

LJUNGBERGGRUPPEN AB

INTERIM REPORT

1ST JANUARY — 31ST MARCH 2007



LjungbergGruppen AB

Interim Report, 1st January – 31st March 2007

Net sales SEK 429 million (207 m)
Profit/loss after financial items SEK 135.7 million (48.8 m)
Profit after tax SEK 104.4 million (34.9 m)
Profit after tax SEK 3.20/share (2.38)

On 17th October 2006, LjungbergGruppen and Atrium Fastigheter merged and the combined company has been consolidated as of this date. Comparative figures relating to previous years comprise LjungbergGruppen prior to the merger. The pro forma profit/loss for 2006 is shown on page 7.

PROFIT/LOSS

The Group posted a profit/loss after financial items of SEK 135.7 million (SEK 48.8 m). The profit/loss includes a loss of -SEK 1.9 million (SEK 0 million) on the sale of properties attributable to settlements from sales in previous years.

The profit/loss after financial items, excluding changes in value and the profit/loss on real estate sales, totalled SEK 137.6 million (SEK 48.8 m).

The profit after tax was SEK 104.4 million (SEK 34.9 m), corresponding to SEK 3.20/share (SEK 2.38) before the split.

The Parent Company's profit after tax was SEK 15.9 million (SEK 24.2 m). Net sales totalled SEK 56 million (SEK 57 m).

REAL ESTATE MANAGEMENT

Letting rates totalled 95 per cent on 31st March 2007 (94 per cent on 31st December 2007). Rental income for the period totalled SEK 357 million (SEK 123 m). The trend in rental income is shown in the table on page 3.

The commercial premises rental market is showing increased demand with demand particularly strong in attractive retail locations. Demand for offices in good locations is, however, also increasing.

A number of premises have been let during the quarter. Agreements have been signed with Alcro-Beckers, who will be moving their head office to 5,300m² of office space in Hammarby Sjöstad in early 2008.

Virtually all of LjungbergGruppen's existing office premises in Sickla and in the Södermalm district of Stockholm are now let, and tenants will be moving into the final vacant premises in Glashuset at Slussen during May.

The retail sector has performed strongly during the first quarter and turnover has increased in the company's regional shopping malls by approximately 7 per cent. Premises have been let to Weekday in Uppsala and Clas Ohlson in Sickla, amongst others.

Project development work has reached a variety of developmental stages at several hypermarket locations. Plans have been drawn up in Haninge for the conversion of parts of the existing

Coop facility to a hypermarket site. An agreement has been reached with Coop involving a reduction in the space let from 26,000m² to 18,000m². Building permission has also been granted for a further 7,000m². Agreements have been reached with Järnia during the quarter regarding the letting of 1,600m² and the tenant is scheduled to move in during 2009.

PROJECT AND CONSTRUCTION ACTIVITIES

Net sales by the project and construction activities totalled SEK 72 million (SEK 85 m). The operating profit/loss for the period was -SEK 3.7 million (-SEK 2.7 m). Ongoing development projects have been charged to the result. TL Bygg's net sales totalled SEK 71 million (SEK 83 m), SEK 11 million (SEK 9 m) of which comprised work for group companies.

INVESTMENTS

Much of the company's energy is being invested in developing the project portfolio, with the goal of investing SEK 5 billion over the next five years. Investments in real estate during the first quarter totalled SEK 256 million (SEK 62 m), and relate primarily to:

- completion of Magasinet in Sickla, where 17,500m² of retail space will be opened on 15th May 2007;
- renovation of PUB as a fashion department store with a youth orientation. PUB is scheduled for completion in the autumn of 2008;
- the final phase of renovating Glashuset at Slussen;
- renovation of the Proppen 6 office building in Hammarby Sjöstad, including a 4,000m² extension. The building will be completed during the first quarter of 2008.

Construction work has begun in Sickla on a 10,000m² knowledge mall. The main section, comprising 9,000m², has been let to a variety of players for the provision of upper secondary school education and the tenants are scheduled to move in at the end of 2008/beginning of 2009.

