

Wallenstam 

SUMMARY Q1 2016

**SUSANN LINDE
CFO AND HEAD OF INVESTOR RELATIONS**



IMPORTANT EVENTS

- > Construction started of 275 apartments
- > Demolition started in the area of the future urban development project Kallebäcks Terrasser
- > Won the Kundkristallen (Customer Crystal) for the "biggest boost in the service index" category





NEW
CONSTRUCTIONS
COMPLETED IN Q1



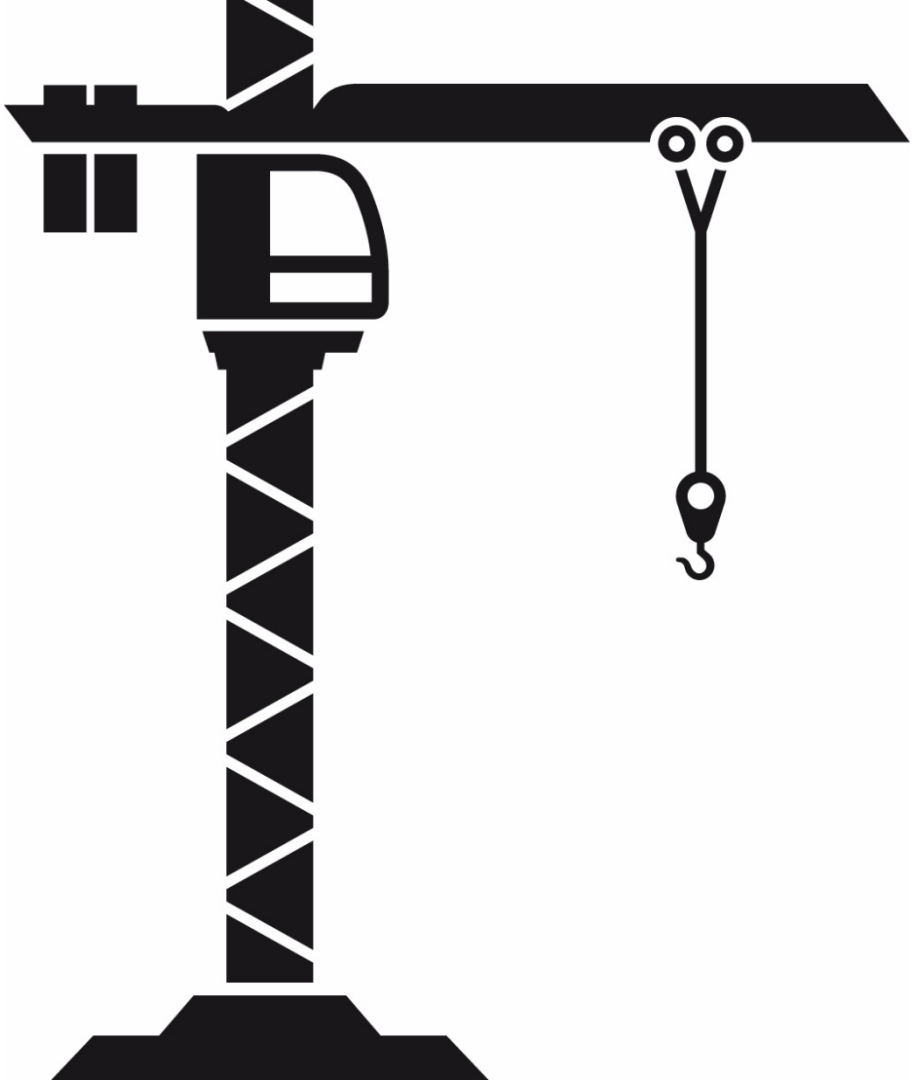
FÖLJA BERG, NACKA

> 122 rental apartments



VÅGMÄSTAREN, GOTHENBURG

> 112 rental apartments



NEW
CONSTRUCTIONS
STARTED IN Q1

ORANGERIET SOLBERGA, STOCKHOLM

- > 170 co-op apartments
- > Estimated completion 2018
- > Our second project in the district Solberga, located between Älvsjö and Telefonplan



