

AL Q3

ATRIUM LJUNGBERG

2013 • INTERIM REPORT JANUARY – SEPTEMBER



THIS IS ATRIUM LJUNGBERG

• NUMBER OF PROPERTIES	50
• PROPERTY VALUE	SEK 25 BILLION
• CONTRACTED ANNUAL RENT	SEK 1.9 BILLION
• LETTING AREA	940,000M ²
• LETTING RATE	95 %
• NUMBER OF EMPLOYEES	285

Atrium Ljungberg's work involves creating sustainable environments where people want to be, today and in the future – environments that contribute to society's development and which provide a foundation for growth and businesses. Properties are the core of our operations but we are actually more interested in the people who spend their time in the environments that we create. Because together with customers, suppliers, local authorities and other partners, we are building a sustainable future.

- Atrium Ljungberg is one of Sweden's largest listed property companies and has been **listed on the NASDAQ OMX** Stockholm Exchange since 1994.
- We **own, develop and manage properties** – primarily for the retail and office sectors.
- We **create attractive meeting places** by adding residential premises and cultural, service and educational facilities to our areas.

OUR LOCATIONS

- We are primarily located in **Stockholm, Uppsala and Malmö**.
- Our **retail hubs** are located in all of these regions.
- **The office properties** are concentrated on strong growth areas in Stockholm.
- Our **residential properties** are an integral part of the city district of Ärvinge in Kista and the Mobilia area in Malmö.

OUR BUSINESS CONCEPT

Atrium Ljungberg's long-term approach to ownership, development and management enables us to offer our customers attractive retail office and full-service environments in strong subsidiary markets. Our in-house expertise and big picture approach enables us to generate added value for our customers and partners and creates value growth within the company.

OUR GOALS

Atrium Ljungberg's business focuses at all times on the customer and the transaction. Our goals can be divided into three categories:

- **Profitability and growth** – the operating net shall increase by 10% per annum, we shall invest SEK 1 billion each year in in-house projects, and the return on new build and extension projects shall be 20%. The dividend shall correspond to a minimum of 50% of the profit before changes in value, after nominal tax.
- **Long-term stability** – the minimum equity/assets ratio shall be a multiple of 2.0.
- **Corporate social responsibility** – all major new builds shall be environmentally certified and we shall be one of Sweden's best workplaces.

Find out more at: www.atriumljungberg.se

OUR STRATEGIES & VALUE-ENHANCING FACTORS

- We shall focus on developing environments for retail and office activities and, wherever possible, complement them with residential, service, cultural and educational facilities.
The combination creates synergies and a risk spread that ensures we remain strong across business cycles.
- We shall maintain a presence in strong subsidiary markets in Stockholm, Uppsala and Malmö where the preconditions exist for long-term population growth.
Long-term population growth generates the preconditions for long-term profitability, both for us and for our customers.
- We shall develop and upgrade properties and development rights.
Our project development work generates value growth within the company and added value for our customers.
- We shall be a significant operator with large, unified units in every subsidiary market.
As a significant operator, we can lead and influence development and create full-service environments with long-term sustainability and viability.
- Our focus, in everything we do, shall be on our customers. Our partnerships with customers, suppliers, local authorities and other stakeholders shall be close, long-term, stable and personal.
Collaborative partnerships enable us to identify innovative solutions and by working together, we can create sustainable, attractive environments.
- We shall manage and conduct the entire commercial process in-house using in-house expertise.
Conducting the development and construction process in-house enables us to satisfy our customers' interests and generate good returns on our projects over time.
- Sustainability work shall be an integral part of our business strategy and an important component of our offering.
Building sustainably for the future not only enhances the company's value and results, but also strengthens the outside world's confidence in us.
- We shall have a committed workforce that is passionate about what we do. Our core values – a long-term approach, cooperation, reliability and innovative thinking – shall be firmly rooted in the workforce psyche.
In-depth commitment strengthens our brand and living up to our core values ensures our tenants want to be long-term customers.

OUR BUSINESS MODEL

Atrium Ljungberg's business model generates profitability and value growth through ongoing upgrading and effective, customer-orientated management of our properties. The model is based on a number of commercial processes, all of which are conducted in-house and with a varying degree of involvement by the company's different functions, depending on where we are in the process at any given time.



INTERIM REPORT

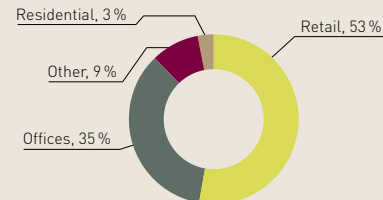
1 JANUARY – 30 SEPTEMBER

- NET SALES increased to SEK 1,752 million (SEK 1,555 m), of which rental income increased to a total of SEK 1,445 million (SEK 1,368 m).
- THE LETTING RATE was 95 per cent (95% as of 31 December 2012), including project properties.
- THE OPERATING SURPLUS from property management increased to SEK 959.4 million (SEK 931.7 m).
- THE PROFIT BEFORE CHANGES IN VALUE increased to SEK 616.2 million (SEK 566.2 m).
- UNREALISED CHANGES IN THE VALUE of properties totalled SEK 41.5 million (SEK 244.5 m). Unrealised changes in the value of financial instruments totalled SEK 341.2 million (SEK –126.6 m).
- THE PROFIT FOR THE PERIOD increased to SEK 855.7 million (SEK 454.5 m), corresponding to SEK 6.57/share (SEK 3.49).
- INVESTMENTS in Atrium Ljungberg's own properties totalled SEK 942 million (SEK 1,047 m).
- THE 2013 PROFIT FORECAST before changes in value and tax is unchanged SEK 790 million.

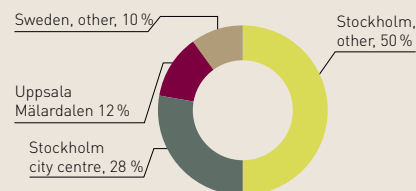
KEY RATIOS

	2013 Jan – Sept	2012 Jan – Sept	2013 July – Sept	2012 July – Sept
Net sales, SEK m	1,752	1,555	580	525
Profit before changes in value, SEK m	616	566	221	210
Profit for the period, SEK m	856	455	191	89
Investments, SEK m	942	1,047	329	347
Cash flow from operating activities, SEK m	639	594	311	218
Letting rate, %	95	95	95	95
Equity/assets ratio, %	40.7	39.2	40.7	39.2
Gearing ratio, %	50.4	47.3	50.4	47.3
Average interest at end of period, %	3.6	4.1	3.6	4.1
Interest coverage margin, multiple	3.0	2.7	3.2	3.0
Earnings per share, SEK	6.57	3.49	1.47	0.68
Profit/loss before changes in value less applicable nominal tax per share, SEK	3.69	3.21	1.33	1.19
Share price, SEK	85.70	84.50	85.70	84.50
Shareholders' equity per share, SEK	82.68	74.37	82.68	74.37
Net worth per share, 10% deferred tax, SEK	90.66	84.80	90.66	84.80

CONTRACTED ANNUAL RENT PER TYPE OF PREMISES



CONTRACTED ANNUAL RENT PER SEGMENT



MANAGING DIRECTOR'S STATEMENT

THE GROWTH IN our ongoing management operations has continued and both the operating surplus and the profit/loss before changes in value performed positively during the third quarter. Two successful inaugurations were carried out during the period at Port 73 in Haninge and Mobilia in Malmö. The detailed development plan for the new Slussen area has also been adopted, signalling the start of a much-needed upgrading of the area, and we will be making an active contribution to the process of transforming Slussen into an attractive meeting place. AkzoNobel has broken its new lease contract in Sickla, and the value of the property has consequently been written down.



Healthy growth in our ongoing management operations continued in the third quarter with improvements in both the operating surplus and the profit/loss before changes in value in comparison with the previous year, and a combined improvement in the operating surplus and profit/loss before changes in value for the first three quarters of the year of 3 per cent and 9 per cent, respectively. Confidence in the market has improved as the global and national economies have stabilised, but no major change has, as yet, been seen in consumption or rental levels within the retail sector. We have, however, seen increased activity levels and greater demand for premises in our office rental markets since the summer.

This autumn has seen the inaugurations of new phases at the Port 73 and Mobilia retail hubs in Haninge and Malmö, respectively, both of which were very successful and well-attended. Anticipation levels were high and the queues long when we opened the doors to the new part of Port 73 on 28 August, with people keen to come in and see the expanded range of fashion, restaurant and FMCG outlets goods. Port 73 has reported substantial increases in both visitor flows and net sales since the opening.

begin. For Atrium Ljungberg, the ruling means that an intensive programme of work begins by achieving an optimum resolution of a trying situation for our tenants in Glashuset arising, in part, from the inevitable disruption during the lengthy reconstruction period. Glashuset and our other tenants will also be affected by the need to restructure certain areas. The reduction in value to which this will give rise will, to some extent, be compensated for by a reduction in the site leasehold fee during the reconstruction period. A direct allocation of the development rights in front of Glashuset will also give us the opportunity to buy the land, influence the design of the buildings, and thereby limit the effects on Glashuset. Taken as a whole, we regard this package as offering reasonable compensation for the damage we will suffer and we will now actively contribute to making Slussen one of Stockholm's most attractive meeting places.

AkzoNobel has announced that they do not intend to fulfil their 15-year lease contract in respect of a new, 7,800m² headquarters in Sickla. The intention was to house the operations in a new building, Sickla Front, on which construction work has almost been completed. AkzoNobel has cited errors in the legal form of the building permit and has expressed their consequent wish to rescind the contract. This is despite confirmation by Nacka local authority that the building permit documentation is correct. The lease contract was signed in December 2010 and the work on planning and completing the premises that has been in progress for a couple of years now has been marked by complete mutual agreement. AkzoNobel's actions are consequently somewhat surprising, but we note that many of the operations that were to be housed in the new buildings have been sold. We have written down the value of the property in the light of the current situation and will of course be submitting a claim for damages against AkzoNobel.

