Annual Report

2009

Rodamco Sverige AB

556201-8654

RODAMCO SVERIGE AB

Company registration. no 556201-8654

The Board and Executive Director of Rodamco Sverige AB herewith submit the following

ANNUAL REPORT FOR 2009

BOARD OF DIRECTORS' REPORT

Information on business

Rodamco Sverige AB has direct and indirect holdings in companies which owns and manages shopping centers. Some of the larger facilities are Solna Centrum, Täby Centrum and Forum Nacka.
Parent Company provides corporate services to other companies in the Rodamco Sverige AB group.
Rodamco Sverige AB owns, Rodamco Fisketorvet AB, the latter has a branch in Denmark, owning Fisketorvet shopping center Copenhagen.

Group

Rodamco Sverige AB, company registration no. 556201-8654, is a subsidiary of Rodamco Northern Europe AB, company registration no. 556583-3612. The latter company is 100 % owned by Rodamco Europe N.V., company registration no. 24288696, (RE), domiciled in Rotterdam, the Netherlands. The parent company for the whole group is Unibail-Rodamco SA, company registration no. 682 024 086 RCS, with its registered office in Paris, France.

Significant events during the year and after its expiration

The Nordics have weathered the economic crisis reasonably well. Net rental income increased in 2009 by 312 MSEK, an increase of 27%. However the investment properties value decreased by 11%. This is a decrease from 26 433 MSEK in 2008 to 23 536 MSEK in 2009. In Sweden, sales rose by 6,2%, driven by the success of Forum Nacka and an increase of the average basket. Conditions have been much tougher in Denmark and Finland but the Group's assets have outperformed competitors' assets and the national indexes in terms of sales and footfall.

Substantial progress was made during 2009 on a number of development, extension and renovation projects. The Group is ready to launch the Mall of Scandinavia project in 2010 and a decision has been taken to invest in a project to refurbish and extend Täby Centrum by 28 100 m^2. The refurbishment works is scheduled to begin in spring/summer 2010 and planned to be completed in 2013-2014. A major project is also being launched to upgrade and reposition Solna Centrum prior to the opening of Mall of Scandinavia. The Centre will have a new design and the weak customer strings will be converted to attractive surfaces.

A sale of senior residential in Väsby, Stockholm regarding 5 338 sqm was finalised on January 15 2009.

Strategy and future

The Groups ownership of large retail and office assets that host large numbers of people gives a very specific positioning in a niche segment of the real estate industry. The group believes that the vertical integration of its development, investment and operational activities is fundamental to the consistent performance of its portfolio. The ability to tailor properties to fit tenants operational needs and clients' expectations, and a pro-active management of the portfolio, is central to the groups' operational success. To follow this strategy will be the goal and key success factor for 2010.

Interest from retailers is picking up, which bodes well for the launch in early 2010 of pre-leasing for new development projects. The Group continues to provide an outstanding platform for retailers looking into enter Stockholm.

Risks

Overall, the risk philosophy in the Group can be described as conservative, with an emphasis on accepting the risks that determine the nature of the business, such as fluctuations in
the value of assets, vacancies, volatility in market rents, or risks associated with development activities.

Other risks, notably interest rate and exchange rate risk, are closely managed and actively hedged by the Unibail-Rodamco group treasury department, and monitored by committees with several members from the management board.

The groups internal control policies and arrangements, which are based on reference documents, charters, standards, procedures and best practices, aim to create
and maintain an organisation that helps to prevent and/or mitigate and manage controllable risk factors, notably operational, financial, tax and legal risks to which the group and its subsidiaries
are or could be exposed, even if these risks can never be totally eliminated.

Rodamco Sverige AB – Parent Company

Revenue, earnings and financial position (KSEK)

	2009	2008
Net revenue	217 315	156 888
Operating profit/loss	-4	0
Profit/loss after financial items	22 486	104 257
Net profit/loss	24 104	78 081
Reported equity	1 890 438	1 873 453
Balance sheet total	9 162 410	9 657 382

Rodamco Sverige Group

Revenue, earnings and financial position

	2009	2008
Net revenue	1 470 256	1 158 286
Operating profit/loss	-2 077 523	-152 475
Profit/loss after financial items	-2 701 782	-743 816
Net profit/loss	-2 124 148	-331 475
Reported equity	6 719 777	9 032 789
Balance sheet total	25 307 090	28 854 113

Proposed appropriation of profit

The Board and Executive Director propose that the funds at the disposal of the Annual General Meeting

	SEK
Loss brought forward	-82 805 413
Net profit/loss for the year	24 103 511
Total, SEK	**-58 701 902**

be appropriated as follows:	
to be carried forward to a new account	-58 701 902
Total, SEK	**-58 701 902**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Consolidated Incme Statement - EPRA format (KSEK)	Notes	2009	2008
Gross rental income		1 851 422	1 491 334
Ground rents paid		-307	-237
Net service charge expenses		-5 923	-1 219
Property operating expenses		-374 936	-331 592
Net rental income		1 470 256	1 158 286
Administrative expenses	5,6	-184 292	-112 664
Profit on disposal of investment properties		12 504	-
Valuation movements		-3 375 991	-1 198 097
NET OPERATING LOSS BEFORE FINANCING COST		-2 077 523	-152 475
Income from non-consolidated companies & share disposals		-109	-
Financial income	7	*186 301*	*179 713*
Financial expenses	7	*-810 302*	*-764 031*
Net financing costs	7	-624 001	-584 318
Fair value adjustments of derivatives and debt		-149	-681
Profit on disposal of investment on subsidaries			-6 323
LOSS BEFORE TAX		-2 701 782	-743 816
Income tax expenses	8	577 634	412 342
LOSS FOR THE PERIOD		-2 124 148	-331 475
Non-controlling interest		298 008	-47 954
NET LOSS (group share)		-1 826 140	-283 521

NET COMPREHENSIVE INCOME		2009	2008
Net result for the period		-2 124 148	-331 475
Foreign currency differences on translation of financial statements of subsidiaries		4 002	112 594
Cash flow hedge		7 083	-1 283
OTHER COMPREHENSIVE INCOME		11 085	111 311
NET COMPREHENSIVE INCOME		-2 113 063	-220 164
Non-controlling interests		- 4 351	- 30 441
NET COMPREHENSIVE INCOME (OWNERS OF THE PARENT)		-2 117 414	-250 605

Average number of shares (undiluted)		41 206 671	41 206 671
Net profit (group share)		-1 826 140	-283 521
Net profit (Group share) per share (SEK)		-44,32	-6,88
Average number of diluted shares		41 206 671	41 206 671
Diluted net profit per share Group Share (SEK)		-44,32	-6,88

Recurring result		678 569	484 878
Non recurring result		-2 504 709	-768 405
Recurring earning per share (€)		16,47	11,77

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Rodamco Sverige sub-consolidation 2009 (in KSEK)	Notes	2009	2008	1 Jan 2008
NON CURRENT ASSETS		24 644 455	27 530 829	21 923 232
Investment properties	9	23 769 466	26 639 470	21 454 135
Investment properties at fair value		*23 536 826*	*26 433 394*	20 117 598
Investment properties at cost		*232 640*	*206 076*	1 336 537
Other tangible assets	10	6 135	7 162	7 558
Goodwill		205 017	206 791	186 441
Intangible assets		3 691	5 184	6 817
Loans		6 845	9 452	8 522
Deferred tax assets		260 594	305 948	259 759
Derivatives at fair value		392 707	356 822	0
CURRENT ASSETS		662 635	1 323 284	429 284
Trade receivables from activity		58 234	102 031	24 070
Property portfolio		57 057	102 031	24 070
Other activities		1 177	0	0
Other trade receivables	11	312 682	911 147	282 853
Tax receivables		52 404	707 436	0
Other receivables		147 021	79 403	277 394
Prepaid expenses	12	113 257	124 308	5 459
Cash and equivalent	13	291 720	310 106	122 361
Cash		291 564	310 106	72 132
Other financial assets		156	0	50 229
TOTAL ASSETS		25 307 090	28 854 113	22 352 516
Shareholders' equity (Owners of the parent)		6 600 351	8 619 107	8 844 051
Share capital		1 648 267	1 648 267	1 648 267
Additional paid-in capital		11 739	11 739	11 739
Consolidated reserves		8 657 218	8 940 641	4 808 161
Hedging reserve		3 524	-3 559	-2 276
Other reserves		249 840	250 189	168 036
Retained earnings		-2 144 096	-1 944 648	0
Consolidated result		-1 826 140	-283 521	2 210 124
Non-controlling interests		119 426	413 682	0
TOTAL SHAREHOLDERS' EQUITY		6 719 777	9 032 789	8 844 051
NON CURRENT LIABILITIES	15	17 609 659	18 886 040	12 912 256
Long-term bonds and borrowings		15 111 393	15 770 394	9 560 447
Derivatives at fair value		590	324	18 050
Deferred tax liabilities		2 424 524	3 055 277	3 333 759
Guarantee deposits		73 152	60 045	0
CURRENT LIABILITIES		977 654	935 284	596 209
Amounts due to suppliers and other current debt		705 960	707 279	266 154
Amounts due to suppliers		42 498	36 992	11 261
Amounts due on investments		0	170 183	0
Sundry creditors		436 828	282 387	71 693
Other liabilities		226 634	217 717	183 200
Current borrowings and amounts due to credit institutions		177 973	154 163	291 829
Tax and social security liabilities		93 721	73 842	38 226
TOTAL LIABILITIES AND EQUITY		25 307 090	28 854 113	22 352 516

