

Q1

INTERIM REPORT
JANUARY–MARCH 2022

NYFOSA

THE QUARTER JANUARY–MARCH 2022

- Income amounted to MSEK 714 (571), up 25 percent.
- Profit from property management amounted to MSEK 567 (420), up 35 percent, and to SEK 2.92 per share (2.28).
- Profit from property management excluding changes in value and tax in joint ventures amounted to MSEK 360 (286), up 26 percent, and to SEK 1.84 per share (1.55).
- Distributable cash flow amounted to MSEK 256 (212), up 21 percent, and to SEK 1.34 per share (1.15).
- Profit after tax amounted to MSEK 1,323 (638), up 109 percent, and to SEK 6.86 per share after dilution (3.46).

KEY FIGURES

	Jan-Mar		Rolling	Full-year
	2022	2021	12 months	2021
Income, MSEK	714	571	2,602	2,459
Net operating income, MSEK	450	360	1,742	1,651
Surplus ratio, %	63.1	63.0	66.9	67.1
Profit from property management, MSEK	567	420	2,120	1,973
Profit from property management excluding changes in value and tax in joint ventures, MSEK	360	286	1,376	1,302
Distributable cash flow, MSEK	256	212	1,480	1,436
Profit after tax, MSEK	1,323	638	3,797	3,112
Property value on balance-sheet date, MSEK	37,811	30,605	37,811	37,147
EPRA NRV on balance-sheet date, MSEK	19,740	15,496	19,740	18,325
Interest-coverage ratio, multiple	3.6	3.4	3.5	3.4
Net loan-to-value ratio of properties on balance-sheet date, %	53.4	56.5	53.4	55.2
Key figures per share				
Profit from property management, SEK	2.92	2.28	11.10	10.46
Profit from property management excluding changes in value and tax in joint ventures, SEK	1.84	1.55	7.18	6.90
Distributable cash flow, SEK	1.34	1.15	7.80	7.64
Profit after tax after dilution, SEK	6.86	3.46	19.89	16.49
EPRA NRV on balance-sheet date, SEK	103.34	83.99	103.34	95.96

SIGNIFICANT EVENTS DURING AND AFTER THE QUARTER

- In February, 43 properties were acquired in several municipalities in Finland for an acquisition price of MSEK 2,109. Closing took place on April 1, 2022.
- In March, an agreement was signed to divest 13 properties at a selling price of MSEK 947. The portfolio comprises industry, warehouse, office and retail situated in a number of municipalities in Småland and Östergötland. Closing is planned for the second half of 2022.
- In January, bonds of MSEK 100 were issued under the framework of the existing green bond, with maturity in April 2024.

COMMENTS FROM THE CEO

Nyfosa reports a solid first quarter of 2022. We see a high level of activity in our property management with several good major leases and continuing stable net leasing. The value trend in the portfolio was strong, mainly as a result of higher net operating income, project development and favorable divestments.

Nyfosa continued to grow in Finland during the first quarter of the year, at the same time as we leveraged the continuing strength of the transaction market to streamline the portfolio in Sweden. We made acquisitions in Finland for SEK 2.1 billion, properties that suit Nyfosa with strong cash flows in several segments such as offices, big-box retail, warehouses, healthcare and schools. Although the portfolio may seem rather varied on paper, the vast majority of it is situated in high-growth regions and has several types of businesses, which creates diversity and stability. It also offers opportunities that we will develop further. This is an excellent growth step for us in Finland.

During the first quarter of the year, we entered a time of war in Europe and this new global situation affects us through higher uncertainty in some of the markets in which Nyfosa operates. We have noted more difficult conditions in the capital market, which means that bank financing – Nyfosa's primary form of financing – is even more important. The risk of rising interest rates is increasing and will impact the property sector. Inflation affects both energy prices and project costs, but has a limited impact on Nyfosa since we are not carrying out any major projects and energy costs can be largely charged to tenants. Our rental income is essentially fully inflation-hedged. In addition, our strong cash flows and highly functioning operations provide the platform for Nyfosa to continue to act in this new external situation. We have a business concept that works in all markets, and we will administer it well.

Stina Lindh Hök, CEO



CONTINUED GROWTH IN FINLAND



During the first quarter, Nyfosa signed an agreement to acquire a portfolio of 43 properties located in several municipalities in Finland, with a focus on the Helsinki region, Turku and Jyväskylä. The portfolio includes offices, retail, schools and healthcare with a diversified tenant base, with the car dealer chain Delta Auto and the City of Helsinki among the larger tenants.

The portfolio is a very good complement for Nyfosa as we continue to build strong cash flows in Finland. The portfolio has stable rental levels with properties located in attractive regional cities and big-box retail areas. It is a diversified portfolio with many opportunities that Nyfosa, together with our partner Brunswick, will develop further.

Closing took place on April 1, 2022.

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

BUSINESS CONCEPT

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

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

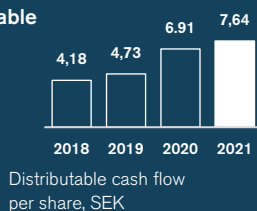
Total property value incl. Nyfosa's participations in joint ventures SEK 45.2 billion on March 31, 2022.

FINANCIAL TARGET

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

Outcome 2021:

+11%



DIVIDEND POLICY

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

FINANCIAL RISK LIMITS

On March 31, 2022

Equity/assets ratio.
At least 25 percent
in the long term.

43.5%

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

57.0%

Interest-coverage ratio.
Long term at least a
multiple of 2.

3.5x

SUSTAINABILITY GOALS

TARGETS 2025

Sustainability certification

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

Streamlined consumption

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

LONG-TERM TARGETS

Carbon emissions

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

CONDENSED STATEMENT OF PROFIT/LOSS

MSEK	Jan-Mar		Rolling	Full-year
	2022	2021	12 months	2021
Rental income	699	566	2,554	2,421
Other property income	15	6	48	39
Total income	714	571	2,602	2,459
Property expenses				
Operating expenses	-166	-128	-477	-439
Maintenance costs	-37	-37	-166	-167
Property tax	-32	-26	-118	-112
Property administration	-28	-20	-100	-91
Net operating income	450	360	1,742	1,651
Central administration	-36	-35	-129	-128
Other operating income and expenses	2	3	4	5
Share in profit of joint ventures	266	188	966	888
Financial income and expenses	-116	-95	-464	-443
Profit from property management	567	420	2,120	1,973
<i>Profit from property management excluding changes in value and tax in joint ventures</i>	360	286	1,376	1,302
Changes in value of properties	863	322	2,193	1,652
Changes in value of financial instruments	110	2	127	19
Profit before tax	1,540	744	4,439	3,644
Tax	-217	-106	-642	-532
Profit	1,323	638	3,797	3,112
<i>Profit attributable to:</i>				
Parent Company shareholders	1,322	638	3,795	3,112
Non-controlling interests	2	0	2	0
Profit	1,323	638	3,797	3,112
Earnings per share before dilution, SEK	6.92	3.46	19.99	16.52
Earnings per share after dilution, SEK	6.90	3.46	19.95	16.49

