

Significant accounting changes: As of 1 July 2018, Eastnine applies consolidated financial reporting (per IFRS). Previously, Eastnine AB applied the investment entity consolidation exemption, with subsidiaries recognised at fair value through profit or loss. Historic numbers have not been restated in the actual financial statements on p. 14-15. This report does include historical pro-forma statements (p. 19) using the same new consolidation method as in the financial statements, for comparative purposes. Any references to pro-forma numbers are marked "pro-forma". All other financial information is based on actual non-restated financial statements as they were reported.

Acquisition of S7 in Q1 2019 added 42,500 sq.m. in Vilnius

1 January – 31 March 2019¹

- Rental income increased by 48 percent to EUR 2,947k (1,993) primarily due to acquisitions and the completion of the third tower in 3Burès in Vilnius. Comparable rental income¹ decreased by 11 percent due to reduced occupancy.
- Occupancy rate was 92.0 percent (99.6).
- Net operating income increased to EUR 2,689k (1,431).
- Profit from property management increased to EUR 1,279k (151).
- Other unrealised value changes amounted to EUR 3,802k (-97) of which EUR 3,669k (-1,089) is attributable to Melon Fashion Group, EUR 789k (1,019) to Real Estate Funds and EUR -656k (-134) to interest rate derivatives.
- Net profit amounted to EUR 4,957k (711), corresponding to EUR 0.23 (0.03) per share.

¹ Comparative figures refer to the period January - March 2018 (pro-forma) for income statement items and as per 31 December 2018 for balance sheet items.

Key events during and after the quarter

- On 14 February, the S7 business park comprising 42,500 sq.m. in Vilnius was acquired for a total purchase price of EUR 128m. The acquisition will be completed in three phases over 12 months, of which the first step is completed as a standalone property.
- The third tower in 3Burès was awarded LEED Platinum certification in February.
- During the period 1 January through 31 March 2019, the Company repurchased 352,041 shares at an average price of SEK 104 per share.
- Eastnine's Board has decided not to renew the current buy-back programme, as of 31 March 2019.
- Britt-Marie Nyman has been appointed new CFO and deputy CEO, starting on 20 May.
- In May Natalija Monkeviciene was appointed Business Development Manager in Vilnius to head future development projects in the Company.

Key figures

		Reported 2019 Jan-Mar	Pro-forma ¹ 2018 Jan-Mar	Pro-forma ¹ 2018 Jan-Dec
Rental income	EURk	2,947	1,993	9,130
Net operating income	EURk	2,689	1,431	7,690
Profit from property management	EURk	1,279	151	3,180
Unrealised changes in value, properties	EURk	-	-	5,483
Unrealised changes in value, other	EURk	3,802	-97	2,903
Realised changes in value	EURk	22	781	5,402
Profit before tax	EURk	5,103	836	16,969
Profit after tax ²	EURk	4,957	711	15,641
Surplus ratio	%	91	72	84
Property value	EURk	195,972	141,762	158,862
Loan-to-value	%	44	35	43
NAV per share ^{2,3}	EUR	11.5	10.6	11.2
	SEK	119	110	114
EPRA NAV per share ³	EUR	11.7	10.8	11.4
	SEK	122	111	116

¹ Deviates from reported financial statements due to changes in accounting principles (see p. 10). ²All period are as reported. ³Adjusted for share buybacks.
1 EUR = 10.41 SEK on 31 March 2019 (source: Reuters).

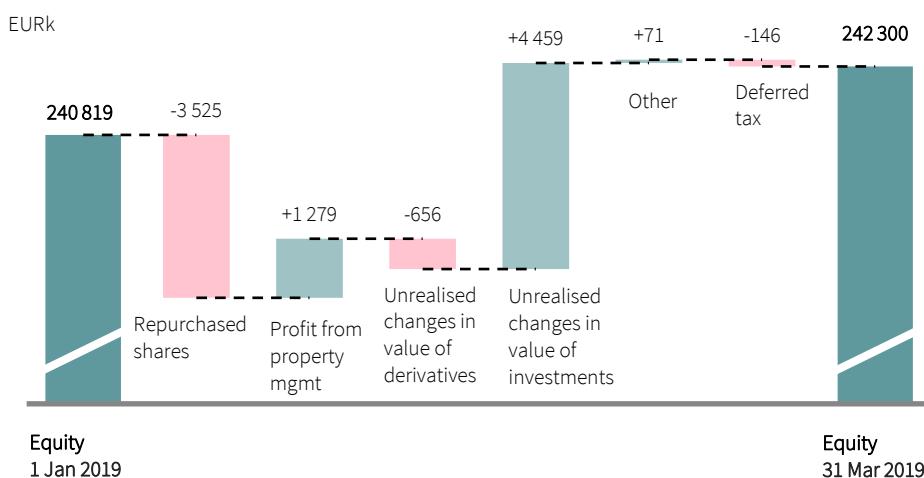
This is Eastnine

Eastnine is a real estate company listed on Nasdaq Stockholm since 2007. Eastnine's aim is to generate predictable cash flows by being a long-term provider of sustainable prime office space in the Baltic capitals, where the combination of well-educated young talent, an agile business climate and high productivity has created a vibrant region for Nordic and international businesses. Eastnine enables them to grow by offering modern and flexible office premises.

Eastnine has undergone a transformation from a diversified Eastern European investment company, aiming to be purely a real estate company by the end of 2020.

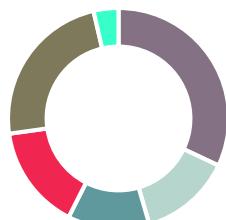


Changes in equity during the period



Increased rental income and profit from property management in Eastnine's core segment, Real Estate Direct. Real Estate Funds made a positive contribution and the EUR valuation of the Melon Fashion Group increased as a result of the strengthened rouble.

Property value, Real Estate Direct



■ 3Bures
■ Vertas
■ Alojas Biroji

■ 3Bures, third tower
■ S7
■ Alojas Kvartals

Targets for Real Estate Direct 2020

Loan to value below 65%	44%
Interest coverage ratio at least 2.0x	4.1x
Portfolio fully transformed into direct real estate by the end of 2020	53% (of invested equity)
Profit from property management capacity in direct real estate of EUR 15m by the end of 2020, annualised	EUR 8.8m (annualised Q1 2019)
Dividend at least 50% of profit from property management. Until 2020, at least 2% of NAV	2.0% of NAV per 31 Dec 2018 (proposed)
Return on equity of 13-15% over a 5-year period, in Real Estate Direct segment	11.3% (last 12 months)

Status 31 March 2019

An eventful quarter with acquisitions and rapid growth in earnings



The first quarter of 2019 was eventful, with the acquisition of the S7 office complex, comprising 42,500 sq.m. and strong new letting in existing properties. The third tower in 3Burēs was also confirmed as the most sustainable building in the Baltics, with a score of 88 in its LEED Platinum certification.

Strong GDP growth in the Baltics

The Baltics continue to grow, on their path to convergence with the rest of the EU. This is shown by GDP data published for 2018. Growth measured 3.9 percent in Estonia, 4.8 percent in Latvia and 2.7 percent in Lithuania, compared to 2.0 percent in the EU as a whole.

Nordic banks make an important contribution to the demand for office space in the Baltics and are among Eastnine's largest tenants. The driver of this growth is shared service business, and several Nordic banks choose to expand their shared service businesses in Tallinn, Riga and Vilnius.