Collateral	None	None

CONSOLIDATED CHANGES IN EQUITY

KSEK	Capital	Additional paid-in capital	Consoli-dated reserves	Consoli-dated net result	Cash flow hedging reserve	Currency trans-lation reserve	Total Owners of the parent	Non-controlling interests	Total Equity
Balance as at December 31, 2007	1 648 267	11 739	4 964 915	2 210 124	-2 276	11 283	8 844 051	0	8 844 051
Profit or loss of the period	0	0	0	-283 523	0	0	-283 523	-47 942	-331 465
Other comprehensive income	0	0	0	0	-1 283	238 906	237 623	0	237 623
Net comprehensive income	0	0	0	-283 523	-1 283	238 906	-45 900	-47 942	-93 842
UR accounting principles	0	0	-2 089	0	0	0	-2 089		-2 089
Earnings appropriation	0	0	2 210 124	-2 210 124	0	0	0	0	0
Group contribution related to 2007	0	0	-176 309	0	0	0	-176 309		-176 309
Changes in consolidation scope	0	0	0	0	0		0	428 113	428 113
Other movements	0	0	-648	0	0	0	-648	33 511	32 863
Balance as at December 31, 2008	1 648 267	11 739	6 995 993	-283 523	-3 559	250 189	8 619 105	413 682	9 032 787
Profit or loss of the period	0	0	0	-1 826 140	0	0	-1 826 140	-298 009	-2 124 149
Other comprehensive income	0	0	0	0	7 083	-349	6 734	0	6 734
	0	0	0	-1 826 140	7 083	-349	-1 819 406	-298 009	-2 117 415
Earnings appropriation	0	0	-283 523	283 523	0	0	0	0	0
Group contribution related to 2008	0	0	-199 348	0	0	0	-199 348		-199 348
Other movements	0	0		0	0	0	0	3 753	3 753
Balance as at December 31, 2009	1 648 267	11 739	6 513 122	-1 826 140	3 524	249 840	6 600 351	119 426	6 719 777

CONSOLIDATED STATEMENT OF CASH FLOW

Cash flow statement (in KSEK)	2009	2008
Operating activities		
Net profit	-2 124 150	-331 475
Depreciation & provisions	24 776	17 302
Changes in value of property assets	3 375 991	1 198 097
Changes in value of financial instruments	149	682
Charges and income relating to stock options and similar items	935	0
Net capital gains/losses on sales of properties/subsidiaries	-12 459	6 300
Net financing costs	624 001	584 338
Income tax charge	-577 634	-412 337
Cash flow before net financing costs and tax	**1 311 609**	**1 062 906**
Change in working capital	458 492	-961 513
Total cash flow from operating activities	**1 770 101**	**101 393**
Investment activities		
Property activities	-549 077	-3 010 125
Amounts paid for works and acquisition of property assets	-636 240	-5 394 961
Property financing	9 600	0
Disposal of subsidiaries	0	2 384 836
Disposal of investment property	77 563	0
Total cash flow from investment activities	**-549 077**	**-3 010 125**
Financing activities		
Dividends paid to parent company shareholders		
New borrowings and financial liabilities	416 319	6 593 283
Repayment of borrowings and financial liabilities	-992 009	-2 938 522
Financial income	186 301	178 600
Financial expenses	-841 258	-767 300
Total cash flow from financing activities	**-1 230 647**	**3 066 061**
Change in cash and cash equivalents during the period	**-9 623**	**157 326**
Cash at beginning of year	**285 143**	**122 361**
Effect of exchange rate fluctuations on cash held	**-4 200**	**5 456**
Cash at period-end	**271 320**	**285 143**
Cash at year-end per balance sheet		
Cash	**291 564**	**310 106**
Other financial assets	**156**	**0**
Bank overdrafts	**-20399**	**- 24 963**
Total cash at year-end	**271 321**	**285 143**

PROFIT AND LOSS ACCOUNTS PARENT COMPANY (KSEK)

	Note	2009	2008
Net revenue		217 315	156 888
Cost of services sold	6	-213 134	-151 117
GROSS PROFIT		4 181	5 771
Central administrative and marketing expenses	5	-4 185	-5 771
OPERATING LOSS		-4	0
Result from financial items			
Result from shares in Group companies		30 000	25 000
Result from other securities and receivables held as fixed assets	7	300 577	434 000
Other interest income and similar profit/loss items	7	13 636	1 831
Interest expense and similar profit/loss items	7	-321 723	-356 574
Net financial items		22 490	104 257
PROFIT AFTER FINANCIAL ITEMS		22 486	104 257
Tax on profit for the year	8	1 618	-26 176
NET PROFIT FOR THE YEAR		24 104	78 081

BALANCE SHEET PARENT (KSEK)

ASSETS	Note	2009	2008
FIXED ASSETS			
Intangible fixed assets			
Expenditure for program development	10	3 351	4 702
Total intangible fixed assets		3 351	4 702
Tangible fixed assets			
Equipment	10	2 783	3 182
Total tangible fixed assets		2 783	3 182
Financial fixed assets			
Shares in Group companies	19	1 232 731	1 232 426
Receivables from Group companies		4 954 603	4 983 226
Deferred tax asset	8	6 847	145
Total financial fixed assets		6 194 181	6 215 797
Total fixed assets		6 200 315	6 223 681
CURRENT ASSETS			
Current receivables			
Accounts receivable	11	0	29
Receivables from Group companies		2 701 855	3 169 442
Other receivables		13 429	18 440
Prepaid expenses and accrued income	16	117 962	120 827
Total current receivables		2 833 246	3 308 738
Cash and bank balances	13	128 849	124 963
Total current asset		2 962 095	3 433 701
TOTAL ASSETS		9 162 410	9 657 382

BALANCE SHEET PARENT (KSEK)

EQUITY AND LIABILITIES	Note	2009	2008
Equity	20		
Restricted equity			
Share capital		1 648 267	1 648 267
Statutory reserv		300 872	300 872
		1 949 139	**1 949 139**
Unrestricted equity			
Fair value reserv		354	-6 774
Retained earnings		-83 159	-146 993
Net profit/loss		24 104	78 081
		-58 701	**-75 686**
Total equity		**1 890 438**	**1 873 453**
LONG-TERM LIABILITIES			
Liabilities to credit institutions		4 963 146	4 982 938
Liabilities to Group companies		1 571 421	1 891 778
Total long-term liabilities		**6 534 567**	**6 874 716**
CURRENT LIABILITIES			
Accounts payable		665	1 997
Liabilities to Group companies		571 701	705 814
Other liabilities	11	1 115	857
Accrued expenses and prepaid income		163 924	200 545
Total current liabilities		**737 405**	**909 213**
TOTAL EQUITY AND LIABILITIES		**9 162 410**	**9 657 382**

MEMORANDUM ITEMS

Pledged assets and contingent liabilities		
Shares in Group companies	None	None
Receivables from Group companies	None	None
Contingent liabilities		
Guarantees for Group companies	3 078 270	2 942 018

CASH FLOW STATEMENT THE PARENT COMPANY (KSEK)

	2009	2008
Cash flow from operations during the year		
Profit/loss after financial items	22 486	104 257
Adjustment for posts not included in cash flow	2 718	-513
Cash flow from current operations before		
changes in working capital	25 204	103 744
Changes in working capital		
Changes in account recievables	29	1 522
Changes in recievables from Group companies	467 587	-1 072 740
Changes in current recievables	7 876	-123 869
Changes in accounts payables	-1 332	1 700
Changes in liabilities to Group companies	-134 113	475 389
Changes in current liabilities	-36 364	-1 036 860
Cash flow from current operations	328 887	-1 651 114
Investing activities		
Investment in tangible fixed assets	-1 058	-1 000
Sales of tangible fixed assets	90	0
Investment in financial fixed assets	-305	-57 567
Sales of financial fixed assets	0	3 376
Cash flow from investing activities	-1 273	-55 191
Financing activities		
Decrease in longterm liabilities	-12 663	-772 335
Change in longterm recievables from Group companies	28 623	934 633
Group contribution granted	-19 331	-93 485
Change in longterm liabilities to Group companies	-320 357	1 741 778
Cash flow from financing activities	-323 728	1 810 591
CHANGE IN CASH AND BANK BALANCES	3 886	104 286
Cash and bank balances, Jan. 1	124 963	20 677
Cash and bank balances, Dec. 31	128 849	124 963

NOTES TO THE FINANCIAL STATEMENT

1. General Information
Rodamco Sverige AB, corporate registration number 556201-8654, with headquarters in Stockholm, is parent of a group. The company is registered in Sweden and the address of the company's headquarters in Stockholm are: Rodamco Sverige AB Box 1333 183 13 Täby. Visit Address: Attundafältet 6. Rodamco Sverige AB owns directly and indirectly, shares in the company that owns and manages shopping centers. Some of the larger shopping centers are Solna, Täby Centrum and Forum Nacka. The parent company provides corporate services to other companies in Rodamco Sverige AB group.

