

YEAR-END REPORT

1 January – 31 December 2018

- Rental income increased to SEK 1,044 million (995)
- Income from property management improved by 7% to SEK 522 million (486)
- Profit for the period amounted to SEK 1,511 million (1,393)
- Property portfolio increased in value to SEK 18,388 million (15,559)
- Income from property management per share amounted to SEK 4.36 (4.06)
- Earnings per share totalled SEK 12.55 (11.54)
- Long-term net asset value (EPRA NAV) per share was SEK 69.54 (58.39)
- The Board of Directors proposes a dividend of SEK 1.70 per share (1.50)
- Average interest rate reduced to 1.71% through restructuring of derivatives portfolio
- Proportion of green finance increased to 28%
- Project Gamlestads torg completed
- Acquisition of two properties in Gårda comprising a total of 22,400 sq. m. of office space
- Detailed development plan for Kineum Gårda becomes legally binding
- Construction start at Gårda Vesta

Q4

GÖTEBORGS BÄSTA PLATZER





Gamlestaden with Gamlestads torg in the background.

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 through ownership and development of commercial property in the Gothenburg area.

Vision (new for 2019), see page 6.

We aim to make Gothenburg the best city in Europe to work in.

Strategies (new for 2019)

District development

By taking a leading position in selected areas of the market, we will take responsibility for developing districts that are built for people, achieve sustainable development and are home to the best workplaces in Europe.

Growth

We aim to create profitable growth through:

- value added management of our own properties
- active property, project and urban development
- strategic property transactions

Employees/organisation

We aim to create the best workplace in this industry by attracting, developing and retaining employees from different backgrounds and with different skills, all of whom work together to put our core values into practice.

Finance

Platzer's financing is to be based on the value of our properties, with growth primarily being achieved without funding from shareholders and with the company's loan-to-value ratio reflecting a reasonable level of risk in all market conditions.

Customers

Platzer's customer relationships are managed by Platzer's own staff, who maintain a perceptive and insightful dialogue that helps us continuously develop and boost demand for our products and services.

Sustainability

Sustainability is to be achieved by creating a balance between a healthy financial position, satisfied employees, minimal environmental impact and a positive contribution to society. At Platzer, sustainability forms an integral part of operating activities and incorporates 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 pages 16-17 and Key Performance Indicators per share on page 29.

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.



EMPLOYEES



LETTING AND
PROPERTY MANAGEMENT



PROPERTY
TRANSACTIONS



FINANCE



PROPERTY, PROJECT
AND URBAN DEVELOPMENT



VALUE

A WORD FROM THE CEO

Major projects to create value for Platzer now and in the future

In 2018, we worked hard on improving the tenant experience in our prioritised districts. Never before in a single year have we invested as much in and around our properties or devoted such a large amount of resources to our urban and project development projects. We completed our high-profile property at Gamlestads torg, commenced our Well Building project Gårda Vesta, launched the Kineum project in Södra Gårda and took a further step towards a detailed development plan in Södra Änggården. All this created, and will continue to create, value for many years into future.

19 per cent increase in net asset value

Investment gains from property development of Gullbergsvass 5:10 and project development at Gamlestads torg and Gårda Vesta, combined with higher market rents and slightly lower yield requirements, resulted in substantially higher property values and therefore a marked increase in net asset value as measured according to EPRA NAV. In total, net asset value rose by 19% during the year, despite the fact that we restructured our derivatives portfolio in the fourth quarter, which had an adverse effect on net

asset value regarding to EPRA NAV. Over the last two years, our net asset value has improved by a total of more than 50%.

Income from property management improved by 7%

The positive impact on cash flows of urban, project and property development projects will not be seen until the projects have been completed and have reached the property management phase, which is expected to take place in 2021/2022 in the case of Gårda Vesta and Kineum. In total, leases worth SEK 102 million have been signed for the two projects, and a further SEK 10 million lease for Gullbergsvass 5:10, but this did not have an impact on income from property management in 2018.

Compared with previous years, when we have carried out larger acquisitions or implemented acquisitions earlier in the financial year than we did in 2018, the percentage increase in income from property management was lower, but nonetheless significantly higher than in 2017. The Board of Directors therefore proposes to the Annual General Meeting that a dividend of SEK 1.70 per share be distributed, corresponding to an increase of SEK 0.20 per share or 13%.



Property assets increased by SEK 2.8 billion.

We sold property assets with an underlying property value of SEK 0.2 billion in the financial year, and acquired properties worth approximately SEK 1.0 billion. Value increases accounted for SEK 1.3 billion, while investments in property contributed SEK 0.7 billion. We achieved our ambition to maintain a growth rate of around SEK 2 billion per year by a significant margin without shareholders' contributions.

Lower average interest rate

We completed a successful restructuring of the derivatives portfolio in the fourth quarter that reduced our average interest rate by 0.6 percentage points.

Detailed development plan for Södra Änggården revised

We drive development in many growth districts in the Gothenburg region, including Backaplan, Gamlestaden, Gårda, Södra Änggården and Gullbergsvass. The detailed development plan for Kineum Gårda became legally binding in 2018. In our work on preparing a new detailed development plan for Södra Änggården we have, in collaboration with the City Planning Office department, revised the division of districts in order to increase the probability of the detailed development plan becoming legal binding. This will delay the plan by around 9-12 months, but will not otherwise affect Platzer.

New vision for Platzer

Our ambition to become the leading commercial property company in Gothenburg has seen Platzer develop from a small to a large, from an unlisted company to a listed company, from its activities to evolved from property management towards property development, and therefore the vision set out in 2008 no longer felt relevant. An expanded, more outward-looking vision felt like the natural next step. The result is that "we aim to make Gothenburg the best city in Europe to work in". As often with visions, our vision is challenging and will probably be difficult to achieve, but not impossible. It is a vision that inspires me, as the company's CEO, to do my very best at work every day.

Best environmental performance in Sweden

By the end of 2018, a total of 90% of the properties in our portfolio had been certified according to Green Building, BREEAM, LEED or Miljöbyggnad. We are close to our goal of obtaining environmental certification for all our properties, despite the fact that we are acquiring properties where the buildings are not certified.

We also reduced our energy consumption by 2 percentage points in 2018 and over a period of nine years have halved our average consumption from 175 kWh/sq.m. to 88 kWh/sq.m. in comparable properties, resulting in an annual saving for our tenants of around SEK 25-30 million. We are signing green leases and increasing the proportion of green finance and we produce carbon dioxide emissions of less than 1 kg/sq.m. in our properties. At the same time, it is becoming increasingly evident that environmental performance is a competitive advantage both in terms of transactions and finance.

Outlook and challenges for 2019

We have not managed to achieve a market leading position in industrial and logistics properties and we are continuing our efforts to be one of the leading players in this segment. The challenge for us is to take the step from management to development of this type of properties. Demand for industrial and logistics properties shows no signs of slowing down or stagnating.

Having achieved a market leading position in office property, we will continue to develop the best locations in Gothenburg. The challenges here involve moving towards standardisation/conceptualisation of office space, thereby cutting lead times for letting vacant premises. We became aware of some stagnation in the rental market in 2018, with lower letting volumes compared with the previous year, but letting levels nonetheless remained good and vacancy rates were low. The outlook for the office sector and our prospects in 2019 remains very good.



P-G Persson
CEO

NEW VISION

Our previous vision was formulated when today's Platzer Fastigheter was established in 2008. The previous vision stated: "Platzer aims to be the leading property company in commercial premises in the Gothenburg area", which was a challenge ten years ago, but in many respects we have now achieved this ambition. The company and business have evolved and we are currently active within property management, transactions and property, project and urban development.

People today are increasingly driven by values and the search for a higher purpose. We therefore want to clarify what it is we are striving towards and how we want to contribute to the development of Gothenburg.

We aim to make Gothenburg the best city in Europe to work in.

What does this vision entail?

