

# FASTIGHETS AB BALDER

## INTERIM REPORT

JANUARY-JUNE 2021



**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 163.4 billion (149.3) as of 30 June 2021. The Balder share is listed on Nasdaq Stockholm, Large Cap.

- Profit from property management attributable to parent company shareholders amounted to SEK 2,249m (1,993), corresponding to an increase per share by 9% to SEK 12.06 (11.07)
- Long term net asset value amounted to SEK 418.12 per share (354.98)
- Rental income amounted to SEK 4,249m (4,049)
- Profit after tax attributable to parent company shareholders amounted to SEK 4,877m (1,874) corresponding to SEK 26.15 per share (10.41)

# THE PERIOD IN BRIEF

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

## APRIL-JUNE 2021

- Rental income amounted to SEK 2,131m (2,026) of which effect of changes in exchange rates amounted to SEK -55m (13).
- Net operating income amounted to SEK 1,615m (1,573) of which effect of changes in exchange rates amounted to SEK -40m (10).
- Profit from property management attributable to parent company shareholders increased by 13% to SEK 1,161m (1,028), which corresponds to an increase of 9% per share to SEK 6.22 (5.71).
- Unrealised changes in value in respect of investment properties amounted to SEK 1,677m (318). The average yield requirement amounted to 4.5% (4.5) which is unchanged compared to the first quarter.
- Changes in value of interest rate derivatives amounted to SEK 28m (-50).
- Net profit after tax for the period amounted to SEK 2,618m (968).
- Net profit after tax for the period attributable to parent company shareholders amounted to SEK 2,213m (811) which corresponds to SEK 11.86 per share (4.51).
- Two investment properties (3) and land have been acquired at a property value of SEK 685m (879).
- One development property (2) was divested and recognised as income during the quarter. Sales profit amounted to SEK 13m (59) including the portfolio's ongoing selling and marketing expenses.

## JANUARY-JUNE 2021

- Rental income amounted to SEK 4,249m (4,049) of which effect of changes in exchange rates amounted to SEK -110m (27).
- Net operating income amounted to SEK 3,142m (3,062) of which effect of changes in exchange rates amounted to SEK -79m (19).
- Profit from property management attributable to parent company shareholders increased by 13% to SEK 2,249m (1,993), which corresponds to an increase of 9% per share to SEK 12.06 (11.07).
- Unrealised changes in value in respect of investment properties amounted to SEK 3,075m (575). The average yield requirement amounted to 4.5% (4.5) which is unchanged compared to year-end.
- Changes in value of interest rate derivatives amounted to SEK 327m (-221).
- Net profit after tax for the period amounted to SEK 5,514m (2,195).
- Net profit after tax for the period attributable to parent company shareholders amounted to SEK 4,877m (1,874) which corresponds to SEK 26.15 per share (10.41).
- 64 investment properties (16) and land have been acquired at a property value of SEK 6,189m (2,586).
- Two investment properties (-) and condominiums and land were divested at a property value of SEK 1,306m (311). Sales profit amounted to SEK 152m of which realised changes in value of investment properties amounted to SEK 116m (12) and deferred tax income amounted to SEK 36m.
- Three development properties (2) were divested and recognised as income during the period. Sales profit amounted to SEK 37m (59) including the portfolio's ongoing selling and marketing expenses.

	2021 Jan-June	2020 Jan-June	2020 Jan-Dec	2019 Jan-Dec	2018 Jan-Dec	2017 Jan-Dec	2016 Jan-Dec	2015 Jan-Dec	2014 Jan-Dec
Rental income, SEKm	4,249	4,049	8,134	7,609	6,714	5,915	5,373	2,711	2,525
Profit from property management, SEKm <sup>1)</sup>	2,249	1,993	4,244	4,023	3,304	2,804	2,265	1,780	1,275
Changes in value of investment properties, SEKm	3,191	587	3,453	9,577	8,007	5,336	4,932	3,388	3,050
Changes in value of derivatives, SEKm	327	-221	-141	-180	-34	144	-114	227	-624
Profit after tax, SEKm <sup>1)</sup>	4,877	1,874	6,641	8,958	9,308	7,118	5,474	4,916	3,128
Investment properties, SEKm	160,582	146,181	149,179	141,392	116,542	98,360	86,177	68,456	37,382
Development properties, SEKm	2,769	3,125	2,803	2,344	1,598	-	-	-	-
<b>Data per share</b>									
Average number of shares, thousands	186,500	180,000	180,515	180,000	180,000	180,000	173,598	162,753	161,786
Profit after tax, SEK	26.15	10.41	36.79	49.77	51.71	38.71	30.38	28.98	18.10
Profit from property management, SEK	12.06	11.07	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	340.50	281.86	312.12	272.28	223.03	173.86	139.23	103.24	70.10
Long-term net asset value (NAV), SEK	418.12	354.98	387.38	341.70	277.60	218.10	180.09	134.35	86.33
Share price on the closing date, SEK	537.00	355.10	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 shareholder,

### The first half of 2021

Profit from property management attributable to the parent company's shareholders increased by 9% per share to SEK 12.06 (11.07). Hotel properties, some retail premises and residential properties in Finland continued to be negatively affected by the pandemic. Larger positive changes in value compared to last year meant that profit after tax increased from SEK 10.41 to SEK 26.15 per share. Compared to the same time last year the net asset value and current earning capacity have improved by 18% and 25% per share respectively.

### Investments and financing

Total investments amounted to SEK 8.7 billion during the first half of the year, and right after the end of this quarter we also took possession of ABP. It is gratifying that, despite tough competition, we have managed to find both good acquisitions and projects. The interest in buying and renting housing is continuously large and access to financing has remained favourable from both banks and the bond market.

### Associated companies

Profit from our associated companies has strongly increased due to a positive development and the fact that the group has grown, in particular through the share holding in Entra.

The future outlook for the group continues to be positive.

### Balder 16

With this interim report, Balder has been established in its present form for 16 years. The net asset value and subscription/share price development has been as follows as of 30 June each year:

Year	Net asset value	Share price (2005 refers to subscription price)
2005	6.59	7.075
2006	11.08	13.33
2007	16.46	17.50
2008	23.44	11.15
2009	22.39	9.00
2010	26.57	16.47
2011	36.04	31.70
2012	44.85	31.30
2013	54.41	48.50
2014	70.82	90.50
2015	106.16	127.90
2016	169.39	212.90
2017	215.59	204.00
2018	246.51	233.80
2019	297.32	311.00
2020	354.98	355.10
2021	418.12	537.00

Average increase per year: net asset value: 30%  
share price: 31%

### Another different anniversary

Compared to this time last year the overall situation feels a lot better, even though the covid pandemic is still ongoing. Balder has turned 16 and it is with great happiness and enthusiasm I look back on the past 16 years and on everything that we have achieved together in the Balder family. We are almost 1,000 coworkers and we are operating in many places in several countries.

I look forward with great curiosity to Balder's continued journey, and despite the difficult times right now, we are trying to see over the brow of the next hill and to continue developing the business. The future is always uncertain, but it is bright and filled with opportunities.

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 I am optimistic about the possibility of being able to continue finding investments over time that will generate a reasonably good return.

### 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	2021 30 June	2021 31 March	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
Rental income	9,100	8,505	8,545	8,335	8,240	8,100	8,000	7,830	7,435	7,175	7,000
Property costs	-2,220	-2,210	-2,225	-2,130	-2,120	-2,090	-2,080	-2,060	-1,940	-1,875	-1,885
<b>Net operating income</b>	<b>6,880</b>	<b>6,295</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>
Surplus ratio, %	76%	74%	74%	74%	74%	74%	74%	74%	74%	74%	73%
Management and administrative costs	-770	-720	-675	-690	-690	-680	-670	-640	-640	-620	-595
Profit from property management from associated companies	1,370	1,340	1,110	735	735	760	785	775	750	775	735
<b>Operating profit</b>	<b>7,480</b>	<b>6,915</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>
Net financial items, including ground rent	-1,600	-1,580	-1,450	-1,380	-1,420	-1,420	-1,330	-1,330	-1,270	-1,250	-1,125
Of which non-controlling interests	-605	-625	-630	-670	-670	-670	-675	-655	-620	-580	-565
<b>Profit from property management<sup>1)</sup></b>	<b>5,275</b>	<b>4,710</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>
Tax <sup>2)</sup>	-1,085	-975	-970	-870	-825	-870	-875	-855	-775	-765	-750
<b>Profit after tax</b>	<b>4,190</b>	<b>3,735</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>Profit from property management per share, SEK</b>	<b>28.28</b>	<b>25.26</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>

1) Attributable to parent company shareholders.

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

Current earning capacity as of 30 June 2021 includes the acquisition of Asset Buyout Partners (ABP) which will be taken into possession on 1 July 2021.

In the current earning capacity as of 30 June 2021 the following exchange rates have been used for translation of the foreign subsidiaries' income statement items.

