

3RD QUARTER

INTERIM REPORT JANUARY-SEPTEMBER 2018

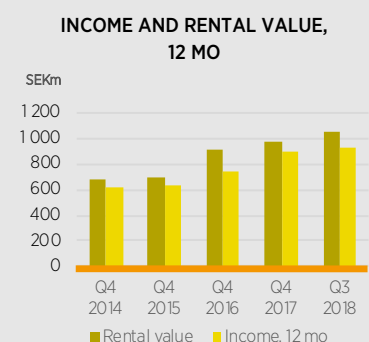
INTERIM REPORT

JANUARY–SEPTEMBER 2018

- Income increased to SEK 704 million (677).
- Operating surplus increased to SEK 543 million (535).
- Income from property management amounted to SEK 280 million (285).
- Change in property value amounted to SEK 290 million (147) and change in value of derivatives affected profit by SEK 42 million (63).
- Net profit amounted to SEK 744 million (638), equivalent to SEK 1,89 per ordinary share (1,56).
- Fair value of the property portfolio was SEK 12 532 million (11 539).
- During the period, acquisitions of nine properties at a total property value of SEK 494 million were made in Jönköping, Malmö and Gothenburg. In Köping, two properties were divested at a property value of SEK 66 million. Investments in new constructions, extensions and refurbishments of SEK 262 million were made.

EVENTS AFTER THE PERIOD

- Acquisition of nine properties in Jordbro, Stockholm at an underlying property value of SEK 385 million. The properties comprise mainly of warehouses with a total lettable area of approximately 33,000 sq.m. The annual rental value is approximately SEK 33.5 million with an initial occupancy rate of 92 per cent. The properties were taken possession of on 1 October.
- Acquisition of a property in Veddesta, Järfälla near Stockholm at an underlying property value of SEK 325 million. The property has a lettable area of approximately 19,100 sq.m. with mixed use for offices, manufacturing and warehousing. The total annual rental value is approximately SEK 29 million with an initial occupancy rate of 91 per cent. The property will be taken possession of on 15 November.



	2018 9 mon Jan-Sep	2017 9 mon Jan-Sep	2018 3 mon Jul-Sep	2017 3 mon Jul-Sep	2017 12 mon Jan-Dec	Rolling 12 mon Oct-Sep
Income, SEKmn	704	677	233	223	900	927
Operating surplus, SEKmn	543	535	184	180	701	709
Profit from property management, SEKmn	280	285	95	95	364	359
Net profit, SEKmn	744	638	269	173	937	1 043
Earnings per ordinary share, %	1,89	1,56	0,69	0,42	2,33	2,66
EPRA NAV per ordinary share, SEK	12,34	9,82	12,34	9,82	10,83	12,34
Occupancy rate, economic, %	90	90	90	90	90	90
Operating margin, %	77	79	79	81	78	76
Equity ratio, adjusted, %	38	36	38	36	37	38
Interest coverage ratio, multiples	2,9	2,9	2,9	2,9	2,8	2,8
Leverage, %	55	56	55	56	56	55

For definition of key ratios, see page 17.

NEW TRADING PATTERNS LEADS TO INCREASING DEMAND FOR CITY LOGISTICS PROPERTIES



EVA LANDÉN, CEO

IMPORTANT EVENTS

- Increased the portfolio in the West Region through acquisition of approximately 8,000 sq.m. in Gothenburg, mainly consisting of warehouse premises. The properties have an underlying property value of SEK 103 million.
- Divestment of the properties Montören 1 and 2 in Köping at a property value of SEK 66 million.
- During October we entered a new market in Stockholm through the acquisition of nine properties in Jordbro, as well as acquiring an additional property in Veddesta, Stockholm. In all, properties encompassing 52,100 sq.m. and an underlying property value of SEK 710 million have been acquired after the end of the period.

Continued strong demand for our type of premises, with both successful letting and a number of ongoing and completed development projects.

In our new concept Pro Stop, warehousing and specialist retail stores, our first tenant Hornbach has opened in Pro Stop Borås. New trading patterns have led specialist traders to realize the benefits of establishment in areas that are easy to access, together with other suppliers which complement their own range of products or services. In November, our second tenant, Bevego, will open in Borås.

A major tenant customization of 16,000 sq.m. in Veddesta in Stockholm has been completed and we have welcomed Aritco as a new tenant.

During the first nine months of the year, we expanded our property portfolio by building new properties that complement our existing portfolio. An example of this is the acquisition of two properties in Gothenburg with a lettable area of approximately 8,000 sq.m. which complements existing clusters.

At the beginning of October, we also entered a new market segment in Stockholm by acquisition of nine properties in Jordbro totaling around 33,000 sq.m. Jordbro is a well-established area for warehousing and logistics, a location that will soon become even better when Norvik port is operational. We are also expanding in Veddesta by acquisition of over 19 000 sq.m. with taking possession in November. In this way, we are creating a fantastic management unit of almost 90,000 sq.m. in Veddesta.

Corem's financial position continues to be stable with an interest coverage ratio of 2.9 multiples and an adjusted equity ratio of 38 per cent. Our EPRA NAV, net asset value per share, amounts to SEK 12.34 and has risen by 26 per cent in 12 months and by 14 per cent since the turn of the year.

Income increased to SEK 704 million for the period January-September and to SEK 927 million for the past 12 months. Profit from property management for the same period amounted to SEK 280 million and the operating margin was 77 per cent.

There is a clear trend of high and steadily growing demand for logistics properties in locations close to cities. Locations which enable our customers to run and develop their business regardless of whether their customers are businesses or private individuals, if they sell goods/installation services to craftspeople who need to be able to quickly reach their own customers or if they are in e-commerce, needing quick deliveries to customers.

One factor for success is good knowledge of the market and new trading patterns. Our knowledge and commitment enable us to deliver smart solutions to our customers. We are creating to build volume in the strong metropolitan regions. The year's acquisitions, together with completed and ongoing projects of almost 160,000 sq.m. create potential for a continued positive development of earnings.

Stockholm, 23 October 2018

Eva Landén, CEO.

1 376 846

LETTABLE
AREA, SQ.M.

12 532

PROPERTY VALUE,
SEK MILLION

5,6

MARKET CAP.
SEK BILLION

176

NO OF PROPERTIES

INCOME STATEMENT

THE COREM GROUP

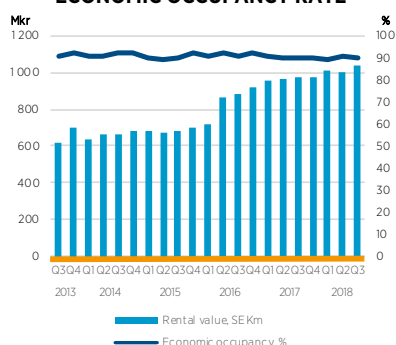
SEK million	2018 9 mon Jan-Sep	2017 9 mon Jan-Sep	2018 3 mon Jul-Sep	2017 3 mon Jul-Sep	2017 12 mon Jan-Dec	Rolling 12 mon Oct-Sep
Income	704	677	233	223	900	927
Property costs	-161	-142	-49	-43	-199	-218
Operating surplus	543	535	184	180	701	709
Central administration	-30	-25	-10	-8	-36	-41
Net financial income	-233	-225	-79	-77	-301	-309
Profit from property management	280	285	95	95	364	359
Profit shares according to the equity method	249	267	82	74	346	328
Realized changes in value, properties	0	3	0	3	3	-
Unrealized changes in value, properties	290	144	97	37	344	490
Unrealized changes in value, derivatives	42	63	45	13	62	41
Profit before tax	861	762	319	222	1 119	1 218
Tax	-117	-124	-50	-49	-182	-175
Net profit for the period	744	638	269	173	937	1 043
Other comprehensive income						
<i>Items which can be recognized as profit for the period</i>						
Translation difference etc	16	0	-5	-1	4	20
Comprehensive income for the period attributable to parent company's shareholders	760	638	264	172	941	1 063
Number of shares and earnings per share¹						
Earning per ordinary share, SEK ²	1,89	1,56	0,69	0,42	2,33	2,66
Number of outstanding shares at the end of the period	364 269 505	366 374 278	364 269 505	366 374 278	366 374 305	364 269 505
Average number of outstanding ordinary shares	364 881 903	374 115 726	364 269 505	369 624 541	371 837 353	365 258 070
Number of outstanding preference shares at the end of the period	3 600 000	3 600 000	3 600 000	3 600 000	3 600 000	3 600 000

