

Atrium Ljungberg Interim Report / Q2 2024

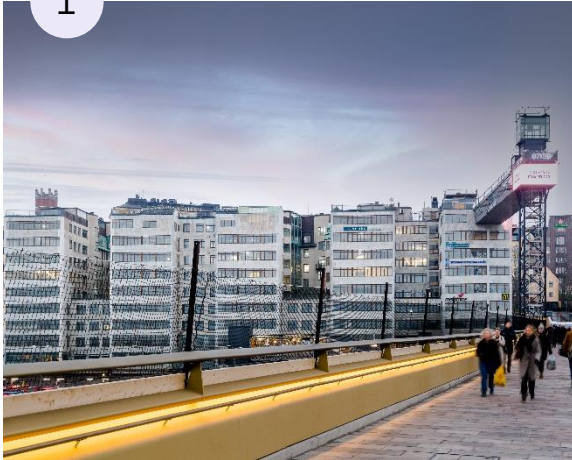
Q2



Overview

Strong net letting and continued stable growth in income from property management.

1



PROPERTY PORTFOLIO

80% Stockholm

10% Uppsala, 5% Gothenburg,
5% Malmö

69% Offices

19% Retail, 3% Residentials,
9% Projects and land

2



RENTAL MARKET

SEKm 97/SEKm 82

Net letting Q2

SEKm 92/SEKm 69

Net letting Q1-Q2

3



EARNINGS

+12% Q2

+13% Q1-Q2

Profit from property
management

+7%

Net operating
income – like for like Q1-Q2

4



PROJECTS

SEK 8 billion

In ongoing projects

94% let

For those completed
in 2024

74% let

For those completed
in 2024-2025

Property portfolio – City of Our Dreams

Property and project portfolio concentrated primarily on four areas in Stockholm – Hagastaden, Slussen, Slakthusområdet and Sickla. All areas with an existing or future underground station.



Glashuset, Slussen



Katarinahuset, Slussen



Söderhallarna, Södermalm



Life City, Hagastaden



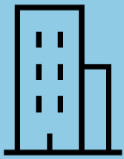
Sickla Central, Sickla



Hus 48, Slakthusområdet

Rental and residential market

Strong future locations for offices – Slakthusområdet, Slussen and Hagastaden appear among the top locations.



OFFICES

Our attractive office locations are driving demand.

- Strong net letting in the quarter.
- Lettings done at good levels.
- Uncertainty about the need of space, desire for increased flexibility and service.



RETAIL

Continued increase in both sales and number of visitors.

- Higher sales, but differences between the segments – the mix at the retail hub determines its 'resilience'.
- Food, alcohol stores and pharmacy continue to perform strongly.



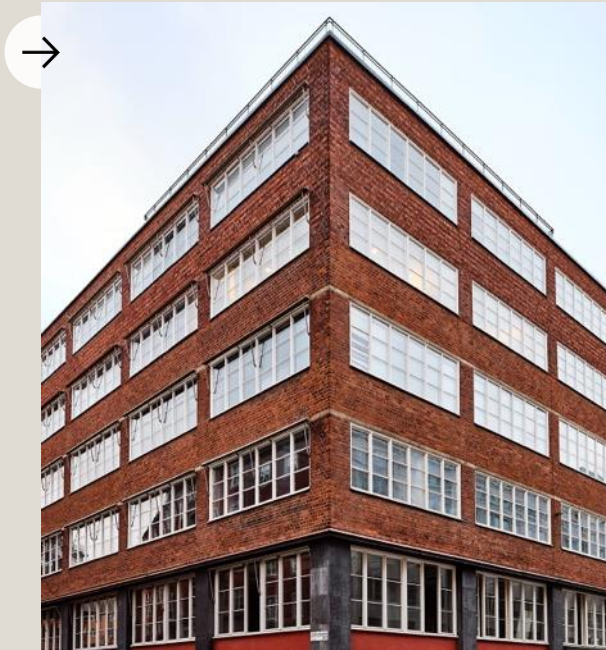
TENANT-OWNED DWELLINGS

We are heading towards brighter times.

