

The 3rd Quarter 2016

Summary July-September 2016

- Net sales amounted to 65,2 MSEK (Q2 2016: 67 MSEK)
- Operating result amounted to 8,8 MSEK (Q2 2016: 14 MSEK)
- The third quarter's result after taxes amounted to -7,9 MSEK (Q2 2016: -2,8 MSEK)
- The portfolio's total property market value in the second quarter amounted to 2 305 MSEK (Q2 2016: 2 309 MSEK)
- During this quarter 1 property divestment was made with the total price of 6,7 MSEK
- The portfolio consists of 38 properties



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CEO's Comments

Focus on consolidation

The third quarter has been all about consolidation and focusing on incorporating the recently acquired properties. Growing with 30% in the first six months leads to several new tenants, which we have been working on getting to know and incorporate into our systems. Not only have we gotten many new tenants but also new service providers. When acquiring these new properties, Jefast has taken the opportunity to investigate what efforts we can make in order to improve the long-term net operating income.

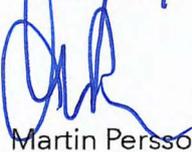
Market value & area

Together with the recent acquisitions the current market value in the second quarter amounts to 2 309 430 SEK. These market values are based on external appraisals made by Newsec dated 2016 for the recent additions and 2015 for the remaining property portfolio. The total lettable area amounts to 156 753 sqm whereas the Swedish portfolio is equivalent to 137 323 sqm. Jefast now consists of a total of 38 properties and 34 wholly-owned subsidiaries.

Projects

In the third quarter, we have really started to see the project Kv Holland gaining full speed. A lot of activity has taken place both light - and heavy demolishing has been done. We have worked really hard with this project and to see it starting to transform into the vibrant urban quarter as envisioned many years ago - is truly great! We are now experiencing higher pressure from new potential tenants that wants to establish and invest in this galleria. Kv Holland is truly an exciting project and we are excited to continue developing it this fall into next year!

Höganäs 28/11 2016



Martin Persson, CEO

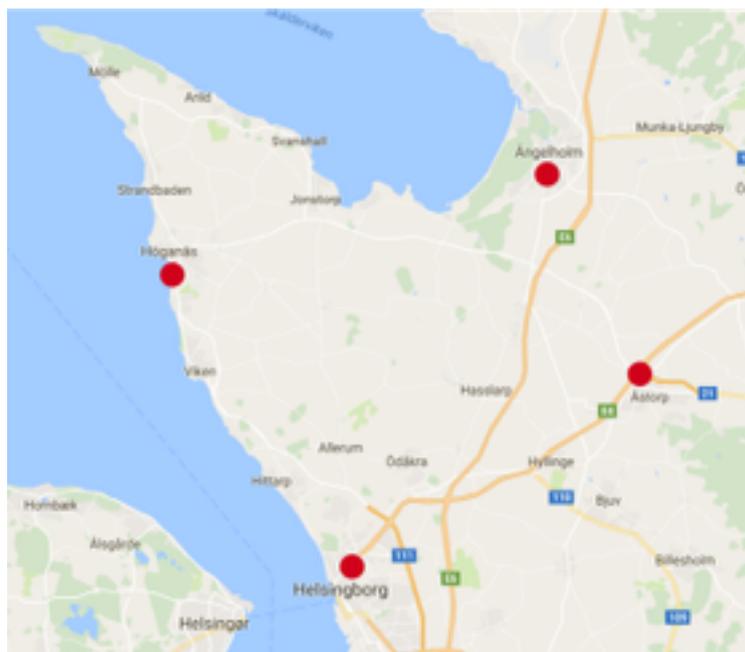
Company Overview

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 38 properties among these, both commercial and residential properties.

Apartments & Commercial

City	Number of Apartments	Commercial sqm	Total sqm
Höganäs	432	23 878	53 385
Helsingborg	128	42 674	56 299
Åstorp	371	6 237	27 191
Ängelholm	0	448	448
Ft Lauderdale, USA			19 430
Total portfolio	931	73 237	156 753

Jefasts' Swedish locations:



Tenant overview

The chart gives an overview of the the largest tenants in the third quarter 2016. The largest commercial tenants contributes to a total of 14,7%, and no change has occurred compared to the previous quarter. The property Holland 25 has been excluded from the chart since it is currently undertaking major renovations.

Change in leases

In the third quarter Loppan Höganäs, a flea market store, took over Systembolaget's premises. The contract has a 3 year lease maturity date, totalling 530 square meters. The property "Kaktusen" (previous tenant: Swedbank) is still vacant, however discussions are ongoing with potential tenants.