¹ Adjusted for the reverse split of shares which took place during January 2018

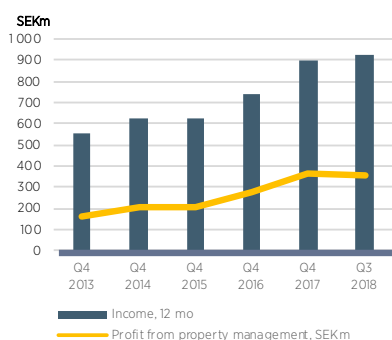
² The measure earnings per share is calculated on the basis of the average number of shares taking into account preference shares' dividend rights. There is no dilution effect as no potential shares (for example, convertibles) exists.

INCOME, EXPENSES AND PROFIT

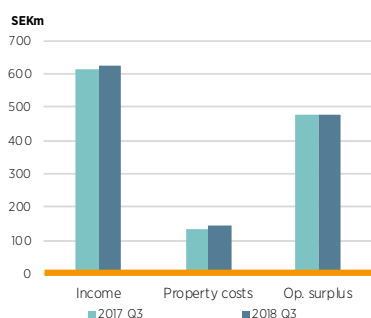
ASSESSED RENTAL VALUE AND ECONOMIC OCCUPANCY RATE



INCOME AND PROFIT FROM PROPERTY MANAGEMENT, 12 MONTHS



COMPARABLE PORTFOLIO



The comparable portfolio corresponds to 88 (91) per cent of total income and 88 per cent (90) of total operating surplus.

The income statement items below, like the comparative amounts for last year, refer to the period January–September unless otherwise stated. Balance sheet items and comparative amounts refer to position at the end of the period, and the end of 2017, respectively.

EARNINGS

The operating surplus amounted to SEK 543 million (535) with an operating margin at 77 per cent (79). The operating surplus for a comparable portfolio was unchanged.

Profit from property management amounted to SEK 280 million (285).

Profit before tax amounted to SEK 861 million (762) and was affected by SEK 290 million (147) and derivatives of SEK 42 million (63) as well earnings from associated companies.

INCOME

Income for the period was SEK 704 million (677), an increase by 4 per cent. This change is attributed to net acquisitions, completed projects, new lettings and renegotiations. Rental income for the period includes provision for anticipated rental losses of SEK 0 million (1). Income for a comparable portfolio increased by 1 per cent.

During the quarter, some larger premises have been vacant with ongoing tenant customization. Last year's income also included a payment for early redemption of rental guarantees of SEK 13 million.

The economic occupancy rate was 90 per cent (90).

EXPENSES

Property costs for the period amounted to SEK 161 million (142). SEK 8 million of the increase is attributable to acquired properties and completed projects. Just under SEK 5 million is related to increased costs for letting and property management. This increase is an effect of the previous years' increase in the company's property portfolio.

In a comparable portfolio, property costs increased by 7 per cent.

Central administration costs amounted to SEK 30 million (25) and consist of costs for group management and group-wide functions. This increase is related to the company's increased volume.

NET FINANCIAL INCOME

Net financial income totaled SEK -233 million (-225) and consists of interest expense and credit fees for the period. At the end of the period the average interest rate, including margins, was 3,48 per cent (3,65). See page 10 for further information.

EARNINGS FROM ASSOCIATED COMPANIES

The share of earnings according to the equity method amounted to SEK 249 million (267) from the shareholding in the listed company Klövern AB (publ). See page 13 for further information.

CHANGES IN VALUE

Changes in property value during the period amounted to SEK 290 million (147), of which unrealized changes in value amounted to SEK 290 million (144) and realized changes to SEK 0 million (3). New lettings, renegotiations, increased market rental levels, together with slightly lowered yield requirement, had a value-adding effect. See page 7 for further information.

The value of Corems derivatives is affected by changes in the long market rates. Unrealized changes in derivatives during the period totaled SEK 42 million (63).

INCOME TAX

During the period, deferred tax totaled SEK -116 million (-123) and current tax to SEK -1 million (-1). Due to the decision on changed corporate taxation, the deferred tax liability has been recalculated at the new tax rate of 20.6 per cent, as Corem estimates that the major part of the deferred tax liability will be realized at this tax rate.

The recalculation entails a one-off positive tax effect of around SEK 19 million. See page 13 for additional information.

OTHER COMPREHENSIVE INCOME

Other comprehensive income amounted to SEK 16 million (0). This item mainly concerns translation differences relating to Corem's own, and part of the associated company Klövern's, investments in foreign properties.

CONSOLIDATED BALANCE SHEET

THE COREM GROUP

SEK million	2018 30 Sep	2017 30 Sep	2017 31 Dec
ASSETS			
Non-current assets			
Investment properties	12 532	11 043	11 539
Holdings reported in accordance with the equity method	Note 1 1 930	1 648	1 714
Other assets	2	11	2
Total non-current assets	14 464	12 702	13 255
Current assets			
Other current assets	48	32	64
Liquid funds ¹	37	38	34
Total current assets	85	70	98
TOTAL ASSETS	14 549	12 772	13 353
EQUITY AND LIABILITIES			
Total equity attributable to parent company's shareholders	4 863	4 037	4 340
Long-term liabilities			
Interest-bearing long-term liabilities	5 769	5 555	5 572
Deferred tax liabilities	Note 2 345	178	230
Derivatives	451	492	493
Other long-term liabilities	7	4	4
Total long-term liabilities	6 572	6 229	6 299
Current liabilities			
Interest-bearing current liabilities	2 772	2 162	2 391
Other current liabilities	342	344	323
Total current liabilities	3 114	2 506	2 714
Total liabilities	9 686	8 735	9 013
TOTAL EQUITY AND LIABILITIES	14 549	12 772	13 353

¹ Available liquidity including unutilized credit facilities on 30 September 2018 at SEK 323 million (318).

STATEMENT OF CHANGE IN EQUITY

SEK million	2018 Jan-Sep	2017 Oct-Dec	2017 Jan-Sep
Opening balance equity	4 340	4 037	3 671
Comprehensive income during the period	760	303	638
Dividend to ordinary shareholders ¹	-146	-	-120
Dividend to preference shareholders ²	-72	-	-72
Repurchase of own shares	-19	-	-80
Emission of shares	-	0	-
Closing balance equity attributable to parent company's shareholders	4 863	4 340	4 037

¹ Whereof SEK 0,40 per share 2018 and SEK 0,32 per share 2017

² Of which SEK 18,0 million per quarter was paid, with start in the beginning of July 2017, and in the beginning if July 2018.

THE PROPERTY PORTFOLIO

Corem's property portfolio on 30 September 2018 consisted of 176 properties with a total lettable area of 1 376 846 sq.m.

The portfolio is divided into five geographic regions: Stockholm Region, South Region, West Region, Småland Region and Mälardalen/North Region.

The items below refer, unless otherwise stated, to the period January - September 2018, with January - December 2017 as comparative amounts.

PROPERTY VALUE AND CHANGES IN VALUE

On 30 September 2018, the aggregate market value of Corem's property portfolio was SEK 12 532 million (11 539).

