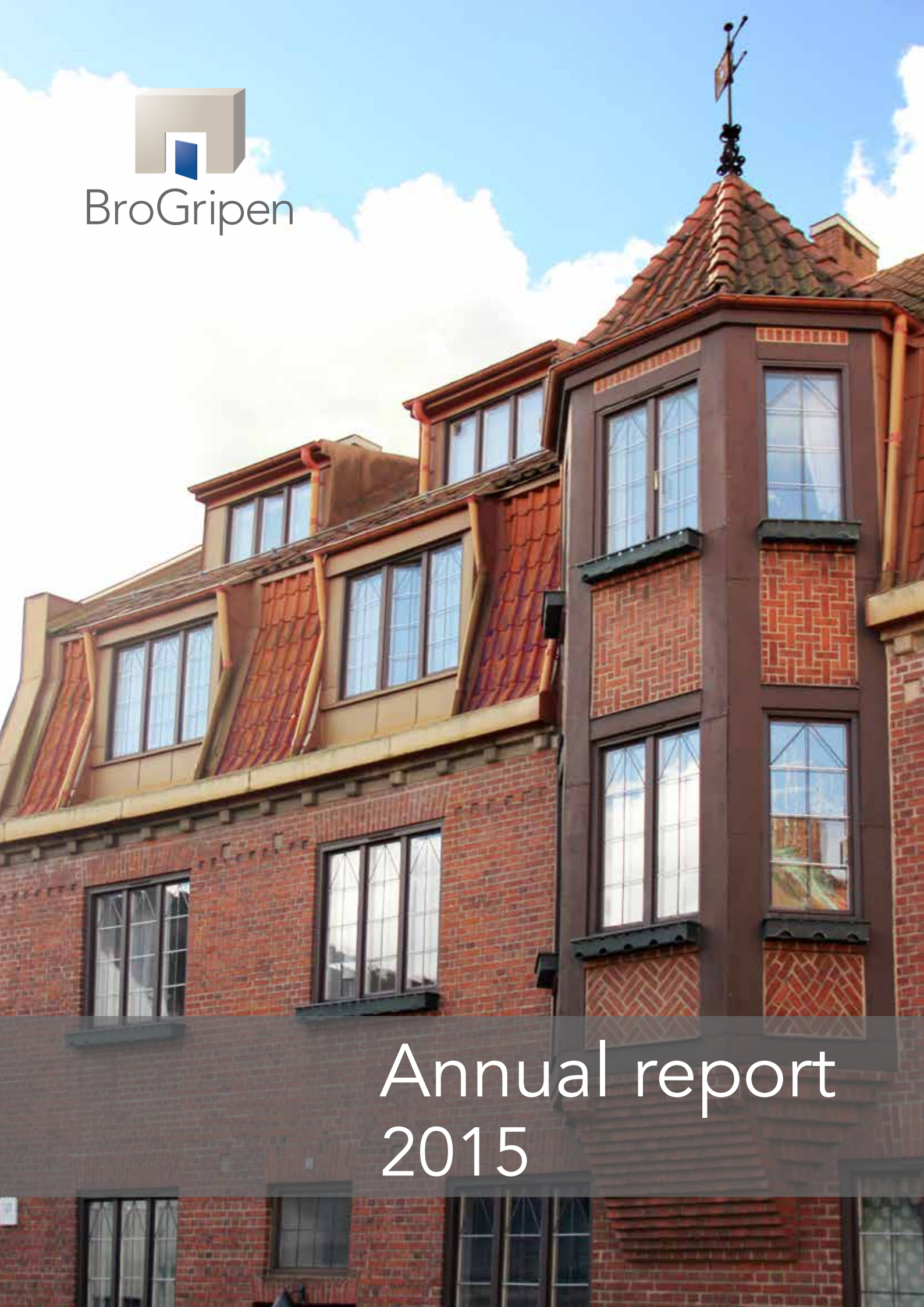




BroGripen



Annual report 2015



BroGripen AB is the parent company in a privately owned real estate group that was established in 1994. The largest subsidiaries are BroGripen Öst AB, established in 1994, and BroGripen Syd AB, established in 2003.

The Group owns and manages attractively located residential properties in Danderyd, Enköping, Helsingborg, Lidingö, Mariefred, Norrköping, Solna, Stockholm, Strängnäs, Trelleborg, Ystad and Ängelholm. The property portfolio, as of December 31, 2015, consists of 95 properties with 5,200 rental objects, of which about 3,600 are residences. The total lettable area amounted to about 257,000 square metres, of which residential flats in attractive locations accounted for over 90 percent.

Management of the properties is carried out from our offices in Helsingborg, Ystad and Stockholm. The overall business and financial management is carried out from the Group's headquarters in Stockholm.

The company's business concept is to acquire, manage and develop residential properties in attractive locations in Sweden.



Message from the CEO	5
The year in review	6
Strategic focus	7
Multi-year overview	9
Financial strategy	10
The real estate market	12
Property overview	14
The business	17
List of properties	18
Directors report	21
Income statement	24
Balance sheet	25
Cash flow statement	27
Notes	28
Auditor's report	37
Board and executive management	38
Definitions	39





Message from the CEO

Residential property is generally a safe investment as a widespread shortage of housing prevails in many investment locations, resulting in a low vacancy risk and stable rental income. Even though the residential property segment, according to the Swedish Real Estate Index (Svenskt Fastighetsindex), was "only" the second best real estate segment, just as it was last year, the annual return is considered to be very good. Office property was the segment that generated the highest total return for the year at 16.2%, followed by residential properties at 14.7%. The total yield on residential property in 2015 comprised 3.8% dividend yield and 10.5% change in value.

The real estate market

The considerable interest in real estate in recent years has meant that a lot of credits have been allocated to real estate. The opportunity for real estate companies to raise capital through IPOs, share issues, bonds and traditional bank borrowing is expected to remain very strong despite economic uncertainty and a nervous stock market climate. The historically low interest rates and the difficulty of finding competitive investment alternatives have helped to increase the attractiveness of the real estate sector in recent years. This has further reduced the yield on investments in real estate. It has been easier to achieve good yield in existing portfolios than by investing in new properties. Construction companies have been very busy working on renovations and property development today. The increased interest in real estate and the high volume of transactions in 2014 and 2015 is expected to continue even in the coming years, which guarantees rising property prices and a continued fall in yield requirements in 2016.

Acquisitions and sales

In 2015, BroGripen acquired a small property while seven properties were sold. The acquired property is located in Ängelholm and consists of eight apartments totalling 518 sqm. The properties that were sold were located in Enköping, Norrköping, Strängnäs and Sälen. The total lettable area of these properties amounted to approximately 11,500 sqm. The sales have created a more focused and less geographically dispersed residential property portfolio, which helps streamline and facilitate the organisation's management and letting activities. In the coming year, we will continue to review our properties and the locations in which we are represented in order to ascertain whether further acquisitions/divestments should be carried out to achieve the desired structure in the property portfolio.

Earnings trend

BroGripen consists of several regional companies with operations in 12 locations. Profit/loss for the year before tax for the Group amounted to SEK 139.6 million (164.9), with an operating profit amounting to SEK 139.5 million (141.3). The market value of the Group's total property holdings, according to internal valuations, is estimated at approximately SEK 3.9 billion, and this year's change in value of the total property portfolio at year-end amounted to SEK 132 million (314). The change in value of the property holdings is not included in the reported results, which represents a difference from listed real estate companies, for example, which report changes in value in the income statement. Value determined on an earnings basis today exceeds the book value by SEK 1.5 billion. The equity ratio at year-end was 5.2% (15.2%) with an adjusted equity ratio of 31.1% (34.5%). The loan-to-value ratio expressed as debt in relation to the properties overall estimated market value at year-end amounted to 54.3% (51.4%). In the balance sheet, at year-end the Group had properties with a total rental area of approximately 257,000 square metres (267,000), spread over about 5,200 (5,400) rental objects.

Future prospects/Business activity

The strong demand for residential apartments in the regions where our properties are located continues. There are no vacancies in the housing stock and demand for our apartments is expected to remain very high. The company continues to look for good investment opportunities in growth municipalities with good future prospects.

Finally, I would like to thank our talented employees, financiers and other partners for another successful year.

Per Ola Lindqvist
CEO and
Group Chief Executive





The year in review

- Profit/loss after tax was MSEK 126.4 (158.4).
- Net operating profit amounted to MSEK 139.5 (141.3).
- The dividend yield on book value was 5,6 % (6,8).
- Rental income amounted to MSEK 279.6 (265.9).
- In total, one property was acquired during the year, while seven properties were sold. The property that was acquired was located in Ängelholm and the properties that were sold were located in Enköping, Norrköping, Strängnäs and Sälén.
- At year-end, the lettable area amounted to approx. 257,000 sqm (267,000).

Key ratios for the Group

	2015	2014
Key ratios pertaining to property		
Lettable area, sqm	257,000	267,000
Rental income, MSEK	279.6	265.9
Dividend yield, %	5.6	6.8
Total book value of properties, MSEK	2,376	2,460
Book value per sqm, SEK	9,245	9,213
Total market value of properties, MSEK	3,870	3,858
Key financial ratios		
Interest coverage ratio	3.1	2.5
Debt/equity ratio	15.2	5.2
Loan-to-value, %	54.3	51.4
Equity ratio, %	5.2	15.2
Adjusted equity ratio, %	31.1	34.5
Return on equity, %	52.8	60.7
Return on capital employed, %	7.0	11.5
Cash flow, MSEK	173.7	-56.3

See definitions on page 41.



Strategic focus

Vision

BroGripen AB shall have the best current knowledge of the residential property market in the locations where we operate, and where we would like to operate in the future, in order to thereby act effectively and conduct property transactions that provide a high, long-term total yield.

Overall goals

- The company shall develop and maintain good relationships with its stakeholders.
- The company's property portfolio shall consist of no less than 90% residential property.
- The company's growth shall be achieved while maintaining or improving long-term profitability.
- The company's growth will be achieved while maintaining financial stability.
- The company shall have the best available knowledge about the local residential property markets where it operates.

Operational goals

- The company's real estate holdings will be geographically concentrated in central and southern Sweden.
- The company shall maintain a high standard of management.
- The company's property holdings shall be of a good technical standard.
- The company's identity shall be clearly communicated to its stakeholders and the public.
- The company's adjusted equity ratio shall exceed 30% in the long term.
- The interest rate risk in the company's loan portfolio shall be managed with derivatives or fixed rate loans.

Strategy

- The company shall achieve its operational and overall objectives through a clear business plan, innovation and community involvement.
- The company will ensure a good total return each year through an expansive acquisition strategy, combined with periods of consolidation.



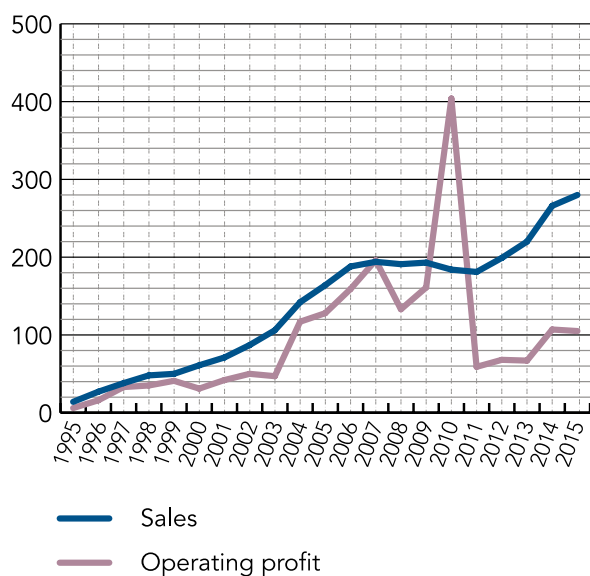
Multi-year overview

The multi-year overview of BroGripen's development is presented in summary key ratios and charts. As can be seen below, the company is very healthy and has had stable key ratios for several years.

