



KLÖVERN
YEAR-END REPORT

| 2010



Klövern Year-end Report 2010

- Net profit for the year increased to SEK 605 million (237), corresponding to SEK 3.76 per share (1.48)
- Income amounted to SEK 1,243 million (1,254)
- Profit from property management amounted to SEK 439 million (493), corresponding to SEK 2.73 per share (3.07)
- Changes in value of properties amounted to SEK 298 million (–231) and changes in value of derivatives to SEK 23 million (34)
- The Board is proposing a dividend of SEK 1.50 per share (1.25), corresponding to 55 per cent (41) of the profit from property management.

Net profit for the year

SEKm	2010	2009
Income	1,243	1,254
Costs	–562	–540
Net financial income	–242	–221
Profit from property management	439	493
Changes in value, properties	298	–231
Changes in value, derivatives	23	34
Deferred and current tax	–155	–59
Net profit for the year	605	237

Cover: **Uppsala Fyrislund 6:6** – Uppsala Business Park is becoming ever more attractive with a continuous increase in the occupancy rate. During 2010, among other tenants, Kemwell, Anticimex and Gammadata Mätteknik have moved in and Svanova Biotect is moving into its new premises in February 2011.

Statement by the CEO

Record-high net moving-in

A high level of demand for premises, high net moving-in and rising property values. And as well as this, a strong Swedish economy. That briefly sums up the world Klöver is operating in at present. Despite cold winters, Klöver is reporting its second best profit ever from property management for 2010.

Net moving in, i.e. tenants moving in less vacating tenants, was record high at the end of 2010. In the last quarter, the surplus was as much as SEK 12 million and net moving-in for the whole year totalled SEK 16 million.

Demand for premises is good. During 2010, Klöver succeeded in clinching the year's largest lease transaction in Sweden. Ericsson is going to rent an additional 36,000 sq.m. in Kista, of which the major part is newly produced. At the beginning of 2011, Klöver had, in Kista alone, 18 outstanding offers each exceeding 1,000 sq.m. There is considerable interest in the ten floors with a wonderful view, totalling 5,000 sq.m. which Klöver is going to let at Victoria Tower.

Rental income were affected by the negative index during 2010. The effect will be positive instead in 2011. The high level of demand also provides good prospects to be able to raise rental levels, in particular for new leases, but also for renegotiated leases during 2011.

Property costs have been clearly higher than previously due to high costs for ice and snow clearance as well as high costs for electricity and heating. Klöver continues the work to reduce the risk on costs as far as possible.

The property market is functioning again and market rents are rising, which are important reasons for property values increasing again. The unrealized changes in value of Klöver's property holdings amounted to SEK 272 million during the year, corresponding to a rise of just over 2 per cent. Klöver's aim of growing by at least SEK 1 billion per year was met during 2010. On 1 October, we took possession of properties for SEK 1.1 billion in Linköping, Norrköping and Örebro. The portfolio had a high level of vacancies, 26 per cent, but despite this, we have succeeded in maintaining the economic occupancy rate for the company at 89 per cent. In terms of space, vacancy is almost twice as high. We expect to be able to reduce vacancy in terms of space during 2011 after our efforts to hone the letting organisation.

Gustaf Hermelin



Klöver is a real estate company committed to working closely with customers to meet their needs of premises and services in Swedish growth regions. Klöver has business units in ten cities: Borås, Karlstad, Kista, Linköping, Norrköping, Nyköping, Täby, Uppsala, Västerås and Örebro. As at 31 December 2010, the value of properties totals SEK 13.5 billion and the rental value was SEK 1.5 billion. The Klöver share is listed on Nasdaq OMX Stockholm Mid Cap.

Income statement items refer to the period January–December and are compared with the corresponding period last year. Balance sheet items refer to the position at the end of the year and the comparative figures the most recent year-end.

Profit

Profit from property management, i.e. profit excluding changes in value and tax, amounted to SEK 439 million (493) during January–December. Profit for the year amounted to SEK 605 million (237). The profit for the year includes positive changes in the value of properties at SEK 298 million (–231) and positive changes in the value of derivatives at SEK 23 million (34). Equity increased to SEK 4,516 million (4,112) and the equity ratio was 32 per cent (33) at the end of the year.

For comparable portfolio, operating surplus amounted to SEK 709 million (747).

PROFIT FOR COMPARABLE PORTFOLIO*		
	31.12.2010	31.12.2009
Area, 000 sq.m.	1,326	1,322
Fair value, SEKm	12,069	11,468
Required yield, %	7.2	7.2
Economic occupancy rate, %	90	89
SEKm	2010	2009
	Jan–Dec	Jan–Dec
Rental income	1,173	1,171
Other income	10	23
Property costs	–474	–447
Operating surplus	709	747

* Refers to the properties owned during 2009 and 2010.

