

Wihlborgs Fastigheter AB

Year-end report

January – December 2010



WIHLBORGS FASTIGHETER AB • YEAR-END REPORT • JANUARY – DECEMBER

- The profit of the year increased by SEK 435 million to SEK 922 million (487), and earnings per share SEK 24.11 (13.43)
- Continued positive net rentals by SEK 29 million, of which SEK 9 million during the fourth quarter.
- Rental income increased by 5 per cent to SEK 1,294 million (1,236)
- Net operating income increased by SEK 921 million (888)
- Earnings from property management increased by 12 per cent to SEK 604 million (541)
- The Board proposes a dividend of SEK 7.00 (6,75) and a share split 2:1.

Key figures for the Group, SEKm	2010	2009	2010	2009
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Rental income	337	308	1,294	1,236
Net operating income	232	215	921	888
Earnings from property management	144	137	604	541
Change in value	345	21	603	82
Tax	-141	-31	-285	-136
Profit after taxes	348	127	922	487
Earnings per share, SEK	9.06	3.49	24.11	13.43
Surplus ratio, %	69	70	71	72
Equity/assets ratio, %	-	-	30.5	29.6
Economic occupancy, %	-	-	94.0	94.0



A winter landscape in Dockan, December 2010.
Photo: Wihlborgs.

The CEO's letter

2010 was another record year further to favourable interest rates and good market prerequisites.

Through continued good lease levels, acquisitions and project development, we have increased our lease income by 5 percent to SEK 1,294 million and improved our operating surplus by 4 percent to SEK 921 million. This was achieved despite negative indexation of our rents, a strengthened Swedish krona that negatively affected our income from Denmark, and additional costs for the winter months. The surplus ratio exceeds 70 percent. Net financial items have improved by SEK 31 million.

Earnings from property management was SEK 604m compared to SEK 541m in 2009. It corresponds to our forecast of a result exceeding SEK 600m, an improvement of 12 percent. Our pre-tax earnings amount to SEK 1,207 million compared with SEK 623 million in 2009.

We can also report a positive net lease figure for the fourth quarter with SEK 28 million (34) for newly signed against SEK 19 million (33) for terminated contracts. In the full-year 2010, we signed new leases with an annual rental value of SEK 135 million (129). Terminations amounted to SEK 106 million (108). Net leasing for 2010 was therefore SEK 29 million (21).

The occupancy level of leased buildings remains unchanged at 94 percent.

In addition to good operating results, we are able to report positive value changes for properties and derivatives of SEK 603 million. This implies overall that our earnings after tax amount to SEK 922 million (487).

Our entire property portfolio was valued externally prior to the end of the year. The market's yield requirement was reduced during the year.

The direct yield on our properties excluding projects and property administration is 6.7 percent, and the overall property value amounts to SEK 16.7 billion (14.4).

We acquired properties for SEK 1,279 million during the year, and sold for SEK 256 million – implying a significantly higher transaction volume compared with 2009 when we purchased for SEK 390 million and sold for SEK 287 million. The two largest acquisitions during the year were made in Helsingborg and Lund. In Helsingborg, we purchased the Terminalen 1 property, better known as Knutpunkten, representing a strategic addition to our property portfolio in the city centre. In central Lund, we acquired the Bytarebacken 39 property, which will be an important item in our Lund portfolio.

At the beginning of the year, we sold 964,350 own repurchased shares at an average price of SEK 148.50. The shares were acquired at an average price of SEK 98. The proceeds were used for property acquisitions.

The equity/assets ratio amounts to 30.5 percent (29.6) and the interest coverage ratio is 3.1 percent (2.7), while the borrowing ratio is 59.6 (61.3). These key figures thereby correspond to our financial objectives. Our loan debt amounts to SEK 9.9 billion (8.8), and the average interest rate at the end of the year was 3.56 percent (3.01) including the effects of utilised derivative instruments.

The Board proposes a dividend of SEK 7.00, representing an increase of SEK 0.25, which correspond to the dividend policy.

The prospects for 2011 are good, and we expect to continue with a high transaction volume, strengthened operating surplus and an enlarged project portfolio.





You can enjoy pastries from Middle East at Pistachia, Helsingborg. Photo: Klas Andersson.



The Environmental Science program in Malmö University is located at Ubåtshallen and Kranen 2, Dockan. Photo: Klas Andersson.

Comments on the Öresund region market

The economic recovery in Sweden is in full swing and the considerable fall in GDP in 2008-2009 has in principle been regained. Growth in the third quarter was as much as 6.9 percent. In the same period, growth was 3.0 percent in Denmark, where only 40 percent of the fall has been recovered.

In its latest forecast (December 2010), the Öresund Institute raised the growth rate, and now believes that the Gross Regional Product (GRP) will increase by 2.9 percent in the Öresund Region in 2010 – with 2.2 percent in Själland and 4.7 percent in Skåne. In 2011, growth is expected to improve slightly in Denmark, but be lower in Sweden. GRP-growth is estimated to be 2.7 percent in Själland and 3.1 percent in Skåne.

