

A photograph of a young girl with dark hair, wearing a grey knitted cardigan and blue patterned socks, being held upside down by an adult. She is smiling and looking towards the camera. The background is a light-colored tiled wall.

# Interim report Q2 2019

## January–June 2019

- Rental revenues totalled SEK 124.9 million (96.4), up 30%.
- Income from property management was SEK 20.5 million (8.2), corresponding to SEK 0.61 per share (0.27).  
During the period, non-recurring costs linked to the completed stock exchange listing of SEK 9.9 million (4.4) were recognised under income from property management.
- Changes in property values amounted to SEK 51.4 million (132.6), and changes in the value of interest-rate-derivatives amounted to SEK -24.7 million (-6.3)
- Earnings after tax for the period totalled SEK 31.8 million (149.2), corresponding to SEK 0.94 per share (4.97).
- Property value totalled SEK 6,173.1 million (5,845.2).
- Investments amounted to SEK 82.2 million (974.0 (of which SEK 801.9 million pertained to the acquisition of Käppala in 2018)).

## April–June 2019

- Rental revenues totalled SEK 62.9 million (48.5), up 30%.
- Income from property management was SEK 9.0 million (3.1), corresponding to SEK 0.27 per share (0.10).  
During the period, non-recurring costs linked to the completed stock exchange listing of SEK 4.3 million (4.4) were recognised under income from property management.
- Changes in property values amounted to SEK 29.9 million (54.0), and changes in the value of interest-rate-derivatives amounted to SEK -15.5 million (-6.1)
- Earnings after tax for the period totalled SEK 15.5 million (85.9), corresponding to SEK 0.46 per share (2.86).
- Investments amounted to SEK 44.1 million (72.4).

# John Mattson — Goals and strategies

John Mattson is Lidingö's largest residential property owner, with some 2,200 apartments located in Larsberg, Käppala, Baggeby and Dalénum. The business was founded in 1965 by master builder John Mattson and its core values — a long-term perspective, professionalism and commitment — are as strong today as they were then.

## Business idea

Our business idea revolves around the long-term ownership, management and development of residential property and attractive local communities in the Stockholm region.

## Offering

We make daily life easier for everyone by offering well-managed, attractive homes and safe neighbourhoods.

## Financial targets

- An average annual growth in EPRA NAV per share of not less than 10%, including distributions to shareholders, over a business cycle.
- An average annual growth in income from property management per share of not less than 10% over a business cycle.
- The value of the Group's property holdings is to total at least SEK 10 billion by 2023.

## Strategies

### An overall and personal approach to management

We know our properties and understand our customers. We apply an overall approach taking responsibility for the buildings and activity in the outdoor areas. We maintain our properties based on a long-term lifecycle perspective, and by optimising rental revenues together with conducting efficient operations and management we ensure a high net operating income.

### Adding value

We add value to our buildings by upgrading, extending and converting space to housing.

### Infill development

We are increasing the housing density of our own properties and adjacent properties, and thereby adding new attributes to local communities and creating great neighbourhoods.

### Acquisitions

We strive to acquire properties and development rights with development potential in attractive market locations in the Stockholm region, close to efficient infrastructure. Our acquisitions are based on a long-term approach.

### Financing

We pursue a low risk approach to financing. In practice, this means that the long-term, net loan-to-value ratio should not exceed 50% and the long-term interest coverage ratio should not be less than 1.5.



**5% growth in  
net asset value**



**SEK 6.2 billion  
property value**



**123% growth in  
income from  
property man-  
agement**

# Significant events January–June 2019

- The company was listed on Nasdaq Stockholm, Mid Cap as of 5 June 2019.
- Total upgrades were completed of 41 apartments during the period.
- Contractors have been procured to carry out base upgrades of around 400 apartments and attic extensions for 25 apartments in Käppala.
- Agreement has been reached with Hyresgästföreningen (Swedish Union of Tenants) regarding this year's rent increases. The negotiation resulted in rent increases of 1.8–2.1% per year.
- The Annual General Meeting on 11 March 2019 resolved to conduct a three for one split of the company's shares. The comparative share data in this report has been restated according to the above.

Key metrics	Apr–Jun 2019	Apr–Jun 2018	Jan–Jun 2019	Jan–Jun 2018	Rolling 12 months Jul 2018–Jun 2019	Jan–Dec 2018
Rental revenues, SEK m	62.9	48.5	124.9	96.4	246.9	218.3
Net operating income, SEK m	34.1	22.0	68.8	42.5	129.5	103.2
Income from property management, SEK m	9.0	3.1	20.5	8.2	36.0	23.7
Income from property management, SEK/share <sup>1)</sup>	0.27	0.10	0.61	0.27	1.07	0.74
Growth in income from property management, SEK/share, %	155.4	-58.6	123.2	-48.7	28.7	-21.0
Adjusted growth in income from property management, SEK/share, % <sup>2)</sup>	57.5	-0.6	115.5	-21.2	118.3	44.1
Profit after tax, SEK/share <sup>1)</sup>	0.46	2.86	0.94	4.97	3.12	6.98
Property value at the end of the period, SEK m	6,173.1	5,845.2	6,173.1	5,845.2	6,173.1	6,039.5
Economic occupancy rate at the end of the period, %	96.3	95.2	96.3	95.2	96.3	96.5
LTV ratio at the end of the period, %	41.4	40.2	41.4	40.2	41.4	41.0
Interest coverage ratio during the period, multiple	1.7	1.3	1.8	1.4	1.8	1.6
EPRA NAV, SEK/share <sup>1)</sup>	106.35	101.50	106.35	101.50	106.35	104.23
Growth in EPRA NAV, SEK/share, %	4.8	10.3	4.8	10.3	4.8	7.3
EPRA NNAV, SEK/share <sup>1)</sup>	98.36	94.35	98.36	94.35	98.36	97.04

<sup>1)</sup> The key metrics per share have been restated to take into account the 3:1 share split resolved by the AGM on 11 March 2019 and the 10,000:1 share split decided in 2018.

<sup>2)</sup> Income from property management has been adjusted for non-recurring costs linked to the planned stock exchange listing. An adjustment of SEK 9.9 million (4.4) was made to income from property management for the period and an adjustment of SEK 4.3 million (4.4) for the first quarter. In a corresponding manner, an adjustment of SEK 19.6 million was made for the full-year 2018. For the rolling 12 month period, an adjustment of SEK 25.1 million has been made to income from property management.

Definitions of key metrics are provided on pages 24–25.

# Upgrading Käppala

**On 5 June, John Mattson was listed on Nasdaq Stockholm, Mid Cap, a key milestone in the company's history. In conjunction with the listing process, progress has been made on projects aimed at adding value and infill development. And in the second quarter, the upgrade and conversion project for Käppala was started. Construction on U25, with 74 apartments for young adults in Larsberg, is ongoing and lettings to this target group commenced during the period.**

The company's listing is a logical step in our continued development, since it raises awareness of the company, strengthens its profile and creates opportunities for growth. The completion of the listing process means we can devote our full focus on our operations.

## Income from property management and net asset value

For the period from January–June 2019, income from property management was SEK 20.5 million (8.2) amounting to SEK 0.61 per share (0.27) on a per share basis, and corresponding to growth of 123.2%. The increase was primarily attributable to the Käppala acquisition and the newly constructed Parkhusen, which impacted net operating income in the second half of 2018.

EPRA NAV per share amounted to SEK 106.35 at 30 June. Over the past 12 months, net asset value has increased 5%. The aim is to achieve average growth in net asset value of not less than 10% over a business cycle.



**The upgrade of Käppala and occupancy of U25 are highlights for the autumn.**

## Investments

Investing to add value and improve the property portfolio are at the core of John Mattson. Over the next two years, we will complete base upgrades of all of the unrenovated apartments in Käppala and convert the attics of two buildings into apartments. Contractors have been procured for these projects. The upgrades entail securing the technical status of the properties through replacing the drainage system (which means upgraded bathrooms) as well as the electrical wiring and heating systems and installing security doors. In total, the upgrades at Käppala encompass around 400 apartments, and will also include renovation of the shared laundry rooms.

In parallel with the upgrades, 36 apartments will be created through construction in attic spaces and the conversion of premises into apartments. This will provide a welcome addition of new apartments in an area with high demand for housing.

In Larsberg, we are continuing the total upgrades of apartments that have received base upgrades, and the aim is to complete total upgrades for around 100 apartments each year. To date this year, 41 apartments have received total upgrades. Agreements covering rent levels for apartments with total upgrades in Larsberg have been negotiated with the Swedish Union of Tenants, thereby reducing risk for this component of our strategy for adding value. In addition to the total upgrades at Larsberg, vacant apartments at Käppala will receive total upgrades in conjunction with the completion of the base upgrades.

The construction of U25, a building with 74 apartments for young adults in Larsberg, is progressing according to plan and is attracting considerable interest from prospective tenants. Three of the apartments at U25 are apartment shares, whereby four tenants share the common areas and have their own lockable bedroom. We have a partnership in place with the company Colive, which will also furnish the apartments, offer services and organise activities for the residents. To promote well-being and a community, the activities are open to the other residents at U25 – that is, those not in the apartment shares.

Now that the end of the construction process for U25 is in sight, focus is increasing on other potential new build projects in our areas. All of the identified projects are located on paved areas owned by John Mattson. Our growth strategy also includes acquiring properties in the Stockholm area and participating in municipal land allocation competitions.

## Our sustainability efforts

A long-term perspective and sustainability have always been at the core of John Mattson. These apply to the management of our existing properties in relation to our tenants, and to new construction and adding value to the holdings. Our Outdoor Areas concept provides us with a well-developed strategy for societal sustainability efforts and aims to increase safety and well-being in the areas. Among other things, Outdoor Areas encompasses barbecue evenings together with tenants, neighbourhood watch patrols, outdoor cinemas, basketball tournaments and jumble sales.

## Future assessment

Some way in to the third quarter, we can now envisage an exciting autumn and winter ahead of us. The upgrade of Käppala and occupancy of U25 are a couple of the highlights. But I am also looking forward to continued focus on our long-term ambition of establishing our operations outside of Lidingö and to continue developing our portfolio in different ways. We are highly confident in our continued development and growth.



*Siv Malmgren*  
CEO, Siv Malmgren

# John Mattson's property portfolio

John Mattson's property portfolio is concentrated in the south of Lidingö and mainly consists of residential property. The portfolio comprises 2,177 rental properties with a lettable area of 169,000 sq m, broken down as 91% residential and 9% commercial premises.

Master Builder John Mattson constructed Larsberg toward the end of the 1960s. The company owns most of the land in Larsberg and has increased the area's housing density in recent years by adding a number of housing blocks. Larsberg accounts for 67% of the total number of apartments. The Barkassen and Galeasen properties, located nearby in Baggeby, have received total upgrades and encompass a total of 83 apartments. Since 2015, the company has owned and managed one property with 146 apartments in the neighbouring area of Dalénium. The Parkhusen blocks in Larsberg, totalling 80 apartments, were completed in June 2018 and 481 apartments were acquired in Käppala on Lidingö in 2018.

