

1ST QUARTER

INTERIM REPORT JANUARY-MARCH 2015

INTERIM PERIOD

- Income totalled SEK 167 million (157).
- The operating surplus amounted to SEK 125 million (118).
- Income from property management was SEK 58 million (52).
- Change in value of properties amounted to SEK 71 million (8) and change in value of derivatives affected profit by SEK -80 million (-74).
- The holding in Klövern AB (publ) is reported in accordance to the equity method and amounted to SEK 1,258 million (1,197). The fair value of Corem's holding based on the share price on 31 March 2015 was SEK 1,771 million (1,356).
- Net profit amounted to SEK 110 million (-3); SEK 1.28 per ordinary share (-0.26).
- Net investments in properties totalled SEK 88 million (17).
- During the period, Corem has acquired and sold one property.

EVENTS AFTER THE END OF THE PERIOD

- On 1 April 2015, Corem issued a three-year, uncovered, bond loan of SEK 400 million, which will be listed on NASDAQ Stockholm.
- On 27 April 2015, Corem acquired a property in Halmstad, Region South, of around 24,500 sq.m. The property was acquired in corporate form on the basis of a property value of SEK 121 million.

KEY RATIOS

	2015	2014	2014	Rolling
	3 mon	3 mon	12 mon	14/15 12 months
	Jan-Mar	Jan-Mar	Jan-Dec	Apr-Mar
Income, SEKm	167	157	621	631
Operating surplus, SEKm	125	118	480	487
Profit from property management, SEKm	58	52	202	208
Net profit, SEKm	110	-3	112	225
Earnings per ordinary share, %	1.28	-0.26	0.61	2.12
Operating margin, %	75	75	77	77
Occupancy rate, economic, %	90	91	92	90
Equity ratio, adjusted, %	33	33	32	33

THIS IS COREM

Corem Property Group is a real estate company that owns and manages properties in central and southern Sweden as well as in Denmark. Corem's property portfolio consists of warehouse, logistics, industrial and retail properties.

› BUSINESS STRATEGY

Corem shall create long-term growth and increase in value by managing, acquiring, building and developing properties in the warehouse, logistics, industrial and retail spheres.

› GOALS

Corem's overall goal is to become, in selected regions, the leading real estate company in its segment as well as providing Corem's shareholders with a long-term high and stable return on equity. This is to take place with continuous efforts to work for sustainable development.

› STRATEGY

Corem has four overall strategies to achieve the company's goals.

INVESTMENT STRATEGY – to actively look for and carry out transactions in order to develop and realize value.

BUSINESS STRATEGY – to optimize the property portfolio through long-term commitment.

ORGANIZATIONAL STRATEGY – to create long-term tenant relations by having a market-oriented and expert property management.

SUSTAINABILITY STRATEGY – to work for long-term sustainability for the company and its business environment.

COREM'S PROPERTY PORTFOLIO IS MANAGED

IN FIVE REGIONS: ● Stockholm Region, ● South Region, ● West Region, ● Småland Region and ● Mälardalen/North Region. The Corem group is organized with its head office in Stockholm and regional offices in Stockholm, Malmö, Göteborg, Jönköping and Örebro.



› BUSINESS MODEL

Corem's business model is based on a continuous process of strategic transactions and optimization of the property portfolio and creates value by always focusing on the tenant.

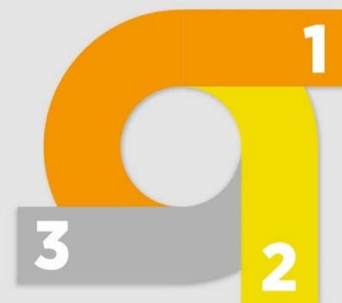
TRANSACTION – GROWTH AND CONCENTRATION

Careful business analyses are performed with a view to identifying potential growth opportunities. Acquisitions are of interest if the yield is attractive and if synergy effects can be obtained. Divestment opportunities arise when the geographical location does not fit in with the regional structure or property type.

PROPERTY DEVELOPMENT

– CREATION OF VALUE

Corem has a long-term commitment to all properties in the portfolio and strives to optimize the properties' yield and create long-term relationships with our tenants and suppliers by building, re-building or by energy-saving measures.



PROPERTY MANAGEMENT

– FOCUS ON TENANTS

In order to create a good dialogue with tenants and suppliers, Corem's properties shall be managed by our own personnel. Priority is given to short decision-making paths and a local presence in the company's markets in order to be able to provide tenants with the best possible service.

STATEMENT BY THE CEO

A strong start to the year.



IMPORTANT EVENTS

- Acquisition of a property in Greve, Denmark, with a lettable area of 12,459 sq.m. and a property value of SEK 66 million.
- Concentration by divestment of a property in Norberg, Mälardalen/North Region.
- On 1 April, a three-year bond loan of SEK 400 million was issued.
- On 27 April, Corem acquired a property in Halmstad with a lettable area of around 24,500 sq.m. and a value of SEK 121 million.

We are continuing on our chosen path with active letting work. With a larger property portfolio the operating surplus increased by 6 per cent and profit from property management by 12 per cent compared with last year. Increasingly lower interest rates are reducing Corem's financing expenses. The loan portfolio is based on STIBOR 3M which was -0.06 per cent at the end of the period. There is a further decrease in Corem's interest expense as loans are renegotiated. In April, Corem issued a new bond with a three-year maturity to refinance bonds issued in 2010 and 2013, which mature in May and July this year. With this refinancing, we have a balanced maturity structure of our bonds for the next three years.

Our holding in Klövern is continuing to develop positively. The fair value of Corem's holding based on the share price on 31 March 2015, was SEK 1.8 billion which is SEK 0.5 billion above the carrying amount.

Our most recent transaction in the municipality of Greve just outside Copenhagen consists of a large site of over 90 000 sq.m. and we welcome Ramirent, one of Europe's leading companies in the

machinery hire industry, as tenant. We have also continued our process of concentration as we have left one more location.

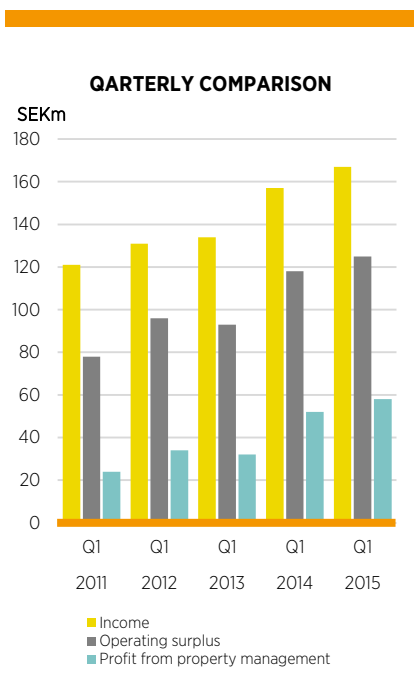
At the beginning of the year, we have seen continued downward pressure on required yields and I don't believe that this has yet reached its lowest point. The interest in our segment, warehouse and logistics properties, is increasing with more interested parties due to the attractive yield. The average required yield for Corem's property portfolio on 31 March 2015 was 7.3 per cent. We have continued to pursue our adopted strategy of long-term ownership and active management. We create long-term relationships every day and are prepared to meet the customers' changes and new needs. Corem's personnel are knowledgeable and committed. We endeavour every day to make our customers and shareholders satisfied.

