

2019
Heimstaden AB
Year-end report
JANUARY – DECEMBER



Heimstaden

Key data

January – December 2019

OPERATIONAL

Rental income

SEK **4,863** million

2018, SEK 3,393 million (up 43%)

Cash flow from operating activities

SEK **1,381** million

2018, SEK -266 million

Net operating income

SEK **2,725** million

2018, SEK 1,810 million (up 50%)

Value change in properties

SEK **6,517** million

up 6% in 2019

Surplus ratio

56%

2018, 53.4%

Real letting ratio for housing

99.1%

2018, 98.6%

FINANCIAL

Equity

SEK **59.9** billion

2018, SEK 33.9 billion (up 77%)

Cash and cash equivalents

SEK **10.7** billion

2018, SEK 4.8 billion

Loan-to-value ratio

40%

2018, 49%

Loan-to-value ratio, secured loans

23%

2018, 29%

Interest coverage ratio

2.4x

2018, 2.5 x

Unutilised lines of credit

SEK **10.3** billion

2018, SEK 7.0 billion

PROPERTIES

Investment properties

SEK **114** billion

2018, SEK 76.2 billion (up 50%)

Market value of Heimstaden's property portfolio.

Proportion living area

91%

2018, 89%

Heimstaden's property portfolio consists mainly of housing.

Area

4,031 thousand m²

2018, 2,732 thousand m² (up 48%)

Living area

3,661 thousand m²

2018, 2,428 thousand m² (up 51%)

Number of apartments

54,863

2018, 39,006 (up 41%)

Number of premises

2,749

2018, 2,038 (+35%)

Property pictured on front cover: Enen 4, Norrköping

The period in brief

January – December 2019

- Rental income for the period increased to SEK 4,863 million (3,393)
- The real letting ratio for housing was 99.1 percent (98.6)
- Net operating income for the period increased to SEK 2,725 million (1,810)
- Cleared of unrealised currency effects, profit from property management amounted to SEK 1,426 million (939)
- Changes in values of properties amounted to SEK 6,517 million (2,744)
- Profit for the period increased to SEK 6,001 million (3,204)
- Property acquisitions during the period amounted to SEK 27,859 million (21,696)
- Profit per ordinary share amounted to SEK 322 (139)

Comparison amounts in parentheses refer to the corresponding period in the preceding year unless otherwise stated.

Equipped for the next step

In a few years time, as we look back at 2019, I think we will see it as a very important year for Heimstaden AB. We made several decisions that will have a great impact on how the subsidiary Heimstaden Bostad AB develops as we move ahead. This applies, not least, to our decision to view most of Europe as our home market. In recent years, Heimstaden AB has built up a strong Scandinavian player in the form of Heimstaden Bostad AB, which also has an extensive presence in the Netherlands and a bridgehead in Germany. We are now implementing a couple of changes that will help us seize further opportunities and enter new markets.

In October, a revised shareholder agreement was signed for Heimstaden Bostad AB, opening the way for the Company to bring in more long-term institutional shareholders. Accordingly, the Company was able to announce in December that the Folksam Group will become the second-largest institutional shareholder in Heimstaden Bostad through its companies Folksam Sak, Folksam Liv and KPA Pension. While this



strengthens the capital base, it also serves as a stamp of quality for the operations conducted in Heimstaden Bostad and Heimstaden AB. The fact that several valuation-driven and long-term players have chosen to become shareholders reflects the level of quality and stability that we have built up together in Heimstaden Bostad.

The revised shareholder agreement also entailed the subsidiary Heimstaden Bostad acquiring the last of the properties directly owned by Alecta, as well as most of Heimstaden AB's remaining property portfolio. The agreement also included a new share issue of SEK 9.5 billion directed at Heimstaden AB and Alecta. Subsequently, in November, Heimstaden Bostad issued EUR 800 million in hybrid bonds in the European capital market. Combined, the addition of new shareholders, the increased undertakings of the existing ones, and the issuing of bonds mean that Heimstaden Bostad now enjoys even greater opportunities, both to make strategic acquisitions and to develop the existing portfolio by means of renovations or supplementary new production.

In the second half of the year, considerable effort was invested into the acquisition, presented by Heimstaden Bostad in early 2020, of slightly fewer than 43,000 apartments in the Czech Republic. Although I have received a number of questions regarding the choice of market, in my view the Czech Republic has favourable infrastructure, a very good labour market and other important drivers of development of a standard comparable to Sweden. The opportunity arose to acquire a well-managed company with a favourably composed and attractive portfolio, as well as advanced systems for property management and customer service. It also applies a customer philosophy that is, in many ways, similar to Heimstaden's. The acquisition is the largest in Heimstaden's history in terms of the number of units and has provided the Company with valuable knowledge prior to entering its next new market. I see a strength in Heimstaden Bostad now having the capacity to conduct truly large-scale acquisitions, while the Company's entrepreneurial culture means that no opportunities are missed to acquire individual properties complementing the existing portfolio. It is important to be able to balance large-scale matters against smaller-scale ones to be able to achieve a favourable risk diversification and long-term profitability.

Although Heimstaden Bostad is expanding rapidly, as shareholders, we are ensuring that this is achieved with due caution. Since the strategy is for the properties to be managed by in-house staff, values and culture are two foundations on which the entire business rests. With in-house personnel, Heimstaden maintains control of its own processes and gains deeper and better insights regarding the buildings and customers than when these operations are outsourced. Employee commitment is the essential driving force on Heimstaden's journey to become as successful as its shareholders want it to be.

Patrik Hall
CEO Heimstaden AB



Vibes gate 11, Oslo

Current earning capacity

In the adjacent table, Heimstaden presents its earning capacity on a twelve-month basis as per 31 December 2019. Earning capacity is not a forecast for the current year or for the next 12-month period and should only be regarded as a theoretical snapshot and is presented for illustrative purposes only. Current earning capacity does not include an assessment of future trends in rent levels, vacancy rates, property costs, interest rates, changes in value, acquisitions or sales of properties or other factors.

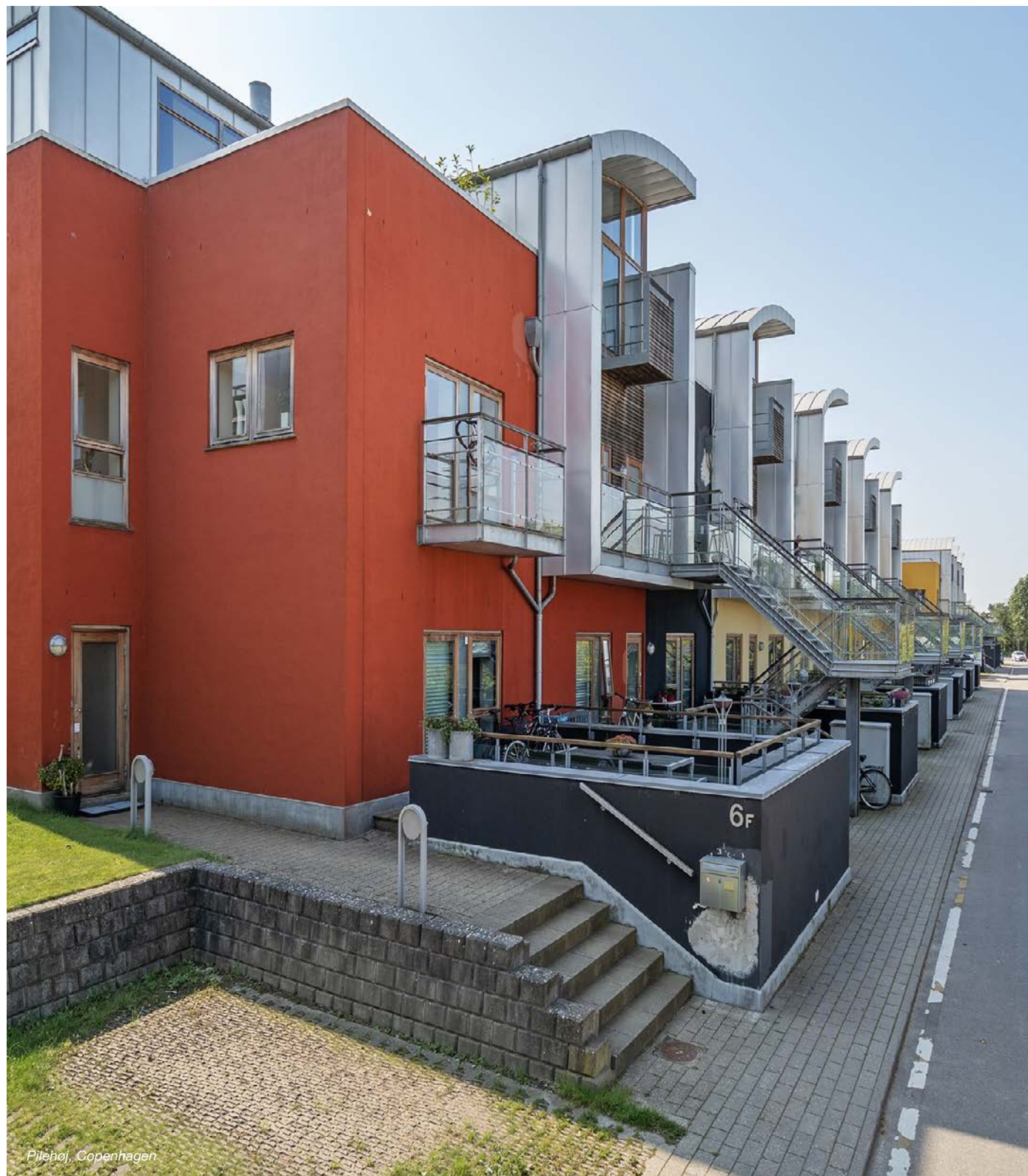
Current earning capacity is based on the properties held as per 31 December 2019 and their financing. Accordingly, the current earning capacity illustrates Heimstaden's annual earnings on that basis. Consequently, transactions where Heimstaden gains access after 31 December are not included in the calculation.