- Prices in Sweden have risen 5.1% during the last quarter, despite continued large supply.
- Expected interest rate cuts pave the way for a more optimistic housing market.
- After an increase in the number of sales in the spring we are now in line with our own expectations.

Most significant lettings

The three most significant lettings in this quarter were in Hagastaden and Slussen.



Ekobrottsmyndigheten

PV Palatset, Hagastaden,
10,000 sq.m.

LETTING



Svenska Spel AB

Glashuset, Slussen,
2,500 sq.m.

LETTING



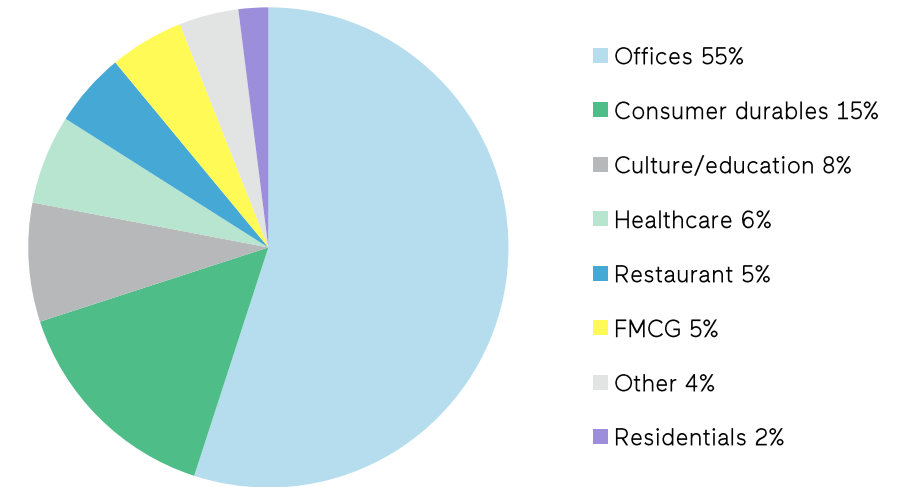
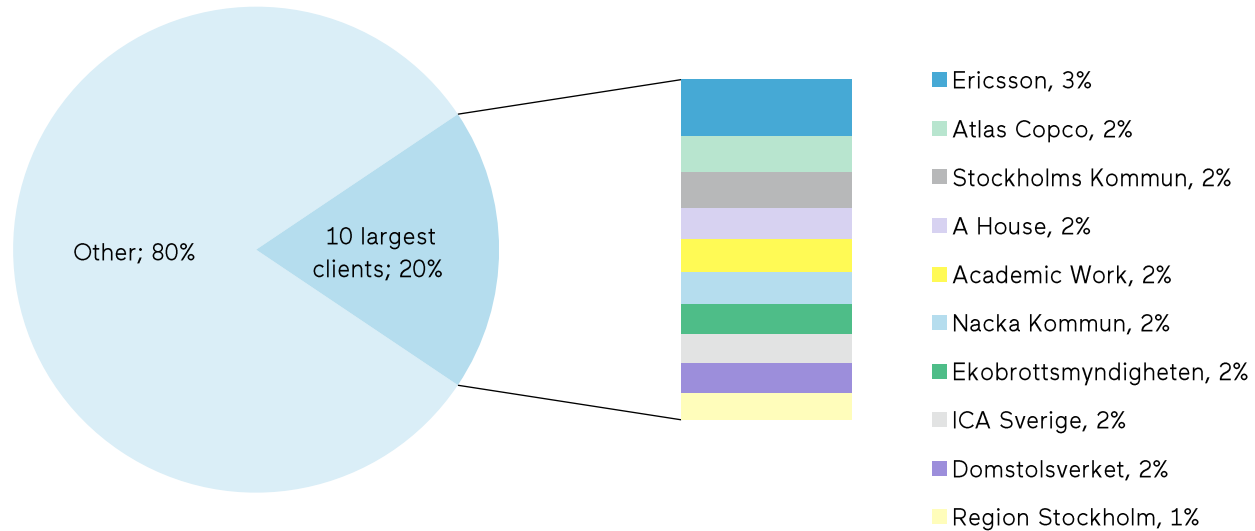
Husqvarna Group AB

Mineralvattenfabriken,
Hagastaden, 2,450 sq.m.

