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CREDIT OPINION
26 April 2023

Update

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RATINGS

Atrium Ljungberg AB

Domicile	Sweden
Long Term Rating	Baa2
Type	LT Issuer Rating - Dom Curr
Outlook	Negative

Please see the ratings section at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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Atrium Ljungberg AB

Update following change in outlook

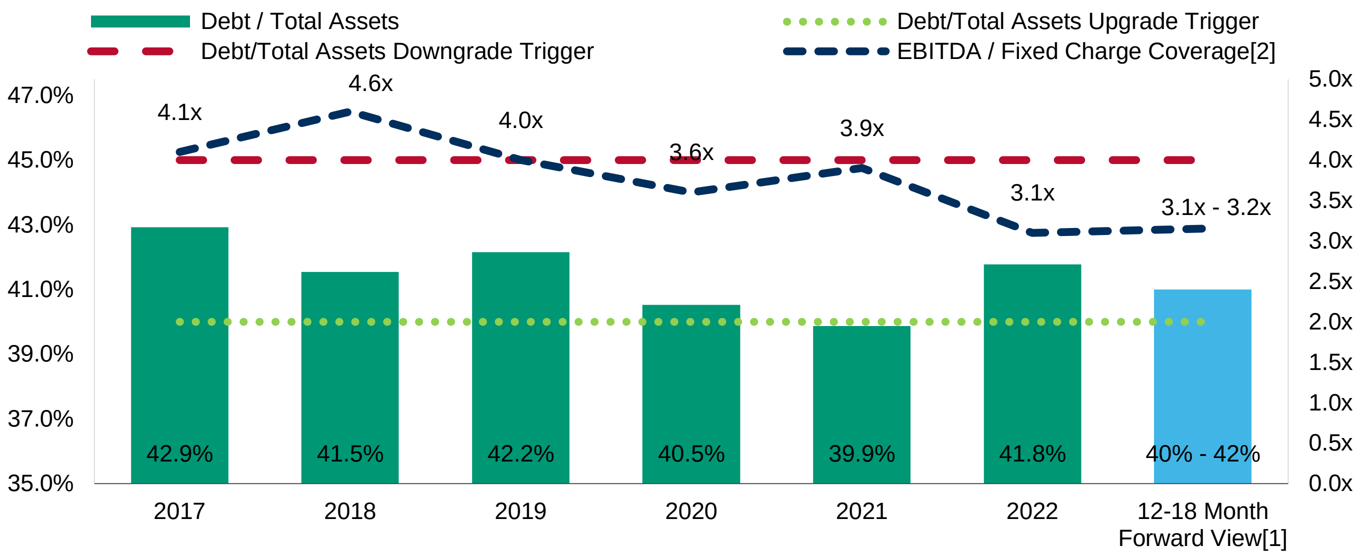
Summary

On 4 April 2023, we affirmed Atrium Ljungberg AB's Baa2 issuer rating and changed the outlook from stable to negative. The change in outlook was underpinned by our expectation of pressure on key credit metrics, especially Moody's-adjusted fixed-charge coverage and effective leverage, following rapid interest rate increases and property yields.

Atrium's Baa2 issuer rating reflects its strong market position as one of the leading commercial real estate companies in Sweden (Aaa stable); its solid portfolio of mostly large office and retail mixed-use estates, concentrated in Stockholm, which is well positioned for sustainable long-term growth with a controlled development programme; moderate leverage of 41.8% as of December 2022; and adequate liquidity for the next 18 months and a comfortable level of unencumbered assets.

Counterbalancing these strengths is the competitive environment for shopping centers and its broader retail segment, combined with the increasing penetration of e-commerce; high net debt/EBITDA because of significant project development; the company's short-dated debt maturity profile of 4.3 years; a significant but reduced reliance on commercial paper in its funding mix (4% of total debt as of December 2022, down from 26% in December 2016; shareholder-friendly remuneration policy with unchanged dividend payout amid the current market environment; and risk to financial metrics especially EBITDA interest coverage and effective leverage stemming from rapidly rising rates, the need to refinance a significant portion of its debt in the next few years, and property yields.