2. Accounting principles

2.1 Compliance with standards and legislation
In accordance with EC regulation no. 1606/2002 of July 19, 2002, on the application of international accounting standards, Rodamco Sverige has prepared its consolidated financial statements for the financial year ending December 31, 2009, under International Financial Reporting Standards (IFRS) as adopted in the EU and applicable at this date. These can be consulted http://ec.europa.eu/internal_market/accounting/ias/index_en.htm. The accounting principles and methods used are consistent with those applied for the preparation of the annual consolidated financial statements as at December 31, 2008, except for the application of the following new obligatory standards and interpretations :
IAS1 R: Presentation of Financial statements
IFRS 8: Operating Segments Improvement of IFRS (May 2008), including the IAS40 A "Investment property- Property under construction or development for future use as investment property".
IAS 23 R: Borrowing Costs
IAS 32 A & IAS 1: Puttable Financial Instruments and Obligations Arising on Liquidation
IAS39 A and IFRS7: Reclassification of Financial Assets
IAS39 A and IFRIC 9: Embedded derivatives
IFRS1 A and IAS27: Cost of an investment in a subsidiary, Jointly Controlled Entity or Associate
IFRS 2 A: Share-based payments – Vesting Conditions and Cancellations
IFRS 7 A: Improving Disclosures about Financial Instruments
IFRIC11 - IFRS2: Group and Treasury Share Transactions
IFRIC 13: Customer Loyalty Programmes
IFRIC14: The limit on a Defined Benefit Asset, Minimum Funding Requirements and their interaction

These standards, amendments and interpretations do not have a significant impact on the Group's accounts, except for the IAS 40 amendment about the accounting of investment properties under construction as detailed in § 2.6 "Asset valuation methods". The following norms, interpretations, and amendments have been adopted by the European Union as at December 31, 2009 but with a later effective date of application and were not applied in advance:

IFRS3 R: Business Combinations
IAS 27 R: Consolidated and Separate Financial Statements
IFRS1 R: First-time Adoption of IFRS
IAS 39 A: Eligible hedged items
IFRIC 12: Service Concession Arrangements
IFRIC 15: Agreements for the Construction of Real Estate
IFRIC 16: Hedges of a Net Investment in a Foreign Operation
IFRIC 17: Distributions of Non-Cash Assets to Owners
IFRIC 18: Transfers of Assets from Customers

The following texts were published by the IASB but have not yet been adopted by the European Union : Improvement of IFRS (April 2009)
IFRS 9: Financial Instruments
IAS 24 R: Related party disclosures
IFRS 1 A: Additional exemptions for First-Time Adopters
IFRS 2 A: Group Cash-settled Share-based Payment Transactions
IAS 32 A: Classification of Rights issues
IFRIC 19: Extinguishing financial liabilities with equity instruments
IFRIC 14 A: Prepayments of a Minimum Funding Requirement

The Group is currently analysing the potential impact of all of these standards on its consolidated accounts. At this stage of the analysis, the Group does not anticipate that there will be any significant impact, except for: IFRS 3 R: Business Combinations, that will change in a prospective way the accounting terms of business combinations Improvement of IFRS IASB published in April 2009 "Improvement of IFRS", the final version of the second annual IFRS improvement project. Unless a specific measure plans another date, amendments will come into force for the financial years opening on or after January 1, 2010, earlier application also being authorised. This project has not yet been approved by the European Union. The measurement of the potential impacts on the consolidated accounts of Rodamco Sverige is ongoing.
The consolidated accounts have also been prepared in accordance with Swedish law by application of the Swedish Reporting Boards's recommendations RFR 1.2, Supplementary accounting rules for groups. The parent company applies the same accounting principles as the Group except in the cases stated below in § 2.13 "Parent company's Accounting

Principles". The deviations that exist between the Parent Company's and the Group's principals are due to limitations in the possibility of applying IFRS to the parent company due to the Annual Accounts Act and, in certain cases, current tax legislation.

2.2 Changes in Accounting Principles
The group has chosen to apply and submit its consolidated accounts according to IFRS as of 1 January 2009 and as stated in below accounting principles. The group has also chosen to changing accounting principals for the parent Company, from previously has been prepared in accordance with application of the general advice, recommendations and comments from the Accounting Board, to as stated below in § 2.13 "the Parent Company's Accounting Policies".

2.3 Options selected under IFRS 1
Rodamco Sverige has chosen not to apply other options provided by IFRS 1.

2.4 Scope and methods of consolidation
The scope of consolidation includes all companies controlled by Rodamco Sverige and all companies in which the Group exercises significant influence. The method of consolidation is determined by the type of control exercised.
• Control: fully consolidated. Control is presumed if Rodamco Sverige directly or indirectly holds an interest of more than 50%, unless there is clear evidence that this shareholding does not provide control. Full control also exists when the parent company holds 50% or less of the voting rights in a company and has authority regarding the company's financial and operational strategies and to appoint or dismiss the majority of members of the Board of Directors or an equivalent decision making body.
• Significant influence: consolidated under the equity method. Significant influence is identified when there is authority to contribute to financial and operational decision-making of the company concerned, but without exercising control over its policies. Significant influence is assumed where the Group directly or indirectly holds more than 20% of voting rights in a company.

The consolidated financial statements are established by integrating the individual financial statements of Rodamco Sverige with all relevant subsidiaries over which Rodamco Sverige exercises control. Subsidiaries closing their accounts more than three months before or after that of Rodamco Sverige prepare pro forma interim statements to December 31, determined on a 12-month basis. All inter-group balances, profits and transactions are eliminated.

2.5 Foreign currency translation
Functional and presentation currency Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). Consideration in determining the functional currency is given to the denomination of the major cash flows of the entity e.g. revenues and financing activities. The consolidated financial statements are presented in sek, which is the Group's functional and presentation currency.

Foreign currency transactions and balances
Transactions in foreign currencies are translated into sek at the spot foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the accounting date are translated into sek at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the profit and loss account. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currency are translated using the exchange rate at the date of transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated into sek at foreign exchange rates ruling at the dates the fair value was determined. Exchange differences arising on the settlement of currency transactions or on translating monetary items at rates different from those at which they were translated on initial recognition during the year or in previous financial statements are recognised in the profit and loss account in the year in which they arise. Translation differences on non-monetary financial assets and liabilities that are stated at fair value are reported as part of the fair value gain or loss.

Foreign currency transactions are translated into the functional currency of the Group using the exchange rates at the date of transactions. Foreign exchange gains and losses resulting from settlement of these transactions are recognised in the income statement. Foreign exchange gains and losses resulting from the retranslation of monetary assets and liabilities denominated in foreign currencies are also recognised in the income statement with the exception of:
• unrealised translation results on net investments,
• unrealised translation results on intercompany loans that, in substance, form part of the net investment.

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instruments relating to the effective portion of the hedge are recognised directly in equity, whereas those relating to the ineffective portion are recognised in the profit and loss account.

Group companies
The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
• the assets and liabilities of Group companies, including goodwill and fair value adjustments arising on consolidation, are translated into sek at foreign exchange rates ruling at the accounting date;
• income and expenses of Group companies are translated into sek at rates approximating the foreign exchange rates ruling at the dates of the transactions;
• all resulting exchange rate differences are recognised as a separate component of equity (currency translation reserve);
• when a Group company is sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

2.6 Asset valuation methods
Investment properties (IAS 40) Under the benchmark treatment recommended by IAS 40, investment properties are shown at their market value.

The main significant change compared to the consolidated financial accounts for the year ended December 31, 2008 is the application of the IAS 40 A "Investment property – Property under construction or development for future use as investment property". This new disposition is applied since January 1, 2009 in a prospective way.

Since January 1, 2009, Investment Properties Under Construction (IPUC) are covered by IAS 40 and are eligible to be measured at fair value. In accordance with the Group's investment properties valuation method, they are valued at fair value by an external appraiser. Those for which the fair value is not reliably determinable are still valued at cost until such time as a fair value valuation becomes reliable, or until the construction completion. The pipeline project is eligible for a fair value measurement once all three following criteria are fulfilled:
- All administrative authorisations needed to complete the project are obtained,
- The construction has started and costs are committed toward the constructor,
- Substantial uncertainty in future rental income has been eliminated.
If the time to delivery is less than one year, the project has to be taken at fair value.

For the Investment Properties Under Construction whose fair value could be reliably measured, the difference between market value and cost value was entirely recognised in the income statement. Investment Properties Under Construction still measured at cost are subject to impairment tests.

The market value adopted by Rodamco Sverige is determined on the basis of appraisals by independent external experts, who value the groups portfolio as at June 30 and December 31 of each year. A discount is applied to the gross value in order to reflect disposal costs and transfer taxes(1), depending on the country and on the tax situation of the property.

For the Shopping Centre and Office portfolios, the valuation principles adopted are based on a multi-criteria approach. The independent appraiser determines the fair market value based on the results of two methods : the discounted cash flow and the yield methodologies. Furthermore, the resulting valuations are cross-checked against the initial yield and the fair market values per square metre established through actual market transactions.

The income statement for a given year (Y) records the change in value for each property, which is determined as follows: market value Y – [market value Y-1 + amount of works expenses and other costs capitalisable in year Y].

Capital gains on disposals of investment properties are calculated by comparison to their latest market value recorded in the closing statement of financial position for the previous financial year.

Properties for which a sale process has been initiated are identified separately in the statement of financial position.

Tangible assets and properties under construction (IAS 16)
Under the preferential method proposed by IAS 16, operating assets are valued at their historic cost, less cumulative depreciation and any decrease in value. Depreciation is calculated using the "component accounting" method, where each asset is broken down into major components based on their useful life. The four components of a property are the main structure, the facade, technical equipment and finishing fixtures and fittings, depreciated respectively over 60, 30, 20 and 15 years for office properties and 35, 25, 20 and 15 years for retail outlets.

If the appraisal value of a property is lower than net book value, an impairment provision is booked.

Buildings under construction which don't fulfil the three criteria to be reliably eligible for a fair value measurement are valued at cost.

Properties under construction are subject to impairment tests, determined on the basis of the estimated fair value of the project. The fair value of a project is assessed by the Development & Investment teams through a market-fair exit capitalisation rate and the targeted net rents at completion. When the fair value is lower than net book value, an impairment provision is booked.

Borrowing costs generated by construction projects
After the amendment of IAS 23, borrowing costs incurred by construction projects must be capitalised as part of the cost of the relevant asset. The application of this amendment has no impact on the consolidated financial statements, as the Group had already opted to capitalise these costs.

They are measured by applying the Group's average refinancing rate to the average value of the work completed during each quarter, except in the case where specific financing exists for the project.

Intangible assets (IAS 38)/Impairment of assets (IAS 36)
An intangible asset is recognised when it is identifiable and separable and can be sold, transferred, licensed, rented, or exchanged, either individually or as part of a contract with an attached asset or a liability, or which arises from contractual or other legal rights regardless of whether those rights are transferable or separable. After initial recognition, intangible assets are recognised at cost less any amortisation charges and impairment losses.

