note 27 Events after the closing day

- On 1 January 2016, four retirement homes in the German cities of Hadamar, Darmstadt, Wiesbaden and Taunusstein were taken into possession for a total amount of SEK 397 million.
- On 1 January 2016, three retirement homes in the Finnish cities of Espoo, Kerava and Oulu were taken into possession for an amount of SEK 306 million.
- On 25 January 2016, a school property in Sollentuna, Sweden, was acquired for SEK 289 million. The property was taken into possession on 1 February 2016.
- On 29 January 2016, an amount of SEK 300 million was issued under the company's MTN programme.
- On 8 February 2016, Technology for Health, a life science property in Huddinge outside Stockholm was acquired for SEK 762 million. The seller was TKV, a company owned jointly by Hemsö and SveaNor, which also constructed the building. The transfer date will be 1 June 2016.
- On 11 February 2016, a nursing home under construction was acquired in Södertälje, Sweden. The estimated value of the property upon completion is SEK 145 million. The property was Taken into possession on 12 February.
- On 15 February 2016, a new credit facility of SEK 500 million was signed and a further SEK 100 million was issued under the company's MTN programme.
- On 24 February 2016, an additional amount of SEK 150 million was issued under the company's MTN programme.

PROPOSED APPROPRIATION OF PROFITS

Due to the Board's proposed dividend, the Board and the CEO hereby issue the following statement, based on the Swedish Companies Act, Chapter 18, Section 4.

The proposed dividend is based on the 2015 Annual Report that was presented for adoption at the Annual General Meeting (AGM) on 27 April 2016 and with consideration for the company's investment and liquidity requirements. After the dividend, the equity/assets ratio would be considered satisfactory in light of the continued profitability of the operations conducted by the Parent Company and the Group. Access to liquidity in the Parent Company and the Group is expected to remain strong.

The Board believes that the proposed dividend would not prevent the company, or any other Group companies, from meeting their short-term or long-term obligations, nor from completing any necessary investments. The proposed dividend can therefore be justified by reference to the provisions of the Swedish Companies Act, Chapter 17, Section 3, Points 2–3 (the prudence rule).

Unappropriated earnings available for distribution by the AGM, SEK:	
Retained earnings	3,601,682,618
Profit/loss for the year	-6,923,406
Total	3,594,759,212

The Board proposes that the profits be appropriated as follows, SEK:	
To shareholders	479,500,000
To be carried forward	3,115,259,212
Total	3,594,759,212

Signing of the Annual Report

The undersigned assure that the consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and with generally accepted accounting principles, and give a true and fair view of the Group's and the Company's financial position and results, and that the Director's Report gives a true and fair view of the Group's and the company's operations, financial position and results and describes significant risks and uncertainties facing the companies included in the Group.

Stockholm, 4 March 2016

Pär Nuder
Chairman of the Board

Bengt Hellström
Board member

Kerstin Hessius
Board member

David Mindus
Board member

Johan Thorell
Board member

Eva Eriksson
Board member

Per Berggren
Chief Executive Officer

Our audit report was submitted on 4 March 2016.
Ernst & Young AB

Mikael Ikonen
Authorised Public Accountant

To the annual meeting of the shareholders of Hemsö Fastighets AB (publ), corporate identity number 556779-8169

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

We have audited the annual accounts and consolidated accounts of Hemsö Fastighets AB (publ) for the year 2015, except for the corporate governance statement on pages 40-43. The annual accounts and consolidated accounts of the company are included in the printed version of this document on pages 1, 4-39 and 49-73.

Responsibilities of the Board of Directors and the Managing Director for the annual accounts and consolidated accounts

The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of these annual accounts in accordance with the Annual Accounts Act and of the consolidated accounts in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these annual accounts and consolidated accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts and consolidated accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the annual accounts and consolidated accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the Managing Director, as well as evaluating the overall presentation of the annual accounts and consolidated accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of December 31, 2015 and of its financial performance and its cash flows for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of December 31, 2015 and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 40-43. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the annual meeting of shareholders adopt the income statement and balance sheet for the parent company and the group.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the proposed appropriations of the company's profit or loss and the administration of the Board of Directors and the Managing Director of Hemsö Fastighets AB (publ) for the year 2015. We have also conducted a statutory examination of the corporate governance statement.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. The Board of Directors and the Managing Director are responsible for administration under the Companies Act and that the corporate governance statement on pages 40-43 has been prepared in accordance with the Annual Accounts Act.

Auditor's responsibility

Our responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the company's profit or loss and on the administration based on our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden.

As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss, we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

As a basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts and consolidated accounts, we examined significant decisions, actions taken and circumstances of the company in order to determine whether any member of the Board of Directors or the Managing Director is liable to the company. We also examined whether any member of the Board of Directors or the Managing Director has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

We believe that the audit evidence which we have obtained is sufficient and appropriate in order to provide a basis for our opinions.

Furthermore, we have read the corporate governance statement and based on that reading and our knowledge of the company and the group we believe that we have obtained a sufficient basis for our opinion. This means that our statutory examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

Opinions

We recommend to the annual meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

A corporate governance statement has been prepared, and its statutory content is consistent with the other parts of the annual accounts and the consolidated accounts.

Stockholm, March 4, 2016
Ernst & Young AB

Mikael Ikonen
Authorized Public Accountant

LIST OF PROPERTIES PER SEGMENT AND PROPERTY CATEGORY

EAST			Area, sqm								
Nursing homes	Address	Municipality	Nursing homes	Educa-tion	Health care	Legal sector	Offices	Ware-house	Residen-tial	Other	Total
Jakobsberg 34:6	Snapphanevägen 22	Järfälla	7,055	–	–	–	–	–	–	–	7,055
Mensätra 26:1	Ornövägen 5	Nacka	2,047	–	–	–	–	–	–	–	2,047
Rösunda 36:41	Rösundavägen 2	Nacka	11,145	–	–	–	–	–	–	–	11,145
Sicklaön 12:9	Skurusundsvägen 163	Nacka	4,415	–	–	–	–	–	–	–	4,415
Linet 1	Torpvägen 5A-C	Norrtälje	4,314	–	–	–	–	–	–	–	4,314
Logfyrkanten 3	Signalistgatan 3	Solna	3,218	–	–	–	–	–	–	–	3,218
Hallen 4	Lövgatan 39-43	Solna	4,244	355	1,095	–	144	–	–	–	5,838
Sjöstöveln 3	Folkparksvägen 156	Stockholm	8,506	–	325	–	–	–	–	–	8,831
Tempelriddarorden 5	Vita Liljans väg 53	Stockholm	5,000	–	–	–	–	–	–	–	5,000
Flyghöjden 2	Skarpnäcks Torg 1	Stockholm	2,880	–	–	–	–	–	–	–	2,880
Blåvalen 1	Tallhöjdsvägen 1-3	Södertälje	4,734	–	2,444	–	–	–	–	–	7,178
Krusmyntan 2	Basilikagränd 1	Tyresö	2,900	–	–	–	–	–	–	–	2,900
Marknaden 1	Esplanaden 9	Täby	11,963	–	6,682	–	35	79	–	831	19,590
Åkerby 13	Kemistvägen 8	Täby	564	–	–	–	1,260	83	–	–	1,907
Hammarby 8:60	Hasselgatan 80 A-E	Upplands Väsby	2,850	–	–	–	–	–	–	–	2,850
Vallentuna-Ekeby 2:275	Ekebyvägen 40	Vallentuna	2,936	–	–	–	–	–	–	–	2,936
Vallentuna-Ekeby 1:97	Stendösvägen 1-3	Vallentuna	2,950	–	–	–	–	–	–	–	2,950
Total East Nursing homes			86,062	355	10,546	–	1,439	162	–	831	99,395

