



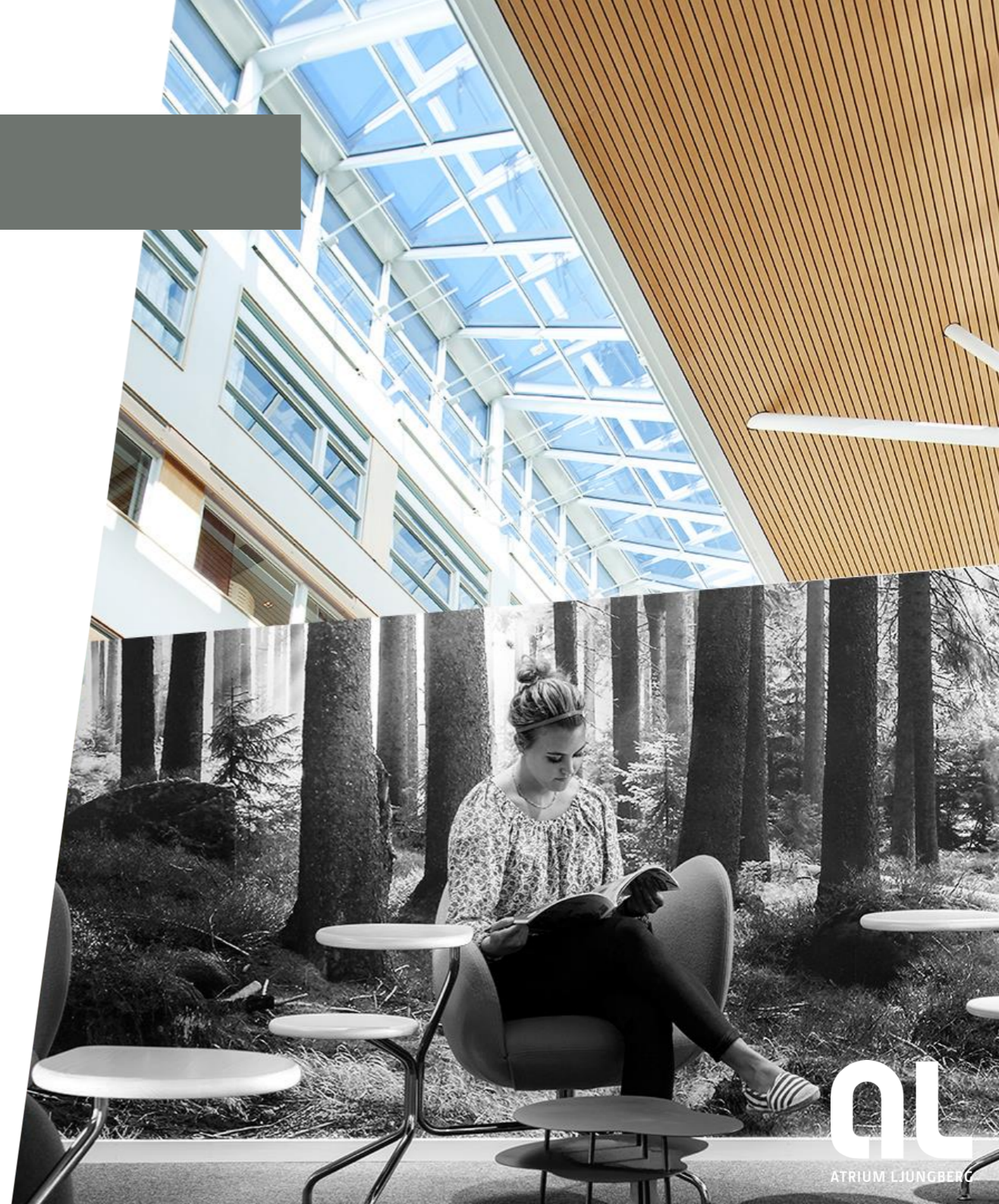
AL

ATRIUM LJUNGBERG

FINANCIAL REPORT Q1 2018

2018 Q1 KEY FINANCIALS

- Like-for-like income growth 3,9%
- Operating surplus increase 6,4%
- SEK 357 million investments in our own properties
- Equity ratio of 44%
- ICR of 5



