Interim Report January - March 2018

Q1

eastnine

” We started the year by taking major steps in the transformation of Eastnine, with two property acquisitions in Riga and the divestment of no less than three non-core holdings.”

Kestutis Sasnauskas

Key events during the quarter

- Net Asset Value (NAV) per share was **SEK 109.6**, or EUR 10.64, an increase of 0.7% during the quarter[1].
- Real Estate Direct increased in value by 0.8% and Real Estate funds by 2.5%, while Other decreased by 0.3%.
- Acquisition of commercial properties Alojas Biroji and Alojas Kvartals in Riga for a total cash consideration of EUR 29.6m.
- EUR 3.5m investment in EC Baltic Property Fund III.
- Divestment of non-core assets for EUR 38.7m in total, including all shares in Komercijalna Banka Skopje and EC Eastern Europe Small Cap Fund, and main part of EC Global Frontier Markets Fund.
- Strengthening of Eastnine's Baltic team with Julius Niedvaras as Head of Eastnine Lithuania.
- 577,944 shares were repurchased at an average price of SEK 86.45 per share, totalling EUR 5.0m.

[1] Adjusted for share buybacks

Key events after the quarter

- The AGM approved an ordinary dividend of SEK 2.10 per share with semi-annual payments of SEK 1.05 each, and a long-term share based incentive plan for staff.
- The AGM elected new board members Johan Ljungberg and Peter Wågström to replace Lars O Grönstedt and Göran Bronner who declined re-election. Liselotte Hjorth was elected new Chairman.
- Divestment of the remaining holding in EC Global Frontier Markets Fund for EUR 3.7m.
- Eastnine has, after cancelling treasury shares, decided to continue with share buybacks. A new mandate starts on 17 May with repurchases up to NAV/share, and a maximum amount of SEK 30m until 30 June 2018.

Key figures

		31 MAR 2018	31 DEC 2017	31 MAR 2017
NAV per share	EUR	10.64	10.57	9.83
NAV per share	SEK	109.6	103.9	93.9
Closing price per share	SEK	87.60	81.75	72.25
Total NAV	EURm	238.1	242.5	245.9
Market cap	EURm	211	206	193

		Q1 2018	Q1 2017	FY 2017
Net result	EURm	0.7	2.7	17.1
Earnings per share	EUR	0.03	0.11	0.70
NAV per share development	%	0.7	1.7	9.3
Investments	EURm	33.1	3.0	42.4
Divestments	EURm	38.7	7.8	24.9

1 EUR = 10.30 SEK on 31 Mar 2018. Source: Reuters

Transforming into a real estate company in the Baltics

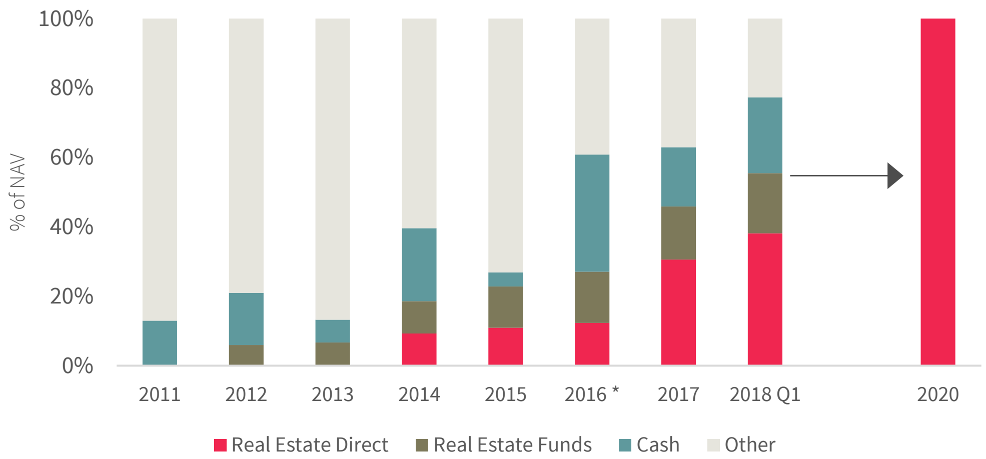
Eastnine was listed on Nasdaq Stockholm in 2007, and was named East Capital Explorer until June 2017. The name change marked the ongoing strategic shift from a diversified Eastern European investment company to a Baltic real estate company with the aim of generating predictable cash flows as a long-term provider of sustainable prime office space in the Baltic capitals. The strategic plan is to transform Eastnine into a real estate company by 2020.

Transformation Strategy

Acquisition of cash-flow generating prime properties

Selective development projects

Continued exits from other investments



Since 2016, Eastnine is transforming into a focused real estate company in the Baltics. The company's first investment there took place in 2012 and at the latest by 2020 the portfolio shall be fully transformed.

*Decision to transform the company

Long-term financial targets in Real Estate Direct

13-15%	<65%	>2.0x
Return on equity, over 5-year period	Loan-to-value ratio	Interest coverage ratio

Dividend

Dividend shall correspond to at least 50% of profit from property management. During the build-up phase until 2020, the annual dividend shall be at least 2.0% of the net asset value per share at the preceding year-end.

Strategic execution: New acquisitions in Riga and exits of non-core assets

”Our portfolio was simplified considerably and now comprises only real estate, cash and Melon Fashion Group.”

We started the year by taking major steps in the transformation of Eastnine, with two property acquisitions in Riga and the divestment of no less than three non-core holdings.
During my first ten months as CEO of Eastnine, I have prioritised not only our acquisition pipeline, but also exits of non-core holdings. These efforts yielded three separate sale transactions in the first four months: that of our 10% stake in the Macedonian bank Komercijalna Banka Skopje, of our remaining anchor holding in East Capital Eastern Europe Small Cap Fund, and finally of our holding in East Capital Global Frontier Markets Fund, which was fully exited in April.

These transactions realised in total EUR 42.4m, 2.1% above reported year-end values, while turning 17.2% of our NAV from mostly illiquid assets into cash, readily available for property acquisitions. In addition, our portfolio was simplified considerably and now comprises only real estate, cash and Melon Fashion Group.

Activity was high also on the acquisition side in the first quarter, as we expanded our portfolio to central Riga with the acquisitions of the fully-let A class office property Alojas Biroji, and smaller adjacent retail property Alojas Kvartals, situated close to the city center and the developing CBD on Skanste. The combined property value of EUR 29.6m corresponds to a yield of approximately 7%. The deal also carries a development opportunity in Riga, which has a shortage of modern office space. Like our acquisition of Vertas in Vilnius last year, we are initially fully equity financing the Alojas properties due to our current strong cash position.

Our clear focus ahead is to find and acquire the right A class office properties in the Baltic capitals. As much as we seek to create returns by deploying our cash and coming closer to our target capital structure, we are determined to stick to our principle of buying only strategically right and financially sound properties.

Kestutis Sasnauskas, CEO

Earnings capacity

EURm	PRO-FORMA	31 MAR 2018	31 DEC 2017	31 DEC 2016
Number of properties[1]	5	4	2	1
Leasable area, k sqm[1]	62.2	49.4	37.8	28.4
Rental income, EURm[2]	**10.9**	**9.0**	**6.5**	**4.4**
Net operating income, EURm[2]	9.4	7.5	5.0	3.9
Profil from property management[2]	7.9	6.3	4.2	2.8
Occupancy rate, %[1]	99.8	99.8	97.0	95.1
WAULT, years[1]	3.1	2.2	2.5	2.3
Loan-to-value ratio, %[1]	43.8	35.3	30.3	56.4
Average interest, %[1]	2.3	2.3	2.6	3.0
Direct yield, %[1,2]	6.2	6.1	5.4	6.4
Property value, EURm[1]	**152.7**	**141.8**	**107.5**	**60.9**
Property value, EUR per sqm[1]	2,455	2,468	2,443	2,143

[1] As of balance date, [2] 12-month rolling

The table shows 12-month key figures for properties owned at the end of each period, based on:

- Actuals for properties held during the entire 12-month period
- Annualized actuals for properties held shorter than the 12-month period, calculated from the time of acquisition

Pro-forma adjustments:

- 3Burės Development, expected completion in Q3 2018

The table provides an overview but is not a forecast.