Area, sqm											
Education	Address	Municipality	Nursing homes	Educa-tion	Health care	Legal sector	Offices	Ware-house	Residen-tial	Other	Total
Markan 1	Kanslivägen 22-24	Botkyrka	0	2,932	0	–	0	0	0	0	2,932
Träkvista 3:282	Sanduddsvägen 12	Ekerö	0	938	0	–	0	0	0	0	938
Medicinaren 23	Hälsövägen 11	Huddinge	0	0	0	–	0	0	0	0	0
Medicinaren 14	Diagnosvägen 8	Huddinge	0	1,912	0	–	168	0	0	0	2,080
Sicklaön 39:4	Helgesons väg 10	Nacka	0	2,575	0	–	0	0	0	0	2,575
Märsta 1:242	Idrottsvägen 19B	Sigtuna	0	882	0	–	0	0	0	0	882
Sigtuna 2:227	Skolbacken 61	Sigtuna	0	1,629	0	–	0	0	0	0	1,629
Träbjälken 16	Sofielundsvägen 12	Sollentuna	0	2,590	0	–	0	0	0	0	2,590
Sjöberg 7:4	Lomvägen 100-102	Sollentuna	0	600	0	–	0	0	0	0	600
Befästningskullen 8	Anders Lundströms gata 3-5	Solna	0	3,388	0	–	0	0	0	0	3,388
Älgörten 1	Fridenborgsvägen 100	Solna	0	0	0	–	0	0	0	0	0
Lojsta 1	Beckombergavägen, Hus 12	Stockholm	0	2,300	0	–	0	0	0	0	2,300
Lummelunda 1	Beckombergavägen 299	Stockholm	0	1,484	0	–	0	0	0	0	1,484
Lau 1	Beckombergavägen, Hus 11	Stockholm	0	2,410	0	–	0	0	0	0	2,410
Gunnebo 15	Salagatan 42	Stockholm	0	4,206	0	–	0	0	0	0	4,206
Sandbacken Mindre 42	Sandbacksgatan 10	Stockholm	0	8,000	0	–	0	0	0	16	8,016
Piloten 2	Gondolgatan 16	Stockholm	0	3,471	0	–	0	0	0	0	3,471
Sproge 1	Beckombergavägen 314	Stockholm	0	1,470	0	–	0	0	0	0	1,470
Ponnyn 1	Boplatsvägen 1	Sundbyberg	0	2,687	0	–	0	0	0	0	2,687
Karleby 2:2	Gärtunavägen 4	Södertälje	0	2,950	0	–	0	0	0	0	2,950
Fräsen 2	Maskinvägen 4	Täby	0	2,017	0	–	0	0	0	0	2,017
Förgasaren 4	Enhagsvägen 12	Täby	0	880	0	–	0	0	0	0	880
Vilunda 19:2	Industrivägen 20 B	Upplands Väsby	0	14,904	0	–	0	0	0	0	14,904
Odenslunda 1:592	Söderviksvägen 1	Upplands Väsby	0	5,915	0	–	0	0	0	0	5,915
Edsby 1:3	Eds Kyrkväg 6, 8	Upplands Väsby	0	630	0	–	0	0	0	0	630
Vilunda 6:55	Drabantvägen 3-5	Upplands Väsby	0	3,000	0	–	0	0	0	0	3,000
Bällsta 2:1087	Zetterlundsväg 140	Vallentuna	0	3,000	0	–	0	0	0	0	3,000
Total East Education			–	76,770	–	–	168	0	–	16	76,954

LIST OF PROPERTIES PER SEGMENT AND PROPERTY CATEGORY

Area, sqm											
Health care	Address	Municipality	Nursing homes	Educa-tion	Health care	Legal sector	Offices	Ware-house	Residen-tial	Other	Total
Banslätt 1	Römossevägen 25	Botkyrka	0	2,230	4,184	–	1,446	38	0	721	8,619
Sjukhuset 7	Kevinge Strand 1B	Danderyd	0	0	3,183	–	0	0	0	0	3,183
Tappröström 1:50	Bryggavägen 8	Ekerö	0	310	2,209	–	85	0	0	0	2,603
Vendelsö 3:1716	Skomakarvägen 20	Haninge	0	0	1,525	–	0	0	0	0	1,525
Ribby 1:451	Klockargatan 13-27	Haninge	319	1,819	2,407	–	562	505	0	1,434	7,046
Medicinaren 25	Hälsövägen 11	Huddinge	0	0	0	–	0	0	0	0	0
Medicinaren 19	Hälsövägen 7-9	Huddinge	0	0	30,182	–	4,320	437	0	3,826	38,765
Illern 9	Stuvsta Torg 4-6, 10-14	Huddinge	0	0	2,716	–	140	0	0	410	3,266
Kallhäll 1:32	Kopparvägen 2B	Järfälla	0	118	1,171	–	0	22	0	831	2,142
Vaktmästaren 4	Hemvägen 8	Norrträlje	0	0	0	–	0	1,200	0	0	1,200
Jullovet 1	Annebodavägen 4-6	Stockholm	0	0	1,310	–	0	0	0	23	1,333
Akka 8	Tranebergsplan 1-3	Stockholm	0	0	3,734	–	0	0	0	231	3,965
Träbron 1	Bergtällsvägen 10-12	Stockholm	3,093	2,137	11,882	–	148	0	0	45	17,305
Forellen 2	Bollmoravägen 14-20	Tyresö	0	585	5,009	–	277	45	0	557	6,473
Bylegård 37	Jarlbankes väg 46	Täby	0	0	1,549	–	0	0	0	0	1,549
Fuxen 6	Kemistvägen 11-13	Täby	0	0	1,102	–	0	0	0	0	1,102
Ösby 1:76	Skärgårdsvägen 7	Värmdö	0	1,711	2,194	–	232	118	0	613	4,868
Total East Health care			3,412	8,910	74,357	–	7,210	2,365	–	8,691	104,944