Danske Bank expanding in 3Burēs

The markets for office space remain balanced in Tallinn, Riga and Vilnius. In general, we note deficits of larger offices and the strongest demand in Vilnius. Eastnine's new letting amounted to EUR 296k in the first quarter. In April, Danske Bank, which became a tenant of ours as recently as February in connection with the acquisition of S7, expanded its client relationship with us by signing an agreement for 4,300 sq.m. in 3Burēs. This is welcome news, as it improves the occupancy rate in 3Burēs as we manage planned departures and demonstrates the attractive range of rental opportunities Eastnine can offer to our key tenants. As a considerable long-term property owner, we have the ability to provide for tenants' needs in a unique way for the region due to the increasing variety of properties we can offer.

Growing portfolio and cash flow

In the quarter, we agreed to acquire three of four phases in the S7 project, a modern business park in central Vilnius with Danske Bank Global Services Lithuania and Telia Lietuva as tenants. The properties add 42,500 sq.m. to Eastnine's holdings. We will take possession in three steps, as the properties are gradually completed by Q1 2020.

Profit from property management increased by 17 percent compared to the previous quarter, and by more than seven times compared to the same quarter last year. The growth stems from acquisitions and completed new development, and is expected to continue to grow as we take possession of, acquire and develop additional properties.

16 percent sales growth in MFG

In Russia, MFG increased its sales by 20 percent but its performance suffered in the first quarter, which is generally the year's weakest and least meaningful. The market was somewhat weaker, and some collections in the concepts Love Republic and Zarina performed less well. Sales in comparable outlets increased by 1.4 percent. At the same time, online sales increased by 55 percent year-on-year, making up 16 percent of the quarter's total sales.

In 2019, we are prioritising continued new letting in 3Burēs and Alojas Biroji, as well as potential divestment opportunities of our non-core holdings to finance further property acquisitions. In the summer we plan to take possession of the next phase in S7, Telia Lietuva's new headquarters.

Kestutis Sasnauskas, CEO

Market

Geographic breakdown,

All segments¹

% av all segments



- Estonia 18%
- Latvia 18%
- Lithuania 38%
- Russia 26%

Real Estate¹

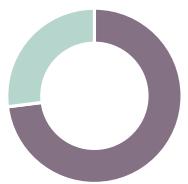
% of Real Estate Direct and Real Estate Funds



- Estonia 24%
- Latvia 25%
- Lithuania 51%

Real Estate Direct¹

% of Real Estate Direct



- Lithuania 73%
- Latvia 27%

Market

Baltics

The Baltic economies concluded 2018 with a quarter marked by strong economic growth. Indicators for the first quarter of 2019, however, provide a mixed impression of the immediate future, with strong sales growth in retail for all countries while growth in industrial production is slowing, with negative growth in Latvia. The consumer confidence index has also decreased. All in all, forecasts indicate somewhat lower growth figures for the economies.

According to preliminary numbers, annualised GDP growth in Q1 2019 was 2.8 percent in Latvia and 2.9 percent in Lithuania. Preliminary GDP growth data have not yet been published for Estonia, but growth in Q4 2018 was 4.2 percent. According to Eurostat, in March inflation (HICP annualised) was 2.2 percent in Estonia (compared to 3.3 percent in December), 2.7 percent (2.5) in Latvia, and 2.6 percent (1.8) in Lithuania. Eurozone inflation was 1.4 percent in March, down from 1.6 percent in December.

IMF's forecast for the full year 2019 predicts that the Baltic economies will grow at a rate of about 3 percent. Inflation is expected to reach 2.3-3.0 percent in the three countries.

Yield on prime office properties in the Baltic capitals continues to be high, at just over 6 percent, which indicates an office market with continued higher yields than in the Nordics. Low vacancies enable steady rent levels, where Vilnius in particular is notable for its very low vacancy levels compared to other major cities in Europe.

Russia

The overarching macroeconomic trend in Russia is very similar to that of the Baltics. After a strong close to 2018 with a GDP growth of 2.3 percent, indicators show that growth is now slowing. Both the World Bank and the IMF are predicting an annual growth of just below 1.5 percent. Annualised inflation was 5.2 percent in February, an increase from 4.3 percent in December.

Retail sales growth decreased from 3 percent in November to 2 percent in February, among others as a consequence of increased consumption taxes. Real wage growth decreased from 4.2 percent to 0.7 percent over the same period, which partially explains the continued low consumer confidence at -16 points, though still an improvement on the considerable drop in 2016. Exports slowed in January, for the first time since 2016. Furthermore, some uncertainty remains around US sanctions and OPECs production levels for 2019, two factors that will have a significant effect on the development of the Russian economy and currency throughout the year.

¹Real Estate Direct: property value less liabilities to credit institutions.

Real Estate Funds and Other: Net Asset Value

Earnings January – March 2019¹

The first quarter was marked by increased rental income and improved profit from property management in Eastnine's core segment Real Estate Direct. Real Estate Funds made a positive contribution and the EUR valuation of the Melon Fashion Group increased as a result of a strengthened rouble.

Rental income		
EURk	2019 Jan-Mar	2018 ¹ Jan-Mar
Comparable properties	1,514	1,701
Completed development	554	-
Acquisitions	879	292
Total rental income	2,947	1,993

¹ Pro-forma

New financial reporting

Eastnine AB has made the assessment that the Company no longer falls within the IFRS classification of an investment entity, as a majority of the portfolio (excluding cash) now consists of directly owned real estate assets. As of 1 July 2018, Eastnine Group reports consolidated financial statements of the Parent Company and its subsidiaries, including directly owned real estate subsidiaries.

Until and including 30 June 2018, Eastnine's financial statements refer to the Parent Company alone, while subsidiaries were recognised at fair value through profit or loss. This change in status is accounted for prospectively, meaning that historic numbers have not been restated in the actual financial statements on p. 14-15. However, this report does include consolidated pro-forma numbers for the period Q1 2017 - Q2 2018, for comparative purposes (see p. 19). Any references to pro-forma numbers are marked "pro-forma".

Revenues

Rental income increased in the first quarter by 48 percent to EUR 2,947k (1,993). The acquisition of S7 in Vilnius in February 2019 added EUR 279k to rental income in the quarter, while the acquisition of the Alojas properties in Riga in February 2018 added EUR 600k (292). An additional EUR 404k was added as the third tower in 3Burés in Vilnius was completed and tenants began moving in. Comparable rental income in an identical portfolio shrunk by 11 percent year-on-year. This is a result of a reduced occupancy rate from 99.6 to 92.0 percent, which enables Eastnine to re-let at higher rent levels in 2019.

Earnings

Net operating income was EUR 2,689 EUR (1,431), corresponding to a surplus ratio of 91 percent (72). The relatively high surplus ratio is due to the majority of lease agreements being triple-net, meaning that tenants cover costs related to the leased premises. The year-on-year increase of 88 percent in net operating income is mainly attributable to the acquisition of S7 in February 2019 and Alojas in February 2018.

Profit from property management increased to EUR 1,279k (151). Central administration expenses amounted to EUR 927k (702).

Unrealised value changes in other investments amounted to EUR 4,459k (37), of which EUR 3,669k (-1,089) is attributable to Melon Fashion Group which increased as a result of a strengthened rouble, and EUR 789k (1,019) to East Capital Baltic Property Funds II and III. Unrealised value changes in derivatives amounted to EUR -656k (-134).

Profit before tax amounted to EUR 5,103k (836). Net profit amounted to EUR 4,957k (711) in the quarter.

¹ Comparative figures refer to the period January - March 2018 (pro-forma) for income statements and as per 31 December 2018 for balance statements.

