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Rental income in like-for-like portfolios, excluding rebates related to Covid-19

-1.1%

Profit before changes in value

SEK 311 million

Investments in held properties

SEK 485 million

Significant events during the first quarter

Stable profit and demand for our residential remains strong

- **Net sales** amounted to SEK 699 million (SEK 733 m), of which rental income amounted to SEK 572 million (SEK 648 m).
- **The operating surplus** from property management amounted to SEK 377 million (SEK 435 m), a reduction of 13.5 per cent. This reduction is mostly due to the sale of Farsta Centrum. For like-for-like portfolios, the operating surplus from property management, excluding rebates related to Covid-19, decreased by 2.7 per cent.
- **Temporary rebates related to Covid-19** amounted to SEK 4 million net (SEK – m).
- **Profit before changes in value** amounted to SEK 311 million (SEK 311 m). Profit decreased due to the sale of Farsta Centrum but this has been offset by the ruling in a dispute that found in TL Bygg's favour.
- **Unrealised changes in value** for investment properties amounted to SEK 167 million (SEK –1,486 m) for

the first quarter. This increase in value is mostly due to lower yield requirements for specific office and project properties. Unrealised changes in the value of derivatives amounted to SEK 210 million (SEK –236 m) as a result of a slight rise in market interest rates.

- **Profit for the period** amounted to SEK 552 million (SEK –1,134 m). The change compared to the same quarter in the previous year is mostly due to the change in the value of properties.
- **Earnings per share** amounted to SEK 4.34 (SEK –8.74).
- **Net letting** for the quarter amounted to SEK –10 million (SEK 9 m), of which SEK 7 million (SEK 20 m) referred to project properties.
- **Property acquisitions** amounted to SEK 25 million (SEK – m).

- In March an agreement was signed for two acquisitions in Lindholmen in Gothenburg.

- During the quarter a cooperation agreement was signed with Stockholm University of the Arts about moving their operations to Slakthusområdet.

- As of 31 March we have exceeded our goal for green lease contracts to account for 50 per cent of our contracted annual rent.

- For the eighth year in a row Atrium Ljungberg was ranked as one of Sweden's best workplaces in the Great Place to Work® employee survey.

Key performance indicators¹⁾

	Quarter 2021 Jan–Mar	Quarter 2020 Jan–Mar	Full year 2020 Jan–Dec
Property value at the end of the period, SEK m	48,011	47,597	47,334
Operating surplus margin, %	66	67	67
Average interest on interest-bearing liabilities at the end of the period, %	1.6	1.6	1.6
Share price at the end of the period, SEK per share	156.40	154.80	172.80
NRV at the end of the period, SEK per share	215.80	202.00	217.95

Financial goals¹⁾

Investments in held properties, >SEK 2,000 million per year	485	570	2,513
Return on equity, rolling 12-month period, >10% over time	11.8	7.1	3.8
Gearing ratio at the end of the period, <45 %	42.6	44.1	39.9
Interest coverage ratio, >2.0	5.6	4.4	4.6

¹⁾ See page 23 for the complete table of key performance indicators and pages 28–29 for definitions.

The need for places to meet will increase after the pandemic

Annica Ånäs, CEO

It was exactly one year ago that Covid-19 became a reality in Sweden, with the pandemic paralysing the whole of our society. We were faced with significant changes and, above all, a great deal of uncertainty. Now, one year down the line, it is clear that a lot has happened that has changed our day-to-day lives. We quickly had to get to grips with digitalisation, we bought dogs and we stopped shaking hands. The question is just how long are these changes going to last? Although the pandemic has definitely accelerated a number of major global trends, there is a strong evidence to suggest that we will not see any major permanent changes in our behaviour. Despite the convenience of working from home, there are signs that loneliness and mental illness are increasing. Many people are having problems with their daily routines and efficiency at work. Other parts of the world that are opening up their societies again are also seeing a clear trend in white-collar workers returning to the office and a substantial increase in consumption, after a year of people saving money. Unfortunately, Sweden has not quite reached this stage yet, but the current vaccination programme should hopefully allow us to live a more normal life again by the autumn. Meetings in person are needed if people and businesses are going to develop, and this is at the heart of our strategy. We develop attractive locations with a mix of content, where people want to live and work, both now and in the future.

We are expanding in Gothenburg

Gothenburg is one of our main priority areas and we have been an active property owner here since 2015. In March we signed an agreement for two acquisitions in Lindholmen: M1 and Centralstationen, which form part of the Lundbyvassen 4:6 property. M1 was originally a machinery workshop for the shipping industry, but was converted into offices, a restaurant, a museum and an industrial laboratory in modern times. Centralstationen is a small building, which is currently home to various activities, including music studios. The buildings comprise a total of 22,000 m². The deal is conditional on a new detailed development plan for the property becoming legally binding, which is expected to take place by the start of 2024.

We already own the properties M2, Tornen, Citadellet and Lindholmen 30:1, which together comprise 73,000 m². We have also recently acquired all the business premises in HSB's residential block Blanka along the street

Götaverksgatan. M1 and Centralstationen enhance our position as an active urban developer in Lindholmen. The ambition is to create two thoroughfares with public ground floors that converge onto a green square that will be called Maskinparken in front of M1. The thoroughfares will create a link to Lindholmsallén, Karlstadstaden and the future ferry dock. I am so happy that they have put their trust in us, so that we can continue to develop Lindholmen into an attractive and vibrant city environment.

Lettings during the quarter

We have seen greater activity in our lettings business, which has resulted in many new deals. Unfortunately, Stockholm Regional Council is planning to leave more than 7,000 m² in Hagastaden, which is having an impact on our net letting. New lettings include the Swedish National Courts Administration, which is expanding the area it has in Sickla Front by more than 2,000 m². Sickla Front borders Nobelberget, which is really starting to take shape, with residential, a pre-school, paddle tennis courts, offices and a coffee roastery. The new Sicklastråket thoroughfare runs throughout the entire area, linking Hammarby Sjöstad with Sickla.

There has also been a lot of activity in our Bas Barkarby project, which will be ready for occupancy in just over one year. We have made several new lettings for this project, including with Almakliniken, which signed a contract for more than 900 m². Another project that is approaching completion is Life City in Hagastaden. During the quarter we agreed an important new letting with a restaurant company for approximately 800 m² on the ground floor. This restaurant will supplement the conference and meeting activities in the building and represents an important piece of the puzzle in creating a new meeting place for life science activities in Hagastaden.

Last, but not least, I would like to mention the cooperation agreement we signed with Stockholm University of the Arts in March. This agreement is to move their operations to Slakthusområdet, with the new university area expected to comprise as much as 25,000 m². This establishment reflects the vision we have for this area – to become Stockholm's new meeting place, created around workplaces and residential, and supplemented with food, culture and experiences.

New residential districts in Sickla and Uppsala

The housing market is still seeing low supply and rising prices on the markets where we operate, which means that our residential business is going extremely well. In the autumn we completed the first residential block in Nobelberget and the profit for this project will be recognised in the second quarter of this year. At the time of writing we have signed booking contracts for all the apartments in the second block and we have just started converting them into binding contracts. In Uppsala we are continuing to develop Parkhusen in Gränbystaden. The first building, which contains rental apartments, is almost fully let and we will soon be starting to sell tenant-owned dwellings in the second block.



I am happy that they have put their trust in us, so that we can continue to develop Lindholmen in Gothenburg into an attractive and vibrant city environment.

Development plans in Sundbyberg

Our plans for Eken 14 in Sundbyberg, which we acquired last year, are heading in the right direction. Eken 14 is better known as Marabou's old head office and we were delighted to have recently received a positive decision, which gives us the green light to start the planning process.

We can see great potential for the former Marabou site and we want to develop the area as a whole, inspired by and with respect for this historical environment. We want to make Marabouparken more accessible for the public by opening up the old entrance, which was lost in the 1970s. There are also exquisite and well-preserved features in the property, including the Canteen, which we are going to bring back to life. Modern workplaces are being created in a central location, which will also be developed with a wide range of cultural and service activities.

Profit for the first quarter of 2021

We are reporting a profit before changes in value of SEK 311 million, which is the same level as last year, with the impact of the sale of Farsta Centrum being offset against non-recurrent effects. Demand for properties remains high and

we reduced the yield requirements for some office and project properties during the quarter. We are reporting a profit after tax of more than SEK 550 million.

Rent rebates

There is political consensus to extend the government's rental assistance scheme into the second quarter of 2021. We remain critical of the system, which is complicated and slow, and hands over the responsibility for assessments and financing to the property owners. We still prefer the business transition scheme, which offers direct support to companies that have been affected.

Sustainable employees

Finally, I would just like to say how incredibly proud I am that we have made it onto the list of Sweden's Best Workplaces, organised by Great Place to Work®, for the eighth year in a row. I think that it is impressive that we have increased our index by two percentage units, despite the challenging year we have faced because of the pandemic. This is testament to the great leadership we have at our company. 94 per cent of our employees said that Atrium Ljungberg is an excellent place to work.

Annica Ånäs, CEO

ATRIUM LJUNGBERG AS AN INVESTMENT

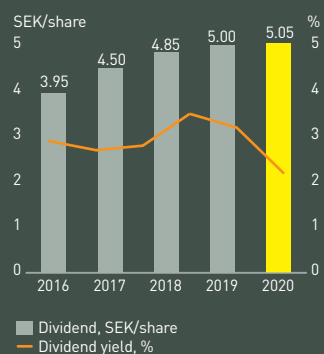
Four reasons to own shares in Atrium Ljungberg

STABLE DIRECT YIELD

The dividend yield over the past five years has been 2.9 per cent per year on average. The dividend paid per share by the company since its listing on the stock exchange in 1994 has never dropped.

Dividend and share dividend yield*

– The company has never reduced its dividend

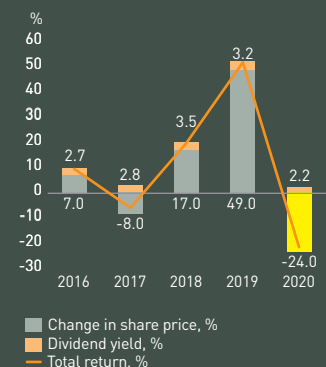


POTENTIAL FOR GOOD VALUE GROWTH

With a planned investment rate of SEK 2 billion per year and a goal of 20 per cent return on new build and extension projects, Atrium Ljungberg, and therefore the share, has excellent potential for good value growth over time.

Share's total yield*

– A total yield averaging 11 per cent over the past five years

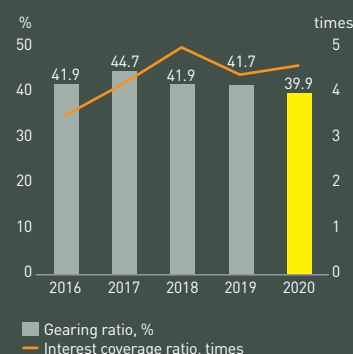


LOW FINANCIAL RISK

We are in a strong financial position, with solid key performance indicators, including a low gearing ratio and a high interest coverage ratio, and an investment grade rating from Moody's of Baa2 with a stable outlook.

Gearing ratio and interest coverage ratio

– Stable gearing ratio with a higher interest coverage ratio



SUSTAINABLE URBAN DEVELOPMENT

Sustainability work is integrated in our business model where we continuously develop our areas in a sustainable direction. We are a long-term player that takes responsibility for the impact of our business on people and the environment.

Proportion of environmentally certified properties

– The goal is to have 100 per cent certified buildings by the end of 2021



*New definition on Dividend Yield as from this report

Sustainable urban development focusing on diverse cities

We currently own, develop and manage properties totalling 1,089,000 m² letting area with a property value of SEK 48 billion.

Our focus is on developing attractive urban environments in Stockholm, Gothenburg, Malmö and Uppsala. Working with the municipalities, our customers and the people living in the cities, we build vibrant urban environments where offices, residential and retail mix with culture, services, healthcare and education.

We believe strongly in innovation and the development of attractive locations for the future. Attractive city districts are not only about buildings; what happens inside and between the buildings is just as important.

Our partnership with our subsidiary TL Bygg, a building contractor, broadens Atrium Ljungberg's offering and strengthens our business, allowing us to carry out projects with high levels of efficiency and flexibility.



OUR VISION

Our city – where everyone thrives

BUSINESS CONCEPT

Our long-term approach to ownership, development and management enables us to offer our customers attractive urban environments for offices, retail and residential units in strong subsidiary markets. Our in-house expertise and holistic perspective enable us to generate added value for our customers and partners and to create value growth within the company.

VALUES

Our values form an integral part of everything we do and guide us in how we deal with our customers and other stakeholders. Caring for people and the environment is a key part of our business activities and is reflected in our values, processes, action plans and daily routines.

COLLABORATION
Collaborating across boundaries allows us to create entirely new opportunities – both for ourselves and for our customers.

LONG-TERMISM
The future permeates everything we do – from our ownership and sustainable solutions to how we work internally within the company and in our relationships with customers and partners.

RELIABILITY
We keep our promises. The motto of 'our handshake is our bond' is just as relevant today as it has always been.

INNOVATIVE THINKING
We identify opportunities and always find the best solutions in our own way. We want to learn, try out new ideas and find new ways of collaborating so that we can create an attractive customer offering.

BUSINESS MODEL

PROJECT DEVELOPMENT
Our project development comprises both new builds and reconstructions/extensions and takes place in attractive locations in metropolitan regions, often with our existing property holdings. Our projects are run by our own staff – from the original concept to the time people move in. The return on projects is to be more profitable than acquiring properties with an existing cash flow. Projects therefore contribute to both net operating growth and value growth.

PROPERTY MANAGEMENT
We have our own management organisation that works closely with the tenants to satisfy their needs in the best way possible, while staying open to new business opportunities.

ACQUISITION AND SALES
We develop and manage with the aim of long-term ownership. We acquire new properties and land if we can achieve strategic benefits and generate a good operating net surplus, or receive a good return through our project development. We sell properties where we realise that there are no opportunities for long-term development in line with our business model and vision. Most of the properties we have sold over the last few years have been retail.

CREATING VALUE FOR STAKEHOLDERS

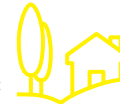
CUSTOMERS
We are a long-term landlord that works closely with our customers, which creates continuity and security. By having local management staff, we can identify customer needs early on, and therefore create the right conditions for them to develop and conduct profitable, sustainable business. Meeting places with a mix of activities generate added value for our customers, where the different players benefit from one another.