Skåne has managed better through the economic downturn than Sweden as a whole. In addition to the reduction of economic growth being lower here, the decrease in employment was also lower. Even in 2010, with employment growth of 1.5 percent, Skåne is stronger than Sweden as a whole, which is expected to have employment growth of 1.0 percent. In 2011, employment is estimated to rise by 1.4 percent in Skåne, and by 0.7 percent in 2012.

Denmark entered the economic crisis earlier and more deeply, and it will take longer before they recover. Employment fell by 3.1 percent in Denmark in 2009. As in Sweden, the decline in employment was lower in the Öresund Region (Själland 2.8 percent) than the country as a whole. Employment is forecast to turn upwards first in 2011 with growth of 0.9 percent in Själland. The same level is also expected in 2012.

The rental market, which is late in the economic cycle, has also returned to a normal level – at least in Skåne. We can perceive greater demand, and that tenants are more decisive. The rental markets in the region are relatively stable, and were indeed during the crisis. We have only seen moderate vacancy increases, and rent levels have been stable. We also believe that the rental markets will be stable in Malmö and Helsingborg in the foreseeable future. Lund is a more volatile market that has suffered from substantial cutbacks at ST Ericsson and Sony Ericsson. Region Skåne's move to Malmö, which liberated 16,000 m² office space, as well as the winding-up of Astra-Zeneca in 2011, will also be temporarily noticeable.

In Denmark, the situation continues to be sluggish in both the rental market and the transaction market, whereas in Sweden the transaction market has started to return to a normal level. According to Newsec, the transaction volume has more than tripled compared with 2009 for transactions in excess of SEK 100 million, and amounted in 2010 to a value of SEK 97.8 billion. The proportion of foreign investors continues to be low at just under 14 percent.

The market rent for office premises in Västra Hamnen is about SEK 2,100 per m² while the market rent for modern office premises in central Malmö is slightly lower at about SEK 2,000 per m².

Income, expenses and result

Comparison figures for income statement items relate to values for 2009 and balance sheet items as at 2009-12-31.

Rental income

Rental income amounted to SEK 1,294 million (1,236). The sum includes SEK 5 million that relates to the final settlement for 2009 for supplementary debiting. An additional SEK 4 million has been received further to the one-off termination of a lease. Other increases of rental income are attributable to indexation, renegotiation, new leases, rental income from properties acquired in 2009 and 2010, as well as projects that have been completed.



Christel Tholse Willers, manager for SVT Malmö, likes their new office in Western Harbour. Photo: Klas Andersson.



Kristina Ståhl, store manager at Aktiv City is one of Wihlborgs tenants on Mäster Nilsgatan in Malmö. Photo: Klas Andersson.

The total growth in lease income amounted to 4.7 per cent compared with 2009. This is in spite of the consumer price index in October 2009 which is the reconciliation month for leases' index calculation for 2010 showing a negative figure of 1.5 percentage units. Furthermore the rental income has been adversely affected by a change in exchange rates against Denmark. This effect amounts to SEK 8 million. Rental value, like for like offices in Malmö och Helsingborg, increased by 3.7 per cent.

The leasing level is unchanged at 94 per cent.

During the year, the signing of new lease agreements on a full-year basis amounted to SEK 135 million (129).

Notices of termination during the period were SEK 106 million (108).

Property costs

Total property costs were SEK 373 million (348). The consequences of a winter that was more severe than normal there were increased costs for road maintenance and energy for the period. The deviation by comparison with a normal winter is estimated at approximately SEK 10 million. Heating costs have risen, and are estimated to reach 114 per cent (91) of a normal year, according to the Swedish Meteorological & Hydrological Institute's "degree day statistics".

Net operating income

The net operating income amounts to SEK 921 million (888), which is a surplus ratio of 71 per cent (72).

Central administration

Costs for central administration was SEK 33 million (32).

Property sales and changes in values

A total of six properties were disposed of during the year for a total purchase price of SEK 256m, this is SEK 116 million above the total invested capital.

Malmöbryggan Fastighetsekonomi AB and Savills Sweden AB have valued all of Wihlborgs' properties in Sweden. The values of the properties are individually considered to correspond to the market value of the respective property. The properties in Denmark have been valued by DTZ.

The valuation has meant that the property value has increased by SEK 551 million (16). Yield requirements have decreased during the year.

As at 31 December 2010, the net value of properties amounted to SEK 16,678 million. The net value exceeds the value of properties in the group for tax purposes. The yield for office properties excluding property administration amounts to 6.3 per cent and industrial/warehouses to 8.2 per cent.

