

Interim Report Q2 2022.

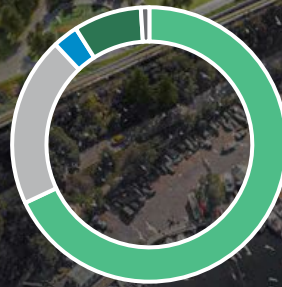


**ATRIUM
LJUNGBERG**



Atrium Ljungberg in brief.

Property value SEK 60 billion
Contracted annual rent SEK 2.6 billion
Lettable area 951,000 sq.m.
Economic occupancy rate 92 %
Loan-to-value 41,6 %



- Offices 68 %
- Retail 20 %
- Residentials 3 %
- Projects 8 %
- Development rights & land 1 %

6%

5%

10%

79%



Summary of first half year.

- Good rental market - good demand and high activity.
- High net leasing - SEK 96 million in the first half of the year, of which SEK 52 million in the second quarter.
- Net operating income growth in like for like of 1.3%.
- Change in value of SEK 4 billion, of which SEK 1.2 billion constitutes project profits.
- Investments of SEK 4,710 million, of which SEK 3,728 million constitutes acquisitions.
- Profit after tax of SEK 4,873 million, corresponding to SEK 38.58 per share.
- Net asset value of SEK 277 per share - a growth of 15% adjusted for dividend.
- About SEK 6 billion in new credit facilities.
- Andreas Malmsäter appointed the new Business Area Director for Leasing.



Rental market.

Net leasing 2019-2022



Net leasing Q2

SEKm	2022 kv2	2021 kv2	2022 kv1-2	2021 Kv1-2
New letting	83	80	175	124
Terminated by tenants	-13	-40	-51	-92
Net leasing 1	70	40	124	32
Terminated by AL	-18	-23	-28	-25
Net leasing 2	52	17	96	7

Net leasing per segment Q2 2022

SEKm	Office	Retail	Others
New letting	137	12	26
Terminated by tenants	-44	-6	-1
Net leasing 1	93	6	25
Terminated by AL	-26	-1	-1
Net leasing 2	67	5	24

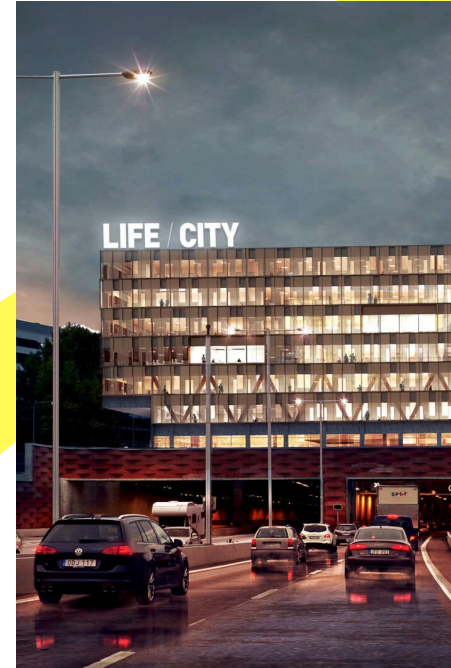
Major Lettings.



SISAB
Secondary school, Slakthus-
området 6,000 sq.m.



Omnicom Media Group
Katarinahuset, Slussen
2,250 sq.m.



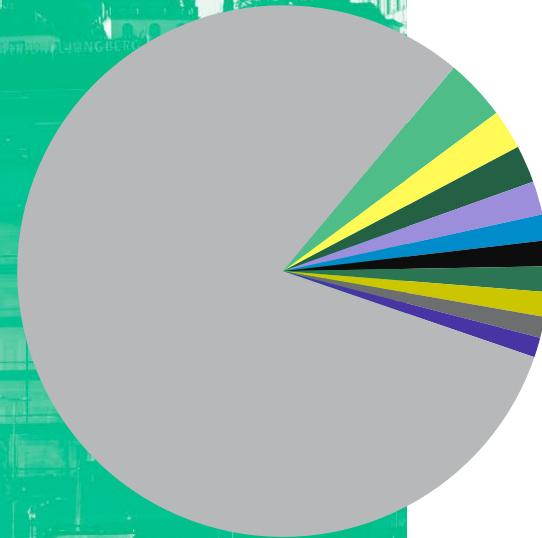
Pfizer
Life City, Hagastaden
1,200 sq.m.



