

NYFOSA

INTERIM REPORT **JANUARY-SEPTEMBER 2023**

THE PERIOD

January–September 2023

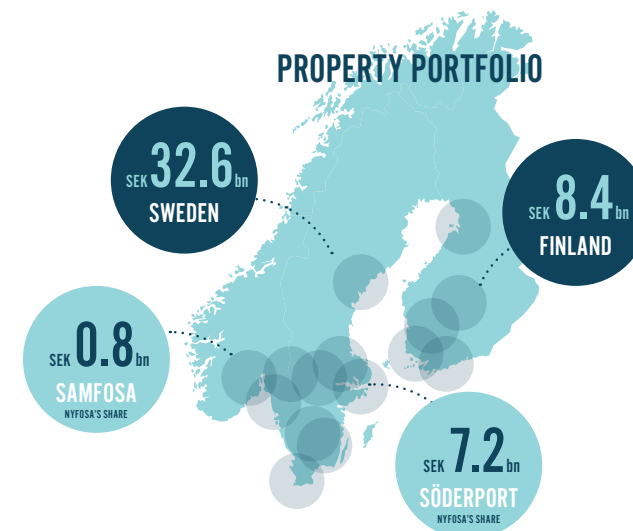
- Income increased 16 percent to MSEK 2,672 (2,304).
- Net operating income increased 20 percent to MSEK 1,812 (1,517) or SEK 9.49 per share (7.94).
- Profit from property management declined 18 percent to MSEK 946 (1,149) or SEK 4.71 per share (5.85).
- Changes in the value of properties had an impact of MSEK –754 (1,052) on earnings.
- Profit for the period amounted to MSEK 49 (2,576). Earnings per share, less interest on hybrid bonds, amounted to SEK 0.01 per share before dilution (13.30) and SEK 0.01 per share after dilution (13.27).
- Distributable cash flow declined 22 percent to MSEK 907 (1,164) or SEK 4.75 per share (6.09).

THE QUARTER

July–September 2023

- Income increased 11 percent to MSEK 886 (799).
- Net operating income increased 20 percent to MSEK 651 (544) or SEK 3.41 per share (2.84).
- Profit from property management declined 16 percent to MSEK 325 (386) or SEK 1.61 per share (1.96).
- Changes in the value of properties had an impact of MSEK –33 (–161) on earnings.
- Profit for the quarter amounted to MSEK 140 (271). Earnings per share, less interest on hybrid bonds, amounted to SEK 0.70 per share (1.34) before and after dilution.
- Distributable cash flow declined 16 percent to MSEK 273 (326) or SEK 1.43 per share (1.71).

PROPERTY PORTFOLIO



VISION

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.

MSEK **-19**

NET LEASING
JAN–SEP 2023

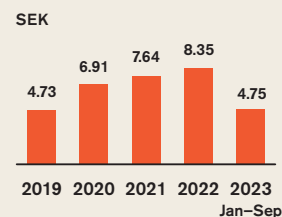
+16 %

GROWTH IN INCOME
JAN–SEP 2023

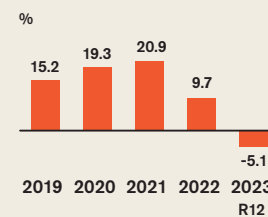
+20 %

GROWTH IN NET OPERATING INCOME
JAN–SEP 2023

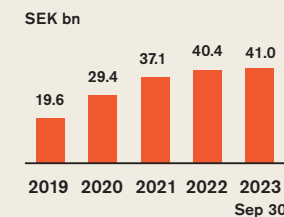
DISTRIBUTABLE CASH FLOW PER SHARE



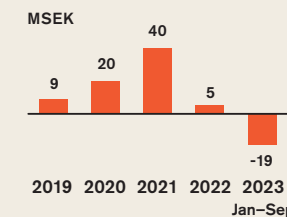
RETURN ON EQUITY



TREND IN PROPERTY PORTFOLIO



NET LEASING



KEY FIGURES IN BRIEF

	Jan-Sep		Jul-Sep		Rolling	Full-year
	2023	2022	2023	2022	12 months	2022
Income, MSEK	2,672	2,304	886	799	3,520	3,151
Net operating income, MSEK	1,812	1,517	651	544	2,388	2,092
Surplus ratio, %	67.8	65.9	73.5	68.1	67.8	66.4
Profit from property management, MSEK	946	1,149	325	386	1,330	1,533
Profit/loss for the period, MSEK	49	2,576	140	271	-833	1,694
Interest-coverage ratio, multiple	2.0	3.6	1.8	2.7	2.2	3.4
Net debt/EBITDA rolling 12 months, multiple	9.5	10.5	9.5	10.5	9.5	10.2
Net loan-to-value ratio of properties on balance-sheet date, %	58.4	55.2	58.4	55.2	58.4	57.7
Distributable cash flow, MSEK	907	1,164	273	326	1,337	1,596
Property value on balance-sheet date, MSEK	41,006	41,525	41,006	41,525	41,006	40,446
NAV on balance-sheet date, MSEK	18,601	20,299	18,601	20,299	18,601	19,250
Key figures per share						
Profit from property management, SEK	4.71	5.85	1.61	1.96	6.66	7.80
Distributable cash flow, SEK	4.75	6.09	1.43	1.71	7.01	8.35
Profit/loss after dilution, SEK	0.01	13.27	0.70	1.34	-4.66	8.61
NAV on balance-sheet date, SEK	97.38	106.26	97.38	106.26	97.38	100.78

Definitions of key figures are presented on pages 34-35. Calculation of alternative performance measures is found on pages 31-33.

SIGNIFICANT EVENTS DURING AND AFTER THE QUARTER

- In September, it was announced that Johan Ericsson had declined re-election as Board Chairman of Nyfosa AB. Johan Ericsson, who has been a Board member since the company was listed in 2018 and served as Board Chairman since the 2019 Annual General Meeting, will remain as Chairman until the Annual General Meeting on April 23, 2024.
- After the quarter, Nyfosa divested nine properties in Sweden for MSEK 761. The properties have a leasable area of 58 thousand sqm, primarily comprising light-industrial and warehouse premises. The properties are located in Burlöv, Gothenburg, Haninge, Huddinge and Hårryda. The annual rental value was estimated to amount to MSEK 55, of which 25 percent was vacant. The average remaining lease term was 2.8 years. Closing took place on October 11, 2023.

DIVESTMENT OF PROPERTIES IN SWEDEN FOR MSEK 761

AFTER THE END OF THE PERIOD, Nyfosa divested nine properties, primarily comprising warehouse and light-industrial properties. The annual rental value of the properties was estimated to amount to MSEK 55, of which 25 percent was the assessed market rent for vacant floor space.

Two of the properties are located in Burlöv, two in Gothenburg, three in Haninge, one in Huddinge and one in Hårryda. The properties have a leasable area of 58 thousand sqm and the average remaining lease term is 2.8 years.

The properties were divested to an entity owned by funds advised by Blackstone. Closing took place on October 11, 2023.



COMMENTS FROM THE CEO

Nyfosa's revenues strengthened in the third quarter, with the company reporting the strongest net operating income in its history. Following the period, we divested properties for MSEK 761, which was above book value and contributed to a unrealized positive change in value of MSEK 44.

Property management

Revenue increased by 11 percent and net operating income rose by 20 percent during the period compared to the same the previous year. We reported negative net leasing of MSEK -17, which was largely due to a significant bankruptcy corresponding to -9 MSEK in rental value at our property in Kungens Kurva. We are pleased to report, however, there was great demand for the premises, which are already leased again. Despite the current economic headwinds, it is positive to see stable demand continues for our premises.

Financing

Following the refinancings carried out in the second and third quarters totaling almost MSEK 5.8, only one bond of MSEK 275 maturing in April 2024 remains to be refinanced over the coming 12 months.

As part of Nyfosa's continual development, we have revised the company's finance policy, including among other things, the reporting of a new key ratio, net debt to EBITDA ratio which was 9.5x on the balance-sheet date. In addition, we have decided to set a more even structure for when capital and fixed interest periods mature. The long-term goal is to reach a level whereby 75 percent of interest-bearing liabilities are hedged, with an even distribution over a period of 4-5 years. During the quarter, we hedged against rising interest rates totaling MSEK 1.5, which resulted in 53 percent of the debt portfolio being hedged at the period end.

The interest expenses with an average interest rate of 5.1 percent on the balance-sheet date, continued to negatively affect both earnings and cash flow. We reported an earnings capacity of SEK 5.44 per share.

Property valuations

The entire property portfolio is valued externally on a quarterly basis. The weighted yield requirement in property valuations continued to rise during the quarter, from 6.59 percent to 6.65 percent. An increase in net operating income, finalized projects, and divestments provided a positive counterweight to the higher yield requirement. Changes in property values during the quarter were marginally negative at MSEK -33.

Market

Following the period end, we divested nine properties in Sweden for MSEK 761. We sold above book value and the divestment provides a unrealized positive change in value of MSEK 44. Even in a cautious market, it is pleasing to see we are able to carry out transactions that create value for both the sellers and buyers, and we are continuing to monitor and evaluate interesting transactions.

The global situation has not become more stable during the quarter, and I have great respect for ongoing developments in the property market, where interest rate changes continue to play a crucial role for the property sector. Nyfosa remains stable with our cash flows. We are continuing to work with and carry out what creates most value for our shareholders.

Stina Lindh Hög, CEO

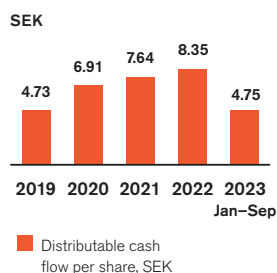
TARGETS AND DIVIDEND POLICY

FINANCIAL TARGETS

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

Average growth per year for 2019-2022

+20 %



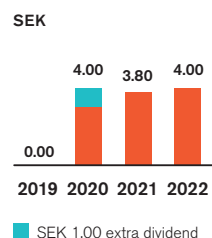
DIVIDEND PER SHARE

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.

Dividends 2022

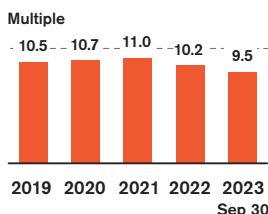
SEK 4.00



FINANCIAL RISK LIMITS

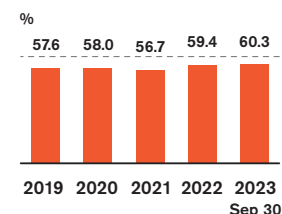
Net debt/EBITDA

Not to exceed a multiple of 12.



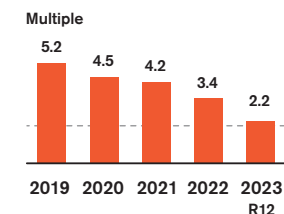
Loan-to-value ratio

Not to exceed 65 percent.



Interest-coverage ratio

Long term at least a multiple of 2.



SUSTAINABILITY TARGETS

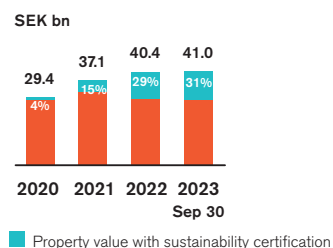
TARGETS 2025

Sustainability certification

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

Outcome September 30, 2023

Properties with a value of SEK 12.8 billion had sustainability certification, corresponding to 31 percent of the property value.

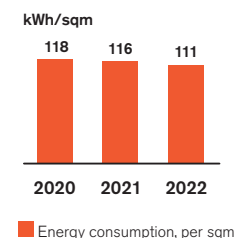


Streamlined consumption

By 2025, energy consumption per sqm will be reduced by 10 percent compared with 2020.

Outcome 2022

Energy consumption in the starting portfolio for 2020 was 118 kWh per sqm. Energy consumption in 2022 was 111 kWh per sqm, corresponding to a 6 percent decline for the comparable property portfolio¹.



LONG-TERM TARGETS

Carbon emissions

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

Performance 2022

Carbon emissions in 2022 in the comparable property portfolio declined¹ 43 percent per sqm compared with 2021. The decline was primarily an effect of investments in renewable energy and greater focus on streamlined consumption.

¹ Comparable property portfolio refers to the properties that Nyfosa has owned for the entire period and the comparative period. Properties bought and sold during the period are excluded.

The targets for streamlined consumption and carbon emissions are measured and updated on an annual basis.

PROFIT

JANUARY–SEPTEMBER 2023 PERIOD

Amounts in parentheses refer to the corresponding period in the preceding financial year.

Income

Income increased 16 percent to MSEK 2,672 (2,304). Growth was mainly due to indexation of rental income and a weaker SEK/EUR exchange rate. Income from like-for-like property portfolios, adjusted for exchange rate effects, increased MSEK 144, corresponding to 7 percent.

Income, MSEK	Jan–Sep	
	2023	2022
Total income	2,672	2,304
Acquisitions and divestments	-472	-271
Currency adjustment	-24 ¹	–
Total income, like-for-like portfolio	2,175	2,033

¹) Current period restated using the same exchange rate as the comparative period.

