



The Vilunda 18:1 property in Upplands Väsby offers a car and cycle pool, a cold storage for food deliveries and e-commerce smart lockers that reduce car journeys to and from the building. The property was completed in by January 2023 and is fully let.

INTERIM REPORT

# Q3

Jan-Sep  
2023

## January–September 2023

- Rental revenues totalled SEK 464.1 million (468.9), down 1.0%.
- Net operating income was SEK 335.7 million (313.0), up 7.3%.
- Income from property management was SEK 102.4 million (140.3), corresponding to SEK 2.70 per share (3.75).
- Changes in property values amounted to a decrease of SEK 986.7 million (decrease: 14.3). Changes in the value of interest-rate derivatives amounted to SEK 10.4 million (275.1).
- Earnings after tax for the period amounted to a loss of SEK 802.8 million (profit: 311.0), corresponding to a loss of SEK 21.20 per share (profit: 8.27).
- Property value totalled SEK 14,221.4 million (15,799.1).
- Investments amounted to SEK 286.8 million (893.9), of which SEK 0.0 million (643.2) pertained to property acquisitions.
- NAV totalled SEK 5,705.3 million (6,780.1). This corresponded to SEK 150.55 per share (178.91), down 16%.

## July–September 2023

- Rental revenues totalled SEK 154.5 million (157.0), down 1.6%.
- Net operating income was SEK 122.5 million (110.9), up 10.4%.
- Income from property management was SEK 44.2 million (47.4), corresponding to SEK 1.17 per share (1.25).
- Changes in property values amounted to a decrease of SEK 368.8 million (decrease: 295.1). Changes in the value of interest-rate derivatives amounted to SEK 1.8 million (50.1).
- Earnings after tax for the period amounted to a loss of SEK 338.2 million (loss: 156.0), corresponding to a loss of SEK 8.96 per share (loss: 4.06).
- Investments amounted to SEK 96.6 million (81.9), of which SEK 0.0 million (0.0) pertained to property acquisitions.

# JohnMattson

Great neighbourhoods across generations

*This interim report has been prepared in Swedish and translated into English.  
In the event of any discrepancies between the Swedish and the translation, the former shall have precedence.*

# Q3 – 2023

## Significant events during the third quarter

- Ebba Pilo Karth was appointed new CFO and will assume the role no later than 1 April 2024. The role has been taken over by an interim CFO until further notice.

## Significant events after the end of the period

- On 18 October, John Mattson's Board of Directors resolved on a new issue of shares of approximately SEK 1,250 million with preferential rights for existing shareholders. The rights issue is contingent on a resolution at the Extraordinary General Meeting.
- On 18 October, John Mattson's Board of Directors resolved to revise the average annual growth target for NAV per share to not less than 7% over a business cycle.
- In October, a sales agreement was signed for a residential property in Högdalen in Stockholm and another agreement was signed for the sale of an office property in central Stockholm with a total underlying property value of approximately SEK 363 million.
- All bank credits due by December 2024 have been extended.

## Financial targets Q3 2023 versus Q3 2022\*



-16% growth in  
net asset value



-28% growth in income  
from property management

\*The financial targets are presented on page 4.

Key metrics	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Rolling 12 months Oct 22-Sep 23	Jan-Dec 2022
<b>Property-related key metrics</b>						
Economic occupancy rate at the end of the period, %	95.8	97.1	95.8	97.1	95.8	95.9
Surplus ratio, %	79.2	70.7	72.3	66.7	68.3	64.1
Property value at the end of the period, SEK m	14,221.4	15,799.1	14,221.4	15,799.1	14,221.4	15,695.5
No. of upgraded apartments during the period	11	10	63	76	73	86
<b>Key financial metrics</b>						
Rental revenues, SEK m	154.5	157.0	464.1	468.9	616.0	620.9
Net operating income, SEK m	122.5	110.9	335.7	313.0	420.5	397.8
Income from property management, SEK m	44.2	47.4	102.4	140.3	115.9	153.9
Average interest rate, %	3.20	2.19	3.20	2.19	3.20	2.54
LTV ratio at the end of the period, %	58.6	56.3	58.6	56.3	58.6	56.6
Interest coverage ratio during the period, multiple <sup>1)</sup>	1.7	2.0	1.6	2.2	1.5	1.9
<b>Share-related key metrics</b>						
Income from property management, SEK/share	1.17	1.25	2.70	3.75	3.06	4.10
Growth in income from property management, SEK/share, %	-6.8	24.2	-27.9	58.5	-26.2	37.6
Profit/loss after tax, SEK/share	-8.96	-4.06	-21.20	8.27	-26.10	3.30
Growth in NAV, SEK/share, %	-15.9	14.2	-15.9	14.2	-15.9	-1.1
NNNAV, SEK/share, %	139.47	168.61	139.47	168.61	139.47	162.08
NAV, SEK/share	150.55	178.91	150.55	178.91	150.55	174.02

<sup>1)</sup> The interest coverage ratio for the period has been calculated excluding non-recurring costs of SEK 2.0 million. Definitions of key metrics are provided on page 24.



# Strengthening the company for the future

**John Mattson delivered a record-high surplus ratio for the company for the January to September period. Two additional property sales were completed in October and the Board resolved to conduct a rights issue to adapt the company to new market conditions.**



## Strong performance with a high surplus ratio

During the third quarter, John Mattson continued to focus on strengthening the company's cash flow, which was a success. It is very gratifying that for the January to September period we had a surplus ratio of a whole 72%, a record high for the company. Net operating income increased 7% and, year-on-year, EBITDA increased 11%, despite a smaller property portfolio following completed sales as well as continued high inflation and non-recurring costs during the second quarter. Net operating income in comparable holdings increased 22% and EBITDA increased 26%. Our work to strengthen the company's cash flow is an important part of adapting the company to higher interest rates. The interest coverage ratio increased to a multiple of 1.7 for the quarter and to 1.6 for the period.

As a result of rising market interest rates during the period, income from property management declined 28% per share compared with the year-earlier period.

The change in value for properties amounted to a decrease of 2.5% for the quarter, which was primarily a result of continued rising yield requirements of an average of six basis points. The continued negative value trend led to a decline in NAV per share of 16% compared with the year-earlier period.

After the end of the period, we divested a newly produced residential property in Högdalen in Stockholm and an office property in central Stockholm with a total underlying property value of SEK 363 million. Our property sales in a persistently cautious transaction market confirms the

quality of our property portfolio. Through these sales we made clear progress toward a lower loan-to-value ratio.

## We are further strengthening the company

When the macroeconomic conditions changed in spring 2022, John Mattson was proactive and decisive in adapting the company to the new conditions of high inflation and rising interest rates.

In autumn 2022, we initiated a streamlining and cost-savings programme with a positive effect of SEK 60 million on EBIT starting in 2023. At the same time, customer and employee satisfaction both increased. Since June 2022, we have sold properties with a total underlying property value of SEK 2.2 billion and have thereby repaid interest-bearing liabilities of SEK 1.7 billion. We also refinanced loans and renegotiated interest rate hedges, which increased our average credit and fixed-interest tenor and prepared us for continued high interest rates.

Now we are taking the next initiatives in strengthening John Mattson and adapting the company to new macroeconomic conditions. In the middle of October, the Board resolved to conduct a fully underwritten rights issue of approximately SEK 1.25 billion. We believe that the challenging conditions in the operating environment will remain for the foreseeable future, which is why a new issue is necessary to further strengthen the company and achieve a net LTV ratio that does not exceed 50%. The rights issue will primarily be used to strengthen the company's balance sheet through the repayment of interest-bearing liabilities.

The issue also provides us opportunity to make value-generating investments such as apartment upgrades and energy-saving measures.

Ahead of the rights issue, we entered agreements with existing and additional new banks and received credit decisions to extend all bank credits that mature until December 2024.

The company's financial targets were reevaluated in light of the rights issue and the changed macroeconomic conditions, including their impact on John Mattson. The company's target for average annual growth in NAV per share was revised from not less than 10% to not less than 7% over a business cycle. The financial target for average annual growth in income from property management per share remained unchanged at no less than 10% over a business cycle.

With the measures we have taken in a short span of time and the upcoming rights issue, John Mattson is well-equipped for the future and has the prerequisites for investing in long-term value creation.

## Safe residential areas

Recent explosions and shootings have affected many areas, neighbourhoods and property owners. In September, John Mattson was affected by a shooting at one of our properties in Lidingö, where thankfully nobody was physically injured. The event is concerning and frustrating, since we endeavour every day to ensure safe neighbourhoods for our tenants. Safety is a natural part of John Mattson's operations. We work independently as well as in partnerships to manage challenges that are often complex.

However, it is pleasing to state that long-term safety initiatives have had results. According to our most recent tenant survey conducted in the third quarter of 2023, the perceived safety of our areas increased across John Mattson's entire portfolio. The increase was largest in the areas we have prioritised most and where the need to improve safety was greatest.

Our vision of great neighbourhoods across generations is more relevant now than it has been in quite some time.

Per Nilsson,  
CEO of John Mattson Fastighetsföretagen AB

# Business idea, goals and strategies

Our business idea revolves around the long-term ownership, management and development of residential property and attractive local communities in the Stockholm region. We make daily life easier for everyone by offering well-managed, attractive homes and safe neighbourhoods.

## Strategies

John Mattson's strategy is based on four cornerstones, in which sustainability efforts are integrated in every part.

**Property management** – Our approach to property management is integrated and near-at-hand. We know our properties and understand our customers. We apply an overall approach taking responsibility for the portfolio and activity in the outdoor areas. We work proactively with property management and continuously make efficiency enhancements and value-generating investments with the aim of achieving more sustainable property operations and increasing net operating income. Focus is on optimising property consumption and thereby reducing operating expenses. The goal is to achieve a 45% reduction in energy use through the investment of approximately SEK 200 million.

