

2018

# Growth with quality

HEIMSTADEN BOSTAD ANNUAL REPORT WITH SUSTAINABILITY REPORT



**Heimstaden**

# We generate long-term values



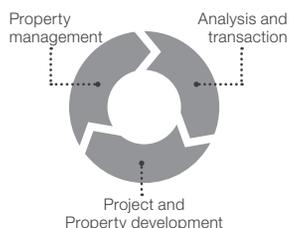
Heimstaden Bostad generates lasting value for shareholders, partners and customers by acquiring, refining and managing residential properties in growth communities in Scandinavia.

We work according to our vision to enrich and simplify life through friendly homes. At the end of 2018, we had a total of 916 properties valued at SEK 72,329 million and with slightly more than SEK 3,231 million in rental income.

Our ambition is to grow responsibly and sustainably together with partners who share our values. Within the framework of our strategy, we will work with other stakeholders, to generate new transactions and create opportunities by contributing experience, knowledge and capital.

In 2018, 129 properties were acquired. Net investments amounted to SEK 25,988 million (27,030) and the total lettable area at year-end amounted to 2,627,931 square metres (1,913,624).

## Business model



Heimstaden Bostad generates long-term values through its three core processes:

- Analysis and transaction
- Project and property development
- Property management

These processes interact as we actively, and with sustainability in focus, manage the property portfolio, expand and optimise the portfolio and refine and develop individual properties.

Number of apartments

# 37,337

Property value by country



2018

- Sweden, 50%
- Denmark, 29%
- Norway, 21%



Profit from property management

# 1,142 MILLION

In 2018, profit from property management increased by 232 percent compared with the preceding year.

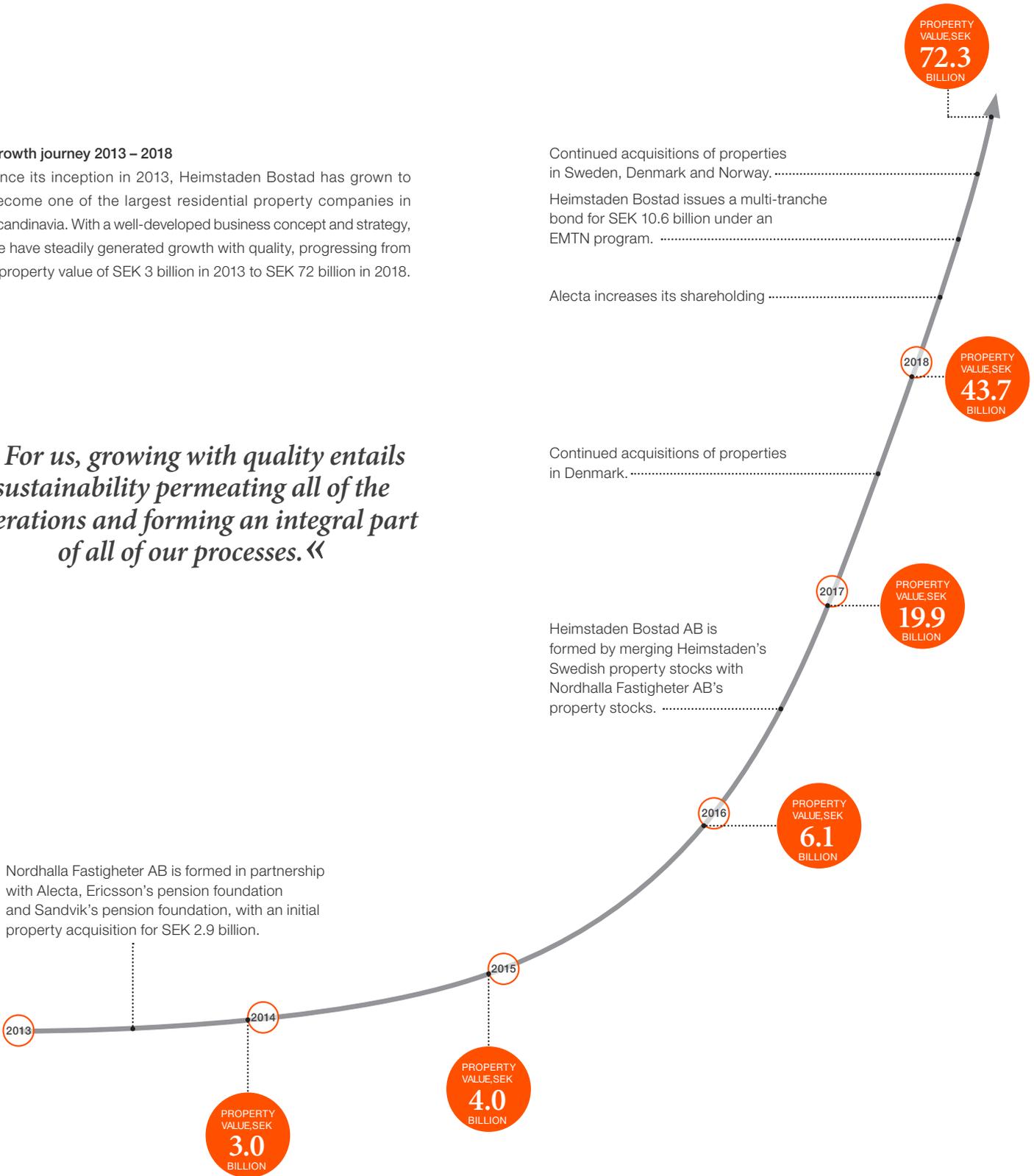
Loan-to-value ratio

# 54%

**Growth journey 2013 – 2018**

Since its inception in 2013, Heimstaden Bostad has grown to become one of the largest residential property companies in Scandinavia. With a well-developed business concept and strategy, we have steadily generated growth with quality, progressing from a property value of SEK 3 billion in 2013 to SEK 72 billion in 2018.

*» For us, growing with quality entails sustainability permeating all of the operations and forming an integral part of all of our processes. «*



Nordhalla Fastigheter AB is formed in partnership with Alecta, Ericsson's pension foundation and Sandvik's pension foundation, with an initial property acquisition for SEK 2.9 billion.

Continued acquisitions of properties in Sweden, Denmark and Norway.

Heimstaden Bostad issues a multi-tranche bond for SEK 10.6 billion under an EMTN program.

Alecta increases its shareholding

Continued acquisitions of properties in Denmark.

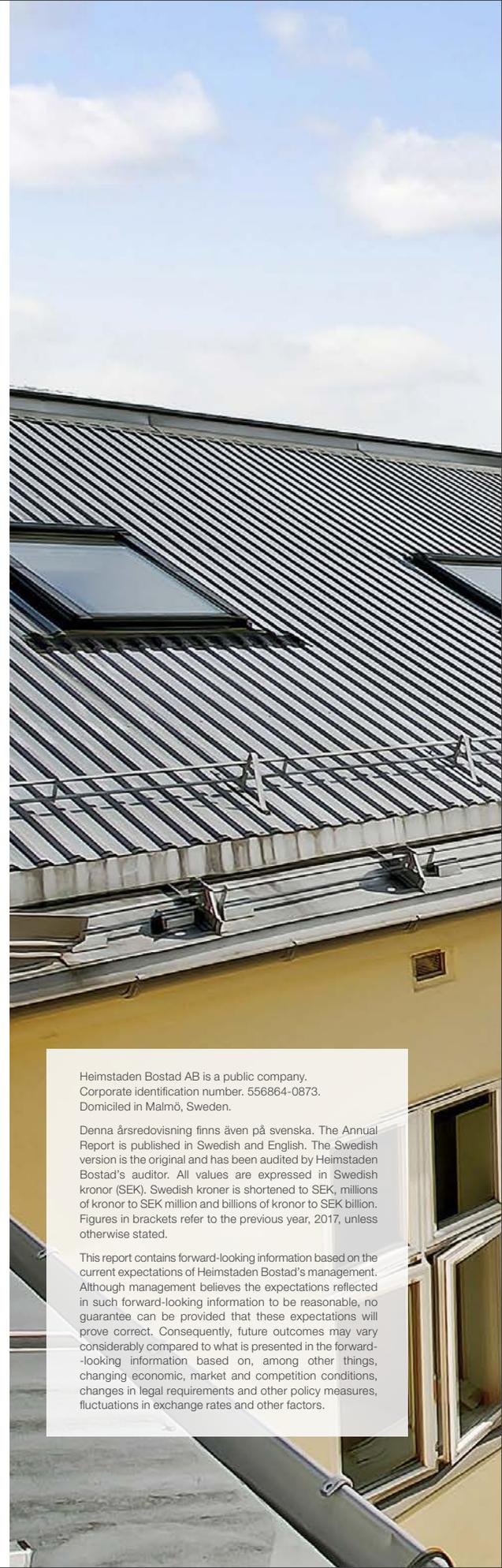
Heimstaden Bostad AB is formed by merging Heimstaden's Swedish property stocks with Nordhalla Fastigheter AB's property stocks.

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• Refers to audited sections

Pages 7, 18–19 and 40–121 form part of Heimstaden Bostad's formal Annual Report and have been subject to review by the company's auditors.



Heimstaden Bostad AB is a public company.  
Corporate identification number. 556864-0873.  
Domiciled in Malmö, Sweden.

Denna årsredovisning finns även på svenska. The Annual Report is published in Swedish and English. The Swedish version is the original and has been audited by Heimstaden Bostad's auditor. All values are expressed in Swedish kronor (SEK). Swedish kronor is shortened to SEK, millions of kronor to SEK million and billions of kronor to SEK billion. Figures in brackets refer to the previous year, 2017, unless otherwise stated.

This report contains forward-looking information based on the current expectations of Heimstaden Bostad's management. Although management believes the expectations reflected in such forward-looking information to be reasonable, no guarantee can be provided that these expectations will prove correct. Consequently, future outcomes may vary considerably compared to what is presented in the forward-looking information based on, among other things, changing economic, market and competition conditions, changes in legal requirements and other policy measures, fluctuations in exchange rates and other factors.

*» During the year, we further strengthened  
our leading position in Scandinavia.«*



# A year of strong expansion

For Heimstaden Bostad, 2018 was another year of strong growth. At the same time as we are growing strongly, not a day goes by without us considering how we can become an even better landlord for all of our existing tenants. In fact, soft values, such as sustainability, well-being and safety, build the firm foundation of a successful business.

Heimstaden Bostad's business concept is to own its properties indefinitely while providing rental apartments for all stages of life – from student accommodation to retirement homes. This involves not only the hardware, the properties themselves, but equally the software. Heimstaden Bostad shall be an attractive landlord, contributing to favourable social development. Our vision "to enrich and simplify life through friendly homes", is to be the guiding principle for all of our employees. Tenants should choose Heimstaden Bostad because we are innovative, show consideration and are there when our tenants need us.

#### **Lasting the course demands a broader perspective**

Our long-term perspective prevents us from focusing narrowly on square-metre rent levels and returns. We must maintain a broader perspective, perceiving our role in society in interaction with our tenants and as a partner to the municipalities in which we operate. In this way, we pave the way for long-term secure housing, which also builds a long-term secure business. We achieve this through very close cooperation with our largest shareholder, Heimstaden AB, with whom we have a long-term

agreement (until October 2032), giving us, among other things, access to several of Heimstaden AB's central functions and their local management organisations.

***»» Our long-term perspective means that we must view our role in society in interaction with our tenants and as a partner to the municipalities in which we are located. ««***

Strategically, this means that Heimstaden Bostad's property stocks must achieve a critical mass in the locations where we establish operations, to justify the expense of Heimstaden AB establishing a local property management organisation. Our expansion occurs through complementary acquisitions in locations where we are already established and in growth regions. During the year, we have accomplished this in Sweden, Norway and Denmark, where we expanded the portfolio by a



*» Our objective is to continue the expansion with existing, or lower, loan-to-value ratios.«*



property value of approximately SEK 22 billion. In Sweden, we have increased our presence in Malmö, Lund, Linköping, Norrköping and Gävle.

#### **Strong expansion in Denmark**

In Denmark, Copenhagen is naturally in focus. Thanks to favourable business opportunities, with prices that are half of those for comparable objects in Stockholm, we have been able, during the year, to expand our portfolio in Copenhagen by 3,958 apartments and signed agreements regarding a number of properties under construction. At the same time, we have also identified highly attractive acquisition opportunities in other parts of the country. The total number of apartments in Denmark doubled during the year. We have now achieved the critical mass for our management concept in both Oslo and Copenhagen.

Accordingly, our expansion serves two principal purposes: Firstly, to achieve an adequate size in each locality to be able to exert a serious influence on the residential environment, urban planning and sustainability, and secondly to spread our business risks over a larger number of markets. We continuously monitor business opportunities in all of the Nordic countries.

#### **Improved conditions in the credit market**

During the fourth quarter of 2018, Heimstaden Bostad AB gained an Investment Grade rating from Standard & Poor's, with a credit rating of BBB-. In conjunction with this, bonds for the equivalent of SEK 10.6 billion were issued. The issue was conducted mainly in EUR and SEK, and, in connection with this, secured bank loans for roughly the corresponding amount were repaid. It is gratifying to note that our loan-to-value ratio amounts to slightly less than 54 percent. Our objective is to continue the expansion with existing, or lower, loan-to-value ratios. One of our many ambitions for the future is to further improve our credit rating, which will give us better terms in the bond market.

The ongoing operations have proceeded according to plan. Our sustainability efforts in cooperation with Heimstaden AB, involve smarter energy solutions, energy efficiency improvements, photovoltaic cell installations and our own social housing operations and sponsorship of non-profit social activities, such as Vilda Kidz, adds value for both the climate and society.

#### **Our future ambitions**

Our ambitions for the future can be summarised under five points:

1. Continuing to strengthen the customer experience.
2. Achieving further growth.
3. Bringing newly-built homes to communities and regions with housing shortages.
4. Perform all operations applying clear sustainability targets.
5. Improve our credit rating.

Point three represents a particular challenge in broadly addressing the prevailing housing shortage in expansive regions. The key issue is how we will be able, given current construction costs, to produce new housing in which people, particularly the young, can afford to live. In the case of Sweden, I believe politicians must adopt a holistic approach to housing policy issues. At Heimstaden Bostad, we are doing everything we can to contribute to society's combined effort.

With these words, I would like to thank our stakeholders and shareholders for the confidence they have shown in Heimstaden Bostad's strategy to contribute to a sustainability society, thereby generating durable and secure returns. Looking ahead, 2019 will at least as exciting.

Patrik Hall, CEO Heimstaden Bostad

# Significant events in 2018

In 2018, 129 properties were acquired, with a total of 8,986 apartments, making us one of the largest players in the markets in which we operate. Net investments increased to SEK 25,988 million (21,950) and the total lettable area at year-end amounted to 2,627,931 square metres (1,913,624).



In 2018, Heimstaden Bostad almost doubled its property portfolio in Denmark and is now one of the largest players in that market.

## +93%

### Good business and responsible property management go hand in hand

Decreased energy consumption in our Swedish portfolio in 2018 resulted in an annual cost saving of more than SEK 6 million and increased the property value by about SEK 122 million – while energy-related carbon dioxide emissions decreased by about 670 tonnes.

## -670

TONNES, CO<sub>2</sub>

## BBB-

### Credit ratings improve credit market opportunities

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### Whistleblowing

In 2018, Heimstaden Bostad established a whistleblower function enabling employees and external stakeholders to be able to report serious shortcomings while remaining confident that their notifications would be received and dealt with in an appropriate manner.

#### KEY DATA

Amounts in SEK million	2014	2015	2016	2017	2018
Operating surplus	164	237	392	805	1,751
Profit after tax	117	459	1,342	1,577	3,023
Market value	4,019	6,101	19,912	43,689	72,329
Number of properties	182	195	495	787	916
Number of apartments	7,830	17,892	17,892	28,351	37,337
Surplus ratio	55	54	49	50	54
Loan-to-value ratio	58	54	54	55	54
Equity/assets ratio	37	40	42	40	42
Interest coverage ratio (multiple)	2.5	3.4	3.7	3.1	2.6
Letting ratio (housing)	99.7	99.7	99.7	98.6	97.4
Letting ratio housing, real	-	-	-	-	98.5



### Expanded partnership

In February, Heimstaden Bostad reach an agreement on expanded collaboration with Alecta and the Ericsson and Sandvik pension foundations. The agreement comprises a total transaction volume of approximately SEK 24 billion.

## +714,307

SQUARE METRES

In 2018, Heimstaden Bostad's property portfolio grew by an additional 714,307 square metres.

# Our vision and the path ahead

Heimstaden Bostad shall enrich and simplify life through friendly homes. With this vision, we have built up one of Scandinavia's largest residential property companies. With continued population growth, urbanisation and a housing market in which housing shortages are set to prevail for the foreseeable future, we see continued opportunities for quality growth with favourable returns.



## VISION

We enrich and simplify life  
through friendly homes.

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## BUSINESS CONCEPT

We acquire, refine and manage primarily  
residential properties.

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## OFFERING

We generate value:

- for shareholders and partners by developing and optimising an attractive residential property portfolio in growth regions in Scandinavia.
- for customers by developing and providing well-considered housing in growth regions in Scandinavia.
- for society by investing long-term and being resource-efficient in our property management and operation by driving new production in communities with housing shortages.

# We shall enrich and simplify life for our customers

Heimstaden Bostad shall be a leading owner of residential properties in its markets. We shall offer safe and pleasant accommodation with appropriate services for customers, while providing shareholders and investment partners with an attractive return in relation to risk.



**» Heimstaden Bostad has developed into one of Scandinavia's largest housing companies by means of a clear strategy, a scalable organisation, favourable capital structure and committed employees. «**

Today, Heimstaden Bostad has one of Scandinavia's largest housing portfolios. We have achieved this position by means of a clear strategy, a scalable organisation, a good capital structure and committed employees. Our size generates synergies and economies of scale contributing to increased value for our stakeholders.

#### Our business model

Our core processes Analysis and transaction, Project and property development and Property management interact when we manage the property stocks, expand and optimise the portfolio, and refine and develop individual properties. In this way, we assure good-quality residential properties in locations where demand is strong. We achieve this by means of a long-term and comprehensive agreement with our largest shareholder, Heimstaden AB.

#### Analysis and transaction

Continuous optimisation and refinement of the property portfolio by acquiring properties in line with our strategy. This is based on thorough analysis and a good market presence.

#### PROJECT AND PROPERTY DEVELOPMENT

By means of a long-term approach and close dialogue with the market's stakeholders, we refine and develop our property portfolio and exploit land and building rights for new residential properties. This contributes value to society while increasing the value of our portfolio.

#### PROPERTY MANAGEMENT

Our proprietary local property management builds long-term relationships with customers based on our core values – Care, Innovation and Authenticity. This develops the favourable quality of our properties, providing attractive accommodation.



*» Our proprietary local property management  
builds long-term relationships with customers  
based on our core values. «*

**Our strategy**

Our strategy is based on the strong trends we perceive in the market. All investments are measured against one another across national borders and micro locations, and we invest solely in the properties and projects deemed most attractive at any given time.

Given population growth, urbanisation, a strong economic trend and a housing market in which housing deficits are set to persist for the foreseeable future, we see continued opportunities for favourable returns. We seek to continue our journey of growth with quality by acquiring and producing residential properties.

The strategy is based on a responsible business model with long-term, high profitability and growth with the right customers, employees and partners. This will build a sustainable and successful company for both the short and long term.

We will achieve this by focusing on: Excellence in the customer experience, sustainable and profitable growth, sustainable refinement and development of properties and an organisation governed by valuation.



<p><b>EXCELLENCE IN THE CUSTOMER EXPERIENCE</b></p> <ul style="list-style-type: none"> <li>• We shall have an in-depth understanding of our customers' needs and shall develop smart digital solutions throughout the customer's journey.</li> <li>• We shall offer customers a favourable and secure living environment, always remaining highly accessible to them.</li> </ul> 	<p><b>SUSTAINABLE AND PROFITABLE GROWTH</b></p> <ul style="list-style-type: none"> <li>• Our expansion strategy encompasses Sweden, Denmark, Norway, Germany and the Netherlands.</li> <li>• We shall build strong relationships with municipalities, financial institutions and investors.</li> <li>• Our operations shall be pervaded by balanced risk management.</li> </ul> 	<p><b>SUSTAINABLE REFINEMENT AND DEVELOPMENT OF PROPERTIES</b></p> <ul style="list-style-type: none"> <li>• We shall prioritise aesthetically pleasing and sustainable materials in new production.</li> <li>• We shall refine more of our properties to preserve the characteristics of the periods in which they were built.</li> <li>• We shall focus on continuously improving the portfolio's technical quality, operating finances and energy efficiency.</li> </ul> 	<p><b>AN ORGANISATION GOVERNED BY VALUES</b></p> <ul style="list-style-type: none"> <li>• Our operations build on a long-term agreement with Heimstaden AB and a corporate culture in which the customer is always in focus.</li> </ul> 
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**»» The strategy is based on a responsible business model with long-term, high profitability and growth with the right customers and partners. ««**



### Core values

Our core values describe what seek to represent now and in the future. They describe our character, how we work and how we want to be perceived. Based on these values, we brighten and simplify life for others.

#### CARE

We care about and respect our partners and customers, taking good care of our properties by nurturing a favourable living environment and sustainability.

#### INNOVATION

We are flexible, open, adaptable to change and innovative. We encourage diversity and divergent thinking and constantly seek new ways to promote growth and productivity.

#### AUTHENTICITY

We are honest, trustworthy and transparent. We take responsibility for our actions and work to generate lasting value for all of our stakeholders, through solutions that contribute to a long-term sustainable society and environment.

### Right customers

We strive for a mix of customers in our properties – students, unattached people, couples without children, families with children and seniors. We want to attract customers who:

- impose demands on their housing
- show respect for their surroundings and enjoy having neighbours
- want to take responsibility for, and be involved in, their housing situation
- want to stay with Heimstaden even if their housing needs changes

# Profitable and responsible growth with quality generates value

## RESOURCES WE DEVELOP



### Sustainable relationships

**37,337** household

- Relationships with municipalities and decision makers
- Cooperation with pension funds

### Properties

 **916** properties

### Financial resources

 **31,925** SEK million in equity

## OUR BUSINESS MODEL



### Business model

We generate long-term values through active management of our properties, focusing on sustainability. Our core processes – Analysis and transaction, Project and property development and Property management interact when we actively manage the property stocks, expand and optimise the portfolio, and refine and develop individual properties.

### Investment philosophy

When investing in a new property, we proceed from a number of simple and clearly measurable variables and trends. Fundamental to this is our view of the property as a product and its characteristics:

- Everybody needs a home.
- Housing cannot be digitised.
- For housing, there are no major remodelling or adaptation costs following the termination of the rental relationship.
- Housing is a stable and long-term product that looks much the same today as it did 100 years ago.

## VALUES WE GENERATE

### Generating financial value

- Return on equity: 14%
- Rental income: SEK 3,231 million
- Profit from property management: SEK 1,142 million
- Proposed dividend 2019: SEK 829 million



### Generating social value

Heimstaden Bostad works to promote good health and secure environments for customers and suppliers. We contribute to safe and inclusive urban environments in the locations where we operate.

### Generating environmental value

In 2018, our focus on energy efficiency in Heimstaden Bostad's properties in Sweden resulted in cost savings of SEK 6.1 million and an increase in the total property value of an estimated SEK 122 million, despite our considerable growth in properties for which we did not previously conduct proprietary property management. At the same time, carbon dioxide emissions decreased by about 670 tonnes. Read more about our energy efficiency work on pages 56–59.

#### Shareholders and stock market

- SEK 138 million in dividends
- Equity per ordinary share, SEK 4,881
- Developing and optimising and attractive housing portfolio in growth regions

#### Creditors and bond market

- BBB- rating with "stable outlook" from Standard & Poor's
- Loan-to-value ratio 54%
- Favourable equity/assets ratio of 42%
- Developing and optimising and attractive housing portfolio in growth regions

#### Society

- Energy efficiency
- Considerate and secure housing at the right price
- Project and property development
- Long-term ownership

#### Suppliers

- Purchasing for SEK 1,500 million



# Heimstaden Bostad as an investment

Heimstaden Bostad's operations are based on a product for which there will always be a need. Currently, there are also a number of strong external trends – continued population growth, a high rate of urbanisation and low new production – that are benefiting our operations.

### Everyone needs somewhere to live

Heimstaden Bostad satisfies a human need that will always exist. While changes such as digitisation may alter how we live, they will not change the basic human need for a home of one's own. In several of our markets, rent levels are regulated, reducing risk and enabling stable cash flows.

### Co-invested with residents

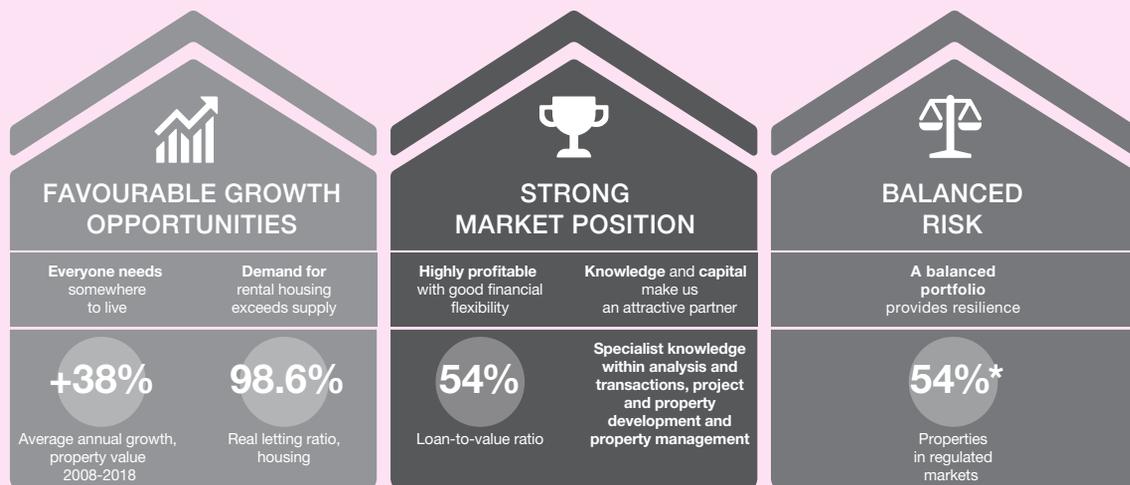
In Europe, between 50 and 95 per cent of homes are owned by residents. That means we are co-invested with residents and that it is a safe market in which value will remain. Where individual citizens lack the means to cover their own basic living expenses, governments intervene with support, meaning in practice that the housing market is supported by a central government cash flow. This supports Heimstaden Bostad's long-term investment strategy and provides good opportunities for returns.

### Market leader in our principal markets

Heimstaden Bostad has a proven capacity for building strong positions in Sweden, Norway and Denmark. Today, we have one of Scandinavia's most complete residential portfolios. Read more about the development of our markets on pages 20–37.

### Strong external trends benefiting our business

Continued population growth, a high rate of urbanisation and housing shortages are three overarching external trends favouring Heimstaden Bostad. These trends are strong in our existing markets and are expected to continue developing positively.



\*54% of the holding

# Earning capacity

Earning capacity is based on the properties that Heimstaden Bostad had taken control of previously and owned on the balance sheet date. It is based on the contracted rental income of the portfolio, current property costs and administrative costs. Earning capacity should be viewed as a theoretical snapshot and is not a forecast for the current year or the upcoming 12 months.

