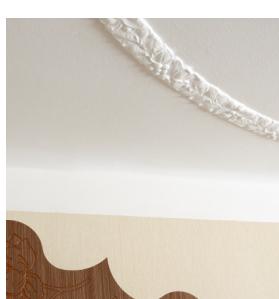
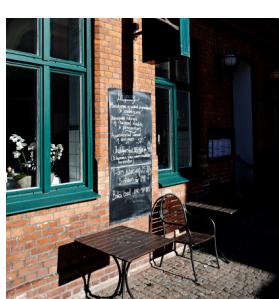


## Fastighets AB Balder Year-end report January–December 2011

- Profit from property management before tax amounted to SEK 516m (417) corresponding to SEK 3.00 per ordinary share (2.79)
- Rental income amounted to SEK 1,466m (1,333)
- Profit after tax amounted to SEK 812m (1,338), corresponding to SEK 4.87 per ordinary share (8.95)
- Shareholders' equity amounted to SEK 35.57 per ordinary share (31.13)
- Profit from property management before tax for the fourth quarter of 2011 increased by SEK 57m to SEK 146m (89)
- The board proposes that no dividend shall be declared for ordinary shares (–) and that SEK 20 per share (–) shall be paid for preference shares.

Fastighets AB Balder is a listed real estate company which shall meet the needs of different customer groups for premises and housing through local support. Balder's real estate portfolio had a value of SEK 17.6 billion (14.4) as of 31 December 2011. The Balder share is listed on Nasdaq OMX Stockholm, Mid Cap.



# Net profit for the period in brief

Comparisons stated in parenthesis refer to the corresponding period of the previous year

## Rental income

Rental income increased to SEK 1,466m (1,333).

## Property costs

Property costs amounted to SEK 471m (454).

## Profit from property management

The profit from property management amounted to SEK 516m (417), which corresponds to SEK 3.00 per ordinary share (2.79).

## Changes in value of investment properties

The carrying amount of the properties amounted to SEK

17,556m (14 389). The profit was impacted by positive unrealised changes in value of SEK 978m (1,027) and realised changes in value of SEK 12m (20). The average yield requirement amounted to 6.2 per cent (6.3).

## Changes in value of financial investments

Changes in value of financial investments amounted to SEK -7m (90).

## Changes in value of derivatives

Unrealised changes in value of interest rate derivatives have impacted the result by SEK -520m (148).

## Profit after tax

Profit after tax for the period amounted to SEK 812m (1,338) which corresponds to SEK 4.87 per ordinary share (8.95).

	Oct-Dec 2011	Oct-Dec 2010	Jan-Dec 2011	Jan-Dec 2010	Jan-Dec 2009	Jan-Dec 2008	Jan-Dec 2007	Jan-Dec 2006
Rental income, SEKm	369	354	1,466	1,333	854	633	678	524
Profit from property management before tax, SEKm	146	89	516	417	315	174	179	160
Changes in value of properties, SEKm	504	274	990	1,047	4	-201	642	212
Changes in value of derivatives, SEKm	-141	232	-520	148	-23	-333	7	—
Changes in value of financial investments, SEKm	5	9	-7	90	—	—	—	—
Profit after tax, SEKm	439	511	812	1,338	248	-388	785	441
Carrying amount of properties, SEKm	17,556	14,389	17,556	14,389	12,669	7,086	6,758	6,997
<b>Data per ordinary share</b>								
Profit after tax, SEK			4,87	8,95	2,20	-4,04	8,07	4,69
Profit from property management before tax, SEK			3,00	2,79	2,79	1,81	1,84	1,70
Carrying amount of properties, SEK			110,04	96,25	84,75	75,02	69,44	71,90
Shareholders' equity, SEK			35,57	31,13	22,19	19,63	23,49	15,42
Long-term net asset value (EPRA NAV), SEK			41,84	32,89	22,16	20,95	22,33	13,06
Share price on closing date, SEK			25,30	29,40	12,50	7,00	13,33	17,00

# CEO's comments

## Profit from property management

One year ago, I wrote that "my expectations for 2011 are high". Now as we document 2011, we can report that it was once again an exciting year with an optimistic first half followed by a somewhat uncertain second half. I think that the company performed well and we made a number of good long-term acquisitions and found new partners for Balder that strengthen our potential to deliver a satisfactory and sustainable increase in value. Our profit from property management also continued to develop well compared to previous years.

In 2010, profit from property management exceeded SEK 400m for the first time, and one year later, we passed SEK 500m. The main reason was naturally the issues and acquisitions carried out during the year which had a positive impact on the result but so did net operating income for comparable properties which increased during the period. The improvement was due to the fact that we managed to increase our income. We were also helped in the process by not having as cold or snowy an end to the year as we had in 2010.

Our already stable income will be strengthened further in 2012, thanks to our acquisitions in late 2011 and early 2012. We invested about SEK 2 billion in residential properties with negligible vacancy levels and a fully let commercial property with long leases.

In early 2012, we took a new stride over the Öresund and completed our first acquisition of residential properties in Copenhagen. The properties are located in attractive areas and are fully let condominiums. In the event notice of termination, we have the option to choose if we want to sell the apartment or let it again at a market rent. However, our intention is not to sell the apartments by the piece, rather that they should form part of a long-term division in Copenhagen.

A stable income level and favourable interest rate level in Denmark means that it is interesting to try to find additional investment opportunities in this market going forward.

It is difficult to predict how the global financial turbulence will affect us. So far, we do not see any change in our customers' payment capacity and we still see continued good demand for our commercial premises. In order to continue to maintain a good income level it is extremely important that we have a close relationship with our customers, in order to grow together and prevent the risk of possible rental losses.

## The Balder share

It is gratifying to see that Balder is continuing to attract the stock market. The number of shareholders increased by almost 70 per cent during the year, and amounted to approximately 8,200 at year-end. This may be compared to the approximately 2,000 shareholders we had at the end of

2008. The liquidity in the share is good and on average, 207,000 shares were traded per day.

We carried out two successful issues during the year. One issue of ordinary shares at the end of January and one issue of preference shares - a new class of shares for us - in the middle of June. The issues, which were both strongly oversubscribed, increased shareholders' equity by SEK 1,251m and strengthened our equity/assets ratio significantly. Apart from capital, the issues have also brought us many new shareholders. In January 2012, we carried out another new issue of preference shares which provided the company with SEK 265m. This issue was also several times oversubscribed and broadened the ownership base further. For the benefit of ordinary shareholders, our priority is to allow the company to grow through good investments in acquisitions instead of share dividends. The goal is to achieve the best possible total yield over time and at present I believe that investing further in the operations is by far the best way to proceed.

## Changes in value of investment properties

The long-term level of interest rates continued to fall during the fourth quarter, which meant that the deficit on our derivative instruments increased and amounted to almost SEK 800m at year-end. There is no cloud without a silver lining. A large negative deficit on our derivative instruments means that the interest rate level is lower than we expected. Apart from the fact that changes in value do not affect our cash flow, there are additional advantages.

New financing can be secured at lower levels, property values are supported by the lower level of interest and last but not least, the negative values on our derivatives will be zero in due course. This means that Balder will display an increase in shareholders' equity of almost SEK 600m after tax, when the deficit has been released.