**Adding value** – We add value to our buildings to secure the buildings' technical longevity and to generate increased net operating income. Value is added by upgrading, extending and converting space to housing or commercial operations. We have a well-established two-step model for housing upgrades, the Larsberg model. First, the initial base upgrade conducted with tenants in place secures the building's technical status. The following step, the total upgrade, brings the apartments up to contemporary standards, to meet demand from existing and new tenants. Total upgrades are carried out when apartments are vacant or where tenants so wish. All upgrades take place in dialogue with the tenants and adjusted rent levels are negotiated with Hyresgästföreningen (Swedish Union of Tenants). The goal is to upgrade some 200 apartments per year. Potential has

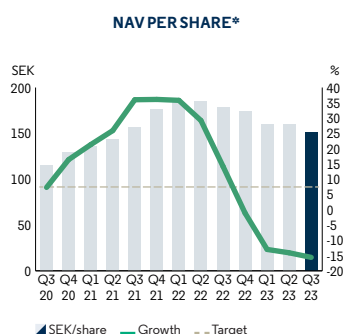
been identified in the existing portfolio for some 600 apartments to receive base and total upgrades and for some 900 apartments that have already received base upgrades to be given total upgrades. The yield on both base and total upgrades is 5% with an investment of SEK 1.25 million per apartment. The yield on total upgrades from a base upgraded apartment is about 6.5% with an investment of about SEK 0.4 million per apartment.

**Densification** – We are increasing the housing density of our own land or adjacent to existing properties, often on already paved land. In addition to new construction, infill development is also taking place in the form of extensions to existing properties. In this way, we are expanding the residential and commercial offering, and meeting the tenants' various needs. The local community is being provided with new attributes, and diversity and variation is increasing, contributing to great neighbourhoods. The aim is to generate growth through value adding construction that concurrently makes the neighbourhoods more attractive. Development is conducted in close collaboration with the municipalities where we operate. Infill development projects can start at the earliest in 2026. Initially, these will be in small volumes to then be scaled up in line with the goal of production starts for 250 apartments per year.

**Acquisitions** – We strive to acquire properties and development rights with development potential in attractive market locations in the Stockholm region, close to efficient infrastructure. All acquisitions are approached using a long-term ownership and management perspective, and areas with potential for adding value and development are particularly attractive. We also regularly evaluate the composition of the property portfolio through selective divestments.

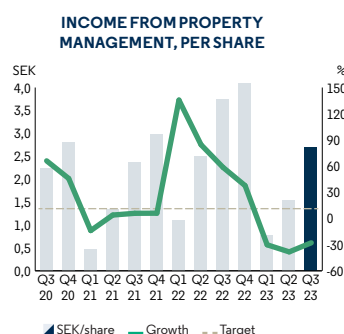
## Financial targets

An average annual growth in NAV per share of not less than 7% over a business cycle.



\*The goal was revised on 18 October from 10% to 7%.

An average annual growth in income from property management per share of not less than 10% over a business cycle.



**Financial risk mitigation** – John Mattson aims for low financial risk. 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.

**Dividend policy** – Over the long term, dividends are to amount to 50% of annual income from property management after taking into consideration the company's investment plans, consolidation needs, liquidity and overall financial position. Dividends may be less than the long-term goal or be fully absent.

# Sustainability targets

In 2022, John Mattson adopted new long-term sustainability targets, including science-based climate targets, for each of the company's four focus areas in sustainability. The new targets are to steer the company's operations toward more sustainable

development and contribute to achieving the vision of "Great neighbourhoods across generations." The results of these sustainability targets are presented in the interim report for Q4.



## Dynamic and safe local communities

Commitment for social issues creates value for tenants and local communities.

## Targets

- Safe neighbourhoods as assessed by residents: to outperform the sector average for comparable properties.
- Attractive areas according to the residents: above the sector average.



## Responsible material and waste management

Responsible material choices, reusing materials and efficient waste management reduce climate impact and increase the recycling rate.



## Energy-efficient and fossil-free solutions

The energy consumption during the lifespan of a property is considerable.

Energy classifications, choosing fossil-free energy types and efficient management of the properties reduce their climate impact.



## Targets

- By 2030, John Mattson will have reduced its Scope 1 and Scope 2 greenhouse gas emissions by at least 40% compared with the base year of 2021.
- John Mattson will reduce its greenhouse gas emissions from new builds and redevelopments on a per square metre basis to match or better the property sector average.



## Healthy and inspiring workplaces

Proactive efforts for a healthy, safe and stimulating work environment for employees and suppliers are a prerequisite for well-being and commitment.



## Targets

- Engaged employees and an efficient organisation: above the average results of comparable companies.
- John Mattson has an inclusive culture that enables the company to attract and retain employees with various backgrounds and perspectives. The recruitment process is competence-based and free from discrimination.
- The proportion of women or men is not to exceed two thirds within the company, management and the Board of Directors.
- Absenteeism among John Mattson's employees: not exceeding 3%.
- John Mattson aims to have zero accidents leading to absenteeism of over one day at our workplaces. This applies both for John Mattson's own personnel and for contracted personnel working for John Mattson.

# Property portfolio

John Mattson is a property company with operations in the Stockholm region. The company is listed on Nasdaq Stockholm, Mid Cap.

## Our areas

The portfolio has been divided into four property management areas: Lidingö, North Stockholm, City/Bromma and South Stockholm/Nacka. The property portfolio comprises 4,294 rental apartments. The total lettable area amounted to 344,200 square metres, where residents comprised 82%.

The majority of the properties were built in the 1950s to 1970s, and have good preconditions for adding value.

Growth will be through acquisitions and infill development in attractive market locations in the Stockholm region.



**4 294**  
apartments



**82%**  
of total lettable  
area is housing



**344** thousand sq m  
lettable area



Property portfolio	on 30 September 2023							January–September 2023		
	Apartments	Lettable area	Property value		Rental value		Economic occupancy rate	Rental revenues	Property expenses	Net operating income
	No.	thousand sq m	SEK m	SEK/sq m	SEK m	SEK/sq m	%	SEK m	SEK m	SEK m
Lidingö	2,059	157	6,965	44,234	291	1,847	98.0	229	53	177
North Stockholm	1,068	80	1,796	22,521	107	1,345	92.7	76	32	44
City/Bromma	451	48	2,271	47,396	101	2,094	93.2	72	21	51
South Stockholm/Nacka	716	59	3,189	53,990	124	2,106	95.5	87	22	64
<b>Total properties</b>	<b>4,294</b>	<b>344</b>	<b>14,221</b>	<b>41,319</b>	<b>623</b>	<b>1,810</b>	<b>95.8</b>	<b>464</b>	<b>128</b>	<b>336</b>

On 30 September 2023	Rental value			Vacancies and discounts <sup>1)</sup>			Contract value		Occupancy rate	
	Lettable area, thousand sq m		Rental value, SEK m	Vacancies and discounts, SEK m			Let area, thousand sq m	Contract value, SEK m	Economic occupancy rate, %	
	No.			No.			No.			
Housing	4,294	282	468	80	5	3	4,214	277	465	99.3
Commercial <sup>2)</sup>		62	134		13	17		49	115	86.3
Parking places			21			5			17	77.6
<b>Total</b>	<b>4,294</b>	<b>344</b>	<b>623</b>	<b>80</b>	<b>18</b>	<b>25</b>	<b>4,214</b>	<b>326</b>	<b>597</b>	<b>95.8</b>

<sup>1)</sup> Vacancies primarily pertain to properties with upgrade projects that are either ongoing or that have a planned start.

<sup>2)</sup> 45% of commercial vacancies pertain to development properties.

## Lidingö

John Mattson's largest property management area is in Lidingö, both in terms of number of apartments and property value. The properties mainly comprise residentials in the Larsberg area and in Käppala, which account for 95% of the total lettable area. The commercial premises house local services and educational premises. The portfolio also includes a development property with an ongoing detailed development plan and identified potential development rights. The majority of the properties were constructed in the 1960s, but also include new buildings from the turn of the century.

Since 64% of the portfolio has received total upgrades or is newly built, the

housing is of a generally high standard. All the apartments have received base upgrades and total upgrades are ongoing both in Larsberg and in Käppala. During the period, 40 (76) apartments were upgraded.

The planning process for new housing is ongoing for the Fyrtornet 5 property in Larsberg in Lidingö under the project name of Ekporten. Possibilities are being investigated in Käppala regarding the construction of loft apartments at existing properties, but the project is at an early stage. A number of additional potential infill development projects have been identified in Larsberg and Käppala.

Key metrics, Lidingö	Q3 2023
Area, residentials, thousand sq m	149
Rental value, residentials, SEK/sq m	1,775
Economic occupancy rate, residentials, %	98.7
Property value, residentials, SEK/sq m	43,850
Surplus ratio, residentials, %	74

SHARE OF LETTABLE AREA



## North Stockholm

North Stockholm comprises John Mattson's residential management portfolio in the municipality of Sollentuna, in the areas of Rotebro, Rotsunda, Häggvik and Tureberg. The largest share of properties was built in the 1970s, but some are also older (built in the 1940s and 1950s) and newer (built in the 1990s or later).

Upgrade plans for the properties in Rotebro and Rotsunda are underway. Upgrades in Rotebro are expected to start earliest in 2024.

Production of one apartment block with 73 rental apartments in the area of Vilunda in central Upplands Väsby was completed in January 2023.

Key metrics, North Stockholm	Q3 2023
Area, residentials, thousand sq m	80
Rental value, residentials, SEK/sq m	1,345
Economic occupancy rate, residentials, %	92.7
Property value, residentials, SEK/sq m	22,522
Surplus ratio, residentials, %	49

SHARE OF LETTABLE AREA



## City/Bromma

In City/Bromma, John Mattson's residential management portfolio includes properties in Slakthusområdet, Hammarby Sjöstad, Johanneshov and Abrahamsberg. Residential properties account for 64% of the total lettable area. The buildings were constructed from the early 1900s to 2017, with the majority dating back to the 1940s. City/Bromma has the largest share of commercial properties, which account for 23% of the total lettable area. The commercial properties contain premises for local services, offices and community services.

Development properties are located in Abrahamsberg and in Söderstaden

(urban development area comprising Globenområdet, Slakthusområdet and Gullmarsplan-Nynäsvägen).

A detailed development plan has been adopted for the construction of a nursing and care home at the Geografiboken 1 property in Bromma.

The planning process for the expansive Slakthusområdet in Söderstaden started in the first quarter of 2022 for the construction of new housing. The detailed development plan is expected to enter legal force during 2026. John Mattson's leaseholds are in a prime location near the future Metro station entrance in the area.

Key metrics, City/Bromma	Q3 2023
Area, residentials, thousand sq m	31
Rental value, residentials, SEK/sq m	2,068
Economic occupancy rate, residentials, %	98.6
Property value, residentials, SEK/sq m	50,720
Surplus ratio, residentials, %	70

SHARE OF LETTABLE AREA





## South Stockholm/Nacka

John Mattson's portfolio in South Stockholm and Nacka is mainly concentrated to Hägerstensåsen, Västberga and Örby. Residential properties account for 72% of the total lettable area and mainly comprise properties built in the 1990s. Commercial properties account for 17% of the total lettable area and mainly comprise offices, nursing and care homes, and local services. The area has three development properties at different stages of development.

