

Interim Report

1 January – 30 June 2020

Q2

THE PERIOD IN BRIEF

- Rental income grew by 10.9%, amounting to SEK 892.3m (804.4).
- Net operating income increased by 16.0%, totalling SEK 638.5m (550.4), which gave a surplus ratio of 71.6% (68.4).
- Profit from property management increased by 22.8% to SEK 463.0m (377.0), per Class A ordinary share SEK 2.53 (2.08).
- Rolling annual profit from property management totals approximately SEK 950m (870).
- The market value of the properties amounted to SEK 29,883.4m (28,172.4). Unrealised changes in value of properties for the period totalled SEK -112.6m (817.5).
- After-tax profit amounted to SEK 254.0m (896.6), per Class A ordinary share SEK 1.23 (4.85).
- Fastpartner has already achieved the targets set for 2020. In the 2019 year-end report, the company announced that new targets would be presented in the interim report as of 31 March 2020. Because of the current situation both in Sweden and globally, new targets will be presented when the market situation has stabilised after the Covid-19 outbreak.

PROFIT FROM PROPERTY MANAGEMENT PER QUARTER

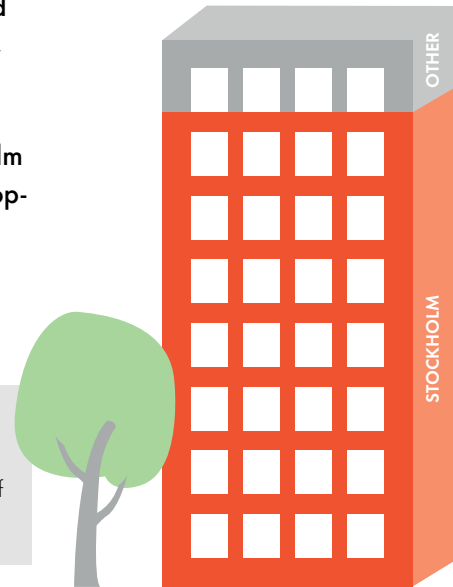
Earnings growth per quarter, SEKm	2020 Q2	2020 Q1	2019 Q4	2019 Q3	2019 Q2
Rental income, etc.	444.5	447.8	454.3	427.8	408.5
Property expenses	-111.6	-142.3	-138.3	-121.3	-116.4
Net operating income	332.9	305.5	316.0	306.5	292.1
Surplus ratio %	74.9	68.2	69.6	71.6	71.5
Central administration	-9.2	-9.5	-10.1	-8.6	-8.1
Share of associated companies' profit ¹	1.1	0.0	-1.2	25.0	-2.4
Financial items	-82.7	-75.1	-77.1	-77.9	-80.3
Profit/loss from property management	242.1	220.9	227.6	245.0	201.3
Changes in value, properties	-174.5	62.4	1,420.2	773.1	240.6
Profit from property management after changes in value, properties	67.6	283.3	1,647.8	1,018.1	441.9

¹ Share of associated companies' profit relates to Fastpartner's holdings in the associated companies Bostadsbyggarna Fastpartner – Besqab HB, Centralparken Holding AB, Slättö Fastpartner Holding AB and Slättö Fastpartner II AB.

Fastpartner in brief

Fastpartner is a listed Swedish property company that owns, manages and develops its own properties. We are known for our long-term commitment, rapid decisions and information, and enthusiasm in creating the leading property solutions in the market.

Fastpartner focuses on commercial properties, especially in the Stockholm area. Through active management, we work with our tenants to create property solutions adapted to their needs and wishes.



TARGETS

We aim to achieve the Group’s targets by means of our business concept and our strategies. Our primary financial target is to achieve a rolling annual profit from property management of SEK 950m at the end of 2020.

FASTPARTNER’S BUSINESS MODEL AND STRATEGY

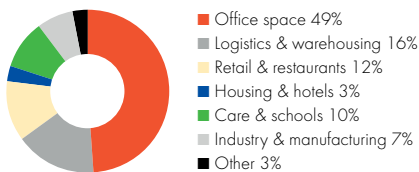
Fastpartner owns, manages and develops commercial properties in Sweden’s largest population centres where economic growth is strongest. We have broad risk diversification in these metropolitan areas, with properties in different types of segments.

We endeavour to work swiftly and efficiently to harness business opportunities emerging in the growing metropolitan regions. Sustainability work is a natural element of our long-term operations.

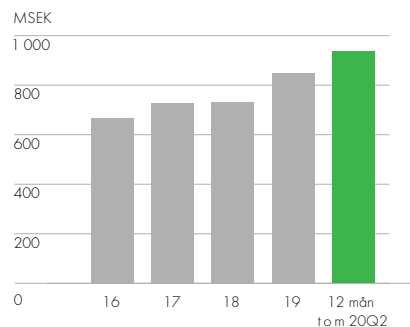
80%

Around 80% of the rental value is in Stockholm and the surrounding area in Mälardalen.

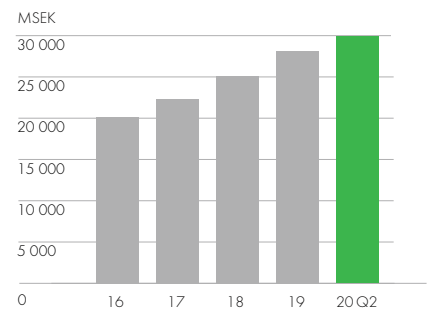
DISTRIBUTION OF RENTAL VALUE – BY TYPE OF PREMISES



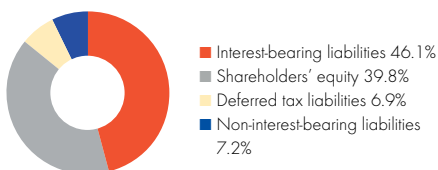
PROFIT/LOSS FROM PROPERTY MANAGEMENT



PROPERTY VALUE



CAPITAL STRUCTURE



SEK 936 m

Profit from property management over the past 12 months totalled SEK 935.6m.

SEK 29,883 m

The market value of the properties amounted to SEK 29,883.4m as of 30 June 2020.

CEO MESSAGE

A different kind of quarter

As expected, the second quarter was also heavily influenced by the ongoing COVID-19 pandemic. Common strategies for mitigating and stopping the spread of infection have been pursued in large parts of the world. One exception is Sweden, which has made a strategic choice that significantly differs from the rest of the world in that society has largely continued to be open. The consequences so far have resulted in higher mortality and a greater spread of infection than in our neighbouring countries. Hopefully, this strategy will mean a shorter path back to some form of normalcy and balance in the economy. In the current phase, broader parts of the business community have been affected, initially primarily the hospitality and restaurant industries and now to a greater extent even supermarkets and the service sector. The current situation has also affected Fastpartner's operations to some extent in that we have outstanding rental receivables of about two per cent of billed rent for the second quarter. Since the company will receive a rent subsidy of about SEK 3m, this outstanding amount will decrease during the summer. Regarding rental payments for the third quarter, as of today, 1 July 2020, we have received about 75% of billed rent, which is in line with what we usually receive at the corresponding point in time. Considering the enormous economic impact that the pandemic has had globally, the effects on Fastpartner have been relatively limited.

By gradually improving the efficiency of management and fine-tuning the property portfolio, but also in part because of low activity in the economy during the pandemic, we managed to achieve a surplus ratio of 74.9% for the second quarter. This surplus ratio exceeds the full-year target of 70% by a broad margin and we have been able to deliver an outstanding profit from property management of SEK 242m, despite the current circumstances.

During Q2 we had Cushman & Wakefield and Newsec conduct an external valuation of all of our properties. The valuation institutions have taken into account the current pandemic and its effects, including changes in demand for premises, increased risks in certain operations, declining growth and a yield adjustment upwards, which entailed a net adjustment of our property values of SEK 175m.

Capital market activity was low during the quarter with few issuances. However, activity and liquidity increased substantially in June, resulting in downward pressure on interest rates (narrower spreads). Most indicators today suggest that the market will continue to cause spreads to narrow and increase liquidity during the autumn primarily due to the huge amount of liquidity that the ECB and the Fed are pouring into the market through various liquidity support programmes. There are also a number of fiscal measures in the same direction. During the autumn, the Riksbank will also enter the corporate bond market while continuing to make purchases on the commercial paper market.

As Swedish unemployment reaches record levels, we can also expect major stimulus measures from the Government, which together will help the Swedish business community to mitigate the effect of the COVID-19 pandemic.

Our efforts to raise our credit rating to Investment Grade continue unabated and the long-term goal is to reach the Baa1 level. As previously announced, we will set new financial and operational targets that will be announced in September.

Second quarter 2020

Rental income for the quarter grew by 8.8% to SEK 444.5m (408.5), net operating income climbed 14.0% to SEK 332.9m (292.1) and the surplus ratio rose to 74.9% (71.5).



Profit from property management for the quarter increased by 20.3% and totalled SEK 242.1m (201.3) or SEK 1.32 (1.11)/ Class A ordinary share. The increase in profit from property management is mainly attributable to properties acquired in 2019 and 2020, as well as to newly signed leases and completed tenant adjustments.

Unrealised changes in value in the property portfolio for the quarter totalled SEK -174.5m (240.6).

Financial items for the quarter totalled SEK -81.3m (-117.4).

Profit before tax for the quarter amounted to SEK 69.0m (404.8).

Sven-Olof Johansson, CEO

Performance January – June 2020

Rental income

Rental income totalled SEK 892.3m (804.4), representing an increase compared with the same period last year of SEK 87.9m, or 10.9%. The increase is mainly attributable to newly signed contracts, completed tenant adjustments and additional rent from properties acquired in 2019 and 2020.

In a comparable portfolio, income increased by SEK 42.3m or 5.0%.

The economic occupancy rate on 30 June 2020 was 90.3% (90.4). Adjusted for Fastpartner's project properties, the economic occupancy rate was 90.8% (91.1).

As a result of COVID-19 and the government rent relief package, where property owners and the Government together provide tenants in specific industries with up to a 50% discount on rent for the second quarter, Fastpartner has provided discounts on rent of SEK 3.4m (-) for the second quarter. Rent discounts of SEK 3.4m had a negative impact on second quarter earnings.