Heimstaden's Income Statement is also affected by the development in the value of the property portfolio and future property acquisitions and/or property sales. Changes in values of derivatives is another item affecting profit. None of the above has been taken into account in the current earning capacity, nor in the item Profit from participations in associated companies.

Earning capacity is based on the contracted rental income, current property costs and administrative costs of the property portfolio. Costs for interest-bearing liabilities have been based on the Group's average interest rate on the balance sheet date, including the effects of derivative instruments.

Current earning capacity as per 31 December 2019

Amounts in SEK million	
Rental income	5,631
Property costs	-2,449
Net operating income	3,182
Central administration costs	-184
Other operating income	11
Other operating costs	–
Profit from participations in associated companies	–
Profit before financial items	3,009
Financial income	
Financial costs	-1,177
Profit from property management	1,832
Profit from property management attributable to:	
The Parent Company's shareholders	378
Non-controlling interests	1,453
Key data	
Surplus ratio, %	56.5
Interest coverage ratio (ICR), multiple	2.6



Pilehol, Copenhagen

Significant transactions and events

Heimstaden's property stocks are managed in five geographical segments – Sweden, Denmark, Norway, Germany and the Netherlands. The total value of Heimstaden's property portfolio amounted to SEK 113,719 million, excluding agreed acquisitions. Listed below are significant transactions and events agreed by the Group in the fourth quarter, as well as the transactions agreed in earlier periods but where the Group has gained control of the assets in the quarter at hand.

25 October

Subsidiary Heimstaden Bostad AB strengthens its capital base by a total SEK 9.5 billion by means of a new share issue directed at the principal owners, Heimstaden AB and Alecta.

At a property value of SEK 18 billion, subsidiary Heimstaden Bostad acquires from Heimstaden AB 10,447 residential units and 83 commercial units in the Netherlands, corresponding to 866,171 square metres. The acquisition is financed by means of bank loans and a new share issue.

Subsidiary Heimstaden Bostad signs a letter of intent to acquire the remaining property portfolio of Heimstaden AB, as well as Alecta's residential portfolio in Helsingborg. The agreed property value amounts to a total SEK 2.6 billion. Following satisfactory due diligence, these acquisitions are completed in December.

The shareholders in Heimstaden Bostad have decided to expand the Group's main market from the Nordic countries to encompass most of Europe. To clarify Heimstaden AB's and Heimstaden Bostad's strategies, the intention is for future property investments in the principal market to be made by Heimstaden Bostad.

In addition to previous capital contributions and the equity issued through the aforementioned transactions, Alecta has undertaken to contribute a further SEK 7.5 billion in capital contributions to Heimstaden Bostad in the future, supporting the Company's development.

12 November

Heimstaden Bostad AB issues EUR 800 million in hybrid bonds in the European capital market. The hybrid bond carries an annual fixed interest rate of 3.25 percent, with redemption possible first after 5.25 years.

In accordance with IFRS, the injection of funds is recognised 100 percent as equity and will be used for general corporate purposes. S&P has classified the hybrid as 50 percent equity.

18 December

Folksam-gruppen, Folksam Liv, Folksam Sak and KPA Pension (the "Folksam Group") subscribe for shares Heimstaden Bostad for about SEK 4 billion in a share issue dated 7 January 2020. The remainder of the preferential rights issue totalling SEK 7.2 billion is subscribed by Heimstaden Investment AB.

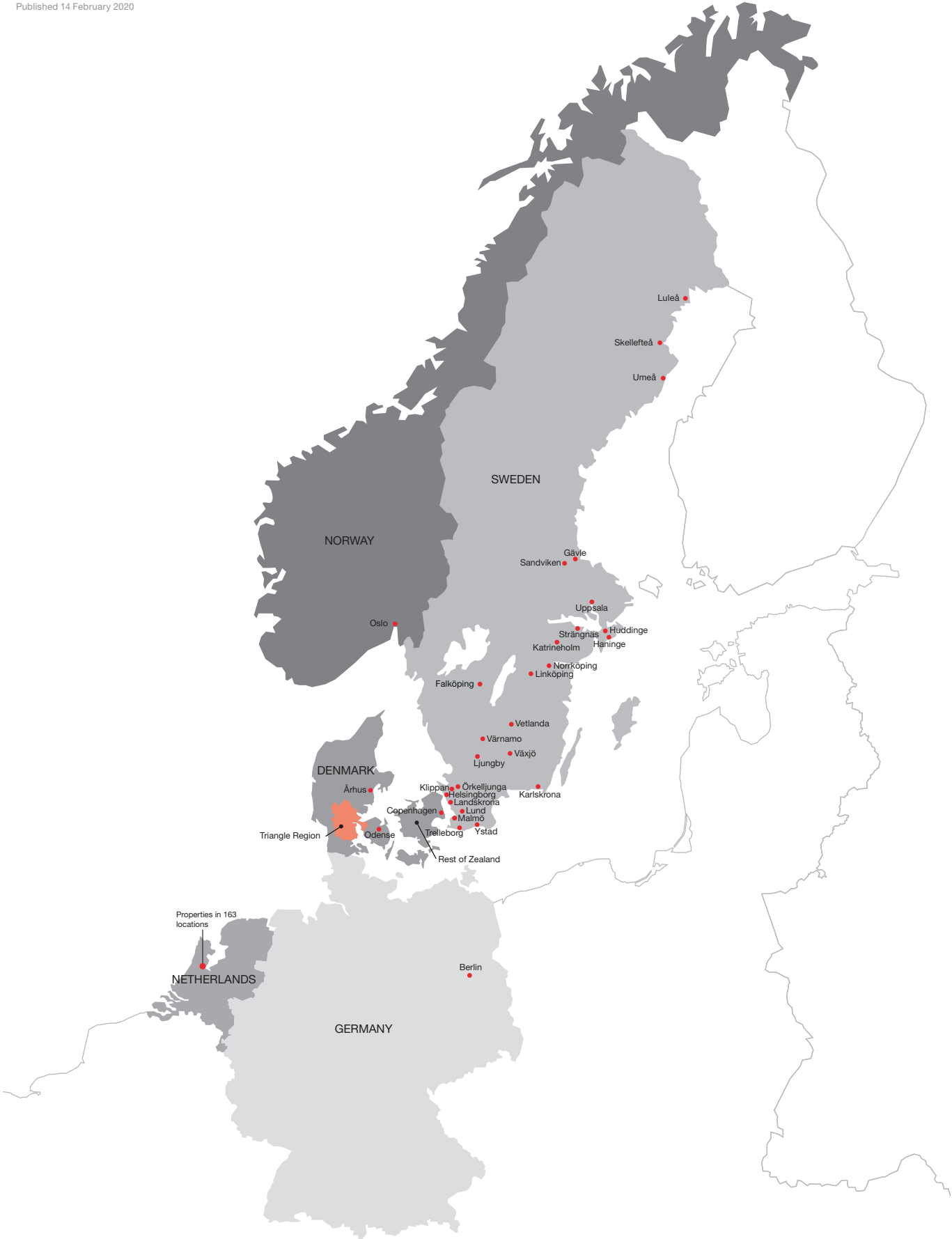
Following the new share issue, the Folksam Group will become the second-largest institutional investor in Heimstaden Bostad, holding 7 percent of the capital.

23 December

Heimstaden Bostad AB acquires a residential portfolio in Germany comprising 25 properties with 599 apartments, 48 commercial units and 36 parking spaces. The properties are located in Berlin and Bielefeld and comprise a total lettable area of 44,650 square metres.