The development of the Gengasen property is ongoing at Örby centrum, a new production project that includes rental apartments, retail premises and LSS housing. The project started in 2021

and occupancy is expected for the second half of 2023. An upgrading project for apartments also began in the second quarter of 2022. During the period, 23 (0) apartments were upgraded.

A land allocation has been received in Örnberg for the Pincetten project, where work is ongoing with the detailed development plan for the new construction of 230 rental and tenant-owner apartments, commercial premises and a preschool.

The Sicklaön 37:46 property at Finnboda kaj in Nacka Municipality includes development rights for residential properties with a possible construction start in 2024.

Key metrics, South Stockholm/Nacka	Q3 2023
Area, residentials, thousand sq m	43
Rental value, residentials, SEK/sq m	2,010
Economic occupancy rate, residentials, %	99.1
Property value, residentials, SEK/sq m	46,382
Surplus ratio, residentials, %	74

SHARE OF LETTABLE AREA



## Development projects

John Mattson works actively with property development to identify undeveloped land where infill development of existing built-up areas and new production is possible and appropriate to enable long-term value growth. These efforts are conducted either on our own land or through land acquisition or allocation. Even premises that were previously intended for purposes other than housing are converted to housing when this is financially favourable.

The prevailing uncertain market conditions for project operations have resulted in the postponement of most planned projects. Ongoing projects are being completed but no new projects will begin until the company assesses that market conditions are favourable, which for projects to add value is assessed to be in 2024 at the earliest and for infill development projects assessed to be 2026. John Mattson's total project portfolio is presented in the table below.

Project	Area	Category	Type	No. of Apts. <sup>1)</sup>	Additional lettable area <sup>1)</sup>	Status	Possible construction start <sup>2)</sup>
Gengasen, Örby	South Stockholm/Nacka	Own management	Rental properties	129	8,400	Production	Ongoing
Geografiboken, Abrahamsberg	City/Bromma	Own management	Nursing and care home	80	5,900	Detailed development plan entered force	2023
Finnboda, Nacka	South Stockholm/Nacka	Own management	Rental properties	20	1,300	Detailed development plan entered force	2023
Juno, Käppala	Lidingö	Own management	Rental properties	50	1,750	Detailed development plan entered force	2023
Ekporten, Larsberg/Dalén	Lidingö	Own management	Rental properties	150	8,500	Detailed development plan in progress	2025
Pincetten, Örnberg	South Stockholm/Nacka	Own management	Rental properties and housing	230	13,500	Detailed development plan in progress	2025
Hjälpslaktaren, Slakthusområdet	City/Bromma	Own management	Rental properties	100	9,000	Detailed development plan in progress	2026
<b>Total development portfolio</b>				<b>759</b>	<b>48,350</b>		

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

<sup>2)</sup> Potential construction start is the date when a detailed development plan enters force. An assessment is then made for when the project can commence on the development right.



# Current earnings capacity

The table illustrates John Mattson's current earnings capacity on a 12-month basis as per 30 September 2023, after taking the entire property portfolio on the balance-sheet date into consideration.

Properties acquired and taken possession of, and projects completed during the period are restated on an annual basis. Deductions are made for divested and transferred properties, but none are made for properties where a sales agreement has been reached but the transfer has not yet been made.

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 current earnings capacity is not the same as a projection for the forthcoming 12 months.

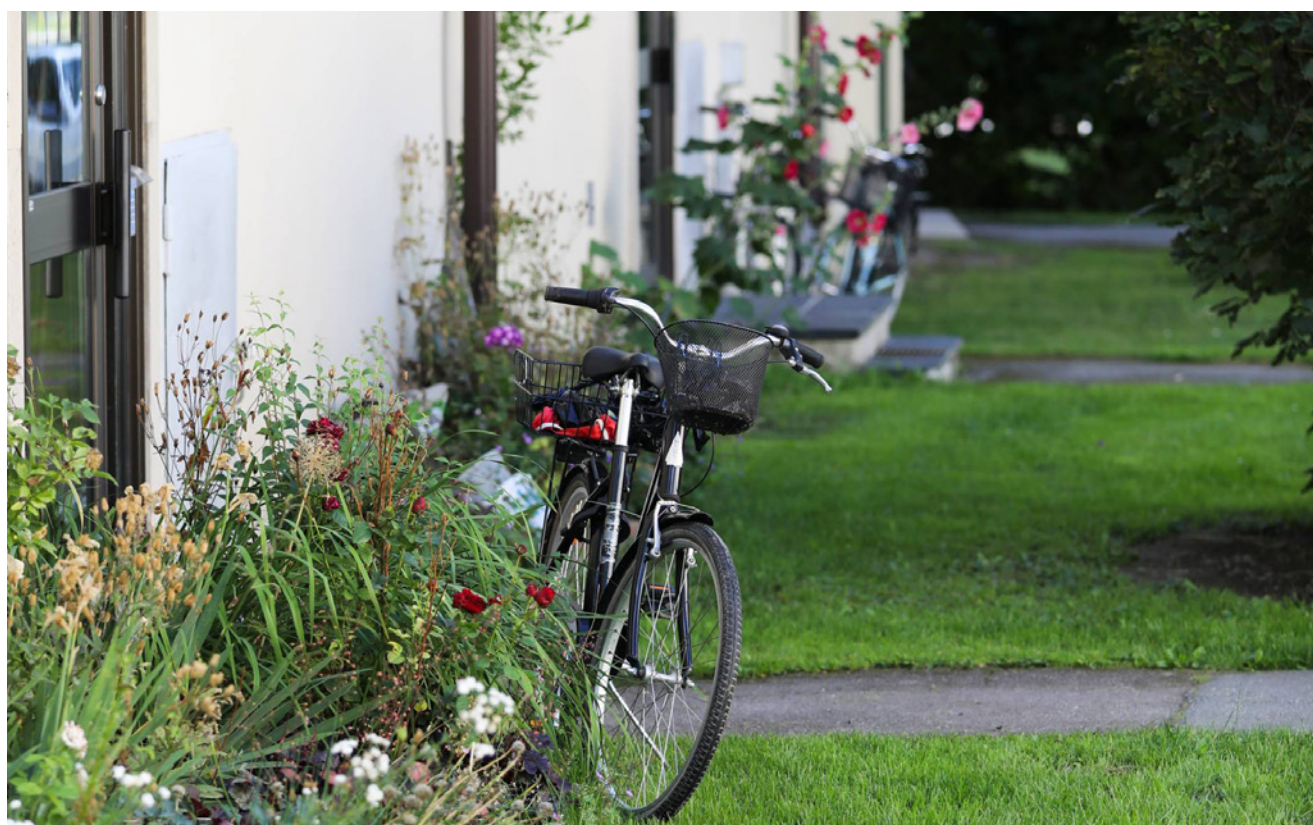
The earnings capacity includes no assessments of rental, vacancy or interest-rate changes. Moreover, John Mattson's earnings are impacted by changes in the values of properties and derivatives. None of the above was taken into consideration when assessing current earnings capacity. Rental revenues are based on contractual revenue on the balance-sheet date. The vacancy level shown in the earnings capacity primarily pertains to upgrade projects. Property expenses are based on LTM property expenses.

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. For more information about central administration costs, refer to Note 4, page 11.

Net financial items have been calculated based on interest expenses for the last 12 months with supplements for ground rent and is not a forecast of future interest costs. Any interest on cash and cash equivalents has not been taken into account.

Amounts in SEK m	30 Sep 2023
Rent level	622.8
Vacancies and discounts	-26.1
<b>Rental revenues</b>	<b>596.7</b>
Operating expenses	-111.0
Maintenance expenses	-17.6
Property tax	-13.7
Property administration	-21.9
<b>Net operating income</b>	<b>432.6</b>
Central administration costs	-48.2
Net financial items	-263.1
Less non-controlling interests	-1.9
<b>Income from property management</b>	<b>119.5</b>



The Vävstolen 8 property at Brommaplan in Stockholm.

# Condensed consolidated income statement

Amounts in SEK m	Note	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Rolling 12 months Oct 22–Sep 23	Jan-Dec 2022
Rental revenues	2	154.5	157.0	464.1	468.9	616.0	620.9
Operating expenses	3	-23.1	-27.7	-91.7	-99.2	-133.7	-141.2
Maintenance	3	-3.0	-8.0	-10.8	-22.4	-23.6	-35.2
Property tax	3	-3.5	-4.4	-10.4	-10.6	-13.4	-13.6
Property administration	3	-2.5	-6.0	-15.4	-23.7	-24.8	-33.1
<b>Net operating income</b>		<b>122.5</b>	<b>110.9</b>	<b>335.7</b>	<b>313.0</b>	<b>420.5</b>	<b>397.8</b>
Central administration costs	4	-13.4	-12.8	-37.2	-44.2	-51.8	-58.8
Net financial items	5	-64.8	-50.8	-196.1	-128.6	-252.8	-185.2
<b>Income from property management</b>	<b>1</b>	<b>44.2</b>	<b>47.4</b>	<b>102.4</b>	<b>140.3</b>	<b>115.9</b>	<b>153.9</b>
Changes in property values	6	-368.8	-295.1	-986.7	-14.3	-1,197.5	-225.1
Change in the value of interest-rate derivatives	6	1.8	50.1	10.4	275.1	-0.1	264.6
<b>EBT</b>		<b>-322.8</b>	<b>-197.6</b>	<b>-873.9</b>	<b>401.1</b>	<b>-1,081.7</b>	<b>193.4</b>
Current tax	7	-5.9	-2.8	-7.1	-9.3	2.0	-0.2
Deferred tax	7	-9.5	44.4	78.2	-80.8	88.5	-70.5
<b>Profit/loss for the period</b>		<b>-338.2</b>	<b>-156.0</b>	<b>-802.8</b>	<b>311.0</b>	<b>-991.2</b>	<b>122.7</b>
<b>Statement of comprehensive income</b>							
Comprehensive income for the period							
Profit/loss for the period		-338.2	-156.0	-802.8	311.0	-991.2	122.7
Other comprehensive income							
<b>Comprehensive income for the period</b>		<b>-338.2</b>	<b>-156.0</b>	<b>-802.8</b>	<b>311.0</b>	<b>-991.2</b>	<b>122.7</b>
Profit/loss for the period attributable to Parent Company shareholders, weighted Av. No. of shares		-8.96	-4.06	-21.20	8.27	-26.10	3.30
Comprehensive income for the period attributable to:							
Parent Company shareholders		-339.7	-154.0	-803.3	309.7	-989.2	123.7
Non-controlling interests		1.5	-2.0	0.4	1.3	-1.9	-1.0
Average No. of shares, thousand		37,897	37,897	37,897	37,424	37,897	37,537

# January to September 2023 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 and transferred properties and completed projects have been restated at the full-year rate, and divested and transferred properties excluded from the period.

