

HUFVUDSTADEN

Interim Report January-September 2010

- Profit after tax for the period was SEK 818 million (-356), equivalent to SEK 3.97 per share (-1.73). The higher profit can be explained by a positive change in the value of the property holdings amounting to SEK 552 million (-1,058).
- Gross profit from property management totalled SEK 686 million (699). The change can be explained mainly by a slight rise in the rental vacancy level.
- The fair value of the property holdings was set at SEK 19.1 billion (18.1 at the year-end). The increase can be explained by rising rent levels and a slightly lower direct yield requirement as well as investments.
- The net asset value was SEK 65 per share (62 at the year-end).
- The equity ratio was 55 per cent, the net loan-to-value ratio was 17 per cent and the interest coverage ratio multiple was 7.7.
- Consolidated net revenue amounted to SEK 1,027 million (1,020).
- The rental vacancy level at the period-end was 6.1 per cent (6.2 at the year-end).
- For the third year in succession, Hufvudstaden has the most satisfied office tenants according to the Fastighetsbarometern Customer Satisfaction Survey.

GROUP

RESULTS

Property management¹

Gross profit for the period totalled SEK 686.0 million (699.2), a fall of 2 per cent. The fall can be attributed to a slightly higher rental vacancy level and increased costs as a result of the severe winter. Net rents from property management during the period totalled SEK 975.9 million (972.4). Costs for property tax and other costs rose during the third quarter. The majority of these costs have been passed on to the tenants and consequently there has not been any major impact on profit.

The turnover-based rent supplement at the NK properties is reported in the fourth quarter. The turn

over-based rent supplement the previous year was SEK 5.6 million. Apart from this there were no material seasonal variations in rents.

The property management results for each business area are reported on page 5.

Parking operations

Operations comprise parking operations at Parkaden AB in Stockholm. Net revenue amounted to SEK 51.2 million (47.1), expenses amounted to SEK 35.5 million (35.1) and gross profit amounted to SEK 15.7 million (12.0).

Other Income Statement items

Central administration totalled SEK -22.8 million (-19.9). Changes in the value of investment properties totalled SEK 552.0 million (-1,057.8) and changes in the value of interest derivatives totalled SEK -28.0 million (-13.5).

¹ The properties Inom Vallgraven 12:1 and 12:9 in Gothenburg are included with effect from March 30, 2010. Otherwise the property holdings remained unchanged compared with the same period the previous year.

Financial income and expense

Net financial income and expense amounted to SEK -88.2 million (-97.6). The decrease in the net cost can be explained by lower short-term market interest rates.

Tax

The Group's tax (actual and deferred) for the period was SEK -296.7 million (121.5), of which SEK -101.9 million was actual tax (-102.8) and SEK -194.8 million was deferred tax (224.3). The positive tax for the previous year can be attributed to dissolution of deferred tax as a result of unrealized changes in value.

Profit for the period

The consolidated profit after tax amounted to SEK 818.0 million (-356.1). The change in the result is due to an unrealized increase in value of the property holdings of SEK 552.0 million for the period compared with an unrealized fall in value for the corresponding period the previous year of SEK -1,057.8 million.

ACQUISITIONS AND INVESTMENTS

In March, two properties were acquired in Gothenburg at a total purchase sum of SEK 175.0 million.

Investment during the period in properties and equipment totalled SEK 399.1 million (200.3).

PROPERTY PORTFOLIO

The fair value of the Hufvudstaden property holdings as of September 30, 2010 is estimated at SEK 19,075 million (18,125 at the year-end). The increase can be attributed to the purchase of the properties in Gothenburg, investments in the property holdings and unrealized changes in value. The rentable floor space was 357,000 square metres (354,000 at the year-end).

The total rental vacancy level as of September 30, 2010 was 6.1 per cent (5.8) and the total floor space vacancy level was 7.4 per cent (6.9). Since the year-end the rental vacancy level has fallen by 0.1 per cent (6.2 at the year-end).

Property value and net asset value

Each quarter Hufvudstaden makes an internal valuation of each individual property. The purpose of the valuation is to assess the fair value of the property holdings. The valuation took place on the basis of a valuation using a variation on the location price method, known as the net capitalization method. The method means that the market's yield requirement is put in relation to the net operating income of the properties. To assure the valuations, external valuations for part of the property holdings are obtained at least once a year.