We want to be based in and carry on business in Gothenburg

To clarify, Gothenburg refers to the entire Gothenburg region. This is where we come from and this is where we carry on business. We want to be a major and significant player in this region. We take a long-term approach and aim to shoulder our responsibility as owner because we are proud of and love our city.

We want to drive development

We like to see Gothenburg grow and develop. But we want this expansion to be done well. We are therefore taking on a lot of the responsibility for driving development in the right direction.

Being the best in Europe

We want to have a clear, inspiring goal to strive towards. Sweden is too small. Gothenburg is in competition with cities in Europe. We are striving to encourage global companies to locate their operations in Gothenburg.

We want to grow

A major company is able to achieve more than a small one. The Gothenburg region will grow rapidly in the next years. And this is what Platzer is also aiming to do. We want to grow alongside Gothenburg.

We want to create workplaces

Our vision makes clear that we focus on commercial property. But we need to take a holistic view. Gothenburg should be a city that focuses on the happiness and wellbeing of its residents. It should be a sustainable city where you can grow up to live a healthy, safe and enriching life. It should attract talent, skills and flourishing companies from all over the world. This is something we can have a say in. And we will make sure we do.

We want to have good relationships

We are not only looking out for ourselves. We want the best for Gothenburg because it is a vision that others can share. Customers. Municipalities. Subcontractors. Architectural practices. Multimedia. All Gothenburg residents. Even our competitors.

ON COURSE FOR 100% GREEN FINANCE

Platzer issued its fifth green bond in 2018. In addition, the company has a large number of green loans. In total, approximately 28% of our interest-bearing debt comprises green finance.

In the past year, environmental and climate issues have increasingly taken centre stage in public debate. A hot summer with extensive forest fires in many places around the globe brought the issue of human impact on global warming into sharp focus. This has repercussions for investments. If we are to achieve the global goals by 2030, annual investments of between USD 5 billion and USD 7 billion are required, according to the UN development programme UNDP.

The need for green investments has opened up a new niche in the capital markets. Today, all banks and insurance companies offer green alternatives for pension investments. This, in turn, creates finance opportunities for companies and other stakeholders who meet green investment requirements.

Platzer well positioned

For a long time, Platzer's stated goal has been to obtain environmental certification for all its properties. Today, we are very close to achieving this goal. We are the only major listed property company to be in this position. This means we are well placed to act on rising demand for green investment.

Green bonds

The form of green finance that has been around the longest and is the most established in the market is green bonds. These have been used for more than ten years to finance major environmental projects involving public transport, wind farms or water purification upgrades.

In 2013, the City of Gothenburg became the first municipality in the world to issue a green bond. Since then, the city has been very successful in attracting green finance.

Our fifth green bond

We launched our fifth green bond in the fourth quarter. The issue comprised bonds worth SEK 324 million at a 3-month variable rate and with a maturity of two years. This means we now have outstanding green bonds worth SEK 1,437 million.

All our bonds have been issued through Svensk Fastighetsfinansiering AB (SFF), which we own together with Catena AB, Diös Fastigheter AB, Fabege AB and Wihlborgs Fastigheter AB. The bonds are listed on Nasdaq Sustainable Bonds List.



Green loans

In recent years, bonds have been supplemented with an increasingly broader range of green loans. Most banks now offer some kind of green loans.

The requirements for being able to issue a green bond or obtain a green loan are linked to environmental certification of the properties requiring finance. Usually the properties qualified for loans need more than the lowest level of environmental certification within each certification to qualify for a loan. For example, the minimum required level within the Miljöbyggnad scheme is Silver. Greenhouse gas emissions are particularly important.

Because most of our properties are environmentally certified, we have been able to increase our proportion of green loans in recent years. In all, around 28 per cent of our outstanding debt comprises green bonds and loans. In addition, we have obtained two green construction loans for Gårda Vesta and Kineum which once utilised will increase the proportion of green loans in step with completion of the projects.

In the long term, we expect all our financing to be green whenever possible. At the current rate of turnover of the debt portfolio, this will take place in 2-3 years.



COMMENTS JAN-DEC 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.

Results

Income from property management amounted to SEK 522 million (486), corresponding to an increase of 7%. This figure does not include changes in value attributable to associates of SEK 9 million (22). Income from property management per share amounted to SEK 4.36 (4.06). Changes in the value of properties in 2018 amounted to SEK 1,311 million (1,214), while net changes in the value of financial instruments totalled SEK -7 million (54). Profit after tax for the period amounted to SEK 1,511 million (1,393), corresponding to an improvement of 8%, most of which was attributable to the increase in the value of properties.

Rental income

Rental income for the year amounted to SEK 1,044 million (995), up by 5%. The increase was due to renegotiated rents, implemented property transactions and an index-linked increase for the year. As at 31 December 2018, annualised rental income from existing leases was estimated at SEK 1,083 million (1,044). The economic occupancy rate for the period was 95% (95).

Property costs

Property costs for the year amounted to SEK -263 million (-268). Property costs in 2018 were lower than in the previous year, primarily due to the fact that the costs of corrective maintenance were lower. 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 781 million (727), corresponding to an increase of 7%. The surplus ratio was 75% (73). The investment yield for the properties was 4.7% (5.0).

Central administration

Central administration costs for the year amounted to SEK -50 million (-46). The increase was primarily attributable to an increase in the workforce, which numbered 78 at year-end, up from 69 as at 31 December 2017. The share incentive scheme, which ended in the second quarter of 2018, weighed down the result for the period by SEK -2 million (-2).

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 5 million (22).

Net financial income/expense

Net financial expense for the period amounted to SEK -205 million (-195). Borrowings increased by SEK 1.4 billion compared with the previous year. The loans were used to finance ongoing projects and net acquisitions and resulted in slightly higher interest costs. At the end of the reporting period, the average interest rate, including the effect of derivative instruments entered into in the previous year, was 1.71% (2.16). The derivatives portfolio was restructured in December, resulting in the realisation of a loss of SEK 239 million and reducing the average interest rate by around 0.6 percentage points.

Tax

Tax expense for the reporting period amounted to SEK -324 million (-383), of which SEK -315 million (SEK -327) comprised deferred tax, while current tax amounted to SEK -9 million (-56), SEK 3 million of which was attributable to current tax for the previous year. Property disposals which give rise to realised capital gains/losses are normally conducted as company divestments. In June 2018, the Swedish Parliament passed a decision on "New taxation regulations for the corporate sector", which include limits on 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% with effect from 2019 and to 20.6% from 2021. The law will apply from 1 January 2019 and 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, with effect from second quarter in the current financial year, be calculated using the tax rate 20.6%, which will have a positive effect on tax for the period of around SEK 54 million.

Cash flow

Cash flow from operating activities for 2018 amounted to SEK 543 million (428). Income tax paid amounted to SEK 55 million, of which SEK 17 million comprised monetary settlement of previous years' taxes.

Investments in existing properties totalled SEK 723 million (526), acquisitions amounted to SEK 1,031 million (412) and disposals amounted to SEK

236 million (208). Cash flow from disposals included the down payment of SEK 6 million (97) received in connection with the sale of future residential building rights in Södra Änggården. Cash flow for the period amounted to SEK 214 million (9). Cash and cash equivalents totalled SEK 355 million (141) as at the balance sheet date. In addition to cash and cash equivalents, as at 31 December 2018 the company had unutilised credit facilities and overdraft facilities of SEK 1,805 million, SEK 1,705 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 18,388 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 few sample properties that form a cross section of the property portfolio. In 2018, the external valuation covered around 40% of the portfolio at 31 December 2018 and resulted in a value that was 0.5 %, or SEK 42 million, exceeded the internal valuation. The investment properties are valued within level 3 in the IFRS 13 fair value hierarchy.