New lettings, renegotiations, increased market and rental levels, together with slightly lowered yield requirement has had a value-adding effect.

The average yield requirement was approximately 6,5 per cent (6,5), although slightly reduced during the quarter.

The unrealized change in value of properties amounted to SEK 290 million during the period, compared with SEK 144 million for the same period last year. Valuation of the portfolio is done each quarter. During the quarter, properties corresponding to 29 per cent of the aggregate value have been externally valued, while the remaining properties have been valued through internal cash flow valuations. For the period, Corem has used Savills Sweden AB as valuation institution.

Corem continuously obtains market information from external valuation institutions to support the internal valuation process. See Corem's Annual Report for 2017 for additional information about Corem's valuation principles.

PROPERTY TRANSACTIONS

During the period Corem has acquired nine properties with a total lettable area of 67 129 sq.m. and an aggregate value of SEK 494 million.

Acquired properties are in good logistics locations in Corem's prioritized regions, Gothenburg, Jönköping and Malmö, and are located adjacent to the existing property holding.

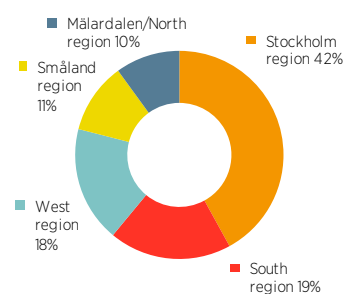
The average occupancy rate of the acquired properties is around 90 per cent and the total rental value SEK 47 million.

During the period, the properties Montören 1 and 2 in Köping have been divested at a property value of SEK 66 million. For further details, see table Transactions below.

CHANGE IN FAIR VALUE, NUMBER OF PROPERTIES AND LEASABLE AREA

	2018			2017
	Number	Sq.m.	SEK million	Mkr
<i>Total on 1 January</i>	169	1 316 233	11 539	10 667
Acquisitions	9	67 129	494	619
New constr., extension and refurbis	-	2 344	262	340
Divestments	-2	-8 860	-65	-438
Changes in value	-	-	290	344
Currency translation	-	-	12	7
Total	176	1 376 846	12 532	11 539

FAIR VALUE

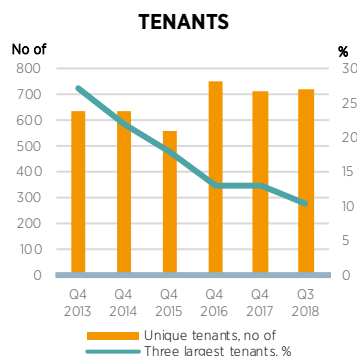
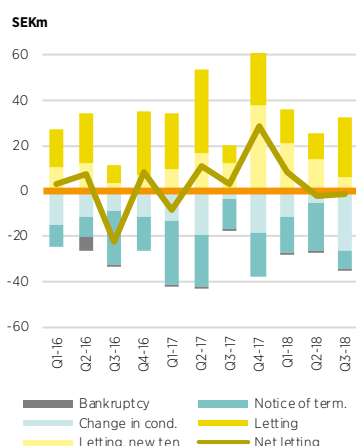


TRANSACTIONS 1 JANUARI - 30 SEPTEMBER 2018

Transaction	Property	City	Municipality	Property type	Acquisition lettable area, sq.m.	Divestment lettable area, sq.m.
Q1	Flahult 80:9	Jönköping	Jönköping	Logistics	11 930	-
Q1	Öskaret 16	Jönköping	Jönköping	Logistics	8 372	-
Q2	Måseskär 5	Malmö	Malmö	Logistics	19 158	-
Q2	Stridsyxan 4	Malmö	Malmö	Logistics	8 522	-
Q2	Förbygeln 1	Malmö	Malmö	Logistics	5 146	-
Q2	Löplinan 7	Malmö	Malmö	Logistics	2 489	-
Q2	Stångbettet 15	Malmö	Malmö	Logistics	3 945	-
Q3	Montören 1 och 2	Köping	Köping	Logistics	-	8 860
Q3	Högsbo 38:3	Göteborg	Göteborg	Logistics	2 321	-
Q3	Neongasen 2	Göteborg	Göteborg	Logistics	5 246	-
Total					67 129	8 860

THE PROPERTY PORTFOLIO

NET LETTING



Corem's total rental income on an annual basis amounted to SEK 937 million (870) as of 30 September 2018 and total rental value was assessed to be SEK 1 042 million (970). The income base is well-diversified with 721 unique tenants. The three largest tenants together account for around 10 per cent (12) of the total rental income. Remaining average lease contract term is 4,6 years (4,3).

The economic occupancy rate as of 30 September, was 90 per cent (90).

NET LETTING

Net letting for the period totaled SEK 4 million. Lettings and renegotiations during the period amounted to SEK 94 million, 44 per cent are new tenants.

Notices of termination during the period amounted to SEK 90 million, of which 49 per cent related to change in conditions.

CONSTRUCTIONS, EXTENSIONS AND REFURBISHMENTS

Project and property development is an important part of Corem's business to meet tenant requirements and further develop and create new value in the property portfolio.

During the period, Corem invested a total of SEK 262 million in the property portfolio for new construction, extensions and refurbishment. The new construction at Nyhagshuset 5 in Helsingborg, encompassing about 13,000 sq.m., was completed in February 2018. Tenant customization for Sörmland County Council at Rådmannen 3 in Katrineholm has been completed and the tenant has moved in. Tenant customization of over 16,000 sq.m. for Aritco at Veddesta 2:79 in Stockholm was completed at the end of the quarter September/October and the tenant has moved in.

Ongoing projects

SKRUVEN 3. At Ramnaslätt in Borås development of Pro Stop Borås is in progress. Stage 1 of around 8 600 sq.m. for Hornbach, was completed in August 2018 and the store opened to the public in September. Stage 2, with around 2 600 sq.m. of premises for Bevego, is in progress and will be completed in November. When fully completed, Pro Stop Borås will consist of around 20,000 sq.m.

FRILEDNINGEN 11. A large refurbishment and extension project encompassing around 12,000 sq.m. with Bilja remaining as tenant is in progress. Expected completion in October 2018.

Future projects

BACKA 96:2. Project design is in progress for Pro Stop Backa in Gothenburg. When fully completed, the area is planned to encompass around 22,000 sq.m. Leases have been signed with K-Rauta and Din Bil. Production is expected to start during the first quarter of 2019.

See Corem's Annual Report for 2017 for further information about Corem's project development.

THE FIVE LARGEST TENANTS ON 30 SEPTEMBER 2018

Tenant	Share, %	Region	Remaining avg. lease contract length, years
Bilja	4,3	Mälardalen/North, Stockholm, West	7,7
Ericsson	3,2	Mälardalen/Norh, West	1,4
PostNord	2,9	Stockholm, Småland	9,5
Svenska Retursystem	2,5	Mälardalen/Norr, West	11,9
NKT Cables	1,9	Mälardalen/North	6,0

LARGEST ONGOING INVESTMENT PROJECT

Property	Description	Compl.	Sq.m.	Current, SEKm	Estimated investment, SEKm
Borås, Skruven 3	New construction, Pro Stop	Q4 2018	11 200	107	115
Västerås, Friledningen 11	Tenant customization, Bilja	Q4 2018	11 800	32	32
			23 000	139	147

DISTRIBUTION PER PROPERTY TYPE AND GEOGRAPHICAL AREA

The property portfolio is divided into five geographical areas: Stockholm Region, South Region, West Region, Småland Region and Mälardalen/North Region, which is consistent with internal reporting to the CEO and the board.