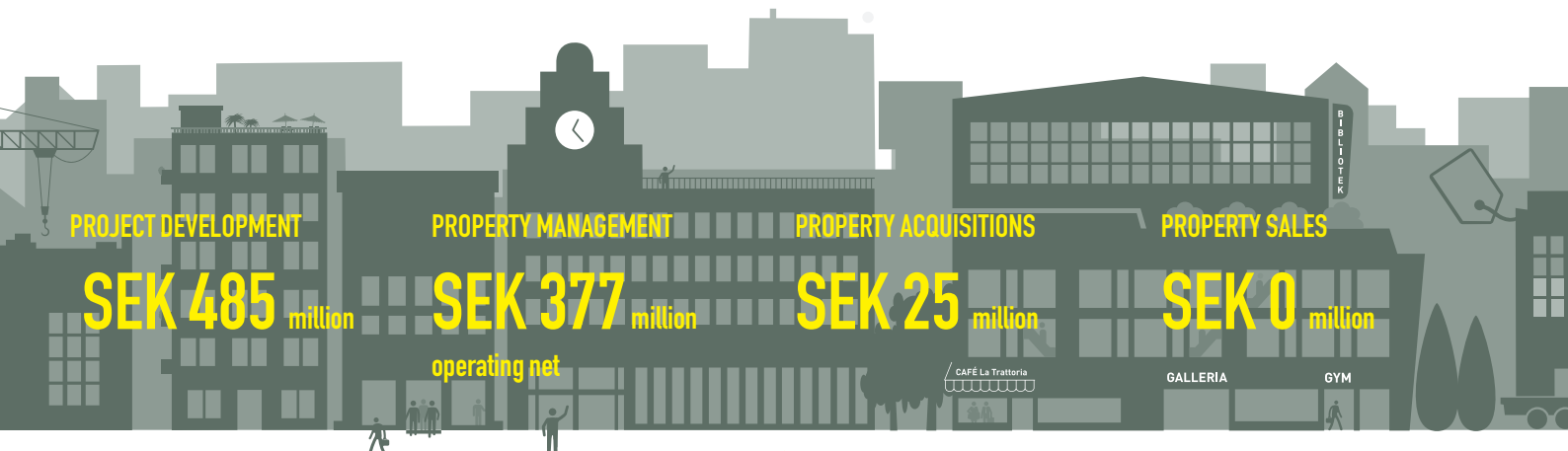
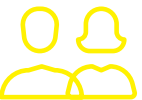
OWNERS AND INVESTORS
Our business model, innovative sustainable urban development and a large project portfolio concentrated among attractive areas in four growing metropolitan regions provide a firm foundation for a stable rate of investment. By investing in held properties and managing them effectively, we create good value growth for Atrium Ljungberg's owners.



SOCIETY
We create sustainable urban environments where people want to live, work and spend time. We take advantage of the financial, social and environmental values that already exist and add new ones that increase the attractiveness of the location. We put the conditions in place for vibrant urban environments with a mix of offices, residential, retail, service, education and culture, and we take on a lot of responsibility for a location in terms of security, services and parks.



EMPLOYEES
We have in place strongly-rooted core values and a good workplace culture, clear goals and the potential for development, which allows our employees to be happy, to thrive and to deliver at their very best. Our workplace stimulates collaboration, creativity and efficiency, which are essential components for a company to succeed.



CONSOLIDATED INCOME STATEMENT

Amounts in SEK m	Quarter 2021 Jan-Mar	Quarter 2020 Jan-Mar	Full year 2020 Jan-Dec	12 months 2020/2021 Apr-Mar
Rental income	572	648	2,344	2,268
Net sales, project and construction work	127	84	495	537
Net sales	699	733	2,839	2,805
Property management costs				
Service charge-related costs	-51	-56	-165	-160
Other operating costs	-50	-56	-208	-202
Management costs	-37	-43	-166	-161
Repairs	-8	-11	-45	-42
Property tax	-46	-44	-185	-187
Non-deductible VAT	-4	-3	-9	-10
	-195	-213	-779	-761
Project and construction work costs	-98	-87	-508	-519
Gross profit	405	432	1,552	1,525
– of which gross profit/loss property management (operating surplus)	377	435	1,565	1,507
– of which gross profit/loss from project and construction work	29	-3	-13	19
Central administration, property management	-17	-18	-75	-73
Central administration, project and construction work	-4	-4	-17	-16
	-21	-23	-91	-90
Financial income	0	1	3	2
Financial expenses	-67	-91	-309	-285
Leasehold fees	-6	-9	-31	-28
	-73	-99	-337	-312
Profit before changes in value	311	311	1,124	1,124
Changes in value				
Properties, unrealised	167	-1,486	-119	1,534
Properties, realised	-1	-3	-81	-79
Derivatives, unrealised	210	-236	-252	195
	376	-1,725	-452	1,650
Profit before tax	687	-1,414	672	2,774
Current tax	-10	-22	-41	-29
Deferred tax	-125	302	236	-191
	-135	280	195	-221
Profit for the period	552	-1,134	867	2,553
Other comprehensive income				
Items which will be reclassified to profit/loss				
Cash flow hedging	3	4	13	12
Tax attributable to cash flow hedging	-1	-1	-3	-2
Total other comprehensive income	2	3	10	9
Total comprehensive income for the period	555	-1,131	877	2,563
The profit/loss for the period and the total comprehensive income for the period are entirely attributable to the parent company's shareholders				
Earnings per share, SEK	4.34	-8.74	6.69	7.78

PROFIT/LOSS JANUARY–MARCH 2021

Changes in the property portfolio

Profit for the period and the comparison period was impacted by the following previous property transactions: contributions from the acquisition of Lindholmen 44:2 in Gothenburg which was taken into possession on 15 January 2021; Kvarngärdet 33:2 in Uppsala, which was taken into possession on 22 December 2020; and Eken 14 in Sundbyberg, which was taken into possession on 3 June 2020. Farsta Centrum was vacated on 1 June 2020.

Net sales

The Group's net sales for the quarter amounted to SEK 699 million (SEK 733 m), of which rental income comprised SEK 572 million (SEK 648 m). The temporary rent rebates that were given as a result of the Covid-19 pandemic (rebates related to Covid-19) amounted to SEK 4 million net (SEK – m) for the quarter. Rental income in like-for-like portfolios amounted to SEK 529 million (SEK 539), a reduction of SEK 10 million or 1.8 per cent. This reduction in rental income is partly due to the temporary rebates related to Covid-19, which amounted to SEK 4 million net in like-for-like portfolios. The development in rental income excluding rebates related to Covid-19 amounted to –1.1 per cent, with office properties increased by 1.1 per cent and retail properties decreased by 4.4 per cent. The increase in rental growth for office properties is primarily due to new lettings and renegotiations, but it has also been negatively affected by some large premises being vacated. The reduction in rental growth for retail properties has mostly been caused by vacancies and lower sales rent.

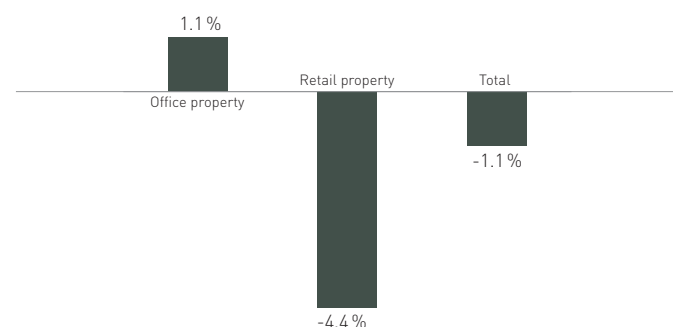
During the period, non-recurring payments of SEK 3 million (SEK 2 m) were received for premature vacating of premises.

Rental income trend

	Quarter 2021 Jan–Mar	Quarter 2020 Jan–Mar	Change, %
Like-for-like portfolios, excl. rebates related to Covid-19	533	539	–1.1%
Non-recurring payments and rebates related to Covid-19	–1	2	
Project properties	34	37	
Properties acquired	6	–	
Properties sold	–	70	
Rental income	572	648	–11.8%

Rental income growth in like-for-like portfolios

– The development of rental income is recognised excluding rebates related to Covid-19.



Property costs

Property costs amounted to SEK 195 million (SEK 213 m) for the quarter. For like-for-like portfolios, property costs increased by 2.3 per cent compared with the corresponding period of the previous year. The main reasons for this are a colder winter with higher costs for heating and snow clearance, and restrictions due to the Covid-19 pandemic in shopping centres and stores, resulting in higher costs for security and cleaning compared with the same period in the previous year. Costs for anticipated and confirmed customer losses decreased, amounting to SEK 4 million (SEK 10 m) for the quarter.

Property costs trend

	Quarter 2021 Jan–Mar	Quarter 2020 Jan–Mar	Change, %
Like-for-like portfolios	–174	–170	2.3%
Project properties	–18	–20	
Properties acquired	–3	–	
Properties sold	–0	–23	
Property management costs	–195	–213	–8.3%

Gross profit property management

The gross profit for property management (operating surplus) amounted to SEK 377 million (SEK 435 m). This reduction is mostly due to the sale of Farsta Centrum. For like-for-like portfolios, the gross profit for property management, excluding rebates related to Covid-19, decreased by 2.7 per cent compared with the same period of the previous year.

The operating surplus margin amounted to 66 per cent (67%).

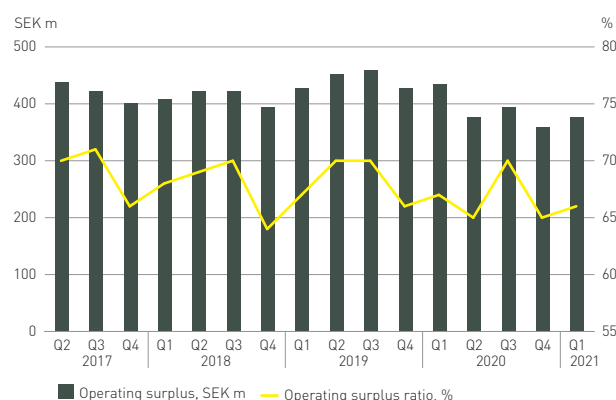
Gross profit/loss project and construction work

The gross profit for project and construction work amounted to SEK 29 million (SEK –3 m). The improvement in gross profit is mostly due to an increase in gross profit for TL Bygg. Sales in TL Bygg amounted to SEK 196 million (SEK 157 m) for the period, of which 37 per cent (46%) refers to intra-Group sales.

TL Bygg's gross profit, including intra-Group transactions, amounted to SEK 40 million (SEK 11 m). The increase in gross profit for TL Bygg is mostly due to the ruling in a dispute that found in TL Bygg's favour.

Operating surplus and operating surplus margin

– The operating surplus margin for the quarter increased compared with previous quarter





SLUSSEN

Atrium Ljungberg owns the properties Glashuset, Katarinahuset and Sjömansinstitutet in Slussen. We also have several land allocations in the area, including the new Mälarterrassen, which is becoming a brand new meeting place for food and culture with views of Gamla Stan and the water. Slussen will become a destination; a vibrant hub in the commercial heart of Söder.

PROFIT JANUARY–MARCH 2021, cont.

Seasonal effects

The operating surplus is impacted by seasonal variations in operating costs. Generally, costs are higher during the first and last quarter of the year, primarily caused by higher costs of heating and property maintenance.

Central administration

Central administration is comprised of costs for the executive management as well as central support functions. Costs of central administration for property management amounted to SEK 17 million (SEK 18 m). Costs of central administration for project and construction work amounted to SEK 4 million (SEK 4 m).

Net financial items

Financial income and expenses including leasehold fees amounted to SEK –73 million (SEK –99 m) for the first quarter. This reduction is mostly due to greater capitalisation of interest linked to the acquisition of land for projects. The average interest rate at the end of the period amounted to 1.6 per cent (1.6%). For more information, refer to the section on financing on pages 17–18.

Changes in value

Unrealised changes in value for investment properties amounted to SEK 167 million (SEK –1,486 m), which is mostly due to lower yield requirements for office and project properties. The significant negative change in market value compared with the same period in the previous year was due to greater uncertainty for retail properties as a result of the outbreak of the Covid-19 pandemic. For more information, refer to the section on property values on pages 9–11.

Unrealised changes in the value of derivatives amounted to SEK 210 million (SEK –236 m) as a result of a slight rise in market interest rates.

Realised changes in the value of investment properties amounted to SEK –1 million (SEK –3 m).

Tax

The current tax for the period amounted to SEK –10 million (–22). The current tax has been affected by tax deductible depreciation and investments. Deferred tax amounted to SEK –125 million (SEK 302 m), which was mainly impacted by unrealised changes in the value of properties and derivatives.

The company tax rate for the 2021 tax year is 20.6 per cent. The deferred tax liability has been calculated at the same tax rate.

The Group's accumulated fiscal deficit amounted to SEK 0 million (SEK 0 m).

The residual tax value of the property stock amounts to SEK 18,584 million (18,182 m).

Tax calculation for the first quarter of 2021

SEK m	Current tax	Deferred tax
Reported profit/loss before tax	687	
Tax deductible		
depreciation	–143	143
investments	–46	46
Non-taxable/non-deductible		
changes in the value of properties, unrealised	–167	167
changes in the value of properties, realised	1	–1
changes in the value of derivatives, unrealised	–210	274
consolidated capitalisation of borrowing	–22	22
consolidated internal profit	5	–5
Other fiscal adjustments	–13	2
Taxable profit/loss before loss carry-forwards	92	648
Change in loss carry-forwards	–40	–
Taxable profit	52	648
Of which 20.6% current/deferred tax	–11	–134
Correction of tax from previous years	1	9
Reported tax expense	–10	–125

Profit

Profit before changes in value totalled SEK 311 million (SEK 311 m). The gross profit for property management decreased as a result of the sale of Farsta Centrum. This was offset against a ruling in a dispute that found in TL Bygg's favour and financial expenses that have decreased as a result of greater capitalisation of interest for projects.

Profit for the period amounted to SEK 552 million (SEK –1,134 m), corresponding to SEK 4.34/share (SEK –8.74).