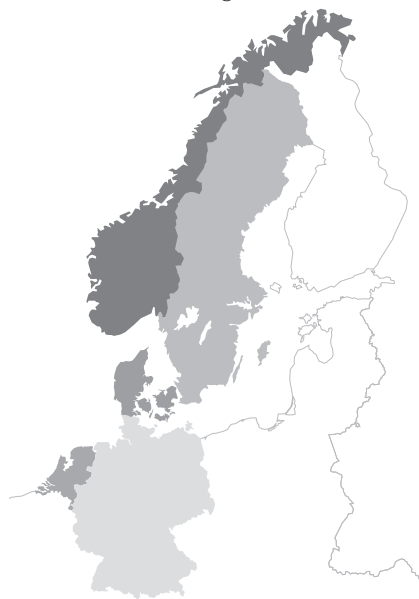
The agreed purchase consideration of SEK 1.32 billion will initially be financed using existing cash balances and thereafter partly using bank financing.





Our segments

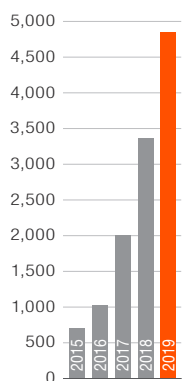
The Group's property portfolio is divided into different geographic administrative segments.



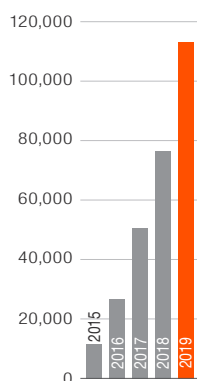
TOTAL HEIMSTADEN (JANUARY – DECEMBER)

	Q4 2019	Q4 2018
Market value, SEK m	113,719	76,249
Rental income, SEK m	4,863	3,393
Net operating income, SEK m	2,725	1,810
Surplus ratio, %	56.0	53.4
Letting ratio, housing (number), %	97.6	97.3
Real letting ratio, %	99.1	98.6
Area, m ²	4,031,310	2,732,359

DEVELOPMENT OF TOTAL RENTAL INCOME, Q4 (SEK M)



DEVELOPMENT OF TOTAL MARKET VALUE, Q4 (SEK M)



Sweden

The Swedish economy continues to develop positively with modest GDP growth, rising disposable income and household consumption. Although unemployment has been declining steadily in recent years, it rose somewhat during 2019 to 6.8 percent. Despite relatively high unemployment compared with the OECD average, the employment rate is among the highest in the EU.

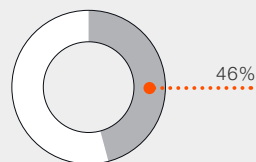
In Sweden, population growth is driving demand for housing, primarily in the metropolitan areas, which are experiencing strong growth due to the global urbanisation trend. Sweden's population has grown by about 1.1 percent annually over the past seven years and the population is now 10.3 million. According to the Swedish National Board of Housing, Building and Planning, 67,000 homes need to be built per year until 2025. The current estimate is that only 52,000 homes were completed in 2019, which represents a significant shortfall.

With residential construction unable to meet demand, the housing shortage is exacerbated. Forecasts shows declining construction of tenant-owned apartments, while rental apartments continue to show favourable pace and demand. In Stockholm, Malmö and Gothenburg, the pace of construction has increased in recent years. By the end of 2019, however, the pace is expected to have fallen in Stockholm and Malmö, while it is expected to have increased in Gothenburg.

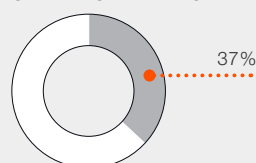
SWEDEN (JANUARY – DECEMBER)

	Q4 2019	Q4 2018
Market value, SEK m	41,630	36,005
Rental income, SEK m	2,231	2,039
Net operating income, SEK m	1,084	985
Surplus ratio, %	48.6	48.3
Letting ratio, housing (number), %	98.4	98.1
Real letting ratio, %	99.6	99.2
Area, m ²	2,029,704	1,921,044

RENTAL INCOME, SHARE OF HEIMSTADEN TOTAL



MARKET VALUE, SHARE OF HEIMSTADEN TOTAL



Denmark

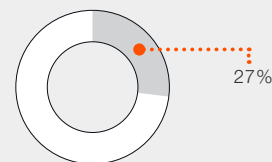
The Danish economy continues to develop well compared with neighbouring countries and GDP growth was solid in 2019. Current forecasts by Danske Bank indicate about 1.3 percent for 2020. In recent years, the labour market has developed positively with decreasing unemployment rates due to the economic upswing. With retirement age rising and strong growth in high-productivity sectors with considerable production abroad, the decline in unemployment has, however, stagnated in recent quarters. The unemployment rate was 3.1 percent in August and this level is expected to remain stable or even rise. The latest estimates for 2019 indicate about 3.7 percent.

Denmark's population is expected to grow from 5.8 million in 2019 to 6.0 million in 2030, an increase of 3 percent. Copenhagen, the main contributor, is expected to grow by about 9 percent. Solid population growth has exacerbated the imbalance in supply and demand, with housing shortages accumulating over time into a significant supply deficiency in the capital region.

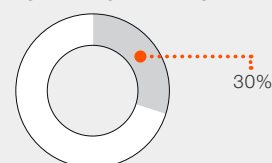
DENMARK (JANUARY – DECEMBER)

	Q4 2019	Q4 2018
Market value, SEK m	34,643	23,782
Rental income, SEK m	1,292	744
Net operating income, SEK m	825	457
Surplus ratio, %	63.9	61.4
Letting ratio, housing (number), %	95.7	94.3
Real letting ratio, %	98.1	96.9
Area, m ²	842,750	562,660

RENTAL INCOME, SHARE OF HEIMSTADEN TOTAL



MARKET VALUE, SHARE OF HEIMSTADEN TOTAL





Nedre gate 8, Norway

Norway

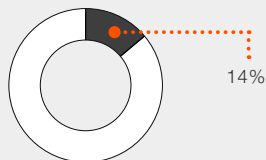
Growth in the Norwegian economy has been strong over the past three years. With expected GDP growth of 1 percent for 2019, capacity utilisation has increased. The highly active oil industry has driven growth and the growing economy creates jobs. Unemployment was at 3.6 percent in 2019, down from 3.8 percent in 2018. Consumer prices developed well in 2019, driven by a weaker NOK and a strong labour market. Inflation for the past 12 months is close to the targeted 2 percent. Household debt ratios and house prices are at high levels, although, over the past two years, growth in debt has fallen to sustainable levels.

Home ownership in Norway is among the highest in Europe, with about 80 percent of inhabitants owning their own homes. Following strong price increases in the residential market in 2016 – 2017, the market has been more subdued and is now growing at a moderate pace with smaller price fluctuations than before. Strong economic growth and numerous property transactions give a healthy market with good levels of activity. The limited supply of rental properties and a few private players with extensive holdings has brought a stable trend in rent levels in recent years.

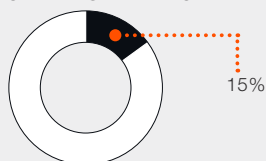
NORWAY (JANUARY – DECEMBER)

	Q4 2019	Q4 2018
Market value, SEK m	17,372	15,521
Rental income, SEK m	702	604
Net operating income, SEK m	469	369
Surplus ratio, %	66.8	61.1
Letting ratio, housing (number), %	97.1	96.6
Real letting ratio, %	98.0	96.7
Area, m ²	222,165	216,347

RENTAL INCOME,
SHARE OF HEIMSTADEN TOTAL



MARKET VALUE,
SHARE OF HEIMSTADEN TOTAL



Spandau, Germany

Germany

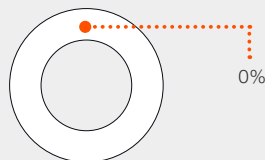
Germany is Europe's largest economy and is noted for its large, export-oriented industrial sector that maintains leading global positions in segments including automotive, machinery and the chemicals industry. German GDP is expected to grow by 0.6 percent for 2019 and the EU commission estimates GDP growth of 1.4 percent in 2020, which would mark the tenth consecutive year of expansion since the financial crisis of 2008-2009. The economic upswing has led to unemployment falling each year, reaching 5 percent in 2019.

Rising purchasing power, combined with a strong urbanisation trend and an influx of more than 1.7 million refugees since 2015 have resulted in considerable pressure on the housing market. Despite recent years' favourable economic performance, rent increases (about 5 percent annually in 2017 and 2018) have exceeded nominal wage increases. With capital values falling short of rapidly rising compensation levels, new construction has not increased at the same rate as the rising demand for housing. Political discussions are being held regarding a potential tightening of existing rent regulations or the introduction of new ones to restrain rent rises on existing housing stocks until the supply of new homes is sufficient.

