

INTERIM REPORT

1 January – 30 September 2018

- Rental income increased to SEK 768 million (744)
- Income from property management improved by 2% to SEK 387 million (379)
- Profit for the period amounted to SEK 963 million (633)
- Property portfolio increased in value to SEK 17,570 million (15,559)
- Income from property management per share amounted to SEK 3.23 (3.17)
- Earnings per share totalled SEK 8.02 (5.23)
- Long-term net asset value (EPRA NAV) per share was SEK 65.71 (58.39)
- Acquisition of two properties in Gårda comprising a total of 22,400 sq. m. of office space
- Project Gamlestads torg has now started to take occupancy
- Detailed development plan becomes legally binding and lease signed with the hotel operator ESS Group in Kineum Gårda

Q3

GÖTEBORGS BÄSTA PLATZER

PLATZER - THE BEST LOCATIONS IN GOTHENBURG

Platzer is one of the largest and leading commercial property companies in Gothenburg, primarily in office property. We are proud to be participating in the creation, preservation and regeneration of the best locations in Gothenburg. Best in Gothenburg, best for Gothenburg. Quite simply the best Platzer in Gothenburg. We own and develop 70 properties with a total area of around 825,000 sq. m., worth approximately SEK 18 billion.

Business concept

Platzer creates value by owning and developing commercial properties in the Gothenburg area.

Vision

Platzer aims to be the leading property company in commercial premises in the Gothenburg area.

Strategy

- Generate profitable growth by focusing operations on selected segments and achieving a leading position in each segment.
- Develop long-term relationships on a commercial, sustainable and ethical basis by actively working with customers and suppliers.
- Conduct continuous improvements in the property portfolio through value generating property, project and urban development.
- Finance the business with loans based on the value of the properties and use cash surpluses for property investments that create value.

Sustainability

Sustainability is about continually taking decisions that facilitate long-term, sustainable development. This is achieved by reaching a balance between several factors: a healthy financial position, satisfied employees, minimal environmental impact and a positive contribution to society. At Platzer, sustainability is an integral part of operating activities and applies to economic, ecological and social sustainability. The Company takes a systematic approach to day-to-day environmental performance and Platzer is ISO 14001 certified.

Financial targets

- Long-term net asset value (EPRA NAV) to increase by > 10% per year
- Equity/assets ratio > 30%
- Loan-to-value ratio must not exceed 60%
- Interest coverage ratio > 2.0
- Property and project investments to achieve a return on investment of > 20%

For outcome, see Key Performance Indicators on page 14-15 and Key Performance Indicators per share on page 27.

Value creation

Platzer creates value through letting and management, property projects and urban development, as well as acquisitions and disposals of properties. Platzer prioritises good relationships with tenants and offers a service that focuses on close relationships and commitment.



A WORD FROM THE CEO

Largest project let and set to commence

The Kineum high rise building in southern Gårda is our largest project to date. Following the decision taken in August by the Swedish Transport Administration not to appeal the detailed development plan in the Land and Environment Court, we were able to make a start on this project in collaboration with NCC. At the same time, we were able to announce that we had concluded our largest lease agreement in 2018 with ESS Group hotels leasing 15,000 sq. m. of the finished building. Including the existing part, Kineum will comprise 42,000 sq. m. of leasable area. Following the lease concluded with ESS, the building is already 65% let. Construction of Kineum is expected to be completed in 2022.

Best ever quarterly operating surplus

In parallel with us having more and larger projects underway, we are also maintaining pace in our day-to-day operations, as indicated by our constantly growing operating surplus. The operating surplus for this quarter was the highest we have ever recorded for an individual quarter. This is despite the fact that we have reduced our portfolio so far in 2018 and have not yet benefited from the cash flow effect from our finished project at Gamlestads torg or the transaction with Vasakronan in Gårda. This accounts for the difference of over SEK 100 million between the operating surplus based on earning capacity of SEK 850 million and the group's rolling 12-month operating surplus of SEK 748 million. The above mentioned additional income means that strong key financial indicators such as surplus ratio and economic occupancy rate will improve further. Total net lettings in both investment and project properties for the period amounted to SEK 51 million (17), which is significantly higher than in the corresponding period in the previous year. I would like to add, however, that it has been considerably more difficult to let out assets in the investment properties in the third quarter, and also that the final quarter of 2017 was our best ever quarter for lettings.

Value increases in projects

With the finished detailed development plan for Kineum, a project underway at Gårda Vesta and the valuation of Gamlestads torg as an investment property under management, the increases in value in Platzer amounted to more than SEK 200 million in the quarter, despite market yields having remained unchanged.

The increases in value also mean that our net asset value, EPRA NAV, is continuing to grow at a faster rate than our financial target, which is 10% per year. In the last quarter, net asset value increased by over 4%. The corresponding figure for the first nine months of the year was 12%, while the figure for the same period in the previous year was 29%. The increases in value in the third quarter show that Platzer is capable of creating organic growth in net asset value, irrespective of external help (such as falling yields), making us less exposed to market fluctuations.

Property portfolio growing as a result of projects and acquisitions

Since the turn of the year, Platzer's property assets have increased by around SEK 2 billion. One reason for the increase is that we completed the acquisition of two properties in Gårda from Vasakronan on 30 September. Both properties will strengthen our offering in Gårda and will complement Kineum. The other reason for the increase is the contribution from our ongoing and completed projects. We are on the way to achieving our ambition for half of our growth to come from our development projects.

Detailed development plan for Södra Änggården delayed

While carrying out a review of the detailed development plan for Södra Änggården, we and the City of Gothenburg, via the City Planning Department, found that it will be difficult to move forward with the current division of areas. The City Planning Office has therefore taken the decision to carry out the review again using a different area division. As a result, the detailed development plan is more likely to meet the conditions for becoming legally binding. This means the plan will be delayed but will not otherwise affect Platzer.

Well Building under way

Gårda Vesta will not just be an attractive building in a good location, it will also have another, unique, attribute. It will become the first building in Gothenburg to be certified according to the international Well Building standard. This certification focuses on the wellbeing and health of workers and visitors in the building.

The increasingly fast pace of working life means that bad health among staff tends to increase when time for a healthy lifestyle and lack of everyday fitness is rare. Through Well Building certification we want to help ensure that these factors are taken into consideration already during planning of future workplaces. I am convinced that in future, Well Building certification will be as common and widely implemented as environmental certification is today.

Changing macro environment?

So far this autumn we have seen both a stock market "all time high" and a slump for property companies. In our business we see no signs of a downturn other than a slightly slower rental and transaction market in 2018. We have been strengthening our key ratios and reduced the financial and operational risk in the company for a number of years. Significant changes in the macro environment will affect Platzer as well as others but I believe Platzer is well placed to deal with future changes, regardless of economic conditions.



P-G Persson
CEO

DEVELOPMENT OPPORTUNITIES IN THE BEST LOGISTICS LOCATION IN SWEDEN

Arendal and Torslanda are closely associated with two of Gothenburg's modern primary industries: logistics and the motor industry. Arendal offers the best logistics location in Sweden – right next to the largest port in Scandinavia. In Torslanda, Platzer's new tenants could be neighbours with Volvo Cars or they may even find themselves occupying AB Volvo's iconic former head office.

Gothenburg is Sweden's logistics hub – largely thanks to the strategic location of the Port of Gothenburg. In all, 30 per cent of Sweden's exports pass through the quays at the mouth of Götaälv. Some 70 per cent of Scandinavia's population and industrial capacity are located within a 500 km radius of the port. The port also offers direct access to both the railway and road networks.

Both Arendal and Torslanda are prime logistics locations. Their proximity to the port, which has both quays and railway on site, and to Volvo make these strategic locations for partners and sub-suppliers, among others.

Attractive area

Platzer acquired the real estate in Arendal and Torslanda from AB Volvo in 2016. In all, the holding comprises 340,000 sq. m. of properties and a plot of approximately 700 000 sq. m, developable land. The tenants include DFDS, DHL, Plastal, SSAB and Volvo.

The fact that nearly the entire portfolio is let shows that the area is attractive.

A future test arena?

Logistics is likely to remain an important feature of Arendal, but the area offers even greater possibilities.

Arendal is bordered on one side by Volvo Cars' facilities and on the other by the motor industry and IT cluster at Lindholmen, which is a national hub for the development of vehicle and mobility solutions for the future. Arendal is therefore a good location for a test arena, which would complement existing resources and facilities in the region.

Large development potential

Arendal offers significant potential for densification. The fact that the area is fully let does, however, mean that development of existing properties must take place in cooperation with existing tenants. Platzer has already invested and built capacity for several tenants.

Alongside its existing properties, Platzer has a vacant plot in Arendal where the company is planning a 10,000 sq. m. facility.

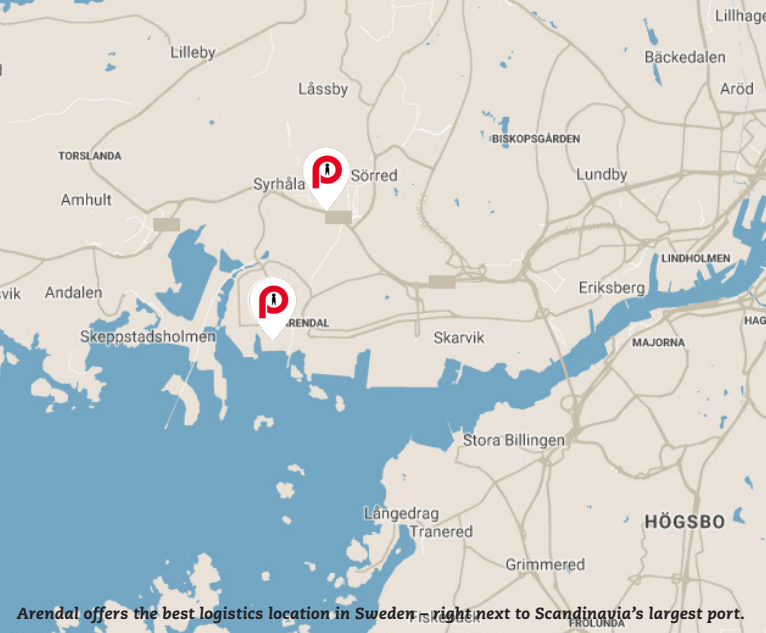
Chance to become a neighbour of Volvo

The portfolio also includes land right next to Volvo's factory in Torslanda. Here, Platzer is planning to build warehouse and logistics facilities of between 10,000 sq. m. and 90,000 sq. m.

