

HUFVUDSTADEN

Interim Report January - June 2008

- The gross profit from property management for comparable holdings increased by 3 per cent to SEK 428 mnkr (414). The improvement in profit can be attributed mainly to higher rents.
- The fair value of the property holdings was SEK 20,1 mdkr billion (20.5 at the year-end).
- The net asset value following a deduction for the dividend paid amounted to SEK 71 per share (73 at the year-end).
- Profit for the period amounted to SEK -86 million (1 144), equivalent to SEK -0,42 per share (5,54). The decrease can be attributed to this years unrealised changes in value of the property holdings, compared with the unrealised changes in value during the corresponding period last year (1 208).
- The consolidated net profit for comparable holdings amounted to SEK 657 million (610), an increase of 8 per cent.
- The rental vacancy level at the period-end continued to be low at 3,7 per cent (3.3 at the year-end).

GROUP

RESULTS

Property management ¹

Gross profit for the period totalled SEK 434.7 million (415.3). The gross profit for comparable holdings rose to SEK 427.5 million, an increase of 3 per cent. The increase can be attributed mainly to higher rents in conjunction with new leases and renegotiations and at the same time higher maintenance costs being charged to profit. Net rents from property management during the period amounted to SEK 633.7 million (581.4).

The turnover-based rent supplement for the NK department stores is reported during the fourth quar-

ter. The turnover-based rent supplement for the previous year amounted to SEK 16.8 million. Apart from this there were no material seasonal variations in rents.

The property management results for each business area for comparable holdings are reported on page 6.

Parking operations

Operations comprise parking operations at Parkaden in Stockholm.

Net revenue amounted to SEK 32.3 million (30.3), expenses amounted to SEK 23.0 million (22.6) and gross profit amounted to SEK 9.3 million (7.7).

Other Income Statement items

Central administration totalled SEK -14.4 million (-15.0). Changes in the value of investment properties totalled SEK -497.1 million (1,208.4) and in interest derivatives SEK 26.0 million (17.1).

¹ The acquired property Rännilen 15 is included with effect from June 1, 2007. Otherwise, the property holdings remain unchanged compared with the same period in 2007.

Financial income and expense

Net financial income and expense amounted to SEK -74.6 million (-54.9). The increased net cost can be attributed to rises in current market interest rates and the fact that interest income was higher during the preceding year as a result of the proceeds from the sale of the World Trade Center.

Tax

The Group's tax (actual and deferred) for the period was positive and totalled SEK 30.0 million (-441.6), of which SEK -72.0 million (-76.6) was actual tax and SEK 102.0 million (-365.0) deferred tax.

Profit for the period

The consolidated profit after tax amounted to SEK -86.1 million (1,143.6).

ACQUISITIONS AND INVESTMENTS

Investments during the year in properties and equipment totalled SEK 98.8 million (371.5). Previous year Rännilen 15 was acquired.

PROPERTY PORTFOLIO

The fair value of the Hufvudstaden property portfolio as of June 30, 2008 was estimated at SEK 20,131 million (20,530 at the year-end). The decrease can be attributed to the net of negative unrealised changes in value and investments in the property holdings. The rentable floor space was 353,675 square metres (353,685 at the year-end).

The total rental vacancy level as of June 30 continued to be low and was 3.7 per cent (3.3 at the year-end) and the total floor space vacancy level was 4.7 per cent (4.6 at the year-end).

During the autumn 2008 the tenant ABN AMRO will vacate almost 7,500 m². The rental vacancy level for the Group after this change is estimated at 6.4 per cent and the floor space vacancy level 6.8 per cent.

Property value and net asset value

At mid-year and the year-end Hufvudstaden makes an internal valuation of the fair value of each individual property. The assessment is based on a valuation made using the direct yield method. In order to assure the values, external valuations have been commissioned from two valuation companies, DTZ Sverige AB and FS Fastighetsstrategi AB. The external valuations cover six properties and are equivalent to 26 per cent of the internally assessed fair value. The external valuation companies have produced a fair value of SEK 5.2 billion with a range of +/- 4-5 per cent. Hufvudstaden's internal valuation of the same properties amounted to SEK 5.2 billion. The internal valuations thus concur with the external valuations.

There is a continuous update made during the year of the internal valuation of the properties in order to take into account purchases, sales and investments. Hufvudstaden also investigates on a continuous basis whether there are other indications of changes in the fair value of the properties. This

could, for example, take the form of major lettings, terminations and material changes in the yield requirement.