Exhibit 1
Debt/gross assets is in line with our expectation
Moody's-adjusted debt/gross assets and EBITDA/fixed-charge coverage



[1] This represents Moody's forward view, not the view of the issuer.
[2] Fixed charges include capitalised interest. Explained in Moody's Approach to Global Standard Adjustments in the Analysis of Financial Statements for Non-Financial Corporations, revised August 2018.
Sources: Moody's Financial Metrics™ and Moody's Investors Service

Credit strengths

» Leading Swedish real estate company with a portfolio that is well positioned for long-term growth

» Good operational performance, which is expected to continue over the coming quarters

» The company's controlled development programme and strong pipeline to enhance value

» Maintained moderate leverage because of possible credit strengthening activities such as divestments, dividend cut, reduced capex or equity injection

Credit challenges

» Further risks at the macro level driven by inflation and challenging capital market conditions, potentially leading to lower market values and higher cost of funding

» Presence of controlling shareholders, which could hamper access to equity capital

» Significant exposure to retail

» Shareholder-friendly remuneration policy, with an unchanged dividend payout amid the current market environment

» Refinancing of a sizeable share of debt that exposes the company to rising interest rates if there is no measures that would lead to a debt reduction

Rating outlook

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on https://ratings.moodys.com for the most updated credit rating action information and rating history.

The negative outlook reflects the elevated risk of downgrade in case Atrium fails to take the actions necessary to offset the impact of the deteriorating financial market environment. This is driven by higher interest rates, which will make it difficult for the company to retain credit metrics, in particular its EBITDA interest cover commensurate with a Baa2 rating well above 3.0x and over time closer to 3.5x. Without taking more cautious financial policy measures, a downgrade appears likely over the next few quarters unless the market environment improves significantly. Despite this risk, we expect Atrium to have the capacity to maintain its effective leverage close to 40% through various credit strengthening actions in combination with completion of project developments. We expect the indexation in rent contracts to improve net debt/EBITDA towards 12x-13x. We also expect the company to maintain adequate liquidity, whereby cash sources cover uses for the next 18 months.

Factors that could lead to an upgrade

» Maintains a Moody's-adjusted gross debt/total assets well below 40%, with financial policies that support that level, together with a declining trend of Moody's-adjusted net debt/EBITDA

» Fixed-charge coverage above 4.5x on a sustained basis

» Considerably reduced reliance on short-term funding and significantly extending debt maturities

Factors that could lead to a downgrade

» A material deterioration in operating and financial performance or a sharp decline in property market fundamentals

» Moody's-adjusted leverage moving towards 45% or failure to improve net debt to EBITDA from current levels or Moody's adjusted fixed-charge coverage sustained below 3.5x

» Continued heavy reliance on short-term funding, particularly if no longer fully backed by undrawn long-dated credit facilities

Key indicators

Exhibit 2
Atrium Ljungberg AB

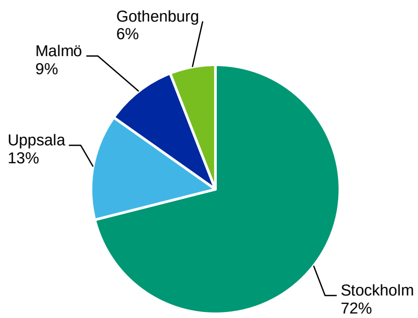
	31/12/2017	31/12/2018	31/12/2019	31/12/2020	31/12/2021	31/12/2022	12-18 Month Forward View[1]
Total Assets (USD Billion)	$5.2	$5.1	$5.5	$6.0	$6.0	$6.1	$5.6 - $5.8
Unencumbered Assets %	39.1%	42.1%	46.5%	46.3%	49.1%	57.5%	56-58%
Debt / Total Assets	42.9%	41.5%	42.2%	40.5%	39.9%	41.8%	40- 42%
Net Debt / EBITDA	11.3x	11.9x	12.8x	13.4x	13.4x	15.7x	12-13x
Secured Debt / Total Assets	21.1%	20.0%	17.8%	13.9%	10.1%	12.3%	15-19%
EBITDA / Fixed Charge Coverage[2]	4.1x	4.6x	4.0x	3.6x	3.9x	3.1x	3.1-3.2x

[1] This represents Moody's forward view, not the view of the issuer.
Source: Moody's Financial Metrics™

Profile

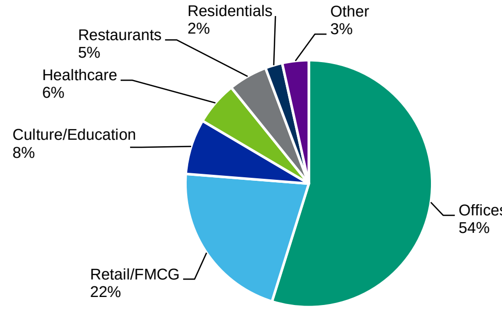
Atrium Ljungberg AB is a real estate company headquartered and listed in Stockholm with a market capitalisation of SEK21.4 billion as of 4 April 2023. The company owns, develops and manages a SEK60 billion retail- and office-focused portfolio across Sweden's major cites.