Outcome per geographical area	Income, SEK million		Costs, SEK million		Op. surplus, SEK million		Operating margin, %		Investments and acquisitions	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	Jan-Sep	Jan-Sep	Jan-Sep	Jan-Sep	Jan-Sep	Jan-Sep	Jan-Sep	Jan-Sep	Jan-Sep	Jan-Sep
Stockholm	277	285	-74	-67	203	218	73	77	88	73
South	145	127	-34	-26	111	101	77	79	258	224
West	117	110	-21	-18	96	92	82	84	173	152
Småland	82	71	-19	-16	63	55	77	77	181	30
Mälardalen/North	83	84	-13	-15	70	69	84	82	56	47
Total	704	677	-161	-142	543	535	77	79	756	526

Key ratios per geographical area	Number of properties		Fair value, SEK million		Rental value, SEK million		Economic occupancy, %		Vacancy, sq.m.	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	30 Sep	30 Sep	30 Sep	30 Sep	30 Sep	30 Sep	30 Sep	30 Sep	30 Sep	30 Sep
Stockholm	72	67	5 284	4 700	420	388	90	90	54 159	48 918
South	37	32	2 347	1 966	208	174	89	90	37 641	28 385
West	25	23	2 248	1 952	175	168	95	89	13 809	29 798
Småland	28	26	1 371	1 061	127	108	88	91	27 250	22 433
Mälardalen/North	14	19	1 282	1 364	112	132	85	88	38 394	35 669
Total	176	167	12 532	11 043	1 042	970	90	90	171 253	165 203

Lettable area, sq.m	Total		Logistics		Office		Retail		Other	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	30 Sep	30 Sep	30 Sep	30 Sep	30 Sep	30 Sep	30 Sep	30 Sep	30 Sep	30 Sep
Stockholm	416 522	391 592	267 755	252 904	108 560	99 543	14 883	14 553	25 324	24 592
South	321 597	269 363	263 795	217 051	38 903	33 570	8 000	8 000	10 899	10 742
West	217 410	215 974	169 599	171 320	35 845	33 301	8 554	7 954	3 412	3 399
Småland	205 773	186 497	163 675	145 428	26 499	24 070	5 185	5 201	10 414	11 798
Mälardalen/North	215 544	250 836	164 281	187 536	36 182	41 319	7 960	12 267	7 121	9 714
Total	1 376 846	1 314 262	1 029 105	974 239	245 989	231 803	44 582	47 975	57 170	60 245
Share, %			75	74	18	18	3	3	4	5

THE SWEDISH TRANSACTION MARKET

The strong underlying interest on the part of investors was evident in the volumes of transactions for the third quarter of 2018 on the Swedish real estate market.

After the unexpectedly low turnover during the first six months of the year, the quantity of transactions during the third quarter was all the greater. It was probably the case that a number of transactions were rolled over from the first half of the year, which explains the record turnover in July.

The aggregate volume of transactions for the quarter was SEK 47 billion, which is a tripling compared with the same period last year and the strongest figure for ten years. An important reason for the increase was the bid for the listed company Victoria Park.

Accumulated turnover for the year up until the end of September was SEK 105 billion, which is slightly more than last year.

With continued low interest rates and a generally strong underlying rental market, demand in the market continues to be high. The share of residential properties increased substantially during the quarter. Office and housing properties attracted the greatest interest from investors, together accounting for around 60 per cent of the transactions to date this year.

Transactions in metropolitan regions continue to predominate, with the focus on Stockholm. Over 40 per cent of completed transactions this year were in Stockholm.

In the third quarter, interest in Malmö was unusually high and turnover there

accounted for 20 per cent during the quarter.

There is continuing interest from foreign investors. International investors accounted for over 40 per cent of the turnover during the quarter and for over 30 per cent of the aggregate volume of transactions during the year.

The trend with decreasing interest in retail trade and increased investor interest in logistics remained during the third quarter.

The proportion of warehouse and logistics properties traded during the first three quarters of the year was 11 per cent, which for the first time in several years was at the same level as, or slightly higher than, the proportion of transactions for retail properties.

FINANCING

The items below refer, unless otherwise stated, to the period January –September 2018 with January - December 2017 as comparative amounts.

INTEREST-BEARING LIABILITIES

On 30 September 2018, Corem had interest-bearing liabilities totaling SEK 8 573 million (7 990). Out of those, SEK 32 million (27) were activated and capitalized borrowing costs. During the period, SEK 559 million net has been borrowed in the form of new loans and use of existing credit facilities.

Out of the interest-bearing liabilities SEK 6 377 million are secured by properties and/or shares in subsidiaries in accordance with current market practice. A further SEK 346 million of the loans have listed shares as security. The proportion of secured financing in relation to the company's assets amounts to 48 per cent (47).

Corem has bonds outstanding to a total value of SEK 1 850 million. All bonds are uncovered. Two of the bonds do not have Stibor-floor.

Amount	Maturity date	Interest
200 SEKm	2019	STIBOR 3M+5,00%
300 SEKm	2019	STIBOR 3M+4,75%
500 SEKm	2020	STIBOR 3M+4,25%
850 SEKm	2021	STIBOR 3M+4,35%

At the end of the period the average fixed credit term was 2,3 years (2,5). Leverage amounts to 55 per cent (56).

INTEREST COVERAGE AND MATURITY

The company's average fixed interest rate for the period was 2,5 years (3,0) and the average interest rate 3,48 per cent (3,65).

To limit the interest rate risk, Corem has interest rate swaps and a rate cap. At the end of the period, Corem had interest rate swaps of SEK 3 636 million (3 961) and interest caps of SEK 336 million (-). Together with the fixed-rate loans, this means that 51 per cent (54) of the interest-bearing liabilities had hedged interest rates. The derivatives expire between 2019 and 2031. An increase in the short market rates of one percentage point would increase Corem's average borrowing rate by 0,2 percentages, points, equivalent to approximately SEK 16 million in interest expense.

On 30 September 2018 the market value of the interest rate derivative portfolio amounted to SEK -451 million (-493). Unrealized change in value of derivatives during the quarter amounts to SEK 42 million and to SEK 62 million for January–December 2017.

The interest coverage ratio was 2,9 multiples (2,8).

EQUITY, NET WORTH, AND EQUITY RATIO

At the end of the period the Groups' equity amounted to SEK 4 863 million (4 340), equivalent to SEK 10,15 per ordinary share

(8,86), SEK 324,00 per preference share (304,00), and EPRA NAV of SEK 12,34 per ordinary share (10,83).

On 30 September 2018 the adjusted equity ratio was 38 per cent (37) and the equity ratio 33 per cent (32). See page 6 for further information.

CASH FLOW AND LIQUID FUNDS

All comparisons below refer to the period January–September 2017. Before change in working capital, the Group's cash flow amounted to SEK 335 million (309). Dividend from associated companies amounts to SEK 43 million (14). The difference in dividend is due to Klövers changed distribution principle, meaning that dividend is being paid out over four times per year instead of once per year. Cash flow from operations corresponds to SEK 0,71 per ordinary share (0,75), taking earnings for preference shares into consideration.

The period's cash flow from investment activities amounted to SEK -652 million (-229) and the cash flow from financing activities totaled SEK 340 million (-76).

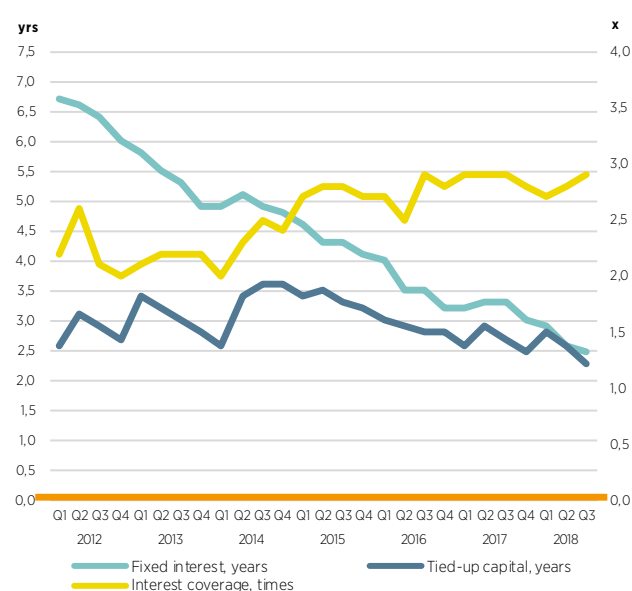
Available liquidity on 30 September 2018 amounted to SEK 323 million (318), of which liquid funds are SEK 37 million (34), and unused credit facilities of SEK 286 million (284). Net debt amounted to SEK 8 504 million (7 929).

