

Wihlborgs'
Interim report
2021
January–June

HIGH ACTIVITY CREATES NEW OPPORTUNITIES

Rental income amounted to SEK 1,477 million (1,548)

Operating surplus amounted to SEK 1,046 million (1,125)

Income from property management amounted to
SEK 859 million (934)

Result for the period amounted to SEK 1,007 million (708),
corresponding to earnings per share of SEK 6.55 (4.61)

EPRA NAV increased by 5 percent* to SEK 154.48 (152.44)

*Paid dividend of SEK 2.25 has been taken into account



Wihlborgs

We aren't afraid of change. Being able to adapt to developments in society to remain relevant has always been our strength. Wihlborgs is growing and developing every day, especially during these challenging times. This is all so we can be the customer-centric, long-term and region-building company that we are.

Our business concept

Specialising in efficient sub-markets in the Öresund region, Wihlborgs will develop and own commercial properties, as well as manage them in-house.

Our business model

Our business model consists of two elements: property management and project development. We work continuously to improve our property portfolio by refining and developing existing properties, completing new projects and acquiring and selling properties. Strong financial results enable value growth and dividends to our shareholders.

Our sustainability

Wihlborgs is to ensure the company's and region's long-term sustainable development. Our focus is on responsible business, commitment to the region and its community, being an attractive employer and sustainable properties.

This is Wihlborgs

Wihlborgs is the leading property company in the Öresund region. Over 50,000 people have their workplace at one of our premises. People in Malmö, Lund, Helsingborg and Copenhagen all meet in city spaces designed by us, and our presence can also be felt in board rooms, club rooms and social forums as the Öresund region grows amid a wave of urban diversity and sustainability. This is our property company – Wihlborgs. The region-builder and relations-builder. The book value of the company's properties totals SEK 47.1 billion, representing an annual rental value of SEK 3.3 billion. Wihlborgs' shares are listed on the Large Cap List of Nasdaq Stockholm.



Property value

47.1

SEK billion

Rental income

1,477

SEK million

Income property management

859

SEK million

January-june 2021

Group key figures, SEK m	2021 Jan-June	2020 Jan-June
Rental income	1,477	1,548
Operating surplus	1,046	1,125
Income property management	859	934
Changes in value of properties	284	87
Changes in value of derivatives	113	-116
Result for the period	1,007	708
Earnings per share, SEK	6.55	4.61
Surplus ratio, %	71	73
Equity/assets ratio, %	40.5	37.6
Occupancy rate, %*	91	92
EPRA NRV per share, SEK	154.48	142.19

*) Excluding Projects & Land.

Financial targets

Mål	Outcome Q2 2021
■ A return on equity that exceeds the risk-free interest rate by not less than six percentage points, which for the beginning of 2021 corresponds to 5.78 percent	10.3
■ An equity/assets ratio of no less than 30 percent	40.5
■ An interest coverage ratio of no less than 2.0	6.5
■ The loan-to-value ratio is not to exceed 60 percent	49.6





CEO's comments

We have noted high activity among existing, new and potential tenants. A financial recovery and confidence in the future gathered momentum in our region during the spring. We have noted clear effects of this in our new lettings, which have been at a historically high level during the quarter. It is clear that activity has been elevated on a broad front. Once again, this is the result of the increasing needs of many tenants, who form the basis of the strong lettings. We have equipped ourselves to be ready for when customers indicate changed requirements, and this can now be summarised with positive net lettings of SEK 36 million during the quarter.

New agreements and project start for Space in Lund

We are pleased to have signed the first agreement for Kvartetten in Hyllie with Mindpark, which will operate its co-working business in 800 m². This will play a key role in the office experience and provide other tenants in the building with an extra service that we know will be appreciated. In Lund, we have signed an agreement for over 3,000 m² of office and laboratory operations in our Space project in the Science Village area. Space comprises some 6,000 m² and we are happy that we can now set this innovation hub in motion right between the MaxIV and ESS research facilities. We note a growing interest for establishing at Ideon and in north Lund. With proximity to expertise and other technology companies, an engineering cluster that is highly attractive is being created here. An example of this is the establishment of Regin's new innovation centre in our Node office building (Nya Vatten- tornet 2).

We have continued to note high activity after the end of the quarter. At Ideon, a public sector tenant has signed an agreement for 4,200 m² in the Cube property (Nya Vatten- tornet 4), and in Helsingborg, we won a procurement for Region Skåne's Child and Adolescent psychiatry for 2,500 m² at Hermes 10. Demand from the public sector remains healthy, with public-sector tenants currently comprising eight of Wihlborgs' ten largest tenants.

While we are happy about the new agreements, we can also note that the pandemic has continued to impact earnings during the second quarter. Our parking and service income is lower than normal given the continued lower physical pres- ence in the office in 2021, and even if vacancies have fallen somewhat, they are still at a higher level than what we are striving for in the long term. Efforts to develop and improve the content and quality of our property portfolio are contin- uing. In light of the signed agreements, we are expecting vacancies to fall during the coming quarter, and anticipate the largest effect in 2022.

Changes in value of our properties have amounted to SEK 210 million for the quarter. The increase is equally a result of an expected increase in cash flows and lower investment yield requirements for certain properties.

Long-term and sustained investments in sustainability

Sustainability is an area of the utmost priority for many property companies, and of course, this is also the case

”We have noted high activity among existing, new and potential tenants.

A financial recovery and confidence in the future gathered momentum in our region during the spring.”

for Wihlborgs. We have been environmentally certifying all new production for many years, but we are now in full swing with certifying our existing portfolio. In the first half of the year, we certified five properties in accordance with Miljöbyggnad iDrift and a further ten certifications are in the final stages of completion. In parallel with our certification efforts, we are committed to 15 major energy efficiency projects in our properties. In addition, four solar power systems are currently being installed, and an additional five are in starting phases. The facilities will contribute to compensating for the climate burden that comes with new production. Scope 3 CO₂ impact is and will remain the industry's greatest challenge for a long time. As a result, we are now placing particular focus to reduce the use of materials and to use the right materials. We continue to maintain that long-term flexibility is the most sustainable strategy. Buildings should be able to be converted and used in different ways over time. Making use of what has already been constructed will always be the most sustainable approach, even if this is yet to be reflected by any certification system. We are convinced that these initiatives, when taken together, will truly make the difference.

Healthy regional prerequisites for development

One year ago, we found ourselves in a situation of great uncertainty due to the scope of the pandemic. Even if it is not possible to say that the danger is behind us, we can note that we have a better image of our wider community today, both in terms of health and financial prospects. Our ambition is to continue to build our region in close collaboration with businesses, organisations and the public sector. The economy of the Öresund region has coped with the pandemic better than other major metropolitan regions in Sweden. The increase in activity that we are now seeing indicates the continued potential of the region. This provides us with opportunities to start new projects, and our solid balance sheet will enable us to, together with our tenants, build the Öresund region into something even stronger.



Ulrika Hallengren, CEO

Market comments

The Swedish economy has demonstrated strong resilience throughout the pandemic, despite a somewhat slower rate of vaccination than was first announced in the government's vaccine strategy. Strong growth in the US is driving the Swedish export sector and the OECD's May forecast estimates Sweden's GDP to grow 3.9% in 2021 and 3.4% in 2022. The manufacturing industry has recovered very well, but the pandemic is still holding back the service sector. In Denmark, growth of 2.8% is forecast for 2021 and 2.9% for 2022, with Denmark's specialisation in green energy and pharmaceuticals expected to drive the recovery. The Ministry of Finance's June forecast adjusted Sweden's GDP growth to 4.7% for 2021, up 1.5 percentage points on the April forecast.