Income is comprised of the categories rental income and service income. Rental income is generated from the leases signed with tenants and includes indexation and supplements for investments and property tax. 91 percent of rental income is indexed annually, and the majority of indexation includes the entire base rent and follows the CPI or equivalent index. Service income comprises supplements for electricity, heating, water, waste management and other operating expenses.

Occupancy rate and net leasing

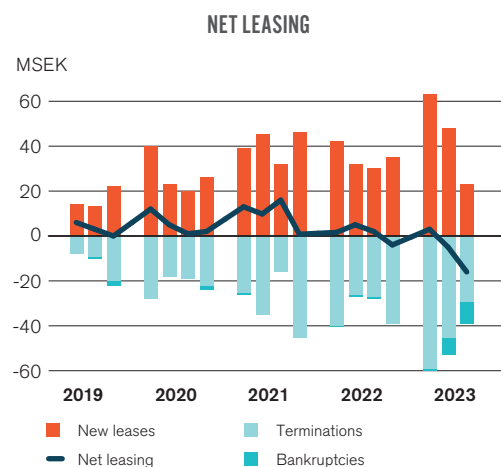
The economic leasing rate at the end of the period was 91.6 percent (93.1). The vacancy amount was MSEK 341 (261).

Net leasing for the period was negative at MSEK –19 (9) with new leases signed for MSEK 134 (104), terminations of MSEK 133 (93) and tenant bankruptcies of MSEK 19 (2). Terminations due to tenants' bankruptcies were mainly attributable to a major bankruptcy during the third quarter

corresponding to MSEK 9 in rental income for one property. After the end of the period, the premises were leased to a new tenant. In general, demand for our premises remained stable.

Change in vacancy amount, MSEK	Jan–Sep 2023	Jan–Sep 2022	Jan–Dec 2022
Opening vacancy amount	280	190	190
Acquired/divested vacancy amount	-5	28	32
Change in existing property portfolio	60	36	52
Currency adjustment	5	6	7
Closing vacancy amount	341	261	280

Net leasing, MSEK	Jan–Sep 2023	Jan–Sep 2022	Jan–Dec 2022
New leases signed	134	104	139
Terminated leases	-133	-93	-132
Bankruptcies	-19	-2	-2
Net leasing for the period	-19	9	5



CONDENSED STATEMENT OF PROFIT/LOSS

MSEK	Jan–Sep	
	2023	2022
Rental income	2,429	2,121
Service income	242	182
Income	2,672	2,304
Property expenses		
Operating expenses	-525	-474
Maintenance costs	-111	-102
Property tax	-125	-114
Property administration	-99	-97
Net operating income	1,812	1,517
Central administration	-136	-114
Other operating income and expenses	8	7
Share in profit of joint ventures	113	615
<i>- of which, profit from property management</i>	<i>171</i>	<i>187</i>
<i>- of which, changes in value</i>	<i>-30</i>	<i>589</i>
<i>- of which, tax</i>	<i>-31</i>	<i>-160</i>
<i>- of which, other</i>	<i>3</i>	<i>0</i>
Financial income and expenses	-909	-448
Profit after financial income and expenses	888	1,577
- of which, profit from property management	946	1,149
Changes in value of properties	-754	1,052
Changes in value of financial instruments	-46	339
Profit before tax	89	2,969
Tax	-39	-393
Profit for the period	49	2,576

Property expenses and property administration

Of property expenses, operating expenses accounted for MSEK 525 (474), maintenance costs for MSEK 111 (102) and property tax for MSEK 125 (114). Costs for property administration amounted to MSEK 99 (97).

Operating expenses increased 11 percent. Operating expenses include rates-based costs such as electricity, water and heating. Under the terms of some of the leases, these rates-based costs for the leased premises are charged to the tenant. Tenants are usually charged on an ongoing basis following a standard model, with reconciliation and correction to actual consumption taking place at a later date. Of the Group's total rates-based costs for the period, approximately 50 percent is charged to tenants.

Maintenance costs increased 9 percent on last year, which was mainly the result of higher costs for regular repairs to the existing property portfolio.

Costs for property administration, which include costs for leasing and personnel for ongoing property management, were in line with last year.

Net operating income

Net operating income increased 20 percent to MSEK 1,812 (1,517). The surplus ratio was 67.8 percent (65.9).

In the like-for-like property portfolio, net operating income increased 8 percent to MSEK 1,441 (1,333) adjusted for currency effects. The surplus ratio was 66.2 percent (65.6).

	Jan-Sep	
Net operating income, like-for-like portfolio, MSEK	2023	2022
Net operating income	1,812	1,517
Acquisitions and divestments	-358	-184
Currency adjustment	-13 ¹	-
Net operating income, like-for-like portfolio	1,441	1,333

1) Current period restated using the same exchange rate as the comparative period.

Central administration

Central administration includes costs for Group Management, Group-wide functions, IT, IR, financial administration and auditing, and amounted to MSEK 136 (114), corresponding to 5.1 percent (4.9) of income.

Share in profit of joint ventures

Share in profit of joint ventures amounted to MSEK 113 (615), comprising profit from property management of MSEK 171 (187), changes in value and tax of MSEK -61 (429) and other MSEK 3 (0).

Financial income and expenses

Financial income and expenses amounted to MSEK -909 (-448). The increase in expenses was due to higher interest rates and higher net debt, which amounted to MSEK 23,942 (22,925) on the balance-sheet date. The average interest, excluding opening charges, amounted to 5.1 percent (2.8) on the balance-sheet date.

On the balance-sheet date, 53 percent (42) of the debt portfolio was hedged with an interest-rate cap or swap. The average interest-rate cap was 1.6 percent (1.6) and the average interest-rate swap was 2.7 percent (1.6). The average remaining term of signed derivative agreements was 2.1 years (2.4) on the balance-sheet date.

The interest-coverage ratio for the period was a multiple of 2.0 (3.6), while the interest-coverage ratio for the last 12 months was a multiple of 2.2.

Profit from property management

Profit from property management declined 18 percent to MSEK 946 (1,149) or SEK 4.71 per share (5.85). The change was primarily due to the higher interest rates during the period that could be partly offset by rent indexation.

Changes in value

All properties are valued by an authorized property valuer from an independent appraiser at every quarterly closing, except

for the properties that were closed on or divested in the past quarter. These properties are recognized at cost and the agreed selling price, respectively.

Changes in values of properties amounted to MSEK -754 (1,052).

Nyfosa divested nine properties in Sweden after the period. On the balance-sheet date, these properties were valued at the agreed selling price. Closing took place on October 11, 2023.

During the period, appraisers raised the weighted yield requirement of their valuations to 6.65 percent. In the most recent valuation on June 30, 2023, the weighted yield requirement was 6.59 percent and on December 31, 2022 was 6.39 percent.

The negative valuation effect caused by the higher yield requirements was partly offset by the assumption regarding improved future net operating income, finalized projects, and divestments.

Changes in value of financial instruments amounted to MSEK -46 (339), and refer to interest-rate caps and swaps.

Tax

Tax for the period was MSEK -39 (-393) corresponding to effective tax of 44.6 percent (13.2). One of the reasons for the deviation from the Parent Company's nominal tax rate of 20.6 percent is that non-deductible interest expenses resulted in higher taxable earnings than the recognized earnings in the Group companies.

Profit for the period

Profit for the period amounted to MSEK 49 (2,576). Earnings per share, less interest on hybrid bonds, amounted to MSEK 0.01 per share (13.27) after dilution.

The translation difference from the operations conducted in foreign currency had an impact of MSEK 114 (212) on other comprehensive income. This item is attributable to the company's operations in Finland and is a result of the weakening of the SEK against the EUR during the period.

JULY-SEPTEMBER 2023 QUARTER

Income increased 11 percent to MSEK 886 (799). Net operating income increased 20 percent to MSEK 651 (544). The surplus ratio for the quarter was 73.5 percent (68.0). Net leasing was negative and amounted to MSEK -17 (2), with new leases signed for MSEK 23 (35), terminations amounted to MSEK 29 (29) and confirmed tenant bankruptcies amounted to MSEK 11 (1). Terminations due to tenants' bankruptcies were mainly attributable to a major bankruptcy during the third quarter corresponding to MSEK 9 in rental income for one property. After the end of the period, the premises were leased to a new tenant.

Costs for central administration amounted to MSEK 43 (35). Participations in joint ventures contributed a share in profit of MSEK 4 (53). Financial income and expenses amounted to MSEK -337 (-190).

Profit from property management declined 16 percent to MSEK 325 (386) or SEK 1.61 per share (1.96).

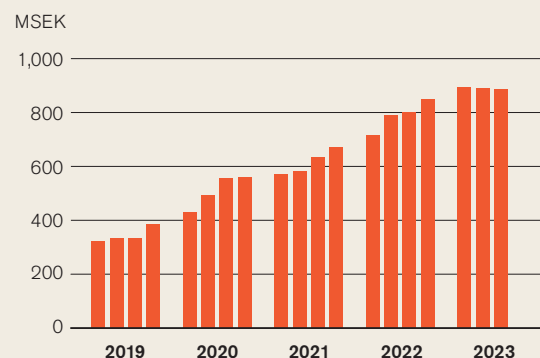
The effect of revaluation of properties amounted to MSEK -33 (-161), of which realized changes in value totaled MSEK 1 (90).

Revaluations of financial instruments impacted profit by MSEK -63 (162).

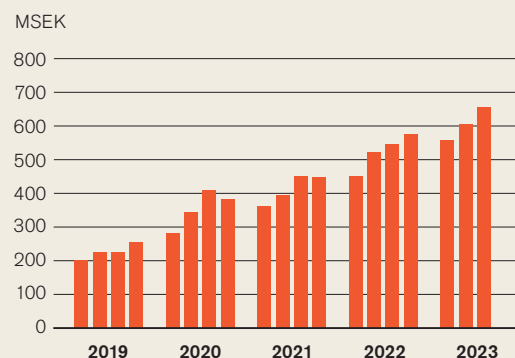
Tax expense amounted to MSEK -41 (-103). The effective tax rate was 22.7 percent (27.6).

Profit for the quarter amounted to MSEK 140 (271). Earnings per share, less interest on hybrid bonds, amounted to SEK 0.70 per share (1.34) after dilution.

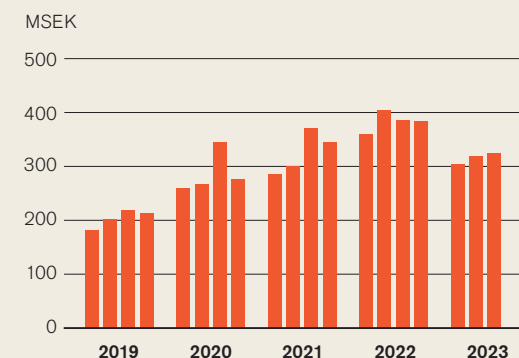
INCOME PER QUARTER



NET OPERATING INCOME PER QUARTER



PROFIT FROM PROPERTY MANAGEMENT PER QUARTER



CASH FLOW

Cash flow for the period

During the period, cash flow from operating activities amounted to MSEK 1,260 (1,398), of which MSEK 180 (225) was dividends received from participations joint ventures.

Cash flow was charged with investing activities of MSEK -1,092 (-3,037). Taking possession of and vacating properties, both directly and indirectly via companies, impacted cash by a net MSEK -451 (-2,537). Investments in existing properties amounted to MSEK -586 (-372). Investments in participations in joint ventures amounted to MSEK -54 (-106).

Cash flow from financing activities amounted to MSEK -82 (1,843) and was attributable to a net increase in interest-bearing liabilities of MSEK 480 (2,354), after deducting borrowing costs, repurchases and new issue of warrants of MSEK -4 (4) and dividends to shareholders of MSEK -564 (-506).

Total cash flow for the period was MSEK 87 (204).

	Jan-Sep	
Total cash flow, MSEK	2023	2022
Cash flow from operating activities	1,260	1,398
– of which distributable cash flow	907	1,164
Cash flow from investing activities	-1,092	-3,037
Cash flow from financing activities	-81	1,843
Total cash flow	88	204

Distributable cash flow

The distributable cash flow corresponds to cash flow from operating activities before changes in working capital and is based on profit before tax adjusted for non-cash items, such as revaluation effects and share in profit of joint ventures.

Dividends received from participations in joint ventures, interest paid on hybrid bonds and tax paid are included in the distributable cash flow.

Growth in cash flow per share

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

Distributable cash flow for the period amounted to SEK 4.75 per share (6.09).

Average growth per year for the 2019–2022 period was 20 percent.

