

Kungsleden AB (publ)

Chief Executive Thomas Erséus
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24 April 2009



KUNGSLEDEN

Kungsleden in brief

Kungsleden owns and manages properties generating high and stable long-term returns

- Returns more important than property type and location
- A property's yield cannot be judged without considering risk levels

Properties had a book value of SEK 28.6 (28.6) bn as of 31 March

- Public Properties 54 (54)%
- Commercial Properties 36 (37)%
- Nordic Modular 5 (5)%
- Retirement Homes Germany 5 (4)%

Approx. 25,500 shareholders, about 42% private individuals and 23% foreign

- Ten largest shareholders control 18.9% of equity and votes



The quarter in figures

- Rental revenues +11% to SEK 702 (634) m
- Gross profit +12% to SEK 501 (447) m
- Profit/loss before tax SEK -79 (113) m
- Profit/loss after tax SEK -67 (73) m
- Earnings per share SEK -0.50 (0.50)

Profit for calculating dividends

SEK m	2009	2008
	Jan-Mar	Jan-Mar
Gross profit	501	447
Sales and administration costs	-80	-85
Net financial position	-249	-224
Sub-total	172	138
<i>Property divestments</i>		
Trading net at divestment	11	0
Realised value changes	50	-2
Sub-total	61	-2
Tax paid and other items not affecting cash flow	-10	-10
Profit for calculating dividends	223	126

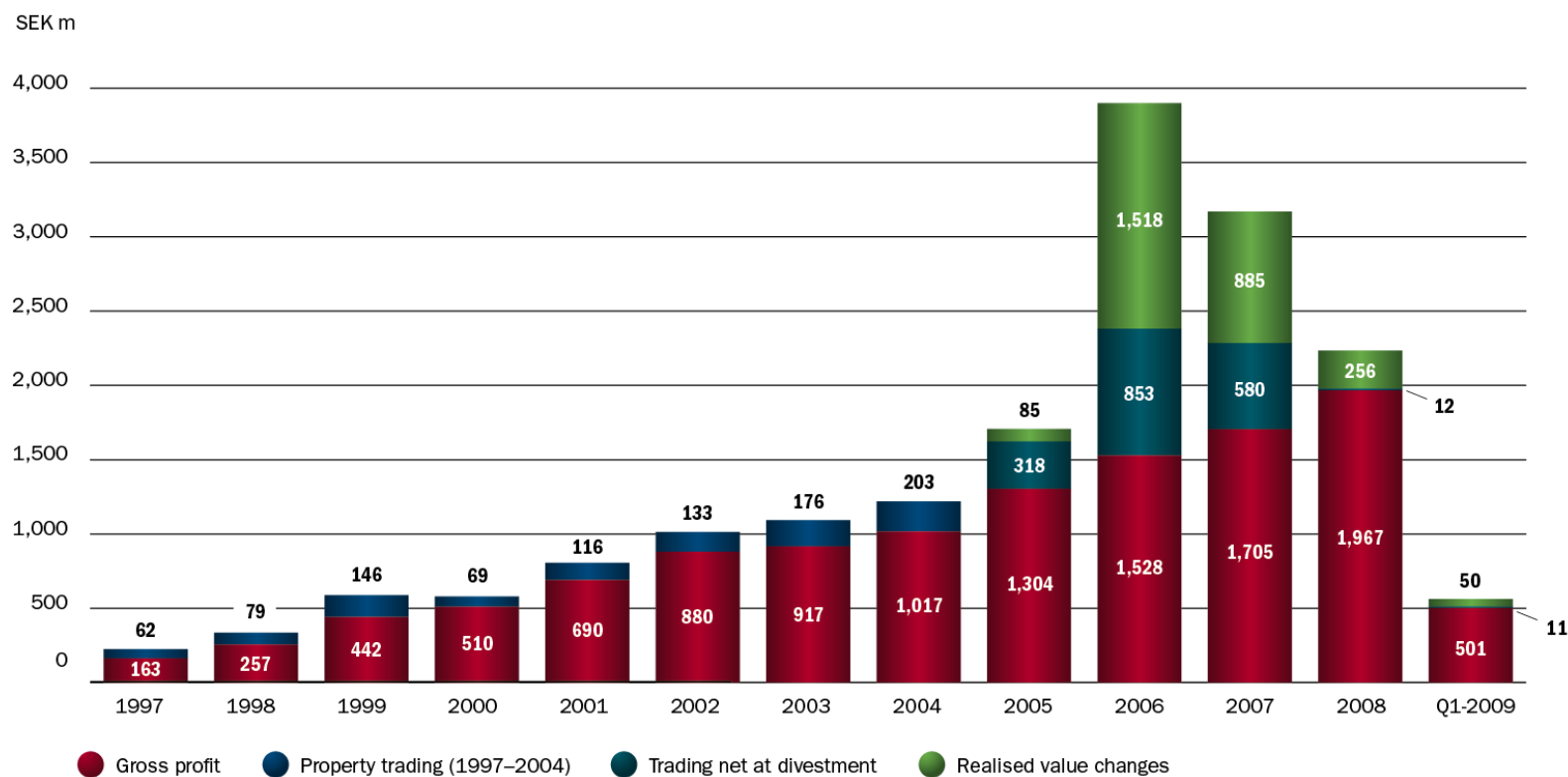
Adapting to the market and diversifying risk

