

- » Income increased by 14 per cent to SEK 2,738 million (2,397).
- » The operating surplus increased by 15 per cent to SEK 1,894 million (1,646).
- » Profit from property management increased by 10 per cent to SEK 1,149 million (1,047).
- » Profit before tax amounted to SEK 2,140 million (1,888) and net profit, attributable to the parent company's shareholders, totalled SEK 1,688 million (1,779), corresponding to SEK 1.75 (1.78) per ordinary share.
- » Changes in value of properties totalled SEK 1,097 million (817).
- » Project development, including development of building rights, contributed to increases in value of properties of SEK 241 million (209).
- » After taking possession of 3 properties for SEK 959 million, transfer of possession of 34 properties for SEK 1,867 million and investments of SEK 958 million, the value of the property portfolio amounted to SEK 54,153 million.
- » The interest coverage ratio amounted to 2.7 (2.9) and the adjusted equity ratio to 39.6 per cent.
- » EPRA NAV amounted to SEK 18.43.

”

The business is developing positively with continued high net moving-in and strong improvement in a comparable property portfolio.

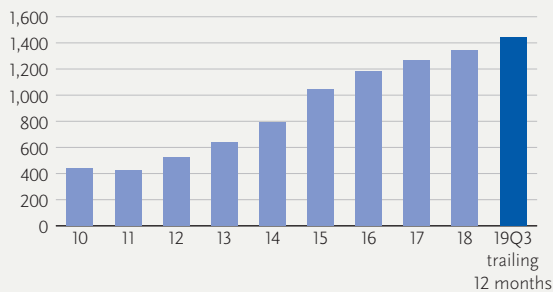
Rutger Arnhult, CEO

THIS IS KLÖVERN

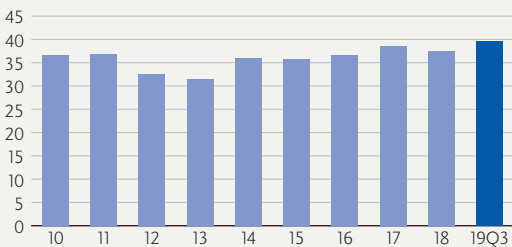
KLÖVERN IS A LISTED REAL ESTATE COMPANY which, with closeness and commitment, offers attractive premises and actively contributes to urban development in growth regions.

The company's vision is to create attractive and sustainable environments for future enterprise, individuals and society.

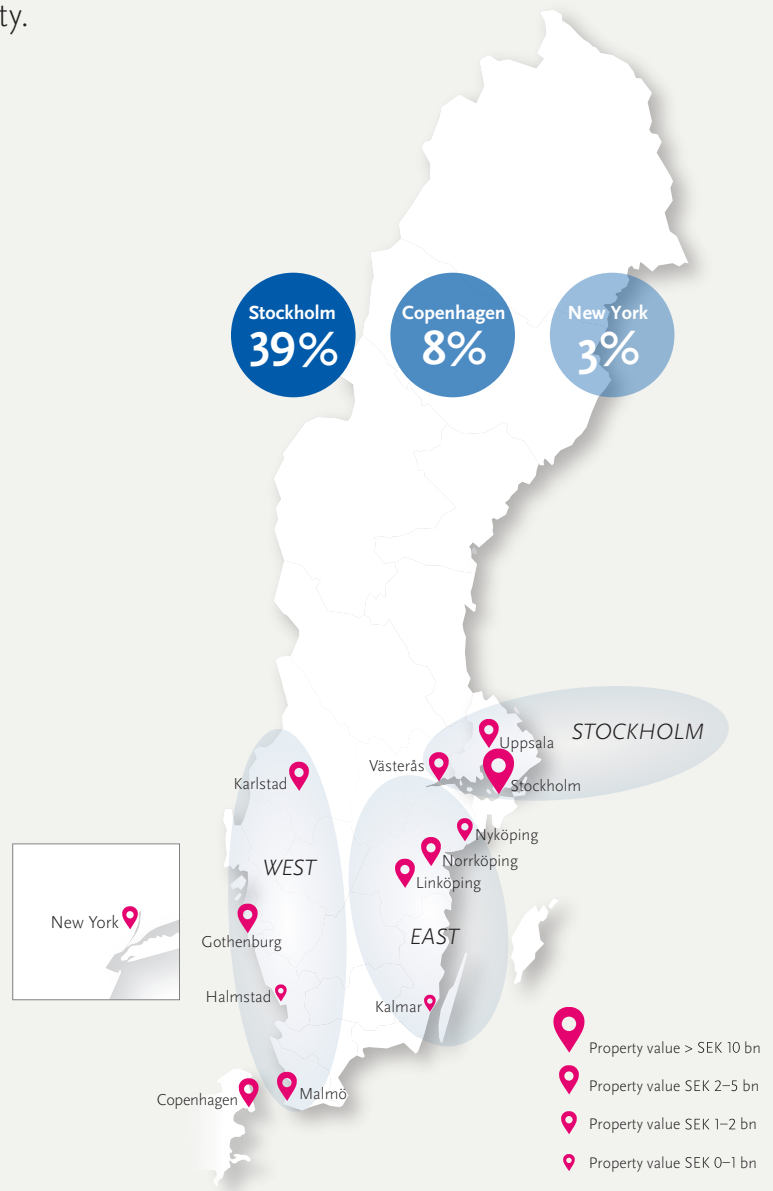
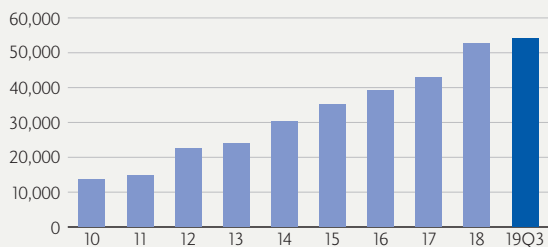
PROFIT FROM PROPERTY MANAGEMENT, SEKm



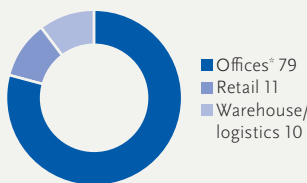
EQUITY RATIO, adjusted, %



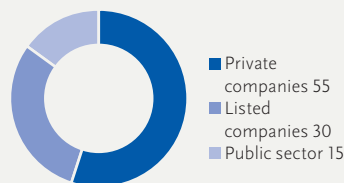
PROPERTY VALUE, SEKm



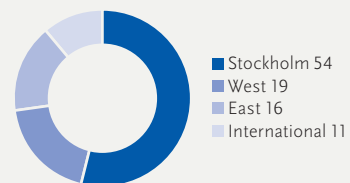
PROPERTY VALUE BY TYPE OF PROPERTY %



CONTRACT VALUE BY CUSTOMER CATEGORY, %



PROPERTY VALUE BY REGION, %



*Including education, health care, other.

STATEMENT BY THE CEO

Another good quarter

Klövern is reporting strong earnings for the third quarter of 2019. This is driven by, among other things, a continued positive net moving-in, an increasingly streamlined portfolio and efficient cost control. All of Klöverns geographic markets have performed well during the period.

After the summer, property management has been focused on a number of completed projects and moving-in at the same time as the level of transactions has continued to be high. Among other things, 21 properties were divested for SEK 1,570 million, primarily in Örebro, with transfer of possession at the end of August. During the third quarter, a contract was signed to divest seven properties, mainly premises for warehouse and logistics, for SEK 622 million, followed by another contract in October to divest Klöverns entire property portfolio in Karlstad for a total underlying property value of SEK 2,610 million. This makes a further contribution to Klöverns streamlining, both in terms of location and type of product. The property portfolio is characterized to an increasing extent by modern offices, a development which can be seen in the average rental income as well as value per square metre for the portfolio. Project operations continue at the same time to create a good return and contribute to developing our own properties and local areas.

STRONG EARNINGS DEVELOPMENT

During the third quarter, income increased by 13 per cent to SEK 921 million. The operating surplus improved by 12 per cent to SEK 651 million at the same time as the operating surplus for a comparable portfolio, i.e. properties owned during the whole of 2018 and 2019, increased by as much as 7 per cent. Profit from property management amounted to SEK 395 million and positive changes in value of properties totalling SEK 327 million contributed to an improvement in profit before tax to SEK 727 million. Net moving-in amounted to SEK 17 million during the quarter and SEK 115 million during the first nine months of the year. Among the largest moving-ins during the quarter are Samsung with around 5,000 sq.m. in Kista and SKF with around 3,500 sq.m. in Gothenburg.

FAVOURABLE MARKET CONDITIONS

Although macro statistics indicate a slowdown in the economy, market conditions in the real estate industry are favourable. All of Klöverns geographic markets are developing well and rent development is strongest in the metropolitan regions. The weight of properties in metropolitan regions continues to rise in Klöverns property portfolio. Regions with over a million inhabitants – in Klöverns case Stockholm/Uppsala, Gothenburg, Copenhagen/Malmö and New York – now account for as much as 70 per cent of the total property value.

PROJECT DEVELOPMENT ORGANIZATION STRENGTHENED

Klövern has created a new separate business area for project development. Project development is an important part of Klöverns business model and the new business area has a key role in Klöverns role as long-term city developer. Project devel-

opment, including development of building rights, contributed to increases in value of properties of SEK 45 million during the third quarter. As part of Klöverns international expansion, we have started construction of a new project in New York, at the intersection of 28th Street and 7th Avenue. In all, we expect Klöverns annual project volume to be around SEK 2 billion going forward.