## Adding value

Over the last few years, the buildings in Larsberg and Baggeby have undergone extensive upgrades to ensure their technical viability and to generate a higher net operating income primarily through higher rent levels.

Renovations follow a two-step process: first, the initial base upgrade secures the building's technical viability through the replacement of electrical and plumbing systems as well as bathrooms, which also aims to meet the demands of existing tenants. The following step, the total upgrade, brings the apartments up to contemporary standards, again to meet demand from tenants. This focuses on the remaining aspects of the apartment and the

installation of new kitchen interiors and renovation of all surfaces.

Apartments must be vacated for a total upgrade to be carried out. In conjunction with the upgrades, unused spaces are converted to housing.

The base upgrades at Larsberg were completed in 2018. The acquisition of 481 apartments in Käppala resulted in an increase in the percentage of unrenovated apartments in the company's portfolio. In the January to June period, 41 (99) apartments were given total upgrades.

Agreements have been signed with contractors for the base upgrades at Käppala and, in Q3 2019, production will start with the consequent total upgrade of any vacant apartments. In conjunction with the base upgrades, unused premises and laundry rooms will be converted into 11 apartments and in the attics of two buildings, a further 25 apartments will be created. A further 36 apartments will thus be added to the property portfolio. The aim is to conduct base upgrades of all the apartments in Käppala over the next two years and to carry out total upgrades of a combined total of 200 apartments in Käppala and Larsberg.

## Acquisitions

Part of John Mattson's strategy includes continuously evaluating acquisition potential, including the acquisition of development rights and participation in competitions for land allocation projects in the Stockholm region, with the aim of adding properties and apartments with development potential in attractive market locations. Acquisitions occur on the basis of long-term acceptance of responsibility, where a key factor is the possibility of managing and developing the portfolio in line with John Mattson's business model and strategies.

## Property portfolio as per 30 June 2019

## January–June 2019

	Buildings/ Apartments		Property value		Lettable area		No. of renovated apartments		Rental value		Economic occupancy rate	Tenant turnover <sup>1)</sup>	Rental revenues	Property expenses	Net operating income
	No.	No.	SEK/m	SEK/sq m	thousand sq m	Base	Total/New build	SEK/m	SEK/sq m	%	%	SEK m	SEK m	SEK m	
Housing															
Larsberg	22	1,467	4,155.6	36,265	114.6	872	595	169.2	1,476	99.1	14.1	81.2	36.5	44.7	
Baggeby	2	83	237.7	41,651	5.7	–	83	9.1	1,601	98.5	7.2	4.8	1.7	3.1	
Dalénium	1	146	468.0	50,759	9.2	–	146	21.8	2,362	97.8	18.5	10.7	2.9	7.8	
Käppala	12	481	824.0	27,418	30.1	–	85	39.2	1,305	85.4	13.9	16.7	11.9	4.8	
<b>Total housing<sup>2)</sup></b>	<b>37</b>	<b>2,177</b>	<b>5,685.3</b>	<b>35,629</b>	<b>159.6</b>	<b>872</b>	<b>909</b>	<b>239.3</b>	<b>1,500</b>	<b>96.7</b>	<b>–</b>	<b>113.5</b>	<b>53.0</b>	<b>60.4</b>	
Commercial and other premises															
Larsberg	3	–	300.6	37,769	8.0	–	–	21.8	2,734	96.7	–	10.5	2.9	7.5	
<b>Total investment properties</b>	<b>40</b>	<b>2,177</b>	<b>5,985.9</b>	<b>35,731</b>	<b>167.5</b>	<b>872</b>	<b>909</b>	<b>261.1</b>	<b>1,558</b>	<b>96.7</b>	<b>–</b>	<b>124.0</b>	<b>56.0</b>	<b>68.0</b>	
Ongoing projects	1	–	125.0	–	–	–	–	–	–	–	–	–	–	–	
Development projects for identified development rights and undeveloped land															
	1	–	62.2	40,627	1.5	–	–	3.0	1,961	63.9	–	1.0	0.1	0.8	
<b>Total</b>	<b>42</b>	<b>2,177</b>	<b>6,173.1</b>		<b>169.1</b>	<b>872</b>	<b>909</b>	<b>264.1</b>		<b>96.3</b>	<b>–</b>	<b>124.9</b>	<b>56.1</b>	<b>68.8</b>	

<sup>1)</sup>In the preceding twelve-month period.

<sup>2)</sup>Residential property pertains to property that primarily consists of housing, but where a portion of the lettable area may also include other premises and garages.

## Apartment structure and occupancy rate

As of 30 June 2019, the total number of apartments was 2,177 (2,171). Of these, 396 (459) were unrenovated, 872 (913) had undergone base upgrades, 494 (387) had received total upgrades and 415 (412) were newly built.

The economic occupancy rate at 30 June 2019 was 96.3% (95.2) and the occupancy rate for apartments was 97.8% (95.5). As per 30 June 2019, 66 apartments were vacant, of which 60 were attributable to the portfolio acquired in Käppala in 2018. These vacant apartments can be given a total upgrade direct from their unrenovated state.

Object	No.	Lettable area, thousand sq m	Rental value, SEK m
Unrenovated Apts.	396	24.1	27.3
Base upgrade, Apts.	872	69.2	87.8
Total upgrade, Apts.	494	35.8	55.7
New build Apts.	415	24.8	51.8
Garages and parking places	–	–	12.2
Premises and store rooms	–	15.1	29.3
<b>Total</b>	<b>2,177</b>	<b>169.1</b>	<b>264.1</b>

Vacancies and discounts	No.	Lettable area, thousand sq m	Vacancy value, SEK m
Vacant Apts.	66	3.8	4.7
Vacant garages and parking places	–	–	2.6
Vacant premises and store rooms	–	2.0	1.4
Discounts	–	–	1.0
<b>Total</b>	<b>66</b>	<b>5.8</b>	<b>9.6</b>

	No.	Let area, thousand sq m	Contract value, SEK m
<b>Total</b>	<b>2,111</b>	<b>163.3</b>	<b>254.4</b>

The rental value pertains to contractual annual rents and assessed market rents for vacant space.

The vacancy value comprises a snapshot at period end.

# Infill development

John Mattson works actively to identify land where infill development is possible and appropriate for the existing built-up area. This work is mainly confined to our own land, and the aim is to generate growth through value adding construction that concurrently makes the area more attractive. Development is conducted in close collaboration with the municipality and local stakeholders.

## Ongoing projects

The construction of U25, the 74 apartments for young adults in Larsberg, is progressing as planned with completion scheduled for the fourth quarter of 2019. The U25 apartments mainly consist of space-efficient studio and one-bedroom apartments as well as three apartment shares. For the three apartment shares, agreements have been signed with the company Colive, which delivers a shared living concept.

The detailed development plan and the construction permit process for U25 was conducted in an express project format in close collaboration with the municipality of Lidingö Stad and where the process was completed in less than one year.

## Development projects

The planning process is ongoing for some 200 new homes in the Fyrtornet 5 property in Larsberg under the project name of Ekporten.

A number of additional potential infill development projects have been identified in Larsberg and in Käppala. In total, John Mattson's development portfolio encompasses around 1,000 apartments.

The carrying amount for ongoing development projects was SEK 62.2 million (62.2).

## Ongoing development and infill projects as of 30 June 2019

Property/Area	Category	No. of Apts.	Additional lettable area	Carrying amount, SEK m	Total Inv. incl. land, SEK m	Of which, left to invest, SEK m	Estimated rental value SEK m <sup>1)</sup>	Completion
U25, Klockbojen 4/Larsberg	New builds	74	2,396	125.0	141.5	25.4	7.8	Q4 2019
Herkules 1/Käppala	Conversion of premises	11	480	–	11.5	10.5	approx. 1 <sup>2)</sup>	Q1 2021
Herkules 1/Käppala	Attic extension	25	820	–	34.0	30.2	approx. 2 <sup>2)</sup>	Q1 2021
<b>Total ongoing projects</b>		<b>110</b>	<b>3,696</b>	<b>125.0</b>	<b>187.0</b>	<b>66.1</b>	<b>approx. 11</b>	

<sup>1)</sup> Pertains to the estimated rental value when the project has been completed and is fully let.

<sup>2)</sup> A standard rent level based on similar projects is applied.

## Development projects and identified development rights

Property/Area	Category	No. of Apts. <sup>1)</sup>	Additional lettable area <sup>1)</sup>	Carrying amount, SEK m	Possible construction start <sup>2)</sup>	Project phase
Ekporten, Fyrtornet 5/Larsberg	New builds	200	approx. 11–12,000	–	2020	Ongoing planning process
Juno 2 & 3/Käppala	Conversion of premises	9	300	–	2020	Detailed development plan in place
Juno 2 & 3/Käppala	Attic extension	50	1,750	–	2021	Inquiry under way
<b>Total ongoing development projects</b>		<b>259</b>	<b>approx. 13–14,050</b>	<b>62.2</b>		
Larsberg	New builds	approx. 500–600	approx. 30–35,000	–	after 2022	New detailed development plan needed
Käppala	New builds	approx. 150	approx. 10,000	–	after 2022	New detailed development plan needed
<b>Total development rights identified</b>		<b>approx. 650–750</b>	<b>approx. 40–45,000</b>	<b>–</b>		
<b>Total development portfolio</b>		<b>approx. 900–1,000</b>	<b>approx. 53–59,050</b>	<b>62.2</b>		

<sup>1)</sup> The number of apartments and the area have been assessed by John Mattson and are therefore only preliminary. The figures could change during the course of the project.

<sup>2)</sup> The possible construction start is an estimate of when the project could start if work on the detailed development plan progresses in line with the current assessment.

# Current earnings capacity

The table illustrates John Mattson's current earnings capacity on a 12-month basis as per 30 June 2019, after taking the entire property portfolio on the balance-sheet date into consideration. The properties acquired and the projects completed during the period have been restated on an annualised basis.

Current earnings capacity is reported in conjunction with interim and year-end reports. The aim is to highlight the company's underlying earning capacity. It is important to note that the actual earnings capacity is not a forecast for the current year nor for the forthcoming 12 months.

The earnings capacity does not include assessments of rental, vacancy or interest-rate changes. Moreover, John Mattson's earnings are impacted by changes in the values of properties and derivatives.

None of the above was taken into consideration when assessing current earnings capacity. Costs connected to the stock exchange listing are not included in the assessment of earning capacity.

Rental revenues are based on contractual revenue on the balance-sheet date. Property expenses are based on LTM property expenses for properties owned for the entire period.

Additions are made for completed new builds, extensions and re-development projects and for implemented acquisitions calculated at an annualised rate. Deductions are made for any disposals.

Maintenance expenses attributable to completed upgrade projects over the most recent 12-month period have been excluded.