The conversion of Arbetsstolen 3 into a hypermarket location with 15,000m² retail space has begun in Västberga. Coop will be the biggest tenant, leasing just over 8,000m².

A smaller property in Nynäshamn was sold during the period as part of the Group's ongoing concentration and streamlining of the operations by selling a number of smaller single retail outlet and mixed purpose premises and warehousing and logistics premises during the year.

REAL ESTATE VALUATIONS

LjungbergGruppen carries out a valuation of all properties in the real estate holding at the end of June each year and at the end of

every calendar year. The only changes made to valuation during the past quarter were in respect of investments made.

FINANCIAL POSITION

Liquid assets at the period end totalled SEK 182 million (SEK 278 m as of 31st December 2006). A dividend of SEK 1,600 million was paid to Atrium's former owners, Konsumentföreningen Stockholm and KP Pension och Försäkring, during the period. The amount was financed by means of borrowing from credit institutions and is included in interest-bearing liabilities at the end of the reporting period. The average interest payable on interest-bearing liabilities was 4.6 per cent (4.6 per cent as of 31st December 2006). The average fixed interest term was 2.6 years (2.0 years as of 31st December 2006). The equity/assets ratio at the period end was 43.8 per cent (43.3 per cent as of 31st December 2006).

ANNUAL GENERAL MEETING

The Board Members elected at the Extraordinary General Meeting held on 28th November 2006 were re-elected at the Annual

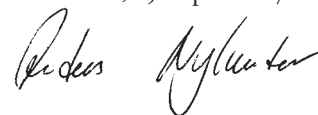
General Meeting held on 29th March 2007. The dividend payment was set at SEK 6.50/share (SEK 5.50/share).

The Annual General Meeting resolved to implement a 4:1 share split, whereby one share will be divided into four, with 19th April 2007 as the record day. The Meeting also resolved to implement a stock option programme, directed at all employees who did not take part in the previous stock option programme in 2006, and comprising a total of 250,000 shares.

PROFIT FORECAST

The profit forecast for 2007 as a whole will be announced in the Interim Report for the first six months of the year, which will be published on 13th July 2007.

Stockholm, 25th April 2007



Anders Nylander

MANAGING DIRECTOR

Rental income trend ¹⁾

SEK m	2006 ²⁾ pro forma	2007 Q 1	2007 Q 2	2007 Q 3	2007 Q 4
Stockholm city centre	270	308	333	342	342
Stockholm, other	721	721	739	739	744
Uppsala and Mälardalen	181	176	182	180	180
Sweden, other	180	185	187	186	186
Total	1,352	1,390	1,441	1,447	1,452

¹⁾ Contracted rental income excluding marketing subsidies. Q1 refers to the result, excluding real estate sales and non-recurring effects, recalculated on a full-year basis. Rental levels for Q2-4 include known contract changes for the respective quarters including estimated sales-based rents.

²⁾ Pro forma Atrium-LjungbergGruppen from 1st January 2006.

Letting rate

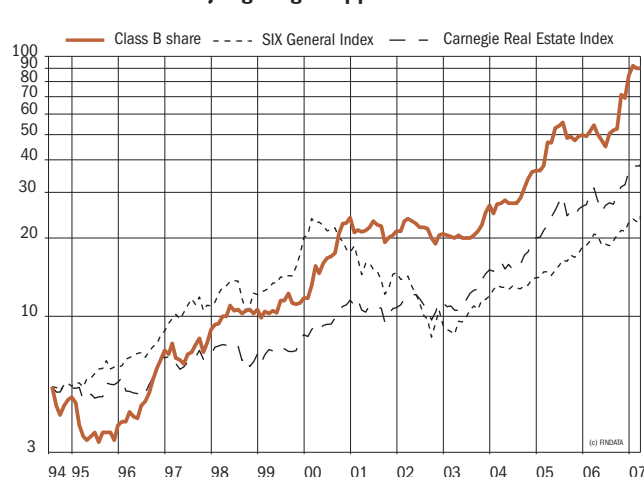
	Rental value, SEK m	Rental contracts, SEK m	Letting rate, %
Stockholm city centre	343	333	97
Stockholm, other	794	739	93
Uppsala and Mälardalen	192	182	95
Sweden, other	191	187	98
Total	1,520	1,441	95

