

We believe that knowledge can change the world and that brilliant ideas will shape Sweden as a nation of knowledge. We are the country's second-largest property company and with a focus on universities and colleges, we build and manage sustainable knowledge environments for the whole person. Through pioneering technology, innovative ideas and long-term thinking, we are contributing to a wiser Sweden!

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The statutory Annual Report, including the Administration Report, has been audited and comprises pages 1-3, 6-23, 27-69 and 80-135.

The Sustainable Enterprise section forms part of the Akademiska Hus Sustainability Report. Other parts of the Sustainability Report can be found at akademiskahus.se.

2012 in brief

Project portfolio of **SEK 26 billion**

PROJECTS, INVESTMENTS AND PROPERTIES

Demand for the development of new and existing knowledge environments is increasing and consequently the Akademiska Hus project portfolio is larger than ever, totalling SEK 26 billion. The emphasis is on Stockholm and Uppsala with several major new construction projects. The largest decided projects are Biomedicum in Solna, the Veterinary and Domestic Animal Centre and Skandion Clinic in Uppsala, the Royal College of Music in Stockholm and Niagara in Malmö.

ACCOUNTING

Property operations continue to report a stable cash flow. Rental revenue increased to SEK 5,265 million (5,116). The increase can be attributed mainly to the commissioning of new facilities and the completion of new construction and redevelopment. Net operating income increased to SEK 3,585 million (3,389). The outcome of changes in the value of properties, SEK -291 million (361) and net financial income and expense of SEK -682 million (-452) was a profit before tax of SEK 2,546 million (3,252).

The assessed fair value of the properties was SEK 54,677 million (52,071) and the total yield on properties was 6.8 per cent (7.8). The direct yield was 7.1 per cent (6.9) and the change in value was -0.3 per cent (0.9).

FINANCE

With a project portfolio of SEK 26 billion, securing the requisite financing is crucial. In recent years, Akademiska Hus has implemented bond issues totalling SEK 6.3 billion. There is good potential to secure financing due to the ownership arrangement, strong financial position,

good earning capacity and a strong tenant and lease structure.

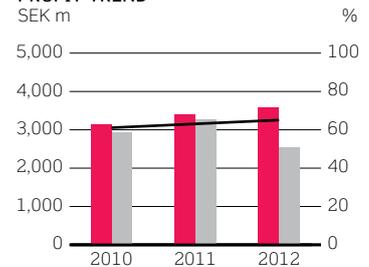
OTHER

As the second-largest property company in Sweden, we have the desire and capability to make a difference. Working sustainably and in the long term is self-evident to us and our ambition is to be a leader in the property industry. At Akademiska Hus, we are focused on the future in our efforts to incorporate sustainability more clearly into our operations and business. We believe that this generates trust and the capacity to act correctly and in the long term.

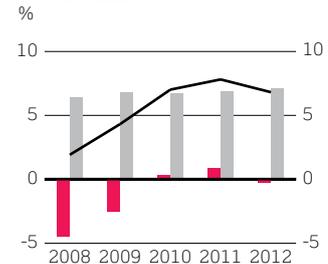
Akademiska Hus should not own student accommodation although it is important that we are proactive and discuss with the centres of education the various ways in which we can contribute and be involved in the construction of student accommodation.

In December, a merger took place of the companies in the Group. The merger was implemented to provide conditions for a more efficient organisational structure and to satisfy the owner's demands for long-term financial stability and yield. Akademiska Hus has been involved in a dialogue on this matter with the majority of the customers since late autumn 2011. Local roots and proximity to the centres of education that make up the Akademiska Hus tenant base continue to be of major significance.

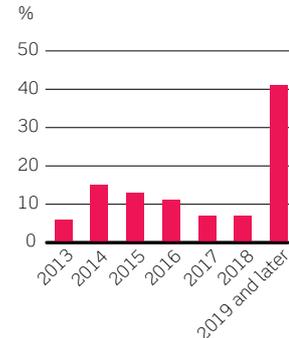
PROFIT TREND



TOTAL YIELD



LEASE RENEWAL STRUCTURE



Akademiska Hus – Presentation

We are reinforcing Sweden as a nation of knowledge

We are achieving this together with universities and colleges by building, developing and managing modern environments for research, education and innovation.



Our vision:
World leader in
knowledge envi-
ronments.

Major investments regardless of the economic climate

We are owned by the Swedish Government. The stable ownership structure and long-term customer relationships make us an attractive borrower on the bond market. This means that we have the capacity to allow colleges and universities to grow regardless of the economic climate. This is a source of security for our customers and a guarantee that Sweden can continue to develop as a nation of knowledge.

Each year, we make substantial investments in new construction and redevelopment on Swedish campuses. Projects worth over SEK 22 billion are planned over the next few years.

The leading provider of premises to universities and colleges

We are one of the largest property owners in the country. According to the owner directive, we must act in accordance with market conditions and in open competition. This means that Akademiska Hus works on the same terms and conditions as other commercial property companies. A market share of 63 per cent makes us the leading provider of premises to universities and colleges. However, size also means responsibility and if we are to avoid distorting the competitive equilibrium, it is important that our rents, terms and conditions remain in line with the rest of the market.

Knowledge and knowledge environments

Universities and colleges are our dominant customer group and account for around 90 per cent of our revenue. A well-informed understanding of the education and research methodology of the future is vital if we are to be in a position to offer premises that meet our customers' needs and challenges.

The development of campuses takes place together with students, researchers, teaching staff, community representatives and industry, and generates growth for the whole region. Our contribution to this process is our collective knowledge and experience.



Our
properties
are to be found
throughout **the**
country, from Kiruna
in the north to
Malmö in the
south.



We are one of several players on a market where customers can negotiate the solution that best meets their needs.

To avoid distorting competition, our rents, terms and conditions must be in line with other players on the property market. **Our rents are competitive and transparent.** Everything we do must be cost effective and be conducted on business terms.



Our owner has given us clear financial targets with regard to yield, equity ratio and dividend. **The yield target is the**

five-year government bond interest rate plus four percentage points. Over the past five years, yield has been 5.9 per cent and the target was 6.4 per cent.



At a number of locations in Sweden, Akademiska Hus has **a strong position and this entails considerable market**

responsibility.



Artists' impression of Biomedicum, Karolinska Institute, Solna. Illustration from Berg Arkitektkontor/Arkitektfirmaet C.F. Möller.



To allow other players to come in, Akademiska Hus has sold or leased land on a number of occasions to allow, for

example, student accommodation to be built adjacent to university and college buildings. Akademiska Hus also co-operates with other property companies to develop the premises being sought by the centres of education.



Linked to the Company's owner directive, the fact that Akademiska Hus owns land adjacent to universities and colleges

is a **long-term guarantee** that these centres of education can **continue to develop** directly beside existing buildings.



As one of the largest property companies in Sweden, Akademiska Hus has considerable social responsibility. As

a long-term partner for universities and colleges, we want to **be involved in reinforcing Sweden as a nation of knowledge**.

Statement by the President

Sustainable knowledge environments

It is in dialogue with our customers that we are making new advances. Through pioneering technology, innovative ideas and long-term thinking, we are building sustainable knowledge environments together with centres of education throughout the country. I am therefore pleased to report that we have now set in motion a more open, constructive dialogue with our customers. My new management team and I feel that this is extremely important. Among other things, we have had the opportunity to discuss with the Swedish Association of Higher Education in a range of matters, from issues related purely to premises to our role in the education system. I have also met the management teams at many of our centres of education to discuss how we can assume greater transparency and focus even more on contributing to the development of centres of learning as effectively as possible in the future. Here, in our Annual Report, we demonstrate clearly the importance of transparency and presenting facts and documents related to a number of issues we are faced with at present. This could take the form of setting of rents through to how we deal with our market situation.

Another example of a constructive dialogue is the production of our campus plans in close collaboration with centres of education and with the city and other stakeholders in the immediate area. During the year, we produced new, forward-looking campus plans for Lund University, the Swedish University of Agricultural Sciences in Alnarp, Luleå University of Technology and Albano in Stockholm.

Another important issue that we are at times required to address is the construction of student accommodation. We do not become involved in the actual construction although we attempt as far as possible to create conditions for other players to build student accommodation – at Medicinarberget in Gothenburg for example, where we lease land to SGS Studentbostäder. This agreement is just one in a series of agreements through which we are facilitating the construction of around 5,000 student apartments throughout the country.

AN EVENTFUL YEAR MARKED BY INNOVATION

2012 was a year marked by innovation. It was the year in which the Government presented its Research Bill and National Innovation Strategy. A clear direction is that major investment in research and innovation is continuing, particularly for the large centres of education, with an emphasis on collaboration between research, industry and the community. Our involvement in the expansion of the Karolinska Institute and the construction of Stockholm Life in the new city area of Hagastaden are good examples. It is here that academia and industry meet to carry on cutting-edge research in Life Science. At the end of November, the Widerströmska Building was completed and the new, magnificent Karolinska Institute Hall will be ready for use during the summer. The third building in the Karolinska Institute Science Park will be completed in 2013 and we are due to commence construction of the Biomedicum research laboratory. A large proportion of our project portfolio of SEK 26 billion is in the form of research-intensive buildings in the Stockholm-Uppsala region.

We have also begun construction of Niagara, the new icon building for Malmö University, which will be the gateway for development at Universitetsholmen and an important feature of the University's physical identity. These are just a selection. Read more about our regional development on pages 15–21.

A future project in every sense has also come one step closer to becoming a reality. The detailed plan for Albano was adopted at the end of the year. What this entails is a unique socio-ecologically planned campus area with research and education buildings interspersed with accommodation for students and researchers. We have assigned researchers with knowledge in socio-ecological urban design the task of contributing to the basis for the planning process for Albano. The aim is to integrate ecosystems and create synergies with classic urban planning in order to reinforce the surrounding ecosystems. The area acts as a link between the Royal Institute of Technology and Stockholm University but also brings together the campus and the city.

SUSTAINABILITY IN FOCUS

Sustainability is of course one of our most important future issues. As a major player in the property industry and as a state-owned company we have a particular responsibility to remain at the forefront. We have the desire and capability to make a difference.

We are already leading the way in many areas and implementation of smart technical solutions means that an increasing proportion of our buildings have extremely low energy use. One of our aims is for all new buildings to be environmentally classified and, as a minimum, satisfy Sweden Green Building Council silver level certification stipulations.

Our property management has an important role to play in our environmental and energy work. That is why we are working actively and systematically to optimise operation and implement improvements in energy-enhancing technology and systems.

However, sustainable enterprise extends beyond energy and the environment. Areas such as human rights, working conditions, anticorruption, business ethics and equality and diversity are areas that also affect our capacity to carry on sustainable enterprise. The manner in which we develop campuses, with the social and physical environment in focus, are also part of our sustainability work, where we identify key areas for attractive, sustainable environments. In accord with our customers, we seek to formulate and gain acceptance for a long-term agenda – our sustainability promise – where profitability and sustainability go hand in hand.

STRONGER ORGANISATION

If I were to summarise the past year, I can see that we have taken a major step towards performing even better in the future. An extensive efficiency-enhancement programme – Akademiska Hus 2.0 – has been run during the year to make full use of our potential. Change requires strong leadership. That is why we have focused on a leadership programme to reinforce our managers and project leaders.

At the end of the year, a merger was implemented, which meant that Akademiska Hus is now one company instead of a group with six regional companies. The

change has given us greater strength nationally and at the same time, we have continued to maintain our local presence. We have more power to inject into our change process and an even stronger foundation as we head into the future.

Alongside this, an extensive external analysis has been conducted during the year. We have examined trends and conducted in-depth discussions with our customers and community bodies and organisations. We are now equipped to take the next step as we continue to create attractive knowledge and campus environments.

We are working with major issues that impact on many people: from the individual student's study environment through to regional development and Sweden as a nation of knowledge. Having the opportunity to work together with customers and colleagues on highly important, future-oriented issues makes me very proud.

Gothenburg March 14, 2013



Kerstin Lindberg Göransson



Vision, strategy and objectives

External focus increasingly important



To achieve our vision, a broader view is required of how external forces influence us, our customers and society in general. We also need to focus more closely on our internal processes. During the year, the emphasis has been on internal efficiency and external forces.

The merger that took place at the end of the year means that Akademiska Hus is now one company instead of a group with six regional subsidiaries. Overall, this provides an even stronger foundation for a common way forward where we are

developing and creating optimal benefit for our customers. A major change process, Akademiska Hus 2.0, has taken place during the year with the aim of capitalising fully on our potential and strength as a unified company. At the same time, we have retained our regional strength and local presence. This work will continue during 2013.

Alongside this, an extensive external analysis was made during the year. We have examined trends and conducted in-depth discussions with our customers

and other bodies and organisations in the community. We are now equipped to take the next step to create even greater value for our customers in the form of attractive knowledge and campus environments. As a major player in the property industry and as a state-owned company, we have a specific responsibility to remain at the forefront in sustainability issues. We are already well to the fore in terms of the environment and energy. We will now take a major step forward in sustainable enterprise, where we will

STRATEGIC OBJECTIVES	STRATEGY	OBJECTIVE
<p>The control model within Akademiska Hus aims to support the vision of being a world leader in knowledge environments and comprises five strategic objectives: Successful knowledge environments, Optimal delivery, Strong brand, Unique competence and Long-term profitability and cost efficiency.</p> <p>Each strategic objective is followed up through one or more objective-based indicators on the regional level.</p>	<p>1. SUCCESSFUL KNOWLEDGE ENVIRONMENTS</p> <p>We work proactively to develop the knowledge environments of the future. The basis for this is the continued monitoring of the development and needs of centres of learning, as well as national and international education policy.</p>	<p>All campuses should have a documented vision regarding the physical environment and should be no more than five years old.</p>
	<p>2. OPTIMAL DELIVERY</p> <p>By combining our construction and management expertise with awareness of our customers' conditions, we will offer leading knowledge environments. Energy efficiency measures and the development of alternative forms of energy are high priorities.</p>	<p>Energy purchased each year, kWh/m², will decrease at such a rate that there will be a 40 per cent reduction by 2025 compared to 2000. In total, 90 per cent of the customers feel that "the fault I reported was rectified to my satisfaction".</p>
	<p>3. STRONG BRAND</p> <p>We demonstrate and clarify the benefit of Akademiska Hus as part of the creation of Sweden as a nation of knowledge. We make use of our collective know-how to support our customers through active dialogue. Our internal and external communication is founded on our core values: expert, active partner and future-oriented.</p>	<p>From 2013, the brand index will increase by 15 per cent per two-year period through to 2020.</p>
	<p>4. UNIQUE COMPETENCE</p> <p>Through our good knowledge of the work that is taking place in the academic world and the conditions that prevail, we have unique competence and ability to understand the demands and needs of our customers. We develop this by actively and systematically exchanging experience, both internally and externally, and using our collective national expertise efficiently.</p>	<p>In total, 90 per cent of employees feel that "my manager follows up my individual activity plan".</p>
	<p>5. LONG-TERM PROFITABILITY AND COST EFFICIENCY</p> <p>We identify which properties and markets are profitable in the long term and we pursue active management of our contract stock and project portfolio. We co-ordinate processes to ensure that we work efficiently and in the long term.</p>	<p>The net operating income ratio should be 72 per cent. Average return on equity should be equivalent to the five-year government bond interest rate plus four percentage points over a business cycle.</p>

broaden our perspective and integrate sustainability work into the whole organisation and formulate a long-term set of objectives.

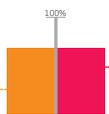
During the year, we commenced work on clarifying our role and what we represent. This will also permeate our operations in the future. In an open dialogue with customers and the community, we will continue our journey towards realising our vision and building up Sweden as a nation of knowledge.



Ångström Building, Linköping University

» FULFILMENT OF OBJECTIVES

COMMENT



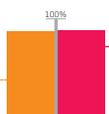
At the end of 2012, **68 per cent** of the campuses had documented campus plans. The target for 2012 was 68 per cent

Work on documented campus plans was intensified during 2012, which shows that the objective has been achieved.



Recalculation of the long-term objective means that purchased energy will fall by two per cent per annum. For 2012, the outcome was a decrease of **3.5 per cent**. The usage objective for the year has thus been achieved and in the long term, the outcome is in line with plan.

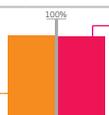
The trend for purchased energy corresponds to a linear decrease, which will result in 40 per cent lower usage in 2025.



The target for dealing with faults in 2012 was **87 per cent**. The outcome was 88 per cent (87.6).

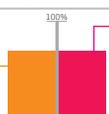
For 2012, the starting figure was 32 per cent. Fulfilment of objectives in 2012 could not be measured.

A zero measurement of the target groups, customers, students and researchers, was conducted in 2012 to establish a starting figure. Measurement of the outcome will take place in 2014. The target then will be 37 per cent.



The outcome for 2012 was **83 per cent**. The target for 2012 was 82 per cent.

2012 is the third year we have had a systematised process for individual action plans.



The target for the net operating income ratio in 2012 was **69 per cent** and the outcome was 69 per cent.
The average return on equity over five years was **5.9 per cent** whilst the target was 6.4 per cent.

Over the next few years, the net operating income will have a long-term increase of 1 per cent per annum and will be 72 per cent in 2015.
As regards long-term profitability, the net operating income ratio is measured using operating profit, which does not include maintenance linked to projects.

FINANCIAL OBJECTIVES

The owner's financial objectives for Akademiska Hus have been set as follows.

- The return on average equity should be the equivalent of the five-year government bond interest rate plus four percentage points viewed over a business cycle.
- The dividend should be 50 per cent of the profit after financial items, excluding unrealised changes in value, with a deduction for current tax.
- The equity ratio should be between 30 and 40 per cent.

Towards the end of 2012, the owner began a review of the Company, which will entail a re-examination of the financial objectives.



Higher education and research

Increased research funding

The number of young people aged 19–23 years has now begun to fall slowly, reducing the basis for recruitment into higher education. The number of applications remains high, which can be attributed to the relatively weak labour market for young people. The decrease in the student base is matched by an increase in government investment in education and innovation. Consequently, the high demand for premises in the higher education sector is expected to continue, which is confirmed by the extensive Akademiska Hus project portfolio.



Soil-Water-Environment Centre, Swedish University of Agricultural Sciences, Uppsala

The picture presented in the higher education sector is somewhat contradictory. The number of applicants is increasing and yet at the same time the number of students admitted has decreased – from just under 274,000 to 272,000 between 2011 and 2012. An explanation for the fall is that for several years centres of education have had admissions that were above the funding level, i.e. they did not receive any payment. The vast majority of centres of education are now going through a period of major cutbacks in funding. It is quite simply ‘not profitable’ to continue to admit so many new students. A new strategy can be noted in the fact that centres of education are focusing more on longer course programmes and the range of courses is decreasing.

In 2012, the number of young people aged 19–23 years reached its peak. This is the age range in which the majority begin higher education. There is a clear trend towards a larger proportion of 19-year-olds commencing higher education and going directly from high school to university. Unemployment continues to be high, which is also a factor behind the major interest in higher education.

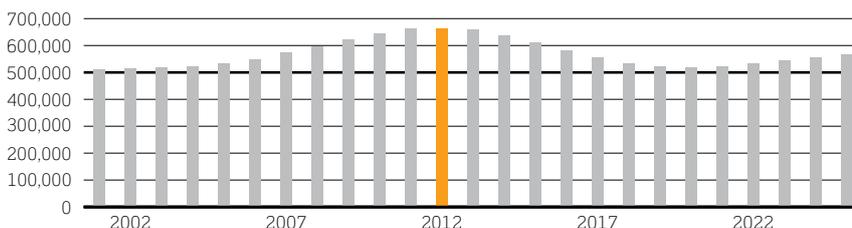
According to the Swedish Employment Agency December forecast, the labour

The number of applications for higher education will probably fall. However, the assessment is that **the need for premises will remain stable**. The new Research Bill will mean that in the future the higher education sector will receive a substantial increase in funding.

market for young people is expected to remain weak for another couple of years. There will be stiff competition for jobs with lower education requirements, which ought to mean that the considerable interest in higher education will continue even if the recruitment base shrinks.

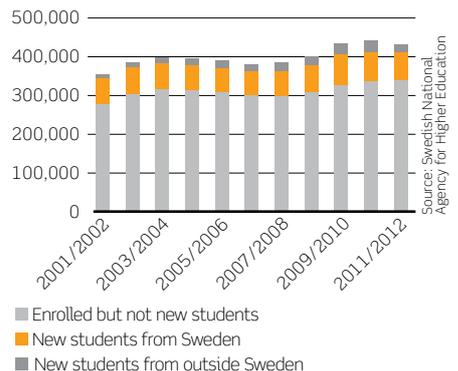
In total, almost 50,000 students were enrolled on different distance learning programmes. The vast majority of these took the form of single courses.

NUMBER OF PEOPLE IN THE POPULATION AGED 19–23 YEARS
Forecast 2012–2025



Source: Statistics Sweden

ENROLLED STUDENTS AT UNIVERSITIES AND COLLEGES



Source: Swedish National Agency for Higher Education

SUBSTANTIAL INCREASE IN FUNDING

Even in the previous Research Bill, the government invested in research and development by gradually increasing research grants by a total of SEK 5 billion over a four-year period. With the new Research Bill for 2013–2016, further increases in grants totalling SEK 4 billion are proposed for the forthcoming four-year period. This means that research grants will have risen by more than 30 per cent over an eight-year period. Sweden belongs to those countries within the OECD that allocate most resources to research and education. In 2011, Sweden assigned 3.5 per cent of the GNP to research.

Approximately half of the increase in grants will go directly to the centres of education. In 2012, around 25 per cent is expected to go to research funding bodies and around 25 per cent will be allocated to other public agencies and special interest areas.

A very high proportion of the increase in research funding will go to the universities in Stockholm and Uppsala, which already receive the majority of the research funding. This concurs well with the emphasis in Akademiska Hus projects, where approximately 75 per cent of the Company's project portfolio is in the Stockholm/Uppsala region. Lund University and Gothenburg University also receive a high proportion of the research funding. The concentration of grant allocation is high. The ten largest universities are expected to receive approximately 85 per cent of the increase in grants. Through to 2016, the Karolinska Institute, Lund University and Uppsala University will each receive additional funding in excess of SEK 100 million. Stockholm University and Gothenburg University will receive SEK 80–90 million and Umeå University, Linköping University, the Royal Institute of Technology, Chalmers University of Technology and the Swedish University of Agricultural Sciences will each receive additional funding of around SEK 50 million. Others will

receive lower amounts although no centre of education will have its research funding reduced.

CAMPUS

The discussion regarding collaboration between industry, the community and academia has been taking place for a number of years and we are now beginning to see greater concretisation of this collaboration. This will probably be reflected in the physical environments. The government emphasises the continued importance of utilising research and reinforcing Sweden's international competitiveness. The Research Bill contains a number of stimulation measures to realise this ambition. As regards premises and property enterprise, this will mean greater interest in corporate expansion and a demand for premises adjacent to campuses. Akademiska Hus has for several years worked with campus plans that offer an opportunity for greater coverage and diversity on the campuses. This presents the scope to broaden the tenant categories, thus reducing the level of risk through overly high exposure to the tenant segment. At the same time, the attractiveness of campuses is increasing.

CAMPUS PLANNING

In recent years, Akademiska Hus has invested in a highly focused way in developing new and future-oriented campus plans in close collaboration with the centres of education. Current campus planning is not just about where the streets will be built, where the utilities will be installed or where a building will be constructed. It will also be about how the activities in the area will be developed and how campuses should be developed as urban districts.

The focal issues are how a campus can contribute to attracting the best researchers and students to our centres of learning. Campus planning is about providing premises for the work that is being conducted but also about how greater diversity can be created and how

university and college campuses can be integrated with the surrounding urban areas. In the development of new campus plans, Akademiska Hus collaborates not only with the centres of education but also with the municipal authorities and city planning offices. The joint planning processes can bring new perspectives to the development of the urban environments surrounding our universities and colleges but also to the development of the towns and cities in which the universities and colleges are located. Discussing premises for companies and enterprise parks adjacent to campuses is an important element that will contribute to increasing the attractiveness of both university campuses and research parks. Other key elements are the availability of housing and the potential to travel to and from a campus by public transport. Campus plans are developed at least every fifth year to keep the common dialogue regarding our campuses alive. In 2012, new complete campus plans for Luleå, Albano in Stockholm, Lund and Alnarp were completed. In addition, work on the detailed planning level and the more advanced general planning level was carried out in Umeå, Uppsala, Stockholm, Linköping, Gothenburg and Lund. Akademiska Hus is also a partner in general discussions regarding community development. Hagastaden in Stockholm, Linköpingsbo 2016 and the development of the Johanneberg Science Park and Medicinareberget in Gothenburg are good examples of this.

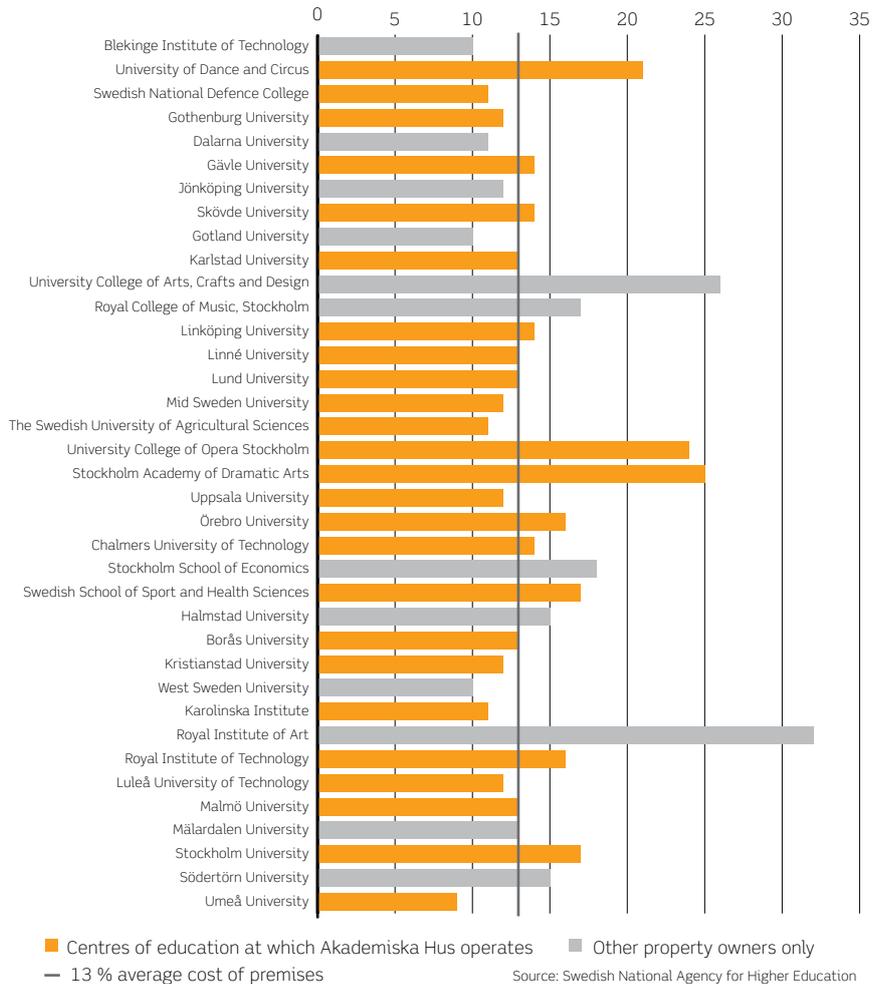
CENTRES OF EDUCATION – FINANCES

The centres of education have expanded considerably in recent years. Although it is primarily research and doctoral programmes that have received increased funding, undergraduate programmes have also increased thanks to the major influx of students. As regards undergraduate programmes, costs have also increased significantly although this can be viewed in part as a 'saving' as the colleges and universities have brought forward course programmes that exceeded the funding. The aim is that the excess provision of education could justify them continuing to receive full funding the day the student influx drops. At the end of 2011, excess education provision at the colleges and universities was worth SEK 635 million, with a further increase during 2012.

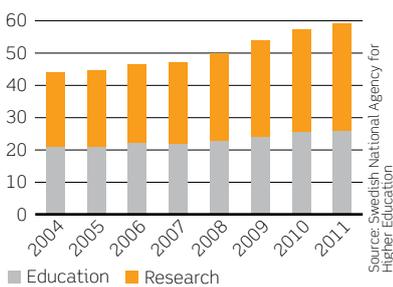
The cost of premises in 2011 was on average 13 per cent, which is low when viewed in relation to the fact that the Ministry of Education in its follow-up of costs at the different colleges and universities states that the cost of premises should preferably not exceed 17 per cent.

The financial situation for the country's centres of education is generally good although over time centres that have limited research and a high proportion of undergraduate programmes based on international students could feel the consequences once the full effects of the introduction of fees filter through.

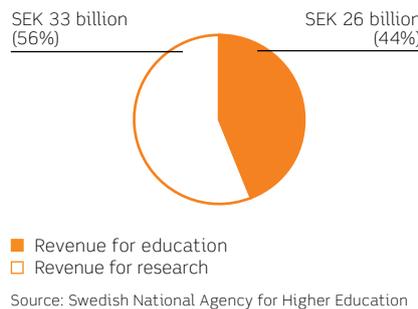
PROPORTION OF COST OF PREMISES 2011, %
Centre of education



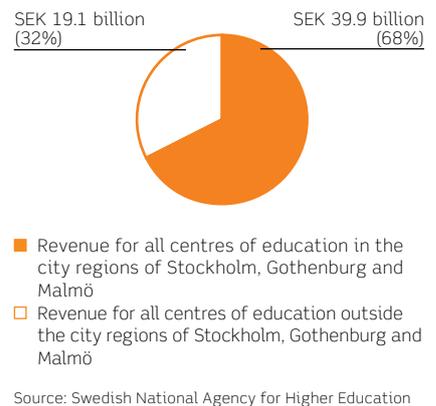
REVENUE FOR ALL CENTRES OF EDUCATION
SEK bn



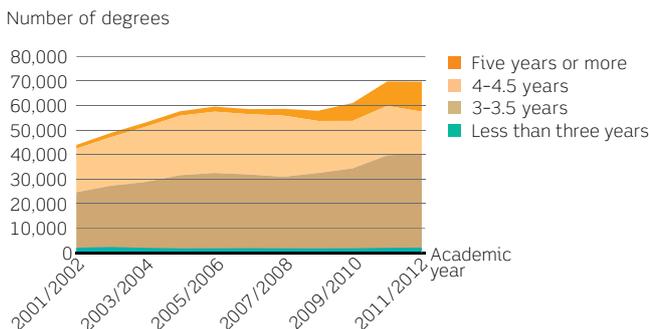
BREAKDOWN OF REVENUE FOR ALL CENTRES OF EDUCATION 2011



REVENUE FOR ALL CENTRES OF EDUCATION 2011, TOTAL SEK 59.0 BILLION



TOTAL STUDY TIME IN TERMS OF DEGREES COMPLETED





School of Business, Economics and Law,
Gothenburg

CONCLUSION

A downturn in education provision and related floor space requirements at universities and colleges has yet to emerge. Although the number of applications will probably fall in the future, our assessment is that the need for premises will remain relatively stable.

Through the new Research Bill, the higher education sector will also receive

a major increase in funding in the future. At the larger universities, this could balance out a possible downturn in course programmes but at the smaller universities and colleges the research grants will not compensate for a possible fall in the number of students and there is greater uncertainty with regard to the need for premises in the long term.

Akademiska Hus can counteract in various ways any change in the demand for premises, including broadening the use of the campuses. A focus on premises that are more general makes operations less vulnerable and at the same time ensures campuses to be more attractive, which is something that tenants in the higher education sector are anxious to achieve.



Blåsenhus, Uppsala

Rental and property market

Increased risk aversion in the property market

During 2012, no major changes were noted regarding rent levels.

The Swedish economy during 2012 revealed unexpected resistance in a situation characterised by financial concern and national debt crises. During the autumn, the slowdown in the Swedish economy resulted in initiatives such as reduced corporation tax, infrastructure projects and research to reinforce Sweden's growth potential.

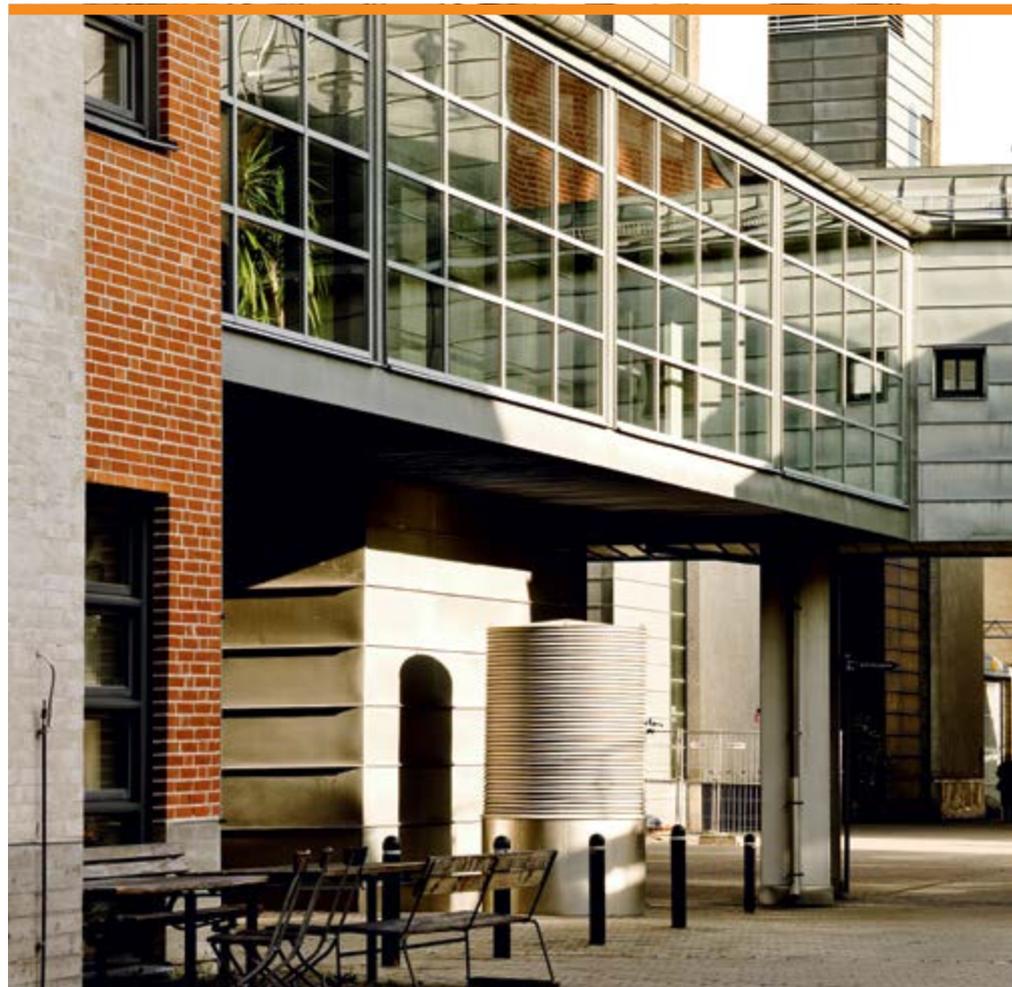
PROPERTY MARKET

With increasing uncertainty and rising risk premiums, capital was being attracted to safer investments.

In the wake of a financial crisis and government debt crises, extremely low interest rates have become the norm and investors are finding it difficult to source a sufficiently good return on their investments. We therefore saw continued large-scale interest in the property segment in 2012. Properties are an important type of asset in investment portfolios as they represent diversification and the value in real terms can be expected to be retained as the cash flow is largely protected against inflation. In the property segment, capital has been attracted to property categories that offer safe, stable cash flows and thus low risk. This mainly takes the form of residential properties in growth areas and properties with long leases, preferably with public sector tenants.

During the year, restrictions and caution, particular within the banking sector, have resulted in less accessible financing, which has been the major limitation on the potential to invest in property. Increasing demands for equity contributions are being made and terms and conditions for key financial figures have been tightened. Increasing caution in the banking sector has meant that financing through the corporate bond market has increased. Property companies in particular have turned their attention to this source of financing. During the autumn, however, there have been signs that property investors are taking a more positive view of the situation on the financing market. Even foreign banks are showing greater interest in the Swedish property market.

There has been an increased market focus on community properties. These



Biomedical Centre, Lund University

are properties with stable cash flows and a low rent risk, i.e. long leases and tenants with a good credit rating, which is characteristic of Akademiska Hus, and these are particularly in demand at present.

RENTAL MARKET

With the slowdown in growth, demand on the rental market has been curbed. Worldwide concern has also led to more companies reviewing their need for premises. On the non-residential rental market, this has been reflected in the continued stable demand for modern,

An increased focus on community properties is now emerging. Properties with stable cash flows and low rent risk, i.e. long leases and tenants with a good credit rating, are characteristic of Akademiska Hus and are particularly in demand at present.



flexible, environmentally correct premises. At the same time, signs have emerged of a rise in vacant space in older property holdings. Modern, efficient premises, despite a higher rent per square metre, normally mean reduced costs per workplace. Many companies are improving their cost efficiency by moving to more modern premises. There is keen competition for large establishments, particularly in conjunction with project rentals in newly constructed buildings.

No major changes in rent levels were noted in 2012. During the autumn, expectations regarding a rise in rents waned in line with the slowdown in growth and according to the Swedish Property Research Forum (SEPREF) the majority of players on the market now expect unchanged or falling rent levels. On the city markets, a fall in growth in the service sector could have an impact on both vacant space as well as rents, where we will probably see an increase in vacant space over the next year and downward pressure on rents. High-quality premises are expected to retain their rent levels and are easier to let.

CONSTRUCTION MARKET AND PROJECTS

The current slowdown in the Swedish economy means that the construction industry continues to remain in standby mode. During the year, the construction sector deteriorated considerably and according to the business barometer it is now on a low level. Order flows, construction and employment at construction companies have fallen and this trend is expected to continue. A fall is also expected in tender prices. At present, one in

two companies feel that they have an order stock that is too low. For Akademiska Hus, with an extensive project portfolio, the current state of the economy will probably mean that procurement of building contracts can take place at advantageous prices.

MARKET POSITION

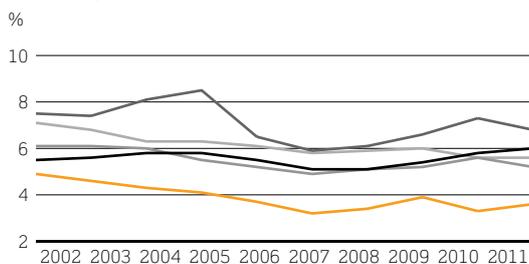
Akademiska Hus is the second-largest property company in Sweden. The contract portfolio structure, with long leases and a good spread of lease expiry dates, brings stability. The focus on premises for higher education and research offers conditions for continued operational stability. Good demand in the long term and long leases with stable customers in a widely diversified lease portfolio, coupled with good cost control, are characteristic features of the Company's core operations.

The finance crisis of 2008 did not affect Akademiska Hus customers to any great extent. The number of university and college applicants depends largely on the number of young people in the age range 19–23 years and the situation on the labour market. The turnaround in the economy that commenced in 2011 could increase pressure on places for higher education and research. Pressure on places usually increases when the labour market weakens. Even if the property market were to experience negative growth in the future due to the economy, Akademiska Hus still has high-quality properties with strong, stable cash flows. Our public sector tenants also have a strong payment capacity and a long-term approach, which it is felt will help withstand the current trend in the economy.

We can see a continued increase in demand for the development of new and existing knowledge environments and as a result, the project portfolio is larger than ever. The project portfolio during 2012 has grown even further and now stands at SEK 26 billion. The investments are concentrated in Uppsala and Stockholm. Future investments in education and research will result in growth for Akademiska Hus in the coming years.

During the past 10 years, there has been increased interest in investing in community properties and quality buildings with long leases. Coupled with the pressure of applications for higher education, this normally increases when the economy is weak and this is positive for the Akademiska Hus property portfolio. The difficulty experienced in recent years in obtaining financing and the negative trend in the economy are counteractive and prevent even lower yield requirements. The present low yield requirements probably mean a higher risk premium when the risk-free rate of interest fell during the year and the yield requirement remained unchanged.

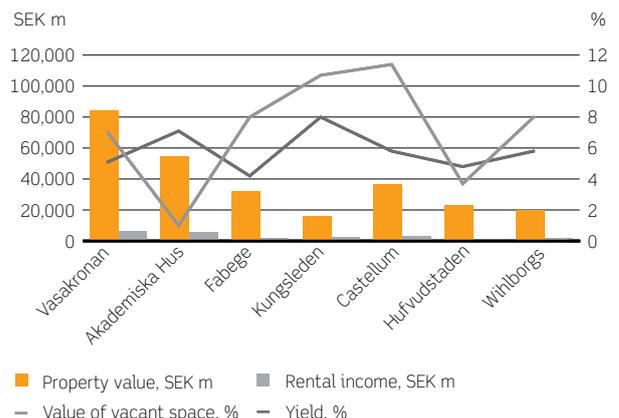
YIELD REQUIREMENT TREND 2002–2011



— Housing — Stores — Offices
— Industry — Education/schools

Source: NAI Svefa

SWEDEN'S LARGEST PROPERTY COMPANIES 2012



■ Property value, SEK m ■ Rental income, SEK m
— Value of vacant space, % — Yield, %

Southern Region

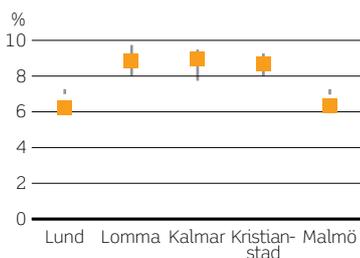
Lund – an attractive city for high-tech companies

In the Southern Region, holdings are mainly in Lund, which is largely characterised by its university. In Malmö, there is the Faculty of Odontology as well as current new construction on the Niagara block, which will house the new administration and teaching building. There are also substantial local holdings in Alnarp and Kristianstad. In Kalmar, Akademiska Hus disposed of two properties during the year.

The Öresund region is one of the most dynamic regions in Northern Europe and now has a total of 3.8 million inhabitants. The labour market in Lund is strong with a level of unemployment that is considerably lower than the national average. However, the recession has also hit Lund with widespread redundancies as a result. Lund University and its co-operation with successful research and development companies has positioned Lund as an attractive city among high-tech companies. The European Spallation Source (ESS) and Max IV will be of major significance to the future development and growth of the city.

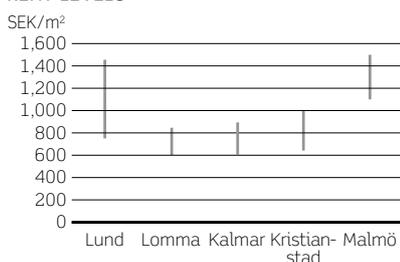
Malmö has evolved from being an industrial city to a knowledge city. Kalmar and Kristianstad are two strong commercial towns with stable property markets. In Kalmar, parts of the property holdings were sold during the year.

YIELD REQUIREMENTS 2003-2012



Offices in B-locations, maximum/minimum market yield requirements
 Yield requirements 2012, Akademiska Hus

RENT LEVELS



Maximum/minimum rent, general premises, B-location

The Swedish University of Agricultural Sciences carries on operations at the Faculty of Landscape Planning, Horticulture and Agricultural Science in Alnarp.

PROPERTY MARKET

The property market in the region became more cautious towards the end of the year. In Lund, transaction activity is by tradition low as established players adopt a very long-term perspective. Modern, flexible, environmentally correct office premises in locations close to communications are withstanding the recession and continue to enjoy a relatively good level of demand. Market rents for office premises in prime locations in Malmö have reported a slight increase although in general rents in the region's sub-markets have remained stable. In Lund, however, certain pressure on the rental market is being felt due to the large-scale vacation of premises and future vacant space. The newly established Medicon Village has also resulted in a substantial addition of premises close to the campus.

CUSTOMERS

The region, with Malmö University, Lund University, the Swedish University of Agricultural Sciences in Alnarp and Kristianstad University, are part of one of the foremost university regions in Europe. Lund University is one of the leading centres of education in Sweden and is Akademiska Hus's largest customer.



University Library, Lund

In recent years, the University's premises have undergone extensive restructuring and renewal. Lund University dates back to 1666 and has been ranked among the top 100 universities in the world for several years.

LARGER URBAN CENTRES IN THE REGION

	Lund	Lomma	Kalmar	Kristianstad	Malmö
Population, December 31, 2012	112,676	22,219	63,504	80,332	306,738
Number of full-time students 2011	28,464	886	4,726	5,917	12,678
Maximum rent, general premises, B-location	1,450	850	900	1,000	1,500
Minimum rent, general premises, B-location	750	600	600	650	1,100
Rent trend	→↘	→	→↘	→	→
Level of vacant space, %	6-14	5-10	6-10	7-12	8-12
Vacant space trend	↗	→	↗	→	→

Source: Swedish National Agency for Higher Education, Statistics Sweden, NAI Svefa's analysis report 2012 etc.

Western Region

Gothenburg attracts a highly educated workforce

In the Western Region, Akademiska Hus conducts operations in Gothenburg, Borås, Karlstad and Skövde. In addition, there is the Sven Lovén Centre for Marine Sciences in Bohuslän, the Lovén Centre on Tjärnö and the Lovén Centre in Kristineberg.



Artisten, Gothenburg University

ings. Borås is nowadays a centre for textile design, development and trade.

PROPERTY MARKET

The property market for non-residential premises in central Gothenburg is dominated by the large property companies. In central Gothenburg, holdings are primarily commercial properties and during the past year they have been concentrated even further among a small number of companies. The transaction market in 2012 included a number of major deals, the largest of which was the purchase made by Vasakronan from Dili-gentia. The rental market for offices has been positive during the year in terms of the letting level and growth in rents. A trend on the Gothenburg market is for an increasing number of companies to re-locate to more modern premises where floor space can be used more efficiently. In Borås, Karlstad and Skövde, the holdings are dominated by local and regional property companies.

CUSTOMERS

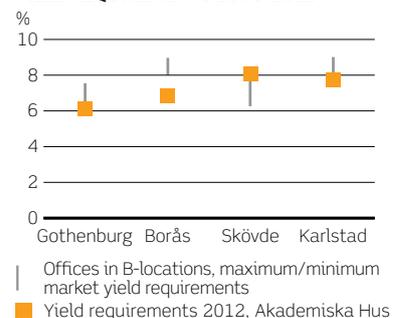
The University of Gothenburg, with 38,000 students and almost 6,000 employees, is one of the largest universities in Northern Europe. It is also one of the most popular universities in Sweden with most applications for programmes and courses. Research and development are conducted at around 40 departments within the majority of scientific disci-

plines, making it one of the most diverse centres of education in the country. Col-laboration between the University and Chalmers University of Technology, Sahlgrenska University Hospital and the rest of the community and industry has been gradually deepened in recent years, as have international contacts and col-laboration projects. Chalmers University of Technology continues to be at the fore-front in research.

Karlstad University has been praised by the Swedish Agency for Higher Education for its good co-operation with working life. An advantage for Karlstad University is that it has good housing availability for stu-dents. The number of applications to Borås University in autumn 2012 was among the highest in the country. Skövde University has developed in recent years and offers 43 first-cycle degree programmes and ten second-cycle programmes.

Gothenburg is a city with a relatively high proportion of knowledge-intensive, high-tech companies. The city enjoys the best logistics location in Sweden and the port is the largest export-import port in the Nordic region. Karlstad is a regional centre in Värmland, with a high commercial index and expertise focused on pulp, paper and packag-

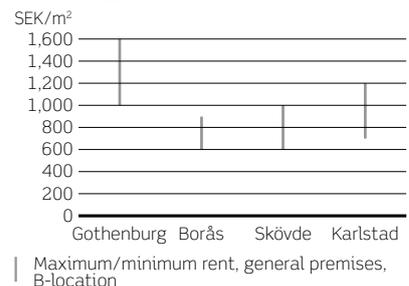
YIELD REQUIREMENTS 2003-2012



LARGER URBAN CENTRES IN THE REGION	Gothenburg	Borås	Skövde	Karlstad
Population, December 31, 2012	521,767	104,606	52,174	86,834
Number of full-time students 2011	36,124	6,367	4,472	8,940
Maximum rent, general premises, B-location	1,600	900	950	1,200
Minimum rent, general premises, B-location	1,000	600	600	700
Rent trend	→	→	→	→
Level of vacant space, %	6-12	4-12	4-8	6-10
Vacant space trend	→↓	→	→	→

Source: Swedish National Agency for Higher Education, Statistics Sweden, NAI Svefa's analysis report 2012 etc.

RENT LEVELS



Eastern Region

Three strong campuses in the region

The twin towns of Linköping and Norrköping make up the fourth largest city region and Örebro is the seventh largest municipality in Sweden.

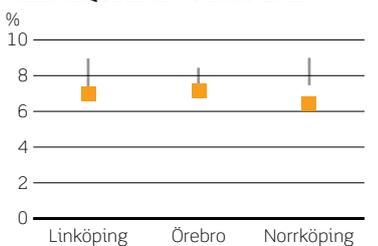
The development of Linköping is very much dependent on collaboration between the University and Mjärdevi Science Park. Norrköping was mainly a traditional industrial city. Industry in Norrköping has over the years become increasingly broader and more differentiated and there are now over 9,000 companies.

In Örebro, industry is dominated by a large number of small and medium-sized enterprises. Örebro's good communication location has meant that the logistics industry will assume even greater significance in the future growth and development of the town.

PROPERTY MARKET

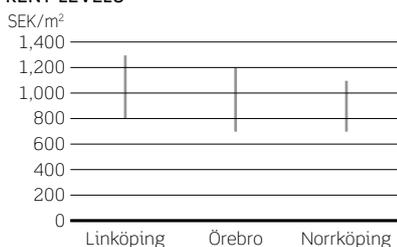
During 2012, Linköping had a strong office market with mainly unchanged to slightly rising rents and little vacant space. The yield during the year for modern premises in prime retailing and commer-

YIELD REQUIREMENTS 2003-2012



█ Offices in B-locations, maximum/minimum market yield requirements
█ Yield requirements 2012, Akademiska Hus

RENT LEVELS



█ Maximum/minimum rent, general premises, B-location

cial locations with efficient use of floor space has been down to 5.5 per cent.

The turnover of commercial properties in Norrköping continues to be low. There is, however, a certain degree of over-establishment in Norrköping's commercial areas, which has resulted in vacant space.

Örebro also has a strong office market and several new construction projects are approaching completion, which will affect the availability of office premises and will result in a more active office market.

Ostlänken, the express rail link between Linköping and Stockholm, will promote commuting and shorten the travelling time, two factors that are expected to have a very positive impact on the regional property market. Ostlänken is scheduled for completion by 2028 at the latest. Along with this investment, major municipal investments in travel centres are expected alongside densification and development of new city areas in both Linköping and Norrköping.

CUSTOMERS

Linköping University has operations in both Linköping and Norrköping and has 27,300 active students. The number of applicants to the University continues to be high. Linköping University is a well-developed programme university with advanced professional education programmes that make up the main body of



Key Building, Linköping University

the education programme. The University is attractive and students in Linköping are among those who establish themselves most rapidly on the labour market and have the highest average salary one year after graduating.

Örebro University is a relatively young university and its competitiveness lies in its cohesive campus. Many of the education premises are new and of a high standard. The housing situation is also good.

LARGER URBAN CENTRES IN THE REGION

	Linköping	Örebro	Norrköping
Population, December 31, 2012	148,180	138,484	131,804
Number of full-time students 2011	14,557	10,224	3,559
Maximum rent, general premises, B-location	1,300	1,200	1,100
Minimum rent, general premises, B-location	800	700	700
Rent trend	→	↘	→
Level of vacant space, %	3-7	4-10	5-10
Vacant space trend	→	→	→

Source: Swedish National Agency for Higher Education, Statistics Sweden, NAI Svefa's analysis report 2012 etc.

Uppsala Region

Uppsala – a leading medical centre

In the region, Akademiska Hus has operations in central Uppsala for Uppsala University, in Ultuna for the Swedish University of Agricultural Sciences and in Gävle for Gävle University. Uppsala, Sweden's fourth largest city, is growing significantly. The population is over 200,000 and unemployment continues to be the lowest in the country.



BioCentre, Swedish University of Agricultural Sciences, Uppsala

Extensive research is conducted in Uppsala in a wide range of disciplines and with a particular focus on medicine. An important reason for companies to establish in Uppsala is the potential for close collaboration with the universities.

Gävle does not have the same rate of growth on the labour market and unemployment is higher than the national average.

PROPERTY MARKET

Transaction volumes in Uppsala fell during 2012. In those transactions that were completed, it is local bodies and commercial property developers that have been active. On the office rental market, rent and vacant space levels remain relatively stable and, by tradition, they have been relatively low regardless of the state of the economy.

In the Ultuna area of Uppsala, a cohesive, more vibrant campus is emerging. Parts of the holdings in Ultuna are in poor condition and are due to be demolished. Other buildings that are in good condition have an established rent level of SEK 1,000–1,300 per square metre.

The rental market and level of vacant space in Gävle are stable even if the closure of Ericsson has meant that large volumes of floor space have come onto the market in stages.

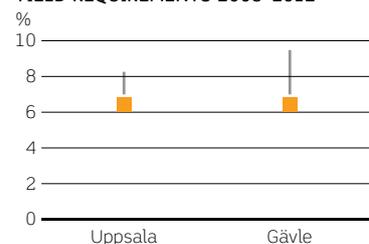
CUSTOMERS

Uppsala University is one of the highest ranked universities in Northern Europe. The University is the oldest in the Nordic

Region – founded in 1477 – and offers a vibrant cultural environment with a very rich and varied student life. The University is in a strong position, it has improved its efficiency in the use of premises and it has worked on renewal and densification, both in individual buildings and in whole areas of the campus. The growth of Sweden as a nation of knowledge is particularly obvious in Uppsala. In recent years, Akademiska Hus has completed new premises for teacher training, pedagogy and psychology on the Blåsenhus block. Together with the Swedish University of Agricultural Sciences, Akademiska Hus is working on a total transformation of the Ultuna Campus. The campus will be considerably more cohesive and efficient in terms of use of floor space. Current investments in Ultuna total almost SEK 3.5 billion.

Gävle University has adapted its programmes more quickly than the traditional universities and colleges to market demands for new ways of teaching, including various forms of distance learning.

YIELD REQUIREMENTS 2003-2012



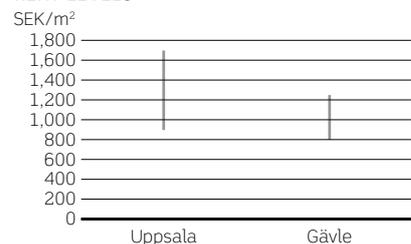
Offices in B-locations, maximum/minimum market yield requirements
 ■ Yield requirements 2012, Akademiska Hus

LARGER URBAN CENTRES IN THE REGION

	Uppsala	Gävle
Population, December 31, 2012	201,882	96,034
Number of full-time students 2011	25,565	6,803
Maximum rent, general premises, B-location	1,700	1,250
Minimum rent, general premises, B-location	900	800
Rent trend	→	→
Level of vacant space, %	5-10	5-10
Vacant space trend	→	→

Source: Swedish National Agency for Higher Education, Statistics Sweden, NAI Svefa's analysis report 2012 etc.

RENT LEVELS



Maximum/minimum rent, general premises, B-location

Stockholm Region

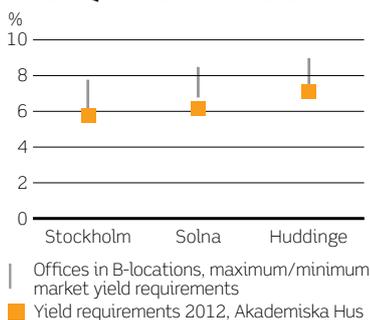
Stockholm – the university capital city

The Stockholm region, which apart from the different campuses in Stockholm also includes significant holdings in Solna and Huddinge, is Akademiska Hus's largest market in terms of both rental revenue and rentable floor space.

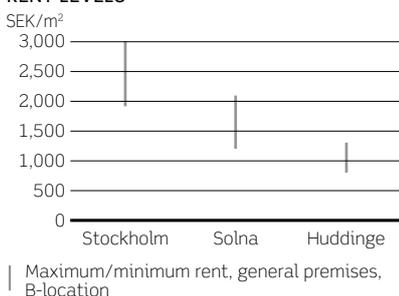
Greater Stockholm has experienced powerful growth in population over a long period with a strong positive net influx. The Stockholm labour market is strong and highly diversified. Unemployment is increasing although at a slower rate than the national average and from lower levels. Part of the attraction of Stockholm can be attributed to the education, research and development that is taking place at the major centres of education although the fact that it is the country's capital is also an important factor.

The plans for the Albano area have now been adopted by the City Council. The aim is to create an attractive education and research environment with a socio-ecological urban design that forms a hub in the collaboration between the Royal Institute of Technology, Stockholm University and the Karolinska Institute with new department buildings interspersed with accommodation for students and researchers.

YIELD REQUIREMENTS 2003-2012



RENT LEVELS



PROPERTY MARKET

The number of property transactions in Stockholm fell during 2012. At the beginning of the year, the trend continued with rent increases and falling vacant space in the inner city although the trend has now turned. According to Swedish Property Research Forum, no rent rises in the prime office segment are expected. This can be explained by the increasingly negative economic climate and the fact that tenants have turned their sights to the municipal area surrounding Stockholm for relocation. Solna and Sundbyberg have taken a major step forward with regard to the range of commercial properties.

CUSTOMERS

Akademiska Hus's biggest customers in Stockholm are Stockholm University, the Royal Institute of Technology and the Karolinska Institute. International competition has meant that the three large centres of education in the Stockholm region have forged closer ties. Stockholm University and the Karolinska Institute are ranked in many lists among the 100 best centres of education in the world. Stockholm University is the largest university in Sweden and one of the most attractive. The Royal Institute of Technology enjoys an excellent reputation as a university of technology. It covers a wide range of disciplines and is responsible for one-third of Sweden's capacity in terms of engineering research and the training of engineers at university level. The Karolinska Institute is today one of the most important medical universities in Europe and is Sweden's largest centre for medical education and research.



Karolinska Institute, Solna

LARGER URBAN CENTRES IN THE REGION	Stockholm	Solna	Huddinge
Population, December 31, 2012	877,543	71,018	100,686
Number of full-time students 2011	50,839	5,798	8,272
Maximum rent, general premises, B-location	3,000	2,100	1,300
Minimum rent, general premises, B-location	1,900	1,200	800
Rent trend	→	→ ↓	→ ↓
Level of vacant space, %	5-10	8-14	8-14
Vacant space trend	→	→	→

Source: Swedish National Agency for Higher Education, Statistics Sweden, NAI Svefa's analysis report 2012 etc.

Northern Region

Umeå – European Capital of Culture 2014

In the Northern Region, Akademiska Hus properties are mainly located in the two strong Norrland cities of Umeå and Luleå. Umeå is a distinctive university city and will be the European Capital of Culture in 2014. Luleå has Luleå University of Technology. In Sundsvall, the Åkroken campus received the Prix Rother in 2008 for the best campus.



Lindellhallen, Umeå Campus

Umeå has two universities, a rich cultural life and a positive, long-term growth in population. Luleå is dominated by heavy industry and the public sector. A positive factor for Luleå University of Technology is the existence of two strong, successful companies – LKAB and SSAB.

In terms of transport, Umeå is moving closer to southern Sweden and Europe. The Bothnia rail link will eventually halve the travelling time from Umeå to Stockholm. In addition, Air Sweden is building up a regular air service network, with Umeå as a base, with direct flights to Europe as well as a network of routes in Norrland.

PROPERTY MARKET

Transaction activity in the region is by tradition low, particularly with regard to commercial properties. Market rents for prime location offices where efficient use can be made of the floor space increased slightly during 2012 and demand is considered to be good on the majority of sub-markets. Otherwise, rents and vacant space on the region's submarkets have remained stable.

In Umeå, IKEA and Ikano will establish a department store and shopping centre at the southern entrance to the city. This establishment will probably have a positive impact on the local property market. In Luleå, construction of the Hundén block will commence with 29,000 m², mainly comprising a hotel although there will also be housing, retailing space and offices.

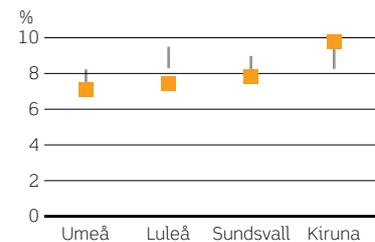
CUSTOMERS

Umeå University is one of Sweden's largest centres of education with over 36,000 students and almost 4,300 employees. The University has a very wide range of course programmes in the majority of disciplines. Housing for students is a problem in Umeå. During 2012, Akademiska Hus allocated land for the construction of 200 new residential units on the Umeå Campus.

Luleå University of Technology celebrated its 40th anniversary in 2011. Positive news for the University is the increase in interest in engineering programmes. Last year, the number of newly enrolled students on undergraduate engineering programmes was the highest for ten years.

In Sundsvall, Mid Sweden University and the Åkroken Campus are key factors in the development of the town. Sundsvall has been voted on several occasions the most student-friendly municipality in the country.

YIELD REQUIREMENTS 2003-2012



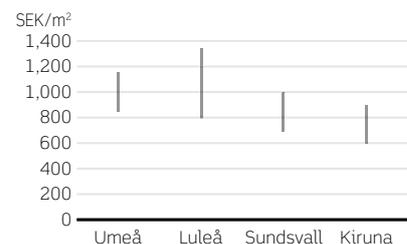
■ Offices in B-locations, maximum/minimum market yield requirements
■ Yield requirements 2012, Akademiska Hus

LARGER URBAN CENTRES IN THE REGION

	Umeå	Luleå	Sundsvall	Kiruna
Population, December 31, 2012	116,891	74,770	96,586	23,023
Number of full-time students 2011	17,890	7,173	3,034	0
Maximum rent, general premises, B-location	1,150	1,350	1,000	900
Minimum rent, general premises, B-location	850	800	700	600
Rent trend	→	→	→	↑
Level of vacant space, %	4-8	5-9	6-10	5-10
Vacant space trend	→	→	↓	→

Source: Swedish National Agency for Higher Education, Statistics Sweden, NAI Svefa's analysis report 2012 etc.

RENT LEVELS



■ Maximum/minimum rent, general premises, B-location

Regional overview

INCOME STATEMENTS, (SEK M)	South	West	East	Upp- sala	Stock- holm	North	Other operations ²	2012	2011	Change
Revenue	802	809	544	945	1,885	526		5,511	5,378	133
Costs ¹⁾	-339	-282	-164	-344	-597	-184	-16	-1,926	-1,990	64
Net operating income	463	528	380	601	1,287	342	-16	3,585	3,389	197
Change in value	-8	91	-35	-354	39	-24		-291	361	-652
Operating profit	449	612	342	240	1,316	314	-47	3,227	3,704	-477
RESULT FOR THE YEAR	399	488	274	282	1,194	263	246	3,147	2,394	753
Yield	5.8%	7.6%	8.6%	7.1%	6.5%	8.0%		6.9%	6.7%	0.2%
Net operating income level	48%	62%	71%	62%	69%	62%		63%	61%	2%
BALANCE SHEETS, (SEK M)										
Assets (Total assets)	6,663	7,276	4,584	10,209	23,113	4,186	5,601	61,632	61,073	559
Liabilities	1,150	1,178	610	1,425	3,430	700	24,712	33,205	34,549	1,344
KEY DATA										
Assessed fair value, SEK m	6,620	6,975	4,557	10,094	22,335	4,096		54,677	52,071	2,606
Assessed fair value, SEK/m ²	12,786	13,468	12,187	14,235	22,206	10,500		15,504	15,220	284
Rentable floor space, m ²	486,999	498,277	353,171	575,192	915,384	378,505		3,207,528	3,211,776	-4,248
of which teaching premises	50%	66%	45%	31%	43%	58%		47%	48%	-1%
of which laboratory premises	34%	25%	36%	46%	34%	29%		34%	34%	0%
Vacant space, area	4.1%	1.8%	0.8%	5.2%	2.2%	0.2%		2.6%	2.6%	0.0%
Net investment, SEK m	108	111	96	988	1,403	63	2	2,771	2,150	621
¹⁾ Of which Operation - media provision	95	81	66	132	197	54	-28	598	618	19
Operation - monitoring and service	43	41	20	50	88	29		271	267	-4
Maintenance	139	69	44	104	149	59		564	603	39
Property administration	36	41	24	42	71	24	44	281	268	-13

²⁾ The large items under Other operations are essentially attributable to the allocation of Group financing.