EUR: 10.13

DKK: 1.36

NOK: 1.00

GBP: 11.67

# INCOME, COSTS AND RESULTS

## Profit from property management

Profit from property management for the period amounted to SEK 2,538m (2,347), of which effect of changes in exchange rates amounted to SEK -51m (13). Profit from property management attributable to parent company shareholders increased by 13% and amounted to SEK 2,249m (1,993), which corresponds to an increase per share of 9% to SEK 12.06 (11.07). Profit from property management includes SEK 570m (287) in respect of associated companies.

## Net profit after tax

Net profit after tax for the period amounted to SEK 5,514m (2,195). Net profit after tax attributable to parent company shareholders amounted to SEK 4,877m (1,874), corresponding to SEK 26.15 per share (10.41). Profit before tax was affected by unrealised changes in value in respect of investment properties of SEK 3,075m (575), realised changes in value in respect of investment properties of SEK 116m (12), profit from sales of development properties of SEK 37m (59), changes in value of interest rate derivatives of SEK 327m (-221) and profit from participations in associated companies of SEK 1,070m (257).

## Rental income

Rental income increased by 5% to SEK 4,249m (4,049), of which the effect of changes in exchange rates was SEK -110m (27). The increase was primarily due to acquisitions and completed projects for own management. The leasing portfolio was estimated to have a rental value on 30 June of SEK 8,998m (8,626). The average rental level for the entire real estate portfolio amounted to SEK 1,881/sq.m. (1,929) excluding project properties.

The like for like rental income has increased with 1.0% (1.0) 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 95% (96) on 30 June. The total rental value of unlet areas at the end of the period amounted to SEK 493m (386).

## Property costs

Property costs amounted to SEK -1,107m (-987) during the period, of which the effect of changes in exchange rates was SEK 31m (-7).

Net operating income increased by 3% to SEK 3,142m (3,062), which implies a surplus ratio of 74% (76).

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 -390m (-357) during the period, of which the effect of changes in exchange rates was SEK 12m (-3).

## Participations in the profits of associated companies/joint ventures

Balder owns property managing and project developing associated companies, see note 14 in Balder's Annual Report for 2020, 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 19.9%.

During the period, Balder has invested in Next Step Group AB, Balder's share amounts to 33.3%. The company is an urban developer and today operates three larger urban development projects in Gothenburg: Nya Hovås, Wendelstrand and GoCo Health Innovation City, for more information see [nextstep.se](http://nextstep.se).

Balder also acquired 33.7% of the shares in Emra gruppen AB during the period. Emrahem is a company in Emra gruppen focused on developing good housing for people with special needs (LSS housing), for more information see [emrahus.se](http://emrahus.se).

During the period, Balder also continued to acquire shares in the Norwegian listed real estate company Entra ASA. Balder's share as of 30 June 2021 amounts to 32.7%, for further information see [entra.no](http://entra.no).

Profit from participations in associated companies/joint ventures amounted during the period to SEK 1,070m (257) and Balder's participation in the associated companies profit from property management amounted to SEK 570m (287).

Profit before tax was impacted by SEK 775m (45) as a result of unrealised changes in value in respect of properties and interest rate derivatives. The tax expense for the period amounted to SEK -275m (-75).

## Net financial items and changes in value of derivatives

Net financial items amounted to SEK -715m (-613), of which the effect of changes in exchange rates was SEK 16m (-3).

Changes in value of interest rate derivatives amounted to SEK 327m (-221). The positive change in value of derivatives during the period is due to the fact that the long interest rates have increased during the period. Unrealised changes in value do not affect the cash flow. The average interest rate for net financial items was 1.4% (1.6) on the closing date.



### Changes in value of investment properties

Balder carried out an individual internal valuation on 30 June of the entire real estate portfolio, see page 8. Unrealised changes in value during the period amounted to SEK 3,075m (575). Realised changes in value amounted to SEK 116m (12) and referred to sale of two investment properties in Norway and condominiums and land. The average yield requirement as of 30 June amounted to 4.5% (4.5), which is unchanged compared to year-end. The change in value during the period is attributable to improved net operating income and completed projects.

### Profit from sales of development properties

Profit from sales of development properties is recognised when the property is taken into possession by the buyer. Apart from the cost, selling and marketing expenses are included, which are expensed on an ongoing basis, these amounted to SEK -10m (-7) during the period.

Three projects have been recognised as income during the period. The sales result for the quarter totaled SEK 37m (59) after deduction of selling and marketing expenses and includes sales of the development projects Brf Bergsjö Hage, Brf Bovieran Salem and Brf Lilla Berget Norrmalm.

### Taxes

The group's total tax amounted to SEK -1,078m (-546), of which effect of changes in exchange rates amounted to SEK 23m (-4). Current tax expense for the period amounted to SEK -136m (-196), mainly attributable to SATO Oyj and Balder Denmark.

Deferred tax expense for the period amounted to SEK -942m (-350). Tax was calculated based on the applicable tax rate in each country. 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 13,489m (11,645).

### Cash flow

Cash flow from operating activities after changes in working capital amounted to SEK -1,611m (1,195). Investing activities have burdened the cash flow by SEK -13,295m (-5,763). Cash flow from financing activities amounted to net SEK 23,193m (6,770).

Total cash flow for the period amounted to SEK 8,287m (2,202). Exchange rate difference in cash and cash equivalents amounted to SEK 32m (-).

In addition to unutilised credit facilities of SEK 8,044m (8,692), the Group's cash and cash equivalents, financial investments and unutilised overdraft facilities amounted to SEK 15,815m (5,439) on 30 June.

### Second quarter 2021

Profit from property management for the second quarter of 2021 increased by 8% and amounted to SEK 1,310m (1,211). Profit from property management attributable to parent company shareholders for the second quarter of 2021 increased by 13% and amounted to SEK 1,161m (1,028) which corresponds to SEK 6.22 per share (5.71). Profit from property management included SEK 305m (161) in respect of associated companies. Rental income amounted to SEK 2,131m (2,026) and property costs amounted to SEK -516m (-453), which meant that net operating income increased by 3% to SEK 1,615m (1,573), of which the effect of

changes in exchange rates was SEK -40m (10). The surplus ratio amounted to 76% (78).

Net profit after tax for the period amounted to SEK 2,618m (968). Profit after tax attributable to parent company shareholders amounted to SEK 2,213m (811) corresponding to SEK 11.86 per share (4.51).

The result was affected by unrealised changes in value in respect of investment properties of SEK 1,677m (318), realised changes in value of investment properties of SEK 1m (9), profit from divestments of development properties of SEK 13m (59), changes in value of interest rate derivatives of SEK 28m (-50) and profit from participations in associated companies of SEK 554m (158). The Group's total tax amounted to SEK -660m (-576). Current tax expense for the period amounted to SEK -83m (-112), which is primarily attributable to SATO Oyj and Balder Denmark. Deferred tax expense for the period amounted to SEK -576m (-464). 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".

### Employees and organisation

The number of employees on 30 June amounted to 920 persons (799), of whom 382 were women (346). 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 211m (191) during the period.

Net profit after tax amounted to SEK 271m (909). Other net financial items amounted to SEK 1m (138) of which exchange rates differences amounted to SEK -286m (-6), change in value of interest rate derivatives amounted to SEK 290m (-221).

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.

# REAL ESTATE PORTFOLIO

On 30 June Balder owned 1,458 investment properties (1,338) with a lettable area of 4,771 thousand sq.m. (4,451) and a value of SEK 160,582m (146,181). Balder's total rental value excluding projects amounted to SEK 8,975m (8,587).

In addition to investment properties Balder owns development properties with an acquisition cost of SEK 2,769m (3,125). The value of the total property portfolio amounted to SEK 163,351m (149,306). Balder's

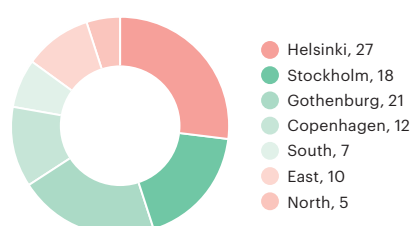
commercial properties are mainly located in the central parts of the major cities. Balder's residential properties are located in metropolitan areas and places that are growing and developing positively in each country. Balder's ambition is to continue growing in selected markets.