Stockholm, 28 april 2015
Eva Landén, CEO

QUARTERLY OVERVIEW

Amounts in SEKm unless otherwise stated	2015	2014	2014	2014	2014	2013	2013	2013
	Q1 Jan-Mar	Q4 Oct-Dec	Q3 Jul-Sep	Q2 Apr-Jun	Q1 Jan-Mar	Q4 Oct-Dec	Q3 Jul-Sep	Q2 Apr-Jun
Income	167	151	157	156	157	144	141	137
Property costs	-42	-39	-31	-32	-39	-40	-30	-33
Operating surplus	125	112	126	124	118	104	111	104
Profit from property management	58	42	55	53	52	39	46	41
Profit shares according to the equity method	61	36	32	105	7	26	28	37
Changes in value, properties	71	51	76	3	8	4	-1	-34
Unrealized changes in value, derivatives	-80	-115	-73	-96	-74	15	19	85
Net profit	110	28	78	9	-3	69	81	104
Fair value of properties	7,406	7,259	6,866	6,803	6,405	6,380	6,022	6,002
Operating margin, %	75	74	80	79	75	72	79	76
Occupancy rate, economic, %	90	92	92	91	91	92	91	91
Return on total assets, %	11	9	11	11	7	7	7	5
Return on equity, %	18	5	13	2	-1	12	14	19
Adjusted equity ratio, %	33	32	32	31	33	33	33	32
Leverage, %	51	58	59	60	58	61	60	60
Cash flow from operations	123	-14	-19	118	28	106	12	60
Cash flow, operations per ordinary share, SEK	1.45	-0.41	-0.47	1.33	0.15	1.18	-0.06	0.57
Equity per share, SEK	30.59	29.28	28.84	27.85	29.16	29.18	28.31	27.37

INCOME, EXPENSES AND PROFIT



The income statement items below, like the comparative amounts for last year, refer to the period January–March unless otherwise stated. The balance sheet items and comparative amounts refer to the position at the end of the period this year and last year.

INTERIM REPORT JANUARY–MARCH 2015 INCOME

Income for the period totalled SEK 167 million (157) and consists of rents for premises including supplements for property tax and for tariff-based charges (electricity, heating and water) and any one-off payments. The increase in income is mainly attributable to net acquisitions. The income also includes one-off items of SEK 14 million (12). The remaining part of the change is attributable to moving-in and tenant vacations. The financial occupancy rate was 90 per cent (91). Net letting for the period was SEK 1 million, of which letting amounted to SEK 27 million and notices of termination to SEK 26 million.

Tenants

Corem has a well-diversified income base as the tenants are engaged in many different areas of the Swedish business sector. The company's goal is to reduce dependence on particular tenants, which is mainly achieved by acquisitions. Corem's remaining average lease contract term is 5.2 years (5.0).

PROPERTY COSTS

Property costs during the period totalled SEK 42 million (39) and consist mainly of maintenance, site leasehold fees, property tax, tariff-based charges and property administration. The change of SEK 3 million is mainly due to net acquisition and higher costs for snow clearance.

CENTRAL ADMINISTRATION

The central administration costs totalled SEK 7 million (6), consisting of costs for group management, group-wide functions such as IT, finance, personnel and IR as well as the company's listing on NASDAQ Stockholm. Property administration costs are not included but are reported in property costs.

NET FINANCIAL INCOME

Net financial income totalled SEK -60 million (-60), of which financial income was SEK 0 million (0) and interest expense and credit fees for the period were SEK 60 million (60). Corem's interest expense was affected by the change in the short market rates, although as a large part of the interest-bearing liabilities have hedged interest rates, the fluctuations in net financial income are less. At the end of the period, the average interest rate, including margins, was 4.06 per cent (4.86). See page 11 for further information.

THE FIVE LARGEST TENANTS ON 31 MARCH 2015

Tenant	Share, %	Region	Remaining average lease contract length, years
Bilia	10	Mälardalen/Norh, Stockholm, South, West	8.3
Ericsson	7	Mälardalen/North, West	4.1
ELFA	5	Stockholm	3.2
Posten	4	Stockholm	13.4
NKT Cables	3	Mälardalen/North	9.5

PROPERTY SHARES ACCORDING TO THE EQUITY METHOD

Profit shares according to the equity method amounted to SEK 61 million (7). The reported profit share consists of Corem's share of Klöver's net profit, taking into account dividend to Klöver's preference shareholders. See page 10 for further information.

CHANGES IN VALUE

Properties

Changes in value of properties totalled SEK 71 million (8), during the period, of which unrealized changes in value amounted to SEK 71 million (8) and realized changes in value to SEK 0 million (0). Unrealized changes in value are mainly due to reduced required yields. See page 6 for further information.

Derivatives

The value of Corem's derivatives is affected by changes in the long market rates. The long market rates fell during the period, which had a negative effect on the valuation of Corem's derivatives. Unrealized changes in value of derivatives during the period totalled SEK -80 million (-74).

Tax

Through the possibility of making depreciation for tax purposes and deduction for certain refurbishments of properties as well as making use of tax loss carryforwards, no paid tax expense arises in principle. However, paid tax occurs in a few subsidiaries where there are no opportunities for making group contributions for tax purposes.

Reported deferred tax on changes in value is partly attributable to classification of acquisitions and the form in which divestment takes place.

The tax loss carryforwards are estimated at approximately SEK 1,500 million (1,509). The tax recoverable is attributable to tax loss carryforwards in the consolidated balance sheet amounting to SEK 257 million (257). Deferred tax is reported net at SEK 158 million (157) in the summary report on the financial position for the Group.

SEK million	Current tax		Deferred tax		Reported tax	
	2015 Jan-Mar	2014 Jan-Mar	2015 Jan-Mar	2014 Jan-Mar	2015 Jan-Mar	2014 Jan-Mar
Current profit from property management	-1	-1	-3	-4	-4	-5
Change in value, properties	-	-	-7	-5	-7	-5
Change in value, derivatives	-	-	17	16	17	16
Increased temporary difference properties attributable to depreciation for tax purposes and direct deductions	-	-	-8	-6	-8	-6
Revaluation, tax loss carryforwards	-	-	2	4	2	4
Total	-1	-1	1	5	0	4

THE PROPERTY PORTFOLIO

Corem's property value amounted on 31 March 2015 to SEK 7,406 million and consisted of 131 properties with a total lettable area of 991,907 sq.m.

The property portfolio is allocated to five geographic areas: Stockholm Region, South Region, West Region, Småland Region and Mälardalen/North Region. In terms of value, Stockholm Region is largest with around 42 per cent of the total property value of the portfolio. The portfolio consists of warehousing, logistics, industrial and retail properties located in central and southern Sweden and in Denmark.

Of Corem's total income on an annual basis on 31 March 2015, amounting to SEK 619 million, Stockholm accounted for 43 per cent, South for 17 per cent, West for 16 per cent, Småland for 9 per cent and Mälardalen/North for 15 per cent. The total rental value was assessed on 31 March 2015 to SEK 686 million. The financial occupancy rate was 90 per cent.