Property expenses

Property expenses totalled SEK 253.8m (254.0), a decline of SEK 0.2m or 0.0%. In a comparable portfolio, property expenses decreased by SEK 8.3m, or 3.4%. The decline can mainly be attributed to reduced costs for snow removal and district heating because of a mild winter, as well as to lower costs for repairs and maintenance.

Valuation of properties

Unrealised changes in value in the property portfolio totalled SEK -112.6m (817.5). The weighted direct yield requirement for valuations of the property portfolio was about 4.7% (4.6).

Net financial items

Financial items totalled SEK -189.0m (-217.5). Financial items mainly consist of interest expenses for the Group's loans and changes in value related to interest-rate derivatives.

Financial income totalled SEK 13.1m (0.4).

Financial expenses totalled SEK 156.0m (142.1) and relate mainly to interest expenses for the Group's loans. The increase of SEK 13.9m, compared with the same period last year, is mainly attributable to a larger loan portfolio as a result of properties acquired in 2019 and 2020.

Unrealised change in the value of derivatives totalled SEK -31.1m (-62.8).

Tax

Tax for the period totalled SEK -65.8m (-237.9). Tax consists of current tax of SEK -53.4m (-46.1) on profit for the period and deferred tax of SEK -12.4m (-191.8). The corporate tax rate for the 2020 tax year is 21.4% (21.4) and will be lowered to 20.6% for the 2021 tax year. Deferred tax is calculated at the tax rate that is expected to be applicable at the time of payment.

Cash flow

Cash flow for the period from current management before changes in working capital totalled SEK 392.3m (280.6). Cash flow after changes in working capital totalled SEK 402.8m (219.7). The change in cash and cash equivalents for the period was SEK -16.4m (-557.0) and can mainly be attributed to an increase in net operating income as a result of newly signed contracts, as well as newly acquired properties. Other factors responsible for the change include investments in existing properties, acquisition of new properties and new loans. During the period Fastpartner also issued Class A shares for SEK 224m.

Q2 IN BRIEF

- Rental income rose to SEK 444.5m (408.5).
- Net operating income increased to SEK 332.9m (292.1m).
- The surplus ratio rose to 74.9% (71.5).
- Profit from property management rose to SEK 242.1m (201.3).
- Unrealised changes in value in the property portfolio totalled SEK -174.5m (240.6).
- Financial items totalled SEK -81.3m (-117.4).
- Profit before tax amounted to SEK 69.0m (404.8).
- After-tax profit amounted to SEK 50.3m (317.5).

PROFIT FROM PROPERTY MANAGEMENT PER QUARTER



SEK 892 m

Rental income was SEK 892.3m for the period.

Property portfolio

Fastpartner's real estate portfolio is geographically concentrated to the Stockholm area. Approximately 80% of the company's rental value is located in Stockholm, along with Uppsala and surrounding areas in Mälardalen. The remaining rental value is in Gävle (about 8%), Norrköping (about 5%), Gothenburg (about 4%), and about 3% in Malmö and the rest of Sweden.

The largest segment in our property portfolio is offices, which account for about 49% of rental value. These office premises are mainly located in the Stockholm area. In terms of rental value, about one quarter of the offices in the entire property portfolio are located in Stockholm City Centre ("inside the tolls") and in Solna. Here is a breakdown of the property portfolio between the other segments in terms of rental value: 16% logistics/warehousing, 12% shops/restaurants, 10% care/school, 7% industry/manufacturing, 3% housing/hotels and 3% other.

In terms of organisation, the property portfolio is managed in four regions. The total lettable area of 1,534,681 m² is distributed among the four regions. Region 1 has 446,472 square metres, Region 2 has 418,114 square metres, Region 3 has 458,607 square metres and Region 4 has 211,488 square metres. See Note 1 for the management area of each region.

ACQUISITIONS AND DIVESTMENTS

Fastpartner acquired the following properties during 2020.

Property	Municipality	Lettable area, m ²	Purchase completion date
Herrjärva 3	Solna	19,788	5 Mar 2020

1,534,681 m²

Total lettable area.

OVERVIEW BY GEOGRAPHIC AREA, AS OF 30 JUNE 2020

	Plot area	Total lettable area	Lettable area, m ²							Rental value	
			Offices	Logistics & warehousing	Retail and restaurants	Industry & manufacturing	Housing & hotels	Care & schools	Miscellaneous	SEKm ¹	Value, SEKm
Stockholm	1,010,825	875,320	419,141	177,030	103,465	70,198	31,048	67,374	7,064	1,463.2	23,558.6
Gävle	459,679	209,600	37,321	53,003	6,084	65,424		38,174	9,594	159.6	1,571.9
Uppsala & Mälardalen	169,332	102,154	33,382	38,879	16,981	2,615	2,930	7,257	110	124.3	1,866.9
Gothenburg	320,295	148,641	26,794	107,538	11,431	1,848		981	50	92.0	1,299.3
Norrköping	266,514	105,637	16,054	33,717	9,717	33,679	210	12,097	163	92.7	906.6
Malmö	85,312	48,424	16,187	22,626	3,174	2,425		3,202	810	44.6	441.6
Miscellaneous	131,607	44,905	5,900	25,240	6,341	4,715	2,356	339	14	29.4	238.5
Total	2,443,564	1,534,681	554,778	458,033	157,192	180,904	36,544	129,424	17,805	2,005.8	29,883.4

¹ Rental value as of 1 July 2020 12 months forward.

OVERVIEW BY TYPE OF PREMISES

30/06/2020	Area	Rental value	
		SEKm ¹	Rental value/m ²
Offices	554,778	980.3	1,767
Logistics & warehousing	458,033	322.9	705
Industry & manufacturing	180,904	149.8	828
Retail and restaurants	157,192	250.0	1,590
Care & schools	129,424	201.3	1,556
Housing & hotels	36,544	47.5	1,299
Miscellaneous	17,805	54.0	3,035
Total	1,534,681	2,005.8	1,307

¹ Rental value as of 1 July 2020 12 months forward.



Uppfinnaren 1

Market value of the property portfolio

Fastpartner recognises its properties at fair value according to IFRS 13 and all properties were valued in accordance with Level 3. The entire property portfolio is externally valued twice a year. As of 30 June 2020, Fastpartner had the value of all properties assessed through external evaluations from the independent valuation institutions Cushman & Wakefield Sweden AB and Newsec Advice AB. All property values are supported by a valuation institution, and have been subjected to the company's assessment, in order to achieve a market value that is as accurate as possible. Fastpartner internally adjusted the value of seven properties that deviated from the external valuations by 0.7% of the Group's reported property value. The deviations mainly consist of adjusted values for development rights. The total value of the Group's properties as of 30 June 2020 is SEK 29,883.4m (28,172.4).

The valuations are based on the information that Fastpartner has about the properties. This information includes outgoing rent, lease term, any additional charges or discounts, vacancy levels, operation and maintenance costs, and major planned or recently completed investments and repairs. In addition, Fastpartner also uses its own information regarding the location and market conditions for each property. The purpose of the valuations is to assess the market value of the properties at the time the valuation was carried out. Market value refers to the most likely price of a sale with normal marketing time in the open market.

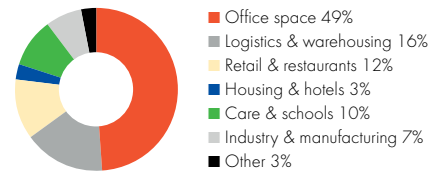
A cash flow analysis was performed for each property as part of the valuation process. The cash flow analysis consists of an assessment of the present value of the property's future net operating income during a calculation period, as well as the present value of the object's residual value after the end of the calculation period. The calculation takes into account future changes in net operating income, as well as the object's need for maintenance. The company's investment properties are valued according to an average return requirement of approximately 4.7% (4.6) on actual cash flow. The average yield requirement is about 4.2% (4.2) for Region 1, about 5.6% (5.5) for Region 2, about 5.1% (5.0) for Region 3 and about 5.7% (6.0) for Region 4.

Unrealised changes in value in the property portfolio for the period totalled SEK -112.6m (817.5).

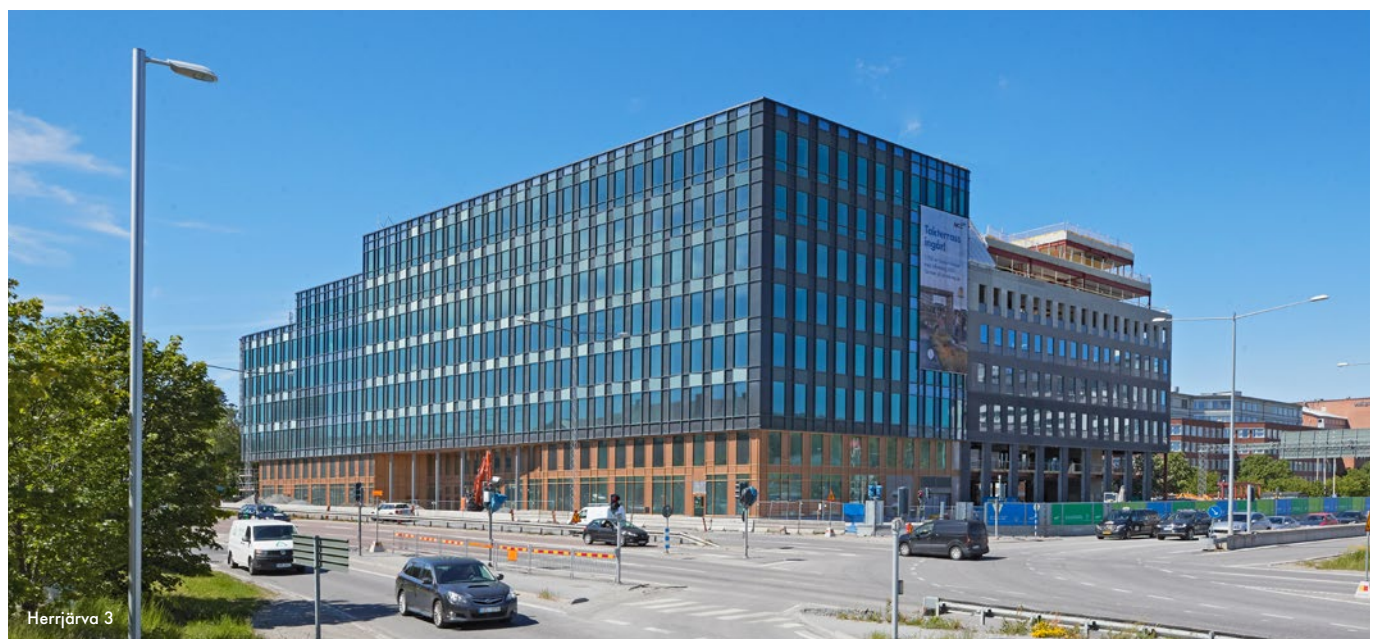
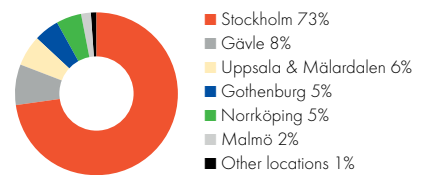
The value of the property portfolio has changed as follows:

SEKm	
Carrying amount at the beginning of the year, including properties under construction	28,172.4
+ Acquisition of properties	1,557.8
+ Investments	265.8
- Sales	-
+/- Unrealised changes in value of properties	-112.6
Carrying amount at the end of the period, including properties under construction	29,883.4

DISTRIBUTION OF RENTAL VALUE – BY TYPE OF PREMISES



DISTRIBUTION OF RENTAL VALUE – BY REGION



Herjärva 3

Project and property development

Development of Fastpartner's properties through refurbishment, extension and new construction yield good returns over time. Improved cash flows, higher property values and lower environmental impact are the reward.

Fastpartner refines the property portfolio; some projects that can be mentioned include adaptation of office space for Assa Abloy in Liljeholmen, adaptation of premises for several tenants and solar panels in Lunda, new construction and refurbishment of warehouse and offices for Origum in Märsta, refurbishment for tenants and property development in Frösunda and construction of 200 flats in Märsta Centrum.

In 2020, Fastpartner continued to focus on project and property development. During the period, Fastpartner invested SEK 265.8m (811.9) in existing properties. As of 30 June 2020, current project investments in properties totalled SEK 969.8m (865.6). The remaining investment volume for these current project investments amounted to SEK 456m (428).

Development rights

Fastpartner constantly works to develop the company's development rights portfolio, through both refinement of existing development rights and creation of new development rights through proactive local planning initiatives.

Fastpartner continues to expand its development rights and projects. Development is particularly strong in the Stockholm region.

As of 30 June 2020, Fastpartner has estimated its unutilised development rights at about 355,000 m² lettable area, including about 140,000 m² of residential development rights and about 215,000 m² of commercial development rights. The unutilised development rights are in different phases, ranging from plan ideas to local plan in place and initiated construction. As of 30 June 2020, the unutilised development rights were valued at SEK 435m, of which SEK 237m related to residential development rights, corresponding on average to SEK 1,693/m², and SEK 198m related to commercial development rights, corresponding on average to SEK 921/m². The unutilised development rights apply to properties held by Fastpartner with both ownership and leasehold rights.

“Fastpartner constantly works to develop the company's development rights portfolio, through both refinement of existing development rights and creation of new development rights through proactive local planning initiatives.”



FASTPARTNER'S LARGEST CURRENT PROJECTS AT 30 JUNE 2020

Property	Type of project	Project area (m ²)	Estimated investment (SEKm)	Estimated remaining investment (SEKm)	Estimated completion, year
Näringen 5:1	Adaptation of premises, warehouse	5,900	11	2	Q3 20
Ringpärmen 4	Adaptation of premises, long-stay hotel	4,700	45	3	Q3 20
Syllen 4	Adaptation of premises for Assa Abloy, carbon reduction measures, etc.	6,200	72	26	Q4 20
Rånäs 1	Adaptation of premises, office space, solar panels	4,100	17	4	Q4 20
Timpningen 5	Adaptation of premises, office space, cultural activities, etc.	3,000	17	10	Q4 20
Ekenäs 4	Adaptation of premises, office space	3,400	10	2	Q4 20
Hilton 2	Adaptation of premises, office space, solar panels	3,900	18	3	Q1 21
Märsta 11:8	New-build and refurbishment, office space, warehousing, etc.	1,200	20	18	Q2 21
Märsta 24:4	New-build showroom, sales area, etc.	2,500	43	39	Q2 21
Märsta 1:257 - 260	Housing, Märsta Centrum	12,000	430	102	Q4 21

LARGE POTENTIAL PROJECTS AND DEVELOPMENT RIGHTS

Region	Area	Property	Form of tenure	Prop. category	Status	Possible start of construction ¹	Additional area (m ² , BTA) ²			Addit. no. ²
							Residential	Commercial	Total	
Stockholm	Sundbyberg	Pärönet 2	Ownership	Residential	Pre local development plan	2023	10,000	-	10,000	154
Stockholm	Västberga	Arbetsbasen 3	Leasehold	Commercial	Prior to construction start	2020	-	4,500	4,500	-
Stockholm	Årsta	Allgunnen 7	Ownership/Leasehold	Housing, Preschool	Local development plan in progress	2023	8,600	900	9,500	108
Stockholm	Västberga	Lönelistan 1.2 Timp. 5	Leasehold	Commercial	Local development plan in progress	2021	-	33,500	33,500	-
Stockholm	Bredäng	Bredäng Centrum	Leasehold	Residential/commercial	Local development plan in progress	2023	12,200	7,800	20,000	153
Stockholm	Liljeholmen	Syllen 4	Leasehold	Residential/commercial	Pre local development plan	2023	4,200	5,400	9,600	140
Stockholm	Lidingö	Diviatorn 1	Ownership	Residential	Pre local development plan	2025	3,100	-	3,100	78
Stockholm	Bromma	Riksby 1:13	Ownership/Leasehold	Residential/commercial	Local development plan in progress	2024	42,000	30,000	72,000	420
Stockholm	Märsta	Märsta Centrum	Ownership	Commercial	Construction start	2021	-	16,800	16,800	-
Stockholm	Vallentuna	Vallentuna Centrum	Ownership	Residential	Local development plan in progress	2023	25,000	2,000	27,000	294
Stockholm	Vallentuna	Vallentuna-Rickeyby 1:472	Ownership	Housing, retail	Prior to construction start	2020	2,750	650	3,400	27
Stockholm	Täby	Stansen 1	Ownership	Preschool	Prior to construction start	2020	-	2,000	2,000	-
Gävle	Näringen	Näringen 10:4	Ownership	Commercial	Prior to construction start	2021	-	10,000	10,000	-
Gävle	Gavlehov	Sättra 64:5	Ownership	Residential/commercial	Pre local development plan	2021	10,000	15,000	25,000	143
Total							117,850	128,550	246,400	1,517

¹ Possible construction start refers to when the project is estimated to be able to start, provided that planning work progresses as expected and, where applicable, that lettings have reached a requisite level.

² These figures are based on estimates and judgements by Fastpartner and are therefore preliminary. The figures may be revised over the course of the project.



Krejaren 2

Financing

Shareholders' equity

The Group's equity at the end of the period amounted to SEK 12,679.2m (12,631.7). Equity increased by SEK 475.5m, of which SEK 254.0m relates to profit for the period and SEK 221.5m relates to the new issue of Class A shares, and declined by SEK 428.0m as a result of the approved dividend paid to shareholders.

Private placement of Class A shares

On 19 February 2020, the Board of Directors of Fastpartner decided, based on the authorisation of the Annual General Meeting from 25 April 2019, to raise SEK 221.5m after issuance expenses through a private placement of 2,000,000 Class A ordinary shares.

Loan financing

Fastpartner's interest-bearing liabilities at the end of the period totalled SEK 14,668.1m (13,395.1), of which SEK 4,102.4m (3,097.2) or 28.0% (23.1) entail green financing. Interest-bearing net liabilities totalled SEK 13,944.2m (12,729.2), corresponding to 46.7% (45.2) of the market value of the properties as of 30 June 2020. Interest-bearing gross liabilities to banks totalled SEK 9,313.1m (8,135.1), corresponding to 31.1% (28.9) of the market value of the properties as of 30 June 2020. The remaining gross liability, corresponding to 17.9% (18.7) of the market value of the properties, consisted of listed bond loans of SEK 4,200.0m (3,800.0) and commercial paper of SEK 1,155.0m (1,460.0). The average interest rate for all loans as of 30 June 2020 was 2.0% (1.9).

Below is a summary of the outstanding listed bond loans.

Amount (SEKm)	Interest (%)	Maturity of the bond loan
600.0	Stibor 3M + 4.50 ¹	Sept. 20
600.0	Stibor 3M + 2.45 ¹	Sept. 21
1,300.0	Stibor 3M + 2.85 ¹	May 22
800.0	Stibor 3M + 2.45 ¹	May 23
900.0	Stibor 3M + 3.10 ¹	March 24
4,200.0		

¹ The figure refers to percentage points.

The Group's interest-bearing liabilities total SEK 14,668.1m (13,395.1). This amount includes loans totalling SEK 2,456.9m (2,833.0), which are due or are to be repaid within 12 months and are therefore classified as current liabilities to credit institutions as of 30 June 2020. Fastpartner engages in ongoing discussions with the company's main banks regarding margins and maturities for the short component of the loan portfolio and assesses the prospect of refinancing these loans at market terms as good. Fastpartner continues to monitor developments on the interest rate swap market in order to choose the right opportunity to extend the company's fixed-rate periods.

The Group's loan structure as of 30 June 2020 is presented below.

LOAN STRUCTURE AS OF 30 JUNE 2020 (SEKM)

Loan agreements	Amount utilised	Loan agreement term
2,025.0	2,025.0 ¹	2020
2,506.4	2,453.2 ²	2021
3,430.9	3,430.9 ³	2022
3,844.4	3,844.4 ⁴	2023
900.0	900.0 ⁵	2024
75.0	75.0	2025
637.4	637.4	2028
216.0	216.0	2029
1,086.2	1,086.2	2034
Total	14,721.3	14,668.1

¹ Of which SEK 600.0 relates to bond loans and SEK 1,055.0 relates to commercial paper.