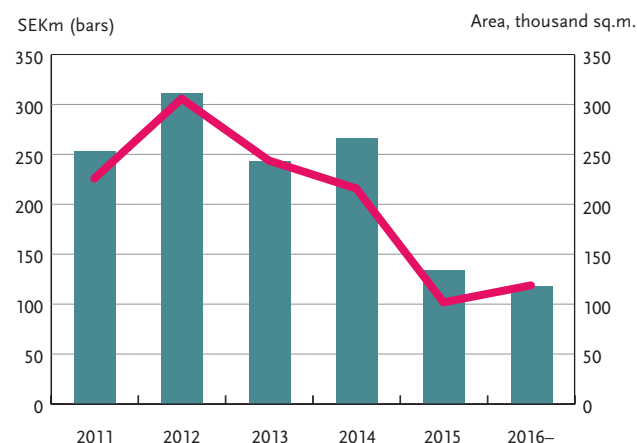
Income and occupancy rate

Income during the year amounted to SEK 1,243 million (1,254), of which rental income was SEK 1,233 million (1,231). Rental income has been negatively affected by index reduction due to a negative CPI development during 2009 and positively by the increase in the property portfolio of almost SEK 1.1 billion during the fourth quarter of the year. Other income, SEK 10 million (23), decreased due to lower income from rental guarantees and lease redemption payments.

The average remaining lease term was 2.8 years (2.9) and the economic occupancy rate was 89 per cent (89) at the end of the year, despite a high level of vacancy in the property portfolio taken possession of on 1 October. The occupancy rate in terms of area was 79 per cent (80).

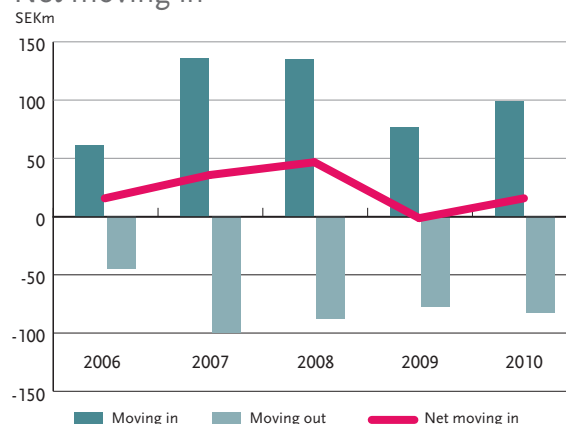
New letting affects the rental value and rental income when the tenants move in. This does not always have a full effect on the occupancy rate as the value of the previously vacant areas may be less than the rent in the new lease.

Lease contract structure



Letting work has been successful. Klöver's net moving-in during the year, i.e. tenants moving in minus moving out amounted to SEK 16 million (–1). The value of the leases for tenants moving in together with leases entered into during 2010, but still has not moved in, amounted to SEK 189 million.

Net moving in



Ekholma 7 in Borås: The property consisting of 5,150 sq.m. was vacant by the time of the acquisition 2009, but is now, due to a good letting, fully let.

Costs and operating margin

Property costs amounted to SEK -498 million (-474) during the year. The increase is mainly due to high costs due to snow and ice clearance in the winter and high energy costs during the first and last cold quarter of the year. The property costs include customer losses of SEK -3 million (-5). The operating surplus was SEK 745 million (780), which entails an operating margin of 60 per cent (62). Central administration costs amounted to SEK -64 million (66) of which SEK -5 million (-9) is attributable to costs for pursuing Klöver's tax cases.

Cash flow

The cash flow from current operations was SEK 507 million (490). Income tax paid amounts to SEK -3 million (-9). Investment operations have affected the cash flow by SEK -1,165 million (-373) net, mainly due to acquisition of properties during the last quarter of the year and investments during the year. The cash flow from financing operations has had an effect of SEK 670 million (-160). Overall, cash flow for the year totals SEK 12 million (-43).

Financing

At the end of the year, interest-bearing liabilities amounted to SEK 8,517 million (7,646). The average financial interest rate for the whole of the financial portfolio amounted to 3.6 per cent (2.7). Excluding derivatives and the cost of credit agreements and the overdraft facility, the interest rate amounted to 2.8 per cent (1.2) on 31 December.

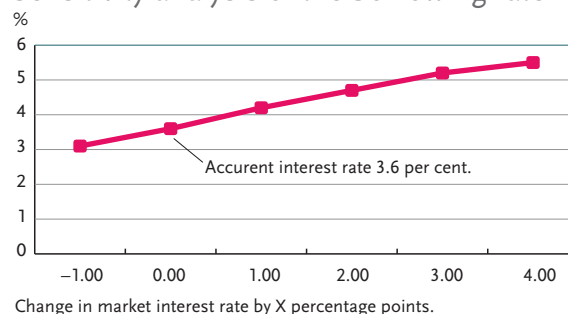
The average fixed-interest term was 2.4 years (3.2). Credit volumes with swap agreements are treated as having fixed interest. The average period of tied-up capital was 2.0 years (1.8). Not utilized credit volumes, including not utilized overdraft facilities of SEK 170 million (200), totalled SEK 1,424 million (1,128) as at 31 December.

