FASTATOR
ANNUAL REPORT 2015

WORDS

FASTATOR

FASTATOR IN BRIEF

Fastator is an investment company specialising in the property sector.

Our business concept is to invest in entrepreneurial companies in which – using our capital, industry expertise, a solid network, expertise and experience of financing – we serve as an active shareholder who contributes to unlocking unrealised potential.

As the sole property-niche investment company on the stock exchange, Fastator offers share savers unique access to the property sector as an investment object. As an investment company, Fastator offers investors the potential to be exposed to a number of sub-segments of the property market. The broad spectrum of property-related operations creates a unique portfolio mix and risk diversification in the property sector.

For entrepreneurs, Fastator represents a possibility to gain access to expertise and capital to realise their business projects.

We invest in both listed and unlisted companies with an international range in which our ownership amounts to a minimum of 10 per cent and a maximum of 50 per cent. We generally invest at least SEK 50 million in each investment.

The company, with the current business orientation, was established in 2015 and was listed on the Nasdaq First North exchange in September of the same year.

82.7

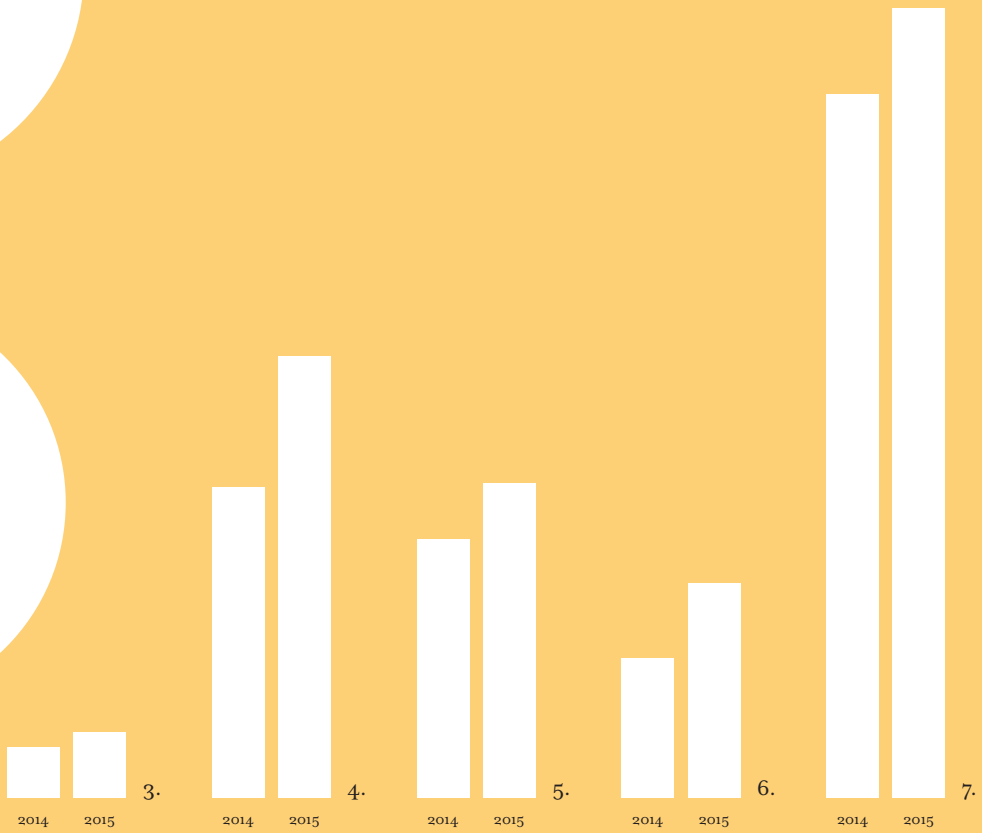
MSEK

1. Profit from holdings 2015

79.2

MSEK

2. Profit 2015



3. Earnings per share
   SEK 6.44 (SEK 5.01 2014)
4. Net asset value
   MSEK 437.5 (MSEK 307.1 2014)
5. Net asset value per share
   SEK 31.09 (SEK 25.59 2014)
6. Return on equity
   21.1% (13.8% 2014)
7. Equity/assets ratio
   78.2% (69.6% 2014)

WORDS

ABOUT FASTATOR, WHAT WE BELIEVE IN AND WHERE WE ARE GOING

CONTENTS

24 September
Fastator is listed on the stock market

14 December
Decision on new Board of Directors

1 December
Daniel Hummel takes office as CEO

8 April
New joint venture: Konland AB

24 November
Divestment of Rehact

22 December
Agreement signed to divest part of holding in Nacka

Developements in industry and business environment

February
Riksbank cuts policy interests rate to -0.1%

June
Swedish Financial Supervisory Authority decides to raise capital requirement for Swedish banks to 1.5% as of June 2016

July
Riksbank cuts policy interest rate to -0.35%

November
Investment giant EGT Partners announces plan for a property fund

EVENTS DURING THE YEAR

2015 was an eventful year for Fastator. We devoted considerable energy to restructuring operations in order apply full focus on our core business; investments in property-related companies in which, through capital and know-how, we can contribute to releasing untapped development potential. The transformation of Fastator's operational direction towards a dedicated investment company continues apace, but nevertheless we reported solid earnings in 2015. We are pleased to state that Fastator is growing and that the holdings are increasing, while the company's profitability and value growth are favourable.

Rising demand for properties, combined with the lowering of the key interest rate in the past year, has created favourable conditions for investments in the property market. Several industry events during 2015 signalled continuing growth and high activity in the sector. These signals include the inflow of international capital to the Swedish property sector and the announcement by a number of private equity companies of their plans to set up new property funds.

Meanwhile, there is a risk of stricter regulatory requirements on bank lending to companies in the future. Given this background, Fastator, with its new operational focus, plays a significant role for entrepreneurs and companies requiring capital and expertise to complete innovative, property-related projects.

A key step towards Fastator's change in operational direction was taken in September 2015 when the business gained a listing on Nasdaq First North Stockholm through the acquisition of Rehact AB, active in the development of climate systems for buildings. The acquisition was conducted by means of a non-cash issue of 95 999 993 new shares in the company, at a price of SEK 3.00 per share. The exchange listing of Fastator means that more share savers are offered the potential to benefit from the value trend on the property market. This through a broad-ranging portfolio of property-related holdings.

> ”The exchange listing of Fastator means that more share savers are offered the potential to benefit from the value trend on the property market”

During 2015, Fastator's Board and executive management streamlined the business model and strategy to focus on ensuring the appropriate skills, infrastructure and processes in the company. Towards

year-end, changes were made in the organisation, with the appointment of Daniel Hummel as Fastator's new CEO. Daniel most recently held key positions at Swedbank, where his positions included being Head of Corporate Finance for Sweden and the Baltic countries. With his lengthy experience of financing and capital market issues, he will be a valuable addition in the development of Fastator's new business direction.

As part of efforts to strengthen the portfolio, Rehact's operations were successfully sold to Hansen Capital SA and its subsidiary Mistral Energy AB in November. The acquisition was paid for, in part, by means of an option to receive shares in Mistral Energy AB, which gave Fastator the potential to benefit from future profits from Rehact's operations.

In December 2015, a strategic part-sale of Fastator's holding in Konkret Fastighetsutveckling i Nacka AB was conducted. Fastator signed an agreement to divest 50 per cent of the shares to real estate company Genova Property Group. The holding consists of a commercial property with an accompanying site. The purpose of the transaction is that Genova Property Group and Fastator will jointly develop the property into residential units in the future. The common ambition is to transform the area into an urban living space with housing units services, businesses and public meeting spots. The project is representative of the new Fastator that took shape during the year, with the company's role consisting primarily of identifying effective financing solutions and contributing capital and expertise throughout the development process. The development itself is then handled by Fastator's project partner.

SHAREHOLDER INFORMATION

ANNUAL GENERAL MEETING 10 MAY 2016

The Annual General Meeting (AGM) of Aktiebolaget Fastator (publ) will be held at 2 p.m. CET on Tuesday 10 May, 2016 at Hotel Scandic Anglais, Humlegårdsgatan 23 in Stockholm.

PARTICIPATION IN THE MEETING

Shareholders wishing to attend the AGM must:

- Be entered in the register of shareholders maintained by Euroclear Sweden AB by 3 May 2016.
- Register to participate by 3 May 2016. Registration must be made in writing to: Aktiebolaget Fastator (publ), Östermalmstorg 5, SE-114 42 Stockholm Sweden. Notification is to include name, personal identification number or corporate registration number, address and telephone number, as well as the number of any accompanying advisors (at most two).

NOMINEE-REGISTERED SHARES

To be able to participate in the AGM and to exercise their voting rights, shareholders whose shares are registered in a nominee's name must temporarily re-register their shares in their own names. Such re-registration must be completed at Euroclear Sweden AB no later than Thursday, 3 May 2016. This means that the shareholder must inform the nominee of this well in advance of this date.

OFFICIAL NOTIFICATION OF THE AGM

Official notification of the AGM will be made in the form of an advertisement in Svenska Dagbladet informing that notification has been made. Notification will also be announced as a press release that will be available on Fastator's website. Documentation that is to be presented at the AGM will be made available on Fastator's website, www.fastator.se, at least three weeks prior to the meeting.

FINANCIAL CALENDAR

10 May - Annual General Meeting 2016
25 May - Interim report, January - March 2016
26 August - Interim report, January - June 2016
25 November - Interim report January - September 2016

The reports will be available on Fastator's website immediately after they are announced. They will be published in both Swedish and English.

SHAREHOLDER CONTACT PERSON

Daniel Hummel, CEO
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e-mail: daniel.hummel@fastator.se

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Daniel Hummel
CEO Fastator

CEO STATEMENT
WE CONTINUED TO BUILD THE NEW FASTATOR

During 2015, we at Fastator continued to rapidly develop Sweden's sole investment company focusing on the property sector. Parallel with streamlining the business model, the company was listed on the Nasdaq First North exchange, our know-how was strengthened via a new Board and executive management and Fastator generated healthy earnings. With earnings of MSEK 79 and a return of 21.1 per cent on equity during the year, we are solidly equipped to continue our growth during 2016.

A UNIQUE BUSINESS CONCEPT

A well-functioning property sector is important for Sweden. A prerequisite for a smoothly functioning and effective society in which people have housing throughout their life is that companies have access to office space and industrial facilities and that the medical care, school and social care services have access to functioning and appropriate buildings and properties.

Currently, there is a fundamental need for property investments in many parts of Sweden and the Nordic region as a whole. At Fastator, we feel that the decade ahead will require extensive new build and refurbishment projects at both local and regional level. This will involve various types of property-related projects, ranging all the way from student residences, commercial property and shopping centres to special-purpose and community service buildings for senior citizens, as well as sheltered housing and schools. In the wake of these investments, there will also be a need for services.

Fastator will gain an increasingly key role as the need for private equity and expertise grows in creating attractive property-related projects in society.

"Fastator will gain an increasingly key role as the need for private equity and expertise grows in creating attractive property-related projects in society"

Our business concept is to invest in entrepreneur-driven property-related companies and, through active ownership, realise untapped potential that – in the long term – will create value for investors and entrepreneurs, as well as for society as a whole. When the concept of developing Fastator as an investment company specialising in the property sector was born, it was to fill a void in the market. For share savers, Fastator offers a unique possibility to gain access to the property sector as an investment object via a well-balanced weighting of risk and return, an aspect that, to date, has been solely reserved for major investors. For entrepreneurs, Fastator represents a possibility to gain access and know-how in order to realise property-related business ideas.

A VALUE-CREATING PROPERTY SECTOR UNDER CONSIDERABLE PRESSURE TO CHANGE

The genuinely value-creating part of the property market – which creates both financial and social value – is the one in which capacity, new functions and innovations are supplied. I see many factors that contribute to creating greater transformation pressure throughout the sector. These include many near-city suburbs that are now being developed into attractive office and housing areas, at a time when cities such as Stockholm are growing. The pressure for transformation also includes greater demand for energy efficiency and reduced climate impact such as the EU requirement that new housing should offer almost zero emissions by 2020, and already by 2018 in the public sector.

CONTINUING ROBUST GROWTH WITH A FOCUS ON INNOVATION AND SERVICES

The construction and property sectors account for a large share of Sweden's GDP. In 2015, construction accounted for 9 per cent of GDP. The construction industry has generated revenues exceeding SEK 500 billion annually in recent years and it is estimated that the value of the Swedish property portfolio exceeds SEK 6 000 billion. In addition, the share of property-related services is growing. Service companies account for an ever higher share of Swedish GDP and, among service companies, the property sector accounts for the second largest share, representing a value share of 16.2 per cent of the total Swedish services sector. I also see that the share accounted for by innovation-intensive companies is growing sharply in this area as a result of the requirement for energy efficiency and smart houses. Facility management is yet another property-related sector showing strong growth, and which is expected to expand at a rate of 4-5 per cent annually in Europe, and to double this rate between 2006 and 2018. We believe that the property sector will enjoy continuing solid growth, driven by fundamental requirements among consumers, companies and public sector players.

2015 – STREAMLINING AND FOCUSING, ACCOMPANIED BY ATTRACTIVE EARNINGS

I am gratified to note that we reported a robust operating profit for 2015, at the same time as programmes to streamline Fastator's operations proceeded with great intensity.

Looking back at the year that has passed, notable developments include the value growth achieved in the return on our capital, investments and shareholdings during the year. Value growth in 2015 was highly favourable, with net asset value rising by MSEK 79, adjusted for share issues during the year. The return on equity also moved positively, from 13.8 per cent to 21.1 per cent.

> ”Our market expertise offers us the potential to take calculated risks in order to optimise return for our investors”

Of course, one of the most significant events for Fastator during the year was its listing on the Nasdaq First North exchange in September 2015. By this means, Fastator created the basis for future capitalisation, acquisitions of new holdings and, thus, value growth. The listing makes us stronger and creates a platform for a combination of various financing opportunities in our continuing growth, through equity as well as external capital injections.

2016 – CONTINUING FOCUS ON GROWTH AND ADDING VALUE

Following a year of streamlining, we are now entering a definite growth phase. Our goal for the coming years is to sharply increase the number of holdings in the property sector. Currently, we have several investment opportunities that we feel offer a highly favourable return in relation to risk. To capitalise

on these and to finance our growth, we plan to raise new capital on the capital market during the current year. In part, we see a possibility to issue bonds and in part to use our share in order to strengthen our liquidity and trading, and to make Fastator an increasingly attractive alternative for share savers and investors.

Our goal is to be best in sector at understanding the trade-off between risk and return in the property sector. We have considerable property expertise among executive management and on the Board, but we have also surrounded the company with people who offer excellent networks in the business community and public sector management.

Our market expertise offers us the potential to take calculated risks in order to optimise return for our investors. While we intend to play an active role as shareholders to increase the value of our shareholdings, we alone will determine how long we remain as a shareholder – from a few years to substantially longer than so.

> ”We see ourselves as innovators in the market”

I am frequently asked whom we regard as competitors. My answer is that Fastator currently has no clear competitors. We see ourselves as innovators in the market. We intend to continue to invest in entrepreneur-driven companies and in projects that own, manage, serve and develop properties in both the private and the public sector. We intend to generate value growth that exceeds that of the property market as a whole and we expect to complete a significant number of acquisitions in the years immediately ahead.

Along with my colleagues, our investors and our strong business partners, I look forward in 2016 to continuing our journey to become the leading investment company in the property sector in Northern Europe.

Daniel Hummel

OBJECTIVES AND STRATEGIES

Fastator's vision is to be the leading investment company in the property sector in Northern Europe, and the financial partner for community builders. Our strength lies in our long-standing experience of financing and capital market issues, combined with in-depth expertise in the property market. We operate in the interface between the investment and the property sector. This makes us a unique player in the capital market.

Our business concept is to invest in entrepreneur-driven property-related companies and projects, where we use capital, market knowledge, networks and financing expertise to serve as a long-term owner that actively contributes to the development and appreciation in value of our holdings. We are not limited to investing in a specific segment of the property market or geographic area; we invest in companies and projects where we see the greatest business potential at any given time. What all of our investments have in common is that we see untapped potential that we can realise through our capital and expertise.

> "We operate in the interface between the investment and the property sector"

We invest in both listed and unlisted companies. We hold between 10 and 50 per cent of our companies and generally invest a minimum of MSEK 50 in each investment. The company continuously evaluates its portfolio and has no restrictions on the holding period.

The strategy is to invest in companies and projects that generate long-term, high and stable growth and a strong cash flow. We take stakes in companies as active investors, where we use our capital and expertise to take value-adding actions that produce high returns while taking risk into account. We also serve as priority lenders to our portfolio companies when needed and take greater financial responsibility as owners in harder times if needed.

Our financial objective is for Fastator to generate an annual return on equity of at least 10 per cent, and a 20 per cent ROE within five years.

As a company, we endeavour to create value that will benefit both investors and society. Six values form the foundation for our business. Firstly, our investment philosophy is characterized by strong integrity - we invest in projects where we trust the individuals or the team behind the project and sees a promising relationship between risk and return. We are also active as owners and take responsibility at every stage and in every situation that arises as the project develops. In addition, we constantly strive towards innovation and agility in our business. We are driven to find solutions and business opportunities that others fail to see and we are flexible and agile in our investment process. In conclusion, our organization is characterized by a modern and value-driven corporate culture where passion and commitment is the foundation of everything we do. This includes that we are dedicated to transparency and good communication towards all of the company's stakeholders.

INVESTORS
Share savers, private investors and funds wanting to capitalise on a high risk-weighted return on property-related assets.

THE PROPERTY SECTOR
Entrepreneur-driven companies and projects that own, manage, serve and develop properties and property-related operations in the public and private sector.

VISION

To be the leading investment company in the property sector in Northern Europe.

BUSINESS CONCEPT

To invest in entrepreneur-driven property-related companies, where we use capital and know-how to realise untapped potential.

STRATEGY

- Active ownership
- Investments offering stable, long-term growth
- Ownership share 10 - 50%
- In general a minimum of MSEK 50 per investment

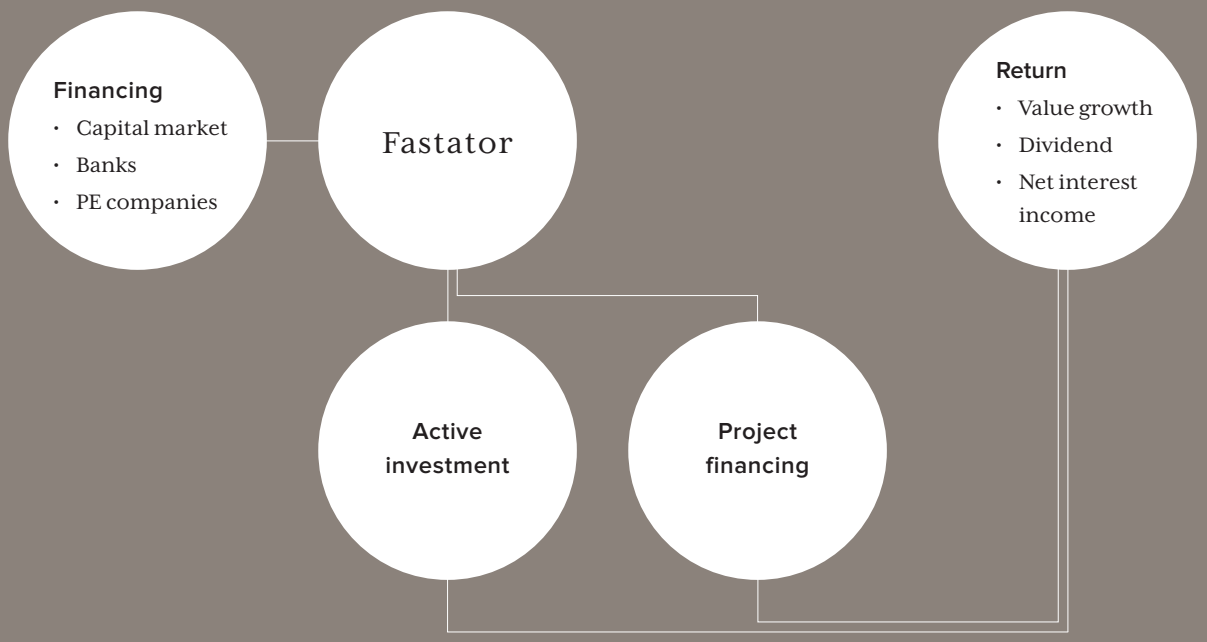
OBJECTIVES

- Return on equity of at least 10%
- Return on equity 20% over a five-year period

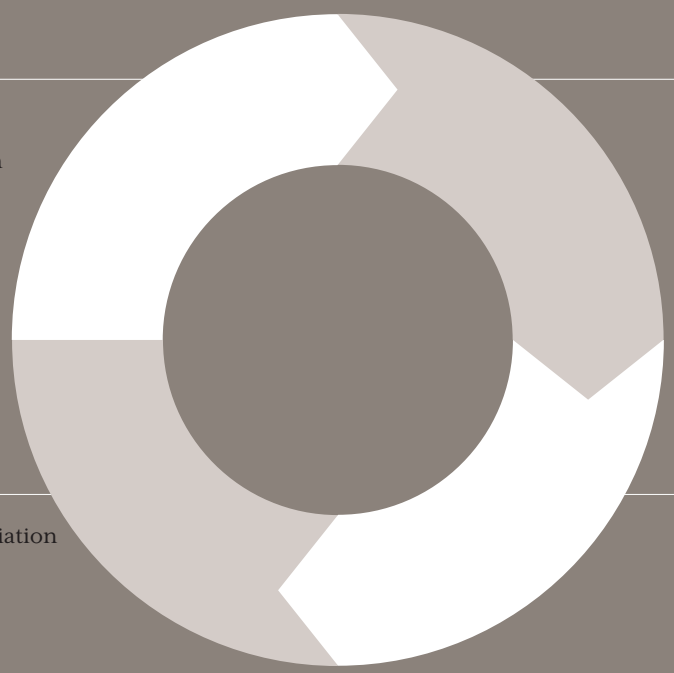
CORPORATE VALUES

Integrity | Innovation | Influence | Agility | Dedication | Openess

FASTATOR'S BUSINESS MODEL



FASTATOR'S INVESTMENT PROCESS



1. IDENTIFY
- Property-related
- Entrepreneur-driven
- Unlisted/listed
- International

2. INVEST
- Project financing
- Active investments
- Ownership share 10%-50%
- In general a minimum of MSEK 50 per investment

3. ACTIVELY DEVELOP
- Long-term ownership responsibility
- Financing
- Business development
- Board work and counselling
- Networks

4. EXIT
- Realisation of appreciation

BUSINESS MODEL AND INVESTING ACTIVITIES

Fastator's operations rest on a foundation of capital investments that generate returns and value appreciation for owners and partners in the long term. Thus good access to capital is a business requirement. Our funding comes mainly from the capital market, and we strive for an effective mix of equity, debt and hybrid capital. The capital structure should as far as possible be optimised in relation to the investments we make. The company's investment activities can be divided into two segments:

ACTIVE INVESTMENTS

As an active investor, Fastator serves as a partner in a company, business concept or management team when we see untapped potential that we have the ability to free up. In these situations, Fastator contributes to the project's appreciation in value by adding capital, market knowledge, industry contacts and expertise in financing issues. When making active investments, Fastator serves as a long-term investor without necessarily always having an evident exit strategy.

