

2018

Growth with quality

HEIMSTADEN ANNUAL REPORT WITH SUSTAINABILITY REPORT



Heimstaden

We generate long-term values



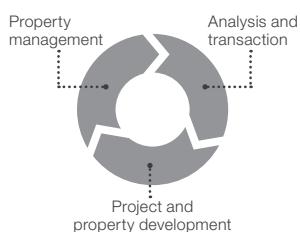
Heimstaden generates lasting value for shareholders, partners and customers by acquiring, refining and managing residential properties in growth communities in Scandinavia, Germany and the Netherlands.

We work according to our vision to enrich and simplify life for our customers through friendly homes. At the end of 2018, there were about 450 of us working at Heimstaden and we had a total of 951 properties, valued at a total of SEK 76,249 million and with slightly more than SEK 3,393 million in rental income. We are listed on the Nasdaq Stockholm exchange with a preference share on First North Premier.

Our ambition is to grow responsibly and sustainably together with partners who share our values. Within the framework of our strategy, we will work with other stakeholders, to generate new transactions and create opportunities by contributing experience, knowledge and capital.

In 2018, 123 properties were acquired. Net investments increased to SEK 22,839 million (21,732) and the total lettable area at year-end amounted to 2,732,359 square metres (2,128,616).

Business model



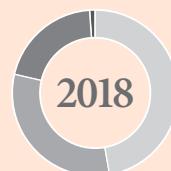
Heimstaden generates long-term values through its three core processes:

- Analysis and transaction
- Project and property development
- Property management

These processes interact as we actively, and with sustainability in focus, manage the property portfolio, expand and optimise the portfolio and refine and develop individual properties.

Number of apartments
39,006

Share of property value by country



Sweden, 47%
Denmark, 31%
Norway, 20%
Germany, 1%
Netherlands, 0%



Profit from property management

989
MILLION

In 2018, profit from property management increased by 92 percent compared with the preceding year.

Loan-to-value ratio

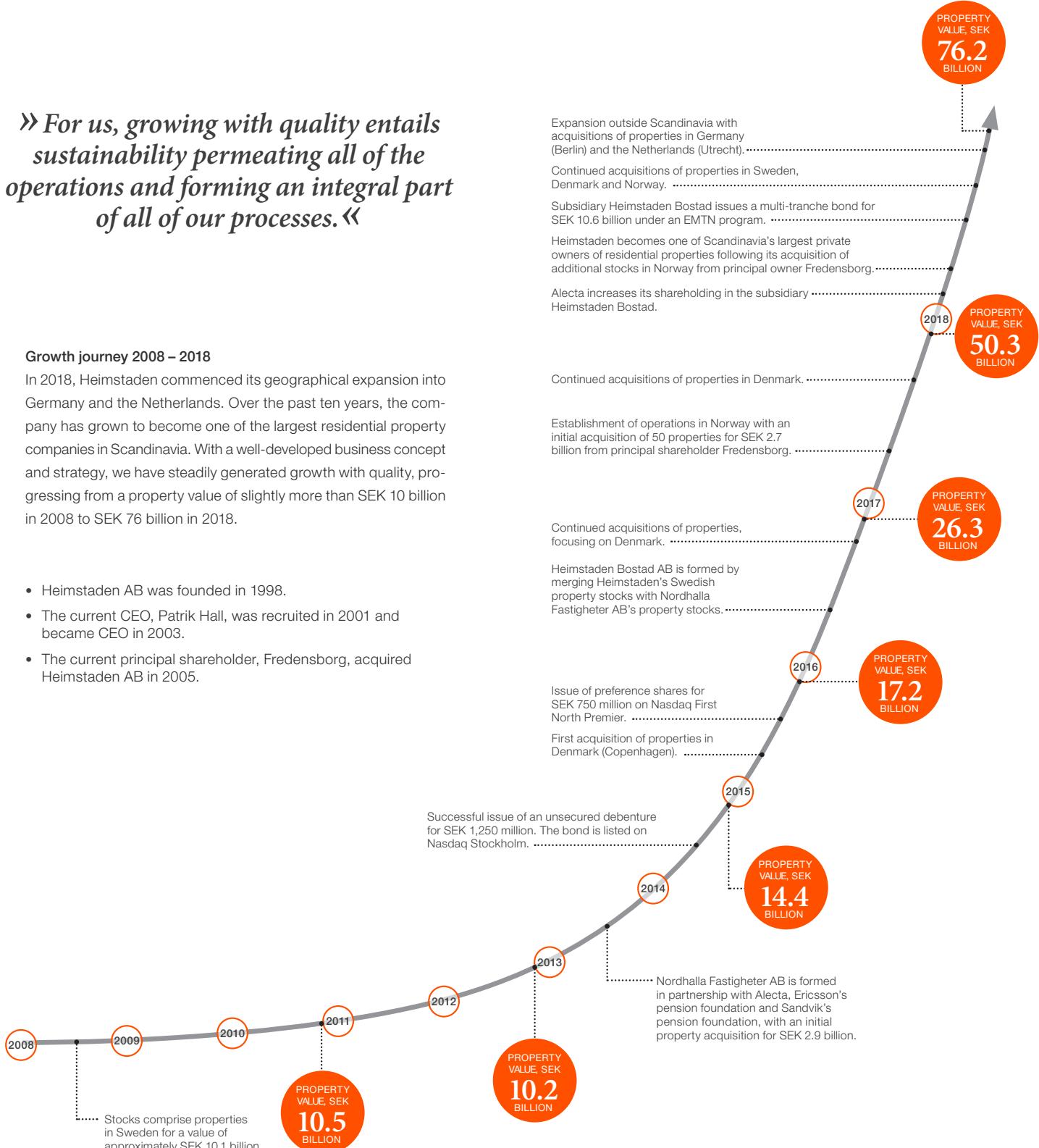
54%

»For us, growing with quality entails sustainability permeating all of the operations and forming an integral part of all of our processes.«

Growth journey 2008 – 2018

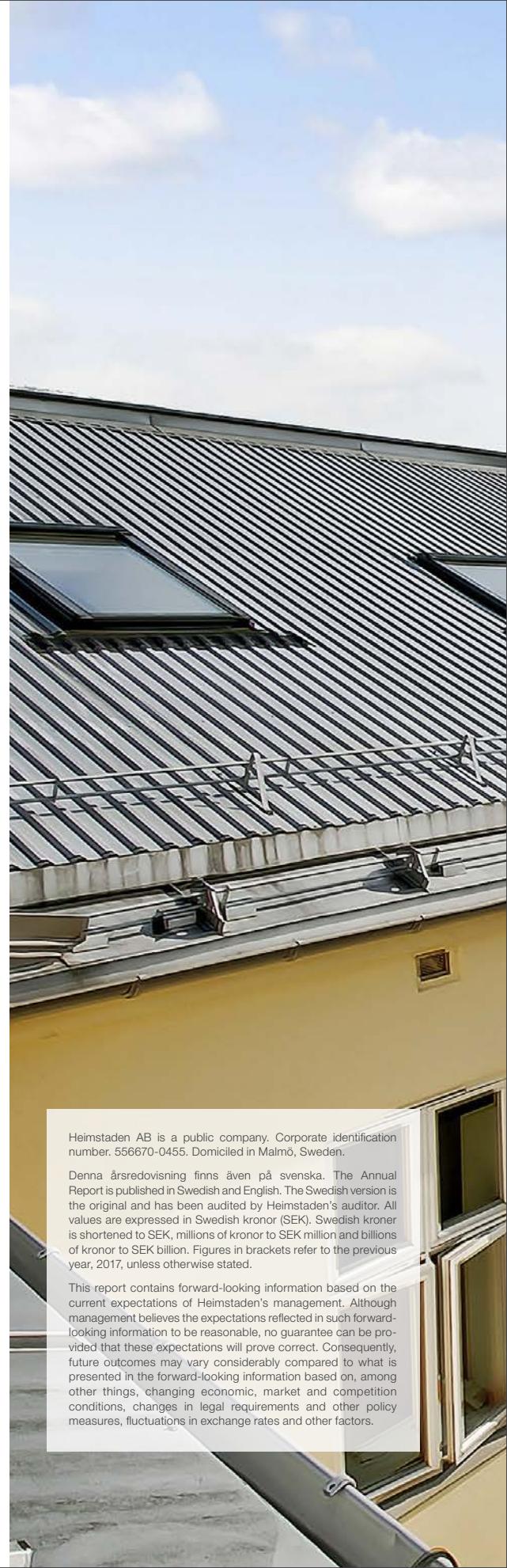
In 2018, Heimstaden commenced its geographical expansion into Germany and the Netherlands. Over the past ten years, the company has grown to become one of the largest residential property companies in Scandinavia. With a well-developed business concept and strategy, we have steadily generated growth with quality, progressing from a property value of slightly more than SEK 10 billion in 2008 to SEK 76 billion in 2018.

- Heimstaden AB was founded in 1998.
- The current CEO, Patrik Hall, was recruited in 2001 and became CEO in 2003.
- The current principal shareholder, Fredensborg, acquired Heimstaden AB in 2005.



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 - Refers to audited sections
Pages 7, 18–19 and 46–139 form part of Heimstaden's formal Annual Report and have been subject to review by the company's auditors.



Heimstaden AB is a public company. Corporate identification number: 556670-0455. Domiciled in Malmö, Sweden.

Denna årsredovisning finns även på svenska. The Annual Report is published in Swedish and English. The Swedish version is the original and has been audited by Heimstaden's auditor. All values are expressed in Swedish kronor (SEK). Swedish kroner is shortened to SEK, millions of kronor to SEK million and billions of kronor to SEK billion. Figures in brackets refer to the previous year, 2017, unless otherwise stated.

This report contains forward-looking information based on the current expectations of Heimstaden's management. Although management believes the expectations reflected in such forward-looking information to be reasonable, no guarantee can be provided that these expectations will prove correct. Consequently, future outcomes may vary considerably compared to what is presented in the forward-looking information based on, among other things, changing economic, market and competition conditions, changes in legal requirements and other policy measures, fluctuations in exchange rates and other factors.

» We have strengthened our leading position in Scandinavia and taken our first steps into the rest of Europe. «



A year of strong expansion

It was in 2018 that Heimstaden took its first tentative steps beyond the Nordic region, towards becoming a northern European housing company. While growing with vigour, however, not a day goes by without us considering how we can become an even better landlord for all of our existing tenants. In fact, soft values, such as sustainability, well-being and safety, build the firm foundation of a successful business.

Heimstaden's business concept is to own its properties indefinitely while providing rental apartments for all stages of life – from student accommodation to retirement homes. This involves not only the hardware, the properties themselves, but equally the software. Heimstaden shall be an attractive landlord, contributing to favourable social development. Our vision "to enrich and simplify life through friendly homes", is to be the guiding principle for all of our employees. Tenants should choose Heimstaden because we are innovative, show consideration and are there when our tenants need us.

Lasting the course demands a broader perspective

We can achieve this only by conducting all property management under our own auspices, with in-house caretakers who are always on site, providing considerate, high-quality service. Our long-term perspective prevents us from focusing narrowly on square-metre rent levels and returns. We must maintain a broader perspective, perceiving our role in society in interaction with our tenants and as a partner to the municipalities in which we operate. In this way, we pave the way for long-term secure housing, which also builds a long-term secure business.

Strategically, this means that Heimstaden's property portfolio must achieve a critical mass in the communities where we operate to merit the expense of proprietary local property

management. Our expansion occurs through complementary acquisitions in locations where we are already established and in growth regions. During the year, we have accomplished this in Sweden, Norway and Denmark, where we expanded the port-

» Our objective is to continue the expansion with existing, or lower, loan-to-value ratios. «

folio by a property value of approximately SEK 22 billion. In Sweden, we have increased our presence in Malmö, Lund, Linköping, Norrköping and Gävle.

Strong expansion in Denmark

In Denmark, Copenhagen is naturally in focus. Thanks to favourable business opportunities, with prices that are half of those for comparable objects in Stockholm, we have been able, during the year, to expand our portfolio in Copenhagen by 2,300 apartments and signed agreements regarding a number of properties under construction. At the same time, we have also identified highly attractive acquisition opportunities in other parts of the country. The total number of apartments in Denmark doubled during the year. We have now achieved the critical mass for our management concept in both Oslo and Copenhagen.



*» We work according to our vision to
enrich and simplify life through friendly homes. «*



From Nordic to Northern European

Having established ourselves in Utrecht in the Netherlands and Berlin in Germany, we are testing new markets offering favourable investment opportunities in dynamic regions with growing housing needs. To date, we have acquired almost 500 apartments in Berlin and 131 in Utrecht. We are in the process of learning about these markets on site and how we can establish our sustainable and responsible management strategy in new environments.

Accordingly, our expansion serves two principal purposes: Firstly, to achieve an adequate size in each locality to be able to exert a serious influence on the residential environment, urban planning and sustainability, and secondly to spread our business risks over a larger number of markets. We continuously monitor business opportunities in all of the Nordic countries.

Improved conditions in the credit market

In the fourth quarter of 2018, our subsidiary, Heimstaden Bostad AB, owned jointly with Alecta and the Ericsson and Sandvik pension foundations, gained an Investment Grade rating from Standard & Poor's with a credit rating of BBB-. In conjunction with this, bonds for the equivalent of SEK 10.6 billion were issued. The issue was conducted mainly in EUR and SEK, and, in connection with this, secured bank loans for roughly the corresponding amount were repaid. It is gratifying to note that our loan-to-value ratio amounts to slightly less than 54 percent. Our objective is to continue the expansion with existing, or lower, loan-to-value ratios. One of our many ambitions for the future is to further improve Heimstaden Bostad's credit rating, which will give us better terms in the bond market.

The ongoing operations have proceeded according to plan. Our sustainability efforts, involving smarter energy solutions, energy efficiency improvements, photovoltaic cell installations and our own social housing operations and sponsorship of non-profit social activities, such as Vilda Kidz, adds value for both the climate and society.

Our employees are our most important resource

I will not pretend that developing our organisation to match the pace of our acquisitions is not challenging. But I am nonetheless pleased that our ongoing employee surveys reflect very high values. Our employees enjoy their jobs and I was particularly pleased when our office in Skellefteå was awarded the Visa-vägen award (Show the Way) in the Employer of the Year category. They are also well aware that managing Heimstaden's properties requires something out of the ordinary. This motivates me to continue focusing on Heimstaden being a good employer and, in the long run, a good and caring landlord.

Our ambitions for the future can be summarised under five points:

1. Continuing to strengthen the customer experience.
2. Achieving further growth.
3. Bringing newly-built homes to communities and regions with housing shortages.
4. Conducting all operations with clear sustainability targets.
5. Improving Heimstaden Bostad's credit rating.

Point three represents a particular challenge in broadly addressing the prevailing housing shortage in expansive regions. The key issue is how we will be able, given current construction costs, to produce new housing in which people, particularly the young, can afford to live. In the case of Sweden, I believe politicians must adopt a holistic approach to housing policy issues. At Heimstaden, we are doing everything we can to contribute to society's combined effort.

With these words, I would like to thank all of our employees for their excellent efforts in 2018. I would also like to thank our stakeholders and preference shareholders for the confidence they show in Heimstaden's strategy of contributing to a sustainable society and thereby generating a long-term secure return. Looking ahead, 2019 will at least as exciting.

Patrik Hall, CEO Heimstaden

Significant events in 2018

In 2018, 123 properties were acquired, with a total of 8,457 apartments, making us one of the largest players in the markets in which we operate. Net investments increased to SEK 21,548 million (21,732) and the total lettable area amounted to 2,732,359 square metres (2,128,616) at the end of the year.

 <p>Ingvar Sundbom new CFO for Heimstaden AB.</p>	<p>+93%</p> <p>In 2018, Heimstaden almost doubled its property portfolio in Denmark and is now one of the largest players in that market.</p> 																																																																								
<p>Good business and responsible property management go hand in hand</p> <p>Decreased energy consumption in our Swedish portfolio in 2018 resulted in an annual cost saving of more than SEK 6 million and increased the property value by about SEK 122 million – while energy-related carbon dioxide emissions decreased by about 670 tonnes.</p>	<p>Expanded partnership</p> <p>In February, Heimstaden agreed with Alecta and the Ericsson and Sandvik pension foundations, to expand the partnership in Heimstaden Bostad AB. The agreement comprises a total transaction volume of approximately SEK 24 billion.</p> <p>KEY DATA</p> <table border="1"> <thead> <tr> <th>Amounts in SEK million</th><th>2014</th><th>2015</th><th>2016</th><th>2017</th><th>2018</th></tr> </thead> <tbody> <tr> <td>Operating surplus</td><td>242</td><td>347</td><td>530</td><td>1,027</td><td>1,810</td></tr> <tr> <td>Profit after tax</td><td>267</td><td>1,718</td><td>2,230</td><td>2,163</td><td>2,949</td></tr> <tr> <td>Market value</td><td>10,378</td><td>11,143</td><td>26,330</td><td>50,285</td><td>76,249</td></tr> <tr> <td>Number of properties</td><td>226</td><td>257</td><td>566</td><td>828</td><td>951</td></tr> <tr> <td>Number of apartments</td><td>6,565</td><td>7,676</td><td>19,797</td><td>30,549</td><td>39,006</td></tr> <tr> <td>Surplus ratio</td><td>51%</td><td>48%</td><td>50%</td><td>51%</td><td>53%</td></tr> <tr> <td>Loan-to-value ratio</td><td>58%</td><td>54%</td><td>50%</td><td>59%</td><td>54%</td></tr> <tr> <td>Equity/assets ratio</td><td>31%</td><td>43%</td><td>41%</td><td>36%</td><td>41%</td></tr> <tr> <td>Interest coverage ratio (multiple)</td><td>1.7</td><td>3.3</td><td>3.2</td><td>2.6</td><td>2.2</td></tr> <tr> <td>Letting ratio (housing)</td><td>99.5%</td><td>99.6%</td><td>99.5%</td><td>98.7%</td><td>97.3%</td></tr> <tr> <td>Real letting ratio, housing</td><td>–</td><td>–</td><td>–</td><td>–</td><td>98.6%</td></tr> </tbody> </table>	Amounts in SEK million	2014	2015	2016	2017	2018	Operating surplus	242	347	530	1,027	1,810	Profit after tax	267	1,718	2,230	2,163	2,949	Market value	10,378	11,143	26,330	50,285	76,249	Number of properties	226	257	566	828	951	Number of apartments	6,565	7,676	19,797	30,549	39,006	Surplus ratio	51%	48%	50%	51%	53%	Loan-to-value ratio	58%	54%	50%	59%	54%	Equity/assets ratio	31%	43%	41%	36%	41%	Interest coverage ratio (multiple)	1.7	3.3	3.2	2.6	2.2	Letting ratio (housing)	99.5%	99.6%	99.5%	98.7%	97.3%	Real letting ratio, housing	–	–	–	–	98.6%
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<p>-670 TONNES, CO₂</p>	<p>+603,743 SQUARE METRES</p> <p>In 2018, Heimstaden's property portfolio grew by an additional 603,743 square metres.</p> <p>Whistleblowing</p> <p>In 2018, Heimstaden established a whistleblower function enabling employees and external stakeholders to be able to report serious shortcomings while remaining confident that their notifications would be received and dealt with in an appropriate manner.</p>																																																																								
<p>Through our Heimgjort programme, we have made 25 improvements based on proposals and initiatives from employees, who, in their professional roles, observe areas for development and improvement.</p>	<p>Taking the step into the rest of Europe</p> <p>In 2018, Heimstaden took its first steps beyond Scandinavia with acquisitions in Germany and the Netherlands – two regulated housing markets, with high demand for housing.</p> <p>Show the Way</p> <p>In September 2018, Heimstaden's office in Skellefteå was awarded the Show the Way award in the Employers of the Year category.</p> 																																																																								

Our vision and the path ahead

Heimstaden shall enrich and simplify life through friendly homes. With this vision, we have built up one of Scandinavia's largest residential property companies and are now complementing this with markets in Germany and the Netherlands. With continued population growth, urbanisation and a housing market in which housing shortages are set to prevail for the foreseeable future, we see continued opportunities for quality growth with favourable returns.



VISION

We enrich and simplify life
through friendly homes.

BUSINESS CONCEPT

We acquire, refine and manage primarily
residential properties.

OFFERING

We generate value:

- for shareholders and partners by developing and optimising an attractive residential property portfolio in growth regions in Scandinavia, Germany and the Netherlands.
- for customers by developing and providing well-considered housing in growth regions in Scandinavia, Germany and the Netherlands.
- for our employees by cultivating a corporate culture and work environment pervaded by our core values: Care, Innovation, Authenticity.
- for society by investing long-term and being resource-efficient in our property management and operation by driving new production in communities with housing shortages.

We shall enrich and simplify life for our customers

Heimstaden shall be a leading owner of residential properties in its markets. We shall offer safe and pleasant accommodation with appropriate services for customers, while providing shareholders and investment partners with an attractive return in relation to risk.



» In just ten years, Heimstaden has developed one of Scandinavia's largest housing portfolios through a clear strategy, scalable organisation, good capital structure and dedicated employees. «

Today, Heimstaden has one of Scandinavia's largest housing portfolios. We have achieved this position in just ten years by means of a clear strategy, a scalable organisation, a good capital structure and committed employees. Our size generates synergies and economies of scale contributing to increased value for our stakeholders. We are now also venturing into Germany and the Netherlands.

Our business model

Our core processes Analysis and transaction, Project and property development and Property management interact when we manage the property stocks, expand and optimise the portfolio, and refine and develop individual properties. In this way, we assure good-quality residential properties in locations where demand is strong.

ANALYSIS AND TRANSACTION

Continuous optimisation and refinement of the property portfolio by acquiring properties in line with our strategy. This is based on thorough analysis and a good market presence.

PROJECT AND PROPERTY DEVELOPMENT

By means of a long-term approach and close dialogue with the market's stakeholders, we refine and develop our property portfolio and exploit land and building rights for new residential properties. This contributes value to society while increasing the value of our portfolio.

PROPERTY MANAGEMENT

Our proprietary local property management builds long-term relationships with customers based on our core values – Care, Innovation and Authenticity. This develops the favourable quality of our properties, providing attractive accommodation.



»Our proprietary local property management builds long-term relationships with customers based on our core values.«

Our strategy

Our strategy is based on the strong trends we perceive in the market. All investments are measured against one another across national borders and micro locations, and we invest solely in the properties and projects deemed most attractive at any given time.

Given population growth, urbanisation, a strong economic trend and a housing market in which housing deficits are set to persist for the foreseeable future, we see continued opportunities for favourable returns. We seek to continue our journey of growth with quality by acquiring and producing residential properties.

The strategy is based on a responsible business model with long-term, high profitability and growth with the right customers, employees and partners. This will build a sustainable and successful company for both the short and long term.

We will achieve this by focusing on: Excellence in the customer experience, sustainable and profitable growth, sustainable refinement and development of properties and an organisation governed by valuation.

			
EXCELLENCE IN THE CUSTOMER EXPERIENCE	SUSTAINABLE AND PROFITABLE GROWTH	SUSTAINABLE REFINEMENT AND DEVELOPMENT OF PROPERTIES	AN ORGANISATION GOVERNED BY VALUATION
<ul style="list-style-type: none"> • We shall have an in-depth understanding of our customers' needs and shall develop smart digital solutions throughout the customer's journey. • We shall offer customers a favourable and secure living environment, always remaining highly accessible to them. 	<ul style="list-style-type: none"> • Our expansion strategy encompasses Sweden, Denmark, Norway, Germany and the Netherlands. • We shall build strong relationships with municipalities, financial institutions and investors. • Our operations shall be pervaded by balanced risk management. 	<ul style="list-style-type: none"> • We shall prioritise aesthetically pleasing and sustainable materials in new production. • We shall refine more of our properties to preserve the characteristics of the periods in which they were built. • We shall focus on continuously improving the portfolio's technical quality, operating finances and energy efficiency. 	<ul style="list-style-type: none"> • Our operations shall have committed and involved employees, as well as a corporate culture in which we always keep the customer in focus. • We must have a strong brand that attracts and develops active and innovative leaders and employees who choose to stay with us, acting as strong and positive role models. 

» The strategy is based on a responsible business model with long-term, high profitability and growth with the right customers, employees and partners. «



Core values

Our core values describe what we seek to represent now and in the future. They describe our character, how we work and how we want to be perceived. Based on these values, we brighten and simplify life for others.

CARE

We care about and respect our employees, partners and customers, taking good care of our properties by nurturing a favourable living environment and sustainability.

INNOVATION

We are flexible, open, adaptable to change and innovative. We encourage diversity and divergent thinking and constantly seek new ways to promote growth and productivity.

AUTHENTICITY

We are honest, trustworthy and transparent. We take responsibility for our actions and work to generate lasting value for all of our stakeholders, through solutions that contribute to a long-term sustainable society and environment.

Right customers

We strive for a mix of customers in our properties – students, unattached people, couples without children, families with children and seniors. We want to attract customers who:

- impose demands on their housing
- show respect for their surroundings and enjoy having neighbours
- want to take responsibility for, and be involved in, their housing situation
- want to stay with Heimstaden even if their housing needs changes

Profitable and responsible growth with quality generates value

RESOURCES WE DEVELOP



Employees



448
committed employees

Sustainable relationships

39,006 household

- Relationships with municipalities and decision makers
- Cooperation with pension funds

Properties



951 properties

Financial resources



33,936 SEK million in equity

OUR BUSINESS MODEL



We enrich and simplify life through friendly homes

- Property management
- Project and property development
- Analysis and transaction

- Care
- Innovation
- Authenticity

Business model

We generate long-term values through active management of our properties, focusing on sustainability. Our core processes – Analysis and transaction, Project and property development and Property management interact when we actively manage the property stocks, expand and optimise the portfolio, and refine and develop individual properties.

Investment philosophy

When investing in a new property, we proceed from a number of simple and clearly measurable variables and trends. Fundamental to this is our view of the property as a product and its characteristics:

- Everybody needs a home.
- Housing cannot be digitised.
- For housing, there are no major remodelling or adaptation costs following the termination of the rental relationship.
- Housing is a stable and long-term product that looks much the same today as it did 100 years ago.

VALUES WE GENERATE

Generating financial value

- Return on equity: 13%
- Rental income: SEK 3,393 million
- Profit from property management: SEK 989 million
- Proposed dividend 2019: SEK 47 million



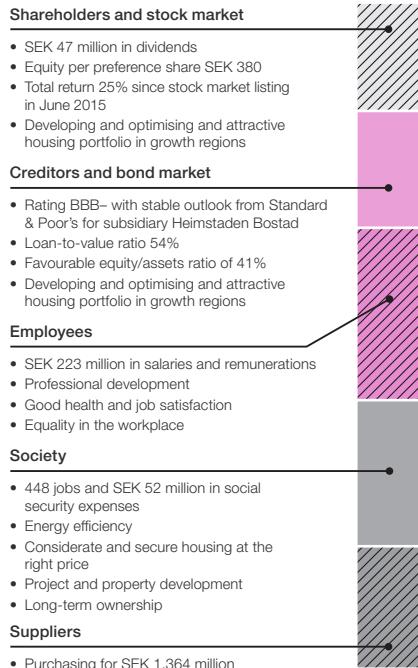
Generating social value

Heimstaden works to promote good health and secure environments for employees, customers and suppliers. We contribute to safe and inclusive urban environments in the locations where we operate. In 2018, we focused extensively on our employees. In Sweden and Denmark we regularly took the company's temperature in terms of leadership – results 8.1 (out of 10), job satisfaction 7.9 (out of 10), as well as the total temperature (leadership, job satisfaction, meaningfulness, autonomy, work situation, participation, personal development, team spirit, commitment and security) 7.9 (out of 10).

In 2018, our office in Skellefteå received the "Show the Way" award for its efforts to eliminate social exclusion among people with disabilities. Heimstaden also hosted some 40 summertime labourers in 2018.

Generating environmental value

In 2018, our focus on energy efficiency in Heimstaden's properties in Sweden resulted in cost savings of SEK 6 million and an increase in the total property value of an estimated SEK 122 million, despite our considerable growth in properties for which we did not previously conduct proprietary property management. At the same time, carbon dioxide emissions decreased by about 670 tonnes. Read more about our energy efficiency efforts on pages 70–73.



Heimstaden as an investment

Heimstaden's operations are based on a product for which there will always be a need. Currently, there are also a number of strong external trends – continued population growth, a high rate of urbanisation and low new production – that are benefiting our operations.

Everyone needs somewhere to live

Heimstaden satisfies a human need that will always exist. While changes such as digitisation may alter how we live, they will not change the basic human need for a home of one's own. In several of our markets, rent levels are regulated, reducing risk and enabling stable cash flows.

Co-invested with residents

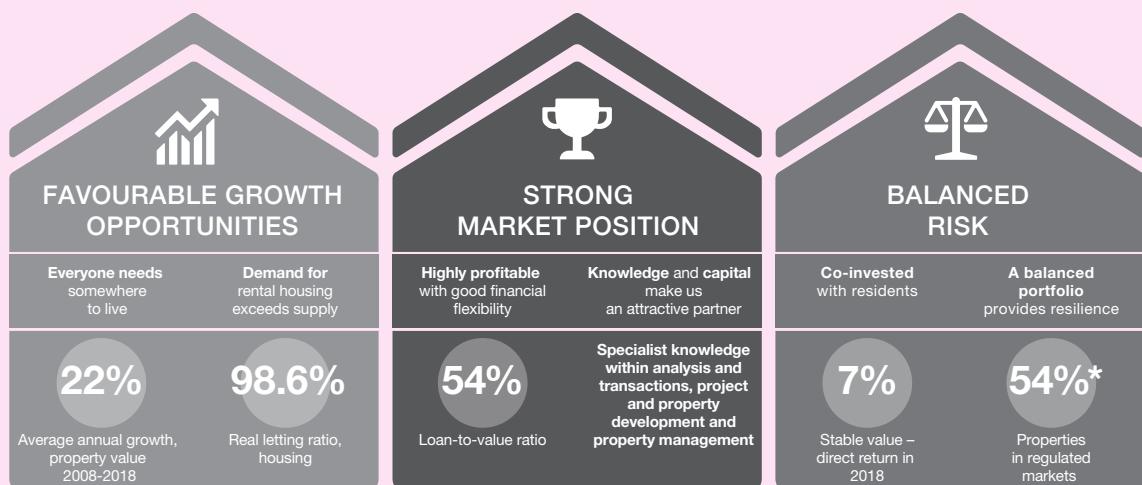
In Europe, between 50 and 95 percent of homes are owned by residents. That means we are co-invested with residents and that it is a safe market in which value will remain. Where individual citizens lack the means to cover their own basic living expenses, governments intervene with support, meaning in practice that the housing market is supported by a central government cash flow. This supports Heimstaden's long-term investment strategy and provides good opportunities for returns.

Market leader in our principal markets

Heimstaden has a proven capacity for building strong positions in Sweden, Norway and Denmark. Today, we have one of Scandinavia's most complete residential portfolios. We are now venturing further in select regions in Germany and the Netherlands. Read more about the development of our markets on pages 18–27.

Strong external trends benefiting our business

Continued population growth, a high rate of urbanisation and housing shortages are three overarching external trends favouring Heimstaden. These trends are strong in our existing markets and are expected to continue developing positively.



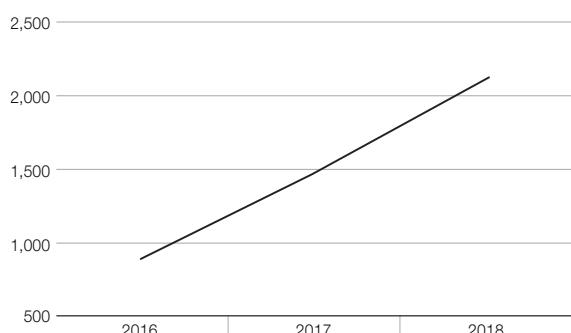
*54% of the holding

Earning capacity

Earning capacity is based on the properties that Heimstaden had taken control of previously and owned on the balance sheet date. It is based on the contracted rental income of the portfolio, current property costs and administrative costs. Earning capacity should be viewed as a theoretical snapshot and is not a forecast for the current year or the upcoming 12 months.

Current earning capacity does not include any assessment of future trends in rent levels, vacancy rates, property costs or interest rates. Nor does it provide any assessment of changes in value, or property acquisitions or disposals.

EARNING CAPACITY BY YEAR BASED ON PROFIT BEFORE FINANCIAL ITEMS, SEK M



Heimstaden owns more than 39,000 apartments, which entails a large number of payers and, accordingly, a property portfolio characterised by stable cash flows.

Current earning capacity, SEK m	31 Dec. 2018	31 Dec. 2017	31 Dec. 2016
Rental income	3,910	2,826	1,671
Property costs	-1,648	-1,244	-806
Net operating income	2,263	1,582	865
Central administration	-154	-90	-82
Other operating income	0	0	5
Other operating costs	0	-21	-10
Participations in profit of associated companies	0	0	0
Profit before financial items	2,109	1,472	779
Financial income	12	4	0
Financial costs – interest on subordinated shareholder loans	0	0	-109
Financial costs – interest-bearing liabilities	-832	-532	-218
Profit from property management	1,289	944	452
Profit from property management attributable to:			
The Parent Company's shareholders	682	472	361
Non-controlling interests	607	472	92
Key data			
Surplus ratio, %	57.9	56.0	51.8
Interest coverage ratio (ICR), multiple	2.6	2.8	3.6

Quality growth in partnership with institutional investors

A few years ago we made the strategic choice to invest alongside a number of institutions that share Heimstaden's long-term view and investment philosophy with regard to the housing market. In collaboration with partners, including large institutional investors who share Heimstaden's core values, we are able to achieve quality growth.



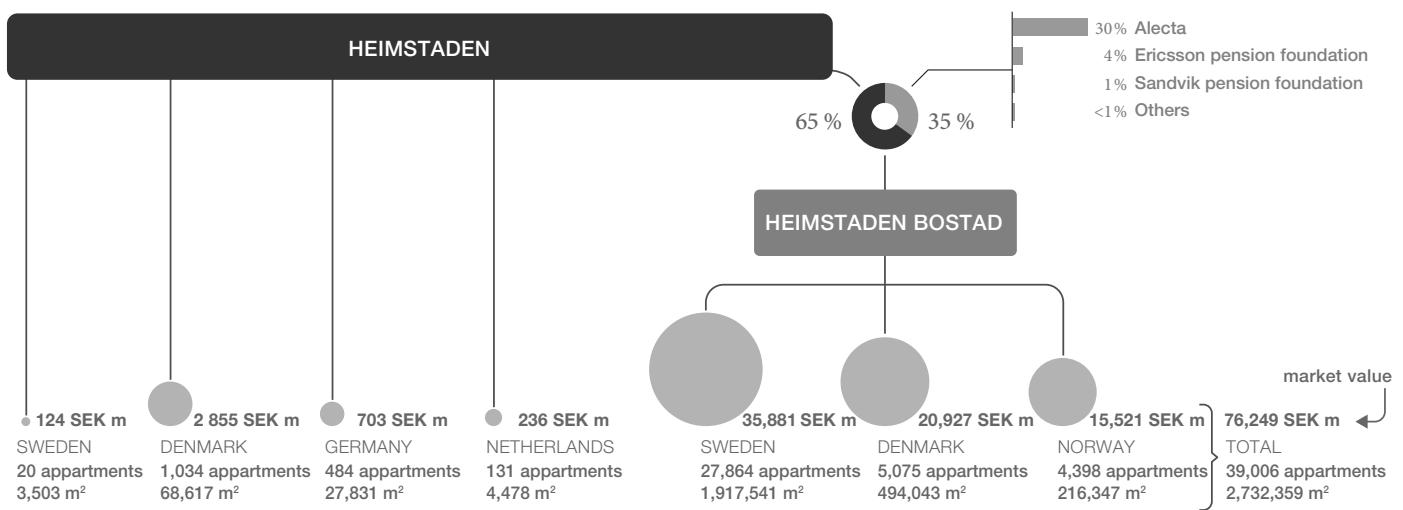
Since 2013, we have cooperated with Alecta and Ericsson, as well as the Sandvik pension foundations.

Together with Alecta and the Ericsson and Sandvik pension foundations, we have built up a Scandinavian housing portfolio in areas with housing shortages and with a long-term focus on establishing the appropriate quality in property management. With Heimstaden, subsidiary Heimstaden Bostad has a dedicated industrial owner and financial stability through institutional investors with capital strength.

To contribute to local development, Heimstaden also seeks a close dialogue with municipal companies and regional actors. We contribute responsible management and, alongside local actors, pursue new production through densification or new building rights. We are currently engaged in new construction projects in locations including Malmö, Norrköping, Umeå, Skellefteå and Copenhagen.

Cooperation affords us opportunities to act vigorously when the conditions are right. In 2018, a major joint transaction was carried out in Heimstaden Bostad at a combined value of SEK 24 billion, comprising properties and construction projects in Denmark and properties in Oslo. Since Heimstaden initiated cooperation with external parties in 2013, the property portfolio has increased from SEK 7 billion to SEK 76 billion in market value.





Increased housing needs

Population growth in Europe is strong. Net immigration to the cities is continuing. Recent years' extensive new production is insufficient to satisfy housing needs. This has led to housing shortages in many places, particularly in the metropolitan regions, into which migration is especially high. This means there is a continued and increasing need for housing, which benefits Heimstaden's operations.





Continued population growth, high degree of urbanisation and housing shortages

The populations of Sweden, Norway, Denmark, Germany and the Netherlands continue to increase and the degree of urbanisation is high, generating housing shortages, particularly in the cities. In Europe, between 50 and 95 percent of homes are owned by residents. This means we are co-invested with residents, offering good opportunities to increase property values. These are trends that favour Heimstaden, although they may vary regionally within each country. To make the right investments, it is therefore important to monitor trends closely, and Heimstaden's investments in Berlin, Germany, and Utrecht, the Netherlands in 2018 are in line with that strategy.

Sweden

The Swedish economy has developed positively in recent years, with improved GDP growth. The Swedish housing market has also improved, with increased new production and higher prices for tenant-owned apartments. However, new production has been insufficient to reduce the housing shortage. According to the National Board of Housing, Building and Planning, 67,000 new homes are needed per year, while forecasts indicate that construction of 51,000 new homes will commence in 2019.

Macroeconomics

The Swedish economy is driven by low interest rates, a strong labour market and an upswing in new housing production. Between 2012 and 2018, unemployment fell from 8 percent to 6.4 percent.

Sweden's population is still rising with over 10 million inhabitants, meaning there is still considerable demand and need for housing in the country. The degree of urbanisation is high, at just over 86 percent.

Housing market

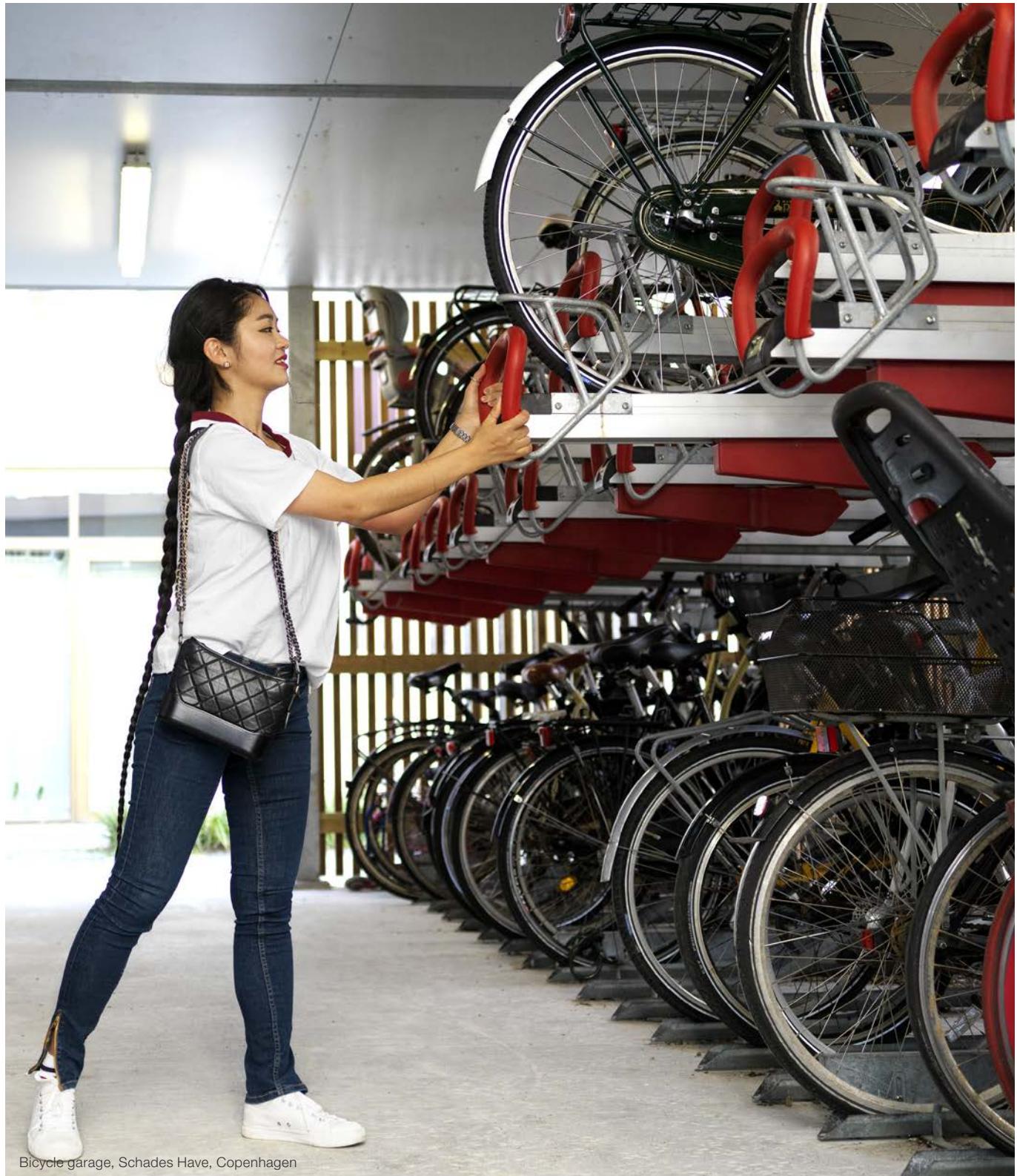
Rent levels in Sweden are regulated and increased by 5 percent overall between 2015 and 2017.

New production has been high in recent years. Relatively speaking, the largest increase has been in the Malmö area.

Since 2012, prices of tenant-owned apartments in Stockholm have increased by about 51 percent and in Malmö by around 54 percent.

In 2016, new regulations were introduced regarding mortgage repayments, which, combined with a potential increase in interest rates and extensive new production, suggest that the market will cool down. A weakening of the market for tenant-owned apartments could affect the rental market positively.

The level of activity in the Swedish transaction market remains high. The year ended strongly and, despite the fact that the number of transactions declined in 2018, quite a few major trans-



Bicycle garage, Schades Have, Copenhagen

actions were conducted. The total volume was SEK 155 billion, which was higher than in 2017. Residential properties remain the segment in which most transactions are made, with a share of about 30 percent. The return requirements for housing have been declining for several years, resulting in rising prices. For long-term investors, the risk associated with investing in residential buildings is considered very low. Over the year, demand for residential properties was high and is expected to stay that way.

Sweden	2014	2015	2016	2017	2018
GDP growth, %	2.7	4.2	2.5	2.4	2.2*
Inflation, %	-0.2	0.0	1.0	1.8	2.0
Unemployment, %	7.9	7.4	6.9	6.7	6.4

*forecast

+22%

Increase in rent levels
in central areas of
Copenhagen since
2012.

Denmark

The Danish economy is improving and an increasing number of companies are experiencing positive growth. In recent years, prices for condominium apartments have risen, particularly in Copenhagen, where there is a clear imbalance between supply and demand. Several housing projects have been completed, or are about to be completed, in sought-after areas of Copenhagen, which, combined with stricter regulation of mortgage lending, held back price increases in early 2018.

Macroeconomics

Growth in the Danish economy is increasing employment, while unemployment is expected to decline towards 4 percent over the next few years. GDP growth in 2018 and 2019 is estimated at about 1.8 percent annually, slightly below the government's target of 2 percent.

The number of inhabitants is increasing. Growth is strongest in the Copenhagen area and this is the main reason for the imbalance in the housing market in the capital. Copenhagen has grown by about 96,000 inhabitants over the past ten years.

Housing market

The imbalance between supply and demand in Copenhagen has affected the housing market. New production is increasing and in some areas of Copenhagen is extensive. The average number of newly built homes in Copenhagen has risen to about 3,600 annually, a historically high level. Most immigration to Copenhagen is from other Danish cities, such as Aarhus, Odense and Aalborg.

The lack of rental properties in Copenhagen has caused rent levels in central areas to increase by approximately 22 percent between 2012 and 2018.

Transactions in the Danish property market have increased significantly in recent years, although they declined somewhat in 2018, following a record year in 2017. The Copenhagen region remains the largest market by a clear margin. However, increased rent levels and higher property prices have led to an increasing number of investors shifting their focus to other Danish growth regions where the yield is higher and growth opportunities are favourable. The return requirement on properties in Copenhagen is currently around 3.50–3.75 percent.

Denmark	2014	2015	2016	2017	2018
GDP growth, %	1.6	2.3	2.4	2.3	1.1
Inflation, %	0.6	0.5	0.3	1.1	0.8
Unemployment, %	6.0	6.2	6.2	5.7	4.9

Norway

The Norwegian economy has generally improved following a period of falling oil prices. The housing market is dominated by condominium apartments, for which prices have risen. New legislation on loan financing caused price increases to halt in 2017, although they increased again in 2018.

Macroeconomics

The Norwegian economy developed well in 2018, recovering from the decline in the oil sector. The Norwegian economy remains heavily dependent on the oil industry and the "oil fund" remains a growing part of the Norwegian central government budget.

Between 2012 and 2018, the number of residents in Norway increased by 6 percent and in Oslo by about 11 percent. The number of households in the Municipality of Oslo has increased by about 5,000 annually since 2012.







+2,193,753

Increase in the number of inhabitants in Germany between 2012 and 2017.

It is estimated that inflation will be between 1.5 and 2 percent in the coming years. Consumer confidence increased sharply in 2018.

Housing market

Condominium apartments account for 80 percent of the housing market in Norway. Between 2012 and 2018, the average rent level in Oslo rose by approximately 42 percent. The increase was greatest for smaller apartments. Demand for rental apartments has benefited from tax regulations on the financing of condominium apartments in 2016.

The Norwegian central bank has announced an increase in its base rate, which, combined with more moderate population growth than in recent years and a higher pace of construction in Oslo, may affect prices for residential properties in the future.

The Norwegian property market remains strong, with an increase in transaction volumes of slightly more than 4 percent in the first half of 2018. Interest in Norwegian properties from foreign investors increased significantly in 2014 and 2015 and has remained substantial since then. The Oslo region remains the most active market with more than 70 percent of the volume. However,

interest in regional assets has increased in both relative and absolute terms. Following a price decline in the second half of 2017, due to slower population growth caused by lower immigration and tighter lending, housing prices rose sharply in the first half of 2018. Prices then fell slightly and stabilised at 2.8 percent for the country as a whole and at 6.3 percent for Oslo. The return on Oslo's stable property values is currently at 3.25 – 3.75 percent.

Norway	2014	2015	2016	2017	2018
GDP growth, %	2.1	1.8	0.9	2.4	1.7*
Inflation, %	2.0	2.2	3.5	1.9	2.8
Unemployment, %	3.6	4.5	4.8	4.2	3.9

*forecast

Germany

In Germany, the populations of the largest cities are growing, GDP growth is on a par with the EU average, unemployment is falling and incomes are increasing. This has affected the housing market, with vacancy rates moving towards zero in the largest cities.

Macroeconomics

The number of inhabitants in Germany increased by approximately 3.2 percent between 2012 and 2018. The increase has occurred mainly in the largest cities. The strongest population growth has been in Berlin, with an annual increase of 40,000 – 60,000 inhabitants in recent years.

The German economy is Europe's largest, accounting for about 28 percent of Europe's total GDP. In 2017, the economy reached its highest level in six years. GDP rose by 1.5 percent in 2018, driven by low borrowing costs, low unemployment and rising wages.

Housing market

In recent years, the vacancy rate in Berlin has fallen and transitioned into a housing shortage. Although new production is increasing, the population increase in Berlin is expected to lead to a continued housing shortage. To achieve a balance, the City of Berlin estimates that 194,000 new homes will be needed by 2030.

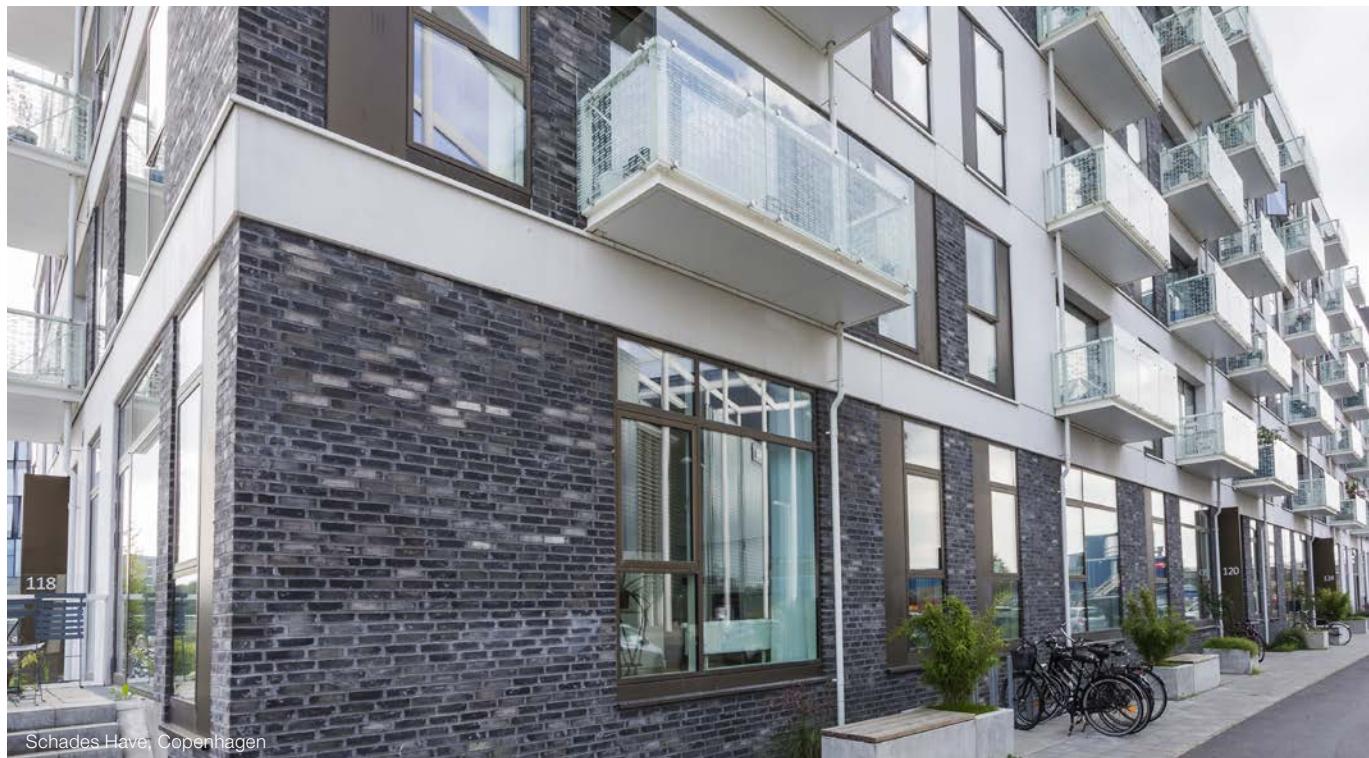
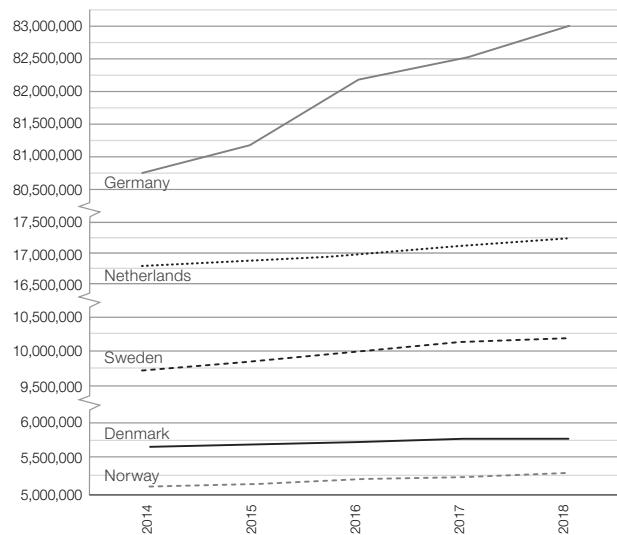
The limited supply of housing has led to higher rent levels in the most sought after areas. Over the past five years, rent levels across the country have risen by 17 percent, and in Berlin they have risen by 32 percent.