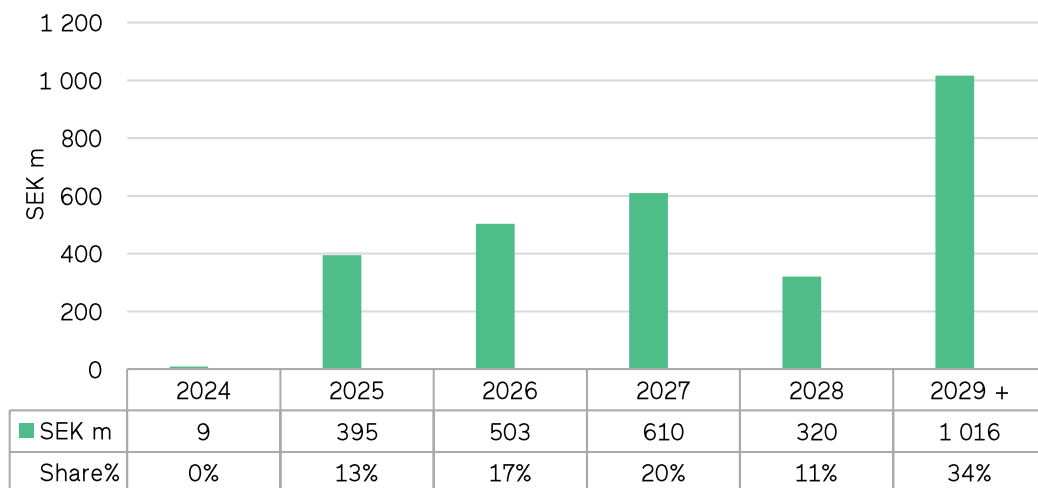
LETTING

Q2

Stable and diversified customer base



Maturity structure annual contract value

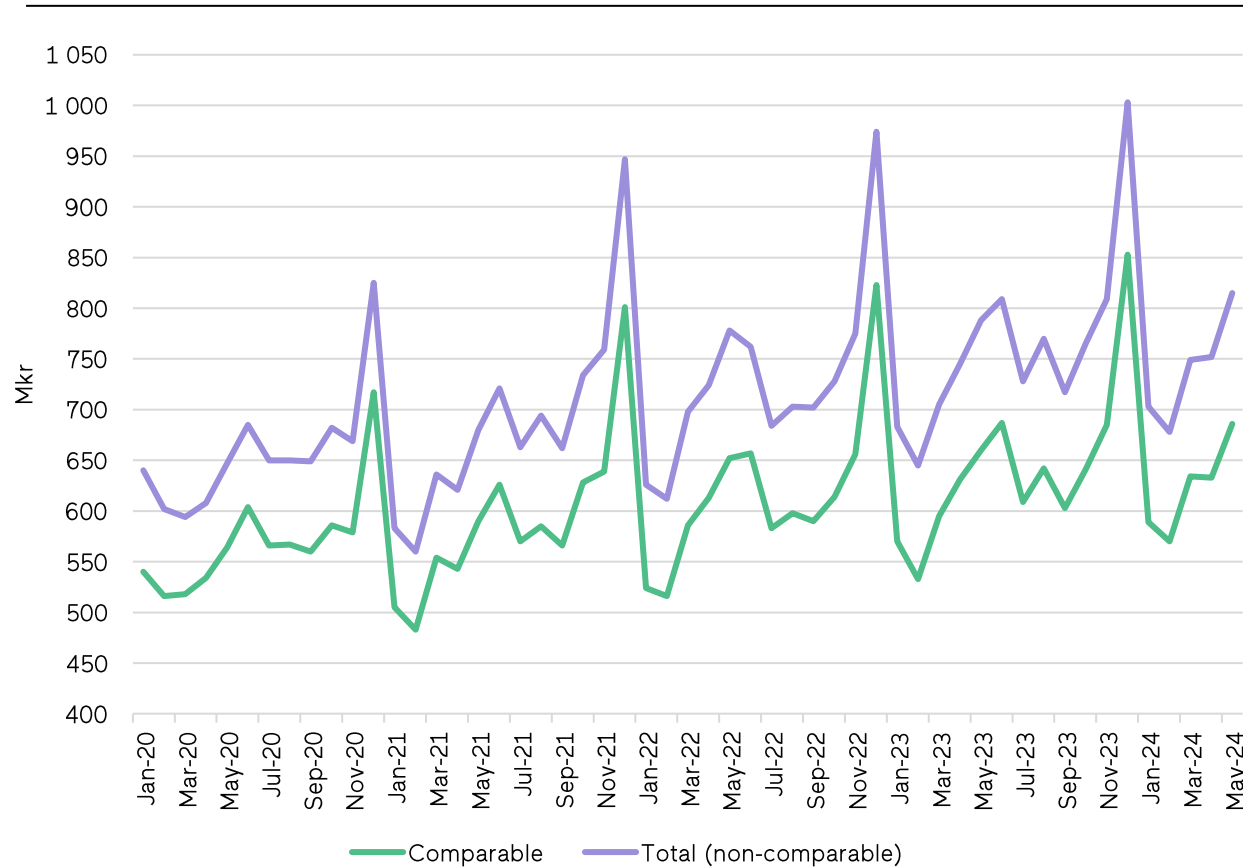


- Diversified customer structure
- The ten biggest customers account for 20%
