

# Q3 2020

SUSANN LINDE, CFO AND HEAD OF INVESTOR RELATIONS  
HANS WALLENSTAM, CEO

*Wallenstam generates results  
through its own work*

# Important events in Q3, 2020

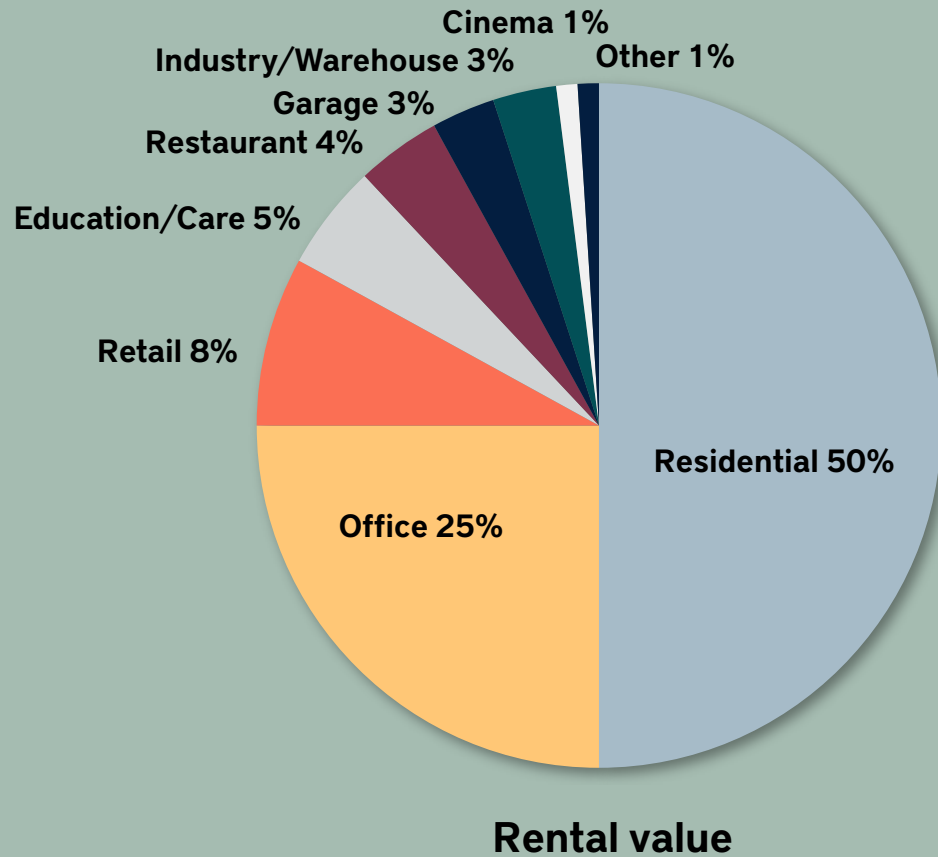
- Issue of a green bond, consisting of SEK 300 million with a maturity of two years and with a fixed interest rate of 0.695 percent.
- An Extraordinary General Meeting, where a resolution was passed on a dividend of SEK 0.50 per share.



# Climate targets

1. Wallenstam shall reduce CO<sub>2</sub> emissions from its construction operations by 10 percent per square meter.
2. Wallenstam shall reduce CO<sub>2</sub> emissions from the properties' energy consumption by 15 percent per heated square meter.
3. Wallenstam shall reduce the properties' residual waste by 10 percent per square meter.
4. Wallenstam's business trips shall be carried out using electric car, train or via completely carbon-neutral and biofuel-based air travel.