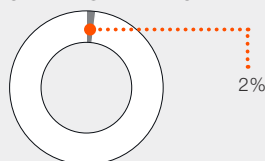
GERMANY (JANUARY – DECEMBER)

	Q4 2019	Q4 2018
Market value, SEK m	2,292	703
Rental income, SEK m	21	5
Net operating income, SEK m	13	-1
Surplus ratio, %	58.8	-22.6
Letting ratio, housing (number), %	99.2	93.8
Real letting ratio, %	100.0	100.0
Area, m ²	72,479	27,831

RENTAL INCOME,
SHARE OF HEIMSTADEN TOTAL



MARKET VALUE,
SHARE OF HEIMSTADEN TOTAL



Utrecht, Netherlands

Netherlands

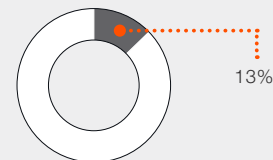
The Netherlands is ranked as one of the most stable and competitive economies. According to the Global Competitiveness Report 2019, issued by World Economic Forum, it is Europe's most competitive economy. The country is characterised by high disposable income and a highly educated workforce. Unemployment is significantly lower than the EU average and was 4.3 percent for 2019, compared with the EU average of 6.3 percent.

Demand for residential properties in the Netherlands is driven by a growing number of households while supply is constrained by limited construction, exacerbating the housing shortage. The attractive fundamentals, in both a macro perspective and with regard to the housing market, have boosted interest in housing investment in the country. This is reflected in investment volumes. In 2018, EUR 8.5 billion was invested in the housing sector – a considerable increase from EUR 5.2 billion in 2017. There is no sign of a slowdown in 2019 and most forecasts indicate a record year.

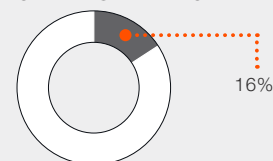
NETHERLANDS (JANUARY – DECEMBER)

	Q4 2019	Q4 2018
Market value, SEK m	17,781	236
Rental income, SEK m	671	1
Net operating income, SEK m	334	1
Surplus ratio, %	54.1	68.1
Letting ratio, housing (number), %	96.9	100.0
Real letting ratio, %	99.1	100.0
Area, m ²	864,212	4,478

RENTAL INCOME,
SHARE OF HEIMSTADEN TOTAL



MARKET VALUE,
SHARE OF HEIMSTADEN TOTAL



Consolidated Statement of Comprehensive Income

Amounts in SEK million	Note	2019 12 months Jan–Dec	2018 12 months Jan–Dec	2019 3 months Oct–Dec	2018 3 months Oct–Dec
Rental income	4	4,863	3,393	1,380	984
Property costs	5	-2,138	-1,582	-638	-502
Net operating income		2,725	1,810	742	483
Central administration costs		-172	-107	-72	-35
Other operating income		27	10	-10	-30
Other operating costs		-46	-42	-46	-42
Profit from participations in associated companies		196	20	184	17
Profit before financial items		2,729	1,692	798	393
Financial income	6	57	53	40	26
Financial costs – interest-bearing liabilities	6	-1,152	-694	-239	-141
Other financial income	6	6	–	6	–
Other financial costs	6	-186	-113	-55	22
Financial costs, right-of-use assets		-29	–	-9	–
Currency gains and losses		-133	50	-133	50
Profit from property management		1,293	989	409	350
<i>Profit from property management attributable to:</i>					
The Parent Company's shareholders		709	423	237	176
Non-controlling interests		583	566	172	174
Change in value of investment properties	7	6,517	2,744	1,617	565
Changes in the value of financial derivative instruments	8	-107	11	324	-19
Profit before tax		7,703	3,745	2,349	896
Current tax		-259	-145	-81	-44
Deferred tax		-1,443	-396	-472	-109
Profit for the period		6,001	3,204	1,797	743
<i>Profit for the period attributable to:</i>					
The Parent Company's shareholders		4,099	1,979	1,064	613
Non-controlling interests		1,902	1,224	732	130
Other comprehensive income		432	-255	-840	-887
Comprehensive income		6,433	2,949	956	-144

Rental income

Rental income for the period amounted to SEK 4,863 million (3,393), corresponding to an increase of 43 percent. This growth is primarily attributable to property transactions that have been implemented. Rental income averaged SEK 1,365 per square metre of time-weighted area (1,404). The lower average rent is primarily explained by the acquisition in the Netherlands.

The letting ratio for housing was 97.6 percent (97.3) for the period. Adjusted for the intentionally vacated apartments, the real letting ratio was 99.1 percent (98.6)

Property costs

Total property costs amounted to SEK 2,138 million (1,582), the change mainly being attributable to the increased property volume. Property costs averaged SEK 600 per square metre of time-weighted area (655). The lower average is primarily explained by the acquisition in the Netherlands.

Net operating income

Net operating income amounted to SEK 2,729 million (1,810) for the period, corresponding to a surplus ratio of 56 percent (53.4). The higher surplus ratio is primarily due to acquisitions in Denmark and the Netherlands, as well as operational optimisation measures.

Central administration costs

Costs for central administration amounted to SEK 172 million (107), with the increase mainly being attributable to the growth of the organisation as a consequence of a larger property portfolio.

Financial costs – interest-bearing liabilities

Financial costs for the period were SEK 1,152 million (694). The increased financial costs are mainly attributable to a larger loan portfolio as a consequence of a larger property portfolio. On the balance sheet date, the average interest rate on the total borrowings, derivatives and fees for unutilised credit amounted to 1.94 percent (1.87). The increase is mainly explained by differences in the spread between bonds and bank loans, changes in underlying base interest rates and increased interest rate hedging. At the end of the period, Heimstaden's interest rate hedging ratio was 65 percent (50).

On a rolling 12-month basis, the interest coverage ratio was 2.4 (2.5). This change is due mainly to higher average interest and a higher loan-to-value ratio over the past 12 months. On 30 August, a new share issue in Heimstaden Bostad for SEK 3,000 million was implemented, with the proceeds partly being used to redeem loans with relatively high interest rates. The change has yet to achieve full effect on the rolling 12-month interest coverage ratio.

About 34 percent (57) of the portfolio will switch interest rates within a year and a change in the base rate (Euribor, 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 179 million (187) were rates to rise, and decrease them by approximately SEK 46 million (34) 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, for example, be negative while costs regarding outstanding and purchased interest rate derivatives can increase when market interest rates are negative.

Other financial costs

Other financial costs pertain primarily to costs of a non-recurring nature related to new borrowings and redemption of loans.

Currency gains and losses

Currency gains and losses amounted to a net loss of SEK 133 million (50) and relate primarily to unrealised exchange rate differences on cash and cash equivalents, and to receivables and liabilities in the Parent Company.

Profit from property management

Profit from property management increased to SEK 1,293 million (989). The increase in profit from property management is primarily explained by the larger property portfolio resulting from acquisitions. Cleared of currency gains and losses, profit from property management increased by 52 percent compared with the preceding year.

Changes in the value of financial instruments

In accordance with the established financial policy and interest rate hedging strategy, Heimstaden uses interest rate derivatives and basis swaps to manage the Group's interest rate and currency risks. Unrealised changes in value attributable to interest amounted to a net decrease in value of SEK 107 million (increase 11) for the period. Currency effects related to currency hedging of debenture loans are reported on the line Currency gains and losses.

Change in value of investment properties

After currency adjustment, the total change in value regarding properties amounted to SEK 6,517 million (2,744) in the Income Statement. Combined, the unrealised change in value amounted to SEK 6,463 million (2,890) in the balance sheet. This corresponds to a 6 percent increase in value over the year. All of Heimstaden's geographical segments experienced positive development over the year. The changes in value are attributable primarily to lower yield requirements in the existing stocks, as well as operational optimisation measures. The yield requirements in the valuation average 3.63 percent, compared with 3.69 percent at the end of 2018.

Tax

The positive value trend in Heimstaden's property portfolio over the year brought an increased deferred tax liability, impacting earnings negatively by SEK 1,443 million (396). Current tax amounted to SEK 259 million (145).

Other comprehensive income

Other comprehensive income consists of currency translation differences arising from the consolidation of the Group's foreign subsidiaries and amounted to SEK 432 million (loss 255).

Consolidated Statement of Financial Position

Amounts in SEK million	Note	31 Dec 2019	31 Dec 2018
Assets			
Non-current assets			
Goodwill		72	–
Investment properties	9	113,719	76,249
Leases, right-of-use		895	–
Tangible fixed assets		30	22
Interest-rate derivatives		–	18
Participations in associated companies	10	337	123
Other financial non-current assets		580	286
Total non-current assets		115,633	76,699
Current assets			
Development properties and tenant-owned apartments in progress		865	680
Accounts receivable		23	16
Other current receivables		1,062	863
Prepaid costs and accrued income		337	253
Cash and cash equivalents		10,687	4,775
Total current assets		12,974	6,588
TOTAL ASSETS		128,606	83,286



Investment properties

On the balance sheet date, the market value of Heimstaden's property portfolio amounted to SEK 113,719 million, compared with SEK 76,249 million at the end of 2018. During the period, properties were acquired for a value of SEK 27,859 million, most of which concerns acquisitions in Denmark and the Netherlands. Total unrealised changes in value for the period amounted to SEK 6,463 million (2,890). The remaining change in the carrying amount of the property portfolio comprised property sales, investments in existing stocks and exchange rate effects.

