

Interim Report

January 1 – June 30, 2015



School of Architecture premiere

The new School of Architecture, which will have its grand opening after the summer, held a sneak preview in June. Here the architects of the future will find a stimulating and creative environment on campus, in a building of rust red corten steel that can be viewed as a reinterpretation of the red brick architecture of the older buildings that have become the hallmark of the KTH Campus.



Working in collaboration with our customers, we develop, build and manage knowledge environments that further Sweden's success as a nation of knowledge. Through our experience, expertise and size, we provide effective, sustainable environments for education, research and innovation.

JANUARY–JUNE

- Rental revenue was SEK 2,742 million (2,745). Completed properties increased revenue by SEK 131 million, while properties sold the previous year reduced revenue by SEK 94 million.
- Net operating income totalled SEK 1,875 million (1,859). Operating costs, especially energy and water, dropped by SEK 21 million, while property administration increased by SEK 23 million. The increase in property administration is due to the decision to co-finance SEK 40 million for an underground expansion project between Odenplan and Arenastaden in Stockholm.
- Net changes in property values had an impact on profit of SEK 1,116 million (1,230), mainly because of reduced yield requirements and cost of capital.
- Net financial income and expense for the period amounted to SEK –96 million (–526). This figure includes changes in the value of financial derivative instruments totalling SEK 66 million (–324), of which SEK 123 million (–256) is unrealised.
- Profit before tax for the period amounted to SEK 2,880 million (2,542) and profit for the period was SEK 2,246 million (1,995). The increase can be attributed to improved net financial income and expense.
- Investment in redevelopment and new construction, as well as acquisitions during the period totalled SEK 1,284 million (1,685).

- The yield (excluding properties under construction) was 6.6 per cent (6.9) on a full-year basis. The decline can be explained by an increase in property value while net operating income remained unchanged.
- Return on operating capital was 7.0 per cent (7.3) on a full-year basis.

SECOND QUARTER

- Rental revenue was SEK 1,389 million (1,373). Completed properties increased revenue by SEK 81 million, while primarily properties sold and vacant space entailed reduced revenue of SEK 65 million.
- Net operating income increased by SEK 62 million to SEK 973 million (911) as a result of increased rental revenue and lower costs primarily for property administration.
- Changes in property values totalled SEK 575 million (1,209), corresponding with 0.9 per cent (2.1) of the value of the properties.
- Changes in the value of financial derivative instruments amounted to SEK 194 million (–127).



AKADEMISKA HUS

Sustainability and student housing continue to be a priority

PRESIDENT KERSTIN LINDBERG GÖRANSSON COMMENTS:

During the spring several sustainability initiatives have become reality. In mid-June a new route for electric buses began to run between Chalmers Johanneberg and Chalmers Lindholmen in Gothenburg. The bus route is one of the most modern in the world and provides features such as opportunities for passengers to use solar cells to charge their cell phones on board and to step on and off the bus indoors. The route is the result of a large project that we are involved in – ElectricCity – in which new solutions for tomorrow’s public transport systems are developed and tested. We see a great value in promoting sustainable transportation to and from campus.

We also opened another photovoltaic plant – this time in Skövde. In addition to producing electricity, it will be used for research and education and is the kickoff for a more comprehensive sustainability initiative with the University of Skövde.

Many other exciting things are happening all over Sweden. At KTH in Stockholm a large heat pump facility opened in May that will reduce purchased energy for the entire campus by about 25 per cent by recovering heat from data centres. In June, the new School of Architecture at KTH held its premiere open house, drawing considerable media attention. We started construction of a new research facility, Biotronen, for the Swedish University of Agricultural Sciences (SLU) in Alnarp. A decision was also taken to renovate Chalmers University of Technology in Gothenburg for SEK 360 million. Malmö University has begun to move into the new iconic Niagara building and we have begun construction on the Humanities Theatre in Uppsala. In Ultuna outside Uppsala, SLU has begun to move into the 24,000 m² Ulls hus building. I can once again conclude that Sweden as a nation of knowledge is growing and that we are actively engaged in this trend through our collaboration with our customers.

Property management continues to deliver a strong performance. During the



Malmö University has begun to move into its new iconic Niagara building, which will have its grand opening in October.

second quarter rental revenue increased by SEK 16 million to SEK 1,389 million. Completed properties added SEK 81 million, while properties sold, vacant space and other factors entailed a loss of revenue of SEK 65 million. Net operating income increased by SEK 62 million to SEK 973 million as a result of increased rental revenue and lower costs primarily for property administration. Profit after taxes for the quarter declined by SEK 186 million to SEK 1,302 million, primarily due to lower positive changes in property values than the corresponding quarter of the previous year. This was partly offset by a significant improvement in net financial income and expense.

Based on our clarified mission, which gives us the opportunity to build student housing, we can now assume full responsibility for developing our campuses. We do so by creating more housing in addition to the 7,000 built by other players adjacent to campuses, where we have sold or leased out land. We are in the process of planning construction under our own auspices of

400 student housing units at KTH in Stockholm and we are also engaged in discussions with Karolinska Institutet about construction of undergraduate and graduate student housing at Campus Solna.

The housing shortage is a major problem that requires the efforts of many actors in order to be resolved. If we can make a small contribution so that in the future, students will not have to opt out of education programmes because of the housing shortage, it will be of great value to the universities.

Recruitment of tomorrow’s employees is one of our most important issues. It is therefore great to see that we and other property companies are beginning to be included on the lists of attractive employers. For the second consecutive year we were named a ‘rocket’ in the Universum Swedish Student Survey.

Kerstin Lindberg Göransson
President

AKADEMISKA HUS IN BRIEF

	2015 April-June	2014 April-June	2015 Jan.-June	2014 Jan.-June	Rolling 12 months July 2014- June 2015	2014 Full-year	2013 Full-year
Rental revenue, SEK m	1,389	1,373	2,742	2,745	5,492	5,495	5,359
Net operating income, SEK m	973	911	1,875	1,859	3,733	3,717	3,506
Changes in value, properties, SEK m	575	1,209	1,116	1,230	3,415	3,529	232
Profit before tax, SEK m	1,669	1,889	2,880	2,542	6,599	6,261	3,275
Vacant space, rent, %	1.1	0.9	1.1	0.9	1.3	1.2	0.9
Vacant space, area, %	3.7	2.2	3.7	2.2	3.4	3.6	2.1
Fair value, properties, SEK m	63,809	59,730	63,809	59,730	63,809	61,437	57,557
of which properties under construction, SEK m	4,870	5,828	4,870	5,828	4,870	5,407	4,491
Yield, properties, % (excluding properties under construction)	—	—	—	—	6.6	6.9	6.8
Yield, properties, % (including properties under construction)	—	—	—	—	6.0	6.2	6.2
Net operating income, SEK/m ²	—	—	—	—	1,168	1,160	1,089
Return on operating capital, %	—	—	—	—	7.0	7.3	7.2
Return on equity after standard tax, %	—	—	—	—	16.0	15.5	8.8
Equity ratio, %	47.7	45.5	47.7	45.5	47.7	48.0	46.8
Interest coverage ratio, % *	861	640	746	658	717	671	647
Internal financing level, %	151	584	152	95	549	278	124
Loan-to-value ratio, %	31.2	34.7	31.2	34.7	31.2	30.7	33.5

* Excluding changes in the value of properties and financial derivatives.

