



Q3

—
Interim report
January–September 2022

Summary first 9 months

Income from
property
management*
+39%

EPRA NRV
+13%

Like-for-like
+5.2%

Net leasing
SEK **153** M

ICR (R12)
4.1

*Including holdings in Entra

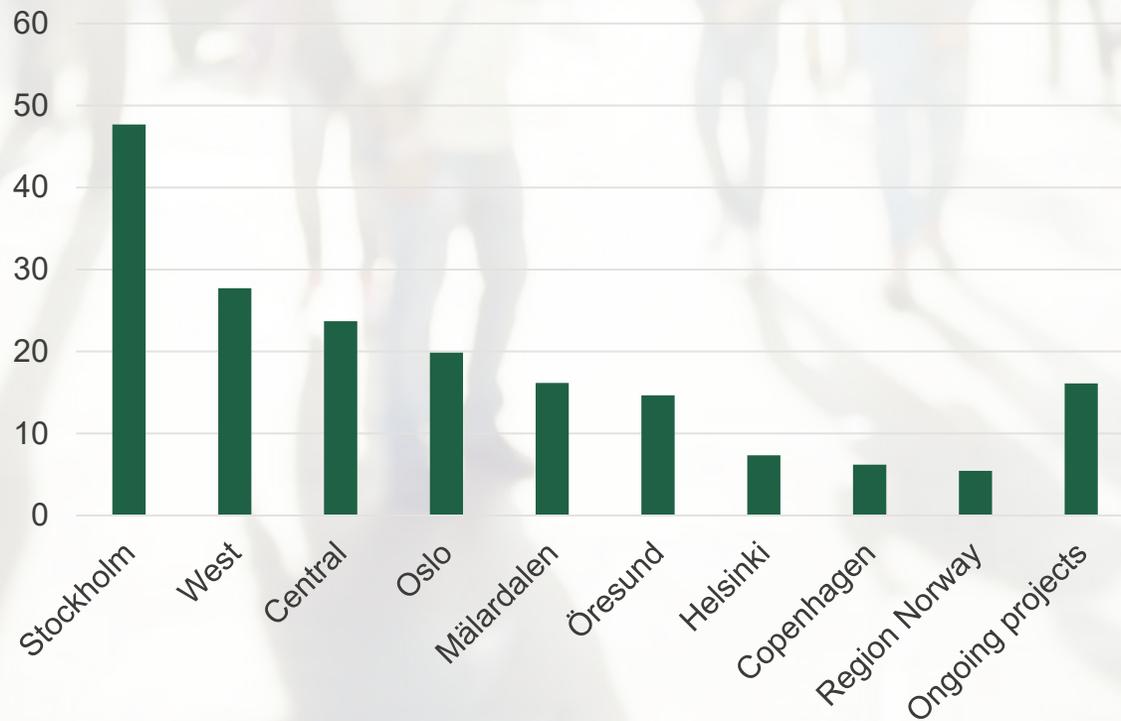


Our focus

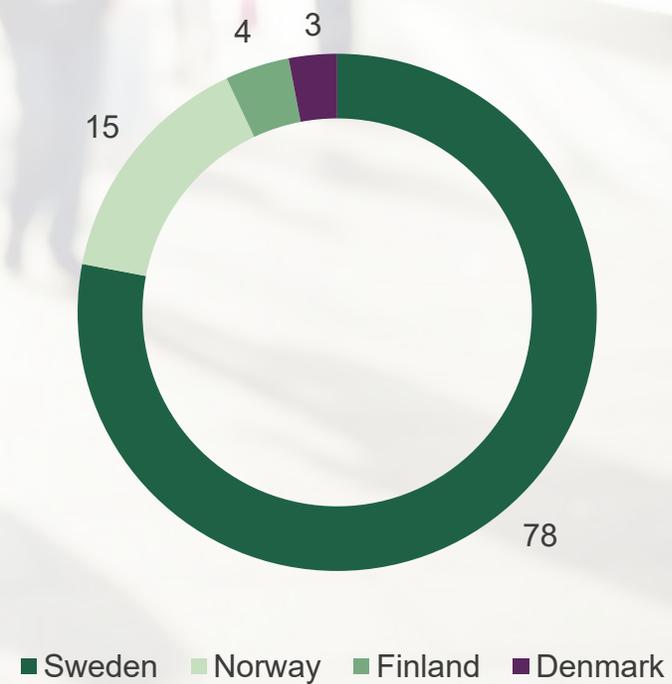
- Rental market
- Transaction market
- Downscaling in projects
- Financing activities