- Re-allocation of the commercial property holding
 - Reflecting the public portfolio with long contracts and stable counterparties
 - Reduced share of offices and retail
- Low average rents of SEK 600 per sq.m. for commercial property
- Longer rental contracts, average of 6 yrs. remaining on commercial and 7 yrs. on public properties
- Stable cash flows
 - Average property yield, 6.2 (6.2)% on public properties
 - Average property yield, 6.9 (6.8)% on commercial properties
- Modified production capacity in Nordic Modular
- Reduced rate of expansion in Germany



Underlying profits, '97 - '09

Underlying profits 1997 – Q1 2009



From 2005 onwards, profit from property trading is divided between trading net at divestment and realised value changes.

Income Statement

SEK m	2009 Jan-Mar	2008 Jan-Mar	2008/09 Apr-Mar	2008 Jan-Dec
Rental revenues	702	634	2,760	2,692
Property costs	-216	-204	-781	-769
Gross profit, module sales	15	17	57	59
Gross profit	501	447	2,036	1,982
Trading net	10	0	28	12
Sales and administration costs	-80	-86	-384	-389
Net financial position	-249	-224	-1,011	-986
Profit after financial items	182	137	669	619
Unrealised value changes	-261	-24	-2,045	-1,803
Profit/loss before tax	-79	113	-1,376	-1,184
Tax	12	-40	275	223
Profit/loss after tax for the period	-67	73	-1,100	-962

Financial position (Balance Sheet)

SEK m	2009	2008	2008
Assets	31 Mar	31 Dec	31 Mar
Properties	28,589	28,576	27,223
Receivables, etc.	1,733	1,504	1,531
Cash and cash equivalents	500	642	730
Total assets	30,822	30,722	29,484
Equity and liabilities			
Equity	7,002	7,065	9,112
Interest-bearing liabilities	20,364	20,743	18,514
Non interest-bearing liabilities	3,456	2,914	1,858
Total equity and liabilities	30,822	30,722	29,484

Funding, background

- Substantial interest rate uncertainty in September, culminating in October
- 3-month Stibor rose to a peak of 5.6% in the autumn
- The goal is to minimise risk and assure cash flows
- Parts of Kungsleden's funding portfolio were hedged in Q4 2008 to limit interest rate increases



Funding, cont.

- Negative value changes in derivative portfolio (SEK 193 m) resulting from continued fall in interest rates
- Derivative portfolio of some SEK 24 bn, of which over SEK 5 bn matures this year—working actively to downsize the derivative portfolio
- SEK 1,756 m of loans and overdraft facilities mature in 2009, with SEK 1000 m re-financed after the end of the quarter
- Completed re-financing and existing un-utilised credits of SEK 1,810 m assure Kungsleden's funding

Maturity structure

As of 31 March 2009			
Maturity	Credit, SEK m	Share, %	Ave. conversion time, years
2009	1,756	8.0	
2010	1,203	5.4	
2011	2,179	9.9	
2012	13,031	58.8	
2013	3,235	14.6	
-			
2018	737	3.3	
Total credit	22,141	100.0	3.2
Un-utilised credit	-1,810		
Total utilised credit	20,331		

