



# LUNDBERGS

## INTERIM REPORT January - June 2022

- On June 30, 2022, net asset value after deferred tax amounted to SEK 109.3 billion (SEK 441 per share), compared with SEK 132.3 billion (SEK 533 per share) on December 31, 2021. The corresponding values on August 23, 2022 were SEK 118.4 billion (SEK 478 per share).
- Consolidated net sales amounted to SEK 14,851 m. (12,739).
- Profit after financial items amounted to SEK 1,299 m. (8,473) where earnings from participations in associated companies amounted to SEK -4,406 m. (3,690). Profit after financial items excluding unrealized changes in value amounted to SEK 925 m. (6,877).
- Profit after taxes amounted to SEK 183 m. (7,550) of which noncontrolling interests accounted for SEK 2,462 m. (1,316).
- Earnings per share attributable to the Parent Company's shareholders totaled SEK -9.19 (25.14).

Lundbergs' net asset value and cash flow are reported in the form of a supplement to the consolidated financial statements prepared in accordance with IFRS (pages 4-9).

The net asset value is calculated on the basis of the assets and liabilities included in the Parent Company and in the wholly owned subsidiaries. Cash flow refers to the Parent Company and wholly owned subsidiaries.

## NET ASSET VALUE

On June 30, 2022, net asset value after deferred tax amounted to SEK 109.3 billion (SEK 441 per share), compared with SEK 132.3 billion (SEK 533 per share) at December 31, 2021, see table below.

On August 23, 2022, estimated net asset value per share after deferred tax amounted to SEK 118.4 billion (SEK 478 per share).

The proportion of share capital and voting rights and the market value and acquisition value of the shareholdings are presented in the tables on page 3.

## CASH FLOW

During the period, dividends totaling SEK 2,386 m. (2,339) were received. Funds received from L E Lundberg Kapitalförvaltning AB, amounted to SEK 24 m. (86).

Proceeds from the real estate operation amounted to SEK 543 m. (673).

During the period, the Parent Company invested a total of SEK 696 m. (1,043) in listed shares. The investments consisted of 2,000,000 series A shares in Handelsbanken for SEK 189 m., 897,335 series A shares in Hufvudstaden for SEK 114 m., 1,000,000 series C shares in Industrivärden for SEK 249 m., 500,000 shares in Sandvik for SEK 93 m. and 300,000 series B shares in Skanska for SEK 52 m.

A total of SEK 499 m. (403) was invested in the real estate operation.

Cash and interest-bearing assets amounted to SEK 1,034 m. (Dec 31, 2021: 522). Interest-bearing liabilities amounted to SEK 7,608 m. (Dec 31, 2021: 7,583). Interest-bearing net debt decreased by SEK 487 m. to SEK 6,575 m. (Dec 31, 2021: 7,062). Indebtedness in relation to gross assets (properties and shares) measured at market value amounted to approximately 6%. In the following calculation of net asset value, the net debt of the Parent Company and the wholly owned subsidiaries (SEK 6,575 m.) has been attributed to Lundbergs Fastigheter.

The cash flow report is presented on page 3.

Management costs for equity management (in the Parent Company and L E Lundberg Kapitalförvaltning AB) amounted to SEK 26 m. (55), which on an annual basis corresponded to 0.04% (0.09) of the market value of the assets.

## Composition of net asset value

|  | June 30, 2022    |                 |               |                 |               |                   | December 31, 2021      |               |                   |
|--|------------------|-----------------|---------------|-----------------|---------------|-------------------|------------------------|---------------|-------------------|
|  | Number of shares | Shareholding, % |               | Net asset value |               |                   | Net asset value SEK m. | SEK per share | Share of value, % |
|  |                  | Share capital   | Voting rights | SEK m.          | SEK per share | Share of value, % |                        |               |                   |
| Handelsbanken A                                | 58,000,000       | 2.9             | 3.0           | 5,070           | 20            | 5                 | 5,480                  | 22            | 4                 |
| Holmen A                                       | 33,244,000       |                 |               | 13,929          | 56            |                   | 14,877                 | 60            |                   |
| Holmen B                                       | 22,000,000       |                 |               | 9,128           | 37            |                   | 9,563                  | 39            |                   |
| Hufvudstaden A                                 | 87,311,335       |                 |               | 9,866           | 40            |                   | 11,683                 | 47            |                   |
| Hufvudstaden C                                 | 8,177,680        | 47.2            | 88.6          | 1,016           | 4             |                   | 1,216                  | 5             |                   |
| Husqvarna A                                    | 39,400,000       |                 |               | 3,073           | 12            |                   | 5,681                  | 23            |                   |
| Husqvarna B                                    | 4,142,012        |                 |               | 312             | 1             |                   | 600                    | 2             |                   |
| Industrivärden A                               | 68,000,000       |                 |               | 15,654          | 63            |                   | 19,611                 | 79            |                   |
| Industrivärden C                               | 14,000,000       | 19.0            | 25.0          | 3,185           | 13            |                   | 3,693                  | 15            |                   |
| Indutrade                                      | 96,840,000       | 26.6            | 26.6          | 18,066          | 73            | 16                | 26,844                 | 108           | 20                |
| Sandvik  | 34,500,000       | 2.8             | 2.8           | 5,722           | 23            |                   | 8,588                  | 35            | 6                 |
| Skanska A                                      | 6,032,000        |                 |               | 1,040           | 4             |                   | 1,554                  | 6             |                   |
| Skanska B                                      | 16,350,000       | 5.4             | 13.0          | 2,564           | 10            |                   | 3,759                  | 15            |                   |
| Other securities                               |                  |                 |               | 708             | 3             | 1                 | 1,007                  | 4             | 1                 |
| <b>Portfolio</b>                               |                  |                 |               | <b>89,333</b>   | <b>360</b>    | <b>81</b>         | <b>114,158</b>         | <b>460</b>    | <b>85</b>         |
| Lundbergs Fastigheter                          |                  |                 |               |                 |               |                   |                        |               |                   |
| Value of properties                            |                  |                 |               | 28,833          |               |                   | 28,468                 |               |                   |
| Interest-bearing net debt <sup>1</sup>         |                  |                 |               | -6,575          |               |                   | -7,062                 |               |                   |
| Other net, including deferred tax <sup>2</sup> |                  |                 |               | -1,642          |               |                   | -1,719                 |               |                   |
| <b>Lundbergs Fastigheter</b>                   |                  |                 |               | <b>20,616</b>   | <b>83</b>     | <b>19</b>         | <b>19,688</b>          | <b>79</b>     | <b>15</b>         |
| <b>Total market-valued holdings</b>            |                  |                 |               | <b>109,949</b>  | <b>443</b>    | <b>100</b>        | <b>133,846</b>         | <b>540</b>    | <b>100</b>        |
| Other net, including deferred tax <sup>2</sup> |                  |                 |               | -673            | -3            |                   | -1,570                 | -6            |                   |
| <b>Net asset value after deferred tax</b>      |                  |                 |               | <b>109,276</b>  | <b>441</b>    |                   | <b>132,276</b>         | <b>533</b>    |                   |
| Market value                                   |                  |                 |               | 103,143         | 416           |                   | 125,984                | 508           |                   |
| Price/NAV, %                                   |                  |                 |               |                 | 94            |                   |                        | 95            |                   |