At the end of the year, Klöver had interest rate caps of SEK 2,500 million (3,599), of which SEK 1,000 million matures during 2011 and SEK 500 million per year in 2012, 2013 and 2014. The interest rate caps have redemption rates of 4.25–4.50 per cent.

On 31 December, swap agreements totalled SEK 3,800 million, of which SEK 1.4 billion matures in 2015, SEK 1.4 billion in 2016 and SEK 1 billion in 2017.

Klöver's interest swaps and interest caps effectively limit Klöver's interest rate risk. An increase in the short market rates of one percentage point would increase Klöver's average borrowing rate by 0.6 percentage points. If the market rate increases by four percentage points, Klöver's borrowing rate would increase by just under 2 percentage points, from 3.6 per cent to 5.5 per cent.

Sensitivity analysis of the borrowing rate



Rising long market rates during 2010 have meant rising values of Klöver's derivatives. The change in value of derivatives amounted to SEK 23 million (34) during the year and the value was SEK -13 million (-31) on 31 December. The change in value does not affect the cash flow. On maturity, the value of the derivative is always zero.

FIXED INTEREST AND TIED-UP CAPITAL

Maturity year	Fixed interest		Tied-up capital		
	Loan volume, SEKm	Interest rate, %	Contract volume, SEKm	Utilized, SEKm	Not utilized, SEKm
Floating	4,648	2.9	—	—	—
2011	69	6.0	2,653	1,993	660
2012	—	0.0	3,872	3,108	764
2013	—	0.0	3,308	3,308	—
2014	—	0.0	—	—	—
2015	1,400	4.1	—	—	—
2016	1,400	4.9	—	—	—
2017	1,000	4.4	—	—	—
2018–	—	—	108	108	—
Total	8,517	3.6	9,941	8,517	1,424

Property transaction

During the year, 38 properties (5) have been acquired for a price totalling SEK 1,067 million (179) and a lettable area of 161,000 sq.m. (25,000).

During the year, Klöver has sold nine properties (4), comprising 27,000 sq.m. (14,000), where possession has also been transferred during the year. These sales were intended to achieve further concentration of the property portfolio. Sales for the year totalling SEK 368 million (162) have led to positive realized changes in value of SEK 26 million (36).

Investments and building rights

Investments at existing properties often take place in connection with new letting with the aim of customising and modernising the premises and thus increasing the rental value.

During the year, SEK 464 million (351) was invested in existing properties. A total of 149 projects (118) were in process at the end of the year for an estimated expenditure totalling SEK 1,456 million (633), of which SEK 819 million (233) remains to be invested.

Building rights at year-end were estimated to amount to 611,000 sq.m. (633,000), of which 200,000 sq.m. in Kista. The major part of the building rights consist of offices. 229,000 sq.m. (204,000) of the building rights are included in local plans. The value of the building rights totalled SEK 425 million (405).



Idéläran 1 in Linköping: The property was part of the property portfolio totalling SEK 1,055 million that Klöver took possession of October 1, 2010.

Properties and changes in value

As at 31 December 2010, Klöver's portfolio consisted of 250 properties (217). The rental value totalled SEK 1,486 million (1,385) and the fair value of the properties was SEK 13,493 million (12,032). The total lettable area amounted to 1,528,000 sq.m. (1,392,000).

During the year, the changes in value of the properties totalled SEK 298 million (–231). The changes in value include realized changes in value of SEK 26 million (36) and unrealized changes in value of SEK 272 million (–267). The unrealized changes in value do not affect the cash flow.

On average, Klöver's property portfolio has been valued, as at 31 December, with a required yield of 7.2 per cent (7.2). Despite a general downward trend on the market, the required yield remains at the same level as at the beginning of the year. Yield levels have fallen for properties in good locations with strong tenants but this has been offset by higher yield requirements on acquired properties as well as by lower yield requirements on sold properties. The unrealized changes in value have mainly arisen through positive net moving-in and increased market rent. Klöver values 100 per cent of its property each quarter. Of the valuations 20–30 per cent have been carried out by DTZ Sweden and the remainder by Klöver. Accordingly, every property in the portfolio is externally valued at least once during a rolling 12-month period. DTZ has also served as advisor when the required yields have been determined in the internal valuations. See Klöver's annual report for 2009 for a more detailed description of valuation principles.