- Average remaining lease term 4.5 years
- Four leases > 10,000 sq.m., of which three are offices

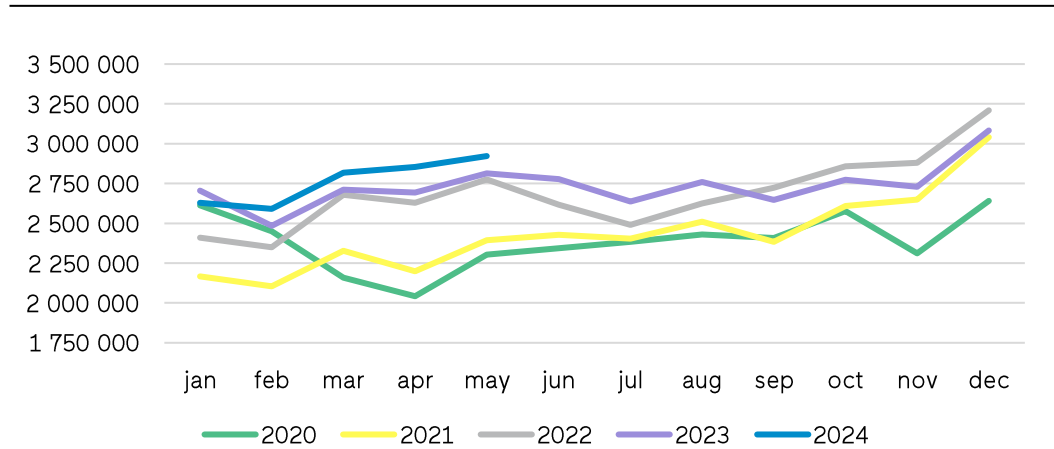
Retail

The mix at our retail hubs makes us resilient during a recession.

