

**MANDAMUS
INTERIM REPORT
1 JANUARY–30 SEPTEMBER 2003**

Rental income for the period under review rose to SEK 691m (679m).

Profit after tax amounted to SEK 101m (89m), of which items affecting comparability made up SEK 17m (–7m).

Earnings per share after tax totalled SEK 4.92 (4.35).

Management profit for the whole year is expected to be some SEK 120m.

One residential property in Malmö was acquired for SEK 20m.



Interim Report for I January – 30 September 2003

Operations

Mandamus seeks, on a long-term basis, to own, develop and manage residential properties in Southern and Central Sweden. One business target is for 90 per cent of the stock to consist of housing properties. Another is for 75 per cent of the stock to be concentrated in Mandamus' growth areas: Greater Stockholm, Greater Gothenburg, Malmö/Lund and Halmstad. At 30 September, residential properties accounted for a 91% share of book value, and the proportion of properties in the company's growth areas was 74%.

Rental income

Rental income for the period from 1 January to 30 September totalled SEK 691m (679m), nearly 2 per cent higher than during the same period in 2002. This rise in rental income is due mainly to higher rents in the property stock. Rental income for the third quarter amounted to SEK 226m (228m). This decrease in income during the third quarter was due to the sale of 14 properties during the second quarter.

Letting ratio

The average economic letting ratio for the period from 1 January to 30 September was 98.2 per cent, one-tenth of a percentage point higher than at year-end and two-tenths of a percentage point higher than in the corresponding period in 2002. Vacancies in the stock are mainly in commercial premises, while the vacancy ratio for housing was only 0.8 per cent at 30 September. This indicates a persistent massive demand for homes in Mandamus' market areas.

Property costs

Property costs for the period from 1 January to 30 September totalled SEK 365m (333m). Of the rise in property expense, SEK 15m was due to increased electricity and heating costs to date in 2003. The cold winter made for higher electricity prices, and generally higher tariffs from district-heating suppliers also boosted costs. Maintenance costs were SEK 13m higher than in the previous year. Property expense for the third quarter amounted to SEK 101m (99m), the increase being due largely to raised maintenance costs in the third quarter.

Net operating income

Net operating income (NOI) for the period from 1 January to 30 September amounted to SEK 326m (346m). This decrease from the previous year is attributable to higher energy prices and a raised maintenance level. Third-quarter NOI totalled SEK 125m (129m).

Management profit

Depreciation on properties amounted to SEK 39m (39m) for the period under review and SEK 13m (13m) for the third

quarter. Central administrative expense totalled SEK 11m (13m) for the nine-month period and SEK 3m (4m) for the third quarter alone. During the former period, SEK 3m (3m) in management remuneration was received from the associated company Mandamus Förvaltning i Haninge AB. Interest expense amounted to SEK 180m (184m) for the period and SEK 59m (62m) for the third quarter. The fall in interest expense was due partly to lower average interest rates than in 2002 and partly to property sales. Management profit for the period, i.e. profit before tax excluding items affecting comparability, such as sale profit, interest contributions and non-recurring profit, totalled SEK 124m (131m). The third-quarter figure was SEK 55m (58m). For the past 12-month period (on a rolling 12-month basis), management profit amounted to SEK 141m.

Income from associated companies

Income from Mandamus' associated company in Haninge totalled SEK 24m (17m) for the period. This income comprises SEK 8m (7m) in the form of interest on shareholder loans and SEK 16m (10m) in the company's share of profit in the associated company. The rise in the latter compared with the previous year is due to the company's sale profit of SEK 46m on a property in Västerhaninge. However, the Haninge company has major pent-up maintenance requirements for its other properties in Västerhaninge, and the plan is therefore to use most of the sale profit for renovation of the existing property stock during the remainder of the year.

Items affecting comparability

Sale profit from property sales implemented during the period was SEK 13m (–8m). During the third quarter, shares were used as part-payment for properties in Karlstad purchased from Mandamus. Profit from the sale of shares totalled SEK 9m and is disclosed under the heading 'non-recurring expense' in the profit and loss account. During the period, SEK 6m was charged to profit in the form of expense, and of this amount, SEK 4.5m represents expenses of phasing out the company's former Deputy Managing Director. The remainder, SEK 1.5m, relates to costs connected with production of the fairness opinion occasioned by LRF's purchase bid for Mandamus made to the company's shareholders in the spring.