FAIR VALUE, SEKm	2010	2009
Fair value as at 1 January	12 032	11 895
Acquisitions	1 067	179
Investments	464	351
Sales	–368	–162
Changes in value	298	–231
Fair value as at 31 December	13 493	12 032

KLÖVERN'S LARGEST PROJECTS IN PROCESS

City	Property	Project type	Lettable area property, sq.m.	Project area, sq.m.	Occupancy rate after project, %	Estimated investment, SEKm	Remaining investment, SEKm	Increase in rental value due to project, SEKm	Rental value after project*, SEKm	Expected completion, year
Kista	Isafjord 1	Office/customer center	57,512	36 000 ¹⁾	100	662	574	42	133	2012
Kista	Lidarände 1	Office/retail	19,195	3,700	100	41	19	6	27	2011
Norrköping	Kopparhamaren 7	Office/cinema	4,480	4,480	100	81	31	8	8	2011
Norrköping	Stjärnan 15 & 16	Office	12,260	4,405	83	52	3	7	14	2011
Uppsala	Fyrislund 6:6	Office/lab	57,990	2,050	66	28	6	2	99	2011
Total			151,437	50,514		864	633	65	281	

* According to external valuation.

¹⁾ Of which 27,000 sq.m. refers to a new building and 9,000 sq.m. refurbishment of an existing.

Profit and key ratios

Profit shows current operations, which include properties sold and investments made during the year. The key ratios

refer to the situation at the respective year-end, however, and the figures in the two tables are accordingly not wholly comparable.

PROFIT PER BUSINESS UNIT AND MARKET AREA										
	Income, SEKm		Costs, SEKm		Operating surplus, SEKm		Operating margin, %		Investments, SEKm	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Borås	45	45	–20	–18	25	27	56	60	6	2
Linköping	155	144	–55	–47	100	97	65	67	33	14
Norrköping	97	89	–50	–46	47	43	48	48	71	17
Nyköping	103	102	–42	–36	61	66	59	65	28	14
South	400	380	–167	–147	233	233	58	61	138	47
Karlstad	182	179	–67	–63	115	116	63	65	42	50
Västerås	129	134	–66	–60	63	74	49	55	36	46
Örebro	50	66	–20	–24	30	42	60	64	14	12
West	361	379	–153	–147	208	232	58	61	92	108
Kista	336	342	–109	–109	227	233	68	68	180	173
Täby	63	64	–26	–23	37	41	59	64	7	8
Uppsala	73	66	–43	–49	30	17	41	26	47	15
East	472	472	–178	–181	294	291	62	62	234	196
Other*	10	23	0	1	10	24	—	—	—	—
Total	1,243	1,254	–498	–474	745	780	60	62	464	351

* Income consists of rental guarantees and lease redemption payments.

Costs consist of items that are not directly attributable to normal real estate operations.

KEY RATIOS PER BUSINESS UNIT AND MARKET AREA										
	Fair value, SEKm		Required yield*, %		Area, 000 sq.m.		Rental value, SEKm		Econ. occupancy rate, %	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Borås	398	388	7.8	7.9	80	80	51	51	97	88
Linköping	2,129	1,354	7.4	7.3	287	166	258	160	87	89
Norrköping	1,143	842	7.2	7.4	162	142	132	106	87	83
Nyköping	891	889	7.8	7.9	135	133	109	111	90	94
South	4,561	3,473	7.5	7.6	664	521	550	428	88	89
Karlstad	1,577	1,525	7.3	7.4	201	203	190	191	94	93
Västerås	1,234	1,220	7.4	7.5	218	220	161	163	83	84
Örebro	428	541	7.3	7.0	58	62	51	65	95	93
West	3,239	3,286	7.4	7.3	477	485	402	419	90	90
Kista	4,414	4,199	6.5	6.6	253	252	367	372	92	94
Täby	560	536	7.4	7.6	67	68	70	68	96	94
Uppsala	719	538	8.5	8.6	67	66	97	98	78	66
East	5,693	5,273	6.9	6.9	387	386	534	538	90	89
Total	13,493	12,032	7.2	7.2	1,528	1,392	1,486	1,385	89	89

* Calculated excl. building rights totalling SEK 425 million.