Segment Reporting

Pro-forma statements are not available on a segment level for January - March 2018.

Contribution to earnings, segment

EURk	2019 Jan-Mar
Profit property management	2,220
Unrealised value changes in derivatives	-656
Contribution Real Estate Direct	1,564
Unrealised value changes	789
Realised value changes	22
Contribution Real Estate Funds	811
Unrealised value changes	3,669
Realised value changes	3,669
Contribution Other	-927
Financial net, central	-15
Profit before tax, Group	5,103
Profit after tax, Group	4,957

The Real Estate Direct segment, comprising the directly owned property subsidiaries, generated a profit before tax of EUR 1,564k for the first quarter.

The Real Estate Funds segment, comprising the East Capital Baltic Property Fund II and III, generated a profit before tax of EUR 811k, of which EUR 789k are unrealised value changes.

The segment Other, which now solely encompasses Melon Fashion Group, generated a profit before tax of EUR 3,669k, attributable to an unrealised value change in the MFG holding. The fair value of Eastnine's holdings was unchanged from the beginning of the year in RUB, but increased by 7.5 percent in EUR as a result of a strengthened rouble.

Combined unallocated central administration and other operating expenses amounted to EUR -927k and other unallocated items to net EUR -15k. Group profit before tax amounted to EUR 5,103k, and net profit to EUR 4,957k.

Financing

Liabilities to credit institutions at the end of the period amounted to EUR 86,967k (67,550), corresponding to a loan-to-value ratio of 44 percent (43). In connection with the acquisition of S7 in February 2019, Eastnine extended bank loans by EUR 20,100k. Unutilised credit facilities amounted to EUR 0k (102). The average interest expenses on bank loans for the period was 2.2 percent (2.3).

As of 31 March 2019, the average capital tie-up period on interest-bearing loans was 4.6 years (4.7). The average fixed interest term was 4.6 (4.7) years, as currently 100% of interest is fixed using fixed-interest derivatives. The derivatives are measured at fair value and the change in value is recognised through profit or loss, with no effect on cash flow. At the end of the period, the fair value of derivatives was EUR -1,614k (-957).

Investments and divestments

EURm	2019 Jan-Mar	2018 Jan-Mar	2018 Jan-Dec
S7, building I	36.8	-	-
3Burés	0.2	-	0.1
3Burés, third tower	-	4.7	16.3
Vertas	0.1	-	0.1
Alojas Biroji	0.1	25.6	25.6
Alojas Kvartals	-	4.0	4.0
EC Baltic Property Fund III	-	3.5	3.5
Total Investments	37.1	37.8	49.6

Income tax

Total tax costs for the period amounted to EUR 146k (pro-forma Q1 2018: 125), all of which relates to deferred tax in Eastnine Lithuania where a corporate income tax of 15 percent is applied. The reported deferred tax liability is attributable to tax deductible depreciation on properties, interest rate derivatives and unutilised taxable accumulated losses. No corporate income tax is paid in Estonia or Latvia, where a 20 percent corporate income tax is levied only on distributed profits.

Financial position and net asset value

Equity amounted to EUR 242,300k (240,819) and the equity/asset ratio to 72 percent (76). Net asset value (NAV) per share was EUR 11.5 (11.2). EPRA NAV per share was EUR 11.7 (11.4).

Cash flow

EC Eastern Europe Small Cap Fund

Cash flow from operating activities before changes in working capital amounted to EUR 1,308k. Change in working capital was EUR -1,465k. Investing activities had an impact of EUR 37,109k, of which EUR 38,822k related to the S7 acquisition in Vilnius. Financing activities had an impact of EUR 15,941k, of which EUR -3,525k refers to share buybacks and EUR 20,200k refers to loans raised in connection with the S7 acquisition. Total cash flow for the period amounted to EUR -21,325k. Cash and cash equivalents at the end of the period amounted to EUR 43,794k.

Komercijalna Banka Skopje

EC Global Frontier Markets Fund

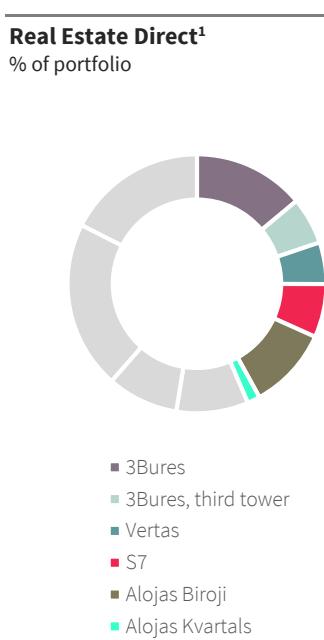
Total divestments

Investments and divestments

In February 2019, Eastnine entered an agreement to acquire the S7 business park in Vilnius for a total purchase price of EUR 128m. The acquisition is to be completed in three phases over the next 12 months, of which the first step amounted to EUR 36.8m. Eastnine's total investments during the period, including capital expenditures in existing real estate assets, amounted to EUR 37.1m (37.8).

Real Estate Direct

The directly owned real estate portfolio is in its build-up phase and today consists of 74,888 sq.m. of A class office space in Riga and Vilnius. The market is favourable with low vacancy rates and rising rent levels.



¹ Property value less liabilities to credit institutions.

Property Portfolio

Eastnine's portfolio of directly owned real estate is concentrated on A class office properties in the Baltic capitals. On 31 March 2019, the portfolio consisted of six investment properties, four in Vilnius and two in Riga, with a total gross leasable area (GLA) of 74,888 sq.m. and a fair value of EUR 195,972k. At the end of the period, 92.0 percent (99.6) of the total gross leasable area was occupied, a decline resulting from a lower occupancy rate in 3Burés. The yield is 6.1 percent (5.4) on annualised Q1 2019 net operating income.

Since the beginning of the year, Eastnine has acquired building I of the S7 office complex in Vilnius and entered an agreement to acquire building II and III. There are currently no development projects in Eastnine's portfolio.

Eastnine's vision is to be a long-term provider of sustainable prime office space in the Baltics. Over the coming years, Eastnine will successively use its cash to build a long-term property portfolio in the Baltic capitals, with the aim of being fully transformed into a pure real estate company by the end of 2020. Acquisitions will be made primarily within the A class office segment and may include development projects.

Vilnius

Eastnine's property portfolio in central Vilnius comprises office properties with a gross leasable area of 63,279 sq.m. in central Vilnius, equal to an estimated 25 percent market share of the A class office space market. The combined property value on 31 March 2019 was EUR 166,316k.

In February 2019, Eastnine entered into an agreement for the acquisition of building I, II and III of S7, a modern office complex in the central Vilnius business district. The transaction, which will be completed over three steps, includes properties of in total 42,500 sq.m. to a value of EUR 128,300k, corresponding to a yield of 5.8 percent. The acquisition of building I was completed in February for a total of EUR 36,800k, whilst the acquisitions of building II and III will be completed during Q2 2019 and Q1 2020 respectively.