Performance

Our Portfolio

NET ASSET VALUE (NAV)	VALUE 31 MAR 2018 EURM	NAV/ SHARE EUR	% OF NAV	VALUE 31 DEC 2017 EURM	VALUE CHANGE JAN- MAR 2018 %[1]
Real Estate Direct					
3Burės	31.4	1.40	13.2	30.7	2.3
Vertas[2]	16.0	0.72	6.7	29.9	0.5
3Burės development	13.6	0.61	5.7	13.6	-0.3
Alojas Biroji	25.8	1.15	10.8	0.0	0.4
Alojas Kvartals	4.0	0.18	1.7	0.0	-0.9
Total Real Estate Direct	90.8	4.06	38.1	74.2	0.8
Real Estate Funds					
East Capital Baltic Property Fund II	21.6	0.97	9.1	20.8	3.6
East Capital Baltic Property Fund III	19.9	0.89	8.4	16.2	1.4
Total Real Estate Funds	41.5	1.86	17.4	37.1	2.5
Total Real Estate	132.3	5.91	55.6	111.2	1.3
Other					
Melon Fashion Group	47.5	2.12	20.0	48.6	-2.2
East Capital Global Frontier Markets Fund	3.7	0.17	1.6	12.1	1.7
Investments fully divested in 2018[3]	0.0	0.00	0.0	29.5	2.2
Total Other	51.2	2.29	21.5	90.2	-0.3
Total Portfolio	183.5	8.20	77.1	201.4	0.7
Cash and cash equivalents	53.0	2.37	22.3	41.1	
Other assets and liabilities net	1.6	0.07	0.7	-0.1	
Net Asset Value (NAV)	238.1	10.64	100.0	242.5	0.7[4]

1. The value change calculation is adjusted for investments, divestments and distributions during the relevant period. i.e. it is the percentage change between: the ending value plus any proceeds from dividends or divestments during the period, divided by the starting value plus any added investment during the period
2. Vertas was refinanced with a bank loan of EUR 14.0m in Q1 2018. Equity consequently reduced by the same amount
3. East Capital Eastern Europe Small Cap Fund and Komercijalna Banka Skopje were sold in Q1 2018 for EUR 16.2m and EUR 13.9m, respectively
4. NAV per share development

The number of shares used in NAV/share 31 Mar 2018 is 22,370,261 and is adjusted for repurchased shares held by the company (Note 6).

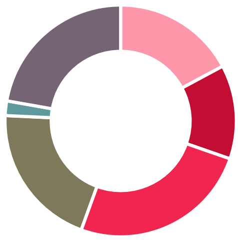
1 EUR = 10.30 SEK on 31 Mar 2018. Source: Reuters
Note that certain numerical information may not add up due to rounding

Investments and divestments

EURM	Q1 2018	Q1 2017	FY 2017
Alojas Biroji	25.6	-	-
Alojas Kvartals	4.0	-	-
East Capital Baltic Property Fund III	3.5	-	6.0
Vertas	-	-	29.1
3Burės development	-	3.0	7.2
Total investments	33.1	3.0	42.4
East Capital Eastern Europe Small Cap Fund	16.2	2.1	8.1
Komercijalna Banka Skopje	13.9	-	-
East Capital Global Frontier Markets Fund	8.6	-	-
East Capital Baltic Property Fund II	-	-	9.8
Trev-2 Group	-	5.7	5.7
East Capital Bering Ukraine Fund Class R	-	-	1.3
Total divestments	38.7	7.8	24.9

Group Performance

Geographic breakdown, All segments
% of NAV



Geographic breakdown, Real estate
% of total Real Estate

Market

Baltic

A positive global economic environment, increasing demand in the main export markets and growth in construction and retail trade impacted economic growth in the Baltic states. GDP in Latvia grew by 4.3% and in Lithuania by 3.6% in the first quarter. Estonia has not yet published GDP growth for Q1 2018 but grew by 5.0% in the fourth quarter 2017. According to Eurostat, March HICP annual inflation was lower compared to December 2017 in Estonia (2.9% in Mar 2018 vs 3.8% in Dec 2017) and in Lithuania (2.5% vs 3.8%), while Latvian inflation was only marginally higher in March (2.3% vs 2.2%). Inflation in the euro area was 1.3% in March 2018, compared to 1,4% in December 2017.

According to IMF's latest forecasts for 2018, the Baltic economies are expected to grow at rates of 3-4% with inflation of 2.2-3.0%. Unemployment is expected to decline in Lithuania and Latvia, and increase slightly in Estonia. During the first quarter, the Latvian banking sector suffered from scandals related to alleged corruption and terrorist financing, which led to immediate actions from authorities to strengthen control in the financial system. The effect this might have on the economies, is difficult to predict.

Prime office yields in the Baltic capitals have decreased to around 6.25-6.50%, although still at a significant discount to Nordic capitals. Banks are more restrictive compared to a year ago, which benefits buyers with strong balance sheets but reduces overall transaction volumes. Prime office demand remains strong and vacancies are low, pushing up average rents. Construction activity is high with several developments expected to complete in the near future, which might momentarily affect rent levels, although this effect is not yet visible.

Russia

Despite a temporal spike in geopolitical tensions over the ongoing crisis in Syria and the latest round of US sanctions, we see further consolidation in Russia's domestic economic recovery. Sberbank's Q1 consumer survey points to a rebound in consumer confidence to pre-crisis levels, accompanied by improvements in personal wealth, employment and savings levels.

In March, retail sales grew by 2%, real wages increased by 6.5% after 10.5% spike in February, and real disposable income grew by 4.1% year-on-year. Analysts expect President Putin to sign a spending decree, setting government goals for the next six years with an aim to achieve a significant uplift in living standards and earmarks up to USD 160bn for education, healthcare and infrastructure. The increased spending will invariably benefit the Russian consumer providing further support for MFG sales.

The Group

With exception of Melon Fashion Group (MFG), the investment activities of Eastnine AB (publ) (the Parent Company) are managed in the operating subsidiary Eastnine Baltics OÜ. The shares in MFG are held in the Parent Company. Transactions in the operating subsidiaries and MFG are referred to as the investment activities in this report. Presentation currency is euro (EUR).

Results for the first quarter 2018

The net result for the first quarter was EUR 0.7m (EUR 2.7m), including value changes of shares in subsidiaries and associated companies of EUR 0.9m (EUR 3.1m), corresponding to earnings per share of EUR 0.03 (EUR 0.11).

Melon Fashion Group was impaired by EUR -1.1m due to translation from rouble to euro, while the underlying rouble valuation was unchanged.

Together with the impairment of MFG, the main contributors to the change in value of shares in subsidiaries and associated companies in the Income statement for the period were fair value adjustments in 3Burės of EUR 0.7m, Vertas of EUR 0.1m, Alojas Biroji of EUR 0.1m, East Capital Baltic Property Fund II of EUR 0.8m, East Capital Baltic Property Fund III of EUR 0.3m, Komercijalna Banka Skopje (sold during the quarter) of EUR 3.6m, East Capital Global Frontier Markets Fund of EUR 0.2m and in East Capital Eastern Europe Small Cap Fund (sold during the quarter) of EUR -3.0m.

In the investment activities, Eastnine expanded its portfolio to Riga by acquiring A Class office property Alojas Biroji, and adjacent retail property Alojas Kvartals for a total cash consideration of EUR 29.6m. Eastnine invested an additional EUR 3.5m in East Capital Baltic Property Fund III, as a drawdown on its commitment in conjunction with the fund's acquisition of P5 Industrial Park in Riga.

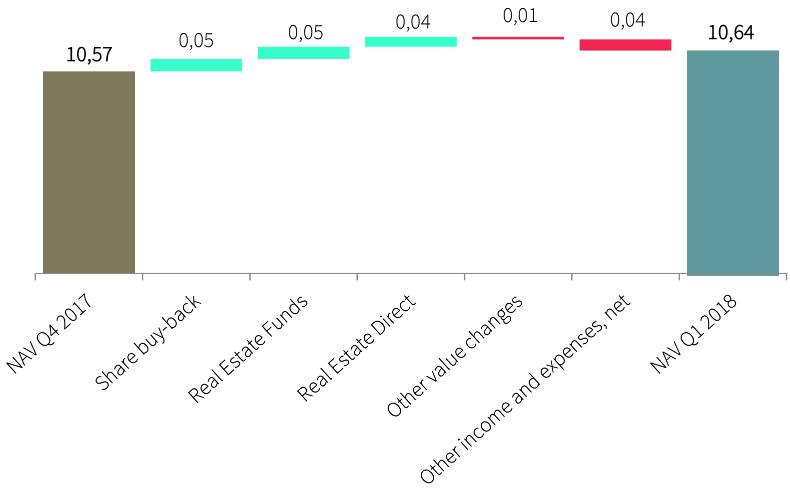
Eastnine sold the remaining fund holdings in East Capital Eastern Europe Small Cap Fund for a total amount of EUR 16.2m and also the entire holding in the Macedonian bank Komercijalna Banka Skopje for a total amount of EUR 13.9m. Furthermore, fund shares in East Capital Global Frontier Markets Fund were sold for a total amount of EUR 8.6m.

The result for the period includes other income of EUR 0.1m (EUR 0.2m) from repayment of charged management fees in funds, and expenses of EUR 0.6m (EUR 0.8m), all of which refer to the Parent Company. Net financial income and expenses was EUR +0.3m (EUR +0.2m).