Key ratios for BroGripen Group 2011-2015

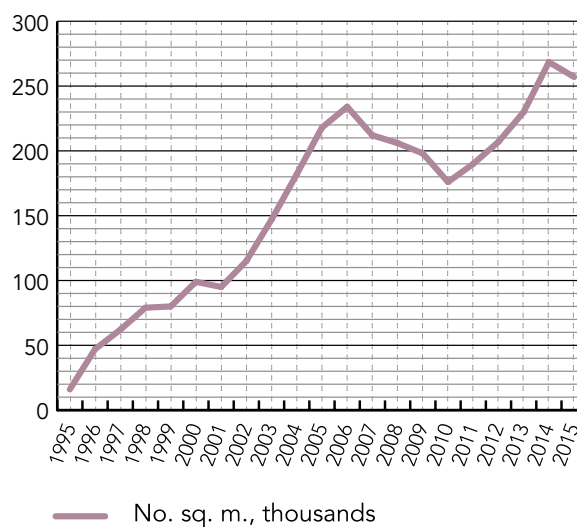
	1501-1512	1401-1412	1301-1312	1201-1212	1101-1112
Lettable area, sqm	257,000	267,000	230,100	205,100	191,900
Rental income, MSEK	280	266	220	199	181
Dividend yield, %	5.6	6.8	5.6	6.5	6.2
Total book value of properties, MSEK	2,376	2,460	1,880	1,604	1,479
Book value per sqm, SEK	9,245	9,213	8,171	7,816	7,785
Total market value of properties, MSEK	3,870	3,858	2,982	2,616	2,405
Average number of employees	18	16	14	12	12
Profit/loss after financial items, MSEK,	139.6	164.9	94.6	20.9	19.9
Balance sheet total, MSEK	2,635.5	2,513.4	2,074.7	1,791.8	1,538.3
Interest coverage ratio	3.1	2.5	1.7	1.8	1.5
Debt/equity ratio	15.2	5.2	5.2	6.1	4.8
Loan-to-value, %	54.3	51.4	53.6	53.7	48.1
Equity ratio, %	5.2	15.2	14.8	12.9	15.8
Adjusted equity ratio, %	31.1	34.5	36.8	34.9	37.6
Return on equity, %	52.8	60.7	33.2	8.8	4.7
Return on capital employed, %	7.0	11.5	7.2	4.3	3.7

Sales and profit/loss trend 1995-2015¹⁾, MSEK



1) Of which 1995-2001 concerns the BroGripen Öst AB group

Area in square metres 1995-2015²⁾



2) Of which 1995-2001 concerns the BroGripen Öst AB group

Financial strategy

The real estate sector is a capital-intensive sector where the greatest cost often is interest payments. Market rate fluctuations may have significant impact on the company's bottom line. For that reason, the goal of the company is to engage in securing the supply of capital both in the short and the long term, as well as minimising risk and ensuring that a flexible financing structure is maintained.

Loan portfolio

The company is financed by mortgaging the company assets (properties) for bank loans. The loan-to-value of the properties is currently at 54.3% of market value (as per the most recent valuation).

In 2015, SEK 188 million has been taken up in new loans in connection with property renovations and loan restructuring. There have also been amortizations in connection with property sales to the value of SEK 49 million, as well as scheduled amortizations of SEK 21 million on the overall loan portfolio. Thus the total loan stock of the group has grown to SEK 2,100 million (1,982), a net increase of SEK 118 million. The average interest rate on the loans (including derivatives) at year-end was 1.8% (2.6).

Over the year, the loan portfolio has changed as follows:

Loan stock as per January 1, 2015	MSEK	1,982
Loans taken	MSEK	188
Amortizations	MSEK	-70
Closing net debt	MSEK	2,100

The loan portfolio partly comprises loans with floating interest rates and short periods, which at the time of the loan disbursement have been 1-2 years, partly by fixed-term loans that have had periods of up to 5 years at the disbursement date. The periods of the loans are listed in the table below.

Floating	MSEK	2,013
Maturity 1-5 years	MSEK	87
Total	MSEK	2,100

Historically, the company has sought to have a portfolio primarily consisting of loans with floating interest rates and to manage the interest rate risk through various derivatives instruments. This corresponds to a fixed interest rate. The advantage is that it makes the loan portfolio more flexible and the derivatives instruments can be actively traded in order to attain the portfolio structure that is most appropriate at any given moment, based on the company's market expectations.

At year-end, approximately 61% of the portfolio was using derivatives and fixed-term loans as interest-rate hedging. This limits the impact of costs due to changes to the market rate. At year-end, the portfolio contained interest-rate swaps totalling SEK 1,200 million with interest rates ranging from 0.52 - 3.89%.

Type	Amount	Interest	Period
Swap	50,000,000	2.58 %	1608
Swap	50,000,000	2.32 %	1608
Swap	50,000,000	2.13 %	1609
Swap	100,000,000	3.89 %	1611
Swap	50,000,000	2.04 %	1611
Swap	50,000,000	1.35 %	1805
Swap	50,000,000	1.32 %	1805
Swap	50,000,000	1.92 %	1902
Swap	50,000,000	1.81 %	1903
Swap	50,000,000	1.62 %	1904
Swap	50,000,000	1.42 %	1906
Swap	50,000,000	1.14 %	1908
Swap	50,000,000	1.15 %	1908
Swap	50,000,000	0.86 %	1910
Swap	50,000,000	0.53 %	2001
Swap	50,000,000	0.52 %	2006
Swap	50,000,000	0.80 %	2006
Swap	50,000,000	1.58 %	2006
Swap	50,000,000	0.67 %	2007
Swap	50,000,000	0.53 %	2102
Swap	50,000,000	0.70 %	2202
Swap	50,000,000	0.77 %	2202
Swap	50,000,000	0.82 %	2302
Total:	1,200,000,000		

The held swaps transform the cost of floating interest rates to a fixed cost for the holder during the period of the swap, irrespective of fluctuations in the short rate.



Financial costs

The cost of capital is the group's single largest item of expenditure. In 2015, the group's financial expenses amounted to SEK -40.9 million (-53.1).

Interest coverage ratio

The interest coverage ratio is a key financial ratio that is used for measuring a company's ability to cover its financial expenses. At the end of the year, the company had an interest coverage ratio of 3.1 (2.5).

Sensitivity analysis

An increased interest rate is recorded as a basis for increased rent in rent negotiations, but there may be a slight delay. Below, you will find the impact on the profit/loss for 2015 due to changes to the interest rate, as well as percentage changes to rental rate and property costs. This analysis does not include the derivatives' effect on changing costs due to interest rate fluctuations.

Change	Impact on result	Full year, MSEK
Loan rate	+/- 1 percentage point	21.0
Rental rate	+/- 1 percent	2.8
Property cost	+/- 1 percent	1.4

The impact is assessed on a yearly basis.

Equity ratio

Equity ratio is a measurement frequently used for assessing the financial risk in a company. The operational risk in a company with residential properties is low, so a relatively low equity ratio may be accepted on the condition that there are adequate controls in place and risk management is good. There are two ways of measuring equity ratio, visible equity ratio and adjusted equity ratio. In a real estate company with considerable surplus values, not entered on the balance sheet, in relation to entered values, the most interesting aspect is the adjusted equity ratio, which takes into account the fair value of the properties.

At the end of the year, the visible equity ratio was 5.2% (15.2) and the adjusted equity ratio was 31.1% (34.5)

Excess liquidity

In case of excess liquidity, funds are placed in special deposit accounts.

Liquidity

Liquid funds at year-end amounted to SEK 207.7 million (34.0).

The real estate market

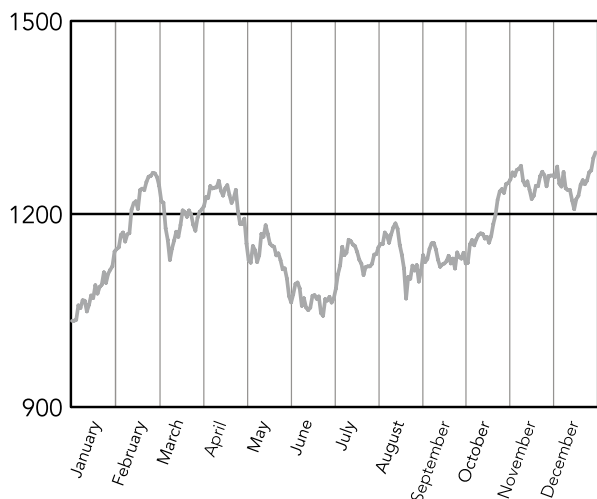
The global economy was still marked by economic (and political) uncertainty throughout the past year. Monetary policy measures have been and continue to be taken by central banks around the world, including Sweden. In spite of the extended and slow economic recovery over the past few years, the Swedish economy still managed quite well, and can be considered relatively stable in an international comparison. Properties, which are generally considered low-risk assets, continued to grow in popularity throughout the year and attracted capital in want of alternative investments. The real estate market has seen continued low vacancy and interest rates and the market rents had a weak positive trend. This has led to downward pressure on the yield requirements of properties and rising property prices.

Market trends

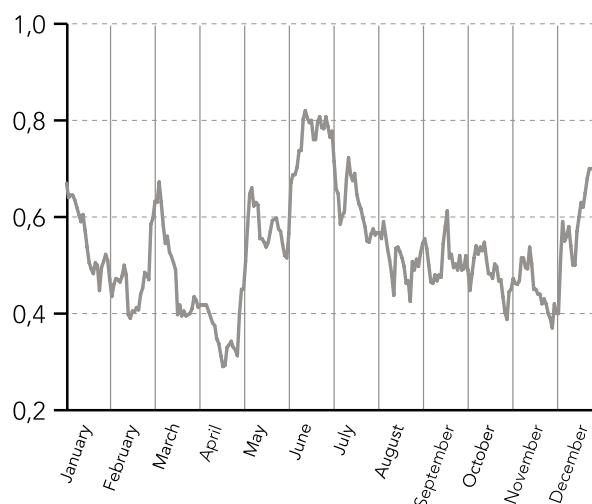
The annual Swedish GDP growth for 2015 was 4.2%, significantly higher than the historical average. But even if growth increased compared to the previous year, inflation has been slow to take off. The inflation rate for 2015, i.e. the change to CPI over the past twelve months, ended at 0.8%, which is significantly lower than the Swedish Central Bank inflation target of 2%. In their attempts to stimulate inflation, the Central Bank gradually lowered the repo rate by a total of 35 points during last year, from 0.00% at the start of the year, down to -0.35% at year-end. The Central Bank has continued their expansive monetary policy, which currently includes a negative key interest rate and considerable support purchases of government bonds. The lowering of the rate by the Central Bank has led to the cost of capital in the real estate sector falling to a historical low, while access to capital is still good. The low interest rates have also meant that the banks' interest on deposits is more or less non-existent (that is if the bank offers any interest on deposits at all). These factors, in combination

with economic uncertainty, have meant that significant capital continued to be invested in real estate, which can be considered to offer a relatively good return on investment in relation to risk, compared to the alternative return in the financial markets. The enduring low-interest environment has therefore contributed to depressed yield requirements with property prices continuing to rise. As the yield requirement falls and the interest rates remain at record lows, established real estate companies see investment in their existing properties as a more attractive option than new acquisitions. Throughout the year, real estate companies and property owners continued to invest in existing properties, as the current conditions in the real estate market make for a good opportunity to repair and develop their existing properties in preparation for the future, in terms of both management and return on investment. Transactions in the real estate market for the year amounted to approximately SEK 140 billion, which is somewhat lower than 2014 (SEK 153 billion) but is still very high from a historical perspective. Low-risk property, e.g. residential and office space in attractive

Real Estate Index 2015
Carnegie Real Estate Index (CREX) SEK



Five-year swap rate, 2015





locations constituted a large part of total transactions last year. The interest in investing in and acquiring property is considerable among both Swedish and international investors. The majority of the transactions in the real estate market last year were made by Swedish investors, such as institutions, listed real estate companies, private investors and real estate funds. International stakeholders represented around 30% of all transactions last year, which is up from around 20% on the previous year. According to IPD the Swedish Property Index, total yield for properties in 2015 was as high as 14.1%. Increased value represented 8.8% and dividend yield represented 4.9%. The highest total yield last year was the office property segment at 16.2%. Residential property came second with a total yield of 14.7%. For both office and residential properties, the increase in value represented more than 10% of total yield. Over the past three years, residential properties have had an average yield of more than 10% and over the past ten years, residential properties have generated an annual total yield of over 9%.

