



Stable income
from property
management in a
cautious rental
market.

Overview January–March 2024.

January–March

- ↳ Rental income amounted to SEK 755 million (SEK 712 m) – of which comparable portfolios increased by 4.9% (11.7%).
- ↳ The net operating income amounted to SEK 541 million (SEK 489 m) – of which comparable portfolios increased by 8.1% (14.9%).
- ↳ Net sales for project and construction work amounted to SEK 111 million (SEK 84 m), while gross profit totalled SEK 3 million (SEK –1 m).
- ↳ Income from property management amounted to SEK 373 million (SEK 326 m), corresponding to SEK 2.96 per share (SEK 2.58 per share).
- ↳ Unrealised changes in the value of properties amounted to SEK –7 million (SEK –401 m), which included project returns of SEK 0 million (SEK 10 m).
- ↳ Profit for the period amounted to SEK 406 million (SEK –292 m), corresponding to SEK 3.22 per share (SEK –2.32).
- ↳ Net letting for the period amounted to SEK –13 million (SEK 8 m), of which the company terminated SEK –8 million (SEK –3 m), where the majority refers to paving the way for future projects.
- ↳ Investments for the period amounted to SEK 433 million (SEK 466 m) while property sales amounted to SEK 0 million (SEK 1,818 m). During the quarter, Katarinahuset was completed and thus was transitioned from project to management.

Overview ¹⁾	2024 Jan–Mar	2023 Jan–Mar	2023/2024 Apr–Mar	2023 Jan–Dec
Rental income, SEK m	755	712	2,863	2,821
Net sales, project and construction work, SEK m	111	84	439	412
Net sales, SEK m	865	796	3,302	3,233
Gross profit, SEK m	543	487	2,075	2,019
Income from property management, SEK m	373	326	1,412	1,365
Ditto SEK/share	2.96	2.58	11.20	10.82
Profit after tax, SEK m	406	–292	–255	–954
Ditto SEK/share	3.22	–2.32	–2.03	–7.56
Property value, SEK m	58,915	58,253	58,915	58,505
Investments including acquisitions, SEK m	433	466	2,122	2,155
Net lettings, excl. own terminations, SEK m	–5	11	52	68
Net lettings, incl. own terminations, SEK m	–13	8	32	53
Loan-to-value ratio, % ²⁾	42.6	41.3	41.3	42.5
Interest coverage ratio	3.8	3.5	3.8	3.7
Average closing interest rate, %	2.4	2.3	2.4	2.3
Long-term net asset value, SEK/share	262.99	266.70	262.99	262.11
Share price, SEK/share	209.20	169.00	209.20	231.20
Environmentally-certified area (m ²), %	83	80	75	75
Total energy intensity, kWh/m ² (average year, LFL)	163	169	160	160

Income from property management

+14% Change

Net operating income for comparable portfolios

+8.1% Change

Net letting

–13 SEK m

Ongoing projects

8.2 SEK b

Locations and context are more important than ever.

The vacancy rate for office spaces in Stockholm has increased during a period following the pandemic, followed by inflation and now, most recently, the economic downturn. Lower interest rates and an economic recovery should stimulate demand. However, this issue is not linked solely to the economic cycle but may also be a structural change regarding the role offices will play in the future. Here, location and context are crucial, and given this our urban development strategy is stronger than ever.

Profit

We are delivering good income from property management with a growth of 14%, which is primarily due to the index development, continued good cost control, stable net interest income, and increased net operating income from our completed Katarinahuset project at Slussen. The yield requirements in the market have currently stabilised, which can be attributed to good access to liquidity, resulting in decreasing credit margins, and market expectations that the Riksbank will start decreasing the interest rate already this year. This means that our valuation yield in the first quarter is basically unchanged, as are our property values.

Rental market

We are standing at the bottom of a long economic downturn, and there is still a feeling of uncertainty on the market, where the need for flexibility is high on the agenda. Many companies find it difficult to assess their future need for office premises, and the processes for signing a new lease contract are long. Demand, primarily within the service sector, has decreased, and this is impacting vacancies. We have the possibility of meeting to some extent the need for flexibility and offering tenants good alternatives through the co-working company A

house that is just now establishing itself in several of our areas in Stockholm. In general, we can see that it is an advantage that we own large, interconnected areas; it gives us good possibilities to provide support following a change in needs and find solutions that fit the customers' requirements.

Despite the gloomy economy, there are transactions to close and rental levels are stable. During the quarter, however, we received a large termination of a tenant at Lindholmen in Gothenburg of 3,800 m². This contributes to our overall negative net letting of SEK 13 million.

What transactions have been closed? During the quarter, we signed a lease contract with Global Connect, Leadstar Media, and Pricer in Hagastaden. In total the agreements cover approximately 5,500 m². New agreements were also signed at Slussen, in part with a new restaurant in the corner location where McDonalds was previously located. As the location takes shape, its position is strengthening as a gastronomic destination in Stockholm. Svenska Brassierier has opened Restaurant Pelago and Café Klotet, and earlier in the autumn it also opened Gondolen on the roof of Katarinahuset. In total the new agreements cover approximately 1,400 m².



Annica Anäs, CEO Atrium Ljungberg

“One of the world’s most innovative companies.”

At the end of April, the doors opened to the permanent premises in Slakthusområdet of Fällan, a culture and concert arena. At the same time, the cooperation with Fällan is being expanded to include several new premises for music, culture, art, food and drink – an initiative called Distriktfem. Distriktfem covers in total nine different concepts in the old halls of Slakthushallarna, where the capacity ranges from 50 to 3,000 people. The initiative is part of our long-term strategy for culture and live stage performances in Slakthusområdet.

Balansera!

In the past three years, Atrium Ljungberg released reports in which we went into more detail on matters related to working life. In 2021, we published Hybriduniversum, and the hybrid work method presented there is still present. People have gotten used to combining different locations for their work, but clearly the unifying community location will have a continued strong role going forward – 68% of young salaried employees in Sweden currently state that social interaction and community are the most important reasons for going to a physical workplace.

When we then published the Nybyggarna report the following year, the focus was on future work environments and how we are creating office environments and city districts that promote health, well-being and performance.

In this year's report, “Balansera!”, we add the leadership and organisation perspectives. This is the most extensive Swedish study of young salaried employees (ages 20–35) in a long time. Many leaders in both the private and public service sector are struggling with questions about how the future workplace will be formed, which is not strange.

After the pandemic, it is more difficult than before to find clear answers for how to attract, develop and retain talented employees. Our study goes into detail on the expectations on working life and leadership from the youngest employees today and provides guidance on how companies and organisation can get a jump in their industries through their most important asset: their employees. When I meet company leaders, they all confirm that they want to have employees back at the office. I believe that commuting is about to change when we all see that the best thing for the business is to meet at the office.

Tenant-owned dwelling market

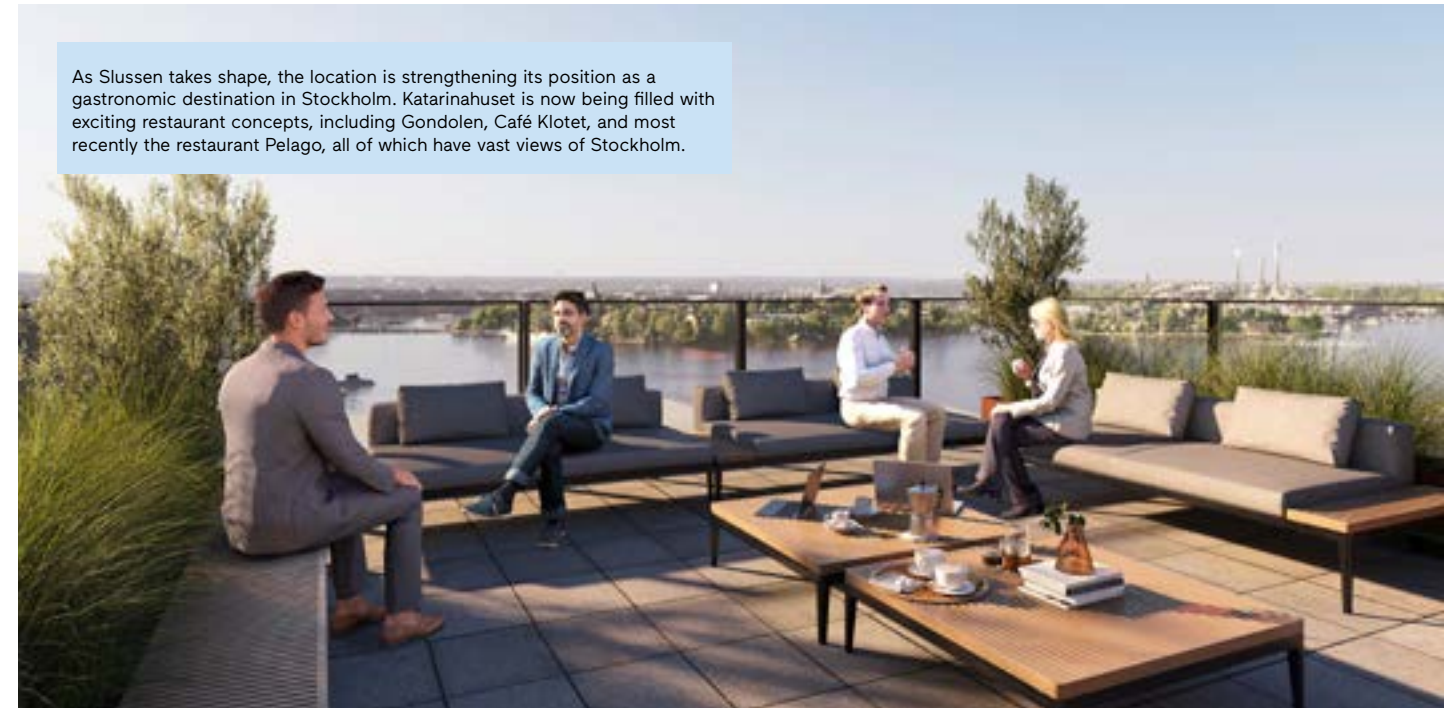
We are starting to see the light at the end of the tunnel in the housing market. Housing price expectations continue to increase due to the expected interest rate decrease during the spring and are now at the highest level since June 2021, according to Hemnet’s buyer barometer. The number of housing transactions increased sharply during the first months of the year at the same time as prices are demonstrating a more cautious increase. In Sweden, prices increased for the third month in a row, and since the end of the year, they have risen in total by more than 4%. Expectations on housing prices continued to increase in April and are now at the highest level since June 2021 according to Hemnet’s buyer barometer.

The more optimistic market is also noted within new production. Increased activity was noted in particular in projects with possession in less than three months. Projects where prices have been adapted to the market are seeing increased interest as the market’s expectations shift from negative to positive. Most buyers must continue to sell their current home before they can sign for something new, which means the period from interest to a closed deal is long.

During the first quarter, we sold a few apartments, which means that we have now sold 56% in Block 8 in Sickla, Nacka, and 74% in Gränbystaden, Uppsala.

Project portfolio

In January we decided on the start of construction for the next residential block at Nobelberget in Sickla. This will be the fourth block out of a total of eight and the first constructed in wood, which also marks the start of Stockholm



Wood City. I am very pleased that we are progressing to the next block. Nobelberget is an attractive location that has been well-received by the market. We take a long-term approach to our urban development strategy, and future blocks in Nobelberget have both high customer values and good profitability. By starting production first and beginning sales closer to the move-in date, we can meet customers’ needs to buy and sell in an equivalent market. Brf Kulturavret will consist of approximately 80 tenant-owned apartments, and the total area will be around 8,800 m² GFA with an estimated investment of approximately SEK 465 million.

One of the world's most innovative companies

I am very proud that Atrium Ljungberg has been named one of the world's most innovative companies. The American magazine Fast Company releases the World’s Most Innovative Companies list every year, which is the most prestigious ranking of innovative companies globally, and we have been ranked 8th in Europe, Middle East and Africa (EMEA). Atrium Ljungberg is the only Swedish

company included in this year’s ranking outside industry-specific subcategories.

This attractive recognition is shared by all of our employees, who through their dedicated work make it possible for us to take a leading role in the sustainable transition. It is easy to have a great vision, but something completely else to take ground-breaking initiatives from the idea stage to decision and implementation. Stockholm Wood City gives us the chance to show how to combine development of attractive 15-minute cities with construction that considers the planet's limited resources.

Annica Ånäs, CEO

This is Atrium Ljungberg.

Rooted in the old traditions of the master builder, we have developed our strategy and refined our property portfolio in recent years. We work with urban development to achieve our vision: 'Our city – where everyone thrives'. This is why our property portfolio and project development portfolio are located in large coherent areas that have a mix of offices, residentials, retail, culture and education in Sweden's four strongest growth markets – Stockholm, Uppsala, Gothenburg and Malmö.

Business model

Goal

Atrium Ljungberg will deliver a minimum 10% return on equity over time.

Financial risk limitations

The loan-to-value ratio can be a maximum of 45%, while the interest coverage ratio will be a minimum of 2.0.