Interest fixings

As of 31 March 2009

Interest maturity	Nom. amt., SEK m	Prop., %	Ave. Int., %
2009	8,738	42.9	5.6
2010	1,300	6.4	5.5
2011	1,200	5.9	4.8
2012	1,893	9.3	3.4
2013	1,700	8.4	4.5
2014	1,600	7.9	4.3
2015	1,800	8.9	4.3
2016	800	3.9	4.2
2017	300	1.5	4.5
2018	1,000	4.9	4.5
Total, loans	20,331	100.0	4.9
Market value of loans and derivatives	1,738		
Total	20,068		

Significant events YTD 2009

- Acquisition of two properties for SEK 158 m, divestment of six properties for SEK 222 m
- Divestments consistent with book values
- Transaction with Third AP Fund finalised, completion 4 May

Collaboration with Third AP Fund

- Divestment of 50% of ownership within public properties
- Pricing based on a property value of SEK 14.6 bn, corresponding to book value and a property yield of 6.3% on operating net in 2008 pro forma
- Portfolio comprises a total of 239 Retirement Home, School and Care properties
- Transaction strengthens Kungsleden's Balance Sheet and enables Kungsleden to remain an active player in the public segment

Financial effects, Third AP Fund

- Positive liquidity effect of SEK 2.3 bn
- Annual yield of approx. 25% on invested capital in 2001-2008
- Profit for calculating dividends for 2009 increases by some SEK 800 m
- Mortgage ratio reduces to 64 (73)%
- Equity increases by SEK 400 m
- Hemsö will be reported using the proportional method from Q2 onwards

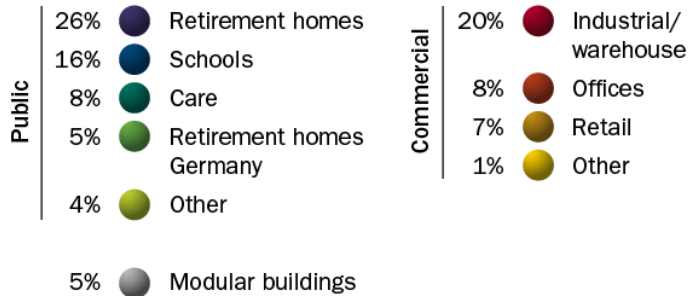
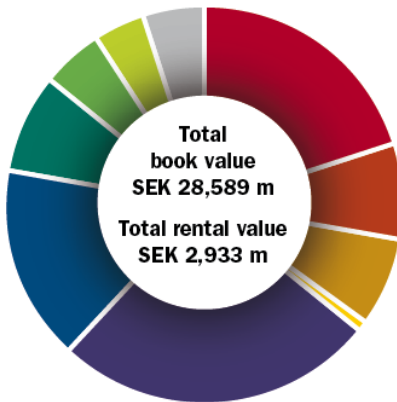
Property portfolio

Property portfolio, 1999 – Q1 2009

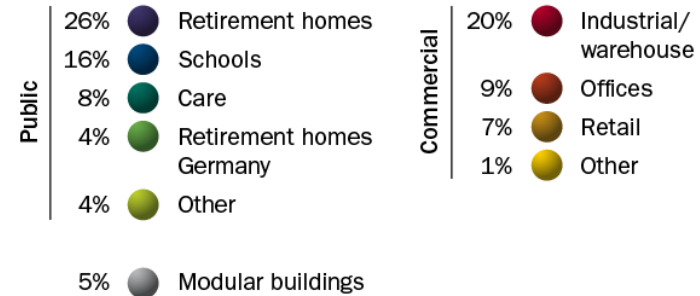
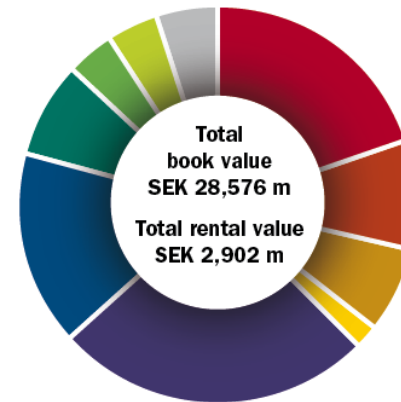