Ten largest tenants

Tenant	City	Lease Maturity	Percentage of total rental income
Capio Närsjukvård AB	Helsingborg	12/2018	3,6 %
Höganäs Kommun	Höganäs	04/2031	3,2 %
Nordea Bank Sverige AB	Helsingborg	01/2018	1,7 %
Jem & Fix KB	Höganäs	12/2020	1,2 %
B W Hotel Duxiana,Pogh Hotell AB	Helsingborg	09/2028	1,1 %
JYSK AB	Höganäs	04/2021	1,1 %
If Friskis & Svettis i Höganäs	Höganäs	10/2020	0,7 %
Helsingborgs Stad	Helsingborg	09/2018	0,7 %
Kollektivavtalsstift Trygghetsrådet	Helsingborg	09/2019	0,7 %
Pysslingen Förskolor&Skolor AB	Höganäs	07/2022	0,7 %
			14,7 %

Projects

Kv. Holland 25



The construction is currently taking place with full speed. Skanska has announced the opening of the Galleria to take place late 2017. The economic rental lease amounts to 85% in the second quarter. Parallel with the Galleria construction, planning for the new apartment building with 4 800 square meters and approximately 80 apartments is on going. The change of the City's zoning plan was approved in the third quarter. The apartment building is planned to be move in ready late 2018.

Some of the Tenants:



BIO

Hemköp

Financial Overview

Overview of the Jefast group including income statement, balance sheet and statement of cashflow see pages 8 to 11 in this report.

Net Sales

In the third quarter 2016, the net sales amounted to 65,2 Mkr (Q2 2016: 67,5 Mkr). The net sales compared to the second quarter has decreased with 3%, the hotel business accounts for 5,9 MKR out of the decrease. However, the total net sales has increased with 2,3 Mkr due to the properties that were purchased in the second quarter is now contributing the entire third quarter (Belgien adds 1,3 MKR and Söderåsen adds 1,1MKR). In the property Lerberget 49:710 a new tenant moved in June 1 contributing with 1 MKR in net sales.

Depreciation

Depreciations has increased compared to the last quarter. The reason being that recent acquisitions are accounted for in the entire period.

Other Operating Income and Expenses

A currency exchange gain took place in the third quarter due to the American dollar conversion to SEK. Also, the divestment of the small property Ålsgårde in Denmark, was a part of consolidating our business and took place in accordance to the Groups plans. A loss was made that is impacting this quarter's result after financial items. However, excluding the loss of this divestment, the ratio between the operating result and net sales of 21%, remains the same.

Result

The operating result (EBIT) for the third quarter amounted to a total of 8,8 Mkr (Q2 2016: 14,4 Mkr).

Investments / Divestments

No acquisitions were made in the third quarter.

One property was sold in the second quarter. The property located in Ålsgårde was sold for 6,7 MSEK.

The Groups Income Statement

The groups Income Statement	Jul-Sep 2016	Jan-Sep 2016	Jul-Sep 2015	Jan-Dec 2015
All amounts in TSEK				
Net Sales	65 233	203 193	52 086	229 412
Commercial Goods	-9 124	-30 411	-8 788	-71 469
Property Costs	-8 201	-23 906	-6 873	-27 490
Gross profit	47 908	148 876	36 425	130 453
Depreciation	-10 910	-29 484	-8 205	-28 011
Central administration and marketing	-24 258	-76 280	-26 346	-74 659
Other operating income	880	2 208	133	533
Other operating expenses	-4 819	-6 869	-99	-394
Operating Result	8 801	38 451	1 908	27 922
Interest income and similar profit/loss items	12	329	450	1 800
Interest expense and similar profit/loss items	-16 746	-46 516	-11 039	-41 803
Result after financial items	-7 933	-7 736	-8 681	-12 081
Tax on profit for the year	0	0	-237	-946
Deferred tax liabilities	119	390	-52	-208
Net profit/loss for the quarter	-7 814	-7 346	-8 970	-13 236
Parent company's share of the quarterly result	-7 814	-7 346	-8 970	-13 236