PROJECT FINANCING/JOINT VENTURE

In the category of project financing/joint ventures, Fastator serves as a financier of property projects. In this case, our expertise lies primarily in identifying promising investments and finding effective financing solutions. For entrepreneurs, Fastator often fills in the gap between equity and bank financing.

Projects within this category are carried out together with a partner who is responsible for operations and development, while Fastator contributes knowledge and capital. For this type of project, it is a critical investment requirement for Fastator to have confidence in the partner, and to feel that we have the right expertise to finish the project ourselves, should the partnership fall through.

During the project, Fastator takes an active ownership role in the creation of the business plan. Our participation is subsequently limited to representation on the project's board of directors, where we continuously track its progress.

BOARD OF DIRECTORS

BJÖRN ROSENGREN (1942)

Chairman of the Board since 2015

Björn has worked at senior levels in the trade union movement as Chairman of the Swedish Confederation of Professional Employees (TCO), in public administration as County Governor, and in politics as the Minister of Industry, Employment and Communications. After leaving the political arena, Björn served as advisor to the Kinnevik Group for 13 years. He is currently active in the business sector as an entrepreneur and Board member.

Other Board assignments (a selection): Partner and Chairman of Priority Group AB, Chairman of Previa AB and the Norwegian-Swedish Chamber of Commerce and Board member of Cellcomb AB.

Shareholding in the company: 0 shares

CARL BILDT (1949)

Board member since 2015

Carl has previously served as Chairman of the Swedish Moderate Party, (1986-1999), the Swedish Minister of Foreign Affairs (2006-2014) and Prime Minister of Sweden (1991-1994). He has also performed a number of international assignments, including mediation for the UN. He currently holds Board positions in both the business sector and the international non-profit sector.

Other Board assignments (a selection): Board member of Magnora AB, and the International Crisis Group.

Shareholding in the company: 0 shares

AGNETA JACOBSSON (1956)

Board member since 2015

Agneta has held senior positions in the property industry for more than 20 years. She has been the CEO of Cushman & Wakefield (formerly DTZ) in Sweden since 2006. Agneta also chairs the international accreditation organisation, RICS, and is one of the founders of the Green Building Council in Sweden. Agneta holds a degree in Surveying and Property Economics from the Royal Swedish Institute of Technology.

Other Board assignments (a selection): Chairman of FIA Software AB and Swede Property Transactions AB and Board member of AMF Fastigheter AB, Hifab Group AB and Cushman & Wakefield.

Shareholding in the company: 0 shares

JOACHIM KUYLENSTIERNA (1969)

Board member since 2013

Joachim is one of the founders of Fastator. He joined the Board of the former Aktiebolaget Fastator in 2013, and became a Board member of Fastator in 2015 through the reverse acquisition of Rehact. Joachim has been managing property projects for more than 25 years and has served as the CEO of several property companies, and plays an active role in the property industry as an entrepreneur.

Other Board assignments (a selection): Board member of Skälsö Intressenter AB with subsidiaries.

Shareholding in the company: 4 263 557 Series B shares

MATS LUNDBERG (1953)

Board member since 2011

Mats joined the Board of the former Aktiebolaget Fastator in 2011, and became a Board member of Fastator in 2015 through the reverse acquisition of Rehact. Mats has been active in the construction and property industry for more than 30 years as partner and Board member of several property companies. Mats holds a Master of Engineering from the Faculty of Engineering at Lund University.

Other Board assignments (a selection): Board member of Jyma Fastigheter i Malmö AB, S:t Petri AB and Fastighets AB Gärda.

Shareholding in the company: 4 483 595 Series B shares

ANDERS MOSSBERG (1952)

Board member since 2015

Anders has held senior positions in the financial sector for more than 20 years, including Vice President of SEB (1997-2013) and Head of SEB Trygg Liv (1990-2011). He is currently active as a consultant and Board member of several companies. Anders has studied law at Stockholm University.

Other Board assignments (a selection): Chairman of Hemgaranti24 and Board member of Eaz pac AB and WoMo of SWF Enterprise LLC.

Shareholding in the company: 0 shares

PELLE TÖRNBERG (1956)

Board member since 2015

Pelle has extensive experience in developing and leading international listed companies and has also served as the President of Metro International and CEO of MTG. He has been the Director of SeaBay Capital, venture capital company, since 2007.

Other Board assignments (a selection): Chairman of Metro and Campadre, Board member of investment company Novax. Pelle is also a member of Felix Capital's Advisory Board as well as senior adviser to Ericsson AB and Axel Johnson AB.

Shareholding in the company: 0 shares

MANAGEMENT

DANIEL HUMMEL (1971)

CEO since 2015

Daniel has a background in the financial market, with extensive experience in handling business and capital market transactions, and in organisational development and management. He was most recently at Swedbank, where his positions included Head of Swedbank Corporate Finance in Sweden, the Baltics and Russia, and Head of Strategy for Swedbank Markets. Daniel holds an MBA from Stockholm University.

Shareholding in the company: 125 000 warrants

ERIKA KVELDSTAD (1981)

CFO since 2015

Erika assumed the role of CFO at Fastator after serving as Interim CEO in the former Fastator. She was previously employed as an Authorised Public Accountant at PwC (2006-2014), specialised in the property and construction industry, and has extensive knowledge of financial and operational management, as well as property transactions. Erika serves on the Boards of Keyflow AB, and of several companies in the Offentliga Hus and Konkret Groups, respectively. Erika holds a Master's degree in Business Administration.

Shareholding in the company: 125 000 warrants

FREDRIK KLERFELT (1988)

Head of Investments since 2015, CEO of Offentliga Hus and of Konkret Fastighetsutveckling since 2014 and 2013, respectively.

Fredrik has a background in the property industry, where he has been employed as a Business Developer at Magnolia Bostad, and an analyst at Cushman & Wakefield. In addition to his role in Fastator and its holdings, Fredrik serves on the Boards of several companies in both the Offentliga Hus and Konkret Groups. Fredrik has a degree in Property and Finance from the Royal Institute of Technology, Stockholm, Sweden.

Shareholding in the company: 238 465 Series B shares, 125 000 warrants

Erika Kveldstad, Fredrik Klerfelt, Daniel Hummel

OUR HOLDINGS

Fastator currently has three major holdings: Offentliga Hus i Norden AB, GenovaFastator Holding AB and Konland AB. These companies have several underlying organisations in turn. Fastator's holdings comprise two active investments and one financed project. Fastator's total consolidated value amounts to MSEK 332.6 (244.2) and the total fair value of the properties to MSEK 70.0 (48.0).

OFFENTLIGA HUS I NORDEN AB ("OFFENTLIGA HUS")

Fastator owns 50 per cent of Offentliga Hus, which acquires and adds value to environments and properties to be let to public-sector tenants. The remaining shareholding is owned by Aerium Finance Ltd. The company's portfolio comprises 53 community service properties in 23 Swedish municipalities.

Financial overview for the 2015 financial year:

- Fastator's share of profits: MSEK 39.9 (19.4)[1]
- Consolidated value in Fastator: MSEK 200.0 (160.0)
- Accumulated return on investment: 239 per cent[2]

GENOVAFASTATOR HOLDING AB ("NACKA SICKLAÖN")

Fastator owns 50 per cent of Nacka Sicklaön, which owns a commercial property in Nacka. On 22 December, an agreement was signed with real estate company Genova Property Group on a partial sale of the holding. The handover of the shares to Genova Property Group took place on February 1, 2016. Since then, Fastator owns 50 per cent of the holding. Nacka Sicklaön is currently Fastator's only project-financing initiative, and the aim of the transaction is that Genova Property Group and Fastator will jointly convert the property into residential units. The vision is to transform the area, which today largely consists of parking space, into a vibrant urban environment.

Financial overview for the 2015 financial year:

- Fastator's share of profits: MSEK 25.7 (32.9)
- Consolidated value of Fastator: MSEK 120.6 (84.2)

KONLAND AB

Fastator owns 49 per cent of Konland AB, which manages and develops office properties in the Stockholm area. The remaining shareholding is owned by Landera AB. Konland AB owns two properties, which were consolidated on 8 April 2015.

Financial overview for the 2015 financial year:

- Fastator's share of profits (for the second to fourth quarter): MSEK 12.0
- Consolidated value in Fastator: MSEK 12.0
- Accumulated return on investment: 90 per cent[3]

OTHER HOLDINGS

Fastator also has two directly-owned property holdings: one industrial property in Skåne and six sites in Dalarö, Stockholm.

Financial overview for the 2015 financial year:

- Fastator's share of profits: MSEK 4.8 (0.1)
- Fair value of properties: MSEK 70.0 (48.0)

[1] The comparative figure includes profits from both associated companies and discontinued operations.
[2] Since 2012
[3] Since 8 April 2015.

SUMMARY OF FASTATOR'S HOLDINGS

OFFENTLIGA HUS I NORDEN AB

Fastator's holding	50%
Sales	MSEK 95.4 (66.3)
Profit from property management	MSEK 61.0 (43.1)
Profit	MSEK 62.1 (60.6)
Return on equity	22% (18)[1]
Property value	MSEK 1 542.1 (1 191.5)

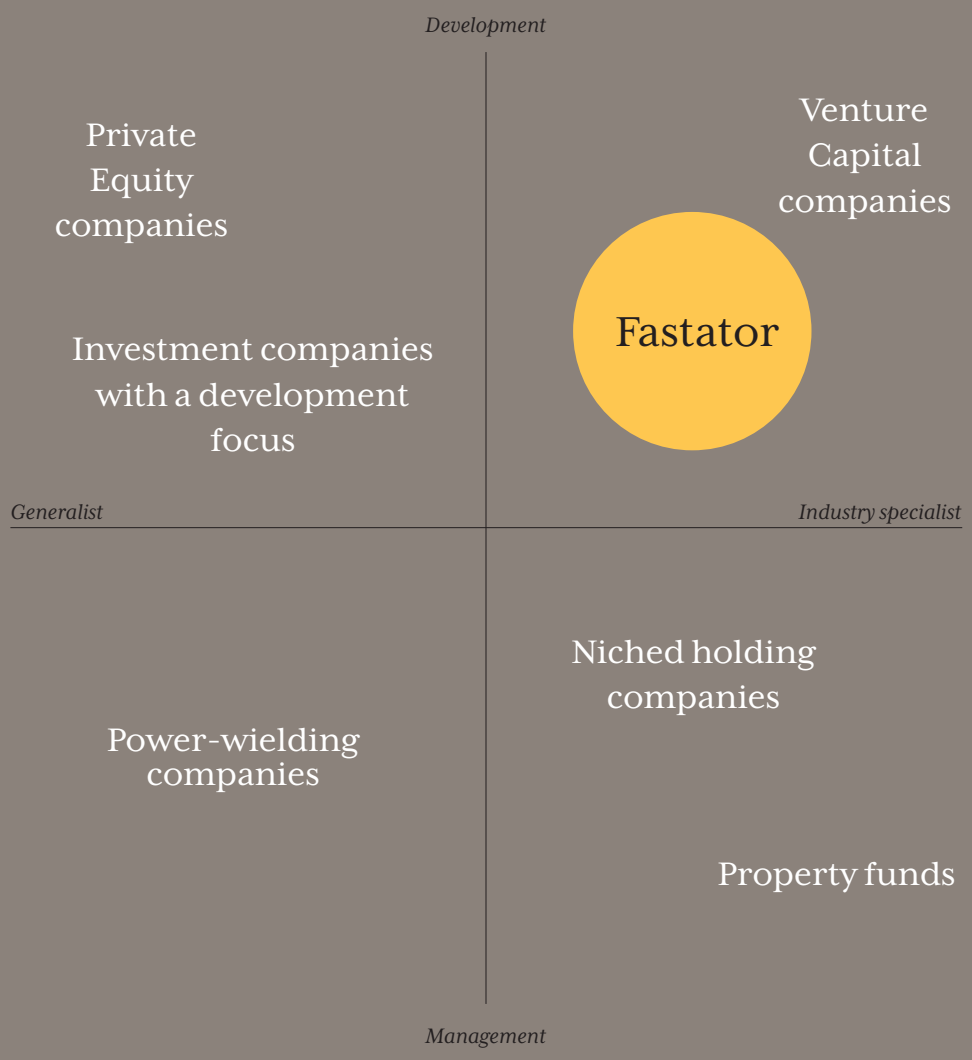
GENOVAFASTATOR HOLDING AB

Fastator's holding	100%
Sales	MSEK 4.1 (4.0)
Profit from property management	MSEK 3.4 (3.3)
Profit	MSEK 25.7 (32.9)
Return on equity	24%[1]
Property value	MSEK 180.0 (150.0)

KONLAND AB

Fastator's holding	49%
Sales	MSEK 9.6
Profit from property management	MSEK 4.1
Profit	MSEK 34.5
Return on equity	- [2]
Property value	MSEK 250

[1] Moving 12 months
[2] Acquired during 2015.


Development
Private Equity companies
Venture Capital companies
Fastator
Investment companies with a development focus
Generalist
Industry specialist
Niched holding companies
Power-wielding companies
Property funds
Management

OUR VIEW ON THE MARKET

The Nordic property market has seen extremely strong growth in recent years. 2015 was a record year for the Nordic region as a whole in terms of transaction volume, and the market grew by 36 per cent compared with 2014. Sweden continues to be the largest geographic submarket, with total sales of about SEK 151 billion in 2015.

Low interest rates, combined with increasing demand for housing units, community service properties and commercial space have laid the groundwork for profitable investments in the property sector in recent years. Until now however, property investments have primarily been restricted to individuals and institutions with large amounts of capital to invest. Individual investors have been able benefit from the value trend by purchasing shares in construction and property companies, but then they are often restricted to a particular property segment or geographic region.

> ”Our role is to exercise active ownership”

For individual investors, Fastator is a new way to gain access to the property market as a place to invest. Our market position is unique – as an investment company, we are the sole operator in our defined niche of property-related holdings in the Swedish market. Our role is to exercise active ownership. The ambition is to take positions in a portfolio that extends across several sectors and geographic areas through various financial instruments. This makes Fastator significantly different from the publicly listed property management-oriented holding companies, which have a business concept of directly owning and developing properties. Their ownership is often concentrated to a particular region or type of property.

Other investment companies in the market are generalists with significantly more diversified portfolios. These include large, powerful companies with a long history of ownership in large Nordic companies. Their focus is on asset management, with the objective of generating the highest possible long-term returns for their shareholders. Some of these companies own shares in pure property companies, but lack the industry expertise possessed by more specialised firms, and are generally not active owners.

There are also several major investment companies in the Nordic market whose strategy is to exercise more active ownership. Like Fastator, their business concept is to identify businesses with development potential, where it is possible to create value by contributing not only capital but also expertise. These investment companies include players that own shares in property-related companies. However they have broader portfolios, and none of them specialise in the property sector.

TRENDSPOTTING WITH THE BOARD

The competency of the Fastator board extends from the property industry through the financial sector to the political arena. We asked the Board members to give their own impression of the property sector of the future based on their own areas of expertise. These are the trends they have spotted.

THE PROPERTY SECTOR FROM A PUBLIC PERSPECTIVE

WHERE ARE THE GREATEST INVESTMENT NEEDS IN SWEDEN'S MUNICIPALITIES AND COUNTY COUNCILS WHEN IT COMES TO FUTURE WELFARE?

Carl Bildt: What is most important to state is that Sweden is a society that is growing. At present, the Swedish economy is going exceptionally well and Sweden, unlike most other countries, actually has a population that is growing significantly. In combination, these factors will create a need for investment in most areas.

Björn Rosengren: Sweden needs to produce more welfare for each tax krona. This is one of the reasons why we are seeing that the percentage of private operators is increasing in, for example, health and social care. With this in mind, more properties that are appropriate to community services are needed, and there is currently a shortage of these. Recently, many welfare companies have decided to build properties to enable them to provide care on a proprietary basis rather than on contract to the municipalities. This is an indication that investments in community service properties will continue to increase.

WHAT DRIVING FORCES AT A SOCIAL OR POLITICAL LEVEL WILL INFLUENCE CONSTRUCTION AND THE PROPERTY SECTOR IN THE FUTURE?

Carl Bildt: The single largest challenge that we are facing at present is how to integrate all of the refugees who have sought a haven in our country. In this area, we must become much better than we have been to date; otherwise, what promises to be significant potential today could become a significant problem in the future. It's all about mobilising the talents that come to our country and making sure that we have a society that also gives them opportunities. And this must be accomplished at the same time as increasing demands for care and quality of life will come from what is otherwise an aging Swedish population.

Björn Rosengren: Digitalisation is definitely the driving force that will have the greatest impact on our society. We are talking about the fourth industrial revolution after steam, conveyor belts and robots. All companies and operations will need to adapt their strategies to this in order to face both opportunities and threats. The first company in the property sector to leverage the opportunities provided by digitalisation will be the winner.

THE PROPERTY SECTOR FROM AN ENTREPRENEURIAL PERSPECTIVE

WHAT FACTORS AND PLAYERS WILL DRIVE CHANGE IN THE PROPERTY MARKET IN THE NEXT FEW YEARS?

Joachim Kuylenstierna: The property market is very financially oriented, and will be even more so in the future. Strong owners and financial structures are currently more important than real estate knowledge. Many companies are growing rapidly and only see volume as a goal. Possessing only limited real estate knowledge may work in a bull market, but when the market turns – which it always does – local expertise and real estate knowledge to the nth degree will be needed. Having the right partner and the right expertise in the right market is just as important as having the right capital structure.

Agneta Jacobsson: Today's property market is affected greatly by the prevailing historically low level of interest rates. Globally, we see a lot of money that has to be invested, at the same time as we have a precarious situation in the world. Properties are thus becoming an attractive investment. In times of unrest, it should be countries with a transparent and liquid property market that are most attractive – such as the Nordic countries. The players will probably be the same as today, but to find attractive investment objects, it is necessary to be creative and to see opportunities in the market that others fail to see.

”Digitalisation is definitely the driving force that will have the greatest impact on our society”

Björn Rosengren

”Sweden, unlike most other countries, actually has a population that is growing significantly”

Carl Bildt

WHAT ARE THE PRINCIPAL TRENDS IN THE PROPERTY MARKET?

Joachim Kuylenstierna: That everyone wants to build housing and that the capital needed for expansion is coming more from new capital markets than from the traditional banks. Another positive trend is that many new young home builders understand the value of architecture. The old engineer-dictated companies are still stuck in the quest for cheap materials and efficient layouts.