In the light of the above, the increase in value during the period was estimated at SEK -0.5 billion. The total value of the property holdings as of June 30, 2008 was SEK 20.1 billion, including investments. The decrease during the first half of 2008 can be attributed mainly to a slightly higher direct yield requirement as a result of a tightening up of the credit market, higher interest rates and a slowdown in the economy. In our opinion, however, there is still interest in properties in Hufvudstaden's market area. The average direct yield requirement for the property holdings with the above valuation was 4.7 per cent (4.6 at the year-end).

Net asset value

Based on the valuation of the property holdings, the net asset value is SEK 14.6 billion or SEK 71 per share after tax. When calculating the net asset value, calculated deferred tax has been used. This has been calculated at 10 per cent of the difference between the assessed fair value and the residual value for tax purposes and has been assessed in the light of current tax legislation, which means that properties can be sold by a limited company without tax implications. The purchaser, however, loses the basis for depreciation, which could justify some compensation, which has been set at 10 per cent. If the tax rate according to the Balance Sheet (28 per cent) is used in the calculation, the net asset value would have been SEK 11.4 billion or SEK 55 per share. If the tax rate is assumed to be 0 per cent, the net asset value would have been SEK 16.3 billion or SEK 79 per share.

RENTAL MARKET

Interest in modern, flexible office space in prime locations in central Stockholm has remained largely unchanged during the period, mainly as a result of continued stable economic growth in the region. Vacant space in this category has fallen slightly and rents have levelled off. For office leases in Stockholm's most attractive locations within the Golden Triangle, at Norrmalmstorg/Hamngatan and in the Hötorget area, rents were noted of SEK 3,800-5,000 per square metre per year, excluding the property tax supplement. Interest in well-situated retail premises in the same sub-markets was also high. Rents for prime location retailing space are in the range SEK 12,000-16,000 per square metre per year, excluding the property tax supplement.

Demand for modern, flexible office premises in the central sub-markets of Gothenburg has been stable. As in Stockholm, interest in properties requiring modernization has been low. Market rents for modern, well-arranged office premises in prime locations were SEK 1,600-2,200 per square metre per year, excluding the property tax supplement. For prime site retail premises the market rent was SEK 5,000-9,000 per square metre per year, excluding the property tax supplement.

The Group's current renegotiations for both retail and office premises have proceeded in line with our expectations. During the period approximately

28,545 square metres were renegotiated at a value of around SEK 111 million. On average these renegotiations have resulted in an increase in rent of about 16 per cent.

FINANCING STRUCTURE

Hufvudstaden's borrowing as of June 30, 2008 amounted to SEK 3,400.0 million (3,400.0 at the year-end). The average fixed interest period was 37 months (40 at the year-end), the average capital tie-up period was 58 months (53 at the year-end) and the average interest rate was 4.8 per cent (4.6 at the year-end). Net liabilities amounted to SEK 3,137.2 million (3,069.3 at the year-end).

The fair value of interest swaps as of June 30 was SEK 97. million (55.0 at the year-end). The change in value of financial instruments from December 31, 2007 to June 30, 2008 has affected the income statement to the amount of SEK 26.0 million, or SEK 18.7 million after tax, and the hedge reserve in equity by SEK 11.9 million after tax.

Capital tie-up structure, June 30, 2008

Maturity date	Volume, SEK m	Share, %
2010	500.0	15
2011	950.0	28
2012	250.0	7
2013	950.0	28
2017	750.0	22
Total	3 400.0	100

Fixed interest structure, June 30, 2008

Maturity date	Volume, SEK m	Share, %	Average AER, %
2008	1 200.0	36	5.5
2010	500.0	15	4.1
2011	350.0	10	3.9
2012	250.0	7	4.9
2013	350.0	10	4.1
2017	750.0	22	4.8
Total	3 400.0	100	4.8

SHARES AND SHAREHOLDERS

Hufvudstaden, whose shares are listed on the OMX Nordic Stock Exchange in Stockholm, had 19,535 shareholders at the year-end. The proportion of foreign ownership as of June 30, 2008 was 20.9 per cent of the total number of outstanding shares (19.9). The A-share price as of June 30, 2008 was SEK 58, equivalent to a stock exchange value of SEK 12 billion, calculated on the total number of outstanding shares.