# Focus on the growth regions



Gothenburg  
61%

Stockholm  
& Uppsala  
39%

# The Market

## Office

*Continued high demand*

*New production the same rent level as existing in the inner city of Gothenburg*

## Restaurant

*Beginning to look better*

## Residential

*High demand*

*120 000 applicants in our own housing queue*

## Retail

*Tough situation  
not two-floor stores*

# Artilleristallarna

BEFORE & AFTER



RESTAURANT TAVOLO HAS OPENED IN GOTHENBURG

OUR NEW CONSTRUCTION IN Q3

# 145 completed rental apartments



**Parkstråket 1**  
HANINGE



**36**

RENTAL APARTMENTS



**109**

RENTAL  
APARTMENTS



**Söra kvarter**  
ÖSTERÅKER

COMPLETED IN Q3, 2020

# Net operating income, properties

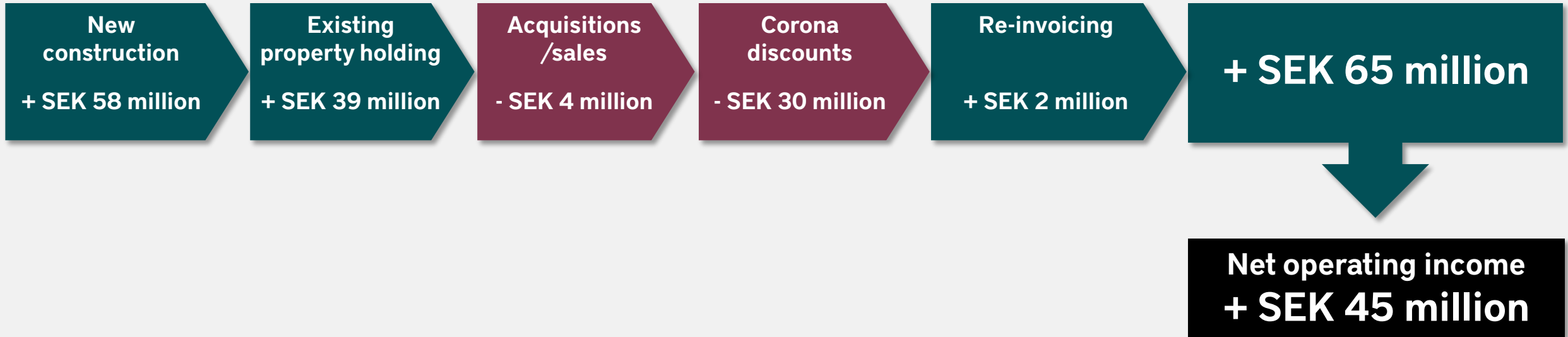
SEK million	2020 Jan-Sep	2019 Jan-Sep	2019/2020 Oct-Sep	2019 Jan-Dec
Rental income	1,576	1,511	2,091	2,026
Operating expenses	-372	-352	-517	-497
<b>Net operating income, properties</b>	<b>1,205</b>	<b>1,159</b>	<b>1,575</b>	<b>1,529</b>