Area, sqm											
Legal sector	Address	Municipality	Nursing homes	Educa-tion	Health care	Legal sector	Offices	Ware-house	Residen-tial	Other	Total
Tegen 6	Sundbybergsvägen 7-15	Solna	–	–	–	27,455	6,011	1,930	–	–	35,396
Total East Legal sector			–	–	–	27,455	6,011	1,930	–	–	35,396
Total East			89,474	86,035	84,903	27,455	14,828	4,457	0	9,538	316,689

WEST

Area, sqm											
Nursing homes	Address	Municipality	Nursing homes	Educa-tion	Health care	Legal sector	Offices	Ware-house	Residen-tial	Other	Total
Rud 5:2	Positivgatan 15	Gothenburg	6,027	0	0	–	0	0	0	0	6,027
Krokslätt 147:2	Fridkullagatan 18 G	Gothenburg	3,088	0	0	–	150	0	0	0	3,238
Fiskebäck 8:7	Hällefundregatan 20	Gothenburg	6,444	0	0	–	0	0	1,341	0	7,785
Backa 243:52	S:t Jörgens väg 22	Gothenburg	4,441	0	0	–	0	0	605	0	5,046
Näset 130:1	Bjölavägen 1	Gothenburg	3,701	0	0	–	0	0	0	0	3,701
Sörbyn 17:1	Törnrosogatan 8-22	Vänersborg	3,363	0	826	–	155	0	0	208	4,552
Total West Nursing homes			27,064	–	826	–	305	0	1,946	208	30,349

Area, sqm											
Education	Address	Municipality	Nursing homes	Educa-tion	Health care	Legal sector	Offices	Ware-house	Residen-tial	Other	Total
Samariten 11	Klinikvägen 48	Borås	–	9,139	0	–	0	0	0	2,521	11,660
Krokslätt 35:14	Ebbe Lieberathsgatan 19	Gothenburg	–	3,831	0	–	2,561	91	0	360	6,843
Backa 245:1	Sankt Jörgens Väg 14-20	Gothenburg	–	6,242	0	–	534	228	0	0	7,004
Lindholmen 1:12	Karlavagnsgatan 9	Gothenburg	–	0	0	–	0	0	0	0	0
Vingen 10	Huskvarnavägen 42	Jönköping	–	2,484	0	–	0	0	0	0	2,484
Part of Jönköping Samset 3:1/ Åsen 2:1	Samsetgatan 60	Jönköping	–	2,752	0	–	0	0	0	0	2,752
Bängsbo 1:29	Bängsbovägen 13	Kungsbacka	–	3,910	0	–	0	0	0	0	3,910
Dona 1:38	Rinkenäsgatan 2-4	Lysekil	–	9,000	0	–	0	0	0	0	9,000
Häggen 3	Gråbrödragatan 15	Skara	–	1,824	0	–	0	0	115	0	1,939
Stenbocken 1	Malmgatan 10	Skara	–	2,670	175	–	356	49	57	400	3,707
Häggen 2	Gråbrödragatan 7	Skara	–	496	0	–	0	135	0	0	631
Källstorpsbacken 1	Strömsviksvägen 50-54	Trollhättan	–	445	0	–	0	0	0	0	445
Sinclair 12	Östergatan 18	Uddevalla	–	14,627	630	–	1,030	200	0	494	16,981
Halla-Stenbacken 1:88	Västgötavägen 30	Uddevalla	–	16,638	945	–	5,714	3,028	1,893	7,678	35,896
Stallet 3	Johannesbergsvägen 15A-B	Vänersborg	–	3,359	0	–	0	360	0	72	3,791
Stallet 4	Johannesbergsvägen 17A-B	Vänersborg	–	0	0	–	0	0	0	0	0
Stallet 5	Johannesbergsvägen 21-33	Vänersborg	–	0	0	–	0	0	0	0	0
Stallet 8	Johannesbergsvägen 21-33	Vänersborg	–	0	0	–	0	0	0	0	0
Stallet 9	Johannesbergsvägen 45A-B	Vänersborg	–	0	0	–	0	0	0	0	0
Stallet 10	Johannesbergsvägen 47A	Vänersborg	–	0	0	–	0	0	0	0	0
Total West Education			–	77,417	1,750	–	10,195	4,091	2,065	11,525	107,043