Demand for investment opportunities in housing in the largest German cities remains high, as does competition among investors. In 2017, Berlin accounted for approximately 30 percent of the total transaction volume in Germany.

The German property market has surpassed the UK as the most liquid market in Europe, with high liquidity in all property segments. However, compared with other northern and western European countries, there are large regional differences in Germany, which is underscored by a weak demographic trend. Cities with strong growth, such as Berlin and Hamburg, are benefiting from increased urbanisation and have had very good price increases in recent years. This is mainly because the housing shortage arose later and German housing prices are rising from a very low level, and accordingly have a lot of ground to recover compared with other European markets. The relatively low value per square metre is also a result of a highly regulated rental market, which is reflected in the somewhat lower yield requirement, of about 2.75–3.25 percent in the largest German cities.

» The Dutch market is characterised by a growing population, strong urbanisation trend and increasing disposable income. «

NUMBER OF INHABITANTS



Germany	2014	2015	2016	2017	2018
GDP growth, %	2.2	1.5	2.2	2.5	1.5
Inflation, %	0.9	0.2	0.5	1.7	1.9
Unemployment, %	5.0	4.6	4.1	3.8	3.4

Netherlands

The Netherlands is characterised by an increased population, a high degree of urbanisation and rising disposable income, supported by favourable macroeconomic factors. The imbalance between supply and demand in the housing market has caused rent levels to rise.

Macroeconomics

The population rose by 2.8 percent between 2012 and 2018, with growth in Noord-Holland (including Amsterdam) and Utrecht being about 4.7 percent. The population is expected to increase by 7 percent by 2040, corresponding to 1.3 million inhabitants. The increase is expected to be strongest in the larger cities, with growth of 11 percent in Utrecht and 12 percent in Noord-Holland. The degree of urbanisation is 91.5 percent.

In 2017, GDP increased by 3 percent, which is the largest increase since 2007, and the growth rate is expected to remain high. Unemployment has fallen and was 3.9 percent in 2018. In Utrecht and Noord-Holland, in particular, unemployment has fallen.

Housing market

Despite the population increase, the number of homes has only increased marginally in Utrecht and Noord-Holland in recent years.

The shortage of rental apartments has led to higher rent levels. Since 2014, rent levels in Noord-Holland have risen by 25 percent and in the Netherlands as a whole by 30 percent. The major cities of Amsterdam, Rotterdam, the Hague and Utrecht are the key driving forces behind the rise in prices. Rent levels are expected to continue rising, driven by a continued limited supply of private rental apartments and insufficient new construction.

In recent years, residential investment in the Netherlands has grown increasingly popular among both domestic and international investors. However, due to limited investment opportunities, the return has declined. At the end of 2017, the yield requirement for housing in central locations in Amsterdam was 3.4 percent and in Utrecht 4.0 percent.

Netherlands	2014	2015	2016	2017	2018
GDP growth, %	1.4	2.0	2.1	3.0	2.6*
Inflation, %	1.0	0.6	0.3	1.4	1.7
Unemployment, %	7.4	6.9	6.0	4.9	3.9

*forecast

Source: Colliers International (pages 22-28)

One of Scandinavia's largest housing portfolios



Given population growth, urbanisation and strong economic development, we see opportunities for a continued favourable return on our properties.

Heimstaden has one of Scandinavia's largest and broadest residential portfolios. This allows us to attract motivated employees, to maintain long-term relationships with our customers, and to enjoy considerable confidence of banks, investors and municipalities. We have a proven capacity for building positions as one of the market's leading players in Sweden, Norway and Denmark. We are now broadening the portfolio in selected regions in Germany and the Netherlands.

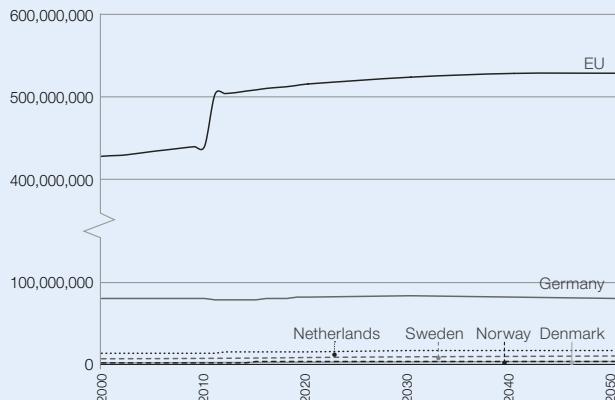
Compared with commercial properties, residential properties, require a large and focused organisation – it is not possible to simply be a passive owner. Heimstaden's property management

organisation has extensive and successful experience of managing residential properties.

Heimstaden is a committed owner focused on housing that offers substantial potential for continuously strengthening our cash flow and generating long-term growth in value. There is favourable potential for developing both existing land and buildings.

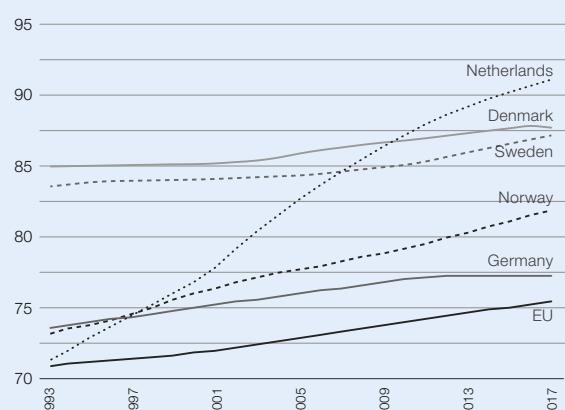
Our broad real estate portfolio significantly reduces the overall risk in the operations, risk that further gradually abates as we continue to achieve quality growth.

POPULATION TREND 2000-2018 AND FORECAST 2019-2050



Source: Eurostat

DEGREE OF URBANISATION, %



Source: World Bank

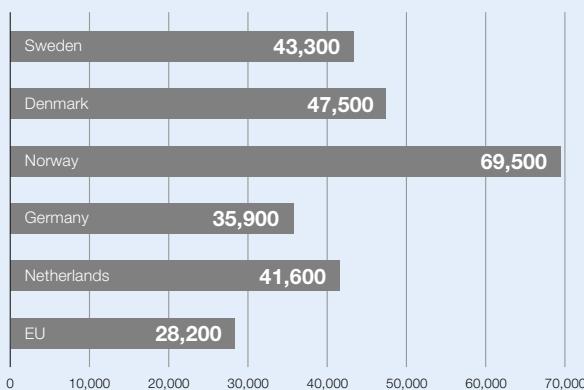
28%

The German economy is Europe's largest, accounting for about 28 percent of Europe's total GDP.

1,404

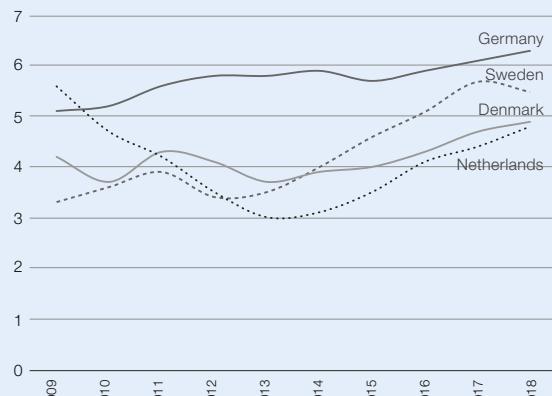
The average rent for housing in Heimstaden's portfolio is SEK 1,404 per square metre of time-weighted area and year.

GDP PER CAPITA 2018, EUR



Source: Eurostat

HOUSING CONSTRUCTION, % OF GDP



Source: Eurostat (no data available for Norway)

Regulated rental income provides stable cash flows

There is a mix of regulated and market-based rents in Heimstaden's markets. The Swedish system is the most regulated – providing stability and secure cash flows – while the Norwegian system is the most liberal – entailing opportunities.

89%

Approximately 89 percent of our property portfolio is in markets with rent regulation systems.

Sweden

The Swedish rental system for residential apartments is based on the principle of utility value (assessed value for the user). The rent for each apartment is determined at an annual negotiation between the property owner and the Swedish Union of Tenants.

The utility value principle means that apartments with the same utility value must have the same rent. Accordingly, utility values and rents between apartments/properties within the same micro site (neighbourhood of city) are compared.

The consequences of the system are that the rent levels may be lower than the theoretical market rent, which mainly applies to the largest cities. This builds considerable stability when the economy slows as, in principle, the rent level cannot fall. A low-risk system like this lowers the yield requirements for rental properties.

All Swedish rental agreements are subject to rent regulation and are valid until further notice. Discussions are in progress regarding the introduction of market-based rent, initially on new production.

Denmark

In Denmark, all privately rented housing is regulated according to the Danish Rent Act, with various rental regulations being

applied, depending mainly on the year in which the property was constructed. In general, rental apartments constructed before 1992 are subject to regulated rent, while rental apartments constructed after that year have market-based rent. New market-based rent is determined when a new contract is signed. The agreed rent is then increased annually in accordance with a domestic CPI (Consumer Price Index).

Rent for regulated rental apartments can generally only be raised in line with public sector costs and fees. On making investments, rent can be increased as follows:

- *Minor investments* – rent is increased by a theoretical cost for financing the capital required for the investment.
- *Major investments* – rent is raised to a level based on value in use.

About one fifth of the apartments Heimstaden owns in Denmark are subject to rent regulation. All rental agreements for housing in Denmark are valid until further notice.

Norway

Norway has the most liberal rental market in the Nordic region, with market-based rent being applied in all contracts. By default, all rental contracts are terminated every third year, with the rent then being adjusted for the ensuing contract based on the estimated market-based rent.



During the three-year period, rent is adjusted in accordance with CPI (Consumer Price Index). All housing agreements in Norway are unregulated.

Germany

The German housing market is governed by the German Civil Code (Bürgerliches Gesetzbuch, BGB) and is considered tenant-friendly. In general, average local rent is determined by expert estimates or a rental index.

New rents in metropolitan areas are limited to 10 percent above the average local rent level. Costs for modernisation, to save energy for example, can be passed on to tenants by 8 percent annually. The rental index is updated every two years.

For existing rental apartments, landlords may raise the rent to a level comparable with other apartments in the area. The rent must remain unchanged for 12 months and can be raised by a maximum of 15 percent over a three-year period if the apartment has been renovated or upgraded.

Netherlands

In the Netherlands, about 70 percent of the rental market is regulated. Rental apartments with regulated rent are linked to a points system, which is based on the location of the apartment,

its standard and area, etc. Apartments falling above a certain point level are subject to market-based rent, while apartments below that level are subject to rent regulation. For an apartment subject to rent regulation, the maximum annual rent is set based on the points system.

Rent is indexed annually based on CPI plus a supplement, which, for regulated rent, is set by government agencies. For the time being, rental agreements apply for up to two years and subsequently until further notice. Where regulated rent applies, part of the rent may be adjusted as non-regulated due to qualitative aspects and market trends.

Among Heimstaden's stocks in Utrecht, about 75 percent of the apartments are regulated.

Geographic distribution

Heimstaden is one of the largest private owners of housing in Sweden, Denmark and Norway. In 2018, we took an initial step beyond Scandinavia with acquisitions in Germany and the Netherlands.

Heimstaden's choice of location when expanding the portfolio is based on a thorough analysis of the specific market situation for each country and location, in which population growth, housing construction and infrastructure are important components. By owning properties in carefully selected locations in five different markets, Heimstaden has a well-diversified property portfolio. Through the combination of property stocks in regulated markets and markets with free rent setting, a favourable balance is achieved between stability and opportunities for increased rental income.

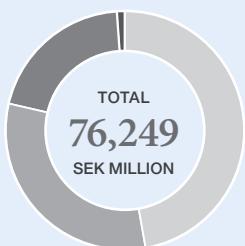
Sweden is Heimstaden's largest market with properties throughout the country. Rent regulation in the Swedish market contributes to stability and a strong demand for rental apartments, providing opportunities to focus on locations where we can utilise synergies in our property management and operation organisation.

In Denmark, we began in Copenhagen but have developed our stocks to include other locations, such as Aarhus and Odense. In this way, we have built a balanced portfolio focused on new production in growth areas and older properties in areas where people stay longer, which has contributed to good stability.

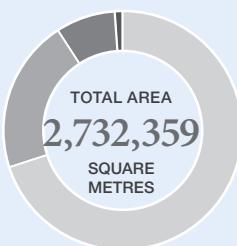
In the Norwegian market our stocks are centred on Oslo, the Norwegian city with greatest population growth and the strongest market for rental housing.

In our new markets Germany and the Netherlands, we have chosen to focus on Berlin and Utrecht, cities that stand out within each country with their particularly strong economic development and population growth.



PROPERTY VALUE BY COUNTRY ¹⁾

Sweden, 47%
Denmark, 31%
Norway, 21%
Germany, 1%
Netherlands, 0%

DISTRIBUTION OF SPACE BY COUNTRY ¹⁾

Sweden, 70%
Denmark, 21%
Norway, 8%
Germany, 1%
Netherlands, 0%

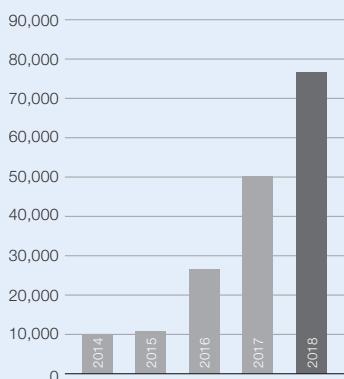
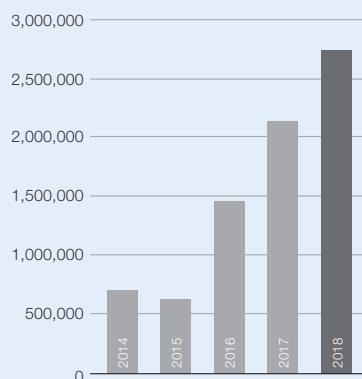
DISTRIBUTION OF INCOME BY COUNTRY ²⁾

Sweden, 60%
Denmark, 22%
Norway, 18%
Germany, 0%
Netherlands, 0%

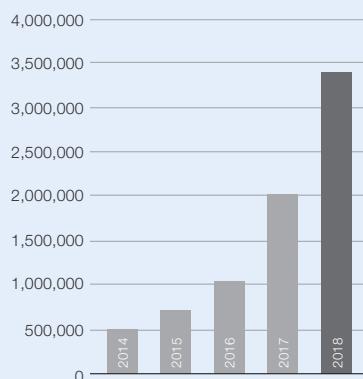
1) On the balance sheet date, 31 December 2018

2) For the 2018 financial year

DEVELOPMENT OF TOTAL MARKET VALUE, SEK M

DEVELOPMENT OF TOTAL AREA, M²

DEVELOPMENT IN TOTAL RENTAL INCOME, SEK



Change in market value of investment properties, SEK m	31 Dec. 2018	31 Dec. 2017	31 Dec. 2016	31 Dec. 2015	31 Dec. 2014
Opening balance	50,285	26,330	11,143	10,378	7,042
Divested	-148	-1,048	-262	-3,864	-1,045
Acquisition	21,696	22,194	6,738	3,562	4,200
Acquisitions from associated companies	0	0	6,236	0	0
Investments	1,291	393	143	227	39
Currency change	244	291	110	0	0
Market value after transactions	73,368	48,161	24,109	10,303	10,236
Unrealised value change	2,881	2,124	2,221	840	142
Closing balance	76,249	50,285	26,330	11,143	10,378

Sweden

Sweden is Heimstaden's largest market with more than 700 properties. Our broad presence across the country provides a well-diversified portfolio, with which we are able to offer many different types of rental housing to our customers. Heimstaden has strong local roots and a well-developed property management organisation, providing a solid foundation for continued growth in strategic locations.



Property stocks

Property stocks in Sweden comprise approximately 28,000 homes in 27 large and medium-sized cities across the country. Together, the properties comprise 1,921,044 square metres, including 225,352 square metres of commercial premises. For detailed information, see the list of properties on pages 148–163.

Choice of location

In the Swedish market, the property portfolio has a broad geographic spread. Heimstaden's focus is to continue growing in medium-sized towns with positive population growth, well-developed infrastructure and where there is a university or college nearby. We always strive to establish ourselves in areas where we can own sufficiently large stocks to be able to profitably operate proprietary property management.

Challenges and opportunities

In recent years, the rate of population growth in Sweden has increased significantly. Combined with the introduction of mortgage-amortisation requirements, anticipated interest rate hikes and the recent high rate of production, this may generate increased interest in rental housing. With its regulated rent setting, the Swedish rental market is protected from cyclical fluctuations.

This affords Heimstaden good conditions for continued growth, where the challenge lies in choosing the right type of property in the right location.

The Swedish market is characterised by continued needs for housing in most of the larger and medium-sized towns and cities. This entails opportunities for Heimstaden to continue developing new production in growing communities and to continue working with strategic partners.

Significant events

During the year, we acquired a total of 12 properties in Lund, Gävle and Norrköping. We initiated a partnership with Magnolia Bostad to develop some 5,300 residential apartments in Greater Stockholm and the Öresund region. Through this partnership, we will add attractive housing in two metropolitan regions with considerable housing shortages.

Priorities in 2019

Looking ahead, our focus in the Swedish market is to continue expanding our portfolio through strategic acquisitions in locations with housing needs and where we perceive opportunities to achieve synergies in our property management organisation.

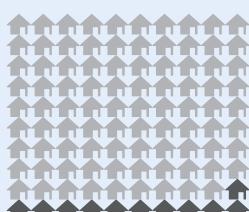


Property-related key data – Sweden

	2018	2017	2016	2015	2014
Market value, SEK m	36,005	30,320	21,172	30,320	21,172
Rental income, SEK m	2,039	1,622	907	1,622	907
Net operating income, SEK m	985	788	429	788	429
Surplus ratio, %	48.3	48.6	47.3	48.6	47.3
Letting ratio (housing), %	98.1	99.3	99.7	99.3	99.7
Number of properties	761	721	546	721	546
Area, m ²	1,921,044	1,706,403	1,347,930	1,706,403	1,347,930

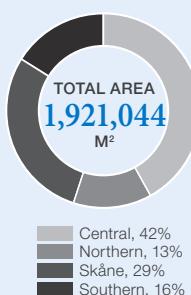


DISTRIBUTION OF AREA AMONG PROPERTY STOCKS, %

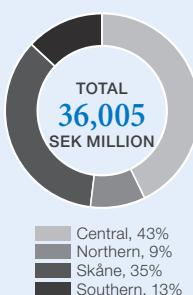


Housing, 89%
Commercial, 11%

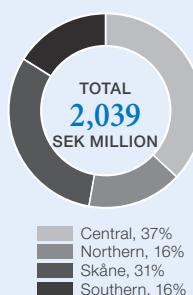
AREA BY REGION ¹⁾



MARKET VALUE BY REGION ¹⁾



RENTAL INCOME BY REGION ²⁾



1) On the balance sheet date, 31 December 2018

2) For the 2018 financial year

Denmark

Heimstaden's operations in Denmark are characterised by continued strong growth. In just a few years, our portfolio has grown to include approximately 6,300 homes and an additional 1,700 in production. Today, Heimstaden is one of Denmark's largest private housing companies.



Property stocks

The stocks in Denmark comprise approximately 6,300 homes in 105 properties, with a combined area of 460,000 square metres. An additional 1,700 homes are in production and will be completed in 2019 and 2020. The portfolio also includes some 90 commercial premises. For detailed information, see the list of properties on pages 164–167.

Choice of location

In Denmark, Heimstaden has sought a balanced mix of new production with market-based rent levels in growing towns and cities, as well as older properties in which customers stay for a longer time, contributing to stability. The majority of Heimstaden's stocks are in Copenhagen, the Danish city with strongest population growth. We also have stocks in the country's other major cities, Aarhus and Odense, as well as in smaller towns characterised by stable purchasing power and their proximity to key infrastructure.

Challenges and opportunities

The Danish market remains attractive with population growth in the major cities, a favourable financing system and consumption-friendly price levels in relation to other markets. This entails continued opportunities for growth, particularly with regard to new production where market-based rent is applied.

Rapid growth also poses challenges. Although demand for rental apartments is strong, it can take time to find the right

customers for major new production projects. As our portfolio grows, we must also ensure that our organisation grows at a sustainable pace.

In Denmark, landlords generally have an anonymous role in relation to customers, since property management and customer service are traditionally provided by external management companies. For Heimstaden, this entails opportunities to offer a complete solution based on a single brand.

Significant events

In 2018, we almost doubled our property portfolio in Denmark, and we are now one of the largest players in that market. We have strengthened the organisation with the skills needed to be able to meet the future with the same strong service and knowledge. An important part of the growth journey has also been the integration into the Heimstaden brand of Nordic Property Management, which Heimstaden acquired in 2017. This establishes a strong starting point for increasing brand awareness and the opportunity to clarify our role to customers.

Priorities in 2019

The focus ahead will be to combine the continued expansion of the portfolio with a stronger and clearer brand presence. Heimstaden will establish regional offices to increase its direct presence close to customers. The objective is to build a strong and clear Heimstaden in Denmark, where we represent quality in all of our relationships.

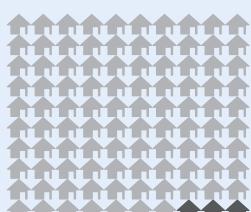


Property-related key data – Denmark

	2018	2017	2016	2015	2014
Market value, SEK m	23,782	12,325	5,159	637	–
Rental income, SEK m	744	309	151	22	–
Net operating income, SEK m	457	193	101	13	–
Surplus ratio, %	61.4	62.3	66.9	61.4	–
Letting ratio (housing), %	94.3	96.4	97.4	100.0	–
Number of properties	97	57	20	1	–
Area, m ²	562,660	327,031	109,629	12,072	–

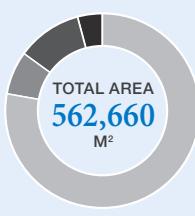


DISTRIBUTION OF AREA AMONG PROPERTY STOCKS, %



Housing, 97%
Commercial, 3%

AREA BY REGION ¹⁾



TOTAL AREA
562,660
M²

Capital city, 78%
Zealand, 7%
Jutland, 11%
Funen, 4%

MARKET VALUE BY REGION ¹⁾



TOTAL
23,782
SEK MILLION

Capital city, 86%
Zealand, 3%
Jutland, 8%
Funen, 3%

RENTAL INCOME BY REGION ²⁾



TOTAL
744
SEK MILLION

Capital city, 78%
Zealand, 12%
Jutland, 3%
Funen, 4%

1) On the balance sheet date, 31 December 2018

2) For the 2018 financial year

Norway

As the market's largest private property owner, Heimstaden is an important driving force in professionalising the rental market in Norway. Heimstaden's long-term property ownership forms a solid foundation as we continue to develop our role as a committed player focusing on quality.



Property stocks

The stocks in Norway comprise approximately 4,400 homes, concentrated on the Oslo area, totalling 160,000 square metres. The portfolio also includes 60,000 square metres of business premises. For detailed information, see the list of properties on pages 168–170.

Choice of location

The Norwegian rental market is relatively small compared with the other Nordic countries, and is focused around Oslo. The Oslo area is growing most in Norway, with growth in the region accounting for almost half of the overall population growth in the country. Oslo has also experienced a strong economic trend with increased household purchasing power in recent years. In Norway, Heimstaden focuses on smaller apartments.

Challenges and opportunities

For several years, the Norwegian market has been characterised by low interest rates, making it advantageous to buy homes and causing prices to rise. Expectations of rising interest rates, a calmer pace of population growth and a good level of activity in the new production market caused housing prices to stabilise over the year. This entails increased interest in the rental market and positive development in rent levels. This affords Heimstaden opportunities to strengthen its position in the market with a well-managed property portfolio at a commercially favourable price level.

The challenge lies in positioning the offering to attract the right customers, emphasising the importance of a clear and strong brand focused on quality in both properties and processes.

Significant events

Our management and leasing operations in Norway were previously conducted under the Fredensborg brand, but switched to name Heimstaden in 2018. The change of name clarifies our position as one of the largest players in Scandinavia, and paves the way for continued efforts to increase the collaboration and synergies between the Group's markets.

Over the year, renovation and remodelling was completed at Campus G12, modern student housing in a former textiles mill. Campus G12 offers a complete lifestyle concept for students, with community spaces and a restaurant within the property, and the apartments have already been leased to the first set of student tenants.

Priorities in 2019

The focus is on increasing the collaboration between the Nordic markets, thereby streamlining and quality-assuring processes and utilising synergies within the Group to consolidate Heimstaden's strong role in the rental market. In Norway, we will continue positioning and building the Heimstaden brand as a professional player that represents quality. In 2019, we will increase our digital presence by introducing customer service through Mina Sidor (My Pages), as we have in Sweden. We will also introduce digital solutions for key-free housing in some of our properties, a step towards rental accommodation being able to offer the same innovations and comfort as tenant-owned apartments.

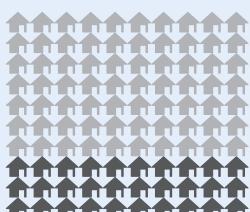


Property-related key data – Norway

	2018	2017	2016	2015	2014
Market value, SEK m	15,521	7,640	–	–	–
Rental income, SEK m	604	82	–	–	–
Net operating income, SEK m	369	46	–	–	–
Surplus ratio, %	61.1	56.5	–	–	–
Letting ratio (housing), %	96.6	95.4	–	–	–
Number of properties	82	50	–	–	–
Area, m ²	216,347	95,182	–	–	–

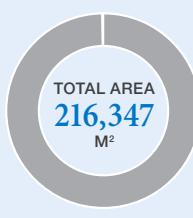


DISTRIBUTION OF AREA AMONG PROPERTY STOCKS, %



■ Housing, 70%
■ Commercial, 30%

AREA BY REGION ¹⁾



MARKET VALUE BY REGION ¹⁾



RENTAL INCOME BY REGION ²⁾



1) On the balance sheet date, 31 December 2018

2) For the 2018 financial year

Germany

Heimstaden's first acquisition in Germany follows a period of market research and analysis of potential items. The property is located in the Spandau district of Berlin, near Spandau centre, an ordinary residential area in western Berlin. The property has good connections to both the motorway network and public transport.



Property stocks

The property stocks in Germany comprise 484 apartments and 50 parking spaces in Berlin, covering a combined 28,000 square metres. The stocks include a significant proportion of apartments with opportunities for upgrading and renovation as tenants move out, providing favourable conditions for rent increases. For detailed information, see the list of properties on page 172.

Choice of location

Heimstaden has initially selected Berlin as the strategic location for new investment. We do not preclude the possibility of transactions also being made in other growth cities in Germany.

Challenges and opportunities

Germany is a new market for Heimstaden. Although the rental system is relatively easy to learn and comprehend, operating in a completely new market is challenging. The properties are managed partly by in-house personnel, working actively to position Heimstaden to attract the right customers, emphasising the importance of a clear and strong brand, focused on quality in both properties and processes. On achieving sufficient volumes, Heimstaden always aims to establish its own property management organisation.

Property prices in Berlin are continuing to rise from relatively low levels and, combined with a stable rental market and housing shortages, this provides a good basis for profitable investment. It is important to recall, however, that these substantial price increases have proven to yield fairly low direct returns, which usually reflects expectations that significant rent and price increases await. Consequently, we focus on ensuring that business plans apply well-proven methods that document and demonstrate potential and that do not rely on the market improving.

Significant events

In 2018, Heimstaden conducted its first transaction in Germany with the acquisition of 484 apartments in Berlin.

Priorities 2019

Heimstaden's objective is to continue assessing growth opportunities.

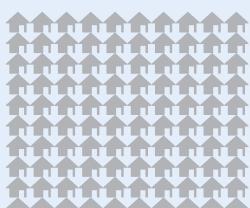


Property-related key data – Germany

	2018	2017	2016	2015	2014
Market value, SEK m	703	–	–	–	–
Rental income, SEK m	5	–	–	–	–
Net operating income, SEK m	–1	–	–	–	–
Surplus ratio, %	–	–	–	–	–
Letting ratio (housing), %	93.8	–	–	–	–
Number of properties	10	–	–	–	–
Area, m ²	27,831	–	–	–	–



DISTRIBUTION OF AREA AMONG PROPERTY STOCKS, %



Housing, 100%
Commercial, 0%

AREA BY REGION ¹⁾



MARKET VALUE BY REGION ¹⁾



RENTAL INCOME BY REGION ²⁾



1) On the balance sheet date, 31 December 2018

2) For the 2018 financial year

Netherlands

Following a period of market analysis, Heimstaden made its first transaction in the Netherlands in 2018. The property, which is located in Utrecht, comprises small apartments and is situated near the university, a motorway and the city centre. Utrecht is the fourth-largest city in the Netherlands and is located about 35 kilometres south of Amsterdam.



Property stocks

The property stocks in the Netherlands comprise 131 smaller apartments near the university in Utrecht, and have a combined area of 4,500 square metres. The portfolio also includes 128 parking spaces. The stocks have a low level of vacancies. As tenants move out, there are opportunities to upgrade and renovate the apartments, providing favourable conditions for rent increases. For detailed information, see the list of properties on page 173.

Choice of location

Heimstaden is focusing primarily on the so-called Randstad area, comprising the cities of Amsterdam, Rotterdam, The Hague and Utrecht, a growth area in which the larger cities are situated close to one another. We do not preclude the possibility of transactions also being made in other major cities in the Netherlands.

Challenges and opportunities

The Netherlands is a new market for Heimstaden, in which there are opportunities to apply our knowledge of other markets' rental systems. To manage our properties efficiently, property manage-

ment is initially being provided through external players. On achieving sufficient volumes, Heimstaden always aims to establish its own property management organisation.

Heimstaden has been analysing the Dutch market for a long time. Although prices have risen in recent years, the rental market remains attractive and stable. There are considered to be extensive opportunities, as a relatively large number of properties are for sale, although extensive competition from both domestic and international players remains. Competition is greatest for larger items.

Significant events

In 2018, Heimstaden conducted its first transaction in the Netherlands with the acquisition of 131 apartments in Utrecht.

Priorities 2019

Heimstaden's objective is to continue assessing growth opportunities.

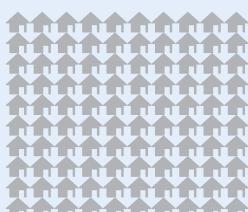


Property-related key data – Netherlands

	2018	2017	2016	2015	2014
Market value, SEK m	236	–	–	–	–
Rental income, SEK m	1	–	–	–	–
Net operating income, SEK m	1	–	–	–	–
Surplus ratio, %	68.1	–	–	–	–
Letting ratio (housing), %	100.0	–	–	–	–
Number of properties	1	–	–	–	–
Area, m ²	4,478	–	–	–	–

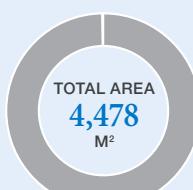


DISTRIBUTION OF AREA AMONG PROPERTY STOCKS, %



■ Housing, 100%
■ Commercial, 0%

AREA BY REGION ¹⁾



■ Utrecht, 100%

MARKET VALUE BY REGION ¹⁾



■ Utrecht, 100%

RENTAL INCOME BY REGION ²⁾



■ Utrecht, 100%

1) On the balance sheet date, 31 December 2018

2) For the 2018 financial year

Business opportunities throughout the value chain

By working with partners who share Heimstaden's values, we can achieve growth with quality. We work continuously to refine and optimise our property portfolio by acquiring properties and divesting non-strategic properties. This work is based on thorough analysis and good market presence and awareness.





Transaction process close to the market

Heimstaden develops its property portfolio by acquiring properties in accordance with the strategy and divesting non-strategic properties. This work is based on thorough analysis and good market presence and awareness. In 2018, we made acquisitions for a combined value of SEK 21.7 billion in prioritised locations in Northern Europe, and divested properties in Sweden for a combined value of SEK 0.1 billion.



In 2018, the transaction volume amounted to SEK 21.7 billion.

Our acquisitions are based on population growth and a favourable economic trend, generating long-term demand for residential properties in the locations where we operate. Based on these parameters, we have identified attractive locations in Scandinavia, Germany and the Netherlands. For each location, we perform a careful analysis of the local business environment, infrastructure, proximity to colleges and universities, as well as of the current and forecast housing and population situation. When a location meets our criteria, we monitor the market to be prepared if an appropriate item is put on sale. The properties should be centrally located and preferably adjacent to one another to facilitate efficient management. The objective is to achieve a critical mass of at least 600 apartments in each location to establish a proprietary local management organisation.

Heimstaden's transaction process

It is important for us to be present with local personnel to respond early when a property is put on sale. The properties should be of good quality or in such condition that they can achieve the high level of quality for which Heimstaden strives through reasonable investment.

If these criteria are met, we initiate a dialogue with the sellers. If the process continues, we perform a thorough technical in-

spection of the properties and a detailed review of the company. When we have reviewed all of the data and are in agreement with the seller, a contract proposal is written.

At the same time, we prepare ourselves internally by informing our existing property management organisation. If a new location is involved, with the appropriate critical mass, we prepare the establishment of a new property management organisation to ensure the conditions are in place to quickly and smoothly commence management on the access date.

Continued strong expansion in 2018

Generally speaking, 2018 was a good year for transactions, although competition remained strong. Competition is greatest in larger transactions in attractive geographical locations.

Competition is greater on projects in larger towns and cities. Many players backed by institutional capital have clear directives to focus strategically on the largest cities and university towns. For Heimstaden, it is important that the cities and towns have strong economies and a favourable business climate.

In 2018, Heimstaden established a stronger proprietary presence locally around Sweden, to join the process at even earlier stage

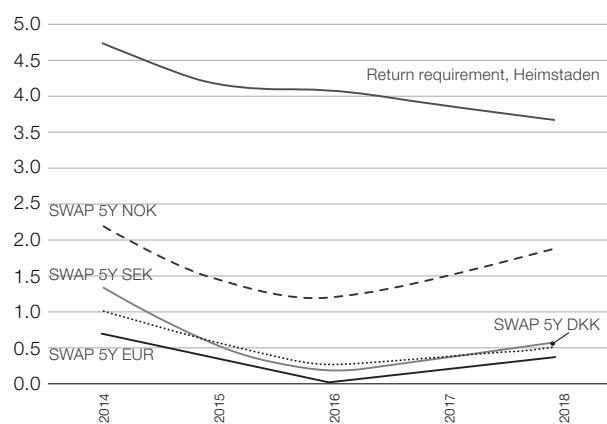


when new items are put on sale. We now have our own employees for this in Luleå, Sandviken, Stockholm, Linköping and Malmö. In recent years, Heimstaden has conducted a number of transactions with municipal housing companies and we have our own personnel with expertise and contact networks in this segment.

Today, Heimstaden is a well-known brand for most relevant real estate agents. For future transactions, it is important to continue developing a local presence and local networks and to maintain high quality in property management.

We prioritise acquiring properties located near existing stocks and view new production as a complement. By engaging in new production projects in various ways, we assume responsibility in growth communities with housing shortages.

RETURN REQUIREMENT V. MARKET INTEREST RATES, %



»Through thorough analysis, a good market presence and knowledge of the market, we can continue to achieve growth with quality.«

Potential value in project and property development

We endeavour to offer housing demanded by many. We refine our properties with the customer in focus. With a diversified property portfolio, we are able to offer well-considered housing of varying standard and in different locations. This affords more people opportunities for a stable housing situation based on their preferences and circumstances.

1,291

In 2018, properties were refined for a total investment of SEK 1,291 million.

Value-generating renovations to meet demand

There is considerable demand from both existing and prospective tenants for state-of-the-art housing in older buildings in established locations. To meet this demand, we have a long-term upgrade plan. We plan to completely renovate between 1,000 and 1,400 apartments each year. This entails extensive renovations of apartments when tenants move out, and renovations of the exteriors and stairwells of the properties. In 2018, a major renovation project began in Hostrups Have in Copenhagen. During the year, 744 apartments were renovated in Sweden, 182 in Norway and 31 in Denmark.

Upgrading our properties means achieving growth with quality, generating value for customers and increasing the value of our property portfolio. Total renovation allows us to reduce the operating costs of the properties, while providing opportunities for increased rental income. In this way, we increase the attractiveness of our portfolio in the market, bringing higher valuations and increased returns.



Property development

YLLEFABRIKEN, NORRKÖPING

Constructed, year: 1905 – 1944

Remodelled: Stage 1, 2016/2017 – 2019, stage 2 construction commenced in the autumn of 2018

Number of apartments: 160, of which 57 tenant-owned

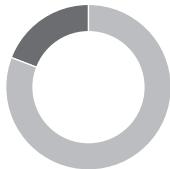
8,808 m²

(of which, 4,411 m² rental apartments)

Heimstaden has been involved in converting the old wool mill in Norrköping into housing with spacious interiors, stunning views and preserving an industrial feel. Tenants will start moving into stage 1 in the spring of 2019.



**PROJECT DEVELOPMENT M²
COUNTRY**



Sweden 81%
Denmark, 19%

New construction project for long-term ownership

Heimstaden is developing new homes in attractive locations in growth areas. We also continuously review opportunities for development and densification through acquisitions and on our existing landholdings. Being an active housing developer affords Heimstaden opportunities to ensure that our properties are built for long-term ownership, with a focus on resource efficiency and sustainable quality.

In the Swedish market, Heimstaden acts as the developer, with our own project development organisation. In Norway, we manage projects through housing developer Fredensborg Bolig and, in Denmark, Heimstaden collaborates with external partners. In both Sweden and Denmark, Heimstaden has acquired new construction projects under fixed price agreements, where the external market valuation of the project exceeds the agreed price.

Generating value together

Properties and housing impact the appearance and experience of a town or city. By refining our existing properties and developing new projects, Heimstaden contributes to the urban landscape and the availability of housing in the locations where we operate. This represents a considerable responsibility and is not something we do alone. Heimstaden partners with municipalities,

landowners, architects, construction contractors, banks and other financiers, making our properties part of long-term, sustainable community development.

Heimstaden cooperates with strategic partners in jointly-owned limited liability companies to conduct specific construction projects in collaboration. We are, for example, partners in Fastighets AB Rosengård, in which we formed an alliance with MKB, Balder and Victoria Park to jointly develop and improve the district of Rosengård in Malmö. Joint venture arrangements provide opportunities to make use of one another's expertise in several areas, together forming a stronger whole while also spreading the risk. As well as sharing the risks involved in the operations, the parties also share ownership, decision-making and profits.

Priorities 2019

Heimstaden seeks to grow and to continue meeting demand for various types of housing. In 2019, Heimstaden plans to build new homes in the Copenhagen area, Malmö and Norrköping in particular. The focus ahead is to develop our organisation and new production processes to derive synergies within the Group. We will also continue working on our long-term upgrade plan at strategic locations in our markets.

Joint venture / associated company	Heimstaden AB's holding, %	Number of apartments
Heimstaden Danmark A/S – Windrose, JV with BIG (Bjarke Ingels Group), Lars Kristensen & Peter Höpfner www.esbjertowers.dk	50	5,000
Heimstaden AB – Slagterigrunden Roskilde, JV with KPC	50	80
Heimstaden AB – Gamlebro, Associated companies with Hyresbostäder i Norrköping and Henry Ståhl www.yllefabriken.se	40	253
Heimstaden AB – Fastighets AB Rosengård, Associated companies with MKB, Balder and Victoria Park www.rosengardfastigheter.se	25	1,660

New production

BJERGLANDSBYEN, BRØNSHØJ,
COPENHAGEN

Completed: Q3 2018
Number of apartments: 114
Estimated investment:
approximately SEK 509 million

11,242 m²

In attractive Brønshøj in western Copenhagen, Heimstaden built 114 high-quality apartments over the year. The process of letting the apartments is in progress in the first quarter of 2019.



Refinement

VILDANDEN 8–11 & 13, LUND

Constructed, year: 1964
Renovated: 1994–1998
Number of apartments: 313

**70 apartments
renovated**

When tenants move out, we elect to perform a thorough and careful renovation. Completely new kitchens, appliances, bathrooms, floors and other details are installed, with a contemporary look. In 2018, we renovated about 70 of the 313 apartments.



Property management with the right level of quality

Managing our properties gives us the opportunity to work closely with our customers. Heimstaden is a long-term property owner and we manage our properties based on our vision to enrich and simplify life for our customers. Through active and committed management and customer contacts, we create friendly homes with the right level of quality for the customer.



With 31 offices in four countries, our property management organisation works to provide service and quality to customers.

Customer service that enrich and simplifies

Being a Heimstaden tenant should stand out. For us, quality of customer service is about seeing the whole picture and being present. We always strive to maintain sufficient housing stocks in an area to derive operational benefits from having our own property management organisation and enabling us to maintain direct contact with our customers. With a local presence, we are able to enhance our customers' everyday lives by being available and providing personal service. At the end of the year, Heimstaden's property management organisation consisted of 28 management offices in Sweden and one each in Denmark, Norway and Germany.

Digital tools and solutions are an important part of simplifying and streamlining Heimstaden's customer service. Sweden is the pioneer of our other markets, with customers and prospective tenants being able to use our digital customer portal Mina Sidor (My Pages). Heimstaden provides personal service through its offices, self-service via the customer forum on the website, and digital service via email and chat. Both the customer forum and the chat function were launched in 2018 in our quest to continuously improve our customer service. There is also a 24-hour manned phone line in Sweden. We are also working

to gradually install smart operating systems at our properties, providing opportunities to proactively observe and resolve disruptions in the properties. This allows us to evaluate and manage problems without them first having to be reported by customers. In 2019, we will introduce this in our Danish and Norwegian operations.

In 2018, Heimstaden embarked on a journey towards increased collaboration and knowledge sharing across the Nordic borders. During the year, we initiated efforts to secure and develop procedures with the aim of developing a common platform for meeting customers' needs and safeguarding quality in all processes. We seek to maintain clear and personal communications and to provide quick and efficient feedback to customers in all of our markets.

Long-term relationships for satisfied customers

Regardless of the market, Heimstaden's objective is to always maintain a long-term relationship with our customers. Listening to our customers is an important way for us to capture new ideas on how we can develop our properties and safeguard the quality of our service. With locally based property management and a close dialogue, we have the opportunity to obtain direct daily

“Digital tools and solutions are an important part of simplifying and streamlining Heimstaden’s customer service.



feedback from our customers. We are also conducting ongoing customer surveys and, in 2019, a customer survey is being conducted in Sweden, following up on the results of improvement measures that have been implemented. In 2019, we will also conduct a comprehensive customer survey in Denmark and Norway.



At Heimstaden, we prioritise a close dialogue with our customers. On average, our property managers meet more than 20 customers a day.

Property management in our markets

We are establishing ourselves in markets where we see that we are able to utilise synergies in our organisation and conduct the type of active management that provides the level of quality that the Heimstaden brand represents. There are, however, structural differences in how property management and customer contacts are conducted in our different markets.

In Sweden, Heimstaden has strong local roots and we provide service to enhance comfort in the home, as well as for the property as a whole. We maintain local property administration offices divided between five regions and our own organisation for operational and project development. Letting and all contacts with prospective tenants are also performed by Heimstaden's own, trained leasing agents, who meets all customers when contracts are signed.

In the Danish market, landlords have traditionally been relatively anonymous in contacts with customers, with property management and customer contacts being managed by external property management companies. Heimstaden is positioning itself in Denmark by managing its own properties where we have sufficient stocks, and collaborates with external caretakers in other properties. The same applies to letting, where we are scaling up the organisation with partners to ensure that the process is as efficient and flexible as possible for customers.

In Norway, customers previously interacted with us under the name Fredensborg, although the name has also now been changed to Heimstaden there. In the Norwegian market, we conduct all property management and letting in-house and, as the largest private operator, the quality of our processes sets the standard in the rental market.

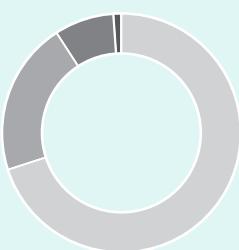
In Heimstaden's new markets, Germany and the Netherlands, the focus is on becoming familiar with the dynamics of the market to make the best use of the organisation's knowledge in its contacts with customers. To manage our stocks as efficiently as possible at this stage, property management is conducted by external partners.

» We foster long-term relationships with our customers. «





DISTRIBUTION OF AREA UNDER MANAGEMENT
BY COUNTRY, M²

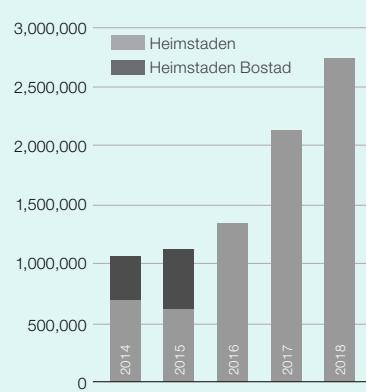


- Sweden, 70%
- Denmark, 21%
- Norway, 8%
- Germany, 1%
- Netherlands, 0%

+28%

The total area managed by Heimstaden increased by 28 percent in 2018. Among other events, the total area managed by Heimstaden in Norway doubled in 2018.

AREA UNDER MANAGEMENT, M²



Sustainability Report

Sustainability shall form a natural part of Heimstaden's work. We invest long-term in properties, work in a resource-efficient manner in our operations and focus on people, the environment and climate. The core of our operations and business model is directly linked to building value sustainably and long-term.





Heimstaden takes a strategic and holistic approach to sustainability issues

For Heimstaden, corporate social responsibility and business benefit go hand in hand. Accordingly, economic, environmental and social factors form the basis of our long-term business development and of our contribution to the sustainable development of society.



In 2018, Heimstaden's focus on energy efficiency in the Swedish stocks resulted in cost savings of slightly more than SEK 6 million and an increase in the property value of approximately SEK 122 million.

Sustainability is to form a natural part of all of Heimstaden's operations and we therefore take a holistic approach to these issues. Efforts have progressed furthest in Sweden, where the majority of our properties are located. We invest in properties long term and, by being resource-efficient in our operations and by focusing on people, the environment and climate, we generate value for Heimstaden, our tenants and other stakeholders, as well as for society in general. Accordingly, the core of our operations,

our business model, is directly linked to building value sustainably and long term. Our sustainability work is based on the areas where we perceive that we can make the greatest difference. We base our ongoing strategic efforts on the ten principles of the UN Global Compact, the global sustainability goals and ISO 26000.

For Heimstaden, it is of the utmost importance that we conduct our operations responsibly with high degree of business ethics. Our ambition is to grow, and to do this we need the continued confidence of those who invest in Heimstaden: our employees, tenants, investors, suppliers and other key stakeholders. For us, growing with quality entails sustainability permeating all of the operations and forming an integral part of all of our processes. We will then be able to generate long-term, profitable growth while benefiting society contributing to sustainable development.

For us at Heimstaden, sustainability means, in brief:

- Being a committed employer that fosters its employees and their development
- Developing and managing residential properties responsibly
- Being a reliable and transparent business partner and landlord
- Maintaining a dialogue with our stakeholders
- Showing consideration for people, the environment and the local community
- Contributing to sustainable development of society

Strategic work

Heimstaden has worked with various aspects of sustainability for some time. For us, sustainability is not something that stands alone. It is to form an integral part of our operational governance, permeating our strategies, approach, processes and systems. Accordingly, in 2018, work began to clarify the ambitions, focus, governance and objectives for our continued sustainability work. We published our first Sustainability Report as part of the 2017

*»For us, growing with quality
entails sustainability permeating
all of the operations
and forming an integral part
of all of our processes.«*





Annual Report and are now planning to further develop our sustainability reporting.

To focus Heimstaden's sustainability work on the issues most crucial to our operations, a number of sustainability dialogues were conducted in 2017 with our various stakeholders, both

externally and internally. In 2018, we supplemented these with additional dialogues. The stakeholder dialogue is an important part of the process of establishing a goal-oriented and focused sustainability strategy for the entire Group.

During the year, Heimstaden recruited a Chief Sustainability Officer with overall responsibility for the Group's sustainability work. In 2018, the focus was on achieving uniformity and structure in our governance of the relevant areas of sustainability. Based on our structural model, we worked during the year on the strategic focus, policies, risks and opportunities, as well as relevant target areas. Among other things, we implemented Heimstaden's Code of Conduct for employees, developed a Code of Conduct for partners, implemented a whistleblower function, introduced pulsed employee surveys, measuring, for example, job satisfaction and leadership, and we updated a number of policies. The work has involved people in leading positions and employees and lays the foundation for future efforts.

By working in an integrated and systematic way with sustainability, Heimstaden has the opportunity to contribute to positive change and to proactively benefit from opportunities and manage risk areas to mitigate our negative impact. In 2018, we performed a thorough review of our sustainability risks to prioritise between them and to focus our operations on those that are most essential.

Prepared for the new Data Protection Regulation (GDPR)

To safeguard correct handling of personal data and legal compliance, extensive work was conducted in connection with the introduction of the General Data Protection Regulation. New guidance documents and a number of new policies associated with employees, job applicants and tenants, etc. have been introduced. In two stages, all employees in Sweden completed mandatory online training in the General Data Protection Regulation in 2018.

In this way, we see that, over time, we can lift these areas from managing risks to generating value.

Priorities 2019

The focus ahead is to secure our operations for the future by building sustainability perspectives into our governance, strategy and operations from the ground up and focusing our efforts where we can make the greatest difference. For us, mitigating our environmental and climate impact is an ongoing process. Work is in progress to establish Heimstaden's overall sustainability ambitions and to develop a Group-wide sustainability strategy, with Group-wide sustainability targets and measures in line with our ambitions and strategy. With goal-oriented and focused sustainability work, we ensure that Heimstaden achieves growth with quality

Environment

As a property owner and developer, our impact on the environment is an area in which we have substantial opportunities to make a difference. In line with the Paris Agreement, we focus extensively on energy and enhancing energy efficiency, as well as on reducing our carbon dioxide emissions. By conducting our operations resource-efficiently, applying sustainable energy solutions, we generate value for ourselves, our tenants, the environment and society. We want our customers to have access to pleasant and healthy housing that takes the environment and the selection of materials into account. We are currently further fine-tuning our environmental work, both in our own operations and across our value chain, by increasing the demands we impose on suppliers and entrepreneurs.

Ours environmental work takes Heimstaden's environmental policy as its starting point. The policy determines our course in minimising the environmental impact of our day-to-day operations and how we prioritise and take environmental aspects into account in our investment decisions. The environmental policy



To ensure consistent handling of essential sustainability issues, we work on the basis of our structural model.

was revised and updated in 2018 and will be reviewed and revised annually as necessary.

To ensure that our projects, properties and services have a minimal impact on the environment and climate throughout their lifecycle, we must collaborate along the value chain. Environmental and climate issues are an integral part of the Code of Conduct for partners that Heimstaden developed in 2018 and that describes what we expect of their environmental efforts. The Code of Conduct emphasises the importance of the lifecycle perspective in selecting solutions, but also emphasises efforts to mitigate negative impacts and focus on resource efficiency in the use of natural resources. Read more about our environmentally efficient properties on pages 70–73.



THE GLOBAL GOALS
For Sustainable Development

Heimstaden's contribution to sustainable development in society builds on our role as a community builder. Read about our connections with the global goals on pages 72–73.

Paris Agreement

In December 2015, the countries of the world adopted a new climate accord, the "Paris Agreement", entailing that the global increase in temperature must be kept well below 2°C and that we should endeavour to limit it to 1.5°C.



Important areas for our stakeholders

- Environmental and climate issues
- Energy efficiency
- Safety and security
- Assuming social responsibility and social housing issues
- Material selection
- Business ethics
- Working environment
- Diversity and equality
- Responsibility in the supply chain
- Favourable dialogue with customers
- Sustainability reporting



Personnel and social conditions

It is Heimstaden's employees who ensure that our properties provide comfortable housing for our customers and that Heimstaden is a workplace to be proud of. For this reason, it is crucial that our employees feel involved, enjoy their work and prosper at Heimstaden. Heimstaden maintains several policies governing our efforts regarding social conditions and HR issues. We work systematically on the working environment, applying clear objectives, with issues being pursued through our working environment groups. Read more about our HR and working environment efforts on pages 66–73.