Comparative numbers in parenthesis refer to the first quarter of 2017.

Change in NAV per share during the first quarter 2018, EUR

NAV/share increased by EUR 0.07/share, or 0.7%, in Q1 2018. Share buybacks contributed EUR 0.05/share, as own shares were bought at a discount to NAV. The two real estate segments contributed EUR 0.09/share in total, while other investments and operating expenses had a combined negative impact of EUR 0.05/share.



Financial Position and Cash Flow Jan-Mar 2018

The Parent Company's equity ratio was 99.7 percent (99.6 percent).

The cash flow presented below only relates to transactions in the Parent Company. During the period, Jan–Mar 2018, Eastnine repurchased a total of 577,944 shares for an amount equivalent to EUR 5.0m.

Cash and cash equivalent at the end of the period amounted to EUR 7.3m (EUR 13.2m), all of which refer to the Parent Company.

At the end of the period, cash and cash equivalents in the investment activities, including the Parent Company, amounted to EUR 53.0m (EUR 41.1m). Please refer to the breakdown of values in subsidiaries and associated companies on pages 19-21 for more details regarding the investment activities.

Comparative numbers in parenthesis refer to 31 December 2017.

Commitments

Since 2015, Eastnine has a commitment to invest EUR 20m in total in East Capital Baltic Property Fund III. As at 31 March 2018, EUR 17.6m had been drawn down by the fund, of which EUR 3.5m in 2018, and the remaining commitment amounted to EUR 2.4m.

Real Estate Direct

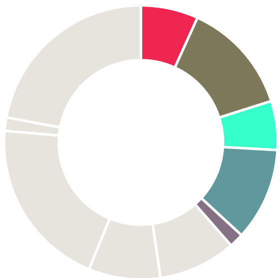
Segment development

- The value change of the segment's NAV was +0.8% in January-March. Eastnine's average annual return on its investements in this segment is 12.2%, negatively affected by low leverage in the properties.
- Property value increased to EUR 141.7m, from EUR 107.5m at year-end 2017, following the acquisition of Alojas Biroji and Alojas Kvartals in Riga during the quarter.
- Combined vacancy reduced to 0.4% in Q1 2018 from 3.0% in Q4 2017. Average rent increased to EUR 14.1 per sqm and month in Q1 2018, compared to EUR 13.8 in Q4 2017
- Combined net operating income increased to EUR 1.4m in Q1 2018 from EUR 0.9m in Q4 2017. The increase is explained by lower vacancy, higher average rent as well as the addition of Alojas properties in the month of March.
- The segment's combined loan-to-value (LTV) was 35.3% on 31 March. Vertas was refinanced in January with a bank loan of EUR 14m, corresponding to a LTV of 49%. The new acquisitions during the quarter had no loan financing.
- Please see p. 25 for more detailed consolidated property data.

EURm	Q1 2018	Q1 2017	FY 2017
Value change[1], %	0.8	1.2	11.2
Segment NAV	90.8	33.8	74.2
% of Eastnine's NAV	38.1	13.7	30.6
Investments	29.6	3.0	36.3
Divestments	-	-	-

[1] The value change calculation is adjusted for investments, divestments and distributions during the relevant period

Real Estate Direct
% of Eastnine's NAV



- Vertas
- 3Burės
- 3Burės development
- Alojas Biroji
- Alojas Kvartals

3Burės

Eastnine's shareholding in the property, %	100
Property value, EURm	63.8
NAV, EURm	31.4
% of Eastnine's NAV	13.2
Value change Jan-Mar, %	2.3

Vacancy in 3Burės, with a leasable area of 28,400 sqm in Vilnius CBD, reduced from 4.0% to zero, while average rent increased on the back of annual rent indexation. Rental income subsequently grew by 9% year-on-year.

The fair value of the equity invested in the property increased by 2.3% during the first quarter, mainly as a result of strong operating income and cash flow. The property value was kept unchanged at EUR 63.8m, with a loan-to-value ratio of 50% at the end of the quarter.

Learn more about 3Burės at www.3bures.lt

3Burės Development

Eastnine's shareholding in the property, %	100
Property value, EURm	19.8
NAV, EURm	13.6
% of Eastnine's NAV	5.7
Value change Jan-Mar, %	-0.3

Construction of the third tower of the 3Burės complex, which will add a leasable area of 12,800 sqm by the end of 2018, continued according to plan. The property, which until this quarter had to 98% been pre-let to Swedbank and Visma, is now fully let as the remaining space has been leased to a restaurant.

The fair value of equity invested in the development decreased by 0.3% during the quarter, due to operating and financial expenses. Construction costs, fully bank financed as of this quarter, were EUR 4.7m in Q1, which increased the property value to EUR 19.8m. The expected loan-to-value ratio at completion is 65%.

Vertas

Eastnine's shareholding in the property, %	100
Property value, EURm	28.5
NAV, EURm	16.0
% of Eastnine's NAV	6.7
Value change Jan-Mar, %	0.5

Vertas, with a leasable area of 9,400 sqm in central Vilnius, continued to be fully let throughout the first quarter, while average rent increased by 3.6% following annual rent indexation. By the end of January, the property was refinanced with a EUR 14m bank loan, equivalent to a loan-to-value ratio of 49%, and equity consequently reduced by the same amount.

The fair value of equity (NAV) increased by 0.5% during the first quarter, negatively affected by interest rate swap revaluation, while operating cash flow was strong. The property value was kept unchanged at EUR 28.5m. Vertas will be subject to external valuation in Q2.

Learn more about Vertas at www.vertas.lt

Alojas Biroji

Eastnine's shareholding in the property, %	100
Property value, EURm	25.6
NAV, EURm	25.8
% of Eastnine's NAV	10.8
Value change Jan-Mar, %	0.4

At the end of February, Eastnine acquired the office property Alojas Biroji, consisting of Alojas Biznesa Centrs and adjacent smaller office building with a combined leasable area of 9,850 sqm in central Riga, for EUR 25.6m. Alojas Biroji is fully let to tenants including Luminor, the merged Baltic operations of Nordea and DnB, and local law firm Ellex Klavins.

The properties generated strong cash flows in March, while the change in fair value of equity of 0.4% includes non-recurring transaction costs. The properties are initially fully equity financed.

Alojas Kvartals

Eastnine's shareholding in the property, %	100
Property value, EURm	4.0
NAV, EURm	4.0
% of Eastnine's NAV	1.7
Value change Jan-Mar, %	-0.9

In conjunction with the acquisition of Alojas Biroji, Eastnine also acquired the adjacent retail property Alojas Kvartals with a combined leasable area of 1,800 sqm, for EUR 4.0m. The property had no vacancy at the end of the quarter. The fair value of equity decreased by 0.9%, mainly due to transaction costs that reduced the result in March. Alojas Kvartals is fully equity financed.

Real Estate Funds

Segment development

- The fair value change of the segment was +2.5% in January-March, to EUR 41.5m at the end of March. Eastnine's average annual return on its investements in this segment is 10.5%.
- In conjunction with East Capital Baltic Property Fund III's acquisition of logistics complex P5 Industrial Park in Riga, EUR 3.5m of Eastnine's remaining commitment was drawn down by the fund in Q1. Closing of the transaction was in April.
- At the end of March there were in total eight commercial properties in the two funds, seven of which were in Tallinn and one in Riga (not including P5 and Galleria Riga).

EURm	Q1 2018	Q1 2017	FY 2017
Value change[1], %	2.5	2.4	12.2
Segment NAV	41.5	37.5	37.1
% of Eastnine's NAV	17.4	15.3	15.3
Investments	3.5	-	6.0
Divestments	-	-	9.8

[1] The value change calculation is adjusted for investments, divestments and distributions during the relevant period

Real Estate Funds
% of Eastnine's NAV

East Capital Baltic Property Fund II

Eastnine's share of the fund, %	45
NAV, EURm	21.6
% of Eastnine's NAV	9.1
Value change Jan-Mar, %	3.6

The fair value of Eastnine's holding in East Capital Baltic Property Fund II increased by 3.6% during the first quarter.

The Tallinn based property portfolio continues its operations according to plan with particularly strong footfall increase in Mustamäe Keskus. Riga based Deglava property remained closed.

The duration of East Capital Baltic Property Fund II is until 2019 with possible extension up to three years.

East Capital Baltic Property Fund III

Eastnine's share of the fund, %	22
NAV, EURm	19.9
% of Eastnine's NAV	8.4
Value change Jan-Mar, %	1.4

The fair value of Eastnine's holding in East Capital Baltic Property Fund III increased by 1.4% during the first quarter. In March, the fund made a EUR 3.5m drawdown on Eastnine's commitment in conjunction with the fund's acquisition of P5 Industrial Park in Riga that closed in early April. Further in April, the fund acquired Galleria Riga, a shopping center in Riga's city center. Eastnine's remaining commitment is EUR 2.4m.