## Outlook 2012

As always, my expectations ahead of 2012 are high. During the year, our organisation shall continue to focus on what property management is about a long-term hard work where it is important to generate rental income and ensure cost control in order to gradually deliver improved net operating income and increase in value. We shall accomplish this with our devoted organisation which is supported by a stable income stream and a strong balance sheet. My hope is that 2012 will offer a continued strong trend in profit from property management and that we will get many wonderful new business opportunities.

Erik Selin  
Chief Executive Officer

# Current earning capacity

Balder presents its earning capacity on a twelve-month basis in the table below. It is important to note that the current earning capacity should not be placed on a par with a forecast for the coming 12 months. For instance, the earning capacity contains no estimate of rental, vacancy or interest rate developments.

Balder's income statement is also impacted by the development in the value of the real estate portfolio as well as future property acquisitions and/or property divestments. Additional items affecting the operating result are changes in value of financial investments and derivatives. None of the above has been considered in the current earning capacity.

The earning capacity is based on the real estate portfolio's contracted rental income, estimated property costs during a normal year as well as administrative costs.

The costs of the interest-bearing liabilities are based on the group's average interest rate level including effect of derivative instruments. The tax is calculated using a standard tax rate of 26.3 per cent, which largely consists of deferred tax and therefore does not affect the cash flow.

## Current earning capacity on a twelve-month basis

SEKm	31 Dec 2011	30 Sep 2011	30 Jun 2011	31 Mar 2011	31 Dec 2010	30 Sept 2010	30 Jun 2010	31 Mar 2010
Rental income	1,530	1,480	1,450	1,405	1,405	1,345	1,335	1,265
Property costs	-465	-455	-445	-430	-430	-420	-420	-392
<b>Net operating income</b>	<b>1,065</b>	<b>1,025</b>	<b>1,005</b>	<b>975</b>	<b>975</b>	<b>925</b>	<b>915</b>	<b>873</b>
Management and administrative costs	-105	-100	-100	-105	-105	-100	-100	-93
Profit from property management from associated companies	90	85	85	30	20	20	15	15
<b>Operating profit</b>	<b>1,050</b>	<b>1,010</b>	<b>990</b>	<b>900</b>	<b>890</b>	<b>845</b>	<b>830</b>	<b>795</b>
Net financial items	-445	-420	-410	-425	-440	-395	-365	-313
<b>Profit from property management</b>	<b>605</b>	<b>590</b>	<b>580</b>	<b>475</b>	<b>450</b>	<b>450</b>	<b>465</b>	<b>482</b>
Tax	-159	-155	-153	-125	-118	-118	-122	-127
<b>Profit after tax</b>	<b>446</b>	<b>435</b>	<b>427</b>	<b>350</b>	<b>332</b>	<b>332</b>	<b>343</b>	<b>355</b>
<b>Profit after tax attributable to</b>								
Ordinary shareholders	366	355	347	350	332	332	343	355
Preference shareholders	80	80	80	—	—	—	—	—
<b>Profit from property management according to current earning capacity per ordinary share, SEK</b>	<b>3.29</b>	<b>3.20</b>	<b>3.13</b>	<b>2.98</b>	<b>3.01</b>	<b>3.01</b>	<b>3.11</b>	<b>3.22</b>

# Results, income and costs

## Earnings

Profit from property management for the period amounted to SEK 516m (417) which corresponds to SEK 3.00 per ordinary share (2.79). Profit from property management includes SEK 62m (18) in respect of associated companies.

Profit after tax for the period amounted to SEK 812m (1,338) corresponding to SEK 4.87 per ordinary share (8.95). The profit was impacted by changes in value in respect of properties of SEK 990m (1,047), changes in value of financial investments of SEK -7m (90), unrealised changes in value in respect of interest rate derivatives of SEK -520m (148) and profit from participations in associated companies of SEK 133m (68).

## Rental income

Rental income increased to SEK 1,466m (1,333). The increase was primarily due to a larger real estate portfolio. The leasing portfolio is estimated to have a rental value on a full-year basis of SEK 1,638m (1,437) as of 31 December. The average rental level for the entire real estate portfolio amounted to SEK 1,163/sq.m. (1,087). The rental income shows a considerable diversification of risks as regards tenants, sectors and locations. The economic occupancy rate amounted to 94 per cent (94) on 31 December. On 31 December, the total rental value for unlet areas amounted to SEK 107m (94) on an annual basis.

## Property costs

The property costs amounted to SEK 471m (454) during the period. The increase in property costs was due to changes in the real estate portfolio.

Net operating income increased by 13 per cent to SEK 996m (880), which implies a surplus ratio of 68 per cent (66). Operating costs normally vary with the seasons. The first and fourth quarters have higher costs compared to the other quarters, while the third quarter usually has the lowest cost level.

## Changes in value of investment properties

Balder carried out an individual internal valuation on 31 December, based on a ten-year cash flow model, of the entire real estate portfolio. Unrealised changes in value for the period amounted to SEK 978m (1,027). Realised changes in value amounted to SEK 12m (20). The average yield requirement as of 31 December amounted to 6.2 percent (6.3).

The change in value during the period of SEK 978m is attributable to improved net operating income due to increased rental income and a reduced yield requirement for the residential properties.

## Changes in value of financial investments

The company's financial investments, which mainly consist of preference shares in Corem, are carried at market value at the end of every quarter. The change in value during the period amounted to SEK -7m (90).

## Management and administrative costs

Management and administrative costs amounted to SEK 103m (103) during the period.

## Participations in the profit of associated companies

Balder has associated companies with property holdings which are 50%-owned and shares in Collector, where the participating interest amounts to 37 per cent. Profit from participations in associated companies amounted to SEK 133m (68) during the period and Balder's participation in the associated companies' profit from property management amounted to SEK 62m (18), also see page 10. The profit was impacted by unrealised changes in value in respect of properties of SEK 118 (78). The increased profit was due to the acquisitions of Fastighets AB Centur and Collector AB.

## Net financial items and unrealised changes in value of derivatives

Net financial items amounted to SEK -438m (-377) and unrealised changes in value of interest rate derivatives amounted to SEK -520m (148). The negative change in value during the period was due a sharp fall in the level of interest rates. The change in value has not affected the cash flow.

Net financial items are equivalent to borrowing at an average interest rate of 4.2 per cent (3.9) including the effect of accrued interest from interest rate derivatives.

## Taxes

During the period, Balder reported current tax of SEK -10m (-3) and deferred tax of SEK -215m (-413). Current tax only arises in exceptional cases due to the possibilities of making tax write-offs, tax deductions for certain investments in properties and use of existing loss carry-forwards. Current tax arises for subsidiaries where no group contributions for tax purposes exist.

The group's remaining tax deficit has been estimated at SEK 2,250m (2,210) and the temporary differences between the carrying amounts and values for tax purposes of properties, financial investments and interest rate derivatives amounts to SEK -3,018m (-2,157). Deferred tax liabilities are calculated as the net of these items and amount to SEK 202m (-14).