Dividend policy

Around one-third of the income from property management will be distributed as long as investments or the company's financial position do not justify otherwise. In addition, the Board of Directors can propose that profits that are non-recurring in nature be distributed to the owners.

Investments

The company can invest approximately 5% of its size annually without this having a major impact on the loan-to-value ratio.

Agenda 2030

The total potential investment volume, which amounts to approximately SEK 40 billion and stretches to the middle of the 2030s, includes approximately SEK 28 billion for properties that are being developed to be owned (most of which are offices) and approximately SEK 12 billion in tenant-owned dwellings. This development will be carried out with properties that the company already owns or through the land allocations that it has obtained, with approximately 85% of the project development at existing or future underground stations in Stockholm.

One key component of Agenda 2030 is our sustainability goals up to 2030. Sustainability is a key business driver and a crucial component of our strategy, which is about sustainable innovative urban development.

Ten good reasons to be at a location

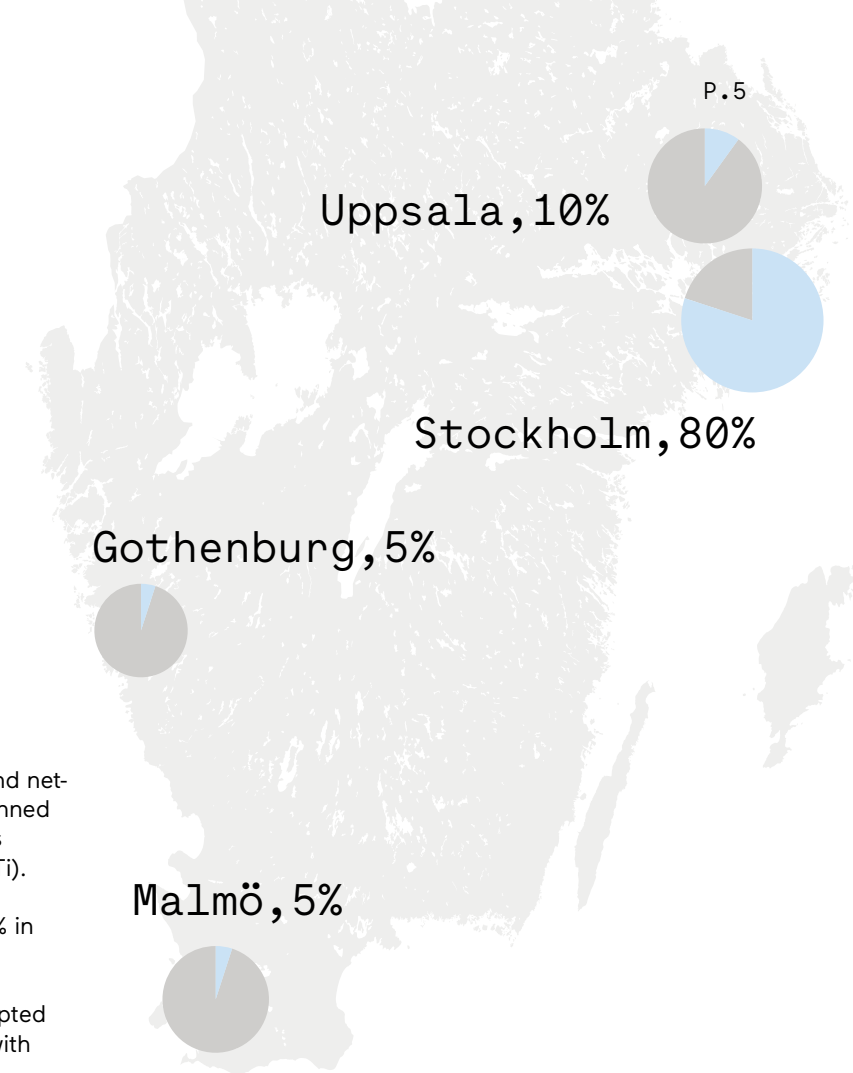
1. Street life 24 hours a day
2. Sports and activities
3. Cultural and learning environment
4. Art and cultural history
5. Nature and smart ecosystems
6. Games and social areas
7. Food and cafés
8. Calm oases
9. Digital infrastructure and Wi-Fi
10. Retail and service

Significant sustainability goals up to 2030:

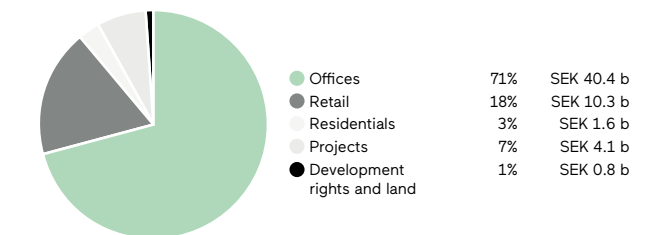
- Atrium Ljungberg will be climate-neutral by 2030 and net-zero by 2040, with half the climate impact from planned and ongoing projects in 2025. ¹⁾ And had the goals approved according to Science Based Targets (SBTi).
- Atrium Ljungberg's locations should reach over 90% in the Our City index by 2030 and 50% by 2025. ¹⁾
- All our locations and properties will be climate adapted by 2030 and their work will be run in accordance with TCFD.
- We will achieve 40% lower energy consumption and increased own production of fossil-free energy by 2030. ²⁾
- We will achieve 20% circular use of materials, 20% lower water consumption, and 20% lower waste quantities by 2030. ²⁾
- 100% of significant purchases will be evaluated in 2025. ¹⁾
- We will achieve 5.5 of a total of 7.0 in the employee index Human Financial Wellness (HFW) ¹⁾ with an even gender distribution and diversity that reflects society.

¹⁾ Part of sustainability-linked bond, base year 2021.

²⁾ Base year 2023.



Property value per category



Sustainable enterprise.

Atrium Ljungberg’s sustainability work

Atrium Ljungberg has long-term and short-term sustainability goals and follows select KPIs to ensure that we are developing in the right direction. The goals include a number of environmental, social and corporate governance perspectives. Up to 2025, we have partial goals that are part of our sustainability-linked financing.

Sustainability goals and SBTi

At the end of 2023 Atrium Ljungberg's Board of Directors adopted new sustainability goals as a complement to the existing goals. The aim is to facilitate governance and thereby enable delivery based on our stakeholders’ expectations and forthcoming legislative requirements. In practice, this means that we are increasing our ambition level in a number of areas, such as circularity, biodiversity, climate adaptation, business ethics, equality and diversity.

As a complement to our goal of being climate neutral in 2030, we have also adopted a net zero target for 2040. This is an ambitious and robust goal that aligns with the science in SBTi Net-Zero Standard.

Climate and TCFD

We are continuing to work actively to reduce the impact on the climate in the planning stage through lifecycle analyses early in the project. In our planned and ongoing projects, the average is now 331 kgCO₂e/GFA, which is an 28% improvement compared to the starting value. We are continuing to work to reduce the climate footprint of our property management. The average increased marginally during the first quarter primarily due to somewhat increased energy consumption compared to the previous quarter. Compared to the previous year, energy consumption has decreased.

During the quarter, we have intensified our focus on energy efficiency, and we started several initiatives related to our energy work with the aim of creating an exchange of experiences and competence within the management organisation. Our efforts to improve energy efficiency are

an important part of being able to reach our climate targets for our property management.

The EU Taxonomy

Atrium Ljungberg’s EU taxonomy reporting is voluntary as we are not under any legal requirement to submit such reporting until the 2025 financial year. We have adopted a goal of at least 50% taxonomy-aligned net sales by 2025. There were no major changes during the quarter.

Social sustainability

We are governing our urban development through our Our City index, which measures how we create socially, environmentally and financially sustainable locations. The index contains quantifiable indicators and is available in its entirety on our website. The results are measured annually since most activities are often conducted over longer periods of time.

During the quarter, work was carried out to develop forms of dialogue for our locations, which is an important factor in the Our City index. The project PreLoved, an initiative where Uppsala residents are invited to donate formal clothing to help those who are financially vulnerable prepare for school/university graduations, is being rolled out in Gränbystaden. This is a collaboration between Atrium Ljungberg and Uppsala Stadsmission.

Other reporting

During the quarter, the investor report was published, in which we explain our work with our green bonds and sustainability-linked bond.

We are reporting our climate work in accordance with the global Carbon Disclosure Project (CDP). In the first quarter we received a B rating, best possible rating is A. New this year is that we have reported for the category Water.

CSRD and new legislative requirements

We are continuing to work to prepare the company for CSRD and will complete in 2024 the double materiality analysis based on the principles in ESRS.

Sustainability goals for 2030	31/03/2024	2023	2022	2021	2020	Goal/Comments
Climate footprint for new builds, kgCO ₂ e/GFA	331	331	388	-	-	Goal: 50% red. 2025, Climate-neutral 2030
Percentage change from starting value	-28	-28	-15	-	-	Starting value (Baseline): 458
Climate footprint property mgmnt, kgCO ₂ e/m ² ^{1) 2)}	6.3	6.0	7.0	-	-	Goal: 22% red. 2025, Climate-neutral 2030
Percentage change	7	-15	-	-	-	Baseline value 7 (excl. mtrl & tnt transp)
Our City index, %	43	43	34	-	-	Goal: 50% 2025, 90% by 2030
Suppliers evaluated, % ³⁾	33	20	10	-	-	Goal: 100% evaluation of main suppliers 2025
Sustainable employees index, % ⁴⁾	5.6	5.6	5.7	90	89	Goal 5.5 HFW. 2021–2019 relates to GPTW
KPIs						
Property energy, kWh/m ² ¹⁾	82	79	96	112	122	By 2030 –20%, weighted to an average year
Tenant energy, kWh/m ² ¹⁾	81	82	82	86	85	Weighted to an average year
Total energy consumption (weighted to an average year), kWh/m ² ¹⁾	163	161	178	198	207	Weighted to an average year
Total energy consumption, kWh/m ² ¹⁾	155	156	177	-	-	Actual
Energy savings(weighted to an average year), % kWh/m ² compared with last year ¹⁾	-4	-1	-14	-6	-6	Comparable portfolios, weighted to an average year
Actual savings, % kWh/m ² compared with last year ¹⁾	-8	1	-8	-	-	Comparable portfolios, actual
Solar cells, m ²	18,823	18,823	14,296	14,296	8,202	
Proportion of green contracts, % ¹⁾	76	75	67	59	44	Of the annual rent
Water consumption, m ³ /m ² ¹⁾	0.40	0.44	0.44	0.46	0.39	
Certified area (m ²), %	83	72	76	96	62	
Certified buildings	58	39	49	55	37	
- of which BREEAM	18	6	17	17	13	
- of which BREEAM In-Use	33	26	25	32	21	
- of which Miljöbyggnad	7	7	7	6	3	
CDP rating	B	B	B	B	B	Best possible rating = A
Taxonomy						
Taxonomy-aligned sales, %	24	21	23	-	-	Includes 7.1, 7.2 and 7.7 for Goal 1
- property management portfolio, %	28	25	24	-	-	Includes 7.7 for Goal 1
Taxonomy-aligned capital expenditure, %	23	23	8	-	-	Includes 7.1, 7.2 and 7.7 for Goal 1
- property management portfolio, %	23	33	6	-	-	Includes 7.7 for Goal 1
Taxonomy-aligned operating expenses, %	15	15	16	-	-	Includes 7.7 for Goal 1
- property management portfolio, %	15	15	16	-	-	Includes 7.7 for Goal 1

¹⁾ Rolling 12, one-month lag.

²⁾ Standardised calculations for transports to retail hubs and generated waste. Materials and tenant transport are excluded.

³⁾ Different calculation method for the years 2020–2019, which means the figures are not comparable.

⁴⁾ HFW, Human Financial Wellness.

Property portfolio.

Property market

The transaction market has stabilized – even though the transaction volume of 27 billion SEK may seem low, it is significantly higher compared to the same period the previous year. A slowing inflation rate combined with decreasing credit margins and expectations of upcoming interest rate cuts have led buyers and sellers to come closer together. The segments where investment appetite has been highest during the quarter are logistics, light industry and newly produced housing.

Property portfolio

Our property portfolio is concentrated in central locations in the growth regions of Stockholm, Uppsala, Gothenburg and Malmö, with Stockholm accounting for 80% (80%) of the market value. At the end of the quarter our property portfolio contained a total of 75 properties (75) with a total letting area of 960,000 m² (945,000 m²).

Investments and sales

During the year, SEK 433 million (SEK 467 m) was invested in existing properties; this includes SEK 388 million (SEK 349 m) for properties that are being developed for ownership and SEK 45 million (SEK 118 m) for tenant-owned dwellings. No transactions were carried out during the period.

Property valuation

In the first quarter of 2024, an internal valuation was carried out for all properties. This market valuation is based on a cash flow model that includes an individual assessment of each property, looking at both their future earning capacity and the market's yield requirements. Assumed rental levels in conjunction with contract expirations correspond to assessed long-term market rent levels, while operating costs are based on the company's actual costs. The inflation assumption for 2025 and the following years is 2%. Project properties are valued in the same way, but with deductions for the remaining investment.