The outlook for 2013 is otherwise good and our forecast profit before changes in value and taxes remains unchanged at SEK 790 million.

Ingalill Berglund, Managing Director

We have inaugurated new development phases at Port 73 in Haninge and Mobilia in Malmö during the autumn. Both inaugurations were extremely successful and well-attended.

The newly transformed Mobilia, which was inaugurated on 26 September, has also been well-received. The inauguration weekend was a big success with record numbers of visitors, and the numbers were also reflected in healthy sales and satisfied tenants. I'm looking forward to track these retail hubs' development over the coming months.

The detailed development plan for the new Slussen area was approved at the end of September by the Land and Environment Court in a ruling that cannot be appealed, and a much-needed upgrading of Slussen can hence

THE MARKET AND MANAGEMENT

There is every indication that the Swedish economy has now reached the turning point in the recession and it is generally felt that growth will gradually pick up towards the end of this year and continue into next year. A brighter global outlook, with lowered levels of concern in the euro zone, are expected to have a positive effect on the Swedish economy. The household sector, where considerable potential for increased consumption has existed for some time now, is expected to act as the primary driving force behind the Swedish economy's recovery. Householders have been cautious to date, and opted to increase their savings instead, but as uncertainty with regard to both the global and the Swedish economy wanes and concerns about rising unemployment levels decline, private demand is expected to increase.

The National Institute of Economic Research is forecasting a growth in GNP in 2013 of 1.1 per cent which is slightly higher than that seen in 2012. The inflation rate, which was 0.9 per cent in 2012, is expected to be 0.1 per cent in 2013.

HUI Research is predicting a cautiously positive performance of around 2 per cent in 2013 by the Swedish retail sector, which is on a par with the sector's growth in 2012.

The Swedish retail sector grew by 1.5 per cent during the period from January–August, measured in rolling prices and in comparison with the corresponding period in 2012.

Atrium Ljungberg's major retail hubs – Sickla Köp kvarter, Farsta Centrum, Port 73, Gränby Centrum and Mobilia – collectively reported a positive net sales trend in January–August,

growing by 1.7 per cent in comparison with the corresponding period last year.

Cost-awareness continues to be high amongst retail sector companies and long decision-making processes are still evident when it comes to signing new lease contracts. Rental levels for Atrium Ljungberg's retail premises remain stable, however, and unchanged.

The economic climate has resulted in a general levelling off in demand for office premises in Stockholm in 2013. Demand in Stockholm is, however, still higher than in the rest of Sweden and interest in premises outside Stockholm's city centre continues to be strong. Vacancy and rental levels remain unchanged.

Levels of demand in Atrium Ljungberg's subsidiary office markets since the summer are continuing to show cautious growth and higher activity levels than during the first half of the year. This has resulted in several lease contracts being signed, and numerous sets of commercial negotiations are now also in progress. A number of new lease contracts were signed during the third quarter in both Hagastaden and in Sickla and Kista. Rental levels in Atrium Ljungberg's office portfolio are stable.

Our net letting for the third quarter, i.e. newly agreed contracted annual rents during the period, less annual rental terminated due to clients vacating the premises, totalled SEK –13 million and has primarily affected by AkzoNobel's rescission of its lease contract (see page 6 for details).

The detailed development plan for the new Slussen area was approved at the end of September by the Land and Environment Court. The

ruling cannot be appealed. Atrium Ljungberg has reached an agreement with the City of Stockholm regarding compensation for damage that will be suffered by the company as a result of the new detailed development plan. Under the terms of the agreement, the site leasehold fee for the so-called Glashuset building will be reduced for a period of eight years, which corresponds to the period during which Slussen will undergo reconstruction. The reduction is designed to compensate for ensuing disruption in the area and for the reduction in the value of the site leasehold. Atrium Ljungberg will also, under the terms of the agreement, receive a land allocation with an option to acquire development rights on Stadsgårdsleden in front of Glashuset, giving the company the sole right to negotiate with the city concerning purchase agreements and development agreements for the development rights over a two-year period. The development rights, which will be acquired at a market rate, will entitle Atrium Ljungberg to influence the design and development level of the buildings. Assuming an agreement is reached, construction of these properties will begin during the latter stages of Slussen's transformation process.

PROJECTS

Atrium Ljungberg has invested a total of SEK 942 million in its own development projects during the first three quarters of 2013.

A new 10,000m² section of Port 73 in Haninge was inaugurated according to plan at the end of August and 10 or so grocery, restaurant and fashion outlets opened for business. Four new restaurant and café concepts opened,

PROJECT, PROPERTIES ¹⁾

Project/Property/Location	Reconstruction, letting, area, m ²	New, build, letting area, m ²	Premises type	Inv., SEK m	Of which remaining	Completed	Rental value ³⁾ excl. surcharge, SEK, m	Letting rate, %
Port 73, Phase 3, Söderby Huvudgård 2:43, Haninge		10,500	Retail	250	40	Q3 2013	16	96
Mobilia, Phase 3, Bohus 8, Malmö ²⁾		29,000	Retail /Parking	1,050	130	Q4 2013	72	83
Mobilia, rental apartments Bohus 8, Malmö		4,100	Residential	100	20	Q1 2014	7	84
Farsta Centrum, ICA Kvantum, Storö 24, Stockholm	400	3,500	Retail /Parking	150	70	Q2 2014	N/A ⁴⁾	85
Kvarteret NOD, Kista Gård, Borgarnäs 1, Stockholm		27,000	Offices/Other	800	400	Q3 2014	63	48
Sickla Front, the former HQ AkzoNobel building, Sicklaön 83:32, Nacka ⁵⁾		10,300	Offices	350	150	Q3 2015	22	0
Total	400	84,400		2,700	810		N/A⁴⁾	

¹⁾ The term, project properties, refers to individual properties or clearly delimited parts of an individual property that have been vacated in order to permit the reconstruction and upgrading of the property, irrespective of whether construction work has begun. The term, project properties, also refers to buildings under construction and to undeveloped land and development rights. Properties are reclassified from project properties to finished properties on 1 January of the year after completion.

²⁾ 29,000m² letting area for retail and service facilities and 650 parking spaces in a garage. The project will be completed in phases linked to letting etc.

³⁾ Excl. any net sales result.

⁴⁾ Rental value is not, with regard to individual business transactions, reported as a subsidiary amount and the total amount hence cannot be reported.

⁵⁾ AkzoNobel has rescinded its lease contract and the letting area, investment, completion date, rental value and letting level have, therefore, been adjusted accordingly. See page 6 for further details.

along with the Willys FMCG chain outlet and a further two grocery and delicatessen outlets. The Lager 157 fashion company also opened a large store – their first major outlet in the Stockholm region. A lease contract has also been signed with the gym and fitness company, Nordic Wellness, which will open new premises in early 2014. Port 73 now comprises around forty different stores, restaurants and service outlets with a total area of approximately 37,000m². Atrium Ljungberg is planning to implement phased further development of the site with additional retail outlets and cultural and residential elements.

The new Mobilia development in Malmö – which has been the subject of an extensive transformation project for some time now – was inaugurated at the end of September. A traditional retail centre has been transformed into a city district in which retail outlets have been complemented with restaurants, service facilities and housing, and a vibrant city square milieu with pavement cafés and restaurants, pedestrianized areas and cycle paths has been created. Mobilia's historic surroundings and parts of the former textile factory have been retained, and the result is an intermingling of the old and the new. The transformation project as a whole comprised the new build of a total of 29,000m² of letting area, a garage with ca. 650 parking spaces, and two residential blocks with seventy or so new apartments. The tenants are scheduled to starting moving into the residential blocks between October of this year and the spring of 2014.

Forty or so new retail outlets and restaurants opened for business in Mobilia during the well-attended inauguration days, including both large, well-known chains, such as Willys, Clas

Ohlson and Åhléns, and smaller, local brands. The former textile factory's machine room, which has long stood unused, now houses a food court that is home to several different restaurant concepts. Some of the newly added areas have been reserved to house cultural, health care and educational facilities, etc., and Atrium Ljungberg's ambition is to continue to extend and develop Mobilia through the creation of additional retail and residential premises.

Work on completing Kvarteret NOD, in the heart of the new Kista district to the north of Stockholm, is proceeding according to plan. The vision is for NOD to become Sweden's leading meeting place for innovation and creativity – an attractive place for trade and industry, students, researchers and entrepreneurs – where new ideas and businesses are born and develop. NOD will have a total letting area of 27,000m², with inspirational environments and efficient shared functions. The biggest tenant at NOD is the University of Stockholm and its Department of Computer and Systems Sciences (DSV). Lease contracts have also already been agreed with the Stockholm School of Innovation & Science (SSIS), the restaurant company, Eatry, and the education and training company, Cornerstone. A further lease contract was agreed during the third quarter with Kista Science City AB, an organisation that works to market Kista as a business location and to boost Kista's development and growth into a vibrant science city. The tenants will begin moving in to NOD in the latter half of 2014.