CONDENSED STATEMENT OF PROFIT/LOSS AND OTHER COMPREHENSIVE INCOME

MSEK				
Profit	1,323	638	3,797	3,112
Translation of foreign operations	18	0	27	9
Comprehensive income	1,342	638	3,824	3,121
<i>Comprehensive income attributable to:</i>				
Parent Company shareholders	1,338	638	3,820	3,120
Non-controlling interests	3	0	4	1
Comprehensive income	1,342	638	3,824	3,121

COMMENTS ON THE CONSOLIDATED STATEMENT OF PROFIT/LOSS

JANUARY–MARCH 2022 QUARTER

During the quarter, the Norwegian joint venture Samfosa took possession of a portfolio of 13 properties and 10 projects situated in the expansive Grenland region southwest of Oslo. The existing portfolio has a leasable area of 95 thousand sqm distributed between offices, retail, warehouses and light industry. The acquisition price amounts to a corresponding MSEK 1,603 including acquisition costs, of which Nyfosa's share is about MSEK 800. Annual rental value amounts to MSEK 119 and the average remaining lease term is 5.0 years. The leasing rate is 96 percent. Earnings from Samfosa are recognized under Profit from participations in joint ventures in profit or loss.

In February, an agreement was signed to acquire a portfolio of 43 properties located in several municipalities in Finland, with a focus on the Helsinki region, Turku and Jyväskylä. The acquisition price amounts to a corresponding MSEK 2,109 including acquisition costs. Possession was taken on April 1, and earnings are included from this date.

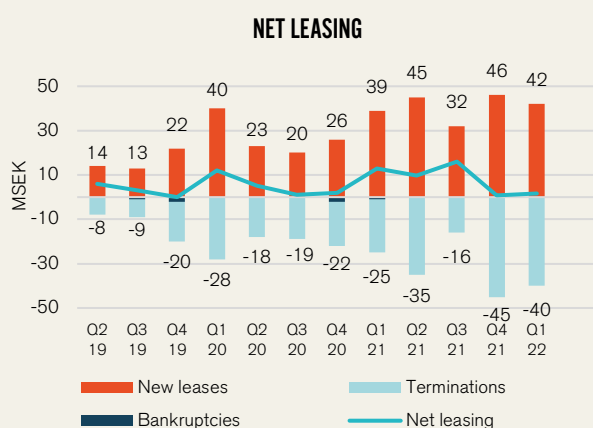
Earlier in the quarter, an agreement was signed to acquire an office property under construction in the Finnish regional city of Kuopio. When completed, the property will have LEED Gold certification. The acquisition price amounted to a corresponding MSEK 123, with an annual rental value corresponding MSEK 10.8. Possession of this property was also taken on April 1.

At the end of the quarter, an agreement was signed to divest 13 properties at a selling price of MSEK 947. The portfolio comprises industry, warehouse, office and retail situated in a number of municipalities in Småland and Östergötland. The total leasable area is 111 thousand sqm and the annual rental value is MSEK 76. This divestment creates scope for new acquisitions focusing on strong and stable cash flows. Closing is planned for September 1.

Furthermore, bonds of MSEK 100 were issued under the framework of the existing green bond, with maturity in April 2024. The issue was completed at a price of 101.25 percent of the nominal amount, which is equivalent to a floating interest rate of 3M STIBOR + 227 basis points until the first call date. In connection with the acquisition, MSEK 125 of the bond was repurchased with maturity in May 2022.

The process of sustainability certifying the existing portfolio and evaluating energy consumption continued. Leasing operations resulted in net leasing of MSEK +2. New leases were signed for a total of MSEK 42, while terminations amounted to MSEK 40. Confirmed bankruptcies among tenants amounted to MSEK 0.4. The major new leases include an eight-year agreement in the Pentagonen 1 property in Huddinge Municipality.

Following several quarters of positive net leasing, we can conclude that the operations have not been affected by the pandemic. The war in Ukraine has not had any material financial impact on the financial statements, but this cannot be ruled out in the future. The organization is continuing to monitor market developments closely, and we can see rising inflation and greater uncertainty regarding interest rates. The majority of leases are linked to the Consumer Price Index (CPI), which means that rental income increases in line with inflation. Energy prices have risen and impacted earnings, but with a marginal effect since most of the electricity costs are charged to tenants. Project costs have become noticeably more expensive, but the short-term impact is low since Nyfosa has few large projects and most have already been procured. Rent losses for the quarter were at a normally low level. Rent receivables for rents invoiced were settled in accordance with the contractual terms, except for a small number of invoices, which is normal. Refinancing of bank loans proceeded as expected with favorable results.



Rental income and net operating income

Income amounted to MSEK 714 (571), up MSEK 143 or 25 percent. The larger portfolio was the main reason for the growth.

Net operating income for the quarter amounted to MSEK 450 (360) and the surplus ratio was 63.1 percent (63.0). Net operating income for the quarter was impacted by higher electricity prices in both Sweden and Finland. The Finnish portfolio includes the net operating income from services offered to the tenants in Jyväskylä. The surplus ratio for these services is significantly lower, but makes a positive contribution to maintaining a high standard for the tenants in the centrally located buildings.

Profit from property management

Costs for central administration amounted to MSEK 36 (35).

Profit from participations in joint ventures of MSEK 265 (188) comprised Nyfosa's share of Söderport's and Samfosa's profit after tax. Nyfosa's share of profit from property management in joint ventures amounted to MSEK 58 (54) and changes in values and tax in Söderport impacted the share in profit by MSEK 228 (138).

Financial income and expenses amounted to MSEK –116 (–95). Net financial items include exchange-rate losses of MSEK –3 attributable to loans in EUR. The increase was otherwise due to higher net debt, amounting to MSEK 21,559 (17,852) on the balance-sheet date.

Profit from property management amounted to MSEK 567 (420). Excluding changes in value and tax in joint ventures, profit from property management amounted to MSEK 360 (286).

Changes in value

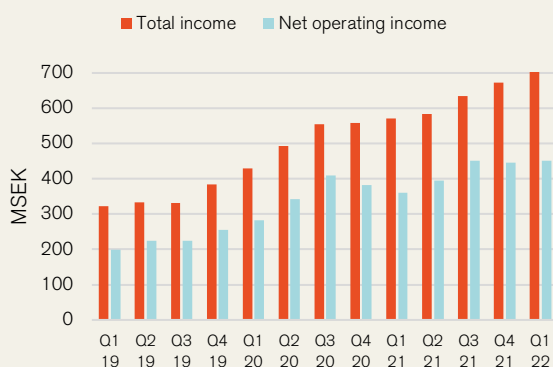
Revaluation of properties amounted to MSEK 863 (322) and was mainly impacted by signed new leases, renegotiated leases and favorable sales.