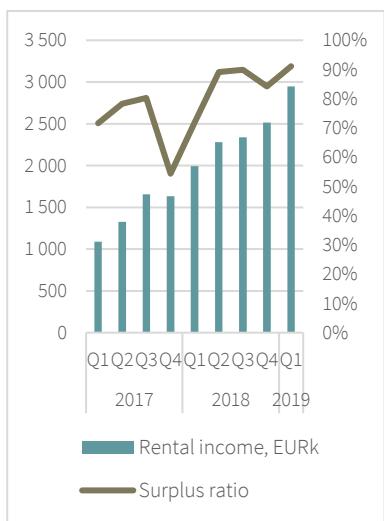
During 2019, large areas of office space in 3Burés are vacant, partly due to tenants having moved into the third tower. This enables Eastnine to increase the property value through increased rents after investments and tenant customisation, as well as quality improvements. The occupancy rate, at 81.3 percent on 31 March 2019, will decrease somewhat in the first half of 2019, but this is expected to be temporary given the high demand for modern office premises and the generally low vacancy in Vilnius.

Vertas continues to develop according to plan. The property, which has been fully occupied since the acquisition in June 2017, is once again nearly fully occupied after a few temporary vacancies due to tenant turnover.

Riga

Eastnine's property portfolio in central Riga comprises commercial properties with a gross lettable area of 11,608 sqm, equal to a 15 percent market share of the estimated A class market. The combined property value on 31 March 2019 was EUR 29,656k. The Alojas properties were acquired fully occupied at the end of February 2018.

Rental income and surplus ratio



The purchase price discounted a temporary uptick in vacancy in mid-2019 when the lease contract of the anchor tenant, originally covering 50 percent of the leasable space, expired. New leases corresponding to 27 percent of the area have already been signed with new tenants, and the remaining 23 percent is fully rent compensated until July 2019. Eastnine's average rent level in Riga is expected to decline somewhat with the new letting in accordance with expectations at the time of acquisition.

Acquisitions and pipeline

Since the beginning of the year, Eastnine has expanded its real estate holding in central Vilnius with the acquisition of building I of S7, as described above. We expect to complete the acquisitions of building II and III in Q2 2019 and Q1 2020, respectively. Further acquisitions and project opportunities are being evaluated in all three Baltic capitals, with the aim to complete the Company's transformation into a pure real estate company by the end of 2020.

Value Change

The total fair value of Eastnine's properties on 31 March 2019 amounted to EUR 195,972k, all of which refers to investment properties. All properties are externally valued at least once per year. None of the properties were subject to an external valuation in the first quarter of 2019. The fair value of all properties is reviewed quarterly using the same yield-based location price model as used for the acquisition of new properties, alternatively using the last external valuation or acquisition value. A value change is included in the income statement if it means more than +/- 5 percent change in property value versus the most recent valuation. No changes to property values were made in the period.

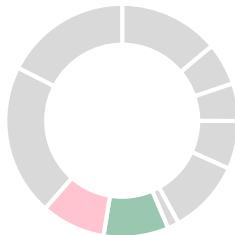
Property value and Loan-to-Value



Real Estate Funds

Real Estate Funds

% av portfolio



- EC Baltic Property Fund II
- EC Baltic Property Fund III

East Capital Baltic Property Fund II

The fair value of Eastnine's holding in East Capital Baltic Property Fund II continued to perform well, with a 2.0 percent uplift in the first quarter. The fund has four commercial properties in Tallinn, representing 92 percent of the fund, as well as one retail property in Riga, which received a renewed usage permit in March 2019.

Eastnine's share of the fund, %	45
Fair value of Eastnine's holding, EURk	22,496
% of Eastnine's equity	9.3
Unrealised changes in value, Jan – Mar, EURk	441
Unrealised changes in value including dividends, Jan – Mar, EURk	-
Total return, Jan – Mar, %	2.0

East Capital Baltic Property Fund III

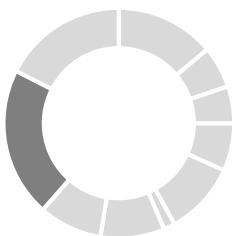
The fair value of Eastnine's holding in East Capital Baltic Property Fund III increased by 1.6 percent in the first quarter. The fund has a total of five properties in hotels, logistics and retail, of which three are in Tallinn and two in Riga.

Eastnine's share of the fund, %	22
Fair value of Eastnine's holding, EURk	22,279
% of Eastnine's equity	9.2
Unrealised changes in value, Jan – Mar, EURk	348
Unrealised changes in value including dividends, Jan – Mar, EURk	-
Total return, Jan – Mar, %	1.6

Other

Other

% of portfolio



- Melon Fashion Group

Melon Fashion Group

In Q1 2019, MFG's total sales increased by 20 percent (15.9 percent adjusted for new accounting standards) and reached RUB 3,942m on the back of 1.4 percent LFL growth, 12 percent yoy expansion in the selling area, and 55 percent yoy increase in e-commerce sales. E-commerce sales via own and third party distribution channels continue to show robust growth expanding e-commerce share in total sales to 16 percent in Q1 2019 from 12 percent in Q1 2018. Gross profit increased by 18 percent to RUB 1,806m on a slightly lower margin than last year, 45.8 percent vs 46.8 percent in Q1 2018. This margin drop was primarily due to higher promotional activity driven by the general market conditions. In Q1 2019 MFG applied IFRS 16 standards to the treatment of store lease for the first time. This affects comparability to the previous period. After adjustments, total EBITDA loss in Q1 2019 amounted to RUB -167m compared to RUB 2m in Q1 2018. The first quarter has historically been a loss making period for the company with high volatility as to the magnitude of the loss. In Q1 2019 the loss was primarily attributed to the weaker performance of Love Republic and Zarina, whereas befree improved its profitability year-on-year. Collection misses and non-optimal assortment offer are cited by the management as factors pulling the profitability down for the two brands. Love Republic and Zarina are currently fine-tuning their offers as a response to this temporary weakness. The total debt amounted to RUB 592m at the end of the quarter indicating seasonally higher financing needs. During the quarter seven new stores were open, seven closed and four renovated in the own retail chain and five new stores were opened by the franchise partners bringing a total number of stores to 580.

Eastnine's share of the company, %	36
Fair value of Eastnine's holding, EURk	52,581
% of Eastnine's equity	21.7
Unrealised changes in value, Jan – Mar, EURk	3,669
Unrealised changes in value including dividends, Jan – Mar, EURk	-
Total return, Jan – Mar, %	7.5

Other information

Risks and uncertainties

The dominant risk in Eastnine's operations is commercial risk in the form of changes in rent levels, vacancies and interest rates, as well as changes in the economic or business climate, and exchange rates in the markets where Eastnine is present. A more detailed description of Eastnine's material risks and uncertainties is provided in the Company's Annual Report 2018 on pages 64-65. An assessment for the coming months is provided in the Market comment on page 4.

Properties are recognised at fair value, and value changes are recognised through profit or loss in Eastnine's income statement. The effects of changes in property value on consolidated profit are presented in the sensitivity analysis on page 17 in this report.

Organisational and investment structure

Eastnine AB (publ) (the Parent Company) is a real estate company listed on Nasdaq Stockholm. With the exception of Melon Fashion Group, which is owned directly by the Parent Company, the activities are managed by the Estonian operating subsidiary Eastnine Baltics OÜ with local subsidiaries in Latvia and Lithuania, together called the Eastnine Group.

By the end of the period, the Eastnine Group had 13 full-time employees: six in its Stockholm headquarters, six in Vilnius and one in Tallinn.

Parent Company

The Parent Company's profit before tax amounted to EUR 3,195k (711). The profit is primarily attributable to the value change in its singular holding, Melon Fashion Group, of EUR 3,669k (-1,089), as well as operating expenses and financial income. See page 18 for the Parent Company's income statement and balance sheet.