The construction of the Sickla Front office block, formerly known as HQ AkzoNobel, on Uddvägen in Sickla, is now in its final phase. AkzoNobel has recently announced that it does not intend to fulfil the 15-year lease

contract for 7,800m² of space in the building that it signed with Atrium Ljungberg in December 2010. The alleged reason for the contract rescission is that the company's laboratory operations, which only account for a minor percentage of the space let, are not provided for in the building permit and/or the detailed development plan. Atrium Ljungberg notes that since the lease contract was signed, AkzoNobel has sold large parts of the operations that it initially intended to house in the new building. Atrium Ljungberg firmly believes that there is no basis for rescission of the lease contract and legal measures will, therefore, be taken and a claim for damages submitted against AkzoNobel. Nacka local authority shares Atrium Ljungberg's belief that the laboratory operations are provided for in both the building permit and the detailed development plan. The office block will now be completed without AkzoNobel's tenant-specific adaptations and work on identifying new tenants will begin immediately. The value of the property has been written down in response to the current situation (see page 7 for details). The construction of a new ICA Kvantum store in Farsta Centrum is proceeding according to plan. The store is being built on Karlandaplan, a part of Farsta Centrum previously used for outdoor parking. The new building will be linked to Farsta Centrum's existing retail centre section. A garage with ca. 160 parking spaces will also be built underneath the new building. The ICA Kvantum store is scheduled to open at the end of April/beginning of May 2014.

BREEAM CERTIFICATION OF NEW BUILDS

Atrium Ljungberg's goal, as part of its sustainability work, is to environmentally certify all of

PROPERTY PORTFOLIO, 30 SEPTEMBER 2013

Property portfolio by segment	Letting area, m ² k	Fair value, SEK m	Fair value, SEK/m ²	Rental value, SEK m ¹¹	Rental value, SEK/m ²	Economic letting rate, %
Stockholm city center	179	6,731	37,657	497	2,780	98
Stockholm, other	520	11,196	21,526	1,025	1,971	94
Uppsala and Mälardalen	93	3,017	32,480	250	2,691	97
Sweden, other	82	1,636	19,924	140	1,705	95
Sum	874	22,580	25,839	1,912	2,188	96
Project properties	66	1,697	N/A ¹¹	91	1,371	88
Land and development rights		303				
Total	940	24,580	N/A²¹	2,003	2,130	95

¹¹ Reported rental value is based on the immediately subsequent quarter.

²¹ Letting area for new production is not reported until the project is completed and the figures hence to not accurately represent the actual situation.

our major new builds. We have elected to certify in accordance with the BREEAM eco-classification system. Two of our major new builds were BREEAM-certified during the second and third quarters, namely Intrum Justitia's headquarters in Sickla, which was completed in the autumn of 2012, and the transformation project phase 3 of Mobilia, which was completed in September 2013.

The final certification grades have not, as yet been confirmed, but the minimum rating will be "very good". BREEAM certification work is also in progress for the Sickla Front project in Sickla (formerly known as HQ AkzoNobel) and for Kvarteret NOD in Kista.

PROPERTY PORTFOLIO AND TRANSACTIONS

After a weak start to the year in the transaction market, market activity levels have been high since the beginning of the summer and this trend has continued into the autumn. The transaction volume for the first three quarters was SEK 68 billion, which is more or less on a par with levels last year. Interest in high-yield commercial properties has increased as the state of the financial market has improved and financing acquisitions has become easier. The biggest purchasers during the year were institutional, capital-rich companies and large property companies, while the biggest sellers were private and listed property companies.

A contract for the sale of the Torgvågen 7 property, better known as the PUB building on Hötorget in central Stockholm, and which comprises a total of 16,800m², was agreed in July. The purchaser was AxFast AB. The sale took the form of the disposal of shares, and the

purchase price is based on a property value of SEK 980 million before deductions for deferred tax, and yielded a profit of SEK 75 million which is attributable to the write-down of goodwill and reversal of deferred tax. Possession will be taken upon formation of a company – a process that is scheduled for completion during the first quarter of 2014.

OUR PROPERTY PORTFOLIO

Atrium Ljungberg's portfolio comprises 50 properties located primarily in Stockholm, Uppsala and Malmö. Our property portfolio, which mainly comprises retail and office properties, is made up of modern and attractive properties with a total letting area of 940,000m².

CHANGE IN THE PROPERTY PORTFOLIO

	SEK m	Number
Property portfolio, 1 Jan 2013	24,576	57
Acquisitions	–	–
New builds, reconstructions and extensions	942	–
Sales	–980	–1
Reallotments	–	–6
Unrealised changes in value	42	–
Property portfolio, 30 Sept. 2013	24,580	50

PROPERTY VALUES

Atrium Ljungberg has conducted an internal valuation of the property portfolio during the third quarter. The market valuation is based on analyses of completed property transactions for properties of a similar standard and in a similar location, in order to assess the market's yield requirements. The valuation also entails cash flow calculations, with individual assessments of the earnings capacity

of each individual property. Assumed rental levels in conjunction with contract expirations correspond to current market rent levels. Operating costs have been assessed on the basis of the company's actual costs. Development rights and land have been valued on the basis of an estimated market value per m² and include only those development rights that are confirmed in accordance with approved detailed development plans. Project properties are valued on the basis of completed projects, less remaining investments. A risk surcharge is added to the yield requirement on the basis of project's current phase. The yield requirements are calculated, after analysis of completed transactions, to have remained unchanged since the end of the second quarter. Other assumptions have also been adjudged to be on a par with those previously applied. The value of the properties has been adjusted to take into account the period's investments. Other assumptions are deemed to equate to those previously applied, with the exception of the current situation with regard to the Sickla Front project property.

The reported value of the property portfolio on 30 September 2013 was SEK 24,580 million (SEK 24,576 m as of 31 Dec. 2012). The average yield requirement in the valuation is 5.8 per cent (5.7% as of 31 Dec. 2012). Investments in Atrium Ljungberg's own properties during the period totalled SEK 942 million (SEK 1,047 m). The change in value is primarily due to higher rental levels and reduced yield requirements for some of the properties. The valuation has also been affected by AkzoNobel's rescission of its lease contract in connection with the Sickla Front project property. The rescission

CONTRACTED ANNUAL RENT TREND, SEK M

	2012 result ¹⁾	2013 Q1 ²⁾	2013 Q2 ²⁾	2013 Q3 ²⁾	2013 Q4 ³⁾
Stockholm city centre	445	487	494	487	488
Stockholm, other	928	960	961	952	968
Uppsala and Mälardalen	238	253	242	244	243
Sweden, other	135	139	131	128	133
Project properties	5	14	16	22	80
Sum	1,751	1,854	1,844	1,832	1,912
Properties sold	74	71	65	68	68
Total	1,825	1,925	1,909	1,900	1,980

LETTING RATE ⁴⁾

	Letting rate, SEK m	Rental contracts, SEK m	Letting rate, %
Stockholm city centre	497	488	98
Stockholm, other	1,025	968	94
Uppsala and Mälardalen	250	243	97
Sweden, other	140	133	95
Sum	1,912	1,832	96
Project properties	91	80	88
Totalt	2,003	1,912	95

¹⁾ The 2012 result has been recalculated in accordance with the classification of the property portfolio as of Q3 2013.

²⁾ Q1–Q3 refers to results recalculated on a per annum basis.

³⁾ Rental levels for Q4 include known contract changes in the respective quarters.

⁴⁾ Reported letting rates are based on the immediately subsequent quarter. The table excludes the value of the property sold.

will entail an additional investment in that the property must now be adapted for new tenants. The value has also been affected by adjustments to rental levels, reduced letting areas, and a postponement of the occupation date.

UNREALISED CHANGES IN VALUE

	SEK m
Change in yield requirement	82
Change in rental levels	49
Changes to project investments	-89
Total	42

YIELD REQUIREMENT PER PREMISES TYPE, %

Premises type	Interval	Average
Offices	4.8-8.5	5.9
Retail	4.8-8.5	5.9
Residential	4.0-4.8	4.3
Other	4.8-8.5	6.1
Total	4.0-8.5	5.8

YIELD REQUIREMENT PER SEGMENT, %

Segment	Interval	Average
Stockholm city centre	4.8-6.7	5.3
Stockholm, other	4.0-8.5	5.9
Uppsala and Mälardalen	5.8-6.4	6.0
Sweden, other	5.5-7.3	6.0
Project properties	5.5-6.8	6.2
Total	4.0-8.5	5.8

SALES AND NET PROFIT, 1 JANUARY – 30 SEPTEMBER

The Group's posted net sales for the first three quarters of the year totalled SEK 1,752 million (SEK 1,555 m). The increase refers primarily to our project- and construction work. The profit before changes in value totalled SEK 616.2 million (SEK 566.2 m). Unrealised changes in the value of properties totalled SEK 41.5 million (SEK 244.5 m), while unrealised changes in the value of financial instruments totalled SEK 341.2 million (SEK -126.6 m). The net profit for the period totalled SEK 855.7 million (SEK 454.5 m), corresponding to SEK 6.57/share (SEK 3.49/share).

The Parent Company's net sales totalled SEK 129 million (SEK 138 m) and its net profit for the period totalled SEK 108.8 million (SEK 243.6 m).

The Group's contracted annual rent, based on the fourth quarter of 2013, totalled SEK 1,912 million (SEK 1,855 m). The rental value was SEK 2,003 million (SEK 1,947 m). The economic letting rate was 95 per cent (95% as of 31 Dec. 2012), including project properties.

SALES AND NET PROFIT, 1 APRIL – 30 SEPTEMBER

The Group's posted net sales for the third quarter totalled SEK 580 million (SEK 525 m). The profit before changes in value totalled SEK 221.2 million (SEK 209.9 m). Unrealised changes in the value of properties totalled SEK -100.0 million (SEK 0.0 m), while unrealised changes in the value of financial instruments totalled SEK

28.3 million (SEK -147.9 m). The net profit for the period totalled SEK 191.0 million (SEK 88.7 m).

PROJECT AND CONSTRUCTION WORK

Net sales by the project and construction activities for the first three quarters of the year totalled SEK 307 million (SEK 187 m).

The gross profit was SEK 7.7 million (SEK 6.6 m). Ongoing project development costs have been charged to the profit.

TL Bygg's net sales during the period totalled SEK 363 million (SEK 271 m), SEK 82 million (SEK 108.0 m) of which comprised work on behalf of Group companies. The pre-tax profit totalled SEK 27.7 million (SEK 15.8 m).