PROPERTY VALUES AND CHANGES IN VALUE

After last year's record figures and, in particular, the end of the last quarter, both the volume and the number of property transactions was considerably lower during the first quarter. The aggregate volume on the Swedish real estate market was around SEK 25 billion, which was none the less at the level of the corresponding period last year. The comparatively large change from the previous quarter was not due to a decrease in demand. On the contrary, interest is at a record high level and competition is stiff on a market where demand clearly exceeds supply. The weakening of the Swedish krona has also led to increased interest from foreign actors, which can also be seen in the transactions that have taken place. The excess demand in combination with continued favourable financing possibilities has further reduced the required yields. There is a high and broad level of demand, both geographically

and according to type of property, even if office properties in metropolitan cities continue to be most in focus.

The aggregate market value of Corem's property portfolio totalled SEK 7,406 million (7,259) on 31 March 2015. In particular, reduced required yields, but also value-increasing investments have increased the value of the property portfolio. Vacancies and early vacations have affected values negatively. The average required yield on 31 March 2015 was around 7.3 per cent. In the current market conditions, the required yields will probably continue to decrease during the year.

Unrealized changes in value during the first quarter amounted to SEK 71 million (8). Corem values all properties every quarter. In the period covered by the report, properties corresponding to around four per cent of the aggregate value have been externally valued, while the rest have been valued by internal cash value valuations. The company has commissioned Savills Sweden AB as valuation institute for the report period. Corem obtains continuous market information from external valuation institutes as a support for the internal valuation process.

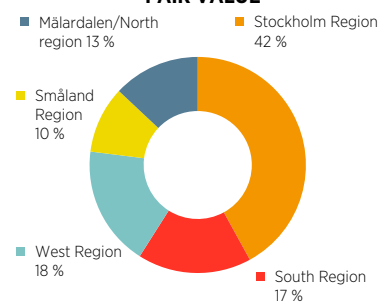
For further information about Corem's valuation principles, see Corem's Annual Report for 2014, pages 26A-27A.

NEW CONSTRUCTIONS, EXTENSIONS AND REFURBISHMENT

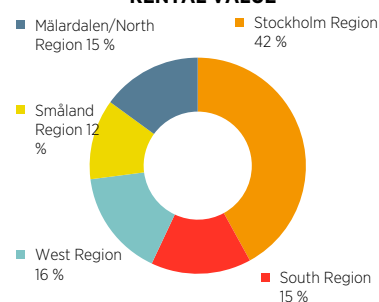
During the period, Corem has invested a total of SEK 24 million (17) in properties for new construction, extension and refurbishment, which have mainly consisted of tenant adaptations and energy saving measures. For further information about Corem's property development, see Corem's Annual Report for 2014, page 25A.



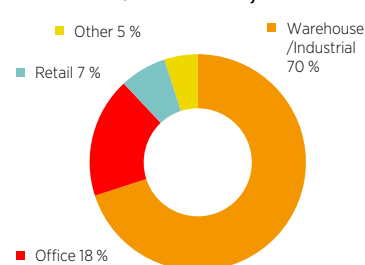
FAIR VALUE



RENTAL VALUE



PROPERTY TYPE, AREA



CHANGE IN FAIR VALUE, NUMBER OF PROPERTIES AND LEASABLE AREA

	SEK million	Number	Sq.m.
Total on 31 December 2014	7,259	131	982,895
Acquisitions	66	1	12,459
New construction, extension and refurbishment	24	-	-
Divestments	-2	-1	-3,447
Changes in value	71	-	-
Currency translation	-12	-	-
Total on 31 March 2015	7,406	131	991,907



ACQUISITIONS AND DIVESTEMENTS OF PROPERTIES

During the period, Corem has acquired one property and divested one property.

On 31 March 2015, a property in the municipality of Greve just outside

Copenhagen, South Region, was taken possession of, consisting of just over 90,000 sq.m. land, with around 12,500 sq.m. of buildings for SEK 66 million. The property is fully let to Ramirent and in conjunction with transfer of possession, a new triple.net lease

agreement was entered into, which comprises the whole property.

Corem has also continued to concentrate the portfolio by divestment of a property in Norberg, Mälardalen/North Region.

TRANSACTIONS

ACQUIRED 1 JANUARY – 31 MARCH 2015

Quarter	Property	Municipality	Property type	Lettable area, sq.m.	Property value, SEK million
1	Hundigevej 85	Greve	Warehouse/Industrial	12,459	66
Total acquired 1 Jan-31 Mar 2015				12,459	66

DIVESTED 1 JANUARY – 31 MARCH 2015

Quarter	Property	Municipality	Property type	Lettable area, sq.m.	Property value, SEK million
1	Norbergsby 10:66	Norberg	Warehouse/Industrial	3,447	2
Total divested 1 Jan-31 Mar 2015				3,447	2

DISTRIBUTION PER GEOGRPHICAL AREA

Distribution per geographical area	Income, SEK million		Costs, SEK million		Operating surplus, SEK million		Operating margin, %	
	2015	2014	2015	2014	2015	2014	2015	2014
	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar
Stockholm	80	63	-21	-19	59	44	74	70
South	26	21	-6	-5	20	16	77	74
West	25	30	-4	-4	21	26	84	86
Småland	13	16	-6	-6	7	10	54	62
Mälardalen/North	23	27	-5	-5	18	22	78	84
Total	167	157	-42	-39	125	118	75	75

Key ratios per geographical area	Fair value, SEK million		Lettable area, sq.m		Rental value, SEK million		Economic occupancy, %	
	2015	2014	2015	2014	2015	2014	2015	2014
	31 Mar	31 Mar	31 Mar	31 Mar	31 Mar	31 Mar	31 Mar	31 Mar
Stockholm	3,116	2,820	294,694	281,533	285	273	94	93
South	1,261	882	168,393	120,785	106	81	97	97
West	1,302	947	173,050	147,681	111	91	90	92
Småland	746	764	146,591	151,122	79	83	73	68
Mälardalen/North	981	992	209,179	213,116	105	110	86	97
Total	7,406	6,405	991,907	914,237	686	638	90	91