Profit

Pre-tax profit for the period under review amounted to SEK 141m (124m). The rise in profit compared with the previous year is due to increased profit from property sales and from the sale of shares, and a rise in profit from the associated company. Third-quarter profit after tax totalled SEK 64m (52m). Profit after standard tax for the period amounted to SEK 101m (89m), corresponding to earnings per share (EPS) of SEK 4.92 (4.35). Cash flow per share was SEK 7.35

(7.53). Third-quarter profit after standard tax was SEK 45m (37m).

Property stock

At 30 September 2003, the group had properties with a book value of SEK 5,492m (5,759m). The decrease since 2002 is mainly an effect of property sales.

During the third quarter, one residential property in Malmö, with a rentable area of 2,400 m², was acquired for SEK 20m. Between 1 January to 30 September, three residential properties in Vänersborg and 11 commercial properties in Karlstad were sold for a total of SEK 242m, at a sale profit of some SEK 13m. Profit from the sale of shares, SEK 9m, should be added to this figure. The properties sold had an aggregate rentable area of 44,100 m². Investments in the existing property stock for the period amounted to SEK 39m (57m), including SEK 25m for major conversion projects in housing properties in Huddinge, Husby (in north-west Stockholm), Tyresö, Partille and Trollhättan. Third-quarter investments totalled SEK 13m (7m).

Since Mandamus' admission to the stock exchange five years ago, the book value of the property stock has virtually doubled. This has coincided with restructuring of the property stock and its concentration in growth areas and residential properties. Since 30 June 2003, residential properties have made up 91 per cent of book value. With the proportion of residential properties now exceeding 90 per cent, Mandamus has thus attained one of its targets for the property stock. Moreover, Mandamus is now very close to achieving another target: that 75 per cent of the property stock should be concentrated in the four growth areas — Greater Stockholm, Greater Gothenburg, Malmö/Lund and Halmstad. The share of properties in growth areas was 74 per cent at 30 September.

Financial position

At 30 September 2003, the group had interest-bearing liabilities of SEK 3,986m (4,221m). Of these liabilities, SEK 9m (9m) were in foreign currencies. The loan portfolio has an average fixed-rate term of 2.39 (2.11) years. If the effect of interest-swaption contracts signed to date is included in the calculation of the average fixed-rate term of loans, the average term is extended to 2.8 years. Average interest was 5.53 (5.81) per cent, including limit charges.

Net debt at 30 September amounted to SEK 3,839m (4,103m). Since year-end, net debt has decreased by SEK 268m, mainly owing to amortisation of a loan in conjunction with property sales. At 30 September, the group had confirmed unutilised credit pledges of SEK 387m (306m).

Group shareholders' equity amounted to SEK 1,408m at 30 September, representing a rise of SEK 60m since year-end 2002. Shareholders' equity rose by SEK 101m in the form of profit for the period, while dividend paid reduced it by SEK 41m. The visible equity ratio at 30 September was 24.7 (23.4) per cent, and the adjusted equity ratio at the same date was 33.7 (29.2) per cent. The external valuation carried out at year-end 2002 was used to calculate the adjusted equity ratio.

Parent company

The parent company's rental income during the first nine months totalled SEK 686m (676m) and pre-tax profit was SEK 133m (118m). Investments for the period amounted to SEK 59m (200m), of which property acquisitions made up SEK 20m (143m). The parent company's net debt at 30 September totalled SEK 3,843m (4,098m).

Events since 30 September

The Board of Mandamus Fastigheter AB has been notified by Akelius Fastigheter AB that the latter company owns more than 90 per cent of the shares in Mandamus. Akelius Fastigheter AB has therefore, under the Swedish Companies Act, issued a written request to the Board of Mandamus that any dispute concerning Mandamus shares not owned by Akelius Fastigheter AB be referred to arbitrators (compulsory acquisition procedure). Accordingly, the Board of Mandamus Fastigheter AB has decided to apply for delisting of the company's shares on the Stockholm Stock Exchange. The last trading day will be announced by the Stockholm Stock Exchange in the usual way. During the period from 10 October to 31 October 2003 inclusive, Akelius Fastigheter AB has made a temporary offer to the other shareholders in Mandamus Fastigheter AB: sale of their shares on a commission-free basis at a price of SEK 82 per share.