Tax

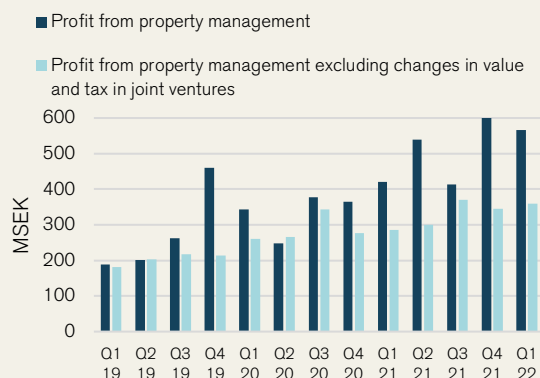
The tax expense for the quarter amounted to MSEK 217 (106). The effective tax rate was 14.1 percent (14.3). The deviation from the nominal tax rate of 20.6 percent was mainly due to the profit from participations in joint ventures comprising profit after tax, and thus did not constitute taxable income for Nyfosa, but was also due to any non-taxable capital gains on the divestment of properties via companies, and valuations of loss carryforwards.

Earnings per share for the quarter after dilution amounted to SEK 6.90 (3.46).

INCOME AND NET OPERATING INCOME PER QUARTER



PROFIT FROM PROPERTY MANAGEMENT PER QUARTER



CONDENSED STATEMENT OF FINANCIAL POSITION

MSEK	Mar 31		Dec 31
	2022	2021	2021
ASSETS			
Investment properties	37,811	30,605	37,147
Assets with right-of-use	243	171	237
Participations in joint ventures	2,832	2,104	2,490
Derivatives	131	5	22
Other assets	13	2	3
Total non-current assets	41,054	32,887	39,898
Current receivables	237	204	193
Cash and cash equivalents	1,380	552	534
Total current assets	1,617	756	727
TOTAL ASSETS	42,671	33,643	40,626
EQUITY AND LIABILITIES			
Equity attributable to Parent Company shareholders ¹	18,565	13,971	17,236
Non-controlling interests	35	0	32
Total equity	18,600	13,971	17,268
Non-current interest-bearing liabilities	17,584	16,921	16,492
Liabilities attributable to right-of-use assets	235	165	229
Other non-current liabilities	49	20	48
Deferred tax liabilities	1,447	855	1,252
Total non-current liabilities	19,314	17,960	18,021
Current interest-bearing liabilities	3,968	931	4,553
Other current liabilities	788	782	783
Total current liabilities	4,756	1,713	5,337
Total liabilities	24,070	19,673	23,357
TOTAL EQUITY AND LIABILITIES	42,671	33,643	40,626

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

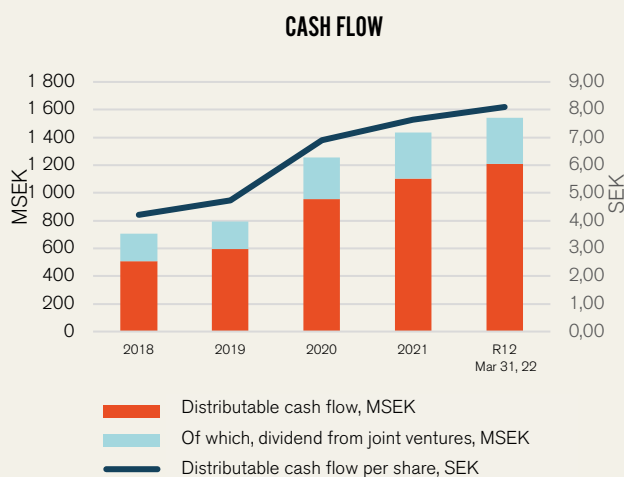
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

MSEK	Equity attributable to the Parent Company's shareholders	Non-controlling interests	Total equity
Opening equity, Jan 1, 2021	13,333	-	13,333
Comprehensive income, Jan-Mar 2021	638	-	638
Closing equity, Mar 31, 2021	13,971	-	13,971
Issue/buyback of warrants	3	-	3
New share issue	743	-	743
New issue of hybrid bonds	800	-	800
Issue costs for hybrid bonds	-10	-	-10
Dividends to shareholders	-753	-	-753
Change in non-controlling interests	-	31	31
Comprehensive income, Apr-Dec 2021	2,481	1	2,482
Closing equity, Dec 31, 2021	17,236	32	17,268
Opening equity, Jan 1, 2022	17,236	32	17,268
Interest to hybrid bond holders	-9	-	-9
Change in non-controlling interests	-	0	0
Comprehensive income, Jan-Mar 2022	1,338	3	1,342
Closing equity, Mar 31, 2022	18,565	35	18,600

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

MSEK	Jan-Mar		Rolling	Full-year
	2022	2021	12 months	2021
Operating activities				
Profit from property management	567	420	2,120	1,973
Adjustments for non-cash items	-251	-178	-912	-839
Dividend from holdings in joint ventures	0	0	332	332
Interest paid to hybrid bond holders	-6		-6	
Income tax paid	-54	-29	-54	-29
Distributable cash flow¹	256	212	1,480	1,436
– per share, SEK	1.34	1.15	7.80	7.64
Change in operating receivables	-44	-21	-1	22
Change in operating liabilities	41	178	-206	-70
Cash flow from operating activities	253	369	1,272	1,389
Investing activities				
Direct and indirect acquisitions of investment properties	-19	-1,025	-5,205	-6,211
Direct and indirect divestments of investment properties	352	213	794	655
Investments in existing investment properties	-88	-103	-460	-475
Investments in joint ventures	-75	-	-92	-17
Non-current receivables from joint ventures	-23	-	-23	-
Other	-	-	-2	-2
Cash flow from investing activities	146	-916	-4,989	-6,051
Financing activities				
New issue of shares/warrants	-	-1	745	744
New issue of hybrid bonds	-	-	793	793
Dividends to shareholders	-	-	-609	-609
Loans raised	1,402	966	8,286	7,849
Repayment of loans	-933	-178	-4,679	-3,924
New share issue to non-controlling interests	-	-	30	30
Other	-11	-	-10	-
Cash flow from financing activities	458	786	4,556	4,884
Cash flow for the period	858	240	839	221
Cash and cash equivalents at the beginning of the period	534	312	534	312
Exchange differences in cash and cash equivalents:	-13	0	-13	1
Cash and cash equivalents at the end of the period	1,380	552	1,380	534
Interest received	0	0	0	0
Interest paid	-102	-78	-382	-358

¹ Cash flow from operating activities before changes in working capital



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

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

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

INVESTMENT PROPERTIES

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

Offices

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

Logistics/Warehouse

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

Retail

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

Industry

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

Other

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

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

LEASE STRUCTURE

The rental value on April 1, 2022 amounted to MSEK 2,984, of which vacancy rent, including discounts, was MSEK 197. The share of CPI-linked annual rental income was 90 percent. Nyfosa had 6,728 leases including 2,571 leases for garages and parking spaces. The average lease term was 3.7 years. The lease term in the Finnish portfolio was 2.3 years. A large share of rental income in the Finnish portfolio refers to "until further notice leases" that run on a 12-month basis, which is a common form of agreement in Finland. Tenants lease their premises on average for a longer period. Slightly more than 20 green appendices were signed during the quarter when new leases were signed or leases were renegotiated. The aim of these green appendices is to identify and follow up on various initiatives to reduce energy consumption in premises, such as more efficient heating and lighting.