Property administration costs are based on estimated costs on a rolling 12-month basis using the scope and extent of property administration on the balance-sheet date.

Central administration costs are based on estimated costs on a rolling 12-month basis using the scope and extent of central administration at the balance-sheet date.

Net financial items have been calculated based on net interest-bearing debt on the balance-sheet date. Any interest on cash and cash equivalents has not been taken into account and the interest on interest-bearing liabilities has been calculated using the current average interest rate at the balance-sheet date.

SEK m	30 June 2019
Rental value	264.1
Vacancies and discounts	-9.6
<b>Rental revenues</b>	<b>254.4</b>
Operating expenses	-57.0
Maintenance expenses	-21.2
Property administration	-16.1
Property tax	-4.4
<b>Net operating income</b>	<b>157.1</b>
Central administration costs	-26.0
Net financial items	-48.4
<b>Income from property management</b>	<b>81.3</b>

# Condensed consolidated statement of comprehensive income

Amounts in SEK m	Note	Apr–Jun 2019	Apr–Jun 2018	Jan–Jun 2019	Jan–Jun 2018	Rolling 12 months Jul 2018–Jun 2019	Jan–Dec 2018
Rental revenues	2	62.9	48.5	124.9	96.4	246.9	218.3
Operating expenses	3	-13.9	-9.0	-31.2	-21.1	-57.0	-46.9
Maintenance	3	-7.2	-11.4	-12.5	-21.5	-34.3	-43.3
Property tax	3	-1.1	-0.9	-2.2	-1.8	-4.4	-4.0
Property administration	3	-6.6	-5.3	-10.2	-9.4	-21.6	-20.9
<b>Net operating income</b>		<b>34.1</b>	<b>22.0</b>	<b>68.8</b>	<b>42.5</b>	<b>129.5</b>	<b>103.2</b>
Central administration costs	4	-12.8	-8.4	-24.0	-12.0	-49.4	-37.4
Net financial items	5	-12.4	-10.4	-24.3	-22.3	-44.1	-42.1
<b>Income from property management</b>	1	<b>9.0</b>	<b>3.1</b>	<b>20.5</b>	<b>8.2</b>	<b>36.0</b>	<b>23.7</b>
Change in property values	6	29.9	54.0	51.4	132.6	127.7	208.9
Change in the value of interest-rate derivatives	6	-15.5	-6.1	-24.7	-6.3	-17.6	0.8
<b>EBT</b>		<b>23.4</b>	<b>51.1</b>	<b>47.2</b>	<b>134.5</b>	<b>146.2</b>	<b>233.4</b>
Current tax	7	-0.2	–	-0.5	–	-0.5	0.0
Deferred tax	7	-7.8	34.8	-14.9	14.7	-40.7	-11.1
<b>Profit for the period</b>		<b>15.5</b>	<b>85.9</b>	<b>31.8</b>	<b>149.2</b>	<b>104.9</b>	<b>222.3</b>
Other comprehensive income for the period							
Profit for the period		15.5	85.9	31.8	149.2	104.9	222.3
Other comprehensive income		–	–	–	–	–	–
<b>Comprehensive income for the period</b>		<b>15.5</b>	<b>85.9</b>	<b>31.8</b>	<b>149.2</b>	<b>104.9</b>	<b>222.3</b>
Average No. of shares, thousand <sup>1)</sup>		33,670	30,040	33,670	30,020	33,670	31,860
Earnings per share for the period		0.46	2.86	0.94	4.97	3.12	6.98

<sup>1)</sup> The average number of shares takes into account the 3:1 share split resolved by the AGM on 11 March 2019 and the 10,000:1 share split decided in 2018.

Profit for the period is attributable in full to the Parent Company's shareholders. No dilution effects apply.

# January to June 2019 period

The comparative figures pertain to the year-earlier period. Some amounts have been rounded off, which means that tables and calculations do not always tally. The stated SEK per square metre figures pertain to rolling 12 month outcomes, whereby acquired properties and completed projects have been restated at the full-year rate.

## Note 1: Income from property management

Income from property management – profit excluding value changes and tax for the January–June 2019 period – was SEK 20.5 million (8.2), corresponding to SEK 0.61 per share (0.27). This corresponded to annual growth in income from property management per share of 123.2%. The increase was mainly due to acquired and newly built housing units in the second half of 2018. Non-recurring central administration costs of SEK 9.9 million (4.4), connected to the completed stock exchange listing, were charged against income from property management.

## Note 2: Revenue

The Group's revenue for the period amounted to SEK 124.9 million (96.4), corresponding to SEK 1,460 per sq m (1,418). The average economic occupancy rate over the period amounted to 95.9% (98.0) including discounts of SEK 0.6 million (0.5).

Revenue	Jan–Jun 2019, SEK m	30 Jun 2019 SEK/sq m	Jan–Jun 2018, SEK m	30 Jun 2018 SEK/sq m
Larsberg	92.6	1,474	82.7	1,367
Baggeby	4.8	1,557	3.0	1,055
Dalénum	10.7	2,328	10.6	2,312
Käppala	16.7	1,117	–	–
<b>Total</b>	<b>124.9</b>	<b>1,460</b>	<b>96.4</b>	<b>1,418</b>

Rental revenues for residential properties for the period totalled SEK 113.5 million (85.5), corresponding to SEK 1,405 per sq m (1,358). Rental revenues solely from housing totalled SEK 105.6 million (79.7), corresponding to SEK 1,357 per sq m (1,313). The average economic occupancy rate for apartments over the period amounted to 96.8% (98.5) including apartment vacancies of SEK 3.1 million (1.1) and apartment discounts of SEK 0.2 million (0.0). Käppala accounted for SEK 1.8 million of apartment vacancies.

The total revenue increase of SEK 28.6 million was mainly attributable to acquired and newly built properties, which increased revenue by SEK 22.4 million (0.0) for the period. The increase was also due to implemented base and total upgrades, which had an impact on revenue of SEK 4.6 million (1.7). The general annual housing rent negotiations for 2019 resulted in increases of 1.8–2.1% and apply from 1 July 2019. For the period, general residential rent increases had a revenue impact of SEK 0.5 million (0.7) for the period. The remaining part of the revenue increase was attributable to commercial premises, garages and parking places.

## Note 3: Property expenses

Property expenses have increased as a result of acquisitions in 2018, whereas maintenance expenses have decreased year-on-

year. Property expenses totalled SEK 56.1 million (53.8), corresponding to SEK 694 per sq m (890), which is a cost reduction of SEK 196 per sq m or 22%.

Operating expenses amounted to SEK 31.2 million (21.1). The increase for the period was mainly due to additional operating expenses arising from acquired properties and new-built projects completed in 2018, which were taken into management at the end of the first half of 2018. The largest cost item was tariff-based costs, which corresponded to around 40% of operating expenses.

Property expenses	Jan–Jun 2019, SEK m	30 Jun 2019 SEK/sq m	Jan–Jun 2018, SEK m	30 Jun 2018 SEK/sq m
Larsberg	39.5	641	47.1	903
Baggeby	1.7	669	4.1	1,242
Dalénum	2.9	595	2.6	504
Käppala	11.9	947	–	–
<b>Total</b>	<b>56.1</b>	<b>694</b>	<b>53.8</b>	<b>890</b>

Maintenance expenses amounted to SEK 12.5 million (11.3), of which SEK 0.0 million (11.3) was attributable to base and total upgrades carried out during the period. The SEK per square metre figures are based on rolling 12 month outcomes, where planning expenses of SEK 5.9 million for aborted projects were recognised for Käppala in 2018.

Property expenses /sq m	Larsberg	Baggeby	Dalénum	Käppala	Total
Operating expenses	304	364	400	449	337
Maintenance	191	173	66	299	203
<i>of which, upgrades</i>	57	31	–	–	43
Property tax	28	8	20	24	26
Property administration	118	123	109	174	128
<b>Total</b>	<b>641</b>	<b>669</b>	<b>595</b>	<b>947</b>	<b>694</b>

## Note 4: Central administration costs

Central administration costs, which consist of costs for company management and central support functions, totalled SEK 24.0 million (12.0). During the period, non-recurring costs of SEK 9.9 million (4.4) connected to the completed stock exchange listing were recognised under central administration costs.

## Note 5: Net financial items

Net financial items amounted to an expense of SEK 24.3 million (expense: 22.3). Capitalised financial expenses for ongoing projects amounted to SEK 0.3 million (1.0). The average interest rate, including the effects of interest-rate derivatives, was 1.88% (1.94) at the end of the period. The average interest coverage ratio was a multiple of 1.8 (1.4) at the end of the period.

## Note 6: Changes in value

During the period, the property market in general remained strong with stable prices. Unrealised changes in the value of properties amounted to SEK 51.4 million (132.6). Value changes were mainly attributable to an improved net operating income and ongoing projects during the period.

Unrealised changes in value	Jan-Jun 2019, SEK m	Jan-Jun 2018, SEK m
Change in net operating income	33.1	104.7
Ongoing projects/development rights	18.2	19.3
Yield requirement	-	-
Acquired properties	-	8.5
<b>Total</b>	<b>51.4</b>	<b>132.6</b>
<i>In relation to market value, OB, %</i>	<i>0.9</i>	<i>2.8</i>

Unrealised value changes in interest-rate derivatives amounted to a negative SEK 24.7 million (negative: 6.3), as a result of falling long-term market interest rates, which resulted in an increase in the interest-rate derivatives' deficit values in the period.

## Note 7: Tax

Current tax for the period was SEK 0.5 million (expense: 0.0). Deferred tax amounted to SEK 14.9 million (expense: 14.7) and was impacted by unrealised changes in net property and derivative values of a negative SEK 5.5 million (negative: 27.8). In the previous year, deferred tax was impacted by a non-recurring effect of SEK 44.4 million due to the lowering of the tax rate from 22% to 20.6%.

In conjunction with closing the books for the second quarter of 2018, a revaluation of deferred tax was carried out.

The revaluation was due to a decision taken to lower corporation tax in Sweden in two stages, to 21.4% from 2019 and to 20.6% from 2021. John Mattson calculates deferred tax at the lower rate, since no significant amounts for any tax liabilities or assets are expected to be reversed in the period up to 2021.

The new tax rules also entail certain limits in terms of the tax deductibility of interest expenses.

The Group will be subject to the new limitations on deducting interest expenses; the new rules could negatively affect the possibility of deducting the Group's interest expenses depending on, inter alia, the capital structure and EBIT moving forward.

The Group's loss carryforwards are estimated at SEK 490.4 million (500.9 at 31 December 2018), and comprise the basis for the Group's deferred tax assets. The deferred tax liability pertains primarily to temporary differences between the fair values and the fiscal residual values of properties. The properties' fair values exceed their fiscal values by SEK 4,542.4 million (4,455.9 at 31 December 2018). The full nominal tax rate of 20.6% is recognised as deferred tax liabilities, less deferred tax pertaining to historical asset acquisitions.