Exhibit 3
Exposure to Sweden's four largest cities
Rental value as of December 2022



Source: Atrium Ljungberg

Exhibit 4
76% exposure to offices and retail/FMCG*
Contracted annual rent, December 2022 (excluding project properties)



*FMCG = fast-moving consumer goods.
Source: Atrium Ljungberg

Detailed credit considerations

Leading Swedish real estate company with stable portfolio, well positioned for long-term growth

Atrium Ljungberg owns a SEK60 billion portfolio across Sweden's four largest and fastest-growing cities. Its 75 properties spanning more than 956 thousand square metres (sqm) are 93% occupied and generated SEK2.55 billion in annual rent as of the end of December 2022.

The company focuses on the long-term ownership and development of large mixed-use districts within cities. Most of its mixed-use estates are office- and retail-led, but it also owns residential, cultural and educational facilities. Atrium Ljungberg's pure retail assets consisting of clothing and fashion exposure is 11% of the sectoral mix. The retail sector remains under pressure from online growth and because of ongoing structural changes in retail. Dominant shopping centres will benefit from sustained demand from tenants, but secondary shopping centres, especially in secondary locations, will suffer declining footfall, falling retail sales and further value declines. In Sweden, the share of e-commerce of total sales increased over the past few years and the total market share was 15% as of 2022. The dynamics in the retail segment have been altered by the effect of the coronavirus pandemic, adding to the previously existing challenges. The negative impact of the pandemic shock has been more pronounced for nonfood and apparel sub-segments, while food and grocery retailers have been more insulated.

Atrium Ljungberg has three regional retail hubs, Sickla in the greater Stockholm area, Uppsala and Mobilia in Malmö. The retail part in Atrium Ljungberg's portfolio is not a pure shopping centre setup with the exception of Mobilia, but it is rather mixed-use estates, which benefit from footfall from both the office estates during working hours and residential estates after working hours.

Atrium Ljungberg's properties are in well-connected locations and provide good services and facilities. The company will invest around SEK2.1 billion per annum over the next two years on redevelopment and refurbishment projects within its existing portfolio that we believe will enhance the portfolio's overall value, however, this also reduces its ability to reduce debt considerably.

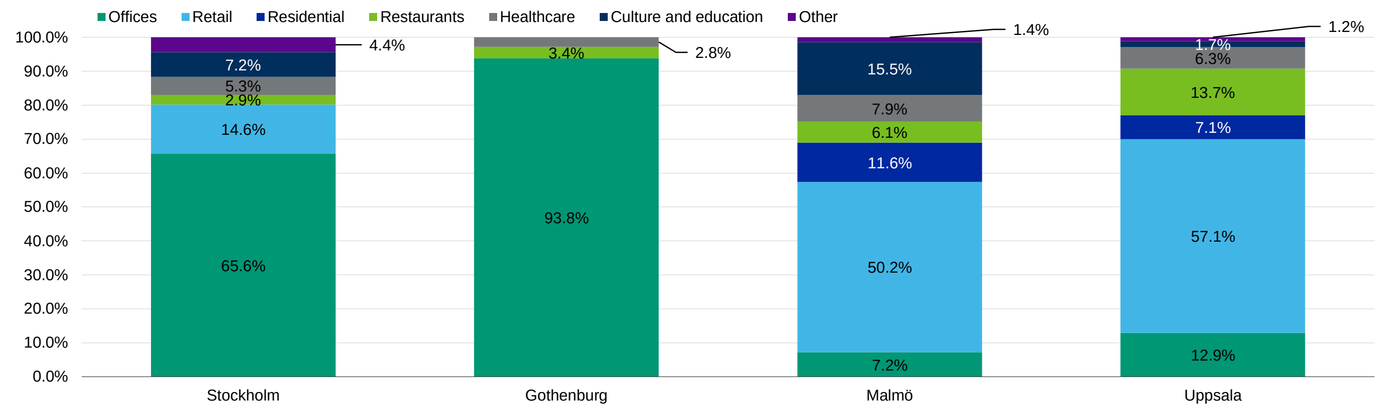
Several positive aspects to Atrium Ljungberg's strategy of controlling large estates will help sustain cash flow and asset values over the longer term. Control over large estates provides greater flexibility to create the right mix between retail/leisure, office and residential in responding to ever-changing market demands. In addition, critical mass in certain locations puts the company in a better position to work with local municipalities through the often long and difficult planning process that is a key driver of value.

An inevitable consequence of the company's approach is a higher micro-location concentration than we typically see with other real estate companies. However, this concentration risk is largely offset by the company's focus Sweden's four largest cities and especially Stockholm.