Nyfosa has a highly diverse tenant list featuring only a small number of dominant tenants. The ten largest tenants represent 11 percent of total rental income and are distributed between 204 leases. Among the largest tenants are the Swedish Transport Agency, Saab, Telia, Försäkringskassan, City Gross and the Swedish Public Employment Service, meaning a large share of companies that conduct tax-financed operations. Of total rental income, tax-financed rent represented 23 percent.

Property category	Value, MSEK	Share, %	SEK per sqm	No. of properties	Leasable area, 000s sqm	Rental value ¹ , MSEK	Annual income ¹ , MSEK	Economic leasing rate, %	Lease term, years
Offices	19,607	52	18,327	165	1,070	1,516	1,406	93.3	2.7
Logistics/Warehouse	7,759	21	8,958	122	866	598	544	92.6	4.1
Retail	3,988	11	13,029	61	306	341	324	96.8	5.4
Industry	2,279	6	8,331	54	274	216	209	96.9	4.1
Other	4,178	11	17,671	43	236	313	304	97.7	5.2
Total	37,811	100	13,739	445	2,752	2,984	2,787	94.3	3.7

Region

Finland	3,702	10	20,640	28	179	347	324	93.4	2.3
Greater Gothenburg	498	1	11,121	5	45	44	38	89.7	5.3
Mälardalen	5,897	16	14,173	49	416	462	436	95.6	3.5
Greater Malmö	3,077	8	11,631	53	265	234	218	95.3	4.3
Coast of Norrland	5,172	14	12,775	65	405	403	377	93.8	3.6
Småland	3,654	10	9,601	66	381	323	296	92.3	4.4
Greater Stockholm	5,835	15	22,928	49	254	385	361	95.3	4.3
Värmland	3,602	10	16,290	45	221	283	269	95.5	3.1
Other	6,374	17	10,871	85	586	504	468	93.9	3.7
Total	37,811	100	13,739	445	2,752	2,984	2,787	94.3	3.7

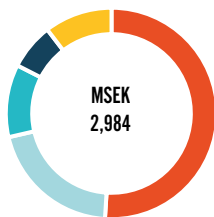
¹ According to the current leases as of 1 April 2022.

PROPERTY VALUE BY CATEGORY



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

RENTAL VALUE BY CATEGORY

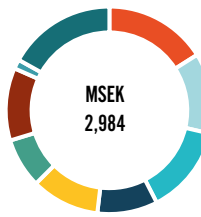


PROPERTY VALUE BY REGION

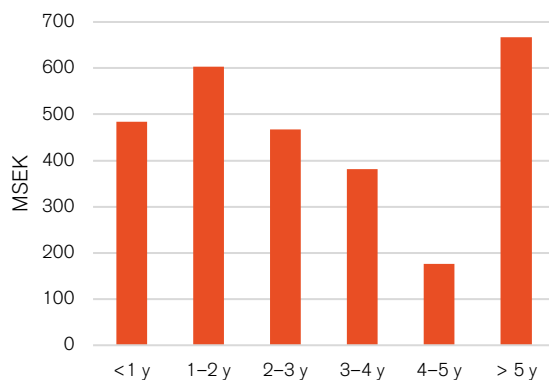


■ Mälardalen, MSEK 5,897 ■ Greater Stockholm, MSEK 5,835 ■ Coast of Norrland, MSEK 5,172
■ Värmland, MSEK 3,602 ■ Småland, MSEK 3,654 ■ Greater Malmö, MSEK 3,077
■ Finland, MSEK 3,702 ■ Greater Gothenburg, MSEK 498 ■ Other, MSEK 6,374

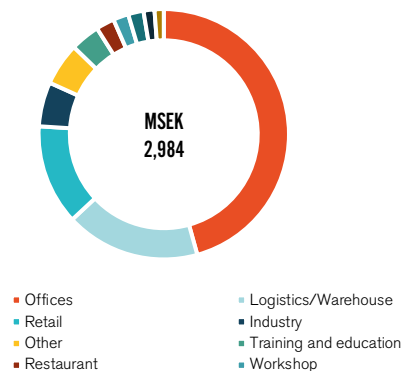
RENTAL VALUE BY REGION



LEASE MATURITY STRUCTURE



RENTAL VALUE TYPE OF PREMISES

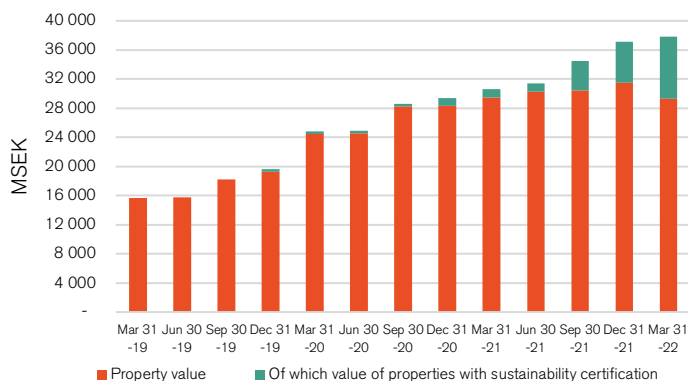


PROPERTY PORTFOLIO TRENDS

CHANGES IN VALUE

MSEK	Jan 1–Mar 31		Jan 1–
	2022	2021	Dec 31
			2021
At the beginning of the period	37,147	29,411	29,411
Acquired properties	28	986	6,243
Investments in existing properties	88	103	475
Divested properties	-352	-217	-663
Realized changes in value	5	-3	-42
Unrealized changes in value	858	326	1,694
Translation effect, currency	37	0	28
At the end of the period	37,811	30,605	37,147

TREND IN PROPERTY PORTFOLIO



TRANSACTIONS AND INVESTMENTS

Acquired properties, January–March 2022

During the quarter, an agreement was signed to acquire a portfolio of 43 properties located in several municipalities in Finland, with a focus on the Helsinki region, Turku and Jyväskylä. The acquisition price amounts to a corresponding MSEK 2,109 including acquisition costs. Possession was taken on April 1, which is why the properties had not been recognized in the statement of financial position on the balance-sheet date.

An agreement was also signed to acquire an office property under construction in the Finnish regional city of Kuopio. When completed, the property will have LEED Gold certification. The acquisition price amounted to a corresponding MSEK 123, with an annual rental value corresponding MSEK 10.8. Possession of this property was also taken on April 1, and thus was not recognized in the statement of financial position on the balance-sheet date.

Investments in existing properties, January–March 2022

The process of environmentally certifying buildings is continuing, with the primary aim of preparing solid data for deciding on any investment in energy-optimization measures. Properties with sustainability certification had a total value of SEK 8.5 billion on the balance-sheet date, corresponding to 22 percent of the total property value.

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

Investments of MSEK 87 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. Modifications are being made at Snickaren 12 in Växjö for DHL, which signed a new five-year lease.