Related parties

On 31 March 2019, Eastnine AB had a related party relationship with its subsidiaries, Board members and employees. Eastnine AB's management, Board members and their close relatives, and related companies control 29.6 percent of voting rights in the Company, the majority of which is controlled by the East Capital Group. There has been no material related party transaction during the year.

Sustainability

In Q1 2019 the third tower of the 3Burés complex in Vilnius received a LEED Platinum Core & Shell certification, in addition to the LEED Platinum certification awarded the other two towers in the complex at the end of 2018. With a score of 88 points, the third tower was awarded the highest sustainability rating to date in the Baltics. Our first GRI-

referenced sustainability report, containing information on our material topics, goals and KPIs, was published in February as part of the Company's annual report. We invite our investors and partners to read this report and provide feedback to us in order to support our improvement process.

Commitments

In February 2019, Eastnine entered into an agreement for the acquisition of building I, II and III of S7 in Vilnius, for a total purchase price of EUR 128.3m. The acquisition of building I was completed in February for EUR 36.8m while the acquisitions of building II and III are expected to be completed in Q2 2019 and Q1 2020, respectively.

Eastnine has a commitment to invest EUR 20m in East Capital Baltic Property Fund III. At the end of the period, EUR 17.6m of this commitment had been drawn down by the fund. The remaining commitment amounted to EUR 2.4m.

Accounting principles

This interim report has been prepared in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) 34 Interim Financial Reporting and applicable provisions in the Swedish Annual Accounts Act (Årsredovisningslagen). The interim report for the Parent company has been prepared in accordance with the Swedish Financial Reporting Board's standard RFR 2 and the Swedish Annual Accounts Act Chapter 9, Interim report.

During the period 1 January 2014 – 30 June 2018, Eastnine AB applied the investment entity consolidation exemption in IFRS 10, which means that all holdings, including subsidiaries, are recognised at fair value through profit or loss. In assessing Eastnine AB, it has been concluded that the Company no longer falls within the classification of an investment entity, as a majority of the portfolio (excluding cash) now consists of directly owned real estate assets. As of 1 July 2018, the Eastnine Group reports consolidated financial statements of the Parent Company and its subsidiaries, including directly owned real estate subsidiaries. This change in status is accounted for prospectively, meaning that historic numbers have not been restated.

The Group applies the same accounting principles and valuation methods as in the latest annual report, with the exception mentioned below regarding IFRS 16. Other new or revised IFRS standards or other IFRIC interpretations applying from 1 January 2019 have not had a material effect on the Group's financial statements.

New accounting principles applying after 1 January 2019 onwards

IFRS 16 Leases

As of 1 January 2019, IFRS 16 – Leases replaces IAS 17. Eastnine does not apply the standard retroactively, which means that the comparative figures for 2018 have not been restated. The standard means that essentially all leases shall be recognised in the balance sheet as right-of-use assets and lease liabilities. The right-of-use and the liability are initially valued at the present value of future lease payments. As the lessor, the change is not expected to impact Eastnines' financial reporting. As a lessee, the most material items for Eastnine have been identified as the leasehold rents. As of 1 January 2019, the lease liability amounted to EUR 358k, all of which relate to leasehold rents. The corresponding right-of-use asset is recognised in

the balance sheet. Due to the leasing period being perpetual, the lease liability is not amortised, rather the value remains unchanged until the fee is renegotiated. For the same reason, the right-of-use asset is not depreciated. Costs for leasehold rents are recognised as financial expenses, which differs from the previous principle whereby these were recognised as property expenses. The calculated leasehold rents for 2019 amount to EUR 15k. Profit from property management will remain unaffected. Reporting is slightly affected in some key metrics, for example the equity/assets ratio.

Events after 31 March 2019

In May Natalija Monkeviciene was appointed Business Development Manager in Vilnius to head future development projects in the Company.

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

Stockholm, 15 May 2019

Kestutis Sasnauskas
CEO

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

The share

The Eastnine share is listed on Nasdaq Stockholm Mid Cap. On 31 March 2019, the market capitalisation amounted to SEK 2.5bn.

Dividend

According to the dividend policy established by the Board in September 2017, Eastnine's yearly dividend is to amount to at least 50 percent of the profit from property management from directly owned real estate. In addition, with respect to the Company's financial position and investment opportunities, the Board may decide on a share redemption or buy-back programme. While Eastnine is undergoing a transformation into a real estate company, expected to be complete by the end of 2020, the annual dividend is to be at least 2.0 percent of the NAV per share, as at the end of the previous year.

The Board has proposed to the AGM an ordinary dividend for 2018 of SEK 2.30 per share, paid semiannually. The dividend, which corresponds to EUR 0.22 per share, represents 2.0 percent of NAV per share and an annual dividend growth of 10 percent.

Buy-back

The Company initiated a share buy-back programme on

20 May 2016, contingent on the share being traded at a discount on the most recently published NAV in SEK. During the period 1 January through 31 March 2019, the Company repurchased 352,041 shares at an average price of SEK 104 per share. On 31 March 2019, the Company held 1,221,200 own shares in treasury, corresponding to 5.5 percent of total outstanding shares. Given Eastnine's most recent acquisition of the S7 office park, a reduced NAV discount of 3 percent, as well as its continued focus on further real estate acquisitions, the Board decided not to renew the buy-back programme when it expired on 31 March 2019.

Number of shares

The total number of outstanding shares, including treasury shares, in Eastnine as of 31 March 2019 was 22,370,261. Adjusted for treasury shares, the number of outstanding shares was 21,149,061. The weighted average number of outstanding shares for the period, adjusted for buy-back, was 21,304,916.

Largest owners as of 31 March 2019

Name	Holding, %
Peter Elam Håkansson ¹	27.0
Mertiva AB	6.2
Keel Capital	5.9
Lazard Asset Management	5.4
Nordnet Pensionsförsäkring	3.7
Norges Bank	3.1
Kestutis Sasnauskas	2.0
Dimensional Fund Advisors	1.6
Prioritet Finans	1.3
Avanza Pension	1.2
10 largest	60.5
Others	39.5
Total	100.0

¹Private and via companies (East Capital Holding AB and Rytu Invest AB).

Source: Monitor

Key figures

Data per share	2019 31 Mar	2018 31 Dec	2018 31 Mar
NAV, EUR	11.5	11.2	10.6
EPRA NAV, EUR	11.7	11.4	10.8
Share price, EUR	10.8	9.2	8.5
NAV, SEK	119	114	110
EPRA NAV, SEK	122	116	111
Share price, SEK	113.00	92.90	87.60

EASTNINE share price vs OMX Stockholm Real Estate GI





Financial statements

Income Statement - Group

EUR thousands	2019 ¹ Jan-Mar	2018 ² Jan-Mar
Rental income	2,947	-
Property expenses	-258	-
Net operating income	2,689	-
Central administration expenses	-927	-
Interest expenses	-411	-
Other financial income and expenses	-72	-
Profit from property management	1,279	-
Unrealised changes in value of derivatives	-656	-
Unrealised changes in value of investments	4,459	-
Realised values and dividends from investments	22	-
Changes in fair value of subsidiaries and associated companies	-	914
Other income	-	88
Staff expenses	-	-292
Other operating expenses	-	-318
Financial income	-	339
Financial expenses	-	-21
Profit/loss before tax	5,103	711
Deferred tax	-146	-
Net profit/loss for the period³	4,957	711
Earnings per share before dilution, EUR	0.23	0.03
Earnings per share after dilution, EUR	0.23	0.03