SEK m	Tax base, current tax	Tax base, deferred tax
Income from property management	20.5	-
<i>Tax deductible</i>		
Depreciation	-18.1	18.1
New builds and redevelopments	-16.9	16.9
Other fiscal adjustments	27.3	-0.1
<b>Taxable income from property management</b>	<b>12.8</b>	<b>35.0</b>
Changes in property values	-	51.4
Changes in derivative values	-	-24.7
<b>Taxable earnings before loss carryforwards</b>	<b>12.8</b>	<b>61.7</b>
Loss carryforwards, opening balance	-500.9	500.9
Loss carryforwards, closing balance	490.4	-490.4
<b>Taxable profit</b>	<b>2.2</b>	<b>72.2</b>
<b>Tax for the period</b>	<b>-0.5</b>	<b>-14.9</b>
<b>Tax recognised in profit or loss</b>	<b>-0.5</b>	<b>-14.9</b>

SEK m	Tax base	Nominal tax liability	Actual tax liability/asset
Properties	-4,542.4	-935.7	-272.5
Derivatives	98.2	20.2	18.7
Loss carryforwards	490.4	101.0	83.4
Untaxed reserves	-0.3	-0.1	-0.1
<b>Total</b>	<b>-3,954.2</b>	<b>-814.6</b>	<b>-170.6</b>
Property, asset acquisitions	581.8	119.9	-
<b>According to balance sheet</b>	<b>-</b>	<b>-694.7</b>	<b>-</b>

The nominal tax liability recognised in the balance sheet was a net amount of SEK 694.7 million. However, the actual tax liability was calculated at only SEK 170.6 million.

A tax rate of 6% has been assumed for the estimated, actual deferred tax on the Group's properties, based on a discount interest rate of 3%. This estimation was conducted with regard to the applicable tax legislation, which means that properties can be sold in a corporate wrapper with no tax consequences. The assumption underlying this assessment is that the properties will be divested on an ongoing basis over a 50-year period and where 90% of the properties will be sold using a corporate wrapper and 10% will be divested through direct property transfers. Tax deductions for the indirect transactions have been estimated at 5.5%. In respect of loss carryforwards and derivatives, the estimated actual tax liability was calculated based on a discount interest rate of 3%, whereby the assessment is that the loss carryforwards will be realised over a ten-year period and the derivatives will be realised over a five-year period. This means that the estimated actual tax is 17% for loss carryforwards and 19% for derivatives.

# Condensed consolidated balance sheet

Amounts in SEK m	Note	30 June 2019	30 June 2018	31 December 2018
<b>ASSETS</b>				
Investment properties	8	6,173.1	5,845.2	6,039.5
Other non-current assets		6.5	9.8	9.4
<b>Total non-current assets</b>		<b>6,179.6</b>	<b>5,855.0</b>	<b>6,048.9</b>
Current receivables		14.6	8.2	25.8
Cash and cash equivalents		19.1	19.9	2.8
<b>Total current assets</b>		<b>33.7</b>	<b>28.1</b>	<b>28.7</b>
<b>TOTAL ASSETS</b>		<b>6,213.3</b>	<b>5,883.1</b>	<b>6,077.6</b>
<b>EQUITY AND LIABILITIES</b>				
Equity	9	2,787.8	2,682.9	2,756.0
Provisions		0.6	0.7	0.6
Non-current interest-bearing liabilities	9	2,090.7	–	2,479.4
Deferred tax liabilities	7	694.7	654.0	679.8
Interest-rate derivatives	9	98.2	80.6	73.5
<b>Total non-current liabilities</b>		<b>2,884.2</b>	<b>735.3</b>	<b>3,233.3</b>
Current interest-bearing liabilities	9	484.2	2,372.4	–
Other current liabilities		57.1	92.6	88.3
<b>Total current liabilities</b>		<b>541.4</b>	<b>2,465.0</b>	<b>88.3</b>
<b>Total liabilities</b>		<b>3,425.5</b>	<b>3,200.2</b>	<b>3,321.6</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,213.3</b>	<b>5,883.1</b>	<b>6,077.6</b>

# Condensed consolidated statement of changes in equity

Amounts in SEK m	Total shares outstanding, thousand <sup>1)</sup>	Share capital	Other contributed capital	Retained earnings	Total equity
<b>Equity at 1 Jan 2018</b>	<b>30,000</b>	<b>10.0</b>	–	<b>2,159.7</b>	<b>2,169.7</b>
Offset issue	3,670	1.2	362.8		364.0
Comprehensive income for the period	–	–	–	149.2	149.2
<b>Equity at 30 Jun 2018</b>	<b>33,670</b>	<b>11.2</b>	<b>362.8</b>	<b>2,308.9</b>	<b>2,682.9</b>
Comprehensive income for the period	–	–	–	73.1	73.1
<b>Equity at 31 Dec 2018</b>	<b>33,670</b>	<b>11.2</b>	<b>362.8</b>	<b>2,382.0</b>	<b>2,756.0</b>
Comprehensive income for the period				31.8	31.8
<b>Equity at 30 Jun 2019</b>	<b>33,670</b>	<b>11.2</b>	<b>362.8</b>	<b>2,413.8</b>	<b>2,787.8</b>

1) At 30 June 2019, the quotient value of the shares was SEK 0.33 per share (SEK 10,000). A share split was decided in 2018 that entailed each share being split into 10,000 new shares (split 10,000:1). The share split was completed in the second quarter of 2018. The Annual General Meeting on 11 March 2019 resolved to conduct a three for one split of the company's shares. In this report, restatements have been made after taking these splits into consideration.

# Balance sheet at 30 June 2019

## Note 8: Investment properties

John Mattson's property portfolio is concentrated to Lidingö in Stockholm and mainly consists of residential property located in the Larsberg, Baggeby, Dalénum and Käppala districts.

At the end of the period, the property value was SEK 6,173.1 million (5,845.2) with a lettable area of 169,000 sq m (169,000), broken down as 91% residential and 9% commercial premises, with an annual rental value of SEK 264.1 million (253.9). The portfolio comprises 2,177 apartments (2,171).

### Investments

During the period, total investments amounted to SEK 82.2 million (974.0), of which SEK 0.0 million (801.9) pertained to acquisitions. Investments in new builds totalled SEK 57.8 million (61.1) and essentially pertained to the completion of U25 with 74 apartments for young adults. Investments in implemented base and total upgrades amounted to SEK 17.6 million (110.7) and encompassed 41 apartments (243).

### Change in property value

	SEK m
Property value, opening balance at 1 Jan 2019	6,039.5
+ Acquisitions	–
+ Investments in new builds	57.8
+ Investments in base upgrades	3.0
+ Investments in total upgrades	14.7
+ Other investments	6.8
– Sales	–
+/- Unrealised changes in value	51.4
<b>Property value, closing balance at 30 Jun 2019</b>	<b>6,173.1</b>

### Property value

The Group's properties are recognised at fair value in line with level 3 under IFRS 13. As of 30 June 2019, external valuations had been carried out for all of the Group's properties by Cushman & Wakefield. The valuations use a cash-flow model with an individual assessment for each property covering its future earnings potential and the market's yield requirement.

The estimates are normally conducted using a horizon of 10.5 years, the period from July 2019 to December 2029. For an assessment of residual value at the end of the calculation horizon, net operating income for 2030 has been calculated. A couple of the valuation objects comprise new build projects that are not liable for property tax for a period of 15 years from completion. For these properties, the calculation horizon has been extended to take this into account. In addition to assumed inflation of 2.0%, the assessment of a property's future earnings capacity has also taken into consideration any changes in rent levels, occupancy rates and property expenses. Yield requirements are individual for each property and depend on the analysis of completed transactions and the property's market position.

### Property-related key metrics

	Jan–Jun 2019	Jan–Jun 2018
Rental value SEK/sq m	1,562	1,502
Economic occupancy rate, %	96.3	95.2
Property expenses, SEK/sq m	694	890
Net operating income, SEK/sq m	766	528
Property value, SEK/sq m	35,775	34,489
Number of buildings	42	42
Lettable area at the end of the period, thousand sq m	169	169
Average valuation yield	3.1	3.1

# Financing

## Note 9: Financing

John Mattson strives to keep financial risk low with a long-term LTV ratio that is not permitted to exceed 50% and a long-term interest coverage ratio of not less than 1.5.

### Equity

As of 30 June 2019, equity totalled SEK 2,787.8 million (2,682.9), which corresponds to SEK 82.80 (79.68) per share. During the period, equity increased with profit for the period of SEK 31.8 million (149.2).

### Interest-bearing liabilities

John Mattson conducts its borrowing through banks using mortgage deeds as collateral. At the end of the period, John Mattson had credit agreements for SEK 3,209.9 million (2,382.4). During the period, disposable liquidity increased SEK 150 million in the form of additional credit facilities. Disposable liquidity, which comprises unutilised credit facilities and cash balances, amounted

to SEK 179.1 million (29.9) at the end of the period. Moreover, a credit facility of SEK 475 million has been arranged for the purpose of securing the refinancing of existing credit agreements until 30 September 2020. The loan volumes utilised at the end of the period amounted to SEK 2,574.9 million (2,372.4), of which SEK 2,090.7 million (0.0) was a non-current liability and SEK 484.2 million (2,372.4) was current. Net interest-bearing liabilities amounted to SEK 2,555.8 million (2,352.5), corresponding to an LTV ratio of 41.4% (40.2).

New borrowing during the period amounted to SEK 100.0 million (587.5 (of which SEK 429 million was attributable to taking over credits in conjunction with the Käppala acquisition)) to finance completed and ongoing new build projects and upgrades. Loan repayments during the period amounted to SEK 4.6 million (0.0).

The average loan-to-maturity was 2.7 years (1.5) at the end of the period.

## Fixed-interest and loan-to-maturity periods at 30 June 2019

Maturity	Fixed-interest period			Loan-to-maturity			Interest-rate swaps	
	Volume (SEK m)	Average interest (%) <sup>1)</sup>	Share (%)	Credit agreement volume (SEK m)	Utilised, SEK m	Share (%)	Volume (SEK m)	Average interest rate (%) <sup>2)</sup>
0–1 year	875	2.06	34	969	484	19	0	–
1–2 years	258	2.50	10	767	617	24	186	–
2–3 years	503	1.59	20	524	524	20	154	–
3–4 years	0	0.00	0	475	475	18	0	–
4–5 years	171	1.21	7	475	475	18	171	–
→ 5 years	768	1.82	30	0	0	0	768	–
<b>Total</b>	<b>2,575</b>	<b>1.88</b>	<b>100</b>	<b>3,210</b>	<b>2,575</b>	<b>100</b>	<b>1,279</b>	<b>1.82</b>

<sup>1)</sup> Average interest rate at the end of the period including derivatives.

<sup>2)</sup> Volume-weighted average interest for interest-rate derivatives.