The duration of East Capital Baltic Property Fund III is until 2023 with a possible two-year extension.

Other

Segment development

- The fair value change in the segment was -0.3% in January-March. Segment NAV at the end of the quarter was EUR 51.2m.
- The segment reduced significantly during the quarter, following Eastnine's divestment of its entire holdings in Komercijalna Banka Skopje and EC Eastern Europe Small Cap Fund and the main part of its holding in EC Global Frontier Markets Fund, the rest of which was divested in April.
- Melon Fashion Group, the only remaining holding in the segment, continued to improve its operating performance with a growing gross margin and positive EBITDA in the normally weak first quarter. The fair value was kept unchanged in RUB, resulting in a 2.2% decrease in EUR.

EURm	Q1 2018	Q1 2017	FY 2017
Value change[1], %	-0.3	2.3	8.1
Segment NAV	51.2	94.1	90.2
% of Eastnine's NAV	21.5	38.3	37.2
Investments	-	-	-
Divestments	38.7	7.8	15.1

[1] The value change calculation is adjusted for investments, divestments and distributions during the relevant period

Other
% of Eastnine's NAV

Melon Fashion Group

Eastnine's shareholding in the company, %	36
NAV, EURm	47.5
% of Eastnine's NAV	20.0
Value change Jan-Mar, %	-2.2

The fair value of Eastnine's holding in Melon Fashion Group (MFG) was kept unchanged from the year-end valuation in RUB, but decreased by 2.2% in EUR due to translation effect.

In the first quarter of 2018, MFG's total sales increased by 22.1% year-on-year, supported by 12.6% growth in average selling space, 4.5% like-for-like growth and strong growth in the online and franchise segments.

The combined revenue from own online shops and online third-party marketplaces nearly doubled year-on-year, accounting for 10.8% of total Q1 2018 revenue, compared to 6.4% of sales in Q1 2017.

Gross margin increased to 46.2% in Q1 2018 from 44.8% in Q1 2017, due to higher sell-through rate and somewhat stronger local currency compared to the first quarter last year.

EBITDA was positive RUB 1.8m in Q1, marking a departure from a long-term pattern of negative profitability in the first quarter due to a seasonally high share of discount campaigns in the sales mix. The major contribution to EBITDA came from a strong performance in Love Republic. The comparability between the periods was not materially affected by FX impact.

The total number of stores decreased to 544 from 551 at the beginning of the year, while total selling area remained unchanged due to larger format of relocated and newly opened stores. During this period, MFG opened 4 new, relocated 11, and closed 9 stores, while the franchise network was reduced by two stores.

The conversion of store network into new format, along with IT-investments to support online sales and analytics, remain at the top of the management agenda.

Learn more about Melon Fashion Group at www.melonfashion.ru/en

East Capital Global Frontier Markets Fund

Eastnine's share of the fund, %	6
NAV, EURm	3.7
% of Eastnine's NAV	1.6
Value change Jan-Mar, %	1.7

The value of Eastnine's holding in EC Global Frontier Markets Fund gained 1.7% in the first quarter. Frontier markets overall enjoyed another quarter with positive returns, despite increased volatility in global financial markets. The benchmark MSCI Frontier Markets index gained 1.6% in EUR.

During the quarter, Eastnine divested fund units for a total of EUR 8.6m through ordinary fund redemption, and the remaining units, equivalent to EUR 3.7m, were redeemed in April.

Other information

Risks and uncertainties
The dominant risk in Eastnine's operations is commercial risk in the form of exposure to specific sectors, geographic regions or individual holdings and financial risk in the form of market risk, equity price risk, foreign exchange risk and interest rate risk. A more detailed description of Eastnine's material risks and uncertainties is provided in the Company's Annual Report 2017 on pages 55-56. An assessment for the coming months is provided in the Market comment on page 6.

In addition, through the business activities of the holdings, i.e. their offerings of products and services, within the respective sectors, the investments are also exposed to legal/regulatory risk and political risk, for example political decisions on public sector expenditures and industry regulations.

Organisational and investment structure
Eastnine AB (publ) is a Swedish investment company listed on Nasdaq Stockholm. Eastnine's business concept is to maximise risk-adjusted shareholder return by offering shareholders exposure to a portfolio of primarily real estate investments in the Baltic countries, mainly through direct ownership. Eastnine also holds other private equity and fund investments in Eastern Europe, that are expected to be divested within the next few years.

The Company is currently transitioning into a pure Baltic real estate company, with an aim to generate predictable cash flows by being a long-term provider of sustainable prime office space in the Baltics.

Eastnine has seven full-time employees in its Stockholm headquarters. For further information about the organizational and investment structure of the Company, please see the Company's latest Annual Report, under the section 'Corporate Governance'.

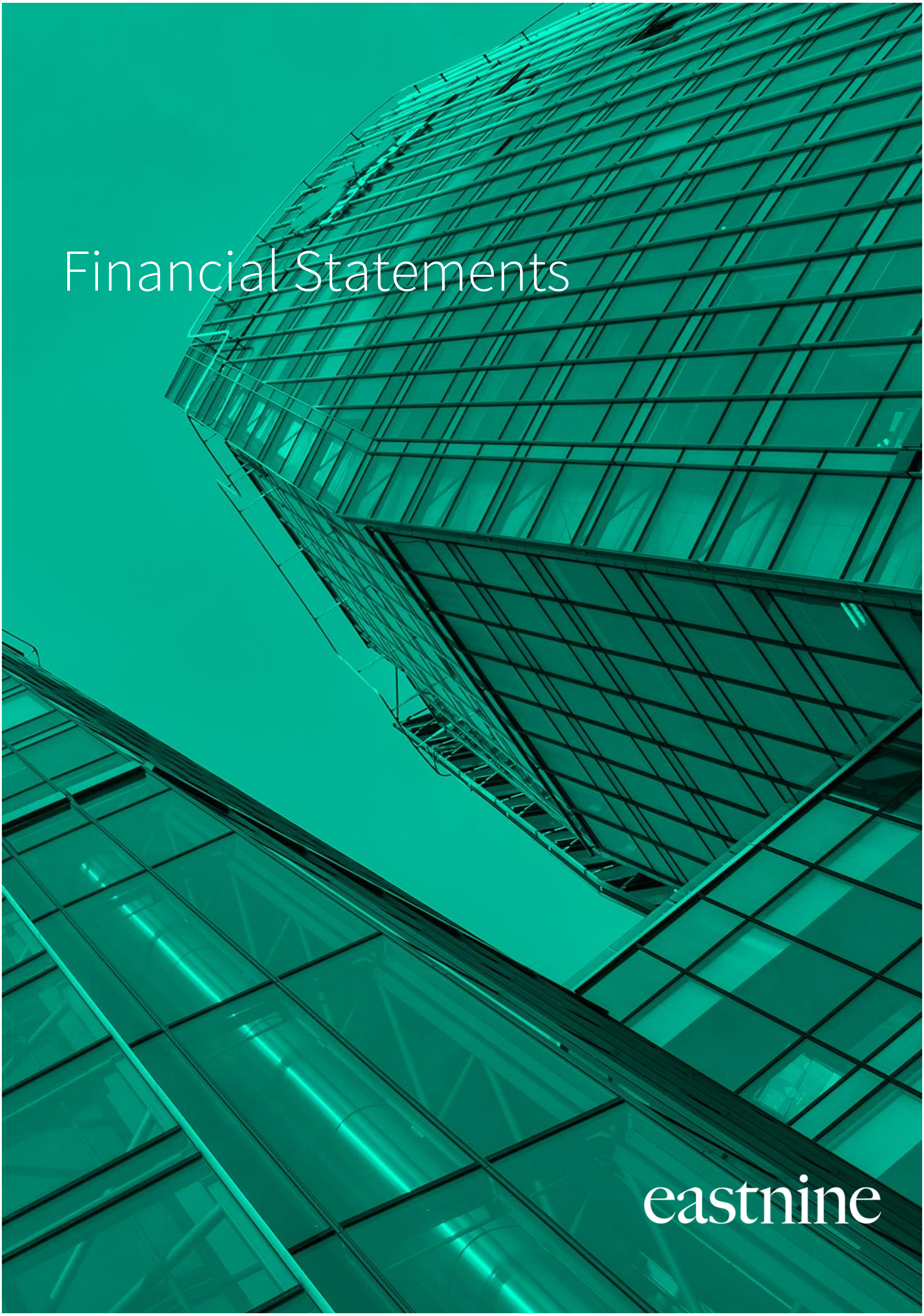
The CEO certifies that the interim report presents a true and fair view of the Company's and the Group's operations, financial position and profits and describes the significant risks and uncertainties facing the Company and the Group.