FINANCING

Atrium Ljungberg meets its financing requirements through five Nordic banks and the capital market. The banks are Atrium Ljungberg's biggest financiers, and bank loans account for 90 per cent of the total loan volume. Outstanding commercial papers totalled SEK 1,250 million on 30 Sept. The programme's framework amount totals SEK 2,000 million. The company has secured lines of credit totalling SEK 1,750 million as security for the programme. Interest-bearing liabilities totalled SEK 12,396 million at the period end, with an average interest rate at that time of 3.6 per cent (3.9% as of 31 Dec. 2012). The average fixed interest term was 4.6 years (4.9 yrs. as of 31 Dec. 2012) and the capital commitment term was 3.1 years (3.1 yrs. as of 31 Dec. 2012).

The derivatives portfolio comprised SEK 7,461 million in interest swaps at the period

end. These interest swaps are valued at market rate in conjunction with every year-end closing and the change in value is reported via the Income Statement. The unrealised change in the value of financial instruments totalled SEK 341.2 million (SEK -126.6 m), as interest rates had risen on the terms of the derivatives taken out in relation to those at the turn of the year. The surplus book value of the derivatives portfolio on 30 September totalled SEK 4.8 million.

FIXED INTEREST ¹⁾

Fixed interest term	Amount, SEK m	Per-cent, age, %	Average interest rate, %
Variable + 3 month Stibor	1,650	13	2.7
2013	850	7	2.2
2014	1,529	12	2.9
2015	400	3	4.6
2016	1,585	13	3.8
2017	830	7	3.7
2018 and later	5,551	45	4.1
Total	12,396	100	3.6

¹⁾ Average credit margins for the variable interest rates are reported in the time segment during which the derivative matures.

CAPITAL COMMITMENT

Fixed term	Amount, SEK m	Percentage, %
2013	0	0
2014	2,221	18
2015	3,055	25
2016	3,385	27
2017	1,423	11
2018 and later	2,311	19
Total	12,396	100

TAX CALCULATION, 30 SEPTEMBER 2013

SEK m	Current tax	Deferred tax
Reported profit/loss before tax	965.6	
Fiscally deductible depreciation	-309.1	309.1
investments	-77.5	77.5
Non-taxable/non-deductible changes in the value of properties, unrealised	-41.5	41.5
changes in the value of properties, realised	0.0	-502.0
changes in the value of financial instruments, unrealised	-341.2	341.2
write-downs, goodwill	33.3	-
consolidated capitalisation of borrowing costs	-39.9	39.9
Other fiscal adjustments	-1.0	5.5
Fiscal profit/loss before loss carry-forwards	188.8	312.7
Loss carry-forwards, opening balance	-16.3	16.3
Fiscally deductible investments, adjustment of previous tax assessments	-14.2	14.2
Other adjustments of loss carry-forwards from previous tax assessments	-2.0	-
Loss carry-forwards, closing balance	-	-
Taxable profit/loss	156.3	343.2
Of which 22% current/deferred tax	-34.4	-75.5
Adjustment of tax in relation to previous year	0.9	-1.0
Reported current /deferred tax	-33.4	-76.5

FINANCIAL KEY RATIOS

	30-09-2013	31-12-2012
Interest-bearing liabilities, SEK m	12,396	11,613
Gearing ratio, %	50.4 ¹	47.3
Average fixed interest term, yrs.	4.6	4.9
Average capital commitment term, yrs.	3.1	3.1
Average interest rate for interest-bearing liabilities, %	3.6	3.9
Shareholders' equity, SEK m	10,761	10,255
Equity/assets ratio, %	40.7	40.3

¹ The gearing ratio at the period end was 50.4%, which is a function of the fact that payment has not, as yet, been received for Torgvågen 7 and will only be received when possession is taken on 31 January 2014. Adjusting the gearing ratio as if payment had been received on the contract date gives a total ratio of 48.1%, as of 30 September 2013.

TAXES

As previously announced, Atrium Ljungberg has appealed a ruling by the Swedish Administrative Court in a tax case. The case concerns the taxation of a property transaction carried out in 2004 via a limited partnership. The ruling by the Swedish Administrative Court entails an increase in the tax assessment of SEK 326.7 million, which equates to a tax demand for SEK 91.5 million and SEK 15.4 million in estimated interest. Provision was made for the tax demand in the company's accounts for 2012. The Administrative Court of appeal is expected to rule on the case in the fourth quarter of 2013. Atrium Ljungberg has conducted an analysis of the Group's property transactions for the years from 2004 onwards. No other similar transaction has been identified.

The current tax for the period totalled SEK -33.4 million (SEK -127.5 m) and has been affected by, amongst other things, fiscally

deductible depreciation and investments, and by loss carry-forwards from the previous year's tax assessment.

MARKET DEVELOPMENT, RISKS AND UNCERTAINTY FACTORS

Atrium Ljungberg's property portfolio, with retail office and full-service environments, is primarily located in strong subsidiary markets in the growth regions of Stockholm, Uppsala and Malmö.

The primary prioritised risk management areas, in the light of both their complexity and the size of the amounts involved, are property valuation, the project activities, and financing. The company has good routines for managing these risks. The company also has a strong financial position with solid key ratios such as a low gearing ratio and a high interest coverage ratio.

For further information on risks and uncertainty factors in general, please see Atrium Ljungberg's 2012 Annual Report and the section entitled "Opportunities and Risks" on pages 84-87.

ORGANISATION

Angela Berg took over as the new Director of Projects at Atrium Ljungberg, effective as of 1 July. Jonas Törnell, who was recruited as Director, Business Area Offices, during the second quarter, will take up his position on 21 October. Both Angela Berg and Jonas Törnell will join the company's management group.

NOMINATION COMMITTEE

The Nomination Committee, as per a resolution by the Annual General Meeting, comprises representatives of the company's five biggest

shareholders on 30 April 2013. In the light of Ulf Holmlund's waiver of his representation and of the changes in ownership that have taken place since that date, the Nomination Committee now comprises Lars Ericson representing the Stockholm Consumer Cooperative Society, Gunilla Fjelde (also Chairperson of the Nomination Committee) representing the Holmström family, Eva Gottfridsdotter-Nilsson representing Länsförsäkringar, Johan Ljungberg representing the Ljungberg family, and Pirta Wentzel representing the mutual occupational pension insurance company, Varma. For additional information, please see our website: www.atriumljungberg.se.

THE SHARE AND THE SHAREHOLDERS

Atrium Ljungberg's biggest owners, the Stockholm Consumer Cooperative Society and the Ljungberg family, collectively sold 4.7 million shares in September. The sale was intended to improve the share's liquidity and the shares were distributed between ca. 50 shareholders. The Stockholm Consumer Cooperative Society and the Ljungberg family now have, in the light of the sale, shares in the company's capital of 35.0 per cent and 22.1 per cent, respectively.

EVENTS AFTER THE CLOSING DAY

The Farsta Paviljongen 1 property on the island of Långholmen in Stockholm was sold on 3 October. The entire property, 50% of which was owned by Atrium Ljungberg, comprises a total of 2,200m² of letting area and was sold in full to Familjen Åhman Fastigheter. The purchase price was based on a property value for the entire property of SEK 67 million and the transaction has yielded a profit after tax for the company of ca. SEK 3 million. Possession will be taken on 4 November.

PROFIT FORECAST

A profit of SEK 790 million before changes in value and taxes is forecast for 2013. The forecast profit after tax is SEK 990 million, corresponding to SEK 7.61/share and including changes in value as of 30 Sept. 2013. Future changes in value and any future acquisitions and sales of properties have not been taken into account in the forecast.

Nacka 18 October 2013



Ingalill Berglund, CEO

MAJOR SHAREHOLDERS, 30 SEPT 2013

	Number ('000)		Percentage, %		
	Class A shares	Class B shares	Total	Votes	Capital
The Stockholm Consumer Cooperative Society	-	46,666	46,666	28.1	35.0
The Ljungberg family	1,810	27,608	29,418	27.5	22.1
The Holmström family	1,810	14,958	16,768	19.9	12.6
The mutual occupational pension insurance company, Varma	-	7,143	7,143	4.3	5.4
Länsförsäkringar Fonder	-	4,956	4,956	3.0	3.7
Ulf Holmlund	380	462	842	2.6	0.6
AFA Försäkring	-	1,824	1,824	1.1	1.4
SHB Fonder	-	1,777	1,777	1.1	1.3
Margaretha af Ugglas	-	1,445	1,445	0.9	1.1
Skandia Liv	-	1,207	1,207	0.7	0.9
Other	-	18,111	18,111	10.9	13.6
Total outstanding shares	4,000	126,157	130,157	100	97.7
Bought back shares	-	3,064	3,064	-	2.3
Total number of shares issued	4,000	129,221	133,221	100	100