## Fixed interest and interest-rate derivatives

The interest-rate maturity structure is allocated over time to ensure the stability of net financial items. John Mattson utilises derivatives in the form of interest-rate swaps to limit risk for floating-rate loans. An interest-rate swap is an agreement between two parties to swap interest payments over a fixed period. By combining floating rate (Stibor) loans with interest-rate swaps, a predetermined interest rate can be secured for the duration of the swap. The agreement means that the company receives a floating interest rate (corresponding to the interest rate under the loan agreement) at the same time as a fixed interest rate (swap interest rate) is paid. None of the company's loan agreements include covenants that prevent the base rate (Stibor) declining to a nega-

tive rate when establishing the interest rates for the interest periods. Such covenants would entail rising interest expenses for the company in the case of negative base rates and would substantially limit the efficiency of interest-rate hedging. Therefore, only loan agreements without such terms are entered into.

In accordance with the accounting rules in IFRS 9, these derivatives must be marked to market. Irrespective of the credit margin, if the agreed interest rate for a derivative deviates from the market interest rate, a theoretical surplus or deficit value arises for the interest-rate derivative, and this non-cash item is recognised in profit or loss. On expiry, the derivative contract's market value dissolves entirely and, accordingly, the value change over time has had no impact on equity.

John Mattson has contracted interest-rate swaps to a nominal value of SEK 1,279.0 million (1,279.0), corresponding to 49.7% (53.9) of interest-bearing liabilities. The company has also contracted interest-rate swaps of a further SEK 400.0 million with a start date of 2020, which will become effective in conjunction with the expiry of derivative agreements of SEK 586 million. The interest-rate swaps expire between 2020 and 2028. The market value of interest-rate derivatives at the end of the period was a negative SEK 98.2 million (negative: 80.6). The related reserve of SEK 98.2 million will be gradually reversed and recognised in profit or loss up to the end date of the derivatives, re-

gardless of the interest-rate level. No hedge accounting is applied. The fair value of non-current interest-bearing liabilities does not deviate from their carrying amounts, since the discounting effect is not material. John Mattson's average fixed-interest tenor, including interest-rate swaps, was 3.0 years (4.0) at the end of the period.

The average interest rate for the Group's total interest-bearing liability, including the effect of interest-rate swaps, was 1.88% (1.94) at the end of the period.

# Condensed consolidated cash-flow statement

Amounts in SEK m	Apr–Jun 2019	Apr–Jun 2018	Jan–Jun 2019	Jan–Jun 2018	Rolling 12 months Jul 2018–Jun 2019	Jan–Dec 2018
<b>Operating activities</b>						
EBT	23.4	51.1	47.2	134.5	146.1	233.4
<i>Adjustment for non-cash items</i>						
Change in property values	-29.9	-54.0	-51.4	-132.6	-127.7	-208.9
Change in value of interest-rate derivatives	15.5	6.1	24.7	6.3	17.6	-0.8
Depreciation and disposals	0.3	0.4	0.6	0.8	1.4	1.6
Other non-cash items, etc.	0.0	-1.9	0.0	-1.9	1.8	-0.1
Taxes paid	-0.2	0.0	-0.5	0.0	-0.5	0.0
<b>Cash flow from operating activities before changes in working capital</b>	<b>9.1</b>	<b>1.7</b>	<b>20.6</b>	<b>7.1</b>	<b>38.7</b>	<b>25.2</b>
<i>Cash flow from changes in working capital</i>						
Change in operating receivables	3.7	-2.3	14.1	3.3	-4.0	-14.8
Change in operating liabilities	-5.4	12.8	-31.1	14.8	-34.4	11.5
<b>Cash flow from operating activities</b>	<b>-7.4</b>	<b>12.2</b>	<b>3.6</b>	<b>25.2</b>	<b>0.3</b>	<b>21.9</b>
<i>Investing activities</i>						
Investments in equipment	-0.1	-0.1	-0.5	-0.1	-0.5	-0.1
Acquisition of investment properties <sup>1)</sup>	–	-3.0	–	-3.0	-2.6	-5.6
Investments in investment properties	-44.1	-69.4	-82.2	-170.3	-199.4	-287.5
Investments/divestments, financial assets	–	–	0.0	–	–	–
<b>Cash flow from investing activities</b>	<b>-44.2</b>	<b>-72.5</b>	<b>-82.8</b>	<b>-173.4</b>	<b>-202.6</b>	<b>-293.2</b>
<i>Financing activities</i>						
Borrowings	37.7	76.0	100.0	158.5	206.0	264.5
Repayments of borrowings	-2.3	–	-4.6	–	-4.6	–
<b>Cash flow from financing activities</b>	<b>35.4</b>	<b>76.0</b>	<b>95.5</b>	<b>158.5</b>	<b>201.5</b>	<b>264.5</b>
<b>Cash flow for the period</b>	<b>-1.4</b>	<b>15.6</b>	<b>16.3</b>	<b>10.3</b>	<b>-0.8</b>	<b>-6.8</b>
Opening balance, cash and cash equivalents	20.5	4.3	2.8	9.6	19.9	9.6
Closing balance, cash and cash equivalents	19.1	19.9	19.1	19.9	19.1	2.8
<b>Additional cash-flow statement disclosures</b>						
<sup>1)</sup> Acquisition of investment properties in corporate wrappers:						
Investment properties	–	801.9	–	801.9	804.5	804.5
Operating receivables	–	0.5	–	0.5	0.5	0.5
Cash and cash equivalents	–	2.1	–	2.1	2.1	2.1
Acquired borrowings	–	-429.0	–	-429.0	-430.0	-430.0
Operating liabilities	–	-6.4	–	-6.4	-5.4	-5.4
Net assets acquired	–	369.1	–	369.1	371.7	371.7
Offset issue	–	-364.0	–	-364.0	-364.0	-364.0
Purchase price paid	–	5.1	–	5.1	7.7	7.7
Less: Cash and cash equivalents in acquired operations	–	-2.1	–	-2.1	-2.1	-2.1
Net impact on cash and cash equivalents (positive = decrease)	–	3.0	–	3.0	5.6	5.6

# Parent Company

The operations of the Parent Company, John Mattson Fastighetsföretagen AB with company registration number 556802-2858, primarily encompass shared Group services pertaining to strategy, communication, business development and accounting/finance. The cost of the stock exchange listing was charged to the Parent Company.

## Condensed Parent Company income statement

Amounts in SEK m	Jan-Jun 2019	Jan-Jun 2018	Jan-Dec 2018
Revenue	3.8	2.5	64.3
Central administration costs	-22.2	-13.3	-41.2
<b>EBIT</b>	<b>-18.4</b>	<b>-10.8</b>	<b>23.1</b>
Net interest	-1.9	-1.4	-2.9
<b>Profit/loss after financial items</b>	<b>-20.4</b>	<b>-12.2</b>	<b>20.2</b>
Appropriations	0.0	0.0	-28.8
<b>EBT</b>	<b>-20.4</b>	<b>-12.2</b>	<b>-8.6</b>
Tax	2.0	-0.2	-2.4
<b>Profit/loss for the period</b>	<b>-18.4</b>	<b>-12.3</b>	<b>-11.0</b>

## Condensed Parent Company balance sheet

Amounts in SEK m	30 Jun 2019	30 Jun 2018	31 Dec 2018
<b>Assets</b>			
Participations in Group companies	1,668.6	1,664.0	1,668.6
Deferred tax assets	2.0	2.3	0.0
Receivables from Group companies	92.8	72.3	97.1
Other current receivables	0.9	2.1	0.1
Cash and cash equivalents	5.0	17.5	2.5
<b>Total assets</b>	<b>1,769.4</b>	<b>1,758.2</b>	<b>1,768.3</b>
<b>Equity and liabilities</b>			
<b>Equity</b>	<b>1,236.0</b>	<b>1,253.0</b>	<b>1,254.3</b>
Liabilities to Group companies	529.1	497.4	492.9
Other current liabilities	4.4	7.8	21.1
<b>Total equity and liabilities</b>	<b>1,769.4</b>	<b>1,758.2</b>	<b>1,768.3</b>

# Opportunities and risks in the Group and Parent Company

## Opportunities and risks in cash flow

Of John Mattson's total rental revenue, 85% is generated by residential tenants. The vacancy rate is low and rents are relatively secure and predictable. All of John Mattson's properties are located in Lidingö, in attractive areas with healthy demand.

The main operating expenses for John Mattson are for media, which include electricity, heat and water. Electricity and heating costs vary slightly from year to year due to municipal tariffs, prices and consumption.

Interest expenses are one of John Mattson's single largest expenses and are impacted by changes in market interest rates, whereby rising market interest rates over time are normally an effect of economic growth and rising inflation.

Accordingly, the interest-bearing borrowing means that John Mattson is exposed to interest-rate risk, among other risks.

Full-year effect, next 12 months, SEK m	Change +/-	Impact on income from property management
Rent level	EK 100 per sq m	+/-16.9
Economic occupancy rate	1 percentage point	+/-2.6
Property expenses	5%	+/-4.9
Underlying market interest rate	1%	+/-8.8

## Opportunities and risks with property values

John Mattson initially recognises its properties at fair value with changes in value recognised in profit or loss. This entails increased volatility, primarily for earnings, but also for the financial position.

The market value of properties is determined by market supply and demand. The properties' values depend on their net operating income and yield requirements. A higher net operating income or lower yield requirement has a positive impact on the value. A lower net operating income or higher yield requirement has a negative impact on the value. The impact of a percentage change in property value on the LTV ratio is illustrated below.

	-20%	-10%	0%	+10%	+20%
Change in value, SEK m	-1,235	-617	0	617	1,235
Loan-to-value (LTV) ratio, %	51.8	46.0	41.4	37.6	34.5

## Financial risk

Access to funds is one of the largest risks that the company has to manage. This risk is kept in check through a low LTV ratio and a high level of disposable liquidity. Disposable liquidity, which comprises unutilised credit facilities and cash balances, amounted to SEK 179.1 million (29.9) at the end of the period. Furthermore, for the purpose of securing the refinancing of existing credit agreements until 30 September 2020, agreements have been signed encompassing SEK 475 million. The company's volume-weighted average loan-to-maturity increased and amounted to 2.7 years (1.5) at the end of the period. To limit the company's exposure to increasing interest rates, agreements concerning interest-rate swaps have been concluded with banks.

