

Press Release 2023-08-24

Half-year Report January - June 2023

- Net revenue from property management was SEK 1,004 million (905), an increase of 11 per cent. Including intra-Group rent revenue, net revenue from property management was 1,101 million (1,006).
- Gross profit from property management increased by 13 per cent, totalling SEK 675 million (599). Including intra-Group rent revenue, gross profit from property management was SEK 771 million (700).
- Net result for the period was SEK -1,372 million (756), equivalent to SEK -6.78 per share (3.74). The decrease can be attributed primarily to negative unrealised changes in the value of the property holdings.
- The fair value of the property holdings was SEK 47.8 billion (49.5 at year-end), resulting in a net reinstatement value (EPRA NRV) of SEK 189 per share (201 at year-end). Unrealised changes in the value of the property holdings amounted to SEK -2,295 million (410) for the period.
- The equity ratio was 59 per cent (61), the net loan-to-value ratio was 21 per cent (18) and the interest coverage ratio was 5.6 (8.1).
- The rental vacancy rate at the end of the period was 7.7 per cent (8.5). Excluding current development projects, the rental vacancy level was 4.5 per cent (5.5).

Comments from Hufvudstaden's President, Anders Nygren.

"The office rental market remains stable with an increasing trend of more companies seeking modern offices in attractive city locations. Our customer Danske Bank, which recently extended its lease at Norrmalmstorg 1 until 2035, says that the central office location helps attract employees with the right skills. This corroborates our long-term efforts at developing attractive marketplaces such as Bibliotekstan that allow people to thrive and let businesses grow."

"Conditions in the business environment, with high inflation and rising interest rates, are having a major impact on the retail sector. Despite this, vacancies for stores in our attractive locations remain low. The raised interest rates also entail new conditions for the property market compared with the last ten years with low interest rates. In this situation, Hufvudstaden's low level of borrowing provides stability and opportunities for continued development."

Questions can be answered by:

Anders Nygren, President, and Åsa Roslund, Vice President and CFO,
telephone +46 8 762 90 00.

Appendix: Half-year Report January – June 2023

The information in this Half-year Report is information that Hufvudstaden AB (publ) is obliged to publish under the EU Market Abuse Regulation. The information was published under the auspices of the above contact persons on August 24, 2023 at 12:30 CEST.