COMMENTS ON INCOME STATEMENT AND BALANCE SHEET ITEMS

Second quarter

Rental revenue during the second quarter amounted to SEK 1,389 million (1,373). The increase is mainly a result of completion of new buildings in the Uppsala Region less the effects of properties sold in 2014. Operating costs fell slightly and amounted to SEK 180 million (184). Maintenance costs also decreased by SEK 12 million to SEK 148 million.

Property administration declined by SEK 23 million, mainly attributable to a non-recurring expense that was charged to the second quarter of 2014.

Net operating income increased by SEK 62 million to SEK 973 million.

Changes in property values amounted to SEK 575 million (1,209). Net financial income and expense improved by SEK 348 to SEK 128 million due to positive changes in the value of financial derivative instruments and a lower cost of capital. Profit before tax for the second quarter was SEK 1,669 million (1,889).

First half of the year

Rental revenue

Rental revenue was SEK 2,742 million (2,745). Completion of new buildings, mainly in the Uppsala Region, increased revenues by SEK 131 million and the loss of rental revenue due to properties that were sold in 2014 amounted to SEK 94 million. Revenues from

our interest rate-linked contracts fell by SEK 29 million. Rental revenue per square metre increased somewhat compared with the same period the previous year.

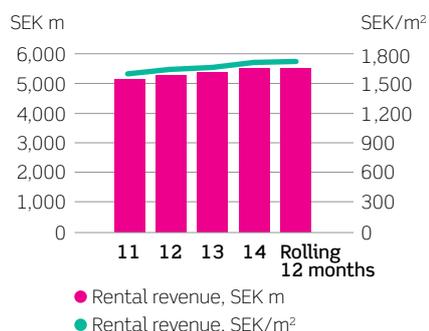
Rental and vacancy levels

Property holdings as of June 30, 2015 amounted to 3.2 million square metres (3.2) of lettable area. In all, 118,000 square metres (70,000) of this space was vacant, for a vacancy rate of 3.7 per cent (2.2). The vacancy rate remained essentially unchanged compared with year-end. The vacant space has a distinctly lower rental value than the average for the holdings. In terms of value, the vacant space amounts to SEK 29.6 million (26.6) or just 1.1 per cent (0.9) of rental value. The largest individual blocks of vacant space can be found on the Ultuna campus outside Uppsala and amount to a total of 61,800 square metres. One reason is that Klinikcentrum (the Clinical Centre, KC) is almost vacant after tenants moved to the Centre for Veterinary Medicine and Animal Science (VHC). Vacant space for KC totalled 28,500 square metres.

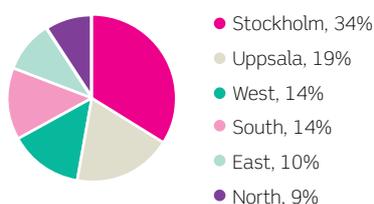
Leases

A characteristic feature of Akademiska Hus is long leases with universities and colleges. The average term of a newly signed lease is eleven years. At the end of the period, the average remaining lease term was 5.9 years (6.0 at year-end). In the case of the complex specialist buildings for laboratory and research work, a lease

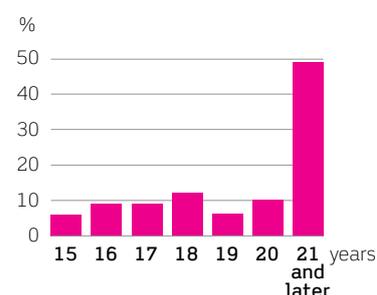
RENTAL REVENUE



RENTAL REVENUE BY REGION



LEASE RENEWAL STRUCTURE



is normally required where a large proportion of the investment is repaid during the term of the lease. In these cases, leases are signed with terms of 10, 15 or 20 years.

Around 90 per cent of income comes from the dominant customer group, universities and colleges, which are stable and credit-worthy customers. All customers comprising centres of education, apart from Chalmers University of Technology, have the Swedish state as principal and thus have the highest credit rating.

Operating and maintenance costs

Operating costs for the period amounted to SEK 411 million (432), equivalent to SEK 246/m² (265), calculated on a rolling 12-month basis. Of the operating costs, media provision amounted to SEK 284 million (306), equivalent to SEK 171/m² (187). The decrease is mainly attributable to lower costs due to our systematic energy work, as well as to somewhat lower energy prices.

Maintenance costs amounted to SEK 245 million (257). The cost amounts to SEK 191/m² (201), calculated on a rolling 12-month basis. Tenant adaptations increased slightly, while maintenance fell by SEK 15 million. We continue to invest in maintenance in order to maintain the standard of our property holdings.

Property administration

Costs for property administration for the period amounted to SEK 206 million (183). The increase is attributable to our decision to co-finance SEK 40 million for an expansion of the underground from Odenplan to Arenastaden over the next five years. The project will be carried out with others, including the City of Stockholm and the City of Solna. During the corresponding period in 2014 non-recurring expenses of about SEK 20 million were charged to property administration.

Changes in value, properties

The changes in property values during the interim period amounted to SEK 1,116 million (1,230) and are largely the result of reduced yield requirements and cost of capital.

PROPERTY MARKET

The trend on the Swedish property market continues to be favourable with declining yield requirements and rising prices. Low interest rates combined with the lack of alternative investments have led to a high volume of transactions even in the second quarter.

Swedish players still dominate on the buyer side, but the share of foreign buyers has increased since the previous quarter. Commercial properties are dominating the transactions and capital is mainly attracted to the metropolitan areas. However, a growing interest can also be seen outside the metropolitan areas, suggesting that investors are willing to take more risk. Capital continues to be available and property companies, especially large, established companies, are taking advantage of opportunities to access capital through financing modalities such as rights issues and bonds.