The internal property valuation for 2018 showed a change in the value of investment properties of SEK 1,311 million (1,214). Around 35% of the change in value was attributable to property and project development. Approximately 25% was due to lower required yields in the market, while 40% of the change in value was attributable to rising market rents and newly signed leases and renegotiated leases. Because each property is valued separately, the premium that sometime occurs at portfolio level in the property market has been disregarded. The average required yield in the valuation at year-end was 5.2%, compared with 5.4% as at 31 December in 2018 and this was linked to lower market yields.

At the turn of the month September/October we completed the acquisition of the properties Gårda 18:23 and Gårda 18:24. The properties were acquired from Vasakronan at an underlying property value of SEK 1,068 million.

The property Älvsborg 178:9 was sold in the second quarter through a company divestment. The transaction resulted in a gain of 22%, which has been successively recognised as unrealised gains from the third quarter of 2017.

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 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. Presently, this is expected to take place at year-end 2019. The transaction will be implemented in three stages, with the first completion expected in 2020. The received down payment of a total of SEK 103 million, SEK 6 million of which was received in the first quarter of 2018, 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 through profit or loss, 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 723 million (526), with the largest single investment involving the new build project Gårda Vesta (Gårda 2:12).

Equity

Consolidated equity on the reporting date totalled SEK 7,288 million (5,962) following the 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 60.34 (49.36), while the long-term net asset value (EPRA NAV) was SEK 69.54 (58.39).

Debt financing and changes in the value of derivatives

As at the reporting date, interest-bearing liabilities amounted to SEK 9,818 million (8,392), which corresponded to a loan-to-value ratio of 53% (54). Current interest-bearing liabilities refer to loans that will be renegotiated within the next twelve months. Debt financing primarily comprises bank loans secured against mortgages.

In addition, Platzer is borrowing SEK 1,437 million through five 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 600 million. The average fixed interest term, including the effect of signed derivatives contracts, was 4.1 years (3.2) as at 31 December 2018, excluding agreements with forward start dates of 3.7 years (2.9). The average loan term was 2.2 years (1.6).

In order to achieve the desired fixed interest rate structure the company uses derivatives in the form of interest rate swaps, which are recognised at fair value in the balance sheet, while gains/losses are recognised in the income statement without applying hedge accounting. Platzer has signed derivatives contracts totalling SEK 5,120 million, of which SEK 350 million (800) are swaps with forward start dates.

The derivatives portfolio was restructured in December, resulting in the realisation of a deficit of SEK 239 million. This was implemented in order to lower the average interest rate in the debt portfolio and to achieve a more even distribution of future interest payments. The market value as at 31 December 2018 was negative by SEK 26 million, which corresponded to a change in value of SEK 12 million for the year. Only realised changes in value 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 78 employees (69) at the end of the reporting period.

Platzer's property portfolio is organised into two market segments with responsibility for daily operation and property management, 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.

Fourth quarter

Rental income in the fourth quarter amounted to SEK 276 million (251), an increase of 10%. The operating surplus for the same period increased to SEK 206 million (173), an increase of 19%. Income from property management, excluding share in profit of associates, amounted to SEK 139 million (107), up by 30%. Changes in the value of properties amounted to SEK 588 million (841), while changes in the value of financial instruments totalled SEK -31 million (1).

On 30 September, we completed the acquisition of two properties in Gårda comprising a total of 22,400 sq. m. of office space from Vasakronan. In October, NCC completed the acquisition of 50% of the company that owns the property where Kineum will be built.

In December, we restructured the derivatives portfolio and the resulting realisation of a deficit had a negative impact on cash flow of SEK 239 million.

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 established procedures for property valuations are among the methods used by Platzer to manage and reduce risks. The main risks and uncertainty factors affecting 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 related party transactions 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 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 did 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, whose 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 the will to 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 impact on our financial statements because the ground rent for 2018 amounted to less than SEK 1 million.

Significant events after the end of the reporting period

No significant events have taken place after the turn of the year.

Proposed dividend

The Board of Directors proposes to the Annual General Meeting that a dividend of SEK 1.70 per share be paid (1.50).

Gothenburg, 8 February 2019

Platzer Fastigheter Holding AB (publ)

P-G Persson, CEO

This year-end report has not been reviewed by the company's auditors.

CONSOLIDATED INCOME STATEMENT

CONDENSED

| SEK million | 2018 Oct-Dec | 2017 Oct-Dec | 2018 Jan-Dec | 2017 Jan-Dec |
|---------------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|
| Rental income | 276 | 251 | 1,044 | 995 |
| Property costs | - 70 | -78 | - 263 | - 268 |
| Operating surplus | 206 | 173 | 781 | 727 |
| Central administration | - 15 | -17 | - 50 | - 46 |
| Share of profit of associates | 5 | 22 | 5 | 22 |
| Net financial income/expense | - 51 | -49 | - 205 | - 195 |
| Income from property management (including associates) | 144 | 129 | 531 | 508 |
| Change in value, investment properties | 588 | 841 | 1,311 | 1,214 |
| Change in value, financial instruments | - 49 | 1 | -7 | 54 |
| Profit before tax | 683 | 971 | 1,835 | 1,776 |
| Tax on profit for the period | - 135 | -211 | - 324 | - 383 |
| Profit for the period ¹⁾ | 548 | 760 | 1,511 | 1,393 |
| Profit for the period attributable to: | | | | |
| Parent company's shareholders | 543 | 755 | 1,503 | 1,381 |
| Non-controlling interests ²⁾ | 6 | 5 | 8 | 12 |
| Earnings per share ³⁾ | 2.30 | 6.31 | 12.55 | 11.54 |

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⁾ Refers to minority interest in jointly owned companies where Platzer holds the controlling interest.

³⁾ There is no dilution effect, as there are no potential shares.

CONSOLIDATED BALANCE SHEET

CONDENSED

| SEK million | 31 Dec 2018 | 31 Dec 2017 |
|------------------------------------------|---------------|---------------|
| Assets | | |
| Investment properties | 18,388 | 15,559 |
| Other non-current assets | 14 | 10 |
| Non-current financial assets | 144 | 117 |
| Current assets | 115 | 109 |
| Cash and cash equivalents | 355 | 141 |
| Total assets | 19,016 | 15,936 |
| Equity and liabilities | | |
| Equity | 7,288 | 5,962 |
| Deferred tax liability | 1,122 | 815 |
| Non-current interest-bearing liabilities | 5,762 | 4,520 |
| Other non-current liabilities | 355 | 354 |
| Current interest-bearing liabilities | 4,055 | 3,871 |
| Other current liabilities | 434 | 414 |
| Total equity and liabilities | 19,016 | 15,936 |

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

CONDENSED

| SEK million | 2018 Jan-Dec | 2017 Jan-Dec |
|-----------------------------------------------------------------|-----------------|-----------------|
| Equity attributable to the Parent Company's shareholders | | |
| At the beginning of the period | 5,907 | 4,656 |
| Reversal, share incentive plan | 1 | 2 |
| Adjustment of issue costs* | -2 | - |
| Comprehensive income for the period | 1,504 | 1,381 |
| Dividend | -180 | -132 |
| At the end of the period | 7,230 | 5,907 |
| Equity attributable to non-controlling interests | | |
| At the beginning of the period | 55 | 47 |
| Withdrawals | -4 | -4 |
| Comprehensive income for the period | 8 | 12 |
| At the end of the period | 59 | 55 |
| Total equity | 7,288 | 5,962 |

*) Refers to issue costs from 2016.