Loan structure

Fixed interest term, up to and including	Loan ¹⁾ amount, SEK m	Percentage of loan, %	Average interest, %
Variable	1,327	18	4.1
2007	1,434	20	5.6
2008	1,088	15	4.6
2009	269	4	5.6
2010	524	7	3.9
2011	615	9	4.1
2012 and thereafter	1,915	27	4.3
Total	7,172	100	4.6

¹⁾ Including borrowing of SEK 1,600 million during the period in respect dividend payments to Atrium's former owners.

LjungbergGruppen share



Consolidated Income Statements

	2007	2006	2006	2006/2007
Amounts in SEK million	1/1-31/3	1/1-31/3	1/1-31/12	1/4-31/3
Income	429.0	207.3	979.1	1,200.8
Administration and production costs	-216.5	-124.9	-523.4	-615.1
Gross profit/loss	212.4	82.4	455.7	585.7
Central administration and marketing	-15.0	-7.2	-57.1	-65.0
Profit/loss on real estate sales	-1.9	-	-	-1.9
Change in value of investment properties	-	-	1,881.0	1,881.0
Operating profit/loss	195.4	75.2	2,279.5	2,399.8
Shares in profits of subsidiaries	-	-	-1.1	-1.1
Interest income	2.7	0.4	5.5	7.8
Interest expenses	-62.4	-26.8	-128.9	-164.5
	-59.7	-26.4	-124.4	-157.7
Profit/loss after financial items	135.7	48.8	2,155.1	2,242.1
Tax	-31.4	-13.9	-598.3	-615.8
Profit after tax	104.4	34.9	1,556.8	1,626.3
Earnings per share, SEK	3.21	2.38	84.85	71.28
Diluted earnings per share, SEK	3.20	2.38	84.64	71.18
Average number of outstanding shares, thousand	32,539	14,675	18,347	22,813
Average number of outstanding shares after dilution, thousand	32,597	14,675	18,393	22,849
Number of shares issued, thousand	33,305	15,441	33,305	33,305

Breakdown of operating profit/loss

	2007	2006	2006	2006/2007
Amounts in SEK million	1/1-31/3	1/1-31/3	1/1-31/12	1/4-31/3
REAL ESTATE MANAGEMENT				
Rental income	357.3	122.7	669.5	904.1
Administrative expenses	-126.6	-34.6	-208.1	-300.1
Property tax	-16.8	-4.8	-28.3	-40.3
Operating surplus, real estate management	213.9	83.3	433.1	563.6
Depreciation of plant and equipment	-0.5	-0.5	-1.9	-1.9
Gross profit/loss, real estate management	213.4	82.8	431.2	561.8
Central administration and marketing	-12.4	-4.9	-43.6	-51.1
Profit/loss on real estate sales	-1.9	-	-	-1.9
Change in value of investment properties	-	-	1,881.0	1,881.0
Operating profit/loss, real estate management	199.1	77.9	2,268.5	2,389.7
PROJECT AND CONSTRUCTION ACTIVITIES				
Net sales	71.7	84.6	309.7	296.7
Production costs	-72.8	-84.9	-284.8	-272.7
Surplus, project and construction activities	-1.1	-0.3	24.8	24.1
Depreciation of plant and equipment	-0.1	-0.1	-0.3	-0.3
Gross profit/loss, project and construction activities	-1.2	-0.4	24.6	23.8
Central administration and marketing	-2.6	-2.3	-13.5	-13.8
Operating profit/loss, project and construction activities	-3.7	-2.7	11.0	10.0
Operating profit/loss	195.4	75.2	2,279.5	2,399.8

Accounting principles

The Interim Report has been prepared in accordance with IAS 34. The Group also applies recommendation RR 30, Complementary accounting rules for corporate groups, of the Swedish Financial Accounting Standards Council, which specifies the supplementary information required in accordance with the provisions of the Swedish Annual Accounts Act. The same accounting principles have been applied in the most recent Annual Report.