## Note 1 Income from property management

Income from property management (that is, profit excluding value changes and tax) for the period was SEK 102.4 million (140.3), corresponding to SEK 2.70 per share (3.75). This corresponded to negative annual growth in income from property management per share of 28%.

Net operating income for the period totalled SEK 335.7 million (313.0), corresponding to SEK 1,257 per sq m (1,079) over the rolling 12-month period. This corresponded to annual growth in net operating income per share of 16%.

## Note 2 Revenue

The Group's revenue for the period amounted to SEK 464.1 million (468.9), corresponding to SEK 1,734 per sq m (1,698) over the rolling 12-month period.

Rental revenues for residential properties totalled SEK 357.5 million (351.0), corresponding to SEK 1,637 per sq m (1,556). The general annual housing rent negotiations for 2023 resulted in increases of 2.3–4.75%.

	Jan-Sep 2023, SEK m	30 Sep 2023, SEK/sq m	Jan-Sep 2022, SEK m	30 Sep 2022, SEK/sq m
<b>Revenue</b>				
Lidingö	229.2	1,809	235.9	1,823
North Stockholm	76.3	1,247	66.5	1,166
City/Bromma	72.0	2,015	65.1	1,831
South Stockholm/Nacka	86.5	1,962	101.4	1,903
<b>Total</b>	<b>464.1</b>	<b>1,734</b>	<b>468.9</b>	<b>1,698</b>

## Note 3 Property expenses

Property expenses totalled SEK 128.3 million (155.9), corresponding to SEK 477 per sq m (619) over a rolling 12-month period, which is a cost reduction of SEK 142 per sq m or 23%. The decrease in costs was mainly attributable to lower costs for property administration, operation and maintenance.

Operating expenses amounted to SEK 91.7 million (99.2), due to lower costs for energy and property upkeep. Maintenance expenses amounted to SEK 10.8 million (22.4).

Property administration expenses were lower at SEK 15.4 million (23.7).

The change was attributable to the effects from the implemented efficiency and cost savings programme.

	Jan-Sep 2023, SEK m	30 Sep 2023, SEK/sq m	Jan-Sep 2022, SEK m	30 Sep 2022, SEK/sq m
<b>Property expenses</b>				
Lidingö	52.7	434	73.9	604
North Stockholm	31.9	549	36.4	695
City/Bromma	21.3	523	19.8	586
South Stockholm/Nacka	22.4	455	25.8	589
<b>Total</b>	<b>128.3</b>	<b>477</b>	<b>155.9</b>	<b>619</b>

	Lidingö	North Stockholm	City/ Bromma	South Stock- holm/ Nacka	Total
<b>Property expenses/sq m</b>					
Operating expenses	301	385	320	297	322
Maintenance	40	64	72	45	51
Property tax	33	31	65	48	40
Property administration	60	69	66	65	64
<b>Total</b>	<b>434</b>	<b>549</b>	<b>523</b>	<b>455</b>	<b>477</b>

## Note 4 Central administration costs

Central administration costs comprise costs for company management, business development and central support functions. During the period, expenses amounted to SEK 37.2 million (44.2) and included a non-recurring cost of SEK 2.0 million that arose in conjunction with the conclusion of the former CFO's employment. Total cost reductions amounted to SEK 9.2 million year-on-year and stemmed from the implemented efficiency and cost savings programme.

## Note 5 Net financial items

Net financial items amounted to SEK 196.1 million (128.6). The year-on-year increase in net financial items was attributable to higher interest rates. Capitalised financial expenses for ongoing projects amounted to SEK 10.8 million (1.5). The average interest rate, including the effects of interest-rate derivatives, was 3.20% (2.19) at the end of the period. The interest coverage ratio was a multiple of 1.6 (2.2) at the end of the period.

## Note 6 Changes in value

Changes in property values amounted to a loss of SEK 986.7 million (loss: 14.3). Realised changes in the value of divested properties in the period amounted to a loss of SEK 16.3 million (loss: 14.0). Unrealised changes in property values amounted to a loss of SEK 970.3 million (loss: 0.3). The value changes were attributable to an improved net operating income linked to implemented efficiency enhancements and investments, increased assessments of yield requirements and divested properties.

The average valuation yield for the Group was 3.2% (2.9% on 31 December 2022).

	Jan-Sep 2023, SEK m	Jan-Sep 2022, SEK m
<b>Changes in value</b>		
Change in net operating income	720.0	197.2
Ongoing projects/development rights	201.2	191.3
Yield requirement	-1,891.5	-415.5
Acquired properties	-	26.8
Divested properties	-16.3	-14.0
<b>Total</b>	<b>-986.7</b>	<b>-14.3</b>

Unrealised changes in the value of interest-rate derivatives in the period amounted to SEK 10.4 million (275.1). The change was mainly due to movements in the underlying market interest rates during the period.

### Note 7 Tax

Current tax for the period was an expense of SEK 7.1 million (expense: 9.3). Deferred tax amounted to income of SEK 78.2 million (expense: 80.8) and was impacted by unrealised changes in net property and derivative values of SEK 197.7 million (53.7). This amount is affected by unrecognised deferred tax pertaining to declines in value for historic asset acquisitions of SEK 124.3 million. Other fiscal adjustments do not include non-deductible interest expenses of SEK 139.2 million (2.3), for which the tax value has not been capitalised since the opportunities to utilise these adjustments in the future is deemed uncertain. Realised value changes resulted in an impact on deferred tax of SEK 124.3 million.

The Group's loss carryforwards are estimated at SEK 14.6 million (364.7 on 31 December 2022), 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 10,300.3 million (11,663.1 on 31 December 2022). The full nominal tax rate of 20.6% is recognised as a deferred tax liability, less deferred tax pertaining to historical asset acquisitions.

SEK m	Tax base, current tax	Tax base, deferred tax
Income from property management	102.4	
<i>Tax deductible</i>		
Depreciation	-75.3	75.3
New builds and redevelopments		
Other fiscal adjustments	357.7	171.2
<b>Profit before unrealised changes in value</b>	<b>384.8</b>	<b>246.5</b>
Changes in property values		-986.7
Changes in derivative values		10.4
<b>Taxable earnings before loss carryforwards</b>	<b>384.8</b>	<b>-729.8</b>
Loss carryforwards, opening balance	-364.7	364.7
Loss carryforwards, closing balance	14.6	-14.6
<b>Taxable profit/loss</b>	<b>34.7</b>	<b>-379.7</b>
<b>Tax for the period</b>	<b>-7.1</b>	<b>78.2</b>

SEK m	Tax base	Nominal tax liability	Actual tax liability/asset
Properties	-10,300.3	-2,121.9	-618.0
Derivatives	-249.8	-51.5	-47.5
Loss carryforwards	14.6	3.0	2.5
Untaxed reserves	-33.1	-6.8	-6.8
<b>Total</b>	<b>-10,568.6</b>	<b>-2,177.1</b>	<b>-669.8</b>
Property, asset acquisitions	4,647.3	957.4	
<b>Total</b>	<b>-5,921.3</b>	<b>-1,219.8</b>	<b>-669.8</b>
<b>According to balance sheet</b>		<b>-1,219.8</b>	

The nominal tax liability recognised in the balance sheet was a net amount of SEK 1,219.8 million (1,308.1). However, the actual net tax liability was calculated at SEK 669.8 million (640.0). 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 an eight-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 Sep 2023	30 Sep 2022	31 Dec 2022
<b>Assets</b>				
Investment properties	8	14,221.4	15,799.1	15,695.5
Right-of-use assets, leaseholds	9	361.8	332.8	345.2
Interest-rate derivatives	10	245.6	249.9	226.5
Other non-current assets		12.1	12.5	12.0
<b>Total non-current assets</b>		<b>14,840.9</b>	<b>16,394.3</b>	<b>16,279.4</b>
Current receivables		88.2	191.6	75.9
Interest-rate derivatives	10	4.2		12.9
Cash and cash equivalents		32.0	109.5	47.6
<b>Total current assets</b>		<b>124.4</b>	<b>301.1</b>	<b>136.4</b>
<b>Total assets</b>		<b>14,965.3</b>	<b>16,695.4</b>	<b>16,415.8</b>
<b>Equity and liabilities</b>				
Equity attributable to Parent Company shareholders	10	4,735.4	5,721.9	5,536.1
Non-controlling interests		80.4	107.6	105.3
<b>Total equity</b>		<b>4,815.8</b>	<b>5,829.5</b>	<b>5,641.5</b>
Provisions		1.1	1.5	1.4
Lease liability, leaseholds	9	361.8	332.8	345.3
Non-current interest-bearing liabilities	10	5,863.9	6,493.6	6,363.9
Other non-current liabilities		7.0	7.0	7.0
Deferred tax liabilities	7	1,219.8	1,308.1	1,298.0
<b>Total non-current liabilities</b>		<b>7,453.7</b>	<b>8,143.0</b>	<b>8,015.6</b>
Current interest-bearing liabilities	10	2,497.8	2,508.6	2,559.9
Other current liabilities		198.0	214.3	198.9
<b>Total current liabilities</b>		<b>2,695.8</b>	<b>2,722.9</b>	<b>2,758.8</b>
<b>Total liabilities</b>		<b>10,149.5</b>	<b>10,865.9</b>	<b>10,774.4</b>
<b>Total equity and liabilities</b>		<b>14,965.3</b>	<b>16,695.4</b>	<b>16,415.8</b>

# Condensed consolidated statement of changes in equity

Amounts in SEK m	Total shares outstanding, thousand <sup>1, 2)</sup>	Share capital	Other contributed capital	Retained earnings	Equity attributable to Parent Company shareholders	Non-controlling interests	Total equity
<b>Equity on 1 Jan 2022</b>	<b>36,364.8</b>	<b>12.1</b>	<b>770.1</b>	<b>4,361.7</b>	<b>5,143.9</b>	<b>106.2</b>	<b>5,250.2</b>
Non-cash issue	1,532.1	0.5	267.9		268.4		268.4
Comprehensive income for the period				309.7	309.7	1.3	311.0
<b>Equity on 30 Sep 2022</b>	<b>37,897.0</b>	<b>12.6</b>	<b>1,038.0</b>	<b>4,671.4</b>	<b>5,721.9</b>	<b>107.6</b>	<b>5,829.5</b>
Comprehensive income for the period				-186.1	-186.1	-2.3	-188.3
<b>Equity on 31 Dec 2022</b>	<b>37,897.0</b>	<b>12.6</b>	<b>1,038.0</b>	<b>4,485.5</b>	<b>5,536.1</b>	<b>105.3</b>	<b>5,641.5</b>
Acquisition of minority shares, controlling influence retained				2.4	2.4	-25.3	-22.9
Comprehensive income for the period				-803.3	-803.3	0.4	-802.8
<b>Equity on 30 Sep 2023</b>	<b>37,897.0</b>	<b>12.6</b>	<b>1,038.0</b>	<b>3,684.6</b>	<b>4,735.4</b>	<b>80.4</b>	<b>4,815.8</b>

<sup>1)</sup> Two non-cash issues, of 672,208 and 859,930 shares respectively, were decided in February 2022 in conjunction with the acquisition of properties. The shares were registered on 3 February and 5 May 2022. The number of shares on 30 September 2023 was 37,896,965.