## The fourth quarter 2011

The profit from property management for the fourth quarter 2011 increased by SEK 57m and amounted to SEK 146m (89), which corresponds to SEK 0.79 per ordinary share (0.60). The profit from property management includes SEK 28m (3) in respect of associated companies. Rental income amounted to SEK 369m (354) and property costs totalled

SEK 117m (125), which gave a net operating income for the fourth quarter of SEK 252m (228). The surplus ratio amounted to 68 percent (64). The improved profit from property management is due to the change in the real estate portfolio but also to the fact that the corresponding period of the preceding year was unusually cold and snowy, which resulted in increased costs.

Profit after tax for the period amounted to SEK 439m (511), corresponding to SEK 2.63 per ordinary share (3.42). The change in results was mainly due to negative changes in value in respect of derivatives, increased positive changes in value in respect of properties and improved profit from property management.

The profit was impacted by changes in value in respect of properties of SEK 504m (274), changes in value of financial investments of SEK 5 (9), unrealised changes in value in respect of interest rate derivatives of SEK -141m (232) and profit from participations in associated companies of SEK 81m (58).

#### **Cash flow**

The cash flow from operating activities before changes in working capital amounted to SEK 426m (400). Investing activities have burdened the cash flow by SEK 2,579m (442). During the period, acquisition of properties of SEK 3,640m (835), investments in existing properties of SEK 219m (159) and investments in wind turbines, financial investments and associated companies of SEK 454m (124) have been financed through the cash flow from operating activities of SEK 414m (356), by property sales of SEK 1,683m (321), sales of financial investments of SEK 52m (356), a new issue of SEK 1,251m (—) and net borrowings of SEK 872m (109). The cash flow for the period amounted to SEK -41m (24) in total. The group's cash and cash equivalents, financial investments and unutilised credit facilities amounted to SEK 298m (507) as of 31 December.

#### **Employees and organisation**

The number of employees on 31 December amounted to 208 persons (192), of which 75 (59) were women. Balder is organised into five regions with 11 areas in total. The head office with group-wide functions is located in Gothenburg.

#### **Parent Company**

The parent company's operations mainly consist of performing group-wide services but an important part also relates to sales of services, principally to associated companies. Sales in the parent company amounted to SEK 82m (63) during the period.

Net profit after tax for the period amounted to SEK -167m (260). The result was positively affected by dividends received from subsidiaries of SEK 135m (—). Changes in value in respect of financial investments and unrealised changes in value of interest rate derivatives amounted to SEK -481m (251).

#### **Proposed dividend**

The board intends to propose to the annual general meeting that no dividend shall be declared for ordinary shares (—) and that SEK 20 per share (—) shall be paid for preference shares.

#### **Annual Report and Annual General Meeting**

The annual report for 2011 will be available on Balder's home page, [www.balder.se](http://www.balder.se), from the week starting 16 April 2012.

Fastighets AB Balder's annual general meeting will take place on 9 May 2012 at 3.00 p.m. at Elite Park Avenue Hotel, Kungsportsavenyn 36–38 in Gothenburg.

# Real estate holdings

On 31 December, Balder owned 433 properties (432) with a lettable area of approximately 1,408,000 sq.m. (1,322,000) with a value of SEK 17,556m (14,389). Balder's total rental value amounted to SEK 1,638m (1,437) on 31 December.

Balder's commercial properties are located in the centre and immediate suburbs of big cities and surrounding municipal areas. Balder's residential properties are located in places that are growing and developing positively. Balder's ambition is to continue growing in selected markets.

## Balder's real estate portfolio as of 31-12-2011 <sup>1)</sup>

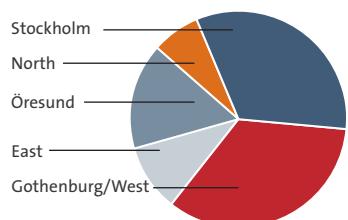
	Number of properties	Lettalbe area, sq.m.	Rental value, SEKm	Rental value, SEK/sq.m.	Rental income, SEKm	Economic occupancy rate, %	Carrying amount, SEKm	Carrying amount, %
<b>Distributed by region</b>								
Stockholm	55	375,394	516	1,376	474	92	5,866	33
Gothenburg/West	183	484,010	552	1,141	525	95	5,913	34
Öresund	54	196,660	254	1,292	233	92	2,792	16
East	58	197,582	176	890	166	95	1,695	10
North	83	154,491	139	900	133	95	1,290	7
<b>Total</b>	<b>433</b>	<b>1,408,137</b>	<b>1,638</b>	<b>1,163</b>	<b>1,531</b>	<b>94</b>	<b>17,556</b>	<b>100</b>

## Distributed by property category

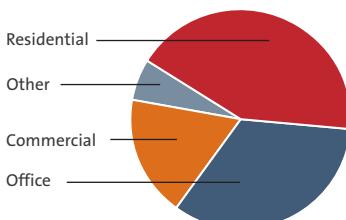
Residential	301	788,507	737	934	707	96	7,523	43
Office	65	376,481	554	1,472	490	89	5,945	34
Commercial	34	148,732	248	1,667	238	96	3,075	18
Other	33	94,417	99	1,046	95	97	1,012	6
<b>Total</b>	<b>433</b>	<b>1,408,137</b>	<b>1,638</b>	<b>1,163</b>	<b>1,531</b>	<b>94</b>	<b>17,556</b>	<b>100</b>

<sup>1)</sup> The above table refers to the properties owned by Balder at the end of the period. Sold properties have been excluded and acquired properties have been revalued using full-year values. Other properties include hotel, educational, nursing, industrial and mixed-use properties.

## Distributed by region



## Distributed by property category



# Change in real estate portfolio

The value of Balder's real estate portfolio is based on internal valuations. All properties have been valued using the yield method, which means that each property is valued by discounting the estimated future cash flows. An estimate is also made of the future development of the immediate surroundings and the position of the property within its market segment. On 31 December, Balder's average yield requirement amounted to 6.2 per cent, which is 0.1 per cent lower than at the start of the year. The reduction in the yield requirement is attributable to the strong prevailing demand for residential properties.

In order to quality-assure Balder's internal valuations, Balder allows external valuation of portions of its portfolio regularly during the year and at each year-end. Balder's entire property portfolio was externally valued as of 31 March and 11 per cent of Balder's property portfolio corresponding to SEK 2,000m was externally valued by Savills as of 31 December. The market value of the external valuation exceeded Balder's internal valuation by SEK 2.1 per cent. The external valuation related to commercial properties as well as residential properties and included a geographical spread from Sundsvall in the north to Helsingborg in the south.

## Unrealised changes in value

The overall carrying amount of Balder's 433 properties amounted to SEK 17,556m (14,389) on 31 December. The unrealised change in value during the period amounted to SEK 978m (1,027). The change is a result of higher net operating income mainly due to increased rental income and a reduced yield requirement for residential properties.

## Investments, acquisitions and sales

During the period, a total of SEK 3,859m (995) was invested, of which SEK 3,640m (835) relates to acquisitions and SEK 219m (160) relates to investments in existing properties. During the period, 39 (18) properties were sold for SEK 1,683m (322). Of the properties sold, 25 relate to the Catena portfolio, which are included in a company that is jointly owned with PEAB, each party holding a half-interest. The properties are now included as associated companies. All acquisitions have been classified as asset acquisitions.