Publicly traded assets have been entered at the current market price. The market value of the Series C Hufvudstaden shares has been calculated based on a 10% premium on the price of publicly traded Series A shares and the market value of the Series A Skanska shares has been calculated based on a 10% premium on the price of publicly traded Series B shares. The proportion of share capital and voting rights is calculated after a deduction for treasury shares.

<sup>1)</sup> The interest-bearing net debt of the Parent Company and its wholly owned subsidiaries has been attributed in its entirety to Lundbergs Fastigheter, which thereby has net indebtedness of 23% (Dec 31, 2021: 25) of the market value of the properties.

<sup>2)</sup> Other assets, provisions and liabilities have been entered at carrying amounts. Deferred tax on the difference between estimated market value and the tax-assessment value of the properties has been estimated at a standard rate of 5%. In accordance with current legislation, no tax is charged for business-related participations.

## Shareholdings

| Percent <sup>1</sup> | August 23, 2022 |               | June 30, 2022 |               | December 31, 2021 |               |
|----------------------|-----------------|---------------|---------------|---------------|-------------------|---------------|
|                      | Share capital   | Voting rights | Share capital | Voting rights | Share capital     | Voting rights |
| Handelsbanken        | 2.9             | 3.0           | 2.9           | 3.0           | 2.8               | 2.9           |
| Holmen               | 34.1            | 62.3          | 34.1          | 62.3          | 34.1              | 62.3          |
| Hufvudstaden         | 47.2            | 88.6          | 47.2          | 88.6          | 46.8              | 88.5          |
| Husqvarna            | 7.6             | 25.5          | 7.6           | 25.5          | 7.6               | 25.4          |
| Industrivärden       | 19.0            | 25.0          | 19.0          | 25.0          | 18.8              | 24.9          |
| Indutrade            | 26.6            | 26.6          | 26.6          | 26.6          | 26.6              | 26.6          |
| Sandvik              | 2.8             | 2.8           | 2.8           | 2.8           | 2.7               | 2.7           |
| Skanska              | 5.4             | 13.0          | 5.4           | 13.0          | 5.4               | 13.0          |

  

| SEK m.           | August 23, 2022           |                                | June 30, 2022             |                                | December 31, 2021         |                                |
|------------------|---------------------------|--------------------------------|---------------------------|--------------------------------|---------------------------|--------------------------------|
|                  | Market value <sup>2</sup> | Acquisition value <sup>3</sup> | Market value <sup>2</sup> | Acquisition value <sup>3</sup> | Market value <sup>2</sup> | Acquisition value <sup>3</sup> |
| Handelsbanken    | 5,154                     | 4,384                          | 5,070                     | 4,384                          | 5,480                     | 4,195                          |
| Holmen           | 25,851                    | 3,828                          | 23,057                    | 3,828                          | 24,440                    | 3,828                          |
| Hufvudstaden     | 12,472                    | 3,098                          | 10,883                    | 3,098                          | 12,899                    | 2,984                          |
| Husqvarna        | 3,320                     | 2,021                          | 3,385                     | 2,021                          | 6,281                     | 2,021                          |
| Industrivärden   | 20,115                    | 13,304                         | 18,839                    | 13,304                         | 23,305                    | 13,055                         |
| Indutrade        | 20,772                    | 2,510                          | 18,066                    | 2,510                          | 26,844                    | 2,510                          |
| Sandvik          | 6,253                     | 3,708                          | 5,722                     | 3,708                          | 8,588                     | 3,616                          |
| Skanska          | 3,718                     | 2,961                          | 3,604                     | 2,961                          | 5,313                     | 2,909                          |
| Other securities | 793                       | 595                            | 708                       | 571                            | 1,007                     | 665                            |
|                  | <b>98,449</b>             | <b>36,409</b>                  | <b>89,333</b>             | <b>36,385</b>                  | <b>114,158</b>            | <b>35,782</b>                  |

<sup>1)</sup> The proportion of share capital and voting rights is calculated after a deduction for treasury shares.

<sup>2)</sup> Publicly traded assets have been entered at the current market price. The market value of the Series C Hufvudstaden shares has been calculated based on a 10% premium on the price of publicly traded Series A shares and the market value of the Series A Skanska shares is calculated based on a premium of 10% in relation to the value of the publicly traded Series B share.

<sup>3)</sup> Acquisition value for accounting purposes, where applicable, after impairment losses and write-ups resulting from shareholdings having switched to being recognized as associated companies.