Municipality	Property	Category	Tenant	Area, 000s sqm	Total of accrued, MSEK	Estimated investment, MSEK	Scheduled completion years
Gävle	Norr 12:5	Offices	Försäkringskassan	6	41	69	Q4 2022
Luleå	Mården 11	Offices	Luleå municipality	11	19	107	Q1 2023
Växjö	Snickaren 12	Logistics/ Warehouse	DHL	2	4	16	Q3 2022

Divested properties, January-March 2022

At the end of the quarter, an agreement was signed to divest 13 properties at a selling price of MSEK 947. The portfolio comprises industry, warehouse, office and retail situated in a number of municipalities in Småland and Östergötland. The total leasable area is 111 thousand sqm and the annual rental value is MSEK 76. This divestment creates scope for new acquisitions focusing on strong and stable cash flows. Closing is planned for September 1, which is why the properties are included in the statement of financial position and contribute to earnings on the balance-sheet date.

Three properties, one logistics and two office properties, were vacated in Sweden during the quarter.

YIELD REQUIREMENT FOR VALUATION OF INVESTMENT PROPERTIES

The weighted yield requirement for externally valued properties on March 31, 2022 was 5.82 percent, and the weighted cost of capital for the present value calculation of cash flows and residual values was a nominal 7.61 percent and 7.93 percent, respectively. When last valued on December 31, 2021, the yield requirement was 5.83 percent, the weighted cost of capital for the present value calculation of cash flows and residual values was 7.55 percent and 7.86 percent, respectively.

Sensitivity analysis – change in value for changes in valuation parameters

March 31, 2022	%	MSEK
Change in net operating income ¹	+/- 5.00	+/- 1,749
Change in yield requirement	+/- 0.25	+/- 1,656
Change in growth assumptions	+/- 0.50	+/- 167
Change in discount rate	+/- 0.25	+/- 1,253

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 2021 Annual Report on www.nyfosa.se.

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

EARNINGS CAPACITY

	Apr 1 2022
MSEK	
Rental value	2,984
Vacancy amount	-197
Rental income according to leases	2,787
Property expenses	-760
Property administration	-99
Net operating income	1,928
Central administration	-114
Share in profit of joint ventures	270
Financial expenses	-459
<i>of which ground rent</i>	-8
Profit from property management	1,618
Earnings per share, SEK	8.47
Earnings less interest on hybrid bond per share, SEK	8.27

The company's current earnings capacity on a 12-month basis on April 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 current earnings capacity must be considered together with other information in the interim report.

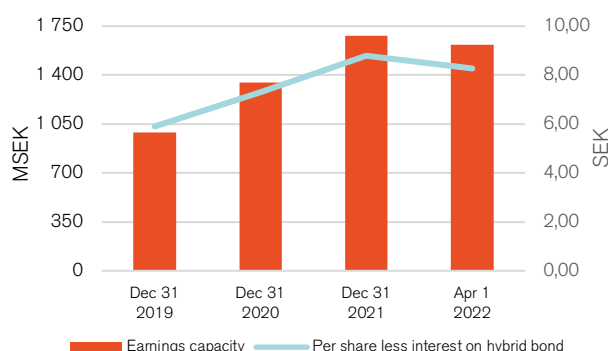
The following information is used as the basis for assessing current earnings capacity:

- properties owned on the balance-sheet date, which means that agreed possessions and vacancies thereafter are not taken into account;
- rental value is based on annual contractual rental income from current leases on 1 April;
- 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 the balance-sheet date, 2022, including allocated opening charges, a total of 2.1 percent. The item also includes ground rent.

KEY FIGURES EARNINGS CAPACITY

	Mar 31, 2022
Property value on balance-sheet date, MSEK	37,811
	Apr 1, 2022
Rental value, MSEK	2,984
Leasable area, 000s sqm	2,752
No. of properties on balance-sheet date	445
Economic leasing rate, %	94.2
Remaining lease term, years	3.7
Surplus ratio, %	69.7
Yield, %	5.1

EARNINGS CAPACITY



PARTICIPATIONS IN JOINT VENTURES

In addition to the wholly owned portfolio, Nyfosa also owns participations in other property companies. These participations contributed SEK 18.28 per share (15.07) to Nyfosa's EPRA NRV on the balance-sheet date.

SAMFOSA

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

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

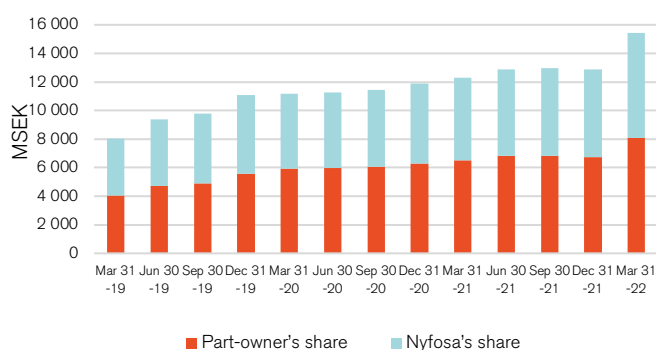
SÖDERPORT

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

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

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

PROPERTY VALUE IN JOINT VENTURES



MSEK	Söderport Jan-Mar		Samfosa Jan-Mar
	2022	2021	2022
Rental income	220	213	28
Profit from property management	123	117	3
Changes in value of properties and derivatives	603	376	-
Profit	579	394	3
<i>of which, Nyfosa's share</i>	<i>265</i>	<i>188</i>	<i>2</i>
	Mar 31		Mar 31
Average remaining lease term, years	4.4	4.8	2.6
Leasable area, 000s sqm	761	782	100
Economic leasing rate, %	98	97	96.8
Rental value	947	904	113
Investment properties	13,850	12,311	1,603
Cash and cash equivalents	260	211	37
Equity attributable to Parent Company shareholders	5,509	4,209	156
<i>of which, Nyfosa's share</i>	<i>2,754</i>	<i>2,104</i>	<i>79</i>
Interest-bearing liabilities	6,606	6,330	1,423
Deferred tax liabilities, net	1,327	1,174	-
Derivative liabilities, net	-8	177	-
	Mar 31		Mar 31
Participations in joint ventures			
Carrying amount at the beginning of the year	2,490	1,916	0
Dividends received	-	-	-
Share in profit of joint ventures	265	188	2
Acquisitions for the year	-	-	76
Carrying amount at end of the year	2,754	2,104	79

FINANCING

Nyfosa finances its assets through equity, bank loans with Nordic banks and bonds issued in the Swedish capital market. Equity attributable to the Parent Company's shareholders amounted to MSEK 18,565 on the balance-sheet date, of which hybrid bond loans was MSEK 800.

Interest-bearing loans from the credit and capital markets amounted to MSEK 21,649, of which bank loans with properties as collateral amounted to MSEK 19,776 and senior unsecured bond loans to MSEK 1,873.

MSEK 1,100 of the bonds are green bonds issued under a green finance framework. This framework has been drawn up in accordance with the Green Bond Principles set by the International Capital Markets Association (ICMA) and has been audited by an independent third party, CICERO Shades of Green.