There is a continuous update made during the year of the internal valuation of the properties in order to take into account purchases, sales and investments. Hufvudstaden also examines on a continuous basis whether there are other indications of changes in the fair value of the properties. This could, for example, take the form of major lettings, terminations and material changes in the yield requirement.

In the light of the above, a change in the value of the property holdings was considered to have taken place amounting to SEK 552.0 million. The total value of the property holdings, including investments made during the year, was SEK 19.1 billion. The unrealized increase in value can be explained by rising rents and a slightly lower direct yield requirement. The average direct yield requirement for the property holdings in conjunction with the above valuation was 5.1 per cent (5.3 at the year-end).

Net asset value

Based on the valuation of the property holdings, the net asset value was SEK 13.3 billion or SEK 65 per share after tax. When calculating the net asset value, calculated deferred tax has been used. This has been set at 10 per cent of the difference between the assessed fair value of the properties and the residual value for tax purposes for the properties. The assessment is made in the light of current tax legislation, which means that properties can be sold by a limited company without tax implications. The purchaser, however, loses the basis for depreciation, which could justify some compensation, which has been set at 10 per cent. If the tax rate according to the Balance sheet (26.3 per cent) had been used in the calculation, the net asset value would have been SEK 10.6 billion or SEK 51 per share. If the tax rate is assumed to be 0 per cent, the net asset value would be SEK 15.0 billion or SEK 73 per share.

HUFVUDSTADEN HAS MOST SATISFIED CUSTOMERS

For the third year in succession, Hufvudstaden has the most satisfied office tenants according to the Fastighetsbarometern Customer Satisfaction Survey. The survey shows that Hufvudstaden has improved by 3 units to 81 (on a scale of 1-100). It also emerged that Hufvudstaden had the highest score in 9 of the 10 quality factors measured.

RENTAL MARKET

Interest in modern, flexible office space in prime locations in central Stockholm increased slightly during the period. Vacant space in this category has continued to remain low and rents are rising. In conjunction with renegotiations and new leases for office space in Stockholm's most attractive locations in Bibliotekstan, at Norrmalms- torg/Hamngatan and in the Hötorget area, rents were noted of between SEK 3,800 and SEK 4,800 per square metre per year, excluding the property tax supplement. Interest in prime-location retail premises in the same sub-markets has also been high with rents ranging from SEK 12,000 to SEK 18,000 per square metre per year, excluding the property tax supplement.

Demand for modern office premises in the central sub-markets of Gothenburg has been stable. Market rents for modern, well-planned office premises in prime locations were between SEK 1,600 and SEK 2,400 per square metre per year, excluding the property tax supplement. For retail premises the market rents were between SEK 5,000 and SEK 11,000 per square metre per year, excluding the property tax supplement.

The Group's current renegotiations for both office and retail premises have proceeded in

accordance with our expectations. A total of 51,000 square metres were renegotiated during the period at a value of SEK 195 million. On average, these renegotiations have resulted in an unchanged rent level.

FINANCING STRUCTURE

Hufvudstaden's borrowing as of September 30, 2010 amounted to SEK 3,600.0 million (3,400.0 at the year-end). The average fixed interest period was 33 months (36 at the year-end), the average capital tie-up period was 46 months (39 at the year-end) and the average annual interest rate was 3.5 per cent (3.7 at the year-end). Interest-bearing net liabilities amounted to SEK 3,320.0 million (2,990.0 at the year-end).

The fair value of interest swaps as of September 30, 2010 was SEK -163.7 million (-135.8 at the year-end).

