

# Interim Report

## 1 January – 31 March 2020

**Q1**

### THE PERIOD IN BRIEF

- Rental income grew by 13.1%, amounting to SEK 447.8m (395.9).
- Net operating income increased by 18.3%, totalling SEK 305.5m (258.3), which gave a surplus ratio of 68.2% (65.2).
- Profit from property management increased by 25.7% to SEK 220.9m (175.7), per Class A ordinary share SEK 1.21 (0.97).
- Rolling annual profit from property management totals approximately SEK 950m (840).
- The market value of the properties amounted to SEK 29,955.1m (28,172.4). Unrealised changes in value of properties for the period totalled SEK 61.9m (576.9).
- After-tax profit amounted to SEK 203.7m (579.1), per Class A ordinary share SEK 1.07 (3.15).
- Ownership of the Herrjärva 3 property in Solna transferred to Fastpartner on 5 March. Annual rental income for the property is about SEK 78m.
- 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 this interim report. 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 Q1      | 2019 Q4        | 2019 Q3        | 2019 Q2      | 2019 Q1      |
|---|--------------|----------------|----------------|--------------|--------------|
| Rental income, etc.   | 447.8        | 454.3          | 427.8          | 408.5        | 395.9        |
| Property expenses   | -142.3       | -138.3         | -121.3         | -116.4       | -137.6       |
| <b>Net operating income</b>   | <b>305.5</b> | <b>316.0</b>   | <b>306.5</b>   | <b>292.1</b> | <b>258.3</b> |
| Surplus ratio %   | 68.2         | 69.6           | 71.6           | 71.5         | 65.2         |
| Central administration  | -9.5         | -10.1          | -8.6           | -8.1         | -8.1         |
| Share of associated companies' profit <sup>1</sup>                        | 0.0          | -1.2           | 25.0           | -2.4         | -            |
| Financial items   | -75.1        | -77.1          | -77.9          | -80.3        | -74.5        |
| <b>Profit/loss from property management</b>                               | <b>220.9</b> | <b>227.6</b>   | <b>245.0</b>   | <b>201.3</b> | <b>175.7</b> |
| Changes in value, properties  | 62.4         | 1,420.2        | 773.1          | 240.6        | 577.1        |
| <b>Profit from property management after changes in value, properties</b> | <b>283.3</b> | <b>1,647.8</b> | <b>1,018.1</b> | <b>441.9</b> | <b>752.8</b> |

<sup>1</sup> 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.

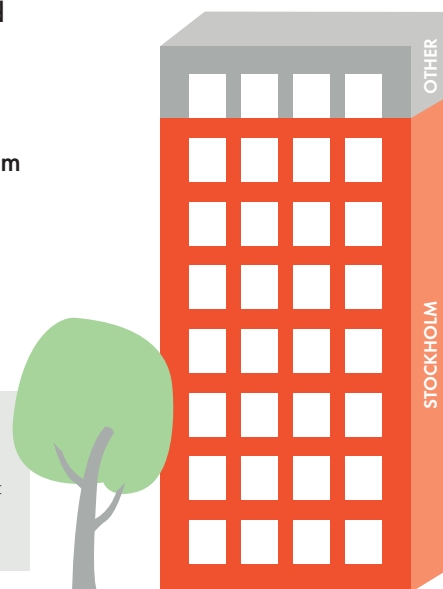
### TARGETS

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 property 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.

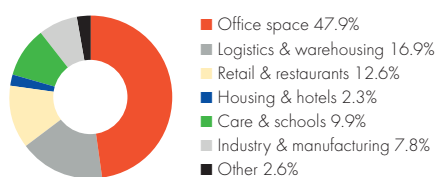
We endeavour to work swiftly and efficiently to harness business opportunities emerging in the growing metropolitan regions. Sustainability work is a natural element of our long-term operations.



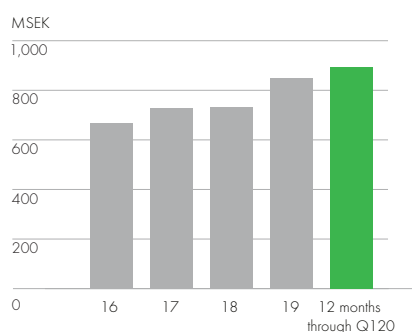
# 80%

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

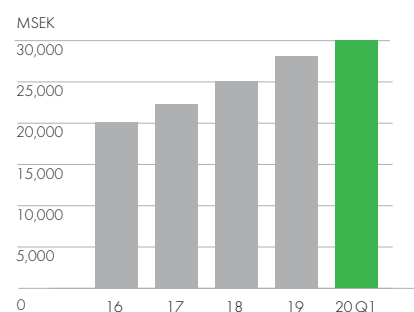
#### DISTRIBUTION OF RENTAL VALUE – BY TYPE OF PREMISES



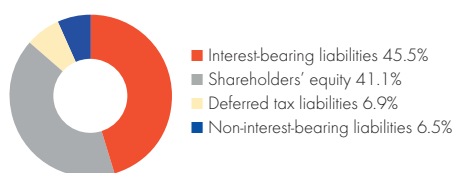
#### PROFIT/LOSS FROM PROPERTY MANAGEMENT



#### PROPERTY VALUE



#### CAPITAL STRUCTURE



## SEK 895 m

Profit from property management over the past 12 months totalled SEK 894.8m.

## SEK 29,955 m

The market value of the properties amounted to SEK 29,955.1m as of 31 March 2020.

## CEO MESSAGE

## Responsibility in times of crisis

We are currently in an exceptional time when the entire world has largely been shut down to limit the effects of the Covid-19 pandemic to the greatest extent possible. The measures taken are apparently beginning to have some effect as death tolls and the spread of disease appear to have reached a plateau phase and are heading down in large parts of the most affected areas.

Besides the great human suffering, Covid-19 has had a profound effect on the global economy, with hotels, restaurants and supermarkets taking a particularly hard hit. Fastpartner's exposure to this category of tenants is relatively limited and accounts for less than 5 per cent of the company's total rental income. However, all types of enterprises will be affected by the current situation and great efforts will be required from us within the business community to limit the effects of the pandemic. We must all make every effort to keep all flows in the economy running to the greatest extent possible. At Fastpartner we decided early on that our contribution would be to complete ongoing projects, to honour all agreements that we have entered into and to pay all suppliers and lenders on time. The same applies to salaries for all employees and to the dividend to our shareholders, including holders of both Class A and Class D ordinary shares, as well as preference shareholders.

Another important component of our commitment is not to burden taxpayers with any of our costs or exploit the situation by pressing prices from our suppliers or renegotiating previous agreements. Detta beslut är tagna utifrån att det är på detta sätt som Fastpartner tror att vi som bolag på bästa sätt bidrar till att samhället bäst klarar av att stå emot denna pandemi.

We believe that we are well positioned to meet this challenging situation by gradually strengthening our balance sheet, most recently through a private placement of Class A ordinary shares in February. As a result of our efforts to strengthen our balance sheet, we received a Ba1 credit rating from Moody's. In addition, our highly experienced and talented employees have built up good relationships with our tenants over the years.

The first quarter of the year has not been impacted by Covid-19 to any great extent since the restrictions were not

imposed until the end of this quarter. The business performed completely according to plan, where a few points are worth noting. We had net lettings of SEK 6m, achieved a surplus ratio of 68.2% and net asset value according to EPRA NAV increased to SEK 84.3 per Class A ordinary share.

If we leave Q1, and instead consider the current situation in Q2, as of today about 95 per cent of all rental income that was due 31 March 2020 was received. For the remaining 5 per cent, we are making every effort to find individual solutions for each of the tenants who are hit hardest by the current situation. Our assessment is that we can work together with the tenant to find solutions to bridge the current problem into a somewhat more normalised situation. We must not be misled into believing that what we are currently experiencing is a perpetual condition, but must instead focus on the future, after the current crisis, and learn from the experiences we have had to gain the hard way.

### New targets

Since we already achieved the targets set for 2020, we had promised that the Board would set new operational and financial targets, which would be presented in this interim report. However, because of the current situation, we have chosen to address these goals in September, when we hope to have a much better picture of our new reality. The point of this delay is to achieve maximum credibility and realism regarding the conditions for our journey forward. We also intend to present our vision for the 2020s at the same time.

### First quarter 2020

Rental income for the quarter grew by 13.1% to SEK 447.8m (395.9), net operating income climbed 18.3% to SEK 305.5m (258.3) and the surplus ratio rose to 68.2% (65.2).



Profit from property management for the quarter increased by 25.7% and totalled SEK 220.9m (175.7) or SEK 1.21 (0.97)/ 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 61.9m (576.9).

Financial items for the quarter totalled SEK -107.6m (-100.1).

Profit before tax for the quarter amounted to SEK 250.8m (729.7).

During the first quarter Fastpartner issued 2,000,000 Class A ordinary shares at SEK 112 per share. The private placement raised SEK 224m for Fastpartner before issuance expenses.