For a more detailed description of Heimstaden's methodology for valuing properties, see page 116 of Heimstaden's 2018 Annual Report.

Leases, right-of-use

Leases primarily concern site leaseholds that, as of 2019, are reported as assets in accordance with IFRS16.

Participations in associated companies

Heimstaden holds shares in Rosengård Fastigheter and a number of 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 580 million (286) at the end of the period.

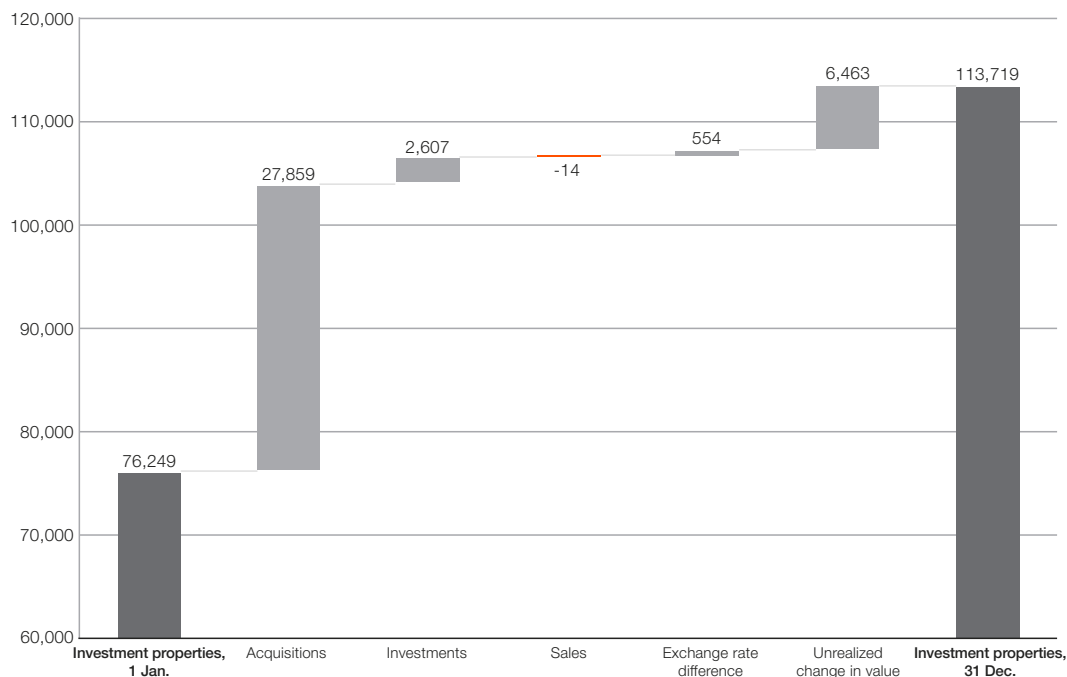
Development properties and tenant-owned apartments in progress

In connection with the acquisition of 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.

Other current receivables

Other current receivables pertain primarily to a deposit for the acquisition of the Czech property portfolio "Residomo" and financing of new construction projects.

DEVELOPMENT OF INVESTMENT PROPERTIES FOR THE YEAR, SEK MILLION



Consolidated Statement of Financial Position

Amounts in SEK million	Note	31 Dec 2019	31 Dec 2018
EQUITY AND LIABILITIES			
Equity ¹⁾		59,942	33,936
Long-term interest-bearing liabilities		56,809	38,195
Non-current liability, financial leasing		896	
Interest-rate derivatives	10	65	–
Deferred tax liability		3,640	2,218
Total non-current liabilities		61,411	40,413
Current liabilities			
Current interest-bearing liabilities		5,137	7,492
Accounts payable		332	351
Current tax liabilities		202	99
Other current liabilities		994	521
Accrued costs and prepaid income		589	475
Total current liabilities		7,254	8,938
TOTAL EQUITY AND LIABILITIES		128,606	83,286
¹⁾ Of which non-controlling interests		36,134	17,436

Consolidated Statement of Changes in Equity

Amounts in SEK million	Share capital	Other capital contributions	Retained profit	Hybrid bond	Attributable to Parent Company shareholders	Non-controlling interests	Total equity
Equity, 31 Dec 2017	78	729	8,122	–	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
Other comprehensive income			-100		-100	-155	-255
Comprehensive income for the period			1,979		1,979	1,224	3,204
Equity, 31 Dec 2018	78	6,466	9,956	–	16,499	17,436	33,936
Dividend			-47	-45	-92	-56	-147
Shareholder contribution, Fredensborg AS							
Contributions from non-controlling interests						8,644	8,644
Dividend to non-controlling interest						-465	-465
Non-controlling interests						52	52
Issue of hybrid bond				3,000	3,000	8,523	11,523
Issue costs				-25	-25	-9	-34
Other comprehensive income			326		326	106	432
Profit for the period			4,054	45	4,099	1,902	6,001
Equity, 31 Dec 2019	78	6,466	14,289	2,975	23,808	36,134	59,942

Interest-bearing liabilities

At the end of the period, Heimstaden's loan-to-value ratio was 40 percent (49). Of the total interest-bearing liabilities, 66 percent (63) were loans secured by property mortgages, giving a loan-to-value ratio for secured loans of 23 percent (29).

The total loan portfolio amounted to SEK 61,946 million (45,687) on the balance sheet date. Of this amount, 34 percent (29) pertains to debenture loans, 32 percent (33) to mortgages and 34 percent (38) to traditional bank loans. There are also unutilised lines of credit of SEK 10,269 million (7,043).

The average period for which capital is tied up regarding Heimstaden's interest-bearing liabilities amounted to 10.1 years (8). The largest proportion of loan maturities within an individual year will occur in 2021 (2020) and accounts for 17 percent (26) of the total portfolio. At the same time, the average period of fixed interest, including the effect of derivatives, amounts to 2.6 years (2.1).

Deferred tax

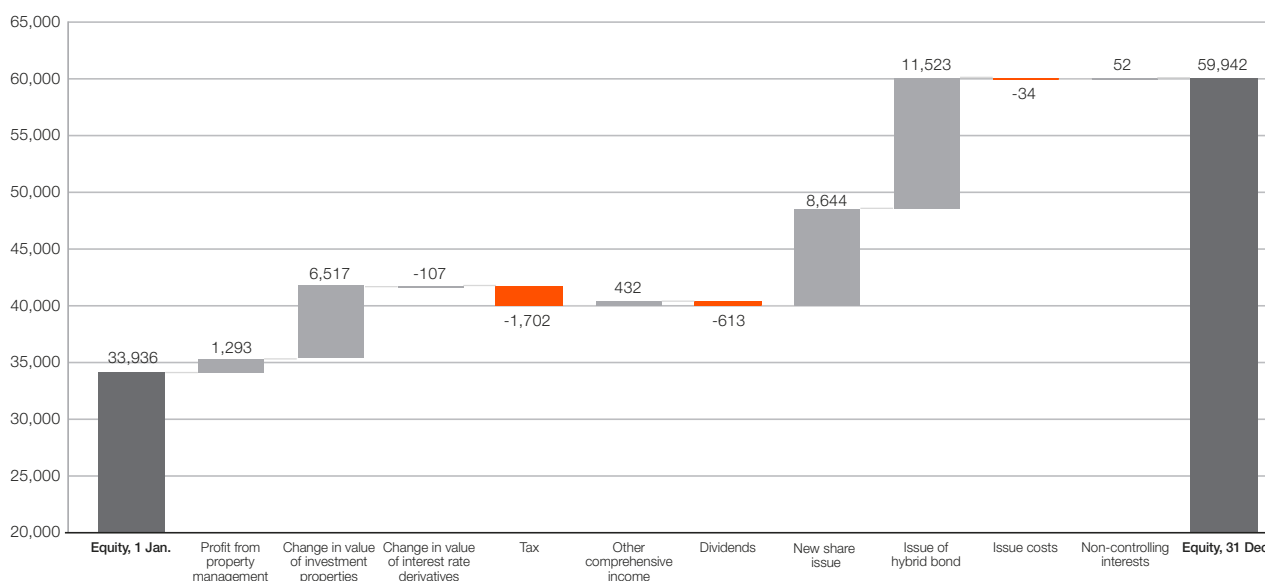
The positive value trend in Heimstaden's property portfolio brought an increased deferred tax liability, amounting on the balance sheet date to SEK 3,640 million (2,218).

Equity

Equity amounted to SEK 59,942 million (33,936), giving an equity /assets ratio of 47 percent (41). The change in equity over the period is attributable to changes in value in the property portfolio, a new share issue and an issue of hybrid bonds.