The Swedish National Institute of Economic Research's Economic Sentiment Indicator reported a level of 119.3 in May. This is the highest figure in the indicator's 25-year history and the increase was largely due to high levels of activity in the manufacturing industry. The household confidence indicator accounts for the largest increase and is at a level not seen since 2010.

According to Sparbanken Skåne's "Skånsk konjunktur" ("Business in Skåne") report, published by ØresundsInstitutet (the Öresund Institute), the economy in Skåne performed better than other major metropolitan areas during the pandemic. Unlike the 2008–2009 financial crisis, Skåne's multifaceted region and diversified economy spread risks in a time when mobility was limited. Summarizing 2020, Skåne had 1.2% more employment in the fourth quarter of 2020 than in 2019. In Stockholm and Västra Götaland counties, this figure decreased 1.8% and 2.8%, respectively. Sales in the Skåne economy decreased 0.5%, which was better than the decline of 3.0% in Stockholm or 4.7% in Västra Götaland. Notice given, employment, furloughs and tourism all performed better than other major metropolitan areas. Economic growth in Skåne is split, however. Lund was relatively untouched, with its large share of public sector and low unemployment that soon returned to its pre-pandemic levels. But in Malmö, unemployment was and remains high, with an increase in unemployment among young people. Malmö has more exposure to tourism and in 2020 one million bookings disappeared, a decrease of 50% from the previous year. In Helsingborg, growth is somewhat split. Areas around the city, which are exposed to the manufacturing industry, performed well, while the situation was tougher in the trade city of Helsingborg.

The transaction year of 2021 started off strong, dominated by larger portfolio transactions. Pangea reported sales of SEK 84.3 billion during the first five months, compared with SEK 47.6 billion for 2020. The office market in Malmö showed stability in terms of top office rents and dividend yield requirements in the Swedish Property Research Forum's Q2 forecast. Uncertainty surrounding the future of the office and how it will affect demand means that the office property share of the high transaction volume remains at historically low levels.

Comparative figures for income statement items relate to values for the corresponding period 2020 and balance sheet items as of 31-12-2020.

Income, expenses and profits, January-June 2021

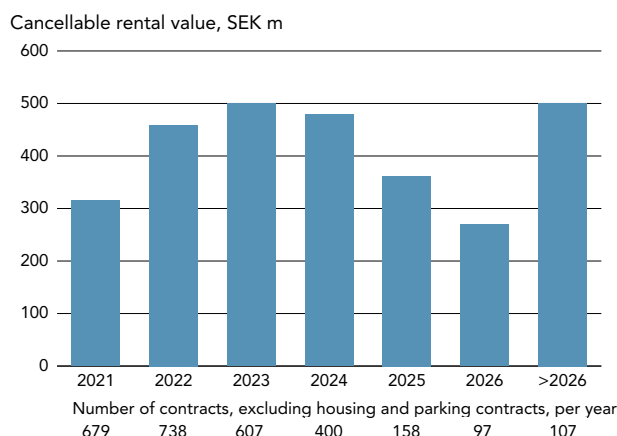
Rental income

Rental income amounted to SEK 1,477 million (1,548), corresponding to a decline of 5 percent. Service income accounted for SEK 139 million (157) of rental income. Acquisitions and sales of properties had a negative impact of SEK 45 million (+ 3). Vacancies were SEK 39 million higher during the period compared with the year-earlier period. SEK 3 million (12) of income comprised supplementary billing as final settlement for costs in 2020. Discounts granted to tenants due to the ongoing Covid-19 situation had a negative impact of SEK 5 million (11) on net rental income after taking into account expected state subsidy of SEK 2 million (3). Currency effects amounted to SEK -15 million (5) for the period. The additional increase in income of 3 percent arose as a result of completed projects, renegotiations, new lettings and the indexation of contracts.

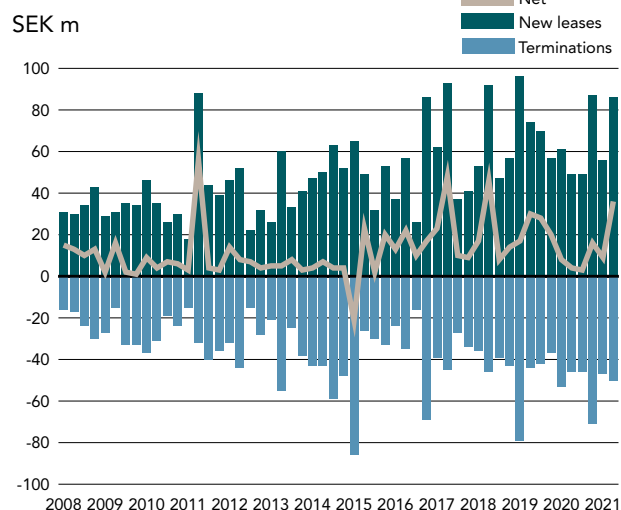
At the end of the period the occupancy rate for investment properties, excluding Projects & Land, is 91 percent which is unchanged compared with year-end.

During the period new leases were signed to a value of SEK 142 million (110) on an annualized basis. Lease termi-

Terms of Wihlborgs' contracts per 30 June 2021



Net letting, quarterly



Ten largest tenants per 30 June 2021

21 %

Rental income from ten largest tenants

24 %

Rental income from governmental tenants

- City of Helsingborg
- City of Malmö
- Danish Building and Property Agency
- Danske Bank
- Ericsson
- Lunds University
- Malmö University
- Skåne Regional Council
- Swedish Customs
- Swedish Tax Agency

nations totalled SEK 97 million (98). This represents a net letting of SEK 45 million (12).

Property expenses

Total property expenses amounted to SEK 431 million (423). Bad debt losses was SEK 1 million (4) during the period. The increase in property expenses is primarily due to increased costs for heating and snow removal. The historical summary at the bottom of page 17 illustrates how costs vary over the different quarters of the year.

Operating surplus

The operating surplus amounted to SEK 1,046 million (1,125) representing a surplus ratio of 71 percent (73). Of the change, SEK -32 million (-4) was attributable to property acquisitions and divestments, in addition, currency effects have affected by SEK -10 million (3).

Central administration

The costs for central administration were SEK 40 million (38).

Financial income and expense

Net interest totalled SEK -148 million (-154), of which interest income accounted for SEK 6 million (7).

The interest expense for the period, incl. realized effects from interest rate derivatives, was SEK 154 million (161). Leasehold rent amounted to SEK 2 million (3). Interest expense relating to interest rate derivatives amounted to

SEK 30 million (14). At the end of the period, the average interest rate, including the cost of credit agreements, was 1.32 percent, compared with 1.38 percent at year-end.

Income from property management

Profit participation in joint ventures amounted to SEK 3 million (4). Income from property management amounted to SEK 859 million (934).

Pre-tax profit

The pre-tax profit, i.e. after value changes on properties and derivatives, was SEK 1,256 million (905). During the period, value changes on properties amounted to SEK 284 million (87). Value changes on derivatives amounted to SEK 113 million (-116) of which SEK 119 million (-113) are attributable to interest rate derivatives and -6 million (-3) to other financial items.

Profit after taxes

The profit after taxes was SEK 1,007 million (708). Total tax amounted to SEK 249 million (197), of which current tax SEK 22 million (21) and deferred tax SEK 227 million (176).