Stockholm, 16 May 2018

Kestutis Sasnauskas
Chief Executive Officer

This report has not been subject to review by the Company's auditors

Financial Statements



Income Statement

EUR Thousands

	Note	2018 Jan-Mar	2017 Jan-Mar
Changes in fair value of subsidiaries and associated companies	2	914	3,103
Other income		88	240
Staff expenses		-292	-462
Other operating expenses		-318	-331
Operating profit/loss		**392**	**2,550**
Financial income		339	180
Financial expenses		-21	-17
Profit/loss before tax		**711**	**2,713**
Tax		-	-
NET PROFIT/LOSS FOR THE PERIOD[1]		711	2,713
Earnings per share, EUR			
- Attributable to shareholders of the Parent Company		0.03	0.11
No dilutive effects during the periods			

[1] Net Profit/Loss for the period corresponds to Total Comprehensive income

Balance Sheet

EUR Thousands

	Note	2018 31 Mar	2017 31 Dec	2017 31 Mar
Assets				
Shares in subsidiaries	3, 4	154,838	153,963	199,096
Shares in associated companies	4	47,523	48,613	0
Loans to group companies	4	27,527	25,100	20,900
Total non-current assets		**229,889**	**227,676**	**219,996**
Other short-term receivables		1	0	2
Short-term receivables from group companies		1,128	-	-
Accrued interest income from group companies	4	339	2,430	1,861
Accrued income and prepaid expenses		179	218	420
Cash and cash equivalent		7,271	13,168	25,663
Total current assets		**8,918**	**15,816**	**27,946**
Total assets		**238,808**	**243,492**	**247,942**
Equity				
Share capital[1]		3,658	3,658	3,657
Other contributed capital/Share premium reserve[2]		272,380	277,425	295,198
Retained earnings[2]		-38,626	-55,711	-55,711
Net profit/loss for the period[2]		711	17,085	2,713
Total equity		**238,122**	**242,457**	**245,858**
Current liabilities				
Other liabilities		397	180	245
Accrued expenses and prepaid income		288	855	1,840
Total current liabilities		**685**	**1,035**	**2,084**
Total equity and liabilities		**238,808**	**243,492**	**247,942**

[1] Restricted capital
[2] Unrestricted capital

Statement of Changes in Equity

EUR Thousands	Share capital	Other contributed capital/Share premium reserve	Retained earnings incl. profit/loss for the year	Total equity shareholders in Parent company
Opening equity 1 January 2018	**3,658**	**277,425**	**-38,626**	**242,457**
Net profit/loss for the period	-	-	711	711
Total comprehensive income	**-**	**-**	**711**	**711**
Share buy-back	-	-5,045	-	-5,045
Closing equity 31 March 2018	**3,658**	**272,380**	**-37,915**	**238,122**

EUR Thousands	Share capital	Other contributed capital/Share premium reserve	Retained earnings incl. profit/loss for the year	Total equity shareholders in Parent company
Opening equity 1 January 2017	**3,655**	**299,613**	**-55,711**	**247,558**
Net profit/loss for the period	-	-	2,713	2,713
Total comprehensive income	**-**	**-**	**2,713**	**2,713**
Bonus issue	1	-1	-	-
Share buy-back	-	-4,413	-	-4,413
Closing equity 31 March 2017	**3,657**	**295,199**	**-52,998**	**245,858**

Statement of Cash Flow

EUR Thousands	2018 Jan-Mar	2017 Jan-Mar
Operating activities		
Operating profit/loss	392	2,550
Changes in fair value of subsidiaries and associated companies	-914	-3,103
Cash flow from current operations before changes in working capital	**-522**	**-553**
Cash flow from changes in working capital		
Increase (-)/decrease(+) in other current receivables	38	6
Increase (+)/decrease(-) in other current payables	-349	302
Cash flow from operating activities	**-833**	**-245**
Financing activities		
Share buy-back	-5,045	-4,413
Cash flow from financing activities	**-5,045**	**-4,413**
Cash flow for the period	**-5,878**	**-4,658**
Cash and cash equivalent at the beginning of the period	13,168	30,338
Exchange rate differences in cash and cash equivalents	-21	-17
Cash and cash equivalent at the end of the period	**7,270**	**25,663**

Note 1 Accounting Principles

This interim report has been prepared in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) 34 Interim Financial Reporting and applicable provisions in the Swedish Annual Accounts Act (Årsredovisningslagen). The interim report for the Parent company has been prepared in accordance with the Swedish Financial Reporting Board's standard RFR 2 and the Swedish Annual Accounts Act Chapter 9, Interim report. The parts of IFRSs and RFR 2 that are currently relevant for Eastnine AB lead to the same accounting. The two sets of financial statements are therefore presented together as a common single set of accounts.

The same accounting principles are applied as in the annual report for the previous year. Notably, the new standards for financial instruments (IFRS 9) and revenue recognition (IFRS 15) have had no effect on how Eastnine recognises such items.

As of 1 January 2014, Eastnine AB applies the investment entity consolidation exception in IFRS 10, which implies that all holdings are recognised at fair value through profit or loss. In assessing Eastnine AB, it has been concluded that the Company falls within the classification of an investment entity.

Note 2 Segment Reporting

Eastnine AB classifies the Company's various segments based on the nature of the investments. Management monitors the holdings on the basis of fair value, and all holdings are reported at fair value through profit or loss. The value change of holdings held by the subsidiaries has been allocated to value changes, dividends received and other operating expenses that are directly attributable to the underlying investments in Real Estate Direct, Real Estate Funds and Other. All other revenues and expenses are classified as unallocated in the table below. As of Q2 2017, Eastnine has changed its segment reporting to reflect the ongoing strategic shift. Previously, the segment reporting was classified as Private Equity, Real Estate, Public Equity and Short-term Investment. Comparable numbers for Q1 2017 are restated according to the new segment reporting.

EUR thousands 1 Jan – 31 Mar 2018	**Real Estate Direct**	**Real Estate Funds**	**Other**	**Unallocated**	**Total**
Changes in value of portfolio	528	1,019	-233	-	1,313
Other operating expenses	-	-	-	-399	-399
Changes in fair value of subsidiaries and associated companies	**528**	**1,019**	**-233**	**-399**	**914**
Other income	-	19	69	-	88
Staff expenses	-	-	-	-292	-292
Other operating expenses	-	-	-	-318	-318
Operating profit/loss	**528**	**1,038**	**-165**	**-1,009**	**392**
Financial income	339	-	-	-	339
Financial expense	-	-	-	-21	-21
Profit/loss before tax	**867**	**1,038**	**-165**	**-1,029**	**711**
Assets	**90,756**	**41,535**	**51,234**	**55,283**	**238,808**

EUR thousands 1 Jan – 31 Mar 2017	**Real Estate Direct**	**Real Estate Funds**	**Other**	**Unallocated**	**Total**
Changes in value of portfolio	189	865	2,294	-	3,348
Other operating expenses	-	-	-	-245	-245
Changes in fair value of subsidiaries and associated companies	**189**	**865**	**2,294**	**-245**	**3,103**
Other income	-	11	184	45	240
Staff expenses	-	-	-	-462	-462
Other operating expenses	-	-	-	-331	-331
Operating profit/loss	**189**	**876**	**2,478**	**-993**	**2,550**
Financial income	180	-	-	-	180
Financial expense	-	-	-	-17	-17
Profit/loss before tax	**370**	**876**	**2,478**	**-17**	**2,713**
Assets	**33,789**	**37,521**	**94,132**	**82,501**	**247,942**

Note 3 Entities with ownership interests over 50 percent

The following entities, in which the ownership interest is over 50%, are not consolidated due to the consolidation exception for investment entities.

Non consolidated entities 31 March 2018	Country	Number of shares	Book value, EURt	Ownership capital
Eastnine Baltics OÜ (formerly Baltic Cable Holding OÜ)	Tallinn, Estonia	2,502	140,881	100%
UAB Eastnine Lithuania (formerly UAB Portarera)	Vilnius, Lithuania	9,500	60,964	100%
UAB 3Burės	Vilnius, Lithuania	100	31,373	100%
UAB Vertas	Vilnius, Lithuania	100	13,594	100%
UAB Solverta (3Burės development)	Vilnius, Lithuania	100	15,998	100%
Eastnine Latvia SIA	Riga, Latvia	100	29,791	100%
Losmerta SIA (Alojas Biroji)	Riga, Latvia	100	25,803	100%
Barolita SIA (Alojas Kvartals)	Riga, Latvia	100	3,988	100%
Eastnine Investments AB (formerly East Capital Explorer Investments AB)	Stockholm, Sweden	11,000	13,958	100%

Note 4 Financial instruments

For a better understanding of the business, the information regarding financial instruments below is presented on a see-through basis as the fair value of the holdings in the subsidiaries. Shares and participations in the investment activities as well as the Company's holdings in subsidiaries are all valued at fair value.