BroGripen investment locations

BroGripen aims to invest in locations where the housing market is strong and the prospect for population growth is good. The risk of vacancies in the properties must be low and the tenants must appreciate the location. In every location where BroGripen is active, there is a positive population trend and in combination with rent control, this ensures that demand does exceed the supply of good apartments.

BroGripen's properties are also well distributed geographically, which, in combination with the above, makes for a low risk profile in our holdings. The table below outlines the population trend and the house and apartment prices in locations where BroGripen is currently operating. In many places, the square metre price that the tenant-owners' associations are prepared to pay for properties exceeded the price that investors are prepared to pay for the same properties. This is expected to hold true for the future as well, which opens up opportunities for the creation of tenant-owners' associations and subsequent high profits.

Statistics, population trend and average prices per sqm

Municipality	Population 2015-12-31, 1)	Population trend 2015, 2)	Avg house price, SEK/sqm 3)	Avg price apartment, SEK/sqm 3)
Nationwide	9,851,017	1.06%	22,600	37,291
Danderyd	32,421	0.39%	67,886	57,531
Enköping	41,893	1.77%	21,515	19,446
Helsingborg	137,909	1.90%	24,766	17,062
Lidingö	46,302	1.84%	62,784	52,702
Norrköping	137,035	1.30%	23,723	21,009
Solna	76,158	2.86%	61,030	58,858
Stockholm	923,516	1.26%	54,455	70,571
Strängnäs	34,102	0.66%	23,242	19,248
Trelleborg	43,359	0.90%	19,927	12,042
Ystad	28,985	0.74%	20,431	14,610
Ängelholm	40,732	1.25%	19,864	15,235

Sources; 1) SCB, 2) Processed material SCB, 3) www.maklarstatistik.se (May 9 2016)

Property overview

On the balance sheet date, the group held properties with a total lettable area of around 257,000 sqm (267,000) across 95 properties. Total market value amounted to approximately SEK 3,870 million (3,858) and the total rental value was approximately SEK 280 million (266).

Investments and sales

In 2015, 1 property was acquired (4) while 7 properties were sold (0). The acquired property is located in Ängelholm in an area where we already own a number of properties. The sold properties were located in Enköping, Norrköping, Strängnäs and Sälen.

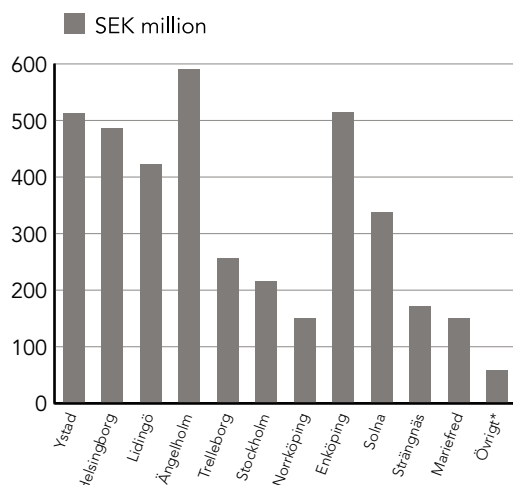
Changes to the total market value of the group, MSEK:

Opening value 2015-01-01	3,858
Acquisitions 2015	6
Sales 2015	126
Change in value for the year	132
Closing value at year-end	3,870

The change in value for the year is primarily due to lower yield requirements for both housing and premises, investments in existing properties and a higher net operating profit on the properties.

As of December 31 2015, BroGripen conducted internal market valuations of the group's property holdings. The total market value of the group amounted to SEK 3,870 million, of which the holdings in Skåne represented SEK 1,846 million and the holdings in Greater Stockholm and Central Sweden represented SEK 2,024 million. The basis for our internal valuations is the

Market value for each place of business according to the most recent evaluation on 2015-12-31, MSEK



* Bromma and Danderyd

earning capacity of the properties as well as the yield requirements of the market. The valuation was conducted using a cash-flow method with a calculation period of five years. Operating costs were based on standard assumptions, taking into account property type, geographic location, technical standard as well as building structure. For maintenance beyond normal wear and tear, the cost for periodic maintenance was included in the valuation. Each property valuation used different yield requirements depending on the geographic location of the property, as well as its operational risk. As the property holdings only include residential properties, the assessed operational risk was very low, due to the demand for housing in most regions being significantly higher than the supply.

The following average yield requirements were used in the valuation:

Stockholm city centre, residential	2.6%
Greater Stockholm except city centre, residential	3.3%
Central Sweden, residential	4.9%
Skåne, residential	4.5%

External valuations were made to assess the validity of the internal valuation. They covered 19 properties representing 26% of the internally evaluated market value. The selection of properties was based on geographic location, property type, technical standard and building structure. As the difference between the external and internal valuations was within a +/- 5% margin of error, the internal valuations were deemed correct. The external valuations were conducted by DTZ.

Excess values

In market valuations, the administrative value of the properties are estimated. However, there is an alternative market where tenant-owners' associations are the buyers and where the value of the properties can be considerably higher, depending on their location. The properties deemed possible to sell on this alternative market with high excess values include properties located in Helsingborg and Stockholm, including suburbs. The total value at those locations according to the market valuation was a little more than SEK 1,200 million, while the value for the same properties when sold to tenant-owners' associations is higher still.



Rental income and operating profit

The total rental income of the group in 2015 amounted to SEK 280 million (266), which is an increase of around 5% compared to 2014. Property costs totalled SEK 140 million (125) and net operating income came to SEK 139 million (141).

Vacancy rate

The total vacancy rate for the year was 1.2% of the total rental value. The vacancies primarily caused by evacuation vacancies in connection with renovations, and to a lesser degree some lower-quality basement premises, etc.



The business

BroGripen owns and manages properties in central Sweden and Skåne. The management of the company's properties is provided by administrative staff at our offices in Stockholm, Helsingborg and Ystad, while daily janitorial services are carried out by locally employed contractors.

Management

The management of the company's properties is provided by staff in Stockholm, Helsingborg and Ystad. Four employees work at the office in Stockholm and work with managing and letting the company's properties in central Sweden. The offices in Helsingborg and Ystad have a total of five employees who work with managing and letting the company's properties in Skåne. Janitorial services, cleaning, repairs and maintenance are provided by local contractors.

Investments

In 2015, the company acquired one property. The acquired property is located in Ängelholm. The company management were of the opinion that otherwise, the current prices were beneficial for sales, which is why seven properties were sold last year. The sold properties were located in Enköping, Norrköping, Strängnäs and Sälen.

Corporate Social Responsibility

The company is keenly interested in becoming involved in the local development of the locations where we have our

properties. For example, BroGripen supports youth basketball in Skåne and is the main sponsor of BroGripen Änglacupen in Ängelholm. We have an agreement with Äli-Basket who organises the tournament. This partnership provides young people in Skåne an opportunity to meet and play basketball. In Ystad, where we are one of the major landlords, we have chosen to continue supporting the local non-profit football club, Öja FF, who are working with large numbers of children and young adults, and to whom we are proud to be able to contribute. In Ängelholm we sponsor Rögle BK's junior ice-hockey team. BroGripen also sponsors the tennis club SALK in Stockholm. SALK is one of the oldest and largest clubs in the country with over 1,900 members. The club aims to be Sweden's best tennis club, and hopes to achieve this by training the top players of the future.

Future

In the regions where BroGripen operates, the demand for housing remains at a high level, thanks to population growth. Also noticeable are the extensive investments in things like infrastructure. For that reason, the company forecasts no housing vacancies in the future.



List of properties

as of 2015-12-31

Name of property	Address	Built/ Altered year	AREA, SQM				QUANTITY				Property rating KSEK	
			Residen- tial	Prem- ises	Total	Garage	Total	Residen- tial	Prem- ises	Garage & Parking space		Total
LIDINGÖ												
Vaktmästaren 7	Holavedsvägen 5-39	1972	18,056	435	18,491	1,802	20,293	250	9	266	525	259,778
Lidingö total:			18,056	435	18,491	1,802	20,293	250	9	266	525	259,778
SOLNA												
Haga 4:38	Olof af Acrels väg 4	1940	726	126	852	0	852	9	2	0	11	12,574
Haga 04:40	Olof af Acrels väg 6	1940	587	242	829	0	829	6	3	0	9	10,483
Haga 04:41	Olof af Acrels väg 7	1959	2,609	158	2,767	0	2,767	81	10	0	91	52,348
Nyckeln 2	Totrvägen 4 A-B	1910/1989	1,091	65	1,156	0	1,156	19	2	1	22	20,119
Bellona 6	Vasavägen 6	1956	1,914	187	2,101	0	2,101	32	3	13	48	34,432
Spettet 3	Storgatan 29	1948	1,050	140	1,190	0	1,190	18	2	12	32	15,631
Sonetten 1	Virebergsvägen 7	1955	2,017	934	2,951	0	2,951	25	5	10	40	44,951
Solna total:			9,994	1,852	11,846	0	11,846	190	27	36	253	190,538
STOCKHOLM												
Högklippan 2	Kinnekullevägen 26-30	1936/1986	881	11	892	0	892	19	2	0	21	16,627
Loket 15	Torsgatan 29	1927	1,633	143	1,776	0	1,759	24	3	0	27	37,884
Loket 29	Vulcanusgatan 13	1928	975	82	1,057	0	1,057	23	5	0	28	29,933
Roslagsbanan 6	Valhallavägen 57	1932	1,822	423	2,245	0	2,245	27	4	0	31	45,343
Stockholm total:			5,311	659	5,970	0	5,953	93	14	0	107	129,787
DANDERYD												
Lill-Kalmar 6	Kolgvägen 6 A-B	1952	364	62	426	0	426	8	3	0	11	5,437
Lill-Kalmar 7	Kolgvägen 8 A-C	1950	425	92	517	0	517	9	2	0	11	6,560
Lill-Kalmar 8	Kolgvägen 10 A-B	1950	428	23	451	0	451	8	1	0	9	5,888
Lill-Kalmar 9	Kolgvägen 12 A-B	1952	428	85	513	0	513	8	1	0	9	6,642
Danderyd total:			1,645	262	1,907	0	1,907	33	7	0	40	24,527
ENKÖPING												
Centrum 5:4	Västra Ringgatan 33, Källgatan 15	1947/1970	699	201	900	0	900	10	4	3	17	7,208
Centrum 9:2	Ågatan 16, Östra Ringgatan 36	1987	1,564	145	1,709	0	1,709	22	2	16	40	16,826
Centrum 25.2	Kyrkogatan 16	1901/1970	584	240	824	0	824	7	2	5	14	7,001
Centrum 7:2	Kungsgatan 35	1920/1985	822	309	1,131	0	1,131	7	3	0	10	7,847
Centrum 15.1	Västra Ringgatan 26	1920/1987	879	336	1,215	72	1,287	11	4	6	21	9,939
Centrum 21.2	Kryddgårdsgatan 15	1988	848	0	848	0	848	11	0	0	11	8,108
Centrum 32:7	Kryddgårdsgatan 7 A-C	1950/1980	1,147	35	1,182	0	1,182	16	3	0	19	10,381
Galgvreten 2:88	Berguvsgränd 1		0	0	0	0	0	0	0	0	0	0
Galgvreten 2:89	Berguvsgränd 1		0	0	0	0	0	0	0	0	0	0
Galgvreten 33:1	Berguvsgränd 1	1968-1970	31,845	474	32,319	0	32,319	465	3	303	771	176,048
Enköping total:			38,388	1,740	40,128	72	40,200	549	21	333	903	243,358
STRÅNGNÄS												
Fiskaren 4	Norra Strandvägen 35	1989	788	47	835	63	898	9	2	4	15	9,482
Fiskaren 5	Norra Strandvägen 33	1902/1986	827	0	827	0	827	11	0	8	19	9,281
Fanjunkaren 6	Tingstugatan 16	1929/1958	620	0	620	0	620	10	0	0	10	5,707
Bokbindaren 5	Sörgårdsgatan 20B	1917/1939	2,965	197	3,162	0	3,162	47	5	16	68	22,106
Byggmästaren 3	Hospitalsgatan 15	1988	629	270	899	0	899	7	2	0	9	7,137
Kungsträdgården 19	Trädgårdsgatan 31	1947/1982	738	60	798	0	798	9	2	10	21	8,012
Kungsträdgården 27	Brinkska Vägen 2A	1950	980	54	1,034	0	1,034	16	2	3	21	9,540
Åkern 14	Nicandergatan 11A	1966	1,771	93	1,864	0	1,864	18	7	13	38	17,000
Åkern 15	Nicandergatan 9A	1968	4,143	223	4,366	0	4,366	61	8	33	102	41,816
Strängnäs total:			13,462	944	14,405	63	14,468	188	28	87	346	130,081

