



Q4

YEAR-END REPORT
JANUARY-DECEMBER 2021

THE QUARTER OCTOBER–DECEMBER 2021

- Income amounted to MSEK 672 (559), up 20 percent.
- Profit from property management amounted to MSEK 600 (365), up 64 percent.
- Profit from property management excluding changes in value and tax in joint ventures amounted to MSEK 345 (276), up 25 percent.
- Distributable cash flow per share amounted to SEK 2.27 (1.25), up 82 percent.
- Profit after tax amounted to MSEK 1,061 (497).
- Profit after tax per share was SEK 5.52 (2.70).

FULL-YEAR JANUARY–DECEMBER 2021

- Income amounted to MSEK 2,459 (2,035), up 21 percent.
- Profit from property management amounted to MSEK 1,973 (1,334), up 48 percent.
- Profit from property management excluding changes in value and tax in joint ventures amounted to MSEK 1,302 (1,147), up 14 percent.
- Distributable cash flow per share amounted to SEK 7.64 (6.91), up 11 percent.
- Profit after tax amounted to MSEK 3,112 (2,225).
- Profit after tax per share was SEK 16.49 (12.25).

KEY FIGURES

	Oct-Dec		Full-year	
	2021	2020	2021	2020
Income, MSEK	672	559	2,459	2,035
Net operating income, MSEK	446	382	1,651	1,415
Surplus ratio, %	66.3	68.3	67.1	69.5
Profit from property management, MSEK	600	365	1,973	1,334
— per share, SEK	3.12	1.98	10.46	7.35
Profit from property management excluding changes in value and tax in joint ventures, MSEK	345	276	1,302	1,147
— per share, SEK	1.78	1.50	6.90	6.32
Distributable cash flow, MSEK	434	230	1,436	1,254
— per share, SEK	2.27	1.25	7.64	6.91
Profit after tax, MSEK	1,061	497	3,112	2,225
— earnings per share after dilution, SEK	5.52	2.70	16.49	12.25
Interest-coverage ratio, multiple	3.3	3.3	3.4	3.8
Property value on balance-sheet date, MSEK			37,147	29,411
EPRA NRV on balance-sheet date, MSEK			18,410	14,744
— per share, SEK			96.37	79.91
Net loan-to-value ratio of properties on balance-sheet date, %			55.2	56.9

SIGNIFICANT EVENTS DURING AND AFTER THE QUARTER

- During the quarter, Nyfosa acquired and took possession of a property portfolio in Luleå and a property in Boden at an acquisition price of MSEK 420.
- Properties at an acquisition price of approximately MSEK 1,034 were acquired in Finland during the quarter.
- In December, Nyfosa's joint venture Samfosa acquired properties in Norway at an acquisition price of MSEK 1,560. Closing took place in January 2022.
- In November, subordinated perpetual floating rate hybrid bonds of MSEK 800 were issued under a framework of MSEK 2,000.
- 1 November, Nyfosa's joint venture Söderport received proceeds of MSEK 264 in connection with a repurchase offer from Torslanda Property Investment.
- After the period, in February, properties were acquired in Finland at an acquisition price of MSEK 2,109.
- The Board proposes that the Annual General Meeting resolve on a dividend of SEK 3.80 (3.00) per share with quarterly payments of SEK 0.95 per share, corresponding to MSEK 726.

COMMENTS FROM THE CEO

2021 was yet another an active year for Nyfosa. We took an important step in our growth by establishing our operations in Finland and another step when we entered Norway at the end of the year. With a presence in three strong markets, we are broadening our base for selecting the best business deals.

We have grown rapidly in Finland. Through acquisitions in 2021 and to date this year, totaling about SEK 5.7 billion, we have built up a property portfolio featuring modern offices as well as solid industry and big box retail in growing regional cities, and we see opportunities for more attractive deals. At the start of 2022, our joint venture Samfosa closed on its first acquisition in Norway, a portfolio of more than SEK 1.5 billion.

We are continuing to see stable demand for Nyfosa’s premises and also noted positive net leasing in the fourth quarter of the year. We carried out more than 400 large and small projects during the year aimed at improving our portfolio in various ways. Property management’s efforts to achieve our sustainability targets are continuing and we are working in a structured manner, building by building, to increase the energy efficiency.

During the year, the property portfolio grew in all markets and we delivered healthy growth in earnings, cash flow and return on equity. We could successfully make use of the capital market during the year and our clear focus on cash flow provides us with stability at a stage when there is some uncertainty about the future development of the interest-rates and financing markets.

We are now looking ahead and focusing on what Nyfosa does best: building a high-return property portfolio in our opportunistic way.

Stina Lindh Hök, CEO



“With a presence in three strong markets, we are broadening our base for selecting the best business deals”

NYFOSA ENTERS NORWAY WITH SAMFOSA JOINT VENTURE



In the fourth quarter, it was announced that Nyfosa will establish operations in Norway together with the Norwegian property company Samfunnsbyggeren, and form the company Samfosa. Nyfosa believes that over time there will be good business opportunities for an opportunistic industrial player in Norway and intends to build up a diversified property portfolio of about SEK 5–7 billion. With this step into Norway, Nyfosa complemented its operations in Sweden and Finland.

The goal is to take advantage of acquisition opportunities in all segments except for community service properties. However, in line with Nyfosa’s opportunistic strategy, it is the business opportunities that determine how and at what pace the portfolio will develop.

In December, Samfosa signed an agreement for its first acquisition: the property company Bratsberg with a mixed property portfolio south west of Oslo for about MSEK 1,560. Closing took place in January 2022, at which point Bratsberg’s property management team was also integrated with Samfosa. The acquisition is a solid platform for continued growth in Norway.

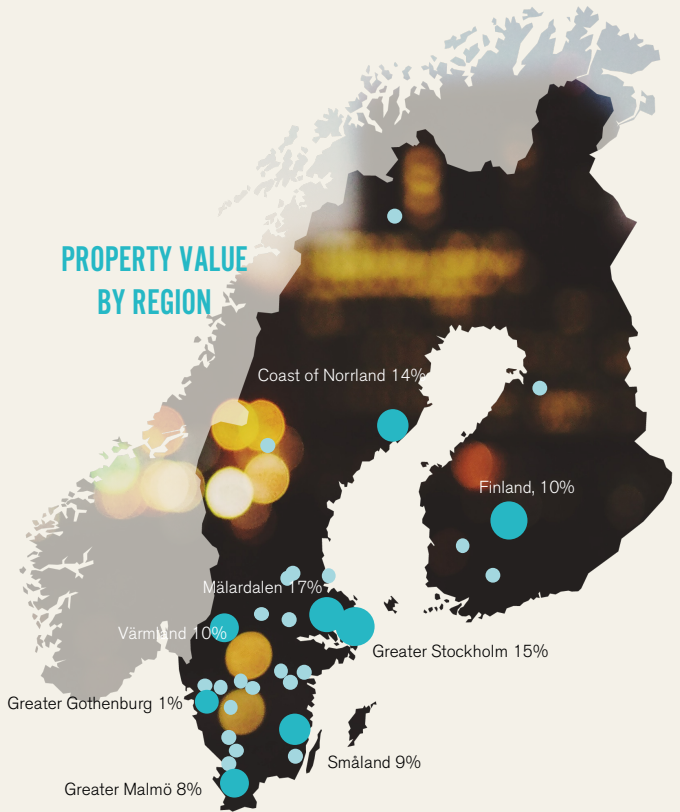
Nyfosa will be the Swedish property company that is the best at creating value.

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.

STRATEGY

- Attract and develop the best employees.
- Be active in the transaction market.
- Prioritize commercial properties in high-growth municipalities.
- Add value to the portfolio through sustainability.
- Act long term and close to the tenants.



Total property value on December 31, 2021, MSEK 37,147

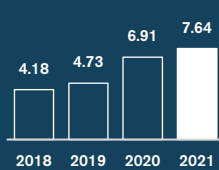
Nyfosa is currently active in the Swedish and Finnish markets with a focus on commercial properties in high-growth municipalities, and through the joint venture Samfosa in Norway.

FINANCIAL TARGET

Annual growth in distributable cash flow for the period share of 10 percent.

Outcome 2021:

+11%



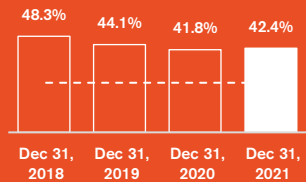
Distributable cash flow per share, SEK

DIVIDEND POLICY

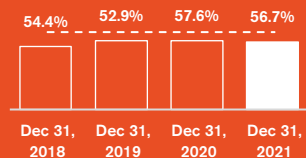
At least 40 percent of the distributable cash flow is to be distributed to the owners. Dividends are, on each occasion, to be considered in light of the company's business opportunities and may comprise a distribution in kind, buyback or cash dividend.

FINANCIAL RISK LIMITS

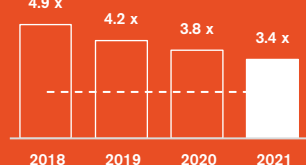
Equity/assets ratio. Long-term at least 25 percent.