CHANGES IN PROPERTIES' BOOK VALUE

Changed Item	Group total, SEKm
Book value 1 January 2010	14,418
Acquisitions	1,279
Investments	853
Properties sold	-256
Value regulation	551
Foreign currency translations	-167
Book value 31 December 2010	16,678

Financial costs and revenues

Net interest items amounted to SEK -278m (-315), of which rental income is SEK 3m (7). Results from joint ventures accounted for SEK -6m (1).

Interest costs for the year, SEK -281m (-322), corresponding to a borrowing rate of interest of 3.10 per cent (3.74). At the end of the year, the average interest was 3.56 per cent (3.01).

Income from property management

The income from property management, i.e. the result before value changes and tax amounted to SEK 604m (541), which is an improvement by 12 per cent. Charged with tax the result amounted to SEK 445m (399).

Profit before tax

Pre-tax profit amounted to SEK 1,207m (623).

Profit for the period

Profit after taxes amounted to SEK 922m (487).

SEKm	Jan-Dec 2010 12 months	Jan-Dec 2009 12 months
Income from property management for the period	604	541
Profit for the period before taxes	1,207	623
Profit for the period	922	487

PER SHARE, SEK

Income from property management for the period	15.79	14.92
Profit for the period before taxes	31.56	17.18
Profit for the period	24.11	13.43

	2010-12-31	2009-12-31
Shareholders' equity I (26.3% deferred tax)	135.47	117.90
Shareholders' equity II (0% deferred tax)	170.24	146.30

Property acquisitions

A total of fifteen properties were acquired during 2010 for a total price of SEK 1,279m. Seven properties were acquired during the fourth quarter for SEK 1,133m, of which Terminalen 1 in Helsingborg and Bytarebacken 39 in Lund had the largest value.

Investments and projects in progress

Investments in the stock of properties have amounted SEK 853m.

Approved investments in ongoing projects amount to SEK 315 million, of which SEK 115 million had been invested at the end of the year. The most important project in progress is at Västra Hamnen with the building of MEC – Media Evolution City. New buildings for Honda at Svågertorp and Region Skåne at Dockan, plus conversions and extensions of the Comfort Hotel at Slagthuset, were completed during the year.

PROJECTS IN PROGRESS >50 SEK, 2010-12-31

Property	Category	Area	Completed	Lettable area, sq.m.	Occupancy rate, %	Estimated investment	Developed 101231
Ubåten 2	Office	Malmö	Q1, 2012	7,500	55	193	17
Total				7,500	55	193	17

Financial positions

Shareholders' equity

As of 31 December shareholders' equity amounted to SEK 5,206m (4,417) and the equity/assets ratio was 30.5 per cent (29.6). The long-term objective is that the equity/assets ratio will not be less than 25 and not more than 35 per cent.

Interest-bearing liabilities

The group's interest-bearing liabilities as of 31 December amounted to SEK 9,937m (8,844) with an average interest rate including costs for credit agreements of 3.57 per cent (3.01).

With consideration to the company's net debt of SEK 9.9 billion, defined as the total amount of borrowings, as a percentage of property values, the net debt ratio is 59.6 per cent (61.3).

The loans' average fixed interest period including effects of derivatives on 31 December 2010 amounted to 26 months (30). The average period during which the capital is tied up, including credit promises, amounted to 4.5 years (5.1).

Wihlborgs holds eight interest derivative instruments. Four closeable swaps of 2.5 billion. The terms vary between 7.4 years to 0.8 years.

A threshold swap of SEK 1 billion with a term of 6.0 years and three yield curve swaps with a term of 2.5 years.

The undervalue of the derivative portfolio has during the turn of the year decreased from SEK 137m to 85m, a positive value change of SEK 52m.

STRUCTURE OF INTEREST AND LOAN MATURITIES AS OF 31 DECEMBER 2010

SEKm	Interest maturity		Loan maturity		
	Matures, year	Loan amount, SEKm	Av. interest rate, %	Credit agreements, SEKm	Utilised, SEKm
2011		7,046	2.98	2,035	2,035
2012		157	5.29	1,746	1,746
2013		-	-	2,750	2,600
2014		-	-	-	-
2015		500	5.13	2,800	2,714
>2015		2,234	4.91	842	842
Total		9,937	3.56	10,173	9,937

Liquid assets

The Groups' liquid assets amounted to SEK 250m (358) including unutilised overdraft facilities.

