



FASTIGHETS AB BALDER (PUBL)

# YEAR-END REPORT 2021

○ | BAL  
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# FASTIGHETS AB BALDER

## Q4 2021

- Acquisition of an additional 43 % of the shares in Serena Properties AB, after the acquisition Balder's ownership share amounts to 99 %.
- The board proposes that the Annual General Meeting decides on a split of shares to be made, so that each existing share is split into six shares of the same share class, a so called share split 6:1.
- Completed over 800 apartments in Finland.
- Balder's ESG risk rating from Sustainalytics has been updated to 13.8, which places the company well within the low risk section.
- After the end of the year Balder has refinanced SEK 7 billion of the loans that mature in 2022.





## FASTIGHETS AB BALDER

Q4 2021

Profit from  
property  
management  
8.68 SEK/share

**+44%**

Profit from  
property  
management in  
Current Earnings  
30.99 SEK/share

**+24%**

Net debt  
to total assets

**47.4%**

Net debt/EBITDA

**12.9 times**

Like for  
like rental growth

**1.0%****NAV**

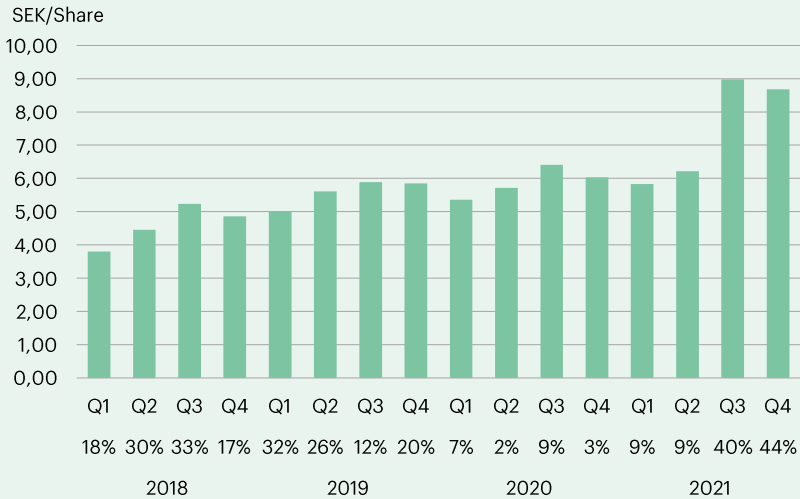
503.76 SEK/share

**+30%**

# FASTIGHETS AB BALDER

## Q4 2021

### PROFIT FROM PROPERTY MANAGEMENT



### LONG-TERM NET ASSET VALUE (NAV)



# CURRENT EARNINGS CAPACITY

SEKm	2021 31 Dec	2020 31 Dec	Deviation, SEKm	Deviation, %
Rental income	9,710	8,545	1,165	14
Property costs	-2,370	-2,225	-145	7
<b>Net operating income</b>	<b>7,340</b>	<b>6,320</b>	<b>1,020</b>	<b>16</b>
<i>Surplus ratio</i>	<i>76%</i>	<i>74%</i>		
Management and administrative costs	-830	-675	-155	23
Profit from property management from associated companies	1,650	1,110	540	49
<b>Operating profit</b>	<b>8,160</b>	<b>6,755</b>	<b>1,405</b>	<b>21</b>
Net financial items, incl. ground rent	-1,750	-1,450	-300	21
Non-controlling interests	-630	-630	-	-
<b>Profit from property management Parent Company</b>	<b>5,780</b>	<b>4,675</b>	<b>1,105</b>	<b>24</b>
Tax	-1,230	-970	-260	
<b>Profit after tax</b>	<b>4,550</b>	<b>3,705</b>	<b>845</b>	
<b>Profit from property management per share, SEK</b>	<b>30.99</b>	<b>25.06</b>	<b>5.93</b>	<b>24</b>