Capital tie-up structure, September 30, 2010

Maturity Date	Volume, SEK m	Share, %
2011	950.0	26
2012	250.0	7
2013	950.0	26
2017	1,450.0	41
Total	3,600.0	100

Fixed interest structure, September 30, 2010

Maturity Date	Volume, SEK m	Share, %	Average AER, %
2010	900.0	25	1.4
2011	600.0	17	3.6
2012	250.0	7	4.9
2013	600.0	17	3.9
2014	200.0	6	3.6
2015	300.0	8	3.6
2017	750.0	20	4.8
Total	3,600.0	100	3.5

SHARES AND SHAREHOLDERS

Hufvudstaden, whose shares are listed on NASDAQ OMX Stockholm, had 18,769 shareholders at the end of the period. The proportion of foreign ownership as of September 30, 2010 was 25 per cent of the total number of outstanding shares (20 at the year-end). The series A share price as of September 30, 2010 was SEK 72.65 and market capitalization was SEK 15.7 billion.

Shares bought back

The total number of shares held by Hufvudstaden as of September 30, 2010 was 5,006,000 series A shares, equivalent to 2.4 per cent of the total number of issued shares. No buy-backs were made during the period or after the end of the reporting period. At the 2010 Annual General Meeting the Board was granted renewed authorization to acquire up to 10 per cent of all the issued shares and to assign company shares.

Buy-back of shares as of September 30, 2010, million shares

	Total number of shares	Company holdings	Held by other shareholders
As of January 1, 2010	211.3	5.0	206.3
Buy-back	-	-	-
As of September 30, 2010	211.3	5.0	206.3

THIRD QUARTER

Gross profit from property management amounted to SEK 235.5 million (237.9), a fall of SEK 2.4 million. The change can be attributed mainly to higher rental vacancy levels. Net rents amounted to SEK 330.2 million (322.5). Property management costs amounted to SEK 94.7 million (84.6).

Gross profit from parking operations amounted to SEK 4.7 million (3.4). Net revenue amounted to SEK 16.1 million (15.1) and costs amounted to SEK 11.4 million (11.7).

Changes in the value of investment properties amounted to SEK 367.5 million (0) and for interest derivatives SEK 10.6 million (-6.6). Financial income and expense amounted to SEK -30.2 million (-30.6). The improvement in net financial income and expense can be attributed to lower, short-term interest rates.

MATERIAL RISKS AND UNCERTAINTY FACTORS

The Group is mainly exposed to financing, interest and credit risks and changes in the value of the property holdings. The Company has not identified any material risks and uncertainties other than those described in the 2009 Annual Report.

MATERIAL TRANSACTIONS WITH ASSOCIATED PARTIES

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

ACCOUNTING PRINCIPLES

Hufvudstaden applies the EU-adopted IFRS standards and interpretations thereof (IFRIC). This Interim Report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting. The accounting principles and computation methods are the same as those applied in the most recent Annual Report.

FORTHCOMING INFORMATION

Year-End Report 2010	February 10, 2011
Annual Report 2010	March 2011
Annual General Meeting in Stockholm 2011	March 24, 2011

The information in this Interim Report is information that Hufvudstaden AB (publ) is obliged to publish according to the Securities Market Act and/or the Financial Instruments Trading Act. The information was published on November 10, 2010.

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

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

INCOME STATEMENTS – SUMMARY

GROUP, SEK m	July- September 2010	July- September 2009	January- September 2010	January- September 2009	January- December 2009
Net sales					
Property management	330.2	322.5	975.9	972.4	1,304.8
Parking operations	16.1	15.1	51.2	47.1	66.9
	346.3	337.6	1,027.1	1,019.5	1,371.7
Property management expenses					
Maintenance	-5.2	-3.6	-17.6	-14.9	-28.5
Operation and administration	-50.8	-49.6	-168.6	-159.2	-219.6
Ground rents	-3.8	-4.0	-9.4	-12.1	-16.2
Property tax	-34.9	-27.4	-94.3	-87.0	-116.5
Property management expenses	-94.7	-84.6	-289.9	-273.2	-380.8
Parking operations, costs	-11.4	-11.7	-35.5	-35.1	-47.0
Operating expenses	-106.1	-96.3	-325.4	-308.3	-427.8
Gross profit	240.2	241.3	701.7	711.2	943.9
- of which Property management	235.5	237.9	686.0	699.2	924.0
- of which Parking operations	4.7	3.4	15.7	12.0	19.9
Central administration	-7.5	-5.2	-22.8	-19.9	-29.2
Operating profit before changes in value	232.7	236.1	678.9	691.3	914.7
Changes in value					
Investment properties	367.5	-	552.0	-1,057.8	-1,239.1
Interest derivatives	10.6	-6.6	-28.0	-13.5	-25.6
Operating result	610.8	229.5	1,202.9	-380.0	-350.0
Financial income and expense	-30.2	-30.6	-88.2	-97.6	-128.1
Result before tax	580.6	198.9	1,114.7	-477.6	-478.1
Tax	-153.6	-53.4	-296.7	121.5	120.6
Result after tax	427.0	145.5	818.0	-356.1	-357.5
Other comprehensive income					
Change in hedging reserve	-	6.3	-	19.1	25.5
Total comprehensive income for the period/year	427.0	151.8	818.0	-337.0	-332.0
Average number of outstanding shares following buy-backs during the period	206,265,933	206,265,933	206,265,933	206,265,933	206,265,933
Result for the period/year after tax per share before and after dilution, SEK	2.07	0.70	3.97	-1.73	-1.73