Diversified geographic property portfolio - SEK 186 Bn*, whereof Entra SEK 27 Bn

BOOK VALUE, SEK M



BOOK VALUE, %



* Including holdings in Entra

Our property portfolio

Largest cities (Stockholm, Gothenburg, Copenhagen, Helsinki & Oslo) approx. **60% of property value**



Region Stockholm 28%
 138 properties
 1,224 t sq. m.
 28% of property value
 SEK 52,008 M property value



Region Mälardalen
 84 properties
 829 t sq. m.
 9% of property value
 SEK 17,251 M property value



Region West
 222 properties
 1,368 t sq. m.
 16% of property value
 SEK 29,608 M property value



Finland
 20 properties
 221 t sq. m.
 4% of property value
 SEK 7,719 M property value



Region Central
 156 properties
 1,143 t sq. m.
 14% of property value
 SEK 25,829 M property value



Denmark
 16 properties
 173 t sq. m.
 3% of property value
 SEK 6,339 M property value



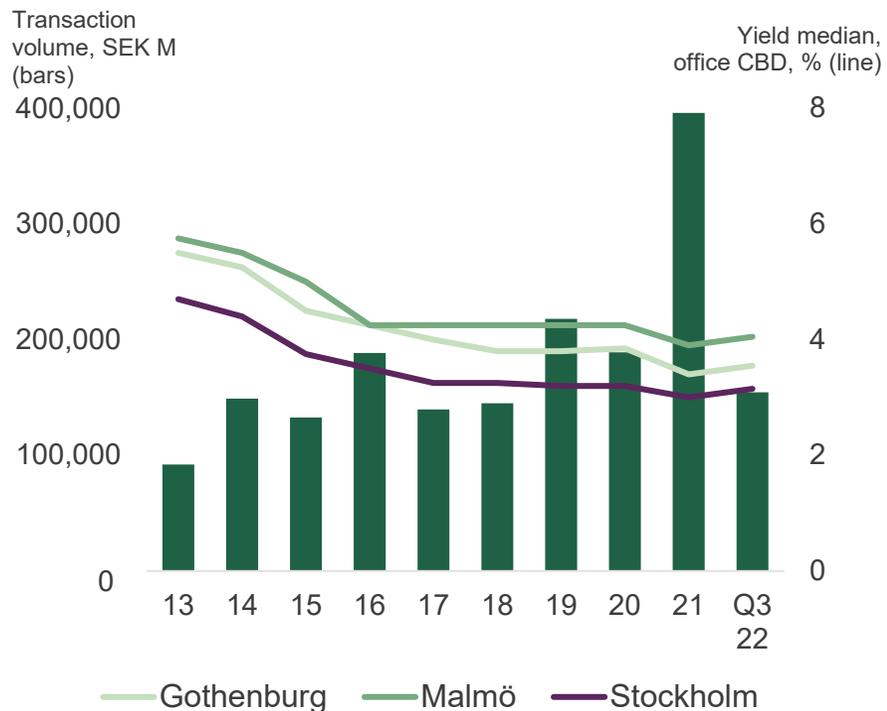
Region Öresund
 118 properties
 784 t sq. m.
 11% of property value
 SEK 19,555 M property value



Our share in Entra
 535 t sq. m.
 15% of property value
 SEK 27,417 M property value