Fastpartner also issued unsecured bonds of SEK 400m with a maturity of 4 years during the first quarter. The bonds were issued at a rate corresponding to an interest rate of about 1.25% until the first redemption date.

*Sven-Olof Johansson, CEO*

# Performance January – March 2020

## Rental income

Rental income totalled SEK 447.8m (395.9), representing an increase compared with the same period last year of SEK 51.9m, or 13.1%. 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 30.9 million or 7.4%.

The economic occupancy rate on 31 March 2020 was 90.9% (90.5). Adjusted for Fastpartner's project properties, the economic occupancy rate was 91.4% (91.0).

## Property expenses

Property expenses totalled SEK 142.3m (137.6), including effects attributable to IFRS 16 (costs attributable to leases), i.e. expenses increased SEK 4.7m or 3.4%. In a comparable portfolio, property expenses decreased by SEK 1.5m, or 1.1%. The decline can mainly be attributed to reduced costs for snow removal and district heating because of a mild winter.

## Valuation of properties

Unrealised changes in value in the property portfolio totalled SEK 61.9m (576.9). The weighted direct yield requirement for valuations of the property portfolio was about 4.6% (4.6).

## Net financial items

Financial items totalled SEK -107.6m (-100.1). 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 6.1m (0.3).

Financial expenses totalled SEK 73.8m (68.2) and relate mainly to interest expenses for the Group's loans. The increase of SEK 5.6m, 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 -32.5m (-25.6).

## Tax

Tax for the period totalled SEK -47.1m (-150.6). Tax consists of current tax of SEK -24.9m (-20.1) on profit for the period and deferred tax of SEK -22.2m (-430.5). 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.

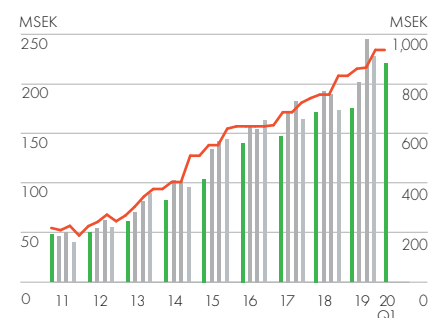
## Cash flow

Cash flow for the period from current management before changes in working capital totalled SEK 169.9m (118.4). Cash flow after changes in working capital totalled SEK 209.4m (58.4). The change in cash and cash equivalents for the period totalled SEK -65.3m (-239.0). Cash flow for the period can mainly be explained by an increase in net operating income as a result of newly signed leases and newly acquired properties. Other factors responsible for the change include investments in existing properties, acquisition of new properties and new loans. During the year Fastpartner also issued Class A shares for SEK 224m.

## Q1 IN BRIEF

- Rental income rose to SEK 447.8m (395.9).
- Net operating income increased to SEK 305.5m (258.3m).
- The surplus ratio rose to 68.2% (65.2).
- Profit from property management rose to SEK 220.9m (175.7).
- Unrealised changes in value in the property portfolio totalled SEK 61.9m (576.9).
- Financial items totalled SEK -107.6m (-100.1).
- Profit before tax amounted to SEK 250.8m (729.7).
- After-tax profit amounted to SEK 203.7m (579.1).

## PROFIT FROM PROPERTY MANAGEMENT PER QUARTER



■ Profit from property management (left axis)  
 — Profit from property management, rolling annual absis, four quarters forward (right axis)

# SEK 448m

Rental income was SEK 447.8m 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%), Gothenburg (about 5%), Norrköping (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 48% 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: 16.9% logistics/warehouses, 12.6% shops/restaurants, 9.9% care/school, 7.8% industry/ manufacturing, 2.3% housing/hotels and 2.6% other.

In terms of organisation, the property portfolio is managed in four regions. The total lettable area of 1,531,624 m<sup>2</sup> is distributed among the four regions. Region 1 has 446,340 square metres, Region 2 has 417,895 square metres, Region 3 has 455,926 square metres and Region 4 has 211,463 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, sqm | Purchase completion date |
|------------|--------------|--------------------|--------------------------|
| Herjärva 3 | Solna        | 19,788             | 5 Mar 2020               |

# 1,531,624m<sup>2</sup>

Total lettable area.

## OVERVIEW BY GEOGRAPHIC AREA, AS OF 31 MARCH 2020

|                      | Plot area        | Lettable area, m <sup>2</sup> |                |                         |                        |                          |                  |                |               | Rental value      |                 |
|----------------------|------------------|-------------------------------|----------------|-------------------------|------------------------|--------------------------|------------------|----------------|---------------|-------------------|-----------------|
|                      |                  | Total lettable area           | Offices        | Logistics & warehousing | Retail and restaurants | Industry & manufacturing | Housing & hotels | Care & schools | Miscellaneous | SEKm <sup>1</sup> | Value, SEKm     |
| Stockholm            | 1,010,825        | 872,515                       | 426,037        | 175,527                 | 102,632                | 71,347                   | 24,303           | 65,794         | 6,874         | 1,423.2           | 23,599.0        |
| Gävle                | 459,679          | 209,575                       | 37,296         | 58,813                  | 6,084                  | 65,424                   |                  | 38,174         | 3,784         | 160.4             | 1,588.4         |
| Uppsala & Mälardalen | 169,332          | 102,123                       | 33,885         | 38,879                  | 16,447                 | 2,615                    | 2,930            | 7,139          | 228           | 107.5             | 1,886.4         |
| Gothenburg           | 320,295          | 148,641                       | 26,794         | 107,538                 | 11,431                 | 1,848                    |                  | 981            | 50            | 88.0              | 1,287.3         |
| Norrköping           | 266,514          | 105,524                       | 18,349         | 32,672                  | 9,717                  | 32,316                   | 210              | 12,097         | 163           | 84.3              | 902.8           |
| Malmö                | 85,312           | 48,341                        | 16,187         | 22,543                  | 3,174                  | 2,425                    |                  | 3,202          | 810           | 44.5              | 435.5           |
| Miscellaneous        | 131,607          | 44,905                        | 5,900          | 25,240                  | 6,341                  | 4,715                    | 2,356            | 339            | 14            | 29.7              | 255.7           |
| <b>Total</b>         | <b>2,443,564</b> | <b>1,531,624</b>              | <b>564,448</b> | <b>461,212</b>          | <b>155,826</b>         | <b>180,690</b>           | <b>29,799</b>    | <b>127,726</b> | <b>11,923</b> | <b>1,937.6</b>    | <b>29,955.1</b> |

<sup>1</sup> Rental value as of 1 April 2020 12 months forward.

## OVERVIEW BY TYPE OF PREMISES

| 31/03/2020               | Area             | Rental value<br>SEKm <sup>1</sup> | Rental value/m2 |
|--------------------------|------------------|-----------------------------------|-----------------|
| Offices                  | 564,448          | 926.1                             | 1,641           |
| Logistics & warehousing  | 461,212          | 327.8                             | 711             |
| Industry & manufacturing | 180,690          | 151.3                             | 837             |
| Retail and restaurants   | 155,826          | 244.7                             | 1,571           |
| Care & schools           | 127,726          | 192.4                             | 1,506           |
| Housing & hotels         | 29,799           | 44.4                              | 1,491           |
| Miscellaneous            | 11,923           | 50.9                              | 4,272           |
| <b>Total</b>             | <b>1,531,624</b> | <b>1,937.6</b>                    | <b>1,265</b>    |

<sup>1</sup> Rental value as of 1 April 2020 12 months forward.



### 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 31 March 2020, the entire property portfolio was internally valued based on the most recent external valuation as of 31 Dec. 2019 that Fastpartner received from the independent real estate services firms Cushman & Wakefield and Newsec, while taking into account new events such as newly signed contracts and terminated contracts received during the first quarter of 2020. For the property Herrjärva 3, which Fastpartner took over on 5 March 2020, Fastpartner received an external valuation in conjunction with the acquisition of the property. The total value of the Group's properties as of 31 March 2020 is SEK 29,955.1m (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 4.6% (4.6) on actual cash flow. The average rate of return is about 4.2% (4.2) for Region 1, about 5.5% (5.5) for Region 2, about 5.0% (5.0) for Region 3 and about 5.9% (6.0) for Region 4.

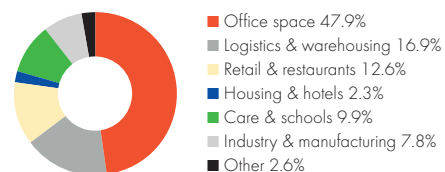
Unrealised changes in value in the property portfolio for the period totalled SEK 61.9m (576.9).