Current earning capacity does not include any assessment of future trends in rent levels, vacancy rates, property costs or interest rates. Nor does it provide any assessment of changes in value, or property acquisitions or disposals.

Current earning capacity, SEK m	31 Dec. 2018
Rental income	3,819
Property costs	-1,596
<b>Net operating income</b>	<b>2,223</b>
Central administration	-155
Other operating income	10
Other operating costs	0
Participations in profit of associated companies	0
<b>Profit before financial items</b>	<b>2,078</b>
Financial income	0
Financial costs – interest on subordinated shareholder loans	0
Financial costs – interest-bearing liabilities	-757
<b>Profit from property management</b>	<b>1,321</b>
<b>Key data</b>	
Surplus ratio, %	58.2
Interest coverage ratio (ICR), multiple	2.7



Heimstaden Bostad owns more than 37,000 apartments, which entails a large number of payers and, accordingly, a property portfolio characterised by stable cash flows.



# Quality growth in partnership with institutional investors

A few years ago we made the strategic choice to invest alongside a number of institutions that share Heimstaden Bostad’s long-term view and investment philosophy with regard to the housing market. In collaboration with partners, including large institutional investors who share Heimstaden Bostad’s core values, we are able to achieve quality growth.

**alecta**



**SANDVIK**

Since 2013, we have cooperated with Alecta and the Eriksson and Sandvik pension foundations.

Together with Alecta and the Ericsson and Sandvik pension foundations, we have built up a Scandinavian housing portfolio in areas with housing shortages and with a long-term focus on establishing the appropriate quality in property management. In Heimstaden, the operations have a dedicated industrial owner, as well as institutional investors that are strong in terms of capital, providing financial stability.

To contribute to local development, Heimstaden Bostad also seeks a close dialogue with municipal companies and regional actors. We contribute responsible management and, alongside local actors, pursue new production through densification or new building rights. We are currently engaged in new construction projects in locations including Malmö, Norrköping, Umeå, Skellefteå and Copenhagen.



Schades House, Copenhagen, Denmark

Cooperation affords us opportunities to act vigorously when the conditions are right. In 2018, a larger-scale joint transaction was conducted, including properties and construction project in Denmark and properties in Oslo. Since Heimstaden initiated cooperation with external parties in 2013, Heimstaden Bostad has built up a portfolio with a property value of SEK 72 billion.

### A further strategic management agreement with Heimstaden AB

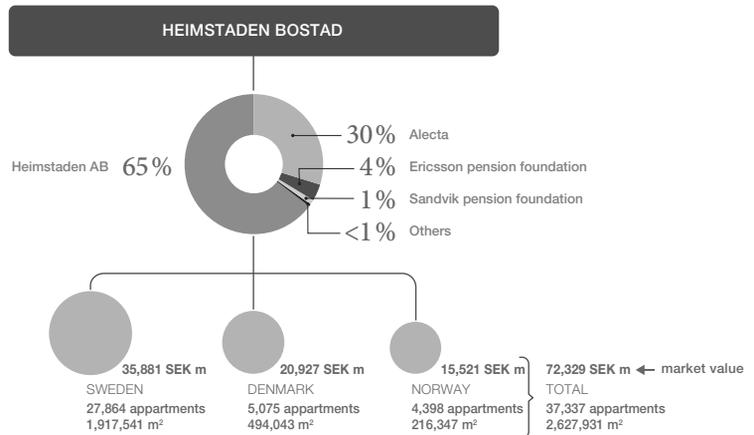
Heimstaden Bostad benefits considerably from having Heimstaden AB as its largest shareholder, not least considering Heimstaden AB’s experience of operations in the housing sector.

Heimstaden Bostad does not have any employees of its own, but has instead established a Group-wide property management agreement with Heimstaden AB.



The agreement entails Heimstaden AB providing Heimstaden Bostad with several central functions, including management, transaction and project development. In addition, wholly owned subsidiaries of Heimstaden AB provide local technical and property management services.

The agreement applies until 10 October 2032, and from 31 September 2026, Heimstaden Bostad AB can terminate the agreement with six month period of notice.



# Increased housing needs

Population growth in Europe is strong. Net immigration to the cities is continuing. The extensive new production of recent years is insufficient to satisfy the need for housing, which has led to a housing shortage in many locations, especially in the metropolitan regions, to which migration is particularly high. This means there is a continued and increasing need for housing, which benefits Heimstaden Bostad's operations.



# Continued population growth, high degree of urbanisation and housing shortages

The populations of Sweden, Norway and Denmark continue to increase and the degree of urbanisation is high, generating housing shortages, particularly in the cities. In Europe, between 50 and 95 percent of homes are owned by residents. This means we are co-invested with residents, offering good opportunities to increase property values. These are trends that favour Heimstaden Bostad, although they may vary regionally within each country. To make the appropriate investments, it is therefore important to monitor trends carefully.

## **Sweden**

The Swedish economy has developed positively in recent years, with improved GDP growth. The Swedish housing market has also improved, with increased new production and higher prices for tenant-owned apartments. However, new production has been insufficient to reduce the housing shortage. According to the National Board of Housing, Building and Planning, 67,000 new homes are needed per year, while forecasts indicate that construction of 51,000 new homes will commence in 2019.

## *Macroeconomics*

The Swedish economy is driven by low interest rates, a strong labour market and an upswing in new housing production. Between 2012 and 2018, unemployment fell from 8 percent to 6.4 percent.

Sweden's population is still rising with over 10 million inhabitants, meaning there is still considerable demand and need for housing in the country. The degree of urbanisation is high, at just over 86 percent.

## *Housing market*

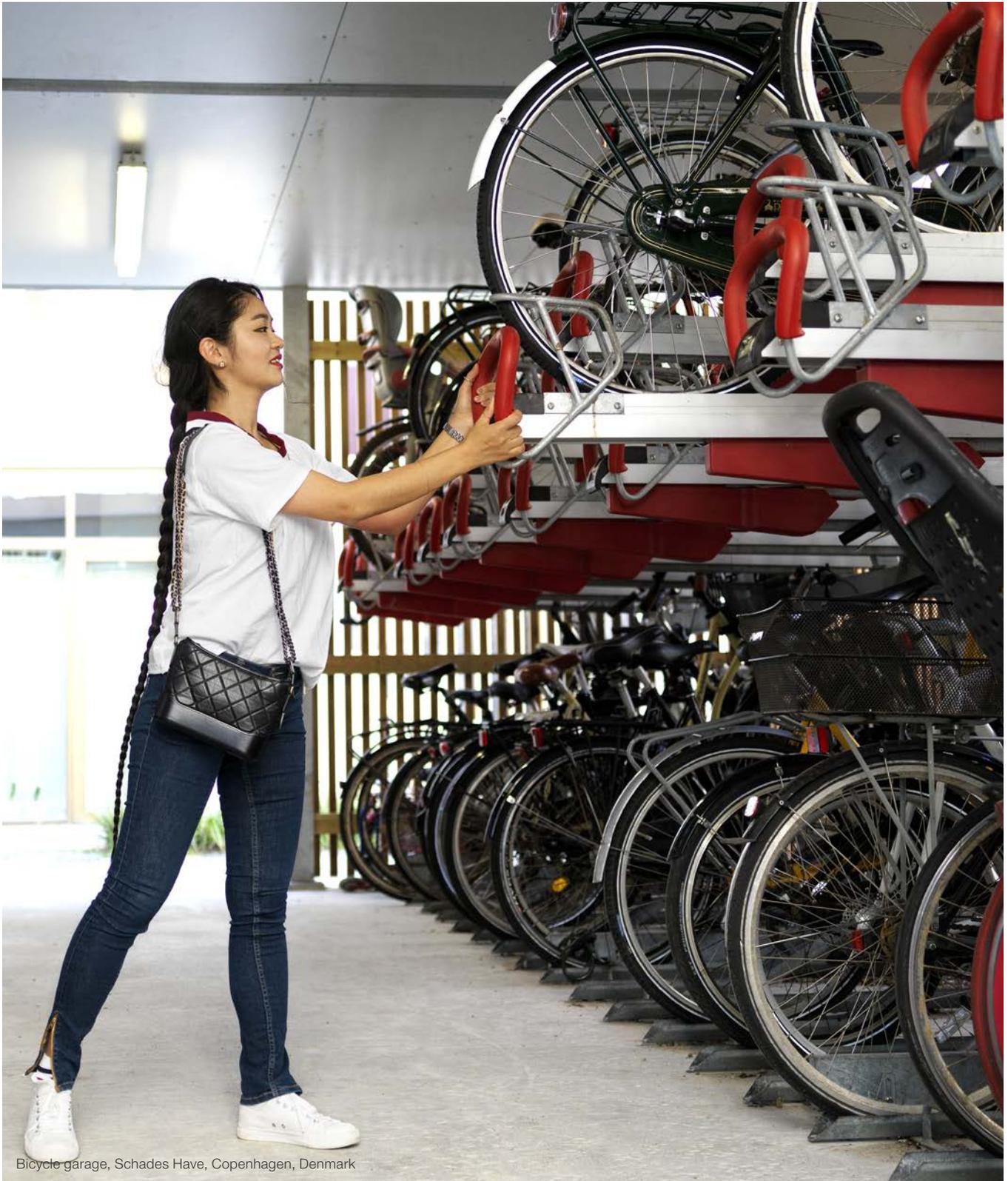
Rent levels in Sweden are regulated and increased by 5 percent overall between 2015 and 2017.

New production has been high in recent years. Relatively speaking, the largest increase has been in the Malmö area.

Since 2012, prices of tenant-owned apartments in Stockholm have increased by about 51 percent and in Malmö by around 54 percent.

In 2016, new regulations were introduced regarding mortgage repayments, which, combined with a potential increase in interest rates and extensive new production, suggest that the market will cool down. A weakening of the market for tenant-owned apartments could affect the rental market positively.

The level of activity in the Swedish transaction market remains high. The year ended strongly and, despite the fact that the number of transactions declined in 2018, quite a few major trans-



Bicycle garage, Schades Have, Copenhagen, Denmark

actions were conducted. The total volume was SEK 155 billion, which was higher than in 2017. Residential properties remain the segment in which most transactions are made, with a share of about 30 percent. The return requirements for housing have been declining for several years, resulting in rising prices. For long-term investors, the risk associated with investing in residential buildings is considered very low. Over the year, demand for residential properties was high and is expected to stay that way.

Sweden	2014	2015	2016	2017	2018
GDP growth, %	2.7	4.2	2.5	2.4	2.3
Inflation, %	-0.2	0.0	1.0	1.8	2.0
Unemployment, %	7.9	7.4	6.9	6.7	6.4

**+22%**

Increase in rent levels in central areas of Copenhagen since 2012.

**Denmark**

The Danish economy is improving and an increasing number of companies are experiencing positive growth. In recent years, prices for condominium apartments have risen, particularly in Copenhagen, where there is a clear imbalance between supply and demand. Several housing projects have been completed, or are about to be completed, in sought-after areas of Copenhagen, which, combined with stricter regulation of mortgage lending, held back price increases in early 2018.

*Macroeconomics*

Growth in the Danish economy is increasing employment, while unemployment is expected to decline towards 4 percent over the next few years. GDP growth in 2018 was 1.1 percent and is estimated at about 1.8 percent for 2019, slightly below the government's target of 2 percent.

The number of inhabitants is increasing. Growth is strongest in the Copenhagen area and this is the main reason for the imbalance in the housing market in the capital. Copenhagen has grown by about 96,000 inhabitants over the past ten years.

*Housing market*

The imbalance between supply and demand in Copenhagen has affected the housing market. New production is increasing and in some areas of Copenhagen is extensive. The average number of newly built homes in Copenhagen has risen to about 3,600 annually, a historically high level. Most immigration to Copenhagen is from other Danish cities, such as Aarhus, Odense and Aalborg.

The lack of rental properties in Copenhagen has caused rent levels in central areas to increase by approximately 22 percent between 2012 and 2018.

Transactions in the Danish property market have increased significantly in recent years, although they declined somewhat in 2018, following a record year in 2017. The Copenhagen region remains the largest market by a clear margin. However, increased rent levels and higher property prices have led to an increasing number of investors shifting their focus to other Danish growth regions where the yield is higher and growth opportunities are favourable. The return requirement on properties in Copenhagen is currently around 3.50–3.75 percent.

Denmark	2014	2015	2016	2017	2018
GDP growth, %	1.6	2.3	2.4	2.3	1.1
Inflation, %	0.6	0.5	0.3	1.1	0.8
Unemployment, %	6.0	6.2	6.2	5.7	4.9

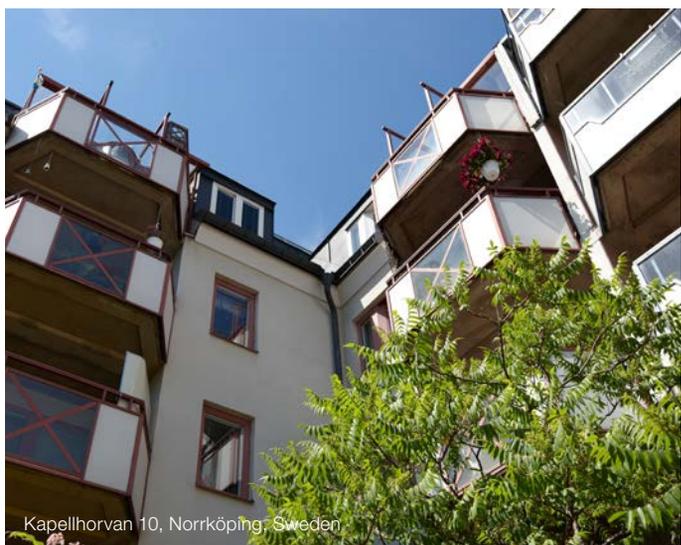
**Norway**

The Norwegian economy has generally improved following a period of falling oil prices. The housing market is dominated by condominium apartments, for which prices have risen. New legislation on loan financing caused price increases to halt in 2017, although they increased again in 2018.

*Macroeconomics*

The Norwegian economy developed well in 2018, recovering from the decline in the oil sector. The Norwegian economy remains heavily dependent on the oil industry and the "oil fund" remains a growing part of the Norwegian central government budget.

Between 2012 and 2018, the number of residents in Norway increased by 6 percent and in Oslo by about 10 percent. The number of households in the Municipality of Oslo has increased by about 3,000 annually since 2012.



Kapellhorvan 10, Norrköping, Sweden



**+6.3%**

Despite property prices in Norway falling in the second half of 2018, the market in Oslo, on the whole, ended the year up 6.3 percent.

It is estimated that inflation will be between 1.5 and 2 percent in the coming years. Consumer confidence increased sharply in 2018.

**Housing market**

Condominium apartments account for 80 percent of the housing market in Norway. Between 2012 and 2017, the average rent level in Oslo rose by approximately 32 percent. The increase was greatest for smaller apartments. Demand for rental apartments has benefited from tax regulations on the financing of condominium apartments in 2016.

The Norwegian central bank has announced an increase in its base rate, which, combined with more moderate population growth than in recent years and a higher pace of construction in Oslo, may affect prices for residential properties in the future.

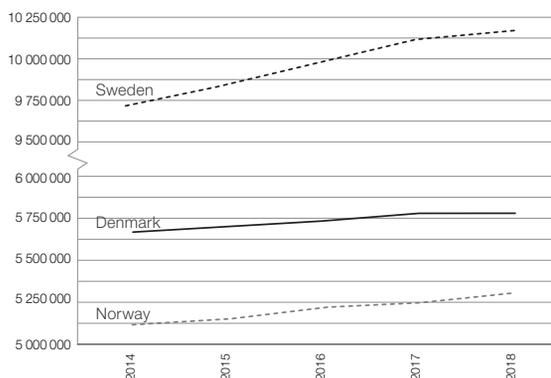
The Norwegian property market remains strong, with an increase in transaction volumes of slightly more than 4 percent in the first half of 2018. Interest in Norwegian properties from foreign investors increased significantly in 2014 and 2015 and has remained substantial since then. The Oslo region remains the most active market with more than 70 percent of the volume. However, interest in regional assets has increased in both relative and absolute terms. Following a price decline in the second half of 2017, due to slower population growth caused by lower immigration and tighter lending, housing prices rose sharply in the first half of

2018. Prices then fell slightly and stabilised at 2.8 percent for the country as a whole and at 6.3 percent for Oslo. The return on Oslo's stable property values is currently at 3.25–3.75 percent.

Norway	2014	2015	2016	2017	2018
GDP growth, %	2.1	1.8	0.9	2.4	1.7*
Inflation, %	2.0	2.2	3.5	1.9	2.8
Unemployment, %	3.6	4.5	4.8	4.2	3.9

\*forecast

**NUMBER OF INHABITANTS**



Source: Colliers International (pages 22–26)

# One of Scandinavia's largest housing portfolios



Given population growth, urbanisation and strong economic development, we see opportunities for a continued favourable return on our properties.

Heimstaden Bostad has one of Scandinavia's largest and broadest residential portfolios. This allows us to maintain long-term relationships with our customers, and to enjoy considerable confidence of banks, investors and municipalities. We have a proven capacity for building positions as one of the market's leading players in Sweden, Norway and Denmark.

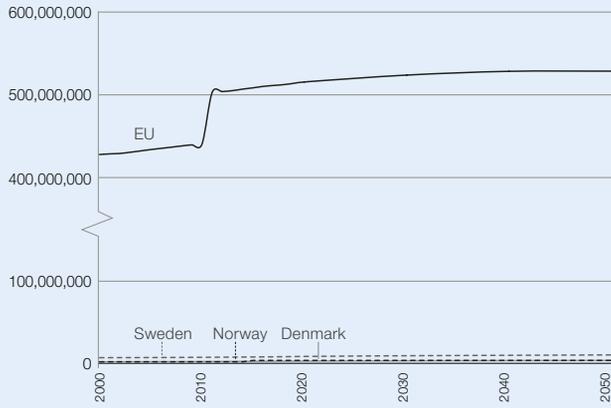
Compared with commercial properties, residential properties, require a large and focused organisation – it is not possible to simply be a passive owner. For this reason, we have, from the outset, had a close collaboration with Heimstaden AB, whose

Property management organisation has extensive and successful experience in the management of residential properties.

Heimstaden Bostad is a committed owner focused on housing that offers substantial potential for continuously strengthening our cash flow and generating long-term growth in value. There is favourable potential for developing both existing land and buildings.

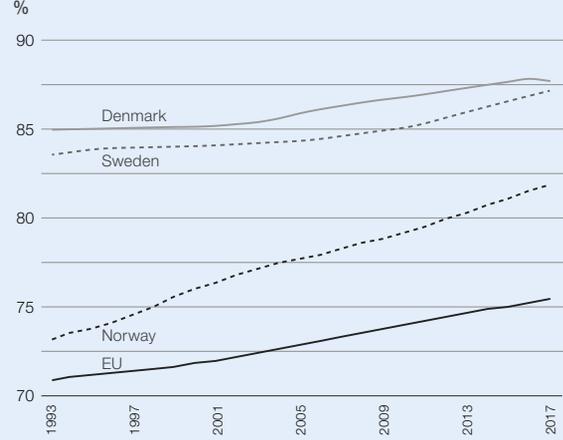
Our broad real estate portfolio significantly reduces the overall risk in the operations, risk that further gradually abates as we continue to achieve quality growth.

POPULATION TREND 2000-2018 AND FORECAST 2019-2050



Source: Eurostat

DEGREE OF URBANISATION, %



Source: World Bank

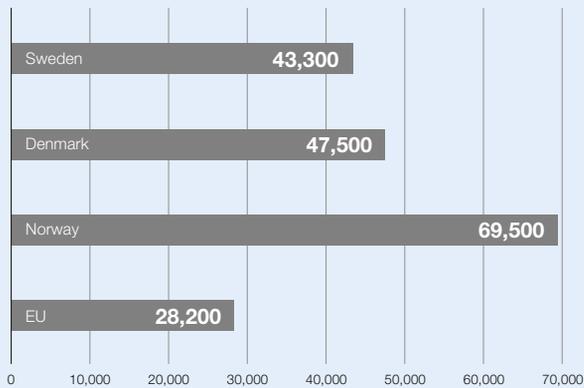
41%

The Swedish economy is Scandinavia's largest, accounting for about 41 percent of the region's total GDP.

1,377

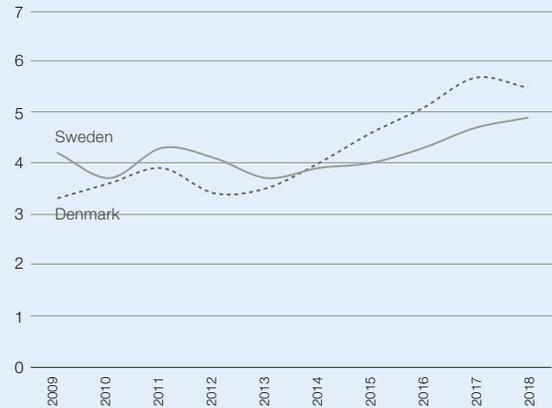
Heimstaden Bostad's average rent level per square metre of time-weighted area amounted to SEK 1,377 for housing in 2018.

GDP PER CAPITA 2018, EUR



Source: Eurostat

HOUSING CONSTRUCTION, % OF GDP



Source: Eurostat

# Regulated rental income provides stable cash flows

There is a mix of regulated and market-based rents in Heimstaden Bostad's markets. The Swedish system is the most regulated – providing stability and secure cash flows – while the Norwegian system is the most liberal – entailing opportunities.

## 54%

Of our property portfolio, 54 percent is in markets with rent regulation systems.

### Sweden

The Swedish rental system for residential apartments is based on the principle of utility value (assessed value for the user). The rent for each apartment is determined at an annual negotiation between the property owner and the Swedish Union of Tenants.

The utility value principle means that apartments with the same utility value must have the same rent. Accordingly, utility values and rents between apartments/properties within the same micro site (neighbourhood of city) are compared.

The consequences of the system are that the rent levels may be lower than the theoretical market rent, which mainly applies to the largest cities. This builds considerable stability when the economy slows as, in principle, the rent level cannot fall. A low-risk system like this lowers the yield requirements for rental properties.

All Swedish rental agreements are subject to rent regulation and are valid until further notice. Discussions are in progress regarding the introduction of market-based rent, initially on new production.

### Denmark

In Denmark, all privately rented housing is regulated according to the Danish Rent Act, with various rental regulations being applied, depending mainly on the year in which the property was constructed. In general, rental apartments constructed before

1992 are subject to regulated rent, while rental apartments constructed after that year have market-based rent. New market-based rent is determined when a new contract is signed. The agreed rent is then increased annually in accordance with a domestic CPI (Consumer Price Index).

Rent for regulated rental apartments can generally only be raised in line with public sector costs and fees. On making investments, rent can be increased as follows:

- *Minor investments* – rent is increased by a theoretical cost for financing the capital required for the investment.
- *Major investments* – rent is raised to a level based on value in use.

About one fifth of the apartments Heimstaden owns in Denmark are subject to rent regulation. All rental agreements for housing in Denmark are valid until further notice.

### Norway

Norway has the most liberal rental market in the Nordic region, with market-based rent being applied in all contracts. By default, all rental contracts are terminated every third year, with the rent then being adjusted for the ensuing contract based on the estimated market-based rent.

During the three-year period, rent is adjusted in accordance with CPI (Consumer Price Index). All housing agreements in Norway are unregulated.



# Geographic distribution

Heimstaden Bostad is one of the largest private owners of housing in Sweden, Denmark and Norway.

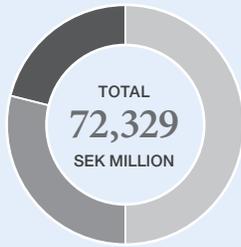
Heimstaden Bostad's choice of location when expanding the portfolio is based on a thorough analysis of the specific market situation for each country and location, in which population growth, housing construction and infrastructure are important components. By owning properties in carefully selected locations in five different markets, Heimstaden Bostad has a well-diversified property portfolio. Through the combination of property stocks in regulated markets and markets with free rent setting, a favourable balance is achieved between stability and opportunities for increased rental income.

Sweden is Heimstaden Bostad's largest market with properties throughout the country. Rent regulation in the Swedish market contributes to stability and a strong demand for rental apartments, providing opportunities to focus on locations where we can utilise synergies in our property management and operation organisation.

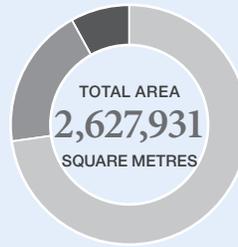
In Denmark, we began in Copenhagen but have developed our stocks to include other locations, such as Aarhus and Odense. In this way, we have built a balanced portfolio focused on new production in growth areas and older properties in areas where people stay longer, which has contributed to good stability.

In the Norwegian market our stocks are centred on Oslo, the Norwegian city with greatest population growth and the strongest market for rental housing.



PROPERTY VALUE BY COUNTRY <sup>1)</sup>


Sweden, 50%  
Denmark, 29%  
Norway, 21%

 DISTRIBUTION OF SPACE BY COUNTRY <sup>1)</sup>


Sweden, 73%  
Denmark, 19%  
Norway, 8%

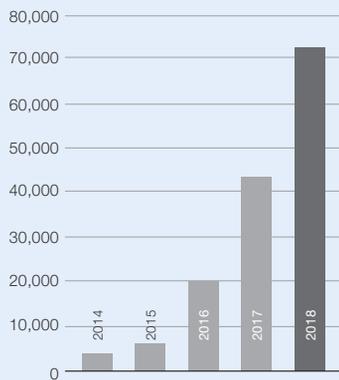
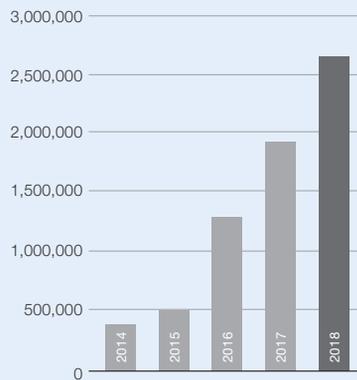
 DISTRIBUTION OF INCOME BY COUNTRY <sup>2)</sup>


Sweden, 62%  
Denmark, 19%  
Norway, 19%

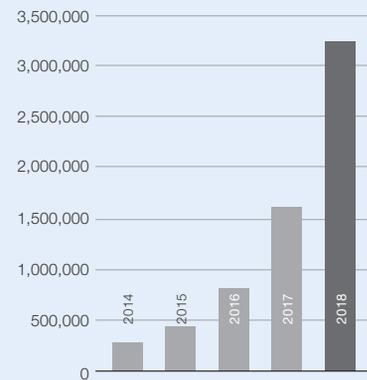
1) On the balance sheet date, 31 December 2018

2) For the 2018 financial year

DEVELOPMENT OF TOTAL MARKET VALUE, SEK M


 DEVELOPMENT OF TOTAL AREA, M<sup>2</sup>


DEVELOPMENT IN TOTAL RENTAL INCOME, SEK



Change in market value of investment properties, SEK m	31 Dec. 2018	31 Dec. 2017	31 Dec. 2016	31 Dec. 2015	31 Dec. 2014
Opening balance	43,689	19,912	6,101	4,019	2,968
Divested	-13	-526	-101	-4	-146
Acquisition	24,737	22,085	12,259	1,528	1,013
Investments	1,265	391	114	58	11
Currency change	-59	32	-	-	-
<b>Market value after transactions</b>	<b>69,619</b>	<b>41,894</b>	<b>18,374</b>	<b>5,601</b>	<b>3,846</b>
Unrealised value change	2,711	1,795	1,538	500	173
<b>Closing balance</b>	<b>72,329</b>	<b>43,689</b>	<b>19,912</b>	<b>6,101</b>	<b>4,019</b>

# Sweden

Sweden is Heimstaden Bostad's largest market with more than 27,800 homes. Our broad presence across the country provides a well-diversified portfolio, with which we are able to offer many different types of rental housing to our customers. Heimstaden Bostad has strong local roots and a well-developed property management organisation, providing a solid foundation for continued growth in strategic locations.



