

# Fastighets AB Balder Year-end report

January-December 2020

- Profit from property management attributable to parent company shareholders amounted to SEK 4,244m (4,023), corresponding to an increase per share by 5 % to SEK 23.51 (22.35)
- Long term net asset value amounted to SEK 387.38 per share (341.70)
- Rental income amounted to SEK 8,134m (7,609)
- Profit after tax attributable to parent company shareholders amounted to SEK 6,641m (8,958) corresponding to SEK 36.79 per share (49.77)

Fastighets AB Balder is a listed property company which shall meet the needs of different customer groups for premises and housing based on local support. Balder's real estate portfolio had a value of SEK 152.0 billion (143.7) as of 31 December 2020. The Balder share is listed on Nasdaq Stockholm, Large Cap.



# The period in brief

Comparisons stated in parenthesis refer to the corresponding period of the previous year.

## October-December 2020

- Rental income amounted to SEK 2,055m (2,031) of which effect of changes in exchange rates amounted to SEK –13m (32).
- Net operating income amounted to SEK 1,537m (1,490) of which effect of changes in exchange rates amounted to SEK –10m (22).
- Profit from property management attributable to parent company shareholders increased by 4 % to SEK 1,098m (1,053), which corresponds to SEK 6.03 per share (5.85).
- Changes in value in respect of investment properties amounted to SEK 2,636m (6,624). The average yield requirement amounted to 4.5 % (4.5) which is unchanged compared to the third quarter.
- Changes in value of interest rate derivatives have impacted the result before tax by SEK 90m (293).
- Net profit after tax for the period amounted to SEK 3,754m (6,466).
- Net profit after tax for the period attributable to parent company shareholders amounted to SEK 3,578m (4,485) which corresponds to SEK 19.65 per share (24.92).
- Two investment properties (7) and land have been acquired at a property value of SEK 582m (3,889).
- Two development properties (–) were divested and recognised as income during the quarter. Sales profit amounted to SEK 114m (–) excluding the portfolio's ongoing selling and marketing expenses.
- A directed share issue of 6,500,000 class B shares at a total value of SEK 2,930m after costs related to the issue have been conducted.
- Taken possession of 50% of the shares in Anthon B Nilsen Eiendom AS, 50% of the shares in Karlatornet AB and 17.7% of the shares in the Norwegian listed real estate company Entra ASA.
- Balder has signed an agreement to acquire the real estate group Masmästaren with a property value of approximately SEK 5 billion, and will take the company into possession during the first quarter 2021.

## January-December 2020

- Rental income amounted to SEK 8,134m (7,609) of which effect of changes in exchange rates amounted to SEK –50m (124).
- Net operating income amounted to SEK 6,216m (5,643) of which effect of changes in exchange rates amounted to SEK –37m (89).
- Profit from property management attributable to parent company shareholders increased by 5 % to SEK 4,244m (4,023), which corresponds to SEK 23.51 per share (22.35).
- Changes in value in respect of investment properties amounted to SEK 3,453m (9,577). The average yield requirement amounted to 4.5 % (4.5) which is unchanged compared to year-end previous year.
- Changes in value of interest rate derivatives have impacted the result before tax by SEK –141m (–180).
- Net profit after tax for the year amounted to SEK 7,275m (11,526).
- Net profit after tax for the year attributable to parent company shareholders amounted to SEK 6,641m (8,958) which corresponds to SEK 36.79 per share (49.77).
- 19 investment properties (44) and land have been acquired at a property value of SEK 3,491m (8,439).
- During the year, condominiums and land were divested at a value of SEK 366m (1,050).
- Six development properties (1) were divested and recognised as income during the year. Sales profit amounted to SEK 174m (95).

	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec	2018 Jan-Dec	2017 Jan-Dec	2016 Jan-Dec	2015 Jan-Dec	2014 Jan-Dec
Rental income, SEKm	2,055	2,031	8,134	7,609	6,714	5,915	5,373	2,711	2,525
Profit from property management, SEKm <sup>1)</sup>	1,098	1,053	4,244	4,023	3,304	2,804	2,265	1,780	1,275
Changes in value of investment properties, SEKm	2,636	6,624	3,453	9,577	8,007	5,336	4,932	3,388	3,050
Changes in value of derivatives, SEKm	90	293	–141	–180	–34	144	–114	227	–624
Profit after tax, SEKm <sup>1)</sup>	3,578	4,485	6,641	8,958	9,308	7,118	5,474	4,916	3,128
Investment properties, SEKm	149,179	141,392	149,179	141,392	116,542	98,360	86,177	68,456	37,382
Development properties, SEKm	2,803	2,344	2,803	2,344	1,598	–	–	–	–

## Data per share

Average number of shares thousands	182,071	180,000	180,515	180,000	180,000	180,000	173,598	162,753	161,786
Profit after tax, SEK	19.65	24.92	36.79	49.77	51.71	38.71	30.38	28.98	18.10
Profit from property management, SEK	6.03	5.85	23.51	22.35	18.35	14.74	11.89	9.71	6.64
Outstanding number of shares thousands	186,500	180,000	186,500	180,000	180,000	180,000	180,000	172,397	162,397
Shareholders' equity, SEK	312.12	272.28	312.12	272.28	223.03	173.86	139.23	103.24	70.10
Long-term net asset value (NAV), SEK	387.38	341.70	387.38	341.70	277.60	218.10	180.09	134.35	86.33
Share price on the closing date, SEK	428.90	433.20	428.90	433.20	252.00	219.40	184.10	208.70	110.25

1) Attributable to parent company shareholders.

# Comments by the CEO

## Dear shareholders,

The past year has been eventful in many different ways. The outbreak of the Coronavirus pandemic has had an extremely strong impact on society and on global stock markets and unfortunately, we have not seen the end of it yet.

For Balder, the most important financial goal is to increase our profit from property management and our earning capacity on a long-term basis. This requires both that the existing property portfolio develops positively and that we find new investments with a good balance between risk and reward.

Despite the turbulence and uncertainty, we continued to develop the operations during the year. During 2020, profit from property management increased by 5 % and the net asset value by 13 %. The profit was weighed by lower revenue from hotel properties, lower earnings from Collector and rent discounts due to the pandemic. Smaller changes in value in respect of our investment properties meant that profit after tax decreased to SEK 36.79 per share (49.77). Current earning capacity per share improved by 12 % compared to the previous year-end.

## The impact of the pandemic

Since early in the spring of 2020, the world has been dominated by the ongoing pandemic. Apart from those who are directly impacted and become sick, it is very sad on the economic front to see everyone who is affected, through no fault of their own, with businesses in particularly badly hit parts of the economy.

Balder has taken a number of measures to handle the current situation. We are trying as far as possible and in different ways to support those of our tenants that are experiencing most difficulties. The future development is uncertain and it is very important that the operations are flexible and prepared for new challenges. However the rental income during the quarter has been received on the same level as the previous quarters. For the first quarter 2021 approximately 99 % of the rents due on 31 December have been paid.

## Continued access to financing

The investments in our residential projects continued according to plan during the year. We perceive strong demand for rental apartments in all of our markets and also for tenant-owner's apartments in Sweden.

Access to financing on good terms remained favourable during the year and the Group has a strong liquidity position. At the end of the year, we carried out a directed share issue of 6,500,000 Class B shares. Subscribers to the issue consisted of a large number of Swedish and international institutional investors.

To date, we have made the assessment that the best total return for Balder's shareholders is achieved by reinvestment of the profits generated. The goal is also the same going forward and during the year we also invested in a number of interesting projects and companies.

## A number of excellent acquisitions

During the year, we entered into an agreement to acquire Masmästaren with properties in Falun/Borlänge, Västerås, Uppsala and Nacka. The portfolio consists of approx. 250,000 sqm, with a property value of approx. SEK 5 billion, which is evenly divided between residential properties and commercial properties.

Among other larger investments, I would like to mention the strengthening of our position in Norway, due to investments in Entra equivalent to 18 % of the total share capital and in 50 % of Anthon B Nilsen Eiendom. The latter has a very good

property portfolio in the Oslo region consisting of both investment properties and future projects, and a really excellent organization with competent employees.

Another positive transaction I would also like to highlight is the structural transaction we carried out with Serneke at the end of the year. It feels very gratifying to be able to contribute to the realisation of such a unique urban development project as Karlatornet. The investment in Karlatornet is included as part of a long-term transaction between Balder and Serneke, which comprises almost 1,400 rental apartments and just over 12,000 sqm of commercial premises.

## Development of associated companies

The profit from property management decreased compared to last year but the net profit for the year increased slightly, over time though I believe that this group of companies will also continue to generate increasing profit from property management.

## Sustainability in focus

Balder has signed the Global Compact, which is the UN's principles for companies in the areas of human rights, labour, anti-corruption and the environment and we are working to comply with these principles and to help meet the global sustainable development goals. We also notice a continued increased engagement on sustainability issues from our stakeholders, for example from investors, customers and employees. We are proud of the initiatives we are pursuing in this area, including certifying all new buildings and working actively with social issues in our residential areas.

## Internal engagement

The day-to-day operations have obviously needed to be adapted to the prevailing circumstances. Our employees contribute in many different ways and during the past year, all colleagues have participated and made a great number of extraordinary efforts, many times over and above their own job descriptions. I want to take this opportunity to thank all of our excellent employees that help out when needed in order to support both our tenants and one another.

## A different anniversary

In the middle of the pandemic and during this very unusual period, we have also passed Balder's 15th anniversary. I look back on the past 15 years on all we have accomplished together in the Balder family with great happiness and enthusiasm. Today, we have more than 800 employees and we are operating in many places in several countries. Balder as a company and investment platform is continuing to develop well over time.

## Outlook

On my own behalf and on behalf of our shareholders, I want to take this opportunity to express a big and warm thank you to all of you in the Balder family for your really amazing efforts during the year. I look forward with great curiosity to Balder's continued journey. In spite of the difficult times right now we are trying to see over the brow of the next hill and to continue developing the business together. The future is always uncertain but it is bright and filled with opportunities.