The value of the property portfolio has changed as follows:

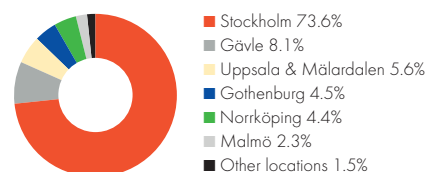
#### SEKm

|  |                 |
|--|-----------------|
| Carrying amount at the beginning of the year, including properties under construction    | 28,172.4        |
| + Acquisition of properties  | 1,557.8         |
| + Investments  | 163.0           |
| – Sales  | -               |
| +/- Unrealised changes in value of properties  | 61.9            |
| <b>Carrying amount at the end of the period, including properties under construction</b> | <b>29,955.1</b> |

### DISTRIBUTION OF RENTAL VALUE – BY TYPE OF PREMISES



### DISTRIBUTION OF RENTAL VALUE – BY REGION



## 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, construction of a new XL Bygg building supply store in Mölndal which will open in April 2020, new construction and refurbishment of warehouse and offices for Origum in Märsta, refurbishment for Stoneridge 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 163.0m (811.9) in existing properties. As of 31 March 2020, current project investments in properties totalled SEK 971.2m (865.6). The remaining investment volume for these current project investments amounted to SEK 346m (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 31 March 2020, Fastpartner has estimated its unutilised development rights at about 368,000 m<sup>2</sup> lettable area, including about 158,000 m<sup>2</sup> of residential development rights and about 210,000 m<sup>2</sup> 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 31 March 2020, the unutilised development rights were valued at SEK 434m, of which SEK 248m related to residential development rights, corresponding on average to SEK 1,570/m<sup>2</sup>, and SEK 186m related to commercial development rights, corresponding on average to SEK 886/m<sup>2</sup>. 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 31 DECEMBER 2020

| Property           | Type of project  | Project area (m <sup>2</sup> ) | Estimated investment (SEKm) | Estimated remaining investment (SEKm) | Estimated completion, year |
|--------------------|--|--------------------------------|-----------------------------|---------------------------------------|----------------------------|
| Pottegården 3      | New-build, Builders' Merchants   | 3,700                          | 41                          | 1                                     | Q2 20                      |
| Veddesta 5:3       | New-build, Workshop/Service  | 5,900                          | 29                          | 1                                     | Q2 20                      |
| Ringpärmen 4       | Adaptation of premises, long-stay hotel                                | 4,700                          | 48                          | 8                                     | Q3 20                      |
| Syllen 4           | Adaptation of premises for Assa Abloy, carbon reduction measures, etc. | 6,200                          | 68                          | 28                                    | Q4 20                      |
| Rånäs 1            | Adaptation of premises, office space, solar panels                     | 4,100                          | 15                          | 5                                     | Q4 20                      |
| Timpennningen 5    | Adaptation of premises, office space, cultural activities, etc.        | 3,000                          | 17                          | 13                                    | Q4 20                      |
| Hilton 2           | Adaptation of premises, office space, solar panels                     | 3,900                          | 17                          | 4                                     | 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                          | 41                                    | Q2 21                      |
| Märsta 1:257 - 260 | Housing, Märsta Centrum  | 12,000                         | 420                         | 123                                   | Q4 21                      |

## LARGE POTENTIAL PROJECTS AND DEVELOPMENT RIGHTS

| Region       | Area        | Property                 | Form of tenure      | Prop. category         | Status                             | Possible start of construction <sup>1</sup> | Additional area (m <sup>2</sup> , BTA) <sup>2</sup> |                |                | Addit. no. <sup>2</sup> |
|--------------|-------------|--------------------------|---------------------|------------------------|------------------------------------|---|---|----------------|----------------|-------------------------|
|              |             |                          |                     |                        |                                    |   | Residential   | Commercial     | Total          |                         |
| Stockholm    | Sundbyberg  | Päronet 2                | Ownership           | Residential            | Pre local development plan         | 2023  | 10,000  | -              | 10,000         | 154                     |
| Stockholm    | Västberga   | Arbetsbasen 3            | Leasehold           | Commercial             | Prior to construction start        | 2020  | -   | 4,200          | 4,200          | -                       |
| Stockholm    | Årsta       | Allgunnen 7              | Ownership/Leasehold | Housing, Preschool     | Local development plan in progress | 2022  | 9,500   | 900            | 10,400         | 119                     |
| Stockholm    | Västberga   | Lönelistan 1.2 Timp. 5   | Leasehold           | Commercial             | Local development plan in progress | 2020  | -   | 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 | 2023  | 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-Rickeby 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        | 2020  | -   | 10,000         | 10,000         | -                       |
| Gävle        | Gavlehov    | Sätra 64:5               | Ownership           | Residential/commercial | Pre local development plan         | 2021  | 10,000  | 15,000         | 25,000         | 143                     |
| <b>Total</b> |             |                          |                     |                        |                                    |   | <b>118,750</b>                                      | <b>128,250</b> | <b>247,000</b> | <b>1,528</b>            |

<sup>1</sup> 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.

<sup>2</sup> 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 13,056.7m (12,631.7). Equity increased by SEK 425.2m, of which 203.7m relates to the profit for the period and SEK 221.5m relates to the new issue of Class A shares.

## 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 14,461.1m (13,395.1), of which SEK 3,941.8m (3,097.2) or 27.3% (23.1) entail green financing. Interest-bearing net liabilities totalled SEK 13,840.5m (12,729.2), corresponding to 46.2% (45.2) of the market value of the properties as of 31 March 2020. Interest-bearing gross liabilities to banks totalled SEK 8,991.1m (8,135.1), corresponding to 30.0% (28.9) of the market value of the properties as of 31 March 2020. The remaining gross liability, corresponding to 18.3% (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 1,270.0m (1,460.0). The average interest rate for all loans as of 31 March 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 <sup>1</sup> | Sept. 20                  |
| 600.0          | Stibor 3M + 2.45 <sup>1</sup> | Sept. 21                  |
| 1,300.0        | Stibor 3M + 2.85 <sup>1</sup> | May 22                    |
| 800.0          | Stibor 3M + 2.45 <sup>1</sup> | May 23                    |
| 900.0          | Stibor 3M + 3.10 <sup>1</sup> | March 24                  |
| <b>4,200.0</b> |                               |                           |

<sup>1</sup> The figure refers to percentage points.

The Group's interest-bearing liabilities total SEK 14,461.1m (13,395.1). This amount includes loans totalling SEK 3,184.9m (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 31 March 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 31 March 2020 is presented below.

## LOAN STRUCTURE AS OF 31 MARCH 2020 (SEKm)

| Loan agreements | Amount utilised      | Loan agreement term |
|-----------------|----------------------|---------------------|
| 2,571.6         | 2,571.6 <sup>1</sup> | 2020                |
| 2,394.2         | 2,341.0 <sup>2</sup> | 2021                |
| 3,319.4         | 3,319.4 <sup>3</sup> | 2022                |
| 3,389.0         | 3,389.0 <sup>4</sup> | 2023                |
| 900.0           | 900.0 <sup>5</sup>   | 2024                |
| 637.4           | 637.4                | 2028                |
| 216.0           | 216.0                | 2029                |
| 1,086.7         | 1,086.7              | 2034                |
| <b>Total</b>    | <b>14,514.3</b>      | <b>14,461.1</b>     |

<sup>1</sup> Of which SEK 600.0 relates to bond loans and SEK 1,270.0 relates to commercial paper.

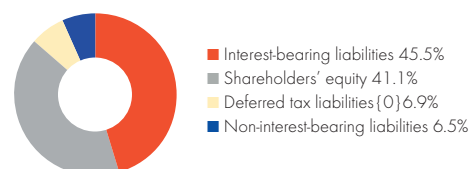
<sup>2</sup> Of which SEK 600.0 relates to bond loans

<sup>3</sup> Of which SEK 1,300.0 relates to green bond loans

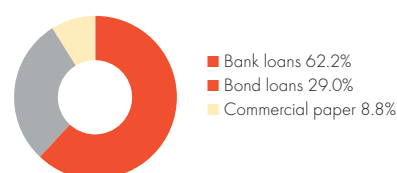
<sup>4</sup> Of which SEK 800.0 relates to bond loans

<sup>5</sup> Of which SEK 900.0 relates to bond loans

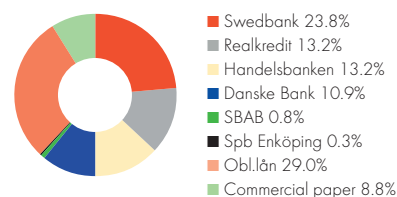
## CAPITAL STRUCTURE



## BREAKDOWN OF FINANCING



## BREAKDOWN OF LENDERS



## THE GROUP'S INTEREST RATE SWAP AGREEMENTS AS OF 31 MARCH 2020

| Amount (SEKm) | Interest <sup>1</sup> (%) | 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       |
| <b>1,875</b>  |                           |               |

<sup>1</sup>Excluding 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 41.1% (42.1). The equity/assets ratio in the Group adjusted in accordance with EPRA NAV at the end of the period totalled 48.5% (49.8). Cash and cash equivalents including unutilised overdraft facilities totalled SEK 534.0m (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 has increased considerably at the start of Q2, primarily through the shutdown of the global economy over the past 2 months aimed at mitigating the spread of Covid-19. The measures have dramatically increased unemployment in a very short time span, with unemployment rates ranging between 10% and 30% in Europe and the US. This development in turn leads 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 over USD 7 trillion, equivalent to 30% of the US GDP. This amount would fully offset the entire loss of revenue over a quarter, which will provide an enormous boost to the US economy. The majority 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 can borrow many good 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. In Sweden, we are still waiting for useful, pragmatic and considerably more potent measures than have been presented so far. To reach the level of the US support and incentive programmes, Sweden would need to take collective measures totalling approximately SEK 1.5 trillion to achieve the corresponding effect. Although Swedish government debt would increase to around 65% of GDP, even at that level Sweden would belong to the state financial elite.