Intangible assets with a finite life are amortised on a linear basis over the life of the asset. The useful life of an asset is reviewed each year and an impairment test is carried out whenever there is an indication of impairment.
Intangible assets with an indefinite useful life are not amortised but their life span is reviewed each year. These assets are subject to impairment tests annually or whenever there is an indication of impairment, which consists of comparing the book value with the recoverable amount of the intangible. The recoverable amount of an asset or a cash-generating unit is the maximum between its fair value less disposal costs and its utility value. It is assessed on the basis of the present value of expected future cash flows from the continued use of the asset and its terminal value. Impairment tests are carried out by grouping assets together into cash-generating units. In the case of reduction in value, a corresponding impairment charge is recognised in the income statement.

2.7 Leasing
Leases are classified as finance leases when they transfer substantially all risks and rewards of to the lessee. Otherwise they are classified as operating leases. Assets leased as operating leases are recorded on the statement of financial position as investment property assets. Rental revenue is recorded on a straight-line basis over the firm duration of the lease.

Accounting treatment of rents and key money
Under IAS 17 and SIC 15, the financial impacts of terms set out in the lease agreement are spread over the fixed duration of the lease starting from the date the premises are made available to the tenant. This applies to rent-free periods, step rents and key money.

Eviction costs
Compensation payments to evicted tenants may be capitalised, in view of the securing of higher rentals through new lease agreements on improved terms and which ultimately enhance or at least maintain asset performance.

Leaseholds
Based on the analysis of existing contracts, IAS 17 and IAS 40, a leasehold may be classified as either an operating lease or a finance lease. The choice is made on a contract-by-contract basis and depending on the risks and rewards transferred to the Group.For the leaseholds recognised as operating leases, rental payments are recognised as expenses Rental payments made at the beginning of the contract are classified as prepaid expenses over the life of the contract.

Buildings constructed on land under a lease agreement are recognised in accordance with the accounting principles described in § 2.6.

2.8 Financial instruments (IAS 32/IAS 39/IFRS 7)
The recognition and measurement of financial assets and liabilities are defined by the standard IAS 39.

a) Classification and measurement of non-derivative financial assets and liabilities

Loans and receivables
Loans and receivables, acquired or granted, not held for the purpose of trading or sale, are recorded on the statement of financial position as "Loans and receivables". After initial recording, they are measured at amortised cost based on the effective interest rate. They may be subject to impairment when necessary.

Available-for-sale securities
These are non-derivative financial assets held for an undetermined period that may be sold by the Group at any time. They are measured at their fair value at the accounting date and recorded as financial assets under "cash and cash equivalents". Interest accrued or received on fixed-income securities is recorded as income based on the effective interest rate. Changes in market value other than income are recorded in shareholders' equity. Fair value variations are recorded on the income statement if the asset is sold or significantly impaired.

Non-derivative financial liabilities
Non-derivative financial liabilities are measured after initial booking at amortised cost using the effective interest rate. In certain cases, IAS 39 permits financial liabilities to be designated as at fair value upon initial recording.
b) Classification and measurement of financial derivatives and hedge accounting

The Group uses derivative financial instruments to hedge its exposure to movements in interest and currency exchange rates.

All financial derivatives are recorded as financial assets or liabilities at fair value on the statement of financial position. Fair value variations of financial derivatives, apart from those designated as cash flow hedges or as net investment hedges (see below), are recognised in the income statement for the period. Rodamco Sverige has a macro-hedging strategy for its debt. Except for currency derivatives, it has chosen not to use the hedge accounting proposed by IAS 39. All such derivatives are therefore measured at their market value and any fair value variations a recorded in the income statement.

Regarding the currency derivatives, they aim at hedging the investments made in countries outside of the Euro-Zone. Therefore the majority of currency swaps and forward contracts are designated as a net investment hedge. The portion of the gain or loss on these instruments that is determined to be an effective hedge is recognised directly in equity (currency translation reserve). The ineffective portion is recognised directly in the profit and loss account, as fair value changes derivative financial instruments.

Changes in the fair value of forward exchange contracts that economically hedge monetary assets and liabilities in foreign currencies and for which no hedge accounting is applied are recognised in the profit and loss account. Both the changes in fair value of the forward contracts and the foreign exchange gains and losses relating to the monetary items are recognised as part of "financing result" as these instruments are designated as hedging instruments.

c) Cash and Cash equivalents
Cash and cash equivalents consist of cash, money in demand deposits at banks and similar institutions, and short-term liquid investments with maturities shorter than three months from the date of acquisition that are exposed to minimal risk of fluctuation in value.

2.9 Taxes
The Group companies are taxable in application of the tax rules of their country. Two countries benefit from special tax regimes for public property companies.

Corporate income tax
Corporate income tax is calculated using appropriate local rules and rates.

Deferred tax
Deferred taxes are recognised in respect of all temporary differences between the carrying amount and tax base of assets and liabilities at each closing date. Deferred tax assets or liabilities are calculated based on total temporary differences and on tax losses carried forward, using the
local tax rate that will apply on the expected reversal date of the concerned differences, if this rate has been set. Otherwise, they are calculated using the applicable tax rate in effect at the financial year-end date. Within a given fiscal entity and for a given tax rate, debit balances are booked to assets for the amount expected to be recoverable over a foreseeable period. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

The main deferred tax liabilities relate to:
• the mark-to-market of investment properties, resulting in the recognition of a deferred tax liability for non tax-exempt assets

2.10 Employee benefits
Under IAS 19, a company must recognise all commitments made to its employees (i.e. current or future, formal or informal, cash payments or payments in kind). The cost of employee benefits must be recorded during the vesting period.

Post-employment benefits
Pension schemes may be defined contribution or defined benefit schemes. Under defined contribution schemes, the employer only pays a contribution, with no commitment from the Group regarding the level of benefits to be provided. The contributions paid are booked as expenses for the year. Under defined benefit schemes, the employer makes a formal or implied commitment to an amount or level of benefits and therefore carries the medium or long-term risk. A provision is booked to liabilities to cover all of these pension commitments. This provision is assessed regularly by independent actuaries using the projected unit credit method, which takes into account demographic assumptions, early retirements, salary increases and discount and inflation rates.

At the majority of the Group's companies, pensions due under the various compulsory retirement schemes to which employers contribute are managed by specialist external organisations. Defined contributions paid into these various compulsory retirement schemes are recognised in the income statement for the period.

Long-term benefits
These are benefits paid to employees more than 12 months after the end of the financial year during which the corresponding service was provided. The same valuation method is used as for post-employment benefits. Other than the provision for retirement allowances, no other commitments relating to long-term or post-employment benefits need to be accrued.

2.11 Business segment reporting
Segment information is presented in respect of the Group's geographical segments, based on the Group's management and internal reporting structure.

Geographical areas
Geographical areas are determined on the basis of the Group's definition of a home region. A home region is defined as a region with more than €1 billion in property investment and a local organisation dedicated to all three business lines: the "owner function" (asset selection and management including pipeline), retail management, and the finance function. The following are considered home regions based on specific operational and strategic factors: Nordic Countries managed from Sweden, including Sweden, Denmark and Finland. Other includes Spain, Czech Republic.

2.12 Current and non-current assets and liabilities
In accordance with IAS 1 "Presentation of Financial Statements", assets and liabilities other than consolidated shareholders' equity are classified in the statement of financial position as "current" when they are due or payable within twelve months of the accounting date.

2.13 The Parent Company's Accounting Policies
The Parent Company has drawn up its annual accounts according to the Annual Accounts Act (1195:1554) and the recommendation of the Swedish Financial Reporting Board RFR 2.2, Accounting for legal entites. According to RFR 2.2, the Parent Company shall apply all of the IFRS approved by the EU to the greatest possible extent in the annual accounts for the legal entity within the framework of the Annual Accounts Act and taking into consideration the link between accounting and taxation. The recommendation states the exceptions and the additions that are to be made from IFRS. The accounting policies stated below for the Parent Company have been consistently applied to all periods presented in the Parent Company's financial statement.

Invoiced sales to subsidiaries
In the capacity of Parent Company, Rodamco Sverige AB continuously provides the subsidiaries with services relating to management. The amounts are invoiced to the subsidiaries bi-annual in arrears and based on the respective subsidiary's property rental income.In the capacity of Parent Company, Rodamco Sverige AB continuously provides the subsidiaries with services relating to operation, marketing, accounting, legal and financial advices, IT support, invoicing services and group purchases. The amounts are invoiced to the subsidiaries quarterly in arrears and based on the respective subsidiary's property rental income.

Tangibles
Machinery and equipment in the Parent Company are reported at acquisition value after deduction for accumulated depreciation and any impairment in the same way as for the Group but with an addition for write-ups.

Group Contributions for legal entities
The company reports group contributions in accordance with the statement by the Swedish Financial Reporting board (UFR 2). Group contributions are reporting according to their financial implication. This means that group contributions provided and received with a view of minimising the Group's total tax are reported directly in relation to profits brought forward after deduction for the current tax effect.

3. Estimations and assumptions
Certain amounts recorded in the consolidated financial statements reflect estimates and assumptions made by management, particularly with regards to the fair value of investment properties and financial instruments as well as the valuation of goodwill and intangible assets. The most significant estimates are set out in the notes to the consolidated financial statements: for the valuation of investment properties in § 2.6 "Asset valuation methods". Actual future results or outcomes may differ from these estimates. The consolidated financial statements concern the financial years ending December 31, 2009 and December 31, 2008.