However, any exploitation will, as usual, be carried out in consultation with the tenants. This gives the tenants the opportunity to have a customised solution. It also involves less risk for Platzer.

Offices

There is a large supply of office space in Arendal and Torslanda. One of the acquired properties is AB Volvo's iconic former head office, which is located on a hill with views as far as Vinga lighthouse. Since Volvo vacated the office last year, Platzer has been looking for new tenants for the 11,000 sq. m. property. The property could be used for various kinds of operations. In addition to offices, Platzer has been considering everything from a school to hotel and conference facilities.



Arendal offers the best logistics location in Sweden, right next to Scandinavia's largest port.



There are plans for warehouse and logistics facilities of between 10,000 and 90,000 sq. m. next to Volvo's factory in Torslanda. Image: Illustration of site in Sörred.



Arendal is currently fully let, but offers large potential for densification.



AB Volvo's iconic former head office, which is located on a hill in Torslanda with views as far as Vinga lighthouse.



Both Arendal and Torslanda are prime logistics locations. Their proximity to the port, which has both quays and railway on site, and to Volvo make these districts strategic locations for partners and sub-suppliers, among others.

COMMENTS JANUARY-SEPTEMBER 2018

Comparative values for income statement items refer to the corresponding period in the previous financial year and for balance sheet items as at 31/12/2017.

Financial performance

Income from property management in the first nine months of the year amounted to SEK 387 million (379), corresponding to an increase of 2%. Income from property management per share amounted to SEK 3.23 (3.17). Changes in the value of properties in the period amounted to SEK 723 million (373), while changes in the value of financial instruments totalled SEK 42 million (53). Profit after tax for the period amounted to SEK 963 million (633), up by 52%, primarily as a result of the increase in the value of properties.

Rental income

Rental income for the period rose by 3% and amounted to SEK 768 million (744). The increase was due to re-negotiated rents, implemented property transactions and an index-linked increase for the year. Annualised rental income from existing leases was estimated at SEK 1,117 million (1,033) as at 30 September 2018. The economic occupancy rate for the period was 95% (94).

Property costs

Property costs for the period amounted to SEK -193 million (-190). The increase was primarily due to a colder winter with heavier snowfall and also a warmer summer than previous year. Property operating expenses and maintenance costs are subject to seasonal variations. Costs in the first and fourth quarter are normally higher than in the second and third quarters, primarily due to utility costs and snow clearance costs.

Operating surplus

The operating surplus amounted to SEK 575 million (554), corresponding to an increase of 4%. The surplus ratio was 75% (74). The investment yield for the properties was 4.8% (5.3).

Central administration

Central administration costs for the first nine months of the year amounted to SEK -35 million (-29). The increase was partly attributable to an increase in the number of employees, which stood at 74 at the end of the period, up from 66 as at 30 September 2017. In addition, net costs in the previous year included positive non-recurring items of SEK 4 million. The share incentive scheme, which ended in the second quarter of this year, weighed down the financial result for the period by SEK -2.0 million (-1.1). Cost levels in the third quarter are normally lower than in the other quarters, primarily due to the summer holidays, while costs in the fourth quarter are normally higher than in other quarters.

Share of profit of associates

Platzer owns 20% of SFF Holding AB and, since 31 December 2017, 50% of Kommanditbolaget Biet. Share of profit of associates for the period amounted to SEK 1 million (0).

Net financial income/expense

Net financial expense for the period amounted to SEK -154 million (-146). Borrowings increased by SEK 1.1 billion compared with the previous year. The loans are used to finance ongoing projects and net acquisitions and resulted in slightly higher interest costs. At the end of the period, the average interest rate, including the effects of derivative instruments, was 2.31% (2.25).

Tax

Tax expense for the period amounted to SEK -189 m (-172). Property disposals which give rise to realised capital gains/losses are normally conducted as company divestments. These gains are exempt from tax. On 14 June, the Swedish Parliament approved the bill "New taxation regulations for the corporate sector", which contained proposals on limiting interest expense deductions in accordance with EU directives. The decision means that deductions for interest expenses will be limited to 30% of taxable EBITDA, while corporation tax will be reduced in two stages to 21.4% from 2019 and to 20.6% from 2021. The law will apply from 1 January 2019. The proposal is expected to have a limited effect on the tax paid by Platzer. The decision means that deferred tax that is expected to be due in 2021 or later will, from the second quarter of this year, be calculated using the tax rate 20.6%, which will have a positive effect on tax for the period of around SEK 64 million.

Cash flow

Cash flow from operating activities for the period amounted to SEK 366 million (336). Income tax paid amounted to SEK -45 million, of which SEK -17 million comprised monetary settlement of previous years' taxes.

Investments in existing properties totalled SEK 478 million (343), acquisitions -1,031 (-376) while disposals amounted to SEK 214 million (266). Cash flow from disposals included the SEK 6 million (-) down payment received in connection with the sale of future residential building rights in Södra Änggården. Cash flow for the period amounted to SEK 5 million (-11). Cash and cash equivalents stood at SEK 145 million (121) as at the balance sheet date. In addition to cash and cash equivalents, as at 30 September 2018 the company had unutilised credit facilities and overdraft facilities of SEK 944 million, SEK 745 million of which comprised construction loans.

Investment properties and changes in the value of properties

The properties were recognised at a fair value of SEK 17,570 million (15,559), which was based on an internal valuation as at the balance sheet date. The properties are valued internally at the end of each quarter, using a ten-year cash flow model for all properties. At each year-end, Platzer also carries out an external valuation of a selected number of properties that constitute a cross-section of the property portfolio, normally corresponding to around 30% of the total value of the property portfolio, in order to ensure the quality of the internal valuation. The investment properties are valued within level 3 in the IFRS 13 fair value hierarchy.

The internal property valuation for the period January-September showed a change in the value of investment properties of SEK 723 million (373). Around 40% of the change in value was attributable to project development. A similar proportion was due to rising market rents and new lease agreements, while the remaining 20% was attributable to lower required yields in the market.

The average required investment yield based on the valuation as at the reporting date was 5.2%, on 30 September the previous year it was 5.5%. The decrease was due to lower market yields and a larger portfolio of project properties.

The acquisition of the properties Gårda 18:23 and Gårda 18:24 was completed in the third quarter. The properties were acquired from Vasakronan at an underlying property value of SEK 1,068 million.

The property Älvsborg 178:9 was sold through a company divestment in the reporting period. The transaction resulted in a gain of 22%, which was successively recognised as unrealised increases in value from the third quarter of 2017. The effect of realised change in value in the period was SEK 10 million.

In the first quarter, Platzer concluded an agreement on the sale of a future property in Södra Änggården, an area where Platzer is actively working on a new detailed development plan. Platzer has previously concluded agreements on the sale of ten such future properties in the same area. In total, this involves 12 project properties in the Högsbo area. The disposals are conditional on the detailed development plan becoming legally binding, which is now expected to occur in summer 2019. The transaction will be implemented in three stages, with the first completion expected in the third quarter of 2019. The received down payment of a total of SEK 103 million, SEK 6 million of which was received in the first quarter, will be recognised as a liability until the terms and conditions of sale have been fulfilled. Total income from the disposals in this project are estimated to amount to SEK 1.8 billion, SEK 1.7 billion of which is attributable to agreements signed so far.

The properties are being sold as ready for construction, which means that Platzer is responsible for costs arising from demolition, decontamination and development of roads and parks. The disposals have not yet been recognised through profit or loss, and instead valuation of building rights is expected to take place when the detailed development plan has become legally binding (in accordance with Platzer's valuation principles). At that point the disposals will be recognised, primarily as changes in the value of properties, and they are expected to boost equity by SEK 6-7 per share.

Investments in existing properties in the period amounted to SEK 493 million (343), with the largest individual investment comprising the new build project Gamlestads torg, (Gamlestaden 740:132).

Equity

Consolidated equity as at the reporting date totalled SEK 6,744 million (5,962) following payment of a dividend of SEK 1.50 per share. The equity/assets ratio as at the reporting date was 38% (37). Equity per share as at the reporting date stood at SEK 55.81 (49.36), while the long-term net asset value (EPRA NAV) was SEK 65.71 (58.39).

Debt financing and changes in the value of derivatives

As at the balance sheet date, interest-bearing liabilities amounted to SEK 9,516 million (8,392), which corresponded to a loan-to-value ratio of 54% (54). Current interest-bearing liabilities refer to loans that will be renegotiated within the next twelve months. Debt financing primarily comprises bank loans secured by mortgages on property. In addition, Platzer is borrowing SEK 1,113 million through three green bond issues via Svensk Fastighetsfinansiering (SFF). Platzer also has a commercial paper programme with a framework amount of SEK 2 billion. As at the balance sheet date, outstanding commercial paper amounted to SEK 700 million. The average fixed interest term, including the effect of derivatives contracts, was 2.5 years as at 30 September (3.4). The average loan term was 2.0 years (1.6).

In order to achieve its desired fixed interest structure the company uses interest rate derivatives in the form of interest rate swaps, which are recognised at fair value in the balance sheet, while gains/losses are recognised through profit or loss without applying hedge accounting. Platzer has concluded interest rate swap agreements totalling SEK 4,920 million. The market value as at 30 September was SEK -233 million, which corresponded to a change in value of SEK 42 million for the period. The changes in value do not affect cash flow. During the remaining term of the derivatives, the undervalue will be resolved and will reduce financial costs in the income statement by an equivalent amount. The financial assets and liabilities that are measured at fair value in the Group comprise the derivative instruments and capital redemption policies described

above. Both the derivative instruments and the capital redemption policies are included in Level 2 in the IFRS 13 fair value hierarchy. The fair value of non-current, interest-bearing liabilities is equivalent to their carrying amount because the discounting effect is not significant when the interest rate on the loans is variable and in line with market rates.