DISTRIBUTION OF LETTABLE AREA BY TYPE OF PREMISES AND GEOGRAPHICAL AREA

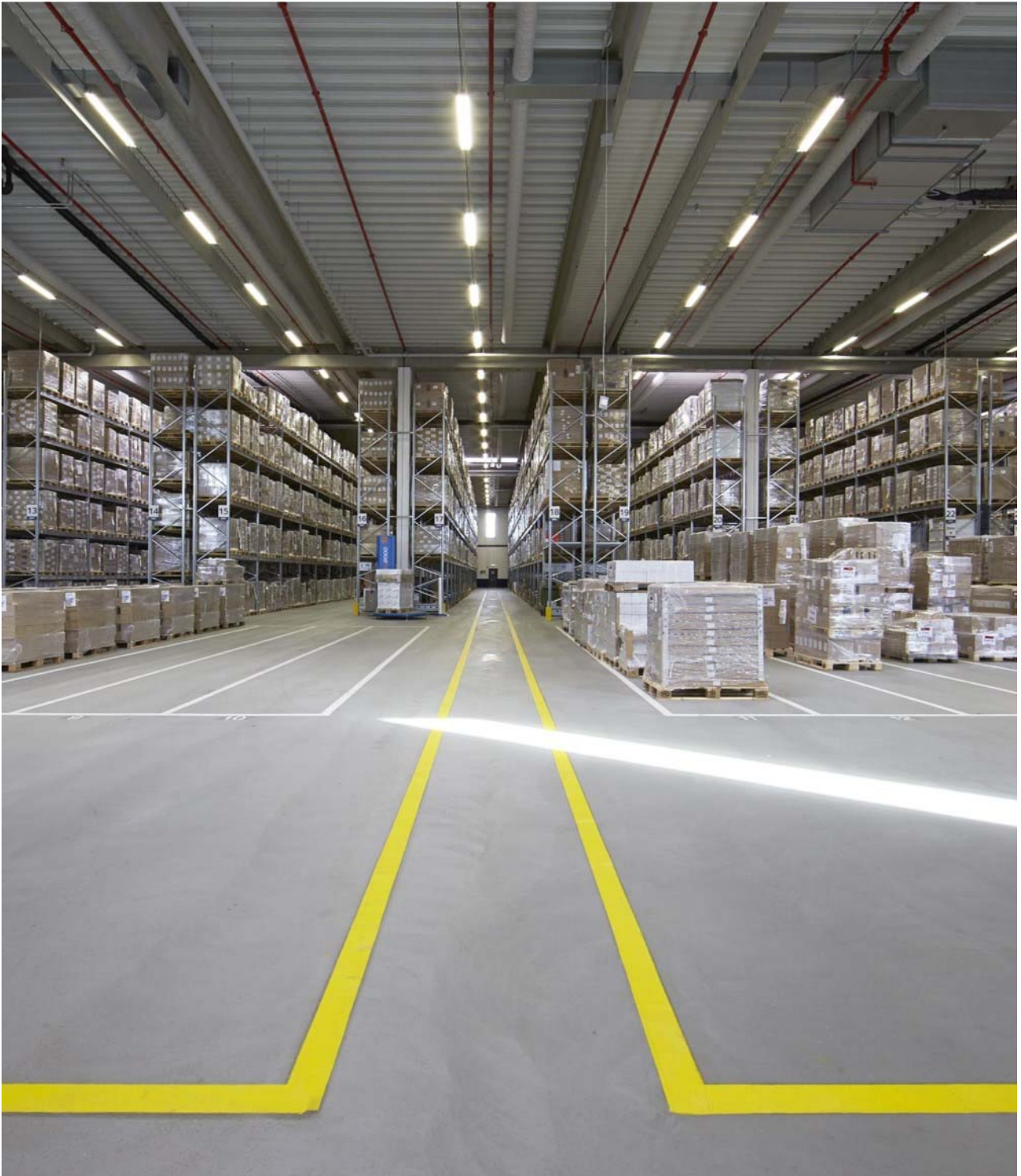
(see www.corem.se for list of properties)

Lettable area, sq.m.	Warehouse/Industrial		Office		Retail		Other	
	2015	2014	2015	2014	2015	2014	2015	2014
	31 Mar	31 Mar	31 Mar	31 Mar	31 Mar	31 Mar	31 Mar	31 Mar
Stockholm	181,631	171,772	87,110	83,808	15,287	15,287	10,666	10,666
South	110,312	66,070	19,981	16,615	26,265	26,265	11,835	11,835
West	146,062	119,513	18,414	17,372	6,099	6,465	2,475	4,331
Småland	111,738	114,061	18,763	18,980	5,201	5,706	10,889	12,375
Mälardalen/North	146,464	149,314	39,822	40,250	13,179	13,179	9,714	10,373
Total	696,207	620,730	184,090	177,025	66,031	66,902	45,579	49,580
Share, %	70	68	18	19	7	7	5	6

DISTRIBUTION OF PROPERTIES, VACANCIES AND INCOME

Lettable area, sq.m.	Number of properties		Vacancy, sq.m.		Income ¹ , SEK million	
	2015	2014	2015	2014	2015	2014
	31 Mar	31 Mar	31 Mar	31 Mar	31 Mar	31 Mar
Stockholm	53	52	22,780	25,427	268	255
South	22	19	5,183	5,137	103	78
West	17	19	27,494	18,610	99	84
Småland	22	24	54,470	62,140	58	56
Mälardalen/North	17	18	37,489	9,273	91	106
Total	131	132	147,416	120,587	619	579

¹ Refers to income on an annual basis on 31 March 2015 and 31 March 2014.



COREM WORKS ACTIVELY WITH POTENTIAL ACQUISITIONS AND DEVELOPMENT OPPORTUNITIES TO FURTHER STRENGTHEN OUR PRESENCE IN ÖRESUND. ON 31 MARCH 2015, COREM OWNED SIX PROPERTIES WITH OVER 58,000 SQ.M. OF LETTABLE AREA IN DENMARK. IN THE NEWLY-BUILT LOGISTICS FACILITY KUMLEHUSVEJ 1, IN ROSKILDE, DSV HAS SIGNED A TEN-YEAR LEASE CONTRACT FOR THE WHOLE PROPERTY.

PROPERTY KUMLEHUSVEJ 1A, ROSKILDE

TENANT DSV

AREA 23,522 SQ.M.

ASSOCIATED COMPANIES

Associated companies refers to holdings reported in accordance with to equity method.

KLÖVERN AB (PUBL)

Klövern is a real estate company, which is listed on NASDAQ Stockholm, specializing in commercial properties. Corem's shareholding in Klövern amounted on 31 March 2015 to 16,100,000 Class A ordinary shares and 161,000,000 Class B ordinary shares, corresponding to approximately 19 per cent of the outstanding votes and equity

in the company. On 31 March 2015, the holding amounted to SEK 1,258 million compared with SEK 1,197 million on 31 December 2014. Corem's share of Klövern's profit of SEK 61 million is reported in the Groups Report on Comprehensive Income. This amount has increased the book value of the holding in Klövern.

The fair value of Corem's holding, based

on the share price on 31 March 2015, amounted to SEK 1,771 million.

In November 2008, Corem acquired 10.5 per cent of the shares in Klövern and thus became the largest owner in the company. Up until the end of 2011, additional shares were acquired and the holding was reclassified as Shares in associated companies.

INCOME STATEMENT KLÖVERN

SEK million	2015	2014	2014	2013	2012	2011
	3 mon Jan-Mar	3 mon Jan-Mar	12 mon Jan-Dec	12 mon Jan-Dec	12 mon Jan-Dec	12 mon Jan-Dec
Income	669	587	2,521	2,220	1,948	1,364
Property costs	-250	-219	-878	-828	-733	-507
Operating surplus	419	368	1,643	1,392	1,215	857
Central administration	-23	-19	-84	-78	-86	-71
Net financial items	-169	-186	-770	-678	-605	-358
Profit from property management	227	163	789	636	524	428
Changes in value, etc.	301	-45	506	351	-293	210
Tax	-128	-31	-131	-179	108	-173
Net profit for the period	400	87	1,164	808	339	465

¹ Includes changes in value of properties/derivatives, financial assets such as profit share in associated companies and impairment of goodwill.