Agneta Jacobsson: Demography is of vital importance for demand in all segments. Large-scale immigration, urbanisation and the age structure are having a considerable impact on the need for homes and premises. The environmental issue will remain important and influence the choices made by tenants. When it comes to offices, the location and floor area are no longer equally as important. The design of premises is becoming a feature of the business development and branding of companies. Concept development is becoming increasingly important in the retail sector and for hotels.

Mats Lundberg: Digitalisation will have a powerful impact on the property market in the long term – not least the market for retail space. Online shopping is growing by the year, and we are seeing a tendency whereby many inner-city stores are disappearing and being replaced by cafés and the like. When it comes to office properties, the new trend of open landscapes without fixed spaces will make it more difficult to let traditional offices with high rents per workplace. Against this, however, is the criticism that is coming from many directions about the unhealthy work environments that prevail in many of the large offices.

THE PROPERTY SECTOR FROM A FINANCIAL PERSPECTIVE

WHY DO PROPERTY-RELATED INVESTMENTS CONTINUE TO BE ATTRACTIVE?

Anders Mossberg: Property-related investments are possibly more attractive now than ever, since the alternatives either generate very low yields (bonds) or are highly risky (volatile stock markets). Property investments as an investment vehicle generate a healthy yield at the same time as the risk associated with the underlying property asset serves as a balance to a pure stock portfolio.

Pelle Törnberg: A distinct pattern has emerged in the global economy whereby the value of properties rises when productivity in the corporate sector increases. At a time when it is possible to produce essentially all goods and services at progressively lower costs, the value of fixed assets such as land and buildings rises. In other words, it is not only cyclical factors, such as increasing demand for premises, that are making the property sector attractive from an investment viewpoint, but also structural factors.

WHAT ROLE SHOULD SHARES IN PROPERTY COMPANIES PLAY IN A WELL-BALANCED STOCK PORTFOLIO FOR SHARE SAVERS?

Anders Mossberg: In today's turbulent world, with concerns about how financial markets will develop, allocation between asset classes is the most important factor for a successful portfolio strategy. All investors have to endeavour to find a balance in their portfolio, in order to optimise the return in relation to the risk they are prepared to take. Property-related assets are, and have always been, a given cornerstone in such a portfolio strategy.

Pelle Törnberg: Not putting all of one's eggs in the same basket is important for all investors, not least for small-scale share savers, who should aim for moderate risk exposure. Today, of course, most households have their savings in their own home, but it is important to spread one's savings. In such a situation, I believe that it is worth looking at a share in an investment company with broad exposure to various property-related holdings.

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A REVIEW OF THIS YEAR'S FINANCES

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FINANCIAL INFORMATION

CONSOLIDATED KEY FIGURES

	2015	2014
Return on equity, %	21.1%	13.8%
Equity/assets ratio, %	78.2%	69.6%
Key figures per share		
Share price on balance-sheet date, SEK	27.10	1)
Dividend, SEK	-	-
Net asset value, KSEK	437,470	307,132
Net asset value per share after dilution, SEK	31.09	25.59
Earnings per share after dilution SEK	6.44	5.01
Avarage no. of shares outstanding		
- before dilution	12,288,314	11,999,999
- after dilution	12,302,435	11,999,999
No. of shares outstandning		
- before dilution	14,020,321	11,999,999
- after dilution	14,072,915	11,999,999

1) Not relevant information, since the company has changed its business operations

ADMINISTRATION REPORT

The Board of Directors and the CEO of Aktiebolaget Fastator (publ) ("Fastator"), Corp Reg No 556678-6645, Östermalmstorg 5, SE-114 42 Stockholm, hereby submit the annual report for 2015. During 2015, the Company's name was changed from Rehact AB to Aktiebolaget Fastator (publ).

FASTATOR'S OPERATIONS

Fastator is an investment company focusing on the property sector. We finance property projects and invest in property-related companies in which our expertise, market knowledge, financial strength and experience can help to generate value, for the benefit of owners, entrepreneurs, other financiers, employees and society at large.

The shareholding in our investments is usually between 10 per cent and 50 per cent and ultimately amounts to at least MSEK 50 per investment. Fastator has no explicit exit strategy; we evaluate our portfolio continuously, on the basis of active ownership. We are not limited to investing in a specific segment of the property market or geographic area; we invest where we see the greatest business potential at any given time.

At year-end, Fastator's holdings mainly comprised two corporate investments, and one financed project.

COMPANY	FASTATOR'S HOLDING
Offentliga Hus i Norden AB	50%
GenovaFastator Holding AB	100%
Konland AB	49%

SIGNIFICANT EVENTS DURING THE YEAR

Acquisitions

- On 24 September 2015, Fastator acquired Rehact AB through a non-cash issue, which gave shareholders in the former Fastator a controlling interest in Aktiebolaget Fastator (publ). The acquisition reflected a change in Fastator's operational focus, towards becoming a dedicated investment company with a focus on supporting companies and entrepreneurs in the development of innovative property-related projects.
- In the second quarter, Fastator signed an agreement with Landera AB. The agreement entails that Fastator is part-owner of two office properties in central Stockholm through the joint company Konland AB. Konland's investment in the property-owning companies was MSEK 101.

Divestment

- In November, Rehact's previous operation, comprising development and sales of climate systems, was divested. The divestment had no impact on earnings.
- Fastator signed an agreement to divest 50 per cent of its shares in Konkret Fastighetsutveckling i Nacka AB to Genova Property Group. The aim of the transaction is that Genova Property Group and Fastator will jointly convert the property into housing units. The purchase consideration was MSEK 151, which corresponds to the consolidated value of the company following a reversal of deferred tax. The purchase consideration comprised a payment of MSEK 10 in cash, with the remaining consideration comprising one preference share in the new holding company GenovaFastator Holding AB. Handover took place on 1 February 2016.

CONSOLIDATED EARNINGS

Fastator's profit for 2015 amounted to MSEK 79.2 (62.1) and earnings per share after dilution amounted to SEK 6.44 (5.01). The higher reported earnings were primarily due to a positive change in the value of the underlying holdings. Earnings include profit of MSEK 52.1 (48.1) from associated companies and of MSEK 4.9 (0.0) from other investments. In addition, profit from operations that have been, or will be fully or partly, discontinued amounted to MSEK 25.7 (12.8).

CONSOLIDATED CENTRAL COSTS

Fastator's central costs and financial items for the period amounted to MSEK –3.2 (1.2), comprising administration expenses of MSEK -4.7 (-1.2) and financial income of MSEK 1.5 (2.4). The increase in administration expenses was mainly due to higher costs for temporary resources, and non-recurring costs attributable to the acquisition of Rehact AB.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Cash flow from operating and investing activities amounted to MSEK 20.6 (-43.3) and the Fastator Group's cash and cash equivalents at the end of the period to MSEK 4.9 (3.0). Interest-bearing liabilities amounted to MSEK 42.9 (103.9). The Group's equity/assets ratio was 78.2 per cent (69.5). The Board of Directors received authorisation from the Annual General Meeting (AGM) on 14 December 2015 to decide on new share issues amounting to a combined subscription price of MSEK 100. The authorisation has not been utilised and remains valid until the AGM on 10 May 2016.

EVENTS AFTER BALANCE-SHEET DAY

Fastator appointed Erik Penser Bankaktiebolag as its new Certified Adviser as of 1 February 2016.

PARENT COMPANY'S EARNINGS

The Parent Company's result before tax for the period amounted to MSEK -13.1 (-8.5) and its cash and cash equivalents to MSEK 1.7 (13.8). The Parent Company's operations mainly comprised development and sales of climate systems. The change in earnings was mainly attributable to a total impairment loss of MSEK -4.2 on intangible and financial assets. In November 2015, Rehact's previous operation was divested. The divestment had no impact on earnings. During 2015, the Parent Company's equity changed by MSEK 311.5 (-2.3), of which net profit for the year accounted for MSEK 13.1 (-8.5). The Parent Company implemented both a new share issue and a non-cash issue, and also converted warrants, which contributed MSEK 324.6 (6.1) to equity.

EMPLOYEES

The CEO, the CFO and the Head of Accounting are employed in the Parent Company.

Otherwise, the company and the Group have no employed staff and instead purchase all central administration from the associated company OH Management AB. The Fastator Group and Aerium Finance Ltd each own 50 per cent of OH Management AB.

ACCOUNTING POLICIES

The Board of Directors has decided that, in the future, Fastator's financial statements are to be prepared in accordance with International Financial Reporting Standards (IFRSs). Accordingly, this annual report comprises the first annual accounts to be prepared in accordance with IFRS. The main effect of changing to IFRS is that properties and associated companies are measured at fair value. The effects of the transition to IFRS are shown in Note 30.

RISKS AND UNCERTAINTIES

Fastator finances property projects and invests in property-related companies. The operations entail risks attributable to both Fastator and the holdings. These primarily consist of market, business and transaction-related risks and may include general risks, such as events in the business environment and macroeconomic trends, as well as company and industry-specific risks. Fastator's future financial performance is largely dependent on the success of and returns on the underlying holdings, which is also partly dependent on how successfully the Management Team and Board of Directors develop the holdings and implement value-generating initiatives.

In addition, Fastator is exposed to various financial risks, primarily related to loans, accounts receivable and accounts payable. The financial risks are financing risk, interest-rate risk and credit risk. It is also essential that Fastator has the ability to attract and retain employees with the right expertise and experience.

FUTURE OUTLOOK

As a result of Fastator's new operational orientation, the focus over a period of time in the future will be on evaluating and implementing new investments. The capital requirement in the property sector and associated industries is currently considerable and Fastator is of the opinion that this will be the case throughout 2016. In combination with strong underlying demand in the property sector, this bodes well for there continuing to be a large flow of investment opportunities for Fastator.

Fastator has entered a build-up phase, during which the organisation needs to be adjusted to the new operational orientation. As a consequence of this, a number of recruitments have to be made, primarily in order to strengthen the investing activities. Another prerequisite for the new operational orientation is that cash and cash equivalents are available for funding investments. With this in mind, Fastator will take actions during the year to raise capital in the capital market.

SHARE AND OWNERSHIP STRUCTURE

- In May 2015, 2,000,000 new shares were issued at a price of SEK 12.80 each. The registered share capital thus rose by SEK 400,000.
- The acquisition of Rehact AB was carried out through a non-cash issue of 95,999,993 new shares in the company, valued at SEK 3.00 per share. The non-cash issue resulted in dilution of the holdings of existing shareholders by about 93 per cent of the capital and 88 per cent of the votes. In conjunction with the acquisition, Rehact AB was renamed Aktiebolaget Fastator (publ). The name of Aktiebolaget Fastator was changed via Rehact AB to Vivskä AB.
- On 28 September, the company's shares were merged, whereby eight shares became one.
- On 14 December an Extraordinary General Meeting (EGM) resolved to issue 650,000 warrants, of which 500,000 were transferred at a price of SEK 2.45 each. Accordingly, MSEK 1.25 was contributed to equity. The same EGM resolved to issue 1,145,145 Class B shares at a subscription price of SEK 27.66 per share, contributing MSEK 1.8 to equity.

Share capital

The share capital in Fastator on 31 December 2015 amounted to SEK 20,600,282.

The Fastator Share

- Total number of Class A shares at year-end: 77,988
- Totalt number of Class B shares at year-end: 12,797,188
- Number of shares under registration: 1,145,145
- **Totalt number of shares: 14,020,321**

Fastator's Class B share

Earnings per share after dilution amounted to SEK 6.44 (5.01) for the period. The closing price at 31 December was SEK 27.10.

Dividend policy

The Board of Directors does not intend to propose a dividend within the next year. The intention is that any profits will reinvested in the business. The Board of Directors intends to reassess the adopted dividend policy on an annual basis.

Ownership Structure

Fastator's ten largest shareholders at 31 December 2015 are presented below.

OWNER	SHARE OF EQUITY %	VOTES%
Mats Invest AB	31.98%	30.45%
Skälsö Intressenter AB	30.41%	28.96%
MELBYE INVEST APS	5.38%	5.13%
Danica Pension	4.54%	4.32%
Staffan Heiner Beckett	4.23%	4.03%
Banque Internationale A Luxembourg	4.19%	3.99%
Ulf Adelsohn	4.19%	3.99%
Mats Thore Axel AB	4.05%	3.86%
Fredrik Klerfelt	1.70%	1.62%
Joakim Orthen	1.11%	2.02%
Total	**91.80%**	**88.37%**

Net asset value

At 31 December 2015, Fastator's net asset value totalled MSEK 437.5, corresponding to SEK 31.09 per share.

BOARD OF DIRECTORS

In accordance with the Articles of Association, the Board of Directors should consist of no fewer than three and no more than seven members with a maximum of seven deputies. The Board members are elected at the Annual General Meeting (AGM). The CEO is appointed by the Board. The Board must hold a constitutional meeting every year after the AGM, and hold additional meetings as needed. Issues that have to be addressed

at the constitutional meeting include appointing the Chairman of the Board if this was not done at the Annual General Meeting, appointing the authorised signatory and reviewing and approving the Rules of Procedure. Board meetings ordinarily consider the company's financial situation and issues of major financial importance, matters of principle or other issues of major importance to the company. The CEO regularly reports on the business outlook and strategic issues. According to the Rules of Procedure, there is a quorum when more than half of the Board members attend a meeting.

Daniel Hummel became the new CEO of Fastator on 1 December 2015. He succeeded Erika Kveldstad,who was the Interim CEO. Erika Kveldstad then took up a new role as CFO.

Fastator's Board of Directors held ten meetings during the year.

SHAREHOLDERS' MEETINGS

The 2015 AGM was held on 17 June 2015. Resolutions adopted at the 2015 AGM include the following:

- To pay a fee of four times the base amount to the Chairman of the Board and twice the base amount to each Board member.
- Choice of audit firm: PricewaterhouseCoopers (PwC).
- To establish guidelines for remuneration of senior executives.
- To authorise the Board of Directors to decide on the new issue of shares/warrants and/or convertibles, before the next AGM, within the scope of the current Articles of Association.
- Election of a new Board, consisting of Mats Hulth, Ulf Adelsohn, Joachim Kuylenstierna, Mats Lundberg and Svante Norrestad Bengtsson.
- Amendment of the Articles of Association to permit a merger of shares whereby eight existing shares are to be merged into one new share.

An Extraordinary General Meeting (EGM) was held on 14 December. The EGM adopted the following resolutions:

- To elect a new Board consisting of seven members: Björn Rosengren, Anders Mossberg, Agneta Jacobsson, Pelle Törnberg and Carl Bildt for the period until the next AGM, and to relieve Ulf Adelsohn, Mats Hulth and Svante Norrestad Bengtsson of their duties.
- To authorise the Board, on one or more occasions prior to the next AGM, with or without disapplication of the shareholders' preferential rights, to make decisions regarding new issue of Class B shares. The authorisation was to apply to the issue of shares for a total subscription price not exceeding MSEK 100.
- To issue 650,000 warrants. Of these warrants, 500,000 were subsequently transferred to the company's senior executives Joakim Orthen, Fredrik Klerfelt, Erika Kveldstad and Daniel Hummel for SEK 2.45 per warrant. This contributed MSEK 1.25 to consolidated equity.
- To issue 1,145,145 Class B shares at a subscription price of SEK 27.66 per subscribed share through an offset issue. Accordingly, MSEK 1.8 was contributed to equity.
- Variable remuneration to senior executives may not exceed 200 per cent of the executive's fixed annual salary.

BOARD' PROPOSED RESOLUTION ON GUIDELINES FOR COMPENSATION OF SENIOR EXECUTIVES

The Board proposes that the AGM on 10 May 2016 resolve to make no amendments to the principles regarding remuneration of senior executives that were adopted at the EGM held on 14 December 2015.

PROPOSAL FOR DISTRIBUTION OF PROFITS (SEK)

The Board of Directors proposes that the available funds:

- Retained earnings	314,106,859
- Profit for the year	- 13,091,292
Total	**301,015,567**

be appropriated as follows:

- To be carried forward	301,015,567
Total	**301,015,567**

CONSOLIDATED INCOME STATEMENT

KSEK	Note	2015	2014
Continuing operations			
Net sales	4	3,504	980
Other operating revenue	4	3,078	4,689
Total revenue		**6,582**	**5,669**
Employee benefit expenses	5	-3,364	-3,089
Other operating expenses	6	-5,037	-3,082
Depreciation of equipment	14	-171	-21
Changes in value of properties	12	4,000	-213
Profit/loss from associated companies	16	52,105	48,076
Operating profit/loss		**54,115**	**47,340**
Financial items			
Profit from participation in Group companies		-9	-
Financial income	8	3,399	3,949
Financial expenses	9	-2,574	-1,806
Total financial items		816	2,143
Profit/loss before tax		**54,931**	**49,483**
Income tax	10	-1,484	-146
Profit from continuing operations for the period		**53,447**	**49,337**
Discontinued operations			
Profit from discontinued operations	10, 12, 26	25,738	12,760
Profit/loss for the period		**79,185**	**62,097**
Profit/loss attributed to:			
Parent Company shareholders		79,185	60,128
Non-controlling interests		-	1,969
Total		**79,185**	**62,097**
The above income statement is to be read with the enclosed notes			
Earnings per share			
Earnings per share before dilution, SEK			
Earnings per share from continuing operations attributed to the Parent Company shareholders	27	4.35	4.11
Earnings per share from the discontinued operations attributed to Parent Company shareholders	27	2.09	0.90
Total earnings per share after dilution attributable to Parent Company shareholders	**27**	**6.44**	**5.01**
Earnings per share after dilution, SEK			
Earnings per share from continuing operations attributable to the Parent Company shareholders	27	4.35	4.11
Earnings per share from discontinued operations attributable to Parent Company shareholders	27	2.09	0.90
Total earnings per share after dilution attributable to Parent Company shareholders	**27**	**6.44**	**5.01**
Average no. of shares outstanding before dilution	27	12,288,314	11,999,999
Average no. of shares outstanding after dilution	27	12,302,435	11,999,999

The above income statement is to be read with the enclosed notes.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

KSEK	2015	2014
Profit/loss for the period	79,185	62,097
Other comprehensive income	-	-
Total comprehensive income/loss	**79,185**	**62,097**
Total comprehensive income for the period attributable to:		
Parent Company shareholders	79,185	60,128
Non-controlling interests	-	1,969
Total	**79,185**	**62,097**

CONSOLIDATED BALANCE SHEET

KSEK	Note	31 Dec 2015	31 Dec 2014	01 Jan 2014
ASSETS				
Fixed assets				
Tangible assets				
Investment properties	12	70,050	198,000	110,000
Construction in progress	13	2,680	190	-
Equipment	14	910	40	62
Total property, plant and equipment		**73,640**	**198,230**	**110,062**
Financial fixed assets				
Interests in associated companies	16	212,303	160,074	-
Receivables from associated companies	17, 25	74,279	61,000	-
Other non-current receivables	17	-	1,530	-
Total financial fixed assets		**286,582**	**222,604**	-
Total fixed assets		**360,222**	**420,834**	**110,062**
Current assets				
Accounts receivable	17,18	2,393	3,276	101
Receivables from associated companies	17, 25	6,565	22,172	-
Other current receivables		2,653	196	971
Prepaid expenses and accrued income	19	292	155	163
Cash and cash equivalents	17,20	4,897	2,999	922
		16,800	28,798	2,157
Assets held for sale	26	182,110	-	1,232,088
Total current assets		**198,910**	**28,798**	**1,234,245**
TOTAL ASSETS		**559,132**	**449,632**	**1,344,307**

Continutaion on following page

CONSOLIDATED BALANCE SHEET cont.