2018 Q1 SIGNIFICANT EVENTS

- Major lease signed with Convendum at Slussen
- Employee stock option scheme
- Share repurchase programme



MARKET SITUATION

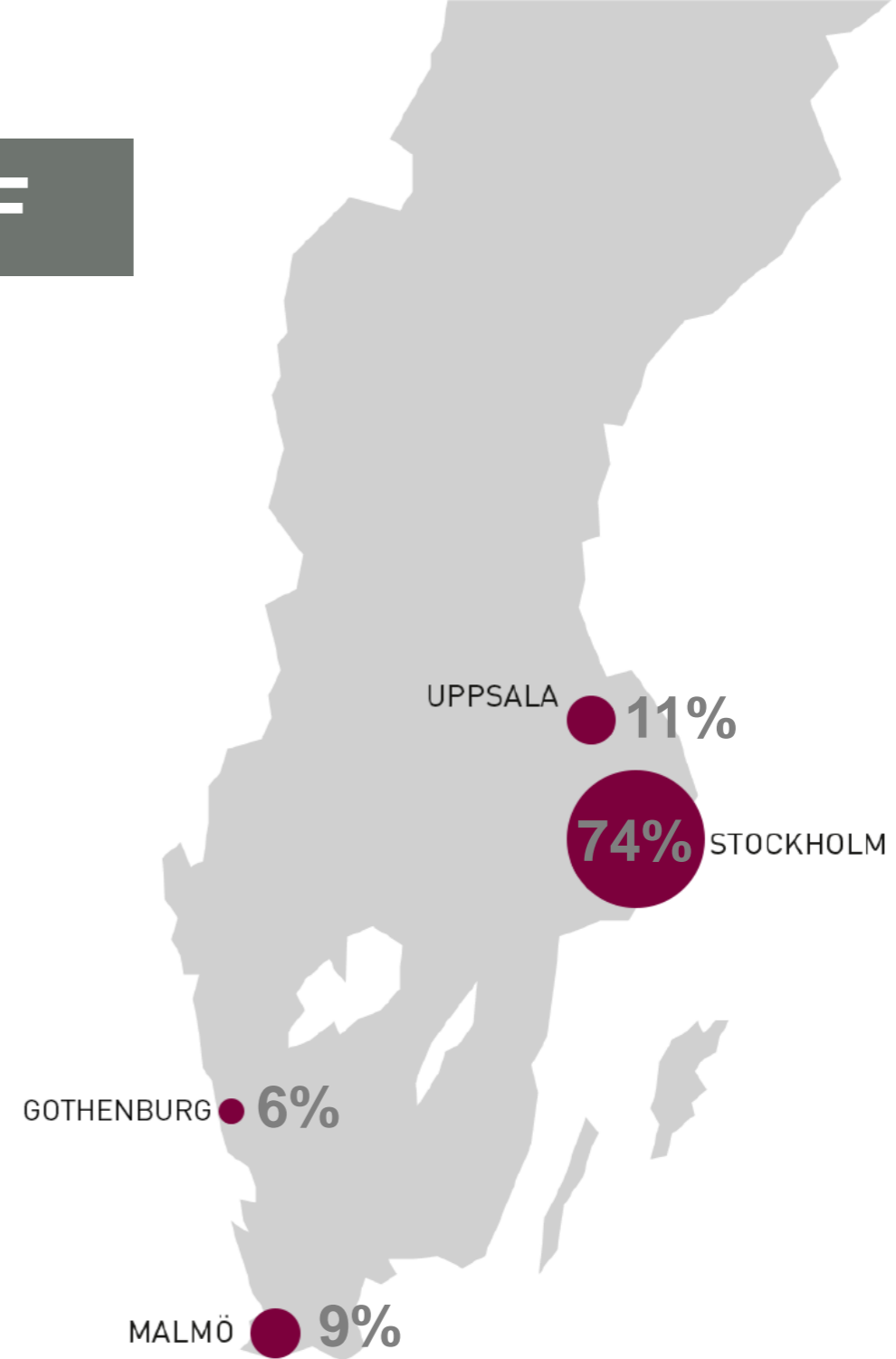
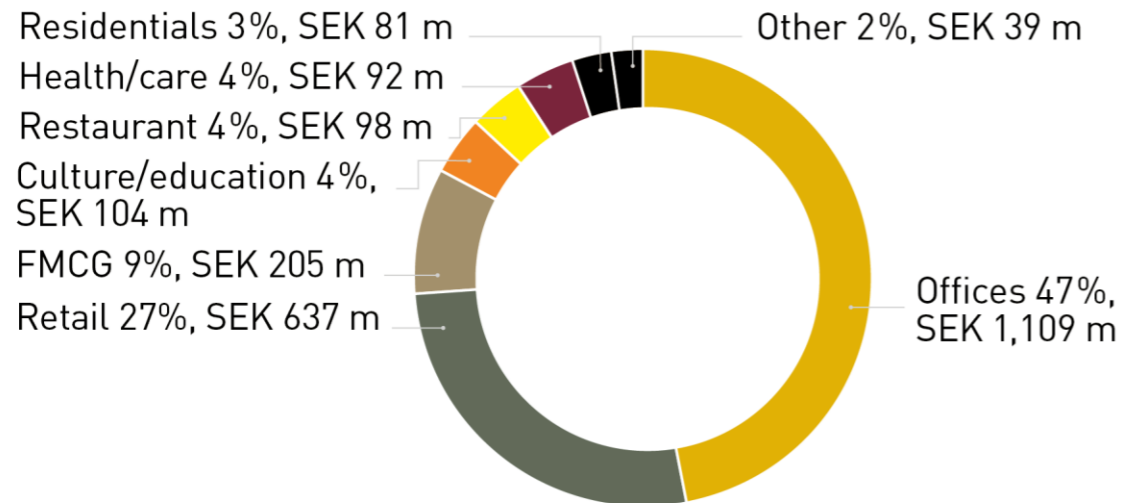
- Growth in office rents
- Retailers affected by e-commerce
- Stabilisation of residential prices
- Strong demographic growth in our locations
- Vacancies are low and stable
- Property yields are low and stable