Amounts have been rounded off to SEK million and hence the figures in the tables do not not always add up.

Consolidated Balance Sheets

Amounts in SEK million	31-03-2007	31-03-2006	31-12-2006
ASSETS			
Investment properties, etc.	17,108.0	5,042.0	16,854.9
Tangible fixed assets	7.7	5.3	7.7
Goodwill	521.5	-	521.5
Other fixed assets	19.5	17.4	13.8
Current assets	216.5	139.7	345.3
Liquid assets	182.2	201.0	278.2
Total assets	18,055.5	5,405.4	18,021.4
SHAREHOLDERS' EQUITY & LIABILITIES			
Shareholders' equity	7,915.2	2,242.0	7,805.1
Deferred tax liability	2,345.7	650.9	2,337.3
Long-term liability to credit institutions	3,777.3	1,727.0	3,492.7
Other long-term liabilities	1.7	6.1	2.2
Current liabilities to credit institutions	3,395.4	524.0	2,139.3
Other current liabilities	620.2	255.4	2,244.8
Total shareholders' equity & liabilities	18,055.5	5,405.4	18,021.4

Amounts in SEK million	Attributable to the Parent Company's shareholders				
	Share capital	Other capital contributed	Hedging reserves	Profits brought forward	Total shareholders' equity
Change in shareholders' equity					
Opening balance, as of 1st January 2006	154.4	12.2	1.3	2,036.0	2,203.9
Market valuation, financial instruments	-	-	4.4	-	4.4
Tax attributable to items reported directly to shareholders' equity	-	-	-1.2	-	-1.2
Income and expenses for the period reported directly to shareholders' equity	-	-	3.2	-	3.2
Profit/loss for the period, 1/1-31/3	-	-	-	34.9	34.9
Total income and expenses for the period	-	-	3.2	34.9	38.1
Closing balance, as of 31st March 2006	154.4	12.2	4.5	2,070.9	2,242.0
Market valuation, financial instruments	-	-	1.3	-	1.3
Tax attributable to items reported directly to shareholders' equity	-	-	-0.4	-	-0.4
Income and expenses for the period reported directly to shareholders' equity	-	-	0.9	-	0.9
Profit/loss for the period, 1/4-31/12	-	-	-	1,521.9	1,521.9
Total income and expenses for the period	-	-	0.9	1,521.9	1,522.8
New share issue ¹⁾	178.6	3,939.0	-	-	4,117.6
Incentive programme ²⁾	-	3.4	-	-	3.4
Dividends	-	-	-	-80.7	-80.7
Opening balance, as of 1st January 2007	333.0	3,954.6	5.4	3,512.1	7,805.1
Market valuation, financial instruments	-	-	7.8	-	7.8
Tax attributable to items reported directly to shareholders' equity	-	-	-2.2	-	-2.2
	-	-	5.7	-	5.7
Profit/loss for the period, 1/1-31/3	-	-	-	104.4	104.4
Total income and expenses for the period	-	-	5.7	104.4	110.1
Closing balance, as of 31st March 2007	333.0	3,954.6	11.1	3,616.5	7,915.2

There are a total of 33,305,184 shares in the company (15,441,184), 1,000,000 (1,900,000) of which are class A shares and 32,305,184 (13,541,184) of which are class B shares. One class A share grants entitlement to ten votes and one class B share grants entitlement to one vote. At the end of the period, there were a total of 32,539,207 outstanding shares. The company holds 765,977 of its own class B shares.