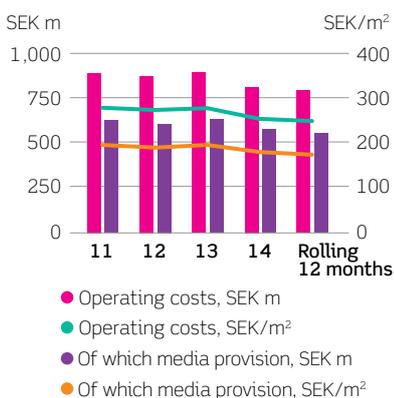
In recent years, interest in community property has increased even among private players, who are attracted by stable tenants and long contracts. The number of sales of community properties remains relatively few, but the transactions that do occur are often significant with respect to investment volume and the properties often have an essential social function in the local market.

In the light of this, the geographically diverse Akademiska Hus portfolio offers a good risk spread that can benefit from the growth in strong regional markets, such as university and college towns and cities. A high proportion of specially adapted premises entails an increased risk, particularly in small communities with fewer potential tenants. The risk taken by Akademiska Hus in these loca-

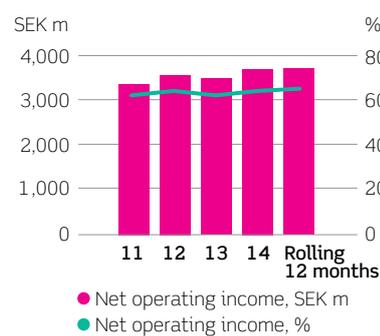
PROPERTIES

Change in property holdings, in SEK m	South	West	East	Uppsala	Stockholm	North	30-06-2015 Group	31-12-2014 Group
Opening fair value	7,889	7,454	4,933	12,459	24,537	4,165	61,437	57,557
+ Investment in new construction and redevelopment	133	63	9	152	873	54	1,284	2,904
+ Acquisitions	—	—	—	—	—	—	—	100
+ Capitalised interest expense	13	2	—	35	20	—	70	134
- Sales	—	—	—	—	-18	—	-18	-2,752
+/- Change in value, unrealised	225	144	49	-132	704	46	1,036	3,494
Of which change in value due to a change in the cost of capital and yield requirement	5	97	39	88	421	24	674	3,070
Of which change in value due to adjusted value index (valuation status, average remaining term, property type)	-10	28	15	-64	80	—	49	-172
Of which capitalised interest expense	-13	-2	—	-35	-20	—	-70	-134
Of which other change in value	243	21	-5	-121	223	22	383	730
CLOSING FAIR VALUE	8,260	7,663	4,991	12,514	26,116	4,265	63,809	61,437

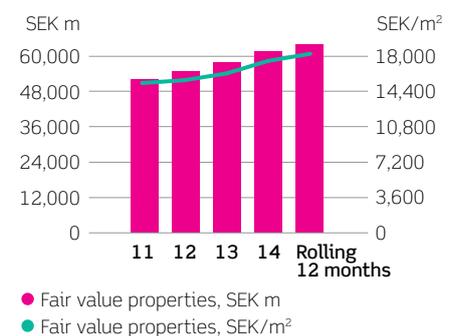
OPERATING COSTS



NET OPERATING INCOME



FAIR VALUE, PROPERTIES



KTH campus plan wins international sustainability award

The Royal Institute of Technology (KTH) in Stockholm has won the prestigious Sustainable Campus Excellence Award for its new sustainable campus plan. "The campus plan shows how we at KTH collaborate with our property owner Akademiska Hus to design strategic tools for the development of a sustainable campus, at the same time that we integrate sustainability into our education and research," says Göran Finnveden, Vice-president for sustainable development and Professor of Strategic Environmental Analysis at KTH.



tions is limited by access to an efficient and active rental market. The ongoing investments in new construction and the development of existing property holdings, where the use of campuses is broadening, will in time lead to the campuses becoming more attractive.

PROPERTY VALUATION

The fair value of Akademiska Hus properties was SEK 63,809 million, compared with SEK 61,437 million at year-end and has been set by means of an internal property valuation of all properties. The total fair value of properties includes current new construction totalling SEK 4,870 million (5,407). The valuation method used is described in detail in the 2014 Annual Report. The fair value per square metre, excluding the value of properties under construction and expansion reserves, is SEK 18,172 (17,471). There was a positive change in the value of the property holdings during the year totalling SEK 2,372 million, which is equivalent to an increase of 3.9 per cent of the fair value. The average yield requirement was 5.9 per cent (6.0) and the average cost of capital was 8.0 per cent (8.1) following an adjustment for stamp duty. Yield requirements and cost of capital declined further by between 0.05 and 0.15 percentage points during the second quarter, due to general price-driving factors in the property market for community properties. Overall, the positive unrealised change in value attributable to changes in yield requirements and cost of capital during the second quarter amounted to SEK 278 million and to SEK 674 million for the six-month period.

In addition to financial parameters, the property value is affected by the level of vacant space, rent levels, net operating income, lease term, property category and type of customer. The Akademiska Hus financial level of vacant space in recent years has been stable at around one per cent and it is expected to remain on that level for the next few years.

Each year Akademiska Hus allows the yield requirement, cost of capital and other valuation conditions to be verified by two independent valuation institutes, NAI Svefa and DTZ.

All property valuation includes elements of assessment that have a certain degree of uncertainty. A normal uncertainty range in conjunction with a property valuation is +/- five-ten per cent, which would be equivalent to approximately SEK 3,200-6,400 million in the Akademiska Hus portfolio.

PROJECT OPERATIONS, INVESTMENTS AND SALES

The project portfolio with decided and planned projects totalled SEK 20,900 million, of which SEK 4,900 million has already been invested in ongoing projects. We also have a series of concept projects worth SEK 3,700 million. Concept projects refer to projects deemed probable, but that are uncertain in time and scope. The project portfolio refers to future investments over several years, with an emphasis on the Stockholm region, where there are several large new construction and renovation projects, the largest of which are the new construction of Biomedicum in Solna and Albano in Stockholm. In the Uppsala Region, the Centre for Veterinary Medicine and Animal Science and the Ulls hus Building were completed during the year. Investments for these projects amounted to around SEK 2,200 million. For further information about the large projects, reference can be made to the 2014 Annual Report.

PROJECT PORTFOLIO (SEK M)	30-06-2015	31-12-2014
Decided projects	11,400	11,800
of which already invested in current projects	-4,900	-5,400
REMAINDER FOR INVESTMENT IN DECIDED PROJECTS	6,500	6,400
Planned projects	9,500	9,200
REMAINDER OF DECIDED AND PLANNED PROJECTS	16,000	15,600
Concept projects	3,700	4,200
TOTAL REMAINING PROJECTS	19,700	19,800

Net investments in properties during the first half of the year amounted to SEK 1,266 million (886). During the second quarter land was sold in both the Eastern Region and the Stockholm Region. The sales price was SEK 55 million. An additional consideration of SEK 16 million was received during the first quarter for the Campus Konradsberg in Stockholm relating to the sale in 2014.