## BALDER'S REAL ESTATE PORTFOLIO ON 30/06/2021<sup>1)</sup>

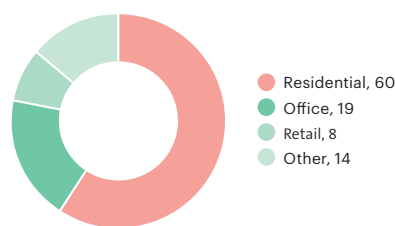
	Number of investment properties	Lettable area, sq.m.	Rental value, SEKm	Rental value, SEK/sq.m.	Rental income, SEKm	Economic occupancy rate, %	Carrying amount, SEKm	Carrying amount, %
<b>Distributed by region</b>								
Helsinki	616	1,152,833	2,710	2,351	2,563	95	42,941	26
Stockholm	89	728,305	1,463	2,009	1,377	94	29,251	18
Gothenburg	187	1,070,318	1,719	1,606	1,622	94	31,605	19
Copenhagen	21	296,848	772	2,599	748	97	16,704	10
South	80	404,432	646	1,597	584	90	10,819	7
East	324	748,674	1,186	1,584	1,125	95	15,854	10
North	141	370,025	479	1,295	461	96	7,604	5
<b>Total excluding projects</b>	<b>1,458</b>	<b>4,771,435</b>	<b>8,975</b>	<b>1,881</b>	<b>8,481</b>	<b>95</b>	<b>154,778</b>	<b>95</b>
Projects for own management			24		24		5,803	4
<b>Total investment properties</b>	<b>1,458</b>	<b>4,771,435</b>	<b>8,998</b>	<b>1,881</b>	<b>8,505</b>	<b>95</b>	<b>160,582</b>	<b>98</b>
Development properties							2,769	2
<b>Total real estate portfolio</b>	<b>1,458</b>	<b>4,771,435</b>	<b>8,998</b>	<b>1,881</b>	<b>8,505</b>	<b>95</b>	<b>163,351</b>	<b>100</b>
<b>Distributed by property category</b>								
Residential	1,137	2,822,682	5,399	1,913	5,147	95	90,166	55
Office	118	695,240	1,629	2,343	1,468	90	30,657	19
Retail	116	659,809	855	1,296	820	96	12,784	8
Other	87	593,704	1,092	1,839	1,046	96	21,170	13
<b>Total excluding projects</b>	<b>1,458</b>	<b>4,771,435</b>	<b>8,975</b>	<b>1,881</b>	<b>8,481</b>	<b>95</b>	<b>154,778</b>	<b>95</b>
Projects for own management			24		24		5,803	4
<b>Total investment properties</b>	<b>1,458</b>	<b>4,771,435</b>	<b>8,998</b>	<b>1,881</b>	<b>8,505</b>	<b>95</b>	<b>160,582</b>	<b>98</b>
Development properties							2,769	2
<b>Total real estate portfolio</b>	<b>1,458</b>	<b>4,771,435</b>	<b>8,998</b>	<b>1,881</b>	<b>8,505</b>	<b>95</b>	<b>163,351</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, in addition to the cash flow based method, valuation at acquisition cost is used. The properties in Russia are valued using the sales comparison method.

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

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. 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 160,582m (146,181) on 30 June. The unrealised change in value during the period amounted to SEK 3,075m (575) of which 65% is attributable to residential properties. Of the total unrealised change in value, 4% is related to completed projects. The change in value during the period is attributable to improved net operating income and completed projects.

## Investments, acquisitions and divestments

During the period, a total of SEK 8,745m (4,390) was invested relating to investment properties, of which SEK 6,189m (2,586) related to acquisitions and SEK 2,556m (1,804) related to investments in existing properties and projects for own management. During the period two investment properties in Norway and condominiums and land have been divested at a sales value of SEK 1,306m (311). Profit from the sales amounted to SEK 152m of which realised changes in value of investment properties amounted to SEK 116m (12) and deferred tax income amounted to SEK 36m resulting from the fact that the sales were made as company transactions.

## CHANGE IN CARRYING AMOUNT OF PROPERTIES

	2021		2020	
	SEKm	Number <sup>2)</sup>	SEKm	Number <sup>2)</sup>
<b>Investment properties, 1 January</b>	<b>149,179</b>	<b>1,362</b>	<b>141,392</b>	<b>1,298</b>
Investments in existing properties and projects	2,556		1,804	
Acquisitions	6,189	64	2,586	16
Sales	-1,190	-2	-299	-
Change in value of investment properties, unrealised	3,075		575	
Currency changes	773		123	
Reclassification	-	34	-	24
<b>Investment properties, 30 June</b>	<b>160,582</b>	<b>1,458</b>	<b>146,181</b>	<b>1,338</b>
<b>Development properties, 1 January</b>	<b>2,803</b>		<b>2,344</b>	
Reclassification	-		-	
Investments in projects	404		1,151	
Sales	-438		-370	
<b>Development properties, 30 June</b>	<b>2,769</b>		<b>3,125</b>	
<b>Total real estate portfolio, 30 June</b>	<b>163,351</b>		<b>149,306</b>	

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

2) Number of investment properties.



## PROPERTY TRANSACTIONS

## PROPERTY TRANSACTIONS 2021

Quarter	Number	Name of property	Municipality	Property category	Lettable area, sq.m.
<b>Acquisitions</b>					
One	1	Prästtåkten 20	Falun	Office	4,246
One	1	Hattmakaren 10	Falun	Residential	1,483
One	1	Bokbindaren 2	Falun	Residential	3,289
One	1	Sparbanken 6	Falun	Residential	2,361
One	1	Smeden 9	Falun	Residential	6,547
One	1	Kronomagasinet 8-9	Falun	Residential	2,528
One	1	Kronobränneriet 4	Falun	Residential	2,997
One	1	Bergsrådmannen 9	Falun	Residential	3,463
One	1	Bokbindaren 4	Falun	Residential	935
One	1	Kronomagasinet 3	Falun	Residential	527
One	1	Hästbryggan 1	Falun	Residential	1,375
One	1	Bergsrådmannen 3	Falun	Residential	616
One	1	Arkivet 1	Falun	Office	2,061
One	1	Köpmannen 12 & 13	Falun	Retail	2,125
One	1	Vedkompaniet 1	Falun	Residential	3,780
One	1	Repslagaren 4	Falun	Residential	5,790
One	1	Kardmakaren 21	Falun	Residential	6,268
One	1	Kronomagasinet 5	Falun	Residential	771
One	1	Hattmakaren 9	Falun	Office	1,240
One	1	Balder 8	Borlänge	Office	11,634
One	1	Balder 4	Borlänge	Residential	1,714
One	1	Frithiof 6	Borlänge	Residential	2,268
One	1	Domnarvet 50:31	Borlänge	Residential	12,172
One	1	Sigge 1	Borlänge	Residential	1,651
One	1	Balder 9-10	Borlänge	Residential	1,530
One	1	Balder 6	Borlänge	Residential	2,081
One	1	Lugnet 2:6	Falun	Hotel	7,907
One	1	Lugnet 2:5	Falun	Education/Care	3,376
One	1	Norslundsskogen 1-4	Falun	Residential	28,413
One	1	Posten 6	Falun	Office	8,193
One	1	Ingarvsmon 3	Falun	Other	5,084
One	1	Frithiof 9	Borlänge	Office	3,613
One	1	Frigga 6	Borlänge	Residential	793
One	1	Främby 1:39	Falun	Other	4,427
One	1	Helge 7	Västerås	Other	4,179
One	1	Jarl 1	Västerås	Office	7,200
One	1	Borrkronan 1	Västerås	Residential	8,666
One	1	Dragarbrunn 11:1	Uppsala	Office	15,280
One	1	Dragarbrunn 14:3	Uppsala	Residential	3,983
One	1	Svartbäcken 51:3	Uppsala	Office	3,500
One	1	Hattmakaren 15	Falun	Office	2,621
One	1	Sparbanken 7	Falun	Office	2,637
One	1	Munken 1	Falun	Other	3,496
One	1	Torkel 8	Borlänge	Office	3,101
One	1	Engelbrekt 1	Västerås	Residential	6,662
One	1	Bryggaren 16	Falun	Residential	1,250
One	1	Bryggaren 26	Falun	Residential	1,684
One	1	Hanrö 2	Falun	Residential	1,110
One	1	Lagmannen 7	Falun	Residential	1,441
One	1	Färgaren 4	Falun	Residential	3,564
One	1	Sandviken 17:1	Falun	Residential	2,272
One	1	Sandviken 28:1	Falun	Residential	347
One	1	Lallarvet 17	Falun	Residential	7,033
One	1	Dahlian 21	Falun	Residential	409

PROPERTY TRANSACTIONS

**PROPERTY TRANSACTIONS 2021**

Quarter	Number	Name of property	Municipality	Property category	Lettable area, sq.m.
<b>Acquisitions</b>					
One	1	Dragarbrunn 19:6	Uppsala	Office	3,321
One	1	Hasseludden 1:73	Nacka	Hotel	7,159
One	1	Kronomagasinet 1	Falun	Residential	542
One	1	Fjärdingen 27:8	Uppsala	Office	960
One	1	Dragarbrunn 22:1	Uppsala	Office	6,645
One	1	Prästtåkten 5	Falun	Residential	1,187
One	-	Vitsippan 5	Falun	Project	-
One	1	Bolsheden 1:54	Kungsbacka	Office	989
One	1	Bolsheden 1:64	Kungsbacka	Industrial/Warehouse	5,146
Two	1	Gnr. 136, bnr. 38	Vestby, Norway	Retail	1,052
Two	1	Gnr. 136, bnr. 64	Vestby, Norway	Retail	1,259
<b>Total</b>	<b>64</b>				<b>255,953</b>

Quarter	Number	Name of property	Municipality	Property category	Lettable area, sq.m.
<b>Divestments</b>					
One	1	Elverum 13/1059/0/1	Hamar, Norway	Other	16,400
One	1	Trondheim 5001/416/105	Trondheim, Norway	Residential	3,577
<b>Total</b>	<b>2</b>				<b>19,977</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 mainly includes building rights for the construction of both rental apartments and apartments for sale but also commercial properties.

