

Q2

INTERIM REPORT
JANUARY–JUNE 2022

NYFOSA

THE QUARTER APRIL-JUNE 2022

- Income amounted to MSEK 791 (583), up 36 percent.
- Profit from property management amounted to MSEK 637 (539), up 18 percent and corresponding to SEK 3.28 per share (2.90).
- Profit from property management excluding changes in value and tax in joint ventures amounted to MSEK 403 (300), up 34 percent and SEK 2.06 per share (1.61).
- Distributable cash flow amounted to MSEK 582 (441), up 32 percent and SEK 3.05 per share (2.37).
- Profit after tax amounted to MSEK 981 (711), up 38 percent and SEK 5.07 per share after dilution (3.82).

THE PERIOD JANUARY-JUNE 2022

- Income amounted to MSEK 1,505 (1,154), up 30 percent.
- Profit from property management amounted to MSEK 1,204 (959), up 26 percent and corresponding to SEK 6.20 per share (5.18).
- Profit from property management excluding changes in value and tax in joint ventures amounted to MSEK 763 (587), up 30 percent and SEK 3.89 per share (3.17).
- Distributable cash flow amounted to MSEK 838 (653), up 28 percent and SEK 4.39 per share (3.52).
- Profit after tax amounted to MSEK 2,305 (1,350), up 71 percent and SEK 11.93 per share after dilution (7.28).

KEY FIGURES

	Apr-Jun		Jan-Jun		Last 4	Full-year
	2022	2021	2022	2021	quarters	2021
Income, MSEK	791	583	1,505	1,154	2,810	2,459
Net operating income, MSEK	523	395	974	755	1,870	1,651
Surplus ratio, %	66.1	67.7	64.7	65.4	66.5	67.1
Profit from property management, MSEK	637	539	1,204	959	2,218	1,973
Profit from property management excluding changes in value and tax in joint ventures, MSEK	403	300	763	587	1,478	1,302
Distributable cash flow, MSEK	582	441	838	653	1,621	1,436
Profit after tax, MSEK	981	711	2,305	1,350	4,067	3,112
Property value on balance-sheet date, MSEK			41,341	31,428	41,341	37,147
EPRA NRV on balance-sheet date, MSEK			20,106	16,216	20,106	18,325
Net loan-to-value ratio of properties on balance-sheet date, %			55.1	54.4	55.1	55.2
Interest-coverage ratio, multiple	3.4	3.3	3.5	3.4	3.5	3.4
Key figures per share						
Profit from property management, SEK	3.28	2.90	6.20	5.18	11.49	10.46
Profit from property management excluding changes in value and tax in joint ventures, SEK	2.06	1.61	3.89	3.17	7.62	6.90
Distributable cash flow, SEK	3.05	2.37	4.39	3.52	8.49	7.64
Profit after tax after dilution, SEK	5.07	3.82	11.93	7.28	21.11	16.49
EPRA NRV on balance-sheet date, SEK			105.25	84.89	105.25	95.93

SIGNIFICANT EVENTS DURING AND AFTER THE QUARTER

- In April, 43 properties, including offices, retail, schools and healthcare, were accessed in Finland, with a focus on the Helsinki region, Turku and Jyväskylä, for MSEK 2,109.
- In April, 17 properties with mainly light industry and warehouse in the Helsinki region, Tampere and several major cities in Finland were acquired and accessed, for MSEK 1,415.
- In June, 13 properties in Småland and Östergötland were divested for MSEK 947.
- In June, a property in Solna was sold to the Swedish Fortifications Agency for MSEK 400.
- In July, eight properties with warehouse and light industry in Kalmar were acquired for MSEK 340 before a deduction for deferred tax of MSEK 20.

COMMENTS FROM THE CEO

Nyfosa can report yet another highly active quarter. We acquired and divested properties for a total of SEK 4.7 billion, refinanced loans for SEK 5.5 billion and reported the best net operating income ever.

Our focus is, as always, on building up stable cash flows from a high-yielding property portfolio that is diverse in terms of geography, property categories and tenants. These cash flows provide stability and security for the business in a time when financing and the trend in property values are more uncertain.

Transactions

During the quarter, we remained active in the transaction market, such as in Finland where we completed acquisitions. These properties are a welcome addition to Nyfosa's existing portfolio, featuring modern offices, light industry and big-box retail in prime locations around the Helsinki region. In parallel, we divested properties and strengthened our statement of financial position for new investments. For instance, a property portfolio was sold in Småland and Östergötland as well as a large office property in Solna to the Swedish Fortifications Agency. After the end of the quarter, we also acquired an industrial portfolio in Kalmar that will contribute growing cash flows.

The positive change in value of 1.1 percent for the quarter was primarily an effect of new and renegotiated leases. We have never generated higher profit from our property management and see no slowdown in demand for our premises. In addition to stable earnings in the existing portfolio, the acquisitions in Finland boosted net operating income. Yield requirements were essentially unchanged.

Financing and capital structure

The vast majority of Nyfosa's financing is bank loans, 93 percent, and the remainder is bonds. In the second quarter, we refinanced

parts of our loan portfolio, which included all loans maturing in 2022 and the majority of loans maturing in 2023. This means that Nyfosa's next bond maturity of MSEK 1,100 is in April 2024. Our relationships with the banks are more important than ever and I

am grateful for the confidence that Nordic banks have shown in Nyfosa as a company and our ability to deliver in all economic climates. Refinancing during the quarter took place at the same margins as previously.

Inflation and rising interest rates affect cash flow – inflation has a positive effect due to mainly inflation-hedged rental income, and higher interest rates have a negative impact. Nyfosa hedges some of its interest using interest-rate caps and swaps but has decided to also work with variable interest rates. This is a strategy that we consider to be profitable over time, and this approach stands firm. With the current inflation rate of about 7 percent and a 1 percentage-point increase in interest rates, Nyfosa's earnings capacity is impacted by a MSEK 200 increase in rental income and a MSEK 223 increase in interest expenses, thereby yielding a MSEK 23 decrease in earnings, corresponding to SEK 0.12 per share. On the basis of this scenario, we can maintain earnings per share – other things being equal – of SEK 8.73.

Nyfosa is to act prudently and create value in all markets, and we can also see acquisition opportunities going forward. We will remain close to the market to carry out both large and small transactions, as always.

Stina Lindh Hök, CEO

**"Cash flow in focus,
as always"**

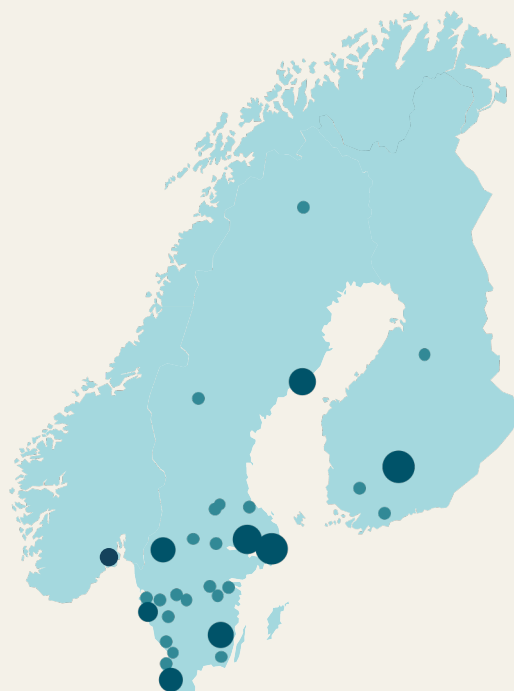


Nyfosa will be the Swedish property company that is the best at creating value.

BUSINESS CONCEPT

With its opportunistic approach and its agile, market-centric and bold organization, Nyfosa will create value by accumulating sustainable cash flows and continuously evaluating new business opportunities.

Nyfosa is currently active in the Swedish, Finnish and Norwegian markets with a focus on commercial properties in high-growth municipalities.



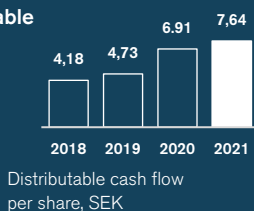
Total property value incl. Nyfosa's participations in joint ventures
SEK 47.9 billion on June 30, 2022.

FINANCIAL TARGET

Annual growth in distributable cash flow per share of 10 percent.

Outcome 2021:

+11%



DIVIDEND POLICY

At least 40 percent of the distributable cash flow is to be distributed to the owners. Dividends are, on each occasion, to be considered in light of the company's business opportunities and may comprise a distribution in kind, buyback or cash dividend.

FINANCIAL RISK LIMITS

On June 30, 2022

Equity/assets ratio.
Long-term at least 25 percent.

41.2%

Loan-to-value ratio.
Not to exceed 65 percent.

56.9%

Interest-coverage ratio.
Long-term at least a multiple of two.

3.5x

SUSTAINABILITY GOALS

TARGETS 2025

Sustainability certification

By 2025, properties corresponding to 50 percent of the property value will have sustainability certification and 100 percent by 2030.

Streamlined consumption

By 2025, energy consumption per sqm will have fallen by 10 percent compared with 2020.

LONG-TERM TARGETS

Carbon emissions

Nyfosa will act to minimize the operation's carbon emissions.

CONDENSED STATEMENT OF PROFIT/LOSS

	Apr-Jun		Jan-Jun		Last 4	Full-
MSEK	2022	2021	2022	2021	quarters	year
Rental income	774	578	1,473	1,143	2,751	2,421
Other property income	17	5	32	11	60	39
Total income	791	583	1,505	1,154	2,810	2,459
Property expenses						
Operating expenses	-159	-109	-325	-237	-527	-439
Maintenance costs	-39	-35	-76	-72	-171	-167
Property tax	-36	-26	-68	-53	-127	-112
Property administration	-33	-18	-61	-38	-115	-91
Net operating income	523	395	974	755	1,870	1,651
Central administration	-43	-31	-78	-66	-141	-128
Other operating income and expenses	2	1	4	4	5	5
Share in profit of joint ventures	296	283	562	471	979	888
Financial income and expenses	-142	-110	-258	-205	-496	-443
Profit from property management	637	539	1,204	959	2,218	1,973
Profit from property management excluding changes in value and tax in joint ventures	403	300	763	587	1,478	1,302
Changes in value of properties	350	237	1,214	559	2,306	1,652
Changes in value of financial instruments	67	0	177	2	194	19
Profit before tax	1,055	776	2,595	1,520	4,718	3,644
Tax	-73	-64	-290	-171	-651	-532
Profit	981	711	2,305	1,350	4,067	3,112
<i>Profit attributable to:</i>						
Parent Company shareholders	981	711	2,302	1,350	4,064	3,112
Non-controlling interests	0	0	2	0	3	0
Profit	981	711	2,305	1,350	4,067	3,112
Earnings per share before dilution, SEK	5.09	3.82	11.95	7.29	21.16	16.52
Earnings per share after dilution, SEK	5.07	3.82	11.93	7.28	21.11	16.49

CONDENSED STATEMENT OF PROFIT/LOSS AND OTHER COMPREHENSIVE INCOME

MSEK						
Profit	981	711	2,305	1,350	4,067	3,112
Translation of foreign operations	100	0	118	0	127	9
Comprehensive income	1,082	712	2,423	1,350	4,194	3,121
<i>Comprehensive income attributable to:</i>						
Parent Company shareholders	1,075	712	2,414	1,350	4,183	3,120
Non-controlling interests	6	0	10	0	11	1
Comprehensive income	1,082	712	2,423	1,350	4,194	3,121

COMMENTS ON THE CONSOLIDATED STATEMENT OF PROFIT/LOSS

QUARTER APRIL-JUNE 2022

Several closings were completed in the Finnish market during the quarter, including two major portfolios. The largest portfolio comprises properties located in several municipalities in Finland, with a focus on the Helsinki region, Turku and Jyväskylä. The acquisition price corresponded to MSEK 2,109 and the portfolio includes offices, retail, schools and healthcare with a diversified tenant base. The tenants include Delta Auto, Senate Properties, Kesko, Tokmanni, and the City of Helsinki. The leasing rate is 87 percent, the rental value is MSEK 311 and the remaining lease term is 4.7 years.