A risk premium is added to the yield requirement on the basis of the current phase of the project. Development rights have been valued based on an assessed market value SEK per m² GFA for established development rights with an approved detailed development plan, or where the detailed development plan is expected to become legally binding in the near future. The average value of development rights in the valuation is approximately SEK 5,700/m² GFA (SEK 5,700 m).

The valuation yield amounted to SEK 4.7% (4.7%) at the end of the period. During the first quarter, Katarinahuset was completed and thus has transitioned from project to office, which lowered the Group's average valuation yield by 5 bp. This reduction has basically been mitigated by weakly increasing yields on some properties in the centre of Stockholm.

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 at the end of the period amounted to SEK 1,721 million (SEK 1,692 m). The market value was assessed to be SEK 2,128 million (SEK 2,125 m) as at the same date; this refers primarily to Nobelberget, Kyrkviken, the rest of Sickla and Gränbystaden.

Property portfolio, 31/03/2024	Letting area, '000 m ² ¹⁾	Property value, SEK m	Property value, SEK/m ²	Rental value, SEK m ²⁾	Rental value, SEK/m ²	Economic letting rate, %
Office properties	614	40,385	65,796	2,278	3,808	90.8
Retail properties	228	10,282	45,016	868	3,556	93.8
Residentials	45	1,587	35,104	106	2,335	96.6
Business Area Property	887	52,254	58,884	3,251	3,664	91.8
– of which Stockholm	580	40,835	70,457	2,369	4,087	91.9
– of which Uppsala	124	5,639	45,483	419	3,381	93.4
– of which Gothenburg	74	2,820	38,111	188	2,541	86.4
– of which Malmö	110	2,960	26,945	275	2,505	91.5
Project properties	66	4,109	–	111	–	–
Land and development rights	–	831	–	–	–	–
Total Investment properties	954	57,194	–	3,362	–	–
Development properties	6	–	–	6	–	–
Property portfolio, total	960	57,194	–	3,368	–	–

¹⁾ Letting area, excluding garage.

²⁾ Annual discount of SEK 70 million has been excluded.

Change in the property portfolio

SEK m	2024 Jan–Mar	2023 Jan–Mar
Investment properties		
Fair value, opening value	56,813	58,596
Acquisitions	–	–
Sales	–	–1,818
Investments in held properties	388	349
Unrealised changes in value	–7	–401
Fair value, closing value	57,194	56,726
Development properties		
Book value, opening value	1,692	1,409
Sales for tenant-owned dwelling projects	–16	–
Investments in tenant-owned dwelling projects	45	118
Book value, closing value	1,721	1,527
Property portfolio, closing value	58,915	58,253

Dividend yield per region

%	Interval	31/03/2024 Average	31/12/2023 Average
Stockholm	3.8–6.8	4.4	4.5
Uppsala	4.0–6.0	5.6	5.6
Malmö	3.9–6.2	5.6	5.6
Gothenburg	4.9–5.8	4.9	4.9
Total	3.8–6.8	4.7	4.7

Dividend yield per property category

%	Interval	31/03/2024 Average	31/12/2023 Average
Offices	3.8–6.8	4.4	4.5
Retail	4.0–6.2	5.5	5.5
Residentials	3.9–4.9	4.6	4.6
Total	3.8–6.8	4.7	4.7

Customer.

Contracted annual rent and letting rate

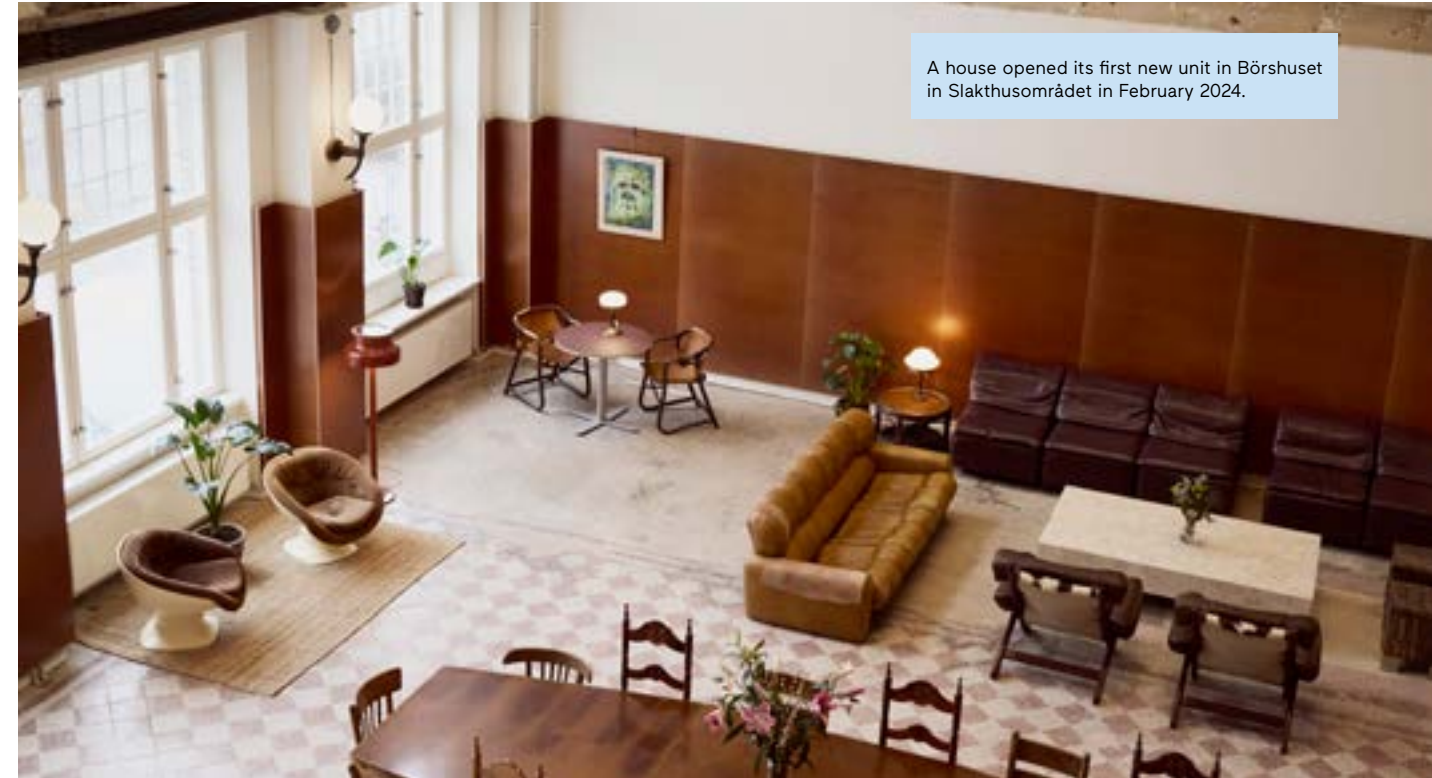
As per 31/03/2024 the contracted terminable annual rent amounted to SEK 3,024 million. Economic occupancy rate excluding project properties was 92% (94%) at the same point in time. The change is primarily due to Katarinahuset's completion and transition from project to property management. Average remaining term for contracted rent (excluding residential and parking) was 4.5 years (4.6 years).

Atrium Ljungberg has a broad spread of risks in its contract portfolio in terms of sector, customer and maturity. The biggest individual customer accounts for 3% of the annual contract value, while the 10 largest customers account for 19% and includes municipalities, Ericsson, Atlas Copco, ICA and Domstolsverket, among others. Furthermore, Atrium Ljungberg has many smaller office agreements, and as per the closing date there were only 5 lease contracts greater than 10,000 m² of which 4 was offices

Net letting

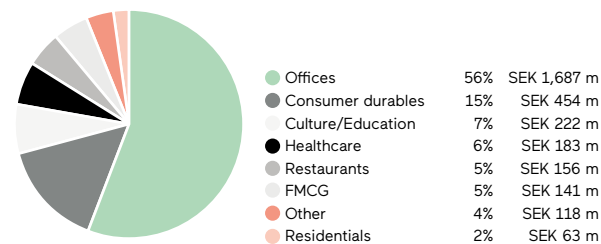
Net letting, i.e. new contracted annual rent with deductions for annual rents lost due to terminated contracts, amounted to SEK -13 million (SEK 8 m) during the period, of which SEK -2 million (SEK 17 m) was for project properties. It was mostly offices in the Stockholm area that accounted for both the newly signed and terminated contracts. New letting amounted to SEK 61 million (SEK 56 m), while terminations from customers amounted to SEK 66 million (SEK 45 m). We also terminated the contract of a customer, corresponding to an annual rent of SEK 8 million (SEK 3 m). The time lag between net letting and its effect on profit is assessed to be 3-12 months for investment properties and 12-24 months for projects.

We have good and positive net letting at Hagastaden and Slakthusområdet, while Gothenburg was negatively impacted by Polestar's termination (annual rent of SEK 12 million). At the same time, we continue to prepare for coming projects by vacating premises in, among other places, Sickla.



Contracted annual rent per premises type

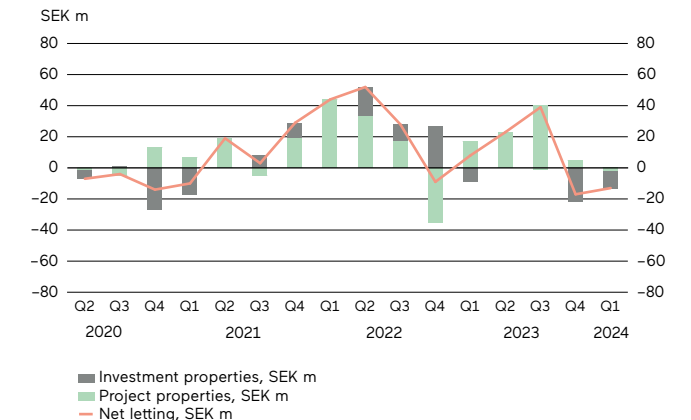
- A mixed portfolio creates flexibility



Terminable annual contract value 1 Apr 2024	Number of contracts	Letting area, a'000 m ²	Annual contract value, SEK m	Proportion of value, %
Commercial, maturity				
2024	85	11	15	1%
2025	482	127	481	16%
2026	318	139	566	19%
2027	322	168	593	20%
2028	91	65	279	9%
2029+	181	238	927	31%
Total	1,479	748	2,861	95%
Residential	585	33	63	2%
Garage/parking	220	170	99	3%
Total	2,284	951	3,024	100%

Contract size as per 1 Apr 2024	Number of contracts	Percentage, %	Annual contract value, SEK m	Percentage, %
Commercial				
<0.25	560	24%	35	1%
0.25-0.5	106	5%	39	1%
0.5-1.0	216	10%	160	5%
1.0-3.0	356	16%	634	21%
>3.0	241	11%	1,994	66%
Total	1,479	65%	2,862	95%
Residential	585	26%	63	2%
Garage/parking	220	10%	99	3%
Total	2,284	100%	3,024	100%

Net letting



Project portfolio.

Atrium Ljungberg’s business model involves us owning, managing and developing properties and city districts responsibly and sustainably. This enables us to take responsibility for the entire value chain. The company has a project portfolio with an investment volume of approximately SEK 40 billion in land already owned or land allocations obtained. At the beginning of 2022, the company launched a goal to invest SEK 30 billion up to 2030 in our projects with a project return of 30%. Due to altered market conditions, the plan is to realise the projects at the pace allowed by the market.

As per 31 March 2024 our project portfolio comprised 800,000 m² GFA, of which 264,000 m² GFA is for residential development rights and the remainder is for properties that we manage, primarily offices. Most of the development portfolio is located in Stockholm, focusing on Hagastaden, Slakthusområdet, Slussen and Sickla. 85% of the portfolio is located at existing or future underground stations in Stockholm.

Ongoing projects

On 31 March 2024 Atrium Ljungberg had ongoing construction work totalling SEK 7.9 billion, which includes SEK 4.6 billion that still has to be invested. SEK 6.9 billion of the ongoing projects is for investments in properties that are being developed for ownership with an assessed project return of 20%, corresponding to SEK 1.3 billion; SEK 0.7 billion of this has already been recognised. The company also has ongoing projects for constructing tenant-owned dwellings totalling SEK 1.0 billion, with an assessed market value of SEK 1.2 billion that is realised as the dwellings are completed.

Planned projects

Hagastaden

Atrium Ljungberg is one of the largest property owners in Hagastaden and has been actively involved in the development of the area for more than 30 years. The aim is for Hagastaden to become one of the world’s leading life

science clusters by 2030, and the company has several planned projects in the area.

In July 2022 a development agreement was signed for two residential blocks and one office block: Cambridge, Stanford and Pisa, with an investment volume of SEK 5 billion. The first phase of this project is a shared garage for these blocks, which was started in the autumn of 2022. At Brunnsviken in Östra Hagastaden, the company has an additional land allocation where the plan is to build an 8-storey office building measuring 21,000 m². The planned development projects in Hagastaden represent a future investment of SEK 7 billion, including SEK 3 billion for tenant-owned dwellings and the rest for offices. These projects are expected to be completed by 2030 or shortly afterwards.