Surplus ratio 76.4%



# Net operating income increased by 4%

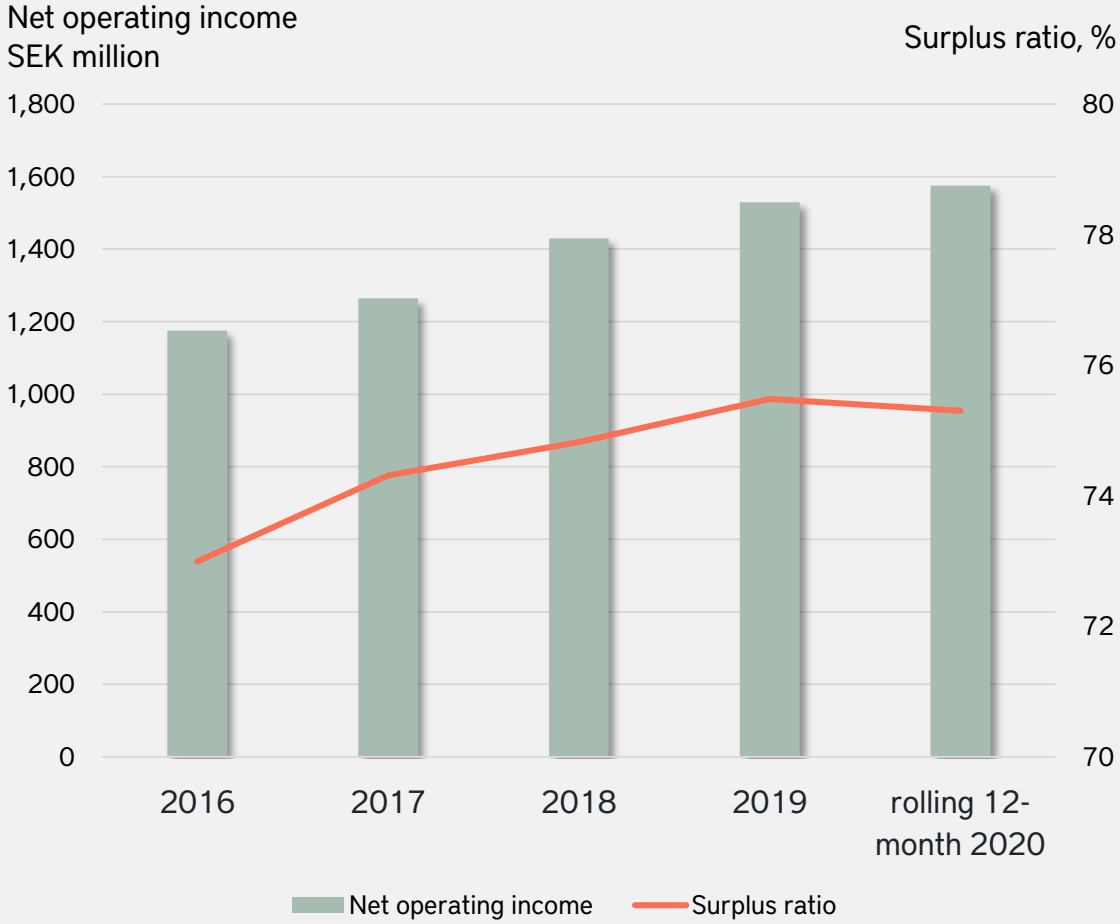
## Rental income



## Operating expenses



# Efficient property portfolio

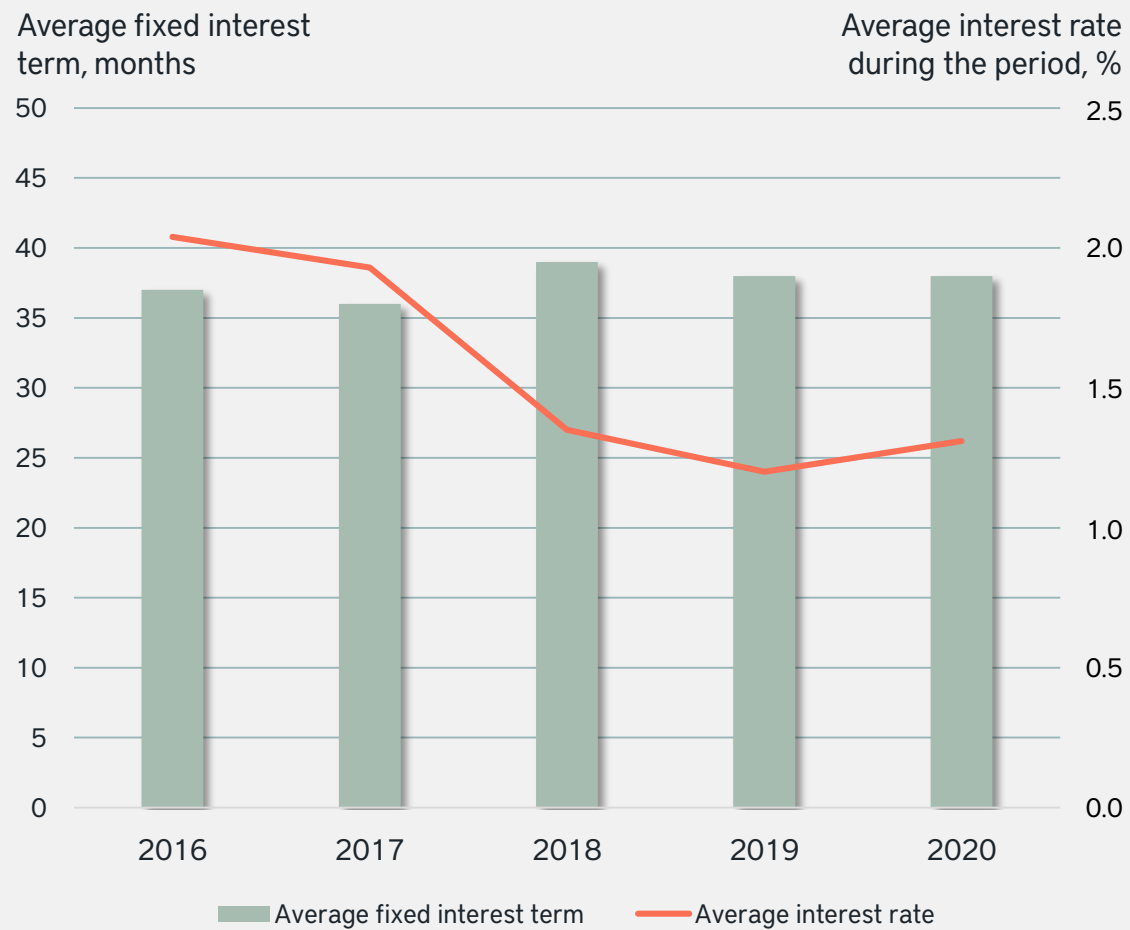


# Income from property management

SEK million	2020 Jan-Sep	2019 Jan-Sep	2019/2020 Oct-Sep	2019 Jan-Dec
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Management costs and administrative expenses	-168	-163	-233	-228
Financial income	3	4	3	4
Financial expenses	-180	-149	-229	-198
<b>Income from property management</b>	<b>860</b>	<b>851</b>	<b>1,117</b>	<b>1,108</b>