## Cash flow

| SEK m.                                | January - June 2022 | 2021         | 2020         | Full Year    |              |              |              |
|---------------------------------------|---------------------|--------------|--------------|--------------|--------------|--------------|--------------|
|                                       |                     |              |              | 2019         | 2018         | 2017         |              |
| <b>Dividends</b>                      |                     |              |              |              |              |              |              |
| Handelsbanken                         | 290                 | 230          | 230          | 253          | 323          | 195          |              |
| Holmen                                | 635                 | 594          | 594          | 193          | 373          | 359          | 331          |
| Hufvudstaden                          | 246                 | 236          | 236          | 364          | 345          | 327          | 308          |
| Husqvarna                             | 44                  | 35           | 105          | 98           | 98           | 98           | 85           |
| Industrivärden                        | 547                 | 640          | 640          |              | 412          | 394          | 365          |
| Indutrade                             | 223                 | 174          | 174          |              | 145          | 119          | 101          |
| Sandvik                               | 162                 | 205          | 205          |              | 128          | 105          | 83           |
| Skanska                               | 221                 | 210          | 210          | 69           | 120          | 166          | 145          |
| Other                                 | 19                  | 16           | 22           | 9            | 16           | 17           | 11           |
|                                       | <b>2,386</b>        | <b>2,339</b> | <b>2,415</b> | <b>733</b>   | <b>1,891</b> | <b>1,907</b> | <b>1,624</b> |
| L E Lundberg Kapitalförvaltning AB    | 24                  | 86           | -60          | -153         | 110          | -40          | 41           |
| Real estate operations                | 476                 | 442          | 900          | 875          | 794          | 735          | 705          |
| Sales, real estate operations         | 67                  | 231          | 257          | 148          | 41           | 118          | 237          |
| <b>Total assets contributed</b>       | <b>2,952</b>        | <b>3,099</b> | <b>3,512</b> | <b>1,604</b> | <b>2,836</b> | <b>2,719</b> | <b>2,607</b> |
| <b>Investments, equity management</b> |                     |              |              |              |              |              |              |
| Handelsbanken                         | 189                 | 85           | 85           | 410          | 364          | 403          | 360          |
| Hufvudstaden                          | 114                 | 153          | 153          |              |              |              |              |
| Husqvarna                             |                     |              |              |              | 15           |              |              |
| Industrivärden                        | 249                 | 145          | 858          | 583          | 648          |              | 425          |
| Indutrade                             |                     |              |              |              |              | 147          |              |
| Sandvik                               | 93                  | 555          | 887          |              |              |              |              |
| Skanska                               | 52                  | 104          | 104          | 297          |              | 407          |              |
|                                       | <b>696</b>          | <b>1,043</b> | <b>2,088</b> | <b>1,289</b> | <b>1,026</b> | <b>957</b>   | <b>785</b>   |
| Investments, real estate operations   | 499                 | 403          | 790          | 748          | 1,174        | 1,017        | 732          |
| Own dividends                         | 930                 | 868          | 868          |              | 794          | 744          | 694          |
| Corporate overheads                   | 17                  | 15           | 32           | 36           | 31           | 30           | 29           |
| Taxes paid                            | 120                 | 126          | 142          | 81           | 197          | 136          | 132          |
| Financial items                       | 32                  | 27           | 138          | 73           | 91           | 93           | 133          |
| Others                                | -53                 | -73          | 30           | -18          | 30           | 18           | -7           |
| <b>Total assets used</b>              | <b>2,242</b>        | <b>2,409</b> | <b>4,088</b> | <b>2,209</b> | <b>3,342</b> | <b>2,995</b> | <b>2,499</b> |
| <b>Change in net debt</b>             | <b>711</b>          | <b>689</b>   | <b>-575</b>  | <b>-605</b>  | <b>-506</b>  | <b>-275</b>  | <b>108</b>   |
| Closing net debt                      | -7,189              | -6,635       | -7,900       | -7,325       | -6,719       | -6,214       | -5,938       |
| of which, interest-bearing            | -6,575              | -5,991       | -7,062       | -6,663       | -5,906       | -5,562       | -5,355       |

**GROUP**

The Group's operations consist of real estate operations, forest and power operations, the manufacture and sale of paperboard, paper and sawn wood products, as well as equity management (including securities trading).

The Group's operations are described below. Information about the Group's business sectors (Lundbergs, Hufvudstaden and Holmen) is presented on pages 4, 5 and 8. The Parent Company is described on pages 5 and 9.

**Sales and earnings**

The consolidated net sales amounted to SEK 14,851 m. (12,739).

Operating profit amounted to SEK 1,464 m. (8,627) of which earnings from participations in associated companies amounted to SEK -4,406 m. (3,690). Unrealized changes in value have affected earnings by SEK 374 m. (1,596).

Net financial items resulted in an expense of SEK 165 m. (154).

Profit after financial items amounted to SEK 1,299 m. (8,473).

Profit after tax was SEK 183 m. (7,550). Earnings per share attributable to the Parent Company's shareholders amounted to SEK -9.19 (25.14).

**Tax**

The Group's tax expense amounted to SEK 1,116 m. (923).

**Investments**

Investments are recognized under the different business sectors and the Parent Company below.

**Shareholders' equity**

The Group's shareholders' equity decreased by SEK 3,744 m. The change mainly comprised profit for the period of SEK 183 m., other comprehensive income SEK -1,364 m. and dividends paid amounted to an expense of SEK 2,437 m.

The Group's shareholders' equity amounted to SEK 143,421 m. (Dec 31, 2021: 147,165) of which non-controlling interests accounted for SEK 50,380 m. (Dec 31, 2021: 47,584).

**Financing**

The interest-bearing net debt decreased by SEK 408 m. to SEK 19,587 m. (Dec 31, 2021: 19,995). Interest-bearing liabilities amounted to SEK 21,860 m. (Dec 31, 2021: 22,538) and interest-bearing assets to SEK 2,273 m. (Dec 31, 2021: 2,543). The equity/assets ratio was 72% (Dec 31, 2021: 73). The debt/equity ratio was 0.14 (Dec 31, 2021: 0.14).

**April - June**

The Group's net sales amounted to SEK 7,472 m. (6,505).

Operating profit totaled SEK 1,584 m. (3,312).

Unrealized changes in value had an impact of SEK -156 m. (1,477) on earnings.

Operating profit for the respective areas of operation is presented in the table on page 8.

Net financial items amounted to an expense of SEK 78 m. (68). Profit after tax amounted to SEK 1,506 m. (3,244). Earnings per share attributable to Parent company's shareholders amounted to SEK -1.22 (7.07).

