

# Q&A

## FROM SWEDISH CONFERENCE CALL

Q2 2019, 2019-07-17

ALBIN SANDBERG, KEPLER CHEUVREUX

**1. You said you did not have any yield changes in your valuation in your existing property portfolio. Is the reason that you have not seen any changes on the market or is it just that you will come back to that later?**

Answer: Of course, there have been transactions on far much lower yields but we are cautious in our valuation, and we wait and see how the market develops. However, maybe there are more possibility in higher valuation than lower.

**2. You have had many construction starts this first half year. How does the second half year look?**

Answer: We plan to have some more starts in Stockholm. We will have more starts during the second half-year, but I cannot say how many.

**3. Is the construction starts up to you, or do you need to wait for someone else?**

Answer: We start as fast as we can, so it is other external factors that can delay starts.

**4. You had a start of a new commercial property. Is it pre-let or on speculation?**

Answer: Yes, we started without any pre-letting, but that is because we have seen a lot of interest and we are sure that there will be no problem to let it.

NICLAS HÖGLUND, NORDEA

**1. The letting to Convendum is interesting. Can you say anything about the rents? Is it vacant premises today or new premises?**

Answer: I am sorry but I will not talk about the rent levels. The premises consist of both new constructed area and refurbished existing area.

**2. So, you don't have any rental income for this area today?**

Answer: No, they are vacant. And affect the Stockholm segment negatively.

**3. How will the gradually occupation of 525 apartments this year affect the rental income?**

Answer: It is gradually from now to year-end this year. It is approx. 2,000 SEK/sqm.

**4. How many apartments will be completed in 2020?**

Answer: You can see that on the slide in this presentation, where we show the ongoing projects.

**5. How do you think the new capital regulation from Finansinspektionen regarding the banks' lending will affect you? Will you expand the tied up capital?**

Answer: We have a close contact with the banks and we have our properties in good, central areas so we do not see any risks in this.

TOBIAS KAJ, ABG

**1. You will occupy 525 apartments this second half-year and around 1,200 apartments next year. Do you think the ongoing projects will turn down or do you think you can keep this volume?**

Answer: Our ambition is to start around 1,500 apartments annually.

**2. You can see a positive trend regarding co-ops now. Will that change your mind and start to build more co-ops?**

Answer: Our focus is rental apartments, but we started 50 apartments in Gärdet, Stockholm this year. Sometimes we need to build co-cops, but not without a plan B. We require the calculation to show that we can handle it as a rental, before we start.

**3. Do you have more new constructions of offices except the one in Kallebäck in the near future?**

Answer: We have for example one project in Ullevi, but that is not in the near future. We also work to densify our existing properties in the CBD area, for example our project Sturefors where we create 2,000 more squaremetres to the CBD.