4. Segment reporting

(in SEK Mn)	2009				2008			
	Nordic	Other	Not Allocated	Result	Nordic	Other	Not Allocated	Result
Gross rental income	1 917 381	370 799		2 288 180	1 363 281	128 053		1 491 334
Operating expenses & net service charges	-441 073	-3 069		-444 142	-315 608	-17 441		-333 049
Net rental income	**1 476 308**	**340 109**		**1 816 417**	**1 047 673**	**110 612**		**1 158 285**
Gains on sales of properties	12 986	0		12 986	0	-6 323		-6 323
Valuation movements	-2 819 806	-719 316		-3 539 122	-1 345 894	147 798		-1 198 096
Result	**-1 330 512**	**-379 207**		**-1 709 719**	**-298 221**	**252 087**		**-46 134**
Other property services net operating profit			-232	0	0	0		0
				0				0
TOTAL OPERATING RESULT AND OTHER INCOME	1 470 025	-3 363 487	-232	-1 893	1 158 285	-1 204 419	0	-46 134
General expenses			-182 868	-182 868			-111 113	-111 113
Development costs			-1 423	-1 423			-1 467	-1 467
Financing result			-624 150	-624 150			-585 019	-585 019
Impairment of Goodwill			0	0			0	0
PRE-TAX RESULT			-2 701 803	-2 701 803			-743 817	-743 817

4. Segment reporting, cont.

Balance sheet at year –end 2009 – by geografic location

in KSEK	Nordic	Other	Not allocated (1)	Total 2009
Investment properties a	18 313 007	5 223 820	0	23 536 826
Investment properties a	229 471	3 169	0	232 640
Properties under promise or mandate of sale	0	0	0	0
Other tangible assets	0	0	6 135	6 135
Goodwill	205 017	0	0	205 017
Intangible assets	0	0	3 691	3 691
	18 747 495	5 226 988	9 826	23 984 309
Loans	0	0	6 845	6 845
Derivatives at fair value	0	0	392 707	392 707
Other current assets	209 477	161 381	57	370 915
Deferred tax assets	0	0	260 594	260 594
Cash and equivalent	0	0	291 719	291 720
	209 477	161 381	951 923	1 322 781
Total assets	18 956 971	5 388 369	961 749	25 307 090
Total Liabilities excluding Shareholder's Equity	3 059 537	218 404	15 309 372	18 587 313

(1) Refers to structure properties, furniture and equipment items

4. Segment reporting, cont.

Balance sheet at year –end 2008 – by geografic location

(in KSEK)	Nordic	Other	Not allocated [1]	Total 2008
Investment properties a	20 857 640	5 575 755	-	26 433 394
Investment properties a	144 255	61 821	-	206 076
Properties under promise or mandate of sale	-	-	-	-
Other tangible assets	-	-	7 162	7 162
Goodwill	206 791	-	-	206 791
Intangible assets	-	-	5 184	5 184
	21 208 686	5 637 576	12 346	26 858 608
Loans	-	-	9 452	9 452
Derivatives at fair value	-	-	356 822	356 822
Other current assets	212 263	800 874	40	1 013 177
Deferred tax assets	-	-	305 948	305 948
Cash and equivalent	-	-	310 106	310 106
	212 263	800 874	982 369	1 995 506
Total assets	21 420 949	6 438 449	994 715	28 854 113
Total Liabilities excluding Shareholder's Equity	3 723 661	316 447	15 781 216	19 821 324

1) Refers to structure properties, furniture and equipment items

5. Auditors Fee´s (KSEK)

	Group		Parent	
Auditors Fee´s	2009	2008	2009	2008
Ernst & Young				
Audit assignments	1 645	1 661	918	535
Other assignments	106	0		20
Other				
Audit assignments	467	422		1 082
Other assignments	0	0		
Group Total	**2 219**	**2 083**	**918**	**1 637**

Audit assignments refer to the examination of financial statements and accounting records and managing director, other tasks that are incumbent on the company's auditors, and counselling or other assistance as a result of observations during the audit or the implementation of other tasks. Everything else is other assignments.

6. Employee benefits (KSEK)

	Group		Parent	
Average number of employees	2009	2008	2009	2008
Sweden	142	154	85	73
of wich women	72	74	51	46
Denmark	22	21		
of wich women	11	9		
Finland	0	0		
of wich women	0	0		
Spain	0	0		
of wich women	0	0		
Czech Republic	0	0		
of wich women	0	0		
Total abroad	22	21	0	0
of wich women	11	9	0	0
Total	164	174	85	73
of wich women	82	83	51	46

Number of people in the manager board	2009	2008
Board	3	3
of wich women	0	0
Senior executives incl MD	4	4
of wich women	1	0

	Group		Parent	
Salaries and renumeration	2009	2008	2009	2008
Payment and benefits	87 820	82 061	44 706	36 956
Social contributions	26 047	25 097	14 900	13 192
Pension expenses	10 943	10 516	6 216	5 559
Total	124 810	117 674	65 822	55 707

6. Employee benefits, cont.

Salaries and renumeration by country	2009 Board, MD and senior executives	2009 Other employee	2009 Total	2008 Board, MD and senior executives	2008 Other employee	2008 Total
Sweden						
Parent Company	2 167	42 540	44 707	3 087	33 869	36 956
Subsidiary	6 479	25 048	31 527	3 892	30 068	33 960
Sweden, total	8 646	67 588	76 234	6 979	63 937	70 916
Subsidiaries abroad						
Finland	0	0	0	0	0	0
Denmark	0	11 586	11 586	0	11 145	11 145
Spain	0	0	0	0	0	0
Czech republic	0	0	0	0	0	0
Subsidiaries abroad, Total	0	11 586	11 586	0	11 145	11 145
Group Total	8 646	79 174	87 820	6 979	75 082	82 061

2009

Salaries and renumeration Senior executives	Salaries/ Directors fees	Variable compen- sation	Other benefits	Pensions expenses	Other compensation	Total
Chairman	0	0	0	0	0	0
Board	0	0	0	0	0	0
Manager director	2 167	970	93	696	0	3 926
Other senior executives	6 479	736	0	523	0	7 738
Total	8 646	1 706	93	1 219	0	11 664

2008

Salaries and renumeration Senior executives	Salaries/ Directors fees	Variable compen sation	Other benefits	Pensions expenses	Other compensation	Total
Chairman	0	0	0	0	0	0
Board	0	0	0	0	0	0
Manager director	3 087	987	98	951	0	5 123
Other senior executives	3 892	640	0	775	0	5 307
Total	6 979	1 627	98	1 726	0	10 430

Information on illness absenteeism (in the parent)	2009	2008
Total illness absenteeism	3,05%	1,09%
Percentage of illness absenteeism pertaining to absenteeism during a consecutive period of 60 days or more	67,99%	0,00%
Illness absenteeism for women	3,47%	1,56%
Illness absenteeism for men	2,42%	0,26%
Illness absenteeism for employees aged 29 and younger	3,63%	0,27%
Illness absenteeism for employees aged 30 - 49	3,47%	1,07%
Illness absenteeism for employees aged 50 or more	0,93%	1,63%

Where no indication of illness is noted, the information is not provided as it can be traced to one individual.

6. Employee benefits, cont.

Termination and severance pay

The CEO has an agreement on severance pay. Upon termination, a severance payment equivalent to 12 months' salary will be paid out. The severance payment shall be reduced by the replacement if CEO receives income from employment for hire or reward or own operations. No of the other senior executives have a period of notice by the company exceeding 12 months or no agreement on entitlement to severance pay in excess of 12 months' salary.

Benefits

The Chief Executive and three of the senior executive are entitled to company car. The Chief Executive and two of the three senior executives has exercised the rights of the company car.

Share-based payments

In the end of 2009there was no share-based compensation programs.

Pensions

The Group has only defined contribution plans. The Pension expense related to the cost that affected net income statement. The retirement age for employees of the company is 65 years.

7. Financial income and expense

	Group		Parent	
KSEK	2009	2008	2009	2008
Financial income				
Interest income from Group companies			13 185,0	-
Other financial interest	3 117	9 959	451	1 831
Interest income on caps and swaps	182 861	169 754		
Currency gains	322	0		
Total financial income	186 300	179 713	13 636	1 831
Financial expenses				
Security transactions	0	0	0	0
Interest on bonds	-226 875	-212 096		
Interest and expenses on loans	-321 654	-279 584		
Interest on partners' advances	-171 846	-101 563		
Interest expense from Group companies			-95 952	-69 977
Interest expense				
Other financial interest	-628	-28 232	-225 771	-286 597
Interest expenses on caps and swaps	-98 212	-193 917		
Currency losses	-5 011	-2 582		
Sub-total financial expenses	-824 226	-817 974	-321 723	-356 574
Capitalised financial expenses	13 925	53 943	300 578	434 001
Total financial expenses	-810 301	-764 031	-21 145	77 427
Net financial expenses	-624 001	-584 318	-7 509	79 258

8. Income taxes

Group (MSEK)

Income statement	2009	2008
Actual tax expenses	0	0
Deferred tax expense/tax income	578	412
Total	578	412

Income tax on the Group's profit before tax differs from the theoretical amount that would have been encountered in the use of weighted average rate on the results of the consolidated companies as follows:

	2009	2008
Reported profit before tax	-2 701,8	-743,8
Tax at the current tax rate	729,0	211,0
Tax effect of:		
Non-taxeble income	-72,1	-
Non-deductible expenses	-7,3	-22,0
Schabloníntäkt periodiseringsfond	-	-
Effect of non recognized tax losses	-125,0	-11,2
Change in tax loss carryforwards recognized in the balance	-	-
Effect of currency translation in tax	31,6	30,0
Other	22,0	3,5
Effect of change in tax rate	-	201,0
Tax attributable to previous year	-	-
Tax cost	578	412

In December 2008 the Swedish Government adopted among other things, implying a reduction in the Swedish corporate tax rate from 28 percent to 26.3 percent with effect from 1 January 2009. This led to a restatement of deferred tax assets and liabilities and resulted in KSEK 143 778 in year 2008. Deferred tax assets and liabilities are offset when there is a legal right of offset for current tax assets and liabilities and when deferred taxes relate to the same taxation authority.

Changes in deferred tax assets and liabilities during the year, without taking into account off-setting made in the same tax jurisdiction are shown below.