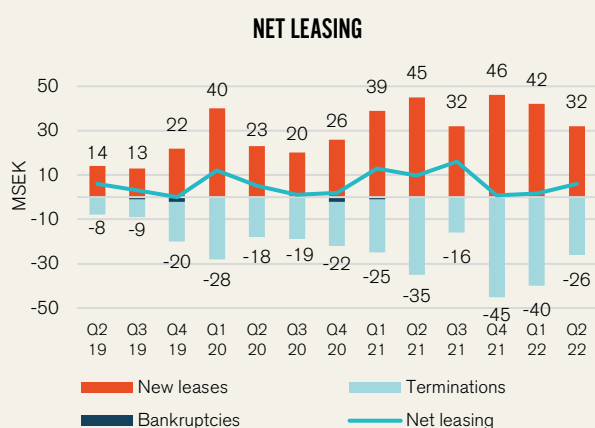
The second portfolio comprises 16 properties in the Helsinki region, Tampere and several large cities across Finland. The acquisition price corresponded to MSEK 1,415, and the portfolio primarily comprises light industry and warehouse properties, as well as some big-box retail and offices. Among the larger tenants are several well-known companies such as Rusta, Motonet, Jysk, Senate Properties and Kesko. The leasing rate is 91.5 percent, the rental value is MSEK 150 and the remaining lease term is 3.5 years.

In June, the divestment of a portfolio of 13 properties was completed at a selling price of MSEK 947. The portfolio comprises industry, warehouse, office and retail situated in a number of municipalities in Småland and Östergötland. The annual rental value of the portfolio is MSEK 76.

Agreements to divest two properties were also signed in two separate transactions. The first property is Skogskarlen 3 in Solna, which was divested at a selling price of MSEK 400. The property comprises a leasable area of 10 thousand sqm, the rental value amounts to MSEK 20 and the leasing rate is 44 percent. The buyer is the Swedish Fortifications Agency. Closing is planned for September 30, 2022. The second property is centrally located in Valsta, Märsta, with a selling price of MSEK 101, leasing rate of 99 percent and rental value of MSEK 12. Closing is planned for October 31, 2022.

During the quarter, all liabilities with short maturities were refinanced, corresponding to MSEK 3,711, of which MSEK 748 in bond loans and MSEK 2,995 in bank loans. Bank loans of MSEK 1,125 maturing within 1-2 years were also refinanced. The liabilities were refinanced with bank loans, loan funds and bond loans. On June 30, 2022, 42 percent of the total debt portfolio was hedged with an interest rate cap or swap. The average interest rate ceiling is 1.6 percent. The interest-coverage ratio was a multiple of 3.4 (3.3). The share of annual rental income with an index clause amounts to 90 percent, which means that rental income increases in line with inflation. Accordingly, there is a natural hedge in the leases against rising interest expenses. Energy prices have risen and impacted earnings, but with a marginal effect since most of the electricity costs are charged to tenants. Project costs have become noticeably more expensive, but the short-term impact is low since Nyfosa has few large projects.

Rent losses for the quarter were at a normal low level. Rent receivables for rents invoiced were settled in accordance with the contractual terms, except for a small number of invoices, which is not different from normal. Leasing operations resulted in net leasing of MSEK +6. New leases were signed for a total of MSEK 32, while terminations amounted to MSEK 26. Confirmed bankruptcies among tenants amounted to MSEK 0.9. The lease with the Swedish Transport Agency in Örebro was renegotiated during the quarter. The new lease term is six years and the annual rental value amounts to MSEK 27.



Rental income and net operating income

Income amounted to MSEK 791 (583), up MSEK 208 or 36 percent. The larger portfolio was the main reason for the growth.

Net operating income for the quarter amounted to MSEK 523 (395) and the surplus ratio was 66.1 percent (67.7). Net operating income for the quarter was impacted by higher electricity prices in both Sweden and Finland. The Finnish portfolio includes the net operating income from services offered to the tenants in Jyväskylä. The surplus ratio for these services is significantly lower, but makes a positive contribution to maintaining a high standard for the tenants in the centrally located buildings.

Profit from property management

Costs for central administration amounted to MSEK 43 (31).

Profit from participations in joint ventures of MSEK 296 (283) comprised Nyfosa's share of Söderport's and Samfosa's profit after tax. Nyfosa's share of profit from property management in joint ventures amounted to MSEK 62 (57) and changes in values and tax impacted the share in profit by MSEK 234 (216).

Financial income and expenses amounted to MSEK –142 (–110). The increase was due to higher net debt, amounting to MSEK 22,775 (17,092) on the balance-sheet date, and the higher average interest rate.

Profit from property management amounted to MSEK 637 (539). Excluding changes in value and tax in joint ventures, profit from property management amounted to MSEK 403 (300).

Changes in value

Revaluation of properties amounted to MSEK 350 (237) and was mainly impacted by signed new leases and renegotiated leases.

Tax

The tax expense for the quarter amounted to MSEK 73 (64). The effective tax rate was 6.9 percent (8.3). The deviation from the nominal tax rate of 20.6 percent was mainly due to the profit from participations in joint ventures comprising profit after tax, and thus did not constitute taxable income for Nyfosa, but was also due to any non-taxable capital gains on the divestment of properties via companies, and that the value of loss carryforwards changes over time.

Earnings per share for the quarter after dilution amounted to SEK 5.07 (3.82).

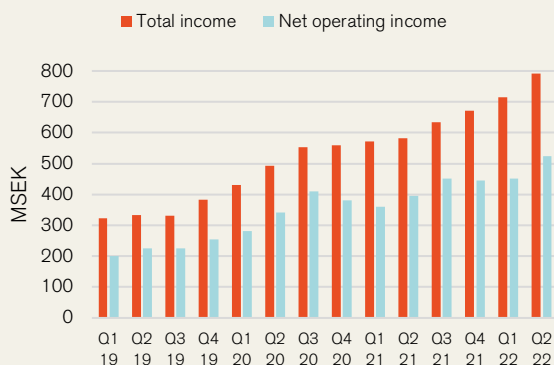
JANUARY–JUNE 2022

Rental income and net operating income

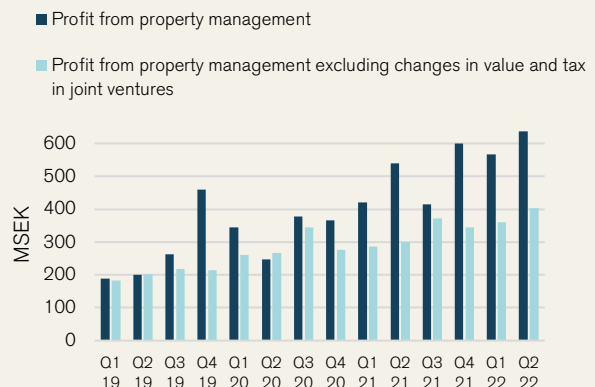
Income amounted to MSEK 1,505 (1,154), up MSEK 351 or 30 percent. The larger portfolio was the main reason for the growth.

Net operating income amounted to MSEK 974 (755) and the surplus ratio was 64.7 percent (65.4). Net operating income for the period was impacted by higher electricity prices in both Sweden and Finland. The Finnish portfolio includes the net operating income from services offered to the tenants in Jyväskylä. The surplus ratio for these services is significantly lower, but makes a positive contribution to maintaining a high standard for the tenants in the centrally located buildings.

INCOME AND NET OPERATING INCOME PER QUARTER



PROFIT FROM PROPERTY MANAGEMENT PER QUARTER



Profit from property management

Costs for central administration amounted to MSEK 78 (66).

Profit from participations in joint ventures of MSEK 562 (471) comprises Nyfosa's share of Söderport's and Samfosa's profit after tax. Nyfosa's share of profit from property management in joint ventures amounted to MSEK 121 (116) and changes in values and tax impacted the share in profit by MSEK 441 (372).

Financial income and expenses amounted to MSEK -258 (-205). The increase was due to higher net debt, amounting to MSEK 22,775 (17,092) on the balance-sheet date and the higher market interest rates.

Profit from property management amounted to MSEK 1,204 (959). Excluding changes in value and tax in joint ventures, profit from property management amounted to MSEK 763 (587).

Changes in value

Revaluation of properties amounted to MSEK 1,214 (559) and was mainly impacted by signed new leases and renegotiated leases as well as sales that exceeded carrying amounts.

Tax

The tax expense for the period amounted to MSEK 290 (171). The effective tax rate was 11.2 percent (11.2). The deviation from the nominal tax rate of 20.6 percent was mainly due to the profit from participations in joint ventures comprising profit after tax, and thus did not constitute taxable income for Nyfosa, but was also due to any non-taxable capital gains on the divestment of properties via companies, or that the value of loss carryforwards changes over time.

Earnings per share for the period after dilution amounted to SEK 11.93 (7.28).