The strategy that Sweden has chosen to pursue by not imposing statutory lockdowns, but instead relying on individual judgment and common sense, will undoubtedly be of great 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.

# 41.1%

The equity/assets ratio in the Group at the end of the period totalled 41.1%.



**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 31 March 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 12,416.1m (11,566.1) during the period because Fastpartner took out secured bank loans.

**Events after the end of the period**

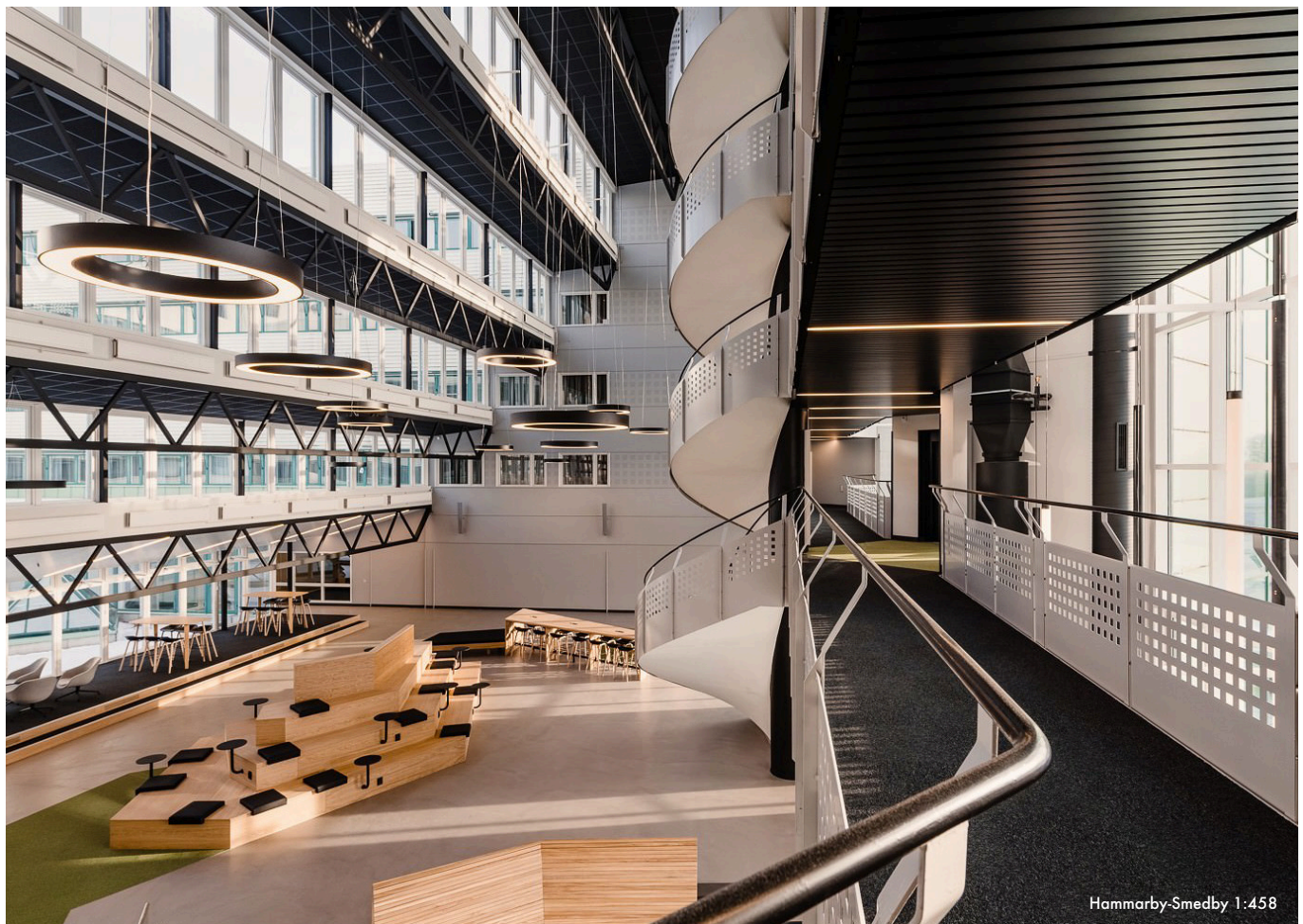
No events to report.

**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 139.8m (123.9) and profit after financial items was SEK 3.3m (1.3).

As of 31 March 2020, cash and cash equivalents totalled SEK 188.4m (257.3).

The risk assessment for the Parent Company is the same as for the Group.



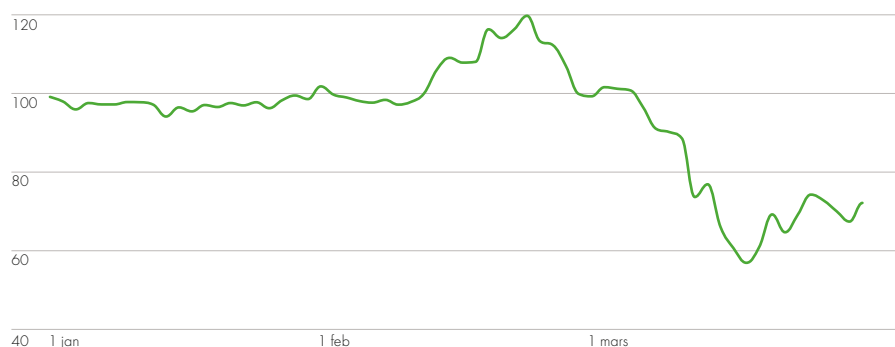
# The share

## 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 31 March 2020.

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

SHARE PRICE 1 JAN. – 31 MARCH 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 OWNERS AS OF 31 MARCH 2020

|  | Number of shares   | Share, %     |
|--|--------------------|--------------|
| Compactor Fastigheter AB <sup>1)</sup>       | 130,817,915        | 71.5         |
| Länsförsäkringar Fondförvaltning             | 18,288,050         | 10.0         |
| Kamprad Family Foundation                    | 6,382,500          | 3.5          |
| Swedbank Robur Fonder                        | 5,234,160          | 2.9          |
| Ilija Batljan Invest AB                      | 2,178,000          | 1.2          |
| Other  | 19,999,375         | 10.9         |
| <b>Number of ordinary shares outstanding</b> | <b>182,900,000</b> | <b>100.0</b> |
| Fastpartner AB                               | 333,636            |              |
| <b>Total ordinary shares issued</b>          | <b>183,233,636</b> |              |

<sup>1)</sup>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 almost SEK 2bn 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 Q1 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, 23 April 2020

Peter Carlsson  
*Chairman of the Board*

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

Charlotte Bergman  
*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 03:00 p.m. CET on 23 April 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](http://www.fastpartner.se)

# Condensed consolidated statement of comprehensive income

| Amounts in SEKm  | 2020<br>1/1 – 31/3 | 2019<br>1/1 – 31/3 | 2019<br>1/1 – 31/12 |
|--|--------------------|--------------------|---------------------|
| Rental income  | 447.8              | 395.9              | 1,686.5             |
| <b>Property expenses</b>                               |                    |                    |                     |
| Operating expenses                                     | -82.1              | -85.9              | -279.0              |
| Repairs and maintenance                                | -14.6              | -14.8              | -65.4               |
| Property tax   | -26.3              | -19.9              | -100.6              |
| Ground rents/leases                                    | -2.6               | -2.3               | -7.9                |
| Property administration and marketing                  | -16.7              | -14.7              | -60.6               |
| <b>Net operating income</b>                            | <b>305.5</b>       | <b>258.3</b>       | <b>1,173.0</b>      |
| Central administration                                 | -9.5               | -8.1               | -34.9               |
| Unrealised changes in value of properties              | 61.9               | 576.9              | 2,587.6             |
| Realised changes in value of properties                | 0.5                | 0.2                | 423.4               |
| Share of associated companies' profit                  | 0.0                | 2.5                | 24.1                |
| <b>Profit before financial items</b>                   | <b>358.4</b>       | <b>829.8</b>       | <b>4,173.2</b>      |
| <b>Financial items</b>                                 |                    |                    |                     |
| Financial income                                       | 6.1                | 0.3                | 8.8                 |
| Financial expenses                                     | -73.8              | -68.2              | -287.4              |
| Ground rents   | -7.4               | -6.6               | -31.2               |
| Change in value, derivatives and financial investments | -32.5              | -25.6              | -32.5               |
| <b>Profit before tax</b>                               | <b>250.8</b>       | <b>729.7</b>       | <b>3,830.9</b>      |
| Tax  | -47.1              | -150.6             | -683.9              |
| <b>Profit for the period</b>                           | <b>203.7</b>       | <b>579.1</b>       | <b>3,147.0</b>      |
| Other comprehensive income                             | -                  | -                  | -                   |
| <b>Comprehensive income for the period</b>             | <b>203.7</b>       | <b>579.1</b>       | <b>3,147.0</b>      |
| <b>Profit for the period attributable to:</b>          |                    |                    |                     |
| Parent Company shareholders                            | 203.7              | 579.1              | 3,147.0             |
| Non-controlling interests                              | -                  | -                  | -                   |
|  | <b>203.7</b>       | <b>579.1</b>       | <b>3,147.0</b>      |
| Earnings/Class A ordinary share                        | 1.07               | 3.15               | 17.19               |
| Number of issued Class A ordinary shares               | 183,233,636        | 181,233,636        | 181,233,636         |
| Number of outstanding Class A ordinary shares          | 182,900,000        | 180,900,000        | 180,900,000         |
| Average number of Class A ordinary shares              | 181,900,000        | 180,900,000        | 180,900,000         |