Shares bought back

The total number of shares held by Hufvudstaden as of June 30, 2008 was 5,006,000 A-shares, equivalent to 2.4 per cent of the total number of issued shares. No buy-backs were made during the period or after the end of the reporting period. At the 2008 Annual General Meeting the Board was granted renewed authorization to acquire up to 10 per cent of all the issued shares and to assign company shares.

Buy-back of shares as of June 30, 2008, million shares

	Total number of shares	Held by Hufvudstaden	Held by other shareholders
As of January 1, 2008	211.3	5.0	206.3
Buy-back	-	-	-
As of June 30, 2008	211.3	5.0	206.3

SECOND QUARTER²

The gross profit on Property Management amounted to SEK 209.3 million (212.9). The change can be attributed primarily to higher maintenance costs as a result of vacation of premises by tenants in conjunction with the development of a property. The net rents amounted to SEK 316.1 million (293.0). Property management costs amounted to SEK 106.8 million (80.1).

The gross profit on parking operations amounted to SEK 4.8 million (3.5). Net revenue amounted to SEK 16.1 million (14.9) and operating costs amounted to SEK 11.3 million (11.4).

Changes in value in investment properties amounted to SEK -497.1 million (1,208.4) and in interest derivatives SEK 43.9 million (17.1). Financial income and expense amounted to SEK -38.8 million (-33.4). The lower financial income and expense can be explained by the rise in short-term market interest rates.

MATERIAL RISKS AND UNCERTAINTY FACTORS

The Group is mainly exposed to financing, interest and credit risks and changes in value in the property holdings. The Company has not identified any material risks and uncertainties other than those described in the Annual Report for 2007.

MATERIAL TRANSACTIONS WITH ASSOCIATED PARTIES

There were no material transactions with associated parties during the period.

ACCOUNTING PRINCIPLES

This interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting. The accounting principles remained unchanged compared with the most recent annual report.

² The comparison figure refers to the second quarter of 2007. The property Rännilen 15 is included with effect from June 1, 2007. Otherwise the property portfolio remains unchanged compared with the same period the preceding year.

FORTHCOMING INFORMATION

Interim Report, January-September 2008	November 11, 2008
Year-End Report for 2008	February 12, 2009
Annual Report 2008	March 2009
Annual General Meeting in Stockholm 2009	March 26, 2009

The information in this Interim Report is information that Hufvudstaden AB (publ) is obliged to publish according to the Securities Exchange and Clearing Operations Act. The information was published on August 19, 2008.

This information is also published on Hufvudstaden's website, www.hufvudstaden.se

Questions can be answered by Ivo Stopner, President, and Magnus Jacobson, Head of Finance, telephone +46-8-762 90 00.

In some cases there has been rounding off, which means that the tables and calculations do not always tally.

INCOME STATEMENTS - SUMMARY

GROUP SEK m	April- June 2008	April- June 2007	January- June 2008	January- June 2007	January- December 2007
Net revenue					
Property management	316.1	293.0	633.7	581.4	1,213.2
Parking operations	16.1	14.9	32.3	30.3	63.0
	332.2	307.9	666.0	611.7	1,276.2
Property management expenses					
Maintenance	-20.4	-2.8	-25.3	-8.9	-26.4
Operations and administration	-52.6	-49.9	-106.1	-102.5	-208.3
Ground rents	-4.1	-4.1	-8.1	-8.1	-16.1
Property tax	-29.7	-23.3	-59.5	-46.6	-114.9
	-106.8	-80.1	-199.0	-166.1	-365.7
Parking operations	-11.3	-11.4	-23.0	-22.6	-45.4
	-118.1	-91.5	-222.0	-188.7	-411.1
Gross profit					
- of which Property management	214.1	216.4	444.0	423.0	865.1
- of which Parking operations	209.3	212.9	434.7	415.3	847.5
	4.8	3.5	9.3	7.7	17.6
Central administration	-6.7	-8.1	-14.4	-15.0	-30.8
	207.4	208.3	429.6	408.0	834.3
Changes in value					
Investment properties	-497.1	1,208.4	-497.1	1,208.4	2,597.7
Interest derivates	43.9	17.1	26.0	17.1	16.5
	-245.8	1,433.8	-41.5	1,633.5	3,448.5
Operating profit	-284.6	1,400.4	-116.1	1,578.6	3,321.9
Financial income and expense	-38.8	-33.4	-74.6	-54.9	-126.6
	78.5	-388.2	30.0	-441.6	-927.6
Profit after financial interest and expense	-206.1	1,012.2	-86.1	1,137.0	2,394.3
Tax	-	-	-	6.6	6.6
Profit from continuing operations	-206.1	1,012.2	-86.1	1,137.0	2,394.3
Profit from discontinued operations, net after tax	-	-	-	-	-
Profit for the period	-206.1	1,012.2	-86.1	1,143.6	2,400.9
Average number of outstanding shares after buy-backs during the period	206,265,933	206,265,933	206,265,933	206,265,933	206,265,933
Income per share for the period, SEK	-1.00	4.91	-0.42	5.54	11.64