FINANCING

During the second quarter, the long period of falling interest rates and a positive stock market trend reversed and turned into a powerful, unexpected and partly difficult to explain rise in interest rates as well as an increase in risk aversion. Short-term rates are still anchored in the central banks' continued low or even negative interest rates. In contrast, market interest rates at longer maturities have turned up sharply. The interest rate on a 10-year Swedish government bond was 0.25 per cent at its lowest in mid-April, while at the end of June it was 1.00 percent. The yield curves have thus become much steeper. The situation in Greece has further contributed to political unrest in the nearby area. In the US, economic developments have been significantly stronger than in the first quarter and expectations of a rate hike this autumn have strengthened. The significant uncertainty in the market has contributed to higher volatility, less liquidity, widening credit spreads and fewer opportunities for financial hedging. In early July the Riksbank decided to cut the repo rate further to -0.35 per cent and at the same time announced further bond purchases during the year.

Akademiska Hus noted continued stability in the important ECP market. During the second quarter, bond issues totalling SEK 1,500 million were also carried out (see table below).

SEK 200 m	Fixed interest	30 years
SEK 500 m	Real interest rate	10 years
SEK 500 m	Variable interest	2.5 years
SEK 300 m	Fixed interest	3 years

The fixed interest period has gradually been extended and at the end of the period was 4.8 years in the basic portfolio. Interest rate derivatives continue to serve as an important means to maintain the fixed interest period. The sharp rise in long-term interest rates has resulted in increases in the value of the interest rate derivatives portfolio.

Net loan debt

The table on the top right shows the fixed interest period and maturity structure for the net liability portfolio.

NET LOAN DEBT

	SEK m	Fixed interest, years, June 2015	Fixed interest, years, Dec. 2014	Maturity, years, June 2015	Maturity, years, Dec. 2014
Long-term portfolio	3,355	25.4	25.6	25.3	25.6
Basic portfolio	14,800	4.8	3.4	1.8	1.6
Real interest rate portfolio	500	9.9	0	9.9	0
Total portfolio		8.0	7.1	5.9	5.8

Net financial income and expense

Net financial income and expense was SEK -96 million (-526) during the first half of the year, of which SEK 66 million (-324) relates to changes in value of financial derivatives. SEK 123 million (-256) of the change in value is unrealised and SEK -57 million is realised (-68).

The changes in value are an effect of rising market interest rates. Net financial income and expense is equivalent to an interest cost of 1.5 per cent (5.6) during the period in which the changes in value correspond to a change in interest expense of -0.65 percentage points (3.1). Interest-bearing net loan liability increased by SEK 1,047 million since the beginning of the year and amounted to SEK 19,918 million. The interest coverage ratio, calculated on the cash flow impact of net financial income and expense, amounted to 746 per cent (658).

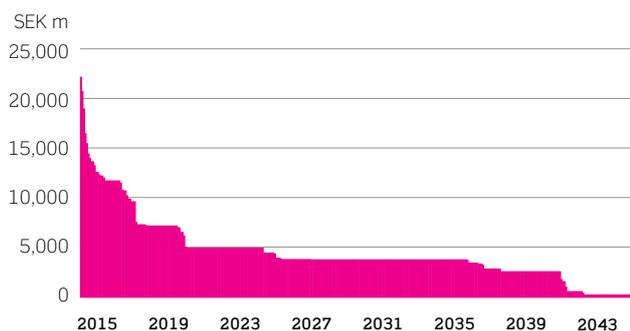
NET FINANCIAL INCOME AND EXPENSE, BREAKDOWN, SEK M

	01-01-2015-30-06-2015	01-01-2014-30-06-2014	01-01-2014-31-12-2014
Interest cost, net loans and financial assets		-162	-211
Net interest derivatives		-57	-41
Change in value, standalone financial derivatives			
- unrealised		64	-232
- realised		-57	-68
Changes in value, fair value hedges		59	-24
Other interest costs		-13	-11
Capitalised interest expense, projects		70	61
REPORTED NET FINANCIAL INCOME AND EXPENSE	-96	-526	-939

FINANCING COST, BREAKDOWN

	01-01-2015-30-06-2015	01-01-2014-30-06-2014	01-01-2014-31-12-2014
Loan financing cost, including charges, %	1.59	2.11	2.01
Interest swaps, net interest, %	0.56	0.39	0.42
FINANCING COST, %	2.15	2.50	2.43
Changes in value, financial derivatives, %	-0.65	3.08	2.61
TOTAL FINANCING COST, %	1.50	5.58	5.04

DEBT MATURITY



COMPARISONS BETWEEN DIFFERENT ANNUALISED FINANCING COST CALCULATIONS



Effect of financial derivatives on profit

Independent interest rate derivatives are reported at market value (fair value) and variations in market value are recognised in net financial income and expense. Interest derivatives are mainly entered into with the aim of extending the fixed interest period in the liability portfolio, which largely consists of financing at variable interest rates. Falling interest rates entail a negative impact on profit from these interest rate derivatives; the opposite is true when interest rates rise. The changes in value relate to the changed current value of future cash flows from interest rate derivatives, at prevailing interest rates. Consequently these do not have any immediate effect on cash flow, as long as they remain unrealised. Certain interest rate derivatives are closed and settled on an ongoing basis (monthly or quarterly) and replaced with new ones, which means that profits are continuously realised. Falling interest rates, combined with interest rate derivatives for purposes of extension, mean that interest expense will be higher than if the extension had not been implemented. However, the lower interest rate can be used when refinancing and with sales of fixed interest at a later date. As time passes, no surplus or deficit values of interest rate derivatives will remain at maturity.

The currency and interest risks that arise in conjunction with long-term financing, usually bonds in foreign currency, are hedged with currency-interest rate swaps. The changes in value for each instrument can be attributed to changes in both exchange rates and interest rates. Hedge accounting is applied for these forms of financing, where only the inefficiencies that arise due to different valuation practices are recognised in the income statement.

RISK MANAGEMENT

Akademiska Hus' property portfolio has a strategic risk. Campuses have a specific purpose and are not in a broad sense general for other purposes. Properties are purchased and sold to handle the strategic risk in the property portfolio.

The Board of Directors decides each year on long-term development, the strategic plan, the competitive situation and total risk exposure. The Board of Directors has routines and processes for examining how the organisation handles the risks that can arise in business operations. This means that risks can be identified, analysed, assessed and handled effectively. Major disputes are reported on an ongoing basis to the Board of Directors.

An Audit Committee assists the Board of Directors in matters related to financial risk, reporting and control, as well as property valuation. In addition, there is a Finance Committee, which follows financial risks in more detail and prepares the means to handle these risks.