Region Stockholm
Hesselmanstorg, Sickla
1,200 sq.m.

Stable customer base and inflation-protected rental portfolio.

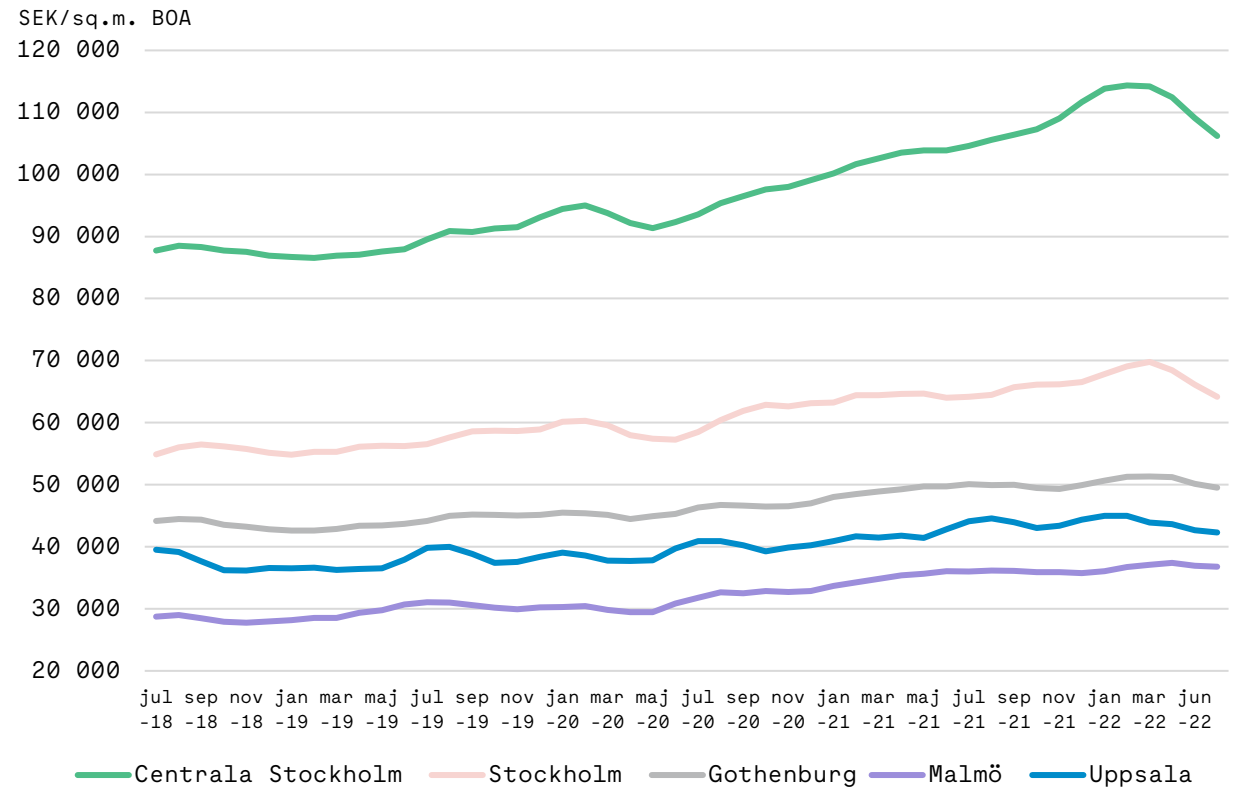
- The ten largest customers account for 19% of rental income.
- The single largest customer accounts for 4% of rental income.
- Mix of customers in different segments.
- 97% of revenues (ex residentials, parking and property taxes) are index-linked, which gives an enumeration corresponding to inflation.