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



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



CONDENSED STATEMENT OF PROFIT/LOSS

MSEK	Oct-Dec		Full-year	
	2021	2020	2021	2020
Rental income	656	549	2,421	2,001
Other property income	16	10	39	35
Total income	672	559	2,459	2,035
Property expenses				
Operating expenses	-118	-93	-439	-324
Maintenance costs	-52	-44	-167	-140
Property tax	-29	-24	-112	-93
Property administration	-27	-16	-91	-63
Net operating income	446	382	1,651	1,415
Central administration	-35	-37	-128	-132
Other operating income and expenses	1	-29	5	-26
Share in profit of joint ventures	312	144	888	404
Financial income and expenses	-124	-95	-443	-327
Profit from property management	600	365	1,973	1,334
Profit from property management excluding changes in value and tax in joint ventures	345	276	1,302	1,147
Changes in value of properties	667	90	1,652	1,063
Changes in value of financial instruments	16	0	19	1
Profit before tax	1,284	455	3,644	2,399
Tax	-222	42	-532	-174
Profit	1,061	497	3,112	2,225
<i>Profit attributable to:</i>				
Parent Company shareholders	1,061	497	3,112	2,225
Non-controlling interests	0	-	0	-
Profit	1,061	497	3,112	2,225
Earnings per share before dilution, SEK	5.53	2.70	16.52	12.25
Earnings per share after dilution, SEK	5.52	2.70	16.49	12.25

CONDENSED STATEMENT OF PROFIT/LOSS AND OTHER COMPREHENSIVE INCOME

MSEK				
Profit	1,061	497	3,112	2,225
Translation of foreign operations	5	-	9	-
Comprehensive income	1,066	497	3,121	2,225
<i>Comprehensive income attributable to:</i>				
Parent Company shareholders	1,065	497	3,120	2,225
Non-controlling interests	1	-	1	-
Comprehensive income	1,066	497	3,121	2,225

COMMENTS ON THE CONSOLIDATED STATEMENT OF PROFIT/LOSS

OCTOBER-DECEMBER 2021 QUARTER

The rapid growth in Finland continued in the fourth quarter. Three transactions were carried out that complement the portfolio with commercial properties in the regional cities of Oulu, Tampere, Jyväskylä, Lappeenranta and Kuopio. The value of the properties totals MSEK 1,065 with an annual rental value of MSEK 131. The leases are mainly "until further notice leases", meaning that the average lease term is shorter. All of the properties have attractive locations in their regions and a high average leasing rate. In Sweden, possession was taken of a portfolio of commercial properties in Luleå and Boden. The 20 properties have a total area of 42 thousand sqm with an annual rental value of MSEK 37. The properties house a mix of tenants, with a focus on light industry and warehouses, and are fully let, and the average lease term amounts to 2.9 years. During the quarter, Nyfosa's joint venture in Norway, Samfosa AS, signed an agreement to acquire a property portfolio of MSEK 1,560. The portfolio has a leasable area of 95 thousand sqm distributed between offices, retail, warehouses and light industry. The annual rental value amounts to approximately MSEK 119 and the average remaining lease term is 5.0 years. The leasing rate is 96 percent. Closing took place in January 2022.

Hybrid bonds of MSEK 800 were also issued during the quarter. The term is perpetual but Nyfosa has the possibility to call the hybrid bonds from November 18, 2025 and on each subsequent interest-payment date. The bonds have a floating interest rate of 3M STIBOR + 475 basis points per annum until the first call date.

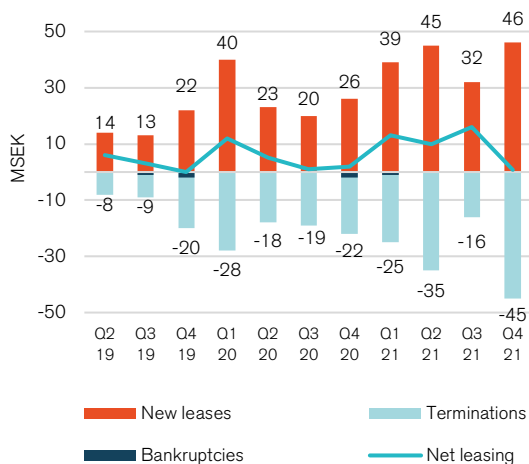
Property management of the existing property portfolio resulted in net leasing of MSEK +0.7. New leases were signed for a total of MSEK 45.6 while terminations amounted to MSEK 44.7. Confirmed bankruptcies among tenants amounted to MSEK 0.2. The net result of renegotiations was MSEK -3. There was continuing stable demand for Nyfosa's premises during the quarter. As in the preceding quarter, the ongoing pandemic had only limited impact on the company's financial statements. The organization is continuing to closely monitor developments in the market. Solid resilience in the portfolio could be maintained based on successful property management and a relatively low rent level. Rent losses for the quarter totaled approximately 0.1 percent of total rental income for the quarter. 98 percent of rents invoiced for the first quarter of 2022 that fell due on December 31, 2021 had been paid at January 25, 2022, which does not significantly deviate from normal quarterly closing.

Rental income and net operating income

Income amounted to MSEK 672 (559), up MSEK 113 or 20 percent. The larger portfolio was the main reason for the growth.

Net operating income for the quarter amounted to MSEK 446 (382) and the surplus ratio was 66.3 percent (68.3). The Finnish portfolio includes the net operating income from services offered to the tenants in Jyväskylä. The surplus ratio for these services is low, but makes a positive contribution to maintaining a high standard for the tenants in the centrally located buildings. This, combined with a lower share of logistics/warehouse properties than in the comparable quarter and higher electricity costs, was the reason for the low surplus ratio.

NET LEASING



Profit from property management

Costs for central administration amounted to MSEK 35 (37).

Profit from participations in joint ventures of MSEK 312 (144) comprised Nyfosa's share of Söderport's profit after tax for the quarter. Nyfosa's share of Söderport's profit from property management amounted to MSEK 57 (56) and changes in values and tax in Söderport impacted the share in profit by MSEK 272 (91).

Financial income and expenses amounted to MSEK -124 (-95). Net financial items include exchange-rate losses of MSEK -8 attributable to loans in EUR. The increase was otherwise due to higher net debt, amounting to MSEK 20,511 (16,742) on the balance-sheet date.

Profit from property management amounted to MSEK 600 (365). Excluding changes in value and tax in joint ventures, profit from property management amounted to MSEK 345 (276).

Changes in value

Revaluation of properties amounted to MSEK 667 (90) and was mainly impacted by lower yield requirements, signed new leases and renegotiated leases. Given continuing low interest rates, properties are an attractive type of investment and the limited supply of properties on the market means that the yield requirements were marginally adjusted downward.

Tax

The tax expense for the quarter amounted to MSEK 222 (-42). The effective tax rate was 17.3 percent (-9.3). The deviation from the nominal tax rate of 20.6 percent was mainly due to the fact that profit from participations in joint ventures comprised profit after tax, and thus did not constitute taxable income for Nyfosa. The lower tax in the fourth quarter of 2020 was due to the revaluation of the Group's deferred tax liabilities when properties were vacated. The revaluation is recognized in deferred tax in profit or loss as positive tax income, which thus resulted in low effective tax for the quarter.

Earnings per share for the quarter after dilution amounted to SEK 5.52 (2.70).

FULL-YEAR JANUARY-DECEMBER 2021

Rental income and net operating income

Income amounted to MSEK 2,459 (2,035), up MSEK 424 or 21 percent. The larger portfolio was the main reason for the growth. The total leasable area on December 31, 2021 amounted to 2,780 thousand sqm (2,380) and the economic leasing rate for the period was 93.6 percent (93.1).

Net operating income for the period amounted to MSEK 1,651 (1,415) and the surplus ratio was 67.1 percent (69.5). The Finnish portfolio includes the net operating income from services offered to the tenants in Jyväskylä. The surplus ratio for these services is low, but makes a positive contribution to maintaining a high standard for the tenants in the centrally located buildings. This, combined with the lower share of logistics/warehouse properties than last year, more expensive snow clearing in the first quarter and higher electricity costs in the fourth quarter, was the reason for the low surplus ratio.

Profit from property management

Costs for central administration amounted to MSEK 128 (132).

Profit from participations in joint ventures of MSEK 888 (404) comprised Nyfosa's share of Söderport's profit for the period after tax and a value adjustment to Nyfosa's participations in joint ventures. Nyfosa's share of Söderport's profit from property management amounted to MSEK 235 (217) and changes in values and tax in Söderport impacted the share in profit by MSEK 698 (187).

Financial income and expenses amounted to MSEK -443 (-327). Financial expenses include exchange-rate losses of MSEK -8 attributable to loans in EUR. Green bonds of MSEK 1,000 were issued during the year. An offer was made to repurchase existing bonds of approximately MSEK 628 in connection with the issue. The repurchase was charged to financial expenses in the amount of about MSEK 10 in the second quarter. The average interest rate on December 31, 2021 was 1.9 percent (1.9). The higher financial expenses are mainly due to higher net debt.

Interest expenses for the hybrid bonds issued during the year are not charged to profit or loss. Interest of 3M STIBOR + 475 basis points is booked directly against equity, as for the hybrid bonds, due to the perpetual term.

Profit from property management amounted to MSEK 1,973 (1,334). Excluding changes in value and tax in joint ventures, profit from property management amounted to MSEK 1,302 (1,147).

