

REINHOLD EUROPE AB

QUARTERLY REPORT

January 1 – September 30, 2015

January – September 2015, Group

- Gross operating income amounted to 6,898,608 (27,515) Euro
- Net Loss amounted to - 5,298,722 (12,737,312) Euro
- Earnings per share amounted to - 0.05 (0.71) Euro
- Cash flow for the period amounted to - 142,536 (378,105) Euro

COMMENT FROM THE BOARD OF DIRECTORS

This report has been prepared by the former CEO mr Kenneth Liberg and CFO mr Lars Wikström, whose takes the full responsibility concerning its material content.

During the period the Board has decided not to complete the acquisitions of Liberg Sweden. Instead the company now with full strength will focus on the two business areas, property development and sales of modular homes for refugees.

At the EGM October 26, Ms Gunvor Engström was elected as new chairwoman after Mr Lars Wikström, and Mr Sven-Otto Littorin was elected as new boardmember after Mr Bengt Idinge. Mr Lars Malmgren will to temp as CEO after Mr Kenneth Liberg.

Solna 2015-11-13
Board of Directors

SIGNIFICANT EVENTS

During the third quarter

The acquisitions of Liberg Sweden was not completed.

After the third quarter

At the EGM in October, the Board was authorized of issuing new shares on one or several occasions until next AGM, with or without preferential rights for shareholders, issue new shares for cash and/or with provision for set-off or otherwise in accordance with Chapter 13 Section 7 § Companies Act. The issue may result in an increase in the company's share capital by a maximum of 928,414 Euro by an overall increase in the number of shares by a maximum of 17,543,858 shares. The issue can be extended to B shares and be made in cash or by offset. The authorization shall be within the above framework to be utilized on one or more occasions. The new shares shall, in deviation from the preferential rights be issued at an issuance price equal to no less than 0.12 Euro per share. It is proposed that the Meeting authorizes the Board, the President or another person that the Board may appoint, to make minor adjustments that may be required for registration of the resolutions. New issues of shares pursuant to the authorization may firstly be to finance future construction projects and safeguard the company's future working capital needs. The reason for the deviation from the shareholders, preferential rights and the basis for fixing the issuance price may be to open up for strategically important co-operations and/or as incentives for creating value.

FINANCIAL COMMENTS

Project portfolio

The property development projects in Kooperativa Utvecklingsbolaget, on site in Höganäs, Helsingborg, Lund och Simrishamn are all in process.

A new property development project will take place in Bromölla, there the companies own modular system will be used.

CONSOLIDATED INCOME STATEMENT

Amounts in Euro	JULY-SEPT 2015	JULY-SEPT 2014	JAN-SEPT 2015	JAN-SEPT 2014	JAN-DEC 2014
Net sales					
Net sales	2 271 014	0	5 745 444	0	960 695
Other operating income	400 507	0	1 153 166	27 515	510 521
Gross operating income	2 671 521	0	6 898 608	27 515	1 471 216
Other external expenses	-1 655 574	13 278 785	-3 981 807	13 000 537	5 799 554
Personnel expenses	-1 175 541	-137 604	-3 112 125	-190 799	-989 515
Depreciation, amortization	-169 591	0	-424 730	0	-51 567
Operating profit/loss	-329 185	13 141 181	-620 053	12 837 253	6 229 688
Financial items, net	-4 152 519	224	-4 461 884	-99 941	3 920 714
Profit/loss after financial items	-4 481 704	13 141 405	-5 081 936	12 737 312	10 150 402
Tax	-202 673	0	-216 786	0	-373 731
Net profit/loss for the period	-4 684 377	13 141 405	-5 298 722	12 737 312	9 776 671
Other comprehensive income	145 790	400	314 359	400	-178 813
Total comprehensive income	-4 538 587	13 141 805	-4 984 363	12 737 712	9 597 858
Average number of shares	109 926 724	39 336 957	106 402 198	17 897 436	37 807 700
Earnings per share	-0,04	0,33	-0,05	0,71	0,26

CONSOLIDATED BALANCE SHEET

Amounts in Euro	2015-09-30	2014-09-30	2014-12-31
Intangible assets	9 623 370	9 623 237	10 852 943
Tangible assets	87 464	3 267 440	1 921 563
Financial assets	3 266 942	0	8 169 054
Advances new projects	191 751	0	150 668
Deferred tax receivable	0	0	2 160
Total fixed assets	13 169 527	12 890 677	21 096 388
Current receivables	83 300	232 324	814 612
Cash and bank balances	112 878	378 355	255 414
Total current assets	196 178	610 679	1 070 026
TOTAL ASSETS	13 365 705	13 501 356	22 166 414
EQUITY			
Share capital	5 817 275	5 000 900	5 416 339
Retained earnings and other reserves	-1 916 441	5 172 944	2 559 697
Total equity	3 900 834	10 173 844	7 976 036
Longterm liabilities	8 925 840	2 439 960	12 126 553
Accounts payables	58 815	28 421	255 657
Interest-bearing liabilities	56 433	0	280 144
Other current liabilities	361 845	823 081	1 004 977
Accrued expenses and deferred income	61 940	36 050	523 047
Total current liabilities	539 033	887 552	2 063 825
TOTAL EQUITY AND LIABILITIES	13 365 705	13 501 356	22 166 414

Change in equity, Group

Amounts in Euro	2015-01-01 2015-09-30	2014-01-01 2014-09-30	2014-01-01 2014-12-31
Opening balance	7 976 036	-13 063 868	-13 063 868
Total comprehensive income for the period	-4 984 363	12 737 712	9 597 858
Issue of new shares August 28, 2014	-	10 500 000	10 500 000
Issue of new shares December 3, 2014	-	-	942 046
Issue of new shares May 8, 2015	909 161	-	0
Closing balance	3 900 834	10 173 844	7 976 036