## Project properties for own management

Projects for own management under construction has an estimated total investment of SEK 9.2 billion (6.4), of which SEK 4.0 billion (3.7) is invested and SEK 5.2 billion (2.7) remains to be invested. Most of the ongoing projects relate to residential projects with owner apartments for rental use. The projects comprise about 3,650 apartments (1,900) and mainly refers to about 1,500 apartments in Helsinki, about 950 apartments in Copenhagen and about 350 apartments in Gothenburg.

## 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 3.7 billion (2.3), of which SEK 1.3 billion (1.4) is invested and SEK 2.4 billion (0.9) remains to be invested. All of the projects are residential projects that will be sold to end customer. The projects involve approx. 980 apartments (690) and mainly refers to approx. 830 tenant-owner's apartments in Sweden.

Sales result from one development project is reported in the second quarter. The sale during the quarter refers to the development project Brf Lilla Berget Norrmalm. The cost of the project amounted to SEK -175m (-370) and the profit from the sales amounted to SEK 13m (59), including the marketing and sales costs of the quarter of SEK -5m regarding all development properties.



## 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
Sweden	Stockholm	Hedin Haninge	Retail	3,841	–	75	Q3 2021
Finland	Helsinki	As Oy Kirkkonummen Manhattan	Residential	3,960	165	178	Q3 2021
Finland	East	As Oy Oulun Mallasmaisteri	Residential	4,032	168	137	Q3 2021
Finland	Helsinki	Kappelitie 5	Residential	3,400	77	167	Q4 2021
Finland	Helsinki	Sompasaaren Priki	Residential	2,890	57	199	Q4 2021
Finland	Helsinki	Virtakuja 6	Residential	2,695	76	131	Q4 2021
Finland	East	As Oy Turun Montana	Residential	2,781	89	108	Q4 2021
Finland	East	As Oy Nokian Värjäämö	Residential	3,033	105	106	Q4 2021
Sweden	East	Mörtlösa Mercedes	Retail	6,300	–	135	Q1 2022
Sweden	East	Mörtlösa Porsche	Retail	4,200	–	89	Q1 2022
Denmark	Copenhagen	Lynghaven	Residential	14,835	184	533	Q2 2022
Denmark	Copenhagen	Ofeliahaven	Residential	9,079	109	322	Q2 2022
Denmark	Copenhagen	Fyrkanten HTC A10	Residential	8,854	107	371	Q2 2022
Finland	Helsinki	Lupajantie 2	Residential	4,505	112	197	Q2 2022
Finland	Helsinki	As Oy Hämeenlinnan Asemanranta	Residential	2,802	100	108	Q2 2022
Finland	East	As Oy Oulun Sokurin Hyve	Residential	2,109	68	69	Q2 2022
Finland	East	As Oy Olun Toppilansalmi	Residential	1,804	55	56	Q2 2022
Finland	East	As Oy Turun Henning	Residential	3,595	118	150	Q2 2022
Finland	Helsinki	Jokiniityntie 28	Residential	3,400	79	142	Q2 2022
Finland	Helsinki	Jokiniementie 46	Residential	4,548	104	235	Q3 2022
Finland	Helsinki	As Oy Kirkkonummen Pyssy-Seppä	Residential	1,770	74	80	Q3 2022
Finland	Helsinki	As Oy Järvenpään Herttua	Residential	2,530	43	67	Q3 2022
Finland	Helsinki	As Oy Kirkkonummen Soho	Residential	1,770	74	80	Q4 2022
Finland	East	As Oy Turun Kirstinpuiston Helmi	Residential	3,771	129	167	Q4 2022
Sweden	Gothenburg	Hedin HK	Office	12,286	–	496	Q4 2022
Denmark	Copenhagen	Rubinhaven HTC A17	Residential	8,646	124	360	Q4 2022
Denmark	Copenhagen	Triumphbyen Hovvej	Residential	10,800	138	433	Q4 2022
Sweden	Gothenburg	Stenhuggaren	Residential	5,233	88	138	Q3 2022
Sweden	Gothenburg	Bergsjön	Residential	8,916	177	253	2022-2023
Sweden	Gothenburg	Bergskristallen	Residential	5,079	89	186	Q2 2023
Finland	East	Heittoniitynkuja 5	Residential	5,759	132	189	Q2 2023
Finland	Helsinki	Jokiniementie 48	Residential	5,355	118	276	Q2 2023
Finland	Helsinki	Runoratsaukatu 15	Residential	5,355	135	284	Q2 2023
Finland	Helsinki	Kotkatie 6	Residential	3,685	100	186	Q3 2023
Denmark	Copenhagen	Green Hills	Residential	24,886	294	942	Q3 2023
Sweden	Gothenburg	Hotell Draken	Hotel	28,166	–	1,280	Q3 2023
Finland	Helsinki	Raudikkokuja 7	Residential	5,780	161	238	Q4 2023
<b>Total</b>				<b>232,450</b>	<b>3,649</b>	<b>9,162</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 Staffanstorps	Residential	4,273	54	179	Q3 2021
Finland	Helsinki	Virtakuja 4	Residential	2,117	55	106	Q4 2021
Sweden	Gothenburg	Fixfabriken	Residential	19,038	270	897	2021-2023
Norway	North	Sandefjord	Residential	6,500	46	292	Q1 2022
Sweden	Gothenburg	Bergsfallet	Residential	5,440	87	238	Q3 2022
Sweden	Stockholm	Gladan	Residential	7,630	144	646	Q2 2023
Finland	East	Hervantajärven Helmi	Residential	2,741	52	92	Q2 2023
Sweden	Gothenburg	Västra Gatan Kungälv	Residential	8,213	128	421	Q3 2023
Sweden	Gothenburg	Hovås Höjd	Residential	10,616	146	822	Q3 2023
<b>Total</b>				<b>66,568</b>	<b>982</b>	<b>3,693</b>	
<b>Total</b>				<b>299,018</b>	<b>4,631</b>	<b>12,855</b>	

## PROJECT PROPERTIES FOR OWN MANAGEMENT ESTIMATED CONSTRUCTION START Q3 2021-Q3 2022

Country	Region	Project	Property category	Lettable area, sq.m.	Number of apartments	Estimated total investment, SEKm	Construction start
Sweden	Gothenburg	Frölunda	Residential	21,220	392	778	2021-2022
Denmark	Copenhagen	Strandby Huse D och Höje A Hundige Øst	Residential	22,332	339	846	2021
Sweden	Stockholm	Basaren plan 9-10	Commercial	1,655	-	145	2021
Sweden	Gothenburg	Citygården Gullön	Residential	3,225	69	37	2021
Finland	Helsinki	Lincolnin aukio 4	Residential	5,100	137	244	2021
Finland	Helsinki	As Oy Riihimäen Pesispolku	Residential	2,430	100	87	2021
Finland	East	As Oy Oulun Antiikva	Residential	2,279	75	95	2021
Finland	East	As Oy Oulun Toppilansalmen Legenda	Residential	1,807	55	58	2021
Finland	East	As Oy Turun Olva	Residential	2,573	82	117	2021
Sweden	Gothenburg	Gårdsten	Residential	6,414	150	736	2022
Sweden	Stockholm	Barkarby City E1	Residential	10,971	242	486	2022
Finland	Helsinki	Kaskilaaksontie	Residential	2,559	63	115	2022
Finland	Helsinki	Peijinkuja 6	Residential	5,950	140	307	2022
Finland	Helsinki	Kruunuvuorenranta I	Residential	3,995	85	228	2022
Finland	Helsinki	Kruunuvuorenranta II	Residential	3,808	80	217	2022
Finland	Helsinki	Pataljoonantie	Residential	4,339	90	174	2022
Finland	Helsinki	Niittykummuntie	Residential	2,550	55	131	2022
Finland	Helsinki	Peijinkula 10	Residential	4,505	121	234	2022
Finland	Helsinki	Saturnuksenrinne	Residential	2,550	55	96	2022
Finland	East	Suorannankatu	Residential	2,125	42	69	2022
<b>Total</b>				<b>112,387</b>	<b>2,372</b>	<b>5,200</b>	