# Key metrics

	Apr–Jun 2019	Apr–Jun 2018	Jan–Jun 2019	Jan–Jun 2018	Rolling 12 months Jul 2018–Jun 2019	Jan–Dec 2018
<b>Property-related key metrics</b>						
Surplus ratio during the period, %	54.3	45.2	55.1	44.1	52.5	47.3
Economic occupancy rate at the end of the period, %	96.3	95.2	96.3	95.2	96.3	96.5
Rental value at the end of the period, SEK m	264.1	253.9	264.1	253.9	264.1	257.4
Rental value, apartments, at the end of the period, SEK/sq m	1,446	1,394	1,446	1,394	1,446	1,411
Lettable area at the end of the period, thousand sq m	169.1	169.0	169.1	169.0	169.1	169.1
Investments in new builds, extensions and redevelopments, SEK m	44.1	72.4	82.2	172.1	197.6	287.5
Property value at the end of the period, SEK m	6,173.1	5,845.2	6,173.1	5,845.2	6,173.1	6,039.5
Property value, at the end of the period, SEK/sq m	35,775	34,489	35,775	34,489	35,775	35,339
Total number of apartments	2,177	2,171	2,177	2,171	2,177	2,177
No. of upgraded apartments during the period	28	154	41	243	173	375
No. of upgraded apartments at the end of the period	1,366	1,300	1,366	1,300	1,366	1,366
No. of unrenovated apartments at the end of the period	396	459	396	459	396	396
<b>Key financial metrics</b>						
Rental revenues, SEK m	62.9	48.5	124.9	96.4	246.9	218.3
Net operating income, SEK m	34.1	22.0	68.8	42.5	129.5	103.2
Income from property management, SEK m	9.0	3.1	20.5	8.2	36.0	23.7
Earnings after tax for the period	15.5	85.9	31.8	149.2	104.9	222.3
LTV ratio at the end of the period, %	41.4	40.2	41.4	40.2	41.4	41.0
Average interest rate at the end of the period, %	1.9	1.9	1.9	1.9	1.9	1.9
Interest coverage ratio during the period, multiple	1.7	1.3	1.8	1.4	1.8	1.6
Fixed-interest tenor, at the end of the period, years	3.0	4.0	3.0	4.0	3.0	3.5
Loan-to-maturity at the end of the period, years	2.7	1.5	2.7	1.5	2.7	3.3
EPRA NAV, SEK m	3,580.7	3,417.5	3,580.7	3,417.5	3,580.7	3,509.3
EPRA NNAV, SEK m	3,311.9	3,176.6	3,311.9	3,176.6	3,311.9	3,267.4
<b>Share-related key metrics</b>						
Income from property management, SEK/share <sup>1)</sup>	0.27	0.10	0.61	0.27	1.07	0.74
Growth in income from property management, SEK/share, %	155.4	-58.6	123.2	-48.7	28.7	-21.0
Adjusted growth in income from property management, SEK/share, % <sup>2)</sup>	57.5	-0.6	115.5	-21.2	118.3	44.1
Profit after tax, SEK/share <sup>1)</sup>	0.46	2.86	0.94	4.97	3.12	6.98
EPRA NAV, SEK/share <sup>1)</sup>	106.35	101.50	106.35	101.50	106.35	104.23
Growth in EPRA NAV, SEK/share, %	4.8	10.3	4.8	10.3	4.8	7.3
EPRA NNAV, SEK/share <sup>1)</sup>	98.36	94.35	98.36	94.35	98.36	97.04
Equity, SEK/share <sup>1)</sup>	82.80	79.68	82.80	79.68	82.80	81.85

<sup>1)</sup> The key metrics per share have been restated to take into account the 3:1 share split resolved by the AGM on 11 March 2019 and the 10,000:1 share split decided in 2018.

<sup>2)</sup> Income from property management has been adjusted for non-recurring costs linked to the planned stock exchange listing. An adjustment of SEK 9.9 million (4.4) was made to income from property management for the period and an adjustment of SEK 4.3 million (4.4) for the second quarter. In a corresponding manner, an adjustment of SEK 19.6 million was made for the full-year 2018. For the rolling 12 month period, an adjustment of SEK 25.1 million was made to income from property management.

Definitions of key metrics are provided on pages 24–25.

# Accounting policies

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This interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting together with the appropriate provisions of the Swedish Annual Accounts Act. The interim report for the Parent Company has prepared in conformity with the Annual Accounts Act and the Recommendations of the Swedish Financial Reporting Board in RFR 2 Accounting for Legal Entities. The Parent Company applies the same accounting policies as the Group with the exceptions and supplements stipulated in RFR 2.

The Group started to apply IFRS 16 – Leases in 2018, which otherwise entered force on 1 January 2019 for companies with financial years beginning on or after 1 January 2019. As a result of this advance application, there are no new or amended standards that took effect on 1 January 2019 that are adjudged to have an impact on John Mattson's financial statements for 2019. For further information on the accounting policies, please refer to the Group's 2018 Annual Report, which is available on John Mattson's website.

Lidingö, 22 August 2019

Anders Nylander  
*Chairman of the Board*

Håkan Blixt  
*Board member*

Ulrika Danielsson  
*Board member*

Johan Ljungberg  
*Board member*

Christer Olofsson  
*Board member*

Anna Sander  
*Board member*

*This interim report has not been reviewed by the company's auditors.*

## Significant events after the end of the period

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No significant events have taken place after the end of the period.

# The John Mattson share

**John Mattson's shares are listed on Nasdaq Stockholm, Mid Cap, with a market capitalisation of SEK 3.8 billion at 30 June.**

John Mattson's share was listed on Nasdaq Stockholm, Mid Cap as of 5 June 2019. The share price in conjunction with the listing was SEK 90 and the closing price on 28 June 2019 was SEK 114. The lowest closing price of SEK 102 was recorded on 5 June. The highest closing price of SEK 114 was posted on 28 June.

Over the quarter, stock turnover on Nasdaq Stockholm amounted to 4,270,751 shares with a combined value of SEK 446.0 million, representing an annualised stock turnover of 209%. Nasdaq Stockholm accounted for 74.6% of all trading in John Mattson shares. John Mattson has one class of shares and each share entitles the holder to one vote.

## Net asset value

EPRA NAV amounted to SEK 106.35 per share (101.50) and had increased 4.8% compared with 30 June 2018. EPRA NNNAV amounted to SEK 3,311.9 million (3,176.6) or SEK 98.36 per share (94.35) following deductions for the estimated actual deferred tax liability.

## Main shareholders at 30 June 2019

The following table presents the owners with a shareholding in John Mattson exceeding 3% together with other shareholders.

	No. of shares	Percentage
AB Borudan Ett	12,277,055	36.46
Ljungberg family and companies	4,336,698	12.88
Länsförsäkringar Fonder	3,157,368	9.38
Första AP-fonden (API)	2,777,777	8.25
Carnegie Fonder	2,000,000	5.94
Prior & Nilsson Fonder	1,408,891	4.18
Fidelity Investments (FMR)	1 119,631	3.33
Other shareholders	6 592,612	19.58
<b>Total</b>	<b>33,670,032</b>	<b>100.00</b>
Of which, foreign shareholders	2,564,595	7.51

Source: Euroclear/Modular Finance

## Dividend policy

Over the long term, dividends are to amount to 50% of annual income from property management. Because John Mattson will prioritise value-creating investments in the property portfolio over the years ahead, dividends over the next few years may in the short term drop below the long-term target or may not even transpire.

## Net asset value

	SEK m	30 June 2019		30 June 2018		31 December 2018	
		SEK/share <sup>1)</sup>	SEK m	SEK/share <sup>1)</sup>	SEK m	SEK/share <sup>1)</sup>	
Equity according to balance sheet	2,787.8	82.80	2,682.9	79.68	2,756.0	81.85	
Add back:							
Derivatives according to balance sheet	98.2	2.92	80.6	2.40	73.5	2.18	
Deferred tax liability in balance sheet	694.7	20.63	654.0	19.42	679.8	20.19	
<b>EPRA NAV</b>	<b>3,580.7</b>	<b>106.35</b>	<b>3,417.5</b>	<b>101.5</b>	<b>3,509.3</b>	<b>104.23</b>	
Less:							
Derivatives according to balance sheet	-98.2	-2.92	-80.6	-2.40	-73.5	-2.18	
Estimated actual deferred tax liability	-170.6	-5.07	-160.2	-4.76	-168.3	-5.00	
<b>EPRA NNNAV</b>	<b>3,311.9</b>	<b>98.36</b>	<b>3,176.6</b>	<b>94.35</b>	<b>3,267.4</b>	<b>97.04</b>	

<sup>1)</sup> The key metrics per share have been restated to take into account the 3:1 share split resolved by the AGM on 11 March 2019 and the 10,000:1 share split decided in 2018.

## Share-related key metrics

	Jan-Jun 2019	Jan-Jun 2018	Jan-Dec 2018
Income from property management, SEK/share <sup>1)</sup>	0.61	0.27	0.74
Growth in income from property management, SEK/share, %	123.2	-48.7	-21.0
Adjusted growth in income from property management, SEK/share, % <sup>2)</sup>	115.5	-21.2	44.1
Profit after tax, SEK/share <sup>1)</sup>	0.94	4.97	6.98
EPRA NAV, SEK/share <sup>1)</sup>	106.35	101.50	104.23
Growth in EPRA NAV, SEK/share, %	4.8	10.3	7.3
EPRA NNNAV, SEK/share <sup>1)</sup>	98.36	94.35	97.04
Equity, SEK/share <sup>1)</sup>	82.80	79.68	81.85
Market capitalisation (SEK/share)/EPRA NAV, SEK/share, %	107.2	-	-

<sup>1)</sup> The key metrics per share have been restated to take into account the 3:1 share split resolved by the AGM on 11 March 2019 and the 10,000:1 share split decided in 2018.

<sup>2)</sup> Income from property management has been adjusted for non-recurring costs linked to the planned stock exchange listing. An adjustment of SEK 9.9 million (4.4) was made to income from property management for the period and an adjustment of SEK 19.6 million was made for the full-year 2018.

## Development of share capital

Year	Event	Change in No. of shares	Total No. of shares	Change in share capital (SEK)	Share capital (SEK)	Quotient value (SEK)
2010	Founded	1,000	1,000	100,000	100,000	100
2011	Bonus issue	–	1,000	9,900,000	10,000,000	10,000
2018	Share split 10,000:1	9,999,000	10,000,000	–	10,000,000	1
2018	New share issue	1,223,344	11,223,344	1,223,344	11,223,344	1
2019	Share split 3:1	22,446,688	33,670,032	–	11,223,344	0.33

# Definitions

John Mattson Fastighetsföretagen AB applies the European Securities and Markets Authority's (ESMA) Guidelines on Alternative Performance Measures (APMs). Under these Guidelines, an APM is a financial measure of historic or projected earnings trends, financial position, financial performance or cash flows that are neither defined nor specified in applicable rules for financial reporting, such as IFRS and the Swedish Annual Accounts Act.