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEKm	2021 Oct-Dec	2020 Oct-Dec	Deviation, SEKm	Deviation, %
Rental income	2,421	2,055	366	18
Property costs	-623	-518	-105	
<b>Net operating income</b>	<b>1,798</b>	<b>1,537</b>	<b>261</b>	<b>17</b>
Management and administrative costs	-235	-176	-59	
Participation in the profits of associated companies/joint ventures	1,424	422	1,002	
Other income/costs	615	429	186	
- Of which unrealised change in value of long-term financial asset	611	462	149	
Net financial items	-208	-298	90	
- Of which leasing cost/ground rent	-19	-15	-4	
Non controlling interest	-134	-121	-13	
<b>Profit from property management, Parent Company</b>	<b>1,619</b>	<b>1,098</b>	<b>521</b>	<b>47</b>
<i>Changes in value</i>				
Changes in value properties, realised	11	8	3	
Changes in value properties, unrealised	5,555	2,628	2,927	
Profit from development properties	9	109	-100	
Changes in value derivatives	96	90	6	
<b>Changes in value total</b>	<b>5,672</b>	<b>2,836</b>	<b>2,836</b>	
<b>Profit before tax</b>	<b>9,066</b>	<b>4,751</b>	<b>4,315</b>	
Income tax	-1,385	-997	-388	
<b>Net profit for the period</b>	<b>7,681</b>	<b>3,754</b>	<b>3,927</b>	
Profit from property management per share, SEK	8.68	6.03	2.65	
Profit after tax per share, SEK	39.61	19.65	19.96	

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

SEKm	2021 31 Dec	2020 31 Dec
<b>Assets</b>		
Investment properties	189,138	149,179
Development properties	2,697	2,803
Lease contract; Right-of-use assets	1,600	1,532
Other fixed assets	186	160
Participations in associated companies/joint ventures	28,824	15,593
Other receivables	3,359	4,007
Cash and cash equivalents and financial investments	4,130	7,127
<b>Total assets</b>	<b>229,933</b>	<b>180,401</b>
<b>Shareholders' equity and liabilities</b>		
Shareholders' equity	88,567	67,885
Deferred tax liability	15,642	12,497
Interest-bearing liabilities	117,426	88,989
<i>of which Hybrid capital</i>	8,693	3,513
Derivatives	703	1,540
Lease contract	1,606	1,536
Other liabilities	5,989	7,955
<b>Total equity and liabilities</b>	<b>229,933</b>	<b>180,401</b>

# SUSTAINABILITY

## POSITIVE DEVELOPMENT OF ESG RISK RATING

Balder's ESG risk rating from Sustainalytics has been updated to **13.8**, which places the company well within the low risk section.



## UPDATED CLIMATE GOALS

Balder will halve emissions in its own operations by 2030 with 2020 as the base year, and measure and reduce emissions in the value chain (scope 3).

Balder also sets a goal of achieving net zero emissions throughout the value chain (scope 1, 2 and 3) by 2045.

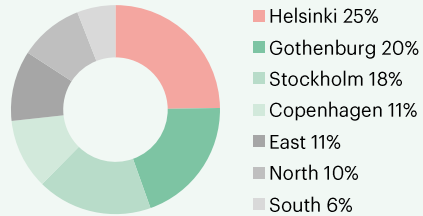
Balder has also signed **Science Based Targets Initiative** and formally expresses support for the **Task Force on Climate-related Financial Disclosures (TCFD)**.



# PROPERTY PORTFOLIO

## CARRYING AMOUNT DISTRIBUTED BY REGION

Total real estate portfolio, %

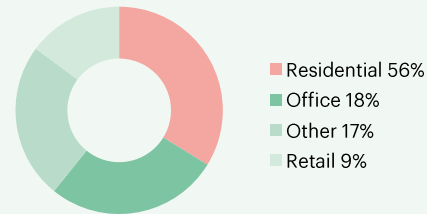


# 80%

Of the property portfolio located in capitals and larger cities

## CARRYING AMOUNT DISTRIBUTED BY PROPERTY CATEGORY

Total real estate portfolio, %



# PROPERTY DEVELOPMENT

## Project properties for own management under construction

- Estimated total investment SEK 10,800m whereof SEK 6,200m is already invested.
- The majority of the apartments are located in Helsinki, Copenhagen and Gothenburg.
- The total number of apartments are 4,150.
- We expect to start construction of 2,900 apartments during Q1 2022- Q1 2023.