## DEVELOPMENT PROPERTIES FOR SALE ESTIMATED CONSTRUCTION START Q3 2021-Q3 2022

Country	Region	Project	Property category	Lettable area, sq.m.	Number of apartments	Estimated total investment, SEKm	Construction start
Finland	Helsinki	Nihtisillankuja	Residential	5,270	129	269	2021
Sweden	Gothenburg	Bastuban	Residential	11,000	133	531	2022
Sweden	Gothenburg	Bohusgatan	Residential	18,856	326	1,104	2021-2022
Sweden	Stockholm	Basaren	Residential	4,334	65	294	2021
Sweden	Stockholm	Caprea	Residential	3,742	28	440	2021
Sweden	Gothenburg	Bergsjö Glänta	Residential	3,619	31	115	2021
Sweden	South	Bovieran Svedala	Residential	4,273	54	162	2021
Sweden	Stockholm	Bovieran Haninge	Residential	2,586	36	137	2022
Sweden	Stockholm	Bovieran Nykvarn	Residential	4,273	54	176	2022
Sweden	Gothenburg	Långström Bärnstenen	Residential	5,440	87	80	2022
Sweden	Gothenburg	Långström Obelisken	Residential	2,000	30	36	2022
Norway	North	Ski Linåskollen	Residential	16,600	169	762	2022
Norway	North	Trondheim Steinan	Residential	34,000	732	1,918	2022
Norway	North	Drammen	Residential	42,020	118	439	2022
<b>Total</b>				<b>158,013</b>	<b>1,992</b>	<b>6,463</b>	

**Total** **270,400** **4,364** **11,663**

## FUTURE PROJECTS ESTIMATED CONSTRUCTION START 2022 AND ONWARDS

Country	Region	Gross area, sq.m	Number of apartments
Sweden	Gothenburg	710,519	6,516
Sweden	Stockholm	595,271	6,002
Finland	Helsinki	228,667	4,099
Finland	East	30,850	565
Denmark	Copenhagen	49,949	328
<b>Total</b>		<b>1,615,256</b>	<b>17,510</b>



# 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 6.4 years (6.8). Balder's 10 largest leases represent 4.4% (4.5) of total rental income and the average lease term amounts to 10.4 years (11.6).

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 3.9% (3.6) of total rental income.

## LEASE MATURITY STRUCTURE 30/06/2021

Maturity date	Number of leases	Proportion, %	Contracted rent, SEKm	Proportion, %
2021	847	22	178	2
2022	1,082	28	397	5
2023	708	18	415	5
2024	628	16	412	5
2025–	586	15	1,976	23
<b>Total</b>	<b>3,851</b>	<b>100</b>	<b>3,379</b>	<b>40</b>
Residential <sup>1)</sup>	43,065		5,023	59
Car park <sup>1)</sup>	6,329		27	0
Garage <sup>1)</sup>	6,024		76	1
<b>Total</b>	<b>59,269</b>		<b>8,505</b>	<b>100</b>

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

## BALDERS 10 LARGEST CUSTOMERS

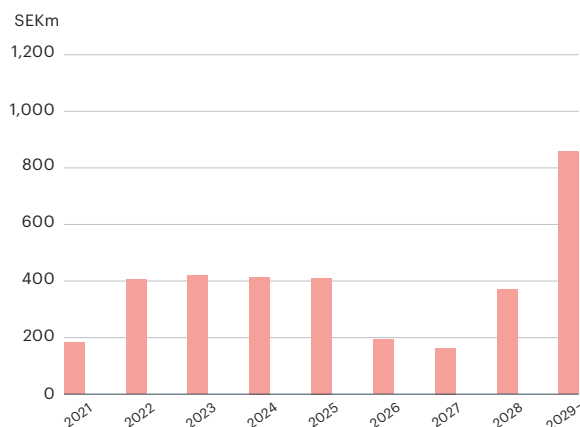
as of 30/06/2021

- 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
- Region Västra Götaland

## RENTAL INCOME AND PROFIT FROM PROPERTY MANAGEMENT



## 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 each country's currency 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 original maturity of 60 years and is considered as 50% equity by the credit rating agencies.

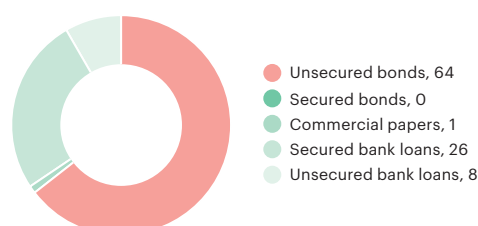
FINANCIAL KEY RATIOS	2021 30 June	2020 30 June	2020 31 Dec
Interest-bearing liabilities excl. Hybrid capital, SEKm	104,010	84,084	85,476
Hybrid capital, SEKm	8,606	3,668	3,513
Available liquidity including confirmed loan commitments, SEKm	23,859	14,131	20,509
Average fixed credit term, years	6.1	5.7	5.9
Average interest rate refixing period, years	3.8	3.2	3.5
Net debt to total assets (financial covenant <sup>1)</sup> < 65), %	44.6	48.3	46.1
Interest coverage ratio (financial covenant <sup>1)</sup> > 1.8), times	4.7	5.0	5.3
Secured debt/Total assets (financial covenant <sup>1)</sup> < 45), %	14.4	15.4	15.6
Net debt/EBITDA, times	14.2	13.5	13.2
Credit rating S&P	BBB Stable outlook	BBB Stable outlook	BBB Stable outlook
<b>Calculation of net debt</b>			
Interest-bearing liabilities excl. Hybrid capital, SEKm	104,010	84,084	85,476
Other liability <sup>2)</sup>	-	-	3,009
Hybrid capital (50% is treated as equity by rating agencies), SEKm	4,303	1,834	1,757
Cash and cash equivalents and financial investments, SEKm	-15,402	-5,089	-7,127
<b>Net debt</b>	<b>92,911</b>	<b>80,829</b>	<b>83,115</b>

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

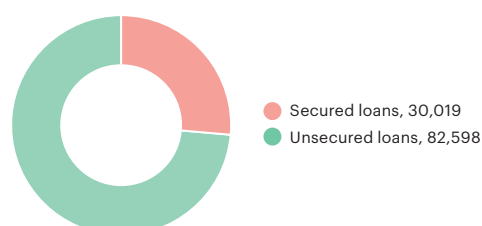
2) Other liability relates to obligation regarding purchase of shares in Entra ASA.

FINANCIAL TARGETS		Target	Outcome
Equity/assets ratio, %	min.	40.0	37.5
Net debt to total assets, %	max.	50.0	44.6
Interest coverage ratio, times	min.	2.0	4.7

## FINANCING SOURCES, %



## DISTRIBUTION OF SECURED AND UNSECURED LOANS, SEKm





## FINANCING

### DEBT MATURITY STRUCTURE 30/06/2021

Year	SEKm	Proportion, %
2021	4,767	4
2022	12,047	11
2023	17,038	15
2024	12,120	11
2025	10,168	9
2026	12,994	12
2027	5,975	5
2028	8,511	8
2029	6,326	6
2030	7,909	7
2031-	14,761	13
<b>Total</b>	<b>112,616</b>	<b>100</b>

### INTEREST MATURITY STRUCTURE 30/06/2021

Year	SEKm	Interest, %	Proportion, %
2021	35,400	0.6	31
2022	7,812	1.4	7
2023	9,614	2.4	9
2024	4,163	1.5	4
2025	7,817	2.1	7
2026	13,957	2.3	12
2027	6,494	1.2	6
2028	8,070	1.6	7
2029	9,363	1.3	8
2030	6,548	1.4	6
2031-	3,378	1.8	3
<b>Total</b>	<b>112,616</b>	<b>1.4</b>	<b>100</b>

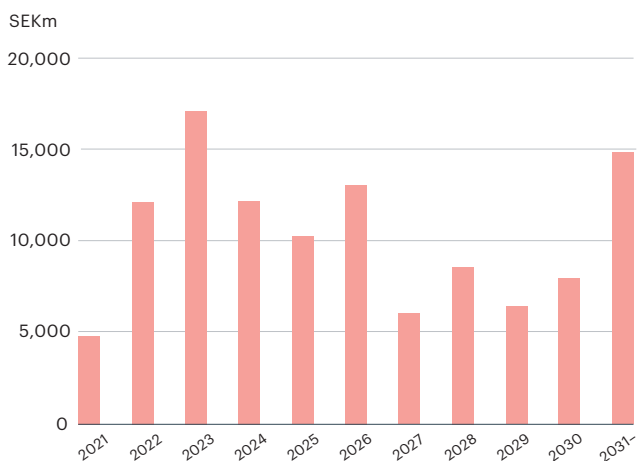
### FIXED CREDIT TERM



### FIXED INTEREST TERM



### DEBT MATURITY STRUCTURE 30/06/2021



### NET DEBT TO TOTAL ASSETS



# ASSOCIATED COMPANIES

Balder is a partner in a large number of property managing and project developing companies as well as in the niche bank Collector, for further information on Balder's associated companies, see pages 34-36 and 69-70 in Balder's annual report 2020.

During the period, Balder invested SEK 6,152m in associated companies, which mainly relates to an additional 15% of the shares in Entra ASA. Other companies that have been added are Next Step Group

AB 33.3% and Emra gruppen AB 33.7%. The table below shows Balder's share of property managing associated companies. Companies included in the table are Tulia AB 50% (50), Fastighets AB Centur 50% (50), Trenum AB 50% (50), Anthon B Nilsen Eiendom AS 50% (-), Sinoma Fastighets AB 49% (49), Serena Properties AB 56% (56), Tornet Bostadsproduktion AB 33% (33), Entra ASA 32.7% (-) and Brinova Fastigheter AB 19.9% (23.2).