Personnel and organisation

The company had 74 employees at the end of the reporting period (69 at the turn of the year). Platzer's property portfolio is organised into two market segments with responsibility for daily operation and investment properties, as well as development of properties. The market segments are supported by two operational specialist units: Project development and Lettings. Platzer's Group and staff functions comprise the CEO, finance and accounting, HR, communication/marketing and sustainability/procurement.

Third quarter

Rental income in the third quarter amounted to SEK 255 million (247), an increase of 3%. The operating surplus for the same period increased to SEK 196 million (187), an increase of 5%. Income from property management amounted to SEK 136 million (130), an improvement of 5%. Changes in the value of properties amounted to SEK 219 million (113), while changes in the value of financial instruments totalled SEK 46 million (10).

In addition, work on the Gamlestads torg project was completed at the beginning of July and the first tenants took occupancy in August.

On 30 September, we completed the acquisition from Vasakronan of two properties in Gårda comprising a total of 22,400 sq. m. of office space.

The detailed development plan for Kineum Gårda became legally binding in the quarter and we concluded a lease agreement with the hotel operator ESS Group for 15,000 sq. m.

Parent Company

The Parent Company does not own any properties of its own, but instead manages certain groupwide functions relating to management, strategy and financing. Parent Company revenue consists entirely of invoicing for services to Group companies.

Significant risks and uncertainty factors

The property business, as all businesses, is always exposed to risks. Good internal controls and audits performed by external auditors, well-functioning administrative systems and policies, as well as proven procedures for property valuations are among the methods used by Platzer to manage and reduce risks. The main risks and uncertainty factors that affect Platzer have

not changed over the year, and they are described in detail in the Annual Report for 2017 on pages 56-59 and 72-73.

Related party transactions

The Company's ongoing transactions with related parties are described in the Annual Report for 2017, page 85. Dividend payments to shareholders totalled SEK 180 million in accordance with the AGM's decision. The AGM on 26 April 2018 also passed a resolution to transfer, on special terms and conditions, 50% of Gårda 2:12 to Länsförsäkringar Göteborg och Bohuslän when the Gårda Vesta project is finished, which is expected to be in 2021. There are no significant transactions with related parties apart from these open ended agreements.

Accounting principles

Platzer prepares its consolidated financial statements in accordance with IFRS (International Financial Reporting Standards) as adopted by the EU. The same accounting policies and measurement principles have been applied as in the most recent annual report, with the exception of the introduction of IFRS 15 and IFRS 9. The interim report has been prepared in accordance with IAS 34, Interim Financial Reporting. The Parent Company applies the Annual Accounts Act and RFR2. As of 1 January 2018, the Parent Company also applies IFRS 15 and IFRS 9 as stated in the Swedish Financial Reporting Board's recommendation RFR2. The transition has not had an impact on the Parent Company's financial performance and position.

As of 1 January 2018, the group applies the following new standards:

IFRS 9 Financial Instruments deals with the classification, measurement and recognition of financial assets and liabilities and introduces new rules on hedge accounting. IFRS 9 replaces the parts of IAS 39 that deal with classification and measurement of financial instruments and introduces a new impairment model. In accordance with the transition rules for the standard, comparative figures for 2017 are not restated. The Group does not apply hedge accounting and therefore the new hedge accounting rules in IFRS 9 do not affect the Group. The new impairment model, which is based on expected credit losses rather than credit losses that have occurred, will also not have a significant impact on the Group, since its bad debts have historically been low and, in view of the risk characteristics of receivables, are expected to remain low in the future. The introduction of IFRS 9 has therefore not had an impact on the Group's financial performance and position.

IFRS 15 Revenue from Contracts with Customers specifies how to recognise revenue. The principles IFRS 15 is based on will provide users of financial statements

with more relevant information about the company's revenue. The Group's revenue essentially comprises rental income, which is not recognised according to this standard, and the introduction of IFRS 15 has therefore not affected the Group's financial performance and position.

IFRS 16 Leases will be applied with effect from 1 January 2019. The standard will replace IAS 17. Under the new standard, lessees must recognise assets and liabilities attributable to all material leases. Our assessment is that the introduction will have a limited effect on our financial statements.

Transactions after the end of the reporting period

In the third quarter, the detailed development plan for Platzer's project Kineum in Gårda became legally binding. In the coming quarter, Platzer will complete the sale of 50% of the company owning the property ahead of us starting construction in collaboration to NCC. Once construction of the property is finished, the parties have agreed that Platzer will buy NCC's share.

Gothenburg, 25 October 2018

Platzer Fastigheter Holding AB (publ)

P-G Persson
CEO



CONSOLIDATED INCOME STATEMENT

CONDENSED

SEK million	2018 Jul-Sept	2017 Jul-Sept	2018 Jan-Sept	2017 Jan-Sept	2017 Jan-Dec	2017/2018 Oct-Sept
Rental income	255	247	768	744	995	1,019
Property costs	- 59	-60	- 193	- 190	- 268	- 271
Operating surplus	196	187	575	554	727	748
Central administration	- 8	-8	- 35	- 29	- 46	- 52
Share of profit of associates	1	0	1	0	22	23
Net financial income/expense	- 52	-49	- 154	- 146	- 195	- 203
Income from property management (including associates)	136	130	387	379	508	516
Change in value, investment properties	219	113	723	373	1,214	1,564
Change in value, financial instruments	46	10	42	53	54	43
Profit before tax	401	253	1,152	805	1,776	2,123
Tax on profit for the period	- 87	-52	- 189	- 172	- 383	- 400
Profit for the period ¹⁾	314	201	963	633	1,393	1,723
Profit for the period attributable to:						
Parent company's shareholders	314	196	961	626	1,381	1,716
Non-controlling interests	0	5	2	7	12	7
Earnings per share ²⁾	2.63	1.63	8.02	5.23	11.54	13.34

¹⁾ The Group had no other comprehensive income and therefore the consolidated profit for the period is the same as comprehensive income for the period.

²⁾ There is no dilution effect because there are no potential shares.

CONSOLIDATED BALANCE SHEET

CONDENSED

SEK million	30 Sept 2018	30 Sept 2017	31 Dec 2017
Assets			
Investment properties	17,570	14,533	15,559
Other non-current assets	14	6	10
Non-current financial assets	122	45	117
Current assets	102	109	109
Cash and cash equivalents	145	121	141
Total assets	17,953	14,814	15,936
Equity and liabilities			
Equity	6,744	5,205	5,962
Deferred tax liability	962	649	815
Non-current interest-bearing liabilities	4,651	4,736	4,520
Other non-current liabilities	318	362	354
Current interest-bearing liabilities	4,865	3,492	3,871
Other current liabilities	413	370	414
Total equity and liabilities	17,953	14,814	15,936

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

CONDENSED

SEK million	2018 Jan-Sept	2017 Jan-Sept	2017 Jan-Dec
Equity attributable to the Parent Company's shareholders			
At the beginning of the period	5,907	4,656	4,656
Reversal, share incentive programme	1	1	2
Adjustment of issue costs *	-2	-	-
Comprehensive income for the period	961	626	1,381
Dividend	-180	-132	-132
At the end of the period	6,687	5,151	5,907
Equity attributable to non-controlling interests			
At the beginning of the period	55	47	47
Withdrawals	-	-	-4
Comprehensive income for the period	2	7	12
At the end of the period	57	54	55
Total equity	6,744	5,205	5,962

*) Refers to issue costs from 2016.

CHANGE IN THE VALUE OF PROPERTIES

SEK million	2018 Jan-Sept	2017 Jan-Sept	2017 Jan-Dec
Value of properties, opening balance	15,559	13,615	13,615
Investments in existing properties	493	343	526
Property acquisitions	1,031	410	412
Property sales	-236	-208	-208
Changes in value	723	373	1,214
Value of properties, closing balance	17,570	14,533	15,559

CONSOLIDATED CASH FLOW STATEMENT

CONDENSED

SEK million	2018 Jul-Sept	2017 Jul-Sept	2018 Jan-Sept	2017 Jan-Sept	2017 Jan-Dec	2017/2018 Oct-Sept
Operating activities						
Operating surplus	196	187	575	554	727	748
Central administration	-6	-6	-31	-25	-42	-48
Net financial income/expense	-54	-49	-155	-146	-195	-204
Income tax	-8	-1	-45	-17	-26	-54
Cash flow from operating activities before changes in working capital	128	131	344	366	464	442
Change in current receivables	58	-20	37	-29	-43	23
Change in current liabilities	35	32	-15	-1	7	-7
Cash flow from operating activities	221	143	366	336	428	458
Investing activities						
Investments in existing investment properties	-201	-138	-478	-343	-526	-661
Acquisitions of investment properties	-1,031	-376	-1,031	-376	-412	-1,067
Disposals of investment properties	0	158	214	266	305	253
Acquisitions of shares in associates	0	0	0	0	-33	-33
Other investments	-6	-1	-7	-1	-6	-12
Cash flow from investing activities	-1,238	-357	-1,302	-454	-672	-1,520
Financing activities						
Change in interest-bearing liabilities	1,042	216	1,125	239	402	1,288
Changes in non-current receivables	-2	0	-5	0	-17	-22
Dividend	1	0	-180	-132	-132	-180
Cash flow from financing activities	1,040	216	940	107	253	1,086
Cash flow for the period	23	2	4	-11	9	24
Cash and cash equivalents at the beginning of the period	122	119	141	132	132	121
Cash and cash equivalents at the end of the period	145	121	145	121	141	145

The Group had an unutilised overdraft facility of SEK 100 million (50) and unutilised credit facilities of SEK 844 million (584), of which SEK 745 million comprised construction loans.

INCOME STATEMENT, PARENT COMPANY

CONDENSED

SEK million	2018 Jan-Sept	2017 Jan-Sept	2017 Jan-Dec
Net sales	13	11	14
Operating expenses	- 13	- 13	- 18
Net financial income/expense	- 77	- 70	- 93
Change in value, financial instruments	42	53	54
Profit before tax and appropriations	- 35	- 19	- 43
Appropriations	-	-	350
Tax	8	4	- 68
Profit for the period ¹⁾	- 27	- 15	239

¹⁾ The Parent Company has no other comprehensive income and total comprehensive income is therefore the same as profit for the period.