During the spring and early summer, all of our employees attended an internal training session on work environment and employee responsibility. The training made it possible to meet, albeit digitally, and discuss questions and situations that employees can face or end up in. It was precisely these concrete small-group discussions that were appreciated the most. As one employee summarised it: "The best part was the group discussions, where you could provide your own perspectives and hear your colleagues' thoughts. It allowed for reflection and a good discussion."

Assets

Property portfolio as of 30 June 2021

The summaries below are based on Wihlborgs' property portfolio as of 30 June 2021. Rental income relates to contracted rental income on an annual basis as of 1 July 2021.

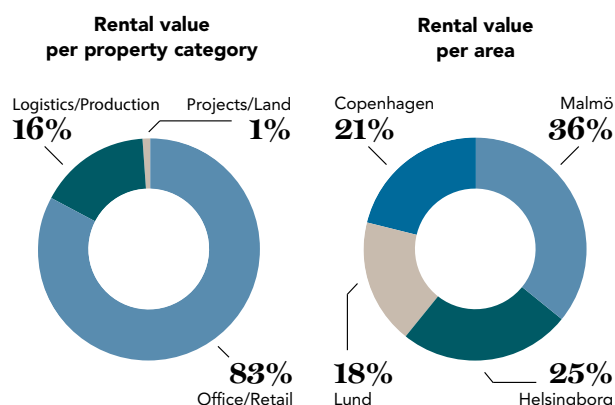
The operating surplus is based on the properties' earning capacity on an annual basis based on rental income for July 2021, operating and maintenance costs, property administration on a rolling twelve-month basis and property tax.

Wihlborgs' property portfolio consists of commercial properties in the Öresund region, located in Malmö, Helsingborg, Lund and Copenhagen. The property portfolio 30 June 2021 consisted of 296 properties (294) with a lettable area of 2,119,000 m² (2,103,000). 7 of the properties (7) are leasehold rights.

The properties' carrying amount was SEK 47,056 million (46,072), which corresponds to the estimated market value. The total rental value was SEK 3,287 million (3,268) and the contracted rental income on annual basis SEK 2,968 million (2,946). The like-for-like increase in rental value was 0,3 percent while contracted rental income decreased by 0,9 percent compared to 12 months previously.

The economic occupancy rate for Office/Retail properties was 91 percent (90) and for Logistics/Production properties 92 percent (92). The rental value for Office/Retail properties represented 83 percent and Logistics/Production properties 16 percent of the total rental value.

The operating surplus from investment properties, excluding property administration and Projects/Land, is SEK 2,272 million (2,253) which with a carrying amount of SEK 45,222 million (44,169) corresponds to a yield of 5.0 percent (5.1). Broken down by property category, this is 4.8 percent (4.9) for Office/Retail and 6.5 percent (6.8) for Logistics/Production.



Raffinaderiet 3 is a historic listed property in a prime location near Lund Central Station. Sustainable reuse and redevelopment with respect has enabled retention of the old sugar refinery's original industrial identity at the same time as we create modern, functional offices. We have signed leases here with four new tenants, who will move in by the end of 2022.

Changes in values of properties

By year-end the valuation of all Wihlborgs' properties is carried out by external valuers. The valuation as of 30 June 2021 has been made internally and resulted in a value increase at SEK 284 million (87).

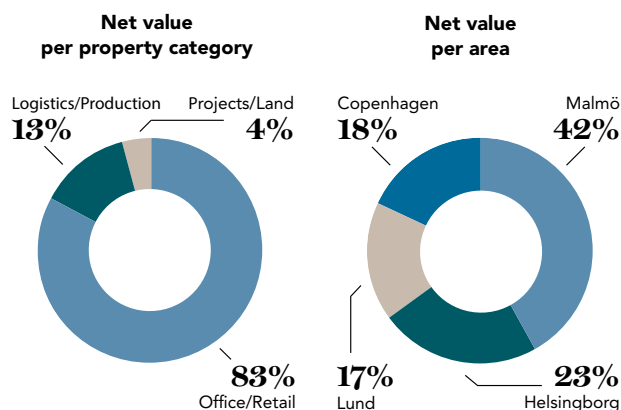
Lower yield requirements and increased expected operating results due to net lettings have affected valuation largely to the same extent.

Fair value has been determined using a combination of a yield-based method and a location-price method, in which transactions completed in the sub-markets concerned are analysed in order to calibrate the parameters for the yield-based method. The value is considered to correspond to the yield value that is calculated from normally five-year cash flow analyses. The value of newbuild projects in progress is determined as the value as if the project were complete, less deduction of the remaining cost. Undeveloped land and other upgrade projects are valued according to the location-price method. The method for valuation is the same as previously. There is a comprehensive description of the method for valuation of properties on pages 82-83 and 106-107 in the Company's 2020 Annual Report.

As of 30 June 2021 the carrying amount for the properties is SEK 47,056 million (46,072).

Changes in carrying amount of properties

Changes	Group total, SEK m
Carrying amount 1 January 2021	46,072
Acquisitions	182
Investments	453
Properties sold	0
Change in value	284
Currency translations	65
Carrying amount 30 June 2021	47,056



Investments and current projects

Investments in the property portfolio totalled SEK 453 million (585).

Approved investments in ongoing projects amount to SEK 1,956 million, of which 470 million had been invested at the end of period.

Liquid assets

The Groups liquid assets totalled SEK 839 million (607) including unutilized overdraft facilities. At the end of the period unutilized credit facilities amounted to SEK 3,370 million (3,656).

Of the rent that fell due for payment (excluding granted deferrals) on the last day of June, 92 percent has been paid as of the date of publishing this report, which is in line with the average over the last ten quarters.

Investments in progress >SEK 50 million, 30 June 2021

Property	Category of use	Municipality	Completion date	Lettable area, m ²	Occupancy rate, %	Estimated investment, SEK m	Expended 30-06-2021, SEK m
Kranen 2 a	Office/Retail	Malmö	Q4 2021	3,700	100	137	102
Kranen 2 b	Office/Retail	Malmö	Q4 2021	4,400	100	100	48
Raffinaderiet 3	Office/Retail	Lund	Q2 2022	5,800	30	114	17
Hindbygården 7	Office/Retail	Malmö	Q3 2022	1,800	100	59	4
Huggjärnet 13	Logistics/Production	Helsingborg	Q4 2022	8,000	0	108	1
Pulpeten 5	Office/Retail	Malmö	Q2 2023	16,000	5	696	47
Kunskapen 1	Office/Retail	Lund	Q3 2023	6,000	50	244	9
Summa				45,700		1,458	228

Analysis of lettable space per area and category of use

Area	Office, m ²	Retail, m ²	Logistics/ Production, m ²	Education/ Health care, m ²	Misc., m ²	Total, m ²	Share, %
Malmö	341,714	43,795	166,395	32,556	15,730 ¹	600,190	28
Helsingborg	217,388	59,448	286,892	40,495	14,103 ²	618,326	29
Lund	199,714	14,656	35,736	4,429	9,224 ³	263,759	13
Köpenhamn	445,174	7,435	92,855	11,760	79,003 ⁴	636,227	30
Total	1,203,990	125,334	581,878	89,240	118,060	2,118,502	100
Share, %	57	6	28	4	5		

1) Includes 10,275 m² hotel.

2) Includes 1,819 m² residential.

3) Includes 8,215 m² hotel.