Accounting principles

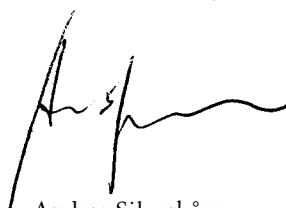
The accounting principles and calculation methods used in this interim report are the same as those used in the group's latest Annual Report.

Forecast

A whole-year figure for management profit of some SEK 120m is expected. In addition, there will be items affecting comparability, which currently amount to SEK 17m. This forecast corresponds to EPS of SEK 4.80 after tax.

Stockholm, 23 October 2003

Mandamus Fastigheter AB (publ)



Anders Silverbåge
Managing Director

PROFIT AND LOSS ACCOUNTS

FIGURES IN SEK MILLION	2003 JUL-SEPT 3 MTHS	2002 JUL-SEPT 3 MTHS	2003 JAN-SEPT 9 MTHS	2002 JAN-SEPT 9 MTHS	2002/03 OCT-SEPT 12 MTHS	2002 JAN-DEC 12 MTHS
Rental income	226	228	691	679	919	907
Operating costs	-54	-49	-207	-189	-284	-266
Repairs and maintenance	-24	-26	-83	-70	-113	-100
Ground rent	-1	-2	-3	-4	-4	-5
Property tax	-7	-8	-23	-23	-30	-30
Property management	-15	-14	-49	-47	-68	-66
Total property expense	-101	-99	-365	-333	-499	-467
Net operating income	125	129	326	346	420	440
Depreciation on properties	-13	-13	-39	-39	-53	-53
Gross profit	112	116	287	307	367	387
Central administrative expense	-3	-4	-11	-13	-18	-20
Income from property assignments	1	1	3	3	4	4
Non-recurring income	9	-	9	-	9	-
Non-recurring expense	-	-	-6	-	-12	-6
Write-downs	-	-	-	-	-64	-64
Profit from property sales	-1	-7	13	-8	15	-6
Operating profit	118	106	295	289	301	295
Profit from associated companies	3	7	24	17	28	21
Interest contributions	1	1	1	1	1	1
Financial income	1	0	1	1	2	2
Financial expense	-59	-62	-180	-184	-242	-246
Net interest income/expense	-57	-61	-178	-182	-239	-243
Pre-tax profit	64	52	141	124	90	73
Tax expense	-19	-15	-40	-35	-28	-23
Profit for the period	45	37	101	89	62	50
Earnings per share after tax (SEK)	2,19	1,80	4,92	4,35	3,02	2,44
Average number of shares ('000)	20,542	20,542	20,542	20,447	20,542	20,471

PROFIT AND LOSS ACCOUNTS PER REGION

FIGURES IN SEK MILLION	SKÅNE		SMÅLAND/HALLAND		WEST		EAST*		TOTAL	
	2003 9 MTHS	2002 9 MTHS	2003 9 MTHS	2002 9 MTHS	2003 9 MTHS	2002 9 MTHS	2003 9 MTHS	2002 9 MTHS	2003 9 MTHS	2002 9 MTHS
Rental income	136	126	85	84	166	167	304	302	691	679
Property costs	-69	-62	-48	-41	-85	-77	-163	-153	-365	-333
Net operating income	67	64	37	43	81	90	141	149	326	346
Depreciation on properties	-8	-8	-5	-5	-9	-9	-17	-17	-39	-39
Gross profit	59	56	32	38	72	81	124	132	287	307
Book value of properties	1,113	1,104	669	694	1,176	1,438	2,534	2,523	5,492	5,759

* Figures for the East Region include the property abroad.