Erik Selin  
Chief Executive Officer

## Current earning capacity

Balder presents its earning capacity on a twelve-month basis in the table below. It is important to note that the current earning capacity should not be placed on a par with a forecast for the coming 12 months. For instance, the earning capacity contains no estimate of rental, vacancy, currency or interest rate changes.

Balder's income statement is also impacted by the development in the value of the real estate portfolio as well as future property acquisitions and/or property divestments. Additional items affecting the operating result

are changes in value of derivatives. None of the above has been considered in the current earning capacity.

The earning capacity is based on the real estate portfolio's contracted rental income, estimated property costs during a normal year as well as administrative costs.

The costs of the interest-bearing liabilities are based on the group's average interest rate level including the effect of derivative instruments. The tax is calculated using the effective tax rate during each period.

## Current earning capacity on a twelve-months basis

SEKm	2020 31 Dec	2020 30 Sep	2020 30 June	2020 31 March	2019 31 Dec	2019 30 Sep	2019 30 June	2019 31 March	2018 31 Dec	2018 30 Sep	2018 30 June
Rental income	8,545	8,335	8,240	8,100	8,000	7,830	7,435	7,175	7,000	6,800	6,665
Property costs	-2,225	-2,130	-2,120	-2,090	-2,080	-2,060	-1,940	-1,875	-1,885	-1,845	-1,815
<b>Net operating income</b>	<b>6,320</b>	<b>6,205</b>	<b>6,120</b>	<b>6,010</b>	<b>5,920</b>	<b>5,770</b>	<b>5,495</b>	<b>5,300</b>	<b>5,115</b>	<b>4,955</b>	<b>4,850</b>
Surplus ratio, %	74 %	74 %	74 %	74 %	74 %	74 %	74 %	74 %	73 %	73 %	73 %
Management and administrative costs	-675	-690	-690	-680	-670	-640	-640	-620	-595	-590	-590
Profit from property management from associated companies	1,110	735	735	760	785	775	750	775	735	660	650
<b>Operating profit</b>	<b>6,755</b>	<b>6,250</b>	<b>6,165</b>	<b>6,090</b>	<b>6,035</b>	<b>5,905</b>	<b>5,605</b>	<b>5,455</b>	<b>5,255</b>	<b>5,025</b>	<b>4,910</b>
Net financial items, including ground rent	-1,450	-1,380	-1,420	-1,420	-1,330	-1,330	-1,270	-1,250	-1,125	-1,100	-1,120
Of which non-controlling interests	-630	-670	-670	-670	-675	-655	-620	-580	-565	-555	-555
<b>Profit from property management <sup>1)</sup></b>	<b>4,675</b>	<b>4,200</b>	<b>4,075</b>	<b>4,000</b>	<b>4,030</b>	<b>3,920</b>	<b>3,715</b>	<b>3,625</b>	<b>3,565</b>	<b>3,370</b>	<b>3,235</b>
Tax <sup>2)</sup>	-970	-870	-825	-870	-875	-855	-775	-765	-750	-730	-700
<b>Profit after tax</b>	<b>3,705</b>	<b>3,330</b>	<b>3,250</b>	<b>3,130</b>	<b>3,155</b>	<b>3,065</b>	<b>2,940</b>	<b>2,860</b>	<b>2,815</b>	<b>2,640</b>	<b>2,535</b>
<b>Profit from property management per share, SEK</b>	<b>25.06</b>	<b>23.33</b>	<b>22.64</b>	<b>22.22</b>	<b>22.39</b>	<b>21.78</b>	<b>20.64</b>	<b>20.14</b>	<b>19.81</b>	<b>18.72</b>	<b>17.97</b>

1) Attributable to parent company shareholders.

2) Mainly refers to deferred tax, which does not affect the cash flow.

Current earning capacity as of 31 December 2020 includes the acquisition of Masmästaren, which will be taken into possession at the beginning of January 2021.

In the current earning capacity the following exchange rates have been used for translation of the foreign subsidiaries' income statement items.

EUR: 10.10  
 DKK: 1.36  
 NOK: 0.98  
 GBP: 11.47

# Income, costs and results

## Profit from property management

Profit from property management for the year amounted to SEK 4,900m (4,604), of which effect of changes in exchange rates amounted to SEK –26m (55). Profit from property management attributable to parent company shareholders increased by 5 % and amounted to SEK 4,244m (4,023), which corresponds to SEK 23.51 per share (22.35). Profit from property management includes SEK 663m (787) in respect of associated companies.

## Net profit after tax

Net profit after tax for the year amounted to SEK 7,275m (11,526). Net profit after tax attributable to parent company shareholders amounted to SEK 6,641m (8,958), corresponding to SEK 36.79 per share (49.77). Profit before tax was affected by changes in value in respect of investment properties of SEK 3,453m (9,577), profit from sales of development properties SEK 174m (95), changes in value of interest rate derivatives of SEK –141m (–180) and profit from participations in associated companies of SEK 897m (876).

## Rental income

Rental income increased by 7 % to SEK 8,134m (7,609), of which the effect of changes in exchange rates was SEK –50m (124). The increase was primarily due to acquisitions, new leases and completed projects for own management. The leasing portfolio was estimated to have a rental value on 31 December of SEK 8,590m (8,304). The average rental level for the entire real estate portfolio amounted to SEK 1,893/sq.m. (1,921) excluding project properties.

The like for like rental income has increased with 1.0 % (3.8) after adjustments for currency changes.

Rental income shows a considerable diversification of risks as regards tenants, sectors and locations. The economic occupancy rate amounted to 96 % (96) on 31 December. The total rental value of unlet areas at the end of the year amounted to SEK 376m (304).

## Property costs

Property costs amounted to SEK –1,919m (–1,966) during the year, of which the effect of changes in exchange rates was SEK 12m (–36).

Net operating income increased by 10 % to SEK 6,216m (5,643), which implies a surplus ratio of 76 % (74).

Operating costs normally vary with the seasons. The first and fourth quarters have higher costs than the other quarters, while the third quarter usually has the lowest cost level.

## Management and administrative costs

Management and administrative costs amounted to SEK –676m (–664) during the year, of which the effect of changes in exchange rates was SEK 4m (–13).

## Participations in the profits of associated companies

Balder owns property managing and project developing associated companies, see note 14 in Balder's Annual Report for 2019, and 44.1 % in Collector AB (publ) which is a listed niche bank. Brinova Fastigheter AB (publ) is also listed and Balder's share amounts to 21.8 %.

During the fourth quarter, Balder has invested in Anthon B

Nilsen Eiendom AS, Balder's share amounts to 50%. The transaction includes the Group's total property portfolio with properties in Oslo and on Lahaugmoen, and a development portfolio of 170 thousand sq.m. in eastern Norway. The market value of the properties included in the acquisition amounted to approximately SEK 2,800m.

During the fourth quarter, Balder also acquired 50% of the shares in Karlatornet AB. The company is the owner of the properties where the Nordic region's highest skyscraper, which consists of 73 floors and is 245 meters high, will be built. The properties include about 600 apartments, 300 hotel rooms and 8 thousand sq.m. of office space.

During the last quarter of the year, Balder also acquired 17.7% of the shares in the Norwegian listed real estate company Entra ASA, for further information see [entra.no](http://entra.no).

Profit from participations in associated companies amounted to SEK 897m (876) and Balder's participation in the associated companies profit from property management amounted to SEK 663m (787).

Profit before tax was impacted by SEK 489m (297) as a result of unrealised changes in value in respect of properties and interest rate derivatives. The tax expense for the year amounted to SEK –254m (–209).

## Other income/costs

During the year the item amounted to SEK 371m (7), of which unrealised change in value of long-term financial asset amounted to SEK 462m (–) and refers to the unrealised revaluation as occurred during the fourth quarter of the shares in the Norwegian listed real estate company Entra ASA.

## Net financial items and changes in value of derivatives

Net financial items amounted to SEK –1,212m (–1,170), of which the effect of changes in exchange rates was SEK 7m (–21).

Changes in value of interest rate derivatives amounted to SEK –141m (–180). The negative change in value of derivatives during the year is due to the fact that the long interest rates have fallen during the year. Unrealised changes in value do not affect the cash flow.

The average interest rate was 1.5 % (1.5) on the closing date and 1.6 % (1.7) for the year.

## Changes in value of investment properties

Balder carried out an individual internal valuation on 31 December of the entire real estate portfolio, see page 8. Unrealised changes in value during the year amounted to SEK 3,429m (9,562). Realised changes in value amounted to SEK 24m (14) and referred to sale of condominiums and land. The average yield requirement as of 31 December amounted to 4.5 % (4.5), which is unchanged compared to year-end previous year. The change in value during the year is attributable to improved net operating income and completed projects.

## Profit from sales of development properties

Two projects have been recognised as income during the fourth quarter, which means that a total of six projects have been recognised as income during the year.

Profit from sales of development properties is recognised when the property is taken into possession by the purchaser. Apart from the cost, selling and marketing expenses are

included, which are expensed on an ongoing basis, these amounted to SEK –20m during the year.

The sales result for the quarter totaled SEK 109m (–) after deduction of selling and marketing expenses and includes sale of the development projects Strandsnäckan in Gothenburg and Bovieran Nærheden in Denmark. The sales result for the year totaled SEK 174m (95).

#### Taxes

The group's total tax amounted to SEK –1,807m (–2,659), of which effect of changes in exchange rates amounted to SEK 8m (–52). Current tax for the year amounts to SEK –388m (–259), mainly attributable to SATO Oyj and Balder Denmark. Current tax attributable to parent company shareholders amounted to SEK –261m (–157).

Deffered tax expense for the year amounted to SEK –1,419m (–2,400).

Tax was calculated based on the applicable tax rate in each country. In Sweden, tax was calculated at 21.4 % based on current taxable income. Deferred tax liabilities and tax receivables were calculated at the lower tax rate of 20.6 %, which applies starting from 2021.