The change in the real estate portfolio during the year may be seen in the following table.

## Change in carrying amounts of properties

	2011	2010	
	SEKm	Number	SEKm
<b>Real estate portfolio, 1 January</b>	<b>14,389</b>	<b>432</b>	<b>12,669</b>
Investments in existing properties	219	—	160
Acquisitions	3,640	40	835
Sales	-1,683	-39	-322
Change in value of investment properties, unrealised	978	—	1,027
Change in value of investment properties, realised	12	—	20
Changes in foreign exchange rates	—	—	—
<b>Real estate portfolio, 31 December</b>	<b>17,556</b>	<b>433</b>	<b>14,389</b>

## Real estate transactions 2011

Quarter	Number	Property name	Municipality	Property category	Lettable area, sq.m.
<b>Acquisitions</b>					
One	1	Stockrosen 3	Mölndal	Office	6,082
One	1	Stockrosen 10	Mölndal	Office	1,761
One	1	Stockrosen 6	Mölndal	Office	2,015
One	1	Olskroken 10:5	Gothenburg	Office	4,511
One	1	Olskroken 25:11	Gothenburg	Other	2,261
One	1	Inom Vallgraven 36:4	Gothenburg	Office	16,730
One	1	Inom Vallgraven 33:7	Gothenburg	Office	3,731
One	1	Inom Vallgraven 58:6	Gothenburg	Commercial	4,793
One	1	Ventrupparken 6	The Copenhagen region	Commercial	4,723
One	25	Catena		Commercial	152,390
Two	1	Katthavet 8	Stockholm	Commercial	8,022
Three	1	Högsbo 1:1	Gothenburg	Office	15,251
Three	1	Kvasten 8	Stockholm	Office	2,018
Three	1	Gårda 15:12	Gothenburg	Residential	8,459
Three	—	del av Järnplåten 23	Stockholm	Office	1,520
Four	1	von Conow 54	Malmö	Office	20,927
Four	1	Lorensberg 46:6	Gothenburg	Commercial	1,176
<b>Total</b>	<b>40</b>				<b>256,370</b>
<b>Divestments</b>					
One	1	Dygden 6	Nässjö	Residential	614
One	1	Pan 1	Nässjö	Residential	1,692
One	1	Åkerslått 2	Nässjö	Residential	1,002
One	1	Lilla Björn 10	Nässjö	Residential	240
One	1	Älgen 7	Nässjö	Residential	1,487
One	1	Täppan 22	Nässjö	Residential	294
One	1	Sänket 9	Nässjö	Residential	353
One	1	Sänket 6	Nässjö	Residential	575
One	1	Nedre Skansen 1	Nässjö	Residential	328
One	1	Lästen 2	Falkenberg	Commercial	3,510
One	1	Plankan 12	Trollhättan	Office	479
One	1	Niten 6	Borås	Other	4,058
Two	1	Källtorp 43:7	Gothenburg	Residential	1,064
Two	25	Catena		Commercial	152,390
Three	1	Kastet 6:4	Gävle	Residential	216
<b>Total</b>	<b>39</b>				<b>168,302</b>

# Associated companies

Balder has associated companies with property holdings which are 50 per cent-owned and shares in Collector, where the participating interest amounts to 37 per cent.

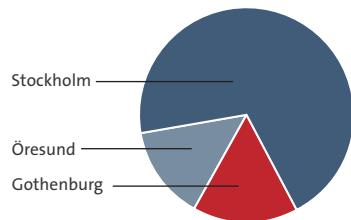
In order to illustrate Balder's holdings in associated companies, Balder's participations in the balances sheets and real estate holdings of associated companies with property holdings are reported below.

The associated companies own 41 properties in total. Balder's participation in the lettable area of the real estate holdings amounts to approximately 125,000 sq.m. with a rental value of SEK 157m. The economic occupancy rate amounted to 97 per cent.

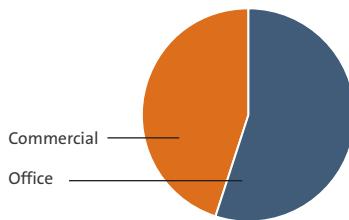
## Balder's participation in associated companies' real estate holdings as of 31-12-2011

	Number of properties	Lettalbe area, sq.m.	Rental value, SEKm	Rental value, SEK/sq.m.	Rental income, SEKm	Economic occupancy rate, %	Carrying amount, SEKm	Carrying amount, %
<b>Distributed by region</b>								
Stockholm	24	71,873	107	1,492	103	96	1,434	71
Gothenburg	10	29,092	26	891	26	99	319	16
Öresund	7	24,282	23	962	23	100	270	13
<b>Total</b>	<b>41</b>	<b>125,246</b>	<b>157</b>	<b>1,250</b>	<b>152</b>	<b>97</b>	<b>2,023</b>	<b>100</b>
<b>Distributed by property category</b>								
Office	14	45,099	81	1,803	78	95	1,138	56
Commercial	27	80,148	75	938	75	99	885	44
<b>Total</b>	<b>41</b>	<b>125,246</b>	<b>157</b>	<b>1,250</b>	<b>152</b>	<b>97</b>	<b>2,023</b>	<b>100</b>

### Distributed by region



### Distributed by property category



## Balder's participation in balance sheet of associated companies with property holdings

	31 Dec 2011
<b>SEKm</b>	
<b>Assets</b>	
Properties	2,023
Other assets	17
Cash and cash equivalents	13
<b>Total assets</b>	<b>2,054</b>
<b>Shareholders' equity and liabilities</b>	
Shareholders' equity/owner loan	649
Interest-bearing liabilities	1,296
Other liabilities	109
<b>Total equity and liabilities</b>	<b>2,054</b>

# Customers

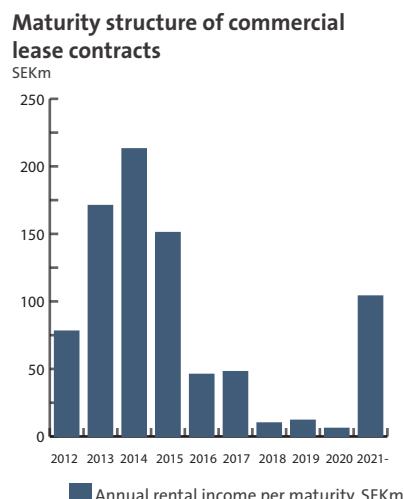
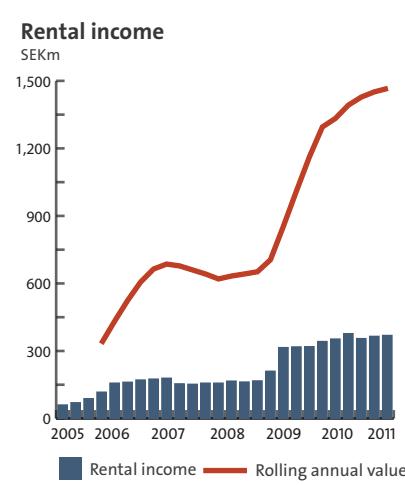
In order to limit the risk of lower rental income and consequently a weakened occupancy rate, Balder strives to develop long-term relationships with the company's existing customers. Balder has a good diversification as regards the allocation between commercial properties and residential properties as well as the geographical distribution. The diversification strengthens the possibilities of maintaining a satisfactory occupancy rate.