The share and shareholders

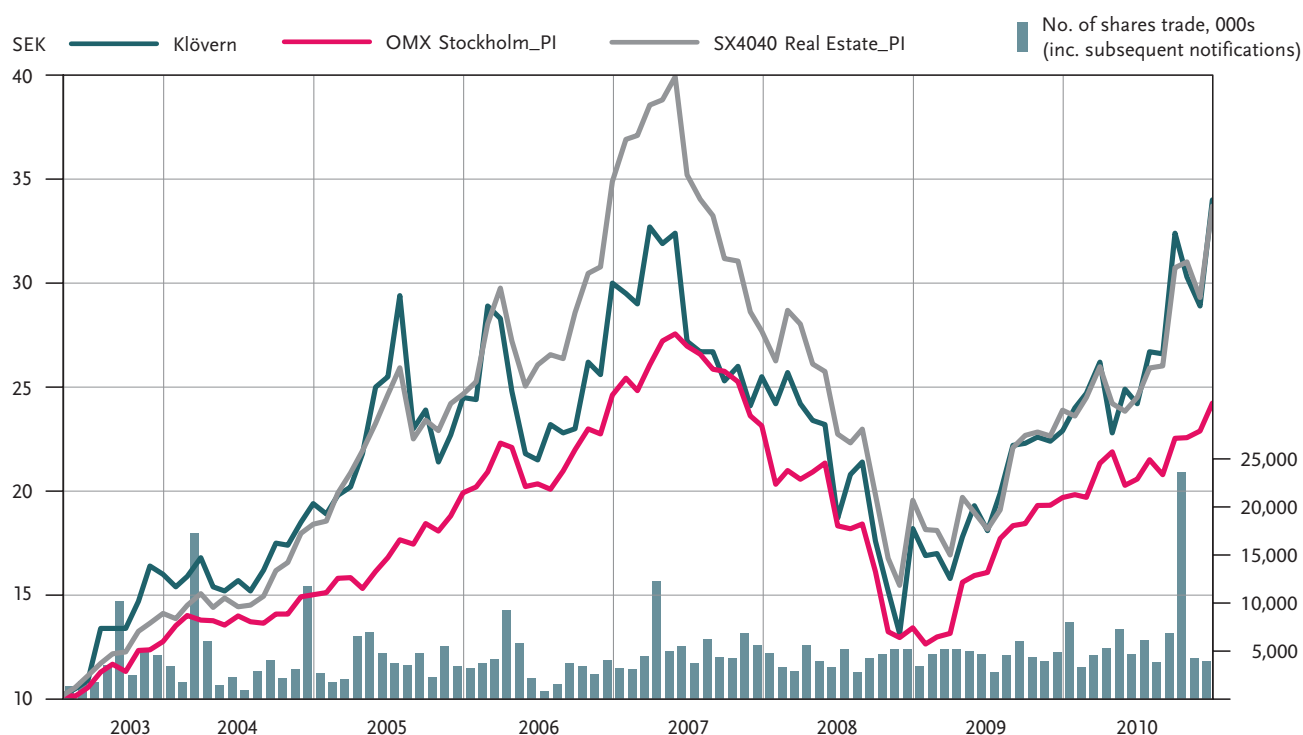
The Klöver share is listed on Nasdaq OMX Stockholm Mid Cap. On 31 December, the share price was SEK 34.00 per share (22.90), which corresponds to a total capitalization of SEK 5,467 million (3,682) based on the number of outstanding shares. The total return, i.e. change in price and the actual dividend amounted to 54 per cent (31). As at 31 December, the number of registered shares in Klöver was 166,544,326. The number of shareholders was 27,754 (29,943), of which 83 per cent (86) were Swedish.

The Board of Directors of Klöver has been authorized since 2007 to repurchase Klöver shares up to a maximum of 10 per cent of the total number of registered shares. Klöver has repurchased 5,741,463 shares, corresponding to 3.4 per cent of the total number of registered shares. These shares were acquired at an average price of SEK 22.15 per share. No new repurchases have taken place during the year.

SHAREHOLDERS			
Shareholders as at 31 December 2010	No. of shares, thousands	Share of votes and equity, %	Change 2010, % points
Corem Property Group	29,986	18.7	6.2
Arvid Svensson Invest	24,159	15.0	4.4
Investment AB Öresund	12,149	7.5	-2.1
Brinova Inter	6,856	4.2	-0.1
Länsförsäkringar funds*	5,705	3.6	0.3
Swedbank Robur funds*	5,142	3.2	0.1
Länsförsäkringar Södermanland	4,345	2.7	0.2
HQ funds*	4,295	2.7	0.0
JP Morgan Chase	2,377	1.5	1.5
ABN Amro	2,244	1.4	1.3
Total largest shareholders	97,258	60.5	11.8
Other shareholders	63,545	39.5	-11.8
Total outstanding shares	160,803	100.0	0.0
Repurchased own shares	5,741		
Total registered shares	166,544		

* Owner group.

The Klöver share



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The tax situation

Outcome of tax cases

In August 2010, the Administrative Court of Appeal pronounced a judgment granting Klöver AB a loss carry-forward of SEK 108 million for conversion of claims to shareholders' contribution.

In February 2010, the Administrative Court of Appeal decided in favour of Klöver AB in the matter of a tax surcharge of SEK 493 million. According to the Administrative Court of Appeal, and also previously the Administrative Court, a tax surcharge cannot be imposed as Klöver AB had withdrawn its request for an additional deduction at the time the surcharge was imposed. The Tax Agency appealed the case to the Supreme Administrative Court, which has notified leave to appeal. If Klöver AB, contrary to expectation, were to lose, the issue of whether Klöver AB has submitted incorrect information will be taken up again at the Administrative Court.