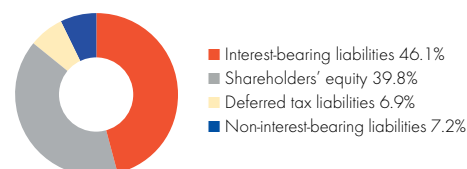
² Of which SEK 600.0 relates to bond loans and SEK 100.0 relates to commercial paper.

³ Of which SEK 1,300.0 relates to green bond loans

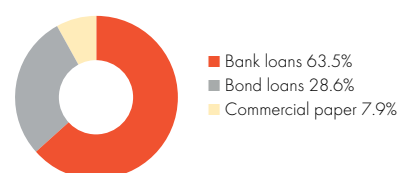
⁴ Of which SEK 800.0 relates to bond loans

⁵ Of which SEK 900.0 relates to bond loans

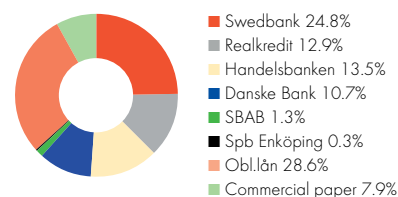
CAPITAL STRUCTURE



BREAKDOWN OF FINANCING



BREAKDOWN OF LENDERS



THE GROUP'S INTEREST RATE SWAP AGREEMENTS AS OF 30 JUNE 2020

Amount (SEKm)	Interest ¹ (%)	Swap duration
300	1.86	March 23
125	1.94	May 24
500	1.44	Nov. 24
250	1.23	Dec. 24
300	0.93	March 25
200	1.23	Feb. 26
200	1.98	Dec. 44
1,875		

¹Excluding the loan margin

Credit rating from Moody's

- Fastpartner's credit rating from Moody's was raised to Ba1 in December 2019.

Private placement of new bond loans

Fastpartner issued unsecured bonds of SEK 400m during the first quarter. The bonds were issued under an existing framework of SEK 1,500m, at a rate of 106.845% which corresponds to an interest rate of about 1.25% on the first redemption date. The bonds run at a coupon rate of STIBOR 3M + 3.10 percentage points and have a final maturity in March 2024.

Financial position

The equity/assets ratio in the Group at the end of the period totalled 39.8% (42.1). The equity/assets ratio in the Group adjusted in accordance with EPRA NAV at the end of the period totalled 47.2% (49.8). Cash and cash equivalents including unutilised overdraft facilities totalled SEK 582.9m (499.3) at the end of the period.

Risk assessment

The Board of Directors and the Chief Executive Officer of the company have not found any reason to change the risk assessment presented in the company's 2019 annual report.

The company's two main risks based on the current situation are the payment ability of our tenants and the refinancing conditions in the capital market. In order to assess these risks, we would like to present our picture of the current situation.

The risk level for all business activities increased considerably at the start of Q2. A major factor was the shutdown of the global economy staged in the second quarter to mitigate the spread of the COVID-19 pandemic. Unemployment rates ranging between 10 and 30% in turn lead to sharply reduced demand throughout the global economy.

The resultant situation could also affect financial markets unless proper fiscal and monetary policy measures are taken. The fastest and most extensive measures were taken by the US Congress and the Federal Reserve. The scope of measures approved to date, and largely also implemented, is beginning to approach USD 20 trillion, which is not too far off from US GDP for 2020. A large part of the measures come from the Fed and include extensive liquidity support to companies and the capital market with a special focus on the corporate bond market, where the purchases cover all types of instruments, including within the High Yield segment. The Riksbank has borrowed many ideas for its measures by studying the various liquidity boosting programmes that the Fed has already implemented and which are also simple and pragmatic.

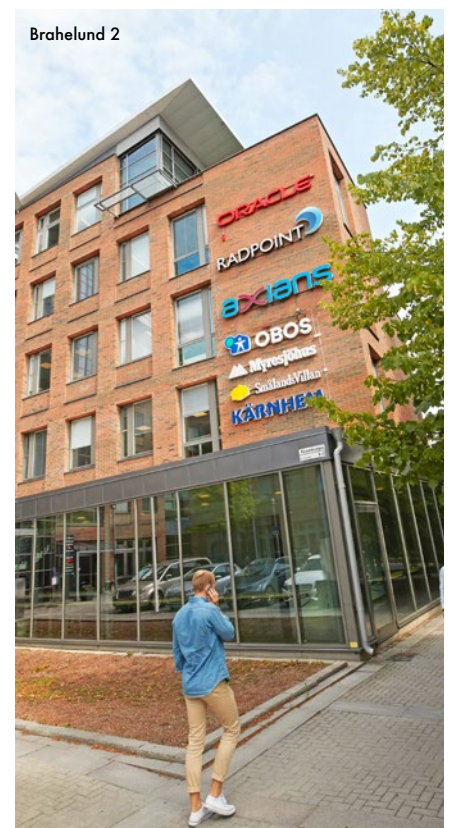
The ECB is planning similar programmes, though lesser in scope and surrounded by substantially more bureaucracy. Overall, this means that the economy has been supported in a way that has never happened before and to a large extent compensates for the loss of income resulting from the shutdown decisions. Conditions are in place to bridge the current problems and thereby enable us to enter a more normalised situation at the end of the year.

The strategy that Sweden has chosen to pursue by not imposing statutory lockdowns, but instead relying on individual judgment and common sense, may be of some benefit when we return to a more normal situation when all functions have been in operation, albeit limited in scope. The Swedish strategy differs radically from large parts of the world in general, which are essentially under total lockdown.

Given this situation, and based on Fastpartner's extremely strong financial position, we believe that the company is well-equipped to manage these risks and still have the manoeuvrability to take advantage of future business opportunities.

39.8%

The equity/assets ratio in the Group at the end of the period totalled 39.8%.



Related party transactions

During the period, all transactions with companies within the Fastpartner Group, Henrik och Sven-Olof Fastigheter AB, Fastpartners associated companies and with the Parent Company Compactor Fastigheter AB were carried out on market terms. No other significant business transactions with related parties were carried out during the period.

Employees

As of 30 June 2020, the Group had 76 (71) employees, including 56 (53) men. All are employed by the Parent Company.

Change in pledged assets and contingent liabilities

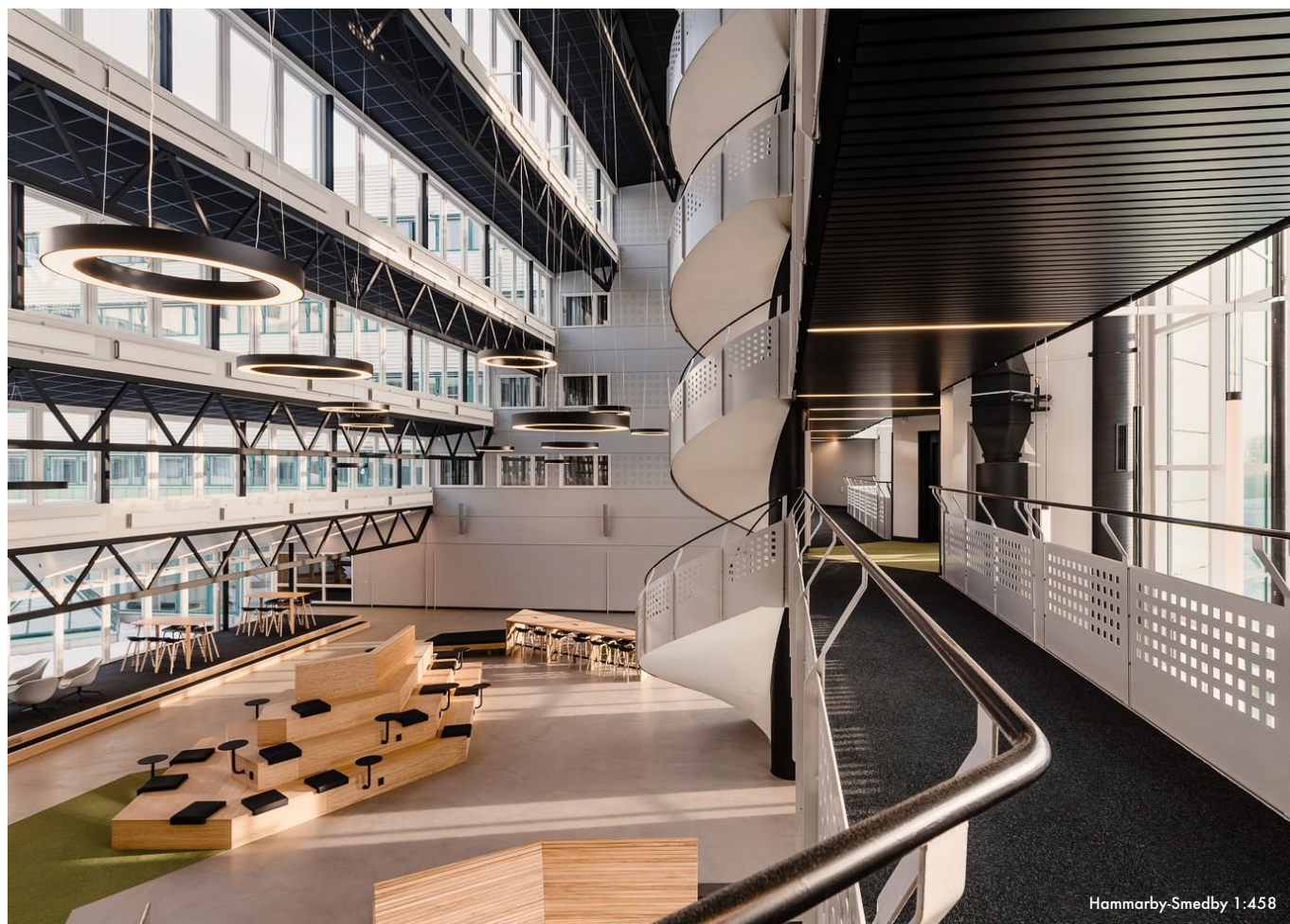
Pledged assets increased to SEK 12,780.7m (11,566.1) during the period because Fastpartner took out secured bank loans.

Events after the end of the period

No events to report.

Parent Company

The Parent Company conducts parts of the property management business on commission. Rental income for the Parent Company during the period totalled SEK 270.0m (246.5) and profit after financial items was SEK 187.8m (312.9). As of 30 June 2020, cash and cash equivalents totalled SEK 136.1m (257.3). The risk assessment for the Parent Company is the same as for the Group.