Name of property	Address	Built/ Altered year	AREA, SQM				QUANTITY				Property rating KSEK	
			Residen- tial	Prem- ises	Total	Garage	Total	Residen- tial	Prem- ises	Garage & Parking space		Total
NORRKÖPING												
Stormhatten 3	Hagagatan 24	1945/1989	1,556	12	1,568	0	1,568	22	1	5	28	12,130
Lybeck 12	Styrmansgatan 4	1934/1989	1,629	193	1,822	0	1,822	21	5	0	26	15,406
Sju Kullar 3	Dalgången 16	1940/1989	658	0	658	20	678	9	0	1	10	5,437
Åkerkroken 1	Lagergrensgatan 8	1943/1986	873	62	935	0	935	12	1	6	19	7,854
Stadsgränsen 16	Trozelligatan 43	1940/1984	1,037	0	1,037	0	1,037	12	0	0	12	8,355
Rådmannen 3	Albrektsvägen 105	1945/1988	1,354	0	1,354	0	1,354	30	0	13	43	10,343
Borgmästaren 6	Albrektsvägen 113	1945/1986	1,226	255	1,481	0	1,481	16	4	12	32	10,627
Storken 7	Vinkelgatan 27	1927/1959	1,360	147	1,507	0	1,507	24	1	0	25	12,582
Kajan 9	Lötgatan 19	1938	432	12	444	0	444	6	1	0	7	3,986
Mesen 8	Ljunggatan 14	1961	567	65	632	0	632	8	1	8	17	5,502
Mesen 17	Ljunggatan 16	1961	566	65	631	0	631	8	1	6	15	5,637
Norrköping total			11,258	811	12,069	20	12,089	168	15	51	234	97,859
MARIEFRED												
Ekhovsgärdet 1	Nyponvägen 72, 74, 76, Ärnäsvägen 21A-B, 23A-C	1972-1973	2,975	15	2,990	0	2,990	45	1	0	46	22,425
Ekhovsgärdet 2	Ärnäsvägen 21C-E, 25A-B	1973-1974	3,529	15	3,544	0	3,544	53	1	78	132	26,923
Ekhovsgärdet 3	Nyponvägen 66A-C, 70A-B	1978-1979	2,487	51	2,538	0	2,538	30	5	0	35	19,506
Ekhovsgärdet 4	Nyponvägen 62A-C, 68A-B	1978-1980	2,034	9	2,043	0	2,043	24	1	0	25	15,924
Ekhovsgärdet 5	Nyponvägen 60A-C, 64A-B	1980	2,318	235	2,553	0	2,553	28	7	115	150	19,004
Skönsta 1	Skogsborgsvägen 15	1989	1,557	5	1,562	0	1,562	16	1	16	33	13,114
Mariefred total:			14,900	330	15,230	0	15,230	196	16	209	421	116,896
YSTAD												
Klintehus 1	Västerportstorg 1	1849/1989	1,564	0	1,564	0	1,564	15	0	0	15	13,880
Edvinshem 2:41	Klintehusgatan 3	1985/2001	3,322	89	3,411	0	3,411	39	10	35	84	33,800
Hvita Briggen 2	Västerleden 3-33, 45-75	1991	6,627	16	6,643	0	6,643	90	1	0	91	70,692
Christina 13	Klostergatan 5	1947/1992	1,142	67	1,209	0	1,209	22	1	25	48	11,356
Änkehuset 1	Blekegatan 27	1943/1985	2,127	0	2,127	0	2,127	37	0	9	46	20,120
Boken 3	Oskarsgatan 7	1959/1980	1,667	93	1,760	15	1,775	27	4	15	46	15,394
Carl 1	Besökaregränd 2-4,	1929/1988	1,318	799	2,117	0	2,117	17	7	0	24	16,911
Carl 4	Besökaregränd 6-8,	1986	3,892	27	3,919	0	3,919	49	2	0	51	39,200
Cedern 9	Regementsgatan 9	1929/1970	1,398	0	1,398	0	1,398	15	0	0	15	12,163
Christina 10	Klostergatan 7	1929/1988	1,065	0	1,065	0	1,065	12	0	0	12	10,327
Christina 12	Klostergatan 9, Sladdergatan 1	1948/1988	1,154	0	1,154	0	1,154	21	0	0	21	11,520
Karna 7	Långg.10-12, Stortorget 14-15, Teatergränd 1	1929/1988	5,384	1,244	6,628	0	6,628	62	13	0	75	64,402
Magnus 46	Apränd 2, St.Österg.14, Trångsund 5	1934/1975	3,711	937	4,648	0	4,648	42	19	0	61	42,521
Ystad total:			34,371	3,272	37,643	15	37,658	448	57	84	589	362,286
HELSINGBORG												
Navaren 1 & 2	Norra Stenbocksgatan 11 A-C, 9 A-C	1943, 1946	2,598	38	2,636	0	2,636	44	2	4	50	39,984
Vädermöllan Södra 3	Rosenbergsgatan 5-13	1957	3,865	451	4,316	0	4,316	57	1	11	69	49,899
Ollonborren 10	Bjäregr. 16, Sjöcronag. 7, Tranemansg. 1	1930/1960	2,323	85	2,408	0	2,408	37	5	0	42	18,365
Nyckelpigan 24	Bjäregratan 17, Tranemansg. 3-9	1930	3,774	232	4,006	0	4,006	68	7	0	75	29,111
Sysan 12	Apotekaregatan 6-14	1944/1983	2,229	334	2,563	0	2,563	33	11	20	64	18,695
Eneborg 6	Övre Eneborgsv. 22 Sjöcronaplatsen 1	1958	2,024	127	2,151	0	2,151	24	1	3	28	14,365
Sälen 3	Handelsmansg. 5-7, Malmög. 8-10, Viskg. 2	1945	8,928	380	9,308	0	9,308	175	7	52	234	69,283
Hammarén 14	Hjälmslultsgatan 5 A-B	1931/ 1986	1,226	0	1,226	0	1,226	20	0	0	20	18,600
Hammarén 21	Föreningsgatan 32	1937	945	58	1,003	0	1,003	16	4	18	38	12,904
Hammarén 26	Hjälmslultsgatan 13	1940/ 2000-03	1,030	65	1,095	0	1,095	17	1	0	18	15,512

List of properties, cont.

Name of property	Address	Built/ Altered year	AREA, SQM				QUANTITY				Property rating KSEK	
			Residential	Premises	Total	Garage	Total	Residential	Premises	Garage & Parking space		Total
HELSINGBORG, cont.												
Humlan 14	Södra Stenbocksg. 103	1939/ 1983-84	830	0	830	0	830	16	0	0	16	6,026
Humlan 17	Apotekaregatan 2, 4	1951/ 1989	1,362	0	1,362	0	1,362	22	0	8	30	11,476
Humlan 18	Södra Stenbocksg. 105	1939/ 1983-84	872	81	953	0	953	17	4	0	21	6,901
Humlan 20	Malmögatan 2	1956	0	547	547	0	547	0	1	0	1	1,704
Humlan 21	Södra Stenbocksg. 101	1939/ 1983-84	930	9	939	0	939	16	1	0	17	6,950
Helsingborg total:			32,936	2,407	35,343	0	35,343	562	45	116	723	319,775
ÄNGELHOLM												
Tegelbruket 9	Tegelbruksgatan 1,2,4	1969	11,551	773	12,324	0	12,324	156	9	117	282	77,116
Piggvaren 12	Errarpsvägen 20	1956	614	150	764	0	764	8	1	8	17	4,099
Piggvaren 13	Errarpsvägen 22	1956	503	0	503	0	503	8	0	13	21	3,165
Uven 19	Sandvångsgatan 20-22, 24	1948	3,464	77	3,541	0	3,541	54	7	0	61	24,776
Vråken 6	Bruksg. 30-38, Kristian II.s väg 15	1934	3,909	233	4,142	0	4,142	64	18	0	82	28,423
	Kristian II.s väg 15 A-B											
Vråken 6	Nytorpgatan 22	1934	3,909	233	4,142	0	4,142	64	18	0	82	28,423
	Sandvångsgatan 17, 19-21,23											
	Bruksg. 20-26											
Vråken 6	Nytorpg. 24	1934	3,909	233	4,142	0	4,142	64	18	0	82	28,423
Tofsmesen 10	Gasverksgatan 29-31	1947	2,136	113	2,249	0	2,249	34	4	21	59	14,762
Hyacinten 1	Plogvägen 4A	1965	4,139	12	4,151	0	4,151	66	0	0	66	23,483
Hyacinten 2	Eklundagatan 11A	1965	4,839	13	4,852	0	4,852	60	0	0	60	28,048
Korpen 11	Järnvägsgatan 4	1951	5,766	923	6,691	0	6,691	80	20	0	100	35,033
Tegelbruket 3	Tegelbruksgatan 6A	1962	4,135	30	4,165	0	4,165	56	0	0	56	23,756
Storken 13	Kristian II.s Väg 1A	1964	3,207	20	3,227	0	3,227	54	0	0	54	18,600
Storken 6	Vaktgatan 36	1960	518	0	518	0	518	8	0	0	8	2,739
Ängelholm total:			44,781	2,344	47,127	0	47,127	648	59	159	866	284,000
TRELLEBORG												
Hällefstrand 2	Stavstenvägen 86 A-H, . 88 A-D, 90 A-R et al.	1993	5,189	0	5,189	0	5,189	64	0	61	125	43,400
Innerstaden 4:34	Nygatan 70,72, Östergatan 23 A-R	1997	5,854	3,389	9,243	0	9,243	87	4	38	129	79,143
Kvadraten 86	Flockergatan 1	1929/1985	1,916	712	2,628	0	2,628	22	4	0	26	21,101
Trelleborg total:			12,959	4,101	17,060	0	17,060	173	8	99	280	143,644
GROUP TOTAL			238,061	18,924	256,986	1,972	258,940	3,498	305	1,440	5,286	2,299,925

Directors' report

The Board and the CEO of BroGripen AB, corporate ID 556633-2127, hereby submit the annual report for the financial year 2015-01-01–2015-12-31.