¹ Eastnine as a consolidating real estate company

² Eastnine as an investment entity

³ Net Profit/Loss for the period corresponds to Total Comprehensive income

Balance Sheet - Group

EUR thousands	2019 ¹ 31 Mar	2018 ¹ 31 Dec	2018 ² 31 Mar
ASSETS			
Non-current assets			
Intangible assets	3	6	-
Investment properties	195,972	158,862	-
Right-of-use assets, leaseholds	465	-	-
Equipment	90	94	-
Shares in subsidiaries	-	-	154,838
Interests in associated companies	-	-	47,523
Other long-term securities holdings	97,357	92,898	-
Loans to group companies	-	-	27,527
Other non-current receivables	177	213	-
Total non-current assets	294,063	252,074	229,889
Current assets			
Short-term receivables	238	377	1
Accrued interest income	-	-	1,468
Prepaid expenses and accrued income	574	198	179
Cash and cash equivalents	43,794	65,119	7,271
Total current assets	44,607	65,694	8,918
TOTAL ASSETS	338,670	317,767	238,808
EQUITY AND LIABILITIES			
Equity			
Share capital	3,660	3,660	3,658
Other contributed capital	256,669	260,145	272,380
Retained earnings including other reserves	-22,986	-38,626	-38,626
Net profit/loss for the year	4,957	15,641	711
Total Equity	242,300	240,819	238,122
Non-current liabilities			
Liabilities to credit institutions	84,297	64,474	-
Derivatives	1,614	957	-
Deferred tax liabilities	3,891	3,745	-
Lease liability	465	-	-
Other non-current liabilities	1,452	1,251	-
Total non-current liabilities	91,719	70,427	-
Current liabilities			
Liabilities to credit institutions	2,670	3,076	-
Other liabilities	1,150	2,645	397
Accrued expenses and deferred income	831	801	288
Total current liabilities	4,651	6,521	685
TOTAL EQUITY AND LIABILITIES	338,670	317,767	238,808

¹ Eastnine as a consolidating real estate company

² Eastnine as an investment entity

Statement of Changes in Equity - Group

EUR Thousands	Share capital	Retained earnings	Retained earnings	Total equity
Opening equity January 1, 2019	3,660	260,145	-22,985	240,819
Net profit/loss for the period	-	-	4,957	4,957
Total comprehensive income	-	-	4,957	4,957
Share buy-back	-	-3,525	-	-3,525
Long-term incentive program (LTIP)	-	49	-	49
Closing equity March 31, 2019	3,660	256,669	-18,028	242,300

EUR Thousands	Share capital	Retained earnings	Retained earnings	Total equity
Opening equity January 1, 2018	3,655	299,613	-55,711	247,558
Net profit/loss for the period	-	-	17,085	17,085
Total comprehensive income	-	-	17,085	17,085
Bonus issue	3	-3	-	-
Dividend to shareholders	-	-2,267	-	-2,267
Share buy-back	-	-19,920	-	-19,920
Closing equity March 31, 2018	3,658	277,425	-38,626	242,457

Statement of Cash Flow - Group

	2019 Jan-Mar	2018 Jan-Mar
EUR thousands		
Operating activities		
Operating income before tax	5,103	711
Adjustments not included in cash flow from operating activities	-3,795	-915
Income tax paid	-	-
Cash flow from current operations before changes in working capital	1,308	-204
Cash flow from changes in working capital		
Increase (-)/decrease(+) in other current receivables	-202	38
Increase (+)/decrease(-) in other current payables	-1,263	-667
Cash flow from operating activities	-157	-833
Investing activities		
Investments in existing properties	-287	-
Acquisition of properties	-36,822	-
Cash flow from investing activities	-37,109	-
Financing activities		
New loans	20,200	-
Repayment of loans	-734	-
Own share buy-back	-3,525	-5,045
Cash flow from financing activities	15,941	-5,045
Cash flow for the period	-21,325	-5,878
Cash and cash equivalent at the beginning of the period	65,119	13,168
Exchange rate differences in cash and cash equivalents	-	-21
Cash and cash equivalent at the end of the period	43,794	7,270

Until 30 June 2018, cash in subsidiaries was included in the fair value of subsidiaries

Segment Reporting

Eastnine classifies and evaluates the Company's various segments based on the nature of the investments. Segments are presented from the point of view of management and are divided into the following segments: Real Estate Direct, Real Estate Funds and Other. The segment report for 2018 presents Eastnine as an investment entity.

EUR thousands	Real Estate Direct	Real Estate Funds	Other	Unallocated	Total
January 1 - March 31, 2019					
Rental income	2,947	-	-	-	2,947
Property expenses	-258	-	-	-	-258
Net operating income	2,689	-	-	-	2,689
Central administration expenses	-	-	-	-927	-927
Interest expenses	-411	-	-	-	-411
Other financial income and expenses	-57	-	-	-15	-72
Profit from property management	2,220	-	-	-941	1,279
Unrealised changes in value of derivatives	-656	-	-	-	-656
Unrealised changes in value of investments	-	789	3,669	-	4,459
Realised values and dividends from investments	-	22	-	-	22
Profit/loss before tax	1,564	811	3,669	-941	5,103
Deferred tax	-146	-	-	-	-146
Net profit/loss for the period	1,418	811	3,669	-941	4,957
 Value of properties	 195,972	 -	 -	 -	 195,972
Value of securities holdings	-	44,776	52,581	-	97,357
Liabilities to credit institutions	86,967	-	-	-	86,967

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

Long-term securities holdings

The following table analyses securities holdings measured at fair value in compliance with level 3. Derivatives are measured continuously at fair value according to level 2. Changes in fair value are recognised in profit and loss. At the end of the period, the fair value of interest-bearing liabilities essentially corresponded with the carrying amounts.

March 31, 2019

Changes in financial assets and liabilities in Level 3, EUR thousands	Real Estate Funds	Other	Total
Opening balance January 1, 2019	43,986	48,912	92,898
Unrealised changes in values recognised net in profit/loss	789	3,669	4,459
Closing balance March 31, 2019	44,776	52,581	97,357

December 31, 2018

Changes in financial assets and liabilities in Level 3, EUR thousands	Real Estate Funds	Other	Total
Opening balance January 1, 2018	37,064	48,613	85,677
Purchases/additions	3,451	-	3,451
Unrealised changes in values recognised net in profit/loss	3,471	299	3,770
Closing balance December 31, 2018	43,986	48,912	92,898

Real Estate Funds consists of holdings in East Capital Baltic Property Fund II and East Capital Baltic Property Fund III and Other consists of the holdings in Melon Fashion Group (MFG). These holdings are valued externally normally at year-end, and the fair value of the holdings is assessed on a quarterly basis. More information on the holdings, including fair value changes during the period, can be found on page 9 in this report.

Holding	Class	Valuation method	Valuation assumptions
East Capital Baltic Property Fund II	Real Estate Funds	DCF	WACC 8-12%, Exit yield 6-8%
East Capital Baltic Property Fund III	Real Estate Funds	DCF	WACC 8-9%, Exit yield 7-8%
Melon Fashion Group	Other	DCF	Long-term growth 3.5%, Long term operating margin 10.9%, WACC 16.4%. A 25% minority and liquidity discount is

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

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

Effect in EUR thousands	Real Estate Funds		Other	
	Fair value		Fair value	
March 31, 2019	Increase	Decrease	Increase	Decrease
Sensitivity analysis				
Exit yield (+/- 0.5% movement)	-2,043	2,357	-	-
Weighted average cost of capital (WACC) (movement +/- 0.5% on funds and +/- 1.0% on Other)	-903	919	-4,198	4,925
Long term growth rate (+/- 0.4% movement)	-	-	1,137	-1,068
Long term operating margin (+/- 0.5% movement)	-	-	1,574	-1,575

Sensitivity analysis - Properties

March 31, 2019	Impact on pre-tax profit, EURK	Equity / asset ratio,	Loan-to-value ratio,
Change in property value			
+5%	9,799	72.3%	42.3%
0	0	71.5%	44.4%
-5%	-9,799	70.7%	46.7%

Earnings and key ratios are affected by realised and unrealised changes in the value of properties. The table shows the effect of a 5 percentage point change in value before deferred tax deduction.