Sickla

For 25 years the company has been transforming Sickla from an industrial area into a vibrant city district. In June 2023 the plans were launched for Stockholm Wood City, which will be the world’s largest urban wooden construction project. The ground-breaking ceremony is in 2024, and the first office buildings are scheduled for completion in 2027. Wooden construction has many environmental, health and financial benefits. This includes a lower climate footprint across their lifecycle, the use of local raw materials, an energy-efficient manufacturing process and quiet construction sites.

In December 2023 we decided on the start of construction for the next residential block at Nobelberget in Sickla. This will be the fourth block of a total of eight, and it is the first constructed in wood. Brf Kulturarvet, for which production is planned to start during the second quarter of 2024, thus becomes the start of the construction of Stockholm Wood City. In 2024, production is also planned to start on Campus Sickla, which will also will have a wood frame.

This development project comprises a total of 250,000 m², resulting in 25 blocks, with offices for 7,000 jobs and 2,000 apartments. A mix of housing and workplaces is planned for the area, with restaurants and shops creating vibrant thoroughfares. This attractive and dynamic city district will become a role model for sustainable architecture and urban development and take an important step towards the company’s ambitious sustainability goals.

Several detailed development plans will be required for Stockholm Wood City at different stages. The largest detailed development plan currently under way is for the central areas of Sickla. The detailed development plan has been under consultation and is planned to be adopted in 2024. The detailed development plan area has been broken down into several stages. Stage 1 relates to construction up to 2030, with planned adoption in 2024 and construction starting in 2025. Parts of this area are being postponed as a result of the Eastern Link reserve. The company is also planning for more residential in other parts of Sickla, in part through the detailed development plan at Nobelberget for 500 apartments that gained final approval. Planning work is also under way for Kyrkviken and Norra Nobelberget.

The future investment for the development projects in Sickla amounts to SEK 14 billion, which includes SEK 9 billion that is planned to be invested up to approximately 2030; SEK 4 billion is for tenant-owned dwellings, while the rest is for offices.

Slakthusområdet

Slakthusområdet is one of Stockholm’s largest urban development projects. Atrium Ljungberg is developing the area into an attractive location with offices and residential, supplemented with a wide range of food, culture and experiences. The area is being transformed into a brand-new meeting place and will be an engine for the whole of southern Stockholm. We currently have 200,000 GFA in owned or already received land allocations. This



Sickla Stationshus, which will have 23 floors, will become a hub for public transport and a new landmark in Stockholm.

corresponds to a future investment of SEK 11 billion, of which SEK 1 billion is for the construction of tenant-owned dwellings and the rest is for commercial investments.

In total, Atrium Ljungberg has 40,000 m² GFA in detailed development plans that are legally binding, and the ambition is to double this in 2024. The Slakthushallarna Hus 26 project is now complete, resulting in a brand-new food destination with the restaurant Solen leading the way. This project reflects the vision for Slakthusområdet and has gained widespread coverage in the media. At the end of June, a lease contract was signed with the co-working company A house, and its first establishment in Slakthusområdet, Börshuset, opened in February 2024. In December 2023 the company signed a lease contract with Stockholm University of the Arts, SKH, for a move to Slakthusområdet. SKH is a public university that is currently spread across five different addresses in Stockholm. SKH has approximately 500 students and 250 employees and doctoral students who will now be gathered under one roof. Högskolekvarteret, where SKH's premises will be located, covers 36,000 m² GFA and is scheduled for completion in 2030.

Slussen

Atrium Ljungberg is one of the largest property owners in Slussen. Under Ryssgården and Södermalmstorg, the company has the opportunity to develop a retail hub measuring 16,000 m² GFA. This retail hub links the Saltsjöbanan Line with the bus terminal in Katarinaberget and the underground. It will also be adjacent to the future Mälarterrassen – see the section Ongoing projects for more information on this specific project.

In Slussen the company also has a land allocation in front of Katarinahuset in the Ryssbodarne block, which will be above Stadsgårdsleden and Saltsjöbanan. The development right comprises approximately 7,000 m² GFA across five floors, where we are planning offices with public spaces on the ground floor. Production will start in 2027 at the earliest, with potential occupancy in 2029. In conjunction with the approval by the City Council of the agreement for Mälarterrassen, the land allocation agreement for the adjacent office block (Ryssbodarne and the retail hub) was also extended.

Atrium Ljungberg already owns Glashuset, Sjömansinstitutet and Katarinahuset – a total of 55,000 m² NRA in our existing portfolio, as well as land allocations totalling 30,000 m² GFA. Our development projects in Slussen are scheduled for completion by 2030; they represent a total future investment of SEK 2 billion, including land allocations.

Uppsala

Uppsala is one of our most important subsidiary markets. The detailed development plan for Ångkvarnen (Uppsala Kungsängen 22:2) in the City of Uppsala was adopted by Uppsala City Council in 2021 and became legally binding in 2022. The buildings are in a development area where the company is working with Ikano Bostad and Besqab to link the southern parts of the inner city with the centre. Possession of these properties is expected to occur in 2024.

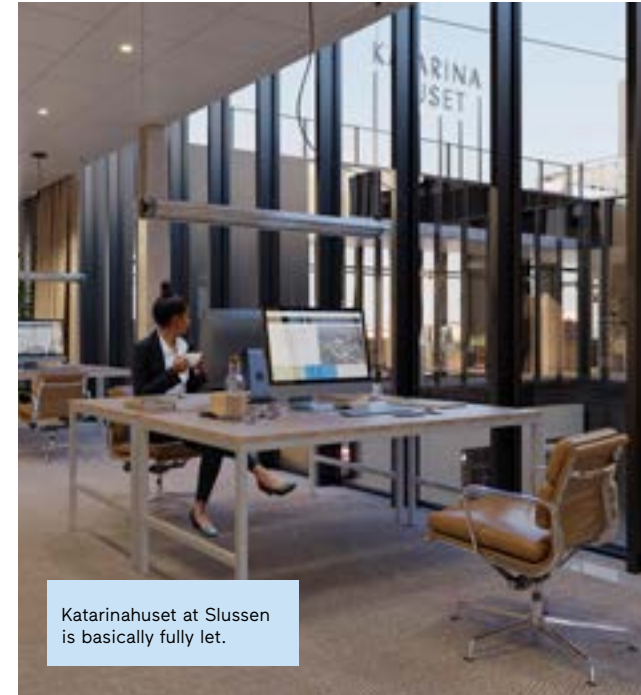
We have carried out a number of major development projects in Gränbystaden. In June 2023 we received a positive planning decision, which allows us to develop an additional area measuring 60,000 m² GFA, half of which is expected to be used for residentials. The development projects in Uppsala represent a future investment volume of approximately SEK 4.5 billion.

Gothenburg

In the fourth quarter of 2022 the detailed development plan process started for the reconstruction and extension of the Tornen property in Lindholmen in Gothenburg, where 23,000 m² GFA of modern office space is expected to be created. There has been an amendment to the plan, which will allow for FMCG in our M2 property and a detailed development plan for the M1 property. This detailed development plan is being produced in collaboration with Älvstranden Utveckling.

Malmö

In Mobilia we have a development right of 5,400 m² GFA for offices on the street Trelleborgsvägen. The building permit has been received and the project will start once the letting rate has reached a suitable level. 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.



Katarinahuset at Slussen is basically fully let.



New Söderhallarna is scheduled for completion in 2026.



Hus 49, Stora Marknadshallen in Slakthusområdet.

Ongoing projects

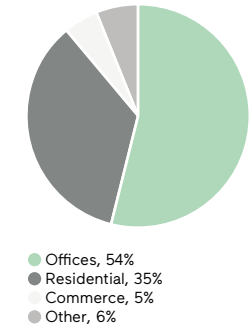
Developed for ownership	Municipality	Investment ype	Completed	Residentials, m ²	Premises, m ²	Total investment including land, SEK m	of which remains, SEK m	Market value upon completion, SEK m	Rental value, SEK m ¹⁾	Economic letting rate, %
Completed projects during the year										
- Katarinahuset	Stockholm	Reconstruction	Q1 2024	-	24,900	1,450	210		154	91
- Slakthushallarna phase 2	Stockholm	Reconstruction	Q1 2024	-	2,000	150	10		5	100
Ongoing projects										
- PV Palatset	Stockholm	Reconstruction	Q2 2025	-	10,100	400	240		48	-
- Campus Sickla	Nacka	Extension	Q4 2025	-	2,100	130	100		7	100
- Sickla Stationshus	Nacka	New build	Q4 2025	-	17,100	1,070	540		69	-
- Söderhallarna	Stockholm	Reconstruction	Q1 2026	-	23,900	1,260	1,070		126	-
- Upper-secondary school Slakthusområdet	Stockholm	New build	Q2 2026	-	6,200	370	320		18	100
- Mälarterrassen	Stockholm	New build	Q2 2026	-	4,200	430	380		33	-
- Hus 6 Stationen Slakthusområdet	Stockholm	New build	Q2 2027	-	16,900	1,600	1,340		87	-
Properties to own				-	107,400	6,860	4,210	9,900	547	31
			Profit recognition							
									Booking rate, % ²⁾	Sales rate, % ³⁾
Tenant-owned dwellings										
- Brf Kulturtrappan	Nacka	New build	Q2 2024	6,600	-	520	30		-	56
- Brf Kulturarvet	Nacka	New build	Q4 2025	5,800	-	470	340		-	-
Tenant-owned dwellings				12,400	-	990	370	1,200		
Ongoing projects				12,400	107,400	7,850	4,580	11,100		

¹⁾ Excluding premiums.
²⁾ and ³⁾ The proportion of apartments sold (in numbers).

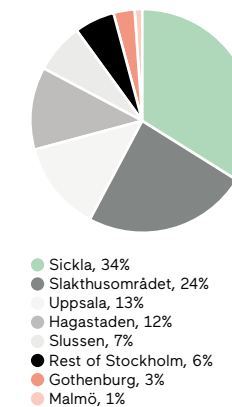
Planned and ongoing projects starting by 2030

Developed for ownership	No. of apartments	GFA, m ²	of which legally binding detailed development plans	Assessed investment, SEK m	of which remains, SEK m	Market value, SEK m	Operating net, SEK m
Stockholm							
- Hagastaden	-	57,000	13,000	4,800	4,100	7,200	260
- Sickla	-	99,000	36,000	5,300	4,500	7,400	330
- Slakthusområdet	90	149,000	39,000	10,000	8,400	11,800	505
- Slussen	-	56,000	56,000	5,000	2,000	6,100	260
- Stockholm, other	-	45,000	0	2,000	1,700	3,000	125
Uppsala							
-	-	38,000	12,000	2,000	1,800	2,000	75
Gothenburg/Malmö							
-	-	32,000	5,400	1,000	1,000	1,400	60
Total	90	476,000	161,400	30,100	23,500	38,900	1,615
Less current operating net, SEK m							-65
Newly created operating net, SEK m							1,550
Tenant-owned dwellings							
Stockholm							
- Hagastaden	452	40,000	40,000	3,500	3,300	4,000	
- Sickla	934	86,000	33,000	5,400	4,400	6,800	
- Slakthusområdet	200	18,000	-	1,500	1,500	1,650	
Uppsala							
-	144	12,000	12,000	500	500	550	
Total	1,730	156,000	85,000	10,900	9,700	13,000	
Project portfolios starting by 2030	1,820	632,000	246,400	41,000	33,200	51,900	

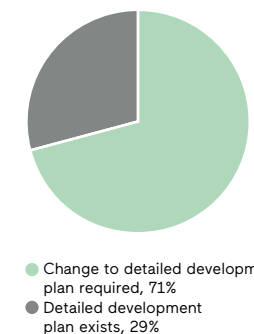
Project portfolio by property type
 - Residentials and offices account for approximately 90% of the area



Project portfolio by area
 - More than 80% of the area attributable to Stockholm



Project portfolio by detailed development plan
 - There is a detailed development plan for more than 29% of the area



The information about ongoing projects and planned projects in this interim report is based on assessments of the size, goals and scope of these projects, and the dates when they are assessed to start and be completed. The information is also based on assessments of future project costs and rental value up to the year 2032. The assessments and assumptions should not be seen as a forecast. There are uncertainties surrounding these assessments and assumptions, in relation to the projects' implementation, design and size, schedules, project costs, yields and future rental value. The information about ongoing construction work and planned projects are reassessed on a regular basis, and assessments and assumptions are adjusted as ongoing construction work is completed or added, and the conditions change.

Financing.

The inflation rate is slowing down, which creates conditions for lower interest rates. In Sweden, the market expects the Riksbank's policy interest rate to be lowered from May and then to continue downward rapidly. The timing and pace of future interest rate cuts are uncertain though and there is a risk that the interest rate cut expectations will not be met, which could cause volatility. During the quarter, the long-term capital market rates have risen; for instance, the 10-year swap rate increased by 35 basis points from 2.3% at the beginning of the year to 2.65% at the end of March.