## BALDER'S PARTICIPATION IN THE PROPERTY MANAGING ASSOCIATED COMPANIES' REAL ESTATE PORTFOLIO ON 30/06/2021<sup>1)</sup>

	Number of investment properties <sup>2)</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	85	205,512	338	1,645	324	96	6,532	17
Gothenburg	45	165,628	206	1,241	195	95	2,952	8
Öresund	142	135,963	206	1,516	197	96	3,269	9
East	46	158,844	198	1,247	194	98	2,979	8
Oslo	41	206,237	534	2,589	511	96	11,590	30
Other Norway	39	168,935	314	1,858	308	98	5,861	15
<b>Total excluding projects</b>	<b>398</b>	<b>1,041,119</b>	<b>1,796</b>	<b>1,725</b>	<b>1,730</b>	<b>96</b>	<b>33,184</b>	<b>87</b>
Projects for own management			1		1		4,826	13
<b>Total real estate portfolio</b>	<b>398</b>	<b>1,041,119</b>	<b>1,796</b>	<b>1,725</b>	<b>1,731</b>	<b>96</b>	<b>38,010</b>	<b>100</b>
<b>Distributed by property category</b>								
Residential	115	146,485	271	1,850	263	97	5,547	15
Office	108	464,366	989	2,129	949	96	19,859	52
Retail	69	258,988	312	1,203	299	96	4,301	11
Other	106	171,280	224	1,310	219	97	3,477	9
<b>Total excluding projects</b>	<b>398</b>	<b>1,041,119</b>	<b>1,796</b>	<b>1,725</b>	<b>1,730</b>	<b>96</b>	<b>33,184</b>	<b>87</b>
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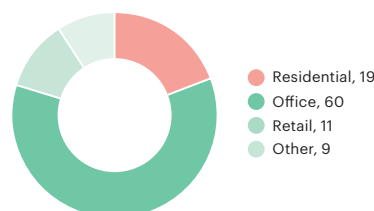
1) The above table refers to the properties owned by the associated companies at the end of the period. Sold properties have been excluded and acquired properties have been estimated using full-year values. Other properties include hotel, educational, care, industrial and mixed-use properties.

2) Refers to the entire associated companies' portfolio.

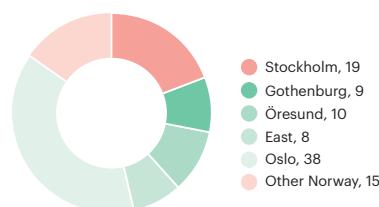
## BALDER'S PARTICIPATION IN THE BALANCE SHEETS OF THE PROPERTY MANAGING ASSOCIATED COMPANIES

SEKm	2021 30 June	2020 30 June	2020 31 Dec
<b>Assets</b>			
Properties	38,010	14,987	27,860
Other assets	1,140	317	759
Cash and cash equivalents	526	249	282
<b>Total assets</b>	<b>39,676</b>	<b>15,553</b>	<b>28,901</b>
<b>Shareholders' equity and liabilities</b>			
Equity/interest-bearing shareholder loan	18,231	6,963	12,952
Deferred tax liability	3,455	796	2,179
Interest-bearing liabilities	16,109	7,202	12,234
Other liabilities	1,881	592	1,537
<b>Total equity and liabilities</b>	<b>39,676</b>	<b>15,553</b>	<b>28,901</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 period

As of 1 July 2021 Balder has taken possession of the shares in the Norwegian real estate company Asset Buyout Partners (ABP). ABP is a leading independent Norwegian industrial real estate company with real estate assets located in mission critical energy and maritime clusters along the Norwegian coast, primarily in the cities of Bergen and Stavanger. The property value amounts to approximately NOK 9,000 million distributed over 106 properties.

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 39m (40) during the period 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 2020, on pages 42-45. 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 interim 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 2020.

New and changed standards and principles that came into force as of January 1, 2021 or later, is not considered to have any material impact on the Group's financial reports.

This interim report has not been subject to review by the company's auditors.

## Signature and verification

The Board of Directors and the CEO declare that the undersigned interim report provides a true and fair overview of the parent company's and the group's operations, financial position and performance as well as describing material risks and uncertainties facing the parent company and other companies in the group.

Gothenburg 16 July 2021

Christina Rogestam  
Chairman of the board

Fredrik Svensson  
Board member

Sten Dunér  
Board member

Anders Wennergren  
Board member

Erik Selin  
Board member and CEO



## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEKm	2021 April-June	2020 April-June	2021 Jan-June	2020 Jan-June	2020/2021 July-June	2020 Jan-Dec
Rental income	2,131	2,026	4,249	4,049	8,334	8,134
Property costs	-516	-453	-1,107	-987	-2,039	-1,919
<b>Net operating income</b>	<b>1,615</b>	<b>1,573</b>	<b>3,142</b>	<b>3,062</b>	<b>6,296</b>	<b>6,216</b>
Management and administrative costs	-205	-178	-390	-357	-709	-676
Participations in the profits of associated companies/joint ventures	554	158	1,070	257	1,710	897
– of which profit from property management	305	161	570	287	946	663
– of which changes in value	414	43	775	45	1,219	489
– of which tax	-165	-46	-275	-75	-455	-254
Other income/costs	-23	-23	-69	-32	334	371
– of which unrealised change in value of long-term financial asset	-	-	-	-	462	462
Net financial items	-383	-322	-715	-613	-1,314	-1,212
– of which cost of leases/ground rent	-17	-16	-33	-33	-65	-64
<b>Profit including changes in value and tax in associated companies</b>	<b>1,558</b>	<b>1,208</b>	<b>3,038</b>	<b>2,317</b>	<b>6,318</b>	<b>5,597</b>
<b>– of which Profit from property management</b>	<b>1,310</b>	<b>1,211</b>	<b>2,538</b>	<b>2,347</b>	<b>5,091</b>	<b>4,900</b>
<i>Changes in value</i>						
Changes in value investment properties, realised	1	9	116	12	128	24
Changes in value investment properties, unrealised	1,677	318	3,075	575	5,929	3,429
Income sale development properties	188	428	486	428	1,310	1,253
Costs sale development properties	-175	-370	-448	-370	-1,158	-1,079
Changes in value derivatives	28	-50	327	-221	408	-141
<b>Changes in value total</b>	<b>1,719</b>	<b>336</b>	<b>3,555</b>	<b>424</b>	<b>6,617</b>	<b>3,486</b>
<b>Profit before tax</b>	<b>3,278</b>	<b>1,544</b>	<b>6,593</b>	<b>2,741</b>	<b>12,934</b>	<b>9,083</b>
Income tax	-660	-576	-1,078	-546	-2,340	-1,807
<b>Net profit for the period/year</b>	<b>2,618</b>	<b>968</b>	<b>5,514</b>	<b>2,195</b>	<b>10,594</b>	<b>7,275</b>
<i>Net profit for the period/year attributable to:</i>						
Parent company shareholders	2,213	811	4,877	1,874	9,644	6,641
Non-controlling interests	405	156	637	321	950	634
	<b>2,618</b>	<b>968</b>	<b>5,514</b>	<b>2,195</b>	<b>10,594</b>	<b>7,275</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)	-199	-563	259	-78	-368	-705
Cash flow hedges after tax	32	-14	104	-33	117	-20
Participation in other comprehensive income of associated companies/joint ventures	-310	-20	186	-11	160	-37
<b>Total comprehensive income for the period/year</b>	<b>2,141</b>	<b>370</b>	<b>6,064</b>	<b>2,074</b>	<b>10,503</b>	<b>6,513</b>
<i>Total comprehensive income for the period/year attributable to:</i>						
Parent company shareholders	1,831	794	5,295	1,729	9,839	6,273
Non-controlling interests	309	-423	768	344	664	240
	<b>2,141</b>	<b>370</b>	<b>6,064</b>	<b>2,074</b>	<b>10,503</b>	<b>6,513</b>
Profit from property management	1,310	1,211	2,538	2,347	5,091	4,900
Of which non-controlling interests part of profit from property management	-149	-183	-289	-354	-591	-657
<b>Profit from property management attributable to parent company shareholders</b>	<b>1,161</b>	<b>1,028</b>	<b>2,249</b>	<b>1,993</b>	<b>4,500</b>	<b>4,244</b>
Profit from property management per share, SEK	6.22	5.71	12.06	11.07	24.49	23.51
Profit after tax per share, SEK	11.86	4.51	26.15	10.41	52.48	36.79