## Property stocks

Property stocks in Sweden consist of more than 27,800 homes in 28 large and medium-sized cities across the country. Together, the properties comprise 1,917,541 square metres, including 223,044 square metres of commercial premises. For detailed information, see the list of properties on pages 130–145.

## Choice of location

In the Swedish market, the property portfolio has a broad geographic spread. Heimstaden Bostad's focus is to continue growing in medium-sized towns with positive population growth, well-developed infrastructure and where there is a university or college nearby. We always strive to establish ourselves in areas where we can own sufficiently large stocks to be able to profitably operate proprietary property management.

## Challenges and opportunities

In recent years, the rate of population growth in Sweden has increased significantly. Combined with the introduction of mortgage-amortisation requirements, anticipated interest rate hikes and the recent high rate of production, this may generate increased interest in rental housing. With its regulated rent setting, the Swedish rental market is protected from cyclical fluctuations.

This affords Heimstaden Bostad good conditions for continued growth, where the challenge lies in choosing the right type of property in the right location.

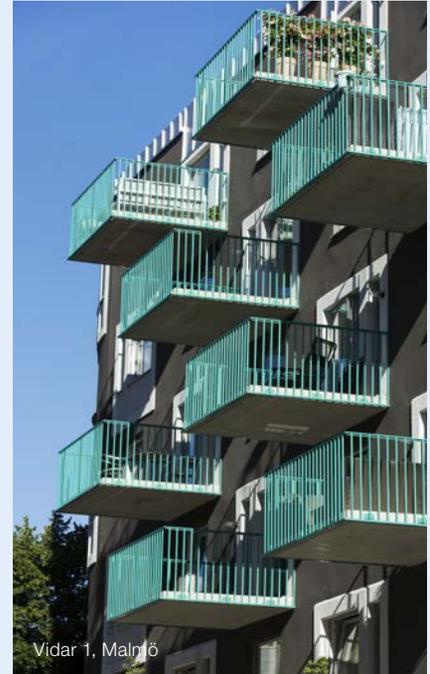
The Swedish market is characterised by continued needs for housing in most of the larger and medium-sized towns and cities. This entails opportunities for Heimstaden Bostad to continue developing new production in growing communities and to continue working with strategic partners.

## Significant events

During the year, we acquired a total of 41 properties in Malmö, Gävle, Linköping, Sandviken and Eslöv. We initiated a partnership with Magnolia Bostad to develop some 5,300 residential apartments in Greater Stockholm and the Öresund region. Through this partnership, we will add attractive housing in two metropolitan regions with considerable housing shortages.

## Priorities in 2019

Looking ahead, our focus in the Swedish market is to continue expanding our portfolio through strategic acquisitions in locations with housing needs and where we perceive opportunities to achieve synergies in our property management organisation.

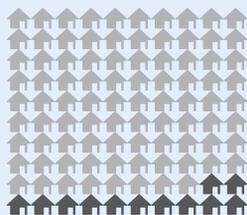


Property-related key data – Sweden

	2018	2017	2016	2015	2014
Market value, SEK m	35,881	30,068	6,101	4,019	2,968
Rental income, SEK m	2,008	1,478	796	441	297
Net operating income, SEK m	985	718	392	237	164
Surplus ratio, %	48.8	48.6	49.3	53.9	55.1
Letting ratio (housing), %	98.1	99.3	99.7	99.7	99.8
Number of properties	751	714	495	195	182
Area, m <sup>2</sup>	1,917,541	1,700,114	1,297,494	514,434	375,887

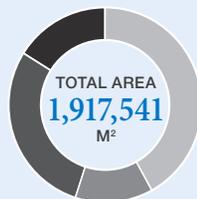


DISTRIBUTION OF AREA AMONG PROPERTY STOCKS, %



Housing, 88%  
Commercial, 12%

AREA BY REGION <sup>1)</sup>



Central, 42%  
Northern, 13%  
Skåne, 29%  
Southern, 16%

MARKET VALUE BY REGION <sup>1)</sup>



Central, 43%  
Northern, 9%  
Skåne, 35%  
Southern, 13%

RENTAL INCOME BY REGION <sup>2)</sup>



Central, 37%  
Northern, 16%  
Skåne, 31%  
Southern, 16%

1) On the balance sheet date, 31 December 2018

2) For the 2018 financial year

# Denmark

Heimstaden Bostad's operations in Denmark are characterised by continued strong growth. In just a few years, our portfolio has grown to include approximately 5,100 homes and an additional 1,500 in production. Today, Heimstaden Bostad is one of Denmark's largest private housing companies.



## Property stocks

The stocks in Denmark comprise approximately 5,100 homes in 31 locations, with a combined area of 482,820 square metres. An additional 1,500 homes are in production and will be completed in 2019 and 2020. The portfolio also includes 18 commercial premises, predominantly in Copenhagen. For detailed information, see the list of properties on pages 146–149.

## Choice of location

In Denmark, Heimstaden Bostad has a balanced mix of new production with market-based rent levels in growing towns and cities, as well as older properties in which customers stay for a longer time, contributing to stability. The majority of Heimstaden Bostad's stocks are in Copenhagen, the Danish city with strongest population growth. We also have stocks in the country's other major cities, Aarhus and Odense, as well as in smaller towns characterised by stable purchasing power and their proximity to key infrastructure.

## Challenges and opportunities

The Danish market remains attractive with population growth in the major cities, a favourable financing system and consumption-friendly price levels in relation to other markets. This entails continued opportunities for growth, particularly with regard to new production where market-based rent is applied.

Rapid growth also poses challenges. Although demand for rental apartments is strong, it can take time to find the right customers

for major new production projects. As our portfolio grows, we must also ensure that our organisation grows at a sustainable pace.

In Denmark, landlords generally have an anonymous role in relation to customers, since property management and customer service are traditionally provided by external management companies. For Heimstaden Bostad, this entails opportunities to offer a complete solution based on a single brand.

## Significant events

In 2018, we almost doubled our property portfolio in Denmark, and we are now one of the largest players in that market. We have strengthened the organisation with the skills needed to be able to meet the future with the same strong service and knowledge. An important part of the growth journey has also been the integration into the Heimstaden Bostad brand of Nordic Property Management, which Heimstaden AB acquired in 2017. This establishes a strong starting point for increasing brand awareness and the opportunity to clarify our role to customers.

## Priorities in 2019

The focus ahead will be to combine the continued expansion of the portfolio with a stronger and clearer brand presence. Heimstaden Bostad will establish regional offices to increase its direct presence close to customers. The objective is to build a strong and clear Heimstaden Bostad in Denmark, where we represent quality in all of our relationships.



Schadesøve, Copenhagen

Property-related key data – Denmark

	2018	2017	2016	2015	2014
Market value, SEK m	20,927	5,981	–	–	–
Rental income, SEK m	616	60	–	–	–
Net operating income, SEK m	400	40	–	–	–
Surplus ratio, %	65.1	67.1	–	–	–
Letting ratio (housing), %	94.1	91.3	–	–	–
Number of properties	83	23	–	–	–
Area, m <sup>2</sup>	494,043	118,328	–	–	–



Peter Holms vej, Copenhagen

DISTRIBUTION OF AREA AMONG PROPERTY STOCKS, %



Housing, 98%  
Commercial, 2%

AREA BY REGION <sup>1)</sup>



Capital city, 75%  
Zealand, 8%  
Jutland, 12%  
Funen, 5%

MARKET VALUE BY REGION <sup>1)</sup>



Capital city, 84%  
Zealand, 4%  
Jutland, 9%  
Funen, 3%

RENTAL INCOME BY REGION <sup>2)</sup>



Capital city, 85%  
Zealand, 4%  
Jutland, 7%  
Funen, 4%

1) On the balance sheet date, 31 December 2018

2) For the 2018 financial year

# Norway

As the market's largest private property owner, Heimstaden Bostad is an important driving force in professionalising the rental market in Norway. Heimstaden Bostad's long-term property ownership forms a solid foundation as we continue to develop our role as a committed player focusing on quality.



## Property stocks

The stocks in Norway comprise approximately 4,400 homes, concentrated on the Oslo area, totalling 151,523 square metres. The portfolio also includes 64,824 square metres of business premises. For detailed information, see the list of properties on pages 150–152.

## Choice of location

The Norwegian rental market is relatively small compared with the other Nordic countries, and is focused around Oslo. The Oslo area is growing most in Norway, with growth in the region accounting for almost half of the overall population growth in the country. Oslo has also experienced a strong economic trend with increased household purchasing power in recent years. In Norway, Heimstaden Bostad focuses on smaller apartments.

## Challenges and opportunities

For several years, the Norwegian market has been characterised by low interest rates, making it advantageous to buy homes and causing prices to rise. Expectations of rising interest rates, a calmer pace of population growth and a good level of activity in the new production market caused housing prices to stabilise over the year. This entails increased interest in the rental market and positive development in rent levels. This affords Heimstaden Bostad opportunities to strengthen its position in the market with a well-managed property portfolio at a commercially favourable price level.

The challenge lies in positioning the offering to attract the right customers, emphasising the importance of a clear and strong brand focused on quality in both properties and processes.

## Significant events

Our management and leasing operations in Norway were previously conducted under the Fredensborg brand, but switched to name Heimstaden Bostad in 2018. The change of name clarifies our position as one of the largest players in Scandinavia, and paves the way for continued efforts to increase the collaboration and synergies between the Group's markets.

Over the year, renovation and remodelling was completed at Campus G12, modern student housing in a former textiles mill. Campus G12 offers a complete lifestyle concept for students, with community spaces and a restaurant within the property, and the apartments have already been leased to the first set of student tenants.

## Priorities in 2019

The focus is on increasing the collaboration between the Nordic markets, thereby streamlining and quality-assuring processes and utilising synergies within the Group to consolidate Heimstaden Bostad's strong role in the rental market. In Norway, we will continue positioning and building the Heimstaden Bostad brand as a professional player that represents quality. In 2019, we will increase our digital presence by introducing customer service through Mina Sidor (My Pages), as we have in Sweden. We will also introduce digital solutions for key-free housing in some of our properties, a step towards rental accommodation being able to offer the same innovations and comfort as tenant-owned apartments.

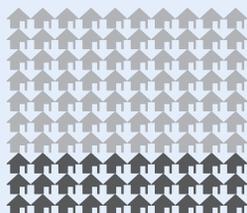


Property-related key data – Norway

	2018	2017	2016	2015	2014
Market value, SEK m	15,521	7,640	–	–	–
Rental income, SEK m	601	82	–	–	–
Net operating income, SEK m	366	46	–	–	–
Surplus ratio, %	61.1	56.5	–	–	–
Letting ratio (housing), %	96.6	95.4	–	–	–
Number of properties	82	50	–	–	–
Area, m <sup>2</sup>	216,347	95,182	–	–	–

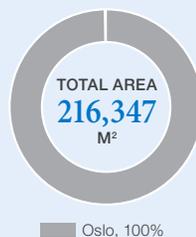


DISTRIBUTION OF AREA AMONG PROPERTY STOCKS, %



Housing, 70%  
Commercial, 30%

AREA BY REGION <sup>1)</sup>



MARKET VALUE BY REGION <sup>1)</sup>



RENTAL INCOME BY REGION <sup>2)</sup>



1) On the balance sheet date, 31 December 2018

2) For the 2018 financial year



# Business opportunities throughout the value chain

By working with partners who share Heimstaden Bostad's values, we can achieve growth with quality. We work continuously to refine and optimise our property portfolio by acquiring properties and divesting non-strategic properties. This work is based on thorough analysis and good market presence and awareness.



Loke 24, Karlskrona, Sweden

# Transaction process close to the market

Heimstaden Bostad develops its property portfolio by acquiring properties in accordance with the strategy and divesting non-strategic properties. This work is based on thorough analysis and good market presence and awareness. In 2018, we made acquisitions for a combined value of SEK 24,737 billion in prioritised locations in Scandinavia, and divested properties in Sweden for a combined value of SEK 13 billion.



In 2018, Heimstaden Bostad acquired properties for a combined value of SEK 24.7 billion.

Our acquisitions are based on population growth and a favourable economic trend, generating long-term demand for residential properties in the locations where we operate. Based on these parameters, we have identified attractive locations in Scandinavia. For each location, we perform a careful analysis of the local business environment, infrastructure, proximity to colleges and universities, as well as of the current and forecast housing and population situation. When a location meets our criteria, we monitor the market to be prepared if an appropriate item is put on sale. The properties should be centrally located and preferably adjacent to one another to facilitate efficient management. The objective is to achieve a critical mass of at least 600 apartments in each location to establish a proprietary local management organisation.

#### Heimstaden's transaction process

It is important for us to be present with local personnel to respond early when a property is put on sale. The properties should be of good quality or in such condition that they can achieve the high level of quality for which Heimstaden Bostad strives through reasonable investment.

If these criteria are met, we initiate a dialogue with the sellers. If the process continues, we perform a thorough technical inspection

of the properties and a detailed review of the company. When we have reviewed all of the data and are in agreement with the seller, a contract proposal is written.

At the same time, we prepare ourselves internally by informing Heimstaden AB's property management organisation. If a new location is involved, with the appropriate critical mass, they prepare the establishment of a new property management organisation to ensure the conditions are in place to quickly and smoothly commence management on the access date.

#### Continued strong expansion in 2018

Generally speaking, 2018 was a good year for transactions, although competition remained strong. Competition is greatest in larger transactions in attractive geographical locations.

Competition is greater on projects in larger towns and cities. Many players backed by institutional capital have clear directives to focus strategically on the largest cities and university towns. For Heimstaden Bostad, it is important that the cities and towns have strong economies and a favourable business climate.

In 2018, Heimstaden Bostad established a stronger proprietary presence locally around Sweden, to join the process at even

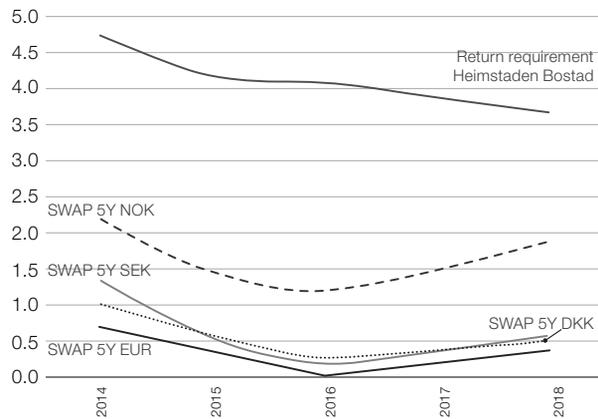


earlier stage when new items are put on sale. We now have our own employees for this in Luleå, Sandviken, Stockholm, Linköping and Malmö. In recent years, Heimstaden Bostad has conducted a number of transactions with municipal housing companies and we have our own personnel with expertise and contact networks in this segment.

Today, Heimstaden Bostad is a well-known brand for most relevant real estate agents. For future transactions, it is important to continue developing a local presence and local networks and to maintain high quality in property management.

We prioritise acquiring properties located near existing stocks and view new production as a complement. By engaging in new production projects in various ways, we assume responsibility in growth communities with housing shortages.

RETURN REQUIREMENT V. MARKET INTEREST RATES, %



**» Through thorough analysis, a good market presence and knowledge of the market, we can continue to achieve growth with quality. «**

# Potential value in project and property development

We endeavour to offer housing demanded by many. We refine our properties with the customer in focus. With a diversified property portfolio, we are able to offer well-considered housing of varying standard and in different locations. This affords more people opportunities for a stable housing situation based on their preferences and circumstances.

## 1,265

In 2018, properties were refined for a total investment of SEK 1,265 million.

### Value-generating renovations to meet demand

There is considerable demand from both existing and prospective tenants for state-of-the-art housing in older buildings in established locations. To meet this demand, we have a long-term upgrade plan. We plan to completely renovate between 1,000 and 1,500 apartments each year. This entails extensive renovations of apartments when tenants move out, and renovations of the exteriors and stairwells of the properties. In 2018, a major renovation project began in Hostrups Have in Copenhagen. During the year, some 740 apartments were renovated in Sweden, 180 in Norway and 20 in Denmark.

Upgrading our properties means achieving growth with quality, generating value for customers and increasing the value of our property portfolio. Total renovation allows us to reduce the operating costs of the properties, while providing opportunities for increased rental income. In this way, we increase the attractiveness of our portfolio in the market, bringing higher valuations and increased returns.



## Property development

### THE FASANEN BLOCK IN BURLÖV

#### Construction in progress

**Number of apartments:** 275

Tenants will move into the property in three stages commencing 1 September 2019.

**13,000 m<sup>2</sup>**

In the municipality of Burlöv, in Sweden's southernmost province of Skåne, and with good communications to both Malmö and Lund, a completely new neighbourhood is in the process of being constructed. Heimstaden has received investment support for this project, meaning that the homes will be leased at a lower rent level.



**PROJECT DEVELOPMENT M<sup>2</sup>/ COUNTRY**



Sweden 81%  
Denmark, 19%

**New construction project for long-term ownership**

Heimstaden Bostad is developing new homes in attractive locations in growth areas. We also continuously review opportunities for development and densification through acquisitions and on our existing landholdings. Being an active housing developer affords Heimstaden Bostad opportunities to ensure that our properties are built for long-term ownership, with a focus on resource efficiency and sustainable quality.

In the Swedish market, Heimstaden Bostad acts as the developer, backed by Heimstaden AB's development organisation. In Norway and Denmark, our projects are managed through Heimstaden AB in collaboration with external partners. In both Sweden and Denmark, Heimstaden Bostad has acquired new construction projects under fixed price agreements, where the external market valuation of the project exceeds the agreed price.

**Generating value together**

Properties and housing impact the appearance and

experience of a town or city. By refining our existing properties and developing new projects, Heimstaden Bostad contributes to the urban landscape and the availability of housing in the locations where we operate. This represents a considerable responsibility and is not something we do alone. Heimstaden Bostad partners with municipalities, landowners, architects, construction contractors, banks and other financiers, making our properties part of long-term, sustainable community development.

**Priorities 2019**

Heimstaden Bostad seeks to grow and to continue meeting demand for various types of housing. In 2019, Heimstaden Bostad plans to build new homes in the Copenhagen area, Malmö and Norrköping in particular (Sweden). The focus ahead is to develop our organisation and new production processes to derive synergies within the Group. We will also continue working on our long-term upgrade plan at strategic locations in our markets.

**Refinement**

**VILDANDEN 8–11 & 13, LUND**

**Constructed, year:** 1964

**Renovated:** 1994–1998

**Number of apartments:** 313

**70 apartments renovated**

When tenants move out, we elect to perform a thorough and careful renovation. Completely new kitchens, appliances, bathrooms, floors and other details are installed, with a contemporary look. In 2018, we renovated about 70 of the 313 apartments.



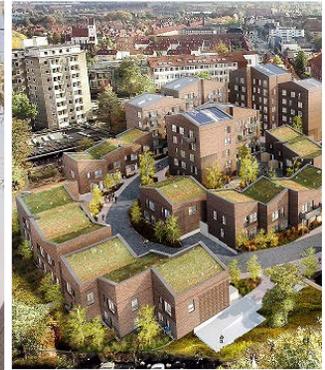
## New production

**BJERGLANDSBYEN, BRØNSHØJ,  
COPENHAGEN**

**Completed:** Q3 2018  
**Number of apartments:** 114  
**Estimated investment:**  
 approximately SEK 509 million

**11,242 m<sup>2</sup>**

In attractive Brønshøj in western Copenhagen, Heimstaden Bostad built 114 high-quality apartments over the year. The process of letting the apartments is in progress in the first quarter of 2019.



# Property management with the right level of quality

Heimstaden Bostad is a long-term property owner and we strive for our properties to be managed based on our vision to enrich and simplify life for our customers. By working closely with Heimstaden AB, we are able to offer our customers active and committed property management and customer service contacts. In this way, we create friendly homes with the right level of quality for the customer.



At Heimstaden Bostad, we prioritise a close dialogue with our customers. On average, Heimstaden Bostad's property managers meet more than 20 customers a day.

## Customer service that enrich and simplifies

Being a tenant of ours should be an experience that stands out. Heimstaden Bostad has no in-house personnel – those who work with our properties are employed by Heimstaden AB. For our properties to provide well-considered housing for our customers, we collaborate with Heimstaden AB, which shares our view that quality of customer service is a matter of seeing the whole picture and of being present. With the same vision of brightening and simplifying life for our customers, we always strive to own sufficiently large stocks for Heimstaden AB to efficiently conduct local property management operations in direct contact with our customers. With locally-present property management operations, our customers receive accessible and personal service in their everyday lives.

Digital tools and solutions are an important part of simplifying and streamlining the service our customers receive through Heimstaden AB. Sweden is the pioneer of our other markets, with customers and prospective tenants being able to use the

digital customer portal Mina Sidor (My Pages). During 2019, this will also be introduced for our Danish and Norwegian customers. Our customers receive personal service through Heimstaden AB's offices and self-service options via the customer forum on

**» Property management operations with a local presence ensure that our properties provide well-considered housing for our customers. «**

the website, and digital services via email and chat. Both the customer forum and the chat function were launched in 2018 in the quest to continuously improve customer service. There is also a 24-hour manned phone line in Sweden. Gradually, smart operating systems are also being installed at our properties,



providing opportunities for property managers to proactively observe and resolve disruptions in the properties. This allows them to evaluate and manage problems without them first having to be reported by customers. In 2019, the same level of customer service and availability will be introduced in Denmark and Norway.

Because Heimstaden Bostad does not have any property management personnel of its own, it is particularly important that there be efficient cooperation and dialogue across company boundaries. In 2018, we embarked on a journey towards increased collaboration and knowledge sharing across the Nordic borders. During the year, we initiated efforts to secure and develop procedures with the aim of developing a common platform for meeting customers' needs and safeguarding quality in all processes. We want customers in all of our markets to have opportunities for clear and personal communication and to receive a fast and efficient response.

#### Long-term relationships for satisfied customers

Regardless of the market, Heimstaden Bostad's objective is to always maintain a long-term relationship with our customers. Listening to our customers is an important way for us to capture new ideas on how we can develop our properties and safeguard the quality of our service. Heimstaden AB's locally-based property management operations, enable us to receive direct feedback from customers on a daily basis. Together, we also conduct continuous customer surveys and, in 2019, a customer survey is planned in Sweden to follow up on the results of the improvement measures that have been implemented, as well as to provide a baseline measurement in Denmark and Norway.



Through the collaboration with Heimstaden AB, our customers have access to a property management organisation with 30 offices in three countries, which works on a daily basis to provide service and quality to customers.

# Sustainability Report

Sustainability shall form a natural part of Heimstaden Bostad's work. We invest long-term in properties, work in a resource-efficient manner in our operations and focus on people, the environment and climate. The core of our operations and business model is directly linked to building value sustainably and long-term.



# Heimstaden takes a strategic and holistic approach to sustainability issues

For Heimstaden Bostad, corporate social responsibility and business benefit go hand in hand. Accordingly, economic, environmental and social factors form the basis of our long-term business development and of our contribution to the sustainable development of society.



In 2018, Heimstaden Bostad's focus on energy efficiency in the Swedish property portfolio resulted in cost savings of slightly more than SEK 6 million and an increase in the property value of approximately SEK 122 million.

Sustainability is to form a natural part of all of Heimstaden Bostad's operations and we therefore take a holistic approach to these issues. Efforts have progressed furthest in Sweden, where the majority of our properties are located. We invest in properties long term and, by being resource-efficient in our operations and by focusing on people, the environment and climate, we generate value for Heimstaden Bostad, our tenants and other stakeholders, as well as for society in general. Accordingly, the core of our operations, our business model, is directly linked to building value sustainably and long term. Our sustainability work is based on the areas where we perceive that we can

make the greatest difference. We base our ongoing strategic efforts on the ten principles of the UN Global Compact, the global sustainability goals and ISO 26000.

For Heimstaden Bostad, it is of the utmost importance that we conduct our operations responsibly with high degree of business ethics. We have no in-house personnel - all employees are employed by Heimstaden. Accordingly, in this Sustainability Report, all data concerning employees therefore refers to employees of Heimstaden AB who performing work on Heimstaden Bostad's behalf. Our ambition is to grow, and to do this we need the continued confidence of those who invest in the Company: employees, tenants, shareholders, suppliers and other key stakeholders. For us, growing with quality entails sustainability permeating all of the operations and forming an integral part of all of our processes. We will then be able to generate long-term, profitable growth while benefiting society contributing to sustainable development.

## For us at Heimstaden Bostad, sustainability means, in brief:

- Developing and managing residential properties responsibly
- Being a reliable and transparent business partner and landlord
- Maintaining a dialogue with our stakeholders
- Showing consideration for people, the environment and the local community
- Contributing to sustainable development of society

### Strategic work

Heimstaden Bostad has worked with various aspects of sustainability for some time. For us, sustainability is not something that stands alone. It is to form an integral part of our operational governance, permeating our strategies, approach, processes

*» For us, growing with quality entails sustainability permeating all of the operations and forming an integral part of all of our processes. «*





and systems. Accordingly, in 2018, work began to clarify the ambitions, focus, governance and objectives for our continued sustainability work. We published our first Sustainability Report as part of the 2017 Annual Report and are now planning to further develop our sustainability reporting.

To focus the sustainability work on the issues most crucial to our operations, a number of sustainability dialogues were conducted in 2017 with various stakeholders, both externally and internally. In 2018, we supplemented these with additional dialogues. The stakeholder dialogue is an important part of the process of establishing a goal-oriented and focused sustainability strategy for the entire Group.

## Prepared for the new Data Protection Regulation (GDPR)

To safeguard correct handling of personal data and legal compliance, extensive work was conducted in connection with the introduction of the General Data Protection Regulation. New guidance documents and a number of new policies associated with employees, job applicants and tenants, etc. have been introduced. In two stages, all of Heimstaden's employees in Sweden completed mandatory online training in the General Data Protection Regulation in 2018.

During the year, Heimstaden recruited a Chief Sustainability Officer with overall responsibility for the Group's sustainability work, a remit that also encompasses Heimstaden Bostad. In 2018, the focus was on achieving uniformity and structure in the governance of relevant areas of sustainability. Based on our structural model, we worked during the year on the strategic focus, policies, risks and opportunities, as well as relevant target areas. All information related to policies and Codes of Conduct in this Sustainability Report refers to Heimstaden's governance documents and also include the work performed by Heimstaden employees on Heimstaden Bostad's behalf. Among other things, we implemented Heimstaden's Code of Conduct for employees, developed a Code of Conduct for partners, implemented a whistleblower function, introduced employee surveys, measuring, for example, job satisfaction and leadership, and we updated a number of policies. The work has involved

people in leading positions and employees and lays the foundation for future efforts.

By working in an integrated and systematic way with sustainability, Heimstaden Bostad has the opportunity to contribute to positive change and to proactively benefit from opportunities and manage risk areas to mitigate our negative impact. In 2018, we performed a thorough review of our sustainability risks to prioritise between them and to focus our operations on those that are most essential. In this way, we see that, over time, we can lift these areas from managing risks to generating value.