Changes in value

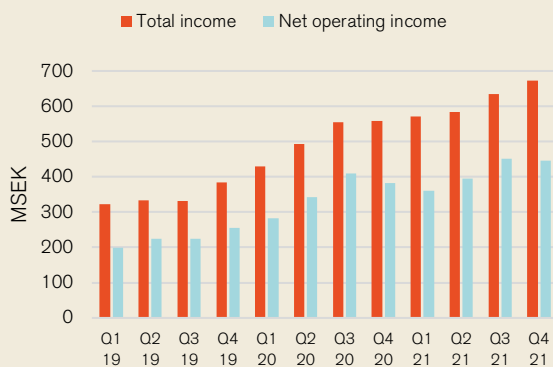
Revaluation of properties amounted to MSEK 1,652 (1,063) and was mainly impacted by lower yield requirements, signed new leases and renegotiated leases. Given continuing low interest rates, properties are an attractive type of investment and the limited supply of properties on the market means that the yield requirements were marginally adjusted downward.

Tax

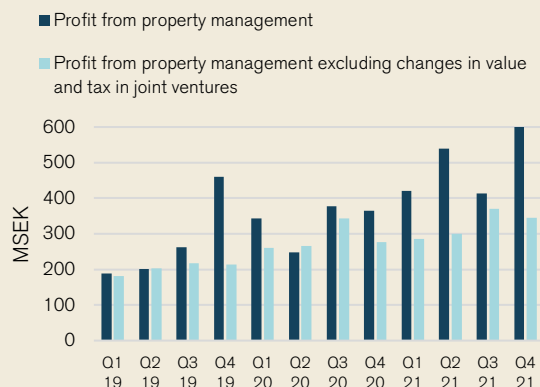
The tax expense for the period was MSEK 532 (174). The deviation from the nominal tax rate of 20.6 percent was mainly due to the fact that profit from participations in joint ventures comprised profit after tax, and thus did not constitute taxable income for Nyfosa, and add-back of deferred tax in connection with property sales. The effective tax rate was 14.6 percent (7.2).

Earnings per share for the period after dilution amounted to SEK 16.49 (12.25).

INCOME AND NET OPERATING INCOME PER QUARTER



PROFIT FROM PROPERTY MANAGEMENT PER QUARTER



CONDENSED STATEMENT OF FINANCIAL POSITION

MSEK	Dec 31	
	2021	2020
ASSETS		
Investment properties	37,147	29,411
Assets with right-of-use	237	163
Participations in joint ventures	2,490	1,916
Derivatives	22	3
Other assets	3	2
Total non-current assets	39,898	31,495
Current receivables	193	99
Cash and cash equivalents	534	312
Total current assets	727	412
TOTAL ASSETS	40,626	31,907
EQUITY AND LIABILITIES		
Equity attributable to Parent Company shareholders ¹	17,236	13,333
Non-controlling interests	32	-
Total equity	17,268	13,333
Non-current interest-bearing liabilities	16,492	16,127
Liabilities attributable to right-of-use assets	229	158
Other non-current liabilities	48	19
Deferred tax liabilities	1,252	760
Total non-current liabilities	18,021	17,064
Current interest-bearing liabilities	4,553	928
Other current liabilities	783	582
Total current liabilities	5,337	1,510
Total liabilities	23,357	18,573
TOTAL EQUITY AND LIABILITIES	40,626	31,907

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

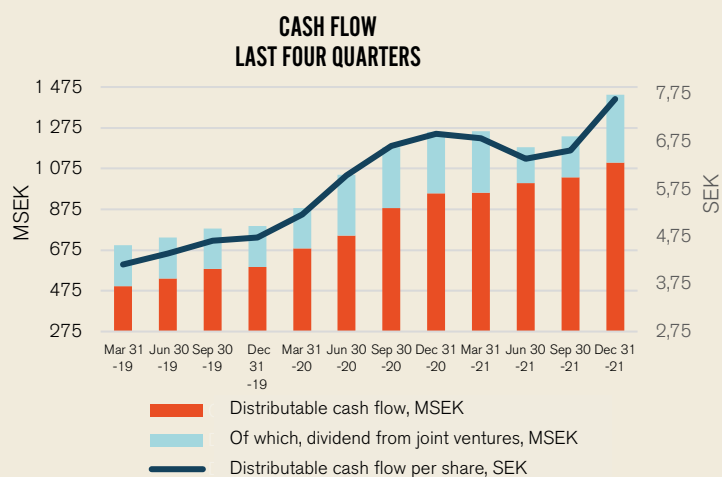
MSEK	Equity attributable to the Parent Company's shareholders	Non-controlling interests	Total equity
Opening equity, Jan 1, 2020	9,781	-	9,781
Issue/buyback of warrants	0	-	0
New share issue	1,327	-	1,327
Comprehensive income, Jan-Dec 2020	2,225	-	2,225
Closing equity, Dec 31, 2020	13,333	-	13,333
Opening equity, Jan 1, 2021	13,333	-	13,333
Issue/buyback of warrants	3	-	3
New share issue	743	-	743
New issue of hybrid bonds	790	-	790
Dividends to shareholders	-753	-	-753
Change in non-controlling interests	-	31	31
Comprehensive income, Jan-Dec 2021	3,120	1	3,121
Closing equity, Dec 31, 2021	17,236	32	17,268

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

MSEK	Oct-Dec		Full-year	
	2021	2020	2021	2020
Operating activities				
Profit from property management	600	365	1,973	1,334
Adjustments for non-cash items	-298	-133	-839	-368
Dividend from holdings in joint ventures	132	0	332	300
Income tax paid	0	-1	-29	-11
Distributable cash flow¹	434	230	1,436	1,254
– per share, SEK	2.27	1.25	7.64	6.91
Change in operating receivables	9	3	22	-8
Change in operating liabilities	-144	-123	-70	21
Cash flow from operating activities	299	111	1,389	1,267
Investing activities				
Direct and indirect acquisitions of investment properties	-1,789	-2,831	-6,211	-12,026
Direct and indirect divestments of investment properties	-12	2,222	655	3,704
Investments in existing investment properties	-123	-109	-475	-285
Investments in joint ventures	0	0	-17	-
Other	0	0	-2	-
Cash flow from investing activities	-1,923	-718	-6,051	-8,608
Financing activities				
New issue of shares/warrants	-	-	744	1,327
New issue of hybrid bonds	793	-	793	-
Dividends to shareholders	-143	-	-609	-
Loans raised ²	1,207	3,691	7,849	10,518
Repayment of loans	-251	-3,784	-3,924	-4,781
New share issue to non-controlling interests	0	-	30	-
Cash flow from financing activities	1,606	-93	4,884	7,064
Cash flow for the period	-18	-700	221	-276
Cash and cash equivalents at the beginning of the period	553	1,012	312	588
Exchange differences in cash and cash equivalents:	0	-	1	-
Cash and cash equivalents at the end of the period	534	312	534	312
Interest received	-1	0	0	0
Interest paid	-99	-92	-358	-301

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

² Allocated arrangement fees attributable to loans raised were previously recognized in operating activities. From January 2021, the expenses were added back to Loans raised in financing activities to better reflect cash flow. Historical periods have been restated.



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

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

The company's target is to achieve annual growth in cash flow per share of 10 percent. In 2021, growth in cash flow per share amounted to 11 percent.

INVESTMENT PROPERTIES

The property portfolio on December 31, 2021 comprised 447 properties (361) with a leasable area of 2,780 thousand sqm (2,380).

The largest property categories are office properties in high-growth municipalities and logistics/warehouse properties at transportation hubs in Sweden, which jointly accounted for 73 percent (76) of the total property value. The rental value on January 1, 2022 was MSEK 2,154 (1,820) and the leasable area was 1,962 thousand sqm (1,797). The largest tenants in these property categories include Telia, the Swedish Transport Agency, Saab and Försäkringskassan. The average lease term for Office was 2.7 years (3.0) and for Logistics/warehouse was 4.5 years (3.8).

In addition to the office and logistics/warehouse properties, retail properties comprised 10 percent (9) of the total property value. The rental value and total leasable area on January 1, 2022 amounted to MSEK 336 (252) and 307 thousand sqm (223), respectively. The largest properties in terms of area are situated at the Storheden commercial area in Luleå, on Kranbyggargatan in Västerås and on Göteborgsvägen in Borås. The largest tenants in the Retail category are City Gross, Fresks Försäljning, Coop and Ahlberg-Dollarstore. Retail properties are essentially external commercial areas. The leasing rate was 95 percent (95) and the remaining lease term was 5.8 years (4.4).

From this quarter, industrial properties are recognized as a separate category and comprise 6 percent (4) of the total property value. These properties were previously recognized in the category of Other. The Industry category includes properties that generate rental income primarily from manufacturing, engineering, office and warehouse spaces and other industry-related operations. The rental value on January 1, 2022 was MSEK 214 (115) and the leasable area was 274 thousand sqm (159). The largest tenants in the category of Industry include Ata Gears, Hitachi Energy, Mestar, Suomen Autohuolto and ABB. The leasing rate was 97 percent (94) and the remaining lease term was 4.6 years (3.6).

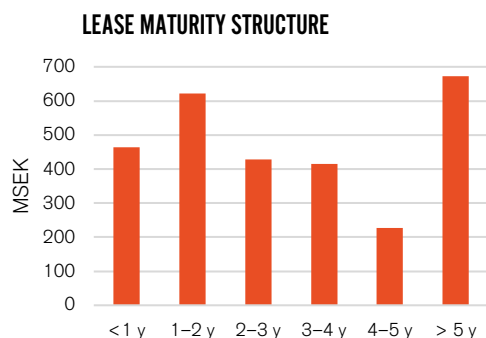
The remaining properties in the portfolio, which are categorized as Other, primarily generate rental income from schools, the judicial system, health care and hotels. The leasing rate was 98 percent (96) and the remaining lease term was 5.4 years (5.9). Skepparen 15 in Karlstad and Danmarks-Kumla 8:31 in Uppsala are two of the largest properties in terms of area. Tenants include Nordic International School and the Swedish Police.