BALANCE SHEETS - SUMMARY

GROUP SEK m	June 30 2008	June 30 2007	December 31 2007
Investment properties	20,130.8	18,986.0	20,530.5
Other fixed assets	111.8	16.0	69.1
Total fixed assets	20,242.6	19,002.0	20,599.6
Current assets	218.4	151.8	349.5
Total assets	20,461.0	19,153.8	20,949.1
Equity	11,373.5	10,557.1	11,808.7
Non-current, interest-bearing liabilities	3,400.0	2,300.0	2,800.0
Other liabilities	3.3	4.0	3.7
Pension provisions	5.3	6.3	5.7
Deferred tax liability	5,226.0	4,866.7	5,323.3
Total non-current liabilities	8,634.6	7,177.0	8,132.7
Current, interest-bearing liabilities	0.0	1,025.0	600.0
Other liabilities	452.9	394.7	407.7
Total current liabilities	452.9	1,419.7	1,007.7
Total equity and liabilities	20,461.0	19,153.8	20,949.1

PLEDGED ASSETS AND CONTINGENT LIABILITIES

GROUP SEK m	June 30 2008	June 30 2007	December 31 2007
Pledged asset			
Mortgages	1,706.4	1,556.6	1,706.4
Endowment insurance	3.8	4.2	4.1
Total pledged assets	1,710.2	1,560.8	1,710.5
Contingent liabilities	None	None	None

CHANGES IN EQUITY

GROUP SEK m	January- June 2008	January- June 2007	January- December 2007
Equity, opening balance	11,808.7	11,785.3	11,785.3
Change in hedge reserve for the period	16.5	29.0	21.0
Tax attributable to hedge reserve	-4.6	-8.1	-5.9
Total changes in assets, reported			
directly against equity, excluding dividends	11.9	20.9	15.1
Profit for the period	-86.1	1,143.6	2,400.9
Total changes in assets	-74.2	1,164.5	2,416.0
Dividend	-361.0	-2,392.7	-2,392.7
Equity, closing balance	11,373.5	10,557.1	11,808.7

CASH FLOW STATEMENTS - SUMMARY

GROUP SEK m	January- June 2008	January- June 2007	January- December 2007
Profit after financial items	-116.1	1,585.2	3,328.5
Depreciation/impairments	2.1	2.2	4.7
Capital gain, sale of fixed assets	-	-6.6	-6.6
Change, investment properties	497.1	-1,208.4	-2,597.7
Change, interest derivatives	-26.0	-17.1	-16.5
Other changes	-0.4	0.4	-0.2
Tax paid	-49.2	-54.2	-97.1
Cash flow from current operations			
before changes in working capital	307.5	301.5	615.1
Increase/decrease in operating receivables	32.4	3.9	-30.3
Increase/decrease in operating liabilities	22.1	-494.1	-465.5
Cash flow from current operations before changes in working capital	362.0	-188.7	119.3
Proceeds from sale of subsidiary	-	3,011.7	3,011.7
Investments in investment properties	-97.4	-368.8	-524.0
Investments in equipment	-1.4	-2.7	-3.7
Change, non-current receivable	0.3	-0.3	-0.2
Cash flow from financing	-98.5	2,639.9	2,483.8
Loans raised	-	360.0	500.0
Amortization of loan liability	-	-400.0	-465.0
Dividend paid	-361.0	-2,392.7	-2,392.7
Cash flow from financing	-361.0	-2,432.7	-2,357.7
Cash flow for the period	-97.5	18.5	245.4
Liquid funds at the beginning of the period	285.8	40.4	40.4
Liquid funds at the period-end	188.3	58.9	285.8

PROPERTY MANAGEMENT – PROFIT PER BUSINESS AREA (COMPARABLE HOLDINGS)