CHANGE IN THE VALUE OF PROPERTIES

| SEK million | 2018 Jan-Dec | 2017 Jan-Dec |
|---------------------------------------------|-----------------|-----------------|
| Value of properties, opening balance | 15,559 | 13,615 |
| Investments in existing properties | 723 | 526 |
| Property acquisitions | 1,031 | 412 |
| Property disposals | -236 | -208 |
| Changes in value | 1,311 | 1,214 |
| Value of properties, closing balance | 18,388 | 15,559 |

CONSOLIDATED CASH FLOW STATEMENT

CONDENSED

| SEK million | 2018 Oct-Dec | 2017 Oct-Dec | 2018 Jan-Dec | 2017 Jan-Dec |
|------------------------------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|
| Operating activities | | | | |
| Operating surplus | 206 | 173 | 781 | 727 |
| Central administration | -17 | -17 | -48 | -42 |
| Net financial income/expense | -50 | -49 | -205 | -195 |
| Income tax | -10 | -9 | -55 | -26 |
| Cash flow from operating activities before changes in working capital | 129 | 98 | 473 | 464 |
| Change in current receivables | -43 | -14 | -6 | -43 |
| Change in current liabilities | 91 | 8 | 76 | 7 |
| Cash flow from operating activities | 177 | 92 | 543 | 428 |
| Investing activities | | | | |
| Investments in existing investment properties | -230 | -183 | -708 | -526 |
| Acquisitions of investment properties | - | -36 | -1,031 | -412 |
| Disposals of investment properties | - | 39 | 214 | 305 |
| Disposal/acquisition of shares in companies | 224 | -33 | 224 | -33 |
| Other investments | - | -5 | -7 | -6 |
| Cash flow from investing activities | -6 | -218 | -1,308 | -672 |
| Financing activities | | | | |
| Change in interest-bearing liabilities | 301 | 163 | 1,426 | 402 |
| Changes in non-current receivables | -16 | -17 | -21 | -17 |
| Dividend | 1 | - | -180 | -132 |
| Changes in non-current liabilities | -246 | 0 | -246 | 0 |
| Cash flow from financing activities | 40 | 146 | 980 | 253 |
| Cash flow for the period | 210 | 20 | 214 | 9 |
| Cash and cash equivalents at the beginning of the period | 145 | 121 | 141 | 132 |
| Cash and cash equivalents at the end of the period | 355 | 141 | 355 | 141 |

The Group has an unutilised overdraft facility of SEK 100 million (50) and unutilised construction loans of SEK 1,705 million (0), as well as credit facilities of SEK 0 million (584).

INCOME STATEMENT, PARENT COMPANY

CONDENSED

| SEK million | 2018 Jan-Dec | 2017 Jan-Dec |
|---------------------------------------------|-----------------|-----------------|
| Net sales | 16 | 14 |
| Operating expenses | -15 | -18 |
| Net financial income/expense | -100 | -93 |
| Change in value, financial instruments | 12 | 54 |
| Profit before tax and appropriations | -88 | -43 |
| Appropriations | 337 | 350 |
| Tax | -55 | -68 |
| Profit for the period ¹⁾ | 194 | 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 | 31 Dec 2018 | 31 Dec 2017 |
|-----------------------------------------------------------------------------|--------------|--------------|
| Assets | | |
| Participations in Group companies | 1,877 | 1,844 |
| Other non-current financial assets (primarily financing of Group companies) | 2,413 | 2,773 |
| Receivables from Group companies | 1,086 | 1,350 |
| Other current assets | 40 | 19 |
| Cash and cash equivalents | 6 | 35 |
| Total assets | 5,422 | 6,021 |
| Equity and liabilities | | |
| Equity | 2,665 | 2,652 |
| Untaxed reserves | 50 | 50 |
| Non-current liabilities | 768 | 1,265 |
| Current liabilities | 1,939 | 2,054 |
| Total equity and liabilities | 5,422 | 6,021 |

CONSOLIDATED KEY PERFORMANCE INDICATORS

| | 2018 Jan-Dec | 2017 Jan-Dec |
|------------------------------------|-----------------|-----------------|
| Financial | | |
| Debt/equity ratio (multiple) | 1.3 | 1.4 |
| Interest coverage ratio (multiple) | 3.6 | 3.5 |
| Loan-to-value ratio, % | 53 | 54 |
| Equity/assets ratio, % | 38 | 37 |
| Return on equity, % | 23 | 26 |
| Property-related | | |
| Investment yield, % | 4.7 | 5.0 |
| Surplus ratio, % | 75 | 73 |
| Economic occupancy rate, % | 95 | 95 |
| Rental value, SEK/sq. m. | 1,378 | 1,326 |
| Lettable area, sq. m. (thousand) | 821 | 805 |

For definitions and calculations of Key Performance Indicators, please see pages 30-31.

REPORTING BY SEGMENT JAN-DEC

| | 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 | 419 | 386 | 80 | 89 | 523 | 493 | 22 | 27 | 1,044 | 995 |
| Property costs | -93 | -90 | -18 | -21 | -142 | -144 | -10 | -13 | -263 | -268 |
| Operating surplus | 326 | 296 | 62 | 68 | 381 | 349 | 12 | 14 | 781 | 727 |
| Investment proper- ties, fair value | 9,131 | 7,155 | 946 | 1,112 | 7,224 | 6,096 | 1,087 | 1,196 | 18,388 | 15,559 |
| Of which invest- ments/acquisitions/ disposals/changes in value over the year | 1,977 | 529 | -166 | 8 | 530 | 908 | 488 | 500 | 2,829 | 1,944 |

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 781 million (727) and profit before tax of SEK 1,835 million (1,776) consists of central administra-

tive costs of SEK -50 million (-46), net financial expense, including share of profit/loss of associates, of SEK -200 million (-173) and changes in the value of property and derivatives of SEK 1,304 million (1,268).

INTEREST-BEARING LIABILITIES

| Year | Interest maturity | | Loan maturity | |
|--------------|-----------------------------|---------------------------|-------------------------------|--------------------|
| | Loan amount, SEK million | Average interest, % | Credit agree- ments, SEK m | Utilised, SEK m |
| 2019 | 5,048 | 1.19 | 4,155 | 4,055 |
| 2020 | 500 | 1.76 | 2,864 | 2,864 |
| 2021 | | | 1,612 | 1,612 |
| 2022 | | | 274 | 274 |
| 2023 | 300 | 2.11 | 380 | 380 |
| 2024 | 300 | 2.07 | | |
| 2025 | 520 | 2.14 | | |
| 2026 | 850 | 2.26 | | |
| 2027 | 920 | 2.36 | | |
| 2028 | 1,380 | 2.52 | 634 | 634 |
| Total | 9,818 | 1.71 | 9,918 | 9,818 |

Pledged assets as at 31 December 2018 amounted to SEK 7,672 million (SEK 6,445).
Contingent liabilities as at 31 December 2018 amounted to SEK 8 million (8).

QUARTERLY SUMMARY

| SEK million | 2018 | | | | 2017 | | | |
|-----------------------------------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 |
| Rental income | 276 | 255 | 254 | 259 | 251 | 247 | 246 | 251 |
| Property costs | -70 | -59 | -62 | -72 | -78 | -60 | -65 | -65 |
| Operating surplus | 206 | 196 | 192 | 187 | 173 | 187 | 181 | 186 |
| Central administration | -15 | -8 | -13 | -14 | -17 | -8 | -9 | -12 |
| Share of profit of associates | 5 | 1 | 1 | 0 | 22 | 0 | 0 | 0 |
| Net financial income/expense | -51 | -52 | -52 | -50 | -49 | -49 | -49 | -48 |
| Income from property management (incl. associates) | 144 | 137 | 128 | 123 | 129 | 130 | 123 | 126 |
| Change in value, investment properties | 588 | 219 | 155 | 349 | 841 | 113 | 122 | 138 |
| Change in value, financial instruments | -49 | 46 | -10 | 6 | 1 | 10 | 30 | 13 |
| Profit before tax | 683 | 402 | 273 | 478 | 971 | 253 | 275 | 277 |
| Tax on profit for the period | -135 | -87 | 3 | -105 | -211 | -52 | -61 | -59 |
| Profit for the period | 548 | 315 | 276 | 373 | 760 | 201 | 214 | 218 |
| Investment properties | 18,388 | 17,570 | 16,118 | 16,015 | 15,559 | 14,533 | 13,972 | 13,730 |
| Investment yield, % | 4.8 | 4.7 | 4.8 | 4.7 | 4.6 | 5.2 | 5.2 | 5.4 |
| Surplus ratio, % | 75 | 77 | 76 | 72 | 69 | 76 | 74 | 74 |
| Economic occupancy rate, % | 95 | 94 | 95 | 95 | 97 | 94 | 94 | 96 |
| Return on equity, % | 12.9 | 9.8 | 8.1 | 10.8 | 18.8 | 9.8 | 10.2 | 10.6 |
| Equity per share, SEK | 60.34 | 55.81 | 53.21 | 52.47 | 49.36 | 43.04 | 41.41 | 40.72 |
| Long-term net asset value (EPRA NAV) per share, SEK | 69.54 | 65.71 | 62.85 | 62.22 | 58.39 | 50.70 | 48.78 | 47.87 |
| Share price, SEK | 59.50 | 62.30 | 58.50 | 52.40 | 52.00 | 50.75 | 51.25 | 43.70 |
| Earnings after tax per share, SEK | 10.11 | 2.63 | 2.30 | 3.11 | 6.31 | 1.63 | 1.79 | 1.81 |
| Cash flow from operating activities per share, SEK | 1.47 | 1.85 | 0.61 | 0.60 | 0.77 | 1.19 | 0.54 | 1.08 |