DISTRIBUTABLE CASH FLOW

MSEK	Jan-Sep		Jul-Sep	
	2023	2022	2023	2022
Profit before tax	89	1,577	182	374
Adjustments for non-cash items	728	-559	104	-32
Dividends received from participations in joint ventures	180	225	-	-
Income tax paid	-44	-54	-	-
Interest paid on hybrid bonds	-45	-25	-13	-16
Distributable cash flow	907	1,164	273	326
– per share, SEK	4.75	6.09	1.43	1.71

TREND IN DISTRIBUTABLE CASH FLOW

	Jan-Sep	2022	2021	2020	2019
	2023				
Distributable cash flow from the wholly owned property portfolio, MSEK	727	1,261	1,104	954	593
Dividends received from participations joint ventures, MSEK	180	335	332	300	200
Distributable cash flow, MSEK	907	1,596	1,436	1,254	793
– per share, SEK	4.75	8.35	7.64	6.91	4.73
Dividend paid per share during the period, SEK	2.95	3.60	3.24	-	-
Share of distributable cash flow paid during the period, %	62	43	43	-	-

EARNINGS CAPACITY

MSEK	Oct 1, 2023	Jul 1, 2023
Rental value	3,881	3,881
Vacancy amount	-341	-341
Rental income	3,540	3,541
Property expenses	-1,007	-1,002
Property administration	-133	-132
Net operating income	2,401	2,407
Central administration	-183	-161
Share in profit from property management of joint ventures	211	221
Financial expenses	-1,324	-1,193
Profit from property management	1,106	1,274
Interest on hybrid bonds	-67	-63
Earnings capacity	1,039	1,212
Earnings capacity per share, SEK	5.44	6.34

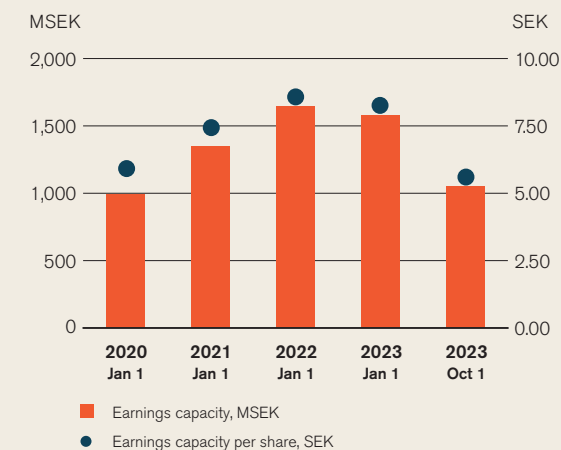
Earnings capacity is presented on a 12-month basis and is to be considered solely as a hypothetical instantaneous impression on a given date. It is presented only for illustrative purposes. The aim is to present annualized income and expenses based on the property portfolio, borrowing costs, capital 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. The earnings capacity must be considered together with other information in the interim report.

Basis for earnings capacity

- Properties owned on the balance-sheet date are taken into account, agreed possessions and vacancies thereafter are not taken into account; and
- rental value is based on annual contractual rental income from current lease on October 1;

- the vacancy amount also includes allocated rent discounts under current leases;
- costs for operations (excluding rates-based costs), maintenance, property tax and property administration are based on the outcome for the most recent 12 months, adjusted for the holding period;
- rates-based costs such as electricity, water and heating are based on the average outcome for the most recent 24 months, adjusted for the holding period;
- costs for central administration are based on the outcome for the most recent 12 months;
- other operating income and expenses have been excluded from the earnings capacity as of this report;
- share in profit from property management of joint ventures is calculated according to the same methodology as for Nyfosa.
- the assessment of earnings capacity does not include any financial income;
- financial expenses have been calculated on the basis of the company's average interest rate of 5.1 percent on the balance-sheet date, plus allocated opening charges. The item also includes ground rent of MSEK 18;
- interest on hybrid bonds has been calculated on the basis of the company's interest rate of 8.8 percent on the balance-sheet date;
- the exchange rates on the balance-sheet date of EUR/SEK 11.49 and NOK/SEK 1.02 were used to translate foreign operations. The exchange rates of EUR/SEK 11.79 and NOK/SEK 1.01 were used for the earnings capacity on July 1, 2023.

EARNINGS CAPACITY



KEY FIGURES EARNINGS CAPACITY

	Sep 30, 2023	Jun 30, 2023
Property value on balance-sheet date, MSEK	41,006	41,043
Leasable area, 000s sqm	3,024	3,020
No. of properties on balance-sheet date	513	512
	Oct 1, 2023	Jul 1, 2023
Rental value, MSEK	3,881	3,881
Economic occupancy rate, %	91.6	91.7
Remaining lease term, years	3.5	3.6
Surplus ratio, %	67.8	68.0
Yield, %	5.9	5.9
Yield, excl. property admin, %	6.2	6.2

FINANCING

Sources of financing

Nyfosa finances its assets through equity, bank loans with Nordic banks and loan funds, and to a lesser extent using hybrid bonds and bonds issued in the Swedish capital market.

Equity

Equity attributable to the Parent Company's shareholders amounted to MSEK 17,724 (19,238) on the balance-sheet date, of which hybrid bonds were MSEK 763 (800). Hybrid bonds are presented in detail in Note 8 on page 27.

Interest-bearing liabilities

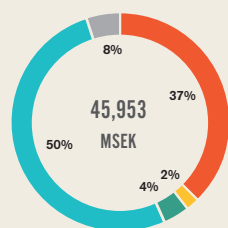
Interest-bearing liabilities excluding lease liabilities and allocated arrangement fees amounted to MSEK 24,828 (23,800), of which liabilities pledged as collateral to banks and loan funds represented 93 percent (93). Senior unsecured bonds amounted to MSEK 1,625 (1,600) corresponding to 7 percent (7) of total interest-bearing liabilities.

The bonds were 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, with the opinion Medium Green.

The net loan-to-value ratio in relation to the properties' carrying amounts was 58.4 percent (55.2).

SOURCES OF FINANCING



- Equity excl. hybrid bonds
- Hybrid bonds
- Green bonds
- Bank loans
- Other liabilities in the balance-sheet

KEY FIGURES FOR INTEREST-BEARING LIABILITIES

	Sep 30		Dec 31
	2023	2022	2022
Pledged liabilities, MSEK	23,203	22,436	22,433
- of which liabilities in EUR, MSEK	4,855	4,477	4,659
Bonds, MSEK	1,625	1,600	1,600
Loan-to-value ratio, %	60.3	57.0	59.4
Net loan-to-value ratio, %	58.4	55.2	57.7
Average interest ¹ , %	5.1	2.8	3.5
Average fixed-rate period, years	0.9	0.3	1.0
Average loan maturity, years	2.8	2.6	3.2
Interest-rate hedged portion of liabilities, %	53	42	42
Average interest-rate cap, %	1.6	1.6	1.6
Average interest swap, %	2.7	1.6	1.6
Fair value, derivatives with positive values, MSEK	362	364	372
Fair value, derivatives with negative values, MSEK	-8	-	-

1) Interest expense excluding opening charges and ground rent.

CHANGES IN INTEREST-BEARING LIABILITIES

MSEK	Jan-Sep		Full-year
	2023	2022	2022
Interest-bearing liabilities at the beginning of the period	24,033	21,045	21,045
Bank loans raised	6,068	9,349	9,751
Repayment of bank loans	-5,567	-6,648	-6,770
Bonds issued	850	600	600
Bonds repurchased	-825	-873	-873
Changes in borrowing fees	17	-21	-13
Translation effect, currency	152	223	292
Interest-bearing liabilities at the end of the period	24,728	23,676	24,033

Credit facilities

To support liquidity, the company has four prearranged lines of credit with banks, which have not always been fully utilized. The scope in these revolving credit facilities can amount to a maximum of MSEK 2,492 (3,319). This means that, against collateral in existing properties, Nyfosa can rapidly increase its borrowing at fixed terms to, for example, finance 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. The granted amount on the balance-sheet date amounted to MSEK 1,402 (1,155), of which MSEK 1,223 (659) had been utilized and MSEK 179 (496) was unutilized. To utilize the remaining MSEK 1,090 (2,163) under the framework, acquired properties are to be pledged as collateral.

In addition to revolving credit facilities, the company has unutilized overdraft facilities totaling MSEK 200 (200) from two banks

Changes in interest-bearing liabilities

New bank loans of a MSEK 6,068 were raised during the period in connection with the financial closing of property acquisitions and refinancing of existing debt. Ongoing amortization and repayments of loans in connection with financial closing took place in the amount of MSEK 5,567. The company does not have any outstanding refinancing requirements in 2023.

Bonds of MSEK 825 were repurchased on the basis of a new issue of green bonds of MSEK 850. The terms for the green senior unsecured bonds issued are a three-year maturity with a of STIBOR 3M+550 basis points.

On the balance-sheet date, the company had bonds totaling MSEK 1,625, of which MSEK 275 matures in April 2024, MSEK 500 in January 2025 and MSEK 850 in April 2026.

REVOLVING CREDIT FACILITIES

MSEK	Sep 30		Dec 31
	2023	2022	2022
Framework	2,492	3,319	3,335
Amount granted	1,402	1,155	1,313
– of which amount utilized	1,223	496	1,048
– of which amount unutilized	179	2,163	265

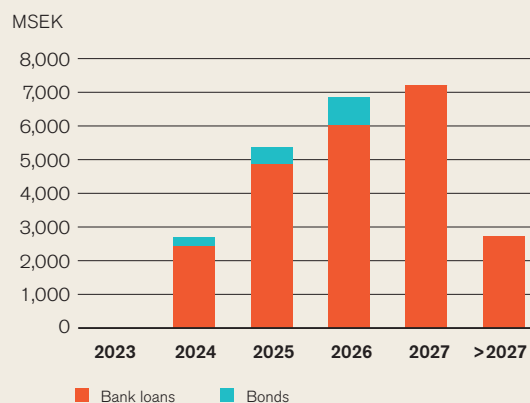
LOAN MATURITY AND FIXED-RATE PERIOD¹

Year	Loan maturity					Fixed-rate period					
	Bank loans, MSEK	Bonds, MSEK	Total interest-bearing liabilities, MSEK	Share, %	Unutilized credit facilities MSEK	Total available credit facilities MSEK	Interest-rate swaps, MSEK	Interest-rate cap, MSEK	STIBOR 3M/ EURIBOR 6M	Fixed-rate period, MSEK	Share, %
2023	–	–	–	–	100	100	–	638	11,593	12,231	49
2024	2,417	275	2,692	11	149	2,842	500	4,008	–	4,508	18
2025	4,868	500	5,368	22	130	5,497	–	2,342	–	2,342	9
2026	6,001	850	6,851	28	–	6,851	2,020	1,121	–	3,142	13
2027	7,200	–	7,200	29	–	7,200	2,606	–	–	2,606	10
>2027	2,717	–	2,717	11	–	2,717	–	–	–	–	–
Total	23,203	1,625	24,828	100	379	25,207	5,126	8,109	11,593	24,828	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.

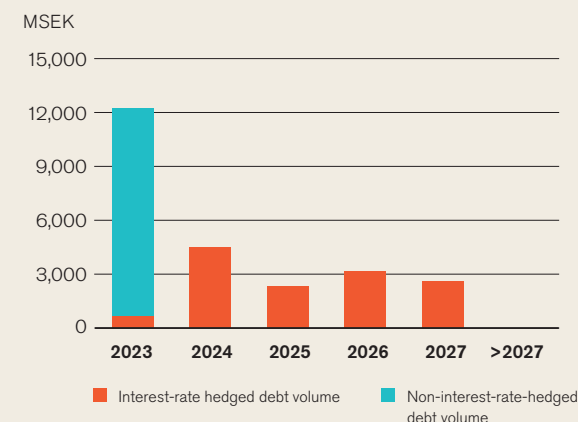
LOAN MATURITY

September 30, 2023



FIXED-RATE PERIOD

September 30, 2023



Fixed-rate periods and exposure to interest-rate changes

Exposure to increases in interest rates is managed by making use of derivative instruments, currently interest-rate caps and swaps. As per September 30, 2023, 53 percent (42) of the debt portfolio was hedged using these derivatives. 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. However, interest rates that do not reach the interest-rate cap will have full impact on earnings. The interest-rate caps amounted to a nominal MSEK 8,109 (8,991) and the strike levels to 1.5–2.0 percent (1.5–2.0), and an average of 1.6 percent (1.6). The remaining term of signed derivative agreements was 2.1 years (2.4) on the balance-sheet date.

Interest-rate swaps amounted to a nominal MSEK 5,126 (1,099), of which MSEK 3,152 had entered into force on the balance-sheet day. For the active interest-rate swaps Nyfosa paid a fixed annual rate of 2.7 percent (1.6).

The sensitivity analysis shows that the estimated impact on earnings if STIBOR 3M and EURIBOR 6M increase by 1.0 percentage point is an increase of MSEK 126 (184) in interest expenses, given existing derivative agreements. A rise in market rates of 2.0 percentage points would charge earnings with MSEK 250 (336), given existing derivative agreements. In both examples, the interest-rate cap means that the higher rate does not have a full impact on the statement of profit/loss.

Financial risk limits

Financing and interest-rate risk are managed by applying a number of restrictions and frameworks in the company's recently revised finance policy which aims to limit the company's financial risk. A process was initiated during the quarter to create a more even maturity structure for both loans and fixed-rate periods. The new structure means that the share of interest-bearing liabilities at floating rates is to be less than 25 percent and the remainder is to be interest-rate hedged

using derivatives evenly distributed over 4–5 years so as to thereby reduce interest-rate exposure in the event of sharp interest-rate fluctuations. The process involves gradually procuring additional derivatives. The risk limits are the company's own and are not covenants in the Group's financing agreements. The company is keeping within the communicated risk limits except for the share of interest-rate hedged liabilities that are to be gradually adjusted as described above.