The share

Ordinary share, Class A

Fastpartner's Class A ordinary share was listed in 1994 on the Stockholm Stock Exchange O list. Since 2 October 2006, the ordinary share has been listed on the main list of Nasdaq Stockholm. Since 2 January 2020, the share is traded on the Large cap list. Chief Executive Officer Sven-Olof Johansson has been the principal owner since 1995 and owned a 71.5% stake through Compactor Fastigheter AB as of 30 June 2020.

The share price performance can be seen in the diagram below.

SHARE PRICE 1 JANUARY – 30 JUNE 2020 (SEK)



Ordinary shares, Class D

Fastpartner's Class D ordinary share was listed on 13 December 2019 on the main list of Nasdaq Stockholm. Since 2 January 2020, the share is traded on the Large cap list. The issue price was SEK 84 per share. The Class D shares entitle the holder to a dividend as of 6 May 2020. Therefore, the Class D shares have not entailed any profit/Class D share for 2020. Preference shares entitle the holder to an annual dividend of a maximum of SEK 5.0/Class D share and each Class D share carries one tenth of a vote.

Preference share

Fastpartner's preference share was listed on 18 June 2013 on the main list of Nasdaq Stockholm. Since 2 January 2020, the share is traded on the Large cap list. The issue price was SEK 293 per share. Adjusted for a 3: 1 share split in 2018, this corresponds to a price of SEK 97.67 per share. Preference shares entitle the holder to an annual dividend of SEK 6.68/preference share and each preference share carries one tenth of a vote.

Repurchase and divestment of treasury shares

No treasury shares were sold or repurchased during the period. The holding at the end of the period was 333,636 ordinary Class A shares, corresponding with 0.2% of the total number of Class A ordinary shares issued.

No treasury preference shares or Class D ordinary shares were repurchased.

Number of shares outstanding

The total number of outstanding Class A ordinary shares is 182,900,000 at the end of the period. The total number of outstanding Class D ordinary shares is 8,500,000 at the end of the period. The total number of outstanding preference shares is 5,692,497 at the end of the period.

THE FIVE LARGEST SHAREHOLDERS AS OF 31 MAY 2020 (MOST RECENT AVAILABLE DATA)

	Number of shares	Share, %
Compactor Fastigheter AB ¹⁾	130,817,915	71.5
Länsförsäkringar Fondförvaltning	18,288,050	10.0
Kamprad Family Foundation	5,887,500	3.2
Swedbank Robur Fonder	5,234,160	2.9
Nordea Investment Funds	2,231,165	1.2
Other	20,441,210	11.2
Number of ordinary shares outstanding	182,900,000	100.0
Fastpartner AB	333,636	
Total ordinary shares issued	183,233,636	

¹⁾ Of which 180,000 (180,000) shares are on loan to Carnegie in conjunction with the signing of a liquidity guarantee.



WHY BE A FASTPARTNER SHAREHOLDER?

Clear focus on Stockholm

Around 80 per cent of the rental value is in Stockholm and its surrounding areas in Mälardalen. Properties are located in attractive areas, many on the metro route, in the Stockholm area. In a constantly growing market, demand for premises is high, which results in higher rent levels and lower vacancies.

Good returns and dividends

The total return on the share over the past five years has been 140 per cent. The dividend has been steadily increasing and since 2002, Fastpartner has paid over SEK 2.6bn to its shareholders.

Constant growth and ambitious targets that are achieved

Fastpartner's profit from property management has increased from SEK 198m in 2010 to SEK 850m in 2019, a 329 per cent increase. The targets that Fastpartner set during these years have been met. As of Q2 2020, Fastpartner's rolling profit from property management is about SEK 950m.

Accounting policies

Fastpartner prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS). This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The Parent Company prepares its financial statements according to RFR 2, Accounting for Legal Entities and the Swedish Annual Accounts Act. The Group and the Parent Company have applied the same accounting policies and valuation methods as in the most recent annual report, with the exception for the Group as mentioned below regarding IFRS 16.

New or amended IFRS standards or other IFRIC interpretations that have entered into force since 1 January 2020 have had no material effect on the consolidated income statements or balance sheets.

Disclosures in accordance with IAS 34 Interim Reporting are provided both in notes and elsewhere in the Interim Report.

ASSURANCE OF THE BOARD OF DIRECTORS

The Board of Directors and the Chief Executive Officer hereby certify that the interim report provides a true and fair view of the Parent Company's and Group's operations, financial position and profit/loss and describes the significant risks and uncertainties facing the Parent Company and the companies included in the Group.

Stockholm, 3 July 2020

Peter Carlsson
Chairman of the Board

Sven-Olof Johansson
*Board Member and
Chief Executive Officer*

Charlotte Bergman
Board Member

Katarina Staaf
Board Member

Cecilia Vestin
Board Member

This information is information that Fastpartner AB is obliged to disclose under the EU Market Abuse Regulation and the Securities Market Act. The information was submitted for publication, through the agency of the contact person set out below, at 03:30 p.m. CET on 3 July 2020.

The interim report has not been subject to review by the company's auditors.

Further information is available from Sven-Olof Johansson, Chief Executive Officer, phone +46 (0)8 - 402 34 65 (direct) or +46 (0)8 - 402 34 60, or on the company's website www.fastpartner.se

Condensed consolidated statement of comprehensive income

Amounts in SEKm	2020 1/4 – 30/6	2019 1/4 – 30/6	2020 1/1 – 30/6	2019 1/1 – 30/6	2019 1/1 – 31/12
Rental income	444.5	408.5	892.3	804.4	1,686.5
Property expenses					
Operating expenses	-57.5	-60.5	-139.6	-146.4	-279.0
Repairs and maintenance	-11.7	-18.1	-26.3	-32.9	-65.4
Property tax	-26.3	-20.7	-52.6	-40.6	-100.6
Ground rents/leases	-2.0	-2.1	-4.5	-4.4	-7.9
Property administration and marketing	-14.1	-15.0	-30.8	-29.7	-60.6
Net operating income	332.9	292.1	638.5	550.4	1,173.0
Central administration	-9.2	-8.1	-18.7	-16.2	-34.9
Unrealised changes in value of properties	-174.5	240.6	-112.6	817.5	2,587.6
Realised changes in value of properties	-	-	0.5	0.2	423.4
Share of associated companies' profit	1.1	-2.4	1.1	0.1	24.1
Profit before financial items	150.3	522.2	508.8	1,352.0	4,173.2
Financial items					
Financial income	6.1	0.1	13.1	0.4	8.8
Financial expenses	-81.3	-73.9	-156.0	-142.1	-287.4
Ground rents	-7.5	-6.4	-15.0	-13.0	-31.2
Change in value, derivatives and financial investments	1.4	-37.2	-31.1	-62.8	-32.5
Profit before tax	69.0	404.8	319.8	1,134.5	3,830.9
Tax	-18.7	-87.3	-65.8	-237.9	-683.9
Profit for the period	50.3	317.5	254.0	896.6	3,147.0
Other comprehensive income	-	-	-	-	-
Comprehensive income for the period	50.3	317.5	254.0	896.6	3,147.0
Profit for the period attributable to:					
Parent Company shareholders	50.3	317.5	254.0	896.6	3,147.0
Non-controlling interests	-	-	-	-	-
	50.3	317.5	254.0	896.6	3,147.0
Earnings/Class A ordinary share	0.17	1.70	1.23	4.85	17.19
Number of issued Class A ordinary shares	183,233,636	181,233,636	183,233,636	181,233,636	181,233,636
Number of outstanding Class A ordinary shares	182,900,000	180,900,000	182,900,000	180,900,000	180,900,000
Average number of Class A ordinary shares	182,900,000	180,900,000	182,400,000	180,900,000	180,900,000
Earnings/Class D ordinary share	1.25	-	1.25	-	-
Number of issued Class D ordinary shares	8,500,000	-	8,500,000	8,500,000	8,500,000
Number of outstanding Class D ordinary shares	8,500,000	-	8,500,000	-	8,500,000
Average number of Class A ordinary shares	8,500,000	-	8,500,000	-	354,000

There is no dilution at this time as there are no potential Class A and D ordinary shares in Fastpartner.

Condensed consolidated balance sheet

Amounts in SEKm	30/06/2020	30/06/2019	31/12/2019
ASSETS			
Non-current assets			
Property, plant and equipment			
Investment properties	29,616.3	25,303.2	27,876.8
Properties under construction	267.1	200.2	295.6
Right-of-use asset, leasehold	1,018.0	868.0	1,018.0
Machinery and equipment	1.5	1.7	1.7
Total property, plant and equipment	30,902.9	26,373.1	29,192.1
Non-current financial assets			
Interests in associated companies	381.8	13.9	372.5
Other non-current receivables	118.0	10.7	51.3
Total non-current financial assets	499.8	24.6	423.8
Total non-current assets	31,402.7	26,397.7	29,615.9
Current receivables	168.7	492.8	106.3
Cash and cash equivalents	247.9	135.0	264.3
Total current assets	416.6	627.8	370.6
TOTAL ASSETS	31,819.3	27,025.5	29,986.5
EQUITY AND LIABILITIES			
Share capital	658.1	623.1	651.4
Other contributed capital	2,118.5	1,234.1	1,903.7
Retained earnings incl. comprehensive income for the year	9,902.6	7,826.2	10,076.6
Total shareholders' equity	12,679.2	9,683.4	12,631.7
Deferred tax liabilities	2,191.3	1,780.8	2,178.9
Liabilities to credit institutions and similar liabilities	12,211.9	10,912.5	10,562.1
Lease liability leasehold	1,018.0	868.0	1,018.0
Other non-current liabilities	44.6	36.3	42.8
Total non-current liabilities	15,465.8	13,597.6	13,801.8
Liabilities to credit institutions	2,456.2	2,949.9	2,833.0
Other current liabilities	659.9	359.9	446.4
Accrued expenses and deferred income	558.2	434.7	273.6
Total current liabilities	3,674.3	3,744.5	3,553.0
Total liabilities	19,140.1	17,342.1	17,354.8
TOTAL EQUITY AND LIABILITIES	31,819.3	27,025.5	29,986.5