In addition to the wholly owned property portfolio, Nyfosa owns 50 percent of the shares in the property company Söderport, whose property portfolio has a total value of SEK 12.9 billion.

LEASE STRUCTURE

The rental value on January 1, 2022 amounted to MSEK 3,017, of which vacancy rent, including discounts, was MSEK 190. The share of CPI-linked annual rental income was 90 percent. Nyfosa had 6,819 leases including 2,607 leases for garages and parking spaces. The average lease term was 3.9 years. The lease term in the Finnish portfolio was 3.1 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.

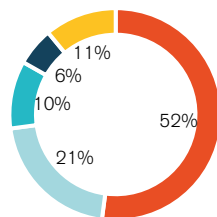
Nyfosa has a highly diverse tenant list featuring only a small number of dominant tenants. The ten largest tenants represent 12 percent of total rental income and are distributed between 208 leases. The largest tenants are Telia, the Swedish Transport Agency, Saab, Försäkringskassan, City Gross and the Swedish Public Employment Service, meaning a large share of companies that conduct tax-funded operations. Of total rental income, tax-financed rent represented 27 percent.



Region	December 31, 2021					January 1, 2022				
	Property value, MSEK	Share, %	SEK per sqm	No. of properties	Leasable area, 000s sqm	Rental value, MSEK	Annual income, MSEK	Economic leasing rate, %	Lease term, years	
Finland	3,534	10	19,665	27	180	342	321	94	3.1	
Greater Gothenburg	502	1	11,224	5	45	44	38	90	5.6	
Mälardalen	6,131	17	13,739	53	446	483	464	97	3.8	
Greater Malmö	3,018	8	11,405	53	265	234	220	96	4.4	
Coast of Norrland	5,063	14	12,512	65	405	418	390	94	3.5	
Småland	3,501	9	9,190	66	381	321	295	93	4.6	
Greater Stockholm	5,674	15	22,306	48	254	380	353	94	4.6	
Värmland	3,531	10	15,711	47	225	284	271	96	3.2	
Other	6,192	17	10,670	83	580	510	476	94	3.7	
Total	37,147	100	13,360	447	2,780	3,017	2,827	95	3.9	

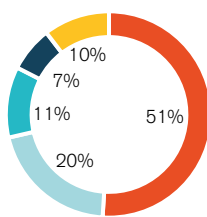
Property category	Property value MSEK	Share, %	SEK per sqm	No. of properties	Leasable area, 000s sqm	Rental value, MSEK	Annual income, MSEK	Economic leasing rate, %	Lease term, years
Offices	19,348	52	17,917	167	1,080	1,538	1,439	94	2.7
Logistics/Warehouse	7,725	21	8,758	122	882	616	561	93	4.5
Retail	3,829	10	12,477	61	307	336	316	95	5.8
Industry	2,164	6	7,900	53	274	214	206	97	4.6
Other	4,079	11	17,173	44	238	314	305	98	5.4
Total	37,147	100	13,360	447	2,780	3,017	2,827	95	3.9

PROPERTY VALUE BY CATEGORY



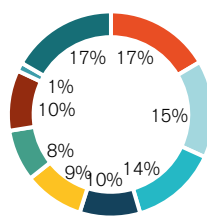
- Offices, MSEK 19,348
- Logistics/Warehouse, MSEK 7,725
- Retail, MSEK 3,829
- Industry, MSEK 2,164
- Other, MSEK 4,079

RENTAL VALUE BY CATEGORY



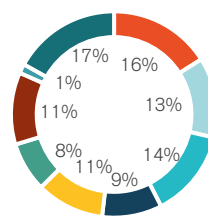
- Offices, MSEK 1,538
- Logistics/Warehouse, MSEK 616
- Retail, MSEK 336
- Industry, MSEK 214
- Other, MSEK 314

PROPERTY VALUE BY REGION



- Mälardalen, MSEK 6,131
- Greater Stockholm, MSEK 5,674
- Coast of Norrland, MSEK 5,063
- Värmland, MSEK 3,531
- Småland, MSEK 3,501
- Greater Malmö, MSEK 3,018
- Finland, MSEK 3,534
- Greater Gothenburg, MSEK 502
- Other, MSEK 6,192

RENTAL VALUE BY REGION



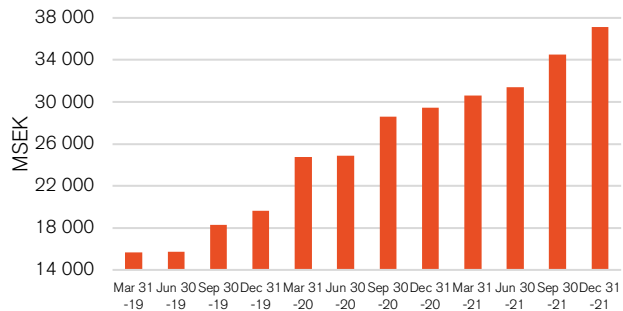
- Mälardalen, MSEK 483
- Greater Stockholm, MSEK 380
- Coast of Norrland, MSEK 418
- Värmland, MSEK 284
- Småland, MSEK 321
- Greater Malmö, MSEK 234
- Finland, MSEK 342
- Greater Gothenburg, MSEK 44
- Other, MSEK 510

TREND IN PROPERTY PORTFOLIO

CHANGES IN VALUE

MSEK	Jan 1–Dec 31	
	2021	2020
At the beginning of the period	29,411	19,602
Acquired properties	6,243	12,217
Investments in existing properties	475	285
Divested properties	-663	-3,756
Realized changes in value	-42	327
Unrealized changes in value	1,694	737
Translation effect, currency	28	-
At the end of the period	37,147	29,411

TREND IN PROPERTY PORTFOLIO



TRANSACTIONS AND INVESTMENTS

Acquired properties, January–December 2021

Focus during the year was directed to transactions in the Finnish property market. Though numerous acquisitions of primarily office properties in regional cities with positive population growth, the Finnish portfolio had a total value of SEK 3.5 billion on the balance-sheet date. The leases are partly "until further notice leases", meaning that the average lease term is longer. All of the properties have attractive locations in their regions and a high average leasing rate. 59 percent of the total property value of the Finnish portfolio is properties with sustainability certification.

In the fourth quarter, acquisitions totaling SEK 1.1 billion took place, which complemented the portfolio with commercial properties in the regional cities of Oulu, Tampere, Jyväskylä, Lappeenranta and Kuopio. All of the properties have attractive locations in their regions and a high average leasing rate, with a total rental value of MSEK 131 and a total area of 94 thousand sqm.

The single largest acquisition in Finland was carried out in the third quarter. The portfolio that was acquired had a value of SEK 2.1 billion and was primarily a portfolio of modern, sustainable and centrally located office properties with an area totaling 67 thousand sqm in Jyväskylä. The acquisition also included an attractively located project property with existing building rights of 8 thousand sqm of office space.

In the fourth quarter, possession was taken of a portfolio of commercial properties in Luleå and Boden for a value of MSEK 420. The rental value amounts to MSEK 37, of which a portion is attributable to tax-financed tenants. The properties house a mix of tenants, with a focus on light industry and warehouses, and are fully let, and the average lease term amounts to 2.9 years.

Earlier in the year, possession was taken of three portfolios in Sweden for a total value of SEK 2 billion. The portfolios have contributed to stable cash flows that Nyfosa is building up by diversifying the property portfolio in terms of both region and type of property, and a diverse tenant base.

Closing by region and property category, January–December 2021

MSEK	Logistics/					Total
	Offices	Warehouse	Retail	Industry	Other	
Finland	2,607	0	248	655	0	3,510
Mälardalen	174	0	0	39	356	568
Greater Malmö	40	69	289	0	0	398
Coast of Norrland	18	187	257	51	201	714
Småland	0	28	0	0	0	28
Greater Stockholm	0	238	179	20	0	437
Other	57	123	195	184	29	588
Total	2,896	644	1,168	949	586	6,243

Investments and major leasing in existing properties, January–December 2021

For all of 2021, net leasing remained positive, meaning that the rental value of newly signed leases was higher than the rental value of terminated leases. A new lease for the Rosenbuketten 4 property in Malmö was signed during the fourth quarter. The lease encompasses an area of 5 thousand sqm and is for six years.

Previously during the year, a 12-year lease of 14 thousand sqm was signed with Shenzhen Senior Technology Material for the Grönsta 2:52 industrial property in Eskilstuna.

Investments of MSEK 475 were made in the existing property portfolio. The majority of investments were for projects, tenant-specific modifications and improvements related to finalized leases. The largest ongoing investments are presented in the table below. The premises in Mården 11 in Luleå are undergoing a complete renovation and modification for the Municipality of Luleå, which signed a ten-year lease with occupancy scheduled for January 2023. The premises in Norr 12:5 in Gävle are being renovated and modified for the existing tenant Försäkringskassan. The premises in Pigan 1 in Örebro are being renovated and modified for the Swedish Prison and Probation Service, which signed a six-year green lease. Modifications will be made at Snickaren 12 in Växjö for DHL, which signed a new five-year lease.