CONDENSED STATEMENT OF FINANCIAL POSITION

MSEK	Jun 30		Dec 31
	2022	2021	2021
ASSETS			
Investment properties	41,341	31,428	37,147
Assets with right-of-use	503	171	237
Participations in joint ventures	2,900	2,204	2,490
Derivatives	199	5	22
Other assets	53	3	3
Total non-current assets	44,996	33,809	39,898
Current receivables	173	228	193
Cash and cash equivalents	766	1,206	534
Total current assets	939	1,434	727
TOTAL ASSETS	45,935	35,243	40,626
EQUITY AND LIABILITIES			
Equity attributable to Parent Company shareholders¹	18,906	14,676	17,236
Non-controlling interests	42	30	32
Total equity	18,948	14,706	17,268
Non-current interest-bearing liabilities	23,259	18,056	16,492
Liabilities attributable to right-of-use assets	486	165	229
Other non-current liabilities	75	20	48
Deferred tax liabilities	1,509	912	1,252
Total non-current liabilities	25,330	19,153	18,021
Current interest-bearing liabilities	282	241	4,553
Other current liabilities	1,376	1,143	783
Total current liabilities	1,657	1,384	5,337
Total liabilities	26,987	20,537	23,357
TOTAL EQUITY AND LIABILITIES	45,935	35,243	40,626

1. Of which hybrid bonds of a net MSEK 790 (-).

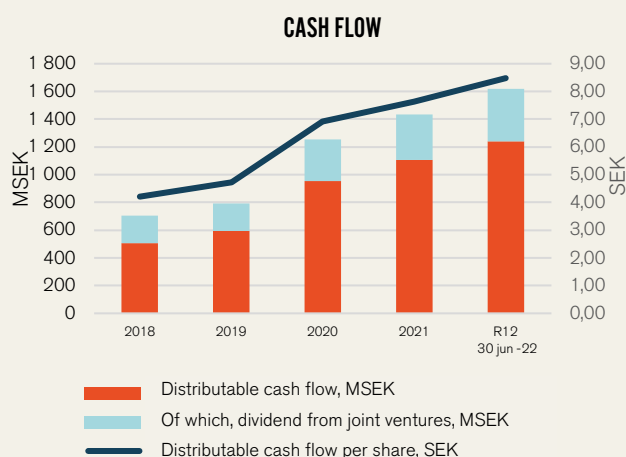
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

MSEK	Equity attributable to the Parent Company's shareholders	Non- controlling interests	Total equity
Opening equity, Jan 1, 2021	13,333	-	13,333
Issue/buyback of warrants	3	-	3
New share issue	743	-	743
Dividends to shareholders	-753	-	-753
Change in non-controlling interests	-	30	30
Comprehensive income, Jan-June 2021	1,350	0	1,350
Closing equity, Jun 30, 2021	14,676	30	14,706
New issue of hybrid bonds	800	-	800
Issue costs for hybrid bonds	-10	-	-10
Change in non-controlling interests	-	1	1
Comprehensive income, Jul-Dec 2021	1,770	1	1,771
Closing equity, Dec 31, 2021	17,236	32	17,268
Opening equity, Jan 1, 2022	17,236	32	17,268
Issue/buyback of warrants	4	-	4
Dividends to shareholders	-726	-	-726
Interest to hybrid bond holders	-19	-	-19
Change in non-controlling interests	-	0	0
Comprehensive income, Jan-June 2022	2,414	10	2,423
Closing equity, Jun 30, 2022	18,906	42	18,948

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

MSEK	Apr-Jun		Jan-Jun		Last 4	Full-year
	2022	2021	2022	2021	quarters	2021
Operating activities						
Profit from property management	637	539	1,204	959	2,218	1,973
Adjustments for non-cash items	-277	-273	-527	-452	-915	-839
Dividend from holdings in joint ventures	225	175	225	175	382	332
Interest paid to hybrid bond holders	-3	-	-10	-	-10	-
Income tax paid	0	0	-54	-29	-54	-29
Distributable cash flow¹	582	441	838	653	1,621	1,436
– per share, SEK	3.05	2.37	4.39	3.52	8.49	7.64
Change in operating receivables	65	5	20	-16	57	22
Change in operating liabilities	38	-101	83	77	-64	-70
Cash flow from operating activities	685	345	940	714	1,614	1,389
Investing activities						
Direct and indirect acquisitions of investment properties	-3,730	-876	-3,748	-1,901	-8,058	-6,211
Direct and indirect divestments of investment properties	888	454	1,236	667	1,224	655
Investments in existing investment properties	-139	-143	-227	-246	-457	-475
Investments in joint ventures	-1	-16	-77	-16	-78	-17
Non-current receivables from joint ventures	4	0	-19	0	-19	-
Other	-22	0	-22	0	-23	-2
Cash flow from investing activities	-3,000	-581	-2,856	-1,497	-7,410	-6,051
Financing activities						
New issue of shares/warrants	4	746	4	745	3	744
New issue of hybrid bonds	0	0	-1	0	793	793
Dividends to shareholders	-181	-323	-181	-323	-468	-609
Loans raised	8,165	3,635	9,567	4,601	12,815	7,849
Repayment of loans	-6,307	-3,200	-7,240	-3,378	-7,786	-3,924
New share issue to non-controlling interests	0	30	0	30	0	30
Other	1	0	-9	0	-9	-
Cash flow from financing activities	1,681	889	2,139	1,675	5,348	4,884
Cash flow for the period	-634	653	224	893	-448	221
Cash and cash equivalents at the beginning of the period	1,380	552	534	312	1,206	312
Exchange differences in cash and cash equivalents	20	0	7	0	7	1
Cash and cash equivalents at the end of the period	766	1,206	766	1,206	766	534
Interest received	0	0	0	1	-1	0
Interest paid	-100	-103	-202	-181	-379	-358

¹ Cash flow from operating activities before changes in working capital.



The distributable cash flow comprises the company's profit from property management, excluding non-cash items, such as share in profit of joint ventures and depreciation of equipment, including dividends received from holdings in joint ventures, interest to hybrid bond holders and tax paid.

The dark blue line in the graph shows the trend in cash flow per share.

The company's target is to achieve annual growth in cash flow per share of 10 percent.

INVESTMENT PROPERTIES

The property portfolio is diversified in terms of both geographical diversification and property category. Geographically speaking, most properties are situated in high-growth municipalities and at strategic warehouse/logistics locations in Sweden and regional cities in Finland. The geographic diversity spreads risks favorably, at the same time as the locations outside the central areas of the major cities have stable rent levels.

Offices

The office properties are situated in Swedish high-growth municipalities such as Karlstad, Örnköldsvik, Sundsvall, Västerås and Växjö as well as Finnish regional cities such as Jyväskylä, Lappeenranta and Tampere. Office properties are of high quality and most are centrally located in each town.

Logistics/Warehouse

The logistics and warehouse premises are situated in towns such as Malmö, Haninge, Karlstad, Borås and Växjö as well as regional cities in Finland. A considerable share of the properties are located in local and regional logistics hubs that are prime warehousing areas, particularly for e-commerce companies. The properties are predominantly modern logistics buildings with a highly flexible range of applications.

Retail

The retail properties are primarily situated in expansive and popular big-box retail areas in attractive locations close to public communication. These commercial areas are primarily in Värnamo, Luleå, Borås, Västerås and Huddinge. Tenants include mainly established grocery, DIY and gardening and big-box retail. The retail properties are of generally high quality, offer considerable flexibility in terms of use and have a high average leasing rate. Nyfosa views select retail properties to be a good complement to other property categories in the portfolio.

Industry

The industrial properties are situated in high-growth regions in locations such as Eskilstuna, Tampere and Oulu. A considerable portion of the properties are situated in attractive industrial areas with good access to public communication and a proximity to cities. A large portion of the properties are modern buildings with a highly flexible range of applications. The tenants are typically active in sectors such as light industry, manufacturing, workshops and service.

Other

This category includes mixed properties with no clear category. There is also a small number of properties, such as premises for hotel operations, schools, restaurants, healthcare and apartments. Properties in this category are located in high-growth regions that have positive population growth, such as Karlstad, Uppsala, Luleå, Stockholm, Örebro, Växjö, Malmö and Helsinki.

In addition to the wholly owned portfolio, Nyfosa owns 50 percent of the property company Söderport in Sweden and Samfosa in Norway, both of which are joint ventures.

LEASE STRUCTURE

The rental value on July 1, 2022 amounted to MSEK 3,388, of which vacancy rent, including discounts, was MSEK 256. The share of annual rental income with an index clause was 90 percent. Nyfosa had 6,552 leases including 2,587 leases for garages and parking spaces. The average lease term was 3.7 years. The lease term in the Finnish portfolio was 3.3 years. A large share of rental income in the Finnish portfolio refers to "until further notice leases" that run on a 12-month basis, which is a common form of agreement in Finland. Tenants lease their premises on average for a longer period. 39 green appendices were signed during the period when new leases were signed

or leases were renegotiated. The aim of these green appendices is to identify and follow up on various initiatives to reduce energy consumption in premises, such as more efficient heating and lighting.

Nyfosa has a highly diverse tenant list featuring only a small number of dominant tenants. The ten largest tenants represent 11 percent of total rental income and are distributed between 162 leases. Among the largest tenants are the Swedish Transport Agency, Saab, Telia, Försäkringskassan, City Gross, the Swedish Police and the Swedish Public Employment Service, meaning a large share of companies that conduct tax-financed operations. Of total rental income, tax-financed rent represented 25 percent.

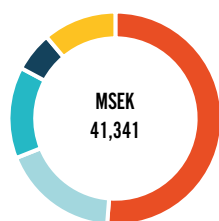
Property category	Value, MSEK	Share, %	SEK sqm	No. of properties	Leasable area, 000s sqm	Rental value ¹ , MSEK	Annual income ¹ , MSEK	Economic leasing rate, %	Lease term, years
Offices	21,186	51	18,463	181	1,147	1,676	1,520	91.2	2.6
Logistics/Warehouse	7,327	18	9,171	114	799	565	514	92.7	4.2
Retail	5,725	14	12,605	93	454	531	505	96.4	5.5
Industry	2,492	6	8,235	59	303	256	245	96.1	3.8
Other	4,610	11	17,841	46	258	361	349	97.2	4.8
Total	41,341	100	13,959	493	2,962	3,388	3,132	93.2	3.7

Region

Finland	7,615	18	15,077	88	505	817	731	90.0	3.3
Greater Gothenburg	502	1	11,224	5	45	44	38	89.6	5.2
Mälardalen	5,935	14	14,245	50	417	456	423	93.3	3.4
Greater Malmö	3,123	8	11,719	53	266	237	226	97.1	4.2
Coast of Norrland	5,233	13	13,258	65	395	403	377	94.0	3.6
Småland	3,270	8	9,992	59	327	283	261	92.6	4.6
Greater Stockholm	6,003	15	23,584	48	255	385	361	95.0	4.2
Värmland	3,633	9	16,404	47	221	285	269	94.8	3.1
Other	6,027	15	11,354	78	531	476	445	94.4	3.7
Total	41,341	100	13,959	493	2,962	3,388	3,132	93.2	3.7

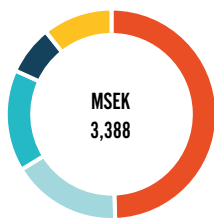
1. According to current leases on July 1, 2022

PROPERTY VALUE BY CATEGORY



Offices Logistics/Warehouse Retail Industry Other

RENTAL VALUE BY CATEGORY



PROPERTY VALUE BY REGION

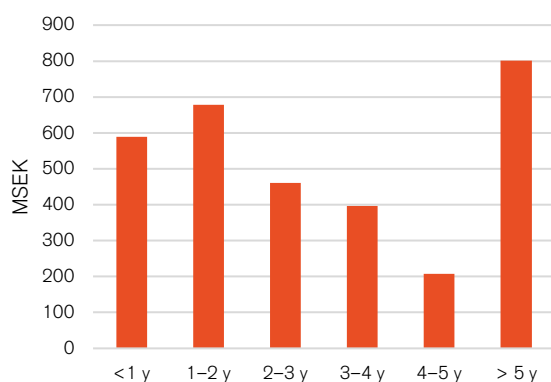


Mälardalen Coast of Norrland Småland Finland Greater Stockholm Värmland Greater Malmö Greater Gothenburg Other

RENTAL VALUE BY REGION



LEASE MATURITY STRUCTURE



RENTAL VALUE TYPE OF PREMISES



PROPERTY PORTFOLIO TRENDS

TRANSACTIONS AND INVESTMENTS

Acquired properties, January-June 2022

Several closings were completed in the Finnish market during the quarter, including two major portfolios. The largest portfolio comprises properties located in several municipalities in Finland, with a focus on the Helsinki region, Turku and Jyväskylä. The acquisition price amounts to a corresponding MSEK 2,109 and the portfolio includes offices, retail, schools and healthcare with a diversified tenant base. The car dealer chain Delta Auto, Senaatti, Kesko, Tokmanni and the City of Helsinki. The leasing rate is 87 percent, the rental value MSEK 311 and the remaining lease term is 4.7 years.