BALANCE SHEET KLÖVERN

SEK million	2015	2014	2014	2013	2012	2011
	31 Mar	31 Mar	31 Dec	31 Dec	31 Dec	31 Dec
ASSETS						
Investment properties	30,991	24,637	30,208	24,059	22,624	14,880
Other non-current assets	777	741	740	787	633	8
Current assets	752	1,156	710	384	538	105
TOTAL ASSETS	32,520	26,534	31,658	25,230	23,795	14,993
EQUITY AND LIABILITIES						
Equity	10,387	7,331	9,988	7,198	6,696	4,740
Interest-bearing liabilities	19,246	17,181	18,870	16,163	15,229	9,345
Non-interest bearing liabilities	2,887	2,022	2,800	1,869	1,870	908
TOTAL EQUITY AND LIABILITIES	32,520	26,534	31,658	25,230	23,795	14,993

KEY RATIOS KLÖVERN

	2015	2014	2014	2013	2012	2011
	3 mon Jan-Mar	3 mon Jan-Mar	12 mon Jan-Dec	12 mon Jan-Dec	12 mon Jan-Dec	12 mon Jan-Dec
Property related						
Properties' fair value, SEK million	30,991	24,637	30,208	24,059	22,624	14,880
Rental value, SEK million	3,010	2,592	2,983	2,570	2,468	1,554
Rental value, SEK million	90	90	90	90	88	89
Number of properties	410	401	408	402	387	255
Financial						
Return on equity, %	3.9	1.2	14.5	11.6	5.8	10.1
Equity ratio, adjusted, %	36.7	31.1	35.9	31.4	31.9	35.8
Leverage, %	59	65	60	65	64	63

FINANCING

Corem operates on a capital-intensive market, which, to be able to further develop the company into the leading player in its segment, requires good access to capital at the right time at a limited cost and risk. Corem is financed with equity and interest-bearing liabilities.

EQUITY AND EQUITY RATIO

The Group's equity amounted at the end of the period to SEK 2,448 million (2,343). The change in equity is due to the comprehensive income for the period of SEK 106 million and repurchase of Corem's own ordinary shares of SEK -1 million. On 31 March 2015, the adjusted equity ratio was 33 per cent (32) and the equity ratio 27 per cent (27).

INTEREST-BEARING LIABILITIES

On 31 March 2015, Corem had interest-bearing liabilities totalling SEK 5,617 million (5,635). Interest-bearing net liabilities, after deduction for liquidity of SEK 53 million (48) and capitalized borrowing costs of SEK 4 million (5), amounted to SEK 5,560 million (5,582). The interest coverage ratio was 2.7 multiples (2.4). At the end of the period, 58 per cent (62) of the interest-bearing liabilities had hedged interest rates. 71 per cent (76) of the interest-bearing liabilities were hedged for at least 3 years.

To ensure stable net interest income over time, Corem has chosen a relatively long period of fixed interest. The company's average period of fixed interest was 4.6 years and the average interest rate was 4.06 per cent compared with 4.8 years and 4.32 per cent on 31 December 2014. Corem

holds derivatives in the form of interest rate swaps with a view to reducing the interest rate risk while retaining flexibility in comparison with fixed interest loans. Restructuring has contributed to improving Corem's net financial income and extending the period of fixed interest.

At the end of the period, Corem had interest rate swaps of SEK 2,700 million (2,900) which expire between 2016 and 2031. In compliance with IAS 39, interest rate derivatives shall be valued at market value, which means that a theoretical surplus or undervalue arises if the contracted interest rate differs from the current interest rate, where the change in value in Corem's case is to be recognized in the income statement when hedge accounting is not applied. On 31 March 2015, the market value of the interest rate derivative portfolio amounted to SEK -648 million compared with SEK -568 million on 31 December 2014. The reserve for these undervalues will be gradually dissolved and reversed to earnings until the contracted final date of the derivative. At the end of the life of the derivative, the value is always zero and the outcome is the same in a cash-flow perspective.

An increase in the short market rates of one percentage point would increase

Corem's average borrowing rate by 0.42 percentage points.

On 1 April, Corem issued a three-year, uncovered bond loan of SEK 400 million, which will be listed on NASDAQ Stockholm. The bond loan runs with an average interest of STIBOR 3M + 350 interest points.

The company's total credits of SEK 5,617 million (5,635) run with remaining credit terms of 3 months to 99 years. The company's average fixed credit term was 3.4 years (3.6).

CASHFLOW AND LIQUID FUNDS

The Group's cash flow from operations amounted for the period to SEK 123 million (28), which corresponds to SEK 1.45 per ordinary share (0.15) taking into consideration earnings relating to preference shares. The cash flow from investment operations amounted to SEK -89 million (-17) during the period and the cash flow from financing operations was SEK -29 million (-42). On 31 March 2015, liquid funds amounted to SEK 53 million (48), corresponding to SEK 0.72 per ordinary share (0.65).

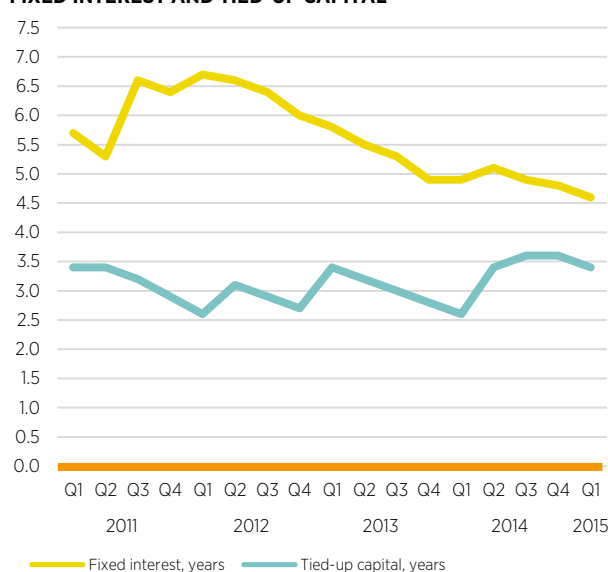
Available liquidity, including unused credit facilities of SEK 154 million (158), amounted to SEK 207 million compared to SEK 206 million on 31 December 2014.

INTEREST AND LOAN MATURITY STRUCTURE

Maturity, year	Average interest rate			Tied-up capital	
	SEKm	Average interest, %	Proportion, %	SEKm	Proportion
Floating	2,354	2.05	42		
2015	419	4.30	8	2,225 ¹	39
2016	215	4.38	4	521 ¹	9
2017	-	-	-	1,877 ¹	34
2018	300	4.01	5	620	11
2019	100	6.90	2	-	-
2020	200	6.88	4	-	-
2021	300	5.91	5	-	-
2022	-	-	-	-	-
2023	-	-	-	-	-
2024	529	5.15	9	73	1
2025-	1,200	6.20	21	301	6
Total	5,617	4.06	100	5,617	100

¹ Of which SEK 400 million refers to bonds during 2015, SEK 300 million during 2016 and SEK 400 million during 2017.