The total net loan-to-value ratio of the properties was 53.4 percent (56.5). 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 4,075. 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 1,672 the total amount granted of MSEK 1,672 against collateral in existing properties. To utilize the remaining MSEK 2,403 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.

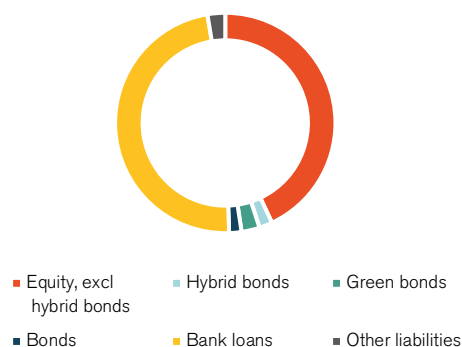
Combined, the available liquidity and strong financial position provide a solid platform for continued growth and resilience to potential negative effects of geopolitical uncertainty, inflation and interest-rate expectations. The company continuously monitors liquidity in the operations so that it can rapidly counter any negative impact.

Key figures for interest-bearing liabilities, March 31, 2022

	Mar 31		Dec 31
	2022	2021	2021
Debt/equity ratio, multiple	1.1	1.3	1.2
Average interest ¹ , %	1.9	1.9	1.9
Average remaining fixed-rate period, years	1.1	1.4	1.0
Average remaining loan maturity period, years	2.5	2.6	2.5
Interest-rate hedged portion of liabilities, %	47	47	45
Fair value of derivatives, MSEK	131	5	22

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

SOURCES OF FINANCING



Available liquidity, March 31, 2022

	Mar 31		Dec 31
MSEK	2022	2021	2021
Cash and cash equivalents	1,380	552	534
Unutilized revolving credit facility ¹	0	545	676
Unutilized overdraft facilities	200	200	200
Total	1,580	1,297	1,410

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

Revolving credit facilities, March 31, 2022

MSEK	Framework	Amount granted	Amount utilized	Unutilized amount
Total	4,075	1,672	1,672	0

Interest-bearing liabilities

Bonds of MSEK 100 were issued during the quarter under the framework of the existing green bonds, with maturity in April 2024. The issue was completed at a price of 101.25 percent of the nominal amount, which is equivalent to a floating interest rate of 3M STIBOR + 227 basis points until the first call date. In connection with the acquisition, MSEK 125 of the bond was repurchased with maturity in May 2022. Bank loans were also refinanced during the quarter. New fixed-term loans totaling MSEK 820 were raised in connection with this, and the revolving credit facility was renegotiated. The utilization of revolving credit facilities declined by a net MSEK 174 on the balance-sheet date. Ongoing repayments of MSEK 80 on fixed-term loans were made.

Changes in interest-bearing liabilities for the period

	Jan-Mar		Full-year
MSEK	2022	2021	2021
Interest-bearing liabilities at the beginning of the period	21,046	17,055	17,055
Repayment of bank loans	-743	-178	-3,297
Bond loans issued	100	-	1,000
Bond loans repurchased	-125	-	-628
Bank loans raised	1,310	970	6,902
Changes in borrowing fees	8	6	-4
Translation effect, currency	10	-	17
Interest-bearing liabilities at the end of the period	20,763	17,852	21,045

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, March 31, 2022

Year	Fixed-rate period ¹		Loan maturity	
	MSEK	%	MSEK	%
Within 1 year	13,015	60	3,742	17
1-2 years	1,275	6	2,555	12
2-3 years	5,350	25	9,890	46
3-4 years	1,000	5	3,317	15
4-5 years	1,009	5	2,144	10
>5 years	0	0	0	0
Total	21,649	100	21,649	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.

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 10,134 on the balance-sheet date, corresponding to 47 percent of interest-bearing liabilities.

Sensitivity analysis

Earnings effect of change in average interest on debt, MSEK	Change	Mar 31	
		2022	2021
Interest expenses assuming current fixed-interest periods and changed interest rates ¹	+/- 1% point	+187/-20	+166/-15
Interest expenses assuming change in average interest rate ²	+/- 1% point	+/-216	+/-179
Revaluation of fixed-income derivatives attributable to shift in interest rate curves	+/- 1% point	+/-90	+/-10

1. Taking into account derivative agreements

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

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

Exposure to exchange rate fluctuations

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

Currency exposure comprises net assets in EUR and NOK. Translation effects for foreign operations are recognized under the heading Other comprehensive income. Others exchange rate effects are recognized in profit or loss. Net assets in foreign currency amounted to MEUR 214 and MNOK 3 on December 31, 2021.

Sensitivity analysis

Earnings effect of exchange rate fluctuations, MSEK	Change	Mar 31	
		2022	2021
SEK/EUR	+/-10%	+/-221	–
SEK/NOK	+/-10%	+/-29	–

ORGANIZATIONAL PROFILE

Nyfosa's organization comprises 85 people, of whom 45 are women, who work with property management, transaction operations, Group-wide administrative services and services specific to the listed Parent Company. Relevant services are provided to the subsidiaries in the Nyfosa Group through internal service level agreements. The property portfolio is primarily managed by the company's own personnel, but also by well-established partners, from our 11 property management offices in Sweden and one property management office in Finland.