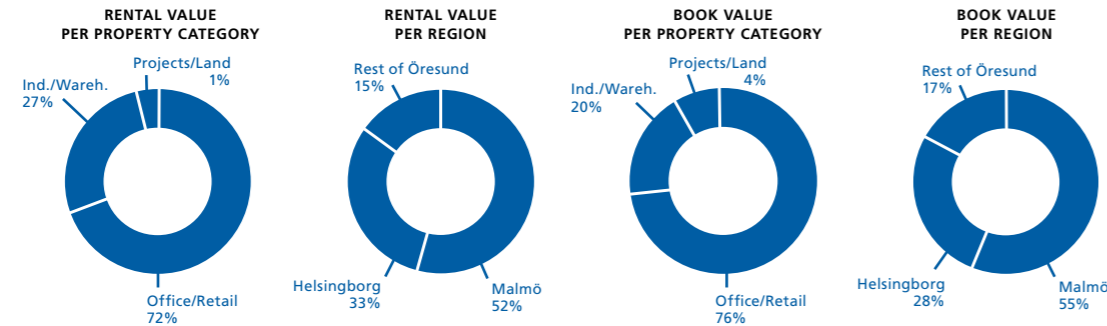
Employees

At the end of the year the number of employees was 86 (80), of whom 25 was caretakers. The distribution of employees by region was as follows: Malmö 58, Helsingborg 19, Lund 5 and Copenhagen 4. The average age was 48 years, and the proportion of women was 35 per cent.

Parent company

The parent company has no properties, it handles questions about the stock market and group functions for administration, management and borrowing transactions.

The parent company has made investments during the period amounting to SEK 444m (536), primarily in shares in subsidiaries. For income and balance statements for the parent company see page 14 in this report.



DISTRIBUTION BY LETTABLE AREA AND TYPE OF PREMISES

Region	Office m ²	Retail m ²	Ind./Wareh. m ²	Edu./H-care m ²	Other m ²	Total m ²	Proportion %
Malmö	270,762	33,154	263,656	48,653	15,792 ¹	632,016	46.2
Helsingborg	148,387	49,781	254,414	19,261	35,349 ²	507,191	37.0
Rest of Öresund	159,033	9,615	55,668	5,122	420	229,858	16.8
Total	578,181	92,549	573,738	73,036	51,561	1,369,064	100.0
Proportion, %	42.2	6.8	41.9	5.3	3.8		

1. 10,445 sq.m. of hotel area is included in Other, Malmö.

2. 5,390 sq.m. of residential and 20,799 sq.m. of hotel area is included in Other, Helsingborg.

DISTRIBUTION BY REGION AND PROPERTY CATEGORY

Region/ property category	No. of properties	Lettable area m ²	Book value/ market value		Rental value		Financial occupancy rate %	Rental income SEKm	Net op. income SEKm	Yield %	Surplus ratio %
			SEKm	SEK/ m ²	SEKm	SEK/ m ²					
MALMÖ											
Office/retail	41	366,323	7,508	20,495	622	1,698	96	595	447	6.0	75
Industrial/Wareh.	53	256,143	1,410	5,503	170	663	88	150	99	7.0	66
Projects & land	24	9,549	304	31,799	5	492	49	2	-1	-0.4	
Total Malmö	118	632,016	9,221	14,589	797	1,261	94	747	544	5.9	73
HELSINGBORG											
Office/retail	35	184,091	2,924	15,884	269	1,460	97	262	186	6.4	71
Industrial/Wareh.	55	318,694	1,728	5,424	223	699	91	203	142	8.2	70
Projects & land	6	4,407	43	9,800	3	643	39	1	-1	-1.9	
Total Helsingborg	96	507,191	4,696	9,258	494	974	94	466	327	7.0	70
REST OF ÖRESUND REGION											
Office/retail	18	167,392	2,306	13,774	202	1,205	89	180	127	5.5	71
Industrial/Wareh.	10	45,399	229	5,052	25	552	89	22	19	8.2	84
Projects & land	7	17,067	226	13,234	0	0	100	0	-2	-0.9	
Total rest of Öresund region	35	229,858	2,761	12,011	227	986	89	202	144	5.2	71
Total Wihlborgs	249	1,369,064	16,678	12,182	1,518	1,109	93	1,416	1,015	6.1	72
Total excluding projects & land	212	1,338,041	16,105	12,036	1,510	1,129	94	1,413	1,019¹	6.3²	72

1. The net operating income includes costs for property administration by SEK 55m.

2. The surplus ratio excluding costs for property administration amounts to 6.7 per cent.

LEASE EXPIRATION 31 DECEMBER 2010

CONTRACTED RENTAL INCOME AS AT 31 DECEMBER 2010

Expires in year	No. of leases	Lettable area m ²	SEKm	Prop, %
LEASE FOR RENTING PREMISES				
2011	567	235,176	191	14
2012	471	249,308	293	21
2013	370	189,891	219	16
2014	277	247,277	306	22
2015	65	92,493	121	9
2016	24	54,483	70	5
>2016	61	109,226	182	13
Total commercial leases	1,835	1,177,854	1,382	100
Residential areas	64	5,390	5	
Parking spaces etc.	499	0	29	
Total	2,398	1,183,244	1,416	

Significant risks and uncertainty factors

Wihlborgs' activities, financial position and profit are affected by a number of risk factors. The risks that represent a decisive impact on the company's profit growth are variations in lease income, changes in rates of interest, growth in costs, property valuation and taxes. To this is added the liquidity and borrowing risk. Refer to pages 52-53 and 67-68 of Wihlborgs 2009 annual report for a detailed description of the company's risks.