KSEK	Note	31 Dec 2015	31 Dec 2014	01 Jan 2014
EQUITY AND LIABILITIES				
Equity				
Share capital	28	22,433	999	866
Other contributed capital		111,460	81,741	366,675
Retained earnings including profit for the year		303,577	224,392	219,420
Equity attributable to Parent Company shareholders		**437,470**	**307,132**	**586,961**
Non-controlling interests		-	5,606	3,078
Total shareholders' equity		**437,470**	**312,738**	**590,039**
Non-current liabilities				
Deferred tax liabilities	10	1,023	23,805	14,738
Non-current liabilities to credit institutions	17, 21	27,832	-	29,137
Other non-current liabilities	17, 21	13,718	43,930	37,443
Total non-current liabilities		**42,573**	**67,735**	**81,318**
Current liabilities				
Convertible debentures	17, 21	8,246	-	-
Current liabilities to credit institutions	17, 21	864	57,938	1,050
Accounts payable	17	1,563	1,565	612
Liabilities to associated companies	17, 25	2,429	4,053	-
Current tax liability		280	668	313
Other current liabilities	17, 21	2,538	2,956	633
Accrued expenses and prepaid income	22	3,057	1,979	1,039
		18,977	69,159	3,647
Liabilities that are directly connected with assets held for sale	26	60,112	-	669,303
Total current liabilities		**79,089**	**69,159**	**672,950**
TOTAL EQUITY AND LIABILITIES		**559,132**	**449,632**	**1,344,307**
Memorandum items				
Pledged assets	23	200,083	161,058	-
Contingent liabilities	24	90,037	-	-

The above balance sheet is to be read with the enclosed notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Parent Company shareholders						
KSEK	**Share capital**	**New issue in progress**	**Other contributed capital**	**Profit brought forward**	**Total**	**Non-controlling interests**	**Total shareholders' equity**
Opening balance as of 1 January 2014	**845**	**21**	**366,675**	**219,420**	**586,961**	**3,078**	**590,039**
Net profit for the year	-	-	-	60,128	60,128	1,969	62,097
Other comprehensive income for the year	-	-	-	-	-	-	-
Total comprehensive income	**-**	**-**	**-**	**60,128**	**60,128**	**1,969**	**62,097**
New issue in progress 2013	21	-21	-	-	-	-	-
New issue	133	-	-133	-	-	-	-
Redemption of shares in the acquired company	-	-	-350,542	-	-350,542	-	-350,542
Dividend paid	-	-	-	-55,000	-55,000	-	-55,000
Group contributions	-	-	-	-200	-200	-	-200
Tax on Group contributions	-	-	-	44	44	-	44
Non-cash issue	-	-	-	-	-	-	-
Issue expenses	-	-	-	-	-	-	-
Shareholders' contribution	-	-	65,741	-	65,741	559	66,300
Transactions with shareholders, recognised directly in equity	**154**	**-21**	**-284,934**	**-55,156**	**-339,957**	**559**	**-339,398**
Closing balance as of 31 December 2014	**999**	**-**	**81,741**	**224,392**	**307,132**	**5,606**	**312,738**
Profit for the year	-	-	-	79,185	79,185	-	79,185
Other comprehensive income for the year	-	-	-	-	-	-	-
Total comprehensive income	**-**	**-**	**-**	**79,185**	**79,185**	**-**	**79,185**
New share issue	400	-	-400	-	-	-	-
Conversion of convertibles	1	-	-1	-	-	-	-
Non-cash issue	19,200	-	5,606	-	24,806	-5,606	19,200
Offset issue	1,833	-	29,842	-	31,675	-	31,675
Warrants	-	-	1,226	-	1,226	-	1,226
Issue expenses	-	-	-6,554	-	-6,554	-	-6,554
Transactions with shareholders, recognised directly in equity	**21,434**	**-**	**29,719**	**-**	**51,153**	**-5,606**	**45,547**
Closing balance as of 31 December 2015	**22,433**	**-**	**111,460**	**303,577**	**437,470**	**-**	**437,470**

The above statement of changes in equity is to be read with the enclosed notes.

STATEMENT OF CASH FLOW FOR THE GROUP

KSEK	Note	2015	2014
Cash flow from continuing operations			
Operating profit	26, 29	87,563	90,618
Depreciation/amortisation		171	21
Other non-cash items	29	-86,105	-87,863
Interest received		3,399	3,951
Interest paid		-1,551	-6 987
Income taxes paid		-776	520
Cash flow from operating activities before changes in working capital		**2,701**	**260**
Cash flow from changes in working capital			
Increase (–)/decrease (+) in current receivables		10,125	-2,886
Increase (+)/decrease (–) in current liabilities		194	7,243
Cash flow from operating activities	**29**	**13,020**	**4,617**
Cash flow from investing activities			
Investment in properties	12,13	-20,731	-48,402
Investment in equipment	14	-1,041	-
Investments in associated companies	16	-125	-
Divestment of subsidiaries	26	-	55,000
Investment in other financial receivables	17	-13,279	-54,520
Repayment of other financial receivables	17	1,531	-
Cash flow from investing activities	**29**	**-33,645**	**-47,922**
Cash flow from financing activities			
Shareholders' contribution		-	66,300
Dividends paid		-	-55,000
Warrants	28	1,225	-
Non-cash issue	28	19,200	-
Issue expenses		-6,554	-
Increase/decrease in current financial liabilities	21	-57,938	-1,050
Group contributions paid		-	-156
New loans		75,698	35,288
Repayment of loans		-9,108	-
Cash flow from financing activities	**29**	**22,523**	**45,382**
Increase/decrease in cash and cash equivalents			
Cash flow for the period		1,898	2,077
Cash and cash equivalents, 1 January		2,999	922
Cash and cash equivalents at end of the period	**20**	**4,897**	**2,999**

The above statement of cash flow is to be read with the enclosed notes.

PARENT COMPANY INCOME STATEMENT

KSEK	Note	2015	2014
Net sales		175	-
Other operating revenue		262	480
Total revenues		**437**	**480**
Expenses for employee benefits	5	-2,666	-3,382
Other operating expenses	6	-5 ,525	-3,792
Depreciation/amortisation and impairment of tangible and intangible assets	11	-621	-89
Operating loss		**-8,375**	**-6,783**
Financial items			
Loss from receivables that are financial assets	7	-3,626	-673
Other interest income and similar profit/loss items	8	75	60
Interest expenses and similar items	9	-1,129	-1,082
Total financial items		-4,680	-1,695
Loss before tax		-13,055	-8,478
Tax	10	-36	-
Loss for the period		**-13,091**	**-8,478**

The above income statement is to be read with the enclosed notes.

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

KSEK	2015	2014
Loss for the period	-13,091	-8,478
Other comprehensive income	-	-
Total comprehensive loss	**-13,091**	**-8,478**

PARENT COMPANY'S BALANCE SHEET

KSEK	Note	2015-12-31	2014-12-31
ASSETS			
Fixed assets			
Intangible fixed assets	11		
Capitalised expenditure for development work		-	2,132
Patent rights		-	901
Brands		-	9
Total intangible fixed assets		**-**	**3,042**
Tangible assets			
Investment properties	12	10,229	10,229
Construction in progress	13	2,680	1,095
Equipment	14	-	-
Total property, plant and equipment		**12,909**	**11,324**
Financial fixed assets			
Participation in Group companies	15	321,527	-
Interests in associated companies		-	663
Other non-current receivables		-	3,626
Total financial fixed assets		**321,527**	**4,289**
Total fixed assets		**334,436**	**18,655**
Current assets			
Current receivables			
Accounts receivable	18	272	-
Receivables from Group companies		3,003	-
Current tax assets		-	28
Other current receivables		5,929	166
Prepaid expenses and accrued income	19	277	81
Total current receivables		**9,481**	**275**
Cash and cash equivalents	20	1,664	13,781
Total current assets		**11,145**	**14,056**
TOTAL ASSETS		**345,581**	**32,711**

Continuation on following page

PARENT COMPANY'S BALANCE SHEET cont.

KSEK	Note	2015-12-31	2014-12-31
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	28	20,600	999
Unregistered share capital	28	1,833	-
Total restricted equity		**22,433**	**999**
Unrestricted equity			
Share premium reserve		335,870	32,739
Loss carried forward		-21,763	-13,285
Net loss for the year		-13,091	-8,478
Total unrestricted equity		**301,016**	**10,976**
Total shareholders' equity		**323,449**	**11,975**
Non-current liabilities			
Deferred tax liabilities	10	36	-
Convertible debentures	17, 21	-	8,420
Other liabilities to credit institutions	21	760	760
Other non-current liabilities	21	9,718	9,718
Total non-current liabilities		**10,514**	**18,898**
Current liabilities			
Convertible debentures	17, 21	8,246	-
Accounts payable		1,629	538
Current tax liability		1	-
Other current liabilities		145	257
Accrued expenses and prepaid income	22	1,598	1,043
Total current liabilities		**11,619**	**1,838**
TOTAL EQUITY AND LIABILITIES		**345,582**	**32,711**
MEMORANDUM ITEMS			
Pledged assets	23	-	-
Contingent liabilities	24	-	-

The above balance sheet is to be read with the enclosed notes.

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

	Restricted equity		Unrestricted equity		
KSEK	**Share capital**	**Unregistered share capital**	**Premium reserve**	**Profit brought forward**	**Total share-holders' equity**
Opening balance as of 1 January 2014	**845**	**21**	**26,712**	**-13,284**	**14,294**
Net loss for the year	-	-	-	-8,478	-8,478
New share issue in progress 2013	21	-21	-	-	-
New share issue	133	-	7,099	-	7,232
Issue expenses	-	-	-1,073	-	-1,073
Closing balance as of 31 December 2014	**999**	**-**	**32,738**	**-21,762**	**11,975**
Net loss for the year	-	-	-	-13,091	-13,091
New share issue	400	-	2,800	-	3,200
Conversion of warrants	1	-	109	-	110
Non-cash issue	19,200	-	268,800	-	288,000
Offset issue	-	1,833	29,842	-	31,675
Warrants	-	-	1,593	-	1,593
Issue expenses	-	-	-13	-	-13
Closing balance as of 31 December 2015	**20,600**	**1,833**	**335,869**	**-34,853**	**323,449**

PARENT COMPANY STATEMENT OF CASH FLOWS

KSEK	Note	2015	2014
Operating loss		-8,375	-6,783
Amortisation and impairment of intangible assets	11	621	88
Interest received		51	60
Interest paid		-778	-931
Income taxes paid		1	-11
Cash flow from operating activities before changes in working capital		**-8,480**	**-7,577**
Cash flow from changes in working capital			
Increase (–)/decrease (+) in current receivables		-7,182	11,503
Increase (+)/decrease (–) in current liabilities		1, 346	385
Cash flow from operating activities		**-14,316**	**4,311**
Cash flow from investing activities			
Investment in intangible assets	11	-579	-561
Divestment of intangible assets	26	1,000	-
Investment in properties		-	-10,229
Investment in construction in progress	13	-1,585	-1,095
Investment in subsidiaries		-1,853	-
Divestment of interests in associated companies		663	-
Cash flow from investing activities		**-2,354**	**-11,885**
Cash flow from financing activities			
New share issue		4,781	6,171
New loans		-	9,718
Repayment of loans		-228	-450
Cash flow from financing activities		**4,553**	**15,439**
Increase/decrease in cash and cash equivalents			
Cash flow for the period		-12,117	7,865
Cash and cash equivalents, 1 January		13,781	5,916
Cash and cash equivalents at end of the period	**20**	**1,664**	**13,781**

The above statement of cash flows is to be read with the enclosed notes.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. GENERAL INFORMATION

Aktiebolaget Fastator AB (publ) "Fastator" (corporate registration number 556678-6645), is a public limited company registered in Sweden. Fastator has been registered on First North since 2012.

The company's registered office is in Stockholm. The company is the Parent Company of the Fastator Group, whose principal operation is to invest in property-related companies. More information about the company's operations and significant events is presented in the Administration Report. The Parent Company's functional currency is Swedish kronor (SEK). Unless otherwise stated, all figures are presented in thousands of kronor (KSEK).

The operations of the Parent Company consist solely of Group-coordinating duties and its assets mainly comprise shares and participations in property-owning subsidiaries. The Annual Report and the consolidated financial statements were approved by the Board of Directors on 8 April 2016 and will be subject to adoption by the AGM on 10 May 2016.

NOTE 2. SUMMARY OF IMPORTANT ACCOUNTING POLICIES

The most important accounting policies applied in the preparation of these consolidated financial statements are described below. Unless otherwise stated, these policies have been consistently applied to all years for which accounts are stated.

2.1 Basis for preparing the reports

The consolidated financial statements for the Fastator Group have been prepared in accordance with the Swedish Annual Accounts Act, RFR 1 Supplementary Accounting Rules for Groups, International Financial Reporting Standards (IFRS) and interpretations by the IFRS Interpretations Committee (IFRS IC) as adopted by the EU.

The consolidated financial statements have been prepared on a going concern basis. Assets and liabilities are measured at cost, except for investment properties and certain financial assets and liabilities, which are measured at fair value.

The principal accounting policies applied in the preparation of the consolidated financial statements are described below. Unless otherwise stated, these policies have been consistently applied to all presented years.

According to Chapter 3, Section 4a and Chapter 4, Section 14b of the Swedish Annual Accounts Act (1995:1554), companies that are not encompassed by EC Regulation (1606/2002) on the application of international accounting standards may choose to prepare their consolidated accounts in accordance with International Financial Reporting Standards (IFRS), as approved by the European Union (the EU). Fastator's Board has decided that the consolidated financial statements are to be prepared in accordance with these standards as of the 2015 financial year.

This is the first annual report for the Fastator Group to be prepared in accordance with IFRS. The accounting policies set out in Note 2 were applied when the consolidated financial statements were prepared as per 31 December 2015, to the comparative information presented as per 31 December 2014, and to the preparation of the statement of the period's opening financial position (opening balances) as per 1 January 2014 (the Group's date of transition to IFRS).

When preparing the opening IFRS balance sheet, all amounts recognised in previous annual financial statements in accordance with the Swedish Accounting Standards Board were adjusted. The Group is required to restate equity and total comprehensive income recognised under previous accounting policies for preceding periods into the corresponding IFRS classification. This restatement is presented in Note 30.

The Parent Company applies the same accounting policies as the Group, subject to the exceptions and additions stated in the recommendation issued by the Financial Reporting Board, RFR 2 Accounting for Legal Entities. This means that IFRSs are applied, except for the deviations described below in the section Parent Company's accounting policies. The Parent Company's functional currency is SEK, which is also the presentation currency for both the Parent Company and the Group.

All amounts, unless otherwise stated, are reported in thousands of kronor (KSEK) and refer to the period 1 January –31 December for income-statement items and 31 December for balance-sheet items.

The preparation of financial statements in compliance with IFRS requires the use of a number of important accounting estimates. It also requires that management perform certain judgments when applying the Group's accounting policies. Areas that entail a high level of judgment, that are complex or where significant assumptions and estimates are employed for the consolidated financial statements are described in Note 3.

2.1.1 Amendments to accounting policies and disclosures

New standards, changes and interpretations applied by the Group

The following standards were applied by the Group for the first time for the financial year beginning 1 January 2015:

- Annual improvements to IFRS, improvements cycle 2011-2013
- IFRC 21 *Levies*

The application of annual improvements only clarifies existing requirements, and the application of these changes has not had any effect on the Group's accounting policies or disclosures for the current or previous financial years, nor is it expected to have any effect on future periods.

Other standards, amendments and interpretations that came into force for the financial year beginning 1 January 2015 had no significant impact on the consolidated financial statements.

New standards, amendments and interpretations not yet applied by the Group

A number of new standards and interpretations enter into force for financial years beginning after 1 January 2015 and were not applied in the preparation of these financial statements. None of the above standards and interpretations are expected to have any material impact on the Group's financial reporting with the exception of those detailed below:

IFRS 9 *Financial instruments* sets out the classification, recognition and presentations of financial assets and liabilities. The complete version of IFRS 9 was published in July 2014. It replaces the parts of IAS 39 that set out the classification and measurement of financial instruments. IFRS 9 retains a mixed valuation approach, but simplifies this approach in certain respects. There will be three valuation categories for financial assets: amortised cost, fair value recognised in other comprehensive income/loss and fair value recognised in the income statement. How an instrument should be classified depends on the company's business model and the characteristics of the instrument. Investments in equity instruments are to be recognised at fair value in profit or loss, but there is also a possibility to initially recognise the instrument at fair value in other comprehensive income/loss, in which case there will be no reclassification of the income statement when the instrument is sold.

IFRS 15 *Revenue from contracts with customers* specifies how to recognise revenue. The principles on which IFRS 15 are based are intended to provide the users of financial statements with more usable information about the company's revenues. The expanded disclosure requirements mean that information must be provided concerning the nature, timing and uncertainty of revenue and cash flows arising from a contract with a customer. According to IFRS 15 income should be recognised when the customer gains control over the good or service sold and is able to use or benefit from the good or service. IFRS 15 replaces IAS 18 *Revenue* and IAS 11 *Construction Contracts* as well as the associated SIC and IFRIC interpretations. IFRS 15 comes into force on 1 January 2018. Advance application is permitted. The Group has not yet evaluated the effects of implementing the standard.

In January 2016, IASB published a new leasing standard, IFRS 16 *Leases*, which will replace IAS 17 *Leases* and the associated interpretations IFRIC 4, SIC-15 and SIC-27. The standard requires recognition in the balance sheet of assets and liabilities attributable to leases, with a few exceptions. This recognition is based on the viewpoint that the lessee has the right to use an asset during a specific period, and an obligation to pay for this right at the same time. Recognition for the lessor will be essentially unchanged. The standard is to be applied to financial years commencing 1 January 2019 or later. Advance application is permitted. The standard has not yet been adopted by the EU. The Group has not yet evaluated the effects of IFRS 16.

No other IFRS or IFRIC interpretations that have not yet become effective are expected to have any material impact on the Group.

2.2 Classification

Non-current assets and non-current liabilities comprise amounts expected to be recovered or paid more than twelve months from the balance sheet date. Current assets and current liabilities comprise amounts expected to be recovered or paid within twelve months of the balance sheet date.

2.3 Consolidated financial statements

2.3.1 Subsidiaries

Subsidiaries are all companies (including structured companies) over which the Group has control. The Group controls a company when it is exposed to, or has rights to, variable returns from its holdings in the company and has the ability to influence those returns through its power over the company. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are derecognised from the date on which that control ceases.

The Group's business combinations are recognised using the acquisition method. The purchase consideration for the acquisition of a subsidiary consists of the fair value of the transferred assets, liabilities that the Group incurs to former owners of the acquired company, and the shares issued by the Group.

Since the acquisition of subsidiaries does not pertain to the acquisition of businesses, but to the acquisition of assets in the form of investment properties, the cost is distributed between the acquired net assets in the acquisition analysis. Note 3.2 contains a more detailed description of how the Group delineates business combinations from asset acquisitions.

Intra-Group transactions, balance-sheet items and unrealised gains and losses on transactions between Group companies are eliminated. Where necessary, the accounting policies for subsidiaries have been changed to ensure consistent application of the Group's policies.

In September 2015, Fastator acquired Rehact AB through a non-cash issue. The acquisition was recognised as a reverse acquisition, which means that the former Fastator is identified as the accounting acquirer in the transaction. The acquisition is considered an asset acquisition rather than a business combination. Accordingly, no goodwill arises, and the difference between the issue amount and the value of the acquired company is recognised directly in equity as an issue expense. The consolidated financial statements thus represent a continuation of the legal subsidiary's financial statements, except for its capital structure.

2.3.2 Associated companies and joint ventures

Associated companies and joint ventures are all companies in which the Group has significant influence but not control, which generally applies to shareholdings comprising between 20 per cent and 50 per cent of the votes. Holdings in associated companies and joint ventures are recognised at fair value through profit or loss in accordance with IAS 39. Profit/loss from the divestment of shares in associated companies is calculated accordingly. Further information on the fair value of investment properties is presented in Note 12.

2.3.3 Changes in shareholding in a subsidiary without changing controlling interest

Transactions with non-controlling interests that lead to a loss of control are recognised as equity transactions, meaning transactions with the owners in their role as owners. A change in a shareholding is recognised by adjusting the carrying amounts of the holdings with and without controlling interests, so that they reflect the changes in their relative holdings in the subsidiary. In connection with an acquisition from a non-controlling interest, the difference between the fair value of the purchase consideration paid and the actual share acquired of the carrying amount of the subsidiary's net assets is recognised in equity. Gains and losses on divestments to non-controlling interests are also recognized in equity.

When the Group no longer holds a controlling influence, each remaining holding is measured at fair value at the date on which the Group ceased to hold the controlling influence. The change in the carrying amount is

recognized in profit and loss. The fair value is used as the initial carrying amount and comprises the basis for the future recognition of the remaining holdings as an associated company, joint venture or financial asset. All amounts pertaining to the divested unit that were previously recognised in other comprehensive income are recognized as if the Group had directly divested the attributable assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit/loss.

If the shareholding in a joint venture or an associated company is reduced but joint control (JV) or a significant influence (associated company) remains, only a reclassification of the proportional amount of the gain or loss has to be recognised as profit or loss in other comprehensive income.

2.3.4 Segment reporting

Fastator's operations consist of investments in property-related investments. This is the segment for which the Board and executive management follow up on results and position. The only other items reported are central costs and financial income and expense.

2.3.5 Non-current assets (or disposal groups) held for resale and discontinued operations

Non-current assets (or disposal groups) are classified as assets held for resale when their carrying amount will be primarily recovered through a sales transaction and a sale is considered extremely likely. They are recognised at the lower of carrying amount and fair value, with a deduction for selling costs. However deferred tax assets, assets attributable to employee compensation, financial assets, investment properties rights under insurance contracts are exempt from these valuation requirements.

The Group recognises a loss due to a decline in value on the first and every subsequent write-down adjustment of the asset (or disposal group) to the corresponding fair value after a deduction for selling costs. The Group recognises a profit for every subsequent increase in fair value after a deduction for selling costs, but not for an amount higher than the previously recognised accumulated impairment value. A profit or loss that was recognised previously when a non-current asset (or disposal group) is sold, must be recognised at the date the asset or disposal group is removed from the report on financial position.