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

# Condensed consolidated balance sheet

| Amounts in SEKm  | 31/03/2020      | 31/03/2019      | 31/12/2019      |
|--|-----------------|-----------------|-----------------|
| <b>ASSETS</b>  |                 |                 |                 |
| <b>Non-current assets</b>                                  |                 |                 |                 |
| <b>Property, plant and equipment</b>                       |                 |                 |                 |
| Investment properties                                      | 29,622.1        | 24,975.0        | 27,876.8        |
| Properties under construction                              | 333.0           | 135.9           | 295.6           |
| Right-of-use asset, leasehold                              | 1,018.0         | 868.0           | 1,018.0         |
| Machinery and equipment                                    | 1.7             | 1.8             | 1.7             |
| <b>Total property, plant and equipment</b>                 | <b>30,974.8</b> | <b>25,980.7</b> | <b>29,192.1</b> |
| <b>Non-current financial assets</b>                        |                 |                 |                 |
| Interests in associated companies                          | 372.5           | 16.3            | 372.5           |
| Other non-current receivables                              | 71.2            | 8.3             | 51.3            |
| <b>Total non-current financial assets</b>                  | <b>443.7</b>    | <b>24.6</b>     | <b>423.8</b>    |
| <b>Total non-current assets</b>                            | <b>31,418.5</b> | <b>26,005.3</b> | <b>29,615.9</b> |
| Current receivables  | 184.1           | 514.9           | 106.3           |
| Cash and cash equivalents                                  | 199.0           | 439.5           | 264.3           |
| <b>Total current assets</b>                                | <b>383.1</b>    | <b>954.4</b>    | <b>370.6</b>    |
| <b>TOTAL ASSETS</b>  | <b>31,801.6</b> | <b>26,959.7</b> | <b>29,986.5</b> |
| <b>EQUITY AND LIABILITIES</b>                              |                 |                 |                 |
| 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  | 10,280.3        | 7,836.2         | 10,076.6        |
| <b>Total shareholders' equity</b>                          | <b>13,056.9</b> | <b>9,693.4</b>  | <b>12,631.7</b> |
| Deferred tax liabilities                                   | 2,201.1         | 1,719.5         | 2,178.9         |
| Liabilities to credit institutions and similar liabilities | 11,276.2        | 10,549.2        | 10,562.1        |
| Lease liability leasehold                                  | 1,018.0         | 868.0           | 1,018.0         |
| Other non-current liabilities                              | 44.3            | 35.2            | 42.8            |
| <b>Total non-current liabilities</b>                       | <b>14,539.6</b> | <b>13,171.9</b> | <b>13,801.8</b> |
| Liabilities to credit institutions                         | 3,184.9         | 3,451.6         | 2,833.0         |
| Other current liabilities                                  | 502.8           | 409.8           | 446.4           |
| Accrued expenses and deferred income                       | 517.4           | 233.0           | 273.6           |
| <b>Total current liabilities</b>                           | <b>4 205.1</b>  | <b>4 094.4</b>  | <b>3,553.0</b>  |
| <b>Total liabilities</b>                                   | <b>18,744.7</b> | <b>17,266.3</b> | <b>17,354.8</b> |
| <b>TOTAL EQUITY AND LIABILITIES</b>                        | <b>31,801.6</b> | <b>26,959.7</b> | <b>29,986.5</b> |

# Condensed consolidated statement of cash flows

| Amounts in SEKm  | 2020<br>1/1 – 31/3 | 2019<br>1/1 – 31/3 | 2019<br>1/1 – 31/12 |
|--|--------------------|--------------------|---------------------|
| <b>Operating activities</b>  |                    |                    |                     |
| Profit before tax  | 250.8              | 729.7              | 3,830.9             |
| Adjustment items   | -30.5              | -558.9             | -2,994.8            |
| Tax paid/received  | -50.4              | -52.4              | -61.4               |
| <b>Cash flow from operating activities before changes in working capital</b> | <b>169.9</b>       | <b>118.4</b>       | <b>774.7</b>        |
| Changes in working capital   | 39.5               | -60.0              | -29.9               |
| <b>Cash flow from operating activities</b>                                   | <b>209.4</b>       | <b>58.4</b>        | <b>744.8</b>        |
| <b>Investing activities</b>  |                    |                    |                     |
| Investments in properties  | -1,533.5           | -2,178.6           | -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                    | -20.0              | -0.2               | -77.6               |
| <b>Cash flow from investing activities</b>                                   | <b>-1,553.0</b>    | <b>-2,131.3</b>    | <b>-2,784.6</b>     |
| <b>Financing activities</b>  |                    |                    |                     |
| Raising of loans   | 1,277.4            | 1,882.3            | 3,227.3             |
| Repayment and amortisation, loans  | -211.4             | -38.9              | -1,989.6            |
| Issuance Class A/D shares  | 221.8              | -                  | 701.4               |
| Dividend   | -9.5               | -9.5               | -327.4              |
| <b>Cash flow from financing activities</b>                                   | <b>1,278.3</b>     | <b>1,833.9</b>     | <b>1,611.7</b>      |
| <b>Cash flow for the period</b>  | <b>-65.3</b>       | <b>-239.0</b>      | <b>-428.1</b>       |
| Cash and cash equivalents, beginning of period                               | 264.3              | 676.1              | 676.1               |
| Acquired cash and cash equivalents   | -                  | 2.4                | 16.3                |
| <b>Cash and cash equivalents, end of period</b>                              | <b>199.0</b>       | <b>439.5</b>       | <b>264.3</b>        |

# Change in condensed consolidated equity

| Amounts in SEKm                                    | 2020<br>1/1 – 31/3 | 2019<br>1/1 – 31/3 | 2019<br>1/1 – 31/12 |
|--|--------------------|--------------------|---------------------|
| At beginning of period                             | 12,631.7           | 9,114.3            | 9,114.3             |
| Issuance of Class A/D shares                       | 221.5              | -                  | 697.9               |
| Dividend <sup>1</sup>                              | -                  | -                  | -327.5              |
| Comprehensive income for the period                | 203.7              | 579.1              | 3,147.0             |
| <b>At end of period</b>                            | <b>13,056.9</b>    | <b>9,693.4</b>     | <b>12,631.7</b>     |
| <b>Attributable to Parent Company shareholders</b> | <b>13,056.9</b>    | <b>9,693.4</b>     | <b>12,631.7</b>     |

<sup>1</sup> Of which dividend preference shares comprise SEK -38.0m. SEK -318.0m of the dividend amount was paid and the remainder is expensed as of 31 March 2020.