FIXED INTEREST AND TIED-UP CAPITAL



CONSOLIDATED INCOME STATEMENT

SEK million	2015 3 mon Jan-Mar	2014 3 mon Jan-Mar	2014 12 mon Jan-Dec	Rolling 14/15 12 mon Apr-Mar
Income	167	157	621	631
Property costs	-42	-39	-141	-144
Operating surplus	125	118	480	487
Central administration	-7	-6	-26	-27
Net financial income	-60	-60	-252	-252
Profit from property management	58	52	202	208
Profit shares according to the equity method	61	7	180	234
Realized changes in value, properties	0	0	0	0
Unrealized changes in value, properties	71	8	138	201
Unrealized changes in value, derivatives	-80	-74	-358	-364
Profit before tax	110	-7	162	279
Tax	0	4	-50	-54
Net profit for the period	110	-3	112	225
Other comprehensive income				
<i>Items which can be recognized as profit for the period</i>				
Translation difference etc.	-4	0	7	3
Comprehensive income for the period attributable to parent company's shareholders	106	-3	119	228
Number of shares and earnings per share				
Earning per ordinary share, SEK ¹	1.28	-0.26	0.61	2.12
Number of outstanding shares at the end of the period	73,391,461	75,419,686	73,411,661	73,391,461
Average number of outstanding ordinary shares	73,393,568	75,642,795	75,332,965	74,991,664
Number of outstanding preference shares at the end of the period	6,611,319	6,611,319	6,611,319	6,611,319

¹ The measure earnings per share is calculated on the basis of the average number of shares taking into account preference shares' dividend rights. There is no dilution effect as no potential shares (for example, convertibles) exists.

THE COREM GROUP

CONSOLIDATED BALANCE SHEET

SEK million	2015 31 Mar	2014 31 Mar	2014 31 Dec
ASSETS			
Non-current assets			
Investment properties	7,406	6,405	7,259
Holdings reported in accordance with the equity method	1,258	1,071	1,197
Other tangible assets	1	1	1
Deferred tax asset	158	140	157
Total non-current assets	8,823	7,617	8,614
Current assets			
Other current assets	40	42	91
Liquid funds ¹	53	100	48
Total current assets	93	142	139
TOTAL ASSETS	8,916	7,759	8,753
EQUITY AND LIABILITIES			
Total equity attributable to parent company's shareholders	2,448	2,392	2,343
Long-term liabilities			
Interest-bearing long-term liabilities	3,390	3,702	3,428
Derivatives	648	284	568
Other long-term liabilities	4	1	3
Total long-term liabilities	4,042	3,987	3,999
Current liabilities			
Interest-bearing current liabilities	2,223	1,198	2,202
Other current liabilities	203	182	209
Total current liabilities	2,426	1,380	2,411
Total liabilities	6,468	5,367	6,410
TOTAL EQUITY AND LIABILITIES	8,916	7,759	8,753

¹ Available liquidity including unutilized credit facilities on 31 March 2015 and 31 December 2014 st SEK 207 million and SEK 206 million respectively.

CONSOLIDATED CASH FLOW STATEMENT¹⁾

SEK million	2015 3 mon Jan-Mar	2014 3 mon Jan-Mar	2014 12 mon Jan-Dec
Current operations			
Operating surplus	125	118	480
Central administration	-7	-6	-26
Depreciation	0	0	1
Interest received, etc.	0	0	49
Interest paid	-58	-58	-263
Income tax paid	-1	-1	-75
Cash flow from changes in working capital	59	53	166
Change in current receivables	65	-20	-62
Change in current liabilities	-1	-5	9
Cash flow from operations	123	28	113
Investment operations			
Investment in new construction, extensions and refurbishment	-24	-17	-99
Acquisition of properties	-66	-	-718
Divestment of properties	2	-	97
Acquisition of subsidiaries, net effect on liquidity	-	-	3
Change in tangible assets	-1	0	0
Cash flow from investment operations	-89	-17	-717
Financing operations			
Dividend paid to parent company shareholders	-17	-17	-119
Repurchase of own shares	-1	-10	-62
Loans raised	54	-	914
Amortized loans	-65	-15	-212
Cash flow from financing operations	-29	-42	521
Cash flow for the period	5	-31	-83
Liquid funds at beginning of period	48	131	131
Exchange rate difference in liquid funds	0	0	0
Liquid funds at end of period	53	100	48

¹ The arrangement of the cash flow statement has been changed from 1 January 2015 to better reflect the Group's business operations. Comparison periods have also been changed.

STATEMENT OF CHANGE IN EQUITY

SEK million	Total equity
Equity, 1 January 2014	2,405
Comprehensive income, January-December 2014	119
Dividend to common shareholders, SEK 0.70 per share	-53
Dividend to preference shareholders, SEK 10.00 per share	-66
Repurchase of own shares	-62
Equity, 31 december 2014	2,343
Comprehensive income, January-March 2015	106
Repurchase of own shares	-1
Equity, 31 March 2015	2,448

¹ Of which SEK 16.5 million was paid in January and April 2015 respectively.

PARENT COMPANY

INCOME STATEMENT

SEK million	2015 3 mon Jan-Mar	2014 3 mon Jan-Mar	2014 12 mon Jan-Dec
Net income	16	14	64
Cost of service sold	-9	-8	-37
Gross profit	7	6	27
Central administration	-7	-6	-26
Operating profit	0	0	1
Interest income and similar income items	5	7	135
Interest expense and similar expense items	-16	-12	-60
Profit before tax	-11	-5	76
Tax	0	0	-6
Net profit for the period	-11	-5	70

PARENT COMPANY

BALANCE SHEET

SEK million	2015 31 Mar	2014 31 Mar	2014 31 Dec
ASSETS			
Non-current assets			
Tangible assets			
Machinery and equipment	1	1	1
Total, tangible assets	1	1	1
Financial assets			
Shares in group companies	212	212	212
Shares in associated companies	624	624	624
Receivables from group companies	2,141	1,522	2,124
Deferred tax assets	25	31	25
Total financial assets	3,002	2,389	2,985
TOTAL NON-CURRENT ASSETS	3,003	2,390	2,986
Current assets			
Other current receivables	4	5	4
Cash and bank deposits	5	20	14
Total current assets	9	25	18
TOTAL ASSETS	3,012	2,415	3,004
EQUITY AND LIABILITIES			
Equity	1,328	1,436	1,340
Interest-bearing liabilities	1,636	940	1,603
Non-interest bearing liabilities	48	39	61
TOTAL EQUITY AND LIABILITIES	3,012	2,415	3,004

OTHER INFORMATION

OPPORTUNITIES AND RISKS

Important areas of risk are property valuation, financing and the cash flow, which are described below. Corem's opportunities and risks are otherwise described in Corem's Annual Report for 2014 on pages 52A–54A. No substantial changes have taken place subsequently.

PROPERTY VALUATION

Corem reports the property portfolio at fair value and recognizes the changes in value in earnings. These changes in value can have significant effects on the Group's earnings and position.