¹⁾ 900,000 class A shares have been restamped as class B shares during 2006 and 17,864,000 class B shares have been issued in conjunction with the acquisition of Atrium Fastigheter AB. The closing price on 16th October 2006 of SEK 230.50 has been used to calculate acquisition value and shareholders' equity.

²⁾ A stock option programme for the employees of LjungbergGruppen has been implemented in accordance with a resolution by the Annual General Meeting held on 4th April 2006. Subscription for the warrants has generated SEK 20/warrant for the company. A total of 168,200 warrants have been subscribed for. The company intends to fulfil its stock option undertakings using its own shareholding. The 2007 Annual General Meeting has resolved to implement a complementary stock option programme directed at all employees who did not participate in the programme approved in 2006. The later option programme will be implemented in April 2007.

The Interim Report has not been subject to auditing by the Auditor.

Consolidated Cash Flow Statements

	2007	2006	2006	2006/2007
Amounts in SEK million	1/1-31/3	1/1-31/3	1/1-31/12	1/4-31/3
OPERATING ACTIVITIES				
Profit/loss after financial items	135.7	48.8	2,155.1	2,242.0
Reversal of depreciation	0.6	0.5	2.9	3.0
Reversal of profit/loss from real estate sales	1.9	-	-	1.9
Reversal of change in value of investment properties	-	-	-1,881.0	-1,881.0
Other items not included in the cash flow	-	-	0.1	0.1
Rental guarantee paid	-	-0.8	-2.5	-1.7
Tax paid	-21.4	-6.8	-13.0	-27.6
Cash flow from operating activities before changes in working capital	116.8	41.7	261.6	336.7
Net change in working capital	-24.2	4.2	75.3	46.9
Cash flow from operating activities	92.6	45.9	336.9	383.6
INVESTMENT ACTIVITIES				
Acquisition of real estate	-	-	-66.3	-66.3
Corporate acquisitions	-	-	125.5	125.5
Renovation and new construction of properties	-262.8	-46.0	-370.2	-587.0
Sale of real estate	140.2	-	41.8	182.0
Other investments	-6.8	-0.3	-2.9	-9.4
Cash flow from investment activities	-129.4	-46.3	-272.1	-355.2
FINANCIAL ACTIVITIES				
Dividend paid	-1,600.0	-	-80.7	-1,680.7
Option programme	-	-	3.4	3.4
Change in long-term liabilities	1,540.8	98.2	187.5	1,630.1
Cash flow from financial activities	-59.2	98.2	110.2	-47.2
Cash flow for the period	-96.0	97.8	175.0	-18.8
Liquid assets at the beginning of the period	278.2	103.2	103.2	201.0
Liquid assets at the end of the period	182.2	201.0	278.2	182.2

Definitions

KEY RATIOS

Shareholders' equity. Reported shareholders' equity.

Equity/assets ratio. Shareholders' equity in relation to the Balance Sheet total.

Debt/equity ratio. Interest-bearing liabilities in relation to shareholders' equity.

Lending ratio. Liabilities to credit institutions as a percentage of the properties' book value.

Interest coverage ratio. Profit/loss after financial items plus interest expenses in relation to interest expenses.

Return on shareholders' equity. Net profit/loss for the year in relation to average shareholders' equity.

Return on total capital. Profit/loss after financial items plus interest expenses in relation to the average Balance Sheet total.

DATA PER SHARE

Net profit/loss for the year. Net profit/loss for the year in relation to the average number of shares after dilution.

Cash flow. Cash flow from operating activities in relation to the average number of shares after dilution.

Shareholders' equity. Shareholders' equity divided by the number of shares outstanding on 31st December.

No. shares after dilution. The number of shares after dilution is calculated in accordance with recommendation RR 18 of the Swedish Financial Accounting Standards Council.

OTHER

Letting rate. Contracted rental income in relation to the rental value when fully let.

Rental value. Contracted annual rents and estimated market rents for vacant premises in current condition.

Level. Contracted rents on a given date and at a given cost position on the given date. Neither known nor unknown changes at a later date are taken into account.