Heimstaden works actively on social sustainability issues, entailing, for example, that we take a stance on challenges faced by society and are responsive to demands and expectations from our stakeholders. This is particularly important in our role as a landlord and property manager. Our dialogue with tenants is crucial and we apply a policy with regard to availability, response and feedback. Our strategy of managing our properties in-house means we work in close contact with our tenants and deal with everything from social housing issues to aspects of comfort, well-being and security. We meet our tenants on a daily basis, working in close proximity to their daily lives.

Human rights

Heimstaden operates in a part of the world where human rights form part of the fundamental legal and social systems. It is easy to think that human rights are not something that we can influence from here. We work with and for people and take the view that human rights should be practically anchored in behaviours and culture, forming part of how we relate to employees, tenants and contractors alike.

Assuming responsibility for human rights starts with us. Heimstaden's Code of Conduct for employees addresses this area, focusing on the right of having a safe and secure workplace, the right to equal conditions and the right to collective bargaining.

By imposing demands on our partners, our opportunities to exert influence extend along our supply chain and across national borders. In this way, Heimstaden is able to influence human rights being adhered to in practice where we operate, as well as helping improve working conditions and compliance further out in our value chain. In our Code of Conduct for partners, human rights and working conditions play a central role, and are based on the UN and ILO conventions.

Anti-corruption

Applying principles of ethical business is a basic prerequisite for conducting our operations responsibly. Heimstaden applies zero tolerance regarding all forms of corruption. This requires that we impose demands, not only on our own organisation, but also on our partners. By stating our position and our expectations of our partners clearly, we are able to contribute to a democratic and sustainability society in which business can be conducted on equal terms. Heimstaden also seeks to promote fair competition in its sector, considering this beneficial for all.

One of the most important barriers to corruption is a corporate culture in which each individual acts with integrity, in line with Heimstaden valuations. Our Code of Conduct for employees builds on our core values of Care, Innovation and Authenticity, and lays the foundation for what we expect of our employees. Together with our Code of Conduct for partners, the codes form the basis of our anti-corruption efforts, both internally and along our value chain.

Heimstaden also maintains a whistleblower function enabling employees and external stakeholders to be able to report serious shortcomings while remaining confident that their notifications would be received and dealt with in an appropriate manner. Our whistleblower policy states how perceived reported irregularities are to be treated, followed up and communicated.

	ENVIRONMENT	PERSONNEL AND SOCIAL CONDITIONS	HUMAN RIGHTS	ANTI-CORRUPTION
Governance, policies and review procedures Efforts to develop a Group-wide sustainability strategy are in progress.	<p>The environmental policy forms the basis for our governance in the area of the environment and climate. Environmental governance will be further strengthened by the forthcoming sustainability strategy. The area is also affected by our Codes of Conduct for employees and partners.</p> <p>Environmental policy. Revised in 2018.</p> <p>In 2019, the new environmental policy will be implemented and procedures will be developed for reviewing compliance.</p>	<p>Alongside our Codes of Conduct for employees and partners, our policies associated with our roles as employer and landlord, form the basis of our governance in the areas of HR and social conditions.</p> <ul style="list-style-type: none"> • Personnel policy • Working environment policy • Equal rights and obligations policy • Privacy policy for employees • Safety and security policy • Codes of Conduct for employees and partners • Privacy policy for job applicants • Rental policy • Availability, response and feedback policy • Sponsorship policy <p>Issues related to the working environment are governed, handled and reviewed in the working environment groups.</p> <p>An employee survey is conducted on an ongoing basis using a digital measuring tool and the results are reviewed monthly.</p>	<p>Our governance in human rights is based on our Codes of Conduct for employees and partners.</p> <p>Included implicitly in the Code of Conduct for employees implemented in 2018.</p> <p>Included explicitly in the Code of Conduct for partners to be implemented in 2019. On implementation, compliance review procedures will be developed. Similarly, processes and procedures for setting demands on suppliers and contractors will be developed.</p>	<p>Our governance in anti-corruption is based on our Codes of Conduct for employees and partners.</p> <p>Included in the Code of Conduct for employees implemented in 2018.</p> <p>Included in the Code of Conduct for partners to be implemented in 2019. On implementation, compliance review procedures will be developed. Similarly, processes and procedures for setting demands on suppliers and contractors will be developed.</p> <p>Whistleblower function and policy. Issues registered through the whistleblower function are managed on an ongoing basis and will be reported annually.</p>
Risks and management	<p>Risk review completed in 2018.</p> <p>An overview of Heimstaden's significant risks and risk management is presented on pages 84–87.</p>	<p>Risk review completed in 2018.</p> <p>An overview of Heimstaden's significant risks and risk management is presented on pages 84–87.</p>	<p>Risk review completed in 2018.</p> <p>An overview of Heimstaden's significant risks and risk management is presented on pages 84–87.</p>	<p>Risk review completed in 2018.</p> <p>An overview of Heimstaden's significant risks and risk management is presented on pages 84–87.</p>
Targets and results Work on developing overarching targets and key data in the area of sustainability is in progress.	<p>Key data and outcomes apply to Sweden. Among other aspects, we currently measure energy usage, greenhouse gas emissions and water usage. In connection with acquisitions, we target lowering the property's energy consumption by 5 percent over the first two years.</p> <p>The outcome for 2018, encompasses the total property stocks, resulting in the acquisitions made during the year being included in the calculation, although efforts to enhance efficiency in those properties has not yet commenced. We can nonetheless already observe a positive trend compared with the preceding year. Total energy consumption* decreased by 2.3%/m², of which only heating alone accounted for a reduction of 3.7%/m², entailing a reduction in carbon dioxide** emissions of about 670 tonnes. In 2018, carbon dioxide** emissions from our properties' energy consumption amounted to approximately: 17,500 tonnes. Total water usage/m²: down 0.2%/m²</p> <p>See Environmentally efficient properties on pages 70–73.</p>	<p>Zero target for accidents and incidents. Outcome for 2018 (Group level): Accidents: 10 Incidents: 4</p> <p>Target, absence due to illness: <3% Outcome for 2018 (Group level): 4.5%</p> <p>Target, personnel turnover: <4% Outcome for 2018 (Group level): 7.1%</p> <p>Employee survey – Sweden and Denmark Target, temperature metering (scale 1–10): 8.5 Outcome for 2018 (base year): 7.9 Outcome for sub-area leadership: 8.1 Outcome for sub-area job satisfaction: 7.9 Outcome for ENPS (Employee Net Promoter Score): 51 (total average, all sectors 18)</p> <p>See Achieving growth with quality in the organisation on pages 66–69.</p>	<p>In 2018, we had no performance indicator linked to human rights. In 2019, we will implement Heimstaden's Code of Conduct for partners, which was developed in 2018. This means that, for 2019, we will report the number of suppliers having signed our Code of Conduct.</p> <p>Read more on page 64.</p>	<p>All employees in Sweden received the Code of Conduct in 2018. It will be rolled out in Denmark and Norway during 2019.</p> <p>In 2019, we introduced a function whereby employees sign digitally that they have familiarised themselves with the Code. New employees receive the Code of Conduct on starting their employment and in the introductory training for new employees.</p> <p>The number of cases registered via the whistleblower function is reported annually. Outcome for 2018: 1 case reported. Following review and analysis (in accordance with our process), the case was dismissed.</p> <p>Read more on pages 64, 66–69.</p>

* All energy figures for district heating, natural gas and oil are normal year-adjusted.

** The carbon dioxide calculations for energy consumption in 2018 were based on the CO₂e factors from 2017 for each energy supplier.

For purchased hydroelectric power, the carbon dioxide load has been set to zero, that is, the total lifecycle of the production of this electricity is not included in this figure.

Achieving growth with quality in the organisation

Heimstaden's strong growth entails changing needs in terms of organisation, strategy and processes. Over the year, we therefore added several new positions that are to ensure that we achieve growth with quality and that all of the functions, processes and solutions that are introduced are suited to a larger-scale organisation with operations in several countries.



To achieve growth with quality, we have established processes and routines giving us flexibility to manage a growing organisation.

Attractive employer

Our growth means that it is important to recruit and introduce new employees while retaining those already working with us. Heimstaden is an attractive employer and many people want to work with us! We will continue to engage and involve employees, foregrounding positive role models, which will also help us attract talented new employees in the future.

For a growing organisation, an effective on-boarding process is important. New employees should feel welcome and quickly understand Heimstaden's core values, procedures and processes. In 2018, three introduction days were arranged, to which all new employees were invited. During the year, we also initiated the implementation of a digital on-boarding tool, helping new employees quickly feel welcome and at home with us.

Working environment and well-being

It is crucial to successful development that those who work with us enjoy it here and want to stay. During 2018, we worked to strengthen awareness of our values. These shall help provide a common starting point for our current and future operations. Among other things, we have arranged an internal competition in which all employees are encouraged to submit pictures and examples from their everyday lives that they feel symbolise our values in their day-to-day work.

We work systematically on the working environment, applying clear objectives, with issues being pursued in our working environment groups. All managers with responsibility for personnel attend a working environment training programme. In 2018, the Swedish Work Environment Authority reviewed our procedures and processes. The result demonstrated that we maintain a high level of quality. To ensure that we continue to meet this high level of quality, we work continuously to improve our procedures and to disseminate information on working environment issues.

Although Heimstaden's corporate culture is to be pervaded by openness, there may be times when it is necessary to be able to present opinions anonymously. Accordingly, in 2018, Heimstaden introduced a whistleblower system providing employees and people outside the Group with the opportunity to anonymously report possible anomalies in the operations.

We want all employees to feel safe and secure working with us. In 2018, all employees in the Swedish property management organisation underwent training to strengthen our expertise in working proactively with security and safety in our daily lives.

Since early 2018, we have been conducting digital employee surveys every two weeks in Denmark and Sweden, and we aim

»Happy and safe employees build a committed and motivated organisation that dares to think innovatively.«



Safety and security focusing on the working environment:

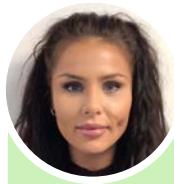
Training in security and safety, working environment, review of all of our procedures and processes linked to the working environment.



Practising what we preach
Fredrika

For Heimstaden, one of the best things that can happen is when we are able to grow alongside our employees. When we are able to offer new development and career opportunities within the company. Fredrika Coelho, who now works as an Assistant Property Manager in Luleå has travelled a long way with us.

»When I began working as a lessor in Luleå in 2016, on the same day that Heimstaden's office there opened, I had lived in the city only one day. This meant that I was involved in building up the office and its procedures from the outset. After a few months, more colleagues joined us and today the office is almost a little crowded. On 1 September 2018, I took up a new post as an Assistant Property Manager. Having the opportunity to develop in a new role while staying with my colleagues is just great!«



Practising what we preach
Sabrin

When we find people we know will be suited to our corporate culture and the values we represent, we try to make room for them and find a solution. Sabrin applied for a job that we felt was not right for her – but Sabrin was the right person for us, even though she did not have very much experience. After actively seeking a solution, the opportunity arose to employ Sabrin – in a job where Heimstaden can offer her the right start in her development and in her career with us.

»I really appreciated Heimstaden's recruitment process, which focused entirely on me as an individual and my qualities and strengths. I am convinced that a company that can see my strengths right from the recruitment process will help me further develop them. I look forward to my continued journey with Heimstaden.«

* As of March 2019, they are performed once a month.

to also introduce this in our other markets in 2019. The results are measured on a ten-degree scale and Heimstaden's "temperature" in 2018 was 7.9 (average of all factors measured). As an employer, we are ambitious and have set 8.5 as our target average temperature in future measurements. The same target also applies for the specific factors of leadership and job satisfaction.



At the end of 2018, the temperature of the employees' well-being at Heimstaden was 7.9 degrees – a high value that we are striving to further improve.

In measuring eNPS (Employee Net Promoter Score) Heimstaden obtained an average value of 51, on a scale from -100 to +100. The average for all users and sectors is 18.

Diversity and equality

Diversity and equality are strengths and prerequisites for our development and capacity to meet customers' needs and wishes. Accordingly, terms, rights and development opportunities are afforded equally to all within Heimstaden, regardless of gender, age, origin or other factors. In 2018, we continued to work on how to further broaden our diversity by bringing in more employees from under-represented groups in the operations' various functions.

Our office in Skellefteå was awarded the 2018 Visa vägen (Show the Way) award in the Employer of the Year category. The award is presented by Samhall (a state-owned company tasked with finding employment for people with functional impairments) and recognises companies leading the way in breaking the social exclusion of those with functional impairments in the labour market.

We have continued to support Drivkraft's work in Malmö with homework help and mentoring as a support in everyday life. For the second year in a row, we offered jobs over the summer vacation for some 40 young people aged 15–17. Although, this

is their first job for many, which is extremely satisfying for Heimstaden, it is, at the same time, an important measure in attracting the younger generation to our sector. Accordingly, we will in 2019, continue the project, with all of our regions welcoming young people for the summer.

Development and leadership – learning organisation

Heimstaden strives to be a learning organisation. This affords development opportunities that strengthen the individual and the group alike. In itself, our growth offers an opportunity to develop and build a career in the group. We have introduced employee exchanges between functions to stimulate internal changes of career. In 2018, we introduced voluntary work experience days during which employees have the opportunity to follow a colleague in any function for one workday. Work to stimulate internal promotion will be intensified in 2019.

Heimstaden continues to generate value

Today, Heimgjort is an established employee programme in which we apply our employees' commitment and inclusion in working with continuous improvement to generate value for our customers, as well as for us as a company. Over the year, we implemented more than 25 employee proposals, improving our customers' journey and experience.

During the year, Heimstaden's Code of Conduct for employees was launched. All employees in Sweden have received the Code and managers have received presentation materials for the internal launch. To ensure that the Code of Conduct is known and complied with, we will, in 2019, continue with information activities and all employees will be required to sign, confirming that they are familiar with its contents. The same work will be implemented in Denmark and Norway in 2019.



Practising what we preach Dennis

Not all employment processes need follow traditional patterns. You sometimes have to think innovatively, and perhaps we don't always present our real selves at their best in tense job interview. Dennis started his journey with Heimstaden at a floorball match.

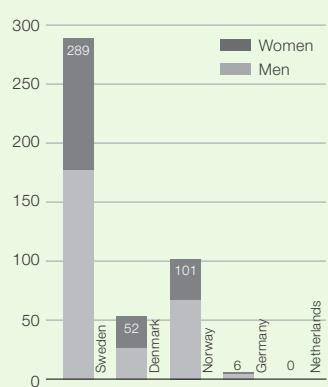
» My journey with Heimstaden began in 2016 at a floorball match where I met a Heimstaden property manager. I asked him if the company ever brought in trainees and, soon after our first meeting, I was called to an interview. As my period as a trainee neared its end, I knew that this was precisely what I wanted to work with. Initially, I was given a project-based position as an Assistant Property Manager in Landskrona and, a little later, a posting in Malmö. A year ago, when I had the opportunity of becoming a Property Manager in Ystad, I took a few days to consider whether I was ready, but I had actually already decided. Today, I do not regret that decision for a second! «

HEIMSTADEN'S ORGANISATION IN 2018



»New employees should feel welcome and quickly understand Heimstaden's core values, procedures and processes.«

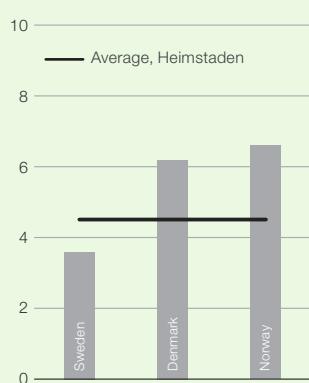
NUMBER OF EMPLOYEES PER COUNTRY



TOTAL NUMBER OF EMPLOYEES



ABSENCE DUE TO ILLNESS, % BY COUNTRY



They properties acquired in the Netherlands in 2018 did not include any personnel. For the time being, property management services are procured from an external supplier.

Our environmentally efficient properties

Sound property stocks form the basis of Heimstaden's offering to customers and are a prerequisite for continued growth. By running our properties in a resource efficient manner and seeking smart solutions in new production and property development, we ensure that we grow sustainably, both for ourselves and for the environment.

40%

With the right priorities, newly produced properties can be 40 percent more energy efficient than older ones.

Active ownership has an effect¹⁾

Heimstaden assumes a long-term perspective in property ownership. In connection with both new production and property acquisitions, we prioritise operational optimisations and investments that reduces the properties' energy consumption. Initially, this may require investment, while also incurring lower operating costs and causing less wear on the Earth's resources in the long term.

-3.7%

In Sweden, Heimstaden's energy-related CO₂e emissions per square metre decreased by 3.7 percent in 2018, compared with the preceding year.

When Heimstaden acquires a property, we always seek to optimise heating and other energy consumption by reviewing, fixing and fine tuning existing systems and control equipment. Over the first two years, Heimstaden targets reducing the property's energy consumption by 5 percent, a target we often exceed by a good margin. The optimisation process also provides us with knowledge of the property and an opportunity to identify the investments needed to further increase resource efficiency. By investing in measures to prevent heat loss – installing smart, digital operating systems, upgrading heating and ventilation systems and lighting – we can sometimes reduce energy consumption in older properties by between 10 and 15 percent within a few years.

In Sweden, Heimstaden's largest market, we witnessed, in 2018, the effects of our extensive efforts in ongoing operational optimisations, investments in modern technology and digitisation of the operating systems in our properties. Our total climate impact from energy consumption²⁾ in 2018, amounted to slightly

less than 17,500 tonnes of CO₂e³⁾ (14 965). The increase compared with the preceding year was mainly due to an increased number of properties in our portfolio. Despite no energy efficiency improvements yet being made in most of the properties acquired in 2018, we reduced energy consumption per square metre overall compared with the preceding year. Normal year-adjusted heating consumption decreased by 3.7 percent per square metre, in turn meaning that our energy-related carbon dioxide emissions decreased by approximately 670 tonnes CO₂e. In total, the efficiency improvements have caused the value of our stocks to increase by about SEK 122 million and cost savings to increase by more than 6.1 million.

Newly produced properties can be up to 40 percent more energy efficient than older ones, if constructed with the right priorities. In new production, Heimstaden is involved early in the process, allowing us to make active choices for the future. By adjusting floor thickness, operating system and other important aspects, we make the property resource efficient and lower operating costs. In our new production projects, environmental aspects are always a priority issue, particularly regarding selections of materials and technologies. In Denmark, all newly produced properties are equipped with photovoltaic cells as standard, and in Sweden, all new production is built to meet, as a minimum, environmental building level silver.

¹⁾ The consumption figures include all properties in 2018. Many of these were added between 2017 and 2018. This means that efficiency has yet to be enhanced in most of the properties, while the consumption figures have simply been added on an ongoing basis in the year in which the acquisition was implemented.

²⁾ All energy figures for district heating, natural gas and oil are normal year-adjusted.

³⁾ The carbon dioxide calculations for energy consumption in 2018 were based on the CO₂e factors from 2017 for each energy supplier. For purchased hydroelectric power, the carbon dioxide load has been set to zero, that is, the total lifecycle of the production of this electricity is not included in this figure.



“*In connection with acquisitions, Heimstaden targets lowering the property's energy consumption by 5 percent over the first two years.*

Continuous efforts

The properties' energy consumption represents the largest individual part of the operating costs and is also the area in which we have the greatest environmental impact. Measuring energy consumption is therefore an important part of the ongoing operations. This allows us to evaluate investments and technologies and to continuously optimise consumption.

Property management and operation and who shoulders the energy costs differs between the various markets and, accordingly, our work with measuring energy consumption, differs between the countries. In Denmark, customers shoulder the cost of their heat and electricity usage, restricting our ability to influence their consumption. In Norway and Sweden, is it Heimstaden, the property owner, that manages heating consumption and, through metering and optimisation, we have greater opportunities to control the level of consumption. Our stocks in Sweden have the most advanced system, allowing operating technicians to monitor

and analyse consumption in detail. Common to all of our markets is that we strive to own properties with optimal conditions to reduce energy consumption as far as possible and that, in dialogue with customers, we work to demonstrate the value this generates for them, for us and for the environment.

Renewable energy

By using electricity from renewable sources as much as possible, Heimstaden helps reduce carbon dioxide emissions. In many properties, we have installed photovoltaic cells and are thus able to make use of electricity generated in-house. Heimstaden strives for the electricity we purchase for our properties in all of our markets to be renewable and, when changing contracts, we work continuously to transition away from fossil energy sources. This work has progressed furthest in Sweden where we use only renewable electricity and link all newly produced and acquired properties to electricity contracts based on proof of origin labelled hydroelectric power.

CASE



Renewed energy for student housing in Flogsta, Uppsala

FLOGSTA 13, UPPSALA

Constructed, year: 1969–1972

Number of apartments: 2,014

5–10 %

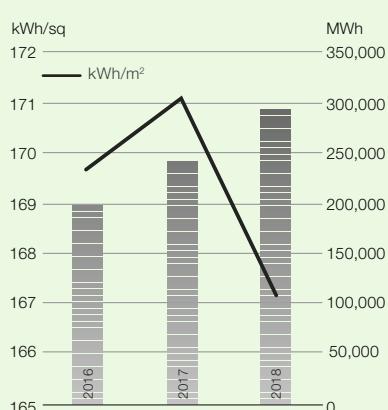
In December 2018, we started a project in Flogsta to boost the sustainability of our student housing there. By installing photovoltaic cells on the roofs of ten of the twelve buildings and on three of the facades, we expect to be able to produce approximately 240,000 kilowatt hours of electricity. That corresponds to about 5–10 percent of our total electricity consumption for the properties in the area (or about one of the buildings' electricity needs). We also perceive opportunities in the project to develop various services contributing to a sustainable lifestyle. The objective is to increase the focus on sustainability and to inject the area with new energy.



Total energy and water consumption for our properties in Sweden increased in 2018, due to the vigorous expansion of the stocks.

Conversely, energy consumption per square metre decreased, meaning that our properties have become more efficient. This is despite the fact that recently added properties initially often have higher energy consumption per square metre than our existing stocks. Our objective is to reduce energy consumption in our properties by 5 percent over the first two years.

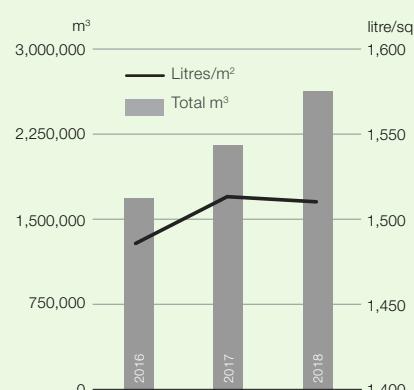
TOTAL ENERGY CONSUMPTION*, SWEDEN



PROPORTION OF PURCHASED ENERGY, SWEDEN



WATER CONSUMPTION, SWEDEN



Total energy consumption in Sweden is increasing due to the strong expansion of property portfolio. We are working continuously to reduce our energy consumption, resulting in kWh per square metre decreasing by 2.3 percent in total for the Swedish property stocks in 2018.

For some locations, we have seen a reduction in energy consumption of as much as 9 percent.

We are working on an ongoing basis to phase out purchasing of oil among our stocks. In 2018, oil accounted for 0.03 percent of purchased energy.

The number of cubic meters of water consumed is increasing due to the strong expansion of our property stocks. Water consumption in litres per square metre decreased by 2.5 litres between 2017 and 2018.

+122

SEK million

Through our energy efficiency enhancement efforts in 2018, we achieved SEK 6 million in savings and increased the value of our properties by an estimated SEK 122 million.

2–9%

ENERGY REDUCTION

In most locations in Sweden where we have conducted property management operations for some time, we reduced energy consumption by between 2 and 9 percent in 2018.

-3.7%

HEATING

Normal year-adjusted heating consumption decreased by 3.7 percent per square metre compared with the preceding year.

¹⁾ All energy figures for district heating, natural gas and oil are normal year-adjusted.

Heimstaden's contributions to the UN's global sustainability goals

Heimstaden's contributions to the sustainable development of society are based on our role as a community builder. We have initiated a process to link our operations to the UN's 17 global sustainability goals.

The work of linking our operations to the UN's global sustainability goals is in its infancy and will remain so in 2019. Through responsible development and management of residential properties, in which we take people, the environment and climate, social factors and challenges facing society into account, we create secure, healthy and inclusive housing environments, develop sustainable properties and contribute to sustainable towns, cities and communities (goals 3, 11, 13 and 15).

With our focus on the environment and sustainable energy solutions, energy efficiency, photovoltaic cells and resource efficiency in our properties, we help reduce consumption of energy and water, reduce greenhouse gas emissions and increase the share of renewable energy (goals 6, 7, 11, 13 and 15). Through reduced greenhouse gas emissions, we also indirectly affect goal 14.

We work to promote human rights, decent working conditions, opportunities for personal development and further education, good health and well-being, both in our own operations and in our value chain. Diversity, inclusion and gender equality are high on our agenda (goals 3, 4, 5 and 8).

As a landlord, we have the opportunity to influence our tenants' behaviours, consumption of resources and conditions for reusing and recovering resources, contributing positively to sustainable consumption and production (goal 12).

Our work with non-discrimination in relation to employees and tenants, as well as suppliers and contractors contributes to reduced inequality in society. Responsible handling of tenants with different socio-economic conditions, variations in mental or physical function, and of people experiencing social exclusion is of the utmost importance in our daily property management work (goal 10).

We collaborate with various social partners: municipalities, companies and organisations. In Skellefteå, we have helped break social exclusion for people with disabilities. Together with the non-profit organisation Drivkraft (Driving Force), we offer mentoring and homework help for pupils in Malmö so that everyone has the same opportunities to succeed at school, regardless of where they were born or their circumstances at home (goal 4).



»Our sustainability work is based on the areas where we perceive that we can make the greatest difference.«



How our operations are governed

For Heimstaden, the connection between successful business and responsible business is self-evident. Besides working according to our vision to enrich and simplify life through friendly homes, our sustainability work generates business opportunities, lowers costs, reduces risks and enables us to meet demands and expectations from various stakeholders.



Well-balanced capital structure

Owning, managing and developing residential properties requires a stable and favourable access to capital. Through a well-diversified financing structure, as well as a high-quality property portfolio and stable cash flows, we safeguard future availability of capital on favourable terms.



The availability of long-term capital is a prerequisite for our being able to successfully acquire, develop and own property.

Of our property portfolio, housing accounts for 89 percent of the total lettable area. The net letting ratio for our existing housing was 97.3 percent at the end of the year. Furthermore, 51 percent of the cash flow is generated in regulated rental markets, meaning there is minimal risk for negative future rent adjustments. The portfolio is therefore characterised by stable cash flows both in the short and long term, as customer risk is spread between more than 70,000 paying customers distributed between five countries. This security of cash flow makes residential properties interesting to lenders as a basis for lending. The assets' physical location is another important part of a lender's assessment of the credit risk. We mainly own centrally located residential properties in strong growth regions in macroeconomically stable countries, further reducing the asset and payment risk for creditors.

Policies

Our financial policy is determined by the Board and reviewed annually. It serves to limit the company's financial risks which essentially consist of liquidity, refinancing and interest rate risk without limiting the company's commercial opportunities. The company's short and long-term supply of capital must be safeguarded by adapting the financial strategy to the company's operations and in accordance with the conditions offered by the property market and developments in the capital market. Read more about opportunities and risks in financing, on pages 84–87.

Choice of capital structure

The choice of capital structure, that is, the relationship between proprietary and borrowed capital, is of great importance to the operations. The availability of long-term capital is a prerequisite for our being able to successfully acquire, develop and own property. Changes in capital structure affect the operations'

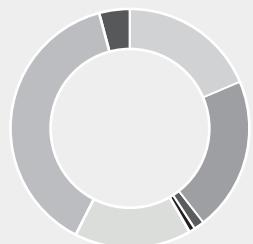
financial risk and earning capacity, meaning we are continuously and proactively working to ensure an appropriate structure. The objective is to engender favourable conditions for long-term confidence among creditors and players in the capital market. At the end of the year, the value of our assets amounted to SEK 83,286 million, which was financed through SEK 33,936 million in equity and SEK 49,350 million in liabilities. Of the liabilities, SEK 45,687 million was interest-bearing and SEK 3,663 million non-interest bearing, of which SEK 2,218 million was deferred tax. The borrowing ratio, that is, net debt in relation to estimated market value, amounted to 53.7 percent (58.8) and the equity/assets ratio was 40.7 percent.

Official credit rating

In December 2018, Heimstaden AB's subsidiary, Heimstaden Bostad AB, received an official credit rating of BBB– with a "stable outlook" by rating agency Standard & Poor's (S&P). This credit rating corresponds to "investment grade" with reference to S&P's rating scale below. The fact that Heimstaden Bostad AB is a company with an official credit rating has a significant impact on the operational work of raising capital. Above all, it acts as a quality stamp for the company and should engender transparency and security for lenders and other stakeholders alike. It is hoped that this will entail further improved access to external capital at favourable prices. However, the rating agency's criteria must be continuously met with regard to key data and the ongoing management of the debt portfolio. Heimstaden Bostad AB has an externally communicated objective to further improve the credit rating to BBB (flat) within 18 months. This will further strengthen the company's credit quality and, accordingly, access to capital. A further description of S&P's rating criteria is provided on its website, www.standardandpoors.com

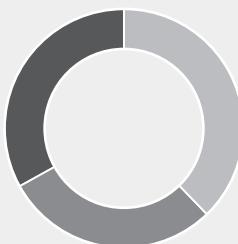


CAPITAL STRUCTURE, 31 DEC. 2018



- Ordinary share capital, 19%
- Equity, non-controlling interests, 21%
- Preference shares, 1%
- Deferred tax/derivatives, <1%
- Bond, 16%
- Bank and mortgage loans, 39%
- Other liabilities, 4%

DISTRIBUTION OF INTEREST-BEARING LIABILITIES



- Bank loans, 38%
- Listed debenture loans, 29%
- Mortgages, 33%

PROPORTION OF SECURED FINANCING



- Unsecured, 37%
- Secured, 63%

PERIOD FOR WHICH CAPITAL IS TIED UP

Years	Capital tied up, loans			Lines of credit	
	SEK million	Share, %	Interest, incl. margin, %	SEK million	Share, %
0–1 years	7,492	16	2.7	256	4
1–2 years	11,845	26	1.4	1,185	17
2–3 years	7,559	17	2.2	5,302	75
3–4 years	4,025	9	1.8	300	4
4–5 years	2,140	5	2.1	0	0
> 5 years after balance sheet date	12,626	28	0.9	0	0
Total	45,687	100	1.7	7,043	100

The average remaining period for which capital is tied up amounts to:

8.0 years

2.1

The average remaining term of fixed interest in the loan portfolio, including derivatives, amounts to 2.1 years.

S&P		
Long-Term	Short-Term	Rating Description
AAA	A-1+	Prime
AA+		
AA		
AA-		High Grade
A+	A-1	
A		
A-		Upper Medium Grade
BBB+	A-2	
BBB		
BBB-		Lower Medium Grade
BB+	B	
BB		Non-Investment Grade Speculative
BB-		
B+		
B		
B-		Highly Speculative
CCC+	C	
CCC+		Substantial Risks
CCC-		Extremely Speculative
CC		Default Imminent
C	D	
RD		
SD		
D		In Default

Interest-bearing liabilities

At the end of the period, Heimstaden had interest-bearing liabilities of SEK 45,687 million (30,936). Of the interest-bearing liabilities, 63 percent were secured by property mortgages and 37 percent were not secured. Net debt, that is, interest-bearing liabilities less cash and cash equivalents, increased by SEK 11,369 million, to SEK 40,911 million (29,543). In 2018, the Group's borrowing, including currency effects, increased by SEK 14,751 million, primarily against the background of property acquisitions in Sweden, Denmark and Norway. Of the interest-bearing liabilities, SEK 13,143 million (2,500) pertained to non-covered bonds, SEK 15,080 million (10,484) pertained to financing based on covered bonds and SEK 17,464 million (17,952) pertained to traditional bank loans. Confirmed but unutilised credit facilities at banks amounted to SEK 7,043 million (629) at the end of the year.

Debenture loans – Heimstaden AB

Heimstaden has two outstanding debenture loans of SEK 1,250 million each, which are listed on the Nasdaq Stockholm exchange. Debenture loan 2014/2019 matures in September 2019 with variable interest at three-month stibor plus 3.00 percent and is traded under the ticker HEIM 1. Debenture loan 2017/2021 was issued in two stages in 2017 and matures in September 2021 with variable interest at three-month stibor plus 3.15 percent and is traded under the ticker HEIM 2. Since Heimstaden AB does not have an official credit rating, the company would, all else being equal, pay a somewhat higher risk premium on the bonds it issues than the subsidiary Heimstaden Bostad.

Debenture loans – Heimstaden Bostad AB

Since December 2018, when the company received its official credit rating, Heimstaden Bostad has established an EMTN programme, a framework with the possibility of issuing bonds for EUR 2.5 billion in Nordic currencies and EUR. In December, the company issued the equivalent of SEK 10.6 billion in a multi-tranche bond with four different maturities in a total of three currencies. The issue represents part of our ambition to establish the company as a recurring issuer of unsecured bonds with a credit rating corresponding to investment grade. The issued amount was mainly used to repay secured bank financing. The refinancing programme was needed partly because the investment grade-equivalent rating on the bonds issued presupposes a certain degree of unsecured financing, and partly to allow scope for additional future funding from the banks with which the Group already has relations.

Deferred tax

Deferred tax was calculated at a nominal tax rate of 20.6 percent for Sweden, 22 percent for Denmark and 23 percent for Norway on the difference between the fair value and consolidated cost of assets and liabilities. Deferred tax, the net of deferred tax assets and deferred tax liabilities, amounted to SEK 2,218 million (1,741) at the end of the year, and was primarily attributable to investment properties. The remaining tax deficit in the Group amounted to SEK 1,669 million (405).

Loan structure and financial risks

The need for external financing means that financial risks are a permanent element of ongoing operations and annual surpluses may be affected by changes in both market interest rates and credit margins. Regulations and conditions in the credit market can change rapidly, affecting both interest rate risk and the capacity to obtain and refinance credit. The financial operations manage and control the need for capital within the framework of our financial policy and taking the identified financial risks into account. Read more on page 48.

Fixed interest and interest rate sensitivity

The average interest rate for total borrowing, including derivatives, amounted to 1.87 percent (1.72), which was mainly a consequence of a rising trend in the underlying base rates. At the end of the year, about 57 percent (76) of the portfolio had a period of fixed interest shorter than 12 months. All else being equal, an increase in market interest rates by 1 percent would increase Heimstaden's interest costs by approximately SEK 187 million (136). A decrease in market interest rates by 1 percent would decrease interest costs by approximately SEK 34 million (35). The difference in sensitivity is explained by the fact that several credit agreements include interest rate floor clauses that limit rate fluctuations on

FIXED INTEREST

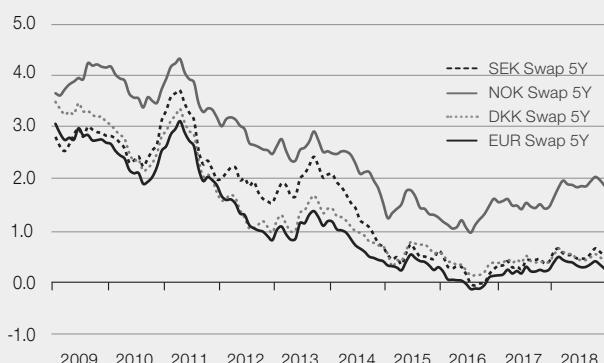
Years	Fixed interest, loans			Fixed interest incl. derivatives ¹⁾		
	SEK million	Share,	Interest, incl. margin,	SEK million	Share,	Interest, incl. margin,
0–1 years	38,750	84.8	1.5	26,028	57.0	1.8
1–2 years	67	0.2	1.7	2,643	5.8	2.0
2–3 years	5,127	11.2	2.9	4,243	9.3	1.8
3–4 years	1,431	3.1	2.1	5,054	11.1	1.9
4–5 years	–	–	–	2,853	6.2	2.2
> 5 years after balance sheet date	312	0.7	1.3	4,865	10.6	2.2
Total	45,687	100	1.7	45,687	100	1.9

¹⁾ The credit margin is evenly spread across the maturity structure

The average remaining term of fixed interest in the loan portfolio, excluding derivatives, amounts to: 0.5 years

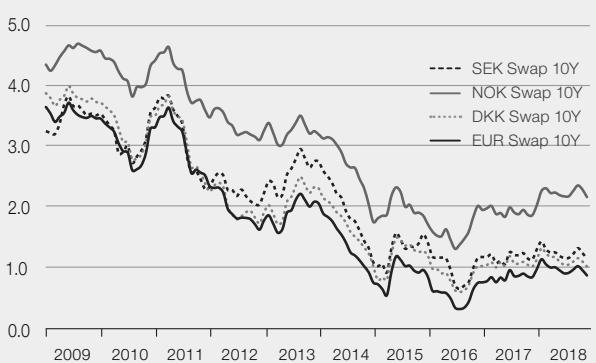
The average remaining term of fixed interest in the loan portfolio, including derivatives, amounts to: 2.1 years

5Y SWAP INTEREST RATES, %



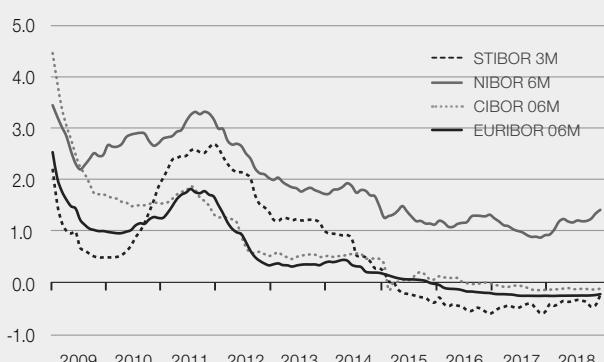
Source: Bloomberg

10Y SWAP INTEREST RATES, %



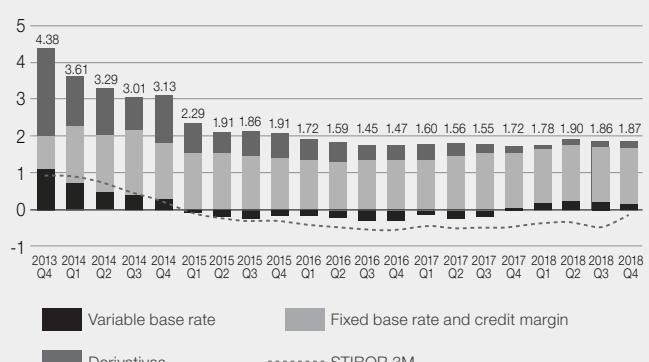
Source: Bloomberg

SHORT-TERM MARKET INTEREST RATES, %



Source: Bloomberg

AVERAGE INTEREST, %



the downside by, for example, preventing the base rate from being negative, while the cost of outstanding and purchased interest rate derivatives may increase with negative market rates.

Interest rate risk management

To manage interest rate risk, Heimstaden uses both fixed interest rate loans and interest rate derivatives, predominantly traditional interest rate swaps. Fixed-interest loans are reported at nominal value while derivatives are reported on an ongoing basis at fair value in the Balance Sheet and with changes in value in the Income Statement. At the end of the year, the change in the value of Interest rate derivatives amounted to SEK 11 million (24) and the market value was SEK 18 million (negative 31). The nominal volumes of the swaps amounted to SEK 21,182 million (8,528). In addition to these traditional interest rate swaps, there are agreements on interest rate ceilings with a nominal value of SEK 200 million (400) that today, in view of current interest rate levels, have no value and are therefore not included in the calculations of key ratios.

Currency

At the end of 2018, Heimstaden owned properties in Denmark valued at SEK 23,782 million (12,325), properties in Norway valued at SEK 15,521 million (7,640), properties in the Netherlands valued at SEK 236 million (0) and properties in Germany valued at SEK 703 million (0), entailing currency risks. The currency arises in the Group's net assets, that is, the difference between assets and liabilities in each currency, DKK, NOK and EUR, when the foreign companies' balance sheets are consolidated. No hedging is performed for this currency risk. Heimstaden also debenture loans in EUR that are hedged against SEK through swaps.

Equity

Equity amounted to SEK 33,936 million (18,807) and the equity/assets ratio was 41 percent (36). The change during the period is attributable to profit, shareholder contributions of SEK 5,737 million, contributions from non-controlling interests and dividends. During the period SEK 47 million (47) has been paid in dividends to holders of preference shares. Minority interests amount to SEK 17,467 million (9,879) following Heimstaden Bostad AB's implementation of several new share issues over the past year, two of which were implemented in the period at hand for a total SEK 11,414 million (of which, SEK 6,563 million in external capital).

Pending the approval of the Annual General Meeting, and within ten years following the initial issue on 11 June 2015, Heimstaden AB may redeem the preference shares at a price of SEK 375 per share.





»Heimstaden has strong local roots and we provide service to enhance comfort in the home, as well as for the property as a whole.«

Heimstaden's listed preference share

In the stock market, 2018 was a bumpy year and, for the first time since 2011, the Stockholmexchange closed with a negative overall outcome. Heimstaden's preference share began 2018 strongly and, at its peak in the summer, the share traded at SEK 370, although it ended the year slightly down overall.

3.3%

The total return, including a dividend of SEK 20, amounted to 3.3 percent.

Heimstaden's preference share has been listed on Nasdaq First North Premier since 11 June 2015 under the ticker HEIM PREF. In 2018, the highest price paid for the preference share was SEK 370 on 30 July, and the lowest price paid was SEK 313 on 9 February. The last price paid in 2018 was SEK 329 (336), entailing a decrease of 2 percent. The total return, including a dividend of SEK 20, amounted to 3.3 percent (22.8). An average, 1,780 shares (3,446) were traded per trading day in 2018.

The share and shareholders

Heimstaden AB has two share classes, ordinary shares and preferences shares. The difference between the classes lies in different voting rights and different rights to the company's assets and profits. At the end of the year, there were 15,547,750 shares, divided between 13,204,000 ordinary shares and 2,343,750 preference shares. Each preference share conveys one vote and ordinary shares convey ten votes per share. All ordinary shares in Heimstaden AB are owned by Fredensborg AS, which is wholly owned by Ivar Tollefsen, who is also the Chairman of the Board of Directors of Heimstaden AB. At the end of the year, the preference shares were distributed between 1,998 shareholders (1,808).

Dividend policy

Dividends on ordinary shares are affected by market conditions, investment options, financial position and capital structure, and, combined with dividends on preference shares, may only be paid to the extent that the Group complies with the adopted finance policy and has the cash and cash equivalents needed to conduct operations in accordance with the business model and vision. The current focus is on growth with retained financial strength, and dividends on ordinary shares are therefore expected to be restricted over the next few years.

Dividends and terms of redemption

The Board of Directors proposes to the 2019 Annual General Meeting that a dividend of SEK 47 million (47) be paid, of which SEK 0 million (0) be paid on ordinary shares and SEK 47 million (47) on preference shares. The dividend corresponds to 2 percent (2) of Heimstaden's profit. The preference shares convey preferential rights over ordinary shares for an annual dividend of SEK 20,00 per share with quarterly payments of SEK 5.00 per share.

Pending the approval of the Annual General Meeting, and within ten years following the initial issue on 11 June 2015, Heimstaden AB may redeem the preference shares at a price of SEK 375 per share.

KEY DATA

Data per share	2018	2017	2016	2015	2014
Profit per ordinary share, SEK	139	123	134	176	404
Equity per ordinary share, SEK	1182	609	504	377	5,271
Equity per preference share, SEK	380	380	380	380	–
Price per preference share (on the balance sheet date), SEK	329	336	290	273.0	–
Dividend paid per preference share (during the period), SEK/share	20	20	20	10	–
Dividend paid on preference shares (during the period), SEK million	46.9	46.9	46.9	23.5	–
Direct return per preference share (on the balance sheet date), %	6.1	6.0	6.9	7.3	–
Number of ordinary shares outstanding at the end of the period	13,204,000	13,204,000	13,204,000	13,204,000	660,200
Number of preference shares outstanding at the end of the period	2,343,750	2,343,750	2,343,750	2,343,750	0
Average number of ordinary shares outstanding	13,204,000	13,204,000	13,204,000	9,629,876	660,200
Average number of preference shares outstanding	2,343,750	2,343,750	2,343,750	1,354,880	0

PREFERENCE SHARE



Proposed record dates for the preference share:

• 5 July 2019 • 5 October 2019 • 5 January 2020 • 5 April 2020

Source: Nasdaq

The proposed dividend per preference share is SEK 5 per quarter.

In the event that a record date, as stated above, is not a banking day, the record date shall be the immediately preceding banking day.

TEN LARGEST SHAREHOLDERS ON 31 DEC. 2018

Name	Number of ordinary shares	Number of preference shares	Holding, %	Votes, %
Fredensborg AS	13,204,000	200,000	86.2	98.4
Ica-Handlarnas Förbund Finans AB	0	276,815	1.8	0.2
Karl Bjerkes Stipendiefond Foundation	0	140,505	0.9	0.1
Danica Pension	0	100,920	0.6	0.1
Kamprad Family Foundation	0	75,000	0.5	0.1
Ålandsbanken on shareholders behalf	0	63,692	0.4	0.0
Nordnet Pensionsförsäkring AB	0	62,583	0.4	0.0
Volvo Pension Foundation	0	62,500	0.4	0.0
Avanza Pension insurance company	0	60,238	0.4	0.0
Swedbank Insurance	0	55,943	0.4	0.0
Other shareholders	0	1,245,554	8.0	0.9
Total	13,204,000	2,343,750	100.0	100.0

Risk analysis and prioritisation

A crucial part of a fast growing business is the ability to be able to identify, assess and manage the impact of various risks on the operations and hence on its earnings trend and financial position. We work actively on the Group's risk exposure with clear internal processes. For the risks identified, the Board of Directors and management have prepared guidelines, instructions and delegated areas of responsibility that have been followed up on a regular basis.

Risk management should help achieve a solid balance between limiting the identified risk and opportunities for the operations to achieve their set objectives.

EXTERNAL

Risk	Management
MACROECONOMIC FACTORS The demand for, and supply of, housing and premises are affected by general economic conditions, regional economic development, employment, the production rate for new housing and premises, changes in infrastructure, population growth, inflation, interest rates, etc. Demographic factors can affect the type of housing required.	We monitor external conditions continuously, focusing on both the global economy as well as the markets in which we are most exposed to economic fluctuations: Sweden, Denmark, Norway, Germany and the Netherlands. Our property portfolio is concentrated on growth areas with a strong labour market, net immigration and a limited housing supply. We have a strong Balance Sheet, low loan-to-value ratio and use several different sources of funding.
TAXES Within the framework of Heimstaden's operations, several areas are subject to taxation. In addition to the income taxes charged to the companies in the Group, property taxes, VAT, stamp duty and energy taxes are also incurred. Political decisions on changes in corporate taxation, tax legislation or interpretations thereof can lead to a change in Heimstaden's tax situation, both positively and negatively.	We monitor actively developments in the area of taxation regarding new positions, interpretations of legal cases and regulatory changes, as these may lead to changes in our tax position. Heimstaden's foremost tax payments mainly include VAT costs, where, as a property company, we have limited deduction rights, as well as property taxes, energy taxes and stamp duties, as well as personnel-related taxes and charges.
RISKS RELATED TO RENTAL LEVELS Pricing on rent for apartments differs in the five markets in which we operate. In Denmark, rent levels on apartments constructed after 1991 are unregulated, and in Norway this applies to all apartments. In the Swedish rental market for housing, rent levels are determined according to the principle of "utility value". Rental negotiations are normally conducted between property owners, or associations thereof, and the Swedish Union of Tenants. If the property owner and the Swedish Union of Tenants cannot agree on the rent level, the regional rent tribunal may be called upon to determine the rent level. In Germany, the rental market is regulated. In Berlin, rent levels are limited to at most 10 percent above the local rental index, Berliner Mietspiegel. For existing customers, rent can be increased by up to 15 percent over a three-year period if upgrades are made in accordance with requirements from Berliner Mietspiegel. In the Netherlands, about 70 percent of the rental market is regulated. An official scoring system determines value, taking, for example, property valuation, facilities and location into account. If the home does not achieve a pre-set scoring requirement, the rent is regulated, but if it exceeds that requirement, the rent level is not regulated.	In Denmark and Norway, we monitor the rental market for different properties and locations closely to be able to set the rent level as high as possible. In Sweden, we maintain a close and ongoing dialogue with the Swedish Union of Tenants to ensure appropriate rent levels. We negotiate all rents with the Swedish Union of Tenants ourselves and our negotiators have often previously worked for the Swedish Union of Tenants. In Germany and the Netherlands, we monitor the market, observing what changes we can make to optimise our rent levels. We cooperate with external property management companies that are familiar with local regulations, safeguarding our provision of good property management services. In all markets, we hold information meetings in connection with remodelling projects, and we conduct preliminary negotiations on rent levels in connection with investments and new production.
LEGISLATION, PERMITS, RULINGS AND COMPLIANCE Operations are regulated and influenced by a large number of laws, regulations and government guidelines, as well as various processes and decisions related to these regulations, at both the political and official level. These may change and our interpretation of them may be incorrect. We are also dependent on various forms of permits and rulings. Inadequate compliance can lead to financial losses, supervisory sanctions and impaired reputation.	We continuously monitor developments with regard to laws, regulations and practices in the areas most crucial to Heimstaden, to be able to prepare in good time for new or amended regulations. We have a corporate culture based on high ethical ideals, good internal control and quality assurance at several levels and, in early 2018, we introduced a Code of Conduct for all employees. This also includes a whistleblower function.

PROPERTY PORTFOLIO

Risk	Management
GEOGRAPHICAL RISKS Geographically, we have a relatively diversified property portfolio with properties in 28 locations in Sweden and in one location each in Denmark, Norway and Germany. Demand for residential properties and rented housing may decline in the geographic markets in which we operate, although demand does not generally decline in these countries.	We perform regular macro analyses of conditions in the different markets, covering, for example, economic growth, the rental market, collaborative climate, and infrastructure initiatives. We also perform an annual review of the property portfolio with regard to both geographical exposure and product types and, as a basis for our long-term decisions, we work according to an annual strategy document approved by the Board.
RISKS RELATED TO ASSOCIATED COMPANIES AND SHAREHOLDER MATTERS IN SUBSIDIARIES THAT ARE NOT WHOLLY OWNED. Our property ownership consists, in part, of ownership through participations in associated companies, and a large part of our operations is conducted through subsidiaries that we do not own 100 percent. According to the governance documents of some of these companies, the non-controlling interests are entitled to have an influence in certain matters. From this, it follows that measures beyond our control and counteractive to our interests may adversely affect our ability to act as planned in these non-wholly-owned subsidiaries.	A good dialogue with other shareholders and active board work in jointly owned subsidiaries and associated companies ensure that we maintain continuous insight and control of our interests. Well-considered shareholder agreements safeguard rights and obligations in both directions, thereby reducing the risk. To further ensure impartiality and increase internal control, jointly owned subsidiaries have different auditors than the Parent Company.
CHANGES IN THE VALUE OF PROPERTIES Our properties are reported at fair value in the Balance Sheet and changes in value are reported in the Income Statement. Both property-specific changes for the worse, such as lower rental levels and increased vacancy rates, as well as market-specific changes for the worse, such as higher direct return requirements, may mean that we need to adjust the fair value of the properties.	Of our property portfolio, housing accounts for 90 percent of the lettable area. The stocks comprises a large number of properties with a good geographical spread over five different economies, and with the vast majority being centrally located in communities with good growth. The properties undergo internal quality assurance and we check our own valuations internally. External valuations are performed at least once a year.
ACQUISITION RISKS, SALES RISKS AND OTHER TRANSACTION-RELATED RISKS All property transactions are associated with uncertainty and risks. In connection with property acquisitions, risks are incurred associated with leases, differences of assessment between budgeted and actual costs, stricter environmental requirements, etc. Generally, only basic and specific warranties related to concrete issues observed during due diligence are provided by the seller, because property transactions are, to a large extent based on the principle of "in existing condition". Combined with warranties of limited duration, there is a risk that claims cannot be made in connection with faulty materials. Similarly, the reverse applies when Heimstaden divests properties.	In connection with an acquisition, a detailed analysis of the property and/or property company is performed to assess its current and long-term financial status, by conducting structural and basic analyses of the property and of current macro and micro conditions. All acquisitions include detailed review and evaluation processes prior to a decision being made to submit an indicative bid and, if this is successful, to then initiate due diligence to mitigate the risks, to the extent that this is commercially reasonable. Due diligence processes include legal, commercial, technical, financial and fiscal issues and are performed by a due diligence team consisting of both internal and external experts in each area. In connection with divestments, we focus on starting from "in existing condition", to mitigate as far as possible most of the risks by providing the buyer with access to complete information before the agreement is signed. We may also consider removing warranty and compensation insurance cover to ensure a fair transaction, if that were meaningful in a given situation.
PROJECT RISKS Opportunities to carry out remodelling, extension or new construction are dependent on, for example, obtaining the necessary permits and official rulings. In addition, opportunities to implement these profitably can be influenced by whether demand for, or prices of, properties and housing change in general or due to lack of planning, analysis and cost control, changes in taxes and fees, as well as delays or increased or unforeseen costs.	In proprietary development projects, responsibility lies with experienced project managers, and the risks of delays and increases in costs are limited through detailed agreements with contractors and regular internal monitoring of budgets and schedules.