**Priorities 2019**

The focus ahead is to secure our operations for the future by building sustainability perspectives into our governance, strategy and operations from the ground up and focusing our efforts where we can make the greatest difference. For us, mitigating our environmental and climate impact is an ongoing process. Work is in progress to establish Heimstaden’s overall sustainability ambitions and to develop a Group-wide sustainability strategy, with Group-wide sustainability targets and measures that also include Heimstaden Bostad. With goal-oriented and focused sustainability work, we ensure that Heimstaden achieves growth with quality

**Environment**

As a property owner and developer, our impact on the environment is an area in which we have substantial opportunities to make a difference. In line with the Paris Agreement, we focus extensively on energy and enhancing energy efficiency, as well as on reducing our carbon dioxide emissions. By conducting our operations resource-efficiently, applying sustainable energy solutions, we generate value for ourselves, our tenants, the environment and society. We want our customers to have access to pleasant and healthy housing that takes the environment and



To ensure consistent handling of essential sustainability issues, we work on the basis of our structural model.

the selection of materials into account. We are currently further fine-tuning our environmental work, both in our own operations and across our value chain, by increasing the demands we impose on suppliers and entrepreneurs.

Ours environmental work takes Heimstaden’s environmental policy as its starting point. The policy determines our course in minimising the environmental impact of our day-to-day operations and how we prioritise and take environmental aspects into account in our investment decisions. The environmental policy was revised and updated in 2018 and will be reviewed and revised annually as necessary.

To ensure that our projects, properties and services have a minimal impact on the environment and climate throughout their lifecycle, we must collaborate along the value chain. Environmental and climate issues are an integral part of Heim-



**THE GLOBAL GOALS**  
For Sustainable Development

Heimstaden Bostad’s contribution to sustainable development in society builds on our role as a community builder. Read about our connections with the global goals on pages 60–61.

**Paris Agreement 1.5°C**

In December 2015, the countries of the world adopted a new climate accord, the "Paris Agreement", entailing that the global increase in temperature must be kept well below 2°C and that we should endeavour to limit it to 1.5°C.



**Important areas for our stakeholders**

- Environmental and climate issues
- Energy efficiency
- Safety and security
- Assuming social responsibility and social housing issues
- Material selection
- Business ethics
- Working environment
- Diversity and equality
- Responsibility in the supply chain
- Favourable dialogue with customers
- Sustainability reporting

staden’s Code of Conduct for partners that was developed in 2018 and that details our expectations in the area of the environment. The Code of Conduct emphasises the importance of the lifecycle perspective in selecting solutions, but also emphasises efforts to mitigate negative impacts and focus on resource efficiency in the use of natural resources. Read more about our environmentally efficient properties on pages 56–59.

**Personnel and social conditions**

It is Heimstaden’s employees who ensure that our properties provide comfortable housing for our customers and that Heimstaden is a workplace to be proud of. For this reason, it is crucial that employees feel involved, enjoy their work and prosper at Heimstaden. Heimstaden maintains several policies governing the efforts regarding social conditions and HR issues. Heimstaden works systematically on the working environment, applying clear objectives, with issues being pursued through the Company’s working environment groups. For more detailed information about Heimstaden’s work associated with employees and the working environment, refer to the table on page 55 and to Heimstaden’s Annual Report.

Heimstaden works actively on social sustainability issues, entailing, for example, that we take a stance on challenges faced by society and are responsive to demands and expectations from our stakeholders. This is particularly important in our role as a landlord and property manager. Our dialogue with tenants is crucial and we apply a policy with regard to availability, response and feedback. Through our strategy of having Heimstaden perform property management services for Heimstaden Bostad’s properties, we ensure that services are provided locally, close to our tenants, and that everything from issues of public housing policy to aspects of comfort, well-being are handled correctly and responsibly. Heimstaden’s employees meet our tenants on a daily basis, working in close proximity to their daily lives.

**Human rights**

Heimstaden Bostad operates in a part of the world where human rights form part of the fundamental legal and social systems. It is easy to think that human rights are not something that we can influence from here. We work with and for people and take the view that human rights should be practically anchored in behaviours and culture, forming part of how we relate to Heimstaden’s employees, tenants and contractors alike.

Assuming responsibility for human rights starts with us. Heimstaden’s Code of Conduct for employees addresses this area, focusing on the right of having a safe and secure workplace, the right to equal conditions and the right to collective bargaining.

By imposing demands on our partners, our opportunities to exert influence extend along our supply chain and across national borders. In this way, Heimstaden Bostad is able to influence human rights being adhered to in practice where we operate, as well as helping improve working conditions and compliance further out in our value chain. In Heimstaden’s Code of Conduct for partners, human rights and working conditions play a central role, and are based on the UN and ILO conventions.

**Anti-corruption**

Applying principles of ethical business is a basic prerequisite for conducting our operations responsibly. Heimstaden Bostad applies zero tolerance regarding all forms of corruption. This requires that we impose demands, not only on our own organisation, but also on our partners. By stating our position and our expectations of our partners clearly, we are able to contribute to a democratic and sustainability society in which business can be conducted on equal terms. Heimstaden Bostad also seeks to promote fair competition in its sector, considering this beneficial for all.

One of the most important barriers to corruption is a corporate culture in which each individual acts with integrity, in line with Heimstaden valuations. Heimstaden’s Code of Conduct for employees builds on the core values of Care, Innovation and Authenticity, and lays the foundation for what we also expect of Heimstaden’s employees. Together with Heimstaden’s Code of Conduct for partners, the codes form the basis of our anti-corruption efforts, both internally and along our value chain.

Heimstaden maintains a whistleblower function, that also encompasses Heimstaden Bostad, enabling employees and external stakeholders to be able to report serious shortcomings while remaining confident that their notifications would be received and dealt with in an appropriate manner. Heimstaden’s whistleblower policy states how perceived reported irregularities are to be treated, followed up and communicated.



Text related to policies, Codes of Conduct and employees in this table refers to Heimstaden and also includes the governance of Heimstaden Bostad and the employees who perform work on our behalf.

	ENVIRONMENT	PERSONNEL AND SOCIAL CONDITIONS	HUMAN RIGHTS	ANTI-CORRUPTION
<p><b>Governance, policies and review procedures</b></p> <p>Within Heimstaden, work is in progress to develop an overall sustainability strategy, which also includes Heimstaden Bostad.</p>	<p>Heimstaden's environmental policy forms the basis for our governance in the area of the environment and climate. Environmental governance will be further strengthened by the forthcoming sustainability strategy. The area is also affected by Heimstaden's Codes of Conduct for employees and partners.</p> <p>Environmental policy. Revised in 2018.</p> <p>In 2019, the new environmental policy will be implemented and procedures will be developed for reviewing compliance.</p>	<p>Alongside Heimstaden's Codes of Conduct for employees and partners, Heimstaden's policies associated with its roles as employer and landlord, form the basis of Heimstaden's governance in the areas of HR and social conditions.</p> <ul style="list-style-type: none"> <li>• Personnel policy</li> <li>• Working environment policy</li> <li>• Equal rights and obligations policy</li> <li>• Privacy policy for employees</li> <li>• Safety and security policy</li> <li>• Codes of Conduct for employees and partners</li> <li>• Privacy policy for job applicants</li> <li>• Rental policy</li> <li>• Availability, response and feedback policy</li> <li>• Sponsorship policy</li> </ul> <p>Issues related to the working environment are governed, handled and reviewed in Heimstaden's working environment groups.</p> <p>An employee survey is conducted on an ongoing basis using a digital measuring tool and the results are reviewed monthly.</p>	<p>Our governance in human rights is based on Heimstaden's Codes of Conduct for employees and partners.</p> <p>Included implicitly in the Code of Conduct for employees implemented in 2018.</p> <p>Included explicitly in the Code of Conduct for partners to be implemented in 2019. On implementation, compliance review procedures will be developed. Similarly, processes and procedures for setting demands on suppliers and contractors will be developed.</p>	<p>Our governance in anti-corruption is based on Heimstaden's Codes of Conduct for employees and partners.</p> <p>Included in the Code of Conduct for employees implemented in 2018.</p> <p>Included in the Code of Conduct for partners to be implemented in 2019. On implementation, compliance review procedures will be developed. Similarly, processes and procedures for setting demands on suppliers and contractors will be developed.</p> <p>Whistleblower function and policy.</p> <p>Issues registered through the whistleblower function are managed on an ongoing basis and will be reported annually.</p>
<p><b>Risks and management</b></p>	<p>Risk review completed in 2018.</p> <p>An overview of Heimstaden Bostad's significant risks and risk management is presented on pages 70–73.</p>	<p>Risk review completed in 2018.</p> <p>An overview of Heimstaden Bostad's significant risks and risk management is presented on pages 70–73.</p>	<p>Risk review completed in 2018.</p> <p>An overview of Heimstaden Bostad's significant risks and risk management is presented on pages 70–73.</p>	<p>Risk review completed in 2018.</p> <p>An overview of Heimstaden Bostad's significant risks and risk management is presented on pages 70–73.</p>
<p><b>Targets and results</b></p> <p>Within Heimstaden, work is in progress to develop overall sustainability targets and key data, which also includes Heimstaden Bostad.</p>	<p>Key data and outcomes apply to Heimstaden Bostad in Sweden. Among other aspects, we currently measure energy usage, greenhouse gas emissions and water usage. In connection with acquisitions, we target lowering the property's energy consumption by 5 percent over the first two years.</p> <p>The outcome for 2018, encompasses the total property stocks, resulting in the acquisitions made during the year being included in the calculation, although efforts to enhance efficiency in those properties has not yet commenced. We can nonetheless already observe a positive trend compared with the preceding year.</p> <p>Total energy consumption* decreased by 2.3%/m<sup>2</sup>, of which only heating alone accounted for a reduction of 3.7%/m<sup>2</sup> entailing a reduction in carbon dioxide** emissions of about 670 tonnes. In 2018, carbon dioxide** emissions from our properties' energy consumption amounted to approximately: 17,500 tonnes. Total water usage/m<sup>2</sup>: down 0.2%/m<sup>2</sup></p> <p>See Environmentally efficient properties on pages 56–59.</p>	<p>Heimstaden grew strongly in 2018. Accordingly, not all procedures and processes for follow-up in the areas of accidents and incidents have been fully implemented. Deviations from the results below may occur. The work of harmonising follow-up and reporting is being carried out in 2019. Zero target for accidents and incidents. Outcome for 2018: Accidents: 10 Incidents: 4</p> <p>Target, absence due to illness: &lt;3% Outcome for 2018 (Group level): 4.5%</p> <p>Target, personnel turnover: &lt;4% Outcome for 2018 (Group level): 7.1%</p> <p><b>Employee survey – Sweden and Denmark</b></p> <p>Target, temperature metering (scale 1–10): 8.5</p> <p>Outcome for 2018 (base year): 7.9</p> <p>Outcome for sub-area leadership: 8.1</p> <p>Outcome for sub-area job satisfaction: 7.9</p> <p>Outcome for ENPS (Employee Net Promoter Score): 51 (total average, all sectors: 18)</p>	<p>In 2018, we had no performance indicator linked to human rights. In 2019, we will implement Heimstaden's Code of Conduct for partners, which was developed in 2018. This means that, for 2019, we will report the number of suppliers having signed our Code of Conduct.</p> <p>Read more on page 54.</p>	<p>All of Heimstaden's employees in Sweden received the Code of Conduct in 2018. It will be rolled out in Denmark and Norway during 2019.</p> <p>In 2019, Heimstaden introduced a function whereby employees sign digitally that they have familiarised themselves with the Code. New employees receive the Code of Conduct on starting their employment and in the introductory training for new employees.</p> <p>The number of cases registered via the whistleblower function is reported annually. Outcome for 2018: 1 case reported. Following review and analysis (in accordance with our process), the case was dismissed.</p> <p>Read more on page 54.</p>

\* All energy figures for district heating, natural gas and oil are normal year-adjusted.

\*\* The carbon dioxide calculations for energy consumption in 2018 were based on the CO<sub>2</sub>e factors from 2017 for each energy supplier. For purchased hydroelectric power, the carbon dioxide load has been set to zero, that is, the total lifecycle of the production of this electricity is not included in this figure.

# Our environmentally efficient properties

Sound property stocks form the basis of Heimstaden’s offering to customers and are a prerequisite for continued growth. By running our properties in a resource efficient manner and seeking smart solutions in new production and property development, we ensure that we grow sustainably, both for ourselves and for the environment. The work is performed by Heimstaden’s employees on Heimstaden Bostad’s behalf.

**40%**

With the right priorities, newly produced properties can be 40 percent more energy efficient than older ones.

#### Active ownership has an effect<sup>1)</sup>

Heimstaden Bostad assumes a long-term perspective in property ownership. In connection with both new production and property acquisitions, we prioritise operational optimisations and investments that reduces the properties’ energy consumption. Initially, this may require investment, while also incurring lower operating costs and causing less wear on the Earth’s resources in the long term.

When Heimstaden Bostad acquires a property, we always seek to optimise heating and other energy consumption by reviewing, fixing and fine tuning existing systems and control equipment. Over the first two years, Heimstaden targets reducing the property’s energy consumption by 5 percent, a target we often exceed by a good margin. The optimisation process also provides us with knowledge of the property and an opportunity to identify the investments needed to further increase resource efficiency. By investing in measures to prevent heat loss – installing smart, digital operating systems, upgrading heating and ventilation systems and lighting – we can sometimes reduce energy consumption in older properties by between 10 and 15 percent within a few years.

In Sweden, Heimstaden Bostad’s largest market, we witnessed, in 2018, the effects of our extensive efforts in ongoing operational

optimisations, investments in modern technology and digitisation of the operating systems in our properties. Our total climate impact from energy consumption<sup>2)</sup> in 2018, amounted to slightly less than 17,500 tonnes of CO<sub>2</sub>e<sup>3)</sup> (14,965). The increase compared with the preceding year was mainly due to an increased number of properties in our portfolio. Despite no energy efficiency improvements yet being made in most of the properties acquired in 2018, we reduced energy consumption per square metre overall compared with the preceding year. Normal year-adjusted heating consumption decreased by 3.7 percent per square metre, in turn meaning that our energy-related carbon dioxide emissions decreased by approximately 670 tonnes CO<sub>2</sub>e. In total, the efficiency improvements have caused the value of our stocks to increase by about SEK 122 million and cost savings to increase by more than 6.1 million.

Newly produced properties can be up to 40 percent more energy efficient than older ones, if constructed with the right priorities. In new production, Heimstaden Bostad is involved early in the process, allowing us to make active choices for the future. By adjusting floor thickness, operating system and other important aspects, we make the property resource efficient and lower operating costs. In our new production projects, environmental aspects are always a priority issue, particularly regarding selections of materials and technologies. In Denmark, all newly

**–3.7%**

In Sweden, Heimstaden Bostad’s energy-related CO<sub>2</sub>e emissions per square metre decreased by 3.7 percent in 2018, compared with the preceding year.

<sup>1)</sup> The consumption figures include all properties in 2018. Many of these were added between 2017 and 2018. This means that efficiency has yet to be enhanced in most of the properties, while the consumption figures have simply been added on an ongoing basis in the year in which the acquisition was implemented.

<sup>2)</sup> All energy figures for district heating, natural gas and oil are normal year-adjusted.

<sup>3)</sup> The carbon dioxide calculations for energy consumption in 2018 were based on the CO<sub>2</sub>e factors from 2017 for each energy supplier. For purchased hydroelectric power, the carbon dioxide load has been set to zero, that is, the total lifecycle of the production of this electricity is not included in this figure.



*» In connection with acquisitions, Heimstaden targets lowering the property's energy consumption by 5 percent over the first two years. «*

produced properties are equipped with photovoltaic cells as standard, and in Sweden, all new production is built to meet, as a minimum, environmental building level silver.

**Continuous efforts**

The properties' energy consumption represents the largest individual part of the operating costs and is also the area in which we have the greatest environmental impact. Measuring energy consumption is therefore an important part of the ongoing operations. This allows us to evaluate investments and technologies and to continuously optimise consumption.

Property management and operation and who shoulders the energy costs differs between the various markets and, accordingly, our work with measuring energy consumption, differs between the countries. In Denmark, customers shoulder the cost of their heat and electricity usage, restricting our ability to influence their consumption. In Norway and Sweden, it is Heimstaden, the property owner, that manages heating consumption and, through metering and optimisation, we have greater oppor-

tunities to control the level of consumption. Our stocks in Sweden have the most advanced system, allowing operating technicians to monitor and analyse consumption in detail. Common to all of our markets is that we strive to own properties with optimal conditions to reduce energy consumption as far as possible and that, in dialogue with customers, we work to demonstrate the value this generates for them, for us and for the environment.

**Renewable energy**

By using electricity from renewable sources as much as possible, Heimstaden Bostad helps reduce carbon dioxide emissions. In many properties, we have installed photovoltaic cells and are thus able to make use of electricity generated in-house. Heimstaden strives for the electricity we purchase for our properties in all of our markets to be renewable and, when changing contracts, we work continuously to transition away from fossil energy sources. This work has progressed furthest in Sweden where we use only renewable electricity and link all newly produced and acquired properties to electricity contracts based on proof of origin labelled hydroelectric power.



CASE

## Renewed energy for student housing in Flogsta, Uppsala

**FLOGSTA 13, UPPSALA**

**Constructed, year:** 1969–1972

**Number of apartments:** 2,014

**5–10%**

In December 2018, we started a project in Flogsta to boost the sustainability of our student housing there. By installing photovoltaic cells on the roofs of ten of the twelve buildings and on three of the façades, we expect to be able to produce approximately 240,000 kilowatt hours of electricity. That corresponds to about 5–10 percent of our total electricity consumption for the properties in the area (or about one of the buildings' electricity needs). We also perceive opportunities in the project to develop various services contributing to a sustainable lifestyle. The objective is to increase the focus on sustainability and to inject the area with new energy, in a double sense.



Flogsta 13, Uppsala, Sweden

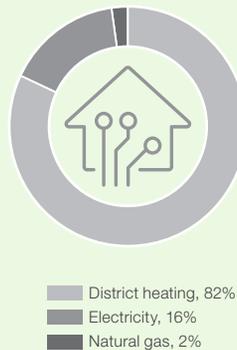
Total energy and water consumption for our properties in Sweden increased in 2018, due to the vigorous expansion of the stocks. Conversely, energy consumption per square metre decreased, meaning that our properties have become more efficient. This is despite the fact that recently added properties initially often have higher energy consumption per square metre than our existing stocks. Our objective is to reduce energy consumption in our properties by 5 percent over the first two years.

**TOTAL ENERGY CONSUMPTION<sup>1)</sup>, SWEDEN**



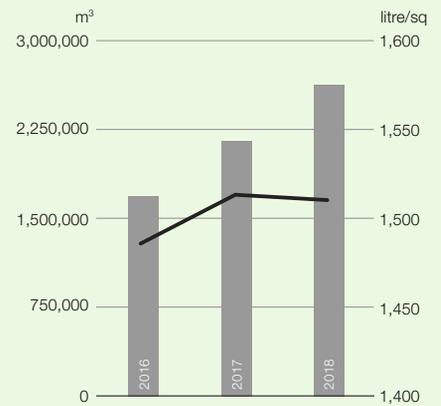
Total energy consumption in Sweden is increasing due to the strong expansion of property portfolio. We are working continuously to reduce our energy consumption, resulting in kWh per square metre decreasing by 2.3 percent in total for the Swedish property stocks in 2018. For some locations, we have seen a reduction in energy consumption of as much as 9 percent.

**PROPORTION OF PURCHASED ENERGY, SWEDEN**



We are working on an ongoing basis to phase out purchasing of oil among our stocks. In 2018, oil accounted for 0.03 percent of purchased energy.

**WATER CONSUMPTION, SWEDEN**



The number of cubic meters of water consumed is increasing due to the strong expansion of our property stocks. Water consumption in litres per square metre decreased by 2.5 litres between 2017 and 2018.

**+122**  
SEK million

Through our energy efficiency enhancement efforts in 2018, we achieved SEK 6 million in savings and increased the value of our properties by an estimated SEK 122 million.

**2–9%**  
ENERGY REDUCTION

In most locations in Sweden where we have conducted property management operations for some time, we reduced energy consumption by between 2 and 9 percent in 2018.

**-3.7%**  
HEATING

Normal year-adjusted heating consumption decreased by 3.7 percent per square metre compared with the preceding year.

<sup>1)</sup> All energy figures for district heating, natural gas and oil are normal year-adjusted.

# Heimstaden’s contributions to the UN’s global sustainability goals

Heimstaden Bostad’s contribution to sustainable development in society builds on our role as a community builder. We have initiated a process to link our operations to the UN’s 17 global sustainability goals.

The work of linking our operations to the UN’s global sustainability goals is in its infancy and will remain so in 2019. Through responsible development and management of residential properties, in which we take people, the environment and climate, social factors and challenges facing society into account, we create secure, healthy and inclusive housing environments, develop sustainable properties and contribute to sustainable towns, cities and communities (goals 3, 11, 13 and 15).

With our focus on the environment and sustainable energy solutions, energy efficiency, photovoltaic cells and resource efficiency in our properties, we help reduce consumption of energy and water, reduce greenhouse gas emissions and increase the share of renewable energy (goals 6, 7, 11, 13 and 15). Through reduced greenhouse gas emissions, we also indirectly affect goal 14.

We work to promote human rights, decent working conditions, opportunities for personal development and further education, good health and well-being, both in our own operations and in our value chain. Diversity, inclusion and gender equality are high on our agenda (goals 3, 4, 5 and 8).

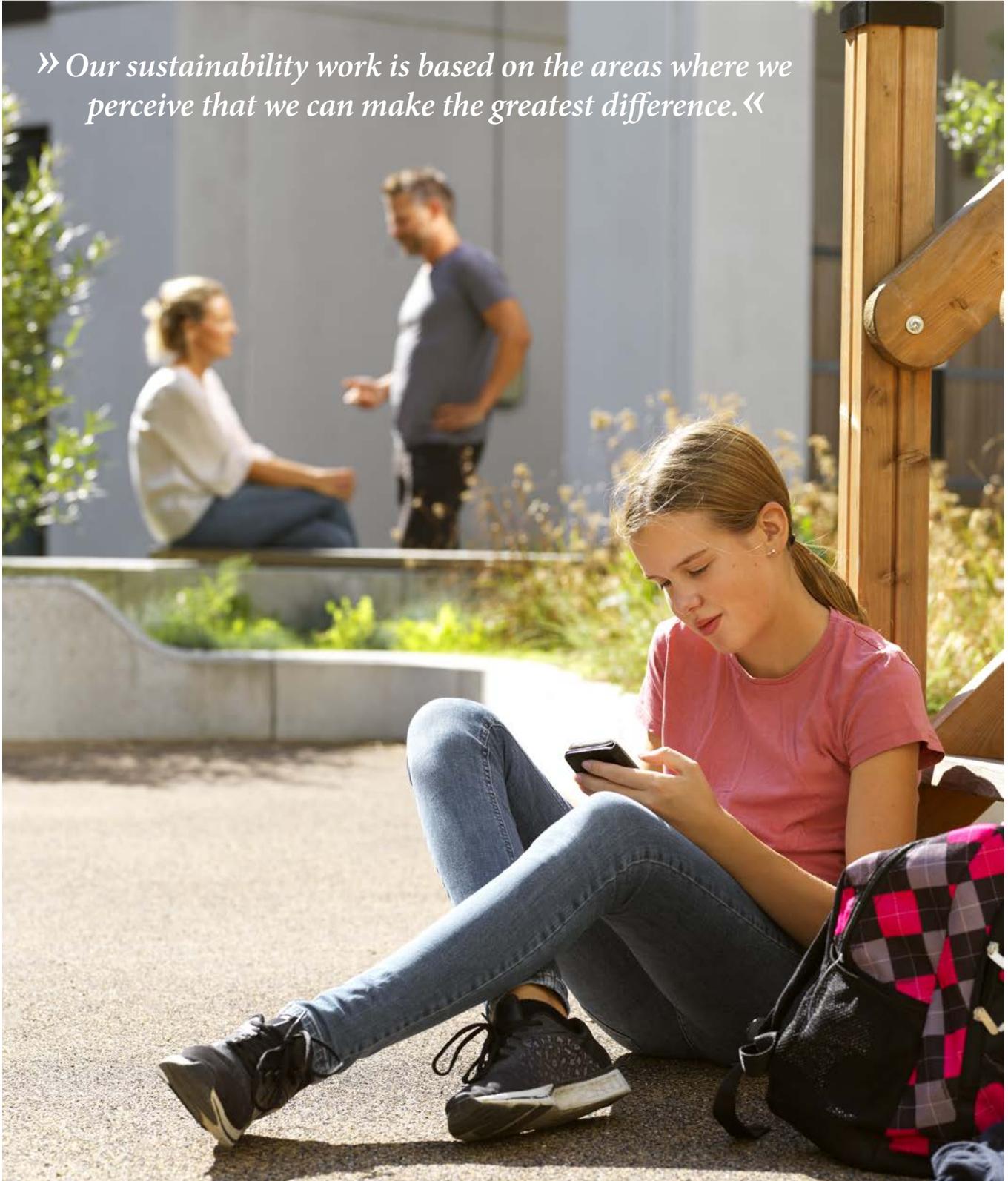
As a landlord, we have the opportunity to influence our tenants’ behaviours, consumption of resources and conditions for reusing and recovering resources, contributing positively to sustainable consumption and production (goal 12).

Heimstaden’s work with non-discrimination in relation to employees and tenants, as well as suppliers and contractors contributes to reduced inequality in society. Responsible handling of tenants with different socio-economic conditions, variations in mental or physical function, and of people experiencing social exclusion is of the utmost importance in our daily property management work (goals 10 and 11).

Heimstaden collaborates with various social partners: municipalities, companies and organisations. In Skellefteå, Heimstaden has helped break social exclusion for people with disabilities. Together with the non-profit organisation Drivkraft (Driving Force), Heimstaden offers mentoring and homework help for pupils in Malmö so that everyone has the same opportunities to succeed at school, regardless of where they were born or their circumstances at home (goals 4, 10 and 17).



*» Our sustainability work is based on the areas where we perceive that we can make the greatest difference. «*



# How our operations are governed

For Heimstaden Bostad, the connection between successful business and responsible business is self-evident. Besides working according to our vision to enrich and simplify life through friendly homes, our sustainability work generates business opportunities, lowers costs, reduces risks and enables us to meet demands and expectations from various stakeholders.





# Well-balanced capital structure

Owning, managing and developing residential properties requires a stable and favourable access to capital. Through a well-diversified financing structure, as well as a high-quality property portfolio and stable cash flows, we safeguard future availability of capital on favourable terms.



The availability of long-term capital is a prerequisite for our being able to successfully acquire, develop and own property.

Of our property portfolio, housing accounts for 89 percent of the total lettable area. The net letting ratio for our existing housing was 97.4 percent at the end of the year. Properties with regulated rent levels represent 54 percent of the property value, which guarantees stable cash flows with minimal risk for future negative rent adjustments. The portfolio is therefore characterised by stable cash flows both in the short and long term, as customer risk is spread between more than 37,000 paying customers distributed between three countries. This security of cash flow makes residential properties interesting to lenders as a basis for lending. The assets' physical location is another important part of a lender's assessment of the credit risk. We mainly own centrally located residential properties in strong growth regions in macroeconomically stable countries, further reducing the asset and payment risk for creditors.