CUSTOMER CATEGORIES, DECEMBER 31, 2012	Total rented floor space, m ²	Propor- tion, %	Total rent, SEK m	Propor- tion, %	TEN LARGEST CUSTOMERS, DECEMBER 31, 2012	Total rented floor space, m ²	Propor- tion, %	Total rent, SEK m	Propor- tion, %
Universities and colleges	2,575,698	80	4,423	84	Lund University	332,465	10	592	11
Other government authorities	99,955	3	149	3	Uppsala University	275,434	9	532	10
Chalmers University of Technology	125,698	4	167	3	Stockholm University	265,481	8	480	9
Municipal authorities	24,180	1	35	1	Swedish University of Agricultural Sciences	205,096	6	286	5
Institutes and foundations	31,309	1	41	1	Linköping University	202,720	6	326	6
Companies and others	268,097	8	502	10	Gothenburg University	201,206	6	324	6
Vacant space	82,591	3	-52	-1	Royal Institute of Technology	196,529	6	374	7
TOTAL	3,207,528	100	5,265	100	Umeå University	193,130	6	255	5
					Karolinska Institute	192,329	6	472	9
					Chalmersfastigheter AB	125,698	4	167	3
					TOTAL	2,190,088	68	3,807	72

REGIONAL OVERVIEW

The market for Akademiska Hus is the country's 52 centres of education, divided among 25 university and college locations. There are 14 state-owned universities. In addition, there is Chalmers University of Technology and Stockholm School of Economics. Akademiska Hus is by far the largest property owner specialising in Swedish centres of education, with a

market share of 63 per cent of the total floor space. Centres of education that have the government as principal represent 92 per cent of the market. Akademiska Hus's market presence is stronger in the university towns and cities. We have operations in all university towns and cities except for Östersund and Härnösand (Mid Sweden University) and

Växjö (Linné University). Akademiska Hus is also represented in five of the larger university college towns and cities.

Akademiska Hus operations are divided into six regions. An overview of the most important figures for the different regions and for the whole of Akademiska Hus can be seen in the tables above.

FIVE-YEAR SUMMARY 2008-2012	Graph	2012	2011	2010	2009	2008
INCOME STATEMENTS, (SEK M)						
Property management income		5,511	5,378	5,176	5,115	4,957
Operating costs		-870	-885	-939	-866	-864
Maintenance costs		-564	-603	-657	-657	-585
Property administration		-281	-268	-249	-252	-258
Net operating income		3,585	3,389	3,134	3,149	3,053
Change in value, properties		-291	361	87	-1,208	-2,192
Central administration costs		-66	-45	-37	-35	-40
Profit before financial items	1	3,228	3,704	3,184	1,906	821
Net financial income/expense		-682	-452	-263	-576	-589
Profit before tax	1	2,546	3,252	2,921	1,330	232
Profit for the year		3,147	2,394	2,124	972	749
BALANCE SHEETS, SEK M						
Assessed fair value, properties	2	54,677	52,071	49,497	47,723	47,524
Other assets		6,955	9,002	4,029	4,064	5,139
Equity		28,427	26,521	25,406	24,477	24,462
Interest-bearing liabilities		24,212	24,693	18,973	18,782	19,414
Other liabilities and provisions		8,993	9,859	9,147	8,528	8,787
CASH FLOW, SEK M						
Cash flow from current operations		2,126	2,017	2,444	1,761	1,981
Cash flow from investments	3	-2,388	-1,898	-1,459	-1,123	290
Cash flow before financing		-262	119	985	638	2,271
Cash flow from financing		-1,081	3,779	-1,175	-771	-2,100
Cash flow for the year	3	-1,343	3,898	-190	-133	171
PROPERTY-RELATED KEY FIGURES						
Total yield, properties, %		6.8	7.8	7.0	4.3	1.9
of which direct yield, % ¹⁾		7.1	6.9	6.7	6.8	6.4
of which change in value, %		-0.3	0.9	0.3	-2.5	-4.5
Rental revenue, SEK/m ²		1,644	1,599	1,557	1,543	1,500
Operating costs, SEK/m ²		272	277	293	271	270
Maintenance costs, SEK/m ² (including tenant adaptations)		176	189	205	206	183
Net operating income in relation to administration income, %		65	63	61	62	62
Net operating income, SEK/m ²		1,120	1,059	979	986	955
Level of vacant space, area, %		2.6	2.6	3.5	3.8	3.7
Level of vacant space, rent, %		1.0	1.2	2.0	1.9	1.5
Assessed fair value, properties, SEK/m ² ²⁾	2	15,504	15,220	14,645	13,896	14,207
FINANCIAL KEY FIGURES						
Return on equity after standard tax, % ³⁾	4	6.8	9.2	8.6	4.0	0.7
Return on total assets, %		5.3	6.5	6.5	4.4	2.1
Interest-bearing net loan liability, SEK m		18,528	16,778	15,726	15,531	15,090
Equity ratio, %	5	46.1	43.4	47.5	47.3	46.5
Interest coverage ratio, %	6	672	716	741	841	347
Interest cost in relation to average capital in interest-bearing liabilities, %		4.2	3.0	1.8	3.6	3.5
Loan-to-value ratio, %		33.9	32.2	31.8	32.5	32.6
Internal financing level, %	6	84	112	151	165	222
Dividend, SEK m		1,355 ⁴⁾	1,245	1,207	1,219	978
PERSONNEL						
Average number of employees (man-years)		403	396	401	399	399
Satisfied Employee Index (NMI)		69	70	67	70	70

¹⁾ Excluding properties under construction.

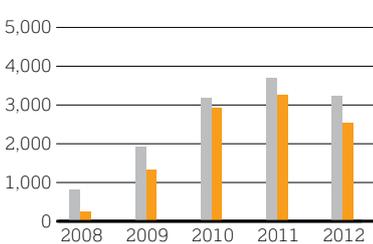
²⁾ Excluding the value of properties under construction and expansion reserves.

³⁾ The owner's yield requirement is that the return on average equity should be equivalent to the five-year government bond interest rate plus 4.0 percentage points viewed over a business cycle. In 2012, the average five-year government bond interest rate was 1.1 per cent.

⁴⁾ The Board of Directors reached a decision on the proposed dividend at its meeting on March 14, 2013.

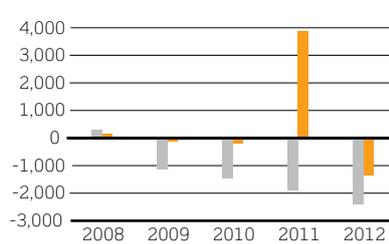
Five-year summary

1. PROFIT



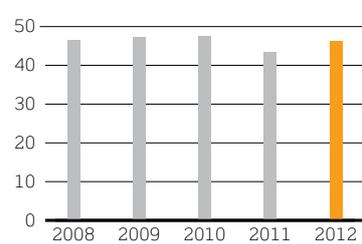
■ Profit before financial items
 ■ Profit before tax

3. INVESTMENTS AND CASH FLOW

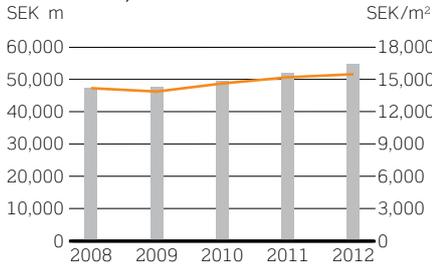


■ Cash flow from investments
 ■ Cash flow for the year

5. EQUITY RATIO

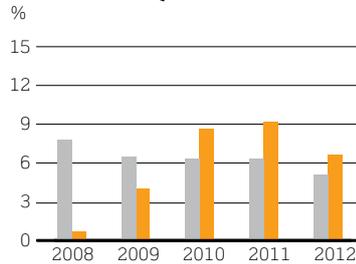


2. FAIR VALUE, PROPERTIES



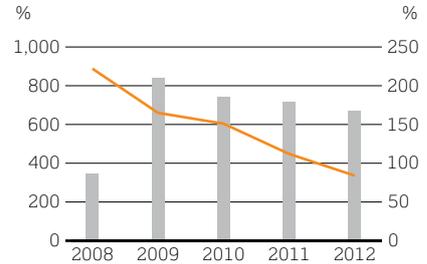
■ Assessed fair value, properties
 — Assessed fair value, properties, SEK/m²

4. RETURN ON EQUITY



■ Average return on equity over five years
 ■ Average return target over five years

6. INTEREST COVERAGE RATIO AND LOAN-TO-VALUE RATIO



■ Interest coverage ratio, %
 — Loan-to-value ratio, %

COMMENTS

1. Profit

There was growth in property management with a stable profit. Net operating profit amounted to SEK 3,585 million (3,389). The improvement can be attributed to higher rent revenue and lower operating and maintenance costs. The profit before tax was SEK 2,546 million (3,252). The fall in profit can be explained by a negative effect on the change in value of properties totalling SEK -291 million (361) and net financial income/expense of SEK -682 million (-452). The profit before tax, but excluding the change in value of properties, was SEK 2,837 million (2,891).

The profit after tax was SEK 3,147 million (2,394). The reduction in corporation tax to 22 per cent has had a positive effect on the tax expense for the year of SEK 1,294 million.

2. Fair value, properties

The fair value amounted to SEK 54,677 million (52,071). The change in value was negative and amounted to SEK -291 million (361). No general change was made during the year in the yield requirement or cost of capital in the internal property valuation. The assumed rate of inflation has

been changed from 2 per cent to 1 per cent, which resulted in a change in the fair value of SEK -232 million. The market focus is now on properties with stable cash flows and low rental risk (long leases, tenants with a good credit rating). These factors are to the advantage of Akademiska Hus and they did not deteriorate during 2012.

3. Investments and cash flow

Net investments for 2012 totalled SEK 2,771 million (2,150). Gross investment in properties amounted to SEK 2,908 million (2,254). During the year, parts of the holdings in Kalmar were sold. The total sales sum for the year was SEK 146 million (113). The profit before tax was SEK 2,546 million (3,252) and adjustments for items not included in the cash flow, referring to unrealised value of properties, totalled SEK 226 million (-520). Following a decrease in current receivables and current liabilities, cash flow from current operations was SEK 2,126 million (2,017). Investments had a negative impact on cash flow to the amount of SEK 2,388 million (1,898). The dividend for 2012 was SEK 1,245 million (1,207) and reduced the cash flow from financing

operations. The raising of interest-bearing loans changed the cash flow from financing operations by SEK 164 million (4,986). Cash flow for the year amounted to SEK -1,343 million (3,898).

4. Return on equity

The average yield on equity over five years was 5.9 per cent (5.5) while the target was 6.4 per cent (7.0). The target should be viewed over a business cycle.

5. Equity ratio

The equity ratio was 46.1 per cent (43.4). The high equity ratio is particularly reassuring in times of uncertainty and financial concern.

6. Interest coverage ratio and loan-to-value ratio

The interest coverage ratio was 672 per cent (716). The internal financing ratio was 84 per cent for the year (112). Net financial income and expense for 2012 amounted to SEK -682 million (-452), of which SEK 201 million (-53) referred to the change in the value of financial derivatives not included in the computation basis for the interest coverage ratio.

Prospects and forecast

Investment in knowledge environments

At present, the estimated level of investment by Akademiska Hus stands at SEK 26 billion. This growth will reinforce our market position in knowledge environments. With continued economies of scale and cost efficiency, the Company's capacity to handle the risks resulting from property holdings will improve as well as its capacity to finance expansion in a well-balanced way.



BioCentre, Swedish University of Agricultural Sciences, Uppsala

Despite uncertainty in the Swedish economy and in particular the employment trend, demand for floor space continues to be relatively stable. The demand, however, is differentiated and the focus is primarily on new or redeveloped and upgraded premises in prime locations. There is considerable investment interest in buildings that offer a low rental risk and in tenants with a strong payment capacity who have adopted a long-term approach.

The number of young people aged 19–23 years is currently higher than ever. During the coming 10-year period, however, the number of young people will fall. In the past, an important factor in student influx into higher education has been the trend on the labour market. With a weaker economic climate and unemployment set to remain high, many young people will probably look to education and research and to study for longer than would otherwise have been the case.

The increase that we have seen up to now, with a continued rise in demand for the development of new and existing knowledge environments, is no longer taking place everywhere. With the 2012 Budget Bill, a change in grant allocation commenced, which means that education funding will generally decrease. This is balanced by continued investment in research. There is also reallocation through quality premiums, which means that the large, leading centres of education with a focus on research will be benefited. The extensive Akademiska Hus project portfolio is largely centred on Stockholm and Uppsala and mainly comprises new construction for research-intensive operations. In the face of increasingly keen competition for students and researchers, it is important to have attractive campuses. Akademiska Hus's systematic work on campus plans is therefore a success factor. Together with centres of education, students, municipal representatives and others, our campuses are being developed to become diverse and attractive and thus become an increasingly valuable asset in the towns and cities in which they are located. In

The project portfolio totals SEK 26 billion and comprises mainly new construction for research-intensive operations in Stockholm and Uppsala. Future yield is estimated to be approximately 7 per cent and return on equity approximately 8 per cent.



recent years, efforts have also been made to facilitate the construction of student accommodation in those locations that have the greatest shortage.

EXTENSIVE PROJECT PORTFOLIO

The total Akademiska Hus project portfolio is approximately SEK 26 billion. Projects that have already been decided total SEK 13.6 billion and these will be completed through to 2015. At the turn of the year, SEK 4 billion of these investments had already been completed. At the planning stage, there are projects worth a total of SEK 8.6 billion, which are expected to be completed between 2014 and 2018. There are also what are termed concept projects, where implementation and the time horizon are somewhat uncertain. These amount to almost SEK 4 billion. The emphasis in the project portfolio is on the Stockholm and Uppsala region. Following completion of the investment, the emphasis in the property holdings on the Stockholm and

PROJECT PORTFOLIO (SEK M)	South	West	East	Uppsala	Stockholm	North	Total
Decided projects	1,700	250	200	3,600	7,750	100	13,600
Planned projects	250	250	50	2,150	5,700	200	8,600
Decided and planned projects	1,950	500	250	5,750	13,450	300	22,200
Concept projects	1,200	1,300	550	100	500	250	3,900
TOTAL PROJECT PORTFOLIO	3,150	1,800	800	5,850	13,950	550	26,100
of which invested as of year-end	-310	-170	-100	-1,500	-1,850	-70	-4,000
REMAINING PROJECT PORTFOLIO	2,840	1,630	700	4,350	12,100	480	22,100
of which decided and planned	1,640	330	150	4,250	11,600	230	18,200

Uppsala region will be even greater. At present, the two regions account for 59 per cent of the total Akademiska Hus property value. The building and civil engineering sector in this geographical area has in recent years encountered a strong level of demand as a number of other major projects are in progress. According to economic indicators, the high level of activity in this sector is expected to enter a calmer phase, no longer a tangible lack of capacity. The large Akademiska Hus project portfolio makes considerable demands on co-ordination within the Company's organisation, both in project operations and management.

The project portfolio mainly comprises new construction of laboratory premises and teaching and administration buildings. The laboratory premises that have been planned presuppose an initial lease period of 20–25 years.

At present, several projects are in progress, which individually are the largest projects that Akademiska Hus has ever implemented. The five largest decided and planned projects are:

- Albano. New construction for Stockholm University, SEK 3,700 million.
- Biomedicum. New construction for the Karolinska Institute in Solna, SEK 3,450 million.
- Veterinary and Domestic Animal Centre. New construction for the Swedish University of Agricultural Sciences in Uppsala, SEK 1,463 million.
- Ångström, Phase IV. New construction for Uppsala University, SEK 1,100 million.
- Royal College of Music. New construction for the Royal College of Music in Stockholm, SEK 834 million.

The specific segment of the property market in which Akademiska Hus operates is characterised by minor variations in rent levels and vacant space compared to other properties intended for commercial purposes. As the length of the lease is on average considerably longer than is generally the case, the changes will have an impact on the property market, with a certain time lapse and with a greater

spread. The project portfolio for higher education is largely considered to comprise properties with leases longer than 10 years, which presupposes approval by the government.

EXTERNAL ANALYSIS AND FUTURE CHALLENGES

During 2012, a major external analysis commenced. The results can be summarised by saying that the future ought to be marked by continued work on reinforcing relationships with customers and other players in community development. A developed and more common culture will result in greater efficiency by Akademiska Hus developing proactively and with a firm focus on customers and results. Akademiska Hus's areas of expertise, strengths and role on the market should be developed and communicated.

Development of the financial markets has to date had limited impact on demand on the property market. The property market during 2013 will be affected mainly by developments on the labour market. In the slowdown that has occurred, it is mainly manufacturing industry that has been affected. In the absence of a turnaround, continued weakening of the market will have a greater effect on service industries. There is a risk that this will have a substantial impact on the market for non-residential floor space.

A strength at Akademiska Hus is that our customers work in a sector that is prioritised in the allocation of resources, even in times of recession. Higher education and research have reported good growth in grant allocation in recent years. Research in particular has developed well. This has underpinned the continued demand for premises that produce a return on the Company's investments. Stability in customers' operations and a long planning horizon lead to the signing of long leases. In doing so, short-term variations in the economy have not been a source of uncertainty. Good development for customers with a good credit rating has meant that other property

players have shown an interest in this segment of the property market.

We predict that demand for the development of new and existing knowledge environments will increase. This applies mainly to the large, established centres of education with a strong research profile. There is increasing interest from foreign researchers to establish in Sweden. The smaller centres of education will probably face a major challenge to counter the fall in student influx.

For Akademiska Hus, it is a matter of continuing to work to develop management operations and to reduce management costs with the aim of retaining and reinforcing profitability and competitiveness.

FORECAST

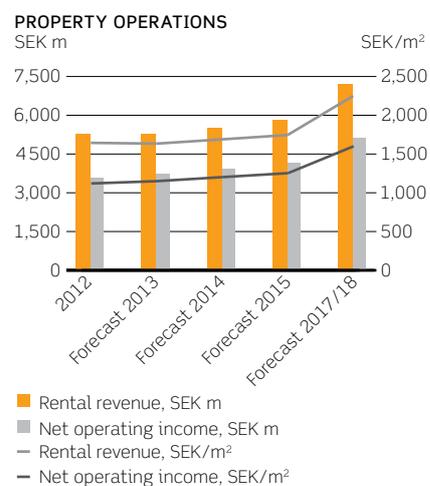
An assessment of Akademiska Hus over a three-year period is made each year. In 2012, there was a particular focus on the large investment portfolio. As certain projects extend beyond 2015, the Company's total property value is expected to amount to around SEK 75 billion in 2018, following investments of around SEK 20 billion. The investments mean that over 400,000 square metres will be added to the holdings. In addition to very large new constructions, there will also be substantial redevelopment and upgrading. Several large buildings will take the form of specially adapted premises that will have a very high market value.

The expected future cash flow will be stable as rental revenue is based on a contract portfolio with a remaining term of 5.2 years. Rental revenue will increase in line with the completion and commissioning of major current new construction and redevelopment projects. During production, the large project portfolio constitutes a charge on the cash flow in the form of interest expense and fees.

The forthcoming three-year period is expected to result in a significant curb on inflation, which will mean that the annual figure increases in the CPI index will result in a very limited increase in rent. On the cost side, development is

PROFIT FORECAST	2012	Forecast 2013	Forecast 2014	Forecast 2015	Forecast 2017/18
HOLDINGS					
Average rentable floor space, 1,000 m ²	3,203	3,230	3,268	3,325	3,650
Property value, SEK m	54,677	59,515	63,697	66,105	75,000
Net investment in properties, SEK m	2,762	4,235	4,182	2,408	—
KEY FIGURES					
Rental revenue, SEK/m ²	1,644	1,634	1,689	1,745	2,250
Net operating income, SEK/m ²	1,120	1,150	1,202	1,253	1,600
Yield, properties, %	7.1	6.9	6.8	6.8	6.8
FINANCIAL KEY FIGURES					
Rental revenue, SEK m	5,265	5,278	5,519	5,802	7,200
Net operating income, SEK m	3,585	3,714	3,927	4,167	5,100
Profit before tax, SEK m	2,546	3,162	3,231	3,443	—
Equity ratio, %	46	44	43	44	—
Return on equity, %	6.8	8.2	8.1	8.3	—
Dividend, SEK m	1,355 ¹⁾	900	900	900	—
Interest coverage level, %	672	547	451	465	—

¹⁾ In accordance with a proposal by the Board, to be presented at the Annual General Meeting on April 25, 2013.



expected to be relatively limited. The assumptions for key parameters in the forecast are presented in the table below.

FORECAST PREREQUISITES	2012	2013	2014	2015
Cost increase assumption		2%	2%	2%
October index, CPI	316.2	2%	2%	2%
Electricity, energy costs SEK/KWh		0.47	3%	3%
Salary increase		3%	3%	3%
Insurance premium (SEK/m ²)		1.70	1.70	1.70
Cost of capital		3%	3%	3%

Investment assessment: The same yield requirement and cost of capital are used in the valuation.

Yield is also expected to continue on a stable level of approximately 7 per cent. The developed property holdings will become more efficient and it is anticipated that economies of scale can be utilised. As extensive property investments take place within a short period of time, the level of internal financing will fall and

external financing requirements will increase. Assuming that the owner's dividend target remains the same, the equity ratio will fall from 46.1 per cent in 2012 to 44 per cent in 2015. The interest coverage ratio will weaken during the period before strengthening again when the new properties begin to generate rental revenue. Return on equity is expected to remain at around 8 per cent during the period.

The financing strategy followed by Akademiska Hus for many years will also remain in the face of the challenge that will ensue from financing future investments. A continued, well-balanced combination of both short-term and long-term public financing through programmes is expected to continue to be competitive. The substantial changes in the risk premiums on the credit market in recent years (credit spreads) have caused many borrowers on the property market to prioritise the bond market. The reason is the uncertainty regarding availability of credit in the banking system. For Akademiska Hus, the issues that have been im-

plemented in recent years in very long-term bonds with a term of 15–30 years have in part provided assurance of funding for the future investment portfolio. The current assessment is that the bond market offers financing that best limits refinancing risks. In spring 2013, the Ministry of Finance will conduct an analysis of Akademiska Hus, which could result in a change in the financial targets. The forecast presupposes that the targets remain unchanged.

A projection of the current property portfolio through to 2016 has been made where the completion structure in the lease portfolio is expected to be renewed in the customary manner, supplemented by the expected lease term in the investment portfolio. Presupposing that the lease terms, which are currently being discussed, can be realised, an extension can take place during the period. Implementation of the investment portfolio is expected to increase the average remaining maturity from 5.2 years to 7.7 years.

Competitors

Despite its relatively high market share, in the university and college sector, Akademiska Hus has a large number of competitors.

MARKET SHARES BY REGION AND LARGER CENTRES OF EDUCATION, %

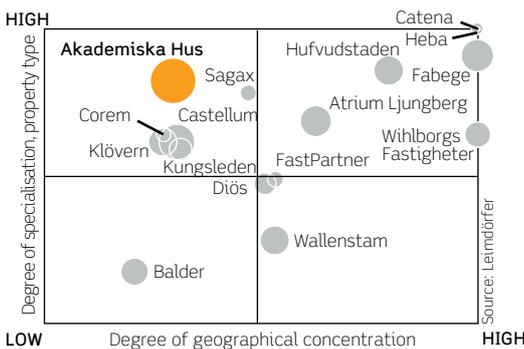
Regions	South	54	West	49	East	66	Uppsala	74	Stockholm	74	North	71
Centre of education (market share, Akademiska Hus)	Lund University	67	Gothenburg Univ.	55	Linköping Univ.	73	Uppsala Univ.	75	Stockholm Univ.	82	Umeå Univ.	76
	Malmö University	33	Chalmers	60	Örebro Univ.	97	Ultuna SUAS	85	Karolinska Inst.	88	Luleå Univ. of Tech	84
	Linné University	20	Karlstad Univ.	89		Gävle Univ.	87	Royal Inst. Tech.	90	Mid Swe. Univ.	33	
	Alnarp SUAS	85	Borås Univ.	66						SLU	68	
	Kri.stad Univ.	92	Skövde Univ.	48								

LARGEST COMPETITORS

Regions	South	West	East	Uppsala	Stockholm	North
Competitors ¹⁾	Videum	Chalmersfastigheter	Östergötl. Coun. Council	Statens Fastighetsverk	Clara Foundation	Balticgruppen
	Utvecklings AB Kranen	HIGAB	Akelius	SLU Property Managem.	Fysikhuset i Stockholm	A4 Vasallen
	Nat. Prop. Board	Trollhättans Tomt AB	Kungsleden		Fast. AB Telefonfabriken	
	DIL Nordic Malmö	Frageus Fastighets AB			Statens Fastighetsverk	
	Alecta					

¹⁾ Competitors according to region, with rented space in excess of 10,000 square metres, reported on a falling scale. Source: Swedish National Financial Management Authority

CONCENTRATION AND SPECIALISATION



MARKET SHARES PER REGION



BRAND

The Akademiska Hus vision is to be a world leader in knowledge environments. We are definitely the expert in Sweden in knowledge environments. No one else can offer our collective experience and expertise. Clarifying our offer to the customers is part of the challenge in our brand development work.

CAMPUS CONCEPT

Akademiska Hus works proactively to develop the knowledge environments of the future. Through the campus concept, we work with our customers to develop their operations and brands. This is based on an ongoing dialogue and monitoring of the development and needs of the centres of education. Our unique position as a property owner is noticeable mainly on campuses. The campuses and their closely connected properties, with education and research buildings, libraries and restaurants gathered in one place, interact and create unique conditions.

OTHER COMPETITIVE FACTORS

Akademiska Hus strives to establish good, long-term relationships with customers. Customer requirements change and the demand for modern, efficient, well-located premises is currently on the increase. Customer needs are reflected in the Akademiska Hus project portfolio. Extensive new construction and development projects are taking place to offer the best and most cost-effective solutions in the provision of premises to satisfy customers.

MARKET POSITION

Akademiska Hus is one of the largest property owners in the country. The property holdings comprise knowledge environments. Universities and colleges account for approximately 90 per cent of the rental value. By specialising in properties for education and research, we have acquired a market share of 63 per cent. Geographically, Akademiska Hus has operations at 28 locations, although 80 per cent of the rental value is concentrated on the six largest towns and cities.

COMPETITORS

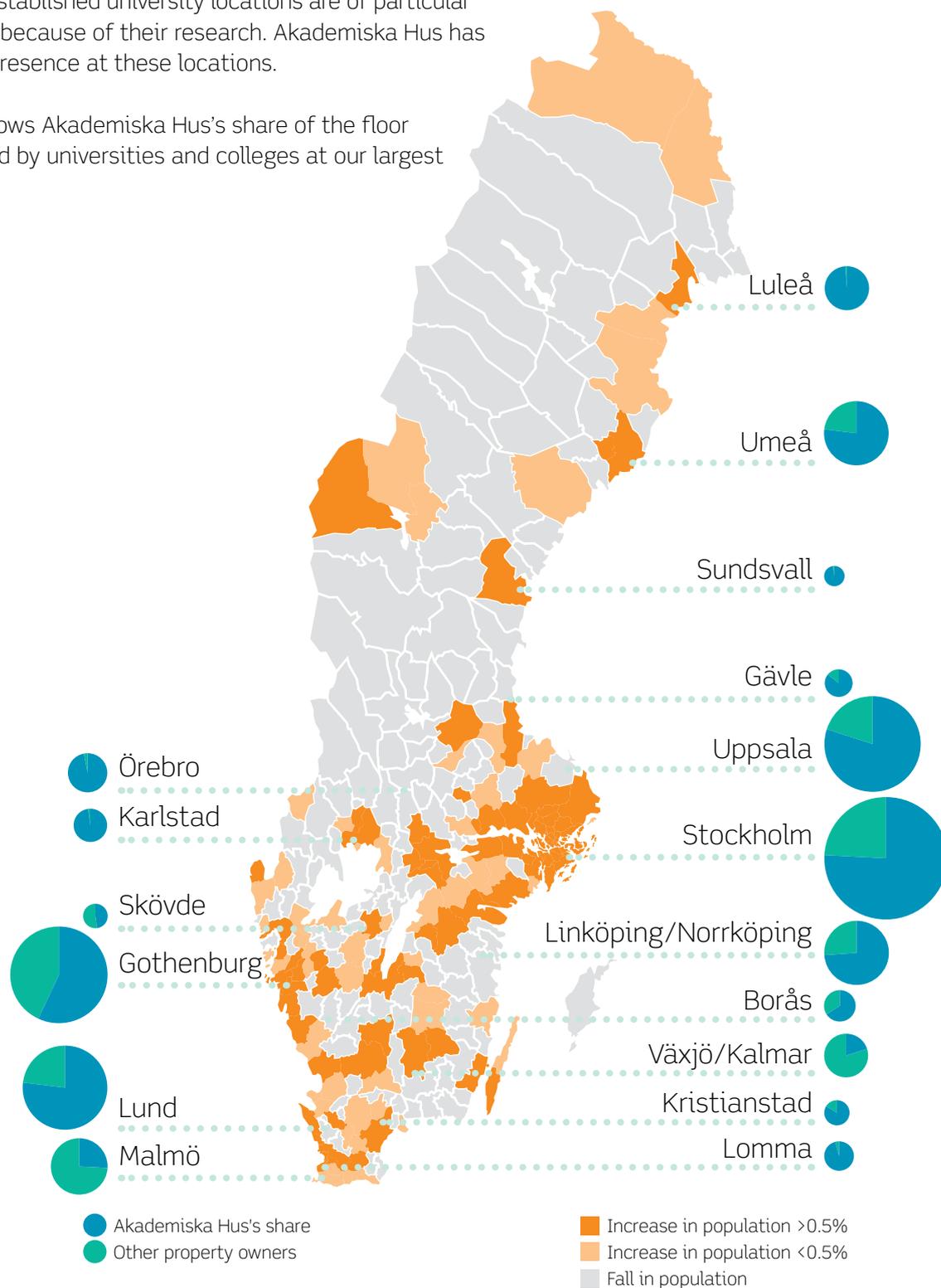
Competition has increased in recent years. There is now a large, stated interest in investing in community properties and quality properties with long leases. Universities and colleges are attractive tenants. They have good payment capacity and a long-term need for premises. The financial crisis and government debt crises have resulted in increased risk aversion. In the property segment, capital is being drawn towards property types with safe, stable cash flows with a subsequent low risk.

The fact that an increasing number of companies are showing an interest in this sector of the non-residential market can be attributed to universities and colleges moving to newly established university campuses and choosing, more than was the case previously, to move to premises that are more efficient in terms of cost and utilisation of floor space.

Market share 2012

Akademiska Hus operates at 28 locations throughout the country – locations where Sweden is growing as a nation of knowledge. Calculated as a proportion of the floor space for university and college premises, Akademiska Hus’s market share is 63 per cent. In the development of Sweden as a nation of knowledge, the large, well-established university locations are of particular importance because of their research. Akademiska Hus has a stronger presence at these locations.

The map shows Akademiska Hus’s share of the floor space leased by universities and colleges at our largest locations.



Leases, revenue and vacant space

Properties with stable cash flows and a low rent risk

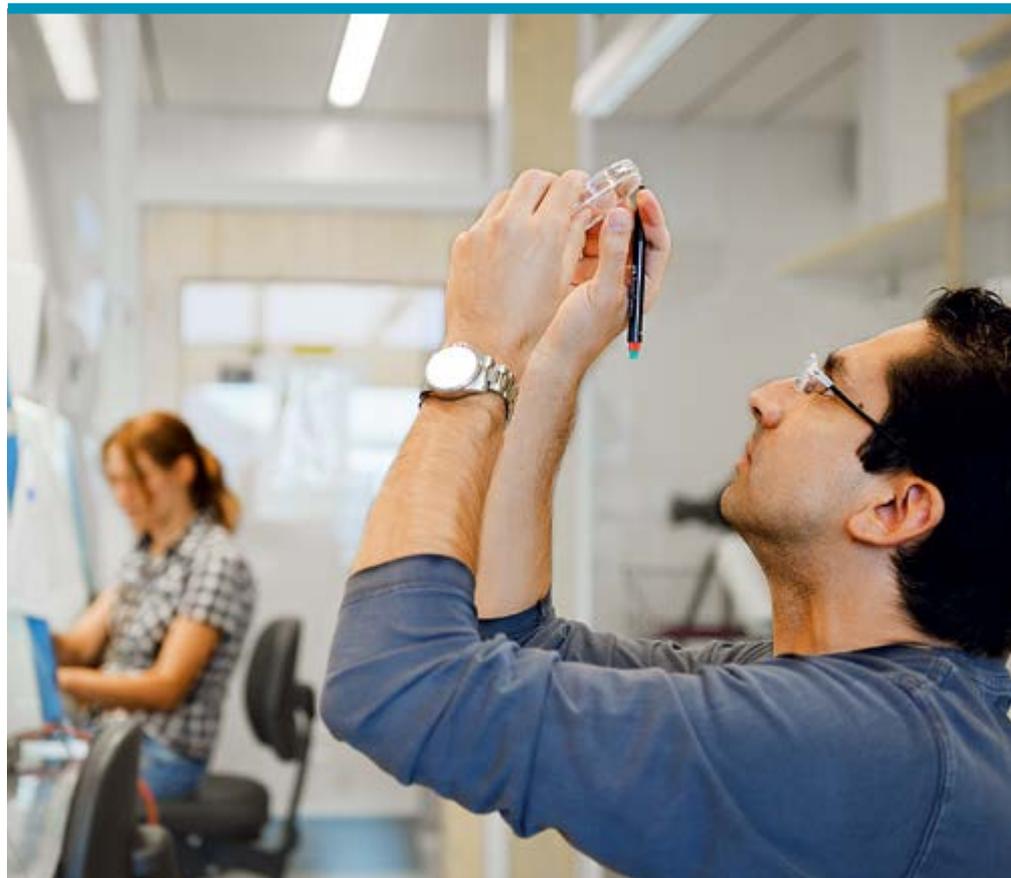
The relatively long lease terms in the lease portfolio reflects stability and long-term thinking in the cash flow.

Management can be seen as an umbrella concept covering all the technical and financial measures taken during the lifespan of a building. As opposed to construction, property management is a process extending over a long period, where quality and content emerge over time in line with changes in customer needs. Management covers everything from the strategic part, which includes the portfolio content, what is to be built and how general customer and maintenance policies are handled, through to the operative part, which includes ongoing technical, financial and administrative care of the buildings.

LEASES

The Akademiska Hus lease portfolio is characterised by long leases with universities and colleges.

The average term for newly signed leases is just over 10 years. At the end of 2012, the average remaining lease term was 5.2 years (5.6). Over the past 5–10 years, the remaining lease term has fallen by approximately one year on average. The reason for the fall in the lease term is that a large proportion of the Akademiska Hus property holdings were built up during the 1990s following major new construction and redevelopment and substantial refurbishment, often with long leases of 10 years or more. The majority of these leases have fallen due for renewal and in conjunction with renegotiations they are replaced by shorter leases, often three years, as the customer seeks greater flexibility. A large proportion of the lease is for specialist buildings for research and development and the assessment is that the probability of lease renewal is higher at Akademiska Hus compared to other property companies. A shorter lease does not entail the same risk compared to new leases for more general premises. For larger, complex specialist buildings for laboratory and research operations, a lease is normally required where a large proportion of the investment is repaid within the term of the lease, which means leases of 10 years or more. For premises that are more spe-



BioCentre, Swedish University of Agricultural Sciences, Uppsala

cially adapted, it could be difficult to find alternative uses without carrying out extensive reconstruction. To handle this risk, very long leases are required. In conjunction with new construction and redevelopment, general premises are sought, i.e. premises that can be adapted easily to other activities if the tenant chooses to move.

Akademiska Hus has 1,330 leases with a total rental value (current rent) of SEK 5,612 million. The average lease is for 2,408 square metres with an annual rent of SEK 4.3 million.

The average remaining lease term is 5.2 years.

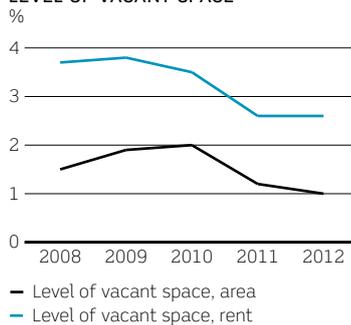
Only 2.6 per cent of the floor space or 1.0 per cent of the rental value is vacant.



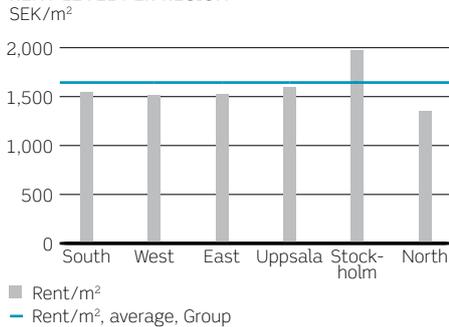
RENTAL REVENUE



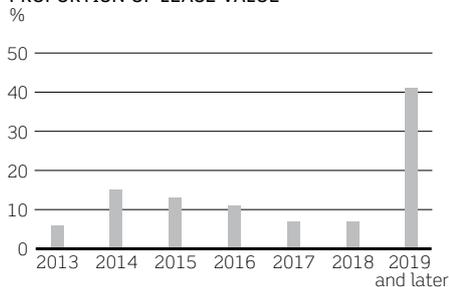
LEVEL OF VACANT SPACE



RENT LEVEL PER REGION



LEASE RENEWAL STRUCTURE, PROPORTION OF LEASE VALUE



VACANT SPACE 31-12-2012

Property	Location	m²	Loss of rental income, SEK m	Vacant since
Centre for Chemistry and Chemical Engineering Building 4	Lund	11,564	4.6	2010-10
Mathematical Sciences	Gothenburg	5,666	6.6	2007-07
Stora Institutionen	Uppsala	5,352	0.0	2012-01
Laboratory building	Stockholm	3,384	3.4	2012-02
Electrum 1	Stockholm	3,373	3.2	2009-10
Clinical Centre Building 3	Uppsala	2,536	1.7	2004-07
Limnologen	Uppsala	2,484	1.0	2007-04
Forum	Stockholm	2,417	2.7	2009-06
Ultuna, miscellaneous	Uppsala	2,200	0.9	
Offices	Uppsala	2,070	0.7	2006-07
Terra	Linköping	1,899	1.8	2005-01
Laboratories and offices	Stockholm	1,862	1.2	2012-02
Equipment building	Lund	1,845	0.7	2006-07
Information Technology Centre	Uppsala	1,812	0.5	2008-07
Västra Lugnet	Uppsala	1,733	0.3	2012-07
Workshop	Uppsala	1,724	0.7	2012-01
Swartling	Stockholm	1,656	0.0	2006-09
Central Block	Uppsala	1,646	0.9	2006-11
Mechanical Engineering Building	Stockholm	1,420	1.0	2002-01
BMC	Uppsala	1,396	1.9	2006-01
Clinical Centre Building 4	Uppsala	1,393	1.0	2004-07
Stora Logen	Alnarp	1,287	0.1	2005-07
Technology Building	Uppsala	1,116	1.2	2010-07
Fyrkanten	Uppsala	1,104	0.0	2008-07
C Building	Skövde	1,086	0.8	2010-02
Galaxen	Linköping	1,050	1.1	2009-04
Electrum 3	Stockholm	1,000	1.5	2010-05
Tornavägen 4	Lund	1,000	0.1	2007-09
Other properties		15,516	12.9	
TOTAL		82,591 (2.6%)	52.5 (1.0%)	

LEASE RENEWAL STRUCTURE

Renewal year	Number of leases	Current rent, SEK m	Proportion of leases, %	Proportion of rent, %
2013	292	339	22	6
2014	324	826	24	15
2015	256	741	19	13
2016	142	599	11	11
2017	65	379	5	7
2018	50	419	4	7
2019 and later	201	2,309	15	41
TOTAL	1,330	5,612	100	100

LEASE PERIODS, REGIONS

Regions	Average lease term, years	Average remaining lease term, years
South	9.7	4.8
West	10.9	5.1
East	9.0	4.4
Uppsala	11.4	6.8
Stockholm	9.9	5.1
North	8.4	4.3
TOTAL	10.0	5.2

During 2012, seven per cent was renegotiated, equivalent to SEK 326 million of the lease portfolio in rental value. During 2013, 292 leases will be renegotiated, equivalent to 22 per cent of the total number of leases but only six per cent of the lease value.

In conjunction with renegotiations, the renewal structure is taken into account with the aim of achieving an even spread over time to minimise the time risk. Over the next few years, there is a good spread in the lease renewal structure.

RENTAL REVENUE

Fully leased, rental revenue, including supplements for 2012, totalled SEK 5,364 million (5,238). The increase is attributable to the commissioning of new buildings and completion of redevelopment projects amounting to SEK 63 million. Index-linked increases for 2012 resulted in an increase in rental revenue of SEK 52 million. The completed sale in Kalmar during the year affected rental revenue negatively by approximately SEK 14 million. Rental revenue was on average SEK 1,644/m² (1,599). The rent level varied between SEK 1,349 per square metre in the Northern Region and SEK 1,975 per square metre in the Stockholm Region. The difference can be attributed largely to varying market conditions but also to the fact that the combination of leased premises varies between the regions. A higher proportion of laboratories means increased rent levels. On average, the proportion of laboratories is 34 per cent but varies between the regions. The Western Region has 25 per cent laboratories whilst in the Uppsala Region the figure is as high as 46 per cent. SEK 77/m² (82) or around five per cent of the rent level refers to the customer's specific requirements, i.e. a supplement for either tenant adaptations or media provision.

The attraction of having universities and colleges as customers has led to greater competition. Long-term centres of education with a good credit rating are attractive tenants. Competition means that unchanged rent levels in conjunction with renegotiation should be regarded as satisfactory. Renegotiation of existing leases during the year has at a number of locations frequently led to unchanged or slightly lower rent levels. Renegotiations refer essentially to specialist buildings where the initial lease repaid a large pro-

portion of the investment within the initial lease period. In these renegotiations, it is difficult to retain the rent levels on the grounds of technical development if the properties have not been developed. Overall, the increased rent level mainly reflects the fact that several new buildings were completed during the year.

LETTING AND VACANCY LEVELS

Akademiska Hus specialises in buildings for universities and colleges. The strong rate of growth since the 1990s for these buildings has led to a very high letting level of 97.4 per cent. However, with large property holdings, even a very low level of vacant space results in large areas without a tenant. Akademiska Hus is following the trend on the regional markets very closely to minimise vacant space.

The increased need for space in the higher education sector has mainly been met through new construction. Often it has been a case of specialist buildings for laboratory and research activities, resulting in long leases of ten years or more.

There continues to be a good influx into higher education and research is growing. Several customers are planning new buildings and the Akademiska Hus project portfolio is larger than ever. However, the picture for the different centres of education varies. In 2011, operations increased substantially, particularly research. A high proportion of the increase is concentrated on a small number of centres of education and the Akademiska Hus project portfolio is focused on the Uppsala and Stockholm regions. In line with extensive new construction, older, less modern premises become vacant, as they do not match up to the education and research environments envisaged for the future.

The total holdings at the end of 2012 amounted to 3,207,528 square metres, of which 3,124,937 square metres, or 97.4 per cent, have been let.

Vacant space amounted to 82,591 square metres (82,417), equivalent to 2.6 per cent (2.6). The loss of rental revenue resulting from the vacant floor space is valued at SEK 52 million, giving a financial level of vacant space of 1.0 per cent (1.2). A large proportion of the vacant space is in simpler premises with a rental value that is lower than average.

Based on the dialogue that is taking place with the Company's customers and the forecasts made for the letting of vacant premises, the level of vacant space is expected to remain on the present level during the period 2013–2015.

VACANT SPACE PER REGION

In the Northern Region, there is vacant space totalling less than 1,000 square metres.

The Uppsala Region has vacant floor space totalling approximately 30,000 square metres, of which the Ultuna Campus accounts for around 18,000 square metres. In the Ultuna area of Uppsala, a new campus is emerging. Parts of the holdings in Ultuna are in poor condition and are due to be demolished.

In the Stockholm Region, the level of vacant space is approximately 20,000 square metres. Kista is the sub-market in the region where the Company has the highest level of vacant space, almost 7,000 square metres.

In the Eastern Region, the level of vacant space is just over 3,000 square metres, of which the Terra property in Linköping accounts for 1,900 square metres and Galaxen in Linköping 1,000 square metres. There is no vacant space in Örebro or Norrköping.

In the Western Region, there is vacant space totalling around 9,000 square metres. The largest individual block of vacant space is at the Mathematics Centre on the Chalmers University of Technology campus, standing at just over 5,600 square metres. The Mathematics Centre will be used in the short term for evacuation when modernisation commences of the School of Architecture and the Department of Civil and Environmental Engineering on the Chalmers campus. In the future, the co-operation agreement with Johanneberg Science Park will result in the development of the Johanneberg Campus in Gothenburg.

In the Southern Region, vacant space amounted to around 20,000 square metres and comprises mainly outmoded premises on the Lund University of Technology campus, mainly the Centre for Chemistry and Chemical Engineering, which will be used for evacuation purposes.

Operating and maintenance costs

Systematic follow-up processes and operational optimisation

Operating costs are the largest single expense within property management that can be influenced.

Operations comprise two sub-processes: Media provision and Monitoring and service.



Biomedical Centre, Lund University

Operation' and 'maintenance' are defined as follows according to the industry standard (Property Management Information Association, Property Glossary 2008): Operating costs are costs incurred to keep a property, installation or similar facility functioning. Operating costs are divided into:

- Media provision. This covers the supply of electricity, water, fuel, gas, compressed air, district heating and cooling as well as television, radio, telecom and computer signals.
- Monitoring. This covers observation of the functioning of a management object, including fittings, equipment and reporting of deviations. Examples of monitoring include various forms of inspection.
- Service. Includes adjusting or looking after the management object: fittings, equipment, replacement or supply of consumables. Examples of service include changing drive-belts and air filters, cleaning and less complicated removal of graffiti.

Maintenance costs are all the technical, administrative and operative measures carried out during the lifetime of a unit with the aim of maintaining the unit or restoring it to such a condition that it can

perform the required function. Maintenance costs are divided into:

- Remedial maintenance. Maintenance carried out after an operational fault has been discovered and with the aim of restoring the unit to a condition in which it can carry out the required function. An example of remedial maintenance is repairing a roof leak.
- Preventive maintenance. Maintenance carried out at pre-set intervals or in accordance with pre-set criteria with the aim of reducing the probability of a fault or degradation in the functioning of a unit. An example of preventive maintenance is planned replacement of a ventilation unit.
- Project maintenance. Maintenance measures carried out in conjunction with redevelopment.
- Tenant adaptations. Maintenance measures in conjunction with a new tenant or the renewal of a lease.

OPERATING COSTS

Akademiska Hus has established a bold objective aimed at reducing energy use. The aim is to reduce the volume of purchased energy per square metre by 40 per cent through to 2025 compared to 2000. The continued development of

The aim is to **reduce purchased energy by 40 per cent** through to 2025.

Media provision accounts for 69 per cent of operating costs. During 2012, two major projects commenced in the energy field.



technical solutions will mean that the buildings will to an increasing extent produce their own energy and thus become self-efficient. This objective means that the use of energy can be reduced by a further 25 per cent compared to the outcome for 2008. This means an approximate reduction of 2 per cent per annum. In 2012, the target was achieved and compared to the situation at the start in 2000, we are proceeding according to plan.

Operating costs for 2012 were SEK 870 million (885), which is equivalent to SEK 272/m² (277). Media provision accounts for 69 per cent of the operating costs, which amounted to SEK 598 million (618) or SEK 187/m² (193).

Akademiska Hus laboratory premises total 1.1 million square metres, which is equivalent to 34 per cent of the property holdings. The high proportion of laboratories means that Akademiska Hus has relatively high operating costs. The technical complexity of the buildings has a tangible impact on operating costs. The majority of new and redeveloped premises added in recent years have largely been in the form of extensive laboratory facilities. Laboratories are more resource-intensive than normal teaching premises, both from an energy point of view and in terms of maintenance and care. Akademiska Hus properties are used for a large part of the day and night and the length of time they are used is gradually increasing.

Energy use per square metre has fallen. However, due to the sharp increase in energy prices, total operating costs through to 2010 increased. During 2011 and 2012, the price of energy fell and was lower than in previous years.

Operating costs as a proportion of rental revenue were relatively stable at 17 per cent for 2012 (17). Volume benefits when procuring from energy providers as well as co-ordination gains, the best example being Group procurement of electricity on the electricity exchange Nord Pool, are also contributing to a reduction in operating costs.

To handle variations in the price of electricity, 78 per cent of the estimated use for 2013 had been hedged as of year-end.

ENERGY-SAVING INCENTIVES

The aim is to divide the energy cost between Akademiska Hus and the customers effectively and in a way that provides an incentive for both parties to make energy savings. The division of the energy costs is governed in part by the nature of the energy use and in part by the type of building.

The incentive is based on the principle that the party that makes the investment should also receive the financial benefit of the reduction in energy use. Energy work is focused increasingly on investments and the fact that it is the property owner that can influence use the most. In the opposite way to apartments, energy can be saved if the lease is formulated in such a way that heating and cooling are included. This can be explained by the fact that investments frequently involve pre-emptive maintenance, where functioning yet energy-inefficient equipment is replaced. To make these investments, it is natural that the property owner also benefits from the reduction in energy use. In the case of electricity, there is not the same clear, contractually dependent link and it is natural that the tenant is charged separately for the power used in its operations – for lighting and computers for example.

Akademiska Hus assumes full responsibility for the energy used in the buildings. Not only do we focus on the energy that is used to operate the buildings, we also include the tenants' power for computers and lighting in our energy objectives. The task of reducing energy use and load on the environment is something we are seeking to pursue in collaboration with the tenant.

Akademiska Hus has always founded its energy work on mitigating its environmental impact by reducing energy use.

ENERGY-SAVING WORK

The choice of incentive model is not the most important factor when reducing operating costs.

On the regional level, there are variations in the operating cost structure, the most common reasons being:

- Different degrees to which the cost is passed on to the tenant, particularly for energy, which means a variation in incentives for the tenants to manage their use of energy.
- The age structure of the buildings is of some significance as older buildings are more energy-intensive.
- Locations with technical and medical research and development generally have higher energy costs due to the higher proportion of laboratories.

During the year, an ultramodern energy centre was commissioned that will reduce the amount of energy used for cooling at Kristianstad University. Using a new, environmentally friendly system, the district cooling at the University can be extracted entirely from groundwater. At Akademiska Hus, it is self-evident to adopt a long-term, sustainable approach and the Company is at the forefront in technology in many areas. Smart technical solutions mean that an increasing proportion of our buildings have extremely low energy use. Our aim is that all our new buildings will be environmentally classified and at least satisfy the stipulations at Sweden Green Building Council *Miljöbyggnad* silver certification level. Since 2010, when the Guarantees of Origin of Electricity Act was introduced, Akademiska Hus only purchases renewable electricity with a guarantee of origin. The aim is to demonstrate our desire to move towards fossil-free power generation.

To make a serious difference the greatest focus must be on existing holdings and working actively on a day-to-day basis to reduce operating costs, mainly through operational optimisation of existing systems. Where possible and profitable, work is also being done to introduce new, more energy-efficient technical systems. Knowledge of energy use in buildings is a critical area of expertise if efficiency-enhancing measures and technical system changeovers are to be implemented. Examples of changes in technical systems are the large ground storage facilities that have been installed in Lund, Örebro, Gothenburg and Kristianstad.

The day-to-day work on energy follow-up provides a good basis for making decisions regarding improved efficiency and optimisation. The Energy Portal is an IT system for the collection, follow-up and analysis of energy use. The Energy Portal provides employees in the Group with a clear overview of energy use. The system is based on automated energy readings and allows action to be taken on different levels in the system and to measure the effect of investments.

Within Akademiska Hus property operations, the majority of simple, energy-saving measures have already been implemented. To move on in our energy work, more complicated and extensive measures are required.

During 2012, two major projects commenced in the energy field.

- Requirement definition and introduction of a joint, systematic follow-up process. A clearer basis for follow-up and comparison in the energy field will provide greater similarity in energy follow-up as a means of facilitating energy use comparisons between different buildings and different regions. It will be easier to identify energy-saving measures that lead to more efficient energy use.
- Systematic work aimed at operational optimisation and directed energy initiatives as well as training of operating technicians. Knowledge will increase among operating staff through training that will lead to improved and assured operational optimisation. The training is expected to result in an optimised working approach and greater transfer of knowledge regarding efficient energy use. The project is also expected to contribute to greater motivation among operating staff.

MAINTENANCE COSTS

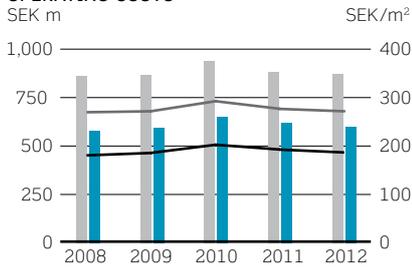
Akademiska Hus property holdings are of a very good standard. Extensive maintenance work has been carried out in the past with the aim of improving the standard of the property holdings. Because of the measures taken previously, the assessment is that the cost of maintenance can be preserved in the future. In 2012, maintenance costs were reduced compared to the previous year.

Maintenance costs for 2012 totalled SEK 564 million (603), of which SEK 77 million (74) refers to remedial maintenance, SEK 190 million (200) refers to preventive maintenance, SEK 162 million (212) refers to project maintenance and SEK 135 million (117) refers to customer adaptations. Average maintenance costs for the year totalled SEK 176/m² (189). Remedial and preventive maintenance account for SEK 83/m² (86) and project maintenance totalled SEK 51/m² (66). A regional breakdown of the maintenance costs is shown in the table. Maintenance costs vary between regions, mainly due to project maintenance in conjunction with redevelopment.

OPERATING COSTS, SEK M	South	West	East	Uppsala	Stockholm	Regions North	Group, total*
Electricity	55	52	40	78	146	35	406
Heating	27	24	20	47	41	14	173
Water	3	4	2	6	3	4	22
Cooling	5	1	4	1	7	1	20
Energy, other	5	0	0	0	0	0	5
TOTAL MEDIA PROVISION	95	81	66	132	197	54	598
Land costs, maintenance etc.	10	7	6	16	22	8	69
Building costs	18	9	3	12	21	7	70
Waste management	3	3	0	2	6	3	17
Labour cost, operation	13	18	8	18	21	9	85
Other	-1	5	4	3	19	1	31
TOTAL, MONITORING AND SERVICE	43	41	20	50	88	29	271
TOTAL OPERATING COSTS	137	123	86	182	285	83	870
Operating costs in SEK/m ²	276	246	245	317	317	220	272
of which media provision, SEK/m ²	190	163	188	230	219	144	187
Proportion of energy cost passed on	31%	32%	33%	50%	46%	24%	40%

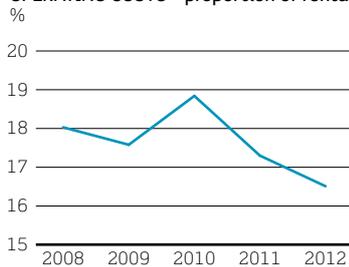
* The Group total includes certain central items not allocated according to region.

OPERATING COSTS

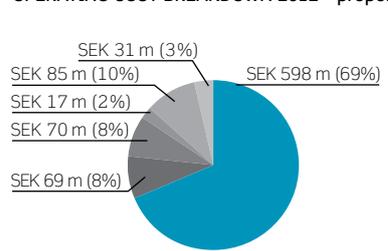


■ Operating costs
■ Of which media provision
— Operating costs, SEK/m²
— Of which media provision SEK/m²

OPERATING COSTS - proportion of rental revenue

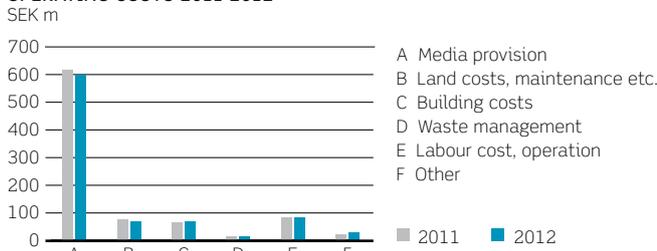


OPERATING COST BREAKDOWN 2012 - proportion



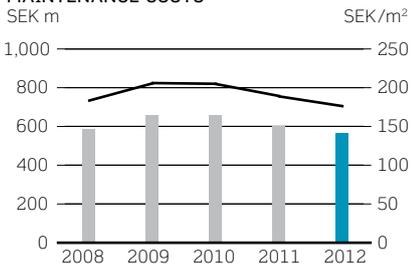
■ Media provision
■ Land costs, maintenance etc.
■ Building costs
■ Waste management
■ Labour cost, operation
■ Other

OPERATING COSTS 2011-2012



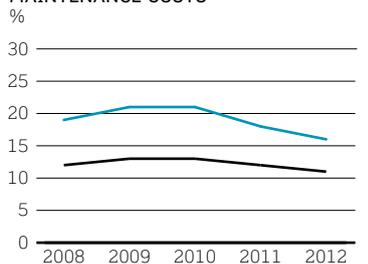
MAINTENANCE COSTS, SEK M	South	West	East	Uppsala	Stockholm	Regions North	Group, total
Remedial and preventive maintenance	42	44	22	46	89	24	267
Project maintenance	66	5	0	18	58	15	162
Customer adaptations	30	20	22	40	3	20	135
TOTAL MAINTENANCE COSTS	139	69	44	104	149	59	564
Maintenance costs in SEK/m ²	279	138	126	182	166	155	176
of which remedial and preventive maintenance, SEK/m ²	85	88	61	80	98	64	83
of which project maintenance, SEK/m ²	134	10	1	32	64	39	51
of which customer adaptations, SEK/m ²	60	40	64	70	3	52	42

MAINTENANCE COSTS



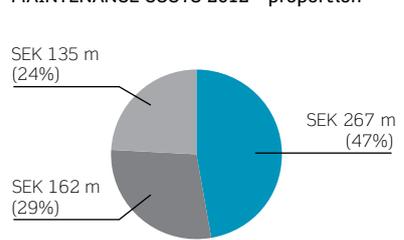
■ Maintenance costs, SEK m
— Maintenance costs, SEK/m²

MAINTENANCE COSTS



— Maintenance costs/Net operating income
— Maintenance costs/Rental revenue

MAINTENANCE COSTS 2012 - proportion



■ Remedial and preventive maintenance
■ Project maintenance
■ Cost of customer adaptations

Profitability and yield

Profitability stable

Property Management has reported stable results. Net operating income has improved due to lower operating and maintenance costs.

Property management is developing positively with a stable level of profit. During 2012, property management income increased by SEK 133 million compared to the previous year, and at the same time property management costs fell by SEK 64 million. Net operating income, i.e. rental revenue with a deduction for management costs, comprising operating and maintenance costs as well as costs for property administration, totalled SEK 3,585 million (3,389). The improvement can be attributed to increased rental revenue, which is a result of the commissioning of new facilities, completed redevelopment projects and reduced operating and maintenance costs. The net operating income ratio was 65 per cent (63) and is on a par with the average for the industry. Development of property management has been prioritised. Work is continuing generally to raise the net operating income ratio through long-term co-ordination and improved efficiency in property management.

Expressed in SEK/m², the net operating income was SEK 1,120/m² (1,059) and varies between SEK 903/m² in the Northern Region and SEK 1,429/m² in the Stockholm Region. The net operating income ratio varies between 58 per cent in the Southern Region and 70 per cent in the Eastern Region.

YIELD AND TOTAL YIELD

Yield was 7.1 per cent (6.9) of the assessed fair value. The increase can be explained by the fact that the net operating income increased more in relative terms than the property value.

Total yield for 2012 was 6.8 per cent (7.8), of which the yield was 7.1 per cent (6.9) and the increase in value was -0.3 per cent (0.9). The total yield for 2012 according to the SFI Property Index was 6.4 per cent, of which the change in value was 1.2 per cent and the yield 5.2 per cent. Akademiska Hus properties have strong net operating income, stable cash flows and a low rental risk (long leases, tenants with a good credit rating). The geographically broad portfolio also offers a good spread of risk that can benefit from growth in strong regional markets,

such as university and college towns and cities. The larger university centres are growing through investment in research and development and the systematic upgrading of their use of premises to achieve improved efficiency and greater appeal. The properties are of high quality and there is a strong demand. They are regarded as relatively secure investment objects with a stable yield in both good times and bad.

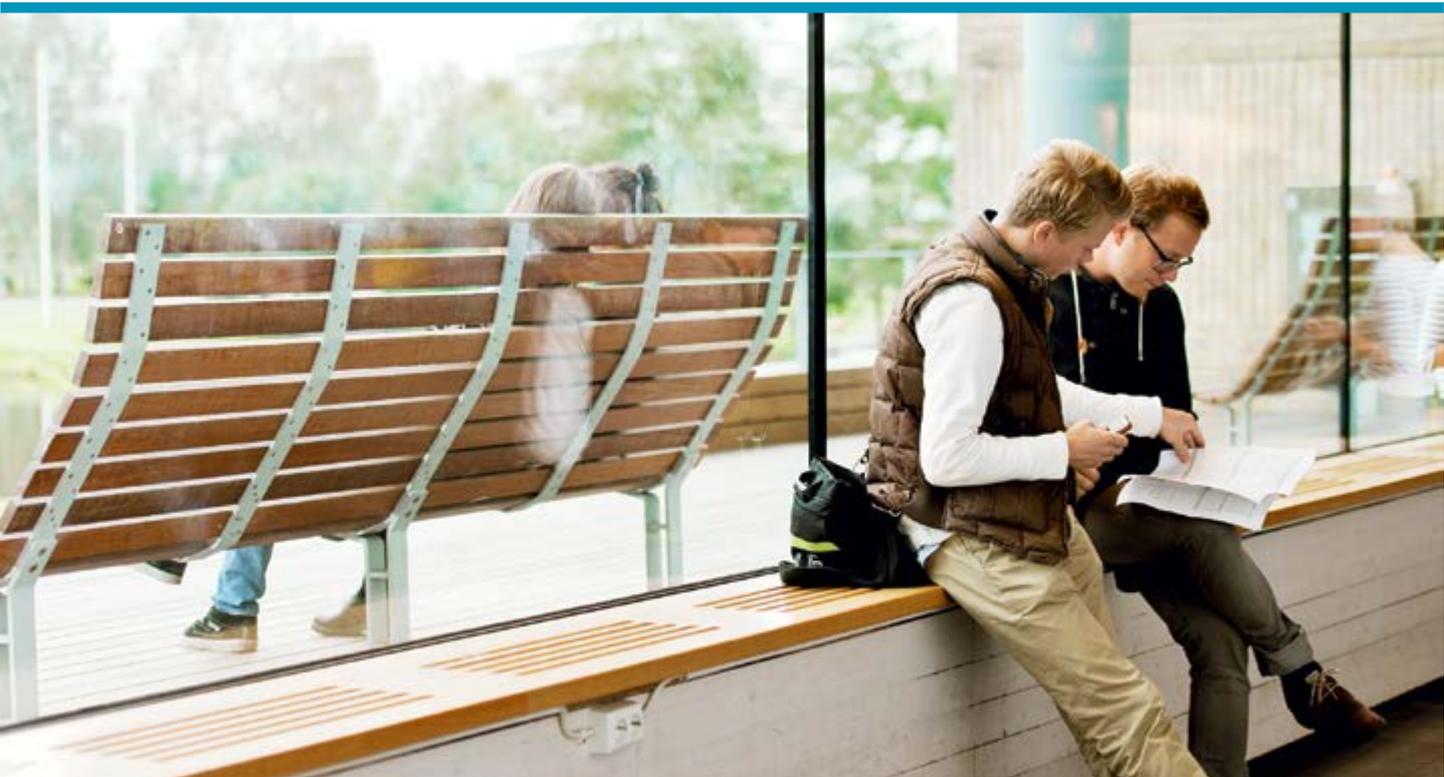
RETURN ON EQUITY AND TOTAL ASSETS

The return on equity for 2012 was 6.8 per cent (9.2) and the return on total assets was 5.3 per cent (6.5). The change in return on equity is due to a lower pre-tax profit of SEK 2,546 million (3,252). Net operating income increased by SEK 196 million. In addition, there was the change in value of investment properties in 2012 of SEK -291 million (361) whilst net financial interest income and expense amounted to SEK -682 million (-452). Return on equity was 8.3 per cent (7.8), excluding the change in value of properties. Over the past five years, return on equity, excluding changes in the value of properties, has been between 7.8 and 9.6 per cent, reflecting the stable earning capacity in net operating income.

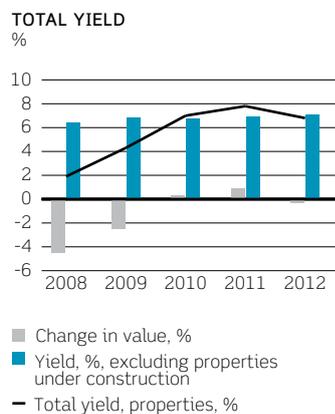
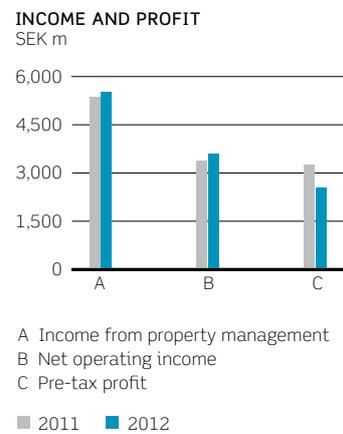
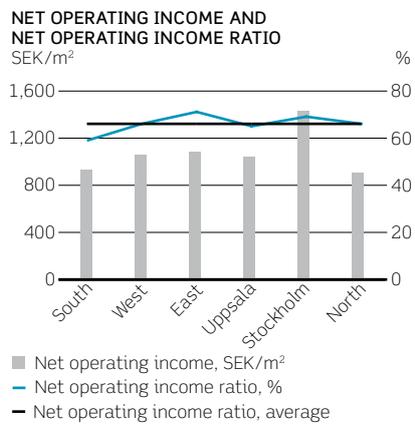
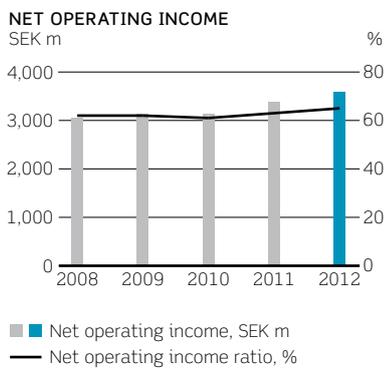
One of the owner's requirements for profitability is that the return on equity should be equivalent to the average five-year government bond interest rate plus four percentage points viewed over a business cycle. The average return on equity over five years was 5.9 per cent whilst the target was 6.4 per cent.