Non-current assets (including those that are part of a disposal group) are not written down as long as they are classified as being held for resale. Interest and other costs attributable to liabilities in a disposal group held for resale are continually recognised.

Non-current assets held for resale and assets in a disposal group held for resale are recognised separately from other balance sheet assets. Liabilities attributable to a disposal group held for resale are reported separately from other balance sheet liabilities.

A discontinued operation is a part of a company which has either been disposed of or classified as held for resale, and which constitutes an independent significant line of business or a business pursued within a geographic area, is part of a single coordinated plan to dispose of an independent significant line of business or business pursued within a geographic area, or a subsidiary that was acquired solely for the purpose of resale. Profits or losses from discontinued operations are recognised separately in the income statement.

2.4 Income and expenses

2.4.1 Rental income

Since leases are classified in their entirety as operating leases according to Note 4, consolidated revenue primarily refers to rental income. Rental income including supplements is notified in advance, and allocation of rents is recognised straight line so that only the portion of the rent accruing to the period is recognised as income. Recognised rental income has been reduced by the value of rent discounts provided, where applicable. In cases where leases produce reduced rent during a given period, this is allocated in a straight line over the leasing period in question.

Compensation received from tenants who vacate the premises early is recognised as revenue when the contractual relationship with the tenant ceases and Fastator no longer has any obligations, which usually happens when the tenant vacate the property. Rental income includes amounts charged to tenants for media and property tax and other expenses, on condition that Fastator was not acting as the tenants' agent.

2.4.2 Financial income and expenses

Calculations of interest income on receivables and interest expense on liabilities are based on the effective interest-rate method. The effective interest rate is the interest rate that equates the present value of all future incoming and outgoing payments during the fixed interest period with the recognised net value of the asset or liability. Financial expenses are recognised in the period to which they are attributable.

2.5 Leases

Leases where all risks and advantages associated with ownership essentially belong to the lessor are classified as operating leases. All of the Group's leases should therefore be considered operating leases. Properties that are let under operating leases are included in the entry for investment properties. The policy for recognising rental income is described in section 2.4.1. Payments made under operating leases where Fastator is the lessee are expensed on a straight line basis over the leasing period.

2.6 Investment properties

Investment properties, meaning properties held to earn rentals or for capital appreciation, are initially measured at cost, including directly attributable transaction costs. After their initial recognition, investment properties are measured at fair value.

Fair value is primarily based on prices in an active market and is the amount for which an asset could be exchanged between knowledgeable parties who are independent of each other and have an interest in the transaction being completed. The fair value of properties on each reporting date is based on a market-based measurement of all properties. Changes in the fair value of investment properties are recognised as changes in value in profit and loss. Further information on the fair value of investment properties is presented in Note 12.

Additional expenses are capitalised only when it is probable that the

Group will receive future financial benefits associated with the asset and the expenses can be reliably determined, and the action is for the replacement of an existing component or the introduction of a new one. Other repair and maintenance costs are expensed on current account in the period in which they are incurred.

For major new construction, extension and conversion projects, interest expenses are capitalised during the production time in accordance with IAS 23 *Borrowing costs*. No interest was capitalised during the report period.

2.7 Equipment

Equipment consists primarily of office equipment, which has been recognised at cost less accumulated depreciation and any impairment losses. Depreciation is applied straight line over the estimated useful life of the asset. The equipment's estimated useful life is assumed to be equal to the asset's economic life, so that the residual value is assumed to be negligible and is thus not taken into account. Depreciation starts when the asset is ready to be put into service. Equipment is ordinarily depreciated over five years.

2.8 Financial instruments

Financial instruments recognised as assets in the balance sheet include cash and cash equivalents and accounts receivable, while liabilities include accounts payable and loan liabilities. Financial instruments are initially measured at fair value plus transaction costs, except for the categories of financial assets or liabilities measured at fair value through profit or loss. They are then recognised in different ways depending on how the financial instruments are classified as described below.

2.8.1 Cash and cash equivalents

In both the balance sheet and the statement of cash flows, cash and cash equivalents include cash, bank balances and other short-term investments with due dates within three months of the acquisition date.

2.8.2 Accounts receivable and Other receivables

Accounts receivable

Accounts receivable are amounts attributable to customers in respect of sales of goods or services performed as part of operating activities. Loans and other receivables are non-derivative financial assets that have fixed or fixable payments and are not traded on any active market. If payment is expected within one year, they are classified as current assets. If not, they are recognised as non-current assets. Since accounts receivable generally fall due for payment within 30 days, all accounts receivables have been classified as current assets.

Other receivables

These amounts generally occur in the case of transactions outside the Group's ordinary operating activities. Commercial rates of interest are charged and there is ordinarily no collateral. Other long-term receivables are due to be paid within five years of the end of the reporting period.

Fair value for accounts receivable and other receivables

The fair value of current receivables is equivalent to their carrying amount, since there is no significant discounting effect. The fair value of the majority of non-current receivables does not differ significantly from the carrying value either.

The fair values are based on cash flow, discounted by the current lending rate. They have been classified as level 3 in the fair value hierarchy due to non-observable input data including the counterparty's credit risk (see Note 21).

2.8.3 Accounts payable and other liabilities

Liabilities under this category are recognised and measured at accrued cost according to the effective-interest-rate method. Direct costs incurred when taking loans are included in the cost. All loan financing belongs to this category. Fastator's accounts payable and other liabilities are also classified in this category but are recognised at cost. Fees paid for credit facilities are recognised as transaction costs for borrowing insofar as it is likely that parts or all of the credit facility will be used. In such cases, the fee is recognised when the credit facility is used. When there is no evidence that it is likely that some or all of the credit facility will be used, the fee is recognised as an advance payment for financial services and accrued over the duration of the credit facility.

Accounts payable are not covered by collateral and are normally paid within 30 days. The fair value of accounts payable and other liabilities matches their carrying amounts, since they are short term by nature.

2.8.4 Borrowings

Borrowings are initially recognised at fair value, net, after transaction costs. Subsequently, they are recognised at accrued cost and any difference between the amount received (net after any transaction costs) and the amount to be repaid is recognised in profit and loss over the repayment period by applying the effective interest method. Fees paid for credit facilities are recognised as transaction costs for borrowing insofar as it is likely that parts or all of the credit facility will be used. In such cases, the fee is recognised when the credit facility is used. When there is no evidence that it is likely that some or all of the credit facility will be used, the fee is recognised as an advance payment for financial services and accrued over the duration of the credit facility.

The fair value of the liability increment of a convertible debt instrument is calculated using a discount interest rate that comprises the market interest rate of a debt with the same terms but without the right to be converted into shares. The amount is recognised as a liability at amortised cost up until the time that the debt is converted or expires. The right to be converted into shares is initially recognised as the difference between the fair value of the entire composite financial instrument and the fair value of the liability increment. This is recognised in equity net after tax.

Borrowing is derecognised from the balance sheet when the obligation has been settled, annulled or has otherwise expired. The difference between the carrying amount of a financial liability (or a portion of a financial liability) that has been extinguished or transferred to another party and the compensation that has been paid, including transfers of assets that are not cash or assumed liabilities, is recognised in profit or loss.

When the conditions of a financial liability are renegotiated and the

company issues equity instruments to a lender to extinguish the debt in full or in part ("debt for equity swap"), the difference between the carrying amount of the financial liability and the fair value of the equity instrument is recognised in profit or loss.

Borrowing is classified as a current liability unless the Group has an unconditional right to defer payment of the debt for at least 12 months after the end of the reporting period

2.8.5 Impairment of financial assets

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial asset or group of financial assets requires impairment. A financial asset or group of financial assets requires impairment and is impaired only if there is objective evidence of an impairment requirement due to one or more events having occurred after the asset was first recognized (a loss event) and that this event (or these events) has an effect, that can be reliably estimated, on the estimated future cash flows for the financial asset or group of financial assets.

For the category of loan receivables and accounts receivable, the impairment loss is calculated as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future loan losses that have not yet occurred), discounted using the financial asset's original effective interest rate. The asset's carrying amount is impaired and the impairment amount is recognised in consolidated profit or loss.

If the impairment requirement is reduced in a subsequent period and the decrease can be objectively attributed to an event that occurred after recognition of the impairment loss (such as an improvement in the debtor's creditworthiness), a reversal of the previously recognised impairment loss is recognised in consolidated profit or loss.

Impairment losses and risk exposure

Information on impairment losses on accounts receivable and other receivables, their creditworthiness and the Group's credit risk exposure, currency risk and interest-rate risk is presented in Note 21.

2.9 Current and deferred tax

Tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except when the tax is for items recognised in other comprehensive income/loss or directly in shareholders' equity. In such cases, tax is also recognised in other comprehensive income/loss or shareholders' equity, respectively.

The current tax cost is calculated based on the tax regulations that are in effect or essentially approved on the balance sheet date in the countries in which the Parent Company and its subsidiaries are active and generate taxable income. Management actively evaluates the claims that are made in tax returns regarding situations where applicable tax regulations are subject to interpretation and allocates reserves where appropriate for amounts that are likely to be paid to tax authorities.

Deferred tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

Deferred tax is not recognised if it arises from a transaction that constitutes the initial recognition of an asset or liability that is not a business combination and that, on the transaction date, affects neither the recognised nor taxable earnings.

Deferred income tax is calculated by applying tax rates (and laws) that have been approved or announced on the balance-sheet date and are expected to apply when the deferred tax asset is realised or when the deferred tax liability is settled.

Deferred tax assets are recognized to the extent that it is probable that future surpluses for tax purposes will be available to offset temporary differences.

Deferred tax assets and liabilities are offset against each other when there is a legal right of offset for the particular tax receivables and tax liabilities and when the deferred tax assets and tax liabilities pertain to taxes levied by one and the same tax authority and pertain to either the same tax subject or different tax subjects, in cases where there is an intention to settle the balances by means of net payment.

2.10 Share capital and other contributed capital

Ordinary shares are classified as shareholders' equity.

Transaction costs that can be directly attributed to issues of new shares or options are recognised in net amounts after tax in shareholders' equity as a deduction from the issue proceeds.

Shareholders' contributions received are recognised as Other capital contributions in the Group but as retained earnings in the Parent Company.

Dividends to the Parent Company's shareholders are recognised as a liability in the consolidated financial statements during the period in which the dividend is approved by the Parent Company's shareholders.

2.11 Earnings per share

Earnings per share before dilution

Earnings per share before dilution are calculated by dividing:

- profit attributable to the Parent Company's shareholders, excluding dividends that are attributable to preference shares,
- with a weighted average number of ordinary shares outstanding during the period, adjusted for the bonus issue element of ordinary shares issued during the year and excluding repurchased shares held in treasury by the Parent Company.

Earnings per share after dilution

When calculating earnings per share after dilution, amounts used for calculating earnings per share before dilution are adjusted by taking into account:

- The effect, after tax, of dividends and interest expenses on potential ordinary shares, and
- the weighted average number of the additional ordinary shares that would have been outstanding following conversion of all potential ordinary shares.

2.12 Contingent liabilities

A contingent liability is recognised when there is a possible commitment originating from events that have occurred and whose occurrence will be confirmed only by one or several uncertain future events or when there is a commitment that is not recognized as a liability or provision because it is probable that an outflow of resources will be required.

2.13 Parent Company's accounting policies

The Parent Company prepares its annual financial statements in accordance with the Annual Accounts Act (1995:1554) and the Swedish Financial Accounting Standards Council's recommendation RFR 2 *Accounting for legal entities*. The statements regarding listed companies as issued by the Financial Reporting Board were also applied. Under RFR 2, in its Annual Report for the legal entity, the Parent Company is to apply all IFRS and statements adopted by the EU as far as possible within the framework of the Annual Accounts Act, the Pension Obligations Vesting Act and with respect to the relationship between accounting and taxation. This recommendation specifies the exceptions from and additions to IFRS that may be applied. The differences between the accounting policies of the Group and the Parent Company are stated below.

Income-statement and balance sheet items match the presentation format of the Swedish Annual Accounts Act. This pertains to any differences compared with the consolidated financial statements, primarily in respect of financial income and expense, the statement of comprehensive income and the statement of changes in shareholders' equity.

2.13.1 Intangible fixed assets

Capitalised work on own account is recognised as a revenue item in the company's own income statement. Further development during the year was pursued by RVU.

Intangible assets are recognised at cost less accumulated value depletion and any impairment losses. The assets are amortised over their useful life. An asset is impaired if there is an indication of a lasting value decline. All of the remaining assets were divested in November 2015.

The following amortisation periods were applied:

Capitalised expenditure for development work (from completion date of projects)	3 years
Patents	20 years
Brands	20 years

2.13.2 Subsidiaries

Shares in subsidiaries are recognised in the Parent Company using the cost method. The carrying amount is impairment tested quarterly in relation to the subsidiaries' equity. In the event the carrying amount is less than the consolidated value of the subsidiaries, an impairment charge is applied and charged to profit or loss. Where an earlier impairment is no longer justified, it is reversed.

2.13.3 Revenue

Dividends are recognised when the right to receive the dividend is considered certain. Income from the divestment of subsidiaries is recognised when risks and benefits related to ownership of the subsidiary have been transferred to the buyer.

2.13.4 Group contributions and shareholder contributions

The Swedish Financial Reporting Board has clarified how group contributions are to be recognised as of 2013. This clarification enables the use of a main rule or an alternative rule. Fastator has opted for recognition according to the alternative rule, entailing that Group contributions paid and received are recognised as appropriations.

2.14 Cash flow

The cash flow statement has been prepared according to the indirect method, meaning that net profit or loss is adjusted for non-cash transactions during the period as well as any income or expenses associated with the cash flow from investing or financing activities.

2.15 Rounding off

Unless stated otherwise, all amounts in the financial statements are rounded off to the nearest KSEK.

NOTE 3. IMPORTANT JUDGMENTS IN THE APPLICATION OF THE GROUP'S ACCOUNTING POLICIES

In order to prepare financial statements in accordance with generally accepted accounting principles, company management and the Board are required to make assessments and assumptions. These affect the carrying amounts of assets and liabilities, income, expenses and other disclosures. The assessments are based on experience and assumptions that management and the Board consider reasonable under the circumstances. The actual outcome may differ from these assessments should other conditions arise. The most significant assessments when preparing the he consolidated financial statements are described below.

3.1 Fair value of investment properties

Investment properties are to be measured at fair value, which is determined by company management, based on the market value of the properties according to an independent appraiser. Significant assessments have therefore been made in relation to cost of capital and direct yield requirements, for example, which are based on the appraisers' empirical assessments of the market's profitability targets for comparable properties. Assessments of cash flow for operating, maintenance and administration expenses are based on actual costs but also on experience from comparable properties. Future investments have been assessed on the basis of the actual needs that exist. The section on market valuation in Note 12 contains more detailed information on other assessments and assumptions.

3.2 Differences between a business combination and an asset acquisition

When a company is acquired, it constitutes either a business combination or the acquisition of a group of assets. The acquisition is defined as an asset acquisition if the acquisition pertains to properties, with or without leases, but does not include the outputs and processes necessary to conduct a property management business. Other acquisitions are business combinations. Management determines the criteria that have been met for each individual acquisition. The Fastator Group mainly conducts asset acquisitions, but every acquisition is assessed to determine whether the company has acquired a business or a group of assets. In 2015 and 2014, the assessment is that only asset acquisitions took place.

3.3 Fair value of associated companies

Fastator recognises investments in associated companies at an estimated market value, as determined by company management, based on the market value of the holdings assessed by an independent appraiser. Market value is defined as the most probable price that a sale would bring in a competitive and open market at any given time. The basis for all market assessments is an analysis of the company's objects, combined with knowledge of the participants' views of the different types of objects.

The company valuations are based on underlying property values of the individual objects. The valuation methods used for individual underlying properties is presented above. Other valuation factors also include an assessment of the value of temporary differences, the company's overall cost base and the market for potential acquirers. The section on market valuation in Note 16 contains more detailed information on other assessments and assumptions.

NOTE 4. NET SALES

Net sales in the Group pertain in their entirety to rental income from investment properties. Other revenue pertains primarily to re-invoiced administrative services to associated companies.

NOTE 5. EMPLOYEE BENEFITS

	Group		Parent Company	
	2015	2014	2015	2014
Board of Directors and senior executives	2,405	1,613	2,097	1,991
Other	-	485	17	788
Total salaries and remuneration	**2,405**	**2,098**	**2,114**	**2,779**
Pension expenses - senior executives	210	170	209	170
Pension expenses - other employees	-	123	10	71
Social-security contributions	805	607	637	757
Total	**3,420**	**2,998**	**2,970**	**3,777**

Of the above remuneration, director fees totalling KSEK 320 were invoiced to the Parent Company.
Central administration has been invoiced from the affiliated company, OH Management AB, refer to information about affiliated companies, Note 25.

REMUNERATION AND OTHER BENEFITS 2015

Senior executives	Note	Basic salary	Directors fees	Variable remuneration	Pension expenses	Total
Chairman of the Board Nicole Norrestad	1)	-	119	-	-	119
Member of the Board Erik Branting	1)	-	103	138	-	241
Member of the Board Ola Alterå	1)	-	81	-	-	81
Member of the Board Johan Goercki	1)	-	78	-	-	78
Member of the Board Svante Norrestad Bengtsson	2)	850	6	-	121	977
Chairman of the Board Mats Hulth	3)	-	53	-	-	53
Member of the Board Ulf Adelsohn	3)	-	20	-	-	20
Member of the Board Joachim Kuylenstierna	4)	960	-	-	-	960
CEO Daniel Hummel	5)	150	-	-	39	189
Former CEO Erika Kveldstad		889	-	-	151	1,040
Other senior executives		161	-	-	-	161
Total		**3,010**	**460**	**138**	**311**	**3,919**
Of which, Parent Company		1,637	460	138	209	2,444
Of which, Group 6)		2,487	79	3	211	2,780

1) For the period 1 January - 17 June 2015
2) For the period 1 January - 14 December 2015
3) For the period 17 June - 14 December 2015
4) For the period 17 June - 31 December 2015
5) Took up office on 1 December 2015
6) The Group includes only Parent Company remuneration as of 24 September, meaning after Fastator's acquisition date.
Refer also to the accounting policies, item 2.3.1

Basic salary/Director fees

The Chairman and members of the Board are remunerated in accordance with AGM resolutions. The members of the Board have not received any remuneration in addition to Director fees apart from what is specified in this note. On condition that tax-related prerequisites exist and that it is cost-neutral for the company, the members of the Board have the possibility to invoice their director fees from the member's own company, in which case they are entitled, in addition to the director fee, to charge an amount corresponding to social security contributions and VAT.

Board member Erik Branting, in addition to a director fee, received KSEK 138 for invoiced consultancy assignments involving translation work attributable to the Parent Company's former business.

Remuneration of other senior executives pertains to fees invoiced to the Group.

Bonus/variable remuneration

The Extraordinary General Meeting on December 14 resolved, in line with the Board's proposal, on a change to the principles adopted at the Annual General Meeting on 17 June in respect of variable remuneration payable to senior executives, to the effect that variable remuneration to a senior executive may not exceed 200 per cent of the executive's fixed annual salary and that other previously adopted principles for remuneration of senior executives will remain unchanged. No variable remuneration was paid for 2015 (2014).

Defined-contribution pension

The Group only has defined-contribution pension plans. Pension expenses refer to the expense recognised in profit or loss for the year. The retirement age of the Chief Executive Officer and other senior executives is 65 years.

For the CEO and other senior executives, pensionable salary increments up to 7.5 times the income base amount qualify for an occupational pension provision of 4.5 per cent and on amounts exceeding 7.5 times the income base amount an occupational pension provision of 30 per cent.

Severance pay

The company and the CEO are subject to a mutual period of notice of six months. If employment is terminated by the company, severance pay for up to six months is payable. Severance pay is deducted from other sources of income. If the employment is terminated by the CEO, no severance pay is due. The company and other senior executives are subject to a mutual period of notice of six months. If employment is terminated by the company, severance pay for up to six months is payable. Severance pay is deducted from other sources of income. If the employment is terminated by one the other senior executives, no severance pay is due.

GENDER DISTRIBUTION FOR BOARD MEMBERS AND OTHER SENIOR EXECUTIVES

	2015		2014	
	Number on the balance-sheet day	Of whom, men	Number on the balance-sheet day	Of whom, men
Board member	7	6	5	5
CEO and other senior executives	3	2	1	0
Group total	**10**	**8**	**6**	**5**

Avarage number of employees	Number of employees	Of whom, women	Number of employees	Of whom, women
Parent Company	1	50%	3	0%
Subsidaries	1	50%	2	25%
Group total	**2**	**50%**	**5**	**25%**

NOTE 6. REMUNERATION OF AUDITORS

	Group		Parent Company	
	2015	2014	2015	2014
PwC				
– Audit assignment	315	49	150	-
– Audit activities in addition to the audit assignment	-	10	-	-
– Tax consulting	-	12	-	-
– Other services	302	85	142	-
Total	**617**	**156**	**292**	**-**
BDO Mälardalen AB				
– Audit assignment	-	-	120	127
– Audit activities in addition to the audit assignment	-	-	25	25
– Tax consulting	-	-	-	-
– Other services	-	-	5	-
Total	**-**	**-**	**216**	**152**

In addition to the above remuneration of auditors, the Parent Company paid fees to auditors totalling KSEK 392 (0), which were capitalised in the Parent Company in conjunction with the acquisition of Rehact AB.