Exhibit 5

Good mix across asset types

Share of rental value per location as of December 2022, excluding projects



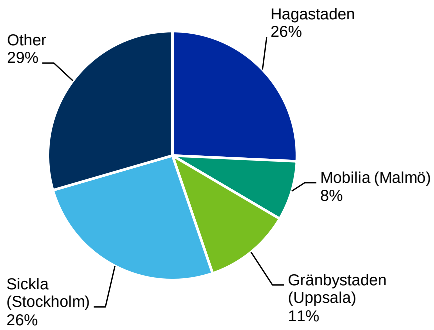
Excludes garage and other space.
"Other" includes healthcare, culture, education and restaurants.
Source: Atrium Ljungberg

Another consequence of the company's strategy is the higher concentration of its office portfolio in inner city and central districts. This exposes the company to the risk that values of less central office locations (i.e. central districts outside of inner city/CBD) tend to underperform in a downturn. As of 31 December 2022, average prime office yields in Stockholm in central locations were 3.5%, compared with a historical eight-year high of 5.6%, while the average prime office yields for less central Stockholm offices were between 4.75% and 6.5% compared with an eight-year high of 6.9%. Rental growth for central Stockholm offices has outperformed less central locations over the past five years, with an 8.0% compound annual growth rate (CAGR) compared with around 3.7% for less central locations.[1]

We are comfortable with the company's 72% concentration in Stockholm, which generates around a third of Sweden's GDP, because we do not believe this concentration will lead to a significant divergence from overall economic and property trends. Stockholm is also likely to outperform other Swedish regions in respect of population and economic growth. Stockholm is one of Sweden's strongest property markets and benefits from diverse corporate demand for office space. It is also Sweden's largest and most liquid commercial real estate investment market, attracting 24% of the €15 billion investment volume in 2022.[2] Stockholm also attracts consumers with disposable incomes above the national average that will help sustain the company's shopping centres as an attractive place for retailers to locate.

The company has SEK2.8 billion in annual rent and an average remaining lease length of around 4.5 years as of December 2022 spread across around 2,400 contracts that are well diversified across industries. The 10 largest tenants account for 20% of the company's rental income. Positively, around 9% of rent is from government-related entities that are ultimately the credit risk of the government of Sweden. Around 6% of the annual contract value will be renegotiated in 2023. We expect the company to maintain its strong reletting record and keep its occupancy rate around 92%-93%.

Exhibit 6
Four largest clusters
Rental value, excluding projects, as of December 2022



Source: Company data

Exhibit 7
Description of five largest clusters

	Property Description
Sickla	The estate represents 26% of total rental value. The shopping area has 131 stores spanning 66,800 m2 attracting 13 million visitors annually and generates more than SEK 3.2 billion in retail sales. The office area spans 103,000 m2.
Gränbystaden	A retail-centric portfolio in Uppsala spanning 96,800 m2 and representing 12% of total rental value. It consists of 154 stores with SEK 2.8 billion in sales.
Kista	A northern district in Stockholm containing a large cluster of ITC (Information, technology and communication) companies. Atrium Ljungberg's letting area span 82,000 m2 and represents 8% of total rental value. Tenants include IBM, Fujitsu Sweden and Stockholm Science & Innovation School.
Mobilia	A vibrant city district located in Malmö's souther part. The portfolio spans 102,000 m2 representing 9% of total rental value.

Source: Company data

Difficult property market fundamentals a potential challenge for Atrium's leverage

Atrium Ljungberg reported a 4.4% like-for-like rental growth in 2022 compared with a 2.5% increase in 2021, with the office and retail portfolios demonstrating growth of 3.1% and 6.4%, respectively. The impact of the pandemic weighed on the operating performance in 2020 and 2021, but the office part of the portfolio to some extent balanced the negative pressure arising from the downturn in retail. As inflation increased in 2022 (8.1% in 2022 compared with 4.5% in 2021), we expect property companies to benefit from rental income increases through significant increase driven by indexation over the coming 12-18 months. However, property yields increased in 2022, and CBRE expects further increase for prime yields in Stockholm in 2023 (4.2% compared to 3.3% in 2021). Yield decompression implies fair value decline on properties, and therefore effective leverage. We expect values to drop further for real estate companies throughout 2023, with leverage increasing across the sector.

Atrium's financial policy is to keep its gearing ratio, as measured by debt/fair value of investment properties, below 45%. Moody's-adjusted gross debt/assets was 41.8% as of December 2022, and we expect the company to maintain its established track record of keeping the leverage within the range of 40%-42%. We expect the company to take measures to maintain this effective leverage even if market values fall by in general 10% in the market. Weighing negatively on the rating is the company's financial policy that includes so far an unchanged dividend payout and continued development capital spending, which might make it difficult for the company to reduce debt. Failure for the company to achieve debt reduction and improving interest coverage and leverage would create further negative pressure on the Baa2 rating. Expected value decline of around 10% implies a risk that the company will be at the higher end of this range. However, Atrium's rating of Baa2 also incorporates the expectation that the company will take action to be able to maintain the current 41.8% effective leverage.