BALANCE SHEET, PARENT COMPANY

CONDENSED

SEK million	30 Sept 2018	30 Sept 2017	31 Dec 2017
Assets			
Participations in Group companies	1,844	1,809	1,844
Other non-current financial assets (primarily financing of Group companies)	2,476	2,788	2,773
Receivables from Group companies	1,149	995	1,350
Other current assets	38	22	19
Cash and cash equivalents	12	1	35
Total assets	5,519	5,615	6,021
Equity and liabilities			
Equity	2,443	2,398	2,652
Untaxed reserves	50	50	50
Non-current liabilities	1,459	1,548	1,265
Current liabilities	1,567	1,619	2,054
Total equity and liabilities	5,519	5,615	6,021

CONSOLIDATED KEY PERFORMANCE INDICATORS

	2018 Jan-Sept	2017 Jan-Sept	2017 Jan-Dec	2017/2018 Oct-Sept
Financial				
Debt/equity ratio (multiple)	1.4	1.6	1.4	1.4
Interest coverage ratio (multiple)	3.5	3.6	3.5	3.4
Loan-to-value ratio, %	54	57	54	54
Equity/assets ratio, %	38	35	37	37
Return on equity, %	15.8	14.7	26.2	27.7
Property-related				
Investment yield, %	4.8	5.3	5.0	4.8
Surplus ratio, %	75	74	73	73
Economic occupancy rate, %	95	94	95	95
Rental value, SEK/sq. m.	1,371	1,332	1,326	1,359
Lettable area, sq. m. (thousand)	821	805	805	821

For definitions and calculations of Key Performance Indicators, please see pages 28-29.

SEGMENT REPORTING JAN-SEPT

	Central Gothenburg		South/West Gothenburg		North/East Gothenburg		Project properties		Total	
SEK million	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Rental income	302	292	61	62	387	365	18	25	768	744
Property costs	-67	-66	-13	-16	-106	-99	-7	-9	-193	-190
Operating surplus	235	226	48	46	281	266	11	16	575	554
Investment properties, fair value	8,623	6,890	946	1,026	7,028	5,679	973	938	17,570	14,533
Of which investments/ acquisitions/disposals/ changes in value over the year	1,492	265	-140	-59	334	552	301	160	1,987	918

In the Group's internal reporting, activities are divided into the segments shown above. The total operating surplus above is the same as the operating surplus reported in the income statement.

The difference between the operating surplus of SEK 575 million (554) and profit before tax of SEK 1,152 million (805) consists of central administrative costs of SEK -35 million (-29), net financial expense, including share of profit/loss of associates, of SEK -153 million (-146) and changes in the value of property and derivatives of SEK 765 million (426).

INTEREST-BEARING LIABILITIES

Year	Loan amount, SEK million	Average interest, %	Loan maturity	
			Credit agree- ments, SEK m	Utilised, SEK m
2018	3,860	1.73	1,935	1,835
2019	1,035	1.15	3,369	3,368
2020	800	2.76	1,519	1,519
2021	670	3.23	2,140	2,140
2022	550	3.75	274	274
2023	400	3.54	380	380
2024	1,600	3.32		
2025	300	2.76		
2026	300	2.61		
Total	9,516	2.31	9,615	9,516

The table takes into account the effect of current derivatives contracts.

Pledged assets as at 30 September 2018 amounted to SEK 7,343 million (SEK 6,445 million).

Contingent liabilities as at 30 September 2018 amounted to SEK 8 million (8).

QUARTERLY SUMMARY

SEK million	2018			2017			2016	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Rental income	255	254	259	251	247	246	251	195
Property costs	-59	-62	-72	-78	-60	-65	-65	-53
Operating surplus	196	192	187	173	187	181	186	142
Central administration	-8	-13	-14	-17	-8	-9	-12	-14
Share of profit of associates	1	1	0	22	0	0	0	0
Net financial income/expense	-52	-52	-50	-49	-49	-49	-48	-38
Income from property management (incl. associates)	137	128	123	129	130	123	126	90
Change in value, investment properties	219	155	349	841	113	122	138	199
Change in value, financial instruments	46	-10	6	1	10	30	13	114
Profit before tax	402	273	478	971	253	275	277	403
Tax on profit for the period	-87	3	-105	-211	-52	-61	-59	-86
Profit for the period	315	276	373	760	201	214	218	317
Investment properties	17,570	16,118	16,015	15,559	14,533	13,972	13,730	13,615
Investment yield, %	4.7	4.8	4.7	4.6	5.2	5.2	5.4	5.0
Surplus ratio, %	77	76	72	69	76	74	74	73
Economic occupancy rate, %	94	95	95	97	94	94	96	95
Return on equity, %	9.8	8.1	10.8	18.8	9.8	10.2	10.6	12.7
Equity per share, SEK	55.81	53.21	52.47	49.36	43.04	41.41	40.72	38.90
Long-term net asset value (EPRA NAV) per share, SEK	65.71	62.85	62.22	58.39	50.70	48.78	47.87	45.72
Share price, SEK	62.30	58.50	52.40	52.00	50.75	51.25	43.70	46.20
Earnings after tax per share, SEK	2.63	2.30	3.11	6.31	1.63	1.79	1.81	2.95
Cash flow from operating activities per share, SEK	1.85	0.61	0.60	0.77	1.19	0.54	1.08	1.35

EARNING CAPACITY

	Number of properties	Lettable area, sq. m.	Fair value, SEK million	Rental value, SEK million	Economic occupancy rate, %	Rental income, SEK million	Operating surplus, SEK million	Surplus ratio, %
Central Business District (CBD)	7	67,167	3,008	164	98	161	124	77
Other Inner City	17	162,146	5,615	328	94	307	246	80
Central Gothenburg	24	229,313	8,623	492	95	468	370	79
East Gothenburg	5	121,241	2,285	175	90	158	121	77
Norra Älvstranden/Backaplan	6	46,633	1,608	101	100	101	78	77
Hisingen, other	4	333,856	3,135	307	95	293	209	71
North/East Gothenburg	15	501,730	7,028	583	95	552	408	74
West Gothenburg	3	17,549	225	21	95	20	15	73
Mölndal	4	28,975	721	54	100	54	44	82
South/West Gothenburg	7	46,524	946	75	99	74	59	79
Total investment properties	46	777,567	16,597	1,150	95	1,094	837	76
Project properties	23	42,985	973	27	85	23	13	
Total Platzer	69	820,552	17,570	1,177	95	1,117	850	76

The summary comprises the property portfolio as at 30 September 2018 and provides a snapshot of the company's earning capacity, which is not a forecast.

In 2018 we have chosen to review our income by area and we will now be reporting income from our properties across several more areas. The new geographical segmentation is in line with the general area segmentation used by the property industry in Gothenburg, with the exception that we are reporting our properties at Backaplan together with Norra Älvstranden. We will also continue to recognise project properties as a separate item, regardless of their location in Gothenburg. The project section includes all our properties in the Södra Änggården project, where Platzer is actively managing the work of drawing up a new detailed development plan, which is expected to gain legal force in summer 2019.

Rental value refers to rental income plus the estimated market rent for vacant premises in their existing 'as is' condition. The results-related columns include valid lease agreements, including for future occupancy over the next six months, if occupancy relates to existing properties. Rental income refers to contracted rental income including agreed supplements, such as payments for heating and property taxes, and excluding limited period discounts of approximately SEK 17 million.

Lease agreements with a later occupancy date or for properties currently under construction are not included. The information in the table on rental value, income and operating surplus for project properties refers to the current situation, before project start. The figures for project properties do not include properties with occupancy dates within 6 months.

In addition to the table, the company has signed leases for ongoing new build projects worth SEK 84 million in annual rent.

The operating surplus shows the properties' annualised earning potential, defined as contracted rental income as at 1 October 2018, less estimated property costs including property administration costs for a rolling 12-month period.

PROPERTY PORTFOLIO

Platzer owns and develops commercial properties in the Gothenburg area. The properties can be divided into three geographical areas: Central Gothenburg (Centre, Gårda, Krokslätt and Gullbergsvass), South/West Gothenburg (Högsbo and Mölndal) and North/East Gothenburg (Backaplan, Gamlestaden, Lindholmen, Mölnlycke, Arendal and Torslanda). Platzer aims to be the leading player in all prioritised areas through profitable growth. Currently, the company is the leading player in Arendal, Gullbergsvass, Gårda, Gamlestaden and Högsbo.

Property portfolio

As at 30 September 2018, the property portfolio comprised 69 properties, 23 of which were project properties, with a fair value of SEK 17,570 million. In addition, we have one jointly owned property that is accounted for as an associate. Total lettable area amounted to 820,552 sq. m., divided as follows: offices 54%, retail 2%, industrial/warehouses 29% and other 15%. The economic occupancy rate in the period was 95% (94).