# Financing



# Profit before changes in value

SEK million	2020 Jan-Sep	2019 Jan-Sep	2019/2020 Oct-Sep	2019 Jan-Dec	
<b>Income from property management</b>	<b>860</b>	<b>851</b>	<b>1,117</b>	<b>1,108</b>	
Realized changes in value, financial instruments	4	-	4	-	
Participation in profits/losses of associated companies	-6	-4	-7	-5	• Convendum
Revenue, development property sales	107	314	117	324	} • Sales co-op apts.
Expenses, development property sales	-50	-225	-57	-232	
Other income	141	244	195	298	} • Result energy
Other expenses	-134	-255	-178	-299	
Financial expenses, other	-16	-17	-24	-25	
<b>Profit before changes in value and impairment losses</b>	<b>906</b>	<b>908</b>	<b>1,167</b>	<b>1,169</b>	



# Changes in value

SEK million	2020 Jan-Sep	2019 Jan-Sep	2019/2020 Oct-Sep	2019 Jan-Dec
<b>Profit before changes in value and impairment losses</b>	<b>906</b>	<b>908</b>	<b>1,167</b>	<b>1,169</b>
Changes in value, investment properties	616	1,009	2,207	2,600
<i>New construction</i>	616	505	903	792
<i>Other</i>	-	504	1 304	1 808
Unrealized changes in value, financial instruments	-239	-596	93	-264
Unrealized changes in value, synthetic options	-44	-35	-49	-40
<b>Profit before tax</b>	<b>1,240</b>	<b>1,286</b>	<b>3,418</b>	<b>3,464</b>
Current tax	0	0	0	0
Deferred tax	-266	-248	-745	-727
<b>Profit for the period, after tax</b>	<b>974</b>	<b>1,038</b>	<b>2,673</b>	<b>2,737</b>





# Balance sheet

Assets, SEK million	20-09-30	19-12-31
Investment properties	56,226	52,354
Development properties	291	175
Wind turbines	1,052	1,109
Cash and cash equivalents	489	129
Other	919	922
<b>Total</b>	<b>58,977</b>	<b>54,689</b>

Liabilities and equity, SEK million	20-09-30	19-12-31
Equity	24,766	23,794
Interest-bearing liabilities	26,517	23,881
Financial derivative instruments	593	358
Lease liability	493	421
Other	6,608	6,235
<b>Total</b>	<b>58,977</b>	<b>54,689</b>