CONSOLIDATED BALANCE SHEET, SUMMARY

Amounts in SEK m	31 Mar 2021	31 Mar 2020	31 Dec 2020
ASSETS			
Investment properties	46,677	42,514	46,026
Right-of-use asset, leaseholds	1,179	981	1,179
Goodwill	165	165	165
Other non-current assets	205	196	217
Derivatives	91	14	7
Total non-current assets	48,316	43,871	47,594
Development properties	1,334	1,104	1,308
Current assets	446	491	434
Cash and cash equivalents	1,231	965	279
Assets held for sale	–	4,402	–
Total current assets	3,010	6,962	2,021
Total assets	51,327	50,833	49,615
EQUITY AND LIABILITIES			
Equity	22,412	20,984	22,668
Deferred tax liability	4,830	4,401	4,686
Non-current interest-bearing liabilities	19,138	19,374	18,905
Non-current finance lease liability	1,179	981	1,179
Derivatives	376	655	662
Other non-current liabilities	232	227	229
Total non-current liabilities	25,756	25,638	25,662
Current interest-bearing liabilities	1,300	1,054	–
Other current liabilities	1,859	1,791	1,285
Liabilities directly attributable to assets held for sale	–	1,365	–
Total current liabilities	3,159	4,211	1,285
Total equity and liabilities	51,327	50,833	49,615

Customer payments and government support

Rent receivables that relate to rental income invoiced for the first quarter of 2021 and due for payment amounted to SEK 28 million as of 31 March 2021. For rental income relating to the fourth quarter of the previous year, the corresponding amount is SEK 14 million. In terms of invoicing for the second quarter of 2021, only amounts that have been paid are included in the balance sheet as of 31 March 2021. Receivables from invoicing for the second quarter of 2021 are only recognised as of 1 April 2021 and are not included in the balance sheet on the closing date.

SEK 26 million of the SEK 33 million that was booked as a receivable against the government for the second quarter of 2020 has so far been granted by the Swedish National Board of Housing, Building and Planning. A total of SEK 5 million was rejected as major chains had reached the maximum amount that could be claimed. These receivables have been invoiced to the tenants in question.

CONSOLIDATED CHANGE IN EQUITY

Amounts in SEK m	Attributable to the parent company shareholders				
	Share capital	Other capital contributions	Hedging reserves	Profit brought forward	Total equity
Opening balance as of 1 January 2020	333	3,960	-13	18,506	22,784
Profit for the period				-1,134	-1,134
Other comprehensive income			3		3
Acquisition of own shares				-19	-19
Dividend, SEK 5.00/share				-649	-649
Closing balance as of 31 March 2020	333	3,960	-11	16,703	20,984
Profit for the period				2,001	2,001
Other comprehensive income			7		7
Acquisition of own shares				-324	-324
Closing balance as of 31 December 2020	333	3,960	-4	18,380	22,668
Opening balance as of 1 January 2021	333	3,960	-4	18,380	22,668
Profit for the period				552	552
Other comprehensive income			2		2
Acquisition of own shares				-171	-171
Dividend resolved by the AGM, SEK 5.05/share				-640	-640
Closing balance as of 31 March 2021	333	3,960	-2	18,121	22,412

There are a total of 133,220,736 (133,220,736) shares, of which 4,000,000 (4,000,000) are class A shares and 129,220,736 (129,220,736) are class B shares. One class A share grants entitlement to ten votes and one class B share grants entitlement to one vote. Atrium Ljungberg acquired 1,470,000 class B shares in the first quarter (118,000). At the end of the quarter the company owned 6,529,000 class B shares (3,500,000). As of 31 March 2021, the number of outstanding shares amounted to 126,691,736 (129,720,736). The average number of outstanding shares for the period from 1 January 2021 to 31 March 2021 amounts to 127,319,047 (129,820,209).

MARKET AND PROPERTY PORTFOLIO

The property market

According to Savills, the total transaction volume in Sweden for the first quarter amounted to SEK 39 billion, and over the past 12 months business totalling more than SEK 183 billion has been carried out; this shows that interest in property investments remains very high. Business in the first quarter was dominated by warehouse and industrial properties, which accounted for 26 per cent of the volume, followed by residential properties at 19 per cent.

Yield requirement for office properties during the quarter are assessed to have remained at the same levels as before the end of the year on the markets where Atrium Ljungberg operates. The letting processes continue to take slightly longer than before the Covid-19 pandemic, particularly for larger premises. Yield requirements for retail properties are assessed to have remained stable during the quarter. Visitor figures for the consumer durables segment have been hit by Covid-19. However, there remains a lot of variation between the different segments, with lower demand for shoes and clothes, while groceries, DIY and electronics remain strong.

There has been a broad increase in prices for privately-owned housing in all major city areas. People are spending more time at home and are working from home, resulting in changes to residential preferences. This has led to an increase in demand for larger homes and homes that are close to nature.

Property portfolio

Our property portfolio is concentrated to central locations in the growth regions of Stockholm, Gothenburg, Malmö and Uppsala, with Stockholm accounting for 68 per cent (72%) of the contracted annual rent. At the end of the quarter our property portfolio contained a total of 70 properties (70) with a total area of 1,089,000 m² including garages (1,171,000).

During the year an acquisition was agreed for part of the Lundbyvassen 4:6 property in Lindholmen in Gothenburg, with possession expected at the beginning of 2024. Another property in Lindholm in Gothenburg, Lindholmen 44:2, was also acquired and taken into possession.

In 2020 an office property in Sundbyberg, Eken 14, was acquired and taken into possession, as well as an office property in Uppsala, Kvarngärdet 33:2. The property Kungsängen 22:2 was also acquired in Uppsala, with possession expected at the beginning of 2023. In 2020 a total of five properties were vacated in Farsta Centrum, four with leaseholds.

In the second quarter of 2020 one property was reclassified from a retail property to an office property in accordance with the definitions, as the rental value for offices now exceeds retail in this property, caused by a retail property being converted into an office.

Contracted annual rent and letting rate

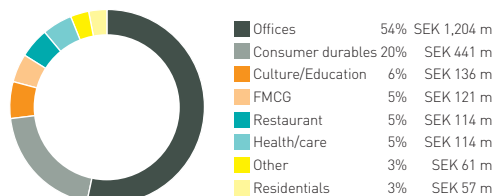
Properties acquired and taken into possession

Property	Area	Category	Letting area, m ²	Possession	Underlying price property, SEK m
Lindholmen 44:2	Gothenburg	Offices	-	January 2021	25

As of 1 April 2021 the contracted annual rent amounted to SEK 2,248 million (SEK 2,548 m). The reduction was mostly due to the sale of Farsta Centrum. The economic letting rate including project properties was 91 per cent (92%), and excluding project properties, 91 per cent (93%). The vacancy rate was therefore 9 per cent (7%). Less than one per cent of the of the total contracted annual rent is from tenants that have either gone bankrupt or are being restructured. The average remaining term for contracted rent excluding residential and parking was 3.4 years (3.3 years) as of 1 April 2021.

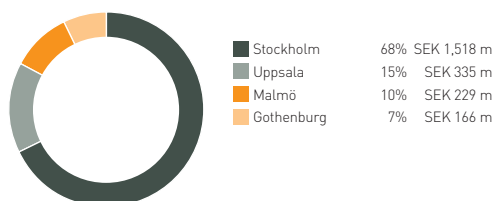
Contracted annual rent per premises type

– A mixed portfolio creates flexibility

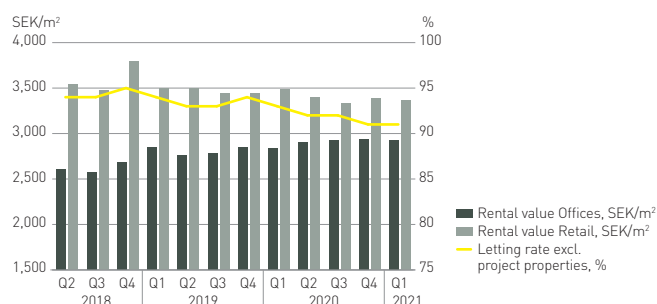


Contracted annual rent per region

– Only in strong growth regions



Rental value per m² and letting rate



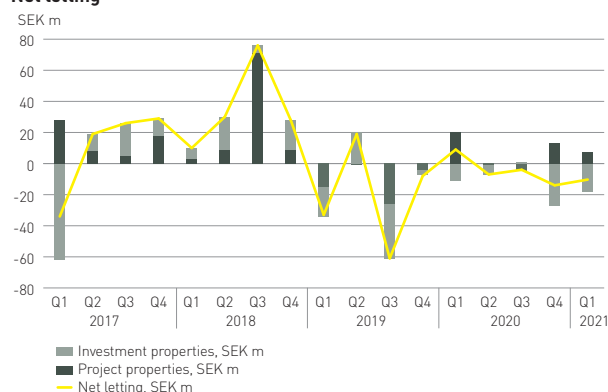
Net letting

Net letting, i.e. newly signed contracted annual rents with deductions for annual rents lost due to terminated contracts, amounted to SEK –10 million (SEK 9 m) for the quarter, of which SEK 7 million (SEK 20 m) refers to project properties. Newly signed contracts relate primarily to the Stockholm area, and include both offices and healthcare, while terminations relate primarily to offices in the Stockholm area and mostly to Stockholm Regional Council's termination in Hagastaden.

The time lag between net letting and its effect on profit is assessed to be

3–12 months.

Net letting



Property valuation

During the first quarter, Atrium Ljungberg internally valued the entire property portfolio and assumed yield requirements have been subject to quality assurance by Forum Fastighetsekonomi.

The market valuation is based on analyses of completed property transactions for properties of a similar standard and in a similar location, in order to assess the market's yield requirements. The valuation also entails cash flow calculations, with individual assessments of the earning capacity of each individual property. Assumed rental levels in conjunction with contract expirations correspond to assessed long-term market rent levels. Operating costs have been assessed on the basis of the company's actual costs. Development rights have been valued based on an assessed market value per m² GFA for established development rights in accordance with an approved detailed development plan, or where the detailed development plan is expected to become legally binding in the near future.

Project properties are valued on the basis of completed projects, less remaining investments. A risk premium is added to the yield requirement on the basis of the current phase of the project.

Market value for comparable portfolios

At the end of the period the market value for comparable portfolios was SEK 38,463 million, corresponding to 80 per cent of the property portfolio's total value.

Development properties

Development properties are properties that are developed or intended to be developed into tenant-owned dwellings and then be sold. The development properties are reported as the lowest of the investments made and the estimated net realisable value.

The book value amounted to SEK 1,334 million as of 31 March 2021 and refers primarily to Nobelberget, Kyrkviken and Gränby Park.

Rental value and letting rate

Premises type	1 Apr 2021			1 Apr 2020		
	Rental value, SEK m	Rental value, SEK/m ¹¹	Letting rate, %	Rental value, SEK m	Rental value, SEK/m ¹¹	Letting rate, %
Offices	1,234	2,920	90	1,302	2,832	92
Retail	737	3,360	91	983	3,485	94
Other	224	2,135	89	238	2,018	92
Residential	49	1,733	100	49	1,722	99
Garage/parking	53	E/T	93	60	E/T	94
Business area Property	2,297	2,963	91	2,632	2,963	93
Project properties	180		92	132		78
Total	2,477		91	2,764		92

¹¹ m² excluding garage.

Change in value

The unrealised change in value during the quarter amounted to SEK 167 million (SEK -1,486 m). The change in value is mostly due to lower yield requirements for office and project properties, but also changes in operating net, particularly in the long term, following changes in vacancy assumptions.

Development rights

In total there is 404,000 m² GFA of development rights excluding land allocations and reconstructions, of which 75,000 m² GFA has a legally binding detailed development plan. 329,000 m² GFA requires a change in the detailed development plan to be able to be realised. 26,000 m² GFA of the legally

binding development rights relates to commercial development rights, 12,000 m² GFA to tenant-owned dwellings and 36,000 m² GFA to development properties. The book value amounts to approximately SEK 5,900/m² GFA for commercial development rights and approximately SEK 1,600/m² GFA for development rights for rental dwellings. The book value for development properties amounts to approximately SEK 3,700/m² GFA, calculated based on 168,000 m² GFA, which also includes land that does not have a detailed development plan. The volume of development rights for land allocations amounts to approximately 370,000 m², which are mostly in Slakthusområdet, Hagastaden, Slussen in Stockholm, and Gränbystaden in Uppsala.

Change in the property portfolio

SEK m	Quarter 2021 Jan-Mar	Quarter 2020 Jan-Mar	Full year 2020 Jan-Dec
Investment properties			
Fair value at the beginning of the period	46,026	47,513	47,513
Acquisitions (after deduction of latent tax)	25	3	410
Reclassification to Assets held for sale	-	-3,979	-
Sales	-	-	-3,979
Investments in held properties	459	463	2,208
Unrealised changes in value	167	-1,486	-119
Reclassification	-	-	-7
Fair value at the end of the period	46,677	42,514	46,026
Development properties			
At the beginning of the period	1,308	997	997
Reclassification	-	-	7
Investments in tenant-owned dwelling projects	26	107	305
Development properties, at the end of the period	1,334	1,104	1,308
Properties included in Assets held for sale	-	3,979	-
Property portfolio, total ¹⁾	48,011	47,597	47,334

¹⁾ Excluding Right-of-use asset, leaseholds

Unrealised changes in value, properties

SEK m	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2020 Q1	2019 Q4	2019 Q3	2019 Q2
Change in yield requirements	231	702	286	254	-791	549	283	439
Change in operating net, etc.	-64	-79	181	25	-695	107	-	681
Development rights	-	-	-	-	-	30	-	46
Total	167	623	467	279	-1,486	686	283	1,166

Property portfolio (excluding Right-of-use assets, leaseholds)

Property type	31 Mar 2021			31 Mar 2020		
	Letting area, '000 m ²	Fair value, SEK m	Fair value, SEK/m ¹⁾	Letting area, '000 m ²	Fair value, SEK m	Fair value, SEK/m ¹⁾
Office properties	639	27,498	53,914	609	23,563	49,279
Retail properties	302	10,073	41,947	333	12,588	46,687
Residentials	45	1,283	33,168	45	1,288	33,542
Business area Property	986	38,854	49,254	987	37,440	47,621
Project properties	97	7,326	E/T ²⁾	61	4,619	E/T ²⁾
Land and development rights	-	496		-	456	
Total Investment properties	1,083	46,677		1,048	42,514	
Development properties	6	1,334		8	1,104	
Property portfolio, total ³⁾	1,089	48,011		1,056	43,618	
Assets held for sale	-	-		115	3,979	
Property portfolio, total, including Assets held for sale	1,089	48,011		1,171	47,597	

¹⁾ Calculations based on area, excluding garages.

²⁾ Letting area for new builds is not reported until the project is completed and the figures therefore do not accurately represent the actual situation.