SUSTAINABILITY

Risk	Management
INDEMNITY RISKS All ownership entails responsibility. In Heimstaden's case, properties could be destroyed by fire, or suffer water damage, theft or other damage. In addition, through the negligence, Heimstaden could cause injury to a person, damage the property of another or cause environmental damage for which the company is found liable.	We work preventively to minimise the risk of personal injury or damage to property or the environment. We have full-value insurance for all of our properties, as well as insurance cover for liability and property damage. We perform continuous inventories of existing stocks and, in connection with acquisitions, to identify and address environmental and health risks. We have special fire regulations within the framework of our property management in all five countries.
ENVIRONMENTAL AND CLIMATE ISSUES Existing properties, newly constructed properties and properties under demolition all have a considerable impact on the environment and climate. Increased requirements from public authorities, investors, tenants and other stakeholders impose rigorous demands on an organisation and demand an approach able to cope with the challenges in these areas. We do not conduct out any operations requiring permits under the Environmental Code (1998:808). However, there may be, or have been, customers in the properties that we directly or indirectly own, who are conducting or have conducted operations that require or would have required special permits in accordance with the Environmental Code.	Heimstaden is highly ambitious with regard to sustainability and works actively on a number of measures to reduce its negative impact on the environment and climate. The work is based on our environmental policy, which was revised during 2018, at which time, we also conducted a specific risk analysis regarding the entire area of sustainability. In 2019, we will establish Group-wide environmental and climate targets. In connection with the acquisition of a property, an assessment is made of the building's environmental and energy performance. We work actively to reduce our energy consumption and our Sustainability Report on pages 58–75 reports our measures in this area. All new production in Sweden is to meet the Sweden Green Building Council's Silver standard. We also impose environmental requirements on our suppliers and contractors and will further develop these requirements during 2019. We closely monitor legal developments regarding the environment and climate.

CLIMATE CHANGE Global climate change is resulting in rising temperatures, extreme weather conditions with intense downpours and storms, as well as rising water levels. For property companies, this may entail risks of, for example, damage to buildings as a consequence of flooding and of construction materials being unable to cope with the stresses that a changed climate involves.	Heimstaden has commenced a process to identify the risks that a changed climate entails for us as company, our properties and our customers. We monitor research in the area and, in 2019, we will prepare data on which to plan and base our continued work on climate-related risks.
BUSINESS ETHICAL RISKS As a social partner, Heimstaden collaborates with a number of stakeholders (colleagues, tenants, shareholders, partners, suppliers and contractors, etc.). We have broad customer and supplier bases. Many participants are involved within the framework of the operations and services/products are procured through subcontractors at several levels. Despite imposing requirements in procurement, it is difficult to gain an overview of the extended supply chain and there is a risk of activities occurring that violate Heimstaden's values, Code of Conduct and that infringe on human rights or involve corruption. There is also a risk that employees will violate the Code of Conduct in their contacts with colleagues, customers and other actors.	Heimstaden applies high ethical standards and integrity in its operations and we do not tolerate any form of corruption, bribery, fraud, threats or unsound employment contracts. In 2018, a Code of Conduct for employees was implemented and a whistleblower function was introduced, allowing employees and external actors to submit reports anonymously. In 2018, we developed a Code of Conduct for partners, which will be implemented during 2019. All partners are expected to sign the Code. In early 2019, Heimstaden recruited a Group-wide purchasing manager to further strengthen our work with different partners. A process has commenced to develop clearer guidelines for the company's purchasing, based on business ethics, human rights and working conditions, working environment considerations, as well as the environment and climate.

PROPERTY MANAGEMENT

Risk	Management
RENTAL INCOME AND RENT DEVELOPMENT If letting ratios or leasing levels fall, our earnings will be adversely affected. We are also dependent on customers paying agreed rents on time and otherwise meeting their obligations.	At the end of the year, 90 percent of the Group's total rental income derived from housing/garages and 10 percent from commercial premises. In the markets where we operate, there is currently strong demand for housing while the supply is relatively constant, entailing low vacancies and safe income flows. The letting ratio for existing housing amounted to 97.3 percent at the end of the year.
PROPERTY AND MAINTENANCE COSTS Property costs consist mainly of tariff-based costs, such as caretakers, electricity, cleaning, water and heating costs. Both taxes and consumption change and affect our operating costs. Maintenance costs are attributable to measures aimed at maintaining long-term property standards.	We are working with plans for maintenance and repairs to maintain the properties' condition and standard. Continuous operational optimisation and energy efficiency are key elements of this work.
TECHNICAL RISK Technical risk refers to risks associated with the technical operation of properties, including risks for design and installation errors, other hidden errors and deficiencies, damage and pollution.	In both acquisitions and the ongoing management of existing stocks, a technical review of the properties is performed. This includes a careful review of the physical environment in each property, such as the windows, roofs, doors, plumbing, ventilation, waste management, supporting structure and façade.

FINANCING

Risk	Management
CREDIT AND COUNTERPARTY RISK We are exposed to the risk that counterparties cannot meet their obligations to Heimstaden. We are also exposed to credit risks in the financial operations, in the investment of liquidity surpluses and the signing of credit agreements.	Since we primarily invest in residential properties where rent is paid in advance, a large part of the potential credit risk associated with many customers is eliminated. In addition, we regularly assess the creditworthiness of our suppliers and financial counterparties to ensure that this is satisfactory.
INTEREST-RATE RISK Interest costs are one of Heimstaden's largest cost items. Interest rate risk refers to the risk that changes in market interest rates will affect borrowing costs. Interest costs are mainly affected by the level of current market interest rates and the banks' margins, as well as the chosen strategy for fixing the interest on borrowed capital.	Fixed interest terms are determined on an ongoing basis in accordance with the current financial policy. Primarily interest rate derivatives are used to achieve the terms of fixed interest and degree of interest rate hedging that we seek. We apply an internal interest rate hedging model that allows the degree of interest rate hedging and average terms of fixed interest to vary over time. The degree of interest rate hedging must not be less than 50 percent at any given time.
REFINANCING AND FINANCING RISK Financing risk refers to the risk that funding cannot be obtained, can only be obtained to a certain extent, or can only be obtained on unfavourable terms for the Group. There is a corresponding risk when existing financing expires and is to be repaid, which is called refinancing risk.	We aim to control the period for which capital is tied up over the years. At the end of the year, the average maturity of the loan portfolio was 8.0 years (7.8). To minimise financing risk, it is important to work with several reliable funding sources and not to be overly dependent on individual counterparties. At the end of 2018, Heimstaden had loans from 22 different lenders in five countries, as well as two outstanding market listed bonds in Heimstaden AB and four outstanding market listed bonds in the subsidiary Heimstaden Bostad AB.
CHANGES IN VALUES OF DERIVATIVES Changes in the value of Heimstaden's interest rate or currency derivatives arise in connection with changes in market interest rate or the exchange rate ratios SEK/DKK, SEK/NOK or SEK/EUR.	Our finance policy determines which derivative instruments may be used. We only use interest rate hedging instruments that can be sold, meaning that quoted prices can be obtained. With regard to both currency derivatives and interest-rate derivatives, continuous reconciliation between internal and external valuations is performed.
FINANCIAL OBLIGATIONS Some of the loan agreements bear financial commitments, and the Group has also posted collateral and provided guarantees for some of the loans. If we were to violate any of these commitments in the loan agreements, it could lead to the termination of the loan or loans with payment required immediately or the relevant creditor claiming the secured assets.	Our financial policy regulates our risk mandate for credit institutions and capital markets. We also have a compliance function with competent and experienced personnel to ensure, on an ongoing basis, that we follow up on the commitments included in our loan agreements. The external audit also ensures that the information reported is accurate.

EMPLOYEES

Risk	Management
<p>DEPENDENCE ON KEY INDIVIDUALS AND OTHER EMPLOYEES We are dependent on a number of key individuals, including senior executives and people with specialist skills. These key individuals are important for the successful development of the operations. If key individuals leave Heimstaden, this could have a negative impact on the operations.</p>	<p>We work actively to recruit and retain talented employees by being an attractive and long-term employer. Our shared core values support an open and transparent working climate that allows scope for innovation and initiative. These core values engender commitment throughout the organisation. We also work with ongoing competence and leadership development and with compensation and incentives at competitive levels.</p>
<p>WORKING ENVIRONMENT Heimstaden's employees are exposed to occupational health risks of various kinds. Out in the property management operations, these consist of risks of physical stress and risks related to psychosocial factors, including threats/harassment, particularly in vulnerable areas. At headquarters and at other offices, psychosocial risks predominate, such as stress, although there is also a risk of ergonomic issues.</p>	<p>There are several working environment groups within Heimstaden and appointed Health and Safety Officers. Working environment issues are discussed and addressed on an ongoing basis in the weekly meetings between managers and employees in the operations. Proposed improvements and recommended actions are identified and can quickly be implemented where needed. At the regional level, there are working environment groups consisting of Property Managers, Administrators and Health and Safety Officers. These groups meet four times a year. Property Managers and Chiefs of Staff then meet with HR and the CEO twice annually (in June and December). At the December meeting, an review/summary of the year is presented. A plan of action plan for the ensuing year is set out. In 2018, a major initiative also commenced in which all managers are to undergo the same training on new working environment regulations regarding the psychosocial working environment.</p> <p>In 2018, all employees in Sweden were required to undergo training in Safety and security to strengthen our expertise in working proactively to establish procedures and methods, in accordance with which we maintain greater risk and security awareness. In 2019, this will be implemented in Denmark and Norway.</p> <p>To maintain continuous insight into the well-being of the organisation and its employees, during the year, we introduced pulsed employee surveys that are conducted every two weeks. The results are presented and discussed monthly in the company's various teams.</p>

SENSITIVITY ANALYSIS

Rental income	+/-1 percent	Effect SEK +34/-34 million
Letting ratio	+/-1 percent	Effect SEK +35/-35 million
Property costs	+/-1 percent	Effect SEK +16/-16 million
Interest rate level, liabilities	+/-1 percent	Effect SEK +187/34 million

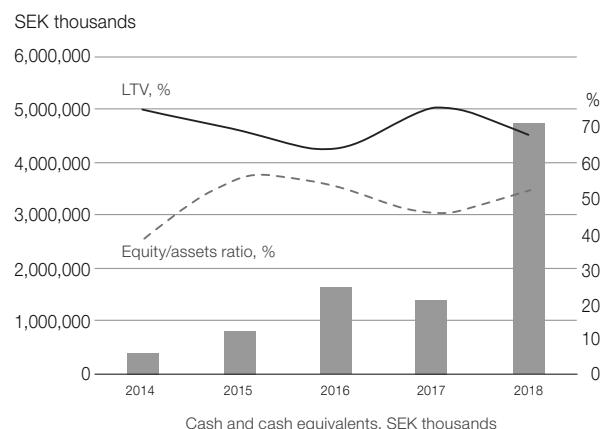
SENSITIVITY ANALYSIS – VALUE CHANGE, PROPERTIES

	+/-5 percent	+/-10 percent	+/-20 percent
Equity	SEK 37,748/30,124 million	SEK 41,561/26,311 million	SEK 49,186/18,686 million
Equity/assets ratio	43.3%/37.9%	45.7%/34.8%	49.9%/27.5%
LTV	51.1%/56.5%	48.8%/59.6%	44.7%/67.1%

POLICIES

	Financial policy in summary	Outcome 31 Dec. 2018	Listing
Refinancing risk			
Capital tied up, months	at least 15	96	
Loan maturity, percentage in individual year	maximum 40	28	(2024)
Limitation, individual lenders, percent	maximum 50	14	(New credit)
Interest-rate risk			
Fixed interest, years	In accordance with separate interest rate hedging strategy	2.1	
Interest rate hedge, percent	at least 25	50	
Credit risk			
Equity ratio, %	at least 25	41	
Interest coverage ratio, multiple, rolling 12 months	at least 1.4	2.2	

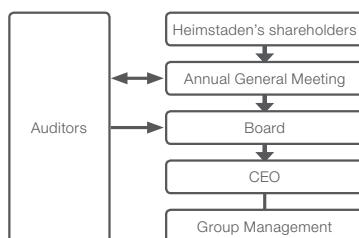
FINANCIAL STABILITY



Corporate governance and internal control

Good corporate governance is an important feature of Heimstaden's corporate culture and the Group's values. The purpose is to support Board of Directors and the management team in their efforts to increase customer benefit, and to provide value and transparency for shareholders. Heimstaden does not apply the Swedish Code of Corporate Governance.

Heimstaden AB (publ) is a public limited company with registered offices in Malmö, Sweden. Its preference share is listed on Nasdaq First North Premier and there is also a corporate bond listed on Nasdaq Stockholm. Heimstaden applies the Annual Accounts Act's rules for corporate governance and hereby submits its Corporate Governance Report for 2018.



The responsibility for management and control of Heimstaden is distributed between the shareholders, the Board of Directors and the CEO.

The basis for corporate governance in Heimstaden.

The objective of the company's operations is to own, refine and manage properties and property-owning companies, therewith compatible operations. The overarching assignment from the owner is to generate a high return that is stable in the long term. This requires good corporate governance, according to which responsibilities are clearly distributed between the owner, the Board of Directors and management. Heimstaden does not apply the Swedish Code of Corporate Governance since the company considers this to counteract the company's interest in having an active and operational majority shareholder. Because the majority shareholder is operationally active within the Group, and the CEO is a member of the Board of Directors, control of the company is enhanced, costs are reduced and decisions can be reached more efficiently.

A nomination committee in accordance with the Code would reduce the majority shareholder's transparency and control over the company, as well as contributing to increased costs.

Board year 2018



Furthermore, proposals from members are addressed directly at the Annual General Meeting, which all shareholders have the opportunity to attend.

To meet the interests of other shareholders, the Board shall always include of at least one member who is independent in relation to the company and its majority shareholder.

Heimstaden is working to achieve a balanced mix in terms of ethnicity, age and gender in its operations. Diversity in the company's is addressed in two different policy documents, "Equal rights and opportunities", and "Discrimination and offensive treatment", adopted in May 2015, and affirming that diversity represents a strength for the Group. Improved diversity and inclusion have the potential to further advance Heimstaden's development and profit, both at team level and individually. See further page 66. The company follows the Group's policies on diversity in the composition of the Board of Directors.

Ownership

All ordinary shares in Heimstaden AB are held by Fredensborg AS, corporate identification number 9435582815, based in Norway. These shares convey ten votes and one participation per share and, on the balance sheet date, totalled 13,204,000 in number, with a quota value of SEK 5.00 each, totalling SEK 66,020,000 in ordinary share capital.

The company also has preference shares listed on the Nasdaq First North Premier. The preference shares convey one vote and one participation each, totalling 2,343,750 in number on the balance sheet date and with a quota value of SEK 5.00, totalling SEK 11,718,750 in preference capital.

Annual General Meeting

The Annual General Meeting is the company's highest decision-making body and is where shareholders exercise their right of decision in the company's affairs. The Annual General Meeting makes decisions regarding changes to the Articles of Association and regarding changes in equity. The Annual General Meeting appoints the Board of Directors and the auditors for the company. An Extraordinary General Meeting is held if so requested by the auditor or holders of at least one tenth of all shares, or if the Board of Directors considers there to be due cause. The 2018 Annual General Meeting took place on 27 April 2018 at the company's premises on Östra Promenaden in Malmö, Sweden. Nine shareholders participated at the Meeting, in person or by proxy. These represented 98.41 percent of the total votes. A single shareholder, Fredensborg AS, represented alone 99.99 percent of the votes represented at the Meeting. The CEO of Heimstaden, Patrik Hall, was elected Chairman of the Meeting. Besides the

Chairman of the Board, Ivar Tollefsen, and Ossie Everum, all Board Members were present. John Giverholt participated and was elected as a new member.

Decisions by the 2018 Annual General Meeting

The complete minutes and information about the 2018 Annual General Meeting can be found at www.heimstaden.com.

Among other things, the Meeting decided:

- That dividends be paid in accordance with the proposal by the Board of Directors and the CEO in the amount of SEK 20.00 per preference share to preference shareholders, and that no dividends be distributed to the ordinary shareholder.
- Discharge from liability for the Board of Directors and the CEO for the preceding financial year. Re-election of Magnus Nordholm, Ivar Tollefsen and Patrik Hall as Board Members. Ossie Eerum declined re-election and was replaced by John Giverholt.
- Re-election of the Chairman of the Board.
- Election of auditor.
- Determination of remuneration to the Board of Directors and auditors.

2019 Annual General Meeting

Heimstaden's Annual General Meeting will be held on 24 May 2019 in Malmö, Sweden. For more information about the Annual General Meeting, see page 177 or www.heimstaden.com/arsstamma

Shareholders, shares and debenture loans

For information about shareholders, Heimstaden's preference share and debenture loans, see pages 78, 82–83 and www.ir.heimstaden.com

Board of Directors

The overall task of the Board of Directors is to assume responsibility for organising and managing the operations, and for the financial reporting. The Board of Directors is also responsible for setting up systems for governance, internal control and risk management. The Board of Directors' work and responsibilities, and the delineation of these in relation to the work and responsibilities of the CEO are regulated by the rules of procedure and the instructions to the CEO determined by the annual statutory meeting of the Board of Directors. At Board meetings, matters of vital importance to the company are discussed, such as the adoption of a business plan for the upcoming financial year, the financial policy and policies for the governance of operations and internal control, the work of the Board of Directors and instructions for the CEO, purchasing and issues relating to property sales and financing. The Board of Directors is also informed of the current business situation in the property and credit markets.

In accordance with the Articles of Association, the Board of Directors shall consist of at least three and at most five members.

Board Members are elected annually at the Annual General Meeting for the period up to the end of the following Annual General Meeting.

Composition of the Board of Directors in 2018

In 2018, Heimstaden's Board of Directors consisted of four members elected by the Annual General Meeting, including the CEO. Other employees in the Group participate in Board meetings as necessary, reporting on specific matters. For further information about the Board Members, see page 92.

Chairman of the Board

The Chairman of the Board shall lead and control the Board's work and is responsible for the work of the Board being well organised and conducted efficiently, and that the Board meets its commitments. The Chairman monitors operations in dialogue with the CEO and is responsible for the other Board Members receiving the information and documentation necessary for a high of quality in discussions and decision-making, as well as verifying that the Board's decisions are implemented.

Board independence

The Board's assessment, with regard to members' dependency in relation to Heimstaden and shareholders is presented on page 92. As stated there, three out of four Board Members are dependent in relation to Heimstaden's principal owner.

Audit Committee

The Board has not appointed an Audit Committee. Instead, the Board in its entirety bears this responsibility. Ongoing management is delegated to the Group's CFO, who reports to the Board of Directors.

Auditor

The Annual General Meeting appoints an auditor who examines the annual report, the accounting and the consolidated accounts, the administration by the Board of Directors and the CEO, as well as the annual accounts and the accounts of the subsidiaries, and issues an audit report. According to the Articles of Association, the Annual General Meeting shall appoint at least one and not more than two auditors.

AUDITOR REMUNERATION IN 2017

Total, SEK million	2018	2017
Audit engagement	9	5
Auditing activities beyond the audit engagement	2	1
Tax consultancy	1	0
Other services	–	0
Total	12	6

Auditor in 2018

Heimstaden's auditor is the authorised firm of auditors EY, with Authorised Public Accountants Peter von Knorring and Ingemar Rindstig. Peter von Knorring is the Auditor in Charge. EY was elected by the 2018 Annual General Meeting as Heimstaden's auditor for a period of one year.

Peter von Knorring

Authorised Public Accountant, Auditor in Charge
Ordinary auditor for Heimstaden since 2015.

Ingemar Rindstig

Authorised Public Accountant
Ordinary auditor for Heimstaden since 2015.

CEO and Management

The Board of Directors appoints the CEO and annually sets instructions regulating the division of labour and responsibilities between the Board of Directors and the CEO. The CEO is responsible for the ongoing operations and for financial reporting and shall report to the Board of Directors on an ongoing basis on the company's development relative to established control documents. The CEO is assisted by a Group Management team consisting of the heads of the staff units.

Group Management in 2018

At the end of 2018, Group Management consisted of six individuals. During 2018, Group Management held 11 meetings. The meetings are focused on the Group's strategic and operational development, and monitors performance. Beyond the Group management team, a further five individuals assist the CEO and Group management. For further information about the senior executives, see pages 94–95.

Internal control regarding financial reporting

The planning, governance and control of operations follows the organisational structure, with a clear delegation of responsibilities and authority. Business plans are prepared for both the Group as a whole and for the entities subordinate to the CEO.

Alongside policies, guidelines and instructions, business plans provide a framework for the governance and control of the operations. To ensure that the financial reporting provides, on all occasions, a true and fair view, the development of the operations is monitored in relation to this framework. Regular monitoring, combined with a close collaboration with the company's auditors, and the control and monitoring conducted through the annual audit are considered sufficient for the assessment of the Board and for effective internal control and risk management. Accordingly, a dedicated internal audit unit is not currently considered to be motivated.

Board of Directors



IVAR TOLLEFSEN

PRINCIPAL OCCUPATION: Chairman of the Board of Fredensborg AS

BORN: 1961

ELECTED: 2005

POSITION ON THE BOARD:
Chairman of the Board

OWN HOLDINGS AND THOSE OF RELATED PARTIES:
Indirect holding of 13,204,000 ordinary shares and 200,000 preference shares.

DEPENDENCE ON THE COMPANY'S PRINCIPAL SHAREHOLDER: Principal shareholder

ATTENDANCE AT BOARD MEETINGS:

11 of 11 meetings

NATIONALITY: Norwegian



MAGNUS NORDHOLM

PRINCIPAL OCCUPATION: CEO of Fredensborg AS

BORN: 1974

ELECTED: 2008

POSITION ON THE BOARD: Board Member
OWN HOLDINGS AND THOSE OF RELATED PARTIES:

None

DEPENDENCE ON THE COMPANY'S PRINCIPAL SHAREHOLDER: Dependent in relation to the company's principal shareholder.

ATTENDANCE AT BOARD MEETINGS:

11 of 11 meetings

NATIONALITY: Swedish



PATRIK HALL

PRINCIPAL OCCUPATION: CEO of Heimstaden

BORN: 1965

ELECTED: 2005

POSITION ON THE BOARD: Board Member

OWN HOLDINGS AND THOSE OF RELATED PARTIES:
Preference shares, 900

DEPENDENCE ON THE COMPANY'S PRINCIPAL SHAREHOLDER: Dependent in relation to the company's principal shareholder.

ATTENDANCE AT BOARD MEETINGS:

11 of 11 meetings

NATIONALITY: Swedish



JOHN GIVERHOLT

PRINCIPAL OCCUPATION: Chairman of the Board of Aktuarfirmaet Lillevold & Partners AS, Gammel Nok Holding AS and Ortomedic AS and Board Member in Awilhelmsen AS, Carucel Holding AS, Scatec Solar ASA, Aars AS, Ferd Sosiale Entreprenører AS and Gjensidige Forsikring ASA.

BORN: 1952

ELECTED: 2018

POSITION ON THE BOARD: Board Member
OWN HOLDINGS AND THOSE OF RELATED PARTIES:

None

DEPENDENT ON THE COMPANY'S PRINCIPAL SHAREHOLDERS: No

ATTENDANCE AT BOARD MEETINGS:

11 of 11 meetings

NATIONALITY: Norwegian



Senior executive



PATRIK HALL

TITLE: Group CEO, Heimstaden AB
BORN: 1965
EMPLOYED SINCE: 2001
IN CURRENT POSITION SINCE: 2003
EDUCATION: Swedish Military Academy, Skövde and Stockholm
PREVIOUS EXPERIENCE: Negotiation Manager, Swedish Union of Tenants, Professional military officer
HOLDINGS OF PREFERENCE SHARES: 900



MARIA PETERSSON

TITLE: Country Manager, Sweden
BORN: 1966
EMPLOYED SINCE: 2007
IN CURRENT POSITION SINCE: 2015
EDUCATION: B.Sc. Business Economics, Lund University
PREVIOUS EXPERIENCE: CFO and Senior Vice President of Heimstaden Förvaltnings AB, Controller at LKF AB
HOLDINGS OF PREFERENCE SHARES: None



LEIF BOJÉ

TITLE: Country Manager, Denmark
BORN: 1971
EMPLOYED SINCE: 2017
IN CURRENT POSITION SINCE: 2018
EDUCATION: M.Sc. Business Administration and Auditing, University of Southern Denmark, Odense
PREVIOUS EXPERIENCE: Auditor/Advisor at Deloitte, CFO of Falck int. Fire Services
HOLDINGS OF PREFERENCE SHARES: None



HELGE KROGSBØL

TITLE: COO and Acting Country Manager, Norway
BORN: 1968
EMPLOYED SINCE: 2018
IN CURRENT POSITION SINCE: 2018
EDUCATION: The Norwegian School of Marketing, Oslo
PREVIOUS EXPERIENCE: SVP, Pandox AB GM / RDO, Benelux Thon Hotels, MP Room2Room, VPO / CEO First Hotels
HOLDINGS OF PREFERENCE SHARES: None



INGVOR SUNDBOM
TITLE: Chief Financial Officer
BORN: 1972
EMPLOYED SINCE: 2018
IN CURRENT POSITION SINCE: 2018
EDUCATION: B.Sc. Business Economics, Jönköping International Business School
PREVIOUS EXPERIENCE: CFO, Hufvudstaden. CFO, Oscar Properties. CFO & Head of Transactions, Bonnier Fastigheter. CFO, Landic Properties Sweden. CFO, CLS Holdings Sverige.
HOLDINGS OF PREFERENCE SHARES: None



CHRISTIAN FLADELAND
TITLE: Chief Investment Officer
BORN: 1986
EMPLOYED SINCE: 2019
IN CURRENT POSITION SINCE: 2019
EDUCATION: M.Sc. Economics, Copenhagen University
PREVIOUS EXPERIENCE: Partner, Colliers International Denmark
HOLDINGS OF PREFERENCE SHARES: None



CARL-FREDRIK STREIBY
TITLE: Director of Group Finance & IR manager
BORN: 1975
EMPLOYED SINCE: 2014
IN CURRENT POSITION SINCE: 2014
EDUCATION: MSc Business Administration, Lund University
PREVIOUS EXPERIENCE: CFO, Kockum Sonics AB. Finance Manager Finland, Spain and Tiger of Sweden, IC Companys AS. Authorised Public Accountant, KPMG
HOLDINGS OF PREFERENCE SHARES: None



SUZANNA MALMGREN
TITLE: Chief HR Officer
BORN: 1971
EMPLOYED SINCE: 2017
IN CURRENT POSITION SINCE: 2017
EDUCATION: B.Sc. Business Administration, Uppsala University
PREVIOUS EXPERIENCE: Partner, Alumni and Impact Executives
HOLDINGS OF PREFERENCE SHARES: None



KATARINA SKALARE
TITLE: Chief Sustainability Officer
BORN: 1963
EMPLOYED SINCE: 2018
IN CURRENT POSITION SINCE: 2018
EDUCATION: BA Social Science, Malmö University
PREVIOUS EXPERIENCE: Founder, Hållbart by Skalare. Sustainability strategist, Kraftingen. Manager, Sustainable Business Solutions, PwC. Head of Corporate Responsibility, E.ON Nordic. Senior Communications Manager, AstraZeneca.
HOLDINGS OF PREFERENCE SHARES: None



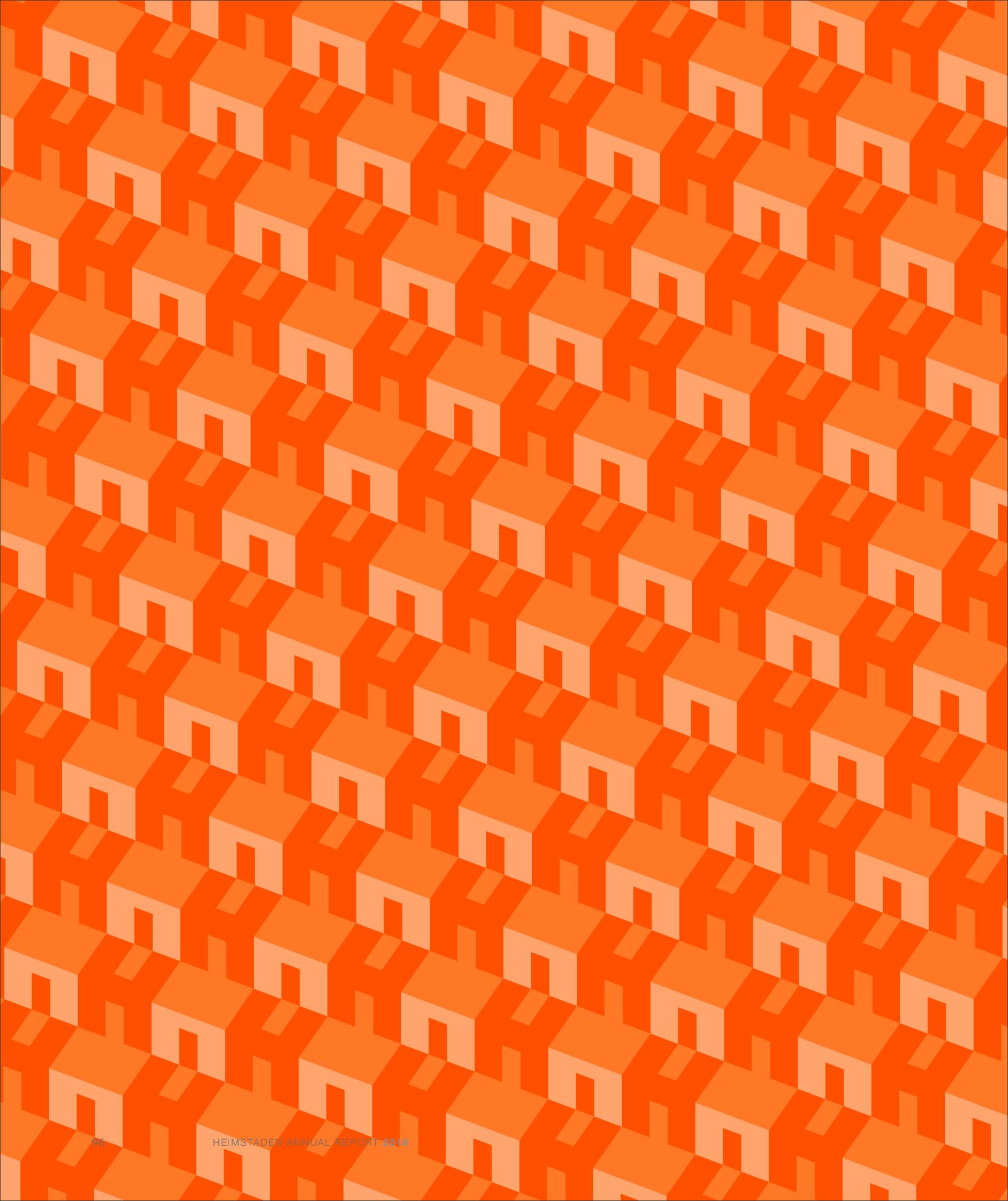
HÅVARD STAFF BRENNO
TITLE: Director of Rental
BORN: 1976
EMPLOYED SINCE: 2014
IN CURRENT POSITION SINCE: 2019
EDUCATION: Studies in economics, Property broker BI Oslo
PREVIOUS EXPERIENCE: Rental and Marketing Manager, Fredensborg, Property Manager Olav Thon Group.
HOLDINGS OF PREFERENCE SHARES: None



KARMEN MANDIC
TITLE: Chief Communications and Marketing Officer
BORN: 1971
EMPLOYED SINCE: 2015
IN CURRENT POSITION SINCE: 2015
EDUCATION: B.Sc. Business Administration, Lund University
PREVIOUS EXPERIENCE: Global Director, Marketing and Communications, OctoFrost Group. Head of Global Brand Licensing Partnerships and Global Marketing Activation manager, Sony Mobile. Head of Marketing, Western Union.
HOLDINGS OF PREFERENCE SHARES: None



GÖRAN BENGSSON
TITLE: Chief Asset Management Officer
BORN: 1967
EMPLOYED SINCE: 2018
IN CURRENT POSITION SINCE: 2018
EDUCATION: M.Sc. Engineering, Faculty of Engineering, Lund University
PREVIOUS EXPERIENCE: Barings Real Estate Advisors, Head of Nordics Aberdeen Asset Management, Head of AM, Nordics Ericsson, Director Workplace Premises Northern Logistic Property ASA, CEO
HOLDINGS OF PREFERENCE SHARES: None



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Consolidated Statements of Comprehensive Income

Amounts in SEK million	Note	2018	2017
Rental income	IC 2	3,393	2,013
Property costs	IC 3 IC 5	-1,583	-986
Net operating income		1,810	1,027
Central administration costs	IC 4 IC 5	-106	-85
Other operating income	IC 6	10	36
Other operating costs	A 2	-42	-16
Profit from participations in associated companies	GS 1	20	12
Profit before financial items		1,692	974
Financial income	F 5	53	6
Financial costs – interest-bearing liabilities	F 5	-806	-379
Financial costs – interest-bearing subordinated shareholder loans	F 5	–	-86
Other financial income	F 5	50	–
Profit from property management		989	515
Change in value of investment properties	IC 7	2,745	2,201
Change in value of interest rate derivatives	F 3	11	24
Profit before tax		3,745	2,740
Current tax	T 1	-145	-75
Deferred tax	T 2	-396	-601
Profit for the year		3,204	2,064
Other comprehensive income	IC 8	-255	99
Comprehensive income for the year		2,949	2,163
<i>Profit for the year attributable to:</i>			
The Parent Company's shareholders		1,979	1,484
Non-controlling interests		1,225	579
<i>Comprehensive income for the year attributable to:</i>			
Parent Company's ordinary shareholders		1,833	1,527
Parent Company's preference shareholders		47	47
Non-controlling interests		1,069	589
Average number of ordinary shares outstanding		13,204,000	13,204,000
Average number of preference shares outstanding		2,343,750	2,343,750
Profit per ordinary share, SEK		139	116
No dilution effect exists.			

Rental income

Rental income for the year amounted to SEK 3,393 million (2,013). The growth is a result of completed property transactions and is attributable to the transaction that took place in April, in which the subsidiary Heimstaden Bostad acquired properties in Norway. For the housing stocks, the average rental income is SEK 1,404 per square metre of time-weighted area (1,172).

The letting ratio for housing remained at a high and stable level of 97.3 percent (98.7) for the previous year. The somewhat lower level, compared with the preceding year, is attributable to vacated apartments that are to be renovated to a higher standard. Over the year, the vacated apartments accounted for 1.3 percent of the total, corresponding to a real letting ratio of 98.6 percent, a real vacancy ratio of 1.4 percent.

Property costs

Total property costs amounted to SEK 1,582 million (986). The change is mainly due to increased property volumes as a result of transactions made during the year.

Net operating income

Net operating income amounted to SEK 1,810 million (1,027) corresponding to a surplus ratio of 53.4 percent (51.0).

Central administration costs

Costs for central administration amounted to SEK 107 million (85), with the marginal increase mainly being attributable to the growth of the organisation.

Other operating income and operating costs

Other operating income relates primarily to external management income in the Norwegian and Danish management companies and is attributable to a small number of remaining external customers. Other operating costs consist entirely of impairment of goodwill.

Financial income and costs

Financial income amounted to SEK 53 million (6) and financial costs were SEK 806 million (465). The increased financial costs are mainly attributable to an increased loan portfolio as a consequence of a larger property portfolio and the loan-to-value ratio largely being maintained. The average interest rate on the Balance Sheet date for total borrowing, including derivatives and fees for unutilised credits increased to 1.87 percent (1.72), driven partly by a rising trend in underlying base rates. In the fourth quarter, the subsidiary, Heimstaden Bostad, issued bonds that helped offset the underlying increase in interest rates. About 57 percent (76) of the portfolio will switch interest rates within a year and a change in the base rate (Stibor, Cibor, Nibor) of 1 percent at any given time would, all else being equal, increase Heimstaden's interest costs (adjusted for the recognised interest rate cut) on an annual basis by approximately SEK 187 million (136) were rates to rise, and decrease them by approximately SEK 34 million (35) in the event that interest rates were to fall. The difference in sensitivity is explained by several credit agreements containing interest rate floor clauses restricting interest rate

changes on the downside, such that the base rate cannot be negative while the cost of outstanding and purchased interest rate derivatives can increase with negative market interest rates.

Other financial income

Other financial income in the Group amounted to SEK 50 million (0) and consisted of exchange rate differences. The amount reported under Financial income and costs relates mainly to the translation of interest-bearing liabilities in NOK that in legal terms have been borrowed in Sweden, with the liability financing investments in Norway, where the amount is recognised as an asset.

Profit from property management

Profit from property management amounted to SEK 989 million (515), with the change being attributable to increased volumes in property stocks.

Changes in the value of financial instruments

In accordance with the established financial policy and interest rate hedging strategy, Heimstaden uses interest rate derivatives to manage the Group's interest rate risk. The change in the value of derivatives amounted to SEK 11 million (24), of which unrealised SEK 49 million, acquired SEK 96 million and realised a negative SEK 134 million. At the end of the year, the market value of the current derivative portfolio amounted to SEK 18 million (negative 31). The nominal volumes of interest rate swaps amounted to SEK 21,182 million (8,528). In addition to these, there are agreements on interest rate ceilings with a nominal value of SEK 200 million (400) that today, in view of current strike levels, have no value and are, accordingly, not included in the calculations of key ratios.

Change in value of investment properties

As of 31 December 2018, the entire property portfolio had undergone an external valuation. Combined, the unrealised change in the value of the properties amounted to SEK 2,890 million (2,124). The segments Sweden, Norway and Denmark show positive changes in value of 3.6 to 4.5 percent. The changes are primarily explained by lowered direct return requirements in existing holdings. The direct return requirements in the valuation average 3.69 percent, compared with 3.86 percent at the end of the previous year year. During the year, properties were sold at a value of SEK 148 million with an effect on profit of SEK 11 million. After currency adjustment, the total change in value of properties amounted to SEK 2,744 million (2,202) in the Income Statement. The item also includes a downward adjustment in the value of acquired construction projects, as well as development properties and tenant-owned apartments in progress.

Tax

In addition to the current tax of SEK 145 million (76), the Group also reports deferred tax of SEK 396 million (601). The deferred tax consists primarily of temporary differences between carrying amounts and the consolidated cost of investment properties and financial instruments.

Consolidated Statements of Financial Position

Amounts in SEK million	Note	2018	2017
ASSETS			
Non-current assets			
Investment properties	A 1	76,249	50,285
Tangible fixed assets	A 3	22	6
Participations in associated companies and joint ventures	GS 1	123	108
Financial derivative instruments	F 1	18	–
Other financial non-current assets	F 4 GS 2 A 6	287	288
Total non-current assets		76,699	50,687
Current assets			
Development properties and tenant-owned apartments in progress	A 4	680	–
Accounts receivable	A 5	16	10
Other current receivables		863	406
Prepaid costs and accrued income	A 7	253	147
Cash and cash equivalents		4,775	1,393
Total current assets		6,587	1,956
TOTAL ASSETS		83,286	52,643

Investment properties

As per 31 December 2018, Heimstaden's property portfolio had a market value of SEK 76,249 million, compared with SEK 50,285 million at the end of the previous year. The total change in value amounted to SEK 2,890 million (2,124) and the remaining change in the carrying amount of the property portfolio consists of net corporate and property transactions, investments in existing stocks, as well as exchange rate effects.

For a more detailed description of Heimstaden's methodology for valuing properties, see Note [A1](#).

Participations in associated companies

Heimstaden holds shares in Rosengård Fastigheter and certain minor development projects.

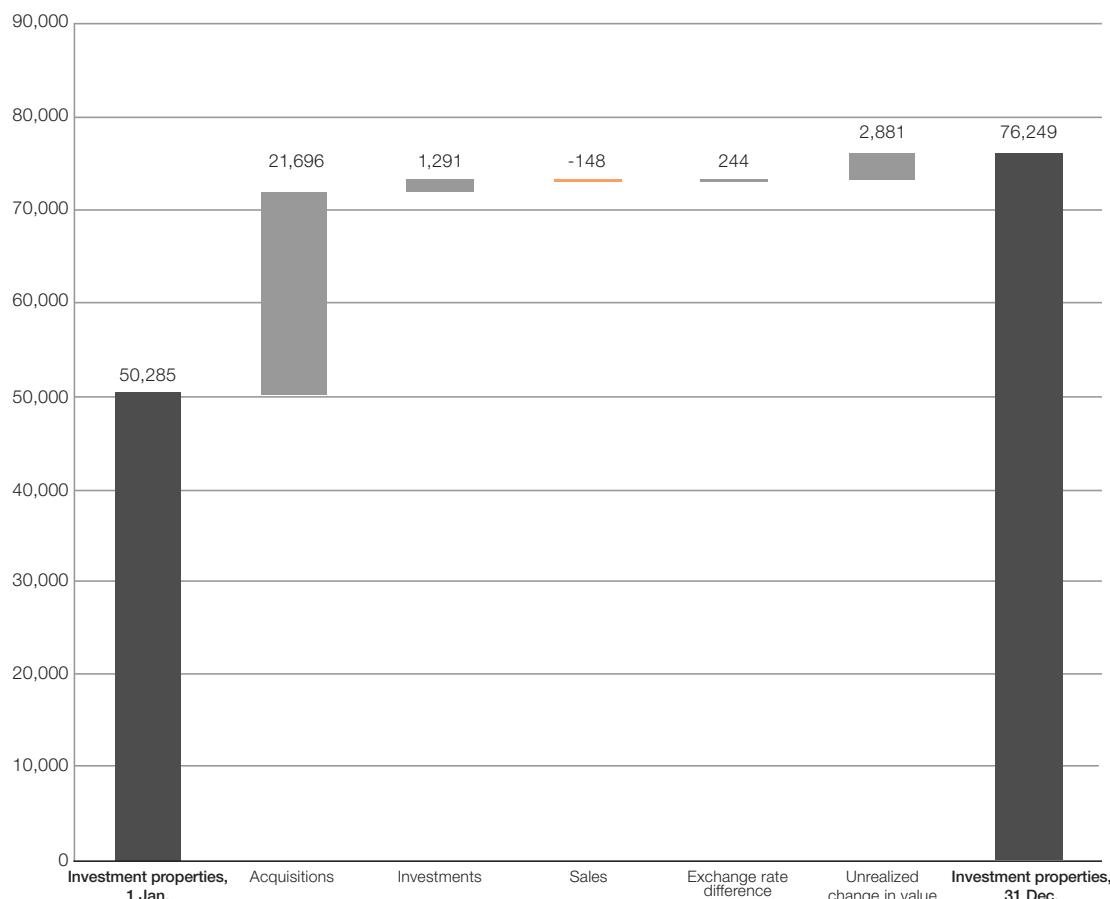
Other financial non-current assets

Other financial assets refer to loans provided to associated companies, as well as acquired, construction projects in progress to which Heimstaden has not yet gained access. These amounted to SEK 286 million at the end of the year.

Development properties and tenant-owned apartments in progress

In connection with the acquisition of the Norwegian investment properties, building rights and ongoing construction projects were also acquired. The item concerns the development and construction of condominium apartments in Oslo that are to be divested upon completion.

DEVELOPMENT OF INVESTMENT PROPERTIES FOR THE YEAR, SEK MILLION



Consolidated Statements of Financial Position

Amounts in SEK million	Note	2018	2017
EQUITY AND LIABILITIES			
Equity			
Share capital		78	78
Other capital contributions		729	729
Reserves		4	104
Retained earnings including profit for the year		15,689	8,018
Total equity attributable to Parent Company shareholders		16,500	8,928
Non-controlling interests		17,436	9,879
Total equity		33,936	18,807
LIABILITIES			
Non-current liabilities			
Long-term interest-bearing liabilities	F 1	38,195	27,882
Financial derivative instruments	F 1	–	31
Deferred tax liability	T 2	2,218	1,741
Total non-current liabilities		40,413	29,654
Current liabilities			
Current interest-bearing liabilities	F 1	7,492	3,054
Accounts payable		350	131
Current tax liabilities		99	97
Other current liabilities	OL 1	521	589
Accrued costs and prepaid income	OL 2	475	311
Total current liabilities		8,937	4,182
TOTAL EQUITY AND LIABILITIES		83,286	52,643

Consolidated Statements of Changes in Equity

Amounts in SEK million	Share capital	Other capital contributions	Currency-translation reserve	Retained earnings	Attributable to Parent Company shareholders	Non-controlling interests	Total equity
Equity, 31 Dec. 2016	78	729	15	6,680	7,502	1,474	8,975
Dividend, ordinary shares	–	–	–	-100	-100	–	-100
Dividend, preference shares	–	–	–	-47	-47	–	-47
Contributions from non-controlling interests	–	–	–	–	–	8,008	8,008
Dividend to non-controlling interest	–	–	–	–	–	-193	-193
Profit for the year	–	–	–	1,484	1,484	579	2,064
Other comprehensive income	–	–	89	–	89	10	99
Equity, 31 Dec. 2017	78	729	104	8,018	8,928	9,879	18,807
Dividend, preference shares	–	–	–	-47	-47	–	-47
Shareholder contribution, Fredensborg AS	–	–	–	5,737	5,737	–	5,737
Contributions from non-controlling interests	–	–	–	–	–	6,563	6,563
Dividend to non-controlling interest	–	–	–	–	–	-76	-76
Change in taxation	–	–	–	1	1	1	2
Profit for the year	–	–	–	1,979	1,979	1,225	3,204
Other comprehensive income	–	–	-100	–	-100	-155	-255
Equity, 31 Dec. 2018	78	729	4	15,689	16,500	17,436	33,936

Interest-bearing liabilities

At the end of the year, Heimstaden had interest-bearing liabilities amounting to SEK 45,687 million (30,936), of which 63 percent consist of covered property mortgages. With deductions for cash and cash equivalents, net liabilities increased by SEK 11,369 million, to SEK 40,911 million (29,543). Over the year, the Group's borrowing, including currency effects, had increased by SEK 14,751 million, relating primarily to acquisitions of properties, particularly in Denmark.

Of the interest-bearing liabilities, SEK 13,143 million (2,500) refers to bonds, SEK 15,080 million (10,484) is attributable to financing based on mortgage bonds, and SEK 17,464 million (17,952) are traditional bank loans. On the Balance Sheet date, unutilised credit facilities amounted to SEK 7,043 million (629).

Heimstaden has two outstanding debenture loans, both of which are listed on Nasdaq Stockholm. The bonds mature at floating rate of interest of 3m STIBOR +3 percent and 3m STIBOR +3.15 percent, although the interest rate may never be lower than the margin. In addition, the subsidiary Heimstaden Bostad has four outstanding bond loans. The bonds are listed in Oslo and Dublin and carry variable interest of 3m nibor +2.4 percent, fixed interest of 1.75 percent and variable interest of 3m stibor 1.5 percent and 3m stibor +2 percent.

The average period for which capital is tied up in Heimstaden's interest-bearing liabilities amounted 8.0 years (7.8). The largest proportion of loan maturities in an individual year amounts to 26 percent (33), maturing in 2020 (2020). At the same time, the average period of fixed interest, including the effect of derivatives, amounted to 2.06 years (1.11).

Deferred tax

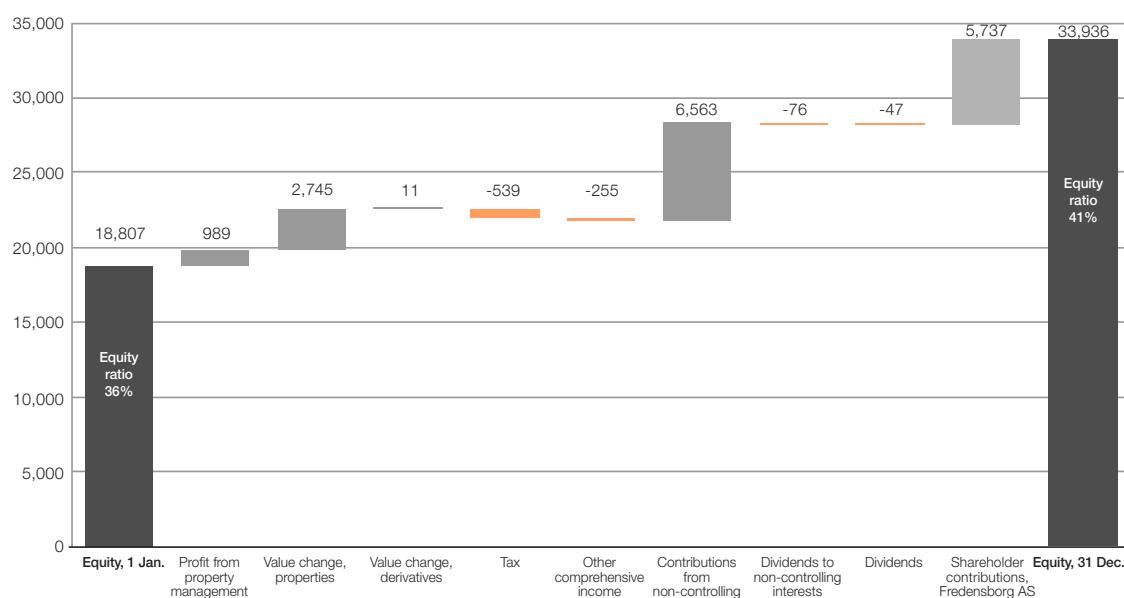
Deferred tax is calculated, at a nominal tax rate of 20.6 percent in Sweden, 22 percent in Denmark and 23 percent in Norway, on differences between the carrying amount and the consolidated cost of assets and liabilities. As a result of a changed tax rate in Sweden, from 22 percent to 20.6 percent, deferred tax has been recalculated and taken up as income of SEK 100 million in the Income Statement. At 31 December 2018, deferred tax, which is the net of deferred tax assets and deferred tax liabilities, amounted to SEK 2,218 million (1,741) and was, for the most part, attributable to investment properties. The remaining tax deficit in the Group amounts to SEK 1,669 million (405).

Equity

Equity amounted to SEK 33,936 million (18,807) and the equity/assets ratio was 41 percent (36). The change is attributable to profit, shareholder contributions of SEK 5,737 million, contributions from non-controlling interests and dividends. During the year, SEK 47 million (47) has been paid in dividends to holders of preference shares. Non-controlling interests amount to SEK 17,436 million (9,879) following Heimstaden Bostad implementation of several new share issues over the past year, two of which were implemented in the period at hand for a total SEK 11,414 million.

Heimstaden is exposed to currency risk associated with the Danish and Norwegian operations and associated with the EUR with regard to financing. The risk associated with bonds denominated in EUR has been hedged against SEK through swaps. The currency risk associated with the foreign operations is limited to net capital in each currency. The risk can also have a direct effect on profit thereby affecting equity.

EQUITY DEVELOPMENT OVER THE YEAR¹⁾, SEK MILLION



¹⁾ Profit from participations in associated companies is allocated to the relevant item.

