



Faberge AB (publ)

## **PRESS RELEASE**

**7 March 2011, 12.00 pm CET**

### **Administrative Court rejects Faberge's appeal in tax cases**

The Administrative Court has announced its verdicts in several of Faberge's ongoing tax cases. In its verdicts, the Administrative Court has ruled in favour of the Swedish Tax Agency's position that Faberge should be taxed pursuant to the Swedish Tax Evasion Act. The verdicts do not give rise to any change in the total increase in taxable income.

The Administrative Court's verdicts will be appealed by Faberge, which will request a respite for paying the tax. Faberge has already appealed several previous Administrative Court verdicts to the Administrative Court of Appeal. The matters to be heard by the Administrative Court of Appeal are currently subject to a stay of proceedings.

As at 7 March 2011, the total increase in taxable income under the decisions amounts to SEK 7,098m. The decisions have resulted in total tax demands of SEK 1,874m plus a tax penalty of SEK 164m, making a total demand of SEK 2,038m excluding interest payments. Faberge has previously been granted a respite for paying the tax until the courts have issued their verdicts.

Faberge considers that the Tax Agency and the Administrative Court have disregarded a number of important aspects and that the verdicts are therefore incorrect – an assessment shared by Faberge's advisors on the matters. Faberge is of the opinion that it is highly probable that the Administrative Court of Appeal will amend the Administrative Court's rulings to the benefit of Faberge. As in the past, no provision has been made in Faberge's balance sheet, although the amount is being recognised until further notice as a contingent liability.

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This constitutes information that Faberge AB (publ) may be legally obliged to publish under the Securities Market Act and/or the Financial Instruments Trading Act. The information was released for publication at 12:00 pm CET on 7 March 2011.

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*Faberge AB (publ) is one of Sweden's leading property companies focusing on commercial premises. The carrying amount of the company's property portfolio is approximately SEK 27.0bn. The portfolio is concentrated in the Stockholm region and has an annualised rental value of SEK 2.1bn and a lettable area of 1.1m sqm. Faberge's shares are listed on the Nasdaq OMX Stockholm, Large Cap segment.*