³⁾ Excluding Right-of-use asset, leaseholds



LIFE CITY

Life City, with its spectacular location directly above the E4, will be a new meeting place in Hagastaden for life science activities. The first tenants will move into the building in the fourth quarter of 2021. Life City has a clear sustainability profile and was a finalist in the Green Building Awards 2020.

Decided and completed projects

Investments in held properties amounted to SEK 485 million (SEK 570 m), of which SEK 308 million (SEK 321 m) was in project properties and SEK 26 million (SEK 107 m) in development properties. Investments in project properties relate primarily to projects in Sickla, Mobilia, Barkarbystaden and Hagastaden. All of our decided projects are progressing according to plan and none of them have been affected to any significant extent by the ongoing pandemic.

In the first quarter of 2021 our first tenant-owned dwelling project in Nobelberget, Brf Sicklastråket, was completed, comprising 68 apartments.

The remaining investment volume for decided projects amounted to SEK 2,270 million as of 31 March.

Stockholm

SICKLA, NACKA

Tapetfabriken – The old wallpaper factory at Marcusplatsen in Sickla is being developed into a hotel. Nordic Choice Hotels rents the entire building, which will house 240 hotel rooms, conference premises, event spaces, a restaurant and a lobby measuring 2,000 m². The project is in its final phase and the hotel is scheduled to open in June 2021.

Brf Konstharts – Nobelberget's second block comprises 56 tenant-owned apartments, three commercial premises on the ground floors and a parking garage. Sales and production for this project started in the autumn of 2020 and as of 31 March 2021, booking contracts had been signed for all of the apartments. The project is expected to be ready for occupancy in the third quarter of 2022.

Sickla Galleria, phase IV – Approximately 200 parking spaces are being created on top of the existing shopping centre, including 60 for electric cars. The new parking spaces will help meet the increase in need for parking due to the Curanten and Stationshuset projects. Approximately 2,000 m² of existing retail premises has been vacated, and new premises covering almost 3,100 m² have been created for retail and service. The frame is now in place and work is underway on installations and tenant adaptations. In December a lease contract was signed with the sports and leisure company XXL for a store measuring 3,100 m². It is expected to be completed in the third quarter, with stores scheduled to open in November 2021.

SLUSSEN

Katarinahuset – The reconstruction project in Katarinahuset is underway and the building will be home to modern offices with a unique view once it is completed. As well as offices, there are plans for a hotel and several restaurants. The building's roof terrace will also be developed to allow the general public access via Mosebacke and Katarinahissen. A lease contract was previously signed with Eriks Gondolen for a total of 1,100 m² divided between two different restaurants with occupancy during the autumn of 2022. The first office tenants are planning to move in during the spring of 2023, while the renovation of the property is expected to be fully completed in the summer of 2023. This investment amounts to almost SEK 1 billion.

HAGASTADEN

Life City – Life City is being built next to New Karolinska Solna University Hospital. The building comprises 27,500 m² and the investment amounts to SEK 1.7 billion including land acquisitions. We are creating a new meeting place here for life science activities. The biggest tenant is Academic Work, which signed an agreement for 17,000 m². In the first quarter of 2021 we signed lease contracts for a restaurant and cafe, which will supplement the conference and meeting activities in the building.

Production is on schedule with the first tenants planning to move in during the fourth quarter of 2021. The entire building is planned for completion in the spring of 2022.

BARKARBYSTADEN, JÄRFÄLLA

Bas Barkarby – Construction of the first phase of Bas Barkarby comprises approximately 25,000 m². Here we will be bringing together education with the business community and culture, and we will create a brand new kind of meeting place. Järfälla Municipality will be the biggest tenant with almost 11,000 m² for upper secondary education, a multi-purpose hall, a library and other cultural activities. Bas Barkarby will also comprise offices, a restaurant and healthcare. Internal construction work is underway and the building is expected to be completed in the summer of 2022.

At the end of 2020 a contract for almost 1,500 m² was signed with the restaurant and conference group Eatery. In the first quarter of 2021 three new lease contracts were signed, including one with a healthcare company. The letting rate is therefore 60 per cent and interest remains high in establishing activities in this building.

Bas Barkarby will be directly connected to western Stockholm's new hub for the underground railway, long-distance trains, commuter trains and buses.

Uppsala

GRÄNBYSTADEN

Parkhusen, block 1 – We are building a residential district called Parkhusen with approximately 300 apartments close to both Gränbystaden Galleria and Gränbyparken. Parkhusen will create an urban frontage and a clearly defined entrance to the park. Block 1 comprises 44 rental apartments with commercial premises on the ground floor. The project is scheduled for completion in the second quarter of 2021. The building is almost fully let and the apartments have been mediated by Uppsala Bostadsförmedling.

Parkhusen, block 2 – We are planning our first tenant-owned dwellings here in Gränbystaden, totalling 98 apartments. Production is scheduled to start in the second quarter of 2021, and the project is expected to be completed in the second quarter of 2023.

Schedule for decided projects

■ Planning ■ Construction ■ Completion

	2021				2022				2023			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
New builds and extensions												
Tapetfabriken												
Sickla Galleria phase IV												
Life City												
Bas Barkarby												
Parkhusen, block 1												
Reconstruction												
Katarinahuset												
Tenant-owned dwellings												
Brf Sicklastråket												
Brf Konstharts												
Parkhusen, block 2												

Decided projects

Project, property, municipality	Letting area, m ²				Parking, GFA	Total investment, SEK m ¹⁾	Of which remaining, SEK m	Fair value, SEK m	Rental value, SEK 2 m)	Letting rate, %
	Retail	Offices	Residen- tial units	Other						
New builds and extensions										
Tapetfabriken, Sicklaön 83:22, Nacka				10,500	4,600	440	50		E/T ³⁾	100 ⁴⁾
Sickla Galleria phase IV, Sicklaön 83:22, Nacka	5,000				6,300	140	50		16	E/T ³⁾
Life City, Molekylen 1, Stockholm		27,500			4,400	1,700	540		109	E/T ³⁾
Bas Barkarby, Barkarby 2:64, Järfälla		4,000		20,200		860	400		56	60
Parkhusen, block 1, Gränby 25:1, Uppsala	100		2,700			120	20		6	95
Total new builds and extensions	5,100	31,500	2,700	30,700	15,300	3,260	1,060			68
Reconstruction										
Katarinahuset, Tranbodarne 11, Stockholm	2,900	18,400		3,800		980	790		125	E/T ³⁾
Tenant-owned dwellings										
Brf Sicklastråket, Sicklaön 83:43, Nacka			4,500			310	10		E/T	100 ⁴⁾
Brf Konstharts, Sicklaön 83:41, Nacka	300		3,600		800	280	170		E/T	– ⁷⁾
Parkhusen block 2, part of Gränby 21:4, Uppsala			5,800		1,200	270	240		E/T	–
Total decided projects	8,300	49,900	16,600	34,500	17,300	5,100	2,270	5,988		

¹⁾ Including any land acquisition in connection with the project implementation, but excluding any initial values such as the market value of a demolished building.

²⁾ Excluding premiums.

³⁾ Rental value/letting rate is not reported as a subtotal with regard to individual business transactions.

⁴⁾ The letting rate including parking amounts to 94 per cent. Parking is let closer to completion.

⁵⁾ Divided into SEK 3,866 million for new builds and extensions, SEK 1,773 million for reconstructions and SEK 349 million for tenant-owned dwelling projects.

⁶⁾ The percentage of apartments sold with binding contracts, in numbers.

⁷⁾ 98 per cent booked through booking contracts.



GRÄNBYSTADEN

Gränbystaden and the neighbouring areas represent one of the most expansive districts of Uppsala and they are expected to be completely integrated with the city centre within a few years. Many different projects have been underway for a number of years, primarily residentials, but also the development of office properties, sports facilities and healthcare.

Potential development projects

Our current project portfolio with new builds and property development projects enables future investments of approximately SEK 36 billion in addition to the remaining investments in ongoing projects of more than SEK 2 billion. In terms of area, 53 per cent of the future investments comprises offices and 36 per cent residentials, while the remaining 11 per cent is retail/service, education and culture. The project portfolio is divided among the majority of our areas with Sickla, Slakthusområdet, Hagastaden,

Gränbystaden and Slussen accounting for approximately 90 per cent of the investment volume. Most of our projects from the entire project portfolio are located in existing or future underground stations in the Stockholm area. The rate at which we can complete the projects depends on the market situation and the detailed development plan process. No projects are normally started until we have secured a minimum level of return in the form of signed lease contracts.

Potential project starts 2022–2023

Stockholm

In Sickla sales are underway for the second stage of a total of 500 tenant-owned dwellings in Nobelberget. In 2020 the launch of block two started with 56 tenant-owned apartments and premises on the ground floors, while in 2021 we have started the development of another block at the top of Nobelberget. A total of 90 apartments are being planned here, with sales expected to start in the first quarter of 2022. The development of the remaining apartments will be carried out gradually based on market demand. In Nobelberget, we are creating an attractive and dense urban environment with residentials, office premises, restaurants and cultural activities.

We have a development right for approximately 7,500 m² GFA at Sickla Station, where the future underground will be linked with the cross-town light rail link (Tvärbanan), the Saltsjöbanan Line and bus services. Work is underway on a new detailed development plan with an extended development right that includes a 23-storey building and approximately 23,000 m² GFA. The detailed development plan was adopted in December by Nacka Municipality and the appeals process is currently underway. Atrium Ljungberg and the Stockholm Regional Council are working jointly on a project that involves the construction of sections of the new station entrance. The building will also contain offices and other commercial premises. The ground work, shafting and blasting are currently underway.

Detailed development planning work is in progress for a new 16-storey residential building with approximately 80 apartments. This will be at the eastern section of Sickla Galleria by the second planned underground entrance at Sickla Station. The detailed development plan will be sent out for examination in 2021. The preparatory work on the station entrance is planned for the autumn of 2021, while the entire building is expected to be completed in the first quarter of 2024.

In Hagastaden we received a land allocation in March 2020 comprising two residential blocks and one office block. The first phase of this project will be a shared garage for these blocks and construction is expected to start in the spring of 2022.

In Sundbyberg we own the properties Eken 6 and Eken 14; Marabou's old chocolate factory and head office. In the first quarter of 2021 we received a positive planning decision for developing the Eken 14 property. We want to create a vibrant area here, inspired by its historic environment. This includes making Marabou Park more accessible by providing a new entrance. Modern workplaces are being created in a central location, which will also be developed with a wide range of cultural and service activities. The development plans comprise a total of more than 26,000 m² GFA.

Malmö

In Mobilia we have a development right of 5,400 m² GFA for offices on the street Trelleborgsvägen. The programme and system documentation was completed towards the end of 2020 and the application for a building permit has been submitted. Offices will be the natural next step in the development of Mobilia on its journey to becoming a dynamic city district with mixed content and a hub in southern Malmö.

Uppsala

In Gränbystaden, Uppsala's second city centre continues to be developed. As well as the residential blocks in Parkhusen, there is also the potential for approximately 150 more apartments within the framework of the existing detailed development plan.



SLAKTHUSOMRÅDET

Over its 100-year history Slakthusområdet has shown a strong spirit of entrepreneurship. This is something we have embraced and are going to develop now that we are making our mark for the next 100 years. New types of workplaces and homes will emerge, and together they will form a unique and creative city district in Stockholm.

Major development areas, project starts after 2023

Sickla

For more than 20 years Atrium Ljungberg has been transforming Sickla from an industrial area to a vibrant city district. Over the past two years we have been working with Nacka Municipality to produce a vision for the development of 'Central Sickla'. This has resulted in a shared vision of this future city district and a proposal for a new city plan. Central Sickla, which stretches from Marcusplatsen in the west to Kyrkviken in the east, currently contains large car parking areas and low retail buildings. These areas will be transformed into urban districts with pedestrianised precincts and buildings with office workplaces and apartments. Restaurants and stores on the ground floors will bring life to the thoroughfares and create a safe urban environment. In total the plan comprises approximately 150,000 m², corresponding to around 7,000 office workplaces and about 500 new apartments. The detailed development plan process is underway and is expected to take approximately three years.

The Stockholm region is seeing a high rate of growth, which is why we are also planning more residential apartments in Sickla. The detailed development plan for residential in Kyrkviken and the northern part of Nobelberget is underway. In accordance with Nacka Municipality's residential vision and comprehensive plan, we want to create around 700 attractive apartments and service premises in a pleasant neighbourhood setting in Kyrkviken. Kyrkviken is located next to the waterfront, public transport and Sickla's range of retail and service. The project comprises more than 20,000 m². In Nobelberget the development of new residential blocks continues, with the project totalling 500 tenant-owned apartments.

The total investment for the development projects in Sickla amounts to approximately SEK 13 billion.

Slakthusområdet

In June 2019 we took possession of 14 properties totalling more than 50,000 m² letting area. We also have an option to acquire an investment property of 32,000 m² of letting area. We have the option of ordering additional land allocations measuring approximately 100,000 m² GFA as well. The acquisitions and developed land allocations amount to a total of approximately 200,000 m² GFA for offices and residentials, supplemented with culture, retail, a restaurant, hotel, education, etc. The total investment between 2019 and 2030, including acquisitions, amounts to around SEK 10 billion.

Slakthusområdet is one of Stockholm's largest urban development projects. In March 2021 we signed a cooperation agreement with Stockholm University of the Arts (SKH) about a move to Slakthusområdet. The university area is planned to comprise approximately 25,000 m² GFA of educational premises and workplaces. Stockholm University of the Arts provides education and research in areas such as film, media, opera, circus and acting,

and organises a number of large public events every year. In the spring the cultural offer in Slakthusområdet was expanded further with concert and festival facilities and children's and youth culture facilities. This includes the creative talent initiative Juice Studios. This project is a unique collaboration between business, the public sector and the non-profit sector, and has several financial backers and partners. In the summer of 2020 Stockholm Roast opened its coffee roastery, alongside its coffee bar, shop and showroom. This establishment marked the launch of the new food destination that Atrium Ljungberg wants to develop in Slakthusområdet. The intention is to create an attractive location with offices and residential properties, supplemented with a wide range of food, culture and experiences. A brand new meeting place and an engine for the entire Söderort.

Slussen

Atrium Ljungberg is one of the largest property owners in Slussen.

In an agreement with the City of Stockholm we received several land allocations in Slussen, Hagastaden and Slakthusområdet in 2020 as compensation for the Hamnmästaren land allocation that we returned. In Slussen we are now able to develop the future retail hub under Ryssgården and Södermalmstorg, which comprises 16,000 m² GFA. We are planning retail and service here combined with areas that link the various methods of public transport together; the Saltsjöbanan line, the underground and the bus terminal in Katarinaberget. The retail hub is adjacent to the future Mälarterrassen, a public building comprising more than 7,000 m² GFA with a view of the old town in Stockholm, Gamla Stan, and the water. We are planning cafes, restaurants and cultural offerings here. Occupancy is planned for 2026.