**Significant risks and uncertainties**

Risks and uncertainties are described on pages 48-51 and in Notes 36 and 37 of the Annual Report for 2021. In addition Russia's invasion of Ukraine have among other things resulted in increasing energy- and commodity prices, supply shortages for certain commodities and components, various types of logistics problems and geopolitical challenges. The uncertainty of how long and how much the economic activity will be effected is great, which makes it difficult to predict its consequences and financial impact.

**BUSINESS SECTORS****Lundbergs**

In this context, Lundbergs is defined as the Parent Company L E Lundbergföretagen AB, its wholly owned subsidiaries and, where appropriate, the subsidiaries' groups of companies active within real estate operations and equity management operations (securities trading). The operations are divided into two business sectors, Real Estate Operations and Equity Management.

**Sales and earnings**

Net sales totaled SEK 1,599 m. (1,754) and operating profit amounted to SEK -3,538 m. (5,860).

**Real Estate Operations**

Net sales amounted to SEK 874 m. (789) and the operating profit to SEK 431 m. (1,405).

A commercial property in Linköping has been acquired for SEK 238 m. and thereto investments in properties amounted to SEK 208 m. (204), in property projects to SEK 48 m. (172) and in equipment to SEK 1 m. (1).

An internal valuation was conducted of the real estate portfolio at June 30, 2022 by assessing the fair value of each individual property.

In total, it is estimated that the fair value amounted to SEK 28,309 m. (Dec 31, 2021: 27,899).

**CONDENSED CHANGE IN FAIR VALUE**

| Opening fair value                  | 27,899        |
|-------------------------------------|---------------|
| Investments in properties           | 445           |
| Investments in real estate projects | 48            |
| Unrealized change in value          | -83           |
| <b>Closing fair value</b>           | <b>28,309</b> |

The development properties are recognized in the balance sheet in an amount of SEK 138 m. (Dec 31, 2021: 142), constituting the lower of the acquisition value and net realizable value. Development properties were sold for SEK 67 m. (27).

**Equity Management**

Net sales totaled SEK 725 m. (965) and operating profit was SEK -3,969 m. (4,455).

Operating profit includes shares in associated companies of SEK -4,413 m. (3,691) of which SEK 231 m. (276) refers to Husqvarna, SEK 349 m. (272) to Indutrade and SEK -4,993 m. (3,142) to Industrivärden.

During the period, the Parent Company invested a total of SEK 696 m. (1,043) in listed shares. The investments consisted of 2,000,000 series A shares in Handelsbanken for SEK 189 m., 897,335 series A shares in Hufvudstaden for SEK 114 m., 1,000,000 series C shares in Industrivärden for SEK 249 m., 500,000 shares in Sandvik for SEK 93 m. and 300,000 series B shares in Skanska for SEK 52 m.

Net investments in shares amounted to SEK 663 m. (917).

**Hufvudstaden**

Hufvudstaden's operations involve the ownership and management of commercial office and retail properties in central Stockholm and central Gothenburg.

**Sales and earnings**

Net sales totaled SEK 1,328 m. (1,152).

The operating profit amounted to SEK 1,035 m. (1,036).

**Real estate management**

During the period SEK 431 m. (269) was invested in existing properties and SEK 29 m. (45) in other fixed assets.

An internal valuation was conducted of the real estate portfolio at June 30, 2022 by assessing the fair value of each individual property.

In total, it is estimated that the fair value amounted to SEK 49,630 m. (Dec 31, 2021: 48,790).

**CONDENSED CHANGE IN FAIR VALUE**

|                                    |               |
|------------------------------------|---------------|
| <b>Opening fair value</b>          | <b>48,790</b> |
| Investments in existing properties | 431           |
| Unrealized change in value         | 410           |
| <b>Closing fair value</b>          | <b>49,630</b> |

**Holmen**

Holmen operates in forestry and energy and manufactures cardboard, paper and wood products.

**Sales and earnings**

Net sales amounted to SEK 11,923 m. (9,832).

Operating profit amounted to SEK 3,984 m. (1,747). Profit was positively affected by higher prices in all product areas, while cost inflation was limited as a result of a strong supply of wood and energy.

**Investments**

Investments in fixed assets amounted to SEK 671 m. (566).

**PARENT COMPANY**

The Parent Company is an investment company that owns, manages and develops companies.

Profit after financial items amounted to SEK 2,843 m. (2,539). The result includes dividends totaling SEK 2,856 m. (2,593).

During the period, the Parent Company invested a total of SEK 696 m. (1,043) in listed shares (for details see page 2).

**Significant risks and uncertainties**

The parent company's risks and uncertainties are described on page 49 and in notes 36 and 37 of the 2021 annual report. In addition Russia's invasion of Ukraine have among other things resulted in increasing energy- and commodity prices, supply shortages for certain commodities and components, various types of logistics problems and geopolitical challenges. The uncertainty of how long and how much the economic activity will be effected is great, which makes it difficult to predict its consequences and financial impact.

**Significant related-party transactions**

No significant related-party transactions occurred during the period.

**Repurchase of own shares**

No own shares were repurchased during the period, which means that on June 30, 2022 the company held no shares in treasury. The Annual General Meeting on April 6, 2022 resolved to renew the Board's authorization to make decisions regarding the repurchase of up to 10% of the company's shares.

**ACCOUNTING PRINCIPLES**

The interim report for the Group has been prepared in accordance with IAS 34, Interim Reporting. In addition, applicable regulations from the Annual Accounts Act and the Securities Markets Act have been applied. For the Parent Company, the report has been prepared in accordance with the Annual Accounts Act and the Securities Markets Act, which comply with the regulations contained in RFR 2, Accounting for Legal Entities.

The Group's and the Parent Company's accounting principles are unchanged compared with the annual report 2021.

The stated values in parentheses refer to comparative figures for the corresponding period last year unless otherwise stated. The figures reported have in some cases been rounded off, which means that tables and calculations do not always sum up.

The Board of Directors and CEO believes that the interim report provides a fair and accurate impression of the Parent Company's and the Group's operations, financial position and earnings, and describes the risks and uncertainties faced by the Parent Company and the companies included in the Group.