GROUP SEK m	Stockholm City East Business Area		Stockholm City West Business Area		Gothenburg Business Area		Total	
	Jan- June 2008	Jan- June 2007	Jan- June 2008	Jan- June 2007	Jan- June 2008	Jan- June 2007	Jan- June 2008	Jan- June 2007
Net revenue	280.6	264.3	261.5	240.5	83.0	75.3	625.1	580.1
Property costs	-64.2	-63.5	-108.2	-79.6	-25.2	-22.9	-197.6	-166.0
Gross profit	216.4	200.8	153.3	160.9	57.8	52.4	427.5	414.1

KEY RATIOS

GROUP SEK m	June 30 2008	June 30 2007	Full-year 2007	Full-year 2006	Full-year 2005	Full-year 2004
Property-related						
Rentable floor space, sq. m.	353,675	354,141	353,685	350,895	407,694	407,375
Rental vacancy level, %	3.7	4.9	3.3	6.5	7.1	8.2
Floor space vacancy level, %	4.7	6.4	4.6	8.1	8.7	9.5
Fair value, SEK bn	20.1	19.0	20.5	17.4	16.3	15.0
Financial						
Return on equity, %	1.4	12.5	20.4	33.6	15.9	9.8
Return on capital employed, %	2.6	13.9	22.3	23.9	16.5	9.7
Equity ratio, %	55.6	55.1	56.4	57.4	52.2	53.8
Interest coverage ratio, times	5.5	6.6	6.2	5.1	5.7	3.5
Loan-to-value ratio, %	16.9	17.5	16.6	19.3	21.7	20.9
Data per share						
Profit for the period, SEK	-0.42	5.54	11.64	16.60	6.47	3.74
Equity, SEK	55.14	51.18	57.25	57.14	41.77	39.46
Properties, fair value, SEK	97.60	92.05	99.53	84.40	78.91	72.72
Net asset value, SEK	71.00	66.00	73.00	71.00	53.00	50.00
Number of outstanding shares, 1,000	206,266	206,266	206,266	206,266	206,266	206,266
Number of issued shares, 1,000	211,272	211,272	211,272	211,272	211,272	211,272

PARENT COMPANY

PROFIT AND FINANCIAL POSITION

Net revenue amounted to SEK 393.3 million (356.3). Profit after net financial income and expense for the period was SEK 145.2 million (159.3).

Liquid funds at the year-end amounted to SEK 188.1 million (58.7). Investments in properties and equipment during the period amounted to SEK 303 million (321.7).

MATERIAL RISKS AND UNCERTAINTY FACTORS

The Group is mainly exposed to financing, interest and credit risks. The Company has not identified any material risks and uncertainties other than those described in the Annual Report for 2007.

MATERIAL TRANSACTIONS WITH ASSOCIATED PARTIES

There were no material transactions with associated parties during the period.

ACCOUNTING PRINCIPLES

The Parent Company applies the same accounting principles as in the most recent Annual Report.

INCOME STATEMENT - SUMMARY

PARENT COMPANY SEK m	April-June 2008	April-June 2007	January-June 2008	January-June 2007	January-December 2007
Net revenue	196.4	179.7	393.3	356.3	740.1
Operating expenses	-95.2	-72.2	-185.0	-150.7	-398.0
Gross profit	101.2	107.5	208.3	205.6	342.1
Central administration	-6.7	-8.1	-14.4	-15.1	-30.8
Changes in value, derivatives	43.9	-	26.0	-	16.5
Operating profit	138.4	99.4	219.9	190.5	327.8
Financial income and expense	-38.9	-33.4	-74.7	-54.9	-125.1
Capital gain on sale of subsidiary	-	-	-	6.6	6.6
Operating profit after net interest income/expense	99.5	66.0	145.2	142.2	209.3
Appropriations	-	-	-	-	-100.9
Profit before tax	99.5	66.0	145.2	142.2	108.4
Tax	-29.2	-21.3	-43.5	-40.1	-22.7
Profit for the period	70.3	44.7	101.7	102.1	85.7

BALANCE SHEETS - SUMMARY

PARENT COMPANY SEK m	June 30 2008	June 30 2007	December 31 2007
Investment properties	5,978.1	5,949.6	5,972.9
Other fixed assets	2,934.6	2,838.2	2,891.5
Total fixed assets	8,912.7	8,851.4	8,864.4
Current assets	228.1	77.7	328.4
Total assets	9,140.8	8,929.1	9,192.8
Restricted equity	1,971.8	1,985.7	1,978.7
Non-restricted equity	1,284.5	1,414.0	1,524.9
Total equity	3,256.3	3,399.7	3,503.6
Untaxed reserves	661.5	560.6	661.5
Non-current liabilities	4,647.7	3,547.8	4,035.8
Current liabilities	575.3	1,421.0	991.9
Total liabilities	5,884.5	5,529.4	5,689.2
Total equity and liabilities	9,140.8	8,929.1	9,192.8

BOARD CERTIFICATION

The Board of Directors and the President hereby certify that this Interim Report provides a true and fair overview of the Parent Company's and the Group's operations, financial position and results and describes material risks and uncertainties that face the Parent Company and the companies which are included in the Group.