LIST OF PROPERTIES PER SEGMENT AND PROPERTY CATEGORY

Area, sqm											
Health care	Address	Municipality	Nursing homes	Educa-tion	Health care	Legal sector	Offices	Ware-house	Residen-tial	Other	Total
Tollerød 4:2	Göteborgsvägen 26	Ale	0	1,414	97		0	0	0	244	1,755
Skeplanda 2:118	Albotorget 5	Ale	0	0	1,283		0	0	0	0	1,283
Apelsinen 1	Säterigatan 122	Alingsås	0	730	1,948		0	0	0	480	3,158
Erska 1:111	Centrumgatan 6	Alingsås	0	0	1,060		0	0	0	800	1,860
Ängaboskolan 2	Sundsbergsvägen 7	Alingsås	0	0	1,488		0	0	0	0	1,488
Stenhuggaren 1	Kindsgatan 1	Borås	0	0	1,393		53	0	0	0	1,446
Fonden 49	Sörmarksgatan 199-205	Borås	1,134	0	3,277		135	0	0	0	4,546
Sik 1:183	Tärnavägen 6	Borås	0	319	2,180		0	0	0	136	2,635
Rydboholm 1:477	Hagakällevägen 2	Borås	0	0	2,065		0	0	0	96	2,161
Kråkhult 1:61	Uppegårdsgatan 2	Borås	1,495	1,230	3,162		0	0	0	354	6,241
Milstolpen 8	Smörhulegatan 2	Borås	0	0	2,232		225	0	0	103	2,560
Sandhults-Rydet 1:256	Strandvägen 11	Borås	0	0	1,563		0	0	0	60	1,623
Brämregården 80:1	Borstbindaregatan 6	Gothenburg	0	0	3,130		0	0	0	195	3,325
Lindholmen 36:1	Vintergatan 1A	Gothenburg	0	0	0		0	0	0	0	0
Norr 5:10	Karlsborgsvägen 4	Hjo	2,640	0	2,607		0	0	0	500	5,747
Kindbogården 1:124	Ekdalavägen 2	Härryda	0	0	5,639		0	0	0	357	5,996
Vårdträdet 7	Hävdevägen 31	Jönköping	0	0	1,517		0	0	0	129	1,646
Norrahammar 28:108	Postgatan 1-9	Jönköping	0	0	2,439		0	0	0	178	2,617
Hälsan 3	Fabriksgatan 17-19	Jönköping	0	0	5,780		0	0	0	0	5,780
Björken 10	Björkstigen 2	Karlsborg	0	0	2,213		0	0	0	0	2,213
Hjällsnäs 3:63	Lundbyvägen 35	Lerum	0	0	1,948		0	0	0	94	2,042
Torp 2:19	Göteborgsvägen 9	Lerum	0	0	3,641		0	40	0	287	3,968
Kullen 18	Järnvägs-gatan 8	Lilla Edet	0	0	4,286		4,370	142	0	372	9,170
Slätten 15:7	Lasarettsgatan 1	Lysekil	5,325	137	8,906		279	57	0	1,086	15,790
Tuntorp 4:34	Läkarvägen 4	Lysekil	0	0	999		326	20	0	0	1,345
Sivik 1:15	Tumstocksvägen 2	Lysekil	0	0	0		0	0	0	1,672	1,672
Pilen 13	Drottninggatan 1	Mariestad	0	256	1,574		11,476	419	0	0	13,725
Fritsla 14:8	Förläggarevägen 29	Mark	0	0	807		0	0	0	0	807
Murmeldjuret 4	Fredåsgatan 13	Mölnådal	0	0	6,723		96	0	0	295	7,114
Sälgen 22	Malmgatan 36	Skara	4,768	617	4,771		3,348	80	0	762	14,346
Skytten 2	Gråbrödragatan 4-6	Skara	0	0	0		150	314	0	5,850	6,314
Metes 2	Veterinär-gatan 4	Skara	0	0	0		1,192	0	0	0	1,192
Klockstapeln 4	Knoppaliden 3	Skövde	688	0	0		0	0	0	0	688
Gravarne 3:139	Hvitfeldts-gatan 23	Sotenäs	0	0	1,873		0	0	0	0	1,873
Stenung 2:238	Södra vägen 18	Stenungsund	0	0	0		0	0	0	175	175
Tanumshede 1:88	Ringvägen 1	Tanum	0	0	1,464		180	0	0	0	1,644
Tändstickan 1	Västra Drottningvägen 11	Tidaholm	0	220	3,742		102	0	0	325	4,389
Skår 1:69	Syster Ebbas väg 1	Tjörn	0	0	1,922		0	0	0	0	1,922
Kuratorn 3	Lasarettsvägen 2	Trollhättan	0	0	808		0	0	0	0	808
Gladan 1	Slättbergsvägen 56	Trollhättan	0	0	1,402		0	0	0	0	1,402
Källstorpslyckan 1	Strömsviksvägen 16	Trollhättan	0	0	1,536		0	0	0	0	1,536
Linkärven 5	Lingatan 12	Uddevalla	0	0	968		0	0	0	0	968
Flatö 3	Bidevindsvägen 9	Uddevalla	0	0	629		0	0	0	0	629
Svalan 7	Nygatan 7	Ulricehamn	0	0	6,934		134	0	0	258	7,326
Klövern 7	Östergatan 1	Vänersborg	0	0	0		10,512	50	0	0	10,562
Grävlingen 28	Belfragegatan 2	Vänersborg	0	368	1,375		748	0	0	255	2,746
Månen 110	Restadvägen 24-28	Vänersborg	774	2,130	0		0	0	129	1,080	4,113
Tärnan 4	Torpavägen 23	Vänersborg	0	0	1,548		0	0	0	129	1,677
Eken 6	Södra Långgatan 3A	Åmål	2,892	0	4,217		121	130	0	0	7,360
Flatö 3	Bidevindsvägen 9	Uddevalla	-	-	629		-	-	-	-	629
Linkärven 5	Lingatan 12	Uddevalla	-	-	968		-	-	-	-	968
Svalan 7	Nygatan 7	Ulricehamn	-	-	6,934		-	134	-	-	7,326
Grävlingen 28	Belfragegatan 2	Vänersborg	-	-	1,886		-	798	-	-	2,939
Klövern 7	Östergatan 1	Vänersborg	-	-	-		-	10,512	50	-	10,562
Månen 110	Restadvägen 24-28	Vänersborg	774	2,130	-		-	-	129	1,080	4,113
Tärnan 4	Torpavägen 23	Vänersborg	-	-	1,548		-	-	-	129	1,677
Eken 6	Södra Långgatan 3A	Åmål	2,892	-	4,217		-	121	130	-	7,360
Total Health care			19,716	7,421	107,145		33,447	1,252	129	16,272	185,381
Total West			46,780	84,838	109,721		43,947	5,343	4,140	28,005	322,773