SENSITIVITY ANALYSIS, INTEREST-RATE EXPOSURE

Earnings effect of change in average interest rate, MSEK ³	Change	Sep 30, 2023
Interest expenses assuming current fixed-interest periods and changed interest rates ¹	+/-2 % points	+250/-256
Interest expenses assuming current fixed-interest periods and changed interest rates ¹	+/-1 % point	+126/-126
Interest expenses assuming change in average interest rate ²	+/-1 % point	+248/-248
Revaluation of fixed-income derivatives attributable to shift in interest rate curves	+/-1 % point	+222/-222

1) Taking into account existing derivative agreements.

2) Average rate increases/decreases by 1 percentage point. Increase/decrease does not take into account eventual effects of the derivative portfolio.

3) Each variable in the table below 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.

FINANCE POLICY

	Risk limits	Sep 30, 2023
Financing risk		
Loan-to-value ratio, %	<65	60
Unsecured debt, %	<15	7
Net debt/EBITDA, multiple	<12.0	9.5
Interest-rate risk		
Interest-coverage ratio, multiple	>2.0	2.0
Interest-bearing liabilities at floating interest rate, %	<25	47

PROPERTY PORTFOLIO

Nyfosa has a diverse property portfolio due to the company's focus on cash flow rather than a specific property category, size or region. The company does not apply any restrictions to its investment strategy, but it does prioritize commercial properties in high-growth municipalities in Sweden and regional cities in Finland. It is here that the company can leverage favorable trends such as a growing population and developments in the local business community.

This geographic diversity in the portfolio provides a large contact network of potential tenants and property players. This breadth also spreads risks favorably, at the same time as properties outside the central areas of the major cities have relatively low rent levels and even demand. Nyfosa has high diversification even in terms of property categories with its property portfolio comprising offices, warehouses/logistics, industry and retail properties, focusing on the big-box and discount sectors.

At the end of the period, the property portfolio comprised 513 properties with a property value of MSEK 41,006, a rental value of MSEK 3,881 and a leasable area of 3,024 thousand sqm. In addition to the wholly owned property portfolio, Nyfosa owns 50 percent of the property companies Söderport in Sweden and Samfosa in Norway, for which Nyfosa's share of the property value amounts to SEK 8.0 billion. Söderport's and Samfosa's properties are not included in the tables and diagrams below but are presented separately on page 19.

Property categories

Offices

The office properties are situated in Swedish high-growth municipalities such as Karlstad, Luleå, Sundsvall, Västerås, Malmö and Växjö as well as Finnish regional cities such as Jyväskylä 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, Örebro 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, and also industrial areas close to city centers.

Retail

The retail properties are primarily situated in expansive and popular external commercial areas in attractive locations close to public communication. These commercial areas are primarily in Luleå, Borås, Västerås, Värnamo 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 occupancy rate. Nyfosa views select

retail properties to be a good complement to other property categories in the portfolio.

Industry

The industrial properties focusing on light industry are situated in high-growth regions in locations such as Växjö, Värnamo, Tampere, Kuopio 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 sizable portion of the properties are modern, flexible buildings. The tenants are typically active in such sectors as manufacturing and service.

Other

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

513
NO. OF
PROPERTIES

3,024 thousand sqm
LEASABLE
AREA

SEK **13,559**
PROPERTY VALUE PER
SQM

SEK **1,283**
RENTAL VALUE
PER SQM

91.6 %
ECONOMIC
OCCUPANCY RATE

PROPERTY CATEGORY AND REGION

Region/ property category	No. of	Area, 000s sqm	Value, MSEK	Invest- ments in existing properties, MSEK	Acqui- sitions/ divest- ments, MSEK	Rental value, MSEK	Rental value, SEK per sqm	Eco- nomic occu- pancy rate %	Lease term, years
Finland									
Offices	31	186	4,147	56	13	488	2,632	82.7	1.8
Logistics/Warehouse	2	15	129	-	-50	13	848	89.7	4.3
Retail	21	110	1,422	34	-	168	1,525	96.5	3.2
Industry	27	155	1,766	23	-46	187	1,207	97.8	5.7
Other	12	66	942	49	-	132	1,986	92.9	4.1
Total Finland	93	532	8,406	162	-83	988	1,857	89.4	3.2
Gothenburg									
Offices	1	8	70	1	-	9	1,099	79.7	2.0
Logistics/Warehouse	3	35	368	0	-	28	804	90.0	2.2
Retail	-	-	-	-	-	-	-	-	-
Industry	1	1	19	-	-	1	1,067	100.0	10.7
Other	-	-	-	-	-	-	-	-	-
Total Gothenburg	5	45	457	2	-	39	864	88.0	2.5
Malmö									
Offices	13	89	1,016	9	-	95	1,066	90.5	3.4
Logistics/Warehouse	24	103	963	10	203	89	858	89.7	3.1
Retail	4	15	407	-	-	31	2,078	98.7	8.9
Industry	5	15	119	-	-	13	835	95.5	2.4
Other	5	18	347	12	-	28	1,600	98.8	5.9
Total Malmö	51	240	2,851	32	203	255	1,064	92.4	4.3
Mälardalen									
Offices	23	185	3,061	31	-	271	1,468	90.4	3.0
Logistics/Warehouse	8	92	773	7	-	59	640	95.5	4.4
Retail	3	41	517	5	-271	51	1,243	94.7	4.4
Industry	7	18	266	-	-31	21	1,139	90.7	3.6
Other	12	100	1,372	11	-	125	1,254	96.1	3.8
Total Mälardalen	53	437	5,989	54	-302	528	1,209	92.7	3.5
Coast of Norrland									
Offices	30	227	3,864	155	-	317	1,395	89.1	3.6
Logistics/Warehouse	16	29	213	2	-	23	797	95.1	2.8
Retail	10	67	661	4	-57	65	969	98.6	5.3
Industry	11	64	359	8	-89	51	791	96.7	2.9
Other	3	20	185	-	-	18	935	99.2	2.1
Total Coast of Norrland	70	408	5,282	170	-146	475	1,165	91.9	3.7

Region/ property category	No. of	Area, 000s sqm	Value, MSEK	Invest- ments in existing properties, MSEK	Acqui- sitions/ divest- ments, MSEK	Rental value, MSEK	Rental value, SEK per sqm	Eco- nomic occu- pancy rate %	Lease term, years
Småland									
Offices	25	104	1,419	15	-164	139	1,331	94.7	4.6
Logistics/Warehouse	19	136	1,170	5	90	104	764	93.2	4.3
Retail	10	41	319	4	-31	36	887	91.3	3.0
Industry	12	74	483	8	-	53	714	97.0	2.6
Other	4	8	152	1	-	17	2,176	93.6	5.4
Total Småland	70	363	3,542	32	-105	349	961	94.2	4.1
Stockholm									
Offices	12	89	2,281	24	-	175	1,965	88.8	3.0
Logistics/Warehouse	15	84	1,203	2	15	96	1,149	85.8	3.9
Retail	5	24	414	2	-	38	1,565	87.0	3.2
Industry	3	3	52	-	107	4	1,484	100.0	2.9
Other	6	33	1,083	4	-	70	2,158	96.2	5.9
Total Stockholm	41	233	5,033	31	122	384	1,651	89.4	3.8
Värmland									
Offices	25	127	2,359	31	-	210	1,657	96.5	2.5
Logistics/Warehouse	10	49	410	3	-	40	827	97.8	3.1
Retail	8	27	422	4	-111	37	1,380	95.7	3.2
Industry	-	-	-	-	-	-	-	-	-
Other	5	26	435	-	-	37	1,424	90.0	4.1
Total Värmland	48	228	3,626	38	-111	324	1,421	95.8	2.8
Other									
Offices	22	127	2,085	26	-	185	1,449	94.6	2.7
Logistics/Warehouse	19	239	1,614	19	119	163	684	84.3	3.0
Retail	20	93	1,319	4	-156	112	1,204	95.9	5.9
Industry	12	46	308	6	-	33	713	97.0	3.1
Other	9	34	493	10	-	46	1,375	94.0	3.6
Total Other	82	539	5,819	65	-38	539	1,001	91.8	3.6
Nyfosa									
Offices	182	1,143	20,302	348	-150	1,889	1,654	89.4	2.9
Logistics/Warehouse	116	782	6,842	49	376	616	787	89.5	3.5
Retail	81	419	5,480	56	-626	539	1,287	95.5	4.4
Industry	78	377	3,373	45	-60	362	962	97.0	4.4
Other	56	304	5,009	88	0	474	1,562	94.8	4.3
Total Nyfosa	513	3,024	41,006	586	-461	3,881	1,283	91.6	3.5

Tenant structure

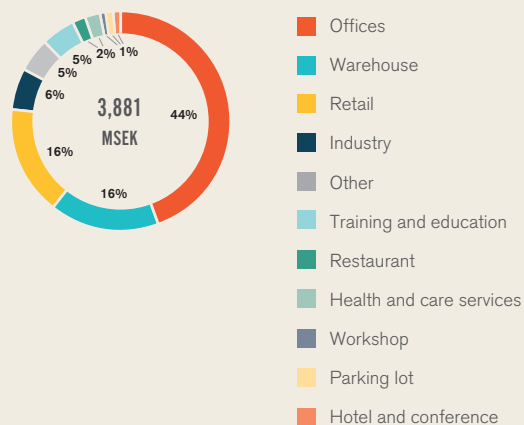
The rental value on October 1, 2023, amounted to MSEK 3,881, of which vacancy rent and discounts were MSEK 341. 91 percent of Nyfosa's rental income is subject to index supplements. Nyfosa had 6,522 leases, of which 2,247 were leases for garages and parking spaces. The average lease term was 3.5 years. The lease term in the Finnish property portfolio was 3.2 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.

Nyfosa has a highly diverse tenant structure featuring only a small number of dominant tenants. The ten largest tenants represent 11 percent of rental income and are distributed between 169 leases. Among the largest tenants are Delta Auto, the Swedish Transport Agency, Saab, Telia, City Gross, the Swedish Police, the Social Insurance Agency, the City of Helsinki and the Swedish Public Employment Service.

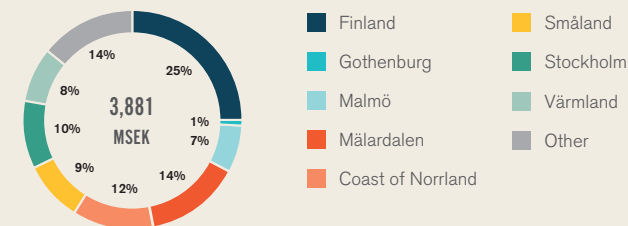
Of total rental income, tax-financed rent represented 25 percent.

15 green appendices were added during the period when major new leases were signed or leases were renegotiated, and Nyfosa had a total of 231 green appendices on October 1, 2023, corresponding to an annual rental value of MSEK 378. 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.

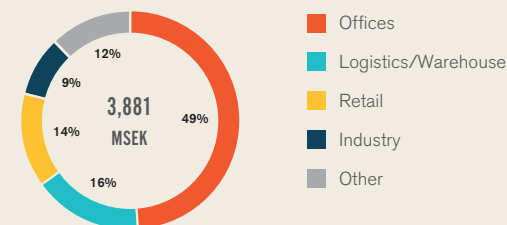
RENTAL VALUE BY TYPE OF PREMISES



RENTAL VALUE BY REGION



RENTAL VALUE BY PROPERTY CATEGORY



LEASE MATURITY STRUCTURE

Oct 1, 2023

Year of expiry	No. of	Area, thousand sqm	Rental income, MSEK	Share, %
2023	334	113	138	4
2024	1,747	477	720	20
2025	806	489	607	17
2026	675	542	639	18
2027	335	279	400	11
>2027	378	709	996	28
Subtotal	4,275	2,609	3,500	99
Parking spaces and garages	2,247	14	40	1
Total	6,522	2,623	3,540	100

NYFOSA'S LARGEST TENANTS

Oct 1, 2023

	Rental income, MSEK	Percentage of rental income, %	No. of leases	Average remaining term, years
Delta Auto Oy	52	1	12	9.8
Swedish Transport Agency	47	1	8	4.8
Saab AB	40	1	10	9.0
Telia Sverige AB	40	1	57	3.4
City Gross Sverige AB	39	1	4	7.4
Swedish Police	38	1	26	3.6
Social Insurance Agency	37	1	10	3.6
City of Helsinki	35	1	1	1.1
Swedish Public Employment Service	33	1	31	2.5
Fresk Försäljning AB	33	1	10	8.5
Other	3,147	90	6,353	3.3
Total	3,540	100	6,522	3.5

TREND IN PROPERTY PORTFOLIO JANUARY–SEPTEMBER 2023

Yield from property portfolio

The yield according to the earnings capacity on the balance-sheet date was 5.9 percent (5.2).