KSEK	Year-beginning 2009	Increase	Decrease	Reclassification	Currency translation	Changes in scope of consolidation	Year-end 2009
Deferred tax liabilities							
Deferred tax liabilities on investment properties	3 055 277		-626 753		-4 000		2 424 524
Other deferred tax liabilities							
- Tax loss carry-forward							
- Others							
Total Deferred tax liabilities	3 055 277	0	-626 753	0	-4 000	0	2 424 524
Deferred tax assets							
Other deferred tax assets							0
Tax-loss carry-forward	305 948	14 300	-58 754		-900		260 594
Total Deferred tax assets	305 948	14 300	-58 754	0	-900	0	260 594

8. Income taxes cont.

(KSEK)	2009	2008
Temporary differences investment properties	628 900	
Tax losses carry-forward not recognized	22 000	-
Total unregognized assets	650 900	0

Parent (KSEK)	2009	2008
Profit before tax	22 486	104 257
Current tax	-5 084	-26 176
Deferred tax	6 702	
Net Profit after tax	24 104	78 081

Deferred tax receivable	2009	2008
Accumulated acquisition value, Jan. 1	145	145
Claim tax losses	6 702	--
Accumulated acquisition value, Dec. 31	6 847	145

9. Investment in properties (KSEK)

In accordance with the preferred method provided under IAS 40, investment properties are stated at their market value as determined by independent appraisers. Whereas during the first half of 2009 a large downward value correction took place, the second half and most notably the fourth quarter of 2009 has shown stabilisation in property investment markets. The second half contrasts with the first half of the year, when the company reported a shortage of representative ("benchmark") transactions. Investors are increasingly seeking to take advantage of the re-pricing that occurred since the start of the crisis. This increased interest, combined with improved availability of equity and credit, has led to the execution of more representative transactions and improved liquidity for large prime assets, which in turn has led to stabilisation of prime yields compared to June 30, 2009 valuations. Investors' interest remained focused on prime product with secure cash flow.
Some appraisers have observed that the volumes involved in investments in real estate remain relatively thin. Given the underlying macro-economic fundamentals, the markets may continue to show some volatility. Yet the increase in volumes towards the end of the year, combined with the increased investor appetite for transactions, gives a solid basis forthe year-end 2009 valuations.

Since January 1, 2009, Investment Properties Under Construction (IPUC) are covered by IAS 40 and are eligible to be measured at fair value. In accordance with the Group's investment properties valuation method, they are valued at fair value by an external appraiser. Those for which the fair value is not reliably determinable are still valued at cost until such time as a fair value valuation becomes reliable, or until the construction completion. The pipeline project is eligible for a fair value measurement once all three following criteria are fulfilled:

- All administrative authorisations needed to complete the project are obtained,
- The construction has started and costs are committed toward the constructor,
- Substantial uncertainty in future rental income has been eliminated.

If the time to delivery is less than one year, the project has to be taken at fair value.

As at December 31, 2009, the assets still stated at cost were mainly, in Sweden, the Täby extension and the Mall of Scandinavia. IPU still measured under cost are subject to impairment to test. The market value adopted by Unibail-Rodamco is determined on the basis of appraisals by independent external experts, who value the Group's portfolio as at June 30 and December 31 of each year. A discount is applied to the gross value in order to reflect disposal costs and transfer taxes, depending on the country and on the tax situation of the property.

As at December 31, 2009, independent experts have appraised 96,9% of Unibail-Rodamco's portfolio.

As mentioned in "Accounting principles and consolidation methods", Asset valuation methods used for the Shopping Centre and Office portfolio, the valuation principles adopted are based on the discounted cash flow and yield methodologies.

9. Investment in properties, cont.

Year-end 2009	Year-beginning 2009	Acq.	Capitalised expenses	Disposals	Reclassification and transfer of category	Valuation movements	Currency translation difference	Year-end 2009
Retail	23 930 763	100	196 944		391 157	-3 210 346	-67 764	21 240 854
Offices	2 502 631		22 084	-65 499		-163 239		2 295 977
Total investment property	26 433 394	100	219 028	-65 499	391 157	-3 373 585	-67 764	23 536 831
Properties under promise or mandate of sale	0							0
Total	26 433 394	100	219 028	-65 499	391 157	-3 373 585	-67 764	23 536 831

Investment property Under Construction (IPUC) at cost

Year-end 2009

Gross value	Year-beginning 2009	Acq.	Capitalised expenses	Disposals	Other movements	Currency translation difference	Year-end 2009
Retail	206 076,0	302 550,0	106 850,0		-383 754,0	934,0	232 656,0
Offices	-						-
Total	206 076,0	302 550,0	106 850,0	-	-383 754,0	934,0	232 656,0

10. Tangible Asset (KSEK)

Group

Year-end 2009	Year-beginning 2009	Acq. and capitalised expenses	Disposals	Other movements	Currency translation difference	Amor tisation	Year-end 2009
Gross value	22 852,0	716,0	-300,0	-	-100,0	-	23 168,0
Amortisation	-15 618,0	-	178,0	-	-	-1 593,0	-17 033,0
Total	7 234,0	716,0	-122,0	-	-100,0	-1 593,0	6 135,0

Parent

Year-end 2009	Year-beginning 2009	Acquisitions and capitalised expenses	Disposals	Other movements	Currency translation difference	Amor-tisation	Year-end 2009
Gross value	20 377,0	1 058,0	-101,0				21 334,0
Amortisation	-12 492,0		7,0			-2 713,0	-15 198,0
Total	7 885,0	1 058,0	-94,0	-	-	-2 713,0	6 136,0

11. Accounts receivable, lease receivables and other receivables (KSEK)

	Group		Parent	
	2009	2008	2009	2008
Trade receivables	99 344	120 969	0	29
Rent-free periods and step rents	9 539	8 868	0	0
Gross value	108 883	129 837	0	29
Provisions for doubtful accounts	-50 648	-27 806	0	0
Net	58 235	102 031	0	29

	2009	2008	2009	2008
Value added tax	6 583	8 678	1 033	583
Other taxes	45 820	698 758	54	411
Tax receivables	52 403	707 436	1 087	994
Other debtors	140 781	73 197	13 429	18 440
Receivables from partners	6 240	6 206	0	0
	147 021	79 403	13 429	18 440

Geografical distribution of Trade receivables (KSEK)

	2009			2008		
	Gross amount	Provision	Net amount	Gross amount	Provision	Net amount
Other	32 254	-11 100	21 156	45 695	-5 870	39 825
Nordic	76 627	-39 548	37 079	84 142	-21 936	62 206
Total	108 881	-50 648	58 235	129 837	-27 806	102 031

	Not overdue	< 3 mth	4 - 6 mth	7 - 9 mth	10 - 12 mth	> 12 mth	Total
Other							32 254
Nordic	19 162	12 210	10 786	13 255	6 506	14 708	76 627
Total							108 881

11. Accounts receivable, lease receivables and other receivables cont.

Changes in the reserve for bad debts

	Group		Parent	
(KSEK)	2009	2008	2009	2008
Balance as of January 1	**-27 800**	**-7 252**	**0**	**0**
Provision doubtful debtors	-26 224	-14 086	0	0
Unused amounts reversed	4 500	0	0	0
Currency translation	100	-514	0	0
Entry into the scope of consolidation	0	-5 969	0	0
Other movements	-1 225	0	0	0
Balance as of December 31	**-50 649**	**-27 821**	**0**	**0**

Due to the financial crisis, the trade receivables over due has increased and there for also the provisions for doubtful debtors.

12. Prepayments and accrued income

	Group		Parent	
(KSEK)	2009	2008	2009	2008
Prepaid expenses	113 256	124 308	117 962	120 827
Total	**113 256**	**124 308**	**117 962**	**120 827**

Parent	2009	2008
Prepaid interest	112 577	117 554
Other prepayments and accrued income	5 385	3 273
Total	**117 962**	**120 826**

13. Cash and cash equivalents

In cash on the balance sheet and cash flow statement includes the following

	Group		Parent	
(KSEK)	2009	2008	2009	2008
Cash and bank accounts	291 564	310 106	128 849	124 963
Current account to balance out cash flow	156	0		
Cash and bank balances	**291 720**	310 106	128 849	124 963

14. Liabilities to credit institutions

Parent	2009	2008
Debt due within one year	--	--
Liabilities due between 1 and 5 years	4 963 146	4 982 938
Total	**4 963 146**	**4 982 938**

Liabilities to Group companies

Parent	2009	2008
Debt due within one year	--	--
Liabilities due between 1 and 5 years	1 571 421	1 891 778
Total	**1 571 421**	**1 891 778**

15. Financial Instruments and Financial Risk Management

Borrowings and other financial liabilities (KSEK)	2009	2008
Bonds and EMTNs	5 269 845	5 253 751
Principal debt	5 177 591	5 222 478
Accrued interest	0	0
Charges and premiums on issues of borrowings	-7 036	-12 414
Mark-to-market of debt (Fair value hedge)	99 290	43 687
Bank borrowings	3 313 116	3 346 482
Principal debt	3 156 707	3 179 905
Accrued interest	136 010	141 614
Charges and premiums on issues of borrowings	0	0
Bank overdrafts	20 399	24 963
Accrued interest on bank overdrafts	0	0
Current accounts to balance out cash flow	0	0
Other financial liabilities	6 714 971	7 324 326
Interbank market instruments and negotiable instrumei	0	0
Parent company borrowings	4 737 697	5 216 802
Accrued interest on parent company borrowings	8 600	
Current accounts with non-controlling interests	1 968 674	2 107 523
Total	15 297 932	15 924 558

Credit risk

Credit risk arises from cash and cash equivalents as well as credit exposures with respect to rental customers, including outstanding receivables. Credit risk is managed on a Group level. The Group structures the level of credit risk it accepts by placing limits on its exposure to a single counterparty, or groups of counterparties, and to geographical and industry segments. Such risks are subject to, at least, an annual and, often, more frequent review. The Group has policies in place to ensure that rental contracts are made with customers with an appropriate credit history.

The risk of insolvency is spread widely across a large number of tenants.

When tenants sign their leasing agreements, they are required to provide financial guarantees, such as a deposit, first-demand guarantee or surety bond amounting to between three and six months' rent.