LIST OF PROPERTIES PER SEGMENT AND PROPERTY CATEGORY

NORTH

			Area, sqm									
Nursing homes	Address	Municipality	Nursing homes	Educa-tion	Health care	Legal sector	Offices	Ware-house	Residen-tial	Other	Total	
Kungsljuset 12	Ringargatan 61	Borlänge	3,415	0	0		0	0	0	0	3,415	
Vinkelhaken 2	Märkargatan 19	Borlänge	0	0	0		0	0	0	352	352	
Eskulapen 1	Ekebyvägen 1-3	Eskilstuna	3,369	0	1,643		0	0	0	822	5,834	
Hemse Blåkråkan 15	Parkgatan 16-18	Gotland	2,310	0	0		0	0	0	0	2,310	
Klinte Åvalle 2:27	Skolgatan 7-9	Gotland	4,916	0	0		0	43	0	0	4,959	
Visby Pjäsen 11	Lännavägen 21-43	Gotland	0	0	0		0	0	308	1,113	1,421	
Othem Kiläkern 3	Apoteksgatan 5	Gotland	0	0	0		0	0	0	278	278	
Hemse Storken 11	Kanalgränd 4	Gotland	0	0	0		0	0	0	358	358	
Klinte Odvalds 1:30	Vildrosvägen 5	Gotland	0	0	0		0	0	0	367	367	
Klinte Sicklings 5:22	Smitterbergsvägen 20	Gotland	0	0	0		0	0	0	367	367	
Visby Melonen 3	Irisdalsgatan 131-133	Gotland	0	0	0		0	0	0	735	735	
Visby Buntmakaren 6	Buntmakargatan 65	Gotland	0	0	0		0	0	0	307	307	
Visby Korgmakaren 5	Korgmakargatan 76	Gotland	0	0	0		0	0	0	307	307	
Bunge Stucks 1:297	Strandvägen 51	Gotland	3,031	0	0		0	0	0	0	3,031	
Othem Kiläkern 2	Apoteksgatan 3	Gotland	5,552	0	0		0	0	0	0	5,552	
Hemse Fasanen 10	Hagagatan 30	Gotland	11,678	0	0		0	0	0	322	12,000	
Roma Kloster 1:37	Björkstigen 10	Gotland	3,519	0	0		0	0	0	0	3,519	
Visby Pjäsen 12	Pjäsgatan 12	Gotland	6,600	0	0		0	0	0	6	6,606	
Brynäs 55:4	Tredje Tvärgatan 31	Gävle	6,490	0	0		0	0	0	0	6,490	
Kristinelund 49:2	Norra Järvstavägen 20a-b	Gävle	11,926	0	2,911		253	0	0	774	15,864	
Strömsbro 4:2	Sanatorievägen 17	Gävle	5,841	0	0		0	0	0	0	5,841	
Södertull 13:14	Flemminggatan 11-17	Gävle	9,358	0	0		0	0	0	739	10,097	
Vallbacken 24:3	Vallbacksgatan 8	Gävle	4,937	0	0		0	0	0	0	4,937	
Varva 2:20	Norra Prästvägen 12-14	Gävle	5,563	0	0		0	0	0	0	5,563	
Landeryd 6:5	Slatteforsvägen 2A-H	Linköping	4,120	0	607		0	235	0	0	4,962	
Landeryd 6:61	Slatteforsvägen 38	Linköping	0	0	0		0	0	0	1,266	1,266	
Ostbiten 1	Rydsvägen 9C	Linköping	1,254	0	0		0	0	0	0	1,254	
Riket 22	Järdalavägen 52C	Linköping	1,605	0	0		0	0	0	0	1,605	
Trähästen 2	Skogslyckegatan 11F	Linköping	1,045	0	0		0	0	0	0	1,045	
Vetebullen 2	Kärna Centrum 1	Linköping	2,145	0	0		0	0	0	0	2,145	
Lillgårdsskolan 11	Ridhusgatan 2A	Linköping	1,510	0	0		0	0	157	7	1,674	
Valbyrån 5	Kärnavägen 3-11	Linköping	2,656	0	0		0	0	94	0	2,750	
Sandbyhov 30	Sandbyhovsgatan 21	Norrköping	14,846	1,550	4,998		1,044	50	0	1,748	24,236	
Diadem 3	Gamla Övägen 27	Norrköping	3,625	0	0		0	0	0	0	3,625	
Järven 6	Bergslagsgatan	Norrköping	4,054	0	0		766	0	0	439	5,259	
Konstantinopel 6	Skomakaregatan 11	Norrköping	3,183	0	0		0	0	0	0	3,183	
Gångjärnet 1	Plåtslagaregatan 8	Norrköping	5,386	0	0		0	0	0	0	5,386	
Skörden 3	Axvägen 7-9	Sundsvall	8,026	0	0		0	0	0	0	8,026	
Dragarbrunn 9:4	S:t Olofsgatan 44 B	Uppsala	4,020	0	0		0	0	0	0	4,020	
Rickomberga 9:14	Geijersgatan 61	Uppsala	3,200	0	0		0	0	0	0	3,200	
Kvarngärdet 14:5	Torkelsgatan 42	Uppsala	3,585	0	0		0	0	0	0	3,585	
Valsåtra 3:10	Bernadottevägen 1P	Uppsala	6,065	0	0		0	0	0	0	6,065	
Luthagen 81:1	Norrlandsgatan 2	Uppsala	2,740	0	0		0	0	0	0	2,740	
Lövhamnen 29	Råby Centrum	Västerås	4,589	0	289		0	0	0	4,594	9,472	
Vedbo 61	Hörnortsvägen 20	Västerås	7,479	4,000	0		0	0	0	0	11,479	
Hanen 4	Hagalidsvägen 2	Västerås	2,740	0	0		0	0	0	0	2,740	
Skogsduvan 1	Skogsduvevägen 11	Västerås	0	0	0		0	0	0	1,107	1,107	
Ångsklockan 1	Vårloksgatan 6	Västerås	3,198	0	0		0	0	0	0	3,198	
Klockarkärleken 3	Rönnbergastigen 7	Västerås	3,937	0	0		0	0	0	0	3,937	
Kolaren 5	Tråddragargatan 31	Västerås	0	0	0		0	0	0	1,052	1,052	
Skjutfältet 9	Hästhovsgatan 27	Västerås	5,914	0	0		0	0	0	0	5,914	
Birka 1	Fornidsgratan 4	Västerås	3,016	0	0		0	0	0	0	3,016	
Östra Daggrosen 1	Daggrosgratan 1	Västerås	3,507	0	0		0	0	0	0	3,507	
Total North Nursing homes			195,950	5,550	10,448		–	2,063	328	559	17,060	231,958

LIST OF PROPERTIES PER SEGMENT AND PROPERTY CATEGORY

Area, sqm											
Education	Address	Municipality	Nursing homes	Educa-tion	Health care	Legal sector	Offices	Ware-house	Residen-tial	Other	Total
Forskaren 2	Svengrensgatan 9	Eskilstuna	0	4,157	0		0	0	0	0	4,157
Nyfors 1:24	Tunavallsgränden 5	Eskilstuna	0	1,427	0		0	0	0	0	1,427
Alstrum 6:3	Ulvby-Åstorp 603	Karlstad	0	0	0		0	3,347	0	0	3,347
Nyponkärnan 1	Kvinnebyvägen 91	Linköping	0	970	0		0	0	0	0	970
Ordensringen 2	Ellen Keys gata 4	Linköping	0	917	0		0	0	0	0	917
Ostduken 2	Björnkärrsgatan 14-16	Linköping	0	1,492	0		0	0	0	0	1,492
Laddstaken 2	Knektgatan 1A-B	Linköping	0	750	0		0	0	0	0	750
Isskåpet 1	Tröskaregatan 73-75	Linköping	0	2,735	0		0	0	0	0	2,735
Gällstad 1:291	Sävsångarevägen 61	Linköping	0	661	0		0	0	0	0	661
Askeby 4:54	Andreas Linbloms väg 7	Linköping	0	425	0		0	0	0	0	425
Askeby 4:55	Andreas Linbloms väg 5	Linköping	0	0	0		0	0	0	0	0
Rystads-Gärstad 8:41	Gurkvägen 2-4	Linköping	0	661	0		0	0	0	0	661
Nässelodlingen 1	Nybrovägen 1	Linköping	0	4,252	0		0	0	0	0	4,252
Järven 5	Bergslagsgatan 11	Norrköping	0	3,011	0		0	1,500	0	0	4,511
Drag 4	Dragsgatan 7	Norrköping	0	9,878	0		0	0	0	0	9,878
Drag 5	Dragsgatan 7	Norrköping	0	0	0		0	0	0	0	0
Borgaren 18	Stora torget 3	Nyköping	0	10,126	0		1,175	696	0	300	12,297
Idun 1	Sundbyvägen 14	Strängnäs	0	3,580	0		0	0	0	0	3,580
Umeå Hugin 3	Nygatan 47	Umeå	0	7,730	0		0	0	0	0	7,730
Gustavsborg 2	Vasagatan 44	Västerås	0	18,062	0		0	0	0	0	18,062
Rosenhill 1	Gurksaltargatan 9	Västerås	0	22,362	0		0	0	0	0	22,362
Rosenhill 12	Eriksborgsgatan 11	Västerås	0	5,800	0		0	0	0	0	5,800
Västerås 1:250	Ångkraftsvägen 1 A-C	Västerås	0	2,742	0		670	0	0	0	3,412
Barkaröby 15:308	Lövängsgatan 2	Västerås	0	1,570	0		0	0	0	0	1,570
Medora 168:115	Klamparvägen 1A	Älvkarleby	2,500	0	0		0	0	0	0	2,500
Total North Education			2,500	103,308	-	-	1,845	5,543	-	300	113,496