CONSOLIDATED CASH FLOW STATEMENT IN SUMMARY

Amounts in Euro	JULY-SEPT 2015	JULY-SEPT 2014	JAN-SEPT 2015	JAN-SEPT 2014	JAN-DEC 2014
Cash flow operating activities	-2 296 776	369 457	-588 983	334 267	-536 214
Cash flow from investing activities	33 605	165 964	-11 130 371	0	-150 667
Cash flow from financing activities	2 259 932	-173 636	11 576 818	43 838	942 045
Cash flow for the period	-3 239	361 785	-142 536	378 105	255 164
Cash and cash equivalent at the beginning of the period	116 117	16 570	255 414	250	250
Cash and cash equivalents at the end of the period	112 878	378 355	112 878	378 355	255 414

KEY FIGURES, GROUP

Amounts in Euro	JULY-SEPT 2015	JULY-SEPT 2014	JAN-SEPT 2015	JAN-SEPT 2014	JAN-DEC 2014
Gross operating income	2 671 521	0	6 898 608	27,515	1 471 216
Operating profit/loss	-329,185	13 141 181	-620 053	12 837 253	6 229 688
Net profit/loss for the period	-4 684 377	13 141 405	-5 298 722	12 737 312	9 776 671
Equity	3 900 834	10 173 844	3 900 834	10 173 844	7 976 036
Total assets	13 365 705	13 501 356	13 365 705	13 501 356	22 166 414
Equity/Assets ratio (%)	29,19%	75,35%	29,19%	75,35%	35,98%
Debt/Equity ratio (%)	242,64%	32,71%	242,64%	32,71%	177,91%
Equity per share	0,04	0,11	0,04	0,11	0,08
Net profit/loss per share	-0,04	0,33	-0,05	0,71	0,26

PARENT COMPANY INCOME STATEMENT

Amounts in Euro	JULY-SEPT 2015	JULY-SEPT 2014	JAN-SEPT 2015	JAN-SEPT 2014	JAN-DEC 2014
Net sales					
Net sales	0	0	0	0	26 573
Other operating income	0	0	0	27 515	19 298
Gross operating income	0	0	0	27 515	45 871
Other external expenses	-160 720	13 304 819	-568 152	13 026 571	6 417 275
Personnel expenses	-159 363	-137 604	-513 302	-190 799	-408 634
Operating profit/loss	-320 083	13 167 215	-1 081 454	12 863 287	6 054 512
Financial items, net	-208	224	-53 919	-99 941	-4 949
Profit/loss after financial items	-320 291	13 167 439	-1 135 373	12 763 346	6 049 563
Dispositions	0		0		-1 559 169
Tax	-203 280	0	-203 280	0	0
Net profit/loss for the period	-523 571	13 167 439	-1 338 653	12 763 346	4 490 394
Other comprehensive income	0	2	0	2	0
Total comprehensive income	-523 571	13 167 441	-1 338 653	12 763 348	4 490 394

PARENT COMPANY BALANCE SHEET

Amounts in Euro	2015-09-30	2014-09-30	2014-12-31
Intangible assets	0	0	0
Financial assets	10 526 798	10 500 000	12 628 632
Total fixed assets	10 526 798	10 500 000	12 628 632
Current receivables	272 959	226 424	810 218
Cash and bank balances	109 202	360 608	105 223
Total current assets	382 161	587 032	915 441
TOTAL ASSETS	10 908 959	11 087 032	13 544 073
EQUITY			
Share capital	5 817 275	5 000 900	5 416 339
Retained earnings and other reserves	-3 378 196	5 198 580	-2 547 768
Total equity	2 439 079	10 199 480	2 868 571
Untaxed reserves	1 569 556	0	1 559 169
Provisions	6 417 728	0	6 340 010
Longterm Liabilities	0	0	2 101 834
Accounts payable	58 815	28 421	60 466
Interest-bearing liabilities	0	0	0
Other current liabilities	361 845	823 081	507 327
Accrued expenses and deferred income	61 936	36 050	106 696
Total current liabilities	482 596	887 552	674 489
TOTAL EQUITY AND LIABILITIES	10 908 959	11 087 032	13 544 073

Parent Company Change in equity

Amounts in Euro	2015-01-01	2014-01-01	2014-01-01
	2015-09-30	2014-09-30	2014-12-31
Opening balance	2 868 571	-13 063 868	-13 063 868
Total comprehensive income for the period	-1 338 653	12 763 348	4 490 394
Issue of new shares August 28, 2014	-	10 500 000	10 500 000
Issue of new shares December 3, 2014	-	-	942 045
Issue of new shares May 8, 2015	909 161	-	0
Closing balance	2 439 079	10 199 480	2 868 571

PARENT COMPANY CASH FLOW STATEMENT IN SUMMARY

Amounts in Euro	JULY-SEPT	JULY-SEPT	JAN-SEPT	JAN-SEPT	JAN-DEC
	2015	2014	2015	2014	2014
Cash flow operating activities	-2 640	395 548	-905 182	360 358	-837 072
Cash flow from investing activities	0	165 964	0	0	0
Cash flow from financing activities	0	-217 474	909 161	0	942 045
Cash flow for the period	-2 640	344 038	3 979	360 358	104 973
Cash and cash equivalent at the beginning of the period	111 842	16 570	105 223	250	250
Cash and cash equivalents at the end of the period	109 202	360 608	109 202	360 608	105 223

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 2014 Annual Report for the parent company.

Stockholm, 13 November 2015

THE BOARD OF DIRECTORS

Gunvor Engström
Chairman

Bengt Eklund
Director

Sven Otto Littorin
Director

Lars Malmgren
Director