FOCUS ON SUSTAINABILITY

Klövern's long-term work of ensuring a low impact on the climate is being continued by focusing on efficient property management and low energy consumption together with increased production of solar electricity. In Malmö, an additional property roof has been covered by solar panels and the property Travbanan 3 (Åby Arena) in Gothenburg obtained the environmental certification Miljöbyggnad Silver during the third quarter. In connection with the establishment of a new business area for project development, Klövern is now assuming an even clearer role as a leading sustainable city developer of innovative environments for the future.

FINANCIAL STRENGTH

Klövern's financial strength continues to be very good. The adjusted equity ratio improved during the quarter to 39.6 per cent, not far from the long-term goal of 40 per cent. The average period of tied-up capital amounted to 4.1 years at the end of the quarter while the average period of fixed interest was 2.3 years and the share of credit volume that is hedged or at a fixed rate amounted to as much as 85 per cent.

GOOD VALUE GROWTH

Klövern's overall objective is to generate good value growth for the shareholders in a long-term sustainable way. The net asset value per share (EPRA NAV) is developing well and amounted as at 30 September to SEK 18.43, corresponding to an increase of 4 per cent since the turn of the year and 20 per cent during the past 12 months. At the same time, we can note that the number of shareholders in Klövern is continuing to grow and passed the 50,000 level during the third quarter, which is very gratifying.

CONTINUED STABLE DEVELOPMENT

In conclusion, the business is developing positively with continued high net moving-in and strong improvement in a comparable portfolio at the same time as the streamlining of the property portfolio is continuing. I am looking forward to a hectic and eventful finish of 2019.

Rutger Arnhult, CEO Klövern

The income statement items are compared with the corresponding time period last year. The balance sheet items refer to the position at the end of the period and are compared with the preceding year-end. The quarter refers to July–September and the period to January–September.

INCOME AND EXPENSES

Income increased to SEK 921 million (813) during the third quarter of the year. The increase in income is mainly attributable to acquisitions and net moving-in, but also to rising rental levels. For a comparable portfolio, i.e. properties owned for the whole of 2018 and 2019, income amounted to SEK 753 million (709) during the quarter.

Property costs totalled SEK 270 million (233). Property costs for a comparable portfolio amounted to SEK 213 million (202), where the third quarter of 2018 has also been calculated in accordance with IFRS 16. Central administration costs amounted to SEK 29 million (28).

PROFIT

The operating surplus increased to SEK 651 million (580) during the quarter. The operating surplus for a comparable portfolio amounted to SEK 540 million (507). The operating margin amounted to 71 per cent (71). The profit from property management, i.e. profit excluding, among other things, changes in value, earnings from residential development and tax, amounted to SEK 395 million (367). The operating surplus and profit from property management were both

positively affected by acquisitions, net moving-in and rising rental levels. Profit before tax amounted to SEK 727 million (644) and was affected by SEK 327 million (271) relating to changes in value of properties and SEK 6 million (44) for derivatives.

NET MOVING-IN AND OCCUPANCY RATE

Net moving-in amounted to SEK 17 million (18) during the third quarter and SEK 115 million (67) during the period.

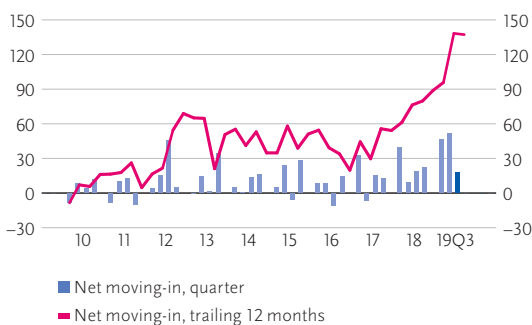
Among the largest tenants moving in during the quarter were Samsung with 4,970 sq.m. and SKF with 3,521 sq.m. at the properties Helgafjäll 7 in Kista and Gamlestaden 39:13 in Gothenburg.

The largest vacating tenant during the quarter was Nordisk Bowling & Restaurang with 2,844 sq.m. in the property Olaus Petri 3:234 in Örebro.

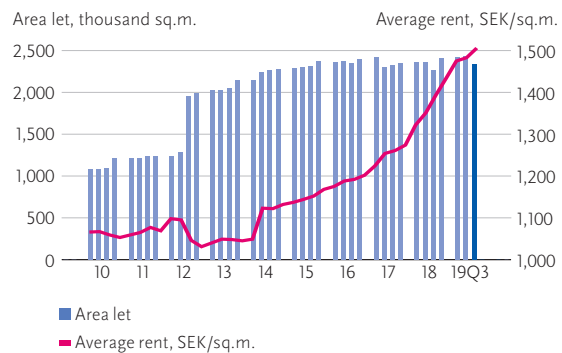
Among the larger contracts that were signed during the third quarter, where the tenant has not yet moved in, are a 3-year lease with Däckforum for 2,293 sq.m. in the property Geysir 2 in Kista and a 4-year lease with Intressanta Hus Sweden at the property Verkstaden 11 in Västerås, which is expanding its space by 507 sq.m. to a total of 2,066 sq.m.

The average remaining lease contract period as at 30 September was 3.6 years (3.5). The economic occupancy rate for all properties amounted to 90 per cent (89) and the area-based occupancy rate was 82 per cent (81). The economic occupancy rate for investment properties was 91 per cent (91) and for development properties 72 per cent (66).

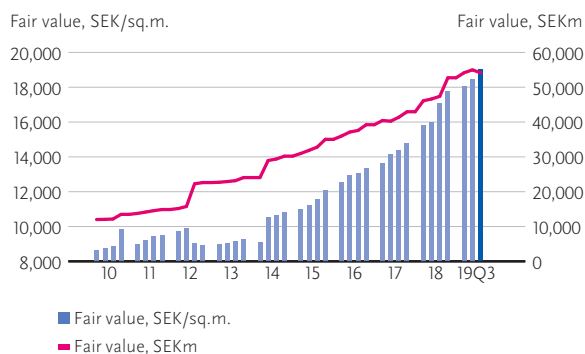
NET MOVING-IN, SEKm



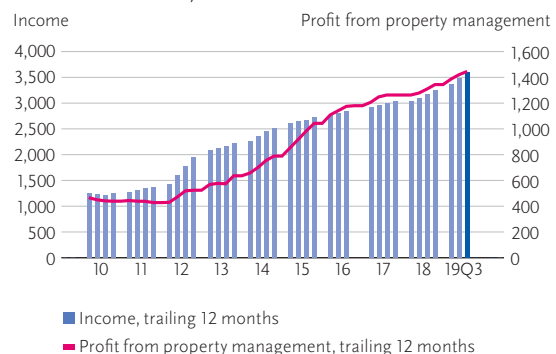
PROPERTIES: AREA AND RENT



PROPERTIES: VALUE



INCOME & PROFIT, SEKm



TOBIN PROPERTIES

The housing developer Tobin Properties is consolidated in Klöver from 4 April 2018.

At the start of 2019, Klöver's shareholding in Tobin Properties amounted to 34,018,591 ordinary shares and 18,378 Class A preference shares, corresponding to 81.2 per cent of the share capital and 82.9 per cent of the voting rights. Subsequently, ownership has changed as follows.

In February, Klöver acquired 1,423,260 ordinary shares. Ownership then amounted to 35,441,851 ordinary shares and 18,378 Class A preference shares, corresponding to 84.6 per cent of the share capital and 86.4 per cent of the voting rights.

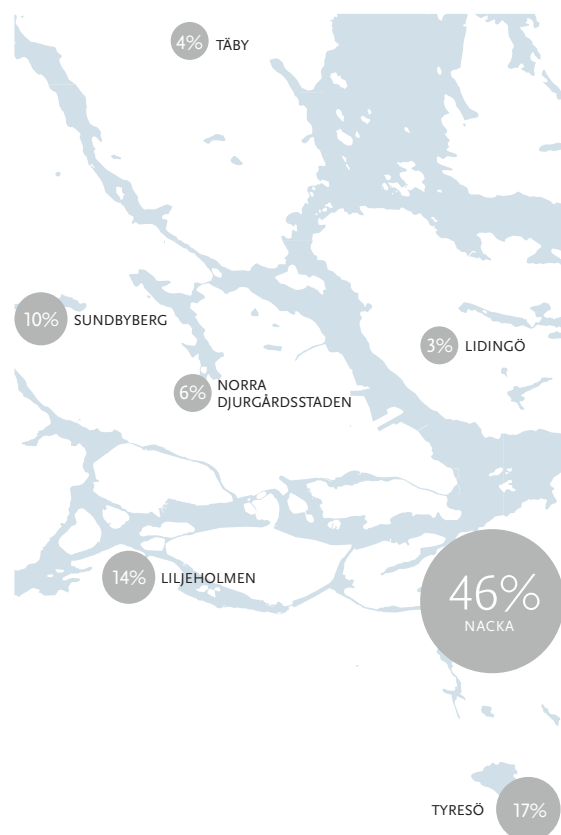
In May, Klöver acquired 869,374 ordinary shares and subsequently subscribed to 77,974,320 ordinary shares through a rights issue. After registration of the share issue, the ownership amounted to 114,285,545 ordinary shares and 18,378 Class A preference shares, corresponding to 92.4 per cent of the share capital and 93.0 per cent of the voting rights. In June, Klöver requested compulsory redemption of all remaining shares in Tobin Properties.