Stockholm August 25, 2022  
L E Lundbergföretagen AB (publ)

Mats Guldbrand  
Chair of the Board

Carl Bennet  
Board member

Louise Lindh  
Board member

Katarina Martinson  
Board member

Sten Peterson  
Board member

Lars Pettersson  
Board member

Bo Selling  
Board member

Fredrik Lundberg  
Chief Executive Officer  
Board member

*This interim report has not undergone specific examination by the company's auditor.*

## Condensed consolidated Income of statement

| SEK m.  | January - June |              | April - June |              | Full Year<br>2021 |
|---|----------------|--------------|--------------|--------------|-------------------|
|   | 2022           | 2021         | 2022         | 2021         |                   |
| Net sales   | 14,851         | 12,739       | 7,472        | 6,505        | 24,832            |
| Operating expenses  | -8,854         | -8,717       | -4,504       | -4,554       | -16,983           |
| Depreciation  | -687           | -647         | -344         | -326         | -1,304            |
| Results from participations in associated companies and joint ventures                              | -4,406         | 3,690        | -990         | 193          | 5,814             |
| Change in value of investment properties and derivatives  | 355            | 1,362        | -137         | 1,426        | 4,622             |
| Change in value of biological assets  | 205            | 201          | 88           | 68           | 464               |
| <b>Operating profit</b>   | <b>1,464</b>   | <b>8,627</b> | <b>1,584</b> | <b>3,312</b> | <b>17,444</b>     |
| <b>Result from financial items</b>  |                |              |              |              |                   |
| Financial income  | 2              | 4            | 1            | 2            | 9                 |
| Financial expense   | -167           | -158         | -79          | -70          | -320              |
| <b>Profit after financial items</b>   | <b>1,299</b>   | <b>8,473</b> | <b>1,506</b> | <b>3,244</b> | <b>17,134</b>     |
| Tax   | -1,116         | -923         | -525         | -627         | -2,211            |
| <b>Net profit for the period</b>  | <b>183</b>     | <b>7,550</b> | <b>980</b>   | <b>2,617</b> | <b>14,924</b>     |
| Attributable to:  |                |              |              |              |                   |
| Parent Company's shareholders   | -2,279         | 6,234        | -302         | 1,754        | 11,367            |
| Non-controlling interests   | 2,462          | 1,316        | 1,282        | 863          | 3,556             |
|   | <b>183</b>     | <b>7,550</b> | <b>980</b>   | <b>2,617</b> | <b>14,924</b>     |
| Earnings per share attributable to Parent Company's shareholders, SEK (there is no dilution effect) | -9.19          | 25.14        | -1.22        | 7.07         | 45.84             |

## Condensed consolidated statement of comprehensive income

| SEK m.  | January - June |              | April - June  |              | Full Year<br>2021 |
|---|----------------|--------------|---------------|--------------|-------------------|
|   | 2022           | 2021         | 2022          | 2021         |                   |
| <b>Net profit for the period</b>  | <b>183</b>     | <b>7,550</b> | <b>980</b>    | <b>2,617</b> | <b>14,924</b>     |
| <b>Other comprehensive income</b>   |                |              |               |              |                   |
| <i>Items that cannot be transferred to profit or loss</i>                           |                |              |               |              |                   |
| Revaluation of forest assets  |                |              |               |              | 3,345             |
| Financial assets measured at fair value   | -5,319         | 1,683        | -2,418        | -360         | 3,071             |
| Revaluation of defined-benefit pension plans  | -32            | 37           | -11           | -1           | -7                |
| Tax attributable to items that cannot be transferred to profit or loss              | 755            | -274         | 260           | 112          | -1,202            |
| Proportion of other comprehensive income in associated companies                    | 38             | 37           | 37            | 14           | 55                |
|   | <b>-4,558</b>  | <b>1,485</b> | <b>-2,132</b> | <b>-235</b>  | <b>5,262</b>      |
| <i>Items that can be transferred to profit or loss</i>                              |                |              |               |              |                   |
| Cash flow hedging   | 3,734          | -20          | 2,741         | 199          | 504               |
| Translation difference on foreign operations  | 55             | 115          | 57            | -43          | 180               |
| Hedging of currency risk in foreign operations                                      | -19            | -27          | -27           | 6            | -39               |
| Tax attributable to items that can be transferred to profit or loss                 | -758           | 10           | -559          | -42          | -97               |
| Proportion of other comprehensive income in associated companies and joint ventures | 182            | 56           | 130           | -27          | 133               |
|   | <b>3,194</b>   | <b>135</b>   | <b>2,342</b>  | <b>93</b>    | <b>681</b>        |
| <b>Other comprehensive income after tax</b>   | <b>-1,364</b>  | <b>1,620</b> | <b>210</b>    | <b>-142</b>  | <b>5,943</b>      |
| <b>Total comprehensive income</b>   | <b>-1,182</b>  | <b>9,169</b> | <b>1,190</b>  | <b>2,475</b> | <b>20,866</b>     |
| Attributable to:  |                |              |               |              |                   |
| Parent Company shareholders   | -5,625         | 7,781        | -1,557        | 1,531        | 15,197            |
| Non-controlling interests   | 4,443          | 1,388        | 2,747         | 944          | 5,669             |
|   | <b>-1,182</b>  | <b>9,169</b> | <b>1,190</b>  | <b>2,475</b> | <b>20,866</b>     |

## Condensed consolidated balance sheet

| SEK m.   | June 30, 2022  | June 30, 2021  | Dec 31, 2021   |
|--|----------------|----------------|----------------|
| <b>ASSETS</b>  |                |                |                |
| Intangible fixed assets  | 707            | 737            | 726            |
| Tangible fixed assets  | 136,365        | 126,370        | 134,464        |
| Financial fixed assets   | 45,559         | 50,744         | 55,641         |
|  | <b>182,631</b> | <b>177,851</b> | <b>190,832</b> |
| Properties classified as current assets                          | 138            | 127            | 142            |
| Other current assets   | 17,429         | 11,398         | 11,545         |
|  | <b>17,567</b>  | <b>11,525</b>  | <b>11,686</b>  |
| <b>TOTAL ASSETS</b>  | <b>200,198</b> | <b>189,376</b> | <b>202,518</b> |
| <b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>                      |                |                |                |
| Shareholders' equity attributable to Parent Company shareholders | 93,040         | 92,148         | 99,581         |
| Shareholders' equity attributable to non-controlling interests   | 50,380         | 43,298         | 47,584         |
|  | <b>143,421</b> | <b>135,446</b> | <b>147,165</b> |
| Long-term liabilities (including provisions)                     | 44,507         | 44,466         | 46,132         |
| Current liabilities (including provisions)                       | 12,270         | 9,464          | 9,221          |
|  | <b>56,777</b>  | <b>53,930</b>  | <b>55,353</b>  |
| <b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>                | <b>200,198</b> | <b>189,376</b> | <b>202,518</b> |