Regarding changes in value, reporting according to IFRS means that properties are recorded at fair value in the Balance Sheet and

that the changes in value affect the Income Statement. The value of the properties is determined by general market factors such as risk premiums, availability and demand on the property market as well as specific circumstances related to the properties.

Rental revenue is assured through long leases. The average term for a newly signed lease with Akademiska Hus is 11 years and the average remaining lease term is 5.9 years. Follow up of vacant space is a top priority and special measures are prepared. Vacant space was 3.7 per cent of the floor space and 1.1 per cent of the rental value. Compared with other property companies the level of vacant space at Akademiska Hus is very low.

Akademiska Hus is not exposed fully to increases in operating costs as about 50 per cent of the cost of media provision is passed on to tenants as a rent supplement.

The use of energy is hedged to offset any price increases. The purchase of energy takes place directly through Nord Pool and is governed by the Company's "Guidelines for Purchasing Electricity". Maintenance costs are largely variable and can be reduced to counter a decrease in profit or increase in vacant space. The management organisation is working on maintenance planning for each individual building. The measures taken over the years have meant that the property holdings are now well maintained.

Akademiska Hus carries on financing operations with well-adapted strategies, striking a balance between financial risks and a low financing cost. The Finance Policy decided by the Board of Directors lays down the Group's risk approach and how exposure to financial risks will be handled. The interest risk in the liability portfolio is handled within a separate fixed interest mandate. For a more detailed description of Akademiska Hus' risk management, please see the 2014 Annual Report.

FINANCIAL OBJECTIVES

The owner's financial objectives are as follows:

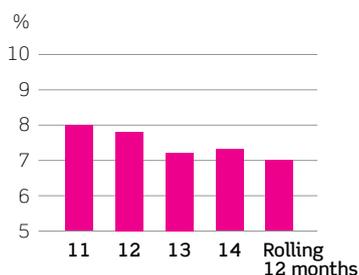
- Return on operating capital excluding changes in value of at least 6.5 per cent (see definition on page 15).
- The dividend should be between 40 and 60 per cent of the profit for the year after tax, after reversal of changes in value and with related deferred tax.
- The equity ratio should be between 30 and 40 per cent.

The Group has a current equity ratio of 47.7 per cent. To allow for adjustment to the equity ratio according to the owner's financial objectives, the annual general meeting in April 2015 resolved to create additional non-restricted equity in the Parent Company of SEK 5,000 million.

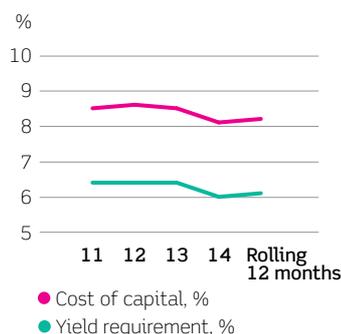
EVENTS AFTER THE END OF THE REPORTING PERIOD

No events of a material nature occurred after the end of the reporting period.

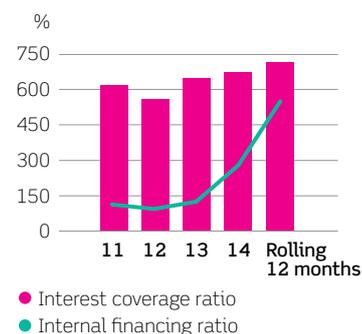
RETURN ON OPERATING CAPITAL, %



YIELD REQUIREMENT AND COST OF CAPITAL



INTEREST COVERAGE RATIO AND INTERNAL FINANCING RATIO



CONSOLIDATED INCOME STATEMENTS
AKADEMISKA HUS | INTERIM REPORT JANUARY 1 - JUNE 30, 2015

**CONSOLIDATED INCOME STATEMENT,
SUMMARY, SEK M**

	2015 April-June	2014 April-June*	2015 Jan.-June	2014 Jan.-June*	Rolling 12 months July 2014- June 2015*	2014 Full-year
Rental revenue	1,389	1,373	2,742	2,745	5,492	5,495
Other property management income	42	42	93	93	186	186
Total property management income	1,431	1,415	2,835	2,838	5,678	5,681
Operating costs	-180	-184	-411	-432	-787	-808
Maintenance costs	-148	-160	-245	-257	-609	-621
Property administration	-89	-112	-206	-183	-349	-326
Other property management expenses	-41	-48	-98	-107	-200	-209
Total costs from property management	-458	-504	-960	-979	-1,945	-1,964
NET OPERATING INCOME	973	911	1,875	1,859	3,733	3,717
Central administration costs	-7	-11	-15	-21	-40	-46
Changes in value, properties	575	1,209	1,116	1,230	3,415	3,529
PROFIT BEFORE FINANCIAL ITEMS	1,541	2,109	2,976	3,068	7,108	7,200
Net financial income/expense	128	-220	-96	-526	-509	-939
PROFIT BEFORE TAX	1,669	1,889	2,880	2,542	6,599	6,261
Tax	-367	-401	-634	-547	-1,133	-1,046
PROFIT FOR THE PERIOD	1,302	1,488	2,246	1,995	5,466	5,215
Of which attributable to the shareholder in the Parent Company	1,302	1,488	2,246	1,995	5,466	5,215
PROFIT PER SHARE						
Profit per share, SEK	610	697	1,052	934	2,560	2,443
Profit per share after dilution, SEK	610	697	1,052	934	2,560	2,443
Number of shares, average and at the period-end	2,135,000	2,135,000	2,135,000	2,135,000	2,135,000	2,135,000

**CONSOLIDATED STATEMENT OF COMPREHENSIVE
INCOME, SUMMARY, SEK M**

	2015 April-June	2014 April-June	2015 Jan.-June	2014 Jan.-June	Rolling 12 months July 2014- June 2015	2014 Full-year
Profit for the period	1,302	1,488	2,246	1,995	5,466	5,215
Reclassifiable items						
Profit/loss from cash flow hedges	-2	28	-3	31	36	70
Tax attributable to cash flow hedges	—	-7	—	-7	—	-7
Cash flow hedges, dissolved against profit and loss	1	2	2	—	-35	-37
Non-reclassifiable items						
Revaluation of defined benefit pensions	—	—	—	—	-63	-63
Tax attributable to pensions	—	—	—	—	14	14
TOTAL, OTHER COMPREHENSIVE INCOME FOR THE PERIOD	-1	23	-1	24	-48	-23
COMPREHENSIVE INCOME FOR THE PERIOD	1,301	1,511	2,245	2,019	5,418	5,192
Of which attributable to the shareholder in the Parent Company	1,301	1,511	2,245	2,019	5,418	5,192

* 2014 figures have been adjusted to facilitate comparison. The reason is a shifting in the balance between property administration and central administration costs.