The group's deferred tax liability has been calculated as the value of the net of fiscal deficits and the temporary differences between the carrying amounts and values for tax purposes of properties and interest rate derivatives. Deferred tax liabilities amounted to SEK 12,497m (11,285).

#### Fourth quarter 2020

Profit from property management for the fourth quarter of 2020 increased by 1 % and amounted to SEK 1,219m (1,206). Profit from property management attributable to parent company shareholders for the fourth quarter of 2020 increased by 4 % and amounted to SEK 1,098m (1,053) which corresponds to SEK 6.03 per share (5.85). Profit from property management included SEK 188m (175) in respect of associated companies. Rental income amounted to SEK 2,055m (2,031) and property costs amounted to SEK –518m (–542), which meant that net operating income increased by 3 % to SEK 1,537m (1,490), of which the effect of changes in exchange rates was SEK –10m (22). The surplus ratio amounted to 75 % (73).

Net profit after tax for the period amounted to SEK 3,754m (6,466).

Profit after tax attributable to parent company shareholders amounted to SEK 3,578m (4,485) corresponding to SEK 19.65 per share (24.92). The result was affected by changes in value in respect of properties of SEK 2,636m (6,624), profit from sales of development properties of SEK 109m (–), changes in value of interest rate derivatives of SEK 90m (293) and profit from participations in associated companies of SEK 422m (150).

The Group's total tax amounted to SEK –997m (–1,632). Current tax expense for the period amounted to SEK –126m (–74), which is primarily attributable to SATO Oyj and Balder Denmark. Deferred tax expense for the period amounted to SEK –871m (–1,558). The deferred tax expense has been affected by positive exchange rate differences that have arisen from the translation of the parent company's Euro bonds during the quarter. In the Group these are used for hedging of foreign net investments and are transferred to "Other comprehensive income".

#### Cash flow

Cash flow from operating activities before changes in working capital amounted to SEK 3,986m (3,288). Investing activities have burdened the cash flow by SEK –16,993m (–15,867).

During the year, acquisition of investment properties of SEK –3,491m (–7,972), investments in existing properties and projects of SEK –5,572m (–8,133), investments in property, plant and equipment, financial investments, associated companies and transactions with non-controlling interests SEK –10,129m (–1,315), dividend to non-controlling interests SEK 0m (–137), and amortisation of lease liability SEK –19m (–26) adds up to SEK –19,211m (–17,583).

These have been financed through cash flow from operating activities of SEK 6,520m (3,209), by divestments of investment properties of SEK 366m (1,050), development properties SEK 1,253m (387), financial investments of SEK 561m (60), dividend from associated companies SEK 20m (42), sale of shares in associated companies SEK 0m (15), shareholder contributions from non-controlling interests of SEK 18m (–), share issue after issue costs SEK 2,930m (–) and net borrowings of SEK 10,634m (13,641), which adds up to SEK 22,300m (18,404).

Total cash flow for the year amounted to SEK 3,089m (821). In addition to unutilised credit facilities of SEK 13,032m (8,673), the Group's cash and cash equivalents, financial investments and unutilised overdraft facilities amounted to SEK 7,477m (3,252) on 31 December.

#### Employees and organisation

The number of employees on 31 December amounted to 824 persons (784), of whom 351 were women (327). Balder is organised into seven regions. The head office with Group-wide functions is located in Gothenburg.

#### Parent Company

The parent company's operations mainly consist of performing Group-wide services but an important part relates to sales of services, principally to associated companies. Sales in the parent company amounted to SEK 349m (361) during the year.

Net profit after tax amounted to SEK 1,615m (1,025). Dividends from subsidiaries amounted to SEK 975m (800), other net financial items amounted to SEK 1,599m (194) of which exchange rates differences amounted to SEK 785m (–251) and unrealised change in value of long-term financial asset amounted to SEK 462m (–), changes in value of interest rate derivatives amounted to SEK –141m (–180) and group contributions paid/received amounted to SEK –821m (229).

Reported exchange differences mainly refer to the translation of the company's Euro bonds, which from a group perspective are used for hedging of foreign net investments.

#### Proposed dividend

The board intends to propose to the annual general meeting that no share dividend shall be declared (–).

#### Annual Report and Annual General Meeting

The annual report for 2020 will be available on Balder's website, balder.se, from week 12, 2021.

Fastighets AB Balder's annual general meeting will take place on 12 May at 4 pm at Radisson BLU Scandinavia Hotel, Södra Hamngatan 59 in Gothenburg.

# Real estate portfolio

On 31 December Balder owned 1,362 investment properties (1,298) with a lettable area of 4,502 thousand sq.m. (4,304) and a value of SEK 149,179m (141,392). Balder's total rental value excluding projects amounted to SEK 8,520m (8,267).

In addition to investment properties Balder owns development properties with an acquisition cost of SEK 2,803m (2,344). The value of the total property portfolio amounted to SEK 151,982m (143,736).

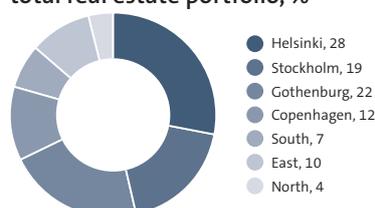
Balder's commercial properties are mainly located in the central parts of the major cities. Balder's residential properties are located in metropolitan areas and places that are growing and developing positively. Balder's ambition is to continue growing in selected markets.

## Balder's real estate portfolio on 31/12/2020 <sup>1)</sup>

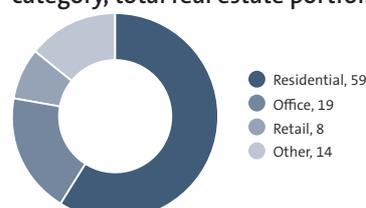
	Number of investment properties	Lettable area, sq.m.	Rental value, SEKm	Rental value, SEK/sq.m.	Rental income, SEKm	Economic occupancy rate, %	Carrying amount, SEKm	Carrying amount, %
<b>Distributed by region</b>								
Helsinki	601	1,144,971	2,671	2,333	2,601	97	40,938	27
Stockholm	83	698,543	1,391	1,992	1,321	95	27,364	18
Gothenburg	185	1,064,183	1,690	1,588	1,606	95	30,863	20
Copenhagen	19	270,404	703	2,601	659	94	15,272	10
South	80	404,432	636	1,573	583	92	10,439	7
East	308	711,294	1,125	1,582	1,081	96	14,448	10
North	86	207,739	303	1,458	293	97	5,238	3
<b>Total excluding projects</b>	<b>1,362</b>	<b>4,501,566</b>	<b>8,520</b>	<b>1,893</b>	<b>8,144</b>	<b>96</b>	<b>144,562</b>	<b>95</b>
Projects for own management			70		70		4,617	3
<b>Total investment properties</b>	<b>1,362</b>	<b>4,501,566</b>	<b>8,590</b>	<b>1,893</b>	<b>8,214</b>	<b>96</b>	<b>149,179</b>	<b>98</b>
Development properties							2,803	2
<b>Total real estate portfolio</b>	<b>1,362</b>	<b>4,501,566</b>	<b>8,590</b>	<b>1,893</b>	<b>8,214</b>	<b>96</b>	<b>151,982</b>	<b>100</b>
<b>Distributed by property category</b>								
Residential	1,068	2,658,192	5,127	1,929	4,947	96	83,021	55
Office	101	617,472	1,508	2,441	1,379	91	28,208	19
Retail	113	660,673	847	1,283	811	96	12,478	8
Other	80	565,229	1,038	1,837	1,007	97	20,855	14
<b>Total excluding projects</b>	<b>1,362</b>	<b>4,501,566</b>	<b>8,520</b>	<b>1,893</b>	<b>8,144</b>	<b>96</b>	<b>144,562</b>	<b>95</b>
Projects for own management			70		70		4,617	3
<b>Total investment properties</b>	<b>1,362</b>	<b>4,501,566</b>	<b>8,590</b>	<b>1,893</b>	<b>8,214</b>	<b>96</b>	<b>149,179</b>	<b>98</b>
Development properties							2,803	2
<b>Total real estate portfolio</b>	<b>1,362</b>	<b>4,501,566</b>	<b>8,590</b>	<b>1,893</b>	<b>8,214</b>	<b>96</b>	<b>151,982</b>	<b>100</b>

1) The above table refers to the properties owned by Balder at the end of the period. Sold properties have been excluded and acquired properties have been estimated using full-year values. Other properties include hotel, educational, care, industrial and mixed-use properties.

Carrying amount distributed by region, total real estate portfolio, %



Carrying amount distributed by property category, total real estate portfolio, %



# Changes in real estate portfolio

## Investment properties

Balder's investment properties are reported on the basis of internal valuations. The properties in Sweden, Denmark, Finland, Norway, Germany and United Kingdom are valued using the cash flow based method.

In Finland and Russia, in addition to the cash flow based method, valuation at acquisition cost is used. Properties under construction and project properties for own management are valued at market value reduced by estimated building expenditure and project risk, which usually results in valuation at cost.

On 31 December, Balder's average yield requirement amounted to 4.5 % (4.5) excluding project properties for own management, which is unchanged compared to year-end previous year.

In order to quality-assure its internal valuations, Balder regularly allows parts of its portfolio to be externally valued and obtain second opinions<sup>1)</sup> on internal valuations. During the year external valuations have been carried out regarding approximately 21 % of the properties excluding projects and second opinions have been carried out regarding approximately 31 % of the properties excluding projects. The

difference between the external valuations and the internal valuations was less than 1 %. Historically, deviations between external and internal valuations have been insignificant.

## Unrealised changes in value investment properties

The overall carrying amount of Balder's investment properties amounted to SEK 149,179m (141,392) on 31 December. The unrealised change in value during the year amounted to SEK 3,429m (9,562) of which 70 % is attributable to residential properties. Of the total unrealised change in value, 40 % is related to completed projects.

## Investments, acquisitions and divestments

During the year, a total of SEK 7,545m (15,006) was invested relating to investment properties, of which SEK 3,491m (8,439) related to acquisitions and SEK 4,054m (6,567) related to investments in existing properties and projects for own management. During the year condominiums and land have been divested at a sales value of SEK 366m (1,050). Profit from the sales amounted to SEK 24m (14).