<sup>2)</sup> On 30 September 2023, the quotient value of the shares was SEK 0.33 per share (SEK 0.33).

# Balance sheet on 30 September 2023

## Note 8 Investment properties

John Mattson's property portfolio is located across five municipalities in the Stockholm region – in Lidingö, Sollentuna, Nacka, Upplands Väsby and in the City of Stockholm.

At the end of the period, property value totalled SEK 14,221.4 million (15,695.5 on 31 December 2022). The property value has decreased SEK 1,474.2 million compared with the end of last year, which was primarily due to divestments, and unrealised changes in value. Residential properties account for 84% of the portfolio's value, commercial properties for 10% and development properties for 6%. The total lettable area amounted to 344,200 square metres (355,200) and the rental value on 30 September amounted to SEK 622.8 million (617.3). The portfolio comprises 4,294 apartments (4,396).

## Investments and sales

During the period, total investments amounted to SEK 286.8 million (893.9), of which SEK 0.0 million (643.2) pertained to acquisitions. Investments in new builds amounted to SEK 155.0 million (178.9), and mainly pertained to the new build project in Örby centrum. Last year, a new build project was also in progress in Upplands Väsby. Investments in completed upgrades amounted to SEK 103.1 million (31.4). During the period, 63 (76) apartments were upgraded. Other investments includes items such as window replacements. During the period, properties were divested with an underlying property value of SEK 790.6 million.

Change in property value	SEK m
<b>Property value, opening balance on 1 Jan 2023</b>	<b>15,695.5</b>
+ Acquisitions	0.0
+ Investments in new builds	155.0
+ Investments in base upgrades	103.1
+ Other investments	28.8
- Sales	-790.6
+/- Unrealised changes in value	-970.3
<b>Property value, closing balance on 30 Sep 2023</b>	<b>14,221.4</b>

## Property value

The Group's properties are recognised at fair value in line with level 3 under IFRS. As of 30 September 2023, parts of the portfolio were externally valued by Cushman & Wakefield, which corresponded to one quarter of the property portfolio's total value. The remainder of the property portfolio was valued internally. External valuations are conducted for all properties once each calendar year.

The valuations of investment properties use a cash-flow model with an individual assessment for each property's future earnings potential. The valuations are based on an analysis of completed property transactions for similar properties to assess market yield requirements.

Development properties are valued either as development rights or ongoing projects. Development rights are valued based on their assessed market value per square metre GFA. Ongoing projects are valued at their completed value less remaining investments and a risk deduction depending on the phase of the project.

The external valuations are normally conducted using a calculation period of ten years, the period from October 2023 to December 2033. For an assessment of residual value at the end of the calculation horizon, net operating income for 2034 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.

The internal valuation model is based on a residual value calculation supported by inputs from external valuations. Moreover, ongoing assessments are made of any other indications affecting the fair value of the properties, such as tenants vacating, notice of termination and significant changes in yield requirements.

In addition to assumed short-term inflation of 6.0% and assumed long-term 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 yield requirements.

Property-related key metrics	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Rental value SEK/sq m	1,810	1,746	1,742
Economic occupancy rate, %	95.8	97.1	95.9
Property expenses, SEK/sq m	477	619	620
Net operating income, SEK/sq m	1,257	1,079	1,106
Property value, SEK/sq m	41,319	44,476	43,638
Lettable area at the end of the period, thousand sq m	344	355	359
Average valuation yield, %	3.2	2.8	2.9

## Note 9 Right-of-use assets and lease liabilities

In accordance with IFRS 16 – Leases, the value of leaseholds is recognised as a right-of-use asset together with a corresponding lease liability. As of 30 September 2023, the estimated total value of the right-of-use assets and the liability was SEK 361.8 million (332.8).

# Financing

## Note 10 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 September, equity attributable to Parent Company shareholders totalled SEK 4,735.4 million (5,721.9), which corresponds to SEK 124.95 (150.99) per share. During the year, equity declined due to the loss for the period of SEK 803.3 million (profit: 309.7) and increased SEK 2.4 million through acquisitions and transactions with non-controlling interests.

### 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 8,533.1 million (9,112.5).

The credit volumes utilised at the end of the period amounted to SEK 8,361.7 million (9,002.2), of which SEK 5,863.9 million (6,493.6) was a non-current liability and SEK 2,497.8 million (2,508.6) was a current liability.

External borrowing during the period amounted to SEK 805.5 million (1,696.5). Loan repayments during the period amounted to SEK 1,367.6 million (2,140.8).

At the end of the period, net interest-bearing liabilities amounted to SEK 8,329.7 million (8,892.6), corresponding to an LTV ratio of 58.6% (56.3).

Disposable liquidity, which comprises unutilised overdraft facilities and cash balances, amounted to SEK 125.3 million (109.5) at the end of the period. Moreover, an unutilised construction credit of SEK 78.1 million is in place for future financing needs.

The average loan-to-maturity, including credit commitments, was 2.5 years (2.9) at the end of the period.

The average interest coverage ratio was a multiple of 1.6 (2.2) at the end of the period.

As part of the preparations for the rights issue, John Mattson has negotiated, both with existing lending banks and with additional lending banks, and entered agreements and received credit decisions regarding extensions and refinancing for all bank credits that would otherwise have matured by December

2024. These extensions and refinancing are contingent on the completion of the rights issue. Taking the rights issue into account, all else being equal, net financial items for the January to September 2023 period would have amounted to an expense of SEK 156.5 million and income from property management to SEK 142 million.

### 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. Interest-rate swaps are measured at fair value using market interest rates at the end of the month.

John Mattson has contracted interest-rate swaps to a nominal value of SEK 5,403.6 million (4,788.6), corresponding to 74.4% (61.9) of interest-bearing liabilities with a floating rate (Stibor).

The contracted interest-rate swaps mature from 2023 to 2033. The market value of interest-rate derivatives at the end of the period was SEK 249.8 million (249.9). The amount will be gradually reversed and recognised in profit or loss up to the expiry dates of the derivatives, regardless of the interest-rate level. No hedge accounting is applied. The fair values of non-current interest-bearing liabilities do not deviate significantly from their carrying amounts.

John Mattson's average fixed-interest tenor, including interest-rate swaps, was 2.6 years (2.8) 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 3.20% (2.19) at the end of the period.

### Note 11 Transactions with related parties

The Group's related parties include all Board Members and members of executive management as well as individuals and companies related to these parties. All transactions with related parties are conducted on commercial terms.

In May 2023, the Parent Company decided to take up a short-term promissory note loan from the company's two largest shareholders. As of 30 September 2023, the loan outstanding was SEK 405 million. The loan has been contracted subject to market terms and the interest rate is on a par with externally arranged credits with corresponding maturities.

#### Fixed-interest and loan-to-maturity periods on 30 September 2023

Fixed-interest period				Loan-to-maturity			Interest-rate swaps	
Maturity	Volume (SEK m)	Average interest (%) <sup>1)</sup>	Share (%)	Credit agreements volume (SEK m)	Utilised, SEK m	Share (%)	Volume (SEK m)	Average interest rate (%) <sup>2)</sup>
0-1 year	2,189.5	7.47	26	2,669.2	2,497.8	30	471	
1-2 years	1,863.6	1.26	22	1,269.0	1,269.0	15	1,683	
2-3 years	1,797.0	1.35	21	1,426.3	1,426.3	17	1,550	
3-4 years	496.4	2.12	6	1,477.5	1,477.5	18	400	
4-5 years	1,266.3	2.07	15	1,046.1	1,046.1	13	600	
>5 years	749.0	2.67	9	645.0	645.0	8	700	
<b>Total</b>	<b>8,361.7</b>	<b>3.20</b>	<b>100</b>	<b>8,533.1</b>	<b>8,361.7</b>	<b>100</b>	<b>5,404</b>	<b>-2.38</b>

<sup>1)</sup> Average interest rate at the end of the period including derivatives. The average interest rate for the period until the end of the first year includes the credit margin for all floating rate loans and, accordingly, the average interest rate does not reflect the actual interest rate on borrowing. The average interest rate excluding construction credits was 3.03%.