Municipality	Property	Category	Tenant	Area, 000s of sqm	Total of accrued, MSEK	Estimated investment, MSEK	Scheduled completion, year
Gävle	Norr 12:5	Offices	Försäkringskassan	6	33	69	Q2 2022
Luleå	Mården 11	Offices	Luleå municipality	11	19	67	Q1 2023
Örebro	Pigan 1	Offices	Swedish Prison and Probation Service	1	18	20	Q1 2022
Växjö	Snickaren 12	Logistics/ Warehouse	DHL	2	0	16	Q4 2022

Divested properties, January–December 2021

Properties for a value of MSEK 663 were vacated during the period. The properties sold were two project properties in Lund and Haninge as well as a centrally located property in Södertälje.

YIELD REQUIREMENT FOR VALUATION OF INVESTMENT PROPERTIES

The weighted yield requirement for externally valued properties on December 31, 2021 was 5.83 percent, and the weighted cost of capital for the present value calculation of cash flows and residual values was a nominal 7.55 percent and 7.86 percent, respectively. When last valued on September 30, 2021, the yield requirement was 5.85 percent, and the weighted cost of capital for the present value calculation of cash flows and residual values was 7.60 percent and 7.90 percent, respectively. In the valuation dated December 31, 2020, the yield requirement was 6.03 percent, the weighted cost of capital for the present value calculation of cash flows and residual values was 7.70 percent and 8.02 percent, respectively.

Sensitivity analysis – change in value for changes in valuation parameters

December 31, 2021	%	MSEK
Change in net operating income ¹	+/- 5.00	+/- 1,642
Change in yield requirement	+/- 0.25	+/- 1,575
Change in growth assumptions	+/- 0.50	+/- 158
Change in discount rate	+/- 0.25	+/- 1,203

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

VALUATION TECHNIQUES

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

The yield requirement used in the estimate derives from sales of comparable properties. For additional information on valuation techniques, refer to Note 13 of Nyfosa AB's 2020 Annual Report on www.nyfosa.se.

The company engages external, independent appraisers every quarter to quality assure the fair value measurement of the company's properties. All properties are valued every quarter, except for those properties for which possession was taken during the current quarter or properties for which a sales agreement exists. In these cases, the agreed property value is used. The prevailing uncertain business environment caused by the pandemic did not have any significant impact on Nyfosa's property values, mainly because the portfolio has a low exposure to tenants in the tourism industry and other operations that were markedly affected by pandemic.

SUSTAINABILITY EFFORTS

Work on reducing carbon is continuing. Furthermore, we seek to identify energy-saving measures in order to reduce energy consumption. Slightly more than 160 green appendices were signed during the year when new leases were signed or leases were renegotiated. The aim of these green appendices is to identify and follow up on various initiatives to reduce energy consumption in premises, such as more efficient heating and lighting.

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 5.6 billion on the balance-sheet date, corresponding to 15 percent of the total property value.

Buildings with sustainability certification, December 31, 2021

	Property value, MSEK
Offices	4,585
Logistics/Warehouse	429
Industry	38
Retail	369
Other	171
Total	5,592

Earlier in the year, Nyfosa prepared a green finance framework and issued a green senior unsecured bond. The green finance 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. More information is available on the Nyfosa website www.nyfosa.se.

EARNINGS CAPACITY

	Jan 1
MSEK	2022
Rental value	3,017
Vacancy amount ¹	-190
Rental income according to leases	2,827
Property expenses	-728
Property administration	-97
Net operating income	2,002
Central administration	-113
Share in profit of joint ventures	241
Financial expenses	-451
<i>of which ground rent</i>	-8
Profit from property management	1,679
Equity per share on balance-sheet date, SEK	8.79
Equity less interest on hybrid bond per share on balance-sheet date, SEK	8.59

1. The vacancy amount includes the impact of granted rent discounts on profit or loss for the next 12 months.

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

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

- rental value is based on annual contractual rental income from current leases on 1 January;
- vacancy amount is an assessed market rent for vacant premises. This amount also includes allocated rent discounts under current leases;
- property expenses, excluding property tax, are based on average actual outcome for the most recent 24 months, adjusted for the holding period.
- property tax is based on the current tax assessment value of the properties;
- costs for property and central administration have been calculated on the basis of the existing organization and the current size of the property portfolio;
- Nyfosa's shares of profit from property management from joint ventures before changes in value, calculated using the same method as Nyfosa;
- the assessment of earnings capacity does not assume any financial income; and
- financial expenses have been calculated on the basis of the company's average interest rate on December 31, 2021, including allocated opening charges, a total of 2.1 percent. The item also includes ground rent.

KEY FIGURES EARNINGS CAPACITY

	Dec 31	
	2021	2020
Property value, MSEK	37,147	29,411
Rental value, MSEK	3,017	2,451
Leasable area, 000s sqm	2,780	2,380
No. of properties	447	361
Economic leasing rate, %	94.6	93.1
Remaining lease term, years	3.9	3.7
Surplus ratio, %	70.8	70.5
Yield, %	5.4	5.4

PARTICIPATIONS IN JOINT VENTURES

SAMFOSA

During the quarter, Nyfosa acquired 50 percent of the participations in the Norwegian company Samfosa. The remaining shares are owned by Samfunnsbyggeren AS. The joint venture is governed by shareholders' agreements giving both owners equal power of decision, meaning that neither partner has a controlling influence. The holding is classified as Participations in joint ventures and Nyfosa's share in the profit of Samfosa will be recognized in the Group's profit from property management. The operations of Samfosa comprise owning, managing and developing properties in Norway. In December, Samfosa signed an agreement to acquire the property company Bratsberg AS, encompassing a total of 13 property units and ten projects. The total property value was MSEK 1,560 and closing took place in January 2022.

SÖDERPORT

Nyfosa owns 50 percent of the shares in the property company Söderport Property Investment AB ("Söderport"). The remaining portion of the shares is owned by AB Sagax (publ). The joint venture is governed by shareholders' agreements giving both owners equal power of decision, meaning that neither partner has a controlling influence. The holding is classified as Participations in joint ventures and Nyfosa's share in the profit of Söderport is recognized in the Group's profit from property management. The holding contributed SEK 16.92 per share (13.93) to Nyfosa's EPRA NRV on the balance-sheet date.

Söderport's property portfolio primarily comprises industrial, warehouse and office properties, which essentially presents a supplement to Nyfosa's wholly owned property portfolio. Söderport owns properties for a total value of MSEK 12,882 (11,910). The focal point of the property portfolio is in the Stockholm and Gothenburg regions. Söderport does not have its own operational organization. Instead, it procures property management and financial administration from Sagax. A small part of property management is procured from Nyfosa.

Net operating income amounted to MSEK 699 (679), profit from property management to MSEK 504 (466) and net loan-to-value ratio to 45 percent (52). The impact of the coronavirus pandemic on Söderport's operations has been limited. The total rental value for Söderport's property portfolio amounted to MSEK 900 (894). Leases have an average remaining term of 4.6 years (4.7). The total leasable area amounted to 743 thousand sqm (778). The economic leasing rate was approximately 98 percent (97).

Torslanda Property Investment AB

78.1 percent of the company Torslanda Property Investment AB ("TPI") is owned and is thus consolidated with Söderport's statement of profit/loss and statement of financial position below. The minority share in TPI, corresponding to 21.9 percent, is the reason that Nyfosa's participation does not correspond to 50 percent of Söderport's earnings and equity.

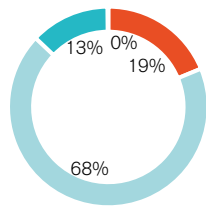
TPI owns and manages office properties in Gothenburg and Stockholm. The property portfolio, which is valued at MSEK 2,690 (3,165), encompasses 186 thousand sqm (226) of leasable area that is mainly utilized as office space. The leasing rate is 100 percent (100), and the primary tenant is Volvo Cars. TPI's share is listed on Nasdaq First North Growth Market.

During the quarter, an Extraordinary General Meeting of TPI resolved on a voluntary redemption offer at NAV for every fifth share. Söderport received proceeds of MSEK 264 in connection with the redemption offer.

KEY FINANCIAL DATA, SÖDERPORT

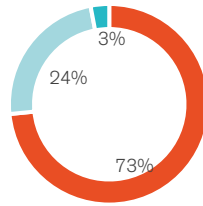
MSEK	Full-year		MSEK	Dec 31	
	2021	2020		2021	2020
Rental income	853	818	Investment properties	12,882	11,910
Net operating income	699	679	Cash and cash equivalents	386	161
Net interest income	-166	-185	Other assets	395	338
Profit from property management	504	466	Equity	5,291	4,136
Changes in value of properties and derivatives	1,582	594	<i>of which, Nyfosa's share</i>	<i>2,490</i>	<i>1,916</i>
Tax	-186	-217	Interest-bearing liabilities	6,209	6,354
Profit for the period	1,900	844	Deferred tax liabilities, net	1,192	1,087
<i>Of which, Nyfosa's share</i>	<i>888</i>	<i>404</i>	Derivatives, net	124	221
			Other liabilities	847	612

PROPERTY VALUE BY CATEGORY



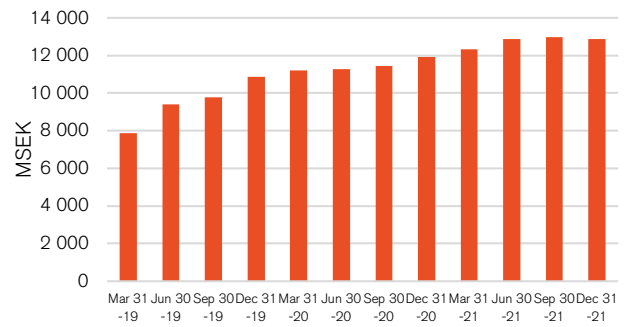
- Offices, MSEK 2,418
- Warehouse, MSEK 8,799
- Industry, MSEK 1,651
- Other, MSEK 14