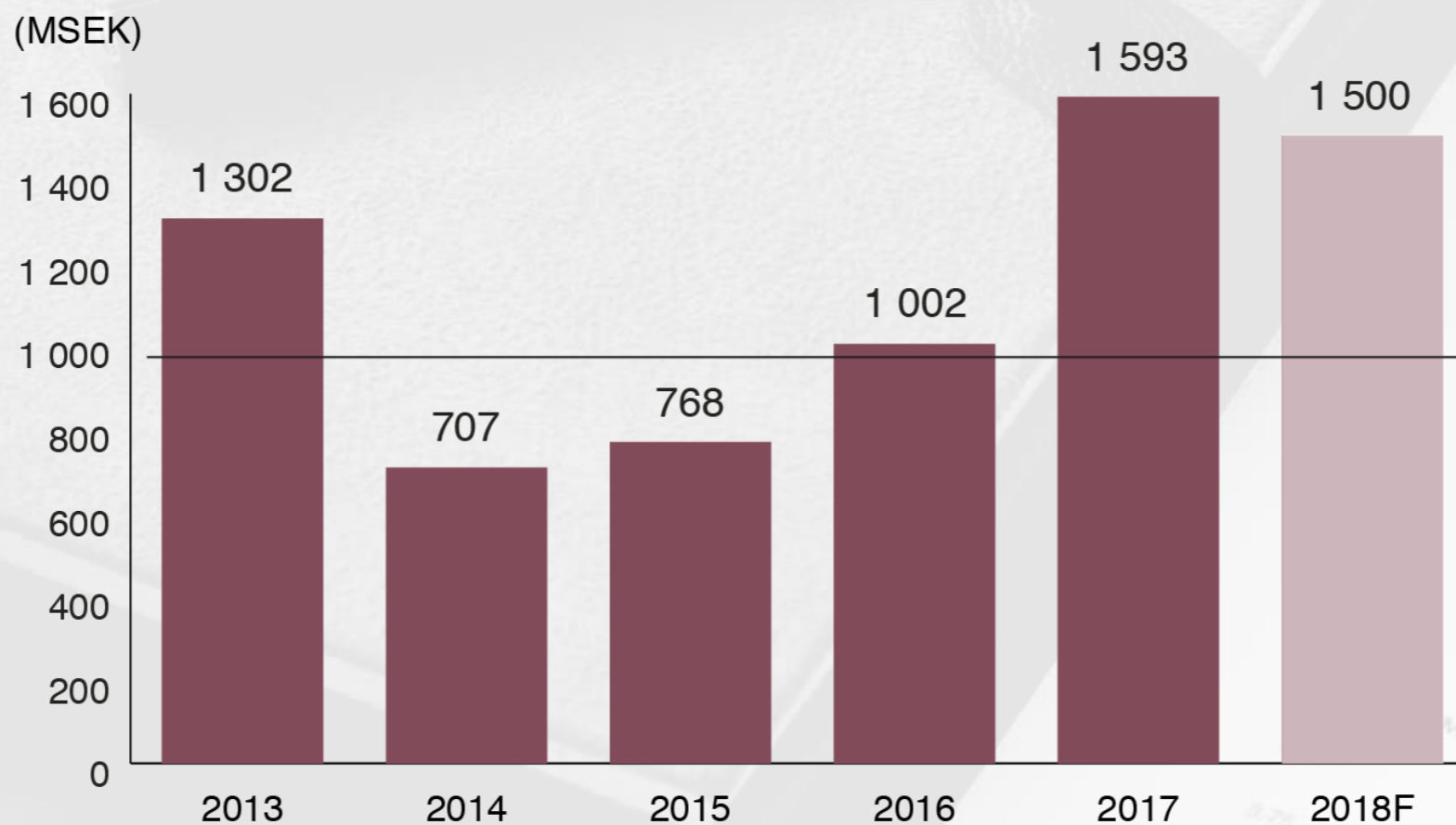
ATRIUM LJUNGBERG IN BRIEF

- Number of properties 53
- Property value SEK 42 billion
- Contracted annual rent SEK 2.4 billion
- Lettable area 1,145,000 m²
- Letting rate 94 %

Contracted annual rent per premises type



SEK 357 MILION INVESTED IN PROJECT PORTFOLIO



EXTENSIVE PROJECT PORTFOLIO

	Remaining investment SEK m
Ongoing projects	2,300
Potential projects	14,000
	16,300



LIFE CITY - PROJECT START 2018



RAS

BAS BARKARBY - PROJECT START IN 2018



NOBELBERGET – RESIDENTIAL SALE START 2018



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(MSEK)	2018 Jan-Mar	2017 Jan-Mar	Δ %
Rental income	601	567	6,0%
Property costs	-192	-183	5,1%
Operating surplus	409	384	6,4%
Central administration (property management)	-17	-17	
Project and construction work	-5	2	
Net financial items	-78	-95	
Profit/loss before changes in value	309	274	12,9%
Change in the value of properties, unrealised	499	444	
Change in the value of properties, realised	5	0	
Change in the value of financial instruments	-2	35	
Profit/loss before tax	811	753	
Tax	-193	-131	
Profit for the period	618	622	