## Change in carrying amount of properties

	2020		2019	
	SEKm	Number <sup>2)</sup>	SEKm	Number <sup>2)</sup>
<b>Investment properties, 1 January</b>	<b>141,392</b>	<b>1,298</b>	<b>116,542</b>	<b>1,185</b>
Investments in existing properties and projects	4,054		6,567	
Acquisitions	3,491	19	8,439	44
Sales	-342		-1,036	-1
Change in value of investment properties, unrealised	3,429		9,562	
Currency changes	-2,845		789	
Reclassification	-	45	528	70
<b>Investment properties, 31 December</b>	<b>149,179</b>	<b>1,362</b>	<b>141,392</b>	<b>1,298</b>
<b>Development properties, 1 January</b>	<b>2,344</b>		<b>1,598</b>	
Reclassification	-		-528	
Investments in projects	1,518		1,566	
Sales	-1,059		-292	
<b>Development properties, 31 December</b>	<b>2,803</b>		<b>2,344</b>	
<b>Total real estate portfolio, 31 December</b>	<b>151,982</b>		<b>143,736</b>	

1) Review performed by external valuation company of used valuation method.

2) Number of investment properties.

## Property transactions 2020

Quarter	Number	Name of property		Property category	Lettable area, sq.m.
<b>Acquisitions</b>					
One	1	Inom Vallgraven 4:5	Gothenburg	Office	3,585
One	1	Palmen 3	Linköping	Hotel	11,086
One	1	92-52-18-6 (Tikkurilantie 123)	Vanda, Finland	Retail	13,102
One	1	285-46-167-3 (Ristikalliontie 41)	Kotka, Finland	Retail	3,100
One	1	286-3-3039-5 (Taitajantie 4)	Kouvola, Finland	Retail	3,800
One	1	405-56-1-14 (Myllymäenkatu 6)	Lappeenranta, Finland	Retail	4,400
One	1	106-18-1731-20 (Veikkarinkatu 7)	Hyvinkää, Finland	Retail	2,645
One	1	109-11-33-2 (Tampereentie 169)	Hämeenlinna, Finland	Retail	5,840
One	1	167-8-837-1 (Voimatie 16)	Joensuu, Finland	Retail	8,282
One	1	297-24-20-2 (Leväsentie 33)	Kuopio, Finland	Retail	7,770
One	1	398-23-111-4 (Ajokatu 261)	Lahti, Finland	Retail	7,947
One	1	837-122-506-12 (Hataanpään Valtatie 42)	Tampere, Finland	Retail	12,412
One	1	837-122-506-3 (Puistokuja 32)	Tampere, Finland	Retail	5,865
Two	1	Inom Vallgraven 8:14	Gothenburg	Office	2,924
Two	1	Inom Vallgraven 20:8	Gothenburg	Office	1,107
Two	1	Dønskiveien 6	Bærum, Norway	Other	2,614
Three	1	Hans Nissens gate 3	Trondheim, Norway	Residential	3,577
Three	–	Pekdonet 1	Möln dal	Project, land	–
Four	1	92-412-6-4 (Härkähaantie 16)	Vanda, Finland	Other	–
Four	1	91-4-69-12 (Fredrikinkatu 47)	Helsinki, Finland	Office	3,669
<b>Total</b>	<b>19</b>				<b>103,725</b>

# Property development

Within the frame of property development, both new production and conversion projects of residential and commercial spaces are carried out. Investments are made primarily in areas where the company already operates with a focus on the metropolitan regions of Stockholm, Gothenburg, Helsinki and Copenhagen. The building rights portfolio includes building rights for the construction of both rental apartments and apartments for sale as well as commercial properties.

## **Project properties for own management**

Projects for own management under construction has an estimated total investment of SEK 6.9 billion (7.2), of which SEK 3.8 billion (4.7) is invested and SEK 3.1 billion (2.5) remains to be invested. Most of the ongoing projects relate to residential projects with owner apartments for rental use. The projects comprise about 2,300 apartments (2,200) and mainly refers to about 1,100 apartments in Copenhagen and about 600 apartments in Helsinki.

## **Development properties for sale**

A development property is a property that is held for refinement with the intention of being divested. These properties are continually recognised at cost and profit/loss is recognised when each property is completed, sold and handed over to the buyer.

Development projects under construction has an estimated total investment of SEK 2.3 billion (2.3), of which SEK 1.2 billion (1.1) is invested and SEK 1.1 billion (1.2) remains to be invested. All of the projects are residential projects that will be sold to end customer. The projects involve approx. 660 apartments (700) and mainly refers to approx. 550 tenant-owner's apartments in Sweden.

Two sales results regarding development projects are reported in the fourth quarter, which means that during the year a total of six projects have been recognised as income. The sale during the quarter refers to the development projects Strandsnäckan and Nærheden. The cost of the projects amounted to SEK -468m (-292) and the profit from the sales amounted to SEK 109m (95), including the marketing and sales costs of the quarter of SEK -5m regarding all development properties.

The cost of all divested projects during the year amounted to SEK -1,079m (-292) and the profit from the sales amounted to SEK 174m (95), including marketing and sales costs of SEK -20m.

## Project properties for own management Under construction

Country	Region	Project	Property category	Lettable area, sq.m.	Number of apartments	Estimated total investment, SEKm	Estimated completion
Finland	Tampere	As Oy Pirkkalan Loiste	Residential	2,294	61	78	Q1 2021
Sweden	Stockholm	Hedin Haninge	Retail	3,841	–	75	Q2 2021
Denmark	Copenhagen	Agerhusene	Residential	13,673	176	479	Q2 2021
Denmark	Copenhagen	Lerholmen	Residential	14,364	186	501	Q2 2021
Finland	Helsinki	Espoo Iris	Residential	2,448	41	103	Q2 2021
Finland	Helsinki	As Oy Vantaan Ruutulippu	Residential	4,181	96	164	Q2 2021
Finland	Helsinki	As Oy Helsingin Redin Loisto	Residential	759	17	47	Q3 2021
Finland	Helsinki	As Oy Kirkkonummen Manhattan	Residential	3,960	165	176	Q3 2021
Finland	Oulu	As Oy Oulun Mallasmaisteri	Residential	4,032	168	135	Q3 2021
Finland	Helsinki	Kappelitie 5	Residential	3,417	77	165	Q4 2021
Finland	Helsinki	Sompasaaren Priki	Residential	2,888	73	197	Q4 2021
Finland	Helsinki	Virtakuja 6	Residential	2,865	76	129	Q4 2021
Finland	Tampere	As Oy Nokian Värjäämö	Residential	3,033	105	104	Q4 2021
Denmark	Copenhagen	Lynghaven	Residential	14,835	184	528	Q1 2022
Denmark	Copenhagen	Ofeliahaven	Residential	9,079	110	323	Q2 2022
Denmark	Copenhagen	HTC A10	Residential	8,854	107	336	Q2 2022
Finland	Helsinki	Jokiniityntie 28	Residential	3,452	79	141	Q2 2022
Sweden	Gothenburg	Stenhuggaren	Residential	5,233	88	143	Q3 2022
Sweden	Gothenburg	Hedin HK	Office	12,286	–	496	Q4 2022
Sweden	Gothenburg	Bergsjön	Residential	8,916	177	327	2022-2023
Denmark	Copenhagen	Green Hills	Residential	24,886	290	941	Q2 2023
Sweden	Gothenburg	Hotell Draken	Hotel	28,166	–	1,270	Q3 2023
<b>Total</b>				<b>177,462</b>	<b>2,276</b>	<b>6,859</b>	

## Development properties for sale Under construction

Country	Region	Project	Property category	Lettable area, sq.m.	Number of apartments	Estimated total investment, SEKm	Estimated completion
Sweden	South	Bovieran Staffanstorp	Residential	4,273	54	170	Q2 2021
Sweden	Stockholm	Berget	Residential	1,467	21	162	Q2 2021
Finland	Helsinki	Virtakuja 4	Residential	2,277	55	105	Q4 2021
Sweden	Gothenburg	Fixfabriken	Residential	19,114	270	897	2021-2022
Norway	Sandefjord	Sandefjord	Residential	6,793	46	292	Q1 2022
Sweden	Gothenburg	Bergsfallet	Residential	5,571	87	242	Q3 2022
Sweden	Gothenburg	Västra Gatan Kungälv	Residential	8,808	124	421	Q1 2023
<b>Total</b>				<b>48,303</b>	<b>657</b>	<b>2,288</b>	
<b>Total</b>				<b>225,765</b>	<b>2,933</b>	<b>9,147</b>	

## Project properties for own management Estimated construction start Q1 2021-Q1 2022

Country	Region	Project	Property category	Lettable area, sq.m.	Number of apartments	Estimated total investment, SEKm	Construction start
Sweden	Gothenburg	Bergskristallen	Residential	5,078	89	182	2021
Sweden	Gothenburg	Frölunda	Residential	21,780	365	833	2021
Sweden	Linköping	Mörtlösa	Retail	14,899	–	306	2021
Denmark	Copenhagen	HTC A17	Residential	8,646	124	316	2021
Denmark	Copenhagen	Hundige Øst A och D	Residential	22,332	332	854	2021
Finland	Helsinki	Kotkatie 6	Residential	3,791	100	186	2021
Finland	Helsinki	Runoratsaukatu 15	Residential	5,397	135	280	2021
Finland	Helsinki	Jokiniementie 46 och 48	Residential	9,462	222	531	2021
Finland	Helsinki	Lupajantie 2	Residential	4,321	112	194	2021
Finland	Helsinki	Lincolninaukio 4	Residential	5,680	158	241	2021
Finland	Helsinki	Raudikkokuja 7	Residential	6,390	161	262	2021
Finland	Tampere	Heittoniitynkujat 5	Residential	5,787	132	199	2021
Finland	Tampere	Hervantajärven Helmi	Residential	2,612	52	95	2021
Finland	Turku	As Oy Turun Montana	Residential	2,781	89	107	2021
Finland	East	As Oy Hämeenlinnan Asemanranta	Residential	2,802	100	107	2021
Finland	Helsinki	As Oy Kirkkonummen Pyssy-Seppä	Residential	1,770	74	79	2021
Finland	Helsinki	As Oy Riihimäen Pesispolku	Residential	2,430	100	86	2021
Finland	Turku	As Oy Turun Kirstinpuisto	Residential	3,771	129	165	2021
Finland	Helsinki	As Oy Kirkkonummen Lukko-Seppä	Residential	1,770	74	79	2021
Finland	Tusby	Pataljoonantie	Residential	4,618	90	172	2022
Finland	Helsinki	Hexagon	Residential	3,229	77	228	2022
Finland	Helsinki	Peijinkuja 3	Residential	4,443	121	231	2022
<b>Total</b>				<b>143,789</b>	<b>2,836</b>	<b>5,734</b>	