RENTAL VALUE BY REGION



- Greater Stockholm, MSEK 661
- Greater Gothenburg, MSEK 212
- Other, MSEK 27

PROPERTY VALUE



FINANCING

Nyfosa finances its assets through equity, bank loans with Nordic banks and bonds issued in the Swedish capital market. Equity on the balance-sheet date amounted to MSEK 17,268 and interest-bearing loans from the credit and capital markets to MSEK 21,045, of which bank loans with properties as collateral amounted to MSEK 19,276 and senior unsecured bond loans to MSEK 1,873. Hybrid bonds of MSEK 800 were issued during the fourth quarter. The term is perpetual but Nyfosa has the possibility to call the hybrid bonds from November 18, 2025 and on each subsequent interest-payment date. Due to the perpetual term and the fact that interest payments can be held by the company, the hybrid bonds are recognized in equity. The bonds have a floating interest rate of 3M STIBOR + 475 basis points per annum until the first call date of November 18, 2025. Like the hybrid bonds, interest is recognized in equity.

The total net loan-to-value ratio of the properties was 55.2 percent (56.9). To support growth, the company has four prearranged lines of credit with banks, which have not always been fully utilized. The total scope in these revolving credit facilities can amount to a maximum of MSEK 4,647. This means that, against collateral in existing properties, Nyfosa can rapidly increase its borrowing at fixed terms to, for example, finance new property acquisitions. After having utilized the credit scope, the company has the opportunity to renegotiate credit facilities to a standard bank loan, at which point the unutilized portion of the facilities increases. On the balance-sheet date, the company had utilized MSEK 1,844 the total amount granted of MSEK 2,521 against collateral in existing properties. To utilize the remaining MSEK 2,126 under this credit framework, recently acquired properties are firstly used as collateral. In addition to the revolving credit facilities, the company has unutilized overdraft facilities with banks totaling MSEK 200.

Combined, the available liquidity and strong financial position provide a solid platform to continue to grow and resilience to any negative effects from the business world. The company continuously monitors liquidity in the operations so that it can rapidly counter any negative impact.

Available liquidity, December 31, 2021

MSEK	Dec 31	
	2021	2020
Cash and cash equivalents	534	312
Unutilized revolving credit facility ¹	676	896
Unutilized overdraft facilities	200	200
Total	1,410	1,408

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

Revolving credit facilities, December 31, 2021

MSEK	Framework	Amount granted	Amount utilized	Unutilized amount
Total	4,647	2,521	1,844	676

Interest-bearing liabilities

A MSEK 1,000 green senior unsecured bond was issued during the period. The opportunity to repurchase existing bonds of MSEK 628 was also offered. Current bank loans and portions of the utilized revolving credit facility were also refinanced. Fixed-term loans totaling MSEK 2,655 were raised in connection with acquisitions. The utilization of revolving credit facilities increased by a net MSEK 165 during the period. Ongoing repayments of MSEK 204 on

fixed-term loans were made. As a result, the company's fixed-rate periods and loan maturity on the balance-sheet date were as presented in the tables below.

Changes in interest-bearing liabilities for the period

MSEK	Full-year	
	2021	2020
Interest-bearing liabilities at the beginning of the period	17,055	11,282
Repayment of bank loans	-3,297	-4,781
Bond loans issued	1,000	-
Bond loans repurchased	-628	-
Bank loans raised	6,902	10,583
Changes in borrowing fees	-4	-29
Translation effect, currency	17	-
Interest-bearing liabilities at the end of the period	21,045	17,055

Loan maturity in the table shows the payment of outstanding principal loan amounts on the balance-sheet date, not including ongoing repayments.

Fixed-rate periods and loan maturity structure, December 31, 2021

Year	Fixed-rate period ¹		Loan maturity	
	MSEK	%	MSEK	%
Within 1 year	13,224	63	4 3522	21
1-2 years	1,575	7	2,254	11
2-3 years	4,008	19	7,289	34
3-4 years	2,342	11	4,602	22
4-5 years	0	0	2,651	13
>5 years	0	0	0	0
Total	21,149	100	21,149	100%

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

2. After the end of the quarter.

Exposure to interest-rate changes

Nyfosa mainly works with floating interest rates in its loan agreements. Exposure to interest-rate risk is managed by making use of derivative instruments, currently exclusively interest-rate caps. The sensitivity analysis below presented the estimated impact on earnings if the market interest rate were to change and if the company's average interest rate were to change. Limiting interest-rate risk increases the predictability of profit from property management and changes in interest-rate levels in the market do not fully impact the company's interest expenses. The nominal volume of outstanding interest-rate caps amounted to MSEK 9,125 on the balance-sheet date, corresponding to 45 percent of interest-bearing liabilities.

Sensitivity analysis

Earnings effect of change in average interest on debt, MSEK	Change	Dec 31	
		2021	2020
Interest expenses assuming current fixed-interest periods and changed interest rates ¹	+/-1% point	+174/-19	+149/-15
Interest expenses assuming change in average interest rate ²	+/-1% point	+/-211	+/-172
Revaluation of fixed-income derivatives attributable to shift in interest rate curves	+/-1% point	+/-28	+/-7

1. Taking into account derivative agreements

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

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

Key figures for interest-bearing liabilities, December 31, 2021

	Dec 31	
	2021	2020
Debt/equity ratio, multiple	1.2	1.3
Average interest ¹ , %	1.9	1.9
Average remaining fixed-rate period ² , years	1.0	1.6
Average remaining loan maturity period, years	2.5	2.9
Interest-rate hedged portion of liabilities ² , %	45	49
Fair value of derivatives, MSEK	22	3

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

2. After the end of the quarter, the company took out interest-rate caps, which led to an average fixed-rate period of 1.3 years and an interest-hedged share of liabilities of 48 percent.

Exposure to exchange rate fluctuations

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

Currency exposure comprises net assets in EUR. In accordance with IAS 21, exchange rate effects for foreign operations are recognized under the heading Other comprehensive income. Others exchange rate effects are recognized in profit or loss. Net assets in foreign currency amounted to MEUR 141 and MNOK 0 on December 31, 2021.

Sensitivity analysis

Earnings effect of exchange rate fluctuations, MSEK	Change	Dec 31	
		2021	2020
SEK/EUR	+/-10%	+/-144	-
SEK/NOK	+/-10%	+/-0	-

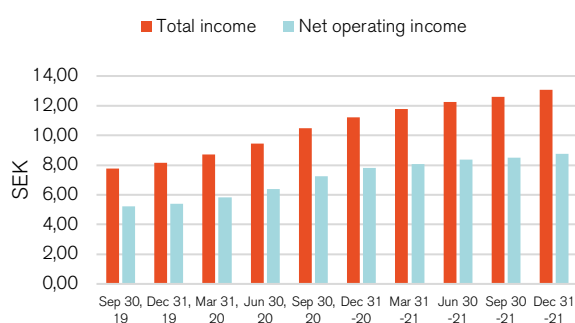
KEY FIGURES

Presented below are the key figures for a period encompassing the results of the past four quarters that Nyfosa believes provide valuable supplementary information to investors and the company's management in their assessment of the company's performance. The table presents the key figures and performance measures that are not defined by IFRS which is why a reconciliation of key figures is also provided. Definitions can also be found on page 30 of this interim report.

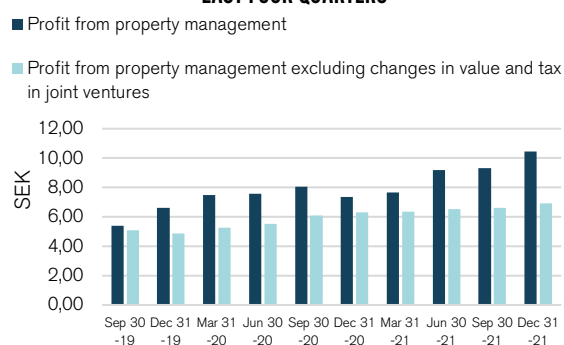
Under the company's financial target, cash flow from operating activities, before changes in working capital ("Distributable cash flow"), is to present annual growth per share of 10 percent. The financial risk limits are unchanged and stipulate that the company is to report an equity/assets ratio of at least 25 percent, the loan-to-value ratio is not to exceed 65 percent and the interest-coverage ratio is not to fall below a multiple of two.