Net debt/EBITDA rose to 15.7x as of December 2022 from 9.4x in 2015, reflecting sizeable development activities and an acquisition in 2022, but we expect net debt/EBITDA to decline towards 12x-13x over the next 12-18 months as we expect the company to pass on inflation to tenants, implying significant rental income growth.

Strain on fixed-charge coverage because of rising rates

The rapid increase in interest rates and subsequently challenging capital market conditions with widening credit spreads will continue to significantly increase funding costs. Overall, the refinancing risk in the Nordic real estate sector has significantly increased leaving public bond markets largely unattractive, and we hence expect companies, including Atrium, to revert to secured bank financing. While we believe that bank financing remains a credible refinancing option at lower costs compared with bond issuances, it will not shield Atrium from rising interest costs. As a result, we expect Atrium's EBITDA interest coverage to be under pressure during the next few quarters from an estimated 3.1x as of FY 2022. This is because about 45% (2023: 11%, 2024: 10% and 2025: 24%), equal to SEK11 billion, of Atrium's total debt will be maturing in the next three years and will have to be refinanced at a higher cost.

Operationally, Atrium's has performed well, with rental income increasing by 4.4% and net-lettings rising by SEK115 million in 2022. We expect operating performance to remain solid in the first quarter of 2023 and over the coming quarters with further net rental growth, because of the existence of inflation-linked rents in a significant part of the portfolio and the company's ability to renegotiate rents, and as project developments start generating rental revenue.

The fixed-charge coverage is currently at solid 3.1x, but we expect a decline following higher cost of funding over the next 12-18 months. However, as the company manages its interest exposure through interest swaps, we expect the EBITDA interest coverage to be above 3.0x. The Baa2 rating still incorporates the expectation that Atrium may have the capacity to take corrective actions to gradually improve its fixed-charge coverage in a way that EBITDA interest coverage will get over time closer to 3.5x.

Controlled development programme with strong pipeline will enhance value

The company's SEK9.7 billion (SEK5.0 billion remaining to be spent) development pipeline of ongoing projects is high at around 15% of total assets. In addition, the company plans for longer-term SEK40 billion of potential development projects. Investments in new residential, office and retail space are likely to increase footfall and make its large estates more attractive to potential tenants.

We expect the company to maintain its roughly 2%-3% exposure to residential properties over the next few years, but believe that the asset class diversification benefit is higher than what the 2%-3% exposure suggests. We expect the company to increasingly develop and sell residential units into the undersupplied housing market, and to generally only keep residential units it wants to rent or which are designated as rental stock under planning regulations.

The company wholly owns TL Bygg, a building contractor with 107 employees and around SEK836 million in annual sales that is experienced in costing, purchasing and project management. TL Bygg performs work for both Atrium Ljungberg and external third parties. Atrium Ljungberg provides parent guarantees to TL Bygg that are normally 10% of the contract amount during construction, which fall to 5% during the subsequent five-year warranty period.

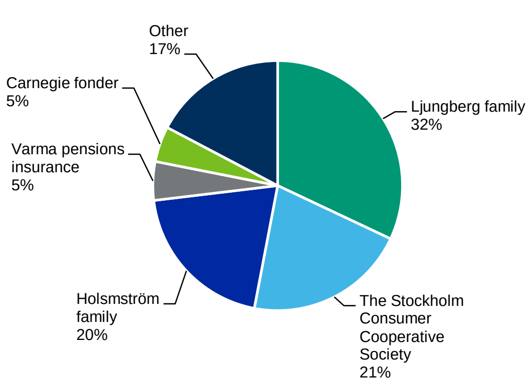
We believe TL Bygg provides Atrium Ljungberg with valuable in-house expertise in planning and executing its development projects, helping it to extract maximum value from its portfolio. We expect the company to continue to manage TL Bygg in a disciplined and controlled manner, and to not take on risks with the potential to create a significant financial liability for the whole group.

Controlling shareholders contribute to stability but could hamper access to equity capital

We believe the three largest shareholders, who together control around 72% of the company's votes, contribute to the company's stability and allow management the time and space to build long-term value. Furthermore, we believe the controlling shareholders are a key influence in keeping the company's leverage well below most of its Swedish real estate peers.