Summary consolidated statement of cash flows

Amounts in SEKm	2020 1/4 – 30/6	2019 1/4 – 30/6	2020 1/1 – 30/6	2019 1/1 – 30/6	2019 1/1 – 31/12
Operating activities					
Profit before tax	69.0	404.8	319.8	1,134.5	3,830.9
Adjustment items	168.4	-200.0	137.9	-758.9	-2,994.8
Tax paid/received	-15.0	-42.6	-65.4	-95.0	-61.4
Cash flow from operating activities before changes in working capital	222.4	162.2	392.3	280.6	774.7
Changes in working capital	-29.0	-0.9%	10.5	-60.9	-29.9
Cash flow from operating activities	193.4	161.3	402.8	219.7	744.8
Investing activities					
Investments in properties	-103.1	-184.3	-1,636.6	-2,362.9	-3,255.1
Divestment of properties	-	-	0.5	0.5	501.0
Divestment of non-current financial assets, proceeds obtained	-	-	-	47.0	47.1
Investment in non-current financial assets, proceeds paid	-54.5	-2.4	-74.5	-2.6	-77.6
Cash flow from investing activities	-157.6	-186.7	-1,710.6	-2,318.0	-2,784.6
Financing activities					
Raising of loans	402.9	924.3	1,680.3	2,806.6	3,227.3
Repayment and amortisation, loans	-195.9	-1,062.7	-407.3	-1,101.6	-1,989.6
Issuance Class A/D shares	-	-	221.8	-	701.4
Dividend	-193.9	-154.2	-203.4	-163.7	-327.4
Cash flow from financing activities	13.1	-292.6	1,291.4	1,541.3	1,611.7
Cash flow for the period	48.9	-318.0	-16.4	-557.0	-428.1
Cash and cash equivalents, beginning of period	199.0	439.5	264.3	676.1	676.1
Acquired cash and cash equivalents	-	13.5	-	15.9	16.3
Cash and cash equivalents, end of period	247.9	135.0	247.9	135.0	264.3

Change in condensed consolidated equity

Amounts in SEKm	2020 1/4 – 30/6	2019 1/4 – 30/6	2020 1/1 – 30/6	2019 1/1 – 30/6	2019 1/1 – 31/12
At beginning of period	13,056.9	9,693.4	12,631.7	9,114.3	9,114.3
Issuance of Class A/D shares	-	-	221.5	-	697.9
Dividend ¹	-428.0	-327.5	-428.0	-327.5	-327.5
Comprehensive income for the period	50.3	317.5	254.0	896.6	3,147.0
At end of period	12,679.2	9,683.4	12,679.2	9,683.4	12,631.7
Attributable to Parent Company shareholders	12,679.2	9,683.4	12,679.2	9,683.4	12,631.7

¹ Of which dividend for Class D ordinary shares comprises SEK -42.5m and preference shares SEK -38.0m. SEK 173.8m of the dividend amount was paid and the remainder is expensed as of 30 June 2020. The estimated payment date for the remaining dividend payment for Class A ordinary shares is 4 November 2020.

Key ratios

Financial key ratios	2020 1/4 – 30/6	2019 1/4 – 30/6	2020 1/1 – 30/6	2019 1/1 – 30/6	2019 1/1 – 31/12
Rolling annual profit from property management, SEKm (4 quarters forward) ²	950.0	870.0	950.0	870.0	950.0
Equity/Class A ordinary share, SEK ²	69.3	53.5	69.3	53.5	69.8
Long-term net asset value per Class A ordinary share, EPRA NAV, SEK ²	82.2	64.2	82.2	64.2	82.6
Return on equity, % ^{1,2}	1.6	13.1	4.0	19.1	28.9
Return on total capital, % ^{1,2}	1.9	7.1	3.1	10.1	15.4
Interest coverage ratio, multiple ²	4.0	3.7	4.0	3.7	4.0
Equity/assets ratio, % ²	39.8	35.8	39.8	35.8	42.1
Equity/assets ratio adjusted for EPRA NAV, % ²	47.2	43.0	47.2	43.0	49.8

Property-related key figures	2020 1/4 – 30/6	2019 1/4 – 30/6	2020 1/1 – 30/6	2019 1/1 – 30/6	2019 1/1 – 31/12
Net operating income, % ^{1,2}	4.5	4.6	4.4	4.4	4.6
Surplus ratio, % ²	74.9	71.5	71.6	68.4	69.6
Financial occupancy rate, %	89.8	90.3	90.3	90.4	91.0
Financial occupancy rate, adjusted for project properties, %	90.1	90.9	90.8	91.1	91.6
Rental value, SEK/m ² ¹	1,332.0	1,277.5	1,332.0	1,251.5	1,275.6
Property expenses, SEK/m ² ¹	290.9	331.2	330.8	360.0	339.9
Net operating income, SEK/m ² ¹	905.3	822.4	872.0	771.3	820.9

¹ Calculated at annual rate based on respective period, SEKm

² Financial measures that are not defined according to IFRS For definitions and reconciliation, see page 26.

PROPERTY PORTFOLIO AS OF 30 JUNE 2020

Region	Number of properties	Area 000 m ²	Rental income	Income/m ² ¹	Property expenses		Net operating income SEKm	Fair value SEKm	Net operating income, %	Rental value ¹ SEKm
					SEKm	Expense/m ² ¹				
Region 1	54	446.5	406.1	1,819.1	106.1	450.7	305.4	15,237.2	4.2	435.5
Region 2	56	418.1	197.0	942.3	57.4	274.6	139.6	6,023.3	4.7	232.0
Region 3	78	458.6	227.5	992.1	75.8	330.6	151.7	7,041.0	4.6	273.3
Region 4	20	211.5	61.7	583.9	20.0	188.9	41.9	1,581.9	5.5	81.4
Total	208	1,534.7	892.3	1,162.9	253.8	330.8	638.5	29,883.4	4.4	1,022.1

¹ Not adjusted for properties acquired and sold during 2020

Region 1 includes the company's properties in Lunda/Spånga/Stockholm centralt/Hässelby/Tensta/Rinkeby/Alvesta/Malmö/Växjö and Ystad.

Region 2 includes the company's properties in Västberga/Bromma/Täby/Lidingö/Älvsjö/Bredäng/Södertälje/Norrköping/Åtvidaberg/Strängnäs/Eskilstuna and Enköping.

Region 3 includes the company's properties in Akalla/Märsta/Knivsta/Vallentuna/Sollentuna/Upplands Väsby/Uppsala/Göteborg/Alingsås and Ulricehamn.

Region 4 includes the company's properties in Gävle/Söderhamn/Sundsvall/Ludvika and Hedemora.

Condensed income statement and statement of comprehensive income, Parent Company

Amounts in SEKm	2020 1/4 – 30/6	2019 1/4 – 30/6	2020 1/1 – 30/6	2019 1/1 – 30/6	2019 1/1 – 31/12
Rental income	130.2	122.6	270.0	246.5	524.9
Property expenses					
Operating expenses	-12.7	-14.0	-33.4	-34.8	-65.3
Repairs and maintenance	-4.6	-4.7	-9.8	-9.6	-21.6
Property tax	-7.4	-6.1	-14.7	-12.2	-29.5
Ground rents/leases	-3.8	-2.7	-7.5	-5.3	-15.6
Property administration and marketing	-8.5	-9.3	-18.6	-18.1	-35.1
Net operating income	93.2	85.8	186.0	166.5	357.8
Central administration	-5.2	-6.7	-11.4	-13.1	-25.5
Share of associated companies' profit	1.1	-2.4	1.1	0.1	24.1
Profit before financial items	89.1	76.7	175.7	153.5	356.4
Financial items					
Sale of shares and participations	-	-	-	-	780.0
Profit from interests in subsidiaries	150.0	324.0	150.0	324.0	965.1
Other financial items	-54.6	-89.1	-137.9	-164.6	-237.8
Profit/loss after financial items	184.5	311.6	187.8	312.9	1,863.7
Appropriations					
Group contributions	-	-	-	-	151.8
Profit before tax	184.5	311.6	187.8	312.9	2,015.5
Tax	-7.1	2.0	-8.1	2.1	-40.7
Profit for the period	177.4	313.6	179.7	315.0	1,974.8
Other comprehensive income	-	-	-	-	-
Comprehensive income for the period	177.4	313.6	179.7	315.0	1,974.8

Condensed balance sheet, Parent Company

Amounts in SEKm	30/06/2020	30/06/2019	31/12/2019
ASSETS			
Non-current assets			
Property, plant and equipment			
Machinery and equipment	0.8	0.7	0.8
Total property, plant and equipment	0.8	0.7	0.8
Shares in Group companies	6,144.2	5,412.5	5,607.7
Receivables from Group companies	12,190.5	10,787.4	11,805.2
Other long-term securities holdings	-	-	-
Interests in associated companies	381.9	14.0	372.6
Other non-current receivables	147.4	38.6	74.2
Total non-current financial assets	18,864.0	16,252.5	17,859.7
Total non-current assets	18,864.8	16,253.2	17,860.5
Current receivables	12.8	0.7	5.4
Prepaid expenses and accrued income	76.0	56.6	77.0
Cash and cash equivalents	136.1	133.0	257.3
Total current assets	224.9	190.3	339.7
TOTAL ASSETS	19,089.7	16,443.5	18,200.2
EQUITY AND LIABILITIES			
Share capital	658.1	623.1	651.4
Other reserves	91.7	91.7	91.7
Share premium account	2,118.5	1,234.1	1,903.7
Retained earnings	2,568.9	1,157.4	2,817.2
Total shareholders' equity	5,437.2	3,106.3	5,464.0
Liabilities to credit institutions and similar liabilities	9,900.7	9,428.0	9,055.7
Liabilities to Group companies	781.5	966.5	493.6
Other non-current liabilities	23.7	16.7	23.5
Total non-current liabilities	10,705.9	10,411.2	9,572.8
Liabilities to credit institutions and similar liabilities	2,238.5	2,430.1	2,687.5
Other current liabilities	555.8	236.4	345.2
Accrued expenses and deferred income	152.3	259.5	130.7
Total current liabilities	2,946.6	2,926.0	3,163.4
Total liabilities	13,652.5	13,337.2	12,736.2
TOTAL EQUITY AND LIABILITIES	19,089.7	16,443.5	18,200.2

Change in Parent Company equity

Amounts in SEKm	2020 1/4 – 30/6	2019 1/4 – 30/6	2020 1/1 – 30/6	2019 1/1 – 30/6	2019 1/1 – 31/12
At beginning of period	5,687.8	3,120.2	5,464.0	3,118.8	3,118.8
Issuance of Class A/D shares	-	-	221.5	-	697.9
Dividend ¹	-428.0	-327.5	-428.0	-327.5	-327.5
Comprehensive income for the period	177.4	313.6	179.7	315.0	1,974.8
At end of period	5,437.2	3,106.3	5,437.2	3,106.3	5,464.0

¹ Of which dividend for Class D ordinary shares comprises SEK -42.5m and preference shares SEK -38.0m. SEK 173.8m of the dividend amount was paid and the remainder is expensed as of 30 June 2020. The estimated payment date for the remaining dividend payment for Class A shares is 4 November 2020.