The second portfolio comprises properties in the Helsinki region, Tampere and several large cities across Finland. The acquisition price amounts to a corresponding MSEK 1,415 and the portfolio primarily comprises light industry and warehouse properties, as well as some big-box retail and offices. Among the larger tenants are several well-known companies such as Rusta, Motonet, Jysk, Senaatti and Kesko. The leasing rate is 91.5 percent, the rental value MSEK 150 and the remaining lease term is 3.5 years.

Investments in existing properties, January-June 2022

The process of environmentally certifying buildings is continuing, with the primary aim of preparing solid data for deciding on any investment in energy-optimization measures. In the existing portfolio, two buildings received environmental certification and the quarter's accessions complement the portfolio with five buildings with environmental certifications. Properties with sustainability certification had a total value of SEK 9.3 billion on the balance-sheet date, corresponding to 23 percent of the total property value.

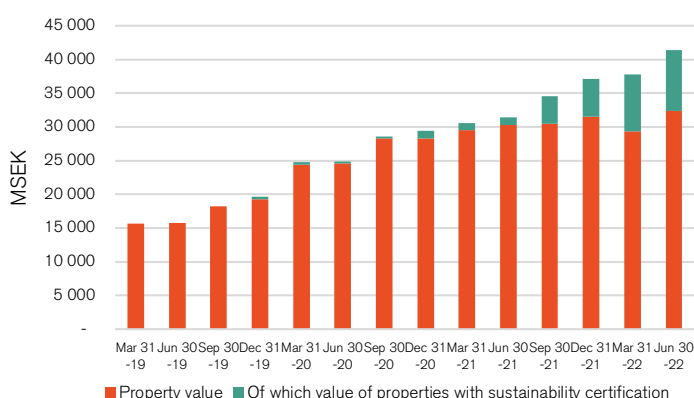
Specific measures to enhance the cost efficiency of the operation of the premises include analyses to identify investments in energy optimization. Lower energy consumption reduces carbon emissions and also leads to lower operating expenses. A green appendix is offered for when larger new leases are signed or leases are renegotiated, the aim of which is to identify and follow up on various initiatives to reduce energy consumption in premises, such as more efficient heating and lighting.

Investments of MSEK 227 were made in the existing property portfolio. The majority of investments were for projects, tenant-specific modifications and improvements related to finalized leases. The largest ongoing investments are presented in the table below. A major expansion and renovation project is underway at the property Vasarakatu 27 property in Jyväskylä, for which a 15-year lease was signed with Spesia, which conducts education and training. The premises in Mården 11 in Luleå are undergoing a complete renovation and modification for the Municipality of Luleå, which signed a ten-year lease with occupancy scheduled for January 2023. The premises in Norr 12:5 in Gävle are being renovated and modified for the existing tenant Försäkringskassan. Modifications are being made at Snickaren 12 in Växjö for DHL, which signed a new five-year lease.

Changes in value

MSEK	Jan 1–Jun 30		Jan 1– Dec 31
	2022	2021	2021
Property value at the beginning of the year	37,147	29,411	29,411
Acquired properties	3,763	1,886	6,243
Investments in existing properties	227	246	475
Divested properties	-1,240	-675	-663
Realized changes in value	143	-31	-42
Unrealized changes in value	1,070	590	1,694
Translation effect, currency	231	0	28
Property value at the end of the period	41,341	31,428	37,147

TREND IN PROPERTY PORTFOLIO



Municipality	Property	Category of premises	Tenant	Area, 000s of sqm	Total accrued, MSEK	Estimated investment, MSEK	Scheduled completion, years
Jyväskylä	Vasarakatu 27	School	Ammattiopisto Spesia	4	16	84	Q2 2023
Gävle	Norr 12:5	Offices	Försäkringskassan	6	47	66	Q4 2022
Luleå	Mården 11	Offices	Luleå municipality	11	21	101	Q2 2023
Växjö	Snickaren 12	Logistics/ Warehouse	DHL	2	10	18	Q3 2022

Divested properties, January–June 2022

During the quarter, 13 properties were divested at a selling price of MSEK 947. The portfolio comprises industry, warehouse, office and retail situated in a number of municipalities in Småland and Östergötland. The total leasable area is 111 thousand sqm and the annual rental value is MSEK 76.

Agreements to sell two properties were also signed in two separate transactions. The first property is Skogskarlen 3 in Solna, which was divested at a selling price of MSEK 400. The rental value amounts to MSEK 20 and the leasing rate is 44 percent. The buyer is the Swedish Fortifications Agency. Closing is planned for September 30, 2022. The second property is centrally located in Valsta, Märsta that is divested at a selling price of MSEK 101. The property's leasing rate is 99 percent and rental value is MSEK 12. Closing is planned for October 31, 2022.

YIELD REQUIREMENT FOR VALUATION OF INVESTMENT PROPERTIES

The weighted yield requirement for externally valued properties on June 30, 2022 was 5.83 percent, and the weighted cost of capital for the present value calculation of cash flows and residual values was a nominal 7.74 percent and 8.02 percent, respectively. When last valued on March 31, 2022, the yield requirement was 5.82 percent, and the weighted cost of capital for the present value calculation of cash flows and the residual value was 7.61 percent and 7.93 percent, respectively.

VALUATION TECHNIQUES

The value of the properties has been assessed based on a market-adapted cash-flow estimate in which, by simulating the calculated future income and expenses, an analysis has been made of the market's expectations with respect to the subject property.

The yield requirement used in the estimate derives from sales of comparable properties. For additional information on valuation techniques, refer to Note 13 of Nyfosa AB's 2021 Annual Report on www.nyfosa.se.

The company engages external, independent appraisers every quarter to quality assure the fair value measurement of the company's properties. All properties are valued every quarter, except for those properties for which possession was taken during the current quarter or properties for which a sales agreement exists. In these cases, the agreed property value is used.

Sensitivity analysis – change in value for changes in valuation parameters

June 30, 2022	%	MSEK
Change in net operating income ¹	+/-5.00	+/-1,772
Change in yield requirement	+/-0.25	+/-1,661
Change in growth assumptions	+/-0.50	+/-167
Change in discount rate	+/-0.25	+/-1,236

1. Refers to the appraisers' estimated net operating income in the valuation.

EARNINGS CAPACITY

The company's current earnings capacity on a 12-month basis on July 1, 2022, is presented below. Current earnings capacity is to be considered solely as a hypothetical instantaneous impression and is presented only for illustrative purposes. The aim is to present annualized income and expenses based on the property portfolio, borrowing costs, capital structure and organization at a given point in time. The earnings capacity does not include an assessment of future periods in respect of rents, vacancy rates, property expenses, interest rates, changes in value or other factors impacting earnings, other than the index-linking found in existing leases. The current earnings capacity must be considered together with other information in the interim report.

The following information is used as the basis for assessing current earnings capacity:

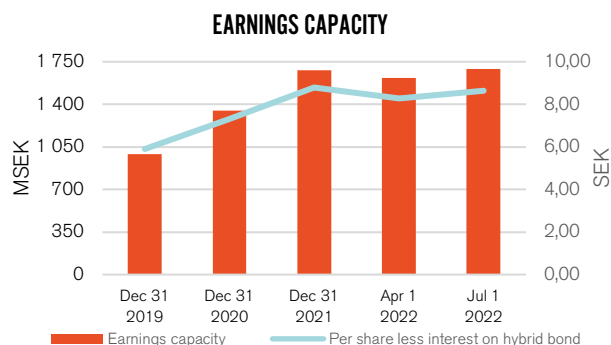
- properties owned on the balance-sheet date, which means that agreed possessions and vacancies thereafter are not taken into account;
- rental value is based on annual contractual rental income from current leases on 1 July;
- vacancy amount is an assessed market rent for vacant premises. This amount also includes allocated rent discounts under current leases;
- property expenses, excluding property tax, are based on average actual outcome for the most recent 24 months, adjusted for the holding period.
- property tax is based on the current tax assessment value of the properties;
- costs for property and central administration have been calculated on the basis of the existing organization and the current size of the property portfolio;
- Nyfosa's shares of profit from property management from joint ventures before changes in value, calculated using the same method as Nyfosa;
- the assessment of earnings capacity does not assume any financial income; and
- financial expenses have been calculated based on the company's average interest rate level on the balance sheet date, including allocated arrangement fees totaling 2.4 percent. The item also includes ground rent.

With the current inflation rate of about 7 percent and a 1 percentage-point increase in interest rates, Nyfosa's earnings capacity is impacted by a MSEK 200 increase in rental income and a MSEK 223 increase in interest expenses, thereby yielding a MSEK 23 decrease in earnings capacity, corresponding to SEK 0.12 per share. On the basis of this scenario, earnings per share – other things being equal – will be approximately SEK 8.73.

	July 1 2022
MSEK	
Rental value	3,388
Vacancy amount	-256
Rental income according to leases	3,132
Property expenses	-880
Property administration	-117
Net operating income	2,135
Central administration	-113
Share in profit of joint ventures	242
Financial expenses	-574
<i>of which ground rent</i>	-16
Profit from property management	1,690
Earnings per share, SEK	8.85
Earnings less interest on hybrid bond per share, SEK	8.64

Key figures, earnings capacity

	Jun 30, 2022
Property value on balance-sheet date, MSEK	41,341
	July 1, 2022
Rental value, MSEK	3,388
Leasable area, 000s sqm	2,962
No. of properties on balance-sheet date	493
Economic leasing rate, %	93.2
Remaining lease term, years	3.7
Surplus ratio, %	68.2
Yield, %	5.2



PARTICIPATIONS IN JOINT VENTURES

In addition to the wholly owned portfolio, Nyfosa also owns participations in other property companies. These participations contributed SEK 18.79 per share (14.85) to Nyfosa's EPRA NRV on the balance-sheet date.

SAMFOSA

Nyfosa owns 50 percent of the participations in the Norwegian property company Samfosa. The remaining shares are owned by Samfunnsbyggeren AS. The holding is classified as Participations in joint ventures and Nyfosa's share in the company's earnings is recognized in Nyfosa's profit from property management.

Samfosa is a newly formed Norwegian property company that owns commercial properties situated in the expansive Grenland region southwest of Oslo. Samfosa primarily has its own operational and administrative organization.

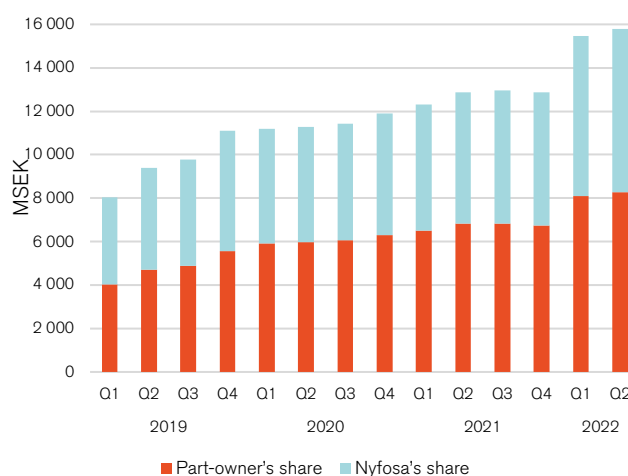
SÖDERPORT

Nyfosa owns 50 percent of the shares in property company Söderport. The remaining portion of the shares is owned by AB Sagax (publ). The holding is classified as Participations in joint ventures and Nyfosa's share in Söderport's earnings is recognized in Nyfosa's profit from property management.