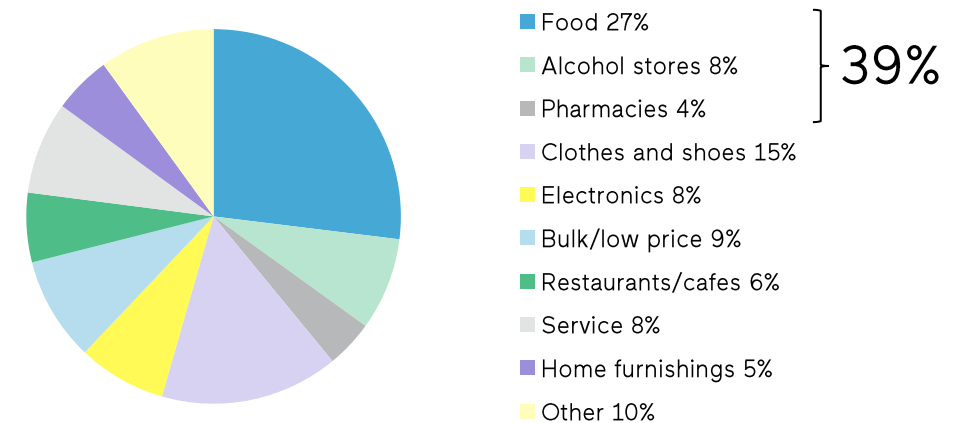
Sales per month 2020-2024 May



Visitors per month to our retail hubs



Our retail hubs - overview



Key performance indicators

Underlying earnings remain strong and stable yields.



PROFIT FROM PROPERTY MANAGEMENT

+12% growth in Q2
SEKm 371, or SEK 2.94 per share

+13% growth in Q1 – Q2
SEKm 774, or SEK 5.90 per share



OPERATING SURPLUS

+6% growth in LFL Q2 excl. one-offs

+7% growth in LFL Q1 - Q2 excl. one-offs



CHANGES IN VALUE

-0.1% reduction in value,
SEKm -39 Q2, SEKm -46 Q1-Q2



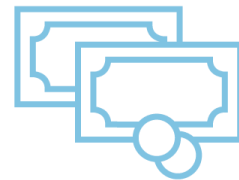
NET ASSET VALUE

SEK 265 per share



FINANCIAL RISK

40.4% Loan-to-value ratio
3.9 Interest coverage ratio R12
10.0 Net debt to EBITDA R12



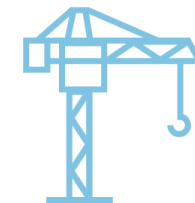
FINANCING

SEK 9 billion
in unutilised credit facilities



NET LETTING

SEKm 198 newly signed
SEKm 106 terminated
SEKm 23 terminated by us



PROJECTS

SEK 8.4 billion in ongoing projects: approx.
SEK 4.9 billion remains

Growth in rental income and net operating income Q1-Q2

Strong growth in like for like excluding one-off compensation.

Comparable portfolios
+5.0%/+6.9%
(rental income/operating surplus)



OFFICES
+5.6%/+7.4%



RETAIL
+3.8%/+6.5%



RESIDENTIALS
+3.5%/+0.4%



Index

Slightly higher letting costs in Q2



PV PALATSET, HAGASTADEN

Rental growth projects

The project portfolio continues to deliver rental growth – mainly Katarinahuset. Vacancy of Söderhallarna results in lower rental income of SEK 25 million while Katarinahuset has some occupancy and generates income of SEK 35 million during Q1 – Q2 2024.