School of Business, Economics and Law,
Gothenburg University



Lindellhallen, Umeå University



Property valuation

Unchanged yield levels

Despite the slowdown in the economy, there continues to be a demand for modern, flexible buildings of a high technical standard.

CHANGE IN THE VALUE OF PROPERTY HOLDINGS DURING 2012	SEK M
Assessed fair value, December 31, 2011	52,071
Investments in new construction and redevelopment	2,901
Acquisitions	7
Capitalised interest expense	107
Sales	-146
Change in market value	-262
of which change in value as a result of a change in the cost of capital and yield requirement	-29
of which change in value as a result of a change in the assumed rate of inflation	-232
of which change in value as a result of a change in the value index (valuation location, average remaining term, type of premises)	-262
of which capitalised interest expense	-107
of which commissioned projects, revaluations of cash flows etc.	367
ASSESSED FAIR VALUE, DECEMBER 31, 2012	54,677

The market is now focusing more on properties with **stable cash flows and low rental risk**, which is to the advantage of Akademiska Hus.



Strong demand means unchanged yield requirements and cost of capital. Uncertainty about the future could lead to rising yield requirements.

MARKET VALUATION 2012

The fair value of Akademiska Hus properties as of December 31, 2012 was SEK 54,677 million (52,071). Investment in new construction and redevelopment took place totalling SEK 2,901 million (2,254). Sales amounted to SEK 146 million (117). The fair value has been calculated by means of an internal property valuation covering all the Company's properties. The unrealised change in value for the year is SEK -262 million (364). The fair value per square metre is SEK 15,504 (15,220).

Future-oriented indicators signify a continued slowdown in the Swedish economy with a slow rate of growth.

There is a significant risk of a downturn and the rate of growth could be weaker and more protracted than previous forecast. No significant increases or decreases in rent were noted during the year. With the current recession and persistently high unemployment, it is considered likely that the rental market will weaken during the coming year. In the light of this weak rate of development, the demand for premises is being driven by a desire to make more efficient use of floor space and to reduce the total area. For this reason, there is a continued demand for modern, flexible premises of a high technical standard. Demand is mainly for new or redeveloped, upgraded prem-

ises in prime locations. However, it is difficult to assess future development. The trend on the property market regarding rents and vacant space is difficult to forecast at the present time. There are also other controlling factors, such as interest rates, access to credit and the demand for alternative investment objects. In time, there is a risk of a rise in yield requirements. Based on the current state of the market, the assessment is that yield requirements for Akademiska Hus's modern, well-located premises will continue to be relatively stable in the short term.

CHANGES IN THE FAIR VALUE OF INVESTMENT PROPERTIES, REGIONS, SEK M

Region	31-12-2012	31-12-2011	Change	Of which investments/acquisitions	Of which sales/disposals	Of which unrealised change in value
North	4,096	4,057	40	63	—	-23
Uppsala	10,094	9,424	670	987	—	-317
Stockholm	22,335	20,859	1,475	1,400	—	76
East	4,557	4,496	62	95	—	-33
West	6,975	6,771	204	111	—	93
South	6,620	6,464	156	254	-146	48
TOTAL	54,677	52,071	2,606	2,908	-146	-156

AKADEMISKA HUS MARKET SEGMENT

The geographically diverse portfolio offers a good spread of risk, supported by development of strong, regional markets such as university and college towns and cities. Akademiska Hus property holdings are mainly on campuses in attractive locations in established university cities. The risk level in these locations is limited by access to an active, highly efficient rental market. Properties are to be found in a market segment that is normally designated community properties. Tenants have a state or municipal principal and thus have a very good credit rating. This means that stable cash flows can be assured through long-term leases, resulting in a low rental risk. There has been a strong demand for Akademiska Hus properties for many years and they are regarded as good investment objects. In contrast to commercial properties in general, they offer a stable yield irrespective of fluctuations in the economy.

Characteristic for Akademiska Hus are very long leases with stable customers with a good credit rating. Some 90 per cent of income derives from the dominant customer group, universities and colleges. All universities and colleges, apart from Chalmers University of Technology, have the Swedish government as principal and thus the highest credit rating. The average remaining lease term is 5.2 years (5.6).

The larger university centres are growing mainly through research and the systematic upgrading of their use of premises to achieve improved efficiency

and greater appeal. The appeal of the old centres of education can also be explained by the fact that they are located in the city regions. Almost 70 per cent of the resources for higher education and research go to the three city regions. This trend is very noticeable in the Akademiska Hus project portfolio.

MARKET RISK

All property holdings are exposed to the market risk associated with property as an asset. Even Akademiska Hus property holdings are subject to this type of risk exposure and we need to handle variations in general yield requirements that are explained by investor preferences switching to other types of assets, the construction and contracting market, financial opportunities and societal control.

PROPERTY RISK

Properties are focused on a fixed location, permanent and capital-intensive. The property-specific risk premium should therefore reflect the fact that properties have a poorer liquidity than financial assets as well as the position and condition of the property, the length of the lease, the payment capacity of the tenant, the net operating income, the technical risk, the environmental load and the fact that the level of vacant space can change.

The conclusion is that as investment objects, properties must generate a higher yield than risk-free interest.

VALUATION MODEL

The Akademiska Hus valuation model complies with good market practice in the property industry and the yield requirements are based on company-specific conditions and conditions in the property industry generally. The properties have been valued individually without taking into account portfolio effects.

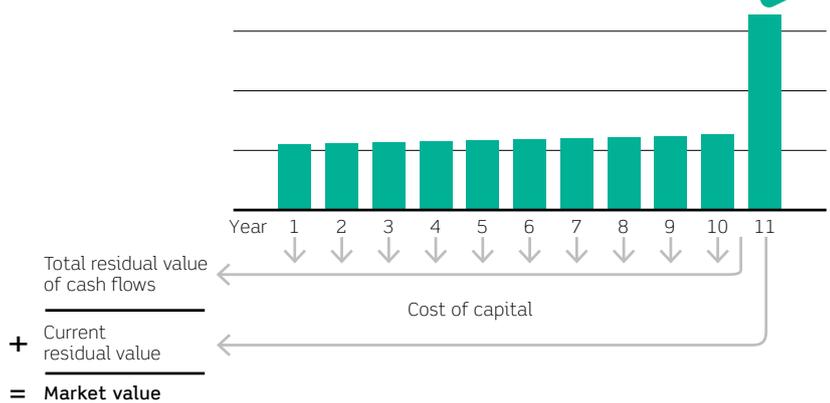
For an initial calculation period of 10 years, a current value is computed for the cash flow generated each year using a nominal cost of capital. In addition, the residual value after year 11 is estimated based on actual market yield requirements. This residual value is in turn calculated at the current value using the cost of capital.

The starting point when choosing the cost of capital is the nominal interest rate on the secondary market for government bonds with a term equivalent to the length of the calculation period. A risk premium is added to cover the market risk and the property-related risk.

In the case of Akademiska Hus, the cash flow is largely assured through long leases during the calculation period. Under these conditions, the uncertainty that a portfolio with shorter leases would entail is limited.

The yield requirements are assessed, as far as possible, using the property transactions that have been completed on the market and, as far as possible, using comparable properties and in-house analyses. Each year, Akademiska Hus has the yield requirement, cost of capital and other valuation prerequisites verified by

CASH FLOW MODEL



The yield requirement is used to capitalise the cash flow for the remaining periods.

two independent valuation institutes, NAI Svefa and DTZ.

Both cost of capital for discounting cash flow and the yield requirement have been differentiated depending on the town, location, lease term and type of premises for each property. The risks are thus analysed in several dimensions and are generally assessed to be higher for properties with shorter leases, laboratory premises and properties located outside the city regions. The differences in yield requirement between different properties are greater compared to the differences in the cost of capital due to the fact that the yield requirement reflects more clearly uncertain conditions after year ten.

RESIDUAL VALUE

Akademiska Hus operates in a specific segment of the property market where the residual value is slightly more uncertain than for more general properties, such as office buildings and residential buildings, which means that they are not available for new tenants or other purposes without substantial redevelopment. This applies above all to buildings outside the city regions that have a significant element of specific operationally adapted premises. An assessment must be made of the risk in the cash flow in the very long term. After an initial calculation period, the more property-specific risks when assessing the residual value must be reflected in more concrete terms in the form of the yield requirement. At the point at which the residual value is set, an assessment is made of prevailing uncertainty regarding standard, technical risk, adaptation requirements and vacant space. These risks are quantified mainly in the form of charges on the cash flow rather than in the risk premium.

The reported fair values are assessed in an environment where uncertainty and incomplete information exist for the parameters at the time of valuation. Sudden changes in external circumstances can occur and the fair values can be affected relatively quickly. The values reflect the opinion held by Akademiska Hus at the time of the valuation, where we have accumulated solid experience in following and valuing our properties over time. The customary uncertainty range in conjunction with external valuations is usually +/- five per cent, which represents a change in the property value of SEK 2,700 million.

VALUATION CONDITIONS 2012

There has not been any general change during the year in the yield requirement or cost of capital in the internal property valuation. The present situation, with

record-low nominal and real interest rates is reflected in a slight rise in risk premiums for property investments. The difference noted previously for yield requirements between good and less attractive objects continued during 2012. Well-situated, efficient properties with a strong customer base and high rental potential are in greatest demand and are less sensitive to external changes.

The very low rate of inflation at present has resulted in a reduction in the inflation assumption for 2013 from 2 per cent to 1 per cent, which has affected the fair value to the amount of SEK -232 million. The total change in valuation during the year was SEK -262 million, which is equivalent to a fall of 0.3 per cent (increase of 0.9). The average cost of capital was 8.6 per cent (8.5) and the average yield requirement was 6.4 per cent (6.4).

The yield requirement and cost of capital for each region are presented in the graph on page 40.

EXTERNAL VALUATION

A selection of the properties is also valued each year by external valuation companies to assure the internal valuation model. Certain development properties with income and costs that are difficult to estimate are also valued externally. The external valuations in 2012 were made by DTZ as a benchmark for the internal cash flow valuations. DTZ's valuers are authorised by the Swedish Society of Real Estate Economics. The external valuations carried out confirmed the reliability of the internal valuation model.

VALUATION METHOD

SEK 52,130 million (95 per cent) of the assessed fair value has been confirmed by means of an internal cash flow valuation.

Expansion reserves, SEK 940 million (2 per cent) were valued using location prices for building rights with a deduction for development costs. In some cases, where the planning conditions for new construction are unclear, the land values were used to set the fair value. SEK 1,607 million (3 per cent) comprises development properties with uncertain future cash flows as well as the few residential properties. These have been valued individually using the valuation method that was most appropriate.

The value of investment properties includes new construction in progress amounting to SEK 4,006 million (2,181), which has also been valued using the internal cash flow valuation.

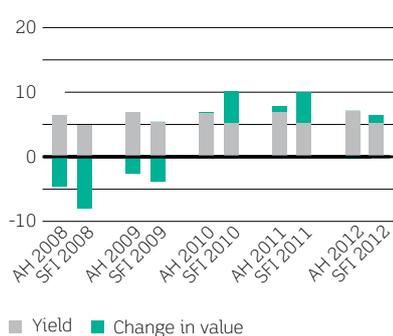
The cash flow comprises each valuation property's income and expenses, i.e. the net operating income. The calculation of the rental payments is based on current leases. If the rent level at the end of the lease is considered to be on market terms, it has been assumed the lease can be extended subject to the same terms and conditions. Otherwise, the rents have been adjusted to bring them in line with the market.

Cash flow for operating costs is based on budget and forecasts. Property administration costs have been assessed based on the average level of costs within Akademiska Hus and maintenance costs have been assessed based on actual costs and experience from comparable properties as well as key maintenance figures for the industry.

VALUATION ASSUMPTIONS

Division into town, city, location	27 towns, cities, locations
Special adaptation/type of premises	Laboratory premises/non-laboratory premises
Lease term	> 10 years > 6 years =< 6 years
Calculation period	10 years
Inflation assumption year 1	1.0%
Inflation assumption years 2-10	2.0%
Vacant space	Actual or 5%
Deduction for stamp duty	4.25%
Property administration	SEK 75/m ²
Operating costs	Actual + inflation
Maintenance costs, non-laboratory premises	SEK 70/m ²
Maintenance costs, laboratory premises	SEK 110/m ²

TOTAL YIELD
%

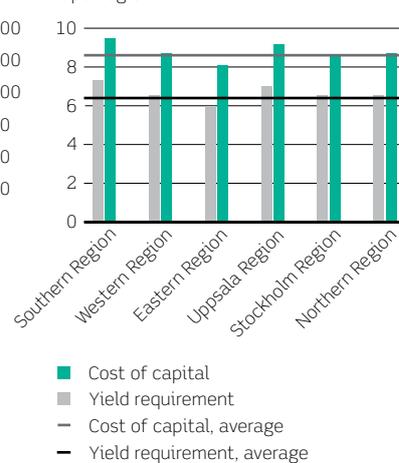


AH = Akademiska Hus SFI = Swedish Property Index

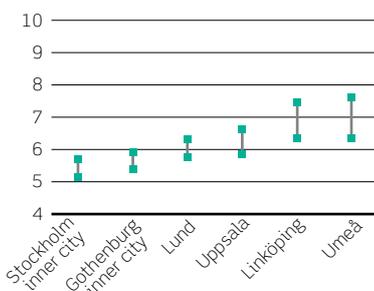
PROPERTY VALUE



YIELD REQUIREMENT AND COST OF CAPITAL
% per region

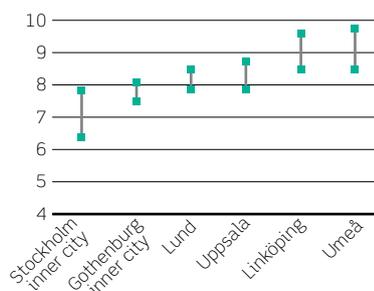


YIELD REQUIREMENT
% per town and location



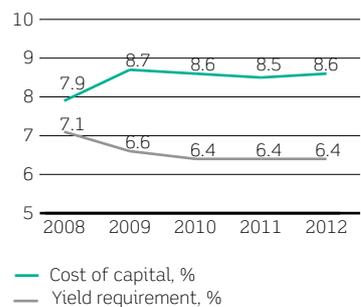
Lowest: lease period: = >10 years. Premises category: non-installation-intensive premises
Highest: lease period: = <6 years. Premises category: installation-intensive premises

COST OF CAPITAL
% per town and location



Lowest: lease period: = >10 years. Premises category: non-installation-intensive premises
Highest: lease period: = <6 years. Premises category: installation-intensive premises

YIELD REQUIREMENT AND COST OF CAPITAL
%



VALUE SPREAD, REGIONS

Region	Rental revenue, SEK m	Net operating income, SEK m	Yield requirement, valuation, %	Cost of capital, valuation, %	Fair value, SEK m	Yield, fair value, %	Change in value, %	Total yield, %
North	511	342	7.3%	9.5%	4,096	8.5%	-0.6%	7.9%
Uppsala	920	601	6.6%	8.7%	10,094	6.9%	-3.6%	3.3%
Stockholm	1,780	1,287	6.0%	8.1%	22,335	6.4%	0.4%	6.8%
East	535	380	7.0%	9.2%	4,557	8.5%	-0.7%	7.8%
West	753	528	6.6%	8.7%	6,975	7.8%	1.4%	9.2%
South	766	463	6.6%	8.7%	6,620	7.3%	0.8%	8.1%
TOTAL*	5,265	3,585	6.4%	8.6%	54,677	7.1%	-0.3%	6.8%

* Certain central items are included which are not allocated according to region.

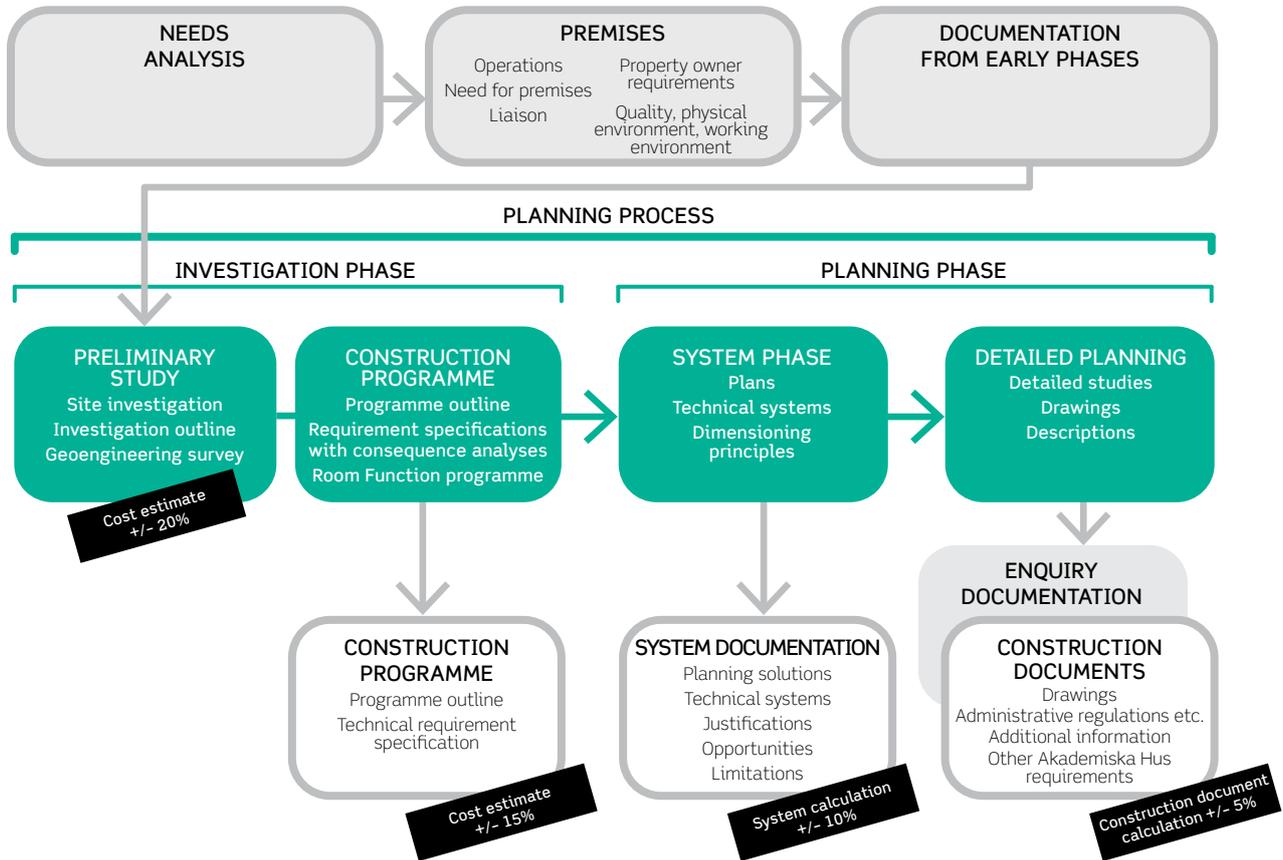


Key Building, Linköping University

Construction operations

Focus on Stockholm and Uppsala

PROJECT PLANNING PROCESS



The project portfolio amounts to SEK 26 billion. The focus is on Stockholm and Uppsala with a number of major new construction projects.



PLANNING PROCESS AT AKADEMISKA HUS

Details of operations, floor space requirements, liaison requirements, environmental/sustainability considerations etc. form the basis for the planning process.

During the enquiry phase, requirements are formulated and presented whilst the planning phase results in solutions.

INVESTIGATION PHASE

The project and its prerequisites are investigated. Needs are reformulated into requirements and consequences in a construction programme.

PLANNING PHASE

The main design of the building and the technical system solutions are processed in the system phase.

The detailed planning phase focuses on dimensioning and completed studies as well as co-ordination of technical solutions. Detailed planning results in

models, drawings and descriptions, which together make up the construction drawings.

Complete information about the Akademiska Hus planning process is available at 'Planning guidelines' (akademiskahus.se).

NEWS 2012

Construction information modelling has changed the construction industry in recent years and continues to drive development in the industry forward at a rapid rate. With the aid of construction information modelling, a digital model of a building can be created that includes all the relevant information in a construction project. The three-dimensional model visualises the design and functionality, predicts costs, avoids collisions and analyses the climate and performance. All this is done long before the first brick is laid.

DECIDED PROJECTS 31-12-2012 >SEK 50 M

Project name	Location	New construction/ redevelopment	Total investment, SEK m	Customer	Lease, years	Annual rent, SEK m
Biomedicum	Stockholm	New construction	3,450	Karolinska Institute	20	207
Veterinary and Domestic Animal Centre	Uppsala	New construction	1,463	Swedish University of Agricultural Sciences	20	106
Royal College of Music	Stockholm	New construction and redevelopment	834	Royal College of Music	20	44
Skandion Clinic	Uppsala	New construction	765	Local Authority Association for Advanced Radiation Therapy	25	46
Niagara	Malmö	New construction	745	Malmö University	10	52
Animal Building	Stockholm	New construction	666	Karolinska Institute	20	80
HVC Nord	Uppsala	New construction	659	Swedish University of Agricultural Sciences	20	47
Hall	Solna	New construction	510	Karolinska Institute	25	37
School of Architecture & Royal Institute of Technology Campus Entrance	Stockholm	New construction and redevelopment	436	Royal Institute of Technology	15	29
LUX	Lund	New construction	432	Lund University	10	32
KISP Gamma	Solna	New construction	363	Karolinska Institute	15	27
V Building	Lund	New construction and redevelopment	303	Lund University	10	26
Student Building	Stockholm	New construction	212	Stockholm University	10	15
ICT School	Kista	Redevelopment	204	Royal Institute of Technology	10	21
Materials Science	Stockholm	Redevelopment	197	Royal Institute of Technology	10	26
Ultuna Campus	Uppsala	Redevelopment	194	Swedish University of Agricultural Sciences	20	8
BMC SciLife	Uppsala	New construction	170	Uppsala University	10	5
Swedish School of Sport and Health Sciences	Stockholm	New construction	161	Swedish School of Sport and Health Sciences	20	21
Red Cross	Stockholm	Redevelopment	157	Royal Institute of Technology	10	18
Forensic Medicine	Gothenburg	New construction	132	National Board of Forensic Medicine + VGR	20	10
Wallenberg Animal House	Solna	New construction and redevelopment	129	Karolinska Institute	10	21
Civil Engineering Building	Stockholm	New construction and redevelopment	111	Royal Institute of Technology	11	21
Forestry Building	Umeå	New construction and redevelopment	97	Swedish University of Agricultural Sciences	10	8
Swerea Kimab Electrum 3	Stockholm	Redevelopment	96	Swerea Kimab	14	17
BMC Energy Optimisation	Uppsala	Redevelopment	75	Uppsala University	20	7
Climate project	Huddinge	Redevelopment	68	Karolinska Institute	1	62
Manillaskolan	Stockholm	Redevelopment	66	National Agency for Special Needs Educa- tion and Schools	6	19
District cooling, Ångström - BMC	Uppsala	New construction	66	Uppsala University	10	6
Disaster Medicine Centre	Linköping	New construction	59	Linköping University	10	6
Ultuna Central Supply	Uppsala	New construction	59	Swedish University of Agricultural Sciences	20	15
Education Studios	Stockholm	Redevelopment	57	Stockholm University	10	3
Engine Laboratory	Lund	Redevelopment	54	Lund University	10	12
Eden	Lund	New construction and redevelopment	52	Lund University	10	9
Translational Medicine Centre	Linköping	New construction	50	Linköping University	10	5

During the year, instructions were produced governing how construction information modelling projects are to be handled efficiently.

Akademiska Hus and four other state-owned companies have agreed to collaborate to promote the development and use of construction information modelling. See www.openbim.se.

PROJECTS 2012

During 2012, the total project portfolio increased further and at year-end totalled SEK 26.1 billion (22.6). Apart from investments in properties, the investment portfolio includes project-

related maintenance. The different investments are categorised as decided, planned and concept.

- Decided projects are projects where the project framework has been set using a delegation procedure, SEK 13.6 billion (9.0).
- Planned projects are projects with an inquiry or planning framework for intermediate project decisions when a decision regarding a project framework has not yet been reached or some form of arrangement or agreement exists between the Company and the tenant, SEK 8.6 billion (10.8).

- Concept projects are projects which, following a discussion with the customer and/or an analysis by the Company, are considered probable within a five-year period but which are considered uncertain in terms of scope and time, SEK 3.9 billion (2.8).

During 2012, investments in properties and new construction in progress amounted to SEK 2,908 million (2,254). The project portfolio for the coming years reveals a distinct focus on Stockholm and Uppsala with a number of large, new construction projects.

COMPLETED PROJECTS 31-12-2012 >SEK 50 M

Project name	Location	New construction/ redevelopment	Total investment, SEK m	Customer	Lease, years	Annual rent
BioCentre	Uppsala	New construction	526	Swedish University of Agricultural Sciences	20	42
Widerströmska Building	Solna	New construction	440	Karolinska Institute	10	34
Soil, Water and Environment Centre	Uppsala	New construction	301	Swedish University of Agricultural Sciences	20	25
Swedish School of Sport and Health Sciences	Stockholm	New construction and redevelopment	161	Swedish School of Sport and Health Sciences	20	21
Mathematics Annex	Lund	Redevelopment	103	Lund University	10	8
Chemistry	Stockholm	Redevelopment	73	Royal Institute of Technology	10	9

Three-quarters of the total project framework are attributable to Stockholm and Uppsala. The Southern Region and the Western Region also have extensive project portfolios. The increase in the total project portfolio (SEK 3.2 billion) for the year is largely attributable to four major projects, the scope of which has expanded. These are Albano in Stockholm, which has increased from SEK 3,000 million to SEK 3,700 million, Ångström Stage IV in Uppsala, which has increased from SEK 640 million to SEK 1,100 million, the Royal College of Music, which has increased from SEK 460 million to SEK 834 million, and Uadm in Uppsala, which has increased from SEK 580 million to SEK 766 million. The largest additional project during the year is the Examination Centre in Uppsala, totalling SEK 199 million. A number of smaller concept projects were also added during the year.

The largest decided projects are:

- Biomedicum in Solna for the Karolinska Institute totalling SEK 3,450 million. See project description on page 45.
- The Veterinary and Domestic Animal Centre (VHC) in Uppsala, totalling SEK 1,463 million. VHC will become a centre for veterinary medicine and domestic animal science. It will be the only university animal hospital in Sweden and will be the foremost research centre in Europe in veterinary medicine and domestic animal science with space for 600 employees and 1,000 students in a compact, creative environment. The project comprises six integrated buildings housing premises for animal care for large and small animals as well as education and research.
- The Royal College of Music in Stockholm, totalling SEK 834 million. See project description on page 46.

- The Skandion Clinic for Uppsala University, totalling SEK 765 million. See project description on page 47
- Niagara in Malmö, totalling SEK 745 million. With Niagara, Malmö University is seeking to concentrate its operations at Universitetsholmen and create new, purpose-built premises for the Faculty of Culture and Society and the Faculty of Technology and Society. Niagara comprises three buildings, five, seven and 11 storeys high respectively. Together, they form their own block and act as a gateway to the University campus.

The largest planned projects are:

- Albano in Stockholm, totalling SEK 3,700 million. The Albano area assures future development in the area between the Royal Institute of Technology and Frescati. With its strategic location between Stockholm University, the Royal Institute of Technology and the Karolinska Institute, Albano is an important site for expansion in higher education. Albano is particularly strategic for Stockholm University, where the expansion potential on the present Frescati Campus is limited. Due to its geographical location, Albano has the prerequisites for becoming a hub in what will be known as Science City. The planning of Albano as a new meeting point for research and development has commenced. Albano will primarily house university operations but will also have accommodation for students and visiting researchers. Akademiska Hus and Stockholm University have joined forces to design the vision for Albano as an environment that is alive and a strong meeting point with a diverse range of operations that work together to foster mutual support, development and inspiration.

- Ångström Stage IV for Uppsala University. The project is worth a total of SEK 1,100 million and is made up of new construction comprising 35,000 square metres gross area and redevelopment of 5,000 square metres. The premises are intended for the Department of Information Technology and comprise teaching facilities and a lecture theatre for 300 people.
- Uadm, totalling SEK 766 million for Uppsala University. See project description on page 47.

IMPACT OF THE PROJECT PORTFOLIO

The large Akademiska Hus project portfolio will have a major influence on the Company as the projects are gradually completed. The proportion of additional floor space is estimated at approximately 440,000 square metres, of which 97 per cent is at universities and colleges. The market share is then expected to rise by approximately three percentage points to 66 per cent. The majority of larger new construction projects have long leases and once completed, the project portfolio is expected to increase the average lease term to 7.7 years compared to 5.2 years for existing properties. The project portfolio will result in an increase in rental revenue of approximately SEK 2.1 billion.

Project presentations

Biomedicum Solna

Together with the Karolinska Institute, Akademiska Hus is developing research environments of the future. Biomedicum is a multi-billion investment in one of the largest medical research facilities in Europe and will be the Karolinska Institute's ultra-modern environment for medical research. A unique meeting point will be created for research close to New Karolinska Solna, the new university hospital. With floor space of 76,000 square metres, Biomedicum will be one of the largest medical research facilities in Europe. Biomedicum will be part of Stockholm Life in Hagastaden as a centre in the region's major Life Science initiative.

The Karolinska Institute in Solna is one of the world's leading universities in the medical field. Biomedicum will make it possible for the first time to bring together all experimental research at the Karolinska Institute under the same roof with space for around 1,500 researchers. By bringing together the work being conducted at different departments, conditions will be created for interdisciplinary research and collaboration.

Biomedicum will largely comprise laboratories but will also include offices and conference facilities. There will be a considerable emphasis on creating a flexible working environment with a large number of bright, easily accessible meeting places on several levels in the building.

Biomedicum will be located beside the new, spectacular Karolinska Institute Hall and will be adjacent to the new University Hospital. The large, centrally located atrium will be a natural hub and meeting point for the Karolinska Institute



BIOMICEDICUM, SOLNA

What: New medical research facility.

Status: Decided project. Project due to commence in 2013 with completion scheduled for 2018.

Investment: SEK 3,450 million.



LUX Lund

Physiological Zoology is about to be transformed into a long-awaited meeting point, known as LUX, for humanities and theology (HT). The HT Faculties will be brought together when all the operating areas are housed in the new LUX complex and the adjacent Centre for Language and Literature. Together they will create a joint HT Centre that will play an important role in an emerging knowledge area. LUX and the Centre for Language and Literature will become an important meeting point for students, teaching staff and researchers at the HT Faculties, which for the first time can bring together its activities in the same place. Hopefully, in time this inter-faculty research and education environment will create a new scientific landscape, where all combinations and meetings are possible.

The focus in the project will be on stimulating study environments, lecture theatres, library and cafeteria. There will also be a considerable emphasis on creating effective workplaces, open areas, distinctive entrance areas and natural meeting points. The new premises will feel open and encourage people to mix. At the same time, teachers will be provided with sheltered working places, offering an opportunity to work in peace and with a feeling of integrity. Researchers and students will move between two worlds within LUX, from the old Zoology Building to the new, ultramodern extension.

The building will be environmentally certified according to the silver level in the Swedish *Miljöbyggnad* classification system and will be equipped with energy-smart technical solutions.

In total, LUX will comprise 7,000 square metres of new construction and the existing buildings, totalling 11,000 square metres, will be completely refurbished. Completion is scheduled for summer 2014.



LUX, LUND

What: New campus for humanities and theology.

Status: Decided project. Construction commenced in November 2011 and completion is scheduled for April 2014.

Investment: SEK 432 million.





ROYAL COLLEGE OF MUSIC, STOCKHOLM

What: New construction for the Royal College of Music on Valhallavägen.

Status: Decided project. Construction will commence in 2013 and completion is scheduled for 2016.

Investment: Approximately SEK 800 million.



Royal College of Music, Stockholm

Planning work is taking place for a large, new building for the Royal College of Music that will result in a blend of innovative architecture and listed buildings – a former stables and riding school. The Royal College of Music will thus contribute to the preservation of a ‘cultural institution belt’ in the area.

The project involves the realisation of a cutting-edge academic environment in Stockholm. The new buildings will act as a new, central meeting place for music in the capital. It will include four new concert venues, varying in size and designed for different types of music. Two completely new buildings will be located with the facade facing Valhallavägen, one housing teaching premises and a large concert hall. The former stables will become a library and inside the old riding school a glass-walled concert venue will be constructed.

In addition to the Royal College of Music, Akademiska Hus will collaborate with the City of Stockholm, the County Council and other stakeholders to bring about a total solution for the entire area, including 350 new apartments.

A decision by the Land and Environmental Court of Appeal will mean that the appealed detailed plan for the block, on the corner of Valhallavägen and Lidingövägen, can be adopted and take legal effect. By doing so, the already well-advanced construction planning process can be resumed and the aim is for the project to be completed in 2016.



Forensic Medicine in Gothenburg

Akademiska Hus is currently in the process of completing new, ultramodern premises for the National Board of Forensic Medicine in Gothenburg. The new building, at Medicinareberget, close to Sahlgrenska University Hospital, will house autopsy facilities, laboratories, a morgue, a chapel of rest, examination rooms, archives, staff areas and offices. The aim is to create the most modern and most efficient forensic medicine facility in Sweden.

An important aspect of the overall aim is environmental sustainability. Akademiska Hus has worked intensively to optimise energy use, the indoor environment and materials in the building. The framework of the building is characterised by a moisture-repellent design and largely is constructed using inorganic materials.

“It has been a particular challenge to build in an environmentally friendly way for a field of science that uses a great deal of energy. As a forensic medicine department, the building houses refrigeration units and advanced autopsy environments with ventilation requirements that go beyond the norm,” says Akademiska Hus project manager Lennart Westling.

Through underground storage, complete with 26 boreholes, the building has become self-sufficient in terms of heating and cooling. The facility produces 644 MWh of heating and cooling each year, which generates a surplus that can be used for the neighbouring building, the Department of Zoology. The building is also one of the first in Gothenburg to be environmentally certified according to the silver level in the Swedish *Miljöbyggnad* classification system.

FORENSIC MEDICINE IN GOTHENBURG

What: New construction, comprising 2,500 square metres for the National Board of Forensic Medicine, Medicinareberget, Gothenburg.

Status: Decided project. Construction commenced in 2011 and completion is scheduled for February 2013.

Investing: SEK 132 million, of which SEK 80 million is for Forensic Medicine. The remainder of the investment refers to the office areas.



Skandion Clinic, Uppsala

The Skandion Clinic is a collaborative project involving seven county councils that each have a university hospital that offers advanced cancer treatment. The project aims to construct the first clinic in the Nordic Region where radiotherapy using protons is used to cure severe cancer. Instead of traditional radiotherapy, where x-rays or electron radiation are used, the treatment at the Skandion Clinic takes place using protons. The method was developed in Uppsala over 50 years ago and will now be used for the first time on a large scale in the Nordic Region. The Skandion Clinic will become a national centre and will offer cancer patients from throughout Sweden a unique form of radiotherapy with fewer side effects than traditional radiation of cancer tumours. Research can also be conducted into the potential importance of proton treatment for several different forms of cancer.

The Skandion Clinic is located beside the University Hospital in Uppsala. The building is a collaborative project in which Akademiska Hus and NCC are working closely with the seven county councils, which through the Joint Authority of County Councils for Radiation Therapy will be responsible for activities at the Skandion Clinic. The project comprises 13,500 square metres and the architect is LINK Arkitektur AB. The building is due to be completed in summer 2014 and will be open for treatment in spring 2015.



SKANDION CLINIC, UPPSALA

What: Clinic for cancer treatment using protons.
Status: Decided project. Construction commenced in June 2011 and completion is scheduled for June 2014.

Investment: SEK 765 million.



Uadm, Uppsala

Uppsala University needs new premises for University administration on the Plantskolan block in the Blåsenhus area. The aim of the new building is to create functional, cohesive premises that promote a good working environment, which are readily accessible to employees, students and visitors and which are suitable for people with functional disabilities. The Blåsenhus area and the Plantskolan block are centrally located in Uppsala and extend mainly along Dag Hammarskölds väg. This is important in terms of accessibility. An open, welcoming building contributes to integrating the area better into the urban environment and with the surrounding listed buildings. The location requires a building with a high degree of architectural value that can enrich the urban landscape, with respect shown for the cultural and historical environment although at the same time represent the modern Uppsala University.

The Danish firm of architects 3XN has produced a proposal and has developed it further. The outline that has been produced will form the basis for the design and the continued detailed planning process. At this early phase in the detailed planning process, the focus is very much on the size of the building, its location and its character. In the next phase, a great deal remains to be done regarding the detailed design of the building based on the framework adopted by the city authority. After the detailed plan has been adopted, the process can continue and construction can commence.



UADM, UPPSALA

What: An icon building for the University and new premises for the Faculty of Culture and Society and the Faculty of Technology and Society.

Status: Planned project. Construction will commence in summer 2013 and completion is scheduled for April 2015.

Project area: The total area of the building is 25,300 square metres.

Investment: SEK 766 million

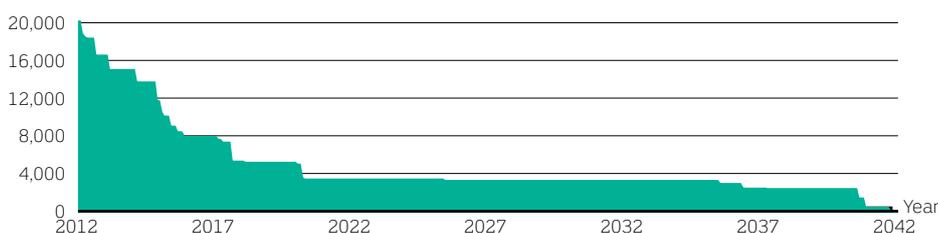


Financing

2012 marked by the euro crisis

During 2012, the Eurozone continued to experience major problems alongside a weakening in the outlook for global growth. The central banks have used both interest rates and various liquidity initiatives to support the financial system and real economy in order to gain time for political decisions to take effect. Both short-term and long-term interest rates hit record-low levels during the year.

DEBT MATURITY
SEK m



Bonds worth SEK 1,330 million were issued during 2012. We now have **SEK 3,200 million** in bond loans with terms of 15-30 years.



FINANCE MARKET DURING 2012

2012 was largely marked by the euro crisis. Several countries have underlying structural problems with poor competitiveness and major budget deficits, which have led to a build-up of debt over many years. The banking sector has also been marked by undercapitalisation. The central banks have cut short-term interest rates and embarked on extraordinary measures to support the financial system and real economy and to gain time for political decisions to take effect. The ECB presented a framework of various powerful measures to increase liquidity supply at advantageous interest rates and for bond purchases from heavily indebted countries. In total, the measures led to a reduction in risk premiums and a decrease in credit spreads. The lending costs for heavily indebted countries were thus limited and the pressure on the euro eased. The chairman of the ECB, Mario Draghi, indicated very clearly in August that in principle the ECB had unlimited capacity to take greater steps to save the euro. In addition to these measures, the ECB cut the refi rate to 0.75 per cent. The Federal Reserve has expressed an ambi-

tion to keep interest rates low for a long period. These measures have proved effective and in the latter half of the year, there was greater risk propensity and growth on the stock markets. The financial cutbacks in many European countries, in combination with poor growth in other parts of the world, have contributed to long interest rates reaching record-low levels during the year.

At the beginning of the year, Sweden showed good growth with a relatively stable labour market. During 2011 and at the beginning of 2012, the proportion of krona bonds held by foreign investors increased, resulting in a strengthening of the krona due to the inflow of currency. During the autumn, the picture changed with a weakening in the Swedish economy, reflected in a weaker Purchasing Manager index figures, economic indicators and balance of trade as well as a downwardly revised GNP. The strong krona in a weak world economy gradually began to have an impeding effect on exports. The Swedish Central Bank reduced the repo rate during the year from 1.75 per cent to 1.00 per cent.

LIABILITY MANAGEMENT DURING THE YEAR

During the year, bond issues totalling SEK 1,330 million were implemented. Despite a fall in demand for very long bonds, bonds totalling SEK 830 million with term of 25-30 years could be issued. For Akademiska Hus, the Swedish krona market, in line with 2011, has been advantageous for bond issues with longer terms. The reason for the issues has

mainly been that the financial system is still considered very vulnerable to disruption. In the face of a continued uncertain situation on the credit market, it has been vital to ensure very long-term financing of the substantial investment portfolio. The proportion of Swedish bonds in the bond portfolio has increased significantly during the past two years. Bonds with terms of more than 15 years have a major impact on the average fixed interest period and maturity and are handled in a separate long-term bond portfolio. According to the mandate, this portfolio is permitted to amount to a maximum of 30 per cent of the total portfolio. At the year-end, it comprised approximately 15.5 per cent.

BOND ISSUES DURING 2012

Amount	Term
SEK 500 m	25 years
SEK 330 m	30 years
SEK 500 m	3 years

For a great deal of the year, the ECP market functioned as a very cost-effective financing alternative. Towards the end of the year, however, a decline in interest was noted with the result that loans falling due have not been extended. The continued restrictive approach to lending adopted by the banking sector, coupled with lower government rates, contributed to an increase in interest among companies to issue bonds on the Swedish market. Even from an investor perspective, there was greater interest in investment alternatives that offered a good return and limited risk in a situation where the stock

market appeared uncertain. Greater variation was noted in the range of bonds through issuers, representing different credit risks. The issue volumes of corporate bonds increased by just over 30 per cent and during the year 36 new issuers came to the market, of which 24 were companies. Property companies in particular were a new feature. Despite the fact that many of the companies lacked a rating, bond issues with terms of 3–5 years met with a positive response from the market.

The average maturity, including the long-term portfolio, was 6.9 years at year-end (7.1). At year-end, 57 per cent (60) of the Akademiska Hus's total financing was derived from outside Sweden. The proportion of foreign financing is being maintained due to the fact that short-term financing has taken place exclusively on the ECP market. The fixed interest period, excluding the long-term portfolio, ended the year at 3.2 years (3.1).

RENEWAL STRUCTURE FOR FIXED INTEREST PERIODS AND NET DEBT MATURITY AS OF 31-12-2012

Year	Fixed interest, SEK m	Maturity, SEK m
2013	9,288	4,138
2014	1,095	1,780
2015	1,950	4,624
2016	1,250	2,418
2017	400	0
2018 and later	6,759	8,763
Total	20,741	21,723

For further information see Note 36.

FINANCING OPERATIONS 2013

Akademiska Hus's view of future developments on the financial markets forms the basis, together with growth in the liability portfolio, for strategic decisions regarding the fixed interest period and maturity. The portfolio is highly diversified with varying fixed interest periods and financing raised at different times.

Akademiska Hus's assessment is that uncertainty in the financial sector will persist throughout 2013. Prolonged restrictive lending by the banking sector is

contributing to borrowers continuing to look for financing outside the banking system. The risk scenario in the future will comprise rising interest rates in line with the recovery in the economy. The risk propensity could increase and thus demand for other types of assets, which could affect credit spreads. Akademiska Hus will continue to monitor and analyse the corporate bond market in Sweden and internationally.

During 2013, the financing requirements, in addition to short-term refinancing on the ECP market, will comprise bonds falling due totalling SEK 1,800 million, the dividend and a substantial project portfolio. Over the next few years, the project portfolio will amount to SEK 26 billion, of which SEK 22 billion is for projects that have been decided are planned. The extensive long-term bond issues that Akademiska Hus implemented during 2011 and 2012 will continue to cover financing requirements during 2013. The liability portfolio is expected to increase by approximately 25–30 per cent through to 2015. Net investments during 2013 of approximately SEK 4,200 million, and the proposed dividend of SEK 1,355 million, are expected to be funded largely through good cash flow from property operations.

FINANCING OPERATIONS

– STRATEGIES AND OBJECTIVES

Akademiska Hus carries on active liability management where the strategy is to weigh up the financial risks against the desired low financing cost. The Board adopts the Finance Policy, which lays down the long-term strategic orientation, allocation of responsibility, the Company's approach to financial risks and the mandates that must be in place to handle such risks. The Financial Risk Plan for the coming year is adopted in December. Apart from authorisations and mandates for financial risk management, it also contains an analysis of risks on the financial markets. Mandates are justified in the light of the risk scenario and existing exposure.

The financing objectives are:

- Use centralised financial management to facilitate utilisation of economies of scale and the efficient handling of exposure to financial risks within the Company.
- Use the strong financial position and good rating to remain within the framework of stated risk mandates and achieve as low financing cost as possible.
- Via the public financing programmes, secure cost-effective financing on the financial markets that best takes into account the credit rating.

RISK MANAGEMENT

'Risk' refers to a possible negative impact that could arise due to future internal or external events. Exposure to financial risks arises in conjunction with all financial operations. Within the Treasury Department, work is ongoing to initially define financial risks and then identify and map the risks to which the Company is exposed. Methods are being constantly developed and refined to measure and analyse the risk situation.

It is important to state that the analysis also focuses on identifying and utilising the opportunities that arise on the market. Finally, what remains is to be decided on each occasion is the approach that should be adopted in the light of the prevailing situation. During 2011, a change was made in the portfolio structure as a result of the extensive bond issues with fixed interest periods and maturities of over 15 years. As these are of a particular strategic nature, they are handled in a separate portfolio, a long bond portfolio.

RISK CONTROL

Ongoing work is being done to improve the level of expertise, routines and internal control. There is strict allocation of responsibility between the Treasury Department and the back-office and middle office. Apart from accounting and administration, the back-office checks compliance with the mandates. The task of developing and refining analytical support and risk control is ongoing.

RISKS AND FINANCIAL RISK MANAGEMENT

Financial risk	Definition of risk exposure	Risk limit according to the policy
Interest risk	The risk of the Company's profit being affected because of a change in interest rates.	The interest risk should be handled within a fixed interest mandate.
Refinancing risk	The risk that the cost is higher or financing potential is limited when loans are due to be refinanced.	Diversification via different financing forms should be even and balanced. A maximum of 40 per cent of the total loan volume may fall due for renewal within a 12-month period. Credit assurances should be sufficient.
Credit and counter-party risk	The risk of a loss if a counter-party does not meet its undertakings.	A limit for counter-party risks is based on the rating and the term of the commitment. ISDA agreements are always signed before derivative transactions are carried out. For major commitments, CSA agreements should be sought.
Currency exposure risk	A risk that exchange rate changes affect the Income Statements and Balance Sheets.	When financing in a foreign currency, the exchange rates must be eliminated. Limited currency exposure in conjunction with electricity trading is accepted.

FIXED INTEREST MANDATE

Handling the fixed interest period is central to financing. The total liability portfolio is divided into four separate portfolios with regard to fixed interest periods in order to refine the basic portfolio that has been assigned a fixed interest mandate. The fixed interest period chosen at each point in time is based on the Company's risk preferences and assessment of the future interest rate trend. Interest derivatives are included in the calculation of the interest risk exposure.

BASIC PORTFOLIO

The basic portfolio comprises the main part of the debt portfolio and is the part that is assigned a fixed interest mandate. The mandate is expressed as a range for the average fixed interest period in the portfolio. Interest risk exposures in the property portfolio in the form of interest rate-linked rents are handled within this portfolio. At the beginning of 2013, the portfolio totalled SEK 15,000 million. During 2012, the mandate was 2.0–4.5 years. In accordance with a decision by the Board of Directors, it was changed for 2013 to 2–5 years.

LONG-TERM BOND PORTFOLIO

The reason for a separate, long-term bond portfolio is that the customary risk measurement for the fixed interest mandate (average fixed interest period) becomes skewed when the portfolio includes a small proportion of bonds with an extremely long fixed interest period and maturity. However, bonds with a term of over 15 years represent significant interest risk exposure, which justifies a separate mandate. The portfolio is therefore permitted to amount to a maximum of 30 per cent of the total portfolio. At year-end, long-term bonds amounting to SEK 3,155 million were issued, equivalent to 15.5 per cent of the total portfolio.

SEASONAL PORTFOLIO

The size of the debt portfolio varies because of the incoming rent payments each quarter and an exchange of security for derivatives according to what are termed CSA agreements. The portfolio comprises short-term loans raised pending rent payments and security granted. The aim is to avoid changes in the basic portfolio's fixed interest because of these variations. The portfolio can amount to a maximum of the next rent payments to be made plus security granted for derivatives.

REAL INTEREST PORTFOLIO

Real interest exposure represents possible diversification in the debt portfolio and helps the Group avoid being exposed

exclusively to changes in nominal interest rates. The portfolio can amount to a maximum of five per cent of the interest-bearing liabilities. At year-end, there was no real interest exposure.

MATURITY MANDATE

The Board adopts a maturity mandate with the aim of limiting the refinancing risk.

Loans that fall due within a rolling 12-month period can amount to a maximum of 40 per cent of the total debt volume. Despite concern on the financing market, the ECP programme has been a very cost-effective alternative for a large part of the year. The strong seasonal pattern in the cash flow, with quarterly rental payments, allows good forward planning in liquidity management. Bond issues during the year totalling SEK 1,330 million constituted a strategically important extension of the maturity. The proportion of loans that fall due within 12 months was just 18.8 per cent at the year-end (15.1).

PROPORTION OF LOANS THAT WILL FALL DUE WITHIN 12 MONTHS



LIMIT SYSTEM FOR CREDIT AND COUNTER-PARTY RISKS

The Company is exposed to credit and counter-party risks when surplus liquidity is invested in financial assets and in conjunction with trading in derivatives. Exposure is handled through limits, which are related to the Company's risk capacity in the form of equity. The permitted exposure depends on the counter-party's rating (creditworthiness) as well as the term of the commitment. The rating requirement must be satisfied with at least one rating institute. The Group's policy is that standardised netting agreements, known as ISDA agreements, should always be signed with a counter-party before uncleared derivative transactions take place. For large commitments, agreements are always sought where the parties undertake mutually to furnish collateral in the form of liquid funds or bonds for the underlying values in the outstanding derivatives according to CSA agreements. At year-end, there were 23 ISDA agreements of which 12 had CSA agreements. As a supplement, Credit Default Swaps (CDS) are used to a limited extent. See also Note 36.

CURRENCY EXPOSURE RISK

As the Company's operations are denominated exclusively in Swedish kronor, the policy is that all currency exposure risk in conjunction with financing in foreign currency should be eliminated. All payment flows that are attributable to the raising of loans are exchange-hedged with the aid of currency futures and currency interest swap agreements. Currency exposure in euro for electricity is handled within a separate mandate according to the Electricity Trading Policy.

FINANCING FORMS AND RATING

The Company has efficient short-term and long-term financing programmes, both domestic and international. In the midst of the uncertainty that has continued to characterise the credit market, the value of having highly diversified financing sources has been particularly obvious. It also requires that the Company focuses on those markets that price the Company's rating best. In addition to the financing programmes, there were bank overdraft facilities of SEK 3,500 million at year-end, of which SEK 1,500 million was unconfirmed. The need for back-up facilities via a bank must be put in relation to the maturity that exists via bond financing. Issues during 2012 of SEK 1,330 million, of which SEK 830 million has terms of 25–30 years, constitute a valuable extension of the maturity. Through the bond issues, the Company becomes less prone to movements on the banking market.

Since 1996, Akademiska Hus has had a long-term rating from Standard and Poor's of AA with a stable outlook and a short-term rating of A1+/K1. In the current situation, with credit rating in the finance sector being called into question, this stability, with the same high rating, is a crucial strength factor.

MATERIAL CONTRACTUAL TERMS AND CONDITIONS (COVENANTS)

The general terms and conditions for the EMTN and MTN programmes include a clause which states that if the Swedish government ceases, directly or indirectly, to hold more than 50 per cent of the shares, equivalent to more than 50 per cent of the votes, the loans and any interest shall fall due for payment immediately. The contractual terms and conditions for the short-term financing programmes do not include any equivalent undertaking. Ever since the programmes were established, the Company's policy has been not to accept any terms and conditions that require, for example, that a certain rating, equity ratio or interest coverage ratio be maintained.

FINANCING PROGRAMMES AND RATING

	Rating Standard & Poor's	Framework 31-12-2012	Utilised, nominal 31-12-2012	Financial covenants
Bank (confirmed)		SEK 2,000 m	SEK 325 m	—
Bank (unconfirmed)		SEK 1,500 m	—	—
Commercial paper	A1+/K1	SEK 4,000 m	—	—
ECP (Euro Commercial Paper)	A1+	EUR 600 m	EUR 239 m	—
MTN (Medium Term Note)*	AA	SEK 8,000 m	SEK 2,320 m	Owner clause
EMTN (Euro Medium Term Note)	AA/A1+	EUR 2,000 m	EUR 1,608 m	Owner clause

* Not updated since 2009.

FINANCING COST

The net interest income/expense was SEK -682 million (-452), following a deduction for capitalised interest expense of SEK 107 million (73). This is equivalent to an interest cost, including changes in the value of financial derivatives, of 4.21 per cent (2.99) during the period.

According to earlier computation principles, with period allocation of closed derivatives, excluding the valuation of current instruments, the financing cost rose to 3.38 per cent from 3.07 per cent. The decrease in value in financial derivatives increased the cost of capital by 1.06 percentage points. The underlying financing cost has increased as the long-term bond issues have taken place at a fixed rate of interest. The aim has been to assure long-term financing in the lead-up to future investments in a situation where risk premiums in financial markets are still considered high. Long-term interest rates are at an historically low level and there has been good reason for financing to take place at a fixed long-

term rate of interest. The interest coverage ratio, which is calculated on the impact on cash flow of net interest income/expense, was a reassuring 672 per cent (716).

CAPITALISED INTEREST COSTS

The part of the investment that refers to interest expense during the investment period in conjunction with major re-development and new construction that has been in progress over a significant period of time, is capitalised as an asset in the value of the project and is thus not included in net financial income and expense. During 2012, capitalised interest amounted to SEK 107 million (73).

**SENSITIVITY ANALYSIS,
LIABILITY PORTFOLIO**

The interest-bearing liability is constantly exposed to changes in interest rates on the market. The analysis of the sensitivity of the liability portfolio can be divided into two parts:

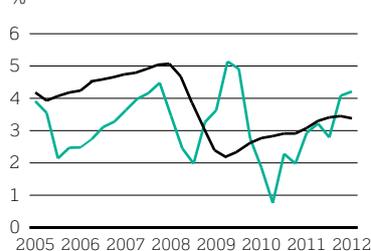
- Changes in the value of interest derivatives (current values).

- Cash flow effects (net interest income and expense) during a calendar year for items with a short fixed interest period, which are given a new short-term rate of interest for the remainder of the year.

As the fixed interest period is diversified and, according to the current risk mandate, a minimum of two years on average, the variations in the interest cost will be less than if the fixed interest period had been very short, three months for example. The fixed interest period comprises the underlying fixed interest of the financing supplemented by interest derivatives. The purpose of the interest derivatives is to facilitate a change in the fixed interest period in the liability portfolio over and above what is achieved directly in the financing. On page 54, there is an analysis of the impact on the result of an increase in interest of one percentage point. The calculations are based on an unchanged liability volume.

FINANCING COST, COMPOSITION	2008	2009	2010	2011	2012
Financing costs for loans	4.69	1.70	1.18	2.75	2.72
Net interest income/expense, interest swaps	0.00	0.60	0.96	0.44	0.40
Charges	0.02	0.02	0.03	0.03	0.03
Financing costs, excluding IFRS	4.71	2.32	2.17	3.22	3.15
Changes in value, financial instruments according to IFRS	-1.25	1.31	-0.33	-0.23	1.06
TOTAL FINANCING COST	3.46	3.63	1.84	2.99	4.21

KEY FIGURES	2008	2009	2010	2011	2012
Interest-bearing net loan debt, SEK m	15,090	15,531	15,726	16,778	18,528
Interest-bearing liabilities	19,414	18,781	18,973	24,693	24,212
Interest coverage, %	369	866	741	716	672
Fixed interest, basic portfolio, annual average	1.7	3.0	3.0	3.0	3.3
Fixed interest, long-term portfolio, annual average	—	—	—	28.5	28.0
Maturity, annual average, years	3.9	3.2	3.8	5.7	6.8

**COMPARISONS, DIFFERENT
CALCULATIONS OF THE INTEREST COST**


— Periodic annual equivalent rate
 — IFRS, annual equivalent rate

Risks and sensitivity analysis

Strong demand reduces the risk

The geographically diversified portfolio offers a good risk spread that can benefit from development on strong regional markets, including university and college towns and cities.

STRATEGIC RISK – OWNING AND MANAGING PROPERTIES

Akademiska Hus is affected by the government's education policy but also by growth in the Swedish economy, and in particular the situation on the labour market.

Major investments in knowledge environments have shaped Akademiska Hus campuses. In this respect, the property portfolio has a strategic risk. Campuses have a specific purpose and are not in a broad sense general. Purchases and sales of properties take place to deal with the strategic risk in the property portfolio.

RISK MANAGEMENT – A MATTER FOR THE BOARD

The Board of Directors has routines and processes for examining how the organisation handles the risks that can arise in business operations. This means that risks can be identified, analysed, assessed and handled effectively. The Board decides each year on long-term development, the strategic plan, the competitive situation and total risk exposure. The most important policy areas are the Investment Policy, Environmental Policy, Ethics Policy, Finance Policy, Electricity and Trading Policy.

The most important risk areas for the Board are:

- Property valuation
- Projects
- Financing

Major disputes are reported on an ongoing basis to the Board of Directors.

An Audit Committee assists the Board in matters related to financial risk, reporting and control, property valuation, application of accounting principles and external audits, and assists the owner in the selection of auditors. The Audit Committee is also responsible for preparing matters concerning the application of the Corporate Governance Code. In addition,

there is a Finance Committee, which follows financial risks in more detail and prepares the means to handle these risks. The Board's risk management process is described in more detail in the Corporate Governance Report.

During 2013, an internal auditor will be employed. The internal auditor will be commissioned by the Board to conduct an independent audit of the Company's internal governance and control.

OPERATING RISKS

The term 'operating risk' refers mainly to the risk of financial consequences and consequences related to trust which ensue from shortcomings in internal routines and systems. The handling of operating risks is aimed at identifying, assessing, monitoring and handling those risks. The risks are assessed and handled based on their expected consequences and the degree of probability that they could occur. Internal directives and guidelines form the basis for risk management within Akademiska Hus. Corporate culture is critical in ensuring that internal controls are a normal and necessary operating prerequisite. The operating risks can be handled through a standardised, process-oriented approach that includes control points. The adopted approach is revised continuously as part of the quality assurance process.

The operating risks can be divided into:

- Administrative – insufficient or unsuitable routines, lack of controls and reporting, human error, lack of expertise, an unclear allocation of responsibility
- IT – incorrect data systems, information security, stoppage risks
- Legal – sub-standard documentation, incorrect agreements

The Company and its assets are insured in line with the assessed insurance requirements.

CHANGES IN VALUE

Reporting according to IFRS means that the properties are recorded at fair value in the Balance Sheet and the changes in value affect the Income Statement.

Handling

The value of the properties is determined by general market factors such as risk premiums, availability and demand on the property market and specific changes in the properties. The value of the properties is largely dependent on the expected net operating profit as well as the market's yield requirements and cost of capital requirements.

Changes in value are unrealised profit and do not affect the cash flow.

ENVIRONMENTAL RISKS

The probability of accidents and operational shortcomings and their impact on the environment.

Handling

According to the Environmental Code, environmental responsibility is handled in a structured, co-ordinated way, among other things by satisfying the environmental certification stipulations laid down in ISO 14001:2004. Within Akademiska Hus, environmental impact is identified and the environmental work is planned following documented environmental enquiries. The results are collated and evaluated in order to identify the most significant environmental aspects.

VACANT SPACE

The risk of reduced rental revenue due to a downturn in demand and termination of leases.

Handling

Activity plans are prepared for all vacant space. Long leases with universities and colleges mean an average term of 5.2 years. Special buildings for research and development frequently have a lease of 10, 15 or 20 years, during which the whole of the investment is repaid. The possibility of a lease being renewed is considered to be higher for this type of property. Otherwise general premises are sought that can be easily changed for alternative use. Lease expiry dates are spread out over time.

MAINTENANCE

Risk of an impact on profit.

Handling

Maintenance costs are to a large extent variable and can be reduced or postponed to meet a fall in profit or vacant space. There is a maintenance plan for each individual building. Investments, i.e. value-enhancing measures, are only made if there is a lease with a tenant that justifies the investment on business grounds.

FINANCIAL RISKS

Investments in properties are capital intensive. Access to financing is required as a complement to internally generated cash flow. Changes in the financing cost have a considerable effect on the investment calculation and profit.

Handling

Akademiska Hus has a low financial risk because of its secure equity ratio. The high interest coverage ratio is a measure of the Company's good financial capacity. Financing operations are run with well-adapted strategies, striking a balance between financial

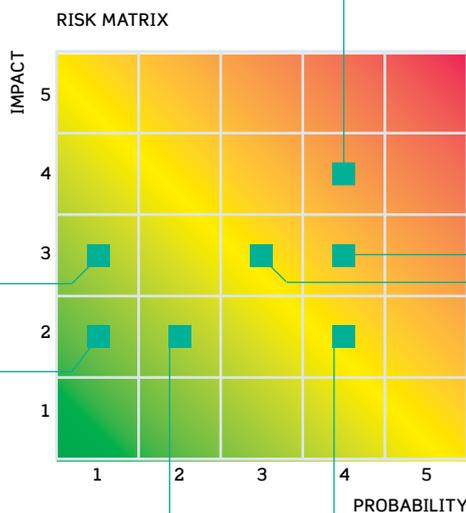
risks and a low financing cost. The Finance Policy adopted by the Board presents the long-term strategic orientation, the allocation of responsibility, the risk approach to financing risks and what mandates should be in place to handle these risks. The plan for handling financial risks includes authorisations and mandates as well as concrete plans for financing operations. The handling of the liability portfolio interest risk takes place within the framework of a separate fixed interest mandate. The average fixed interest period at the year-end was 4.2 years, which is why fluctuations in market interest rates do not have an immediate impact on the liability portfolio.

OPERATING COSTS

A profit risk in addition to an increase in rental revenue and the fact that in part the costs remain even if the corresponding revenue does not exist.

Handling

Operating costs are regarded in part as fixed costs. Media provision accounts for the majority of the total operating costs and is difficult to influence in the short term. In the past few years, except for 2011 and 2012, media provision has increased more rapidly than rents and this has had a negative impact on profit and the properties' market value. Akademiska Hus passes on 40 per cent of the costs to customers for media provision in the form of a rent supplement. The risk is shared with the customer, which is a common incentive to save energy.



RENTAL INCOME

Risk of a fall in rental revenue due to customers with poor payment capacity and/or terminated leases due to a fall in demand.

Handling

Rents from government-controlled customers account for 90 per cent of the rental revenue and do not represent a credit risk.

ELECTRICITY PRICE RISK

Profit risk due to changes in the market price of electricity.

Handling

Physical electricity is purchased on the electricity exchange Nord Pool Spot. Each day, an order is placed for the electricity requirements for the forthcoming 24 hours. Expected future electricity use is hedged using financial futures based on electricity. Price hedging is conducted against the financial electricity exchange Nasdaq OMX, based on a formulated strategy decided by the Board of Akademiska Hus. The strategy is based on hedging electricity requirements for future periods at predetermined times. Price hedging commences three years before and continues through to the point of use. When the electricity is used, the price is normally hedged up to 80–90 per cent. As of the year-end, 78 per cent of the price of estimated electricity use for 2013 had been hedged (57 per cent for 2014 and 29 per cent for 2015). Using this strategy, fluctuations in Akademiska Hus electricity costs are limited from one year to another, achieving good predictability regarding future electricity costs.

To make use of fluctuations in the market,

a deviation mandate, which carries the right to deviate from the strategy to a limited extent. Both risks and profit from possible deviations are measured and reported together with other electricity costs.

To minimise counter-party risks in electricity trading, Akademiska Hus is what is termed a clearing customer on the electricity exchanges Nord Pool Spot and Nasdaq OMX. This means that Akademiska Hus's only counter-parties in electricity trading are the actual electricity exchanges. Akademiska Hus pays the electricity exchanges each day for physical electricity and financial settlement of electricity futures.