CASH-FLOW STATEMENTS

FIGURES IN SEK MILLION	2003 JUL-SEPT 3 MTHS	2002 JUL-SEPT 3 MTHS	2003 JAN-SEPT 9 MTHS	2002 JAN-SEPT 9 MTHS	2002/03 OCT-SEPT 12 MTHS	2002 JAN-DEC 12 MTHS
Profit after financial income and expense	64	52	141	124	90	73
Adjustment for items not included in cash flow	-2	18	10	30	80	100
Cash flow before change in working capital	62	70	151	154	170	173
Cash flow from change in working capital	242	16	-17	-10	-11	-4
Cash flow from operations	304	86	134	144	159	169
Property acquisitions	-20	-8	-20	-143	-24	-147
Property sales	0	74	242	114	253	125
Investments in properties	-13	-7	-39	-57	-61	-79
Sale of shares	9	-	9	-	9	-
Other investments	-4	-17	-15	-22	-27	-34
Cash flow from investments	-28	42	177	-108	150	-135
Dividend paid	-	-	-41	-87	-41	-87
Sale of own shares	-	-	-	42	-	42
New loans, amortisation payments, etc	-240	-123	-227	18	-235	10
Cash flow from financial operations	-240	-123	-268	-27	-276	-35
Cash flow for the period	36	5	43	9	33	-1
Opening liquid funds	22	20	15	16	25	16
Closing liquid funds	58	25	58	25	58	15
Change in net debt						
Net debt included	-4,114	-4,230	-4,107	-4,092	-4,103	-4,092
Change for the period	275	127	268	-11	264	-15
Closing net debt	-3,839	-4,103	-3,839	-4,103	-3,839	-4,107

INTEREST RECEIVED AND PAID

FIGURES IN SEK MILLION	2003 JULY-SEPT 3 MTHS	2002 JULY-SEPT 3 MTHS	2003 JAN-SEPT 9 MTHS	2002 JAN-SEPT 9 MTHS	2002/03 OCT-SEPT 12 MTHS	2002 JAN-DEC 12 MTHS
Interest received	1	0	1	1	2	2
Interest paid	-60	-63	-178	-187	-241	-245

BALANCE SHEETS

FIGURES IN SEK MILLION	2003 30 SEPT	2002 30 SEPT	2002 31 DEC
Assets			
Properties	5,492	5,759	5,698
Other tangible fixed assets	7	8	8
Participations in associated companies	25	19	19
Other financial fixed assets	90	93	91
Other current assets	29	32	49
Liquid funds	58	25	15
Total assets	5,701	5,936	5,880
Shareholders' equity and liabilities			
Shareholders' equity	1,408	1,387	1,348
Provisions	133	156	142
Interest-bearing liabilities	3,986	4,221	4,213
Non-interest-bearing liabilities	174	172	177
Total, shareholders' equity and liabilities	5,701	5,936	5,880

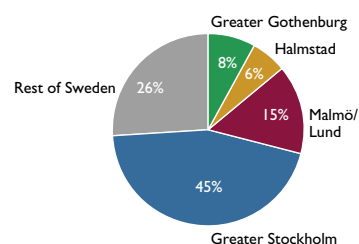
CHANGE IN SHAREHOLDERS' EQUITY

FIGURES IN SEK MILLION	2003 30 SEPT	2002 30 SEPT	2002 31 DEC
Opening shareholders' equity	1,348	1,343	1,343
Dividend paid	-41	-87	-87
Company's own shares	-	42	42
Profit for the period	101	89	50
Closing shareholders' equity	1,408	1,387	1,348

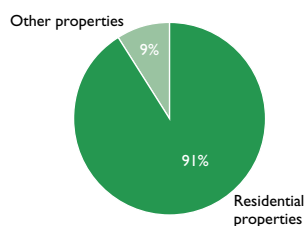
SUMMARY OF PROPERTY STOCK

30 SEPT 2003	NO. OF FLATS	RENTABLE AREA, '000 M ²	RENTAL INCOME, SEK M	ECONOMIC LETTING RATIO, %	BOOK VALUE SEK M
Skåne	2,660	239	136	98.0	1,113
Småland/Halland	1,653	157	85	97.9	669
West	2,915	258	166	97.2	1,176
East	6,018	504	302	99.2	2,525
Total, Sweden	13,246	1,158	689	98.3	5,483
Abroad	0	5	2	73.0	9
Total	13,246	1,163	691	98.2	5,492
Properties in growth areas	74%	68%	69%	99%	74%
Residential properties	n.a.	85%	86%	99%	91%
Residential	13,133	984	598	99.0	4,986
Offices/shops	113	115	74	95.0	383
Industrial/warehouse	0	64	19	88.4	120
Land	0	0	0	0	3
Total	13,246	1,163	691	98.2	5,492