## Condensed consolidated changes in shareholders' equity

| SEK m.                              | June 30, 2022                        |                           |                            | June 30, 2021                        |                           |                            |
|-------------------------------------|--------------------------------------|---------------------------|----------------------------|--------------------------------------|---------------------------|----------------------------|
|                                     | Shareholders' equity attributable to |                           |                            | Shareholders' equity attributable to |                           |                            |
|                                     | Parent Company shareholders          | Non-controlling interests | Total shareholders' equity | Parent Company shareholders          | Non-controlling interests | Total shareholders' equity |
| <b>Opening shareholders' equity</b> | <b>99,581</b>                        | <b>47,584</b>             | <b>147,165</b>             | <b>85,252</b>                        | <b>43,471</b>             | <b>128,723</b>             |
| Profit for the period               | -2,279                               | 2,462                     | 183                        | 6,234                                | 1,316                     | 7,550                      |
| Other comprehensive income          | -3,345                               | 1,981                     | -1,364                     | 1,547                                | 72                        | 1,620                      |
| Dividends                           | -930                                 | -1,507                    | -2,437                     | -868                                 | -1,417                    | -2,285                     |
| Ownership program Holmen            | 0                                    | 0                         | 0                          | 2                                    | 3                         | 5                          |
| Changes in Group structure          | 14                                   | -139                      | -125                       | -18                                  | -148                      | -167                       |
| <b>CLOSING SHAREHOLDERS' EQUITY</b> | <b>93,040</b>                        | <b>50,380</b>             | <b>143,421</b>             | <b>92,148</b>                        | <b>43,298</b>             | <b>135,446</b>             |

## Condensed consolidated cash-flow statements

| SEK m.  | January - June |               | Full Year<br>2021 |
|---|----------------|---------------|-------------------|
|   | 2022           | 2021          |                   |
| Profit before tax   | 1,299          | 8,473         | 17,134            |
| Adjustments for items not included in cash flow           | 5,773          | -3,768        | -9,522            |
| Taxes paid  | -464           | -598          | -914              |
| Changes in working capital                                | -1,076         | -133          | -203              |
| <b>Cash flow from operating activities</b>                | <b>5,532</b>   | <b>3,973</b>  | <b>6,494</b>      |
| Acquisition of fixed assets                               | -2,320         | -2,283        | -5,229            |
| Sale of fixed assets                                      | 11             | 293           | 674               |
| <b>Cash flow from investing activities</b>                | <b>-2,308</b>  | <b>-1,991</b> | <b>-4,556</b>     |
| Changes in financial receivables and liabilities          | -864           | 1,486         | 949               |
| Dividend paid   | -2,437         | -2,285        | -2,285            |
| <b>Cash flow from financing activities</b>                | <b>-3,301</b>  | <b>-798</b>   | <b>-1,336</b>     |
| <b>Cash flow during the period</b>                        | <b>-77</b>     | <b>1,184</b>  | <b>603</b>        |
| Cash and cash equivalent at the beginning of the year     | 2,211          | 1,608         | 1,608             |
| <b>Cash and cash equivalents at the end of the period</b> | <b>2,134</b>   | <b>2,793</b>  | <b>2,211</b>      |

Disclosures required by IAS 34.16A are presented in the financial statements and their related notes, as well as in other parts of the interim report.

## Consolidated key figures

|   | June 30, 2022 | June 30, 2021 | Dec 31, 2021 |
|---|---------------|---------------|--------------|
| Shareholders' equity per share attributable to Parent Company shareholders, SEK | 375           | 372           | 402          |
| Debt/equity ratio, multiple   | 0.14          | 0.15          | 0.14         |
| Equity/assets ratio, %  | 72            | 72            | 73           |

## Information concerning business segments

| January - June<br>SEK m.                                      | Lundbergs<br>Real Estate Operations |              | Lundbergs<br>Asset Management |              | Hufvudstaden |              | Holmen       |              | Total        |              |
|---|-------------------------------------|--------------|-------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
|   | 2022                                | 2021         | 2022                          | 2021         | 2022         | 2021         | 2022         | 2021         | 2022         | 2021         |
| Net sales <sup>1</sup>  | 874                                 | 789          | 725                           | 965          | 1,328        | 1,152        | 11,923       | 9,832        | 14,851       | 12,739       |
| Operating expenses  | -357                                | -333         | -309                          | -205         | -684         | -506         | -7,487       | -7,658       | -8,837       | -8,702       |
| Depreciation  | -3                                  | -3           | -0                            | -0           | -19          | -17          | -665         | -627         | -687         | -647         |
| Result from participations in Group companies, joint ventures |                                     |              | -4,413                        | 3,691        |              |              | 8            | -1           | -4,406       | 3,690        |
| Change in value <sup>2</sup>                                  | -83                                 | 951          | 28                            | 3            | 410          | 407          | 205          | 201          | 560          | 1,563        |
| <b>Profit per business segment</b>                            | <b>431</b>                          | <b>1,405</b> | <b>-3,969</b>                 | <b>4,455</b> | <b>1,035</b> | <b>1,036</b> | <b>3,984</b> | <b>1,747</b> | <b>1,481</b> | <b>8,643</b> |
| Undistributed costs   |                                     |              |                               |              |              |              |              |              | -17          | -16          |
| <b>Operating profit</b>                                       | <b>431</b>                          | <b>1,405</b> | <b>-3,969</b>                 | <b>4,455</b> | <b>1,035</b> | <b>1,036</b> | <b>3,984</b> | <b>1,747</b> | <b>1,464</b> | <b>8,627</b> |

<sup>1)</sup> Net sales in the Real Estate Operations comprise SEK 34 m. (31) income from service and SEK 67 m. (27) from sales of development properties.