The Ormen district is a development right of approximately 4,500 m² GFA, with a hotel planned to be built above the underground entrance. The hotel is expected to be completed at the same time as the retail hub.

In Slussen we already had a land allocation in front of Katarinahuset in the Ryssbodarne district, located above Stadsgårdsleden and Saltsjöbanan. The Ryssbodarne district is a triangular development right comprising approximately 7,500 m² GFA across five floors, where we are planning offices with public spaces on the ground floors. Production will start in 2026 at the earliest, with potential occupancy in 2028.

Atrium Ljungberg already owns Glashuset, Sjömansinstitutet and Katarinahuset. This means that we now own approximately 50,000 m² in our existing portfolio and a total of approximately 35,000 m² GFA in land allocations. The development project in Slussen represents a total investment of more than SEK 2 billion. We are continuing to work with the city, creating a dynamic meeting place together for the future. Slussen will become a vibrant hub and a destination for both tourists and people living in Stockholm.

Hagastaden

Atrium Ljungberg has been operating in Hagastaden for almost 25 years and is one of the largest property owners in the area with characteristic industrial buildings along Norra Stationsgatan. This is where a district with older buildings meets the new Hagastaden, where our Life City project, for example, will be completed in 2022.

We are playing an active role in the development of Hagastaden, which will grow to become a new dynamic city district by 2030 and one of the world's leading life science clusters. In the eastern part of Hagastaden we have a land allocation right next to Brunnsviken lake. We are planning to build an office property here that will comprise approximately 24,000 m² across eight floors. It will feature an undulating facade that will provide attractive office spaces with incredible views of Brunnsviken lake and Haga Park. Construction is planned to start in the first quarter of 2024.

In March 2020 we received another land allocation in the area following an agreement with the City of Stockholm, where we returned a land allocation in Slussen so that a future Nobel Center could be built. The land allocation in Hagastaden comprises two residential blocks and one office block – Cambridge, Stanford and Pisa. Construction is scheduled to start at the end of the 2023, beginning with the residential block Stanford.

The development projects in Hagastaden represent a total investment of approximately SEK 6 billion over a period of almost ten years.

Uppsala

Uppsala is the fourth largest city in Sweden with a steady population growth, growing business and world-leading research and innovation.

Uppsala is one of our most important submarkets and we are focusing our operations on the City of Uppsala and Gränbystaden.

In December 2020 we acquired the property Uppsala Kungsängen 22:2 in the City of Uppsala, more commonly known as 'Ångkvarnen' (Steam Mill) among people living in Uppsala. The buildings in Ångkvarnen are in a development area where we are working with Ikano Bostad and Besqab to link the southern parts of the inner city with the centre. Detailed development planning is underway and possession of the properties is scheduled for the beginning of 2023.

Over the past six years, we have carried out a number of major investment projects in Gränbystaden in order to create an attractive and vibrant cityscape with a mix of retail, offices, residential, service and cultural activities. By having a mix of activities we create a safe place that has life and movement 24 hours a day.

In 2019, we obtained a new land allocation with a development right for potentially 45,000 m² GFA for residential and offices, including parking, south of Gränbystaden Galleria. Detailed development planning is underway and expected to be complete in the fourth quarter of 2021. Construction of the offices may potentially start at the beginning of 2023.

We are also looking into the possibility of starting a detailed development plan to further develop and condense the area that is currently the car park next to the shopping centre; this comprises a total of 45,000 m². In northern Gränbystaden there is also the possibility of developing 5,000 m² GFA for offices and retail on the remaining land within the existing detailed development plan.

In total the development projects in Gränbystaden represent an investment volume of approximately SEK 3 billion.

Potential projects

	Municipality	Premises type ¹⁾	Project area, m ² , GFA		Potential investment, SEK m ²⁾
			Detailed development plan exists	Change to detailed development plan required	
Barkarby	Järfälla	Offices	19,000		
Lindholmen	Gothenburg	Offices		23,000	
Hagastaden	Stockholm	Residential units	39,000		
Hagastaden	Stockholm	Offices	36,000	26,000	
Hagastaden	Stockholm	Retail	1,000		
Mobilia	Malmö	Offices	5,000		
Sickla	Nacka	Residential units	36,000	143,000	
Sickla	Nacka	Offices		121,000	
Slakthusområdet	Stockholm	Education		34,000	
Slakthusområdet	Stockholm	Residential units		35,000	
Slakthusområdet	Stockholm	Offices		94,000	
Slakthusområdet	Stockholm	Hotels		4,000	
Slakthusområdet	Stockholm	Other		23,000	
Sundbyberg	Sundbyberg	Offices		26,000	
Södermalm	Stockholm	Retail		16,000	
Södermalm	Stockholm	Hotels		5,000	
Södermalm	Stockholm	Offices	46,000		
Södermalm	Stockholm	Culture/restaurant	7,000		
Uppsala	Uppsala	Residential units	12,000	46,000	
Uppsala	Uppsala	Offices		61,000	
Uppsala	Uppsala	Retail	5,000		
Total			206,000	657,000 ⁴⁾	36,000

¹⁾ Anticipated premises use may change and may include other elements.

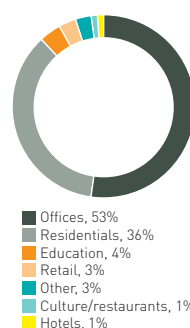
²⁾ The investment volume relates to investments in existing properties and future development rights, including any land acquisitions.

³⁾ of which around 40,000 m² relates to reconstruction and around 100,000 m² GFA relates to land allocations.

⁴⁾ of which around 90,000 m² relates to reconstruction and around 270,000 m² GFA relates to land allocations.

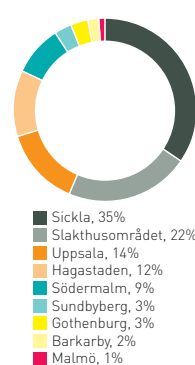
Potential projects by premises type

– Residential and offices account for almost 90 per cent of the area



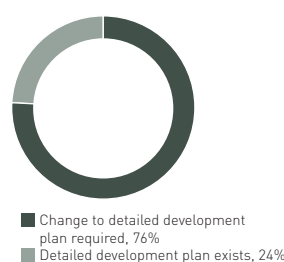
Potential projects by area

– Stockholm is the focus of this area



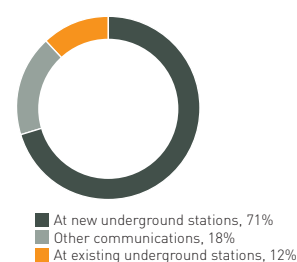
Potential projects by detailed development plan

– There is a detailed development plan for almost one quarter of the area



Potential projects at underground stations

– More than 80 per cent of the area at new or existing underground stations



Financing

The financial market

The first quarter of 2021 saw the EU and the USA continuing with their expansive fiscal policy. Global cooperation has enabled the start of vaccination programmes, while companies and households are showing a strong, underlying desire to normalise their production and consumption behaviours. However, according to a report from the National Institute of Economic Research, the assessment is for strict restrictions to remain in place, with a third wave of infection dampening growth in the first quarter in Sweden. Recovery is expected to start slowly in the second quarter, but it is not until the third quarter that the economy is expected to see a clear upswing, resulting from a vaccinated adult population, which will in turn increase consumption among households. Despite this, a deep recession is expected in 2021 with unemployment at more than 8 per cent by the end of the year.

During the quarter, the variable rate, 3M Stibor, moved slightly from -0.05 per cent at year-end to -0.02 per cent at the end of the quarter. In the same period, the 10-year swap rate increased from 0.39 per cent to 0.79 per cent, which is still a historically low level.

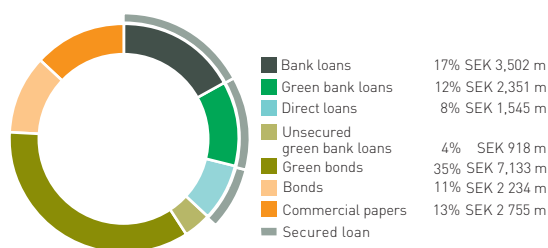
There were favourable conditions for property companies on the Swedish capital market during the quarter, which Atrium Ljungberg made use of through two bond issues.

Interest-bearing liabilities

Atrium Ljungberg meets its financing requirements through the capital market, Nordic banks, the Nordic Investment Bank, the European Investment Bank and direct financing. Interest-bearing liabilities at the end of the quarter amounted to SEK 20,438 million (SEK 20,429 m). During the first quarter, interest-bearing liabilities increased by SEK 1,533 million. This increase was due to a combination of commercial papers, bonds and direct loans.

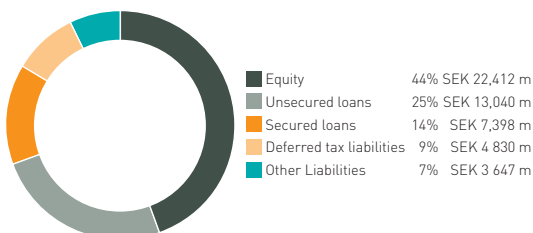
Interest-bearing liabilities

- SEK 20.4 billion in liabilities with 51 per cent green financing



Capital structure

- Secured loans correspond to 14 per cent in relation to total assets



The average interest rate at the end of the quarter amounted to 1.6 per cent (1.6%). Including unutilised loan guarantees the average interest rate was 1.7 per cent (1.7%). The average fixed interest term was 4.6 years (5.0 years) and the average capital commitment term was 4.6 years (4.4 years). The interest coverage ratio for the period amounted to 5.6 (4.4). According to the company's long-term financial goals, the gearing ratio is to be less than 45 per cent. At the end of the quarter it amounted to 42.6 per cent (44.1%).

Unutilised loan guarantees in addition to loan guarantees which cover outstanding commercial paper amounted to SEK 1,995 million (SEK 1,382 m). The unutilised overdraft facility amounted to SEK 300 million (SEK 300 m).

Securities

Atrium Ljungberg's borrowing is partly secured by real estate mortgages. Of the interest-bearing liabilities, SEK 7,398 million (SEK 9,860 m) is secured by mortgage deeds which corresponds to 14 per cent (19%) in relation to the total assets.

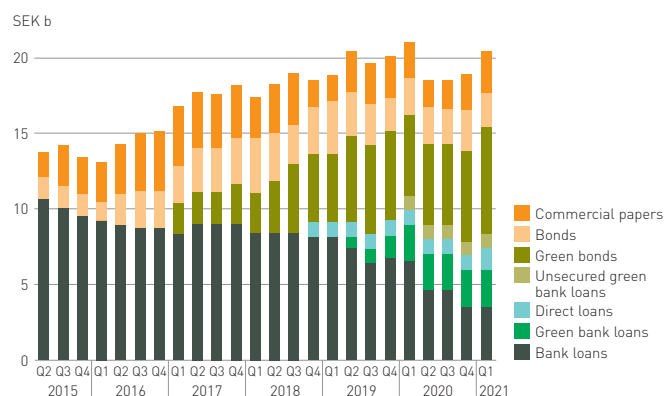
Green financing

Atrium Ljungberg creates attractive and sustainable cities, and we are focusing on improving resource efficiency as part of our sustainability strategy, which will reduce our environmental impact. This also enables us to access green financing.

Green financing accounts for 51 per cent (41%) of the total loan volume. At the end of the quarter, there were SEK 7,133 million (SEK 5,400 m) in green bonds outstanding, as well as SEK 3,269 million (SEK 3,274 m) of green bank loans.

Development of financing sources

- The increase in debt volume was mostly through the capital market and direct loans



Fixed interest

Commitment period	Amount, SEK m	Percentage, %	Average interest, % ¹⁾
2021	5,197	25%	1.0
2022	1,136	6%	1.6
2023	511	3%	1.2
2024	1,450	7%	1.6
2025	2,000	10%	1.5
2026 and thereafter	10,143	50%	1.9
Total	20,438	100%	1.6

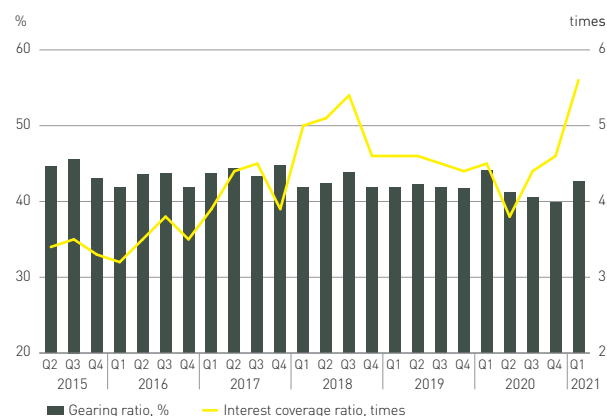
¹⁾ The average credit margin for variable interest rates is spread over the time segment during which the derivative falls due for payment. The average interest is recognised excluding the cost of unutilised loan guarantees.

Capital commitment

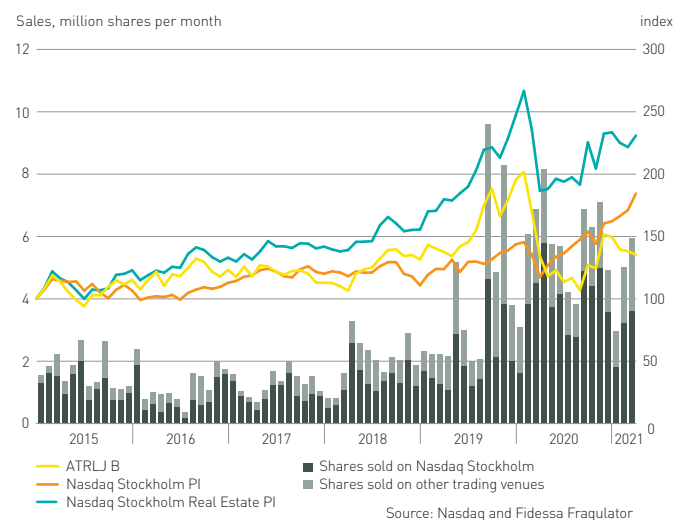
Commitment period	Amount, SEK m	Percentage, %
2021	1,138	6
2022	3,984	19
2023	3,266	16
2024	2,107	10
2025	3,850	19
2026 and thereafter	6,093	30
Total	20,438	100

Gearing ratio and interest coverage ratio

– A higher gearing ratio and a better interest coverage ratio



The Atrium Ljungberg share



Derivatives

At the end of the quarter, the derivative portfolio comprised SEK 14,689 million (SEK 13,374 m) in interest rate swaps and currency swaps, with maturity between 2022 and 2030. In addition, there is SEK 500 million in forward-starting interest swaps beginning in 2021. Currency swaps are used to eliminate the currency exposure that arises when bonds are issued Norwegian krone.