CONSOLIDATED BALANCE SHEETS
AKADEMISKA HUS | INTERIM REPORT JANUARY 1 - JUNE 30, 2015

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, SUMMARY, SEK M

	30-06-2015	30-06-2014	31-12-2014
ASSETS			
Non-current assets			
Tangible non-current assets			
Properties	63,809	59,730	61,437
Equipment, fixtures and fittings	16	16	13
Total tangible, non-current assets	63,825	59,746	61,450
Financial assets			
Derivatives	1,809	1,195	1,478
Other non-current receivables	308	401	471
Total financial assets	2,117	1,596	1,949
Total non-current assets	65,942	61,342	63,399
Current assets			
Current receivables			
Derivatives	532	608	807
Other current receivables	1,053	1,145	955
Total current receivables	1,585	1,753	1,762
Cash and cash equivalents	4,171	3,472	4,558
Total cash and cash equivalents	4,171	3,472	4,558
Total current assets	5,756	5,225	6,320
TOTAL ASSETS	71,698	66,567	69,719
EQUITY AND LIABILITIES			
Equity	34,232	30,259	33,432
LIABILITIES			
Non-current liabilities			
Loans	13,124	16,143	13,032
Derivatives	591	454	735
Deferred tax	8,174	7,413	7,753
Other non-current liabilities	467	349	419
Total non-current liabilities	22,356	24,359	21,939
Current liabilities			
Loans	10,766	8,014	10,092
Derivatives	166	81	109
Other current liabilities	4,178	3,854	4,147
Total current liabilities	15,110	11,949	14,348
Total liabilities	37,466	36,308	36,287
TOTAL EQUITY AND LIABILITIES	71,698	66,567	69,719
MEMORANDUM ITEMS			
Pledged assets	469	205	350
Contingent liabilities	4	4	4

GROUP EQUITY AND STATEMENTS OF CASH FLOWS
AKADEMISKA HUS | INTERIM REPORT JANUARY 1 - JUNE 30, 2015

**CHANGES IN GROUP EQUITY IN BRIEF,
SEK M**

Attributable to the Parent Company's shareholder

	Share capital	Other contributed capital	Hedge reserve	Actuarial profit and loss	Retained earnings	Total equity
EQUITY, 01-01-2014	2,135	2,135	-45	72	25,317	29,614
Dividend	—	—	—	—	-1,374	-1,374
Reduction of share capital	-1,000	—	—	—	1,000	—
Bonus issue	1,000	—	—	—	-1,000	—
Total comprehensive income, Jan.-June 2014	—	—	24	—	1,995	2,019
EQUITY, 30-06-2014	2,135	2,135	-21	72	25,938	30,259
Total comprehensive income, July-Dec. 2014	—	—	2	-49	3,220	3,173
EQUITY, 31-12-2014	2,135	2,135	-19	23	29,158	33,432
Dividend	—	—	—	—	-1,445	-1,445
Reduction of share capital ¹⁾	-5,000	—	—	—	5,000	—
Bonus issue ¹⁾	5,000	—	—	—	-5,000	—
Total comprehensive income, Jan.-June 2015	—	—	-1	—	2,246	2,245
EQUITY, 30-06-2015	2,135	2,135	-20	23	29,959	34,232

1) On 28 April 2015 the Annual General Meeting reached a decision to reduce the Parent Company's share capital by a total of SEK 5,000,000,000 for allocation to non-restricted equity. Furthermore, the Annual General Meeting approved bonus issues of a total of SEK 5,000,000,000 by raising the value of properties.

CONSOLIDATED STATEMENT OF CASH FLOWS, SUMMARY, SEK M

	2015 Jan.-June	2014 Jan.-June	2014 Full-year
CURRENT OPERATIONS			
Profit before tax	2,880	2,542	6,261
Adjustment for items not included in the cash flow	-756	-1,209	-3,222
Tax paid	-185	-488	-633
CASH FLOW FROM CURRENT OPERATIONS BEFORE CHANGES IN WORKING CAPITAL	1,939	845	2,406
CASH FLOW FROM CHANGES IN WORKING CAPITAL			
Increase (-)/decrease (+) in current receivables	-109	—	187
Increase (+)/decrease (-) in current liabilities	71	289	568
CASH FLOW FROM CURRENT OPERATIONS	1,901	1,134	3,161
INVESTMENTS			
Investment in properties	-1,284	-1,685	-3,004
Sale of properties	82	803	2,797
Investment in other non-current assets	-6	—	-3
Increase in non-current receivables	—	—	-229
Decrease in non-current receivables	33	14	—
CASH FLOW FROM INVESTMENTS	-1,175	-868	-439
FINANCING			
Raising of interestbearing loans, excluding refinancing	332	1,891	521
Dividend paid	-1,445	-1,374	-1,374
CASH FLOW FROM FINANCING	-1,113	517	-853
CASH FLOW FOR THE PERIOD	-387	783	1,869
Cash and cash equivalents at the beginning of the year	4,558	2,689	2,689
Closing cash and cash equivalents	4,171	3,472	4,558

SEGMENT INFORMATION
AKADEMISKA HUS | INTERIM REPORT JANUARY 1 - JUNE 30, 2015

THE GROUP'S GEOGRAPHICAL SEGMENTS IN BRIEF

SEGMENT INFORMATION
01-01-2015-30-06-2015, SEK M

	South	West	East	Uppsala	Stockholm	North	Total, operating segments	Other opera- tions*	Group
Revenue, including other operating revenue	398	401	278	534	974	250	2,835	—	2,835
Property management costs, including other operating costs	-131	-123	-77	-142	-298	-97	-868	-92	-960
NET OPERATING INCOME	267	278	201	392	676	153	1,967	-92	1,875
Central administration costs									-15
Changes in value, properties									1,116
PROFIT BEFORE FINANCIAL ITEMS									2,976
Profit/loss from financial items (net)									-96
PROFIT BEFORE TAX ACCORDING TO THE STATEMENT OF COMPREHENSIVE INCOME									2,880

Total assets include:

Properties	8,260	7,664	4,991	12,513	26,116	4,265	63,809	—	63,809
of which invested during the year	133	63	9	152	873	54	1,284	—	1,284

SEGMENT INFORMATION
01-01-2014-06-30-2014, SEK M

	Syd	Väst	Öst	Uppsala	Stockholm	Norr	Summa rörelse- segment	Övrig verk- samhet*	Kon- cernen
Revenue, including other operating revenue	370	405	278	501	1,008	275	2,837	1	2,838
Property management costs, including other operating costs	-138	-125	-80	-136	-284	-123	-886	-93	-979
NET OPERATING INCOME	232	280	198	365	724	152	1,951	-92	1,859
Central administration costs									-21
Changes in value, properties									1,230
PROFIT BEFORE FINANCIAL ITEMS									3,068
Profit/loss from financial items (net)									-526
PROFIT BEFORE TAX ACCORDING TO THE STATEMENT OF COMPREHENSIVE INCOME									2,542