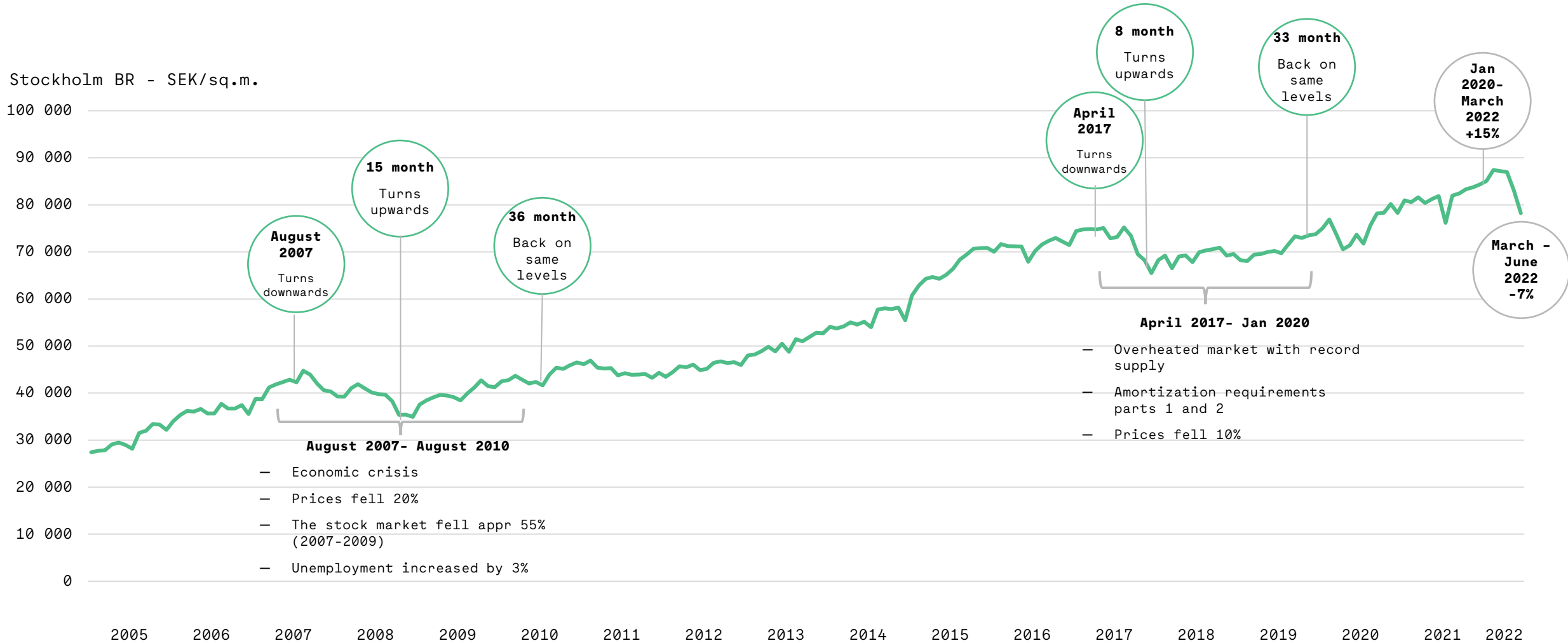
Telefonaktiebolaget L M Ericsson	4%
Academic Work Sweden AB	2%
Atlas Copco AB	2%
Stockholms Kommun	2%
Region Stockholm	2%
Nacka Kommun	2%
Domstolsverket	2%
ICA Sverige AB	1%
Convendum Stockholm City AB	1%
Järfälla Kommun	1%
Övriga	81%

The condominium market.