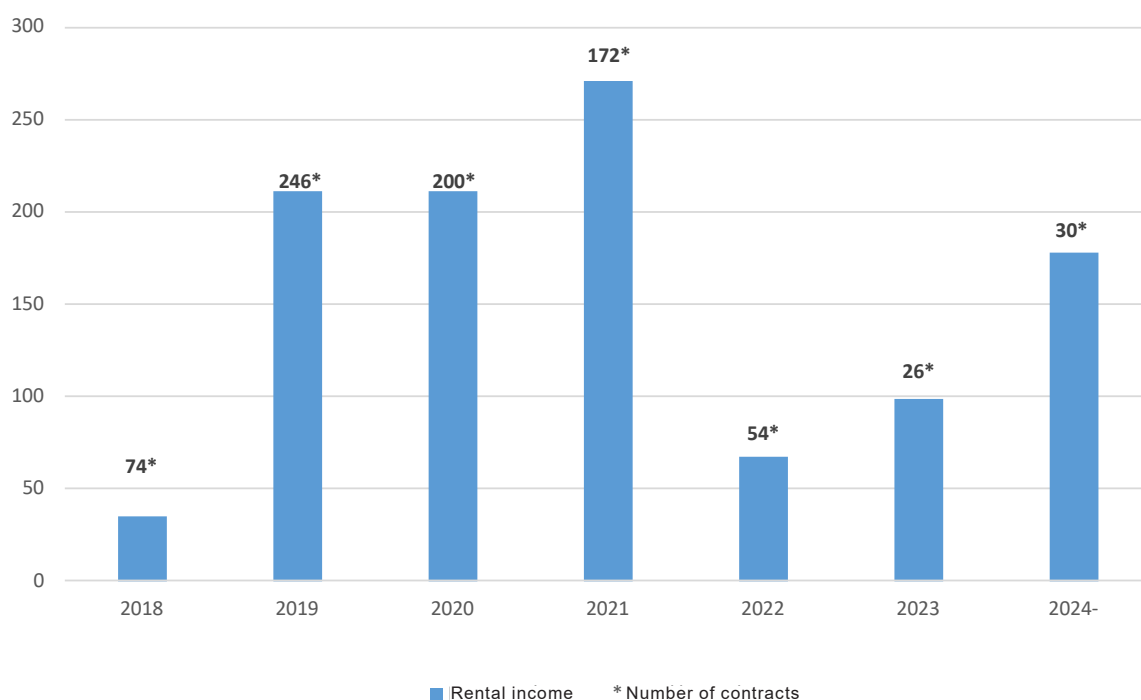
Rent development

Platzer has 802 lease agreements for non-residential premises generating rental income of SEK 1,072 million. The biggest tenants include Damco, DB Schenker, DFDS, DHL, the Swedish National Courts Administration, the Swedish Social Insurance Agency, the Swedish Migration Agency, Nordea, Plastal, SSAB, Sveafjord and Zenuity. In addition to leases for non-residential premises there are parking agreements for indoor and outdoor parking, short-term parking, agreements for advertising signs and masts with a total rental value of SEK 45 million.

The twenty largest lease agreements accounted for 35% of rental value. The average remaining maturity was 43 months.

In addition, Platzer has concluded lease agreements for new build and refurbishment projects with occupancy in 2018–2020.

Contract structure per year of maturity



RENTAL AND PROPERTY MARKET IN GOTHENBURG

The rental and property market in Gothenburg remained strong in the third quarter of 2018. Supply of both office space and logistics premises is low and demand high. Vacancy rates for office space are at record lows.

The market is being fuelled by a strong economy, which is largely boosted by good conditions for the export industry and its sub-suppliers. Exports also have a positive impact on the logistics sector and the Port of Gothenburg.

Other positive factors include planned large infrastructure investments and long-term trends such as urbanisation. Gothenburg is currently in the midst of its most expansive period for the last 50 years. In addition to investments within the framework of the so-called "West Swedish Agreement", plans are underway to enable Gothenburg to grow by 150,000 inhabitants by 2035, requiring the creation of 80,000 new homes and workplaces.

On a macroeconomic level development is benefiting from low interest rates. Since 2016, the prime rate has been unchanged at historically low levels. However, the Swedish central bank Riksbanken believes that the prime rate will slowly start to rise towards the end of 2018 or in early 2019. Access to capital is expected to remain good, as is the willingness to invest among foreign and institutional investors in particular.

Rental market

The vacancy rate in Gothenburg increased slightly in the third quarter of the year but nevertheless remains at a historically low level. Lettings volume for offices in the nine months to end-September 2018 amounted to 49,000 sq. m., compared with 95,400 sq. m. in the same period in the previous year. This is the lowest lettings volume recorded in Gothenburg since 2010. One of the reasons is the low supply of office space in attractive locations, which has resulted in tenants increasingly adapting existing premises to meet their growing needs.

Rent levels in the central districts in Gothenburg are expected to continue to rise, even if development has slowed down in the past year. Areas that are still showing rising levels of rent are Central Business District (CBD) and Norra Älvstranden. Areas with large volumes of new production of modern office space will also see a more positive development in rents in the coming year. One such area is East Gothenburg, which includes Gamlestaden, where new production

has caused rents to double.

New production in the coming year will probably lead to more relocations and will hopefully better meet tenants' need for modern premises that make effective use of space. This, together with the continued strong economic situation in the Gothenburg area, means the rental market is set to remain strong in 2019.

Transaction market

In the first three quarters of the year, total transaction volume in Gothenburg amounted to SEK 6.5 billion, compared with a transaction volume of SEK 10.5 billion in the same period in the previous year. Willingness to invest in good properties in central locations is high, but few assets are available on the open market. An abundance of net buyers means competition for these assets is tough.

Investment yield requirements remain low in Gothenburg and levels are lowest in CBD and Norra Älvstranden. Over the summer transactions were also concluded in other areas in which required investment yields were below 4.5 %. However, Platzer's view is that investment yield requirements will not continue to decline at the same rate as in previous years.

Source: JLL, Newsec and Datscha

Office space data by geographical area

Area	Prime Rent, SEK/sq m/year		Prime yield, %	
	Q3 2018	Q3 2017	Q3 2018	Q3 2017
Central Business District (CBD)	3,300	3,200	4.00	4.25
City centre excl. CBD	2,600	2,600	4.25	4.75
Norra Älvstranden	2,700	2,400	4.25	4.50
Hisingen, other	2,000	2,000	5.50	5.50
Mölnadal	2,000	2,000	5.75	6.00
West Gothenburg	1,200	1,200	6.50	6.75
East Gothenburg	2,500	1,200	5.00	6.00

Area	Vacancy rate		Change in percentage points 2017-2018
	Q3 2018, %	Q3 2017, %	
Central Business District (CBD)	3.10	2.20	0.90
City centre excl. CBD	4.80	3.20	1.60
Norra Älvstranden	0.50	1.00	-0.50
Hisingen, other	4.80	5.80	-1.00
Mölnadal	8.00	11.20	-3.20
West Gothenburg	8.90	19.90	-11.00
East Gothenburg	5.60	7.90	-2.30
Total	4.50	5.30	-0.80

Source: JLL



PROPERTY TRANSACTIONS

Acquisitions

In the third quarter, Platzer concluded an agreement with Vasakronan on the acquisition of two properties in Gårda comprising a total of 22,400 sq. m. of office space. The properties were acquired as a company acquisition and the underlying property value was SEK 1,068 million. Completion took place on 30 September.

Disposals

In the first quarter, Platzer signed an agreement with Skanska Nya Hem on the sale of a future building right in Södra Änggården. Södra Änggården is an area where Platzer is actively involved in working on a new detailed development plan. The agreement is conditional on the detailed development plan becoming legally binding.

In 2017, Platzer signed agreements with Bonava, Peab Bostad, Magnus Månsson Fastigheter and Hökerum bygg for the majority of the building rights being planned in Södra Änggården. These agreements, too, are conditional on the detailed development plan becoming legally binding. The disposal was not recognised through profit or loss in the period and valuation (in accordance with Platzer's valuation principles) of building rights, not including detailed development plan risks, will take place when the detailed development plan has become legally binding.

In the second quarter, Platzer sold the property Älvsborg 178:9 at Redegatan 1. It comprises around 13,800 sq. m. and was valued at SEK 236 million. The buyer was Fastighets AB Regio and completion took place on 27 April.

Transactions after the end of the reporting period

In the third quarter, the detailed development plan for Platzer's project Kineum in Gårda became legally binding. In the coming quarter, Platzer will complete the sale of 50% of the company owning the property ahead of us starting construction in collaboration to NCC. Once construction of the property is finished, the parties have agreed that Platzer will buy NCC's share.



DEVELOPMENT PROJECTS

Platzer develops both individual properties and entire areas of mixed-use development. Our current major development projects comprise a total of 45,000 sq. m. of lettable area, while potential development projects have a gross floor area (GFA) of around 700,000 sq. m. The total project volume is estimated at SEK 17 billion, of which SEK 10 billion comprises commercial property and SEK 7 billion housing. We develop detailed development plans for housing and then sell these building rights so that we can focus on commercial properties.

Property development

Development of Gullbergsvass 5:10, where our head office is located, is ongoing. The project comprises redevelopment of the entire building and upward extension of 2,000 sq. m. of office space. As planned, Plusgymnasiet vacated the premises over the summer, enabling us to also carry out work at ground floor level. Letting is underway.

Project development Gamlestaden

Tenants have now started to take occupancy at Gamlestads torg, and Västtrafik's grand opening in August was well attended. The project is already an established landmark and will be the heart of the district. Now that tenants are moving in, the property has been transferred to the property management portfolio.

Gårda

Construction of Gårda Vesta is progressing according to plan and the building, which will be Gothenburg's tallest office block, will soon be visible to anyone travelling in the area and along the E6/E20. The building will comprise a total floor area of 26,600 sq. m., 15,000 sq. m. of which is let to the Swedish Tax Agency.

As for Platzer's other high rise project, Kineum in Gårda, the Swedish Transport Administration has withdrawn its appeal and the detailed development plan became legally binding in the third quarter. In October, Platzer will complete the sale of 50% of the company owning the property to NCC. Kineum will house hotel operations, offices and other business activities. In the quarter we signed a lease with ESS Group, which will develop a new hotel comprising around 230 rooms and a total of 15,000 sq. m. in the property. The hotel forms part of Platzer's ambition to contribute to the development of the area and make southern Gårda a more vibrant district throughout the day and night.

Property development

Property development involves development of existing investment properties. Development is undertaken either to adapt the property for a specific tenant or to change the use of the building in order to attract new tenants.

An example of such a project is Gullbergsvass 5:10, which has been transformed from a building with traditional office space to a flexible workplace for tenants with different requirements.

Project development

Project development is characterised by new production. It refers to the entire process from idea to completed building. This type of development project normally takes between two and five years.

One example of project development is Gamlestads torg, where Platzer is involved in the creation of a 17-storey centrepiece building in the middle of Gamlestaden. The building helps mark a new phase in the development of the area.

Urban development

Urban development means that we assume greater responsibility and contribute to the development of an entire district.