Total assets include:

Properties	7,415	7,196	4,709	11,673	24,859	3,878	59,730	—	59,730
of which invested during the year	287	70	4	381	884	59	1,685	—	1,685

SEGMENT INFORMATION
01-01-2014-31-12-2014, SEK M

	South	West	East	Uppsala	Stockholm	North	Total, operating segments	Other opera- tions**	Group
Revenue, including other operating revenue	745	804	549	1,038	2,018	526	5,680	1	5,681
Property management costs, including other operating costs	-270	-271	-155	-291	-593	-233	-1,813	-151	-1,964
NET OPERATING INCOME	475	533	394	747	1,425	293	3,867	-150	3,717
Central administration costs									-46
Changes in value, properties									3,529
PROFIT BEFORE FINANCIAL ITEMS									7,200
Profit/loss from financial items (net)									-939
PROFIT BEFORE TAX ACCORDING TO THE STATEMENT OF COMPREHENSIVE INCOME									6,261

Total assets include:

Properties	7,889	7,454	4,933	12,459	24,537	4,165	61,437	—	61,437
of which invested during the year	597	161	12	591	1,570	73	3,004	—	3,004

* Other operations' refer to operations that are not attributable to the regions.

PARENT COMPANY INCOME STATEMENTS
AKADEMISKA HUS | INTERIM REPORT JANUARY 1 - JUNE 30, 2015

**PARENT COMPANY INCOME STATEMENT,
SUMMARY, SEK M**

	2015 April-June	2014 April-June*	2015 Jan.-June	2014 Jan.-June*	2014 Full-year
Rental revenue	1,389	1,373	2,742	2,745	5,495
Other property management income	80	341	175	404	1,732
Total property management income	1,469	1,714	2,917	3,149	7,227
Operating costs	-180	-185	-410	-433	-808
Maintenance costs	-148	-162	-245	-259	-625
Property administration	-85	-107	-195	-178	-313
Other property management expenses	-41	-76	-99	-135	-215
Total costs from property management	-454	-530	-949	-1,005	-1,961
NET OPERATING INCOME	1,015	1,184	1,968	2,144	5,266
Central administration costs	-7	-11	-15	-21	-46
Depreciation and write-downs as well as reversed write-downs in property management	-406	-310	-735	-622	-1,176
PROFIT BEFORE FINANCIAL ITEMS	602	863	1,218	1,501	4,044
Net financial income/expense	92	-254	-166	-587	-1,073
PROFIT AFTER FINANCIAL ITEMS	694	609	1,052	914	2,971
Appropriations	—	—	—	—	-243
PROFIT BEFORE TAX	694	609	1,052	914	2,728
Tax	-153	-61	-232	-128	-270
PROFIT FOR THE PERIOD	541	548	820	786	2,458

**PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME,
SUMMARY SEK M**

	2015 April-June	2014 April-June	2015 Jan.-June	2014 Jan.-June	2014 Full-year
Profit for the period	541	548	820	786	2,458
Reclassifiable items					
Profit/loss from cash flow hedges	-2	28	-3	31	69
Tax attributable to cash flow hedges	—	-7	—	-7	-7
Cash flow hedges, dissolved against profit and loss	1	2	2	—	-37
TOTAL, OTHER COMPREHENSIVE INCOME FOR THE PERIOD	-1	23	-1	24	25
COMPREHENSIVE INCOME FOR THE PERIOD	540	571	819	810	2,483
PROFIT PER SHARE					
Profit per share, SEK	253	267	384	379	1,163
Profit per share after dilution, SEK	253	267	384	379	1,163
Number of shares, average and at the period-end	2,135,000	2,135,000	2,135,000	2,135,000	2,135,000

* 2014 figures have been adjusted to facilitate comparison. The reason is a shifting in the balance between property property administration and central administration costs.

PARENT COMPANY BALANCE SHEETS
AKADEMISKA HUS | INTERIM REPORT JANUARY 1 - JUNE 30, 2015

PARENT COMPANY BALANCE SHEET, SUMMARY, SEK M	30-06-2015	30-06-2014	31-12-2014
ASSETS			
Non-current assets			
Tangible non-current assets			
Properties	39,551	32,564	32,605
Equipment, fixtures and fittings	16	16	13
Total tangible, non-current assets	39,567	32,580	32,618
Financial assets			
Shares in Group companies	1	1	1
Derivatives	1,809	1,195	1,478
Other non-current receivables	308	401	471
Total financial assets	2,118	1,597	1,950
Total non-current assets	41,685	34,177	34,568
Current assets			
Current receivables			
Derivatives	532	608	807
Other current receivables	1,053	1,147	955
Total current receivables	1,585	1,755	1,762
Cash and cash equivalents	4,171	3,472	4,558
Total cash and cash equivalents	4,171	3,472	4,558
Total current assets	5,756	5,227	6,320
TOTAL ASSETS	47,441	39,404	40,888
EQUITY AND LIABILITIES			
EQUITY	12,541	6,494	8,167
Untaxed reserves	3,693	3,450	3,693
Non-current liabilities			
Loans	13,124	16,143	13,032
Derivatives	591	454	735
Deferred tax	2,057	632	627
Other non-current liabilities	321	280	283
Total non-current liabilities	16,093	17,509	14,677
Current liabilities			
Loans	10,766	8,014	10,092
Derivatives	166	81	109
Other current liabilities	4,182	3,856	4,150
Total current liabilities	15,114	11,951	14,351
Total liabilities	31,207	29,460	29,028
TOTAL EQUITY AND LIABILITIES	47,441	39,404	40,888
MEMORANDUM ITEMS			
Pledged assets	469	205	350
Contingent liabilities	4	4	4

CHANGES IN PARENT COMPANY'S EQUITY, IN BRIEF, SEK M	Restricted equity		Non-restricted equity		Total equity
	Share capital	Statutory reserve	Fair value reserve	Profit for the year brought forward	
EQUITY, 01-01-2014	2,135	2,135	-45	1,833	6,058
Dividend	—	—	—	-1,374	-1,374
Reduction of share capital	-1,000	—	—	1,000	0
Bonus issue	1,000	—	—	—	1,000
Total comprehensive income, Jan.-June 2014	—	—	24	786	810
EQUITY, 30-06-2014	2,135	2,135	-21	2,245	6,494
Total comprehensive income, July-Dec. 2014	—	—	2	1,672	1,673
EQUITY, 31-12-2014	2,135	2,135	-19	3,917	8,167
Dividend	—	—	—	-1,445	-1,445
Reduction of share capital ¹⁾	-5,000	—	—	5,000	0
Bonus issue ¹⁾	5,000	—	—	—	5,000
Total comprehensive income, Jan.-June 2015	—	—	-1	820	819
EQUITY, 30-06-2015	2,135	2,135	-20	8,292	12,541

1) On 28 April 2015 the Annual General Meeting reached a decision to reduce the Parent Company's share capital by a total of SEK 5,000,000,000 for allocation to non-restricted equity. Furthermore, the Annual General Meeting approved bonus issues of a total of SEK 5,000,000,000 by raising the value of properties.