The new Mobilia development in Malmö was inaugurated at the end of September. The retail centre, which was formerly a textile factory, has been transformed into a city district with retail outlets, restaurants, service facilities and housing, and a vibrant city square milieu with pavement cafés and restaurants, pedestrianized areas and cycle paths.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in SEK m	2013 1/1–30/9	2012 1/1–30/9	2013 1/7–30/9	2012 1/7–30/9	2012 1/1–31/12	2012/2013 1/10–30/9
Rental income	1,445.2	1,367.8	475.2	458.9	1,824.8	1,902.2
Net sales, project and construction work	307.0	186.9	104.7	65.7	252.9	373.0
Net sales	1,752.2	1,554.7	579.9	524.6	2,077.7	2,275.2
Property management costs						
Service charge-related costs	–131.6	–121.2	–39.7	–33.9	–167.1	–177.5
Other operating costs	–115.3	–92.2	–32.8	–27.1	–137.0	–160.1
Management costs	–92.9	–88.8	–27.7	–26.5	–124.9	–129.0
Repairs	–28.8	–28.5	–11.3	–10.3	–41.8	–42.1
Property tax	–89.8	–82.1	–24.7	–26.6	–97.8	–105.5
Leasehold fees	–20.3	–17.1	–7.0	–5.8	–23.5	–26.7
Non-deductible VAT	–7.1	–6.2	–1.6	–1.8	–8.7	–9.6
Project and construction work costs	–485.8	–436.1	–144.8	–132.0	–600.9	–650.5
Gross profit	967.1	938.3	334.2	329.4	1,234.8	1,263.7
– of which gross profit property management (operating surplus)	959.4	931.7	330.4	326.9	1,224.0	1,251.7
– of which gross profit project and construction work	7.7	6.6	3.8	2.5	10.9	12.0
Central administration, property management	–30.9	–28.6	–11.4	–9.5	–41.7	–44.0
Central administration, project and construction work	–8.7	–12.1	–3.1	–4.9	–16.6	–13.2
	–39.6	–40.7	–14.5	–14.4	–58.2	–57.2
Financial income	1.6	11.4	0.8	1.1	13.9	4.1
Financial expenses ¹⁾	–312.9	–342.8	–99.3	–106.2	–451.3	–421.4
Profit before changes in value	616.2	566.2	221.2	209.9	739.2	789.2
Changes in value						
Properties, unrealised	41.5	244.5	–100.0	–	367.8	164.8
Properties, realised	0.0	32.8	–2.0	32.8	32.7	–0.1
Financial instruments, unrealised ²⁾	341.2	–126.6	28.3	–147.9	–182.5	285.3
Write-downs, goodwill	–33.3	–7.3	–33.3	–7.3	–82.2	–108.2
	349.4	143.4	–107.0	–122.4	135.8	341.8
Profit before tax	965.6	709.6	114.2	87.5	875.0	1,131.0
Current tax ¹⁾	–33.4	–127.5	–16.6	–24.5	–89.8	4.3
Deferred tax	–76.5	–127.6	93.4	25.7	245.6	296.7
	–109.9	–255.1	76.8	1.2	155.8	301.0
Net profit for the period	855.7	454.5	191.0	88.7	1,030.8	1,432.0
Other comprehensive income						
<i>Items that will be reclassified to net profit for the period</i>						
Cash flow hedging ²⁾	27.3	30.9	8.6	10.0	40.9	37.3
Tax attributable to other reported income and expenses	–6.0	–8.1	–1.9	–2.6	–18.5	–16.4
Total other comprehensive income	21.3	22.8	6.7	7.4	22.4	20.9
Total comprehensive income for the period	877.0	477.3	197.7	96.1	1,053.2	1,452.9
Earnings per share, SEK	6.57	3.49	1.47	0.68	7.92	11.00

For note references, see page 17.

SEGMENT REPORTING 1/1–30/9 2013

Atrium Ljungberg's segmentation is based on two business areas: property management and project and construction activities. The property management is broken down by geographic market and project properties.

Amounts in SEK m	Stockholm, city centre	Stockholm, other	Uppsala and Mälardalen	Sweden, other	Project properties	Properties sold	Property management, total	Project and construction activities	Unallocated joint assets	The Group
Rental income	369.4	721.8	185.8	104.3	13.0	50.9	1,445.2			1,445.2
Net sales, project and construction work								307.0		307.0
Net sales	369.4	721.8	185.8	104.3	13.0	50.9	1,445.2	307.0		1,752.2
Property management costs	-103.1	-247.6	-56.4	-42.5	-6.3	-29.9	-485.8			-485.8
Project and construction work costs								-299.3		-299.3
Gross profit	266.3	474.2	129.4	61.8	6.7	21.0	959.4	7.7		967.1
– of which gross profit/loss from property management	266.3	474.2	129.4	61.8	6.7	21.0	959.4			959.4
– of which gross profit/loss from project and construction work								7.7		7.7
Central administration, property management							-30.9			-30.9
Central administration, project and construction work								-8.7		-8.7
Financial income									1.6	1.6
Financial expenses									-312.9	-312.9
Profit/loss before changes in value	266.3	474.2	129.4	61.8	6.7	21.0	928.5	-1.0	-311.3	616.2
Unrealised changes in value, properties	48.1	74.3	43.1	4.3	-128.3		41.5			41.5
Realised changes in value, properties						0.0	0.0			0.0
Unrealised changes in value, financial instruments									341.2	341.2
Write-downs, goodwill						-33.3	-33.3			-33.3
	48.1	74.3	43.1	4.3	-128.3	-33.3	8.2		341.2	349.4
Current tax									-33.4	-33.4
Deferred tax									-76.5	-76.5
Net profit/loss for the period	314.4	548.5	172.5	66.1	-121.6	-12.3	936.7	-1.0	-80.0	855.7
Investments, acquisitions, disposals per business segment										
Investments, investment properties	52.4	80.6	5.2	20.5	783.7		942.4			942.4
Investments, project and construction work								1.9		1.9
Acquisitions, investment properties	52.4	80.6	5.2	20.5	783.7		942.4	1.9		944.3
Assets per business segment, period end										
Investment properties	6,731.1	11,195.7	3,017.3	1,635.8	2,000.2		24,580.1			24,580.1
Project and construction work								71.0		71.0
Unallocated joint assets									1,806.1	1,806.1
Total assets	6,731.1	11,195.7	3,017.3	1,635.8	2,000.2		24,580.1	71.0	1,806.1	26,457.2

SEGMENT REPORTING 1/1–30/9 2012

Amounts in SEK m	Stockholm, city centre	Stockholm, other	Uppsala and Mälardalen	Sweden, other	Project properties	Properties sold	Property management, total	Project and construction activities	Unallocated joint assets	The Group
Rental income	332.0	696.8	172.3	103.4	10.1	53.1	1,367.8			1,367.8
Net sales, project and construction work								186.9		186.9
Net sales	332.0	696.8	172.3	103.4	10.1	53.1	1,367.8	186.9		1,554.7
Property management costs	-87.3	-228.3	-48.2	-37.7	-3.9	-30.8	-436.1			-436.1
Project and construction work costs								-180.3		-180.3
Gross profit	244.7	468.5	124.2	65.7	6.3	22.3	931.7	6.6		938.3
– of which gross profit/loss from property management	244.7	468.5	124.2	65.7	6.3	22.3	931.7			931.7
– of which gross profit/loss from project and construction work								6.6		6.6
Central administration, property management							-28.6			-28.6
Central administration, project and construction work								-12.1		-12.1
Financial income									11.4	11.4
Financial expenses									-342.8	-342.8
									-331.4	-331.4
Profit/loss before changes in value	244.7	468.5	124.2	65.7	6.3	22.3	903.1	-5.5	-331.4	566.2
Unrealised changes in value, properties	157.9	63.0	-5.1	15.5	11.3	1.9	244.5			244.5
Realised changes in value, properties						32.8	32.8			32.8
Unrealised changes in value, financial instruments									-126.6	-126.6
Write-downs, goodwill						-7.3	-7.3			-7.3
	157.9	63.0	-5.1	15.5	11.3	27.4	270.0		-126.6	143.4
Current tax									-127.5	-127.5
Deferred tax									-127.6	-127.6
Net profit/loss for the period	402.6	531.5	119.1	81.2	17.6	49.6	1,173.1	-5.5	-713.1	454.5
Investments, acquisitions, disposals per business segment										
Investments, investment properties	39.1	107.6	45.6	20.2	829.7	4.8	1,047.0			1,047.0
Investments, project and construction work								-0.4		-0.4
Acquisitions, investment properties	630.0	10.0					640.0			640.0
	669.1	117.6	45.6	20.2	829.7	4.8	1,687.0	-0.4		1,686.6
Assets per business segment, period end										
Investment properties	6,325.6	10,498.5	2,688.5	1,680.4	1,552.0	987.4	23,732.4			23,732.4
Project and construction work								76.6		76.6
Unallocated joint assets									888.5	888.5
Total assets	6,325.6	10,498.5	2,688.5	1,680.4	1,552.0	987.4	23,732.4	76.6	888.5	24,697.5

The segment reporting for the period from 1st Jan – 30th Sept 2012 has been adjusted for a property sold in 2013.

CONSOLIDATED BALANCE SHEETS SUMMARY

Amounts in SEK m	2013-09-30	2012-09-30	2013-06-30	2012-06-30	2012-12-31
ASSETS					
Investment properties	24,580.1	23,732.4	25,330.7	23,471.2	24,576.2
Tangible fixed assets	17.4	20.7	17.6	21.6	19.6
Goodwill	274.3	382.5	307.6	389.8	307.6
Deferred tax receivable	–	–	–	–	3.6
Derivatives	4.8	–	–	–	–
Other fixed assets	1.2	0.5	0.3	0.6	0.5
Total fixed assets	24,877.8	24,136.1	25,656.2	23,883.2	24,907.5
Current assets	1,308.3	279.7	349.5	429.1	370.9
Liquid assets	271.1	281.7	249.8	193.1	188.5
Total current assets	1,579.4	561.4	599.3	622.2	559.4
Total assets	26,457.2	24,697.5	26,255.5	24,505.4	25,466.9
SHAREHOLDERS' EQUITY AND LIABILITIES					
Shareholders' equity	10,761.4	9,679.4	10,563.7	9,583.3	10,255.3
Deferred tax liability	2,408.5	2,723.9	2,534.9	2,746.9	2,364.5
Long-term interest-bearing liabilities ³⁾	10,324.7	8,211.8	10,711.5	8,270.7	8,810.9
Derivatives	–	314.5	32.0	175.9	361.8
Other long-term liabilities	23.0	21.8	23.5	22.4	22.7
Total long-term liabilities	12,756.2	11,272.0	13,301.9	11,215.9	11,559.9
Current provisions ¹⁾	106.9	105.3	106.5	105.1	105.9
Current interest-bearing liabilities ³⁾	2,057.6	3,004.6	1,615.7	2,998.8	2,802.4
Derivatives	–	3.3	–	4.0	1.9
Other current liabilities	775.1	632.9	667.7	598.3	741.5
Total current liabilities	2,939.6	3,746.1	2,389.9	3,706.2	3,651.7
Total shareholders' equity and liabilities	26,457.2	24,697.5	26,255.5	24,505.4	25,466.9