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

SEKm	2021 30 June	2020 30 June	2020 31 Dec
<b>Assets</b>			
Investment properties	160,582	146,181	149,179
Development properties	2,769	3,125	2,803
Lease contract; Right-of-use assets	1,522	1,514	1,532
Other fixed assets	166	163	160
Participations in associated companies/joint ventures	22,847	8,080	15,593
Other receivables	4,945	3,329	4,007
Cash and cash equivalents and financial investments	15,402	5,089	7,127
<b>Total assets</b>	<b>208,233</b>	<b>167,481</b>	<b>180,401</b>
<b>Shareholders' equity and liabilities</b>			
Shareholders' equity <sup>1)</sup>	73,819	60,811	67,885
Deferred tax liability	13,489	11,645	12,497
Interest-bearing liabilities	112,616	87,752	88,989
–of which Hybrid capital <sup>2)</sup>	8,606	3,668	3,513
Derivatives	987	1,516	1,540
Lease contract	1,521	1,510	1,536
Other liabilities	5,800	4,247	7,955
<b>Total equity and liabilities</b>	<b>208,233</b>	<b>167,481</b>	<b>180,401</b>
1) Of which non-controlling interests	10,317	10,076	9,676
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.	4,303	1,834	1,757

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEKm	2021 30 June	2020 30 June	2020 31 Dec
<b>Opening equity</b>	<b>67,885</b>	<b>58,725</b>	<b>58,725</b>
Total comprehensive income for the period/year	6,064	2,074	6,513
Transactions with non-controlling interests	–	–3	–301
Dividend to non-controlling interests	–129	–	–
Shareholder contributions from non-controlling interests	–	–	17
Share issue, after issue costs	–	16	2,930
<b>Closing equity</b>	<b>73,819</b>	<b>60,811</b>	<b>67,885</b>

## CONSOLIDATED STATEMENT OF CASH FLOW

SEKm	2021 April-June	2020 April-June	2021 Jan-June	2020 Jan-June	2020 Jan-Dec
Net operating income	1,615	1,573	3,142	3,062	6,216
Other income/costs	-23	-23	-69	-32	-91
Management and administrative costs	-205	-178	-390	-357	-676
Selling and marketing expenses development properties	-5	-	-10	-	-20
Reversal of depreciation	11	10	22	20	41
Net financial items paid	-528	-355	-901	-640	-1,174
Taxes paid	-75	-105	-189	-222	-310
<b>Cash flow from operating activities before change in working capital</b>	<b>789</b>	<b>922</b>	<b>1,604</b>	<b>1,831</b>	<b>3,986</b>
Change in operating receivables	-159	-113	-518	-710	-901
Change in operating liabilities	-544	38	-2,697	74	3,435
<b>Cash flow from operating activities</b>	<b>86</b>	<b>847</b>	<b>-1,611</b>	<b>1,195</b>	<b>6,520</b>
Acquisition of investment properties	-685	-879	-6,071	-2,586	-3,491
Acquisition/Divestment of property, plant and equipment	-6	-1	-27	-18	-36
Purchase of financial investments	-116	-11	-142	-45	-1,665
Acquisition of shares in associated companies/Capital contribution to associated companies/Loans to associated companies/joint ventures	-535	-160	-6,115	-977	-8,128
Investment in existing properties and projects	-1,860	-1,436	-2,960	-2,955	-5,572
Transactions with non-controlling interests	-	-1	-	-3	-301
Sale of investment properties	157	206	1,306	311	366
Sale of development properties	188	428	486	428	1,253
Sale of financial investments	46	-	46	62	561
Dividend paid from associated companies/joint ventures	183	19	184	19	20
<b>Cash flow from investing activities</b>	<b>-2,629</b>	<b>-1,835</b>	<b>-13,295</b>	<b>-5,763</b>	<b>-16,993</b>
Share issue, after issue costs	-	-	-	-	2,930
Amortisation of lease liability	-11	-13	-20	-15	-19
Shareholder contributions from non-controlling interests	-	-	-	16	18
Dividend paid to non-controlling interests	-129	-	-129	-	-
Loans raised	15,847	5,009	29,048	11,183	20,472
Amortisation/redemption of loans sold properties/changes in overdraft facilities	-2,720	-2,432	-5,706	-4,413	-9,838
<b>Cash flow from financing activities</b>	<b>12,986</b>	<b>2,564</b>	<b>23,193</b>	<b>6,770</b>	<b>13,563</b>
<b>Cash flow for the period/year</b>	<b>10,444</b>	<b>1,576</b>	<b>8,287</b>	<b>2,202</b>	<b>3,089</b>
Cash and cash equivalents at the start of the period/year	2,380	2,004	4,468	1,379	1,379
Exchange rate difference in cash and cash equivalents	-37	-	32	-	-
<b>Cash and cash equivalents at the end of the period/year</b>	<b>12,787</b>	<b>3,581</b>	<b>12,787</b>	<b>3,581</b>	<b>4,468</b>
<b>Available liquidity, SEKm</b>					
Cash and cash equivalents	12,787	3,581	12,787	3,581	4,468
Unutilised overdraft facilities	413	350	413	350	350
Unutilised credit facilities	8,044	8,692	8,044	8,692	13,032
Financial investments	2,615	1,508	2,615	1,508	2,659
<b>Available liquidity including confirmed credit commitments</b>	<b>23,859</b>	<b>14,131</b>	<b>23,859</b>	<b>14,131</b>	<b>20,509</b>

## SEGMENT INFORMATION

SEKm	2021 April-June	2020 April-June	2021 Jan-June	2020 Jan-June	2020/2021 July-June	2020 Jan-Dec
<b>Rental income</b>						
Helsinki	595	642	1,182	1,272	2,404	2,495
Stockholm	363	324	724	654	1,407	1,338
Gothenburg	407	387	811	760	1,612	1,561
Copenhagen	180	160	364	329	693	657
South	144	139	290	284	590	584
East	324	308	640	616	1,242	1,218
North	116	66	238	134	386	282
<b>Total</b>	<b>2,131</b>	<b>2,026</b>	<b>4,249</b>	<b>4,049</b>	<b>8,334</b>	<b>8,134</b>
<b>Net operating income</b>						
Helsinki	425	491	827	932	1,715	1,820
Stockholm	297	267	576	526	1,145	1,095
Gothenburg	321	313	622	590	1,269	1,237
Copenhagen	136	115	274	253	519	499
South	113	110	225	218	466	460
East	246	228	468	447	909	888
North	78	49	150	95	273	218
<b>Total</b>	<b>1,615</b>	<b>1,573</b>	<b>3,142</b>	<b>3,062</b>	<b>6,296</b>	<b>6,216</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 3,142m (3,062) and profit before tax of SEK 6,593m (2,741) consists of changes in value of investment properties of

SEK 3,191m (587), profit from sales of development properties SEK 37m (59), other income/costs SEK -69m (-32), management and administrative costs of SEK -390m (-357), participations in profits of associated companies/joint ventures of SEK 1,070m (257), net financial items of SEK -715m (-613) and changes in value of derivatives of SEK 327m (-221).

SEKm	2021 30 June	2020 30 June	2020 31 Dec
<b>Real estate portfolio</b>			
Helsinki	42,941	41,667	40,938
Stockholm	29,251	26,810	27,364
Gothenburg	31,605	30,222	30,863
Copenhagen	16,704	14,181	15,272
South	10,819	10,214	10,439
East	15,854	13,877	14,448
North	7,604	4,914	5,238
<b>Total excluding projects</b>	<b>154,778</b>	<b>141,885</b>	<b>144,562</b>
Projects for own management	5,803	4,297	4,617
<b>Total investment properties</b>	<b>160,582</b>	<b>146,181</b>	<b>149,179</b>
Development properties	2,769	3,125	2,803
<b>Total real estate portfolio</b>	<b>163,351</b>	<b>149,306</b>	<b>151,982</b>

The carrying amounts of properties have during the period changed by investments, acquisitions, divestments, unrealised changes in value and currency changes, with SEK 2,003m in the Helsinki region, SEK 1,887m in the Stockholm region, SEK 742m in the Gothenburg region, SEK 1,432m in the Copenhagen region, SEK 381m in the South region, SEK 1,405m in the East region and SEK 2,366m in the North region. The Group's projects for

own management has increased by SEK 1,186m and the Group's development properties has decreased by SEK -34m. 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