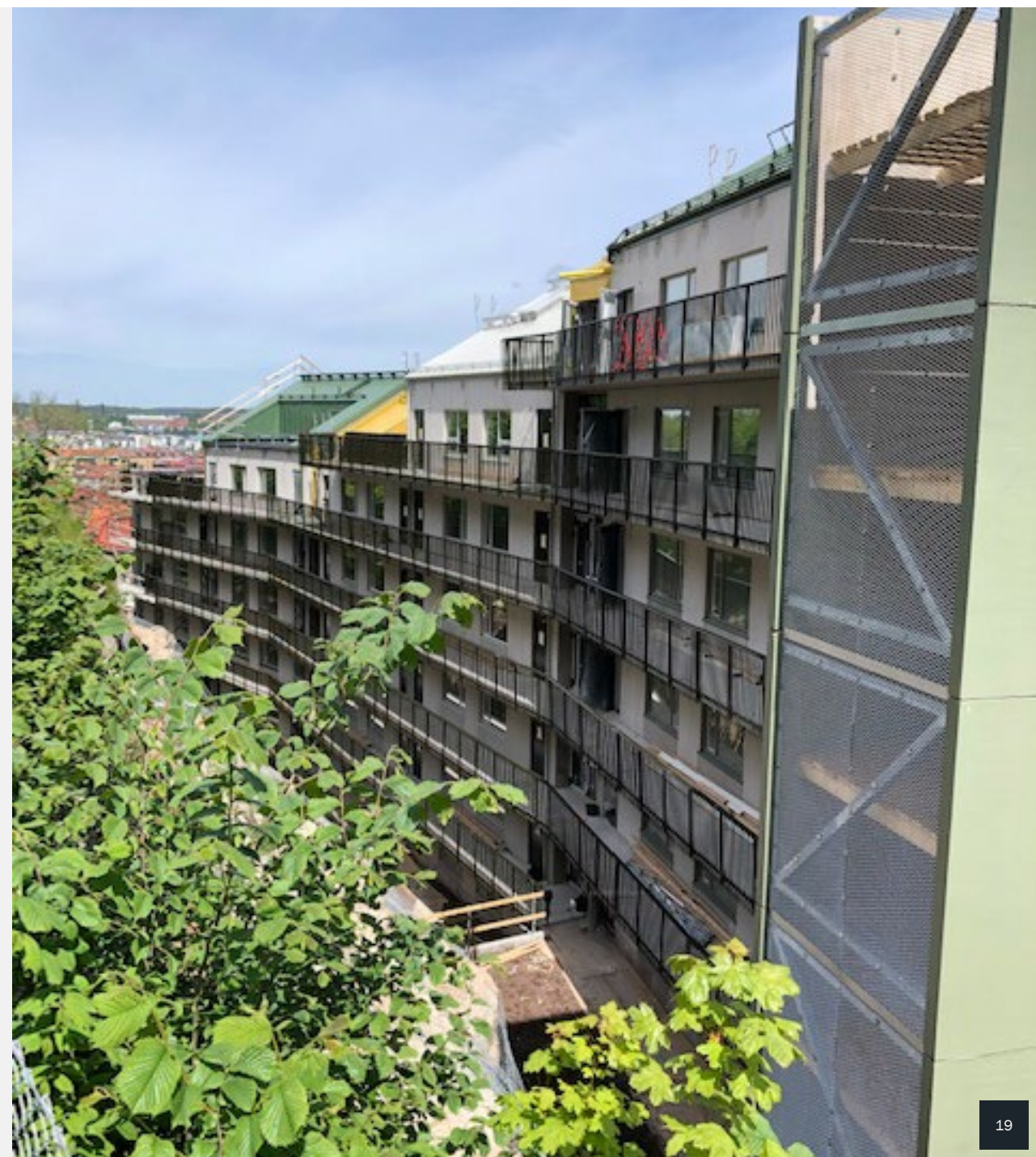
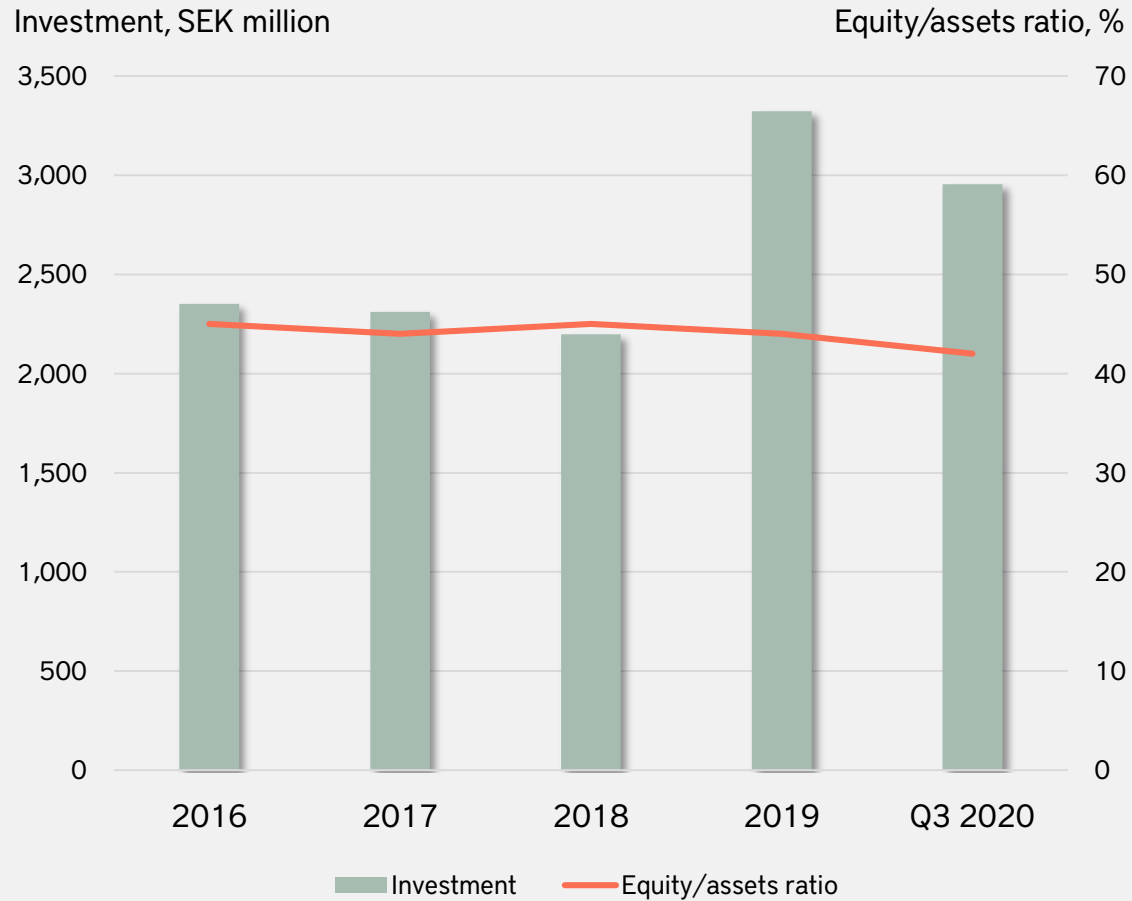