At the end of June, Tobin Properties was delisted from Nasdaq First North.

During the third quarter Klöver has acquired an additional 325,811 ordinary shares and 281,334 Class A preference shares which means that the ownership as of 30 September amounted to 92.8 per cent of the share capital and 93.3 per cent of the voting rights.

The primary focus for Tobin Properties during the third quarter has been the completion of ongoing projects. The

TOBIN PROPERTIES – GEOGRAPHIC MIX (SQ.M.)



TOBIN PROPERTIES – PROJECT PORTFOLIO

Name of project	Location	Sell start, year	Expected completion, year	Detailed plan/ no detailed plan	Number of units	Units sold	Share of units sold, %	Area, sq.m.
PROJECTS – CONSTRUCTION STARTED								
Äril ¹	Norra Djurgårdsstaden	2016	2019	Detailed plan	76	76	100	7,100
Rio	Sundbyberg	2017	2020	Detailed plan	173	138	80	8,700
Vyn	Nacka	2016	2020	Detailed plan	96	48	50	7,500
Unum ¹	Roslags-Näsby	2017	2019	Detailed plan	148	97	66	5,000
Total					493	359	73	28,300
PROJECTS – CONSTRUCTION NOT STARTED								
Golfbäcken 1 ¹	Tyresö	2021	2024	No detailed plan	167	—	—	10,300
Golfbäcken 2 ¹	Tyresö	2022	2025	No detailed plan	150	—	—	9,700
Nacka Strand 1	Nacka	2020/2022	2021/2024	Detailed plan	240	—	—	15,100
Nacka Strand 2 ²	Nacka	2025	2028/2029	Detailed plan	160	—	—	11,500
Nacka Strand 3	Nacka	2024	2028	Detailed plan	160	—	—	11,600
Slaktaren 1 ²	Sundbyberg	2022	2024	No detailed plan	60	—	—	3,200
Slaktaren 2 ³	Sundbyberg	—	—	—	—	—	—	—
Torsvik ^{1,2}	Lidingö	2020	2022	No detailed plan	46	—	—	3,700
Marievik ²	Liljeholmen	2022	2024/2026	No detailed plan	300	—	—	17,000
Orminge ²	Nacka	—	—	No detailed plan	150	—	—	10,000
Total					1,433			92,100
GRAND TOTAL					1,926			120,400

¹) Partly-owned project.

²) Includes a property that generates an operating surplus during project development.

³) No land allocation agreement.

The information about each individual project in the project portfolio above is the company's current assessment of each project in its entirety. These assessments and the final outcome of each project may change due to factors both within and outside the company's control, for example the design of detailed plans, decisions by authorities and the development of the market, as well as the fact that several of the projects are in a planning phase where the plan for each individual project may change.

number of sold apartments during the quarter amounted to 29 (2). So far in 2019, moving-in has taken place in around 266 completed apartments. The company has also chosen not to proceed with a couple of planned, but not started, projects where the conditions are no longer favourable. Going forward, Tobin Properties plans to focus on a few projects, for example in Nacka Strand where the company has building rights which encompass approximately 38,000 sq.m. of residential space.

AGORA

In 2015, Klöver received 2,325,000 Class B ordinary shares in the real estate company A Group Of Retail Assets Sweden (Agora) as a partial payment in the divestment of a property in Eskilstuna. In 2016, an additional 584,342 Class B ordinary shares were acquired in connection with an issue of new shares. As of 30 September 2018, Klöver's total holding of 2,909,342 class B ordinary shares corresponded to 9.3 per cent of the total number of outstanding shares in Agora.

On 4 October 2018, Klöver announced a public cash offer to the shareholders of Agora. The offered value for all other shares amounted to SEK 936 million. After the offer's extended acceptance period, Klöver's holding – as of 27 November 2018 – amounted to 4,689,062 Class A ordinary shares, 26,007,189 Class B ordinary shares and 295,827 preference shares which corresponds to 99.5 per cent of the outstanding shares and 99.8 per cent of the outstanding votes in Agora. Klöver has requested compulsory redemption to acquire all shares not tendered in the offer. At the beginning of December, Agora was de-listed from Nasdaq First North.

Agora is consolidated in Klöver from 9 November 2018.

After Klöver announced the public offer at the beginning of October 2018, Agora's portfolio has been streamlined by divestment of properties in Tranås, Trollhättan, Nässjö, Södertälje, Falköping, Örebro, Växjö and Motala. The remaining portfolio, with the exception of a few properties in Borås and Eskilstuna, consists almost entirely of centrally located properties in Klöver's prioritized cities Västerås, Malmö and Kalmar.

SHAREHOLDINGS

In April 2019, Klöver received 2,741,936 newly issued Class D shares in the real estate company SBB. The shares were subscribed for a total of SEK 85 million. The holding in SBB is reported as a financial asset valued at fair value through the statement of income.

CASH FLOW

The cash flow from current operations amounted during the quarter to SEK 424 million (–103). Investment operations have affected the cash flow by SEK 1,145 million net (–609), mainly by a combination of property transactions and investments in existing properties. Financing operations have affected the cash flow by SEK –1,842 million (66). In

total, the cash flow amounted to SEK –273 million (–646). Liquid assets at the end of the quarter amounted to SEK 425 million, compared with SEK 350 million as at 30 September 2018.

FINANCING

On 30 September 2019, the interest-bearing liabilities amounted to SEK 33,757 million (33,688). Accrued borrowing overheads totalled SEK 123 million, which means that the reported interest-bearing liabilities in the balance sheet amount to SEK 33,634 million (33,688). The average financing rate for the whole financial portfolio was 2.2 per cent (2.3). Net financial income, including residential development, amounted during the quarter to SEK –218 million (–191), of which financial income accounted for SEK 2 million (7) and site leasehold expenses amounted to SEK –11 million (–). The interest coverage ratio during the quarter amounted to 2.9 (2.8) and to 2.6 during the twelve-month period up to 30 September 2019.

The average period of fixed interest at the end of the quarter was 2.3 years (2.9). Credit volumes with swap agreements and interest caps are treated as having fixed interest. At the end of the period, Klöver had interest rate swaps totalling SEK 4,415 million (5,730) and interest rate caps totalling SEK 23,500 million (23,500). The average remaining term of derivatives amounted to 2.4 years. The share of credit volume that is hedged or at a fixed rate amounted to 85 per cent.

The average period of tied-up capital was 4.1 years (4.3) as at 30 September. Unutilized credit volumes, including unutilized overdraft facilities of SEK 578 million (535), amounted to SEK 3,349 million (2,110).

Klöver's interest-bearing liabilities are mainly secured by mortgages in properties. Unsecured interest-bearing liabilities consist of outstanding commercial paper and unsecured bonds, SEK 2,852 million (1,845) and SEK 6,950 million (6,300) respectively at the end of the period and utilized overdraft facilities of SEK 0 million (43). The commercial paper programme has a framework amount of SEK 4,000 million.

Klöver has a Medium-Term Note programme (MTN) with a framework amount of SEK 10,000 million, secured by a pool of properties as underlying assets and fully covered by property mortgage certificates. As of 30 September 2019, SEK 850 million had been issued within the framework amount.

Derivatives effectively limit the interest rate risk. An increase in short market rates of one percentage point normally affects Klöver's average borrowing rate by 0.9 percentage points. The effect of larger interest rate increases is significantly limited by interest rate caps. Changes in value of derivatives totalled SEK 6 million (44) during the quarter. As of 30 September, the value was SEK –86 million (–85).

Unrealized changes in value do not affect the cash flow; on maturity the value of the derivatives is always zero. All derivatives are classified at Level 2 according to IFRS 13. No derivatives have changed classification during the period. Klöver's assessment is that there is no significant difference

between the book value and the fair value of interest-bearing liabilities.

At the end of the quarter, the adjusted equity ratio was 39.6 per cent (37.4).

PROJECT DEVELOPMENT AND BUILDING RIGHTS

Investments in existing properties often take place in connection with new lettings with the aim of customizing and modernizing the premises and thus increasing the rental value. SEK 958 million (1,248) was invested during the period January–September. As at 30 September 2019, 385 projects (402) were in process and SEK 2,489 million (759) remained to be invested. Total estimated expenditure for the same projects amounted to SEK 4,598 million (2,661).

All large ongoing projects, for example 1245 Broadway in New York, are proceeding according to plan.

At the end of the quarter, assessed building rights and building rights with local plans (excluding Tobin Properties) totalled 1,963,000 sq.m. (1,857,000) and are valued at SEK 1,660 million (1,629). 595,000 sq.m. (612,000) of the building rights are included in local plans and the remainder are classified as assessed. Residential building rights accounted for 7 per cent of the building rights with local plans. Within the building rights portfolio, Klöver is working with a number of housing development projects. Klöver makes the assessment that there is potential, within the existing portfolio, mostly by amended local plans, to create as many as 8,000 to 12,000 apartments, in Stockholm, Uppsala, Västerås, Karlstad and Nyköping, among other places. In addition, there are the apartments shown in the section on Tobin Properties on page 5.