Because electricity is hedged in euro, a currency exposure risk arises, which is handled through a price hedging strategy for currency within the time horizon laid down in the Electricity Policy. The expected currency exposure from future electricity purchases is hedged quarterly using exchange futures.

An external portfolio management company is used for both physical electricity purchases as well as financial price hedging. The portfolio management company also assists with advice and recommendations regarding price hedging of electricity.

SENSITIVITY ANALYSIS

The sensitivity analysis shows how the pre-tax profit, return on equity and assessed fair value would be affected in the event of changes in different variables. The analysis shows the impact on an annual basis at full effect.

Changes in the cost of capital or yield requirement are factors that affect the fair value most. The impact on profit of a change in value, however, would not affect the cash flow as it is unrealised. In the sensitivity analysis, the current lease portfolio has been taken into account with regard to rental revenue and vacant space.

SENSITIVITY ANALYSIS, LIABILITY PORTFOLIO

The interest-bearing liability portfolio is constantly exposed to interest rate changes on the market. The analysis of the liability portfolio interest sensitivity is divided into two parts:

- A change in value of interest derivatives (current values).
- Cash flow effects (net interest income/expense) over a calendar year for items with a short fixed interest period, which are given a new short-term rate of interest for the remainder of the year.

As the fixed interest period is diversified and in accordance with the current risk mandate, a minimum of two years on average, the variations in the interest cost will fluctuate to a lesser extent than if the fixed interest period had been very short, e.g. three months.

The Company has fixed interest periods both within and outside the Balance Sheet in the form of interest derivatives. The aim of these derivatives is to facilitate a change in the liability portfolio's fixed interest period in addition to what is achieved directly in the financing. The table below shows the impact on profit of a rise in interest of one percentage point. The calculations are based on an unchanged liability amount.

SENSITIVITY ANALYSIS 2012

CHANGE	Impact on pre-tax profit, SEK m	Impact on return on equity, percentage points	Impact on fair value, not lease-bound, SEK m	Impact on fair value, percentage points
Rental income, +/- one per cent	53	0.1	335	0.6
Vacant space, +/- one percentage point	48	0.1	362	0.7
Operating costs, +/- one per cent	9	0.0	80	0.1
of which media provision	6	0.0	55	0.1
Maintenance costs, +/- one per cent *	6	0.0	45	0.1
Cost of capital, + one percentage point	-3,315	-9.0	-3,315	-6.9
Cost of capital, - one percentage point	3,633	9.0	3,633	7.5
Yield requirement, + one percentage point	-3,730	-10.2	-3,730	-7.8
Yield requirement, - one percentage point	5,175	12.5	5,175	10.8

* A change in the maintenance cost that affects the profit and return on equity has been calculated based on actual maintenance costs. The effect on the fair value has been calculated based on a standard maintenance cost in the valuation model.

SENSITIVITY ANALYSIS

LIABILITY PORTFOLIO	Nominal amount, SEK m	Maturity, years, average	Fixed interest duration, years, average	Interest risk, one interest point, SEK m	Interest, %	Change in value of +100 interest points, SEK m as of the year-end *	Net interest income/expense with 100 interest points, SEK m during the remainder of the calendar year *
Fixed interest positions with a fixed interest period in excess of one year within the Balance Sheet**	7,009	15.66	15.66	8.42	3.78	0	0
Interest derivatives, fixed interest	6,561	0.00	3.77	2.43	3.02	243	0
Interest derivatives, variable interest	-6,561	0.00	0.19	-0.14	1.56	0	53
Variable interest within the Balance Sheet***	13,733	3.22	0.13	0.24	1.81	0	-119
TOTAL	20,741	7.42	6.51	10.96	2.68	243	-66

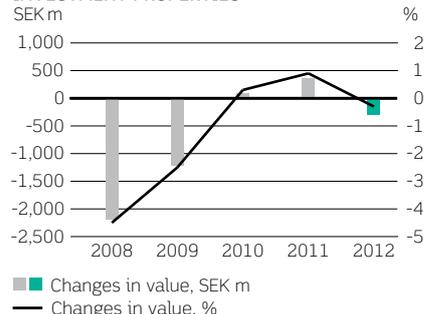
* Refers to one hundred interest points in a parallel displacement of the yield curve.

** Fixed interest positions with a fixed interest period in excess of one year within the Balance Sheet refer to issues in SEK that are not included in fair value hedges.

*** Variable interest within the Balance Sheet refers to the total effect of issues in a foreign currency which, via derivatives, have been swapped to variable interest in Swedish kronor and which are reported as hedges and FRN issues.

EQUITY RATIO (y-axis) AND INTEREST COVERAGE RATIO (x-axis)

A Akademiska Hus AB D Kungsliden AB G Wihlborgs Fastigheter AB
B Vasakronan AB E Castellum AB
C Fabege AB F Hufvudstaden AB

CHANGES IN THE VALUE OF INVESTMENT PROPERTIES



Royal Institute of Technology Campus, Stockholm

Sustainable enterprise

Responsible use of resources

Sustainable enterprise is central at Akademiska Hus to achieve positive financial, social and environmental effects.



Ångström Building, Linköping University

RESPONSIBLE, VALUE-ADDING PROPERTY MANAGEMENT

Work at Akademiska Hus on sustainability issues is central from a business strategy point of view and in order to compete in the long term for customers and create value for the owner. We have strategies and objectives for handling sustainable enterprise and working actively on these issues at the Company and in co-operation with partners, customers, suppliers and other stakeholders.

Sustainable enterprise work reduces the non-financial risk exposure and reinforces the dialogue with stakeholders. Reduced energy use results in lower costs and improved profitability. This work reinforces the Akademiska Hus brand and increases the commitment and involvement of employees.

The Akademiska Hus sustainable enterprise programme is presented in the Sustainability Report. The Sustainability Report, which is prepared according to GRI guidelines, is a means of driving sustainable enterprise forwards by systematically endeavouring to maintain a clear reporting and follow-up system.

AKADEMISKA HUS BACKGROUND AND ASSIGNMENT

Akademiska Hus has been commissioned by its owner, the government, to offer universities and colleges in Sweden suitable buildings for education and research. The Akademiska Hus business concept includes being at the forefront in this area by creating high-profile, stimu-

lating environments for the Company's customers and in doing so contribute to reinforcing Sweden as a nation of knowledge.

Sustainable enterprise includes financial responsibility for satisfying the owner's requirements and handling the long-term management and development of the considerable financial, cultural and historical values that are embodied in the property holdings.

Akademiska Hus was founded in 1993. A reform took place in government management that resulted in authorities, including each individual centre of education, being assigned direct responsibility for the provision of premises. The reform led to all government-controlled bodies being free to enter the market and to choose and negotiate, in open competition, the premises required. The aim behind the reform was to achieve more efficient provision of premises and improve management, thus presenting a more representative picture in the government budget of the cost of land and buildings.

INVOLVEMENT IN SUSTAINABILITY

The aim is for Akademiska Hus to show an example and through active involvement pursue sustainability issues. Contexts in which Akademiska Hus contributes to a more sustainable society are:

- Sweden Green Building Council, SGBC
- The *Miljöbyggnad* environmental classification system
- Building material assessment, BVB

AKADEMISKA HUS SUSTAINABILITY REPORT

The Akademiska Hus Annual Report also includes a Sustainable Enterprise section. This section presents the work being pursued at Akademiska Hus on sustainable enterprise based on various dimensions - financial responsibility, environmental responsibility and social responsibility, thus following the definition of sustainability.

Financial responsibility

Added value for owners and stakeholders

Akademiska Hus works in competition with and subject to the same terms and conditions as other property companies. We are one of several players on the market where customers can negotiate a solution that suits their needs best.

Akademiska Hus should be run professionally and cost effectively, resulting in a strong financial position. There is an ongoing search for opportunities to improve with the aim of offering customers competitive rents and good property management. The surplus that is generated is used to assure investment in future knowledge environments.

We strive to achieve good profit growth, economic sustainability and financial capacity. This offers security and quality for the owner, customers and society. Financial responsibility involves satisfying the demands made by the owner in terms of yield, equity ratio and dividend.

An important part of this financial responsibility is to assure operational funding that is efficient and secure. Akademiska Hus handles substantial loans on the international finance market. Borrowing is handled through a central Treasury Department, the aim being to utilise economies of scale and facilitate the efficient handling of financial risk exposure within the Company.

STAKEHOLDER MODEL

By actively handling financial, environmental and social aspects, risks and costs are reduced and better use is made of business opportunities. Value is created for owners and stakeholders.

ADDED VALUE FOR STAKEHOLDERS

A large proportion of the rental revenue paid by universities and colleges for premises goes back to different stakeholders through investment and meeting the cost of running the buildings. These costs take the form of payments to suppliers, salaries to employees, interest to lenders and taxes to society. The operating surplus assures our investment in future knowledge environments. Akademiska Hus's ownership situation, good financial position, good earning capacity and strong tenant and lease structure offer good financing potential. Akademiska Hus's excellent credit rating – a long-term AA rating with a stable outlook and a short-term A1+/K1 rating granted by Standard & Poor's – is a source of strength in times of financial unrest.

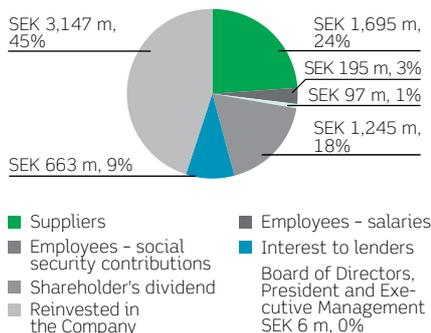
ADDED VALUE FOR THE OWNER

The government and the people of Sweden have been able to benefit over many years from the financial value created at Akademiska Hus. Since 1993, the value of properties has increased through investment and growth in value by SEK 42 billion to over SEK 54 billion. During 2012, the value of the properties fell by SEK 291 million (+361), equivalent to a decrease of 0.3 per cent (increase of 0.9) in the fair value. The property value was SEK 54,677 million (52,071).

The return on equity for 2012 was 6.8 per cent (9.2). The yield requirement is that the yield on average equity should be equivalent to the five-year government bond interest rate plus four percentage points viewed over a business cycle. The owner's target for 2012 was 5.1 per cent (6.3) and was thus achieved. The yield requirement must be viewed over a business cycle and over the past five years, the average target was 6.4 per cent whilst the average yield on equity was 5.9 per cent. The proposed dividend to the owner for 2012 is SEK 1,355 million (1,245). Almost 25 per cent of the revenue passed to the owner by satisfying the dividend target.

The added value for 2012 does not include corporation tax, which totalled SEK 601 million for the year. The reduction in corporation tax to 22 per cent resulted in a change in deferred tax of SEK 1,294 million.

FINANCIAL STAKEHOLDER RELATIONS



AKADEMISKA HUS FINANCIAL OBJECTIVES

- The return, profit after tax, on average equity shall be the equivalent of the average five-year government bond interest rate plus four percentage points viewed over a business cycle.
- The dividend should be 50 per cent of the profit after financial items, excluding unrealised changes in value, with a deduction for current tax.
- The equity ratio should be between 30 and 40 per cent.

Environmental responsibility

Our responsibility for the environment

Akademiska Hus's environmental responsibility derives from the Company's Environmental Policy. It describes an important part of the work that is being done to promote sustainable enterprise.



BioCentre, Swedish University of Agricultural Sciences, Uppsala

Akademiska Hus is a major player in the construction and property industry. Our size carries responsibility. The environmental programme is based on established objectives covering four environmental aspects.

The Akademiska Hus Environmental Policy was formulated in conjunction with ISO 14001 certification in 2004 and can be found in the Company's management system. The Environmental Policy describes the Akademiska Hus strategy and overall ambition regarding the environmental programme. The fact that the Environmental Policy is included in the management system accentuates Akademiska Hus's concern for the environment. It is the responsibility of each individual employee to pursue environmental work on a day-to-day basis.

The Environmental Policy is communicated internally through the management system and is available on the Akademiska Hus intranet AkaCampus. External communication takes place mainly through the Akademiska Hus Sustainability Report.

The Environmental Policy is also part of the relationship with the Company's suppliers. Environmental work, working environment and quality are important criteria for collaboration with contractors.

Akademiska Hus properties are to be found in 28 towns and cities and operations are divided into six regions.

In each of the regions, there is an environmental co-ordinator responsible for directing environmental work. An activity plan for the environmental work at Akademiska Hus is adopted each year. Through this activity plan, we are

Akademiska Hus environmental work focuses on four environmental aspects:

- Energy management
- Material management
- Phasing out of hazardous substances
- Indoor environment



endeavouring to engender commitment through concrete activities and measures.

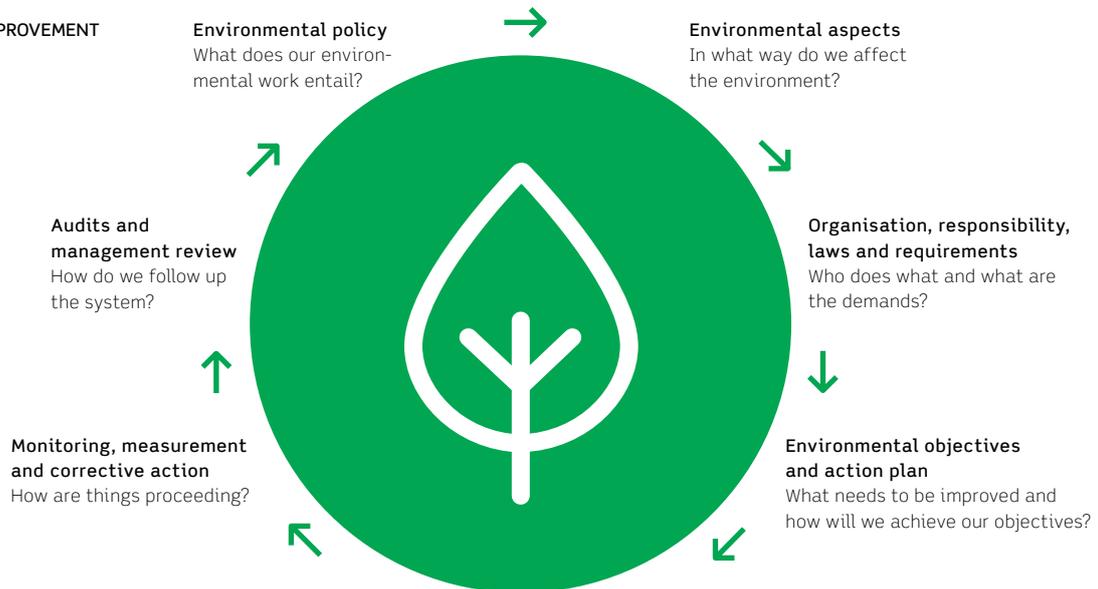
Each year, the environmental co-ordinators draft proposals for overall environmental objectives based on the four Akademiska Hus environmental areas. The Board adopts the overall environmental objectives, which are then broken down by the regions into detailed objectives and regional activities. The objectives and activities are presented in the regions' business plans and are followed up as part of the work related to the business plan. There is also reconciliation through a review by the Executive Management on the regional level and for the Company as a whole.

Of the 36 common activities in the environmental network plan, 27 were concluded during the year. Five activities are ongoing, three remain and one has been deleted. Examples of current joint activities are the preparation of a chemical register and a review of the environmental management system based on audit reports and deviation reports.

ENVIRONMENTAL POLICY

- Akademiska Hus should be environmentally certified and thus comply with applicable laws, ordinances and other requirements.
- Akademiska Hus should work to ensure that demands to prevent pollution that could arise as part of operations are met and should make every effort to ensure that the environmental programme is being constantly improved.
- Akademiska Hus builds and manages properties in an environmentally adapted, resource-efficient way.
- Akademiska Hus works to ensure that the same environmental care is shown by customers, suppliers and partners, with a subsequent impact on the whole of the Company's operations.
- Akademiska Hus attaches great importance to energy efficiency and the development of alternative energy production.
- Akademiska Hus endeavours to find the most efficient energy solution for each property, benefiting both the customer and Akademiska Hus.
- Through its own high level of expertise, Akademiska Hus should be at the forefront in the development and use of modern, efficient technology and with a good environmental profile that supports construction and management and ultimately the work of our customers.
- We seek to safeguard a good, sustainable, ecological environment.

ONGOING IMPROVEMENT



Ongoing improvement is the driving force behind the environmental work at Akademiska Hus. The aim is to monitor and take into account external demands and expectations, to identify business opportunities and savings that are linked to environmental issues and to have a firm basis for credible communication with stakeholders regarding environmental issues. Akademiska Hus has been certified according to ISO 14001 since December 2004.

Four important environmental aspects

ENERGY MANAGEMENT

Akademiska Hus energy work is based on reducing energy use and in doing so ensure that our environmental impact is limited. This is based on the principle that 'one saved kilowatt-hour offers the best climate benefit'.

Akademiska Hus assumes complete responsibility for the energy used in our buildings. Complete responsibility means that we do not focus purely on the energy used to operate the property but also include to a certain extent the energy used in our buildings. Our idea is based on the principle that the party that makes the investment also receives the financial benefit from the reduction in energy, regardless of whether it is the property owner or the tenant. In our energy objectives, we have included, for example, the tenants' power used for computers and lighting. We thus regard collaboration with the tenant as critical to the successful reduction in total energy use, thus limiting the environmental load resulting from operations. In the existing property holdings, simple adjustments have been made for a long time and energy work is mainly about daily optimisation and investment in energy-saving technology. To ensure this takes place, it is important that the right party, i.e. the property owner or the tenant, has the right incentive.

An important element in our long-term sustainability work is the fact that since 2011 we have only purchased bio-energy-based electricity.

During 2012, two projects were commenced in the energy field.

- Definition of requirements and the introduction of a joint, systematic follow-up process. More consistent energy follow-up will improve comparison of energy use and identify energy-saving measures.
- Systematic work for operational optimisation and directed energy initia-

tives as well as training of operating technicians. The aim is to increase knowledge among operating staff through training in operational optimisation.

Energy Portal

The Energy Portal is Akademiska Hus's central system for energy follow-up. It collates all energy measurements. Over 10,000 meters compile over 500 million measurements. This has been done continuously since 2000. These readings provide details of the overall energy use and at the same time the opportunity to go deeper, down to the building level or component level. Apart from energy statistics, there are also tools of both a technical and financial nature. There are proposals for ways of improving energy efficiency, gathered on the building level.

Efficiency improvement of an entire building – Total Measure Concept, TMC

With the aid of TMC, the best energy solution is identified for a building without sacrificing profitability. In the application of TMC, the following stipulations are made:

- The solution must be profitable in relation to the yield requirement.
- Measures must be viewed from an energy efficiency enhancement point of view.
- Measures used in a concept must be implemented.

Incentive models

The choice of a lease that either includes or does not include heating depends on the energy use situation in practice and is crucial to the formulation of the business model used for energy.

In commercial properties, energy can be saved if the lease is formulated in such a way that heating and cooling are included in the lease. The property owner is the party that has greatest potential to

- The most important question and the greatest challenge is **reducing energy use.**
- New construction takes place according to '**Environmentally classified building, silver level**'
- The greatest potential for improvement can be found in existing holdings and this frequently requires investment.



influence the use of heat, partly through professional and continuous optimisation but also through the potential to influence future investments with a bearing on energy efficiency. Investments are frequently in the form of advance maintenance were functioning, yet energy-inefficient equipment is replaced by more modern, efficient solutions. To finance these investments it is natural that the property owner can also benefit from the reduction in energy use.

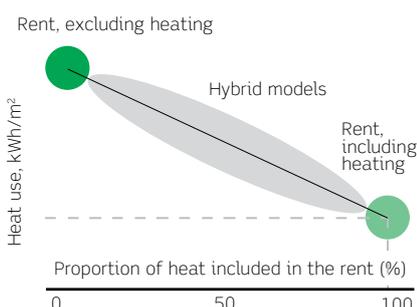
In the case of electricity, there is not the same clear lease-dependent connection. Instead, it is natural for the tenant to be charged separately for the electricity used for operations, e.g. lighting and computers.

ENERGY OBJECTIVES

Energy objectives, construction projects, kWh/m²

According to the EU directive on the energy performance of buildings, all new construction from 2018 must reach the almost zero energy building level. In the case of publicly owned buildings, there is a requirement to gradually achieve almost zero energy building status. The exact level for almost zero energy has yet to be decided although the indication is that energy use of 50–60 kWh per square

INCENTIVE MODEL



Technical development and rising energy prices have justified investment in equipment being replaced in advance, both from a financial and resource-efficiency perspective. For this to take place proactively, it is important that the benefit accrues to the party responsible for the investment. In commercial properties, where the tenant has less opportunity to influence the use of heating and cooling, this ought to be allocated to the lease, where the rent includes heating.

AKADEMISKA HUS VIEW OF OPTIMAL ALLOCATION OF ENERGY COSTS

INCLUDED IN THE RENT	CHARGED SEPARATELY
Heating	Electricity used by the tenant
Cooling	
Electricity used in property operation	

Hybrid model

Optimal allocation of energy costs from an energy efficiency perspective. The party that can influence and improve the efficiency of energy use should also be able to benefit in the form of reduced energy costs.

metre per year will apply. Since 2011, Akademiska Hus has imposed stricter energy-related demands for new construction to ensure that this figure is achieved. There will be extensive new construction over the next few years. Since 2008, Akademiska Hus has had ambitious, energy-related targets for new construction and redevelopment. In several of the Akademiska Hus new construction projects, energy use has not only fallen below the requirements laid down by the National Swedish Board of Building, Planning and Housing, but also the levels for Green Building and passive buildings. As part of the task of reducing energy use in the property sector, Akademiska Hus is a partner in sector organisations such as Green Building Council, the Swedish Energy Agency and others.

Energy objectives – property management
Energy-saving initiatives are implemented systematically to identify and implement improvement measures. The focus is on reducing energy use within existing holdings. If our energy-saving initiatives are to have a good outcome, there must be maximum focus on existing holdings. In 2011, Akademiska Hus became affiliated to the environmental classification system *Miljöbyggnad*. The system provides an overall picture of how a building functions and is a means of saving energy, people's health and the environment. Akademiska Hus aims to achieve at least two silver levels for all large new construction and redevelopment projects. During the year, Forensic Medicine in Gothenburg became the first new project to achieve *Miljöbyggnad* Silver classification in the areas of energy, indoor environment and materials/chemicals. Twenty-four Akademiska Hus buildings are registered for certification with the Swedish Green Building Council.

MATERIAL MANAGEMENT

For Akademiska Hus, material management involves shifting from waste management to material management. Long-

term property ownership, with general and flexible premises, where quality and sustainable materials are prioritised, reduces the need for redevelopment and replacement of materials. Restraint and efficient use of materials minimises the emission of greenhouse gases and is thus positive from a climate point of view.

Three important basic principles apply in the day-to-day work related to material management:

- The precautionary principle means that environmentally tested solutions are chosen rather than new, unknown solutions.
- The replacement principle means that environmentally better materials and products must be chosen when products that are equal in function are available.
- The prioritisation scale means that the following order should be observed:
 - Minimisation, i.e. management of raw materials and energy
 - Reuse (Recycling of products).
 - Material recycling
 - Energy extraction/combustion
 - Landfill and special disposal (hazardous waste)

PHASING OUT OF HAZARDOUS SUBSTANCES

Akademiska Hus is working to ensure that players in the industry will request and provide construction products that offer increasingly better environmental performance, which will speed up development and the phasing out of products that have significant negative environmental properties.

Together with 20 or so of the largest property owners in Sweden, Akademiska Hus is a partner in a system for the environmental assessment of construction products, known as *Byggarubedömningen* (Building Material Assessment), or BVB. The aim behind BVB is for the buildings of the future to be constructed using only environmentally assessed products. The system is used to assess chemical products in property management and a sys-

tem for material documentation in both construction and management, thus facilitating the choice of materials and products that offer the best possible environmental performance.

Akademiska Hus has made an inventory and cleared all sealants used in outdoor facades that contained PCB in joints. Clearance has also gradually taken place of PCB indoors in sealants, insulation glass, certain floor materials and condensers. A small number of buildings remain and activity plans have been prepared for taking measures well in advance of 2014 and 2016 according to the PCB Ordinance etc. SFS 2010:963.

GOOD INDOOR ENVIRONMENT

Akademiska Hus is striving to achieve good indoor environments, which are a prerequisite for health and job satisfaction among all those who work and study in the Company's premises. The starting point for Akademiska Hus's environmental work is 'human space', which means that the health aspect is prioritised.

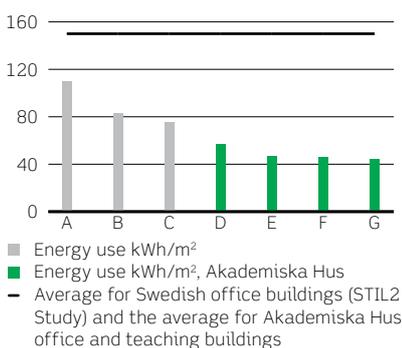
Radon measurements

Akademiska Hus has previously carried out indicative radon measurements in all buildings that have permanent workplaces. More thorough radon inventories, with subsequent and more detailed hour value measurements, have been carried out in buildings where raised levels had been indicated. With the introduction of *Miljöbyggnad* Silver, the limit was lowered to 100 Bq per m³. The Swedish Work Environment Authority limit for workplaces is 400 Bq per m³.

Moisture management

There is a great deal of emphasis on moisture safety in construction. Akademiska Hus has a certified moisture expert and general requirements for moisture safety in construction have been drawn up in conjunction with the industry standard (*ByggaF*, Method for Moisture Safety in the Building Process).

BUILDING COMPARISON
kWh/m²



- A National Swedish Board of Building, Planning and Housing building rules
- B GreenBuilding standards
- C Low-energy building
- D Academicum Gothenburg
- E Natural Sciences Building, Umeå
- F Väner Building, Karlstad
- G School of Music, Theatre and Art, Örebro

The graph shows a number of Akademiska Hus buildings and how much energy they use. Property energy, cooling and heating together are compared to the Akademiska Hus average for offices and teaching buildings, which is 150 kWh/m², and the same figure is the national average according to the STIL2 Study. Akademiska Hus office and teaching buildings account for approximately 60 per cent of the property holdings. Laboratory buildings account for 34

per cent of the floor space. These have higher energy use expressed in kWh/m² due to ventilation requirements and so forth. 150 kWh/m² is almost three times higher than Akademiska Hus's best buildings. Even compared with GreenBuilding standards they are well placed from an energy use point of view. Buildings that use little energy are often new although older buildings can also be made more energy efficient. A good example is the Science Building in Umeå, which dates from the 1970s and now has an energy figure of less than 50 kWh/m². The majority of Akademiska Hus buildings will still be in existence in 2050 and if we and Sweden as a nation are to achieve the national targets it is mainly a question of working with existing holdings, which offer major energy-saving potential.

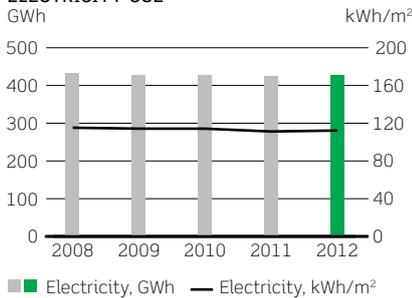
Fulfilment of environmental objectives

ENVIRONMENTAL ASPECTS	LONG-TERM INDICATORS	GUIDELINES	ACTIVITIES/FULFILMENT OF OBJECTIVES
<p>Energy management We assign high priority to improving energy efficiency and the development of alternative energy production. We endeavour to find the most effective energy solution for each property to the benefit of both the customer and us.</p>	<p>Using the figures for 2000 as a starting point, energy consumption (purchased energy per square metre) will fall by 40 per cent through to 2025.</p> <p>In new construction and redevelopment, we use the <i>Miljöbyggnad</i> indicators for the Energy area.</p>	<p>Purchased energy: Reduced each year by 2 per cent, kWh/m²</p> <p>Each facility/building will have a positive trend viewed on an annual basis.</p> <p>All new buildings will satisfy energy requirements according to <i>Miljöbyggnad</i> Silver classification.</p> <p>In time, existing buildings will satisfy the <i>Miljöbyggnad</i> Silver classification criteria for energy.</p>	<ul style="list-style-type: none"> ■ 38 per cent of all facilities/buildings use more energy in 2012 compared to 2011. ■ Energy investments and energy optimisation have been carried out to achieve the objectives. ■ Equivalent emissions of greenhouse gases (CO₂) for purchased energy are presented. ■ In 2012, all new construction commenced was notified for <i>Miljöbyggnad</i> Silver level certification. ■ In 2012, one existing building in each region was examined using the <i>Miljöbyggnad</i> Silver classification criteria for energy.
<p>Material management We build and manage our properties in an environmentally adapted, resource-efficient way.</p>	<p>Akademiska Hus does not draw on finite resources.</p>		<ul style="list-style-type: none"> ■ Using LCC, regular account is taken of material management.
<p>Phasing out of hazardous substances We will work to ensure that the demands for preventing pollutants that could arise in operations are met and we will endeavour to ensure that our environmental work is improved continuously.</p>	<p>Akademiska Hus only uses accepted or recommended products assessed as part of Building Materials Assessment.</p> <p>All buildings satisfy <i>Miljöbyggnad</i> Silver level indicators level within the area Materials and chemicals.</p>	<p>Akademiska Hus uses feature-related criteria when assessing the chemical content in management products.</p> <p>All new buildings must satisfy the material requirements according to <i>Miljöbyggnad</i> Silver classification.</p>	<ul style="list-style-type: none"> ■ Chemical lists in property management have been drawn up with the aid of Building Materials Assessment. ■ In 2012, all new construction commenced was notified for <i>Miljöbyggnad</i> Silver level certification. ■ In 2012, one existing building in each region was examined using the <i>Miljöbyggnad</i> Silver classification criteria for materials.
<p>Indoor environment Our properties and campuses will satisfy the changing needs of our customers over time.</p>	<p>For all buildings, we use <i>Miljöbyggnad</i> Silver level indicators in the Indoor environment area.</p>	<p>All new buildings must satisfy <i>Miljöbyggnad</i> Silver classification level within the area Indoor environment.</p>	<ul style="list-style-type: none"> ■ <i>Miljöbyggnad</i> implemented at the Company.

- Satisfied completely
- Satisfied in part
- Not satisfied

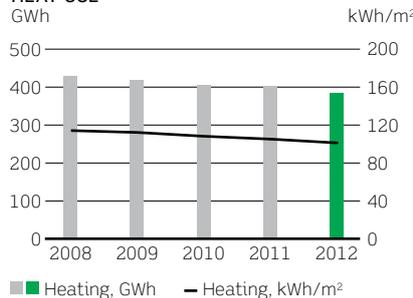
Environmental indicators

ELECTRICITY USE



For 2012 and 2010, Akademiska Hus purchased origin-guaranteed electricity produced from HEP. During 2011, bioenergy-generated power was purchased. It is estimated that electricity used by Akademiska Hus before 2010 had a proportion of carbon dioxide-free generated electricity (HEP and nuclear power) amounting to 90 per cent, whilst 10 per cent came from fossil fuels.

HEAT USE



The proportion of carbon dioxide-free-generated heat (bioenergy and residual energy) used by Akademiska Hus totalled 85 per cent with 15 per cent coming from fossil fuels.

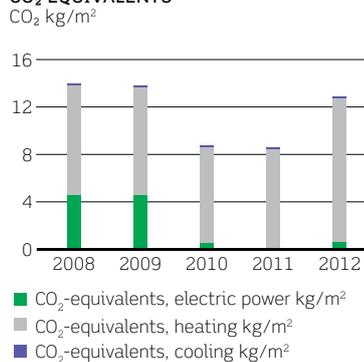
KEY EVENTS

In 2012, origin-guaranteed electricity produced from HEP was purchased.

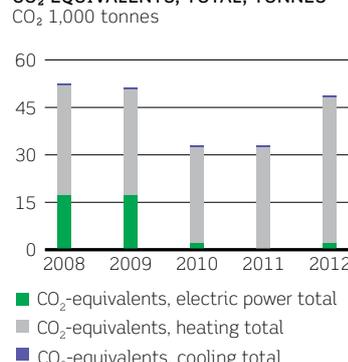
The aim at Akademiska Hus is that all our new buildings will be environmentally classified and at least satisfy the requirements laid down in the Sweden Green Building Council *Miljöbyggnad* Silver level.



CO₂ EQUIVALENTS



CO₂ EQUIVALENTS, TOTAL, TONNES



Computation basis for carbon dioxide equivalents

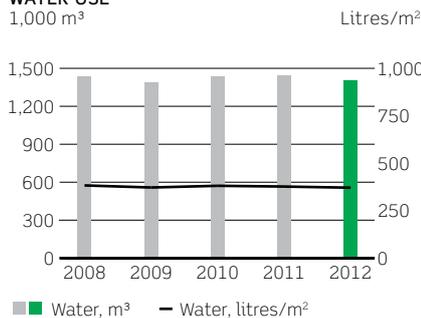
The stated volume of carbon dioxide equivalents is estimated according to information received from Akademiska Hus's district heating providers through the industry body Swedish District Heating Association. The information refers mainly to 2011. The computation method has changed compared to reports in previous years. Using the equivalent computation method, CO₂ for 2011 amounted to approximately the same level.

An average of Akademiska Hus purchased electrical energy was set at 5 g CO₂ per kWh. The level is given by the industry organisations Swedish District Heating Association and Swedish Energy Association. The purchase of electricity by Akademiska Hus consists entirely of origin-guaranteed electricity from HEP with a carbon dioxide impact of 5 g CO₂ per kWh.

The Akademiska Hus average for purchased energy for district cooling is set at 10 g CO₂ per kWh of delivered cooling.

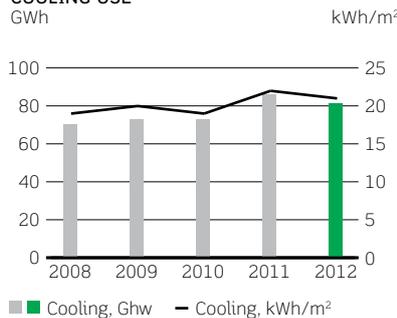
Free cooling, bottom water etc. and traditional generation of cooling dominate although absorption technology is also used. The calculation basis for CO₂ generation is that 50 per cent of the cooling is produced using electricity (compressor) and that the cooling factor, including cooling unit-linked pumps, fans etc. is 3. Other pump energy etc. (electricity) is estimated to be equivalent to 10 per cent of the cooling generated. Each kWh cooling unit generated requires 0.5 / 3 = 0.17 kWh of electricity as well as pump electricity etc. 0.1 kWh, which in turn represents a total of 0.27 x 40 = 10 g CO₂. The calculation for district cooling is based on the assumption that electrical energy used to generate cooling gives rise to 40 g of CO₂ per kWh.

WATER USE



Akademiska Hus uses water from the Swedish municipal system.

COOLING USE



Akademiska Hus uses mainly cooling from free cooling, bottom water and traditional generation of cooling. It is estimated that 50 per cent of the cooling is produced using electricity (compressor operation) with cooling factor 3.

USE OF ENERGY AND WATER PER REGION

Region	Electricity kWh/m²			Heating kWh/m²			Cooling kWh/m²			Water Litres/m²		
	2010	2011	2012	2010	2011	2012	2010	2011	2012	2010	2011	2012
South	130	129	129	110	116	106	31	34	33	395	438	430
West	99	96	97	76	72	67	9	9	9	342	362	342
East	104	105	108	86	87	87	36	41	39	419	372	345
Uppsala	134	125	119	140	131	121	1	4	5	216	254	256
Stockholm	107	109	110	122	120	122	28	33	31	481	438	437
North	107	103	110	82	75	72	9	10	8	388	368	342
AVERAGE	114	111	112	108	105	101	19	22	21	381	377	371

Social responsibility

Knowledge of the needs of customers

By focusing on the academic world, we have over the years accumulated experience of the day-to-day life, needs and wishes of Swedish centres of education. The fact that we operate throughout the country gives us the opportunity to enhance efficiency and transfer good ideas from one part of the country to another.



Key Building, Linköping University

SUSTAINABLE ENTERPRISE

As a government-owned company, our work is based on the guidelines laid down in the government ownership policy in which sustainable enterprise is a key element. Government-owned companies should be role models and be at the forefront, armed with a carefully considered strategy for the environment, diversity, equality, business ethics, anti-corruption, working conditions and human rights. During the year we recruited a sustainability manager, who is charged with acquiring an overall understanding of the whole area and leading the task of producing value-adding measurements during 2013 for follow-up in 2014.

AN ATTRACTIVE WORKPLACE ATTRACTS EXPERTISE

Staff turnover at Akademiska Hus has increased in recent years. This can be attributed in part to a high age structure within the Company and thus more people retiring, and in part to increased competition for skilled employees on the labour market. The increased staff turnover means that provision of knowledge and

expertise is coming to the fore even more. We must work actively to retain our employees and attract new employees with the correct knowledge and competence. An important element in this process is developing our employer brand, i.e. how Akademiska Hus acts and is perceived as an employer by present and potential employees. During the year, we produced a strategy for how a structured programme of activities related to the employer brand will be pursued.

EDUCATION AND DEVELOPMENT

The rate of education and development in the Company continues to be high. In order to meet customer demands and needs, it is important that our employees undergo continuous professional development to acquire the skills necessary for them to perform their duties.

Appraisal discussions are an important basis for competence development and the aim is that each employee has regular appraisal discussions with their supervisor. In 2012, 88 per cent (96) had an appraisal discussion with their supervisor. The discussion is documented in

During the year, a **strategy** was produced for how work on the **employer brand** should be pursued. Staff turnover has increased and the provision of knowledge and expertise is becoming increasingly important.



the form of an individual activity plan in which the aims should be clear, challenging, time-specific and quantifiable. As regards strengths and areas for improvement, a note is made if there is any area of expertise that needs to be reinforced and, if so, what activities would be required. An improvement is planned to be introduced next year where the number of training hours will be registered in the human resource system.

Competence training includes a deepening of knowledge within each professional area as well as general training to support personal development. Apart from the in-house leadership programme for managers, we have developed an in-house leadership programme for project leaders. The programme started during the autumn and is based on the Akademiska Hus leadership philosophy, which presents the expectations that we as a company have of our managers. The aim is to provide basic knowledge and tools that will create the requisite conditions for clear management and leadership.

Each year, a joint training day is run for all employees. The focus is on knowledge and understanding the parts of the Group in which one is not personally active. Customers and other external persons are invited to the training day as speakers.

MOTIVATED EMPLOYEES

Each year, Akademiska Hus runs a Satisfied Employee survey. The aim is to measure the current situation and to produce an effective means of working aimed at ongoing improvement of leadership and empowerment. The Satisfied Employee Survey is a tool that can be

used by the executive management and all managers and units within Akademiska Hus in order to control and develop operations. The results are presented on company level, on regional level and on Group level with a minimum of five employees. The main areas are employer, duties, competence, leadership, communication, cooperation and organisation.

The Satisfied Employee Index (NMI) measures how satisfied employees are with their working situation and Akademiska Hus as an employer. Generally, there have been relatively small changes in attitudes during the year within the different sub-areas included in the survey. The results for 2012 show that Akademiska Hus employees are slightly less satisfied with their working situation compared to the previous year. The NMI for 2012 was 69 (70). The response rate for the Satisfied Employee Survey 2012 was 91 per cent (93).

WORKING ENVIRONMENT PROGRAMME 2012

Since 2007, the Akademiska Hus working environment programme has been certified according to AFS 2001:1 'Systematic management of the working environment'. In 2012, the working environment management system was recertified for a new, three-year period. As in previous years, the certification body carries out annual follow-up certification audits, which involves the auditors visiting each region and the Head Office.

The most important way for Akademiska Hus to follow up how the working environment programme is developing and whether objectives are being achieved, takes place mainly – apart from the certification audits – through controls in various forms. These controls commence with each unit in the Company mapping the working environment risks in their operations each year. Based on risk mapping, the unit formulates an activity plan with the aim, through training and different measures, to improve conditions and to prevent accidents and near-accidents.

An important tool to measure how staff at Akademiska Hus perceive the working environment is the Satisfied Employee Survey. A number of the questions in this survey focus directly on areas of the working environment which Akademiska Hus staff feel should be a priority.

In response to the survey question 'Do you feel that Akademiska Hus handles working environment issues well', 83 per cent of the employees agreed (83).

The most important and prioritised areas related to the working environment in 2012 were leadership, organisation and empowerment.

The way in which risks are mapped has been gradually improved during the year and this is now being done consistently throughout the Company, making it easier to make comparisons and to learn from each other.

HEALTH AND FITNESS INITIATIVE

Akademiska Hus is working actively to inspire all employees to live a healthier life. There are special 'health and fitness motivators' in each region. The task of the health and fitness motivators includes offering all employees the opportunity to try out different health and fitness activities during the year. There is also a joint theme each year and in 2012, the theme was 'The year of movement'. In addition, all employees receive an annual health and fitness grant of SEK 3,000 for personal health and fitness activities.

Akademiska Hus has had a routine in place for handling sickness and rehabilitation, which complies with the system introduced by the Social Insurance Office.

Akademiska Hus does not have any operations in countries in which there is a high risk of contagious diseases or in professional areas in which there is a high frequency of specific diseases.

STAFF STRUCTURE AND TURNOVER

The total number of employees at the end of 2012 was 415 (415). The average age in the Group was 48.1 years (47.9). In total, 53 per cent (53) are aged between 30 and 50 and only 4 per cent (4) are under the age of 30.

Staff turnover during 2012 was 10.1 per cent (11.2). Nine people retired during 2012 (20). At the turn of the year 2012/2013, 50 employees (49) were aged 61 or over.

In total, 26 per cent (24) of Akademiska Hus employees are women. In the more operative positions, the property industry is still very much male-dominated. There is a conscious endeavour within Akademiska Hus to achieve a better gender balance within different positions in the organisation and in management teams and joint process groups.

Today, the division between men and women in managerial positions reflects the gender division in the Company. Of the managerial positions in the Company, 26 per cent are held by women.

A salary survey was conducted in 2012 based on equal/similar positions involving a comparison of the salary level of female-dominated professional groups with 'non-female-dominated' roles within each group. The results of the survey showed that there are no salary differences in what are otherwise equal positions.

COLLECTIVE AGREEMENTS ETC.

Akademiska Hus is a member of the Almega Property Owners branch of the employer organisation Almega Service Sector Association. There is a collective agreement signed by Almega Property Owners and the trade unions Unionen, Ledarna, the Swedish Association of Engineers and SEKO. All employees at Akademiska Hus are covered by this agreement. The minimum period of notice regarding changes in operations is specified in current collective agreements for Akademiska Hus.

Akademiska Hus does not conduct operations where the employees' right to association and right to a collective agreement are materially threatened. Nor does it have operations where there is a tangible risk of child labour or where young workers are exposed to hazardous work or operations that are regarded as constituting a risk that forced labour or compulsory work would arise.

DIVERSITY PROGRAMME

The Akademiska Hus equality and diversity plan includes working to bring about greater ethnic diversity. Each time a person is recruited, Akademiska Hus takes into account ethnic diversity as a key factor.

Some 10 per cent (11) of Akademiska Hus employees, i.e. 41 persons (45), have a foreign background with at least one parent who was born outside Sweden.

The Akademiska Hus equality and diversity plan is a control instrument and an expression of the view of equality between men and women, confirming that the same conditions shall apply to employees and applicants regardless of ethnic affiliation, age, religion or other belief, sexual persuasion or functional disability. No cases of discrimination were reported or investigated during 2012.

Market responsibility as a leader

Akademiska Hus has a strong position on the rental market for universities and colleges. Our strong position also carries substantial responsibility for observing good ethics in its business relations. The Ethics Policy is a means of assuring this.

CODE OF CONDUCT

During 2012, work commenced on producing a Code of Conduct based on the ten principles in the UN Global Compact, the UN framework for companies and human rights, as well as the OECD guidelines governing principles at multinational companies dealing with the environment, human rights, working conditions, anti-corruption and business ethics as well as equality and diversity.

The Code should contain guidelines for how employees at Akademiska Hus should act in different contexts and what we expect of our partners, suppliers and sub-suppliers. At Akademiska Hus, our aim is that everything we do should be characterised by competence, integrity, moral honesty, transparency and goodwill.

BUSINESS ETHICS AND INTEGRITY

Akademiska Hus's ambition is to be regarded as a company with a high degree of integrity and morality and which runs and develops sound business operations. Our operations should be characterised by impeccable business ethics. This is how we best safeguard long-term relations with our customers and success in business. Financially sound, successful operations also include responsible energy and environmental work. Good ethics include assuming personal responsibility, being committed and honest and being involved by helping and supporting each other. By adopting such an approach, we engender confidence.

In our ethical approach, we should comply with laws and ordinances and what is meant by good practice in our industry. We strive to adopt an open attitude in the dialogue with those who are affected by our work and we are clear about the terms, conditions and rules that apply at our Company. In our business operations, we should not resort to methods such as corruption, bribery and untrustworthy methods to limit competition, thus distorting the markets and preventing financial, social and democratic development. As Akademiska Hus has a high market share, the way it acts is particularly important. Providing good service to customers and users should be

central. Akademiska Hus has an important responsibility to build, develop and maintain modern environments for research, education and innovation and together with our customers, we develop their operations and brands. This responsibility is something Akademiska Hus must live up to and is an important cornerstone in Akademiska Hus's very existence.

The relationships between colleagues and between management and employees should be based on mutual respect and dignity. We endeavour to have the best conceivable working environment, where everyone has the same opportunities, regardless of gender, nationality, religion, ethnic affiliation or other distinguishing features.

RESPONSE

In 2012, Akademiska Hus conducted Response, a qualitative customer survey in the form of in-depth interviews with 18 representatives from our fourteen largest customers. The aim of the study was to highlight the views of our largest customers, thus giving us a better understanding of how we can continue to improve and develop our customer relations. The survey also provided a good basis for following up work during 2011 and a basis for the discussions within the Board regarding the strategic choice of direction for the coming years. Examples of views that have emerged from the survey were that Akademiska Hus should explain its mission more clearly and it should clarify the rental model.

ETHICS POLICY

The Akademiska Hus Ethics Policy clarifies the Company's moral and ethical values and the expectations of its employees with regard to contact with external parties and acting in the name of the Company.

Ethics can briefly be defined as the carefully considered perception of what is right or wrong. The Ethics Policy provides support on how the employees should act in different situations. Ultimately, however, each individual is responsible for his or her ethical decisions. Good ethics require that everyone

assumes true personal responsibility.

Good ethics embody honesty, helpfulness and supporting each other, both professionally and privately. Good business morals require that in our dealings with customers and in other business relationships, we do everything we have promised and rectify all mistakes without discussion. Our aim is that customers and stakeholders should feel that Akademiska Hus runs and develops sound, successful operations with a high degree of integrity and morals.

All employees have received training in the contents of the Ethics Policy. The Ethics Policy is also available on the Akademiska Hus internal information and communication platform, the intranet AkaCampus.

ETHICS POLICY IN BRIEF

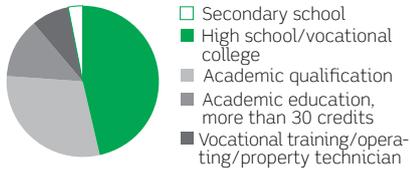
Akademiska Hus shall endeavour to maintain impeccable business ethics.

Akademiska Hus shall endeavour to uphold a mutually strong and durable relationship with its employees and customers.

Akademiska Hus shall, in the light of the aim to maintain a financially sound and successful operating base, endeavour to pursue responsible energy and environmental work.

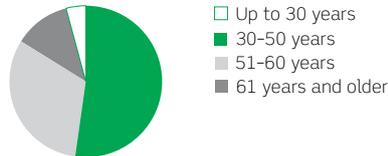
Social indicators

EDUCATION LEVEL



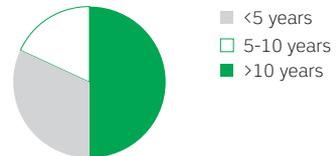
The majority of employees belong to the operating technician category with relevant vocational training or experience. Management and supervisory personnel often have an academic education.

AGE DISTRIBUTION



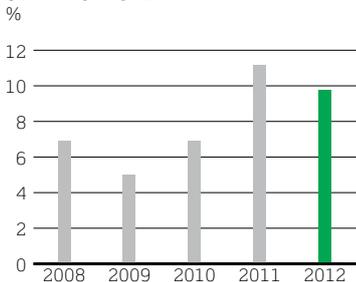
Over half of the employees are between 30 and 50 years of age.

LENGTH OF EMPLOYMENT



68 per cent of employees have been employed for more than five years.

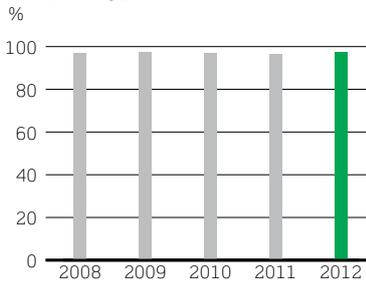
STAFF TURNOVER



■ Staff turnover, %

Staff turnover for 2012 was 10.1 per cent (11.2). Nine people (20) retired in 2012. Approximately 10 people retire each year.

ATTENDANCE



■ Attendance, %

Absenteeism due to illness during the year amounted to 2.5 per cent (3.7), of which long-term absenteeism was 0.8 percentage points (2.0). Akademiska Hus works actively on health issues.

BREAKDOWN OF EMPLOYEES ACCORDING TO POSITION AND GENDER

	Women	Men
Property technicians	7	136
Property engineers/operating engineers	2	37
Property managers	9	29
Senior property managers	2	9
Project managers	11	25
Accounting personnel/Administration	46	18
Executive Management	6	7
IT/Communication	20	25
Other positions	6	20
Total	109	306

PROPORTION IN PER CENT

26 % 74 %
The proportion of women and men in managerial positions reflects the gender division in the Company as a whole.

EXTRACT FROM THE EMPLOYEE QUESTIONNAIRE

	2010	2011	2012
I am aware of the strategic objectives at Akademiska Hus	83	88	88
My manager/supervisor follows up my individual activity plan	75	83	83
Overall, I am very happy with my duties	77	78	79
I assume responsibility for developing the skills and expertise I need in my work *			89
I feel I am respected by my immediate superior	80	85	84
I have the authority to take action to solve problems that arise in my work	82	84	87
Are you happy at work?	87	89	92

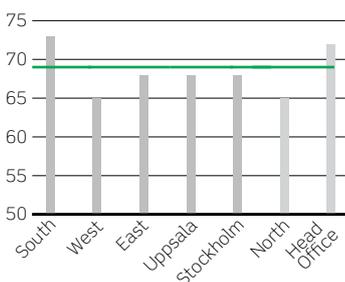
* New formulation, therefore no history.

SATISFIED EMPLOYEE INDEX (NMI) - UNDERLYING FACTORS

	2010	2011	2012
Employer	70	74	72
Duties	77	78	79
Co-operation and organisation	62	66	69
Competence and development	75	84	88
Objectives *		83	83
Appraisal discussions	78	81	80
Leadership	73	78	78
Remuneration	44	52	54
Physical working environment	80	83	84
TOTAL NMI	67	70	69

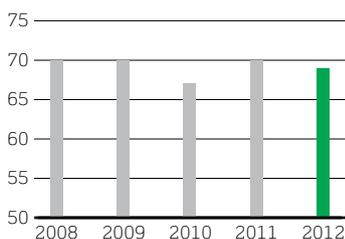
* New area for 2011

SATISFIED EMPLOYEE INDEX (NMI) PER REGION

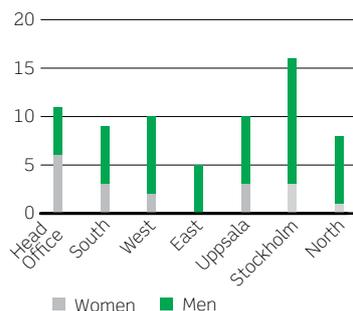


■ NMI — NMI, average

SATISFIED EMPLOYEE INDEX (NMI)



NUMBER OF MANAGERS, NUMBER OF WOMEN AND MEN



Stakeholders and sustainability issues

Dialogue with stakeholders

We endeavour to achieve an open, active dialogue with all stakeholders. Information about Akademiska Hus must be transparent and readily available



Boiler Facility, Royal Institute of Technology

OUR STAKEHOLDERS

Akademiska Hus stakeholders are defined as the organisations or individuals who are affected by Akademiska Hus activities, products and services and whose actions can influence the potential to implement our vision successfully – to become a world leader in knowledge environments. Stakeholders have been identified by mapping the impact Akademiska Hus has on different groups or individuals, or the impact different groups or individuals have on Akademiska Hus.

The stakeholders which Akademiska

Hus identifies as most important are – in addition to the government – customers, users, lenders, employees, suppliers, the media and politicians. Communication with stakeholders takes place on an ongoing basis as an integral part of the Company's operations. The table specifies the most common types of dialogue with each group of stakeholders.

OUR MOST IMPORTANT SUSTAINABILITY ISSUES

Co-operation is a prerequisite for our mission and takes place with the Company's

most important stakeholders. To ensure that we work and report on those areas that are most important for the work of the Company and are our stakeholders, stakeholder analyses are conducted continuously. The results of the stakeholder analysis show that the highest priority was energy use. Properties account for approximately 40 per cent of energy use in Sweden and Akademiska Hus properties make up approximately two per cent of the non-residential premises in Sweden. Our properties are expected to have a high level of energy efficiency and

STAKEHOLDER	ISSUES	DIALOGUE	RESULT (EFFECT)
Owner	Profitability, responsible enterprise	Annual General Meeting, work of the Board of Directors, meetings, akademiskahus.se, Annual Report	Annual Report, Corporate Governance Report, merger, dividend
Lenders	Profitability, responsible enterprise, financial stability, business opportunities	Meetings, Annual Report, akademiskahus.se	Credit rating, confidence
Customers	Energy efficiency, environmental impact of buildings, knowledge environments, campus plans	Response Customer Satisfaction Index, focused discussions, campus planning customer meetings, akademiskahus.se, Annual Review	Views obtained from qualitative customer interviews, AkaFuture - analysis of current status
Users	Knowledge environments, campus plans	Reinforced communication, akademiskahus.se, Annual Review	Increased awareness of Akademiska Hus
Suppliers	Environmental work and social responsibility at suppliers; terms and conditions of employment for employees; payment capacity	Procurement, negotiations, akademiskahus.se	
Local community	Urban plans, campus plans	Reinforced communication, akademiskahus.se, campus planning	Increased awareness of Akademiska Hus
Employees	Competence development, working environment, organisation	Satisfied Employee Index (NMI), akademiskahus.se	Code of conduct, equality plan, training programmes, active recruitment, management days, vision meetings
Media	Knowledge environments	Press releases, interviews, akademiskahus.se	A clearer picture of the operations and role of Akademiska Hus
Politicians	The development of Sweden as a nation of knowledge	Annual overview, akademiskahus.se	Greater interest in knowledge environments

as little impact on the climate as possible. Another important issue concerns sub-suppliers used by Akademiska Hus. This applies both to the choice of materials made in conjunction with new construction and the working methods employed when it comes to environmental responsibility and social responsibility. This includes the suppliers' own environmental programmes and the working conditions that apply to employees at sub-suppliers. Akademiska Hus is also expected to observe good ethics in its business relationships. This is particularly important for a company such as Akademiska Hus, which by virtue of its size is a major operator and has a strong position on the market.

Akademiska Hus employees expect the Company to be a good employer, offering good development opportunities and a safe, healthy working environment. Equality, diversity and measures to achieve a balance in life are part of this totality.

CAMPUS PLANS

In recent years, Akademiska Hus has invested in a highly focused way in developing new, future-oriented campus plans in close collaboration with the centres of education. Campus planning is about how the activities in the areas will be developed and how campuses should be

developed as urban districts. The focus is on how a campus can contribute to attracting the best researchers and students to our centres of learning and how they can be induced to remain. Working with stakeholders, discussing premises for companies and enterprise parks beside a campus, is an important element, which contributes to making both university campuses and research parks more attractive. Campus plans are developed at least every fifth year to keep the common dialogue regarding our campuses alive.

MARKET RENTS

An issue that has aroused discussion about Akademiska Hus is the setting of rents. Some groups feel that it is wrong that Akademiska Hus applies a system for setting rents based on market conditions. Critics feel that universities and colleges are paying rent that reduces a budget that would otherwise have been used for education or research. In reality, it is a very simple principle that forms the basis for the idea behind market rents, i.e. the free market – the same principle that is used when a price is set for other things, such as the goods and services that we buy.

Akademiska Hus complies with its remit from the Swedish government and is expected to charge competitive rents.

The present market share is 63 per cent, which makes Akademiska Hus the leading provider of premises for universities and colleges. However, size also carries responsibility. In order to avoid distorting the competition, it is important that our rents and conditions are in line with the rest of the market. Akademiska Hus works according to the same conditions as, and in competition with, other property companies. It is the aim of the owner to allow Akademiska Hus to be one of several operators on a market where customers can negotiate a solution that best satisfies their needs. The aim is to achieve good profit growth, financial sustainability and financial capacity. Akademiska Hus must satisfy the demands laid down by the owner regarding yield, equity ratio and dividend.

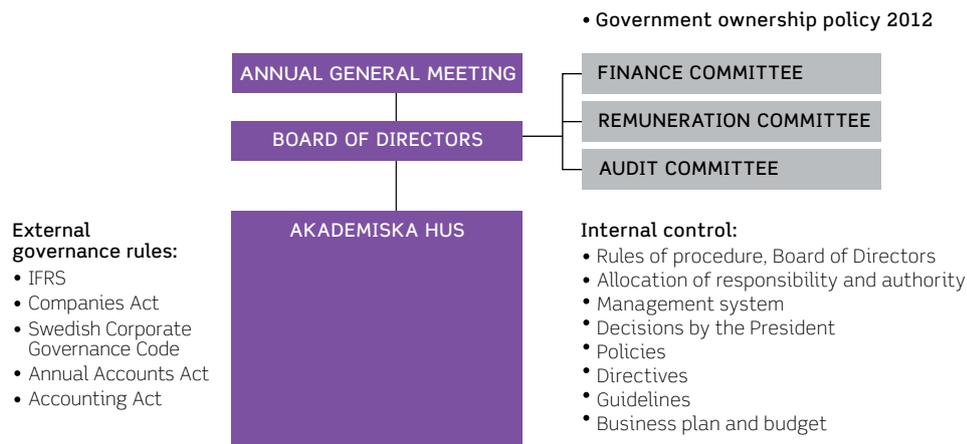
It is Akademiska Hus's hope and ambition that the Company's customers feel that the pricing matches up to what is being offered. The aim is to build, develop and maintain modern environments for research, education and innovation. The financial strength of Akademiska Hus means that universities and colleges can grow regardless of the economic climate. This is a source of security for the customers and a guarantee that Sweden will develop as a nation of knowledge.

Corporate Governance Report

Best possible long-term growth in value

The government is charged with the task of managing the country's assets to ensure the best possible long-term growth in value and to ensure that specific societal assignments are carried out.

GOVERNANCE STRUCTURE



AKademiska Hus applies the Swedish Corporate Governance Code (the Code), including statements from the Swedish Corporate Governance Board (bolagstyrningskollegiet.se) and the guidelines laid down by the government in its ownership policy for state-owned companies (regeringen.se). Akademiska Hus is wholly owned by the Swedish government through the Ministry of Finance. The owner takes a long-term view of its ownership. The primary task for Akademiska Hus is to offer the country's universities and colleges suitable buildings for education and research. The Company also has responsibility as property manager for capitalising on the significant economic and cultural values that exist in the properties.

The Company's Articles of Association state that the Company shall own and manage real estate and carry on building activities, building administration and operations compatible therewith, as well as own and manage chattels. Changes in the Articles of Association are decided at the Annual General Meeting and must always be reported to the Companies Register.

State-owned companies represent important values and are owned ultimately by the Swedish people, which requires open, professional provision of information. The companies should act as a role model with regard to sustainable enterprise – state-owned companies must carry on their operations in a way that benefits sustainable development according to the Brundtland Commission's definition of sustainable enterprise, which covers the environment, human rights, working conditions, anti-corruption and business ethics as well as equality and diversity. In the spirit of the Code, rules and routines are developed that ensure transparency, a clear allocation of responsibility between different Company bodies and the Board's efficient discharge of its duties.

This Corporate Governance Report, which was adopted by the Board on March 14, 2013, describes the structure and processes for Group management and control.

Owner objectives

The owner's financial objectives are as follows:

- The return (profit after tax) on average equity should be equivalent to the five-year government bond interest rate plus four percentage points viewed over a business cycle.
- The Group's dividend target is that the dividend should amount to 50 per cent of the profit after financial items, excluding unrealised changes in value, with a deduction for current tax. The annual decisions regarding a dividend should take into account the Company's strategy, financial position and other financial targets.
- The Group's equity ratio should be between 30 and 40 per cent.

Return on equity was 6.8 per cent (9.2). On average, return on equity during the most recent five-year period was 5.9 per cent. During the five-year period, the average five-year government bond interest rate plus four percentage points was 6.4 per cent.

DEVIATIONS FROM THE CODE

The Code has been prepared for companies with a spread of ownership. At such companies, the election committee is in the first instance a body for shareholders to prepare decisions regarding appointments. For state-owned companies, the rules regarding an election committee are replaced by principles governing a structured nomination process according to the government's ownership policy.

Appointment of a Board of Directors and auditors (Code rules 2.1-2.7)
Akademiska Hus does not apply the rules in the Code regarding the appointment of a Board of Directors and auditors.

Reporting of the independence of Board members (Code rule 4.5)
Akademiska Hus does not apply the rules in the Code regarding the reporting of the independence of Board members.

Nomination process for Board members and auditors

The owner adopts a structured nomination process in conjunction with the appointment of Board members and auditors. The nomination process is conducted and co-ordinated by the state ownership unit at the Ministry of Finance. Members are selected from a broad recruitment base.

The nomination process is presented in the Government’s ownership policy. Board membership requires a high level of expertise within relevant current business operations, business development, industry know-how, financial issues, or in other relevant areas. In addition, there should be a strong sense of integrity and a capacity to act in the Company’s best interests. The composition of the Board should be such that the Board always has knowledge of the industry or other know-how that is relevant to the Company. The composition should also be such that a balance is achieved in terms of background, age and gender. The Articles of Association do not contain any stipulations regarding appointment or dismissal of Board members.

ANNUAL GENERAL MEETING

Akademiska Hus follows the rules for issuing information related to corporate governance issues. The rules, as well as the time, date and venue of the Annual General Meeting, can be found on the Company’s website.

The Annual General Meeting must be held before April 30 each year. At the Annual General Meeting, the shareholders elect, among others, the Board of Directors and auditors and decide on discharge from liability for the Board of Directors and the President. The Meeting decides on guidelines for remuneration to persons in leading positions and, where applicable, amendments to the Articles of Association. The Annual General Meeting was held on April 25, 2012. The meeting was opened by Eva-Britt Gustafsson, who was appointed to chair the proceedings. Also present were Martin Janhäll, President Kerstin Lindberg Göransson, Vice President Anette Henriksson, authorised public accountant Hans Warén and Carolin Åberg Sjöqvist, secretary, as well as other members of the Board.

DECISIONS AT THE ANNUAL GENERAL MEETING

- Adoption of the voting list. It was noted that the Meeting had been duly convened.
- Adoption of the Annual Report, Sustainability Report, consolidated accounts, and the audit report for the 2011 financial year.
- A decision regarding the payment of a dividend of SEK 1,245,000,000 to the owner.
- The Board of Directors and the President were granted discharge from liability for the 2011 financial year.
- A decision to adopt the principles presented for remuneration and other terms and conditions of employment for senior executives according to the ‘Guidelines for terms and conditions of employment for senior executives in government-owned companies’, passed by the Government on April 20, 2009.
- Election of members of the Board of Directors up to the end of the next Annual General Meeting. Election of auditors. Decision regarding fees to the Board of Directors and the auditors.

BOARD OF DIRECTORS

The Board of Directors is ultimately responsible for the organisation of Akademiska Hus and management of its operations. The work of the Board is governed by the rules of procedure adopted by the Board of Directors each year. The rules of procedure lay down the Board’s working methods, instructions for the President and instructions for the Board’s committees.

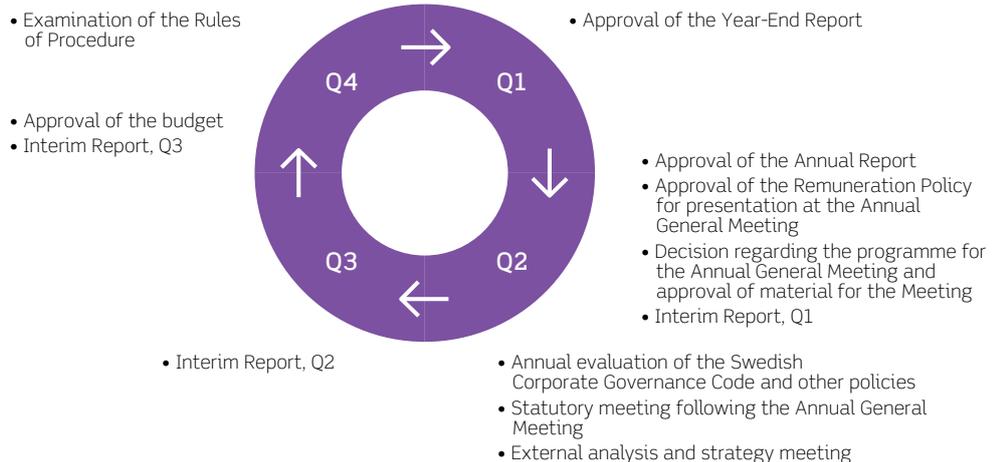
The Board comprises eight members, elected at the Annual General Meeting. There are also two members who represent the employees in the Company. One of the members elected at the Annual General Meeting, Marianne Förander, stepped down from the Board and Leif Ljungqvist was elected. Other members were re-elected. Of the eight members elected at the Annual General Meeting, one member is an employee at the Swedish Government Offices.