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



# Condensed consolidated cash-flow statement

Amounts in SEK m	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Rolling 12 months Oct 2022-Sep 2023	Jan-Dec 2022
<i>Operating activities</i>						
<b>EBT</b>	<b>-322.8</b>	<b>-197.6</b>	<b>-873.9</b>	<b>401.1</b>	<b>-1,081.7</b>	<b>193.4</b>
<i>Adjustment for non-cash items</i>						
Change in property values	368.8	295.1	986.7	14.3	1,197.5	225.1
Change in value of interest-rate derivatives	-1.8	-50.1	-10.4	-275.1	0.1	-264.6
Depreciation and disposals	0.8	0.9	2.3	2.5	3.7	3.9
Other non-cash items, etc.	-0.1	0.3	-0.3	-0.2	1.4	1.5
Taxes paid	-5.9	-2.8	-7.1	-9.3	2.0	-0.2
<b>Cash flow from operating activities before changes in working capital</b>	<b>39.0</b>	<b>46.2</b>	<b>97.3</b>	<b>133.2</b>	<b>123.1</b>	<b>159.1</b>
<i>Cash flow from changes in working capital</i>						
Change in operating receivables	-8.0	-14.9	-7.3	-6.9	8.6	8.9
Change in operating liabilities	24.2	32.4	-0.8	-156.5	-16.9	-172.6
<b>Cash flow from operating activities</b>	<b>55.2</b>	<b>63.7</b>	<b>89.2</b>	<b>-30.2</b>	<b>114.7</b>	<b>-4.6</b>
<i>Investing activities</i>						
Investments in equipment	-1.3	-0.6	-2.6	-3.7	-4.2	-5.4
Net acquisition of investment properties <sup>1)</sup>				-263.9		-263.9
Investments in investment properties	-96.6	-81.9	-286.8	-250.7	-394.2	-358.0
Divestments of non-current assets		662.8	769.5	874.9	769.5	874.9
<b>Cash flow from investing activities</b>	<b>-98.0</b>	<b>580.3</b>	<b>480.1</b>	<b>356.6</b>	<b>371.1</b>	<b>247.6</b>
<i>Financing activities</i>						
Acquisition of minority holdings			-22.9		-22.9	
Borrowings	148.1	459.0	805.5	1,696.5	1,270.8	2,161.8
Repayments of borrowings	-227.9	-1,161.2	-1,367.6	-2,140.8	-1,811.3	-2,584.5
<b>Cash flow from financing activities</b>	<b>-79.8</b>	<b>-702.2</b>	<b>-584.9</b>	<b>-444.3</b>	<b>-563.3</b>	<b>-422.8</b>
<i>Cash flow for the period</i>	<b>-122.6</b>	<b>-58.3</b>	<b>-15.6</b>	<b>-117.9</b>	<b>-77.5</b>	<b>-179.8</b>
Opening balance, cash and cash equivalents	154.6	167.8	47.6	227.5	109.5	227.5
Closing balance, cash and cash equivalents	32.0	109.5	32.0	109.5	32.0	47.6

<sup>1)</sup> Consolidated additional cash-flow statement disclosures

## Acquisition of investment properties in corporate wrappers:

Amounts in SEK m	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Rolling 12 months Oct 2022-Sep 2023	Jan-Dec 2022
Investment properties				643.2		643.2
Operating receivables				5.7		5.7
Cash and cash equivalents				6.8		6.8
Deferred tax assets, accrual reserves						
Assumed operating liabilities				-116.6		-116.6
Assumed interest-bearing liabilities						
Less: Previously recognised participation in profits of associates						
Net assets acquired				539.0		539.0
Non-cash issue *				-268.4		-268.4
Acquired non-controlling interest						
Purchase price paid				270.7		270.7
Less: Cash and cash equivalents in acquired operations				-6.8		-6.8
<b>Net impact on cash and cash equivalents (positive = decrease)</b>				<b>263.9</b>		<b>263.9</b>

\* In the second quarter of 2022, a debt attributable to an acquisition completed in the first quarter of 2022 was offset and converted to equity.  
No acquisitions took place in the January-September 2023 period.

# Parent Company

The operations of the Parent Company, John Mattson Fastighetsföretagen AB (publ) with corporate identification number 556802-2858, primarily encompass shared Group services pertaining to strategy, communication, business development and accounting/finance.

## Condensed Parent Company income statement

Amounts in SEK m	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Revenue	4.0	10.0	13.9
Central administration costs	-21.3	-30.5	-43.5
<b>EBIT</b>	<b>-17.3</b>	<b>-20.5</b>	<b>-29.6</b>
Result from participations in Group companies	144.4		
Net interest	-92.8	-39.4	-60.6
<b>Profit/loss after financial items</b>	<b>34.3</b>	<b>-59.9</b>	<b>-90.3</b>
Appropriations			29.8
<b>EBT</b>	<b>34.3</b>	<b>-59.9</b>	<b>-60.5</b>
Tax	-2.1	4.2	
<b>Profit/loss for the period</b>	<b>32.2</b>	<b>-55.7</b>	<b>-60.5</b>

## Condensed Parent Company balance sheet

Amounts in SEK m	30 Sep 2023	30 Sep 2022	31 Dec 2022
<b>Assets</b>			
Plant and equipment	0.3		0.9
Participations in Group companies	5,314.9	5,317.5	5,320.5
Deferred tax assets	0.9	7.2	3.0
Receivables from Group companies	378.9		323.6
Other current receivables	14.6	8.7	11.5
Cash at bank and in hand	31.7	6.1	4.7
<b>Total assets</b>	<b>5,741.4</b>	<b>5,339.5</b>	<b>5,664.2</b>
<b>Equity and liabilities</b>			
Equity	1,877.7	1,850.2	1,845.7
Non-current liabilities to credit institutions		475.0	475.0
Liabilities to Group companies	3,448.6	1,983.7	2,430.8
Current liabilities to credit institutions	405.0	1,017.0	893.1
Other current liabilities	10.0	13.6	19.6
<b>Total equity and liabilities</b>	<b>5,741.4</b>	<b>5,339.5</b>	<b>5,664.2</b>

# Opportunities and risks in the Group and Parent Company

**John Mattson has a stable cash flow from operating activities with 82% of the lettable area comprising residential properties in attractive locations in the Stockholm region. It is the company's assessment that demand for rental properties in these locations will remain high.**

## Opportunities and risks in cash flow

Of John Mattson's total rental revenues, around 75% is generated by residential tenants. The vacancy rate is low and rents are relatively secure and predictable. John Mattson's properties are located in attractive areas with healthy demand in the Stockholm region.

The main operating expenses for John Mattson are for media, which include electricity, heat and water. Electricity costs have been more volatile compared with previous periods.

John Mattson has stable cash flow from operating activities before changes in working capital.

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	5%	+/-31.1
Economic occupancy rate	1 percentage point	+/-6.2
Property expenses	5%	+/-8.2
Underlying market interest rate	1 percentage point	-35.8/+27.1

## 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 are based on their expected future 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	-2,844	-1,422	0	1,422	2,844
Loan-to-value (LTV) ratio, %	73.2	65.1	58.6	53.2	48.8

## Financial risk

John Mattson aims for low financial risk. The risk is limited with a long-term net LTV ratio that is not permitted to exceed 50% and a long-term interest coverage ratio of not less than 1.5. At the end of the period, the loan-to-value ratio was 58.6% (56.3). The interest coverage ratio for the period was a multiple of 1.6 (2.2). Access to external funding is one of the key risk parameters that the company has to manage. This is kept in check through access to disposable liquidity, in addition to a low LTV ratio.

Disposable liquidity, which comprises unutilised overdraft facilities and cash balances, amounted to SEK 125.3 million (109.5) at the end of the period. Moreover, an unutilised construction credit of SEK 78.1 million is in place for future financing needs. The com-

pany's volume-weighted average loan-to-maturity amounted to 2.5 years (2.9) 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 for a nominal amount of SEK 5,403.6 million (4,788.6), representing 74.4% (61.9) of interest-bearing liabilities with a floating interest rate (Stibor).

## Sustainability risks

John Mattson's sustainability agenda is integrated into the company's business model. Sustainability-related risks that are deemed the most material for the company's development are social conditions, negative environmental impact and climate change as well as issues related to the company's code of conduct and employees.

John Mattson works pursuant to long-term sustainability targets, including science-based climate targets, for each of the company's four focus areas in sustainability. The sustainability targets are to steer the company's operations toward more sustainable development and contribute to achieving the vision of "Great neighbourhoods across generations."

John Mattson takes an overall approach towards buildings as well as outdoor areas to create safe, attractive and sustainable neighbourhoods and local communities. The company is committed to engaging in social issues and to working together with municipalities, the police, other property owners and organisations on safety issues and works systematically to prevent improper rental conditions.

With the aim of reducing negative impacts on the environment across all components of the properties' life cycle, and increasing positive ones, John Mattson focuses strongly on responsible material and waste management as well as energy-efficient and fossil-free solutions. The company is committed to reducing carbon dioxide emissions in line with the Paris Agreement and has conducted climate mapping as well as drawn up a roadmap to achieve the science-based climate targets.

John Mattson works proactively to promote a healthy, safe and stimulating work environment for employees and suppliers. The code of conduct and supplemental policies implemented for all employees are reviewed annually, moreover, the company's core values are continuously reinforced with the involvement of all employees. John Mattson has a clear process for performance appraisals and works systematically to prevent accidents and work-related illness.

In 2023, the organisation has added resources in the environment area to be able to deliver on the sustainability targets.

## Uncertainties – Turbulent operating environment

The continued uncertainty in the operating environment, together with financial volatility and high inflation with rising interest rates, means that the company must continuously analyse changes in the company's operational and financial risks and, if necessary, act proactively to manage these risks.

On 18 October, John Mattson's Board of Directors resolved on a new issue of shares of approximately SEK 1,250 million with preferential rights for existing shareholders.