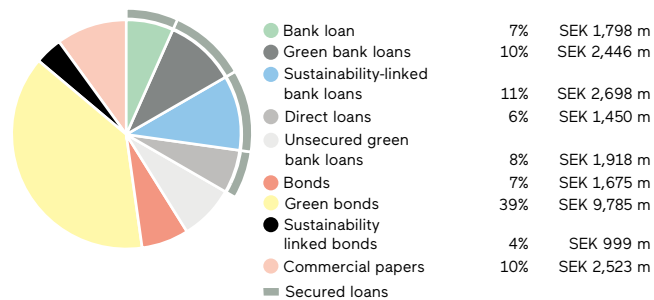
Atrium Ljungberg is covering its financing need through the Swedish and the Norwegian capital markets, Nordic banks, the Nordic Investment Bank, the European Investment Bank and direct financing. Atrium Ljungberg places significant emphasis on green and sustainability-linked financing. Access to the capital market is good, and the terms for

bond issuances continue to improve. This trend is driven by strong liquidity among credit investors, limited supply, and a decreasing property premium. In early February, Atrium Ljungberg issued a 3-year green bond worth SEK 600 million with a spread of +150 basis points and at the end of March, a 4-year green bond worth SEK 500 million was issued with the same spread. The market for commercial papers is also robust, with volumes expanding by over SEK 600 million while spreads decreased.

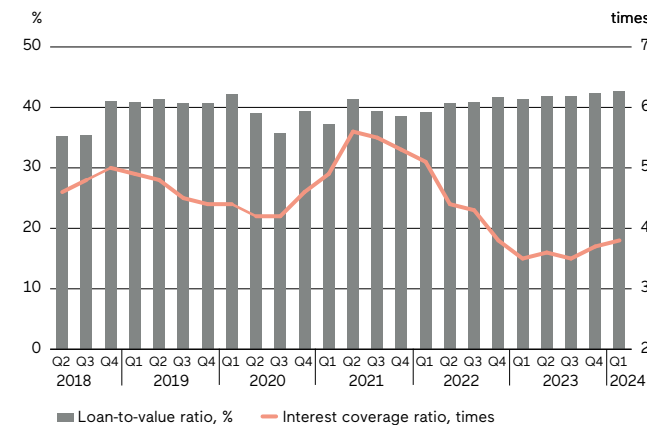
Overall, interest bearing liabilities increased by around SEK 330 million during the quarter, which was primarily influenced by cash flows from investment activities. The time-to-maturity amounts to 3.3 years, and the interest rate duration was 3.2 years at the end of the period while the average closing interest rate is 2.4% excluding unutilised credit facilities.

Interest-bearing liabilities

– SEK 25,293 million in interest-bearing liabilities, including 71% green and sustainability-linked financing.



Loan-to-value ratio and interest coverage ratio rolling 12-month period



Interest rate duration, SEK m

Duration	Volume	Percentage, %	Average interest, % ¹⁾
2024	6,169	24%	1.3%
2025	1,750	7%	2.4%
2026	2,704	11%	1.9%
2027	3,850	15%	3.1%
2028	4,261	17%	2.5%
>2028	6,560	26%	3.0%
Total	25,293	100%	2.4%

¹⁾ The average credit margin for floating-rate loans is distributed over the maturity duration of the interest rate derivatives. Average interest is recognised excluding the cost of unutilised credit facilities. Of the 2024 maturities, around 30% are at a variable interest rate as per the closing date.

Time-to-maturity, SEK m

Duration	Bank loans	Capital market	Total liabilities	Percentage, %	Total credit agreements
2024	95	3,823	3,918	15%	3,918
2025	3,049	3,098	6,147	24%	10,797
2026	200	3,532	3,732	15%	7,122
2027	1,919	4,037	5,957	24%	5,957
2028	2,261	492	2,753	11%	2,753
>2028	2,786	0	2,786	11%	2,786
Total	10,311	14,982	25,293	100%	33,333

Finance policy, mandate and outcome

	Goal/Mandate	Outcome 31/03/2024
The Group's interest coverage ratio	Minimum of 2	3.8
Group's loan-to-value ratio	Max 45%	42.6%
Time-to-maturity	Minimum of 2.0 years	3.3 years
Liquidity buffer for 12 months	At least 100%	More than 100%
Interest rate duration	2.5–5.0 years	3.2 years
Proportion with an interest adjustment within 12 months	Max 45%	26%
Currency risk in financing	Must not occur	Does not occur
Percentage of unutilised credit facility from an individual counterparty	Max 70%	39%

KPI interest-bearing financing

	31/03/2024	31/03/2023	31/12/2023
Interest-bearing liabilities, SEK m	25,293	24,466	24,966
Cash and cash equivalents, SEK m	203	416	119
Available liquidity, SEK m	8,448	8,656	7,956
Share of unencumbered assets, %	58%	56%	58%
Share of secured borrowing/property value, %	14%	15%	15%
Share of secured borrowing/total assets, %	13%	14%	14%
Loan-to-value ratio, %	42.6%	41.3%	42.5%
Interest coverage ratio (R12), multiple	3.8	3.5	3.7
Debt ratio (Net debt/EBITDA), multiple (annual rate)	12.2	13.0	13.4
Average time-to-maturity, years	3.3	4.1	3.5
Average interest rate duration, years	3.2	4.0	3.8
Credit rating (Moody's)	Baa2, neg.	Baa2, neg.	Baa2, neg.
Average closing interest rate excl. underwriting, %	2.4%	2.3%	2.3%
Average closing interest rate incl. underwriting, %	2.5%	2.4%	2.4%
Market value interest rate derivatives, SEK m	817	1,275	635
Market value cross currency swaps, SEK m	-233	-237	-245

Consolidated statement of comprehensive income

Amounts in SEK m	2024 Jan–Mar	2023 Jan–Mar	2023/2024 Apr–Mar	2023 Full year
Rental income	755	712	2,863	2,821
Project and construction work sales	111	84	439	412
Net sales	865	796	3,302	3,233
Property management costs				
Service charge-related costs	-58	-69	-174	-185
Other operating costs	-51	-45	-190	-183
Management costs	-40	-43	-170	-172
Repairs	-8	-9	-38	-38
Property tax	-54	-55	-211	-213
Non-deductible VAT	-3	-4	-12	-13
	-214	-224	-795	-805
Project and construction work costs	-108	-85	-433	-410
Gross profit/loss	543	487	2,075	2,019
– property management (net operating income)	541	489	2,069	2,016
– project and construction work	3	-1	6	2
Central administration	-22	-17	-93	-88
– property management	-20	-15	-85	-80
– project and construction work	-2	-2	-8	-8
Profit from associated companies	-2	-	-3	-1
Net interest income	-134	-134	-522	-522
Leasehold fees	-12	-10	-44	-43
Income from property management	373	326	1,412	1,365
Changes in value				
Properties, unrealised	-7	-401	-1,264	-1,658
Properties, realised	-	-6	-3	-9
Goodwill impairment	-	-24	-	-24
Income from sales of development properties	20	-	227	207
Costs from sales of development properties	-16	3	-191	-172
Derivatives, unrealised	160	-252	-496	-907
Profit before tax	529	-355	-314	-1,199
Current tax	-4	-10	-53	-59
Deferred tax	-119	73	112	304
Profit for the period	406	-292	-255	-954
Total comprehensive income for the period	406	-292	-255	-954

The profit for the period and the comprehensive income for the period are entirely attributable to the parent company's shareholders

Average number of shares	126,106	126,106	126,106	126,106
Earnings per share before and after dilution, SEK	3.22	-2.32	-2.03	-7.56

Segment reporting.

2024 Jan–Mar

Amounts in SEK m	Properties	Project development ¹⁾	TL Bygg	Project and con- struction work	Eliminations	Non-allocated items	The Group
Rental income	773	-	-	-	-18	-	755
Project and construction work sales	-	-	181	181	-70	-	111
Net sales	773	-	181	181	-89	-	865
Property management costs	-231	-	-	-	17	-	-214
Project and construction work costs	-	-3	-173	-176	68	-	-108
Gross profit/loss	542	-3	8	5	-4	-	543
Central administration	-21	-2	-	-2	1	-	-22
Profit from associated companies	-	-	-	-	-	-2	-2
Net interest income	-	-	1	1	-1	-134	-134
Leasehold fees	-12	-	-	-	-	-	-12
Income from property management	509	-5	8	3	-3	-136	373
Changes in value ²⁾	-7	4	-	4	-	160	156
Tax	-	-	-	-	-	-123	-123
Profit for the period	502	-1	8	7	-3	-100	406
Investments and acquisitions	388	45	-	45	-	-	433
Assets, at the end of the period	58,772	1,721	260	1,981	-	1,750	62,503

2023 Jan–Mar

Amounts in SEK m	Properties	Project development ¹⁾	TL Bygg	Project and con- struction work	Eliminations	Non-allocated items	The Group
Rental income	728	-	-	-	-16	-	712
Project and construction work sales	-	-	209	209	-125	-	84
Net sales	728	-	209	209	-141	-	796
Property management costs	-234	-	-	-	10	-	-224
Project and construction work costs	-	-6	-200	-205	120	-	-85
Gross profit/loss	495	-6	9	4	-11	-	487
Central administration	-20	-2	-	-2	5	-	-17
Net interest income	-	-	1	1	-1	-134	-134
Leasehold fees	-10	-	-	-	-	-	-10
Income from property management	464	-8	10	2	-7	-134	326
Changes in value ²⁾	-432	3	-	3	-	-252	-681
Tax	-	-	-	-	-	63	63
Profit for the period	33	-5	10	5	-7	-323	-292
Investments and acquisitions	349	118	-	118	-	-	466
Assets, at the end of the period	58,143	1,527	288	1,815	-	2,302	62,260

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

²⁾ Properties, unrealised SEK -7 million (SEK -401 m). Properties, realised SEK 0 million (SEK -6 m). Impairment of goodwill SEK 0 million (SEK -24 m). Earnings sales development properties 4 (3).

Unrealised change in value derivatives SEK 160 million (SEK -252 m).

Comments on the consolidated earnings January–March 2024.

Changes in the property portfolio

The profit for the period and the comparative period was impacted by the following previous property transactions: On 31 January 2023, Skotten 6 on Drottninggatan in Stockholm was vacated.

Rental income

Rental income amounted to SEK 755 million (SEK 712 m) and includes both rebates of SEK –19 million (SEK –18 m) and both a non-recurring payment of SEK 10 million (–) for damages from the settlement of a dispute and SEK 0 million (SEK 2 m) from early termination of lease contracts.

Rental income in comparable portfolios, excluding non-recurring payment, increased by 4.9%. The increase is mostly due to indexation. All segments have reported positive growth.

Rental income, SEK m	2024 Jan–Mar	2023 Jan–Mar	Change, %
Comparable portfolios	712	679	4.9%
Non-recurring payments	10	2	
Project properties	32	24	
Properties acquired	–	–	
Properties sold	–	7	
Total	755	712	5.9%

Rental income growth in comparable portfolios, SEK million	2024 Jan–Mar	2023 Jan–Mar	Change, %
Office properties	481	458	5.2%
Retail properties	205	197	4.1%
Residentials	26	25	4.2%
Total	712	679	4.9%

Property costs

Property costs amounted to SEK 214 million (SEK 224 m). In comparable portfolios, property costs decreased by 2.7%, which is primarily explained by both lower electricity prices and energy consumption.

Property costs, SEK m	2024 Jan–Mar	2023 Jan–Mar	Change, %
Comparable portfolios	–199	–204	–2.7%
Project properties	–15	–16	
Properties acquired	–	–	
Properties sold	–	–3	
Total	–214	–224	–4.5%

Earnings for project and construction work

Income from project and construction work is attributable to TL Bygg AB. 64% of income is from agreements where invoicing occurs on open account for which income is recognised on an ongoing basis. The remainder of the revenue pertains to fixed-price assignments, which are recognized according to the percentage of completion method.

Gross profit/loss profit for project and construction work amounted to SEK 3 million (SEK –1 m). Sales in TL Bygg amounted to SEK 181 million (SEK 209 m), of which 39% (60%) refers to intra-Group sales. TL Bygg’s income from property management, including intra-Group transactions, amounted to SEK 8 million (SEK 10 m).

Central administration

Central administration covers the costs for executive management and central support functions. Central administration costs for property management amounted to SEK 20 million (SEK 15 m) and SEK 2 million (SEK 2 m) for project and construction work.

Net financial items

Our reported net interest amounted to SEK –134 million (SEK –134 m) and was impacted by capitalised interest of SEK 21 million (SEK 21 m). Higher STIBOR rate offset by lower average debt compared to the corresponding period last year, which is why net interest is basically unchanged. Average interest during the period, based on the average debt volume, amounted to 2.5% (2.4%). In addition, costs for leasehold fees amounted to SEK 12 million (SEK 10 m).

Changes in value

At the start of 2024, access to capital improved on the market and decreasing credit margins were noted; we are back at levels from the end of 2021. It should also be added that future confidence in coming interest rate decreases is somewhat brighter. Overall, in our assessment, this leads to basically unchanged yield requirements on the market, even if some individual corrections could still occur. In our portfolio, this basically means an unchanged valuation yield, even if some corrections occurred at individual centrally located properties in Stockholm. The yield correction has been offset, though, by somewhat improved cash flow. This means that the unrealised changes in value for the quarter amount to SEK –7 million (SEK –401 m), or –0.0% (–0.7%).