Our properties—by type

Property portfolio by type as of 31 March 2009

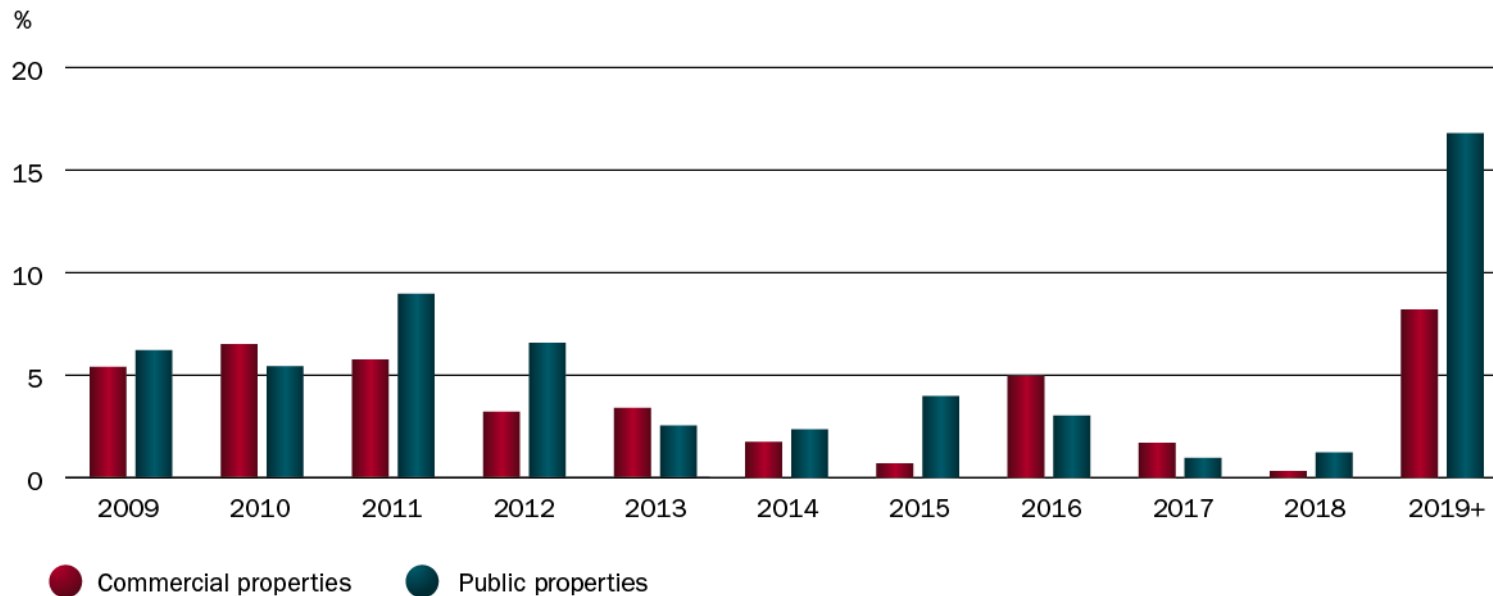


Property portfolio by type as of 31 December 2008



Rental revenue maturity structure

Rental revenue maturity structure



Summary

- Well-diversified property portfolio, indexed rents and stable cash flows
- Continued positive underlying operational development and occupancy, but the risk of increased vacancies cannot be ruled out
- Stronger Balance Sheet after completed transaction with Third AP Fund
- Better prospects of exploiting future business challenges
- Credits of nearly SEK 1.8 bn mature in 2009, of which SEK 1 bn already re-financed



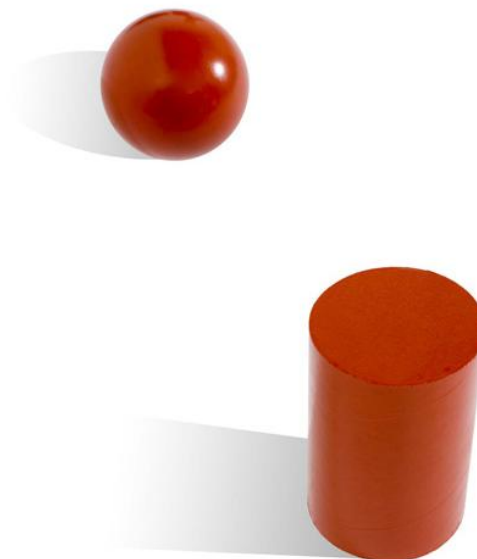
- 18 • Un-utilised credits of over SEK 1.8 bn

Outlook for 2009

- Continued focus on cash flow, portfolio composition and long contracts
- Active and close dialogue with customers
- Sharp focus on improved risk-adjusted returns
- Goal-oriented search for attractive business opportunities presented by the market
- Enhance potential in Public Properties alongside the Third AP Fund
- Target for profit for calculating dividends in 2009, SEK 1,300 m.