BALANCE SHEETS – SUMMARY

GROUP, SEK m	September 30, 2010	September 30, 2009	December 31, 2009
Investment properties	19,075.3	18,224.0	18,125.3
Other fixed assets	12.3	11.6	13.5
Total fixed assets	19,087.6	18,235.6	18,138.8
Current assets	319.1	373.1	461.2
Total assets	19,406.7	18,608.7	18,600.0
Equity	10,610.7	10,220.8	10,225.9
Non-current liabilities to credit institutions	2,650.0	2,900.0	2,900.0
Deferred tax liability	4,530.7	4,389.4	4,335.9
Other non-current liabilities	161.4	130.2	138.0
Pension provisions	7.0	5.8	6.3
Total non-current liabilities	7,349.1	7,425.4	7,380.2
Current, interest-bearing liabilities	950.0	500.0	500.0
Other liabilities	496.9	462.5	493.9
Total current liabilities	1,446.9	962.5	993.9
Total equity and liabilities	19,406.7	18,608.7	18,600.0

CHANGES IN EQUITY – SUMMARY

GROUP, SEK m	January-September 2010	January-September 2009	January-December 2009
Equity, opening balance	10,225.9	10,949.7	10,949.7
Total comprehensive income for the period	818.0	-337.0	-332.0
Dividends	-433.2	-391.9	-391.9
Equity, closing balance	10,610.7	10,220.8	10,225.9

STATEMENTS OF CASH FLOWS – SUMMARY

GROUP, SEK m	January-September 2010	January-September 2009	January-December 2009
Result before tax	1,114.7	-477.6	-478.1
Depreciation/impairments	3.5	6.0	6.0
Change in value, investment properties	-552.0	1,057.8	1,239.1
Change in value, interest derivatives	28.0	13.5	25.6
Other changes	0.6	0.7	1.2
Tax paid	-158.3	-138.2	-165.1
Cash flow from current operations before changes in working capital	436.5	462.2	628.7
Increase/decrease in operating receivables	10.2	27.1	11.5
Increase/decrease in operating liabilities	54.9	6.2	24.3
Cash flow from current operations	501.6	495.5	664.5
Investments in investment properties	-397.9	-198.6	-281.2
Investments in equipment	-1.2	-1.7	-4.2
Change in non-current receivable	-0.5	-0.8	-1.2
Cash flow from investments	-399.6	-201.1	-286.6
Dividend paid	-433.2	-391.9	-391.9
Loans raised	200.0	0.0	0.0
Cash flow from financing	-233.2	-391.9	-391.9
Cash flow for the period	-131.2	-97.5	-14.0
Liquid funds at the beginning of the period	424.9	438.9	438.9
Liquid funds at the period-end	293.7	341.4	424.9
Cash flow for the period/year per share, SEK	-0.64	-0.47	-0.07

PLEGGED ASSETS AND CONTINGENT LIABILITIES

GROUP, SEK m	September 30, 2010	September 30, 2009	December 31, 2009
Pledged assets			
Mortgages	1,806.2	1,706.2	1,706.2
Endowment insurance	5.4	4.5	4.8
Total pledged assets	1,811.6	1,710.7	1,711.0
Contingent liabilities	None	None	None