Audit assignment pertains to the examination of the annual accounts and the accounting records, as well as management by the Board of Directors and the CEO, other tasks incumbent upon the company's auditors, as well as advice or other assistance deemed necessary due to observations during such examinations or implementation of other such tasks.

NOTE 7. PROFIT/LOSS FROM RECEIVABLES THAT ARE FINANCIAL ASSETS

	Parent Company	
	2015	2014
Impairment of shares in associated companies	-	-673
Impairment of other non-current receivables	-3,626	-
Total loss from Group companies	**-3,626**	**-673**

NOTE 8. FINANCIAL INCOME

	Group		Parent Company	
	2015	2014	2015	2014
Interest income	3,125	3,563	20	56
Other financial income	-	-	55	4
Interest income attributable to discontinued operations	274	386	-	-
Total financial income	**3,399**	**3,949**	**75**	**60**

NOTE 9. FINANCIAL EXPENSES

	Group		Parent Company	
	2015	2014	2015	2014
Interest expense, credit institutions	-673	-209	-15	-15
Interest expense from shareholder deposits	-1,124	-1,423	-	-
Other interest expense	-773	-102	-1,110	-1,063
Other financial expenses	-4	-72	-4	-4
Total financial expenses	**-2,574**	**-1,806**	**-1,129**	**-1,082**

NOTE 10. INCOME TAX

The note shows an analysis of the Group's income tax, the amount recognised directly in equity, as well as how the income tax was impacted by untaxable revenue and non-deductible expenses. It also explains the essential estimates made in relation to the Group's tax position.

	Group		Parent Company	
	2015	2014	2015	2014
Current tax				
Current tax	-594	-148	-	-
Adjustments concerning prior years	135	-	-	-
Current tax on profit for the year	**-459**	**-148**	**-**	**-**
Deferred tax				
Increase/decrease of deferred tax assets	-	-	-	-
Increase/decrease of deferred tax liabilities	-1,025	2	-36	-
Total deferred tax	-1,025	2	-36	-
Total income tax	**-1,484**	**-146**	**-36**	**-**

	Group		Parent Company	
Income tax attributable to:	2015	2014	2015	2014
Loss from continuing operations	-1,484	-146	-	-
Loss from discontinued operations	-6,810	-9,069	-	-
Total income tax	**-8,294**	**-9,215**	**-**	**-**

The income tax on the Group's profit before tax differs from the theoretical amount that would have emerged using the weighted average tax rate for the results in the consolidated companies as follows:

	Group		Parent Company	
	2015	2014	2015	2014
Profit/loss before tax from continuing operations	54,931	49,483	-13,055	-8,478
Profit before tax from discontinued operations	32,548	21,829	-	-
Profit/loss before tax	**87,479**	**71,312**	**-13,055**	**-8,478**
Income tax calculated according to applicable tax rate, 22%	-19,245	-15,689	2,872	1,865
Tax effects of:				
- untaxable revenue	11,463	6,146	-	-
- Non-deductible expenses	-22	-27	-924	-182
- Utilisation of tax loss carryforwards not previously recognised	406	458	-	-
- Tax deficit for which no deferred tax assets have been recognised	-2,001	-81	-1,984	-1,919
- Revaluation of deferred tax assets	-	-22	-	-
- Issue expenses	-	-	-	**236**
- Unapprised running deficit from acquisitions	970	-	-	-
- Adjustments concerning prior years	135	-	-	-
Total tax expense	**-8,294**	**-9,215**	**-36**	**-**

1) Deferred tax assets are not recognised if they are due to deferred tax liabilities not recognised at acquisition. The amount will then be a reduction of the unrecognised deferred tax liability

Weighted average tax rate within the Group:	-9,5%	-12,9%

	Group		Parent Company	
	2015	2014	2015	2014
Tax loss carryforward				
Unutilised tax loss carryforward for which no deferred tax assets have been recognised	36,292	4 463	33,599	24,741
Potential tax benefit, 22%	**7,984**	**982**	**7,392**	**5,443**

	Group		Parent Company	
Deferred tax recognised in the income statement	2015	2014	2015	2014
Convertible debentures	-36	-	-36	-
Investment properties	-989	2	-	-
Total deferred tax recognised in the income statement	**-1,025**	**2**	**-36**	**-**

	Group		Parent Company	
Deferred tax recognised in the balance sheet	2015	2014	2015	2014
Convertible debentures	36	-	36	-
Investment properties	987	23,805	-	-
Total deferred tax	**1,023**	**23,805**	**36**	**-**

Deferred tax liabilities on properties and other pertain to tax on the difference between taxable and recognised residual values. All tax liabilities are estimated to become due for payment after 12 months.
Current and deferred taxes have been calculated on a basis of a nominal tax rate of 22 per cent. In compliance with applicable rules, deferred tax is to be taken into account for temporary differences on all assets and liabilities in the balance sheet, with the exception of temporary differences on properties resulting from asset acquisitions, in which case the differences arising on the acquisition date are not taken into account when calculating deferred tax. In the balance sheet, the deferred tax liability is calculated on the basis of the nominal tax rate. When conducting a market valuation of the deferred tax liability, however, a lower amount than that recognised in the balance sheet will probably arise.

	Group		Parent Company	
Gross change pertaining to deffered tax	**2015**	**2014**	**2015**	**2014**
Opening balance	23, 805	14,738	-	-
Deferred tax recognised in the income statement	1,025	-2	36	-
Deferred tax attributable to operations held for sale	6,547	9,069	-	-
Reclassified as liabilities for sale	-30,354	-	-	-
Closing balance	**1,023**	**23,805**	**36**	-

NOT 11. INTANGIBLE ASSETS (PERTAIN ONLY TO THE PARENT COMPANY)

	Capitalised expenditure for development work	Patent rights	Brands	Total
At 1 January 2014				
Cost	1,611	1,427	12	3,050
Accumulated amortisation and impairment losses	-	-468	-12	-480
Carrying amount	**1,611**	**959**	**-**	**2,570**
Financial year 2014				
Opening carrying amount	1,611	959	-	2,570
Purchases/internally established	522	31	8	561
Amortisation	-	-89	-	-89
Closing carrying amount	**2,133**	**901**	**8**	**3,042**
At 31 December 2014				
Cost	2,133	1,458	20	3,611
Accumulated amortisation and impairment losses	-	-557	-12	-569
Carrying amount	**2,133**	**901**	**8**	**3,042**
Financial year 2015				
Opening carrying amount	2,133	901	8	3,042
Purchases/internally established	507	73	-	580
Amortisation	-	-62	-	-62
Impairment	-551	-	-8	-559
Divested cost	-2,640	-1,531	-20	-4,191
Divested amortisation and impairment losses	551	619	20	1,190
Closing carrying amount	-	-	-	-
At 31 December 2015				
Cost	-	-	-	-
Accumulated amortisation and impairment losses	-	-	-	-
Carrying amount	-	-	-	-

NOT 12. INVESTMENT PROPERTIES

The Group's properties in continuing operations consist of the following; one industrial property in Skåne and six sites in Dalarö, Stockholm. The total leasable area is about 8,300 m². An additional property is reported under Assets held for sale, see Note 26.

Fastator recognises investment properties at an estimated market value. Market value is defined as the most probable price that a sale would bring in a competitive and open property market at any given time. The basis for all market assessments is an analysis of sold objects, combined with knowledge of the participants' views of the different types of objects, their manner of reasoning and knowledge of market rents, etc.

All fair value measurements for investment properties were performed using significant non-observable data (level 3 in the fair value hierarchy). The non-observable data that affects the measurements is primarily a change in estimated future market rents. A change to the discount interest rate or cost of capital has a smaller effect on the estimated value. The Group hires external companies with certified property appraisers in order to ensure that the discount interest rate is correct. There has been no change in valuation method between the periods and thus no transfer between fair value levels.

In order to assess the market value of the objects, an external appraisal institute conducts valuations of the properties once per financial year. Newsec performed external valuations of the industrial property every quarter. External measurements of the sites in Dalarö were performed by Dalarö Skärgårdsförmedling at the end of the third quarter.

Valuation of industrial property

The value of the properties has been assessed based on a market-adapted cash-flow estimate in which Newsec analysed the market's expectations with respect to the valuation object by simulating the calculated future income and expenses. The calculation period is usually ten years. Future net operating income is estimated on the basis of analyses of current leases and the current rental market. Current leases are generally assumed to be valid until the end of their term.

In those cases where lease terms are deemed to accord with the market, it has been assumed that they can be extended with the terms unchanged, or leases can be drawn up for new tenants with similar terms. The cash flow analysis allows for the possibility of taking into consideration the market situation, rent levels, future development of market rents and long-term vacancy rates.

Most of the property portfolio has been inspected. Public spaces and a selection of premises were inspected, with particular attention devoted to larger tenants and vacant premises. The purpose of the inspection was to assess the properties' general standard and condition, maintenance needs and market position, and the attractiveness of the premises.

The cost of capital and yield requirements used in the estimates were derived from sales of comparable objects and other relevant information, such as the general situation of the property market, growth, lease terms, composition of the population, the financial market, investors' yield requirements, etc. Important factors when estimating yield requirements are: the assessment of the future direction of rents on the properties, their change in value and ability to be developed, and the standard to which they were maintained.

In 2015, cash flow calculations were based on an assumption of 1 per cent inflation, and then 2 per cent per year during the calculation period. The yield requirement for the industrial property is 6.75 (7.31) per cent. The estimated cost of capital is 8 per cent (8.6-8.9 per cent). If the initial yield requirement is reduced by 50 basis points (0.5 per cent), the value would amount to KSEK 56,161 (51,524). If the initial yield requirement rises by 50 basis points (0.5 per cent), the market value would amount to KSEK 48,413 (44,927). If market rents are reduced by 5 per cent, the value would be KSEK 50,945 (47,018). If market rents rise by 5 per cent, the market value would be KSEK 53,055 (48,982).

Valuation of sites

The sites in Dalarö were valued using the local price method, which means that the market value of the properties were assessed based on sales of similar objects in that town. A change in the estimated market value of +/- 5 per cent would produce a change in value of +/- KSEK 903 (0).

Other valuations

The valuation of investment properties included in Assets held for sale are valued using the same method as the valuation of industrial property, that is, at fair value based on a market-adapted cash-flow model.

	Group	
	31 Dec 2015	31 Dec 2014
Fair value at 31 December	198,000	110,000
Acquired properties	18,050	48,213
Change in value from continuing operations	4,000	39,787
Change in value from discontinued operations	30,000	-
Reclassified as assets held for sale	-180,000	-
Recognised property value	**70,050**	**198,000**
Tax assessment value	**24,808**	**56,960**

	Parent Company	
	2015	2014
Opening carrying amount	10,229	-
Acquired properties	-	10,229
Closing carrying amount	**10,229**	**10,229**
Tax assessment value	**10,229**	**10,229**

NOTE 13. CONSTRUCTION IN PROGRESS

	Group		Parent Company	
	31 Dec 2015	31 Dec 2014	2015	2014
Opening balance	190	-	1,095	1,095
Capitalisation for the year	500	190	1,585	-
Acquisitions during the year	2,180	-	-	-
Reclassified as assets held for sale	-190	-	-	-
Closing balance	**2,680**	**190**	**2,680**	**1,095**

NOTE 14. EQUIPMENT

	Group		Parent Company	
Cost	31 Dec 2015	31 Dec 2014	2015	2014
Opening cost	106	106	95	95
Purchases for the year	1,041	-	-	-
Discarded equipment	-82	-	-95	-
Closing cost	**1,065**	**106**	**-**	**95**
Depreciation				
Opening cost	-66	-45	-95	-95
Depreciation for the year	-171	-21	-	-
Discarded equipment	82	-	95	-
Closing depreciation	**-155**	**-66**	**-**	**-95**
Closing balance	**910**	**40**	**-**	**-**

NOTE 15. PARTICIPATION IN GROUP COMPANIES

	Parent Company	
	31 Dec 2015	31 Dec 2014
Opening cost	-	-
Investments during the year	289,853	-
Shareholders' contribution in existing companies	31,674	-
Closing cost	**321,527**	**-**

The Group's subsidiaries as at 31 December 2015 are stated below. Unless otherwise stated, they have a share capital comprising only of ordinary shares held directly by the Group, and the participating interest is the same as the share of voting power.

			Participating interest held by the Group		Carrying amount in the Parent Company	
Companies included in the Group	**Crop. Reg. No.**	**Reg. office**	**2015**	**2014**	**31 Dec 2015**	**31 Dec 2014**
Public Properties Europe AB	559027-0087	Stockholm	100%		50	-
KONYAB 1 i Sverige AB	559017-4065	Stockholm	100%		50	-
Vivskä AB	556848-4603	Stockholm	100%	100%	321,427	-
- Konkret Fastighetsutveckling i Sverige AB	556948-3448	Stockholm	100%	100%	-	-
- Lageråsen AB	Lageråsen AB	Stockholm	100%	100%	-	-
- Konkret Fastighetsutveckling 11 i Visby AB	556885-3740	Stockholm	100%	100%	-	-
- Konkret Fastighetsutveckling i Nacka AB	556852-1560	Stockholm	100%	100%	-	-
Total cost					**321,527**	**-**

All subsidiaries have been consolidated in the Group. The share of voting power in the subsidiaries owned directly by the Parent Company does not differ from the owned share of ordinary shares.

NOTE 16. INTERESTS IN ASSOCIATED COMPANIES

The associated companies and joint ventures that are essential to the Group as at 31 December 2015 are shown below. The companies stated below have share capital comprising only ordinary shares owned directly by the Group. The participation is the same as the share of voting power.

	Group	
	31 Dec 2015	31 Dec 2014
Opening cost	160,074	-
Reclassified as associated companies	25	55,000
Investments during the year	49	25
Shareholders' contribution in existing companies	50	56,973
Profit for the period	52,105	48,076
Closing cost	**212,303**	**160,074**

NOTE 16. INTERESTS IN ASSOCIATED COMPANIES cont.

The Group had the following associated companies and joint ventures as of 31 December 2015:

			Participating interest held by the Group		Carrying amount in the Group	
COMPANIES INCLUDED IN THE GROUP	**Corp. Reg. No.**	**Reg. office**	**2015**	**2014**	**31 Dec 2015**	**31 Dec 2014**
Offentliga Hus i Norden Holding AB [2) 3)]	556971-0113	Stockholm	50%	100%	200,000	-
- Offentliga Hus i Norden AB [2) 3)]	556824-2696	Stockholm	-	50%	-	160,000
OH Management AB [1)]	556969-0562	Stockholm	50%	50%	273	74
GenovaFastator Holding AB [2)]	559017-4057	Stockholm	50%	-	25	-
Konland AB [2)]	559001-0731	Stockholm	49%	-	12,005	-
Total cost					**212,303**	**160,074**

1) Associated companies
2) Joint Venture
3) The shares in Offentliga Hus i Norden AB were sold during the year into a new intermediary holding company, Offentliga Hus i Norden Holding AB. The transaction has not had any impact on the consolidated profit/loss and financial position. In conjunction with the transaction, 50 per cent of the shares in Offentliga Hus i Norden AB were sold at a carrying amount to the joint venture party, Offentliga Hus i Norden Holding AB.

16.1 Summary of financial information for associated companies and joint ventures

The table below presents a summary of financial information concerning the joint ventures and associated companies regarded by the Group as material. The information presents the amounts recognised in the financial statements for each particular associated company and joint venture, and not Fastator's share of these amounts. The financial information has been adjusted to reflect adjustments made by the Group in the application of fair value measurement, including adjustments to fair value at the time of the acquisition and adjustments to take into account differences in accounting policies.

Fastator recognises investments in associated companies at an estimated market value, as determined by company management, based on the market value of the holdings assessed by an independent appraiser. Market value is defined as the most probable price that a sale would bring in a competitive and open market at any given time. The basis for all market assessments is an analysis of sold objects, combined with knowledge of the participants' views of the various types of objects.

In order to assess the market value of associated companies, the companies are valued externally by an appraisal institution at the close of each quarter. The valuations are performed by Newsec.

The company valuations are based on underlying property values of the individual objects. The methods used for the valuation of individual underlying properties are presented in Note 12 above. Other valuation factors also include an assessment of the value of temporary differences, the company's overall cost base and the market for potential acquirers.

Other valuation factors are material non-observable input data (level 3 in the fair value hierarchy). To ensure that valuation of other valuation factors is performed at the correct level, the company commissioned an external valuation institution. There has been no change in valuation method between the periods and thus no transfer between fair value levels.

A sensitivity analysis shows that a +/-5 per cent change in Fastator's share of the market value of associated companies would result in a value change of +/- KSEK 10,615 (+/-8,004).

Summary of balance sheet	Offentliga Hus i Norden Holding AB /Offentliga Hus i Norden AB 2015	2014	Konland AB 2015
Fixed assets			
Fixed assets	1,544,245	1,191,500	250,000
Total fixed assets	**1,544,245**	**1,191,500**	**250,000**
Current assets			
Cash and cash equivalents	20,204	19,605	7,053
Other current assets	12,581	40,165	311
Total current assets	**32,785**	**59,770**	**7,364**
Non-current liabilities			
Financial liabilities	1,041,337	693,366	215,760
Other non-current liabilities	65,728	45,753	1,363
Total non-current liabilities	**1,107,065**	**739,119**	**217,123**
Current receivables			
Financial liabilities (excluding accounts payable)	100,397	208,584	-
Other current liabilities	51,040	47,236	5,701
Total current liabilities	**151,437**	**255, 820**	**5,701**
Net assets	**318,528**	**256,331**	**34,540**
Reconciliation with carrying amounts			
Opening net assets	**160,000**	-	-
Reclassified from subsidiaries	25	55,000	-
Acquired during the period	-	-	24
Shareholders' contribution in existing companies	50	56,973	-
Profit for the period	39,925	48,027	11,981
Other comprehensive income	-	-	-
Closing net assets	**200,000**	**160,000**	**12,005**

Summary of comprehensive income	Offentliga Hus i Norden Holding AB /Offentliga Hus i Norden AB 2015	2014	Konland AB 2015
Revenue	95,380	66,251	9,569
Profits from property management	60,951	43,138	4,148
Financial income	597	36	3
Financial expenses	-29,274	-29,806	-3,011
Changes in value of properties	50,482	67,277	35,000
Tax	-20,697	-20,079	-1,649
Profit for the period	**62,059**	**60,566**	**34,491**
Other comprehensive income	-	-	-
Total comprehensive income	**62,059**	**60,566**	**34,491**
Dividends received from associated companies and joint ventures	-	-	-

16.2 Summary of financial information for associated companies and joint ventures

In addition to the holdings in associated companies described above, the Group also has holdings in a number of associated companies that are individually immaterial, which have been recognised according to the equity method.

	2015	2014
Total carrying amount for the individually immaterial associated companies	298	74
Total amount for the Group's share of:		
Profit for the period	199	48
Other comprehensive income	-	-
Total comprehensive income	**199**	**48**

NOTE 17. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

All of the Group's financial assets are included in category of Loan receivables and accounts receivable and all financial liabilities are included in category of Other financial liabilities. The Group has neither financial assets nor financial liabilities measured at fair value through profit and loss.

Measurement is classified in a hierarchy of three different levels on the basis of the information used to determine their fair value. Level 1 is used when fair value is determined on the basis of listed prices on an active market for identical financial assets or liabilities. Level 2 is used when fair value is determined on the basis of observable information other than listed prices on an active market. Level 3 is used when the determined fair value is based to a material extent on information that is not observable, i.e. is based on the company's own assumptions. The fair value of financial assets and liabilities is determined by using information attributable to one or more of the above levels. The classification is determined by the lowest level in the hierarchy for the information that has a material impact on the measurement. The Group only has financial assets and liabilities in level 2. The fair value of financial liabilities included in level 2 has been determined in accordance with generally accepted calculation methods based on discounting of future cash flows, whereby a discount interest rate reflecting the credit risk of the counterparty constitutes the principal input data.