The other duties of the Board of Directors are presented on page 73 of the Annual Report.

The Chairwoman of the Board leads the work of the Board and represents the Board and the Company in dealings with the owner. The Chairwoman is also responsible for an evaluation of the work of the Board.

The Board meets at least five times a year, of which one meeting should be devoted to matters of a long-term, strategic nature. Extraordinary meetings are held for specific matters as necessary. The Group’s auditors take part in at least one Board meeting during the year and on one occasion, the Board meets the Company’s auditor without the President or other person from the Executive Management being present. The work of the Board follows an annual cycle to ensure that the Board takes due account of all the areas of responsibility and attaches sufficient importance to key, strategic issues. As a rule, the following factors are discussed and dealt with at an ordinary meeting of the Board of Directors, see figure.

BOARD OF DIRECTORS - WORKING CYCLE



COMPOSITION OF THE BOARD OF DIRECTORS AND ATTENDANCE AT MEETINGS

Name	Year of birth	Function	Elected	Finance Committee	Audit Committee	Remuneration Committee	Board meeting	Finance Committee	Audit Committee	Remuneration Committee
Eva-Britt Gustafsson	1950	Chair	2007	Chair	—	Chair	10 of 10	3 of 3	—	4 of 4
Olof Ehrlén	1949	Member	2011	—	Chair	—	10 of 10	—	6 of 6	—
Marianne Förander (out)							3 of 3	—	3 of 3	2 of 2
Per Granath	1954	Member	2005	Member	—	—	5 of 10	3 of 3	—	—
Leif Ljungqvist (in)	1971	Member	2012	—	Member	Member	7 of 7	—	3 of 3	2 of 2
Gunnar Svedberg	1947	Member	2009	—	—	Member	8 of 10	—	—	4 of 4
Maj-Charlotte Wallin	1953	Member	2004	—	—	—	10 of 10	—	—	—
Pia Sandvik	1964	Member	2011	Member	—	—	9 of 10	2 of 3	—	—
Ingemar Ziegler	1947	Member	2007	—	Member	—	7 of 10	—	4 of 6	—
Anders Larsson	1963	Member	2009	—	—	—	9 of 10	—	—	—
Thomas Jennlinger	1956	Member	2008	—	—	—	9 of 10	—	—	—

Work of the Board of Directors

The Board held ten meetings during the year at which minutes were taken. The attendance by the members of the Board of Directors at the meetings and the main items on the agenda dealt with during the year are presented in the tables.

**THE BOARD OF DIRECTORS MET TEN TIMES DURING 2012.
THE MAIN ISSUES COVERED WERE:**

1. Year-End Report 2011. Report from committees. Report from the auditors.
2. Annual Report 2011. Sustainability Report 2011. Investments. Ownership enquiry. Dispute list.
3. Interim Report, January-March 2012. Akademiska Hus 2.0. Investments. Acquisitions. Dispute list.
4. Examination of the rules of procedure, Instructions to the President, allocation of responsibility and authority and attestation instructions. Adoption of policy documents. Election of committees.
5. EMTN programme. Investments.
6. External analysis and strategy issues. Investments. Sales. Dispute list.
7. Interim report January-June 2012. Decision regarding the merger plan. Sales. Appointment of the Vice President. Dispute list.
8. Scientific Council. Investments. Sales. Effect realisation. Akademiska Hus 2.0. Strategy work. Dispute list.
9. Interim report January-September 2012. Investments. Sales. Activity log. Evaluation of the Board of Directors. Recruitment.
10. Business plan 2013. Investments. Plan for handling financial risks. Allocation of responsibility and authority.

**EVALUATION OF THE WORK OF
THE BOARD OF DIRECTORS IN 2012**

According to the Code, the Board of Directors evaluates the work of the Board and the President using a structured, systematic process. Evaluation takes place once a year with the aim of developing the working forms and efficiency of the Board of Directors. The Chairwoman of the Board leads the evaluation and reports to the Board. The most recent evaluation was presented at the meeting of the Board of Directors in December, 2012. The owner, through the Government Offices, is informed about the results of the evaluation. The work of the Government Offices related to the Board nomination process also includes an ongoing evaluation of the boards of all government-owned companies. There is continuous evaluation of the work, composition and competence of the Board.

BOARD COMMITTEES

The Board of Directors has appointed three committees from within its number.

- **The tasks of the Finance Committee** are to represent the Board of Directors in ongoing issues related to financing, to support and follow up financing activities, to make an annual evaluation of the Finance Policy and to propose changes, and to evaluate, prepare and report on matters to be decided by the Board.
- **The tasks of the Audit Committee**, without otherwise affecting the responsibility and duties of the Board of Directors, are as follows:
 - To supervise the Company's financial reporting.
 - With regard to the financial statements, monitor the efficiency of the Company's internal control systems, internal audit and risk management.
 - Remain informed about the audit of the annual accounts and the consolidated accounts.
 - Examine and monitor the impartiality and independence of the auditor and in doing so devote particular attention if the auditor provides the Company with services other than auditing services.
 - Assist in the preparation of proposals for the election of auditors at the Annual General Meeting.
- **The tasks of the Remuneration Committee** are to prepare decisions regarding terms and conditions for salaries and employment for the President and the Executive Management; to monitor and evaluate the application of the guidelines for remuneration to senior executives, which will be decided at the Annual General Meeting, along with the applicable remuneration structure and remuneration levels within the Company.

The Group's Director of Accounting and Finance, Treasurer, Planning Director, Vice President and President can attend the meetings in the capacity of presenter. The Board receives feedback on the work of the committees. At each Board meeting there is an examination of the minutes from the meetings of each of the committees.



Standing, from the left; Gunnar Svedberg, Per Granath, Ingemar Ziegler, Maj-Charlotte Wallin, Eva-Britt Gustafsson, Olof Ehlén, Pia Sandvik, Thomas Jennlinger, Anders Larsson and Leif Ljunqvist.

BOARD OF DIRECTORS

EVA-BRITT GUSTAFSSON, CHAIR

Born 1950. MBA. Chair since 2007. President of Apoteksgruppen i Sverige Holding AB and Apoteksgruppen i Sverige AB. Previous positions: Bank Director, Nordbanken; President of Venantius AB; President of Apoteket Omstrukturering AB. Other positions: Member of the board of Svenska Spel AB.

OLOF EHLÉN

Born 1949. MScEng. Member since 2011. Former President of NCC AB. Other positions: Board member of Wingroup AG; Chair of Faveo Management AS; Chair of the Town Planning Sector Ethics Committee.

PER GRANATH

Born 1954. MScEng. Member since 2005. President and CEO of Humana AB. Former president of Intellecta AB, President of KF Fastigheter AB, Vice President of Scandiaconsult AB and Vice President at Handelsbanken Securities. Other board positions: Board member of Svefa Holding AB, Gustavia Fonder AB and Salktennis AB.

THOMAS JENNLINGER

Born 1956. Employee representative (Ledarna) since 2008. Operating Manager at Akademiska Hus Uppsala AB.

ANDERS LARSSON

Born 1963. Employee representative (SEKO) since 2009. Operating engineer at Akademiska Hus Stockholm AB. Previous positions: Employee representative (SEKO) Akademiska Hus Stockholm AB, 1998-2009.

LEIF LJUNQVIST

Born 1971. MBA. Member since 2012. Company manager at the State Ownership Unit at the Ministry of Finance. Previous positions: Stock market analyst Kaupthing Bank, Nordiska Fondkommission and Hagströmer & Qviberg. Other assignments: Board member of Apoteket AB and AB Svensk Bilprovning. Previous assignments: Board member of Vassallen AB and AB Bostadsgaranti.

PIA SANDVIK

Born 1964, PhD. Member since 2011. President of Länsförsäkringar Jämtland. Other assignments: Chair of the Norrbotten Research Council and a member of the board of RISE AB, the Strategic Research Council, Humlegården Fastigheter AB, Ekonord Invest AB, and the IVA Industry Council. Member of IVA. Former positions: Vice Chancellor of Luleå University of Technology and Pro Vice Chancellor of Mid Sweden University.

GUNNAR SVEDBERG

Born 1947. PhD. Member since 2009. Professor of Energy Technology. Previous positions include President of Innventia AB, Vice-Chancellor of Gothenburg University and Mid Sweden University and Deputy Vice Chancellor of the Royal Institute of Technology. Other positions: Member of the board of Kemakta Konsult AB and Mälardalen University. Member of IVA and KVV5 in Gothenburg.

MAJ-CHARLOTTE WALLIN

Born 1953. MBA. Member since 2004. President of AFA Försäkring. Former chief controller, business area manager and president of a subsidiary within Nordea, Skandia, Jones Lang LaSalle and Stockholm County Council. Other assignments: Member of the Chamber of Commerce Fund Delegation, member of the board of the Heart and Lung Foundation and a member of the Social Insurance Supervisory Committee.

INGEMAR ZIEGLER

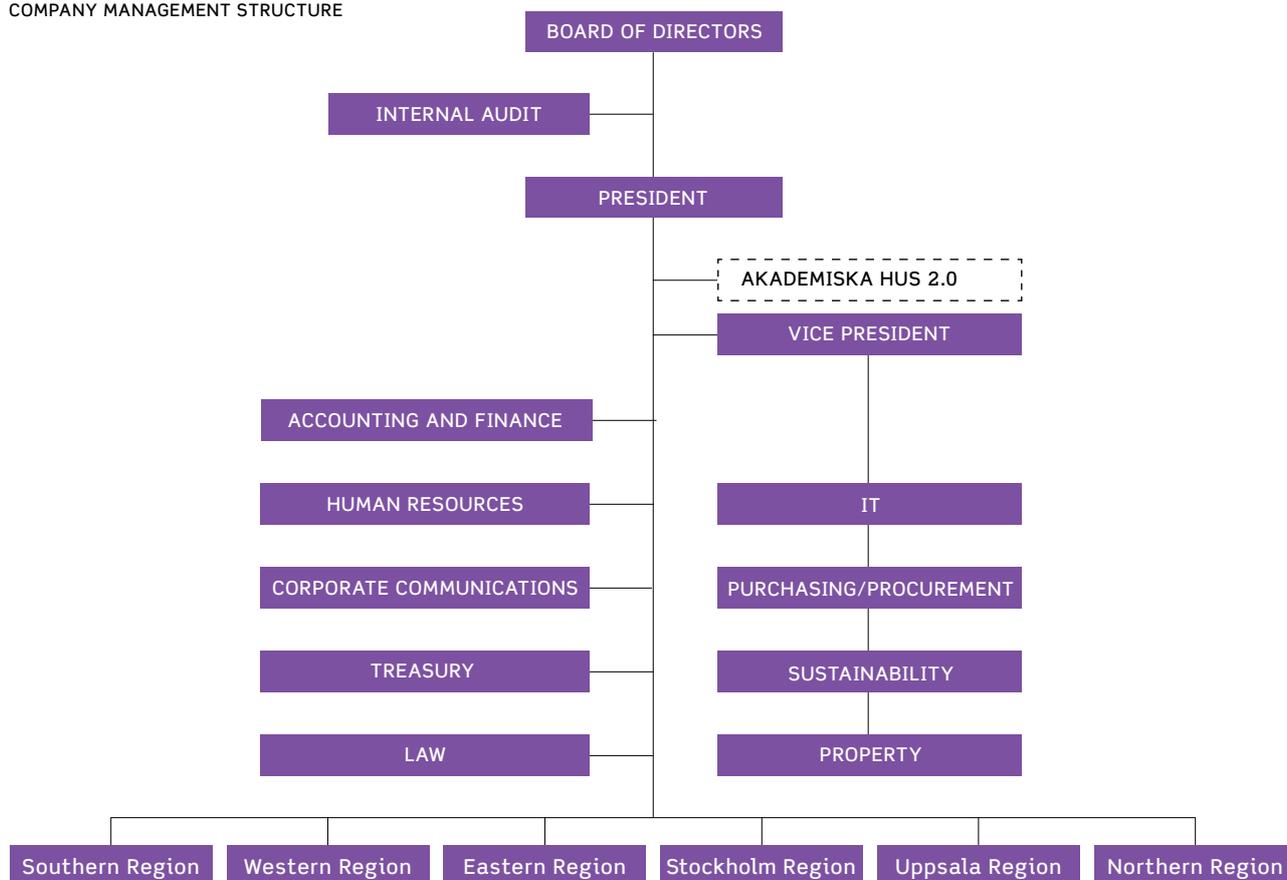
Born 1947. BA. Member since 2007. Former president of AB Storstockholms Lokaltrafik, Locum AB, Diöförvaltning, Stockholms Mark- och Lokaliseringsbolag. Finance Secretary, City of Stockholm. Other assignments: Member of the board of Infranord AB, Stockholms Konserthus and the Clara Foundation.

AUDITORS

HANS WARÉN, DELOITTE AB

Born 1964. MBA. Auditor in charge at Akademiska Hus since 2010. Auditor in charge for, among others, Göteborg Energi, Higab Group and Semcon. Former lead auditor at companies in the Förvaltnings AB Framtiden Group and the Saab AB Group. He has been in the profession for 25 years. He is an authorised public accountant and an elected auditor for 20 years.

COMPANY MANAGEMENT STRUCTURE



COMPANY MANAGEMENT

The Akademiska Hus vision is implemented each year in the form of a general Business Plan. The Business Plan, together with policy documents, comprises the overall basis for control of the Group.

The Group is led by the President and the Executive Management. Support is available at the Head Office through a Function Management Team. The Regional Directors, Vice President, Director of Accounting and Finance, Human Resources Director, Treasurer, Corporate Communications Director and Senior Counsel report directly to the President.

- The Executive Management comprises the President, Vice President, the six Regional Directors, the Director of Accounting and Finance, the Corporate Communications Director and the Human Resources Director. The Group Management is a forum for the discussion of strategy and policy and for the provision of advice to the CEO. The Executive Management is also the steering committee for prioritised processes.
- The Function Management Team comprises the Vice President and central functions at the Head Office. The Function Management Team is a forum for information, feedback of experience

and mutual advice on joint, strategic staff issues and also in issues with a specific focus on the Head Office.

The Parent Company’s units are responsible, among other things, for the Group’s financial statements, financing, property issues, communication, human resources, legal matters and planning and other matters of an overall nature. The property area includes IT, purchasing/procurement, sustainability and property.

Regions

Each region has a regional management team. Investment matters are initiated and prepared by the regional management and are then reviewed by the Executive Management. In the case of major investments, a matter, after receiving the support of the Executive Management, passes to the Board of Directors for a decision.

Auditors

Procurement of auditors took place in 2010. At the 2012 Annual General Meeting it was decided to elect Deloitte AB as auditors



Visualisation Centre C, Norrköping

for the period up to the end of the 2014 Annual General Meeting, with authorised public accountant Hans Warén as auditor in charge. The fee to the auditors for the year is payable as billed.

REMUNERATION

Remuneration and other terms and conditions of employment for persons in an executive position apply in accordance with the Government's 'Guidelines for terms and conditions of employment for senior executives'.

Principles for remuneration to the Board of Directors and senior executives

- A fee is paid to the members of the Board of Directors according to a decision reached at the Annual General Meeting. The members of the Board of Directors who are employed within the Akademiska Hus Group and the Government Offices do not receive any fee for this work.
- Payment for committee work was set at the 2012 Annual General Meeting.

Payment to the President and other senior executives comprises a basic salary and a pension. Pension expenses refer to the cost charged to the profit for the year. All amounts are given exclud-

ing social insurance charges and employer's contribution. Payment to the President is decided by the Board of Directors following a recommendation from the Remuneration Committee. Payments to other senior executives are decided by the President following consultation with the Remuneration Committee. Remuneration comprises a basic salary and a defined contribution pension based on the ITP premiums according to a collective agreement. Akademiska Hus complies with the owner's guidelines regarding terms and conditions of employment for senior executives. To ensure compliance with the owner's guidelines, an external enquiry was conducted during 2011. The enquiry showed that Akademiska Hus is following the guidelines. No variable or bonus-based remuneration is paid. Salary surveys are conducted to make a comparison with other property companies. No changes were made regarding the principles for remuneration to the Board of Directors and senior executives for 2013.

For a detailed description of remuneration, pensions, periods of notice, severance pay and fees to auditors, see Notes 12 and 13 on pages 99–101.



Standing, from the left: Cecilia Nielsen, Hans Antonsson, David Carlsson, Sten Wetterblad, Kerstin Lindberg Göransson, Lars Hagman, Bengt Keyser, Kristina Korsgren, Michael Walmerud, Gunnar Oders, Birgitta Hohlfält and Carolin Åberg Sjöqvist.

EXECUTIVE MANAGEMENT

KERSTIN LINDBERG GÖRANSSON

Born 1956. MBA. President and CEO of Akademiska Hus from 2011. Previous experience: Airport Director, Swedavia Stockholm-Arlanda Airport. Accounting and Financing Director and Vice President of the Scandic Group. Other positions: Chair of AB Svensk Bilprovning.

MICHAEL WALMERUD

Born 1967. MSc. Vice President of Akademiska Hus. Employed 2012. Previous experience: President, Projektgaranti AB. Head of transactions, Catella Swedebroker AB. Property Manager, Postfastigheter AB. Project Manager, NCC Fastigheter AB.

HANS ANTONSSON

Born 1950. MScEng. Regional Director Uppsala. Employed 1996. Previous experience: President Akademiska Hus i Umeå/Luleå; President UMI Fastighetsutveckling; Head of Property Department, Umeå Municipal Authority; Director and Head of Property Supply, Umeå University.

DAVID CARLSSON

Born 1976. MSc and MBA. Regional Director, North. Employed 2003. Previous experience: Head of Property Management and property manager, Akademiska Hus Uppsala; Business Developer, SP Production AB.

BIRGITTA HOHLFÄLT

Born 1958. BA Soc. Admin. Regional Director, Western Region. Employed 2005. Previous experience: Planning adviser, Akademiska Hus Head Office. Head of property supply and operating manager Karlstad University; Planning Manager, Property Department, Karlstad Municipal Authority. Board appointments: Member of the board of the Building Management Issues Foundation. Member of the board of Byggherrarna Sverige AB.

STEN WETTERBLAD

Born 1957. MScEng. Regional Director, Stockholm. Employed 2008. Previous experience: Property Director, City of Stockholm; Market Hall Director, City of Stockholm; Vice President Stockholm Parkering; Property Manager Kullenberg Fastigheter i Stockholm AB; Site Manager/Project Manager Platzer Bygg AB. Other positions: Chair of Stockholm Life, Property Owners, Board member of Stockholm Construction Association.

BENGT KEYSER

Born 1947. MScEng. Acting Regional Director Southern Region. Employed 1993.

THOMAS RINGDAHL

Employed January 1, 2013. Previously held managerial positions within Skanska.

LARS HAGMAN

Born 1953. MBA. Regional Director, Eastern Region. Employed 2012. Previous experience: Business developer, JM AB. Company co-ordinator, president of subsidiary of Vattenfall AB. Regional Manager, Partena Security AB.

CAROLIN ÅBERG SJÖQVIST

Born 1968. LL.M. General Counsel and secretary to the Executive Management, Akademiska Hus. Employed 2004. Previous experience: Lawyer, Advokatfirman Glimstedt. Associate Judge of Appeal, Court of Appeal for Western Sweden.

KRISTINA KORSGREN

Born 1969. Human resources specialist. HR Director Akademiska Hus. Employed 2010. Previous experience: HR positions within the Volvo Car Corporation and Volvo Truck Corporation.

GUNNAR ODERS

Born 1956. MBA. Director of Accounting and Finance, Akademiska Hus. Employed 2001. Previous experience: Head of Accounting and Finance, Higab and Bostads AB Poseidon.

CECILIA NIELSEN

Born 1969. BA. Director of Communications Akademiska Hus. Employed 2012. Previous experience: Head of Corporate Communications SP Sveriges Tekniska Forskningsinstitut AB.

Group Corporate Governance Report

Board of Directors internal control report

School of Business, Economics and Law,
Gothenburg University

The responsibility of the Board of Directors for internal control is governed by the Swedish Companies Act and the Swedish Corporate Governance Code. This report has been prepared in accordance with Section 6, sub-section 6 of the Annual Accounts Act and is thus limited to internal control of financial reporting. Internal control of financial reporting is a central component in Akademiska Hus corporate governance.

INTERNAL CONTROL OF FINANCIAL REPORTING

Internal control of financial reporting at Akademiska Hus is a process that involves the Board, Executive Management and personnel and is formulated in such a way that it provides reasonable assurance that the Company's objectives are achieved and leads to reliable financial reporting.

The presentation of Akademiska Hus internal control of financial reporting takes place in accordance with COSO and is divided into:

- Control environment

- Risk assessment
- Control activities
- Information and communication
- Follow-up.

CONTROL ENVIRONMENT

The Board of Directors has overall responsibility for internal control of financial reporting. The Board of Directors has adopted rules of procedure that clarify the responsibility of the Board of Directors and govern the internal work allocation within the Board of Directors and its committees. The basis for internal control comprises the control environment with the organisation, decision procedures and responsibility as stated in control documents such as policies, guidelines and manuals.

The overall Business Plan describes the way Akademiska Hus works, deals with customers, handles assets and addresses the future. The Business Plan contains the vision, business concept and core values as well as a description of the way the Company acts in different contexts. With the Business Plan as a basis,

a number of decisions, policies, directives and guidelines are drawn up for certain strategic areas within Akademiska Hus, such as property valuation, financing, investment, accounting and reporting. Manuals and descriptions of routines are available for each area. Guidelines for financial reporting are updated in the event of a change in legal requirements, stock exchange listing requirements and/or accounting standards.

Akademiska Hus has a structured management process that contains strategy, planning and follow-up processes. The joint business plan includes the strategic objectives towards which the Group is guided. The strategy process includes an external analysis, analysis of customers, locations, market segments, financing and so forth. The Company has processes in place to prevent and discover irregularities that could impact on the Company's financial statements.

In 2012, work commenced to produce a code of conduct for Akademiska Hus.

Board of Directors internal control report, continued

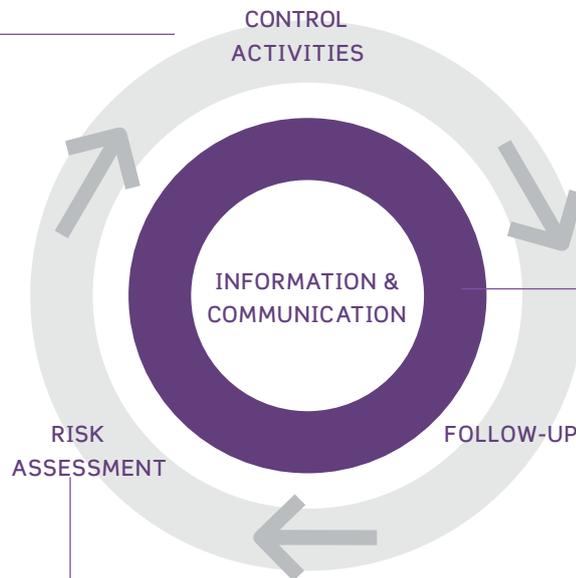
CONTROL ACTIVITIES

Control activities limit identified risks and ensure correct, reliable financial reporting and process efficiency.

The control activities include both overall and detailed controls. The aim is to prevent, discover and correct errors and deviations.

The Akademiska Hus responsibility and authorisation procedure includes decision levels for different investment amount limits.

The most material risks identified regarding financial reporting are handled using control structures. The risks, apart from those that refer to the financial statements, are accepted, mitigated or eliminated. The control structures must ensure both efficiency in Group processes as well as good internal control and are based on the Group's minimum requirements for good internal control in defined essential processes. With the aid of standardised reporting routines, a Group Finance Handbook and adopted rules of procedure, errors and deviations should be prevented, discovered and corrected. For key processes, including those for the annual accounts and reporting, both risks and controls have been documented in the process descriptions. Within each IT system, there are a number of inbuilt controls. Process descriptions, reporting instructions and the Financial Handbook are evaluated and updated each year.



RISK ASSESSMENT

Risk assessment aims to identify and evaluate the most material risks that affect financial reporting.

In the risk assessment, items are identified where the risk of material error is greatest, i.e. where the values in the transactions are high or where the process is extremely complex and there is a need for strong internal control. Identified risk areas are:

- **Property valuation.** The property valuation process is based on following how the property market develops. Akademiska Hus checks frequently with external valuers. The valuation parameters used are dealt with by the Audit Committee and the Board.
- **Project operations.** Akademiska Hus has wide-reaching operations involving large, complex projects. Project reviews take place regionally and centrally. There is a decided allocation of responsibility between the Company and Board level. An Investment Policy decided by the Board of Directors is in place aimed, among other things, at clarifying the risks to be assessed in conjunction with each investment project.
- **Financing operations.** The Akademiska Hus back-office and accounting function, which is organisationally separate from the Treasury Department, examines and controls outcomes and reports from the Treasury Department and checks com-

pliance with the mandates granted in the Finance Policy in respect of counterparty, market, liquidity and currency risks. The basis for the examination comprises mainly reports from the finance system.

- **IT operations.** For the Akademiska Hus five strategic objectives there is a description from September 2012 of how IT will contribute to achieving success. This involves everything from internally used joint concepts, processes and tools to sharing information with customers and partners. The guidelines that have been decided show how IT operations are to be controlled, how the interaction between operations and IT will proceed and how services are to be provided. The control model comprises three roles: management, operations and supplier, which will work together to simplify and ensure that decisions are made quickly. A committee has been formed to provide support, the CIO Board, charged with the task of driving the long-term direction for IT and controlling the annual IT strategy planning.

A thorough risk assessment was made during the year. The Board of Directors has overall responsibility for approving and evaluating the final risk assessment.

INFORMATION AND COMMUNICATION

External financial information is published in direct association with the Board meeting in question. In the case of interim reports, this takes place on the website and in the case of the Annual Report, a printed publication is also produced. Other information channels, apart from the Board meetings, are committees appointed by the Board, meetings of the Executive Management and other information meetings.

The intranet contains, among other things:

- Directives and guidelines for areas such as property valuation
- Responsibility and authorisation procedures
- Attestation instructions
- Organisation of the accounting functions
- Reporting and accounting instructions
- Time schedules for reports and audits

The financial reporting takes place through a common reporting system with a common reporting package. All reporting units use the same accounting plan/code plan and the same accounting system.

Within the Company, employees meet regularly within the established processes at network meetings in order to develop a common view on different issues. Systems and routines are in place to provide the Board and the Executive Management with reports in relation to established objectives.

FOLLOW-UP

Ongoing follow-up and evaluation take place to ensure that internal control is appropriate and effective based on established policies, directives and guidelines. Shortcomings in the system must be reported to an immediate superior to ensure that an improvement can be made.

At each Board meeting, the Board receives financial information and an analysis as well as a report from the most recent meetings of the different committees. The financial statements are followed up quarterly and with a year-end report.

The Audit Committee follows up audit matters and more extensive matters of principle with regard to financial reporting, including property valuation.

The management process includes the follow-up process. Here the strategic objectives, KPIs, financial results etc. are followed, such as reports that contain

a budget, earlier outcomes, key figures, deviations and textual comments. Akademiska Hus has joint finance and human resource units. These units, which have mainly transaction-intensive duties, assure a control function in relation to regional core operations, as they are organisationally separate. At the turn of the year 2012/2013, Akademiska Hus implemented a new accounting and finance system and new accounting processes.

The new financial system will provide greater potential for operational follow-up and control and better scope for making comparisons.

In addition to internal controls, recommendations by the auditors are taken into account. These recommendations are followed up and action is taken.

The follow-up of processes and quality is a separate process at Akademiska Hus. Previously, Akademiska Hus did not have an internal audit function according to Code 7.4. In 2013, an internal audi-

tor will be employed. The internal auditor will be commissioned by the Board of Directors to conduct an independent examination of the Company's internal control system. The internal auditor will also examine, support and challenge efficiency in different processes to determine whether operations are being run as intended based on the owner's objectives and requirements. The audit assignment and risk assessments will be carried out in an independent, objective manner. Organisationally, the internal auditor will report to the Board and administratively will report directly to the President.

The Board of Directors examines interim reports and the year-end report before publication.

It is the opinion of the Board of Directors that the follow-up that is reported according to this document is sufficient to ensure effective internal control of financial reporting.

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Year in brief

GROUP

Income

The Group's turnover for 2012 was SEK 5,511 million (5,378). Of this, rental income accounted for SEK 5,265 million (5,116). The level of income was up slightly on the previous year. The increase can be attributed largely to completion of new construction and redevelopment projects and index-linked rises.

Profit

- The net operating profit was SEK 3,585 million (3,389) and the net operating profit ratio remained largely unchanged at 65 per cent (63). The cash flow in property operations is very stable.
- Operating profit before net financial items totalled SEK 3,227 million (3,704). Property management is developing positively and profits are stable. Property management income increased by SEK 133 million and property management expenses decreased by SEK 64 million. Changes in value in properties have had a negative effect on profit of SEK -291 million compared to 2011, when the change in value was SEK 361 million.
- Net financial income and expense amounted to SEK -682 million (-452).
- Pre-tax profit was SEK 2,546 million (3,252).

Property values

The Group makes use of an internal valuation model, which forms the basis for setting the fair value. This value was SEK 54,677 million (52,071).

Investments

Net investments in properties and new construction in progress in 2012 amounted to SEK 2,762 million (2,137). A number of major projects were completed in 2012, including the Biomedical Centre and the Soil-Water-Environment Centre, both located in Uppsala.

Sales

Sales of properties during 2012 amounted to SEK 146 million (117).

Sales for the year refer to just over 16,000 square metres of the Group's total property holdings of around 28,000 square metres in Kalmar.

Cash flow

The Group's cash flow from current operations totalled SEK 2,127 million (2,017). Investments totalled SEK -2,388 million (-1,898), which generated cash flow after investments of SEK -261 million (119). Cash flow from financing totalled SEK -1,082 million (3,779). Cash flow for the year amounted to SEK -1,343 million (3,897).

Environmental impact

Environmental impact caused by buildings and their operation is extremely moderate within Akademiska Hus. The greatest source of environmental impact, albeit indirect, is energy use for the operation of buildings and customers' operations. Energy use is reported separately in the Sustainability Report. A small number of facilities within the Group require a permit or need to be reported to a supervisory authority to be used. These facilities have been reported and applications for permits (as required) have been submitted to the supervisory authorities concerned and have been granted. The facilities in question are as follows:

Two boilers for combustion technology research, two boilers for heating and power generation, geothermal heating pumps, seawater and ground source heating/cooling, extraction of groundwater for cooling purposes, sewage facilities and ground storage of heating and cooling energy.

The Group's dependence on facilities requiring permits and those carrying reporting obligations is of minor importance

PARENT COMPANY

Income and profit

In December, a merger took place of the subsidiaries (regional companies) which own and manage the properties within the Group. The merger took place in accordance with BFNAR 1999:1, whereupon the consolidated value method was applied.

The Parent Company's income for 2012 was SEK 5,627 million (129). Of this amount, SEK 5,510 million is attributable to the subsidiaries that were included in the merger. Of this amount, revenue from regional companies amounted to SEK 0 million (116). Profit before financial items was SEK 2,256 million (-26). Net interest income and expense was SEK -790 million (911), including dividends from regional companies totalling SEK 0 million (765). The profit after financial items was SEK 1,467 million (884), of which SEK 465 million is attributable to the subsidiaries that were included in the merger.

Investment in machinery and equipment totalled SEK 2 million (5).

Equity amounted to SEK 6,243 million compared to the figure of SEK 5,617 million at the turn of the year. Equity includes additional equity resulting from the merger totalling SEK 859 million.

Share capital comprises 2,135,000 shares with a par value of SEK 1,000 per share and one (1) vote per share.

Proposed allocation of unappropriated earnings

Proposed allocation of unappropriated earnings

According to the owner's financial objectives for Akademiska Hus, the dividend shall be 50 per cent of the profit after financial items, excluding unrealised changes in value, with a deduction for actual tax. When deciding a dividend, consideration should be given to the Group's capital structure and capital requirements. The other financial targets are that the equity ratio should be between 30 and 40 per cent and that the return on equity should be equivalent to the average five-year government bond interest rate plus four percentage points. The average yield on equity over five years was 5.9 per cent whilst the target was 6.4 per cent. During 2012, the equity ratio was 46.1 per cent for the Group and 17.1 per cent for the Parent Company. After the proposed dividend, the equity ratio is 43.9 per cent for the Group and 13.4 per cent for the Parent Company. The owner's equity ratio target will be achieved even after the proposed dividend.

Available for allocation at the Annual General Meeting:

Retained earnings	SEK	965,835,552
Profit for the year	SEK	1,007,201,818
Total	SEK	1,973,037,370

The Board of Directors and President propose that the profit be allocated in such a way that SEK 1,355,000,000 (see table below) is paid to the shareholder and SEK 618,037,370 is carried forward. For details of the financial results and the financial position in general, reference can be made to the following financial statements.

Statement by the Board of Directors pursuant to Section 18, sub-section 4 of the Companies Act

The Board of Directors is of the opinion that the Company's liquidity can be maintained securely. On observance of the relationship between the Company's assets, liabilities and equity, and with consideration given to profit forecasts and investment requirements as of this date, we believe that the proposed dividend is justifiable in the light of the demands that the nature, extent and risk of operations make on the amount of equity. The proposed dividend is thus justifiable in the light of the Company's consolidation requirements, liquidity and position in general.

The dividend does not affect the Company's capacity to discharge its short-term and long-term obligations or to implement necessary investments. It is also the opinion of the Board of Directors that the Company's financial position, in the light of the proposed dividend, is secure for the creditors. Nor can the Board of Directors find any other circumstances that indicate that the dividend ought not to be paid in accordance with the proposal presented by the Board of Directors. The proposed value transfer can thus be justified in the light of what is stated in Section 17, sub-section 3, paragraphs 2–3 of the Companies Act.

PROFIT USED AS BASIS FOR CALCULATION OF DIVIDEND, SEK M

INCOME STATEMENTS 2012	Outcome	Unrealised items	Profit used for calculation of dividend
Income for property management	5,511		5,511
Property management expenses	-1,926		-1,926
Net operating income	3,585		3,585
Changes in value, properties	-291	291	0
Central administration costs	-66		-66
Profit before financial items	3,228	291	3,519
Total, financial items	-682	230	-452
Profit before tax	2,546	521	3,067
Tax/current tax	601	-958	-357
Profit after tax	3,147	-437	2,710
Dividend, 50 per cent of the profit available for payment of a dividend			1,355

The dividend for 2011 was SEK 1,245 million.

Income Statements

Amounts in SEK 1,000	Note	GROUP		PARENT COMPANY	
		2012	2011	2012	2011
INCOME FROM PROPERTY MANAGEMENT					
Rental income	8	5,265,220	5,115,849	5,265,220	—
Other property management income	9	246,201	262,336	362,007	128,609
Total property management income		5,511,421	5,378,185	5,627,227	128,609
PROPERTY MANAGEMENT EXPENSES					
Operating costs	11	-869,548	-885,161	-866,555	—
Maintenance costs		-564,078	-603,436	-564,078	—
Property administration	11	-280,979	-268,330	-268,568	-110,229
Other property management expenses	10	-211,569	-232,621	-316,170	—
Total property management expenses	7	-1,926,174	-1,989,548	-2,015,371	-110,229
NET OPERATING PROFIT		3,585,247	3,388,637	3,611,856	18,380
Depreciation and impairments as well as reversed impairments in property management		—	—	-1,288,196	—
Changes in property values, positive		1,204,082	1,913,177	—	—
Changes in property values, negative		-1,495,287	-1,552,652	—	—
Total changes in property values	6, 18	-291,205	360,525	—	—
Central administration costs	7	-66,817	-45,109	-66,817	-44,559
PROFIT/LOSS BEFORE FINANCIAL ITEMS	6, 12, 13, 31	3,227,224	3,704,053	2,256,843	-26,179
Financial income		285,981	300,786	285,981	1,723,275
Financial expense		-967,625	-752,980	-1,076,089	-812,675
Total, financial items	14, 30, 31	-681,644	-452,194	-790,108	910,600
PROFIT AFTER FINANCIAL ITEMS		2,545,580	3,251,859	1,466,735	884,420
Appropriations	15	—	—	-188,303	-26,971
PROFIT BEFORE TAX		2,545,580	3,251,859	1,278,432	857,449
Taxes	16	601,228	-857,984	-271,230	-26,236
NET PROFIT FOR THE YEAR	17	3,146,808	2,393,875	1,007,202	831,213
Of which attributable to the shareholder in the Parent Company		3,146,808	2,393,875		

Consolidated Statements of Comprehensive Income

Amounts in SEK 1,000	Note	GROUP		PARENT COMPANY	
		2012	2011	2012	2011
NET PROFIT FOR THE YEAR		3,146,808	2,393,875	1,007,202	831,213
Other comprehensive income					
Result from cash flow hedges	29	38,732	-132,833	38,732	-132,833
Tax attributable to items reported under other comprehensive income		-1,201	25,733	-1,201	25,733
Cash flow hedges, net after tax, dissolved against profit or loss	29	-33,273	34,987	-33,273	34,987
Total, other comprehensive income		4,258	-72,113	4,258	-72,113
COMPREHENSIVE INCOME FOR THE YEAR		3,151,066	2,321,762	1,011,460	759,100
Of which attributable to the shareholder in the Parent Company		3,151,066	2,321,762		

Balance Sheets

Amounts in SEK 1,000	Note	GROUP		PARENT COMPANY	
		31-12-2012	31-12-2011	31-12-2012	31-12-2011
ASSETS					
Non-current assets					
Tangible non-current assets					
Properties	18	54,677,026	52,070,700	29,452,496	—
Equipment and fittings	20	23,089	23,609	23,089	6,540
Total tangible, non-current assets		54,700,115	52,094,309	29,475,585	6,540
Financial assets					
Shares in Group companies	21	—	—	650	1,564,200
Receivables from Group companies	27	—	—	—	—
Other investments held as non-current assets		—	—	—	—
Derivatives	22, 35	1,866,547	2,828,001	1,866,547	2,828,001
Other non-current receivables	23, 27	433,228	457,013	433,228	15
Total financial assets		2,299,775	3,285,014	2,300,425	4,392,216
Deferred tax	16	—	—	—	—
TOTAL NON-CURRENT ASSETS		56,999,890	55,379,323	31,776,010	4,398,756
CURRENT ASSETS					
Current receivables					
Rental income and accounts receivable	24	288,406	379,763	288,406	—
Receivables from Group companies		—	—	14	21,338,073
Current prepaid tax	16	144,489	68,270	144,489	62,860
Other receivables	25	417,568	215,335	418,171	3,857
Prepaid expenses and accrued income	26	152,925	161,888	152,925	42,174
Derivatives	22, 35	382,318	278,620	382,318	278,620
Total current assets	27	1,385,706	1,103,876	1,386,323	21,725,584
CASH AND CASH EQUIVALENTS					
Current investments	35	2,697,102	4,416,457	2,697,102	4,416,457
Cash and bank balances		549,512	173,150	549,357	172,942
Total cash and cash equivalents	28	3,246,614	4,589,607	3,246,459	4,589,399
TOTAL CURRENT ASSETS		4,632,320	5,693,483	4,632,782	26,314,983
TOTAL ASSETS	6	61,632,210	61,072,806	36,408,792	30,713,739

Balance Sheets

Amounts in SEK 1,000	Note	GROUP		PARENT COMPANY	
		31-12-2012	31-12-2011	31-12-2012	31-12-2011
EQUITY AND LIABILITIES					
Equity					
Equity attributable to the Parent Company's shareholder:					
Share capital		2,135,000	2,135,000	2,135,000	2,135,000
Other contributed equity/Share premium reserve		2,134,950	2,134,950	—	—
Statutory reserve		—	—	2,134,950	2,134,950
Non-restricted equity					
Hedge reserve	29	-34,011	-38,270	—	—
Fair value reserve	29	—	—	-34,011	-38,270
Retained earnings, including profit for the year		24,190,774	22,288,969	—	—
Retained earnings (in the Parent Company)		—	—	999,846	554,181
Profit for the year (in the Parent Company)		—	—	1,007,202	831,213
TOTAL EQUITY		28,426,713	26,520,649	6,242,987	5,617,074
Untaxed reserves	15	—	—	3,246,084	392,782
LIABILITIES					
Non-current liabilities					
Debt	30	18,292,855	19,349,933	18,292,855	19,155,836
Derivatives	22, 35	416,080	379,012	416,080	379,012
Deferred tax	16	6,597,373	7,553,703	343,024	16,274
Other liabilities	32	57,113	48,634	57,113	-
Pension provisions and similar obligations	31	287,374	272,690	253,337	76,349
Total non-current liabilities		25,650,795	27,603,972	19,362,409	19,627,471
Current liabilities					
Accounts payable		414,707	301,472	414,707	12,981
Liabilities to Group companies		—	—	2,219	13,328
Income tax liabilities	16	—	—	—	—
Other liabilities	32	1,119,820	1,426,246	1,120,211	1,268,217
Accrued expenses and prepaid income	33	1,711,948	1,729,234	1,711,948	298,202
Debt	30	4,175,984	3,336,760	4,175,984	3,329,211
Derivatives	22, 35	132,243	154,473	132,243	154,473
Total current liabilities		7,554,702	6,948,185	7,557,312	5,076,412
TOTAL LIABILITIES	6, 34	33,205,497	34,552,157	26,919,721	24,703,883
TOTAL EQUITY AND LIABILITIES		61,632,210	61,072,806	36,408,792	30,713,739
MEMORANDUM ITEMS					
Pledged assets	38	270,370	118,916	270,370	118,916
Contingent liabilities	39	3,445	3,278	3,445	168,189

Changes in equity

Amounts in SEK 1,000	Note	ATTRIBUTABLE TO THE SHAREHOLDER IN THE PARENT COMPANY				
		Share capital	Other contributed capital	Hedge reserve	Retained earnings	Total equity
GROUP						
OPENING BALANCE AS OF JANUARY 1, 2011		2,135,000	2,134,950	33,843	21,102,094	25,405,887
Comprehensive income						
Profit for the year		—	—	—	2,393,875	2,393,875
Other comprehensive income						
Profit from cash flow hedges	29	—	—	-72,113	—	-72,113
Total, other comprehensive income		—	—	-72,113	2,393,875	2,321,762
Transactions with shareholders						
Dividend		—	—	—	-1,207,000	-1,207,000
Total transactions with shareholders		—	—	—	-1,207,000	-1,207,000
CLOSING BALANCE AS OF DECEMBER 31, 2011		2,135,000	2,134,950	-38,270	22,288,969	26,520,649
Comprehensive income						
Profit for the year		—	—	—	3,146,808	3,146,808
Other comprehensive income						
Profit from cash flow hedges	29	—	—	4,258	—	4,258
Total, other comprehensive income		—	—	4,258	3,146,808	3,151,066
Transactions with shareholders						
Dividend		—	—	—	-1,245,000	-1,245,000
Total transactions with shareholders		—	—	—	-1,245,000	-1,245,000
CLOSING BALANCE AS OF DECEMBER 31, 2012		2,135,000	2,134,950	-34,011	24,190,774	28,426,713

Other contributed capital comprises a share premium reserve of KSEK 2,134,950 (applies to both the opening and closing balance in conjunction with all the above reporting periods).

Changes in equity

Amounts in SEK 1,000	Note	RESTRICTED EQUITY			NON-RESTRICTED EQUITY	
		Share capital	Statutory reserve	Fair value reserve	Retained earnings	Total equity
PARENT COMPANY						
OPENING BALANCE AS OF JANUARY 1, 2011		2,135,000	2,134,950	33,843	1,761,180	6,064,972
Comprehensive income						
Profit for the year		—	—	—	831,213	831,213
Other comprehensive income						
Profit from cash flow hedges	29	—	—	-72,113	—	-72,113
Total, other comprehensive income		—	—	-72,113	831,213	759,100
Transactions with shareholders						
Dividend		—	—	—	-1,207,000	-1,207,000
Total transactions with shareholders		—	—	—	-1,207,000	-1,207,000
CLOSING BALANCE AS OF DECEMBER 31, 2011		2,135,000	2,134,950	-38,270	1,385,394	5,617,074
Comprehensive income						
Profit for the year		—	—	—	1,007,202	1,007,202
Other comprehensive income						
Profit on cash flow hedges	29	—	—	4,258	—	4,258
Total, other comprehensive income		—	—	4,258	1,007,202	1,011,460
Merger						
Merger difference		—	—	—	859,449	859,449
Total, merger		—	—	—	859,449	859,449
Transactions with shareholders						
Dividend		—	—	—	-1,245,000	-1,245,000
Total transactions with shareholders		—	—	—	-1,245,000	-1,245,000
CLOSING BALANCE AS OF DECEMBER 31, 2012		2,135,000	2,134,950	-34,011	2,007,048	6,242,987

Share capital is divided into 2,135,000 shares at a par value of SEK 1,000 with one (1) vote per share (applies to both the opening and closing number of shares in conjunction with all the above reporting periods).

Cash Flow Statements

Amounts in SEK 1,000	Note	GROUP		PARENT COMPANY	
		2012	2011	2012	2011
CURRENT OPERATIONS					
Profit after financial items	40	2,545,580	3,251,859	1,466,735	884,420
Adjustment for items not included in the cash flow	41	475,616	-520,337	-190,806	-102,649
Tax paid		-432,523	-439,740	-32,193	-42,132
CASH FLOW FROM CURRENT OPERATIONS BEFORE CHANGES IN WORKING CAPITAL		2,588,673	2,291,782	1,243,736	739,639
CASH FLOW FROM CHANGES IN WORKING CAPITAL					
Increase (-)/decrease (+) in current receivables		-101,913	-172,242	-1,270,253	-671,343
Increase (+)/decrease (-) in current liabilities		-360,206	-102,299	12,320	76,295
CASH FLOW FROM CURRENT OPERATIONS		2,126,554	2,017,241	-14,197	144,591
INVESTMENTS					
Investment in shares in Group companies	42	-50	—	—	—
Investment in properties		-2,503,064	-1,916,774	—	—
Sale of properties		118,049	84,683	—	—
Investment in other non-current assets		-8,982	-12,549	-2,498	-4,912
Sale of other non-current assets		1,005	72	—	—
Increase (-)/decrease (+) in non-current receivables		5,090	-53,847	-18,697	-28,228
CASH FLOW FROM INVESTMENTS		-2,387,952	-1,898,415	-21,195	-33,140
FINANCING					
Raising of interest-bearing debt, excluding refinancing		163,405	4,985,633	-62,548	4,993,106
Dividend paid		-1,245,000	-1,207,000	-1,245,000	-1,207,000
CASH FLOW FROM FINANCING		-1,081,595	3,778,633	-1,307,548	3,786,106
CASH FLOW FOR THE YEAR		-1,342,993	3,897,459	-1,342,940	3,897,557
Opening cash and cash equivalents		4,589,607	692,148	4,589,399	691,842
Closing cash and cash equivalents	28	3,246,614	4,589,607	3,246,459	4,589,399

NOTES

1 General information

Akademiska Hus AB (publ) (registration number 556459-9156) is a limited liability company registered in Sweden. The Company's registered office is in Gothenburg. Akademiska Hus is wholly owned by the Swedish Government.

The Company is the parent company in the Akademiska Hus Group, the principal task of which is to own and manage university and college properties. In December, a merger took place with the subsidiaries (regional companies) that own and manage the properties in the Group. The merger took place in accordance with BFNAR 1999:1, whereupon the consolidated value method was applied. See also Note 5.

The Parent Company's functional currency is SEK.

All amounts are in SEK 1,000 unless stated otherwise.

2 Adoption of the annual report

The Annual Report and consolidated accounts were adopted by the Board and approved for publication on March 14, 2013. The Income Statement and Balance Sheet for the Parent Company and the Group will be the subject of adoption at the Annual General Meeting on April 25, 2013.

3 General accounting principles

The consolidated accounts have been prepared in accordance with the EU-endorsed International Financial Reporting Standards (IFRS) as well as interpretations by the IFRS Interpretations Committee (IFRIC) as of December 31, 2012. The Group also applies Swedish Financial Reporting Board recommendation RFR 1, Supplementary Rules for Consolidated Financial Statements, which specifies the supplements to the IFRS – information required pursuant to the rules in the Annual Accounts Act.

In the Annual Report, items have been valued at cost except with regard to revaluation of properties, financial assets and liabilities (including derivatives) valued at fair value in the Balance Sheet. The following is a description of the more material accounting principles that have been applied.

New and amended IFRS standards and interpretations 2012

The following amended standards and new interpretations came into effect in 2012:

STANDARD/INTERPRETATION	
AMENDMENT TO IFRS 7	Financial Instruments: Disclosure (Disclosures in conjunction with the transfer of financial assets)
AMENDMENT TO IAS 12	Income taxes (Deferred tax: Recovery of underlying assets)

New and amended standards and interpretations have not had any impact on the Group's financial statements.

New and amended standards that have not yet come into effect

The International Accounting Standards Board (IASB) has issued the following new and amended standards, which had not yet come into effect at the time of publication of this Annual Report.

STANDARD	WILL BE APPLIED FOR THE FINANCIAL YEAR COMMENCING:
Amendments to IAS 1, Financial Statements (Presentation of items in other comprehensive income)	July 1, 2012 or later
Amendments to IAS 19 Remuneration to Employees	January 1, 2013 or later
IFRS 13 Fair Value Measurement	January 1, 2013 or later
Improvements to the IFRS 2009-2011 cycle*	January 1, 2013 or later
Amendments to IFRS 7 Financial Instruments: Disclosure (Offsetting of financial assets and financial liabilities)	January 1, 2013 or later
Amendment to IAS 32 Financial instruments: Presentation (Offsetting of financial assets and financial liabilities)	January 1, 2014 or later
IFRS 10 Consolidated Financial Statements	January 1, 2014 or later
IFRS 11 Joint Arrangements	January 1, 2014 or later
IFRS 12 Disclosure of Interests of Other Entities	January 1, 2014 or later
Amendments to IFRS 10, IFRS 11 and IFRS 12 (transitional provisions)**	January 1, 2014 or later
Amendments to IAS 27 Separate Financial Statements	January 1, 2014 or later
Amendments to IAS 28 Investments in Associates and Joint Ventures	January 1, 2014 or later
Investments, Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)*	January 1, 2014 or later
IFRS 9 Financial Instruments and subsequent amendments to IFRS 9 and IFRS 7*	January 1, 2015 or later

* Not yet approved for application in the EU.

** Not yet approved for application in the EU. IFRS 10, IFRS 11, IFRS 12, IAS 27 and IAS 28 come into effect according to IASB from the financial year commencing January 1, 2013 although within the EU, they will come into effect from the financial year commencing January 1, 2014 or later.

The IFRS Interpretations Committee has issued the following new interpretation (IFRIC), which have not yet come into effect.

INTERPRETATION	WILL BE APPLIED FOR THE FINANCIAL YEAR COMMENCING:
IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine	January 1, 2013 or later

Amendments to IAS 19 change the reporting of defined benefit pension schemes and severance pay. The most significant change refers to the reporting of defined benefit obligations and management assets. The amendments require that actuarial gains and losses be reported immediately under other comprehensive income, which means that the corridor method is removed. Interest expense and expected yield on investment assets are replaced with 'net interest income', which is calculated net using the discount rate for the defined benefit pension liability or asset. When the Group begins applying the amendments in IAS 19, it will cease to apply UFR 4 Reporting of special employer's contribution and yield tax, which have been withdrawn by the Swedish Financial Accounting Standards Council. Instead, the Group will report the special employer's contribution according to the rules in IAS 19, which means that the actuarial assumptions that are to be made when calculating defined benefit pension schemes will also include taxes on pension benefits.

In accordance with the revised IAS 19, the revised pension liability will increase by approximately KSEK 120,000 in the opening balance for 2013, as the unreported part of the pension liability can no longer be reported outside the Balance Sheet. In the opening balance for 2013, which is reported according to the addendum in IAS 19, equity will be reduced net by approximately KSEK 212,000 with account taken of deferred tax.

The executive management is currently investigating how other new and amended standards and interpretations will affect the Group's financial Statements during the period they are applied for the first time.

Consolidated accounts

The consolidated accounts cover the Parent Company and companies over which the Parent Company has a controlling influence. A controlling influence means a right to formulate strategies for financial activities with the aim of securing financial advantages. The existence and effect of potential voting rights that can currently be exercised or converted are taken into account when assessing whether the Group can exercise a controlling influence over another company. All subsidiaries are wholly owned. The subsidiaries are included in the consolidated accounts with effect from the point at which the controlling influence is achieved and they are not included at the point at which the controlling influence ceases.

The consolidated year-accounts have been prepared according to the acquisition method, which means that the Parent Company's carrying value of shares in subsidiaries is eliminated against equity, including the capital share of untaxed reserves in the subsidiaries.

Segment reporting

Operating segments are reported in a way that concurs with the internal report presented to the highest-ranking executive decision-maker. The highest-ranking executive decision-maker is the function that is responsible for allocating resources and assessing the results of operating segments. At Akademiska Hus, this function has been identified as the CEO, who is also the President of the Parent Company.

The Group is organised and controlled based on a geographical division into markets/administration areas. The geographical areas (segments) are exposed to similar risks and opportunities, which differ compared to other geographical areas (segments). Geographical areas concur with each regional company and thus constitute the segments for which reports are presented.

Segments are consolidated according to the same accounting principles as for the Group as a whole.

Revenue recognition

In its capacity as property owner, the Group has signed operational lease agreements with customers and consequently the Group's reported income mainly comprises rental revenue. Where applicable, reported rental revenue has been reduced by the value of discounts granted to tenants. In those cases where lease agreements result in reduced rent during a certain period, which is equivalent to a higher rent during another (later) period, this higher or lower rent is allocated to a specific period over the term of the lease. Rental revenue, lease income and parking income are reported in advance and the allocation of rents to specific periods therefore takes place so that only part of the rents that accrue to the period are reported as income. Revenue recognition normally takes place linearly over the term of the lease agreement apart from exceptional cases when another method better reflects how financial advantages accrue to the Group.

Interest income is reported as income divided across the term on application of the annual equivalent rate method.

Dividend income is reported when the right to receive payment has been confirmed.

Remuneration to employees

The Group has both defined contribution and defined benefit pension schemes. A defined benefit pension scheme is a pension scheme that guarantees an amount the employee receives as a pension benefit on retirement, normally based on a number of different factors, such as salary and period of service. A defined contribution pension scheme is a pension scheme where the Group, after paying its pension premium to a separate legal entity, has discharged its undertaking to the employee.

Defined contribution pension schemes are reported as a cost during the period to which the premiums paid can be allocated.

Pension expenses for defined benefit schemes are calculated with the aid of the Projected Unit Credit Method in such a way that it divides the costs over the employee's professional life. The calculation is made annually by independent actuaries. These undertakings, i.e. the liability which is reported, are valued at the current value of the expected future payment, where the calculated future salary increases are taken into account, making use of a discount rate equivalent to the interest rate on first-class company bonds or government bonds issued in the same currency as the pension that will be paid with a remaining term that is comparable to the current undertakings. Accumulated actuarial gains and losses, outside the 'corridor', are reported in the Income Statement as income or as a cost, divided over the employees' average remaining calculated period of employment through to retirement. The corridor comprises 10 per cent of the current value of the defined benefit pension commitments or 10 per cent of the value of the management assets, whichever is the higher. Costs related to service during earlier periods are reported directly in the Income Statement unless the changes in the pension scheme are subject to the employees remaining in service during a stated period. In such a case, the cost regarding the period of employment is separated from earlier periods linearly over the earning period.

Tax

The tax cost for the period (- income) comprises current and deferred tax. Taxes are reported in the Income Statement with the exception of the underlying transaction, which is reported under Other comprehensive income or directly against equity, whereupon the associated tax effect is reported under Other comprehensive income or against equity.

Current tax is the tax computed on the taxable profit for a period. The taxable profit for the year differs from the reported profit for the year in the fact that an adjustment has been made for non-taxable and non-deductible items. The Group's current tax liability is computed according to the tax rates stipulated or notified as of the year-end.

Deferred tax is reported in accordance with the Balance Sheet method. According to this method, deferred tax liabilities are reported in the Balance Sheet for all taxable temporary differences between the carrying and taxable values of assets and liabilities. Prepaid tax is reported in the Balance Sheet with regard to deficit deductions and all deductible temporary differences to the extent it is likely that the amounts can be offset against future taxable surpluses. The reported value of prepaid tax is examined at each year-end and reduced to the extent it is no longer probable that a sufficient taxable surplus will be available for utilisation.

Deferred tax is computed using the tax rates that are expected to apply for the period in which the asset is recovered or the liability settled.

Tax receivables and tax liabilities are offset and reported at a net amount in the Balance Sheet when there is a legal right to offset and when there is an intention to either receive or pay a net amount or receive payment of a receivable and pay the liability at the same time.

3 continued**Translation of items in foreign currency**

Financial assets and liabilities in foreign currency are translated at closing day rate, whereupon realised and unrealised translation differences are capitalised. Translation differences on operating receivables and liabilities are reported under Other management income or Other management expense whilst translation differences attributable to financial assets and liabilities are reported under Net interest income and expense.

Properties

Properties, i.e. properties that are held to generate rental revenue or gains from an increase in value, are valued continuously at fair value (assessed market value). The fair value is based on the assessed market value at year-end, which means the value at which a property could be transferred between knowledgeable parties who are independent of each other and who have an interest in the transaction being implemented. Changes in fair value are reported in the Income Statement with the effects of changes in value of the properties.

The term 'properties' includes buildings and land, land equipment, building and land equipment as well as properties under construction (new construction in progress).

Property sales and property purchases are reported in conjunction with the risks and benefits linked to title transferring to the purchaser or seller, which normally takes place on the completion date, as long as this does not conflict with the terms and conditions in the contract of sale.

A profit or loss that arises on the sale or disposal of properties comprises the difference between the sales price and the most recent valuation (reported value based on the most recent revaluation at fair value). The result in conjunction with sale or disposal is reported in the Income Statement with an effect on the changes in the value of properties.

In those cases where Akademiska Hus uses part of a building for its own administration, the property is only classified as an investment property if an insignificant part is used for administrative purposes.

If an investment property is reclassified as a property held for resale or an inventory item, the property is reported at the assumed acquisition value, equivalent to the fair value of the property at the time of reclassification.

Fair value, properties

When valuing the properties at fair value (assessed market value) an internal valuation model is used which is quality-assured through the checking of the conditions with external property valuers and through externally performed valuations. The valuation is based on each property's expected cash flow during the coming ten years and an estimated residual value for year eleven. The yield requirement has been differentiated for different types of property, the rental period as well as the town and location assessment. The rental revenue included in the valuation has been assessed on market terms and in the model, normalised operating costs have been used. Maintenance costs have been calculated on a standardised basis according to the use of the property.

Carrying value, properties

Depreciation according to plan is based on the original acquisition value reduced by the estimated residual value and takes place on a linear basis over the estimated useful life of the asset.

Depreciation according to plan is normally carried out using the following percentages of the acquisition value:

Land improvements	5 %
Buildings	2.5 %
Building equipment	10 %
Land equipment	20 %

Equipment, fixtures and fittings

Equipment, fixtures and fittings mainly comprise IT equipment and office equipment. These are reported at the acquisition value reduced by depreciation according to plan and possible impairment.

Depreciation according to plan is based on the original acquisition value reduced by the estimated residual value and takes place linearly over the expected useful life of the asset.

Depreciation according to plan normally takes place using the following percentages of the acquisition value:

Computer equipment	33 %
Equipment, fixtures and fittings	20 %

Depreciation according to plan of equipment, fixtures and fittings is reported as an operating cost or under property administration.

The profit or loss that arises on scrapping or disposal of equipment, fixtures and fittings is reported as Other management income or Other management expense.

Impairment

Impairment takes place in those cases where the reported value of the asset exceeds the recovery value. Reported values for the Company's assets are checked at each period-end to determine if there is any indication of an impairment requirement. If there is such an indication, the recoverable value of the asset is calculated. The recoverable value is the higher of the value in use and the net realisable value.

When computing the value in use, future cash flows are discounted at a rate of interest before tax that it is envisaged will take into account the market's assessment of risk-free interest and risk linked to the specific asset. For an asset which does not, independent of other assets, generate any cash flow, the recoverable value of the cash-generating unit to which the asset belongs is calculated.

Reversal of previous impairments takes place when the recoverable value for a previously impaired asset exceeds the carrying value and the need for impairment made previously is no longer considered necessary and is reported in the Income Statement. An examination of past impairments takes place on an individual basis.

Financial instruments

The general principle for the valuation of financial instruments is that financial assets and all derivatives should be valued at fair value whilst financial liabilities are valued at the accrued acquisition value.

Financial instruments are reported initially at the acquisition value, corresponding to the fair value of the instrument with an addition for transaction costs for all financial instruments apart from those that belong to the category Financial Assets, which are valued at fair value through profit or loss. Reporting subsequently takes place depending on how they are classified, as stated below.

A financial asset or financial liability is recorded in the Balance Sheet when the Company becomes a party to the contractual terms and conditions of the instrument or when applicable according to 'regular way purchase' principles. The receivables are recorded in the Balance Sheet when an invoice has been sent. A liability is recorded when the counter-party has performed and there is a contractual obligation to pay, even if an invoice has not yet been received. Accounts payable are recorded when an invoice has been received.

A financial asset is removed from the Balance Sheet when the rights in the agreement are realised, fall due or the Company loses control over them. The same applies to part of the financial asset. A financial liability is removed from the Balance Sheet when the obligation in the agreement is discharged or is extinguished in some other way. The same applies to part of a financial liability.

The Group categorises its financial instruments as:**Assets valued at fair value through profit or loss**

Assets in this category are reported initially at the acquisition value, i.e. fair value at the time of acquisition, and are subsequently valued continuously at fair value. The change in value is reported continuously through profit or loss. All Akademiska Hus investment assets and outstanding derivatives (with a positive fair value) fall into this category.

Loan receivables and accounts receivable

Assets in this category are non-derivative financial assets with established or establishable payment flows that are not listed on an active market. These assets are reported and valued on a continuous basis at the accrued acquisition value. Akademiska Hus's accounts receivable also fall into this category and are reported and valued continuously at the acquisition value. At each period-end, an impairment examination is made of this asset. Non-current security holdings fall into this category and are valued at the accrued acquisition value unless an impairment requirement has been identified.

Liabilities valued at fair value through profit or loss

These liabilities are reported initially at the acquisition value and thereafter on an ongoing basis at fair value. The change in value is reported on a continuous basis through profit or loss. Akademiska Hus's outstanding derivatives with a negative fair value fall into this category.

Other financial liabilities

Liabilities in this category are reported and valued at the accrued acquisition value according to the annual equivalent rate method. Direct costs when loans are raised are included in the acquisition value. All debt financing is included in this category. Akademiska Hus's accounts payable and other liabilities are classified under this category but are reported at the acquisition value.

Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and reported at a net amount in the Balance Sheet when there is a legal right to offset and when there is an intention to settle the items at a net amount or at the same time realise the asset and settle the debt.

Calculation of fair value, financial instruments

When establishing the fair value of current investments, derivatives and loan liabilities, the official market listing at the period-end is used and calculation takes place according to generally accepted methods. In those cases where such listings are not available, a valuation is made through discounting of future cash flows at the listed market interest rate for each term. Translation into Swedish kronor takes place at the listed rate at year-end. Calculated and estimated fair values are indicative and will not necessarily be realised.

The nominal value of accounts receivable and accounts payable, reduced by possible estimated credits, is assumed to be equivalent to their fair value.

Rent receivables, accounts receivable and other receivables

Rent receivables and accounts receivable are reported initially at the fair value and are then reported at the invoiced amount following a deduction for any impairment (bad debts), which is equivalent to the accrued acquisition value. The estimated term of rent receivables and accounts receivable is short and consequently the value is reported at the nominal amount without discounting. Doubtful receivables are assessed individually and any impairment is reported within operating costs.

Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances and current investments with a term shorter than three months. These assets are regarded as being saleable immediately with a negligible risk of changes in value, which means that the reported value (acquisition value plus accrued coupon) is equivalent to the fair value.

Current investments

Current investments with a term in excess of three months comprise interest-bearing securities and are reported and valued at fair value. Changes in value (unrealised profits and losses) are reported on a continuous basis through net interest income and expense.

In the Cash Flow Statements, current investments with a term in excess of three months are not classified as cash and cash equivalents.