# Key metrics

Key metrics	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Rolling 12 months Oct 22-Sep 23	Jan-Dec 2022
<b>Property-related key metrics</b>						
Surplus ratio during the period, %	79.2	70.7	72.3	66.7	68.3	64.1
Economic occupancy rate at the end of the period, %	95.8	97.1	95.8	97.1	95.8	95.9
Rental value at the end of the period, SEK m	622.8	617.3	622.8	617.3	622.8	626.6
Rental value, apartments, at the end of the period, SEK/sq m	1,658	1,599	1,658	1,599	1,658	1,610
Lettable area at the end of the period, thousand sq m	344.2	355.2	344.2	355.2	344.2	359.7
Investments in new builds, extensions and redevelopments, SEK m	96.6	81.9	286.8	250.7	394.2	358.0
Investments – acquisitions, SEK m	0.0	0.0	0.0	643.2	0.0	643.2
Property value at the end of the period, SEK m	14,221.4	15,799.1	14,221.4	15,799.1	14,221.4	15,695.5
Property value, at the end of the period, SEK/sq m	41,319	44,476	41,319	44,476	41,319	43,638
Total number of apartments	4,294	4,396	4,294	4,396	4,294	4,515
No. of upgraded apartments during the period	11	10	63	76	73	86
<b>Key financial metrics</b>						
Rental revenues, SEK m	154.5	157.0	464.1	468.9	616.0	620.9
Net operating income, SEK m	122.5	110.9	335.7	313.0	420.5	397.8
Income from property management, SEK m	44.2	47.4	102.4	140.3	115.9	153.9
Earnings after tax for the period	-338.2	-156.0	-802.8	311.0	-991.2	122.7
Average interest rate at the end of the period, %	3.20	2.19	3.20	2.19	3.20	2.54
LTV ratio at the end of the period, %	58.6	56.3	58.6	56.3	58.6	56.6
Interest coverage ratio during the period, multiple	1.7	2.0	1.6	2.2	1.5	1.9
Fixed-interest tenor, at the end of the period, years	2.6	2.8	2.6	2.8	2.6	2.6
Loan-to-maturity at the end of the period, years	2.5	2.9	2.5	2.9	2.5	2.8
NAV, SEK m	5,705.3	6,780.1	5,705.3	6,780.1	5,705.3	6,594.8
NNNAV, SEK m	5,285.4	6,390.0	5,285.4	6,390.0	5,285.4	6,142.3
<b>Share-related key metrics</b>						
Income from property management, SEK/share	1.17	1.25	2.70	3.75	3.06	4.10
Growth in income from property management, SEK/share, %	-6.8	24.2	-27.9	58.5	-26.2	37.6
Profit after tax attributable to Parent Company shareholders, SEK/share	-8.96	-4.06	-21.20	8.27	-26.10	3.30
NAV, SEK/share	150.55	178.91	150.55	178.91	150.55	174.02
Growth in NAV, SEK/share, %	-15.9	14.2	-15.9	14.2	-15.9	-1.1
NNNAV, SEK/share	139.47	168.61	139.47	168.61	139.47	162.08
Equity attributable to Parent Company shareholders, SEK/share	124.95	150.99	124.95	150.99	124.95	146.09
Market capitalisation at the end of the period, SEK/share	60.00	82.10	60.00	82.10	60.00	83.10
Average No. of shares during the period	37,896,965	37,896,965	37,896,965	37,424,431	37,896,965	37,537,496
No. of shares outstanding at the end of period	37,896,965	37,896,965	37,896,965	37,896,965	37,896,965	37,896,965

Definitions of key metrics are provided on page 24.



# Accounting policies

This condensed interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting together with the appropriate provisions of the Annual Accounts Act. The accounting and measurement policies applied remain unchanged from the annual report.

John Mattson monitors the business as a single unit whose earnings in their entirety are reported to and evaluated by the CODM. Accordingly, the Group only reports one segment.

## New standards and interpretations

New and amended standards approved by the EU and interpretations are currently not considered to have a significant impact on John Mattson's earnings or financial position.

## Parent Company

The Parent Company's accounting policies adhere to the Annual Accounts Act and the Swedish Financial Reporting Board Recommendation RFR 2 Accounting for Legal Entities. For further information on the accounting policies, please refer to the Group's 2022 Annual Report, which is available on John Mattson's website.

## Significant events after the end of the period

- On 18 October, John Mattson's Board of Directors resolved on a new issue of shares of approximately SEK 1,250 million with preferential rights for existing shareholders. The rights issue is contingent on a resolution at the Extraordinary General Meeting.
- On 18 October, John Mattson's Board of Directors resolved to revise the average annual growth target for NAV per share to not less than 7% over a business cycle.
- In October, a sales agreement was signed for a residential property in Högdalen in Stockholm and another agreement was signed for the sale of an office property in central Stockholm with a total underlying property value of approximately SEK 363 million.
- All bank credits due by December 2024 have been extended.

Lidingö, 9 November 2023

**Per-Gunnar (P-G) Persson**  
Chairman of the Board

**Johan Ljungberg**  
Vice chairman

**Håkan Blixt**  
Member of the Board

**Ingela Lindh**  
Board Member

**Christer Olofsson**  
Board Member

**Katarina Wallin**  
Board Member

**Åsa Bergström**  
Board Member

**Per Nilsson, CEO**  
Chief Executive Officer

# Auditor's review report

To the Board of Directors of John Mattson Fastighetsföretagen AB (publ), Corp. Reg. No. 556802-2858

## Introduction

We have reviewed the condensed interim report for John Mattson Fastighetsföretagen AB (publ) as of September 30, 2023 and for the nine months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

## Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 *Review of Interim Financial Statements Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accor-

dance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Stockholm, November 9, 2023

Ernst & Young AB

Katrine Söderberg  
Authorized Public Accountant

# The John Mattson share

John Mattson's shares are listed on Nasdaq Stockholm, Mid Cap.  
As of 30 September 2023, the market capitalisation was SEK 2.3 billion.

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 30 September 2023 was SEK 60.00. The lowest closing price in the quarter was SEK 57.90, recorded on 27 September. The highest closing price in the quarter was SEK 65.20, recorded on 18 September.

Over the quarter, stock turnover on Nasdaq Stockholm amounted to 872,617 shares with a combined value of SEK 53.5 million, representing an annualised stock turnover of 11.8%. Nasdaq Stockholm accounted for 77.5% of all trading in John Mattson shares.

John Mattson has one class of shares and each share entitles the holder to one vote.

On 18 October, John Mattson's Board of Directors resolved on a new issue of shares of approximately SEK 1,250 million with preferential rights for existing shareholders. The rights issue is contingent on a resolution at the Extraordinary General Meeting.

## Net asset value

NAV decreased 15.9% compared with 30 September 2022 and totalled SEK 5,705.3 million (6,780.1). By the end of the period, NAV amounted to SEK 150.55 per share (178.91). NNNAV amounted to SEK 5,285.4 million (6,390.0) or SEK 139.47 per share (168.61) at the end of the period, following deductions for the estimated actual deferred tax liability of 6%.

## Dividend policy

Over the long term, dividends are to amount to 50% of annual income from property management after taking into consideration the company's investment plans, consolidation needs, liquidity and overall financial position.

Dividends may be less than the long-term goal or be fully absent.

## Main shareholders on 30 September 2023

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

	No. of shares	Percentage
AB Borudan Ett	14,351,055	37.9%
Tagehus Holding AB	4,936,782	13.0%
Carnegie Fonder	3,230,000	8.5%
Bergamotträdet 9 Holding AB	1,532,138	4.0%
Fidelity Investments (FMR)	1,488,629	3.9%
PriorNilsson Fonder	1,373,973	3.6%
Other shareholders	10,984,388	29.0%
<b>Total</b>	<b>37,896,965</b>	<b>100.00%</b>
Of which, foreign shareholders	3,175,766	8.4%

Source: Consolidated and compiled data from Euroclear/Modular Finance

## Net asset value

	30 Sep 2023		30 Sep 2022		31 Dec 2022	
	SEK m	SEK/ share	SEK m	SEK/ share	SEK m	SEK/ share
Equity attributable to Parent Company shareholders, according to balance sheet	4,735.4	124.95	5,721.9	150.99	5,536.1	146.09
<b>Add back</b>						
Derivatives according to balance sheet	-249.8	-6.59	-249.9	-6.59	-239.4	-6.32
Deferred tax liability in balance sheet	1,219.8	32.19	1,308.1	34.52	1,298.0	34.25
<b>NAV</b>	<b>5,705.3</b>	<b>150.55</b>	<b>6,780.1</b>	<b>178.91</b>	<b>6,594.8</b>	<b>174.02</b>
<b>Less:</b>						
Derivatives according to balance sheet	249.8	6.59	249.9	6.59	239.4	6.32
Estimated actual deferred tax liability	-669.8	-17.67	-640.0	-16.89	-691.9	-18.26
<b>NNNAV</b>	<b>5,285.4</b>	<b>139.47</b>	<b>6,390.0</b>	<b>168.61</b>	<b>6,142.3</b>	<b>162.08</b>

## Share-related key metrics

	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Income from property management, SEK/share	2.70	3.75	4.10
Growth in income from property management, SEK/share, %	-27.9	58.5	37.6
Profit after tax attributable to Parent Company shareholders, SEK/share	-21.20	8.27	3.30
NAV, SEK/share	150.55	178.91	174.02
Growth in NAV, SEK/share, %	-15.9	14.2	-1.1
NNNAV, SEK/share	139.47	168.61	162.08
Equity attributable to Parent Company shareholders, SEK/share	124.95	150.99	146.09
Market capitalisation at the end of the period, SEK/share	60.00	82.10	83.10
Market capitalisation (SEK/share)/NAV, SEK/share at the end of the period	0.40	0.46	0.48
Average No. of shares during the period	37,896,965	37,424,431	37,537,496
No. of shares outstanding at the end of period	37,896,965	37,896,965	37,896,965

## Development of share capital

Year	Event	Changes in No. of shares <sup>1,2)</sup>	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
2021	Non-cash issue	2,694,795	36,364,827	898,265	12,121,609	0.33
2022	Non-cash issue	672,208	37,037,035	224,069	12,345,678	0.33
2022	Non-cash issue	859,930	37,896,965	286,643	12,632,321	0.33

<sup>1)</sup> Two non-cash issues, of 672,208 and 859,930 shares respectively, were decided in February 2022 in conjunction with the acquisition of properties. The shares were registered on 3 February and 5 May 2022. The number of shares on 30 September 2023 was 37,896,965.

<sup>2)</sup> On 30 September 2023, the quotient value of the shares was SEK 0.33 per share (SEK 0.33).