	Last 4 quarters				
	Dec 31, 2021	Sep 30, 2021	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020
Property-related key figures					
Income, MSEK	2,459	2,347	2,267	2,177	2,035
Property expenses, MSEK	-717	-679	-651	-615	-557
Property administration, MSEK	-91	-80	-70	-68	-63
Net operating income, MSEK	1,651	1,587	1,546	1,493	1,415
Surplus ratio, %	67.1	67.6	68.2	68.6	69.5
Property value on balance-sheet date, MSEK	37,147	34,506	31,428	30,605	29,411
Share-related key figures					
Profit from property management per share, SEK	10.46	9.32	9.20	7.64	7.35
Profit from property management excluding changes in value and tax in joint ventures per share, SEK	6.90	6.61	6.53	6.36	6.32
Distributable cash flow per share, SEK	7.64	6.61	6.38	6.82	6.91
Earnings per share before dilution, SEK	16.52	13.66	14.42	11.95	12.25
Earnings per share after dilution, SEK	16.49	13.65	14.41	11.94	12.25
EPRA NRV per share on balance-sheet date, SEK	96.37	89.20	85.44	83.99	79.91
EPRA NTA per share on balance-sheet date, SEK	90.19	84.08	80.47	79.00	75.33
EPRA NDV/Equity per share on balance-sheet date, SEK	86.04	80.67	76.99	75.72	72.27
Key financial data					
Return on equity, %	20.4	18.0	20.0	17.1	19.3
Equity/assets ratio on balance-sheet date, %	42.4	40.8	41.7	41.5	41.8
Loan-to-value ratio of properties on balance-sheet date, %	56.7	58.1	58.2	58.3	58.0
Net loan-to-value ratio of properties on balance-sheet date, %	55.2	56.5	54.4	56.5	56.9
Interest-coverage ratio, multiple	3.4	3.5	3.5	3.5	3.8

INCOME AND NET OPERATING INCOME PER SHARE, LAST FOUR QUARTERS



PROFIT FROM PROPERTY MANAGEMENT PER SHARE, LAST FOUR QUARTERS



RECONCILIATION OF KEY FIGURES

	Last 4 quarters				
	Dec 31, 2021	Sep 30, 2021	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020
Distributable cash flow					
Profit from property management last four quarters, MSEK	1,973	1,737	1,701	1,410	1,334
Depreciation of equipment, last four quarters, MSEK	1	1	0	1	1
Allocated arrangement fees on loans, last four quarters, MSEK	48	46	40	38	35
Share in profit of joint ventures last four quarters, MSEK	-888	-720	-704	-457	-404
Dividend received from joint ventures last four quarters, MSEK	332	200	175	300	300
Income tax paid last four quarters, MSEK	-29	-31	-32	-34	-11
Average number of shares, last four quarters, millions	188	186	185	185	182
Distributable cash flow per share, SEK	7.64	6.61	6.38	6.82	6.91

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

	On balance-sheet date				
	Dec 31, 2021	Sep 30, 2021	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020
Net asset value					
Equity, MSEK	17,236	15,410	14,706	13,971	13,333
Hybrid bonds	-800	-	-	-	-
Deferred tax, MSEK	1,252	1,030	912	855	760
Derivatives, MSEK	-22	-5	-5	-5	-3
Deferred tax in joint ventures, 50%, MSEK	680	531	622	587	544
Derivatives in joint ventures, 50%, MSEK	62	73	85	89	110
Number of shares, millions	191	191	191	185	185
EPRA NRV per share, SEK	96.37	89.20	85.44	83.99	79.91
Estimated actual deferred tax, MSEK ¹	-711	-553	-512	-463	-419
Estimated actual deferred tax in JV, Nyfosa's share, MSEK ¹	-470	-425	-437	-458	-425
EPRA NTA per share, SEK	90.19	84.08	80.47	79.00	75.33
Deferred tax, MSEK	-541	-477	-400	-391	-341
Derivatives, MSEK	22	5	5	5	3
Deferred tax in JV, Nyfosa's share, MSEK	-210	-106	-200	-129	-118
Derivatives in JV, Nyfosa's share, MSEK	-62	-73	-85	-89	-110
EPRA NDV/Equity per share, SEK	86.04	80.67	76.99	75.72	72.27

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

Net asset value is the total capital that the company manages on behalf of its owners and the value can be calculated in different ways depending on the time perspective and turnover rate in the property portfolio. EPRA NRV (Net Reinvestment Value) is based on the company never selling its assets and aims to reflect the value required for building up the operations again. Equity (attributable to the Parent Company's shareholders in the statement of financial position less hybrid bonds) was adjusted for items that do not involve any payment in the near future, such as derivatives and deferred tax liabilities, both in Nyfosa's statement of financial position and Nyfosa's share of derivatives and deferred tax in joint ventures' statement of financial position. EPRA NTA (Net Tangible Assets) assumes that the company will make property transactions and thus be liable to pay certain taxes. The performance measure comprises equity (attributable to the Parent Company's shareholders in the statement of financial position less hybrid bonds) adjusted for the portion of deferred tax, both in Nyfosa's statement of financial position and Nyfosa's share of deferred tax in joint ventures' statement of financial position, measured at market value taking into consideration how the company has carried out property transactions in the past few years. EPRA NDV (Net Disposal Value) comprises equity attributable to the Parent Company's shareholders in the statement of financial position and less hybrid bonds.

	Last 4 quarters				
	Dec 31, 2021	Sep 30, 2021	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020
Return on equity					
Profit after tax last four quarters, MSEK	3,112	2,548	2,667	2,204	2,225
Average equity for last four quarters, MSEK	15,285	14,123	13,361	12,870	11,557
Return on equity, %	20.4	18.0	20.0	17.1	19.3

This performance measure is calculated by using profit after tax for the most recent 12-month period in relation to average equity, attributable to the Parent Company's shareholders, during the same period.

	On balance-sheet date				
	Dec 31, 2021	Sep 30, 2021	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020
Equity/assets ratio					
Equity, MSEK	17,236	15,410	14,706	13,971	13,333
Total assets, MSEK	40,626	37,767	35,243	33,643	31,907
Equity/assets ratio, %	42.4	40.8	41.7	41.5	41.8

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

	On balance-sheet date				
	Dec 31, 2021	Sep 30, 2021	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020
Loan-to-value ratio and net loan-to-value ratio					
Interest-bearing liabilities, MSEK	21,045	20,063	18,297	17,852	17,055
Property value, MSEK	37,147	34,506	31,428	30,605	29,411
Loan-to-value ratio, %	56.7	58.1	58.2	58.3	58.0
Cash and cash equivalents, MSEK	534	553	1,206	552	312
Net loan-to-value ratio, %	55.2	56.5	54.4	56.5	56.9

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

	Last 4 quarters				
	Dec 31, 2021	Sep 30, 2021	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020
Interest-coverage ratio					
Profit from property management last four quarters, MSEK	1,973	1,737	1,701	1,410	1,334
Share in profit of joint ventures last four quarters, MSEK	888	721	704	457	404
Depreciation last four quarters, MSEK	-1	-1	0	-1	-1
Financial income and expenses last four quarters, MSEK	-443	-415	-395	-378	-327
Interest-coverage ratio, multiple	3.4	3.5	3.5	3.5	3.8

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

OTHER DISCLOSURES

SHARE AND SHAREHOLDERS

The volume weighted average price on the interim period's last day of trading, December 30, 2021, was SEK 156, corresponding to a total market capitalization of approximately MSEK 29,800. Nyfosa had 19,067 shareholders, of which Swedish investors, institutions and private individuals owned 98 percent of the shares and voting rights, and the remaining shares and votes were owned by foreign shareholders.

List of owners	No. of shares	Share of	
		Capital, %	Votes, %
AB Sagax	25,915,323	13.6	13.6
Länsförsäkringar Funds	17,373,053	9.1	9.1
Swedbank Robur Funds	14,725,910	7.7	7.7
Handelsbanken Funds	9,739,326	5.1	5.1
SEB Funds	9,344,860	4.9	4.9
BlackRock	7,080,693	3.7	3.7
Vanguard	6,775,203	3.5	3.5
Lannebo Fonder	5,239,280	2.7	2.7
Kåpan Pensioner Försäkringsförening	4,880,014	2.6	2.6
Jens Engwall	4,853,411	2.5	2.5
Other	85,095,740	44.5	44.5
Total	191,022,813	100.0	100.0

ANNUAL GENERAL MEETING

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

PROPOSED DIVIDENDS

The Board proposes that the Annual General Meeting resolve on a dividend of SEK 3.80 (3.00) per share with quarterly payments of SEK 0.95 per share, corresponding to MSEK 726.

ASSURANCE FROM THE CEO

The CEO gives her 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, February 17, 2022

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

Stina Lindh Hök, CEO

FINANCIAL CALENDAR

Annual Report	Week 12, 2022
Interim report January–March 2022	April 19, 2022
2022 Annual General Meeting	April 19, 2022
Interim report January–June 2022	July 12, 2022
Interim report January–September 2022	October 20, 2022

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This interim report is unaudited.

The information is inside information that Nyfosa AB is obligated to disclose in accordance with the EU Market Abuse Regulation. The information was submitted for publication through the agency of the aforementioned contact persons on February 17, 2022 at 7:30 a.m. CET.

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 2020 Annual Report. Disclosures in accordance with IAS 34.16A are provided not only in the financial statements and the accompanying notes but also elsewhere in this interim report.

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

NOTE 2 ESTIMATES AND ASSESSMENTS

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

Measurement of investment properties

For significant assumptions and assessments affecting the measurement of Nyfosa's investment properties, refer to Note 13 of the 2020 Annual Report on www.nyfosa.se. Nyfosa's property portfolio is recognized in the statement of financial position at fair value, Level 3 according to IFRS 13, and the changes in value are recognized in profit or loss. The fair value is based on internal valuations that are performed continuously and the properties are also valued every quarter by an external independent appraiser. The value of the properties is affected not only by supply and demand in the market but also by a number of other factors, in part property-specific factors such as the leasing rate, rent level and operating expenses, and in part such market-specific factors as the yield requirement and the cost of capital, which are derived from comparable transactions in the property market. Deterioration in either a property or the market could cause the value of the properties to decline, which could have a negative impact on Nyfosa's operations, financial position and earnings.