Söderport's property portfolio primarily comprises industrial, warehouse and office properties, which essentially presents a supplement to Nyfosa's wholly owned property portfolio. The focal point of the property portfolio is in the Stockholm and Gothenburg regions. Söderport does not have its own operational organization. Instead, it procures property management and financial administration from Sagax. A small part of property management is procured from Nyfosa.

Söderport owns 78.1 percent of Torslanda Property Investment AB (TPI) and thus is classified as a subsidiary in Söderport's consolidated financial statements. TPI's share is listed on Nasdaq First North Growth Market.

PROPERTY VALUE IN JOINT VENTURES



MSEK	Söderport Jan-Jun		Samfosa Jan-Jun
	2022	2021	2022
Rental income	443	428	54
Profit from property management	256	248	3
Changes in value of properties and derivatives	1,078	828	170
Profit	1,061	1,046	134
of which, Nyfosa's share	497	488	65
	Jun 30	Jun 30	Jun 30
Average remaining lease term, years	4.4	4.7	4.9
Leasable area, 000s sqm	769	780	93
Economic leasing rate, %	96	95	95
Rental value	972	943	101
Investment properties	14,269	12,884	1,526
Cash and cash equivalents	277	178	44
Equity attributable to Parent Company shareholders	5,524	4,769	274
of which, Nyfosa's share	2,762	2,204	138
Interest-bearing liabilities	6,994	6,653	1,214
Deferred tax liabilities, net	1,437	1,244	35
Derivative liabilities, net	-95	170	-
Participations in joint ventures	Jun 30	Jun 30	Jun 30
Carrying amount at the beginning of the year	2,490	1,916	0
Dividends received	-225	0	0
Share in profit of joint ventures	497	188	65
Acquisitions for the year	0	0	77
Translation effect, currency	-	-	-5
Carrying amount at end of the year	2,762	2,104	138

FINANCING

Nyfosa finances its assets through equity, bank loans with Nordic banks, loan funds and hybrid bonds issued in the Swedish capital market. Equity attributable to the Parent Company's shareholders amounted to MSEK 18,924 on the balance-sheet date, of which hybrid bond loans was MSEK 800.

Interest-bearing loans from the credit and capital markets amounted to MSEK 23,541 including allocated arrangement fees, of which bank loans with properties as collateral represented 93 percent, corresponding to MSEK 21,941, and senior unsecured bond loans 7 percent, corresponding to MSEK 1,600.

The bonds are green bonds issued under a green finance framework. This framework has been drawn up in accordance with the Green Bond Principles set by the International Capital Markets Association (ICMA) and has been audited by an independent third party, CICERO Shades of Green.

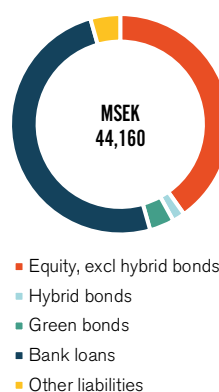
The total net loan-to-value ratio of the properties was 55.1 percent (54.4). To support growth, the company has four prearranged lines of credit with banks, which have not always been fully utilized. The total scope in these revolving credit facilities can amount to a maximum of MSEK 3,301. This means that, against collateral in existing properties, Nyfosa can rapidly increase its borrowing at fixed terms to, for example, finance new property acquisitions. After having utilized the credit scope, the company has the opportunity to renegotiate credit facilities to a standard bank loan, at which point the unutilized portion of the facilities increases. On the balance-sheet date, the company had utilized MSEK 351 the total amount granted of MSEK 955 against collateral in existing properties. To utilize the remaining MSEK 2,346 under this credit framework, acquired properties are used as collateral. In addition to the revolving credit facilities, the company has unutilized overdraft facilities with banks totaling MSEK 200.

Key figures for interest-bearing liabilities, June 30, 2022

	Jun 30		Dec 31
	2022	2021	2021
Debt/equity ratio, multiple	1.2	1.3	1.2
Average interest ¹ , %	2.1	1.9	1.9
Average remaining fixed-rate period, years	1.1	1.4	1.0
Average remaining loan maturity period, years	3.4	2.8	2.5
Interest-rate hedged portion of liabilities, %	42	51	45
Average interest-rate cap, %	1.56	-	-
Average interest-rate swap, %	1.57	-	-
Fair value of derivatives, MSEK	199	5	22

1. Interest expense excluding opening charges charged to earnings over the term of the loan.

SOURCES OF FINANCING



Available liquidity, June 30, 2022

	Jun 30		Dec 31
MSEK	2022	2021	2021
Cash and cash equivalents	766	1,206	534
Unutilized revolving credit facility ¹	604	877	676
Unutilized overdraft facilities	200	200	200
Total	1,570	2,286	1,410

1. Unutilized and previously granted loans on the balance-sheet date with existing properties as collateral. The loans are available to the company at short notice.

Revolving credit facilities, June 30, 2022

MSEK	Framework	Amount granted	Amount utilized	Unutilized amount
Total	3,301	955	351	604

Interest-bearing liabilities

Interest-bearing loans from the credit and capital markets amounted to MSEK 23,541, including allocated arrangement fees, of which bank loans comprised MSEK 21,941 and senior unsecured bond loans MSEK 1,600. New bank loans of MSEK 2,188 were raised in Finland in connection with financial closing of property acquisitions. All liabilities with short-term maturities were refinanced during the quarter, totaling MSEK 3,743, of which MSEK 748 comprised bonds, MSEK 1,913 bank loans and MSEK 1,082 utilized credit facilities that has partly been refinanced by a term loan. Bank loans of MSEK 1,125 maturing within one to two years were also refinanced. As part of the refinancing of short-term maturities, new green bonds of MSEK 500 were issued and short-term bridge financing of MSEK 700 was raised. This bridge financing was fully repaid during the quarter. Repayments on existing bank loans in connection with divestments amounted to MSEK 453.

Bonds of MSEK 125 were repurchased earlier in the period, and new bonds of MSEK 100 were issued with maturities in April 2024. Repayments of MSEK 80 were made in connection with divestments. Fully utilized revolving credit facilities were replaced by a bank loan of a net MSEK 157 in higher loan amount. Fixed-term loans were repaid in the amount of MSEK 100 during the period. The utilization of revolving credit facilities declined by net MSEK 1,501 during the period.

The next loan maturity in the portfolio to be refinanced is in November 2023. This is a secured bank loan of MSEK 830 in Sweden. A bond of MSEK 1,100 matures in April 2024 and the remaining MSEK 500 in January 2025.

Changes in interest-bearing liabilities for the period

MSEK	Jan-Jun		Full-year
	2022	2021	2021
Interest-bearing liabilities at the beginning of the year	21,045	17,055	17,055
Bank loans raised	9,035	3,621	6,902
Repayment of bank loans	-6,365	-2,750	-3,297
Bond loans issued	600	1,000	1,000
Bond loans repurchased	-873	-628	-628
Changes in borrowing fees	-35	-1	-4
Translation effect, currency	135	-	17
Interest-bearing liabilities at the end of the period	23,541	18,297	21,045

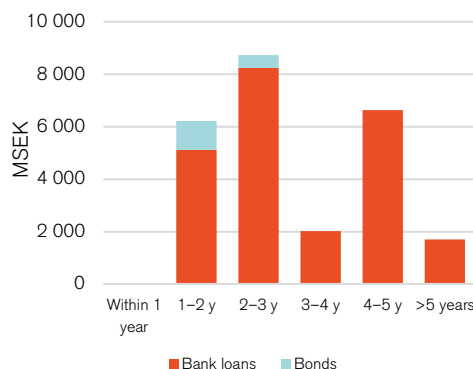
Loan maturity¹, June 30, 2022

Year	MSEK	Share, %
Within 1 year	0	0
1-2 years	5,105 ²	22
2-3 years	8,232 ³	35
3-4 years	2,005	8
4-5 years	6,634	28
>5 years	1,703	7
Total	23,679	100

1. Interest-bearing liabilities in the statement of financial position include allocated arrangement fees, which is the reason for the deviation between the table and the statement of financial position.

2. Bank loans of MSEK 830 mature during 2023, bond loans of MSEK 1,100 mature in April 2024. Remaining debt refers to bank loans maturing during 2024.

3. Bond loans of MSEK 500 mature in January 2025. The remainder refers to bank loans.



Fixed-rate periods and exposure to interest-rate changes

Nyfosa mainly works with floating interest rates in its loan agreements. Exposure to increases in interest rates is managed by making use of derivative instruments, currently both interest-rate caps and swaps. Interest-rate caps offer the holder security in the form of a maximum impact on total interest expenses if STIBOR 3M and EURIBOR 6M rise. Rising interest rates that do not reach the interest rate cap, on the other hand, have a full impact on earnings. The interest-rate caps are 1.5–2.0 percent, in average 1.56 percent. This means that MSEK 8,967 of the total volume of debt has an interest hedge that means that if the market rate rises above 1.5 percent, the increase will not have a full impact on earnings. Interest-rate swaps of a nominal MSEK 1,076 were signed in Finland. Under these derivatives, Nyfosa pays a fixed average interest rate of 1.57 percent, which means that the higher interest expense has had a direct impact on the company's statement of profit/loss. On June 30, 2022, 42 percent of the total debt portfolio was hedged with an interest rate cap or swap.

Fixed-rate period¹, June 30, 2022

Year	Interest-bearing liabilities, MSEK	Interest-rate swaps, MSEK	Interest-rate caps, MSEK	Interest-rate hedged liabilities, MSEK	Share, %
Within 1 year	23,679	-1,076	-8,967	13,636	58
1-2 years	-	-	1,985	1,985	8
2-3 years	-	-	5,640	5,640	24
3-4 years	-	-	-	-	-
4-5 years	-	1,076	1,042	2,118	9
>5 years	-	-	-	-	-
Total	23,679	1,076	8,967	23,679	42

1. Interest-bearing liabilities in the statement of financial position include allocated arrangement fees, which is the reason for the deviation between the table and the statement of financial position.

The sensitivity analysis below presents the estimated impact on earnings if STIBOR 3M and EURIBOR 6M were to increase or decrease by 1 or 2 percentage points, and if the company's average interest rate of 2.1 percent were to increase or decrease by 1 percentage point. The majority of the company's covenants include interest floors that mean that negative STIBOR 3M or EURIBOR 6M do not affect the company's average interest rate.

A rise in the market rate of 1.0 percentage point would charge earnings with a MSEK 223 increase in higher interest expenses, given existing derivative agreements. A rise in the market rate of 2.0 percentage points would charge earnings with a MSEK 394 increase in higher interest expenses, given existing derivative agreements. In the latter example, the interest-rate cap means that the higher rate does not have a full effect in the statement of profit/loss.