RENTAL AND PROPERTY MARKET IN GOTHENBURG

Despite some external uncertainties, including Brexit, the tense relationship between the USA and China and the interest rate increase by the Swedish central bank Riksbank, the Swedish economy performed reasonably well in 2018. Preliminary estimates show an increase in GDP of just over 2% in 2018. The economic boom in the Gothenburg region continued in 2018, although it slowed down slightly during the autumn.

In the longer term, the Gothenburg region is predicted to continue to see strong growth – primarily thanks to major public investment in infrastructure and continued urbanisation. In turn, this contributes to a good rental and property market. Gothenburg is currently in the midst of its most expansive period for the last 50 years.

In December, the Riksbank raised the key rate for the first time since 2011, up from -0.50% to -0.25%. The central bank also predicted that the next increase will take place in the second half of 2019. However, access to capital, and also the willingness to invest, particularly among foreign investors, are expected to remain good.

Rental market

The vacancy rate in Gothenburg remains at historically low levels, falling slightly in the fourth quarter of 2018 from 4.5% to 3.6%. In the more peripheral areas of Gothenburg, such as East and West Gothenburg and Mölndal, vacancy rates declined. At the same time, vacancy rates increased in more central parts of Gothenburg and in Norra Älvstranden.

Lettings volume in the office market in the year to end-December 2018 amounted to 80,400 sq. m., compared with 141,900 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 Gothenburg were more or less unchanged in 2018. Rent levels did rise slightly in the areas CBD (Central Business District) 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. Together with continued low supply of modern office space in good locations, this means the conditions are good for a positive rental market in 2019.

Property market

The last quarter of 2018 was also the strongest quarter in terms of transaction volume, with properties worth SEK 5.4 billion changing hands in the Gothenburg region. Total transaction volume in 2018 amounted to around SEK 11.3 billion, compared with approximately SEK 14.7 billion in the previous year. The proportion of foreign investors in the Swedish market grew in 2018. However, the most active players in the transactions market in Gothenburg in 2018 were local investors, and major transactions included Bygg-Göta's acquisition of ÄF-huset, Platzer's acquisition of two properties in Gårda and Castellum's acquisition of industrial and logistics building rights in Säve.

Demand for office space in central locations and modern logistics properties with secure cash flows remained high. This continued to push down required investment yields for this type of property in 2018. The biggest readjustment in the office segment was seen in the sub-segment "City Centre excl. CBD", where the required yield fell by approximately 0.50%. Required yields are expected to remain at the present low levels in 2019.

Sources: Riksbanken, BRG, JLL, Newsec and Datscha

Office space data by geographical area

| Area | Prime Rent, SEK/sq m/year | | Prime yield, % | |
|---------------------------------|---------------------------|---------|----------------|---------|
| | Q4 2018 | Q4 2017 | Q4 2018 | Q4 2017 |
| Central Business District (CBD) | 3,400 | 3,200 | 4.00 | 4.00 |
| City centre excl. CBD | 2,600 | 2,600 | 4.25 | 4.75 |
| Norra Älvstranden | 2,700 | 2,600 | 4.25 | 4.50 |
| Hisingen, other | 2,000 | 2,000 | 5.50 | 5.50 |
| Mölndal | 2,000 | 2,000 | 5.75 | 6.00 |
| West Gothenburg | 1,200 | 1,200 | 6.50 | 6.75 |
| East Gothenburg | 2,500 | 2,500 | 5.00 | 6.00 |

| Area | Vacancy rate | | Change in percentage points 2017-2018 |
|---------------------------------|--------------|-------------|------------------------------------------|
| | Q4 2018, % | Q4 2017, % | |
| Central Business District (CBD) | 2.50 | 2.10 | 0.40 |
| City centre excl. CBD | 2.50 | 3.20 | -0.70 |
| Norra Älvstranden | 1.60 | 0.80 | 0.80 |
| Hisingen, other | 5.90 | 5.90 | 0.00 |
| Mölndal | 8.70 | 11.20 | -2.50 |
| West Gothenburg | 7.90 | 19.80 | -11.90 |
| East Gothenburg | 3.90 | 7.10 | -3.20 |
| Total | 3.60 | 5.30 | -1.70 |

Source: JLL



LETTING AND PROPERTY MANAGEMENT

We own and develop commercial properties in the Gothenburg area. The properties are divided into three geographical areas: Central Gothenburg (Centre, Gårda, Almedal and Gullbergsvass), South/West Gothenburg (Högsbo and Mölndal) and North/East Gothenburg (Backaplan, Gamlestaden, Lindholmen, Mölnlycke, Arendal and Torslanda). We aim to be the leading player in all prioritised areas through profitable growth. Currently, we are the leading player in Arendal, Gullbergsvass, Gårda, Gamlestaden and Högsbo.

Property portfolio

As at 31 December 2018, the property portfolio comprised a total of 69 properties, including 23 project properties, with a fair value of SEK 18,388 million. In addition, we have a jointly owned property that is accounted for as an associate. In the fourth quarter 2018 we sold 50% of the property Gårda 16:17 to NCC. Once the property has been developed, we will buy back NCC's share. Because of that, the property will be recognised as an investment property.

Total lettable area at the turn of the year amounted to 820,552 sq. m., distributed as follows: offices 54%, retail 2%, industrial/warehouses 29% and other 15%. The economic occupancy rate in the period was 95% (95).

Rent development

Platzer has 789 lease agreements for non-residential premises generating total rental income of SEK 1,083 million. The 20 largest lease agreements accounted for 32% of rental value, leases with the largest tenant accounting for 11% of rental value. The main 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.