Net sales in Asset management comprise of dividends SEK 692 m. (660) and share trading SEK 33 m. (305).

Net sales in Hufvudstaden comprise from sales of goods of SEK 359 m. (224) and income from service SEK 55 m. (49).

Net sales in Holmen are 11% (13) from Forest, 27% (33) from Paperboard, 33% (27) from Paper, 26% (25) from Wood Products and 3% (2) from Energy.

| April - June<br>SEK m.  | Lundbergs<br>Real Estate Operations |              | Lundbergs<br>Asset Management |            | Hufvudstaden |            | Holmen       |            | Total        |              |
|---|-------------------------------------|--------------|-------------------------------|------------|--------------|------------|--------------|------------|--------------|--------------|
|   | 2022                                | 2021         | 2022                          | 2021       | 2022         | 2021       | 2022         | 2021       | 2022         | 2021         |
| Net sales   | 436                                 | 394          | 179                           | 347        | 684          | 635        | 6,173        | 5,129      | 7,472        | 6,505        |
| Operating expenses  | -180                                | -162         | -149                          | -118       | -340         | -284       | -3,827       | -3,981     | -4,496       | -4,546       |
| Depreciation  | -1                                  | -1           | -0                            | -0         | -10          | -9         | -333         | -315       | -344         | -325         |
| Result from participations in Group companies, joint ventures |                                     |              | -990                          | 196        |              |            | 0            | -3         | -990         | 193          |
| Change in value <sup>2</sup>                                  | -330                                | 782          | 11                            | 1          | 183          | 642        | 88           | 69         | -49          | 1,494        |
| <b>Profit per business segment</b>                            | <b>-77</b>                          | <b>1,012</b> | <b>-950</b>                   | <b>426</b> | <b>518</b>   | <b>984</b> | <b>2,101</b> | <b>898</b> | <b>1,592</b> | <b>3,320</b> |
| Undistributed costs   |                                     |              |                               |            |              |            |              |            | -8           | -8           |
| <b>Operating profit</b>                                       | <b>-77</b>                          | <b>1,012</b> | <b>-950</b>                   | <b>426</b> | <b>518</b>   | <b>984</b> | <b>2,101</b> | <b>898</b> | <b>1,584</b> | <b>3,312</b> |

<sup>2)</sup> Refers to investment properties and derivatives in Lundbergs and Hufvudstaden as well as biological assets in Holmen.

## Financial instruments measured at fair value

In accordance with IFRS 7, financial instruments are recognized based on the fair value hierarchy on three levels in accordance with the input data used in the measurement.

The measurement of financial investments (shares), and shares in listed companies is based on the listed prices of similar instruments that entail that they are attributable to level one.

Input data for measuring derivatives and other financial liabilities has been based on observable market prices, entailing that they are attributable to level two.

Series A shares in Skanska are not listed, which is why these are calculated with a 10% premium on the listed Series B shares. This measurement is in accordance with assumptions that are not based on prices of observable data and is thus attributable to level three.

Offsetting of assets and liabilities is not applied in the financial report.

| SEK m.                     | June 30, 2022 |              |                      |               | Dec 31, 2021  |              |                      |               |
|----------------------------|---------------|--------------|----------------------|---------------|---------------|--------------|----------------------|---------------|
|                            | Level 1       | Level 2      | Level 3 <sup>1</sup> | Total         | Level 1       | Level 2      | Level 3 <sup>1</sup> | Total         |
| Assets                     |               |              |                      |               |               |              |                      |               |
| Financial investments      | 13,356        |              | 1,040                | 14,396        | 17,827        |              | 1,554                | 19,381        |
| Shares in listed companies | 708           |              |                      | 708           | 1,007         |              |                      | 1,007         |
| Derivatives                |               | 5,619        |                      | 5,619         |               | 1,097        |                      | 1,097         |
| <b>Total assets</b>        | <b>14,064</b> | <b>5,619</b> | <b>1,040</b>         | <b>20,723</b> | <b>18,835</b> | <b>1,097</b> | <b>1,554</b>         | <b>21,486</b> |
| Liabilities                |               |              |                      |               |               |              |                      |               |
| Derivatives                |               | 1,031        |                      | 1,031         |               | 191          |                      | 191           |
| <b>Total liabilities</b>   | <b>1,031</b>  | <b>1,031</b> |                      |               | <b>191</b>    |              |                      | <b>191</b>    |

<sup>1)</sup> The value has changed by SEK -514 m. (Dec 31, 2021: 163), which is attributable in its entirety to unrealized value changes and has been recognized in other comprehensive income under Financial assets measured at fair value.

## Parent Company, Income statement

| SEK m.   | January - June |              | April - June |              | Full Year<br>2021 |
|--|----------------|--------------|--------------|--------------|-------------------|
|  | 2022           | 2021         | 2022         | 2021         |                   |
| Personnel costs  | -8             | -8           | -4           | -4           | -16               |
| Depreciation   | -0             | -0           | -0           | -0           | -1                |
| Other external costs   | -9             | -7           | -4           | -4           | -17               |
| <b>Operating loss</b>  | <b>-17</b>     | <b>-15</b>   | <b>-8</b>    | <b>-8</b>    | <b>-33</b>        |
| <b>Result from financial items</b>                                   |                |              |              |              |                   |
| Result from participations in Group companies                        | 1,284          | 1,030        | 400          | 794          | 1,030             |
| Result from participations in associated companies                   | 900            | 919          | 900          | 919          | 919               |
| Result from other securities and receivables classed as fixed assets | 672            | 644          | 162          | 205          | 884               |
| Interest income  | 29             | 29           | 15           | 14           | 58                |
| Interest expense and similar costs                                   | -25            | -67          | -16          | -24          | -134              |
| <b>Profit after financial items</b>                                  | <b>2,843</b>   | <b>2,539</b> | <b>1,453</b> | <b>1,899</b> | <b>2,724</b>      |
| Appropriations   | -73            | -58          | -21          | -27          | -68               |
| <b>Profit before taxes</b>   | <b>2,770</b>   | <b>2,481</b> | <b>1,432</b> | <b>1,872</b> | <b>2,656</b>      |
| Tax  | -72            | -70          | -26          | -34          | -112              |
| <b>Net profit for the period</b>                                     | <b>2,698</b>   | <b>2,411</b> | <b>1,406</b> | <b>1,838</b> | <b>2,544</b>      |