INTEREST- AND LOAN MATURITY STRUCTURE

Maturity, year	Average interest rate		Tied-up capital	
	Average SEKm	Proportion, %	Proportion SEKm	Proportion, %
Floating	4 220	3,47	49	
2018	-	-	1 440	17
2019	1 398	1,33	2 848 ¹	33
2020	32	2,07	2 236 ¹	26
2021	-	-	1 184 ¹	14
2022	-	-	5	0
2023	534	4,21	280	3
2024	454	5,20	59	1
2025	735	2,38	382	4
2026	700	5,72	-	-
2027	-	-	-	-
2028-	500	5,83	139	2
Total	8 573	3,48	100	100

¹ Of which SEK 500 million to bonds during 2019, SEK 500 million to bond during 2020 and SEK 850 million refers to bond during 2021.

FIXED INTEREST, TIED-UP CAPITAL AND INTEREST COVERAGE



CASH FLOW STATEMENT

THE COREM GROUP

SEK million	2018 9 mon Jan-Sep	2017 9 mon Jan-Sep	2018 3 mon Jul-Sep	2017 3 mon Jul-Sep	2017 12 mon Jan-Dec	Rolling 12 mon Oct-Sep
Current operations						
Operating surplus	543	535	184	180	701	709
Central administration	-30	-25	-10	-8	-36	-41
Depreciation	0	0	0	0	1	1
Interest recieved, etc.	43	14	15	14	28	57
Interest paid	-220	-214	-75	-67	-293	-299
Income tax paid	-1	-1	-1	-1	-3	-3
Cash flow from changes in working capital	335	309	113	118	398	424
Change in current receivables	-15	12	-2	-1	23	-4
Change in current liabilities	-5	15	32	-8	19	-1
Cash flow from operations	315	336	143	109	440	419
Investment operations						
Investment in new construction, extensions and refurbishment	-262	-206	-107	-90	-340	-396
Acquisition of properties	-494	-320	-96	-	-619	-793
Divestment of properties	64	297	64	253	442	209
Acquisition of subsidiaries, net effect on liquidity	0	0	0	-	0	0
Change in tangible assets	40	0	0	0	-42	-2
Cash flow from investment operations	-652	-229	-139	163	-559	-982
Financing operations						
Dividend paid to parent company shareholders	-200	-174	-18	-18	-192	-218
Repurchase of own shares	-19	-80	-	-80	-80	-19
Emission of shares	-	-	-	-	0	0
Loans raised	2 008	2 630	46	27	2 994	2 372
Amortized loans	-1 449	-2 452	-31	-204	-2 576	-1 573
Cash flow from financing operations	340	-76	-3	-275	146	562
Cash flow for the period	3	31	1	-3	27	-1
Liquid funds at beginning of period	34	7	36	41	7	38
Exchange rate difference in liquid funds	0	0	0	0	0	0
Liquid funds at end of period	37	38	37	38	34	37

PARENT COMPANY

Corem's parent company 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 -19 million (-40) for the period. The turnover, of which the largest part consisted of group invoicing, amounted to SEK 67 million (56).

Interest income and similar earnings items for the whole year 2017 included, inter alia, dividend from subsidiaries of SEK 800 million. The parent company's assets totalled SEK 3 768 million (3 852). Liquid funds amounted to SEK 17 million (7). Equity amounted to SEK 1 574 million (1 829).

INCOME STATEMENT

SEK million	2018 9 mon Jan-Sep	2017 9 mon Jan-Sep	2017 12 mon Jan-Dec
Net income	67	56	80
Cost of services sold	-38	-33	-45
Gross profit	29	23	35
Central administration	-30	-25	-36
Operating profit	-1	-2	-1
Interest income and similar income items	54	23	909
Interest expense and similar expense items	-70	-61	-82
Profit before tax	-17	-40	826
Tax	-2	0	0
Net profit for the period	-19	-40	826

BALANCE SHEET

SEK million	2018 30 Sep	2017 30 Sep	2017 31 Dec
ASSETS			
Machinery and equipment	1	1	1
Shares in group companies	332	332	332
Shares in associated companies	489	489	489
Receivables from group companies	2 898	2 071	2 989
Deferred tax assets	28	30	30
Other current receivables	3	2	4
Cash and bank deposits	17	0	7
TOTAL ASSETS	3 768	2 925	3 852
EQUITY AND LIABILITIES			
Equity	1 574	962	1 829
Interest-bearing liabilities	2 116	1 875	1 958
Non-interest bearing liabilities	78	88	65
TOTAL EQUITY AND LIABILITIES	3 768	2 925	3 852

ACCOUNTING POLICIES AND NOTES

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 of the categorization of financial instruments have taken place during the period. 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 2017.

New accounting standards which come into effect 2018 and 2019

During autumn 2016 the International Accounting Standards Board adopted two new standards, IFRS 15, Revenue Recognition, and IFRS 9, Financial Instru-

ments, to be applied from 1 January 2018. The introduction of the standards will not have a significant impact on the financial statements and have not affected the opening balances for 2018.

IFRS 15 covers income from customer contracts and sales of certain non-financial assets. The standard requires that a breakdown between rent and services is made. Corem has reviewed the Group's revenues and lease agreements to map the effects of IFRS 15. This review has revealed that no part is covered by IFRS 15. Compensation for the commitments Corem enters into through the lease agreements, such as providing the premises with for example heating, cooling, clearing of snow and garbage collection are an integral part of the rent. In properties that Corem owns and manages, the tenant may not affect the choice of supplier, frequency, or otherwise impact the execution of such commitments. Rental agreements consist of only rent, lease, which is not covered by IFRS 15 but by IAS 17, and from 2019 by IFRS 16.

IFRS 9 introduces new principles for the classification of financial assets, for hedge accounting and for

credit reservations. Derivates are still reported at fair value through profit or loss. IFRS 9 also means that the principles for credit loss provision should be based on an estimate of anticipated credit losses. Provisions should be based on historical data and current status, and be reported on notification/invoicing. Corem's credit losses are small, so the transition is not expected to have any significant impact on the financial statements.

IFRS 16 Leases. The standard supersedes IAS 17 from 1 January 2019. It includes, among other things, that lessee companies must report leases in the balance sheet. Corem is a lessee of premises, vehicles, office equipment and site leaseholds. The effect on Corem's financial reporting is being investigated. Shareholders and rent for office premises amounts to SEK 15 million. In respect of lessor the accounting will remain unchanged.

NOTE 1 SHARES IN ASSOCIATED COMPANIES

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. Associated companies refer to holdings reported in accordance to the equity method.

Corem's shareholding in Klövern amounted on 30 September 2018 to 9 500 000 Class A ordinary shares and 129 400 000 Class B ordinary shares, corresponding to approximately 14,8 per cent of the outstanding votes and 14,9 per cent of the equity.

The holding amounted to SEK 1 930 million, to be compared with SEK 1 714 million on 31 December 2017. Corem's share of Klövern's profit of SEK 249 million has raised the book value of its holding, while the dividend of SEK 43 million has decreased book value. Furthermore, the book value has been affected by foreign exchange effects in Klövern.