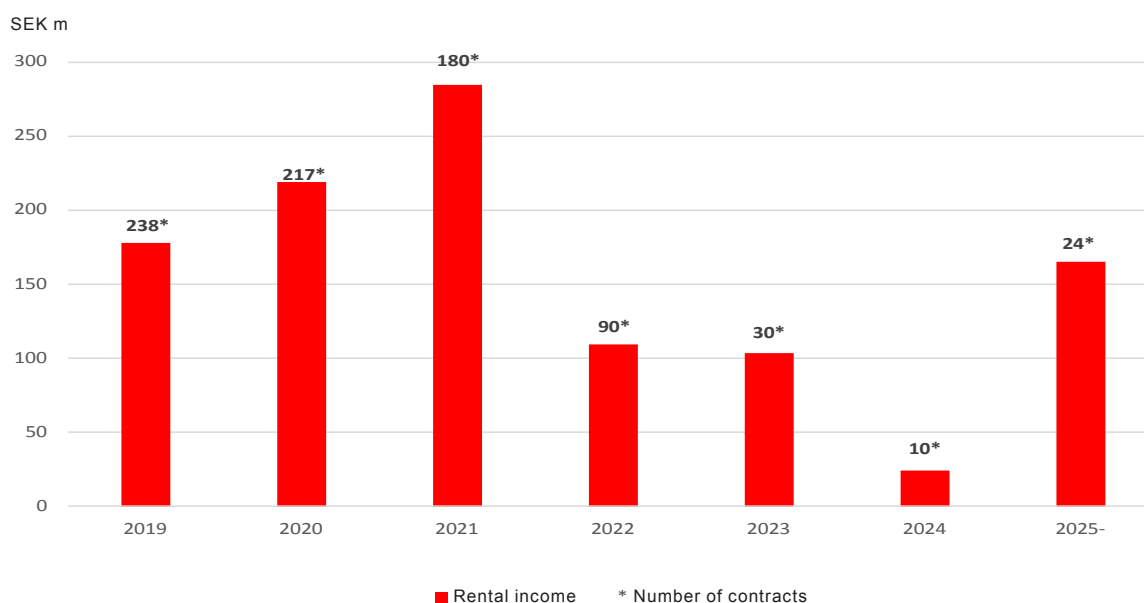
The average remaining term was 42 months. In addition, we concluded lease agreements for new build and refurbishment projects with occupancy in 2019-2022.

Net letting

Net letting of investment and project properties in 2018 totalled SEK 56 million (71).

No new leases for project properties were signed in the fourth quarter. Instead, we intentionally continued to empty some properties, which involved lease terminations of SEK -1 million.

Contract structure per year of maturity



EARNING CAPACITY

| | Number of proper- ties | Lettable area, sq. m. | Fair value, SEK million | Rental value, SEK million | Economic occupancy rate, % | Rental in- come, SEK million | Operating surplus, SEK million | Sur- plus ratio, % |
|------------------------------------|------------------------------|-----------------------------|----------------------------------|------------------------------------|----------------------------------|------------------------------------------|-----------------------------------------|-----------------------------|
| Central Business District (CBD) | 7 | 68,767 | 3,383 | 168 | 98 | 164 | 127 | 77 |
| Other Inner City | 17 | 162,146 | 5,748 | 331 | 94 | 310 | 241 | 78 |
| Central Gothenburg | 24 | 230,913 | 9,131 | 499 | 95 | 474 | 368 | 78 |
| East Gothenburg | 5 | 121,241 | 2,279 | 173 | 88 | 152 | 111 | 73 |
| Norra Älvstranden/Backaplan | 6 | 46,633 | 1,647 | 105 | 100 | 105 | 79 | 75 |
| Hisingen, other | 4 | 333,856 | 3,298 | 316 | 95 | 300 | 214 | 71 |
| North/East Gothenburg | 15 | 501,730 | 7,224 | 594 | 94 | 557 | 404 | 73 |
| West Gothenburg | 3 | 17,549 | 223 | 21 | 95 | 20 | 14 | 68 |
| Mölndal | 4 | 28,975 | 723 | 55 | 100 | 55 | 44 | 81 |
| South/West Gothenburg | 7 | 46,524 | 946 | 76 | 99 | 75 | 58 | 77 |
| Total investment properties | 46 | 779,167 | 17,301 | 1,169 | 95 | 1,106 | 830 | 75 |
| Project properties | 23 | 42,985 | 1,087 | 26 | 85 | 22 | 13 | |
| Total Platzer | 69 | 822,152 | 18,388 | 1,195 | 94 | 1,128 | 843 | 75 |

The summary comprises the property portfolio as at 31 December 2018 and provides a snapshot of the company's earning capacity. It is not a forecast.

In 2018, we decided to review our income by district and to report income from our properties across several more districts. The new segmentation is in line with the geographic 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 geographic location in Gothenburg. Project properties include all our properties in Södra Änggården, where we are working on a new detailed development plan, which is expected to become legally binding 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. In the first half of 2019, an additional 1,600 sq. m. with an upward extension of new office space to Gullbergsvass 5:10. This area has been added to the CBD district but has not been entered under the property

in the real estate inventory. 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 15 million.

Lease agreements for later occupancy 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. In addition to the table, the company has signed leases for ongoing new build projects worth SEK 102 million in annual rent, as well as leases for investment properties worth SEK 10 million in annual rent and with occupancy in 2020.

The operating surplus shows the properties' earning potential on an annual basis, defined as contracted rental income as at 1 January 2019. Deductions are made for estimated property costs including property administrative activities for a normal year over a rolling 12-month period. Earning capacity provides a snapshot of the present situation and is not an assessment of changes in vacancy rates or leases.

PROPERTY TRANSACTIONS

Acquisitions

In the third quarter, we concluded an agreement with Vasakronan on the acquisition of two office properties in Gårda comprising a total of 22,400 sq. m. The properties were acquired as a company and the underlying property value was SEK 1,068 million. Completion took place on 28 September 2018.

Disposals

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

In 2017, we 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 the building rights, not including detailed development plan risks, will take place when the detailed development plan has become legally binding.

In the second quarter, we 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.

In connection with the detailed development plan for our project Kineum in Gårda becoming legally binding, NCC Property Development acquired 50% of the company that owns the property for half the underlying property value, or around SEK 300 million, with an additional purchase consideration of around SEK 45 million due on completed development. The project currently comprises an existing building of around 16,000 square metres and a projected future right to develop around 26,000 square metre of office space in an attractive location by Ullevimotet.



Platzer and NCC are set to start construction on the office and hotel project Kineum in Gårda (the high rise building in the middle of the picture) as the detailed development plan has become legally binding.

DEVELOPMENT PROJECTS

Platzer develops both individual properties and entire districts of mixed-use development. Our current major development projects comprise a total of 55,000 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.

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 1,600 sq. m. of new office space. Former tenant Plusgymnasiet vacated the premises in 2018, enabling us to also take over the ground floor level. In the fourth quarter, we concluded an agreement to let 3,200 sq. m. to EVRY Sweden.

Project development

Gårda

Construction at Gårda Vesta is proceeding according to plan and the building, which will be one of Gothenburg's tallest office block, is starting to become visible to those travelling past the area and along the E6/E20. The building will have a total floor area of 27,000 sq. m., 15,000 sq. m. of which is let to the Swedish Tax Agency.

We have also begun groundworks and at Kineum, our other high rise project in Gårda, which is expected to be ready in 2022. Kineum will house hotel operations, offices and other business activities. In 2018, 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 is in line with our ambition to contribute to the development of the area and to make southern Gårda a more vibrant district at all hours of the day and night. During construction we will share ownership 50-50 with NCC.

Gullbergsvass

The area between Gothenburg central railway station and the river is undergoing rapid change. A lower design for the Hisingsbro bridge and an underpass for the E45 will create space for development. The inner city is expanding towards the river and an attractive area close to the water, within walking distance of the central railway station and featuring mixed-use development such as housing, offices and services, is taking shape. 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.

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.

Gamlestaden

Gamlestads torg has now been completed and has been transferred to the investment property portfolio.

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. On the basis of the feedback received, the City Planning Department decided to divide up the detailed development plan in order to keep up the speed of the process. The plan will be sent out for a further consultation and is expected to be approved in 2019. Demolition and site preparation 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) was opened in August 2018. A detailed development plan is being prepared for the adjacent property Gamlestadens Fabriker (Olskroken 18:7). 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 detailed development plan is being prepared by the City of Gothenburg in collaboration with the property owners in the area. We own properties estimated at around 60,000 - 90,000 sq. m. of gross floor area (GFA) in Backaplan.

Torslanda/Arendal

Torslanda/Arendal is one of the best logistics locations in Sweden. We currently own 787,000 sq. m. of land in Torslanda, including building rights for 180,000 sq. m. GFA for logistics and industry.