4) Includes 38,848 m² data center and 5,600 m² hotel

Analysis per property category in each management area

Area/ property category	Number of properties	Area, m ² thousand	Carrying amount, SEK m	Rental value, SEK m	Rental value, SEK/m ²	Economic occupancy rate, %	Rental income, SEK m	Operating surplus incl. property ad- min., SEK m	Surplus ratio, % property ad- min.	Operating surplus excl. property ad- min., SEK m	Yield excl property admin., %
Malmö											
Office/Retail	49	439	16,802	1,013	2,308	93	946	719	76	754	4.5
Logistics/Production	30	141	1,876	145	1,029	97	141	111	79	119	6.3
Projects & Land	21	20	989	16	803	-	8	-1	-	2	-
Total Malmö	100	600	19,667	1,174	1,956	93	1,095	829	76	875	4.5
Helsingborg											
Office/Retail	36	260	7,262	509	1,960	88	447	337	75	353	4.9
Logistics/Production	58	359	3,193	318	888	88	281	199	71	217	6.8
Projects & Land	11	-	320	-	-	-	-	-	-	-	-
Total Helsingborg	105	618	10,775	828	1,338	88	728	536	74	570	5.3
Lund											
Office/Retail	25	241	7,542	567	2,353	87	493	340	69	380	5.0
Logistics/Production	4	23	214	19	838	94	18	13	73	14	6.8
Projects & Land	4	-	256	-	6,767	-	-	-2	-	-2	-
Total Lund	33	264	8,012	586	2,223	87	511	350	69	393	4.9
Copenhagen											
Office/Retail	47	562	7,618	632	1,125	92	582	373	64	393	5.2
Logistics/Production	9	61	715	55	916	95	53	40	77	41	5.8
Projects & Land	2	13	269	11	-	-	-	-	-	-	-
Total Copenhagen	58	636	8,602	699	1,098	91	634	413	65	434	5.1
Total Wihlborgs	296	2,119	47,056	3,287	1,551	90	2,968	2,129	72	2,272	4.8
Total excluding projects and land	258	2,085	45,222	3,259	1,563	91	2,960	2,133	72	2,272	5.0

Property transactions

During the quarter, Wihlborgs acquired the project property Naboland 3 in Malmö. The acquisition provides an opportunity to develop 8,000 m² offices in the Dockan area.

Property transactions January–June 2021							
Quarter	Property	Municipality	Management area	Category	Area, m ²	Price, SEK m	Operating surplus 2021, SEK m ¹
Acquisitions							
1	Industriparken 21	Ballerup	Copenhagen		10,200		
2	Naboland 3	Malmö	Dockan/Hyllie		-		
Total acquisitions 2021					10,200	182	2.4
Sales							
1					-	-	-
Total sales 2021					0	0	0

1) Operating surplus from properties acquired and sold that are included in the results for the period.

Sustainable business

Wihlborgs is both a region-builder and a relationship-builder. Wihlborgs adopts a long-term perspective when investing and developing operations. The sustainability initiatives are focused on areas in which operations have the greatest impact and thus the best opportunity to contribute to positive development: Responsible business, Sustainable properties, Being an attractive employer and Commitment to the region and its community.

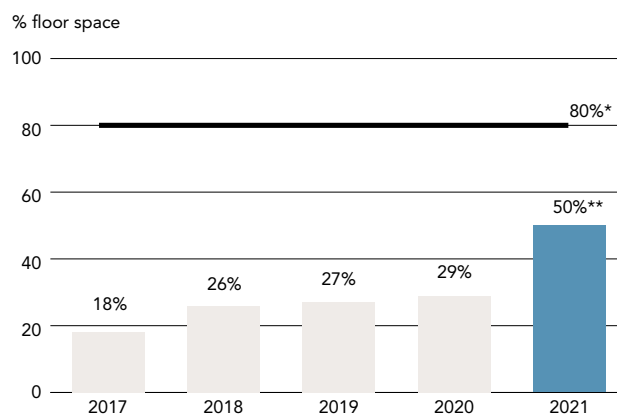
Wihlborgs has established Group targets in all areas, which are followed up annually and reported in the Annual and Sustainability Report. Certifications are an important governance instrument in reducing the climate impact. An increasing number of tenants are also demanding environmentally certified premises as part of their own sustainability agenda. In addition to certifying new-build projects (which are always certified Silver or better according to SGBC 3.0), focus is on existing properties. The new standard Miljöbyggnad iDrift, which Wihlborgs helped develop, will help further improve environmental performance through gradual environmental adaptations and improving property efficiency. This also creates engagement and builds sustainability expertise in the management organisations.

One of the targets is for 80% of the office properties in Sweden to be environmentally certified by the end of 2022. In the long term, the goal is for all of the Wihlborgs property portfolio in Sweden and Denmark to be environmentally certified. The plan is to achieve a certification level of 50% of the lettable area by the end of 2021. During the first half of the year the following properties have been certified:

- Ubåten 2, Malmö, 12 541 m² NFA, Miljöbyggnad iDrift level Silver
- Skrovet 3, Malmö, 10 310 m² NFA, Miljöbyggnad iDrift level Silver

- Spettet 11, Lund, 1 527 m² NFA, Miljöbyggnad iDrift level Silver
- Nya Vattentornet 3, Lund, 20 846 m² NFA, Miljöbyggnad iDrift level Silver
- Ruuth 24, Helsingborg, 4 198 m² , NFA, Miljöbyggnad iDrift level Silver

Environmentally certified office buildings



* We aim to have 80% of our office properties in Sweden environmentally certified by end of 2022.

** The goal is to achieve a certification level of 50% by end of 2021.

Wihlborgs summarises the results of the sustainability work in an annual sustainability report prepared in accordance with the Global Reporting Initiative (GRI) Standards: core option, the EPRA Sustainability Best Practices Recommendations (SBPR) and the guidelines issued by the Task Force on Climate-related Financial Disclosures (TCFD). Wihlborgs also reports annually to the UN Global Compact and participates in the Global Real Estate Sustainability Benchmark (GRESB) and the CDP Climate Change Questionnaire.

Liabilities and equity

As of 30 June 2021 equity totalled SEK 19,600 million (19,396) after dividend payment of SEK 807 million during the second quarter. The equity/assets ratio stood at 40.5 percent (41.3).

Interest-bearing liabilities

The group's interest-bearing liabilities as of 30 June amounted to SEK 23,346 million (22,208) with an average interest rate including costs for credit agreements of 1.32 percent (1.38).

With consideration to the company's net debt of SEK 23.3 billion, the loan-to-value ratio is 49.6 percent (48.2) as a percentage of property values.

The loans' average fixed interest period including effects of derivatives on 30 June 2021 amounted to 3.2 years (3.6). The average loan maturity, including committed credit facilities, amounted to 6.2 years (6.1).

Wihlborgs use interest rate derivatives in order to reduce the risk level in the loan portfolio. A summary of the terms is shown in the table below.

Interest rate derivatives portfolio 30 June 2021

Interest rate swaps		
Maturity	Amount, SEK m	Interest, %
2021	1,315	0.03
2022	1,630	0.16
2023	2,430	0.39
2024	1,788	0.41
2025	1,788	0.42
>2025	3,756	0.66
Totalt	12,707	0.41

The deficit value in Wihlborgs' interest rate derivative portfolio amounted to SEK 64 million (183).

Interest-rate derivatives are recognised at fair value at level 2 in accordance with IFRS 9.

For information on the valuation approach for interest rate derivatives, see page 100 of the 2020 Annual Report.