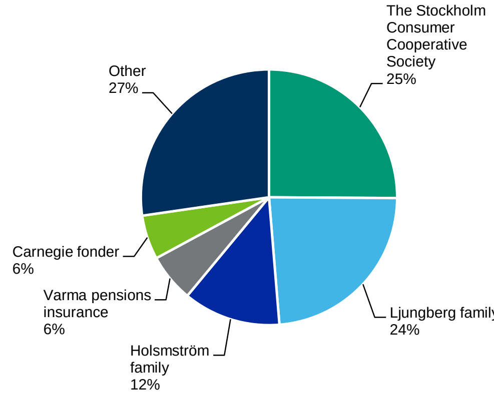
Counterbalancing these positives is our view that the current shareholder structure somewhat limits liquidity because it reduces the free float and may make it more difficult to raise equity if needed. However, unlike real estate investment trusts (REITs) it has no legal obligation to pay a high proportion in dividends. This gives the company more leeway to use funds from operations to reduce leverage if needed.

Exhibit 8
Share of votes
As of December 2022



Source: Company data

Exhibit 9
Share of capital
As of December 2022



Source: Company data

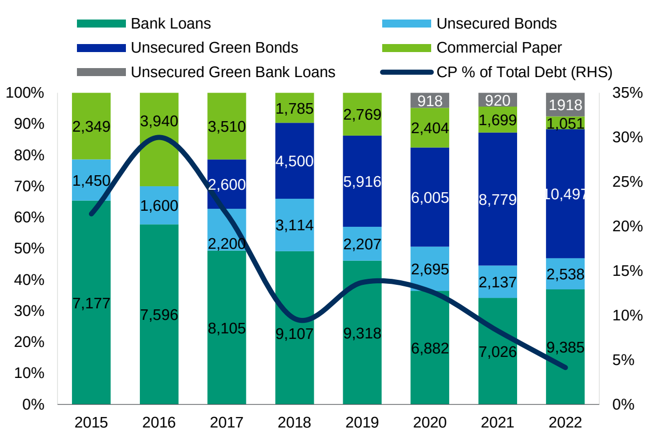
Short-dated debt maturity profile and heavy reliance on short-term debt

The company's average debt maturity was 4.3 years as of 31 December 2022, up from three years in 2013, somewhat dragged down by the 4% reliance on commercial paper in its funding mix. In 2023, 10.7% of its debt will mature, and 10% will mature in 2024 - with a sizeable refinancing wall 24% in 2025 which we expect will be taken care of proactively. Positively, the company's SEK5.0 billion commercial paper programme is fully backed by undrawn revolving credit facilities (RCFs) with a staggered maturity profile until 2026. The average cost of debt was 2.2% as of December 2022, compared with 1.7%, which is reflected in the decline in fixed-charge coverage over the same period, to 3.1x in 2022 from 3.9x in 2021.

Secured bank lending amounts to 31% of the company's outstanding debt. For the most part, it contains cross default provisions and benefits from parent guarantees.

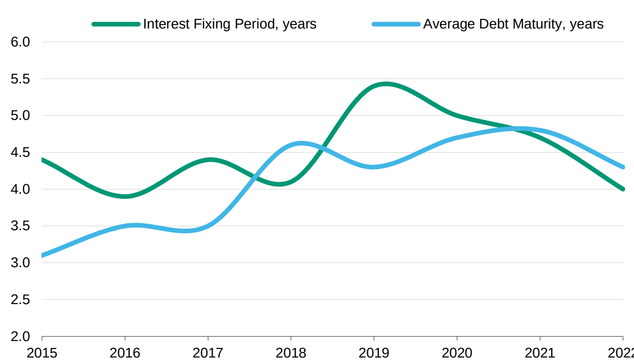
The company's average interest rate fixing period is four years. As of 31 December 2022, it held SEK20.9 billion in interest and currency swaps, which covered 82% of outstanding debt, with various maturity dates until 2037.

Exhibit 10
Reliance on commercial paper has reduced (4% of total debt as of December 2022)
Debt structure, 2015-22



Source: Atrium Ljungberg

Exhibit 11
Average debt maturity has increased



Source: Company reporting

ESG considerations

Atrium Ljungberg AB's ESG Credit Impact Score is Neutral-to-Low CIS-2

Exhibit 12
ESG Credit Impact Score

CIS-2
Neutral-to-Low

For an issuer scored CIS-2 (Neutral-to-Low), its ESG attributes are overall considered as having a neutral-to-low impact on the current rating; i.e., the overall influence of these attributes on the rating is non-material.

Source: Moody's Investors Service

ESG considerations have a neutral to low credit impact (**CIS-2**) on Atrium Ljungberg. This reflects the company's moderate financial policies which enables it to manage exposure towards environmental and social risk.