SEGMENT REPORT – SUMMARY¹

GROUP, SEK m	Stockholm City East Business Area		Stockholm City West Business Area		Gothenburg Business Area		Total	
	January-September 2010	January-September 2009	January-September 2010	January-September 2009	January-September 2010	January-September 2009	January-September 2010	January-September 2009
Net revenue	423.2	434.8	418.7	408.3	134.0	129.3	975.9	972.4
Property costs	-112.9	-102.7	-136.3	-136.8	-40.7	-33.7	-289.9	-273.2
Gross profit, Property management	310.3	332.1	282.4	271.5	93.3	95.6	686.0	699.2
Parking operations			15.7	12.0			15.7	12.0
Central administration							-22.8	-19.9
Changes in value								
Investment properties							552.0	-1,057.8
Interest derivatives							-28.0	-13.5
Operating result							1,202.9	-380.0
Financial income and expense							-88.2	-97.6
Result before tax							1,114.7	-477.6

¹ For comparable holdings, net revenue for the Gothenburg Business Area and for the Group for 2010 should be reduced by SEK 5.2 million and gross profit by SEK 3.9 million.

KEY RATIOS

GROUP	September 30, 2010	September 30, 2009	Full Year 2009	Full Year 2008	Full Year 2007	Full Year 2006
Property-related						
Rentable floor space, thousands m ²	357	354	354	354	354	351
Rental vacancy level, %	6.1	5.8	6.2	5.3	3.3	6.5
Floor space vacancy level, %	7.4	6.9	7.4	5.9	4.6	8.1
Fair value, SEK bn	19.1	18.2	18.1	19.1	20.5	17.4
Surplus ratio, %	68.3	71.5	68.8	67.3	67.8	64.7
Financial						
Return on equity, %	9.2	-2.0	-3.4	-3.9	20.4	33.6
Return on capital employed, %	9.9	-1.0	-2.4	-5.7	22.3	23.9
Equity ratio, %	54.7	54.9	55.0	55.9	56.4	57.4
Interest coverage ratio, multiple	7.7	6.9	7.0	5.5	6.2	5.1
Debt/equity ratio, multiple	0.3	0.3	0.3	0.3	0.3	0.3
Net loan-to-value ratio, properties, %	17.3	17.0	16.4	15.6	15.8	19.3
Loan-to-value ratio, properties, %	18.9	18.7	18.8	17.8	16.6	19.3
Data per share						
Result for the period, SEK	3.97	-1.73	-1.73	-2.18	11.64	16.60
Equity, SEK	51.44	49.55	49.58	53.09	57.25	57.14
Properties, fair value, SEK	92.48	88.35	87.87	92.52	99.53	84.40
Net asset value, SEK	65.00	62.00	62.00	66.00	73.00	71.00
Number of outstanding shares, 1,000	206,266	206,266	206,266	206,266	206,266	206,266
Number of issued shares, 1,000	211,272	211,272	211,272	211,272	211,272	211,272

KEY RATIOS PER QUARTER

GROUP	July-Sept 2010	Apr-June 2010	Jan-Mar 2010	Oct-Dec 2009	July-Sept 2009	Apr-June 2009	Jan-Mar 2009	Oct-Dec 2008
Net revenue, SEK m	346	342	339	352	338	340	342	347
Return on equity, %	8.4	6.8	5.5	4.1	5.9	2.3	1.1	1.4
Equity ratio, %	54.7	54.0	52.4	55.0	54.9	54.6	53.5	55.9
Profit/share for the period, SEK	2.07	1.29	0.61	-0.01	0.71	-0.94	-1.49	-0.21
Equity per share, SEK	51.44	49.37	48.09	49.58	49.55	48.82	49.72	53.50
Net asset value, SEK	65.00	62.00	61.00	62.00	62.00	61.00	63.00	66.00
Cash flow from current operations per share, SEK	0.94	0.88	0.62	0.82	0.75	0.81	0.84	0.72

PARENT COMPANY

RESULT AND POSITION

Net revenue amounted to SEK 587.7 million (595.4). Gross profit amounted to SEK 257.7 million (273.0). The decrease can be attributed primarily to higher rental vacancy levels.