RENTAL INCOME

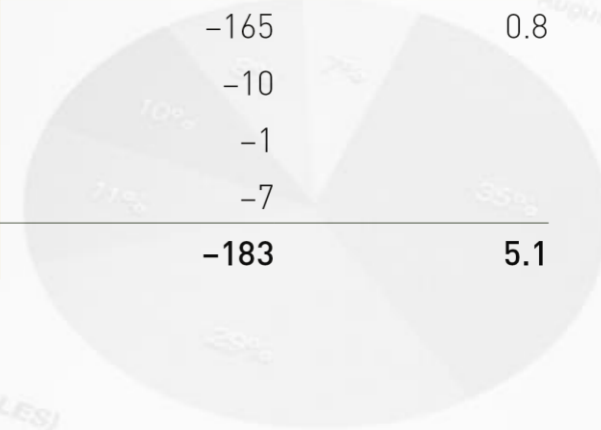
- EPRA vacancies 5 percent
- Quarterly net letting is positive by SEK 10 million

RENTAL INCOME TREND

	2018 1/1-31/3	2017 1/1-31/3	Change, %
Like-for-like portfolio	541	521	3.9
Non-recurring remuneration	2	4	
Project properties	29	25	
Properties acquired	23	0	
Properties sold	6	17	
Rental income	601	567	6.0

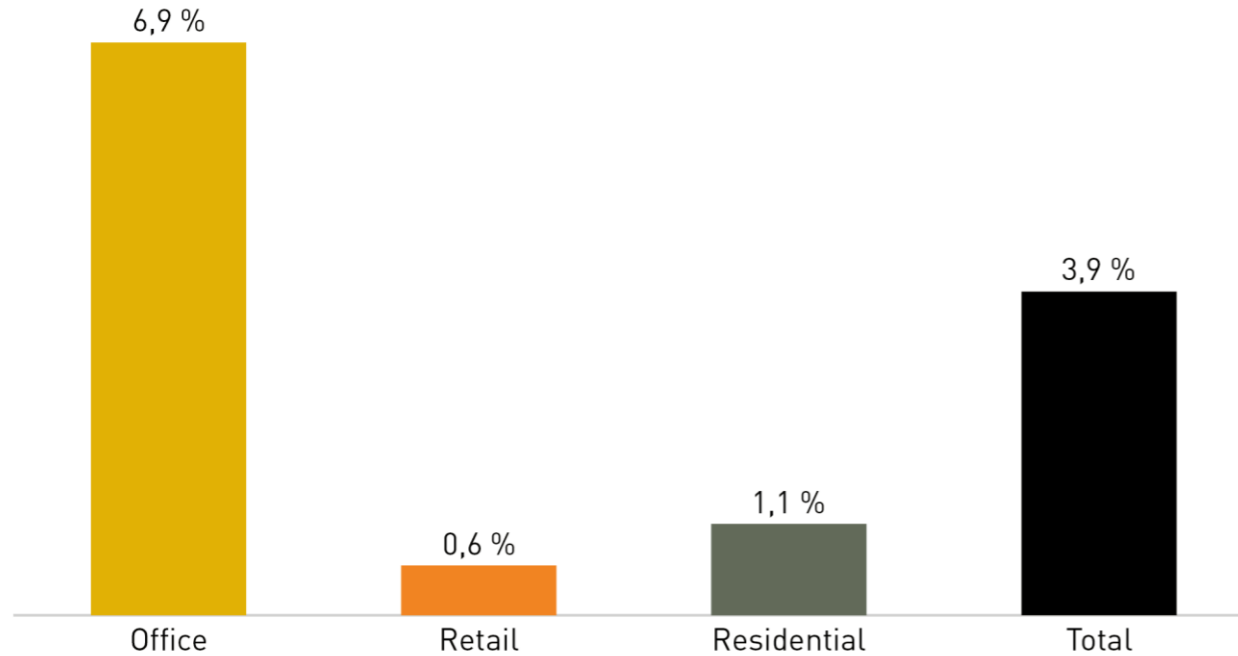
PROPERTY COSTS TREND

	2018 1/1-31/3	2017 1/1-31/3	Change, %
Like-for-like portfolio	-167	-165	0.8
Project properties	-14	-10	
Properties acquired	-8	-1	
Properties sold	-4	-7	
Property management costs	-192	-183	5.1