Consolidated Cash Flow Statements

Amounts in SEK million	Note	2018	2017
Operating activities			
Profit before tax		3,745	2,740
Adjustments for non-cash items			
– Change in value of investment properties	IC 7	-2,744	-2,202
– Change in value of derivative instruments	F 3	-11	-24
– Other non-cash items		-101	6
Tax paid		-131	-43
Cash flow from operating activities before changes in working capital		758	477
Change in working capital			
Change in development properties and tenant-owned apartments in progress	A 4	-883	–
Change in current receivables		348	-316
Change in current liabilities		-489	618
Cash flow from operating activities		-266	779
Investing activities			
Property acquisitions	A 1	-9,018	-22,878
Investment in properties	A 1	-4,039	–
Acquisitions of other non-current assets		-158	-23
Deposits paid for acquisitions		-547	–
Other investments		-22	–
Property sales	A 1	155	-3
Acquisitions of subsidiaries		-2	1,146
Acquisitions of participations in associated companies	GS 1	-6	-82
Change in loans to associated companies		-47	-43
Change in financial assets		198	-210
Cash flow from investing activities		-13,486	-22,093
Financing activities			
Change in shareholder loans		–	-2,722
Change in interest-bearing liabilities	F 6	5,198	16,156
Redemption financial derivative instruments		-135	-8
Contributions from non-controlling interests		6,563	8,008
Dividend to non-controlling interest		-76	-193
Dividend to/contribution from Parent Company		5,737	-100
Dividend, preference shares		-47	-47
Cash flow from financing activities		17,241	21,095
Cash flow for the year		3,489	-219
Cash and cash equivalents at the beginning of the year		1,393	1,611
Currency effect in cash and cash equivalents		-107	1
Cash and cash equivalents at the end of the year		4,775	1,393
Disclosures on interest rates			
Interest paid amounts to		795	371
Interest received amounts to		55	4

Operating activities

Cash flow from operating activities, before changes in working capital, increased to SEK 758 million (477). The improvement is primarily a result of expanded property holdings and is reduced by Heimstaden paying corporate tax. After a reduction in working capital of SEK 463 million (301), cash flow from operating activities was SEK 295 million (779). The change in working capital is largely an effect of an increased Balance Sheet due to the expansion in Norway.

Investing activities

Cash flow from investing activities was negative in the amount of SEK 17,946 million (22,093). Most of the flow consists of corporate transactions, property transactions and property investments, of which most are attributable to acquisitions in Oslo, Copenhagen, and Malmö.

Financing activities

Cash flow from financing activities amounted to SEK 21,141 million (21,095). Most comprises changes in interest-bearing liabilities, contributions from minority interests and shareholder contributions from the majority shareholder Fredensborg AS.

Cash flow

Cash flow for the year amounted to SEK 3,489 million (negative 219) and cash and cash equivalents amounted to SEK 4,775 million (1,393).

Accounting principles and notes to the consolidated accounts

G GENERAL INFORMATION AND GENERAL ACCOUNTING RULES

G 1 General information

Heimstaden AB (publ), Corp. ID No. 556670-0455, is a limited liability company registered in Sweden with its registered office in Malmö, located at Östra promenaden 7A, SE-211 28, Malmö, Sweden. Heimstaden's preference share has been listed on Nasdaq First North Premier since 11 June 2015 under the ticker HEIM PREF. Heimstaden's operations consists of owning, developing and managing residential properties.

The Annual Report and consolidated accounts for the financial year 2018 have been approved for publication in accordance with a resolution by the Board of Directors on 30 April 2019. It is proposed that the Annual Report and consolidated accounts be approved by the Annual General Meeting on 24 May 2019.

G 2 Preparation of the consolidated accounts

The consolidated accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU. In addition, the consolidated accounts have been prepared in accordance with Swedish law through the application of the Swedish Financial Reporting Board's recommendation RFR 1 Supplementary accounting rules for groups.

The consolidated accounts comprise the Parent Company Heimstaden AB and the companies over which the Parent Company has a direct or indirect controlling influence, see Note [PCA 2](#) to the Parent Company accounts.

The functional currency for the Parent Company is Swedish kronor, which is also the reporting currency for the Group. The financial statements are presented in Swedish kronor rounded to the nearest SEK million unless otherwise stated.

Assets and liabilities are recognised at cost with the exception of investment properties and interest rate derivatives, which are valued and reported at fair value, and deferred tax, which is recognised at nominal value.

Non-current assets and liabilities consist, essentially, of amounts expected to be recovered or paid after more than 12 months of the Balance Sheet date. Current assets and liabilities consist, essentially, of amounts expected to be recovered or paid within 12 months of the balance-sheet date. Current liabilities to credit institutions include one year's agreed amortisation, as well as credits to be repaid during the coming years in accordance with the agreements.

The consolidated accounts have been prepared in accordance with the acquisition method. This means that, the subsidiaries' equity on acquisition, determined as the difference between the fair value of the assets and liabilities, is eliminated in its entirety. Accordingly, consolidated equity includes only that part of the subsidiaries' capital that has arisen following the acquisition. Profits for subsidiaries acquired or divested during the year are included in the Consolidated Statement of Comprehensive Income from and including the date on which the transaction took place, that is, when a controlling influence arose or ceased. Intra-Group sales, gains, losses and balances are eliminated in the consolidated accounts.

The portion of equity attributable to non-controlling interests is reported as specific item within equity, separate from the Parent Company's portion of equity. Its portion of profit for the period is also specifically disclosed.

Foreign subsidiaries are translated into SEK by translating the Balance Sheet at the exchange rate on the Balance Sheet date, with the exception of equity, which is recalculated at the historical exchange rate, while the Income Statement is translated at the average exchange rate for the period. Translation differences that occur are reported in other comprehensive income.

Transactions in foreign currency are translated into SEK at the exchange rate prevailing on the transaction date. Monetary assets and liabilities are translated at the exchange rate on the Balance Sheet date.

G 3 Acquisition

In connection with an acquisition, an assessment is made as to whether it is an acquisition of a business or of assets. A business acquisition is defined in accordance with IFRS3, requiring that the assets and liabilities acquired constitute a business operation. When an acquisition is made of net assets that do not constitute a business operation, this is classified as an asset acquisition.

Accordingly, an acquisition of an independent business operation constitutes a business acquisition and is reported in accordance with the acquisition method. The cost of a business acquisition consists of the fair value on the transaction date for the assets obtained, for liabilities incurred or taken over and for equity instruments issued by the acquirer in exchange for the controlling influence of the acquired entity. Acquired identifiable assets, liabilities and contingent liabilities are valued at their fair value on the acquisition date. If the cost of the acquired shares exceeds the sum of the fair value of the acquired identifiable assets, liabilities and contingent liabilities, the difference is reported as goodwill. If the acquisition cost is less than fair value calculated as above, the difference is reported in the Income Statement.

In connection with the acquisition of a subsidiary whose assets consist of a property and that lacks a management organisation, the acquisition is classified as an asset acquisition. The cost of the assets or net assets are allocated to the individual identifiable assets and liabilities based on their relative fair value at the time of acquisition.

G 4 Key assumptions and assessments

To be able to prepare the accounts in accordance with IFRS and generally accepted accounting principles, Management and the Board of Directors must make a number of key assumptions and assessments that affect the application of the accounting principles and the reported values of assets, liabilities, income, costs and other disclosures. These assumptions and assessments are based on historical experience and current information. The actual outcome may deviate from these estimates and assessments.

The assumptions and assessments deemed most significant mainly comprise valuations of investment properties. These valuations include estimates regarding future cash flows, return requirements, and changing conditions that could have a significant impact on the Group's profit and financial position. To reflect the uncertainty that exists in the assumptions made, a range of uncertainty of +/– 5 to 10 percent is usually stated in connection with property valuations.

In connection with the report, an estimate is made of the market value, which in the accounting context is referred to as fair value. Further information on valuation documentation and valuation methods applicable to property valuation is presented in Note [A 1](#).

G 5 Cash Flow Statements

Cash flow statements have been prepared in accordance with the indirect method in accordance with IAS7. This means that profit is adjusted for transactions that did not entail payments in or out and for income and costs attributable to investment and/or investment financing activities.

G 6 New accounting principles

In this Annual Report, the Group and Parent Company apply, for the first time, the new and amended standards and interpretations to be applied for financial years commencing 1 January 2018 or later. None of the new and amended standards and interpretations applied from 1 January 2018 have any significant impact on the financial statements of the Group or Parent Company. No new or amended IFRS has been applied prematurely.

IFRS 15 Revenue from Contracts with Customers

In the autumn of 2016, IFRS 15 Revenue from Contracts with Customers was adopted and the standard came into effect on 1 January 2018. The standard, including amendments from 2016, has been applied by the Group and Parent Company from this date with full retrospective recalculation. The purpose of the revenue standard is to provide a comprehensive and principle-based standard for all reporting of income. Heimstaden's income consists of rental income and income from property sales. In accordance with IFRS 15, rental income is divided into two parts: rental income and service income. Rental income refers to rent, including index adjustments, supplementary debiting for investments and property taxes. Service income refers to any other form of additional debiting, such as for TV, broadband, heating and cooling. The company's sales consist virtually exclusively of rental income. Under previous regulations, income from property sales could normally be reported on either the contract date or the access date. IFRS 15 entails sales income being reported on the access date instead. Heimstaden reports income from property sales on the access date. The recommendation also implies an expanded disclosure requirement regarding a sale if, for example, there is a variable or conditional purchase consideration and/or financing element. On the whole, IFRS 15 has not had any impact on reported income and reported profit.

IFRS 9 Financial instruments

In the autumn of 2016, IFRS 9 Financial Instruments was adopted by the EU. The standard replaces IAS 39 and entered into force on 1 January 2018 and has been applied by the Group and Parent Company from that date. Comparative information has not been recalculated but is reported in accordance with IAS 39.

The standard introduces new principles for the classification and valuation of financial assets, hedge accounting and credit provisions. The new principles regarding classification and valuation of financial assets build on an analysis of the company's purpose for the holding and on the asset's cash flow nature.

Derivative instruments will continue to be reported at fair value via the Income Statement. In accordance with IFRS 9, provisions for credit losses are made in accordance with a model based on expected losses. As a result of rent being invoiced in advance and rent losses historically having been small, claims are low. Amended principles for the impairment of loan receivables and accounts receivable have not affected the reported result and position, although the classification of certain financial instruments has changed. On the whole, IFRS 9 is not expected to have any material impact on the company.

Classification and valuation

All financial assets have previously been valued at fair value and will continue to be valued in the same way. The Group has made the assessment that loans and accounts receivable continue to meet the criteria for being reported at amortised cost.

Impairment of financial assets

The Group applies the simplified method for reserving expected loan losses for leases and accounts receivable. This entails taking into account expected credit losses over the remaining term into account. The financial assets covered by provisions for expected credit losses, in accordance with the general method, consist of cash and cash equivalents and other receivables. The transition to IFRS 9 has not materially affected the reserve for credit losses.

IAS 40 Investment properties

The amendments clarify when a property should be reclassified to be, or no longer be, an investment property. The amendments have been applied as of 1 January 2018 and do not have any material impact on the financial statements of the Group or the Parent Company.

G 7

New and amended accounting policies yet to come into effect

New and amended IFRS accounting principles yet to come into effect have not been applied prematurely in the preparation of the consolidated and Parent Company financial statements. Described below are the IFRS standards that may affect the consolidated or Parent Company financial statements. Other new or amended standards or interpretations published by IASB are not expected to have an impact on the consolidated or Parent Company financial statements.

IFRS 16 Leases

In the autumn of 2017, IFRS 16 Leases was adopted by the EU. The standard came into effect on 1 January 2019 and includes both the lessor and the lessee. Heimstaden's income consists mainly of rental income and is therefore subject to the regulations for lessors. For lessors, the regulations are predominantly unchanged, while, on the other hand, significant changes have been made to the regulations for lessees.

According to the new standard, lessees must report the commitment as a lease liability in the Balance Sheet. The right to use the underlying asset during the leasing period is reported as an asset. Depreciation of the asset is recognised in the Income Statement, as is interest on the lease liability. Leasing fees paid are reported partly as interest payments and partly as amortisation of the lease liability.

The standard excludes short-term leases and leases regarding low value assets. A short-term lease is one with a lease term shorter than 12 months from the start of the lease term. Leases including an option to buy cannot be classified as short-term leases. Leases of lesser value are those in which the underlying asset is of low value, the assessment being based on the value of the asset when new. Leases of lesser value are defined based on the value of the underlying asset being at most USD 5,000. The Group has chosen to apply this relief rule for short-term lease agreements and leases with low value.

According to the main rule in IFRS 16, non-leasing components shall be reported separately from the leasing component and expensed in the Income Statement. However, a lessee may choose not to separate non-leasing components from the leasing component and this choice is made based on asset classes. The Group has chosen to apply this relief rule.

Effects of the transition to IFRS 16

During 2018, the Group evaluated the effects of IFRS 16 and the new rules are not expected to have any material impact on the company. Heimstaden AB is a lessee regarding a few leasehold agreements and other minor leases. Heimstaden AB's assessment is that the transition to IFRS 16 will have no significant impact on the Group's profit and position or Cash Flow Statement.

The Group will apply IFRS 16 from 1 January 2019 and, accordingly, will not apply the standard retroactively. The leasing debt as of 1 January 2019 amounts to SEK 223 million, with a corresponding right-of-use asset also being reported.

G 8 Information about related parties**Related-party transactions**

The Group is under the controlling influence of Fredensborg AS, which holds 98.4 percent of the votes in the Parent Company, Heimstaden AB. The Parent Company in the group in which Heimstaden AB is included is Fredensborg AS. In addition to the related-party relationships specified for the Group, the Parent Company has a controlling influence over subsidiaries in accordance with Note [PC-A2](#) in the Parent Company's Balance Sheet.

Summary of related-party relationships

Heimstaden AB's net receivables from subsidiaries amounted to SEK 14,920 million (9,243) at the end of the financial year.

During the year, properties valued at SEK 8,080 million (8,169) were acquired in Norway from Heimstaden's sister group Fredensborg Ejendomsselskap AS, which is controlled by the Chairman of the Board of the company. The properties have been sold to the subsidiary Heimstaden Bostad AB, on the Board of which Heimstaden AB has no voting rights regarding internal acquisitions. Decision-making shareholders were Alecta and the Sandvik and Ericsson pension foundations.

During the year, Heimstaden paid out SEK 70 million (100) in dividends to Fredensborg AS, in accordance with a resolution by the Annual General Meeting. During the year, Fredensborg AS also provided shareholder contributions to Heimstaden of SEK 5,737 million (0). No further related-party transactions took place during the period.

During the year, Heimstaden AB and Heimstaden Förvaltnings AB sold management and administrative services to the Group for SEK 377 million (290). Interest on shareholder loans was paid in the amount of SEK 0 million (135.3).

Transactions with key individuals in leading positions.

The company's Chairman of the Board and companies he owns control 98.4 percent of the votes in Heimstaden AB. Regarding the remuneration of the Board of Directors and the salaries and other remunerations of the CEO and other executives, see Note [IC 5](#). The CEO and Deputy CEO hold shares in the subsidiary Heimstaden Bostad AB, and accordingly received dividends in 2018 and participated in the new share issue.

G 9 Events after the Balance Sheet date

On 8 January 2019, Heimstaden took possession of 24 properties in Denmark, totalling about 116,600 m², divided into 1,375 apartments and 50 commercial premises. The properties were acquired from a property fund managed by the Thylander Group. The agreed property value is DKK 1,520 million and the transaction was carried out as a business acquisition.

On 28 January 2019, Heimstaden agreed to acquire a project property containing 111 apartments from the Bach Group A/S. The property, which encompasses some 7,900 m², is under production and is expected to be completed in the summer of 2020. The agreed property value is DKK 336 million and the transaction is being conducted as a business acquisition.

On 26 February, Heimstaden's subsidiary, Heimstaden Bostad AB, issued debenture loan denominated in EUR under its existing EMTN programme. The issue amount amounts to SEK 7.4 billion with a term of 4.5 years. The loan has been converted to SEK and NOK via currency derivatives.

On 27 March, Heimstaden acquired 536 residential properties in the Netherlands for EUR 1.4 billion by means of business acquisitions. The lettable area amounts to approx 805,900 m², of which approximately 793,800 m² is housing, with 9,544 apartments, and approximately 12,100 m² is commercial space.

On 27 March, through sales of shares in subsidiaries, Heimstaden transferred managed properties and property projects in progress in Denmark and Sweden for a value of SEK 16,247 million to Heimstaden Bostad. The transferred items consist partly of properties under property management with a property value of SEK 4,797 million and, partly, on-going and future property projects for a value of about SEK 11,450 million (on completion). The transferred managed properties are spread geographically across Denmark and the projects are located primarily in Sweden. Rental income from the managed properties amounts to SEK 221 million annually and the net operating income to SEK 135 million.

On 4 April, Heimstaden AB issued hybrid bonds for SEK 2 billion on the Nordic capital market. The hybrid bonds are issued under a loan framework totalling SEK 5 billion with the possibility of issuing in both SEK and EUR. The initial interest rate for the SEK-denominated hybrid bonds was set at three-month STIBOR +590 basis points. The hybrid bonds have a perpetual term, with a first possible repayment date after 5.5 years, and will be reported in the accounts as equity. The company intends to apply for admission for trading of the hybrid bonds on Nasdaq Stockholm. The date of the issue date is set as 11 April 2019. The issue proceeds are intended to be used for general business purposes, including investments and acquisitions, both within Heimstaden and Heimstaden Bostad, as well as their respective subsidiaries.

The financial statements form part of the Annual Report and were signed by the Board of Directors and the CEO on 30 April 2019.



IC**INCOME AND COSTS****Income accounting**

Income consists of rents and individual external property management assignments. Rent is charged in advance and rental income is allocated linearly, thus only rent charged for the period is reported as income. Gross rent includes items relating to subordinated costs from negotiated options, such as digital services, alarms, TV and Internet, but also property tax and heating. Prepaid rent is reported as prepaid income and income from external property management assignments is reported on an ongoing basis over the contract period.

Property sales are reported when the material risks and benefits have been transferred to the buyer. In principle, such income is reported on the access date, as long as this does not contravene specific terms of the purchase agreement. When selling a property through a company, the underlying price of the property, the estimated tax and sales costs are reported net. The profit from the sale is reported as a change in value.

Property costs consists of both direct and indirect costs. Direct costs relate to expenses for operation, maintenance, ground rent and property tax, while indirect costs comprise easing, rental, property administration and accounting.

Leases

Leases in which all of the risks and benefits associated with ownership remain with the lessor are classified as operating leases. All lease agreements linked to Heimstaden's investment properties have been considered to be operating leases. Leasehold agreements have been viewed as operational leases, with ground rent payments being reported as a cost in the period to which they relate. Heimstaden is also the lessee for a smaller number of leases concerning, among other things, cars and office equipment, which have been regarded as operational leases. Payments made during the lease period are expensed linearly over the lease period in the Income Statement.

Profit from property management

IAS 1 prescribes what information is to be reported in the Income Statement and how this information may be presented. What is prescribed and described is not exhaustive nor specific to Swedish property management companies. A clear praxis has emerged among property management companies whereby profit from property management is reported in a section in the Income Statement, with changes in the value of properties and derivatives in a separate section between profit from property management and profit before tax.

Taking into account that Heimstaden manages and assesses its operations based on profit from property management and in view of practices within the sector, the company has chosen to report changes in the value of investment properties and interest rate derivatives in its own section between profit from property management and profit before tax.



IC 1 Segment reporting

Accounting principles

Heimstaden organises and governs its activities based on geographical areas. These geographical areas form the basis of the definition of segments. Group management follows up net operating income and changes in the value of investment properties in the identified reportable segments, other income items are not allocated by segment. On the asset side, investment properties and interest-bearing liabilities are monitored. Heimstaden has identified five segments consisting of the geographical areas of Sweden, Denmark, Norway, Germany and the Netherlands. In the segments' profits, assets and liabilities have included directly attributable items and items that can be allocated to the segments in a reasonable and reliable manner. Heimstaden's business concept is to own, develop and manage residential properties and this is why no segments other than the geographical areas have been identified.

	Sweden	Denmark	Norway	Germany	Netherlands	Group in total
	Dec. 2018	Dec. 2018	Dec. 2018	Dec. 2018	Dec. 2018	Dec. 2018
INCOME STATEMENT						
Rental income	2,039	744	604	5	1	3,393
Property costs	-1,054	-287	-235	-6	-	-1,583
Net operating income	985	457	369	-1	1	1,810
Central administration costs, unallocated	-	-	-	-	-	-107
Other income and costs, unallocated	-	-	-	-	-	-12
Financial income and costs	-417	-110	-170	-5	-	-702
Profit from property management	568	346	199	-6	1	989
Change in value of investment properties	1,570	840	396	-58	-3	2,745
Change in value of derivatives	73	-64	2	-	-	11
Profit before tax	2,211	1,122	597	-64	-2	3,745
BALANCE SHEET						
Investment properties	35,995	23,784	15,530	703	236	76,249
Development properties and tenant-owned apartments in progress	-	-	680	-	-	680
Assets	3,137	2,575	198	441	6	6,357
Total assets	39,132	26,360	16,408	1,144	243	83,286
Equity, unallocated	-	-	-	-	-	33,936
Liabilities to credit institutions	18,744	12,870	413	375	142	32,544
Debenture loan, unallocated	-	-	-	-	-	13,143
Other liabilities	1,584	952	253	776	99	3,663
Total equity and liabilities	20,328	13,822	666	1,151	241	83,286
Investments in investment properties	862	145	284	0	0	1,291

	Sweden	Denmark	Norway	Germany	Netherlands	Group in total
	Dec. 2017	Dec. 2017	Dec. 2017	Dec. 2017	Dec. 2017	Dec. 2017
INCOME STATEMENT						
Rental income	1,622	309	82	-	-	2,013
Property costs	-834	-117	-36	-	-	-986
Net operating income	788	193	46	-	-	1,027
Central administration costs, unallocated	-	-	-	-	-	-85
Other income and costs, unallocated	-	-	-	-	-	32
Financial income and costs	-373	-48	-38	-	-	-459
Profit from property management	415	145	8	-	-	515
Change in value of investment properties	2,014	664	-477	-	-	2,202
Change in value of derivatives	27	0	-3	-	-	24
Profit before tax	2,456	809	-472	-	-	2,740
BALANCE SHEET						
Investment properties	30,320	12,325	7,640	-	-	50,285
Assets	1,202	822	334	-	-	2,358
Total assets	31,522	13,147	7,974	-	-	52,643
Equity	-	-	-	-	-	18,807
Liabilities to credit institutions	16,197	7,221	5,018	-	-	28,436
Debenture loan, unallocated	2,500	-	-	-	-	2,500
Other liabilities	2,315	378	207	-	-	2,900
Total equity and liabilities	18,512	7,599	5,225	-	-	52,643
Investments in investment properties	316	2	75	-	-	393

IC 2 Rental income

	2018	2017
Housing	3,124	1,763
Premises	221	214
Garages and parking spaces	48	36
Total	3,393	2,013

Lease maturities	Number of contracts	Estimated contract value, 2018	Portion of value, %
2019	485	58	1
2020	343	66	2
2021	271	70	2
2022	140	36	1
2023–	89	99	2
Total, premises	1,328	329	8
Vacant premises	830	30	1
Housing, 97	38,336	3,519	89
Garages and parking spaces	15,681	63	2
Total	56,175	3,941	100

Leases for housing, which represent 89 percent (88) of the total contract value, are normally signed "until further notice", with a normal term of notice for the tenant of three months.

Leases for premises are normally signed with a contract period of three to five years and are normally index-adjusted.

**IC 3** Property costs

Operation includes costs for electricity, heating, water, property management, cleaning and insurance. Maintenance costs consist of both periodic and ongoing measures to maintain the properties' standard. Property management refers to rental costs, financial services and certain overarching property management services.

Property costs	2018	2017
Operation	989	603
Maintenance	344	212
Property tax	86	35
Ground rent	3	2
Direct property costs	1,422	852
Property administration	155	132
Amortisation and depreciation	6	2
Total	1,583	986

Property costs, SEK/m ²	2018	2017
Operation	409	354
Maintenance	142	125
Property tax	36	21
Ground rent	1	1
Direct property costs	588	501
Property administration	64	77
Amortisation and depreciation	2	1
Total	654	579

Operating costs, SEK/m² are calculated on time-weighted area.

IC 4 Central administration costs

Central administration costs include costs at a Group-wide level that are not directly attributable to property management, such as costs for the Board of Directors, CEO, Group management and company costs pertaining to information to shareholders, for example, maintenance of stock exchange listing and production of annual and quarterly reports. Costs for central administration also include, remuneration to the auditors, in accordance with the table below:

EY	2018	2017
Audit	7	4
Auditing activities beyond the audit	2	1
Tax consultancy	1	0
Other assignments	0	0
Total	10	5

Moore Stephens	2018	2017
Audit	2	2
Auditing activities beyond the audit	0	0
Tax consultancy	–	–
Other assignments	–	–
Total	2	2

Total	2018	2017
Audit	9	5
Auditing activities beyond the audit	2	1
Tax consultancy	1	0
Other assignments	–	0
Total	12	6

IC 5 Personnel and senior executives**Accounting principles**

Employee benefits in the form of salaries, paid vacation, paid absence due to illness, etc. are reported as employees perform services in exchange for compensation. Pensions and other post-employment benefits may be classified as defined contribution plans or defined benefit plans. All of Heimstaden's pension obligations consist of defined contribution plans, which are met through ongoing payments to the independent authorities or organisations that administer the plans. Obligations regarding defined contribution plans expensed in the Income Statement as they are incurred.

	2018	2017
Average number of employees		
Average number of employees	406	227
of whom, women	153	87
Salaries, remuneration, social security and pension costs have been paid as follows:		
Chairman of the Board	0	0
CEO (Board Member)	2	2
Base salary	0	0
Benefits	1	1
Pension costs	3	3
Deputy CEO (Board Member)	2	2
Base salary	0	0
Benefits	1	1
Pension costs	3	3
Board Member, John Giverholt	2	2
Board fees (SEK thousands)	–	–
Board Member, Ossie Everum	250	250
Board fees (SEK thousands)	–	–
Other senior executives:		
Base salary	14	4
Benefits	1	0
Pension costs	1	1
	16	5
The CEO and Board Members have been paid variable remuneration of SEK 0 million (0)		
Other employees:		
Salaries	186	101
Benefits	2	1
Pension costs	13	8
	201	110
Social security costs	52	36
Board Members and senior executives		
Board Members	4	4
of whom, women	–	–
CEO and senior executives	12	6
of whom, women	5	3



cont. Note IC 5

Remunerations

Between the company and the CEO, a mutual notice period of six months applies. In the event of termination by the company, severance pay corresponding to 18 months salary is to be paid. Between the company and Board Members, a mutual notice period of three months applies. For senior executives and other employees, the customary pension commitments within the framework of general pension plans apply. In addition to customary pension, the company has taken out pension insurance for the CEO with annual premiums corresponding to 10 percent of gross salary.

The Board of Directors and company management are presented on pages 92–95.

IC 6 Other operating income

	2018	2017
External property management assignments	10	3
Other operating income	–	33
Total	10	36

IC 7 Value change, properties

	2018	2017
Sales income	11	1,125
Carrying amount at the beginning of the year, properties sold	–148	–1,048
Unrealised value change attributable to change in return requirement	1,451	1,133
Unrealised value change attributable to change in net operating income	1,430	991
Total	2,744	2,201

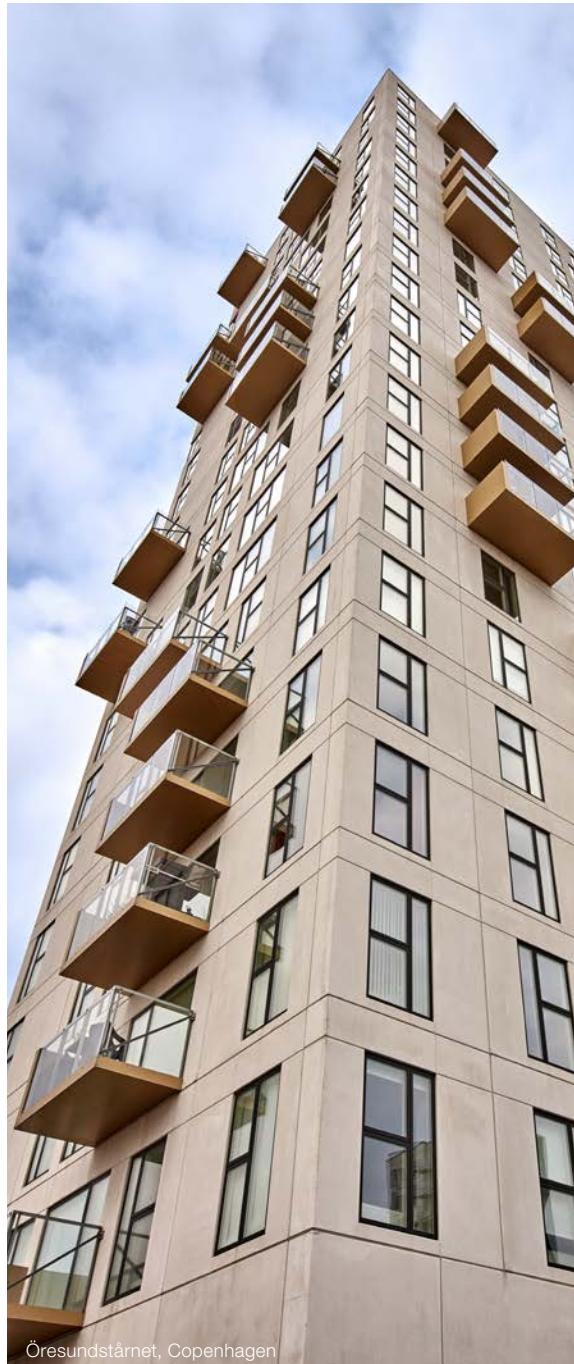
IC 8 Other comprehensive income

	2018	2017
Exchange rate difference	–255	99
Total	–255	99

T TAX

Accounting principles

Tax income and costs for the year consist of current and deferred tax. Taxes are reported in the Income Statement except where the underlying transaction is recognised directly in equity, upon which the associated tax effect is also recognised directly in equity. Current tax is calculated based on the applicable tax rate, deferred tax is calculated based on approved future tax rates in Sweden, Norway and Denmark.



T 1 Current and deferred tax

Accounting principles

Current tax is calculated based on taxable profit for the period, and reported as an income or cost in the Income Statement. Taxable profit for the year differs from the reported profit for the year in that it has been adjusted for non-taxable and non-deductible items. Current tax also includes adjustment of current tax attributable to earlier periods

	2018	2017
Current tax	-145	-75
Deferred tax	-396	-601
Total	-541	-676
Reported profit before tax	3,745	2,740
Tax according to current rate	-824	-598
Tax effect of:		
Non-taxable income	65	0
Non-deductible costs	-29	-4
Non-taxable profit on disposal of participations	134	34
Tax on participations in profit of associated companies	4	3
Negative value change in properties acquired during the year	-	-110
Revaluations, deferred tax, 20.6%	106	-
Tax attributable to previous years	3	-1
Total	-541	-676

T 2 Deferred tax**Accounting principles**

In accordance with the Balance Sheet method, deferred tax is calculated on temporary differences between the reported and taxable values of an asset or liability. Exceptions are made for temporary differences arising on initial reporting of assets and liabilities constituting asset acquisitions. All tax receivables and liabilities are valued at nominal amounts in accordance with the determined tax regulations and tax rates.

A deferred tax asset represents a reduction of future taxes relating to deductible temporary differences, tax-loss carryforwards or other tax deductions. Deferred tax assets are recognised in the Balance Sheet for tax-loss carryforwards and deductible temporary differences to the extent that the amounts are likely to be utilised against future taxable surpluses. In Heimstaden, there are four items with temporary differences: properties, interest rate derivatives, untaxed reserves and tax-loss carryforwards.

A deferred tax liability relates to taxable temporary differences to be paid in the future. Deferred tax liabilities in the Group mainly relate to differences in the estimated fair value and tax value of properties, as well as differences between the fair value and cost of interest rate derivatives.

The year's property acquisitions through companies have been classified as asset acquisitions, meaning that deferred tax existing on the acquisition date is not included in the consolidated Balance Sheet.

According to the accounting regulations, deferred tax is reported in accordance with applicable tax rates and without discounting. The actual tax rate is significantly lower, partly due to the time factor and partly as a result of current opportunities to sell properties in a tax-efficient manner.

	2018		2017	
	Basis	Tax 22% and 20.6%	Basis	Tax 22%
Deferred tax receivables				
At the beginning of the year	-403	-89	-425	-94
Corporate acquisitions	-975	-215	-	-
Changed tax rate	-	6	-	-
Change for the year	-170	-35	22	5
At the end of the year	-1,548	-333	-403	-89
Deferred tax liability				
At the beginning of the year	8,347	1,836	5,569	1,225
Corporate acquisitions	1,046	230	97	21
Depreciation for the year	119	24	89	20
Value change for the year	2,665	563	2,678	589
Reversal for the year due to sale	-	-	-86	-19
Changed tax rate	-	-106	-	-
At the end of the year	12,177	2,547	8,347	1,836
Interest-rate derivatives				
At the beginning of the year	-31	-6	-56	-12
Changed tax rate	-	0	-	-
Change for the year	49	9	25	6
At the end of the year	18	3	-31	-7
Net deferred tax				
At the beginning of the year	7,913	1,741	5,088	1,119
Corporate acquisitions	71	15	97	21
Changed tax rate	-	-100	-	-
Change for the year	2,663	562	2,728	600
At the end of the year	10,647	2,218	7,913	1,741

A ASSETS

A 1 Investment properties

Accounting principles

Investment properties are properties held to generate rental income and/or increases in value. The concept of investment properties includes buildings and land, groundwork, construction and groundwork equipment, as well as work in progress. In addition, properties under construction or being developed for future use as investment properties are reported as investment properties. If the Group initiates an investment in an existing investment property for continued use as investment property, the property continues to be reported as an investment property.

Investment properties are initially reported at cost including costs directly attributable to the acquisition. Following initial recognition, investment properties are reported at fair value in the Balance Sheet with the change in value in the Income Statement. Fair value is based on an internal valuation of each property and these valuations are conducted at the end of each quarter. To safeguard these valuations, external valuations are obtained annually from valuation companies for all properties as per the closing date of the annual accounts. The Group also examines continuously whether there are any other indications of changes in the value of the properties. These may comprise, for example, major lease agreements, terminations and material changes in the return requirement.

Value changes comprise realised and unrealised changes in value and are reported net for all properties. The unrealised change in value is calculated on the basis of the valuation at the end of the financial year compared with the same period in the previous year plus capitalised, value enhancing investments during the year.

For properties acquired during the year, unrealised changes in value are calculated as the difference between the valuation at the end of the financial year and the cost of the acquisition plus any value-enhancing investments.

Realised changes in value are calculated as the difference between the sales price less sales costs and value-enhancing investments undertaken following the most recent year-end accounts and the cost stated in the most recent year-end accounts. Additional costs of a value-enhancing nature are capitalised and include costs for repairs and maintenance, which are expensed in the period in which they are incurred.

cont. Note A 1

	31 Dec. 2018	31 Dec. 2017
Fair value at the beginning of the year	50,285	26,330
Acquisition	21,696	22,194
Investments	1,291	393
Sales	-148	-1,048
Currency change	244	292
Unrealised value change	2,881	2,124
Fair value at the end of the year	76,249	50,285

Breakdown by category

Residential properties	71,865	46,426
Project properties	3,619	3,751
Land and building rights	765	108
Total	76,249	50,285

Valuation model

Heimstaden reports its investment properties at fair value, i.e. market value, and has valued each individual property externally as per 31 December 2018.

The external valuations were conducted by Newsec and Forum Fastighetsekonomi for Sweden, Sadolin & Albæk for Denmark, and Eie Eiendomsmegling, Aktiv Eiendomsmegling and Nyverdi AS for Norway, as well as CBRE for Germany and the Netherlands. The valuations were made in accordance with the International Valuation Standards (IVSC) and the European Valuation Standard and guidance notes from The European Group of Valuer's Association (TEGoVA) through its national industry organisations (Samhällsbyggarna – SFF in Sweden, Norges Takseringsforbund – NTF in Norway, and Dansk Ejendomsmaæglerforening – DE in Denmark). The Danish, German and Dutch valuations are also prepared in accordance with Practice Statements and Relevant Guidance Notes by RICS.

In Sweden, Denmark, Germany and the Netherlands, as well as for premises in Norway, the valuation is performed through a combination of spot price analysis and market simulation using cash flow statements based on the each unit's net operating income. Based on the estimated net operating income, a simulation is performed for the ensuing ten years' earnings capacity and a present value is calculated based on annual flows and a terminal value calculated according to the Gordon growth model. The sum of the calculated present values represents the estimated market value of the property.

The Norwegian valuations for housing are performed as traditional local price analyses, taking into account the structure and content of the lease. The basis for this is that an apartment can either be rented or sold as a condominium apartment or tenant-owner apartment.

Valuation hierarchy

The fair value of the property portfolio is based on level two and level three input data under the valuation hierarchy in IFRS 13. The valuations are classified as being within level two for housing in Norway and within level three for Denmark, the Netherlands, Sweden and Germany, as well as for premises in Norway.

Valuation basis for investment properties

For housing in Sweden, Denmark, Germany and the Netherlands, valuations are performed on the basis of rent levels, specific rent surcharges and any discounts. For premises, the basis consists of rent, lease term, indexation and any surcharges, such as for heating, water and electricity. Estimates of operating and maintenance costs are based on the historical cost of the property, investments made and the external valuer's knowledge of costs for comparable items. The latter is an important part of the valuation, since active decisions and the owner's organisation affect the reported cost. Consequently, the operating costs in a valuation may differ, either positively or negatively, from the reported cost. The costs vary for each individual property, depending on the type of property, its standard and function. For each property, an anticipated long-term vacancy rate has been assigned to which the current opening vacancy is "normalised" during the valuation period.



cont. Note A 1

In addition to the above, the basis of valuation also includes property prices for sales of properties, tenant-owned apartments and condominium apartments.

In Norway, valuation is based on publicly available brokerage statistics for all apartments sold in the immediate vicinity of each property.

Project properties, Land and building rights

Classified as project properties are those under construction, extension or remodelling. Project properties are valued on the basis of the completed project, less remaining investments. Depending on the phase to which the project has progressed, there is a risk premium on the return requirement.

Building rights are valued on the basis of an estimated market value for established building rights in accordance with detailed plans that have entered legal force, or where detailed plans are expected to enter legal force in the near future.

Assumptions

In the valuation, key assumptions are made based on future cash flow, i.e. future net operating income, and assumptions regarding return requirements.

Assumptions regarding cash flow

Heimstaden's property portfolio consists mainly of residential properties, where rent level trends are regulated in Sweden but unregulated in Denmark, Norway, Germany and the Netherlands. The long-term rent and cost trends are assumed to correspond to the anticipated long-term inflation level and inflation target. The valuation is based on a normalised level of operating and maintenance costs, excluding property tax and land leasehold payments, at between SEK 240 and SEK 510 per square metre.

Assumptions regarding return requirements

The return requirement assumes a real interest rate (risk-free interest rate less inflation) and a risk premium, where the risk premium is specific for each property. The risk premium is based on property-specific characteristics, such as the property's location, in terms of both location and micro location, area advantage, technical standard, alternative use and who is the most likely buyer, etc.

cont. Note A 1

+ 10-year government bond	0.69%
- Inflation	-2.00%
+ Risk premium	2.26% to 9.81%
= Return requirement	0.95% to 8.50%

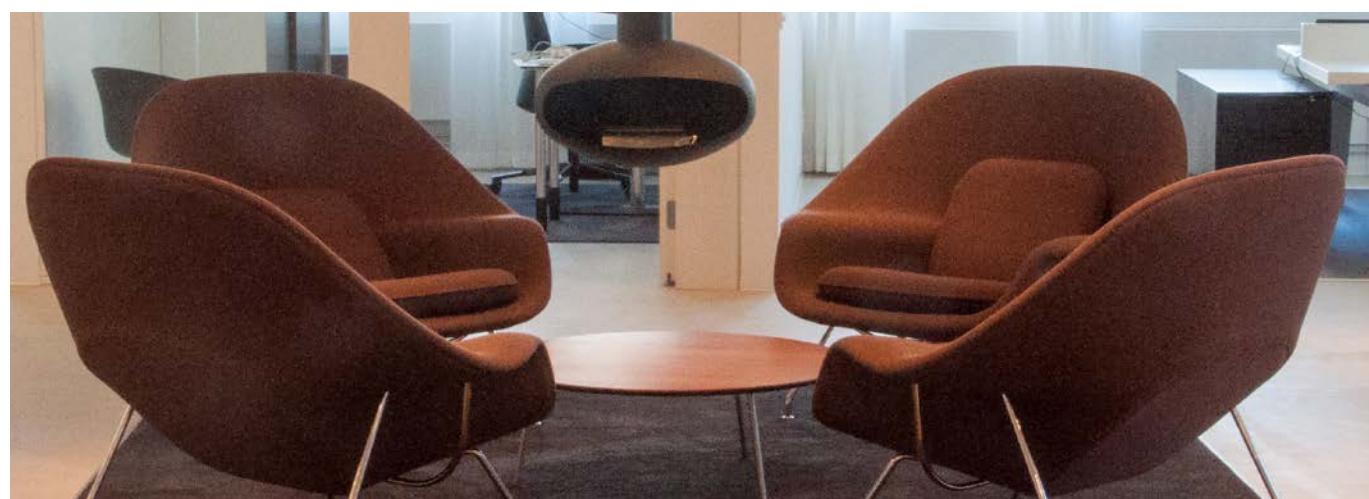
At the end of the financial year, the average initial return requirement was 3.69 percent for the entire portfolio. Broken down by segment as below:

Segments	Return requirement, %
Sweden	3.86
Norway	3.74
Denmark	3.41
Germany	2.70
Netherlands	3.55
Average	3.69

Acquisitions after the Balance Sheet date

After the Balance Sheet date, Heimstaden has agreed to acquire properties with access dates after the Balance Sheet date. Since Heimstaden has not taken possession of the properties, they are not included in the financial statements.

Segments	Anticipated possession	Contracted property value
Denmark	2020	462
Netherlands	2019 Q2	14,295
Total		14,757



cont. Note A 1

Uncertainty interval and sensitivity analysis

The fair value (price) of a property can only be determined when it is sold. Property valuations are estimates that build on accepted principles based on certain assumptions, as explained above. Accordingly, the valuation naturally includes a degree of uncertainty in the assumptions made. The valuation is assured and uncertainty is minimised through ongoing valuation work and by evaluating completed sales in Heimstaden's property portfolios and those of others.

Generally, market value is displayed in a value range of +/-10 percent to reflect the uncertainty in the assumptions. The reported property value per 31 December 2018 amounted to SEK 76,249 million. With an uncertainty interval of +/-5 percent, this value is affected by SEK 3,812 million and at +/-10 percent, the value is affected by SEK 7,625 million.

Presented below is a more detailed sensitivity analysis linked to the above-mentioned significant assumptions regarding return requirements and net operating income. Since rental income from housing is regulated in certain countries, the principal risk for a change in net operating income lies in the costs. Note that the following sensitivity analysis has been made in accordance with the present value method and that the change in return requirement and net operating income is one for the year at hand.

Total property value and broken down by segment

The total property value, measured at fair value, amounts to SEK 76,249 million (50,285). This value includes unrealised value increase for 2018 of SEK 2,881 million (2,124). Expressed as a percentage, the unrealised increase in value is 3.9 percent (4.4) of the total property value before changes in value. The total property value breaks down by segment as shown below.

Change in market value of investment properties	Total	Sweden	Denmark	Norway	Germany	Netherlands
Market value of investment properties, 31 Dec. 2017	50,285	30,320	12,325	7,640	0	0
Sales during the period	-148	-135	-13	0	0	0
Acquisitions during the period	21,696	3,404	10,138	7,139	775	240
Investments during the period	1,291	864	143	284	0	0
Currency change	244	0	345	-87	-14	-1
Market value after transactions	73,368	34,453	22,938	14,976	761	239
Unrealised value change	2,881	1,552	844	545	-58	-3
Market value of investment properties, 31 Dec. 2018	76,249	36,005	23,782	15,521	703	236

A 2 Goodwill**Accounting principles**

Goodwill arising on the preparation of consolidated accounts, consists of the difference between the cost and the Group's share of fair value of acquired subsidiaries' identifiable net assets on the acquisition date.

In Heimstaden, the goodwill item refers to the acquisition of the associated company Heimstaden Project development AB, Corp. ID No. 559001-2340. The acquisition comprised a business combination in accordance with IFRS 3. Goodwill arose as an item that could not be deducted from the fair value of assets and liabilities in the acquisition analysis. The goodwill item was impaired to 0 because it could not be defended on the Balance Sheet date.

	31 Dec. 2018	31 Dec. 2017
Opening balance	-	-
Business combinations	42	16
Impairment for the year	-42	-16
Closing balance	-	-

Acquisition analysis for Heimstaden Projektutveckling AB

Equipment	0
Other assets	8
Banking	1
Current liabilities	-7
Acquired net assets	2
Purchase consideration paid	44
Goodwill	42

Property value at other yield requirements

0.75 – unit lower	96,212
0.50 – unit lower	88,596
0.25 – unit lower	82,100
Market value of properties on Balance Sheet date	76,249
0.25 – unit higher	71,606
0.50 – unit higher	67,307
0.75 – unit higher	63,497

Property value on changed net operating income

2.00 percent higher net operating income	78,019
1.50 percent higher net operating income	77,638
1.00 percent higher net operating income	77,256
Market value of properties on Balance Sheet date	76,249
1.00 percent lower net operating income	75,731
1.50 percent lower net operating income	75,350
2.00 percent lower net operating income	74,969

A 3 Tangible fixed assets**Accounting principles**

Tangible fixed assets comprise equipment and are reported at cost plus revaluations and less depreciation and impairment. The cost includes expenses directly attributable to the acquisition of the asset.

Depreciation, which is applied linearly over the estimated useful life, normally amounts to five years and is reported in the Income Statement.

Non-current assets are impaired when the carrying amount exceeds the recoverable amount, individual testing is performed for each asset when there is an indication of impairment.

	31 Dec. 2018	31 Dec. 2017
Equipment		
Opening amortised cost	19	17
Corporate acquisitions for the year	-	0
Investments for the year	22	2
Closing amortised cost	42	19
Opening accumulated depreciation	-14	-12
Depreciation for the year	-6	-2
Closing accumulated depreciation	-20	-14
Closing planned residual value	22	6

A 4 Development properties and tenant-owned apartments in progress

Accounting principles

The properties in production and to be sold on completion are reported in the Balance Sheet on the line Development properties and tenant-owned apartments in progress. The item is reported on an ongoing basis at cost or net sales value if this is lower. The profit is reported when the development property or tenant-owned apartment has been completed, sold or transferred to a buyer.

	31 Dec. 2018	31 Dec. 2017
Opening cost	–	–
Corporate acquisitions for the year	883	–
Currency change	-40	–
Unrealised value change	-164	–
Closing amortised cost	680	–

A 5 Loan and rent receivables

Accounting principles

Financial assets that have fixed or determinable payments and that are not listed in an active market are reported as receivables. Following individual valuation, loan receivables, accounts receivable and rent receivables are reported in the amounts expected to be received. This means they are reported at cost less provisions for expected credit losses.

On 21 December 2018, accounts receivable amounted to SEK 16 million (10). The Group has chosen to apply the simplified method for reserving expected loan losses for leases and accounts receivable. This means that expected credit losses are reserved for the remaining term, which is expected to be less than one year for all receivables. Rent is invoiced in advance, meaning that all reported rent receivables and accounts receivable have fallen due for payment. The Group makes provisions for expected credit losses based on historical credit losses and forward-looking information. Heimstaden's customers have similar risk profiles, which is why the credit risk is initially assessed collectively. Any major individual receivables are assessed per counterparty. Heimstaden writes off a receivable when there is no longer any expectation of receiving payment and when active measures to obtain payment have been discontinued. As of 31 December 2018, no provisions had been made for expected credit losses on lease receivables and accounts receivable, see Note F 1.

A 6 Receivables from associated companies

	31 Dec. 2018	31 Dec. 2017
Opening balance	75	32
Loans granted	47	43
Closing balance	122	75
Company/Corp. ID No./Receivable		
Gamlebro AB, 556791-3990	75	75
Slagteristræde A/S, 38632035	17	–
Windrose A/S, 39754134	29	–
Total	122	75

A 7 Prepaid costs and accrued income

	31 Dec. 2018	31 Dec. 2017
Prepaid insurance premium	4	3
Prepaid interest	95	36
Other accrued items	154	108
Closing balance	253	147

OL OPERATING LIABILITIES

OL 1 Other current liabilities

	31 Dec. 2018	31 Dec. 2017
Deposits from tenants	225	232
Resting trial costs	48	48
Liabilities to associations in Norway	–	166
Other items	248	143
Total	521	589

OL 2 Accrued costs and prepaid income

	31 Dec. 2018	31 Dec. 2017
Personnel costs	37	29
Accrued interest	34	22
Prepaid rent	242	209
Other accrued items	162	51
Closing balance	475	311

OL 3 Pledged assets

	31 Dec. 2018	31 Dec. 2017
Mortgages	36,132	27,878
Pledged shares in subsidiaries	20,385	8,687
Total	56,517	36,565

OL 4 Contingent liabilities

During the year, Heimstaden received a guarantee from its Parent Company, Fredensborg AS for any losses that might arise as a result of a lack of clarification of the municipality's entitlement to use nine properties owned by Heimstaden Bostad Invest 10 AS.

Investment obligations

During the year, Heimstaden agreed on property acquisitions whereby it would take possession after the Balance Sheet date. Most of the acquisitions concern ongoing construction projects that will be ready for tenants to move in when construction is complete. Since Heimstaden has not taken possession of the properties, they are not included in the financial statements.

Segments	Anticipated possession	Contracted property value
Sweden	2019-2023	16,471
Denmark	2019-2020	9,532
Total		26,003

F**FINANCING AND CAPITAL STRUCTURE****F 1** Financial instruments**Accounting principles**

Financial instruments are any kind of agreement giving rise to a financial asset in a company and a financial liability or equity instrument in another company. Financial assets in the Balance Sheet refer to loan receivables, derivatives, rental receivables and accounts receivable, other receivables and cash and cash equivalents. Financial liabilities refer to loan liabilities, derivatives, other current liabilities and accounts payable. The accounting depends on how the financial instruments have been classified.

A financial asset is recognised or a liability is included in the Balance Sheet when Heimstaden becomes a party to an agreement, rent receivables and accounts receivable are included when the invoice has been sent and the company has an unconditional right to compensation. Liabilities are addressed when the counter-party has performed its undertaking and a contractual obligation to pay exists, even if the invoice has not yet been received, and accounts payable are included when the invoice is received.

A financial asset, or part of a financial asset, is removed from the Balance Sheet when the rights inherent in the agreement are realised or expire, or if the company loses control of them. A financial liability is removed from the Balance Sheet when the obligation has been met or otherwise extinguished. Financial assets and financial liabilities are only offset and recognised at a net amount in the Balance Sheet where there is a legal right to offset the amounts and there is an intention to settle the items at a net amount, or to realise the asset and settle the liability at the same time. Gains and losses on removal from the Balance Sheet and modifications are reported in the Income Statement.

Financial assets

The classification of financial assets that are debt instruments is based on the Group's business model for the management of the asset and the nature of the asset's contractual cash flows.

The instruments are classified as:

- amortised cost
- fair value via other comprehensive income, or
- fair value via the Income Statement.

The Group's assets in the form of debt instruments are classified as amortised cost, net of gross value and loss reserves. Changes in the loss reserve are reported in the Income Statement.

Financial assets classified at amortised cost are initially valued at fair value with the addition of transaction costs, while accounts receivable and lease receivables are initially reported at the invoiced value. Following initial accounting, the assets are valued in accordance with the effective interest method. Assets classified at amortised cost are held to receive payment for contractual cash flows, which are only payments of principal and interest on the outstanding capital amount. The assets are covered by a loss reserve for expected loan losses.

Equity instruments are classified at fair value via the Income Statement, unless not held for trade, in which case an irrevocable choice can be made to classify them at fair value via other comprehensive income without subsequent reclassification to the Income Statement. The Group holds other non-current securities, such as derivatives, which are classified at fair value via the Income Statement.

Impairment of financial assets

With the exception of those classified at fair value through the Income Statement or as equity instruments measured at fair value via other comprehensive income, the Group's financial assets are subject to impairment for expected credit losses. In accordance with IFRS 9, impairment for credit losses is forward-looking and a loss reserve is made when there is an exposure to credit risk, usually in connection with initial accounting. Expected credit losses reflect the present value of all cash

cont. Note F 1

flow deficits attributable to default, either for the subsequent 12 months or for the expected remaining term of the financial instrument, depending on the asset class and on credit deterioration since the initial accounting date. Expected credit losses reflect an objective, probability-weighted outcome that takes several scenarios into account based on reasonable and verifiable forecasts.

A simplified model is applied for accounts receivable and rent receivables, as well as contract assets. Accordingly, a loss reserve is reported for the receivable or asset's expected remaining term, see Note [A 5](#).

For other items subject to expected credit losses, a three-stage impairment model is applied. Initially, as well as on each Balance Sheet date, a loss reserve is reported for the next 12 months or for a shorter period depending on the remaining term (stage 1). If there has been an essential increase in credit risk since initial accounting, entailing a rating below investment grade, a loss reserve is reported for the remaining term of the asset (stage 2). For assets deemed to be impaired, reserves continue to be made for expected credit losses over the remaining term (stage 3). For assets and receivables with deteriorated credit, the calculation of interest income is based on the carrying amount of the assets, net of loss reserves, unlike the gross amount as in the previous stages.