In total, Klöver's project development – including development of building rights – contributed to increases in value of properties of SEK 45 million (78) during the third quarter of 2019, or by SEK 942 million (374) during the past four quarters.

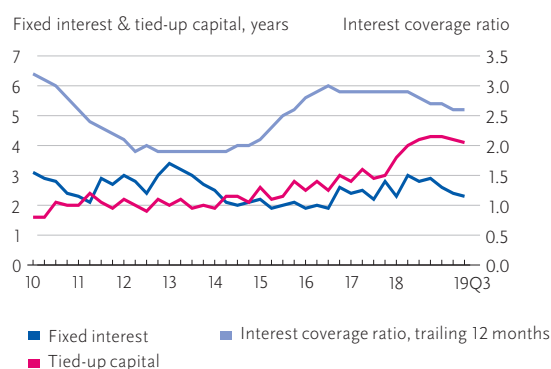
PROPERTY TRANSACTIONS

During the period January–September, 3 properties (10) were taken possession of for a total purchase price of SEK 959 million (4,264) and 34 properties (12) have been divested and handed over for a total of SEK 1,867 million (1,976).

The transactions include divestment of 21 properties in Örebro, Malmö, Haninge and Växjö, which were transferred on 30 August for a total underlying property value of SEK 1,570 million. The properties' lettable area amounts to around 123,000 sq.m. and consists mainly of warehouse/logistics premises but also contains two properties, in Växjö and Örebro, which were included in the acquisition of Agora.

In September, a contract was signed for divestment of seven properties in Örebro, Kalmar, Halmstad, Linköping and Västerås for a total underlying property value of SEK 622 million. The properties' lettable area amounts to around 94,000 sq.m. and consists mainly of warehouse/logistics premises. Transfer of possession took place on 15 October and the transaction will thereby be reported during the fourth quarter of 2019.

FIXED INTEREST, TIED-UP CAPITAL & INTEREST COVERAGE RATIO



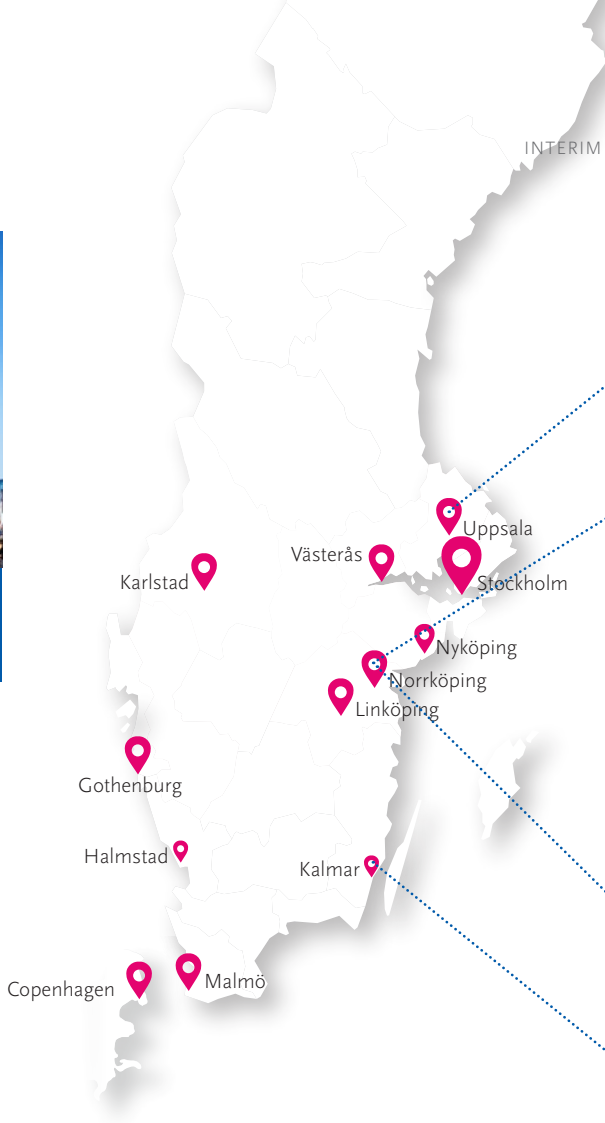
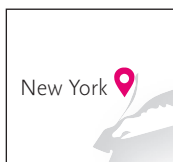
FIXED INTEREST AND TIED-UP CAPITAL

Year due	Fixed interest		Tied-up capital		
	Loan volume, SEKm	Contract volume, SEKm	Utilized, SEKm	Of which bonds outstanding, SEKm	Unused, SEKm
Floating*	28,432	—	—	—	—
2019	—	2,856	2,856	—	—
2020	1,493	4,368	4,190	2,250	178
2021	2,400	12,384	9,713	2,650	2,671
2022	—	6,378	5,878	2,500	500
2023	600	4,051	4,051	700	—
2024	832	832	832	—	—
2025	—	2,355	2,355	—	—
Later	—	3,882	3,882	—	—
Total	33,757	37,106	33,757	8,100	3,349

* SEK 23,500 million of Floating volume is covered by interest-rate caps.

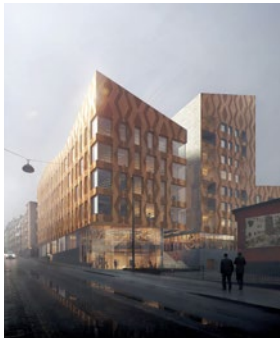


322-326 7TH AVE, NEW YORK OFFICE



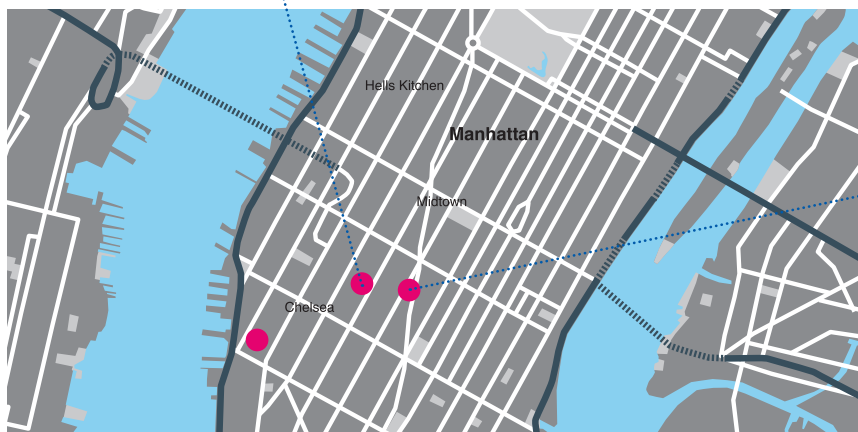
FYRISLUND 6:6, UPPSALA LABORATORY

KONDENSATORN 1, NORRKÖPING RETAIL



KOPPARHAMMAREN 2, NORRKÖPING OFFICE

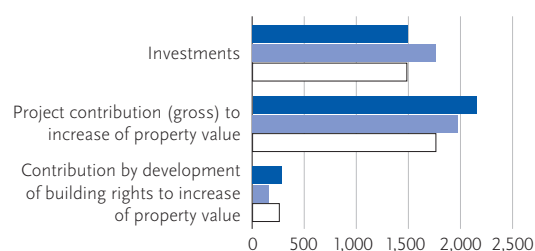
GULDFISKEN 2, KALMAR LIBRARY



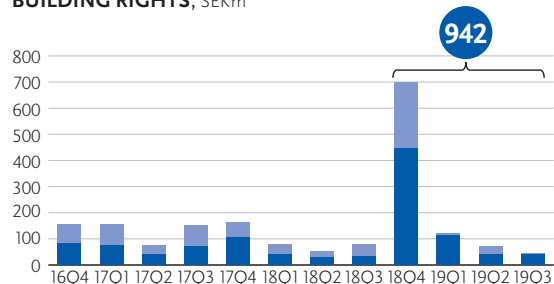
1245 BROADWAY, NEW YORK OFFICE

KLÖVERN'S LARGEST PROJECTS IN PROGRESS

City	Property	Project type	Contractor	Largest tenant, moving-in year/quarter	Project area, sq.m.	Fair value, SEKm	Estimated investment, SEKm	Remaining investment, SEKm	Increase in rental value, SEKm	Estimated completion year/quarter
New York	1245 Broadway	Office	Triton Construction	-	16,700	590	1,257	1,100	198	21Q1
New York	322-326 7th Ave	Office	Triton Construction	-	7,800	459	634	529	75	21Q4
Norrköping	Kopparhammaren 2	Office	SEFAB	Gaia, 20Q1	4,750	136	147	23	10	20Q1
Norrköping	Kondensatorn 1	Retail	ECC	Ahlsell, 20Q1	5,104	35	58	39	5	20Q2
Kalmar	Guldfisken 2	Library	Entreprenad AB Stele	Kalmar kommun, 20Q2	3,848	54	55	43	5	20Q2
Uppsala	Fyrislund 6:6	Laboratory	Byggconstruct	Recipharm, 19Q4	1,831	56	27	10	4	20Q1
Total					40,033	1,330	2,178	1,744	297	

VALUE CREATION THROUGH PROJECTS/BUILDING RIGHTS,
SEKm

- 19Q3 trailing 12 months
- 18Q3 trailing 12 months
- 17Q3 trailing 12 months

**NET VALUE CREATION THROUGH PROJECTS/
BUILDING RIGHTS, SEKm**

- Projects
- Building rights

Change in fair value of properties due to projects and development of building rights, minus investments.