Acquired properties

Closing took place on properties for MSEK 1 006 during the period.

In January, closing took place on three office properties with an area of 7 thousand sqm in central Västervik.

At the end of March, closing took place on a portfolio of 13 properties including grocery and discount stores, warehouses and light industrial buildings. The acquisition price amounted to MSEK 706 and the annual rental value is MSEK 63. The properties, which have a leasable area of just over 50 thousand sqm, are fully let and the average remaining lease term is 4.4 years. The majority of the properties are situated where Nyfosa already has a local presence, in well-established locations such as Eskilstuna, Örebro, Linköping, Gävle, and Örnsköldsvik. The tenants include Dagab Logistik (Willys), Ahlberg Dollarstore, Rusta and ICA.

Closing also took place on a retail property in Borås during the period and an industrial property in Porvoo in Finland.

Vacated properties

In April, ten properties with warehouses and light industry were vacated in two different transactions. The properties are located in Österåker, Malmö, Helsingborg and Jönköping and have a leasable area of 55 thousand sqm. The selling price amounted to MSEK 543 and the annual rental value was MSEK 40. The occupancy rate amounted to 100 percent and the average remaining lease term was 4.2 years.

Investments in existing properties

Investments of MSEK 586 were made in the existing property portfolio. The majority of investments were for tenant-specific modifications.

The largest ongoing investments are presented in the table below. 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 2023. In Holmögadd 3 in Malmö, areas are being modified for Lantmännen, for which a new seven-year lease has been signed. A major conversion and

extension is being carried out at Plogen 4 in Luleå to make modifications for the existing tenant Bravida which has signed a new longer lease.

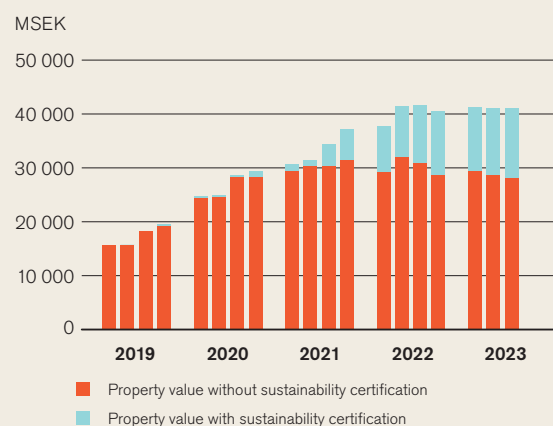
The major expansion and renovation project of a school at Vasarakatu 27 in Jyväskylä was completed. A 15-year lease has been signed with Spesia, which moved into the premises in the second quarter. The premises in Norr 12:5 in Gävle are being renovated and modified for the existing tenant the Social Insurance Agency.

Sustainability certification and streamlined consumption

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. Properties with sustainability certification had a value of SEK 12.8 billion on the balance-sheet date, corresponding to 31.2 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.

PROPERTY VALUE WITH SUSTAINABILITY CERTIFICATION



CHANGES IN VALUE

MSEK	Jan–Sep		Full-year
	2023	2022	2022
Property value at the beginning of the year	40,446	37,147	37,147
Acquired properties	1,006	4,201	4,394
Investments in existing properties	586	372	577
Divested properties	-545	-1,638	-1,735
Realized changes in value	75	233	225
Unrealized changes in value	-829	819	-664
Translation effect, currency	266	391	503
Property value at end of the period	41,006	41,525	40,446

LARGER ONGOING INVESTMENTS

Municipality	Property	Type of premises	Tenant	Area, 000s sqm	Total accrued, MSEK	Estimated investment, MSEK	Scheduled completion, year
Luleå	Mården 11	Offices	Luleå municipality	11	109	116	Q4 2023
Malmö	Holmögadd 3	Office/warehouse	Lantmännen	11	2	30	Q4 2023
Gävle	Norr 25:5	School	Realgymnasiet	3	25	25	Q4 2023
Luleå	Plogen 4	Offices	Bravida	2	5	22	Q1 2024

PROPERTY VALUATION

Appraisers raised the yield requirement of property valuations during the period. The negative valuation effect caused by the higher yield requirements was partly offset by the higher expected future net operating income and rent indexation.

The appraised weighted yield requirement on September 30, 2023 was 6.65 percent (6.08). The weighted cost of capital for the present value calculation of cash flows and residual values was a nominal 8.75 percent (8.20) and 8.91 percent (8.42), respectively.

Changes in values of properties amounted to MSEK -754 (1,052).

Valuation techniques

The value of the properties has been assessed based on a cash-flow estimate that analyzes simulated future income and expenses and the market's expectations of the subject property. 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 occupancy 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.

An uncertainty interval of +/- 5–10 percent is usually applied to property valuations to reflect the uncertainty of assumptions and assessments made.

All properties are valued by authorized property valuers from independent appraising companies at every quarterly closing, except for the properties that were closed on or divested in the past quarter. These properties are recognized at cost and the agreed selling price, respectively.

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.

For additional information on valuation techniques and the assumptions and assessments used in the valuation of Nyfosa's investment properties, refer to Note 10 of Nyfosa AB's 2022 Annual Report on www.nyfosa.se.

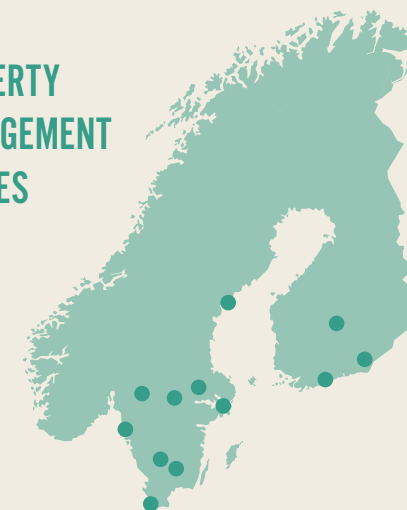
SENSITIVITY ANALYSIS – CHANGE IN VALUE FOR CHANGES IN PARAMETERS IN THE PROPERTY VALUATION

Sep 30, 2023

MSEK	% points	Earnings effect
Change in net operating income ¹	+/-5.00	+/-1,534
Change in yield requirement	+/-0.25	-/+1,599
Change in discount rate	+/-0.25	-/+1,204

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

PROPERTY MANAGEMENT OFFICES



BROAD REGIONAL PRESENCE

Nyfosa has a broad geographic presence throughout Sweden and in major cities in Finland. Regional property management offices—currently nine offices—can be found in key locations in Sweden with large property portfolios. In Finland, the company's partner Brunswick Real Estate leads operational activities together with Nyfosa's own staff.

The company's in-house personnel conduct key roles in the property management operations such as tenant relationships, technical management and leasing. This is supplemented with the purchase of external services, mainly in property operations, maintenance and upkeep. With experienced employees in both the in-house management team and external partners, combined with structured work methods, the company's capable of effectively handling a property portfolio that spans over many locations.

JOINT VENTURE

In addition to the wholly owned portfolio, Nyfosa owns 50 percent of the shares in Söderport Property Investment AB and Samfosa AS. The holdings are classified as participations in joint ventures and Nyfosa's share in the companies' earnings are recognized in profit after financial income and expenses. These participations accounted for SEK 19.02 per share (18.98) of Nyfosa's NAV on the balance-sheet date.

Söderport is managed by AB Sagax, except for property management which is managed by Nyfosa. Samfosa is managed by its own organization and some personnel from the part-owner Samfunnsbyggeren AS. Property management fees between the companies are based on market terms. Nyfosa's fee amounts to MSEK 1 per year.

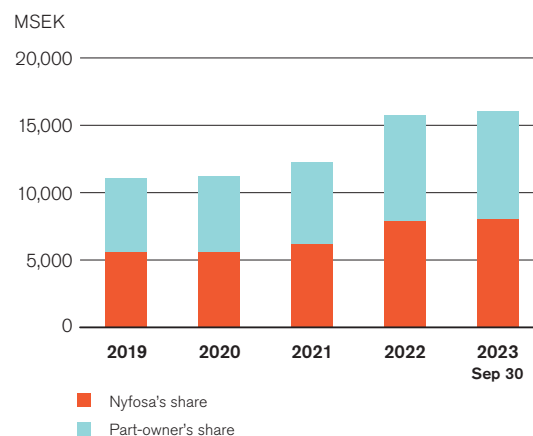
Söderport

Söderport Property Investment AB is a Swedish property company jointly owned with AB Sagax.

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. The largest tenant is Volvo Personvagnar. 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.

The participations in Söderport were valued at MSEK 2,820 (2,817) on the balance-sheet date.

PROPERTY VALUE IN JOINT VENTURE



Samfosa

Samfosa AS is a Norwegian property company that is jointly owned with Samfunnsbyggeren AS. Samfosa has its own management organization in Norway.

Samfosa's property portfolio is highly diverse with tenants conducting a wide variety of operations and a large number of leases. The largest tenant is Sats Vest. The property portfolio has its main focus in the Grenland region, southwest of Oslo.

The participations in Samfosa were valued at MSEK 130 (137) on the balance-sheet date. The difference to Nyfosa's share in equity refers to an adjustment of the previous year's profit of MSEK 4. In addition, Nyfosa had receivables from Samfosa of MSEK 83 (29). The terms of the loan are market-based and stipulated in a promissory note between the parties. Nyfosa also has a surety for liability of MNOK 312 (312) pertaining to a bank loan raised by Samfosa.

KEY FIGURES JOINT VENTURES

Jan-Sep, MSEK	Söderport		Samfosa	
	2023	2022	2023	2022
Rental income	766	673	80	79
Profit from property management	342	381	1	16
Changes in value	-38	1,114	-13	148
Profit for the period	232	1,188	-17	129
<i>of which, Nyfosa's share</i>	116	552	-9	64
Sep 30, MSEK				
Investment properties	14,398	14,197	1,648	1,540
Derivatives, net	140	153	-	-
Cash and cash equivalents	291	317	37	35
Equity attributable to Parent Company shareholders	5,640	5,633	251	274
<i>of which, Nyfosa's share</i>	2,820	2,817	126	137
Interest-bearing liabilities	7,377	6,965	1,301	1,214
Deferred tax liabilities, net	1,471	1,462	35	32
Rental value	1,087	980	119	107
Economic occupancy rate, %	97	97	94	94
Average remaining lease term, years	4.1	4.2	4.6	5.0
Leasable area, 000s sqm	773	769	104	97

PARTICIPATIONS IN JOINT VENTURES

Sep 30, MSEK	Söderport		Samfosa	
	2023	2022	2023	2022
Carrying amount at the beginning of the period	2,881	2,490	137	0
Dividends received	-180	-225	-	-
Share in profit of joint ventures	120	552	-6	63
Adjustment of last year's share in profit	-	-	4	-
Acquisitions/impairment for the year	-	-	-	77
Translation effect, currency	-	-	-5	-3
Carrying amount at end of the period	2,820	2,817	130	137

KEY FIGURES

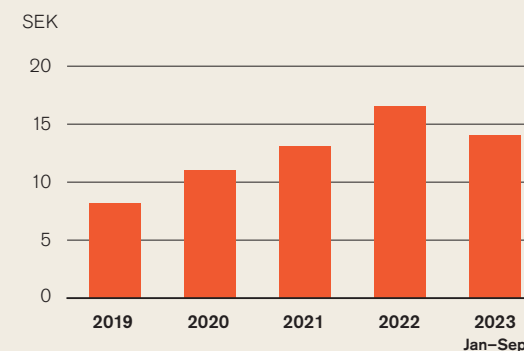
	Jan-Sep 2023	Jan-Sep 2022	Rolling 12 months	2022	2021	2020	2019
Property-related key figures							
Income, MSEK	2,672	2,304	3,520	3,151	2,459	2,035	1,370
Economic occupancy rate at the end of the period, %	91.6	93.1	91.6	93.1	94.6	93.1	90.9
Property expenses, MSEK	-760	-690	-1,000	-930	-717	-557	-415
Property administration, MSEK	-99	-97	-131	-129	-91	-63	-50
Net operating income, MSEK	1,812	1,516	2,388	2,092	1,651	1,415	905
Surplus ratio, %	67.8	65.9	67.8	66.4	67.1	69.5	66.0
Profit from property management, MSEK	946	1,149	1,330	1,533	1,302	1,147	814
Property value on balance-sheet date, MSEK	41,006	41,525	41,006	40,446	37,147	29,411	19,602
Yield requirement at the end of the period, %	5.9	5.2	5.9	6.0	5.4	5.4	5.5