- Negative development for four months with a decline for the kingdom of -7 % since the peak. The average for the full year is +2 %.
- Prices have fallen most in the Stockholm markets, in the past month by -3 %.
- The market is characterized by large supply and significantly fewer completed trades.
- High inflation, falling real incomes, increased interest rates and falling stock prices affect households' consumption space and views on their own and Sweden's economy.
- SEB's Housing Price Indicator decreases by 34 units, from 18 in May to -16.
- We have three condominium projects underway, one of which will be completed in the fall.

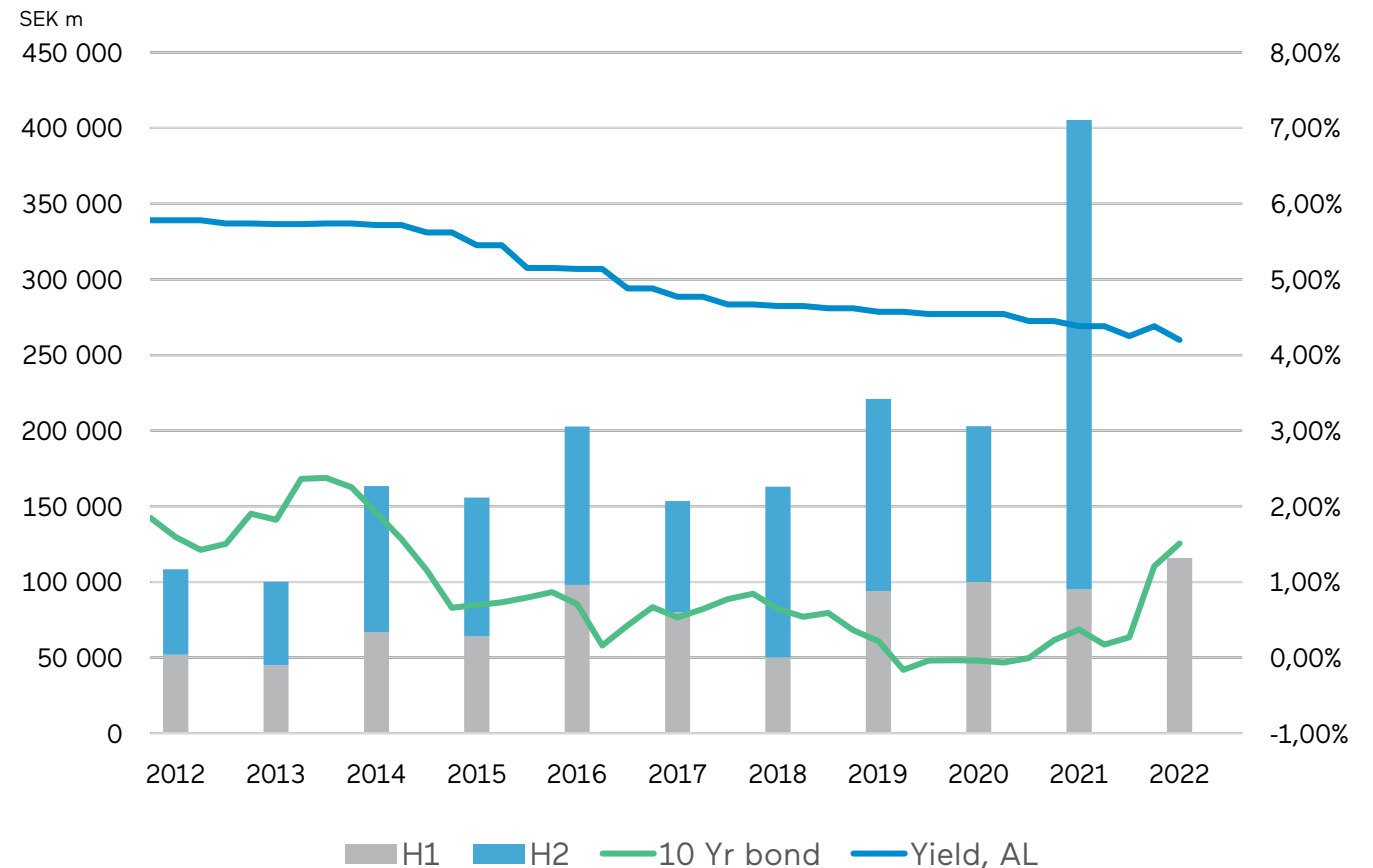


Condominium market historically.