## Policies

Our financial policy is determined by the Board and reviewed annually. It serves to limit the company's financial risks which essentially consist of liquidity, refinancing and interest rate risk without limiting the company's commercial opportunities. The company's short and long-term supply of capital must be safeguarded by adapting the financial strategy to the company's operations and in accordance with the conditions offered by the property market and developments in the capital market. Read more about opportunities and risks in financing, on pages 70-73.

## Choice of capital structure

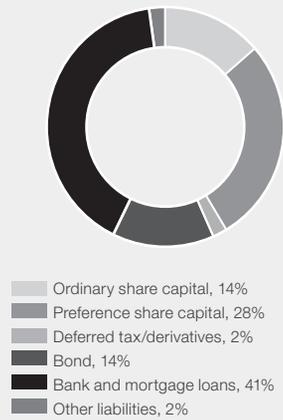
The choice of capital structure, that is, the relationship between proprietary and borrowed capital, is of great importance to the operations. The availability of long-term capital is a prerequisite for our being able to successfully acquire, develop and own property. Changes in capital structure affect the operations' financial risk and earning capacity, meaning we are continuously and proactively working to ensure an appropriate structure. The objective is to engender favourable conditions for long-term confidence among creditors and players in the capital market. At the end of the year, the value of our assets amounted to SEK 76,283 million, which was financed through SEK 31,925 million in equity and SEK 44,358 million in liabilities. Of the liabilities, SEK 41,593 million was interest-bearing and SEK 2,765 million non-interest bearing, of which SEK 1,356 million was deferred tax. The borrowing ratio, that is, net debt in relation to estimated market value, amounted to 54 percent (55) and the equity/assets ratio was 42 percent.

## Official credit rating

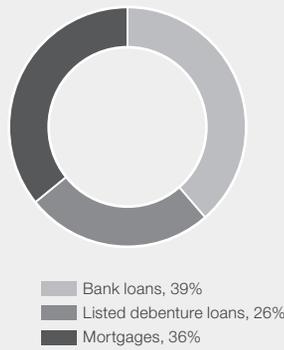
In December 2018, Heimstaden Bostad AB, received an official credit rating of BBB– with a “stable outlook” by rating agency Standard & Poor's (S&P). This credit rating corresponds to “investment grade” with reference to S&P's rating scale below. The fact that Heimstaden Bostad AB is a company with an official credit rating has a significant impact on the operational work of



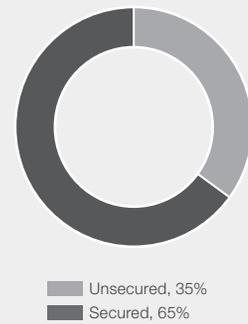
CAPITAL STRUCTURE, 31 DEC. 2018



DISTRIBUTION OF INTEREST-BEARING LIABILITIES



PROPORTION OF SECURED FINANCING



PERIOD FOR WHICH CAPITAL IS TIED UP

Years	Capital tied up, loans			Lines of credit	
	SEK million	Share, %	Interest, incl. margin, %	million	Share, %
0-1 years	957	2	1.9	256	4
1-2 years	11,845	28	1.4	1,185	17
2-3 years	11,437	27	2.4	5,302	75
3-4 years	4,025	10	1.8	300	4
4-5 years	1,517	4	2.1	0	0
> 5 years after balance sheet date	11,813	28	0.9	0	0
<b>Total</b>	<b>41,593</b>	<b>100</b>	<b>1.6</b>	<b>7,043</b>	<b>100</b>

The average remaining period for which capital is tied up amounts to: 8.1 years

## 2.6

The average remaining term of fixed interest in the loan portfolio, excluding derivatives, amounts to 2.6 years.

raising capital. Above all, it acts as a quality stamp for the company and should engender transparency and security for lenders and other stakeholders alike. It is hoped that this will entail further improved access to external capital at favourable prices. However, the rating agency's criteria must be continuously met with regard to key data and the ongoing management of the debt portfolio. Heimstaden Bostad AB has an externally communicated objective to further improve the credit rating to BBB (flat) within 18 months. This will further strengthen the company's credit quality and, accordingly, access to capital. A further description of S&P's rating criteria is provided on its website, [www.standardandpoors.com](http://www.standardandpoors.com)

S&P		
Long-Term	Short-Term	Rating Description
AAA	A-1+	Prime
AA+		
AA		
AA-		
A+	A-1	High Grade
A		
A-		
BBB+	A-2	Upper Medium Grade
BBB		
BBB-		
BB+	A-3	Lower Medium Grade
BB		
BB-		
B+		
B		
B-	B	Highly Speculative
CCC+		
CCC+	C	Substantial Risks
CCC-		
CC		
C		
RD		
SD	D	Extremely Speculative
D		
		Default Imminent
		In Default

### Interest-bearing liabilities

At the end of the period, Heimstaden Bostad had interest-bearing liabilities of SEK 41,593 million (24,828). Of the interest-bearing liabilities, 65 percent were secured by property mortgages and 35 percent were not secured. Net debt, that is, interest-bearing liabilities less cash and cash equivalents, increased by SEK 15,214 million, to SEK 39,279 million (24,065). In 2018, the Group's borrowing, including currency effects, increased by SEK 16,765 million, primarily against the background of property acquisitions in Sweden, Denmark and Norway. Of the interest-bearing liabilities, SEK 10,643 million (0) pertained to non-covered bonds, SEK 14,797 million (6,905) pertained to financing based

on covered bonds and SEK 16,153 million (17,294) pertained to traditional bank loans. Confirmed but unutilised credit facilities at banks amounted to SEK 7,043 million (0) at the end of the year.

### Debenture loans

Since December 2018, when the company received its official credit rating, Heimstaden Bostad has established an EMTN programme, a framework with the possibility of issuing bonds for EUR 2.5 billion in Nordic currencies and EUR. In December, the company issued the equivalent of SEK 10.6 billion in a multi-tranche bond with four different maturities in a total of three currencies. The issue represents part of our ambition to establish the company as a recurring issuer of unsecured bonds with a credit rating corresponding to investment grade. The issued amount was mainly used to repay secured bank financing. The refinancing programme was needed partly because the investment grade-equivalent rating on the bonds issued presupposes a certain degree of unsecured financing, and partly to allow scope for additional future funding from the banks with which the Group already has relations.

### Deferred tax

Deferred tax was calculated at a nominal tax rate of 20.6 percent for Sweden, 22 percent for Denmark and 23 percent for Norway on the difference between the fair value and consolidated cost of assets and liabilities. Deferred tax, the net of deferred tax assets and deferred tax liabilities, amounted to SEK 1,356 million (1,025) at the end of the year, and was primarily attributable to investment properties. The remaining tax deficit in the Group amounted to SEK 1,097 million (3).

### Loan structure and financial risks

The need for external financing means that financial risks are a permanent element of ongoing operations and annual surpluses may be affected by changes in both market interest rates and credit margins. Regulations and conditions in the credit market can change rapidly, affecting both interest rate risk and the capacity to obtain and refinance credit. The financial operations manage and control the need for capital within the framework of our financial policy and taking the identified financial risks into account. Read more on pages 70–73 about Heimstaden Bostad's management of various risks.

### Fixed interest and interest rate sensitivity

The average interest rate for total borrowing, including derivatives, amounted to 1.82 percent (1.73), which was mainly a consequence of higher underlying base rates. At the end of the year, about 40 percent (70) of the portfolio had a period of fixed interest shorter than 12 months. All else being equal, an increase in market interest rates by 1 percent would increase Heimstaden Bostad's interest costs by approximately SEK 152 million (136). A decrease

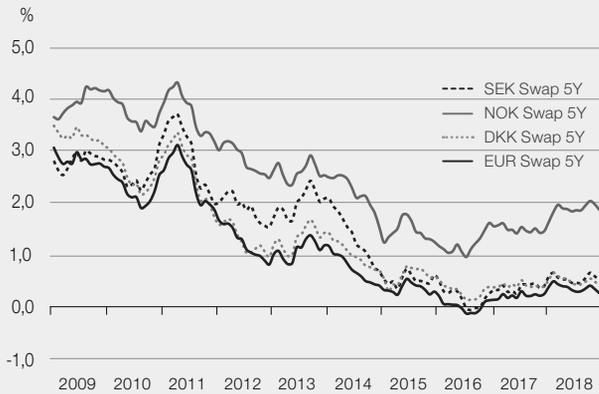
**FIXED INTEREST**

Years	Fixed interest, loans			Fixed interest incl. derivatives <sup>1)</sup>		
	million	Share, %	Interest, incl. margin, %	million	Share, %	Interest, incl. margin, %
0–1 years	34,656	83.3	1.4	16,806	40.4	1.4
1–2 years	67	0.2	1.7	2,643	6.4	2.0
2–3 years	5,127	12.3	2.9	9,370	22.5	2.2
3–4 years	1,431	3.4	2.1	5,054	12.2	1.8
4–5 years	–	–	–	2,853	6.9	2.2
> 5 years after balance sheet date	312	0.8	1.3	4,865	11.7	2.2
<b>Total</b>	<b>41,593</b>	<b>100</b>	<b>1.6</b>	<b>41,593</b>	<b>100</b>	<b>1.8</b>

<sup>1)</sup> The credit margin is evenly spread across the maturity structure

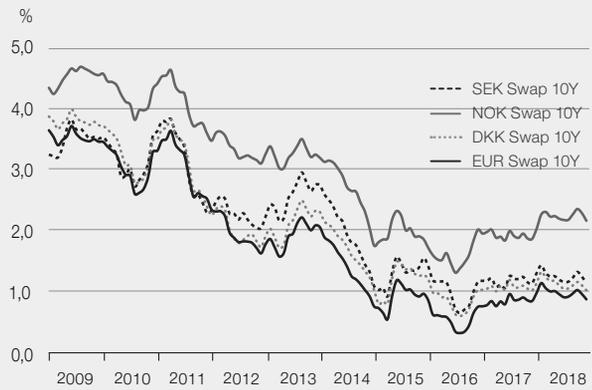
The average remaining term of fixed interest in the loan portfolio, excluding derivatives, amounts to: 0.9 years  
 The average remaining term of fixed interest in the loan portfolio, including derivatives, amounts to: 2.6 years

**5Y SWAP INTEREST RATES, %**



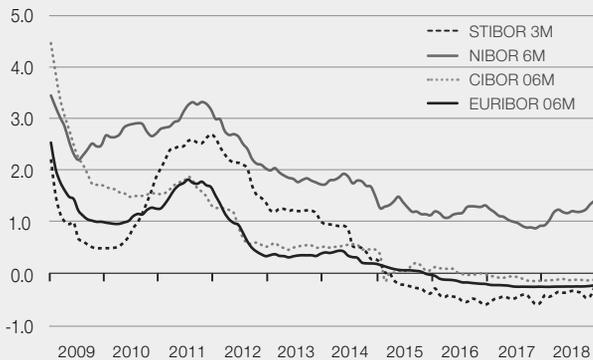
Source: Bloomberg

**10Y SWAP INTEREST RATES, %**



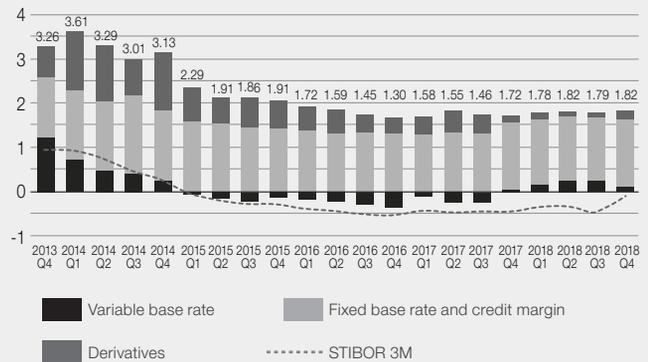
Source: Bloomberg

**SHORT-TERM MARKET INTEREST RATES, %**



Source: Bloomberg

**AVERAGE INTEREST, %**



in market interest rates by 1 percent would decrease interest costs by approximately SEK 24 million (35). The difference in sensitivity is explained by interest rate hedging, and that several credit agreements include interest rate clauses that limit interest rate changes on the downside, while the cost of purchased interest rate derivatives continues to increase as the base rate falls below zero.

#### **Interest rate risk management**

To manage interest rate risk, Heimstaden Bostad uses both fixed interest rate loans and interest rate derivatives, predominantly traditional interest rate swaps, but also currency interest rate derivatives. Fixed-interest loans are reported at nominal value while derivatives are reported on an ongoing basis at fair value in the Balance Sheet and with changes in value in the Income Statement. At the end of the year, the change in the value of Interest rate derivatives amounted to SEK 11 million (4) and the market value was SEK 18 million (negative 31). The nominal volumes of interest rate swaps amounted to SEK 21,182 million (8,528).

#### **Currency**

At the end of 2018/start of 2019, Heimstaden Bostad owned properties in Denmark for a value of SEK 20,927 million (5,981) and properties in Norway for a value of SEK 15,521 million (7,640), entailing currency risks. The currency arises in the Group's net assets, that is, the difference between assets and liabilities in each currency, DKK, and NOK, when the foreign companies' balance sheets are consolidated. No hedging is performed for this currency risk.

#### **Equity**

Equity amounted to SEK 31,925 million (18,065). The change for the period is attributable to profit, a new share issue and dividends. During the period SEK 138 million (550) has been paid in dividends. New share issues have contributed a total of SEK 11,414 million. The equity/assets ratio was 42 percent (40).





*» Heimstaden has strong local roots and we provide service to enhance comfort in the home, as well as for the property as a whole. «*

# Risk analysis and prioritisation

A crucial part of a fast growing business is the ability to be able to identify, assess and manage the impact of various risks on the operations and hence on its earnings trend and financial position. We work actively on the Group's risk exposure with clear internal processes. For the risks identified, the Board of Directors and management have prepared guidelines, instructions and delegated areas of responsibility that have been followed up on a regular basis. Risk management should help achieve a solid balance between limiting the identified risk and opportunities for the operations to achieve their set objectives.

## EXTERNAL

Risk	Management
<p><b>MACROECONOMIC FACTORS</b> The demand for, and supply of, housing and premises are affected by general economic conditions, regional economic development, employment, the production rate for new housing and premises, changes in infrastructure, population growth, inflation, interest rates, etc. Demographic factors can affect the type of housing required.</p>	<p>We monitor external conditions continuously, focusing on both the global economy as well as the markets in which we are most exposed to economic fluctuations: Sweden, Denmark and Norway. Our property portfolio is concentrated on growth areas with a strong labour market, net immigration and a limited housing supply. We have a strong Balance Sheet, low loan-to-value ratio and use several different sources of funding.</p>
<p><b>TAXES</b> Within the framework of Heimstaden's operations, several areas are subject to taxation. In addition to the income taxes charged to the companies in the Group, property taxes, VAT, stamp duty and energy taxes are also incurred. Political decisions on changes in corporate taxation, tax legislation or interpretations thereof can lead to a change in Heimstaden's tax situation, both positively and negatively.</p>	<p>We monitor actively developments in the area of taxation regarding new positions, interpretations of legal cases and regulatory changes, as these may lead to changes in our tax position. Heimstaden Bostad's foremost tax payments mainly include VAT costs, where, as a property company, we have limited deduction rights, as well as property taxes, energy taxes and stamp duties.</p>
<p><b>RISKS RELATED TO RENTAL LEVELS</b> Pricing on rent for apartments differs in the threemarkets in which we operate. In Denmark, rent levels on apartments constructed after 1991 are unregulated, and in Norway this applies to all apartments. In the Swedish rental market for housing, rent levels are determined according to the principle of "utility value. Rental negotiations are normally conducted between property owners, or associations thereof, and the Swedish Union of Tenants. If the property owner and the Swedish Union of Tenants cannot agree on the rent level, the regional rent tribunal may be called upon to determine the rent level.</p>	<p>In Denmark and Norway, we monitor the rental market for different properties and locations closely to be able to set the rent level as high as possible. In Sweden, we maintain a close and ongoing dialogue with the Swedish Union of Tenants to ensure appropriate rent levels. We negotiate all rents with the Swedish Union of Tenants ourselves and our negotiators have often previously worked for the Swedish Union of Tenants.</p>
<p><b>LEGISLATION, PERMITS, RULINGS AND COMPLIANCE</b> Operations are regulated and influenced by a large number of laws, regulations and government guidelines, as well as various processes and decisions related to these regulations, at both the political and official level. These may change or our interpretation of them may be incorrect. We are also dependent on various forms of permits and rulings. Inadequate compliance can lead to financial losses, supervisory sanctions and impaired reputation.</p>	<p>We continuously monitor developments with regard to laws, regulations and practices in the areas most crucial to Heimstaden Bostad, to be able to prepare in good time to for new or amended regulations. We have a corporate culture based on high ethical ideals, good internal control and quality assurance at several levels and, in early 2018, we introduced a Code of Conduct for all employees. This also includes a whistleblower function.</p>

## PROPERTY PORTFOLIO

Risk	Management
<p><b>GEOGRAPHICAL RISKS</b> Geographically, we have a relatively diversified property portfolio with properties in 28 locations in Sweden and in one location each in Denmark and Norway. Demand for residential properties and rented housing may decline in the geographic markets in which we operate, although demand does not generally decline in these countries.</p>	<p>We perform regular macro analyses of conditions in the different markets, covering, for example, economic growth, the rental market, collaborative climate, and infrastructure initiatives. We also perform an annual review of the property portfolio with regard to both geographical exposure and product types and, as a basis for our long-term decisions, we work according to an annual strategy document approved by the Board.</p>
<p><b>CHANGES IN THE VALUE OF PROPERTIES</b> Our properties are reported at fair value in the Balance Sheet and changes in value are reported in the Income Statement. Both property-specific changes for the worse, such as lower rental levels and increased vacancy rates, as well as market-specific changes for the worse, such as higher direct return requirements, may mean that we need to adjust the fair value of the properties.</p>	<p>Of our property portfolio, housing accounts for 90 percent of the lettable area. The stocks comprises a large number of properties with a good geographical spread over three different economies, and with the vast majority being centrally located in communities with good growth. The properties undergo internal quality assurance and we check our own valuations internally. External valuations are performed at least once a year.</p>
<p><b>ACQUISITION RISKS, SALES RISKS AND OTHER TRANSACTION-RELATED RISKS</b> All property transactions are associated with uncertainty and risks. In connection with property acquisitions, risks are incurred associated with leases, differences of assessment between budgeted and actual costs, stricter environmental requirements, etc. Generally, only basic and specific warranties related to concrete issues observed during due diligence are provided by the seller, because property transactions are, to a large extent based on the principle of "in existing condition". Combined with warranties of limited duration, there is a risk that claims cannot be made in connection with faulty materials. Similarly, the reverse applies when Heimstaden divests properties.</p>	<p>In connection with an acquisition, a detailed analysis of the property and/or property company is performed to assess its current and long-term financial status, by conducting structural and basic analyses of the property and of current macro and micro conditions.</p> <p>All acquisitions include detailed review and evaluation processes prior to a decision being made to submit an indicative bid and, if this is successful, to then initiate due diligence to mitigate the risks, to the extent that this is commercially reasonable. Due diligence processes include legal, commercial, technical, financial and fiscal issues and are performed by a due diligence team consisting of both internal and external experts in each area.</p> <p>In connection with divestments, we focus on starting from "in existing condition", to mitigate as far as possible most of the risks by providing the buyer with access to complete information before the agreement is signed. We may also consider removing warranty and compensation insurance cover to ensure a fair transaction, if that were meaningful in a given situation.</p>
<p><b>PROJECT RISKS</b> Opportunities to carry out remodelling, extension or new construction are dependent on, for example, obtaining the necessary permits and official rulings. In addition, opportunities to implement these profitably can be influenced by whether demand for, or prices of, properties and housing change in general or due to lack of planning, analysis and cost control, changes in taxes and fees, as well as delays or increased or unforeseen costs.</p>	<p>In proprietary development projects, responsibility lies with experienced project managers, and the risks of delays and increases in costs are limited through detailed agreements with contractors and regular internal monitoring of budgets and schedules.</p>

## SUSTAINABILITY

Risk	Management
<p><b>INDEMNITY RISKS</b> All ownership entails responsibility. In Heimstaden Bostad's case, properties could be destroyed by fire, or suffer water damage, theft or other damage. In addition, through the negligence, Heimstaden could cause injury to a person, damage the property of another or cause environmental damage for which the company is found liable.</p>	<p>We work preventively to minimise the risk of personal injury or damage to property or the environment. We have full-value insurance for all of our properties, as well as insurance cover for liability and property damage. We perform continuous inventories of existing stocks and, in connection with acquisitions, to identify and address environmental and health risks. We have special fire regulations within the framework of our property management in all three countries.</p>
<p><b>ENVIRONMENTAL AND CLIMATE ISSUES</b> Existing properties, newly constructed properties and properties under demolition all have a considerable impact on the environment and climate. Increased requirements from public authorities, investors, tenants and other stakeholders impose rigorous demands on an organisation and demand an approach able to cope with the challenges in these areas. We do not conduct out any operations requiring permits under the Environmental Code (1998:808). However, there may be, or have been, customers in the properties that we directly or indirectly own, who are conducting or have conducted operations that require or would have required special permits in accordance with the Environmental Code.</p>	<p>Heimstaden Bostad is highly ambitious with regard to sustainability and works actively on a number of measures to reduce its negative impact on the environment and climate. The work is based on our environmental policy, which was revised during 2018, at which time, we also conducted a specific risk analysis regarding the entire area of sustainability. In 2019, we will establish Group-wide environmental and climate targets. In connection with the acquisition of a property, an assessment is made of the building's environmental and energy performance. We work actively to reduce our energy consumption and our Sustainability Report on pages 48–61 reports our measures in this area. All new production in Sweden is to meet the Sweden Green Building Council's Silver standard. We also impose environmental requirements on our suppliers and contractors and will further develop these requirements during 2019. We closely monitor legal developments regarding the environment and climate.</p>
<p><b>CLIMATE CHANGE</b> Global climate change is resulting in rising temperatures, extreme weather conditions with intense downpours and storms, as well as rising water levels. For property companies, this may entail risks of, for example, damage to buildings as a consequence of flooding and of construction materials being unable to cope with the stresses that a changed climate involves.</p>	<p>Heimstaden Bostad has commenced a process to identify the risks that a changed climate entails for us as company, our properties and our customers. We monitor research in the area and, in 2019, we will prepare data on which to plan and base our continued work on climate-related risks.</p>

cont. Sustainability

<p><b>BUSINESS ETHICAL RISKS</b>                  As a social partner, Heimstaden Bostad collaborates with a number of stakeholders (colleagues, tenants, shareholders, partners, suppliers and contractors, etc.). We have broad customer and supplier bases. Many participants are involved within the framework of the operations and services/products are procured through subcontractors at several levels. Despite imposing requirements in procurement, it is difficult to gain an overview of the extended supply chain and there is a risk of activities occurring that violate Heimstaden Bostad's values, Code of Conduct and that infringe on human rights or involve corruption. There is also a risk that employees will violate the Code of Conduct in their contacts with colleagues, customers and other actors.</p>	<p>Heimstaden Bostad applies high ethical standards and integrity in its operations and we do not tolerate any form of corruption, bribery, fraud, threats or unsound employment contracts. In 2018, a Code of Conduct for employees was implemented and a whistleblower function was introduced, allowing employees and external actors to submit reports anonymously. In 2018, we developed a Code of Conduct for partners, which will be implemented during 2019. All partners are expected to sign the Code. In early 2019, Heimstaden recruited a Group-wide purchasing manager to further strengthen our work with different partners. A process has commenced to develop clearer guidelines for the company's purchasing, based on business ethics, human rights and working conditions, working environment considerations, as well as the environment and climate.</p>
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## PROPERTY MANAGEMENT

Risk	Management
<p><b>RENTAL INCOME AND RENT DEVELOPMENT</b>                  If letting ratios or leasing levels fall, our earnings will be adversely affected. We are also dependent on customers paying agreed rents on time and otherwise meeting their obligations.</p>	<p>At the end of the year, 90 percent of the Group's total rental income derived from housing/garages and 10 percent from commercial premises. In the markets where we operate, there is currently strong demand for housing while the supply is relatively constant, entailing low vacancies and safe income flows. The letting ratio for existing housing amounted to 97.4 percent at the end of the year.</p>
<p><b>PROPERTY AND MAINTENANCE COSTS</b>                  Property costs consist mainly of tariff-based costs, such as caretakers, electricity, cleaning, water and heating costs. Both taxes and consumption change and affect our operating costs. Maintenance costs are attributable to measures aimed at maintaining long-term property standards.</p>	<p>We are working with plans for maintenance and repairs to maintain the properties' condition and standard. Continuous operational optimisation and energy efficiency are key elements of this work.</p>
<p><b>TECHNICAL RISK</b>                  Technical risk refers to risks associated with the technical operation of properties, including risks for design and installation errors, other hidden errors and deficiencies, damage and pollution.</p>	<p>In both acquisitions and the ongoing management of existing stocks, a technical review of the properties is performed. This includes a careful review of the physical environment in each property, such as the windows, roofs, doors, plumbing, ventilation, waste management, supporting structure and façade.</p>

## FINANCING

Risk	Management
<p><b>CREDIT AND COUNTERPARTY RISK</b>                  We are exposed to the risk that counterparties cannot meet their obligations to Heimstaden Bostad. We are also exposed to credit risks in the financial operations, in the investment of liquidity surpluses and the signing of credit agreements.</p>	<p>Since we primarily invest in residential properties where rent is paid in advance, a large part of the potential credit risk associated with many customers is eliminated. In addition, we regularly assess the creditworthiness of our suppliers and financial counterparties to ensure that this is satisfactory.</p>
<p><b>INTEREST-RATE RISK</b>                  Interest costs are one of Heimstaden Bostad's largest cost items. Interest rate risk refers to the risk that changes in market interest rates will affect borrowing costs. Interest costs are mainly affected by the level of current market interest rates and the banks' margins, as well as the chosen strategy for fixing the interest on borrowed capital.</p>	<p>Fixed interest terms are determined on an ongoing basis in accordance with the current financial policy. Primarily interest rate derivatives are used to achieve the terms of fixed interest and degree of interest rate hedging that we seek. We apply an internal interest rate hedging model that allows the degree of interest rate hedging and average terms of fixed interest to vary over time. The degree of interest rate hedging must not be less than 50 percent at any given time.</p>
<p><b>REFINANCING AND FINANCING RISK</b>                  Financing risk refers to the risk that funding cannot be obtained, can only be obtained to a certain extent, or can only be obtained on unfavourable terms for the Group. There is a corresponding risk when existing financing expires and is to be repaid, which is called refinancing risk.</p>	<p>We aim to control the period for which capital is tied up over the years. At the end of the year, the average maturity of the loan portfolio was 8.1 years (7.8). To minimise financing risk, it is important to work with several reliable funding sources and not to be overly dependent on individual counterparties. At the end of 2018, Heimstaden Bostad had loans from 20 different lenders from three countries and four outstanding market-listed bonds.</p>
<p><b>CHANGES IN VALUES OF DERIVATIVES</b>                  Changes in the value of Heimstaden Bostad's interest rate or currency derivatives arise in connection with changes in market interest rate or the exchange rate ratios SEK/DKK, SEK/NOK or SEK/EUR.</p>	<p>Our finance policy determines which derivative instruments may be used. We only use interest rate hedging instruments that can be sold, meaning that quoted prices can be obtained. With regard to both currency derivatives and interest-rate derivatives, continuous reconciliation between internal and external valuations is performed.</p>
<p><b>FINANCIAL OBLIGATIONS</b>                  Some of the loan agreements bear financial commitments, and the Group has also posted collateral and provided guarantees for some of the loans. If we were to violate any of these commitments in the loan agreements, it could lead to the termination of the loan or loans with payment required immediately or the relevant creditor claiming the secured assets.</p>	<p>Our financial policy regulates our risk mandate for credit institutions and capital markets. We also have a compliance function with competent and experienced personnel to ensure, on an ongoing basis, that we follow up on the commitments included in our loan agreements. The external audit also ensures that the information reported is accurate.</p>

## EMPLOYEES

Heimstaden Bostad has no in-house personnel - all employees are employed by Heimstaden AB. Accordingly, all personnel issues and risks associated with these refer to employees in Heimstaden AB as below.