STALLBACKEN NIVÅ 2, MÖLNDAL

- > 88 rental apartments
- > Estimated completion 2017
- > Phase 2 in Gothenburg



NEW CONSTRUCTIONS IN PROGRESS

Project	No. of apts.	Expected occupation
Stockholm		
Månspinnaren, Norra Djurgårdsstaden	121	Q1/Q2 2016
Tavernan, Barkarbystaden, Järfälla	205	2017/2018
Grönskan Solberga	148	2017
Trädgårdssporten, Tyresö	184	2017
Orangeriet Solberga (co-op)	170	2018
Uppsala		
Fjärilen, Rosendal	145	2017
Snickeriet, Östra Sala backe	137	2017
Symfonin, Gränby	116	2017
Gothenburg		
Stallbacken Punkt1, Mölndal	188	2016/2017
Mid Avenue Valand	35	2017
Stallbacken Nivå2, Mölndal	88	2017
Helsingborg		
Vildvinet 1	52	Q4 2016
Conversion of commercial premises to apartments	14	Q2/Q4 2016
Stengläntan, Mariastaden	110	2017
Total	1,713	



PLANNED CONSTRUCTION STARTS

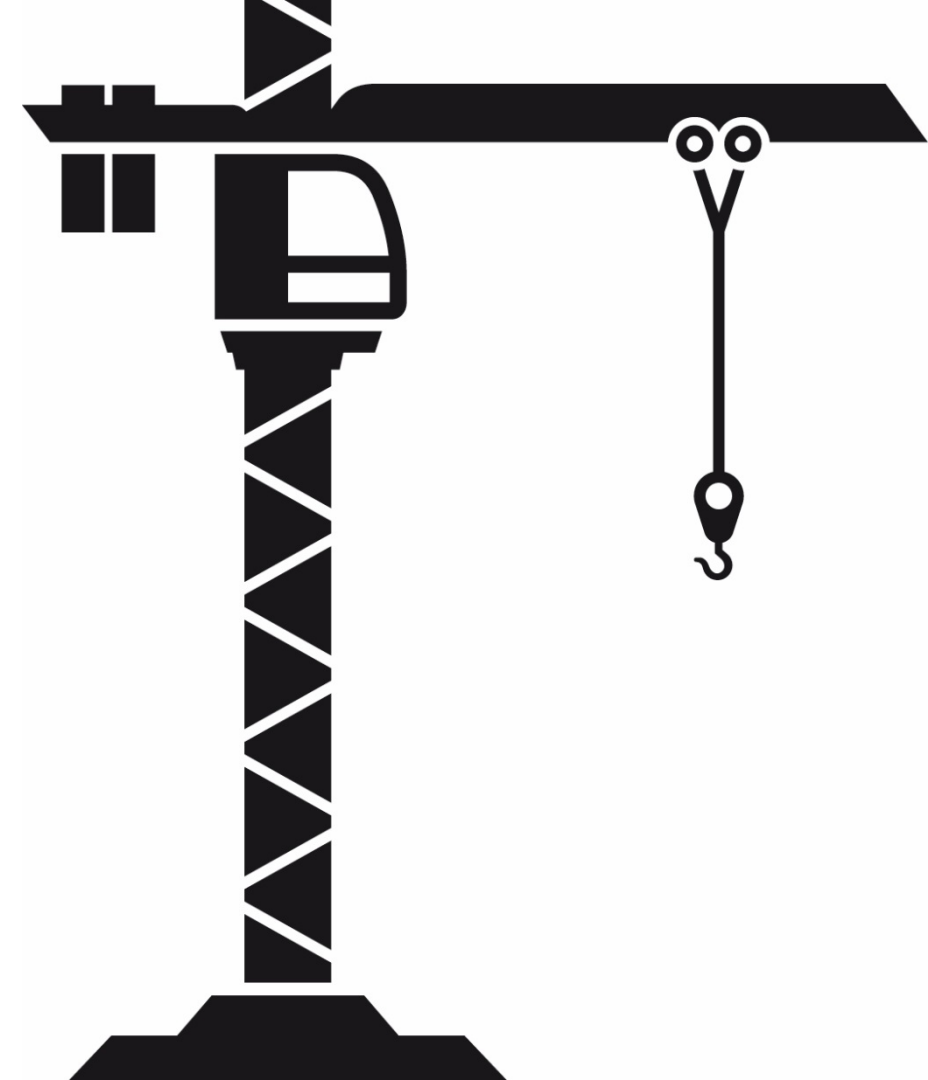
PLANNED CONSTRUCTION STARTS

Stockholm business area

Project	Approx. no. of apts	Status
Bägersta byväg, Enskede	200	Zoning plan in progress
Ekerö Centrum	450	Zoning plan in progress
Hallonbergen, Sundbyberg	950	Zoning plan in progress
Järnet 7, Tyresö	220	Zoning plan in progress
Kvarngården, Uppsala	80	Zoning plan in progress
New York II, Gärdet (co-op)	80	Zoning plan in progress
Norra Djurgårdsstaden (student apts.)	200	Zoning plan in progress
Tre Vänner, Rosendal, Uppsala	150	Zoning plan in progress