March 31, 2019	Effect, EURK
Cash flow and earnings	Change
Rental income, total	5% 503
Property expenses	5% 79

The sensitivity analysis shows the effects on the Group's cash flow and earnings on an annualised basis after taking into account of the full effect of each parameter. A change in market interest rates has no immediate effect on interest expenses as currently 100 percent of the interest is fixed using fixed-interest derivatives.

Income Statement - Parent Company

EUR thousands	2019 Jan-Mar	2018 Jan-Mar
Changes in fair value of subsidiaries	-	2,003
Changes in fair value of securities holdings	3,669	-1,089
Other income	22	88
Operating expenses	-826	-610
Operating profit/loss	2,865	392
Financial income	344	339
Financial expense	-15	-21
Profit/loss before tax	3,195	711
Income tax	-	-
Net profit/loss for the period	3,195	711

Balance Sheet - Parent Company

EUR thousands	2019 31 Mar	2018 31 Dec	2018 31 Mar
ASSETS			
Fixed assets			
Shares in subsidiaries	146,964	146,946	154,838
Other long-term securities holdings	52,581	48,912	47,523
Loans to group companies	27,527	27,527	27,527
Total non-current assets	227,073	223,385	229,889
Current assets			
Other receivables	0	2	1
Accrued interest income	1,716	1,376	339
Prepaid expenses and accrued income	89	74	179
Cash and cash equivalents	3,543	7,898	7,271
Total current assets	5,347	9,350	8,918
TOTAL ASSETS	232,420	232,736	238,808
EQUITY AND LIABILITIES			
Equity			
<i>Restricted capital</i>			
Share capital	3,660	3,660	3,658
<i>Unrestricted capital</i>			
Share premium reserve	256,669	260,145	272,380
Retained earnings including other reserves	-31,882	-38,626	-38,626
Net profit/loss for the year	3,195	6,744	711
Total equity	231,641	231,922	238,122
Non-current liabilities			
Other non-current liabilities	26	11	-
Total non-current liabilities	26	11	-
Current liabilities			
Other liabilities	83	259	397
Accrued expenses and deferred income	669	543	288
Total current liabilities	752	803	685
TOTAL EQUITY AND LIABILITIES	232,420	232,736	238,808

PRO-FORMA

As of 1 July 2018, Eastnine Group reports consolidated financial statements of the parent company and its subsidiaries, including directly owned real estate subsidiaries. This change in status is accounted for prospectively, meaning that historic numbers have not been restated in the actual financial statements. However, consolidated pro-forma numbers for the period Q1 2017 - Q2 2018 are presented below for comparative purposes. The pro-forma consolidations are based on the actual subsidiaries and holdings within the group during the comparative periods.

Income Statement - Group

EUR thousands	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017
Rental income	2,947	2,516	2,339	2,282	1,993	1,634	1,657	1,325	1,088
Property expenses	-258	-396	-235	-249	-562	-745	-327	-287	-309
Net operating income	2,689	2,120	2,104	2,034	1,431	888	1,330	1,038	779
Central administration expenses	-927	-1,055	-621	-1,008	-702	-991	-1,115	-1,116	-932
Interest expenses	-411	-350	-266	-319	-278	-219	-216	-220	-253
Other financial income and expenses	-72	369	0	20	-299	-86	-15	-138	-79
Profit from property management	1,279	1,085	1,217	727	151	-408	-16	-435	-485
<i>Unrealised change in values:</i>									
- Properties	-	863	3,675	945	-	4,546	-	-	-
- Derivatives	-656	-618	342	-372	-134	306	474	-	-
- Investments	4,459	6,941	-1,060	-2,233	37	10,181	2,263	-5,945	3,076
Realised values and dividends from investments	22	2,928	25	1,668	781	2,368	875	1,098	195
Profit before tax	5,103	11,199	4,199	735	836	16,992	3,596	-5,282	2,786
Deferred tax	-146	-273	-748	-182	-125	-739	-95	-101	-73
Net profit/loss for the period	4,957	10,925	3,451	553	711	16,253	3,501	-5,383	2,713

Condensed Balance Sheet - Group

EUR thousands	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017
ASSETS									
Investment properties	195,972	158,862	156,102	122,843	121,995	92,395	89,455	89,385	60,880
Development properties	-	-	-	26,721	19,768	15,110	10,248	8,674	7,439
Right-of-use assets, leaseholds	465	-	-	-	-	-	-	-	-
Long-term securities holdings	97,357	92,898	85,957	86,932	92,769	127,277	129,645	123,009	131,653
Other non-current assets	270	313	296	419	430	335	457	505	150
Total non-current assets	294,063	252,074	242,356	236,915	234,961	235,116	229,806	221,572	200,122
Other receivables	813	574	1,105	1,014	5,331	1,652	578	542	501
Cash and cash equivalents	43,794	65,119	58,515	63,558	56,497	44,991	41,918	50,467	86,209
Total current assets	44,607	65,694	59,620	64,572	61,827	46,642	42,495	51,009	86,710
TOTAL ASSETS	338,670	317,767	301,976	301,487	296,789	281,759	272,301	272,581	286,831
EQUITY AND LIABILITIES									
Share capital	3,660	3,660	3,660	3,660	3,658	3,658	3,658	3,658	3,657
Other contributed capital	256,669	260,145	262,666	266,007	274,982	280,027	286,115	290,253	295,536
Retained earnings incl. net profit/loss for the year	-18,029	-22,986	-33,911	-37,362	-40,518	-41,228	-57,481	-60,984	-53,334
Total shareholders' equity	242,300	240,819	232,415	232,305	238,122	242,457	232,292	232,927	245,858
Liabilities to credit institutions	84,297	64,474	55,772	54,638	48,534	30,727	32,545	32,545	32,545
Derivatives	1,614	957	339	682	309	176	315	239	893
Deferred tax liabilities	3,891	3,745	3,472	2,724	2,542	2,417	1,678	1,584	1,483
Lease liability	465	-	-	-	-	-	-	-	-
Other non-current liabilities	1,452	1,251	2,338	2,045	1,745	893	595	699	637
Total non-current liabilities	91,719	70,427	61,921	60,089	53,130	34,213	35,133	35,067	35,559
Liabilities to credit institutions	2,670	3,076	2,729	1,029	1,533	1,818	455	909	1,364
Other liabilities	1,981	3,445	4,911	8,065	4,003	3,270	4,422	3,678	4,051
Total current liabilities	4,651	6,521	7,640	9,094	5,536	5,088	4,876	4,587	5,415
TOTAL EQUITY AND LIABILITIES	338,670	317,767	301,976	301,487	296,789	281,759	272,301	272,581	286,831