## Key ratios

| Financial key ratios   | 2020<br>1/1 – 31/3 | 2019<br>1/1 – 31/3 | 2019<br>1/1 – 31/12 |
|--|--------------------|--------------------|---------------------|
| Rolling annual profit from property management, SEKm (4 quarters forward) <sup>2</sup> | 950.0              | 840.0              | 950.0               |
| Equity/Class A ordinary share, SEK <sup>2</sup>  | 71.4               | 53.6               | 69.8                |
| Long-term net asset value per Class A ordinary share, EPRA NAV, SEK <sup>2</sup>       | 84.3               | 63.8               | 82.6                |
| Return on equity, % <sup>1,2</sup>   | 6.3                | 24.6               | 28.9                |
| Return on total capital, % <sup>1,2</sup>  | 4.2                | 12.6               | 15.4                |
| Interest coverage ratio, multiple <sup>2</sup>   | 4.0                | 3.6                | 4.0                 |
| Equity/assets ratio, % <sup>2</sup>  | 41.1               | 36.0               | 42.1                |
| Equity/assets ratio adjusted for EPRA NAV, % <sup>2</sup>                              | 48.5               | 42.8               | 49.8                |

| Property-related key figures                                 | 2020<br>1/1 – 31/3 | 2019<br>1/1 – 31/3 | 2019<br>1/1 – 31/12 |
|--|--------------------|--------------------|---------------------|
| Net operating income, % <sup>1,2</sup>                       | 4.3                | 4.3                | 4.6                 |
| Surplus ratio, % <sup>2</sup>                                | 68.2               | 65.2               | 69.6                |
| Financial occupancy rate, %                                  | 90.9               | 90.5               | 91.0                |
| Financial occupancy rate, adjusted for project properties, % | 91.4               | 91.0               | 91.6                |
| Rental value, SEK/m <sup>2</sup> <sup>1</sup>                | 1,331.1            | 1,224.2            | 1,275.6             |
| Property expenses, SEK/m <sup>2</sup> <sup>1</sup>           | 371.6              | 388.4              | 339.9               |
| Net operating income, SEK/m <sup>2</sup> <sup>1</sup>        | 838.4              | 719.4              | 820.9               |

<sup>1</sup> Calculated at annual rate based on respective period, SEKm

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

### PROPERTY PORTFOLIO AS OF 31 MARCH 2020

| Region       | Number of properties | Area 000 m <sup>2</sup> | Rental income | Income/m <sup>2</sup> <sup>1</sup> | Property expenses<br>SEKm | Expense/m <sup>2</sup> <sup>1</sup> | Net operating income SEKm | Fair value SEKm | Net operating income, % | Rental value <sup>1</sup> SEKm |
|--------------|----------------------|-------------------------|---------------|------------------------------------|---------------------------|-------------------------------------|---------------------------|-----------------|-------------------------|--------------------------------|
| Region 1     | 54                   | 446.3                   | 202.3         | 1,813.4                            | 55.8                      | 499.8                               | 146.5                     | 15,277.4        | 4.2                     | 215.5                          |
| Region 2     | 56                   | 417.9                   | 100.0         | 957.0                              | 32.2                      | 308.1                               | 67.8                      | 6,064.6         | 4.6                     | 118.1                          |
| Region 3     | 78                   | 455.9                   | 115.1         | 1,009.8                            | 43.4                      | 381.1                               | 71.7                      | 7,014.8         | 4.4                     | 135.6                          |
| Region 4     | 20                   | 211.5                   | 30.4          | 574.3                              | 10.9                      | 206.9                               | 19.5                      | 1,598.3         | 5.1                     | 40.4                           |
| <b>Total</b> | <b>208</b>           | <b>1,531.6</b>          | <b>447.8</b>  | <b>1,169.4</b>                     | <b>142.3</b>              | <b>371.7</b>                        | <b>305.5</b>              | <b>29,955.1</b> | <b>4.3</b>              | <b>509.7</b>                   |

<sup>1</sup> Not adjusted for properties acquired and sold during 2020

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

Region 2 includes the company's properties in Västberga/Bromma/Täby/Lidingö/Älvsjö/Bredäng/Södertälje/Norrköping/Åtväda/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<br>1/1 – 31/3 | 2019<br>1/1 – 31/3 | 2019<br>1/1 – 31/12 |
|--|--------------------|--------------------|---------------------|
| <b>Rental income</b>                       | <b>139.8</b>       | <b>123.9</b>       | <b>524.9</b>        |
| <b>Property expenses</b>                   |                    |                    |                     |
| Operating expenses                         | -20.7              | -20.8              | -65.3               |
| Repairs and maintenance                    | -5.2               | -4.9               | -21.6               |
| Property tax                               | -7.3               | -6.1               | -29.5               |
| Ground rents/leases                        | -3.7               | -2.6               | -15.6               |
| Property administration and marketing      | -10.1              | -8.8               | -35.1               |
| <b>Net operating income</b>                | <b>92.8</b>        | <b>80.7</b>        | <b>357.8</b>        |
| Central administration                     | -6.2               | -6.4               | -25.5               |
| Share of associated companies' profit      | 0.0                | 2.5                | 24.1                |
| <b>Profit before financial items</b>       | <b>86.6</b>        | <b>76.8</b>        | <b>356.4</b>        |
| <b>Financial items</b>                     |                    |                    |                     |
| Sale of shares and participations          | -                  | -                  | 780.0               |
| Profit from interests in subsidiaries      | -                  | -                  | 965.1               |
| Other financial items                      | -83.3              | -75.5              | -237.8              |
| <b>Profit/loss after financial items</b>   | <b>3.3</b>         | <b>1.3</b>         | <b>1,863.7</b>      |
| <b>Appropriations</b>                      |                    |                    |                     |
| Group contributions                        | -                  | -                  | 151.8               |
| <b>Profit before tax</b>                   | <b>3.3</b>         | <b>1.3</b>         | <b>2,015.5</b>      |
| Tax  | -1.0               | 0.1                | -40.7               |
| <b>Profit for the period</b>               | <b>2.3</b>         | <b>1.4</b>         | <b>1,974.8</b>      |
| Other comprehensive income                 | -                  | -                  | -                   |
| <b>Comprehensive income for the period</b> | <b>2.3</b>         | <b>1.4</b>         | <b>1,974.8</b>      |

# Condensed balance sheet, Parent Company

| Amounts in SEKm  | 31/03/2020      | 31/03/2019      | 31/12/2019      |
|--|-----------------|-----------------|-----------------|
| <b>ASSETS</b>  |                 |                 |                 |
| <b>Non-current assets</b>                                  |                 |                 |                 |
| Property, plant and equipment                              |                 |                 |                 |
| Machinery and equipment                                    | 0.8             | 0.7             | 0.8             |
| <b>Total property, plant and equipment</b>                 | <b>0.8</b>      | <b>0.7</b>      | <b>0.8</b>      |
| Shares in Group companies                                  | 6,144.1         | 5,445.6         | 5,607.7         |
| Receivables from Group companies                           | 11,842.2        | 10,397.0        | 11,805.2        |
| Other long-term securities holdings                        | -               | -               | -               |
| Interests in associated companies                          | 372.6           | 16.4            | 372.6           |
| Other non-current receivables                              | 100.8           | 29.0            | 74.2            |
| <b>Total non-current financial assets</b>                  | <b>18,459.7</b> | <b>15,888.0</b> | <b>17,859.7</b> |
| <b>Total non-current assets</b>                            | <b>18,460.5</b> | <b>15,888.7</b> | <b>17,860.5</b> |
| Current receivables  | 7.7             | 2.7             | 5.4             |
| Prepaid expenses and accrued income                        | 75.2            | 59.8            | 77.0            |
| Cash and cash equivalents                                  | 188.4           | 433.1           | 257.3           |
| <b>Total current assets</b>                                | <b>271.3</b>    | <b>495.6</b>    | <b>339.7</b>    |
| <b>TOTAL ASSETS</b>  | <b>18,731.8</b> | <b>16,384.3</b> | <b>18,200.2</b> |
| <b>EQUITY AND LIABILITIES</b>                              |                 |                 |                 |
| 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  | 2,819.5         | 1,171.3         | 2,817.2         |
| <b>Total shareholders' equity</b>                          | <b>5,687.8</b>  | <b>3,120.2</b>  | <b>5,464.0</b>  |
| Liabilities to credit institutions and similar liabilities | 9,100.6         | 8,927.9         | 9,055.7         |
| Liabilities to Group companies                             | 560.8           | 971.7           | 493.6           |
| Other non-current liabilities                              | 23.8            | 16.2            | 23.5            |
| <b>Total non-current liabilities</b>                       | <b>9,685.2</b>  | <b>9,915.8</b>  | <b>9,572.8</b>  |
| Liabilities to credit institutions and similar liabilities | 2,848.1         | 3,046.6         | 2,687.5         |
| Other current liabilities                                  | 349.2           | 217.5           | 345.2           |
| Accrued expenses and deferred income                       | 161.5           | 84.2            | 130.7           |
| <b>Total current liabilities</b>                           | <b>3,358.8</b>  | <b>3,348.3</b>  | <b>3,163.4</b>  |
| <b>Total liabilities</b>                                   | <b>13,044.0</b> | <b>13,264.1</b> | <b>12,736.2</b> |
| <b>TOTAL EQUITY AND LIABILITIES</b>                        | <b>18,731.8</b> | <b>16,384.3</b> | <b>18,200.2</b> |

## Change in Parent Company equity

| Amounts in SEKm                     | 2020<br>1/1 – 31/3 | 2019<br>1/1 – 31/3 | 2019<br>1/1 – 31/12 |
|-------------------------------------|--------------------|--------------------|---------------------|
| At beginning of period              | 5,464.0            | 3,118.8            | 3,118.8             |
| Issuance of Class A/D shares        | 221.5              | -                  | 697.9               |
| Dividend <sup>1</sup>               | -                  | -                  | -327.5              |
| Comprehensive income for the period | 2.3                | 1.4                | 1,974.8             |
| <b>At end of period</b>             | <b>5,687.8</b>     | <b>3,120.2</b>     | <b>5,464.0</b>      |

<sup>1</sup> Of which dividend preference shares comprise SEK -38.0. SEK -318.0m of the dividend amount was paid and the remainder is expensed as of 31 March 2020.