CONSOLIDATED CHANGES IN SHAREHOLDER'S EQUITY

Amounts in SEK m	Attributable to the Parent Company shareholders				
	Share capital	Other capital contributed	Hedging provisions	Profits brought forward	Total shareholders' equity
Opening balance, as per 1 January 2012	333.0	3,959.8	-163.7	5,411.4	9,540.5
Change in shareholders' equity, 2012					
Total comprehensive income for the period, 1 January – 30 September			22.8	454.5	477.3
Dividend, SEK 2.60/share				-338.4	-338.4
Closing balance as per 30 September 2012	333.0	3,959.8	-140.9	5,527.5	9,679.4
Total comprehensive income for the period, 1 October – 31 December			-0.4	576.3	575.9
Closing balance as per 31 December 2012	333.0	3,959.8	-141.3	6,103.8	10,255.3
Change in shareholders' equity, 2013					
Total comprehensive income for the period, 1 January – 30 September			21.3	855.7	877.0
Dividend, SEK 2.85/share				-370.9	-370.9
Closing balance as per 30 September 2013	333.0	3,959.8	-120.0	6,588.6	10,761.4

There are a total of 133,220,736 (133,220,736) shares, of which 4,000,000 (4,000,000) are class A shares and 129,220,736 (129,220,736) are class B shares. One class A share grants entitlement to ten votes and one class B share grants entitlement to one vote. At the period end, there were a total of 130,156,988 (130,156,988) outstanding shares, which corresponds to the average number of outstanding shares. The company holds 3,063,748 (3,063,748) of its own class B shares.

CONSOLIDATED STATEMENTS OF CASH FLOW

Amounts in SEK m	2013 1/1–30/9	2012 1/1–30/9	2013 1/7–30/9	2012 1/7–30/9	2012 1/1–31/12	2012/2013 1/10–30/9
OPERATING ACTIVITIES						
Profit before tax	965.6	709.6	114.2	87.5	875.0	1,131.0
Reversal of depreciation and write-downs	4.6	4.6	1.6	1.5	6.1	6.1
Realised changes in value, investment properties	0.0	–37.4	2.0	–37.4	–37.4	0.0
Unrealised changes in value, investment properties	–41.5	–244.5	100.0	–	–367.8	–164.8
Unrealised changes in value, financial instruments	–341.2	126.6	–28.3	147.9	182.5	–285.3
Other items not included in the cash flow	48.0	7.3	40.2	13.0	82.2	122.9
Tax paid	–62.8	47.3	–33.6	–31.7	51.6	–58.5
Cash flow from operating activities before changes in working capital	572.7	613.5	196.1	180.8	792.2	751.4
Net change in working capital	66.4	–19.6	114.9	36.7	39.7	125.7
Cash flow from operating activities	639.1	593.9	311.0	217.5	831.9	877.1
INVESTMENT ACTIVITIES						
Change in other receivables	–	142.5	–	142.5	142.5	–
Acquisition of properties	–	–972.6	–	–	–1,236.4	–263.8
Reconstruction and new construction of properties	–942.4	–1,047.0	–329.4	–347.2	–1,511.8	–1,407.2
Sale of properties	0.0	130.0	0.0	130.0	130.0	0.0
Acquisition/sale of equipment	–2.3	4.5	–1.3	–0.6	4.1	–2.7
Cash flow from investment activities	–944.7	–1,742.6	–330.7	–75.3	–2,471.6	–1,673.7
FINANCING ACTIVITIES						
Change in other long-term receivables	0.2	–0.9	–0.6	–0.5	0.0	1.1
Loans raised	2,363.8	1,599.5	442.5	–	1,999.5	2,763.8
Amortisation of debts	–1,604.9	–104.0	–400.9	–53.1	–107.1	–1,608.0
Dividend paid	–370.9	–338.4	–	–	–338.4	–370.9
Cash flow from financing activities	388.2	1,156.2	41.0	–53.6	1,554.0	786.0
Cash flow for the period	82.6	7.5	21.3	88.6	–85.7	–10.6
Liquid assets at the beginning of the period	188.5	274.2	249.8	193.1	274.2	281.7
Liquid assets at the end of the period	271.1	281.7	271.1	281.7	188.5	271.1

INCOME STATEMENTS PARENT COMPANY

Amounts in SEK m	2013 1/1–30/9	2012 1/1–30/9	2012 1/1–31/12
Net sales	128.8	138.1	181.0
Management and production costs	-72.9	-70.2	-98.4
Gross profit	55.9	67.9	82.6
Profit/loss on property sales	–	-168.8	-168.8
Central administration and marketing	-30.9	-28.4	-41.5
Operating profit/loss	25.0	-129.3	-127.7
Result of participations in Group companies	134.4	423.4	1,775.5
Interest income and similar profit/loss items	302.5	235.7	320.8
Interest expenses and similar profit/loss items	-323.5	-291.5	-413.8
	113.4	367.6	1,682.5
Profit/loss after financial items	138.4	238.3	1,554.8
Appropriations	0.5	11.7	11.6
Current tax	-17.5	-35.7	0.7
Deferred tax	-12.6	29.3	50.1
	-30.1	-6.4	50.8
Net profit/loss for the period	108.8	243.6	1,617.2

SUMMARY BALANCE SHEETS PARENT COMPANY

Amounts in SEK m	2013-09-30	2012-09-30	2012-12-31
ASSETS			
Tangible fixed assets	1,420.9	1,280.2	1,326.9
Financial fixed assets	2,234.3	6,167.8	6,219.8
Current assets	12,700.3	5,769.4	7,172.1
Total assets	16,355.5	13,217.4	14,718.8
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	6,771.5	5,660.0	7,033.6
Untaxed reserves	9.3	9.7	9.8
Provisions	221.8	230.0	209.2
Long-term liabilities	6,291.1	4,407.5	4,647.7
Current liabilities	3,061.8	2,910.2	2,818.5
Total shareholders' equity and liabilities	16,355.5	13,217.4	14,718.8

CHANGES IN SHAREHOLDERS' EQUITY

PARENT COMPANY

Amounts in SEK m	Attributable to the Parent Company shareholders				
	Share capital	Statutory reserve	Share premium reserve	Profits carried forward	Total shareholders' equity
Opening balance as per 1 January 2012	333.0	265.4	3,948.4	1,208.0	5,754.8
Change in shareholders' equity, 2012					
Net profit/loss for the period, 1 January – 30 September				243.6	243.6
Dividend, SEK 2.60/share				-338.4	-338.4
Closing balance, as per 30 September 2012	333.0	265.4	3,948.4	1,113.2	5,660.0
Net profit/loss for the period, 1 October – 31 December				1,373.6	1,373.6
Closing balance, as per 31 December 2012	333.0	265.4	3,948.4	2,486.8	7,033.6
Change in shareholders' equity, 2013					
Net profit/loss for the period, 1 January – 30 September				108.8	108.8
Dividend, SEK 2.85/share				-370.9	-370.9
Closing balance, as per 30 September 2013	333.0	265.4	3,948.4	2,224.7	6,771.5

There are a total of 133,220,736 (133,220,736) shares, of which 4,000,000 (4,000,000) are class A shares and 129,220,736 (129,220,736) are class B shares. One class A share grants entitlement to ten votes and one class B share grants entitlement to one vote. At the period end, there were a total of 130,156,988 (130,156,988) outstanding shares, which corresponds to the average number of outstanding shares. The company holds 3,063,748 (3,063,748) of its own class B shares.

ACCOUNTING PRINCIPLES

Atrium Ljungberg's Consolidated accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS). The Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The Parent Company applies Swedish Financial Reporting Board's recommendation, RFR2 Accounting for Legal Entities, and the Swedish Annual Accounts Act. The accounting principles applied correspond to those described in the 2012 Annual Report, with the addition of the supplementary disclosures regarding financial instruments required in accordance with IFRS 13 Fair Value Measurement.

Valuation method for financial instruments

Derivatives (interest swap agreements) are valued at fair value in the Balance Sheet and the fair value of derivatives has, in accordance with the IFRS valuation hierarchy, been valued in accordance with level 2. This level means that the valuation is based on input data other than the listed prices used in level 1, and which are observable for the asset or the liability, either directly or indirectly. The derivative agreements (ISDA-agreements) include an option to net obligations in respect of the same counterparty. Other financial instruments are not affected by the fair value hierarchy in that they are reported at the accrued acquisition value in the Balance Sheet.

New and revised standards from IFRS and interpretations from IFRIC to be applied by the Group as of 1 January 2013 have had no effect on the Group's results or financial position.

NOTE REFERENCES FOR THE FINANCIAL REPORTS

1) In 2012, the company made a provision for a tax dispute. This provision was charged to current tax in the sum of SEK 91.5 million, while the estimated interest of SEK 14.4 million was charged to financial expenses.

2) Atrium Ljungberg has ceased, as of 1 January 2012, to apply hedge accounting to the interest swaps that hedge the interest flows on external loans. The hedging reserve, which totalled SEK -163.7 million on 31 December 2011, is being reversed linearly to Other comprehensive income over the terms of the respective derivatives. The remaining amount to be redeemed as of 30 September 2013 totals SEK -120.0 million.