Key metrics

	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017
Property-related									
Leasable area, sqm k ¹	74.9	62.8	62.7	49.4	49.4	37.8	37.8	37.8	28.4
Number of properties ¹	6	5	5	5	5	3	3	3	2
Property value, EUR k ¹	195,972	158,862	156,102	149,564	141,762	107,505	99,703	98,059	68,319
Surplus ratio, % ¹	91.2%	84.3%	90.0%	89.1%	71.8%	54.4%	80.3%	78.4%	71.6%
Floor space occupancy rate, % ¹	92.0%	88.8%	97.5%	99.6%	99.6%	97.0%	98.1%	97.6%	96.1%
Average rent, EUR/sqm/month ¹	14.8	14.5	14.3	14.5	14.5	13.8	13.8	13.5	12.7
WAULT, years ¹	2.8	2.8	2.8	1.9	2.2	2.5	2.4	2.6	2.3
Property yield, investments properties % ¹	6.1%	6.0%	6.8%	6.9%	5.4%	4.1%	6.1%	5.7%	5.3%
Financial									
Rental income, EUR k ¹	2,947	2,516	2,339	2,282	1,993	1,634	1,657	1,325	1,088
Net operating income, EUR k ¹	2,689	2,120	2,104	2,034	1,431	888	1,330	1,038	779
Profit from property management, EUR k ¹	1,279	1,085	1,217	727	151	-408	-16	-435	-485
LTV (loan-to-value) ratio, % ¹	44%	43%	37%	37%	35%	30%	33%	34%	50%
Equity / asset ratio, %	72%	76%	77%	77%	80%	86%	85%	85%	86%
Interest coverage ratio, multiple ¹	4.1x	4.1x	5.6x	3.3x	1.5x	n.m.	n.m.	n.m.	n.m.
Average interest expense, % ¹	2.2%	2.3%	2.2%	2.4%	2.5%	2.7%	2.6%	2.6%	3.0%
Return on equity, Real Estate Direct, % ¹	6.2%	9.8%	24.1%	9.9%	4.5%	29.2%	9.9%	6.6%	6.5%
Return on equity, %	8.2%	18.5%	5.9%	0.9%	1.2%	27.4%	6.0%	-9.0%	4.4%
Share-related									
Net asset value (NAV), EUR k	242,300	240,819	232,415	232,305	238,122	242,457	232,292	232,927	245,858
EPRA NAV, EUR k ¹	247,804	245,521	236,226	235,711	240,974	245,050	234,285	234,749	248,234
Market capitalisation, EUR k	242,716	205,052	199,448	200,467	211,057	206,348	192,881	181,864	193,493
Market capitalisation, SEK k	2,527,839	2,078,197	2,060,301	2,093,856	2,173,884	2,028,711	1,861,202	1,749,530	1,854,048
Number of shares outstanding at the end of the period	22,370,261	22,370,261	22,370,261	22,370,261	24,816,033	24,816,033	24,816,033	24,816,033	25,661,563
Number of shares outstanding at the end of the period, adjusted for repurchased shares	21,149,061	21,501,102	21,795,139	22,163,961	22,370,261	22,948,205	23,723,020	24,300,033	24,999,639
Weighted average number of shares, adjusted for repurchased shares	21,304,916	22,128,389	22,289,825	22,453,671	22,590,768	24,334,377	24,669,783	24,998,136	25,381,932
Earnings per share, EUR	0.23	0.50	0.16	0.02	0.03	0.70	0.15	-0.22	0.11
Dividend per share, EUR ²	-	0.22	-	-	-	0.21	-	-	-
NAV per share, EUR	11.5	11.2	10.7	10.5	10.6	10.6	9.8	9.6	9.8
NAV per share, SEK	119	114	110	109	110	104	94	92	94
EPRA NAV per share, EUR ¹	11.7	11.4	10.8	10.6	10.8	10.7	9.9	9.7	9.9
EPRA NAV per share, SEK ¹	122	116	112	111	111	105	95	93	95
Share price, EUR ³	10.8	9.2	8.9	9.0	8.5	8.3	7.8	7.3	7.6
Share price, SEK ³	113.00	92.90	92.10	93.60	87.60	81.75	75.00	70.50	72.25
Other									
SEK/EUR	10.41	10.14	10.33	10.44	10.30	9.83	9.65	9.62	9.55
Number of employees at the end of the period	13	13	14	13	12	11	10	11	10
Basis for key metric									
EPRA NAV									
Equity	242,300	240,819	232,415	232,305	238,122	242,457	232,292	232,927	245,858
Add back derivatives	1,614	957	339	682	309	176	315	239	893
Add back recognised deferred tax	3,891	3,745	3,472	2,724	2,542	2,417	1,678	1,584	1,483
EPRA NAV	247,804	245,521	236,226	235,711	240,974	245,050	234,285	234,749	248,234
Interest coverage ratio, multiple									
Profit from property management	1,279	1,085	1,217	727	151				
Interest expenses	411	350	266	319	278				
Profit before interest expenses	1,690	1,434	1,483	1,046	429				
Interest coverage ratio, multiple	4.1x	4.1x	5.6x	3.3x	1.5x				

¹ Key figures for the period Q1 2017 - Q2 2018 are based on pro-forma figures.

² Proposed dividend for 2018, SEK 2.30 per share corresponding to EUR 0.22 per share

³ Not adjusted for dividend

The above key ratios are deemed to be relevant for the type of operations conducted by Eastnine and to contribute to an increased understanding of the financial report.

Definitions

Eastnine applies European Securities and Markets Authority (ESMA) guidelines on alternative performance measures. According to these guidelines, an alternative performance measure is a financial metric of historical or future earnings performance, financial position, financial results or cash flows, which is not defined or stated in applicable rules for financial reporting (IFRS and the Swedish Annual Accounts Act).

Property related Key Figures

Average capital tie-up period

Average maturity of gross debt at end of period.

Average rent, EUR per sq.m

Rental income in relation to average leasable floor space.

Earnings capacity

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

Floor space occupancy/vacancy rate

Let/unlet floor space in relation to total leasable floor space.

Gross leasable floor space (GLA)

Total gross floor space available for leasing.

Property yield, investment property

Net operating income for the period (annualised) divided by average value of investment properties.

Rental income

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

Rental value

Rental income and estimated market rent for vacant units.

Triple-net lease

Lease agreement under which the tenant is responsible for all the costs relating to the asset being leased, in addition to the rent fee applied under the lease

Surplus ratio

Net operating income in relation to total rental income.

WAULT

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

Financial Key Figures

Average interest rate

Interest expense divided by average interest-bearing debt (liabilities to credit institutions) for the period.

EBIT

Operating profit after depreciation/amortisation of non-current assets (Earnings before Interest and Tax).

EBITDA

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

Equity ratio

Total equity as a percentage of total assets.

Fair value

See market value.

Interest coverage ratio

Profit from property management excluding interest expenses, in relation to interest expenses.

IRR (internal rate of return)

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

LTV (Loan-to-value) ratio

Liabilities to credit institutions divided by property value.

Market value

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

NAV discount

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

Return on equity

Profit/loss for the period (annualised) as a percentage of average shareholders' equity.

Return on equity, Real Estate Direct

Profit/loss for the period (annualised) from segment Real Estate Direct as a percentage of average equity in Real Estate Direct.

Share-related Key Figures

Average number of outstanding shares

Registered number of shares less shares held by the Company.

Earnings per share

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

EPRA NAV

Total shareholders equity including derivatives and deferred tax liabilities

Equity per share

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

NAV (Net Asset Value)

Total shareholders equity

NAV per share

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

Share buy-back

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



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Financial information and calendar

Interim report Q2 2019 – 17 July 2019

Interim report Q3 2019 – 8 November 2019

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

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