	2021 April-June	2020 April-June	2021 Jan-June	2020 Jan-June	2020/2021 July-June	2020 Jan-Dec
<b>Share-related</b>						
Average number of shares, thousands	186,500	180,000	186,500	180,000	183,750	180,515
Profit after tax, SEK	11.86	4.51	26.15	10.41	52.48	36.79
Profit after tax excluding unrealised changes in value, SEK	4.37	3.17	10.49	8.80	20.39	18.69
Profit from property management, SEK	6.22	5.71	12.06	11.07	24.49	23.51
Net operating income, SEK	7.32	7.15	14.24	13.95	28.89	28.61
Outstanding number of shares, thousands	186,500	180,000	186,500	180,000	186,500	186,500
Shareholders' equity, SEK	340.50	281.86	340.50	281.86	340.50	312.12
Long-term net asset value (NAV), SEK	418.12	354.98	418.12	354.98	418.12	387.38
Share price on the closing date, SEK	537.00	355.10	537.00	355.10	537.00	428.90
<b>Property-related</b>						
Rental value full-year, SEK/sq.m.	1,881	1,929	1,881	1,929	1,881	1,893
Rental income full-year, SEK/sq.m.	1,777	1,842	1,777	1,842	1,777	1,809
Economic occupancy rate, %	95	96	95	96	95	96
Vacancy rate, %	5	4	5	4	5	4
Surplus ratio, %	76	78	74	76	76	76
Carrying amount, SEK/sq.m.	32,438	31,877	32,438	31,877	32,438	32,114
Number of investment properties	1,458	1,338	1,458	1,338	1,458	1,362
Lettable area, sq.m. thousands	4,771	4,451	4,771	4,451	4,771	4,502
Profit from property management, attributable to parent company shareholders, SEKm	1,161	1,028	2,249	1,993	4,500	4,244
<b>Financial</b>						
Return on equity, %	7.4	4.7	11.0	6.8	16.9	12.4
Return on total assets, %	4.1	3.8	5.3	3.8	7.6	6.1
Interest coverage ratio, times	4.6	5.0	4.7	5.0	5.1	5.3
Equity/assets ratio, %	37.5	37.4	37.5	37.4	37.5	38.6
Debt/equity ratio, times <sup>1)</sup>	1.5	1.4	1.5	1.4	1.5	1.3
Net debt to total assets, % <sup>1)</sup>	44.6	48.3	44.6	48.3	44.6	46.1
Net debt/EBITDA, times <sup>1)</sup>	13.7	13.1	14.2	13.5	14.2	13.2

1) The key figures for 31 December 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	2021 April-June	2020 April-June	2021 Jan-June	2020 Jan-June	2020/2021 July-June	2020 Jan-Dec
Net sales	108	93	211	191	369	349
Administrative costs	-107	-92	-209	-191	-372	-353
<b>Operating profit</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>-0</b>	<b>-2</b>	<b>-4</b>
<b>Profit from financial items</b>						
Dividends from subsidiaries	3	975	3	975	3	975
Other net financial items	604	1,341	1	138	1,462	1,599
– of which exchange rate differences	349	1,283	-286	-6	505	785
– of which unrealised change in value of long-term financial asset	-	-	-	-	462	462
Changes in value of derivatives	23	-50	290	-221	370	-141
<b>Profit before appropriations and taxes</b>	<b>630</b>	<b>2,267</b>	<b>296</b>	<b>891</b>	<b>1,833</b>	<b>2,429</b>
<b>Appropriations</b>						
Group contributions	-	-	-	-	-821	-821
<b>Profit before tax</b>	<b>630</b>	<b>2,267</b>	<b>296</b>	<b>891</b>	<b>1,012</b>	<b>1,608</b>
Income tax	-97	-266	-25	17	-35	7
<b>Net profit for the period/year <sup>1)</sup></b>	<b>533</b>	<b>2,001</b>	<b>271</b>	<b>909</b>	<b>978</b>	<b>1,615</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	2021 30 June	2020 30 June	2020 31 Dec
<b>Assets</b>			
Property, plant and equipment	22	24	22
Financial non-current assets	26,097	13,866	20,710
Receivables from Group companies	61,861	55,949	57,787
Current receivables	296	293	184
Cash and cash equivalents and financial investments	14,004	2,806	3,437
<b>Total assets</b>	<b>102,282</b>	<b>72,938</b>	<b>82,140</b>
<b>Shareholders' equity and liabilities</b>			
Shareholders' equity	17,069	13,161	16,798
Interest-bearing liabilities	54,121	48,506	46,366
– of which Hybrid capital	8,606	3,668	3,513
Liabilities to Group companies	29,932	9,988	14,419
Derivatives	477	847	767
Other liabilities	683	435	3,790
<b>Total equity and liabilities</b>	<b>102,282</b>	<b>72,938</b>	<b>82,140</b>

# THE SHARE AND OWNERS

Balder's share is listed on Nasdaq Stockholm, Large Cap segment. The company's market capitalisation as of 30 June amounted to SEK 100,151m (63,918).

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% (28) of outstanding shares.

## The share

At the end of the period, approximately 21,400 shareholders (24,000) held shares. During the period, approximately 32.3 million shares were traded (78.0) which corresponds to an average of about 262,000 shares per trading day (635,000). The annual turnover rate amounted to 35% (87). The price of the share was SEK 537.00 (355.10) on 30 June, corresponding to an increase of 25% since year-end.

## Share capital

On 30 June, 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 30 June amounts to

186,500,000. Each Class A share carries one vote and each Class B share carries one tenth of one vote.

## Annual General Meeting

The Annual General Meeting (AGM) of Fastighets AB Balder on 12 May 2021, resolved on the following matters, among others:

The AGM adopted the annual accounts for 2020 and resolved that no dividend shall be declared.

The AGM discharged the Board and the CEO from liability and reelected the Board members Christina Rogestam, Erik Selin, Fredrik Svensson, Sten Dunér and Anders Wennergren according to the nomination committee's proposal. Christina Rogestam was selected as Chairman.

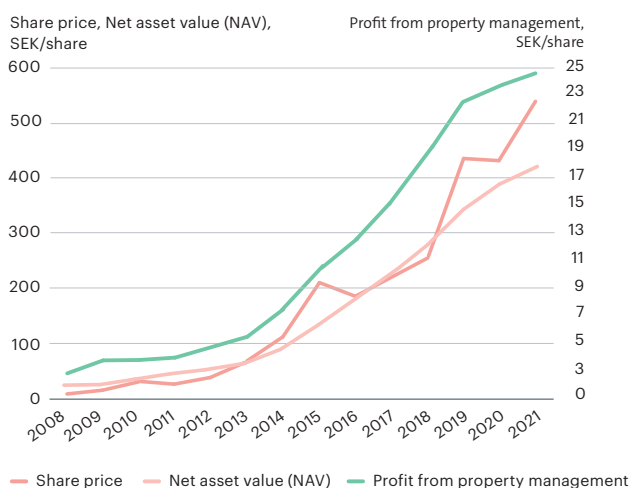
The meeting resolved to authorise the Board, during the period until the next Annual General Meeting, on one or more occasion, to be able to decide on new issue of shares of Class B corresponding to not more than 20,000,000 shares.

The AGM further resolved during the period until the next Annual General Meeting, to authorise the Board on one or more occasion to decide on acquisition of own shares of Class B but that the combined holdings of own shares in the company may not exceed 10% of all shares in the company.

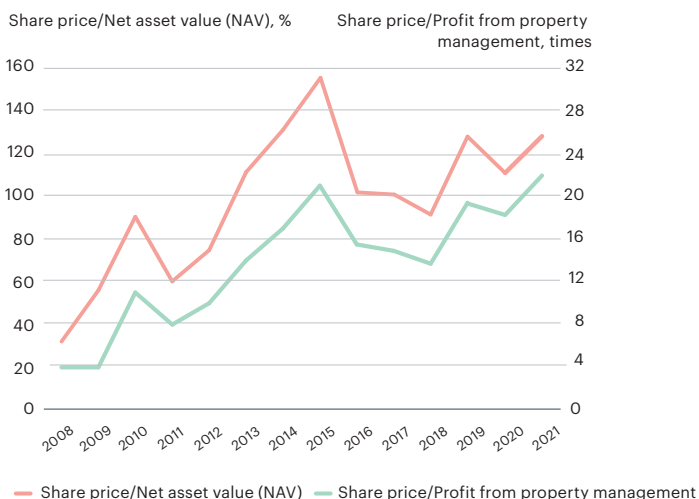
## OWNERSHIP LIST AS OF 30/06/2021

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	-	7,803,366	7,803,366	4.2	2.7
SEB Investment Management	-	6,853,427	6,853,427	3.7	2.4
Länsförsäkringar fondförvaltning AB	-	5,385,483	5,385,483	2.9	1.9
Handelsbanken fonder	-	5,213,674	5,213,674	2.8	1.8
AMF Försäkring och Fonder	-	4,093,402	4,093,402	2.2	1.4
Folksam	-	2,456,388	2,456,388	1.3	0.9
CBNY - Norges Bank	-	2,403,132	2,403,132	1.3	0.8
Livförsäkringsbolaget Skandia	-	1,776,600	1,776,600	1.0	0.6
Other	4,212	68,531,656	68,535,868	36.7	23.8
<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 & SHARE PRICE/PROFIT FROM PROPERTY MANAGEMENT



# 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

## 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, %

Net financial items in the period recalculated to annual value in relation to the average interest-bearing liabilities.

### 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.

### 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.

### 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.

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.

## 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 an alternative key ratio according to ESMA's guidelines.



PROJECT VICTORIA, STOCKHOLM

## CONTACT

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## 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

Interim report Jan-Sep 2021	11 November 2021
Year-end report 2021	11 February 2022

This report is a translation of the Swedish Interim Report January-June 2021. In the event of any disparities between this report and the Swedish version, the latter will have priority.

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