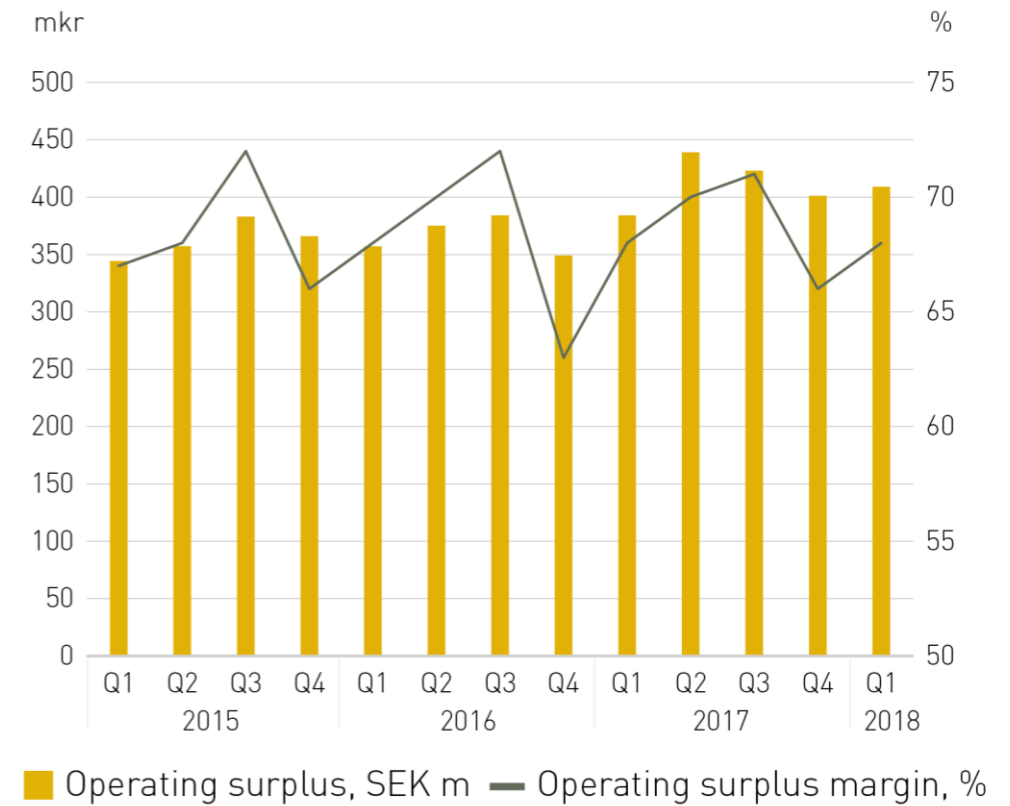


RENTAL INCOME AND OPERATING SURPLUS

Like-for-like net rental income growth



Operating surplus and operating surplus ratio



CONSOLIDATED ASSETS

(MSEK)	2018 31/3	2017 31/3
Investment properties	40 858	38 694
Goodwill	240	263
Other fixed assets	47	40
Total fixed assets	41 145	38 997
Development properties	876	0
Current assets	397	469
Liquid assets	415	152
Total current assets	1 689	622
Total assets	42 834	39 618