Transaction market in Sweden.

- Continued high transaction volume - about SEK 117 billion - but about 10% lower than the year before.
- Foreign investors about 11% compared to about 26% on annual average over the past five years.
- The largest segment in the first half of the year consisted of residential with 26% followed by logistics/warehouses of 21% and offices of 14%. However, the second quarter in isolation dominated warehousing/logistics.
- Stockholm accounted for 51% of the transaction volume, followed by Gothenburg of 6% and Malmö 5%.



Acquisition Q2.



Palmfelt Center, Slakthusområdet

Lettable area: 30,500 sq.m.
Underlying property value: SEKm 1,560
Rental value: SEKm 100
Access: 29 April.



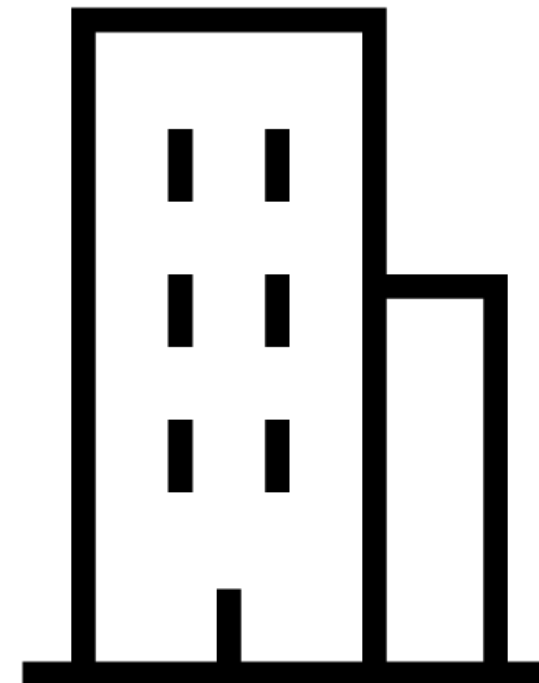
Blästern 15, Hagastaden

Lettable area: 21,300 sq.m.
Underlying property value: SEKm 2,345
Rental value: SEKm 82
Access: 1 June.



Income statement in short.

SEKm	Isolated Q2			Ack Q1-Q2		
	2022	2021	Δ	2022	2021	Δ
Rental income	619	565	54	1 218	1 137	81
Property costs	-191	-177	-14	-400	-373	-27
Net operating income	427	388	39	818	764	54
Gross profit, project & construc.	-13	96	-109	-19	125	-144
Central administration	-27	-24	-3	-49	-45	-4
Ground rent	-9	-10	1	-18	-16	-3
Net financial items	-110	-78	-32	-182	-145	-37
Profit before changes in value	268	372	-104	550	683	-133
Changes in value						
- Properties	2 753	949	1 804	4 072	1 115	2 956
- Derivatives	686	43	643	1 525	253	1 271
Profit before tax	3 708	1 364	2 344	6 146	2 052	4 094
Tax	-705	-226	-479	-1 273	-361	-912
Profit after tax	3 003	1 138	1 865	4 873	1 691	3 182
D:o SEK/share	23,78	9,00	164%	38,58	13,31	190%