## Development properties for sale Estimated construction start Q1 2021-Q1 2022

Country	Region	Project	Property category	Lettable area, sq.m.	Number of apartments	Estimated total investment, SEKm	Construction start
Sweden	Gothenburg	Bastuban	Residential	11,000	133	449	2021
Sweden	Gothenburg	Bohusgatan	Residential	19,465	340	1,146	2021
Sweden	Gothenburg	Hovås Höjd	Residential	10,755	144	572	2021
Sweden	Stockholm	Gladan	Residential	7,479	143	643	2021
Sweden	Stockholm	Basaren	Residential	4,428	65	294	2021
Sweden	Stockholm	Caprea	Residential	3,691	28	440	2021
Sweden	Gothenburg	Bergsjö Glänta	Residential	3,619	31	115	2021
Sweden	South	Bovieran Svedala	Residential	4,285	54	160	2021
Norway	Drammen	Sølfast Park	Residential	8,311	107	440	2021
Norway	Oslo	Ski, Linåskollen	Residential	16,465	169	767	2021
<b>Total</b>				<b>89,498</b>	<b>1,214</b>	<b>5,026</b>	
<b>Total</b>				<b>233,287</b>	<b>4,050</b>	<b>10,760</b>	

## Future projects

### Estimated construction start 2022 and onwards

Country	Region	Gross area, sq.m	Number of apartments
Sweden	Gothenburg	618,160	5,435
Sweden	Stockholm	306,329	2,804
Finland	Helsinki	225,097	4,083
Finland	East	146,630	1,584
Denmark	Copenhagen	108,161	1,147
Norway	North	47,580	732
<b>Total</b>		<b>1,451,957</b>	<b>15,785</b>

The table above shows Balder's share of projects with ongoing project development distributed by country and region and with an estimated start of construction from 2022 onwards. At the end of the year, Balder's share of projects with ongoing project development comprised of 1,451,957 sq.m. gross area and 15,785 apartments.

# Customers

In order to limit the risk of lower rental income and consequently a weakened occupancy rate, Balder strives to develop long-term relationships with the company's existing customers. Balder has a good diversification as regards the distribution between commercial properties and residential properties as well as the geographical distribution. The diversification strengthens the possibilities of maintaining a

steady and satisfactory occupancy rate. Balder's commercial leases have an average lease term of 6.7 years (7.1). Balder's 10 largest leases represent 4.5 % (4.6) of total rental income and the average lease term amounts to 10.9 years (12.7).

No individual lease accounts for more than 0.7 % (0.7) of Balder's total rental income and no individual customer accounts for more than 4.0 % (3.6) of total rental income.

## Lease maturity structure 31/12/2020

Maturity date	Number of leases	Proportion, %	Contracted rent, SEKm	Proportion, %
2021	1,276	37	342	4
2022	834	24	409	5
2023	559	16	370	5
2024	418	12	318	4
2025–	399	11	1,809	22
<b>Total</b>	<b>3,486</b>	<b>100</b>	<b>3,247</b>	<b>40</b>
Residential <sup>1)</sup>	41,296		4,872	59
Car park <sup>1)</sup>	5,503		23	0
Garage <sup>1)</sup>	5,249		72	1
<b>Total</b>	<b>55,534</b>		<b>8,214</b>	<b>100</b>

1) Normally runs subject to a period of notice of three months.

## Balders 10 largest customers

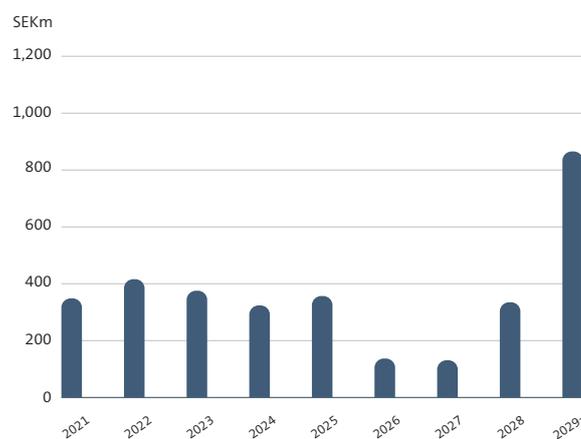
as of 31/12/2020

- The municipality of Gothenburg
- I.A. Hedin Bil AB
- ICA Sverige AB
- Kesko Oyj
- Ligula Hospitality Group
- Scandic Hotels
- City of Stockholm
- Stureplansgruppen
- The municipality of Sundbyberg
- Winn Hotel Group

## Rental income and profit from property



## Maturity structure of commercial lease contracts



# Financing

Balder has assets in Sweden, Denmark, Finland, Russia, Norway, Germany and United Kingdom which means that the Group is exposed to currency risks. Balder therefore has a diversified financing structure with bonds issued under a domestic MTN programme and a EMTN programme. In addition to bonds, bank financing in several currencies and a

commercial paper programme in Euro and Swedish kronor are used. The single largest source of funding is bonds issued on the European bond market in Euro. In addition to these financing sources, Balder also has issued Hybrid capital which has a maturity of 60 years and is considered as 50 % equity by the credit rating agencies.

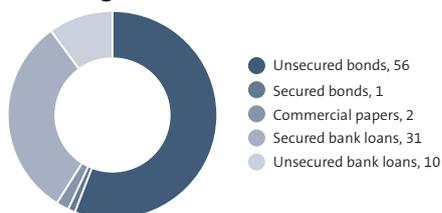
Financial key ratios	2020 31 Dec	2019 31 Dec
Interest-bearing liabilities excl. Hybrid capital, SEKm	85,476	77,590
Hybrid capital, SEKm	3,513	3,652
Available liquidity including confirmed loan commitments, SEKm	20,509	11,925
Average fixed credit term, years	5.9	5.8
Average interest rate refixing period, years	3.5	3.1
Net debt to total assets (financial covenant <sup>1)</sup> < 65), %	46.1	48.4
Interest coverage ratio (financial covenant <sup>1)</sup> > 1.8), times	5.3	5.2
Secured debt/Total assets (financial covenant <sup>1)</sup> < 45), %	15.6	16.2
Net debt/EBITDA, times	13.2	13.0
Credit rating S&P	BBB Stable outlook	BBB Stable outlook
<b>Calculation of net debt</b>		
Interest-bearing liabilities excl. Hybrid capital, SEKm	85,476	77,590
Other liability <sup>2)</sup>	3,009	–
Hybrid capital (50 % is treated as equity by rating agencies), SEKm	1,757	1,826
Cash and cash equivalents and financial investments, SEKm	–7,127	–2,902
<b>Net debt</b>	<b>83,115</b>	<b>76,514</b>

1) Financial covenants refers to obligations that Balder has to its financiers in the form of financial key ratios.

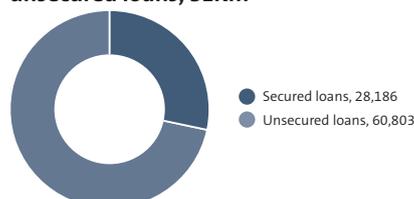
2) Other liability SEK 3,009m relates to obligation regarding purchase of shares in Entra ASA.

Financial targets	Target	Outcome
Equity/assets ratio, %	min. 40.0	38.6
Net debt to total assets, %	max. 50.0	46.1
Interest coverage ratio, times	min. 2.0	5.3

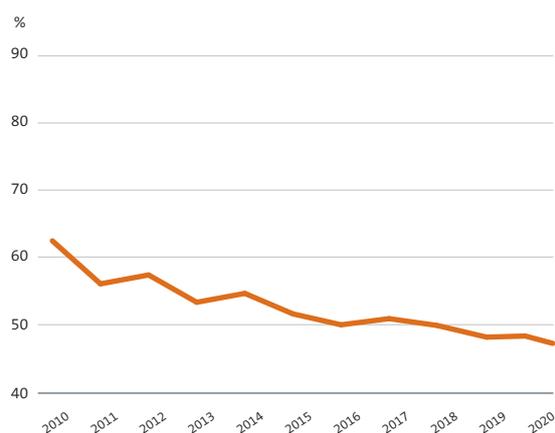
## Financing sources, %



## Distribution of secured and unsecured loans, SEKm



### Net debt to total assets



### Fixed interest term



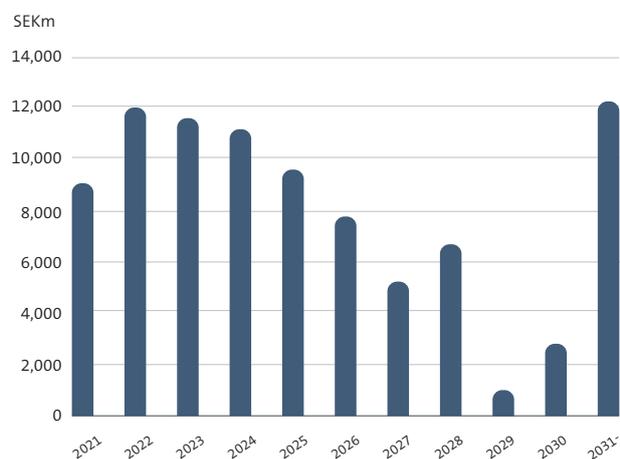
### Debt maturity structure 31/12/2020

Year	SEKm	Proportion, %
2021	9,038	10
2022	12,029	14
2023	11,602	13
2024	11,170	13
2025	9,567	11
2026	7,717	9
2027	5,234	6
2028	6,647	7
2029	928	1
2030	2,792	3
2031-	12,265	14
<b>Total</b>	<b>88,989</b>	<b>100</b>

### Interest maturity structure 31/12/2020

Year	SEKm	Interest, %	Proportion, %
2021	34,277	1.0	39
2022	6,556	1.4	7
2023	9,548	2.4	11
2024	4,126	1.6	5
2025	7,566	2.1	9
2026	7,063	2.3	8
2027	6,169	1.2	7
2028	6,503	0.6	7
2029	2,875	1.6	3
2030	1,174	1.4	1
2031-	3,133	1.8	4
<b>Total</b>	<b>88,989</b>	<b>1.5</b>	<b>100</b>

### Debt maturity structure 31/12/2020



# Associated companies

Balder owns 50 % of a number of property companies where Balder handles the management and administration, for further information, see pages 23-25 in Balder's Annual Report for 2019. In addition, Anthon B Nilsen Eiendom AS was added during the year.