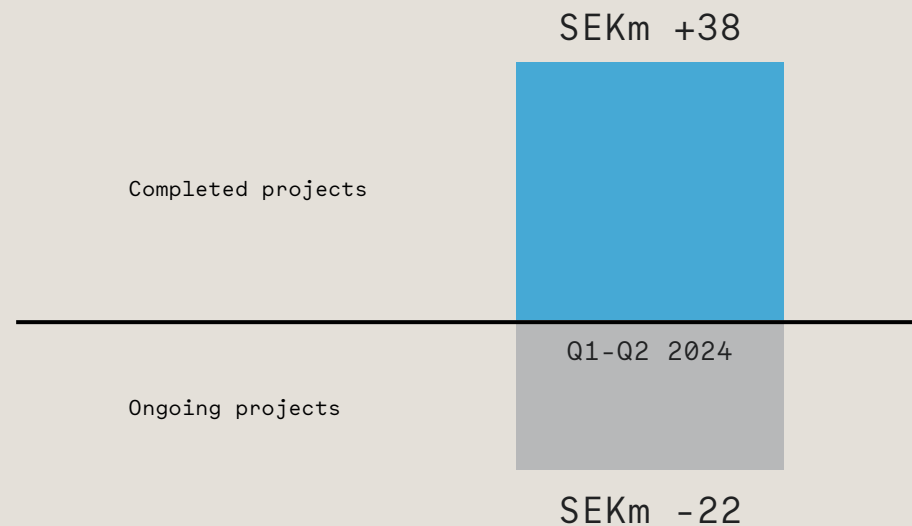


Katarinahuset, Slussen



Completed projects contributed to rental growth of SEK 38 million.

Net operating growth



Total project portfolio contribution:
 - Rental growth SEKm +16
 - NOI growth SEKm +20

Rental income transactions

Sale of Eken 6 and Eken 14 in Sundbyberg contributes to our engagement in large-scale urban development projects which generate higher returns.



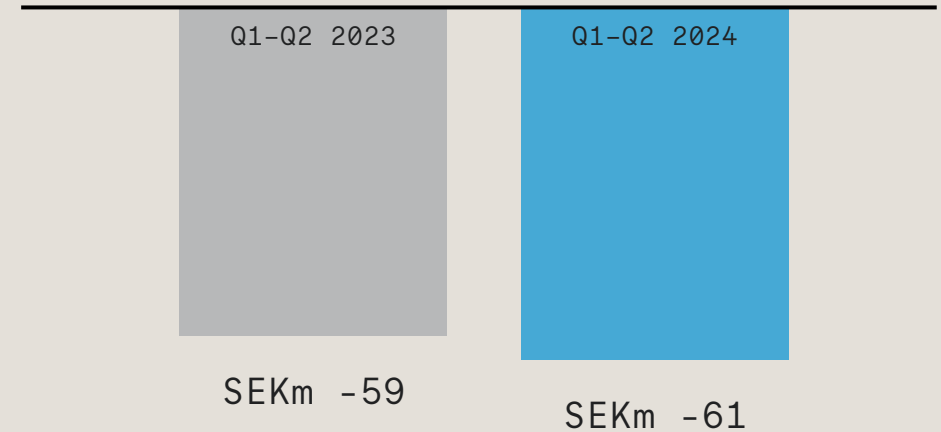
SKOTTEN 6
13 500 kvm. Divestment Q1 2023