Trollesundsvägen, Bandhagen (co-op)	160	Zoning plan in progress
Tyresö strand	280	Zoning plan in progress
Vista Bergsäng, Huddinge	210	Zoning plan in progress
Ådellövet, Farsta	180	Zoning plan in progress
Örnens väg, Haninge	300	Zoning plan in progress
Bandhagen Centrum	80	Approaching zoning plan
Eriksberg, Uppsala	250	Approaching zoning plan
Kvarnbergsplan, Huddinge	160	Approaching zoning plan
Norrviden Strand, Sollentuna	2,000	Approaching zoning plan
Ropsten	450	Approaching zoning plan
Rosenlundsgatan, Södermalm	60	Approaching zoning plan
Ålta Vision	700	Approaching zoning plan

Gothenburg business area

Project	Approx. no. of apts	Status
L17, Laröd, Helsingborg	20	Approaching start of construction
Stallbacken, Mölndal, phase 4-5	360	Approaching start of construction
Carländersplatsen I	80	Adopted zoning plan
Carländersplatsen II (co-op)	40	Adopted zoning plan
Ulfsparrégatan	80	Adopted zoning plan
Volrat Thamségatan	40	Adopted zoning plan
Almedal	230	Zoning plan in progress
Aspen Strand, Lerum	200	Zoning plan in progress
Godhemsberget	150	Zoning plan in progress
Götaleden	150	Zoning plan in progress
Kallebäckers Terrasser	2,000	Zoning plan in progress
Mölnålsvägen 79	270	Zoning plan in progress
Mölnlycke Fabriker	600	Zoning plan in progress
Sten Stures Kröningar, Sten Sturegatan	110	Zoning plan in progress
Forsåker, Mölndal	500	Approaching zoning plan