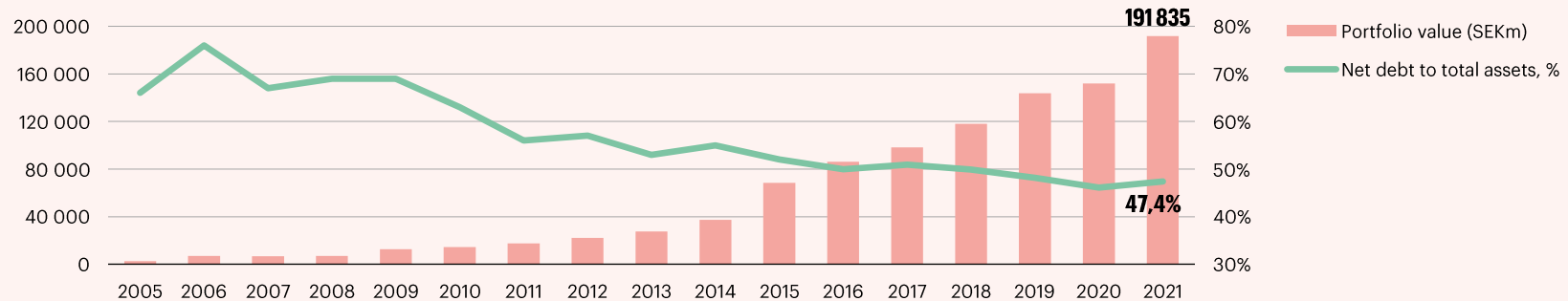
## Development properties for sale under construction

- Estimated total investment SEK 3,800m whereof SEK 1,400m is already invested.
- These projects consists of 950 apartments and will be completed between 2022 and 2024.
- We expect to start construction of 700 apartments during Q1 2022- Q1 2023.



# FINANCING

- In January 2022 Balder issued EUR 1 billion, whereof EUR 500m on 5 years and EUR 500m on 9 years, average fixed rate 1.5 %.
- SEK 7 billion of the debt maturing in 2022 already refinanced.
- 70 % of the debt is hedged with interest swaps and fixed-rate loans.
- All financial targets met at year-end.



# FINANCING

Equity/assets ratio

**40.4%**

(Target 40%)

Net debt to total assets

**47.4%**

(Target 50%)

ICR

**4.9**

(Target 2.0)