PROPERTY TRANSACTIONS 2019: ACQUISITIONS

City	Property	Category	Lettable area, sq.m.	Quarter
Stockholm	Blåfjäll 1	Office	18,728	Q1
New York	118 10th Avenue ¹	Site leasehold	0	Q2
Eskilstuna	Vestalen 8	Site leasehold	0	Q3
Totalt			18,728	

PROPERTY TRANSACTIONS 2019: DIVESTMENTS

City	Property	Category	Lettable area, sq.m.	Quarter
Malmö	Haken 3	Warehouse/logistics	3,441	Q1
Stockholm	Mandelblomman 1	Warehouse/logistics	6,905	Q1
Falköping	Ciselören 2	Retail	4,649	Q1
Falköping	Hjälmen 1	Retail	2,699	Q1
Falköping	Lilla Björn 1	Education/health care/other	3,418	Q1
Nässjö	Lejonet 2 m.fl. ²	Retail	4,458	Q2
Västerås	Allmogekulturen 5	Education/health care/other	14,932	Q2
Partille	Ugglum 126:4	Office	468	Q2
Malmö	Kajan 33	Education/health care/other	0	Q2
Haninge	Jordbromalm 6:3, 6:20, 6:76	Warehouse/logistics	27,625	Q3
Malmö	Brudbuketten 11	Office	1,346	Q3
Malmö	Getingen 5 ¹	Warehouse/logistics	8,335	Q3
Malmö	Lillgrund 5	Warehouse/logistics	4,430	Q3
Malmö	Spindeln 2 ¹	Warehouse/logistics	7,232	Q3
Motala	Plåtslagaren 7	Retail	8,124	Q3
Växjö	Sunaman 5	Education/health care/other	7,826	Q3
Örebro	Barkenlund 11	Office	2,819	Q3
Örebro	Forskarbyn 2	Office	5,501	Q3
Örebro	Fåraherden 1	Office	2,948	Q3
Örebro	Importören 2	Warehouse/logistics	2,565	Q3
Örebro	Karossen 5	Office	5,127	Q3
Örebro	Karossen 19	Warehouse/logistics	12,760	Q3
Örebro	Karossen 32	Education/health care/other	2,530	Q3
Örebro	Kitteln 11	Retail	13,620	Q3
Örebro	Lantmannen 2	Warehouse/logistics	10,480	Q3
Örebro	Oxbacken 7	Office	2,942	Q3
Örebro	Pigan 1	Office	931	Q3
Örebro	Vindrutan 1	Retail	1,315	Q3
Örebro	Vindtunneln 1	Office	3,369	Q3
Total			172,795	

¹⁾ Site leasehold.

²⁾ The properties Lejonet 2, 8, 13 and 14.

PROPERTIES: FAIR VALUE

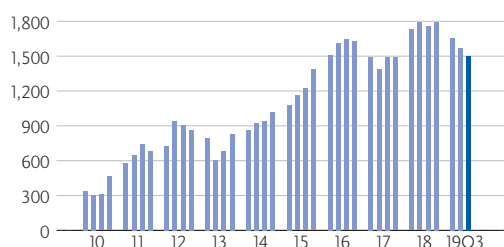
SEKm	2019 Jan–Sep	2018 Jan–Sep	2018 Jan–Dec
Fair value, as of 1 January	52,713	42,961	42,961
Acquisitions	959	4,264	8,056
Investments	958	1,248	1,791
Divestments	–1,879	–1,974	–2,464
Unrealized changes in value	1,131	837	2,324
Currency conversion	271	42	45
Fair value at the end of the period	54,153	47,378	52,713

CHANGES IN FAIR VALUE OF PROPERTIES, EXCL. TRANSACTIONS AND CURRENCY CONVERSION

SEKm	19Q3	18Q3	2019 Jan–Sep	Trailing 12 months 19Q3*
Operating surplus and required yield	319	187	890	1,294
Development of building rights	3	44	37	288
Projects >25 million	166	120	457	986
Projects <25 million	206	314	705	1,169
Total	694	665	2,089	3,737

*Excluding value changes of SEK 382 million in 18Q4 due to the acquisition of Agora.

INVESTMENTS, trailing 12 months, SEKm



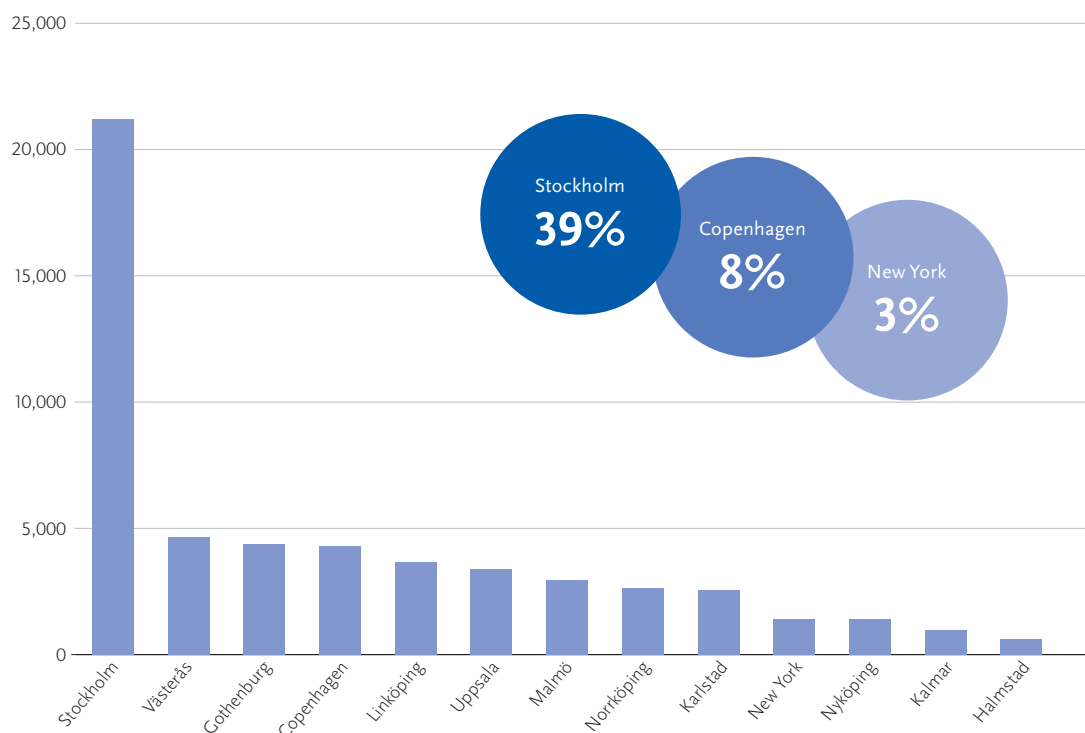
The contracts for divestment of properties that have been signed in 2019 have on average been at levels exceeding reported book values by 10 per cent.

PROPERTIES AND CHANGES IN VALUE

As at 30 September 2019, Klöver's portfolio consisted of 395 properties (426). The rental value amounted to SEK 4,116 million (4,063) and the fair value of the properties was SEK 54,153 million (52,713). The total lettable area amounted to 2,848,000 sq.m. (2,969,000).

The changes in value of the properties totalled SEK 1,097 million (817) during the period January–September, corresponding to 2.1 per cent of Klöver's property value at the beginning of the year. The changes in value included realized changes in value of SEK –34 million (–20) and unrealized changes in value of SEK 1,131 million (837). The

PROPERTY VALUE*, SEKm



* The chart shows property value by business unit and New York. The business units Stockholm North and Stockholm South are shown in the same bar.

unrealized changes in value do not affect the cash flow. On average, Klöverns property portfolio, as at 30 September, has been valued with a yield requirement of 5.6 per cent (5.7). The value of the properties has increased, mainly due to investments made in connection with new letting, rising market rents and lower yield requirements.

Klöverns values 100 per cent of the property portfolio every quarter, of which 20 to 30 per cent are normally valued externally. The external valuations have been performed by Cushman & Wakefield, Savills and Newsec. Every property in the portfolio is valued externally at least once during a rolling 12-month period. All properties are classified at Level 3 in accordance with IFRS 13. No properties have changed classification during the period. See Klöverns annual report for 2018 for a detailed description of valuation principles.

SHARES

As at 30 September, the total number of registered shares in Klöverns was 932,437,980, of which 71,951,248 were ordinary shares of class A, 844,042,732 ordinary shares of class B and 16,444,000 preference shares. An ordinary share of class A confers one vote while an ordinary share of class B, like a preference share, confers a tenth of a vote. Klöverns shares are listed on Nasdaq Stockholm. On 30 September, the closing price was SEK 18.05 per ordinary share of class A, SEK 18.37 per ordinary share of class B and SEK 361.50 per preference share, corresponding to a total market capitalization of SEK 22,748 million (14,455). The number of shareholders at the end of the period amounted to around 51,900 (47,700). 77 per cent (80) of the total number of shares are Swedish-owned. As at 30 September 2019, the company’s holding of its own shares consisted of 90,956,740

ordinary shares of class B, corresponding to 9.8 per cent of the total number of registered shares. Repurchased shares cannot be represented at general meetings.