FINANCIAL INFORMATION

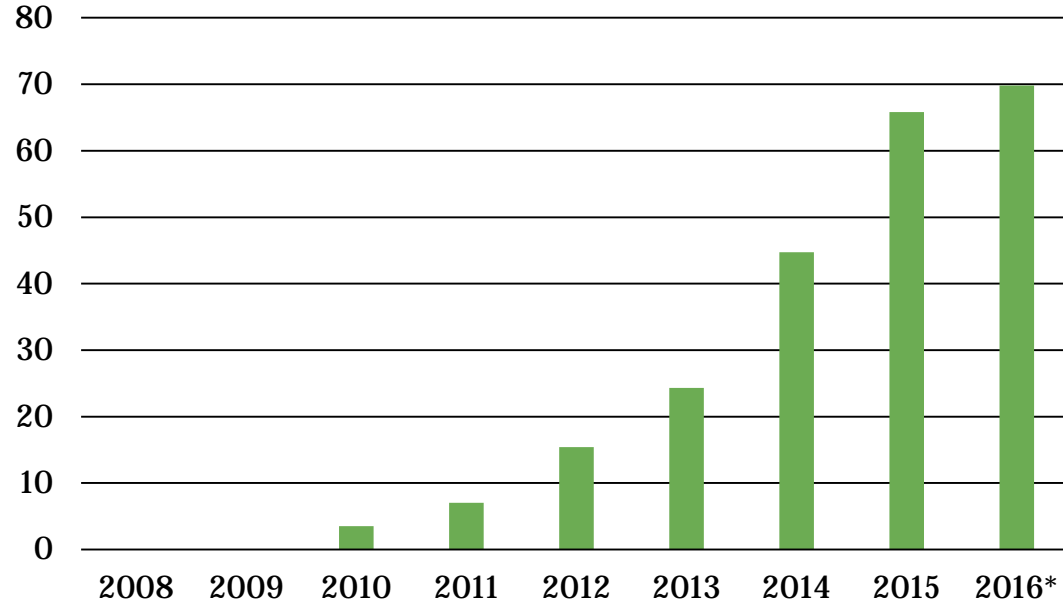
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK million	Note	Jan-Mar 2016	Jan-Mar 2015	Apr-Mar 2015/2016	Jan-Dec 2015
Rental income		393	382	1,560	1,549
Operating expenses		-114	-112	-421	-419
Net operating income, properties		279	270	1,139	1,130
Management costs and administrative expenses		-47	-47	-188	-188
Financial income		1	3	18	20
Financial expenses		-66	-76	-280	-290
Income from property management		167	150	689	672

+11 %

INCOME FROM PROPERTY MANAGEMENT, FROM NEW CONSTRUCTION**

SEK million



**New construction
started 2008 and later

* Latest twelve-month period

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK million	Note	Jan-Mar 2016	Jan-Mar 2015	Apr-Mar 2015/2016	Jan-Dec 2015
Income from property management		167	150	689	672
Income from natural energy management operations	1	-18	8	-31	-5
Capital loss hydroelectric power		-	-	-29	-29
Revenue, co-op apartment sales		26	378	851	1,203
Expenses, co-op apartment sales		-16	-299	-709	-992
Realized changes in value, investment properties including expenses	2	7	-5	190	178
Profit before unrealized changes in value and impairment charges		166	232	961	1,027

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK million	Note	Jan-Mar 2016	Jan-Mar 2015	Apr-Mar 2015/2016	Jan-Dec 2015
Profit before unrealized changes in value and impairment charges		166	232	961	1,027
Unrealized changes in value, investment properties		400	174	2,733	2,507
<i>New construction</i>		285	120	804	639
<i>Other</i>		115	54	1,929	1,868
Unrealized changes in value, financial instruments		-210	-138	93	165
Unrealized changes in value, synthetic options		-4	-48	13	-31
Impairment losses on non-current assets		-	-	-250	-250
Profit before tax		352	220	3,550	3,418
Taxes		-70	-61	-673	-664
Profit for the period, after tax		282	159	2,877	2,754