Realised changes in the value of investment properties amounted to SEK – million (SEK –6 m) where the previous year was attributable to the sale of Skotten 6, which was vacated on 31 January 2023.

The impairment of goodwill amounted to SEK – million (SEK –24 m), attributable to the sale of Skotten 6.

Earnings from the sale of tenant-owned dwellings are recognised as the tenant-owners take possession of the apartments. During the period, SEK 4 million (SEK 3 m) was recognised as profit. Accumulated profit recognition amounts to SEK 40 million, which corresponds to 70% possessed apartments.

Unrealised changes in value in derivatives amounted to SEK 160 million (SEK –252 m), primarily as a result of an increase in long-term market interest rates

Profit from associated companies

The profit from associated companies amounted to SEK –2 million (SEK 0 m). The change is explained primarily by development expenditure for establishing new co-working destinations. Destination A house Börhuset in Slakthusområdet, Stockholm, opened in February 2024, and in 2024 A house is opening in Katarinahuset in Slussen, Stockholm.

Changes in the value of properties, SEK m	2024 Jan–Mar	2023 Jan–Mar
Yield requirement	–189	–729
Cash flow, etc.	182	318
Project returns	0	10
Acquisitions	0	0
Unrealised change in value	–7	–401
Ditto in %	–0.0%	–0.7%
Realised change in value	0	–6
Total changes in value	–7	–407
Ditto in %	–0.0%	–0.7%

Tax

Tax amounted to SEK –123 million (SEK 63 m) with SEK –4 million (SEK –10 m) in current tax, while the rest refers to deferred tax. Tax has been calculated using a nominal tax rate of 20.6%.

Tax calculation Jan–Mar 2024, SEK m	Basis current tax	Basis deferred tax
Income from property management	373	
Non-deductible interest	45	
Tax deductible		
– Depreciation/amortisation	–247	247
– Reconstruction work	–139	139
– Capitalised interest	–21	21
Other fiscal adjustments	8	–6
Taxable income from property management	20	401
Current tax	–4	
Sale of properties	–	–
Properties acquired	–	–
Changes in value, properties	–	–7
Change in value of derivatives	–23	182
– Of which non-deductible	23	–
Taxable profit/loss before loss carry-forwards	19	577
Loss carry-forwards		
– Opening balance	–1	1
– Closing balance	1	–1
Taxable profit	19	577
Reported tax expense	–4	–119

Consolidated balance sheet, summary

Amounts in SEK m	31/03/2024	31/03/2023	31/12/2023
ASSETS			
Investment properties	57,194	56,726	56,813
Right-of-use asset, leaseholds	1,438	1,277	1,296
Goodwill	140	140	140
Other non-current assets	426	287	506
Derivatives	843	1,275	733
Total non-current assets	60,041	59,705	59,488
Development properties	1,721	1,527	1,692
Current assets	538	612	480
Cash and cash equivalents	203	416	119
Total current assets	2,462	2,555	2,290
Total assets	62,503	62,260	61,779
EQUITY AND LIABILITIES			
Equity	27,485	28,182	27,519
Deferred tax liability	6,183	6,295	6,064
Non-current interest-bearing liabilities	25,293	24,466	24,966
Non-current finance lease liability	1,438	1,277	1,296
Derivatives	258	237	344
Other non-current liabilities	362	297	329
Total non-current liabilities	33,534	32,572	32,998
Other current liabilities	1,484	1,507	1,260
Total current liabilities	1,484	1,507	1,260
Total equity and liabilities	62,503	62,260	61,779

Consolidated change in equity.

Amounts in SEK m	Attributable to the parent company shareholders			Total equity
	Share capital	Other capital contributions	Retained earnings	
Opening balance as per 1 January 2023	333	3,960	24,848	29,141
Profit for the period	-	-	-292	-292
Dividend, SEK 5.30/share	-	-	-668	-668
Closing balance as of 31 March 2023	333	3,960	23,887	28,182
Profit for the period	-	-	-662	-662
Closing balance as at 31 December 2023	333	3,960	23,227	27,519
Profit for the period	-	-	406	406
Dividend, SEK 3.50/share	-	-	-441	-441
Closing balance as per 31 March 2024	333	3,960	23,192	27,485

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.

At the end of the period the company owned 7,114,875 class B shares (7,114,875). As of 31 March 2024, the number of outstanding shares therefore stood at 126,105,861 (126,105,861), while the average number of shares amounted to 126,105,861 (126,105,861) during the period.



Comments on the consolidated financial position 31 March 2024.

Properties

At the end of the period the property portfolio amounted to SEK 58,915 million (SEK 58,505 m), broken down into SEK 57,194 million (SEK 56,813 m) for investment properties and SEK 1,721 million (SEK 1,692 m) for development properties. Investment properties have been valued at approximately SEK 58,884/m² (SEK 56,186/m²) with an average valuation yield of 4.7% (4.7%). For more information, see the section Property Portfolio. See also Project portfolio.

Goodwill

Goodwill amounted to SEK 140 million (SEK 140 m) at the end of the period. Goodwill relates to deferred tax and originates from Atrium Fastigheter's merger with Ljungberggruppen in 2006. Goodwill is primarily impaired in the event of a major downturn in the property market or when the properties in the aforementioned transaction are sold.

Leases

Atrium Ljungberg has 18 leaseholds, which are considered to be leases for accounting purposes. The value of rent in kind is measured and recognised as an asset; as a right-of-use asset with a corresponding liability. As of the closing date, the value of our leases amounted to SEK 1,438 million (SEK 1,296 m).

Associated companies

Atrium Ljungberg acquired 50% of the shares in A house in March 2023. The book value as at 31/03/2024 amounted to SEK 35 million and is recognised in Other non-current assets in the consolidated balance sheet.

Equity and net value

The Group's equity attributable to the parent company's shareholders amounted to SEK 27,485 million (SEK 27,519 m) at the end of the period, corresponding to SEK 218/share (SEK 218/share).

The long-term net asset value amounted to SEK 33,165 million (SEK 33,053 m) at the end of the period, corresponding to SEK 263/share (SEK 262/share), an increase of 1% adjusted for the dividend paid compared with the start of the year.

The net asset value is the total capital that the company manages for its owners. Based on this capital, we want to create a yield and growth with low risk-taking. The net asset value can be calculated in different ways and it is mostly the time factor and the turnover rate in the property portfolio that have an impact.

Deferred tax

Deferred tax is in principle both interest-free and amortisation-free, which means that it can mostly be considered to be equity. The reason why effective tax is lower is due to the option to sell properties in a tax-efficient way, and the fact that the time factor enables the tax to be discounted. The assessed actual deferred tax liabilities have been calculated at approximately 6% net based on a discount rate of 3%. It has also been assumed that loss carry-forwards are realised over a period of one year with a nominal tax of 20.6%; and that properties are realised over a period of 50 years where 100% of the portfolio is sold indirectly via companies, with the purchasers and sellers splitting the tax.

Net deferred tax liabilities 31/03/2024

SEK m	Basis	Tax liabilities	
		Nominal	Assessed
Loss carry-forwards	-1	-0	-0
P funds	99	20	20
Derivatives, etc.	792	163	158
Properties	36,987	7,619	1,960
Total	37,877	7,803	2,139
Properties, available acquisitions	-7,862	-1,620	-
According to the balance sheet	30,015	6,183	-

Interest-bearing liabilities and derivatives

At the end of the period, interest-bearing liabilities amounted to SEK 25,293 million (SEK 24,966 m) with an average closing interest rate of 2.4% (2.3%). The loan-to-value ratio amounted to 42.6% (42.5%) at the same point in time. The company uses interest rate swaps to extend the interest rate duration and foreign exchange derivatives to hedge Norwegian bonds. The value of the derivative portfolio amounted to SEK 584 million (SEK 389 m) at the end of the period. For more information, read the section on Financing.



Cash flow statement Group.

Amounts in SEK m	2024 Jan-Mar	2023 Jan-Mar	2023/2024 Apr-Mar	2023 Jan-Dec
OPERATING ACTIVITIES				
Income from property management	373	326	1,412	1,365
Reversal of depreciation, amortisation and impairment	2	3	10	11
Other items not included in the cash flow	-24	0	-13	11
Tax paid	1	-37	14	-24
Cash flow from operating activities before changes in working capital	352	292	1,423	1,363
Net change in working capital	-11	-92	-197	-277
Cash flow from operating activities	341	200	1,227	1,086
INVESTMENT ACTIVITIES				
Acquisition of investment properties	-	-	-4	-4
Investments in held properties/tenant-owned dwelling projects	-433	-466	-2,118	-2,151
Sale of investment properties	-	1,519	-5	1,514
Sale of development properties	20	-	200	180
Investment in financial non-current assets	-7	-182	146	-29
Purchase/sale of equipment	-1	-1	-4	-3
Cash flow from investment activities	-421	869	-1,784	-494
FINANCING ACTIVITIES				
Change in other non-current liabilities	31	0	57	26
Loans raised	2,495	1,991	6,281	5,777
Repayment of debts	-2,143	-2,690	-5,440	-5,987
Dividends paid	-220	-334	-554	-668
Cash flow from financing activities	164	-1,033	344	-853
Cash flow for the period	84	36	-213	-260
Cash and cash equivalents at the beginning of the period	119	380	416	380
Cash and cash equivalent at the end of the period	203	416	203	119



The 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 77 million (SEK 78 m). The operating profit/loss amounted to SEK -17 million (SEK -14 m).

Profit after financial items amounted to SEK 155 million (SEK 116 m). Net financial expenses include an unrealised change in value attributable to derivatives that amounted to SEK 85 million (SEK -178 m).

Interest-bearing liabilities amounted to SEK 18,686 million (SEK 18,056 m). These funds finance the parent company's property portfolio and are lent on to other Group companies.

Amounts in SEK m	2024 Jan-Mar	2023 Jan-Mar	2023/2024 Apr-Mar	2023 Jan-Dec
Rental income	1	1	2	2
Management income	76	78	510	512
Net sales	77	78	512	514
Property costs	-0	-0	-0	-0
Management/administration expenses	-93	-91	-571	-570
Depreciation	-0	-1	-2	-2
Operating profit	-17	-14	-61	-58
Earnings from shares in Group companies	-	0	0	0
Interest income, etc.	329	248	867	786
Interest expenses, etc.	-157	-118	-452	-413
Profit after financial items	155	116	354	316
Appropriations	0	1	54	54
Profit before tax	155	117	408	370
Current tax	-	-1	1	-
Deferred tax	-15	0	6	21
Profit for the period	140	116	415	390

Amounts in SEK m	31/03/2024	31/03/2023	31/12/2023
ASSETS			
Property, plant and equipment	7	5	6
Financial non-current assets	2,107	1,717	2,175
Current assets	27,158	26,742	26,637
Total assets	29,271	28,463	28,818
EQUITY AND LIABILITIES			
Equity	9,925	9,953	10,227
Untaxed reserves	1	2	2
Provisions	25	21	24
Non-current liabilities	18,944	17,997	18,400
Current liabilities	375	491	166
Total equity and liabilities	29,271	28,463	28,818



KPIs. ¹⁾

PROPERTY-RELATED KEY PERFORMANCE INDICATORS	2024 Jan-Mar	2023 Jan-Mar	2023/2024 Apr-Mar	2023 Jan-Dec
Rental value, SEK/m ²	3,664	3,441	3,664	3,636
Economic letting rate, %	92	93	92	94
Net operating income margin, %	72	69	72	71
Property value, SEK/m ²	58,884	57,315	58,884	56,186
Valuation yield, %	4.7	4.5	4.7	4.7
Letting area at the end of the period, '000 m ²	960	943	960	945
Number of properties at the end of the period	75	75	75	75
FINANCIAL KEY RATIOS				
Loan-to-value ratio ³⁾ , %	42.6	41.3	42.6	42.5
Interest coverage ratio	3.8	3.5	3.8	3.7
Net debt/EBITDA	12.2	13.0	12.7	12.9
Return on equity (annual rate), %	5.9	-4.1	-0.9	-3.4
Return on total assets (annual rate), %	3.2	0.2	1.1	0.4
Average closing interest rate, %	2.4	2.3	2.4	2.3
Interest rate duration, years	3.2	4.0	3.2	3.8
Time-to-maturity, year	3.3	4.1	3.3	3.5
DATA PER SHARE				
Income from property management, SEK	2.96	2.58	11.20	10.82
Management earnings after tax, SEK	2.93	2.49	10.93	10.49
Profit after tax, SEK	3.22	-2.32	-2.03	-7.56
Long-term net asset value, SEK	262.99	266.70	262.99	262.11
Current net asset value ²⁾ , SEK	246.03	249.09	246.03	245.62
Disposal value, SEK	220.45	231.35	220.45	219.49
Dividend, SEK	-	-	3.50	3.50
Share price, SEK	209.20	169.00	209.20	231.20
Average number of outstanding shares, '000	126,106	126,106	126,106	126,106
Number of outstanding shares at the end of the period, thousand	126,106	126,106	126,106	126,106
EMPLOYEES				
Average number of employees	268	302	281	285

¹⁾ See the definitions on pages 26-27; visit www.al.se for the reconciliation of KPIs.