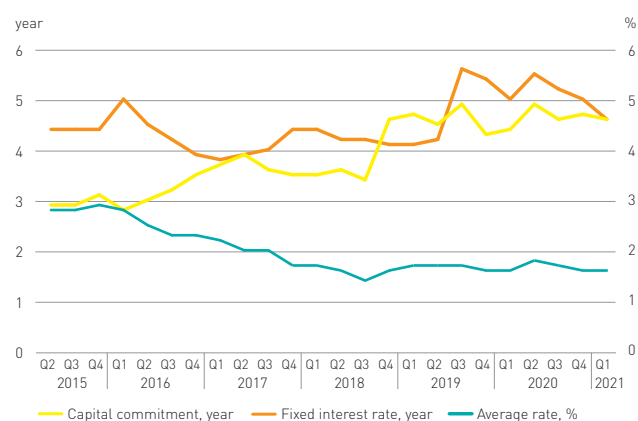
The derivatives portfolio is valued at market rate in conjunction with every closing of the accounts and the change in value is reported via the income statement. The unrealised change in the value of derivatives during the quarter amounted to SEK 210 million (SEK -236 m) as market interest rates increased slightly on the terms covered by the derivatives during the quarter. The deficit book value of the derivatives portfolio amounted to SEK -285 million (SEK -641 m) at the end of the period.

Public rating

The company has an investment grade rating from the credit rating agency Moody's and was awarded Baa2 grade with a stable outlook.

Average interest and capital commitment and fixed interest rate

– A slightly lower capital commitment and fixed interest rate with a stable average interest rate



CONSOLIDATED CASH FLOW STATEMENT

	Quarter 2021 Jan-Mar	Quarter 2020 Jan-Mar	Full year 2020 Jan-Dec	12 months 2020/2021 Apr-Mar
Amounts in SEK m				
OPERATING ACTIVITIES				
Profit before changes in value	311	311	1,124	1,124
Reversal of depreciation, amortisation and impairment	4	4	13	12
Other items not included in the cash flow	11	1	-9	1
Tax paid	-7	-14	6	14
Cash flow from operating activities before changes in working capital	319	302	1,134	1,151
Net change in working capital	-81	17	113	15
Cash flow from operating activities	238	319	1,246	1,166
INVESTMENT ACTIVITIES				
Acquisition of investment properties	-25	-3	-407	-428
Investments in held properties and tenant-owned dwelling projects	-485	-570	-2,513	-2,427
Sale of properties	-	-	3,797	3,797
Investment in financial non-current assets	31	-127	-145	12
Purchase/sale of equipment	-4	-3	-8	-9
Cash flow from investment activities	-482	-703	724	945
FINANCING ACTIVITIES				
Change in other non-current liabilities	3	5	5	3
Loans raised	3,895	2,941	5,886	6,840
Repayment of debts	-2,530	-2,034	-7,047	-7,543
Exercise of derivatives	-	-	-	-
Dividends paid	-	-	-649	-649
Buy-back of own shares	-171	-19	-343	-495
Cash flow from financing activities	1,196	893	-2,149	-1,846
Cash flow for the period	952	509	-177	266
Cash and cash equivalents at the beginning of the period	279	457	457	965
Cash and cash equivalent at the end of the period	1,231	965	279	1,231

Comments on the cash flow statement

The cash flow for the for the period amounted to SEK 952 million (SEK 509 m).

The cash flow from operating activities amounted to SEK 238 million (SEK 319 m), corresponding to SEK 1.87/share (SEK 2.46/share). Cash flow from operating activities was mostly affected by a negative change in operating capital, primarily related to higher prepaid expenses.

Net investment activities have contributed to a negative cash flow of SEK -482 million (SEK -703 m), primarily attributable to investments in held properties, which amounted to SEK -485 million (SEK -570 m).

The cash flow from financing activities amounted to SEK 1,196 million (SEK 893 m), which is mostly attributable to loans raised, repayment of loans and the acquisition of own shares.

Available liquidity amounted to SEK 3,526 million (SEK 2,647 m) and comprised bank deposits of SEK 1,231 million (SEK 965 m), unutilised overdraft facilities of SEK 300 million (SEK 300 m) and unutilised lines of credit of SEK 1,995 million (SEK 1,382 m) in addition to credit facilities covering outstanding commercial paper.

Sustainability

Sustainable enterprise

One of Atrium Ljungberg's overall operational goals is Corporate Social Responsibility. In this context we have defined four sustainability goals which are monitored quarterly:

- ▶ By 2021, 100 per cent of our investment properties will be environmentally certified (with the exception of project properties and properties acquired over the past two years).
- ▶ Energy consumption per m² will decrease by 30 per cent between the years 2014 and 2021.
- ▶ The proportion of green lease contracts will be 50 per cent of the contracted annual rent at the end of 2021.
- ▶ We will be one of Sweden's best workplaces, as part of our ambition to have sustainable employees and to be an attractive employer.

Sustainability work

As the current sustainability goals will come to an end in 2021, strategic preparations have got underway to produce a new sustainability strategy and new sustainability goals.

This work has included in-depth dialogue with our most important stakeholders and a materiality analysis, which was completed in the previous quarter. The work on these new goals has already started and is based on previous work and results.

Work will be carried out in the coming quarters with representatives from the whole organisation to define our level of ambition and suitable measurement figures.

Environmental certification

We have chosen to certify our commercial premises in accordance with BREEAM and our residential in accordance with Miljöbyggnad. As of 31 March 2021, 64 per cent (52%) of letting area was certified.

Energy consumption

Electricity is responsible for the greatest share of our energy consumption. Usually, we provide our tenants with electricity and charge them on the basis of actual consumption, which creates incentives for resource efficiency. Most of our properties use district heating as their heat source. The cooling that is installed in our properties is provided by purchased district cooling and by self-generated cooling. Compared with the 2014 reference year, energy intensity has fallen by 25 per cent (18%) per m². We have achieved this because of the continuing success of our energy efficiency measures in our portfolio and a review of our areas, which has also had a positive impact on the results.

Energy intensity

kWh/m ²	2021/2020 Apr-Mar	2020/2019 Apr-Mar	Change	Change compared to 2014 ¹⁾
Heating	58	67	-14%	-37%
Property electricity	47	46	1%	-30%
District cooling	11	16	-32%	-43%
Sub-total property energy	115	129	-11%	-35%
Tenant electricity	55	59	-7%	-11%
Tenant electricity, estimated	16	17	-5%	-42%
Process cooling	15	14	4%	-
Total energy intensity	201	219	-8%	-25%

¹⁾ Reference year.

Sustainable employees

We have taken part in the Great Place to Work® evaluation of 'Sweden's best workplaces' since 2011. Our goal is to achieve an average index of 85 per cent. In 2020 we exceeded our goal and achieved an index of 89 per cent (87%).

Green lease contracts

Sustainable and cost-efficient solutions are created in close collaboration between tenants and property owners. Green lease contracts are an example of a joint undertaking to reduce environmental impact together; they comprise energy, waste and transportation, for example. The goal is for green contracts to account for at least 50 per cent of contracted annual rent by the end of 2021, which means that we have exceeded this goal as of 31 March 2021.

	1 Apr 2021	1 Apr 2020
Green lease contracts, share of contracted annual rent	51%	39%

Tax

Atrium Ljungberg's directly distributed economic value to society comprises taxes and leasehold fees. Taxes mainly comprise current tax, property tax, non-deductible VAT and stamp duty. The rules on these taxes are monitored carefully as this is an essential part of the commercial offer with requirements for high predictability and minimisation of administrative expenses. Read more about Atrium Ljungberg's tax policy on our website www.al.se or on page 25 in our 2020 Annual Report.

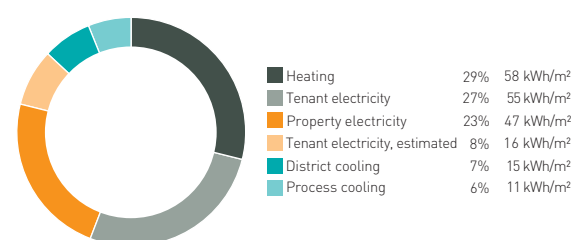
SEK m	Quarter 2021 Jan-Mar	Quarter 2020 Jan-Mar	Full year 2020 Jan-Dec	12 months 2020/2021 Apr-Mar
Current tax	10	22	41	29
Property tax	46	44	185	187
Non-deductible VAT	26	25	134	135
Taxes	81	91	361	351
Leasehold fees	6	9	31	28
Society	88	100	392	379

Green financing

Atrium Ljungberg is able to implement green financing as a direct result of our sustainability work, with a clearly defined link to our sustainable projects. This accounts for 51 per cent (41%) of the total loan volume. At the end of the period, there was SEK 7,133 million (SEK 5,400 m) of green bonds outstanding, as well as SEK 3,269 million (SEK 3,274 m) of green bank loans.

Energy intensity

- 43 per cent of the total energy intensity comprises the tenants' energy used for their activities



Segment reporting

Atrium Ljungberg's segmentation is based on two business areas: Properties and Project and construction work.

2021
Jan-Mar

Amounts in SEK m	Properties	Project development ¹⁾	TL Bygg	Project and construction work	Non-allocated items and eliminations	The Group
Rental income	578				-6	572
Net sales, project and construction work		10	195	205	-78	127
Net sales	578	10	195	205	-84	699
Property management costs	-199				4	-195
Project and construction work costs		-11	-155	-166	68	-98
Gross profit	379	-1	40	39	-12	405
Central administration	-17	-1	-3	-4	-	-21
Financial income and expenses					-73	-73
Profit before changes in value	361	-2	37	35	-85	311
Changes in value ^{2) 3)}	166				210	376
Tax					-135	-135
Profit for the period	527	-2	37	35	-10	552
Investments and acquisitions	484	26	0	26	3	514
Assets, at the end of the period	47,856	1,334	225	1,559	1,912	51,327

2020
Jan-Mar

Amounts in SEK m	Properties	Project development ¹⁾	TL Bygg	Project and construction work	Non-allocated items and eliminations	The Group
Rental income	654				-6	648
Net sales, project and construction work		6	157	163	-79	84
Net sales	654	6	157	163	-84	733
Property management costs	-217				4	-213
Project and construction work costs		-4	-146	-151	64	-87
Gross profit	437	1	11	12	-16	432
Central administration	-18	-1	-3	-4	-	-23
Financial income and expenses					-99	-99
Profit before changes in value	419	-0	7	8	-116	311
Changes in value ^{2) 3)}	-1,489				-236	-1,725
Tax					280	280
Profit for the period	-1,070	-0	7	8	-72	-1,134
Investments and acquisitions	466	107	-	107	4	577
Assets, at the end of the period	47,474	1,104	195	1,299	2,060	50,833

¹⁾ The profit within project development mainly refers to costs of investigations at early project stages and ongoing development projects.

²⁾ Properties, unrealised SEK 167 million (SEK -1,486 m). Properties, realised SEK -1 million (SEK -3 m).

³⁾ Unrealised change in value, derivatives SEK 210 million (SEK -236 m).

Revenue type per segment

2021

Jan-Mar

Amounts in SEK m	Properties	Project development	TL Bygg	Project and construction work	Non-allocated items and eliminations	The Group
Rental income	578				-6	572
Net sales, project and construction work						
of which Turnkey contracts, fixed price			65	65	0	65
of which Turnkey contracts, open account			58	58	-56	2
of which Performance contracts, fixed price			0	0	0	0
of which Performance contracts, open account			50	50	-16	34
of which Other		10	22	32	-6	26
Total Net sales, project and construction work		10	195	205	-78	127
Total Net sales	578	10	195	205	-84	699

2020

Jan-Mar

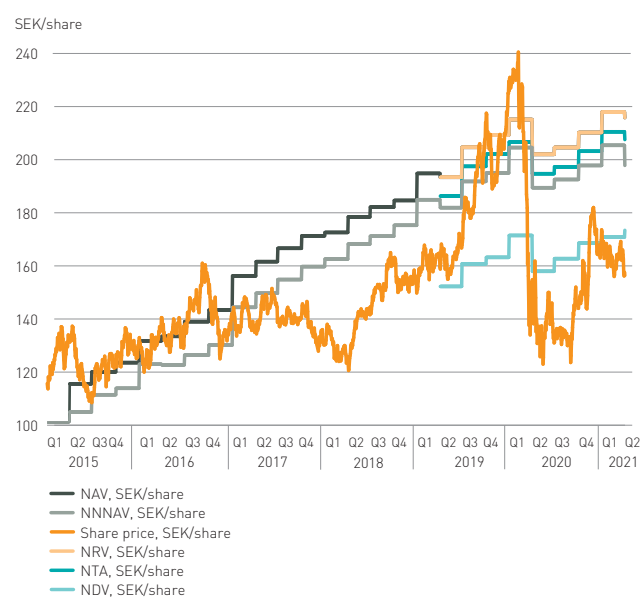
Amounts in SEK m	Properties	Project development	TL Bygg	Project and construction work	Non-allocated items and eliminations	The Group
Rental income	654				-6	648
Net sales, project and construction work						
of which Turnkey contracts, fixed price			29	29	-0	29
of which Turnkey contracts, open account			58	58	-57	1
of which Performance contracts, fixed price			0	0		0
of which Performance contracts, open account			69	69	-15	54
of which Other		6		6	-6	-
Total Net sales, project and construction work		6	157	163	-79	84
Total Net sales	654	6	157	163	-84	733