Operations

The joint objective of the group is to acquire and develop residential properties in attractive areas in greater Stockholm, central Sweden and Skåne.

Organisation

BroGripen AB, headquartered in Stockholm, is a wholly owned subsidiary of SSF International S.à.r.l. (Corporate ID B88900), headquartered in Luxembourg. BroGripen AB is the parent company of the group comprising BroGripen Fastigheter AB (556858-0921) – with subsidiaries BroGripen Öst AB (corporate ID 556500-0725) and BroGripen Syd AB (corporate ID 556640-9818) –, BroGripen Invest AB (corporate ID 556688-2972) and BroGripen S2 AB (corporate ID 556645-0283).

BroGripen Öst AB was formed in 1994 and operates in greater Stockholm and central Sweden. The company owns the subsidiaries BroGripen Ladugårdsgårde AB, BroGripen Lidingö AB, BroGripen Danderyd AB, BroGripen Norrköping AB, BroGripen Fiskaren AB, BroGripen S1 AB, BroGripen

Mariefred AB, BroGripen L2 AB, BroGripen HBKB Minoritet AB, BroGripen Solna AB, BroGripen Enköping Väst AB, BroGripen Sonetten AB and BroGripen Enköping Holding AB.

BroGripen Syd AB was formed in 2003 and operates in Skåne. The company owns the subsidiaries BroGripen Ystad Väst AB, BroGripen Förvaltning AB, BroGripen NPO AB, BroGripen Syrsan AB, BroGripen Ängelholm AB, BroGripen Ystad Centrum AB, BroGripen Trelleborg AB, Isatnaf AB, BroGripen Kärnan KB, BroGripen K86 AB, BroGripen Ängelholm Centrum AB, BroGripen Hyacinten AB, BroGripen Nekrots AB and BroGripen L3AB.

BroGripen Invest AB was formed in 2005. The company owns the subsidiaries BroGripen Aviation AB, BroGripen Aviation 1 KB and Broflyg KB.

The group's headquarters are located in central Stockholm and in the entire group, a total of 18 full-time employees worked with managing the companies and properties. Daily servicing of the properties was provided by in-house staff and local contractors.



Development of company operations, earnings and position

The group's profit before tax amounted to SEK 139.6 million (164.9) and the profit for the year was SEK 126.4 million (158.4). Net sales amounted to SEK 279.6 million (265.9) and operating costs (operation, maintenance and property tax) amounted to SEK 140.2 million (124.6). The operating profit/loss was encumbered by depreciation according to plan, amounting to SEK 22.5 million (20.3). The profit/loss from financial items was SEK 34.7 million (58.2), a loss of SEK 23.5 million, partly due to lower profit from participations in group companies by SEK 35.2 million, which to some extent was compensated by improved net interest earnings of SEK 12.2 million.

Multi-year overview	2015	2014	2013	2012	2011
KSEK					
Group					
Operating profit/loss	104,952	106,782	66,528	68,006	58,438
Profit/loss for the year	126,371	158,422	89,400	18,049	40,522
Balance sheet total	2,635,479	2,513,412	2,074,683	1,791,778	1,538,329
Parent Company					
Operating profit/loss	-16,230	-14,423	-12,197	-11,267	-11,137
Profit/loss for the year	1,301	117,908	56,503	1,184,592	25,362
Balance sheet total	1,258,162	1,270,612	1,313,151	1,404,644	111,562

The comparative figures in the multi-year overview for the financial years from 2012 and earlier have not been converted, in accordance with BFNAR 2012:1, 35:32

Property holdings

The group's property holdings at the end of the financial year comprised a total of 95 (101) properties with a lettable area of around 257,000 square metres (267). The book value of the group's properties was SEK 2,376 million (2,460) and the market value for the properties amounted to SEK 3,870 million (3,858) according to internal valuations.

In order to ensure the valuation of the properties, external valuations have been obtained from an authorised real estate appraisal firm. The external valuations include 19 properties. The selection of properties was made with the intention of having the selected objects represent different towns, locations, and technical as well as building standards. In comparing the internal and external valuations, it is clear that the internal valuations come within a normal uncertainty range of +/- 5% compared to the external valuations.

The property holdings are concentrated in locations that are deemed to have good development potential in greater Stockholm, central Sweden and Skåne. The distribution of properties is in line with the group's business objectives and comprise, in percentage shares of lettable area, the following:

Residential	92%
Premises	7%
Other	1%



Acquisitions and sales

Throughout the year, the group has acquired 1 (4) property with 8 apartments to an agreed property value of SEK 5.5 million and sold 7 (0). The acquired property is located in Ängelholm. The group has sold properties in Enköping, Norrköping, Strängnäs and Sälen with a total accounting profit of approximately SEK 76.5 million.

Maintenance and investments in existing properties

Besides regular maintenance, planned maintenance and investments have been made both in the Stockholm region and in Skåne, in order to be able to offer the housing and premises demanded by the market.

Financial position

Interest expenses amounted to approximately SEK 40.9 million (53.1) and total loans for the group, as of 2015-12-31, amounted to SEK 2,100 million (1,982). The average interest rate on the loans, including hedging instruments, at year-end was 1.8 percent (2.6) and the interest coverage ratio was 3.2 (2.4). At year-end, the group had interest-rate swaps totalling SEK 1,200 million (1,000) with interest rates ranging from 0.52 - 3.89%. Of those interest-rate swaps SEK 300 million expire in 2016, SEK 100 million in 2018, SEK 350 million in 2019, SEK 250 million in 2020, SEK 50 million in 2021, SEK 100 million in 2022 and SEK 50 million in 2023. On the balance-sheet date, the market value of those swaps was SEK -24.9 (-26.5) million.

The group has commitments to credit institutions concerning e.g. interest coverage ratio, interest-rate hedging, equity ratio and adjusted equity ratio.

The work of the Board

During the year, the Board has held eight board meetings. The work of the Board complies with a special protocol where meetings are held in connection with the presentation of important financial information from the company. In addition, a certain amount of time is set aside for acquisitions and other strategic issues. One meeting, in connection with the decision on next year's budget, is reserved for discussion and long-term planning. As a rule, one board meeting is attended by the company's auditors, reporting on the review and planning for the following year.

Risks

The risk that the company must manage, aside from what we call the business risk, is the financial risk. The business risk is the risk of the business plan for each property, and the overall holdings, falling through. It may be due to lower net operating profit than estimated, leading to lower cash flows, but could also be due to falling market value on the properties. However, the business risk

has been minimised by the very choice of investing in residential properties, and investing in a well-structured group of properties in good locations with good geographic distribution and a demand surplus in the markets where we operate, due to rent control and the appeal of each local community.

The financial risk we are subjected to is the risk of capital deficiency and the risk of our operations being impacted by substantially increasing interest expenses. We collaborate with reputable banks with which we have excellent partnerships. Therefore, as a financially strong borrower, as regards the floating rate parts of our loan portfolio, we have chosen short periods in favour of lower interest margins. This could mean that a relatively large part of the loan portfolio would have to be refinanced during a short period of time if a lender chooses to stop collaborating with us. Around 4% of the loan portfolio comprises fixed-term loans.

The company manages the interest rate risk that comes from a large share of floating rate loans in the portfolio, by using swaps for hedging. This, in combination with the low level of borrowing in the group, with loans corresponding to 54% of the market value of the properties, means that the company's exposure to interest rate risk is relatively low.

Outlook

The group's growth in earnings over the past few years has been consistently good and operations have continued with good governance. The relatively low level of borrowing of the group in combination with attractive property holdings, means that there is potential for development in the future, both in terms of earnings and in the number of properties held.

Events after the end of the financial year

In the first quarter of 2016, the group sold an additional three properties in Norrköping, with consolidated earnings of approximately SEK 22 million. In addition, the aircraft owned by BroGripen Aviation AB has been sold with a book profit of over SEK 17 million.

Appropriations of profits

At the disposal of the AGM:

accumulated profit/loss	882,730,795
profit/loss for the year	<u>1,300,860</u>
available for appropriation:	884,031,655

The Board and the CEO propose that the earnings are appropriated as follows:

Carried forward:	884,031,655
------------------	-------------

Income statement

PROFIT AND LOSS ACCOUNT		Group		Parent company	
Amounts in SEK	Note	2015	2014	2015	2014
Net sales	2	279,630,960	265,887,158	-	-
Operating costs	3	-140,178,106	-124,610,740	-	-
Gross profit/loss		139,452,854	141,276,418	-	-
Central administration etc.	4,5	-14,153,445	-14,485,898	-16,229,694	-14,423,212
Depreciation buildings	10	-22,464,674	-20,328,172	-	-
Profit/loss from property sales		2,044,743	-	-	-
Other operating income		72,180	319,407	-	-
Operating expenses and other income		-34,501,196	-34,494,663	-16,229,694	-14,423,212
Operating profit/loss		104,951,658	106,781,755	-16,229,694	-14,423,212
Profit/loss from participations in group companies	6	74,489,270	109,699,860	-	110,876,899
Interest income and similar items	7	1,030,508	1,507,797	1,697,416	2,268,954
Interest expenses and similar items	8	-40 850 142	-53 054 465	-47 934	-155 872
Profit/loss from financial items		34,669,636	58,153,192	1,649,482	112,989,981
Profit/loss after financial items		139,621,294	164,934,947	-14,580,212	98,566,769
Appropriations					
Group contribution		-	-	16,280,344	21,359,767
Profit/loss before tax		139,621,294	164,934,947	1,700,132	119,926,536
Tax	9	-13,250,783	-6,513,323	-399,272	-2,018,482
Profit/loss for the year		126,370,511	158,421,624	1,300,860	117,908,054

Balance sheet

BALANCE SHEET		Group		Parent company	
Amounts in SEK	Note	2015-12-31	2014-12-31	2015-12-31	2014-12-31
ASSETS					
Fixed assets					
Tangible fixed assets					
Land and buildings	10,11	2,376,362,505	2,459,692,853	-	-
Fixed assets under construction	12	30,771,097	1,957,772	-	-
Equipment	13	5,187,865	5,022,302	155,793	10,614
		2,412,321,467	2,466,672,927	155,793	10,614
Financial assets					
Shares in group companies	15	-	-	1,189,199,747	1,189,199,747
Other investments held as fixed assets		3,762,957	3,762,957	-	-
Long-term receivables from group companies		-	-	31,191,322	31,191,322
Deferred tax asset		-	-	8,460	407,732
Other long-term receivables		3,500,000	3,500,000	-	-
		7,262,957	7,262,957	1,220,399,529	1,220,798,801
Total fixed assets		2,419,584,424	2,473,935,884	1,220,555,322	1,220,809,415
Current assets					
Current receivables					
Accounts receivable		1,760,643	778,034	-	-
Tax asset		-	-	307,061	355,590
Receivables from group companies		-	-	-	16,588,905
Other current receivables		2,840,771	863,788	85,774	121,568
Prepaid costs and accrued income	21	3,585,876	3,864,102	566,654	419,894
		8,187,290	5,505,924	959,489	17,485,957
Cash and bank balances		207,706,844	33,970,315	36,646,767	32,316,312
Total current assets		215,894,134	39,476,239	37,606,256	49,802,269
TOTAL ASSETS	-	2,635,478,558	2,513,412,123	1,258,161,578	1,270,611,684

Balance sheet, cont.