The profit share accounted consists of Corem's share of Klövern's profit after tax, taking the dividend to Klövern's preference shareholders into account. The fair value of Corem's holding, based on closing rate of 30 September 2018, amounted to 1 622 million (1 490).

KLÖVERN IN BRIEF	2018	2017	2018	2017	2017	Rolling
	9 mon	9 mon	3 mon	3 mon	12 mon	12 mon
	Jan-Sep	Jan-Sep	Jul-Sep	Jul-Sep	Jan-Dec	Oct-Sep
Income, SEKm	2 397	2 261	813	743	3 029	3 165
Operating surplus, SEKm	1 646	1 553	580	521	2 006	2 099
Profit from property management	1 047	1 001	367	336	1 263	1 309
Profit before tax	1 888	2 410	644	692	3 211	2 689
Net profit for the period	1 774	2 006	578	567	2 611	2 379
Key ratios						
Operating margin, %	69	69	71	70	66	66
Occupancy rate, economic, %	90	89	90	89	89	90
Leverage, %	60	58	60	58	58	60
Equity ratio, adjusted, %	37,0	37,9	37,0	37,9	38,5	37,0
Number of properties	403	402	403	402	405	403
Fair property value, SEKm	47 378	41 392	47 378	41 392	42 961	47 378

NOTE 2 INCOME TAX

Through the possibility of making depreciations for tax purposes and deduction for certain refurbishments of properties as well as making use of tax loss carryforwards, virtually no paid income tax expense arises. However, paid income 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 are partly attributable to classification of acquisitions and the form in which divestment takes place.

The effective tax rate is affected by tax-free income in the form of profits from Klövern as well as tax-free sales of companies. The tax loss carryforwards are estimated at approximately SEK 1 224 million (1 275).

The tax recoverable attributable to tax loss carryforwards in the consolidated balance sheet amounts to SEK 252 million (280).

In the consolidated statement of financial position of the Corem group, deferred tax is reported net at SEK 345 million (230).

INCOME TAX 30 SEPTEMBER 2018

SEK million	Current tax		Deferred tax		Reported tax	
	2018	2017	2018	2017	2018	2017
	Jan-Sep	Jan-Sep	Jan-Sep	Jan-Sep	Jan-Sep	Jan-Sep
Current profit from property management	-1	-1	-10	-17	-11	-18
Change in value, properties	-	-	-67	-66	-67	-66
Change in value, derivatives	-	-	-9	-14	-9	-14
Increased temporary difference properties attributable to depreciation for tax purposes and direct deductions	-	-	-49	-43	-49	-43
Revaluation tax loss carryforwards	-	-	-	17	-	17
Revaluation to 20.6 per cent income tax	-	-	19	-	19	-
Total	-1	-1	-116	-123	-117	-124

QUARTERLY OVERVIEW

Amounts in SEKm unless otherwise stated	2018 Q3 Jul-Sep	2018 Q2 Apr-Jun	2018 Q1 Jan-Mar	2017 Q4 Oct-Dec	2017 Q3 Jul-Sep	2017 Q2 Apr-Jun
Result-related						
Income	233	238	233	223	223	226
Property costs	-49	-50	-62	-57	-43	-43
Operating surplus	184	188	171	166	180	183
Profit from property management	95	101	84	79	95	97
Profit shares according to the equity method	82	86	81	79	74	86
Changes in value, properties	97	61	132	200	40	88
Unrealized changes in value, derivatives	45	-9	6	-1	13	39
Net profit	269	219	256	299	173	265
Property and finance-related						
Fair value of properties	12 532	12 301	11 951	11 539	11 043	11 168
Operating margin, %	79	79	74	74	81	81
Occupancy rate, economic, %	90	91	89	90	90	90
Return on total assets, %	9,8	9,3	11,0	13,3	8,9	11,0
Return on equity, %	22,7	19,1	23,0	28,5	17,4	27,0
Adjusted equity ratio, %	38	37	38	37	36	35
Leverage, %	55	58	56	56	56	59
Cash flow from operations	143	81	91	104	109	116
Share-related						
EPRA NAV per ordinary share, SEK	12,34	11,56	11,64	10,83	9,82	9,38
Net profit per ordinary share, SEK	0,69	0,55	0,65	0,77	0,42	0,65
Share price, ordinary share A, at end of period, SEK	11,35	9,30	8,60	10,10	9,23	7,67
Share price, ordinary share B, at end of period, SEK	11,70	9,32	8,90	9,26	-	-
Share price, preference share, at end of period, SEK	324,00	327,90	309,05	304,00	308,00	293,00
Number of outstanding ordinary shares	364 269 505	364 269 505	364 269 505	366 374 305	366 374 278	375 738 853
Number of outstanding preference shares	3 600 000	3 600 000	3 600 000	3 600 000	3 600 000	3 600 000
Cash flow, operations per ordinary share, SEK	0,34	0,18	0,20	0,23	0,25	0,26

Historical figures have been adjusted for the bonus issue carried out during December 2017 and for the consolidation of shares that took place in January 2018.

KEY RATIOS

	2018 9 mon Jan-Sep	2017 9 mon Jan-Sep	2018 3 mon Jul-Sep	2017 3 mon Jul-Sep	2017 12 mon Jan-Dec	2016 12 mon Jan-Dec
Property related						
Fair value properties, SEK million	12 532	11 043	12 532	11 043	11 539	10 667
Required yield, valuation, %	6,5	6,6	6,5	6,6	6,6	6,7
Rental value, SEK million	1 042	970	1 042	970	972	917
Lettable area, sq.m.	1 376 846	1 314 262	1 376 846	1 314 262	1 316 233	1 260 173
Occupancy rate, economic, %	90	90	90	90	90	92
Occupancy rate, area-based %	88	87	88	87	88	89
Operating margin, %	77	79	79	81	78	77
Number of properties	176	167	176	167	169	165
Financial						
Return on total assets, %	10,0	9,9	9,8	8,9	10,7	12,9
Return on equity, %	21,6	22,1	22,7	17,4	23,4	27,4
Equity ratio, adjusted, %	38	36	38	36	37	35
Equity ratio, %	33	32	33	32	32	30
Net debt, SEK million	8 504	7 679	8 504	7 679	7 929	7 522
Leverage, %	55	56	55	56	56	58
Leverage, properties, %	51	53	51	53	52	54
Interest coverage ratio, multiples	2,9	2,9	2,9	2,9	2,8	2,8
Average interest, %	3,48	3,69	3,48	3,69	3,65	3,70
Average fixed interest period, years	2,5	3,3	2,5	3,3	3,0	3,2
Average tied-up capital, years	2,3	2,7	2,3	2,7	2,5	2,8
Share-related						
Earnings per ordinary share, SEK	1,89	1,56	0,69	0,42	2,33	2,14
Earnings per preference share, SEK	15,00	15,00	5,00	5,00	20,00	20,00
EPRA NAV per ordinary share, SEK	12,34	9,82	12,34	9,82	10,83	8,53
Equity per ordinary share, SEK	10,15	7,99	10,15	7,99	8,86	7,05
Equity per preference share, SEK	324,00	308,00	324,00	308,00	304,00	284,00
Cash flow, operations, per ordinary share, SEK	0,71	0,75	0,34	0,25	0,99	0,86
Cash flow, total, per ordinary share, SEK	0,00	0,08	0,01	-0,01	0,07	-0,08
Dividend per ordinary share, SEK	-	-	-	-	0,40	0,32
Dividend per preference share, SEK	-	-	-	-	20,00	20,00
Share price per ordinary share A, SEK ¹	11,35	9,23	11,35	9,23	10,10	6,73
Share price per ordinary share B, SEK ¹	11,70	-	11,70	-	9,26	-
Share price per preference share, SEK ¹	324,00	308,00	324,00	308,00	304,00	284,00
Number of outstanding ordinary shares ²	364 269 505	366 374 278	364 269 505	366 374 278	366 374 305	375 738 853
Average number of outstanding ordinary shares ²	364 881 903	374 115 726	364 269 505	369 624 541	371 837 353	394 097 875
Number of outstanding preference shares ²	3 600 000	3 600 000	3 600 000	3 600 000	3 600 000	3 600 000

¹ At the end of the period.

