

Jefast Holding

org. nr 556721-2526

The 4th Quarter 2015

Summary October-December 2015

- Net sales amounted to 65,3 MSEK (Q4 2014: 47,6)
- Operating result amounted to 11,2 MSEK (Q4 2014: 8,4)
- In the fourth quarter's result after taxes amounted to -2,6 MSEK (Q4 2014: -0,3)
- The portfolio's total property market value amounted to 1 839 MSEK (as of year 2015)
- During this quarter one property acquisition was made with the purchase price of 64 MSEK

Introduction to Jefast

Jefast was founded in 1977 and has since then had its headquarter in Höganäs, Skåne. Jefast owns and develops properties in Höganäs and Helsingborg and its close surroundings, as well as a hotel in Fort Lauderdale, Florida USA. The company owns a total of 32 properties among these, both commercial and residential properties.



CEO's Comments

Steady business model and growth

Jefast has a strong position on the northeast Skåne market with a mixed property portfolio including both commercial and residential properties. In the fourth quarter Jefast issued its first corporate bond with a nominal value of 200 MSEK. With a heavy expansion goal ahead of us, these funds will contribute to reaching these goals. The planned growth will result into an increase of 50% in property portfolio value within 3 years. Jefast's goal is also to increase our focus on residential properties, reaching at least 50% residential properties in portfolio value and less than 50% in commercial properties.



Market value and area

During 2015 the full property portfolio was externally and independently appraised. The total value mounted to 1 839 MSEK. In the fourth quarter, Jefast's property portfolio had a total area of 107 161 square meters.

Acquisitions and Divestments

In the fourth quarter an enterprise acquisition was made containing the property Sockerbruket 3. With a central location in the heart of Helsingborg with a total lettable area of 1 898 square meters and both commercial and residential tenants. Among the largest tenants is Nordea as well as Trygghetsrådet. The purchase price mounted to 64 MSEK. No divestments were made during the fourth quarter.

Future prospects and business activities

The current demand for apartments in the area is very high and thus we have a very low vacancy rate. The housing deficit in the area is a fact and is expected to continue in this direction. When it comes to our commercial tenants, we are working actively and very close with our tenants to ensure the right development and adjustment for each tenant is made.

In the pace of reaching our growth goal, Jefast are continuing to look for good investment possibilities within the Helsingborg area.

Martin Persson, CEO

Tenant overview

The chart gives an overview of the the largest tenants in the fourth quarter. The largest commercial tenants contributes to a total of 15,4% of the total rental income. The economic occupancy rate in the full year of 2015 for commercial was 93% and 99% for residential. The property Holland 25 has been excluded from the chart since it is currently undertaking major renovations.

New leases

In the fourth quarter, a new 15 year long lease was signed with the municipality of Höganäs in the property Lerberget 49:710. The entire property is now fully rented, mainly as a community service property. Tenant adjustments are currently taking place and is expected to be finalised in the second quarter of 2016.

Negotiations has already started with a potential tenant to rent the premises after Friskis & Sveltis at Noshörningen 14. This lease contract will be of at least 10 years long.

Jefast's ten largest tenants

Tenant	City	Lease maturity	Percentage of total rental income
Höganäs Kommun	Höganäs	04 / 2031	4%
Nordea	Helsingborg	01 / 2019	2%
Swedbank AB	Höganäs	03 / 2016	1,8%
Jem & Fix KB	Höganäs	12 / 2020	1,5%
BW Hotel Duxiana, Pogh Hotell AB	Helsingborg	09 / 2028	1,3%
Jysk AB	Höganäs	04 / 2021	1,3%
Victum Kompetensutveckling AB	Helsingborg	08 / 2017	0,9%
IF Friskis & Sveltis i Höganäs	Höganäs	08 / 2020	0,9%
Vård och omsorgsnämnden	Höganäs	09 / 2018	0,9%
Pysslingen Förskolor & Skolor AB	Höganäs	07 / 2022	0,8%
			15,4%

Projects

Holland 25 - Söderpunkten



Söderpunkten comprises of a full block in the city center of Helsingborg. The property was earlier a shopping mall, which Jefast are currently developing to become the new City District Center with open from early mornings to late nights. Söderpunkten will be divided into three different part being: The center, The movie theatre as well as a high-rise with approximately 80 apartments.

Overall information

- Part one and two with construction and addition of approximately 13 000 square meters lettable area, opening fall 2017
- The construction company Skanska have been signed for the first and second part
- The third part, new construction with 4 800 square meters of apartments, opening in december 2018 on going discussions
- The remaining areas within part one and two have ongoing negotiations with potential tenants

Financial information

- The economic rental lease amounts to 81%
- Part one and two of the project has secured fundings

Financial Overview

Overview of the Jefast group including income statement, balance sheet and statement of cashflow see pages 6 to 9 in this report.

Net Sales

In the fourth quarter the net sales amounted to 65,3 MSEK (Q4 2014: 47,6 MSEK). An increase of 40 % compared to same period last year. The hotel operation: Pelican Grand Beach Resort, Florida, was the main contributor to this increase.

Result

The operating result (EBIT) for the fourth quarter amounted to a total of 11,2 MSEK (Q4 2014: 8,4 MSEK). This equals an increase compared to same period last year of a total of 34%.