KEY PERFORMANCE INDICATORS¹⁾

	Quarter 2021 Jan-Mar	Quarter 2020 Jan-Mar	Full year 2020 Jan-Dec	12 months 2020/2021 Apr-Mar
PROPERTY-RELATED KEY PERFORMANCE INDICATORS				
Letting rate excluding project properties, %	91	93	91	91
Letting rate including project properties, %	91	92	91	91
Operating surplus margin, %	66	67	67	66
Letting area, '000 m ²	1,089	1,171	1,087	1,089
Investments in Atrium Ljungberg's held properties, SEK m	485	570	2,513	2,428
Number of properties at the end of the period	70	70	67	70
FINANCIAL KEY PERFORMANCE INDICATORS				
Equity/assets ratio, %	43.7	41.3	45.7	43.7
Gearing ratio, %	42.6	44.1	39.9	42.6
Interest coverage ratio	5.6	4.4	4.6	4.9
Average interest rate for interest-bearing liabilities, %	1.6	1.6	1.6	1.6
Return on equity, rolling 12-month period, %	11.8	7.1	3.8	11.8
Return on equity, excluding changes in value, rolling 12-month period, %	4.2	4.7	3.8	4.2
Return on total assets, rolling 12-month period, %	6.0	4.4	2.0	6.0
Return on total assets, excluding changes in value, rolling 12-month period, %	2.2	2.6	2.3	2.2
DATA PER SHARE				
Earnings per share, SEK	4.34	-8.74	6.69	7.78
Profit before changes in value less nominal tax, SEK	1.95	1.88	6.92	7.00
Cash flow from operating activities, SEK	1.87	2.46	9.62	9.04
Equity, SEK	176.90	161.76	177.46	176.90
Share price, SEK	156.40	154.80	172.80	156.40
Weighted average number of shares, thousands	127,319	129,820	129,554	128,936
Number of outstanding shares at the end of the period, thousand	126,692	129,721	127,739	126,692
EMPLOYEES				
Average number of employees	329	338	333	338

	Quarter 2021 Jan-Mar	Quarter 2020 Jan-Mar	Full year 2020 Jan-Dec
Earnings, SEK m	292	291	1,070
EPS, SEK/share	2.30	2.24	8.38
NRV, SEK m	27,340	26,204	27,841
NRV, SEK/share	215.80	202.00	217.95
NTA ²⁾ , SEK m	26,294	25,216	26,897
NTA ²⁾ , SEK/share	207.55	194.38	210.56
NDV	21,971	20,489	21,825
NDV, SEK/share	173.42	157.95	170.86
Vacancy rate	9%	7%	9%

NRV, NTA, NDV, NNAV and share price

¹⁾ See the definitions on pages 28–30, and see the reconciliation for key performance indicators at www.al.se.²⁾ For the calculation of NTA and NNAV, an estimated deferred tax of 4.0 per cent has been used.

QUARTERLY SUMMARY ^{1) 2)}

INCOME STATEMENTS

	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2020 Q1	2019 Q4	2019 Q3	2019 Q2
Amounts in SEK m								
Rental income	572	555	561	579	648	644	653	647
Net sales, project and construction work	127	118	139	153	84	93	62	46
Net sales	699	673	700	732	733	737	715	693
Property management costs	-195	-195	-167	-203	-213	-216	-194	-195
Project and construction work costs	-98	-118	-150	-152	-87	-107	-77	-55
Gross profit	405	360	383	377	432	415	445	443
- of which gross profit/loss property management (operating surplus)	377	360	394	376	435	428	460	452
- of which gross profit/loss from project and construction work	29	-0	-11	1	-3	-14	-15	-9
Central administration, property management	-17	-21	-15	-21	-18	-23	-17	-21
Central administration, project and construction work	-4	-6	-3	-3	-4	-3	-3	-3
	-21	-26	-18	-24	-23	-26	-20	-25
Financial income and expenses	-73	-52	-88	-97	-99	-99	-107	-97
Profit before changes in value	311	282	277	256	311	289	318	321
Properties, unrealised	167	623	467	279	-1,486	686	283	1,166
Properties, realised	-1	3	-16	-65	-3	13	49	-7
Derivatives, unrealised	210	33	-45	-3	-236	464	-179	-215
Derivatives, realised	-	-	-	-	-	-50	-	-
	376	659	406	210	-1,725	1,113	152	945
Profit before tax	687	940	683	466	-1,414	1,402	469	1,265
Tax	-135	-250	63	98	280	-358	65	-258
Profit for the period	552	690	745	564	-1,134	1,044	534	1,007

KEY PERFORMANCE INDICATORS ^{1) 2)}

Property-related key performance indicators

	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2020 Q1	2019 Q4	2019 Q3	2019 Q2
Letting rate excluding project properties, %	91	91	92	92	93	94	93	93
Letting rate including project properties, %	91	91	92	92	92	93	92	93
Operating surplus margin, %	66	65	70	65	67	66	70	70
Letting area, '000 m ²	1,089	1,087	1,078	1,069	1,171	1,176	1,177	1,216
Investments in Atrium Ljungberg's held properties, SEK m	485	704	653	586	570	666	402	417
Number of properties at the end of the period	70	67	66	66	70	70	69	68

Financial key performance indicators

Equity/assets ratio, %	43.7	45.7	46.1	45.5	41.3	44.6	43.8	42.5
Gearing ratio, %	42.6	39.9	40.5	41.2	44.1	41.7	41.8	43.2
Interest coverage ratio	5.6	7.2	4.4	3.8	4.4	4.3	4.2	4.6
Average interest rate for interest-bearing liabilities, %	1.6	1.6	1.7	1.8	1.6	1.6	1.7	1.7
Return on equity, rolling 12-month period, %	11.8	3.8	5.6	4.7	7.1	12.9	14.8	14.6
Return on equity, excluding changes in value, rolling 12-month period, %	4.2	3.8	4.0	4.3	4.7	4.6	4.8	4.9
Return on total assets, rolling 12-month period, %	6.0	2.0	3.1	2.7	4.4	8.0	15.8	16.1
Return on total assets, excluding changes in value, rolling 12-month period, %	2.2	2.3	2.4	2.6	2.6	2.7	2.7	2.7

Data per share

Earnings per share, SEK	4.34	5.35	5.75	4.35	-8.74	8.07	4.13	7.74
Profit before changes in value less nominal tax, SEK	1.95	1.73	1.68	1.55	1.88	1.75	1.93	1.94
EPS, SEK	2.30	2.12	2.24	1.72	2.24	2.28	2.38	2.30
Cash flow, SEK	1.87	4.47	2.79	0.01	2.46	2.28	2.59	3.45
Equity, SEK	176.90	177.46	171.90	166.15	161.76	175.48	167.41	163.27
NRV, SEK	215.80	217.95	210.23	204.60	202.00	215.12	209.27	204.65
NTA ³⁾ , SEK	207.55	210.56	203.16	197.31	200.77	206.62	202.08	197.47
NDV, SEK	173.42	170.86	168.58	162.74	157.95	171.46	163.20	160.77
Share price, SEK	156.40	172.80	146.60	131.20	154.80	226.00	217.50	167.80
Weighted average number of shares, thousands	127,319	128,957	129,721	129,721	129,820	129,839	129,839	129,991
Number of outstanding shares at the end of the period, thousand	126,692	127,739	129,721	129,721	129,721	129,839	129,839	129,839

¹⁾ The operating surplus margin, equity/assets ratio, return on total assets, and the return on total assets excluding changes in value have been adjusted. In 2019 these key performance indicators were calculated excluding the effect of the implementation of IFRS 16 Leases, but comparison figures are now available that include the effect of this implementation. The key performance indicators for 2018 do not include any effects from the implementation of IFRS 16, as the standard entered into force on 1 January 2019.

PARENT COMPANY

The parent company's operations comprise Group-wide functions and the organisation for the management of the properties owned by the parent company and the subsidiaries.

Net sales amounted to SEK 74 million (SEK 84 m). The operating profit/loss amounted to SEK -7 million (SEK -9 m). Profit after financial items amounted to SEK 168 million (SEK -130 m).

Interest-bearing liabilities amounted to SEK 16,985 million (SEK 17,500 m). These funds finance the parent company's property portfolio and are lent on to other Group companies.

Amounts in SEK m	Quarter 2021 Jan-Mar	Quarter 2020 Jan-Mar	Full year 2020 Jan-Dec
Rental income	19	20	77
Management income	55	64	318
Net sales	74	84	395
Property costs	-8	-8	-32
Management and administration expenses	-69	-81	-389
Capital gain/loss from sale of properties	-	-	-7
Depreciation	-4	-4	-16
Operating profit	-7	-9	-50
Earnings from shares in Group companies	-	-	3,560
Interest income and similar profit items	351	156	622
Interest expenses and similar profit items	-175	-276	-606
	176	-120	3,576
Profit after financial items	168	-130	3,527
Appropriations	-0	0	72
Profit before tax	168	-129	3,599
Current tax	0	0	-4
Deferred tax	-40	35	34
	-40	35	30
Profit for the period	128	-94	3,629

Amounts in SEK m	31 Mar 2021	31 Mar 2020	31 Dec 2020
ASSETS			
Property, plant and equipment	1,035	915	1,003
Financial non-current assets	1,190	1,145	1,261
Current assets	25,528	23,894	24,837
Total assets	27,753	25,954	27,101
EQUITY AND LIABILITIES			
Equity	10,199	6,842	10,243
Untaxed reserves	21	8	21
Provisions	84	79	83
Non-current liabilities	16,062	17,093	16,630
Current liabilities	1,388	1,932	125
Total equity and liabilities	27,753	25,954	27,101

OTHER INFORMATION

BUY-BACK OF SHARES

At the Annual General Meeting in March 2021, the Board of Directors of Atrium Ljungberg was authorised to take the decision to acquire the company's own shares on one or more occasions during the period until the next Annual General Meeting; see 'Annual General Meeting and Nomination Committee' on page 27. The purpose of such buy-backs is to give the Board more flexibility in its work on the company's capital structure, which will therefore help to increase shareholder value. As of 31 March 2021 the company owned 6,529,000 class B shares. The buy-back has been in the range of SEK 132.20–178.63 per share.

STOCK OPTION PROGRAMME

At the end of the period the parent company had issued a total of 94,500 call options, which entitle Atrium Ljungberg's staff to acquire the equivalent number of class B shares. The underlying share price reached a rate during parts of this period that would justify a redemption of these options. However, no dilution from the utilisation of these options has been taken into account when calculating earnings per share, as the effect is immaterial.

RETAIL SECTOR'S SALES TREND

During the first two months of the year, total sales at our three regional retail hubs – Sickla, Gränbystaden and Mobilia – decreased by 7.1 per cent overall in comparable portfolios. Sales fell by a total of 8.1 per cent.

ACCOUNTING POLICIES

Atrium Ljungberg's consolidated accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS). The Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The parent company applies Swedish Financial Reporting Board's recommendation, RFR2 Accounting for Legal Entities, and the Swedish Annual Accounts Act. The accounting policies applied conform to those described in the 2020 Annual Report.

Rent rebates

Rent rebates linked to the Covid-19 pandemic are not distributed over the length of the rental contract as they are not deemed to modify the rental contract. These rent rebates are recognised in the rental period that the rebate relates to.

In the first quarter the rent rebates related to the Covid-19 pandemic that were given amounted to SEK 4 million. The reduced rents in the first quarter that are expected to be compensated by the government amount to SEK 0 million (SEK – m). This affected profit in the first quarter by SEK –4 million net (SEK – m).

The applications for government support totalled SEK 33 million for the rebates given in 2020, and so far SEK 5 million has been rejected as major chains had reached the maximum amount that could be claimed. These receivables have been invoiced to the tenants in question.

Parent company's accounting policies

The parent company applies the same accounting policies as the Group with the exceptions and additions regulated in RFR2, Accounting for Legal Entities.

Instead of applying IFRS 16, the parent applies RFR 2 (IFRS 16 pp. 2–12); as the parent company is the lessee, it means that lease payments are expensed on a straight-line basis over the term of the lease.

The parent company recognises derivatives at the lower of cost and fair value. There are negative fair values as of 31 March 2021, which means that a liability of SEK 376 million (SEK 655 m) has been recognised in the balance sheet. A positive change in value of SEK 286 million (SEK 306 m) has been recognised in the income statement in net financial expenses.

Valuation method for investment properties

Investment properties are valued at fair value in the Balance Sheet. The valuation took place in accordance with level 3 in the IFRS valuation hierarchy.

Valuation method for derivatives

Derivatives are valued at fair value in the balance sheet. Pursuant to the IFRS valuation hierarchy, the fair value of derivatives has been valued in accordance with level 2. This level means that the valuation is based on input data other than the listed prices, and which are observable for the asset or the liability, either directly or indirectly. The derivative agreements (ISDA agreements) include an option to net obligations in respect of the same counterparty.

Fair value interest-bearing liabilities

The Group's reported interest-bearing liabilities total SEK 20,438 million (SEK 20,429 m) and their fair value totals SEK 20,714 million (SEK 21,249 m). The fair value calculation is based on discounted estimated future cash flows. The discounting is carried out on the basis of current market rates plus the relevant borrowing margin. The valuation is hereby conducted with IFRS valuation hierarchy level 2. Atrium Ljungberg is of the opinion, with regard to other financial assets and liabilities recognised at amortised cost, that the differences between book values and fair values are insignificant.

NET REINSTATEMENT VALUE, ETC.

Atrium Ljungberg recognises Management earnings less nominal tax, Vacancy Rate, NDV, NRV and NTA in accordance with the definitions produced by the European Public Real Estate Associations. When calculating NTA, an estimated deferred tax of 4.0 per cent has been used for properties. The calculation of the tax rate is based on a discount rate of 3 per cent (real) and the fact that the property portfolio is realised over 50 years, where 10 per cent of the properties are sold through transfer of property with a nominal tax rate of 20.6 per cent, and that 90 per cent are sold indirectly through transfer of shares with a tax deduction for the buyer of 6 per cent.

ALTERNATIVE PERFORMANCE MEASURES

Atrium Ljungberg applies the guidelines of the European Securities and Markets Authority (ESMA) on Alternative Performance Measures (APMs). According to these guidelines, an APM is a financial measure of historical or future profit performance, financial position, financial results or cash flows which are not defined or stated in applicable rules for financial reporting; IFRS and the Swedish Annual Accounts Act.

Reconciliation of APMs is available on Atrium Ljungberg's website, www.al.se.

ROUNDING OFF

Due to the effects of rounding off, figures presented in this interim report may not exactly match the totals in certain cases, and percentages may differ from the exact percentages.

CHANGES OF RULES IN THE AREA OF TAX

The company tax rate for the 2021 tax year fell to 20.6 per cent.

The new rules for the mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements (DAC 6) do not cover Atrium Ljungberg. Previous proposals also included national arrangements within the Group. However, this was removed from the act that entered into force on 1 July 2020.

The ongoing Covid-19 pandemic is affecting tax legislation through temporary laws and changes to tax payments. According to the Treasury Department, the parcelling study continues to be subject to administration.