Area, sqm											
Health care	Address	Municipality	Nursing homes	Educa-tion	Health care	Legal sector	Offices	Ware-house	Residen-tial	Other	Total
Iggesund 14:269	Skolgatan 1	Hudiksvall	0	0	1,975		793	0	0	401	3,169
Munken 5	Båtmansgatan	Motala	0	0	0		0	0	0	0	0
Storfors 30:1	Hammargatan 3-4	Storfors	995	0	6,000		0	0	0	102	7,097
Sävja 56:1	Västgötaresan 60	Uppsala	0	1,102	1,130		440	0	0	255	2,927
Gränby 12:6	Gränby Bilgata 2	Uppsala	0	265	2,172		0	0	0	322	2,759
Total North Health care			995	1,367	11,277	-	1,233	-	-	1,080	15,952

Area, sqm											
Legal sector	Address	Municipality	Nursing homes	Educa-tion	Health care	Legal sector	Offices	Ware-house	Residen-tial	Other	Total
Reparatören 5	Ringvägen 88	Köping	0	0	0	2,650	0	0	0	0	2,650
Stinsen 1	Stockholmsvägen 4-6	Norrköping	0	0	0	18,296	0	0	0	0	18,296
Blomman 12	Nygatan 110	Norrköping	0	0	0	3,052	955	42	0	0	4,049
Brädgården 2	Folkungavägen 2	Nyköping	0	0	0	11,476	1,047	26	0	0	12,549
Stigbygeln 5	Ridvägen 10	Umeå	0	0	0	20,859	855	0	0	0	21,714
Total North Legal sector			-	-	-	56,333	2,857	68	-	-	59,258
Total North			199,445	110,225	21,725	56,333	7,998	5,939	559	18,440	420,664

SOUTH

Area, sqm											
Nursing homes	Address	Municipality	Nursing-homes	Educa-tion	Health care	Legal sector	Offices	Ware-house	Residen-tial	Other	Total
Arlöv 11:294	Arwidius väg 50-66	Burlöv	7,270	0	1,153		0	0	200	125	8,748
Brandvakten 3	Södra Vägen 4	Halmstad	3,815	0	0		0	0	0	0	3,815
Halmstad 10:35	Frennarpsvägen 131	Halmstad	3,312	0	0		0	0	0	0	3,312
Röinge 3:4	Röingevägen 1	Hörby	1,950	0	0		0	0	0	0	1,950
Norra Sjukhuset 1	Skansvägen 5	Lund	7,939	1,431	0		1,029	0	0	1,052	11,451
Anten 3	Eddagatan 1	Malmö	3,040	0	0		0	0	0	0	3,040
Byrådirektören 4	von Troils väg 2-8	Malmö	2,887	1,765	1,636		1,989	116	4,720	3,193	16,306
Cykeln 12	Palmgatan 17	Malmö	2,980	0	0		0	0	0	0	2,980
Koljan 10	Tegnérsgatan 68	Malmö	0	0	0		0	0	0	355	355
Limhamn 152:371	-	Malmö	0	0	0		0	0	0	0	0
Nattskärnan 7	Järnvägsgatan 29	Malmö	1,918	0	0		0	0	0	0	1,918
Nicktisteln 2	Ernst Jakobssons gata 7	Malmö	2,250	0	0		0	0	0	0	2,250
Rosenbuketten 8	Höjagatan 21	Malmö	547	0	919		0	0	0	0	1,466
Slätvaren 40 och 51	Sarvgränd 2C	Malmö	0	0	0		0	0	0	450	450

LIST OF PROPERTIES PER SEGMENT AND PROPERTY CATEGORY

Nursing homes	Address	Municipality	Nursing-homes	Educa-tion	Health care	Legal sector	Offices	Ware-house	Residen-tial	Other	Total
Solskiftet 1	Oshögavägen 2	Malmö	6,825	0	0		0	0	0	0	6,825
Stengodset 1	Stengodsvägen 4	Malmö	1,850	0	0		0	0	0	0	1,850
Storskarven 12	Norra vägen 7	Malmö	1,900	0	0		0	0	0	0	1,900
Storskarven 13	Norra vägen 1	Malmö	2,313	0	0		0	0	0	0	2,313
Storskarven 9	Brunandsvägen 32	Malmö	0	0	0		0	0	0	442	442
Styckmästaren 8	Jöns Risbergsgatan 4	Malmö	1,078	0	0		0	0	0	310	1,388
Styrkan 23	Spånehusvägen 91	Malmö	978	0	0		0	0	0	0	978
Sädesärlan 6	Linnégatan 18	Malmö	0	0	472		0	0	0	305	777
Torsten 12	Major Nilssonsgatan 13	Malmö	2,400	0	0		0	0	0	0	2,400
Virket 8	Sigtunagatan 13	Malmö	2,455	0	0		0	0	1,779	319	4,553
Blinkarp 1:9	Blinkarp 863	Svalöv	0	0	0		0	0	0	2,700	2,700
Dörren 5	Vikaholmsallén 52	Växjö	4,087	0	0		0	0	0	0	4,087
Tonsättaren 2	Schottisgatan 2-6	Ystad	2,892	0	65		0	0	0	0	2,957
Total South Nursing homes			64,686	3,196	4,245	-	3,018	116	6,699	9,251	91,211