At the end of 2003, Klöver AB requested that tax assessment for 2003 should be reconsidered with a view to having considered whether Klöver AB was entitled to an additional tax loss carryforward of SEK 4,933 million. In the spring of 2006, Klöver AB withdrew its request for reconsideration and submitted a new request for a loss carryforward in 2006. The renewed request was rejected by the Administrative Court in February 2009 and by the Administrative Court of Appeal in August 2010. Klöver AB has requested leave to appeal to the Supreme Administrative Court.

Tax for the year

Deferred tax of SEK -41 million has been charged to profit of current real estate operations. Furthermore, among other things, the change in the difference between fair value and residual value of properties and derivatives for tax purposes has entailed deferred tax of SEK -138 million. In addition, the deferred tax cost has decreased by SEK 28 million due to the loss carryforward granted by the Administrative Court of Appeal. In total, profit for the year includes a cost for deferred tax at SEK -151 million (-50) and current tax of SEK -4 million (-9).

Current tax refers to tax in acquired companies during 2010 and tax charged by the Tax Agency and tax surcharge for the 2008 year of assessment in accordance with the reconsideration decision in April 2010.

Organisation and personnel

Klöver AB's business model entails closeness to the customer by having our own staff at all business units. All employees work in accordance with the motto "making the customer's day easier every day". During 2010, the ten business units have been reorganized into three geographic market areas. The main objective is to share the highly qualified resources, particularly in projects and letting. The market areas are South (Borås, Linköping, Norrköping and Nyköping), West (Karlstad, Västerås and Örebro) and East (Kista, Täby and Uppsala).

At the end of the period, the number of employees in Klöver AB was 126 (123). The average age was 44 years (44) and the proportion of women was 43 per cent (39).

Significant risks and uncertainty factors

Klöver AB's significant risks and uncertainty factors are described on pages 26–29 of the 2009 annual report. No significant risks have arisen subsequently.

Accounting policies

This interim report for the Group has been prepared in accordance with the Annual Accounts Act and IAS 34 Interim Financial Reporting and, in the case of the parent company, the Annual Accounts Act. The accounting policies applied in this interim report are those described in Klöver AB's annual report for 2009, note 1.

Events after the end of the year

In January 2011, the property Niten 6 in Borås was acquired. The area was 4,000 sq.m. and the price SEK 22 million. On 1 February 2011, Klöver AB transferred possession of the properties Glasfatet 4 and Pagoden 2 in Linköping for a purchase price totalling SEK 23 million. After the end of the year, Klöver AB has renegotiated credit agreements of SEK 400 million.

Dividend

The Board is recommending a dividend of SEK 1.50 per share (1.25) for the 2010 financial year, corresponding to a total of SEK 241 million (201). This proposal means that 55 per cent (41) of the profit from property management will be distributed to the owners.

It is proposed that the record date for dividend be 21 April and payment date 28 April 2011.

Annual General Meeting and Annual Report

The 2011 Annual General Meeting will take place at Kistamässan in Kista Stockholm on 18 April 2011, at 4 pm.

Notice of the Annual General Meeting and prerequisites for notifying attendance will be advertised in Svenska Dagbladet and the Swedish Official Gazette, Post & Inrikes Tidningar and be published on Klöver AB's website, klovern.se. Shareholders wishing to make proposals to the Nominations Committee may do so by e-mail to styrelsenominering@klovern.se.

The Annual Report for 2010, in Swedish, will be available on Klöver AB's website, klovern.se, from week 10, 2011.

Nyköping, 17 February 2011

Klöver AB (publ)

The Board of Directors

Consolidated Statement of Income

SEKm	2010 3 months Oct–Dec	2009 3 months Oct–Dec	2010 12 months Jan–Dec	2009 12 months Jan–Dec
Rental income	331	310	1,233	1,231
Other income ¹⁾	5	5	10	23
Total income	336	315	1,243	1,254
Property costs	–143	–139	–498	–474
Operating surplus	193	176	745	780
Central administration	–16	–20	–64	–66
Net financial items	–75	–52	–242	–221
Profit from property management	102	104	439	493
Changes in value, properties	76	2	298	–231
Changes in value, derivatives	143	–16	23	34
Profit before tax	321	90	760	296
Current tax	–1	0	–4	–9
Deferred tax	–59	–32	–151	–50
Net profit for the period	261	58	605	237
Other comprehensive income	—	—	—	—
Comprehensive income for the period	261	58	605	237
Earnings per share, SEK	1.62	0.36	3.76	1.48
No. of shares outstanding at the end of the period, million	161	161	161	161
Average no. of outstanding shares, million	161	161	161	161

There are no outstanding warrants or convertibles.