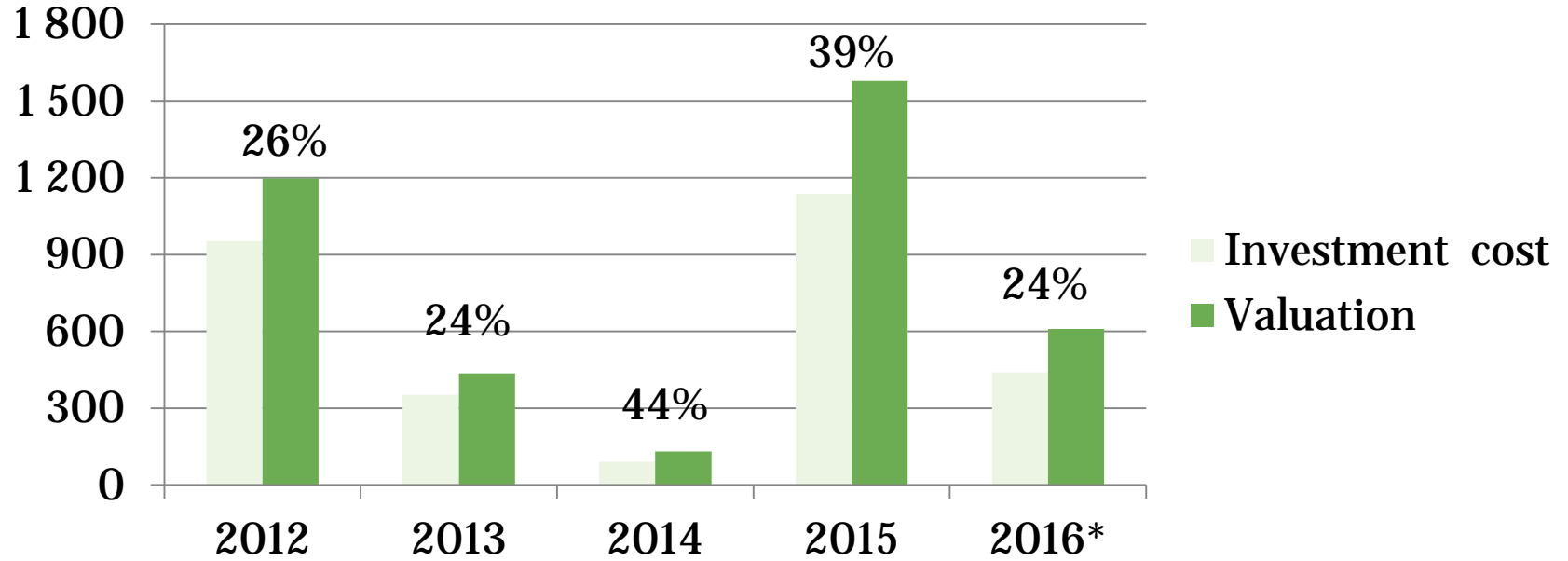
NEW CONSTRUCTION
CREATES VALUE

70%

of unrealized changes in value
come from our own work in new
construction projects

VALUE GROWTH IN NEW CONSTRUCTION

SEK million



* First three months 2016

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, CONDENSED

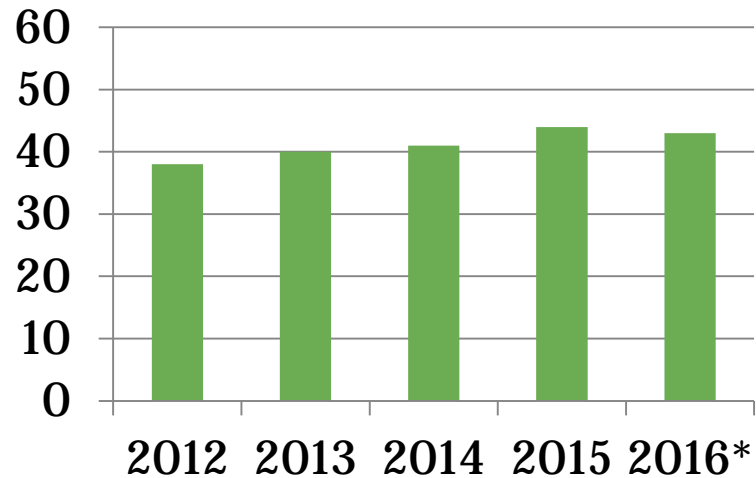
SEK million	31 Mar 2016	31 Mar 2015	31 Dec 2015
Assets			
<i>Non-current assets</i>			
Investment properties	32,956	29,705	32,090
Wind turbines incl. construction in progress	1,347	1,749	1,366
Financial assets	365	544	378
Financial derivative instruments	-	26	-
Other non-current assets	63	61	63
Total non-current assets	34,731	32,085	33,897
<i>Current assets</i>			
Work in progress, co-op apartments	154	467	32
Financial derivative instruments	12	-	15
Other current assets	248	226	621
Cash and cash equivalents	192	47	41
Total current assets	606	740	709
Total assets	35,337	32,825	34,606