	Jan-Sep 2023	Jan-Sep 2022	Rolling 12 months	2022	2021	2020	2019
Key figures per share							
Income, SEK	13.99	12.06	18.42	16.49	12.87	11.03	8.17
Net operating income, SEK	9.49	7.94	12.50	10.95	8.64	7.67	5.40
Profit from property management, SEK	4.71	5.85	6.66	7.80	6.90	6.32	4.85
Earnings before dilution, SEK	0.01	13.30	-4.66	8.62	16.52	12.25	8.24
Earnings after dilution, SEK	0.01	13.27	-4.67	8.61	16.49	12.25	8.24
Distributable cash flow, SEK	4.75	6.09	7.01	8.35	7.64	6.91	4.73
Dividends paid, SEK	2.95	2.65	3.90	3.60	3.24	-	-
NAV on balance-sheet date, SEK	97.38	106.26	97.38	100.78	95.93	79.91	65.37
Adjusted NAV on balancesheet date, SEK	90.39	98.33	94.09	93.63	89.76	75.33	60.11
Equity on balance-sheet date, SEK	88.79	96.52	88.79	92.22	86.04	72.27	58.32

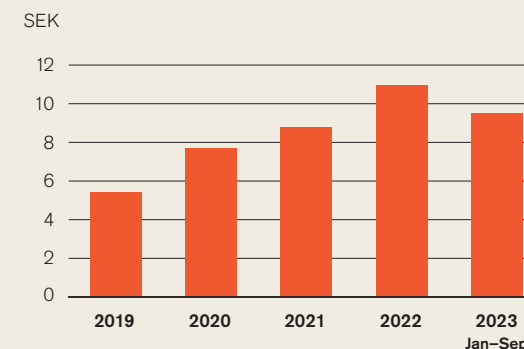
	Jan-Sep 2023	Jan-Sep 2022	Rolling 12 months	2022	2021	2020	2019
Key financial data							
Return on equity, %	-5.1	21.7	-5.1	9.7	21.3	19.3	15.2
Loan-to-value ratio, properties, %	60.3	57.0	60.3	59.4	56.7	58.0	57.6
Net loan-to-value ratio, properties, %	58.4	55.2	58.4	57.7	55.2	56.9	54.6
Net debt/EBITDA, multiple	9.5	10.5	9.5	10.2	11.0	10.7	10.5
Interest-coverage ratio, multiple	2.0	3.6	2.2	3.4	4.2	4.5	5.2
Equity/assets ratio, %	38.6	41.5	38.7	40.6	42.5	41.8	44.1

Presented above 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 reconciliations and definitions of key figures at the end of this interim report.

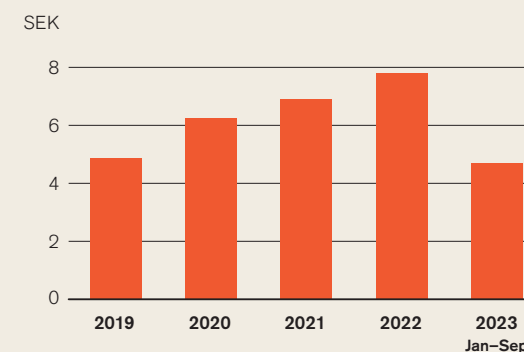
INCOME PER SHARE



NET OPERATING INCOME PER SHARE



PROFIT FROM PROPERTY MANAGEMENT PER SHARE



FINANCIAL PERFORMANCE

CONDENSED STATEMENT OF PROFIT/LOSS

MSEK	Jan-Sep		Jul-Sep		Rolling	Full-year
	2023	2022	2023	2022	12 months	2022
Rental income	2,429	2,121	812	737	3,161	2,853
Service income	242	182	73	61	358	297
Income	2,672	2,304	886	799	3,520	3,151
Property expenses						
Operating expenses	-525	-474	-130	-148	-686	-635
Maintenance costs	-111	-102	-31	-26	-151	-143
Property tax	-125	-114	-43	-46	-164	-153
Property administration	-99	-97	-31	-35	-131	-129
Net operating income	1,812	1,517	651	544	2,388	2,092
Central administration	-136	-114	-43	-35	-183	-161
Other operating income and expenses	8	7	2	2	15	14
Share in profit of joint ventures	113	615	4	53	170	672
- Of which, profit from property management	171	187	51	66	237	252
- Of which, changes in value	-30	589	-64	1	-77	542
- Of which, tax	-31	-160	17	-13	-32	-161
- Of which, other	3	-	-	-	42	38
Financial income and expenses	-909	-448	-337	-190	-1,126	-664
Profit after financial income and expenses	888	1,577	278	374	1,263	1,953
- Of which, profit from property management	946	1,149	325	386	1,330	1,533
Changes in value of properties	-754	1,052	-33	-161	-2,245	-439
Changes in value of financial instruments	-46	339	-63	162	-39	345
Profit before tax	89	2,969	182	374	-1,021	1,859
Current tax	-65	-96	-41	-61	-65	-96
Deferred tax	26	-297	0	-42	253	-70
Profit for the period	49	2,576	140	271	-833	1,694
<i>Profit/loss for the period attributable to:</i>						
Parent Company shareholders	49	2,570	149	268	-832	1,689
Non-controlling interests	-	5	-9	3	-1	5
Interest on hybrid bonds, SEK per share	-0.24	-0.16	-0.09	-0.06	-0.31	-0.23
Earnings per share before dilution, SEK	0.01	13.30	0.70	1.34	-4.66	8.62
Earnings per share after dilution, SEK	0.01	13.27	0.70	1.34	-4.66	8.61

CONDENSED STATEMENT OF PROFIT/LOSS AND OTHER COMPREHENSIVE INCOME

MSEK	Jan-Sep		Jul-Sep		Rolling	Full-year
	2023	2022	2023	2022	12 months	2022
Profit for the period	49	2,576	140	271	-833	1,694
Translation of foreign operations	114	212	-99	94	171	269
Comprehensive income for the period	163	2,788	41	365	-662	1,962
<i>Comprehensive income attributable to:</i>						
Parent Company shareholders	162	2,771	52	357	-665	1,955
Non-controlling interests	1	17	-10	8	3	7
Comprehensive income for the period	163	2,788	41	365	-662	1,962

CONDENSED STATEMENT OF FINANCIAL POSITION

MSEK	Sep 30		Dec 31
	2023	2022	2022
ASSETS			
Investment properties	41,006	41,525	40,446
Assets with right-of-use	534	489	501
Participations in joint ventures	2,947	2,955	3,018
Derivatives	300	364	372
Other assets	93	63	47
Total non-current assets	44,880	45,396	44,385
Derivatives	53	–	–
Current receivables	233	176	259
Cash and cash equivalents	786	751	691
Total current assets	1,073	927	950
TOTAL ASSETS	45,953	46,323	45,335
EQUITY AND LIABILITIES			
Equity attributable to Parent Company shareholders ¹	17,724	19,238	18,378
Non-controlling interests	39	49	39
Total equity	17,764	19,288	18,416
Non-current interest-bearing liabilities	23,977	23,410	22,957
Liabilities attributable to right-of-use assets	517	473	484
Other non-current liabilities	64	71	62
Deferred tax liabilities	1,309	1,555	1,333
Total non-current liabilities	25,867	25,509	24,837
Current interest-bearing liabilities	751	266	1,076
Other current liabilities	1,571	1,260	1,006
Total current liabilities	2,322	1,526	2,082
Total liabilities	28,189	27,035	26,919
TOTAL EQUITY AND LIABILITIES	45,953	46,323	45,335

1) Of which hybrid bonds of MSEK 763 (800).

CONDENSED STATEMENT OF CHANGES IN EQUITY

MSEK	Equity attributable to	Non-controlling	Total equity
	the Parent Compa- ny's shareholders	interests	
Opening equity, Jan 1, 2022	17,236	32	17,268
Issue/buyback of warrants	-11	–	-11
Dividends to shareholders	-726	–	-726
Interest on hybrid bonds	-31	–	-31
Change in non-controlling interests	–	1	1
Comprehensive income Jan-Sep 2022	2,771	17	2,788
Closing equity, Sep 30, 2022	19,238	49	19,288
Issue/buyback of warrants	–	–	–
Dividends to shareholders	–	–	–
Repurchased hybrid bonds	-34	–	-34
Interest and other expenses on hybrid bonds	-12	–	-12
Change in non-controlling interests	–	–	–
Comprehensive income, Oct–Dec 2022	-816	-10	-825
Closing equity, Dec 31, 2022	18,378	39	18,416
Opening equity, Jan 1, 2023	18,378	39	18,416
Issue/buyback of warrants	-4	–	-4
Dividends to shareholders	-764	–	-764
Interest and other expenses on hybrid bonds	-46	–	-46
Change in non-controlling interests	–	-1	-1
Comprehensive income Jan-Sep 2023	162	1	163
Closing equity, Sep 30, 2023	17,724	39	17,764

CONDENSED STATEMENT OF CASH FLOWS

MSEK	Jan-Sep		Jul-Sep		Rolling	Full-year
	2023	2022	2023	2022	12 months	2022
Operating activities						
Profit before tax	89	1,577	182	374	-1,021	1,859
Adjustments for non-cash items	728	-559	104	-32	2,171	-507
Dividends received from participations in joint ventures	180	225	-	-	290	335
Income tax paid	-44	-54	-	-	-44	-54
Interest paid on hybrid bonds	-45	-25	-13	-16	-57	-37
Distributable cash flow¹	907	1,164	273	326	1,339	1,596
– per share, SEK	4.75	6.09	1.43	1.71	7.01	8.35
Change in operating receivables	22	17	15	-3	-44	-49
Change in operating liabilities	331	217	-17	-9	211	97
Cash flow from operating activities	1,260	1,398	271	314	1,506	1,644
Investing activities						
Direct and indirect acquisitions of investment properties	-994	-4,172	-49	-425	-1,134	-4,313
Direct and indirect divestments of investment properties	543	1,635	-3	398	634	1,726
Investments in existing investment properties	-586	-372	-165	-145	-791	-577
Investments in joint venture	-	-77	-	-	-115	-192
Non-current receivables from joint venture	-54	-29	-14	-10	-55	-29
Other	-	-22	-	-	15	-7
Cash flow from investing activities	-1,092	-3,037	-232	-181	-1,447	-3,392

MSEK	Jan-Sep		Jul-Sep		Rolling	Full-year
	2023	2022	2023	2022	12 months	2022
Financing activities						
Issue of shares/warrants	2	4	-	-	2	4
Repurchase of shares/warrants	-7	-1	-	-	-21	-14
Repurchased hybrid bonds	-	-	-	-	-33	-34
Dividends to shareholders	-564	-506	-191	-181	-745	-688
Loans raised	6,871	9,874	3,351	308	7,268	10,271
Repayment of loans	-6,391	-7,520	-3,205	-280	-6,514	-7,643
New share issue to non-controlling interests	-1	1	-	-	1	1
Other	8	-9	0	0	-8	-8
Cash flow from financing activities	-81	1,843	-46	-153	-37	1,889
Cash flow for the period	88	204	-7	-20	23	140
Cash and cash equivalents at the beginning of the period	691	534	801	766	751	534
Exchange differences in cash and cash equivalents	9	12	-7	5	13	16
Cash and cash equivalents at the end of the period	786	751	786	751	786	691
Interest received	2	0	1	0	7	5
Interest paid	-792	-317	-325	-115	-940	-467

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

PARENT COMPANY STATEMENT OF PROFIT/LOSS

MSEK	Jan-Sep		Jul-Sep		Full-year
	2023	2022	2023	2022	2022
Net sales	100	89	30	27	125
Personnel costs	-76	-72	-22	-22	-93
Other external costs	-43	-40	-13	-10	-58
Depreciation/amortization	0	0	0	0	0
Loss before financial income and expenses	-18	-24	-5	-5	-26
Profit from participations in Group companies	-	-	-	-	1,215
Interest income and similar income items	227	106	83	43	166
Interest expenses and similar expense items	-109	-66	-42	-25	-107
Profit before appropriations	96	16	33	13	1,248
Appropriations					
Provision to tax allocation reserve	-	-	-	-	0
Group contributions paid/received	-	-	-	-	25
Profit before tax	96	17	33	13	1,273
Tax	-	-	-	-	1
Profit	96	17	33	13	1,273

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

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 41.0 billion. Furthermore, the company owns, via subsidiaries, 50 percent of the participations in Söderport and Samfosa, which indirectly own properties for SEK 16.0 billion.

PARENT COMPANY STATEMENT OF FINANCIAL POSITION

MSEK	Sep 30		Dec 31
	2023	2022	2022
ASSETS			
Participations in Group companies	0	0	0
Receivables from Group companies	4,875	5,277	5,277
Derivatives	6	-	-
Deferred tax assets	-	-	-
Total non-current assets	4,881	5,277	5,277
Current receivables from Group companies	19,111	14,318	16,014
Other current receivables	31	20	22
Cash and bank balances	315	284	258
Total current assets	19,457	14,622	16,294
TOTAL ASSETS	24,337	19,899	21,571
EQUITY AND LIABILITIES			
Restricted equity	96	96	96
Unrestricted equity ¹	11,110	10,617	11,828
Equity	11,206	10,713	11,924
Untaxed reserves	-	-	-
Bonds	1,341	1,589	1,591
Other non-current liabilities	3	7	7
Total non-current liabilities	1,344	1,596	1,598
Liabilities to Group companies	11,027	7,147	7,794
Bonds	275	-	-
Other current liabilities	486	443	255
Total current liabilities	11,788	7,590	8,049
Total liabilities	13,132	9,186	9,647
TOTAL EQUITY AND LIABILITIES	24,337	19,899	21,571

1) Of which hybrid bonds of MSEK 763 (800).