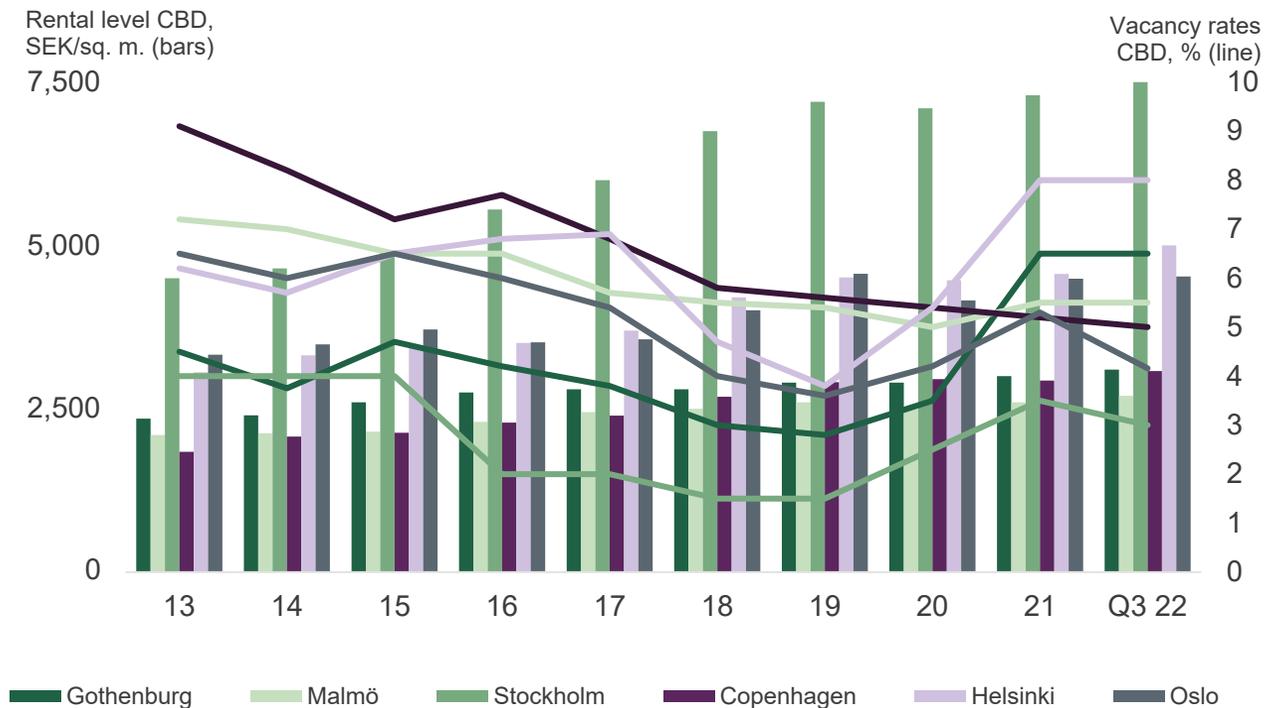
Stable transaction volumes and market rents in the property market