Loan financing

All loan financing is reported initially at fair value, net after transaction costs. Borrowing is subsequently reported at the accrued acquisition value and any difference between the amount received and the repayment amount is reported in net interest income and expense divided over the loan period on application of the annual equivalent rate method.

Borrowing that constitutes a hedged item in conjunction with fair value hedging is reported and valued after the acquisition point at fair value on an ongoing basis with regard to the hedged risk. Changes in value are reported in net interest income and expense.

Loan financing in foreign currency is translated and the effects are reported through profit or loss.

The Group applies IAS 23 Borrowing Costs. IAS 23 means that the Group capitalises interest expense attributable to properties under construction that take a significant period of time to complete. Capitalised interest expense has a positive effect on net interest income and expense and a negative effect on the change in fair value of properties to the equivalent amount. Financing costs for properties under construction that do not take a significant period of time to complete are charged in full to the financial result for each year.

Accounts payable and other liabilities

Accounts payable and other liabilities have a short expected term and are valued at the nominal value without discounting.

Financial derivatives

Derivatives are held primarily with the aim of securing long-term, cost-effective debt financing and handling the Group's financial risk exposure by hedging existing interest and currency exposure against fluctuations in interest levels and exchange rates.

All derivatives are valued at fair value and changes in value are reported on an ongoing basis against net financial income and expense with the exception of the outstanding derivatives, which comprise hedging instruments. In a hedging circumstance where the underlying Balance Sheet item is business-related, the changes in value of the derivative are reported against operating profit. Changes in value attributable to the derivatives that comprise hedging instruments in a cash flow hedge, are reported in Other comprehensive income, are accumulated in equity and are reported against financial or operating profit at the time the underlying exposure affects the profit.

Interest derivatives (interest future contracts, interest swap agreements, FRA contracts and interest options) are held mainly to secure the desired fixed interest period in existing debt financing. Interest swaps are valued on an ongoing basis at fair value and the effects attributable to the changes in value are reported against net interest income and expense in conjunction with hedging of fair value and against Other comprehensive income in conjunction with cash flow hedging. The net of the accrued interest income and expense is allocated to specific periods and expensed over the term of the derivative.

3 continued

In conjunction with financing in a foreign currency, all future payment flows are hedged so that no currency risk remains. (Currency future contracts, currency swap agreements, or combined with an interest swap agreements). Currency derivatives are translated at the closing day exchange rate and when hedge reporting is applied, the effects of the currency translation of the derivative naturally meet the effects of the currency translation of the debt in the financial result.

Independent derivatives, i.e. derivatives that are not included in any hedging relationship, are valued at fair value and the change in value is recorded directly against the net interest income and expense.

With the aim of evening out price variations on the electricity market, and in doing so achieve an even trend for the Group's electricity costs, future electricity use is hedged with the aid of electricity futures. Electricity futures are valued continuously at fair value and when hedge reporting according to the cash flow method is applied, the changes in value are reported directly against Other comprehensive income. The effects of hedging, the difference between the electricity future's assured price and the average spot price during the term of the electricity future, are offset against profit and are transferred on maturity from equity and reported as an operating cost. Consequently, the result of the electricity future together with the Group's physical electricity purchases, constitute the actual electricity cost.

In accordance with the currency mandate in the Electricity Trading Policy, currency risk exposure attributable to outstanding electricity futures are currency hedged with the aid of exchange rate futures. Exchange rate futures are valued on an ongoing basis at fair value and when hedge accounting according to the cash flow method is applied, the changes in value are reported directly against Other comprehensive income. The effects are expensed on settlement, i.e. the effects are transferred from equity and reported as an operating cost.

Hedge accounting

Akademiska Hus's hedge accounting takes place through a division into two different methods of hedging depending on the aim of the hedging: 'Fair value hedging' and 'Cash flow hedging'.

In conjunction with fair value hedging, both the hedged item/exposure and the hedging instrument are valued at fair value. The changes in value are reported continuously through profit or loss.

In conjunction with cash flow hedging, the hedging instrument is valued at the fair value at the same time that the hedged item in conjunction with borrowing is valued according to the current valuation method (categorisation). According to the demands for cash flow hedging, a change in value attributable to a derivative that qualifies for hedge accounting is reported on an ongoing basis against Other comprehensive income and is accumulated in equity until the underlying transaction/exposure affects the Statement of Comprehensive Income.

One of the criteria for hedge accounting to be applied is that the hedging relationship is expected to be effective both at the time of entering into the relationship as well as during the hedging period. The ineffective part of the hedging, i.e. the difference between the changes in value in the exposure (interest, electricity price or exchange rate risk) which are hedged in the underlying transaction/flow and the change in value in the hedging instrument's (derivative's) equivalent risk is expensed.

When a hedging measure is entered into, the relationship between the hedging instrument and the hedged item, along with the aim of the hedging measure and the method used to calculate the effectiveness, are documented..

Provisions

Provisions are reported in the Balance Sheet when the Company has a formal or informal undertaking because of an event that has occurred and where it is probable that an outflow of resources is required to settle the undertaking and a reliable estimate of the amount can be made.

Parent Company, accounting principles

The Parent Company has prepared its annual accounts according to the Annual Accounts Act and the Swedish Accounting Standards Board recommendation RFR 2 Reporting for Legal Entities and applicable statements from the Swedish Financial Reporting Board.

RFR 2 means that in the annual accounts for the legal entity, the Parent Company shall apply all EU-endorsed IFRS and statements as far as this is possible within the framework of the Annual Accounts Act and the Safeguarding of Pension Commitments Act and with consideration given to the link between accounting and taxation. The recommendation states which exceptions and addenda are to be made to IFRS. The differences between the Group's and the Parent Company's accounting principles are stated below.

Amended accounting principles

The amendments in RFR 2 Reporting for Legal Entities, which have come into effect and are applicable for the 2012 financial year, refer to the following areas:

- IFRS 7 Financial instruments: Disclosures
- IAS 1 Presentation of financial statements
- IAS 10 Events after the reporting period
- IAS 11 Construction contracts
- IAS 18 Revenue
- IAS 19 Employee benefits

Amendments to RFR 2 have not had any material effect on the Parent Company's financial statements.

Properties

Properties are reported in a legal entity at the acquisition value with a deduction for accumulated depreciation, impairments and reversed impairments. The depreciation period is based on each investment property's useful life.

Payments to employees

The Parent Company's pension undertakings have been calculated and reported based on the Safeguarding of Pension Commitments Act. Application of the Safeguarding of Pension Commitments Act is a prerequisite for the right to make a tax deduction.

Deferred tax

The amounts that are allocated to untaxed reserves comprise taxable temporary differences. Because of the link between accounting and taxation, the deferred tax liability that is attributable to the untaxed reserves is not reported separately in a legal entity. These are thus reported at the gross amount in the Balance Sheet. The appropriations are reported at the gross amount in the Income Statement.

4 Estimates and assessments

When preparing reports in compliance with IFRS, the Executive Management and the Board must make assessments and assumptions that affect the reported asset and liability items and income and cost items in the final accounts as well as information provided generally, including contingent liabilities. These assessments are based on historical experience and different assumptions the management and the Board have considered reasonable under the prevailing circumstances. The conclusions drawn form the basis for decisions regarding reported values of assets and liabilities in those cases where these cannot be established easily through information from other sources. The actual outcome could differ from these assessments if other assumptions are made or if other conditions emerge. Assessments could have a material impact on the Akademiska Hus profit and position, particularly within the area of valuation of properties (see also Note 17).

Sensitivity analysis

The sensitivity analysis shows how the Group's pre-tax profit, return on equity and assessed fair value would be affected in the event of changes in different variables. The analysis shows the impact on an annual basis at full effect.

Changes in the cost of capital or yield requirement are factors that affect the fair value most. The impact on profit of a change in value, however, would not affect the cash flow as it is unrealised. In the sensitivity analysis, the current lease portfolio has been taken into account with regard to rental revenue and vacant space.

Sensitivity analysis, liability portfolio

The interest-bearing liability portfolio is constantly exposed to interest rate changes on the market. The analysis of the liability portfolio interest sensitivity can be divided into two parts:

- A change in value of interest derivatives (current values).
- Cash flow effects (net interest income/expense) over a calendar year for items with a short fixed interest period, which are given a new short-term rate of interest for the remainder of the year.

As the fixed interest period is diversified and in accordance with the current risk mandate, a minimum of two years on average, the variations in the interest cost will fluctuate to a lesser extent than if the fixed interest period had been very short, e.g. three months.

The Company has fixed interest periods both within and outside the Balance Sheet in the form of interest derivatives. The aim of these derivatives is to facilitate a change in the liability portfolio's fixed interest period in addition to what has been achieved directly in the financing.

The table below shows the impact on profit of a rise in interest of one percentage point. The calculations are based on an unchanged liability amount.

SENSITIVITY ANALYSIS 2012

CHANGE	Impact on pre-tax profit, SEK m	Impact on return on equity, percentage points	Impact on fair value, not lease-bound, SEK m	Impact on fair value, percentage points
Rental income, +/- one per cent	53	0.1	335	0.6
Vacant space, +/- one percentage point	48	0.1	362	0.7
Operating costs, +/- one per cent	9	0.0	80	0.1
of which energy, fuel and water	6	0.0	55	0.1
Maintenance costs, +/- one per cent *	6	0.0	45	0.1
Cost of capital, + one percentage point	-3,315	-9.0	-3,315	-6.9
Cost of capital, - one percentage point	3,633	9.0	3,633	7.5
Yield requirement, + one percentage point	-3,730	-10.2	-3,730	-7.8
Yield requirement, - one percentage point	5,175	12.5	5,175	10.8

* A change in the maintenance cost that affects the profit and return on equity has been calculated based on actual maintenance costs. The effect on the fair value has been calculated based on a standard maintenance cost in the valuation model.

SENSITIVITY ANALYSIS

LIABILITY PORTFOLIO	Nominal amount, SEK m	Maturity, years, average	Fixed interest period, years, average	Interest risk, one interest point, SEK m	Interest, %	Change in value of +100 interest points, SEK m as of the year-end*)	Net interest income/expense with 100 interest points, SEK m during the remainder of the calendar year*)
Fixed interest positions with a fixed interest period longer than one year within the Balance Sheet**	7,009	15.66	15.66	8.42	3.78	0	0
Interest derivatives, fixed interest	6,561	0.00	3.77	2.43	3.02	243	0
Interest derivatives, variable interest	-6,561	0.00	0.19	-0.14	1.56	0	53
Variable interest within the Balance Sheet***	13,733	3.22	0.13	0.24	1.81	0	-119
TOTAL	20,741	7.42	6.51	10.96	2.68	243	-66

* Refers to one hundred interest points in a parallel displacement of the yield curve.

** Fixed interest positions with a fixed interest period in excess of one year within the Balance Sheet refer to issues in SEK that are not included in fair value hedges.

*** Variable interest within the Balance Sheet refers to the total effect of issues in a foreign currency which, via derivatives, have been swapped to variable interest in Swedish kronor and which are reported as hedges and FRN issues.

5 Merger

The following Group companies were merged with Akademiska Hus AB during the 2012 operating year.

NAME	REG. NO.	DATE OF MERGER
Akademiska Hus Syd AB	556467-8786	11-12-2012
Akademiska Hus Väst AB	556467-8760	11-12-2012
Akademiska Hus Öst AB	556467-8778	11-12-2012
Akademiska Hus Uppsala AB	556467-8745	11-12-2012
Akademiska Hus Stockholm AB	556467-8737	11-12-2012
Akademiska Hus Norr AB	556467-8752	11-12-2012

Assets and liabilities have been incorporated into Akademiska Hus AB at their consolidated values.

A summary of the Balance Sheets and details of income and operating profit for each company are presented below.

AKADEMISKA HUS SYD AB

Fixed assets		Equity	
Tangible non-current assets	3,394,407	Restricted equity	169,950
Financial assets	50	Non-restricted equity	149,099
Current assets		Untaxed reserves	378,454
Current receivables	47,301	Provisions	88,140
		Non-current liabilities	51,620
		Current liabilities	2,604,495
TOTAL ASSETS	3,441,758	TOTAL EQUITY AND LIABILITIES	3,441,758

Income and profit before financial items in Akademiska Hus Syd AB, amounting to KSEK 802,057 and KSEK 297,325 respectively for the period prior to registration of the merger, are included in the Akademiska Hus AB Income Statement. All revenue and costs are reported in Akademiska Hus AB.

AKADEMISKA HUS VÄST AB

Assets		Equity	
Tangible non-current assets	3,776,022	Restricted equity	189,950
Financial assets	85,524	Non-restricted equity	199,272
Current assets		Untaxed reserves	429,860
Current receivables	217,324	Provisions	109,455
		Non-current liabilities	112,477
		Current liabilities	3,037,856
TOTAL ASSETS	4,078,870	TOTAL EQUITY AND LIABILITIES	4,078,870

Income and profit before financial items in Akademiska Hus Väst AB, amounting to KSEK 809,430 and KSEK 378,011 respectively for the period prior to registration of the merger, are included in the Akademiska Hus AB Income Statement. All revenue and costs are reported in Akademiska Hus AB.

AKADEMISKA HUS ÖST AB

Assets		Equity	
Tangible non-current assets	2,736,545	Restricted equity	99,950
Financial assets	385	Non-restricted equity	126,612
Current assets		Untaxed reserves	310,965
Current receivables	24,679	Provisions	47,804
		Non-current liabilities	0
		Current liabilities	2,176,278
TOTAL ASSETS	2,761,609	TOTAL EQUITY AND LIABILITIES	2,761,609

Income and profit before financial items in Akademiska Hus Öst AB, amounting to KSEK 544,144 and KSEK 246,814 respectively for the period prior to registration of the merger, are included in the Akademiska Hus AB Income Statement. All revenue and costs are reported in Akademiska Hus AB.

AKADEMISKA HUS UPPSALA AB

Assets		Equity	
Tangible non-current assets	5,786,465	Restricted equity	109,950
Financial assets	11,429	Non-restricted equity	117,082
Current assets		Untaxed reserves	501,239
Current receivables	105,826	Provisions	63,512
		Non-current liabilities	10,000
		Current liabilities	5,101,937
TOTAL ASSETS	5,903,720	TOTAL EQUITY AND LIABILITIES	5,903,720

Income and profit before financial items in Akademiska Hus Uppsala AB, amounting to KSEK 958,238 and KSEK 317,826 respectively for the period prior to registration of the merger, are included in the Akademiska Hus AB Income Statement. All revenue and costs are reported in Akademiska Hus AB.

AKADEMISKA HUS STOCKHOLM AB

Assets		Equity	
Tangible non-current assets	11,558,047	Restricted equity	669,950
Financial assets	275,052	Non-restricted equity	340,674
Current assets		Untaxed reserves	946,533
Current receivables	502,017	Provisions	138,873
		Non-current liabilities	283,501
		Current liabilities	9,955,585
TOTAL ASSETS	12,335,116	TOTAL EQUITY AND LIABILITIES	12,335,116

Income and profit before financial items in Akademiska Hus Stockholm AB, amounting to KSEK 1,889,788 and KSEK 821,899 respectively for the period prior to registration of the merger, are included in the Akademiska Hus AB Income Statement. All revenue and costs are reported in Akademiska Hus AB.

AKADEMISKA HUS NORR AB

Assets		Equity	
Tangible non-current assets	2,218,292	Restricted equity	99,950
Financial assets	60,923	Non-restricted equity	126,890
Current assets		Untaxed reserves	309,721
Current receivables	31,409	Provisions	78,923
		Non-current liabilities	30,350
		Current liabilities	1,664,790
TOTAL ASSETS	2,310,624	TOTAL EQUITY AND LIABILITIES	2,310,624

Income and profit before financial items in Akademiska Hus Norr AB, amounting to KSEK 526,228 and KSEK 235,531 respectively for the period prior to registration of the merger, are included in the Akademiska Hus AB Income Statement. All revenue and costs are reported in Akademiska Hus AB.

6 Segment report

The Group's operations are controlled and reported on a regional basis. Segment reporting has been prepared using the same accounting principles applied to the Group as a whole. Revenue per segment is based on the tenant's geographical location whilst assets and liabilities are based on the tenant's physical location.

All revenue is generated in Sweden and all regions carry on property management.

For details of larger customers, see Note 8.

No significant sales between the segments have occurred.

'Investments' refers to gross investments in properties, construction of properties in progress and equipment, fixtures and fittings. 'Other operations' refers to Akademiska Hus Utveckling och Support AB, Datja Fastighets AB and Kunskapsmiljön 2 AB.

Net operating income is the most important measure of performance and is followed up by the Executive Management in conjunction with each quarterly report.

SEGMENT INFORMATION 2012	South	West	East	Uppsala	Stockholm	North	Total, operating segments	Other operations	Eliminations	Group
Rental revenue	766,456	752,966	534,931	920,427	1,779,512	510,928	5,265,220	—	—	5,265,220
Other management income	35,601	56,461	9,057	24,528	104,851	14,775	245,273	928	—	246,201
Sales between segments	—	3	113	—	379	526	1,021	115,545	-116,566	0
Total income	802,057	809,430	544,101	944,955	1,884,742	526,229	5,511,514	116,473	-116,566	5,511,421
Operating costs	-137,220	-122,698	-86,223	-182,230	-285,499	-83,352	-897,222	—	27,674	-869,548
Maintenance costs	-138,595	-68,797	-44,169	-104,490	-149,156	-58,871	-564,078	—	—	-564,078
Property administration	-35,671	-40,764	-23,705	-41,773	-71,367	-24,194	-237,474	-120,758	77,253	-280,979
Other management costs	-27,898	-49,624	-9,751	-15,510	-91,331	-17,569	-211,683	30,538	-30,424	-211,569
Total costs, property management	-339,384	-281,883	-163,848	-344,003	-597,353	-183,986	-1,910,457	-90,220	74,503	-1,926,174
NET OPERATING INCOME	462,673	527,547	380,253	600,952	1,287,389	342,243	3,601,057	26,253	-42,063	3,585,247
Changes in value, properties	-7,556	90,526	-34,576	-354,108	38,952	-24,443	-291,205	—	—	-291,205
Central overheads	-5,629	-5,603	-3,943	-6,465	-10,112	-4,248	-36,000	-66,817	36,000	-66,817
Result before financial items	449,488	612,470	341,734	240,379	1,316,229	313,552	3,273,852	-40,564	-6,063	3,227,224
Result from financial items (net)	-80,633	-96,875	-70,699	-96,740	-266,167	-54,885	-665,999	1,042,421	-1,058,066	-681,644
Appropriations	-31,046	-31,026	-15,354	-26,340	-83,259	-24,747	-211,772	23,468	188,304	0
Tax for the year	61,514	3,572	18,309	164,266	227,683	29,014	504,358	5,698	91,172	601,228
PROFIT FOR THE YEAR ACCORDING TO THE INCOME STATEMENT	399,323	488,141	273,990	281,565	1,194,486	262,934	2,900,439	1,031,023	-784,653	3,146,808
Properties	6,619,614	6,974,891	4,557,462	10,094,252	22,334,584	4,096,223	54,677,026	—	—	54,677,026
Other non-current assets	693	87,615	4,214	13,309	283,417	61,246	450,494	1,872,370	—	2,322,864
Current assets	42,634	213,262	22,254	101,006	495,510	28,973	903,639	3,728,681	—	4,632,320
Total assets	6,662,941	7,275,768	4,583,930	10,208,567	23,113,511	4,186,442	56,031,159	5,601,051	0	61,632,210
Total assets include:										
Investments	253,903	111,351	95,623	988,288	1,402,579	63,086	2,914,830	2,498	—	2,917,328
Equity	—	—	—	—	—	—	—	28,426,713	—	28,426,713
Liabilities	1,150,444	1,177,849	610,393	1,424,893	3,429,588	700,246	8,493,413	24,712,084	—	33,205,497
Total liabilities and equity	1,150,444	1,177,849	610,393	1,424,893	3,429,588	700,246	8,493,413	53,138,797	0	61,632,210
SEGMENT INFORMATION 2011	South	West	East	Uppsala	Stockholm	North	Total, operating segments	Other operations	Eliminations	Group
Rental revenue	750,702	745,769	519,911	873,019	1,736,996	489,452	5,115,849	—	—	5,115,849
Other management income	31,987	68,194	7,654	74,525	65,186	14,088	261,634	702	—	262,336
Sales between segments	—	—	—	—	540	7	547	127,907	-128,454	0
Total income	782,689	813,963	527,565	947,544	1,802,722	503,547	5,378,030	128,609	-128,454	5,378,185
Operating costs	-140,366	-126,421	-88,742	-172,856	-285,362	-79,164	-892,911	—	7,750	-885,161
Maintenance costs	-201,583	-81,221	-34,879	-103,039	-109,905	-72,809	-603,436	—	—	-603,436
Property administration	-38,254	-42,366	-24,861	-43,506	-76,103	-24,133	-249,223	-110,229	91,122	-268,330
Other management costs	-26,257	-62,862	-6,088	-44,453	-79,369	-13,592	-232,621	—	—	-232,621
Total costs, property administration	-406,460	-312,870	-154,570	-363,854	-550,739	-189,698	-1,978,191	-110,229	98,872	-1,989,548
NET OPERATING INCOME	376,229	501,093	372,995	583,690	1,251,983	313,848	3,399,839	18,380	-29,582	3,388,637
Changes in value, properties	-306,178	94,213	100,002	116,221	314,913	41,354	360,525	—	—	360,525
Central overheads	-5,727	-5,754	-4,005	-6,492	-10,280	-4,292	-36,550	-44,559	36,000	-45,109
Profit/loss before financial items	64,324	589,552	468,992	693,419	1,556,616	350,910	3,723,814	-26,179	6,418	3,704,053
Result from financial items (net)	-71,971	-88,830	-64,080	-79,762	-244,770	-48,209	-597,622	910,600	-765,172	-452,194
Appropriations	-6,654	59,800	-18,733	-82,298	-75,736	-39,534	-163,155	-26,971	190,126	0
Tax for the year	2,920	-140,722	-102,816	-140,982	-328,056	-70,445	-780,101	-26,238	-51,645	-857,984
PROFIT FOR THE YEAR ACCORDING TO THE INCOME STATEMENT	-11,381	419,800	283,364	390,377	908,054	192,721	2,182,936	831,212	-620,273	2,393,875
Properties	6,463,943	6,770,939	4,495,861	9,424,303	20,859,119	4,056,535	52,070,700	—	—	52,070,700
Other non-current assets	1,489	168,083	3,472	17,580	328,663	57,519	576,806	4,398,756	-1,666,939	3,308,623
Current assets	60,349	276,359	23,551	112,882	323,997	34,166	831,304	26,317,203	-21,455,024	5,693,483
Total assets	6,525,781	7,215,381	4,522,884	9,554,765	21,511,779	4,148,220	53,478,810	30,715,959	-23,121,963	61,072,806
Total assets include:										
Investments	123,792	103,535	79,132	693,380	1,099,102	162,534	2,261,475	4,912	—	2,266,387
Equity	2,540,551	2,686,845	1,506,505	3,487,027	8,507,037	1,524,391	20,252,356	5,619,010	649,283	26,520,649
Liabilities	3,637,822	4,129,704	2,720,769	5,592,839	12,141,468	2,338,856	30,561,458	24,703,887	-20,713,188	34,552,157
Total liabilities and equity	6,178,373	6,816,549	4,227,274	9,079,866	20,648,505	3,863,247	50,813,814	30,322,897	-20,063,905	61,072,806

7 Categorised operating costs

	GROUP		PARENT COMPANY	
	2012	2011	2012	2011
Functions reported in the Consolidated Statement of Comprehensive Income/ Income Statement				
Property management	-1,926,174	-1,989,548	-2,015,371	-110,229
Central administration costs	-66,817	-45,109	-66,817	-44,559
TOTAL OPERATING COSTS ACCORDING TO FUNCTION	-1,992,991	-2,034,657	-2,082,188	-154,788
CATEGORISED FUNCTION COSTS				
Energy, fuel and water	-642,939	-669,082	-642,939	—
Property administration	-73,254	-50,686	-73,254	-66,035
Maintenance costs, material and services purchased	-616,523	-657,120	-616,523	—
Site leasehold charges	-57,878	-57,825	-57,878	—
Property tax	-2,536	-2,026	-2,536	—
Personnel costs	-323,271	-325,080	-323,271	-67,276
Depreciation	-9,217	-7,592	-9,217	-2,364
Other costs	-267,373	-265,246	-356,570	-19,113
TOTAL CATEGORISED OPERATING COSTS	-1,992,991	-2,034,657	-2,082,188	-154,788

8 Lease agreements

All properties are leased under operational lease agreements and generate rental revenue. The rental revenue during the period amounted to KSEK 5,265,220 (5,115,849) and the direct costs for property management for the period amounted to KSEK 1,926,174 (1,989,548).

Profit for the year includes KSEK 578,219 (553,466) for variable supplements. Lund University and Uppsala University account for 11 per cent and 10 per cent of the rental revenue respectively

TERMS, LEASES AS OF 31-12-2012

Due date	Number of leases	Contracted annual rent	Proportion, %
Premises			
2013	292	338,533	6
2014	324	826,052	15
2015	256	740,921	13
2016	142	599,272	11
2017	65	378,997	7
2018	50	418,975	7
2019 and later	201	2,309,164	41
Miscellaneous	254	31,007	0
TOTAL	1,584	5,642,921	100

CONTRACTED RENTAL INCOME AS OF 31-12-2012
ACCORDING TO THE SIZE OF THE LEASE

Annual rent	Number of leases	Contracted annual rent	Proportion, %
Premises			
>70,000	2	298,267	5
30,000 - 70,000	30	1,252,925	22
10,000 - 30,000	134	2,186,770	39
7,500 - 10,000	49	430,760	8
5,000 - 7,500	83	505,324	9
2,500 - 5,000	137	505,240	9
<2,500	895	432,627	8
Miscellaneous	254	31,008	0
TOTAL	1,584	5,642,921	100

9 Other management income

	GROUP		PARENT COMPANY	
	2012	2011	2012	2011
Parking income	54,619	52,613	54,619	—
Profit on sales of other current assets	967	12,891	160,225	—
Income from external management assignments and similar assignments	72,476	94,167	72,476	—
Income from services performed on behalf of tenants	48,946	42,738	48,946	—
Invoicing to regional companies	—	—	—	127,907
Miscellaneous	69,193	59,927	25,741	702
TOTAL	246,201	262,336	362,007	128,609

Invoicing to regional companies ceased in conjunction with the merger.

10 Other management expenses

	GROUP		PARENT COMPANY	
	2012	2011	2012	2011
Site leasehold charges, property tax and other risk costs	-80,096	-77,827	-80,096	—
Loss on sales and disposal of other non-current assets	-1	-10	-123,385	—
Costs for external management assignments and similar assignments	-56,673	-66,382	-56,673	—
Costs for services performed on behalf of tenants	-45,567	-41,039	-45,567	—
Miscellaneous	-29,232	-47,363	-10,449	—
TOTAL	-211,569	-232,621	-316,170	—

11 Depreciation in property management

	GROUP		PARENT COMPANY	
	2012	2011	2012	2011
Properties	—	—	-1,278,979	—
Equipment, fixtures and fittings	-9,217	-7,592	-9,217	-2,364
TOTAL	-9,217	-7,592	-1,288,196	-2,364

In the Group, KSEK 6,224 (4,978) has been reported as property administration and KSEK 2,993 (2,614) has been reported as operating costs. In the Parent Company, depreciation of equipment, fixtures and fittings amounting to KSEK 6,224 (2,364) has been reported as property administration and KSEK 2,993 (0) as operating costs. In the Parent Company, depreciation of properties totalling KSEK 1,278,979 (0) has been added through a merger.

12 Employees and personnel costs

The average number of employees was as follows:

	2012	2011
AKADEMISKA HUS AB		
Head Office, Gothenburg	62	54
Southern region	53	57
Western region	64	65
Eastern region	27	29
Uppsala Region	68	71
Stockholm Region	97	91
Northern Region	32	29
Kunskapsmiljön 2 AB	—	—
Datja Fastighets AB	—	—
Akademiska Hus Utveckling och Support AB	—	—
GROUP, TOTAL	403	396

The proportion of women (based on the average number of employees) in the Parent Company is 46 per cent (56) and in the Group 23 per cent (22).

Gender division, Board, Group Management and other persons in executive positions

The Board comprises 8 (8) members elected at the Annual General Meeting, of whom 3 (4) are women, i.e. 38 per cent (50). The Board of Directors also includes 2 (2) employee representatives.

Overall management of the Group rests with the Executive Management, which comprises 7 (8) men and 4 (8) women. The Executive Management comprises the President, Vice President, Director of Accounting and Finance, Human Resources Director, Corporate Communications Director and Regional Directors.

Regional management teams in the Group consist of 28 men (30) and 8 women (8), i.e. 78 per cent men (79) and 22 per cent women (21).

12 continued

Salaries, other remuneration and social security costs

	2012			2011		
	PARENT COMPANY	REGIONAL COMPANIES	GROUP	PARENT COMPANY	REGIONAL COMPANIES	GROUP
SALARIES AND REMUNERATION						
Board members, President	3,607	—	3,607	2,139	6,966	9,105
Other employees	194,988	—	194,988	33,366	148,069	181,435
TOTAL	198,595	0	198,595	35,505	155,035	190,540
SOCIAL SECURITY COSTS						
Board members, President	1,906	—	1,906	1,038	5,060	6,098
(of which pension costs)	(1,037)	—	(1,037)	(494)	(3,468)	(3,962)
Other employees	96,979	—	96,979	22,026	82,713	104,739
(of which pension costs)	(56,009)	—	(56,009)	(14,945)	(51,594)	(66,539)
TOTAL	98,885	0	98,885	23,064	87,773	110,837
(of which pension costs)	(57,046)	—	(57,046)	(15,439)	(55,062)	(70,501)

The Group's outstanding pension obligations to the presidents and regional company directors total KSEK 809 (133). The corresponding amount in the Parent Company is KSEK 809 (0).

Payments to the Board

	2012				2011			
	DIRECTOR'S FEE	REMUNERATION COMMITTEE	FINANCE COMMITTEE	AUDIT COMMITTEE	DIRECTOR'S FEE	REMUNERATION COMMITTEE	FINANCE COMMITTEE	AUDIT COMMITTEE
Chairwoman of the Board Eva-Britt Gustafsson	200	10	20	0	195	11	20	10
Member Marianne Förander ¹⁾	12	0	0	10	—	—	—	—
Member Leif Ljungqvist ¹⁾	—	—	—	—	—	—	—	—
Member Per Granath	100	—	20	—	98	—	20	—
Member Gunnar Svedberg	100	10	—	—	98	11	—	—
Member Maj-Charlotte Wallin	100	—	0	0	98	—	10	10
Member Ingemar Ziegler	100	—	—	20	98	—	—	20
Member Olof Ehrlén ²⁾	100	—	—	20	50	—	—	10
Member Pia Sandvik Wiklund ²⁾	100	—	20	—	50	—	10	—
Member Sigbrit Franke ²⁾	—	—	—	—	48	6	—	—
Employee representative Anders Larsson	—	—	—	—	—	—	—	—
Employee representative Thomas Jennlinger	—	—	—	—	—	—	—	—
TOTAL	812	20	60	50	735	28	60	50

¹⁾ Member for part of 2012. ²⁾ Member for part of 2011.

Payments to the Executive Management

	2012		2011	
	BASIC SALARY ⁸⁾	PENSION COST	BASIC SALARY ⁸⁾	PENSION COST
CEO/President Kerstin Lindberg Göransson ¹⁾	2,585	622	717	130
CEO/President Mikael Lundström	—	—	539	166
Vice President Michael Walmerud ²⁾	602	98	—	—
Vice President Anette Henriksson ²⁾	662	170	1,735	518
Regional Director, South Unni Sollbe ³⁾	953	374	1,095	397
Regional Director, South Bengt Keyser ³⁾	115	—	—	—
Regional Director, West Birgitta Hohlfält	1,104	427	1,076	399
Regional Director, East Lars Svensson ⁴⁾	855	245	1,020	352
Regional Director, East Lars Hagman ⁴⁾	230	27	—	—
Regional Director, Uppsala Hans Antonsson	1,150	408	1,138	382
Regional Director, Stockholm Sten Wetterblad	1,593	423	1,537	395
Regional Director, North David Carlsson ⁵⁾	1,122	233	831	169
Regional Director, North Matias Lindberg	—	—	404	73
CIO Per Brantsing Karlsson ⁷⁾	—	—	820	170
Technical Director Tomas Hallén ⁷⁾	—	—	1,023	386
Corporate Communications Director Cecilia Nielsen ⁶⁾	676	119	—	—
General Counsel Carolin Åberg-Sjöqvist	832	167	768	147
Director Accounting and Financing Gunnar Oders	979	341	927	280
Treasurer Agneta Rodosi	1,254	428	1,153	405
HR-Director Kristina Korsgren	920	243	877	221
Planning Director Anders Rubensson ⁷⁾	—	—	1,197	559
TOTAL	15,632	4,325	16,857	5,149

¹⁾ Kerstin Lindberg Göransson took up the position of CEO/President on September 19, 2011.

²⁾ Anette Henriksson left the position of CEO/President on May 20, 2012. Michael Walmerud took up the position of Vice President on August 15, 2012.

³⁾ Unni Sollbe left the position of Regional Director on October 31, 2012. Bengt Keyser was acting Regional Director during the period November 1-December 31, 2012.

⁴⁾ Lars Svensson left the position of Regional Director on October 12, 2012. Lars Hagman took up the position of Regional Director on October 15, 2012.

⁵⁾ David Carlsson took up the position of Regional Director on April 1, 2011.

⁶⁾ Cecilia Nilsson took up the position of Corporate Communications Director on March 18, 2012.

⁷⁾ No longer a member of the Executive Management.

⁸⁾ No payments were made in addition to the above reported basic salary.

Principles governing remuneration to the Board and Executive Management

The members of the Board receive a fee as decided at the Annual General Meeting. Board members who are employed in the Akademiska Hus Group, or who work at the Government Offices, do not receive any fee for this work.

Payment for committee work was set at the 2012 Annual General Meeting.

Payment to the CEO and other senior executives comprises a basic salary and a pension. The pension cost refers to the cost that had an impact on the profit for the year. All payments are excluding social insurance charges and employer's contribution. Payment to the CEO is decided by the Board following a recommendation by the Remuneration Committee. Payments to other senior executives are decided by the President of the Parent Company following consultation with the Remuneration Committee. Payment comprises a basic salary and a defined contribution pension based on the ITP premium according to a collective agreement. Akademiska Hus follows the owner's guidelines regarding terms and conditions of employment for executive employees. To ensure that the owner's guidelines are followed, an external enquiry was conducted in 2011. The enquiry showed that Akademiska Hus is following the guidelines. There was no variable or bonus-based remuneration. Salary surveys are conducted where a comparison is made with other property companies.

Pensions

For the CEO, Kerstin Lindberg Göransson, Akademiska Hus has taken out an individual occupational pension solution where the agreed retirement age is 65 years. Akademiska Hus allocates 30 per cent of the fixed monthly salary for Kerstin Lindberg Göransson, to be paid into occupational pension insurance according to a special agreement drawn up with a pension company. The pension package includes a sickness and early retirement pension, a retirement pension and, as an optional part, a survivor's pension and/or repayment cover.

Other persons in executive positions have similar defined contribution agreements with a maximum allocation of 30 per cent, or what

is termed a high-income earner solution with an opt-out premium that is cost-neutral compared to traditional, collectively agreed ITP.

Periods of notice and severance pay

An agreement has been reached with the CEO, Kerstin Lindberg Göransson, regarding a mutual period of notice of six months. In the event of notice being given by the Company, severance pay is payable for a further 18 months. The severance pay shall be considered to include payment for holiday and pension benefits. The severance pay is reduced by any amount Kerstin Lindberg Göransson receives from other employment or through other activities.

Other persons in executive positions within the Group have an agreed period of notice of 6–12 months depending on when the agreements were signed. Agreements entered into after 2009 follow government guidelines with a period of notice of six months and in the event of notice being given by the Company, severance pay is payable for a maximum of 18 months. Agreements entered into before 2009 stipulate a period of notice of 12 months and severance pay for 12 months. All agreements, however, fall within the framework of 24 months, including the period of notice. Salary payable or remuneration for work performed during the time severance pay is received shall be set off on a krona-by-krona basis.

Absenteeism due to illness, Group and Parent Company

	GROUP		PARENT COMPANY	
	2012	2011	2012	2011
Total absenteeism due to illness, %	2.5	3.7	2.5	5.6
Long-term absenteeism due to illness, % of total absenteeism due to illness	32.2	54.6	32.2	72.4
Absenteeism due to illness, men, %	1.9	2.6	1.9	1.1
Absenteeism due to illness, women, %	4.2	7.1	4.2	8.9
Absenteeism due to illness, employees under 30 years, %	1.8	3.0	1.8	4.8
Absenteeism due to illness, employees 30–49 years, %	2.6	3.1	2.6	9.6
Absenteeism due to illness, employees 50 years and older, %	2.4	4.3	2.4	1.0

The total absenteeism due to illness is stated as a percentage of the employees' total ordinary working time. Long-term absenteeism due to illness refers to absenteeism over a continuous period of 60 days or more.

13 Fees and expenses paid to auditors

	PARENT COMPANY	REGIONAL COMPANIES	GROUP
2012			
Deloitte AB			
Audit assignment	930	—	930
Audit work in addition to the audit assignment	463	—	463
Tax consulting	190	—	190
Other services	1,193	—	1,193
TOTAL	2,776	0	2,776
2011			
Deloitte AB			
Audit assignment	526	549	1,075
Audit work in addition to the audit assignment	623	81	704
Tax consulting	24	125	149
Other services	1,163	80	1,243
TOTAL	2,336	835	3,171

'Audit assignment' refers to payment to the auditor for the statutory audit, i.e. work necessary to submit the audit report. 'Audit work in addition to the audit assignment' in effect refers to what can be designated quality assurance services (e.g. examination of a prospectus for an EMTN programme) as well as advice or other assistance as a result of observations made in conjunction with such an examination or the performance of such other duties. 'Tax consulting' is self-explanatory. 'Other services' refers mainly to consultation in conjunction with the merger of the subsidiaries, consultation regarding tax returns, examination of tax calculations and consultation regarding financial instruments and the sustainability report.

14 Result from financial income and expense

	GROUP		PARENT COMPANY	
	2012	2011	2012	2011
RESULT FROM SHARES IN GROUP COMPANIES				
Dividend	—	—	—	765,000
Total	—	—	—	765,000
RESULT FROM OTHER SECURITIES AND RECEIVABLES RECORDED AS NON-CURRENT ASSETS				
Interest income, miscellaneous *	59,824	22,659	59,824	22,659
Changes in value, independent derivatives	-4,209	166,429	-4,209	166,429
Total	55,615	189,088	55,615	189,088
OTHER INTEREST INCOME AND SIMILAR PROFIT/LOSS ITEMS				
Interest income, Group companies *	—	—	—	661,718
Interest income, other *	166,762	68,648	166,762	64,419
Changes in value, independent derivatives	63,604	43,050	63,604	43,050
Total	230,366	111,698	230,366	769,187
RESULT, FINANCIAL INCOME	285,981	300,786	285,981	1,723,275
OTHER INTEREST EXPENSE AND SIMILAR PROFIT/LOSS ITEMS				
Interest expense, miscellaneous *	-663,334	-618,222	-771,798	-677,917
Changes in value, independent derivatives	-137,887	-342,624	-137,887	-342,624
Changes in value, fair value hedging	-166,404	207,866	-166,404	207,866
RESULT, FINANCIAL EXPENSE	-967,625	-752,980	-1,076,089	-812,675
RESULT, NET FINANCIAL INCOME AND EXPENSE	-681,644	-452,194	-790,108	910,600
* Of which interest income/interest expense deriving from financial instruments that are not valued at fair value in profit or loss.	1,698,383	-152,764	1,634,459	445,030

CHANGES IN VALUE ARE AS FOLLOWS:				
	GROUP		PARENT COMPANY	
	2012	2011	2012	2011
UNREALISED CHANGES IN VALUE				
Independent derivatives	-70,525	-137,758	-70,525	-137,758
Fair value hedging, hedging instruments	-604,064	772,803	-604,064	772,803
Fair value hedging, hedged item	437,660	-564,937	437,660	-564,937
Total	-236,929	70,108	-236,929	70,108
REALISED CHANGES IN VALUE				
Independent derivatives	-7,967	4,613	-7,967	4,613
Total	-7,967	4,613	-7,967	4,613
TOTAL CHANGES IN VALUE	-244,896	74,721	-244,896	74,721

15 Appropriations and untaxed reserves (Parent Company)

	PARENT COMPANY	
	31-12-2012	31-12-2011
APPROPRIATIONS		
Change in tax allocation reserve	-190,437	-26,826
Difference between carrying depreciation and depreciation according to plan	2,134	-145
TOTAL	-188,303	-26,971
UNTAXED RESERVES		
Tax allocation reserve, 2007 tax assessment	—	63,161
Tax allocation reserve, 2008 tax assessment	95,922	95,922
Tax allocation reserve, 2008 tax assessment, added due to merger	168,881	—
Tax allocation reserve, 2009 tax assessment	85,864	85,864
Tax allocation reserve, 2009 tax assessment, added due to merger	219,429	—
Tax allocation reserve, 2010 tax assessment	67,464	67,464
Tax allocation reserve, 2010 tax assessment, added due to merger	391,072	—
Tax allocation reserve, 2011 tax assessment	53,399	53,399
Tax allocation reserve, 2011 tax assessment, added due to merger	344,055	—
Tax allocation reserve, 2012 tax assessment	26,826	26,826
Tax allocation reserve, 2012 tax assessment, added due to merger	410,659	—
Tax allocation reserve, 2013 tax assessment	449,374	—
Additional depreciation	-1,989	145
Additional depreciation following merger	935,128	—
TOTAL	3,246,084	392,782

16 Taxes

The following components are included in the Group and Parent Company tax expense:

	GROUP		PARENT COMPANY	
	2012	2011	2012	2011
TAX ON PROFIT FOR THE YEAR				
Current tax				
Current tax on profit for the year	-356,304	-345,178	-356,303	-21,166
Total actual tax	-356,304	-345,178	-356,303	-21,166
DEFERRED TAX				
Deferred tax attributable to a change in temporary differences	-336,440	-512,806	10,029	-5,070
Effect of change in tax rate	1,293,972	—	75,044	—
Deferred tax attributable to a change in valuation of previous temporary differences	—	—	—	—
Total deferred tax	957,532	-512,806	85,073	-5,070
TOTAL TAX ON PROFIT FOR THE YEAR	601,228	-857,984	-271,230	-26,236

The difference between the reported tax expense and tax expense based on the current tax rate comprises the following components:

	GROUP		PARENT COMPANY	
	2012	2011	2012	2011
Reported profit before tax	2,545,580	3,251,859	1,278,432	857,449
Tax at the current tax rate	-669,488	-855,239	-336,228	-225,509
Tax effect of expenses that are not tax deductible/taxable (permanent differences):				
Non-deductible expenses	-2,435	-1,440	-7,940	-479
Non-taxable income	6,283	3,162	6,283	95
Taxable standard interest calculated on the tax allocation reserve	-6,643	-10,662	-6,643	-1,963
Dividend from regional companies	—	—	—	201,195
Effect of change in tax rate	1,293,972	—	75,044	—
Adjustment of tax expense for previous years	-20,461	6,195	-1,746	425
TOTAL REPORTED TAX EXPENSE	601,228	-857,984	-271,230	-26,236

Reported deferred tax claim/liability

	GROUP		PARENT COMPANY	
	31-12-2012	31-12-2011	31-12-2012	31-12-2011
DEFERRED TAX CLAIMS ATTRIBUTABLE TO TEMPORARY DIFFERENCES				
Financial instruments	32,816	11,084	32,816	11,084
Cash flow hedge	12,455	13,657	12,455	13,657
Miscellaneous	—	6,950	—	432
Total, reported deferred tax receivables	45,271	31,691	45,271	25,173
DEFERRED TAX LIABILITIES ATTRIBUTABLE TO TEMPORARY DIFFERENCES				
Tax allocation reserve	-508,910	-558,294	—	—
Properties	-6,120,330	-6,985,653	-365,697	—
Financial instruments	-22,908	—	-22,908	—
Cash flow hedges	—	-41,447	0	-41,447
Miscellaneous	9,504	—	310	—
Total, reported deferred tax liabilities	-6,642,644	-7,585,394	-388,295	-41,447
TOTAL REPORTED DEFERRED TAX RECEIVABLES/LIABILITIES	-6,597,373	-7,553,703	-343,024	-16,274

The following deferred tax receivables/liabilities refer to items where a change has been reported in other comprehensive income.

	GROUP		PARENT COMPANY	
	31-12-2012	31-12-2011	31-12-2012	31-12-2011
CASH FLOW HEDGE				
- Currency forward	-3,555	8,699	-3,555	8,669
- Electricity future	2,354	4,957	2,354	4,957
TOTAL DEFERRED TAX REPORTED IN OTHER COMPREHENSIVE INCOME	-1,201	13,656	-1,201	13,626

Change in tax rates

In November 2012, Parliament decided to reduce the tax rate from 26.3% to 22%. The lower tax rate applies with effect from the financial year commencing January 1, 2013 or later. When calculating deferred tax on temporary differences, the reduced tax rate of 22% has been used.

Unreported deferred tax

No deferred tax regarding untaxed reserves has been reported in the Parent Company. The deferred tax liability related to untaxed reserves totals KSEK 714,200 (103,301). Of the unreported deferred tax liability, KSEK 632,770 has arisen due to the merger. The consolidated accounts do not include any material unreported temporary differences between carrying and tax values for assets and liabilities. All tax deficit deductions within the Group can be utilised for an unlimited period in the future.

17 Dividend

The dividend paid to the shareholder on June 7, 2012 totalled SEK 1,245,000,000 (1,207,000,000). The dividend per share was SEK 583.14 (565.34). As regards the dividend for the year, the Board proposes a dividend of SEK 634.66 per share to be paid to the shareholder as instructed by the owner. A decision regarding a dividend will be reached by the shareholder at the Annual General Meeting. The dividend has not been recorded as a liability in the Annual Report. The dividend is estimated at SEK 1,355,000,000.

18 Properties (Group)

The assessed fair value of properties has changed during the year as follows:

	GROUP	
	31-12-2012	31-12-2011
Opening carrying value	52,070,700	49,496,874
Investments, new construction and redevelopment	2,901,346	2,326,412
Acquisitions	7,000	—
Sales and disposals	-146,209	-116,666
Net change in value	-155,811	364,080
CARRYING VALUE	54,677,026	52,070,700

	GROUP	
	2012	2011
CHANGES IN VALUE		
Positive	1,182,161	1,912,966
Negative	-1,444,501	-1,548,886
Result from sales and disposals		
Positive	21,921	211
Negative	-50,786	-3,766
TOTAL CHANGES IN VALUE, PROPERTIES	-291,205	360,525

The assessed fair value of the Group's properties as of December 31, 2012 has been set following an internal property valuation. The valuation was based on different valuation methods as follows:

		SEK m	Share, %
Internal valuation model	Cash flow method	52,130	95
Expansion reserves	Location price method	940	2
Other valuation	Special basis for calculation	1,607	3
TOTAL		54,677	100

External valuation

A selection of the properties is valued each year by external valuation companies as a benchmark to quality-assure the internal valuation model. In addition, certain development properties with income and costs that are difficult to estimate are valued externally. External valuations in 2012 were made by DTZ, whose valuers are authorised by the Swedish Society of Real Estate Economics.

Of the 100 properties in Akademiska Hus that had been valued the highest, 12 properties were valued externally. In terms of value, the external valuations account for approximately 5 per cent of the total value. The external valuations confirm the reliability of the Akademiska Hus internal valuation model.

Internal valuation

SEK 52,130 million (95 per cent) of the assessed fair value has been set using the internal cash flow valuation.

Valuation method

The value of an asset comprises the current value of the future cash flows which the asset is expected to generate. Within Akademiska Hus, the property valuation is based on each individual valuation object's expected cash flow during the coming 10 years and with an estimated residual value for year 11. The cash flow comprises each valuation object's income and expenses, i.e. the net operating income. To calculate the net operating income during the calculation period, an assessment is made of, among other things, inflation, rents, vacant space and operating and maintenance costs. For the final year of the calculation period, the residual value is calculated and should be a probable market value at that point in time. The net operating income for years 1–10 is discounted using a nominal cost of capital and the residual value for year 11, which is the net operating income during the remaining estimated useful life, is discounted with a yield requirement. The current value of the net operating income and the residual value have been calculated using the same cost of capital, reduced by 4.25 per cent for stamp duty.

Projects in progress have been valued using the same principle although with a deduction for the remaining investment.

Cost of capital and yield requirements

Cost of capital and yield requirements in the Akademiska Hus valuation model can be traced partly from transactions on the property market and partly using in-house analyses. Both the demands of the market and in-house analyses have been checked with several independent valuation companies, including DTZ and NAI Svefa.

Cost of capital and yield requirements should be justified based on conditions specific to Akademiska Hus as well as practice within the property industry. It is in these yield requirements that the risk in the property holdings is highlighted.

At Akademiska Hus, the tenants are a strength factor. Around 90 per cent of the tenants are state-controlled and the average remaining term of current leases is 5.2 years (5.6). The cash flow during the calculation period, using these conditions, is extremely well assured and it is seldom that any major uncertainties prevail during the calculation period. Using these prerequisites, the risk supplement in the cost of capital should be low. The uncertainty comprises largely residual value risks and the fact that Akademiska Hus is working in a specific segment of the property market.

The residual value risk means that there is a relatively high risk in the rent flow in the long term and in particular for buildings outside the city areas with a significant element of specific operationally adapted premises. Several buildings are not general in the sense that they are not available for new tenants or purposes without substantial redevelopment. The relatively wide range in the yield requirements reflects an assessment of this situation.

The cost of capital for the cash flow varies for different valuation properties within the range 7.2–13.2 per cent depending on town, location, lease term and type of premises in the valuation property. The cost of capital varies, which could be explained by what are on average long and secure flows during the cash flow period. For 2012, the average cost of capital was 8.6 per cent (8.5).

The long-term yield requirement varies between 5.0 per cent and 10.8 per cent depending on town, location and type of premises. There is a lower degree of sensitivity to the yield requirement compared to the cost of capital due to the fact that the yield requirement refers to uncertain conditions after year 10. For 2012, the average yield requirement was 6.4 per cent (6.4).

Town and location

In conjunction with an internal valuation, town and location have been classified for the following 27 cities/towns/locations: Inner-city Stockholm, inner-city Gothenburg, other parts of Stockholm, Solna, Lund, other parts of Gothenburg, Uppsala, Linköping, inner-city Malmö, other parts of Malmö, Kista, Sundsvall, Huddinge, Umeå, Norrköping, Karlstad, Borås, Luleå, Kalmar, Kristianstad, Skövde, Örebro, Grythyttan, Ultuna, Gävle, Alnarp and other smaller locations.

The division into different cities, towns and locations reflects the demand on the market and the attractiveness of the properties. Inner-city locations in Stockholm and Gothenburg are in greatest demand and most attractive whilst demand is lowest in smaller, rural locations.

The city, town and location classifications have been based partly on the general division of the property market, where larger and more important cities and towns have been assigned, from a demographic, employment and economic point of view, a higher degree of attractiveness. This is also the case from the point of view of higher education and research, where Sweden's three cities, Stockholm, Gothenburg and Malmö, but also the classic university towns of Lund and Uppsala and to a certain extent Linköping, are more attractive and are considered to be more stable and secure education and research locations in the long term.

Special adaptation and category of premises

In the valuation, a division has been made into laboratory premises and non-laboratory premises. The proportion of laboratory premises within Akademiska Hus is 34 per cent. For these premises, there is a relatively higher risk in the rent flow in the long term as they represent a significant element of specific operationally adapted premises. To counter this risk, laboratory premises have a generally higher yield requirement with regard to the residual value.

Lease term

From a valuation point of view, a division has been made into an average remaining lease term exceeding ten years, exceeding six years and equal to or less than six years. For valuation properties with an average remaining lease term exceeding six years, the relative risk is lower as the cash flow valuation is based predominantly on hedged flows.

Other assumptions

The following assumptions form the basis for the market valuation:

- The calculation period is 10 years (10).
- Inflation is estimated at 1.0 per cent (2.0) for the first year of the calculation period and 2.0 per cent (2.0) per year during the remainder of the calculation period.
- The rent trend is estimated at a maximum of inflation (CPI). Consideration has been given to the formulation of the lease agreements, which have an annual rent trend equal to an average of 70 per cent of the CPI. The rent is adapted to the assessed market rent at the end of the lease term.
- For current lease agreements, the actual level of vacant space has been used. At the end of the current lease agreement, a general level of vacant space of 5 per cent (5) has been assumed.
- It has been assessed that under normal circumstances operating costs follow inflation (CPI).
- Property administration costs have been set at a standard of SEK 75/m² (75).
- Maintenance costs have been set at a standard of SEK 70/m² (70) for non-laboratory premises and SEK 110/m² (110) for laboratory premises. The maintenance figures adopted reflect the actual costs.
- Costs have been taken into account for installation-intensive premises and for a small number of other premises with a considerable need for refurbishment of a maintenance nature.

Sensitivity analysis

For information regarding how the Group's assessed fair value is affected in conjunction with changes in different variables/factors, reference can be made to Note 4, Estimates and assessments.

Expansion reserves

Of the assessed fair value, SEK 940 million comprises expansion reserves, where building rights of approximately 1.2 million square metres gross area are included. As these do not generate cash flow, they have been valued using the location prices for building rights as a guide with a deduction for estimated development costs, such as the cost of roads, in conjunction with expansion. In some cases, where the planning conditions for a new development are unclear, the pure land values have been used to set the values.

Other valuation

SEK 52,130 million has been valued according to the internal valuation model and SEK 940 million refers to expansion reserves. The remaining figure, SEK 1,607 million, comprises mainly development properties with uncertain future income and costs as well as the few Akademiska Hus residential properties. These have been valued individually outside the internal valuation model using the valuation method that has been most applicable.

Miscellaneous

There are no limits with regard to the right to sell the properties or use the rental revenue.

All properties are leased under operational lease agreements and generate rental revenue. The rental revenue during the period amounted to KSEK 5,265,220 (5,115,849) and the direct costs for the properties during the period totalled KSEK -1,926,174 (-1,989,548).

19 Properties (Parent Company)

	PARENT COMPANY	
	31-12-2012	31-12-2011
Acquisition value brought forward	—	—
Addition following merger of subsidiaries	40,777,207	—
Investment in new construction and redevelopment	—	—
Acquisitions	—	—
Sales and disposals	—	—
ACCUMULATED ACQUISITION VALUE CARRIED FORWARD	40,777,207	—

	PARENT COMPANY	
	2012	2011
Depreciation brought forward	—	—
Addition following merger of subsidiaries	-13,832,232	—
Reclassifications	-3,383	—
Sales and disposals	336,172	—
Depreciation for the year	-1,183,797	—
ACCUMULATED DEPRECIATION ACCORDING TO PLAN CARRIED FORWARD	-14,683,240	—

	PARENT COMPANY	
	2012	2011
Impairments brought forward	—	—
Addition following merger of subsidiaries	-560,978	—
Reclassifications	3,383	—
Sales and disposals	4,719	—
Reversed impairments	34,059	—
Impairments for the year	-129,241	—
ACCUMULATED IMPAIRMENTS CARRIED FORWARD	-648,058	—
CARRYING VALUE	25,445,909	

20 Equipment, fixtures and fittings

	GROUP		PARENT COMPANY	
	31-12-2012	31-12-2011	31-12-2012	31-12-2011
Acquisition value brought forward	115,411	123,867	15,349	21,122
Addition following merger of subsidiaries	—	—	93,085	—
Purchases	8,982	12,549	—	4,912
Sales and disposals	-15,959	-21,005	—	-10,684
ACCUMULATED ACQUISITION VALUE CARRIED FORWARD	108,434	115,411	108,434	15,349
Depreciation brought forward	-91,802	-105,206	-8,809	-17,129
Addition following merger of subsidiaries	—	—	-76,536	—
Sales and disposals	15,674	20,996	—	10,684
Depreciation for the year	-9,217	-7,592	—	-2,364
ACCUMULATED DEPRECIATION CARRIED FORWARD	-85,345	-91,802	-85,345	-8,809
CARRYING VALUE	23,089	23,609	23,089	6,540

21 Shares in Group companies

Specification of the Parent Company's shareholdings in Group companies:

	COMPANY REG. NO.	REGISTERED OFFICE	TOTAL NUMBER OF SHARES	SHARE OF EQUITY IN % ¹⁾	PARENT COMPANY	
					31-12-2012 CARRYING VALUE	31-12-2011 CARRYING VALUE
Akademiska Hus Syd AB ²⁾	556467-8786	Lund	0 (85,000)	0 (100)	—	169,950
Akademiska Hus Väst AB ²⁾	556467-8760	Gothenburg	0 (95,000)	0 (100)	—	189,950
Akademiska Hus Öst AB ²⁾	556467-8778	Linköping	0 (50,000)	0 (100)	—	99,950
Akademiska Hus Uppsala AB ²⁾	556467-8745	Uppsala	0 (55,000)	0 (100)	—	273,950
Akademiska Hus Stockholm AB ²⁾	556467-8737	Stockholm	0 (335,000)	0 (100)	—	669,950
Akademiska Hus Norr AB ²⁾	556467-8752	Umeå	0 (50,000)	0 (100)	—	159,950
Akademiska Hus Utveckling och Support AB	556610-2975	Gothenburg	500 (500)	100 (100)	500	500
Kunskapsmiljön 2 AB	556829-2816	Lund	500 (0)	100 (0)	50	—
Datja Fastighets AB	556745-5703	Stockholm	500 (0)	100 (0)	100	—
TOTAL					650	1,564,200

¹⁾ Corresponds to the number of votes.²⁾ Following a merger, these companies became part of the Parent Company as of 31-12-2012.**22 Derivatives (Group)**

Derivatives are used to handle interest risk exposure and to eliminate currency risks in conjunction with financing in a foreign currency. The fair value of interest and currency swap agreements includes the underlying capital amounts and accrued interest. The Group's risk management is described in Note 36 Financial Risk Management.

Carrying amounts, derivatives, are broken down as follows:

		31-12-2012		31-12-2011	
		ASSETS	LIABILITIES	ASSETS	LIABILITIES
NON-CURRENT	Independent derivatives				
	- interest swaps	126,632	393,046	68,854	360,119
	- currency interest swaps	452,286	—	527,524	—
	Hedging instruments, fair value hedging				
	- interest swaps	188,618	3,666	220,729	—
	- currency interest swaps	1,098,478	—	2,010,823	—
	Hedging instruments, cash flow hedging				
	- currency forwards	533	6,562	71	5,928
	- electricity futures	—	12,806	—	12,965
TOTAL, NON-CURRENT		1,866,547	416,080	2,828,001	379,012
CURRENT	Independent derivatives				
	- interest swaps	—	51,515	7,911	119,071
	- currency forwards	—	—	—	—
	Hedging instruments, fair value hedging				
	- currency interest swaps	381,930	—	180,242	—
	Hedging instruments, cash flow hedging				
	- currency forwards	388	63,715	90,467	15,117
	- electricity futures	—	17,013	—	20,285
TOTAL, CURRENT		382,318	132,243	278,620	154,473
TOTAL, DERIVATIVES		2,248,865	548,323	3,106,621	533,485

Fair value is equivalent to the carrying amount in the table above.

The maturity structure of the Group's derivatives is as follows, SEK m:

	31-12-2012						31-12-2011					
	INDEPENDENT DERIVATIVES ¹⁾		FAIR VALUE HEDGING ²⁾		CASH FLOW HEDGING ³⁾		INDEPENDENT DERIVATIVES ¹⁾		FAIR VALUE HEDGING ²⁾		CASH FLOW HEDGING ³⁾	
	Nominal amount	Fair value	Nominal amount	Fair value	Nominal amount	Fair value	Nominal amount	Fair value	Nominal amount	Fair value	Nominal amount	Fair value
2013	2,513	2	-2,136	382	-285	-28	3,154	27	-963	180	-296	-33
2014	-550	-43	-1,780	323	-199	-15	2,261	-66	-2,199	486	-214	-14
2015	-424	406	-1,000	197	-92	-4	950	-36	-1,832	432	-109	-5
2016	-350	-17	-1,068	53	—	—	-1,134	501	-1,000	245	—	—
2017	100	-31	—	—	—	—	-350	-24	-1,099	92	—	—
2018	400	-27	-2,536	501	—	—	400	-32	—	—	—	—
2019	1,000	-113	—	—	—	—	400	-27	-2,722	734	—	—
2020 and later	1,181	-8	-1,424	216	—	—	1,660	-119	-1,466	244	—	—
TOTAL	3,870	169	-9,944	1,672	-576	-47	7,341	224	-11,281	2,413	-619	-52

¹⁾ Nominal amount, independent derivatives. A positive amount constitutes an extension of the portfolio's fixed interest.²⁾ Nominal amount, fair value hedging. A negative amount constitutes a purchase of foreign currency.³⁾ Nominal amount, cash flow hedging. A negative amount constitutes a purchase of foreign currency and/or a purchase of electricity futures.

The table below shows the due date structure for derivatives, SEK million, which constitute hedging instruments in cash flow hedging.

	31-12-2012				31-12-2011			
	CURRENCY FORWARDS ¹⁾		ELECTRICITY FUTURES ²⁾		CURRENCY FORWARDS ¹⁾		ELECTRICITY FUTURES ²⁾	
	Nominal amount	Fair value	Nominal amount	Fair value	Nominal amount	Fair value	Nominal amount	Fair value
2013	-149	-11	-136	-17	-154	-13	-142	-20
2014	-98	-5	-101	-10	-105	-5	-109	-9
2015	-44	-1	-48	-3	-53	-1	-56	-4
TOTAL	-291	-17	-285	-30	-312	-19	-307	-33

¹⁾ Nominal amount, currency forwards. A negative amount constitutes a purchase of foreign currency.

²⁾ Nominal amount, electricity futures. A negative amount constitutes a purchase of electricity futures.

The following table shows the due date structure for forecast electricity use together with electricity futures and exchange derivatives entered into with the aim of hedging the electricity price. All outstanding currency hedgings are in EUR/SEK.

	FORECAST USE, MWH	HEDGING LEVEL, PRICE, %	HEDGING LEVEL, CURRENCY, %
2013	460,000	78	75
2014	460,000	57	57
2015	460,000	29	28

23 Other non-current receivables

	GROUP		PARENT COMPANY	
	31-12-2012	31-12-2011	31-12-2012	31-12-2011
Interest-bearing note	274,952	267,274	274,952	—
Non-interest-bearing note	—	52,815	—	—
Other non-interest-bearing receivables	158,276	136,924	158,276	15
TOTAL	433,228	457,013	433,228	15

Other non-current receivables are reported and valued according to the loan receivables and accounts receivable category. Fair value is equivalent to the carrying amount of other non-current receivables.

Of the Group's non-current receivables, KSEK 368,523 is expected to be realised within five years of the year-end and KSEK 64,705 later than five years.

The interest-bearing note changed as follows:

	GROUP		PARENT COMPANY	
	31-12-2012	31-12-2011	31-12-2012	31-12-2011
Opening balance	267,274	267,274	—	—
Addition following merger of subsidiaries	—	—	267,274	—
Provisions for the year	7,678	—	7,678	—
Reversed provisions	—	—	—	—
Established credit losses	—	—	—	—
CLOSING BALANCE	274,952	267,274	274,952	0

The non-interest-bearing note changed as follows:

	GROUP		PARENT COMPANY	
	31-12-2012	31-12-2011	31-12-2012	31-12-2011
Opening balance	52,815	52,815	—	—
Addition following merger of subsidiaries	—	—	52,815	—
Provisions for the year	—	—	—	—
Reversed provisions	-52,815	—	-52,815	—
Established credit losses	—	—	—	—
CLOSING BALANCE	0	52,815	0	0

Other non-interest-bearing receivables changed as follows:

	GROUP		PARENT COMPANY	
	31-12-2012	31-12-2011	31-12-2012	31-12-2011
Opening balance	136,924	111,255	15	15
Addition following merger of subsidiaries	—	—	136,909	—
Provisions for the year	21,352	25,669	—	—
Reversed provisions	—	—	—	—
Established credit losses	—	—	—	—
CLOSING BALANCE	158,276	136,924	136,924	15

24 Rent receivables and accounts receivable

	GROUP		PARENT COMPANY	
	31-12-2012	31-12-2011	31-12-2012	31-12-2011
Rent receivables and accounts receivable	288,461	383,105	288,461	—
Provision, doubtful rent receivables and accounts receivable	-55	-3,342	-55	—
TOTAL	288,406	379,763	288,406	0

Rent receivables and accounts receivable are reported and valued according to the loan receivables and accounts receivable category. The fair value of rent receivables and accounts receivable concurs with the carrying value as of the year-end, and there is no impairment requirement.

Of the rent receivables and accounts receivable that had fallen due as of December 31, 2012, KSEK 119,475 had fallen due by 1–5 days, KSEK 1,221 had fallen due by 5–30 days, KSEK 2,444 had fallen due by 30–60 days and KSEK 2,575 had fallen due by more than 60 days. Receivables falling due do not include impaired receivables.