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 2022 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.

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.

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. "Rolling 12 months" mean the most recent 12-month period from the balance-sheet date.

NOTE 2

ESTIMATES AND ASSESSMENTS

For assessments and estimates related to the valuation of investment properties, refer to page 18. No other changes have been made since the 2022 Annual Report.

NOTE 3

RISKS AND UNCERTAINTIES

Changed market conditions

Nyfosa's financial target is to create annual growth in distributable cash flow per share of 10 percent over time. Growth is created in part through the transaction operations and property acquisitions, and in part by the property management operations through leasing and investments in the existing property portfolio. Changed conditions in the market, such as significantly more costly financing, tenant bankruptcies or more expensive modifications impact the company's ability to achieve its financial growth target.

Risk management

The flexible and opportunistic business model means that the operations can rapidly adapt to new conditions. Close relationships with banks that inspire confidence in the company, thus allowing for rapid changes to new conditions. The lease structure is diversified and is not exposed to a small number of types of operations or tenants. Investments in the existing property portfolio primarily refer to tenant-specific modifications as stipulated in signed leases.

Changes in value of properties

The value of the property portfolio is the largest asset item in the statement of financial position. Small changes in assumptions that affect the value of an individual property can have a major impact on the company's financial position.

The value is affected not only by supply and demand in the market, but by several other factors that are both property specific and market specific. Because the value is based on several components with an element of assumption regarding future rent levels and leasing potential, there is a degree of subjectivity in the value ascribed to the object.

Risk management

The chosen strategy entails owning a large number of properties that are geographically diverse, thereby resulting in a balanced risk profile.

The prioritized property category is commercial properties in high-growth municipalities where there is an increase in migration and well-functioning business.

To minimize the risk of errors in the value of the property portfolio, the company engages external appraisers to value all properties ahead of each quarterly closing. The valuation assignment is shared by at least two appraisers.

Interest-rate risk

Interest-rate risk means the risk that changes in interest rates result in such high interest expenses that the company breaches its financial risk limitation of the interest-coverage ratio being at least a multiple of 2.0.

Risk management

Exposure to increases in interest rates is managed by making use of derivative instruments, currently both interest-rate caps and swaps. Interest-rate caps and interest-rate swaps are entered into to adapt the company's fixed-rate periods to the decided finance policy and existing loan agreements.

In line with the company's recently revised finance policy a process was initiated during the quarter to create a more even maturity structure for loans and fixed-rate periods. The new structure means that the share of interest-bearing liabilities at floating rates is to be less than 25 percent and the remainder is to be interest-rate hedged using derivatives evenly distributed over 4–5 years so as to thereby reduce interest-rate exposure in the event of sharp interest-rate fluctuations. The process involves gradually procuring additional derivatives. The risk limits are the company's own and are not covenants in the Group's financing agreements. The company is keeping within the communicated risk limits except for the share of interest-rate hedged liabilities that are to be gradually adjusted as described above.

The remaining term of signed derivative agreements was 2.1 years (2.4) on the balance-sheet date. Interest-rate caps offer the holder security in the form of a maximum impact on interest expenses if STIBOR 3M and EURIBOR 6M rise. However, rising interest rates that do not reach the interest-rate cap will have full impact on earnings. The interest-rate cap is 1.5–2.0 percent (1.5–2.0), and an average of 1.6 percent (1.6). Interest-rate swaps were signed for a nominal MSEK 5,126 (1,099). Under the derivatives, Nyfosa pays a fixed annual rate of 2.7 percent (1.6).

NOTE 4

TAX

Nyfosa's effective tax rate for the interim period was 44.6 percent (13.2). The deviation from the nominal tax rate of 20.6 percent was mainly due to non-deductible interest, the fact that profit from participations in joint ventures comprised profit after tax, and thus did not constitute taxable income for Nyfosa, sales of properties in the form of subsidiary divestments and also that the utilization of loss carryforwards changes over time.

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 15,567 (14,877) in the Group that is not included.

Reconciliation of effective tax, MSEK	%	Jan-Sep 2023
Profit before tax		89
Tax according to applicable tax rate for Parent Company	-20.6	-18
Non-deductible costs and tax-exempt income	-71.9	-64
Profit from participations in joint ventures	26.3	23
Capitalization and utilization of loss carryforwards not capitalized in prior years	0.0	-
Non-taxable sales of properties	40.4	36
Other	-18.8	-17
Recognized effective tax	-44.6	-39

NOTE 5

EARNINGS PER SHARE

Nyfosa currently has three long-term incentive programs based on warrants for Nyfosa employees. A description of the warrants programs is provided in Note 6 on pages 82-84 of the 2022 Annual Report and in the report from the 2023 Annual General Meeting, see <https://nyfosa.se/en/report-from-nyfosa-abs-annual-general-meeting-on-april-25-2023/>. The number of warrants outstanding at the end of the period is presented in the table below.

During the period, the Board offered to repurchase all outstanding warrants in the 2019/2023 warrants program for market-based cash consideration of SEK 27.10 per option. All holders decided to accept the offer that encompassed 240,000 warrants and proceeds of MSEK 7. Repurchases in other warrants programs was demanded when the employment of one person was terminated, in accordance with the terms of the warrants. Furthermore, the Annual General Meeting's resolution to introduce a new long-term incentive program LTIP2023/2026 was carried out, meaning that 383,342 warrants were subscribed for.

The dilution from the existing warrants program amounted to 0 percent for the period.

Reconciliation of warrants, Sep 30, 2023	LTIP2021 (I)	LTIP2021 (II)	LTIP2022	LTIP2023	Total
Warrants outstanding at beginning of year	325,241	325,241	422,150	-	1,072,632
Warrants subscribed	-	-	-	383,342	383,342
Warrants repurchased	-7,000	-7,000	-29,000	-	-43,000
Warrants utilized	-	-	-	-	-
Warrants outstanding at end of the period	318,241	318,241	393,150	383,342	1,412,974

NOTE 6

EXPOSURE TO EXCHANGE RATE FLUCTUATIONS

Nyfosa has invested in properties in the Finnish market and in joint ventures with properties in the Norwegian market. Balance-sheet items in other currencies are translated to SEK and gave rise to a translation difference of MSEK 114 (212) on the balance-sheet date, which is recognized in Other comprehensive income.

Exposure to exchange rate fluctuations is managed by financing acquisitions of assets in foreign currency raising borrowings in the same currency. Net assets in foreign currency amounted to MEUR 325 and the share of equity in joint ventures including receivables from joint ventures to MNOK 201 on September 30, 2023. If the SEK rate were to strengthen against the two currencies by 10 percent compared with the rate on the balance-sheet date, it would have an effect of MSEK -399 on comprehensive income.

Sensitivity analysis currency exposure

September 30, 2023

Earnings effect of exchange rate fluctuations, MSEK	Change, %	Sep 30, 2023
EUR/SEK	+/-10	+/-386
NOK/SEK	+/-10	+/-13

NOTE 7

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 netting currently takes place.

The fair value of the Group's derivatives, which is reflected in the statement of financial position, is presented in the table on page 11. 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.

NOTE 8

EQUITY

On September 30, 2023, Nyfosa's share capital amounted to MSEK 96, distributed among 191,022,813 shares with a quotient value of SEK 0.50 per share. According to the Articles of Association, the share capital shall amount to not less than MSEK 80 and not more than MSEK 320, distributed among not fewer than 160,000,000 shares and not more than 640,000,000 shares. The share capital in Nyfosa AB changed according to the table.

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

Hybrid bonds

Nyfosa has outstanding hybrid bonds of MSEK 763. The hybrid bonds are perpetual and Nyfosa has the option to cancel or postpone 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 on the hybrid bonds are recognized directly in equity. The bonds have a floating interest rate of STIBOR 3M + 475 basis points per annum up to and including November 18, 2025.

NOTE 9

RELATED PARTIES

For information on transactions with related parties, refer to page 19. No other changes have been made since the 2022 Annual Report.

THE SHARE

The share

Nyfosa's share has been listed on Nasdaq Stockholm Large Cap since November 2018.

The volume weighted average price of the Nyfosa share on the last day of trading of the period, September 29, 2023, was SEK 58.82, which corresponded to a market capitalization of MSEK 11,236.

Shareholders

At the end of the period, Nyfosa had 17,337 shareholders, of which Swedish investors, institutions and private individuals owned 71.5 percent of the shares and voting rights, and the remaining shares and votes were owned by foreign shareholders.

The ten largest owners jointly controlled 63.0 percent of the share capital and voting rights. The table presents Nyfosa's largest shareholders on September 30, 2023, based on information from Modular Finance Monitor.

SPECIFICATION OF SHAREHOLDERS

Shareholders	Number of shares	Percentage share	
		Capital, %	Votes, %
AB Sagax	44,500,000	23.3	23.3
Swedbank Robur Funds	16,668,429	8.7	8.7
Länsförsäkringar Funds	14,686,194	7.7	7.7
Lannebo Fonder	11,165,485	5.8	5.8
SEB Funds	7,572,937	4.0	4.0
Vanguard	7,257,307	3.8	3.8
BlackRock	6,637,946	3.5	3.5
Norges Bank	4,681,440	2.5	2.5
Jens Engwall	4,260,359	2.2	2.2
Third Swedish National Pension Fund	2,891,634	1.5	1.5
Total ten largest owners	120,321,731	63.0	63.0
Other shareholders	72,006,413	37.7	37.7
Total	191,022,813	100.0	100.7

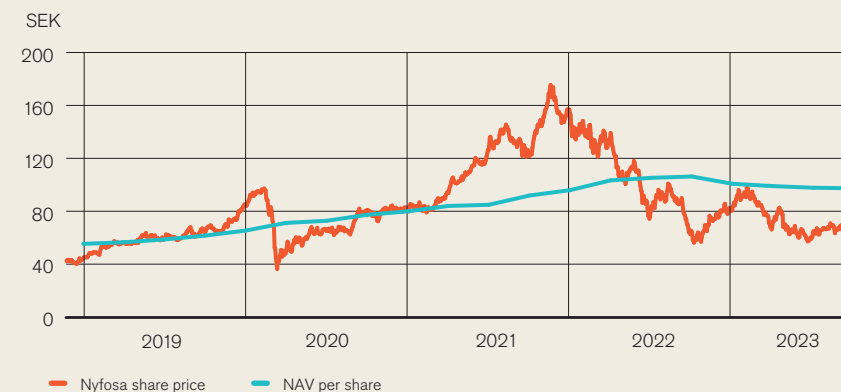
Source: Modular Finance Monitor

SHARE PERFORMANCE



Source: Nasdaq Stockholm

NAV PER SHARE



OTHER DISCLOSURES

Organization

Nyfosa's organization comprises 84 employees, 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 nine property management offices in Sweden and three property management offices in Finland.

2024 Annual General Meeting

Nyfosa's 2024 Annual General Meeting (AGM) will be held in Stockholm on April 23, 2024.

ASSURANCE FROM THE BOARD AND 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, October 26, 2023

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

David Mindus
Board member

Marie Bucht Toresäter
Board member

Per Lindblad
Board member

Claes Magnus Åkesson
Board member

FINANCIAL CALENDAR

Year-end report

January–December 2023

February 21, 2024

Interim report

January–March 2024

April 23, 2024

2024

Annual General Meeting

April 23, 2024

Interim report

January–June 2024

July 10, 2024

Interim report

January–September 2024

October 24, 2024

CONTACT INFORMATION

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The information is inside information that Nyfosa AB is obligated to disclose in accordance with the EU Market Abuse Regulation. The information was submitted for publication through the agency of the aforementioned contact persons on October 26, 2023 at 7:30 a.m. CEST.