Net financial income/expense was SEK -88.1 million (622.0). The figure for the previous year included a dividend of SEK 718.0 million from subsidiaries.

Liquid funds at the period-end amounted to SEK 293.5 million (341.3). Investments in properties and equipment during the period totalled SEK 259.5 million (33.3).

MATERIAL RISKS AND UNCERTAINTY FACTORS

The Company is mainly exposed to financing, interest and credit risks. The Company has not identified any material risks and uncertainties other than those described in the 2009 Annual Report.

MATERIAL TRANSACTIONS WITH ASSOCIATED PARTIES

Apart from the dividend to the shareholders, there were no material transactions with associated parties during the period.

ACCOUNTING PRINCIPLES

The Parent Company applies the same accounting principles as in the most recent annual report.

INCOME STATEMENTS – SUMMARY

PARENT COMPANY, SEK m	July- September 2010	July- September 2009	January- September 2010	January- September 2009	January- December 2009
Net revenue	199.2	197.8	587.7	595.4	796.0
Operating expenses	-106.3	-100.4	-330.0	-322.4	-463.4
Gross profit	92.9	97.4	257.7	273.0	332.6
Central administration	-7.5	-5.2	-22.8	-19.9	-29.2
Changes in value, interest derivatives	10.6	-6.6	-28.0	-13.5	-25.6
Operating profit	96.0	85.6	206.9	239.6	277.8
Dividend from subsidiaries	-	-	-	-	718.0
Financial income and expense	-30.5	-30.6	-88.1	622.0	-126.6
Result after net interest income/expense	65.5	55.0	118.8	861.6	869.2
Appropriations	-	-	-	-	103.1
Profit before tax	65.5	55.0	118.8	861.6	972.3
Tax	-18.3	-16.0	-35.1	-41.9	-71.4
Result for the period	47.2	39.0	83.7	819.7	900.9

BALANCE SHEETS – SUMMARY

PARENT COMPANY, SEK m	September 30, 2010	September 30, 2009	December 31, 2009
Investment properties	6,171.4	5,957.1	5,959.2
Other fixed assets	2,834.9	2,834.3	2,835.3
Total fixed assets	9,006.3	8,791.4	8,794.5
Current assets	645.5	703.8	943.0
Total assets	9,651.8	9,495.2	9,737.5
Restricted equity	1,978.7	1,978.7	1,978.7
Non-restricted equity	1,784.2	1,821.5	2,133.6
Total equity	3,762.9	3,800.2	4,112.3
Untaxed reserves	654.1	757.2	654.1
Appropriations	1,103.9	1,109.8	1,109.6
Non-current liabilities	2,811.9	3,030.8	3,038.5
Current liabilities	1,319.0	797.2	823.0
Total liabilities	5,888.9	5,695.0	5,625.2
Total equity and liabilities	9,651.8	9,495.2	9,737.5

Stockholm, November 10, 2010

Ivo Stopner
President

This Interim Report has not been the subject of an examination by the Company's auditors.

DEFINITIONS AND GLOSSARY

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

Bibliotekstan. The area between Norrmalmstorg, Birger Jarlsgatan, Stureplan and Norrlandsgatan and which contains stores with high-class brands.

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

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

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

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

Fair value. The estimated market value of the properties.

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

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

Investments. Expenses related to value-enhancing improvements which entail future financial benefits are capitalized. Rebuilding costs of an ongoing maintenance nature are charged to profit.

Loan-to-value ratio, properties. Interest-bearing liabilities in relation to the properties' carrying values.

Market value, properties. The amount at which the properties could be transferred on condition that the transaction takes place between parties that are independent of each other and which have an interest in the transaction being completed. In accounting terms this is known as fair value.

Net liabilities. Interest-bearing liabilities, including decided dividend less current investments.

Net loan-to-value ratio, properties. Interest-bearing liabilities in relation to the fair value of properties.

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

Property tax supplement. Property tax payments received from tenants.

Rental losses. Loss of revenue as a result of unlet space.

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

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

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

Surplus ratio. Gross profit in relation to net revenue.

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

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

This document is in all respects a translation of the original Interim Report in Swedish. In the event of any differences between this translation and the Swedish original, the latter shall prevail.

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