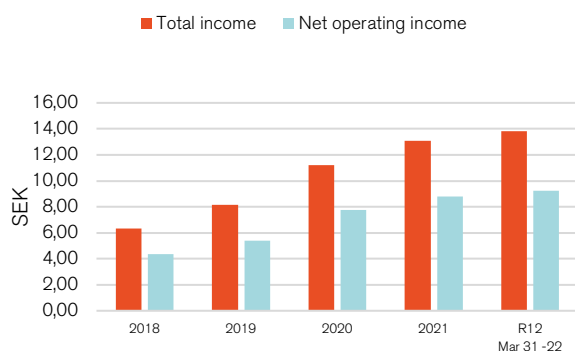
KEY FIGURES

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

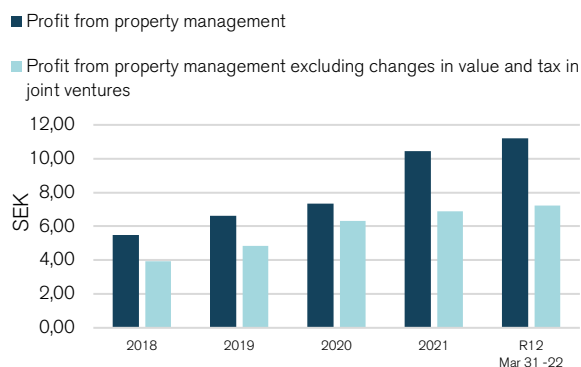
	Apr 2021 – Mar 2022 ¹	Jan-Dec 2021	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Property-related key figures					
Income, MSEK	2,602	2,459	2,035	1,370	1,064
Property expenses, MSEK	-761	-717	-557	-415	-300
Property administration, MSEK	-100	-91	-63	-50	-37
Net operating income, MSEK	1,742	1,651	1,415	905	728
Surplus ratio, %	66.9	67.1	69.5	66.0	68.4
Property value on balance-sheet date, MSEK	37,811	37,147	29,411	19,602	15,582
Share-related key figures					
Profit from property management per share, SEK	11.10	10.46	7.34	6.63	5.47
Profit from property management excluding changes in value and tax in joint ventures per share, SEK	7.18	6.90	6.31	4.85	3.94
Distributable cash flow per share, SEK	7.80	7.64	6.90	4.73	4.21
Earnings per share before dilution, SEK	19.93	16.52	12.24	8.24	9.63
Earnings per share after dilution, SEK	19.76	16.49	12.25	8.24	9.63
EPRA NRV per share on balance-sheet date, SEK	103.34	95.93	79.91	65.37	55.36
EPRA NTA per share on balance-sheet date, SEK	96.11	89.76	75.33	60.11	-
EPRA NDV/Equity per share on balance-sheet date, SEK	93.00	86.04	72.27	58.32	50.03
Key financial data					
Return on equity, %	23.3	20.4	19.3	15.2	27.2
Equity/assets ratio on balance-sheet date, %	43.5	42.4	41.8	44.1	48.3
Loan-to-value ratio of properties on balance-sheet date, %	57.0	56.7	58.0	57.6	52.9
Net loan-to-value ratio of properties on balance-sheet date, %	53.4	55.2	56.9	54.6	51.6
Interest-coverage ratio, multiple	3.5	3.4	3.8	4.2	4.9

1. Rolling 12 months

INCOME AND NET OPERATING INCOME PER SHARE,



PROFIT FROM PROPERTY MANAGEMENT PER SHARE



RECONCILIATION OF KEY FIGURES

	Apr 2021 – Mar 2022 ¹	Jan-Dec 2021	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Profit from property management					
Profit from property management, MSEK	2,120	1,973	1,334	1,112	918
Interest on hybrid bonds, MSEK	-14	-4	0	0	0
Average number of shares, millions	190	188	182	168	168
Profit from property management per share, SEK	11.10	10.46	7.34	6.63	5.47
Share in profit of joint ventures, MSEK	-966	-888	-404	-491	-412
Profit from property management from joint ventures, MSEK	223	219	217	194	155
Average number of shares, millions	190	188	182	168	168
Profit from property management excluding revaluations and tax in joint ventures per share, SEK	7.18	6.90	6.31	4.85	3.94

	Apr 2021 – Mar 2022 ¹	Jan-Dec 2021	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Distributable cash flow					
Profit from property management, MSEK	1,853	1,973	1,334	1,112	918
Depreciation of equipment, MSEK	1	1	1	0	0
Allocated arrangement fees on loans, MSEK	54	48	35	0	0
Share in profit of joint ventures, MSEK	-700	-888	-404	-491	-412
Dividend received from joint ventures, MSEK	332	332	300	200	200
Income tax paid, MSEK	-54	-29	-11	-27	0
Interest paid on hybrid bonds, MSEK	-6	0	0	0	0
Average number of shares, millions	190	188	182	168	168
Distributable cash flow per share, SEK	7.80	7.64	6.90	4.73	4.21

1. Rolling 12 months

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

	Mar 31 2022	Dec 31, 2021	Dec 31, 2020	Dec 31, 2019	Dec 31, 2018
Net asset value					
Equity attributable to Parent Company shareholders, MSEK	18,565	17,236	13,333	9,781	8,392
Hybrid bond loans, MSEK	-800	-800	0	0	0
Deferred tax, MSEK	1,447	1,252	760	627	452
Derivatives, MSEK	-131	-22	-3	-2	-9
Deferred tax in joint ventures, 50%, MSEK	663	596	544	454	339
Derivatives in joint ventures, 50%, MSEK	-4	62	110	104	111
Number of shares, millions	191	191	185	168	168
EPRA NRV (Net Reinstatement Value) per share, SEK	103.34	95.93	79.91	65.37	55.36
Estimated actual deferred tax, MSEK ¹	-843	-711	-419	-529	-
Estimated actual deferred tax in JV, Nyfosa's share, MSEK ¹	-538	-470	-425	-354	-
EPRA NTA (Net Tangible Assets) per share, SEK	96.11	89.76	75.33	60.11	-
Equity attributable to the Parent Company's shareholders	18,565	17,236	13,333	9,781	8,392
Hybrid bond loans, MSEK	-800	-800	0	0	0
Number of shares, millions	191	191	185	168	168
EPRA NDV (Net Disposal Value), equity per share	93.00	86.04	72.27	58.32	50.03

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

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

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

	Apr 2021 – Mar 2022 ¹	Jan-Dec 2021	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Return on equity					
Profit after tax, MSEK	3,797	3,112	2,225	1,382	1,615
Interest on hybrid bonds, MSEK	-14	-4	0	0	0
Average equity, MSEK	16,268	15,285	11,557	9,087	5,935
Return on equity, %	23.3	20.4	19.3	15.2	27.2

1. Rolling 12 months

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

	Mar 31 2022	Dec 31, 2021	Dec 31, 2020	Dec 31, 2019	Dec 31, 2018
Equity/assets ratio					
Equity attributable to Parent Company shareholders, MSEK	18,565	17,236	13,333	9,781	8,392
Total assets, MSEK	42,671	40,626	31,907	22,201	17,355
Equity/assets ratio, %	43.2	42.4	41.8	44.1	48.4

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

	Mar 31 2022	Dec 31, 2021	Dec 31, 2020	Dec 31, 2019	Dec 31, 2018
Loan-to-value ratio and net loan-to-value ratio					
Interest-bearing liabilities, MSEK	21,552	21,045	17,055	11,282	8,240
Property value, MSEK	37,811	37,147	29,411	19,602	15,582
Loan-to-value ratio, %	57.0	56.7	58.0	57.6	52.9
Cash and cash equivalents, MSEK	1,380	534	312	588	192
Net loan-to-value ratio, %	53.4	55.2	56.9	54.6	51.6

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

	Apr 2021 – Mar 2022 ¹	Jan-Dec 2021	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Interest-coverage ratio					
Profit from property management, MSEK	2,120	1,973	1,334	1,112	918
Share in profit of joint ventures, MSEK	966	888	404	491	412
Depreciation of equipment, MSEK	-1	-1	-1	0	0
Financial income and expenses, MSEK	-464	-443	-327	-195	-131
Interest-coverage ratio, multiple	3.4	3.4	3.5	4.2	4.7

1. Rolling 12 months

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

OTHER DISCLOSURES

SHARE AND SHAREHOLDERS

The volume weighted average price on the interim period's last day of trading, March 31, 2022, was SEK 133.59, corresponding to a total market capitalization of approximately MSEK 25,519. Nyfosa had 18,427 shareholders, of which Swedish investors, institutions and private individuals owned 68 percent of the shares and voting rights, and the remaining shares and votes were owned by foreign shareholders.