¹⁾ Income from rental guarantees and payments from redemption tenants

Consolidated Balance Sheet

SEKm	31.12.2010	31.12.2009
Assets		
Investment properties	13,493	12,032
Machinery and equipment	9	10
Deferred tax assets	405	418
Accounts receivables	129	83
Liquid funds	36	24
Total assets	14,072	12,567
Shareholder's equity and liabilities		
Shareholder's equity	4,516	4,112
Deferred tax liability	508	370
Interest-bearing liabilities	8,517	7,646
Derivatives	13	31
Accounts payable	157	104
Other liabilities	53	15
Accrued expenses and prepaid income	308	289
Total shareholder's equity and liabilities	14,072	12,567

Change in Consolidated Shareholders' Equity

SEKm	
Shareholders' equity 01.01.2009	4,035
Dividend	-161
Net profit for the year	237
Shareholders' equity 31.12.2009	4,112
Dividend	-201
Net profit for the year	605
Shareholders' equity 31.12.2010	4,516

Consolidated Statement of Cash Flow

SEKm	2010 3 months Oct-Dec	2009 3 months Oct-Dec	2010 12 months Jan-Dec	2009 12 months Jan-Dec
Current operations				
Profit from property management	102	104	439	493
Adjustment for items not included in the cash flow	2	2	8	10
Income tax paid	—	—	-3	-9
Cash flow from current operations before change in working capital	104	106	444	494
Change in operating receivables	-34	-12	-46	34
Change in operating liabilities	139	52	109	-38
Total change in working capital	105	40	63	-4
Cash flow from current operations	209	146	507	490
Investment operations				
Divestment of properties	32	6	368	162
Acquisition of and investment in properties	-1,298	-126	-1,531	-530
Acquisition of machinery and equipment	-1	1	-2	-1
Investment in financial assets	—	—	—	-4
Cash flow from investment operations	-1,267	-119	-1,165	-373
Financing operations				
Change in interest-bearing liabilities	980	-81	871	1
Dividend	—	—	-201	-161
Cash flow from financing operations	980	-81	670	-160
Cash flow for the period	-78	-54	12	-43
Liquid funds at the beginning of the period	114	78	24	67
Liquid funds at the end of the period	36	24	36	24

Parent Company Statement of Income

SEKm	2010 3 months Oct–Dec	2009 3 months Oct–Dec	2010 12 months Jan–Dec	2009 12 months Jan–Dec
Net sales	29	26	103	98
Cost of services sold	–24	–20	–79	–72
Gross profit	5	6	24	26
Central administration	–15	–21	–64	–66
Operating profit	–10	–15	–40	–40
Profit from other securities	–9	—	17	—
Interest income	0	0	0	0
Interest costs/expense	–1	0	–2	–2
Profit after financial items	–20	–15	–25	–42
Current tax	—	—	—	–9
Tax attributable to group contributions	41	30	41	29
Deferred tax	7	39	–13	11
Net profit for the period	28	54	3	–11
Other comprehensive income	—	—	—	—
Comprehensive income of the period	28	54	3	–11

Parent Company Balance Sheet

SEKm	31.12.2010	31.12.2009
Assets		
Machinery and equipment	2	2
Participation in group companies	320	320
Receivables from group companies	3,417	3,297
Deferred tax assets	405	418
Accounts receivables	6	10
Liquid funds	54	8
Total assets	4,204	4,055
Shareholders' equity and liabilities		
Shareholders' equity	2,914	2,996
Liabilities to group companies	1,259	1,031
Accounts payable	6	9
Other liabilities	8	7
Accrued expenses and prepaid income	17	12
Total shareholders' equity and liabilities	4,204	4,055