Risk	Management
<p><b>DEPENDENCE ON KEY INDIVIDUALS AND OTHER EMPLOYEES</b> We are dependent on a number of key individuals, including senior executives and people with specialist skills. These key individuals are important for the successful development of the operations. If key individuals leave Heimstaden, this could have a negative impact on the operations.</p>	<p>We work actively to recruit and retain talented employees by being an attractive and long-term employer. Our shared core values support an open and transparent working climate that allows scope for innovation and initiative. These core values engender commitment throughout the organisation. We also work with ongoing competence and leadership development and with compensation and incentives at competitive levels.</p>
<p><b>WORKING ENVIRONMENT</b> Heimstaden's employees are exposed to occupational health risks of various kinds. Out in the property management operations, these consist of risks of physical stress and risks related to psychosocial factors, including threats/harassment, particularly in vulnerable areas. At headquarters and at other offices, psychosocial risks predominate, such as stress, although there is also a risk of ergonomic issues.</p>	<p>There are several working environment groups within Heimstaden and appointed Health and Safety Officers. Working environment issues are discussed and addressed on an ongoing basis in the weekly meetings between managers and employees in the operations. Proposed improvements and recommended actions are identified and can quickly be implemented where needed. At the regional level, there are working environment groups consisting of Property Managers, Administrators and Health and Safety Officers. These groups meet four times a year. Property Managers and Chiefs of Staff then meet with HR and the CEO twice annually (in June and December). At the December meeting, a review/summary of the year is presented. A plan of action for the ensuing year is set out. In 2018, a major initiative also commenced in which all managers are to undergo the same training on new working environment regulations regarding the psychosocial working environment. In 2018, all employees in Sweden were required to undergo training in Safety and security to strengthen our expertise in working proactively to establish procedures and methods, in accordance with which we maintain greater risk and security awareness. In 2019, this will also be implemented in Denmark and Norway. To maintain continuous insight into the well-being of the organisation and its employees, during the year, we introduced pulsed employee surveys that are conducted every two weeks. The results are presented and discussed monthly in the company's various teams.</p>

### SENSITIVITY ANALYSIS

Rental income	+/-1 percent	Effect SEK +32/-32 million
Letting ratio	+/-1 percent	Effect SEK +33/-33 million
Property costs	+/-1 percent	Effect SEK +15/-15 million
Interest rate level, liabilities	+/-1 percent	Effect SEK +152/24 million

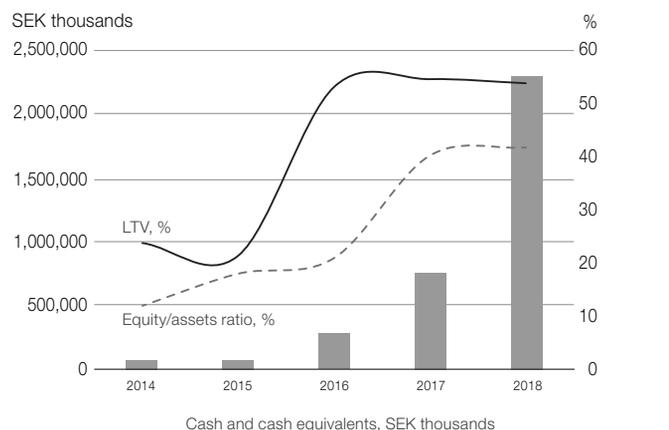
### SENSITIVITY ANALYSIS – VALUE CHANGE, PROPERTIES

	+/-5 percent	+/-10 percent	+/-20 percent
Equity (million)	SEK 34,746 / 29,104	SEK 37,567 / 26,283	SEK 43,208 / 20,641
Equity /assets ratio	43.5% / 40.1%	45.0% / 38.1%	47.6% / 33.4%
LTV	51.7% / 57.2%	49.4% / 60.3%	45.3% / 67.9%

### POLICIES

	Financial policy in summary	Outcome 31 Dec. 2018	Listing
Interest coverage ratio, multiple, rolling 12 months	at least 1.5	2.6	
Equity ratio, %	at least 30	42	
Capital tied up, months	at least 15	97	
Loan maturity, percentage in individual year	maximum 40	28	(2020)
Limitation, individual lenders, %	maximum 40	15	(New credit)
Fixed interest, years	N/A	2.6	
Interest rate hedge, %	at least 50	55	
Loan-to-value ratio, %	45–60	54	
Quick ratio	at least 125	159	

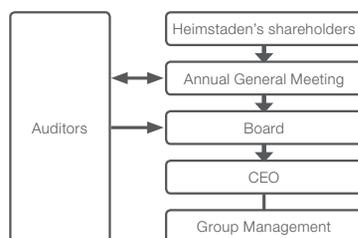
### FINANCIAL STABILITY



# Corporate governance and internal control

Good corporate governance is an important feature of Heimstaden Bostad's corporate culture and the Group's values. The purpose is to support Board of Directors and the management team in their efforts to increase customer benefit, and to provide value and transparency for shareholders.

Heimstaden Bostad AB (publ) is a public limited liability company with its registered office in Malmö, with corporate bonds listed on Euronext Dublin and the Oslo Stock Exchange. Heimstaden Bostad applies the Annual Accounts Act's rules for corporate governance and hereby submits its Corporate Governance Report for 2018.



The responsibility for management and control of Heimstaden is distributed between the shareholders, the Board of Directors and the CEO.

**The basis for corporate governance in Heimstaden Bostad.**

The objective of the company's operations is to own, refine and manage properties and property-owning companies, therewith compatible operations. The overarching assignment from the owner is to generate a high return that is stable in the long term. This requires good corporate governance, according to which responsibilities are clearly distributed between the owner, the Board of Directors and management. Heimstaden Bostad does

not apply the Swedish Code of Corporate Governance since the company considers this to counteract the company's interest in having an active and operational shareholder. Because the majority shareholder, Heimstaden AB, is operationally active within the Group and a shareholder agreement between the parties regulates the decision-making framework, control of the company is enhanced, costs are reduced and decisions can be reached more efficiently.

A nomination committee in accordance with the Code would reduce the shareholder's transparency and control over the company, as well as contributing to increased costs. Furthermore, proposals from members are addressed directly at the Annual General Meeting, which all shareholders have the opportunity to attend.

Heimstaden Bostad is working to achieve a balanced mix in terms of ethnicity, age and gender in its operations. Diversity in the company's is addressed in two different policy documents, "Equal rights and opportunities", and "Discrimination and offensive treatment", adopted in May 2015, and affirming that diversity represents a strength for the Group. Improved diversity and inclusion have the potential to further advance Heimstaden Bostad's development and profit, both at team level and individually. See further page 54. The company follows the Group's policies on diversity in the composition of the Board of Directors.

# Board year 2018



### *Ownership*

The ordinary shares in Heimstaden Bostad AB are held by Heimstaden Investment AB, Alecta Pensionsförsäkring, Sandviks Pensionsstiftelse i Sverige, Ericssons Pensionsstiftelse, Patrik Hall and Magnus Nordholm. These shares convey one vote and one participation per share and, on the balance sheet date, totalled 2,429,449 in number, with a quota value of SEK 10.00 each, totalling SEK 24,294,490 in ordinary share capital.

The Company also has preference shares in two series, Series A and Series B. The preference shares convey 1/10 of a vote and one participation each, totalling 203,460 in number on the balance sheet date and with a quota value of SEK 10 totalling SEK 2,034,600 in preference capital.

### *Annual General Meeting*

The Annual General Meeting is the company's highest decision-making body and is where shareholders exercise their right of decision in the company's affairs.

The Annual General Meeting makes decisions regarding changes to the Articles of Association and regarding changes in equity. The Annual General Meeting appoints the Board of Directors and the auditors for the company. An Extraordinary General Meeting is held if so requested by the auditor or holders of at least one tenth of all shares, or if the Board of Directors considers there to be due cause. The 2018 Annual General Meeting took place on 16 April 2018 at the company's premises on Östra Promenaden in Malmö, Sweden. Six shareholders participated at the Meeting, in person or by proxy. These represented 100 percent of the total votes. Fredrik Palm was elected chairman of the Meeting. All Board members except Kent Jonsson were present.

### *Decisions by the 2018 Annual General Meeting*

Among other things, the Meeting decided:

- That dividends be paid in accordance with the proposal by the Board of Directors and the CEO in the amount of SEK 218,444.00 per Series A preference share and SEK 989 per Series B preference share to preference shareholders, and that SEK 0 per ordinary share be distributed to the ordinary shareholder.
- Discharge from liability for the Board of Directors and the CEO for the preceding financial year. Re-election of Magnus Nordholm and Fredrik Palm as Board Members. New election of Stefan Attefall and Ramsey Brufer as Board members.
- Re-election of the Chairman of the Board.
- Election of auditor.
- Determination of remuneration to the Board of Directors and auditors.

### *2019 Annual General Meeting*

Heimstaden Bostad's Annual General Meeting will be held on 15 May 2019 in Malmö, Sweden.

### *Board of Directors*

The overall task of the Board of Directors is to assume responsibility for organising and managing the operations, and for the financial reporting. The Board of Directors is also responsible for setting up systems for governance, internal control and risk management. The Board of Directors' work and responsibilities, and the delineation of these in relation to the work and responsibilities of the CEO are regulated by the rules of procedure and the instructions to the CEO determined by the annual statutory meeting of the Board of Directors. At Board meetings, matters of vital importance to the company are discussed, such as the adoption of a business plan for the upcoming financial year, the financial policy and policies for the governance of operations and internal control, the work of the Board of Directors and instructions for the CEO, purchasing and issues relating to property sales and financing. The Board of Directors is also informed of the current business situation in the property and credit markets.

In accordance with the Articles of Association, the Board of Directors shall consist of at least three and at most four members. Board Members are elected annually at the Annual General Meeting for the period up to the end of the following Annual General Meeting.

### *Composition of the Board of Directors in 2018*

In 2018, Heimstaden Board's Board of Directors consisted of four members elected by the Annual General Meeting, excluding the CEO. Other employees in the Group participate in Board meetings as necessary, reporting on specific matters. For further information about the Board Members, see page 78.

### *Chairman of the Board*

The Chairman of the Board shall lead and control the Board's work and is responsible for the work of the Board being well organised and conducted efficiently, and that the Board meets its commitments. The Chairman monitors operations in dialogue with the CEO and is responsible for the other Board Members receiving the information and documentation necessary for a high of quality in discussions and decision-making, as well as verifying that the Board's decisions are implemented.

### *Board independence*

The Board's assessment, with regard to members' dependency in relation to Heimstaden Bostad and shareholders is presented on page 78. As stated there, three out of four Board Members are dependent in relation to Heimstaden Bostad's principal owner.

### Audit Committee

The Board has not appointed an Audit Committee. Instead, the Board in its entirety bears this responsibility. Ongoing management is delegated to the Group's CFO, who reports to the Board of Directors.

### Auditor

The Annual General Meeting appoints an auditor who examines the annual report, the accounting and the consolidated accounts, the administration by the Board of Directors and the CEO, as well as the annual accounts and the accounts of the subsidiaries, and issues an audit report. According to the Articles of Association, the Annual General Meeting shall appoint at least one and not more than two auditors.

### Auditor in 2018

Heimstaden Bostad's auditors are authorised audit firm EY, with authorised public accountant Peter von Knorring, and authorised audit firm Moore Stephens, with authorised public accountant Patrik Andersson. EY and Moore Stephens was elected by the 2018 Annual General Meeting as Heimstaden's auditor for a period of one year.

### Peter von Knorring

Authorised Public Accountant, Auditor in Charge  
Ordinary auditor for Heimstaden Bostad since 2016.

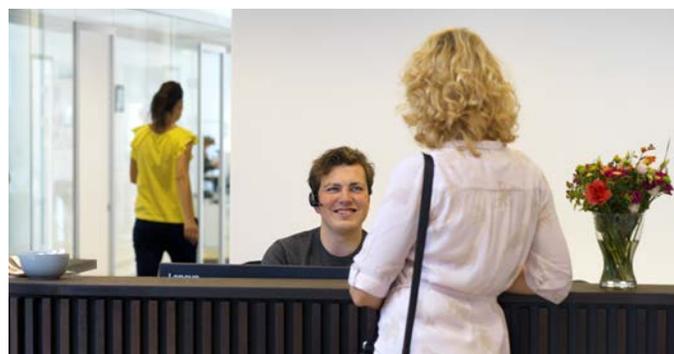
### Patrik Andersson

Authorised Public Accountant  
Ordinary auditor for Heimstaden Bostad since 2015.

### AUDITOR REMUNERATION IN 2018

SEK thousands	2018	2017
<b>EY</b>		
Audit engagement	5	1
Auditing activities beyond the audit engagement	2	0
Tax consultancy	0	–
Other services	0	–
<b>Total</b>	<b>7</b>	<b>1</b>

SEK thousands	2018	2017
<b>Moore Stephens</b>		
Audit engagement	2	2
Auditing activities beyond the audit engagement	0	0
Tax consultancy	–	–
Other services	–	–
<b>Total</b>	<b>2</b>	<b>2</b>



### CEO and Management

The Board of Directors appoints the CEO and annually sets instructions regulating the division of labour and responsibilities between the Board of Directors and the CEO. The CEO is responsible for the ongoing operations and for financial reporting and shall report to the Board of Directors on an ongoing basis on the company's development relative to established control documents. The CEO is assisted by a Group Management team consisting of the heads of the staff units.

### Group Management in 2018

At the end of 2018, Group Management consisted of six individuals. During 2018, Group Management held 11 meetings. The meetings are focused on the Group's strategic and operational development, and monitors performance. Beyond the Group management team, a further five individuals assist the CEO and Group management. For further information about Group Management, see page 80–81.

### Internal control regarding financial reporting

The planning, governance and control of operations follows the organisational structure, with a clear delegation of responsibilities and authority. Business plans are prepared for both the Group as a whole and for the entities subordinate to the CEO.

Alongside policies, guidelines and instructions, business plans provide a framework for the governance and control of the operations. To ensure that the financial reporting provides, on all occasions, a true and fair view, the development of the operations is monitored in relation to this framework. Regular monitoring, combined with a close collaboration with the company's auditors, and the control and monitoring conducted through the annual audit are considered sufficient for the assessment of the Board and for effective internal control and risk management. Accordingly, a dedicated internal audit unit is not currently considered to be motivated.

# Board of Directors



**FREDRIK PALM**  
**PRINCIPAL OCCUPATION:**  
Head of Real Estate, Alecta  
**BORN:** 1969  
**ELECTED:** 2013  
**POSITION ON THE BOARD:**  
Chairman of the Board  
**OWN HOLDINGS AND THOSE OF RELATED PARTIES:**  
None  
**DEPENDENT ON THE COMPANY'S PRINCIPAL SHAREHOLDERS:** Dependent in relation to the Company's shareholders.  
**ATTENDANCE AT BOARD MEETINGS:**  
4 of 4 meetings  
**NATIONALITY:** Swedish



**MAGNUS NORDHOLM**  
**PRINCIPAL OCCUPATION:**  
CEO of Fredensborg AS  
**BORN:** 1974  
**ELECTED:** 2013  
**POSITION ON THE BOARD:** Board Member  
**OWN HOLDINGS AND THOSE OF RELATED PARTIES:** 2,540 ordinary shares  
**DEPENDENT ON THE COMPANY'S PRINCIPAL SHAREHOLDERS:** Dependent in relation to the Company's shareholders.  
**ATTENDANCE AT BOARD MEETINGS:**  
4 of 4 meetings  
**NATIONALITY:** Swedish



**STEFAN ATTEFALL**  
**PRINCIPAL OCCUPATION:**  
Strategic adviser, entrepreneur and Chairman of the Board of Vätterhem  
**BORN:** 1960  
**ELECTED:** 2018  
**POSITION ON THE BOARD:** Board Member  
**OWN HOLDINGS AND THOSE OF RELATED PARTIES:**  
None  
**DEPENDENT ON THE COMPANY'S PRINCIPAL SHAREHOLDERS:** Independent in relation to the Company's shareholders  
**ATTENDANCE AT BOARD MEETINGS:**  
4 of 4 meetings  
**NATIONALITY:** Swedish



**RAMSEY BRUFÉR**  
**PRINCIPAL OCCUPATION:**  
Head of Corporate Governance, Alecta.  
**BORN:** 1959  
**ELECTED:** 2018  
**POSITION ON THE BOARD:** Board Member  
**OWN HOLDINGS AND THOSE OF RELATED PARTIES:**  
None  
**DEPENDENT ON THE COMPANY'S PRINCIPAL SHAREHOLDERS:** Dependent in relation to the Company's shareholders.  
**ATTENDANCE AT BOARD MEETINGS:**  
4 of 4 meetings  
**NATIONALITY:** Swedish



# Senior executives



**PATRIK HALL**  
**TITLE:** Group CEO, Heimstaden AB  
**BORN:** 1965  
**EMPLOYED SINCE:** 2001  
**IN CURRENT POSITION SINCE:** 2003  
**EDUCATION:** Swedish Military Academy, Skövde and Stockholm  
**PREVIOUS EXPERIENCE:** Negotiation Manager, Swedish Union of Tenants, Professional military officer  
**SHAREHOLDING:** 2,540 ordinary shares



**MARIA PETERSSON**  
**TITLE:** Country Manager, Sweden  
**BORN:** 1966  
**EMPLOYED SINCE:** 2007  
**IN CURRENT POSITION SINCE:** 2015  
**EDUCATION:** B.Sc. Business Economics, Lund University  
**PREVIOUS EXPERIENCE:** CFO and Senior Vice President of Heimstaden Förvaltnings AB, Controller at LKF AB



**LEIF BOIJE**  
**TITLE:** Country Manager, Denmark  
**BORN:** 1971  
**EMPLOYED SINCE:** 2017  
**IN CURRENT POSITION SINCE:** 2018  
**EDUCATION:** M.Sc. Business Administration and Auditing, University of Southern Denmark, Odense  
**PREVIOUS EXPERIENCE:** Auditor/Advisor at Deloitte, CFO of Falck int. Fire Services



**HELGE KROGSBØL**  
**TITLE:** COO and Acting Country Manager, Norway  
**BORN:** 1968  
**EMPLOYED SINCE:** 2018  
**IN CURRENT POSITION SINCE:** 2018  
**EDUCATION:** The Norwegian School of Marketing, Oslo  
**PREVIOUS EXPERIENCE:** SVP, Pandox AB GM / RDO, Benelux Thon Hotels, MP Room2Room, VPO / CEO First Hotels



**INGVOR SUNDBOM**  
**TITLE:** Chief Financial Officer  
**BORN:** 1972  
**EMPLOYED SINCE:** 2018  
**IN CURRENT POSITION SINCE:** 2018  
**EDUCATION:** B.Sc. Business Economics, Jönköping International Business School  
**PREVIOUS EXPERIENCE:** CFO, Hufvudstaden. CFO, Oscar Properties. CFO & Head of Transactions, Bonnier Fastigheter. CFO, Landic Properties Sweden. CFO, CLS Holdings Sverige.



**CHRISTIAN FLADELAND**  
**TITLE:** Chief Investment Officer  
**BORN:** 1986  
**EMPLOYED SINCE:** 2019  
**IN CURRENT POSITION SINCE:** 2019  
**EDUCATION:** MSc Economics, Copenhagen University  
**PREVIOUS EXPERIENCE:** Partner, Colliers International Denmark



**CARL-FREDRIK STREIBY**  
**TITLE:** Director of Group Finance  
**BORN:** 1975  
**EMPLOYED SINCE:** 2014  
**IN CURRENT POSITION SINCE:** 2014  
**EDUCATION:** MSc Business Administration, Lund University  
**PREVIOUS EXPERIENCE:** CFO, Kockum Sonics AB. Finance Manager Finland, Spain, Tiger of Sweden and IC Companys AS. Authorised Public Accountant, KPMG



**SUZANNA MALMGREN**  
**TITLE:** Chief HR Officer  
**BORN:** 1971  
**EMPLOYED SINCE:** 2017  
**IN CURRENT POSITION SINCE:** 2017  
**EDUCATION:** B.Sc. Business Administration, Uppsala University  
**PREVIOUS EXPERIENCE:** Partner, Alumni and Impact Executives



**KATARINA SKALARE**  
**TITLE:** Chief Sustainability Officer  
**BORN:** 1963  
**EMPLOYED SINCE:** 2018  
**IN CURRENT POSITION SINCE:** 2018  
**EDUCATION:** BA Work Science, Malmö University  
**PREVIOUS EXPERIENCE:** Founder, Hållbart by Skalare. Sustainability strategist, Kraftringen. Manager, Sustainable Business Solutions, PwC. Head of Corporate Responsibility, E.ON Nordic. Senior Communications Manager, AstraZeneca.



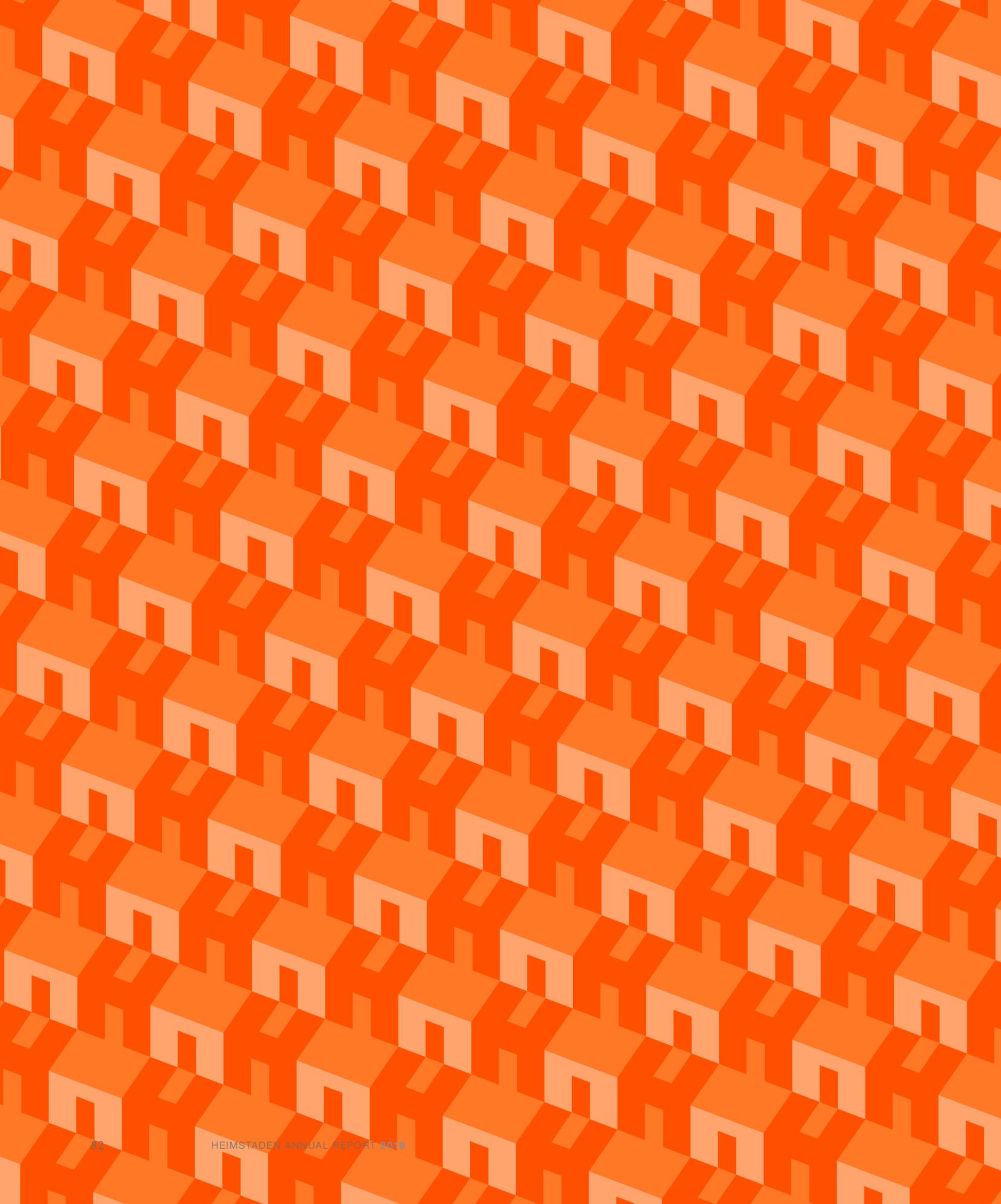
**HÅVARD STAFF BRENNØ**  
**TITLE:** Director of Rental  
**BORN:** 1976  
**EMPLOYED SINCE:** 2014  
**IN CURRENT POSITION SINCE:** 2019  
**EDUCATION:** Studies in economics, Property broker BI Oslo  
**PREVIOUS EXPERIENCE:** Rental and Marketing Manager, Fredensborg, Property Manager Olav Thon Group.



**KARMEN MANDIĆ**  
**TITLE:** Chief Communications and Marketing Officer  
**BORN:** 1971  
**EMPLOYED SINCE:** 2015  
**IN CURRENT POSITION SINCE:** 2015  
**EDUCATION:** B.Sc. Business Administration, Lund University  
**PREVIOUS EXPERIENCE:** Global Director, Marketing and Communications, OctoFrost Group. Head of Global Brand Licensing Partnerships and Global Marketing Activation manager, Sony Mobile. Head of Marketing, Western Union.



**GÖRAN BENGTSSON**  
**TITLE:** Chief Asset Management Officer  
**BORN:** 1967  
**EMPLOYED SINCE:** 2018  
**IN CURRENT POSITION SINCE:** 2018  
**EDUCATION:** MSc Engineering, Faculty of Engineering, Lund University  
**PREVIOUS EXPERIENCE:** Barings Real Estate Advisors, Head of Nordics Aberdeen Asset Management, Head of AM, Nordics Ericsson, Director Workplace Premises Northern Logistic Property ASA, CEO



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## Consolidated Statements of Comprehensive Income

Amounts in SEK million	Note	2018	2017
Rental income	IC 2	3,231	1,620
Property costs	IC 3	-1,480	-816
<b>Net operating income</b>		<b>1,751</b>	<b>805</b>
Central administration costs	IC 4	-140	-111
Other operating income	IC 5	14	23
Other operating costs		-14	-10
<b>Profit before financial items</b>		<b>1,611</b>	<b>706</b>
Financial income	F 5	26	4
Financial costs – interest-bearing liabilities	F 5	-698	-229
Financial costs – interest-bearing subordinated shareholder loans	F 5	–	-138
Other financial income	F 5	203	–
<b>Profit from property management</b>		<b>1,142</b>	<b>344</b>
Value change, properties	IC 6	2,562	1,776
Change in value of interest rate derivatives	F 3	11	4
<b>Profit before tax</b>		<b>3,715</b>	<b>2,123</b>
Current tax	T 1	-135	-35
Deferred tax	T 2	-557	-511
<b>Profit for the year</b>		<b>3,023</b>	<b>1,577</b>
Other comprehensive income	IC 7	-442	29
<b>Comprehensive income for the year</b>		<b>2,581</b>	<b>1,606</b>
All profit is attributable to the Parent Company shareholders.			
<i>Data per ordinary share</i>			
Average number of shares		2,204,519	1,796,144
Profit, SEK		795	817
No dilution effect exists.			