TAXES

During the third quarter, deferred tax amounted to SEK –115 million (–66) and current tax to SEK –4 million (0).

Current tax is calculated at 21.4 per cent for 2019 while deferred tax has been calculated at the lower tax rate 20.6 per cent which applies from 2021. Klöverns has no ongoing tax disputes.

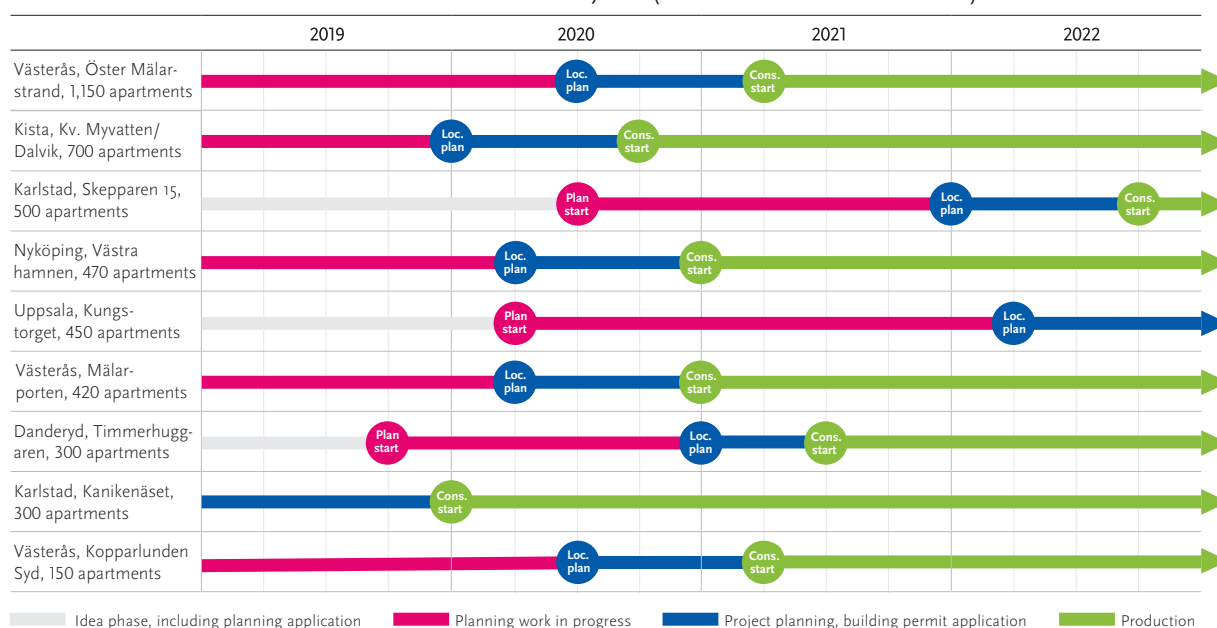
ORGANIZATION

Klöverns business model entails closeness to the customer by having own local staff at all 13 business units, as at 30 September 2019 allocated to three geographic regions in Sweden and international operations in Copenhagen (which is a business unit of its own) and New York.

On 1 January 2019, the structure of the Swedish operations was changed from four regions to three regions. The Västerås business unit subsequently belongs to the Stockholm region. At the same time, Region South changed its name to Region West. The three regions are Stockholm (Stockholm North, Stockholm South, Västerås and Uppsala), West (Gothenburg, Malmö, Karlstad and Halmstad) and East (Linköping, Norrköping, Nyköping and Kalmar). With the divestment and transfer of possession of 13 properties in Örebro during the third quarter, the city is no longer a business unit in Klöverns.

On 30 September 2019, the group had 277 employees (274). The average age was 42 years (44) and the proportion of women was 43 per cent (43).

KLÖVERN – THE LARGEST RESIDENTIAL DEVELOPMENT PROJECTS (EXCLUDING TOBIN PROPERTIES)



LARGEST SHAREHOLDERS 30.09.2019 SORTED BY SHARE OF CAPITAL

	No. ordinary shares A thousands	No. ordinary shares B thousands	No. preference shares, thousands	Share of capital, %	Share of votes, % ¹
Rutger Arnhult via companies	12,528	127,419	655	15.1	17.0
Corem Property Group	9,500	129,400	—	14.9	15.1
Gårdarike	31,500	59,291	50	9.7	25.1
Länsförsäkringar fondförvaltning	—	41,504	—	4.5	2.8
State Street Bank and Trust Co, W9	313	30,445	217	3.3	2.3
Swedbank AS (Estonia)	2	18,562	58	2.0	1.3
Swedbank Robur fonder	584	17,896	—	2.0	1.6
CBNY-Norges Bank	538	17,100	175	1.9	1.5
Prior & Nilsson	—	17,403	—	1.9	1.2
Handelsbanken fonder	—	16,000	—	1.7	1.1
UBS Switzerland AG	208	13,601	28	1.5	1.1
SEB Investment Management	147	12,948	—	1.4	1.0
Alfred Berg	—	12,233	—	1.3	0.8
JPM Chase NA	1	9,541	199	1.0	0.7
Verdipapirfond Odin Ejendom	—	7,154	197	0.8	0.5
Total largest shareholders	55,321	530,497	1,579	63.0	72.9
Other shareholders	16,630	222,589	14,865	27.2	27.1
Total outstanding shares	71,951	753,086	16,444	90.2	100.0
Repurchased own shares ¹	—	90,957	—	9.8	—
Total registered shares	71,951	844,043	16,444	100.0	100.0

Due to routines at Ålandsbanken and Banque Internationale à Luxembourg, the banks have been registered in Euroclear's share register as owners to some of their clients' Klöver shares. Klöver assesses that the table above gives a correct picture of the company's 15 largest owners.

¹ Repurchased own shares have no voting rights at general meetings.

INCOME STATEMENT ITEMS AND INVESTMENTS PER PROPERTY SEGMENT AND ORGANIZATIONAL UNIT

	Income, SEKm		Property costs, SEKm		Operating surplus, SEKm		Operating margin, %		Investments, SEKm	
	2019 Jan–Sep	2018 Jan–Sep	2019 Jan–Sep	2018 Jan–Sep	2019 Jan–Sep	2018 Jan–Sep	2019 Jan–Sep	2018 Jan–Sep	2019 Jan–Sep	2018 Jan–Sep
Region Stockholm	1,359	1,152	–437	–371	922	781	68	68	276	503
Region West	626	525	–191	–173	435	352	69	67	228	452
Region East	614	572	–200	–175	414	397	67	69	258	213
International	139	78	–16	–4	123	74	88	95	196	53
Divested operations ¹	—	70	—	–28	—	42	—	60	—	27
where of										
Investment	2,590	2,314	–761	–699	1,829	1,615	71	70	619	706
Development	148	83	–83	–52	65	31	44	37	339	542
Total	2,738	2,397	–844	–751	1,894	1,646	69	69	958	1,248

KEY RATIOS PER PROPERTY SEGMENT AND ORGANIZATIONAL UNIT

	Fair value, SEKm		Yield requirement ² , %		Area, 000 sq.m.		Rental value, SEKm		Ec. occupancy rate, %	
	30.09 2019	30.09 2018	30.09 2019	30.09 2018	30.09 2019	30.09 2018	30.09 2019	30.09 2018	30.09 2019	30.09 2018
Region Stockholm	29,264	25,203	5.3	5.4	1,150	1,101	2,091	1,837	88	88
Region West	10,514	9,558	6.3	6.3	832	773	986	814	89	88
Region East	8,689	8,499	6.4	6.6	770	815	800	811	91	92
International	5,686	4,118	4.4	4.2	96	89	239	210	91	99
Divested operations ¹	—	—	—	—	—	—	—	—	—	—
where of										
Investment	48,690	43,544	5.6	5.7	2,559	2,496	3,805	3,460	91	92
Development	5,463	3,834	5.4	5.9	289	282	311	212	72	58
Total	54,153	47,378	5.6	5.7	2,848	2,779	4,116	3,672	90	90

On 1 January 2019 the structure of the Swedish operations was changed from four regions to three regions at the same time as Region South changed name to Region West. The business unit Västerås thereafter belongs to Region Stockholm. Historical figures have been adjusted for this.

¹ Divested properties in Falun and Härnösand/Sollefteå.

² Yield requirement is estimated excluding building rights.

SIGNIFICANT RISKS AND UNCERTAINTY FACTORS

A real estate company is exposed to various risks and opportunities in its business activities. Internal regulations and policies limit exposure to different risks. Klöver's significant risks and exposure and their management are described on pages 58–61 of the 2018 annual report.

DISPUTES

Klöver has no ongoing disputes that can have a significant profit impact. There is a risk of dispute for Tobin Properties as Region Uppsala has stated that the region intends to make a claim for compensation against the company due to the cancellation of a property transfer contract.

ACCOUNTING POLICIES

This interim report for the Group has been prepared in accordance with the Annual Accounts Act and IAS 34, Interim Financial Statements and, in the case of the Parent Company, in accordance with the Annual Accounts Act. The accounting policies applied in this interim report are in essential parts those described in Note 1 of Klöver's annual report for 2018.