Accounting principles

Wihlborgs applies the IFRS (International Financial Reporting Standards) from IASB (International Accounting Standards Board) and the interpretation of these (IFRIC), adopted by the European Union.

The interim report was prepared in accordance with IAS 34 Interim Financial Reporting. The accounting principles and methods of calculations are the same as were applied in the last annual report unless stated otherwise below.

A reworked IFRS 3 enterprise acquisition applies from the 2010 accounting year. The definition of what is an enterprise acquisition has been changed. For Wihlborgs, this does not imply any change compared with previously, in view of that practical all of the Company's property acquisitions via companies will be deemed, even in the future, as being able to be treated as asset acquisitions.

Other new or revised IFRS and interpretation statements were not considered to have had any great effect on Wihlborgs' financial reports. The latest annual report, page 65-67, gives further descriptions of new and amended accounting principles.

Property portfolio as of 31 December 2010

The summaries are based on Wihlborgs' property portfolio as of 31 December 2010. Rental income pertains to contracted rental income on an annual basis as of 1 January 2011.

The net operating income is based on the properties' earnings capacity on an annual basis as of January 2011, based on contracted rental income, actual costs, property taxes and leaseholders' rent on a rolling 12-months basis. Net operating income also includes administrative costs related to property management.

Wihlborgs property portfolio consists of commercial properties' in the Öresund region, located in Malmö, Helsingborg, Lund and Copenhagen. As of 31 December 2010 the property portfolio consisted of 249 properties with a lettable area of 1,369,000 m².

Sixteen of the properties have a site leasehold right. The properties' market value was SEK 16,678m, equivalent to the properties' real value. The total rental value was SEK 1,518m and the contracted rental income on an annual basis was SEK 1,416m. The financial occupancy rate including projects was 93 per cent.

The properties in Malmö and Helsingborg represented 85 per cent of the total rental value and 83 per cent of the properties' market value. The rental value for office and retail properties and industrial/warehouse properties totalled 72 and 27 per cent of the total rental value respectively. The operating surplus from properties held for investment is SEK 1,019m. This item also includes the costs of property administration amounting to SEK 55m. This cost therefore excludes the current operating surplus amounting to SEK 1,074m which, with a value of SEK 16,105m means a current yield of 6.7 per cent. When broken down according to property category this is 6.3 per cent for offices/retail and 8.2 per cent for industrial/warehouses.



Fören will be the next office building at Dockan. The six floor tall building has three unique facades. Image: Henrik Jais-Nielsen & Mats White Arkitekter AB

Proposal for dividend and repurchase

The Board of Directors will submit proposals to the annual general meeting on the following for approval:

- a dividend of SEK 7.00 (6.75) per share which corresponds to SEK 269m. The proposal means an increase of 3.7 per cent by comparison with the previous year. The proposal also follows Wihlborgs' dividend policy that the dividend shall comprise 50 per cent from the continuous management and 50 per cent of the realised profit from property sales that are subject to 26.3 per cent standard tax,
- to give the Board the authority up to the next AGM to acquire and assign Wihlborgs' shares corresponding to a maximum of 10 per cent of the remaining shares,
- to give the Board the authority up to the next AGM to decide on a new issue corresponding to a maximum of 10 per cent of the remaining shares.
- to carry out a conditional share split 2:1
- to amend the Articles of Association in order to simplify the process of convening shareholders to the annual general meeting.

Largest shareholders in Wihlborgs as of 31 December 2010

The three largest shareholders in Wihlborgs are Brinova Fastigheter AB, Tibia Konsult AB with Sten K Johnson, and the American Funds BlackRock Inc.

As of 31 December 2010, the ten largest shareholders owned 34.7 per cent and the number of shareholders totalled 26,304, a decrease by 410 shareholders since the last year end. The percentage of shares abroad has increased by 7.0 percentage units to 38.1 per cent.

During the year, Wihlborgs sold 964,350 of its own repurchased shares at an average rate of SEK 148:50. The shares were acquired at an average rate of SEK 98:00.

Largest shareholders in Wihlborgs 31 December 2010	No. of shares thousands	Percentage of shares and capital, %
Brinova Fastigheter AB	3,867	10.1
Sten K Johnson via company	2,000	5.2
BlackRock Inc	1,954	5.1
Länsförsäkringar Funds	1,212	3.2
Handelsbanken Funds	995	2.6
SEB Funds	759	2.0
Qviberg Family	696	1.8
Robur Funds	681	1.7
Skandia Funds	641	1.7
Andra AP-fonden	513	1.3
Other shareholders reg. in Sweden	12,427	32.3
Shareholders reg. abroad	12,683	33.0
Total registered shares	38,428	100,0

Significant events further to the end of the period

Wihlborgs has extended its loan agreement of SEK 1,800 million with Handelsbanken for three years. In January the property Söderarm 11 in Malmö was sold for SEK 57 million.