## NOTE 1 SEGMENT REPORTING

|   | Region 1        |                 | Region 2       |                | Region 3       |                | Region 4       |                | Total property management |                 | Eliminations and Group-wide items |               | Total Group     |                 |
|---|-----------------|-----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------------------------|-----------------|-----------------------------------|---------------|-----------------|-----------------|
| SEKm  | 2020            | 2019            | 2020           | 2019           | 2020           | 2019           | 2020           | 2019           | 2020                      | 2019            | 2020                              | 2019          | 2020            | 2019            |
| Rental income                               | 202.3           | 161.8           | 100.0          | 95.9           | 115.1          | 107.2          | 30.4           | 31.0           | 447.8                     | 395.9           |                                   |               | 447.8           | 395.9           |
| Property expenses                           | -55.8           | -51.5           | -32.2          | -34.5          | -43.4          | -40.0          | -10.9          | -11.6          | -142.3                    | -137.6          |                                   |               | -142.3          | -137.6          |
| <b>Net operating income</b>                 | <b>146.5</b>    | <b>110.3</b>    | <b>67.8</b>    | <b>61.4</b>    | <b>71.7</b>    | <b>67.2</b>    | <b>19.5</b>    | <b>19.4</b>    | <b>305.5</b>              | <b>251.7</b>    |                                   |               | <b>305.5</b>    | <b>258.3</b>    |
| <b>Ground rents</b>                         | <b>-5.3</b>     | <b>-4.1</b>     | <b>-1.3</b>    | <b>-1.2</b>    | <b>-0.8</b>    | <b>-1.3</b>    |                |                | <b>-7.4</b>               | <b>-6.6</b>     |                                   |               | <b>-7.4</b>     | <b>-6.6</b>     |
| <b>Changes in value</b>                     |                 |                 |                |                |                |                |                |                |                           |                 |                                   |               |                 |                 |
| Unrealised changes in value of properties   | 62.6            | 569.2           | -0.5           | 27.4           | 0.9            | -18.6          | -1.1           | -1.1           | 61.9                      | 576.9           |                                   |               | 61.9            | 576.9           |
| Realised changes in value of properties     |                 |                 |                |                | 0.5            |                |                | 0.2            | 0.5                       | 0.2             |                                   |               | 0.5             | 0.2             |
| Changes in value, financial instruments     |                 |                 |                |                |                |                |                |                | -32.5                     | -25.6           |                                   |               | -32.5           | -25.6           |
| <b>Gross profit</b>                         | <b>203.8</b>    | <b>675.4</b>    | <b>66.0</b>    | <b>87.6</b>    | <b>72.3</b>    | <b>47.3</b>    | <b>18.4</b>    | <b>18.5</b>    | <b>328.0</b>              | <b>803.2</b>    |                                   |               | <b>328.0</b>    | <b>803.2</b>    |
| <b>Undistributed items</b>                  |                 |                 |                |                |                |                |                |                |                           |                 |                                   |               |                 |                 |
| Central administration                      |                 |                 |                |                |                |                |                |                |                           |                 | -9.5                              | -8.1          | -9.5            | -8.1            |
| Share of associated companies' profit       |                 |                 |                |                |                |                |                |                | 0.0                       |                 |                                   | 2.5           | 0.0             | 2.5             |
| Financial income                            |                 |                 |                |                |                |                |                |                | 6.1                       | 0.3             |                                   |               | 6.1             | 0.3             |
| Financial expenses                          |                 |                 |                |                |                |                |                |                | -73.8                     | -68.2           |                                   |               | -73.8           | -68.2           |
| <b>Profit before tax</b>                    |                 |                 |                |                |                |                |                |                |                           |                 |                                   |               | <b>250.8</b>    | <b>729.7</b>    |
| Tax   |                 |                 |                |                |                |                |                |                |                           |                 | -47.1                             | -150.6        | -47.1           | -150.6          |
| <b>Comprehensive income for the period</b>  |                 |                 |                |                |                |                |                |                | <b>260.2</b>              | <b>735.3</b>    | <b>-56.6</b>                      | <b>-156.2</b> | <b>203.7</b>    | <b>579.1</b>    |
| Investment properties                       | 15,277.4        | 12,394.8        | 6,064.6        | 5,473.6        | 7,014.8        | 5,701.0        | 1,598.3        | 1,541.5        | 29,955.1                  | 25,110.9        |                                   |               | 29,955.1        | 25,110.9        |
| <b>Undistributed items</b>                  |                 |                 |                |                |                |                |                |                |                           |                 |                                   |               |                 |                 |
| Right-of-use asset, leasehold               |                 |                 |                |                |                |                |                |                |                           |                 |                                   |               | 1,018.0         | 868.0           |
| Financial                                   |                 |                 |                |                |                |                |                |                |                           |                 |                                   |               | 443.7           | 24.6            |
| Non-current assets                          |                 |                 |                |                |                |                |                |                |                           |                 |                                   |               | 1.7             | 1.8             |
| Machinery and equipment                     |                 |                 |                |                |                |                |                |                |                           |                 |                                   |               | 184.1           | 514.9           |
| Current assets                              |                 |                 |                |                |                |                |                |                |                           |                 |                                   |               | 199.0           | 439.5           |
| Cash and cash equivalents                   |                 |                 |                |                |                |                |                |                |                           |                 |                                   |               |                 |                 |
| <b>Total assets</b>                         | <b>15,277.4</b> | <b>12,394.8</b> | <b>6,064.6</b> | <b>5,473.6</b> | <b>7,014.8</b> | <b>5,701.0</b> | <b>1,598.3</b> | <b>1,541.5</b> | <b>29,955.1</b>           | <b>25,110.9</b> |                                   |               | <b>31,801.6</b> | <b>26,959.7</b> |
| <b>Undistributed items</b>                  |                 |                 |                |                |                |                |                |                |                           |                 |                                   |               |                 |                 |
| Shareholders' equity                        |                 |                 |                |                |                |                |                |                |                           |                 |                                   |               | 13,056.9        | 9,693.4         |
| Non-current liabilities                     |                 |                 |                |                |                |                |                |                |                           |                 |                                   |               | 12,338.5        | 11,452.4        |
| Deferred tax liabilities                    |                 |                 |                |                |                |                |                |                |                           |                 |                                   |               | 2,201.1         | 1,719.5         |
| Current liabilities                         |                 |                 |                |                |                |                |                |                |                           |                 |                                   |               | 4,205.1         | 4,094.4         |
| <b>Total equity and liabilities</b>         |                 |                 |                |                |                |                |                |                |                           |                 |                                   |               | <b>31,801.6</b> | <b>26,959.7</b> |
| Acquisitions and investments for the period | 1,580.3         | 2,022.0         | 28.3           | 59.2           | 105.7          | 112.2          | 6.5            | 10.7           | 1,720.8                   | 2,204.1         |                                   |               | 1,720.8         | 2,204.1         |
| 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 Västberga/Bromma/Täby/Lidingö/Södertälje/Norrköping/Älvadaberg/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/Valentuna/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 31 March 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 31/03/2020 (31/03/2019)

|  | 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   | -32.5         | (-25.6)         |          |            | -32.5         | (-25.6)         |          |            |
| <b>Interest-rate derivatives measured at fair value at end of period</b> | <b>-159.3</b> | <b>(-119.9)</b> | <b>-</b> | <b>(-)</b> | <b>-159.3</b> | <b>(-119.9)</b> | <b>-</b> | <b>(-)</b> |

### CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES, AS WELL AS FAIR VALUE AS OF 31/03/2020 (31/03/2019)

|  | 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                              |   |            |                                   |                       | 71.2  | (8.3)           | 71.2                  | (8.3)           | 71.2             | (8.3)           |
| Trade receivables  |   |            |                                   |                       | 8.7   | (9.5)           | 8.7                   | (9.5)           | 8.7              | (9.5)           |
| Other current receivables                                  |   |            |                                   |                       | 24.8  | (374.1)         | 24.8                  | (374.1)         | 24.8             | (374.1)         |
| Cash and cash equivalents                                  |   |            |                                   |                       | 199.0   | (439.5)         | 199.0                 | (439.5)         | 199.0            | (439.5)         |
| Accrued income   |   |            |                                   |                       | 12.8  | (0.2)           | 12.8                  | (0.2)           | 12.8             | (0.2)           |
| <b>Total financial assets</b>                              | <b>-</b>                                | <b>(-)</b> | <b>-</b>                          | <b>(-)</b>            | <b>316.5</b>  | <b>(831.6)</b>  | <b>316.5</b>          | <b>(831.6)</b>  | <b>316.5</b>     | <b>(831.6)</b>  |
| Liabilities to credit institutions and similar liabilities |   |            |                                   |                       | 14,461.1  | (14,000.8)      | 14,461.1              | (14,000.8)      | 14,461.1         | (14,000.8)      |
| Lease liability leasehold                                  |   |            |                                   |                       | 1,018.0   | (868.0)         | 1,018.0               | (868.0)         | 1,018.0          | (868.0)         |
| Other non-current liabilities                              |   |            |                                   |                       | 44.3  | (35.2)          | 44.3                  | (35.2)          | 44.3             | (35.2)          |
| Trade payables   |   |            |                                   |                       | 96.2  | (128.6)         | 96.2                  | (128.6)         | 96.2             | (128.6)         |
| Other current liabilities                                  |   |            | 159.3 <sup>1</sup>                | (119.9 <sup>1</sup> ) | 173.3   | (69.2)          | 332.6                 | (189.1)         | 332.6            | (189.1)         |
| Accrued expenses   |   |            |                                   |                       | 280.5   | (76.9)          | 280.5                 | (76.9)          | 280.5            | (76.9)          |
| <b>Total financial liabilities</b>                         | <b>-</b>                                | <b>(-)</b> | <b>159.3</b>                      | <b>(119.9)</b>        | <b>16,073.4</b>   | <b>15,178.7</b> | <b>16,232.7</b>       | <b>15,298.6</b> | <b>16,232.7</b>  | <b>15,298.6</b> |