Financial instruments not measured at fair value through profit and loss
For receivables and payables, the carrying amount is assessed to reflect fair value since the remaining maturity is generally short. This is also the case for cash and cash equivalent.

Calculation of fair value
The following summarises the main methods and assumptions applied in determining the fair values of the financial instruments in the balance sheet. Please refer to the Annual Report 2017 for more details on valuation policies used by Eastnine AB.

Loans to Group Companies, which are a part of 3Burės valuation, are monitored by management on a fair value basis. Changes in credit risk has not led to any significant fair value changes of the loans.

Fair value hierarchy

The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level of input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs requiring significant adjustment based on unobservable inputs, such measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the financial asset or liability.

Shares in subsidiaries and associated companies/financial instruments
In the Parent Company, financial instruments consist of shares in subsidiaries of EUR 154.8m, shares in accociated companies of EUR 47.5m, loans to group companies of EUR 27.5m and cash and cash equivalent of EUR 7.3m. The carrying amount of these assets constitutes the fair value on the balance sheet date.

Shares in subsidiaries and associated companies, including loans to group companies	Country	Book value, EURt		Share of capital, %	
		31 Mar 2018	31 Dec 2017	31 Mar 2018	31 Dec 2017
Eastnine Baltics OÜ (formerly Baltic Cable Holding OÜ)	Tallinn, Estonia	140,881	142,416	100	100
Melon Fashion Group	Saint Petersburg, Russia	47,523	48,613	36	36
Eastnine Investments AB (formerly East Capital Explorer Investments AB)	Stockholm, Sweden	13,958	10,392	100	100
UAB Eastnine Lithuania (loan)	Vilnius, Lithuania	27,527	25,100	100	100
ECEX Holding SA (liquidated in March 2018)	Bertrange, Luxembourg	-	1,155	-	100

As the holdings in the subsidiaries are presented on a see-through basis, the tables below reflect the fair value hierarchy in the investment activities. The values of the shares in subsidiaries and associated companies, including loans to group companies, are directly and indirectly made up by the following assets:

EUR Thousands **31 March 2018** **Breakdown of values in subsidiaries and associated companies including loans to group companies**	**Real Estate Direct**	**Real Estate Funds**	**Other**	**Cash and bank**	**Other assets and liabilities, net**	**Total**
Opening balance 1 January 2018	71,734	37,064	90,213	27,957	708	227,676
Accrued interest expense converted to group loan	2,427	-	-	-	-	2,427
Purchases/additions	29,725	3,451	0	-33,176	-	0
Divestments/Reductions	-	-	-38,745	36,769	1,976	0
Repayment of loan from group companies	-14,000	-	-	14,000	-	0
Other	-	-	-	210	-1,737	-1,527
Changes in fair value recognised net in profit/loss	528	1,019	-233	-	-	1,313
Closing balance 31 March 2018	90,416	41,535	51,234	45,760	947	229,889

EUR Thousands **31 December 2017** **Breakdown of values in subsidiaries and associated companies including loans to group companies**	**Real Estate Direct**	**Real Estate Funds**	**Other**	**Cash and bank**	**Other assets and liabilities, net**	**Total**
Opening balance 1 January 2017	28,739	36,656	99,631	53,201	-1,334	216,893
Purchases/additions	36,300	6,033	1,324	-39,457	-	4,200
Divestments/Reductions	-	-9,765	-16,441	26,206	-	0
Other	-	-	-	-2,410	1,402	-1,008
Repaid shareholders contributions	-	-	-	-11,000	-	-11,000
Dividend received	-	-	-	1,917	640	2,557
Dividend paid to parent company	-	-	-	-500	-	-500
Changes in fair value recognised net in profit/loss	6,695	4,140	5,699	-	-	16,534
Closing balance 31 December 2017	71,734	37,064	90,213	27,957	708	227,676

Real Estate Direct consists of holdings in 3Burės, 3Burės development, Vertas, Alojas Biroji and Alojas Kvartals. Real Estate Funds consists of holdings in East Capital Baltic Property Fund II and East Capital Baltic Property Fund III. These holdings are valued internally or externally normally at year-end, and the fair value of the holdings is assessed on a quarterly basis.

Other consists of the holdings in Melon Fashion Group (MFG), the fair value of which is assessed on a quarterly basis, and East Capital Global Frontier Markets Fund, which is publicly traded. These holdings are valued at fair value according to the valuation principles described on the previous page.

Holding	**Class**	**Valuation method**	**Valuation assumptions**
3Burės	Real Estate Direct	DCF	WACC 7.9%, Exit yield 6.75%
3Burės development	Real Estate Direct	DCF	WACC 7.2%, Exit yield 6.75%
Vertas	Real Estate Direct	Acquisition value	
Alojas Biroji	Real Estate Direct	Acquisition value	
Alojas Kvartals	Real Estate Direct	Acquisition value	
East Capital Baltic Property Fund II	Real Estate Funds	DCF	WACC 8-12%, Exit yield 6-8%
East Capital Baltic Property Fund III	Real Estate Funds	DCF	WACC 8-9%, Exit yield 7-8%
Melon Fashion Group	Other	DCF	Long-term growth 4.6%, Long term operating margin 11.5%, WACC 16.1%. A 25% minority and liquidity discount is applied

Discounted Cash Flow model (DCF), weighted average cost of capital (WACC)

For the fair values of Real Estate Direct (3Burės and 3Burės development), Real Estate Funds and Other - reasonably possible changes at the reporting date to one of the significant unobservable inputs, provided other inputs constant, would have the following effects:

Effect in EUR thousands **31 March 2018**	**Real Estate Direct** **Profit or loss**		**Real Estate Funds** **Profit or loss**	
Sensitivity analysis	**Increase**	**Decrease**	**Increase**	**Decrease**
Weighted average cost of capital (WACC) (0.5% movement)	-1,483	1,540	-604	615
Exit yield (0.5% movement)	-2,526	2,928	-1,419	1,506

Effect in EUR thousands **31 March 2018**	**Other** **Profit or loss**	
Sensitivity analysis	**Increase**	**Decrease**
Long term growth rate (0.5% movement)	1,699	-1,557
Weighted average cost of capital (WACC) (0.5% movement)	-2,375	2,600
Long term operating margin (0.5% movement)	1,585	-1,584

The Eastnine's portfolio is presented on page 5 in this report, including information on fair value changes during the period. More information on the portfolio holdings can be found on pages 9 to 13 in this report.

The following table analyses, within the fair value hierarchy, the investments in the investment activities measured at fair value:

EUR thousands 31 March 2018 Shares and participations in investment activities at fair value through profit or loss[1]	Level 1	Level 3	Total balance
Real Estate Direct	-	90,756	90,756
Real Estate Funds	-	41,535	41,535
Other	3,711	47,523	51,234
Total	**3,711**	**179,813**	**183,524**

EUR thousands 31 December 2017 Shares and participations in investment activities at fair value through profit or loss	Level 1	Level 3	Total balance
Real Estate Direct	-	74,164	74,164
Real Estate Funds	-	37,064	37,064
Other	41,601	48,613	90,213
Total	**41,601**	**159,840**	**201,441**

[1] Following investments are classified in:
Level 1 - East Capital Global Frontier Markets Fund
Level 3 - East Capital Baltic Property Fund II, East Capital Baltic Property Fund III, 3Burės, 3Burės development, Vertas, Alojas Biroji, Alojas Kvartals and MFG

EUR thousands 31 March 2018 Changes in financial assets and liabilities in Level 3	Real Estate Direct	Real Estate Funds	Other	Total
Opening balance 2018	**74,164**	**37,064**	**48,613**	**159,840**
Purchases/additions	29,725	3,451	-	33,176
Repayment of loan from group companies	-14,000	-	-	-14,000
Changes in fair value recognised net in profit/loss	867	1,019	-1,089	797
Closing balance 31 March 2018	**90,756**	**41,535**	**47,523**	**179,813**

EUR thousands 31 December 2017 Changes in financial assets and liabilities in Level 3	Real Estate Direct	Real Estate Funds	Other	Total
Opening balance 2017	**30,419**	**36,656**	**50,039**	**117,114**
Purchase/additions	36,300	6,033	-	42,333
Divestments/Reductions	-	-9,765	-7,026	-16,791
Changes in fair value recognised net in profit/loss	7,444	4,140	5,600	17,184
Closing balance 31 December 2017	**74,164**	**37,064**	**48,613**	**159,840**

EUR 797 thousands (EUR 16,408 thousands) of changes in fair value recognised net in profit/loss relate to investments still held at the end of the period.