NOTE 1 SEGMENT REPORTING

SEKm	Region 1		Region 2		Region 3		Region 4		Total property management		Eliminations and Group-wide items		Total Group	
	2020-06-30	2019-30 June	2020-06-30	2019-30 June	2020-06-30	2019-30 June	2020-06-30	2019-30 June	2020-06-30	2019-30 June	2020-06-30	2019-30 June	2020-06-30	2019-30 June
Rental income	406.1	335.0	197.0	192.3	227.5	215.4	61.7	61.7	892.3	804.4			892.3	804.4
Property expenses	-100.6	-96.9	-57.4	-61.6	-75.8	-74.5	-20.0	-21.0	-253.8	-254.0			-253.8	-254.0
Net operating income	305.5	238.1	139.6	130.7	151.7	140.9	41.7	40.7	638.5	550.4			638.5	550.4
Ground rents	-10.4	-8.0	-2.5	-2.5	-2.1	-2.5			-15.0	-13.0			-15.0	-13.0
Changes in value														
Unrealised changes in value of properties	8.5	658.2	-61.6	127.2	-35.3	31.0	-24.2	1.1	-112.6	817.5			-112.6	817.5
Realised changes in value of properties					0.5			0.2	0.5	0.2			0.5	0.2
Changes in value, financial instruments									-31.1	-62.8			-31.1	-62.8
Gross profit	303.6	888.3	75.5	255.4	114.8	169.4	17.5	42.0	480.2	1,292.3			480.2	1,292.3
Undistributed items														
Central administration											-18.7	-16.2	-18.7	-16.2
Share of associated companies' profit									1.1	-2.4		2.5	1.1	0.1
Financial income									13.1	0.4			13.1	0.4
Financial expenses									-156.0	-142.1			-156.0	-142.1
Profit before tax													319.8	1,134.5
Tax											-65.8	-237.9	-65.8	-237.9
Comprehensive income for the period									338.4	1,148.2	-84.5	-251.6	254.0	896.6
Investment properties	15,237.2	12,506.9	6,023.3	5,609.7	7,041.0	5,837.7	1,581.9	1,549.1	29,883.4	25,503.4			29,883.4	25,503.4
Undistributed items														
Right-of-use asset, leasehold													1,018.0	868.0
Financial													488.8	24.6
Non-current assets													1.5	1.7
Machinery and equipment													168.7	492.8
Current assets													247.9	135.0
Cash and cash equivalents														
Total assets	15,237.2	12,506.9	6,023.3	5,609.7	7,041.0	5,837.7	1,581.9	1,549.1	29,883.4	25,503.4			31,819.3	27,025.5
Undistributed items														
Shareholders' equity													12,679.2	9,683.4
Non-current liabilities													13,274.5	11,816.8
Deferred tax liabilities													2,191.3	1,780.8
Current liabilities													3,674.3	3,744.5
Total equity and liabilities													31,819.3	27,025.5
Acquisitions and investments for the period	1,594.2	2,045.2	48.2	95.5	168.1	199.3	13.1	16.0	1,823.6	2,356.0			1,823.6	2,356.0
Sales for the period								-0.1		-0.1				-0.1

Note that IFRS 16 effects are reported separately above.

In accordance with IFRS 8, segments are presented from the point of view of management, divided into the following segments: Region 1, Region 2, Region 3 and Region 4. These four identified regions are the management areas used to monitor the business with reporting to the Executive Management Team. The accounting policies used in internal reporting are the same as for the Group in general. The four regions are followed up at the net operating income level. In addition, there are unallocated items and Group adjustments. Rental income, which is external in its entirety, property expenses, and unrealised changes in value, are directly attributable to the properties in each segment. Gross profit consists of earnings from each segment, excluding allocation of central administrative expenses, share of associated companies' profit, items in net financial items and tax. Assets and liabilities are recognised on the balance sheet date and property assets are directly attributed to each segment.

Region 1 includes the company's properties in the areas Lunda/Spånga/Stockholm central/Alvesta/Malmö/Växjö and Ystad, as well as the company's three urban centres, Hässelby, Tensta and Rinkeby.

Region 2 includes the company's properties in Väsby/Bromma/Täby/Lidingö/Södertälje/Norrköping/Åtvidaberg/Strängnäs/Eskilstuna and Enköping, as well as the company's two urban centres in Älvsjö and Bredäng.

Region 3 includes the company's properties in Akalla/Märsta/Knivsta/Vallentuna/Sollentuna/Upplands Väsby/Uppsala/Göteborg/Alingsås and Ulricehamn.

Region 4 includes the company's properties in Gävle/Söderhamn/Sundsvall/Ludvika and Hedemora.

NOTE 2 MEASUREMENT AT FAIR VALUE

Financial instruments are measured at fair value or at amortised cost on Fastpartner's balance sheet. According to IFRS 13, Fair Value Measurement, fair value is divided into a hierarchy three levels. The three levels should reflect the methods used to assess the fair value.

The official market listing on the balance sheet date is used when measuring fair value. If no such market listing is available, fair value is measured using generally accepted methods such as discounting future cash flows and comparisons with recently completed equivalent transactions. Translation to functional currency is done at the closing day rate.

Level 1 includes financial instruments where measurement is based on quoted prices in an active marketplace.

Level 2 includes financial instruments where valuation is mainly based on observable market data for the asset or the liability. Fastpartner obtains market valuation of all of its interest-rate derivatives from each lender. The measurement model is unchanged compared with the description in the Annual Report. For Fastpartner, all interest-rate derivatives are measured according to level 2.

Level 3 includes financial instruments where measurement is based on the company's own relevant assumptions.

The table below shows financial assets measured at fair value as of 30 June 2020.

Fastpartner measures its properties at level 3 based on non-observable market data. See page 7 for a more detailed description of these measurement principles.

FINANCIAL LIABILITIES MEASURED AT FAIR VALUE AS OF 30 JUNE 2020 (30 JUNE 2019)

	Total		Level 1		Level 2		Level 3	
Interest-rate derivatives measured at fair value, beginning of year	-126.8	(-94.3)			-126.8	(-94.3)		
Unrealised change in value	-31.1	(-62.8)			-31.1	(-62.8)		
Interest-rate derivatives measured at fair value at end of period	-157.9	(-157.1)	-	(-)	-157.9	(-157.1)	-	(-)

CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES, AS WELL AS FAIR VALUE AS OF 30 JUNE 2020 (30 JUNE 2019)

	Fair value through comprehensive income		Fair value through profit or loss		Financial assets and liabilities measured at amortised cost		Total carrying amount		Total fair value	
Other long-term securities holdings										
Other non-current receivables					118.0	(10.7)	118.0	(10.7)	118.0	(10.7)
Trade receivables					15.9	(2.0)	15.9	(2.0)	15.9	(2.0)
Other current receivables					27.6	(374.5)	27.6	(374.5)	27.6	(374.5)
Cash and cash equivalents					247.9	(135.0)	247.9	(135.0)	247.9	(135.0)
Accrued income					18.6	(0.3)	18.6	(0.3)	18.6	(0.3)
Total financial assets	-	(-)	-	(-)	428.0	(522.5)	428.0	(522.5)	428.0	(522.5)
Liabilities to credit institutions and similar liabilities					14,668.1	(13,862.4)	14,668.1	(13,862.4)	14,668.1	(13,862.4)
Lease liability leasehold					1,018.0	(868.0)	1,018.0	(868.0)	1,018.0	(868.0)
Other non-current liabilities					44.6	(36.3)	44.6	(36.3)	44.6	(36.3)
Trade payables					26.4	(3.3)	26.4	(3.3)	26.4	(3.3)
Other current liabilities			157.9 ¹	(157.1) ¹	406.3	(106.5)	564.2	(263.6)	564.2	(263.6)
Accrued expenses					281.6	(258.3)	281.6	(258.3)	281.6	(258.3)
Total financial liabilities	-	(-)	157.9	(157.1)	16,445.0	(15,134.8)	16,602.9	(15,291.9)	16,602.9	(15,291.9)

¹ Refers to derivative instruments not intended for hedge accounting

NOTE 3 DISTRIBUTION OF INCOME

	2020 1/4 – 30/6	2019 1/4 – 30/6	2020 1/1 – 30/6	2019 1/1 – 30/6	2019 1/1 – 31/12
Rental income	415.3	380.3	832.4	750.6	1,577.2
Service income	29.2	28.2	59.9	53.8	109.3
Total income	444.5	408.5	892.3	804.4	1,686.5

Definitions

PROPERTY-RELATED

Net operating income

Rental income less property expenses

Net operating income, %

Net operating income in relation to average carrying amount of investment properties, adjusted for development properties and acquisitions during the period.

Financial occupancy rate, %

Recognised rental income adjusted for discounts and rental losses as a percentage of rental value.

Property expenses

Total of direct property expenses such as operating expenses, costs for repairs and maintenance, rents, taxes, and indirect property expenses such as costs for property administration and marketing.

Profit/loss from property management

Profit/loss before tax in the property management business excluding changes in value, currency effects and taxes.

Rolling annual profit from property management (4 quarters forward)

Profit/loss before tax in the property management business excluding changes in value, currency effects and taxes adjusted for average surplus ratio, acquisitions/sales for the period and newly signed contracts that have not yet come into effect /contracts that have been terminated.