List of owners	Number of shares	Share of	
		Capital, %	Votes, %
AB Sagax	26,955,323	14.1	14.1
Länsförsäkringar Funds	16,838,492	8.8	8.8
Swedbank Robur Funds	14,699,740	7.7	7.7
SEB Funds	9,200,049	4.8	4.8
Handelsbanken Funds	9,114,128	4.8	4.8
BlackRock	7,036,144	3.7	3.7
Vanguard	6,956,408	3.6	3.6
Lannebo Fonder	5,545,330	2.9	2.9
Kåpan Pensioner Försäkringsförening	4,880,014	2.6	2.6
Jens Engwall	4,853,411	2.5	2.5
Other	84,943,774	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.

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, April 19, 2022

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

Stina Lindh Hök, CEO

FINANCIAL CALENDAR

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

CONTACT INFORMATION

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This interim report is unaudited.

The information is inside information that Nyfosa AB is obligated to disclose in accordance with the EU Market Abuse Regulation. The information was submitted for publication through the agency of the aforementioned contact persons on April 19, 2022 at 7:30 a.m. CEST.

NOTES

NOTE 1 BASIS OF PREPARATION AND ACCOUNTING POLICIES

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

All amounts in the report are stated in millions of SEK ("MSEK") unless otherwise stated. There may be rounding errors in tables that have combined sums from already rounded amounts. Amounts in parentheses refer to the same period in the preceding financial year. Key figures regarding an earnings or cash flow measure, stated per share, are calculated on a weighted average number of shares during the period referred to. Key figures based on an amount in the statement of financial position, stated per share, are calculated on the number of shares on the balance-sheet date. The R12 period means a rolling 12-month period.

NOTE 2 ESTIMATES AND ASSESSMENTS

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

Measurement of investment properties

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

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

Measurement of loss carryforwards

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

Classification of acquisitions

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

NOTE 3 OPERATING SEGMENTS

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

NOTE 4 TAX

The Group's effective tax rate for the interim period was 14.1 percent (14.3). The deviation from the nominal tax rate of 20.6 percent was due to the profit from participations in joint ventures comprising profit after tax, and thus did not constitute taxable income for Nyfosa, but was also due to any non-taxable capital gains on the divestment of properties via companies, and valuations of loss carryforwards.

Deferred tax is to include temporary differences on all assets and liabilities, except for temporary differences on properties on the closing date since the acquisition is an asset acquisition. There is a total temporary difference of MSEK 13,367 in the Group that is not included.

Reconciliation of effective tax, MSEK	%	
Profit before tax		1,538
Tax according to applicable tax rate for Parent Company	-20.6%	-317
Non-deductible costs and tax-exempt income	1.5%	24
Profit from participations in joint ventures	3.5%	54
Non-taxable earnings and add-back of deferred tax on sale of properties	1.6%	24
Other	-0.1%	-2
Recognized effective tax	-14.1%	- 217

NOTE 5 EARNINGS PER SHARE

Nyfosa currently has two long-term incentive programs (LTIP 2019 and LTIP 2021) based on warrants. A description of the warrants programs is provided in Note 8 on page 102 of the 2021 Annual Report. The number of warrants outstanding at the end of the year is presented in the table below.

The dilutive effect from the existing warrants program amounted to 0.25 percent for the period.

Reconciliation of warrants	LTIP2019 March 31, 2022	LTIP2019 Dec 31, 2021	LTIP2021 (I) March 31, 2022	LTIP2021 (I) Dec 31, 2021	LTIP2021 (II) March 31, 2022	LTIP2021 (II) Dec 31, 2021
Warrants outstanding at beginning of year	1,304,300	1,514,300	325,241	-	325,241	-
Warrants subscribed	-	-	-	325,241	-	325,241
Warrants subscribed	-45,000	-210,000	-	-	-	-
Warrants utilized	-	-	-	-	-	-
Warrants outstanding at end of the period	1,259,300	1,304,300	325,241	325,241	325,241	325,241

NOTE 6 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

Fair value, MSEK	Mar 31		Dec 31
	2022	2021	2021
Derivatives with positive values	131	5	22
Derivatives with negative values	-	-	-

NOTE 7 FINANCING

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

NOTE 8 SHAREHOLDERS' EQUITY

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

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

Hybrid bonds

Nyfosa issued hybrid bonds of a total of MSEK 800 under a framework of MSEK 2,000. The hybrid bonds are perpetual and Nyfosa governs the payment of interest and the principal of the instruments, which is why they are classified as equity instruments under IAS 32. Issue costs and tax attributable to issue costs 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

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

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

Property management fees between the companies are based on market terms. Nyfosa's fee totals MSEK 3 per year. The Group had receivables of MSEK 23 from joint ventures on March 31, 2022. The terms of the loan are market-based and stipulated in a promissory note between the parties.

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

NOTE 10 SIGNIFICANT EVENTS AFTER THE END OF THE INTERIM PERIOD

No significant events.

PARENT COMPANY

Nyfosa AB is a holding company whose operations comprise owning and managing shares. The company owns 100 percent of the participations in Nyfosa Holding AB, which indirectly owns properties for SEK 37.8 billion. Furthermore, the company owns, via subsidiaries, 50 percent of the participations in Söderport and Samfosa, which indirectly own properties for SEK 15.5 billion.

STATEMENT OF PROFIT/LOSS

MSEK	Jan-Mar		Full-year
	2022	2021	2021
Net sales	29	25	102
Personnel costs	-24	-26	-97
Other external costs	-16	-13	-48
Depreciation/amortization	0	0	0
Loss before financial income and expenses	-12	-14	-43
Profit from participations in joint ventures	0	0	1,288
Profit from participations in Group companies	0	0	874
Interest income and similar income items	31	30	125
Interest expenses and similar expense items	-18	-15	-82
Profit before appropriations	2	1	2,161
Appropriations			
Provision to tax allocation reserve	0	0	0
Group contributions paid/received	0	0	67
Profit before tax	2	1	2,228
Tax	0	-5	-5
Profit	2	-4	2,223

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

STATEMENT OF FINANCIAL POSITION

MSEK	Mar 31		Dec 31
	2022	2021	2021
ASSETS			
Participations in Group companies	0	0	0
Participations in joint ventures	-	412	-
Receivables from Group companies	5,277	5,377	5,277
Deferred tax assets	0	0	0
Total non-current assets	5,277	5,789	5,277
Current receivables from Group companies	10,980	5,863	11,790
Other current receivables	4	5	10
Cash and bank balances	115	223	280
Total current assets	11,099	6,091	12,080
TOTAL ASSETS	16,377	11,880	17,357
EQUITY AND LIABILITIES			
Restricted equity	96	92	96
Unrestricted equity	11,351	8,361	11,368
Equity	11,457	8,453	11,464
Untaxed reserves	0	0	0
Bonds	1,093	1,489	991
Other non-current liabilities	4	3	4
Total non-current liabilities	1,097	1,496	995
Bonds	748	-	873
Liabilities to Group companies	3,016	1,865	3,827
Other current liabilities	59	66	197
Total current liabilities	3,823	1,931	4,897
Total liabilities	4,920	3,427	5,893
TOTAL EQUITY AND LIABILITIES	16,377	11,800	17,357

GLOSSARY

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

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

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

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

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