Balder's commercial leases have an average lease term of 4.3 years (3,4). Balder's 10 largest leases represent 7.4 per cent (5.8) of the total rental income, while the average lease term amounts to 11.0 years (5.3). No individual lease accounts for more than 1.9 per cent (1.0) of Balder's total rental income and no individual customer accounts for more than 3.3 per cent (1.2) of the total rental income.

## Leasing contract structure 31-12-2011

Maturity date	Number of leasing contracts	Share, %	Contracted leases, SEKm	Share, %
2012	538	26	78	5
2013	554	27	171	11
2014	486	24	220	14
2015	296	15	151	10
2016–	162	8	227	15
<b>Total</b>	<b>2,036</b>	<b>100</b>	<b>848</b>	<b>55</b>
Residential <sup>1)</sup>	9,803		639	42
Car park <sup>1)</sup>	2,997		10	1
Garage <sup>1)</sup>	3,101		34	2
<b>Total</b>	<b>17,937</b>		<b>1,531</b>	<b>100</b>

1) Normally runs subject to a period of notice of three months.



## Balder's 10 largest customers

per 31-12-2011

- Domstolsverket
- G4S Cash Services
- ICA Sverige
- Järfälla Kommun
- Nordea Bank
- Proximion Fiber Systems
- Rasta Group
- Stureplansgruppen
- Veidekke Bostad
- Västra Götalands Läns Landsting

# Financing

## Shareholders' equity

Consolidated equity amounted to SEK 6,675m (4,654) on 31 December and the equity/assets ratio amounted to 35.2 per cent (30.9). Shareholders' equity increased during the period by SEK 278m through a directed share issue of ordinary shares in January, and by SEK 973m in June through an issue of preference shares and through comprehensive income for the period of SEK 810m. During the period, shareholders' equity decreased by SEK 40m on account of dividend to the preference shareholders, which occurs quarterly.

## Interest-bearing liabilities

The group's interest-bearing liabilities in respect of properties amounted to SEK 10,635m (9,297) on 31 December, corresponding to a loan to value ratio of 60.6 per cent (64.6). In June, Balder initiated a certificate programme with a framework amount of SEK 1,000m with Swedbank and Danske Bank as dealers. The outstanding volume on 31 December was SEK 555m compared to SEK 710m which was outstanding on 30 September. During January 2012, the certificate market has improved and Balder has increased certificate volume to SEK 720m. The certificate programme is secured with revolving back-up facilities corresponding to the entire framework amount.

The average interest rate refixing period amounted to 3.9 years (2.4) on 31 December and the average fixed credit term amounted to 5.5 years (5.9). The average interest rate amounted to 4.1 per cent (4.2) including the effect of accrued interest from Balder's interest rate derivative instruments which are recognised as fixed interest borrowing in the table. On 31 December, approximately 80 per cent of the interest-bearing liabilities ran on the basis of fixed interest rates with a term of more than one year.

Interest rate derivative instruments are deployed in order to obtain preferred interest rate refixing targets. Derivatives are continually recognised at fair value in the balance sheet with changes in value recognised in the income statement without using hedge accounting. Unrealised changes in value during the period amounted to SEK -520m (148). The deficit on derivatives, SEK 797m (277), will be released during the remaining term and recognised as income. This means that Balder has a reserve of SEK 797m which will be reversed in its entirety to equity, adjusted by deferred tax, concurrently with the expiry of interest rate derivatives.

## Liquidity

The group's financial investments, cash and cash equivalents and unutilised credit facilities amounted to SEK 298m (507) at the end of the accounting period.

## Financial targets

Balder's financial goals are that the equity/assets ratio shall not be less than 30 per cent over time and that the interest coverage ratio should not be less than 1.5 times. As of 31 December, the equity/assets ratio was 35.2 per cent (30.9) and the interest coverage ratio was 2.1 times (2.1).

## Financial targets and outcome

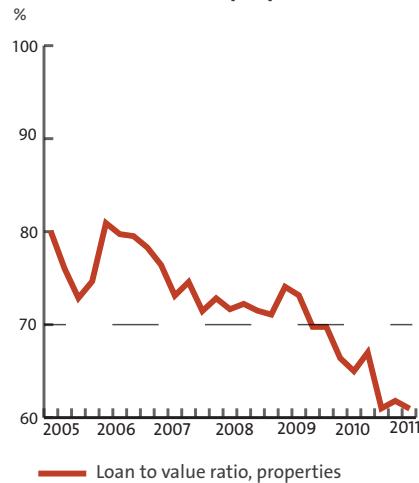
	Target	Outcome
Equity/assets ratio, %	30.0	35.2
Debt/assets ratio, multiple	1.5	2.1
Return on equity, % <sup>1)</sup>		14.3

1) Return on equity which exceeds the risk-free rate of interest over time. The risk-free rate of interest, the yearly average of a five-year government bond, amounted to 2.30 per cent as of 31-12-2011.

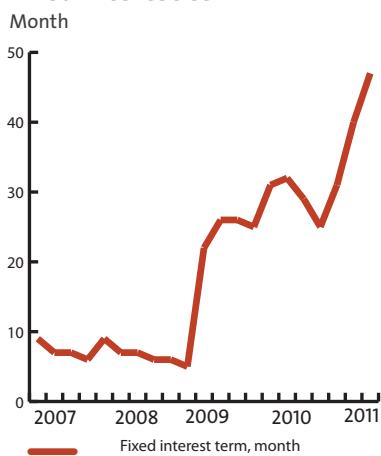
## Interest maturity structure as of 31-12-2011

Year	Fixed interest term		
	SEKm	Interest, %	Share, %
Within one year	2,994	3.7	27.7
1–2 years	2,520	4.4	23.3
2–3 years	6	4.8	0.1
3–4 years	281	4.3	2.6
4–5 years	500	4.4	4.6
> 5 years	4,500	4.3	41.7
<b>Total</b>	<b>10,801</b>	<b>4.1</b>	<b>100.0</b>

## Loan to value ratio, properties



## Fixed interest term



# Other information

## Events after the end of the period

Agreements were reached regarding five property acquisitions at the end of December 2011 and in January and February 2012. The acquisitions relate to six residential properties in Gothenburg, a block of residential properties in one of Copenhagen's most attractive residential areas, the commercial property Rosen 9 which is located on Lilla Torg in Malmö, a residential property in Örestad Syd in Copenhagen and a hotel in Lund which is under construction and is expected to be taken into possession in early 2014. The properties have a combined lettable area of approximately 115,600 sq.m. with a value of approximately SEK 2,400m. Apart from the hotel in Lund, the other acquisitions will be taken into possession during the first quarter of 2012. In connection with the acquisition of the property Rosen 9, the board resolved on an offset issue on the date of taking possession. The issue amounted to 1,000,000 preference shares, at an issue price of SEK 265 per share, to the vendor. The vendor of the property entered into an agreement to resell the above one million preference shares to Swedbank, which in turn decided to offer these preference shares for sale in an offer to the public in Sweden and to institutional investors in Sweden and abroad. The offer was several times oversubscribed and in the end approximately 3,400 private persons and institutional investors were allocated preference shares in Balder. During February, a sales agreement was reached, at a value of SEK 64m, regarding a site leasehold right in Stockholm with a lettable area of 5,200 sq.m.