# Property value

Investment property value:	SEK 56 billion
Lettable area:	1,2 million sq m
Occupancy rate, lettable area:	97%
Average yield requirement, commercial:	about 4.5%
Average yield requirement, residential:	about 3.1%



# Investments in construction



# 85 apartments started in Q3

IN KV. 10, KALLEBÄCKS TERRASSER



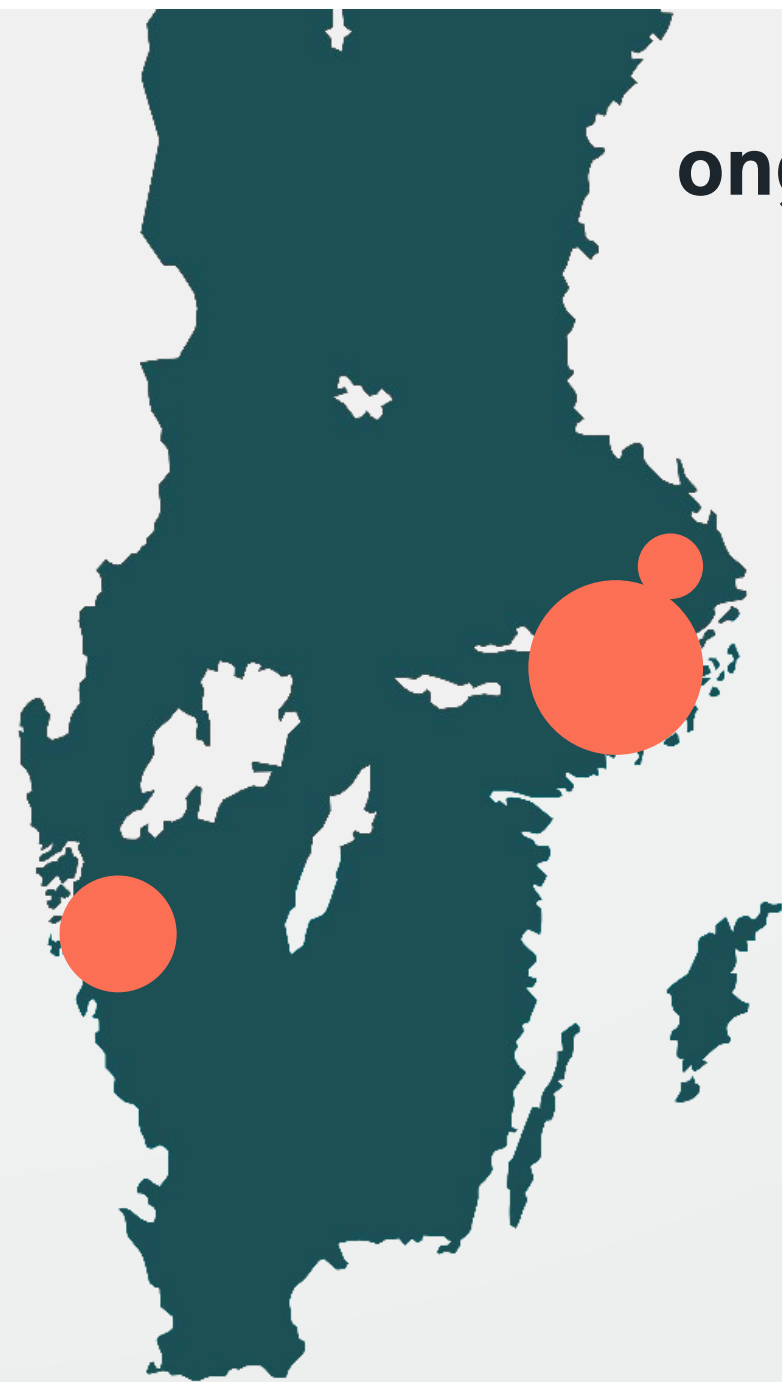
## 786

APARTMENTS UNDER CONSTRUCTION







KALLEBÄCKS TERRASSER – GOTHENBURG – 1,800 APTS.


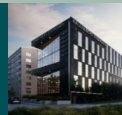


# 2,939 apartments in ongoing new construction






## Occupation starts 2020

<b>Regenten</b> Gothenburg, 29 apts.	
<b>Elisedal</b> Gothenburg, 336 apts.	
<b>Godhems Backe</b> Gothenburg, 138 apts.	
<b>Mönlycke Fabriker Kv. Rosengången</b> Härryda, 123 apts.	








## Occupation starts 2021

<b>Kallebäcks Terrasser Kvarter 11</b> Gothenburg, 270 apts.	
<b>Entré Kallebäck (commercial)</b> Gothenburg	
<b>Kallebäcks Terrasser Kvarter 9</b> Gothenburg, 165 apts.	
<b>Mönlycke Fabriker Kv. Kvarnen</b> Härryda, 185 apts.	