Structure of interest and loan maturities as of 30 June 2021

Matures, year	Interest maturity		Loan maturity	
	Loan amount, SEK m	Av. interest rate, %	Credit ag., SEK m	Utilised, SEK m
2021	10,115	0.98	1,310	1,310
2022	1,850	1.20	4,044	3,544
2023	2,430	1.45	4,916	4,366
2024	1,788	1.47	8,050	5,730
2025	1,788	1.48	6	6
>2025	5,374	1.67	8,390	8,390
Totalt	23,346	1.28*	26,716	23,346

*) Excluding costs for credit agreements



Construction has started of the building Space, between MAX IV and ESS in northern Lund, next to the new tramway line. It will be a modern innovation hub that will be a natural meeting place in the middle of the new Science Village city district. With the first lease in place, Wihlborgs will now begin contractor procurement. Space will be certified Silver/Gold according to the Sweden Green Building Council (SGBC) and WELL, and is expected to be ready for occupancy in autumn 2023.

Miscellaneous

Employees

At the end of the period, the number of FTEs at Wihlborgs was 244 (236), of which 110 (102) were in property service. Of the total number of FTEs, 73 (77) were in Malmö, 33 (32) in Helsingborg, 31 (31) in Lund and 107 (96) in Copenhagen. The average age of employees is 44 years and women make up 41 percent.

Parent company

The parent company owns no properties, but deals with questions relating to the stock market and joint Group functions for administration, management and borrowing. The parent company's turnover is mostly related to the billing of services to Group companies.

The parent company has invested SEK 1 million (1), in shares in subsidiaries and other shares, including shareholders' contributions, during the period.

The parent company's income statement and balance sheet are found on page 18.

Participations in other companies

A description of all participations held by Wihlborgs in other companies will be found on pages 108–109 in the Company's 2020 Annual Report.

Largest shareholders

The largest shareholder in Wihlborgs is Erik Paulsson with family and company, with 11.0 percent of the shares outstanding.

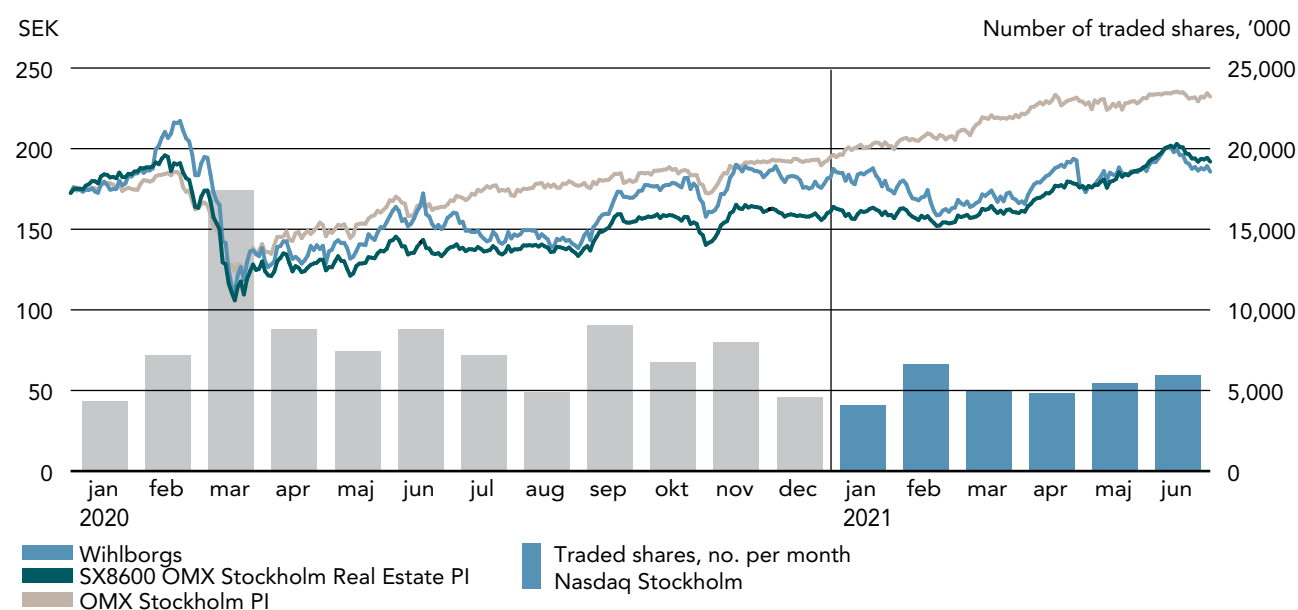
Shares held by owners registered abroad account for 37 percent. The number of shareholders is approximately 29,000.

Largest shareholders in Wihlborgs 30 June 2021

	Number of shares, thousands	Proportion of equity and votes, %
Erik Paulsson with family, privately and via company	16,938	11.0
SEB Investment Management	10,987	7.1
Länsförsäkringar funds	7,081	4.6
Swedbank Robur funds	5,166	3.4
Handelsbanken funds	4,842	3.2
Bank of Norway	3,208	2.1
Qviberg family	2,610	1.7
Life insurance company Skandia	2,015	1.3
AMF funds	1,650	1.1
Tibia Konsult AB	1,513	1.0
Other shareholders reg. in Sweden	43,280	28.1
Other shareholders reg. abroad	54,423	35.4
Total outstanding shares	153,713	100.0

Development of share price

01-01-2020 – 30-06-2021



Significant risks and uncertainty factors

Wihlborgs' future development and ability to reach its operational goals are influenced by numerous risks and uncertainties. By systematically reviewing, analysing and managing these risks and uncertainties, it is possible to limit them and concurrently create the prerequisites for continued growth.

The risks assessed as having a significant influence on the Group's earnings trend and cash flow are the variations in rental income, property costs and interest-rates. The properties are measured at fair value with changes in value in the income statement resulting in positive and negative impacts on earnings during the year. Property valuation also impacts Wihlborgs' financial position and key metrics. The extent of changes in value is partly determined by Wihlborgs' own capacity, through alteration and upgrading of properties, as well as by leases and client structures, to increase the properties' market value, and partly by external factors that affect supply and demand in the property markets where the company is active. Property valuation should take in to account an interval of uncertainty, which in a functioning market, typically consists of +/-5–10% to reflect the inherent uncertainty of assumptions and estimates.

In addition to the above, risks also include financing risks. Wihlborgs is dependent on external loans to meet its undertakings and complete transactions. Risks are managed using Wihlborgs' financial policy, which stipulates objectives, guidelines and risk limits for Wihlborgs' financial activities.

There is a comprehensive description of the risks facing the Group on pages 84–89 and 101–102 in the Company's 2020 Annual Report.

Accounting policies

Wihlborgs follows the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), as well as interpretations issued by the IFRS Interpretations Committee (IFRIC) as endorsed by the European Union. The Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. Information under IAS 34 p.16A is submitted in the notes and elsewhere in the interim report.

Discounts provided as a result of Covid-19 are expensed entirely, reduced with state aid received, in the period they relate to. Otherwise the Group applies the same accounting policies and valuation methods as in the most recent annual report. Wihlborgs assesses that none of the new or amended standards approved by the EU, or interpretations from the IFRS Interpretations Committee, that entered force after 1 January 2021, affect its results or financial position in any material sense. The Group applies the Swedish Financial Reporting Board's recommendation RFR 1, Supplementary Accounting Rules for Corporate Groups and the Parent Company applies RFR 2. The financial reports are found on page 15-19.

Events after the accounting period

After the end of the quarter, Wihlborgs signed an agreement with a public-sector tenant for 4,200 m² in Nya Vatten-
tornet 4 in Lund. A procurement of 2,500 m² at Hermes 10 in Helsingborg for Region Skåne was also won.