Rental value

Recognised rental income with reversal of any discounts and any rental losses, plus assessed market rent for existing unleased space.

Comparable portfolio

The comparison period is adjusted with respect to acquired and sold properties as if they had been held during the corresponding period as the current reporting period.

Surplus ratio, %

Net operating income in relation to recognised rental income.

FINANCIAL

Return on equity, %

Profit/loss after tax in relation to average equity.

Return on total capital, %

Profit/loss after financial items plus interest expenses less interest subsidy in relation to average total assets.

Loan-to-value ratio, %

Liabilities to credit institutions in per cent of the properties' carrying amount.

Net liabilities

Interest-bearing liabilities less interest-bearing assets, cash and cash equivalents and listed shares.

Interest coverage ratio, multiple

Profit/loss before tax with reversal of changes in value and interest expenses, as a multiple of interest expenses.

Equity/assets ratio (%)

Equity in relation to total assets.

Equity/assets ratio adjusted for EPRA NAV (%)

Equity with reversal of interest-rate derivatives and deferred tax in relation to total assets.

SHARE-RELATED

Equity per share

Equity in relation to number of outstanding shares at the end of the period.

Long-term net asset value per share, EPRA NAV

Equity per share with reversal of interest-rate derivatives and deferred tax.

Earnings per ordinary share, Class A

Profit/loss after tax adjusted for dividends on preference shares and Class D ordinary shares in relation to average number of outstanding ordinary shares. The comparative figures for the previous year have also been adjusted for dividends on preference shares.

Weighted average number of outstanding shares

Weighted average number of outstanding shares during a certain period.

Fastpartner presents certain financial performance measures in the interim report that are not defined according to IFRS.

Fastpartner considers that these measures provide valuable supplementary information for investors and company management, as they enable an assessment of the company's performance. Since not all companies calculate financial performance measures in the same way, these are not always comparable to measures used by other companies. These financial measures should not therefore be regarded as substitutes for measures defined according to IFRS. Measures presented on the next page are not defined according to IFRS, unless stated otherwise.

FINANCIAL MEASURES THAT ARE NOT DEFINED ACCORDING TO IFRS

Rolling annual profit from property management, (4 quarters forward)	Profit from property management, SEKm	242.1	201.4	463.0	377.1	849.6
Rolling annual profit from property management is a key ratio that Fastpartner considers to be relevant to assess the profit-generating capacity of the underlying business and the key figure serves as the basis for follow-up of the Company's financial targets.	Adjustment for share of associated companies' profit, SEKm	-1.1	2.4	-1.1	2.4	-
	Adjustment to average surplus ratio, SEKm	-7.5	-5.2	-2.0	7.5	2.5
	Adjustment for acquisitions and newly signed contracts that have not yet come into effect, SEKm	2.7	17.7	12.5	45.6	92.9
	Adjustment for one-off items	-	-	-	-	-
	Adjustment for closing swap contracts and changed margins with refinancing	1.3	1.2	2.6	2.4	5.0
	Adjusted for profit from property management, SEKm		237.5	217.5	475.0	435.0
Rolling annual profit from property management, (4 quarters forward), SEKm		950.0	870.0	950.0	870.0	950.0
Equity/Class A ordinary share	Shareholders' equity, SEKm	12,679.2	9,683.4	12,679.2	9,683.4	12,631.7
Fastpartner considers this key ratio to be relevant since it shows how the Group's equity is distributed per outstanding ordinary share and has been included to disclose the quantity of equity, according to this definition, per Class A ordinary share.	Total number of Class A ordinary shares outstanding	182,900,000	180,900,000	182,900,000	180,900,000	180,900,000
	Equity/Class A ordinary share	69.3	53.5	69.3	53.5	69.8
Long-term net asset value per Class A ordinary share, EPRA NAV, SEK	Shareholders' equity, SEKm	12,679.2	9,683.4	12,679.2	9,683.4	12,631.7
Fastpartner considers this ratio to be relevant since net asset value is the aggregate capital that Fastpartner manages for its owners. Long-term net asset value is based on the Group's book equity, with adjustments for items that do not involve any payment in the near future, such as in the case of Fastpartner's derivatives and deferred tax liability, distributed per Class A ordinary share.	Reversal of deferred tax, SEKm	2,191.3	1,780.8	2,191.3	1,780.8	2,178.9
	Reversal of interest-rate derivatives, SEKm	157.9	157.1	157.9	157.1	126.8
	Total number of Class A ordinary shares outstanding	182,900,000	180,900,000	182,900,000	180,900,000	180,900,000
	Long-term net asset value per Class A ordinary share, EPRA NAV, SEK	82.2	64.2	82.2	64.2	82.6
	Shareholders' equity, SEKm	12,679.2	9,683.4	12,679.2	9,683.4	12,631.7
Return on equity, %	Profit/loss after tax, SEKm	50.3	317.5	254.0	896.6	3,147.0
Return on equity is a key ratio that Fastpartner considers to be relevant for showing the Company's return on equity in the Group.	Calculated at annual rate, SEKm	201.2	1,270.0	508.0	1,793.2	3,147.0
	Average equity, SEKm	12,868.1	9,688.4	12,655.5	9,398.9	10,873.0
	Return on equity, %	1.6	13.1	4.0	19.1	28.9
	Profit/loss after financial items, SEKm	69.0	404.8	319.8	1,134.5	3,830.9
Return on total capital, %	Reversal of financial expenses, SEKm	81.3	73.9	156.0	142.1	287.4
Return on total capital is a key ratio that Fastpartner considers to be relevant for showing the Company's return on total capital in the Group.	Calculated at annual rate based on respective period, SEKm	601.2	1,914.8	951.6	2,553.2	4,118.3
	Average total assets, SEKm	31,810.5	26,992.6	30,902.9	25,277.3	26,757.8
	Return on total capital, %	1.9	7.1	3.1	10.1	15.4
	Profit/loss before tax, SEKm	69.0	404.8	319.8	1,134.5	3,830.9
	Reversal of changes in value, SEKm	173.1	-203.4	143.2	-754.9	-2,978.5
Interest coverage ratio, multiple	Reversal of interest expenses, SEKm	81.3	73.9	156.0	142.1	287.4
Interest coverage ratio is a key ratio that Fastpartner considers relevant for assessing the Group's ability and sensitivity to pay interest on interest-bearing liabilities.	Adjusted profit/loss before tax, SEKm	323.4	275.3	619.0	521.7	1,139.8
	Adjusted profit/loss before tax as a multiple of interest expenses, xx	4.0	3.7	4.0	3.7	4.0
Equity/assets ratio, %	Shareholders' equity, SEKm	12,679.2	9,683.4	12,679.2	9,683.4	12,631.7
Fastpartner considers the equity/assets ratio to be relevant to show the Group's capital structure by indicating the amount of equity in relation to the Group's total assets.	Total assets, SEKm	31,819.3	27,025.5	31,819.3	27,025.5	29,986.5
	Equity/assets ratio, %	39.8	35.8	39.8	35.8	42.1
Equity/assets ratio adjusted for EPRA NAV, %	Shareholders' equity, SEKm	12,679.2	9,683.4	12,679.2	9,683.4	12,631.7
Fastpartner considers the equity/assets ratio adjusted for EPRA NAV to be relevant to show the Group's capital structure by indicating the amount of equity with adjustments for items that do not entail payment in the near future, such as derivatives and deferred tax liability Fastpartner's case, in relation to the Group's total assets	Reversal of deferred tax, SEKm	2,191.3	1,780.8	2,191.3	1,780.8	2,178.9
	Reversal of interest-rate derivatives, SEKm	157.9	157.1	157.9	157.1	126.8
	Adjusted shareholders' equity, SEKm	15,028.4	11,621.3	15,028.4	11,621.3	14,937.4
	Total assets, SEKm	31,819.3	27,025.5	31,819.3	27,025.5	29,986.5
	Equity/assets ratio adjusted for EPRA NAV, %	47.2	43.0	47.2	43.0	49.8
Net liabilities, SEKm	Interest-bearing liabilities, SEKm	14,668.1	13,862.4	14,668.1	13,862.4	13,395.1
Net liabilities, SEKm	Interest-bearing assets	-453.9	-367.4	-453.9	-367.4	-387.2
	Cash and cash equivalents	-247.9	-135.0	-247.9	-135.0	-264.3
	Listed shares	-22.1	-14.4	-22.1	-14.4	-14.4
	Net liabilities, SEKm	13,944.2	13,345.6	13,944.2	13,345.6	12,729.2
	Net operating income according to the profit and loss accounts, SEKm	332.9	292.1	638.5	550.4	1,173.0
Net operating income, %	Net operating income for dev. properties, as well as adjustment for acquisitions for the period, SEKm	-6.3	-6.1	-0.1	-5.8	3.5
Adjusted net operating income for dev. properties and acquisitions for the period, SEKm	Adjusted net operating income for dev. properties and acquisitions for the period, SEKm	326.6	286.0	638.4	544.6	1,176.5
	Average value of investment properties (adjusted for dev. properties and acquisitions), SEKm	28,798.2	24,388.0	28,753.3	24,011.5	25,551.3
	Net operating income, %	4.5	4.6	4.4	4.4	4.6
	Rental income, SEKm	444.5	408.5	892.3	804.4	1,686.5
Surplus ratio, %	Property expenses, SEKm	-111.6	-116.4	-253.8	-254.0	-513.5
Net operating income, SEKm	Net operating income, SEKm	332.9	292.1	638.5	550.4	1,173.0
	Surplus ratio, %	74.9	71.5	71.6	68.4	69.6

CALENDAR

Interim report as of 30 September 2020

21 October 2020

Contact information

Sven-Olof Johansson, CEO

+46 (0)8 - 402 (direct)

+46 (0)8 - 402 34 60

www.fastpartner.se

Daniel Gerlach, CFO

+46 (0)8 - 402 34 63 (direct)

+46 (0)8 - 402 34 60

**Fastpartner AB (publ)**

Sturegatan 38

Box 55625

SE-102 14 Stockholm

Phone: +46 (0)8-402 34 60

Fax: +46 (0)8-402 34 61

Corporate reg. no.: 556230-7867

Registered office: Stockholm

E-mail: info@fastpartner.se