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, CONDENSED

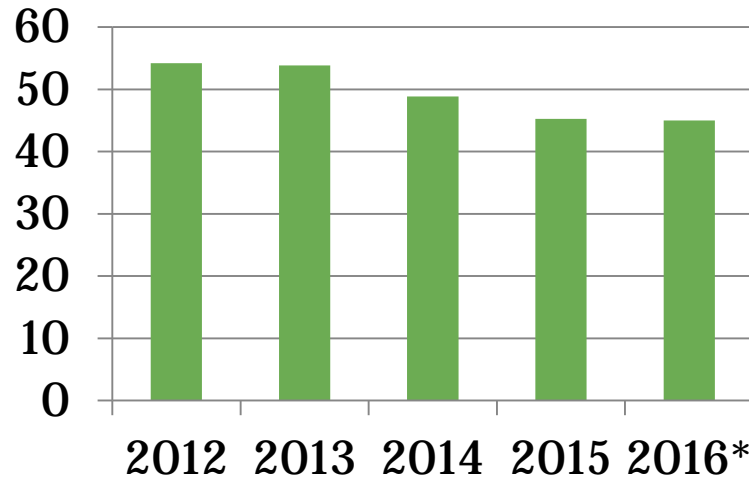
SEK million	31 Mar 2016	31 Mar 2015	31 Dec 2015
Equity and liabilities			
<i>Equity</i>			
Equity	15,321	13,044	15,090
Equity attributable to non-controlling interests	12	0	12
Total equity	15,333	13,044	15,102
<i>Non-current liabilities</i>			
Provisions for deferred tax	2,791	2,095	2,716
Other provisions	41	42	40
Interest-bearing liabilities	1,555	1,784	1,599
Financial derivative instruments	1,032	1,172	822
Other non-current liabilities	80	104	77
Total non-current liabilities	5,499	5,197	5,254
<i>Current liabilities</i>			
Interest-bearing liabilities	13,800	13,925	13,554
Financial derivative instruments	30	9	39
Other current liabilities	675	650	657
Total current liabilities	14,505	14,584	14,250
Total equity and liabilities	35,337	32,825	34,606