Heimstaden is exposed to currency risk in EUR, DKK and NOK. This risk is associated with the foreign operations and to financing denominated in EUR in the Parent Company. The Parent Company's debenture loans in EUR have been hedged through swaps to the same currency as the assets that the loans are intended to finance. The currency risk associated with the foreign operations is limited to net capital in each currency.

EQUITY DEVELOPMENT OVER THE YEAR¹⁾, SEK MILLION



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

Consolidated Statement of Comprehensive Income

Amounts in SEK million	2019 12 months Jan–Dec	2018 12 months Jan–Dec	2019 3 months Oct–Dec	2018 3 months Oct–Dec
Operating activities				
Profit before tax	7,703	3,745	2,349	896
Adjustments for non-cash items:				
– Change in value of investment properties	-6,517	-2,744	-1,627	-565
– Change in value of derivative instruments	107	-11	-324	19
– Other non-cash items	-51	-100	-117	-234
Tax paid	-159	-131	15	-16
Cash flow from operating activities before changes in working capital	1,082	758	296	100
Change in working capital				
Change in current receivables	-62	348	140	32
Change in tenant-owner participations	–	-883	–	–
Change in current liabilities	360	-489	648	-558
Cash flow from operating activities	1,381	-266	1,085	-426
Investing activities				
Property acquisitions	-11,131	-9,018	-2,057	6,515
Investment, properties	-2,582	-4,039	-710	-3,312
Acquisitions of subsidiaries	-72	-2	–	–
Acquisitions of other non-current assets	-16	-158	-16	-158
Deposits paid for acquisitions	-536	-547	-392	484
Other receivables, future acquisitions	-231	–	-231	–
Other investments	-4	-22	0	-5
Property sales	14	155	10.9	-7
Acquisitions of participations in associated companies	-14	-6	-14	-1
Change in loans to associated companies	-361	-47	-122	-43
Change in financial assets	-47	198	-63	-13
Cash flow from investing activities	-14,979	-13,486	-3,594	3,460
Financing activities				
Contributions from non-controlling interests	8,644	6,563	6,229	–
Dividend to non-controlling interest	-465	-76	–	–
Dividend to/contribution from Parent Company	–	5,737	–	–
Dividend, preference shares	-47	-47	-12	-12
Interest on hybrid bond	-135	–	-135	–
New issue of hybrid bond	11,523	–	8,548	–
Change in interest-bearing liabilities	-59	5,198	-5,235	-3,756
Redemption of interest rate derivatives	–	-135	–	-37
Cash flow from financing activities	19,461	17,242	9,396	-3,805
Cash flow for the period	5,863	3,489	6,886	-771
Opening cash and cash equivalents	4,775	1,393	3,841	1,393
Currency effect in cash and cash equivalents	48	-107	-41	-153
Closing cash and cash equivalents	10,687	4,775	10,687	469

Operating activities

Cash flow from operating activities, before changes in working capital, amounted to SEK 1,082 million (758). The increase is primarily attributable to a larger property portfolio. After a reduction in working capital, cash flow from operating activities amounted to SEK 1,381 million (negative 266).

Investing activities

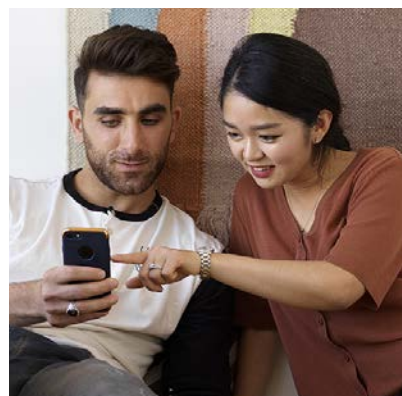
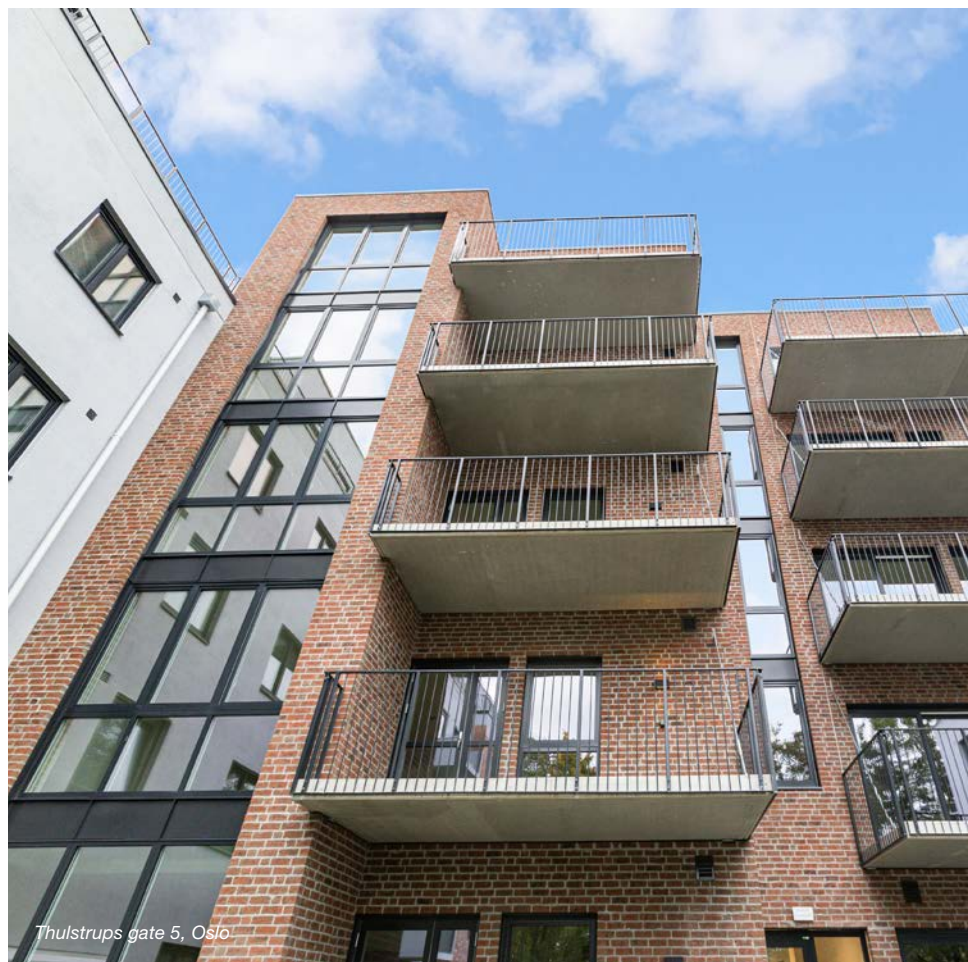
Cash flow from investing activities was negative in the amount of SEK 14,979 million (13,486). Most of the flow consists of corporate and property transactions, of which most are attributable to acquisitions in Denmark and the Netherlands.

Financing activities

Cash flow from financing activities amounted to SEK 19,461 million (17,242). The amount is attributable primarily to the new issue of a hybrid bond and to capital contributions from non-controlling interests.

Cash flow

Cash flow for the period amounted to SEK 5,863 million (3,489) and cash and cash equivalents amounted to SEK 10,687 million (4,775) at the end of the period.



PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

Amounts in SEK million	2019 12 months Jan-Dec	2018 12 months Jan-Dec
Other operating income	147	108
Central administration costs	-135	-79
Operating profit/loss	12	30
Amortisation and depreciation	-1	-1
Dividends from associated companies	-	-
Dividends from subsidiaries	3,597	-
Impairment	-3,396	-3,708
Profit from participations in Group companies	1,539	3,537
Profit before financial items	1,750	-143
Interest income	73	23
Interest costs	-106	-222
Profit from property management	1,717	-342
Group contributions	-2	11
Profit before tax	1,714	-331
Current tax	-	-
Deferred tax	-	-
Profit after financial items	1,714	-331

PARENT COMPANY STATEMENT OF FINANCIAL POSITION

Amounts in SEK million	31 Dec 2019	31 Dec 2018
Assets		
Non-current assets		
Tangible fixed assets	1	3
Shares in subsidiaries	15,282	3,339
Receivables from subsidiaries	200	-
Other financial non-current assets	-	1
Total non-current assets	15,483	3,342
Current assets		
Receivables from subsidiaries	636	15,058
Other current receivables	79	187
Cash and cash equivalents	6,122	706
Total current assets	6,838	15,951
TOTAL ASSETS	22,321	19,293
EQUITY AND LIABILITIES		
Equity	17,984	13,386
Non-current liabilities		
Interest-bearing liabilities	200	-
Bond	3,000	2,500
Non-current liabilities, subsidiaries	959	140
Total non-current liabilities	4,159	2,640
Current liabilities		
Current liabilities, subsidiaries	99	3,247
Other current liabilities	79	21
Total current liabilities	177	3,267
TOTAL EQUITY AND LIABILITIES	22,321	19,293

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

Amounts in SEK million	Share capital	Share premium reserve	Hybrid bond	Profit brought forward	Total equity
Equity, 31 Dec 2017	78	729	-	7,220	8,027
Dividend, preference shares				-47	-47
Shareholder contributions				5,737	5,737
Profit for the period				-331	-331
Equity, 31 Dec 2018	78	729	-	12,580	13,386
Dividend			-45	-47	-91
Issue of hybrid bond			3,000		3,000
Issue costs			-25		-25
Profit for the period			45	1,670	1,714
Equity, 31 Dec 2019	78	729	2,975	14,202	17,984



Note 1 Accounting principles

Accounting principles

Heimstaden's consolidated accounts are prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the EU and its interpretations of these (IFRIC). This interim report has been prepared in accordance with IAS 34 the Annual Accounts Act. The Parent Company applies RFR2 Accounting for Legal Entities and the Swedish Annual Accounts Act.