As from 1 January 2019, the Group applies IFRS 16 Leasing. The standard means that lessees shall report all lease contracts in the balance sheet with the exception of contracts for shorter periods than 12 months or low value contracts. In principle, the standard does not entail any changes in accounting for lessors. Out of the Group's lease contracts, reporting of site leasehold agreements has most significance. As a result of the introduction of IFRS 16, Klöver has reported a right of use asset and right of use liability, attributable to site leaseholds, in the balance sheet. Site leasehold fees and perpetual lease fees linked to these agreements, which were previously reported in the operating surplus, are reported as from 2019 in net financial items in the statement of income. Klöver is not applying the standard retroactively so that comparison figures have not been adjusted.

The definitions of the key figures, Interest coverage ratio and Adjusted equity ratio, have been changed in connection with the introduction of IFRS 16, see page 19.

Otherwise, the accounting policies of the Group and the Parent Company are unchanged compared with the 2018 annual report.

DIVIDEND

During the nine-month period, dividend totalling SEK 272 million has been paid to the holders of ordinary shares. During the same period, the owners of preference shares have received a total of SEK 247 million.

EVENTS AFTER THE END OF THE PERIOD

On 21 October a contract was signed to divest Klöver's entire property portfolio in Karlstad, consisting of 42 properties, for a total underlying property value of SEK 2,610 million. Transfer of possession is planned to be on 29 November 2019.

Stockholm, 23 October 2019

The Board of Directors of Klöver AB (publ).

This interim report has been subject to a review by Klöver's auditors.

REVIEW REPORT

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

Introduction

We have reviewed the summary financial information in the interim report for Klöver AB (publ) as at 30 September 2019 for the nine-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 International Standard on Review Engagements ISRE 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 the International Standards on Auditing, ISA, and generally accepted auditing standards in Sweden otherwise. The review measures undertaken have not made 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 for the group in accordance with IAS 34 and the Annual Accounts Act and, in the case of the parent company, in accordance with the Annual Accounts Act.

Stockholm, 23 October 2019

Ernst & Young AB
Fredric Hävrén
Authorized public accountant

Consolidated Statement of Income

Summary

SEKm	2019 3 months Jul–Sep	2018 3 months Jul–Sep	2019 9 months Jan–Sep	2018 9 months Jan–Sep	2019 Trailing 12 months Oct–Sep	2018 12 months Jan–Dec
Income	921	813	2,738	2,397	3,591	3,250
Property costs	–270	–233	–844	–751	–1,173	–1,080
Operating surplus	651	580	1,894	1,646	2,418	2,170
Central administration	–29	–28	–106	–83	–149	–126
Net financial items	–227	–185	–639	–516	–823	–700
Profit from property management (properties)	395	367	1,149	1,047	1,446	1,344
Income, residential development	6	42	6	52	77	123
Costs, residential development	–22	–54	–111	–72	–199	–160
Net financial items, residential development	9	–6	10	–10	–2	–22
Profit from residential development	–7	–18	–95	–30	–124	–59
Share in earnings of associated companies	–1	7	8	13	2	7
Revaluation, transition from share in earnings of associated co:s to subsidiary	—	—	—	22	—	22
Changes in value, properties	327	271	1,097	817	2,589	2,309
Changes in value, derivatives	6	44	–29	54	–16	67
Changes in value, financial assets	7	–2	14	–8	47	25
Write-down of goodwill	—	–25	–4	–27	–4	–27
Profit before tax	727	644	2,140	1,888	3,940	3,688
Taxes	–119	–66	–441	–114	–681	–354
Net profit for the period	608	578	1,699	1,774	3,259	3,334
Net profit for the period attributable to:						
The parent company's shareholders	603	581	1,688	1,779	3,254	3,345
Holdings without controlling influence	5	–3	11	–5	5	–11
	608	578	1,699	1,774	3,259	3,334
Other comprehensive income, items which may later be reversed in the income statement						
Translation difference regarding foreign operations	109	–18	180	60	183	63
Comprehensive income for the period	717	560	1,879	1,834	3,442	3,397
Comprehensive income for the period attributable to:						
The parent company's shareholders	712	563	1,868	1,839	3,437	3,408
Holdings without controlling influence	5	–3	11	–5	5	–11
	717	560	1,879	1,834	3,442	3,397
Earnings per ordinary share, SEK	0.63	0.59	1.75	1.78	3.54	3.54
No. of ordinary shares outstanding at the end of the period, million	825.0	836.6	825.0	836.6	825.0	825.8
No. of preference shares outstanding at the end of the period, million	16.4	16.4	16.4	16.4	16.4	16.4
Average no. of outstanding ordinary shares, million	825.0	847.1	824.8	858.4	827.2	852.4
Average no. of outstanding preference shares, million	16.4	16.4	16.4	16.4	16.4	16.4

There are no outstanding warrants or convertibles.

Consolidated Balance Sheet

Summary

SEKm	30.09.2019	30.09.2018	31.12.2018
ASSETS			
Goodwill	151	155	155
Investment properties	54,153	47,378	52,713
Right of use site leasehold	691	—	—
Machinery and equipment	39	21	27
Participation rights in associated companies	68	221	217
Financial assets at fair value through statement of income	144	73	74
Properties (current assets)	576	1,095	444
Other receivables	3,384	2,084	2,256
Liquid funds	425	350	576
TOTAL ASSETS	59,631	51,377	56,462
SHAREHOLDERS' EQUITY AND LIABILITIES			
Equity attributable to the parent company's shareholders	19,058	16,033	17,972
Equity attributable to holdings without controlling influence	137	453	172
Deferred tax liability	3,306	2,697	2,884
Interest-bearing liabilities	33,634	30,298	33,688
Derivatives	86	300	85
Right of use liabilities	691	—	—
Accounts payable	88	86	270
Other liabilities	1,706	699	486
Accrued expenses and prepaid income	925	811	905
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	59,631	51,377	56,462

Change in Consolidated Shareholders' Equity

Summary

SEKm	Shareholders' equity attributable to		
	The parent company's shareholders	Holdings without controlling influence	Total shareholders' equity
Shareholders' equity 31.12.2017	14,505	0	14,505
Repurchase of own shares	-558	—	-558
Dividend	-695	-11	-706
Hybrid bond	1,261	—	1,261
Change in holding without controlling influence	51	194	245
Other comprehensive income	63	—	63
Net profit for the period	3,345	-11	3,334
Shareholders' equity 31.12.2018	17,972	172	18,144
Repurchase of own shares	-7	—	-7
Dividend	-709	-15	-724
Hybrid bond	-59	—	-59
Change in holding without controlling influence	-7	-31	-38
Other comprehensive income	180	—	180
Net profit for the period	1,688	11	1,699
Shareholders' equity 30.09.2019	19,058	137	19,195

Consolidated Cash Flow Statement

Summary

SEKm	2019 3 months Jul–Sep	2018 3 months Jul–Sep	2019 9 months Jan–Sep	2018 9 months Jan–Sep	2018 12 months Jan–Dec
Current operations					
Profit from property management and profit from residential development	387	348	1,054	1,016	1,285
Adjustment for items not included in the cash flow	4	1	10	4	6
Income tax paid	–2	0	–9	0	0
Cash flow from current operations before change in working capital	389	349	1,055	1,020	1,291
Changes in working capital					
Change properties (current assets)	–21	–298	–132	–313	–16
Change in operating receivables	–658	–35	–873	–516	–166
Change in operating liabilities	714	–119	380	–8	139
Total change in working capital	35	–452	–625	–837	–43
Cash flow from current operations	424	–103	430	183	1,248
Investment operations					
Divestment of properties	1,631	1,224	1,845	1,904	2,303
Acquisition of and investment in properties	–348	–1,809	–1,917	–5,513	–7,289
Acquisition of subsidiaries	—	–122	—	–174	–174
Acquisition of machinery and equipment	–10	–1	–22	–9	–15
Change in financial assets	–128	99	–153	270	–149
Cash flow from investment operations	1,145	–609	–247	–3,522	–5,324
Financing operations					
Change in interest-bearing liabilities	–1,616	491	304	3,771	4,749
Acquisition of financial instruments	—	—	—	–9	–217
Repurchase of own shares	—	–231	–7	–445	–558
Dividend	–173	–170	–519	–514	–688
Hybrid bond	–20	–12	–59	781	1,261
Change in holding without controlling influence	–33	–12	–53	66	66
Cash flow from financing operations	–1,842	66	–334	3,650	4,613
Total cash flow	–273	–646	–151	311	537
Liquid funds at the beginning of the period	698	996	576	39	39
Liquid funds at the end of the period	425	350	425	350	576

Parent Company Income Statement

Summary

SEKm	2019 3 months Jul–Sep	2018 3 months Jul–Sep	2019 9 months Jan–Sep	2018 9 months Jan–Sep	2018 12 months Jan–Dec
Net sales	63	62	179	166	237
Cost of services sold	–50	–42	–147	–139	–195
Gross profit	13	20	32	27	42
Central administration	–25	–28	–92	–83	–119
Operating profit	–12	–8	–60	–56	–77
Changes in value, derivatives	7	—	5	—	70
Net financial items	55	–132	–82	–361	1,056
Profit before tax	50	–140	–137	–417	1,049
Taxes	–1	–21	–1	–21	–38
Net profit for the period	49	–161	–138	–438	1,011
Other comprehensive income	—	—	—	—	—
Comprehensive income for the period	49	–161	–138	–438	1,011