Forthcoming reports 2011

- Interim report Jan-Mar 28 April
- Annual General Meeting 28 April
- Interim report Jan-Jun 6 July
- Interim report Jan-Sep 27 October

Malmö 8 February 2011

Wihlborgs Fastigheter AB (publ)

Anders Jarl, CEO

This year-end financial statement has not been examined by the company's auditors.

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LIST OF PROPERTY ACQUISITIONS AND SALES JANUARY–DECEMBER 2010

PROPERTY	Municipality	Area	Category	Area, sq.m.	Price, SEKm	Net op. income 2010, SEKm ¹
PROPERTY ACQUISITIONS QUARTER 1						
Afrika 18	Helsingborg	Helsingborg	Ind./Wareh.	1,439		
Ametisten 5	Helsingborg	Helsingborg	Ind./Wareh.	7,669		
Påfågeln 9	Helsingborg	Helsingborg	Projects & land	795		
Ruuth 23	Helsingborg	Helsingborg	Projects & land	3,645		
Spanien 5	Helsingborg	Helsingborg	Ind./Wareh.	868		
Spanien 11	Helsingborg	Helsingborg	Ind./Wareh.	7,229		
Tyfonen 1	Helsingborg	Helsingborg	Ind./Wareh.	4,500		
Acquisitions Jan-Mar 2010				26,145	128	6,4
PROPERTY ACQUISITIONS QUARTER 3						
Bunkalund Östra 8	Helsingborg	Helsingborg	Ind./Wareh.	6,300		
Acquisitions Jul-Sep 2010				6,300	18	0,7
PROPERTY ACQUISITIONS QUARTER 4						
Terminalen 1	Helsingborg	Helsingborg	Office/Retail	18,466		
Landsdomaren	Lund	Rest of Öres.reg.	Projects & land	17,067		
Limhamn 156:90, Gjuteriet 18	Malmö	Malmö	Projects & land			
Bronsåldern 2	Malmö	Malmö	Ind./Wareh.	12,307		
Stridsyxan 4	Malmö	Malmö	Ind./Wareh.	6,584		
Bytarebacken 39	Lund	Rest of Öres.reg.	Office/Retail	15,432		
Acquisitions Oct-Dec 2010				69,856	1,133	4,7
ACQUISITIONS TOTAL 2010				102,301	1,279	11,8
PROPERTY SALES QUARTER 1						
Hälsingland 1	Malmö	Malmö	Ind./Wareh.	1,213		
Sales Jan-Mar 2010				1,213	9	0,0
PROPERTY SALES QUARTER 2						
Värjan 9	Helsingborg	Helsingborg	Ind./Wareh.	2,007		
Sales Apr-Jun 2010				2,007	9	0,0
PROPERTY SALES QUARTER 3						
Postterminalen 3	Lund	Lund	Projects & land	-		
Sqvalperup 12	Malmö	Malmö	Office	6,000		
Korrebodya 5:1	Simrishamn	Rest of Öres.reg.	Ind./Wareh.	8,870		
Sales Jul-Sep 2010				14,870	231	4,0
PROPERTY SALES QUARTER 4						
Bronsspannen 7	Malmö	Malmö	Ind./Wareh.	1,160		
Sales Oct-Dec 2010				1,160	7	0,5
TOTAL SALES JAN-DEC 2010				19,250	256	4,5

1. Operating income from properties acquired and sold are included in the net profit for the period.

GROUP INCOME STATEMENT

SEKm	2010 Oct-Dec 3 months	2009 Oct-Dec 3 months	2010 Jan-Dec 12 months	2009 Jan-Dec 12 months
Rental income	337	308	1,294	1,236
Property expenses	-61	-49	-206	-190
Repairs and maintenance	-17	-15	-50	-50
Property tax	-14	-14	-62	-54
Ground rent	-2	-1	-4	-3
Property administration	-11	-14	-51	-51
Net operating income	232	215	921	888
Central administration	-9	-9	-33	-32
Net interest income	-77	-71	-278	-316
Profit from joint ventures/other shares	-2	2	-6	1
Operating profit	144	137	604	541
Change in value of properties	232	23	551	16
Change in value of derivatives	113	-2	52	66
Profit before tax	489	158	1,207	623
Current tax	2	-2	-4	-8
Deferred tax	-143	-29	-281	-128
Profit for the period¹	348	127	922	487
Earnings per share ²	9,06	3,49	24,11	13,43
No. of shares at the end of period, thousands	38,428	37,464	38,428	37,464
Average no. of shares, thousands	38,428	36,422	38,246	36,266

1. The entire profit/loss is attributable to the parent company's shareholders.

2. Key ratios per share have been calculated based on a weighted average number of shares during the period. There are no outstanding subscription options, convertibles or other potential ordinary shares to take into consideration.