Malmö 12 July 2021

Wihlborgs Fastigheter AB (publ)

Anders Jarl	Lennart Mauritzson	Tina Andersson
Chairman	Deputy Chairman	Board member

Amela Hodzic	Jan Litborn	Helen Olausson
Board member	Board member	Board member

Johan Qviberg	Ulrika Hallengren
Board member	CEO

This interim report has not been reviewed by the company's auditors. The Board of Directors and the CEO offer assurance that the interim report provides a fair summary of the parent company's and the Group's business activities, status and profits, and describes the significant risks and uncertainty factors faced by the parent company and the companies that are part of the Group

Consolidated income statement summary

SEK m	2021 Apr-Jun 3 months	2020 Apr-Jun 3 months	2021 Jan-Jun 6 months	2020 Jan-Jun 6 months	2020/2021 Jul-Jun 12 months	2020 jan-dec 12 months
Rental income	739	767	1,477	1,548	3,003	3,074
Operating costs	-98	-96	-225	-220	-434	-429
Repairs and maintenance	-21	-21	-43	-43	-97	-97
Property tax	-49	-52	-98	-101	-201	-204
Property administration	-34	-28	-65	-59	-128	-122
Total property costs	-202	-197	-431	-423	-860	-852
Operating surplus	537	570	1,046	1,125	2,143	2,222
Central administration	-19	-18	-40	-38	-79	-77
Interest income	2	4	6	7	13	14
Interest expense	-78	-82	-154	-161	-320	-327
Leasehold rent	-1	-2	-2	-3	-4	-5
Share in results of joint ventures	2	2	3	4	2	3
Income from property management	443	474	859	934	1,755	1,830
Change in value of properties	210	28	284	87	1,023	826
Change in value of derivatives	16	-24	113	-116	156	-73
Pre-tax profit	669	478	1,256	905	2,934	2,583
Current tax	-11	-11	-22	-21	-47	-46
Deferred tax	-129	-103	-227	-176	-366	-315
Profit for the period¹	529	364	1,007	708	2,521	2,222
OTHER TOTAL PROFIT/LOSS						
<i>Items that will be reclassified to profit or loss for the year:</i>						
Translation differences on recalculation of foreign operations	-42	-176	26	23	-118	-121
Hedging of currency risk in foreign operations	40	150	-27	-24	119	122
Tax attributable to items that will be reclassified to profit or loss for the year	-7	-25	5	4	-21	-22
Other comprehensive income for the period	-9	-51	4	3	-20	-21
Total comprehensive income for the period¹	520	313	1,011	711	2,501	2,201
Earnings per share ²	3.44	2.37	6.55	4.61	16.40	14.46
No. of shares at end of the period, thousands	153,713	153,713	153,713	153,713	153,713	153,713
Average no. of shares, thousands	153,713	153,713	153,713	153,713	153,713	153,713

1) The entire profit/income is attributable to the parent company's shareholders.

2) Key ratios per share have been calculated based on a weighted average number of shares during the period. There are no outstanding subscription options, convertibles or other potential ordinary shares and accordingly, no dilution effects to take into consideration.

Consolidated balance sheet summary

SEK m	30-06-2021	30-06-2020	31-12-2020
ASSETS			
Investment properties	47,056	46,392	46,072
Right-of-use assets	152	168	149
Other fixed assets	399	390	385
Derivatives	67	-	-
Current receivables	241	249	150
Liquid assets	496	417	205
Total assets	48,411	47,616	46,961
EQUITY AND LIABILITIES			
Equity	19,600	17,907	19,396
Deferred tax liability	4,081	3,756	3,853
Borrowings	23,346	24,350	22,208
Lease liability	151	167	147
Derivatives	131	193	183
Other long-term liabilities	58	71	64
Current liabilities	1,044	1,172	1,110
Total equity & liabilities	48,411	47,616	46,961

Consolidated statement of changes in equity

SEK m	Jan-June 2021	Jan-June 2020	Jan-Dec 2020
Total equity at beginning of period	19,396	17,887	17,887
Equity attributable to parent company's shareholders			
Opening amount	19,396	17,887	17,887
Dividend paid	-807	-692	-692
Profit for the period	1,007	708	2,222
Other comprehensive income	4	3	-21
Closing amount	19,600	17,907	19,396
Equity attributable to minority shares with non-controlling interests	-	-	-
Total equity at end of period	19,600	17,907	19,396

Consolidated cash flow statement summary

SEK m	Apr-June 2021	Apr-June 2020	Jan-June 2021	Jan-June 2020	Jan-Dec 2020
Operating activities					
Operating surplus	537	570	1,046	1,125	2,222
Central administration	-19	-18	-40	-38	-77
Non-cash items	4	-11	10	-5	18
Interest received	0	2	1	2	4
Interest paid	-74	-87	-154	-171	-338
Income tax paid	-1	-3	-9	-5	-66
Change in other working capital	-78	25	-172	-22	68
Cash flow from operating activities	369	478	682	886	1,831
Investment activities					
Acquisitions of properties	-17	-	-182	-140	-327
Investments in existing properties	-245	-248	-453	-585	-1,231
Sales of properties	-	-	-	-	1,486
Change in other non-current assets	-15	7	-16	7	-14
Cash flow from investment activities	-277	-241	-651	-718	-86
Financing activities					
Dividend paid	-807	-691	-807	-691	-692
Change in borrowing	2,311	2,292	3,891	3,618	10,520
Loan repayments	-1,486	-1,811	-2,820	-2,954	-11,640
Change in other long-term liabilities	4	-1	-4	-4	-8
Cash flow from financing activities	22	-211	260	-31	-1,820
Cash flow for the period	114	26	291	137	-75
Opening cash flow	382	391	205	280	280
Closing cash flow	496	417	496	417	205

Historical summary of last eight quarters

SEK m	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019
Rental income	739	738	751	775	767	781	765	743
Operating costs	-98	-127	-121	-88	-96	-124	-120	-87
Repairs and maintenance	-21	-22	-30	-24	-21	-22	-35	-19
Property tax	-49	-49	-49	-54	-52	-49	-51	-54
Property administration	-34	-31	-28	-35	-28	-31	-34	-31
Operating surplus	537	509	523	574	570	555	525	552
Income from property management	443	416	419	477	474	460	456	446
Profit for the period	529	478	694	820	364	344	1,546	450
Surplus ratio, %	72.7	69.0	69.6	74.1	74.3	71.1	68.6	74.3
Investment yield, %	4.6	4.4	4.5	4.9	4.9	4.8	4.6	4.9
Equity/assets ratio, %	40.5	41.5	41.3	38.4	37.6	38.3	38.4	35.3
Return on equity, %	10.7	9.7	14.6	17.9	8.0	7.6	36.1	11.2
Earnings per share, SEK	3.44	3.11	4.51	5.33	2.37	2.24	10.06	2.93
Income property management per share, SEK	2.88	2.71	2.73	3.10	3.08	2.99	2.97	2.90
Cash flow fr operating activities per share, SEK	2.40	2.04	3.11	3.08	3.11	2.65	3.19	3.16
EPRA NRV per share, SEK	154.48	155.59	152.44	147.63	142.19	143.77	140.20	130.23
Share price as % of EPRA NRV	120.20	106.49	121.62	120.23	107.25	96.2	123.0	122.9
Carrying amount of properties	47,056	46,687	46,072	47,041	46,392	46,559	45,519	45,306
Equity	19,600	19,887	19,396	18,729	17,907	18,285	17,887	16,362
Total assets	48,411	47,964	46,961	48,762	47,616	47,795	46,558	46,318

Definitions of key ratios are available on page 23.