FINANCING

It is important for Corem that there is access to financing when needed and lack of financing would entail risk. A low borrowing rate and long credit promises limit this financing risk.

CASH FLOW

The cash flow is affected by factors such as rental income, interest rate levels and the occupancy rate, in particular as changes in these factors do not always take place at the same time.

SEASONAL VARIATIONS

Operating and maintenance costs are subject to seasonal variations. Snowy, cold winters entail, for example, higher costs for heating and snow clearance while hot summers entail higher costs for cooling.

TRANSACTIONS WITH RELATED PARTIES

Intra-group services are charged for at market prices and on commercial terms. Intra-group services consist of administrative services and charging of group interest rates.

The Corem Group has entered into administration agreements for the Group's properties with Locellus Förvaltning AB which is controlled by board member Rutger Arnhult. All transactions take place at market prices based on commercial terms and totalled SEK 0.38 million (0.40) for the period.

In addition, the Corem Group purchase ongoing legal services from the law firm MAQS Stockholm Advokatbyrå AB in which

the Group Chairman Patrik Essehorn is a partner.

Corem also has a tenancy agreement for letting to Wonderful Times Group AB, where Corem's board member Christina Tillman is also a board member.

EVENTS AFTER THE END OF THE PERIOD

On 1 April 2015, Corem issued a three-year uncovered bond loan of SEK 400 million, which will be listed on NASDAQ Stockholm.

On 27 April 2015, Corem acquired a property in Halmstad, South Region, of approximately 24 500 sq.m. The company was acquired in corporate form based on a property value of SEK 121 million.

ONGOING TAX PROCEEDINGS

The Tax Agency has submitted petitions in two cases for application of the Tax Evasion Act. The Administrative Court has consented to the Tax Agency's petitions in both cases. Corem has appealed against the Administrative Court's judgments to the Administrative Court of Appeal which has rejected the appeal in the first case. Corem has appealed against the Administrative Court of Appeal's judgment to the Supreme Administrative Court and is awaiting a decision on whether leave of appeal is granted or not. The other case is still awaiting decision at the Administrative Court of Appeal. The Tax Agency's petitions concern in the first case reduction of deficits for previous years and in the second tax upward adjustment of taxation of previous year's earnings. A final consent to the Tax Agency's petition for reduction of deficits for previous years does not entail any effect on the Group's profit. A final consent to the Tax Agency's petition for upward adjustment of taxation would entail a tax demand of approximately SEK 68 million (including interest). Corem has, on the basis of the Administrative Court's decision and case law in similar cases, expensed and paid in a corresponding amount of SEK 68 million (including interest) to the Tax Agency during 2014.

THE PARENT COMPANY

On 31 March 2015, Corem's parent company owned no properties but deals with issues relating to the stock market and groupwide business functions such as administration,

transactions, management, project development, accounting and financing. The parent company's net profit amounted to SEK -11 million (-5) for the period. Sales, the largest part of which consisting of group invoicing, amounted to SEK 16 million (14). The parent company's assets totalled SEK 3,012 million (3,004). Liquid funds amounted to SEK 5 million (14). Equity amounted to SEK 1,328 million (1,340).

ACCOUNTING POLICIES

This interim report for the Group has been prepared in compliance with the Annual Accounts Act and IAS 34 Interim Financial Reporting and for the parent company in compliance with the Annual Accounts Act and RFR 2 Accounting for legal entities. The properties are valued in compliance with Level 3 in the IFRS value hierarchy. The fair value of financial instruments agrees essentially with the carrying amounts. No changes have taken place during the period of the categorization of financial instruments. Derivatives are valued in accordance with Level 2 of the valuation hierarchy.

No new or changed standards of interpretations from IASB have had any impact on the interim report and the accounting policies applied are those described in Note 1 of Corem's Annual Report for 2014.

ORGANIZATION

Corem shall have a decentralized organization to achieve good knowledge of the market and closeness to tenants. On 31 March 2015, Corem had a total of 45 (46) employees, of which 13 (14) were women and 32 (32) men.

ENVIRONMENTAL WORK

Environmental work is a natural and important part of Corem's business operations. Within the framework of Corem's core activities, environmental work shall contribute to a long-term sustainable society, more efficient use of resources and sustainable profitability.

Stockholm, 28 April 2015,
Corem Property Group AB (publ)

Board of Directors

This report has not been examined by the company's auditors

THE SHARE

Corem is listed on NASDAQ Stockholm Mid Cap and has two classes of shares: ordinary shares and preference shares.

SHARE FACTS: 31 MARCH 2015

Capitalization SEK	3.6 billion
Number of ordinary share	75,896,586
Number of preference shares	6,611,319
Number of shareholders	3,467
Closing rate, ordinary share SEK	30.30
Closing rate, preference share	195.00
Marketplace	NASDAQ Stockholm, Mid Cap

ORDINARY SHARE

Corem has a total of 75,896,586 ordinary shares. Each ordinary share confers entitlement to one vote. The Board of Directors is recommending to the 2015 Annual General Meeting dividend of SEK 0.80 (0.70) per ordinary share.

PREFERENCE SHARE

Corem has a total of 6,611,319 preference shares. Each preference share confers entitlement to one-tenth of a vote. The Board of Directors is recommending to the 2015 Annual General Meeting a dividend of SEK 10.00 per preference share (10.00) to be paid at SEK 2.50 (2.50) each quarter as from July 2015 inclusive.

LARGEST SHAREHOLDERS ON 31 MARCH 2015

Shareholder	Ordinary shares	Preference shares	Share of equity, %	Share of votes, %
Rutger Arnhult via companies	28,721,342	1,021,604	37.2	38.9
Gårdarike AB	8,915,621	94,711	11.3	12.1
Länsförsäkringar funds	7,478,188	-	9.3	10.1
JP Morgon Bank	4,972,169	8,100	6.2	6.7
Swedbank Robur funds	4,940,464	-	6.2	6.7
4th AP Fund	2,418,428	-	3.0	3.3
CBNY-NORGES BANK	1,996,145	-	2.7	2.7
Pomona Gruppen AB	1,499,998	-	1.9	2.0
Livförsäkrings AB Skandia	1,446,582	-	1.8	2.0
SEB Life Intl. Assurance	1,383,363	-	1.7	1.9
Folksam funds	1,334,400	-	1.7	1.8
Patrik Tillman via companies	1,142,882	80,000	1.5	1.6
Staffan Rasjö	977,792	54,336	1.3	1.3
7th AP Fund	794,094	-	1.0	1.1
Humle Småbolagsfond	594,721	-	0.7	0.8
Other shareholders	4,775,272	5,352,568	12.5	7.0
Total number of outstanding shares	73,391,461	6,611,319	100.0	100.0
Repurchased shares	2,505,125	-	-	-
Total number of shares	75,896,586	6,611,319	100.0	100.0

REPURCHASE OF SHARES

During the period, Corem has repurchased 20,200 ordinary shares. On 31 March 2015 Corem owned 2,505,125 repurchased ordinary shares.