TOTAL PROFIT/LOSS FOR THE GROUP

SEKm	2010 Oct-Dec 3 months	2009 Oct-Dec 3 months	2010 Jan-Dec 12 months	2009 Jan-Dec 12 months
Profit/loss for the period	348	127	922	487
OTHER TOTAL PROFIT/LOSS				
Conversion differences for international activities including tax	-2	-1	-16	-9
Total profit/loss for the period¹	346	126	906	478

1. The entire profit/loss is attributable to the parent company's shareholders.

QUARTER HISTORY LAST 8 QUARTERS

	Q4 2010	Q3 2010	Q2 2010	Q1 2010	Q4 2009	Q3 2009	Q2 2009	Q1 2009
Rental income	337	318	321	318	308	307	310	311
Operating expenses	-61	-39	-44	-62	-49	-39	-46	-56
Repairs and maintenance	-17	-11	-11	-11	-15	-12	-11	-12
Property tax	-14	-17	-16	-15	-14	-13	-13	-14
Ground rent	-2	0	-1	-1	-1	0	-1	-1
Property administration	-11	-14	-14	-12	-14	-13	-12	-12
Net operating income	232	237	235	217	215	230	227	216
Operating earnings	144	158	158	144	137	150	145	109
Surplus ratio, % ¹	68.8	74.5	73.2	68.2	69.8	74.9	73.2	69.5
Yield, % ¹	5.8	6.3	6.3	6.0	6.0	6.5	6.5	6.3
Equity/assets ratio, %	30.5	30.4	29.2	30.8	29.6	28.3	29.2	29.7
Return on equity, %	27.7	25.9	12.9	10.6	11.9	9.7	17.7	8.0
Earnings per share, SEK	9.06	7.94	3.88	3.18	3.49	2.73	4.97	2.24
Cash flow per share, SEK	3.80	4.06	4.09	3.77	3.84	4.06	3.98	2.98
Equity per share II, SEK	170.24	156.67	148.64	150.33	146.30	142.68	139.23	139.75
Market value % of Equity II	114.5	117.7	99.9	101.4	90.6	90.6	74.5	65.8

1. Surplus ratio and yield are based on quarterly figures above

GROUP BALANCE SHEET

SEKm	2010-12-31	2009-12-31
ASSETS		
Properties	16,678	14,418
Other fixed assets	160	164
Current receivables	75	69
Liquid assets	175	281
Total assets	17,088	14,932
EQUITY AND LIABILITIES		
Shareholders' equity	5,206	4,417
Deferred tax liability	1,336	1,064
Other long-term liabilities	8,214	8,363
Current liabilities	2,332	1,088
Total shareholders' equity & liabilities	17,088	14,932

CHANGES IN GROUP SHAREHOLDERS' EQUITY

SEKm	Jan-Dec 2010	Jan-Dec 2009
Total equity at beginning of the period	4,417	4,134
Shareholders' equity attributable to parent company's shareholders		
Amount at beginning of period	4,417	4,014
Dividends paid	-259	-235
Sale of own shares	142	160
Total profit/loss for the period	906	478
Amount at end of period	5,206	4,417
Shareholders' equity attributable to minority shares		
Amount at beginning of period	0	120
Acquisition of minority shares	0	-120
Amount at end of period	0	0
Total shareholders' equity end of period	5,206	4,417

GROUP STATEMENT OF CASH FLOW

SEKm	Jan-Dec 2010	Jan-Dec 2009
Current activities		
Net operating income	921	888
Central administration	-33	-32
Add-back depreciation	1	2
Net financial items paid	-277	-303
Income tax paid	-7	-3
Change in other working capital	25	11
Cashflow from operations	630	563
Investments activities		
Acquisitions of Group companies	-960	-230
Sales of Group companies	237	283
Investments in and acquisitions of properties	-1,152	-923
Sales of properties	17	2
Change in other fixed assets	0	11
Cashflow from investing activities	-1,858	-857
Financial activities		
Dividends paid	-259	-235
Acquisitions of minority interest	-	-120
Disposal of own shares	142	160
Derivatives turnover	30	12
Changes in loan and long-term liabilities	1,209	618
Cashflow from financing activities	1,122	435
Cashflow during the period	-106	141
Liquid assets at beginning of period	281	140
Liquid assets at end of period	175	281

SEGMENT REPORTING JAN-DEC

SEKm	Malmö		Helsingborg		Rest of Öresund		Total	
	2010	2009	2010	2009	2010	2009	2010	2009
Rental income	701	648	417	388	176	200	1,294	1,236
Property expenses	-195	-184	-127	-115	-51	-49	-373	-348
Net operating income	506	464	290	273	125	151	921	888

In the Group's internal reporting activities are divided into the above segments, these are the same as shown in the latest annual report. The total operating surplus shown above agrees with the net operating surplus in the income statement. The difference between net operating surplus of SEK 921m (888) and the profit before tax SEK 1,207m (623) comprises central administration SEK -33m (-32), financial costs and income SEK -248m (-315) and changes in value of properties and derivatives SEK 603m (82).