Balder's 50 %-owned associated companies are shown in the table below together with Balder's share of 49 % (49) in Sinoma Fastighets AB and 56 % (56) in Serena Properties AB

where Balder has a joint control.

Apart from the 50 %-owned associated companies, Balder owns among other 44.1 % (44.1) in Collector AB (publ), 33 % (33) in Tornet Bostadsproduktion AB, 21.8 % (25.5) in Brinova Fastigheter AB (publ), 49 % (49) in Sjaelsö Management ApS, 20 % (20) in SHH Bostad AB, 25 % (25) in Rosengård Fastighets AB, 50 % (-) in Karlatornet AB and 17.7 % (-) in Entra ASA.

## Balder's participation in the 50 %-owned associated companies' real estate portfolio on 31/12/2020 <sup>1,2)</sup>

	Number of investment properties <sup>3)</sup>	Lettable area, sq.m.	Rental value, SEKm	Rental value, SEK/sq.m.	Rental income, SEKm	Economic occupancy rate, %	Carrying amount, SEKm	Carrying amount, %
<b>Distributed by region</b>								
Stockholm	89	227,125	346	1,522	327	95	6,276	41
Gothenburg	42	157,259	184	1,167	172	94	2,399	16
Öresund	22	65,058	101	1,551	88	88	1,587	10
East	29	121,232	157	1,291	154	98	2,144	14
Oslo	6	28,684	57	1,965	55	97	1,239	8
<b>Total excluding projects</b>	<b>188</b>	<b>599,357</b>	<b>843</b>	<b>1,406</b>	<b>796</b>	<b>94</b>	<b>13,646</b>	<b>89</b>
Projects for own management			1		1		1,611	11
<b>Total real estate portfolio</b>	<b>188</b>	<b>599,357</b>	<b>844</b>	<b>1,406</b>	<b>796</b>	<b>94</b>	<b>15,257</b>	<b>100</b>
<b>Distributed by property category</b>								
Residential	45	78,027	152	1,942	148	98	3,208	21
Office	35	123,178	197	1,600	183	93	3,574	23
Retail	65	266,781	323	1,212	310	96	4,313	28
Other	43	131,371	171	1,301	155	91	2,551	17
<b>Total excluding projects</b>	<b>188</b>	<b>599,357</b>	<b>843</b>	<b>1,406</b>	<b>796</b>	<b>94</b>	<b>13,646</b>	<b>89</b>
Projects for own management			1		1		1,611	11
<b>Total real estate portfolio</b>	<b>188</b>	<b>599,357</b>	<b>844</b>	<b>1,406</b>	<b>796</b>	<b>94</b>	<b>15,257</b>	<b>100</b>

1) The above table refers to the properties owned by the associated companies at the end of the period. Sold properties have been excluded and acquired properties have been estimated using full-year values. Other properties include hotel, educational, care, industrial and mixed-use properties.

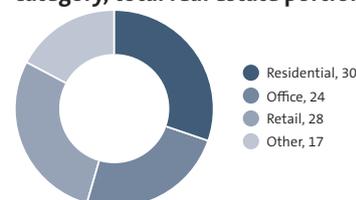
2) Refers to Balder's holding in Trenum AB, Fastighets AB Centur, Tulia AB, Sinoma Fastighets AB, Serena Properties AB and Anthon B Nilsen Eiendom AS.

3) Refers to the entire associated companies' portfolio.

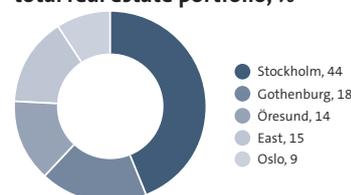
## Balder's participation in the balance sheets of 50 %-owned associated companies

SEKm	2020 31 Dec	2019 31 Dec
<b>Assets</b>		
Properties	15,257	12,004
Other assets	361	243
Cash and cash equivalents	202	204
<b>Total assets</b>	<b>15,819</b>	<b>12,450</b>
<b>Shareholders' equity and liabilities</b>		
Equity/interest-bearing shareholder loan	7,290	5,635
Deferred tax liability	898	657
Interest-bearing liabilities	6,875	5,671
Other liabilities	756	488
<b>Total equity and liabilities</b>	<b>15,819</b>	<b>12,450</b>

## Carrying amount distributed by property category, total real estate portfolio, %



## Carrying amount distributed by region, total real estate portfolio, %



# Other disclosures

## Events after the end of the year

After the end of the year, Balder has continued to acquire shares in the Norwegian listed real estate company Entra ASA. Balder's holding amounts to more than 25 % of the shares.

After the end of the reporting period no other significant events has occurred.

## Related party transactions

Balder receives fees from associated companies and Erik Selin Fastigheter AB for property and company management services. These fees amounted to SEK 82m (73) during the year and are reported in management and administrative costs. All transactions have been priced on market terms.

## Risks and uncertainties

Balder's operations, financial position and results may be affected by a number of risks and uncertainty factors. These are described in the Annual Report for 2019, on pages 45-48. Otherwise, no significant changes has been noted.

## Accounting policies

Balder applies IFRS (International Financial Reporting Standards) as adopted by the European Union in its consolidated accounts and the interpretations of these (IFRIC). This year-end report is prepared in accordance with IAS 34, Interim Financial Reporting. In addition, relevant provisions of the Swedish Annual Accounts Act and the Swedish Securities Markets Act have also been applied. The parent company has prepared its financial statements in accordance with the Annual Accounts Act, the Securities Markets Act and RFR 2, Accounting for Legal Entities. The accounting principles follow those reported in the Annual Report 2019.

New and amended standards and principles that came into force on or after 1 January 2020 has not had any significant impact on the Group's financial reports.

## The Board's proposal to the Annual General Meeting 2021

Ahead of the annual general meeting on 12 May 2021, the board intends to propose the meeting to decide:

- That no share dividend shall be declared.
- Authorise the board until the next annual general meeting, to repurchase and transfer B shares in Balder equivalent to not more than 10 % of all shares in the company.
- Authorise the board until the next annual general meeting, on one or more occasions, to resolve on new issue of shares of Class B. The authorisation shall comprise a maximum of 20 million shares of Class B. It shall be possible to subscribe for the shares in cash, in kind or through right of set-off.

This year-end report has not been subject to review by the company's auditors.

Gothenburg 11 February 2021

Erik Selin  
Chief Executive Officer

# Consolidated statement of comprehensive income

SEKm	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
Rental income	2,055	2,031	8,134	7,609
Property costs	-518	-542	-1,919	-1,966
<b>Net operating income</b>	<b>1,537</b>	<b>1,490</b>	<b>6,216</b>	<b>5,643</b>
Management and administrative costs	-176	-179	-676	-664
Participations in the profits of associated companies	422	150	897	876
– of which profit from property management	188	175	663	787
– of which changes in value	357	-7	489	297
– of which tax	-122	-18	-254	-209
Other income/costs	429	7	371	7
– of which unrealised change in value of long-term financial asset	462	-	462	-
Net financial items	-298	-286	-1,212	-1,170
– of which cost of leases/ground rent	-15	-16	-64	-63
<b>Profit including changes in value and tax in associated companies</b>	<b>1,915</b>	<b>1,181</b>	<b>5,597</b>	<b>4,693</b>
<b>– of which Profit from property management</b>	<b>1,219</b>	<b>1,206</b>	<b>4,900</b>	<b>4,604</b>
<i>Changes in value</i>				
Changes in value investment properties, realised	8	-6	24	14
Changes in value investment properties, unrealised	2,628	6,630	3,429	9,562
Income sale development properties	577	-	1,253	387
Costs sale development properties	-468	-	-1,079	-292
Changes in value derivatives	90	293	-141	-180
<b>Changes in value total</b>	<b>2,836</b>	<b>6,917</b>	<b>3,486</b>	<b>9,492</b>
<b>Profit before tax</b>	<b>4,751</b>	<b>8,098</b>	<b>9,083</b>	<b>14,185</b>
Income tax	-997	-1,632	-1,807	-2,659
<b>Net profit for the period/year</b>	<b>3,754</b>	<b>6,466</b>	<b>7,275</b>	<b>11,526</b>
<i>Net profit for the period/year attributable to:</i>				
Parent company shareholders	3,578	4,485	6,641	8,958
Non-controlling interests	176	1,980	634	2,568
	<b>3,754</b>	<b>6,466</b>	<b>7,275</b>	<b>11,526</b>
<b>Other comprehensive income – items that may be subsequently reclassified to profit or loss</b>				
Translation difference relating to foreign operations (net after hedge accounting)	-735	-204	-705	8
Cash flow hedges after tax	-0	99	-20	-55
Participation in other comprehensive income of associated companies	-26	-9	-37	3
<b>Total comprehensive income for the period/year</b>	<b>2,993</b>	<b>6,351</b>	<b>6,513</b>	<b>11,482</b>
<i>Total comprehensive income for the period/year attributable to:</i>				
Parent company shareholders	3,301	4,578	6,273	8,865
Non-controlling interests	-308	1,773	240	2,617
	<b>2,993</b>	<b>6,351</b>	<b>6,513</b>	<b>11,482</b>
Profit from property management	1,219	1,206	4,900	4,604
Of which non-controlling interests part of profit from property management	-121	-154	-657	-581
<b>Profit from property management attributable to parent company shareholders</b>	<b>1,098</b>	<b>1,053</b>	<b>4,244</b>	<b>4,023</b>
Profit from property management per share, SEK	6.03	5.85	23.51	22.35
Profit after tax per share, SEK	19.65	24.92	36.79	49.77