Sometimes we do this on our own, but just as often we work in collaboration with other property owners or stakeholders in the area. In the long term this helps to raise the value of our properties. Urban development projects require a long-term perspective and normally take five to ten years.

If a project has the potential for housing to create attractive urban environments, we develop building rights that are sold to cooperation partners. Aside from creating more vibrant areas, this contributes towards financing future projects. An example of urban development is Södra Änggården, which is being developed from an area of office and industrial space to a modern, mixed-use urban district.

Gullbergsvass

Gullbergsvass is located in the heart of Gothenburg, close to the main railway station Centralstationen, the new Hisingsbro bridge and, in the long term, also the Västlänken railway tunnel. We have an option to buy two building rights, comprising a total GFA of 43,000 sq. m. for the site where the Götaälvbron bridge is located. Construction could potentially start in 2023/24.

Urban development

Södra Änggården

We are developing northern Högsbo as Södra Änggården – a vibrant urban district with housing, schools and commercial premises. A total of 2,000 new homes are planned, 600 of which form part of BoStad 2021, which among other things involves a fast-track planning process.

The detailed development plan was out for consultation in the second quarter and the views of participants have been compiled. This has resulted in the City Planning Department taking a decision to divide up the detailed development plan in order to minimise stoppages in development. This means the plan will have to be sent out for yet another consultation, resulting in a delay of around six months. The detailed development plan is expected to be approved in summer 2019. Demolition and decontamination works are continuing as planned.

Gamlestaden

Gamlestaden is one of Gothenburg's most interesting districts and is also among the districts best served by public transport. In the next ten years, the district will be developed to take on more of an urban character, featuring a mixture of housing and businesses.

We own three large properties and projects in Gamlestaden. The Gamlestaden transport hub at the property Gamlestads torg (Gamlestaden 740:132) opened on 18 August this year. Adjacent to Gamlestads torg is Gamlestadens Fabriker (Olskroken 18:7), where work is underway on a detailed development plan. Platzer has previously concluded an agreement on the sale of future residential building rights to JM, which is now participating in development of the area. For the neighbouring property Bagaregården 17:26, we have received a positive planning decision concerning densification of a total of 60,000 sq. m. No decision has yet been taken on when to start work on the detailed development plan.

Backaplan

Backaplan is to be transformed from a retail park with large asphalted areas to a built up urban environment comprising housing, services, offices and retail. The plans include 7,000 new residential units and a commuter railway station.

The overarching plan programme for Backaplan has been submitted for consultation and a decision will be taken by the planning committee in spring

2019. At the same time, work is taking place on the detailed development plan, with the City of Gothenburg working on this together with the property owners in the area. Platzer owns properties that are estimated to comprise building rights of 60,000 – 90,000 sq. m. of gross floor area at Backaplan.

Torslanda/Arendal

Torslanda/Arendal is one of the best logistics locations in Sweden. Platzer currently owns 787,000 sq. m. of land in Torslanda, including building rights for 180,000 sq. m. GFA for logistics and industry. A detailed development plan is in place for the building rights.



Major projects underway

Property	Type ¹⁾	Converted area, lettable area, sq. m.	New area, lettable area, sq. m.	Total inv. incl. land, SEK million	Of which outstanding inv., SEK million	Carrying amount, SEK m	Rental value, SEK million ²⁾	Occupancy rate, %	Completed
Gamlestaden 740:132, Gamlestads torg	Project Dev.		16,800	560	53	707	46	67	Q3 2018
Gullbergsvass 5:10	Property Dev.	11,400	1,600	533*	159	374	39	40**	Q3 2019
Gårda 2:12, Gårda Vesta	Project Dev.		26,600	1,050	906	330	74	56	Q2 2021
Total		11,400	45,000	2,143	1,118	1,411	159		

Potential development projects

Property	Type ¹⁾	Type of property	New floor area (gross) sq. m.	Project phase	Potential construction start ³⁾
Gårda 4:11, Källhuset	Project Dev.	offices	2,000	detailed development plan available	2018
Gårda 16:17***, Kineum	Project Dev.	offices	30,000	detailed development plan approved	2018
Sörred 7:21	Project Dev.	logistics/industry	30,000	detailed development plan available	2018
Syrhåla 3:1	Project Dev.	logistics/industry	60,000	detailed development plan available	2018
Sörred 8:12	Project Dev.	logistics/industry	90,000	detailed development plan available	2018
Olskroken 18:7, Gamlestadens Fabriker	Urban Dev./Project Dev./Property Dev.	mixed use development	100 -120,000	detailed development plan in progress	2019
Södra Änggården (multiple properties and multiple development phases)	Urban Dev./Project Dev.	mixed use development	approx. 200,000	detailed development plan in progress	2019
Krokslätt 34:13	Property Dev./Project Dev.	mixed use development	10-15,000	detailed development plan to commence 2018	2019/2020
Skår 57:14, Almedals fabriker	Project Dev.	offices	20,000	detailed development plan in progress	2019/2020
Backaplan (multiple properties)	Project Dev.	mixed use development	60-90,000	detailed development plan in progress	2022
Bagaregården 17:26	Project Dev.	mixed use development	60,000	planning decision taken	2021/2022
Gullbergsvass ****	Project Dev.	offices/housing	43,000	detailed development plan available	2023/2024
Total			705,000 - 760,000		

Jointly owned properties accounted for as associates

Property	Type ¹⁾	Type of property	New floor area (gross) sq. m.	Project phase	Potential construction start ³⁾
Inom Vallgraven 49:1	Project Dev.	offices	7,000	detailed development plan available	2019

*) The total investment including land value includes value on acquisition and investments in property development.

**) The current occupancy rate is 71%, the stated 40% refers to leases with long-term tenants.

***) The detailed development plan became legally binding in Q3.

****) Platzer does not currently own the land but has an option to acquire the land together with building rights at the market rate.

The summary includes potential projects that have been identified for properties that the company owns or has agreed to acquire.

- 1) Type refers to property development (Property Dev), which is based on existing buildings; project development (Project Dev), which involves new construction from ground up; and urban development (Urban Dev.), where we participate in the development of a completely new district.
- 2) Refers to estimated rental value when the building is finished and fully let.
- 3) Possible construction start means when it is estimated the project could start, provided that planning work proceeds as expected and letting has reached a satisfactory level.