Stockholm, August 19, 2008

Fredrik Lundberg

Chairman

Claes Boustedt

Board Member

Bengt Braun

Board Member

Peter Egardt

Board Member

Louise Lindh

Board Member

Hans Mertzig

Board Member

Sten Peterson

Board Member

Anna-Greta Sjöberg

Board Member

Ivo Stopner

*President and
Board Member*

AUDITORS' REPORT

Introduction

I have reviewed this mid-year report for Hufvudstaden AB (publ), reg. no. 556012-8240 as of June 30, 2008 and the six-month period that came to an end on that date. The Board of Directors and the President are responsible for the preparation and presentation of this mid-year report in accordance with IAS 34 and the Swedish Annual Accounts Act. My responsibility is to express a conclusion on this mid-year report based on my review.

Focus and scope of review

I conducted my review in accordance with the Swedish Standard on Review Engagements (SÖG) 2410 *Review of Interim Report Performed by the Independent Auditor of the Company*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Auditing Standard in

Sweden RS and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, the stated conclusion based on a review does not have the certainty of a stated conclusion based on an audit.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that this mid-year report is not prepared for the Group in accordance in all material respects with IAS 34 and the Swedish Annual Accounts Act and in the case of the Parent Company in accordance with the Swedish Annual Accounts Act.

Stockholm, August 19, 2008

George Pettersson
Authorized Public Accountant

DEFINITIONS

Annual rent. Gross rent calculated on an annual basis, excluding the turnover-based rent supplement. Vacant premises are reported at the market rent.

Capital employed. Total assets reduced by non-interest-bearing liabilities and deferred tax liabilities.

Central administration. Costs for Group management and Group staff functions, costs for maintaining the Company's stock exchange listing and other costs common to the Company.

Equity per share. Equity in relation to the number of outstanding shares at the period-end.

Equity ratio. Equity at the period-end in relation to total assets.

Fair value. The estimated market value of the properties, based on an evaluation according to the direct yield method.

Floor space vacancy level. Vacant floor space in square metres in relation to the total rentable floor space.

Golden Triangle. The central business district in Stockholm, between Stureplan, Norrmalmstorg and Nybroplan and bordered by Birger Jarlsgatan, Norrländsgatan and Hamngatan.

Interest coverage ratio. Profit after financial items, excluding unrealized changes in value plus interest expense minus interest contributions in relation to the interest expense minus interest contributions.

Investments. Expenses related to value-enhancing improvements which entail future financial benefits are capi-

talized. Rebuilding costs of a maintenance nature are charged to profit.

Loan-to-value ratio, properties

Interest-bearing liabilities in relation to the carrying value of the properties.

Net liabilities. Interest-bearing liabilities less interest-bearing assets.

Profit per share. Profit for the period in relation to the average number of outstanding shares during the period.

Property tax supplement. Property tax payments received from tenants.

Rental vacancy level. Vacant floor space at an estimated market rent in relation to the total annual rent.

Return on capital employed. Profit before appropriations and tax plus interest expense minus interest contributions in relation to the average capital employed. In the interim accounts the return has been recalculated on a full-year basis without consideration given to seasonal variations which normally arise in operations and with the exception of changes in value.

Return on equity. Profit after tax in relation to the average equity. In the interim accounts the return has been recalculated on a full-year basis without consideration given to seasonal variations which normally arise in operations and with the exception of changes in value.

Tax. Total tax for the Group comprises both actual tax and deferred tax.

Hufvudstaden AB (publ)
NK 100, SE-111 77 Stockholm
Visiting address: Regeringsgatan 38
Telephone: +46 8-762 90 00 Fax: +46 8-762 90 01
E-mail: info@hufvudstaden.se Website: www.hufvudstaden.se
Company registration number: 556012-8240
Domicile: Stockholm