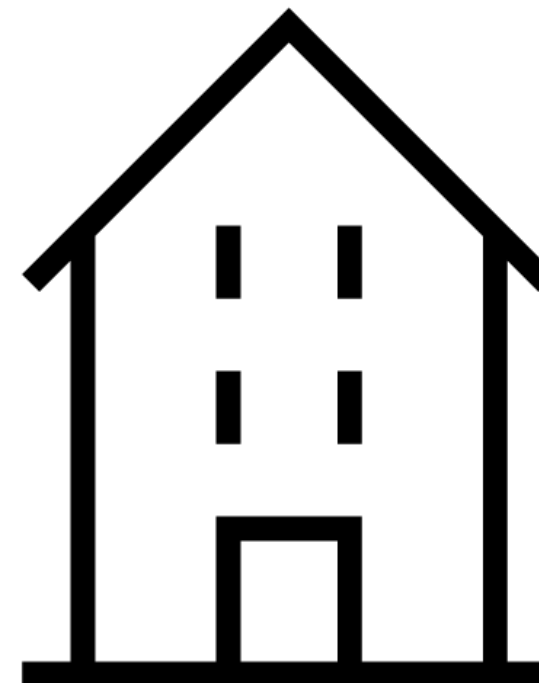
Developing of NOI first half year.

SEKm	Rental income			Property costs			NOI		
	2022	2021		2022	2021		2022	2021	
Like for like	1,073	1,048	2,3%	-347	-332	4,6%	726	717	1,3%
One off	11	3					11	3	
Completed projects	83	0		-28	-6		55	-6	
Ongoing projects	30	48		-19	-23		12	25	
Acquisitions	20	0		-7	0		14	0	
Sales	1	38		0	-12		1	26	
Total	1,218	1,137	7,2%	-400	-373	7,5%	818	764	7,0%

- Growth in net operating income in like for like of 1.3%.
- Completed projects: Life City and Bas Barkarby this year and Tapetfabriken, Sickla Galleria and Gränby last year.
- Acquisitions: Palmfelt Center and Blästern 15 Q2 this year.
- Sales: Sicklaön 87:1 this year and Kolding 3 & 4 in Kista last year.

Balance sheet.

SEKm	2022-06-30	2021-06-30	2021-12-31
Investment properties	58,922	47,338	50,335
Development properties	1,380	1,106	1,254
Goodwill	165	165	165
Derivatives	1,580	82	138
Right-of-use assets, leaseholds	1,277	1,044	1,025
Other assets	817	1,354	649
Cash and cash equivalent	560	689	719
Total	64,700	51,777	54,285
Equity	29,755	23,516	25,541
Deferred tax liability	6,811	5,033	5,621
Interest-bearing debt	25,085	20,696	20,561
<i>Loan-to-value</i>	<i>41,6%</i>	<i>42,7%</i>	<i>39,9%</i>
Derivatives	182	387	238
Lease liability - leaseholds	1,277	1,044	1,025
Other non-interest bearing debt	1,590	1,101	1,299
Total	64,700	51,777	54,285