STRONG FINANCIAL POSITION

Equity/asset ratio, %

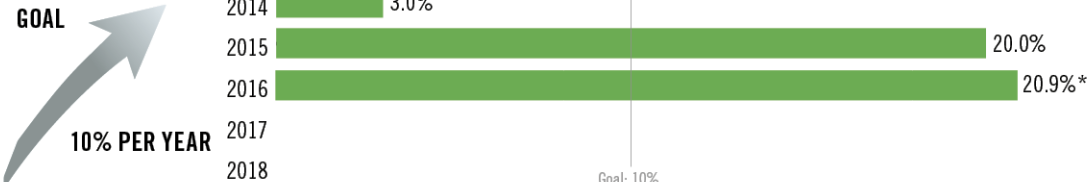


Loan-to-value ratio, %



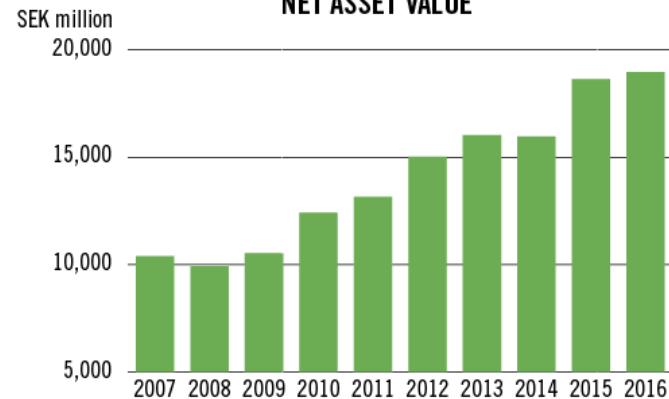
GOAL BUSINESS PLAN 2018

NET ASSET VALUE GROWTH

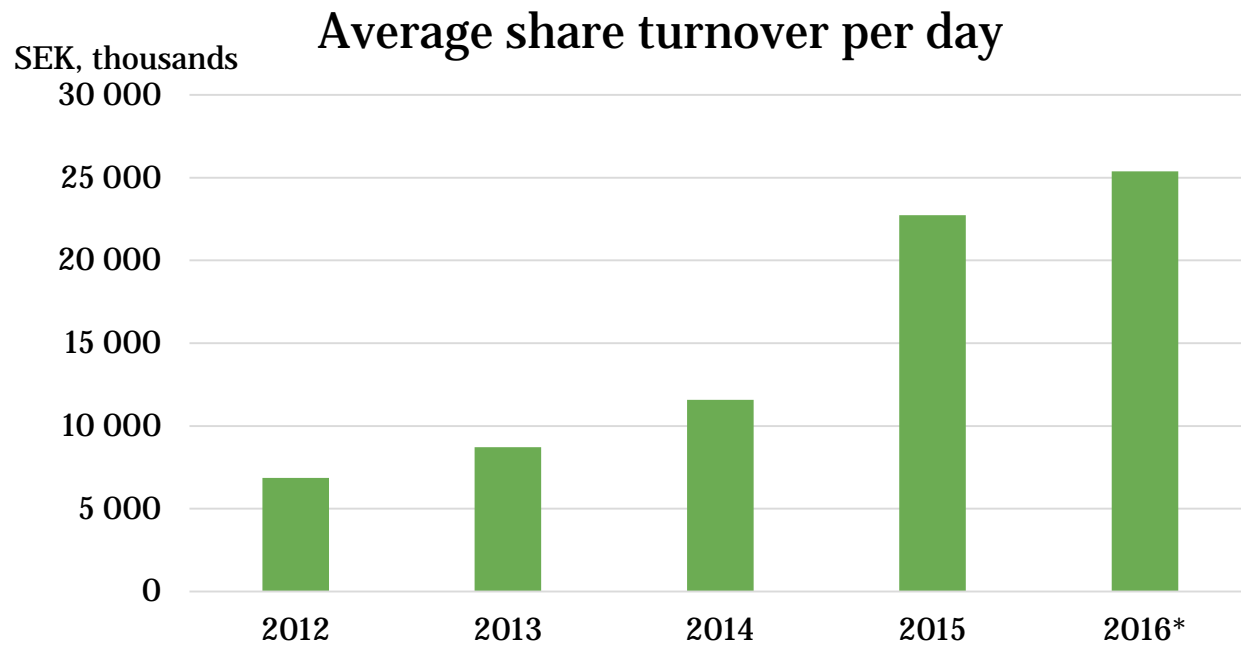


* Average growth in net asset value, excluding dividends and repurchases, for the latest twelve-month period.

NET ASSET VALUE



LIQUIDITY IN THE SHARE INCREASING



* First three months 2016

KEY RATIOS

	<u>Q1 2016</u>	<u>Q1 2015</u>
Surplus ratio, (NOI margin), %	71	71
ICR, realized, times	6.5	4.8
Average interest rate, closing day, %	2.15	2.36
LTV, %	45	49
Equity/asset ratio, %	43	40



SUMMARY

- > Effect from our new construction
- > Strong financial position
- > Higher liquidity in our share



QUESTIONS
WELCOME

Wallenstam

