



Reinhold

QUARTERLY STATEMENT

JANUARY 1 – SEPTEMBER 30, 2014



A silhouette of a construction worker wearing a hard hat and safety harness, standing on a steel framework. The background is a solid red color. The worker is positioned on the left side of the frame, looking towards the right. The steel structure consists of vertical columns and horizontal beams, creating a complex geometric pattern.

**REINHOLD EUROPE AB IS A
DEVELOPMENT AND CONSTRUCTION
GROUP HEAD QUARTERED IN
STOCKHOM SWEDEN**

CEO COMMENTS

Kenneth Liberg four see the Demand of Reinhold housing performing well due to the continued strong demand in Stockholm. "This will reinforce the development of the company. We are dynamically positioned with a good portfolio of projects, which are continuously refined and renewed.

The resorted and strengthen equity gives us freedom to develop according to the business plan"

The acquisition of Kooperativa Utvecklingsbolaget Sverige AB completes the companys strategy for sustainable real estate development. Cooperative housing will become an important part of Reinholds future business to promote housing for elderly, students and young households and there are already five of the projects from the acquisition that is in development progress at the moment.

As part of the acquisition Reinhold also got an exclusive license agreement for the production of modular homes in Europe with advanced plans to offer fast and qualitative residential productions for Swedish and foreign municipalities aimed for youth/students, elderly and immigrants.

The company Base its operations on senior employees who have a long experience and expertise through its business areas. "Our employees want to work in a smaller, entrepreneurial, flexible and growing organization" says Kenneth Liberg.



Kenneth Liberg
CEO

SIGNIFICANT EVENTS

During the third quarter

Acquisition of the real estate company Kooperativa Utvecklingsbolaget Sverige AB

Reinhold Europe AB signed an agreement to acquire Kooperativa Utvecklingsbolaget Sverige AB which will enable Reinhold to establish more than 170 new senior housing in attractive locations in cities such as Höganäs, Helsingborg, Lund, Gävle and Simrishamn. The total production value is estimated at approximately SEK 300 million and a project portfolio comprising over 13 000 sq in attractive locations for housing for senior citizens.

The acquisition also ensures Reinhold a unique licensing agreement with a major supplier of pre-fabricated apartments which can be built in up to six floors and constructed in less than half the production time compared to conventional on site construction.

The acquisition of Kooperativa Utvecklingsbolaget Sverige AB is made 100 % with shares of class B in Reinhold Europe.

Election of new board member

At an extraordinary general meeting Katarina Lif Burren was elected to new ordinary board member. Katarina Lif-Burren has a law degrees in both Sweden and Switzerland, and since 2006 a partner in KENDRIS, the largest independent Swiss provider of services in the fiduciary field, trusts and accounting. Katarina replaced Grezgorch Gollec who resigned from the Board.

Changes in the article of association

At an extraordinary general meeting a new articles of association were adopted where the share capital shall be increased with a maximum amount of EUR 10,500,000 and a maximum of 87,500,000 shares of class B shall be issued for acquisition of Kooperativa Utvecklingsbolaget Sverige AB.

After the third quarter

Acquisition of the Swedish scaffolding company Dala Byggentreprenader AB

Reinhold Europe AB strengthen its position in the scaffolding and security equipment segment with a strategic acquisition of the Swedish based company Dala Byggentreprenader i Stockholm AB.

Third Quarter, July – September 2014

- Net sales amounted to 0 Euro
- Operating Profit amounted to 13 141 181 Euro
- Net Profit for the period amounted to 13 141 405 Euro
- Earnings per share amounted to 0.33 Euro
- Cash flow for the period amounted to 361 785 Euro

January – September 2014

- Net sales amounted to 0 Euro
- Operating Profit amounted to 12 837 253 Euro
- Net Profit amounted to 12 737 312 Euro
- Earnings per share amounted to 0.71 Euro

FINANCIAL COMMENTS

Project portfolio

The portfolio of projects is constantly growing.

We are focusing our efforts towards greater area of Stockholm and other locations in Sweden where the business climate is favorable.

Net sales

The business platform is developing rapidly, the acquisition of construction company “Dala bygg” and other planned acquisition is moving ahead as planned, the Group is up until now showing no sales, however under the coming months the Group are going to generate sales.

Operating Profit, Net Profit, and Earnings per share

The operating profit is mainly coming from reevaluation of the negative balances and ongoing negotiations.

No tax evaluations are performed in the accounts of September 30 2014.

Cash flow

The cash flow is no generated in the business; the cash is contributed from the present owners.