## Related party transactions

Apart from what is described in note 28 of the annual report for 2010, administrative services were sold to Erik Selin Fastigheter AB and Fastighets AB Centur during the year. The services were priced at market-related terms.

Balder receives fees from associated companies and Erik Selin Fastigheter AB for property and company management. These fees amounted to SEK 13m (1) during the period and are recognised in management and administrative costs.

## Risks and uncertainty factors

Balder's operations, financial position and results may be affected by a number of risks and uncertainty factors. These are described in the annual report for 2010, on pages 40–43. No material changes have occurred subsequently.

## Accounting policies

Balder applies IFRS (International Financial Reporting Standards) as adopted by the European Union in its consolidated accounts and the interpretations of these (IFRIC). This interim report is prepared in accordance with IAS 34, Interim Financial Reporting, and relevant provisions of the Swedish Annual Accounts Act and the Swedish Securities Markets Act have also been applied. The parent company has prepared its financial statements in accordance with the

Annual Accounts Act, the Securities Markets Act and RFR 2, Accounting for Legal Entities.

The accounting policies and calculation methods applied are unchanged compared with the annual report for 2010, with the addition that the company started to apply hedge accounting during the third quarter 2011 as regards assets acquired in foreign countries (Hedges of a Net Investment in a Foreign Operation). That part of the gain or loss which is recognised on a hedging instrument which is considered an effective hedge is recognised in other comprehensive income. The gain or loss that relates to the ineffective part is recognized directly in the income statement.

The changes in IFRS which have become effective and which apply for the financial year 2011 have not had, and are not expected to have, any material impact on Balder's financial statements.

## Nomination Committee

In accordance with the resolution of the annual general meeting on 6 May 2011, a nomination committee has been appointed with representatives for the company's two largest shareholders or ownership spheres, which are Erik Selin Fastigheter AB through Christian Hahne and Arvid Svensson Invest AB through Rikard Svensson. In addition to the above-mentioned persons, the nomination committee also includes Lars Rasin, who is chairman of the nomination committee.

## The Board's proposals to the Annual General Meeting 2012

Ahead of the Annual General Meeting on 9 May 2012, the Board intends to propose that the general meeting pass resolutions regarding the following matters:

- No dividend shall be declared for the ordinary share.
- Dividend of SEK 20.00 per preference share.
- To authorise the Board until the next annual general meeting to repurchase and transfer B shares and preference shares in Balder corresponding to a maximum of 10 percent of all shares in the company.
- To authorise the Board until the next annual general meeting, on one or more occasions, to resolve on new issue of preference and/or ordinary shares of class B corresponding to a maximum of 10 % of the existing share capital. It shall be possible to subscribe for the shares in cash, in kind or by right of set-off.

*This interim report has not been subject to review by the company's auditors*

Gothenburg, 24 February 2012

Erik Selin  
Chief Executive Officer

# Consolidated statement of comprehensive income

SEKm	Oct-Dec 2011	Oct-Dec 2010	Jan-Dec 2011	Jan-Dec 2010
Rental income	369	354	1,466	1,333
Property costs	-117	-125	-471	-454
<b>Net operating income</b>	<b>252</b>	<b>228</b>	<b>996</b>	<b>880</b>
Changes in value of properties, realised	-	7	12	20
Changes in value of properties, unrealised	504	267	978	1,027
Changes in value of financial investments	5	9	-7	90
Other income/expenses	-2	4	-13	2
Management and administrative costs	-27	-28	-103	-103
Participation in the profit from associated companies	81	58	133	68
<b>Operating profit</b>	<b>813</b>	<b>545</b>	<b>1,995</b>	<b>1,983</b>
Net financial items	-107	-115	-438	-377
Changes in value of derivatives, unrealised	-141	232	-520	148
<b>Profit before tax</b>	<b>564</b>	<b>662</b>	<b>1,037</b>	<b>1,754</b>
Current tax	-5	-2	-10	-3
Deferred tax	-120	-150	-215	-413
<b>Net profit for the period/year</b>	<b>439</b>	<b>511</b>	<b>812</b>	<b>1,338</b>
<b>Other comprehensive income</b>				
Translation difference	-2	-2	-2	-2
Participation in other comprehensive income from associated companies	-	-	-	-
<b>Net profit for the period/year</b>	<b>437</b>	<b>509</b>	<b>810</b>	<b>1,336</b>
Profit from property management before tax, SEKm	146	89	516	417
Profit from property management before tax per ordinary share, SEK	0.79	0.60	3.00	2.79
Profit after tax per ordinary share, SEK	2.63	3.42	4.87	8.95

Comprehensive income for the period/year accrues in full to the parent company's shareholders.  
There is no dilutive effect as no potential shares arise.

## Consolidated statement of financial position

SEKm	31 Dec 2011	31 Dec 2010
<b>Assets</b>		
Investment properties	17,556	14,389
Other property, plant and equipment	148	41
Participations in associated companies	654	202
Deferred tax assets	—	14
Other receivables	455	167
Financial investments	157	204
Cash and cash equivalents	8	48
<b>Total assets</b>	<b>18,978</b>	<b>15,065</b>
<b>Shareholders' equity and liabilities</b>		
Shareholders' equity	6,675	4,654
Non-controlling interests	4	4
Deferred tax liability	202	—
Interest-bearing liabilities <sup>1)</sup>	10,801	9,631
Derivatives	797	277
Other liabilities	499	499
<b>Total equity and liabilities</b>	<b>18,978</b>	<b>15,065</b>
1) Of which interest-bearing liabilities in respect of properties	10,635	9,297

## Consolidated statement of changes in equity

Attributable to the parent company's shareholders, SEKm	Jan-Dec 2011	Jan-Dec 2010
<b>Opening equity</b>	<b>4,654</b>	<b>3,317</b>
New issue	1,251	—
Dividend paid preference shares	—40	—
Comprehensive income for the year	810	1,336
<b>Closing equity</b>	<b>6,675</b>	<b>4,654</b>