## Occupation starts 2022

<b>Mönlycke Fabriker Kv. Väven</b> Härryda, 116 apts.	
<b>Kallebäcks Terrasser Kvarter 8</b> Gothenburg, 266 apts.	
<b>Kallebäcks Terrasser Kvarter 10</b> Gothenburg, 85 apts.	

## Occupation starts 2020

<b>Söra Kvarter</b> Österåker, 196 apts.	
<b>Parkstråket 1</b> Haninge, 118 apts.	
<b>Parkstråket 2</b> Haninge, 131 apts.	
<b>Umami Park, Phase 1B</b> Sundbyberg, 75 apts.	
<b>Umami Park, Phase 2</b> Sundbyberg, 141 apts.	
<b>New York (dev. prop.)</b> Stockholm, 50 apts.	
<b>Allén</b> Tyresö, 221 apts.	

## Occupation starts 2021

<b>Flanören</b> Uppsala, 161 apts.	
<b>Umami Park, Phase 3</b> Sundbyberg, 133 apts.	

# Älta Centrum

ADOPTED ZONING PLAN



ÄLTA CENTRUM - NACKA - 950 APTS.

# Balance sheet

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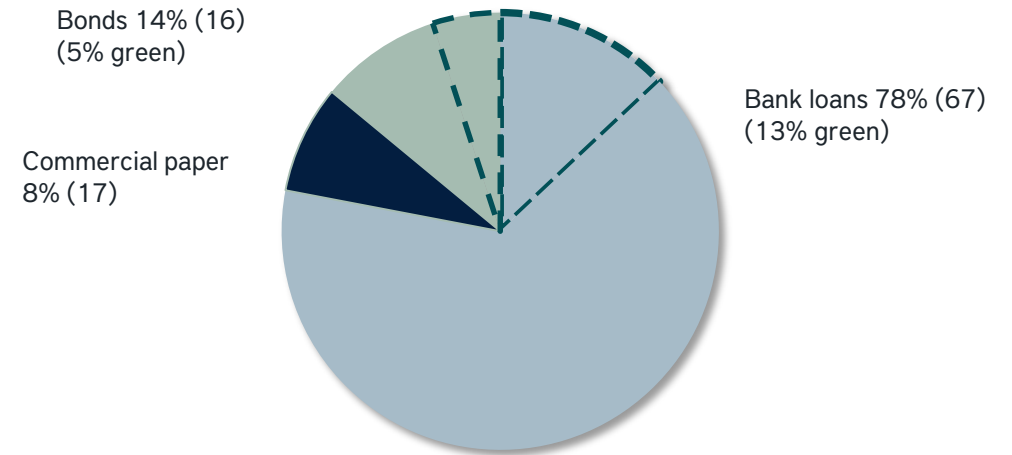
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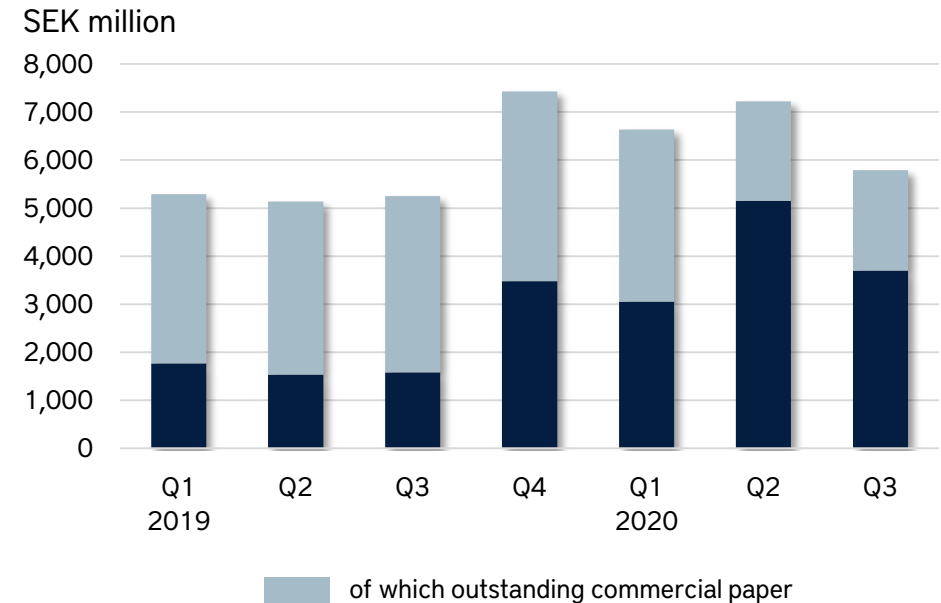
# Financing

- Recovery in the capital market.
- Reduced the backup facility for commercial paper from SEK 4 billion to SEK 3 billion, since the volume of outstanding commercial paper is lower.
- All bonds that we issue in the future must be green bonds.