TRANSACTION VOLUME AND YIELDS



Source: Newsec

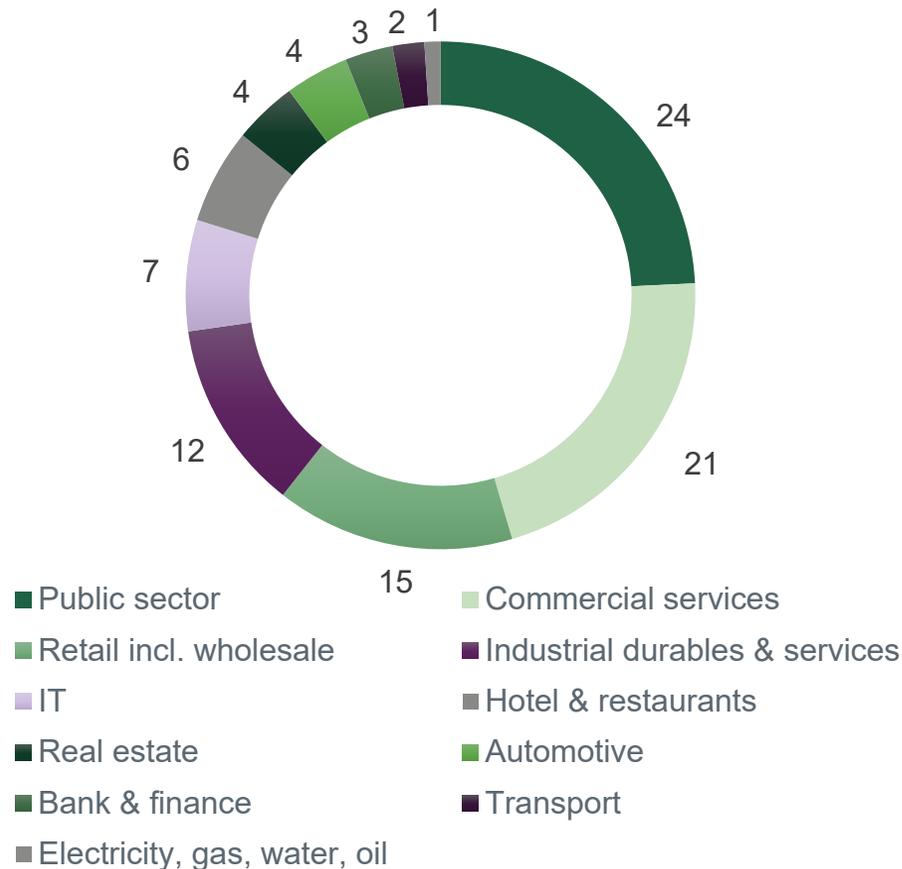
RENTAL LEVEL AND VACANCY RATES



Source: Newsec (Swedish rental level and vacancy rates), JLL (Copenhagen vacancy rates), KTI (Helsinki vacancy rates), Pangea (rental level Helsinki and Copenhagen)

Well diversified customer base – duration 4.1 years

Commercial leases distributed by sector, %



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Positive net leasing for the 11th consecutive quarter

NET LEASES 2012–Q3 2022



40 out of 43
positive
quarters

SEK 472 M
New leases
Jan-Sep 2022



SOLID AND STABLE FINANCIAL POSITION

LTV 38.8%

ICR (R12) 4.1

Stable financials

- Total outstanding loan volume at the end of Q3 was SEK 76,637 M
 - Bonds: SEK 44,695 M
 - Bank loans: SEK 28,783 M
 - Commercial papers: SEK 2,101 M
- Unutilized credit facilities of SEK 15.3 Bn, including cash of SEK 2.1 Bn
- Average capital term: 3.2 years (3.9 including non-signed but credit approved financing)
- Average interest rate: 2.3%
- Average fixed interest term: 2.6 years
- We have restructured part of our interest rate derivative portfolio during the quarter, resulting in an increased hedge ratio from 52% to 60%
 - An increase in underlying market rates by 1 percentage point, would increase financial net of SEK less than 300 M on an annual basis, given current hedging levels