3) The Group's reported interest-bearing liabilities total SEK 12,382 million (SEK 11,613 m as of 31st Dec. 2012) and their fair value totals SEK 12,480 million (SEK 11,729 m as of 31st Dec. 2012). The fair value calculation is based on discounted estimated future cash flows. The discounting is effected on the basis of current market rates plus the relevant borrowing margin. Atrium Ljungberg is of the opinion, with regard to other financial assets and liabilities reported at accrued acquisition value, that the differences between book values and fair values are insignificant.

AUDITOR'S REVIEW REPORT ON CONDENSED INTERIM FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH IAS 34 AND CHAPTER 9 OF THE SWEDISH ANNUAL ACCOUNTS ACT (SFS 1995:1554)

To the Board of Directors of Atrium Ljungberg AB org.nr. 556175-7047

Introduction

We have performed a review of the condensed interim financial statements for Atrium Ljungberg AB at 30 September 2013 and the nine-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of these Interim financial statements in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on the condensed interim financial statements based on our review.

Scope of Review

We have conducted our review in accordance with the Standard on Review Engagements, SÖG 2410, "Review of Interim Financial Statements Performed by the Independent Auditor of the Entity", issued by the Swedish Federation of Authorized Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different

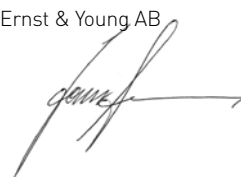
purpose and a substantially less scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain such a level of assurance that would make us aware of all significant matters that might be identified in an audit. Accordingly, an opinion based on a review does not constitute the same level of assurance as an opinion based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material aspects, for the group in accordance with IAS 34 and the Swedish Annual Accounts Act and for the parent company in accordance with the Swedish Annual Accounts Act.

Stockholm, 18th October 2013

Ernst & Young AB

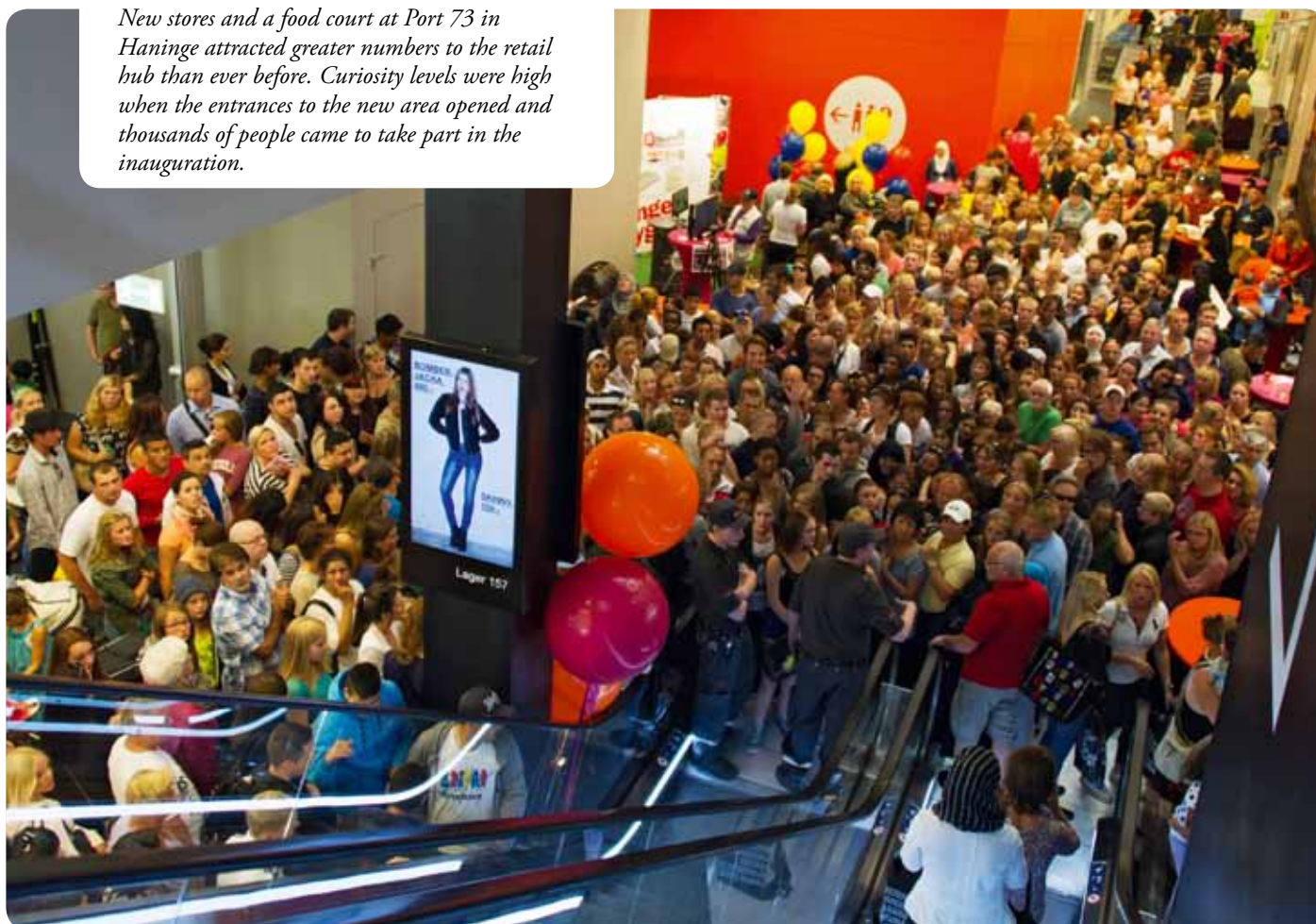


Jonas Svensson
Authorised Public Accountant



Ingemar Rindstig
Authorised Public Accountant

New stores and a food court at Port 73 in Haninge attracted greater numbers to the retail hub than ever before. Curiosity levels were high when the entrances to the new area opened and thousands of people came to take part in the inauguration.

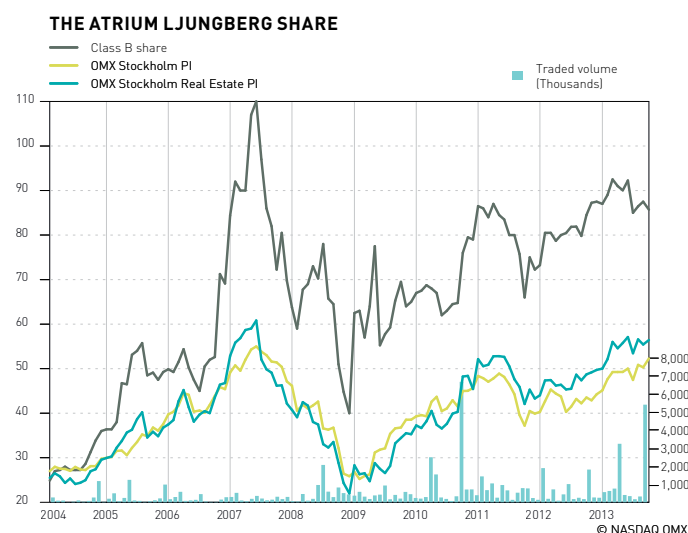


KEY RATIOS

	2013 1/1–30/9	2012 1/1–30/9	2013 1/7–30/9	2012 1/7–30/9	2012 1/1–31/12	2012/2013 1/10–30/9
PROPERTY-RELATED KEY RATIOS						
Letting rate, %	95	95	95	95	95	95
Operating surplus margin, %	66	68	70	71	67	66
Letting area, '000 m ²	940	887	940	887	903	940
Investments in properties, SEK m	942	1,047	329	347	1,512	1,407
Number of properties	50	54	50	54	57	50
FINANCIAL KEY RATIOS						
Equity/assets ratio, %	40.7	39.2	40.7	39.2	40.3	40.7
Debt/equity ratio, multiple	1.2	1.2	1.2	1.2	1.1	1.2
Gearing ratio, %	50.4	47.3	50.4	47.3	47.3	50.4
Interest coverage margin, multiple	3.0	2.7	3.2	3.0	2.6	2.9
Average rate of interest on interest-bearing liabilities (at period end), %	3.6	4.1	3.6	4.1	3.9	3.6
Return on shareholders' equity, %	10.9	6.3	7.2	3.7	10.4	14.0
Return on shareholders' equity, excluding changes in value, %	5.9	5.7	5.5	6.2	5.6	5.4
Return on total assets, %	6.6	5.9	3.2	3.1	5.5	6.1
Return on total assets excluding changes in value, %	4.6	5.0	4.4	5.0	4.9	4.4
DATA PER SHARE						
Earnings per share, SEK	6.57	3.49	1.47	0.68	7.92	11.00
Profit before changes in value less applicable nominal tax, SEK	3.69	3.21	1.33	1.19	4.19	4.73
Cash flow, SEK	4.91	4.56	2.39	1.67	6.39	6.74
Shareholders' equity, SEK	82.68	74.37	82.68	74.37	78.79	82.68
Net worth, 10% deferred tax, SEK	90.66	84.80	90.66	84.80	86.67	90.66
Share price, SEK	85.70	84.50	85.70	84.50	87.00	85.70
Average number of outstanding shares, '000 ¹⁾	130,157	130,157	130,157	130,157	130,157	130,157
Number of outstanding shares at end of period, '000 ¹⁾	130,157	130,157	130,157	130,157	130,157	130,157
EMPLOYEES						
Average number of employees	285	261	285	261	265	285

¹⁾ Registered number of shares less 3,063,748 class B shares bought back.

THREE REASONS TO OWN SHARES IN ATRIUM LJUNGBERG



A stable return – The dividend yield over the last five years was 3 per cent. The dividends paid by the company since its flotation in 1994 have never fallen in SEK per share. On the contrary, the trend has been towards an increased dividend in SEK per share.