The valuation of expected credit losses is based on various methods. Other receivables and assets not covered by the simplified method (see Note [A 5](#) Loan and rent receivables), are impaired in accordance with a rating-based method through external credit rating. In accordance with the general method, the financial assets covered by provisions for expected credit losses are cash and cash equivalents, receivables from associated companies, other non-current receivables and other receivables. Expected credit losses are valued at the product of probability of default, loss given default and the exposure in the event of default. The Group has defined default as when payment of the claim is 90 days late or more, or if other factors indicate that payment is in default. For assets and receivables with deteriorated credit, an individual assessment is made, taking into account historical, current and forward-looking data. The assessment of whether there is a significant increase in credit risk at the Balance Sheet date for a receivable or asset is based on whether payment is delayed by 30 days or more, or if significant deterioration of rating occurs, entailing a rating below investment grade. In cases where the amounts are not deemed insignificant, a provision is made for expected credit losses for these financial instruments too. The valuation of expected credit losses takes into account any collateral and other credit enhancements in the form of guarantees.

Financial liabilities

Financial liabilities are classified at amortised cost, with the exception of derivatives classified at fair value via the Income Statement. Financial liabilities reported at amortised cost are initially valued at fair value including transaction costs. After initial accounting, they are valued at amortised cost in accordance with the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash and immediately availability balances at banks and corresponding institutions, and current liquid investments with a term of less than three months from the date of acquisition. Cash and cash equivalents are covered by the requirement for loss reserves for expected credit losses.

Comparison year in accordance with IAS 39

Financial instruments are reported in accordance with IAS 39 for the comparison year of 2017, since IAS 39 had other classification categories than IFRS 9. The classification categories in accordance with IAS 39 entailed corresponding accounting at amortised cost or fair value respectively in the Income Statement. Investments in equity instruments lacking quoted market prices in an active market and the fair value of which could not be reliably calculated are reported at cost.

cont. Note F 1

IAS 39 also applied another method for reserving credit losses, entailing a reserve being made in connection with a confirmed credit event, unlike the method in IFRS 9, according to which reserves are made for expected credit losses. In other respects, there are no differences between the standards for the Group.

The initial application of IFRS 9 has had no effect on consolidated equity as of 1 January 2018. The transition to IFRS 9 has not caused any changes in the classification and valuation of financial instruments other than the names of the classification categories. Loan receivables, accounts receivable and other financial liabilities under IAS 39 are classified and valued at amortised cost under IFRS 9. Financial assets and liabilities measured at fair value through the Income Statement, continue to be classified in the same manner under IFRS 9. Nor has the Group

identified any financial assets valued at fair value via other comprehensive income.

The effect of applying expected credit losses has been insignificant in nature for the Group. For this reason, no additional reserves were made in connection with the transition, which is why the carrying amounts for assets reported at amortised cost have not been affected.

The following table presents the Group's financial assets and liabilities, recognised at their carrying amounts and at fair value respectively, classified in the categories under IFRS 9. The Group's financial assets and liabilities for the comparison year 2017 are presented in accordance with the classification categories under IAS 39.

Valuation of financial assets and liabilities per 31 December 2018	Financial assets/liabilities measured at fair value through the Income Statement.	Financial assets/liabilities measured at amortised cost
Financial assets		
Accounts receivable	–	16
Other receivables	–	863
Cash and cash equivalents	–	4,775
Financial liabilities		
Long-term interest-bearing liabilities	–	38,195
Financial derivative instruments	18	–
Non-current liabilities to credit institutions	–	7,492
Accounts payable	–	351
Other current liabilities	–	521
Accrued costs and prepaid income	–	475
Total	18	53,040

Financial instruments, such as rent receivables, accounts payable, etc. are reported at amortised cost less impairment, which is why fair value is deemed to be in accordance with the carrying amount. Non-current interest-bearing liabilities are generally subject to short terms of fixed interest, and the fair values of non-current bonds do not differ significantly from the nominal values, which, combined, means that amortised cost is well-matched with fair value.

Valuation of financial assets and liabilities per 31 December 2017	Loans and accounts receivable	Financial liabilities measured at fair value through the Income Statement	Financial liabilities measured at amortised cost
Financial assets			
Accounts receivable	10	–	–
Other receivables	406	–	–
Prepaid costs and accrued income	147	–	–
Cash and cash equivalents	1,393	–	–
Financial liabilities			
Long-term interest-bearing liabilities	–	–	27,882
Financial derivative instruments	–	31	–
Current interest-bearing liabilities	–	–	3,054
Accounts payable	–	–	131
Other current liabilities	–	–	589
Accrued costs and prepaid income	–	–	311
Total	1,956	31	31,967

The assets' maximum credit risk consists of the reported net amounts in the table above. < The Group has not received any pledged assets for the net financial assets.

Interest-rate derivatives*Accounting principles*

Heimstaden uses derivatives to mitigate interest rate risks by swapping borrowing at floating interest rates with fixed interest rates and vice versa by means of interest rate derivative contracts. The Group reports interest rate derivatives as financial instruments in the Balance Sheet at cost on the contract date and then re-evaluates these at fair value via the Income Statement. Interest rate derivative refers to interest rate swaps for which the initial cost is zero.

Ongoing payment flows under these agreements are recognised in the Income Statement in the period to which they pertain. Fair value is determined using generally accepted calculation methods based on market interest rates listed on the closing date for the different maturities. This means that fair value is determined according to valuation level two, IFRS 13. This level means that the valuation is based on inputs other than the listed prices included in level one.

The reported change in value may consist of realised and unrealised changes in value. Realised changes in value consist of redeemed interest derivative contracts and constitute the difference between the redemption price and the carrying amount according to the most recent year-end accounts. Unrealised changes in value constitute the difference between the valuation at the end of the previous year compared with the valuation for the same period in the previous year, alternatively the cost if the derivative contract is entered into during the financial year.

cont. Note F 1

	31 Dec. 2018	31 Dec. 2017
Asset	97	–
Liability	-79	-31
Net value, derivatives	18	-31

The fair value of interest rate derivatives has been determined on level two inputs according to the valuation hierarchy in IFRS 13. As a key assumption, current market interest rates for the different maturities have been used and the value has been determined as the actual repurchase price received by the counterparty.

Interest-rate derivatives, SEK million		31 Dec. 2018			31 Dec. 2017		
Maturity, year	Type	Nominal amount	Share, %	Average interest ¹⁾ , %	Nominal amount	Share, %	Average interest ¹⁾ , %
Within 1 year of the Balance Sheet date	Paying fixed	3,333	15.7	0.0	1,231	SEK 14.4	0.7
Within 2-5 years of the Balance Sheet date	Paying fixed	13,296	62.8	0.4	5,404	63.4	0.4
Later than 5 years from the Balance Sheet date	Paying fixed	4,553	21.5	0.7	1,894	22.2	0.9
Total purchased swaps		21,182	100.0	0.4	8,529	100.0	0.6
Within 1 year of the Balance Sheet date	Receives fixed/variable	–	–	–	–	–	–
Within 2-5 years of the Balance Sheet date	Receives fixed/variable	5,127	100.0	1.1	–	–	–
Later than 5 years from the Balance Sheet date	Receives fixed/variable	–	–	–	–	–	–
Total sold swaps		5,127	100.0	1.1	–	–	–

¹⁾ The interest rate indicates the agreed average fixed interest in the contracts. A negative interest rate indicates that we receive fixed interest.

F 2 Financial risk management

Financial risk factors

The Heimstaden Group is continuously exposed to a number of risk factors. Management and employees work actively to quantify and control its risks. Practically all risk management is performed by the finance department in accordance with the overarching finance policy that has been prepared. Risk management is reported on and discussed regularly at Board meetings. The overall objectives of the finance policy are summarised as follows:

- Safeguard the Group's short and long-term capital supply through diversified borrowing in the capital market or with strong counterparties in the banking and financial sectors.
- The maturity structure of the period of fixed interest on the loans shall be well distributed over time.
- The period of fixed interest on the loans (including the effects of derivatives) shall be distributed over time.

Existing loan agreements with credit institutions contain financial conditions (so-called covenants) stipulating maximum loan-to-value ratio, minimum equity/assets ratio and minimum interest coverage ratio. At the end of the financial year, all of these conditions had been met.

MARKET RISK

Currency risk

Heimstaden owns properties in Denmark for a value of SEK 23,784 million (12,325), in Norway for a value of SEK 15,530 million (7,640), in Germany for a value of SEK 703 million (0) and in the Netherlands for a value of SEK 236 million (0), entailing a currency risk. The currency effect arises in the Group's net assets when the foreign companies' Balance Sheets are consolidated. No hedging is currently performed for this currency risk.

Price risk

Price risk refers to the risk that the value of an asset will change unfavourably on fluctuations in asset prices. The Group's price exposure is limited by the framework imposed by the finance policy, and Heimstaden may only use bank accounts and short-term market-listed instruments for liquidity investments. There are no market-listed instruments with extended maturities within the Group.

Interest rate risk

Interest rate risk refers to the risk that changes in market interest rates will affect Heimstaden's borrowing cost. Interest costs are mainly affected by the level of current market interest rates and the banks' margins, as well as the company's chosen strategy for periods of fixed interest. To manage the risk, the Group uses derivative instruments. Interest rates are fixed in accordance with the financial policy based on estimated interest rate trends, cash flow and capital structure and the prevalent market conditions at any given time.

CREDIT RISK

Credit risk refers to the risk that Heimstaden's counterparties are unable to meet their financial obligations towards the company. Credit risk in the financing activities arises when, for example, investing liquidity surpluses, on the subscription of interest rate agreements and issued credit agreements. Heimstaden continuously evaluates all suppliers regarding the financial part of the business, to ensure that this credit risk is limited. Since the Group primarily invest in residential properties, rent is paid in advance, eliminating a large part of the potential credit risk among end-customers.

The assessment has been made that there has been no significant increase in credit risk for any of the Group's financial assets. The counterparties lack credit risk ratings, with the exception of cash and cash equivalents where the counterparties consist of Nordic banks with credit risk ratings in the interval A to AA-.

LIQUIDITY RISK

The risk of a company encountering difficulties in meeting its obligations associated with financial liabilities and settled in cash or with other financial assets. Heimstaden has an attractive property portfolio, a balanced Loan-to-value ratio, a positive forecast for future cash flows and a broad network of financial institutions that supply capital.



cont. Note F 2

Maturity structure, interest-bearing liabilities	31 Dec. 2018	31 Dec. 2017
Loan maturity, year		
Within 0–3 months of the Balance Sheet date	17	3,054
Within 4–12 months of the Balance Sheet date	7,475	19,472
Within 2–5 years of the Balance Sheet date	25,569	8,410
Within 5–10 years of the Balance Sheet date	3,192	—
Later than 10 years from the Balance Sheet date	9,434	—
Total	45,687	30,936

	2018		2017	
	Loan amount	Average interest, % incl. margin	Loan amount	Average interest, % incl. margin
Interest maturity, year *				
Within 1 year of the Balance Sheet date	38,750	1.5	23,410	1.6
within 2–5 years of the Balance Sheet date	6,625	2.7	5,632	2.0
Later than 5 years from the Balance Sheet date	312	1.3	1,894	2.5
Total	45,687	1.7	30,936	1.7

* includes financial derivative instruments

31 Dec. 2018	Capital tied up			Fixed interest incl. derivatives ¹⁾		
	million	Share, %	Interest, incl. margin, %	million	Share, %	Interest, incl. margin, %
Maturity analysis						
0-3 months	17	0.0	2.4	23,195	50.8	1.9
4-12 months	7,475	16.4	2.7	2,833	6.2	0.0
1-2 years	11,845	25.9	1.4	2,643	5.8	2.0
2-3 years	7,559	16.5	2.2	4,243	9.3	1.8
3-4 years	4,025	8.8	1.8	5,054	11.1	1.9
4-5 years	2,140	4.7	2.1	2,853	6.3	2.2
5-10 years	3,192	6.9	1.6	4,553	10.0	0.7
10 years after Balance Sheet date	9,434	20.8	0.6	312	0.5	2.1
Total	45,687	100.0	1.7	45,687	100.0	1.9

¹⁾ The credit margin is evenly spread across the maturity structure

The average remaining term of fixed interest in the loan portfolio amounts to: 0.51 years

The average remaining term of fixed interest in the loan portfolio, including derivatives, amounts to: 2.06 years

The average remaining period for which capital is tied up amounts to: 8.00 years

For other risks, see pages 84–86.

F 3 Change in value of interest rate derivatives

	2018	2017
Realised value change	-134	-8
Acquired derivatives	96	-
Unrealised value change	49	32
Total	11	24

Interest rate derivatives are used to limit the impact of interest changes in interest rates. If the agreed interest rate deviates from the market rate, a surplus or deficit value on the interest rate derivatives arises and is reported as an unrealised value change.

F 4 Other non-current receivables

	2018	2017
Opening balance	211	1
Loans granted	13	210
Payment by instalments	-211	-
Closing balance	13	211

The item relates to loans granted to tenant-owner associations, promissory notes on property sales and loans in connection with new production. Loan of SEK 0 million (210) to Fastighets Senapsfabriken kv 3 AB, 559053-1405.

F 5 Financial income and costs**Accounting principles**

Financial income, such as interest income is recognised in the Income Statement in the period to which it relates. Financial costs refer to interest and other borrowing costs and are recognised as costs in the period to which they relate. Payments in accordance with interest rate derivative agreements, are also included in this item and are expensed in the period to which they relate. Adjustments in the fair value of interest rate derivatives to fair value are not included in this item but are reported as separate items in the Income Statement. Costs for setting up mortgages are not considered to be financial costs, but are instead capitalised as value-enhancing property investments.

Financial income and costs reported in comprehensive income

Assets and liabilities compulsorily measured at fair value through the Income Statement:	2018	2017*
Net gains on derivatives	145	31
Net losses on derivatives	-134	-7
Total reported in the Income Statement (financial items)	11	24

Assets and liabilities measured at amortised cost:	2018	2017
Interest income, promissory notes	6	3
Interest income, associated companies	2	1
Interest income, other financial assets	45	2
Total interest income in accordance with effective interest method	53	6

	2018	2017
Interest costs, loans	-806	-379
Interest costs, shareholder loans	-	-86
Total interest costs in accordance with the effective interest method	-806	-465

	2018	2017
Exchange rate differences, financial items	50	-
Total	50	-
Total reported in comprehensive income	-692	-435

*2017 is reported in accordance with previous accounting principles.

F 6 Reconciliation of liabilities attributable to financing activities

	31 Dec. 2017	Cash flow	Corporate acquisitions	Changed exchange rate	31 Dec. 2018
Current interest-bearing liabilities	3,054	4,438	-	-	7,492
Long-term interest-bearing liabilities	27,882	760	9,207	346	38,195
Total interest-bearing liabilities	30,936	5,198	9,207	346	45,687

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ALTERNATIVE KEY DATA

Definitions of the following measurements are presented on page 145.

Letting ratio, housing (number), %	31 Dec. 2018	31 Dec. 2017	DEBT/EBITDA, multiple	31 Dec. 2018	31 Dec. 2017
Number of available/vacant homes as per the Balance Sheet date	1,068	410	Time-weighted interest-bearing liabilities	34,059	19,836
Number of leased homes as per the Balance Sheet date	37,938	30,139	– Subordinated interest-bearing shareholder loans	0	0
Total number of homes as per Balance Sheet date	39,006	30,549	DEBT	34,059	19,836
Letting ratio, housing (number), %	97.3%	98.7%	Profit before financial items	1,692	974
Real letting ratio, housing (number), %	31 Dec. 2018	31 Dec. 2017	Amortisation and depreciation	6	2
Number of remodelling vacancies as per the Balance Sheet date	512	–	EBITDA	1,697	976
Number of leased homes as per the Balance Sheet date	37,938	30,139	DEBT/EBITDA, multiple	20.1	20.3
Total number of homes as per Balance Sheet date	39,006	30,549			
Real letting ratio (number), %	98.6%	–			
Proportion living area on Balance Sheet date, %	31 Dec. 2018	31 Dec. 2017			
Living area as per Balance Sheet date	2,427,714	1,908,884			
Premises area as per Balance Sheet date	304,645	219,732			
Total area as per Balance Sheet date	2,732,359	2,128,616			
Proportion living area on Balance Sheet date, %	88.9%	89.7%			
Interest coverage ratio (ICR), multiple	31 Dec. 2018	31 Dec. 2017			
Profit from property management	989	515			
Reversal:					
Financial costs – interest-bearing liabilities	806	379			
Financial costs – interest-bearing subordinated shareholder loans	0	86			
Profit from property management plus financial costs	1,795	980			
Interest coverage ratio (ICR), multiple	2.2	2.6			
Equity ratio including shareholder loans, %	31 Dec. 2018	31 Dec. 2017			
Equity	33,936	18,807			
Interest-bearing subordinated shareholder loans	0	0			
Equity including interest-bearing shareholder loans	33,936	18,807			
Total assets	83,286	52,643			
Equity/assets ratio including shareholder loans, %	40.7%	35.7%			
Net liabilities	31 Dec. 2018	31 Dec. 2017			
Interest-bearing liabilities	45,687	30,936			
Cash and cash equivalents	-4,775	-1,393			
Net liabilities	40,911	29,543			
Loan-to-value ratio (LTV), %	31 Dec. 2018	31 Dec. 2017			
Net liabilities	40,911	29,543			
Investment properties	76,249	50,285			
Loan-to-value ratio (LTV), %	53.7%	58.8%			
Net asset value on the Balance Sheet date, SEK thousands	31 Dec. 2018	31 Dec. 2017			
Equity	33,936	18,807			
Deferred tax liability	2,218	1,741			
Net asset value	36,154	20,548			
Long-term asset value (EPRA NAV) on the Balance Sheet date	31 Dec. 2018	31 Dec. 2017			
Net asset value	36,154	20,548			
Financial derivative instruments	0	31			
Net asset value	36,154	20,579			



GS

GROUP STRUCTURE

GS 1 Participations in associated companies and joint ventures

Companies that are not subsidiaries but in which the company, directly or indirectly, holds at least 20 percent of the votes. Associated companies are reported in accordance with the proportional method, meaning that participations in an associated company are reported at cost on the acquisition date and are subsequently according to the company's share of the change in the associated company's net assets. The company's participation in the associated company's income is reported in the Income Statement.

Participations in associated companies	31 Dec. 2018	31 Dec. 2017
Opening balance	108	13
Investment for the year	10	83
Disposals for the year	-15	-
Share of profit	20	12
Closing balance	123	108

Participations are reported in accordance with the equity method.

Specifications of the Group's participations in associated companies

Company	Corp. ID No	Reg. office	No. of shares	Share in %	Value of capital participation
Gamlebro AB	556791-3990	Norrköping	400	40%	6
Rosengård Fastighets AB	559085-4708	Malmö	250	25%	115
					121

Specifications of the Group's participations in joint ventures

Company	Corp. ID No	Reg. office	No. of shares	Share in %	Value of capital participation
Windrose A/S	39754134	Charlottenlund	5,000	50%	0
Udviklingssselskabet af 31. oktober 2017 A/S	39104369	Herning	5,000	50%	2
					2

Specification of rental income and profit for the financial year 2018, as well as assets and liabilities per 31 December 2018

Company	Rental income	Profit	Assets	Liabilities
Gamlebro AB	1	-4	500	497
Rosengård Fastighets AB	140	100	1,261	802
Windrose A/S	-	-	0	-
Udviklingssselskabet af 31. oktober 2017 A/S	-	-	2	-

GS 2 Other non-current securities holdings

The item relates to 100 shares for SEK 0.5 million (0.5) in Kalmarsund Vind Ekonomisk Förening Corp. ID No. 769613-9661. 1 percent of the shares in Landskrona Stadsutveckling AB, 556918-1836, for SEK 1 million (1).



Ehnemark 1, Karlskrona

Parent Company Income statements

Amounts in SEK million	Note	2018	2017
Income	PC-IC 1	108	82
Central administration costs	PC-IC 2 PC-IC 3 PC-A1	-80	-65
Operating profit/loss		28	17
Dividends from shares in subsidiaries	PC-IC 4	3,537	1,984
Impairment	PC-IC 4	-3,708	-18
Interest income and similar Income Statement items	PC-IC 5	23	3
Interest costs and similar Income Statement items	PC-IC 5	-222	-65
Profit after financial items		-342	1,920
Appropriations	PC-IC 6	11	67
Profit before tax		-331	1,987
Tax	PC-T 1	—	-3
Profit for the year		-331	1,984

Parent Company Statements of Comprehensive Income

Amounts in SEK million	2018	2017
Profit for the year according to the Income Statement	-331	1,984
Other comprehensive income	—	—
Comprehensive income for the year	-331	1,984

Parent Company Balance Sheets

Amounts in SEK million	Note	31 Dec. 2018	31 Dec. 2017
ASSETS			
Non-current assets			
Tangible fixed assets	PC-A1	3	4
Shares in subsidiaries	PC-A2	3,339	3,980
Other financial non-current assets	PC-A3	1	1
Total non-current assets		3,343	3,985
Current assets			
Accounts receivable		3	2
Current receivables, subsidiaries		15,058	9,383
Other current receivables		144	62
Prepaid costs and accrued income		40	37
Cash and cash equivalents		706	353
Total current assets		15,951	9,837
TOTAL ASSETS		19,294	13,822

Parent Company Balance Sheets

Amounts in SEK million	Note	31 Dec. 2018	31 Dec. 2017
EQUITY AND LIABILITIES	PC-E 1		
Restricted equity			
Share capital		78	78
Unrestricted equity			
Share premium reserve		729	729
Retained profit		12,911	5,236
Profit for the year		-331	1,984
		13,309	7,949
Total equity		13,386	8,027
LIABILITIES			
Non-current liabilities			
Debenture loans	PC-FL 1	2,500	2,500
Non-current liabilities, subsidiaries	PC-FL 2	140	140
Total non-current liabilities		2,640	2,640
Current liabilities			
Current liabilities, subsidiaries	PC-OL 1	3,247	3,137
Accounts payable		3	1
Other current liabilities		1	1
Accrued costs and prepaid income	PC-OL 2	16	16
Total current liabilities		3,268	3,155
TOTAL EQUITY AND LIABILITIES		19,294	13,822

Parent Company Statements of Changes in Equity

Amounts in SEK million	Number of outstanding shares	Share capital	Share premium reserve	Retained earnings	Total equity
Equity, 31 Dec. 2016	15,547,750	78	729	5,383	6,190
Dividend, ordinary shares	–	–	–	-100	-100
Dividend, preference shares	–	–	–	-47	-47
Profit for the year	–	–	–	1,984	1,984
Equity, 31 Dec. 2017	15,547,750	78	729	7,220	8,027
Dividend, preference shares	–	–	–	-47	-47
Shareholder contributions	–	–	–	5,737	5,737
Profit for the year	–	–	–	-331	-331
Equity, 31 Dec. 2018	15,547,750	78	729	12,580	13,386

Parent Company Cash Flow Statements

Amounts in SEK million	Note	31 Dec. 2018	31 Dec. 2017
Operating activities			
Profit after financial items		-342	1,920
Adjustments for non-cash items		171	-1,964
Cash flow from operating activities before changes in working capital		-171	-44
Change in working capital			
Change in current receivables		-86	-92
Change in current liabilities		2	-16
Cash flow from operating activities		-255	-152
Investing activities			
Acquisitions of non-current assets		1	-1
Acquisitions of subsidiaries		-3,066	-2,748
Cash flow from investing activities		-3,065	-2,749
Financing activities			
Shareholder contributions		5,737	-
Dividend		-47	-147
Loans received from subsidiaries		-2,128	-273
Change in interest-bearing liabilities	PC-FL 3	-	1,250
Change in Group account		111	1,359
Cash flow from financing activities		3,673	2,189
Cash flow for the year		353	-711
Cash and cash equivalents at the beginning of the year		353	1,064
Cash and cash equivalents at the end of the year		706	353
Disclosures on interest rates			
Interest paid amounts to		84	78
Interest received amounts to		23	3

Parent Company accounting principles and notes

PC-G GENERAL INFORMATION AND GENERAL ACCOUNTING RULES

PC-G 1 General information

The Parent Company has prepared its Annual Report in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 (Accounting for Legal Entities). RFR 2 means that the Parent Company's Annual Report for the legal entity shall apply all IFRS and statements adopted by the EU as far as possible within the framework of the Annual Accounts Act and with regard to the relationship between accounting and taxation. The recommendation indicates what exceptions from, and additions to, IFRS are to be made.



PC-G 2

Differences between the Group's and the Parent Company's accounting policies

The Parent Company applies the same accounting principles as the Group (see Note [G.2](#) to the consolidated accounts), with the following exceptions and additions.

Financial instruments

Due to the connection between accounting and taxation, the rules regarding financial instruments in accordance with IFRS 9 are not applied in the Parent Company as a legal entity, and the Parent Company applies instead the cost method in accordance with the Annual Accounts Act. Accordingly, in parent companies, financial non-current assets are valued at cost and financial current assets in accordance with the principle of lowest value, applying impairment for expected loan losses in accordance with IFRS 9 regarding assets that are debt instruments. For other financial assets, impairment is based on market value. Derivative instruments with negative fair value are reported as a liability at the negative fair value with changes in value being recognised in the Income Statement.

The Parent Company applies the exemption to not value financial guarantee agreements benefiting subsidiaries, associated companies and joint ventures in accordance with the rules in IFRS 9, applying instead the valuation principles in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

Impairment of financial assets that are debt instruments

The Parent Company applies the corresponding impairment method as the Group for expected credit losses on current and non-current receivables from subsidiaries. The Parent Company judges that the subsidiaries currently have similar risk profiles and assessments are performed on a collective basis for similar transactions. Per the Balance Sheet date, no material increase in credit risk has been deemed to prevail for any intra-Group receivables. Such an assessment is based on whether payment is 30 days delayed or more, or, if a significant deterioration in rating occurs, entailing a rating below investment grade. The Parent Company's receivables from its subsidiaries are subordinated external lenders' claims, for which the subsidiary's properties have been pledged as collateral. The Parent Company's expected loss in the event of default takes into account the average of the subsidiaries' loan-to-value ratios and their expected market value in the event of a forced sale. Based on the Parent Company's assessments in accordance with the aforementioned method, taking other known information and forward-looking factors into account, it is estimated that expected loan losses will not be significant and no provision has therefore been reported.

Credit risk

The Company's maximum credit risk comprises the net of the carrying amounts of the financial assets. The Company has not received any pledged assets for the net financial assets.

The assessment has been made that there has been no significant increase in credit risk for any of the Parent Company's financial assets. The counterparties lack credit risk ratings, with the exception of cash and cash equivalents where the counterparties consist of Nordic banks with credit risk ratings in the interval A to AA-.

PC-G 3 Presentation

For the Parent Company, the Income Statement and Other comprehensive income are reported in two separate reports. For the Parent Company, the Income Statements and Balance Sheets are prepared in accordance with the Annual Accounts Act's schedule while Other comprehensive income, the Statement of Changes in Equity and the Cash Flow Statement are based on IAS 1 Presentation of Financial Statements and IAS 7 Statement of Cash Flows.

PC-G 4 New accounting principles

Effective 1 January 2018, the Parent Company will, for the first time, apply the new standards IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers. None of the new or amended standards and interpretations, has had a significant impact on the Parent Company's financial statements. The effect of the first application of expected loan losses has been of an insignificant nature for the company. For this reason, no additional reservation has been made in connection with the transition, which is why the carrying amounts for the assets reported at amortised cost have not been affected.

IFRS 16 Leases enters into force on 1 January 2019. The Parent Company intends to apply the relief rule in RFR 2 to continue reporting lease payments as a cost on a straight-line basis over the term of the lease.

PC-G 5 Group disclosures

Heimstaden AB (publ) is owned 86.21 percent by Fredensborg AS, Corp. ID No. 9435582815, domiciled in Norway. Fredensborg AS prepares consolidated accounts for the largest group.

The foreign parent company's consolidated accounts are available at Fredensborg AS, Stensberggata 27, 0170 NO-Oslo, Norway, e-mail: post@fredensborg.no

PC-G 6 Information about related parties**Related-party transactions**

The Group is under the controlling influence of Fredensborg AS, which holds 98.4 percent of the votes in the Parent Company, Heimstaden AB. The Parent Company in the largest group in which Heimstaden is included is Fredensborg AS. In addition to the related-party relationships specified for the Group, the Parent Company has a controlling influence over subsidiaries in accordance with [PC-A2](#).

Summary of related-party relationships

At the end of the financial year, transactions with Fredensborg AS amounted to SEK 0 million (0). During the financial year, Heimstaden has received/paid SEK 0 million (0) in interest from/to Fredensborg AS.

Heimstaden AB's net receivables from subsidiaries amounted to SEK 14,920 million (9,243) at the end of the financial year.

During the year, properties valued at SEK 8,080 million (8,169) were acquired in Norway from Heimstaden's sister group Fredensborg Eiendomsselskap AS, which is controlled by the Chairman of the Board of the Company. The acquisition was conducted at market values audited the company's auditors. The properties have been sold to the subsidiary Heimstaden Bostad AB, on the Board of which Heimstaden AB has no voting rights regarding internal acquisitions. Decision-making shareholders were Alecta and the Sandvik and Ericsson pension foundations.

During the year, Heimstaden paid out SEK 0 million (100) in dividends to Fredensborg AS, in accordance with a resolution by the Annual General Meeting. No further related-party transactions took place during the period.

Transactions with key individuals in leading positions.

The Company's Chairman of the Board and companies he owns control 98.4 percent of the votes in Heimstaden AB. Regarding the Board of Directors, the CEO and other executives' salaries, as well as other remunerations, costs and agreements relating to pensions and similar benefits, as well as severance pay agreements, please see note [PC-C3](#). The CEO and Deputy CEO hold shares in the subsidiary Heimstaden Bostad AB, and accordingly received dividends in 2018 and participated in the new share issue.

PC-IC INCOME AND COSTS**PC-IC 1** Income

The Parent Company contains only Group-wide functions and sales consist essentially of intra-Group services.

PC-IC 2 Central administration costs

Central administration includes costs at the Group-wide level not directly attributable to property management, such as costs for Group management, property investments and finance. Costs for central administration include, remuneration to the auditors, as follows.

EY	2018	2017
Audit engagement	2	1
Auditing activities beyond the audit engagement	0	0
Tax consultancy	–	0
Other assignments	–	0
Total	2	1

PC-IC 3 Personnel and senior executives

	2018	2017
Average number of employees		
Average number of employees	26	22
of whom, women	10	8
Salaries, remuneration, social security and pension costs have been paid as follows:		
CEO (Board Member)		
Base salary	2	2
Benefits	0	0
Pension costs	1	1
	3	3
Deputy CEO (Board Member)		
Base salary	2	2
Benefits	0	0
Pension costs	1	1
	3	3
Board Member, John Giverholt		
Board fees (SEK thousands)	–	–
	–	–
Board Member, Ossie Everum		
Board fees (SEK thousands)	–	250
	–	250
Other senior executives:		
Base salary	4	3
Benefits	0	0
Pension costs	1	1
	5	4

cont. Note PC-IC 3

The CEO and Board Members have been paid variable remuneration of SEK 0 million (0)

Other employees:

Salaries and remunerations	18	17
Pension costs	3	2
	21	19

Social security costs

8	9
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Board Members and senior executives

Board Members	4	4
of whom, women	–	–
CEO and senior executives	6	5
of whom, women	3	2

Remunerations

Between the company and the CEO, a mutual notice period of six months applies. In the event of termination by the company, severance pay corresponding to 18 months salary is to be paid. Between the company and Board Members, a mutual notice period of three months applies. For senior executives and other employees, the customary pension commitments within the framework of general pension plans apply. For the CEO, the company has taken out pension insurance with annual premiums corresponding to 10 percent of gross salary.

PC-IC 4 Profit from participations in Group companies**Accounting principles**

Participations in subsidiaries are reported at cost less any impairment. Cost includes acquisition-related costs. The carrying amount is continuously tested against the fair value of the subsidiary's assets and liabilities.

In cases where the carrying amount of the participations exceeds the subsidiary's fair value, impairment is applied and charged to the Income Statement. In cases where impairment is no longer justified, it is reversed.

	2018	2017
Dividend	3,537	1,984
Impairment	-3,708	-18
Total	-171	1,966

PC-IC 5 Interest income, interest costs and similar Income Statement items

Assets and liabilities measured at amortised cost:	2018	2017*
Interest income, other financial assets	23	3
Total interest income in accordance with effective interest method	23	3
Interest costs, loans	-78	-52
Interest costs, other financial liabilities	-6	-5
Total interest costs in accordance with effective interest method	-84	-57
Income from fees – costs	0	-
Exchange rate differences, financial items	-138	-
Net losses on derivatives reported according to principle of lowest value	-	-8
Total	-138	-8
Total profit from financial items	-199	-62

*2017 is reported in accordance with previous accounting principles.

PC-T TAX

PC-T 1 Tax

Accounting principles

Deferred tax receivables attributable to tax-loss carryforwards are recognised if it is likely that the tax-loss carryforwards will be offset against future tax surpluses.

	2018	2017
Deferred tax	-	-3
Total	-	-3
Reported profit before tax	-331	1,987
Tax according to current rate	73	-432
Tax effect of:		
Non-deductible costs	-851	-7
Non-taxable dividend	778	436
Total	0	-3

PC-IC 6 Appropriations

	2018	2017
Group contributions received	11	67
Total	11	67



PC-A

ASSETS

PC-A 1

Tangible fixed assets

Equipment	31 Dec. 2018	31 Dec. 2017
Opening amortised cost	8	8
Investments for the year	0	0
Closing amortised cost	8	8
Opening accumulated depreciation	-5	-4
Depreciation for the year	-1	-1
Closing accumulated depreciation	-6	-5
Closing planned residual value	3	4

PC-A 2

Shares in subsidiaries

Accounting principles

Participations in subsidiaries are reported at cost less any impairment. Cost includes acquisition-related costs. The carrying amount is continuously tested against the fair value of the subsidiary's assets and liabilities. In cases where the carrying amount of the participations exceeds the subsidiary's fair value, impairment is applied and charged to the Income Statement. Impairment for the year in Heimstaden pertains to the fair value in the company Heimstaden Denmark AS, following payment of dividends from that company. In cases where impairment is no longer justified, it is reversed.

	2018	2017
Opening cost	3,980	1,250
Acquisitions for the year	2	17
Contributions paid	3,063	2,731
Impairment	-3,706	-18
Closing cost	3,339	3,980



Specifications of the Parent Company's shareholdings in subsidiaries.

Subsidiary	Corp. ID No.	Reg. office	No. of shares	Shares in %	Book value
Heimstaden Exploatering AB	556485-9014	Malmö	1,000	100	2
Heimstaden i Skåne AB	556694-5753	Malmö	1,000	100	0
Heimstaden Fastighets AB	556564-7913	Malmö	100,000	100	10
Heimstaden Bostadsfinansiering AB	556618-3256	Malmö	20,000	100	3
Heimstaden Förvaltnings AB	556615-4497	Malmö	1,000	100	-
Heimstaden Bostadsproduktion AB	559022-9877	Malmö	1,000	100	0
Heimstaden Investment AB	556788-1205	Malmö	1,000	100	41
Heimstaden Ängen AB	556969-3921	Malmö	500	100	0
Heimstaden i Göteborg AB	556514-2584	Malmö	1,000	100	0
Heimstaden Passagen AB	556985-5033	Malmö	500	100	0
Heimstaden Fastigheter AB	559063-8580	Malmö	500	100	0
Heimstaden Castor AB	559101-4963	Malmö	500	100	0
Heimstaden Danmark A/S	35852093	Copenhagen	500,000	100	3,268
Heimstaden NPM A/S	35524525	Copenhagen	500,000	100	13
Heimstaden Norge AS	934,631,005	Oslo	106,505	100	2
Heimstaden Invest AS	819,499,632	Oslo	1,000	100	0
Total					3,339

PC-A 3

Other non-current securities holdings

The item refers to 1 percent of the shares in Landskrona Stadsutveckling AB, Corp. ID No. 556918-1836.

PC-E EQUITY

PC-E 1 Equity

	Share capital	Unrestricted equity	Total equity
Opening balance	78	7,949	8,027
Shareholder contributions received	–	5,737	5,737
Dividend, preference shares	–	-47	-47
Profit for the year	–	-331	-331
Closing balance	78	13,309	13,386
Number of ordinary shares	13,204,000		
Quota value, SEK	5		
Number of preference shares	2,343,750		
Quota value, SEK	5		
Proposed appropriation of accumulated profit			
Share premium reserve		SEK 728,649,810	
Retained profit		SEK 12,910,885,464	
Profit for the year		SEK -330,874,404	
Total		SEK 13,308,660,870	

No dividends are paid to holders of ordinary shares.

Dividends are paid to preference shareholders in accordance with the Articles of Association. Accordingly, the funds available to the Annual General Meeting of SEK 13,308,660,870 are to be allocated such that SEK 20 per preference share be paid to preference shareholders, totalling SEK 46,875,000. The remaining amount, SEK 13,261,785,870, is to be carried forward to a new account.

Dividends to preference shareholders are to be paid quarterly, in the amount of SEK 5 per payment date. In accordance with the Articles of Association, the record dates for the dividend payments shall be 5 July 2019, 5 October 2019, 5 January 2020 and 5 April 2020.

In the event that a record date, as stated above, is not a banking day, the record date shall be the immediately preceding banking day. Dividends are to be paid out on the third banking day following the record date.

PC-OL OPERATING LIABILITIES

PC-OL 1 Current liabilities, subsidiaries

Accounting principles

Balances on accounts included in a corporate account structure are reported as bank balances in the Parent Company since the Parent Company is the bank's counterparty. Subsidiaries included in the structure, then report their positive or negative balances on sub-accounts as receivables or liabilities from or to the Parent Company.

The amount consists of a negative bank balance associated with Heimstaden AB's Group account.

PC-OL 2 Accrued costs and prepaid income

	31 Dec. 2018	31 Dec. 2017
Personnel costs	10	13
Accrued interest	3	–
Other items	3	3
Total	16	16

PC-OL 3 Pledged assets and contingent liabilities

	31 Dec. 2018	31 Dec. 2017
Guarantee undertakings	4,126	3,942
Total	4,126	3,942

Refers mainly to guarantee undertakings for subsidiaries. There are no pledged assets.

PC-FL FINANCIAL LIABILITIES

PC-FL 1 Debenture loans

	31 Dec. 2018	31 Dec. 2017
Loan maturity, year		
Within 1 year of the Balance Sheet date	1,250	–
within 2-5 years of the Balance Sheet date	1,250	2,500
Total	2,500	2,500

PC-FL 2 Liabilities to subsidiaries

All liabilities fall due for payment within 2 to 5 years.

PC-FL 3 Reconciliation of liabilities attributable to financing activities

	31 Dec. 2017	Cash flow	31 Dec. 2018
Bond	2,500	–	2,500
Total	2,500	–	2,500

Proposed appropriation of accumulated profit

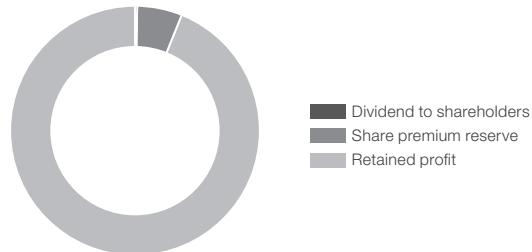
According to the Parent Company's balance sheet, the following earnings are at the disposal of the Annual General Meeting:

SEK	
Share premium reserve	728,649,810
Retained profit	12,910,885,464
Loss for the year	-330,874,404
Total	13,308,660,870



The Board of Directors proposes that dividends be paid to shareholders as follows:

SEK	
Dividend to shareholders	46,875,000
Share premium reserve	728,649,810
Retained profit	12,533,136,060
Total	13,308,660,870



No dividends are paid to holders of ordinary shares.

It is proposed that the funds at the disposal of the Annual General Meeting, SEK 13,308,660,870, be appropriated such that dividends be paid in accordance with the Articles of Association of SEK 20 per preference share and SEK 0 per ordinary share, totalling SEK 46,875,000, of which SEK 46,875,000 is paid in dividends to preference shareholders and SEK 0 is paid in dividends to holder of ordinary shares. The remaining amount, SEK 13,261,785,870, is to be carried forward to a new account.

Dividends to preference shareholders are to be paid quarterly, in the amount of SEK 5 per payment date. In accordance with the Articles of Association, the record dates for the dividend payments shall be 5 July 2019, 5 October 2019, 5 January 2020 and 5 April 2020.

In the event that a record date, as stated above, is not a banking day, the record date shall be the immediately preceding banking day. Dividends are to be paid out on the third banking day following the record date.

Statement by the Board of Directors regarding the proposed dividend

In the view of the Board of Directors, the proposed dividend is justifiable taking into account the requirements that the nature, scope and risks of the operations on the scale of the company's and the Group's equity, consolidation needs, liquidity and positions in other regards.

Signatures

The undersigned provide their assurance that the consolidated accounts have been prepared in accordance with the International Accounting Standards (IFRS), as adopted by the EU, as well as the Swedish Financial Reporting Board's recommendation RFR 1 and that the Annual Report has been prepared in accordance with the Annual Accounts Act and the recommendation RFR2 of the Swedish Financial Reporting Board. The consolidated and annual accounts have been prepared in accordance with good accounting practices, and provide a fair view of the Group's and the Parent Company's financial position and profit, and that the Administration Report provides a fair overview of the development of the operations, position and results of the Group and the company, as well as describing significant risks and uncertainty factors facing the companies within the Group.

Malmö, 30 April 2019

Patrik Hall
CEO

Ivar Tollefsen
Chairman of the Board

Magnus Nordholm
Board Member

John Giverholt
Board Member

Our Audit Report was submitted on 30 April 2019
Ernst & Young AB

Peter von Knorring
Authorised Public Accountant

Ingemar Rindstig
Authorised Public Accountant

Audit Report

To the Annual General Meeting of Heimstaden AB (publ), Corp. ID No. 556670-0455

Report on the annual and consolidated accounts

Statements

We have audited the annual and consolidated accounts for Heimstaden AB (publ) for the year 2018 with the exception of the Corporate Governance Report and the Sustainability Report on pages 88–91 and 56–73 respectively. The company's annual and consolidated accounts are included on pages 7, 18–19 and 46–139 of this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present, in all material respects, a fair portrayal of the financial position of the Parent Company as per 31 December 2018 and its financial performance and cash flow for the year in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and provide, in all significant respects, a fair representation of the Group's financial position as per 31 December 2018 and of its profit and cash flow for the year in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our statements do not include the Corporate Governance Report and Sustainability Report on pages 88–91 and 56–73 respectively. The Administration Report is consistent with the other parts of the Annual Report and the consolidated accounts.

We therefore recommend that the Annual General Meeting adopt the Income Statement and Balance Sheet of the Parent Company and the Consolidated Statement of Comprehensive Income and Consolidated Statement of Financial Position.

Particularly significant areas

Areas of particular significance to the audit are those that in our professional opinion were the most significant to the audit of the annual accounts and consolidated financial statements for the period in question. These areas are addressed within the scope of the audit of, and in our opinion on, the annual and consolidated accounts as a whole, although we make no separate statements regarding these areas. The description below of how the audit was implemented in these areas should be read in this context.

Our statements in this report on the annual and consolidated accounts are consistent with the content of the supplementary report that has been submitted to the Parent Company's Audit Committee in accordance with Article 11 of the Audit Regulation (537/2014).

Basis for the statements

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibility according to these standards is described in more detail in the section Auditors' responsibility. We are independent in relation to the Parent Company and Group in accordance with generally accepted auditing standards in Sweden and have otherwise fulfilled our professional ethical responsibility in accordance with these requirements. This entails that, based on our best knowledge and conviction, no prohibited services referred to in Article 5.1 of the Audit Regulation (537/2014) have been provided to the audited company or, where applicable, its Parent Company or its controlled companies in the EU.

We believe that the audit evidence we have gathered is sufficient and appropriate as a basis for our statements.

We have also fulfilled the obligations in these areas described in the section Auditor's Responsibility in our report on the Annual Report. Accordingly, audit measures were performed that were designed to take into account our assessment of the risk of material errors in the Annual Report and consolidated accounts. The outcome of our review and the review measures implemented to address the areas presented below, forms the basis for our Audit Report.

Description of the area

The fair value of the Group's investment properties reported in the Statement of Financial Position per 31 December 2018 amounted to SEK 76,249 million. The valuations are made through a combination of local price analyses and market simulations of future cash flows. The properties were valued externally per 31 December 2018. The properties' direct return requirements are assessed on the basis of each property's unique risk and transactions made in the market for objects of a similar nature. In view of the many assumptions and assessments made in connection with the valuation of investment properties, we believe that this area is to be considered of particular importance in our audit. A description of the valuation of the property holdings is shown in the Annual Report under T1.

How this area was addressed in the audit

In our audit, we have evaluated and examined the external property valuation by, among other things, evaluating the valuation method. With the support of our internal property valuation specialists, we have examined the external property valuations and assessed the reasonableness of assumptions made, such as direct return requirements, vacancy rates, rental income and operating costs. We have made comparisons with available market data. For a selection of investment properties, we have examined inputs and calculations in the external valuations at the property level. We have evaluated the external valuers' competence and objectivity. We have reviewed supplementary disclosures made in the Annual Report.

Information other than the annual and consolidated accounts

This document also contains information other than the annual and consolidated accounts, which can be found on pages 1–6, 8–17, 20–45 and 144–177. It is the Board and the CEO who have the responsibility for this other information.

Our statement regarding the annual and consolidated accounts does not cover this information and we make no statement confirming this other information.

In connection with our audit of the Annual Report and the consolidated accounts, it is our responsibility to read the information identified above and consider whether the information is to a significant extent incompatible with the Annual Report and the consolidated accounts. In this review, we also take into account the information we otherwise collected during the audit and assess if the information otherwise appears to contain material misstatements.

Responsibility of the Board of Directors and the CEO

It is the Board of Directors and the CEO who are responsible for the preparation of the Annual Report and consolidated accounts and that they provide a fair view according to the Annual Accounts Act and, with regard to the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the CEO are also responsible for the internal control that they deem necessary in preparing annual and consolidated accounts that do not contain any material misstatement, whether due to error or impropriety.

In preparing the Annual Report and consolidated accounts, the Board of Directors and the CEO are responsible for the assessment of the company's

and the Group's ability to continue operating. They provide information, when appropriate, concerning conditions that may affect the ability to continue operations and to apply the going concern assumption. The going concern assumption is not, however, applied if the Board of Directors and the CEO intend to liquidate the company, cease operations or have no realistic alternative to do otherwise.

The Board of Directors' Audit Committee shall, without it affecting the responsibility and duties of the Board of Directors in other regards, monitor, among other things, the company's financial reporting, .

Auditors' responsibility

Our objective is to achieve a reasonable degree of certainty whether or not the annual and consolidated accounts, as a whole, contain any material misstatements, whether due to error or impropriety, and to provide an Audit Report containing our statements. Reasonable certainty is a high degree of certainty, but is no guarantee that an audit performed according to ISA and generally accepted auditing standards in Sweden will always discover a material misstatement if such exists. Misstatements can arise due to impropriety or error and are considered to be material if they individually or together can reasonably be expected to affect financial decisions that users make based on the annual accounts and consolidated accounts.

A further description of our responsibility for auditing the annual and consolidated accounts can be found on the website of the Swedish Inspectorate of Auditors:

http://www.revisorsinspektionen.se/rn/showdocument/documents/rev_dok/revisors_ansvar.pdf. This description forms part of the Audit Report.



Multi-year overview

Group in summary 2013–2017	2018	2017	2016	2015	2014
Income Statement					
Rental income	3,392,972	2,013,381	1,057,448	719,072	471,287
Operating costs	-1,582,480	-986,300	-527,519	-372,309	-229,417
Central administration	-106,644	-84,905	-48,251	-32,593	-39,195
Other operating income and costs	-32,436	19,370	12,146	12,030	17,398
Profit from participations in associated companies	20,249	12,396	67,003	211,002	36,035
Profit before financial items	1,691,662	973,942	560,827	537,202	256,108
Financial income	53,245	5,763	27,510	26,397	23,172
Financial costs	-806,158	-464,992	-220,763	-172,440	-166,835
Profit from property management	938,749	514,714	367,574	391,159	112,445
Change in value of investment properties	2,744,482	2,201,612	2,315,843	1,121,986	143,719
Change in value of interest rate derivatives	10,862	24,024	36,252	28,290	-266
Current tax	-144,833	-75,684	-55,657	-28,749	-233
Deferred tax	-396,153	-600,992	-449,070	204,848	11,076
Profit for the year	3,153,107	2,063,674	2,214,942	1,717,533	266,741
Other comprehensive income	-254,686	99,374	14,936	61	0
Comprehensive income for the year	2,948,883	2,163,048	2,229,878	1,717,594	266,741
Balance Sheet					
Investment properties	76,249,263	50,285,176	26,330,189	11,143,273	10,377,664
Other non-current assets	449,636	401,711	52,761	1,596,846	517,253
Current assets	6,587,583	1,955,620	1,822,660	830,181	418,717
Total assets	83,286,482	52,642,508	28,205,610	13,570,300	11,313,634
Equity	33,936,018	18,806,863	8,975,398	5,864,458	3,479,955
Deferred tax	2,218,041	1,740,903	1,119,372	597,202	815,421
Interest-bearing subordinated shareholder loans	0	0	2,722,058	0	0
Interest-bearing liabilities	45,686,884	30,935,834	14,779,408	6,821,909	6,425,518
Interest-rate derivatives	0	30,793	55,977	74,307	376,151
Non-interest-bearing liabilities	1,445,539	1,128,115	553,397	212,424	216,589
Total liabilities	83,286,482	52,642,508	28,205,610	13,570,300	11,313,634
Property-related key data					
Number of properties on balance sheet date	951	828	566	257	226
Lettable area on balance sheet date, m ²	2,732,359	2,128,616	1,457,559	627,238	701,759
Number of apartments on balance sheet date	39,006	30,549	19,797	7,676	6,565
Proportion living area on balance sheet date, %	89	90	88	86	66
Lettable time-weighted area, m ² thousands	1,700	1,701	965	655	442
Rental income per m ² , SEK	1,996	1,184	1,096	1,099	1,067
Operating costs per m ² , SEK	-931	-580	-547	-569	-519
Operating costs excluding administration and property tax, per m ² , SEK	-832	-482	-473	-469	-426
Letting ratio, housing (number), %	97.3	98.7	99.5	99.6	99.5
Surplus ratio, %	53.4	51.0	50.1	48.2	51.3
Financial key data					
Cash flow, SEK thousands	3,489,398	-218,878	826,566	413,770	10,594
Interest coverage ratio (ICR), multiple ¹⁾	2.2	2.6	3.2	3.3	1.7
Loan-to-value ratio, % ¹⁾	53.7	58.8	50.0	54.2	58.4
Equity/assets ratio, % excluding shareholder loans in equity	40.7	35.7	31.8	43.2	30.8
Equity/assets ratio, % including shareholder loans in equity ¹⁾	40.7	35.7	41.5	43.2	30.8
Average interest, %	1.8	1.7	1.5	1.9	3.1
Average period of fixed-interest on loans by derivative, year	2.1	1.2	1.3	0.9	2.1
Average period for which capital is tied up, year	8.0	7.8	9.5	6.3	5.4
Net asset value on the balance sheet date, SEK thousands	36,154,059	20,547,766	10,094,770	6,461,660	4,295,376
Long-term asset value (EPRA NAV) on the balance sheet date, SEK thousands ¹⁾	36,154,059	20,578,559	10,150,747	6,535,967	4,671,527
Interest-bearing debt ratio on the balance sheet date, % ¹⁾	134.6	164.5	103.1	116.3	184.6
DEBT/EBITDA, multiple	20.1	20.0	19.0	12.4	16.4
Data per share					
Profit per ordinary share, SEK	139	116	133	176	404
Equity per ordinary share, SEK	1,182	609	504	377	5,271
Equity per preference share, SEK	380	380	380	380	0
Number of ordinary shares outstanding at the end of the period	13,204,000	13,204,000	13,204,000	13,204,000	660,200
Number of preference shares outstanding at the end of the period	2,343,750	2,343,750	2,343,750	2,343,750	0
Average number of ordinary shares outstanding	13,204,000	13,204,000	13,204,000	9,629,876	660,200
Average number of preference shares outstanding	2,343,750	2,343,750	2,343,750	1,354,880	0

1) Interest-bearing subordinated shareholder loans from non-controlling interests are classified as equity in calculating key data.