# Consolidated statement of financial position

SEKm	2020 31 Dec	2019 31 Dec
<b>Assets</b>		
Investment properties	149,179	141,392
Development properties	2,803	2,344
Lease contract; Right-of-use assets	1,532	1,541
Other fixed assets	160	166
Participations in associated companies	15,593	7,018
Other receivables	4,007	2,566
Cash and cash equivalents and financial investments	7,127	2,902
<b>Total assets</b>	<b>180,401</b>	<b>157,928</b>
<b>Shareholders' equity and liabilities</b>		
Shareholders' equity <sup>1)</sup>	67,885	58,725
Deferred tax liability	12,497	11,285
Interest-bearing liabilities	88,989	81,242
–of which Hybrid capital <sup>2)</sup>	3,513	3,652
Derivatives	1,540	1,210
Lease contract	1,536	1,543
Other liabilities	7,955	3,923
<b>Total equity and liabilities</b>	<b>180,401</b>	<b>157,928</b>
1) Of which non-controlling interests	9,676	9,714
2) 50 % of Hybrid capital is treated as equity by the rating agencies and thus decreases interest-bearing liabilities when calculating the debt/equity ratio and net debt to total assets ratio and increases equity when calculating the equity/assets ratio.	1,757	1,826

# Consolidated statement of changes in equity

SEKm	2020 31 Dec	2019 31 Dec
<b>Opening equity</b>	<b>58,725</b>	<b>47,408</b>
Total comprehensive income for the period/year	6,513	11,482
Transactions with non-controlling interests	–301	–35
Dividend to non-controlling interests	–	–137
Non-controlling interests arising on the acquisition of subsidiary	–	8
Shareholder contributions from non-controlling interests	17	–
Share issue, after issue costs	2,930	–
<b>Closing equity</b>	<b>67,885</b>	<b>58,725</b>

# Consolidated statement of cash flow

SEKm	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
Net operating income	1,537	1,490	6,216	5,643
Other income/costs	-33	7	-91	7
Management and administrative costs	-176	-179	-676	-664
Selling and marketing expenses development properties	-5	-	-20	-
Reversal of depreciation	11	11	41	42
Net financial items paid	-255	-278	-1,174	-1,419
Taxes paid	-28	-63	-310	-321
<b>Cash flow from operating activities before change in working capital</b>	<b>1,051</b>	<b>988</b>	<b>3,986</b>	<b>3,288</b>
Change in operating receivables	-77	-117	-901	-262
Change in operating liabilities	2,795	-348	3,435	183
<b>Cash flow from operating activities</b>	<b>3,770</b>	<b>522</b>	<b>6,520</b>	<b>3,209</b>
Acquisition of investment properties	-582	-3,889	-3,491	-7,972
Acquisition/Divestment of property, plant and equipment	-16	-18	-36	-85
Purchase of financial investments	-843	-538	-1,665	-594
Acquisition of shares in associated companies/Capital contribution to associated companies/Loans to associated companies	-6,706	215	-8,128	-601
Investment in existing properties and projects	-1,507	-2,527	-5,572	-8,133
Transactions with non-controlling interests	-275	-33	-301	-35
Sale of investment properties	27	740	366	1,050
Sale of development properties	577	-	1,253	387
Sale of financial investments	499	13	561	60
Sale of shares in associated companies	-	-	-	15
Dividend paid from associated companies	1	-	20	42
<b>Cash flow from investing activities</b>	<b>-8,826</b>	<b>-6,037</b>	<b>-16,993</b>	<b>-15,867</b>
Share issue, after issue costs	2,930	-	2,930	-
Dividend paid to non-controlling interests	-	-2	-	-137
Amortisation of lease liability	-1	-26	-19	-26
Shareholder contributions from non-controlling interests	2	-	18	-
Loans raised	4,172	4,437	20,472	25,169
Amortisation/redemption of loans sold properties/changes in overdraft facilities	-2,925	-1,872	-9,838	-11,527
<b>Cash flow from financing activities</b>	<b>4,178</b>	<b>2,536</b>	<b>13,563</b>	<b>13,479</b>
<b>Cash flow for the period/year</b>	<b>-879</b>	<b>-2,978</b>	<b>3,089</b>	<b>821</b>
Cash and cash equivalents at the start of the period/year	5,347	4,357	1,379	558
<b>Cash and cash equivalents at the end of the period/year</b>	<b>4,468</b>	<b>1,379</b>	<b>4,468</b>	<b>1,379</b>
Cash and cash equivalents	4,468	1,379	4,468	1,379
Unutilised overdraft facilities	350	350	350	350
Unutilised credit facilities	13,032	8,673	13,032	8,673
Financial investments	2,659	1,523	2,659	1,523
<b>Available liquidity including confirmed credit commitments</b>	<b>20,509</b>	<b>11,925</b>	<b>20,509</b>	<b>11,925</b>

# Segment information

SEKm	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
<b>Rental income</b>				
Helsinki	603	622	2,495	2,433
Stockholm	348	327	1,338	1,234
Gothenburg	405	410	1,561	1,426
Copenhagen	177	142	657	566
South	149	160	584	589
East	300	295	1,218	1,083
North	74	75	282	277
<b>Total</b>	<b>2,055</b>	<b>2,031</b>	<b>8,134</b>	<b>7,609</b>
<b>Net operating income</b>				
Helsinki	412	442	1,820	1,747
Stockholm	287	252	1,095	973
Gothenburg	320	316	1,237	1,099
Copenhagen	129	104	499	436
South	117	129	460	471
East	210	191	888	717
North	63	55	218	199
<b>Total</b>	<b>1,537</b>	<b>1,490</b>	<b>6,216</b>	<b>5,643</b>

The group's internal reporting of operations is divided into the above segments. Total net operating income corresponds with reported net operating income in the income statement. The difference between net operating income of SEK 6,216m (5,643) and profit before tax of SEK 9,083m (14,185) consists of changes in value of investment properties of SEK 3,453m (9,577), profit from sales of development properties SEK 174m (95), other income/costs SEK 371m (7), management and administrative costs of SEK -676m (-664), participations in profits of associated companies of SEK 897m (876), net financial items of SEK -1,212m (-1,170) and changes in value of derivatives of SEK -141m (-180).

SEKm	2020 31 Dec	2019 31 Dec
<b>Real estate portfolio</b>		
Helsinki	40,938	38,132
Stockholm	27,364	26,331
Gothenburg	30,863	28,966
Copenhagen	15,272	13,582
South	10,439	10,196
East	14,448	14,072
North	5,238	4,792
<b>Total excluding projects</b>	<b>144,562</b>	<b>136,071</b>
Projects for own management	4,617	5,320
<b>Total investment properties</b>	<b>149,179</b>	<b>141,392</b>
Development properties	2,803	2,344
<b>Total real estate portfolio</b>	<b>151,982</b>	<b>143,736</b>

The carrying amounts of properties have during the period changed by investments, acquisitions, divestments, unrealised changes in value and currency changes, with SEK 2,806m in Helsinki region, SEK 1,034m in the Stockholm region, SEK 1,897m in the Gothenburg region, SEK 1,690m in Copenhagen region, SEK 243m in South region, SEK 376m in the East region and SEK 446m in the North region. The Group's projects for own management has decreased by SEK -703m and the Group's development properties has increased by SEK 459m. SATO's property portfolio is divided between the regions Helsinki and East. The real estate holdings in Norway are classified in the North region, the real estate holdings in Denmark in the Copenhagen region and the properties in Germany and United Kingdom in the South region.

# Key ratios

	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
<b>Share-related</b>				
<i>Average number of shares, thousands</i>	182,071	180,000	180,515	180,000
Profit after tax, SEK	19.65	24.92	36.79	49.77
Profit after tax excluding unrealised changes in value, SEK	4.65	4.73	18.69	18.75
Profit from property management, SEK	6.03	5.85	23.51	22.35
Net operating income, SEK	7.23	6.87	28.61	25.74
<i>Outstanding number of shares, thousands</i>	186,500	180,000	186,500	180,000
Shareholders' equity, SEK	312.12	272.28	312.12	272.28
Long-term net asset value (NAV), SEK	387.38	341.70	387.38	341.70
Share price on the closing date, SEK	428.90	433.20	428.90	433.20
<b>Property-related</b>				
Rental value full-year, SEK/sq.m.	1,893	1,921	1,893	1,921
Rental income full-year, SEK/sq.m.	1,809	1,850	1,809	1,850
Economic occupancy rate, %	96	96	96	96
Vacancy rate, %	4	4	4	4
Surplus ratio, %	75	73	76	74
Carrying amount, SEK/sq.m.	32,114	31,613	32,114	31,613
Number of investment properties	1,362	1,298	1,362	1,298
Lettable area, sq.m. thousands	4,502	4,304	4,502	4,304
Profit from property management, attributable to parent company shareholders, SEKm	1,098	1,053	4,244	4,023
<b>Financial</b>				
Return on equity, %	10.6	15.1	12.4	20.1
Return on total assets, %	5.2	8.3	6.1	10.7
Interest coverage ratio, times	5.3	5.5	5.3	5.2
Equity/assets ratio, %	38.6	38.3	38.6	38.3
Debt/equity ratio, times <sup>1)</sup>	1.3	1.4	1.3	1.4
Net debt to total assets, % <sup>1)</sup>	46.1	48.4	46.1	48.4
Net debt/EBITDA, times <sup>1)</sup>	13.5	12.8	13.2	13.0

1) The key figures for 2020 include SEK 3,009m which is included in Other liabilities and relates to obligation regarding purchase of shares in Entra ASA.