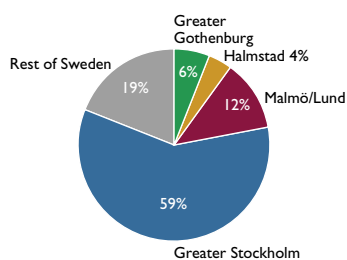
BOOK VALUE BY GROWTH AREA; TOTAL SEK 5,492 M



BOOK VALUE BY PROPERTY TYPE;
TOTAL SEK 5,492M



FLATS UNDER MANAGEMENT; TOTAL 17,163,
INCLUDING 3,917 IN ASSOCIATED COMPANY



LOAN STRUCTURE AT 30 SEPTEMBER 2003

FIXED-RATE TERM UNTIL YEAR	TOTAL LOANS, SEK M	AVERAGE INTEREST, %	% OF LOANS
2003*	1,100	5.10	28
2004	536	5.74	13
2005	588	5.75	15
2006	487	5.44	12
2007	253	5.42	6
2008	541	5.41	14
2009	481	6.12	12
Total	3,986	5.51	100

Average interest, including limit charges: 5.53%.

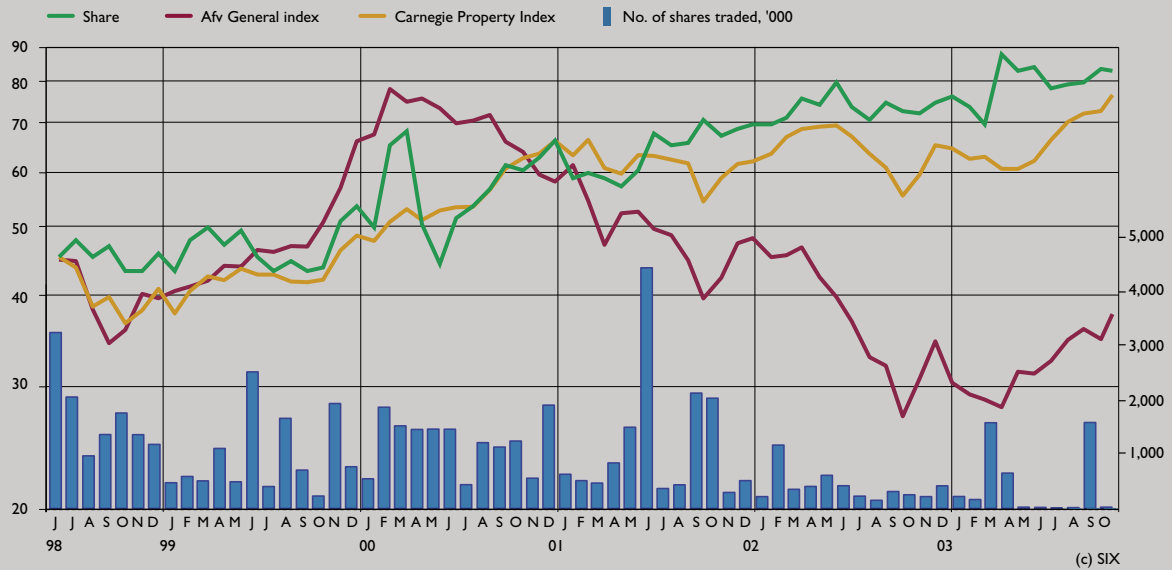
Average fixed-rate term: 2.4 years.

* Loans in Euro to a value of SEK 9m are included, at an average interest rate of 2.84%.