Sensitivity analysis

Earnings effect of change in average interest on debt, MSEK	Change	Jun 30, 2022
Interest expenses assuming current fixed-interest periods and changed interest rates ¹	+/-2% points	+394/-8
Interest expenses assuming current fixed-interest periods and changed interest rates ¹	+/-1% point	+223/-19
Interest expenses assuming change in average interest rate ²	+/-1% point	+/-237
Revaluation of fixed-income derivatives attributable to shift in interest rate curves	+/-1% point	+/-112

1. Taking into account derivative agreements.

2. Today's average rate increases/decreases by 1 percentage point. Increase/decrease does not take into account eventual effects of the derivative portfolio.

Each variable in the table above has been addressed individually and on the condition that the other variables remain constant. The analysis refers to liability against the wholly owned property portfolio and does not pretend to be exact. It is merely indicative and aims to show the most relevant, measurable factors in the specific context.

Exposure to exchange rate fluctuations

Nyfosa has invested in properties in the Finnish and Norwegian markets and is thus exposed to currency risk. The presentation currency is SEK and all balance-sheet items in EUR or NOK have been translated to SEK. Translation differences may have a material impact on the Group's operations, financial position and operating earnings in SEK. Currency risk is managed by financing acquisitions of properties in EUR and NOK by raising borrowings in the same currency. Transaction exposure in the Group is managed by matching income and expenses in the same currency.

Currency exposure comprises net assets in EUR and a capital share in joint ventures of NOK. Translation effects for foreign operations are recognized under the heading Other comprehensive income. Others exchange rate effects are recognized in profit or loss. Net assets in foreign currency amounted to MEUR 271 and capital share in joint ventures of MNOK 76 on June 30, 2022.

Sensitivity analysis

Earnings effect of exchange rate fluctuations, MSEK	Change	Jun 30, 2022
SEK/EUR	+/-10%	+/-327
SEK/NOK	+/-10%	+/-8

ORGANIZATIONAL PROFILE

Nyfosa's organization comprises 86 people, of whom 46 are women, who work with property management, transaction operations, Group-wide administrative services and services specific to the listed Parent Company. Relevant services are provided to the subsidiaries in the Nyfosa Group through internal service level agreements. The property portfolio is primarily managed by the company's own personnel, but also by well-established partners, from our 11 property management offices in Sweden and one property management office in Finland.

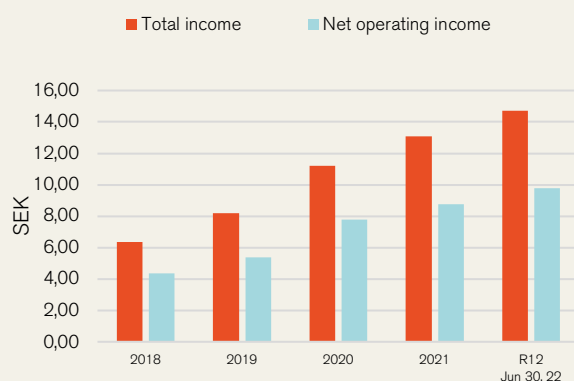
KEY FIGURES

Presented below are the key figures that provide supplementary information to investors and the company's management in their assessment of the company's performance. Key figures not been defined by IFRS have been supplemented with a reconciliation. Refer also to the definitions of key figures in the most recent interim report.

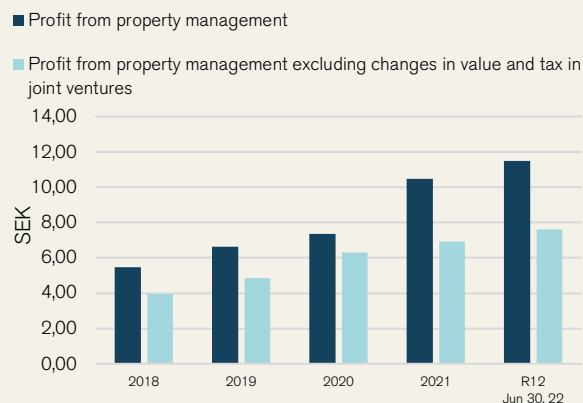
	Jul 2021- Jun 2022 ¹	Jan-Dec 2021	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Property-related key figures					
Income, MSEK	2,810	2,459	2,035	1,370	1,064
Property expenses, MSEK	-825	-717	-557	-415	-300
Property administration, MSEK	-115	-91	-63	-50	-37
Net operating income, MSEK	1,870	1,651	1,415	905	728
Surplus ratio, %	66.5	67.1	69.5	66.0	68.4
Property value on balance-sheet date, MSEK	41,341	37,147	29,411	19,602	15,582
Share-related key figures					
Profit from property management per share, SEK	11.49	10.46	7.34	6.63	5.47
Profit from property management excluding changes in value and tax in joint ventures per share, SEK	7.62	6.90	6.31	4.85	3.94
Distributable cash flow per share, SEK	8.49	7.64	6.90	4.73	4.21
Earnings per share before dilution, SEK	21.16	16.52	12.24	8.24	9.63
Earnings per share after dilution, SEK	21.11	16.49	12.25	8.24	9.63
EPRA NRV per share on balance-sheet date, SEK	105.25	95.93	79.91	65.37	55.36
EPRA NTA per share on balance-sheet date, SEK	97.48	89.76	75.33	60.11	-
EPRA NDV/Equity per share on balance-sheet date, SEK	94.79	86.04	72.27	58.32	50.03
Key financial data					
Return on equity, %	24.1	20.4	19.3	15.2	27.2
Equity/assets ratio on balance-sheet date, %	41.2	42.4	41.8	44.1	48.3
Loan-to-value ratio of properties on balance-sheet date, %	56.9	56.7	58.0	57.6	52.9
Net loan-to-value ratio of properties on balance-sheet date, %	55.1	55.2	56.9	54.6	51.6
Interest-coverage ratio, multiple	3.5	3.4	3.8	4.2	4.9

1. Rolling 12 months.

INCOME AND NET OPERATING INCOME PER SHARE,



PROFIT FROM PROPERTY MANAGEMENT PER SHARE



RECONCILIATION OF KEY FIGURES

	Jul 2021- Jun 2022 ¹	Jan-Dec 2021	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Profit from property management per share					
Profit from property management, MSEK	2,218	1,973	1,334	1,112	918
Interest on hybrid bonds, MSEK	-23	-4	0	0	0
Average number of shares, millions	191	188	182	168	168
Profit from property management per share, SEK	11.49	10.46	7.34	6.63	5.47
Share in profit of joint ventures, MSEK	-979	-888	-404	-491	-412
Profit from property management from joint ventures, MSEK	241	219	217	194	155
Average number of shares, millions	191	188	182	168	168
Profit from property management excluding revaluations and tax in joint ventures per share, SEK	7.62	6.90	6.31	4.85	3.94

	Jul 2021- Jun 2022 ¹	Jan-Dec 2021	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Distributable cash flow					
Profit from property management, MSEK	2,218	1,973	1,334	1,112	918
Depreciation of equipment, MSEK	1	1	1	0	0
Allocated arrangement fees on loans, MSEK	63	48	35	0	0
Share in profit of joint ventures, MSEK	-979	-888	-404	-491	-412
Dividend received from joint ventures, MSEK	382	332	300	200	200
Income tax paid, MSEK	-54	-29	-11	-27	0
Interest paid on hybrid bonds, MSEK	-10	0	0	0	0
Average number of shares, millions	191	188	182	168	168
Distributable cash flow per share, SEK	8.49	7.64	6.90	4.73	4.21

1. Rolling 12 months

The performance measure corresponds to the items in profit from property management that affect cash flow, plus dividends received from holdings in joint ventures and income tax paid. Cash flow is stated in SEK per share.

	Jun 30 2022	Dec 31, 2021	Dec 31, 2020	Dec 31, 2019	Dec 31, 2018
Net asset value					
Equity attributable to Parent Company shareholders, MSEK	18,906	17,236	13,333	9,781	8,392
Hybrid bond loans, MSEK	-800	-800	0	0	0
Deferred tax, MSEK	1,509	1,252	760	627	452
Derivatives, MSEK	-199	-22	-3	-2	-9
Deferred tax in joint ventures, 50%, MSEK	736	596	544	454	339
Derivatives in joint ventures, 50%, MSEK	-47	62	110	104	111
Number of shares, millions	191	191	185	168	168
EPRA NRV (Net Reinstatement Value) per share, SEK	105.25	95.93	79.91	65.37	55.36
Estimated actual deferred tax, MSEK ¹	-864	-711	-419	-529	-
Estimated actual deferred tax in JV, Nyfosa's share, MSEK ¹	-620	-470	-425	-354	-
EPRA NTA (Net Tangible Assets) per share, SEK	97.48	89.76	75.33	60.11	-
Equity attributable to the Parent Company's shareholders	18,906	17,236	13,333	9,781	8,392
Hybrid bond loans, MSEK	-800	-800	0	0	0
Number of shares, millions	191	191	185	168	168
EPRA NDV (Net Disposal Value), equity per share, SEK	94.79	86.04	72.27	58.32	50.03

1. Assumptions include that loss carryforwards are expected to be used in the next five years with nominal tax of 20.6 percent. The property portfolio is expected to be realized over 50 years when the entire portfolio will be indirectly sold via companies and the purchaser's deduction for deferred tax is 7 percent. The discount rate amounted to 3 percent.

Net asset value is the total capital that the company manages on behalf of its owners and the value can be calculated in different ways depending on the time perspective and turnover rate in the property portfolio. EPRA NRV (Net Reinvestment Value) is based on the company never selling its assets and aims to reflect the value required for building up the operations again. Equity attributable to the Parent Company's shareholders less hybrid bonds was adjusted for items that do not involve any payment in the near future, both in Nyfosa and Nyfosa's participations in joint ventures. EPRA NTA (Net Tangible Assets) assumes that the company will make property transactions and thus be liable to pay certain taxes. The performance measure comprises equity attributable to the Parent Company's shareholders less hybrid bonds adjusted for the portion of deferred tax, both in Nyfosa and

Nyfosa's share of deferred tax in joint ventures, measured taking into consideration how the company has carried out property transactions in the past few years. EPRA NDV (Net Disposal Value) comprises equity attributable to the Parent Company's shareholders in the statement of financial position and less hybrid bonds.

	Jul 2021- Jun 2022 ¹	Jan-Dec 2021	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Return on equity					
Profit after tax, MSEK	4,067	3,112	2,225	1,382	1,615
Interest on hybrid bonds, MSEK	-23	-4	0	0	0
Average equity, MSEK	16,791	15,285	11,557	9,087	5,935
Return on equity, %	24.1	20.4	19.3	15.2	27.2

1. Rolling 12 months

This performance measure is calculated by using profit after tax in relation to average equity, attributable to the Parent Company's shareholders, during the same period.

	Jun 30 2022	Dec 31, 2021	Dec 31, 2020	Dec 31, 2019	Dec 31, 2018
Equity/assets ratio					
Equity attributable to Parent Company shareholders, MSEK	18,906	17,236	13,333	9,781	8,392
Total assets, MSEK	45,935	40,626	31,907	22,201	17,355
Equity/assets ratio, %	41.2	42.4	41.8	44.1	48.3

The performance measure is calculated as equity, attributable to the Parent Company's shareholders, as a percentage of total assets according to the statement of financial position. The performance measure shows how large a share of the company's assets are financed by the company's equity.