# Consolidated statement of cash flows

SEKm	Oct-Dec 2011	Oct-Dec 2010	Jan-Dec 2011	Jan-Dec 2010
Net operating income	252	228	996	880
Other income/expenses	-2	4	-13	2
Management and administrative costs	-27	-26	-103	-102
Reversal of depreciation and amortisation	4	3	15	7
Adjustment item	4	—	-2	-2
Net financial items paid	-122	-116	-457	-384
Taxes paid	-5	—	-10	—
<b>Cash flow from operating activities before changes in working capital</b>	<b>104</b>	<b>92</b>	<b>426</b>	<b>400</b>
Change in operating receivables	9	-23	-65	-20
Change in operating liabilities	16	27	52	-23
<b>Cash flow from operating activities</b>	<b>129</b>	<b>97</b>	<b>414</b>	<b>356</b>
Acquisition of properties	-483	—	-3,640	-835
Acquisition of property, plant and equipment	-1	-7	-122	-31
Acquisition of financial investments	—	-3	-12	-86
Investment in existing properties	-75	-23	-219	-159
Acquisition of non-controlling interests	—	82	1,683	321
Sale of properties	21	5	52	356
Sale of financial investments	-36	—	-320	-6
Acquisition of shares in associated companies	—	—	—	-1
<b>Cash flow from investing activities</b>	<b>-573</b>	<b>53</b>	<b>-2,579</b>	<b>-442</b>
New issue	—	—	1,251	—
Dividend paid preference shares	-20	—	-40	—
Loans raised	425	17	4,189	662
Amortisation of loans/redemption of loans	—	—	—	—
sold properties/change credit facility	14	-124	-3,277	-553
<b>Cash flow from financing activities</b>	<b>419</b>	<b>-107</b>	<b>2,124</b>	<b>109</b>
<b>Cash flow for the period/year</b>	<b>-26</b>	<b>43</b>	<b>-41</b>	<b>24</b>
Cash and cash equivalents at the beginning of the period/year	33	5	48	24
<b>Cash and cash equivalents at the end of the period/year</b>	<b>8</b>	<b>48</b>	<b>8</b>	<b>48</b>
Unutilised credit facilities	133	255	133	255
Financial investments	157	204	157	204

# Segment information

SEK	Oct-Dec 2011	Oct-Dec 2010	Jan-Dec 2011	Jan-Dec 2010
<b>Rental income</b>				
Stockholm	117	109	460	425
Gothenburg/West	128	109	504	438
Öresund	51	63	210	177
East	41	41	161	164
North	33	31	130	129
<b>Total</b>	<b>369</b>	<b>354</b>	<b>1,466</b>	<b>1,333</b>
<b>Net operating income</b>				
Stockholm	84	72	325	288
Gothenburg/West	87	71	348	295
Öresund	31	44	141	125
East	28	24	102	98
North	21	17	80	73
<b>Total</b>	<b>252</b>	<b>228</b>	<b>996</b>	<b>880</b>

The group's internal reporting of the operations is divided into the above segments. Total net operating income corresponds with the reported net operating income in the income statement. The difference between net operating income, SEK 996m (880) and profit before tax, SEK 1,037m (1,754) consists of changes in value of properties, SEK 900m (1,047), changes in value of financial investments, SEK -7m (90), management and administrative costs, SEK -103m (-103), other income/expenses, SEK -13 (2), participation in profits from associated companies, SEK 133m (68), net financial items, SEK -438m (-377) and changes in value of derivatives, SEK -620m (148).

The carrying amount of properties in the Stockholm and Gothenburg regions increased during the year by SEK 971m and SEK 1,357m respectively. The increase was due to property acquisitions and changes in value in the portfolio.

# Key ratios

SEKm	Oct-Dec 2011	Oct-Dec 2010	Jan-Dec 2011	Jan-Dec 2010
<b>Share-related, ordinary shares <sup>1)</sup></b>				
Average number of shares, thousands	159,537	149,487	158,656	149,487
Profit after tax, SEK	2.63	3.42	4.87	8.95
Profit after tax excluding unrealised changes in value, SEK	0.57	0.57	2.27	2.57
Profit from property management before tax, SEK	0.79	0.60	3.00	2.79
Net operating income, SEK	1.58	1.53	6.27	5.89
Outstanding number of shares, thousands	159,537	149,487	159,537	149,487
Carrying amount of properties, SEK	110.04	96.25	110.04	96.25
Shareholders' equity, SEK	35.57	31.13	35.57	31.13
Long-term net asset value (EPRA NAV), SEK	41.83	32.89	41.83	32.89
Share price on the closing date, SEK	25.30	29.40	25.30	29.40
1) There is no dilutive effect as no potential shares arise.				
<b>Property related</b>				
Rental value full-year, SEK/sq.m.			1,163	1,087
Rental income full-year, SEK/sq.m.			1,088	1,016
Economic occupancy rate, %			94	94
Surplus margin, %			68	66
Carrying amount, SEK/sq.m.			12,467	10,887
Number of properties			433	432
Lettable area, sq.m. thousands			1,408	1,322
<b>Financial</b>				
Return on equity, %			14.3	33.6
Return on total assets, %			8.7	14.8
Interest coverage ratio, multiple			2.1	2.1
Equity/assets ratio, %			35.2	30.9
Debt/equity ratio, multiple			1.6	2.1
Loan to value ratio, properties, %			60.6	64.6
Profit from property management before tax, SEKm			516	417

## Condensed parent company income statement

SEKm	Oct-Dec 2011	Oct-Dec 2010	Jan-Dec 2011	Jan-Dec 2010
Net sales	23	18	82	63
Administrative expenses	-28	-23	-98	-83
Change in value of financial investments	5	9	-7	155
<b>Operating profit</b>	<b>0</b>	<b>3</b>	<b>-22</b>	<b>136</b>
<b>Profit from financial items</b>				
Net financial items	29	25	212	64
Changes in value of derivatives, unrealised	-140	152	-474	96
<b>Profit before tax</b>	<b>-111</b>	<b>180</b>	<b>-285</b>	<b>296</b>
Deferred tax	38	-45	118	-36
<b>Net profit for the period/year</b>	<b>-73</b>	<b>135</b>	<b>-167</b>	<b>260</b>

## Condensed parent company balance sheet

SEKm	31 dec 2011	31 dec 2010
<b>Assets</b>		
Property, plant and equipment	30	31
Financial assets	2,820	2,131
Receivables from group companies <sup>1)</sup>	8,507	6,053
Current receivables	46	11
Financial investments	157	204
Cash and bank balances	2	6
<b>Total assets</b>	<b>11,562</b>	<b>8,435</b>
<b>Shareholders' equity and liabilities</b>		
Shareholders' equity	3,891	2,846
Interest-bearing liabilities	4,654	3,186
Liabilities to group companies	2,310	2,124
Derivatives	601	126
Other liabilities	106	152
<b>Total equity and liabilities</b>	<b>11,562</b>	<b>8,435</b>

1) The increase is mainly related to acquisition finance during the year.

# The share and owners

## The Share and Owners

Balder's shares are listed on Nasdaq OMX Stockholm, Mid Cap. Since 20 June, when the preference share was listed, Balder has two listed classes of shares, an ordinary class B share and a preference share which pays a dividend of SEK 5 per quarter.

The company's market capitalisation as of 31 December amounted to SEK 5,104m (4,395). The principal owner in Fastighets AB Balder is Erik Selin who owns 39.4 per cent of the capital and 52.4 per cent of the votes.

### Ordinary shares

At the end of the period, the ordinary share had approximately 6,900 shareholders (4,900). During the period, 52.5 million shares were traded, which is equal to an average of 207,000 shares (237,000) per trading day. The annual turnover rate amounted to 35 per cent during the period. On 31 December, the market price of the share was SEK 25.30 (29.40).