Amounts in SEK	Note	Group		Parent company	
		2015-12-31	2014-12-31	2015-12-31	2014-12-31
EQUITY AND LIABILITIES					
Equity	16				
Restricted equity					
Share capital		3,000,000	3,000,000	3,000,000	3,000,000
Restricted reserves		7,744,582	7,769,594	20,000	20,000
Total restricted equity		10,744,582	10,769,594	3,020,000	3,020,000
Non-restricted equity					
Accumulated profit/loss		24,546	221,427,912	882,730,795	1,144,672,741
Profit/loss for the year		126,370,511	158,421,624	1,300,860	117,908,054
Total non-restricted equity		126,395,057	379,849,536	884,031,655	1,262,580,795
Total equity		137,139,639	390,619,130	887,051,655	1,265,600,795
Provisions					
Provisions	17	89,011,359	76,816,062	-	-
Total provisions		89,011,359	76,816,062	-	-
Liabilities					
Long-term liabilities					
Liabilities to credit institutions	19	87,063,535	202,109,154	-	-
Liabilities to Group companies		-	-	100,000	1,196,365
Total long-term liabilities		87,063,535	202,109,154	100,000	1,196,365
Current liabilities					
Liabilities to credit institutions	19	2,012,631,249	1,780,057,322	-	-
Accounts payable		24,737,579	21,128,560	1,374,915	754,338
Liabilities to Group companies		-	-	137,068,955	-
Tax liabilities		-	812,466	-	-
Other short-term liabilities	20	247,032,481	12,367,787	230,047,464	263,095
Accrued expenses and deferred income	21	37,862,716	29,501,642	2,518,589	2,797,091
Total short-term liabilities		2,322,264,025	1,843,867,777	371,009,923	3,814,524
Total liabilities		2,409,327,560	2,045,976,931	371,109,923	5,010,889
TOTAL EQUITY AND LIABILITIES		2,635,478,558	2,513,412,123	1,258,161,578	1,270,611,684
MEMORANDUM ITEMS					
Pledged assets	22	2,198,584,622	2,078,831,786	None	None
Contingent liabilities		None	None	None	None

Cash flow statement

CASH FLOW STATEMENT		Group		Parent company	
Amounts in SEK	Note	2015	2014	2015	2014
Operating activities					
Profit/loss after financial items		139,621,294	164,934,947	-14,580,212	98,566,769
Adjustment for items not included in cash flow	23	-53,139,648	-95,403,523	-370,090	-110,870,195
Cash flow from operating activities before changes to operating capital		86,481,646	69,531,424	-14,950,302	-12,303,426
Cash flow from changes to operating capital					
Increase (-) and decrease (+) in receivables		-2,681,366	140,779,571	33,191,598	366,180
Increase (+) and decrease (-) in liabilities		10,344,415	-63,220,813	136,249,035	-15,919,290
Cash flow from operating activities before		94,144,695	147,090,182	154,490,331	-27,856,536
Investment activities					
Investment in tangible fixed assets		-48,198,126	-567,766,779	-159,876	-
Sales of net assets/subsidiaries		94,375,415	50,691,321	-	51,192,884
Sales of tangible fixed assets		65,886,237	338,473	-	-
Cash flow from investment activities		112,063,526	-516,736,985	-159,876	51,192,884
Financing activities					
Increase (+) and decrease (-) in liabilities to credit institutions		117,528,308	393,392,322	-	-
Distributed dividend		-150,000,000	-80,000,000	-150,000,000	-80,000,000
Cash flow from investment activities		-32,471,692	313,392,322	-150,000,000	-80,000,000
Cash flow for the year		173,736,529	-56,254,481	4,330,455	-56,663,652
Cash and cash equivalents at beginning of year		33,970,315	90,224,796	32,316,312	88,979,964
Cash and cash equivalents at year-end		207,706,844	33,970,315	36,646,767	32,316,312

Notes

Note 1 Accounting principles

General

The annual report has been prepared in accordance with the Annual Accounts Act and the general advice from Swedish Accounting Standards Board BFNAR 2012:1 Annual accounts and consolidated accounts (K3).

Amended accounting principles

From January 1, 2013, the company uses the BFNAR 2012:1 Annual accounts and consolidated accounts (K3). The comparative figures in the multi-year overview for the financial year 2012 and earlier have not been converted, in accordance with BFNAR 2012:1, 35:32.

Account of income and expenditures

Rental income is allocated to periods in accordance with lease contracts. Therefore, advance rent is entered as prepaid rental income. Gross rent includes incurred expenses such as property tax and media costs.

Internal rents and expenses

Intra-group rents and expenses are charged at market rates and recorded in their entirety where they occur.

Administrative expenses

The administrative expenses are divided into property management expenses, which are part of the management profit/loss, and central expenses, which are part of operating profit/loss.

Acquisitions and sales

Acquisitions and sales of property are recorded on the date of taking possession.

Leasing and lessor

The property holdings mainly comprise residential contracts with no termination date.

Consolidated accounts

The consolidated financial statement covers the parent company and the companies over which the parent company, directly or indirectly, has a controlling influence.

The consolidated accounts have been prepared in accordance with the acquisition method, which means that transferred assets and liabilities have been valued at market rates as per the prepared acquisition analysis.

Excess values as per the prepared acquisition analysis are depreciated in accordance with the rules for each class of assets. Untaxed reserves have been divided into deferred tax liability and equity.

Substance acquisitions

For "pure substance acquisitions" of properties in companies where the initial transaction does not create any impact on the tax paid and the profit/loss recorded, no deferred tax liability is recorded concerning the difference between fiscal net values and group values.

There is no difference between the accounting principles of the parent company and those of the group.

No intra-group transactions have taken place. However, some internal rent is charged for premises, see note 2.

Tangible fixed assets

Tangible fixed assets are recorded at acquisition value, less deductions for accumulated depreciation. The acquisition value comprises purchase price, land registration cost and value-adding improvements. Reconstruction costs that constitute maintenance will encumber the financial results. The recorded value for tangible fixed assets are assessed for any impairment needs when events or changing circumstances indicate that the recorded value may not be recovered. If there are such indications and if the recorded value exceeds the expected recoverable amount, the assets are depreciated to the recoverable amount. The recoverable amount for tangible fixed assets corresponds to the highest of the net realizable value and the value in use. The net realizable value is determined through comparisons to sales of similar objects. The value in use comprises the present value of the expected future cash flows in accordance with a discounting factor before taxes, which reflects the market's current estimate of the time value and risks associated with the asset.

For assets that do not predominantly generate independent cash inflows, the recyclable amount is determined for the cash generating unit to which the asset belongs. Any impairment is recorded in the income statement. Recorded impairments are reversed when the recyclable value again exceeds the previously recorded value.

All properties of the group are classified as investment properties and comprise the land and buildings items in the balance sheet. The fair value of the properties on the balance sheet date is based on an internal evaluation. Information on this can be found in note 11.

Financial assets and liabilities

Financial assets and liabilities are recorded in accordance with chapter 11 Financial instruments valued at acquisition value in BFNAR 2012:1.

The group uses financial instruments to reduce parts of the interest rate risk. Borrowing at floating interest rates is swapped for fixed-term loans through interest-rate swaps. The financial instruments are recorded both initially and currently at their original acquisition values.

Receivables

Liabilities are recorded at the amount that is expected to be paid on a case-by-case basis.

Depreciation

Depreciation is done linearly across the expected useful life of the asset, since it reflects the expected depletion of the asset's future economic benefits. The depreciation is recorded as an expense in the income statement.

Depreciation on buildings is done based on acquisition value and by applying the component method. The depreciation period varies from 30-100 years. Machinery and equipment are depreciated by 20% of acquisition value, and land improvements by 5% of acquisition value.

Building components

Building components 100 years E.g. framework, brick facing, aluminium windows, etc.	1.00%
Building components 60 years E.g. Brick roof, electricity and plumbing stacks, etc.	1.66%
Building components 40 years E.g. Concrete tiled roof, wood facing, substation, etc.	2.50%
Building components 30 years E.g. felt roof, plaster facing, kitchen, bathroom, etc.	3.33%

Receivables and liabilities in foreign currency

There are no receivables and liabilities in foreign currency as of the balance sheet date.

Tax

The tax on the profit/loss for the year in the income statement consists of current tax and deferred tax. Current tax

is the income tax for the current financial year relating to the taxable profit for the year, as well as the part of the income tax for previous financial years that has not yet been reported. Deferred tax is the income tax on the taxable profit relating to future financial years as a result of previous transactions or events.

Deferred tax liability is recorded for all taxable temporary differences.

Deferred tax assets are recorded for deductible temporary difference and for the option of utilising fiscal loss carry-forward in the future. The evaluation

is based on how the recorded value for the corresponding asset or liability is expected to be recycled or settled respectively. The amounts are based on the tax rates and regulations that were decided before the balance sheet date and have not been through present value computation.

Deferred tax liabilities that have arisen from "pure substance acquisitions" undergo present value computation if the value of the deferred tax liability constitutes a substantial part of the transaction and there is a documented link between the purchase price and the buyer's evaluation of the deferred tax liability. A "pure substance acquisition" is an acquisition of shares in companies in which the main identifiable assets are land and buildings, and where the purchase price more or less exclusively concerns the asset, with deductions for property loans and deferred taxes.

Deferred tax receivables have at most been valued at the amount that will probably be regained, based on current and future taxable profits. The evaluation is reassessed every balance sheet date.



Notes, cont.

Amounts in SEK

Note 2, Net sales

Group	Stockholm/ Mälardalen	Stockholm/ Mälardalen	Skåne	Skåne
	2015	2014	2015	2014
Rental income residential	121,555,842	108,574,165	131,433,997	125,534,540
Rental income premises	5,012,379	6,819,217	8,246,239	8,168,108
Other rental income	10,265,623	10,475,881	2,744,478	2,505,921
Other income	231,072	1,173,404	141,330	2,635,922
Total	137,064,916	127,042,667	142,566,044	138,844,491

Intra-group rental income amounts to less than 0.5% of total rental income. No other intra-group purchases or sales exist. As the group only has residential properties in attractive locations, the vacancy rate is very low. However, there are vacancies in connection with renovations and people moving.