	Jun 30 2022	Dec 31, 2021	Dec 31, 2020	Dec 31, 2019	Dec 31, 2018
Loan-to-value ratio and net loan-to-value ratio					
Interest-bearing liabilities, MSEK	23,541	21,045	17,055	11,282	8,240
Property value, MSEK	41,341	37,147	29,411	19,602	15,582
Loan-to-value ratio, %	56.9	56.7	58.0	57.6	52.9
Cash and cash equivalents, MSEK	766	534	312	588	192
Net loan-to-value ratio, %	55.1	55.2	56.9	54.6	51.6

The loan-to-value ratio is calculated by using interest-bearing liabilities as a percentage of the value of the properties according to the statement of financial position. The net loan-to-value ratio is calculated by using net loans, meaning interest-bearing liabilities less cash and cash equivalents, as a percentage of the value of the properties according to the statement of financial position.

	Jul 2021- Jun 2022 ¹	Jan-Dec 2021	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Interest-coverage ratio					
Profit from property management, MSEK	2,218	1,973	1,334	1,112	918
Share in profit of joint ventures, MSEK	979	888	404	491	412
Depreciation of equipment, MSEK	-1	-1	-1	0	0
Financial income and expenses, MSEK	-496	-443	-327	-195	-131
Interest-coverage ratio, multiple	3.5	3.4	3.8	4.2	4.9

1. Rolling 12 months

The interest-coverage ratio is calculated by excluding shares in profit in joint ventures, depreciation/amortization and financial income and expenses from profit from property management. The performance measure treats ground rent as a property expense, similar to previous calculations. This profit is then expressed as a percentage of financial income and expenses to calculate the interest-coverage ratio.

OTHER DISCLOSURES

SHARE AND SHAREHOLDERS

The volume weighted average price on the interim period's last day of trading, June 30, 2022, was SEK 77.46, corresponding to a total market capitalization of approximately MSEK 14,796. Nyfosa had 18,427 shareholders, of which Swedish investors, institutions and private individuals owned 68 percent of the shares and voting rights, and the remaining shares and votes were owned by foreign shareholders.

List of owners	Number of shares	Share of	
		Capital, %	Votes, %
AB Sagax	38,177,032	20.0	20.0
Länsförsäkringar Funds	18,057,557	9.5	9.5
Swedbank Robur Funds	12,001,148	6.3	6.3
Handelsbanken Funds	8,925,046	4.7	4.7
SEB Funds	8,578,549	4.5	4.5
Vanguard	7,207,777	3.8	3.8
Lannebo Fonder	6,829,501	3.6	3.6
BlackRock	6,637,264	3.5	3.5
Kåpan Pensioner Försäkringsförening	4,880,014	2.6	2.6
Jens Engwall	4,853,411	2.5	2.5
Other	74,875,514	39.2	39.2
Total	191,022,813	100.0	100.0

ANNUAL GENERAL MEETING

Nyfosa's 2022 Annual General Meeting (AGM) was held in Stockholm on April 19, 2022. For more information about the AGM, visit www.nyfosa.se.

ASSURANCE FROM THE BOARD OF DIRECTORS AND THE CEO

The Board of Directors and the CEO give their assurance that this interim report provides a fair review of the company's and the Group's operations, financial position and earnings, and describes the material risks and uncertainties facing the Parent Company and the companies included in the Group.

Nacka, July 12, 2022

Nyfosa AB (Corp. Reg. No. 559131-0833)

Johan Ericsson

Chairman of the Board

Stina Lindh Hök

CEO

Jens Engwall

Board member

Lisa Dominguez Flodin

Board member

Patrick Gylling

Board member

Marie Bucht Toresäter

Board member

Per Lindblad

Board member

Claes Magnus Åkesson

Board member

FINANCIAL CALENDAR

Interim report January–September 2022	October 20, 2022
Year-end Report January–December 2022	February 16, 2023

CONTACT INFORMATION

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This interim report is unaudited.

The information is inside information that Nyfosa AB is obligated to disclose in accordance with the EU Market Abuse Regulation and Swedish Securities Market Act. The information was submitted for publication through the agency of the aforementioned contact persons on July 12, 2022 at 7:30 a.m. CEST.

NOTES

NOTE 1 BASIS OF PREPARATION AND ACCOUNTING POLICIES

This condensed interim report for the Group has been prepared in accordance with IAS 34 Interim Reporting, as well as the applicable regulations of the Swedish Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with Chapter 9 Interim Reports of the Annual Accounts Act. The accounting policies and calculation methods were unchanged compared with 2021 Annual Report. Disclosures in accordance with IAS 34.16A are provided not only in the financial statements and the accompanying notes but also elsewhere in this interim report.

All amounts in the report are stated in millions of SEK ("MSEK") unless otherwise stated. There may be rounding errors in tables that have combined sums from already rounded amounts. Amounts in parentheses refer to the same period in the preceding financial year. Key figures regarding an earnings or cash flow measure, stated per share, are calculated on a weighted average number of shares during the period referred to. Key figures based on an amount in the statement of financial position, stated per share, are calculated on the number of shares on the balance-sheet date. Last 4 quarters and Rolling 12 months means a rolling 12-month period.

NOTE 2 ESTIMATES AND ASSESSMENTS

The preparation of the interim report requires that company management make judgments and estimates, and make assumptions that affect the application of the accounting policies and the amounts of assets, liabilities, income and expenses recognized. The actual outcome may deviate from these judgments and estimates.

Measurement of investment properties

For significant assumptions and assessments affecting the measurement of Nyfosa's investment properties, refer to Note 13 of the 2021 Annual Report on www.nyfosa.se. Nyfosa's property portfolio is recognized in the statement of financial position at fair value, Level 3 according to IFRS 13, and the changes in value are recognized in profit or loss. The fair value is based on internal valuations that are performed continuously and the properties are also valued every quarter by an external independent appraiser. The value of the properties is affected not only by supply and demand in the market but also by a number of other factors, in part property-specific factors such as the leasing rate, rent level and operating expenses, and in part such market-specific factors as the yield requirement and the cost of capital, which are derived from comparable transactions in the property market. Deterioration in either a property or the market could cause the value of the properties to decline, which could have a negative impact on Nyfosa's operations, financial position and earnings.

Valuations require assessments of and assumptions about future cash flows and determination of the discount factor (yield requirement). An uncertainty interval of +/- 5–10 percent is usually applied to property valuations to reflect the uncertainty of assumptions and assessments made.

Measurement of loss carryforwards

The regulatory framework governing taxation of the type of business operated by Nyfosa is complex and comprehensive in terms of both income tax and VAT/property taxation. Moreover, interpretation and application of these regulations by courts of law can change over time. Changes in these regulations, or in their interpretation by judicial bodies, could impact Nyfosa's earnings and position either positively or negatively. From time to time, Nyfosa has cases under review by, and ongoing dialog with, the Swedish Tax Agency regarding individual taxation matters. The Tax Agency makes tax rulings that can be appealed and reviewed in administrative courts of appeal. The regulations governing the recognition of taxes, and the property sector's application of these accounting regulations, are also complex. The regulatory framework is complex, the Tax Agency's review possibilities are comprehensive and the judicial bodies' interpretation and reviews take place in many stages, which means that it can take a long time to establish the correct application of legislation in complex taxation matters. This may entail that actions taken or completed transactions that were previously considered permissible according to the regulatory framework may need to be reappraised at a later juncture. Nyfosa monitors the taxation laws and practices that are in effect whenever it files tax returns. Nyfosa's assessments and calculations in the tax area, and the accounting of these matters, are reassessed at the end of each reporting period.

Classification of acquisitions

Nyfosa's corporate acquisitions in 2022 encompass only properties and no material processes, which is why the transactions are deemed to be asset purchases.

NOTE 3 OPERATING SEGMENTS

Nyfosa's operations comprise one operating segment, that is to say, Nyfosa's operations comprise a business that generates income and expenses and whose operating profit is regularly assessed by the company's chief operating decision maker as a basis for monitoring earnings and allocating resources.

NOTE 4 TAX

The Group's effective tax rate for the interim period was 11.2 percent (11.2). The deviation from the nominal tax rate of 20.6 percent was due to the profit from participations in joint ventures comprising profit after tax, and thus did not constitute taxable income for Nyfosa, but was also due to any non-taxable capital gains on the divestment of properties via companies, and valuations of loss carryforwards.

Deferred tax is to include temporary differences on all assets and liabilities, except for temporary differences on properties on the closing date since the acquisition is an asset acquisition. There is a total temporary difference of MSEK 14 915 in the Group that is not included.

Reconciliation of effective tax, MSEK	%	
Profit before tax		2,595
Tax according to applicable tax rate for Parent Company	-20.6%	-535
Non-deductible costs and tax-exempt income	1.4%	37
Profit from participations in joint ventures	4.6%	120
Capitalization and utilization of loss carryforwards not capitalized in prior years	0.0%	0
Non-taxable sales of properties	2.8%	73
Other	0.7%	15
Recognized effective tax	-11.2%	-290

NOTE 5 EARNINGS PER SHARE

Nyfosa currently has three long-term incentive programs based on warrants. A description of the warrants programs is provided in Note 8 on page 102 of the 2021 Annual Report and in the report from the 2022 Annual General Meeting, see <https://nyfosa.se/en/report-from-nyfosa-abs-annual-general-meeting-on-april-19-2022/>.

The number of warrants outstanding at the end of the year is presented in the table below.

The dilutive effect from the existing warrants program amounted to 0.22 percent for the period.

	LTIP2019 Jun 30, 2022	LTIP2021 (I) March 31, 2022	LTIP2021 (II) March 31, 2022	LTIP2022 Jun 30, 2022
Reconciliation of warrants				
Warrants outstanding at beginning of year	1,304,300	325,241	325,241	-
Warrants subscribed	-	-	-	422,150
Warrants forfeited	-45,000	-	-	-
Warrants utilized	-	-	-	-
Warrants outstanding at end of the period	1,259,300	325,241	325,241	422,150

NOTE 6 FAIR VALUE OF FINANCIAL INSTRUMENTS

Nyfosa measures its financial instruments at fair value or amortized cost in the statement of financial position, depending on the classification of the instrument. Financial instruments encompass rent receivables, which are recognized under current receivables in the statement of financial position, derivatives, cash and cash equivalents among assets, interest-bearing liabilities and accounts payable, which are recognized under other current liabilities in the statement of financial position. All derivatives are classified in Level 2 according to IFRS 13 and are measured at their fair value in the statement of financial position. Nyfosa has binding framework agreements for derivative trading (ISDAs), which enable Nyfosa to offset financial liabilities against financial assets in the event of the insolvency of a counterparty of other event, a process known as netting. No offset currently takes place.

The table below presents the fair value of the Group's derivatives, which is reflected in the statement of financial position. The carrying amount of accounts receivable, other receivables, cash and cash equivalents, accounts payable and other liabilities provides a reasonable approximation of the fair value.

	Jun 30		Dec 31
Fair value, MSEK	2022	2021	2021
Derivatives with positive values	199	5	22
Derivatives with negative values	-	-	-

NOTE 7 FINANCING

For information regarding changes in loans, interest rates and credit terms, refer to the Financing section of this interim report.

NOTE 8 SHAREHOLDERS' EQUITY

The share capital in Nyfosa AB changed according to the table.