Specification of financial assets -	**Loans and recievables**		**Carrying amount**		**Fair value**	
	31 Dec 2015	**31 Dec 2014**	**31 Dec 2015**	**31 Dec 2014**	**31 Dec 2015**	**31 Dec 2014**
Receivables from associated companies	77,779	78,091	77,779	78,091	77,779	78,091
Other non-current receivables	-	1,530	-	1,530	-	1,530
Accounts receivable	2,393	3,276	2,393	3,276	2,393	3,276
Cash and cash equivalents	4,897	2,999	4,897	2,999	4,897	2,999
Total	**85,069**	**85,896**	**85,069**	**85,896**	**85,069**	**85,896**

Specification of financial liabilities -	**Other financial liabilities**		**Carrying amount**		**Fair value**	
	31 Dec 2015	**31 Dec 2014**	**31 Dec 2015**	**31 Dec 2014**	**31 Dec 2015**	**31 Dec 2014**
Liabilities to credit institutions	28,696	57,938	28,696	57,938	28,696	57,938
Convertible debentures	8,246	-	8,246	-	8,246	-
Other non-current liabilities	13,718	43,930	13,718	43,930	13,718	43,930
Accounts payable	1,563	1,565	1,563	1,565	1,563	1,565
Liabilities to associated companies	2,429	4,053	2,429	4,053	2,429	4,053
Other current liabilities	2,000	2,171	2,000	2,171	2,000	2,171
Total	**56,652**	**109,657**	**56,652**	**109,657**	**56,652**	**109,657**

The Group's exposure to various risks connected to financial instruments is described in Note 21. The maximum exposure for credit risks as of the balance-sheet date corresponds to the carrying amount for each category of financial asset mentioned above.

Convertible debentures

The 2012/2016 convertible loan carries an interest rate of 9.75 per cent and interest payments occur semi-annually on the last business day in May and November. The loan can be converted into shares during the following periods: 15 January 2014 - 28 February 2014; 15 January 2015 - 28 February 2015; 15 January 2016 - 28 January 2016, as well as 1 September 2016 - 15 October 2016 or up to the date pursuant to Item 6 in the terms and conditions of the convertible.

At full conversion of the outstanding loan amount according to applicable conditions, the share capital may increase by SEK 84,151 and the number of Series B shares may increase by 52,594 shares.

The loan will fall due for payment on 30 November 2016 insofar as the loan has not been converted prior to this date. For complete terms and conditions, refer to the convertible terms and conditions published on the company's website. The nominal value of the convertible loan as of 31 December 2015 is SEK 8,415,096 (8,752,996).

The outcome of the conversion period 15 January 2015 - 28 February 2015: during the conversion period, 5,495 shares were subscribed at a price of SEK 20 per share. The share capital increased by SEK 1,099. During the year, outstanding convertible loans were also repurchased at a value of SEK 228,000.

NOTE 18. ACCOUNTS RECEIVABLE

	Group		Parent Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Accounts receivable	2,393	3,276	272	-
Less: provision for doubtful receivables	-	-	-	-
Accounts receivable – net	**2,393**	**3,276**	**272**	**-**

All accounts receivable are in SEK

The age analysis of these accounts receivable was as follows:	Group		Parent Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Less than 2 months	2,393	2,593	272	-
2 to 9 months	-	683	-	-
Total accounts receivable	**2,393**	**3,276**	**272**	**-**

Carrying amount of accounts receivable corresponds with the fair value. Since payment of accounts receivable is close at hand, the fair value is the same as the amortised cost.

NOTE 19. PREPAID EXPENSES AND ACCRUED INCOME

	Group		Parent Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Prepaid rent	75	116	75	64
Prepaid expenses	182	-	177	-
Accrued interest income	10	39	25	-
Other items	25	-	-	17
Total prepaid expenses and accrued income	**292**	**155**	**277**	**81**

NOTE 20. CASH AND CASH EQUIVALENTS

Cash and cash equivalents amounted to KSEK 4,897 (2,999) and mainly constitute cash and bank balances not subject to interest-rate fixing periods. Cash and cash equivalents have been invested with counterparties adjudged to have a high creditworthiness and thus represent a low risk. Cash and cash equivalents in the Parent Company amounted to KSEK 1,664 (13,781).

NOTE 21. BORROWING AND FINANCIAL RISK MANAGEMENT

Owning, directly or indirectly, and developing properties is a capital-intensive business. Fastator obtains capital through a balanced mix of external loans, shareholder loans and equity. The year-end loan-to-value ratio of properties, excluding shareholder deposits, amounted to 63 per cent (33) and the equity/assets ratio to 78 per cent (67). Interest expenses are also one of the company's largest cost items, and access to cost-effective financing is of strategic importance to Fastator, regardless of market conditions. The finance department's objective is to meet the company's financing needs at the lowest possible cost within the framework and restrictions adopted by the Board of Directors.

Financial risk management

The Group is exposed to various kinds of financial risks through its business. Financial risks refer to fluctuations in the Company's earnings and cash flow as a result of changes in interest levels, liquidity and credit risks. The Board charges the CEO and CFO with management of the Group's financial risks. They have the task of identifying and minimising the earnings impact of these risks to the furthest possible extent. All financial risks are to be reported and analysed by executive management and reported to the Board. This is to be done in accordance with the company's current procedures, which are intended to limit its financial risks.

Market risk

Market risk is the risk that the fair value of or future cash flows from a financial instrument will vary due to changes in market prices. IFRS divides market risks into three types: currency risk, interest-rate risk and other price risks. The market risk that mainly affects the company is interest-rate risk. The company's objective is to identify, manage and minimise the market risks, which is performed by the CEO and CFO according to current procedures. The Group does not have any currency exposures.

Liquidity risk

Liquidity risk is the risk that the company cannot meet its payment obligations at the due date without the cost of obtaining means of payment increasing substantially. According to the Company's current procedures, liquidity management is centralised to the CEO and CFO to thereby optimise the utilisation of cash and cash equivalents and minimise the need for financing. To minimise liquidity risk, liquidity forecasts are performed on an ongoing basis in order to ensure liquidity in both the short and long terms.

Interest-rate risk

Interest-rate risk refers to the risk that changes in interest rates will affect a company's interest expenses. Interest-rate risk could result in a change in fair value, changes in cash flow and fluctuations in the company's profit. The company is exposed to interest-rate risks due to its loan liabilities. The company manages interest-rate risk according to current procedures. This management is centralised to the CEO and CEO, who are charged with identifying, managing and minimise any interest-rate risks for the Group. This is reported to the CEO and Board on an ongoing basis. The Group borrows from credit institutions at a 3-month variable interest rate, which means that the Group could be exposed to short-term changes in interest rates. An one-percent increase or decrease in the interest rate would increase or decrease the interest expense by KSEK 527 per year.

Credit risk

Credit risk is primarily associated with the probability of financial loss resulting from counterparties' inability to fulfil their contractual obligations pertaining to financial transactions or instruments. Financial counter-parties' risk is evaluated and monitored with the objective of reducing counterparty risk. The Group manages credit risk by limiting its counter-parties to a number of large well-known banks and financial institutions, and monitoring their position. Other credit risks consist of receivables from associated companies. These are continually monitored through active Board work in each company/investment.

Loan conditions

Loan conditions or covenants that the bank stipulates in order to issue a credit facility are similar in the various credit agreements. The agreements generally stipulate an interest coverage ratio of at least 1.5 and a loan-to-value ratio of 65 per cent. Parent-company guarantees are also stipulated. Fastator or its subsidiaries have not breached any loan conditions or covenants.

	Group		Parent company	
Long-term borrowing	**31 Dec 2015**	**31 Dec 2014**	**31 Dec 2015**	**31 Dec 2014**
Non-current liabilities to credit institutions	27,832	-	760	760
Convertible debentures	-	-	-	8,420
Other non-current liabilities	13,718	43,930	9,718	9,718
Total long-term borrowing	**41,550**	**43,930**	**10,478**	**18,898**
Short-term borrowing				
Convertible debentures	8,246	-	8,246	-
Current liabilities to credit institutions	864	57,938	-	-
Other liabilities	2,000	2,000	-	-
Total short-term borrowing	**11,110**	**59,938**	**8,246**	**-**
Total borrowing	**52,660**	**103,868**	**18,724**	**18,898**

The liabilities to credit institutions will mature by 2020 and carry an average interest rate of 2.15 per cent per year (2014: 2.79 per cent per year). The total average interest rate for interest-bearing liabilities amounts to 3.29 per cent (2014: 3.19 per cent per year).
The same borrowing includes bank loans and other borrowings with collateral of SEK 27,936,000 (2014: SEK 57,938,000). Collateral for bank loans comprises the Group's properties, as well as shares in Group companies (Notes 23 and 24).

Maturity structure	Group		Parent Company	
Liabilities that mature for payment:	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
within 1 year from the balance-sheet date	11,110	59,938	8,246	-
1-5 years from the balance-sheet date	41,550	43,930	10,478	18,898
later than 6 years after the balance-sheet date	-	-	-	-
Total maturity structure	**52,660**	**103,868**	**18,724**	**18,898**

Liquidity analysis	Group		Parent Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
6 months or less	1,291	59,589	410	410
6-12 months	11,440	40,750	8,589	410
1 5 years	43,806	6,425	10,523	19,320
later than 6 years after the balance-sheet date	-	-	-	-
Total liquidity analysis	**56,537**	**106,764**	**19,522**	**20,140**

The amount pertains to future non-discounted cash flows for financial liabilities including interest, distributed according to the remaining period up to the contractual maturity period. The interest rate on the balance-sheet date for each loan has been used to calculate the future cash flows for all liabilities. The liabilities carry different interest rates; 3 months variable interest rate, 5 per cent, 9.75 per cent, as well as the reference rate of +2 per cent from the Riksbanken.

NOTE 22. ACCRUED EXPENSES AND PREPAID INCOME

	Group		Parent Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Accrued interest expenses	342	1 246	187	71
Prepaid rental income	1,092	324	-	-
Director fees and employee-related fees	388	164	366	418
Other items	1,235	245	1,045	554
Total accrued expenses and prepaid income	**3,057**	**1,979**	**1,598**	**1,043**

NOTE 23. PLEDGED ASSETS

	Group		Parent Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
For own debts and provisions:				
Property mortgages	27,936	57,937	-	-
Assets held for sale (properties)	28,350	-	-	-
Shares in subsidiaries	143,797	103,121	-	-
Total pledged assets	**200,083**	**161,058**	**-**	**-**

NOTE 24. CONTINGENT LIABILITIES

	Group		Parent Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Sureties for loans in associated companies	90,037	-	-	-
Total contingent liabilities	**90,037**	**-**	**-**	**-**

NOTE 25. DISCLOSURES CONCERNING RELATED PARTIES

The following related parties have been identified within Fastator:

- Mats Invest AB and Skälsö Intressenter AB each have a significant influence, and when combined they have a controlling interest in Fastator. These companies' shareholdings in Fastator amount to 32.0 per cent /30.5 per cent respectively, while their voting rights amount to 30.4/28.9 per cent.
- Holdings in subsidiaries are presented in Note 15.
- Holdings in associated companies are presented in Note 16.
- Members of Fastator's Board have a controlling or significant interest. A list of Board members their remuneration are reported in Note 5.
- Members of the boards of companies classified as group member companies.
- Fastator purchases central administration from the associated company OH Management AB. In 2015 purchases amounted to KSEK 776 (191).
- Fastator bills the associated companies OH Management AB and Offentliga Hus i Norden AB for management services. In 2015 revenues amounted to KSEK 787 (388).
- In 2015 Vivskä AB received repayments on loans to associated companies of KSEK 17,091 and interest payments of KSEK 5,081. In 2015 interest income amounted to KSEK 3,050 (3,525)
- At the time that 50 per cent of Offentliga Hus i Norden AB was sold, Vivskä AB had a debt to Offentliga Hus i Norden AB for inter-company transactions. During the year the debt was paid down by KSEK 1,624.
- In 2015 Fastator provided a short-term loan to the associated company Offentliga Hus i Norden AB amounting to KSEK 3,500. The interest rate is 5 per cent, and the interest income during the year amounted to KSEK 15.
- In 2015 Fastator provided a loan to the associated company Konland AB amounting to KSEK 13,279. The interest rate is 5 per cent beginning in 2016. No interest was paid in 2015. The hours spent by the management of Fastator on the development of the properties were invoiced at market terms for a total of KSEK 1,690.
- During the year Fastator purchased architecture services from Skälsö Arkitekter AB for KSEK 13.

	Offentliga Hus i Norden AB		Konland AB			Total
Loans to associated companies	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**
At the beginning of the year	**83,172**	**84,648**	-	-	**83,172**	**84,648**
Repayment of loans	-17,091	-5,000	-	-	-17,091	-5,000
Loans paid during the year	3,500	-	13,279	-	16,779	-
Interest income	3,065	3,524	-	-	3,065	3,524
Interest paid	-5,081	-	-	-	-5,081	-
At year-end	**67,565**	**83,172**	**13,279**	-	**80,844**	**83,172**
- of which, long-term	61,000	61,000	13,279	-	74,279	61,000
- of which, short-term	6,565	22,172	-	-	6,565	22,172

	Offentliga Hus i Norden AB		Konland AB			Total
Loans from associated companies	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**
At the beginning of the year	**4,053**	-	-	-	**4,053**	-
Loans received and paid during the year	-	4,053	-	-	-	4,053
Repayment of loans during the year	-1,624	-	-	-	-1,624	-
At year-end	**2,429**	**4,053**	-	-	**2,429**	**4,053**
- of which, short-term	2,429	4,053	-	-	2,429	4,053

NOTE 26. DISCONTINUED OPERATIONS

	Group	
Profit/loss from discontinued operations	**2015**	**2014**
Discontinuation of intellectual property rights	-	-
Konkret Fastighetsutveckling i Nacka AB	25,738	32,903
Offentliga Hus i Norden AB	-	-28,632
Skälsö AB	-	8,489
Total	**25,738**	**12,760**

26.1 Discontinued operations 2015

Intellectual property rights

The Rehact Energy System operation and the patented product RVU were included in the converted acquisition whereby Fastator acquired the operation that was previously conducted in Rehact AB. The operation including patents and trademarks was sold on 25 November 2015. The assets were sold for KSEK 3,000, which corresponded to the value of Fastator's acquisition balance. Thus the disposal had no effect on profits. The purchase consideration is divided into two parts: KSEK 1,000 in cash, and the remaining KSEK 2,000 consists of a one-year vendor's mortgage. Under certain conditions the vendor's mortgage can be converted to shares in the company that conducts the operation in the future.

The operation had no income or expenses during the period in which it was included in the Fastator Group.

Purchase consideration paid or purchase consideration that will be paid:

Cash	1,000
Vender's mortgage	2,000
Total sales price	3,000
Carrying amount for sold net assets	-3,000
Profit before tax	-
Profit from sales after tax	-

The carrying amounts of assets and liabilities on the selling date (25 November 2015) were:

Capitalised expenditure for development work	2,088
Patent rights	912
Net assets	**3,000**

Konkret Fastighetsutveckling i Sverige AB

In December 2015 Fastator sold 50 per cent of its shares in Konkret Fastighetsutveckling i Nacka AB to Genova Property Group. The aim of the transaction is that Genova Property Group and Fastator will jointly convert the property into housing units. The purchase consideration was MSEK 151, which corresponds to the consolidated value of the company with a reversal of deferred tax. The purchase consideration comprised a payment of MSEK 10 in cash, with the remaining consideration comprising one preference share in the new holding company GenovaFastator Holding AB. The handover took place on 1 February 2016.

The carrying amounts of assets and liabilities as of 31 December 2015 or the selling date were:

	Konkret Fastighetsutveckling i Nacka AB	Intellectual property rights
Intangible fixed assets	-	3,000
Tangible assets	180,190	-
Current assets excluding cash and cash equivalents	3	-
Cash and cash equivalents	1,917	-
Total assets in the disposal group held for sale	**182,110**	**3,000**
Deferred tax liabilities	30,354	-
Financial non-current liabilities	27,300	-
Financial current liabilities	1,050	-
Other current liabilities	1,408	-
Total liabilities in the disposal group held for sale	**60,112**	**-**
Net assets	**121,998**	**3,000**

	Konkret Fastighetsutveckling i Nacka AB	
Income statement pertaining to discontinued operations:	**2015**	**2014**
Rental income	4,122	4,006
Property and administrative expenses	-675	-728
Changes in value of properties	30,000	40,000
Operating profit	**33,447**	**43,278**
Net financial items	-899	-1,306
Tax	-6,810	-9,069
Profit for the period	**25,738**	**32,903**

26.2 Discontinued operations 2014

In April 2014, the entire holding in Skälsö AB, and 50 per cent of the holding in Offentliga hus i Norden AB, were divested according to plan. All assets and liabilities attributable to both of these companies were reallocated to separate balance-sheet items – Assets held for sale, and Liabilities held for sale, at 1 January 2014.

The carrying amounts of assets and liabilities at 31 December 2015, alternatively on the selling date, were:

Purchase consideration received:	**Offentliga Hus i Norden AB**	**Skälsö AB 1)**	**Total**
Cash	55,000	-	55,000
Reclassified as interests in associated companies	55,000	-	55,000
Redemption of shares	-	350,542	350,542
Realised intercompany profit	-	16,513	16,513
Carrying amount for sold net assets	-163,678	-358,566	-522,244
Profit/loss before tax	**-53,678**	**8,489**	**-45,189**
Profit/loss from sales after tax	-53,678	8,489	-45,189
Fastator's share of equity from the first quarter	25,046	-	25,046
Total profit/loss from discontinued operations	**-28,632**	**8,489**	**-20,143**

1) The sale occurred through the redemption of shares

The carrying amounts of assets and liabilities on the selling date (31 March 2014) were:

	Offentliga Hus i Norden AB	**Skälsö AB 1)**
Tangible assets	871,845	375,157
Financial assets	-	53,783
Current assets excluding cash and cash equivalents	6,151	12,425
Cash and cash equivalents	10,800	1,726
Total assets in the disposal group held for sale	**888,796**	**443,091**
Deferred tax liabilities	-32,719	-14
Financial non-current liabilities	-325,133	-69,000
Financial current liabilities	-331,287	-1,415
Other current liabilities	-35,979	-14,096
Total liabilities in the disposal group held for sale	**-725,118**	**-84,525**
Net assets	**163,678**	**358,566**

NOTE 27. EARNINGS PER SHARE

27.1 Earnings per share

Earnings per share before dilution, SEK	2015	2014
Earnings per share from continuing operations attributable to Parent Company shareholders	4.35	4.11
Earnings per share from discontinued operations attributable to Parent Company shareholders	2.09	0.90
Total earnings per share before dilution attributable to Parent Company shareholders	**6.44**	**5.01**
Earnings per share after dilution, SEK		
Earnings per share from continuing operations attributable to Parent Company shareholders	4.35	4.11
Earnings per share from discontinued operations attributable to Parent Company shareholders	2.09	0.90
Total earnings per share before dilution attributable to Parent Company shareholders	**6.44**	**5.01**

27.2 Profit ratios used to calculate earnings per share

Earnings per share before dilution	2015	2014
Attributable to Parent Company shareholders:		
From continuing operations	53,447	49,342
From discontinued operations	25,738	10,786
Total	**79,185**	**60,128**
Profit/loss attributable to non-controlling interests		
From continuing operations	-	-5
From discontinued operations	-	1,974
Total	**-**	**1,969**

Earnings per share after dilution	2015	2014
Profit from continuing operations attributable to Parent Company shareholders		
Used to calculate earnings per share before dilution	53,447	49,342
Interest expense for convertible debentures	385	-
Used to calculate earnings per share after dilution 1)	**53,832**	**49,342**
Profit from discontinued operations	25,738	10,786
Profit attributable to Parent Company shareholders used to calculate earnings per share after dilution	**79,570**	**60,128**

Weighted average of ordinary shares	2015	2014
Weighted average of ordinary shares for calculating earnings per share before dilution		
- Registered shares	12,234,978	11,999,999
- Ongoing offset issue	53,336	-
Total	**12,288,314**	**11,999,999**
Adjustments for calculating earnings per share after dilution		
- Convertible debentures	14,121	-
Total	**12,302,435**	**11,999,999**

1) To calculate earnings per share after dilution, interest attributable to convertible debt instruments has been reversed. However, earnings per share after dilution can never be higher than before dilution. In these cases, both earnings per share before dilution and earnings per share after dilution are presented.

NOTE 28. EQUITY

Reconciliation of ordinary shares	Antal aktier
At 1 January 2014	**4,226,615**
Registration of issue	106,666
Exchange of convertible debentures	24,412
Warrants	638,230
At 31 December 2014	**4,995,923**
Exchange of convertible debentures	5,495
New share issue	2,000,000
Non-cash issue	95,999,993
Consolidation of shares 8:1	-90,126,235
Offset issue	1,145,145
As per 31 December 2015	**14,020,321**

For a description of the changes in equity, refer to the statements of changes in equity for the Group and Parent Company.

Exchange of convertible debentures

During the year, holders of convertible debentures chose to convert convertible debentures corresponding to an amount of KSEK 110 to 5,495 shares before consolidation of the shares. The registered share capital thus rose by KSEK 1.

New issue

In May 2015, 2,000,000 new shares were issued, before consolidation of the shares, at a price of SEK 12.80 each. The registered share capital thus rose by KSEK 400.