Parent Company Balance Sheet

Summary

SEKm	30.09.2019	30.09.2018	31.12.2018
ASSETS			
Machinery and equipment	6	6	6
Participation rights in group companies	1,973	1,875	1,973
Receivables from group companies	27,422	24,884	25,756
Derivatives	13	14	17
Deferred tax assets	370	309	371
Other receivables	699	351	132
Liquid funds	303	246	249
TOTAL ASSETS	30,786	27,685	28,504
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	6,821	6,201	7,734
Interest-bearing liabilities	20,597	18,891	19,127
Derivatives	84	—	89
Liabilities to group companies	2,472	1,944	1,077
Accounts payable	6	4	13
Other liabilities	704	554	369
Accrued expenses and prepaid income	102	91	95
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	30,786	27,685	28,504

Key ratios

	30.09.2019 3 months Jul–Sep	30.09.2018 3 months Jul–Sep	30.09.2019 9 months Jan–Sep	30.09.2018 9 months Jan–Sep	30.09.2019 Trailing 12 months Oct–Sep	2018	2017	2016	2015
Property									
Number of properties	395	403	395	403	395	426	405	431	415
Lettable area, 000 sq.m.	2,848	2,779	2,848	2,779	2,848	2,969	2,900	2,943	2,872
Rental value, SEKm	4,116	3,672	4,116	3,672	4,116	4,063	3,507	3,386	3,182
Rental value per lettable area, SEK/sq.m.	1,445	1,321	1,445	1,321	1,445	1,368	1,209	1,151	1,108
Fair value properties, SEKm	54,153	47,378	54,153	47,378	54,153	52,713	42,961	39,234	35,032
Yield requirement valuation, %	5.6	5.7	5.6	5.7	5.6	5.7	5.9	6.2	6.5
Operating margin, %	71	71	69	69	67	67	66	66	65
Occupancy rate, economic, %	90	90	90	90	90	89	89	89	91
Occupancy rate, area, %	82	82	82	82	82	81	81	82	83
Average lease term, years	3.6	3.6	3.6	3.6	3.6	3.5	3.6	3.7	3.5
Financial									
Return on equity, %	3.2	3.7	9.1	11.6	18.1	21.2	18.9	18.6	18.9
Equity ratio, %	32.0	31.2	32.0	31.2	32.0	31.8	32.8	32.1	31.7
Equity ratio, adjusted, %	39.6	37.0	39.6	37.0	39.6	37.4	38.5	36.7	35.8
Leverage, %	58	60	58	60	58	60	58	60	61
Leverage properties, %	44	46	44	46	44	48	42	44	47
Interest coverage ratio	2.9	2.8	2.7	2.9	2.6	2.7	2.9	2.9	2.6
Average interest, %	2.2	2.5	2.2	2.5	2.2	2.3	2.5	2.5	2.7
Average fixed-interest period, years	2.3	2.8	2.3	2.8	2.3	2.9	2.8	2.6	2.1
Average period of tied-up capital, years	4.1	4.2	4.1	4.2	4.1	4.3	3.0	3.0	2.8
Interest-bearing liabilities, SEKm	33,757	30,298	33,757	30,298	33,757	33,688	25,529	23,869	21,486
Share									
Equity per ordinary share, SEK	14.32	11.73	14.32	11.73	14.32	14.08	10.74	9.01	7.38
EPRA NAV, SEK	18.43	15.31	18.43	15.31	18.43	17.67	14.07	11.70	9.53
Equity per preference share, SEK	361.50	329.50	361.50	329.50	361.50	307.00	309.60	288.50	281.50
Profit from property management per ordinary share, SEK	0.38	0.34	1.09	0.93	1.35	1.19	1.03	0.93	0.78
Earnings per ordinary share, SEK	0.63	0.59	1.75	1.78	3.54	3.54	2.53	2.11	1.83
Share price ordinary share A at end of period, SEK	18.05	11.65	18.05	11.65	18.05	10.15	10.87	9.38	9.45
Share price ordinary share B at end of period, SEK	18.37	11.68	18.37	11.68	18.37	10.28	10.72	9.55	9.50
Share price preference share at end of period, SEK	361.50	329.50	361.50	329.50	361.50	307.00	309.60	288.50	281.50
Market capitalization, SEKm	22,748	16,115	22,748	16,115	22,748	14,455	14,922	13,479	13,327
Total no. of registered ordinary shares at end of period, million	916.0	916.0	916.0	916.0	916.0	916.0	916.0	916.0	916.0
Total no. of outstanding ordinary shares at end of period, million	825.0	836.6	825.0	836.6	825.0	825.8	876.6	916.0	916.0
Total no. of registered preference shares at end of period, million	16.4	16.4	16.4	16.4	16.4	16.4	16.4	16.4	16.4
Total no. of outstanding preference shares at end of period, million	16.4	16.4	16.4	16.4	16.4	16.4	16.4	16.4	16.4
Dividend per ordinary share, SEK	—	—	—	—	—	0.46	0.44	0.40	0.35
Dividend per preference share, SEK	—	—	—	—	—	20.00	20.00	20.00	20.00
Dividend in relation to profit from property management, %	—	—	—	—	—	53	57	59	62
Dividend preference shares in relation to profit from property management, %	—	—	—	—	—	24	26	28	32

Klövern shows some key figures in the interim report which have not been defined by IFRS. The company considers that these key figures provide important complementary information about the company. For further information about these key figures, see Klöver's website under the flap Financial Statistics.

VALUE OF PROPERTIES,
SEK BILLION

54.2

RENTAL VALUE,
SEK BILLION

4.1

LETTABLE AREA,
THOUSAND SQ.M.

2,848

Definitions

PROPERTY

CHANGES IN VALUE PROPERTIES, REALIZED

Divestments after deduction of properties' most recent fair value and selling expenses.

CHANGES IN VALUE PROPERTIES, UNREALIZED

Change in fair value excluding acquisitions, divestments, investments and currency conversion.

AREA-BASED OCCUPANCY RATE

Let area in relation to total lettable area.

DEVELOPMENT PROPERTIES

Properties where conversion or extension projects are in process or planned, which lead to a higher standard or changed use of premises.

ECONOMIC OCCUPANCY RATE

Contract value in relation to rental value.

INVESTMENT PROPERTIES

Properties currently being actively managed.

LEASE VALUE

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

NET MOVING-IN

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

OPERATING MARGIN

Operating surplus in relation to income.

RENTAL VALUE

Lease value plus assessed market value for space not rented.

YIELD REQUIREMENT, VALUATION

The required yield of property valuations on the residual value.

FINANCIAL

EQUITY RATIO

Equity¹ in relation to reported total assets.

EQUITY RATIO, ADJUSTED

Equity¹ adjusted for the value of derivatives, goodwill, repurchased shares (based on the share price at the end of the respective period) and deferred tax liabilities exceeding 5 per cent of the difference between tax value and fair value of the properties in relation to reported total assets adjusted for goodwill and right of use assets.

INTEREST COVERAGE RATIO

Profit from property management plus earnings from residential development, excluding financial costs² in relation to financial costs².

LEVERAGE

Interest-bearing liabilities after deduction of the market value of listed share portfolio and liquid funds in relation to the fair value of the properties.

LEVERAGE, PROPERTIES

Interest-bearing liabilities with secured financing in properties in relation to the fair value of the properties.

RETURN ON EQUITY

Net profit in relation to average equity¹.

SHARE

EARNINGS PER ORDINARY SHARE

Net profit, after deduction of earnings to preference shares in relation to the average number of outstanding ordinary shares.

EARNINGS PER PREFERENCE SHARE

Accumulated share of the annual dividend of SEK 20.00 per preference share based on the number of outstanding preference shares at the end of each quarter.

EPRA NAV

Equity¹ after deduction for equity attributable to preference shares and hybrid bonds adding back derivatives and deferred tax liability in relation to the number of outstanding ordinary shares.

EQUITY PER ORDINARY SHARE

Equity¹ after deduction of equity attributable to preference shares and hybrid bonds in relation to the total number of outstanding shares.

EQUITY PER PREFERENCE SHARE

Based on the share price of the preference share at the end of each period.

PROFIT FROM PROPERTY MANAGEMENT PER ORDINARY SHARE

Profit from property management after deduction of earnings to preference shares, in relation to the average number of outstanding ordinary shares.

¹ Equity attributable to the Parent Company's shareholders.

² Excluding site leasehold expenses.

INTEREST COVERAGE
RATIO, JAN–SEP

2.7

EQUITY RATIO,
ADJUSTED, %

39.6

NUMBER OF
SHAREHOLDERS

51,900

Calendar

Final day for trading conferring the right to dividend for holders of ordinary and preference shares	23 December 2019
Record date for dividend to holders of ordinary and preference shares	30 December 2019
Expected date for dividend to holders of ordinary and preference shares	7 January 2020
Year-end report 2019	12 February 2020
Interim report, January–March 2020	24 April 2020
Annual General Meeting 2020	24 April 2020

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This information is information that Klöver AB is obliged to make public pursuant to the EU Market Abuse Regulation. This information was submitted for publication through the agency of the contact persons set out above at 07:30 CEST on 23 October 2019.

This is a translation of the original Swedish language interim report. In the event of discrepancies, the original Swedish wording shall prevail.

KLÖVERN