PROPERTY MARKET VALUE

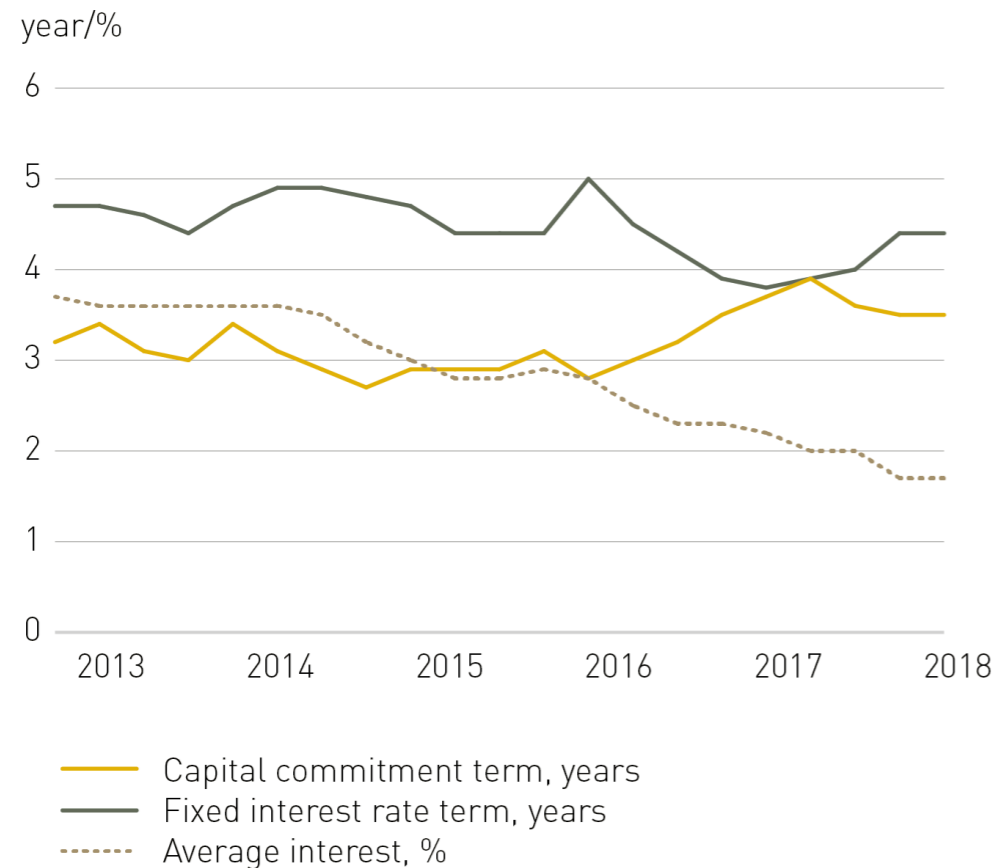
- Unrealised gain of SEK 499 million
- The increase is in driven by increased operating surplus and lower property yield requirements