Consolidated segment reporting January–June

Property management	Malmö		Helsingborg		Lund		Copenhagen		Total	
SEK m	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Rental income	540	593	362	366	259	270	316	318	1,477	1,548
Property costs	-137	-142	-102	-93	-83	-81	-110	-106	-431	-423
Operating surplus	403	451	260	273	176	189	206	212	1,046	1,125

In the Group's internal reporting, activities are divided into the above segments, which are the same as described in the latest annual report. For a more detailed description of segments, see the annual report for 2020 pages 45-67. The total operating surplus shown above corresponds with the operating surplus recorded in the income statement.

The difference between the operating surplus of SEK 1,046 million (1,125) and the pre-tax profit of SEK 1,256 million (905) consists of central administration SEK -40 million (-38), financial net SEK -150 million (-157), share in results SEK 3 million (4) and changes in value of properties and derivatives SEK 397 million (-29).

Parent company's income statement summary

SEK m	Jan–June 2021	Jan–June 2020	Jan-Dec 2020
Income	115	105	215
Expenses	-106	-100	-203
Operating profits	9	5	12
Financial income	978	1,143	1,191
Financial expenses	-172	-274	-300
Pre-tax profit	815	874	903
Appropriations	-	-	550
Tax	-61	-44	-126
Profit for the period	754	830	1,327

Parent company's balance sheet summary

SEK m	30-06-2021	30-06-2020	31-12-2020
Participations in Group companies	9,430	9,592	9,506
Receivables fr Group companies	14,848	14,747	14,231
Derivatives	67	-	-
Other assets	344	474	399
Cash and bank balances	348	257	54
Total assets	25,037	25,070	24,190
Equity	6,523	6,079	6,576
Liabilities to credit institutions	15,671	16,530	14,683
Derivatives	131	193	183
Liabilities to Group companies	2,626	2,183	2,634
Other liabilities	86	85	114
Total equity and liabilities	25,037	25,070	24,190

Key figures for the group				
SEK m	Jan-June 2021	Jan-June 2020	July-June 2020/2021	Jan-Dec 2020
Financial				
Return on equity, %	10.3	7.9	13.4	11.9
Return on total capital, %	6.1	5.6	7.2	7.1
Equity/assets ratio, %	40.5	37.6	40.5	41.3
Interest coverage ratio, multiple	6.5	6.7	6.4	6.5
Leverage properties, %	49.6	52.5	49.6	48.2
Debt/equity ratio, multiple	1.2	1.4	1.2	1.2
Share-related				
Earnings per share, SEK	6.55	4.61	16.40	14.46
Earnings per share before tax, SEK	8.17	5.89	19.09	16.80
EPRA EPS, SEK	5.11	5.52	10.65	10.65
Cash flow from operations per share, SEK	4.44	5.76	10.62	11.91
EPRA NDV (net disposal value) per share, SEK	127.51	116.50	127.51	126.18
EPRA NRV (net reinstatement value) per share, SEK	154.48	142.19	154.48	152.44
Market value per share, SEK	185.70	152.50	185.70	185.40
Proposed dividend per share, SEK	-	-	-	5.25
Dividend yield, % ¹	-	-	-	2.8
Total return from share, %	-	-	-	10.1
P/E-ratio I, multiple	14.2	16.5	11.3	12.8
P/E-ratio II, multiple	18.2	13.8	16.3	17.4
Number of shares at the end of period, thousands	153,713	153,713	153,713	153,713
Average number of shares, thousands	153,713	153,713	153,713	153,713
Property-related				
Number of properties	296	314	296	294
Carrying amount of properties, SEK m	47,056	46,392	47,056	46,072
Estimated investment yield, % – all properties	4.5	4.8	4.5	4.6
Estimated direct return, % – excl project properties	4.7	5.0	4.7	4.8
Lettable area, m ²	2,118,502	2,201,664	2,118,502	2,102,707
Rental income, SEK per m ²	1,551	1,522	1,551	1,554
Operating surplus, SEK per m ²	1,005	1,014	1,005	1,011
Financial occupancy rate, % – all properties	90	92	90	90
Financial occupancy rate, % – excl project properties	91	92	91	91
Estimated surplus ratio, %	72	73	72	72
Employees				
Number of employees at period end	244	228	244	236



RESTAURANT

instabox instabox

Wihlborgs is currently building the Kvartetten office building in Hyllie in Malmö, where tomorrow's workplaces are being created with a focus on sustainability for the environment and for people. Reusing material and fittings, flexible offices with plenty of light, a fantastic roof terrace, Instabox and a bicycle lounge in combination with an office service in collaboration with the co-working company Mindpark will create an entirely new office experience. Kvartetten aims for a triple certification in line with SGBC Gold, WELL and NollCO₂.

Key figures & definitions

Basis for key ratios

The basis for key financial ratios that Wihlborgs present in the Interim report January–June 2021, page 19, are shown below. The following financial targets have been established by the Board:

- A return on equity that exceeds the risk-free interest rate* by not less than six percentage points, which for the beginning of 2021 corresponds to 5.78 percent
- The loan-to-value ratio is not to exceed 60 percent.
- An equity/assets ratio of no less than 30 percent.
- An interest coverage ratio of no less than 2.0.

*) Risk-free interest rate is defined as the rate on a 5-year Swedish government bond.

Unless otherwise stated, amounts are in SEK million.

	30-06-2021	30-06-2020	31-12-2020
Return on equity			
Profit for the period	1,007	708	2,222
Annualized	2,014	1,416	2,222
Equity, opening balance	19,396	17,887	17,887
Equity, closing balance	19,600	17,907	19,396
Average equity	19,498	17,897	18,642
Return on equity, %	10.3	7.9	11.9
Return on capital employed			
Profit before tax	1,256	905	2,583
Interest expense (incl value changes interest derivatives)	41	277	400
Total	1,297	1,182	2,983
Annualized	2,594	2,364	2,983
Total assets, opening balance	46,961	46,558	46,558
Total assets, closing balance	48,411	47,616	46,961
Non-interest bearing debt, opening balance	-5,198	-4,856	-4,856
Non-interest bearing debt, closing balance	-5,321	-5,131	-5,198
Average capital employed	42,426	42,094	41,733
Return on capital employed, %	6.1	5.6	7.1
Equity/assets ratio			
Equity	19,600	17,907	19,396
Total assets	48,411	47,616	46,961
Equity/assets ratio, %	40.5	37.6	41.3
Interest coverage ratio			
Income from property management	859	934	1,830
Interest expense	156	164	332
Total	1,015	1,098	2,162
Interest expense	156	164	332
Interest coverage ratio, multiple	6.5	6.7	6.5
Leverage properties			
Borrowings	23,346	24,350	22,208
Net value investment properties	47,056	46,392	46,072
Leverage properties, %	49.6	52.5	48.2
Debt/equity ratio			
Interest-bearing liabilities	23,510	24,531	22,368
Equity	19,600	17,907	19,396
Debt/equity ratio, multiple	1.2	1.4	1.2