EKEN 6 OCH EKEN 14
36 400 kvm. Divestment Q2 2024

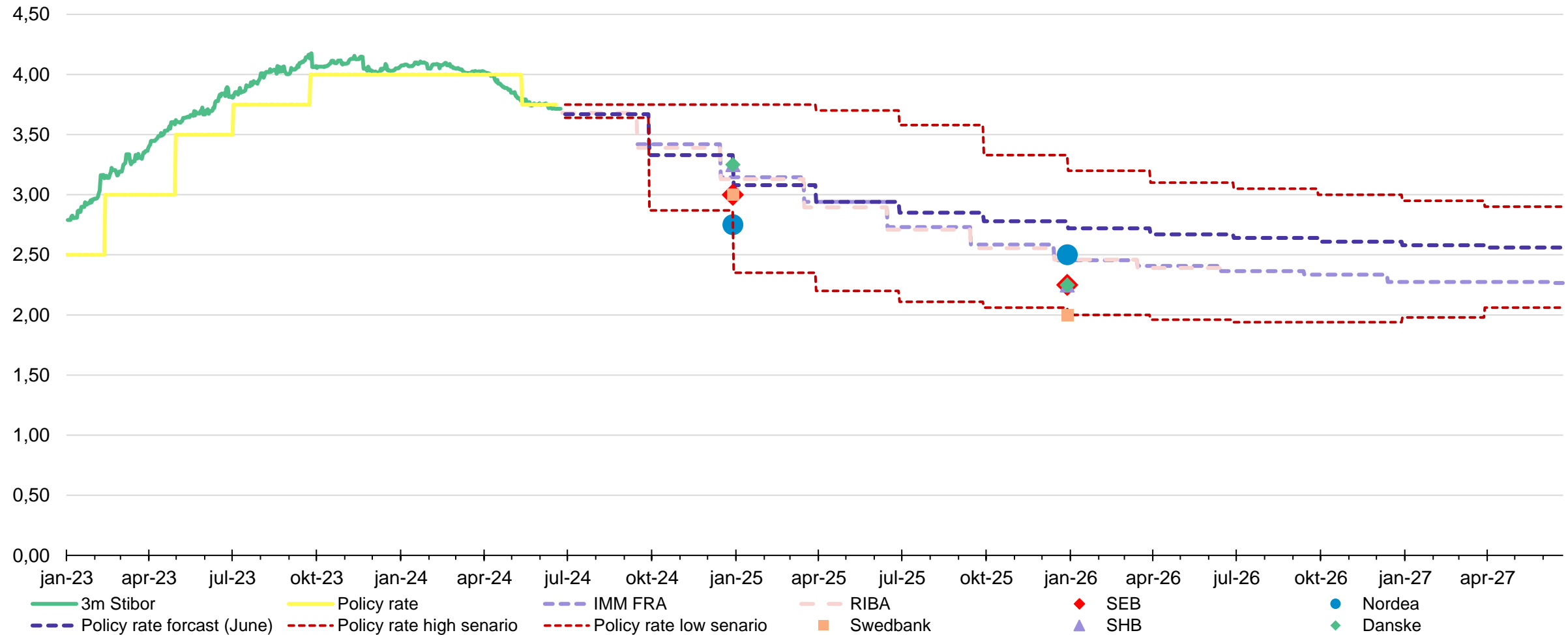


Change in rental income, transactions



Interest rate and credit market

Market pricing of short-term interest rates (%)



Financing

Lower interest-bearing liabilities combined with strong earnings and stable net interest income lead to an improved financial position.

INTEREST COVERAGE RATING R12



3.9 times

NET DEBT TO EBITDA R12



10.0 times

LOAN-TO-VALUE



40.4%

CAPITAL DURATION



3.5 yrs

INTEREST RATE DURATION



3.2 yrs

FLOATING RATE SHARE (2024 MATURITIES)