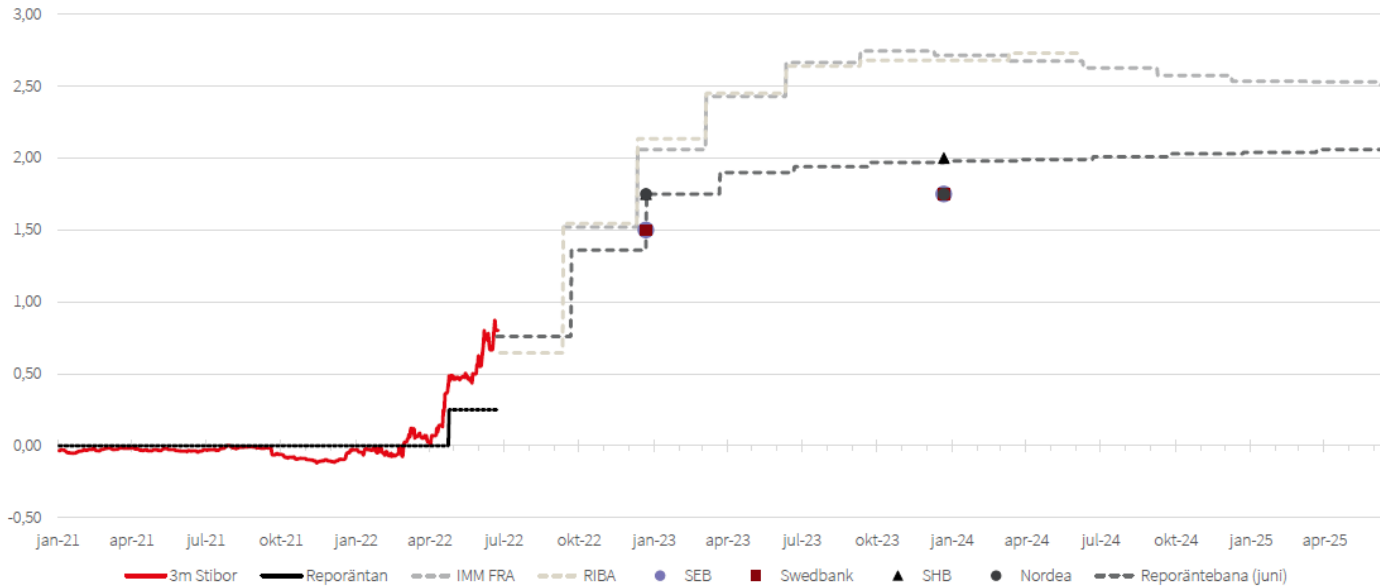
Valuations and unrealized changes in value.

Changes in value properties, SEKm	2022 Jan-Jun	2021 Jan-Jun
Yields	1,390	328
Cash flow etc	1,241	414
Project gains	1,243	389
Aquisitions	177	0
Unrealized changes in value	4,051	1,131
<i>D:o in %</i>	<i>7.4%</i>	<i>2.4%</i>
Realized changes in value	21	0
Total changes in value	4,072	1,131
<i>D:o in %</i>	<i>7.4%</i>	<i>2.4%</i>

- Change in value of 7.4%, of which 4.8% units in the second quarter.
- Evenly divided between average reduced yield requirements, improved cash flows and project profits.
- Yield requirements; The first quarter was characterized by reduced yields for retail, while the second quarter is mainly attributable to offices in Stockholm.
- Cash flow; evenly divided between rentals and renegotiations, indices and time.
- Valuation yield of 4.0%.

Interest rate and Credit market.

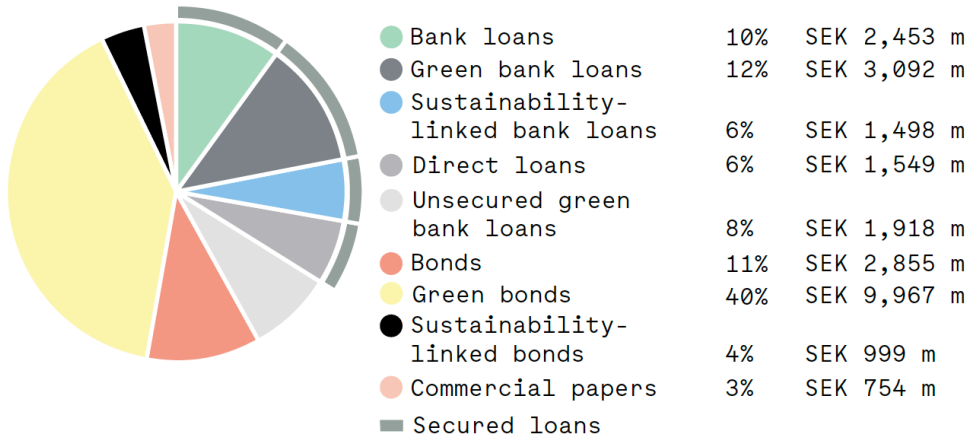
Market interest rate, short interest rates



- Volatile fixed income environment.
- The market has a different view than the Riksbank of future hikes.
- The development in the second half of the year is more powerful than the development of the first half of the year - from today's 80 bp to over 200 bp at the beginning of 2023, vs 0 bp at the beginning of 2022 up to 80 bp at the end of Q2.
- "Closed" bond market with strong margin development.
- "Weak" CP market.