## Parent Company, condensed Statement of comprehensive income

| SEK m.  | January - June |              | April - June  |              | Full Year<br>2021 |
|---|----------------|--------------|---------------|--------------|-------------------|
|   | 2022           | 2021         | 2022          | 2021         |                   |
| <b>Net profit for the period</b>                          | <b>2,698</b>   | <b>2,411</b> | <b>1,406</b>  | <b>1,838</b> | <b>2,544</b>      |
| <b>Other comprehensive income</b>                         |                |              |               |              |                   |
| <i>Items that cannot be transferred to profit or loss</i> |                |              |               |              |                   |
| Financial assets measured at fair value                   | -5,319         | 1,683        | -2,418        | -360         | 3,071             |
| Tax attributable to other comprehensive income            | 733            | -266         | 242           | 112          | -518              |
| <b>Total comprehensive income for the period</b>          | <b>-4,586</b>  | <b>1,417</b> | <b>-2,176</b> | <b>-249</b>  | <b>2,553</b>      |
|   | <b>-1,888</b>  | <b>3,828</b> | <b>-771</b>   | <b>1,590</b> | <b>5,097</b>      |

## Parent Company, condensed Balance sheet

| SEK m.  | June 30, 2022 |               | Dec 31, 2021  |
|---|---------------|---------------|---------------|
|   | 2022          | 2021          |               |
| <b>ASSETS</b>                                     |               |               |               |
| Fixed assets                                      |               |               |               |
| Tangible fixed assets                             | 7             | 7             | 7             |
| Financial fixed assets                            | 39,336        | 41,295        | 43,959        |
|   | <b>39,343</b> | <b>41,302</b> | <b>43,966</b> |
| Current assets                                    |               |               |               |
| Current receivables                               | 6,086         | 5,540         | 5,463         |
| Cash and bank balances                            | 1,034         | 1,572         | 522           |
|   | <b>7,119</b>  | <b>7,112</b>  | <b>5,984</b>  |
| <b>TOTAL ASSETS</b>                               | <b>46,462</b> | <b>48,414</b> | <b>49,950</b> |
| <b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>       |               |               |               |
| Shareholders' equity                              | 37,634        | 39,184        | 40,453        |
| Untaxed reserves                                  | 809           | 724           | 736           |
| Provisions  | 528           | 1,009         | 1,261         |
| Long-term liabilities                             | 5,911         | 7,454         | 6,931         |
| Current liabilities                               | 1,579         | 43            | 570           |
| <b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b> | <b>46,462</b> | <b>48,414</b> | <b>49,950</b> |

## Alternative Performance Measures

In the report alternative performance measures is used to supplement measures defined by IFRS in order to clarify the company's financial position and performance. Aside from net asset value and cash flow on pages 2 and 3, the other alternative performance measures are outlined below.

### Adjusted profit after financial items

Adjusted profit after financial items are reported separately in the statement. The purpose is to increase comparison between different periods. Items of the earnings that have been adjusted consists of impairment losses and unrealized changes and is shown in the table below.

| SEK m.  | January - June |              | April - June |              | Full Year<br>2021 |
|---|----------------|--------------|--------------|--------------|-------------------|
|   | 2022           | 2021         | 2022         | 2021         |                   |
| Profit after financial items                              | 1,299          | 8,473        | 1,506        | 3,244        | 17,134            |
| Changes in value of investment properties and derivatives | -355           | -1,339       | 137          | -1,426       | -4,604            |
| Changes in value of biological assets                     | -205           | -201         | -88          | -69          | -464              |
| Other changes in value                                    | 186            | -56          | 107          | 18           | -154              |
| <b>Adjusted profit after financial items</b>              | <b>925</b>     | <b>6,877</b> | <b>1,662</b> | <b>1,768</b> | <b>11,912</b>     |

### Interest-bearing net debt

Interest-bearing net debt is used to illustrate the Group's financial position and comprises the following components.

| SEK m.                           | June 30, 2022 | June 30, 2021 | Dec 31, 2021  |
|----------------------------------|---------------|---------------|---------------|
|                                  |               |               | Dec 31, 2021  |
| Long-term financial liabilities  | 15,769        | 18,115        | 17,806        |
| Long-term rights of use          | 847           | 842           | 855           |
| Pension obligations              | 224           | 192           | 204           |
| Current financial liabilities    | 4,922         | 3,760         | 3,593         |
| Short-term rights of use         | 98            | 97            | 80            |
| Long-term financial receivables  | -129          | -307          | -292          |
| Current financial receivables    | -10           | -40           | -39           |
| Cash and cash equivalents        | -2,134        | -2,793        | -2,211        |
| <b>Interest-bearing net debt</b> | <b>19,587</b> | <b>19,866</b> | <b>19,995</b> |

### Definitions

The debt/equity ratio is calculated by dividing interest-bearing net debt by total shareholders' equity. The equity/assets ratio is calculated by dividing total shareholders' equity by total assets.

## Forthcoming information

|                   |   |
|-------------------|---|
| November 24, 2022 | Interim Report January - September 2022 |
| February 23, 2023 | Year-End Report 2022                    |
| March, 2023       | Annual Report 2022                      |

### Contact

Lars Johansson, Chief Financial Officer  
Fredrik Lundberg, Chief Executive Officer

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**L E Lundbergföretagen AB (publ)**

PO Box 14048, SE-104 40 Stockholm, Sweden

Tel +46 8 463 06 00 or +46 11 21 65 00 | E-mail: [information@lundbergs.se](mailto:information@lundbergs.se)

Company registration number 556056-8817 | Registered Head Office: Stockholm

[www.lundbergforetagen.se](http://www.lundbergforetagen.se)