Investments

One property acquisition was made with the purchase price of 64 MSEK.

Financial position and liquidity

Both the financial position and liquidity of Jefast is considered to be stable. In the fourth quarter an addition of 182 MSEK was made from the issued bond. These funds will be used for investments and development projects during 2016.

The groups Income Statement	Oct-Dec 2015	Oct-Dec 2014
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All amounts in TSEK

Net Sales	65 275	47 615
Property Costs	-8 615	-6 940
Commercial Goods	-16 546	-12 077
Gross profit	40 114	28 598
Central administration and marketing	-20 271	-15 087
Results from property divestments	0	1 283
Other operating income	392	0
Other operating expenses	-4	-52
Depreciation and Amortisation	-9 034	-6 363
Operating Result	11 197	8 379
Other interest income and similar profit/loss items	169	551
Interest expense and similar profit/loss items	-14 295	-9 842
Result after financial items	-2 929	-912
Tax on profit for the year	-54	-147
Deferred tax liabilities	333	714
Net profit/loss for the quarter	-2 650	-345
Parent company's share of the quarterly result	0	240
Minority share of the quarterly result	0	-586

The groups Balance Sheet	Oct-Dec	Oct-Dec
	2015	2014

All amounts in TSEK

ASSETS**Fixed assets*****Intangible fixed assets***

Franchise, patent, licenses, trademarks and similar rights

350

477

Tangible fixed assets

Lands and buildings

1 438 197

1 219 519

Inventories, tools and installations

25 865

27 248

Fixed assets under construction

9 862

21 271

1 473 924**1 268 038*****Financial Assets***

Participation in group companies

18 000

0

Deferred tax assets

2 665

0

Other long-term receivables

11 525

1 385

Total financial assets**32 190****1 385****Total fixed assets****1 506 464****1 269 900****Current assets*****Inventory m m***

Finished goods

1 359

1 296

Current receivables

Account receivables

11 660

6 580

Other receivables

2 307

1 542

Prepaid expenses and accrued income

13 629

14 834

27 596**22 956*****Cash and bank***

206 175

31 156

Total current assets**235 130****55 408****TOTAL ASSETS****1 741 594****1 325 308**

The groups Balance Sheet	Oct-Dec 2015	Oct-Dec 2014
All amounts in TSEK		
EQUITY AND LIABILITY		
Restricted Equity		
Share capital	100	100
Non-restricted Equity		
Profit or loss brought forward	240 984	262 606
Minority interests		
Minority interests	0	3 425
Total Equity	241 084	266 131
Untaxed reserves		
Deferred tax liabilities	127 329	100 824
Long term liabilities		
Bank overdraft facilities	0	238
Construction loan	0	41
Liabilities to credit institutions	1 265 856	890 502
Other liabilities	1 000	7 722
	1 266 856	898 503
Current liabilities		
Liabilities to credit institutions	56 446	11 940
Accounts payable/trade	23 669	19 218
Current tax liabilities	531	2 442
Other liabilities	9 841	10 171
Accrued expenses and deferred income	15 838	16 079
	106 325	59 850
TOTAL EQUITY AND LIABILITIES	1 741 594	1 325 308

The Groups Cashflow

Oct-Dec 2015

Amounts in TSEK

Operating Activities

Profit/loss after financial items	-2 929
Adjustments excluded from the cashflow	-13 362
Taxes paid	24 872

Cashflow from operating activities before changes in working capital	8 581
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Cashflow from changes in working capital

Increase/decrease in merchandise inventory	-63
Increase/decrease in receivables	-4 640
Increase/decrease in current liabilities	48 386

Cashflow from operating activities	52 264
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Cashflow from investing activities

Acquisitions of tangible assets	-214 794
Acquisitions of financial assets	-30 805

Cashflow from investing activities	-245 599
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Cashflow from financial activities

Changes in liabilities	368 354
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Cashflow from financial activities	368 354
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CASHFLOW	175 019
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Cash and cash equivalents beginning period	31 156
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Cash and cash equivalents end of period	206 175
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Additional information

Events after the reporting period

In February the groups CFO informed the board of directors that he will resign from his position, thus we are currently working on finding a replacement CFO with IFRS experiences. Several applications has been received and we believe we will announce the new CFO shortly.

Swedbank, one of the larger tenants in the property Kaktusen 29, 30 och 32 will leave after the first quarter of 2016. This property has one of the best commercial locations in Höganäs and we are currently working with the retail specialists Tam Retail to find one or several tenants to take over.

In the fourth quarter 2016, the property Flora located in the center of Höganäs will be acquired. This property has been externally and independently appraised to a market value of 16 MSEK.

Accounting methods

The policies applied in this unaudited quarterly report is based on K3 accounting methods.

In the third quarter 2016, Jefast Holding will convert to reporting based on International Financial Reporting Standards (IFRS) accounting methods.

Questions and Additional information

For further information and/ or questions please contact:
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Financial report as well as pressreleases will be available on Jefast's website:
www.jefast.se

Calendar 2016

- Annual Report 2015: April 2016
- Quarterly Report 1 2016: 27 May 2016
- Quarterly Report 2 2016: 29 August 2016
- Quarterly Report 3 2016: 27 November 2016