Laying the foundation stone at Gårda Vesta on 17 January 2019

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 | Fair value, SEK million | Rental value, SEK million ²⁾ | Occupancy rate, % | Completed |
|-------------------------|--------------------|---------------------------------------|---------------------------------|------------------------------------|----------------------------------------|-------------------------|-----------------------------------------|-------------------|-----------|
| Gullbergsvass 5:10 | Property Dev. | 11,400 | 1,600 | 539* | 132 | 602 | 41 | 65 | Q1 2020 |
| Gårda 2:12, Gårda Vesta | Project Dev. | | 27,000 | 1,050 | 750 | 424 | 75 | 56 | Q2 2021 |
| | Project Dev./ | | | | | | | | |
| Gårda 16:17, Kineum | Property Dev. | 16,000 | 26,000 | 1,880* | 1,150 | 735 | 125 | 81** | Q3 2022 |
| Total | | 27,400 | 54,600 | 3,469 | 2,032 | 1,761 | 241 | | |

Potential development projects

| Property | Type ¹⁾ | Type of property | New floor area (gross) sq. m. | Project phase | Potential construction start ³⁾ |
|-----------------------------------------------------------------------|--------------------|--------------------|-------------------------------|---------------------------|--------------------------------------------|
| | | | | detailed development plan | |
| Gårda 4:11, Källhuset | Project Dev. | offices | 2,000 | available | 2019 |
| | | | | detailed development plan | |
| Sörred 7:21 | Project Dev. | logistics/industry | 30,000 | available | 2019 |
| | | | | detailed development plan | |
| Syrhåla 3:1 | Project Dev. | logistics/industry | 60,000 | available | 2019 |
| | | | | detailed development plan | |
| Sörred 8:12 | Project Dev. | logistics/industry | 90,000 | available | 2019 |
| | Urban Dev./ | | | | |
| Olskroken 18:7, | Project Dev. | mixed use | | detailed development plan | |
| Gamlestadens Fabriker | /Property Dev. | development | 100 -120,000 | in progress | 2019 |
| Södra Änggården (multiple properties and multiple development phases) | Urban Dev./ | mixed use | approx. | detailed development plan | |
| | Project Dev. | development | 200,000 | in progress | 2019 |
| | Property Dev./ | mixed use | | detailed development plan | |
| Krokslätt 34:13 | Project Dev. | development | 10-15,000 | to commence 2019 | 2020/2021 |
| | | | | detailed development plan | |
| Skår 57:14, Almedals fabriker | Project Dev. | offices | 20,000 | in progress | 2019/2020 |
| | | mixed use | | detailed development plan | |
| Backaplan (multiple properties) | Project Dev. | development | 60-90,000 | in progress | 2022 |
| | | mixed use | | | |
| Bagaregården 17:26 | Project Dev. | development | 60,000 | planning decision taken | 2022 |
| | | | | detailed development plan | |
| Gullbergsvass *** | Project Dev. | offices/housing | 43,000 | available | 2023/2024 |
| Total | | | 675,000 - 730,000 | | |

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 | | | detailed development plan | |
| Merkurhuset building | Dev. | offices | 7,000 | available | 2019 |

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

**) Occupancy rate refers to the entire property.

***) 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 31 DECEMBER 2018

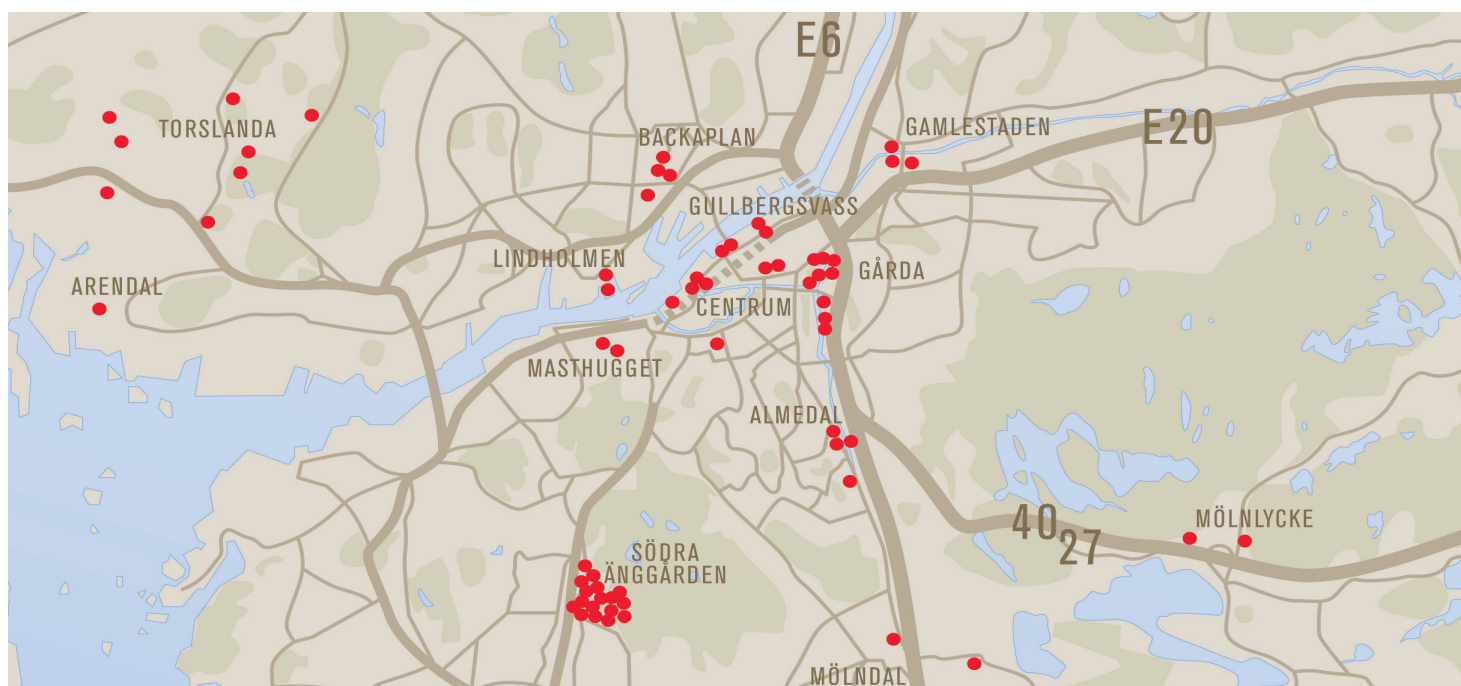
| Investment property | Area | Address | Year of construction | Lettable area, sq. m. | | | | Total |
|------------------------------------|---------------|------------------------------------|----------------------|-----------------------|---------------|---------------------------|---------------|----------------|
| | | | | Offices | Retail | Industrial/ ware-house | 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 | Gamlestadsv 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 |
| Hård disk 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 | Möln lycke | Företagsvägen 2 | 1991 | 1,678 | | 1,089 | 356 | 3,123 |
| Solsten 1:132 | Möln lycke | 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' | Högsbo | Gruvgatan 1 | | 4,400 | - |
| Högsbo 3:5' | Högsbo | Fältspatsgatan 14 | | 11,300 | - |
| Högsbo 3:11' | Högsbo | Fältspatsgatan 6 | 1964 | 6,000 | 8,243 |
| Högsbo 3:12' | Högsbo | Fältspatsgatan 2-4 | 1964 | 8,400 | 10,363 |
| Högsbo 3:13' | Högsbo | Fältspatsgatan 2 | | 3,100 | - |
| Högsbo 3:6' | Högsbo | Fältspatsgatan 8-12 | 1964 | 8,200 | 6,535 |
| Högsbo 3:9 | Högsbo | Olof Askunds gata 14 | 1971 | 4,700 | 4,333 |
| Högsbo 33:1 | Högsbo | Gruvgatan | | 5,500 | - |
| Högsbo 34:13' | Högsbo | Gruvgatan 2 | 1981 | 3,200 | 1,780 |
| Högsbo 39:1' | Högsbo | Ingela Gathenhielms gata 4 | | 8,200 | - |
| Högsbo 4:1' | Högsbo | Fältspatsgatan 1 / A Odhners gata 8 | 1965/1972 | 10,400 | 4,643 |
| Högsbo 4:4' | Högsbo | Fältspatsgatan 3 | 1962 | 10,300 | 6,388 |
| Högsbo 4:6' | Högsbo | A Odhners gata 14 | | 6,500 | - |
| Högsbo 757:118' | Högsbo | Fältspatsgatan | | 2,800 | - |
| Högsbo 757:121' | Högsbo | Fältspatsgatan | | 1,000 | - |
| Högsbo 757:122' | Högsbo | Fältspatsgatan | | 1,000 | - |
| Backen 2:18 | Mölnadal | Streteredsvägen 100 | | 6,900 | - |
| Syrhåla 2:3 | Torslanda | Hamneviksvägen | | 60,000 | - |
| Syrhåla 4:2 | Torslanda | Bulyckevägen 7 | | 172,000 | 700 |
| Sörred 7:21 | Torslanda | Hisingsleden | | 65,000 | - |
| Sörred 8:12 | Torslanda | Sörred Norra | | 254,000 | - |
| Sörred 7:25 | Torslanda | Sörredsrondden | | 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 31 December 2018 was SEK 59.50 per share, corresponding to a market capitalisation of SEK 7,129 million based on the number of outstanding shares. A total of 18.4 (15.2) million shares, worth a total of SEK 1,066 (735) million, changed hands during the year. Average daily turnover was around 74,000 (60,000) shares.