## Distribution Financing as of 20-09-30



## Available liquidity as of 20-09-30





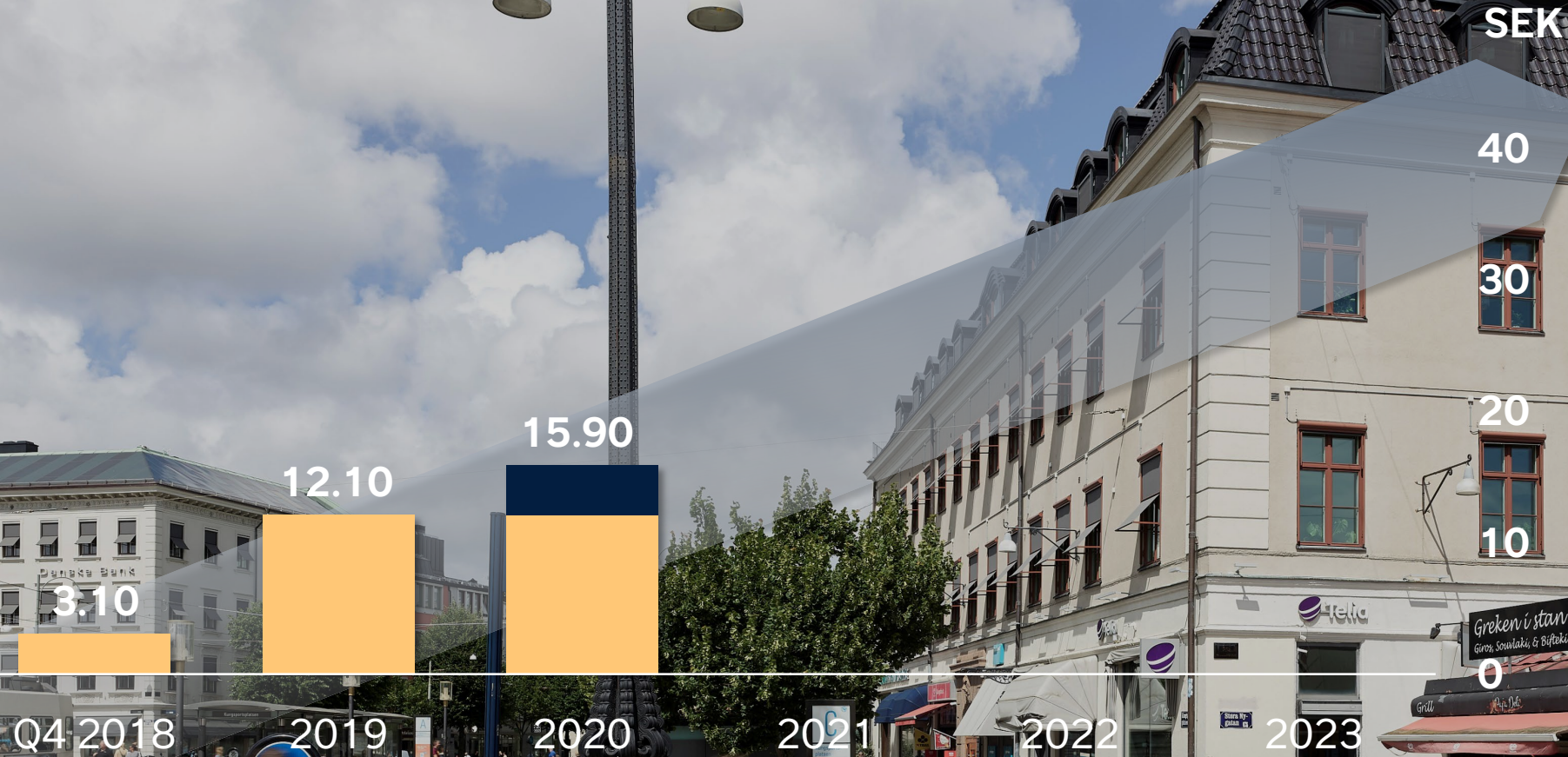
# Key ratios

	Q3 2020	Q3 2019
Net operating income, SEK million	1,205	1,159
Surplus ratio, %	76.4	76.7
Changes in value, new construction, SEK million	616	505
Loan-to-value ratio, %	46	45
Equity/asset ratio, %	42	43
Net asset value per share, SEK	95.10	85.70



# Goal 2023

*Increase in net asset value of SEK 40 per share*





WALLENSTAM