Rent receivables and accounts receivable changed as follows:

	GROUP		PARENT COMPANY	
	31-12-2012	31-12-2011	31-12-2012	31-12-2011
Opening balance	383,105	273,941	—	—
Addition following merger of subsidiaries	—	—	288,461	—
Provisions for the year	-94,644	109,164	—	—
Reversed provisions	—	—	—	—
Established credit losses	—	—	—	—
CLOSING BALANCE	288,461	383,105	288,461	—

The provision for doubtful rent receivables and accounts receivable changed as follows:

	GROUP		PARENT COMPANY	
	31-12-2012	31-12-2011	31-12-2012	31-12-2011
Opening balance	-3,342	-1,195	—	—
Addition following merger of subsidiaries	—	—	-3,342	—
Provisions for the year	-184	-2,921	-184	—
Reversed provisions	2,652	774	2,652	—
Established credit losses	819	—	819	—
CLOSING BALANCE	-55	-3,342	-55	—

25 Other receivables

	GROUP		PARENT COMPANY	
	31-12-2012	31-12-2011	31-12-2012	31-12-2011
VAT receivable	269,489	119,716	269,489	948
Settlement, taxes and charges	119,907	56,019	119,907	1,994
Other current receivables	28,172	39,600	28,775	915
TOTAL	417,568	215,335	418,171	3,857

Other current receivables are reported at cost.

26 Prepaid expenses and accrued income

	GROUP		PARENT COMPANY	
	31-12-2012	31-12-2011	31-12-2012	31-12-2011
Accrued rent	59,098	51,756	59,098	—
Prepaid rent	3,734	2,687	3,734	1,199
Accrued interest income	3,050	218	3,050	218
Prepaid interest expense	290	290	290	290
Prepaid energy costs	1,278	8,213	1,278	—
Miscellaneous	85,475	98,724	85,475	40,467
TOTAL	152,925	161,888	152,925	42,174

27 Due date structure, receivables

	GROUP		PARENT COMPANY	
	31-12-2012	31-12-2011	31-12-2012	31-12-2011
Due date structure				
Receivables expected to be cleared within one year of the year-end	1,385,706	1,103,876	1,386,323	21,725,584
Receivables expected to be cleared within 1-5 years of the year-end	1,457,617	2,216,230	1,457,617	1,812,697
Receivables expected to be cleared later than five years after the year-end	842,158	1,068,784	842,158	1,015,319
TOTAL	3,685,481	4,388,890	3,686,098	24,553,600

28 Cash and cash equivalents

Current investments mainly comprise temporary surplus liquidity, invested short-term, totalling KSEK 2,546,050 (4,416,457) and collateral granted attributable to Credit Support Annex (CSA) agreements totalling KSEK 151,052 (0). Blocked bank funds in respect of pledged assets for stock market-cleared derivatives are included to the amount of KSEK 119,318 (118,916) in the reported amount for cash and bank balances for the Group and the Parent Company. This is a buffer to cover expected daily collateral requirements.

Cash and cash equivalents according to the Cash Flow Statements concur with cash and cash equivalents in the Balance Sheet.

	GROUP		PARENT COMPANY	
	31-12-2012	31-12-2011	31-12-2012	31-12-2011
Current investments	2,697,102	4,416,457	2,697,102	4,416,457
Cash and bank holdings	549,512	173,150	549,357	172,942
TOTAL	3,246,614	4,589,607	3,246,459	4,589,399

Cash and cash equivalents are reported and valued according to the category 'assets valued at fair value in profit or loss'. Fair value is equivalent to the carrying amount of cash and bank holdings and current investments.

29 Hedge reserve/Fair value reserve

	GROUP		PARENT COMPANY	
	31-12-2012	31-12-2011	31-12-2012	31-12-2011
OPENING BALANCE	-38,270	33,843	-38,270	33,843
Change in value, derivatives (cash flow hedging)				
- currency forwards	29,147	7,599	29,147	7,599
- electricity futures	9,585	-140,432	9,585	-140,432
Transferred to operating profit	-33,273	34,987	-33,273	34,987
Tax effect	-1,200	25,733	-1,200	25,733
CLOSING BALANCE	-34,011	-38,270	-34,011	-38,270

The tax effect, KSEK -1,200 (25,733) refers to the change for the year. The closing deferred tax receivable/payable is reported in Note 16 Taxes.

30 Loans

The Group's financing takes place mainly through borrowing via the public financing programmes. Through their standardised terms and conditions, these permit rational, cost-effective financing. The Group has a domestic commercial paper programme, an MTN programme (not updated since 2009) and international ECP and EMTN programmes. Bank financing is used to a limited extent. The average capital for bank financing during 2012 was SEK 249 million (161).

The Group's risk management is presented in Note 36 Financial risk management.

Financing cost

Net interest income and expense amounted to SEK -682 million (-452) and the average liability portfolio was SEK 18,904 million (17,320). The financing cost amounted to 4.21 per cent (2.99), calculated as the interest expense in relation to average interest-bearing net loan liability, excluding cash and bank holdings, according to IFRS. As of December 31, 2012, the average rate of interest on the outstanding liability portfolio was 2.42 per cent (3.05) excluding interest derivatives, and 2.90 per cent (3.34) including interest derivatives.

FINANCING COST, %	2008	2009	2010	2011	2012
Financing cost for loans	4.69	1.70	1.18	2.75	2.72
Net interest income and expense, interest rate swaps	0.00	0.60	0.96	0.44	0.4
Charges	0.02	0.02	0.03	0.03	0.03
Financing costs, excluding IFRS	4.71	2.32	2.17	3.22	3.15
Changes in value, financial instruments	-1.25	1.31	-0.33	-0.23	1.06
TOTAL FINANCING COST	3.46	3.63	1.84	2.99	4.21

Borrowing can be broken down as follows, SEK m:

	GROUP				PARENT COMPANY			
	31-12-2012		31-12-2011		31-12-2012		31-12-2011	
	Carrying amount	Fair value						
CATEGORY, OTHER FINANCIAL LIABILITIES								
Bonds & MTN	1,319	1,414	1,319	1,360	1,319	1,414	1,319	1,360
EMTN	7,977	8,737	6,706	7,237	7,977	8,737	6,706	7,237
Other loans	420	467	195	172	420	467	-	-
TOTAL	9,716	10,618	8,220	8,769	9,716	10,618	8,025	8,597
CATEGORY, FINANCIAL LIABILITIES VALUED AT FAIR VALUE IN PROFIT OR LOSS ACCORDING TO THE FAIR VALUE HEDGING METHOD								
Bonds & MTN	1,321	1,310	1,347	1,347	1,321	1,310	1,347	1,347
EMTN	4,635	4,631	6,943	6,943	4,635	4,631	6,943	6,943
Other loans	2,621	2,617	2,840	2,841	2,621	2,617	2,841	2,841
TOTAL	8,577	8,558	11,130	11,131	8,577	8,558	11,131	11,131
TOTAL NON-CURRENT LOANS	18,293	19,176	19,350	19,900	18,293	19,176	19,156	19,728
CATEGORY, OTHER FINANCIAL LIABILITIES								
ECP	2,006	2,000	2,357	2,345	2,006	2,000	2,357	2,345
Other loans	8	12	8	7	8	12	-	-
TOTAL	2,014	2,012	2,365	2,352	2,014	2,012	2,357	2,345
CATEGORY, FINANCIAL LIABILITIES VALUED AT FAIR VALUE IN PROFIT OR LOSS ACCORDING TO THE FAIR VALUE HEDGING METHOD								
Bonds & MTN	-	-	447	447	-	-	447	447
EMTN	2,162	2,166	525	525	2,162	2,166	525	525
TOTAL	2,162	2,166	972	972	2,162	2,166	972	972
TOTAL CURRENT LOANS	4,176	4,178	3,337	3,324	4,176	4,178	3,329	3,318
TOTAL LOANS	22,469	23,354	22,687	23,224	22,469	23,354	22,485	23,046

The above table shows amounts excluding accrued coupon interest.

Due date structure, loans, SEK m

	FIXED INTEREST			VARIABLE INTEREST				
	Loans	Derivatives	Sub-total	Loans	ECP and commercial paper	Derivatives	Sub-total	Total
2013	2,136	-818	1,318	-	2,002	541	2,543	3,861
2014	1,780	-830	950	-	-	580	580	1,530
2015	4,124	-1,174	2,950	500	-	992	1,492	4,442
2016	1,918	-668	1,250	500	-	668	1,168	2,418
2017	-	400	400	-	-	-400	-400	-
2018	2,836	-2,136	700	-	-	1,908	1,908	2,608
2019	120	1,000	1,120	-	-	-1,000	-1,000	120
2020 and later	5,463	-524	4,939	345	-	479	824	5,762
TOTAL	18,376	-4,750	13,627	1,345	2,002	3,768	7,114	20,741

The above table shows financing (nominal amount) together with outstanding interest and currency forwards. Loans and derivatives in foreign currency have been translated at year-end exchange rate. As all loans raised in a foreign currency are swapped to Swedish kronor, the exchange rate effect is neutralised. A positive figure means that the Group pays interest and a negative figure means that the Group receives interest.

Material contractual terms and conditions

The Group's bond programmes, MTN and EMTN, include a clause regarding government ownership. In the event the Swedish government ceases to be the holder, directly or indirectly, of more than 50 per cent of the shares in Akademiska Hus AB, equivalent to more than 50 per cent of the shares and more than 50 per cent of the votes, the bonds fall due for payment immediately. The contractual terms and conditions for the short-term financing

programmes do not include any equivalent undertaking. Ever since the programmes were established, the Group's policy has been not to accept any other terms and conditions that require a certain rating, equity ratio or interest coverage ratio to be maintained.

Hedge accounting

When financing in a foreign currency, all future payment flows are hedged so that the exchange risk is eliminated. Through currency interest swap agreements, all interest payments, both fixed and variable, are hedged as well as future repayments. All the measures taken have the express purpose of hedging and eliminating an exchange rate risk so that all financing is denominated in Swedish kronor. Effective hedging means that changes in the value of the hedged position and the actual hedging transaction on balance counteract each other.

30 continued**Currency distribution**

The Group's financing as of year-end is distributed as follows under the original currency and in SEK m after taking into account currency and interest swap agreements:

	31-12-2012				31-12-2011			
	Nominal amount	Interest %	Interest % in SEK	Amount in SEK m ¹⁾	Nominal amount	Interest %	Interest % in SEK	Amount in SEK m ¹⁾
SWAPPED TO SEK								
ECP								
USD	308	0.33	1.39	2,006	342	0.49	2.27	2,357
SUB-TOTAL				2,006				2,357
MTN								
EUR	—	—	—	—	—	—	—	—
SUB-TOTAL				—				—
EMTN								
CHF	1,100	2.51	1.97	8,219	1,150	2.53	2.98	8,780
USD					22	4.09	2.55	151
SUB-TOTAL				8,219				8,931
OTHER LOANS								
CHF	250	2.35	1.49	1,820	250	2.35	2.50	1,904
JPY	10,000	1.84	1.43	800	15,000	1.56	2.54	1,384
SUB-TOTAL				2,620				3,288
TOTAL				12,845				14,576
UNSWAPPED (IN SEK M)								
Commercial paper	—	—	—	—	—	—	—	—
Bonds & MTN	8,925	3.21	3.19	9,195	5,320	3.01	3.22	7,909
Other loans	428	3.35	3.35	428	202	2.08	2.08	202
SUB-TOTAL				9,623				8,111
TOTAL				22,468				22,687

¹⁾ Refers to carrying amount

31 Allocations to pensions and similar commitments**Defined contribution pension plans**

The Group's defined contribution pension plans, so-called alternative ITP or a pension for high-income earners, as well as individual pension assurances to leading executives, cover employees in all Group companies. The defined contribution pension plans mainly comprise a retirement pension, sickness pension and family pension. The premiums are paid continuously throughout the year by each Group company to different insurance companies. The premiums are based on salary.

The pension costs for the year amounted to KSEK 12,902 (13,573).

Defined benefit pension plans

All employees in the Group companies are covered by defined benefit pension plans. According to these plans, the employees are entitled to pension benefits based on their pensionable income as well as the number of years of service. The pension plan mainly comprises a retirement pension, sickness pension and family pension. The pension commitments are secured through provisions in the FPG/PRI system and the ITP plan family pension, sickness pension and occupational group life through insurance premiums. All pension commitments which the Akademiska Hus Group took over from the National Board of Public Building when the Company was formed on October 1, 1993 are defined benefit plans, secured through provisions in the Balance Sheet, guaranteed by the National Debt Office and administered by the National Government Employees' Pension Board (SPV).

The most recent actuarial calculation of the current value of the defined benefit commitments was carried out by an authorised actuary on December 31, 2012. When calculating the current value of the defined benefit commitments and associated costs for employment during the current period and associated costs for employment during previous periods, the Projected Unit Credit Method was used.

Information regarding the reporting of defined benefit pension plans which cover several employers – Alecta

The retirement pension and family pension undertaking for white-collar workers in Sweden is secured through insurance with Alecta. According to statements from the Swedish Financial Reporting Board, UFR 3 and UFR 6, this is a defined benefit plan covering several employers. For the 2012 financial year, the Company did not have access to such information that makes it possible to report this plan as a defined benefit plan. The pension plan according to ITP, which is secured through insurance with Alecta, is therefore reported as a defined contribution plan. The charges for the year for pension insurance taken out with Alecta total SEK 6.9 million (5.8). Alecta's surplus can be distributed to the policyholders and/or the insured. At the end of 2012, Alecta's surplus in the form of the collective consolidation level amounted to 129 per cent (113). The collective consolidation level comprises the market value of Alecta's assets as a percentage of the insurance undertakings, calculated according to Alecta's insurance calculation assumptions, which do not concur with IAS 19.

The effects of the changes in IAS 19 that come into effect on January 1, 2013 are presented in Note 3.

The actuarial computation of the pension commitments and pension costs is based on the following assumptions:

	31-12-2012	31-12-2011
Discount rate	2.20	2.40
Salary increase	3.10	3.10
Inflation	1.60	1.60
Income base amount	2.60	2.60
Personnel turnover	2.00	2.00
Remaining period of service, years	15.20	15.50

The total pension cost for the Group is as follows:

	2012	2011
Benefits earned during the year	14,086	8,910
Interest on the pension provision	8,512	10,725
Actuarial gains (-) and losses (+)	3,527	975
PENSION COSTS, DEFINED BENEFIT PLANS	26,125	20,610
Pension costs, defined contribution plans	19,834	19,349
Employer's contribution and tax on returns, other pension costs	8,330	10,642
TOTAL PENSION COSTS	54,289	50,601

The following provisions attributable to the Group's defined benefit commitment have been made in the Balance Sheet:

	31-12-2012	31-12-2011
Current value of the commitment at the period-end	373,509	355,086
Actuarial profits (+) losses (-) brought forward	-86,135	-82,396
ALLOCATED TO PENSIONS	287,374	272,690

Pension commitments and provisions for pension undertakings and net actuarial gains/losses for the defined benefit plans have changed as follows:

PENSION COMMITMENTS	31-12-2012	31-12-2011
Opening balance	272,690	261,764
Benefits earned during the year	14,086	8,910
Interest expense	8,512	10,725
Amortisation, actuarial gains (+)/losses (-)	3,527	975
Paid benefits	-11,444	-9,684
CLOSING BALANCE	287,371	272,690

ACTUARIAL GAINS/LOSSES	31-12-2012	31-12-2011
Opening balance, actuarial gains (+)/losses (-)	-82,396	-38,078
Actuarial gains (+)/losses (-) to be reported	3,527	975
Actuarial gains (+)/losses (-) on pension commitments	-7,266	-45,293
CLOSING BALANCE, ACTUARIAL GAINS (+)/LOSSES (-)	-86,135	-82,396

In addition to the effect of amended actuarial assumptions, such as the change in the discount interest rate etc., actuarial gains and losses have occurred because of a deviation from the basic experience-based assumptions. Deviations from experience-based assumptions include unexpectedly high or low figures for staff turnover, early retirement, lifespan and salary increases. The effect of such deviations is positive and amounts to approximately SEK 2.7 million with regard to the defined benefit-based assessments.

Future payments

The Group is expected to pay KSEK 35,127 (26,125) in charges for the defined benefit plans during the forthcoming financial year.

Provisions for pensions and similar commitments in the Parent Company

The reported pension liability in the Parent Company comprises:

	31-12-2012	31-12-2011
FPG/PRI PENSIONS	23,890	21,796
Additional FPG/PRI pensions following merger of subsidiaries	148,339	-
Other pensions	54,789	54,553
Additional pensions following merger of subsidiaries	26,319	-
TOTAL	253,337	76,349

Other pensions in the Parent Company refer mainly to the historical pension liability that was taken over from the National Board of Public Building when the Akademiska Hus Group was founded.

Pension commitments and provisions for pension commitments for the defined benefit plans in the Parent Company have changed as follows:

PENSION COMMITMENTS	31-12-2012	31-12-2011
Opening balance	76,349	75,599
Addition following merger of subsidiaries	167,754	-
Other changes	10,325	3,011
Interest costs	10,446	3,419
Payments	-11,537	-5,680
CLOSING BALANCE	253,337	76,349

The total pension cost in the Parent Company is broken down as follows:

	2012	2011
Other income/costs for changes in the pension liability	10,325	3,011
Interest part of the pension cost	10,446	3,419
PENSION COSTS, DEFINED BENEFIT PLANS	20,771	6,430
Pension costs, contribution-based plans	19,834	5,853
Employer's contribution and tax on the yield, other pension costs	8,330	2,814
TOTAL PENSION COSTS	48,935	15,097

Actuarial assumptions

The actuarial calculation of pension commitments and pension costs in the Parent Company is based on the actuarial assumptions laid down in the FPG/PRI system and by the Swedish Financial Supervisory Authority.

32 Other liabilities

	GROUP		PARENT COMPANY	
	31-12-2012	31-12-2011	31-12-2012	31-12-2011
Other interest-bearing liabilities (CSA)	1,007,353	1,254,425	1,007,353	1,254,425
Other non-interest-bearing liabilities	169,580	220,455	169,971	13,792
TOTAL, OTHER LIABILITIES	1,176,933	1,474,880	1,177,324	1,268,217

Other liabilities are reported and valued according to the Other financial liabilities category. The fair value is equivalent to the carrying amount of Other liabilities.

The Parent Company has entered into a supplementary agreement, a Credit Support Annex (CSA) to the ISDA agreement, with the aim of handling exposure to counter-party risks in derivatives. The agreement means that the parties mutually undertake to furnish collateral in the form of cash and cash equivalents or securities with a good rating for undervalues in outstanding derivatives. The agreement in turn gives the secured party right of disposal of collateral received. As of the year-end, the Group received collateral through the CSA agreements totalling KSEK 1,007,353 (1,254,425).

Of the Group's other liabilities, KSEK 1,119,820 falls due for payment within one year of the year-end, KSEK 36,272 within 1-5 years of the year-end, and KSEK 20,841 later than five years after the year-end.

33 Accrued expenses and prepaid income

	GROUP		PARENT COMPANY	
	31-12-2012	31-12-2011	31-12-2012	31-12-2011
Prepaid rental revenue	1,250,302	1,254,959	1,250,302	—
Accrued salary and personnel costs	24,142	27,582	24,142	6,305
Accrued operating and maintenance costs	41,839	42,459	41,839	343
Accrued investments	78,756	102,720	78,756	—
Accrued interest	280,583	279,123	280,583	279,122
Other interim liabilities	36,326	22,391	36,326	12,432
TOTAL	1,711,948	1,729,234	1,711,948	298,202

34 Due date structure, liabilities

	GROUP		PARENT COMPANY	
	31-12-2012	31-12-2011	31-12-2012	31-12-2011
DUE DATE STRUCTURE				
Liabilities that fall due for payment within one year of year-end	7,554,702	6,948,185	7,557,312	5,076,412
Liabilities that fall due for payment within 1-5 years of year-end	9,502,291	10,916,307	9,502,291	10,858,569
Liabilities that fall due for payment later than five years after year-end	16,148,504	16,687,665	9,860,118	8,768,902
TOTAL	33,205,497	34,552,157	26,919,721	24,703,883

35 Financial instruments valued at fair value

The table below shows the financial assets and liabilities that are valued at fair value. They are classified in a hierarchy, comprising three levels based on the information used to set their fair value.

Level 1 refers to when a fair value is set based on listed prices on an active market for identical financial assets or liabilities. Level 2 refers to when a fair value is set based on observable information other than listed prices on an active market. Level 3 refers to when the set fair value is based to a material extent on information that is not observable, i.e. the Company's own assumptions.

The fair value of financial assets and liabilities is set by using information that is attributable to one or more of the above-mentioned levels. The classification is determined by the lowest level in the hierarchy for the information that has a material impact on the value.

The Group mainly holds derivatives that are on level 2. The valuation of instruments is done according to the zero coupon method, which means that all the future cash flows of the instrument are set at the current value. The zero coupon interest rates used to discount the cash flows are calculated with the aid of STIBOR/LIBOR for short-term interest rates and swap notations for longer terms. The source of this information is real-time data from Thomson/Reuters.

	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
ASSETS				
INVESTMENTS				
- current investment	—	2,697,102	—	2,697,102
INDEPENDENT DERIVATIVES				
- interest swaps	—	126,632	—	126,632
- currency rate interest swaps	—	452,286	—	452,286
HEDGING INSTRUMENTS, FAIR VALUE HEDGING				
- interest swaps	—	188,618	—	188,618
- currency rate interest swaps	—	1,480,408	—	1,480,408
HEDGING INSTRUMENTS, CASH FLOW HEDGING				
- currency forwards	—	921	—	921
TOTAL ASSETS	—	4,945,967	—	4,945,967
LIABILITIES				
INDEPENDENT DERIVATIVES				
- interest swaps	—	444,561	—	444,561
HEDGING INSTRUMENTS, CASH FLOW HEDGING				
- currency forwards	—	70,277	—	70,277
- electricity futures	29,819	—	—	29,819
TOTAL LIABILITIES	29,819	518,504	—	548,323

36 Financial risk management (Group)

In its capacity as a net borrower, the Group is exposed to financial risks, particularly interest rate risks, refinancing risks, credit risks and exchange rate risks. The governing document, the Finance Policy, is adopted each year by the Board. It contains the long-term strategic orientation, allocation of liability, the Group's approach to financial risks and the mandate to handle these risks. Plans to handle financial risks for the coming year are adopted in December and include authorisation and mandates as well as concrete plans for financing operations. The Group's financial management is centralised at the Parent Company's Treasury Department, which allows effective and co-ordinated financial risk management.

Interest risk

The term 'interest risk' refers to the negative impact on Group profit because of a change in market interest rates. The Group's interest rate risk exposure is high due to the relatively high leverage. The handling of the interest risk in the form of a choice of a fixed interest period in the liability portfolio is consequently one of the most important tasks. The Finance Policy states that the interest risk should be handled within a fixed interest mandate for the basic portfolio adopted by the Board. The current mandate states that the fixed interest period, including interest swaps, should be 2–5 years (2–4.5 years). The Group defines the average fixed interest period as a measure of the sensitivity in net interest income and expense in conjunction with a change in the market interest rates. The Group uses interest swaps as a means of adjusting and securing the desired fixed interest period. The point of departure, however, is that these derivatives should be used mainly when the desired fixed interest period is difficult to achieve within existing borrowing or can only be achieved at a considerable additional cost.

The fixed interest period at the year-end was 3.2 years (3.1), including interest swaps. The average fixed interest period during the year was 3.3 years (3.0).

Since 2011, bonds with fixed interest and maturity terms in excess of 15 years have been handled in a separate long-term bond portfolio. The reason is that the customary risk figure for the fixed interest mandate (average fixed interest period) will be distorted when the portfolio contains a relatively limited proportion of bonds with extremely long fixed interest periods and maturities. Bonds with terms in excess of 15 years represent a significant interest risk exposure, which justifies a separate mandate. This portfolio must therefore not comprise more than 30 per cent of the total portfolio. At the turn of the year, long-term bonds totalling SEK 3,155 million were issued, equivalent to 15.5 per cent of the total portfolio.

Due date structure for fixed interest periods and liability maturity, SEK m

	MATURITY, LOANS	FIXED INTEREST PERIOD, LOANS	FIXED INTEREST PERIOD, DERIVATIVES	FIXED INTEREST PERIOD, TOTAL
2013:1	1,969	3,169	4,521	7,691
2013:2	32	32	564	597
2013:3	2,136	2,136	-2,136	0
2013:4	0	1,000	0	1,000
2014	1,780	1,925	-830	1,095
2015	4,624	3,124	-1,174	1,950
2016	2,418	1,918	-668	1,250
2017	0	0	400	400
2018	2,836	2,836	-2,136	700
2019	120	120	1,000	1,120
2020 and later	5,807	5,463	-524	4,939
TOTAL	21,723	21,723	-982	20,741

The above table shows nominal amounts. The nominal amounts have been recalculated at the year-end rate. As all loans that are raised in foreign currency are swapped to Swedish kronor, the exchange rate effect is neutralised. A positive figure means that the Group pays interest and a negative figure means that the Group receives interest.

Currency risk

A currency risk is the risk that exchange rate changes will have a negative impact on the Consolidated Statement of Comprehensive Income and Consolidated Statement of Financial Position. In conjunction with borrowing in a foreign currency, the Group is exposed to a currency risk and as the Group's operations are exclusively in Swedish kronor, the policy is that all exchange rate risk in conjunction with financing in a foreign currency should be eliminated. All payment flows in foreign currency attributable to borrowing are exchange-hedged with the aid of forward rate agreements and currency swap agreements. This means that the Group does not have any currency risk in conjunction with borrowing in a foreign currency.

In accordance with the currency mandate in the Electricity trading policy, the exchange rate exposure attributable to outstanding electricity derivatives is hedged with the aid of currency futures.

Currency breakdown, loans and derivatives, SEK m

Original currency	LOANS	DERIVATIVES	TOTAL
CHF	9,612	-9,612	—
JPY	756	-756	—
SEK	9,353	11,388	20,741
USD	2,002	-2,002	—
TOTAL	21,723	-982	20,741

The table above shows the nominal amounts. The nominal amounts were recalculated using the year-end rate.

Liquidity and refinancing risk

The term 'refinancing risk' refers to the risk that the cost is higher or that the financing opportunities are limited when the loans that fall due are to be renewed. The Finance Policy states that unutilised credit facilities should be in place to a sufficient extent to guarantee good payment capacity. The aim is to limit the costs by seeking to strike a balance between short-term, medium-term and long-term financing, and endeavouring to achieve diversification between different financing arrangements and markets. Loans that fall due should have a spread so that a maximum of 40 per cent fall due for refinancing within a 12-month period.

The Group has a very good credit rating, which offers a good opportunity to achieve the diversification aimed for through the public financing programmes.

The Group's liquid assets at the end of 2012 totalled SEK 3,246 million (4,590). At year-end, bank facilities granted totalled SEK 3,500 million (3,500), of which SEK 1,500 million (1,500) was unconfirmed.

Facilities and rating

	RATING STAND- ARD & POOR'S	FRAMEWORK 31-12-2012	UTILISED NOM. 31-12-2012
Bank		SEK 3,500 m	—
Commercial paper	A1+/K1	SEK 4,000 m	—
ECP (Euro Commercial Paper)	A1+	EUR 600 m	EUR 239 m
MTN (Medium Term Note) ¹⁾	AA	SEK 8,000 m	SEK 2,320 m
EMTN (Euro Medium Term Note)	AA/A1+	EUR 2,000 m	EUR 1,608 m

¹⁾ Not updated since 2009.

36 continued

The table below shows the remaining contractual term for the Group's financial liabilities. The liquidity flows are undiscounted and foreign flows have been translated at the rate on the closing date. For those instruments where the future variable rate of interest is unknown, the rate of interest has been calculated with the aid of the implicit forward interest rates for the yield curve on the closing date.

Use is made primarily of rental revenue to meet the obligations linked to the Group's financial liabilities presented in the table below. The rental revenue falls due for payment quarterly and is subject to long agreement terms. The credit risk associated with rental revenue is considered low.

Liquidity risk, SEK m

	LOANS	HEDGED LOANS	DERIVA- TIVE IN- SURANCE	DERIVA- TIVES	CURRENT INVEST- MENTS	ACCOUNTS PAYABLE
2013:1	-34	-2,094	21	-57	2,350	415
2013:2	-50	-49	-28	-63	200	—
2013:3	-80	-2,236	385	27	—	—
2013:4	-131	-43	-4	-4	—	—
2014	-294	-2,010	364	-80	—	—
2015	-2,496	-2,842	492	-60	—	—
2016	-1,581	-1,168	-2	-35	—	—
2017	-195	-84	-14	-29	—	—
2018	-495	-2,620	222	-13	—	—
2019	-303	-32	-16	-19	—	—
2020 and later	-7,016	-1,489	45	16	—	—
TOTAL	-12,673	-14,667	1,466	-319	2,550	415

Positive value = payments received, negative value = payments made

Credit risk and counter-party risk

The terms 'credit risk' and 'counter-party risk' refer to the risk of a loss if a counter-party does not fulfil its undertakings. The Group is exposed when surplus liquidity is placed in financial assets and in conjunction with trade in derivatives. The Group applies a conservative counter-party risk. The Finance Plan includes a limit system for handling financial risks where permitted exposure depends on the counter-party's credit rating and the maturity of the involvement. The limits are related to the Group's risk capacity in the form of equity and are decided by the Board.

As the Group is in the long term a net borrower, periods of surplus liquidity are more of a temporary nature. Investments should therefore be characterised by good liquidity in the secondary market and be in accordance with the limit structure.

The Group's policy is that internationally standardised netting agreements, ISDA agreements, should always be signed with a counter-party before uncleared derivative transactions take place. As of December 31, 2012, the total counter-party exposure in derivatives (calculated as the net claim per counter-party) stood at SEK 1,855 million (5,930). With the aim of further reducing exposure to a counter-party risk, the Parent Company has entered into a number of supplementary agreements, Credit Support Annexes (CSA), to the ISDA agreements. The agreements mean that the parties mutually undertake to place collateral in the form of cash and cash equivalents or bonds for the value deficits in outstanding derivative contracts. At the year-end, the Group had received SEK 856 million (1,254) net.

The table below shows the Group's exposure to counter-party risks divided according to different rating categories.

Counter-party risks, excluding rent receivables, SEK m

	RECEIV- ABLE	LIA- BILITY	COLLATERAL RECEIVED/ GRANTED	NET EXPOSURE
INSTITUTES WITH A LONG RATING				
AAA/Aaa	—	—	—	—
AA+/Aa1	—	—	—	—
AA/Aa2	—	—	—	—
AA-/Aa3	—	-29	-13	-42
A+/A1	1,183	-82	-846	255
A/A2	974	-3	—	971
A-/A3	112	-39	-68	5
INSTITUTES WITH ONLY A SHORT RATING				
A-2	499	—	—	499
K-1	350	—	—	350
Clearing institutes	12	—	-6	6
Companies wholly owned by the Swedish Government	1,297	—	—	1,297
TOTAL	4,427	-153	-933	3,341

Positive figure = Group receivable, negative figure = Group liability

Credit risk attributable to rent receivables

A large proportion of the Group's receivables are rent receivables. The maximum credit risk exposure for rent receivables and accounts receivable is equal to their carrying values. However, the assessed credit risk in rent receivables is low in the light of the high credit rating of the tenants.

Electricity price risk

The Board of Directors decides on an Electricity Trading Policy that governs the risk approach and mandate for handling the electricity price risk. The term 'electricity price risk' refers to the risk that the future price of electricity will affect the Group's operating costs negatively. With the aim of reducing exposure to changes in the electricity price, different derivatives are used (electricity futures). The Group stipulates a long-term price hedging strategy. Trade in physical electric power (spot) and price-hedging instruments takes place through Nord Pool. To limit the counter-party risk, all financial trade is cleared through Nord Pool.

Interest analysis, liability portfolio

The average rate of interest can be determined for outstanding loans and interest derivatives with a fixed and variable rate of interest at the end of each period. As loans and interest swaps fall due and are replaced with new loans and interest swaps, the rate of interest changes. Bonds issued at a fixed rate of interest provide predictable interest expense over long periods. During 2013, interest swaps totalling SEK 1,260 million fall due with an average fixed rate of interest of 4.7 per cent. This presents scope for extending the fixed interest period at a limited cost.

The average rate of interest in the total portfolio was 2.9 per cent at the year-end.

Interest-bearing liability at year-end and the average rate of interest.

PERIOD	BONDS, SEK M	FIXED IN- TEREST, %	BONDS, SEK M	VARIABLE INTER- EST, %	ECP, SEK M	INTEREST, %	TOTAL, SEK M	INTER- EST, %	SWAPS, SEK M	FIXED IN- TEREST, %	SWAPS, SEK M	VARIABLE INTER- EST, %	TOTAL, SEK M	INTER- EST, %
2012	7,009	3.78	11,673	1.78	2,059	1.39	20,741	2.42	6,561	3.01	-6,561	1.49	20,741	2.90
2013	7,009	3.78	9,872				16,880		5,300	2.62	-5,300		16,880	
2014	7,009	3.78	8,342				15,350		4,350	2.56	-4,350		15,350	
2015	5,309	4.00	5,600				10,908		3,100	2.83	-3,100		10,908	
2016	4,459	3.98	4,032				8,490		2,700	2.81	-2,700		8,490	
2017	4,459	3.98	4,032				8,490		2,300	2.77	-2,300		8,490	
2018	4,159	3.95	1,724				5,882		1,900	2.69	-1,900		5,882	
2019	4,039	3.94	1,724				5,762		900	2.11	-900		5,762	
2020 and later	3,589	3.96	1,724				5,312		900	2.11	-900		5,312	

37 Asset management (Group)

The Group strives to achieve good growth in profit, financial sustainability and financial capacity. These financial objectives are set to provide a combination of a high return on equity, high growth capacity and financial stability.

According to the owner's financial targets for Akademiska Hus, the dividend should amount to 50 per cent of the profit after financial items, excluding unrealised changes in value with a deduction for current tax. When deciding on a dividend, account must be taken of the Group's capital structure and capital requirements. The other financial targets are that the equity ratio should be between 30 and 40 per cent and that the return on equity should amount to the average five-year government bond interest rate with a supplement of four percentage points, which for 2012 amounts to 5.1 per cent. During 2012, the equity ratio was 46.1 per cent for the Group and 17.1 per cent for the Parent Company. After the proposed dividend, the equity ratio will be 43.9 per cent for the Group and 13.4 per cent for the Parent Company. The owner's equity ratio target will be achieved even after the proposed dividend.

Financing operations are described in Note 30 Loans and Note 36 Financial risk management.

The Group's capital structure comprises an interest-bearing net loan liability and equity attributable to the Parent Company's shareholders (share capital, other contributed capital, retained earnings, including profit for the year).

The Group's capital is as follows:

	31-12-2012	31-12-2011
Loans from financing programmes (Note 30)	22,468,839	22,686,693
Collateral received for derivative transactions entered into (Note 32)	1,007,353	1,254,425
Financial derivatives (Note 22)	-1,700,542	-2,573,136
Cash and cash equivalents (Note 28)	-3,246,614	-4,589,607
INTEREST-BEARING NET LOAN LIABILITY	18,529,036	16,778,375
EQUITY	28,426,713	26,520,649

38 Pledged assets

	GROUP		PARENT COMPANY	
	31-12-2012	31-12-2011	31-12-2012	31-12-2011
Blocked bank funds	119,318	118,916	119,318	118,916
Current investments	151,052	—	151,052	—
TOTAL	270,370	118,916	270,370	118,916

Unsettled results from transactions as well as standardised computed safety margins using stock exchange-cleared derivatives have been secured through blocked bank funds.

The Parent Company has entered into supplementary agreements (Credit Support Annexes) to the existing ISDA agreements with the aim of handling exposure to counter-party risks in derivative contracts. These agreements are mutual, follow international standards and mean that the parties undertake to assure the value deficits in derivative contracts. The agreement grants the assured party right of disposal of the collateral received. As of December 31, 2012, collateral of SEK 151,052 (0) had been furnished for the Group's liabilities.

39 Contingent liabilities

	GROUP		PARENT COMPANY	
	31-12-2012	31-12-2011	31-12-2012	31-12-2011
Contingent liability, FPG/PRI	3,445	3,278	3,445	436
Guarantee for regional companies' pension undertakings	—	—	—	167,753
TOTAL	3,445	3,278	3,445	168,189

40 Interest paid and received

	GROUP		PARENT COMPANY	
	2012	2011	2012	2011
Interest received	117,557	96,942	117,557	751,432
Interest paid	-674,680	-609,708	-674,680	-597,001
TOTAL	-557,123	-512,766	-557,123	154,431

41 Adjustments for items not included in the cash flow

	GROUP		PARENT COMPANY	
	2012	2011	2012	2011
Depreciation	9,217	7,592	3,231	2,364
Change in value, properties	155,811	-436,654	—	—
Capital gain (-) / loss (+) on sale of other tangible, non-current assets	27,899	3,564	—	—
Change in value, financial instruments	262,958	-7,920	262,958	-7,920
Cash flow hedge	5,461	-97,845	5,461	-97,845
Change in accounting principle, financial instruments	—	—	—	—
Change in pension provisions and similar undertakings	14,684	10,926	176,988	751
Adjustment for items attributable to merger of subsidiaries	—	—	-639,445	—
Change in other provisions	—	—	—	—
Miscellaneous	-414	—	1	1
TOTAL	475,616	-520,337	-190,806	-102,649

42 Purchase sum in conjunction with investments, acquisitions and disposals

For investments and acquisitions for the period, a total of KSEK 2,917,327 (2,266,386) has been paid, of which KSEK 2,512,046 was paid in cash and cash equivalents. For disposals for the period, a total of KSEK 119,054 (113,283) has been received, of which KSEK 119,054 was received in cash and cash equivalents.

43 Change in interest-bearing net loan liabilities

	GROUP		PARENT COMPANY	
	31-12-2012	31-12-2011	31-12-2012	31-12-2011
Opening amount	16,494,888	15,434,943	-4,661,035	-5,046,543
Increase (-) / decrease (+) in interest-bearing receivables	-26,373	-28,229	-1,292,380	-710,041
Increase (-) / decrease (+) in interest-bearing receivables following the merger	—	—	—	—
Increase (-) / Decrease (+) in current investments	1,719,355	-3,783,919	1,719,355	-3,783,919
Increase (-) / Decrease (+) in current investments following the merger	—	—	—	—
Increase (-) / Decrease (+) in cash and cash equivalents	-376,362	-113,540	-376,415	-113,638
Increase (-) / Decrease (+) in cash and cash equivalents following the merger	—	—	—	—
Increase (+) / Decrease (-) in interest-bearing liabilities	163,405	4,985,633	-62,548	4,993,106
Increase (+) / Decrease (-) in interest-bearing liabilities following the merger	—	—	—	—
Change in interest-bearing net loan liability	1,480,025	1,059,945	-11,988	385,508
AMOUNT AT YEAR-END	17,974,913	16,494,888	-4,673,023	-4,661,035

44 Subsequent events

There were no events of a material nature after the end of the reporting period.

45 Transactions with related parties

	GROUP		PARENT COMPANY	
	2012	2011	2012	2011
INCOME				
Companies within the Akademiska Hus Group	—	—	—	1,546,875
TOTAL	—	—	—	1,546,875
COSTS				
Companies within the Akademiska Hus Group	—	—	—	—
TOTAL	—	—	—	—
RECEIVABLES				
Companies within the Akademiska Hus Group	—	—	—	21,338,073
TOTAL	—	—	—	21,338,073
LIABILITIES				
Companies within the Akademiska Hus Group	—	—	—	13,328
TOTAL	—	—	—	13,328

In conjunction with intra-Group purchases and sales, the same pricing principles are applied as would have been the case in transactions with an external party. Intra-Group property purchases and sales take place subject to a fiscal residual value. Purchases and sales of other current assets take place at the carrying value. There were no transactions with the President, Board of Directors or senior executives, apart from salary and other remuneration, see Note 12.

Signing of the Annual Report

The Board of Directors and the President hereby certify that the Annual Report has been prepared in accordance with the Annual Accounts Act and RFR 2 and provides a fair picture of the Company's position and results and that the Administration Report provides a fair overview of the development of the Group's operations, position and results, and also describes material risks and uncertainties facing the Company.

The Board of Directors and the President hereby certify that the Consolidated Accounts have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU and provide a fair picture of the Group's position and results and that the Administration Report for the Group provides a fair overview of the development of the Group's operations, position and results and also describes material risks and uncertainties facing the companies that form part of the Group.

Gothenburg, March 14, 2013

Eva-Britt Gustafsson
Chair

Olof Ehrlén
Board member

Per Granath
Board member

Leif Ljungqvist
Board member

Gunnar Svedberg
Board member

Maj-Charlotte Wallin
Board member

Pia Sandvik
Board member

Ingemar Ziegler
Board member

Anders Larsson
Employee representative

Thomas Jennlinger
Employee representative

Kerstin Lindberg Göransson
President

Our audit report was submitted on March 14, 2013

DELOITTE AB
Hans Warén
Authorised Public Accountant

Audit Report

To the annual meeting of the shareholders of Akademiska Hus AB (Publ)
Company registration number 556459-9156

Report on the annual accounts and consolidated accounts

We have audited the annual accounts and the consolidated accounts of Akademiska Hus AB for the financial year 2012, except for the Corporate Governance Report on pages 70–79. The annual accounts and consolidated accounts of the company are included in the printed version of this document on pages 1–3, 6–23, 27–69 and 80–135.

Responsibilities of the Board of Directors and the President for the annual accounts and consolidated accounts

The Board of Directors and the President are responsible for the preparation and fair presentation of these annual accounts in accordance with the Annual Accounts Act and consolidated accounts in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act, and for such internal control as the Board of Directors and the President determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these annual accounts and consolidated accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts and consolidated accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the annual accounts and consolidated accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the President, as well as evaluating the overall presentation of the annual accounts and consolidated accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the Parent Company as of 31 December 2012 and of its financial performance and its cash flows for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the Group as of 31 December 2012 and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the Corporate Governance Report on pages 70–79. The Statutory Administration Report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the annual meeting of shareholders adopt the Income Statement and the Balance Sheet for the Parent Company and the Group.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In addition to our audit of the annual accounts and consolidated accounts, we have audited the proposed appropriations of the Company's profit or loss and the administration of the Board of Directors and the President of Akademiska Hus AB for the financial year 2012. We have also conducted a statutory examination of the Corporate Governance Report.

Responsibilities of the Board of Directors and the President

The Board of Directors is responsible for the proposal for appropriations of the Company's profit or loss, and the Board of Directors and the President are responsible for administration under the Companies Act and that the Corporate Governance Report on pages 70–79 has been prepared in accordance with the Annual Accounts Act.

Auditor's responsibility

Our responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the Company's profit or loss and on the administration based on our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden. As a basis for our opinion on the Board of Directors' proposed appropriations of the Company's profit or loss, we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

As a basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts and the consolidated accounts, we examined significant decisions, actions taken and circumstances of the Company in order to determine whether any member of the Board of Directors or the President is liable to the Company. We also examined whether any member of the Board of Directors or the President has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Furthermore, we have read the corporate governance report and based on that reading and our knowledge of the company and the group we believe that we have a sufficient basis for our opinions. This means that our statutory examination of the corporate governance report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

Opinions

We recommend to the annual meeting of shareholders that the profit be appropriated in accordance with the proposal in the Statutory Administration Report and that the members of the Board of Directors and the President be discharged from liability for the financial year. A Corporate Governance Report has been prepared and its statutory information is consistent with the other parts of the annual accounts and consolidated accounts.

Gothenburg, March 14, 2013

Signature on Swedish original

DELOITTE AB
Hans Warén
Authorised Public Accountant

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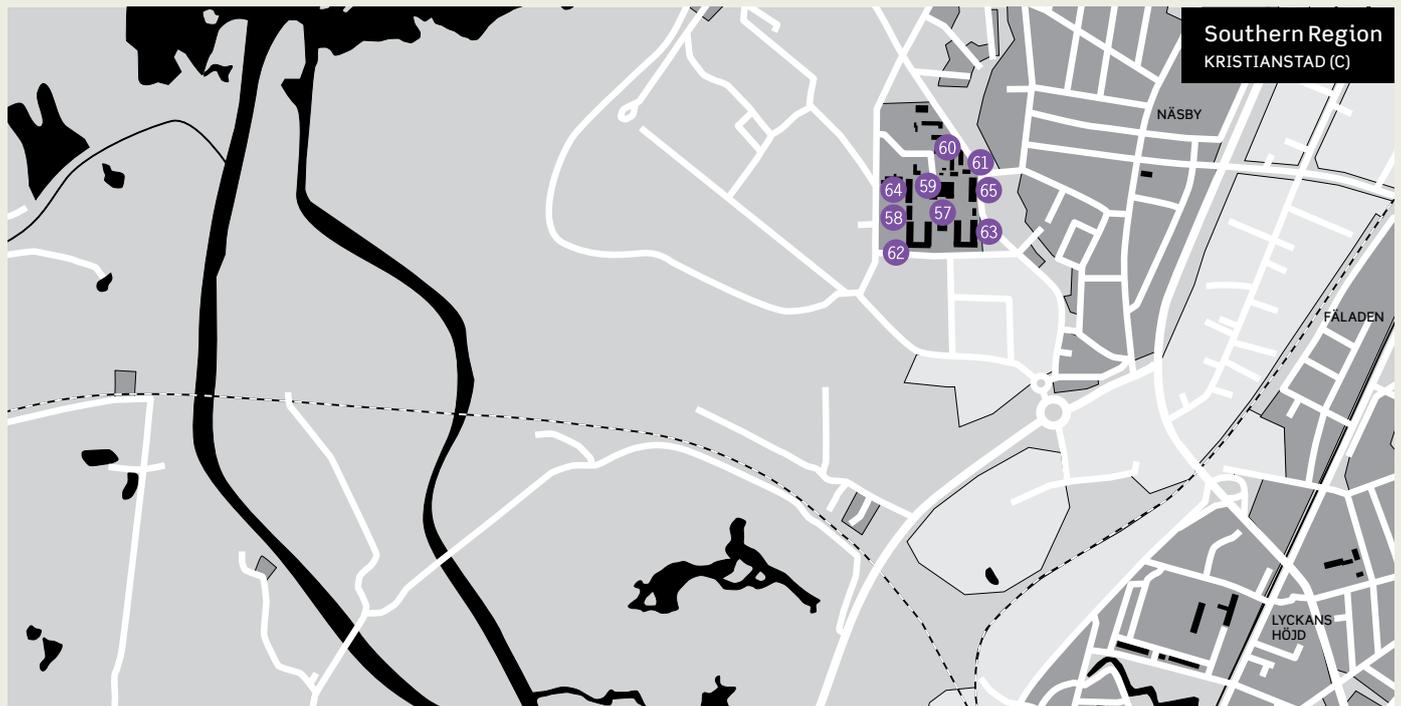




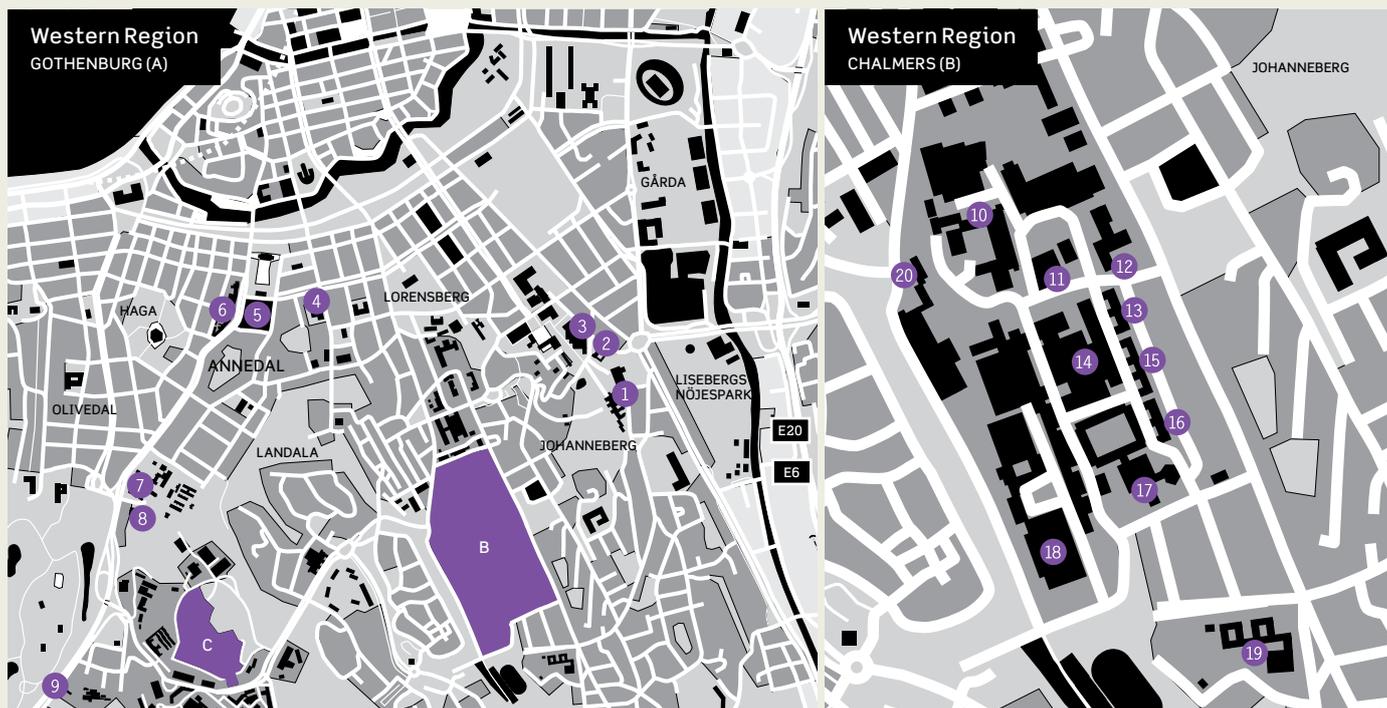
MAP REFERENCE	PROPERTY NAME	PROPERTY DESIGNATION	ADDRESS	YEAR OF CONSTRUCTION	PRINCIPAL CUSTOMER	LOCATION	RENTABLE FLOOR SPACE, TOTAL, M ²	VACANT	RENTAL REVENUE, INCL. SUPPLEMENTS, KSEK	AVERAGE RENT, SEK/M ²	LAND AREA, M ² /REGISTER PROPERTY	ASSESSED FAIR VALUE
A 1	Bredgatan 13	Sankt Peter 33	Bredgatan 13	1958	Lund University	Lund	943	0	1,231	1,305	849	13,115
A 2	Tapetserarverkstad	Paradis 51	Paradisgatan 5	1916	Lund University	Lund	236	0	257	1,089	35,028	1,243
A 3	Pedagogen	Paradis 51	Allhelgona Kyrkogatan 16	1918	Lund University	Lund	3,638	0	4,291	1,179	0	44,815
A 4	Teologen	Paradis 51	Allhelgona Kyrkogata 8	1927	Lund University	Lund	3,745	0	5,060	1,351	0	35,064
A 5	Tillämpad Psykologi	Paradis 51	Allhelgona Kyrkogata 14	1882	Lund University	Lund	784	0	1,003	1,279	0	9,396
A 6	Kirurgiska pav.	Paradis 51	Sandgatan 3	1867	Lund University	Lund	3,429	0	4,497	1,311	0	45,152
A 7	Sociologen	Paradis 51	Paradisgatan 5	1850	Lund University	Lund	3,401	0	3,779	1,111	0	40,013
A 8	Hud Kliniken	Paradis 51	Paradisgatan 3	1824	Lund University	Lund	1,053	0	1,828	1,736	0	19,051
A 9	Psykologen	Paradis 51	Allhelgona Kyrkogata 14	1867	Lund University	Lund	2,780	0	3,767	1,355	0	38,403
A 10	Beteendevetenskapliga biblioteket	Paradis 51	Allhelgona Kyrkogata 14	1899	Lund University	Lund	1,633	0	2,357	1,443	0	22,989
A 11	Byrålogen	Paradis 51	Paradisgatan 5	1983	Lund University	Lund	3,765	0	5,200	1,381	0	57,376
A 12	Eden	Paradis 51	Allhelgona Kyrkogata 14	1984	Lund University	Lund	4,678	0	7,002	1,497	0	62,712
A 13	Socialhögskolan	Paradis 47	Bredgatan 26	1889	Lund University	Lund	1,383	0	2,108	1,524	3,157	20,266
A 14	UB	Absalon 5	Helgonabacken	1907	Lund University	Lund	14,007	0	11,846	846	29,728	107,270
A 15	Humanisten	Absalon 5	Helgonabacken 14	1959	Lund University	Lund	16,431	0	26,248	1,597	0	290,551
A 16	Biskopsgatan 7	Hyphoff 5	Biskopsgatan 5	1893	Lund University	Lund	1,358	0	2,050	1,510	19,751	19,016
A 17	Konst och Musik	Hyphoff 5	Biskopsgatan 5	1965	Lund University	Lund	1,087	0	1,588	1,461	0	14,441
A 18	Kulturanatomen	Hyphoff 5	Biskopsgatan 7	1893	Lund University	Lund	1,840	0	2,726	1,482	0	27,089
A 19	Vaktmästarhus	Hyphoff 5	Pålsjövägen 1	1893	Lund University	Lund	252	0	145	575	0	1,030
A 20	Finng 10	Hyphoff 5	Finngatan 10	1891	Lund University	Lund	541	0	376	695	0	3,430
A 20	Finngatan 12	Hyphoff 5	Finngatan 12	1900	Telavox AB	Lund	297	0	421	1,418	0	4,710
A 20	Finngatan 14	Hyphoff 5	Finngatan 14	1907	Borstahuset AB	Lund	380	0	559	1,471	0	6,087
A 20	Finngatan 16	Hyphoff 5	Finngatan 16	1905	Lund University	Lund	429	0	600	1,399	0	6,110
A 21	Geocentrum 1	Saxo 3	Sölvegatan 10	1924	Lund University	Lund	3,328	0	135	41	4,943	-16,483
A 22	Geocentrum 2	Sölve 1	Helgonavägen 5	1936	Lund University	Lund	8,184	0	20,669	2,526	46,999	233,978
A 23	Gerdagatan 9	Sölve 1	Gerdagatan 9	1936	Institute for Language and Folklore	Lund	552	0	645	1,168	0	6,281
A 23	Gerdagatan 11	Sölve 1	Gerdagatan 11	1952	Lund University	Lund	402	0	332	826	0	2,472
A 23	Gerdagatan 13	Sölve 1	Gerdagatan 13	1952	Lund University	Lund	405	0	463	1,143	0	4,371
A 24	Fysik	Sölve 1	Professorsgatan 1	1962	Lund University	Lund	23,591	958	38,451	1,630	0	314,342
A 25	Innovationscentrum	Sölve 1	Sölvegatan 16	1963	Lund University	Lund	2,522	0	3,763	1,492	0	41,539
A 26	Zoofysiologen	Eskil 21	Helgonavägen 3	1962	Lund University	Lund	8,403	0	6,997	833	43,396	44,442
A 27	BMC Fysiologen	Eskil 21	Sölvegatan 19	1955	Lund University	Lund	8,914	0	20,677	2,320	0	166,711
A 28	BMC, Hus A -R	Eskil 21	Sölvegatan 17	1995	Lund University	Lund	33,823	0	100,226	2,963	0	830,463
A 29	Astronomi	Eskil 21	Sölvegatan 27	2001	Lund University	Lund	4,560	0	9,345	2,049	0	117,839
A 30	Genetik	Helgona 6:16	Sölvegatan 29	1949	Lund University	Lund	5,469	755	4,600	841	373,522	33,753
A 31	Biologicentrum	Helgona 6:16	Sölvegatan 35	1962	Lund University	Lund	9,802	0	32,444	3,310	0	378,111



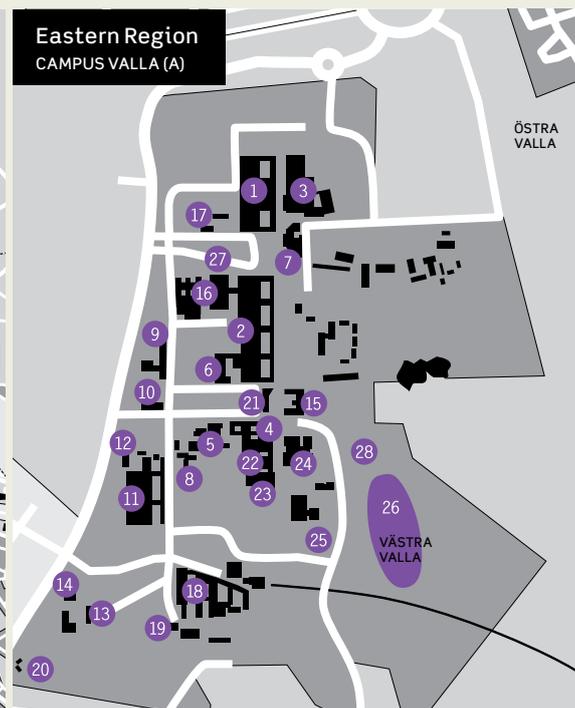
MAP REFERENCE	PROPERTY NAME	PROPERTY DESIGNATION	ADDRESS	YEAR OF CONSTRUCTION	PRINCIPAL CUSTOMER	LOCATION	RENTABLE FLOOR SPACE, TOTAL, M ²	VACANT	RENTAL REVENUE, INCL. SUPPLEMENTS, KSEK	AVERAGE RENT, SEK/M ²	LAND AREA, M ² /REGISTER PROPERTY	ASSESSED FAIR VALUE
A 32	Ekologi	Helgona 6:16	Sölvegatan 37	1994	Lund University	Lund	11,943	0	22,621	1,894	0	202,767
B 33	Tornavägen 13	Helgona 6:16	Tornavägen 13	1952	Red Apple Apartments	Lund	1,030	0	763	741	0	7,266
B 34	Matematik	Helgona 6:16	Sölvegatan 18	1964	Lund University	Lund	10,387	0	11,845	1,140	0	114,738
B 35	Annexet	Helgona 6:16	Sölvegatan 18	1964	Lund University	Lund	3,661	0	2,745	750	0	37,684
B 36	Maskinteknik	Helgona 6:16	Ole Römers v 1	1966	Lund University	Lund	27,527	1,846	27,715	1,007	0	198,191
B 37	Elektroteknik	Helgona 6:16	Ole Römers v 3	1968	Lund University	Lund	19,015	0	25,404	1,336	0	231,278
B 38	Väg & vatten	Helgona 6:16	John Ericssons v 1	1967	Lund University	Lund	18,612	494	17,807	957	0	100,085
B 39	Arkitektur	Helgona 6:16	Sölvegatan 24	1965	Lund University	Lund	10,004	0	16,273	1,627	0	163,460
B 40	Kemacentrum	Helgona 6:16	Getingevägen 60	1969	Lund University	Lund	51,352	11,564	90,738	1,767	0	744,994
B 41	Designcentrum	Helgona 6:16	Sölvegatan 26	2002	Lund University	Lund	9,954	0	21,835	2,194	0	270,297
B 42	Lth Info och studie	Helgona 6:16	John Ericssons v 4	1977	Lund University	Lund	4,503	0	6,897	1,532	0	71,305
B 43	Kårhuset	Helgona 6:16	John Ericssons väg 3	1994	Lund University	Lund	5,565	0	7,457	1,340	0	73,645
B 44	KF Sigma	Helgona 6:16	Sölvegatan 22 F	1986	Lund University	Lund	1,681	0	1,315	782	0	8,652
B 45	AH Kontorsbyggnad	Studentkåren 4	Ole Römers väg 2	1902	Akademiska Hus South	Lund	2,521	0	2,804	1,112	25,267	17,364
B 46	Tornavägen 11	Helgona 6:16	Tornavägen 11	1959	Lund University	Lund	1,507	1,000	514	341	0	12,734
	Maria Magle	Maria Magle 6	Magle St Kyrkog 12	1861	Lund University	Lund	2,146	0	2,983	1,390	2,473	11,261
	Utb. res. Lth-området	Helgona 6:16	—	—	—	Lund	0	0	0	0	0	51,613
	Utb. res. Kuvösen	Studentkåren 4	—	—	—	Lund	0	0	0	0	0	31,088
	Tandvårdshögskolan	Klerken 4	Carl Gustavs väg 34	1948	Malmö University	Malmö	15,459	0	19,606	1,268	7,643	208,801
	Slottet	Alnarp 1:60	Slottsvägen 5	1862	Swedish University of Agricultural Sciences	Alnarp	3,314	0	4,959	1,496	933,117	27,521
	Agricum	Alnarp 1:60	Slottsvägen 2	1950	Swedish University of Agricultural Sciences	Alnarp	4,360	35	3,976	912	0	25,975
	Animalienborg	Alnarp 1:60	Sundsvägen 3	1905	Swedish University of Agricultural Sciences	Alnarp	3,438	0	3,403	990	0	20,545
	Hovbeslagskolan	Alnarp 1:60	Smedjevägen 2	1877	Swedish University of Agricultural Sciences	Alnarp	2,867	30	1,685	588	0	6,898
	Restaurang	Alnarp 1:60	Sundsvägen 9	1876	Swedish University of Agricultural Sciences	Alnarp	2,536	0	1,517	598	0	1,717
	Södra elev	Alnarp 1:60	Elevenborgsvägen 4	1951	Swedish Board of Agriculture	Alnarp	1,728	0	975	564	0	3,491
	Kärnhuset	Alnarp 1:60	Smedjevägen 3	1971	Genetic Resource Centre	Alnarp	2,530	19	2,089	826	0	7,939
	Ekonomilokal	Alnarp 1:60	Växthusvägen 14	1945	Swedish University of Agricultural Sciences	Alnarp	2,160	64	381	176	0	-2,184
	Horticum	Alnarp 1:60	Sundsvägen 10	1974	Swedish University of Agricultural Sciences	Alnarp	5,962	0	10,356	1,737	0	60,399
	Stora logen	Alnarp 1:60	F Meldahls väg 3	1890	Swedish University of Agricultural Sciences	Alnarp	2,762	1,287	476	172	0	-4,295
	Mejeriet	Alnarp 1:60	Kungsgårdsvägen 8	1936	Akademiska Hus South	Alnarp	3,789	786	1,683	444	0	823
	Bostad	Alnarp 1:60	Mejeristigen 1	1936	Private individual	Alnarp	1,666	0	686	412	0	722