PARENT COMPANY

Akademiska Hus AB is the Parent Company in the Akademiska Hus Group, which is wholly owned by the Swedish state. Operations comprise mainly owning and managing university and college properties. The majority of the Group's revenue is derived from education under government auspices.

Revenue and profit/loss

The Company's revenue totalled SEK 2,917 million (3,149). Of this amount, revenue from subsidiaries accounted for SEK 0 million (0). The profit before financial items was SEK 1,218 million (1,501) and net financial income/expense was SEK -166 million (-587). The profit after financial items was SEK 1,052 million (914).

Investments

Investment in machinery and equipment amounted to SEK 6 million (1) and in properties to SEK 1,284 million (1,685).

Equity

Equity amounted to SEK 12,541 million compared with the figure of SEK 8,167 million at the previous year-end. On 28 April, 2015 the Annual General Meeting resolved on a dividend of SEK 676.81 (643.56) per share, a total of SEK 1,445 million (1,374) that was paid during the second quarter.

In order to make it possible to adjust the Group's capital structure to the owner's objective for the equity ratio, in April 2015 the Annual General Meeting resolved to reduce share capital by a total of SEK 5,000 million for allocation to non-restricted equity. In addition, the Meeting resolved on bonus issues to restore share capital to its original level. The bonus issues were carried out through revaluations of investment properties.

ACCOUNTING PRINCIPLES

Akademiska Hus complies with the EU-endorsed International Financial Reporting Standards (IFRS). This Interim Report for the Group has been prepared according to IAS 34 Interim Financial Reporting, and for the Parent Company in accordance with the Annual Accounts Act and the recommendation of the Financial Reporting Board, RFR 2 Accounting for Legal Entities.

Unless stated otherwise below, the accounting principles and computation methods are the same as the accounting principles used in the most recent Annual Report.

New accounting principles 2015

No new or amended IFRSs that have an impact on Akademiska Hus' reporting have entered into force in 2015.

This Interim Report has not been the subject of an examination by the auditors.

The Board of Directors and the President hereby certify that this Interim Report provides a true and fair overview of the Company's and the Group's operations, financial position and results and describes material risks and uncertainties that face the Company and the companies that form part of the Group.

Göteborg July 15 2015

Eva-Britt Gustafsson
Chairman

Britta Burreau
Board member

Olof Ehrlén
Board member

Thomas Jennlinger
Employee representative

Anders Larsson
Employee representative

Ingela Lindh
Board member

Leif Ljungqvist
Board member

Pia Sandvik
Board member

Gunnar Svedberg
Board member

Ingemar Ziegler
Board member

Kerstin Lindberg Göransson
President

DEFINITIONS

AKADEMISKA HUS | INTERIM REPORT JANUARY 1 - JUNE 30, 2015

DEFINITIONS

Equity ratio

Reported equity (for Parent Company including equity share in untaxed reserves) in relation to total assets carried forward.

Financing cost according to IFRS

Net financial income/expense in the form of the financing cost for loans, net interest for financial derivatives and the change in fair value of financial derivatives, in relation to average interest-bearing capital.

Floor space, m², gross

Gross floor space of building. Comprises rentable floor space as well as common areas and the areas surrounding the building.

Floor space, m²

Rentable floor space in square metres.

Interest coverage ratio

Profit before financial items, excluding changes in the value of properties in relation to net financial income/expense, excluding changes in value, financial derivatives, including period allocation of realised profits from derivatives and including capitalised interest in projects.

Interest-bearing liabilities

Interest-bearing loans, including pension provisions and similar items.

Interest-bearing net loan liability

Interest-bearing loans, financial derivatives and current interest-bearing investments. Pension provisions and similar items are not included.

Internal financing ratio

The part of the tangible, non-current assets procured during the year that could be financed using funds earned internally during the year.

Loan-to-value ratio

Interest-bearing net loan debt in relation to the closing value of properties.

Maintenance costs

Costs for measures taken aimed at reinstating the original standard and function of worn or damaged parts of a building.

Net investments

Closing balance minus the opening balance for non-current assets plus depreciation and impairments minus revaluations.

Net operating income ratio

Net operating income in relation to management income.

Operating capital

Equity plus interest-bearing net loan liability.

Operating costs

Operating costs are costs incurred to keep a property, installation or similar facility functioning. Operating costs are divided into media provision, monitoring and service.

Period-allocated financing cost

Net financial income and expense in the form of the financing cost for loans, net interest for financial derivatives and period allocation of realised profits on financial derivatives over the remaining term of the underlying instrument, in relation to average, interest-bearing capital.

Property administration

Cost of management, day-to-day accounting administration, leasing, contact with tenants, handling of registers, contracts and drawings, technical planning and follow-up and human resource administration.

Rental and vacancy levels

Leased or vacant floor space in relation to the total floor space. Financial leasing or vacant space levels are rental revenue for space leased and estimated rental revenue for vacant space in relation to the total rental revenue.

Return on equity after standard tax

Earnings after financial items with a deduction for full tax in relation to average equity.

Return on operating capital

Earnings before financial items, excluding changes in value in relation to average operating capital.

Return on total assets

The operating profit plus financial income in relation to the average total assets.

Rental revenue

The basic rent, index-linked, and estimated rent for vacant rentable floor space and supplements, with a deduction for vacancies and rent reductions.

Total yield

Direct yield from properties and their change in value, expressed in per cent.

Yield

Operating surplus in relation to the average fair value, excluding buildings under construction.

CONTACT PERSONS

Kerstin Lindberg Göransson, President
Telephone: +46 31 63 24 60
E-mail: Kerstin.LindbergGoransson@akademiskahus.se

Jonas Ragnarsson, CFO
Telephone: +46 31 63 24 81
E-mail: jonas.ragnarsson@akademiskahus.se

ADDRESS: GROUP OFFICE

Akademiska Hus AB
Box 483
Stampgatan 14
SE-401 27 Göteborg

Telephone: +46 31 63 24 00
akademiskahus.se
info@akademiskahus.se
Reg. no.: 556459-9156

REPORT CALENDAR

Interim Report, 3rd Quarter 2015	28 October 2015
Year-end report 2015	February 2016
Annual Report 2015	March 2016



AKADEMISKA HUS