REAL ESTATE INVENTORY

AS AT 30 SEPTEMBER 2018

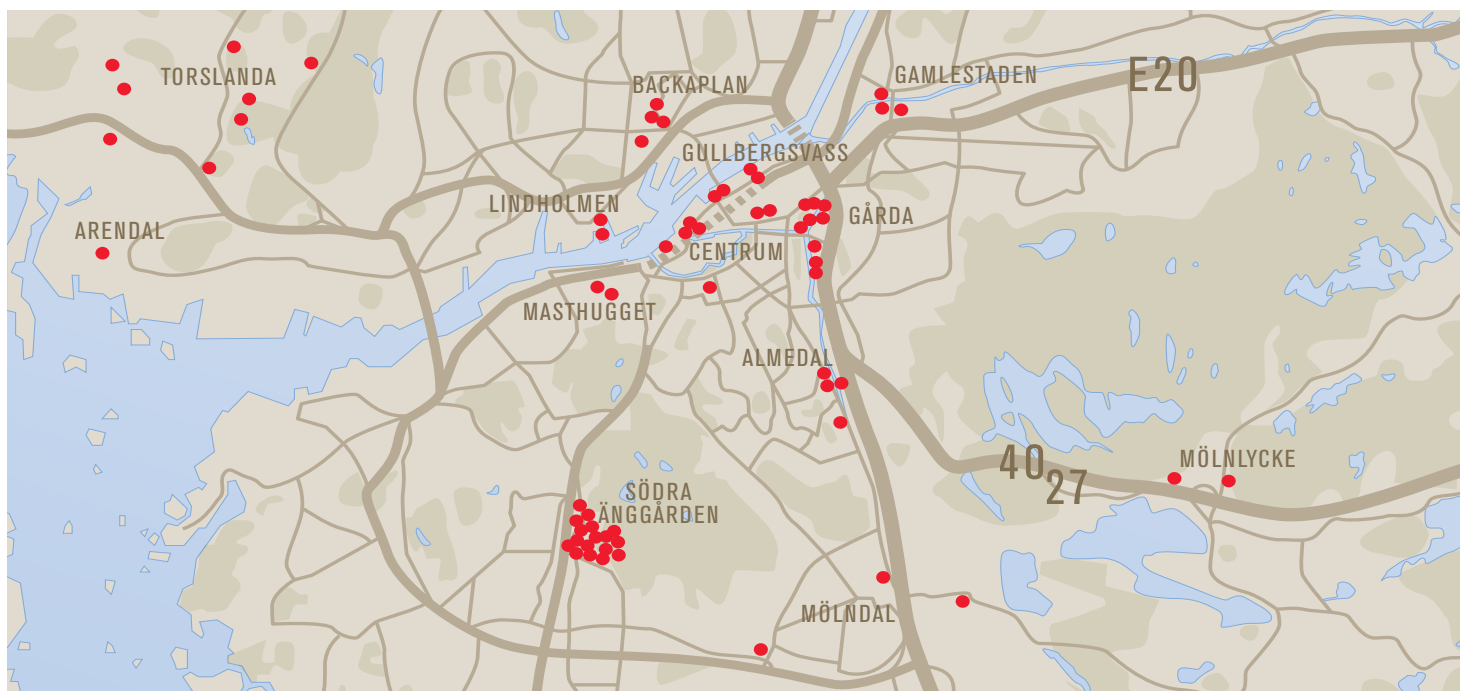
Investment property	Area	Address	Year of construction	Offices	Lettable area, sq. m.			Total
					Retail	Industrial/ warehouse	Other	
Krokslätt 148:13	Almedal	Mölnsdalsvägen 40-42	1952	2,581		616	20	3,217
Krokslätt 149:10	Almedal	Mölnsdalsvägen 36-38	1952/98	7,008				7,008
Skår 57:14	Almedal	Gamla Almedalsvägen 1-51	1929	8,286		119		8,405
Krokslätt 34:13	Almedal	Mölnsdalsv 91-93 / Varbergsg 2 A-C	1950/88	10,905	725	1,308	375	13,313
Arendal 764:720	Arendal	Arendal	1960/2009	77,003	68	192,956	9,953	279,980
Backa 173:2	Backaplan	Deltavägen 4	1979	151	5,380	420		5,951
Brämaregården 35:4	Backaplan	Vågmästaregatan 1	1984/1991	12,370		222	855	13,447
Tingstadsvassen 3:8	Backaplan	Krokegårdsgatan 5	1991	29	3,966	11	859	4,865
Tingstadsvassen 4:3	Backaplan	Motorgatan 2	1943/1986	517	3,268			3,785
Lorensberg 62:1	City centre	Götabergsgatan 17	1932/1965	4,541				4,541
Nordstaden 13:12	City centre	Packhusplatsen 6 / N Hamngatan 2	1929/1993	5,070				5,070
Nordstaden 14:1	City centre	Postgatan 5 / Smedjegatan 2	1993/1995	8,607				8,607
Nordstaden 20:5	City centre	Packhusplatsen 3 / Kronhusg 1A	1943	2,537		53		2,590
Stampen 4:42	City centre	Odinsgatan 8-10 / Barnhusgatan 1	2009	5,769			2,847	8,616
Stampen 4:44	City centre	Polhemsplatsen 5-7 / Odinsg 2-4	1930	13,595				13,595
Bagaregården 17:26	Gamlestaden	Gamlestadsv 3 / Byfogdeg 1-3, 11	1941/2010	24,977	365	7,010	2,555	34,907
Gamlestaden 740:132	Gamlestaden	Gamlestads torg 1-11	2018	13,513	1,776	642	262	16,193
Olskroken 18:7	Gamlestaden	Gamlestadsvägen 2-4	1729/1960	41,832	102	6,842	13,289	62,065
Gullbergsvass 1:1	Gullbergsvass	Lilla Bommen 3	1988	16,003				16,003
Gullbergsvass 1:17	Gullbergsvass	Lilla Bommen 8	1993	5,400				5,400
Gullbergsvass 5:10	Gullbergsvass	Kämpegatan 3-7	1988	11,925		364	463	12,752
Gullbergsvass 5:26	Gullbergsvass	Kilsgatan 4	2010	15,298			1,447	16,745
Gårda 1:15	Gårda	Vestagatan 2	1971/1992	11,888				11,888
Gårda 13:7	Gårda	Johan Willins gata 5	2003				14,925	14,925
Gårda 16:17	Gårda	Drakegatan 6-10	1986	15,234		278	604	16,116
Gårda 18:23	Gårda	Vädursgatan 6	1989/2018	12,874		424	384	13,682
Gårda 18:24	Gårda	Gårdatorget 1-2	1991	8,020		235	469	8,724
Gårda 3:12	Gårda	Anders Personsgatan 2-6	1956/2015	3,503		242	165	3,910
Gårda 3:14	Gårda	Anders Personsgatan 8-10	2015	8,758				8,758
Gårda 4:11	Gårda	Anders Personsgatan 14-16	1965/2002	7,468			481	7,949
Högsbo 1:4	Högsbo	Olof Asklunds gata 11-19	1980	1,638		1,444		3,082
Högsbo 2:1	Högsbo	Olof Asklunds gata 6-10	1991	6,318				6,318
Högsbo 32:3	Högsbo	J A Wettergrens gata 5	1974	6,381		1,053	715	8,149
Lindholmen 30:2	Lindholmen	Lindholmospiren 9	2003	8,667			996	9,663
Lindholmen 39:3	Lindholmen	Lindholmospiren 2	2016	8,922				8,922
Stigberget 34:12	Masthugget	Masthuggstorget 3	1967/1999	4,457	2,801	264	229	7,751
Stigberget 34:13	Masthugget	Fjärde Långgatan 46-48	1969	7,246	120		2,382	9,748
Bosgården 1:71	Möln dal	Södra Ågatan 4	1988	4,711	56		50	4,817
Forsåker 1:196	Möln dal	Kvarnbygatan 10-14	1955/2002	5,317			150	5,467
Härddisken 1	Möln dal	Betagatan 1	2016	2,146		2,608		4,754
Livered 1:329	Möln dal	Streteredsvägen 100	1962				13,937	13,937
Solsten 1:110	Mölnlycke	Företagsvägen 2	1991	1,678		1,089	356	3,123
Solsten 1:132	Mölnlycke	Konstruktionsvägen 14	2002	4,953				4,953
Syrhåla 3:1	Torslanda	Bulyckevägen 25	1975	2,758		21,984	3,280	28,022
Sörred 7:24	Torslanda	Gunnar Engellaus väg	1972	11,035			4,006	15,041
Sörred 8:11	Torslanda	Amazonvägen 8-10	1984	10,813				10,813
Total investment properties				442,702	18,627	240,184	76,054	777,567

Project properties	Area	Address	Year of construction	Site area	Lettable area, sq. m.
Gårda 2:12	Gårda	Venusgatan 2-6		3,600	-
Högsbo 2:2 ¹⁾	Högsbo	Gruvgatan 1		4,400	-
Högsbo 3:5 ¹⁾	Högsbo	Fältspatsgatan 14		11,300	-
Högsbo 3:11 ¹⁾	Högsbo	Fältspatsgatan 6	1964	6,000	8,243
Högsbo 3:12 ¹⁾	Högsbo	Fältspatsgatan 2-4	1964	8,400	10,363
Högsbo 3:13 ¹⁾	Högsbo	Fältspatsgatan 2		3,100	-
Högsbo 3:6 ¹⁾	Högsbo	Fältspatsgatan 8-12	1964	8,200	6,535
Högsbo 3:9 ¹⁾	Högsbo	Olof Asklunds gata 14	1971	4,700	4,333
Högsbo 33:1	Högsbo	Gruvgatan		5,500	-
Högsbo 34:13 ¹⁾	Högsbo	Gruvgatan 2	1981	3,200	1,780
Högsbo 39:1 ¹⁾	Högsbo	Ingela Gathenhielms gata 4		8,200	-
Högsbo 4:1 ¹⁾	Högsbo	Fältspatsgatan 1 / A Odhners gata 8	1965/1972	10,400	4,643
Högsbo 4:4 ¹⁾	Högsbo	Fältspatsgatan 3	1962	10,300	6,388
Högsbo 4:6 ¹⁾	Högsbo	A Odhners gata 14		6,500	-
Högsbo 757:118 ¹⁾	Högsbo	Fältspatsgatan		2,800	-
Högsbo 757:121 ¹⁾	Högsbo	Fältspatsgatan		1,000	-
Högsbo 757:122 ¹⁾	Högsbo	Fältspatsgatan		1,000	-
Backen 2:18	Möln dal	Streteredsvägen 100		6,900	-
Syrhåla 2:3	Torslanda	Hamneviksvägen		60,000	-
Syrhåla 4:2	Torslanda	Bulyckevägen 7		172,000	700
Sörred 7:21	Torslanda	Hisingaleden		65,000	-
Sörred 8:12	Torslanda	Sörred Norra		254,000	-
Sörred 7:25	Torslanda	Sörredsrondellen		110,000	-
Total project properties				766,500	42,985
TOTAL investment properties and project properties					820,552

¹⁾ Part of the project Södra Änggården

Jointly owned properties accounted for as associates

Investment property	Area	Address	Year of construction	Offices	Retail	Industrial/warehouse	Other	Total
Inom Vallgraven 49:1	City centre	Skeppsbron 5	1929/2012	4,702	371	296		5,369



THE SHARE AND SHAREHOLDERS

Platzer's Class B shares have been listed on NASDAQ OMX Stockholm, Mid Cap, since 29 November 2013. The company's share price at 30 September 2018 was SEK 62.30 per share, corresponding to a market capitalisation of SEK 7,465 million based on the number of outstanding shares. In the first nine months of the year, a total of 13.5 million (9.7) shares, worth a total of SEK 773 million (468) changed hands. Average daily turnover was around 72,000 (52,000) shares.

Share capital

Platzer's share capital as at the reporting date amounted to SEK 11,993,429.20, divided between 20,000,000 Class A shares with 10 votes per share, and 99,934,292 Class B shares carrying one vote per share. Each share has a quotient value of SEK 0.10. Platzer's holding of own shares consists of 118,429 Class B shares after shares from the company's own holding were awarded to senior executives as part of a share incentive scheme that finished in the second quarter.

In connection with the listing in November 2013, the company carried out a new issue of shares priced at SEK 26.50 each, which raised SEK 651 million net of issue costs.

The most recent change in share capital took place in the fourth quarter of 2016, when Platzer carried out a rights issue of SEK 718 million.

Dividend policy and dividend

The long-term policy is to pay a dividend of 50% of income from property management after tax (22% flat-rate tax). The Annual General Meeting on 26 April 2018 approved a dividend of SEK 1.50 per share (1.10) for 2017.