<sup>1</sup> Refers to derivative instruments not intended for hedge accounting

## NOTE 3 DISTRIBUTION OF INCOME

|                     | 2020<br>1/1 – 31/3 | 2019<br>1/1 – 31/3 | 2019<br>1/1 – 31/12 |
|---------------------|--------------------|--------------------|---------------------|
| Rental income       | 417.0              | 370.3              | 1,577.2             |
| Service income      | 30.8               | 25.6               | 109.3               |
| <b>Total income</b> | <b>447.8</b>       | <b>395.9</b>       | <b>1,686.5</b>      |

# 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.

### Profit/loss per ordinary share

Profit/loss after tax adjusted for dividends on preference 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

|  |   | 2020<br>1/1 – 31/3 | 2019<br>1/1 – 31/3 | 2019<br>1/1–31/12 |
|--|---|--------------------|--------------------|-------------------|
| <b>Rolling annual profit from property management, (4 quarters forward)</b><br>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.  | Profit from property management, SEKm   | 220.9              | 173.9              | 849.6             |
|  | Adjustment for share of associated companies' profit, SEKm  | -                  | -                  | -                 |
|  | Adjustment to average surplus ratio, SEKm   | 2.1                | 8.3                | 2.5               |
|  | Adjustment for acquisitions and newly signed contracts that have not yet come into effect, SEKm       | 14.5               | 27.8               | 92.9              |
|  | Adjustment for one-off items  | -                  | -                  | -                 |
|  | Adjustment for closing swap contracts and changed margins with refinancing                            | -                  | -                  | 5.0               |
|  | <b>Adjusted for profit from property management, SEKm</b>   | <b>237.5</b>       | <b>210.0</b>       | <b>950.0</b>      |
|  | Rolling annual profit from property management, (4 quarters forward), SEKm                            | 950.0              | 840.0              | 950.0             |
| <b>Equity/Ordinary share, SEK</b><br>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 ordinary share.   | Shareholders' equity, SEKm  | 13,056.9           | 9,693.4            | 12,631.7          |
|  | Total number of Class A ordinary shares outstanding   | 182,900,000        | 180,900,000        | 180,900,000       |
|  | Equity/Ordinary share, SEK  | 71.4               | 53.6               | 69.8              |
| <b>Long-term net asset value per Class A ordinary share, EPRA NAV, SEK</b><br>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. | Shareholders' equity, SEKm  | 13,056.9           | 9,693.4            | 12,631.7          |
|  | Reversal of deferred tax, SEKm  | 2,201.1            | 1,719.5            | 2,178.9           |
|  | Reversal of interest-rate derivatives, SEKm   | 159.3              | 119.9              | 126.8             |
|  | Total number of Class A ordinary shares outstanding   | 182,900,000        | 180,900,000        | 180,900,000       |
|  | Long-term net asset value per Class A ordinary share, EPRA NAV, SEK                                   | 84.3               | 63.8               | 82.6              |
|  |   |                    |                    |                   |
| <b>Return on equity, %</b><br>Return on equity is a key ratio that Fastpartner considers to be relevant for showing the Company's return on equity in the Group.   | Profit/loss after tax, SEKm   | 203.7              | 579.1              | 3,147.0           |
|  | Calculated at annual rate, SEKm   | 814.8              | 2,316.4            | 3,147.0           |
|  | Average equity, SEKm  | 12,844.3           | 9,403.9            | 10,873.0          |
|  | Return on equity, %   | 6.3                | 24.6               | 28.9              |
| <b>Return on total capital, %</b><br>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.  | Profit/loss after financial items, SEKm   | 250.8              | 729.7              | 3,830.9           |
|  | Reversal of financial expenses, SEKm  | 73.8               | 68.2               | 287.4             |
|  | Calculated at annual rate based on respective period, SEKm  | 1,298.4            | 3,191.6            | 4,118.3           |
|  | Average total assets, SEKm  | 30,894.1           | 25,244.4           | 26,757.8          |
|  | Return on total capital, %  | 4.2                | 12.6               | 15.4              |
|  |   |                    |                    |                   |
| <b>Interest coverage ratio, multiple</b><br>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.  | Profit/loss before tax, SEKm  | 250.8              | 729.7              | 3,830.9           |
|  | Reversal of changes in value, SEKm  | -29.9              | -551.5             | -2,978.5          |
|  | Reversal of interest expenses, SEKm   | 73.8               | 68.2               | 287.4             |
|  | <b>Adjusted profit/loss before tax, SEKm</b>  | <b>294.7</b>       | <b>246.4</b>       | <b>1,139.8</b>    |
|  | Adjusted profit/loss before tax as a multiple of interest expenses, xx                                | 4.0                | 3.6                | 4.0               |
| <b>Equity/assets ratio, %</b><br>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.  | Shareholders' equity, SEKm  | 13,056.9           | 9,693.4            | 12,631.7          |
|  | Total assets, SEKm  | 31,801.6           | 26,959.7           | 29,986.5          |
|  | Equity/assets ratio, %  | 41.1               | 36.0               | 42.1              |
| <b>Equity/assets ratio adjusted for EPRA NAV, %</b><br>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  | Shareholders' equity, SEKm  | 13,056.9           | 9,693.4            | 12,631.7          |
|  | Reversal of deferred tax, SEKm  | 2,201.1            | 1,719.5            | 2,178.9           |
|  | Reversal of interest-rate derivatives, SEKm   | 159.3              | 119.9              | 126.8             |
|  | <b>Adjusted shareholders' equity, SEKm</b>  | <b>15,417.3</b>    | <b>11,532.8</b>    | <b>14,937.4</b>   |
|  | Total assets, SEKm  | 31,801.6           | 26,959.7           | 29,986.5          |
|  | Equity/assets ratio adjusted for EPRA NAV, %  | 48.5               | 42.8               | 49.8              |
| <b>Net liabilities, SEKm</b>   | Interest-bearing liabilities, SEKm  | 14,461.1           | 14,000.8           | 13,395.1          |
|  | Interest-bearing assets   | -407.2             | -358.9             | -387.2            |
|  | Cash and cash equivalents   | -199.0             | -439.5             | -264.3            |
|  | Listed shares   | -14.4              | -14.4              | -14.4             |
|  | <b>Net liabilities, SEKm</b>  | <b>13,840.5</b>    | <b>13,188.0</b>    | <b>12,729.2</b>   |
| <b>Net operating income, %</b>   | Net operating income according to the profit and loss accounts, SEKm                                  | 305.5              | 258.3              | 1,173.0           |
|  | Net operating income for dev. properties, as well as adjustment for acquisitions for the period, SEKm | 6.5                | -0.9               | 3.5               |
|  | <b>Adjusted net operating income for dev. properties and acquisitions for the period, SEKm</b>        | <b>312.0</b>       | <b>257.4</b>       | <b>1,176.5</b>    |
|  | Average value of investment properties (adjusted for dev. properties and acquisitions), SEKm          | 28,770.1           | 23,860.4           | 25,551.3          |
|  | Net operating income, %   | 4.3                | 4.3                | 4.6               |
|  |   |                    |                    |                   |
|  |   |                    |                    |                   |
| <b>Surplus ratio, %</b>  | Rental income, SEKm   | 447.8              | 395.9              | 1,686.5           |
|  | Property expenses, SEKm   | -142.3             | -137.6             | -513.5            |
|  | <b>Net operating income, SEKm</b>   | <b>305.5</b>       | <b>258.3</b>       | <b>1,173.0</b>    |
|  | Surplus ratio, %  | 68.2               | 65.2               | 69.6              |

## CALENDAR

|  |                 |
|--|-----------------|
| Interim report as of 30 June 2020      | 3 July 2020     |
| Interim report as of 30 September 2020 | 21 October 2020 |

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