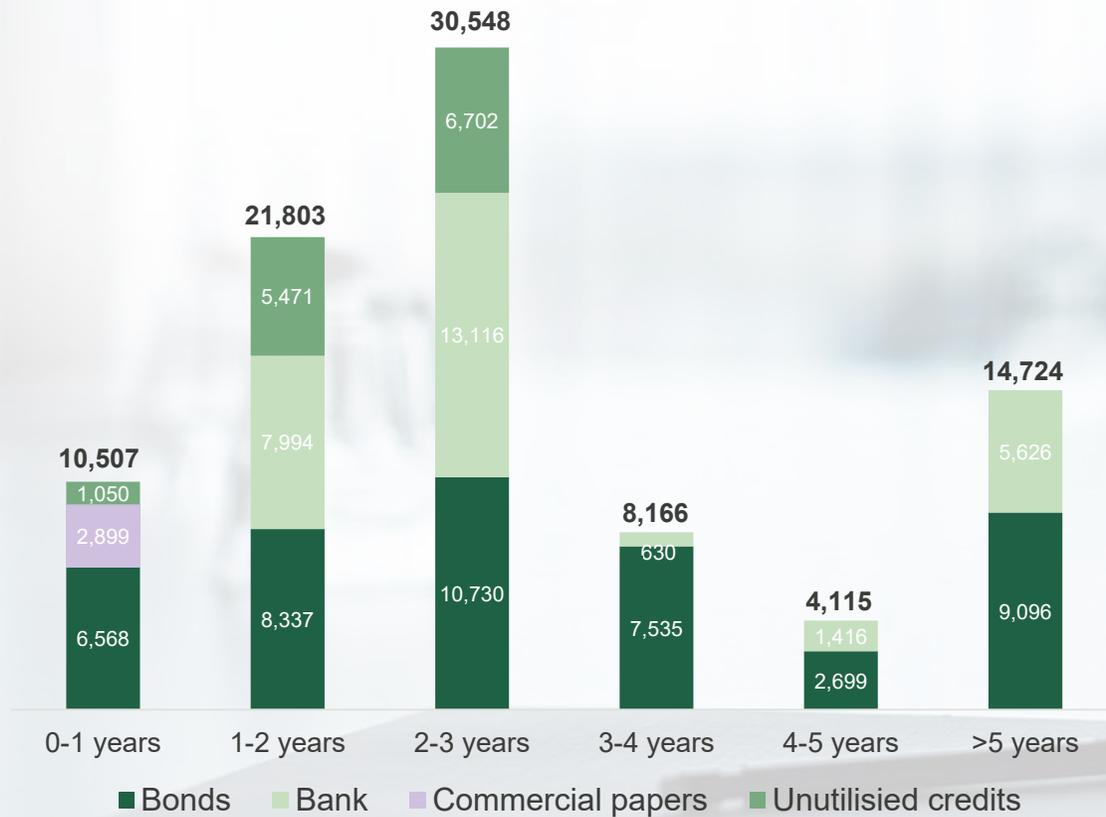


Outlook

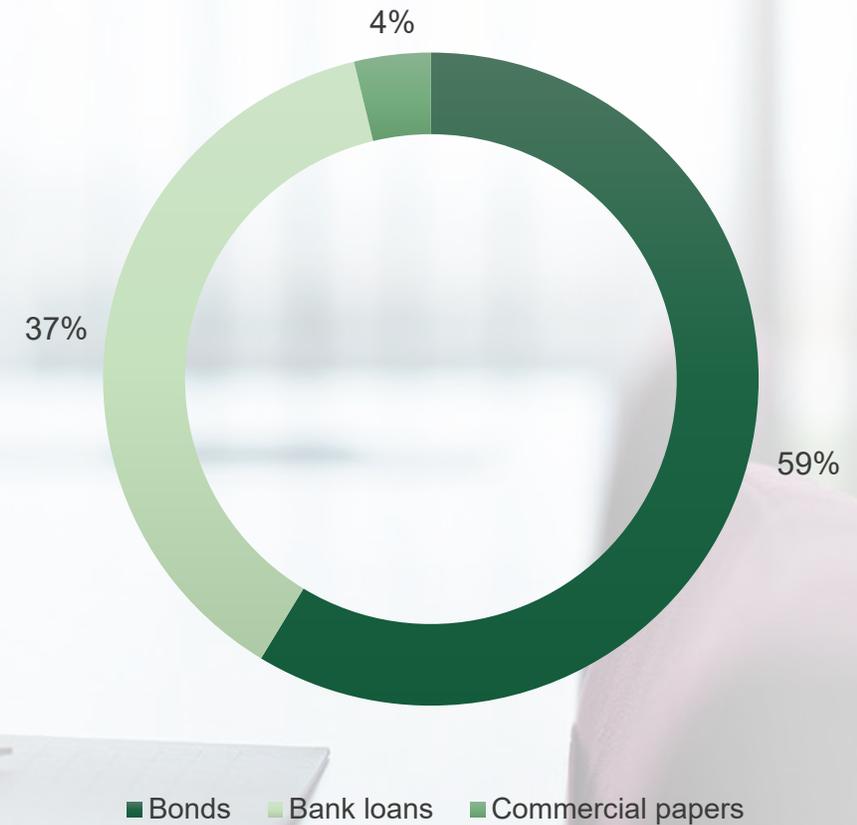
- We have SEK 15.3 Bn in cash and unutilized credit facilities, covering all bond maturities during 2022-2023
- We have written credit approvals of ~ SEK 6,200 M; from Nordic banks, expected to be signed in Q4 2022, of which SEK 2,000 M is refinancing of short-term bank debt
- The bond market remains challenging with historically high spreads and low liquidity. We continuously evaluate different sources of financing and have a healthy pipeline over the coming quarters