The fixed credit term

**5.7** years

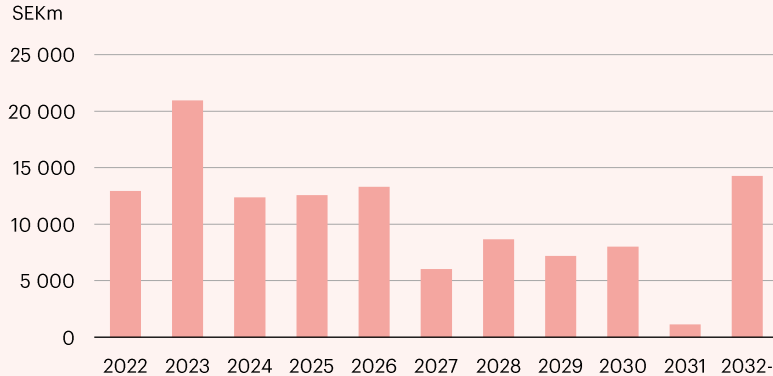
Average fixed-rate period

**3.6** years

Available liquidity, SEKm

**12,622**

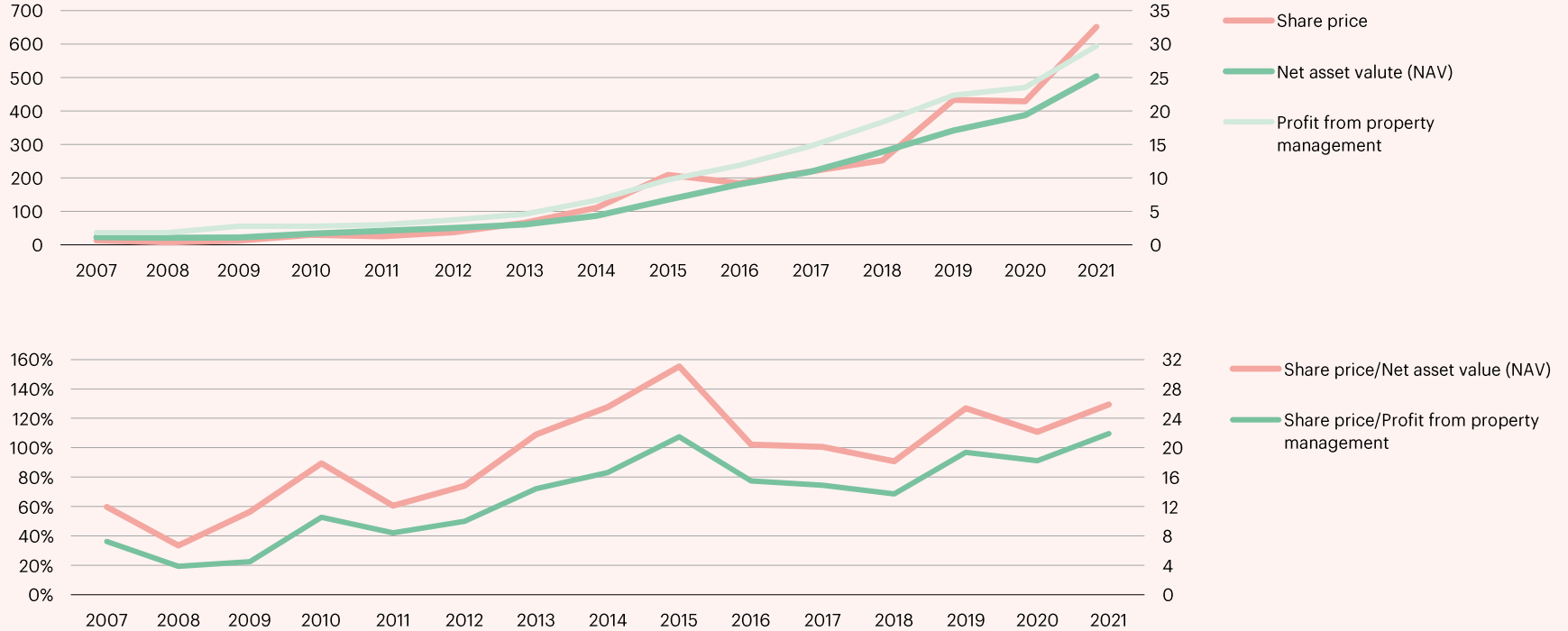
Debt maturity structure



INTEREST MATURITY STRUCTURE

Year	SEKm	Interest %	Proportion %
2022	43,572	0.8	37
2023	9,999	2.4	9
2024	4,207	1.5	4
2025	8,915	2.1	8
2026	14,313	2.3	12
2027	6,547	1.2	6
2028	8,175	1.6	7
2029	9,433	1.3	8
2030	6,613	1.4	6
2031	2,511	1.8	2
2032-	3,141	1.9	3
<b>Total</b>	<b>117,426</b>	<b>1.4</b>	<b>100</b>

# THE SHARE







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