Exhibit 13
ESG Issuer Profile Scores

ENVIRONMENTAL
E-3
Moderately Negative

SOCIAL
S-3
Moderately Negative

GOVERNANCE
G-2
Neutral-to-Low

Source: Moody's Investors Service

Environmental

Atrium Ljungberg's exposure towards carbon transition risk is moderate and in line with most of the peers in the real estate industry in the Nordics. The company's has a development pipeline of ongoing projects that is high at around 11% of total assets which enables the company to improve /upgrade the energy performance. The company target to achieve climate neutral operations by 2030. At the end of 2021, 96% or Atrium Ljungberg's letting are was certified according to BREEAM for office properties and for residentials Miljöbyggnad (Sweden Green Building Council's Environmental Building certification). The goal is to certify 100%.

Social

S-3: credit exposure to social considerations is moderate. Tenants demand for Atrium Ljungberg's properties is vulnerable to increasing hybrid-working and a accelerated shift towards ecommerce. We expect companies with modern and environmental friendly properties to be less challenged by structural changes. Increasing interest rates and inflation can effect households affordability and demand for Atrium Ljungberg's residentials.

Governance

G-3: Credit exposure to governance risk is neutral to low and reflects concentrated ownership, low investments in JV/associated companies and prudent financial policy. The score also reflects the strong execution when it comes to its strategy; ownership and development of large mixed-use estates/districts that are office- and retail-led but also includes residentials within the four largest cities in Sweden.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click here to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

Liquidity analysis

The company has adequate liquidity, underpinned by:

» cash position of SEK380 million as of 31 December 2022

» SEK300 million of an undrawn committed on-demand overdraft credit facility

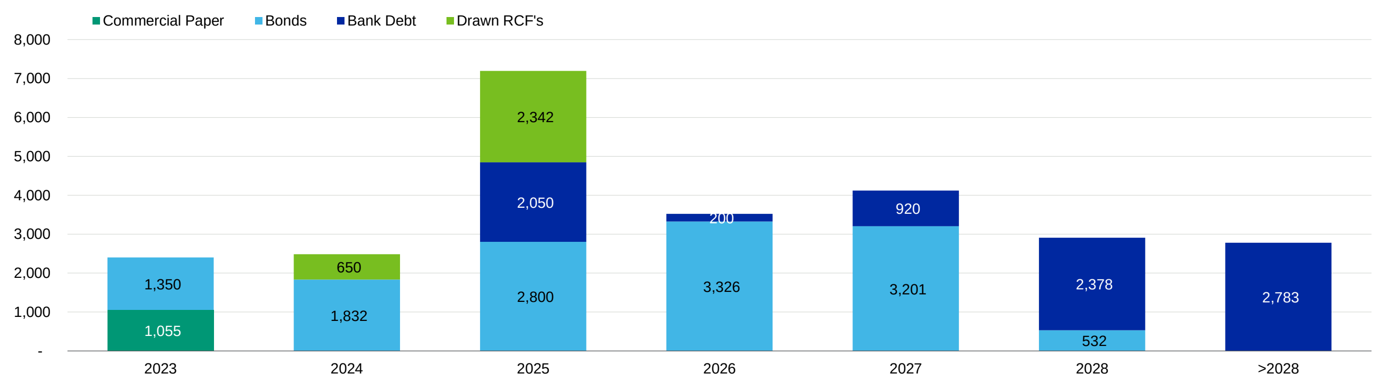
» SEK6.1 billion of undrawn RCFs, mainly backing its commercial paper programme but which could be used for general corporate purposes. The RCFs are spread across several facilities with maturities between November 2024 and June 2027

» SEK36.7 billion pool of unencumbered assets as of the end of December 2022

We view the continued decrease in the company's short-term funding as credit positive as it otherwise is a potential threat to liquidity because it increases the duration mismatch between funding sources and the long-term nature of real estate assets. Moreover, companies with a high proportion of short-term debt are more vulnerable to instability in capital and lending markets, and more quickly affected by a change of sentiment towards the cyclical real estate sector. However, the long-dated RCFs with ample covenant headroom provide a backstop against the unlikely risk that the company could struggle to roll over its commercial paper. We expect the company to continue to rely on long-term sources of funding to a greater extent. We see the Ba score for liquidity and access to liquidity as strongly positioned.

We expect the major demands on cash from operations in the next 12-18 months to come from capital spending on redevelopment and refurbishment of properties. Other than rolling over the SEK1.3 billion of commercial paper outstanding, the company will need to refinance SEK1.7 billion of bonds maturing in the next 12 months.