Diversified debt structure

CREDIT MATURITY STRUCTURE, 30 SEPTEMBER 2022



DISTRIBUTION OF INTEREST BEARING FINANCING, 30 SEPTEMBER 2022



Value adding and cash flow generating ongoing projects near completion

13 larger (> SEK 100 M) ongoing projects	457 increase in rental value	5.7% yield on cost
5,985 estimated total investment	2,172 remaining to invest	13 years average duration

Projects with rental values of SEK 183 M completed within end of the year and SEK 280 M in 2023



Projects near completion

Q4 2022

Rotterdam, Stockholm
Drevet, Helsingborg



Q2 2023

Kungsängen Tibble, Stockholm



Q1 2023

Godsfinkan, Malmö
Sjustjärnan, Malmö
Götaland, Jönköping

Ongoing projects Q3 2023

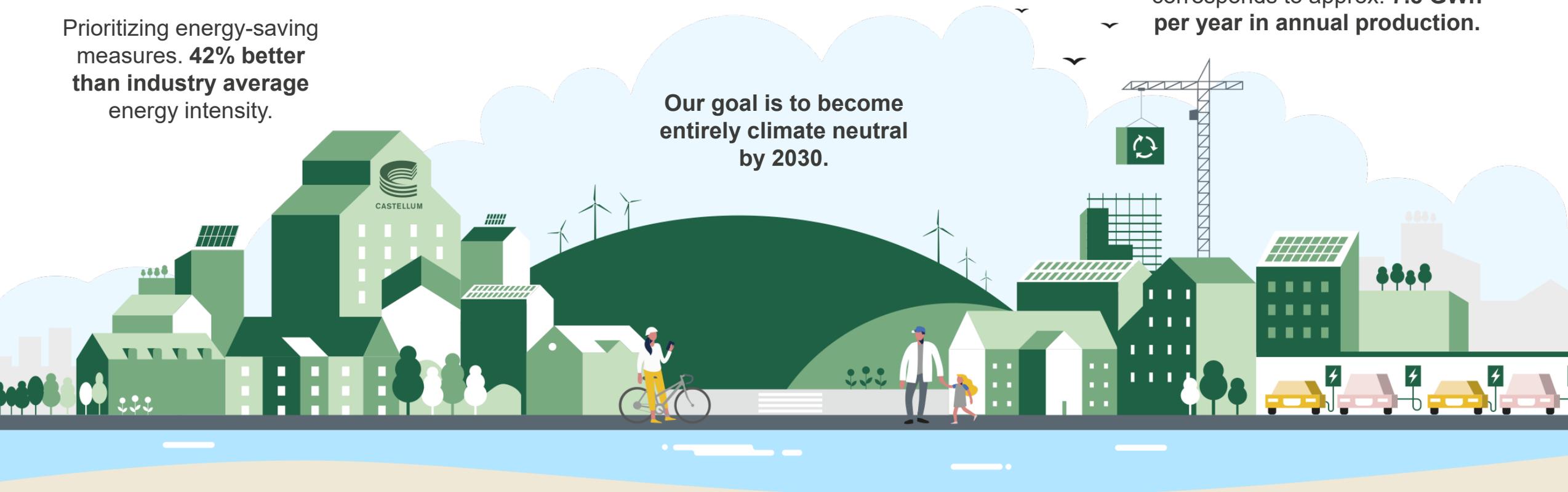
Volume: SEK 2,260 M
Of Potential rental value: SEK 224 M

The sustainable city 2030

Prioritizing energy-saving measures. **42% better** than industry average energy intensity.

Our goal is to become entirely climate neutral by 2030.

Our **71 solar cell plants** produce 7% of our total electricity needs, corresponds to approx. **7.8 GWh per year** in annual production.



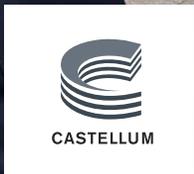
80% of the electricity volume is secured by **fixed price**.