IFRS. International Financial Reporting Standards. International financial reporting standards for consolidated accounts that all listed companies within the EU must apply as of 2005.

Key ratios ¹⁾	2007	2006	2006	2006/2007
	1/1-31/3	1/1-31/3	1/1-31/12	1/4-31/3
Equity/assets ratio, %	43.8	41.5	43.3	43.8
Debt/equity ratio, multiple	0.9	1.0	0.7	0.9
Lending ratio, %	41.9	44.6	33.4	41.9
Interest coverage ratio, multiple	3.2	2.8	17.7	14.6
Interest coverage ratio, multiple, ex. capital gains and changes in value	3.2	2.8	3.1	3.2
Return on shareholders' equity, %	5.3	6.3	31.3	32.0
Return on shareholders' equity, %, ex. capital gains and changes in value	5.4	6.3	4.7	6.2
Return on total capital, %	4.4	5.7	19.6	20.5
Return on total capital, %, ex. capital gains and changes in value	4.4	5.7	3.74.8	
Number of employees (average)	228	143	172	182

Data per share ¹⁾	2007	2006	2006	2006/2007
	1/1-31/3	1/1-31/3	1/1-31/12	1/4-31/3
Amounts in million				
Profit after tax	3.21	2.38	84.64	71.28
Profit after tax, ex. capital gains and changes in value	3.20	2.38	11.01	71.18
Cash flow	2.84	3.13	18.32	16.79
Shareholders' equity	243.30	152.80	239.90	243.30
Share price	360.00	217.50	337.50	360.00
Average number of outstanding shares, thousand	32,539	14,675	18,347	22,813
Average number of outstanding shares after dilution, thousand	32,597	14,675	18,393	22,849
Number of outstanding shares at the period end, thousand ²⁾	32,539	14,675	32,539	32,539
Number of outstanding shares after dilution at the period end, thousand ²⁾	32,597	14,675	32,584	32,597

¹⁾ Key ratios are defined in the same way as in the Annual Report. The key ratios refer to data per share before the 4:1 split implemented after the period end for which 19th April 2007 was the record day.

²⁾ Registered number of shares less 765,977 class B shares bought back.

Rental income, pro forma, 1st January – 31st December 2006 ¹⁾

	LjungbergGruppen		Atrium		Pro forma	
	SEK m	%	SEK m	%	SEK m	%
Offices ²⁾	225	48	126	14	351	26
Retail ²⁾	110	23	672	76	782	58
Housing	41	9	10	1	51	4
Other	96	20	72	8	168	12
Total	472	100	880	100	1,352	100
Stockholms city centre	84	18	186	21	270	20
Stockholm, other	388	82	333	38	721	53
Uppsala and Mälardalen	-	-	181	21	181	14
Sweden, other	-	-	180	20	180	13
Total	472	100	880	100	1,352	100

¹⁾ Excluding marketing subsidies from tenants.

²⁾ Office and retail rental income includes income in respect of certain other types of premises.

Net profit/loss, pro forma, 1st January – 31st December 2006 ¹⁾

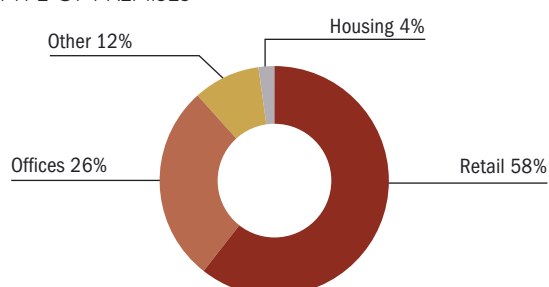
Amount in SEK m	
Rental income	1,352
Management costs	-527
Operating surplus, real estate management	825
Central administration	-49
Operating result, real estate management	776
Operating result, projects and construction work	10
Net financial items ²⁾	-331
Result after net financial items	455
Tax, 28%	-127
Profit/loss after tax	328

¹⁾ Excluding change in value and profit on real estate sales.