Key ratios

	31.12.2010 3 months Oct–Dec	31.12.2009 3 months Oct–Dec	2010 12 months Jan–Dec	2009 12 months Jan–Dec	2008	2007	2006
Property-related							
No. of properties	250	217	250	217	217	220	205
Lettable area, 000 sq.m.	1,528	1,392	1,528	1,392	1,382	1,394	1,436
Rental value, SEKm	1,486	1,385	1,486	1,385	1,360	1,309	1,276
Fair value properties, SEKm	13,493	12,032	13,493	12,032	11,895	12,154	10,701
Direct yield requirement valuation, %	7.2	7.2	7.2	7.2	7.1	6.6	6.9
Operating margin, %	57	56	60	62	62	63	60
Occupancy rate economic, %	89	89	89	89	90	88	84
Occupancy rate area, %	79	80	79	80	82	80	78
Average lease term, years	2.8	3.0	2.8	3.0	3.1	2.9	2.6
Financial related							
Return on equity, %	5.9	1.4	14.0	5.8	–10.7	28.1	20.6
Equity ratio, %	32.1	32.7	32.1	32.7	32.3	37.4	33.7
Leverage, %	63	64	63	64	64	58	64
Interest coverage ratio, multiples	2.4	3.0	2.8	3.2	2.0	2.2	2.6
Average interest, %	3.6	2.7	3.6	2.7	4.2	4.6	4.1
Average fixed-interest period, years	2.4	3.2	2.4	3.2	1.1	1.4	1.8
Average period of tied-up capital, years	2.0	1.8	2.0	1.8	2.6	3.7	4.3
Interest-bearing liabilities, SEKm	8,517	7,646	8,517	7,646	7,645	7,007	6,878
Share-related							
Profit from property management per share, SEK	0.63	0.65	2.73	3.07	2.17	2.32	2.25
Equity per share, SEK	28.1	25.6	28.1	25.6	25.1	29.4	23.2
Share price at end of period, SEK	34.0	22.9	34.0	22.9	18.2	25.5	30.0
Market capitalization, outstanding shares, SEKm	5,467	3,682	5,467	3,682	2,929	4,227	4,996
No. of registered shares at end of period, million	166.5	166.5	166.5	166.5	166.5	166.5	166.5
No. of outstanding shares at end of period, million	160.8	160.8	160.8	160.8	160.8	165.8	166.5
Dividend, SEK	—	—	1.50*	1.25	1.00	1.50	1.25

* Proposed dividend.

Review report

To the Board of Directors of Klöver AB (publ)
Reg.no. 556482-5833

Introduction

We have reviewed the interim report for Klöver AB (publ) as at 31 December 2010 and the twelve-month period that ended on that date. The Board of Directors and the CEO are responsible for preparing and presenting this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express an opinion on this interim report based on our review.

The direction and scope of the review

We have performed this review in accordance with the Standard for review (SÖG) 2410 *Review of financial interim report information performed by the auditor appointed by the company*. A review consists of making enquiries in the first place to persons who are responsible for financial issues and accounting matters, performing an analytical review and undertaking other general review measures. A review has a different focus and a

considerably reduced scope compared with the focus and scope of an audit in accordance with Auditing Standards in Sweden RS [in Swedish] and generally accepted auditing standards otherwise. The review measures undertaken do not make it possible for us to acquire such certainty as to be aware of all important circumstances that could have been identified in the performance of an audit. The conclusion stated is based on a general review and does not therefore have the same degree of certainty as a statement based on an audit.

Conclusion

On the basis of our general review, no circumstances have emerged which would lead us to consider that the interim report is not, in all substantials, prepared in accordance with IAS 34 and the Annual Accounts Act for the group and, in the case of the parent company, with the Annual Accounts Act.

Stockholm, 17 February 2011

Ernst & Young AB
Mikael Ikonen
Authorized public accountant

Definitions

Property-related

Lease value

Rent for premises, index and rent supplement according to lease.

Net moving-in

Lease value of tenants moving in less lease value of vacating tenants.

Occupancy rate, area

Lease area in relation to total rentable area at the end of the period.

Occupancy rate, economic

Lease area in relation to total rentable area at the end of the period.

Operating margin

Operating surplus as a percentage of total income.

Operating surplus

Total income less rent losses, operating and maintenance costs, site leasehold charges and property tax.

Other income

Income from rental guarantees and redemption of leases

Profit from property management

Profit before changes in value and tax.

Realized changes in value, properties

Property sales during the period after deduction of the properties' most recent reported fair value and selling expenses.

Rental value

Lease value plus assessed market value for space not rented at end of period.

Unrealized change in value, properties

Change in fair value of the property portfolio after deduction of investments made at the end of the period.

Yield requirement, valuation

The required yield of property valuations on the residual value.

Finance-related

Equity ratio

Reported equity in relation to reported total assets at the end of the period.

Interest coverage ratio

Profit from property management plus financial costs in relation to financial costs.

Leverage

Interest-bearing liabilities relating to properties in relation to the value of the properties at the end of the period.

Return on equity

Profit for the period in relation to average equity.

Share-related

Earnings per share

Profit for the period in relation to average number of outstanding shares.

Equity per share

Reported equity in relation to the number of outstanding shares at the end of the period.

Profit from property management per share

Profit from property management in relation to the average number of outstanding shares.

The information in this year-end report is such that Klöver AB (publ) may be obliged to publish under the Securities Market Act and/or the Financial Instruments Trading Act. The information was made available for publication on 17 February 2011.

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Kalendarium

Annual report for 2010	Week 10 2011
Interim report Jan–Mar 2011	18 April 2011
Annual General Meeting 2011	18 April 2011
Interim report Jan–Jun 2011	7 July 2011
Interim report Jan–Sep 2011	20 October 2011
Year-end report 2011	15 February 2012

KLÖVERN

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