Ten largest shareholders (% of votes and share capital)

• Swedbank Robur fonder	4.4
• Second AP Fund	3.7
• Florén Olle and companies	2.2
• Nordea fonder	1.8
• SHB	1.7
• Länsförsäkringar fonder	1.2
• SEB Fonder	1.1
• First AP Fund	1.0
• Avanza Pension Försäkring AB	0.9
• Pensioenfonds Metaal en Techniek	0.9



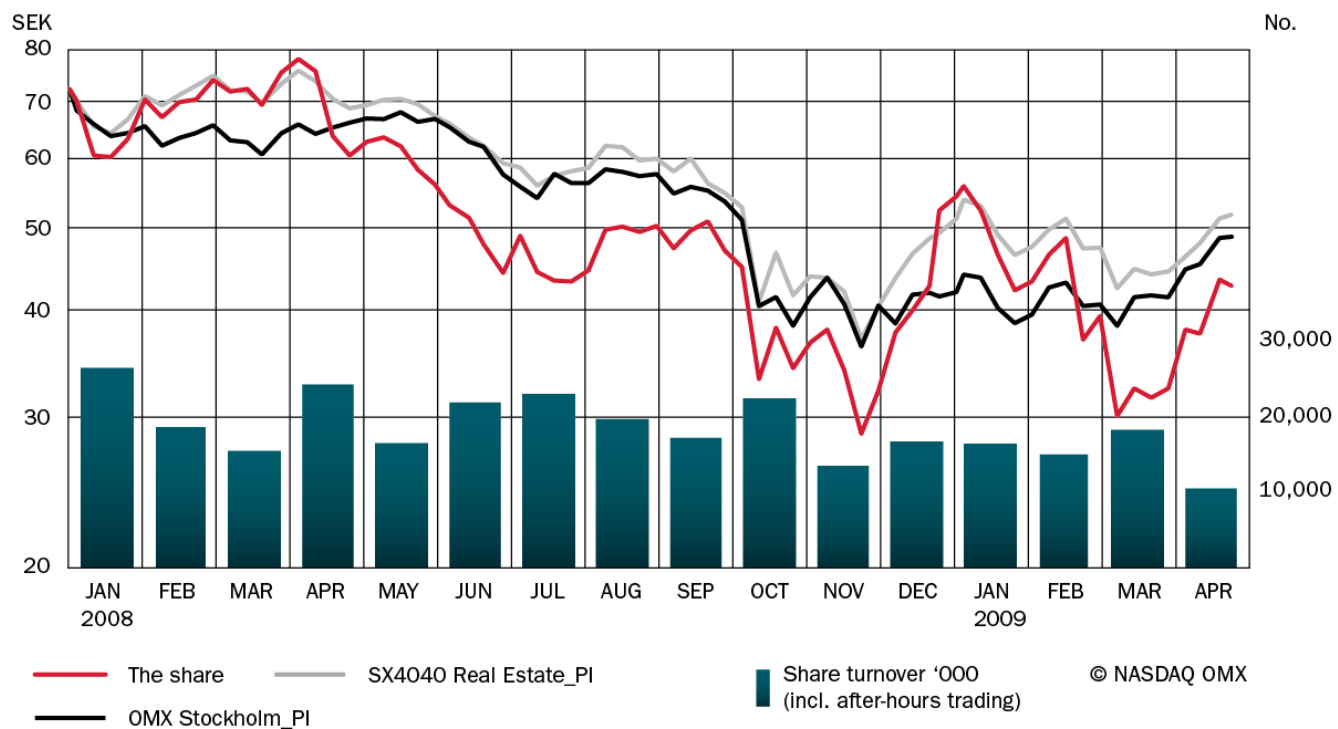
Are there any questions?



Thanks.

The share, until 22 April 2009 inclusive

The share



The share, until 22 April 2009 inclusive

Total yield