# Definitions

**John Mattson Fastighetsföretagen AB (publ) 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>NNNAV, SEK/share</b>	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>NNNAV, SEK m</b>	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, excluding lease liabilities for leasehold properties, 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>Residential properties</b>	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.	Not an alternative performance measure.
<b>Equity, SEK/share</b>	Recognised equity attributable to Parent Company shareholders 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 sqm.
<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 revenues 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, excluding liabilities and interest rates pertaining to IFRS 16 Leases.	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 floor area for properties owned at the end of the period.	Used to illustrate John Mattson's revenue potential in respect of housing, per square metre.
<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>NAV, SEK m</b>	Recognised equity attributable to Parent Company shareholders, adding back interest-rate derivatives and deferred tax.	An established metric for the Group's net asset value that facilitates analyses and comparison.
<b>NAV, SEK/share</b>	Recognised equity attributable to Parent Company shareholders, 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, excluding lease liabilities for leasehold properties, 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>	Income from property management before value changes with the addition of interest expenses in relation to interest expenses excluding ground rents recognised as an interest expense under IFRS 16.	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

		Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Rolling 12 months	Jan-Dec 2022
<b>NNNAV, SEK/share</b>							
A	NNNAV at the end of the period, SEK m	5,285.4	6,390.0	5,285.4	6,390.0	5,285.4	6,142.3
B	Number of shares outstanding at the end of the period, thousand	37,897	37,897	37,897	37,897	37,897	37,897
<b>A/B</b>	<b>NNNAV, SEK/share</b>	<b>139.47</b>	<b>168.61</b>	<b>139.47</b>	<b>168.61</b>	<b>139.47</b>	<b>162.08</b>
<b>LTV ratio at the end of the period, %</b>							
A	Interest-bearing debt, excluding lease liabilities for leasehold properties, at the end of the period according to balance sheet, SEK m	8,361.7	9,002.2	8,361.7	9,002.2	8,361.7	8,923.8
B	Cash and cash equivalents at the end of the period according to balance sheet, SEK m	32.0	109.5	32.0	109.5	32.0	47.6
C	Investment properties according to balance sheet at the end of the period, SEK m	14,221.4	15,799.1	14,221.4	15,799.1	14,221.4	15,695.5
<b>(A-B)/C</b>	<b>LTV ratio at the end of the period, %</b>	<b>58.6</b>	<b>56.3</b>	<b>58.6</b>	<b>56.3</b>	<b>58.6</b>	<b>56.6</b>
<b>Equity, SEK/share</b>							
A	Equity attributable to Parent Company shareholders at the end of the period, SEK m	4,735.4	5,721.9	4,735.4	5,721.9	4,735.4	5,536.1
B	Number of shares outstanding at the end of the period, thousand	37,897	37,897	37,897	37,897	37,897	37,897
<b>A/B</b>	<b>Equity, SEK/share</b>	<b>124.95</b>	<b>150.99</b>	<b>124.95</b>	<b>150.99</b>	<b>124.95</b>	<b>146.09</b>
<b>Economic occupancy rate at the end of the period, %</b>							
A	Annualised contract value at the end of the period, SEK m	596.7	599.0	596.7	599.0	596.7	601.0
B	Annualised vacancy value at the end of the period, SEK m	26.1	18.3	26.1	18.3	26.1	25.6
<b>A/(A+B)</b>	<b>Economic occupancy rate during the period, %</b>	<b>95.8</b>	<b>97.1</b>	<b>95.8</b>	<b>97.1</b>	<b>95.8</b>	<b>95.9</b>
<b>Property value, at the end of the period, SEK/sq m</b>							
A	Investment properties according to balance sheet at the end of the period, SEK m	14,221.4	15,799.1	14,221.4	15,799.1	14,221.4	15,695.5
B	Lettable area at the end of the period, thousand sq m	344.2	355.2	344.2	355.2	344.2	359.7
<b>A/B</b>	<b>Property value, at the end of the period, SEK/sq m</b>	<b>41,319</b>	<b>44,476</b>	<b>41,319</b>	<b>44,476</b>	<b>41,319</b>	<b>43,638</b>
<b>Income from property management, SEK/share</b>							
A	Income from property management during the period, SEK m	44.2	47.4	102.4	140.3	115.9	153.9
B	Average number of shares outstanding during the period, thousand	37,897	37,897	37,897	37,424	37,897	37,537
<b>A/B</b>	<b>Income from property management, SEK/share</b>	<b>1.17</b>	<b>1.25</b>	<b>2.70</b>	<b>3.75</b>	<b>3.06</b>	<b>4.10</b>
<b>Income from property management, SEK m</b>							
A	Profit/loss for the period	-338.2	-156.0	-802.8	311.0	-991.2	122.7
B	Current and deferred tax	15.4	-41.6	-71.1	90.1	-90.5	70.7
C	Change in value of investment properties and interest-rate derivatives	-367.0	-245.0	-976.3	260.8	-1,197.3	39.5
D	Participation in profits of associates	-	-	-	-	-	-
<b>A+B-C-D</b>	<b>Income from property management, SEK m</b>	<b>44.2</b>	<b>47.4</b>	<b>102.4</b>	<b>140.3</b>	<b>115.9</b>	<b>153.9</b>
<b>Average interest rate at the end of the period, %</b>							
A	Annualised interest expense, excluding interest under IFRS 16 Leases, at the end of the period, SEK m	268.0	197.1	268.0	197.1	268.0	227.1
B	Interest-bearing debt, excluding lease liabilities under IFRS 16 Leases, at the end of the period according to balance sheet, SEK m	8,361.7	9,002.2	8,361.7	9,002.2	8,361.7	8,923.8
<b>A/B</b>	<b>Average interest rate at the end of the period, %</b>	<b>3.2</b>	<b>2.2</b>	<b>3.2</b>	<b>2.2</b>	<b>3.2</b>	<b>2.5</b>
<b>Rental value at the end of the period, SEK m</b>							
A	Annualised contract value at the end of the period, SEK m	596.7	599.0	596.7	599.0	596.7	601.0
B	Annualised vacancy value at the end of the period, SEK m	26.1	18.3	26.1	18.3	26.1	25.6
<b>A+B</b>	<b>Rental value at the end of the period, SEK m</b>	<b>622.8</b>	<b>617.3</b>	<b>622.8</b>	<b>617.3</b>	<b>622.8</b>	<b>626.6</b>
<b>Rental value, apartments, at the end of the period, SEK/sq m</b>							
A	Annualised contract value, apartments, at the end of the period, SEK m	465.0	462.3	465.0	462.3	465.0	464.1
B	Annualised vacancy value, apartments, at the end of the period, SEK m	3.1	6.6	3.1	6.6	3.1	13.7
C	Lettable area of apartments at the end of the period, thousand sq m	282.4	295.8	282.4	295.8	282.4	296.8
<b>(A+B)/C</b>	<b>Rental value, apartments, at the end of the period, SEK/sq m</b>	<b>1,658</b>	<b>1,599</b>	<b>1,658</b>	<b>1,599</b>	<b>1,658</b>	<b>1,610</b>
<b>NAV, SEK/share</b>							
A	NAV at the end of the period, SEK m	5,705.3	6,780.1	5,705.3	6,780.1	5,705.3	6,594.8

## OTHER INFORMATION

		Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Rolling 12 months	Jan-Dec 2022
B	Number of shares outstanding at the end of the period, thousand	37,897	37,897	37,897	37,897	37,897	37,897
A/B	NAV, SEK/share	150.55	178.91	150.55	178.91	150.55	174.02
<b>NAV and NNNAV, SEK m</b>							
A	Equity attributable to Parent Company shareholders at the end of the period, SEK m	4,735.4	5,721.9	4,735.4	5,721.9	4,735.4	5,536.1
B	Derivatives according to the balance sheet at the end of the period, SEK m	-249.8	-249.9	-249.8	-249.9	-249.8	-239.4
C	Deferred tax liabilities according to the balance sheet at the end of the period, SEK m	1,219.8	1,308.1	1,219.8	1,308.1	1,219.8	1,298.0
A+B+C=D	NAV, SEK m	5,705.3	6,780.1	5,705.3	6,780.1	5,705.3	6,594.8
B	Derivatives according to the balance sheet at the end of the period, SEK m	249.8	249.9	249.8	249.9	249.8	239.4
E	Estimated actual deferred tax liability at the end of the period, SEK m	-669.8	-640.0	-669.8	-640.0	-669.8	-691.9
D-B-E	NNNAV, SEK m	5,285.4	6,390.0	5,285.4	6,390.0	5,285.4	6,142.3
<b>Net interest-bearing liabilities at the end of the period, SEK m</b>							
A	Annualised interest-bearing liabilities, excluding lease liabilities for leasehold properties, at the end of the period, SEK m	8,361.7	9,002.2	8,361.7	9,002.2	8,361.7	8,923.8
B	Cash and cash equivalents at the end of the period, SEK m	32.0	109.5	32.0	109.5	32.0	47.6
A-B	Net interest-bearing liabilities at the end of the period, SEK m	8,329.7	8,892.6	8,329.7	8,892.6	8,329.7	8,876.1
<b>Interest coverage ratio during the period, multiple</b>							
A	Income from property management during the period according to income statement, SEK m <sup>1)</sup>	44.2	47.4	104.4	140.3	115.9	153.9
B	Financial expenses during the period, excluding ground rents recognised as an interest expense under IFRS 16, SEK m	62.2	48.0	188.4	120.1	242.0	173.9
(A+B)/B	Interest coverage ratio during the period, multiple <sup>1)</sup>	1.7	2.0	1.6	2.2	1.5	1.9
<b>Growth in income from property management, SEK/share, %</b>							
A	Income from property management, SEK/share during the period	1.17	1.25	2.70	3.75	3.06	4.10
B	Income from property management, SEK/share during the preceding period	1.25	1.01	3.75	2.36	4.14	2.98
(A-B)/B	Growth in income from property management, SEK/share, %	-6.8	24.2	-27.9	58.5	-26.2	37.6
<b>Growth in NAV, SEK/share, %</b>							
A	NAV at the end of the period, SEK/share	150.55	178.91	150.55	178.91	150.55	174.02
B	NAV at the end of preceding 12-month period, SEK/share	178.91	156.65	178.91	156.65	178.91	175.90
(A-B)/B	Growth in NAV, SEK/share, %	-15.9	14.2	-15.9	14.2	-15.9	-1.1
<b>Surplus ratio during the period, %</b>							
A	Net operating income during the period according to income statement, SEK m	122.5	110.9	335.7	313.0	420.5	397.8
B	Rental revenues during the period according to income statement	154.5	157.0	464.1	468.9	616.0	620.9
A/B	Surplus ratio during the period, %	79.2	70.7	72.3	66.7	68.3	64.1

<sup>1)</sup> Income from property management and the interest coverage ratio for the period have been calculated excluding non-recurring costs of SEK 2.0 million.

# Contact information and calendar

## Financial calendar

Extraordinary General Meeting 2023: **21 November 2023**  
Year-end report 2023: **16 February 2024**  
2023 Annual Report: **March 2024**  
2024 Annual General Meeting: **18 April 2024**  
Interim Report January–March 2024: **3 May 2024**  
Interim report January–June 2024: **12 July 2024**  
Interim Report January–September 2024: **7 November 2024**

## Information

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**Per Nilsson**, CEO  
[per.nilsson@johnmattson.se](mailto:per.nilsson@johnmattson.se)  
Tel: +46 (0)8-613 35 02



**Eva Wiklund**, acting CFO  
[eva.wiklund@johnmattson.se](mailto:eva.wiklund@johnmattson.se)  
Tel: 073-077 81 75