### Rental income

Rental income amounted to SEK 3,231 million (1,620), growing strongly compared with the previous year. The growth is a result of completed property transactions and attributable to transactions involving properties acquired in Norway and Denmark that were taken possession of in October 2017 and April 2018. For the housing stocks, the average rental income is SEK 1,377 per square metre (1,142) of time-weighted area. The increase was driven primarily by the rent level per square metre generally being higher in Denmark and Norway.

The letting ratio for housing remained at a high and stable level of 97.4 percent (98.6). The somewhat lower level, compared with the previous year, can partly be explained by vacated apartments that are to be renovated to a higher standard to generate higher income and valuation. The vacated apartments amounted to 1.1 percent of the total, corresponding to a real letting ratio of 98.5 percent, a real vacancy ratio of 1.5 percent.

### Property costs

Total property costs amounted to SEK 1,480 million (816), the change is mainly due to increased property volume.

### Net operating income

Net operating income amounted to SEK 1,751 million (805), corresponding to a surplus ratio of 54.2 percent (49.7). The higher surplus ratio is primarily attributable to the acquisitions in Denmark and Norway, but also to operational optimisation in Sweden.

### Central administration costs

Costs for central administration amounted to SEK 140 million (111), having increased due to the greater volume of properties.

### Financial income and costs

Financial income amounted to SEK 26 million (4) and financial costs were SEK 698 million (367). The increased financial costs are mainly attributable to a larger loan portfolio as a consequence of a larger property portfolio. The average interest rate on the balance sheet date for total borrowing, derivatives and fees for unutilised credits amounted to 1.82 percent (1.73), partly driven by a rising trend in underlying base rates.

In the fourth quarter, the company issued bonds at a lower interest cost than the loans that were repaid. This partially offsets for the trend in basic interest rates, with interest rates for about 40 percent (70) of the loan portfolio changing within a year. A change in the base rate (Stibor, Cibor, Nibor) with 1 percent, everything else being equal, increases Heimstaden Bostad's interest expenses (adjusted for the recognised interest rate cut) with SEK 152 million annually (136) at a rise and decreases by approximately SEK -24 million (-35) at a decline. The difference in sensitivity is explained by interest rate hedging, and that several credit agreements include interest rate clauses that limit interest rate changes on the downside, while the cost

of purchased interest rate derivatives continues to increase as the base rate falls below zero.

### Other financial income

Other financial income in the Group and in the Parent Company amounted to SEK 203 million (0), of which exchange rate differences of SEK 203 million. The amount reported under Other financial income and costs relates mainly to the translation of interest-bearing liabilities in NOK that in legal terms have been borrowed in Sweden, with the liability financing investments in Norway.

### Profit from property management

Profit from property management amounted to SEK 1,142 million (344) the year's increase primarily being explained by the volume increase in the property stocks and the loan portfolio.

### Changes in the value of financial instruments

In accordance with the established financial policy and interest rate hedging strategy, Heimstaden Bostad uses interest rate derivatives to manage the Group's interest rate risk. The change in the value of derivatives amounted to SEK 11 million (4), of which unrealised amounted to SEK 8 million and realised to SEK 3 million. At the end of the year, the market value of the current derivative portfolio amounted to SEK 18 million (negative 31). The nominal volumes of interest rate swaps amounted to SEK 21,182 million (8,528) excluding interest rate derivatives.

### Change in value of investment properties

As of 31 December 2018, the entire property portfolio has undergone an external valuation. Combined, the unrealised change in the value of the properties amounted to SEK 2,711 million (1,795). All of Heimstaden Bostad's three geographical segments developed positively over the year, with average value increases of 3–5 percent. The Swedish stocks showed an unrealised change in value of SEK 1,557 million, up 4.5 percent, the Danish stocks a change of SEK 609 million, up 3.0 percent, and the Norwegian stocks a change of SEK 545 million, up 3.6 percent. The value changes are primarily explained by a lower yield requirement and improved net operating income in the existing stocks. The yield requirement in the valuation averaged 3.75 percent, which compares with 3.94 percent at the end of 2017. During the year, properties valued at SEK 13 million were sold. After currency adjustment, the total change in value of properties amounted to SEK 2,562 million (1,776) in the Income Statement.

### Tax

In addition to the current tax of SEK 135 million (35), the Group also reports deferred tax of SEK 557 million (511). The deferred tax consists primarily of temporary differences between carrying amounts and the consolidated cost of investment properties and financial instruments.

## Consolidated Statements of Financial Position

Amounts in SEK million	Note	2018	2017
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investment properties	A 1	72,329	43,689
Financial derivative instruments	F 1	18	–
Other financial non-current assets	F 4	150	211
<b>Total non-current assets</b>		<b>72,497</b>	<b>43,899</b>
<b>Current assets</b>			
Development properties and tenant-owned apartments in progress	A 2	680	–
Accounts receivable	A 3	17	9
Other current receivables		575	122
Prepaid costs and accrued income	A 4	201	34
Cash and cash equivalents		2,313	763
<b>Total current assets</b>		<b>3,786</b>	<b>928</b>
<b>TOTAL ASSETS</b>		<b>76,283</b>	<b>44,827</b>

**Investment properties**

As per 31 December, Heimstaden Bostad's property portfolio had a market value of SEK 72,329 million, compared with SEK 43,689 million at the end of the previous year. The total change in value amounted to SEK 2,711 million (1,795) and the remaining change in the carrying amount of the property portfolio consists of net corporate and property transactions, investments in existing stocks, as well as exchange rate effects.

For a more detailed description of Heimstaden Bostad's methodology for valuing properties, see Note [A.1](#).

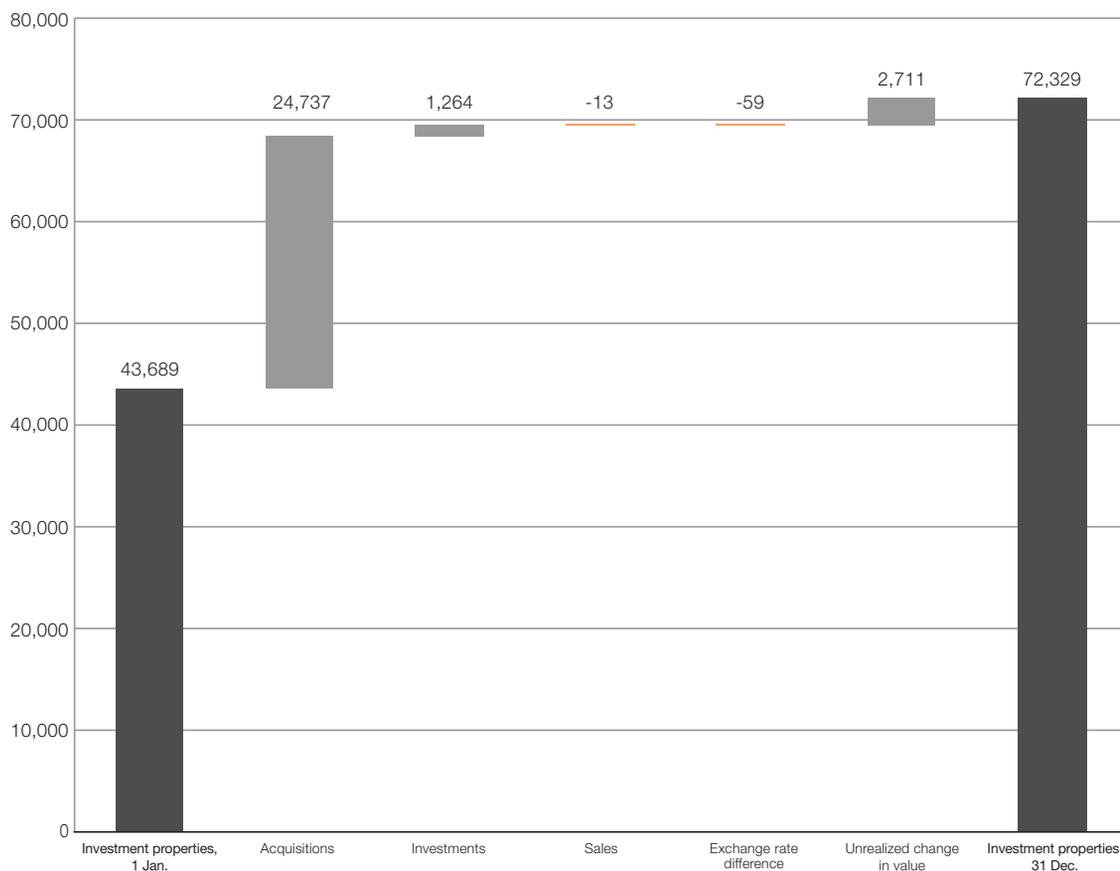
**Other financial non-current assets**

Other financial non-current assets refer to advance payments and deposits for agreed property transactions.

**Development properties and tenant-owned apartments in progress**

In connection with the acquisition of the Norwegian investment properties, building rights and ongoing construction projects were also acquired amounting to SEK 883 million. The item concerns the development of condominium apartments in Oslo that are to be divested upon completion. The value of the projects has been adjusted down by SEK 164 million, as the value of the project properties to be renovated has increased, while the expected pricing of the completed apartments on disposal has not changed.

DEVELOPMENT OF INVESTMENT PROPERTIES FOR THE YEAR, SEK MILLION



## Consolidated Statements of Financial Position

Amounts in SEK million	Note	2018	2017
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to Parent Company shareholders</b>			
Share capital		26	19
Other capital contributions		26,653	15,246
Retained earnings including profit for the year		5,246	2,801
<b>Total equity</b>		<b>31,925</b>	<b>18,066</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Long-term interest-bearing covered liabilities	F 2	26,079	21,798
Long-term interest-bearing non-covered liabilities	F 2	14,558	–
Financial derivative instruments	F 1	–	31
Deferred tax liability	T 2	1,356	1,025
<b>Total non-current liabilities</b>		<b>41,993</b>	<b>22,854</b>
<b>Current liabilities</b>			
Current interest-bearing liabilities	F 2	957	3,030
Current liabilities, Group companies		206	87
Accounts payable		293	89
Current tax liabilities		119	129
Other current liabilities	OL 1	415	323
Accrued costs and prepaid income	OL 2	375	249
<b>Total current liabilities</b>		<b>2,365</b>	<b>3,908</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>76,283</b>	<b>44,827</b>

## Consolidated Statements of Changes in Equity

Amounts in SEK million	Share capital	Other capital contributions	Retained earnings	Total equity
<b>Equity, 31 Dec. 2016</b>	<b>15</b>	<b>2,450</b>	<b>1,745</b>	<b>4,211</b>
New share issue	3	1,011	–	1,014
New share issue, Pref A	–	10	–	10
New share issue, Pref B	1	11,775	–	11,776
Dividend	–	–	-550	-550
Profit for the year	–	–	1,577	1,577
Other comprehensive income	–	–	29	29
<b>Equity, 31 Dec. 2017</b>	<b>19</b>	<b>15,246</b>	<b>2,801</b>	<b>18,066</b>
New share issue	6	2,848	–	2,854
New share issue, Pref B	1	8,559	–	8,560
Dividend	–	–	-138	-138
Change in taxation	–	–	2	2
Profit for the year	–	–	3,023	3,023
Other comprehensive income	–	–	-442	-442
<b>Equity, 31 Dec. 2018</b>	<b>26</b>	<b>26,653</b>	<b>5,246</b>	<b>31,925</b>

### Interest-bearing liabilities

At the end of the year, Heimstaden Bostad had interest-bearing liabilities amounting to SEK 41,593 million (24,828), 65 percent of which are covered by property mortgages, giving a loan-to-value ratio for covered loans of 37 percent. With deductions for cash and cash equivalents, net liabilities increased by SEK 15,214 million, to SEK 39,279 million (24,065). The Group's borrowing, including currency effects, has increased by SEK 16,765 million, relating primarily to acquisitions of properties in Sweden, Norway and Denmark.

Of the interest-bearing liabilities, SEK 10,643 million (0) refers to financing based on bonds, SEK 14,797 million (10,484) is attributable to financing based on mortgage bonds, and SEK 16,153 million (17,952) are traditional bank loans. Unutilised credit facilities from banks amounted to SEK 7,043 million (0.6) on the balance sheet date.

The average period for which capital is tied up in Heimstaden Bostad's interest-bearing liabilities amounted 8.1 years (7.3). The largest proportion of loan maturities in an individual year amounts to 28 percent (33), occurring in 2020 (2019). At the same time, the average interest period of fixed interest, including the effect of derivatives, amounted to 2.58 years (1.35).

### Deferred tax

Deferred tax is calculated, at a nominal tax rate of 20.6 percent in Sweden, 22 percent in Denmark and 23 percent in Norway, on differences between

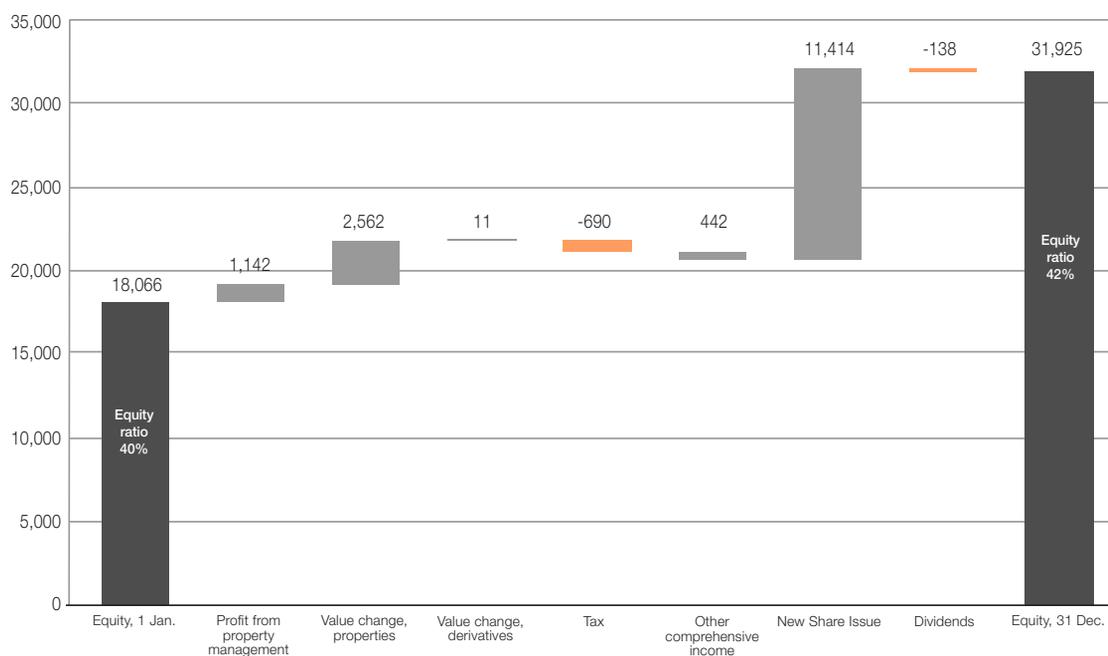
the carrying amount and the consolidated cost of assets and liabilities. As a result of a changed tax rate in Sweden, from 22 percent to 20.6 percent, the opening balance has also been recalculated and adjusted in the Income Statement, the effect on profit amounting to SEK 59 million. At 31 December 2018, deferred tax, which is the net of deferred tax assets and deferred tax liabilities, amounted to SEK 1,356 million (1,025) and was mostly, attributable to investment properties. The remaining tax deficit in the Group amounts to SEK 1,097 million (3).

### Equity

Equity amounted to SEK 31,925 million (18,065), giving an equity ratio of 42 percent (40). The change for the period is attributable to profit, new share issue and dividends. During the period SEK 138 million (550) has been paid in dividends preference shares. Over the past year, Heimstaden Bostad has implemented several new share issues, three of these occurring in the period and totalling SEK 11,414 million.

Heimstaden Bostad is exposed to currency risk associated with the Danish and Norwegian operations, as well as to risk associated with the EUR with regard to financing. The risk associated with bonds denominated in EUR has been hedged against SEK through swaps. The currency risk associated with the foreign operations is limited to net capital in each currency. The risk can also have a direct effect on profit thereby affecting equity.

EQUITY DEVELOPMENT OVER THE YEAR, SEK MILLION



## Consolidated Cash Flow Statements

Amounts in SEK million	Note	2018	2017
<b>Operating activities</b>			
Profit before tax		3,715	2,123
Adjustments for non-cash items			
– Change in value of investment properties	IC 6	-2,562	-1,776
– Change in value of derivative instruments	F 3	-11	-4
– Other non-cash items		-126	–
Tax paid		-149	-17
<b>Cash flow from operating activities before changes in working capital</b>		<b>867</b>	<b>326</b>
<b>Change in working capital</b>			
Change in development properties and tenant-owned apartments in progress	A 2	-883	–
Change in current receivables		300	-87
Change in current liabilities		112	93
<b>Cash flow from operating activities</b>		<b>396</b>	<b>333</b>
<b>Investing activities</b>			
Property acquisitions	A 1	-13,994	-12,465
Investments in properties	A 1	-1,265	-316
Acquisitions of other non-current assets		-158	–
Deposits paid for acquisitions		-547	–
Property sales	A 1	13	285
Change in financial assets		210	-210
<b>Cash flow from investing activities</b>		<b>-15,741</b>	<b>-12,705</b>
<b>Financing activities</b>			
New share issue		11,414	8,612
Dividend, preference shares		-138	-550
Change in interest-bearing liabilities	F 6	5,738	4,802
Redemption of interest rate derivatives		-135	–
<b>Cash flow from financing activities</b>		<b>16,879</b>	<b>12,863</b>
<b>Cash flow for the year</b>		<b>1,535</b>	<b>491</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>763</b>	<b>270</b>
<b>Currency effect in cash and cash equivalents</b>		<b>15</b>	<b>2</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>2,313</b>	<b>763</b>
<b>Disclosures on interest rates</b>			
Interest paid amounts to		553	355
Interest received amounts to		26	4

**Operating activities**

Cash flow from operating activities, before changes in working capital, increased to SEK 867 million (326), the change being a result of increased property holdings. After a reduction in working capital of SEK 471 million (increase 7), cash flow from operating activities was SEK 396 million (333). The increased working capital is largely an effect of an increased balance sheet due to the expansion in Norway and Denmark.

**Investing activities**

Cash flow from investing activities was negative in the amount of SEK 15,741 million (12,705). Most of the flow consists primarily of corporate and property transactions, as well as property investments, of which most are attributable to acquisitions in Oslo, Copenhagen, and Malmö.

**Financing activities**

Cash flow from financing activities amounted to SEK 16,879 million (12,863) and is explained by a change in interest-bearing liabilities and new share issues as a result of an extended property portfolio.

**Cash flow**

Cash flow for the year amounted to SEK 1,535 million (491), cash and cash equivalents amounted to SEK 2,313 million (763).

# Accounting principles and notes to the consolidated accounts

## G GENERAL INFORMATION AND GENERAL ACCOUNTING RULES

### A-1 General information

Heimstaden Bostad AB (publ), Corp. ID No. 556864-0873, is a limited liability company registered in Sweden with its registered office in Malmö, located at Östra promenaden 7A, SE-211 28, Malmö, Sweden. Heimstaden Bostad's operations consist of owning, developing and managing residential properties.

The Annual Report and consolidated accounts for the financial year 2018 have been approved for publication in accordance with a resolution by the Board of Directors on 30 April 2019. It is proposed that the Annual Report and consolidated accounts be approved by the Annual General Meeting on 15 May 2019.

### A-2 Preparation of the consolidated accounts

The consolidated accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU. In addition, the consolidated accounts have been prepared in accordance with Swedish law through the application of the Swedish Financial Reporting Board's recommendation RFR 1 Supplementary accounting rules for groups.

The consolidated accounts comprise the Parent Company Heimstaden Bostad AB and the companies over which the Parent Company has a direct or indirect controlling influence, see Note [PC-GS 1](#) to the Parent Company accounts.

The functional currency for the Parent Company is Swedish kronor, which is also the reporting currency for the Group. The financial statements are presented in Swedish kronor rounded to the nearest SEK million unless otherwise stated.

Assets and liabilities are recognised at cost with the exception of investment properties and interest rate derivatives, which are valued and reported at fair value, and deferred tax, which is recognised at nominal value.

Non-current assets and liabilities consist, essentially, of amounts expected to be recovered or paid after more than 12 months of the Balance Sheet date. Current assets and liabilities consist, essentially, of amounts expected to be recovered or paid within 12 months of the balance-sheet date. Current liabilities to credit institutions include one year's agreed amortisation, as well as credits to be repaid during the coming years in accordance with the agreements.

The consolidated accounts have been prepared in accordance with the acquisition method. This means that, the subsidiaries' equity on acquisition, determined as the difference between the fair value of the assets and liabilities, is eliminated in its entirety. Accordingly, consolidated equity includes only that part of the subsidiaries' capital that has arisen following the acquisition. Profits for subsidiaries acquired or divested during the year are included in the Consolidated Statement of Comprehensive Income from and including the date on which the transaction took place, that is, when a controlling influence arose or ceased. Intra-Group sales, gains, losses and balances are eliminated in the consolidated accounts.

Foreign subsidiaries are translated into SEK by translating the Balance Sheet at the exchange rate on the Balance Sheet date, with the exception of equity, which is recalculated at the historical exchange rate, while the Income Statement is translated at the average exchange rate for the period. Translation differences that occur are reported in other comprehensive income.

Transactions in foreign currency are translated into SEK at the exchange rate prevailing on the transaction date. Monetary assets and liabilities are translated at the exchange rate on the balance sheet date.

### A-3 Acquisitions

In connection with an acquisition, an assessment is made as to whether it is an acquisition of a business or of assets. A business acquisition is defined in accordance with IFRS3, requiring that the assets and liabilities acquired constitute a business operation. When an acquisition is made of net assets that do not constitute a business operation, this is classified as an asset acquisition.

Accordingly, an acquisition of an independent business operation constitutes a business acquisition and is reported in accordance with the acquisition method. The cost of a business acquisition consists of the fair value on the transaction date for the assets obtained, for liabilities incurred or taken over and for equity instruments issued by the acquirer in exchange for the controlling influence of the acquired entity. Acquired identifiable assets, liabilities and contingent liabilities are valued at their fair value on the acquisition date. If the cost of the acquired shares exceeds the sum of the fair value of the acquired identifiable assets, liabilities and contingent liabilities, the difference is reported as goodwill. If the acquisition cost is less than fair value calculated as above, the difference is reported in the Income Statement.

In connection with the acquisition of a subsidiary whose assets consist of a property and that lacks a management organisation, the acquisition is classified as an asset acquisition. The cost of the assets or net assets are allocated to the individual identifiable assets and liabilities based on their relative fair value at the time of acquisition.

### A-4 Key assumptions and assessments

To be able to prepare the accounts in accordance with IFRS and generally accepted accounting principles, Management and the Board of Directors must make a number of key assumptions and assessments that affect the application of the accounting principles and the reported values of assets, liabilities, income, costs and other disclosures. These assumptions and assessments are based on historical experience and current information. The actual outcome may deviate from these estimates and assessments.

The assumptions and assessments deemed most significant mainly comprise valuations of investment properties. These valuations include estimates regarding future cash flows, return requirements, and changing conditions that could have a significant impact on the Group's profit and financial position. To reflect the uncertainty that exists in the assumptions made, a range of uncertainty of +/- 5 to 10 percent is usually stated in connection with property valuations.

In connection with the report, an estimate is made of the market value, which in the accounting context is referred to as fair value. Further information on valuation documentation and valuation methods applicable to property valuation is presented in Note [A 1](#).

### A-5 Cash Flow Statements

Cash flow statements have been prepared in accordance with the indirect method in accordance with IAS7. This means that profit is adjusted for transactions that did not entail payments in or out and for income and costs attributable to investment and/or investment financing activities.

**A-6** New accounting principles

In this Annual Report, the Group and Parent Company apply, for the first time, the new and amended standards and interpretations to be applied for financial years commencing 1 January 2018 or later. None of the new and amended standards and interpretations to be applied from 1 January 2018 have any significant impact on the financial statements of the Group or Parent Company. No new or amended IFRS has been applied prematurely.

**IFRS 15 Revenue from Contracts with Customers**

In the autumn of 2016, IFRS 15 Revenue from Contracts with Customers was adopted and the standard came into effect on 1 January 2018. The standard, including amendments from 2016, has been applied by the Group and Parent Company from this date with full retroactive recalculation. The purpose of the revenue standard is to provide a comprehensive and principle-based standard for all reporting of income. Heimstaden Bostad's income consists of rental income and income from property sales. In accordance with IFRS 15, rental income is divided into two parts: rental income and service income. Rental income refers to rent, including index adjustments, supplementary debiting for investments and property taxes. Service income refers to any other form of additional debiting, such as for TV, broadband, heating and cooling. The company's sales consist virtually exclusively of rental income. Under previous regulations, income from property sales could normally reported on either the contract date or the access date and IFRS 15 entails the income from the sale being reported on the access date. Heimstaden Bostad reports income from property sales on the access date. The recommendation also implies an expanded disclosure requirement regarding a sale if, for example, there is a variable or conditional purchase consideration and/or financing element. On the whole, IFRS 15 has not had any impact on reported income and reported profit.

**IFRS 9 Financial instruments**

In the autumn of 2016, IFRS 9 Financial Instruments was adopted by the EU. The standard replaces IAS 39 and entered into force on 1 January 2018 and has been applied by the Group and Parent Company from that date. Comparative information has not been recalculated but is reported in accordance with IAS 39.

The standard introduces new principles for the classification and valuation of financial assets, hedge accounting and credit provisions. The new principles regarding classification and valuation of financial assets build on an analysis of the company's purpose for the holding and on the asset's cash flow nature.

Derivative instruments will also continue to be reported at fair value via the Income Statement. In accordance with IFRS 9, provisions for credit losses are made in accordance with a model based on expected losses. As a result of rent being invoiced in advance and rent losses historically having been small, claims are low. Amended principles for the impairment of loan receivables and accounts receivable have not affected the reported result and position, although the classification of certain financial instruments has changed. On the whole, IFRS 9 is not expected to have any material impact on the company.

*Classification and valuation*

All financial assets have previously been valued at fair value and will continue to be valued in the same way. The Group has made the assessment that loans and accounts receivable continue to meet the criteria for being reported at amortised cost.

*Impairment of financial assets*

The Group applies the simplified method for reserving expected loan losses for leases and accounts receivable. This entails taking expected credit losses over the remaining term into account. The financial assets covered by provisions for expected credit losses, in accordance with the general method, consist of cash and cash equivalents and other receivables. The transition to IFRS 9 has not materially affected the reserve for credit losses.

**IAS 40 Investment properties**

The amendments clarify when a property should be reclassified to be, or no longer be, an investment property. The amendments have been applied as of 1 January 2018 and do not have any material impact on the financial statements of the Group or the Parent Company.