Late payment reminders are automatically issued in respect of late payments and penalties are applied. Such late payments are monitored by a special "default" committee in each business division which decides on the pre-litigious or litigious action to be taken.

The Group applies the following rules to calculate the provision for doubtful accounts :

- 50 % of receivables due for more than 3 months (calculation after preliminary deduction of possible deposits and bank guarantee)
- 100% of receivables due for more than 6 months.

Market risk

a/ Liquidity risk

The following table shows the Group's contractually agreed interest payments and repayments of the non derivative financial liabilities and the derivatives with positive and negative fair values. Amounts in foreign currency were translated at the closing rate at the reporting date. The payments of the floating-rate interests have been calculated on the basis of the last interests rates published on December, 31 2009. Lines drawn as at December 31, 2009, are considered as drawn until maturity. Commercial papers have been allocated at the earliest period of redemption even if they are rolled over. All other borrowings have been allocated by date of maturity.

15. Financial Instruments and Financial Risk Management, cont.

Outstanding duration to maturity (KSEK)	Current Less than 1 year	Non-current 1 year to 5 years	Non-current More than 5 years	Total December 31, 2009
Bonds and EMTNs	-7 036	5 276 881	0	5 269 845
Principal debt	0	5 177 591	0	5 177 591
Accrued interest	0	0	0	0
Charges and premiums on issues of borrowings	-7 036	0	0	-7 036
Mark-to-market of debt (Fair value hedge)	0	99 290	0	99 290
Bank borrowings	185 010	2 638 435	489 671	3 313 116
Principal debt	28 600	2 638 435	489 671	3 156 706
Accrued interest	136 010	0	0	136 010
Charges and premiums on issues of borrowings	0	0	0	0
Bank overdrafts	20 400	0	0	20 400
Accrued interest on bank overdrafts	0	0	0	0
Current accounts to balance out cash flow	0	0	0	0
Other financial liabilities	8 600	6 706 371	0	6 714 971
Interbank market instruments and negotiable instruments	0	0	0	0
Parent company borrowings	0	4 737 697,0	0	4 737 697
Accrued interest on parent company borrowings	8 600,0		0	8 600
Current accounts with non-controlling interests	0	1 968 674,0	0	1 968 674
Total	186 574	14 621 687	489 671	15 297 932

b/ Counterparty risk
Due to its use of derivatives to minimise its interest and exchange rate risk, the Group is exposed to potential counterparty defaults. The counterparty risk is the risk of replacing the derivative transactions at current market rates in the case of default. To limit counterparty risk, the Group relies solely on major international banks for its hedging operations.

c/ Interest rate risk management
The Group's interest rate policy is managed at Parent level (Unibail-Rodamco) through a macro hedging policy. Group's strategy regarding interest rate risk is to minimise the impact that changes in rates could have on earnings and cash-flow and minimise the overall cost of financing. All transactions are managed centrally and independently by the Group. average cost . That average cost of debt results from the level of margins on existing borrowings, the low interest rate environment in 2009, the cost of the Group's hedging instruments and the cost of carry of the undrawn credit lines.

The fair value of short-term borrowings equivalent to its carrying value, since discounting is not significant.

Carrying amounts of short-term borrowing is a good approximation of the loans' true values.

d/ Currency exchange rate risk management
Regarding exchange rate risk, the Group aims to limit its net exposure to an acceptable level by taking up debt in the same currency, by using derivatives and by buying or selling foreign currencies at spot rates.

Carrying amount and fair value of long-term borrowings is as follows:

	Carrying value		Fair value	
(MSEK)	2009	2008	2009	2008
Bank loans	13 651	13 651	13 677	13 380
Total	13 651	13 651	13 677	13 380

15. Financial Instruments and Financial Risk Management, cont.

Year-end 2009 MSEK	Categories in accordance with IAS 39	Carrying amount 2009.12	Fair value
Loans	L&R	7	7
Derivatives at fair value	FAHfT	393	393
Trade receivables from activity (1)	L&R	49	49
Other receivables (2)	L&R	147	147
Cash and cash equivalents	AfS	292	292
Total assets		887	887
Bonds, borrowings and amounts due to credit institutions	FLAC	15 298	15 810
Derivatives at fair value	FLHfT	1	1
Guarantee deposits	FLAC	73	73
Amounts due to suppliers and other current debt (3)	FLAC	479	479
Total liabilities		15 851	16 364

Year-end 2008 (in millions of euros)	Categories in accordance with IAS 39	Carrying amount 2008.12	Fair value
Loans	L&R	10	10
Derivatives at fair value	FAHfT	357	357
Trade receivables from activity (1)	L&R	93	93
Other receivables (2)	L&R	79	79
Cash and cash equivalents	AfS	310	310
Total assets		849	849
Bonds, borrowings and amounts due to credit institutions	FLAC	15 925	15 654
Derivatives at fair value	FLHfT	0	0
Guarantee deposits	FLAC	60	60
Amounts due to suppliers and other current debt (3)	FLAC	490	490
Total liabilities		16 475	16 204

(1) Excluding rent-free periods and step rents
(2) Excluding prepaid expenses and tax receivables
(3) Excluding prepaid income

L&R: Loans and Receivables
AfS: Available for Sale financial assets
FAHfT: Financial Assets Held for Trade
FLAC: Financial Liabilities measured At Cost
FLHfT: Financial Liabilities Held for Trade

15. Financial Instruments and Financial Risk Management, cont.

Carrying amount, by currency, the Group's borrowings are as follows: (nominal value, current accounts with minority partners not including)

(KSEK)	2009	2008
SEK	4 309 990	4 683 500
EURO	7 558 600	7 730 700
DKK	487 110	490 800
Other currencies	716 300	714 200
TOTAL	13 072 000	13 619 200

The Group has the following undrawn credit facilities:

(KSEK)	2009	2008
Floating rate:		
- Expiring within one year	300 000	300 000
-- Expiring after more than a year	8 174 004	1 828 376
Fixed rate:		
- Expiring within one year	0	0
-- Expiring after more than a year	225 685	62 667
Total	8 699 689	2 191 043

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may issue new debt or buy back existing outstanding debt, return capital to shareholders, issue new shares or buy back outstanding shares or sell assets to reduce debt.

16. Operating lease commitments - group as lessor (KSEK)

The period of commercial lease agreements varies greatly by region, most often varying from 3 to 10 years. Rents are in general annually indexed with inflation during the lease agreement. Rents may be stepped or constant and can include rent-free periods or step rents. The level of rent is determined at the time the lease agreement is signed and remains in force for the term of the lease. In most regions the charges, including land duties and office tax, are usually paid by the tenant, unless stated otherwise in the lease agreement. In the case of shopping centres, rent is based on a minimum guaranteed rent, indexed and established so that the variable turnover based part of rents represents a small part of total rents. As at December 31, 2009, minimum future rents due under leases until the next possible termination date break down as follows:

The table below shows future rental income on existing leases.

	Group 2009-12-31	Proportion of contract value, %
2010	1 545 210	24,7%
2011	1 183 284	18,9%
2012	902 470	14,4%
2013	614 401	9,8%
2014	409 759	6,5%
2015	341 827	5,5%
2016	303 893	4,9%
2017	273 428	4,4%
2018	250 966	4,0%
2019	145 445	2,3%
2020	130 909	2,1%
Beyond	163 096	2,6%
Total	6 264 688	100,0%

17. Related Parties ((KSEK)

Rodamco Northern Europe AB, 556583-3612 (registered in Sweden) owns 100.0% of the parent company's shares and has control over the parent. Parent of the largest group of which the parent is included Unibail-Rodamco SA reg no 682 024 086 (registered in France).

The following transactions have occurred with related parties:

2009	Interest Income to	Interest cost from	Sales to	Purchases from	Receivables from	Liabilities to
France		-149 046				1 996 520
Holland		-191 934		-93 939	6 240	2 770 769
Denmark						
Finland						
Czech Republic				-5 457		
Spain				-7 389		
Other	1 300					199 448
Total	1 300	-340 980	0	-106 785	6 240	4 966 737

2008	Interest Income to	Interest cost from	Sales to	Purchases from	Receivables from	Liabilities to
France		-22 787		-3 263		2 336 948
Holland		-216 475		-39 488	6 206	2 179 155
Denmark						
Finland						
Czech Republic				-2 054		714 174
Spain	336					784
Other		-10 194				189 276
Total	336	-249 456	0	-44 806	6 206	5 420 337

All transactions between the companies is deemed to have been made to market conditions.