The Groups Balance Sheet - Assets

The groups Balance Sheet	30 Sep 2016	30 June 2016	31 Dec 2015
All amounts in TSEK			
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>			
Licenses, and similar rights	24	94	232
	24	94	232
<i>Tangible fixed assets</i>			
Lands and buildings	1 846 450	1 840 630	1 387 237
Inventories, tools and installations	40 127	40 303	37 872
Fixed assets under construction	106 753	106 272	68 106
	1 993 330	1 987 205	1 493 215
<i>Financial Assets</i>			
Deferred tax assets	6 388	6 371	6 355
Other long-term securities	0	0	18 000
Other long-term receivables	3 734	3 133	1 548
	10 122	9 504	25 902
Total fixed assets	2 003 476	1 996 803	1 519 350
Current assets			
<i>Inventory m m</i>			
Finished goods	1 255	1 359	1 359
	1 255	1 359	1 359
<i>Current receivables</i>			
Account receivables	6 299	5 346	6 715
Tax receivables	1 895	479	0
Other receivables	2 453	3 205	13 352
Prepaid expenses and accrued income	32 176	31 807	20 920
	42 823	40 837	40 988
Cash and bank	75 112	83 350	203 209
Total current assets	119 190	125 546	245 555
TOTAL ASSETS	2 122 666	2 122 349	1 764 905

The Groups Balance Sheet - Equity & Liability

The groups Balance Sheet	30 Sep 2016	30 June 2016	31 Dec 2015
All amounts in TSEK			
EQUITY AND LIABILITY			
Restricted Equity			
Share capital (1 000 shares)	100	100	100
Other equity incl. net income	254 626	260 578	260 439
Equity attributable to parent company shareholders	254 726	260 678	260 539
Minority interests	0	0	0
	254 726	260 678	260 539
Provisions			
Provisions for deferred taxes	149 582	149 674	116 907
	149 582	149 674	116 907
Long term liabilities			
Bond loan	200 000	200 000	200 000
Liabilities to credit institutions	1 363 226	1 369 430	1 074 527
Other liabilities	81 737	80 898	54 278
	1 644 963	1 650 328	1 328 806
Current liabilities			
Liabilities to credit institutions	12 874	12 960	14 272
Accounts payable/trade	20 047	13 255	15 643
Current tax liabilities	4 453	3 615	2 821
Other liabilities	6 982	6 207	9 018
Accrued expenses and deferred income	29 039	25 632	16 899
	73 395	61 669	58 653
TOTAL EQUITY AND LIABILITIES	2 122 666	2 122 349	1 764 905

The Groups Cashflow

The Groups Cashflow	Jul-Sep 2016	Apr-Jun 2016	Jan-Dec 2015
Amounts in TSEK			
Current Activities			
Profit/loss after financial items	-7 934	-2 806	-12 081
Adjustments for items not included in the cash flow	7 342	45 575	11 802
Taxes paid	906	3 328	8 954
<i>Cash flow from operating activities before changes in working capital</i>	314	46 097	8 675
Cash flow from changes in working capital			
Change in inventories	104	-111	-63
Change in current receivables	-1 987	5 153	-18 033
Change in current liabilities	10 889	-447	-1 576
<i>Cashflow from operating activities</i>	9 320	50 692	-10 997
Investment activities			
Investments in tangible fixed assets	-18 654	-479 550	-230 750
Sale of tangible fixed assets	6 462	0	450
Investments in financial assets	0	16 368	-18 163
<i>Cashflow from investment activities</i>	-12 192	-463 182	-248 463
Cashflow from financial activities			
Changes in longterm liabilities	-5 366	323 800	430 303
Cashflow from financing activities	-5 366	323 800	430 303
CASHFLOW	-8 238	-88 690	170 843
Liquid assets, opening balance	83 350	172 040	31 156
Exchange rate difference	0	0	1 210
Liquid assets, closing balance	75 112	83 350	203 209

Additional information

Events after the reporting period

Jefast announced that both Apoteket, Cityklipp and Wayne's Coffee has entered into lease agreement to move into Kv Holland.

Jefast Holding AB (publ) published bond prospectus and applied for listing of its bonds on Nasdaq Stockholm. In connection with this Jefast prepared a prospectus. The prospectus has been approved by, and registered with, the Swedish Financial Supervisory Authority in accordance with the Financial Instruments Trading Act (1991:980).

Accounting methods

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

Jefast Holding AB (publ) converted to reporting based on International Financial Reporting Standards (IFRS) accounting methods in the third quarter. The first reporting based on IFRS accounting method will be taken in effect for the year-end report for 2016.

Contact information

For further information and/ or questions please contact:

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Financial report as well as press-releases will be available on Jefast's website:
www.jefast.se

Calendar 2016-2017

- Year-end report 2016: February 28 2017
- Annual report 2016: April 28 2017
- Quarterly Report 1 2017: 31 May 2017
- Quarterly Report 2 2017: 31 August 2017
- Quarterly Report 3 2017: 30 November 2017
- Year-end report 2017: February 28 2017