MARKET DEVELOPMENT, RISKS AND UNCERTAINTY FACTORS

Atrium Ljungberg's property portfolio, with office, retail and full-service environments, is primarily located in strong subsidiary markets in the expanding regions Stockholm, Gothenburg, Malmö and Uppsala. The primary prioritised risk management areas, in light of both their complexity and size of the amounts involved, are letting, property valuation, project activities and financing. The company has good procedures for managing these risks and also has a strong financial position with strong key performance indicators, such as a low gearing ratio and high interest coverage ratio.

The ongoing Covid-19 pandemic has created more uncertainty than normal. This uncertainty is mostly due to the difficulty in assessing the duration and extent of the pandemic, and therefore its effects on the company's earnings and valuation. In the short term Atrium Ljungberg will be affected by some tenants not being able to pay their rental costs. In the long term rental levels and vacancy rates will be affected, and the extent of this is currently difficult to assess. For further information on risks and uncertainty factors in general, please see Atrium Ljungberg's 2020 Annual Report and the section entitled "Risks and risk management" on pages 74–80.

FORECASTS

Atrium Ljungberg is well-equipped for the future. As the company has a diversified property portfolio, a project portfolio focusing on very strong locations and a solid financial base, it is in a good position to tackle the challenges that could be presented by various scenarios.

EVENTS AFTER THE CLOSING DATE

No significant events have occurred since the closing date.

ANNUAL GENERAL MEETING AND NOMINATION COMMITTEE

The Annual General Meeting (AGM) of the company, held on 25 March 2021, resolved that the Board of Directors will consist of six ordinary members. Gunilla Berg, Simon de Chateau, Conny Fogelström, Erik Langby, Johan Ljungberg and Sara Laurell and were re-elected for the period until the next AGM. Johan Ljungberg was re-elected as the Chairman of the Board.

It was further resolved that a new Nomination Committee would, ahead of the 2022 Annual General Meeting, comprise representatives of the company's five biggest shareholders as of the last banking day of February 2021. The Nomination Committee therefore consists of Per-Erik Hasselberg, appointed by the Holmström family, Lars Ericson, appointed by the Stockholm Consumer Cooperative Society, Hans Hedström, appointed by Carnegie Fonder, Johan Ljungberg, appointed by the Ljungberg family and Ilkka Tomperi, appointed by the mutual occupational pension insurance company Varma.

The AGM also approved the Board of Directors' Remuneration Report for the 2020 financial year.

A dividend payment of SEK 5.05 per share (SEK 5.00/share) was approved.

The AGM resolved to authorise the Board of Directors to decide on an issue in kind on one or more occasions during the period until the next AGM totalling a maximum of SEK 13.3 million class B shares (corresponding to a dilution of approximately 10.0 per cent of the capital and 7.9 per cent of the votes).

The AGM resolved to authorise the Board of Directors to make a decision during the period until the next AGM to acquire as many class B shares to ensure that the company's holdings do not exceed 10 per cent of all the shares in the company at any given time. It also resolved to authorise the Board of Directors to be able to make a decision to transfer its own class B shares during the period until the next AGM.

The AGM also resolved that § 9 of the articles of association will be supplemented with a provision for proxy solicitation and postal voting.

Full minutes are available on Atrium Ljungberg's website at www.al.se.

The Interim Report has not been subject to review by the company's auditors.

Nacka, 16 April 2021

Annica Ånäs
CEO

DEFINITIONS

FINANCIAL DEFINITIONS

The effect of the implementation of IFRS 16

Atrium Ljungberg has applied IFRS 16 Leases since 1 January 2019. In 2019 Atrium Ljungberg chose to reverse the effect of IFRS 16 when calculating the alternative performance indicators in order to increase comparability. As comparison figures from 2020 are now available, reversal from 2020 will no longer be carried out, except for the following key performance indicators: gearing ratio and interest coverage ratio. This is because there are financial goals linked to these key performance indicators.

Adjusted gearing ratio, %

Interest-bearing liabilities, excluding the liability for financial leasing for leaseholds, as a percentage of the sum of the properties' fair values at the end of the period, less properties acquired but not possessed and plus properties sold but not vacated.

The adjusted gearing ratio is used to illustrate Atrium Ljungberg's financial risk.

Average fixed interest, years

Average remaining term until interest settlement date of all credits in the liabilities portfolio.

The average fixed interest is used to illustrate Atrium Ljungberg's financial risk.

Average interest rate for interest-bearing liabilities, %

Weighted average contracted interest for all credits in the liabilities portfolio excluding unutilised credit facilities.

The average interest is used to illustrate Atrium Ljungberg's financial risk.

Average maturity date, years

Average remaining term until final maturity of all credits in the liabilities portfolio.

The average maturity date is used to illustrate Atrium Ljungberg's financial risk.

Average number of outstanding shares

Weighted average number of outstanding shares calculated in accordance with IAS 33.

Cash flow per share, SEK

Cash flow from operating activities divided by the average number of outstanding shares.

Cash flow per share, SEK is used to illustrate Atrium Ljungberg's cash flow, and particularly its dividend capacity.

Dividend pay-out ratio, %

Dividend per share as a percentage of the profit/loss per share before changes in value, less applicable nominal tax.

Dividend pay-out ratio is used to illustrate what proportion of the earnings is shifted out to the Group's owners and reinvested in the operations respectively.

Earnings per share, SEK

Net profit/loss for the period divided by the average number of outstanding shares.

Equity/assets ratio, %

Recognised equity at the end of the period as a percentage of the balance sheet total.

The equity/assets ratio is used to illustrate Atrium Ljungberg's interest rate sensitivity and financial stability.

Equity per share, SEK

Reported equity divided by the number of outstanding shares at the end of the period.

Equity per share is used to illustrate the owners' share of the company's total assets per share.

Gearing ratio, %

Interest-bearing liabilities, excluding the liability for finance leasing for leaseholds, as a percentage of the sum of the properties' fair value at the end of the period.

The gearing ratio is used to illustrate Atrium Ljungberg's financial risk.

Gross profit/loss property management

Rental income less property management costs.

Gross profit/loss project and construction work

Net sales, project and construction work, minus project and construction costs.

Interest coverage ratio

Profit before changes in value, plus interest expenses divided by interest expenses, excluding leasehold fees, which, according to IFRS 16, have been reclassified as an interest expense.

The interest coverage ratio is used to illustrate how sensitive the company's results are to interest rate changes.

Number of outstanding shares

Number of registered shares at the end of the period less bought-back shares, which do not provide entitlement to dividend or voting rights.

NDV per share, SEK

The carrying amount of equity with a reversal of goodwill adjusted for the difference against the fair value of interest-bearing liabilities

NDV per share is used to provide stakeholders with information on Atrium Ljungberg's value per share for a disposal scenario calculated in a uniform manner for publicly listed property companies. This is recognised in accordance with EPRA's definition.

NRV per share, SEK

Reported equity with a reversal of goodwill, derivatives and deferred tax, divided by the number of outstanding shares at the end of the period.

NRV per share is used to provide stakeholders information on Atrium Ljungberg's long term net worth per share calculated in a uniform manner for publicly listed property companies. This is recognised in accordance with EPRA's definition.

NTA per share, SEK

The carrying amount of equity with a reversal of derivatives and goodwill adjusted with estimated actual deferred tax, divided by the number of outstanding shares at the end of the period.

NTA per share is used to provide stakeholders with information on Atrium Ljungberg's current net worth per share calculated in a uniform manner for publicly listed property companies. This is recognised in accordance with EPRA's definition.

Management earnings less nominal tax (EPS) per share, SEK

Profit before changes in value, less calculated current tax excluding loss carry-forwards, divided by the average number of outstanding shares. The deducted tax has been calculated by taking into account tax deductible depreciation and investments.

Management earnings less nominal tax (EPS) is used to provide stakeholders information on Atrium Ljungberg's management result per share calculated in a uniform manner for publicly listed property companies. This is recognised in accordance with EPRA's definition.

Profit before changes in value per share, SEK

Profit before changes in value, less current tax, divided by the average number of outstanding shares.

Profit before changes in value per share is used to illustrate the ongoing management operations.

Property costs

Total property management costs, which exclude central administration.

Return on equity, excluding changes in value, rolling 12-month period, %

Profit for the period excluding changes in value for the last 12 months as a percentage of average adjusted equity.

Return on equity excluding changes in value is used to illustrate Atrium Ljungberg's capacity to generate current cash flow on the owners' capital in the Group.

Return on equity, rolling 12-month period, %

Profit for the period for the last 12 months as a percentage of average equity. Return on equity is used to illustrate Atrium Ljungberg's capacity to generate profit on the owners' capital in the Group.

Return on total assets, excluding changes in value, rolling 12-month period, %

Profit before changes in value for the last 12 months plus interest expenses for the last 12 months as a percentage of the average balance sheet total.

Return on total assets excluding changes in value is used to illustrate Atrium Ljungberg's capacity to generate current cash flow on the Group's assets uninfluenced by the Group's financing.

Return on total assets, rolling 12-month period, %

Profit before tax for the last 12 months plus interest expenses for the last 12 months as a percentage of the average balance sheet total.

Return on total assets is used to illustrate Atrium Ljungberg's capacity to generate profit on the Group's assets uninfluenced by the Group's financing.

Share dividend yield, %

The proposed or distributed share dividend as a percentage of the share price at the end of the financial year.

The share's dividend yield is used to illustrate which current yield shareholders are expected to receive.

Share's total yield, %

The year's change in the share price plus the distributed dividend during the year as a percentage of the share price at the end of the financial year.

The share's total yield is used to illustrate the shareholders' total yield on their ownership in Atrium Ljungberg.

PROPERTY-RELATED DEFINITIONS**Comparable portfolio**

Comparable portfolio refers to the properties which were not classified as project properties and were owned throughout the period and entire comparison period.

Comparable portfolio is used to illustrate the trend of rental income excluding non-recurrent effects for premature vacating of premises and property costs uninfluenced by project properties as well as acquired and sold properties.

Development properties

Development properties are properties that are built or unbuilt that the Group owns in order to develop and sell them as tenant-owned dwellings. These properties are recognised as current assets, even though some of the properties are managed and generate rental income while they are waiting to be developed.

They are recognised at the lower of their accumulated cost and their net realisable value.

GFA, m²

GFA (Gross Floor Area) refers to the building's total area, including outer walls.

Leasehold fees

The fee paid for the utilisation of leaseholds. Regarded according to IFRS 16 as an interest expense in the income statement.

Leaseholds

The right of use for building plots. In compliance with IFRS 16, leaseholds are recognised as a right-of-use asset in the balance sheet

Letting area, m²

Total area available for letting. Garage is included in letting area but excluded when calculating the rental value per m² and fair value per m².

Letting rate, %

Contracted annual rents as a percentage of the rental value in conjunction with full letting. Reported figures are based on the immediately subsequent quarter.

The letting rate is used to illustrate the Group's efficiency in the use of its investment properties.

Net letting

Total contracted annual rent for new lets with deductions for annual rents due to terminated contracts for the period.

Net letting is used to illustrate the letting situation.

NRA, m²

Non-residential area refers to the letting area of a building for non-residential purposes.

Operating surplus

Refers to rental income less property management costs.

Operating surplus margin, %

Gross profit/loss from property management as a percentage of the recognised rental income.

Operating surplus margin is used to illustrate what proportion of the Group's rental income remains after property costs.

Premises type

The operations managed in the individual premises determine the premises type: offices, retail, residential, other or garage. Other includes education, culture, service enterprises and storage.

The letting rate and yield requirement are reported per premises type.

Project property

An individual property or a clearly delimited part of a property that has been or is about to be vacated in order to permit the renovation and upgrading of the property.

The term, project property, also refers to buildings under construction and to undeveloped land and development rights.

Reclassification from project property to completed property occurs on 1 January of the year after completion.

Project return, %

Market value after completed project minus total investment as a percentage of total investment.

Project return is used to illustrate value creation in the project operations.

Property type

The premises type which comprises the predominant share of the rental value of a register property or profit area determines the property type.

The market value and development of rental income in comparable portfolios recognised per property type.

Rental value

Contracted annual rents including rent surcharges (e.g. for property tax, heating and electricity) and estimated market rents for vacant space in existing condition.

Rental value is used to illustrate the Group's income potential.

RA, m²

Residential area refers to the letting area of a building for residential use.

Vacancy rate, %

The rental value of unlet premises divided by the rental value of the entire property portfolio. Project properties are excluded.

Vacancy rate is recognised in accordance with the EPRA's definition of vacancy rate, which enables comparison between different companies.

**SUSTAINABILITY-RELATED DEFINITIONS
BREEAM**

Is an environmental certification system developed in Europe for built environments. BREEAM takes a big picture approach to environmental performance. There are two types of BREEAM certification; BREEAM that relates to new production and BREEAM In-Use, which relates to existing properties.

The areas addressed by BREEAM are energy and water consumption, health, transport, materials, waste, land usage, emissions, ecology and management.

Energy intensity, kWh per m²

Total energy consumption from heating, cooling, tenant electricity and property electricity divided by the average estimated total letting area that is heated, excluding garages.

Green lease contracts, %

Contracted annual rent for commercial premises excluding the garage and storage for lease contracts with green rent supplement in per cent of contracted annual rent for commercial premises excluding the garage and storage. Green rent supplement is a supplement to the agreement from the Swedish Property Federation in which the tenant and landlord jointly undertake to reduce the environmental impact and covers, for example, energy, waste and transport. Reported figures are based on the immediately subsequent quarter.

INFORMATION FROM ATRIUM LJUNGBERG

The **Annual Report** and interim reports are published on our website. Interim reports and preliminary financial statements are translated into English and all language versions are published simultaneously on our website. The annual reports are translated into English shortly after the publication of the Swedish language version.

Interested parties can subscribe to both financial reports and press releases via our website: www.al.se. The site also provides updated information on our operations, our properties and projects, financial key performance indicators, the share, and much more besides. The information on the website is also available in English.

PUBLICATION OF FINANCIAL INFORMATION

Interim report Jan–Jun 2021	7 July 2021
Interim report Jan–Sep 2021	15 October 2021
2021 Preliminary Financial Statements	February 2022
2021 Annual Report	March 2022

Address:
Box 4200, SE-131 04 Nacka.
Street address: Smedjegatan 2 C
Tel: +46(0)8-615 89 00, info@al.se, www.al.se
Registered office: Nacka, Corporate ID no.: 556175-7047

IR contact:
Martin Lindqvist, CFO
Tel: +46(0)709-27 60 09
Email: martin.lindqvist@al.se



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