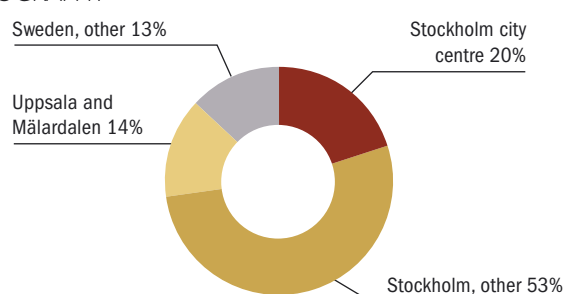
²⁾ Including borrowing of SEK 1,600 million for the dividend payable to Atrium's former owners. interest expenses (4,5%) totalling SEK 1,600 million from 1st January 2006 have been charged to the pro forma Income Statement.

Rental income, pro forma, 1st January – 31st December 2006

TYPE OF PREMISES



GEOGRAPHY



Six year review

	2001	2002	2003	2004 ¹⁾	2005 ¹⁾	2006 ¹⁾
SUMMARY OF CONSOLIDATED INCOME STATEMENT SEK m						
Rental income	383	429	458	461	425	669
Operating profit/loss, management, ex. real estate sales and changes in value	221	247	250	289	267	388
Profit/loss, real estate sales	0	-	4	-	13	-
Changes in value, real estate	-	-	-	102	415	1,881
Net sales, construction	272	201	193	251	270	310
Operating profit/loss, construction	7	10	3	6	2	11
Net financial items	-101	-111	-119	-120	-94	-124
Profit/loss after financial items	127	146	139	277	604	2,155
Tax on profit for the year	-36	-42	-37	-77	-106	-598
Net profit/loss for the year	91	104	102	200	497	1,557
Profit/loss after financial items, ex. real estate sales and changes in value	127	146	134	175	175	274
KEY RATIOS						
Equity/assets ratio, %	24.5	24.7	25.6	39.1	42.0	43.3
Debt/equity ratio, multiple	2.7	2.7	2.5	1.2	1.0	0.7
Lending ratio, %	76.3	76.1	73.2	47.5	43.2	33.4
Interest coverage ratio, multiple	2.1	2.2	2.0	3.2	6.9	17.7
Interest coverage ratio, multiple, ex. real estate sales and changes in value	2.1	2.2	2.0	2.4	2.7	3.1
Return on shareholders' equity, %	12.0	12.5	11.5	10.8	24.1	31.3
Return on shareholders' equity, %, ex. real estate sales and changes in value	12.0	12.5	11.1	6.9	6.7	4.7
Return on total capital, %	7.7	8.0	7.7	8.3	13.9	19.6
Return on total capital, %, ex. real estate sales and changes in value	7.7	8.0	7.6	6.2	5.6	3.7
Number of employees (average)	121	128	130	132	137	172
DATA PER SHARE ²⁾ SEK						
Net profit/loss for the year	5.98	6.76	6.58	12.94	33.34	84.64
Net profit/loss for the year, ex. real estate sales and changes in value	5.98	6.76	6.37	7.89	8.49	11.01
Dividend	3.00	3.50	4.00	4.50	5.50	6.50
Cash flow	8.93	10.23	8.74	9.14	10.01	18.32
Shareholders' equity	52.3	55.8	58.8	124.9	150.2	239.9
Share price, period end	85.0	83.0	107.0	145.5	199.5	337.5

¹⁾ Data reported as of 2004 (inc.) are based on international accounting standards, IFRS.

²⁾ Data per share is calculated after the 1:1 bonus issue of April 2001 and after dilution. The share price has also been recalculated after the bonus issue.

FINANCIAL INFORMATION

Q2 2007 Interim Report	13 th July 2007
Q3 2007 Interim Report	19 th October 2007
2007 Preliminary Financial Statement	February 2008
Annual Report 2007	March 2008



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