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

Measurement of loss carryforwards

The regulatory framework governing taxation of the type of business operated by Nyfosa is complex and comprehensive in terms of both income tax and VAT/property taxation. Moreover, interpretation and application of these regulations by courts of law can change over time. Changes in these regulations, or in their interpretation by judicial bodies, could impact Nyfosa's earnings and position either positively or negatively. From time to time, Nyfosa has cases under review by, and ongoing dialog with, the Swedish Tax Agency regarding individual taxation matters. The Tax Agency makes tax rulings that can be appealed and reviewed in administrative courts of appeal. The regulations governing the recognition of taxes, and the property sector's application of these accounting regulations, are also complex. The regulatory framework is complex, the Tax Agency's review possibilities are comprehensive and the judicial bodies' interpretation and reviews take place in many stages, which means that it can take a long time to establish the correct application of legislation in complex taxation matters. This may entail that actions taken or completed transactions that were previously considered permissible according to the regulatory framework may need to be reappraised at a later juncture. Nyfosa monitors the taxation laws and practices that are in effect whenever it files tax returns. Nyfosa's assessments and calculations in the tax area, and the accounting of these matters, are reassessed at the end of each reporting period. Nyfosa had loss carryforwards from prior years. The Tax Agency decided in a review decision in 2018 not to grant the company full deductions for these loss carryforwards. The loss carryforwards in question amounted to MSEK 1,215. In November 2021, the Administrative Court decided to dismiss the case and, based on this, decided to overturn the Tax Agency's review decision. This means that Nyfosa can make full use of the company's loss carryforwards. Unutilized loss carryforwards are valued at MSEK 238, corresponding to 20.6 percent, in the statement of financial position.

Classification of acquisitions

The IFRS 3 accounting standard states that acquisitions must be classified as business combinations or asset purchases. An individual assessment of the character of the acquisition is required for each individual transaction.

Nyfosa's corporate acquisitions in 2021 encompass only properties and no material processes, which is why the transactions are deemed to be asset purchases.

NOTE 3 OPERATING SEGMENTS

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

NOTE 4 TAX

The Group's effective tax rate for the interim period was 14.6 percent (7.2). The deviation from the nominal tax rate of 20.6 percent was due to the profit from participations in joint ventures comprising profit after tax, and thus did not constitute taxable income for Nyfosa, but was also due to any non-taxable capital gains on the divestment of properties via companies, and valuations of loss carryforwards.

According to the applicable rules, deferred tax is to include temporary differences on all assets and liabilities, except for temporary differences on properties when assets are acquired. The residual value of investment properties for tax purposes totaled MSEK 16,185, which means that temporary differences of MSEK 14,598 were not recognized in the statement of financial position.

Reconciliation of effective tax, MSEK	%	
Profit before tax		3,644
Tax according to applicable tax rate for Parent Company	-20.6%	-751
Non-deductible costs and tax-exempt income	-0.7%	-24
Profit from participations in joint ventures	5.1%	187
Capitalization and utilization of loss carryforwards not capitalized in prior years	0.4%	13
Loss carryforwards for the year not capitalized	-0.2%	-6
Non-taxable sales of properties	0.4%	13
Other	1.0%	36
Recognized effective tax	-14.6%	-532

NOTE 5 EARNINGS PER SHARE

A long-term incentive program for employees of the Nyfosa Group was implemented in accordance with the resolution of the Annual General Meeting in April 2020. In order to implement the program, the Meeting resolved on a directed issue of not more than 1,098,000 warrants divided into two different series. 650,482 warrants had been subscribed for on the balance-sheet date. The remainder are held by a company in the Group. Each warrant entitles the holder to subscribe for one new share in Nyfosa AB.

There has been a long-term incentive program for employees of the Nyfosa Group since 2019. On the balance-sheet date, 1,304,300 warrants of a total of 1,950,000 issued warrants had been subscribed for, and the remainder were held by a company within the Group.

The dilutive effect from the existing warrants program amounted to 0.2 percent for the year.

NOTE 6 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

Fair value, MSEK	Dec 31	
	2021	2020
Derivatives with positive values	22	3
Derivatives with negative values	-	-

NOTE 7 FINANCING

For information regarding changes in loans, interest rates and credit terms, refer to pages 18–20 of this interim report.

NOTE 8 SHAREHOLDERS' EQUITY

A new share issue of MSEK 743 after issue costs and tax attributable to issue costs was carried out during the year.

The share capital changed according to the table.

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

Hybrid bonds

Hybrid bonds of a total of MSEK 800 under a framework of MSEK 2,000 were issued during the fourth quarter. The hybrid bonds are perpetual and Nyfosa governs the payment of interest and the principal of the instruments, which is why they are classified as equity instruments under IAS 32. Issue costs and tax attributable to issue costs of a net MSEK 5.2 and interest of MSEK 4.4 to the hybrid bond holders are recognized directly in equity. The bonds have a floating interest rate of 3M STIBOR + 475 basis points per annum until the first call date of November 18, 2025.

NOTE 9 RELATED PARTIES

The Group owns participations in joint ventures, refer to page 17 of this interim report. Söderport is managed by AB Sagax, except for property management which is managed by Nyfosa. The company TPI, of which Söderport owns 78.1 percent, also purchases management services from Nyfosa and Sagax.

Property management fees between the companies are based on market terms. Nyfosa's fee totals MSEK 3 per year. The Group has no receivables from joint ventures on December 31, 2021.

The company signed a consultancy agreement with Board member Jens Engwall in 2020. His assignment under the agreement is to provide advisory services, in the first instance to the company's CEO, and also to continue to serve as the company's Board member in Söderport Property Investment AB and Torslanda Property Investment AB. The agreement came into effect on March 1, 2021 and expires on December 31, 2022. Annual fees of MSEK 1 are paid.

NOTE 10 SIGNIFICANT EVENTS AFTER THE END OF THE INTERIM PERIOD

In February, Nyfosa signed an agreement to acquire a total of 43 properties located in several municipalities in Finland, with focus on the Helsinki region, Turku and Jyväskylä. The acquisition price amounts to MEUR 200.0, corresponding to MSEK 2,109, including acquisition costs. The properties have a total area of approximately 222 thousand square meters with an annual rental value of MEUR 29.3, corresponding to MSEK 311. Closing is planned for April 1, 2022.

In January, Nyfosa's joint venture Samfosa took possession of properties in Norway for a value of MSEK 1,560, corresponding to approximately SEK 1,560 million. The acquisition included the company Bratsberg AS, with properties mainly located in the Norwegian cities of Skien and Porsgrunn.

PARENT COMPANY

Nyfosa AB is a holding company whose operations comprise owning and managing shares. The company owned 50 percent of the participations in Söderport Holding AB, which indirectly owns properties for SEK 12.9 billion. Furthermore, the company owns 100 percent of the participations in Nyfosa Holding AB, which indirectly owns properties for SEK 37.1 billion.

During the year, the Parent Company divested its participations in Söderport Holding AB to a subsidiary in the Nyfosa Group. This transaction resulted in a gain of MSEK 1,088. Before the divestment, the Parent Company received a dividend of MSEK 200 from Söderport that was recognized under Profit from participations in joint ventures.

The company's organization comprises 67 people who work with property management, transaction operations, Group-wide administrative services and services specific to the listed company. Relevant services are provided to the subsidiaries in the Nyfosa Group through internal service level agreements.

STATEMENT OF PROFIT/LOSS

MSEK	Oct-Dec		Full-year	
	2021	2020	2021	2020
Net sales	30	27	102	87
Personnel costs	-26	-24	-97	-86
Other external costs	-14	-11	-48	-42
Depreciation/amortization	0	0	0	0
Loss before financial income and expenses	-9	-8	-43	-42
Profit from participations in joint ventures	0	0	1,288	300
Profit from participations in Group companies	874	1,850	874	1,850
Interest income and similar income items	33	73	125	82
Interest expenses and similar expense items	-22	-15	-82	-62
Profit before appropriations	876	1,899	2,161	2,128
Appropriations				
Provision to tax allocation reserve	0	0	0	7
Group contributions paid/received	67	35	67	35
Profit before tax	942	1,934	2,228	2,170
Tax	-5	1	-5	1
Profit	937	1,936	2,223	2,171

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

STATEMENT OF FINANCIAL POSITION

MSEK	Dec 31	
	2021	2020
ASSETS		
Participations in Group companies	0	0
Participations in joint ventures	0	412
Receivables from Group companies	5,277	5,377
Deferred tax assets	0	1
Total non-current assets	5,277	5,791
Current receivables from Group companies	11,790	5,239
Other current receivables	10	8
Cash and bank balances	280	145
Total current assets	12,080	5,391
TOTAL ASSETS	17,357	11,181
EQUITY AND LIABILITIES		
Restricted equity	96	92
Unrestricted equity	11,368	8,365
Equity	11,464	8,458
Untaxed reserves	0	0
Bonds	991	1,491
Other non-current liabilities	4	4
Total non-current liabilities	995	1,495
Bonds	873	-
Liabilities to Group companies	3,827	1,174
Other current liabilities	197	55
Total current liabilities	4,897	1,229
Total liabilities	5,893	2,724
TOTAL EQUITY AND LIABILITIES	17,357	11,181

GLOSSARY

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

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

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

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

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