Key metrics	Definition	Objective
<b>EPRA NNNNAV, SEK/share</b>	EPRA NAV (European Public Real Estate Association (EPRA) net asset value (NAV)) excluding interest-rate derivatives and estimated actual tax liability at the end of the period divided by shares outstanding on the balance sheet date.	Used to illustrate John Mattson's current net asset value per share in a manner compatible with other listed companies.
<b>EPRA NNNNAV, SEK m</b>	EPRA NAV excluding interest-rate derivatives and estimated actual tax liability at the end of the period.	An established metric for the Group's net asset value that facilitates analyses and comparison.
<b>LTV ratio at the end of the period, %</b>	Interest-bearing liabilities less cash and cash equivalents as a percentage of the carrying amount for the properties at the end of the period.	Used to illustrate John Mattson's financial risk and shows how large a share of the operations is mortgaged with interest-bearing liabilities. This metric facilitates comparability with other property companies.
<b>Equity, SEK/share</b>	Recognised equity divided by the number of shares outstanding on the balance-sheet date.	This metric shows how large a share of John Mattson's recognised shareholders' equity that each share represents.
<b>Economic occupancy rate at the end of the period, %</b>	Annualised contracted rents in relation to contracted rents plus annualised discounts and vacancies at the end of the period.	This metric facilitates assessment of John Mattson's efficiency at using the floor area in its investment properties.
<b>Property expenses, SEK m</b>	This item includes direct property expenses, such as costs for operations, maintenance and property taxes, as well as indirect property expenses in the form of lettings and property administration.	Not an alternative performance measure.
<b>Property value, at the end of the period, SEK/sq m</b>	The fair value of properties excluding ongoing projects divided by lettable area for properties owned at the end of the period.	Used to illustrate John Mattson's average property value per sq m.
<b>Income from property management, SEK m</b>	Profit excluding value changes and tax.	This metric facilitates increased understanding of John Mattson's profit generation.
<b>Income from property management, SEK/share</b>	Earnings excluding value changes and tax divided by the average number of shares outstanding during the period.	This metric facilitates increased understanding of the trend in income from property management taking shares outstanding into account.
<b>Average economic occupancy rate, %</b>	Rental revenue for the period in relation to the period's gross rents.	This metric is used to measure John Mattson's efficiency during the period at using the floor area in its investment properties.
<b>Average economic occupancy rate, apartments, %</b>	Residential rental revenue for the period in relation to gross rents during the period.	This metric is used to measure John Mattson's efficiency during the period at using the residential floor area in its investment properties.
<b>Average interest rate at the end of the period, %</b>	Weighted average contractual interest rate for all credits in the debt portfolio, including interest-rate derivatives.	Used to illustrate John Mattson's financial risk.
<b>Rental value, apartments, at the end of the period, SEK/sq m</b>	Annualised contractual residential floor area plus the value of vacancies and discounts at period-end divided by lettable residential	Used to illustrate John Mattson's revenue potential in respect of housing, per square metre.

	floor area for properties owned at the end of the period.	
<b>Rental value at the end of the period, SEK m</b>	Annualised contractual rent plus the annualised value of vacancies and discounts at the end of the period.	Used to illustrate John Mattson's revenue potential.
<b>Contract value at the end of the period, SEK m</b>	This item pertains to contracted annual rents for properties owned at the end of the period.	Not an alternative performance measure.
<b>EPRA NAV, SEK m</b>	Recognised equity, adding back interest-rate derivatives and deferred tax. EPRA NAV is a metric that has been defined by the European Public Real Estate Association.	An established metric for the Group's net asset value that facilitates analyses and comparison.
<b>EPRA NAV, SEK/share</b>	Recognised equity, adding back interest-rate derivatives and deferred tax, and divided by the number of shares outstanding on the balance-sheet date.	Used to illustrate John Mattson's long-term net asset value per share in a manner compatible with other listed companies.
<b>Net interest-bearing liabilities at the end of the period, SEK m</b>	Interest-bearing liabilities less cash and cash equivalents at the end of the period.	Used to illustrate John Mattson's level of debt.
<b>Interest coverage ratio during the period, multiple</b>	Earnings before value changes with the addition of interest expenses in relation to interest expenses.	This metric is used to illustrate how sensitive John Mattson's earnings are to changes in interest rates; i.e. it shows how many times the company could pay the interest it incurs using profit from business operations.
<b>Surplus ratio, %</b>	Net operating income for the period as a percentage of recognised rental revenues.	Used to illustrate the proportion of John Mattson's revenue that remains after deducting property expenses. This metric is an efficiency ratio that is comparable over time and also between property companies.

# Reconciliation tables

		Apr–Jun 2019	Apr–Jun 2018	Jan–Jun 2019	Jan–Jun 2018	Rolling 12 months Jul 2018–Jun 2019	2018
<b>EPRA NNAV, SEK/share</b>							
A	EPRA NNAV at the end of the period, SEK m	3,311.9	3,176.6	3,311.9	3,176.6	3,311.9	3,267.4
B	Number of shares outstanding at the end of the period, thousand	33,670	33,670	33,670	33,670	33,670	33,670
<b>A/B</b>	<b>EPRA NNAV, SEK/share</b>	<b>98.36</b>	<b>94.35</b>	<b>98.36</b>	<b>94.35</b>	<b>98.36</b>	<b>97.04</b>
<b>LTV ratio at the end of the period, %</b>							
		Apr–Jun 2019	Apr–Jun 2018	Jan–Jun 2019	Jan–Jun 2018	Rolling 12 months Jul 2018–Jun 2019	2018
A	Interest-bearing debt at the end of the period according to balance sheet, SEK m	2,574.8	2,372.4	2,574.8	2,372.4	2,574.8	2,479.4
B	Cash and cash equivalents at the end of the period according to balance sheet, SEK m	19.1	19.9	19.1	19.9	19.1	2.8
C	Investment properties according to balance sheet at the end of the period, SEK m	6,173.1	5,845.2	6,173.1	5,845.2	6,173.1	6,039.5
<b>(A-B)/C</b>	<b>LTV ratio at the end of the period, %</b>	<b>41.4</b>	<b>40.2</b>	<b>41.4</b>	<b>40.2</b>	<b>41.4</b>	<b>41.0</b>
<b>Equity, SEK/share</b>							
		Apr–Jun 2019	Apr–Jun 2018	Jan–Jun 2019	Jan–Jun 2018	Rolling 12 months Jul 2018–Jun 2019	2018
A	Equity according to balance sheet at the end of the period, SEK m	2,787.8	2,682.9	2,787.8	2,682.9	2,787.8	2,756.0
B	Number of shares outstanding at the end of the period, thousand	33,670	33,670	33,670	33,670	33,670	33,670
<b>A/B</b>	<b>Equity, SEK/share</b>	<b>82.80</b>	<b>79.68</b>	<b>82.80</b>	<b>79.68</b>	<b>82.80</b>	<b>81.85</b>
<b>Economic occupancy rate at the end of the period, %</b>							
		Apr–Jun 2019	Apr–Jun 2018	Jan–Jun 2019	Jan–Jun 2018	Rolling 12 months Jul 2018–Jun 2019	2018
A	Annualised contract value at the end of the period, SEK m	254.4	241.7	254.4	241.7	254.4	248.5
B	Annualised vacancy value at the end of the period, SEK m	9.6	12.2	9.6	12.2	9.6	8.9
<b>A/(A+B)</b>	<b>Economic occupancy rate during the period, %</b>	<b>96.3</b>	<b>95.2</b>	<b>96.3</b>	<b>95.2</b>	<b>96.3</b>	<b>96.5</b>
<b>Property value, at the end of the period, SEK/sq m</b>							
		Apr–Jun 2019	Apr–Jun 2018	Jan–Jun 2019	Jan–Jun 2018	Rolling 12 months Jul 2018–Jun 2019	2018
A	Investment properties according to balance sheet at the end of the period, SEK m	6,173.1	5,845.2	6,173.1	5,845.2	6,173.1	6,039.5
B	Carrying amount of ongoing projects at the end of the period, SEK m	125.0	16.0	125.0	16.0	125.0	65.3
C	Lettable area at the end of the period, thousand sq m	169.1	169.0	169.1	169.0	169.1	169.1
<b>(A-B)/C</b>	<b>Property value, at the end of the period, SEK/sq m</b>	<b>35,775</b>	<b>34,489</b>	<b>35,775</b>	<b>34,489</b>	<b>35,775</b>	<b>35,339</b>
<b>Income from property management, SEK/share</b>							
		Apr–Jun 2019	Apr–Jun 2018	Jan–Jun 2019	Jan–Jun 2018	Rolling 12 months Jul 2018–Jun 2019	2018
A	Income from property management during the period, SEK m	9.0	3.1	20.5	8.2	36.0	23.7
B	Average number of shares outstanding during the period, thousand	33,670	30,040	33,670	30,020	33,670	31,860
<b>A/B</b>	<b>Income from property management, SEK/share</b>	<b>0.27</b>	<b>0.10</b>	<b>0.61</b>	<b>0.27</b>	<b>1.07</b>	<b>0.74</b>
<b>Income from property management, SEK m</b>							
		Apr–Jun 2019	Apr–Jun 2018	Jan–Jun 2019	Jan–Jun 2018	Rolling 12 months Jul 2018–Jun 2019	2018