Note 3, Operating costs

	Group		Parent company	
	2015	2014	2015	2014
Operations	104,480,699	87,534,182	-	-
Maintenance	30,438,167	31,970,876	-	-
Property tax	5,259,240	5,105,682	-	-
Total	140,178,106	124,610,740	-	-

Note 4 Employees and personnel expenses

Staff and salaries

<i>Average number of employees</i>	Group		Parent company	
	2015	2014	2015	2014
Men	10	9	5	5
Women	8	7	3	2
	18	16	8	7

<i>Employee expenses</i>	2015	2014	2015	2014
--------------------------	------	------	------	------

Board and CEO

Salaries and remunerations	1,484,548	1,476,748	1,412,527	1,408,282
Social security expenses	487,336	463,994	463,994	442,482
Pension costs	333,241	349,800	330,000	349,800
Total	2,305,125	2,290,542	2,206,521	2,200,564

Other employees

Salaries and remunerations	10,268,637	8,271,621	4,180,606	4,915,308
Social security expenses	3,423,969	2,769,147	1,473,736	1,739,798
Pension costs	1,018,424	739,765	534,047	724,282
Total	14,711,030	11,780,533	6,188,389	7,379,388

<i>Gender breakdown of board/company management</i>	Group		Parent company	
	2015	2014	2015	2014
Men	4	4	3	3
Women	-	-	-	-

Note 5, Auditing costs

	Group		Parent company	
	2015	2014	2015	2014
Audit engagement	741,500	900,000	741,500	900,000
Total	741,500	900,000	741,500	900,000

Note 6 Profit/loss from participations in Group companies

	Group		Parent company	
	2015	2014	2015	2014
Dividend from subsidiaries	-	-	-	60,983,839
Capital gains from sale of shares	74,489,270	109,699,860	-	110,876,899
Profit/loss from participations in Group companies	74,489,270	109,699,860	-	110,876,899

Note 7 Interest income and similar items

	Group		Parent company	
	2015	2014	2015	2014
Interest income, external	1,030,508	1,507,797	120,520	692,058
Interest income, intra-group	-	-	1,576,896	1,576,896
Total	1,030,508	1,507,797	1,697,416	2,268,954

Note 8 Interest expenses and similar items

	Group		Parent company	
	2015	2014	2015	2014
Interest expenses, external	-40,850,142	-53,054,465	-2,251	-101,052
Interest expenses, intra-group	-	-	-45,683	-54,820
Total	-40,850,142	-53,054,465	-47,934	-155,872

Note 9 Tax on this year's profit

	Group		Parent company	
	2015	2014	2015	2014
Current tax	-130,841	729,166	-	-
Changes to deferred tax assets	-5,703,320	1,235,726	-	-
Deferred tax	-7,416,622	-8,478,215	-399,272	-2,018,482
Recorded tax expense	-13,250,783	-6,513,323	-399,272	-2,018,482

Reconciliation of effective tax

	Group		Parent company	
	2015	2014	2015	2014
Profit/loss before tax	139,621,294	164,934,947	1,700,132	119,926,536
Tax in accordance with current tax rates 22%	-30,716,685	-36,285,688	-374,029	-26,383,838
Tax effect from:				
Non-deductible expenses	-236,157	-209,320	-25,562	-27,945
Non-taxable income	16,387,639	24,133,969	319	24,393,301
Deductible expenses, not recorded as income	8,731,041	13,090,206	-	-
Unused deficit time, year.	5,703,320	-	407,732	2,426,214
changes to deferred tax on tax deficit	-5,703,320	1,235,726	-407,732	-2,426,214
deferred tax on temporary differences	-7,416,622	-8,478,215	-	-
Reported tax:	-13,250,783	-6,513,323	-399,272	-2,018,482

Note 10 Land and buildings

	Group	
	2015-12-31	2014-12-31
Accumulated acquisition values		
-at the beginning of the year	2,652,089,556	2,041,793,139
-new acquisitions	175,974,847	610,296,417
-sales	-263,643,507	-
-at year-end	2,564,420,896	2,652,089,556
Accumulated depreciation		
-at the beginning of the year	-192,396,703	-161,097,230
-Impairments for the year	-22,464,674	-20,328,172
-new acquisitions	-	-10,971,301
-sales	26,802,986	-
-at year-end	-188,058,391	-192,396,703
Recorded value at year-end	2,376,362,505	2,459,692,853
<i>of which accumulated appreciation and impairment building</i>		
-accumulated appreciation building	41,225,749	41,260,703
-acc. impairment and depreciation building	-11,357,166	-13,430,000
Recorded value at year-end	29,868,583	27,830,703
<i>of which accumulated values land</i>		
-accumulated acquisition values land	506,316,733	509,309,481
-accumulated appreciation land	8,297,219	9,033,992
Recorded value at year-end	514,613,952	518,343,473

Note 11, Information on fair value of investment properties

	Book value	Fair value	Book value	Fair value
	2015-12-31	2015-12-31	2014-12-31	2014-12-31
Stockholm / Central Sweden	1,246,626,593	2,023,900,000	1,330,427,409	2,293,400,000
Skåne	1,129,735,912	1,845,900,000	1,129,265,444	1,564,500,000
Investment properties	2,376,362,505	3,869,800,000	2,459,692,853	3,857,900,000

Evaluation of the property holdings was conducted by assessing the market value of each individual property. The assessment was based on an evaluation of the returns. The operating profit is based on rental income at market rates. The income has been reduced for an assessed long-term vacancy rate of 0.25% for residential properties and 5-25% for garages and premises. Deductions have been made for actual historic average operating costs and standard maintenance.

cont. Note 11, Information on fair value of investment properties

The yield requirements used at the evaluation varies between regions and districts within regions. Different property types, technical standard and building structure have also been accounted for.

The following information has been used in the evaluation:

Group	Rental income MSEK	Net operating profit MSEK	Residential dividend yield requirements %
Stockholm / Central Sweden	130	59	2.00-5.15
Skåne	142	80	4.00-5.00
Investment properties	272	139	

In order to ensure the evaluation, external evaluations have been obtained from an authorised real estate appraisal firm. The external evaluations comprise 19 properties and correspond to 25.1% of the internally assessed market value. The selection of properties was made with the intention of having the selected objects represent different towns, locations, and technical as well as building standards. In comparing the internal and external evaluations, it is clear that BoGripen's evaluations fall within a normal uncertainty range of +/- 5% compared to the external evaluations.

Note 12, New constructions in progress

	2015	2014
-at the beginning of the year	1,957,772	1,957,772
-change for the year	28,813,325	-
-at year-end	30,771,097	1,957,772

Note 13, Equipment

Acc. Acquisition values	Group		Parent company	
	2015-12-31	2014-12-31	2015-12-31	2014-12-31
-at the beginning of year	42,062,813	42,545,207	3,668,751	3,668,751
-acquisitions for the year	252,793	104,556	159,876	-
-sales and retirements for the year	-596,212	-586,950	-	-
-at year-end	41,719,394	42,062,813	3,828,627	3,668,751
Acc. impairments				
-at the beginning of year	-37,040,511	-37,324,997	-3,658,137	-3,651,433
-depreciation for the year	-87,230	-204,206	-14,697	-6,704
-sales and retirements for the year	596,212	488,692	-	-
-at year-end	-36,531,529	-37,040,511	-3,672,834	-3,658,137
Recorded value at year-end	5,187,865	5,022,302	155,793	10,614

Note 14 Financial assets

	Group		Parent company	
	2015-12-31	2014-12-31	2015-12-31	2014-12-31
-at the beginning of year	7,262,957	3,762,957	1,220,798,801	1,222,817,283
-reclassifications for the year	-	3,500,000	-	-
-acquisitions for the year	-	-	8,460	-
-impairments for the year	-	-	-	-
-utilized during the year	-	-	-407,732	-2,018,482
Recorded value at year end	7,262,957	7,262,957	1,220,399,529	1,220,798,801

Note 15 Participations in Group Companies

Company/corp. ID/headquarters	Share of %	No. of shares qty	Recorded value KSEK	Equity KSEK	Profit/loss for the year KSEK
BroGripen Fastigheter AB 556858 -0921 Stockholm	100	1,000	1,188,003	1,202,602	25,957
BoGripen Invest AB 556688-2972, Stockholm	100	100,000	100	155	55
BoGripen Invest AB 556645-0283, Stockholm	100	10,000	1,096	1,000	-
Total		111,000	1,189,200	1,203,757	26,012

BroGripen AB reports in accordance with BFNAR 2012:1. This means that the properties of the group are recorded at acquisition value, less deductions for accumulated depreciation. Therefore, there is significant excess value in the property holdings that has not impacted the equity of the property holding subsidiaries, which is why there is no need for impairment of shares in the subsidiaries.

Swedish subsidiaries owned by subsidiaries	Percentage share	Corp. ID	Headquarter	Equity KSEK	Profit/loss for the year, KSEK
BroGripen Fastigheter AB					
BroGripen Öst AB	100	556500-0725	Stockholm	259,808	111,480
BroGripen Syd AB	100	556640-9818	Stockholm	212,789	10,212
BroGripen Öst AB					
BroGripen Ladugårdsgårde AB	100	556526-4198	Stockholm	153	-1,167
BroGripen Lidingö AB	100	556481-5750	Stockholm	25,416	25,232
BroGripen Danderyd AB	100	556688-0844	Stockholm	198	98
BroGripen Norrköping AB	100	556716-7670	Stockholm	30,847	30,747

Swedish subsidiaries owned by subsidiaries	Percentage share	Corp. ID	Headquarter	Equity KSEK	Profit/loss for the year, KSEK
BroGripen Fiskaren AB	100	556736-8393	Stockholm	127	27
BroGripen S1AB	100	556595-4467	Stockholm	10,487	3,187
BroGripen Mariefred AB	100	556911-4357	Stockholm	131	-619
BroGripen L2 AB	100	556858-0897	Stockholm	2,626	2,526
BroGripen HBKB Minoritet AB	100	556876-1927	Stockholm	131	82
BroGripen Solna AB	100	556479-7636	Stockholm	551	251
BroGripen Enköping Väst AB	100	556970-0692	Stockholm	979	929
BroGripen Sonetten AB	100	556990-9640	Stockholm	498	467
BroGripen Enköping Holding AB	100	559013-9761	Stockholm	50	-
BroGripen Mariefred AB					
Fastighets AB Skogsälvan	100	556904-5882	Stockholm	50	-
BroGripen L2 AB					
BroGripen Strängnäs	100	556118-1891	Stockholm	29,919	16,110
BroGripen Lidingö AB					
Orhella AB	100	556985-5843	Stockholm	50	-
Orhella AB					
BroGripen Loket 29 AB	100	556702-6108	Stockholm	7,060	-209
BroGripen Innerstan AB	100	556540-5916	Stockholm	821	382
BroGripen Enköping Holding AB					
BroGripen 5:4 AB	100	559016-2011	Stockholm	42	-8
BroGripen 9:2 AB	100	559016-2003	Stockholm	101	51
BroGripen 7:2 AB	100	559016-2029	Stockholm	69	19
BroGripen 15:1 AB	100	559016-1971	Stockholm	71	21
BroGripen 21:2 AB	100	559016-1963	Stockholm	70	20
BroGripen 25:2 AB	100	559016-2037	Stockholm	45	-5
BroGripen 32:7 AB	100	559016-1997	Stockholm	74	24
BroGripen Norrköping AB					
Gränsstaden Fastigheter AB	100	559020-1751	Stockholm	123	73
Albrekt 105 AB	100	559020-1744	Stockholm	50	-
BroGripen Sonetten AB					
BroGripen Sonetten Förvaltning AB	100	556963-9353	Stockholm	142	93
BroGripen Roslagsbanan AB	100	556736-8419	Stockholm	126	-224
BroGripen Nyckeln AB	100	556796-8820	Stockholm	56	-45
BroGripen Högklippan AB	100	556730-7474	Stockholm	63	-37
BroGripen OA7 AB	100	556749-3910	Stockholm	266	166
BroGripen Syd AB					
BroGripen Ystad Väst AB	100	556627-1705	Stockholm	4,408	4,288
BroGripen Förvaltning AB	100	556633-0766	Stockholm	100	-
BroGripen NPO AB	100	556605-0893	Stockholm	277	157
BroGripen Syrsan AB	100	556604-9549	Stockholm	83	-5,637
BroGripen Ängelholm AB	100	556659-6267	Stockholm	2,436	1,879
BroGripen Ystad Centrum AB	100	556251-1773	Stockholm	3,055	1,742
BroGripen Trelleborg AB	100	556684-7116	Stockholm	900	800
Isatnaf AB	100	556785-8013	Stockholm	56	-44
BroGripen Kärnan KB	99,9	957200-2955	Stockholm	-	8,333
BroGripen K86 AB	100	556762-2377	Stockholm	2,175	2,075
BroGripen Ängelholm Centrum AB	100	556945-0090	Stockholm	1,905	1,855
BroGripen Hyacinten AB	100	556945-0108	Stockholm	80	-220
BroGripen Nekrots 6 AB	100	556992-1371	Stockholm	183	159
BroGripen L3 AB	100	556916-8940	Stockholm	50	-
BroGripen Förvaltning AB					
BroGripen Förvaltningsbyrå 1 AB	100	556633-1970	Stockholm	107	-
BroGripen Förvaltningsbyrå 1 AB					
BroGripen Aviation HB	1	969756-9185	Stockholm		
BroGripen Aviation 1 KB	1	967515-4459	Stockholm		
BroFlyg KB	1	969766-7674	Stockholm		
BroGripen Invest AB					
BroGripen Aviation AB	100	556769-5860	Stockholm	100	-
BroGripen Aviation 1 KB	99	967515-4459	Stockholm		
Broflyg KB	99	969766-7674	Stockholm		
BroGripen Aviation AB					
BroGripen Aviation HB	99	969756-9185	Stockholm		