## Condensed parent company income statement

SEKm	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
Net sales	92	100	349	361
Administrative costs	-93	-102	-353	-363
<b>Operating profit</b>	<b>-2</b>	<b>-2</b>	<b>-4</b>	<b>-2</b>
<b>Profit from financial items</b>				
Dividends from subsidiaries	-	-	975	800
Other net financial items	1,499	556	1,599	194
– of which exchange rate differences	921	419	785	-251
– of which unrealised change in value of long-term financial asset	462	-	462	-
Changes in value of derivatives	90	293	-141	-180
<b>Profit before appropriations and taxes</b>	<b>1,588</b>	<b>847</b>	<b>2,429</b>	<b>812</b>
<b>Appropriations</b>				
Group contributions	-821	229	-821	229
<b>Profit before tax</b>	<b>767</b>	<b>1,076</b>	<b>1,608</b>	<b>1,042</b>
Income tax	-19	-168	7	-16
<b>Net profit for the period/year <sup>1)</sup></b>	<b>749</b>	<b>908</b>	<b>1,615</b>	<b>1,025</b>

1) The parent company has no items reported in other comprehensive income and therefore total comprehensive income for the period/year is equal with net profit for the period/year.

## Condensed parent company balance sheet

SEKm	2020 31 Dec	2019 31 Dec
<b>Assets</b>		
Property, plant and equipment	22	23
Financial non-current assets	20,710	13,347
Receivables from Group companies	57,787	52,646
Current receivables	184	206
Cash and cash equivalents and financial investments	3,437	1,995
<b>Total assets</b>	<b>82,140</b>	<b>68,217</b>
<b>Shareholders' equity and liabilities</b>		
Shareholders' equity	16,798	12,253
Interest-bearing liabilities	46,366	43,862
– of which Hybrid capital	3,513	3,652
Liabilities to Group companies	14,419	10,966
Derivatives	767	626
Other liabilities	3,790	511
<b>Total equity and liabilities</b>	<b>82,140</b>	<b>68,217</b>

# The share and owners

Balder's share is listed on Nasdaq Stockholm, Large Cap segment. The company's market capitalisation as of 31 December amounted to SEK 79,990m (77,976).

The principal owner in Fastighets AB Balder is Erik Selin Fastigheter AB, which owns 35.1 % (36.4) of the capital and 48.8 % (49.9) of the votes. Foreign ownership amounts to approximately 33 % (25) of outstanding shares.

## The share

At the end of the year, approximately 22,000 shareholders (17,000) held shares. During the year, approximately 135 million shares were traded (77.9) which corresponds to an average of about 537,000 shares per trading day (319,000). The annual turnover rate amounted to 73 % (43). The price of the share was SEK 428.90 (433.20) on 31 December, corresponding to a decrease of 1 % since year-end previous year.

## Share capital

During November Balder carried out a directed share issue of 6,500,000 Class B shares, which brought in SEK 2,930m after issue costs. For existing shareholders, the issue had a dilution effect of 3.61 % in relation to the number of shares and 2.31 % in relation to the number of votes. After the share issue and on 31 December, the share capital in Balder amounted to SEK 186,500,000 distributed among 186,500,000 shares. Each share has a quota value of SEK 1, where of 11,229,432 shares are of Class A and 175,270,568 of Class B. The total number of outstanding shares as of 31 December amounts to 186,500,000. Each Class A share carries one vote and each Class B share carries one tenth of one vote.

## Ownership list as of 31/12/2020

Owner	A shares	B shares	Total number of shares	Capital, %	Votes, %
Erik Selin via company	8,309,328	57,210,900	65,520,228	35.1	48.8
Arvid Svensson Invest AB	2,915,892	13,542,540	16,458,432	8.8	14.8
Swedbank Robur fonder	–	8,123,128	8,123,128	4.4	2.8
SEB Investment Management	–	6,846,649	6,846,649	3.7	2.4
Handelsbanken fonder	–	5,649,972	5,649,972	3.0	2.0
Länsförsäkringar fondförvaltning AB	–	5,326,134	5,326,134	2.9	1.9
AMF Försäkring och Fonder	–	3,674,461	3,674,461	2.0	1.3
Vanguard	–	3,303,843	3,303,843	1.8	1.1
CBNY - Norges Bank	–	2,338,549	2,338,549	1.3	0.8
Livförsäkringsbolaget Skandia	–	1,857,429	1,857,429	1.0	0.6
Other	4,212	67,396,963	67,401,175	36.1	23.5
<b>Total</b>	<b>11,229,432</b>	<b>175,270,568</b>	<b>186,500,000</b>	<b>100</b>	<b>100</b>

## Development share price, net asset value and profit from property management

Share price, Net asset value (NAV), Profit from property management, SEK/share



## Share price/Net asset value & Share price/Profit from property management

Share price/Net asset value (NAV), % Share price/Profit from property management, times



# Definitions

The company presents a number of financial metrics in the interim report that are not defined according to IFRS (so-called Alternative Performance Measures according to ESMA's guidelines). These performance measures provide valuable supplementary information to investors, the company's management and other stakeholders since they facilitate effective evaluation and analysis of the company's financial position and performance. These alternative performance measures are not always comparable with measures used by other companies and shall therefore be considered as a complement to measures defined according to IFRS. Fastighets AB Balder will apply these alternative performance measures consistently over time. The key ratios are alternative performance measures according to ESMA's guidelines unless otherwise stated. A description follows below of how Fastighets AB Balder's key ratios are defined and calculated.

## Financial

### Return on equity, %

Profit after tax in relation to average equity. The values were converted to a full-year basis in the interim accounts without taking account of seasonal variations that normally arise in the operations and with the exception of changes in value.

### Return on total assets, %

Profit before tax with addition of net financial items in relation to average balance sheet total. The values were converted to a full-year basis in the interim accounts without taking account of seasonal variations that normally arise in the operations and with the exception of changes in value.

### Net debt to total assets, %

Net debt in relation to total assets.

### EBITDA

Profit from property management with addition of profit from sales of development properties with reversal of net financial items. In the interim financial statements, EBITDA was converted to a full-year basis, with the exception of profit from sale of development properties.

### Profit from property management, SEKm

Profit including changes in value and tax in associated companies with reversal of changes in value and tax as regards participation in profits of associated companies. When calculating profit from property management before tax attributable to parent company shareholders, the profit from property management is also reduced with the non-controlling interests' share.

### Average interest, %

Interest expenses in the period recalculated to annual value in relation to the average interest-bearing liabilities.

### Net debt, SEKm

Interest-bearing liabilities decreased by cash and cash equivalents, financial investments and 50 % of Hybrid capital which is treated as 50 % equity by the rating agencies.

### Hybrid capital

A bond with a maturity of 60 years. The bond is reported as interest bearing liability but is treated as 50 % equity by the rating agencies.

## Interest coverage ratio, times

Profit including changes in value and tax in associated companies with reversal of net financial items excluding ground rents and changes in value and tax as regards participation in profits of associated companies, in relation to net financial items excluding ground rents.

## Debt/equity ratio, times

Interest-bearing liabilities decreased by 50 % of Hybrid capital in relation to shareholders' equity.

## Equity/assets ratio, %

Shareholders' equity including non-controlling interests and 50 % of Hybrid capital in relation to the balance sheet total at the end of the period.

## Share related

### Equity per share, SEK

Shareholders' equity in relation to the number of outstanding shares at the end of the period.

### Profit from property management per share, SEK

Profit from property management attributable to the parent company shareholders divided by the average number of outstanding shares.

### Average number of shares

The number of outstanding shares at the start of the period, adjusted by the number of shares issued during the period weighted by the number of days that the shares have been outstanding in relation to the total number of days during the period.

### Long term net asset value per share (NAV), SEK

Equity per share with reversal of interest rate derivatives and deferred tax according to balance sheet.

### Profit after tax per share, SEK

Profit attributable to the parent company shareholders in relation to average number of shares.

## Property related

### Yield, %

Estimated net operating income on an annual basis in relation to the fair value of the properties at the end of the period.

### Net operating income, SEKm

Rental income less property costs.

### Economic occupancy rate, %<sup>1)</sup>

Contracted rent for leases which are running at the end of the period in relation to rental value.

### Development properties

Refers to properties constructed with the intention of being divested after completion.

### Real estate portfolio

Refers to both investment properties and development properties.

### Property category

Classified according to the principal use of the property. The break-down is made into office, retail, residential and other properties. Other properties include hotel, educational, care, industrial/warehouse and mixed-use properties. The property category is determined by what the largest part of the property is used for.

### Property costs, SEKm

This item includes direct property costs, such as operating expenses, utility expenses, maintenance and property tax.

### Investment properties

Refers to properties that are held with the objective of generating rental income or an increase in value or a combination of these.

### Rental value, SEKm<sup>1)</sup>

Contracted rent and estimated market rent for vacant premises.

### Surplus ratio, %

Net operating income in relation to rental income.

<sup>1)</sup> The key ratio is operational and is not considered to be a alternative key ratio according to ESMA's guidelines.

This report is a translation of the Swedish Year-End Report January-December 2020. In the event of any disparities between this report and the Swedish version, the latter will have priority.

## Contact

For additional information, please contact CEO Erik Selin, telephone +46 706 074 790 or Head of Finance Marcus Hansson, telephone +46 768 369 848.

## Financial information

Overall information about the company's operations, board of directors and management, financial reporting and press releases, may be found on Balder's website, balder.se.

## Calendar

Annual General Meeting	12 May 2021
Interim report Jan-March 2021	12 May 2021
Interim report Jan-June 2021	16 July 2021
Interim report Jan-Sep 2021	11 November 2021
Year-end report 2021	11 February 2022

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