66% of revenue aligned according to the EU Taxonomy.

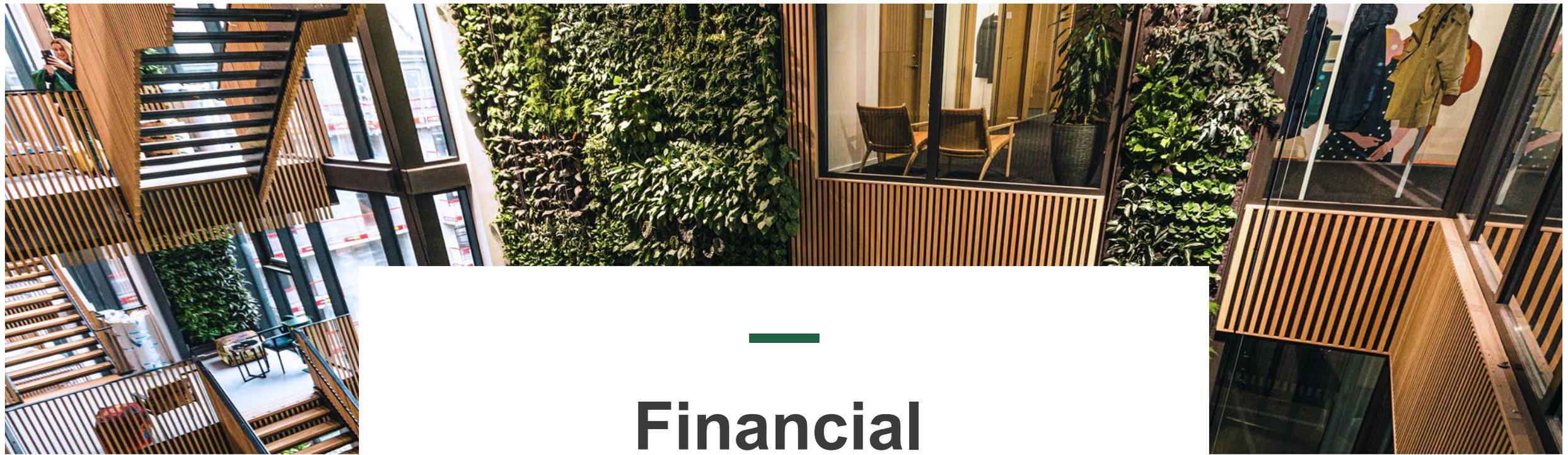
Our sustainability strategy works

- The first large property company in the Nordics to be approved and classified as Green Designation Equity on Nasdaq Stockholm
- World leader in the Office/Industry category for the seventh consecutive year, according to GRESB
- Updated framework for green MTNs

Member of
**Dow Jones
Sustainability Indices**
Powered by the S&P Global CSA



Photography courtesy of Nasdaq, Inc.



Financial performance

January–September 2022

Property portfolio*

SEK 186 Bn (182)

+2%

**Income from
property management***

SEK 3,479 M (2,503)