Low risk – The company's operations are stable and its financial position is strong, with solid key ratios such as a low gearing ratio and high interest coverage margin.

Potential for good value growth – With a planned investment rate of SEK 1 billion per year and a goal of 20 per cent returns on new build and extension projects, the company – and hence the share – has excellent potential for good value growth.

QUARTERLY SUMMARY

INCOME STATEMENTS

	2013 Q3	2013 Q2	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4
Amounts in SEK m								
Rental income	475.2	481.7	488.3	457.0	458.9	453.7	455.2	430.1
Net sales, project and construction work	104.7	112.1	90.2	66.0	65.7	58.3	62.9	94.5
Net sales	579.9	593.8	578.5	523.0	524.6	512.0	518.1	524.6
Property management costs	-144.8	-158.0	-183.0	-164.8	-132.0	-140.3	-163.8	-161.5
Project and construction work costs	-100.9	-111.8	-86.6	-61.7	-63.2	-57.7	-59.4	-90.7
Gross profit	334.2	324.0	308.9	296.5	329.4	314.0	294.9	272.4
– of which gross profit from property management	330.4	323.7	305.3	292.2	326.9	313.4	291.4	268.6
– of which gross profit from project and construction work	3.8	0.3	3.6	4.3	2.5	0.6	3.5	3.8
Central administration, property management	-11.4	-11.1	-8.4	-13.1	-9.5	-9.4	-9.7	-16.6
Central administration, project and construction work	-3.1	-3.0	-2.6	-4.5	-4.9	-4.5	-2.7	-4.2
	-14.5	-14.1	-11.0	-17.5	-14.4	-13.9	-12.4	-20.8
Financial income	0.8	0.6	0.2	2.5	1.1	2.4	7.9	2.6
Financial expenses	-99.3	-104.2	-109.4	-108.5	-106.2	-124.3	-112.3	-95.3
	-98.5	-103.6	-109.2	-106.0	-105.1	-121.9	-104.4	-92.7
Profit before changes in value	221.2	206.3	188.7	173.0	209.9	178.2	178.1	158.9
Unrealised changes in value, properties	-100.0	141.5	–	123.3	–	244.5	–	286.1
Realised changes in value, properties	-2.0	2.0	–	-0.1	32.8	–	–	–
Unrealised changes in value, financial instruments	28.3	191.4	121.5	-55.9	-147.9	-85.3	106.6	–
Goodwill write-downs	-33.3	–	–	-74.9	-7.3	–	–	–
	-107.0	334.9	121.5	-7.6	-122.4	159.2	106.6	286.1
Profit before tax	114.2	541.2	310.2	165.4	87.5	337.4	284.7	445.0
Tax	76.8	-118.3	-68.4	410.9	1.2	-184.5	-71.8	-117.8
Net profit for the period	191.0	422.9	241.8	576.3	88.7	152.9	212.9	327.2

KEY RATIOS

	2013 Q3	2013 Q2	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4
Property-related key ratios								
Letting rate, %	95	95	95	95	95	95	95	94
Operating surplus margin, %	70	67	63	64	71	69	64	62
Letting area, '000 m ²	940	903	903	903	887	888	888	871
Investments in properties, SEK m	329	293	320	465	347	386	314	334
Number of properties	50	51	57	57	54	54	54	54
Financial key ratios								
Equity/assets ratio, %	40.7	40.2	40.7	40.3	39.2	39.1	40.2	41.2
Debt/equity ratio, multiple	1.2	1.2	1.1	1.1	1.2	1.2	1.1	1.0
Gearing ratio, %	50.4	48.7	47.4	47.3	47.3	48.0	48.9	44.4
Interest coverage margin, multiple	3.2	3.0	2.7	2.6	3.0	2.4	2.6	2.7
Average rate of interest on interest-bearing liabilities (at period end), %	3.6	3.6	3.7	3.9	4.1	4.1	4.1	4.2
Return on shareholders' equity, %	7.2	16.1	9.3	23.1	3.7	6.3	8.8	13.9
Return on shareholders' equity, excluding changes in value, %	5.5	6.2	5.7	5.2	6.2	5.4	5.5	5.0
Return on total assets, %	3.2	9.9	6.5	4.4	3.1	7.6	6.7	9.6
Return on total assets excluding changes in value, %	4.4	4.8	4.7	4.5	5.0	5.0	4.9	4.5
Data per share								
Earnings per share, SEK	1.47	3.25	1.86	4.43	0.68	1.17	1.64	2.51
Profit before changes in value less applicable nominal tax, SEK	1.33	1.24	1.13	0.98	1.19	1.01	1.01	0.90
Cash flow, SEK	2.39	1.18	1.34	1.83	1.67	2.42	0.47	1.24
Shareholders' equity, SEK	82.68	81.16	80.71	78.79	74.37	73.63	75.00	73.30
Net worth, 10% deferred tax, SEK	90.66	89.45	88.73	86.67	84.80	83.94	84.84	83.03
Share price, SEK	85.70	85.00	91.00	87.00	84.50	81.85	78.70	73.25
Average number of outstanding shares, '000 ¹⁾	130,157	130,157	130,157	130,157	130,157	130,157	130,157	130,157
Number of outstanding shares at end of period, '000 ¹⁾	130,157	130,157	130,157	130,157	130,157	130,157	130,157	130,157

¹⁾ Registered number of shares less 3,063,748 class B shares brought back.

DEFINITIONS

FINANCIAL DEFINITIONS

Average number of outstanding shares

Weighted average number of outstanding shares calculated in accordance with IAS 33.

Cash flow per share, SEK

Cash flow from operating activities divided by the number of outstanding shares at the period end.

Debt/equity ratio, multiple

Interest-bearing liabilities divided by reported shareholders' equity.

Earnings per share, SEK

Net profit/loss for the period divided by the average number of outstanding shares.

Equity/assets ratio, %

Reported shareholders' equity as a percentage of the balance sheet total at the period end.

Equity per share, SEK

Reported equity divided by the number of outstanding shares at the period end.

Gearing ratio, %

Interest-bearing liabilities as a percentage of properties' reported.

Interest coverage ratio, multiple

Profit/loss before changes in value plus interest expenses, divided by interest expenses.

Net worth per share, 10% deferred tax, SEK

Equity per share calculated using a deferred tax rate of 10 per cent for investment properties.

Number of outstanding shares

Number of registered shares at end of period less shares bought back, which do not give entitlement to dividends.

Profit before changes in value per share, SEK

Profit/loss before changes in value, less applicable nominal tax, divided by the number of outstanding shares.

Return on total assets, %

Profit/loss before tax plus interest expenses as a percentage of the average balance sheet total.

Return on shareholders' equity, %

Net profit/loss for the period as a percentage of average shareholders' equity.

Rounding off

As the figures have been rounded off to the nearest SEK million, the tables do not always add up.

PROPERTY-RELATED DEFINITIONS

BREEAM

Is an environmental certification system for built environments in Europe. BREEAM takes a big picture approach to a building's environmental performance. Areas addressed by BREEAM are divided into energy and water consumption, health, transport, materials, waste, land usage, ecology and management.

GFA, m²

GFA (Gross Floor Area) refers to the building's total area, including outer walls.

Letting area, m²

Total area available for letting.

Letting rate, %

Contracted annual rents as a percentage of the rental value in conjunction with full letting. Reported figures are based on the immediately subsequent quarter.

Net letting

The sum of agreed contracted annual rents for new lets for the period less annual rents terminated for vacation of the premises.

Operating surplus

Rental income less property management costs.

Operating surplus margin, %

Gross profit/loss from property management as a percentage of the reported rental income.

Project property

The term, project property, refers to an individual property or a clearly delimited part of a property that has been vacated in order to permit the renovation and upgrading of the property, irrespective of whether construction work has begun. The term, project property, also refers to buildings under construction and to undeveloped land and development rights. Reclassification from project property to completed property occurs in 1st January of the year after completion.

Rental value

Contracted yearly rents including rent surcharges (e.g. for property tax and electricity) and estimated market rents for vacant space as found.

INFORMATION FROM ATRIUM LJUNGBERG

THE INFORMATION we release to the market concerning Atrium Ljungberg's operations shall be transparent, clear and correct in order to build market confidence in our company and our brand.

AS A LISTED COMPANY, Atrium Ljungberg is subject to the rules of the listing agreement with the NASDAQ OMX Stockholm Exchange. Significant events, interim reports and preliminary financial statements are published immediately via press releases and the information is also available on the company's website: www.atriumljungberg.se.

REGULAR MEETINGS WITH analysts, investors, shareholders and financiers, and with our customers and partners, enable us to provide ongoing information on our company, current events and operational changes.

OUR ANNUAL REPORT and our Interim Reports are available on our website and are also distributed in printed format by post to shareholders who have actively requested them. Interim Reports and preliminary financial statements are translated into English and both language versions are made available simultaneously on the website. The Annual Report is translated into English shortly after the publication of the Swedish language version.

INTERESTED PARTIES can subscribe to both financial reports and press releases via our website: www.atriumljungberg.se. The site also provides updated information on our operations, our properties and projects, financial key ratios, the share, and much more besides. The information on our website is also available in English.

PUBLICATION OF FINANCIAL INFORMATION

Preliminary Financial Statement	2014-02-21
Annual Report 2013	week 11 2014
Annual General Meeting	2014-04-07
Interim Report Jan.–March 2014	2014-04-15
Interim Report Jan.–June 2014	2014-07-10
Interim Report Jan.–Sep. 2014	2014-10-22



ATRIUM LJUNGBERG

Postal address: Box 4200, SE-131 04 Nacka. Street address: Sickla Industriväg 19
Tel: +46 (0)8 615 89 00, fax: +46 (0)8 615 89 99, info@atriumljungberg.se
Registered office: Nacka. Corporate ID no.: 556175-7047

www.atriumljungberg.se