### Preference shares

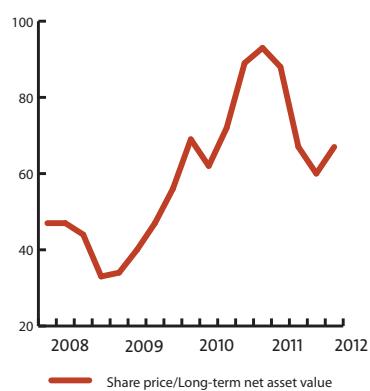
At the end of the period, the preference share had approximately 2,000 shareholders (—). During the period 20 June to 31 December, 1.8 million shares were traded, which is equal to an average of 12,972 shares per trading day. The annual turnover rate amounted to 82 per cent. On 31 December, the market price of the preference share was SEK 267.

## Share capital

Two new share issues took place during the year. In June, Balder issued 4,000,000 preference shares and in January, a directed share issue of 10,050,000 B shares was carried out. Taken together, the issues provided the company with SEK 1,251m after transaction costs.

On 31 December, the share capital in Balder amounted to SEK 166,396,852 distributed among 166,396,852 shares. Each share has a quota value of SEK 1.00, whereof 11,229,432 shares are of class A, 151,167,420 are of class B and 4,000,000 are preference shares. Of the B shares, 2,859,600 were repurchased as of 31 December, which means that the total number of outstanding shares amounts to 163,537,252. Each class A share carries one vote and each class B share and preference share carries one tenth of one vote.

## Share price/Long-term net asset value (EPRA NAV) %



## Ownership list as of 31-12-2011

Owners	A shares	B shares	Preference shares	Total number of shares	Capital, %	Votes, %
Erik Selin Fastigheter AB	8,298,594	57,207,798	—	65,506,392	39.4	52.4
Arvid Svensson Invest AB	2,915,892	13,542,540	—	16,458,432	9.9	16.0
Länsförsäkringar fondförvaltning AB	—	15,230,155	—	15,230,155	9.2	5.7
Swedbank Robur fonder	—	6,985,829	121,250	7,107,079	4.3	2.7
Handelsbanken fonder	—	5,748,453	—	5,748,453	3.5	2.2
Lannebo fonder	—	4,733,000	—	4,733,000	2.8	1.8
Second Swedish National Pension Fund	—	4,470,356	27,155	4,497,511	2.7	1.7
Rasjö, Staffan	—	2,067,587	—	2,067,587	1.2	0.8
Kjellberg, Göran	—	1,875,000	8,000	1,883,000	1.1	0.7
Livförsäkrings AB Skandia	7,398	1,857,708	—	1,865,106	1.1	0.7
Other share holders	7,548	34,589,394	3,843,595	38,440,537	23.1	14.2
<b>Total outstanding shares</b>	<b>11,229,432</b>	<b>148,307,820</b>	<b>4,000,000</b>	<b>163,537,252</b>	<b>98.3</b>	<b>98.9</b>
Repurchased own shares	—	2,859,600	—	2,859,600	1.7	1.1
<b>Total registered shares</b>	<b>11,229,432</b>	<b>151,167,420</b>	<b>4,000,000</b>	<b>166,396,852</b>	<b>100.0</b>	<b>100.0</b>

# Definitioner

## FINANCIAL

### **Return on equity, %**

Profit after tax in relation to average shareholders' equity. The results were converted to a full-year basis in the interim accounts, with the exception of changes in value, without taking account of seasonal variations which normally arise in the operations.

### **Return on total assets, %**

Profit before tax with addition of net financial items in relation to average balance sheet total. The results were converted to a full-year basis in the interim accounts, with the exception of changes in value, without taking account of seasonal variations which normally arise in the operations.

### **Loan to value ratio, properties, %**

Interest-bearing liabilities with direct or indirect collateral in properties in relation to the fair value of the properties.

### **Profit from property management before tax, SEKm**

Profit before tax with reversal of changes in value. Reversal of changes in value and tax as regards participation in profit from associated companies also takes place.

### **Risk-free interest**

Annual average of a five-year government bond.

### **Interest coverage ratio, multiple**

Profit before tax with reversal of net financial items, changes in value and changes in value and tax as regards participation in profit from associated companies, in relation to net financial items.

### **Debt/equity ratio, multiple**

Interest-bearing liabilities in relation to shareholders' equity.

### **Equity/assets ratio, %**

Shareholders' equity including minority in relation to the balance sheet total at the end of the period.

## PROPERTY RELATED

### **Yield, %**

Estimated net operating income on an annual basis in relation to the fair value of the properties at the end of the period.

### **Net operating income, SEKm**

Rental income less property costs.

### **Economic occupancy rate, %**

Contracted rent for leases which are running at the end of the period in relation to rental value.

### **Property category**

Classified according to the principal use of the property. The break-down is made into office, commercial, residential and other properties. Other properties include hotel, educational, nursing, industrial/warehouse and mixed-use properties. The property category is determined by what the property is used for most.

### **Property costs, SEKm**

The item includes direct property costs, such as operating expenses, maintenance, ground rent and property tax.

### **Rental value, SEKm**

Contracted rent and estimated market rent for vacant premises.

### **Surplus margin, %**

Net operating income in relation to rental income.

## SHARE RELATED

### **Equity per ordinary share, SEK**

Shareholders' equity in relation to the number of outstanding ordinary shares at the end of the period after deduction of the preference capital.

### **Equity per preference share, SEK**

Shareholders' equity per preference share corresponds with the preference share's issue price of SEK 250 per share.

### **Profit from property management per ordinary share, SEK**

Profit from property management reduced by preference share dividend for the period divided by the average number of outstanding ordinary shares.

### **Average number of shares**

The number of outstanding shares at the start of the period, adjusted by the number of shares issued during the period weighted by the number of days that the shares have been outstanding in relation to the total number of days during the period.

### **Preference capital, SEK**

Preference capital is equal to an average price of SEK 250 per preference share.

### **Long-term net asset value per ordinary share (EPRA NAV), SEK**

Equity per ordinary share with reversal of interest rate derivatives and deferred tax according to balance sheet.

### **Profit after tax per ordinary share, SEK**

Profit attributable to the average number of ordinary shares after consideration of the preference shares' portion of the net profit for the period.

The information in this report is such that Fastighets AB Balder (publ) is obliged to disclose according to the Swedish Securities Markets Act and/or the Swedish Financial Instruments Trading Act. The information has been published at 2.00 p.m. on 24 February 2012.

This report is a translation of the Swedish Year-end report 2011. In the event of any disparities between this report and the Swedish version, the latter will have priority.

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#### Financial information

There is an overall presentation of information on Balder's home page [www.balder.se](http://www.balder.se), regarding the operations, board of directors and management, financial reporting and press releases.

#### Calendar

Annual report	April 2012
Annual General Meeting	9 May 2012
Interim report January–March 2012	9 May 2012
Interim report January–June 2012	27 August 2012
Interim report January–September 2012	8 November 2012

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