The same accounting and valuation principles and calculation methods have been applied as in the most recent annual report (see pages 106 and 132 of the 2018 Annual Report for Heimstaden) with the exception of the introduction of IFRS 16 Leasing as of 1 January 2019 and currency effects associated with basis swaps, which, in the interim report have been separated and moved from Changes in the value of financial instruments to Currency gains and losses. Currency effects regarding Group internal loans have also been moved from Other financial costs to Other comprehensive income. Other new and amended standards are not currently expected to affect Heimstaden's accounts to any significant extent.

New accounting principles

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. Heimstaden has lease commitments for leaseholds, premises and vehicles.

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. Depre-

ciation 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.

Following the introduction of IFRS 16 as of 1 January 2019, Heimstaden has reported a right-of-use asset and a lease liability corresponding to the value of the right-of-use asset. From the perspective of IFRS 16, leaseholds are viewed as perpetual lease agreements, which are reported at fair value and not written off, instead the value of the right-of-use asset remains until the next occasion on which the leasehold is renegotiated. The Income Statement has been affected in that the ground rent has been reclassified from Property costs to Financial income and costs, ground rent paid is reported in its entirety as an interest expense since these agreements are regarded as perpetual. Heimstaden has leasehold or other lease agreements for land in countries other than Sweden. Heimstaden experience is that these agreements are normally extended and thus handled in the same way as Swedish leaseholds.

Premises and vehicles are reported at discounted values in the balance sheet as a right-of-use asset and a lease liability. In the Income Statement, the right-of-use asset is written off over lease term and payments made to landlord/the lessor are reported partly as amortisations on the lease liability and partly as an interest expense in the Income Statement.

The cash flow statements will not be affected by the introduction of IFRS 16.

Heimstaden has chosen to apply the simplified transition method and will not apply the standard retroactively. Accordingly, in accordance with the simplified method, comparison figures for 2018 have not been recalculated.

Note 2 Information about related parties

Heimstaden's transactions with related parties are detailed in Notes G 8 and PC-G 6 in Heimstaden's 2018 Annual Report.



Note 3 Events after the balance sheet date

9 January

Heimstaden Bostad AB announces its acquisition of a Czech housing portfolio through the acquisition of the RESIDOMO Group, comprising 4,515 properties with 42,584 apartments and 1,675 commercial premises. The portfolio properties are located mainly in the Moravia-Silesia region, which is the most densely populated region in the Czech Republic after Prague, the capital city, and encompass a total 2.6 million square metres of lettable space.

At the property level, the purchase consideration agreed amounts to approximately EUR 1.3 billion. The loan-to-value ratio will be maintained at a level supporting the current credit rating as well as efforts to achieve a higher rating. Preliminarily, Heimstaden will gain access to the portfolio on 20 February.

The acquisition includes an operating platform with nearly 500 employees in total. Major renovation and upgrade programmes have been carried out over the past ten years and Heimstaden Bostad will continue to develop and upgrade the portfolio and the management of its properties in accordance with its Friendly Homes concept.

15 January

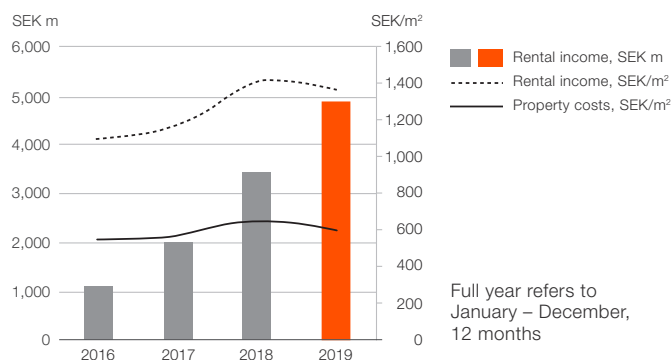
Heimstaden Bostad issues euro bonds within the framework of existing EMTN programs. The amount issued amounts to EUR 500 million with a maturity of six years and an interest rate of 1.125 percent.

5 February

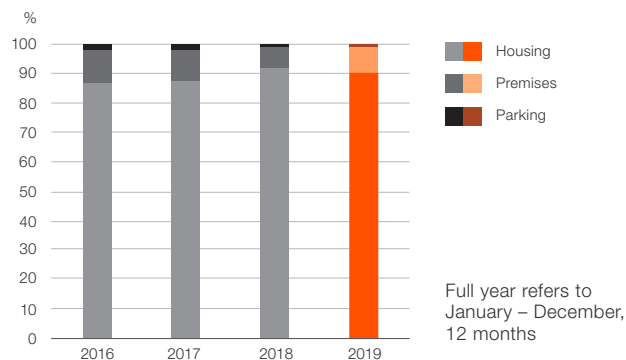
Heimstaden AB issues hybrid bonds for SEK 1,000 million in the Nordic capital market.

Note 4 Rental income

RENTAL INCOME



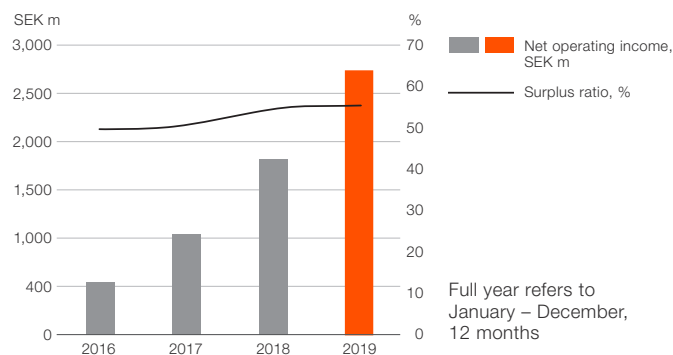
DISTRIBUTION OF RENTAL INCOME



Note 5 Property costs

Amounts in SEK million	2019 12 months Jan–Dec	2018 12 months Jan–Dec	2019 3 months Oct–Dec	2018 3 months Oct–Dec
Operating costs	-960	-989	-185	-310
Maintenance and repairs	-546	-344	-175	-121
Property administration	-422	-155	-210	-40
Property tax	-202	-86	-64	-27
Ground rent	–	-2	–	–
Amortisation and depreciation	-8	-6	-4	-3
Total property costs	-2,138	-1,582	-638	-502

NET OPERATING INCOME AND SURPLUS RATIO



Note 6 Financial income and costs

Risk management, estimation and assessments

The Board of Directors and company management work continuously to achieve the desired risk profile, which is governed by the adopted Financial Policy and established operational targets.

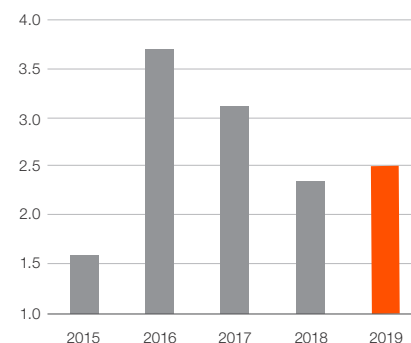
Heimstaden's operations, financial position and profit can be affected by a number of risks and uncertainties. These are described on pages 84–87 of the 2018 Annual Report. No significant changes

have subsequently occurred affecting the assessment by the Board of Directors and company management.

To prepare the accounts in accordance with generally accepted accounting principles, management must make assessments and assumptions affecting the assets and liabilities reported in the financial statements, as well as income and expense items and other disclosures. Actual outcomes may differ from these assessments.