² Excluding repurchased shares.

Historical figures have been adjusted for the bonus issue carried out during December 2017 and for the consolidation of shares that took place in January 2018.

For definitions of key ratios, see page 17.

OTHER INFORMATION

OPPORTUNITIES AND RISKS

Corem has identified a number of opportunities and risks in its business operations, which may affect the company's financial position and earnings. The risks identified are within the main areas: Properties and property valuation, Laws and Regulations, Financing, Listed holdings and Sustainable entrepreneurship. A detailed description of opportunities and risks and how Corem has chosen to deal with them is contained in the Annual Report for 2017. There have been no major changes in the company's assessment of opportunities and risks, after publication of the Annual Report for 2017.

SUSTAINABILITY

Sustainability is an integrated and important part of Corem's business operations. It encompasses social, ecological and economic sustainability. The work focuses on four main areas, selected as the main priority: Employees, Customer satisfaction, Business Ethics and Environment and Resource conservation. See www.corem.se and Corems Annual Report for 2017 for further information.

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 administration agreements for some of the Group's properties with Locellus Förvaltning AB, which amounted to SEK 0,7 million (0,8) for the period.

During June 2017, a construction contract was signed with Wästbygg AB for the construction of a new facility in Borås. Transactions with Wästbygg AB during the period amounted to SEK 56,1 million (9,3).

During 2017 Corem signed a construction contract with Logistic Contractor (LC), for construction of a new facility in Helsingborg. The construction was finalized in February 2018. Transactions with LC amounted to 5,9 million (104,5) during the period.

During 2017 Corem also entered an agreement with LC for acquisition of the property Flahult 80:9, with taking of possession in February 2018. The transaction was made at an underlying property value of SEK 134 million, of which SEK 8 million consist of tenant adjustments according to the lease agreement. The decision to acquire the

property was taken at the Extraordinary General Meeting on the 10 November 2017.

Locellus Förvaltning AB, Logistic Contractors (LC) and Wästbygg AB are controlled by board member Rutger Arnhult.

In addition, the Corem Group purchase legal services from the law firm MAQS Stockholm Advokatbyrå AB in which the Group Chairman Patrik Essehorn is a partner.

EVENTS AFTER THE PERIOD

Acquisition of nine properties in Jordbro, Stockholm at an underlying property value of SEK 385 million. The properties comprise mainly of ware-houses with a total lettable area of approximately 33,000 sq.m. The annual rental value is approximately SEK 33.5 million with an initial occupancy rate of 92 per cent. The properties were taken possession of on 1 October.

Acquisition of a property in Veddesta, Järfälla near Stockholm at an underlying property value of SEK 325 million. The property has a lettable area of approximately 19,100 sq.m. with mixed use for offices, manufacturing and warehousing. The total annual rental value is approximately SEK 29 million with an initial occupancy rate of 91 per cent. The property will be taken possession of on 15 November.

Stockholm 23 October 2018
Corem Property Group AB (publ)

The Board of Directors

This Interim Report is an English language version of Corems Interim Report for the period; "Delårsrapport Q3 januari – september 2018". It is the Swedish report which is the binding version that shall prevail in case of discrepancies.

Review of Interim Report: This English translation has not been reviewed by the auditors. For information about the review carried out of the condensed interim report for Corem Property Group AB (publ) as of September 30, 2018 and for the nine months period then ended, please refer to the Swedish version of the Interim Report.

DEFINITIONS

A number of financial key ratios and measures are presented in the report, which are not defined according to IFRS. Corem considers that these key ratios and measures provide valuable supplementary information to investors and the company management when analysing the company's business activities. As not all companies calculate financial key ratios and measures in the same way, these are not always comparable. Definitions of selected key ratios and measures and why they are used are presented below. There is a complementary calculation appendix on the website, www.corem.se/sv/definitioner for the key ratios that are not directly identifiable from the financial statements.

Adjusted equity ratio

Equity, adjusted for the value of derivatives including tax, reported deferred tax properties, as well as load deferred tax of 5 per cent attributable to the difference between the properties' fair value and residual value for tax purposes, and as a percentage of total assets.

Annual rent

Rent including supplements and index on an annual basis.

Available liquidity

Liquid funds and unused credit facilities. Stated to clarify the Company's current payment ability.

Average fixed credit term

Average remaining term of interest-bearing liabilities. Stated to clarify the Company's financial risk.

Average period of fixed interest

Average remaining period of fixed interest on interest-bearing liabilities and derivatives. Stated to clarify the Company's financial risk.

Average interest rate

Average borrowing rate for interest-bearing liabilities and derivatives. Stated to clarify the Company's financial risk.

Cash flow per ordinary share

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

Central administration

Central administration costs consist of costs for group management and group-wide functions.

Comparable portfolio

The properties included in the portfolio during the whole of the reporting period and during the whole of the comparison period as well as adjustments for revenue and costs of a one-off nature, for example, early redemption of rental income and rental losses.

Earnings per ordinary share

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

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, area

Rented area divided by total lettable area.

Occupancy rate, economic

Income on an annual basis divided by assessed rental value.

Equity per ordinary share

Reported equity, after taking into consideration the preference equity, in relation to the number of outstanding ordinary shares at the end of the period.

Equity per preference share

Based on the share price of the preference share at the end of the period.

EPRA

The European Public Real Estate Association is an interest organisation for listed real estate companies and investors in Europe. Part of their work is to set standards for financial reporting and key ratios, including EPRA NAV (Net Asset Value) which can be equated with long-term net worth.

EPRA NAV per ordinary share

Reported equity, after taking the preference equity into consideration, adjusted to include derivatives and deferred tax in accordance with the statement of financial position, in relation to the number of outstanding ordinary shares at the end of the period.

Equity ratio

Equity 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-bearing liabilities

Current and long term interest-bearing liabilities, as well as activated and capitalized borrowing costs.

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, and 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.

Operating surplus

Rental income reduced for property costs.

Outstanding ordinary shares

Registered shares, after deduction of repurchased shares which are not eligible for dividends and lack voting rights.

Preference capital

Number of outstanding preference shares multiplied by the share price at the end of the period.

Profit from property management

Operating surplus, central administration and net financial 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. To be stated to clarify the company's earning capacity in SEK million taking into consideration financing costs and central administration.

Required yield

The required return on the residual value of property valuations.

Triple net contracts

Tenancy agreements where the tenant, in addition to rent, pays costs incurred at the property, which would normally have been charged to the property owner. These include, for example, operating and maintenance expenses and property tax.

Total number of shares

Registered shares, including repurchased shares.

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.

THE SHARE

SHARE FACTS, 30 SEPTEMBER 2018

Market cap., SEK	5,6 billion
Marketplace	Nasdaq Stockholm, Mid Cap
LEI nr	213800CHXQD7TSSIT59
Number of shareholders	5458

Ordinary share A , number of	33 639 002
Closing rate, SEK	11,35 kr
ISIN	SE0010714279
Ordinary share B , number of	342 099 878
Closing rate, SEK	11,70 kr
ISIN	SE0010714287
Preference share , number of	3 600 000
Closing rate, preference share, SEK	324,00 kr
ISIN, Preference share	SE0010714311

Corem Property Group is listed on Nasdaq Stockholm Mid Cap with three classes of share: ordinary share of class A, ordinary share of class B and preference share.

Corem has a total of 379 338 880 shares as of 30 September 2018, of which 33 639 002 ordinary shares of class A, 342 099 878 ordinary shares of class B and 3 600 000 preference shares.