Area, sqm

Education	Address	Municipality	Nursing homes	Educa-tion	Health care	Legal sector	Offices	Ware-house	Residen-tial	Other	Total
Intendenten 2	Finjagatan 18	Hässleholm	0	2,290	0		0	0	0	0	2,290
Intendenten 1	Wendesvägen 5-7	Hässleholm	0	1,580	0		0	0	0	0	1,580
Darehallen 1	Löjtnant Granlunds Väg 4	Hässleholm	0	0	0		0	0	0	700	700
Rödjan 7	Karl Johans väg 25	Kävlinge	0	9,809	0		0	880	0	989	11,678
Silverängen 4	Silvergården 1	Landskrona	2,469	10,563	1,721		0	0	0	0	14,753
Borstahuset 1:9	Löpargatan	Landskrona	0	0	0		0	0	0	0	0
Klostergården 2:9	S:t Lars väg 1-38, S:t Lars väg 70-90	Lund	3,680	23,649	16,003		4,447	762	158	5,764	54,463
Predikanten 2	Landgillevägen 55	Lund	0	750	0		0	0	0	0	750
Landsdomaren 7	Margaretavägen 1-5	Lund	0	19,855	0		0	0	0	0	19,855
Spillepengsmarken 7	Strömgatan 13	Malmö	0	4,670	0		0	0	0	0	4,670
Gullriset 4	Monicavägen 18-22	Malmö	0	648	0		0	0	0	0	648
Part of Stora Uppåkra 12:2	Stora Uppåkravägen	Staffanstorps	0	0	0		0	0	0	0	0
Hjärup 4:290	Heimdallsvägen 2	Staffanstorps	0	652	0		0	0	0	0	652
Jägaren 11	Vallgatan 12E	Växjö	0	6,189	0		2,736	778	2,511	4,830	17,044
Liv 1	Björnstjernetgatan 1 A-C	Ystad	0	3,742	0		2,958	36	0	0	6,736
Total South Education			6,149	84,397	17,724	-	10,141	2,456	2,669	12,283	135,819

Area, sqm

Health care	Address	Municipality	Nursing homes	Educa-tion	Health care	Legal sector	Offices	Ware-house	Residen-tial	Other	Total
Lasarettet 8	Erik Dahlbergsvägen 30 A-F	Karlshamn	0	933	4,914		662	48	252	4,614	11,423
Grönsakshandlaren 5	Jägersrovägen 80	Malmö	0	0	3,003		0	0	0	0	3,003
Total South Health care			-	933	7,917	-	662	48	252	4,614	14,426

Area, sqm

Legal sector	Address	Municipality	Nursing homes	Educa-tion	Health care	Legal sector	Offices	Ware-house	Residen-tial	Other	Total
Häradshövdingen 2	Byggmästaregatan 2	Lund	0	0	0	3,475	0	0	0	0	3,475
Polisen 1	von Lingens väg 130 B	Malmö	0	0	0	3,553	0	0	0	0	3,553
Hjorten 15	Henry Dunkers gata 6	Trelleborg	0	0	0	3,372	0	0	0	0	3,372
Total South Legal sector			-	-	-	10,400	-	-	-	-	10,400
Total South			70,835	88,526	29,886	10,400	13,821	2,620	9,620	26,148	251,856

LIST OF PROPERTIES PER SEGMENT AND PROPERTY CATEGORY

FOREIGN, GERMANY			Area, sqm								
Nursing homes	Address	City	Nursing homes	Educa-tion	Health care	Legal sector	Offices	Ware-house	Residen-tial	Other	Total
Aachen Laurensberg	An der Schurzelter Brücke 1	Aachen	4,950	-	-	-	-	-	-	-	4,950
Barßel	Mühlenweg 11	Barßel	4,550	-	-	-	-	-	-	-	4,550
Bensheim	Eifelstrasse 21-25	Bensheim	7,036	-	-	-	-	-	-	-	7,036
Berlin Ullsteinstrasse	Ullsteinstrasse 159	Berlin	8,656	-	-	-	-	-	-	-	8,656
Lichterfelde	Klingsohrstrasse 121	Berlin	6,820	-	-	-	-	-	-	-	6,820
Bocholt 1	Böwings Stegge 8	Bocholt	4,966	-	-	-	-	-	-	-	4,966
Bocholt 2	Böwings Stegge 6	Bocholt	1,140	-	-	-	-	-	-	-	1,140
Bochum Vincenzstrasse	Vincenzstrasse 1	Bochum	4,806	-	-	-	-	-	-	-	4,806
Butzbach	Johann Sebastian Bach Str. 26	Butzbach	3,951	-	-	-	-	-	-	-	3,951
Dinslaken	Kurt Schumacher Strasse 154	Dinslaken	4,059	-	-	-	-	-	-	-	4,059
Dresden Preller Strasse	Preller Strasse 16	Dresden	3,704	-	-	-	-	-	-	-	3,704
Duisburg Brauerstrasse	Brauerstrasse 42	Duisburg	4,331	-	-	-	-	-	-	-	4,331
Duisburg Fuchsstrasse	Fuchsstrasse 31	Duisburg	4,099	-	-	-	-	-	-	-	4,099
Duisburg Hufstrasse	Hufstrasse 2	Duisburg	3,846	-	-	-	-	-	-	-	3,846
Duisburg Karl-Lehr-Str	Karl Lehr Strasse 159	Duisburg	4,148	-	-	-	-	-	-	-	4,148
Emden	Am Wykhoffweg	Emden	3,351	-	-	-	-	-	-	-	3,351
Lichtenstein	Martin Goetze Strasse 17	Glauchau	5,993	-	-	-	-	-	-	-	5,993
Hünxe	Bensumskamp 27	Hünxe	3,800	-	-	-	-	-	-	-	3,800
Köln Neusserstrasse	Neusser Strasse 402-406	Cologne	7,681	-	-	-	-	-	-	-	7,681
Langenfeld	Langforther Strasse 3	Langenfeld	4,073	-	-	-	-	-	-	-	4,073
Lauterbach	Bilsteinweg 1	Lauterbach	5,684	-	-	-	-	-	-	-	5,684
Leipzig Saxoniastrasse	Saxoniastrasse 32	Leipzig	4,558	-	-	-	-	-	-	-	4,558
Liederbach	Am Wehr 30	Liederbach	4,800	-	-	-	-	-	-	-	4,800
Mülheim an der Ruhr	Am Halbach 1	Mülheim an der Ruhr	5,098	-	-	-	-	-	-	-	5,098
Offenbach Am Hainbach	Spessarttring 22	Offenbach	9,569	-	-	-	-	-	-	-	9,569
Wetter	Friedrichstrasse 30	Wetter	4,004	-	-	-	-	-	-	-	4,004
Grundbuch des Amtsgerichts Köln-Nippes	Neusser Strasse 402-406	Cologne	7,681	-	-	-	-	-	-	-	7,681
Grundbuch von Aachen	An der Schurzelter Brücke 1	Aachen	4,950	-	-	-	-	-	-	-	4,950
Hünxe	Bensumskamp 27	Hünxe	3,800	-	-	-	-	-	-	-	3,800
Langenfeld	Langforther Strasse 3	Langenfeld	4,073	-	-	-	-	-	-	-	4,073
Lauterbach	Bilsteinweg 1	Lauterbach	5,684	-	-	-	-	-	-	-	5,684
Lichtenstein	Martin Goetze Strasse 17	Lichtenstein	5,993	-	-	-	-	-	-	-	5,993
Lichterfelde	Klingsohrstrasse 121	Berlin	6,820	-	-	-	-	-	-	-	6,820
Liederbach	Am Wehr 30	Liederbach	4,800	-	-	-	-	-	-	-	4,800
Offenbach Blatt 29442	Aroser Allee 68	Offenbach	9,569	-	-	-	-	-	-	-	9,569
Preller Strasse 16	Preller Strasse 16	Dresden	3,704	-	-	-	-	-	-	-	3,704
Wetter	Friedrichstrasse 30	Wetter	4,004	-	-	-	-	-	-	-	4,004
Total Foreign, Germany			129,673	-	-	-	-	-	-	-	129,673