Non-cash issue

On 24 September 2015, Fastator acquired Rehact AB through a non-cash issue, which gave shareholders in the former Fastator a controlling interest in Aktiebolaget Fastator (publ). The acquisition was carried out through a non-cash issue of 95,999,993 new shares in the company at a value of SEK 3.00 per share, which were subscribed for by shareholders in the former Fastator. The non-cash issue, registered on 24 September 2015 resulted in a dilution of the holdings of the current shareholders by about 93 per cent of the capital and 88 per cent of the votes.

Offset issue

1,145,145 shares were subscribed for through an offset issue at a price of SEK 27.66 per share, thus contributing equity of KSEK 31,675.

Warrants

Fastator issued 650,000 warrants on 14 December 2015. At 31 December 500,000 warrants were acquired by Fastator's Management Team.

The remaining 150,000 warrants are owned by the subsidiary KONYAB 1 i Sverige AB. KSEK 1,225 was thus contributed to the Group for warrants corresponding to SEK 2.45 each. The warrant price was based on the share price on the date of issuance and in accordance with the Black & Scholes model.

For one (1) warrant, holders of warrants are entitled to subscribe for one (1) new share in the company, from 1 December 2020 up to and including 31 December 2020, for a subscription price corresponding to 150 per cent of the average of the volume-weighted, most recent price paid for the share over the ten trading days from 7 December until 18 December 2015, which corresponded to SEK 43.05.

NOTE 29. CASH FLOW

Cash flow from operations, Operating profit	2015	2014
Operating profit from continuing operations	54,115	47,340
Operating profit from discontinued operations	33,448	43,278
Total operating profit	**87,563**	**90,618**
Other non-cash items		
Other non-cash items pertain to:		
Continuing operations		
- Changes in value of properties	4,000	-213
- Profit from associated companies	52,105	48,076
Total	**56,105**	**47,863**
Discontinued operations		
- Changes in value of properties	30,000	40,000
Total	**30,000**	**40,000**
Total other non-cash items	**86,105**	**87,863**
Of which, cash flow from discontinued operations		
- Cash flow from operating activities	-871	1,972
- Cash flow from investing activities	-	55,000
- Cash flow from financing activities	-787	-
Cash flow from discontinued operations for the period	**-1,658**	**56,972**

NOTE 30. CHANGES IN ACCOUNTING POLICIES

This is the first annual report for the Fastator Group to be prepared in accordance with IFRS. The accounting policies set out in Note 2 were applied when the consolidated financial statements were prepared as per 31 December 2015, to the comparative information presented as per 31 December 2014, and to the preparation of the statement of the period's opening financial position (opening balances) as per 1 January 2014 (the Group's date of transition to IFRS). When preparing the opening IFRS balance sheet, all amounts recognised in previous annual financial statements in accordance with the Swedish Accounting Standards Board were adjusted.

In the reconciliation between previous accounting policies and IFRS, under IFRS 1, the Group is to reclassify equity and total comprehensive income recognised under previous accounting policies for preceding periods into the corresponding IFRS classification. The transition from previous accounting policies to IFRS did not have any effect on the presentation of the cash flow generated by the Group. The following tables show the reconciliation between previously applied accounting policies and IFRS for the respective period, for equity and total comprehensive income.

Reconciliation of equity on 1 January and 31 December 2014

In connection with changes in accounting policies, comparative years and opening balances must also be restated. The following tables show the effects of IFRS on the consolidated comprehensive income statement for 2014, and on the balance sheet at 1 January 2014 and 31 December 2014.

The following comments refer to those items in the consolidated income statement that have been remeasured at fair value in connection with the transition to IFRS.

1. IAS 1 *Presentation of Financial Statements*

IAS 1 provides greater freedom in the presentation of the financial statements than the Swedish Annual Accounts Act. To better reflect its operations, the Group has decided to change the presentation format of its income statement. Reclassification has also taken place under Equity when transitioning to IFRS. The adjustment pertains to the reallocation of share premium reserve to other paid-up capital.

A transition from the presentation of the income statement and balance sheet in accordance with the rules of the Swedish Accounting Standards

Board and the Annual Accounts Act results in some changes to the names of the items in the income statement and balance sheet. Cash and bank balances, for example, have been renamed Cash and cash equivalents. Under equity, the term restricted reserves (revaluation reserve and share of equity of untaxed reserves) is no longer used. Equity also includes Equity attributable to minority interests.

2. IFRS 3 *Business Combinations*

Fastator completed one business acquisition in 2014. On the acquisition date, the subsidiary did not conduct any business and, as a result, it was recognised as an asset acquisition. On the date of acquisition, Fastator had acquired 100 per cent of the shares in the company. The acquisition fees are included in the cost.

3. IFRS 5 *Non-current Assets Held for Sale*

Under IFRS 5, assets and liabilities that meet the conditions of IFRS 5 must be presented separately in statements of financial position. At the beginning of 2014, the wholly owned subsidiaries Skälsö AB and Offentliga Hus i Norden AB were included. In April 2014, the entire holding in Skälsö AB, and 50 per cent of the holding in Offentliga hus i Norden AB, were divested according to plan. All assets and liabilities attributable to both of these companies were reallocated to separate balance-sheet items – Assets held for sale, and Liabilities held for sale, at 1 January 2014. The reclassification is presented below in a separate column. In addition, the assets and liabilities were restated in accordance with points 3 and 4 below, whereby net equity increased KSEK 4,463. There were no assets held for sale at 31 December 2014.

4. IAS 40 *Investment Property*

In accordance with the Group's accounting policies, the Group's investment properties are measured at fair value as of the transition date to IFRS. Under previous accounting policies, the investment properties were recognised according to the cost method.

The subsequent effects when restating to IFRS are an increase of KSEK 65,699 in the carrying amount of the investment properties on 1 January 2014, and an increase of KSEK 106,003 on 31 December 2014.

5. IAS 28 *Associated companies*

Following divestment of 50 per cent of the shares in Offentliga Hus i Norden AB, the holding is recognised as an associated company. Holdings in associated companies and joint ventures are recognised at fair value through profit or loss in accordance with IAS 39. Upon divestment, the cost of Offentliga Hus was adjusted by KSEK -1,793 to correspond to the market value at the time of sale, which was KSEK 55,000 on the divestment date.

At year-end, the effect of this when converting to IFRS was an increase of KSEK 37,736 in the carrying amount of investments in associated companies. The net effect thus amounted to KSEK 35,943.

6. IAS 12 *Income taxes*

In accordance with the Group's accounting policies, no acquired deferred tax is recognised as of the IFRS transition date since this reduces the value of the property on the acquisition date. Deferred tax is only recognised on the temporary differences arising after the acquisition date. All deferred tax on temporary differences arising after the acquisition date must also be recognised at a nominal tax rate of 22 per cent. Only deferred tax liabilities are recognised. Deferred tax assets at the object level are not recognised because the tax assets arising result from not recognising the initial tax liability.

The resulting effects when restating to IFRS are an increase of KSEK 14,454 in the carrying amount of the deferred tax liability on 1 January 2014 and an increase of KSEK 23,805 on 31 December 2014.

7. Effects on equity

The total net effect of the IFRS adjustments on equity after tax is summarised in the table below. All IFRS adjustments have been recognised in retained earnings.

	31 Dec 2014	01 Jan 2014
Equity according to previous accounting policies	**194,597**	**534,331**
Assets held for sale	-	4,463
Investment properties	106,003	65,699
Associated companies	35,943	-
Deferred tax	-23,805	-14,454
Equity according to IFRS	**312,738**	**590,039**

CONSOLIDATED BALANCE SHEET

		01 January 2014			
KSEK	Note	Previous policies	Assets held for sale	Other IFRS adjustments	IFRS
ASSETS					
Fixed assets					
Tangible assets					
Investment properties		1,171,563	-1,127,262	65,699	110,000
Construction in progress		31,937	-31,937	-	-
Equipment		1,270	-1,208	-	62
Total property, plant and equipment	4	**1,204,770**	**-1,160,407**	**65,699**	**110,062**
Financial fixed assets					
Other non-current receivables		53,783	-53,783	-	-
Total financial fixed assets		**53,783**	**-53,783**	**-**	**-**
Total fixed assets		**1,258,553**	**-1,214,190**	**65,699**	**110,062**
Current assets					
Inventories		600	-600	-	-
Accounts receivable		1,726	-1,625	-	101
Other current receivables		12,349	-11,378	-	971
Prepaid expenses and accrued income		789	-626	-	163
Cash and cash equivalents		9,433	-8,511	-	922
		24,897	-22,740	-	2,157
Assets held for sale	3	-	1,232,088	-	1,232,088
Total current assets		**24,897**	**1,209,348**	**-**	**1,234,245**
TOTAL ASSETS		**1,283,450**	**-4,842**	**65,699**	**1,344,307**
EQUITY AND LIABILITIES					
Equity including non-controlling interests	7	**534,331**	**4,463**	**51,245**	**590,039**
Non-current liabilities					
Deferred tax liabilities	6	37,035	-36,751	14,454	14,738
Non-current liabilities to credit institutions		444,830	-415,693	-	29,137
Other non-current liabilities		84,783	-47,340	-	37,443
Total non-current liabilities		**566,648**	**-499,784**	**14,454**	**81,318**
Current liabilities					
Current liabilities to credit institutions		138,359	-137,309	-	1,050
Accounts payable		14,154	-13,542	-	612
Current tax liability		512	-199	-	313
Other current liabilities		5,156	-4,523	-	633
Accrued expenses and prepaid income		24,290	-23,251	-	1,039
		182,471	-178,824	-	3,647
Liabilities that are directly connected with assets held for sale	3	-	669,303	-	669,303
Total current liabilities		**182,471**	**490,479**	**-**	**672,950**
TOTAL EQUITY AND LIABILITIES		**1,283,450**	**-4,842**	**65,699**	**1,344,307**

The above balance sheet is to be read with the enclosed notes.

CONSOLIDATED BALANCE SHEET

KSEK	Note	31 December 2014			
		Pervious policies	Assets held for sale	Other IFRS adjustments	IFRS
ASSETS					
Fixed assets					
Tangible assets					
Investment properties		91,997	-	106,003	198,000
Construction in progress		190	-	-	190
Equipment		40	-	-	40
Total property, plant and equipment		**92,227**	**-**	**106,003**	**198,230**
Financial fixed assets					
Interests in associated companies		124,131	-1,792	37,735	160,074
Receivables from associated companies		61,000	-	-	61,000
Other non-current receivables		1,530	-	-	1,530
Total financial fixed assets		**186,661**	**-1,792**	**37,735**	**222,604**
TOTAL FIXED ASSETS		**278,888**	**-1,792**	**143,738**	**420,834**
Current assets					
Accounts receivable		3,276	-	-	3,276
Receivables from associated companies		22,172	-	-	22,172
Other current receivables		196	-	-	196
Prepaid expenses and accrued income		155	-	-	155
Cash and cash equivalents		2,999	-	-	2,999
Total current assets		**28,798**	**-**	**-**	**28,798**
TOTAL ASSETS		**307,686**	**-1,792**	**143,738**	**449,632**
EQUITY AND LIABILITIES					
Equity including non-controlling interests	**7**	**194,597**	**-1,792**	**119,933**	**312,738**
Non-current liabilities					
Deferred tax liabilities	6	-	-	23,805	23,805
Non-current liabilities to credit institutions		-	-	-	-
Other non-current liabilities		43,930	-	-	43,930
Total non-current liabilities		**43,930**	**-**	**23,805**	**67,735**
Current liabilities					
Current liabilities to credit institutions		57,938	-	-	57,938
Accounts payable		1,565	-	-	1,565
Liabilities to associated companies		4,053	-	-	4,053
Current tax liability		668	-	-	668
Other current liabilities		2,956	-	-	2,956
Accrued expenses and prepaid income		1,979	-	-	1,979
Total current liabilities		**69,159**	**-**	**-**	**69,159**
TOTAL EQUITY AND LIABILITIES		**307,686**	**-1,792**	**143,738**	**449,632**

The above balance sheet is to be read with the enclosed notes.

Reconciliation of total comprehensive income for 2014

The following comments refer to those items in the consolidated income statement that have been remeasured at fair value in connection with the transition to IFRS.

8. IFRS 5 *Non-current Assets Held for Sale*

Under IFRS 5, the profit or loss of discontinued operations must be presented separately in the statement of comprehensive income. Profit of KSEK 3,595 from the divestment of Skälsö AB and Offentliga Hus i Norden AB according to previous accounting policies has been reclassified to a separate item in the income statement, Profit/loss from discontinued operations. Profit was also further adjusted by an amount of KSEK -18,350 in accordance with restatement of the holdings under IFRS. Earnings were therefore charged with a net amount of KSEK -16,548, including the adjustment of KSEK -1,793 described in the first paragraph of point 5 above.

In December 2015, a decision was made to divest 50 per cent of the shares in Konkret Fastighetsutveckling i Nacka AB. The divestment means that the transaction is to be recognised in accordance with IFRS 5, and that the 2014 income statement is to be restated retroactively, whereby all items attributable to these operations are to be reclassified into Profit/loss from discontinued operations.

As a result, profit before tax of KSEK 1,972 for the period has been reclassified into Profit from discontinued operations. In addition, an amount of KSEK 40,000 attributable to the revaluation of properties for the period, and a change of KSEK -9,069 in deferred tax for the period, were recognised as Profit/loss from discontinued operations. Overall, profit from discontinued operations attributable to Konkret Fastighetsutveckling i Nacka AB amounted to KSEK 32,903.

To summarise the adjustments, a loss of KSEK -1,622 under previous accounting policies was reclassified from profit/loss before tax into profit/loss from discontinued operations. In addition, the item profit/loss from discontinued operations was IFRS adjusted by a net amount of KSEK -14,382.

9. IAS 40 *Investment Property*

Depreciation and amortisation are not recognised in accordance with IFRS; they have been eliminated in their entirety from the income statement for 2014 in the amount of KSEK 517, and are recognised as an unrealised change in value for 2014.

Combined with the adjustments described in point 4 above, changes in value amounting to KSEK -213 were recognised in profit and loss.

10. IAS 28 *Associated companies*

Earnings from interests in associated companies are recognised as of the date when the company is recognised as an associated company. In April 2014, Offentliga hus i Norden AB was converted from a subsidiary to a 50 per cent-owned associated company. The investments are remeasured at fair value as described in point 5 above.

The effect on the period's earnings when restating to IFRS is therefore KSEK 48,028.

11. IAS 12 *Income taxes*

The effect on the period's earnings when restating to IFRS is therefore a deferred tax expense of KSEK -281 for 2014.

CONSOLIDATED INCOME STATEMENT

		2014			
KSEK	**Note**	**Previous policies**	**Assets held for sale**	**Other IFRS adjustments**	**IFRS**
Net sales		4,986	-4,006	-	980
Other operating revenue		4,689	-	-	4,689
Total revenue		**9,675**	**-4,006**	**-**	**5,669**
Expenses for employee benefits		-3,089	-	-	-3,089
Other operating expenses		-3,810	728	-	-3,082
Depreciation of tangible assets	8	-538	-	517	-21
Changes in value of properties	9	-	-	-213	-213
Share of profits from equity method investments	10	48	-	48,028	48,076
Operating profit/loss		**2,286**	**-3,278**	**48,332**	**47,340**
Financial items					
Profit from participation in Group companies	8	-3,595	3,595	-	-
Other interest income and similar profit/loss items	8	3,951	-2	-	3,949
Interest expenses and similar items	8	-3,113	1,307	-	-1,806
Total financial items		**-2,757**	**4,900**	**-**	**2,143**
Profit/loss before tax		**-471**	**1,622**	**48,332**	**49,483**
Tax	8,11	135	-	-281	-146
Profit from discontinued operations	8	-	12,760	-	12,760
Profit/loss for the period		**-336**	**14,382**	**48,051**	**62,097**
Profit/loss attributable to:					
Parent Company shareholders		-448	12,525	48,051	60,128
Non-controlling interests		112	1,857		1,969
Total		**-336**	**14,382**	**48,051**	**62,097**

The above income statement is to be read with the enclosed notes.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2014			
KSEK	**Previous policies**	**Assets held for sale**	**Other IFRS adjustments**	**IFRS**
Profit/loss for the period	-336	14,382	48,051	62,097
Other comprehensive income	-	-	-	-
Total comprehensive income/loss	**-336**	**14,382**	**48,051**	**62,097**
Total comprehensive income/loss for the period attributable to:				
Parent Company shareholders	-448	12,525	48,051	60,128
Non-controlling interests	112	1,857	-	1 969
Total	**-336**	**14,382**	**48,051**	**62,097**

ASSURANCE

The Board of Directors and the CEO of Aktiebolaget Fastator (publ) give their assurance that these consolidated accounts have been prepared in accordance with IFRSs as enacted by the EU and give a fair view of the Group's results and financial position. The annual report has been prepared in accordance with generally accepted accounting principles and gives a fair view of the Parent Company's results and financial position.

The Administration Reports for both the Group and the Parent Company accurately review the Group's and the Parent Company's operations, financial positions and earnings and describe the significant risks and uncertainties facing the Parent Company and the companies included in the Group.

Stockholm, 8 April 2016

Björn Rosengren
Chairman

Agneta Jacobsson
Member

Joachim Kuylenstierna
Member

Mats Lundberg
Member

Anders Mossberg
Member

Pelle Törnberg
Member

Carl Bildt
Member

Daniel Hummel
CEO

Our auditor's report was submitted on 8 April 2016
Öhrlings PricewaterhouseCoopers AB

Magnus Thorling
Authorised Public Accountant

AUDIT REPORT

TO THE ANNUAL GENERAL MEETING OF AKTIEBOLAGET FASTATOR (PUBL), CORP. REG. NO. 556678-6645

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

We have audited the annual accounts and consolidated accounts of Aktiebolaget Fastator (publ) for the year 2015. The company's annual accounts and consolidated accounts are included in the print version of this document on pages 10- 57.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE CEO FOR THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of these annual accounts and consolidated accounts in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these annual accounts and consolidated accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts and consolidated accounts are free from material misstatement.

An audit involves performing various procedures to obtain audit evidence about the amounts and disclosures in the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the annual accounts and consolidated accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the President, as well as evaluating the overall presentation of the annual accounts and consolidated accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

OPINIONS

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2015 and of its financial performance and its cash flows for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the Group as of 31 December 2015 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the annual meeting of shareholders adopt the income statement and balance sheet for the Parent Company and the Group.

OTHER DISCLOSURES

The audit of the 2014 Annual Report was performed by another auditor who submitted an audit report on 27 May 2015 with an unmodified opinion on the Report on the annual accounts.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In addition to our audit of the annual accounts and consolidated accounts, we have examined the proposed appropriations of the company's profit or loss and the administration of the Board of Directors and the CEO of Aktiebolaget Fastator (publ) for the year 2015.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE CEO

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss, and the Board of Directors and the CEO are responsible for administration under the Companies Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the company's profit or loss and on the administration based on our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden.

As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss, we examined whether the proposal complies with the Companies Act.

As a basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts and the consolidated accounts, we examined significant decisions, actions taken and the circumstances of the company in order to determine whether any member of the Board of Directors or the CEO is liable to the company. We also examined whether any member of the Board of Directors or the President has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

OPINIONS

We recommend to the annual meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory Director's Report and that the members of the Board of Directors and the CEO be discharged from liability for the financial year.

Stockholm on 8 April 2016
Öhrlings PricewaterhouseCoopers AB

Magnus Thorling
Auktoriserad revisor

DEFINITIONS

Return on shareholders' equity, %	Net profit according to the income statement as a percentage of twelve months moving average equity.
Return on investment (IRR), %	Average annual return (Internal Rate of Return) – the average annual return on the invested amount calculated on the basis of the original investment, the definitive sales amount and other capital flows, taking into account the point of time at which payment to and from Fastator occurs.
Loan-to-value ratio properties, %	Sum total of the property loans according to the balance sheet as a percentage of the market value of the properties.
Dividend yield, %	The property's net operating income divided by the property's market value.
IAS	International Accounting Standards. The International Accounting Standards issued by an expert body, the IASB, that are subsequently processed and adopted by the EU. These rules are complied with by listed companies in the EU.
IFRS	International Financial Reporting Standards. International Financial Reporting Standards (IFRS), to be applied for consolidated financial statements issued by listed companies within the EU as of 2005.
Consolidated value	Carrying amount in the consolidated financial statements.
Earnings per share	Profit/loss attributable to the Parent Company, divided by the average number of shares for the period. To calculate earnings per share after dilution, interest attributable to convertible debt instruments has been reversed. However, earnings per share after dilution can never be higher than before dilution. In these cases, both earnings per share before dilution and earnings per share after dilution are presented.
Interest coverage ratio, multiple	Earnings before net interest expense divided by net interest expense.
Equity/assets ratio	Equity as a percentage of total assets on the balance-sheet date.
Net asset value	Equity attributable to owners of the Parent Company.

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