Exhibit 14
Front-loaded debt maturity structure
Debt maturities as of December 2022, SEK million



Source: Atrium Ljungberg

Exhibit 15
Ample headroom under the RCF and bank loan covenants
Atrium Ljungberg AB

	Covenant	Level as of December 2022	Headroom under the covenant
Interest Coverage Ratio, termination rights	1.5x - 1.75x	3.8x	234%
Equity / Assets ratio, %	25% - 30%	45.6%	166%
Leverage at property level (individual loans limited of maximum LTV)	65% - 75%	met	N/A

Source: Atrium Ljungberg

Methodology and scorecard

The principal methodology used in this rating was Global Rating Methodology for REITs and Other Commercial Property Firms published in September 2022. Please see the Rating Methodologies page on www.moodys.com for a copy of this methodology.

The forward-looking scorecard-indicated Baa3 rating is one notch lower than the rating assigned. The one-notch gap illustrates the increased risk of downgrade in case Atrium fails to take the actions necessary to offset the impact of the deteriorating financial market environment.

Exhibit 16

Rating factors

Atrium Ljungberg AB

REITs and Other Commercial Real Estate Firms Industry Scorecard [1][2]	Current FY 12/31/2022		Moody's 12-18 Month Forward View As of 4/4/2023 [3]	
Factor 1 : Scale (5%)	**Measure**	**Score**	**Measure**	**Score**
a) Gross Assets (USD Billion)	$6.1	Baa	$5.6 - $5.8	Baa
Factor 2 : Business Profile (25%)				
a) Market Positioning and Asset Quality	Baa	Baa	Baa	Baa
b) Operating Environment	A	A	A	A
Factor 3 : Liquidity and Access To Capital (25%)				
a) Liquidity and Access to Capital	Ba	Ba	Ba	Ba
b) Unencumbered Assets / Gross Assets	57.5%	Ba	56-58%	Ba
Factor 4 : Leverage and Coverage (45%)				
a) Total Debt + Preferred Stock / Gross Assets	41.8%	Baa	40-42%	Baa
b) Net Debt / EBITDA	15.7x	Ca	12-13x	Caa
c) Secured Debt / Gross Assets	12.3%	Baa	15-19%	Baa
d) Fixed Charge Coverage	3.1x	Baa	3.1-3.2x	Baa
Rating:				
a) Scorecard-Indicated Outcome		Baa3		Baa3
b) Actual Rating Assigned				Baa2

[1] All ratios are based on 'Adjusted' financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.
[2] As of 12/31/2022.
[3] This represents Moody's forward view; not the view of the issuer; and unless noted in the text, does not incorporate significant acquisitions and divestiture.
Source: Moody's Financial Metrics™

Ratings

Exhibit 17

Category	Moody's Rating
ATRIUM LJUNGBERG AB	
Outlook	Negative
Issuer Rating -Dom Curr	Baa2

Source: Moody's Investors Service

Appendix

Exhibit 18
Moody's-adjusted debt breakdown

SEK Million	FYE Dec-17	FYE Dec-18	FYE Dec-19	FYE Dec-20	FYE Dec-21	FYE Dec-22
Reported Debt	**18,247**	**18,506**	**21,516**	**20,084**	**21,586**	**26,666**
Operating Leases	176	400	-	-	-	-
Moody's Adjusted Debt	**18,423**	**18,906**	**21,516**	**20,084**	**21,586**	**26,666**

Source: Moody's Financial Metrics™

Exhibit 19
Moody's-adjusted EBITDA breakdown

SEK Million	FYE Dec-17	FYE Dec-18	FYE Dec-19	FYE Dec-20	FYE Dec-21	FYE Dec-22
Reported EBITDA	**3,490**	**4,095**	**3,859**	**1,025**	**4,989**	**5,871**
Operating Leases	44	40	0	0	0	0
Fair Value Gains & One-offs	-1,929	-2,568	-2,216	452	-3,428	-4,197
Moody's Adjusted EBITDA	**1,605**	**1,567**	**1,643**	**1,477**	**1,561**	**1,674**

Moody's defines EBITDA as pretax income + interest expense + D&A.
Source: Moody's Financial Metrics™

Exhibit 20
Moody's-adjusted assets breakdown

SEK Million	FYE Dec-17	FYE Dec-18	FYE Dec-19	FYE Dec-20	FYE Dec-21	FYE Dec-22
Reported Total Assets	**42,763**	**45,128**	**51,056**	**49,615**	**54,227**	**63,898**
Operating Leases	176	400	-	-	0	0
Capitalized Interest	-13	-16	-12	-65	-85	-76
Moody's Adjusted Total Assets	**42,926**	**45,512**	**51,044**	**49,550**	**54,142**	**63,822**

Source: Moody's Financial Metrics™

Endnotes

1 JLL Nordic Outlook - Spring 2022.

2 CBRE Research 2022.

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