8%

AVAILABLE LIQUIDITY



SEK 9 bn

RATING, Moody's with negative outlook

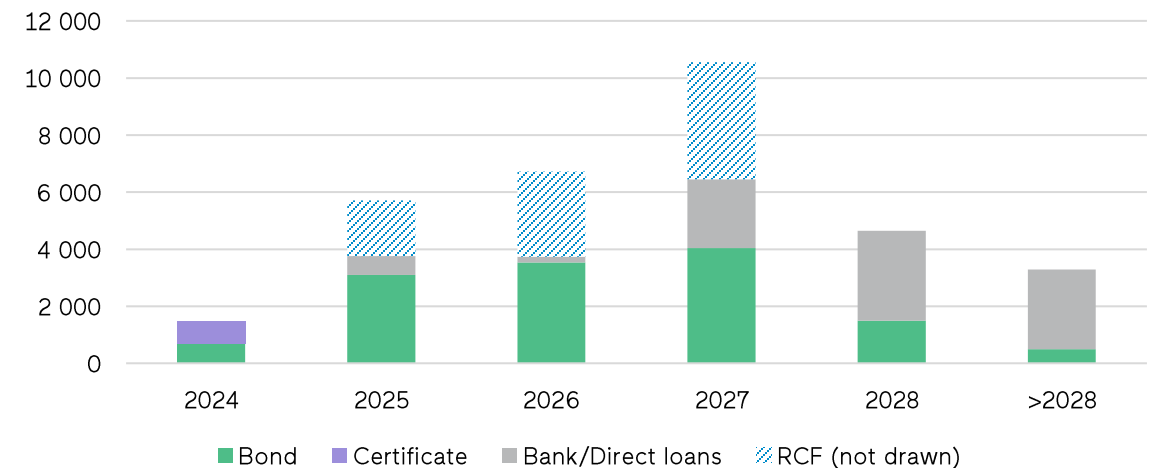


Baa2

Interest rate duration

Duration	Volume, SEK m	Percentage, %	Average interest rate, %
2024	4,233	18	0.7
2025	1,750	7	2.4
2026	2,704	12	1.9
2027	3,850	16	3.1
2028	4,259	18	2.5
>2028	6,560	28	3.0
Total	23,356	100	2.3
Total incl unutilised credit facilities			2.5

Credit maturity including unused facilities, SEK m



Ongoing projects

Ongoing project portfolio amounts to SEK 8.4 billion; approx. SEK 4.9 billion remains to be invested. The projects are concentrated primarily on our four development areas in Stockholm – Hagastaden, Slakthusområdet, Slussen and Sickla.

The projects that will be completed in 2024, 94% have been let

The projects that will be completed in 2025, 49% have been let

Söderhallarna – detailed development plan accepted which enables extension

SKH – conditional Investment SEK 2 billion

2024

2025

2026

2027



Q1

Q2

Q3

Q4

Q1

Q2

Q3

Q4

Q1

Q2

Q3

Q4

Q1

Q2

Q3

Q4



Slakthushallarna, Slakthusområdet



Brf Kulturtrappan, Nobelberget



PV Palatset, Hagastaden



Sickla Central



Söderhallarna, Södermalm



Gymnasieskola, Slakthusområdet



Hus 06 Stationen, Slakthusområdet



Katarinahuset, Slussen



Campus Sickla



Brf Kulturarvet, Nobelberget



Mälarterrassen, Slussen

Two production starts,
Campus Sickla and the upper-secondary
school in Slakthusområdet.



Brf Kulturtrappan won the
Nacka Stadsbyggnadspris.
Sickla Central, Breeam-SE Outstanding.



Project start Q3, Hus 43 Gamla & Nya Magasinet in Slakthusområdet.



Our largest development projects

We are developing the City of Our Dreams – potential future investments of approx. SEK 40 billion in land already owned or land allocations obtained.



SICKLA

From industry to a vibrant city district.

Area: 250,000 sq.m.
Investment: SEK 14 billion



SLAKTHUSOMRÅDET

Stockholm's new meeting place for food, culture and experiences.

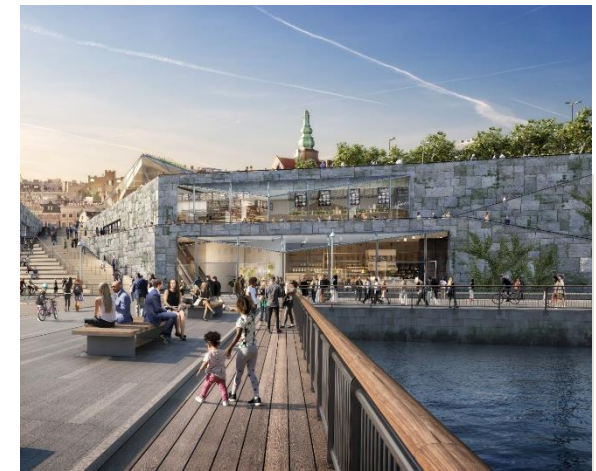
Area: 200,000 sq.m.
Investment: SEK 11 billion



HAGASTADEN

Ultra-urban city with an international metropolitan vibe.

Area: 100,000 sq.m.
Investment: SEK 7 billion



SLUSSEN

Where the whole city meets. From road junction to meeting place.

Area: 55,000 sq.m.
Investment: SEK 2 billion

Q&A



Please contact Annica Ånäs
in case of any questions:
annica.anas@al.se