²⁾ For the calculation of the current net asset value, an estimated deferred tax of 6% has been used.



Parkhusen block 2 in Gränbystaden.

Derivation of key performance indicators.

Atrium Ljungberg uses alternative KPIs that are not defined under IFRS, but are assessed as providing valuable, supplementary information when evaluating the financial development of the company.

Reconciliation with the financial statements is provided for the alternative KPIs that are not directly identifiable from the financial statements and have been assessed as being of material importance.

See also definitions on pages 26–27.

	2024 Jan–Mar	2023 Jan–Mar	2023/2024 Apr–Mar	2023 Jan–Dec
NET ASSET VALUE				
Number of outstanding shares, '000	126,106	126,106	126,106	126,106
Equity	27,485	28,182	27,485	27,519
+ Dividend declared, but not paid	221	334	221	–
– Derivatives	–584	–1,038	–584	–390
– Goodwill	–140	–140	–140	–140
– Deferred tax	6,183	6,295	6,183	6,064
Long-term net asset value	33,165	33,632	33,165	33,053
SEK/share	262.99	266.70	262.99	262.11
– Assessed actual deferred tax (see page 16)	–2,139	–2,221	–2,139	–2,079
Current net asset value	31,026	31,411	31,026	30,975
SEK/share	246.03	249.09	246.03	245.62
+ Derivatives	584	1,038	584	390
– Deferred tax, net	–4,045	–4,074	–4,045	–3,985
– Interest-bearing liabilities	25,293	24,466	25,293	24,966
– Fair value interest-bearing liabilities	–25,059	–23,667	–25,059	–24,665
Disposal value	27,800	29,175	27,800	27,679
SEK/share	220.45	231.35	220.45	219.49
INCOME FROM PROPERTY MANAGEMENT AFTER TAX				
Profit from property management according to the income statement	373	326	1,412	1,365
– Current tax on profit from property management (see page 14)	–4	–12	–34	–43
Profit from property management after tax	369	314	1,378	1,322
Weighted average number of outstanding shares, '000	126,106	126,106	126,106	126,106
SEK/share	2.93	2.49	10.93	10.49
NETO OPERATING INCOME MARGIN				
Net operating income	541	489	2,069	2,016
Rental income	755	712	2,863	2,821
Net operating income margin, %	72	69	72	71

Amounts in SEK m	2024 Jan–Mar	2023 Jan–Mar	2023/2024 Apr–Mar	2023 Jan–Dec
LOAN-TO-VALUE RATIO				
Investment properties	57,194	56,726	57,194	56,813
+ Development properties	1,721	1,527	1,721	1,692
Total properties	58,915	58,253	58,915	58,505
Interest-bearing liabilities	25,293	24,466	25,293	24,966
– Cash and cash equivalents	–203	–416	–203	–119
Net debt	25,090	24,050	25,090	24,847
Loan-to-value ratio, %	42.6	41.3	42.6	42.5
INTEREST COVERAGE RATIO				
Profit from property management according to the income statement	373	326	1,412	1,365
+ Net interest income	134	134	522	522
+ Income from sales of development properties	20	–	227	207
– Costs from sales of development properties	–16	3	–191	–172
Total	511	463	1,970	1,922
Net interest income	134	134	522	522
Interest coverage ratio	3.8	3.5	3.8	3.7
NET DEBT/EBITDA (Debt ratio)				
Interest-bearing liabilities	25,293	24,466	25,293	24,966
– Cash and cash equivalents	–203	–416	–203	–119
Net debt	25,090	24,050	25,090	24,847
Gross profit/loss	543	487	2,075	2,019
– Central administration	–22	–17	–93	–88
– Leasehold fees	–12	–10	–44	–43
+ Income from sales of development properties	20	–	227	207
– Costs from sales of development properties	–16	3	–191	–172
EBITDA	512	463	1,973	1,923
Net debt/EBITDA (annual rate)	12.2	13.0	12.7	12.9
YIELD MEASURES				
Profit for the period	406	–292	–255	–954
Equity, average	27,502	28,662	27,502	28,330
Yield equity, % (annual rate)	5.9	–4.1	–0.9	–3.4
Profit for the period before tax	529	–355	–314	–1,199
+ Net interest income	134	134	522	522
+ Change in value of derivatives	–160	252	496	907
Profit	504	31	703	231
Total assets, average	62,141	63,079	62,141	62,838
Return on total assets, % (annual rate)	3.2	0.2	1.1	0.4

Quarterly summary.

INCOME STATEMENTS

Amounts in SEK m	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4	2022 Q3	2022 Q2
Rental income	755	710	700	699	712	672	661	619
Project and construction work sales	111	142	95	92	84	101	50	49
Net sales	865	852	795	790	796	773	710	667
Property management costs	-214	-209	-171	-200	-224	-227	-216	-191
Project and construction work costs	-108	-139	-96	-90	-85	-102	-57	-62
Gross profit/loss	543	503	528	500	487	444	438	414
- property management (net operating income)	541	500	529	498	489	444	445	427
- project and construction work	3	3	-1	2	-1	-1	-7	-13
Central administration	-22	-29	-19	-23	-17	-21	-21	-27
- property management	-20	-27	-17	-21	-15	-18	-17	-22
- project and construction work	-2	-2	-2	-2	-2	-3	-4	-5
Profit from associated companies	-2	-1	-1	-0	-	-	-	-
Financial income and expenses	-146	-132	-143	-145	-144	-137	-126	-119
Income from property management	373	341	366	332	326	286	291	268
Changes in value								
Properties, unrealised	-7	-215	-454	-588	-401	-1,467	87	2,742
Properties, realised	-	-0	6	-8	-6	-0	-3	11
Goodwill impairment	-	-	-	-	-24	-	-	-
Income from sales of development properties	20	7	26	174	-	-	329	-
Costs from sales of development properties	-16	-6	-22	-147	3	-5	-273	-
Derivatives, unrealised	160	-851	107	88	-252	-90	91	686
Profit before tax	529	-724	29	-149	-355	-1,276	522	3,708
Tax	-123	174	7	1	63	259	-90	-704
Profit for the period	406	-550	36	-148	-292	-1,017	432	3,003

KEY PERFORMANCE INDICATORS¹⁾

Property-related key performance indicators	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4	2022 Q3	2022 Q2
Rental value, SEK/m ²	3,664	3,636	3,469	3,450	3,441	3,445	3,210	3,204
Economic letting rate, %	92	94	93	93	93	93	92	92
Net operating income margin, %	72	71	76	71	69	66	67	69
Property value, SEK/m ²	58,884	56,186	56,323	56,661	57,315	58,931	60,076	59,871
Valuation yield, %	4.7	4.7	4.6	4.6	4.5	4.4	4.1	4.0
Letting area at the end of the period, '000 m ²	960	945	945	945	943	956	957	957
Number of properties at the end of the period	75	75	75	75	75	76	65	67
Financial key ratios								
Loan-to-value ratio, %	42.6	42.5	41.8	41.8	41.3	41.7	40.8	40.7
Interest coverage ratio R12	3.8	3.7	3.5	3.6	3.5	3.8	4.3	4.4
Net debt/EBITDA R12	12.7	12.9	13.0	13.3	14.1	15.6	15.9	17.0
Return on equity R12, %	-0.9	-3.4	-4.9	-3.5	7.7	15.7	24.8	26.1
Return on total assets R12, %	1.1	0.4	-1.7	-0.9	4.4	7.3	12.2	12.7
Average closing interest rate, %	2.4	2.3	2.3	2.3	2.3	2.2	2.1	1.9
Interest rate duration, years	3.2	3.8	3.5	3.8	4.0	4.0	4.2	4.1
Time-to-maturity, year	3.3	3.5	3.8	3.9	4.1	4.3	4.4	4.6
Data per share								
Income from property management, SEK	2.96	2.71	2.90	2.63	2.58	2.27	2.30	2.12
Management earnings after tax, SEK	2.93	2.69	2.81	2.49	2.49	2.47	2.29	2.00
Earnings per share, SEK	3.22	-4.36	0.29	-1.17	-2.32	-8.07	3.42	23.78
Long-term net asset value, SEK	262.99	262.11	263.06	264.42	266.70	270.60	280.08	277.14
Current net asset value ²⁾ , SEK	246.03	245.62	245.15	246.64	249.09	251.81	269.31	266.59
Disposal value, SEK	220.45	219.49	232.59	233.98	231.35	237.77	247.36	241.35
Share price, SEK	209.20	231.20	178.10	186.60	169.00	170.90	137.50	134.00
Average number of shares, '000	126,106	126,106	126,106	126,106	126,106	126,106	126,264	126,301
Number of outstanding shares at the end of the period, '000	126,106	126,106	126,106	126,106	126,106	126,106	126,106	126,301

¹⁾ See definitions on pages 26–27. For the reconciliation of KPIs, visit www.al.se.

²⁾ For the calculation of the current net asset value, an estimated deferred tax of 6% has been used.

Other information.

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 Interim Report is on pages 1–29, and pages 1–13 thus constitute an integral part of this financial statement. 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 2023 Annual Report.

Recognition of electricity subsidy

Atrium Ljungberg recognised in the third quarter of 2023 an electricity subsidy it received of SEK 20 million. The received electricity subsidy is recognised as a cost reduction at the point in time when we were able to determine with reasonable assurance that the conditions associated with the subsidy were met.

Recognising earnings from residential developments

Earnings from the sale of properties that are intended for sale, such as tenant-owned associations after completion, are recognised when the property has been completed and as the tenant-owners take possession of the apartments. Earnings are recognised gross in Changes in value in the income statement in the rows Income from sales of development properties and Costs from sales of development properties.

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 company 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 31/03/2024, which means that a liability of SEK 258 million (SEK 344 m) has been recognised in the balance sheet. A positive change in value of SEK 85 million (SEK –178 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 counterpart.

Fair value interest-bearing liabilities

The Group's reported interest-bearing liabilities total SEK 25,293 million (SEK 24,966 m) and their fair value totals SEK 25,059 million (SEK 24,665 m). The calculation of fair value for listed bonds is based on the market value of the debt instrument. 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.

Transactions with related parties

During the quarter, Atrium Ljungberg AB paid a conditional shareholder contribution to associated company A house at Östermalm AB of SEK 8 million.

Seasonal effects

The net operating income 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.

Alternative key performance indicators

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 the APMs for 2022 and earlier is available on Atrium Ljungberg's website, www.al.se. From Q1 2023 reconciliation will be in the section Derivation of key performance indicators on page 21.

Rounding off

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

Comparison figures

The comparison figures in brackets refer to the corresponding period of the previous year, except in the sections that describe the financial position, where the comparison figures refer to the end of the previous year.

K3 figures

Atrium Ljungberg prepares its consolidated accounts in compliance with IFRS. If the company had prepared its consolidated accounts in compliance with K3, the following significant adjustments would have been made:

Income statement:

There would have been depreciation/amortisation of SEK –86 million; an unrealised change in the value of properties would have been adjusted by SEK 7 million; while the realised change in the value of properties would have been adjusted by SEK 0 million. The change in the value of derivatives would have been adjusted by SEK –54 million and deferred tax by SEK 27 million. All of this combined would result in a change in profit of SEK –105 million.

Balance sheet:

Properties would not have been recognised at their fair value, in compliance with K3, which would have resulted in an adjustment of SEK –20,608 million for investment properties and SEK –377 million for development properties. Right-of-use assets and leasing liabilities for leaseholds would not apply and would therefore both have been adjusted by the same amount, SEK –1,438 million/1,438 million. Goodwill would have been completely amortised, resulting in a reduction of SEK –140 million. Derivatives are valued using the lowest value principle and would therefore have been adjusted for surplus values, corresponding to SEK –843 million. As a consequence of the adjustments to the income statement and balance sheet, deferred tax would have been impacted by SEK –4,470 million and equity by SEK –17,498 million.

Market development, risks and uncertainties

Atrium Ljungberg’s property portfolio, with office, retail and full-service environments, is located in strong subsidiary markets in the growth regions of Stockholm, Uppsala, Gothenburg and Malmö. 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 a strong financial position with strong KPIs.

At the end of the period, the loan-to-value ratio was 42.6% and the interest rate duration and time-to-maturity was 3.2 years and 3.3 years, respectively. There was also a liquidity buffer at the end of the period of approximately SEK 8.5 billion.

No significant changes were made to the company’s risk assessment after the publication of the 2023 annual report in the section “Risks and risk management” on pages 55–61.