Date	Event	Change in share capital (SEK)	Change in number of shares	Share capital after change (SEK)	Number of shares after change
October 17, 2017	New formation	-	-	50,000.00	500
May 21, 2018	Division of shares	-	99,500	50,000.00	100,000
May 21, 2018	New share issue	78,814,124.50	157,628,249	78,864,124.50	157,728,249
August 21, 2018	New share issue	5,000,000.00	10,000,000	83,864,124.50	167,728,249
February 17, 2020	New share issue	3,231,412.00	6,462,824	87,095,536.50	174,191,073
March 9, 2020	New share issue	5,155,000.00	10,310,000	92,250,536.50	184,501,073
June 9, 2021	New share issue	3,260,870.00	6,521,740	95,511,406.50	191,022,813

Hybrid bonds

Nyfosa issued hybrid bonds of a total of MSEK 800 under a framework of MSEK 2,000. The hybrid bonds are perpetual and Nyfosa governs the payment of interest and the principal of the instruments, which is why they are classified as equity instruments under IAS 32. Issue costs and tax attributable to issue costs and interest to the hybrid bond holders are recognized directly in equity. The bonds have a floating interest rate of 3M STIBOR + 475 basis points per annum until the first call date of November 18, 2025.

NOTE 9 RELATED PARTIES

During the period, an agreement was signed to divest a portfolio of 13 properties to the company Emilshus. Since the Chairman of Nyfosa's Board is also the Chairman of Emilshus, he did not participate in the decision regarding this transaction.

The Group owns participations in joint ventures, refer to relevant section of this interim report. Söderport is managed by AB Sagax, except for property management which is managed by Nyfosa. The company TPI, of which Söderport owns 78.1 percent, also purchases management services from Nyfosa and Sagax. Samfosa is managed by its own organization.

Property management fees between the companies are based on market terms. Nyfosa's fee totals MSEK 3 per year. The Group had receivables of MSEK 19 from joint ventures on June 30, 2022. The terms of the loan are market-based and stipulated in a promissory note between the parties.

Nyfosa signed a consultancy agreement with Board member Jens Engwall. His assignment under the agreement is to provide advisory services, in the first instance to the company's CEO, and also to continue to serve as the company's Board member in Söderport Property Investment AB and Torslanda Property Investment AB. The agreement came into effect on March 1, 2021 and expires on December 31, 2022. Annual fees of MSEK 1 are paid.

NOTE 10 SIGNIFICANT EVENTS AFTER THE END OF THE INTERIM PERIOD

In July, eight properties with warehouse and light industry in Kalmar were acquired for MSEK 340 before a deduction for deferred tax of MSEK 20.

PARENT COMPANY

Nyfosa AB is a holding company whose operations comprise owning and managing shares. The company owns 100 percent of the participations in Nyfosa Holding AB, which indirectly owns properties for SEK 41.3 billion. Furthermore, the company owns, via subsidiaries, 50 percent of the participations in Söderport and Samfosa, which indirectly own properties for SEK 15.8 billion.

STATEMENT OF PROFIT/LOSS

MSEK	Apr-Jun		Jan-Jun		Full-year
	2022	2021	2022	2021	2021
Net sales	33	23	61	48	102
Personnel costs	-26	-26	-50	-52	-97
Other external costs	-14	-11	-30	-24	-48
Depreciation/amortization	0	0	0	0	0
Loss before financial income and expenses	-7	-13	-19	-28	-43
Profit from participations in joint ventures	0	1,288	0	1,288	1,288
Profit from participations in Group companies	0	0	0	0	874
Interest income and similar income items	32	31	63	61	125
Interest expenses and similar expense items	-23	-28	-41	-43	-82
Profit before appropriations	1	1,277	3	1,278	2,161
Appropriations					
Provision to tax allocation reserve	0	0	0	0	0
Group contributions paid/received	0	0	0	0	67
Profit before tax	1	1,277	3	1,278	2,228
Tax	0	5	0	0	-5
Profit	1	1,282	3	1,278	2,223

Profit/loss for the period is the same as comprehensive income for the period.

STATEMENT OF FINANCIAL POSITION

MSEK	Jun 30		Dec 31
	2022	2021	2021
ASSETS			
Participations in Group companies	0	0	0
Participations in joint ventures	-	0	-
Receivables from Group companies	5,277	5,377	5,277
Deferred tax assets	0	1	0
Total non-current assets	5,278	5,377	5,277
Current receivables from Group companies	14,468	8,064	11,790
Other current receivables	7	49	10
Cash and bank balances	235	464	280
Total current assets	14,710	8,576	12,080
TOTAL ASSETS	19,987	13,955	17,357
EQUITY AND LIABILITIES			
Restricted equity	96	96	96
Unrestricted equity	10,630	9,633	11,368
Equity	10,726	9,728	11,464
Untaxed reserves	0	0	0
Bonds	1,588	1,860	991
Other non-current liabilities	7	4	4
Total non-current liabilities	1,595	1,864	995
Bonds	0	0	873
Liabilities to Group companies	7,076	1,885	3,827
Other current liabilities	590	478	197
Total current liabilities	7,666	2,362	4,897
Total liabilities	9,261	4,226	5,893
TOTAL EQUITY AND LIABILITIES	19,987	13,955	17,357

GLOSSARY

Return on equity	<p>Profit for the most recent 12-month period in relation to average equity, attributable to the Parent Company's shareholders, during the same period.</p> <p>Purpose: The performance measure shows the return generated on the capital attributable to shareholders.</p>
Loan-to-value ratio, properties*	<p>Interest-bearing liabilities at the end of the period in relation to the value of the properties (in the statement of financial position).</p> <p>Purpose: The loan-to-value ratio is a measure of risk that indicates the degree to which the operation is encumbered with interest-bearing liabilities. The performance measure provides comparability with other property companies.</p>
Yield*	<p>Net operating income according to earnings capacity in relation to the fair value of the properties on the balance-sheet date.</p> <p>Purpose: The performance measure indicates the yield from operational activities in relation to the properties' value.</p>
Net operating income*	<p>Net operating income comprises the income and expense directly connected to the property, meaning rental income and the expenses required to keep the property in operation, such as operating expenses, maintenance costs and personnel costs for those who take care of the property and tenant contacts.</p> <p>Purpose: The measure is used to provide comparability with other property companies, but also to illustrate operational performance.</p>
Economic leasing rate	<p>Rental income before rent discounts as a percentage of the rental value at the end of the period.</p> <p>Purpose: The performance measure facilitates the assessment of rental income in relation to the total value of the leased and unleased floor space.</p>
Property	<p>Properties held under title or site leasehold.</p>
Property value	<p>The carrying amount of investment properties according to the statement of financial position at the end of the period.</p> <p>Purpose: The performance measure facilitates better understanding of the value development in the property portfolio and the company's statement of financial position.</p>
Profit from property management*	<p>Profit from property management comprises net operating income plus property management and administration expenses as well as financial income and expenses. This earnings measure does not include effects of changes in the value of wholly owned investment properties and derivatives. These are reported separately in the statement of profit/loss. However, changes in value and tax are included in the share in profit of joint ventures in profit from property management.</p>
Profit from property management per share	<p>Profit from property management less interest on hybrid bonds in relation to average number of shares outstanding.</p>
Rental income	<p>Rents charged including supplements for heating and property tax.</p>
Rental value	<p>Rental income before rent discounts for leased areas and assessed market rent for the vacant floor space.</p> <p>Purpose: The performance measure facilitates assessment of the total potential rental income since the assessed market rent for vacant floor space is added to the rental income charged.</p>

Net loan-to-value ratio, properties*	<p>The net of interest-bearing liabilities and cash and cash equivalents at the end of the period as a percentage of the fair value of the properties in the statement of financial position.</p> <p>Purpose: The net loan-to-value ratio is a measure of financial risk that indicates the degree to which the operation is encumbered with interest-bearing liabilities, but taking into account bank balances. The performance measure provides comparability with other property companies.</p>
Net leasing	Signed new leases for the period less terminations.
Earnings per share	Profit after tax less interest on hybrid bonds in relation to average number of shares outstanding.
Revolving credit facility	An agreement between a lender and a borrower that gives the borrower the right to use funds for a certain period of time and up to a certain amount, and repay at its own discretion before a certain date.
Interest-rate cap	An interest hedging instrument whereby the lender pays a variable interest up to a predetermined interest-rate level. The aim of interest-rate caps is to reduce interest-rate risk.
Interest-coverage ratio*	<p>Profit from property management before financial income and expenses, depreciation/amortization and shares in profit in joint ventures as a percentage of financial income and expenses.</p> <p>Purpose: The interest-coverage ratio is a measure of financial risk that shows how many times the company can pay its interest charges with its profit from operational activities.</p>
Debt/equity ratio*	<p>Interest-bearing liabilities as a percentage of equity.</p> <p>Purpose: The debt/equity ratio is a measure of financial risk that shows the company's capital structure and sensitivity to movements in interest rates.</p>
Equity/assets ratio*	<p>Equity, attributable to the Parent Company's shareholders, as a percentage of total assets.</p> <p>Purpose: To show how large a share of the company's assets is financed by equity and has been included to enable investors to be able to assess the company's capital structure.</p>
EPRA NRV*	<p>Equity, attributable to the Parent Company's shareholders, less hybrid bonds and plus derivatives and deferred tax liabilities according to the statement of financial position.</p> <p>Purpose: To show the fair value of net assets from a long-term perspective. Accordingly, assets and liabilities in the statement of financial position that are not adjudged to be realized, such as the fair value of derivatives and deferred taxes, are excluded. The corresponding items in the company's participations in joint ventures are also excluded from the performance measure.</p>
EPRA NTA*	<p>Equity, attributable to the Parent Company's shareholders, less hybrid bonds and plus derivatives and adjusted for actual deferred tax liabilities instead of nominal deferred tax.</p> <p>Purpose: To show the fair value of net assets from a long-term perspective but under the assumption that assets are traded. Accordingly, assets and liabilities in the statement of financial position that are not adjudged to be realized, such as the fair value of derivatives, are excluded but the market value of deferred tax is included. The corresponding items in the company's participations in joint ventures are also excluded from the performance measure.</p>

EPRA NDV*	<p>Equity, attributable to the Parent Company's shareholders less hybrid bonds, according to the statement of financial position.</p> <p>Purpose: The performance measure shows how large a share of the company's recognized equity each share represents.</p>
Distributable cash flow*	<p>Profit from property management excluding non-cash items in the earnings measure, such as share in profit of joint ventures and depreciation of equipment, including dividends received from holdings in joint ventures and tax paid.</p> <p>Purpose: The performance measure shows the amount of cash flow generated by the existing property portfolio under the company's management and the company's dividend capacity.</p>
Leasable area	<p>The total premises area that can potentially be leased.</p> <p>Purpose: Shows the total area that the company can potentially lease.</p>
Vacancy rent	<p>Assessed market rent for vacant floor space.</p> <p>Purpose: The performance measure states the potential rental income when all floor space is fully leased.</p>
Surplus ratio*	<p>Net operating income for the period as a percentage of total income.</p> <p>Purpose: The surplus ratio shows the percentage of each Swedish krona earned that the company can keep. The performance measure is an indication of efficiency that is comparable over time and among property companies.</p>

* Refers to alternative performance measures according to the European Securities and Markets Authority (ESMA).

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