Note 16, Equity

Group equity

	Share capital	Restricted reserves	Non-restricted reserves
As per adopted balance sheet	3,000,000	7,769,594	379,849,534
Dividend			-379,850,000
Adjustment		-25,012	25,012
Profit/loss for the year			126,370,511
Amount at year-end	3,000,000	7,744,582	126,395,057

Parent company equity

	Share capital	reserve fund	Non-restricted capital
Amount at beginning of the year	3,000,000	20,000	1,262,580,795
Dividend			-379,850,000
Profit/loss for the year			1,300,860
Amount at year-end	3,000,000	20,000	884,031,655

Share capital distributed across 30,000 shares.

Note 17, Provisions

Deferred tax asset/liability	Group		Parent company	
	2015-12-31	2014-12-31	2015-12-31	2014-12-31
Untaxed reserves	-223,401	-223,866	-	-
Taxed deficits	13,277,374	18,980,694	8,460	407,732
Difference between the recorded value and the fiscal net value of the properties	-102,065,332	-94,781,761	-	-
Total	-89,011,359	-76,024,934	8,460	407,732
Provision for façade restoration	-	-791,128	-	-
Total provisions	-89,011,359	-76,816,062	8,460	407,732

Overall in the group, there are unutilized deductible deficiencies amounting to SEK 62.4 (86.3) million that have been used as a basis for deferred tax assets, which have been offset against the deferred tax liability above.

Note 18, Allocation of interest-bearing and non-interest-bearing liabilities

	Group		Parent company	
	2015-12-31	2014-12-31	2015-12-31	2014-12-31
Interest-bearing liabilities, external	2,099,694,784	1,982,166,476	-	-
Interest-bearing liabilities, intra-group	-	-	100,000	1,196,365
Non-interest-bearing liabilities	309,632,776	63,810,455	371,009,923	3,814,524
Total	2,409,327,560	2,045,976,931	371,109,923	5,010,889

Note 19, Liabilities to credit institutions

	Group		Parent company	
	2015-12-31	2014-12-31	2015-12-31	2014-12-31
Maturity within 1-5 years				
From the balance sheet date	87,063,535	202,109,154	-	-
Other liabilities	2,012,631,249	1,780,057,322	-	-
Total	2,099,694,784	1,982,166,476	-	-

4.1% of group loans have fixed interest rates. The average interest rate on the loans and derivatives at year-end was 1.81 percent (2.6). At year-end, the group held interest-rate swaps totalling SEK 1,200 million (1,000) with interest rates ranging from 0.52 - 3.89%. Of those swaps, SEK 300 million expire in 2016, SEK 100 million in 2018, SEK 350 million in 2019, SEK 250 million in 2020, SEK 50 million in 2021, SEK 100 million in 2022 and SEK 50 million in 2023. On the balance-sheet date, the market value of those swaps was SEK -24.9 (-26.5) million. The group has commitments to credit institutions concerning e.g. loan-to-value, interest coverage ratio and adjusted equity ratio.

Note 20, Other short-term liabilities

	Group		Parent company	
	2015-12-31	2014-12-31	2015-12-31	2014-12-31
Undisbursed dividend	229,850,000	-	229,850,000	-
Other liabilities	17,182,481	12,367,787	197,464	263,095
Total	247,032,481	12,367,787	230,047,464	263,095

Note 21, Accruals and deferrals

	Group		Parent company	
	2015-12-31	2014-12-31	2015-12-31	2014-12-31
Pre-paid costs and accrued income				
Insurance premium	1,441,381	1,407,903	16,264	-
Pre-paid rent	368,789	253,198	207,889	-
Pre-paid programme costs	78,601	165,539	-	-
Pre-paid cable TV/Broadband	674,288	668,548	-	-
Pre-paid consultancy costs	134,147	-	-	-
Pre-paid janitorial services	300,343	-	-	-
Other pre-paid costs	432,085	819,679	342,501	419,894
Other accrued income	156,242	549,235	-	-
Total	3,585,876	3,864,102	566,654	419,894
Accrued expenses and prepaid income				
Accrued interest expenses	2,645,560	3,047,537	-	-
Pre-paid rents	19,002,605	16,200,686	-	-
Accrued holiday pay	1,628,641	1,475,462	1,057,257	891,485
Accrued social security expenses	511,016	453,928	331,487	280,105
Accrued electricity and heating	-	1,543,525	-	-
Accrued maintenance	1,259,317	1,670,766	-	-
Accrued auditing cost	690,000	895,000	690,000	891,485
Accrued consultancy cost	430,000	-	-	-
Other items	11,695,577	4,214,738	439,845	730,501
Total	37,862,716	29,501,642	2,518,589	2,797,091

Note 22, Pledged assets and contingent liabilities

	Group		Parent company	
	2015-12-31	2014-12-31	2015-12-31	2014-12-31
Pledged assets				
Property mortgaged against liabilities to credit institutions	2,198,584,622	2,078,820,786	-	-
Total securities	2,198,584,622	2,078,820,786	-	-

Note 23, Adjustments for items not included in cash flow

	Group		Parent company	
	2015-12-31	2014-12-31	2015-12-31	2014-12-31
Depreciation	22,494,024	20,478,385	-399,272	6,704
Change interest payable/receivable	-401,977	1,673,734	-	-
Capital gains	-76,534,013	-111,116,615	-	-110,876,899
Tax	-7,782,154	-6,439,027	-384,787	-
Other	9,084,472	-	-	-
Total	-53,139,648	-95,403,523	-370,090	-110,870,195

Cash and cash equivalents refer to cash and bank balances

Note 23, Off-balance sheet items.

At year-end, the group held interest-rate swaps amounting to SEK 1,200 million, with interest rates from 0.52-3.89 percent. That means that the group's loan portfolio is hedged by derivatives to a total of 57.2 percent at year-end. Around 4.1% of the loan portfolio comprise fixed-term loans.

Stockholm 2016-06-17

Joakim Cederlöf
Chairperson

Öjvind Norberg

Per Ola Lindqvist
CEO

Oskar Lundeberg

Our auditor's report was presented on 2016-06-23
Ernst & Young AB

Mikael Ikonen
Authorized public accountant.



Auditor's report

To the Annual General Meeting of BroGripen AB, corp. ID 556633-2127

Report on the annual accounts and consolidated accounts

We conducted an audit of the annual report and consolidated accounts for BroGripen AB for the financial year 2015. The Company's annual report and consolidated financial statements are included in the printed version of this document on pages 21-35.

Responsibilities of the Board of Directors and CEO for the annual accounts and consolidated accounts

The Board of Directors and the CEO are responsible for the preparation and fair presentation of these annual accounts and consolidated accounts in accordance with the Annual Accounts Act, and for such internal control as the Board of Directors and CEO 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 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 CEO 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.

Opinion

In our opinion, the annual accounts and consolidated 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 December 31, 2015 and of its financial performance and cash flows for the year in accordance with the Annual Accounts Act. The management report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the Annual General Meeting of Shareholders adopt the income statement and 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 performed an audit of the proposed appropriations of the company's profit or loss and the administration of the Board of Directors and CEO for BroGripen AB for 2015.

Responsibilities of the Boards of Directors and CEO

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 CEO are responsible for administration under the Companies 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 our audit in accordance with generally accepted auditing standards in Sweden.

As a basis for our opinion on the Board of Director's proposed appropriations of the company's profit or loss, we examined whether the proposal is in accordance with the Swedish Companies Act.

As a basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts and consolidated accounts, we examined significant decisions, actions and circumstances of the company in order to determine whether any member of the Board of Directors or the CEO is liable to the company. We also examined whether any member of the Board of Directors or the CEO 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 opinions.

Opinion

We recommend to the Annual General Meeting that the profit be dealt with according to the proposal in the management report and that the members of the Board of Directors and the CEO be discharged from liability for the financial year.

Stockholm, 23 June 2016

Ernst & Young AB

Mikael Ikonen
Authorized public accountant.

Board and executive management



Joakim Cederlöf

Chairperson

Born 1953. Director since 2001.
Attorney and partner with Calissendorff Swarting.
Law firm, Stockholm.



Öjvind Norberg

Director

Born 1951. Director since 1996.
Other board assignments: Chair of Equity Holding AB, Chair of the
Gällöfsta Utbildningscentrum foundation, Chair of POLAB, Chair of
Team-Builder AB, director of Professionell Ägarstyrning AB.



Oskar Lundeberg

Director

Born 1962. Director since 2015.
Advisor/director in several companies, e.g. Fastighetsägarna
Stockholm.



Per Ola Lindqvist

CEO and Group Chief Executive

Born 1967.

Accountant

Mikael Ikonen

Authorized public accountant.

Ernst & Young, Stockholm.

Definitions

Return on equity

Profit/loss before taxes in relation to average equity.

Return on capital employed

Profit/loss before tax, plus interest expenses, in relation to average balance sheet total.

Loan-to-value

Interest-bearing liabilities in relation to the market value of the properties.

Dividend yield

Operating profit in relation to the weighted average book value of the properties.

Adjusted equity ratio

Reported equity plus excess property value, with a 22 percent deferred tax deduction, in relation to balance sheet total, plus excess property value.

Interest coverage ratio

Profit/loss after net financial income, adjusted for profit from sale of property, depreciation and impairment/reversed impairment of property, increased with interest expenses in relation to total interest expenses.

Debt/equity ratio

Interest-bearing liabilities in relation to equity.

Equity ratio

Reported equity in relation to balance sheet total.

Lettable area

Lettable area is estimated as the total area excluding garage space and property in the process of being sold. Previously, garage space was included in the lettable area.

BroGripen AB

Street address: Linnégatan 10, Stockholm

Postal address: Box 5098, 102 42 Stockholm

Phone: +46 8-58 61 61 00

Fax: +46 8-58 61 61 19

Email: info@brogripen.se

www.brogripen.se