CONSOLIDATED INCOME STATEMENT

Amounts in Euro	Q3		
	JUL-SEPT	JAN-SEPT	JAN-DEC
	2014	2014	2013
Net sales			
Net sales	0	0	0
Other operating income	0	27 515	255 521
Gross operating income	0	27 515	255 521
Other external expenses	13 278 785	13 000 537	-144 884
Personnel expenses	-137 604	-190 799	0
Operating profit/loss	13 141 181	12 837 253	110 637
Financial items, net	224	-99 941	-263 968
Profit/loss after financial items	13 141 405	12 737 312	-153 331
Tax	0	0	0
Net profit/loss for the period	13 141 405	12 737 312	-153 331
Other comprehensive income	400	398	0
Total comprehensive income	13 141 805	12 737 710	-153 331
Average number of shares	39 336 957	17 897 436	7 000 000
Earnings per share	0,33	0,71	-0,02

CONSOLIDATED BALANCE SHEET

Amounts in Euro	2014-09-30	2013-12-31
Intangible assets	9 623 237	0
Material assets	3 267 440	0
Financial assets	0	0
Total fixed assets	12 890 677	0
Work in progress	165 964	0
Current receivables	66 361	104 186
Cash and bank balances	378 355	250
Total current assets	610 679	104 436
TOTAL ASSETS	13 501 356	104 436
EQUITY		
Share capital	5 000 900	370 437
Retained earnings and other reserves	5 172 944	-13 434 305
Total equity	10 173 844	-13 063 868
Provisions	2 396 122	7 702 862
Longterm liabilities	43 838	0
Accounts payables	28 421	762 005
Interest-bearing liabilities	0	3 951 167
Other current liabilities	823 081	280 907
Accrued expenses and deferred income	36 050	471 363
Total current liabilities	887 552	5 465 442
TOTAL EQUITY AND LIABILITIES	13 501 356	104 436

Change in equity, Group

	2014-07-01	2014-04-01	2014-01-01	2013-01-01
Amounts in Euro	2014-09-30	2014-06-30	2014-03-31	2013-12-13
Opening balance	-13 467 961	-13 155 048	-13 063 868	-12 910 537
Total comprehensive income for the period	13 141 805	-312 913	-91 180	-153 331
Issue of new shares August 28, 2014	10 500 000	-	-	-
Closing balance	10 173 844	-13 467 961	-13 155 048	-13 063 868

CONSOLIDATED BALANCE SHEET

Pro forma, including

Dala Byggentreprenader i Stockholm AB

Amounts in Euro	2014-09-30
Intangible assets	9 623 237
Material assets	12 372 943
Financial assets	0
Total fixed assets	21 996 180
Work in progress	165 964
Current receivables	679 116
Cash and bank balances	430 890
Total current assets	1 275 970
TOTAL ASSETS	23 272 150
EQUITY	
Share capital	5 000 900
Retained earnings and other reserves	5 203 331
Total equity	10 204 232
Provisions	2 955 919
Longterm liabilities	2 838 272
Accounts payables	126 058
Interest-bearing liabilities	215 911
Other current liabilities	6 572 374
Accrued expenses and deferred income	359 385
Total current liabilities	7 273 728
TOTAL EQUITY AND LIABILITIES	23 272 150

CONSOLIDATED CASH FLOW STATEMENT IN SUMMARY

Amounts in Euro	Q3	JAN-SEP 2014	JAN-DEC 2013
	JUL-SEP 2014		
Cash flow operating activities	369 457	334 267	-5 296
Cash flow from investing activities	165 964	0	5 000
Cash flow from financing activities	-173 636	43 838	-
Cash flow for the period	361 785	378 105	-296
Cash and cash equivalent at the beginning of the period	16 570	250	546
Cash and cash equivalents at the end of the period	378 355	378 355	250

Key Figures, Group

Amounts in Euro	Q3	JAN-SEP 2014	JAN-DEC 2013
	JUL-SEP 2014		
Net sales	0	0	0
Operating profit/loss	13 141 181	12 837 253	110 637
Net profit/loss for the period	13 141 405	12 737 312	-153 331
Equity	10 173 844	10 173 844	-13 063 868
Total assets	13 501 356	13 501 356	104 436
Equity/assets ratio (%)	75,35%	75,35%	Neg
Debt/Equity ratio (%)	32,71%	32,71%	Neg
Equity per share	0,11	0,11	-1,87
Net profit/loss per share	0,33	0,71	-0,02

ACCOUNTING PRINCIPLES

This report has been prepared in accordance with the Annual Accounts Act (1995:1554).

The report has been prepared in accordance with the same accounting principles and methods of calculations as the 2013 Annual Report for the parent company

Stockholm, 14 November 2014