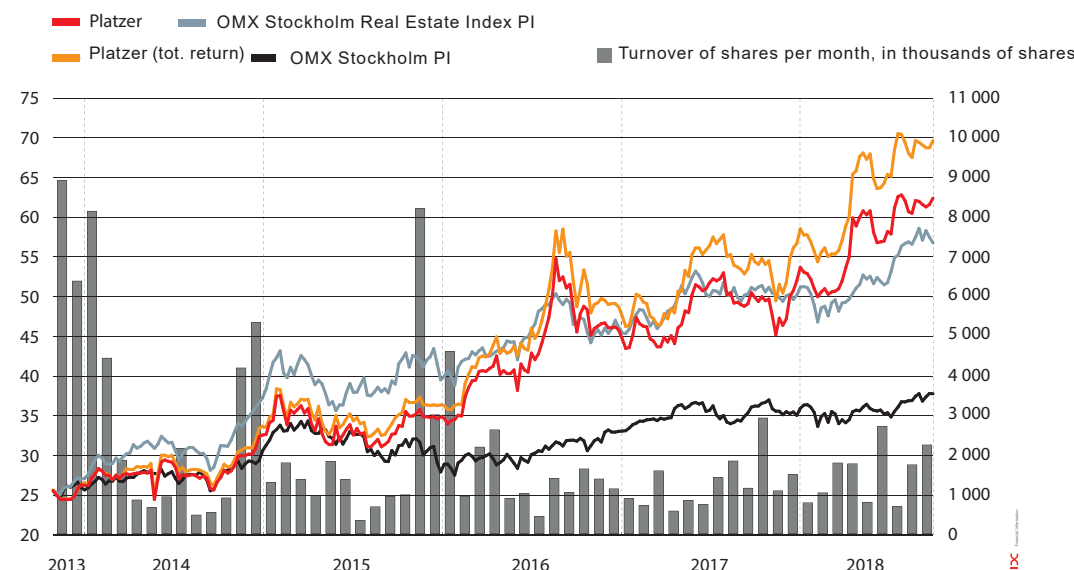
Ownership

The number of shareholders as at 30 September stood at 4,971 (4,006). Foreign ownership amounted to seven per cent of share capital. Platzer's Articles of Association include a pre-emptive rights clause, which states that a buyer of Class A shares who did not previously own Class A shares must offer other holders of Class A shares the right of first refusal, unless this acquisition took place through an intra-Group transfer or equivalent within one of the current groups of shareholders. If the holders of Class A shares do not take up this right of first refusal, the transferred shares will automatically be converted into B shares before the acquiring party is entered in the shareholders' register.

Information for shareholders

Platzer's primary information channel is the website platzer.se. All press releases and financial reports are published here. Press releases and reports can be obtained by email in connection with publication. The website also includes presentations, general information about the share and reports on corporate governance and financial data.

Share price performance



MAJOR SHAREHOLDERS

Major shareholders in Platzer Fastigheter Holding AB (publ) as at 30 September 2018

Owners	Number of Class A shares	Number of Class B shares	Number of shares	Voting rights, %	Share of equity, %
Ernström & C:o	11,000,000	2,973,164	13,973,164	37.7	11.7
Länsförsäkringar Göteborg och Bohuslän	5,000,000	15,203,112	20,203,112	21.7	16.9
Länsförsäkringar Skaraborg	4,000,000	1,000,000	5,000,000	13.7	4.2
Family Hielte/Hobohm		22,644,016	22,644,016	7.6	18.9
Fourth Swedish National Pension Fund		11,768,922	11,768,922	3.9	9.8
Länsförsäkringar fondförvaltning AB		9,125,237	9,125,237	3.0	7.6
Carnegie Fonder		6,892,826	6,892,826	2.3	5.8
Lesley Invest (incl. private holdings)		4,064,362	4,064,362	1.4	3.4
Svolder AB		4,028,811	4,028,811	1.3	3.4
RBC Investor Services Bank SA		1,858,845	1,858,845	0.6	1.6
Other shareholders		20,256,568	20,256,568	6.8	16.9
Total number of shares outstanding	20,000,000	99,815,863	119,815,863	100.0	100.0
Buyback of own shares		118,429	118,429		
Total number of registered shares	20,000,000	99,934,292	119,934,292		

KEY PERFORMANCE INDICATORS PER SHARE

	2018 Jan-Sept	2017 Jan-Sept	2017 Jan-Dec	2017/2018 Oct-Sept
Equity, SEK	55.81	43.04	49.36	55.17
Long-term net asset value (EPRA NAV), SEK	65.71	50.70	58.39	65.58
Share price, SEK	62.30	50.75	52.00	62.30
Profit after tax, SEK ¹⁾	8.02	5.23	11.54	13.69
Income from property management, SEK ²⁾	3.23	3.17	4.06	4.12
Cash flow from operating activities, SEK	3.06	2.81	3.58	3.68
Dividend, SEK	-	-	1.50	-
Number of shares as at the balance sheet date, thousand	119,816	119,684	119,684	119,816
Average number of shares, thousand	119,750	119,684	119,684	119,750

For definitions and calculations of Key Performance Indicators, please see pages 28-29.

1) There is no dilution effect, as there are no potential shares.

2) Income from property management excluding changes in value attributable to associates.

DEFINITIONS

Platzer applies ESMA guidelines on alternative performance measures. The company discloses some financial performance measures in its interim report which are not defined in IFRS. The company believes that these measures provide valuable supplementary information to investors and the company management since they facilitate evaluation of the company's performance. Because not all companies calculate financial measures in the same way, these are not always comparable with measures used by other companies. These financial measures should therefore not be viewed as a replacement for measures defined in accordance with IFRS. The table below presents the alternative performance measures considered relevant. Platzer uses the alternative performance measures debt/equity ratio, interest coverage ratio, loan-to-value ratio, equity/assets ratio and return on equity because these are considered to provide readers of the report with relevant supplementary information to enable them to assess the potential for dividends and

strategic investments and also to assess the company's ability to meet its financial commitments. In addition, the company uses the key performance indicators investment yield and surplus ratio, which are measures that are considered relevant to investors who want to understand how the company generates results. As a listed company, Platzer has also opted to use key performance indicators per share that are relevant to the industry sector, such as long-term net asset value (EPRA NAV).

The key performance indicators are based on statements of income, financial position, changes in equity and cash flow. In the event that the key ratios cannot be directly derived from the above statements, the basis for and method by which these ratios are calculated are shown below.

ALTERNATIVE PERFORMANCE MEASURES

DEFINITION AND CALCULATION METHOD

Debt/equity ratio	Interest-bearing liabilities divided by equity.
Interest coverage ratio	Result after financial income divided by interest expenses. Excluding changes in value attributable to associates. See next page for calculation.
Loan-to-value ratio	Interest-bearing liabilities divided by the value of the properties.
Equity ratio	Total shareholders' equity divided by total assets.
Return on equity	Profit after tax as a percentage of average equity, translated into full-year value for interim periods. Attributable to Parent Company's shareholders. See next page for calculation.
Key financial indicators per share: Equity, Long-term net asset value, Profit after tax, Income from property management, Cash flow from operating activities	Equity and long-term net asset value are calculated on the basis of the number of outstanding shares as at the balance sheet date. Other indicators are calculated on the average number of outstanding shares. Profit after tax refers to profits attributable to the Parent Company's shareholders (definition according to IFRS). Income from property management excluding changes in value attributable to associates.
Long-term net asset value (EPRA NAV)	Equity according to the balance sheet, including reversals of interest rate derivatives and deferred tax. Attributable to Parent Company's shareholders. See next page for calculation.
Investment yield	Operating surplus as a percentage of the average value of the properties, both investment and project properties, translated into full-year value for interim periods. See next page for calculation.
Surplus ratio	Operating surplus as a percentage of rental income.
Economic occupancy rate*	Rental income as a percentage of rental value, where rental income is defined as debited rent plus supplements for heating and property tax, and rental value is defined as rental income plus estimated market rent (rent excluding operating costs) for non-leased premises (in their 'as is' condition).
Rental value, SEK/sq.m.*	Rental value divided by average leasable area where rental value is defined as rental income plus estimated market rent (excluding operating costs) for non-leased premises (in their 'as is' condition). Translated into full-year value for interim periods.

*) The key indicators are operational and are not considered to be alternative performance measures according to ESMA guidelines.

CALCULATION OF KEY PERFORMANCE INDICATORS

	2018 Jan-Sept	2017 Jan-Sept	2017 Jan-Dec	2017/2018 Oct-Sept
Interest coverage ratio (multiple)				
Operating surplus	575	554	727	739
Central administration	-35	-29	-46	-52
Interest income	0	0	0	0
Total	540	525	681	687
Interest expense	-154	-146	-195	-200
	3.5	3.6	3.5	3.4
Return on equity, %				
Attributable to the Parent Company's shareholders:				
Profit after tax			1,381	1,598
Income from property management (translated into full year for interim periods)	516	502		
Change in value, investment properties	723	368		
Change in value, financial instruments	42	53		
Total (after tax)	999	720	1,381	1,598
Average equity	6,297	4,904	5,282	5,665
	15.9	14.7	26.2	28.2
Long-term net asset value (EPRA NAV), SEK				
Attributable to the Parent Company's shareholders:				
Equity	6,687	5,151	5,907	6,375
Reversal of deferred tax	952	640	805	875
Reversal of interest rate derivatives	234	277	276	280
Total	7,873	6,068	6,988	7,530
Number of shares	119,816	119,684	119,684	119,816
	65.71	50.70	58.39	62.85
Investment yield, %				
Operating surplus (translated into full year for interim periods)	767	739	727	739
Average value of properties	16,041	14,074	14,587	15,045
	4.8	5.3	5.0	4.9

In terms of the property values used for calculation of investment yield, the average for the full year 2018 has been adjusted for the value of acquired properties in Gårda of SEK 1,068 million, because there is no operating surplus for these properties for this period.

In terms of the number of shares used to calculate performance-related indicators, the weighted average for 2018 has been calculated by taking an average of 119,684 shares for four quarters (31/12/2017 to 30/09/2018) and 119,816 shares for one quarter, which gives an average for the full year of 119,750 shares. Corresponding averages have been used for Key Performance Indicators for 2018.

AUDITOR'S REVIEW REPORT

Platzer Fastigheter Holding AB (publ)

Introduction

We have reviewed the interim condensed financial statements (Interim Report) for Platzer Fastigheter Holding AB (publ) as at 30 September 2018 and for the nine-month period then ended. The Board of Directors and the CEO are responsible for the preparation and presentation of these interim financial statements in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to issue a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements ISRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making enquiries, 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 International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. The conclusion expressed on the basis of a review therefore does not provide the level of assurance of a conclusion based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the Interim Report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Gothenburg, 25 October 2018

Öhrlings PricewaterhouseCoopers AB

Bengt Kron
Authorised Public Accountant





CALENDAR

Year-end Report 2018	8 February 2019 at 08:00
Interim Report January–March 2019	25 April 2019 at 08:00
Annual General Meeting 2018	25 April 2019 at 15:00
Interim Report January–June 2019	9 July 2019 at 08:00
Interim Report January–September 2019	25 October 2019 at 08:00

For further information, please visit platzer.se or contact
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