Definitions and glossary¹⁾

Letting ratio, housing (number), %

Leased housing divided by total number of homes.

Surplus ratio, %²⁾

Net operating surplus as a percentage of rental income

Proportion living area on balance sheet date, %

Living area divided by total property area.

Interest coverage ratio (ICR), multiple

Profit after net financial items plus financial costs divided by financial costs attributable to interest-bearing liabilities excluding the effect of subordinated shareholder loans.

Equity/assets ratio including shareholder loans, %

Equity including interest-bearing subordinated shareholder loans as a percentage of total assets at the end of the period.

Equity/assets ratio excluding shareholder loans, %²⁾

Equity as a percentage of total assets.

Loan-to-value ratio (LTV), %

Net liabilities in relation to estimated market value.

Net liabilities

Net interest-bearing liabilities excluding interest-bearing subordinated shareholder loans and provisions less financial assets, including cash and equivalents.

Average interest, %²⁾

Average interest on the balance sheet date for interest-bearing liabilities, excluding subordinated shareholder loans with interest rate derivatives taken into account.

Net asset value on the balance sheet date, SEK m

Equity plus deferred tax liability.

Long-term asset value (EPRA NAV) on the balance sheet date, SEK m

Equity with deferred tax liability and interest rate derivatives reversed.

DEBT/EBITDA, multiple

Time-weighted interest-bearing liabilities excluding subordinated shareholder loans divided by profit before financial items with reversal of depreciation.

Equity per ordinary share, SEK

Equity at the end of the period, in relation to the number of ordinary shares at the end of the period, after preferential capital is taken into account.

Equity per preference share, SEK

Preferential rights of the preference shares upon liquidation of the company (SEK 375 per preference share) plus the share's remaining entitlement to dividends.

Profit per ordinary share

Profit in relation to the average number of ordinary shares once the preference shares' portion of the profit for the period has been taken into account.

Heimstaden presents certain financial measures that are not defined in accordance with IFRS. Heimstaden believes that these measures provide valuable additional information to investors and management as they enable assessment of the company's performance.

Since not all companies calculate financial measures in the same way, these are not always comparable to measurements used by other companies.

Accordingly, these financial measures should not be considered as a replacement for measures defined in accordance with IFRS. Note [AN](#) presents the derivation of key data.

¹⁾ Certain key ratios are calculated with particular regard to interest-bearing subordinated shareholder loans, which are reclassified and defined as equity given their financial structure.

²⁾ These specific key data are operational and are not considered to be key data in accordance with ESMA's guidelines.

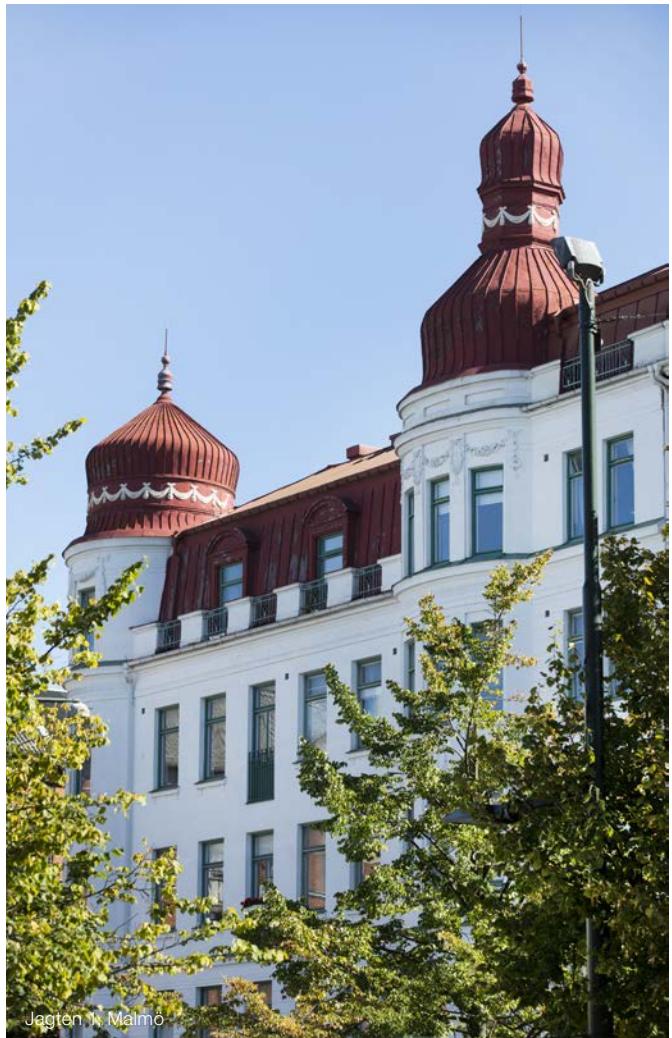
List of properties





Property list, Sweden 31 Dec. 2018

Property	Address	Constr. yr /renov. yr.	No. apartments	No. of premises	No. parking spaces/garage	Resid. m ²	Premises m ²	Area total m ²
CENTRAL								
Falköping								
Agaten 11	Petter Rytnings Väg 20, Sigurd Kochs Gata 2	1962	15	1	13	880	51	931
Agaten 6	Sigurd Kochs Gata 4	1964	8	0	8	466	0	466
Anden 16	Banérgatan 16	1949	5	1	0	568	135	703
Ansgar 1	Sankt Sigfridsgatan 45, 47, 49	1965	24	5	30	2,022	24	2,046
Apotekaren 2	Sankt Olofsgatan 9	1992	6	4	2	710	515	1,225
Avenboken 1	Idrottsgatan 49, Margaretagatan 44	1961	20	4	8	1,234	7	1,241
Avenboken 2	Idrottsgatan 47, Margaretagatan 42	1961	20	0	24	1,234	0	1,234
Bagaren 7	Nygatan 2, Trätorget 1 & 3, Östertullsgatan 3	1995	44	5	0	2,409	994	3,403
Byggmästaren 9	Odengatan 16	1959	29	1	22	2,240	100	2,340
Draken 8	Odengatan 31	1974	4	0	0	660	4	664
Ejdern 14	Banérgatan 1, Nils Ericsonsgatan 10	1962	41	1	18	2,236	69	2,305
Flugsnapparen 1	Kapellsgatan 1	1959	10	1	2	570	10	580
Flugsnapparen 2	Allégatan 3	1959	10	0	9	570	10	580
Flugsnapparen 6	Kapellsgatan 3	1959	10	0	4	570	10	580
Guldsmeden 21	Trädgårdsgatan 22	1939	2	6	12	220	403	623
Guldsmeden 7	Ekmans Gränd 2 & 4, Storgatan 20	1987	6	7	37	468	1,067	1,535
Göken 12	Allégatan 9 & 11	1990	5	0	3	423	5	428
Hammaren 7	Eriksgatan 33	1963	8	0	4	376	0	376
Hovslagaren 16	Högarengatan 9, Jakobsgatan 18	1960	36	3	15	2,082	87	2,169
Hytten 1	–	Land plot						0
Kemisten 1	Stora Torget 7, Trätorget 4, 6 & 8	1959	4	4	0	215	316	531
Lejonet 2	Hjelmarsrörsgatan 24–46	1971	80	7	0	6,640	118	6,758
Mejseln 4	Sankt Sigfridsgatan 20	1942	5	1	3	312	5	317
Muraren 15	Sigurd Kochs Gata 16, 18 & 20	1964	26	1	23	1,536	15	1,551
Muraren 3	Hwassgatan 7	1960	16	0	8	690	0	690
Muraren 4	Hwassgatan 5	1979	12		19	745	0	745
Muraren 5	Hwassgatan 3 A–B	1959	14	0	11	787	0	787
Muraren 6	Gårdsgatan 18 A–B	1959	14	0	11	787	0	787
Oxeln 1	Wetterlingsgatan 24	1972	21	1	31	1,357	25	1,382
Sankt Jakob 14	Sankt Sigfridsgatan 27	1992	6	0	2	316	0	316
Sankt Jakob 18	Eriksgatan 29	1970	5	0	2	293	0	293
Sankt Johannes 18	Sankt Sigfridsgatan 5	1960	6	0	2	400	0	400
Sankt Lars 1	Per Largatan 4	1961	12	1	2	810	12	822
Sankt Olof 17	–	Land plot						0
Sankt Olof 18	Sankts Olofsgatan 14, Sleipnergatan 5	1991	19	2	14	1,599	432	2,031
Sankt Staffan 13	Bryngelsgatan 6	1929	0	8	0	0	2,415	2,415
Sankt Tomas 13	Warenbergsgatan 11	1973	6	0	3	393	0	393
Skalbaggen 1	Scheelegatan 21	1957	10	3	6	748	108	856
Skalbaggen 11	Kapellsgatan 19	1959	6	7	0	434	6	440
Skalbaggen 12	Kapellsgatan 27	1954	10	0	7	540	10	550
Skalbaggen 5	Danska Vägen 148	1954	10	1	10	540	10	550
Skogslinde 3	Idrottsgatan 39, Margaretagatan 34	1978	12	2	14	716	24	740
Skogslinde 4	Idrottsgatan 37, Margaretagatan 32	1976	8	1	14	712	18	730
Spettet 1	Wetterlingsgatan 18	1952	24	2	22	1,308	54	1,362
Svanen 24	Danska Vägen 129 & 131	1970	15	0	17	1,099	0	1,099
Trädgårdsmästaren 18	Marknadsgatan 7	1971	22	5	0	1,272	94	1,366
Trädgårdsmästaren 19	Högarengatan 8	1989	14	0	0	1,018	0	1,018
Trädgårdsmästaren 22	Marknadsgatan 9 & 11	1969	32	0	67	2,020	0	2,020
Urd 3	Odengatan 19, Sankt Olofsgatan 19 & 21	1965	29	5	23	1,844	1,931	3,775
Vargen 1	Wetterlingsgatan 13	1975	22	1	33	1,441	10	1,451
Vargen 2	Dotorpsgatan 67	1975	17	2	4	1,163	43	1,206



Property list, Sweden 31 Dec. 2018

Property	Address	Constr. yr /renov. yr.	No. apart- ments	No. of premises	No. parking spaces/ garage	Resid. m ²	Premises m ²	Area total m ²
Vargen 3	Wetterlingsgatan 13 F, G, H	1975	16	2	6	832	242	1,074
Vargen 4	Wetterlingsgatan 11 G, H	1977	18	2	6	1,130	521	1,651
Vargen 5	Wetterlingsgatan 11 A, B, I	1975	20	2	4	1,086	376	1,462
Vargen 6 & 8	Wetterlingsgatan 11 C, D, E	1976	21	4	33	1,503	43	1,546
Vargen 7	Wetterlingsgatan 11 F	1977	14	1	4	981	51	1,032
Vitsippan 2	Hagbergsgatan 4	1956	8	4	0	532	0	532

Katrineholm

Asken 4	Bondegatan 12, Gersnäsgatan 7	1989	26	3	6	1,815	95	1,910
Aspen 12	Kyrkogatan 6, 8, 10	1968	21	2	6	1,702	119	1,821
Blåsippan 4	Fredsgatan 43	1912–1985	19	7	14	1,118	261	1,379
Blåsippan 8	Fredsgatan 41, Jungfrugatan 1–3	1948, 1965	84	2	46	5,778	414	6,192
Dahlian 10	Jägaregatan 13	1938–1979	12	3	10	912	82	994
Dahlian 9	Djulögatan 67	1950	9	3	9	595	620	1,215
Flundran 10	Tegnérvägen 37	1946–1982	12	1	11	720	70	790
Flundran 15	Djulögatan 58	1966	12	1	12	886	199	1,085
Flundran 9	Tegnérvägen 39	1970	12	0	0	924	0	924
Glasblåsaren 11	Vasavägen 36	1943–1984	8	2	5	304	12	316
Hajen 18	Jungfrugatan 21	1970	50	4	37	3,254	143	3,397
Hästhoven 13	Trädgårdsgatan 12–20, Jägaregatan 1–9, Fredsg 39, Jungfrug 8	1970	108	9	125	7,135	770	7,905
Ingénjören 21	Ölandsgatan 10	1944–1982	14	1	17	581	14	595
Ingénjören 22	Vasavägen 58	1945–1982	8	1	9	444	13	457
Kamelen 8	Hantverkarg 17–27, Tegnér 20–24, Vasav 18–26, Linné 25	1983–1986	148	4	46	9,824	79	9,903
Karpen 4	Linnévägen 32	1962	20	1	14	1,093	55	1,148
Kontoristen 10	Västgötagatan 27	1957	21	1	22	1,129	38	1,167
Laxen 3	Malmsgatan 26	1948	12	1	2	939	120	1,059
Läraren 16	Västgötagatan 25	1952–1982	14	1	14	1,024	132	1,156
Läraren 17	Västgötagatan 23	1951–1986	22	3	19	1,030	88	1,118
Mörten 1, 10, 11	Tegnérvägen 44, Linnévägen 45, Jägaregatan 21	1949, 198	35	6	30	2,230	336	2,566
Näckrosen 17	Fredsgatan 13, 15, 17, Hantverkaregatan 4	1992	83	16	30	5,935	2,675	8,610
Oxen 9	Vingåkersvägen 6	1950–1986	18	4	9	1,228	248	1,476
Pilen 10	Lasstorpsgatan 4, Kapellgatan 15	1947–1983	20	3	10	1,216	170	1,386
Pilen 9	Nyängsgatan 8, Lasstorpsgatan 2	1947–1983	22	2	15	1,249	134	1,383
Rönnen 14	Bondegatan 25	1972	18	1	0	1,292	92	1,384
Siken 5	Tegnérvägen 38, Jägaregatan 24, Linnévägen 43	1960, 1964	44	1	38	2,967	29	2,996
Sillen 4	Jungfrugatan 28	1939–1983	6	1	14	526	20	546
Skogsduvan 11	Ramsjögatan 4	1988	12	1	12	670	12	682
Skogsduvan 14	Forssjögatan 5	1985	10	1	3	535	30	565
Sådesärлан 1	Bergsgatan 11	1980, 1987	14	1	9	776	77	853
Sådesärлан 14	Floragatan 4	1990	16	2	15	789	100	889
Sådesärлан 2	Fixgatan 4	1947–1986	8	3	7	560	106	666
Vallmon 16	Djulögatan 59	1963	26	0	22	1,714	0	1,714
Vinrankan 2	Nyängsgatan 5	1949–1950	26	1	8	1,652	75	1,727
Vinrankan 3	Stensättersgatan 41	1950–1986	31	2	26	1,997	338	2,335
Vitsippan 11	Jägaregatan 2–6, Trädgårdsgatan 6–10, Sibeliusgatan 1–9, Malmgatan 3–7, Fredsgatan 33–35	1930–1970	362	23	199	23,237	1,763	25,000
Älgen 5	Linnévägen 7	1963	15	0	9	1,082	0	1,082
Älgen 6	Prinsgatan 15	1952–1980	18	2	7	1,168	103	1,271
Älgen 8	Prinsgatan 13	1957–1987	18	2	12	1,185	160	1,345

Property list, Sweden 31 Dec. 2018

Property	Address	Constr. yr /renov. yr.	No. apart- ments	No. of premises	No. parking spaces/ garage	Resid. m ²	Premises m ²	Area total m ²
Linköping								
Illustrationen 1	Nanna Svartz Gata 8, 20 A-C	2018	15	0	0	693	0	693
Initiativet 1	Arkitektgränd 1, Fredrik Hasselqvistgata 10-18	2018	20	0	0	954	0	954
Inspirationen 1	Kunskapslänken 86-88, Selma Lagerlöfs Gata 10	2018	27	2	0	1,532	120	1,652
Inspirationen 7	Kunskapslänken 90-92, Medicingränd 1	2018	21	0	0	1,051	0	1,051
Integralen 15-27	Fysikgränd 2	2018	13	0	0	753	0	753
Isrevyn 43 & Isrännen 45	Lantmannagatan	Land plot				0	0	0
Isrevyn 44	Lantmannagatan 101 A-101 D etc.	1982-1983	26	0	0	2,015	216	2,231
Isrännen 1-44, Isrevyn 1-42	Lantmannagatan 1-120	1982-1983	158	5	201	9,896	0	9,896
Isrännen 46	Lantmannagata 100 A-D etc.	1983	46	0	0	3,490	231	3,721
Laken 4 and Lagunen 1	Hovetorpsgatan 2-50, Hovetorpsgatan 1, 3	1964	189	42	109	13,603	580	14,183
Ostfaret 1	Ryda Allé 1-21	1967	467	0	139	10,082	216	10,298
Ostformen 10	Rydsvägen 166-192	1969	96	0	68	8,189	161	8,350
Ostformen 11	Rydsvägen 152-164	1969	48	0	38	4,175	76	4,251
Ostformen 6	Mårdtorpsgatan 17-23	1969	45	0	32	2,311	81	2,392
Ostformen 7	Mårdtorpsgatan 9-15	1969	45	0	32	2,311	103	2,414
Ostformen 8	Mårdtorpsgatan 1-7	1969	40	0	51	2,054	396	2,450
Intellektet, 9, 11, part of Smedstad 1.4	-	Construction project				0	0	0



Property list, Sweden 31 Dec. 2018

Property	Address	Constr. yr /renov. yr.	No. apart- ments	No. of premises	No. parking spaces/ garage	Resid. m ²	Premises m ²	Area total m ²
Norrköping								
Banjon 1	Gustaf Clasons Gata 1-139, 2-90	1975	113	1	144	9,916	149	10,065
Bokhällaren 2	Erikslundsplan 9, Bredgatan 18-24, Sandgatan 19-21	1959	39	2	8	2,610	7	2,617
Duvan 7	G:a Rådstugugatan 18-20, Trädgårdsgatan 2,	1933	45	13	22	2,412	3,712	6,124
Duvan 8	G:a Rådstugugatan 22 A-B,	1929/1991	16	2	25	1,564	88	1,652
Enen 4	Generalsgatan 74, Södra Promenaden 127	1896/1984	24	2	0	1,621	174	1,795
Enen 8	Kristinagatan 59, Södra Promenaden 123, 125	1896/1984	26	1	0	2,022	35	2,057
Enen 1, 2, 3	Kristinagatan 57, Nygatan 128, Generalsgatan 72	1973	99	6	1	4,368	697	5,065
Gittaren 148	Torsten Fogelqvists gata 129-195, Albert Engströms gata 3-171, 166-208	1981	136	2	199	11,759	626	12,385
Godvän 17	Nygatan 35	1960	29	0	15	1,913	0	1,913
Hallonbusken 5	Norralundsgatan 51-57	1948/1985	30	4	3	1,920	150	2,070
Järnstången 10	(vacant)	Land plot	0	0	92	0	0	0
Kapellhorvan 10	Kungsgatan 37-43, Tunnbindaregatan 9-11	1909	106	17	46	9,362	3,081	12,443
Liljan 16 and 17	Nygatan 105, Drottninggatan 65	1929	18	10	21	1,909	657	2,566
Linjen 3	Idrottsgatan 31-61	1968	220	13	199	16,562	701	17,263
Lybeck 24	Styrmansgatan 10, Trädgårdsgatan 49	1974	49	3	33	2,651	417	3,068
Markattan 5, 10, 12	Drottninggatan 36, 38	1934, 1968	38	16	25	1,250	2,931	4,181
Nyckeln 3	Skolgatan 39, Ö Promenaden 24 A-B	1897/1974	23	0	0	1,485	0	1,485
Paraden 14	Prästgatan 5 B	1920	8	3	0	734	391	1,125
Pelikanen 11, 16	Knäppingsborgsgatan 7, 7A, 7B, Drottninggatan 23-25	1920	43	15	0	3,458	1,714	5,172
Ruddammen 7	Nya Rådstugugatan 40	Land plot						0
Röken 24	Källvindsgatan 29, Nygatan 39, 41 A-B	1947	35	4	0	2,312	215	2,527
Safiren 1	Vilbergsgatan 34-44, 48-50	1973	258	7	310	22,207	441	22,648
Safiren 2	Vilbergsgatan 55-125	1968	325	13	305	25,858	602	26,460
Skolan 9	Slättergatan 52-68	1961/2014	70	5	70	4,598	197	4,795
Smaragden 1	Vibergsgatan 55-125	1971	174	11	191	15,485	140	15,625
Sparven 9	S:t Persgatan 139 A-M	1981	101	30	193	11,829	4,293	16,122
Stallet 5	Slottsgatan 130-136	1973	187	10	162	9,404	2,056	11,460
Steglitsan 6	Nelinsgatan 14	1969	14	2	0	1,641	256	1,897
Svärdet 2	Trädgårdsgatan 20, Krstinagatan 10	1920/1980	15	8	0	1,647	1,930	3,577
Syrenbusken 9	Breda vägen 17 A-B, 19 A-B, Norralundsgatan 39-43, Blommelundsgatan 18 A-B	1952/1979	125	29	88	7,997	2,402	10,399
Torvan 1, Tuvan 5	Skogvaktaregatan 4, 7-15, De Geersgatan 67-73	1966	69	3	73	4,735	184	4,919
Tulpanen 16	Drottninggatan 49-51, Hantverkaregatan 20	1959	22	8	21	1,134	2,149	3,283
Valthornet 63	Emil hegelius gata 1-211, 128-180	1982	133	0	194	12,170	0	12,170
Vargen 5	Värmlandsgatan 3 A-B	1910/1982	20	0	0	1,040	0	1,040
Vattenkonsten 5	Fleminggatan 30, Nya Rådstugan 21, Skepparegatan 2,4	1910/1987	38	3	0	3,776	1,320	5,096
Åkerkroken 6	Lagergrensgatan 28-30	1943/1980	12	1	0	933	30	963
Central total			6,227	523	4,621	418,343	54,087	472,430

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Property	Address	Constr. yr /renov. yr.	No. apartments	No. of premises	No. parking spaces/garage	Resid. m ²	Premises m ²	Area total m ²
MÄLARDALEN								
Gävle								
Brynäs 13:7	Boothsgatan 3, Fältskärsleden 9, Södra Fiskargatan 10 A–F etc.	1965–1971/2000–2010	77	9	39	4,767	488	5,255
Brynäs 14:7	Boothsgata 5–7, S. Fiskargatan 13 A–C etc.	1965–1971/2000–2010	71	23	65	4,891	475	5,166
Brynäs 15:5	Boothsgatan 2–4, Ladugatan 1, 3	1965–1971/2000–2010	66	8	50	4,470	89	4,559
Brynäs 16:12	Brynäsgatan 12, S Sjötullsgränd 14 A–C etc.	1965–1971/2000–2010	352	21	120	23,247	387	23,634
Brynäs 57:3	Brynäsgränd 18, Kasérsgatan 91	1898/1990	10	2	0	729	79	808
Brynäs 65:14	Gulregnsgatan 2, 4 & 10, Staffansgatan 3, 5, 9, 11 & 13	1982	173	0	17	11,303	12	11,315
Brynäs 7:1	Södra Skeppsbron 6 A–C, Södra Fiskaregatan 1	1900/1985	15	4	0	1,403	217	1,620
Brynäs 79:4	Hillmansgatan 22, 24 & 28, Hagtorngatan 1–9, 8–12	1947/1985	126	2	49	7,389	85	7,474
Brynäs 80:3	Fjärde Tvärgatan 55, Hagtorngatan 2, 4, & 6	1956/1988	72	10	41	3,833	362	4,195
Brynäs 90:8	Staffansgatan	Land plot	0	0	85			0
Northern, 24:1	Norra Köpmansgatan 10, Nygatan 26	1959/1994	16	8	7	1,145	1,784	2,929
Norr 35:3	Kyrkogatan 31, Hattmakregatan 3	1959/1975	37	7	0	2,038	159	2,197
Northern, 8:9	Staketgatan 40–42, Ruddammsgatan 35 etc.	1963	55	21	24	3,724	2,479	6,203
Norrstull 32:1	Valbogatan 46	1951	19	0	4	1,223	0	1,223
Norrstull 32:4	Norra Köpmansgatan 27	1954/1959	25	2	10	1,280	50	1,330
Norrstull 32:8	Norra Rådmansgatan 26	1959/1968	28	1	0	2,424	49	2,473
Stigslund 51:1	Tallåsvägen 2–4 A–B	1959	48	2	27	2,490	120	2,610
Sätra 53:3	Porfyrvägen 5–7	1960–1970	237	4	22	16,629	178	16,807
Söderstull 19:2	Södra Kungsgatan 52	1945	18	1	15	828	65	893
Söderstull 19:3	Södra Kungsgatan 54	1945	18	2	14	828	80	908
Söderstull 19:4	Södra Kungsgatan 56	1945	18	2	11	828	75	903
Söderstull 28:8, 28:3	Fleminggatan 33, Lilla Centralgatan 43 etc.	1964	36	5	43	2,621	295	2,916
Väster 16:9	Valbogatan 2 A–B	1947/1959	15	0	0	1,038	0	1,038
Haninge								
Söderbymalm 3:515	Arkens väg 13–15	2015	89	0	55	5,375	0	5,375
Söderbymalm 3:516	Arkens väg 26–28	2015	133	0	90	8,277	0	8,277
Huddinge								
Brygghuset 2	Småbrukets Backe 30–74	2016	359	0	60	9,180	0	9,180
Mangelboden 1	Små brukets backe 31–39	2016	125	0	80	7,516	0	7,516
Sandviken								
Barberaren 15	Hyttgatan 29 A–B, 31, Torggatan 1 A_B	1963	38	13	36	2,880	2,465	5,345
Barberaren 18	Plangatan 4 A–C, 6–8, Torggatan 5–7, 7 A–B	1969	64	14	83	4,075	3,675	7,750
Barberaren 7	Köpmansgatan 16, 18 A–V, 18 X–Z, 18 Å–Ö	1990	28	4	58	1,916	1,547	3,463
Grillen 4	Hyttgatan 26 A–B, Köpmansgatan 12 A–B	1955	31	10	21	1,871	1,511	3,382
Vallareläten 2	Smultronbacken 2–10, 13–17	1973	161	2	170	10,392	625	11,017
Vallareläten 3	Smultronbacken 11–12, 18–27	1973	127	1	115	8,802	357	9,159
Stockholm								
Häftklamrn 1	Jämtlandsgatan 105, Vemdalsgatan 51–55	2015	227	2	0	13,509	292	13,801
Vattenfallet 10	Funäsgatan 34, 36, 38	2014	230	1	0	13,735	52	13,787

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Strängnäs								
Blå Bandet 10	Källgatan 4–6, Trädgårdsgatan 5, 7 & 13	1900, 1969/1980	26	13	22	2,124	1,607	3,731
Bresshammar 1:72	Stenbyvägen 15–29, Flodins väg 52–62, Stenbyvägen 2–12	1988	118	1	163	9,419	62	9,481
Erikslund 10	Erikslundsvägen 1	1991	12	1	11	874	132	1,006
Erikslund 3	Eskilstunavägen 24	1929/1969	4	0	3	235	0	235
Erikslund 9	Erikslundsvägen 3	1992	12	0	12	874	0	874
Geväret 14	Erikslundsvägen 4	1929/1989	6	0	6	334	0	334
Gillesgården 1:46	Kantorstigen 10–30	1991	30	0	0	2,274	0	2,274
Gillesgården 1:59	Ringarstigen 17–25	1993	10	0	0	810	0	810
Gillesgården 1:60	Ringarstigen 14–22	1992	10	0	0	826	0	826
Gillesgården 1:61	Ringarstigen 10–12	1993	4	0	0	392	0	392
Helsingin 10	Kvarngatan 8, Norra Strandvägen 29	1929/1992	5	0	0	585	0	585
Helsingin 9	Kvarngatan 10, Norra Strandvägen 31	1991	17	0	14	1,355	0	1,355
Kopparslagaren 1	Hospitalgatan 2, Koppargränd 4	1986	12	0	6	781	0	781
Kungsberget 3	Klostergatan 4	1929/1940	6	0	4	639	0	639
Ladan 11	Nygatan 19	2000	5	0	17	315	0	315
Ladan 4	Nygatan 19	1929/1988	11	0	0	863	0	863
Ladan 7	Järnvägsgatan 15	1895/1950	10	3	9	852	363	1,215
Ladan 9	Nygatan 21	1929/1969	6	1	0	658	40	698
Lergropen 10	Lagmansgatan 4	1934	14	1	0	728	160	888
Linden 6	Dalsängsgatan 15	1946/1978	16	6	10	870	264	1,134
Merlänna 4:29	Rosenbergsvägen 3	1961	8	0	0	320	0	320
Merlänna 4:48	(vacant)	Land plot	0	0	0	0	0	0
Munkbacken 1	Eskilsgatan 2 A	1941/1981	18	4	0	1,112	294	1,406
Rådmannen 3	Munkhagsgatan 5, Storgatan 10–12	1929	6	6	15	706	599	1,305
Smeden 1	Bondegatan 44, Larslundsvägen 44	1946/1970	41	10	13	2,299	536	2,835
Smeden 2	Larslundavägen 6	1947/1967	27	7	20	1,194	136	1,330
Åkers Styckebruk 1:467	Köpingevägen 8, Sågartorpsvägen 4–12	1992	12	0	0	920	0	920
Översten 1	Bisp Thomas väg 4, Kung Magnus väg 3	1945/1975	8	1	2	670	0	670
Uppsala								
Dragarbrunn 20:1	Kungsgatan 45–47, Vaksalagatan 14	1933/1980	18	7	0	969	821	1,790
Fjärdingen 28:6, Fjärdingen 28:7	Drottninggatan 8, Trädgårdsgatan 6, Drottninggatan 6	1929	2	14	7	226	1,487	1,713
Flogsta 13:1, 14:1, 15:1	Sernandersväg 1, 2, 3A, 3B, 4, 5, 6, 7, 8, 9, 10, 11, 12	1969–1972	2,014	27	358	50,583	3,111	53,694
Flogsta 13:2–3, 15:2–5	(vacant)	Land plot		2			0	0
Fålhagen 11:3	Salagatan 29 A–B	1910/1994	27	0	0	2,452	0	2,452
Fålhagen 11:5	Storgatan 28 A–B	1966	12	10	26	1,641	1,921	3,562
Gamla Uppsala 108:1, 109:1, 110:2, 111–112:1, 113–114:1, 115–116:1	(vacant)	1988	282	9	255	22,706	1,164	23,870
Uppsala Kungsängen 45:2	Kryddblandargatan 39–49, Kungsängsgränd 4, Kungsgatan 66V, 66X, 66Z and 66Ä	Construction project				0	0	0
Mälardalen total			5,953	304	2,384	298,062	30,749	328,811

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NORTHERN								
Luleå								
Hertsön 11:598, 11:599, 11:631, 11:632, 11:644, 11:645, 11:665, 11:666	Flugsnappargränd 16–26, Rödhakegränd 1–11, Blåmesgränd 15–25, Rödhakegränd 15–25, Blåmesgränd 1–11, Domherregränd 2–12, Flugsnappgränd 2–12, Domherregränd 16–26	1975	217	3	147	15,998	348	16,346
Hertsön 11:703, 11:704, 11:705, 11:706, 11:708, 11:709, 11:710, 11:712	Tjädergränd 1–11, Morkullegränd 16–26, Morkullegränd 2–12, Orrgränd 16–26, Orrgränd 2–12, Järngränd 1–11, Järngränd 15–25,	1975	217	2	157	16,153	1,580	17,733
Pennan 2	Rödkallens Väg 11–15	1958	77	3	35	6,261	636	6,897
Porsön 1:407	Porsögården 2–42	1900/1988	310	3	40	7,025	227	7,252
Tången 2	Edeforsgatan 2A–B, 4A–C, 6A–C, 8A–C, 10A–C, 12A–C, 14A–C, 16A–B, Norra Vretvägen 1A–B, 3A–C, 5A–B, 7A–C, Södra Vretvägen 9A–B, 11A–C, 13A–B, 15A–C	1951	282	13	191	17,016	590	17,606
Yxan 2 & 4	Vinkelgränd 1–7	1961	175	4	112	10,518	142	10,660
Skellefteå								
Anderstorpsgården 3	Anderstorpstleden 1–5	1978/2009	46	6	62	1,371	7,055	8,426
Anderstorpsgården 4	Elevhemsgatan 3, 9, 11, 13	1970–1996	16	5	16	674	764	1,438
Myran 1	Bogårdsvägen 2:32	1972	177	0	167	11,396	0	11,396
Nattkvarteret 2	Anderstorpsgatan 8–16	1978/2000	154	11	602	8,145	4,865	13,010
Sörböle 16:49	Lövgränd 2, trädgränd 2–10, Frögatan 2–10	1960–1970	772	10	62	45,157	2,342	47,499
Vårsädden 5	Skiftesgatan 2–96	1974/2014	188	0	190	11,969	0	11,969
Umeå								
Gnejsen 98, former Gnejsen 95, 97, 98, Flintan 4 and Flintan 5 included	Flintavägen 3–15, 2–72, Gnejsvägen 1–4, 2–10, Kvartsvägen 5–13	Land plot	840	5	705	50,730	412	51,142
Hönsfjädern 1 (former Flyttfågeln 6 included)	Mariehemsvägen 21–25, Morkullevägen 11	1990	260	1	246	17,754	608	18,362
Trandansen 1	Mariehemsvägen 15–19	1974	490	4	161	12,554	298	12,852
Norr Summa			4,221	70	2,893	232,721	19,867	252,588
SKÅNE								
Burlöv								
Burlöv Arlöv 20:1015, 20:106, 20:58	Dalbyvägen 32, 34 A–B, 36 A–C, 38, 40	Construction project				0	0	0
Eslöv								
Tofsvipan 1	Lars Otterstedts väg 2, 4, 6, 8	2007	87	0	100	5,545	0	5,545
Klippan								
Drabant 7	Torget 10	1946/1985	27	5	0	2,126	1,061	3,187
Drabant 8	Storgatan 46 / Åbyplan	1950/1990	28	14	0	1,882	1,656	3,538
Drabant 9	Storgatan 42,44/ Troggränd	1950/1990	8	13	18	704	1,001	1,705
Fridhem 3	Generalsgatan 6–10	1991	17	0	0	1,207	0	1,207
Hemmet 3	Storgatan 84	1950/1995	10	4	0	512	30	542
Lyran 16	Bruksgatan 11	1950/1995	31	3	0	1,766	0	1,766
Oden 17	Odengatan 5	1924/1974	0	3	0	0	646	646
Oden 3	Odengatan 3	1924/1995	3	1	0	325	70	395
Polstjärnan 2	Järnvägsgatan 6 / Kapellgatan 1 A–B	1992	18	0	10	1,251	0	1,251

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Landskrona								
Banér 5	Skolallén 8	1980	8	2	0	718	86	804
Filaren 23	Vengatan 20	1959	9	0	2	565	0	565
Fingal 7	Vasagatan 49	1946	12	0	1	584	0	584
Gjörloff 4	Ödmanssonsgatan 37	1939/1983	8	1	2	679	20	699
Gröna Lund 1	Stora Norregatan 26	1959/1998	11	4	0	808	987	1,795
Gröna Lund 17	Stora Norregatan 10	1960–1965/1993	8	2	0	675	180	855
Gröna Lund 36	Järnvägsgatan 13–15 / Östergatan 17	1972	22	8	0	1,293	845	2,138
Grönalund 21–24	St Norreg. 2 / Östergatan 1–3	1929/1990	16	5	0	1,365	857	2,222
Hammaren 13	Trånggatan 20	1970	8	0	7	615	0	615
Hammaren 30	Öresundsgatan 50	1989	20	1	8	1,432	40	1,472
Herkules 1	Ödmanssonsgatan 36 A–B	1944/1987	21	2	0	1,283	33	1,316
Herkules 20	Viktoriagatan 4, Viktoriagatan 6	1945	18	7	0	1,486	225	1,711
Herkules 22	Ödmanssonsgatan 38 AB	1946/1985	17	3	0	1,106	106	1,212
Herkules 4	Viktoriagatan 2	1940/1990	12	2	2	956	30	986
Kung Karls Varv 25	Storg. 17,19,21,23 / N Långgatan 12 / Drottningg 17	1929/1982	19	2	0	1,986	335	2,321
Kung Karls Varv 26	N Kyrkogränd 4–14 / N Långgatan 10 / Drottningg. 15	1990	31	4	42	2,577	296	2,873
Landora 8	Gröna Gång 5	1940/1975	6	3	0	433	121	554
Linné 7	Järnvägsgatan 33	1929	5	0	0	577		577
Madrid 19	Norra Infartsgatan 47–49	1992	22	0	14	1,624		1,624
Milano 12	Norra Infartsgatan 52	1953/1986	10	1	0	517	57	574
Minerva 15	Hantverkaregatan 34, Bryggaregatan 34	1955	15	0	0	879		879
Minerva 17	Hantverkaregatan 30 A–B	1956	18	3	25	895	36	931
Norra Roten 10	Borgmästaregatan 4	1929/1950	11	2	7	701	125	826
Norra Roten 18	Rådhustorget 5, St Norreg. 3	1929/1975	7	5	0	800	400	1,200
Norra Roten 3	Gamla Kyrkogatan 6	1929/1985	4	0	0	264	0	264
Norra Roten 9	Gamla Kyrkogatan 16	1929/1950	0	0	7	0		0
Palander 4	Gröna Gång 16	1939/1984	14	0	19	765		765
Palander 6	Gröna Gång 20	1950/1988	18	1	1	1,182	20	1,202
Pallas 32	Ödmanssonsgatan 44	1975	6	0	0	450	0	450
Pallas 34	Viktoriagatan 3	1988	8	1	0	544	20	564
Pallas 48	Viktoriagatan 5	1945	8	0	2	585	0	585
Pallas 74	Östergatan 189	1956	9	1	0	568	20	588
St. Olof 19	Vasagatan 15 A–B	1954	26	1	0	1,570	90	1,660
St. Olof 6	Järnvägsgatan 75	1951	7	1	0	524	10	534
Storken 1	Viktoriagatan 9	1978	8	1	0	470	20	490
Storken 26	Pilgatan 12–22 / Tranchells 97–105 / Viktoriag 21–27	1929/1977	80	2	0	5,793	100	5,893
Torstensson 1	Föreningsgatan 30	1924/1976	10	2	0	712	234	946
Torstensson 17	Stora Norregatan 123	1948	11	4	0	862	118	980
Torstensson 18	Karmelltergatan 11	1949	9	2	0	617	58	675
Torstensson 7	Karmelltergatan 3	1929/1986	8	0	0	405		405
Tärnan 19	S. Långgatan 24 / Fiskaregård 10 A–B	1962	15	1	17	998	64	1,062
Venus 8	Gjörloffsgatan 87	1929/1987	5	1	0	321	19	340
Venus 9	Gjörloffsgatan 85	1929/1987	5	1	0	488	45	533
Lund								
Måsen 3	Måsvägen 16 A–E	1947/2018	27	0	5	1,553	27	1,580
Ridfoden 1	Stiftsvägen 2–12	2003, 2006	157	0	158	11,163	0	11,163
Skytegillet 2	Kulgränd 3	Land plot	0	0	134	0	0	0
Skyttegillet 1,3	Kulgränd 3–15	1968/1991	288	14	70	14,540	510	15,050
Solfångaren 6	Neversvägen 41–45	2005	96	4	65	6,117	140	6,257
Vildanden 13	Vildandsvägen 2–32	1964/1995	313	0	56	18,098	0	18,098

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Malmö								
Aktern 1	Västra Varvsgatan 24	2002	62	0	0	1,775	0	1,775
Balder 13	Värnhemsgatan 8	1929/1981	8	1	0	697	65	762
Balder 8	Nobelvägen 86	1934/1987	11	0	0	776		776
Balder 9	Nobelvägen 84 / Värnhemsgatan 16	1934/1986	31	6	0	1,843	117	1,960
Bardisanen 5	Allhemsgången 3, Rantzowgatan 14 a-b	1949/1992	12	0	0	889	0	889
Beckasinen 10	Bergsgat. 27 / Friisgat. 22-24	1982	49	8	26	3,990	1,278	5,268
Brage 4	Värnhemsgatan 11	1937/1984	13	0	0	966		966
Brasan 1	Hässleholmsg. 1 / Nobelvägen 81	1936/1975	26	0	0	1,262	0	1,262
Bredablick 3	Nydalav 1 A-C / V Hindbyv 5 A-E	2005	84	0	44	3,516	0	3,516
Brynján 1	Solgatan 2	1910/1982	14	0	0	1,065	0	1,065
Brynján 2	N Bulltoftav 39	1985	20	1	0	1,674	8	1,682
Brynján 3	Floragången 3 A-B	1945/1986	15	0	0	1,154	0	1,154
Brynján 4	Rantzowgatan 2	1950	18	2	0	1,173	158	1,331
Bölian 1, 2 and 6	Falkenbergsg. 6-8 / Simrishamnsg. 19-21 / Ystadsg. 20	1934/1980	61	2	0	5,140	82	5,222
Bölian 3	Simrishamnsg 23 / Falsterbogatan 27	1934/1985	23	2	0	1,592	272	1,864
Bölian 4	Ystadsgatan 24 / Falsterbogatan 29	1931/1983	24	0	0	2,041	0	2,041
David 38	Korsg 4	1938/1978	10	2	0	510	382	892
Dolken 12	Floragången 6 A-B, 8 A-B	1941/1987	18	10	0	1,334	207	1,541
Drivan 10	Kristianstadsgatan 32 A-B	1930	18	2	0	832	32	864
Drivan 17	Kristianstadsgatan 28 A, B, 30	1934/1985	26	0	0	1,804	0	1,804
Drivan 18	Trelleborgsgatan 5-7	1937/1986	27	0	0	2,038		2,038
Drömmen 10	Trelleborgsg 25/Lantmannag 5	1937/1982	22	2	0	1,864	62	1,926
Ekot 10	Trelleborgsg 2	1938/1984	28	1	0	2,318	51	2,369
Ekot 8	Trelleborgsgatan 6 A-B	1938/1987	13	0	0	928	0	928
Fanan 4	Kristianstadsgatan 10 A-B, Ängelholmsgatan 7A	1930/1980	22	1	0	1,367	132	1,499
Folke 1	Ö Förstadsgatan 27, Drottninggatan 1	1904	18	8	0	1,961	761	2,722
Folke 3	Drottninggatan 3, Fredriksbergsgatan 1	1988	23	0	32	2,125	2,015	4,140
Frey 1	Vårg 8 / Östervärnsg 9	1937	33	4	0	2,169	243	2,412
Frey 6 and 7	Nobelvägen 90-92 / Vårgatan 14 A-C	1936	44	2	8	2,838	110	2,948
Gillet 1	Bergsgatan 28 A-C, Kristianstadsgatan 3 A-B	1929/1986	17	2	0	1,283	150	1,433
Gillet 2	Kristianstadsgatan 5	1910/1979	8	1	0	609	0	609
Gotthard 3	Östra Förstadsgatan 33	1931/1985	22	0	0	1,462	186	1,648
Havstutern 7	Kapellgatan 10	1948	11	8	0	760	238	998
Hillebarden 3	Allhemsgatan 7 A-C	1953	31	4	4	1,481	215	1,696
Hjälmar 12	Dalslands 2 / Nobelv 1	1982	43	5	22	3,273	620	3,893
Hjälmen 10	Floragången 2 A-D, N Bulltoftav 41	1988	46	0	19	3,622	0	3,622
Hjälmen 4	Rantzowgatan 6, Floragången 4 A-B	1935/1980	13	1	0	1,007	50	1,057
Hyllie 161:21	(vacant)	Land plot	0	0	0	0	0	0
Hyllie 165:60	(vacant)	Land plot	0	0	0	0	0	0
Idet 2	Ystadsgatan 11	1929/1981	10	2	0	820	156	976
Intagan 32	Lantmannag 47 / Idunsg 75	1967/2014	38	7	47	2,778	757	3,535
Jagten 1	Möllevångstorget 12 A-B, Simrishamnsgatan 1 A-E	1929/1978	17	5	0	1,446	460	1,906
Jagten 5	Simrishamnsgatan 9 / Södra Parkgatan 33	1959	34	0	11	2,040	0	2,040
Jagten 6	Södra Parkgatan 35 A-B, Ystadsgatan 10 A-D	1929/1966	25	3	0	1,420	263	1,683
Jagten 8	Ystadsgatan 6	1930/1980	7	2	0	780	120	900
Judith 1	Kornettsgatan 3 A-C, Kungsgatan 18 A-C	1898/1970s	27	0	0	1,937	150	2,087
Kasper 10	Byggmästaregatan 2/ Ö Förstadsg 18	1909/1988	8	1	0	638	230	868
Kasper 28	Ö Förstadsg 16 / Slussg 17	1929/1983	82	3	0	3,796	333	4,129
Kirsebergstornet 13	Vattenverksvägen 5	1917/1982	20	1	10	1,350	132	1,482
Kogret 2	Floragatan 15 A-B	1944	18	0	0	822	0	822
Kogret 8	Solgatan 18 A-B	1926/1990	19	0	0	1,031	0	1,031

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Property	Address	Constr. yr /renov. yr.	No. apart- ments	No. of premises	No. parking spaces/ garage	Resid. m ²	Premises m ²	Area total m ²
Kryssmasten 3, 5	Bomgaen 6–8, Mastgränd 18–20	2016	23	2	7	1,009	904	1,913
Kräkan 30, 31 and 41	S Förstadsg. 88 A–B / S Skolg. 43 A–B, 45 / Smedjeg. 1–3	1929/1980	58	16	0	5,806	1,591	7,397
Kräkan 32	Möllevångsg 29–31 / S Skolg 35–39	1980	85	9	61	7,608	2,430	10,038
Källan 1	Kristianstadsgatan 9 A–C, Ängelholmsgatan 12 A–B	1929/1973	21	2	0	1,502	234	1,736
Källan 10	Simrishamnsgatan 14	1936/1987	17	1	0	1,198	65	1,263
Källan 12	Simrishamnsgatan 10 / Ängelholmsgatan 14	1910/1982	14	10	0	1,043	773	1,816
Källan 2	Kristianstadsgatan 11, U1–U3	1929/1970	20	0	0	1,044	0	1,044
Källan 3	Kristianstadsgatan 13 A–D	1906/1970	24	1	0	1,092	118	1,210
Källan 9	Simrishamnsgat. 16	1935/1975	22	5	0	979	204	1,183
Lennstrand 17	Ö Ansgarig. 71 Högerudsgatan 73	1954	31	2	4	1,711	185	1,896
Ludvigsro 1	Flensburgsg 4 / S Förstadsg 126	1960	34	2	28	2,043	382	2,425
Ludvigsro 10	S Förstadsgatan 128	1929/1983	18	0	0	1,174	0	1,174
Ludvigsro 2	Flensburgsgatan 2	1930/1985	20	0	0	1,430	0	1,430
Länken 6	Kristianstadsgatan 18, Ivög 8	1929/1980	16	1	0	1,332	30	1,362
Malmen 13	Möllevångsgatan 44–46	1970	38	5	63	3,312	1,487	4,799
Nestor 10	Sofielundsv 39 / Plantg 4 / Södervärnsg 2–4	1940/1988	104	6	0	8,216	488	8,704
Nils 15	Fredriksbergsgatan 11	1920/1988	23	0	0	1,664	0	1,664
Notarien 2	S Förstadsgatan 113 / Upplandsgatan 14 A–C	1910/1977	29	6	0	1,628	232	1,860
Oscarstorp 5	Skvadronsgatan 15, Ö Stallmästargatan 2 A–B	1937/2018	15	2	0	807	102	909
Remmen 2	Ryttaregatan 4 A–D	1947	24	1	2	1,326	20	1,346
Remmen 3	Ryttaregatan 6 A–C	1947	18	1	0	909	20	929
Ritaren 5	Ingenjörgatan 1, 3, 5	1968	74	3	84	6,191	257	6,448
Ritaren 8	Per Albin Hanssons väg 61 D, 61 E	1973	44	1	77	3,123	214	3,337
Rostorp 1	N Rostorps 1 / Lundavägen 63	1936	15	1	0	768	265	1,033
Rostorp 12	Lundavägen 61 A–C	1945	22	0	0	991	0	991
Rostorp 2	Smedjekullsg 12, N Rostorpsg 3	1939	12	0	0	639	0	639
Rostorp 3	Smedjekullsgatan 10	1940	13	1	0	572	30	602
Ruth 7	Drottninggatan 12 A–B, Hjalmar Gullbergsgatan 2 A–B	1940/2007	56	0	63	3,977	0	3,977
Ryggan 5	Musketeorgatan 7 A–B	1947	17	2	0	1,085	58	1,143
Skrivarelyckan 8	Upplandsplan 6	1935/1989	34	0	0	1,979	40	2,019
Skrået 2	Ystadsgatan 29	1932	22	0	0	1,052	0	1,052
Skrået 4	Sofielundsvägen 32 / Falsterboplan 33	1931/1975	28	4	0	1,513	134	1,647
Skrået 5	Sofielundsvägen 30 A–B	1934/1978	16	0	0	1,077	0	1,077
Skrået 6	Falkenbergsgatan 12, Sofielundsvägen 28 A–B	1934	39	0	0	1,762	0	1,762
Smedjekullen 18	Lundavägen 75 / Smedjekulsg 24	1946	32	2	17	1,969	100	2,069
Smedjekullen 5	Smedjekullsgatan 22 4–B	1945/1996	15	0	0	702	702	
Smedjekullen 8	Lundav 65 / N Rostorpsg 2 A–C	1943/1996	46	2	0	2,561	225	2,786
	Lundavägen 67 A–C	1934/1996					0	
	Smedjekullsgatan 16 A–C	1943/1996					0	
Smedjekullen 9	Smedjekullsg 14 / N Rostorptg 4	1938	9	0	0	588	0	588
Spännet 1	Vattenverksvägen 37 A–C	1947	18	0	0	1,010	0	1,010
Stacken 3	Nydalav 1A–C / V Hindbyv 5 A–E	1959	96	6	54	5,729	172	5,901
Stacken 4	Nydalav 3 A–H / V Hindbyv 3 A	1959	95	5	44	5,735	261	5,996
Styrkan 15	Torekovsgatan 6 A–B	1944	12	0	0	696	0	696
Sälgen 3	Bokhällaregatan 36, Mäster Henriksgatan 12	1934/1965	20	2	0	1,250	92	1,342
Sälgen 4	Bokhällaregatan 34, S:t Knuts väg 13	1934	23	1	0	1,176	90	1,266
Taxeringsintendenten 4	Thomsins väg 28–43 etc.	1970/2005	665	6	200	17,106	2,424	19,530
Timglaset 1	Falkenbergsgatan 2 A–B, Kristianstadsgatan 29	1935/1979	27	0	0	1,916	0	1,916
Timglaset 5	Simrishamnsgatan 32 A–B	1935/1981	12	0	0	924	0	924
Timglaset 6	Falkenbergsgatan 4 A–B, Simrishamnsgatan 30	1931	28	2	0	1,634	67	1,701
Uppland 2	Sigtunagatan 14	1935/1988	15	0	0	1,078	0	1,078
Uppland 6	Upplandsgatan 7, 13	1930/1990	33	2	0	2,100	73	2,173
Uret 4	Kristianstadsgatan 27 A–C, Falkenbergsgatan 1	1929/2002	36	0	0	1,769	0	1,769

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Property	Address	Constr. yr /renov. yr.	No. apartments	No. of premises	No. parking spaces/garage	Resid. m ²	Premises m ²	Area total m ²
Uret 5	Simrishamnsgatan 28, Falkenbergsgatan 3 A-B	1933/1979-1980	20	0	0	1,564	0	1,564
Vidar 1	Hornsgatan 12, Lundvägen 17 A-D	2015	57	2	0	3,791	167	3,958
Von Conow 46	Djäknegatan 1A, Själbodgatan 2 A-C	1933	39	0	4	1,924	851	2,775
Vägen 4	Falkenbergsgatan 5, Simrishamnsgatan 17 A-B	1934/1979	32	2	0	2,119	20	2,139
Vägen 5	Falkenbergsgatan 7 A-C	1931/1987	27	1	0	2,219	70	2,289
Vägen 7	Ystadsgatan 14 A-B	1931/1979	16	0	0	1,000	0	1,000
Värjan 34	N Bulltoftav 35 / Solg 1-3	1930,40/1989	26	0	0	1,938	0	1,938
Värnhem 15	Lundvägen 5	1910/1978	18	2	0	1,457	131	1,588
Yrket 1	Ystadsgatan 23 A-C, Varbergsgatan 2	1933/1980	17	4	0	1,632	307	1,939
Yrket 3	Falkenbergsgatan 11 A-B, Sofielundsvägen 26	1930/1990	26	0	0	2,220	0	2,220
Yrket 4	Sofielundsgatan 22 A-C, Varbergsgatan 4	1936/1980	20	2	0	1,756	382	2,138
Åkern 4	Sofielundsvägen 38	1920/1985	24	0	0	1,701	0	1,701
Ängen 5	Ystadsgatan 36	1936/1981	13	0	0	1,012	0	1,012
Ängen 7	Hörbyg 4, Hässlehg 7-9	1937/1984	40	0	0	3,373	0	3,373
Österhus 1	Hagstorpsg 1-21 / Östergårdsg 2 / S Bulltoftav 27	1929/1988	70	9	0	3,304	1,311	4,615