Sensitivity analysis – property value

Change in value, %	Effect on profit after tax, SEK m	Loan-to-value ratio, %
-10%	-4,541	47.2%
-5%	-2,271	44.8%
0%	0	42.6%
+5%	2,271	40.6%
+10%	4,541	38.8%

Sensitivity analysis – cash flow

Factor	Profit after tax, SEK m
	+/- 1 %-point
Rental level/index	+25/-25
Letting rate	+27/-27
Property costs	-6/+6
Interest expenses	-37/+37
Valuation: yield requirement	-7,360/+11,326

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 well-equipped 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

Atrium Ljungberg’s Annual General Meeting on 21 March 2024 resolved on the following, among other things:

- a dividend of SEK 3.50 per share (SEK 5.30/share), divided into two instalments of SEK 1.75 per share each, with the record dates on 25 March and 27 September, respectively,
- re-election of all Board members (Gunilla Berg, Simon de Château, Conny Fogelström, Sara Laurell, and Johan Thorell). Johan Ljungberg was re-elected Chair of the Board,
- guidelines on salary and other remuneration for senior executives,
- The Board’s approval of the remuneration report for the 2023 financial year, and
- a mandate for the Board of Directors to resolve on a new issue of shares, and a mandate to resolve on the acquisition and transfer of own shares.

The Nomination Committee until the next Annual General Meeting comprises Peter Bäärnhjelm, appointed by the Holmström family; Lars Ericsson, appointed by the Stockholm Consumer Cooperative Society; Anna Strömberg, appointed by Carnegie Fonder; Johan Ljungberg, appointed by the Ljungberg family; and Sampsa Ratia, appointed by the mutual occupational pension insurance company Varma.

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

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

Report signatures

The CEO hereby attests that the year-end report provides an accurate overview of the operations, position and performance of the company and the Group and that it describes significant risks and uncertainties faced by the company and the companies that make up the Group.

Nacka, 12 April 2024

Annica Ånäs, CEO

This information is information that Atrium Ljungberg AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 7.30 a.m. CET on 12 April 2024.

The share.

Atrium Ljungberg's share is listed on NASDAQ Stockholm Large Cap, with approximately 7,400 shareholders (8,000) at the end of quarter. The 10 largest individual owners as of 31/03/2024 are presented in the table below.

Buy-back of shares

At the Annual General Meeting in March 2024, 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. 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 at 31 March 2024, the company owned 7,114,875 class B shares. No buy-backs quarter were carried out in the quarter (SEK 0 m).

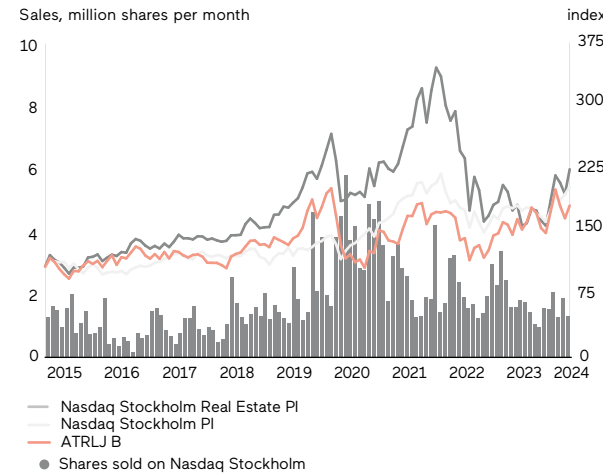
Dividend yield and total yield

A dividend of SEK 3.50 per share resolved by the AGM, representing a dividend yield of 1.7% (3.1%), calculated using the closing price.

The share's total yield, including the dividend, was 26% (-10%) over the past 12-month period.

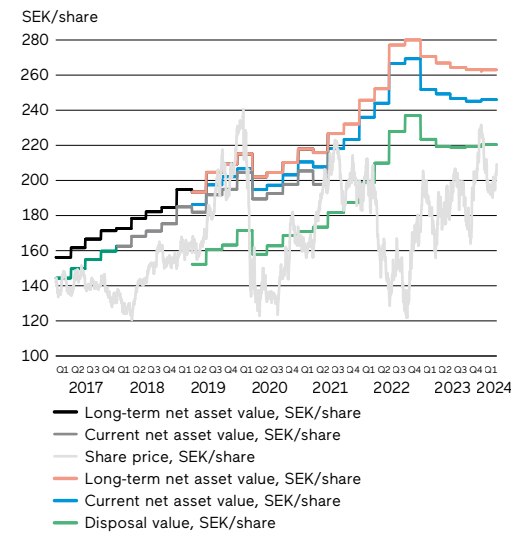
Share data	2024 Jan-Mar	2023 Jan-Mar
Share price, SEK		
- Lowest	190.30	150.10
- Highest	229.40	205.40
- Closing price	209.20	169.00
Market capitalisation, SEK b	26.4	21.3
Share price/Long-term net asset value	80%	63%
P/E	neg.	10.0
Share dividend yield	1.7%	3.1%

The Atrium Ljungberg share



Source: Nasdaq

Long-term net asset value, current net asset value and share price



Major shareholders as of 31/03/2024

	Class A shares, '000	Class B shares, '000	Share of votes, %	Share of capital, %
Ljungberg family	2,190	29,351	31,6	23,7
The Stockholm Consumer Cooperative Society	0	32,361	20,0	24,3
Holmström family	1,810	14,549	20,1	12,3
Varma pension insurance	0	8,117	5,0	6,1
Carnegie fonder	0	7,125	4,4	5,3
Swedbank Robur Fonder	0	4,234	2,6	3,2
Vanguard	0	1,909	1,2	1,4
Länsförsäkringar Fonder	0	1,965	1,2	1,5
BlackRock	0	1,895	1,2	1,4
AFA Försäkring	0	1,603	1,0	1,2
Other	0	18,997	11,7	19,6
Total outstanding shares	4,000	122,106	100,0	100,0
Shares bought back	0	7,115		
Total number of shares issued	4,000	129,221		

³⁾ Bought-back shares have no voting rights and do not receive dividends.



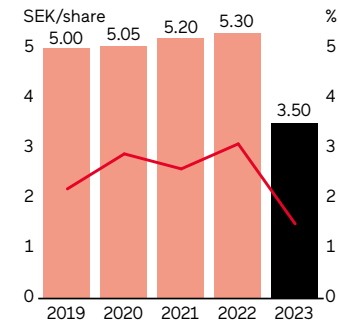
Four reasons to own shares in Atrium Ljungberg.

Stable dividend.

Atrium Ljungberg adopted in 2023 a new dividend policy under which approximately one-third of the income from property management will be distributed. In addition, the Board of Directors can propose that profits that are non-recurring in nature be distributed to the owners.

Dividend and the share's dividend yield

The development of profit is key to our success. This is the basis of our yield, along with value growth from investments.



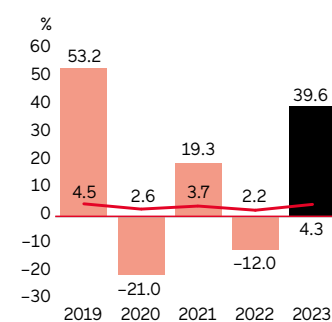
● Dividend, SEK/share
— Dividend yield, %

Potential for good value growth.

With a project volume of approximately SEK 40 billion in land already owned by the company and land allocations that it has obtained, Atrium Ljungberg – and therefore the share – has excellent potential to report healthy value growth over time.

Share's total yield

A total yield averaging 15% over the past five years.



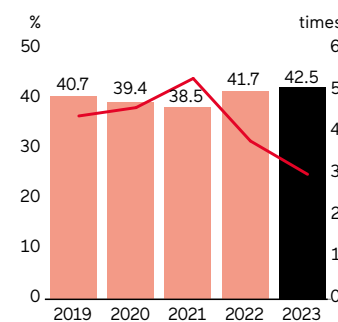
● Total yield, %
— Share dividend yield, %

Low financial risk.

We are in a strong financial position, with a stable loan-to-value ratio and interest coverage ratio. We have an investment grade rating of Baa2 from Moody's with a negative outlook.

Loan-to-value ratio and interest coverage ratio

Stable loan-to-value ratio and interest coverage ratio.



● Loan-to-value ratio, %¹
— Interest coverage ratio, times

¹ A new definition from Q2 2023, using net rather than gross interest-bearing liabilities. The KPIs have been recalculated accordingly.

Sustainable urban development.

Sustainability work is integrated in the 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.

Select sustainability goals

- Atrium Ljungberg will be climate-neutral by 2030 and net-zero by 2040, with half the climate impact from planned and ongoing projects in 2025, and the goals will be approved according to Science Based Targets (SBTi).
- A forerunner in sustainable urban development. Our locations will achieve a score of more than 90% in the Our City index by 2030.
- We will achieve 40% lower energy consumption, 20% circular use of materials, 20% lower water consumption, and 20% lower waste quantities by 2030.
- 100% of new suppliers will sign Atrium Ljungberg's Supplier Code of Conduct by 2030.
- We will achieve 5.5 of a total of 7.0 in the employee index Human Financial Wellness (HFW) with an even gender distribution and diversity that reflects society.

Definitions.

Financial definitions

Share's 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.

Current net asset value 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.

Current net asset value per share is used to provide stakeholders with information on Atrium Ljungberg's current net asset value per share calculated in a uniform manner for publicly listed property companies.

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.

Disposal value 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.

Disposal value 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.

Loan-to-value ratio, %

Interest-bearing liabilities less cash and cash equivalents, 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 loan-to-value 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

Project and construction work sales minus project and construction costs.

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.

Property costs

Total property management costs, which exclude central administration.

Average time-to-maturity, years

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

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

Average interest rate duration, years

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

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

Average closing interest rate, %

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

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

Adjusted loan-to-value 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 loan-to-value ratio is used to illustrate Atrium Ljungberg's financial risk.

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.

Long-term net asset value 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.

Long-term net asset value per share is used to provide stakeholders information on Atrium Ljungberg's long term net asset value per share calculated in a uniform manner for publicly listed property companies.

Average number of outstanding shares

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

Net debt/EBITDA (debt ratio)

Interest-bearing liabilities less cash and cash equivalents divided by gross profit/loss adjusted for central administration, leasehold fees and profit from the sale of development properties.

Net debt/EBITDA is used to highlight earnings in relation to indebtedness.

Earnings per share, SEK

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

Interest coverage ratio

Income from property management plus net interest income and profit from the sale of development properties divided by net interest income (excluding leasehold fees, which have been reclassified to interest expense in accordance with IFRS 16).

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

Dividend pay-out ratio, %

Dividend per share as % of property management earnings per share.

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.



Hus 43, Gamla and Nya Magasinet in Slakthusområdet is being extended and developed into offices with a vibrant ground floor.

Property-related definitions

RA, m₂
Residential area (RA) refers to the letting area of a building for residential use.

GFA, m²
Gross floor area (GFA) refers to the building's total area, including outer walls.

Net operating income
Refers to rental income less property management costs.

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.

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.

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.

NRA, m²
Non-residential area refers to the letting area of a building for non-residential purposes.

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 dividend yield are reported per premises type.

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.

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 at the time of 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.

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.

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

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.

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

Net operating income margin, %
Gross profit/loss from property management as a percentage of the recognised rental income.
Net operating income margin is used to illustrate what proportion of the Group's rental income remains after property costs.

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 as a percentage 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.

Total sales
This relates to Net sales as set out in the consolidated income statement.

Total capital expenditure
The acquisition of properties and investments in new and existing properties. The 'Change in the property portfolio' table therefore includes the following rows: 'Acquisitions' and 'Investments in held properties'. This also includes investments in other property, plant and equipment.

Total operating expenses
Costs for property maintenance, ongoing repairs and maintenance.



Nature is important for the quality of life in a city. We work to create green spaces and promote biodiversity at our locations.

Information from Atrium Ljungberg.

The Annual Report and interim reports are published on our website. Interim reports and the year-end report 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 ratios, the share, and much more besides. The information on the website is also available in English.

IR contact

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 Email: ulrika.danielsson@al.se

Publication of financial information.

Interim Report, January–June 2024	09/07/2024
Interim Report, January–September 2024	11/10/2024
Year-End Report 2024	31/01/2025
2024 Annual Report	26/02/2025





Press releases during the quarter.

Contract for Mälarterrassen at Slussen finalised	19/01/2024
Atrium Ljungberg starts new residential blocks in Nobelberget – the launch of Stockholm Wood City	23/01/2024
Changes to Atrium Ljungberg’s company management – Ulrika Danielsson is resigning	01/02/2024
Pricer moves its head office to Mineralvattenfabriken in Hagastaden	29/02/2024
From chaotic traffic solution to iconic meeting place – Slussen is a popular office destination in Stockholm	01/03/2024
Atrium Ljungberg signs lease contract with DevPort in Gothenburg	19/03/2024
Swedish Atrium Ljungberg one of the world’s most innovative companies	19/03/2024



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-  <https://www.facebook.com/atriumljungberg>
-  <https://twitter.com/atriumljungberg>
-  <https://www.instagram.com/atriumljungberg/>

Atrium Ljungberg, April 2024.
 Photos: Fanny Rådvik, Henning Larsen, Mattias Berdå, Måns Berg, Nils Petersson, Norma Images, Sanam Ebadnejad, www.TMRW.inc.
 Production: Narva Communications.

This report has been prepared in Swedish and translated into English. In the event of any discrepancies between the Swedish and the translation, the former shall have precedence.



At Sickla Stationshus a dynamic and vibrant atmosphere is being created with offices, co-working, conference, restaurants and green terraces.