Share capital

Platzer's share capital as at the balance sheet date amounted to SEK 11,993,429, 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 (tax refers to 22% flat-rate tax).

The Board of Directors proposes to the Annual General Meeting that a dividend of SEK 1.70 per share be paid (1.50).

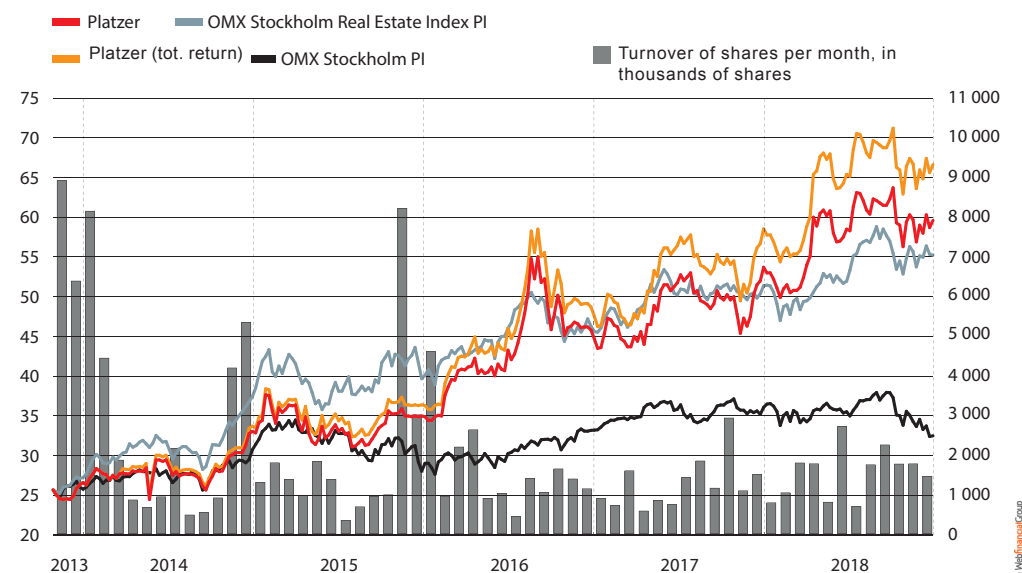
Ownership

As at 31 December 2018 the company had 5,124 shareholders (3,809). Foreign ownership amounted to 6% of equity. 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 31 December 2018

| Owners | Number of Class A shares | Number of Class B shares | Number of shares | Voting rights, % | Share of equity, % |
|-------------------------------------------|-----------------------------|--------------------------------|---------------------|---------------------|-----------------------|
| Ernstström & 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 | | 11,470,805 | 11,470,805 | 3.8 | 9.6 |
| Länsförsäkringar fondförvaltning AB | | 11,183,301 | 11,183,301 | 3.7 | 9.3 |
| Carnegie Fonder | | 6,117,826 | 6,117,826 | 2.0 | 5.1 |
| Lesley Invest (incl. private holdings) | | 4,064,362 | 4,064,362 | 1.4 | 3.4 |
| Svolder AB | | 4,025,233 | 4,025,233 | 1.3 | 3.4 |
| SEB Investment Management | | 1,853,986 | 1,853,986 | 0.6 | 1.5 |
| Other shareholders | | 19,280,058 | 19,280,058 | 6.4 | 16.1 |
| 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-Dec | 2017 Jan-Dec |
|---------------------------------------------------------|-----------------|-----------------|
| Equity, SEK | 60.34 | 49.36 |
| Long-term net asset value (EPRA NAV), SEK | 69.54 | 58.39 |
| Share price, SEK | 59.50 | 52.00 |
| Profit after tax, SEK ¹⁾ | 12.55 | 11.54 |
| Income from property management, SEK ²⁾ | 4.36 | 4.06 |
| Cash flow from operating activities, SEK | 4.53 | 3.58 |
| Dividend, SEK | 1.70 | 1.50 |
| Number of shares as at the balance sheet date, thousand | 119,816 | 119,684 |
| Average number of shares, thousand | 119,750 | 119,684 |

For definitions and calculations of Key Performance Indicators, please see pages 30-31.

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 | Profit after financial income divided by interest expenses. Excluding realised changes in the value of derivatives and 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, converted into an annual figure 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. |
| Yield | Operating surplus as a percentage of the average value of investment and project properties, converted into an annual figure 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). Converted into an annual figure 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-Dec | 2017 Jan-Dec |
|----------------------------------------------------|-----------------|-----------------|
| Interest coverage ratio (multiple) | | |
| Operating surplus | 781 | 727 |
| Central administration | -50 | -46 |
| Interest income | 0 | 0 |
| Total | 731 | 681 |
| Interest expense | -205 | -195 |
| | 3.6 | 3.5 |
| Return on equity, % | | |
| Attributable to the Parent Company's shareholders: | | |
| Profit after tax | 1,503 | 1,381 |
| Total (after tax) | 1,503 | 1,381 |
| Average equity | 6,568 | 5,282 |
| | 23 | 26 |
| Long-term net asset value (EPRA NAV), SEK | | |
| Attributable to the Parent Company's shareholders: | | |
| Equity | 7,230 | 5,907 |
| Reversal of deferred tax | 1,077 | 805 |
| Reversal of interest rate derivatives | 26 | 276 |
| Total | 8,367 | 6,988 |
| Number of shares | 119,816 | 119,684 |
| | 69.54 | 58.39 |
| Investment yield, % | | |
| Operating surplus (annualised) | 781 | 727 |
| Average value of properties | 16,573 | 14,587 |
| | 4.7 | 5.0 |

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 the properties acquired in Gårda in the transaction that was completed in the last quarter of 2018.

With regard to 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 one quarter (31 December 2017 until 31 March 2018) and 119,816 shares for three quarters, giving an average for the full year of 119,783 shares.

Cover photo: Fanny Hansson

Photo: page. 2, Arkitektbyrån, page. 4, 19, 24 Marie Ullnert, page. 7 Carina Gran och page. 22 Tomorrow TMRW

Q4

CALENDAR

| | |
|---------------------------------------|--------------------------|
| 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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