FOREIGN, FINLAND			Area, sqm								
Nursing homes	Address	City	Nursing homes	Educa-tion	Health care	Legal sector	Offices	Ware-house	Residen-tial	Other	Total
Kattilantanhua 6	Kattilantanhua 6	Espoo	2,061	-	-	-	-	-	-	-	2,061
Kiltakallionrinne 1	Kiltakallionrinne 1	Espoo	1,729	-	-	-	-	-	-	-	1,729
Haahkapolku 3	Haahkapolku 3	Helsinki	1,043	313	-	-	-	-	1,833	793	3,982
Keskiyöntie 6-8	Keskiyöntie 6	Helsinki	1,675	-	-	-	-	-	-	-	1,675
Kuparitie 2	Kuparitie 2	Helsinki	1,901	-	1,038	-	-	-	-	142	3,081
Haavantie	Haavantie 4	Hyvinkää	1,013	-	-	-	-	-	-	-	1,013
Hotellitie 1	Hotellitie 1	Jämsä	1,432	-	-	-	-	-	-	-	1,432
Harjunsalontie 2	-	Kangasala	-	-	-	-	-	-	-	-	-
Arppentie 6 B	Arppentie 6 B	Kitee	1,541	-	-	-	-	-	-	-	1,541
Koiravedenkatu 10	Koiravedenkatu 10	Kuopio	2,099	-	-	-	-	-	-	-	2,099
Pitkäniementie	Pitkäniementie 15	Nokia	3,249	-	-	-	-	-	-	-	3,249
Haapavedentie 20	Haapavedentie 20	Savonlinna	1,437	-	-	-	-	-	-	-	1,437
Huvilatie 2	Huvilatie 2	Vaasa	2,800	-	-	-	-	-	-	-	2,800
Asentajankatu 2	Asentajankatu 2	Turku	2,543	-	-	-	-	-	-	-	2,543
Total Finland Nursing homes			24,523	313	1,038	-	-	-	1,833	935	28,642

			Area, sqm								
Education	Address	City	Nursing homes	Educa-tion	Health care	Legal sector	Offices	Ware-house	Residen-tial	Other	Total
Turku University of Applied Sciences 853-21-2-26	Lemminkäisenkatu 30	Turku	-	14,940	97	-	92	650	-	503	16,282
Total Finland Education			-	14,940	97	-	92	650	-	503	16,282

LIST OF PROPERTIES PER SEGMENT AND PROPERTY CATEGORY

			Area, sqm								
Health care	Address	City	Nursing homes	Educa-tion	Health care	Legal sector	Offices	Ware-house	Residen-tial	Other	Total
Kornetintie 8	Kornetintie 8	Helsinki	–	–	2,626	–	–	–	–	–	2,626
Kajaanintie 48	Kajaanintie 48	Oulu	–	–	4,384	–	–	–	–	–	4,384
Louhelantie 10	Louhelantie 10	Vantaa	–	–	4,939	–	–	–	–	–	4,939
Louhelantie 10	Louhelantie 10	Vantaa	–	–	4,939	–	–	–	–	–	4,939
Total Finland Health care			–	–	11,949	–	–	–	–	–	11,949
Total Foreign, Finland			24,523	15,253	13,084	–	92	650	1,833	1,438	56,873
Total Foreign			154,196	15,253	13,084	–	92	650	1,833	1,438	186,546
Total Sweden			406,533	369,624	246,234	94,188	80,594	18,359	14,320	82,131	1,311,982
Total portfolio			560,729	384,877	259,318	94,188	80,686	19,009	16,153	83,569	1,498,528

FINANCIAL DEFINITIONS

Return on equity

Profit after tax adjusted for interest rates on shareholder loans for the period as a percentage of the average risk-bearing capital. Average risk-bearing capital calculated as the total of the opening and closing balance, divided by two.

Return on profit from property management

Profit from property management after ten per cent standard tax in relation to average risk-bearing capital. Average risk-bearing capital calculated as the total of the opening and closing balance, divided by two.

Loan-to-value ratio

Interest-bearing liabilities, excluding shareholder loans, as a percentage of the carrying amount of the properties.

Average loan maturity

The average of the remaining term of external liabilities, taking credit facilities into account.

Average interest rates

The weighed interest rate on external loans taking into account the fixed-income derivatives and credit facilities on the closing day.

Short-term loans

Loan maturities within 12 months that are not covered by long-term credit facilities.

Liquidity ratio

Estimated operating profit over the next 12 months, cash and available credit facilities in relation to loans falling due within 12 months, estimated net financial items and project investments over the next 12 months.

MTN program

Medium Term Note programme, a bond programme.

Risk-bearing capital

Equity and shareholder loans.

Interest coverage ratio

Net operating income less administrative expenses in relation to net financial items, excluding interest on shareholder loans.

Operating profit

Net operating income less central administrative expenses.

Total return

The sum of net operating income and changes in value in relation to average property value.

PROPERTY-RELATED DEFINITIONS

Yield

Net operating income for the past 12 months, adjusted for the holding period and currency of the properties during the period in relation to the carrying amounts of the properties at period-end.

Net operating income

Rental income less operating and maintenance costs, property tax and leasehold fees.

Economic occupancy rate

Rental income in relation to rental value.

Profit from property management

Profit before changes in value, excluding interest on shareholder loans.

Rental income

Rental value less vacancies, discounts and rental losses.

Benchmark portfolio

The properties that Hemsö owned during all reported periods. Transactions pertaining to properties sold and development properties are excluded.

Net investments

Total of purchasing, including stamp duty and other direct transaction costs and investments in projects, less the selling price of properties sold and the selling price of properties sold via companies and direct transaction costs.

Property for public use

A property that is predominantly utilised for tax-funded activities and dedicated to public use. Also includes sheltered housing under the public properties concept.

Lettable area

The areas of the properties for which tenants can be debited rent at period-end.

Letting rate, area

Leased space in relation to total lettable area at period-end.

Development properties

Properties with major ongoing projects; new construction, extension or refurbishment.

Vacancy rent

Estimated market rent for vacant premises in "as-is" condition.

Rent based on vacancy rate

Rental value for vacancy rent as a percentage of the total rental value.

Vacancy rate, area

Vacant area in relation to total lettable area.

Surplus ratio

Net operating income in relation to property income.