KEY FIGURES

	2003 JUL-SEPT 3 MTHS	2002 JUL-SEPT 3 MTHS	2003 JAN-SEPT 9 MTHS	2002 JAN-SEPT 9 MTHS	2002/03 OCT-SEPT 12 MTHS	2002 JAN-DEC 12 MTHS
Property-related key figures						
Surplus ratio, %	55.3	56.6	47.2	51.0	45.7	48.5
Economic letting ratio, %	98.0	98.1	98.2	98.0	98.2	98.1
Properties' book value, SEK m	5,492	5,759	5,492	5,759	5,492	5,698
Book value per m ² , SEK	4,722	4,771	4,722	4,771	4,722	4,736
Financial key figures						
Return on equity	n.a.	n.a.	n.a.	n.a.	4.4	3.7
Return on total capital	n.a.	n.a.	n.a.	n.a.	5.7	5.4
Management profit, SEK m	55	58	124	131	141	148
Equity ratio, %	24.7	23.4	24.7	23.4	24.7	22.9
Debt/equity ratio, times	2.8	3.0	2.8	3.0	2.8	3.1
Property gearing, %	72.6	73.3	72.6	73.3	72.6	73.9
Interest-coverage ratio, times	1.93	1.94	1.69	1.71	1.58	1.60

SHARE-PRICE DIAGRAM



KEY FIGURES PER SHARE

Figures in SEK unless otherwise specified	2003 JUL-SEPT 3 MTHS	2002 JUL-SEPT 3 MTHS	2003 JAN-SEPT 9 MTHS	2002 JAN-SEPT 9 MTHS	2002/03 OCT-SEPT 12 MTHS	2002 JAN-DEC 12 MTHS
Closing share price	82.50	72.00	82.50	72.00	82.50	75.50
Shareholders' equity	68.54	67.52	68.54	67.52	68.54	65.62
Net worth	115.72	95.67	115.72	95.67	115.72	113.71
Earnings after tax	2.19	1.80	4.92	4.35	3.02	2.44
Cash flow	3.02	3.41	7.35	7.53	8.28	8.45
Share price in relation to net worth, %	71	75	71	75	71	66
Closing number of shares ('000)	20,542	20,542	20,542	20,542	20,542	20,542
Average number of shares ('000)	20,542	20,542	20,542	20,447	20,542	20,471
Closing market capitalisation, SEK m	1,695	1,479	1,695	1,479	1,695	1,551

SHAREHOLDERS, 30 SEPTEMBER 2003

	NO. OF SHARES	% OF SHARES
Akelius Insurance Funds	18,400,849	89.58
Odey Funds (GB)	249,340	1.21
Ragnar Bengtsson	16,000	0.08
Torp Ask (Share Savers' Club)	13,033	0.06
Bertil Nilsson's estate	10,000	0.05
Leopold Ekblad	10,000	0.05
Stefan Berndtsson	7,733	0.04
Ann-Marie Larsdotter-Eriksson	7,570	0.04
Gunilla Larsdotter	7,046	0.03
Lennart Andersson	6,737	0.03
Total (10 owners)	18,728,308	91.17
Other foreign shareholders	899,128	4.38
Other Swedish shareholders	914,526	4.45
Total outstanding shares	20,541,962	100.00





Definitions

Cash flow

Cash flow before change in working capital.

Debt/equity ratio

Interest liabilities at the end of the period under review, in relation to shareholders' equity.

Economic letting ratio

Rental income and rental losses in relation to rental value.

Equity ratio

Shareholders' equity in relation to balance-sheet total.

Interest-coverage ratio

Pre-tax profit, excluding items affecting comparability and financial expense, in relation to financial expense.

Liquid funds

Cash and bank balances.

Management profit

Pre-tax profit excluding items affecting comparability, such as profit from sales, write-downs, interest contributions and non-recurring income and expense.

Net debt

Interest-bearing liabilities less long-term claims and liquid funds.

Property gearing

Interest-bearing liabilities in relation to the properties' book value.

Return on total assets before tax

Pre-tax profit with re-entry of financial expense in relation to average total assets as the average of opening and closing total assets.

Return on equity after tax

Profit after tax in relation to average shareholders' assets, calculated as the average of opening and closing shareholders' equity.

Surplus ratio

Net operating income in relation to total rental income.

Financial information

Summarised Financial Statements for 2003
Annual Report on 2003

February 2004
March 2004

This interim report has not been subjected to a special examination by the company's auditors.

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