Svedala

Värby 57:1	(vacant)	Land plot	0
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Trelleborg

Byalaget 1, 2	Engelbrektsg 101A-H, 103 A-H, 105 A-H, Odalv 4 A-D, Sockenv 1 A-H, 3 A-D, Engelbrektg. 105 A-H etc.	1965/1977/1981	80	1	97	7,835	150	7,985
Katten 29, 33, 48, 50	Västergatan 14 A-C, Västergatan 18, 20, 24, 26	1990	109	1	44	8,399	789	9,188
Kloster 25	Klostergården 10, Algatan 71, 73, 75, 77	1986	5	1	3	359	426	785
Kvadraten 71	Flockerg.3-13, Evas gränd 1-3, Nygatan 18-22	1929, 1989	45	8	37	3,381	1,257	4,638
Merkurius 7	Klostergården 3, 5, 7A, 7B, 9A, 9B, 9C, 9D, Gamla Torget 1 & 1A	1991	36	1	23	2,826	156	2,982
Myran 28	Nygatan 56, 58 & 60, Östrebrogatan 4	1899, 1990	30	4	0	2,426	813	3,239
Silverskatten 18	Västergatan 50-60	1990	20	1	25	1,534	6	1,540
Spoven 26	S:ta Gertrudsv 10 A & B, 12 A & B, Wemmenhögg. 27, 29, 31, 33	1990	33	2	26	2,454	137	2,591
Svanen 11	Järnvägsgatan 23-25	1989	24	0	24	1,981	0	1,981
Svanen 34	Östergatan 20-24, 20B, 26, Järnvägsgatan 19, 21 Hantverkaregatan 2, 4, 6	1935-1988	67	10	0	5,382	420	5,802
Triangeln 48	Ehrenbuschsgatan 7 A & B, Peter Lundbergsgata 4	1990	20	0	12	1,520	0	1,520
Valfisken mindre 17	Nygatan 24, 26 Flockergatan 6	1992	27	2	22	2,078	658	2,736
Valfisken Större 46	Nygatan 32-34	1992	29	2	20	2,174	260	2,434
Vestrebro 3	Västerg. 39, 41, 43, 45, 47, Östersjög.2 & 4, Strandgatan 60, 62, 64, 66, Västrebrogård 1, 3, 5	1992	93	3	72	6,941	851	7,792
Vipan 13	Wemmenhöggatan 19, Söderslätsgatan 14	1986	9	0	2	613	0	613
Östrebro 25	Järnvägsg.13 B, 15A, 15B, 17A, 17B, Österg. 16A, 16B, 16C, 16D & 18 Hantverkareg. 1A, B, C	1993	129	2	106	9,608	34	9,642

Ystad

Boken 1	Oskarsgatan 3 A-C	1945	18	2	10	1,397	179	1,576
Boken 3	Oskarsgatan 7 A-C	1959/1980	27	4	15	1,667	93	1,760
Carl 1	Stora Östergatan 36, 38 A-C, Besökaregård 2 A-F, 4	1900, 1920/1988	17	6	0	1,318	806	2,124
Carl 2	Stallgatan 1, St Östergatan 34	1929/1983	22	5	0	2,131	807	2,938
Carl 4	Besökaregård 6 A-G, 8 A-G, 10 A-F, Nattmans torg 1-3, Stallgatan 3, 5A-G, 7A-C, 9A-C, 11A-B	1986	49	2	0	3,892	11	3,903
Cedern 8	Regementsgatan 7	1930/1980	12	2	0	1,265	294	1,559
Cedern 9	Regementsgatan 9	1910/1970	15	0	0	1,398	0	1,398
Christina 10	Klostergatan 7 A-B	1929/1988	12	0	0	1,065	0	1,065
Christina 11	Sladbergatan 1D, Stora Norregatan 12D	1948	11	3	8	644	243	887
Christina 12	Klostergatan 9 A-B, Sladbergatan 1A	1948/1988	21	1	0	1,154	13	1,167
Christina 13	Klostergatan 5 A-B	1947/1992	22	1	25	1,142	67	1,209
Cronholm Norra 8	Föreningsg 19, 21, 29, Regementsg 24, 26, 28, 30	1988	26	2	8	1,702	82	1,784

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Property	Address	Constr. yr /renov. yr.	No. apartments	No. of premises	No. parking spaces/garage	Resid. m ²	Premises m ²	Area total m ²
Degeln 1	Götagången 116 A-C	1991	27	1	26	2,250	14	2,264
Edvinshem 2:41	Klinthusgatan 3 A-C	1985/2001	39	1	35	3,322	91	3,413
Falken 3	Mariagatan 10, Oskarsgatan 20	1920/1980	12	2	0	811	30	841
Gamla Staden 2:25 (Ziska)	Tobaksgatan 10	Arrende	0	0	52	0	0	0
Gylfe 4	Blekegatan 9 A-B, Lilla Östergatan 49	1954/2008	20	3	7	971	73	1,044
Göken 7	Petrig 14-16, Regementsg 19-23, Mariag 11-15	1920/1982	59	0	0	3,737	0	3,737
Haak Södra 10	Lilla Engelbrektsgatan 22	1958	13	1	26	802	0	802
Hedvig 16	Lilla Strandgatan 10 A-I	1990	12	0	13	784	0	784
Hildetorp 19	Sturegatan 1 & 3	1967	12	0	10	923	93	1,016
Hildetorp 21	Kapellgatan 12,15, Tegnérsgatan 11	1960	16	3	12	836	0	836
Hvita Brigen 2	Västerleden 3-33, 45-75	1991	90	1	0	6,627	16	6,643
Håkan Mellersta 10	Blekegatan 25, Vintergatan 8	1944/1987	15	1	0	1,150	32	1,182
Håkan Mellersta 22	Sommargatan 5 A-B, Sommargatan 7,9	1929	21	0	2	1,156	0	1,156
Karna 5	Lilla Strandg 2 A-C, Långg 2,4,4, Stortorget 12C	1929	22	2	0	1,933	637	2,570
Karna 7	Långgatan 10-12, Stortorget 15, 14, Teatergränd 1	1907-1911/1986	62	11	0	5,384	1,244	6,628
Klinthus 1	Klinthusgatan 1, Västerportstorg 1A-H	1849/1989	15	0	0	1,564	0	1,564
Knut 15	Snedgränd 2, 4, Stora Östergatan 11	1981	0	1	0	0	425	425
Lembke 22	Sturegatan 14 A-B, Tegnérsgatan 9 B	1960	16	0	12	892	0	892
Lundgren Södra 6	Jennygatan 9, Lilla Tobaksgatan 2 A-B	1905/1985	8	3	0	534	135	669
Magnus 33	Stora Östergatan 23	1909/1995	8	4	8	582	299	881
Magnus 46	Stora Östergatan 14, Apgränd 2 A-B, Trångsund 5	1913, 1930/1986	42	19	0	3,705	937	4,642
Maria 5	Lilla Norregatan 26, 27	1958	19	2	14	1,077	98	1,175
Maria 6	Included in Maria 5	1958	21	1	17	1,605	21	1,626
Maria 7	Sladderg 6A, St Norreg 21 A-G, St Norreg 23	1991	9	1	0	893	7	900
Moberg 12	Kofodsgatan 24 A-B	1950	11	0	12	781	0	781
Moberg 24	Döbelnsgatan 24	1947	12	1	6	717	77	794
Psilander 2	Tegnérsgatan 5 A-C	1950	13	2	6	789	46	835
Psilander 5	Lembkegatan 4 A-C	1500	12	1	8	699	28	727
Rosehill 18	Malmövägen 5 A-D, Stenbocksgatan 1 A-F	1955	27	7	15	1,891	417	2,308
Sadeln 1	Adennerg 10 A-H, 12 A-G, 14 A-E	1982	69	6	73	5,970	4	5,974
Tankbåten 1	Pantzargatan 13-23	1969	80	2	0	5,662	190	5,852
Waldemar 5	Stortorget 6, Teppgränd 3 A-D	1965	5	6	6	584	1,030	1,614
Wilhelmina 1	Västra Vallgatan 20 a	1900/1995	6	0	0	545	0	545
Xestre 3	Skeppareg 10 A-H, Stora Västerg 31-33	1975	19	1	20	1,551	181	1,732
Xestre 4	Kiraregränd 2C, Skeppareg 8, Stora Västerg 29	1967	15	1	17	1,046	92	1,138
Ystads-Björnen 2	Munkgatan 3 A-C	1943	18	1	0	1,044	10	1,054
Ågir 6	Bolhusgatan 7, Maria Munthes gata 4 A-C	1942	21	2	10	1,285	80	1,365
Änkehuset 1	Blekegatan 27 A-D, Vintergatan 11,	1940/1988	37	0	9	2,127	0	2,127
Änkehuset 2	Vintergatan 7 A-F, 9 A-N, 90	1994	41	2	0	1,991	479	2,470
Östen 2	Bolhusgatan 10 A-B	1939	15	2	0	779	50	829
Östen 3	Bolhusgatan 12	1915/1980	7	0	0	550	0	550
Östen 4	Bolhusgatan 14, Tingsgatan 4	1907/1980	10	0	0	870	0	870
Östman 3	Dragaregatan 14 A-B	1999	24	2	0	1,200	36	1,236
Östman 5	Blekegatan 14	1945/1986	14	1	7	1,323	43	1,366

Örkelljunga

Björnen 14	Ängelholmsgatan 11 A-B	1992	7	0	0	434	0	434
Eket 1:137	Vångavägen 2 A-C	1966	18	0	0	996	0	996
Fagerhult 1:380	Kungsvägen 41 A-F, 43 A-F	1990	12	0	0	864	0	864
Högvakten 1	Gästgivaregatan 4, 6, 8, 10	1992	15	0	0	1,227	0	1,227
Järnvägsstationen 1	Stockholmsvägen 2	1981	6	0	0	1,178	1,178	
Korgen 2	Sonnarpsvägen 20 A-G	1968	57	0	23	3,723	0	3,723
Korgen 5	Sunnerbogatan 5 A-C	1968	24	0	0	1,716	0	1,716

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Property	Address	Constr. yr /renov. yr.	No. apart- ments	No. of premises	No. parking spaces/ garage	Resid. m ²	Premises m ²	Area total m ²
Sländan 28	Hallandsvägen 19	1980	8	0	0	428	0	428
Sländan 33	Hallandsvägen 13, Valhallav 7	1988	7	2	0	536	170	706
Staren 17	Liewensgatan 23 A-C	1992	5	0	0	344	0	344
Västra Ringarp 8:86	Vedbystägen 6	1970	13	1	0	876	169	1,045
Skåne total			7,825	539	2,728	505,344	54,763	560,107

SOUTHERN

Gothenburg

Hovås 57:8, 57:7, 57:88, Askim 63:2	(vacant)	Land plot	0
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Karlskrona

Dockan 26	Skomakaregatan 35, 37	1988	14	0	9	1,046	0	1,046
Ehnmark 1	Ö Prinsgatan 22	1930	13	2	0	2,035	91	2,126
Hantverkaren 22	Hanverkaregatan 47, Hantverkaregatan 47 A, Hantverkaregatan 47 B	1942/1980	17	2	0	917	95	1,012
Hogland 22	Ronnebygatan 42	1929/1998	21	16	0	1,595	2,321	3,916
Hogland 9	Norra Kungsgatan 9	1985	10	1	0	630	110	740
Kastbyn 1	Valhallavägen 8 A, 8B, 8C	1942/1984	15	1	0	762	60	822
Löke 24	Borgmästargatan 16, 18, Ronnebygatan 49, Rådhusgatan 11, 11A, 11B, 9, 13	1920, 1985, 2015	24	30	3	1,933	5,181	7,114
Löke 25	Ronnebygatan 53, Borgmästargatan 53	1929/1989	7	6	0	683	489	1,172
Magistraten 5	Norra Kungsgatan 3 & Ronnebygatan 43	1929/1999	9	4	0	478	843	1,321
Nordstjärnan 32	Ronnebygatan 52 A-E, Stora Möllebäcksgränd 1	1930/2013	9	3	2	526	451	977
Posse 18	Polhemsgatan 15 A-D, 17 A-B, 19 A-C, 21 A-C, 23 A-E	1990-1992	141	4	94	11,675	949	12,624
Sheldon 33	Ronnebygatan 21 A-C	1929/1980	28	7	0	2,267	501	2,768
Sheldon 34	Ronnebygatan 19	1929/1988	13	4	0	971	1,188	2,159
Skydraget 1&2	Snapphanevägen 12A, 12B, Snapphanevägen 10A, 10B	1942/1980, 1983	30	1	0	1,566	15	1,581
Stigbygeln 1	Riksvägen 40 A-C, 42	1987	21	5	12	1,744	295	2,039
Sunnanvinden 2&3	Gyllenstjärnas väg 10A, 10B, 12A, 12B	1944/1986	24	2	7	1,597	40	1,637
Svarta Örn 1	Pukesgatan 12 A-B	1929/1978	12	1	0	658	10	668
Tersmeden 13	Bredgatan 3 A-C	1939/1990	17	0	0	1,493	0	1,493
Urmakaren 56	Norra Kungsgatan 10-12	1953/1994	14	5	0	1,193	1,379	2,572
Wachtmeister 57	Arklimästaregatan 38, 40, 42, 44, 46, 46A, 46B, 46C, Borgmästaregatan 7, 9, 11, 13, 15, Hantverkaregatan 2, 4, 6, 6B, 8, 10	1988	119	54	160	8,006	15,195	23,201
Västanfläkten 2	Domarevägen 6 A-B	1944/1979	12	0	2	840	0	840
Östen 1	Muraregatan 2	1943/1980	4	1	0	328	20	348

Ljungby

Apotekaren 11	Skomakargränd 1-2	1988	20	0	0	1,440	1,440	
Björklunden 4	Storgatan 24	1964	16	1	12	1,175	60	1,235
Björklunden 6	Drottninggatan 13	1929/1986	27	0	0	2,249	2,249	
Björklunden 9	Olofsg. 15 a-b, Kungsg. 15	1965	20	4	0	1,430	495	1,925
Dacke 13	Bergagatan 21,23, Drottninggatan 41-47	1990/1950	90	4	0	5,971	105	6,076
Drako 25	Norra Järnvägsgatan 12	1990	4	3	0	210	541	751
Gjutaren 12	Bolmstadsvägen 8 a-b, 10, 12-14	1957-60-67	38	2	9	2,427	79	2,506
Iris 3	Olstorpsgatan 14-16 A-B	1954	16	3	7	1,248	46	1,294
Kometen 5	Föreningsgatan 4, Kungsgatan 6 A-B	1958/2002	21	4	5	1,309	1,023	2,332
Kvadraten 16	Strömgatan 9 A-B, 6 A-B	1953-68	25	5	1	1,754	129	1,883
Mossen 2	Rönnäsvägen 18-72	1972	134	2	56	10,216	309	10,525
Månen 6	Eskilsgatan 1, N Torggatan 8	1965		14	0		3,210	3,210
Näcken 1	Kungsgatan 17 A-B, 19	1970-94	29	1	21	1,874	56	1,930
Odlaren 20	Gängesv 12, Gjuterig 7	1990		49	1		12,037	12,037
Sländan 1	Bergag 16, Hantverkareg 12	1957-80	19	10	2	1,100	395	1,495
Solon 21	N.Järnvägsg 7 A-B, Ågårdsv 14 A-C, Fogdeg 20	1950-67-72	38	0	8	2,493	30	2,523

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Property	Address	Constr. yr /renov. yr.	No. apart- ments	No. of premises	No. parking spaces/ garage	Resid. m ²	Premises m ²	Area total m ²
Stenbacken Nedre 10	Storgatan 6 & 8	1850–60–80	0	2	20	0	1,948	1,948
Stenbacken Övre 5	Olofsgatan 5; Olofsgatan 7; Tvärgatan 1; Tvärgatan 1A; Tvärgatan 1B	1962	30	2	0	1,512	309	1,821
Södra Ljungkullen 4	Storgatan 1–3, S Torggatan 2–4, M Ljungbergsvägen 12	1947–55–86	43	14	0	3,219	1,510	4,729
Trekanten 6	Strömgatan 2 A–C	1961–62	48	2	4	2,707	40	2,747
Tråden 2	Högarörsgatan 10–12	2006	28	0	0	1,236	0	1,236
Vallmon 2	Drottninggatan 35	1942	12	0	4	775	0	775
Vallmon 8	Drottninggatan 33	1967	20	0	0	1,380	0	1,380
Vinkelhaken 2	Drottninggatan 10 A–B, 12 A–B	1966–74	28	2	8	1,989	144	2,133
Vråken 2	Strömgatan 18, 20, 28	1971	98	0	41	7,652		7,652
Vetlanda								
Apollo 6&7	Ekstigen 12&14	1987	8	0	0	676	0	676
Björken 2	Långgatan 46	1986	8	0	0	580	0	580
Björnen 2	Älggatan 4	1986	7	3	1	367	80	447
Blixten 13	Stationsgatan 3–5	1955	23	3	0	1,308	842	2,150
Broby 4:144	Österdalsgränd 1–27	1990	14	0	1	1,068	0	1,068
Brogårdshemmet 7	Lasarettsgatan 44	1988	8	0	0	586	0	586
Bävern 4	Storgatan 39	1961	8	5	1	598	313	911
Falken 14	Nygatan 55	1990	0	1	0	365		365
Fasanen 7	Kyrkog. 2–6 Nygatan 13–15	1957	42	3	23	2,634	20	2,654
Felsteget 8	Floragatan 3, Nygatan 21	1987	16	0	0	1,010	0	1,010
Fenix 3	Vasagatan 62–64	1992	8	1	0	598	8	606
Gustav Adolf 7	Vasagatan 26	1989	4	0	0	312	0	312
Göken 12	Långgatan 18 A–C	1978	20	2	11	1,295	115	1,410
Kindbågen 1	Ringvägen 26–30	1953	33	0	13	1,860	0	1,860
Kitteln 1	W Petris väg 16, Upplandav	1957	25	4	13	1,613	183	1,796
Korsberga–Lönneberga 1:16	Stationsg. 1 Korsberga	1987	8	0	0	553	0	553
Korsberga–Lönneberga 1:35	Tovaholmsv. 5 Korsberga	1987	6	0	1	418	0	418
Laxen 10	Kullgatan 2	1952	6	0	1	324	0	324
Linne 7	Vasagatan 25	1991	5	0	0	353	0	353
Lunden 11	Vitalag. 5, Spinnagr. 2	1957	22	8	13	1,278	925	2,203
Lunden 12	Kyrkogatan 7	1957	24	6	0	1,624	449	2,073
Lärkan 14	Smedjevägen 6	1989	4	2	0	273	60	333
Lärkan 7	Lärkgatan 5	1941/1985	8	0	0	447	0	447
Lättebo 1:2, 6:2–6:5, 6:7–6:8	Allegatan 16,18,20	1988	16	0	0	1,162	0	1,162
Lättebo 1:278–283	Hjortv./Fasanv.	1991	12	0	0	892	0	892
Myresjö 1:24	Södralidsg 1/ Bäckabyv. 6	1992	4	0	0	304	0	304
Myresjö 2:140	Nunnev. 2 A–B, 6 A–B, 27 A–B	1991	1	0	0	130	0	130
Norra Emigranten 13	Missionsg 2	2001	32	0	0	2,256	0	2,256
Nydåld 15	Klostergatan 1–5	1986	22	0	20	1,712	0	1,712
Näktergalen 2	Missionsg. / Odengatan	1967	0	0	0	0	0	0
Orion 1	Kettisgatan 4	1992	6	0	0	394	0	394
Orion 21	Vasag. 53 Kettisg. 2 Vinterg 16	1989	16	0	0	1,203	0	1,203
Oxenstierna 7	Tomasgatan 33	1991	6	0	0	440	0	440
Renen 10	Vitalagatan 15	1966	48	0	48	3,581	139	3,720
Skede 5:19	Brännergårdsv. 2 Skede	1990	8	0	0	540	0	540
Stenkilen 3	Granvägen 5	1952	6	1	2	433	12	445
Stenkilen 4	Ringvägen 19	1986	10	0	0	609	20	629

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Strutens 4	Magasinsg.15 / Järnvägsg.5	1929/1989	4	5	0	193	346	539
Stråket 1	Promenadstigen 1-7	1987	8	0	0	608	0	608
Svanen 16	Borgmästargatan 4 A-F	1986	6	0	0	391	0	391
Toppmurkulan 1	Lasarettsgatan 27, 29, 31	1963	90	1	42	5,991	77	6,068
Toppmurkulan 2	Lasarettsgatan 33, 35, 37	1965	72	0	26	4,719	0	4,719
Torvan 1	Nyhagsgatan 6 & 8	1991	15	2	0	934	735	1,669
Trekanten 1	Vitalag. 6	(vacant)	0	0	0	0	0	0
Vakteln 2	Svärdsgatan 2	1988	9	0	6	730	0	730
Vasa 3	Kullgatan 36	1944/1986	6	0	0	515	0	515
Vasa 5	Vasagatan 40	1991	4	0	0	276	0	276
Vega 14	Tomasgatan 41 A-D	1985	4	0	0	248	0	248
Vega 15	Vasagatan 46	1993	0	1	1	500	500	500
Venus 17	Kyrkogatan 34-38	1966	36	2	28	2,836	170	3,006
Vildvinet 11	Kullgatan 38	1993	0	1	0	335	335	335
Vinkeln 5	Sköldgatan 2 A-F	1987	6	0	0	457	0	457
Älgen 14	Älggatan 1-5	1970/2013/2016	105	0	0	6,414	0	6,414
Älgen 16	Älggatan 11-13	1972	40	1	27	2,941	107	3,048
Ökna_Kvill 1:44	Södergatan 1 & 3	1988	8	0	1	600	0	600

Värnamo

Forsheda 3:167	Storgatan 33-35	1994	22	1	0	1,600	10	1,610
Lejonet 3	Storgatsbacken 19	1921, 1992	8	3	0	353	1,102	1,455
Pelikanen 2, 6-8	Ouchterlonygatan 2-28, Storgatan 32-34	1992	75	16	46	5,543	2,813	8,356
Pelikanen 3	Storgatan 36 A-B	1991	12	4	25	987	740	1,727
Träsket 2	Parkgatan 7	1994	8	2	0	605	107	712
Vindruvan 21	Storgatsbacken 18 A-G, Myntgatan 11-15	1985	28	9	0	1,726	1,414	3,140
Värnet 10	Jönköpingsvägen 1, Pilgatan 1 A-F, Postgatan 2 A-C	1960	21	7	8	1,414	865	2,279

Växjö

Idet 1	Stallvägen 1-27, Tuvanäsvägen 1-3,	1982	569	15	0	20,504	365	20,869
Jungfrulyckan 1	Raskens väg 1	1980	23	1	30	1,784	27	1,811
Klangen 17	Klangens väg 16, 28	1988	22	0	21	1,704	0	1,704
Klangen 18	Klangens väg 29-45	1988	24	2	64	1,908	18	1,926
Mjölner 16	Trädgårdsgatan 28	1993	16	0	7	955	0	955
Mjölner 18	Bäckslösvägen 2-6, S Järnvägsgatan 27-41, Trädgårdsgatan 30-32	1989/1990	129	2	79	10,157	585	10,742
Mjölner 7	S Järnvägsgatan 25, Wennerbergsgatan 2	2002	16	0	8	959	0	959
Nergårds Anna 1	Klangens väg 13-27, Kulás väg 4-20	1980	48	0	64	3,796	0	3,796
Rasken 17	Blidens väg 2 A-B, 4-18	1980	25	0	30	1,899	0	1,899
Rasken 41	Frejdens väg 1-17, Blidens väg 7-19, Klangens väg 4	1980	68	4	82	5,357	64	5,421
Växjö 12:19	Plogvägen 103, 105, 107	1980	259	7	270	20,378	276	20,654

Southern, total

3,658 398 1,501 241,222 65,886 307,108

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Property	Address	Constr. yr /renov. yr.	No. apart- ments	No. of premises	No. parking spaces/ garage	Resid. m ²	Premises m ²	Area total m ²
CAPITAL CITY								
Ballerup								
Linde Alle	Linde Alle	2017	27	0	2,885	0	2,885	
Brønshøj								
Bjerglandsbyen	Ringholmvej 14 etc.	2018	114	56	11,242	0	11,242	
Frederikssundsvej 261–267	Frederikssundsvej 261–267	2007	22	0	2,043	0	2,043	
Frederiksberg								
Carl Bernhards Vej 17	Carl Bernhardsvej 17, 1817 Frederiksberg C	1910	20	2	0	2,647	140	2,787
Flintholm I	Preben Kaas'Vænge 1	2009	117	20	4,940	0	4,940	
Hostrups Have	Hostrups Have	1936	679	33	34	60,601	4,024	64,625
Mariendalsvej	Mariendalsvej	1995	25	0	2,019	0	2,019	
Nimbusparken	Nimbusparken	1997	40	0	4,279	0	4,279	
Nitivej	Nitivej	2005	40	0	3,296	0	3,296	
Porcelænshaven	Porcelænshaven	2008	14	15	1,913	0	1,913	
Revyhaven	Dirch Passers Allé 3–15	2007	42	0	3,995	0	3,995	
Sankt Thomas Allé 17	Sankt Thomas Alle 8, 1824 Frederiksberg	1905	10	0	1,073	0	1,073	
Bianco Lunos Allé 3A	Bianco Lunos Allé 3 A-B & 5 A-B	1907	36	4	6	4,219	188	4,407
Dalgas Boulevard	Dalgas Boulevard 3, General Bahnsens Vej 9–13 & Glahns Allé 39–43	1930	110	1	0	10,460	98	10,558
C.F. Richs vej	C.F. Richsvej 103	Construction project						0
Flintholm II	Preben Kaas'Vænge 3	Construction project						0
Copenhagen								
Amagerbrogade 117–121	Amagerbrogade 117–121	1929	40	9	0	3,597	939	4,536
Amerika Plads	Amerika Plads 34–36	2008	5	2	0	592	145	737
Havneholmen 20–30	Havneholmen 20–30	2009	74	0	8,338		8,338	
Hjortholmen	Kenny Drews vej 1–27, Sluseholmen 20–26	2008	107	156	10,953	0	10,953	
Kaalundsgade	Kaalundsgade	1885	23	1	0	1,950	100	2,050
Kroghsgade	Kroghsgade	1886	17	4	0	2,551	981	3,532
Lyngbyvej 172	Lyngbyvej 172	2015	74			3,074	491	3,565
Lyngbyvej 180 and 182	Lyngbyvej 180 and 182	Building rights						0
Nørre Farimagsgade	Nørre Farimagsgade	1878	59	2	0	2,838	265	3,103
Ringertoften	Ringertoften 10 etc.	1933	411	2	0	23,492	228	23,720
Ryesgade	Ryesgade 50 & Lundsgade 3–11	1940	54	3	0	3,745	216	3,961
Schades Have	Amagerfaeldevej 112 / Schades Have	2017	178	3	91	16,530	353	16,883
Sømærk	Peter Holms væg 14–25	2007	43			61	4,590	0
Teglholsms Alle	Teglholsms Alle 9 A–H	2006	35			0	3,202	0
Upsalagade	Upsalagade	1894	12	2	0	1,806	51	1,857
Vester Voldgade	Vester Voldgade	1895	9	13	0	1,728	1,419	3,147
Zinkhuset	Amerika Plads 18–22	2007	23			0	2,285	2,285
Ø-huset	C.F. Møllers Allé 70 etc.	2018	300			0	26,087	1,185
Ørestad	C.F. Møllers Alle / Ørestad	2007	3			0	304	0
Øresundstårnet	Øresundsvej 148–150, Kirmsvej 1 B	2013	97	2	21	9,611	1,081	10,692
Havneholmen	Havneholmen 48–86	2009	127			120	11,975	11,975
Stævnen	Robert Jacobsen Vej 81–91	2009	36			0	3,635	3,635
Lindholmen	Kenny Drews Vej 31–87	2008	19			0	1,920	0
Øresundsterrasserne	Amager Strandvej 156–158	2014	114	1	122	11,688	130	11,818
Oehlenschlägersgade 26	Oehlenschlägersgade 26	1883	12	3			916	158
Arenahusene	Ejler Billes Allé 28, Richard Mortensens Vej 18, Richard Mortensens Vej 18	0	55			0	5,003	0
Horisonten I	C. F. Møllers Allé 6–22	2006	55			0	5,482	0
Horisonten II	C. F. Møllers Allé 2–4	2013	71			0	6,702	0
Tagensvej	Tagensvej 135–139	2009	199	2			16,075	16,075
Project Green – Plot G	Faste Batterivej 90 etc.	2020	78			0	8,364	198

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Måløv								
Søparken	Søndergård Allé 29–43	2007	38	0	3,589	0	3,589	
Smørum								
Dyreholm	Dyreholm 1–7, 2–22	2012	15	0	1,607	0	1,607	
Søborg								
Æblelunden	Gyngemose parkvej	2008	50	0	4,320	0	4,320	
Søborg Bakke	Mørkhøjvej 231A et al.	2016	36	0	4,552	0	4,552	
Åkandehusene	Gyngemose Parkvej 10–24	2008	68	0	6,330	0	6,330	
Værløse								
Bøgebakken	Bøgebakken	2006	22	0	2,922	0	2,922	
Valby								
Brombærparken A	Ebbe Rodes Allé 1 et al.	2007	68	31	6,423	0	6,423	
Brombærparken B	Ebbe Rodes Allé 2 et al.	2007	98	31	8,969	0	8,969	
Kirsebærparken	Lily Broberg's vej 1–23, Poul Reumerts Vej 1–49	2009	15	0	1,979	0	1,979	
Kløverbladsparken	Kløverbladsgade 53–75	2017	102	2	79	9,876	190	10,066
Pontoppidanparken	Clara Pontoppidan's Vej 14–22, Karin Nellemoses Vej 1–5	2012	88	42	7,725	0	7,725	
Valby Maskinfabrik	Valby Maskinfabrik	2016	105	0	9,471	0	9,471	
Vanløse								
Jyllingevej 70	Jyllingevej 70	2011	28	0	1,300	0	1,300	
Vanløse Allé	Vanløse Allé 55–63 / Bangsbovej 17	1963	36	4	0	2,052	62	2,114



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Property	Address	Constr. yr /renov. yr.	No. apartments	No. of premises	No. parking spaces/garage	Resid. m ²	Premises m ²	Area total m ²
Gladsaxe								
Bagsværdlund	Pinievej 34-38, 55-77	2018	84	56	8,958	0	8,958	
Hellerup								
Strandvejen 163	Strandvejen 163	1907	12	7	21	2,257	1,448	3,705
Vallensbæk								
Strandhaven	Strandhaven	2008	73	0	8,353	0	8,353	
Herlev								
Gyngemose Parkvej	Gyngemose Parkvej 1-3-5	2008	17		1,631		1,631	
Kgs. Lyngby								
Kirsebærhaven	Kirsebærvenget 9-40	2018	32	48	3,516	0	3,516	
Lyngby								
Baunehø	Baune Allé 2	2010	27	27	2,532	0	2,532	
Rødovre								
Rødager Allé 32-42	Rødager Alle 32 A, 2610 Rødovre	1961	144	0	7,945	0	7,945	
Capital City total				4,784	102	1,037	420,952	14,090
							435,042	
ZEALAND								
Børkop								
Mandelhaven	Mandelhaven 2-124	2014	62	0	7,732	0	7,732	
Holbæk								
Højvangsparken	Højvangsparken 46-80	2008	28	0	3,248	0	3,248	
Kvistgård								
Kongevejen	Kongevejen 304 A (et al.)	2013	13	0	1,464	0	1,464	
Lille Skensved								
Spurlevænget	Spurlevænget 2-44	2013	22	0	2,378	0	2,378	
Ringsted								
Østre Fælled	Østre Fælled 1-195	2009	98	0	8,665	0	8,665	
Diget	Diget 1-23	2015	36	0	3,979	0	3,979	
Roskilde								
Roskilde	Spurlevænget 2-44	2013	22	0	2,378	0	2,378	
Ruds Vedby								
Smedebakken A	Smedebakken 2-160	2008	80	0	9,754	0	9,754	
Smedebakken B	Smedebakken 1, 5-15	2009	7	0	1,120	0	1,120	
Vordingborg								
Gammelsøparken	Gammelsøparken 1-83, 2-56	2009	70	0	6,640	0	6,640	
Zealand total				512		0	48,891	0
							48,891	

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Property	Address	Constr. yr /renov. yr.	No. apart- ments	No. of premises	No. parking spaces/ garage	Resid. m ²	Premises m ²	Area total m ²
JUTLAND								
Aarhus								
Isbjerget	Mariane Thomsens Gade 30-58	2003	49	109	5,440	0	5,440	
Kolding								
Holbergsparken	Holbergsvej 8 (Holbergsparken)	2017	66	0	7,732	0	7,732	
Hørparken A	Mosevej 7 (Hørparken)	2017	24	0	2,358	0	2,358	
Hørparken B	Hørparken 2-192			Construction project				0
Hørparken C	Hørparken 2-192			Building rights				0
Risskov								
Lystrupvej I	Borresøvej 7-11	2018	37	0	2,855	0	2,855	
Arresøvej	Arresøvej 36	2018	33	0	2,944		2,944	
Lystrupvej II	Brassøvej	2018	86	0	6,701	0	6,701	
Skodstrup								
Vosnæsparken	Vosnæsparken 2-130	2008	65	0	7,114	0	7,114	
Solbjerg								
Pilevænge	Pilevænge	2017	38	0	4,443	0	4,443	
Trige								
Mosegårdsparken	Mosegårdsparken 47-96	2007	39	0	4,614	0	4,614	
Vejle								
Kanalfronten	Stævnen 32-44	2013	90	3	0	8,785	379	9,164
Horsens								
Havneshusene	Horsens			Construction project				0
Jylland Summa								
			527	3	109	52,987	379	53,366
FUNEN								
Aarup								
Flintebakken	Flintebakken 1-15, 2-24	2012	20	0	2,280	0	2,280	
Mørkmoselundsvej	Mørkmoselundsvej 1 A-G	2008	7	0	810	0	810	
Odense								
Birkelundsdalen	Birkelundsdalen 2 A-14 E	2001	31	0	3,356	0	3,356	
Bjerggårdsløkken	Bjerggårdsløkken 130 (et al.)	2007	107	0	9,861	0	9,861	
Hvenekildeløkken	Hvenekildeløkken 138-202	2005	48	0	3,000	0	3,000	
Nørrebjerg Runddel	Nørrebjerg Runddel 210-302	2003	47	0	3,760	0	3,760	
Sandkæret	Sandkæret 100-136	2003	26	0	2,294	0	2,294	
Funen total								
			286	0	25,361	0	25,361	

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OSLO								
Bærum								
Bnr 247 / Gnr 41	Arnstein Arnebergs vei 30	1961/2015	56	0	32	2,336	0	2,336
Bnr 412 / Gnr 14	Riiser-Larsens vei 7	1957/2010	60	0	28	1,245	0	1,245
Follo								
Bnr 306 / Gnr 49	Sønsterudveien 32	1967	68	0	55	2,512	0	2,512
Lier								
Bnr 2 / Gnr 15	Baches Vei 1	1996/2007	0	1	0	0	12,557	12,557
Nes								
Bnr 187 / Gnr 78	Blingsmovegen 38	/	0	1	0	0	6,601	6,601
Nesodden								
Bnr 412 / Gnr 1	Bjørnemyrveien 29	1961	27	0	0	854	0	854
Bnr 413 / Gnr 1	Steinveien 1	1961	39	0	0	790	0	790
Oslo								
Bnr / Gnr	Darres gate 2B		0	1	0	0	1,188	1,188
	Waldemar Thranes gate 73		18	1	0	1,471	1,250	2,721
Bnr 1 / Gnr 74	Gjerdums vei 12	1901/2018	266	3	35	6,558	343	6,901
Bnr 10 / Gnr 230	Borggata 12	1988/2010	10	0	2	260	0	260
Bnr 100 / Gnr 77	Gunnar Schjelderups vei 33	1963/1966/2008	97	0	0	2,103	0	2,103
Bnr 104 / Gnr 218	Maridalsveien 9	1938	29	1	6	1,693	185	1,878
Bnr 105 / Gnr 218	Maridalsveien 11	1938	41	0	0	1,739	0	1,739
Bnr 117 / Gnr 225	Holsts gate 4	1887/1972	11	1	0	660	154	814
Bnr 119 / Gnr 218	Maridalsveien 37	1896	22	1	0	1,134	63	1,197
Bnr 127 / Gnr 209	Huitfeldts gate 51	1889	21	0	0	708	0	708
Bnr 129 / Gnr 218	Møllerveien 4	1940	20	1	6	798	990	1,788
Bnr 132 / Gnr 132	Teisenveien 5E	1998	89	0	53	2,485	0	2,485
Bnr 138 / Gnr 221	Maridalsveien 128	1966	59	0	17	2,360	0	2,360
Bnr 141 / Gnr 231	Gruegata 18	1956	27	0	0	1,135	0	1,135
Bnr 1604 / Gnr 144	Oppsalveien 24–26	1974	96	0	22	4,115	0	4,115
Bnr 161 / Gnr 222	Sarpsborggata 2	1967	77	0	28	2,863	0	2,863
Bnr 164 / Gnr 216	Pilestredet 103	1894/2005	20	0	2	608	0	608
Bnr 188, 567 / Gnr 93	Ammerdalveien 20–22	1953	0	3	76	0	8,953	8,953
Bnr 193 / Gnr 83	Trondheimsveien 187–193	1938	41	0	0	2,128	0	2,128
Bnr 193 / Gnr 85	Sinsenveien 66–70	1967/1970	188	0	20	5,855	0	5,855
Bnr 194 / Gnr 218	Waldemar Thranes gate 71	1907/2016	15	2	0	906	436	1,342
Bnr 211 / Gnr 208	Fredensborgveien 13	1900/2013	32	1	0	1,673	1,180	2,853
Bnr 212 / Gnr 47	Nedre Ullevål 2, 4	1954	79	0	17	2,239	0	2,239
Bnr 213 / Gnr 47	Thulstrups gate 5	1954	20	0	29	1,254	0	1,254
	Thulstrups gate 7	1954	20	0	0	1,254	0	1,254
Bnr 217 / Gnr 208	Fredensborgveien 22	1930	38	5	0	1,207	285	1,492
Bnr 219 / Gnr 208	Fredensborgveien 24	1869	0	21	32	0	7,103	7,103
Bnr 220 / Gnr 228	Nedre gate 8	1898	57	0	0	3,821	0	3,821
Bnr 222 / Gnr 228	Nissens gate 3	1896	8	0	0	434	0	434
Bnr 232 / Gnr 216	Thereses gate 33	1938	0	2	0	0	316	316
Bnr 236 / Gnr 219	Vøyensvingen 2	1933	23	0	0	1,422	0	1,422
Bnr 239 / Gnr 47	Ullevålsalléen 5	1954	68	1	31	1,943	64	2,007
Bnr 245 / Gnr 214	Parkveien 4	1893/2014	62	0	0	1,480	0	1,480
Bnr 247 / Gnr 83	Rødstuveien 15–23	1937	90	0	34	3,720	0	3,720



Pilestredet 57, Oslo



Property list, Sweden 31 Dec. 2018

Property	Address	Constr. yr /renov. yr.	No. apartments	No. of premises	No. parking spaces/garage	Resid. m ²	Premises m ²	Area total m ²
Bnr 248 / Gnr 227	Københavngata 3	1897/2013	28	0	0	1,712	0	1,712
Bnr 251 / Gnr 47	Kirkeveien 166 B	1964/2010	109	0	17	2,264	0	2,264
	Kirkeveien 166 C	1964/2010	111	0	15	2,267	0	2,267
Bnr 251,253 / Gnr 209	Observatoriegata 13–15	1890/2016	24	0	0	1,369	0	1,369
Bnr 259 / Gnr 216	Fagerborggata 16	1975/2015	36	0	12	1,409	0	1,409
Bnr 272 / Gnr 225	Sannergata 32	1937	34	4	0	1,913	264	2,177
Bnr 275 / Gnr 214	Pilestredet 57	1890/2009	30	1	0	1,280	245	1,525
Bnr 277 / Gnr 209	Parkveien 78	1950/2010	0	1	0	0	1,896	1,896
Bnr 298 / Gnr 225	Torshovgata 12	1902/2008	27	0	8	934	0	934
Bnr 300 / Gnr 47	Kirkeveien 166 D	1964/2008	109	0	10	2,229	0	2,229
	Kirkeveien 166 E	1964/2008	106	0	7	2,254	0	2,254
Bnr 318 / Gnr 208	Iduns gate 4	1894	46	0	0	1,308	0	1,308
Bnr 34 / Gnr 47	Ullevålsalléen 2	1975	108	0	50	5,116	0	5,116
Bnr 340 / Gnr 227	Sannergata 23	1896	9	0	0	606	0	606
Bnr 340 / Gnr 47	Sognsveien 9AB	1919	30	1	25	488	1,437	1,925
Bnr 342 / Gnr 83	Sinsenveien 56–64	1953	207	0	54	5,973	0	5,973
Bnr 358 / Gnr 83	Sinsenveien 72–74	1960	80	0	26	2,416	0	2,416
Bnr 362 / Gnr 209	Sven Bruns gate 1	1895	13	0	3	797	0	797
Bnr 365 / Gnr 209	Sven Bruns gate 7	1880	30	0	0	756	0	756
Bnr 367 / Gnr 230	Urtegata 20–22	1874	32	3	0	1,664	354	2,018
Bnr 39 / Gnr 214	Dronning Astrids gate 2	1988/	92	0	26	1,468	0	1,468
Bnr 404 / Gnr 224	Sandakerveien 58BC	1931/2014	15	0	24	852	0	852
Bnr 412 / Gnr 214	Vibes gate 11 – Næring	1893/2007	1	2	0	52	291	343
Bnr 44 / Gnr 223	Sandakerveien 78	1952	0	5	47	0	3,891	3,891
Bnr 45 / Gnr 218	Bjerregaards gate 2	1968/2015	64	7	48	2,484	2,056	4,540
Bnr 45 / Gnr 225	Christies gate 19	1937/2015	50	2	9	2,308	100	2,408
Bnr 485 / Gnr 209	Sven Bruns gate 3	1880	9	1	0	339	176	515
Bnr 488 / Gnr 208	St. Olavs Gate 21	1870	0	14	22	0	3,274	3,274
Bnr 55 / Gnr 222	Holmestrandgata 4	1972	18	0	2	1,479	0	1,479
Bnr 56 / Gnr 222	Stavangergata 23, 25, 27	1968	125	1	68	4,656	220	4,876
Bnr 574 / Gnr 228	Trondheimsveien 10	1885/2007	22	0	0	771	0	771
Bnr 625 / Gnr 123	Brøbekkveien 31AB	1956/2012	12	6	49	471	1,935	2,406
Bnr 627 / Gnr 123	Brøbekkveien 33	1957	107	0	13	2,890	0	2,890
Bnr 63 / Gnr 100	Stovner Senter	1975	172	0	0	7,064	0	7,064
Bnr 66 / Gnr 209	Hegdehaugsveien 2	1868/2012	9	0	0	383	0	383
Bnr 73 / Gnr 225	Dælenenggata 40	1937	72	0	0	3,845	0	3,845
Bnr 876 / Gnr 208	Fredensborgveien 24B	1876/2013	0	3	67	0	6,289	6,289
Bnr 927 / Gnr 123	Økernveien 149	1975	107	0	30	5,377	0	5,377
Bnr 94 / Gnr 218	Darres gate 2A	1907 (2018)	15	1	0	1,003	640	1,644
Bnr 95 / Gnr 218	Darres gate 3	1896/2015	35	1	0	1,690	88	1,778
Sunndal								
Bnr 122, 194 / Gnr 53	Tredalsvegen 8–12	1991	118	0	0	4,131	0	4,131
Ullensaker								
Bnr 24, 25 / Gnr 190	Tunvegen 1–16	1998/2016	192	0	130	3,186	0	3,186
Ålesund								
Bnr 226 / Gnr 134	Sjømannsvegen 1D	1977	100	0	0	2,557	0	2,557
Oslo total								
			4,398	99	1,287	151,523	64,824	216,347



Kirkeveien 166, Oslo

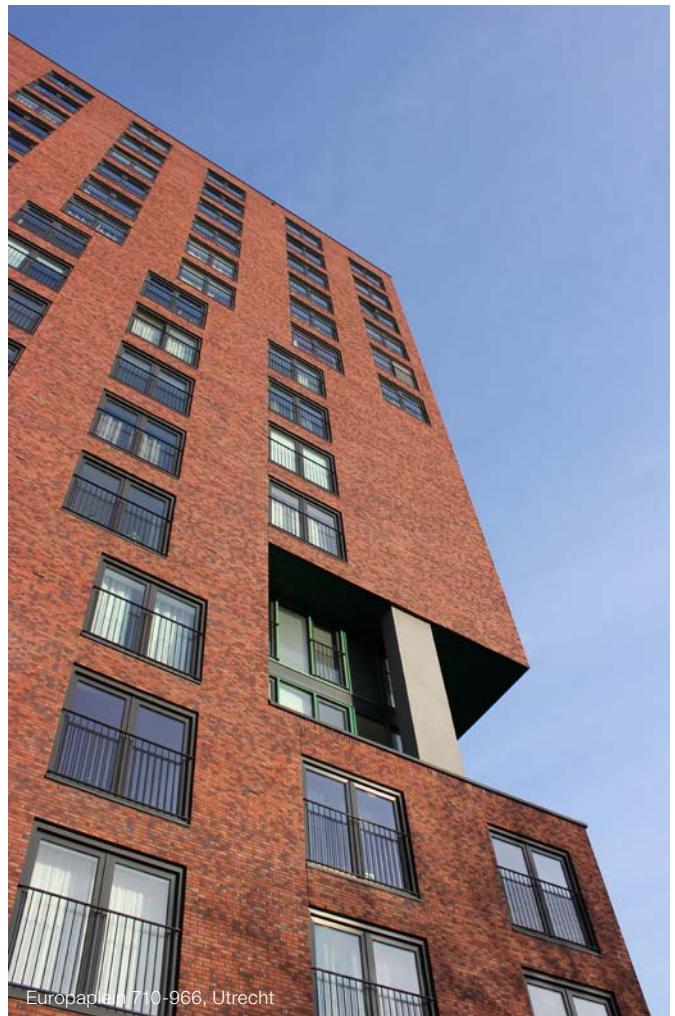
Property list, Sweden 31 Dec. 2018

Property	Address	Constr. yr /renov. yr.	No. apart- ments	No. of premises	No. parking spaces/ garage	Resid. m ²	Premises m ²	Area total m ²
BERLIN								
Berlin								
Päwesner Weg	Päwesner Weg	(vacant)	484	0	87	27,831	0	27,831
Berlin Summa			484	0	87	27,831	0	27,831



Property list, Sweden 31 Dec. 2018

Property	Address	Constr. yr /renov. yr.	No. apartments	No. of premises	No. parking spaces/garage	Resid. m ²	Premises m ²	Area total m ²
UTRECHT								
Utrecht								
Europaplein 710-966	Europaplein 710-966	(vacant)	131	0	129	4,478	0	4,478
Utrecht total			131	0	129	4,478	0	4,478
GRAND TOTAL								
			39,006	2,038	16 776	2 427 714	304,645	2732 359



Shareholder information





Shareholder information

Communications with the market

Our communications with the financial market are characterised by open, relevant and accurate information to shareholders, investors and analysts, thereby increasing knowledge about Heimstaden's operations and shares. We share information in the form of interim reports, annual reports and press releases, and we present further information on the IR pages on our website. Shareholders and others who are interested may subscribe for press releases and financial reports via e-mail. General information on the IR pages of the website, such as shareholder listings, is updated in connection with the closing of the accounts for each quarter. In the event of any major changes, the website is updated immediately.

IR contact

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ir.heimstaden.com

The Annual Report

For environmental reasons, Heimstaden distributes only a digital version, on its website, of the Annual Report. Shareholders attending the Annual General Meeting receive a printed version if they have specifically requested this.

Follow us on www.heimstaden.com

Comprehensive information about Heimstaden can be accessed through the website, regardless of whether you are interested in new housing, investing in the company or want to log onto the customer portal My pages.

Follow us on LinkedIn

We see LinkedIn as a complement to press releases and financial reports. In a less formal way, we can provide insight there into what is going on within the company, what services are available and what we can offer as a company, both regionally and locally.

Financial calendar

Interim Report January-March	10 May 2019
Annual General Meeting	24 May 2019
Interim Report January-June	21 August 2019
Interim report January-September	25 October 2019
Year-end Report	February 2020

see ir.heimstaden.com for information



Information about the 2019 Annual General Meeting

Heimstaden AB (publ), corporate identity number 5566700455, welcomes all shareholders to the Annual General Meeting on Friday, 24 May 2019, at 10.00 a.m. at the company's headquarters, Östra Promenaden 7 A in Malmö, Sweden. Registration will commence at 09:00 a.m.

Notice of the Annual General Meeting will be issued no later than 26 April 2019 and will be published on www.heimstaden.com/arsstamma, prior to that.

Complete proposals for resolutions by the Meeting will be made available on the company's website, www.heimstaden.com/arsstamma, by 3 May 2019 at the latest.

The matters addressed at the Annual General Meeting are those set out in the Articles of Association, as well as other matters stated in the invitation to attend the Annual General Meeting.

Registration of participation

Shareholders wishing to attend the Annual General Meeting shall:

- in part, by Saturday, 18 April 2019, be entered as shareholders in the share register maintained by Euroclear Sweden AB (since the record date is a Saturday, this means that the shareholder must therefore be entered in the share register maintained by Euroclear Sweden AB by Friday, 17 May 2019).
- in part, register with the company their intention to attend the Annual General Meeting by Monday, 20 May 2019 at 4:00 p.m.

Notification of participation is to be submitted in one of the following ways:

- by email:arsstamma@heimstaden.com
- by mail:Heimstaden AB (publ)
Annual General Meeting 2019
Att: Carl-Fredrik Streiby
Östra Promenaden 7A
SE-211 28 Malmö, Sweden.
- via the website www.heimstaden.com/arsstamma

On registration, shareholders must state their name (company), social security number (organisation number), address and telephone number, as well as the name and social security number of any representative and the number of possible assistants also attending (maximum two).

Shareholder registration

To participate in the Meeting, shareholders who have chosen to register their shares with a proxy must temporarily re-register the shares in their own name to be entitled to attend. Such re-registration must be completed with Euroclear Sweden AB by Saturday, 18 May 2019 at the latest. Shareholders should, in good time before this date, request that their trustees administrate re-registration (since the record date is a Saturday, this means that shareholders must attend to such registration by Friday, 17 May 2019 at the latest).

Participation through power-of-attorney

For anyone wishing to be represented by a proxy, the company provides power-of-attorney forms, which are available at www.heimstaden.com/arsstamma. If the proxy is a legal entity, a registration certificate or other documentation shall be presented demonstrating the competency of the signatory.

Proposed dividend

The Board of Directors proposes a dividend of SEK 20.00 per preference share, totalling SEK 46,875,000. Dividends to preference shareholders are to be paid quarterly, in the amount of SEK 5.00 per payment date.

Proposed record dates for the preference share:

- 5 July 2019, with the estimated payment date of 10 July 2019, with the final trading day including entitlement to dividends on 3 July 2019.
- 5 October 2019, with the estimated payment date of 9 October 2019, with the final trading day including entitlement to dividends on 2 October 2019.
- 5 January 2020, with the estimated payment date of 9 January 2020, with the final trading day including entitlement to dividends on 30 January 2019.
- 5 April 2020, with the estimated payment date of 8 April 2020, with the final trading day including entitlement to dividends on 1 April 2020.

In the event that a record date, as stated above, is not a banking day, the record date shall be the immediately preceding banking day.

Heimstaden

Heimstaden AB (publ), Ö Promenaden 7 A, SE-211 28 Malmö, Sweden

Corp. ID No.: 556670-0455. The company is domiciled in Malmö.

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