Diversified debt portfolio.

Interest-bearing debt



Funding activities first six month 2022

Month	Value (SEK m)	Description
January	-	
February	1,000	Sustainability-linked bond
March	- 811	Bond matures
April	1,000	Non secured green loan
	2,000	Green bonds
	743	Bonds in NOK
	505	Secured green loan
May	-	
June	1,500	New sustainability-linked RCF
	4,650	Renegotiating RCF & TL into sustainability linked format
	200	New sustainability-linked secured loan

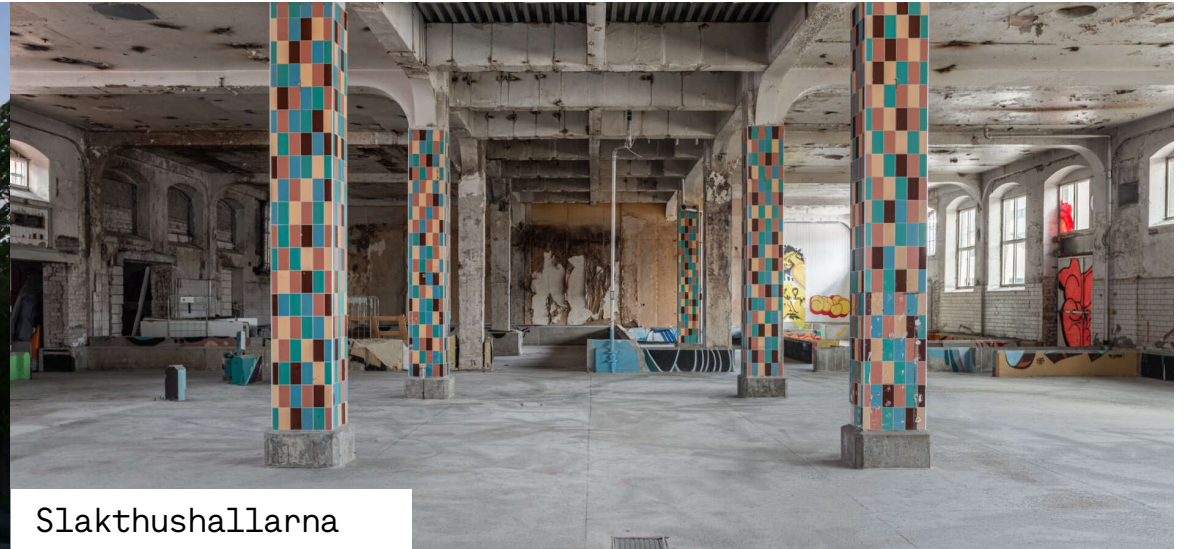
Project portfolio.



Ongoing projects.



Sickla Stationshuset



Slakthushallarna



Katarinhuset



Parkhusen, Uppsala

Completed projects.



Life city
28,000 sq.m. lettable area.



Bas Barkarby
24,000 sq.m. lettable area.

Decided projects.



Secondary school, Slakthusområdet



Fällan, Slakthushallarna phase 2



Sickla

The idea-driven city
- from industry to
vibrant
neighborhood.

Appr. 300,000 sq.m.
Invest. SEK 12 billion



Slakthus- området

Stockholm's new
meeting place for
food, culture and
experiences.

Appr. 200,000 sq.m.
Invest. SEK 10 billion



Hagastaden

Ultraurban city
life with its
sights on the
world.

Appr. 140,000 sq.m.
Invest. SEK 7 billion



Slussen

Where the whole
city meets. From
interchange to
meeting place.

Appr. 30,000 sq.m.
Invest. SEK 2 billion

Energy prices?

Inflation?

Are we heading into a recession?

Higher interest rates?

What will happen with
property values?

Access to capital?

High prices for building materials and partly in short supply?

Will double double be delayed?

Q & A