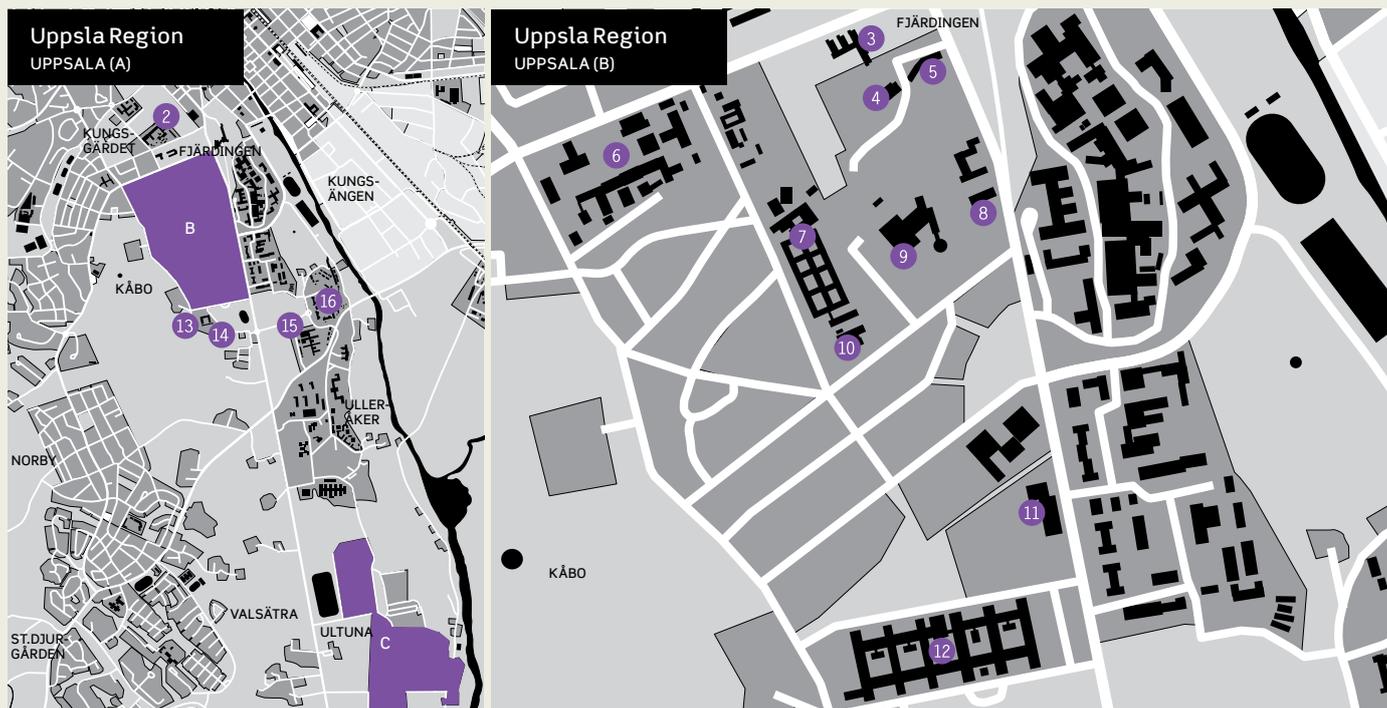
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	Elevenborg	Alnarp 1:60	Elevenborgsvägen 2	1910	Swedish University of Agricultural Sciences	Alnarp	3,605	200	1,724	478	0	2,519	
	Växtskyddscentrum	Alnarp 1:60	Sundsvägen 16	1980	Swedish University of Agricultural Sciences	Alnarp	10,428	174	12,445	1,193	0	46,616	
	Utb. res. Alnarp	Alnarp 1:60	—	—	—	Alnarp	0	0	0	0	0	1,430	
	Gamlegård	Alnarp 1:60	Gamlegård 4	1750	Swedish University of Agricultural Sciences	Alnarp	5,029	530	2,413	480	0	7,259	
	Alnarpsgården	Alnarp 1:60	Sundsvägen 6	1869	Swedish University of Agricultural Sciences	Alnarp	7,671	0	5,317	693	0	12,255	
	Smp	Alnarp 1:60	Sundsvägen 8 A	1957	SMP AB	Alnarp	2,801	0	1,644	587	0	7,315	
	Kalmarsundslab	Eldaren 1	Landgången 4	1996	Linné University	Kalmar	2,813	0	5,174	1,839	19,930	41,909	
	Sjöfartshögskolan	Eldaren 1	Landgången 4	2001	Linné University	Kalmar	9,088	0	16,743	1,842	0	149,534	
C 57	Admibyggnad	Näsby 34:24	Elmetorpsvägen	1920	Kristianstad University	K-stad	1,651	0	2,024	1,226	80,140	11,158	
C 58	Administrationen	Näsby 34:24	Elmetorpsvägen	1923	Kristianstad University	K-stad	1,108	0	1,661	1,499	0	12,722	
C 59	Bibliotek	Näsby 34:24	Elmetorpsvägen	1920	Kristianstad University	K-stad	5,371	0	7,100	1,322	0	50,042	
C 60	Baggium Bygg/Fordon	Näsby 34:24	Elmetorpsvägen	1920	Praktiska Sverige AB	K-stad	545	0	899	1,650	0	6,906	
C 61	Kontor	Näsby 34:24	Elmetorpsvägen	1922	Pysslingen Förskolor och Skolor AB	K-stad	3,062	0	3,379	1,104	0	23,465	
C 62	Pedagogen	Näsby 34:24	Elmetorpsvägen	1922	Kristianstad University	K-stad	7,249	0	8,638	1,192	0	60,596	
C 63	Hälsohuset	Näsby 34:24	Elmetorpsvägen	1920	Kristianstad University	K-stad	7,440	0	9,124	1,226	0	61,483	
C 64	Matte/Natur	Näsby 34:24	Elmetorpsvägen	1922	Kristianstad University	K-stad	3,822	0	4,705	1,231	0	30,823	
C 65	Teknik	Näsby 34:24	Elmetorpsvägen	1921	Kristianstad University	K-stad	3,292	0	4,168	1,266	0	30,845	
	Properties under construction											308,815	
							TOTAL	486,999	19,743	726,352	1,491	1,625,943	6,619,613
							Rent reductions and vacant space			-11,772			
							Revenue, non-recurring rent payments			37,667			
							Revenue, properties sold			14,209			
							Rental revenue, net			766,456			



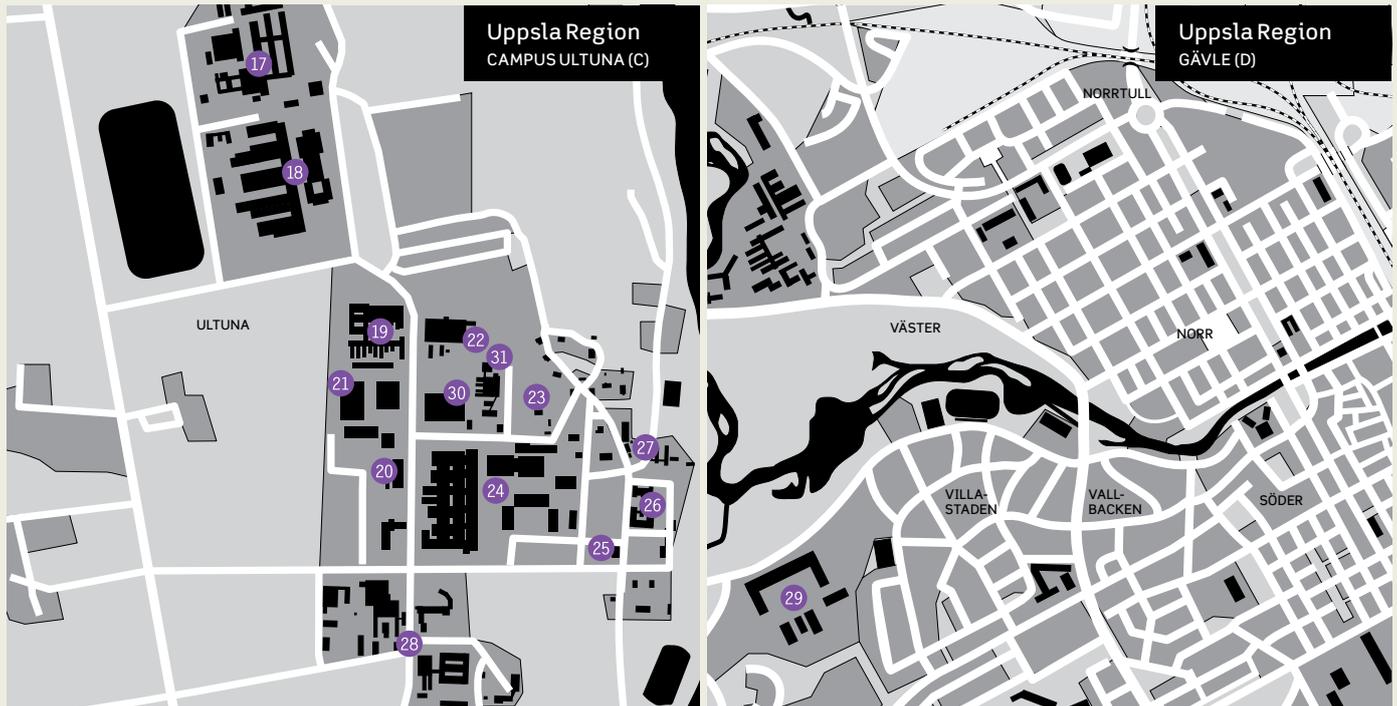
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A 1	Universitetsbiblioteket	Lorensberg 21:1	Renströmsgatan 4	1953	Gothenburg University	Göteborg	13,337	0	16,906	1,268	0	175,388
A 1	Humanisten	Lorensberg 21:1	Lundgrensgatan 7	1966	Gothenburg University	Göteborg	15,906	0	21,634	1,360	0	245,516
A 2	Arkeologen	Lorensberg 21:1	Olof Wiksgatan 6	1947	Gothenburg University	Göteborg	3,144	0	4,544	1,445	35,248	51,330
A 3	Artisten	Lorensberg 24:3	Fågelsången 1	1935	Gothenburg University	Göteborg	14,628	0	26,035	1,780	9,605	290,662
A 4	Viktorigatan 13	Vasastaden 12:19	Viktorigatan 13	1952	Gothenburg University	Göteborg	4,150	0	5,861	1,412	3,827	68,466
A 5	Handelshögskolan	Haga 22:1	Vasagatan 1	1952	Gothenburg University	Göteborg	26,623	0	40,741	1,530	12,605	470,453
A 6	Haga	Haga 21:19	Sprängkullsgatan 19	1994	Gothenburg University	Göteborg	21,622	0	34,779	1,608	7,430	366,394
A 7	KK2	Annedal 20:2	Konstepidiminsväg 2	1924	Gothenburg University	Göteborg	5,514	0	8,370	1,518	10,428	92,814
A 8	Psykologen	Annedal 21:11	Haraldsgatan 1	1995	Gothenburg University	Göteborg	6,169	0	9,380	1,520	3,125	101,901
A 9	Botanik	Änggården 34:2	Carl Skottbergs g 22 B	1970	Gothenburg University	Göteborg	9,816	140	15,710	1,600	11,280	127,100
B 10	Fysik Origo	Johanneberg 31:9	Kemigården 1	1926	Chalmersfastigheter AB	Göteborg	11,762	0	17,272	1,468	182,800	142,085
B 10	It-gymnasiet villan	Johanneberg 31:9	Origovägen 2	1948	IT Gymnasiet Sverige AB	Göteborg	289	0	567	1,962	0	6,251
B 10	Fysik Soliden	Johanneberg 31:9	Origovägen 6 B	1945	Chalmersfastigheter AB	Göteborg	2,422	0	3,568	1,473	0	33,560
B 10	It-gymnasiet	Johanneberg 31:9	Origovägen 4	1926	IT Gymnasiet Sverige AB	Göteborg	1,855	0	2,589	1,396	0	26,277
B 11	Matematiska vetenskaper	Johanneberg 31:9	Chalmers Tvärgata 3	1945	Chalmersfastigheter AB	Göteborg	6,737	0	14,039	2,084	0	147,132
B 12	Chalmers bibliotek	Johanneberg 31:9	Chalmers Tvärgata 1	1957	Chalmersfastigheter AB	Göteborg	5,925	0	7,429	1,254	0	67,553
B 13	Hörsalar HA	Johanneberg 31:9	Hörsalsvägen 4	1962	Chalmersfastigheter AB	Göteborg	1,141	0	1,539	1,349	0	15,981
B 14	Maskinteknik	Johanneberg 31:9	Hörsalsvägen 7	1968	Chalmersfastigheter AB	Göteborg	25,280	0	33,651	1,331	0	213,678
B 14	Kraftcentral	Johanneberg 31:9	Chalmers tvärg. 6	1947	—	Göteborg	88	0	47	530	0	0
B 14	Lokalkontor AH	Johanneberg 31:9	Chalmers tvärg. 6	1969	Akademiska Hus West	Göteborg	1,045	0	959	918	0	6,232
B 15	Hörsalar HB	Johanneberg 31:9	Hörsalsvägen 10	1962	Chalmersfastigheter AB	Göteborg	2,172	0	3,791	1,745	0	36,352
B 16	Hörsalar HC	Johanneberg 31:9	Hörsalsvägen 14	1962	Chalmersfastigheter AB	Göteborg	1,441	0	1,919	1,332	0	19,485
B 17	Elkraftteknik	Johanneberg 31:9	Hörsalsvägen 11	1955	Chalmersfastigheter AB	Göteborg	5,008	0	6,317	1,261	0	53,826
B 17	Idélära	Johanneberg 31:9	Rännvägen 8	1959	Chalmersfastigheter AB	Göteborg	752	0	643	855	0	4,884
B 17	Edit	Johanneberg 31:9	Maskingränd 2	1963	Chalmersfastigheter AB	Göteborg	19,603	0	32,238	1,645	0	328,456
B 17	Förråd och ställverk	Johanneberg 31:9	Elektrovägen	—	Chalmersfastigheter AB	Göteborg	105	0	15	141	0	138
B 18	Väg och vatten 1	Johanneberg 31:9	Sven Hultins gata 6	1966	Chalmersfastigheter AB	Göteborg	6,592	0	8,091	1,227	0	65,698
B 18	Arkitektur	Johanneberg 31:9	Sven Hultins gata 6	1968	Chalmersfastigheter AB	Göteborg	14,080	0	14,904	1,059	0	142,546
B 18	Väg och vatten 2	Johanneberg 31:9	Sven Hultins gata 8	1969	Chalmersfastigheter AB	Göteborg	18,151	0	18,746	1,033	0	145,620
B 19	Mattecentrum	Krokslätt 109:20, 110:3	Eklandagatan 86	1993	City of Gothenburg	Göteborg	7,704	5,666	9,131	1,185	7,241	73,555
B 20	Centrala admin.	Johanneberg 31:9	Chalmersplatsen 4	1962	Chalmersfastigheter AB	Göteborg	3,353	0	4,251	1,268	0	43,384
	Gibraltar herrgård	Johanneberg 31:9	Gibraltargatan 17	1974	Hummingbird AB	Göteborg	334	0	654	1,959	0	7,346
	Utb.res. Chalmers	Johanneberg 31:9	—	—	—	Göteborg	—	—	0	—	—	68,932
C 21	Lyktan Wallenbergssalen	Änggården 718:138	Medicinaregatan 20	1971	Gothenburg University	Göteborg	4,790	0	8,372	1,748	0	73,739
C 22	Zoologi	Änggården 718:138	Medicinaregatan 18	1971	Gothenburg University	Göteborg	7,485	790	10,028	1,340	0	66,815
C 23	Miljömedicin	Änggården 718:138	Medicinaregatan 16	1970	Gothenburg University	Göteborg	4,458	0	6,709	1,505	0	54,077



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A 1	A-huset	Intellettet 1	Campus Valla	1970	Linköping University	Linköping	30,865	0	46,301	1,500	0	377,030
A 2	B-huset	Intellettet 1	Campus Valla	1972	Linköping University	Linköping	35,389	0	47,936	1,355	0	391,001
A 3	C-huset	Intellettet 1	Campus Valla	1972	Linköping University	Linköping	11,188	0	11,260	1,006	0	86,376
A 4	D-huset	Intellettet 1	Campus Valla	1980	Linköping University	Linköping	12,947	0	15,491	1,197	0	139,638
A 5	Temahuset	Intellettet 1	Campus Valla	1987	Linköping University	Linköping	5,882	0	7,123	1,211	0	63,514
A 6	E-huset	Intellettet 1	Campus Valla	1985	Linköping University	Linköping	4,229	0	4,812	1,138	0	39,468
A 7	Kårallen	Intellettet 1	Campus Valla	1987	Linköping University	Linköping	5,647	0	3,747	664	0	18,683
A 8	Akademiska Hus, adm	Intellettet 1	Campus Valla	1987	Akademiska Hus East	Linköping	1,098	0	1,043	1,074	0	8,391
A 9	Nova	Intellettet 1	Campus Valla	1975	ALcontrol AB	Linköping	6,172	0	8,142	1,319	0	53,324
A 10	Vallfarten	Intellettet 1	Campus Valla	1975	Linköping University	Linköping	1,275	0	1,760	1,380	0	9,188
A 11	Terra	Intellettet 1	Campus Valla	1975	VTI	Linköping	21,941	1,899	22,896	1,043	0	185,928
A 12	Provhall	Intellettet 1	Campus Valla	1973	Peab D&U Mellansverige AB	Linköping	385	0	190	493	0	659
A 13	Förråd	Intellettet 1	Campus Valla	1975	Linköping University	Linköping	704	0	314	446	0	0
A 14	Provvägshall/VTI	Intellettet 1	Campus Valla	1973	VTI	Linköping	1,287	0	670	520	0	2,222
A 15	Origo	Intellettet 1	Campus Valla	1992	Linköping University	Linköping	4,065	0	5,055	1,243	0	40,051
A 16	Fysikhuset	Intellettet 1	Campus Valla	1995	Linköping University	Linköping	16,918	0	31,052	1,835	0	276,290
A 17	Hus Ett	Intellettet 1	Campus Valla	1987	Linköping University	Linköping	637	0	526	826	0	4,368
A 18	Galaxen	Intellettet 1	Campus Valla	1978	FOI	Linköping	31,189	1,050	35,828	1,149	0	286,755
A 19	NSC	Intellettet 1	Campus Valla	1978	Linköping University	Linköping	948	0	10,691	11,278	0	34,647
A 20	Mjärdevi Västergård	Intellettet 1	Campus Valla	1780	Linköping University	Linköping	113	0	90	797	0	365
A 21	Zenit	Intellettet 1	Campus Valla	1998	Linköping University	Linköping	1,957	0	2,427	1,240	0	19,975
A 22	I-huset	Intellettet 1	Campus Valla	1990	Linköping University	Linköping	2,761	0	2,688	973	0	25,837
A 23	I-huset 3	Intellettet 1	Campus Valla	1996	Linköping University	Linköping	1,373	0	1,437	1,046	0	15,801
A 24	Key	Intellettet 1	Campus Valla	2000	Linköping University	Linköping	11,139	0	19,294	1,732	0	143,321
A 25	Idrottshall	Intellettet 1	Campus Valla	2007	Linköping Municip Authority	Linköping	5,553	0	4,838	871	0	48,402
A 26	Friidrottsarena	Intellettet 1	Campus Valla	2011	Linköping Municip Authority	Linköping	581	0	6,910	11,894	0	87,166
A 27	L-huset	Intellettet 1	Campus Valla	2011	Linköping University	Linköping	377	0	1,364	3,617	0	12,601
A 28	Ångströmhuset	Intellettet 1	Campus Valla	2011	Linköping University	Linköping	237	0	3,609	15,227	0	33,322
	Utb. res. Intellettet 1	Intellettet 1	Campus Valla	—	—	Linköping	0	0	0	0	0	125,779
	Mark, Intellettet 1	Intellettet 1	Campus Valla	—	—	Linköping	312	0	294	0	1,032,112	0
B 29	Ioh Gymnastikhuset	Universitetet 1	Fakultetsgatan 1	1969	Örebro University	Örebro	5,157	0	5,596	1,085	0	44,340
B 29	Ioh Idrottshallen	Universitetet 1	Fakultetsgatan 1	1970	Örebro University	Örebro	2,410	0	2,049	850	0	14,561



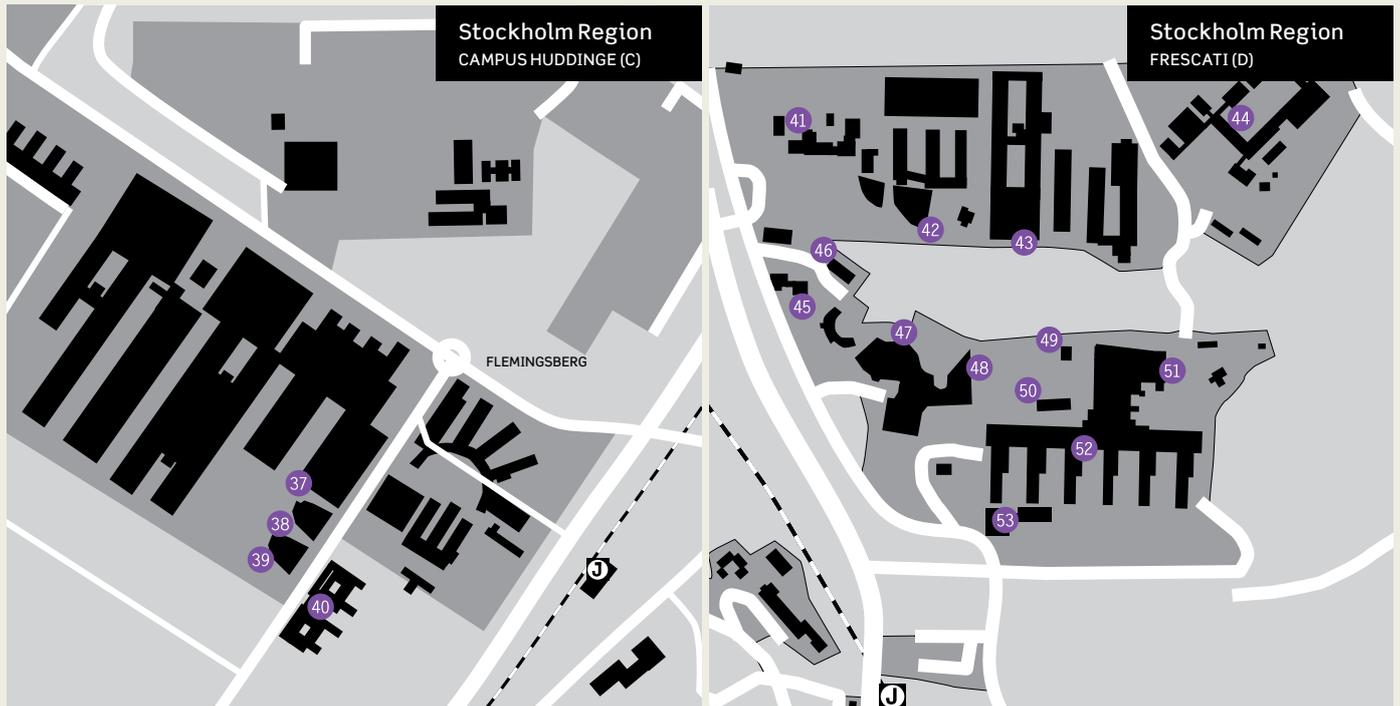
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A 1	Ekonomikum	Luthagen 62:7	Kyrkogårdsgatan 10	1975	Uppsala University	Uppsala	21,838	0	31,405	1,438	43,618	289,653
A 2	Engelska parken 1	Kåbo 14:3	Thunbergsvägen 3 A-B	1859	Uppsala University	Uppsala	2,719	0	3,904	1,436	34,191	37,188
A 2	Engelska parken 2	Kåbo 14:3	Thunbergsvägen 3 E	1904	Uppsala University	Uppsala	30,453	0	40,759	1,338	0	382,367
A 2	Engelska parken 3	Kåbo 14:3	Thunbergsvägen 3 D	1954	Uppsala University	Uppsala	3,878	0	6,442	1,661	0	56,683
A 2	Engelska parken 4	Kåbo 14:3	Thunbergsvägen 5 A	1986	Uppsala University	Uppsala	2,739	0	4,816	1,758	0	28,278
A 2	Engelska parken 5	Kåbo 14:3	Thunbergsvägen 5 A	1947	Uppsala University	Uppsala	1,103	0	4,144	3,757	0	16,809
B 3	Blåsenhus 1	Kåbo 5:1	von Kraemers Allé 1	2009	Uppsala University	Uppsala	20,736	0	48,699	2,349	137,808	652,901
B 4	Idrottshuset	Kåbo 5:1	von Kraemers Allé 5	2009	Uppsala University	Uppsala	2,986	0	6,588	2,206	0	84,979
B 5	Stora Lugnet	Kåbo 5:4	Dag Hammarskjölds v 11 A-B	1955	Swe Transport Admin	Uppsala	2,132	320	3,175	1,489	4,090	25,950
B 5	Lugnet	Kåbo 5:1	von Kraemers Allé 8	1750	Uppsala Municipal Authority	Uppsala	358	0	314	877	0	1,099
B 6	EBC 1, Zoologen	Kåbo 34:12	Villavägen 9	1916	Uppsala University	Uppsala	7,576	0	8,933	1,179	53,794	81,515
B 6	EBC 2	Kåbo 34:12	Norbyvägen 14	1999	Uppsala University	Uppsala	2,407	0	4,112	1,708	0	41,996
B 6	EBC 4 Lab	Kåbo 34:12	Norbyvägen 18 A	1962	Uppsala University	Uppsala	14,489	0	24,066	1,661	0	216,075
B 6	EBC 5, Paleontologen	Kåbo 34:12	Norbyvägen 22	1933	Uppsala University	Uppsala	2,738	0	1,955	714	0	13,335
B 6	EBC 6, Limnologen	Kåbo 34:12	Norbyvägen 18 B	1963	Uppsala University	Uppsala	2,484	2,484	1,017	409	0	2,800
B 6	EBC 7	Kåbo 34:12	Norbyvägen 18 E	2009	Uppsala University	Uppsala	2,405	0	10,648	4,427	0	119,249
B 7	Västra Lugnet	Kåbo 5:1	Villavägen	1912	Uppsala University	Uppsala	1,733	1,733	347	200	0	7,000
B 7	Geocentrum	Kåbo 5:1	Villavägen 18	1979	Uppsala University	Uppsala	18,896	0	25,736	1,362	0	258,626
B 8	Kunskaps gymnasiet	Kåbo 5:1	von Kraemers Allé 24	1967	Kunskaps skolan	Uppsala	2,881	0	7,558	2,623	0	91,830
B 8	Skandionkliniken	Kåbo 5:9	—	—	—	Uppsala	0	0	0	0	6,115	94,095
B 9	Arkivcentrum	Kåbo 5:1	von Kraemers Allé 19	1953	National Archives. Uppsala	Uppsala	13,512	0	14,648	1,084	0	151,520
B 10	Kontor Akademiska Hus	Kåbo 5:1	Artillerigatan 7	2003	Akademiska Hus Uppsala	Uppsala	2,237	0	4,846	2,166	8,300	48,463
B 11	Magistern	Kåbo 1:10	Dag Hammarskjölds v 31	1943	Kunskaps skolan	Uppsala	4,382	552	9,210	2,102	0	115,355
B 12	Biomedicinskt centrum	Kåbo 1:10	Husargatan 3	1997	Uppsala University	Uppsala	78,616	1,396	169,041	2,150	98,732	1,615,934
A 13	Rosendals gymnasiet	Kåbo 1:20	Husargatan 8	1976	Uppsala Municipal Authority	Uppsala	9,061	0	14,646	1,616	19,172	167,304
A 14	Fyrkanten	Kåbo 1:20	Leo Fenders väg	—	—	Uppsala	1,103	1,103	0	0	2,970	0
A 15	Ångströmlab	Kronåsen 7:1	Lägerhyddsvägen 1	1994	Uppsala University	Uppsala	49,785	0	99,714	2,003	82,442	1,089,166
A 16	ITC 1	Kronåsen 1:15	Lägerhyddsvägen 2	1909	Uppsala University	Uppsala	21,433	0	33,410	1,559	68,695	336,069
A 16	ITC 2	Kronåsen 1:15	Lägerhyddsvägen 2	1916	Svensk Markservice AB	Uppsala	3,188	343	3,158	991	0	12,410
A 16	ITC 3	Kronåsen 1:15	Lägerhyddsvägen 2	1903	Science Students Union	Uppsala	2,545	1,810	631	248	0	0
A 16	ITC 4	Kronåsen 7:1	Lägerhyddsvägen 3	1879	County Council Service	Uppsala	2,076	308	2,777	1,338	0	22,188
B	Utb. res. Blåsenhus	Kåbo 5:1	—	—	—	Uppsala	0	0	0	0	0	68,870
B 6	Utb. res. Lagerträdet	Kåbo 34:12	—	—	—	Uppsala	0	0	0	0	0	2,029
A 2	Utb. res. Engelska parken	Kåbo 14:3	—	—	—	Uppsala	0	0	0	0	0	654
A	Utb. res. Rosendal	Kåbo 1:20	—	—	—	Uppsala	0	0	0	0	0	160,820
B	Kv Blåsenhus	Kåbo 5:1	Norbyvägen 6	—	—	Uppsala	0	0	0	0	0	49,000
A 16	Utb. res. ITC	Kronåsen 1:15	—	—	—	Uppsala	0	0	0	0	0	3,826
B 11	Utb. res. Magistern	Kåbo 1:10	—	—	—	Uppsala	0	0	0	0	0	47,485



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A 15	Utb. res. Ångström	Kronåsen 7:1	—	—	—	Uppsala	0	0	0	0	0	21,743
C 17	SVA 1	Ultuna 2:23	Ulls väg 4	1976	SLU	Uppsala	738	0	993	1,346	0	6,346
C 17	SVA 2, Säkerhetslab	Ultuna 2:23	Travvägen 23	2003	SVA	Uppsala	2,981	0	7,986	2,679	0	72,416
C 17	SVA 3, Patologen	Ultuna 2:23	Ulls väg 2	1999	SVA	Uppsala	25,136	1,645	37,872	1,426	0	127,205
C 18	Klinikcentrum	Ultuna 2:23	Ulls väg 12	1976	SLU	Uppsala	30,252	3,988	35,682	1,179	0	25,234
C 19	Ekologihuset	Ultuna 2:23	Ulls väg 16	1971	SLU	Uppsala	9,305	413	12,391	1,332	0	68,428
C 20	Södra Gärdet 2	Ultuna 2:23	C Barthelsväg 6	1967	Skanska AB	Uppsala	6,603	1,770	4,920	745	0	5,440
C 20	Södra Gärdet 3	Ultuna 2:23	Ulls väg 28 A	1950	SLU	Uppsala	2,953	0	3,404	1,153	0	23,011
C 21	Friskis & Svettis	Ultuna 2:23	Ulls väg 22 B	2008	SLU	Uppsala	2,832	0	3,919	1,384	0	37,328
C 22	Markvetenskap	Ultuna By 1	Gerda Nilsson väg 2	1973	SLU	Uppsala	8,870	0	6,863	774	0	12,600
C 23	Rektorsvillan - Ultuna By 2	Ultuna 2:23	Undervisningsplan 7 C	1923	SLU	Uppsala	1,604	0	2,826	1,762	0	17,777
C 30	BioCentrum Ultuna By 3	Ultuna 2:23	Almas allé 5	2011	SLU	Uppsala	16,285	0	37,465	1,216	0	526,000
C 31	Mark Vatten Miljö Ultuna By 3	Ultuna 2:23	Lennart Hjelms väg 9	2011	SLU	Uppsala	11,641	0	24,598	984	0	306,000
C 24	Tyskbackshagen 1	Ultuna 2:23	Ulls väg 27-29-Almas allé 8	1974	SLU	Uppsala	11,055	0	18,585	1,681	0	34,000
C 24	Tyskbackshagen 2	Ultuna 2:23	Almas allé 10	1973	SLU	Uppsala	9,462	0	15,614	1,650	0	153,769
C 24	Tyskbackshagen 3	Ultuna 2:23	Duhrevägen 8	1862	SLU	Uppsala	5,395	0	5,453	1,011	0	34,694
C 25	Dekanhuset	Ultuna 2:23	Arrheniusplan 12	2000	SLU	Uppsala	3,710	0	3,099	835	0	19,384
C 26	Herrgården	Ultuna 2:23	Arrheniusplan 2 B-D	1700	UPSYS	Uppsala	1,511	156	1,735	1,148	0	12,434
C 27	Ultuna Hamn 3	Ultuna 2:23	Arrheniusplan 8	1876	SLU	Uppsala	7,809	5,351	1,885	241	0	11,000
C 27	Ultuna Hamn 4	Ultuna 2:23, 2:15	Hampus von Posts väg 8	1913	SLU	Uppsala	7,037	492	5,496	781	1,203,693	25,000
C 28	Tyskbacken 1, Teknikpark	Ultuna 2:23	Vallv. 2-6, Ulls v. 37-41	1977	Oncolog Medical QA AB	Uppsala	7,212	2,069	5,740	796	0	25,489
C 28	Tyskbacken 2, Teknikhuset	Ultuna 2:23	Ullsallén 4	1941	JTI	Uppsala	5,499	1,116	4,754	720	0	23,882
C 28	Tyskbacken 3, Silvikum	Ultuna 2:23	Vallvägen 9 A-D	1935	SLU	Uppsala	2,531	0	3,292	1,301	0	16,606
C 28	Tyskbacken 4, Miljöanalys	Ultuna 2:23	Ulls väg 31 A-B	1967	SLU	Uppsala	4,951	0	4,194	847	0	20,982
C 28	Tyskbacken 5, Skandinova	Ultuna 2:23	Ullsallén 2	1949	ScandiNova Systems AB	Uppsala	2,061	130	2,256	1,095	0	11,777
C 28	Tyskbacken 6, Solibro	Ultuna 2:23	Vallvägen 5	2007	Solibro Research AB	Uppsala	1,238	0	3,151	2,545	0	19,706
C 28	Tyskbacken 7	Ultuna 2:23	Vallvägen	1997	SLU	Uppsala	1,643	300	1,375	837	0	4,000
C 28	Tyskbacken 8	Ultuna 2:23	Ullsallén 4	1949	JTI	Uppsala	1,782	0	899	504	0	3,100
C	Naturicum (Bäcklösa)	Ultuna 2:23	Bäcklösavägen 13 A	1945	SLU	Uppsala	6,030	769	5,823	966	0	24,738
C	Utb.res. Ultuna	Ultuna 2:23	—	—	—	Uppsala	0	0	0	0	0	83,219
D 29	Kungsbäck 1	Kungsbäck 2:8	Kungsbäcksvägen 47	1908	Gävle University	Gävle	29,805	0	48,327	1,621	108,563	305,820
D 29	Kungsbäck 2	Kungsbäck 2:8	Stenhammarsvägen 9	1908	Gävle University	Gävle	8,818	1,420	9,448	1,071	0	33,412
D 29	Kungsbäck 3	Kungsbäck 2:8	Stenhammarsväg 11	1908	KoK Bygg AB	Gävle	701	194	182	260	0	0
D 29	Kungsbäck 4	Kungsbäck 2:8	Kungsbäcksvägen 47	1999	Gävle University	Gävle	5,253	0	8,986	1,711	0	70,209
Properties under construction											1,517,982	
TOTAL							575,192	29,862	915,912	1,518	1,872,183	10,094,252
Rent reductions and vacant space									-21,997			
Non-recurring rental revenue									26,511			
Rental revenue, net									920,426			



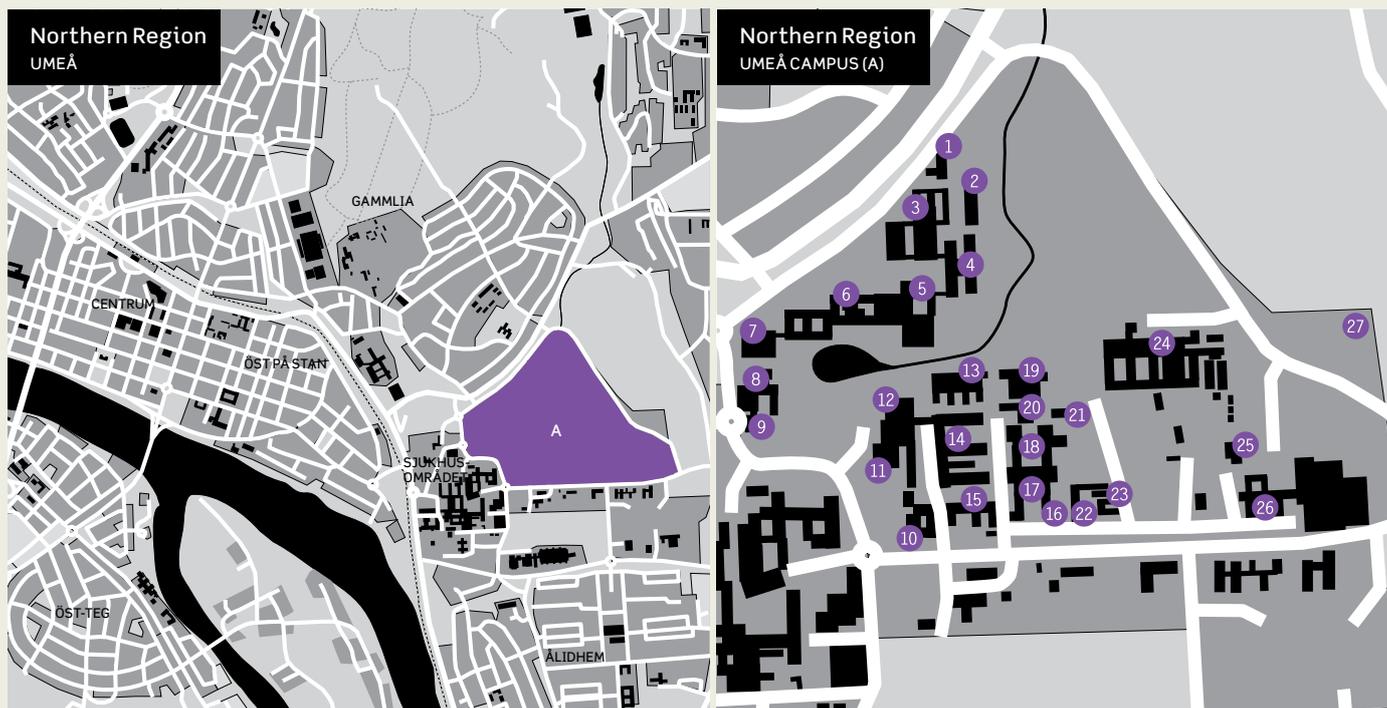
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A 1	Botanicum	N Djurgården 1:46	Lilla Frescativägen 5	1973	Stockholm University	Stockholm	8,864	0	13,823	1,559	0	106,160
A 2	Psyk. Inst.	N Djurgården 1:45	Frescati Hagväg 8	1916	Stockholm University	Stockholm	6,343	138	7,827	1,234	53,364	65,495
A 2	Psyk. Inst.	N Djurgården 1:45	Frescati Hagväg 14	1944	Stockholm University	Stockholm	2,823	0	3,238	1,147	0	26,085
A 2	Stressforskningsinst.	N Djurgården 1:45	Frescati Hagväg 16 A	1955	Stockholm University	Stockholm	3,478	64	402	116	0	29,271
A 2	Fytotronen	N Djurgården 1:45	Frescati Hagväg 9	1965	Stockholm University	Stockholm	1,055	0	497	471	0	2,854
A 2	Trädgårdsvillan	N Djurgården 1:45	Frescati Hagväg 7	1800	Stockholm University	Stockholm	489	209	402	822	0	824
A 2	Psyk. Inst.	N Djurgården 1:45	Frescati Hagväg 12	1948	MUM Projektbyggarna	Stockholm	720	0	1,024	1,422	0	9,892
A 3	Inst. Orientaliska språk	N Djurgården 1:44	Kräftriket 1 A	1911	Stockholm University	Stockholm	323	0	342	1,059	70,540	1,652
A 3	Företagsekon. Inst.	N Djurgården 1:44	Kräftriket 2 A-C	1911	Stockholm University	Stockholm	9,510	404	16,968	1,784	0	157,317
A 3	Inst. Orientaliska språk	N Djurgården 1:44	Kräftriket 4 A-B	1911	Stockholm University	Stockholm	2,200	50	2,226	1,012	0	10,181
A 3	Matematiska Inst.	N Djurgården 1:44	Kräftriket 5 A-B	1911	Stockholm University	Stockholm	2,484	0	3,959	1,594	0	34,334
A 3	Matematiska Inst.	N Djurgården 1:44	Kräftriket 6 A-B	1911	Stockholm University	Stockholm	2,734	0	4,354	1,593	0	37,709
A 3	Score	N Djurgården 1:44	Kräftriket 7 A-C	1911	Stockholm University	Stockholm	1,556	0	1,789	1,149	0	17,318
A 3	Vårdshuset	N Djurgården 1:44	Kräftriket 9 A-C	1911	Kräftan AB	Stockholm	723	0	1,029	1,423	0	5,820
A 3	Sthl Resilience Centre	N Djurgården 1:44	Kräftriket 10 A-C	1911	Stockholm University	Stockholm	634	0	1,023	1,614	0	9,157
A 3	Centraltvätt	N Djurgården 1:44	Kräftriket 11 A	1911	Arcimboldo AB	Stockholm	316	48	322	1,018	0	0
A 3	Kontorsbyggnad	N Djurgården 1:44	Kräftriket 16 A-D	1944	Boomerang Int.	Stockholm	1,176	0	2,247	1,911	0	22,586
A 3	Butik & garagebyggnad	N Djurgården 1:44	Kräftriket 14 A	1930	TF Häst & Fritid Kaskad	Stockholm	244	0	230	942	0	936
A 3	Naprapathögskolan	N Djurgården 1:44	Kräftriket 24 A-C	1952	Midbacken AB	Stockholm	3,342	0	6,548	1,959	0	74,295
A 3	Inst. Orientaliska språk	N Djurgården 1:44	Kräftriket 17	1957	Stockholm University	Stockholm	3,106	318	1,330	428	0	1,276
A 4	Albano	—	—	—	Hochtief Solutions AG	Stockholm	0	0			48,692	74,000
A 5	Studenspalatset	Bergsmannen S. 8	Norr tullsgatan 2	1920	Stockholm University	Stockholm	3,147	0	5,030	1,598	1,232	54,787
A 6	Spökslottet	Kungstenen 4	Drottninggatan 116	1700	Stockholm University	Stockholm	1,350	0	3,133	2,320	1,211	40,600
A 7	Arkitektur	Domherren 1	Östermalmsgatan 26	1970	Royal Institute of Technology	Stockholm	11,839	0	15,442	1,285	5,294	100,000
B 8	Hagaskolan	Haga 4:35	Fogdevreten 2 A-D	1942	Karolinska Institute	Solna	2,698	0	4,177	1,548	0	50,840
B 9	KI Science Park	Haga 4:35	Tomtebodavägen 23	1960	Swedish Orphan Biovitrum AB	Solna	16,233	0	67,350	4,149	0	1,012,993
B 10	SMI säk.lab.	Haga 4:35	Nobelsväg 23	2000	Swedish Institute for Infectious Disease Control	Solna	1,068	0	10,571	9,898	0	58,327
B 11	Vir. Lab. SMI	Haga 4:35	Nobels väg 21	2005	Swedish Institute for Infectious Disease Control	Solna	2,979	0	11,216	3,765	0	142,313
B 12	Smittskyddsinstitutet	Haga 4:35	Nobels väg 18	1952	Karolinska Institute	Solna	13,382	0	55,927	4,179	0	518,326
B 13	Bakteriologiska Inst.	Haga 4:35	Theorells väg 3	1957	Karolinska Institute	Solna	4,694	0	17,108	3,645	0	181,257
B 14	Röda Villan	Haga 4:35	Theorellsväg 5	2007		Solna	1,297	0	0	0	0	0
B 15	Rättsmedicin	Haga 4:35	Retzius väg 5	1951	National Board of Forensic Medicine	Solna	4,619	0	9,721	2,105	0	119,947
B 16	Wargentinhuset	Haga 4:35	Nobels väg 12 A-B	1948	Karolinska Institute	Solna	7,677	0	22,599	2,944	0	260,573
B 17	KI bibl., Frisks & Svettis	Haga 4:35	Nobelsväg 6 B	1947	Motionsidrottens servicebolag i Sthlm AB	Solna	2,095	0	3,812	1,820	0	32,227
B 17	KI aula och kontor	Haga 4:35	Solnavägen 7	2013		Solna						26,202



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B 18	Farmakologiska Inst.	Haga 4:35	Nanna Svartz väg 2	1950	Karolinska Institute	Solna	4,553	0	11,693	2,568	0	105,359
B 19	KI administration	Haga 4:35	Nobels väg 5	1951	Karolinska Institute	Solna	5,344	0	10,146	1,899	0	126,009
B 20	Gammelgården	Haga 4:35	Nobels väg 2	1750	Karolinska Institute	Solna	345	0	442	1,282	0	4,435
B 21	Ludwiginstitutet	Haga 4:35	Nobels väg 3	1948	Karolinska Institute	Solna	5,918	0	11,756	1,986	0	107,794
B 22	CGB laboratoriet	Haga 4:35	Berzelius väg 37	1950	Karolinska Institute	Solna	4,451	0	16,395	3,683	0	173,802
B 23	Cell & molekylärbologi	Haga 4:35	von Eulers väg 5	1960	Karolinska Institute	Solna	4,680	0	11,683	2,496	0	202,060
B 24	Fysiologiska Inst.	Haga 4:35	von Eulers väg 4 A-B	1948	Karolinska Institute	Solna	7,733	0	24,735	3,199	0	241,923
B 25	Inst. för Tumörbiologi	Haga 4:35	Berzelius väg 14	1983	Akademiska Hus Stockholm	Solna	2,158	0	3,802	1,762	0	44,932
B 26	Astrid Fagreslab.	Haga 4:35	Tomtebodavägen 2	2003	Karolinska Institute	Solna	4,694	0	28,437	6,058	0	184,977
B 27	Hysesbostäder	Haga 4:35	Berzeliusväg 2 A-G	1949	Karolinska Institute	Solna	646	0	479	741	0	1,369
B 28	Jernhusmark	Haga 4:35	Tomtebodavägen 3 D	—	Akademiska Hus Stockholm	Solna	1,313	151	1,417	1,079	0	0
B 29	Berzeliuslaboratoriet	Haga 4:35	Berzelius väg 3	1972	Karolinska Institute	Solna	13,338	0	36,081	2,705	0	411,709
B 30	Restaurang Jöns Jacob	Haga 4:35	Retzius väg 24	1978	Karolinska Institute	Solna	2,978	0	4,975	1,671	0	29,351
B 31	ICHAR	Haga 4:35	Nobels väg 9	1942	Karolinska Institute	Solna	4,747	0	9,913	2,088	0	109,360
B 32	Scheelelab.	Haga 4:35	Tomtebodavägen 6	1997	Karolinska Institute	Solna	19,432	0	58,706	3,021	0	730,459
B 33	P-hus KI söder	Haga 4:35	Tomtebodavägen 7-9	2003	Swedish Institute for Infectious Disease Control	Solna	4,956	0	0	0	0	0
B 34	Retziuslab	Haga 4:35	Retzius väg 8	2001	Karolinska Institute	Solna	14,526	0	54,733	3,768	0	616,285
B 35	Tomteboda, ECDC	Haga 4:35	Tomtebodavägen 11 A	1888	ECDC	Solna	12,505	904	22,195	1,775	319,319	241,463
B 36	Folkhälsohuset	Haga 4:35	Tomtebodavägen 18 A	2012	Karolinska Institute	Solna	14,750	0	4,012	0	0	447,708
C 37	Ki-Syd huvudbyggnad	Ornbäraren 3	Alfred Nobels Allé 8	—	Karolinska Institute	Flemingsberg	35,761	0	64,709	1,809	26,941	526,105
C 38	Bipontus	Ornbäraren 3	Alfred Nobels Allé 10	1998	Karolinska Institute	Flemingsberg	6,557	0	14,455	2,205	0	137,876
C 39	Pontus	Ornbäraren 3	Alfred Nobels Allé 12	1998	Karolinska Institute	Flemingsberg	5,912	0	13,586	2,298	0	139,557
C 40	Zanderska huset	Embryot 1	Alfred Nobels Allé 23	2002	Karolinska Institute	Flemingsberg	16,819	0	39,510	2,349	36,119	445,986
D 41	Manne Sieghbannhusen	N Djurgården 1:48	Frescativ 24 A m fl	—	Stockholm University	Stockholm	6,724	0	9,311	1,385	0	92,770
D 42	Geovetenskapens hus	N Djurgården 1:48	S. Arrhenius v 6 A	1997	Stockholm University	Stockholm	18,143	0	49,771	2,743	0	550,438
D 43	Arrheniuslab.	N Djurgården 1:48	S. Arrhenius v 16 C-D	1973	Stockholm University	Stockholm	46,294	19	104,373	2,255	0	999,344
D 44	Frescatibackehusen	N Djurgården 1:48	S. Arrhenius väg 21 A	1944	Stockholm University	Stockholm	9,687	235	9,850	1,017	0	72,112
D 45	Nobelhusen	N Djurgården 1:48	Frescativ 14 A-B	—	Stockholm University Student Union	Stockholm	1,362	0	1,635	1,201	0	12,019
D 46	Pic-Nic restaurang	N Djurgården 1:48	Frescativägen 18	—	Restaurant University	Stockholm	287	0	413	1,439	0	2,799
D 47	Aula magna	N Djurgården 1:48	Frescativägen 6	1997	Stockholm University	Stockholm	6,480	0	19,114	2,950	0	253,657
D 48	Allhuset Lantis	N Djurgården 1:48	Universitetsvägen 7	1994	Stockholm University	Stockholm	9,254	158	11,374	1,229	291,895	88,223



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D 49	Vaktm.bost Skära villan	N Djurgården 1:48	S. Arrhenius väg 30	1800	Stockholm University	Stockholm	1,921	0	1,910	994	0	13,984
D 50	Rektorsämb. Bloms hus	N Djurgården 1:48	Universitetsvägen 16	1850	Stockholm University	Stockholm	1,420	0	1,920	1,352	0	16,354
D 51	Universitetsbibl.	N Djurgården 1:48	S. Arrhenius v 28	1982	Stockholm University	Stockholm	21,581	0	31,787	1,473	0	327,754
D 52	Södra Huset	N Djurgården 1:48	Universitetsv 10 A m fl	1971	Stockholm University	Stockholm	53,998	0	91,288	1,691	0	1,041,638
D 53	Studenthuset	N Djurgården 1:48	Universitetsvägen 2 A-F	2013		Stockholm						30,464
E 54	KTH & Danshögskolan	Maskining. 1	Brinellvägen 58	1966	KTH	Stockholm	23,482	1,420	53,141	2,263	24,383	645,164
E 55	KIMAB	N Djurgården 1:49	Drn Kristinas v 48	1946	KTH	Stockholm	4,313	3,384	5,220	1,210	0	41,584
E 56	Bergsvetenskap	N Djurgården 1:49	Brinellvägen 23	1967	KTH	Stockholm	10,829	0	22,260	2,056	0	245,064
E 57	Väg- & vatten	N Djurgården 1:49	Brinellvägen 30-36	1972	Univ. of Dance and Circus	Stockholm	7,690	780	8,846	1,150	0	94,107
E 58	Väg- & vatten	N Djurgården 1:49	Teknikringen 72-76	1957	KTH	Stockholm	7,648	0	10,828	1,416	0	166,686
E 59	Byggkonstruktion	N Djurgården 1:49	Teknikringen 78	1957	KTH	Stockholm	3,450	0	5,474	1,587	0	62,597
E 60	Lantmäteriet	N Djurgården 1:49	Drn Kristinas v 30	1958	KTH	Stockholm	7,678	0	13,470	1,754	0	159,490
E 61	Hysesbostäder	N Djurgården 1:49	Teknikringen 60, 62	1947	Private individual	Stockholm	2,262	0	1,649	729	0	3,548
E 62	Alfvén och Opera	N Djurgården 1:49	Teknikringen 31-35	1953	KTH	Stockholm	12,892	0	17,800	1,381	0	174,281
E 63	Röda Korset	N Djurgården 1:1	Brinellvägen 8	1927	KTH	Stockholm	6,510	0	11,106	1,706		153,675
E 64	Kemi	N Djurgården 1:49	Teknikringen 10	1931	KTH	Stockholm	1,276	0	3,030	2,374	0	52,712
E 65	Rest Syster & Bror	N Djurgården 1:49	Drn Kristinas v 22-24	1964	Festvåningen Muren AB	Stockholm	902	0	1,644	1,823	0	12,939
E 66	Farkostteknik	N Djurgården 1:49	Teknikringen 6	1931	KTH	Stockholm	7,844	0	14,640	1,866	0	230,561
E 67	Byggnad för kemi	N Djurgården 1:49	Teknikringen 26-36	1922	KTH	Stockholm	19,713	0	51,152	2,595	0	608,915
E 68	Teknisk fysik	N Djurgården 1:49	Teknikringen 14	1962	KTH	Stockholm	4,313	0	23,660	5,486	0	134,673
E 69	Sing Sing	N Djurgården 1:49	Lindstedtsvägen 30	1948	KTH	Stockholm	10,640	0	23,648	2,223	0	299,937
E 70	Värme- och kraft	N Djurgården 1:49	Drn Kristinas v 14-18	1952	HI3G Access AB	Stockholm	32	0	524	16,380	0	0
E 71	KTH Bibliotek	N Djurgården 1:49	Osquars backe 31	1917	KTH	Stockholm	9,350	0	22,610	2,418	0	299,856
E 72	Hållfasthetslära	N Djurgården 1:49	Drn Kristinas v 4-8	1943	KTH	Stockholm	4,346	0	7,951	1,829	0	108,353
E 73	KTH huvudbyggnad	N Djurgården 1:49	Lindstedtsvägen	1917	KTH	Stockholm	22,117	0	54,394	2,459	0	698,041
E 74	IVL	N Djurgården 1:49	Valhallavägen 81	1930	Swedish Environmental Research Institute	Stockholm	3,313	0	7,852	2,370	0	95,859
E 75	KTH adm.byggnad	N Djurgården 1:49	Valhallavägen 79	1935	KTH	Stockholm	2,923	0	5,994	2,051	161,507	74,393
E 76	Huvudbyggnad	Forskningen 1	Drn Kristinas v 25	1939	Academic Work Sweden	Stockholm	2,443	0	3,430	1,404	63,747	37,494
E 77	Provningsanstalt	Forskningen 1	Drn Kristinas v 33 A-D	1920	Swe National Defence College	Stockholm	2,878	0	3,778	1,313	0	33,203
E 78	Försvarshögskolan	Forskningen 1	Drn Kristinas v 31	1920	Swe National Defence College	Stockholm	16,368	0	43,847	2,679	0	593,477
E 79	Fd Hovjägarbostället	Forskningen 1	Drn Kristinas v 41	1886	Swe National Defence College	Stockholm	263	0	364	1,383	0	3,836
E 80	Ykemiska Inst.	Forskningen 1	Drn Kristinas v 47-51	1943	Inst for Surface Chemistry	Stockholm	6,680	467	9,503	1,423	0	83,901
E 81	Q-husen	Forskningen 1	Osqualdas väg 10-12	1991	KTH	Stockholm	13,554	0	30,226	2,230	0	381,291
E 82	KIMAB	Forskningen 1	Drn Kristinas v 53	1958		Stockholm	1,752	1,862	1,956	1,116	0	14,834
E 83	Huvudbyggnad STFI	Forskningen 1	Drn Kristinas v 55-63	1946	Innventia AB	Stockholm	10,457	0	17,243	1,649	0	235,009



MAP REFERENCE	PROPERTY NAME	PROPERTY DESIGNATION	ADDRESS	YEAR OF CONSTRUCTION	PRINCIPAL CUSTOMER	LOCATION	RENTABLE FLOOR SPACE, TOTAL, M ²	VACANT	RENTAL REVENUE, INCL. SUPPLEMENTS, KSEK	AVERAGE RENT, SEK/M ²	LAND AREA, M ² /REGISTER PROPERTY	ASSESSED FAIR VALUE
A 1	Humanistpaviljong	Stadsliden 6:6	Humanioragränd 4	1992	Umeå University	Umeå	595	0	566	951	0	4,218
A 2	Norra BVH	Stadsliden 6:6	Humanioragränd 5	2003	Umeå University	Umeå	4,751	0	5,769	1,214	0	52,663
A 3	Humanisthuset	Stadsliden 6:6	Biblioteksgränd 3	1972	Umeå University	Umeå	13,548	0	14,123	1,042	0	112,758
A 4	BVH	Stadsliden 6:6	Mediagränd 14	1992	Umeå University	Umeå	7,249	0	8,378	1,156	0	73,268
A 5	Bibliotek	Stadsliden 6:6	Biblioteksgränd 12	1968	Umeå University	Umeå	19,708	0	18,283	928	0	191,822
A 6	Samhällsvetarhuset	Stadsliden 6:6	Hörsalstorget 4	1968	Umeå University	Umeå	20,978	0	23,706	1,130	0	194,958
A 7	Lärarutbildningshuset	Stadsliden 6:6	Universitetstorget 30	1996	Umeå University	Umeå	8,899	0	10,017	1,126	0	91,091
A 8	Förvaltningshuset	Stadsliden 6:6	Universitetstorget 18	1983	Umeå University	Umeå	7,896	0	7,907	1,001	0	72,819
A 9	Hus för samverkan	Stadsliden 6:6	Universitetstorget 14	2004	Umeå University	Umeå	2,841	0	5,869	2,066	0	41,645
A 10	UERC	Stadsliden 6:6	Johan Bures väg 5	1980	Umeå University	Umeå	6,802	0	21,453	3,154	0	238,254
A 11	Aula Nordica	Stadsliden 6:6	Universums gränd 4	1987	Umeå University	Umeå	2,696	0	2,317	859	0	17,631
A 12	Universum	Stadsliden 6:6	Universums gränd 8-10	1970	Umeå University	Umeå	8,953	417	8,670	968	0	46,156
A 13	MIT	Stadsliden 6:6	Campustorget 5	1992	Umeå University	Umeå	12,846	0	23,065	1,796	0	161,719
A 14	Naturvetarhuset	Stadsliden 6:6	Johan Bures väg 14	1970	Umeå University	Umeå	23,354	0	29,572	1,266	0	249,412
A 15	Biologihuset	Stadsliden 6:6	Johan Bures väg 12	1963	Umeå University	Umeå	9,819	0	9,123	929	0	46,313
A 16	Fysiologihuset	Stadsliden 6:6	Artedigränd 7	1969	Umeå University	Umeå	10,891	0	14,885	1,367	0	78,680
A 17	KBC	Stadsliden 6:6	Linnaeus väg 6	1999	Umeå University	Umeå	11,369	0	18,564	1,633	0	147,184
A 18	Kemihuset	Stadsliden 6:6	Linnaeus väg 10	1963	Umeå University	Umeå	11,417	0	13,520	1,184	0	110,946
A 19	Teknikhuset	Stadsliden 6:6	Håkan Gulleasons väg 20	1992	Umeå University	Umeå	6,446	0	8,659	1,343	0	70,061
A 20	Fysikhuset	Stadsliden 6:6	Linnaeus väg 20	1980	Umeå University	Umeå	3,200	0	7,149	2,234	0	48,209
A 21	Kemiskt säkerhetshus	Stadsliden 6:6	Håkan Gulleasons väg 11	1985	Umeå University	Umeå	462	0	587	1,271	0	4,773
A 22	Akademiska Hus kontor	Stadsliden 6:6	Artedigränd 2	1977	Akademiska Hus North	Umeå	1,682	0	1,807	1,074	0	14,871
A 23	Wallenberglab	Stadsliden 6:6	Artedigränd 14	1973	Swedish University of Agricultural Sciences	Umeå	1,009	71	1,895	1,878	0	6,769
A 24	Sveriges lantbruksuniversitet	Stadsliden 6:6	Skogsmarksgränd 17	1978	Swedish University of Agricultural Sciences	Umeå	23,982	267	39,121	1,631	0	269,218
A 25	NTK Kårhus	Stadsliden 6:6	Gösta Skoglunds väg 25	2007	Umeå University	Umeå	440	0	688	1,564	0	5,547
A 26	Iksu Sportcenter	Stadsliden 6:6	Sportgränd 5	2006	Foundation Universitets-hallen	Umeå	5,307	0	6,842	1,289	0	69,456
A 27	Umeå Campus Friidrotts-arena	Stadsliden 6:6	Petrus Lestadius väg 15	2010	Umeå Municipal Authority	Umeå	393		3,149	n/a		34,812
A	Parkeringsytor och mark	Stadsliden 6:6	P-områden & vägar	—	Umeå University	Umeå	0	0	51		899,625	56,376
B 29	D-Huset	Porsön 1:405	Laboratorievägen D2	1971	Luleå University	Luleå	15,292	0	20,513	1,341	0	125,817
B 29	Centekhuset	Porsön 1:405	Tekniktorget 3	1987	Luleå University	Luleå	1,576	0	1,859	1,180	0	15,371
B 30	E-Huset	Porsön 1:405	Laboratorievägen E12	1974	Luleå University	Luleå	18,166	0	26,644	1,467	0	188,544



MAP REFERENCE	PROPERTY NAME	PROPERTY DESIGNATION	ADDRESS	YEAR OF CONSTRUCTION	PRINCIPAL CUSTOMER	LOCATION	RENTABLE FLOOR SPACE, TOTAL, M ²	VACANT	RENTAL REVENUE, INCL. SUPPLEMENTS, KSEK	AVERAGE RENT, SEK/M ²	LAND AREA, M ² /REGISTER PROPERTY	ASSESSED FAIR VALUE	
B 31	K-Huset	Porsön 1:405	Laboratorievägen 14	1976	Luleå University	Luleå	1,014	0	1,000	986	0	5,579	
B 31	F-Huset	Porsön 1:405	Laboratorievägen	1976	Luleå University	Luleå	25,689	0	31,264	1,217	0	256,262	
B 32	A-Huset	Porsön 1:405	Regnbågsallén 2	1977	Luleå University	Luleå	13,613	0	14,485	1,064	0	103,470	
B 32	Ekonomihuset	Porsön 1:405	Universitetsvägen A1	1993	Luleå University	Luleå	4,631	0	5,387	1,163	0	45,177	
B 33	B-Huset	Porsön 1:405	Regnbågsallén B8, B10	1978	Luleå University	Luleå	6,152	0	8,695	1,413	0	59,561	
B 33	Bibliotek	Porsön 1:405	Vintergatan 2	1994	Luleå University	Luleå	6,355	0	7,697	1,211	0	61,434	
B 34	C-Huset	Porsön 1:405	Universitetsvägen C 1	1975	Luleå University	Luleå	12,596	0	18,419	1,462	0	127,826	
B 39	Idrottshall	Porsön 1:405	Universitetsvägen C 11	1976	Luleå University	Luleå	2,457	0	1,805	735	0	14,710	
B	Porsön	Porsön 1:405	Laboratorievägen D2	1998	Luleå University	Luleå	0	0	502		322,072	12,848	
C 27	Västhagen	Västhagen 1	Fabrikgatan 26	1997	English School	Sundsvall	6,284	0	6,176	983	17,789	56,758	
C 28	Ågården	Åkroken 1	Holmgatan 10	1999	Mid Sweden University	Sundsvall	622	0	670	1,077	32,900	3,953	
C 28	Stenhuset	Åkroken 1	Holmgatan 10	2005	Mid Sweden University	Sundsvall	2,225	0	3,522	1,583	0	32,786	
C 28	Holmgården	Åkroken 1	Holmgatan 10	1997	Åkroken Science Park	Sundsvall	882	0	644	730	0	3,678	
C 28	Hus R	Åkroken 1	Holmgatan 10	2009	Mid Sweden University	Sundsvall	2,073	0	3,913	1,888	0	39,859	
C 28	Åkroken	Åkroken 1	Holmgatan 10	1997	Mid Sweden University	Sundsvall	16,393	0	29,423	1,795	0	218,648	
C 28	FSCC	Åkroken 1	Holmgatan 10	2001	Mid Sweden University	Sundsvall	4,220	0	8,806	2,087	0	64,068	
	Norrbyn fältstation	Norrbyn 2:122	Norrbyn	1984	Umeå University	Norrbyn	2,489	0	4,639	1,864	9,504	22,454	
	IRF	Kiruna 1:307, 1:308	Väg E10	1957	Swedish Institute of Space Physics	Kiruna	7,686	0	12,332	1,604	164,513	54,281	
	IRF mottag.station	Kiruna 1:308 m fl	Väg E10	1957	Swedish Institute of Space Physics	Kiruna	557	0	557	1,000	39,830	2,344	
	Properties under construction											69,165	
TOTAL							378,505	755	514,687	1,360	1,486,233	4,096,223	
Rent reductions and vacant space											-3,760		
Rental revenue, net											510,927		

Definitions

PROPERTY-RELATED KEY FIGURES

Gross investments

Investments during the year in fixed assets.

Letting and vacant space levels

Let or vacant floor space in relation to the total floor space. Financial letting or vacant space levels are rental revenue for space let and estimated rental revenue for vacant space in relation to the total rental revenue.

Net investments

Closing balance minus opening balance for non-current assets plus depreciation and impairments minus revaluations.

Net operating income ratio

Net operating income in relation to management income.

Yield

Operating surplus in relation to the average assessed fair value.

FINANCIAL KEY FIGURES

Equity ratio

Reported equity in relation to total assets carried forward.

Interest-bearing net loan liability

Interest-bearing loans, financial derivatives and current interest-bearing investments. Pension provisions and similar items are not included.

Interest coverage ratio

Profit before financial items, excluding changes in the value of properties in relation to net financial income and expense, excluding changes in value in financial derivatives and including period allocation of realised profits from derivatives.

Internal financing ratio

The part of the tangible, non-current assets procured during the year that could be financed using funds earned internally during the year.

Loan-to-value ratio

Interest-bearing net loan debt in relation to the closing value of investment properties.

Return on equity after standard tax

Earnings after financial items with a deduction for full tax in relation to average equity.

Total yield

Direct yield from properties and their change in value, expressed in per cent.

Yield on total capital

Operating income plus financial income in relation to average total assets.

GLOSSARY

Floor space, m², gross

The gross floor space of the building. Comprises rentable floor space as well as common areas and the area surrounding the building.

Floor space, m²

Rentable floor space in square metres.

Interest-bearing liabilities

Interest-bearing loans, including pension provisions and similar items.

Maintenance costs

Maintenance costs are all technical, administrative and managerial measures taken during the lifetime of the unit to maintain it or to reinstate it to a condition that it can perform the required function. Maintenance costs are divided into remedial maintenance and preventive maintenance.

Operating expenses

Operating expenses for measures aimed at maintaining the function of a property, installation etc. Operating expenses are divided into media provision and monitoring and service.

Property administration

Cost of management, day-to-day accounting administration, letting, contact with tenants, handling of registers, contracts and drawings, technical planning and follow-up and human resource administration.

Rental revenue

The basic rent, index-linked, and estimated rent for vacant rentable floor space and supplements, with a deduction for vacancies and rent reductions.

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INFORMATION SCHEDULE

April 26	Annual General Meeting
April 26	Interim Report, January–March 2013
July 16	Interim Report, April–June 2013
October 25	Interim Report, July–September 2013
February 2014	Year-End Report 2013
March 2014	Annual Report 2013

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