18. Information on parent company purchases and sales within the U-R Group

	2009	2008
Percentage of year's total purchases made from other group companies.	50,05%	34,97%
Percentage of annual total sales made by other companies within the Group.	98,93%	99,06%

19. Shares in Group Companies (KSEK)

Shares in Group companies	2009	2008
Accumulated acquisition value, 1 Jan.	1 232 426	1 174 860
Re-classification of receivables	305	57 566
Accumulated acquisition value, 31 Dec.	1 232 731	1 232 426

19. Shares in Group Companies cont. (MSEK)

Company name	Equity	Corp. reg. no.	Reg. office	Number of shares	Book value
Rodamco AB	100%	556151-6633	Täby	78	728 400
-Rodamco Centerpool AB	100%	556117-1694	Täby	1 000	
--Eurostop KB	100%	916609-1349	Täby		
--Eurostop AB	100%	556108-0267	Täby	1 000	
--Rodamco Forum Nacka KB	100%	916403-9720	Täby		
--Rodamco Forum Nacka AB	100%	556111-1401	Täby	1 000	
-- Rodamco Täby Centrum KB	100%	902002-9717	Täby		
--Rodamco Täby AB	100%	556207-1471	Täby	1 000	
--Rodamco Arninge KB	100%	969676-7491	Täby		
Piren AB	100%	556097-1235	Täby	2 500	164 261
-Rodamco Holding AB	100%	556175-8813	Täby	1 000	
-Rodamco Solna Centrum AB	100%	556051-3268	Täby	5 000	
--Park Parkering AB	100%	556482-7797	Täby	1 000	
-Rodamco Tumlaren AB	100%	556188-4247	Täby	1 000	
--Rodamco Projekt AB	100%	556413-0309	Täby	1 000	
--Rodamco Helsingborg KB	100%	969682-3112	Täby		
--Rodamco Nova Lund KB	100%	969686-5030	Täby		
-Rodamco Garage AB	100%	556340-1941	Täby	1 000	
-Rodamco Hallunda Centrum HB	100%	916614-2076	Täby		
Rodamco Management AB	100%	556088-0774	Täby	40 000	6 570
Rodamco Fisketorvet AB	100%	556174-5934	Täby	1 000	100
Rodamco Tyresö Centrum AB	100%	556322-9136	Täby	50 000	120 841
Rodamco Väsby Centrum AB	100%	556668-1382	Täby	750	75
Rodamco Invest AB	100%	556668-1374	Täby	750	75
Rodamco Nova Lund 3 AB	100%	556680-7748	Täby	100	100
Rodamco Expand AB	100%	556683-3694	Täby	100	100
Rodamco Pankrac AS	100%	CZ 273 72 537	Czech Republic		199 737
--Pankrac Shopping Center k.s.	75%	CZ 261 97 898	Czech Republic		
Eurostop Holding AB	100%	556715-1807	Täby	100	100
--New Tower Real Estate BV	51,11%	NL 34306757	Netherlands		
-----UR Steam SL	100%		Spain		
-----Proyectos Immobiliarios Time Blue SLU	100%		Spain		
--Old Tower Real Estate BV	52,78%	NL 34305303	Netherlands		
-----Essential White SLU	100%		Spain		
-----promociones Immobililiares Gardiner SLU	100%		Spain		
Rodamco Nova Lund 2 AB	100%	556661-4060	Täby	100	281
Rodamco Eneby AB	100%	556717-6788	Täby	1 000	11 786
Fjärilen Bostads AB	100%	556763-6732	Täby	1 000	105
Fastigehtsbolaget Helsingborg Östra AB	100%	556795-2139	Täby	1 000	100
Fastigehtsbolaget Helsingborg Västra AB	100%	556795-2121	Täby	1 000	100
Total					1 232 731

20. Changes in equity parent company (KSEK)

No of shares: 41206671	Share capital	Statutory reserve	Fair value reserv	Retained earnings	Net income	
Balance, Jan. 1 2008	1 648 267	300 872	-5 491	-125 828	46 144	1 863 964
Appropriation of previous year's profit/loss				46 144	-46 144	0
Group contribution granted				-93 485		-93 485
Taxeffect of Group contribution				26 176		26 176
Fair value swap			-1 283			-1 283
Net profit/loss for the year					78 081	78 081
Balance, Dec. 31 2008	1 648 267	300 872	-6 774	-146 993	78 081	1 873 453

	Share capital	Statutory reserve	Fair value reserv	Retained earnings	Net income	
Balance, Jan. 1	1 648 267	300 872	-6 774	-146 993	78 081	1 873 453
Appropriation of previous year's profit/loss				78 081	-78 081	0
Group contribution granted				-19 331		-19 331
Taxeffect of Group contribution				5 084		5 084
Fair value swap			7 128			7 128
Net profit/loss for the year					24 104	24 104
Balance, Dec. 31	1 648 267	300 872	354	-83 159	24 104	1 890 438

21. Guarantees

Guarantees include two loans raised by Rodamco Täby Centrum KB amounting to KSEK 1 231 000 and Rodamco Solna. Centrum AB amounting to KSEK 1 182 000 and for which a mortgage on the property is provided as security.

Täby 29/4 2010

Jean-Marc Jestin
Chair man

Owe Löfqvist

Lars Johansson
Manager Director

Our audit report was submitted on March 29, 2010
Ernst & Young AB

Mikael Ikonen
Authorised Public Accountant

Täby 24/4 2010

Jean-Marc Jestin
Chair man

Owe Löfqvist

Lars Johansson
Manager Director

Our audit report was submitted on
Ernst & Young AB

Mikael Ikonen
Authorised Public Accountant

The 2009 annual report of the Management Board

RODAMCO SVERIGE AB

556201-8654

Information on Business

Rodamco Sverige AB has direct and indirect holdings in companies that own and manage shopping centers. The larger facilities include Fisketorvet (in Denmark), Jumbo (in Finland), Solna Centrum, Täby Centrum and Forum Nacka (in Sweden). The management board consists of Lars Johansson, Jean-Marc Jestin and Owe B. Löfquist. Rodamco Sverige AB as the Parent company provides corporate services to the other companies in the Rodamco Sverige AB group.

Activities during 2009/course of events

During 2009 the company has continued its ordinary business of leasing, shopping center management and project works etc. in line with expectations. A sale of senior residentials in Väsby, Stockholm, Sweden, regarding 5 338 sqm meter was finalized on January 15, 2009. No other events of material importance that could affect the company's result occurred during the year.

Description of the principal risks and uncertainties

The financial results are dependant on rental revenues, operating costs and the costs of funding. Although the retail market has changed and the private consumption has been week the first half of the year, the second part of the year was improving, following increasing consumer confidence. However, the weakness during the first half of the year resulted in temporary negatively effects on the income of the company.

An overview of the situation on the balance sheet day

No major changes have occurred in the balance sheet during the year of 2009. No acquisitions or sales of properties of material importance that could affect the company's result were completed except for the sale finalized on January 15, 2009 above.

The annual report has been audited by auditors.

The 2009 annual report of the Management Board

RODAMCO SVERIGE AB

556201-8654

Managing Directors' Statement

The management board of Rodamco Sverige AB hereby states that, to the best of its knowledge, (a) the financial statements give a true and fair view of the assets, liabilities, financial position and profit of Rodamco Sverige AB and (b) the management report gives a true and fair view of the state of affairs as at the balance sheet date and of the course of business during the financial year of Rodamco Sverige AB and contains a description of the principal risks the company faces.

The 2009 annual report of the Management Board

RODAMCO SVERIGE AB

556201-8654

This report contains certain forward-looking statements which involves certain risks. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by terms such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "potential," "should," "will" and "would" or the negative of those terms or other comparable terminology. The forward-looking statements are based on our beliefs, assumptions and expectations of our future performance, taking into account all information currently available to us. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to us or are within our control. If a change occurs, our business, financial condition, results of operations, liquidity, investments, share price and prospects may vary materially from those expressed in our forward-looking statements. Some of the factors that could cause actual results to vary from those expressed in our forward-looking statements and other risks and uncertainties include, but are not limited to:

(i) general economic conditions, (ii) changes in the availability of, and costs associated with, sources of liquidity, as well as conditions in the credit markets generally, including changes in borrower and counterparty creditworthiness (iii) performance of financial markets, including developing markets, (iv) interest rate levels, (v) credit spread levels, (vi) currency exchange rates, (vii) general competitive factors, (viii) general changes in the valuation of assets (ix) changes in law and regulations, including taxes (x) changes in policies of governments and/or regulatory authorities, (xi) the results of our strategy and investment policies and objectives and (xii) the risks and uncertainties as addressed in this report, the occurrence of which could cause [...] actual results and/or performance to differ from those predicted in such forward-looking statements and from past results. The forward-looking statements speak only as of the date hereof.

The foregoing is not a comprehensive list of the risks and uncertainties to which we are subject. Except as required by applicable law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the events described by our forward-looking statements might not occur. Neither [...] nor any of its directors, officers, employees do make any representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved, and such forward-looking statements represent, in each case, only one of many possible scenarios and should not be viewed as the most likely or standard scenario. We qualify any and all of our forward-looking statements by these cautionary factors. Please keep this cautionary note in mind as you read this report.

Täby 29/4 2010

Lars Johansson

Jean-Marc Jestin

Owe B. Löfquist

Audit Report

To the annual meeting of the shareholders of Rodamco Sverige AB

Corporate identity number 556201-8654

We have audited the annual accounts, the consolidated accounts, the accounting records and the administration of the board of directors and the managing director of Rodamco Sverige AB for the year 2009. The board of directors and the managing director are responsible for these accounts and the administration of the company as well as for the application of the Annual Accounts Act when preparing the annual accounts and the application of international financial reporting standards IFRSs as adopted by the EU and the Annual Accounts Act when preparing the consolidated accounts. Our responsibility is to express an opinion on the annual accounts, the consolidated accounts and the administration based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in Sweden. Those standards require that we plan and perform the audit to obtain reasonable assurance that the annual accounts and the consolidated accounts are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the accounts. An audit also includes assessing the accounting principles used and their application by the board of directors and the managing director and significant estimates made by the board of directors and the managing director when preparing the annual accounts and consolidated accounts as well as evaluating the overall presentation of information in the annual accounts and the consolidated accounts. As a basis for my (our) opinion concerning discharge from liability, we examined significant decisions, actions taken and circumstances of the company in order to be able to determine the liability, if any, to the company of any board member or the managing director. We also examined whether any board member or the managing director has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association. We believe that our audit provides a reasonable basis for our opinion set out below.

The annual accounts have been prepared in accordance with the Annual Accounts Act and give a true and fair view of the company's financial position and results of operations in accordance with generally accepted accounting principles in Sweden. The consolidated accounts have been prepared in accordance with the international financial reporting standards IFRSs as adopted by the EU and the Annual Accounts Act and give a true and fair view of the group´s financial position and results of operations. The statutory administration report is consistent with the other parts of the annual accounts and the consolidated accounts.

We recommend to the annual meeting of shareholders that the income statements and balance sheets of the parent company and the statement of comprehensive income and the statement of financial position for the group be adopted, that the loss of the parent company be dealt with in accordance with the proposal in the administration report and that the members of the board of directors and the managing director be discharged from liability for the financial year.

Stockholm 29 April, 2010

Ernst & Young AB

Mikael Ikonen

Authorized Public Accountant