REVIEW REPORT

To the Board of Directors of Nyfosa AB
Corp. id. 559131-0833

Introduction

We have reviewed the condensed interim financial information (interim report) of Nyfosa AB (publ) as of September 30, 2023 and the nine-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements ISRE 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing practices and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm, October 26, 2023
KPMG AB

Mattias Johansson
Authorized Public Accountant

RECONCILIATION OF KEY FIGURES

RETURN ON EQUITY

	Sep 30, 2023	Sep 30, 2022	Dec 31, 2022	Dec 31, 2021	Dec 31, 2020	Dec 31, 2019
Profit/loss LTM attributable to Parent Company shareholders, MSEK	-832	3,631	1,689	3,112	2,225	1,382
Interest on hybrid bonds LTM, MSEK	-59	-35	-43	-4	-	-
Adjusted profit/loss, MSEK	-891	3,596	1,646	3,107	2,225	1,382
Average equity attributable to Parent Company shareholders, MSEK	18,220	17,309	17,807	14,679	11,557	9,087
Average hybrid bonds, MSEK	-764	-712	-781	-96	-	-
Adjusted equity, MSEK	17,456	16,597	17,026	14,582	11,557	9,087
Return on equity, %	-5.1	21.7	9.7	21.3	19.3	15.2

LOAN-TO-VALUE RATIO AND NET LOAN-TO-VALUE RATIO

	Sep 30, 2023	Sep 30, 2022	Dec 31, 2022	Dec 31, 2021	Dec 31, 2020	Dec 31, 2019
Interest-bearing liabilities, MSEK	24,728	23,676	24,033	21,045	17,055	11,282
Property value, MSEK	41,006	41,525	40,446	37,147	29,411	19,602
Loan-to-value ratio, %	60.3	57.0	59.4	56.7	58.0	57.6
Cash and cash equivalents, MSEK	744	751	691	534	312	588
Net loan-to-value ratio, %	58.4	55.2	57.7	55.2	56.9	54.6

YIELD

	Sep 30, 2023	Sep 30, 2022	2022	2021	2020	2019
Net operating income according to earnings capacity, MSEK	2,401	2,143	2,416	2,002	1,575	1,088
Property value, MSEK	41,006	41,525	40,446	37,147	29,411	19,602
Yield according to earnings capacity, %	5.9	5.2	6.0	5.4	5.4	5.5

EBITDA

	Rolling 12 months Sep 30, 2023	Rolling 12 months Sep 30, 2022	2022	2021	2020	2019
Net operating income, MSEK	2,388	1,962	2,092	1,650	1,415	905
Central administration, MSEK	-183	-148	-161	-128	-132	-89
Depreciation of equipment, MSEK	2	1	2	1	1	0
Other operating income and expenses, MSEK	15	8	14	6	-26	-1
Dividends received from participations in joint ventures, MSEK	290	357	335	332	300	200
EBITDA, MSEK	2,513	2,180	2,282	1,861	1,558	1,016

EQUITY PER SHARE

	Sep 30, 2023	Sep 30, 2022	Dec 31, 2022	Dec 31, 2021	Dec 31, 2020	Dec 31, 2019
Equity attributable to the Parent Company's shareholders, MSEK	17,724	19,238	18,378	17,236	13,333	9,781
Hybrid bonds, MSEK	-763	-800	-763	-800	-	-
Adjusted equity, MSEK	16,962	18,438	17,615	16,436	13,333	9,781
Number of shares, millions	191	191	191	191	185	168
Equity per share, SEK	88.79	96.52	92.22	86.04	72.27	58.32

ECONOMIC OCCUPANCY RATE

	Sep 30, 2023	Sep 30, 2022	Dec 31, 2022	Dec 31, 2021	Dec 31, 2020	Dec 31, 2019
Income according to earnings capacity, MSEK	3,540	3,166	3,459	2,827	2,233	1,563
Reversal of rent discounts according to earnings capacity, MSEK	16	23	22	26	36	24
Rental value according to earnings capacity, MSEK	3,881	3,427	3,739	3,017	2,437	1,746
Economic occupancy rate, %	91.6	93.1	93.1	94.6	93.1	90.9

PROFIT FROM PROPERTY MANAGEMENT PER SHARE

	Jan-Sep 2023	Jan-Sep 2022	Rolling 12 months	2022	2021	2020	2019
Profit/loss before tax, MSEK	89	2,969	-1,021	1,859	3,644	2,399	1,576
Reversal:	754	-1,052	2,245	439	-1,652	-1,063	-472
-Changes in value of properties, MSEK							
-Changes in value of financial instruments, MSEK	46	-339	39	-345	-19	-1	7
-Changes in value of tax and other items in share in profit of joint ventures, MSEK	58	-429	67	-420	-670	-187	-298
Profit from property management, MSEK	946	1,149	1,330	1,533	1,302	1,147	814
Interest on hybrid bonds, MSEK	-46	-31	-59	-43	-4	-	-
Adjusted profit from property management, MSEK	900	1,118	1,272	1,490	1,298	1,147	814
Average number of shares, millions	191	191	191	191	188	182	168
Profit from property management per share, SEK	4.71	5.85	6.66	7.80	6.90	6.32	4.85

NAV PER SHARE

	Sep 30, 2023	Sep 30, 2022	Dec 31, 2022	Dec 31, 2021	Dec 31, 2020	Dec 31, 2019
Equity attributable to Parent Company shareholders, MSEK	17,724	19,238	18,378	17,236	13,333	9,781
Hybrid bonds, MSEK	-763	-800	-763	-800	-	-
Deferred tax, MSEK	1,309	1,555	1,333	1,252	760	627
Derivatives, MSEK	-354	-364	-372	-22	-3	-2
Deferred tax in joint ventures, 50 %, MSEK	754	746	751	596	544	454
Derivatives in joint ventures, 50 %, MSEK	-70	-76	-76	62	110	104
NAV, MSEK	18,601	20,299	19,250	18,325	14,744	10,965
Number of shares, millions	191	191	191	191	185	168
NAV per share, SEK	97.38	106.26	100.78	95.93	79.91	65.37
Equity attributable to Parent Company shareholders, MSEK	17,724	19,238	18,378	17,237	13,333	9,781
Hybrid bonds, MSEK	-763	-800	-763	-800	-	-
Estimated actual deferred tax, MSEK ¹	577	669	576	541	341	98
Derivatives, MSEK	-354	-364	-372	-22	-3	-2
Estimated actual deferred tax in JV, Nyfosa's share, MSEK ¹	151	116	142	126	119	100
Derivatives in JV, Nyfosa's share, MSEK	-70	-76	-76	62	110	104
Adjusted NAV, MSEK	17,266	18,783	17,885	17,145	13,899	10,081
Number of shares, millions	191	191	191	191	185	168
Adjusted NAV per share, SEK	90.39	98.33	93.63	89.75	75.33	60.11

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 was 3 percent.

NET DEBT/EBITDA

	Sep 30, 2023	Sep 30, 2022	Dec 31, 2022	Dec 31, 2021	Dec 31, 2020	Dec 31, 2019
EBITDA rolling 12 months, MSEK	2,513	2,180	2,282	1,861	1,558	1,016
Interest-bearing liabilities, MSEK	24,728	23,676	24,033	21,045	17,055	11,282
Cash and cash equivalents, MSEK	786	751	691	534	312	588
Net debt/EBITDA, multiple	9.5	10.5	10.2	11.0	10.7	10.5

INTEREST-COVERAGE RATIO

	Jan-Sep 2023	Jan-Sep 2022	Rolling 12 months	2022	2021	2020	2019
Profit/loss before tax, MSEK	89	2,969	-1,021	1,859	3,644	2,399	1,576
Dividends received from participations in joint ventures, MSEK	180	225	290	335	332	300	200
Reversal:	754	-1,052	2,245	439	-1,652	-1,063	-472
-Changes in value of properties, MSEK							
-Changes in value of financial instruments, MSEK	46	-339	39	-345	-19	-1	7
-Share in profit of joint ventures, MSEK	-113	-615	-170	-672	-888	-404	-491
-Depreciation of equipment, MSEK	1	1	2	2	1	1	0
-Financial expenses, MSEK	916	457	1,138	678	446	357	195
Adjusted profit before tax, MSEK	1,872	1,644	2,523	2,296	1,864	1,587	1,016
Interest-coverage ratio, multiple	2.0	3.6	2.2	3.4	4.2	4.5	5.2

EQUITY/ASSETS RATIO

	Sep 30, 2023	Sep 30, 2022	Dec 31, 2022	Dec 31, 2021	Dec 31, 2020	Dec 31, 2019
Equity, MSEK	17,764	19,238	18,416	17,268	13,333	9,781
Total assets, MSEK	45,953	46,323	45,335	40,626	31,907	22,201
Equity/assets ratio, %	38.6	41.5	40.6	42.5	41.8	44.1

DISTRIBUTABLE CASH FLOW PER SHARE

	Jan-Sep 2023	Jan-Sep 2022	Rolling 12 months	2022	2021	2020	2019
Profit/loss before tax, MSEK	89	1,577	-1,021	1,859	3,644	2,399	1,576
Reversal:							
-Changes in value of properties, MSEK	754	161	2,245	439	-1,652	-1,063	-472
-Changes in value of financial instruments, MSEK	46	-162	39	-345	-19	-1	7
-Share in profit of joint ventures, MSEK	-113	-615	-170	-672	-888	-404	-491
-Depreciation of equipment, MSEK	1	1	2	2	1	1	0
-Allocated arrangement fees for loans, MSEK	41	55	55	69	48	35	0
Dividends received from participations in joint ventures, MSEK	180	225	290	335	332	300	200
Income tax paid, MSEK	-44	-54	-44	-54	-29	-11	-27
Interest on hybrid bonds, MSEK	-45	-25	-57	-37	-	-	-
Distributable cash flow, MSEK	907	1,164	1,339	1,596	1,436	1,254	793
Average number of shares, millions	191	191	191	191	188	182	168
Distributable cash flow per share, SEK	4.75	6.09	7.01	8.35	7.64	6.91	4.73

DEFINITIONS

Return on equity

Profit for the most recent 12-month period less interest on hybrid bonds in relation to average equity, attributable to the Parent Company's shareholders and adjusted for average hybrid bonds, during the same period.

Purpose: The performance measure shows the return generated on the capital attributable to shareholders.

Loan-to-value ratio, properties¹⁾

Interest-bearing liabilities at the end of the period in relation to the value of the properties (in the statement of financial position).

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.

Yield¹⁾

Net operating income according to earnings capacity in relation to the fair value of the properties on the balance-sheet date.

Purpose: The performance measure indicates the yield from operational activities in relation to the properties' value.

Net operating income¹⁾

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.

Purpose: The measure is used to provide comparability with other property companies, but also to illustrate operational performance.

EBITDA

Net operating income less costs for central administration excluding depreciation of equipment, other operating income and expenses and dividends received from participations joint ventures during the last 12 month period.

Equity per share¹⁾

Equity, attributable to the Parent Company's shareholders less hybrid bonds, according to the statement of financial position, in relation to the number of shares outstanding on the balance-sheet date.

Purpose: The performance measure shows how large a share of the company's recognized equity each share represents.

Economic occupancy rate¹⁾

Income before rent discounts as a percentage of the rental value directly after the end of the period.

Purpose: The performance measure facilitates the assessment of rental income in relation to the value of the leased and unleased floor space.

Property

Properties held under title or site leasehold.

Property value

The carrying amount of investment properties according to the statement of financial position at the end of the period.

Purpose: The performance measure facilitates better understanding of the value development in the property portfolio and the company's statement of financial position.

Profit from property management¹⁾

Profit from property management comprises profit before tax with reversal of changes in the value of properties and financial instruments in the Group and reversal of changes in value of tax and other items in share in profit of joint ventures.

Profit from property management¹⁾ per share

Profit from property management less interest on hybrid bonds in relation to average number of shares outstanding.

Rental income

Rent charged including indexation and additional charges for investments and property tax.

Rental value

Rental income before rent discounts for leased areas and assessed market rent for the vacant floor space.

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.

Adjusted NAV¹⁾

Equity, attributable to the Parent Company's shareholders, less hybrid bonds and with reversal of derivatives and adjusted for actual deferred tax liabilities instead of nominal deferred tax in both the Group and Nyfosa's participations in joint ventures.

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.

Net loan-to-value ratio, properties¹⁾

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.

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.

Net leasing

Signed new leases for the period less terminations and bankruptcies.

Net debt/EBITDA

Interest-bearing liabilities less cash and cash equivalents in relation to LTM EBITDA.

¹⁾ Refers to alternative performance measures according to the European Securities and Markets Authority (ESMA).

Earnings per share

Profit after tax attributable to the Parent Company's shareholders 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 ratio¹⁾

Profit before tax with reversal of depreciation/amortization, financial expenses, changes in the value of properties and financial instruments in the Group and share in profit of joint ventures, with additions for dividends received from participations in joint ventures, in relation financial expenses.

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.

Service income

Fee charged for such services as electricity, heating, cooling, waste collection, snow clearing, water, etc.

Equity/assets ratio¹⁾

Equity as a percentage of total assets.

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.

NAV¹⁾

Equity, attributable to the Parent Company's shareholders, less hybrid bonds and with reversal of derivatives and deferred tax liabilities in both the Group and Nyfosa's participations in joint ventures.

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.

Distributable cash flow¹⁾

Profit before tax excluding non-cash items in the earnings measure, such as changes in the value of properties and financial instruments, share in profit of joint ventures, depreciation of equipment, allocated opening charges for loans, including dividends received from participations in joint ventures and tax paid, less interest on hybrid bonds.

Purpose: The performance measure shows the amount of cash flow generated by the existing property portfolio under the company's management.

Leasable area

The total premises area that can potentially be leased.

Purpose: Shows the area that the company can potentially lease.

Vacancy rent

Assessed market rent for vacant floor space.

Purpose: The performance measure states the potential rental income when all floor space is fully leased.

Vacancy amount

The total of vacancy rent and rent discounts provided.

Purpose: The performance measure states the potential rental income when all floor space is fully leased without providing any rent discounts.

Surplus ratio¹⁾

Net operating income for the period as a percentage of total income.

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.

¹⁾ Refers to alternative performance measures according to the European Securities and Markets Authority (ESMA).

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