						2018–Jun 2019	
A	Profit for the period	15.5	85.9	31.8	149.2	104.9	222.3
B	Current and deferred tax	8.0	-34.8	15.4	-14.7	41.3	11.1
C	Change in value of investment properties and interest-rate derivatives	14.5	48.0	26.7	126.3	110.2	209.7
<b>A+B-C</b>	<b>Income from property management, SEK m</b>	<b>9.0</b>	<b>3.1</b>	<b>20.5</b>	<b>8.2</b>	<b>36.0</b>	<b>23.7</b>
						Rolling 12 months Jul 2018–Jun 2019	
<b>Average economic occupancy rate, %</b>		<b>Apr–Jun 2019</b>	<b>Apr–Jun 2018</b>	<b>Jan–Jun 2019</b>	<b>Jan–Jun 2018</b>	<b>2019</b>	<b>2018</b>
A	Rental revenues during the period, SEK m	62.9	48.5	124.9	96.4	246.9	218.3
B	Gross rent during the period, SEK m	65.3	49.6	130.2	98.3	256.3	224.4
<b>A/B</b>	<b>Average economic occupancy rate, %</b>	<b>96.3</b>	<b>97.8</b>	<b>95.9</b>	<b>98.0</b>	<b>96.3</b>	<b>97.3</b>
						Rolling 12 months Jul 2018–Jun 2019	
<b>Average economic occupancy rate, apartments, %</b>		<b>Apr–Jun 2019</b>	<b>Apr–Jun 2018</b>	<b>Jan–Jun 2019</b>	<b>Jan–Jun 2018</b>	<b>2019</b>	<b>2018</b>
A	Rental revenues during the period, apartments, SEK m	53.3	40.1	105.6	79.7	209.0	183.0
B	Gross rent during the period, apartments, SEK m	54.9	40.9	109.1	81.0	214.9	186.7
<b>A/B</b>	<b>Average economic occupancy rate, apartments, %</b>	<b>97.0</b>	<b>98.2</b>	<b>96.8</b>	<b>98.5</b>	<b>97.2</b>	<b>98.0</b>
						Rolling 12 months Jul 2018–Jun 2019	
<b>Average interest rate at the end of the period, %</b>		<b>Apr–Jun 2019</b>	<b>Apr–Jun 2018</b>	<b>Jan–Jun 2019</b>	<b>Jan–Jun 2018</b>	<b>2019</b>	<b>2018</b>
A	Annualised interest expense at the end of the period, SEK m	48.5	46.1	48.5	46.1	48.5	46.6
B	Interest-bearing debt at the end of the period, SEK m	2,574.8	2,372.4	2,574.8	2,372.4	2,574.8	2,479.4
<b>A/B</b>	<b>Average interest rate at the end of the period, %</b>	<b>1.9</b>	<b>1.9</b>	<b>1.9</b>	<b>1.9</b>	<b>1.9</b>	<b>1.9</b>
						Rolling 12 months Jul 2018–Jun 2019	
<b>Rental value at the end of the period, SEK m</b>		<b>Apr–Jun 2019</b>	<b>Apr–Jun 2018</b>	<b>Jan–Jun 2019</b>	<b>Jan–Jun 2018</b>	<b>2019</b>	<b>2018</b>
A	Annualised contract value at the end of the period, SEK m	254.4	241.7	254.4	241.7	254.4	248.5
B	Annualised vacancy value at the end of the period, SEK m	9.6	12.2	9.6	12.2	9.6	8.9
<b>A+B</b>	<b>Rental value at the end of the period, SEK m</b>	<b>264.1</b>	<b>253.9</b>	<b>264.1</b>	<b>253.9</b>	<b>264.1</b>	<b>257.4</b>
						Rolling 12 months Jul 2018–Jun 2019	
<b>Rental value, apartments, at the end of the period, SEK/sq m</b>		<b>Apr–Jun 2019</b>	<b>Apr–Jun 2018</b>	<b>Jan–Jun 2019</b>	<b>Jan–Jun 2018</b>	<b>2019</b>	<b>2018</b>
A	Annualised contract value, apartments, at the end of the period, SEK m	217.7	204.4	217.7	204.4	217.7	213.5
B	Annualised vacancy value, apartments, at the end of the period, SEK m	4.9	9.7	4.9	9.7	4.9	3.7
C	Lettable area of apartments at the end of the period, thousand sq m	154.0	153.6	154.0	153.6	154.0	154.0
<b>(A+B)/C</b>	<b>Rental value, apartments, at the end of the period, SEK/sq m</b>	<b>1,446</b>	<b>1,394</b>	<b>1,446</b>	<b>1,394</b>	<b>1,446</b>	<b>1,411</b>
						Rolling 12 months Jul 2018–Jun 2019	
<b>Adjusted income from property management, SEK/share</b>		<b>Apr–Jun 2019</b>	<b>Apr–Jun 2018</b>	<b>Jan–Jun 2019</b>	<b>Jan–Jun 2018</b>	<b>2019</b>	<b>2018</b>
A	Income from property management during the period, SEK m	9.0	3.1	20.5	8.2	36.0	23.7
B	Non-recurring costs pertaining to listing, SEK m	4.3	4.4	9.9	4.4	25.1	19.6
C	Average number of shares outstanding during the period, thousand	33,670	30,040	33,670	30,020	33,670	31,860

<b>(A+B)/C</b>	<b>Adjusted income from property management, SEK/share, for the period</b>	<b>0.39</b>	<b>0.25</b>	<b>0.90</b>	<b>0.42</b>	<b>1.82</b>	<b>1.36</b>
						<b>Rolling 12 months Jul 2018–Jun 2019</b>	<b>2018</b>
	<b>Adjusted growth in income from property management, SEK/share, %</b>	<b>Apr–Jun 2019</b>	<b>Apr–Jun 2018</b>	<b>Jan–Jun 2019</b>	<b>Jan–Jun 2018</b>	<b>2019</b>	<b>2018</b>
A	Adjusted income from property management, SEK/share during the period	0.39	0.25	0.90	0.42	1.82	1.36
B	Income from property management, SEK/share during the preceding period	0.25	0.25	0.42	0.53	0.83	0.94
<b>A/B-1</b>	<b>Adjusted growth in income from property management, SEK/share, %</b>	<b>57.5</b>	<b>-0.6</b>	<b>115.5</b>	<b>-21.2</b>	<b>118.3</b>	<b>44.1</b>
						<b>Rolling 12 months Jul 2018–Jun 2019</b>	<b>2018</b>
	<b>EPRA NAV, SEK/share</b>	<b>Apr–Jun 2019</b>	<b>Apr–Jun 2018</b>	<b>Jan–Jun 2019</b>	<b>Jan–Jun 2018</b>	<b>2019</b>	<b>2018</b>
A	EPRA NAV at the end of the period, SEK m	3,580.7	3,417.5	3,580.7	3,417.5	3,580.7	3,509.3
B	Number of shares outstanding at the end of the period, thousand	33,670	33,670	33,670	33,670	33,670	33,670
<b>A/B</b>	<b>EPRA NAV, SEK/share</b>	<b>106.35</b>	<b>101.50</b>	<b>106.35</b>	<b>101.50</b>	<b>106.35</b>	<b>104.23</b>
						<b>Rolling 12 months Jul 2018–Jun 2019</b>	<b>2018</b>
	<b>EPRA NAV and EPRA NNAV, SEK m</b>	<b>Apr–Jun 2019</b>	<b>Apr–Jun 2018</b>	<b>Jan–Jun 2019</b>	<b>Jan–Jun 2018</b>	<b>2019</b>	<b>2018</b>
A	Equity according to balance sheet at the end of the period, SEK m	2,787.8	2,682.9	2,787.8	2,682.9	2,787.8	2,756.0
B	Derivatives according to the balance sheet at the end of the period, SEK m	98.2	80.6	98.2	80.6	98.2	73.5
C	Deferred tax liabilities according to the balance sheet at the end of the period, SEK m	694.7	654.0	694.7	654.0	694.7	679.8
<b>A+B+C=D</b>	<b>EPRA NAV, SEK m</b>	<b>3,580.7</b>	<b>3,417.5</b>	<b>3,580.7</b>	<b>3,417.5</b>	<b>3,580.7</b>	<b>3,509.3</b>
B	Derivatives according to the balance sheet at the end of the period, SEK m	-98.2	-80.6	-98.2	-80.6	-98.2	-73.5
E	Estimated actual deferred tax liability at the end of the period, SEK m	-170.6	-160.2	-170.6	-160.2	-170.6	-168.3
<b>D-B-E</b>	<b>EPRA NNAV, SEK m</b>	<b>3,311.9</b>	<b>3,176.7</b>	<b>3,311.9</b>	<b>3,176.6</b>	<b>3,311.9</b>	<b>3,267.4</b>
						<b>Rolling 12 months Jul 2018–Jun 2019</b>	<b>2018</b>
	<b>Net interest-bearing liabilities at the end of the period, SEK m</b>	<b>Apr–Jun 2019</b>	<b>Apr–Jun 2018</b>	<b>Jan–Jun 2019</b>	<b>Jan–Jun 2018</b>	<b>2019</b>	<b>2018</b>
A	Annualised interest-bearing liabilities at the end of the period, SEK m	2,574.8	2,372.4	2,574.8	2,372.4	2,574.8	2,479.4
B	Cash and cash equivalents at the end of the period, SEK m	19.1	19.9	19.1	19.9	19.1	2.8
<b>A-B</b>	<b>Net interest-bearing liabilities at the end of the period, SEK m</b>	<b>2,555.7</b>	<b>2,352.5</b>	<b>2,555.7</b>	<b>2,352.5</b>	<b>2,555.7</b>	<b>2,476.6</b>
						<b>Rolling 12 months Jul 2018–Jun 2019</b>	<b>2018</b>
	<b>Interest coverage ratio during the period, multiple</b>	<b>Apr–Jun 2019</b>	<b>Apr–Jun 2018</b>	<b>Jan–Jun 2019</b>	<b>Jan–Jun 2018</b>	<b>2019</b>	<b>2018</b>
A	Income from property management during the period according to income statement, SEK m	9.0	3.1	20.5	8.2	36.0	23.7
B	Financial expense during the period, SEK m	12.4	9.4	24.3	19.8	44.1	42.1
<b>(A-B)/-B</b>	<b>Interest coverage ratio during the period, multiple</b>	<b>1.7</b>	<b>1.3</b>	<b>1.8</b>	<b>1.4</b>	<b>1.8</b>	<b>1.6</b>
						<b>Rolling 12 months Jul 2018–Jun 2019</b>	<b>2018</b>
	<b>Growth in income from property management, SEK/share, %</b>	<b>Apr–Jun 2019</b>	<b>Apr–Jun 2018</b>	<b>Jan–Jun 2019</b>	<b>Jan–Jun 2018</b>	<b>2019</b>	<b>2018</b>
A	Income from property management, SEK/share during the period	0.27	0.10	0.61	0.27	1.07	0.74
B	Income from property management, SEK/share during the preceding period	0.10	0.25	0.27	0.53	0.83	0.94
<b>A/B-1</b>	<b>Growth in income from property management, SEK/share, %</b>	<b>155.4</b>	<b>-58.6</b>	<b>123.2</b>	<b>-48.7</b>	<b>28.7</b>	<b>-21.0</b>

		Apr–Jun 2019	Apr–Jun 2018	Jan–Jun 2019	Jan–Jun 2018	Rolling 12 months Jul 2018–Jun 2019	2018
<b>Growth in EPRA NAV, SEK/share, %</b>							
A	EPRA NAV at the end of the period, SEK/share	106.35	101.50	106.35	101.50	106.35	104.23
B	EPRA NAV at the end of preceding 12-month period, SEK/share	101.50	92.03	101.50	92.03	101.50	97.09
<b>A/B-1</b>	<b>Growth in EPRA NAV, SEK/share, %</b>	<b>4.8</b>	<b>10.3</b>	<b>4.8</b>	<b>10.3</b>	<b>4.8</b>	<b>7.3</b>

		Apr–Jun 2019	Apr–Jun 2018	Jan–Jun 2019	Jan–Jun 2018	Rolling 12 months Jul 2018–Jun 2019	2018
<b>Surplus ratio during the period, %</b>							
A	Net operating income during the period according to income statement, SEK m	34.1	22.0	68.8	42.5	129.5	103.2
B	Rental revenues during the period according to income statement	62.9	48.5	124.9	96.4	246.9	218.3
<b>A/B</b>	<b>Surplus ratio during the period, %</b>	<b>54.3</b>	<b>45.2</b>	<b>55.1</b>	<b>44.1</b>	<b>52.5</b>	<b>47.3</b>

# Contact information, calendar

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## Financial calendar

Interim report January–September 2019	7 November 2019
Year-end report 2019	19 February 2020
Annual General Meeting 2020	21 April 2020

## Information

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