+39%

Rental income

like-for-like

+5.2%

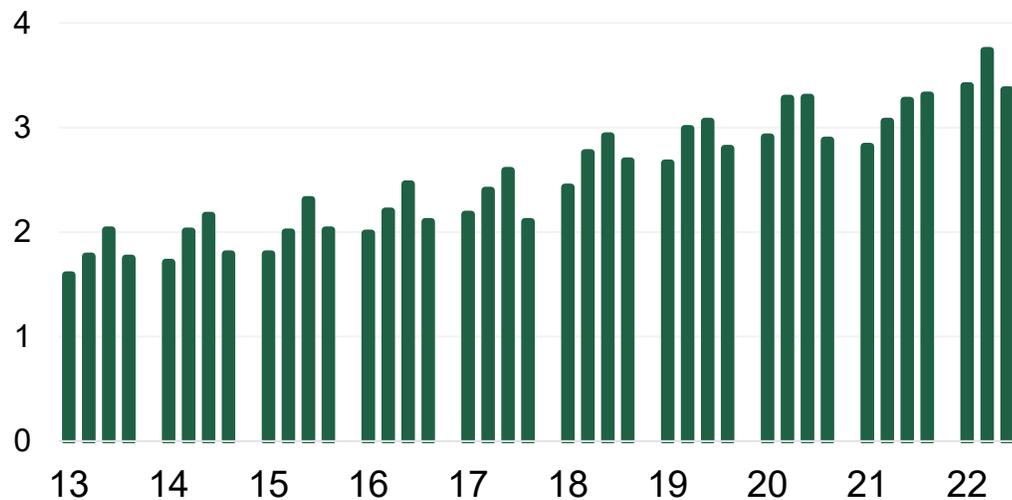
**Net operating
income**

SEK 4,470 M (3,094)

+44%

*Including holdings in Entra

Income from property management per share up with 15%



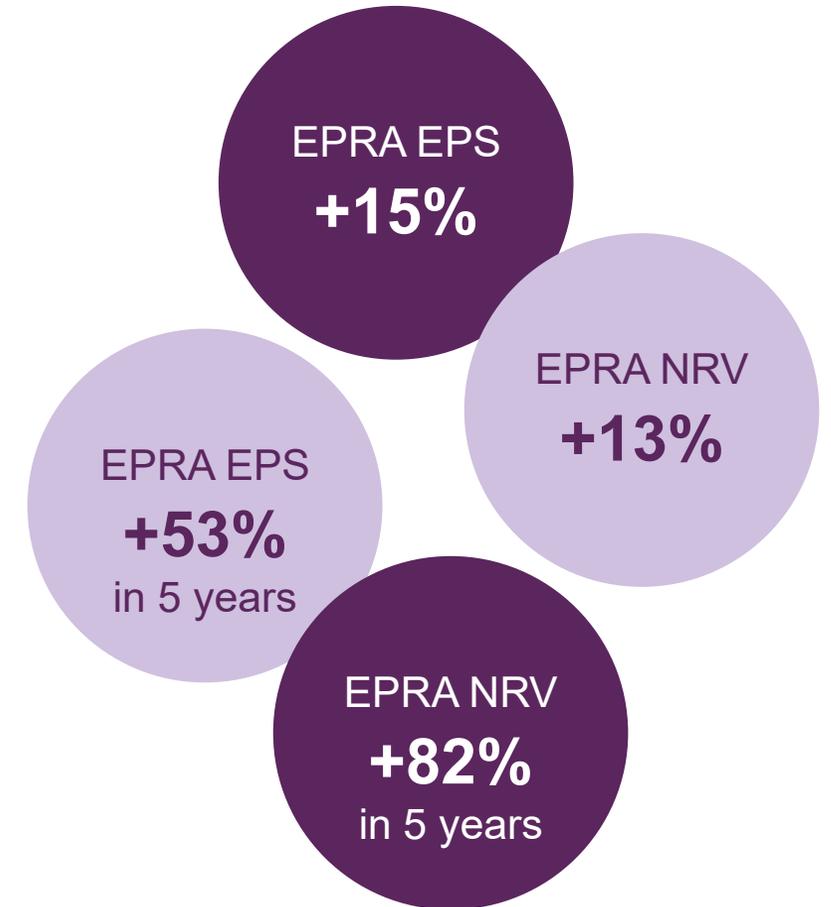
3.36 SEK/
share

■ Income from property management, SEK per share



Strong growth in EPRA EPS and EPRA NRV

	30 Sep 2022	30 Sep 2021
EPRA EPS (income from property management after tax), SEK per share	9.61	8.34
EPRA NRV (long-term net asset value), SEK per share	259	230



Takeaways

- Rental income like for like 5.2%
- Positive net leasing for the 11th consecutive quarter
- Occupancy rate 93.4%
- 99% index linked leases
- Financial stability, loan to value 38.8%
 - SEK 15.3 Bn in cash and unutilized credit facilities, covering all bond maturities during the next two years
- Projects near completion add strong cash flow
- Strong and stable underlying results
- EPRA NRV, 259 SEK/share, +13%



Q&A



Thank you!

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