INCOME SHEETS PARENT COMPANY

SEKm	Jan-Dec 2010	Jan-Dec 2009
Income	80	77
Costs	-101	-91
Operating profit	-21	-14
Financial income	728	467
Financial costs	-319	-314
Income pre-tax	388	139
Tax	-7	9
Profit for the period	381	148
Other total profit	0	0
Total profit for the period	381	148

BALANCE SHEETS PARENT COMPANY

SEKm	2010-12-31	2009-12-31
Participations in group companies	3,854	3,433
Receivables from group companies	8,637	7,299
Other assets	323	262
Cash and bank balances	173	246
Total assets	12,987	11,240
Equity	2,231	1,967
Liabilities to credit institutions	8,814	7,464
Liabilities to group companies	1,792	1,610
Other liabilities	150	199
Total equity and liabilities	12,987	11,240

KEY FIGURES

	Jan-Dec 2010	Jan-Dec 2009
FINANCIAL		
Return on equity, %	19.0	11.8
Return on total capital, %	9.0	6.1
Equity/assets ratio, %	30.5	29.6
Interest coverage ratio, times	3.1	2.7
Leverage properties, %	59.6	61.3
Debt/equity ratio, times	1.9	2.0

SHARE-RELATED

Earnings per share, SEK	24.11	13.43
Earnings per share before tax, SEK	31.56	17.18
Operating earnings per share, SEK	15.79	14.92
Cashflow from operations before change in working capital per share, SEK	15.71	14.86
Equity per share I, SEK	135.47	117.90
Equity per share II, SEK	170.24	146.30
Market value per share, SEK	195.00	132.50
Proposed dividend per share, SEK ¹⁾	7.0	6.75
Yield from shares, %	3.6	5.1
The share's total yield, %	52.3	39.0
P/E-tal I, times	8.1	9.9
P/E-tal II, times	16.8	12.1
No. of shares at period end, thousands	38,428	37,464
Average no. of shares, thousands	38,246	36,266

PROPERTY RELATED ²⁾

Number of properties	249	241
Book value of properties, SEKm	16,678	14,418
Yield, % – all properties	6.1	6.3
Yield, % – excluding project properties	6.3	6.9
Lettable area, sq.m.	1,369,064	1,269,193
Rental income, SEK per sq.m.	1,034	985
Net operating income, SEK per sq.m.	741	719
Financial occupancy rate, % - all properties	93	91
Financial occupancy rate, % - excl. project prop.	94	94
Surplus ratio, %	72	73

EMPLOYEES

No. of employees at end of period	86	80
Average no. of employees	83	81

¹⁾ For 2010 proposed dividend.

²⁾ Based on Wihlborgs property portfolio 101231.



This is how our Real Estate Posten 1 in Helsingborg, will look after the changes for the H+ area. Photo: Joakim Stenkvist.

FINANCIAL

Return on equity

Profit as a percentage of average shareholders' equity excluding minority shares.

Return on total capital

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

Equity/assets ratio

Shareholders' equity as a percentage of balance sheet total.

Interest coverage ratio

Property management increased by interest costs divided by interest costs.

Leverage properties

Interest-bearing liabilities as a percentage of book value of the properties.

Debt/equity ratio

Interest-bearing liabilities divided by shareholders' equity.

SHARE-RELATED

Earnings per share

Profit divided by average number of outstanding shares.

Earnings per share before tax

Profit before tax divided by average number of outstanding shares.

Operating earnings per share

This is management result divided by the average number of outstanding shares.

Cash flow from operations before change in working capital per share

Cash flow from operations less current tax before change in working

DEFINITIONS

capital in relation to the average no. of shares.

Equity per share I

The parent company's shareholders' share of the equity at the end of year in relation to the number of shares at period end.

Equity per share II

Calculated as the equity per share I but with the tax rate for deferred tax of 0 per cent instead of 26.3 per cent.

Direct yield from shares

Proposed dividend as a percentage of the stock exchange market value at the year end.

The share's total yield

The share's growth and actual dividend in relation to the market value at the beginning of the year.

P/E-ratio I, times

The market value per share divided by the profit per share.

P/E-ratio II, times

The market value divided by the income from property management loaded with 26.3 per cent tax, per share.

PROPERTY RELATED

No. of properties

Total number of properties owned by Wihlborgs at the end of the period.

Carrying amount of properties

Carrying amount of the Group's property portfolio at the end of the period.

Lease value

Lease income plus estimated market rent on unrented areas.

Yield

Net operating income as a percentage of the book value of the properties at period end.

Lettable area

Total area that is available to let.

Rental income per m2

Annualised rental income divided by lettable area.

Net operating income per m2

Net operating income divided by lettable area.

Financial occupancy rate

Rental income as a percentage of rental value.

Surplus ratio

Net operating income as a percentage of rental income.



Malmö University and the white Mercedes building, winter 2010.
Photo: Wihlborgs.



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