	30-06-2021	30-06-2020	31-12-2020
Earnings per share			
Profit for the period	1,007	708	2,222
Average number of shares, thousands	153,713	153,713	153,713
Earnings per share, SEK	6.55	4.61	14.46
Earnings per share before tax			
Profit before tax	1,256	905	2,583
Average number of shares, thousands	153,713	153,713	153,713
Earnings per share before tax, SEK	8.17	5.89	16.80
EPRA EPS			
Income from property management	859	934	1,830
Tax depreciation, direct tax deductions etc	-503	-532	-929
Taxable income from property management	356	402	901
Current tax on the above	-73	-86	-193
Income from property management after deduction of current tax	786	848	1,637
Average number of shares, thousands	153,713	153,713	153,713
EPRA EPS, SEK	5.11	5.52	10.65
Operating cash flow per share			
Operating cash flow	682	886	1,831
Average number of shares, thousands	153,713	153,713	153,713
Operating cash flow per share, SEK	4.44	5.76	11.91
EPRA NDV per share			
Equity	19,600	17,907	19,396
Number of shares at year end, thousands	153,713	153,713	153,713
EPRA NDV per share, SEK	127.51	116.50	126.18
EPRA NRV per share			
Equity	19,600	17,907	19,396
Deferred tax liability	4,081	3,756	3,853
Derivatives	64	193	183
Total	23,745	21,856	23,432
Average number of shares, thousands	153,713	153,713	153,713
EPRA NRV per share, SEK	154.48	142.19	152.44
Dividend yield per share			
Proposed dividend, SEK	-	-	5.25
Market price per share at year end	-	-	185.4
Dividend yield per share, %	-	-	2.8
Total yield per share			
Market price per share at year start	-	-	172.5
Market price per share at year end	-	-	185.4
Change in market price during the year, SEK	-	-	12.90
Dividend paid during the year, SEK	-	-	4.50
Total return per share, %	-	-	10.1
P/E ratio I			
Market price per share at year end	185.70	152.50	185.40
Earnings per share	6.55	4.61	14.46
Annualized per share	13.10	9.22	14.46
P/E ratio I, multiple	14.2	16.5	12.8
P/E ratio II			
Market price at year end	185.70	152.50	185.40
EPRA EPS	5.11	5.52	10.65
Annualized per share	10.22	11.04	10.65
P/E ratio II, multiple	18.2	13.8	17.4

Some of the financial metrics that Wihlborgs presents in the interim report are not defined in accordance with IFRS. Wihlborgs is of the opinion that these metrics provide valuable complementary information to investors and the company's management, since they enable evaluation of the company's performance.

As all companies do not apply the same approach to calculating these financial metrics, they are not always comparable to metrics used by other companies. Accordingly, these metrics should not be viewed as replacements for metrics defined under IFRS. On this page, definitions of metrics are presented that, with a few exceptions, are not defined in accordance with IFRS.

Definitions

Key financial ratios

The key ratios are based on the statements of income, financial position, changes in equity and cash flow. Some of the historic data is compiled from the historical summary on page 17 in Wihlborgs' Interim Report.

Return on equity

Profit for the period as a percentage of average equity, excluding non-controlling interests. Average equity refers to the average of the opening and closing values for the respective period. In interim reports, the return is converted to its annualised value without taking account of seasonal variations. The ratio comprises a measure of the profitability in relation to shareholders' equity.

Return on capital employed (ROCE)

Earnings before interest expense, derivatives and taxes (EBIT) as a percentage of average capital employed. Capital employed is defined as total assets less non-interest-bearing liabilities and provisions. Average capital employed refers to the average of the opening and closing balances for each period. In interim reports, the return is converted to its annualised value without taking account of seasonal variations. The metric shows the return on the capital provided by shareholders and lenders without regard to interest.

Equity/assets ratio

Equity as a percentage of total assets at the end of the period. The ratio provides a measure of the financial strength of the company.

Interest coverage ratio

Income from property management, plus interest expense, divided by interest expense. The ratio measures the degree to which earnings can decline without jeopardising interest payments or, alternatively, how much interest expense can increase before income from property management becomes negative.

Loan-to-value ratio, properties

Borrowings as a percentage of the properties' carrying amounts. The ratio shows the degree of borrowing on the property portfolio.

Debt/equity ratio

Interest-bearing liabilities include borrowings, lease liabilities and any other interest-bearing liabilities. The ratio illustrates the relationship between borrowings and equity and, thereby, the gearing and financial strength.

Surplus ratio

The operating surplus, shown as a percentage of rental income. The ratio illustrates the proportion of rental income that remains after deducting property management costs.

Investment yield

The operating surplus shown as a percentage of the properties' average carrying amount. The average carrying amount refers to the average of the opening and closing values for the respective period. In interim reports, the yield is converted to its annualised value without taking account of seasonal variations. The ratio illustrates the yield on the property portfolio without taking account of its financing costs.

Share-related key ratios

Earnings per share for the period

Earnings for the period divided by the average number of shares outstanding. Definition according to IFRS.

Earnings per share before tax

Earnings per share before tax divided by the average number of shares outstanding.

EPRA EPS

Income from property management less the estimated tax payable on taxable income from property management divided by the average number of shares outstanding. Taxable income from property management is defined as income from property management less fiscal depreciation/amortisation and direct deductions. The effect of loss carryforwards is not taken into consideration.

Cash flows from operating activities per share

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

EPRA NDV - Net disposal value, per share

The closing balances for equity divided by the number of shares at the end of the period.

EPRA NRV - Net reinstatement value, per share

The closing balances for equity following the reversal of interest-rate derivatives and deferred tax according to the balance sheet, divided by the number of shares at the end of the period.

Dividend yield per share

Proposed dividend as a percentage of the year-end share price.

Total yield per share

Share price performance plus actual dividend relative to the share price at the start of the year.

P/E ratio I, multiple

Market price per share divided by earnings per share. In interim reports, the ratio is converted to its annualised value without taking account of seasonal variations.

P/E ratio II, multiple

Market price per share divided by EPRA RPS per share. In interim reports, the ratio is converted to its annualised value without taking account of seasonal variations.

Average fixed interest period

Time remaining until the interest on all interest bearing debts in average has been adjusted.

Average loan maturity

Time remaining until an average of all interest bearing debts has been refinanced.

Property-related key figures*

These key figures are based on the property table on page 10. The table shows the estimated rental value, rental income and property expenses on an annualised basis with an unchanged property portfolio, rental income and lettings portfolio compared with the end of the last quarter.

Rental value

Rental income plus estimated market-level rents for unlet space.

Estimated investment yield

Operating surplus as a percentage of the carrying amount for the properties at the end of the period.

Rental income per m²

Rental income on an annualised basis divided by lettable area.

Operating surplus per m²

Operating surplus divided by lettable area.

Economic occupancy rate

Rental income as a percentage of rental value.

Estimated surplus ratio

Operating surplus as a percentage of rental income.

*) These key figures are operational and are not regarded as alternative key ratios according to ESMA's guidelines.

Calendar

Interim report Jan–Sep 2021	22 October 2021
Year-end report 2021	15 February 2022
Interim report Jan–March 2022	26 April 2022
Annual General Meeting	26 April 2022

Wihlborgs' interim reports and the Annual Report are distributed electronically.
The Annual Report is printed in Swedish and sent to any shareholders notifying the
Company that they wish to receive it in printed form.

Press releases Q2 2021

Mia Rolf the new Director of Marketing and Corporate Communications at Wihlborgs	18 May 2021
Wihlborgs signs lease with Regin to open a new innovation centre at Ideon in Lund	5 May 2021
Annual General Meeting	27 April 2021
Interim report Jan–March 2021	27 April 2021
Wihlborgs attracts the food concept Eatery to Ideon Science Park	20 April 2021
Wihlborgs Annual Report and Sustainability Report 2020	1 April 2021

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