Risks and uncertainties

For information about risks, uncertainties and information about the business environments and markets in which Eastnine invests, please see page 6 and 14. For a summary of the methods and assumptions used to determine fair value of the portfolio holdings please see Note 4 and in more detail on page 55 in the Annual Report of 2017. The effect of fluctuations in the major parameters on the value of the portfolio holdings is presented in the table below:

Sensitivity analysis for market risks (EUR Thousands) 31 March 2018 Risk factors	Change	Effect on net profit/loss for the period
Fx EUR/RUB	+/- 10%	4,752
Fx EUR/USD	+/- 5%	186
Equity price	+/- 10%	18,319

Note 5 Related parties

On 31 March 2018, Eastnine AB had a related party relationship with its subsidiaries, Board members and employees.

Eastnine AB's management, Board members and their close relatives and related companies control 25.6 percent of voting rights in the Company.

Following the termination of the Investment Agreement between Eastnine and East Capital on 9 May 2016, all management fee payments to East Capital were halted, with the exception of the real estate funds East Capital Baltic Property Fund II and East Capital Baltic Property Fund III. As a consequence, during the period Jan-Mar 2018, the Company received repayments of EUR 0.1m (EUR 0.2m) regarding management fees originated in the other East Capital funds. Management fees originated in the real estate funds during the period Jan-Mar 2018 amounted to EUR 0.1m (EUR 0.1m).

The management fee for East Capital Baltic Property Fund II is 1.75 percent and the rebated management fee for East Capital Baltic Property Fund III is 1.25 percent. The carried interest for these funds is 20 percent, on the premise that a threshold value increase of 7 and 8 percent, respectively, per year has been achieved.

The liquidation of the subsidiary ECEX Holding SA was completed in Q1 2018.

There have been no other material related party transaction during the year.

Note 6 Repurchase of shares and dividend

On 20 May 2016, the Company launched a buyback program. As announced on 26 September 2017, buybacks may be carried out as long as the Eastnine share trades at a discount to its most recently reported Net Asset Value (NAV) per share in EUR. This is an alteration of the original program carried out since May 2016, whereby buybacks could not be made at a price higher than 80% of NAV per share.

During the period 1 January through 31 March 2018, the Company repurchased a total of 577,944 shares, corresponding to 2.3 percent of the Company's outstanding shares, at an average price of SEK 86.45 per share. On 31 March 2018, the Company had a total of 2,445,772 repurchased shares held in treasury, corresponding to 9.9 percent of outstanding shares.

The total number of shares outstanding in Eastnine as of 31 March 2018 amounted to 24,816,033. Adjusted for repurchased shares held in treasury, the number of shares outstanding amounted to 22,370,261. The weighted average number of shares outstanding for the reporting period was 22,590,768 adjusted for the repurchased shares.

Eastnine is transforming from a diversified Eastern European investment company, into a Baltic real estate company. The transformation is expected to be finalised by the end of 2020. Eastnine's dividend policy states that dividend shall correspond to at least 50% of profit from property management. During the build-up phase, the annual dividend shall be at least 2.0% of the net asset value at the preceding year-end.

Note 7 Events occurring after the end of the quarter

The remaining fund holding in East Capital Global Frontier Markets Fund were sold for an amount equivalent to EUR 3.7m.

The Annual General Meeting (AGM) 2018 resolved to re-elect Board members Peter Elam Håkansson, Liselotte Hjorth and Nadya Wells, and to elect Johan Ljungberg and Peter Wågström as new members of the board. Göran Bronner and Lars O Grönstedt declined re-election. Liselotte Hjorth was is elected as chairman of the Board.

The AGM resolved to pay an ordinary dividend for 2017 of SEK 2.10, or EUR 0.21, per share, corresponding to 2.0% of NAV/share. The AGM also resolved that the dividend is to be distributed on two payment occasions of SEK 1.05 per share and dividend occasion. The first dividend payment was made on 2 May 2018. The second record date for the dividend is on 29 October 2018 and the payment will be on 1 November 2018.

The AGM approved the Board of Directors' proposal to reduce the share capital by cancelling of 2,445,772 previously repurchased shares and to increase the share capital by way of a bonus issue. Furthermore, the AGM authorized the Board of Directors to continue with repurchase of own shares.

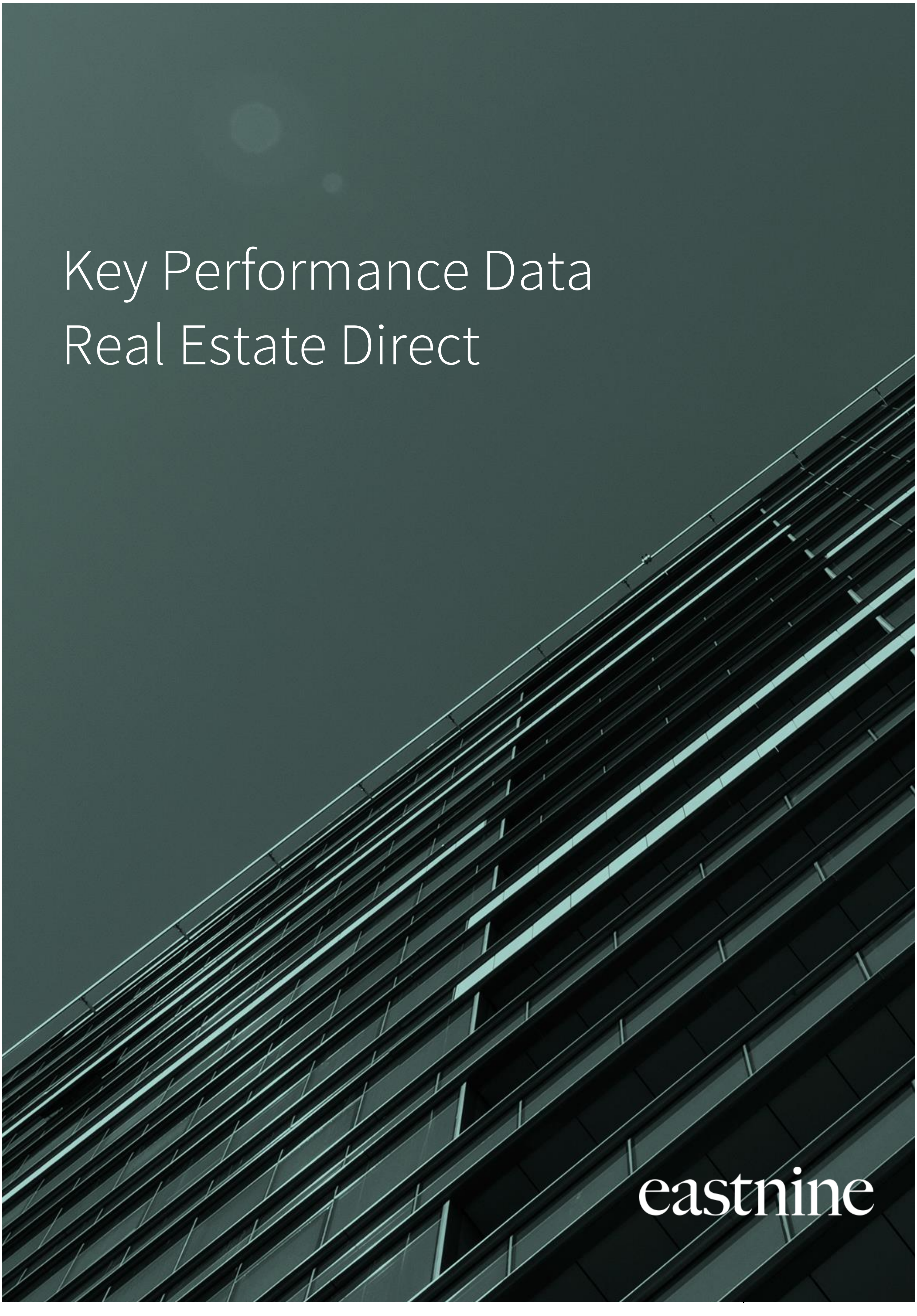
Note 8 Key Figures

Key figures	**3m 2018**	**12m 2017**	**9m 2017**	**6m 2017**	**3m 2017**	**12m 2016**	**9m 2016**	**6m 2016**
Net asset value (NAV), EUR m	238	242	232	233	246	248	228	236
Equity ratio, %	99.7	99.6	99.2	99.3	99.2	99.3	99.4	99.7
Market capitalisation, SEK m	2,174	2,029	1,861	1,750	1,854	1,880	1,619	1,669
Market capitalisation, EUR m	211	206	193	182	193	196	168	177
Number of outstanding shares, m	22.4	22.9	23.7	24.3	25.0	25.6	26.1	27.0
Number of outstanding shares including repurchased shares, m	24.8	24.8	24.8	24.8	25.7	28.2	28.2	28.2
Weighted average number of shares, m	22.6	24.3	24.7	25.0	25.4	27.0	27.4	28.0
Number of employees	7	7	7	8	8	9	9	5