Financial risks	Financial policy in summary	Outcome 31 Dec 2019	Listing
Refinancing risk			
Capital tied up (months)	at least 15	121	
Loan maturity (percentage in individual year)	maximum 40	17	(2021)
Limitation, individual lenders (percent)	maximum 50	14	(ABN Amro)
Interest-rate risk			
	In accordance with respective covenants		
	In accordance with separate interest rate hedging strategy	2.6	
Fixed interest (years)			
Interest rate hedge (percent)	at least 25	65	
Credit risk			
Equity/assets ratio (percent)	at least 25	47	
Interest coverage ratio (multiple, rolling 12 months)	at least 1,4	2.4	

INTEREST COVERAGE RATIO Q4 (ICR)



31 Dec 2019	Fixed interest, loans			Fixed interest incl. derivatives ¹⁾		
	SEK m	Share, %	Interest, incl. margin, %	SEK m	Share, %	Interest, incl. margin, %
Within 1 year of the balance sheet date	51,652	83	1.6	21,101	34	2.3
Between 1-5 years of the balance sheet date	9,800	16	3.1	34,039	55	1.5
Later than 5 years from the balance sheet date	494	1	3.2	6,806	11	2.1
Total	61,946	100	1.9	61,946	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 amounts to:

0.71 years

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

2.56 years

Note 7 Valuation of investment properties

Yield requirement

Years	Average	Interval
2018	3.65%	0.95% – 8.50%
Q4 2019	3.63%	0.38% – 10%



Poseidon, Havneholmen, Copenhagen

Note 8 Change in value of derivatives**Change in market value of derivatives**

Market value of derivatives, 31 Dec 2018	18
Acquired derivatives	–
Redeemed derivatives	88
Currency effect on derivatives	65
Realised changes in value	-88
Unrealised changes in value	-148
Market value of derivatives, 31 Dec 2019	-65

Note 9 Investment properties**Change in market value of investment properties**

Amounts in SEK million	Total	Sweden	Denmark	Norway	Germany	Netherlands
Market value of investment properties, 31 Dec 2018	76,249	36,005	23,782	15,521	703	236
Sales during the period	-14	-14	–	–	–	–
Acquisitions during the period	27,859	1,973	8,080	757	1,311	15,738
Acquisitions from associated companies	–	–	–	–	–	–
Investments during the period	2,607	1,444	901	239	13	10
Currency change	554	–	417	421	14	-299
Market value after transactions	107,255	39,408	33,180	16,938	2,042	15,686
Unrealised value change	6,463	2,222	1,463	434	250	2,095
Market value of investment properties, 31 Dec 2019	113,719	41,630	34,643	17,372	2,292	17,781

Note 10 Financial instruments**Change in loan volume**

Interest-bearing loans, 31 Dec 2018	45,687
Repayments on loans	-12,684
Currency exchange effect on loans	325
New borrowing/loans taken over	28,618
Interest-bearing loans, 31 Dec 2019	61,946

Years	Capital tied up, loans		Lines of credit	
	SEK million	Share, %	million	Share, %
Within 1 year of the balance sheet date	5,137	8		0
Between 1-5 years of the balance sheet date	34,607	56	10,269	100
Later than 5 years from the balance sheet date	22,201	36		0
Total	61,946	100	10,269	100

The average remaining period for which capital is tied up amounts to: 10.1 years

Funding source, SEK m

	Credit	Secured, %	Share, %	Unutilised credit commitment
Bonds	21,066	0	34	0
Mortgages	19,935	100	32	0
Bank loans	20,945	100	34	10,269
Total	61,946	66	100	10,269

Financial instruments

Maturity, interest rate derivatives				
Years	Type	SEK million	Share, %	Interest, % ¹⁾
Within 1 year of the balance sheet date	Paying fixed	4,592	12	0.1
Between 1-5 years of the balance sheet date	Paying fixed	26,882	71	0.2
Later than 5 years from the balance sheet date	Paying fixed	6,231	17	0.5
Total		37,704	100	0.2

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

Financial instruments

Maturity, basis swaps				
Years	Type	SEK million	Share, %	Interest, % ¹⁾
Within 1 year of the balance sheet date	Paying variable	5,223	42	3.2
Between 1-5 years of the balance sheet date	Paying variable	7,313	58	2.8
Later than 5 years from the balance sheet date	Paying variable		0	
Total		12,536	100	3.0

1) The interest rate indicates the variable agreed interest rate on the balance sheet date.



The Board of Directors and the President provide their assurance that this interim report provides a true and fair view of the operations, position and results of the Parent Company and the Group and describes the significant risks and uncertainties that occur in the operations of the Parent Company and the Group.

Malmö, 14 February 2020

Patrik Hall
CEO

Ivar Tollefsen
Chairman of the Board

Magnus Nordholm
Board Member

John Giverholt
Board Member

This interim report has not been subject to review by the Company's auditors.

KEY DATA

	2019 12 months Jan–Dec	2018 12 months Jan–Dec	2019 3 months Oct–Dec	2018 3 months Oct–Dec
Property-related data				
Rental income, SEK m	4,863	3,393	1,380	984
Letting ratio, housing (number), %	97.6	97.3	97.6	97.3
Real letting ratio, housing (number), %	99.1	98.6	99.1	98.6
Surplus ratio, %	56.0	53.4	53.8	49.1
Acquisitions and property investments, SEK m	27,859	21,696	5,190	6,162
Property sales, SEK m	14	155	11	-7
Market value of properties on balance sheet date, SEK m	113,719	76,249	113,719	76,249
Lettable area on balance sheet date, m ²	4,031,310	2,732,359	4,031,310	2,732,359
Number of apartments on balance sheet date	54,863	39,006	54,863	39,006
Proportion living area on balance sheet date, %	91	89	91	89
Financial data				
Cash flow from operating activities, SEK m	1,381	-266	1,085	-426
Profit from property management, SEK m	1,293	989	409	350
Interest coverage ratio (ICR), multiple	2.4	2.5	2.4	2.5
Equity/assets ratio, %	46.6	40.7	46.6	40.7
Loan-to-value ratio (LTV), %	39.9	49.1	39.9	49.1
Loan-to-value ratio, secured loans, %	23.5	28.8	23.5	28.8
Average interest rate on balance sheet date, %	1.9	1.8	1.9	1.8
Average period of fixed-interest on loans, incl. derivatives, years	2.6	2.1	2.6	2.1
Average period for which capital is tied up, year	10.1	8.0	10.1	8.0
Return on equity, %	18.0	13.2	18.0	13.2
Equity on the balance sheet date, SEK m	59,942	33,936	59,942	33,936
Net asset value on the balance sheet date, SEK m	63,582	36,154	63,582	36,154
Long-term net asset value on the balance sheet date, SEK m	63,647	36,136	63,647	36,136
DEBT/EBITDA, multiple	21	21	21	21
Data per share				
Profit per ordinary share, SEK	322	139	33	-10
Equity per ordinary share, SEK	1,508	1,182	1,508	1,182
Equity per preference share, SEK	380	380	380	380
Number of ordinary shares outstanding at the end of the period	13,204,000	13,204,000	13,204,000	13,204,000
Number of preference shares outstanding at the end of the period	2,343,750	2,343,750	2,343,750	2,343,750
Average number of ordinary shares outstanding	13,204,000	13,204,000	13,204,000	13,204,000
Average number of preference shares outstanding	2,343,750	2,343,750	2,343,750	2,343,750

Definitions and glossary

Letting ratio, housing (number), %

Leased housing divided by total number of homes.

Real letting ratio, housing (number), %

Leased housing adjusted for voluntary vacancies due to standard improvements divided by the total number of homes.

Surplus ratio, %

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 before net financial items plus financial income divided by financial costs attributable to interest-bearing liabilities. Calculated based on the rolling 12-month outcome.

Equity/assets ratio, %

Equity as a percentage of total assets.

Loan-to-value ratio (LTV), %

Net liabilities as a percentage of total assets.

Loan-to-value ratio, secured loans, %

Secured loans as a percentage of total assets.

Net liabilities

Interest-bearing liabilities less financial assets and cash and cash equivalents.

Average interest, %

Average interest on the balance sheet date for interest-bearing liabilities, with interest rate derivatives taken into account.

Return on equity after tax, %

Profit after tax (rolling 12-month outcome) as a percentage of average equity.

Net asset value on the balance sheet date, SEK m

Equity plus deferred tax liability.

Long-term net asset value on the balance sheet date, SEK m

Equity with deferred tax liability and interest rate derivatives reversed.

DEBT/EBITDA, multiple

12-month average interest-bearing liabilities 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 and hybrid capital is taken into account.

Equity per preference share, SEK

The preferential rights of holders of preference share on liquidation of the Company and the remaining entitlement to dividends of those shares.

Profit after tax per ordinary share, SEK

Profit after tax in relation to the average number of ordinary shares once the portion of the profit for the period accounted for by preference shares and hybrid capital has been taken into account.

Financial information

The 2019 Annual Report will be published in March 2020

The interim report for January–March 2020 will be published on 30 April 2020.

The 2020 Annual General Meeting will be held on 8 May at the Company's premises in Malmö.



This information is such that Heimstaden AB (publ) is obliged to disclose under the EU Market Abuse Regulation and the Securities Market Act.

The information was submitted for publication under the auspices of the contact persons below at 9:00 a.m. CET on 14 February 2020.

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