SHARE PRICE MOVEMENTS COREM ORDINARY SHARE (CORE SE2002257402) 28 NOVEMBER 2007 TO 22 APRIL 2015



SHARE PRICE MOVEMENTS COREM PREFERENCE SHARE (CORE PEF SE0003208792) 9 MARCH 2010 TO 22 APRIL 2015



KEY RATIOS

	2015 3 mon Jan-Mar	2014 3 mon Jan-Mar	2014 12 mon Jan-Dec	2013 12 mon Jan-Dec	2012 12 mon Jan-Dec	2011 12 mon Jan-Dec
Property related						
Fair value properties, SEK million	7,406	6,405	7,259	6,380	5,830	5,418
Required yield, valuation, %	7.3	7.7	7.4	7.7	7.7	7.8
Rental value, SEK million	686	638	683	640	592	552
Lettable area, sq.m.	991,907	914,237	982,895	916,562	868,322	842,955
Occupancy rate, economic, %	90	91	92	92	92	92
Operating margin, %	75	75	77	74	75	74
Number of properties	131	132	131	132	132	133
Financial						
Return on total assets, %	11	7	9	6	6	7
Return on equity, %	18	-1	5	17	9	2
Equity ratio, adjusted, %	33	33	32	33	32	32
Equity ratio, %	27	31	27	31	29	29
Net debt, SEK million	5,560	4,800	5,582	4,784	4,407	4,156
Leverage, %	51	58	58	61	61	61
Leverage, properties, %	58	63	59	63	67	68
Interest coverage ratio, multiples	2.7	2.0	2.4	2.2	2.0	2.0
Average interest, %	4.06	4.86	4.32	4.90	4.66	4.90
Average fixed interest period, years	4.6	4.9	4.8	4.9	6.0	6.4
Average tied-up capital, years	3.4	2.6	3.6	2.8	2.7	2.9
Share-related¹						
Earnings per ordinary share, SEK	1.28	-0.26	0.61	4.05	1.48	-0.38
Earnings per preference share, SEK	2.50	2.50	10.00	10.00	10.00	10.00
Equity per share, SEK	30.59	29.16	29.28	29.18	25.73	24.79
Cash flow, operations per ordinary share, SEK	1.45	0.15	0.62	2.45	1.61	-0.07
Cash flow, total, per ordinary share, SEK	0.07	-0.63	-1.10	0.17	0.21	-1.71
Dividend per ordinary share, SEK	-	-	0.80 ⁴	0.70	0.60	0.50
Dividend per preference share, SEK	-	-	10.00 ⁴	10.00	10.00	10.00
Share price per ordinary share, SEK ²	30.30	24.40	28.70	20.00	20.00	20.00
Share price per preference share, SEK ²	195.00	157.50	184.00	150.00	131.00	122.50
Number of outstanding ordinary shares ³	73,391,461	75,419,686	73,411,661	75,833,186	74,533,198	74,669,553
Average number of outstanding ordinary shares ³	73,393,568	75,642,795	75,332,965	75,551,470	74,659,586	75,387,854
Number of outstanding preference shares ³	6,611,319	6,611,319	6,611,319	6,611,319	6,386,416	6,339,263

¹ All amounts are calculated taking into account to split on 2:1 June 2011. In accordance with RS33 Earning per share, retroactive adjustment has been made for all reported periods.

² At the end of the period

³ Excluding repurchased shares

⁴ The board is proposing a dividend of SEK 0.80 per ordinary share and SEK 10.00 per preference share at the 2015 Annual General Meeting.

DEFINITIONS

Annual rent

Rent including supplements and index on an annual basis.

Cash flow per ordinary share

Cash flow for the period from operations, adjusted by dividend to preference shares and total cash flow in relation to the average number of ordinary shares.

Earnings per ordinary share

Net profit in relation to average number of ordinary shares and taking into account the preference shares' share of profit for the period.

Earnings per preference share

The preference shares' share of profit corresponding to the period's accumulated share of annual dividend of SEK 10.00 per preference share.

Occupancy rate, economic

Income on an annual basis divided by assessed rental value.

Equity per share

Equity in relation to the number of outstanding ordinary and preference shares on closing date.

Equity ratio

Equity as a percentage of total assets.

Equity ratio, adjusted

Equity adjusted for the value of derivatives including tax and reported deferred tax properties, as well as charge deferred tax of 5 per cent pertaining to the difference between the properties' fair value and

residual value for tax purposes, as a percentage of total assets.

IFRS

Abbreviation of International Financial Reporting Standards. International reporting standards for consolidated accounts, to be applied by listed companies within the EU from 2005 inclusive.

Interest coverage ratio

Profit from property management, including realized changes in value, as well as the share of associated companies' profit from property management, including realized changes in value, plus financial expenses divided by financial expenses.

Lettable area

Total area available for letting.

Leverage

Interest-bearing liabilities after deduction for the market value of listed shareholding and liquid funds in relation to the fair value of the properties at the end of the period.

Leverage, properties

Interest-bearing liabilities with collateral in properties in relation to the fair value of the properties at the end of the period.

Net debt

The net of interest-bearing provisions and liabilities less financial assets including liquid funds.

Net letting

Annual rent for the tenancy agreements entered into during the period, reduced for

terminated tenancy agreements and bankruptcies.

Operating margin

Operating surplus as a percentage of income.

Realized change in value, properties

Realized property sales after deduction for the most recently reported fair value of the properties and selling expenses.

Rental value

Contracted annual rent as applicable at the end of the period with a supplement for assessed rent of vacant premises.

Return on equity

Net profit on an annual basis as a percentage of average equity during the period.

Return on total assets

Net profit, excluding financial expenses and unrealized changes in value of derivatives, on an annual basis, as a percentage of total assets during the period.

Required yield

The required return on the residual value of property valuations.

Unrealized changes in value, properties

Change in fair value after deduction for investments made for the property portfolio at the end of the respective period.

CALENDAR

FINANCIAL REPORTS AND ANNUAL GENERAL MEETING

Annual General Meeting 2015	28 April 2015
Interim report January–June 2015	13 July 2015
Interim report January–September 2015	23 October 2015
Year-end report 2015	February 2016
Annual report 2015	March 2016

DIVIDEND AND PROPOSED DIVIDEND

Last day for trading including right to dividend for ordinary shareholders	28 April 2015
Record day for dividend for ordinary shareholders	30 April 2015
Expected day for dividend for ordinary shareholders	6 May 2015
Last day for trading including right to dividend for preference shareholders	26 June 2015
Record day for dividend for preference shareholders	30 June 2015
Expected day for dividend for preference shareholders	3 July 2015
Last day for trading including right to dividend for preference shareholders	28 September 2015
Record day for dividend for preference shareholders	30 September 2015
Expected day for dividend for preference shareholders	5 October 2015
Last day for trading including right to dividend for preference shareholders	28 December 2015
Record day for dividend for preference shareholders	30 December 2015
Expected day for dividend for preference shareholders	7 January 2016
Last day for trading including right to dividend for preference shareholders	29 March 2016
Record day for dividend for preference shareholders	31 March 2016
Expected day for dividend for preference shareholders	5 April 2016

FURTHER INFORMATION

Further information may be obtained from:

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Information on business operations, the board of directors and executive management, financial reporting and press releases is available on Corem's website, www.corem.se



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