Key figures per share	**3m 2018**	**12m 2017**	**9m 2017**	**6m 2017**	**3m 2017**	**12m 2016**	**9m 2016**	**6m 2016**
Earnings per share, EUR	0.03	0.70	0.03	-0.11	0.11	0.49	-0.35	-0.27
Dividend per share, EUR	-	0.21	-	-	-	0.09	-	-
NAV, SEK	110	104	94	92	94	93	84	82
NAV, EUR	10.64	10.57	9.79	9.59	9.83	9.67	8.73	8.74
Share price, SEK[1]	87.60	81.75	75.00	70.50	72.25	66.75	57.50	59.25
Share price, EUR[1]	8.50	8.32	7.77	7.33	7.57	6.97	5.97	6.29
SEK/EUR	10.30	9.83	9.65	9.62	9.55	9.58	9.63	9.41

[1] Not adjusted for share redemptions or dividend

Key Performance Data
Real Estate Direct



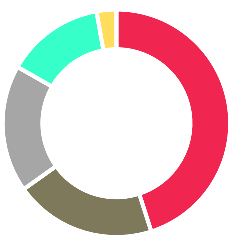
eastnine

Property data

	2018	2017				2016
SEGMENT RESULTS, EURM	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**
Rental income	1.99	1.63	1.66	1.33	1.09	1.03
Property costs[1]	-0.14	-0.49	-0.24	-0.06	-0.20	-0.20
Management and administrative expenses	-0.36	-0.25	-0.08	-0.22	-0.11	-0.25
Other income and expenses	-0.10	0.00	0.00	0.00	0.00	0.01
Net operating income	1.39	0.89	1.33	1.04	0.78	0.59
Surplus ratio, %	70	54	80	78	72	58
Net interest	-0.28	-0.22	-0.22	-0.22	-0.25	-0.26
Profit from property management	1.11	0.67	1.11	0.82	0.53	0.33
Changes in value of properties		4.45				1.05
Changes in value of derivatives	0.13	-0.18				
Profit before tax	0.98	4.95	1.11	0.82	0.53	1.38
Income tax						
Deferred tax	-0.13	-1.01	-0.09	-0.10	-0.07	-1.41
Net profit	0.85	3.94	1.02	0.72	0.45	-0.03
SEGMENT KEY FIGURES	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**
Property-related						
Number of properties	5	3	3	3	2	2
Income-producing properties	4	2	2	2	1	1
Development properties	1	1	1	1	1	1
Leasable floor space, k sq.m	62.3	50.6	50.6	50.6	41.2	41.2
Income-producing properties	49.4	37.8	37.8	37.8	28.4	28.4
Development properties	12.9	12.8	12.8	12.8	12.8	12.8
Floor space vacancy level[2], %	0.4	3.0	1.9	2.4	3.9	4.9
Average rent[2], EUR/ sq.m/ month	14.1	13.8	13.8	13.5	12.7	12.6
WAULT[2], years	2.4	2.5	2.4	2.6	2.3	2.3
Rental value, offices[2], EURm	8.4	6.3	6.3	6.1	4.3	4.3
Property value, EURm	141.8	107.5	99.6	98.1	68.3	66.8
Income-producing properties	122.0	92.4	89.4	89.4	60.9	60.9
Development properties	19.8	15.1	10.2	8.7	7.4	5.9
Land plots		0.0	0.0	0.0	0.0	0.0
Direct yield[2,3], %	6.1	5.4	5.8	6.1	6.1	6.4
Financial						
Return on equity, 12-month rolling, %	10.9	11.2	8.6	10.8	11.2	12.0
Equity ratio, %	61.0	66.1	64.5	63.5	47.2	44.4
Interest coverage ratio, multiple	5.0	4.7	6.1	4.7	3.1	2.3
Loan-to-value ratio, %	35.3	30.3	33.1	34.1	49.6	51.4
Average interest, %	2.5	2.6	2.6	2.6	3.0	2.9
Average capital tie-up period, years	5.0	5.8	6.1	6.3	6.6	6.8
Average fixed interest period, years	5.0	5.8	6.1	6.3	6.6	6.8
Gross debt, EURm	50.0	32.5	33.0	33.5	33.9	34.4
Long-term equity[4] (EPRA), EURm	93.6	76.8	69.2	66.1	36.1	32.6
Equity, EURm	90.8	74.2	67.2	64.2	33.8	30.4

1 Including costs for tenant improvement
2 Income-producing properties
3 Net operating income including costs for tenant improvements for the last twelve months divided by property value
4 Excluding deferred taxes on property value surpluses and the fair value of financial derivates

Property value



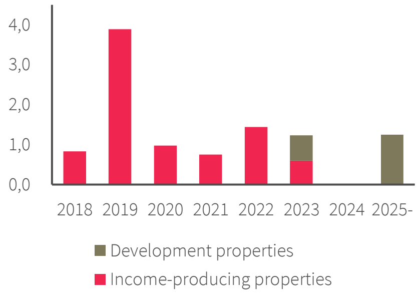
- 3 Bures
- Vertas
- Alojas Biroji
- 3 Bures development
- Alojas Kvartals

Largest tenants

	SQM
Telia	9,400
Visma	3,200
Citco	3,000
Luminor	2,600
European Social Fund	2,100
Swedbank	1,800
Transact Pro	1,400
Cobalt	1,400
Under development	
Swedbank	8,900
Visma	3,800

Lease term structure

Rental value by earliest break option, EURm



Definitions

Property related Key Figures

Average interest
Interest expense divided by average interest-bearing debt for the period.

Average capital tie-up period
Average maturity of gross debt at end of period.

Average rent, EUR per sq.m
Rental income in relation to average leasable floor space.

Earnings capacity
Key figures of properties owned at the end of the period, based on performance over the last 12 months or estimates for properties held less than 12 months. The figures provide an overview but is not a forecast.

Floor space vacancy level
Unlet floor space in relation to total floor space.

Gross debt
Total interest-bearing debt at end of period.

Leasable floor space
Total floor space available for leasing.

Long-term equity (EPRA)
Reported equity including deferred taxes on property value surpluses and excluding the fair value of financial derivates.

Net operating income
Total revenues less property costs.

Profit from property management
Operating net, administration costs and net financial items.

Rental income
Charged rents, rent surcharges and rental guarantees less rent discount.

Rental value
Rental income and estimated market rent for vacant units.

Surplus ratio
Operating net in relation to total revenues.

WAULT
Average remaining lease term to maturity of the portfolio weighted according to contracted rental income (Weighted average unexpired lease term).

Financial Key Figures

Debt/ equity ratio
Interest-bearing net debt in relation to equity.

EBIT
Operating profit after amortisation of goodwill/ acquisition-related surplus value and depreciation/ amortisation of non-current assets (Earnings before Interest and Tax).

EBITDA
Profit before depreciation, amortisation and impairment (Earnings before Interest, Tax, Depreciation and Amortisation).

Equity ratio
Total equity as a percentage of total assets.

Fair value
See market value.

Interest coverage ratio
Operating profit excluding financial expenses, in relation to financial expenses.

IRR (internal rate of return)
Annual average return on the invested amount calculated from the original investment, final selling amount and other capital flows, considering when in time these payments were made to or from Eastnine.

Loan-to-value ratio
Interest-bearing liabilities less cash in relation to fair value of the holdings.

Market value
The value of which a holding is assumed to be able to be sold for at a given time. Listed holdings at the bid quote on the balance sheet date. To establish the market value of unlisted holdings, various valuation methods are used as applicable.

NAV
The value of the Company's net assets, i.e. total assets less net debt.

NAV discount
The difference between net asset value (NAV) and market capitalisation in relation to NAV. If market cap is lower than NAV the shares are traded with a NAV discount; if market cap is higher, they are traded with a premium.

Net debt
Interest-bearing liabilities including pension liabilities, less cash, short-term investments and interest-bearing receivables.

Operating expenses
Expenses directly related to Eastnine's business.

Return on equity
Profit/ loss for the year as a percentage of average shareholders' equity.

Share-related Key Figures

Average number of outstanding shares
Registered number of shares less shares held by the Company.

Earnings per share
Net profit for the period attributable to equity holders of the Parent Company, divided by average number of shares outstanding during the year.

Equity per share
Shareholders' equity, attributable to equity holders of the Parent Company, divided by number of outstanding shares at the end of the period.

NAV per share
Net asset value per share in relation to the total number of registered shares on the balance sheet date (excluding repurchased shares).

Share buy-back
Purchasing of own shares on the stock market. Swedish companies have the option to own up to 10 percent of their own outstanding shares conditioned AGM approval.

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Financial information and calendar

Interim report Q2 2018 – 29 August 2018
Interim report Q3 2018 – 15 November 2018
Subscribe to financial reports and press releases directly to your e-mail on: www.eastnine.com or by sending an email to info@eastnine.com.

The information in this interim report is the information which Eastnine AB is required to disclose under the EU Market Abuse Regulation and the Securities Markets Act. It was released for publication at 08.00 a.m. on 16 May 2018