MOODY'S REAFFIRM CREDIT RATING

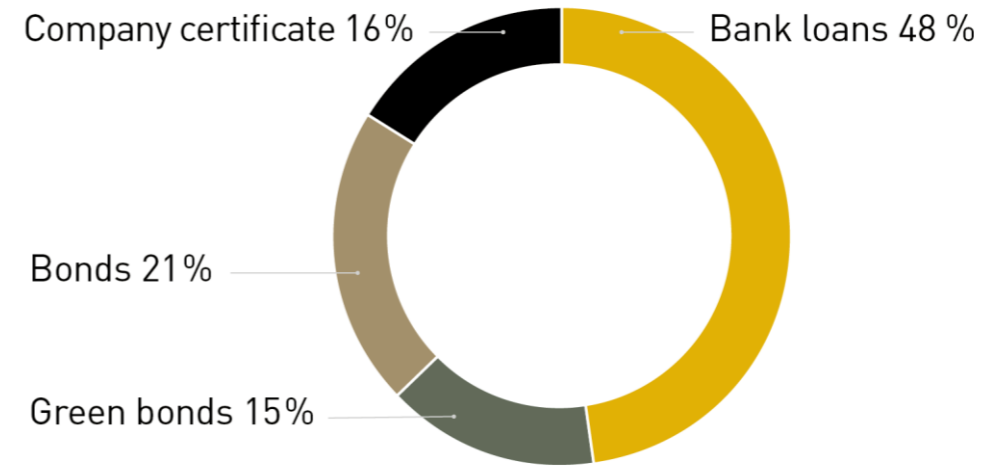
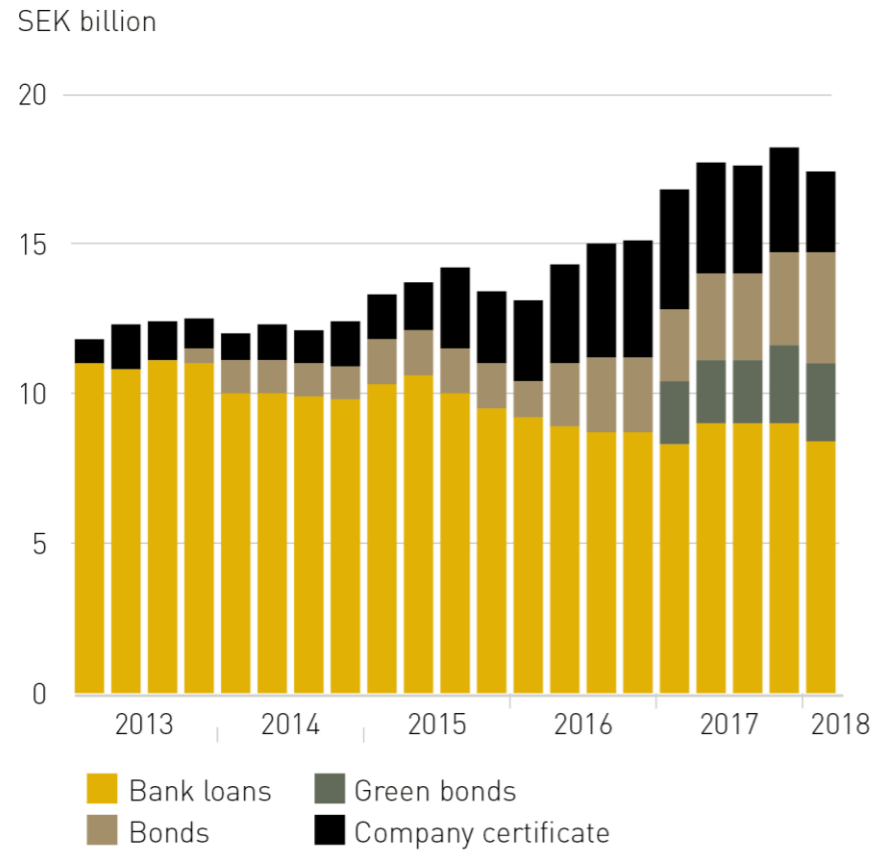
Baa2 (BBB)

LOW FINANCIAL RISK AND STRONG KEY RATIOS



- Interest-bearing liabilities of SEK 17.5 billion
- Gearing ratio 42.3 %
- Average interest rate 1.7 %
- Fixed interest term 4.4 years
- Capital commitment 3.5 years
- Five Nordic banks
- Commercial paper backed by secured credit lines

INCREASING SHARE OF CAPITAL MARKET DEBT



PROPOSED NEW TAX LEGISLATION IN 2019

- Deductibility of interest costs capped at 30% of EBITDA
 - Atrium Ljungberg unaffected at average interest levels below 2.4% (currently 1.7%)
- Reduction of corporate tax rate to 21.4% in 2019 and to 20.6% in 2021
 - Current deferred tax reduced by SEK 120 million and SEK 180 million

OUTLOOK 2018

Profit before changes in value

SEK 1 200 MILLION

(1 180)

Q&A





THANK YOU!