Shares of class A confer one vote each, while ordinary shares of class B and preference shares confer 1/10 vote each.

During January 2018, a reverse split 1:2 of all classes of shares took place, which meant that the number of shares was halved. The reverse split was decided on at the extra-ordinary general meeting on 10 November 2017.

During February and August, requests of conversion for a total of 519,078 ordinary shares of class A has been made, which have subsequently been converted to ordinary shares of class B during March and September respectively.

During the period, Corem has repurchased 2 062 500 ordinary shares of class A and 42 300 ordinary shares of class B, at a total of SEK 19 million, which means an average price of SEK 8,89. As of 30 September 2018 Corem holds a total of 2 913 825 ordinary shares class A and 8 555 550 ordinary shares of class B. The shares have been repurchased at an average price of SEK 8,63 per share.

See www.corem.se for further information about the share and the development of the share capital.

LARGEST SHAREHOLDERS ON 30 SEPTEMBER 2018

Shareholder	Ordinary share class A	Ordinary share class B	Preference shares	Share of equity, %	Share of votes, %
Rutger Arnhult via bolag ²	14 360 671	143 606 710	512 652	41,78%	44,65%
Gårdarike ²	5 091 475	47 162 848	47 355	13,79%	15,23%
Länsförsäkringar fondförvaltning	837 387	32 532 236	–	8,80%	6,35%
Citi Switz (as agent for clients)	1 570 374	15 705 740	–	4,55%	4,87%
Swedbank Robur fonder	951 000	9 310 000	–	2,70%	2,92%
Pomona Gruppen AB	749 999	7 499 990	–	2,17%	2,33%
CBNY - Norges bank	781 557	6 616 942	–	1,95%	2,24%
SEB Life International Assurance	691 681	6 916 815	–	2,01%	2,15%
Livförsäkrings AB Skandia	699 675	6 747 441	–	1,96%	2,13%
Patrik Tillman via bolag	571 441	5 714 410	40 000	1,67%	1,78%
Fjärde AP-Fonden	606 532	4 867 469	–	1,44%	1,70%
JP Morgan Bank Luxembourg S.A.	434 307	4 359 570	–	1,26%	1,35%
Rasjö Staffan	175 301	4 100 203	27 168	1,13%	0,91%
Allba Holding	249 000	2 390 000	117 500	0,73%	0,78%
Handelsbanken fonder	–	4 750 000	–	1,25%	0,74%
Other shareholders	2 954 777	31 263 954	2 855 325	9,77%	9,88%
Total number of outstanding shares	30 725 177	333 544 328	3 600 000	96,98%	100,00%
Repurchased shares ¹	2 913 825	8 555 550	–	3,02%	0,00%
Total number of shares	33 639 002	342 099 878	3 600 000	100,00%	0,00%

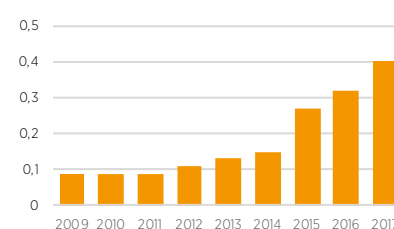
¹ Repurchased shares do not have voting rights, and receive no dividends

² Holdings managed by the Ålandsbanken are at present reported in EuroClear as "Ålandsbanken in place of the owner" at the aggregate total amount instead of showing the underlying owner. The information about these holdings has been adjusted to better reflect the underlying ownership.

NO OF SHAREHOLDERS



DIVIDEND, SEK PER ORDINARY SHARE



CLOSING RATES, OCT 2016 – SEP 2018 SEK, ORDINARY SHARE A & B



CLOSING RATES OCT 2016 – SEP 2018, SEK, PREFERENCE SHARE



WE CREATE SPACE FOR YOU TO DEVELOP YOUR BUSINESS

Corem Property Group is a real estate company which manages and develops properties in locations with attractive logistic conditions. Inhouse property management is an important part of our strategy, with a strong regional connection to know the local market and be close to the tenants.

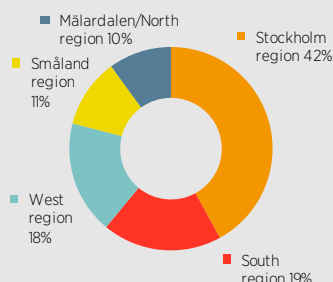
COREMS PROPERTY PORTFOLIO IS MANAGED IN FIVE REGIONS:

● Stockholm Region, ● South Region, ● West Region, ● Småland Region ● Mälardalen/North Region

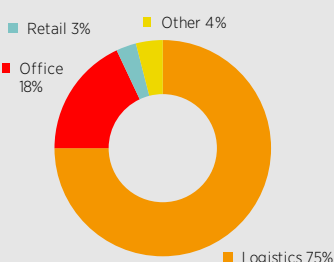
Regional offices are located in Sättra, Märsta, Veddesta, Malmö, Göteborg, Jönköping and Hudiksvall. The head office is located in Stockholm. On 30 September 2018 Corem has had 60 (52) employees, of which 20 (18) were women and 40 (34) were men.



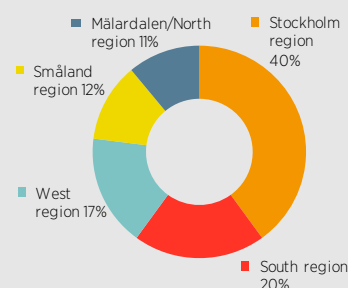
PROPERTY VALUE



PROPERTY TYPE, AREA

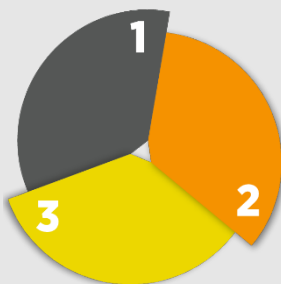


RENTAL VALUE



WE CREATE LONG TERM VALUE AND GROWTH BY DEVELOPING AND MAINTAINING LOGISTICS PROPERTIES IN A SUSTAINABLE WAY

Corem Property Group is a real estate company which manages and develops properties in locations with attractive logistic conditions. Inhouse property management is an important part of our strategy, with a strong regional connection to know the local market and be close to the tenants.



1. TRANSACTION – GROWTH AND REGIONAL STRUCTURE

Actively seek and carry out property transactions which help grow the portfolio as well as improve regional structure.

2. PROPERTY MANAGEMENT – FOCUS ON TENANTS

Create long-term tenant relations by having a market orientated and professional property management organization. Corem's properties are to be managed by our own staff. Efficient decision-making processes and local market presence are prioritized.

3. PROPERTY DEVELOPMENT – CREATING VALUE

Develop and optimize the property portfolio through long-term commitment in the properties, striving to optimize the properties' yield and creating good and long-term relations.



SOCIAL

An attractive employer and business partner, with competent and committed staff.



CUSTOMIZED MANAGEMENT

Active and customer-friendly management with local management.



FINANCIAL

Long-term and stable finances with a good return to shareholders.



SUSTAINABILITY

Long-term positive development for both Corem and its surroundings.

CALENDAR

FINANCIAL REPORTS

Year End Report 2018	19 February 2019
Annual Report 2018	March 2019
Interim Report January–March 2019	3 May 2019
General Annual Meeting 2019	3 May 2019

RECORD DAYS / DIVIDEND

Last day for trading including right to dividend for preference shareholders	21 December 2018
Record day for dividend for preference shareholders	28 December 2018
Expected day for dividend for preference shareholders	4 January 2019
Last day for trading including right to dividend for preference shareholders	27 March 2019
Record day for dividend for preference shareholders	29 March 2019
Expected day for dividend for preference shareholders	3 April 2019

CONTACTS:

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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

This is the English language version of Corem's Interim Report. The Swedish language Interim Report is the binding version that shall prevail in case of discrepancies.



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