**G 7** New and amended accounting principles yet to come into effect

New and amended IFRS accounting principles yet to come into effect have not been applied prematurely in the preparation of the consolidated and Parent Company financial statements. Described below are the IFRS standards that may affect the consolidated or Parent Company financial statements. Other new or amended standards or interpretations published by IASB (International Accounting Standards Board) are not expected to have an impact on the consolidated or Parent Company financial statements.

**IFRS 16 Leases**

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 Bostad'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.

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. Depreciation 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.

The standard excludes short-term leases and leases regarding low value assets. A short-term lease is one with a lease term shorter than 12 months from the start of the lease term. Leases including an option to buy cannot be classified as short-term leases. Leases of lesser value are those in which the underlying asset is of low value, the assessment being based on the value of the asset when new. Leases of lesser value are defined based on the value of the underlying asset being at most USD 5,000. The Group has chosen to apply this relief rule for short-term lease agreements and leases with low value.

According to the main rule in IFRS 16, non-leasing components shall be reported separately from the leasing component and expensed in the Income Statement. However, a lessee may choose not to separate non-leasing components from the leasing component and this choice is made based on asset classes. The Group has chosen to apply this relief rule.

**Effects of the transition to IFRS 16**

During 2018, the Group evaluated the effects of IFRS 16 and the new rules are not expected to have any material impact on the company. Heimstaden Bostad is a lessee regarding a few leasehold agreements and other minor leases. Heimstaden Bostad's assessment is that the transition to IFRS 16 will have no significant impact on the Group's profit and position or Cash Flow Statement.

The Group will apply IFRS 16 from 1 January 2019 and, accordingly, will not apply the standard retroactively. The leasing debt as of 1 January 2019 amounts to SEK 63 million, with a corresponding right-of-use asset also being reported.

**A-8** Information about related parties**Related-party transactions**

In addition to the related-party relationships specified for the Group, the Parent Company has a controlling influence over subsidiaries in accordance with Note **PC-GS1** in the Parent Company's Balance Sheet.

**Summary of related-party relationships**

During the year, Heimstaden acquired properties in Norway from Fredensborg AS for a value of SEK 8,080 million (8,169). The properties have been acquired by Heimstaden Bostad Invest 10 AS, a subsidiary of Heimstaden Bostad AB, on the Board of which Heimstaden AB has no voting rights regarding internal acquisitions. Decision-making shareholders were Alecta and the Sandvik and Ericsson pension foundations.

During the financial year, Heimstaden Bostad acquired administrative services from Heimstaden AB and Heimstaden Förvaltnings AB for SEK 377 million (290). Interest on shareholder loans was paid in the amount of SEK 0 million (138).

During the financial year, Heimstaden Bostad AB acquired properties from Group companies for SEK 18,230 million (17,057).

**G 9** Events after the Balance Sheet date

On 26 February, Heimstaden Bostad issued a debenture loan denominated in EUR under its existing EMTN programme. The issue amount amounts to SEK 7.4 billion with a term of 4.5 years. The loan has been converted to SEK and NOK via currency derivatives.

On 27 March, through sales of shares in subsidiaries, Heimstaden AB transferred managed properties and property projects in progress in Denmark and Sweden for a value of SEK 16,247 million to Heimstaden Bostad. The transferred items consist partly of properties under property management with a property value of SEK 4,797 million and, partly, on-going and future property projects for a value of about SEK 11,450 million (on completion). The transferred managed properties are spread geographically across Denmark and the projects are located primarily in Sweden. Rental income from the managed properties amounts to SEK 221 million annually and the net operating income to SEK 135 million.

The financial statements form part of the Annual Report and were signed by the Board of Directors and the CEO on 30 April 2019.





## IC INCOME AND COSTS

### Income accounting

Income consists of rent and is charged in advance and rental income is allocated linearly, thus only rent charged for the period is reported as income. Gross rent includes items relating to subordinated costs from negotiated options, such as digital services, alarms, TV and Internet, but also property tax and heating. Prepaid rent is reported as prepaid income and income from external property management assignments is reported on an ongoing basis over the contract period.

Property sales are reported when the material risks and benefits have been transferred to the buyer. In principle, such income is reported on the access date, as long as this does not contravene specific terms of the purchase agreement. When selling a property through a company, the underlying price of the property, the estimated tax and sales costs are reported net. The profit from the sale is reported as a change in value.

Property costs consists of both direct and indirect costs. Direct costs relate to expenses for operation, maintenance, ground rent and property tax, while indirect costs comprise easing, rental, property administration and accounting.

### Leases

Leases in which all of the risks and benefits associated with ownership remain with the lessor are classified as operating leases. All lease agreements linked to Heimstaden Bostad's investment properties have been considered to be operating leases. Leasehold agreements have been viewed as operational leases, with ground rent payments being reported as a cost in the period to which they relate. Payments made during the lease period are expensed linearly over the lease period in the Income Statement.

### Profit from property management

IAS 1 prescribes what information is to be reported in the Income Statement and how this information may be presented. What is prescribed and described is not exhaustive nor specific to Swedish property management companies. A clear praxis has emerged among property management companies whereby profit from property management is reported in a section in the Income Statement, with changes in the value of properties and derivatives in a separate section between profit from property management and profit before tax.

Taking into account that Heimstaden Bostad manages and assesses its operations based on profit from property management and in view of practices within the sector, the company has chosen to report changes in the value of investment properties and interest rate derivatives in its own section between profit from property management and profit before tax.

## IC 1 Segment reporting

### Accounting principles

Heimstaden Bostad organises and governs its activities based on geographical areas. These geographical areas form the basis of the definition of segments. Group management at Heimstaden Bostad monitors net operating income and changes in the value of managed properties in the identified segments; other Income Statement items are not distributed per segment. On the asset side, investment properties and interest-bearing liabilities are monitored.

Heimstaden Bostad has identified three segments consisting of the geographical areas of Sweden, Denmark and Norway. In the segments' profits, assets and liabilities have included directly attributable items and items that can be allocated to the segments in a reasonable and reliable manner. Heimstaden Bostad's business concept is to own, develop and manage residential properties and this is why no segments other than the geographical areas have been identified.

	Sweden	Norway	Denmark	Group in total	Sweden	Norway	Denmark	Group in total
	Dec. 2018	Dec. 2018	Dec. 2018	Dec. 2018	Dec. 2017	Dec. 2017	Dec. 2017	Dec. 2017
<b>INCOME STATEMENT</b>								
Rental income	2,014	601	616	3,231	1,478	82	60	1,620
Property costs	-1,029	-235	-216	-1,480	-760	-36	-20	-816
<b>Net operating income</b>	<b>985</b>	<b>366</b>	<b>400</b>	<b>1,751</b>	<b>718</b>	<b>46</b>	<b>40</b>	<b>805</b>
Central administration costs, unallocated	-	-	-	-140	-	-	-	-121
Other income and costs, unallocated	-	-	-	0	-	-	-	23
Financial income and costs	-212	-170	-88	-470	-318	-38	-6	-363
<b>Profit from property management</b>	<b>773</b>	<b>196</b>	<b>312</b>	<b>1,141</b>	<b>400</b>	<b>8</b>	<b>34</b>	<b>344</b>
Change in value of investment properties	1,565	395	603	2,564	1,866	-477	387	1,776
Change in value of derivatives	73	2	-64	11	5	-3	2	4
<b>Profit before tax</b>	<b>2,411</b>	<b>593</b>	<b>851</b>	<b>3,715</b>	<b>2,271</b>	<b>-472</b>	<b>423</b>	<b>2,123</b>
<b>BALANCE SHEET</b>								
Investment properties	35,881	15,521	20,927	72,329	30,068	7,640	5,981	43,689
Development properties and tenant-owned apartments in progress	-	680	-	680	-	-	-	-
Assets, unallocated	-	-	-	3,274	-	-	-	1,138
<b>Total assets</b>	<b>35,881</b>	<b>16,201</b>	<b>20,927</b>	<b>76,283</b>	<b>30,068</b>	<b>7,640</b>	<b>5,981</b>	<b>44,827</b>
Equity, unallocated	-	-	-	31,925	-	-	-	18,066
Liabilities to credit institutions	18,744	412	11,794	30,950	16,196	5,018	3,614	24,828
Debenture loan, unallocated	10,643	-	-	10,643	-	-	-	0
Other liabilities, unallocated	-	-	-	2,765	-	-	-	1,933
<b>Total equity and liabilities</b>	<b>29,387</b>	<b>412</b>	<b>11,794</b>	<b>76,283</b>	<b>16,196</b>	<b>5,018</b>	<b>3,614</b>	<b>44,827</b>
Investments in investment properties	852	284	128	1,265	316	75	-	391

**IC 2** Rental income

	2018	2017
Housing	2,969	1,427
Premises	213	163
Garages and parking spaces	49	30
<b>Total</b>	<b>3,231</b>	<b>1,620</b>

	Number of contracts	Estimated contract value, 2018	Portion of value, %
<b>Lease maturities</b>			
2019	471	51	1
2020	340	65	2
2021	270	68	2
2022	138	35	1
2023-	86	86	2
<b>Total</b>	<b>1,305</b>	<b>305</b>	<b>8</b>
Vacant premises	827	30	1
Housing	36,683	3,141	89
Garages and parking spaces	15,444	57	2
<b>Total</b>	<b>54,259</b>	<b>3,533</b>	<b>100</b>

Leases for housing, which represent 89 percent (88) of the total contract value, are normally signed "until further notice", with a normal term of notice for the tenant of three months. Leases for premises are normally signed with a contract period of three to five years and are normally index-adjusted.

**IC 3** Property costs

Operation includes costs for electricity, heating, water, property management, cleaning and insurance. Maintenance costs consist of both periodic and ongoing measures to maintain the properties' standard. Property management refers to rental costs, financial services and certain overarching property management services.

Property costs	2018	2017
Operation	941	479
Maintenance	280	185
Property tax	85	31
<b>Direct property costs</b>	<b>1,306</b>	<b>695</b>
Property administration	174	121
<b>Total</b>	<b>1,480</b>	<b>816</b>

Property costs, SEK/m <sup>2</sup>	2018	2017
Operation	401	338
Maintenance	119	130
Property tax	36	22
<b>Direct property costs</b>	<b>557</b>	<b>490</b>
Property administration	74	85
<b>Total</b>	<b>631</b>	<b>575</b>

Operating costs, SEK/m<sup>2</sup> are calculated on time-weighted area.

**IC 4** Central administration costs

Central administration costs include costs at a Group-wide level that are not directly attributable to property management, such as costs for the Board of Directors, CEO, Group management and company costs pertaining to information to shareholders, for example, maintenance of stock exchange listing and production of annual and quarterly reports. Costs for central administration also include, remuneration to the auditors, in accordance with the table below:

EY	2018	2017
Audit	5	1
Auditing activities beyond the audit	2	–
Tax consultancy	0	–
Other assignments	0	–
<b>Total</b>	<b>7</b>	<b>1</b>

Moore Stephens	2018	2017
Audit	2	2
Auditing activities beyond the audit	0	0
Tax consultancy	–	–
Other assignments	–	–
<b>Total</b>	<b>2</b>	<b>2</b>

Total	2018	2017
Audit	7	3
Auditing activities beyond the audit	2	0
Tax consultancy	0	–
Other assignments	0	–
<b>Total</b>	<b>9</b>	<b>3</b>

Fees to EY have also been invoiced to the Parent Company Heimstaden AB, the fee for audit assignments amounting to SEK 2 million.

**IC 5** Other operating income

	2018	2017
Insurance compensation	–	19
Other	14	4
<b>Total</b>	<b>14</b>	<b>23</b>

The insurance compensation received refers to a building that was completely destroyed by fire during the 2017 financial year.

**IC 6** Value change, properties

	2018	2017
Realised value change	6	4
Currency effects	14	-23
Unrealised change in value of development properties	-169	–
Unrealised value change attributable to change in return requirement	1,365	989
Unrealised value change attributable to change in net operating income	1 346	806
<b>Total</b>	<b>2,562</b>	<b>1,776</b>

**IC 7** Other comprehensive income

	2018	2017
Exchange rate difference	-442	29
<b>Total</b>	<b>-442</b>	<b>29</b>

## T TAX

### Accounting principles

Tax income and costs for the period consist of current and deferred tax. Taxes are reported in the Income Statement except where the underlying transaction is recognised directly in equity, upon which the associated tax effect is also recognised directly in equity. Current tax is calculated based on the applicable tax rate, deferred tax is calculated based on approved future tax rates in Sweden, Norway and Denmark.



Øresundstårnet, Copenhagen, Denmark

## T 1 Current and deferred tax

### Accounting principles

Current tax is calculated based on taxable profit for the period, and reported as an income or cost in the Income Statement. Taxable profit for the year differs from the reported profit for the year in that it has been adjusted for non-taxable and non-deductible items. Current tax also includes adjustment of current tax attributable to earlier periods.

	2018	2017
Current tax	-135	-35
Deferred tax	-557	-511
<b>Total</b>	<b>-692</b>	<b>-546</b>
Reported profit before tax	3,715	2,123
Tax according to current rate	-800	-462
Tax effect of:		
Non-taxable income	69	0
Non-deductible costs	-23	0
Non-taxable profit on disposal of participations	-	26
Negative value change in properties acquired during the year	-	-111
Revaluations, deferred tax, 20.6%	60	-
Tax attributable to previous years	2	1
<b>Total</b>	<b>-692</b>	<b>-546</b>

## T 2 Deferred tax

### Accounting principles

Deferred tax is calculated on temporary differences according to the balance sheet method between the reported or taxed value of an asset or liability, except for temporary differences arising on initial recognition of assets and liabilities constituting asset acquisitions.

A deferred tax asset represents a reduction of future taxes relating to deductible temporary differences, tax-loss carryforwards or other tax deductions. All tax receivables and liabilities are valued at nominal amounts in accordance with the determined tax regulations and tax rates. Deferred tax assets are recognised in the Balance Sheet for tax-loss carryforwards and deductible temporary differences to the extent that the amounts are likely to be utilised against future taxable surpluses. In Heimstaden Bostad, there are four items with temporary differences: properties, interest rate derivatives, untaxed reserves and tax-loss carryforwards.

A deferred tax liability relates to taxable temporary differences to be paid in the future. Deferred tax liabilities in the Group mainly relate to differences in the estimated fair value and tax value of properties, as well as differences between the fair value and cost of interest rate derivatives.

The year's property acquisitions through companies have been classified as asset acquisitions, meaning that deferred tax existing on the acquisition date is not included in the consolidated Balance Sheet.

According to the accounting regulations, deferred tax is reported in accordance with applicable tax rates and without discounting. The actual tax rate is significantly lower, partly due to the time factor and partly as a result of current opportunities to sell properties in a tax-efficient manner.

	2018		2017	
	Basis	Tax 22% and 20.6%	Basis	Tax 22%
<b>Deferred tax receivables</b>				
At the beginning of the year	-1	0	-7	-1
Corporate acquisitions	-975	-215	-	-
Changed tax rate	-	0	-	-
Change for the year	-	-	6	1
<b>At the end of the year</b>	<b>-976</b>	<b>-215</b>	<b>-1</b>	<b>-</b>
<b>Deferred tax liability</b>				
At the beginning of the year	4,691	1,032	2,398	528
Corporate acquisitions	232	51	-	-
Depreciation for the year	118	24	125	25
Value change for the year	2,459	521	2,253	496
Reversal for the year due to sale	-	-	-86	-19
Changed tax rate	-	-60	-	-
<b>At the end of the year</b>	<b>7,500</b>	<b>1,568</b>	<b>4,690</b>	<b>1,033</b>
<b>Interest-rate derivatives</b>				
At the beginning of the year	-31	-6	-35	-8
Changed tax rate	-	0	-	-
Change for the year	49	9	4	1
<b>At the end of the year</b>	<b>18</b>	<b>3</b>	<b>-31</b>	<b>-7</b>
<b>Net deferred tax</b>				
At the beginning of the year	4,659	1,025	2,357	518
Corporate acquisitions	-743	-164	-	-
Change for the year	2,626	495	2,302	507
<b>At the end of the year</b>	<b>6,542</b>	<b>1,356</b>	<b>4,659</b>	<b>1,025</b>

## A ASSETS

### A 1 Investment properties

#### Accounting principles

Investment properties are properties held to generate rental income and/or increases in value. The concept of investment properties includes buildings and land, groundwork, construction and groundwork equipment, as well as work in progress. In addition, properties under construction or being developed for future use as investment properties are reported as investment properties. If the Group initiates an investment in an existing investment property for continued use as investment property, the property continues to be reported as an investment property.

Investment properties are initially reported at cost including costs directly attributable to the acquisition. Following initial recognition, investment properties are reported at fair value in the Balance Sheet with the change in value in the Income Statement. Fair value is based on an internal valuation of each property and these valuations are conducted at the end of each quarter. To safeguard these valuations, external valuations are obtained annually from valuation companies for all properties as per the closing date of the annual accounts. The Group also examines continuously whether there are any other indications of changes in the value of the properties. These may comprise, for example, major lease agreements, terminations and material changes in the return requirement.

Value changes comprise realised and unrealised changes in value and are reported net for all properties. The unrealised change in value is calculated on the basis of the valuation at the end of the financial year compared with the same period in the previous year plus capitalised, value enhancing investments during the year.

For properties acquired during the year, unrealised changes in value are calculated as the difference between the valuation at the end of the financial year and the cost of the acquisition plus any value-enhancing investments.

Realised changes in value are calculated as the difference between the sales price less sales costs and value-enhancing investments undertaken following the most recent year-end accounts and the cost stated in the most recent year-end accounts. Additional costs of a value-enhancing nature are capitalised and include costs for repairs and maintenance, which are expensed in the period in which they are incurred.



cont. Note A 1

	31 Dec. 2018	31 Dec. 2017
Fair value at the end of the year	43,689	19,912
Acquisitions	24,737	22,085
Investments	1,265	391
Sales	-13	-526
Currency change	-60	32
Unrealised value change	2,711	1,795
<b>Fair value at the end of the year</b>	<b>72,329</b>	<b>43,689</b>
<b>Breakdown by category</b>		
Residential properties	68,230	42,282
Project properties	3,335	1,365
Land and building rights	764	42
<b>Total</b>	<b>72,329</b>	<b>43,689</b>

#### Valuation model

Heimstaden Bostad reports its investment properties at fair value, i.e. market value, and has valued each individual property externally as per 31 December 2018.

The external valuations were conducted by Newsec and Forum Fastighets-ekonomi for Sweden, Sadolin & Albæk for Denmark, and Eie Eiendomsmegling, Aktiv Eiendomsmegling and Nyverdi AS for Norway. The valuations were made in accordance with the International Valuation Standards (IVSC) and the European Valuation Standard and Guidance Notes from The European Group of Valuer's Association (TEGoVA) through its national industry organisations (Samhällsbyggarna – SFF in Sweden, Norges Takseringsforbund – NTF in Norway, and Dansk Ejendomsmaeglerforening – DE in Denmark). The Danish valuations are also prepared in accordance with Practice Statements and Relevant Guidance Notes by RICS.

In Sweden and Denmark, as well as for premises in Norway, the valuation is performed through a combination of spot price analysis and market simulation using cash flow analyses based on the each unit's net operating income. Based on the estimated net operating income, a simulation is performed for the ensuing ten years' earnings capacity and a present value is calculated based on annual flows and a terminal value calculated according to the Gordon growth model. The sum of the calculated present values represents the estimated market value of the property.

The Norwegian valuations for housing are performed as traditional local price analyses, taking into account the structure and content of the lease. The basis for this is that an apartment can either be rented or sold as a condominium apartment or tenant-owner apartment.

#### Valuation hierarchy

The fair value of the property portfolio is based on level two and level three input data under the valuation hierarchy in IFRS 13. The valuations are classified as being within level two for housing in Norway, within level three for Sweden and Denmark, as well as for premises in Norway.

#### Valuation basis for investment properties

For housing in Sweden and Denmark, valuations are performed on the basis of rent levels, specific rent surcharges and any discounts. For premises, the basis consists of rent, lease term, indexation and any surcharges, such as for heating, water and electricity. Estimates of operating and maintenance costs are based on the historical cost of the property, investments made and the external valuer's knowledge of costs for comparable items. The latter is an important part of the valuation, since active decisions and the owner's organisation affect the reported cost. Consequently, the operating costs in a valuation may differ, either positively or negatively, from the reported cost. The costs vary for each individual property, depending on the type of property, its standard and function. For each property, an anticipated long-term vacancy rate has been assigned to which the current opening vacancy is "normalised" during the valuation period. In addition to the

cont. Note A 1

above, the basis of valuation also includes property prices for sales of properties, tenant-owned apartments and condominium apartments.

In Norway, valuation is based on publicly available brokerage statistics for all apartments sold in the immediate vicinity of each property.

#### Project properties, Land and building rights

Classified as project properties are those under construction, extension or remodelling. Project properties are valued on the basis of the completed project, less remaining investments. Depending on the phase to which the project has progressed, there is a risk premium on the return requirement.

Building rights are valued on the basis of an estimated market value for established building rights in accordance with detailed plans that have entered legal force, or where detailed plans are expected to enter legal force in the near future.

#### Assumptions

In the valuation, key assumptions are made based on future cash flow, i.e. future net operating income, and assumptions regarding return requirements.

#### Assumptions regarding cash flow

Heimstaden Bostad's property portfolio consists mainly of residential properties, where rent level trends are regulated in Sweden but unregulated in Denmark and Norway. The long-term rent and cost trends are assumed to correspond to the anticipated long-term inflation level and inflation target. The valuation is based on a normalised level of operating and maintenance costs, excluding property tax and land leasehold payments, at between SEK 240 and SEK 510 per square metre.

#### Assumptions regarding return requirements

The return requirement assumes a real interest rate (risk-free interest rate less inflation) and a risk premium, where the risk premium is specific for each property. The risk premium is based on property-specific characteristics, such as the property's location, in terms of both location and micro location, area advantage technical standard, alternative use and who is the most likely buyer, etc.

+ 10-year government bond (weighted SE/NO/DK)	0.79%
- Inflation	-2.00%
+ Risk premium	2.33% to 9.71%
= Return requirement	1.12% to 8.50%

At the end of the financial year, the average initial return requirement was 3.75 percent for the entire portfolio. Broken down by segment as below:

Segments	Return requirement, %
Sweden	3.87
Norway	3.74
Denmark	3.55
<b>Average</b>	<b>3.75</b>

#### Acquisitions after the Balance Sheet date

After the balance sheet date, Heimstaden Bostad has agreed to acquire properties with access dates after the balance sheet date. Since Heimstaden has not taken possession of the properties, they are not included in the financial statements.

Segments	Anticipated possession	Contracted property value
Denmark	2019 Q1	4,797
<b>Total</b>		<b>4,797</b>

cont. Note A 1

#### Uncertainty interval and sensitivity analysis

The fair value (price) of a property can only be determined when it is sold. Property valuations are estimates that build on accepted principles based on certain assumptions, as explained above. Accordingly, the valuation naturally includes a degree of uncertainty in the assumptions made. The valuation is assured and uncertainty is minimised through ongoing valuation work and by evaluating completed sales in Heimstaden's property portfolios and those of others.

Generally, market value is displayed in a value range of +/-5-10 percent to reflect the uncertainty in the assumptions. The reported property value per 31 Dec. 2018 amounts to SEK 72,329 million. With an uncertainty interval of +/-5 percent, this value is affected by SEK 3,616 million and at +/-10 percent, the value is affected by SEK 7,233 million.

Presented below is a more detailed sensitivity analysis linked to the above-mentioned significant assumptions regarding return requirements and net operating income. Since rental income from housing is regulated in certain countries, the principal risk for a change in net operating income lies in the costs. Note that the following sensitivity analysis has been made in accordance with the present value method and that the change in return requirement and net operating income is one for the year at hand.

#### Property value at other yield requirements

0.75 – unit lower	92,471
0.50 – unit lower	85,128
0.25 – unit lower	78,864
<b>Market value of properties on Balance Sheet date</b>	<b>72,329</b>
0.25 – unit higher	68,746
0.50 – unit higher	64,602
0.75 – unit higher	60,928

#### Property value on changed net operating income

2.00 percent higher net operating income	74,929
1.50 percent higher net operating income	74,561
1.00 percent higher net operating income	74,194
<b>Market value of properties on Balance Sheet date</b>	<b>72,329</b>
1.00 percent lower net operating income	72,724
1.50 percent lower net operating income	72,356
2.00 percent lower net operating income	71,988

cont. Note A 1

**Total property value and broken down by segment**

The total property value, measured at fair value, amounts to SEK 72,329 million (43,689). This value includes unrealised value increase for 2018 of SEK 2,711 million (1,795). Expressed as a percentage, the unrealised increase in value is 3.9 percent (4.4) of the total property value before changes in value. The total property value breaks down by segment as shown below.

Change in market value of investment properties	Total	Sweden	Denmark	Norway
Market value of investment properties, 31 Dec. 2017	43,689	30,067	5,981	7,640
Sales during the period	-13		-13	0
Acquisitions during the period	24,737	3,404	14,193	7,139
Investments during the period	1,265	852	128	284
Currency change	-60	0	28	-87
<b>Market value after transactions</b>	<b>69,618</b>	<b>34,323</b>	<b>20,318</b>	<b>14,977</b>
Unrealised value change	2,711	1,557	609	545
<b>Market value of investment properties, 31 Dec 2018</b>	<b>72,329</b>	<b>35,881</b>	<b>20,927</b>	<b>15,521</b>

## A 2 Development properties and tenant-owned apartments in progress

**Accounting principles**

The properties in production and to be sold on completion are reported in the Balance Sheet on the line Development properties and tenant-owned apartments in progress. The item is reported on an ongoing basis at cost or net sales value if this is lower. The profit is reported when the development property or tenant-owned apartment has been completed, sold or transferred to a buyer.

	2018	2017
Opening amortised cost	-	-
Corporate acquisitions for the year	883	-
Currency change	-39	-
Unrealised value change	-164	-
<b>Closing amortised cost</b>	<b>680</b>	<b>-</b>

## A 3 Accounts receivable

**Accounting principles**

Financial assets that have fixed or determinable payments and that are not listed in an active market are reported as receivables. Following individual valuation, loan receivables, accounts receivable and rent receivables are reported in the amounts expected to be received. This means they are reported at cost less provisions for expected credit losses.

Accounts receivable amounted to SEK 17 million (9) per 31 Dec. 2018. The Group has chosen to apply the simplified method for reserving expected loan losses for leases and accounts receivable. This means that expected credit losses are reserved for the remaining term, which is expected to be less than one year for all receivables. Rent is invoiced in advance, meaning that all reported rent receivables and accounts receivable have fallen due for payment. The Group makes provisions for expected credit losses based on historical credit losses and forward-looking information. Heimstaden Bostad's customers have similar risk profiles, which is why the credit risk is initially assessed collectively. Any major individual receivables are assessed per counterparty. Heimstaden Bostad writes off a receivable when there is no longer any expectation of receiving payment and when active measures to obtain payment have been discontinued. As of 31 December 2018, no provisions had been made for expected credit losses on lease receivables and accounts receivable, see Note F1.

## A 4 Prepaid costs and accrued income

	31 Dec. 2018	31 Dec. 2017
Prepaid insurance premium	4	3
Prepaid interest	82	19
Other accrued items	115	12
<b>Closing balance</b>	<b>201</b>	<b>34</b>



**OL** OPERATING LIABILITIES**OL 1** Other current liabilities

	31 Dec. 2018	31 Dec. 2017
Deposits from tenants	219	74
Resting trial costs	26	48
Liabilities to associations in Norway	–	166
Other items	170	35
<b>Total</b>	<b>415</b>	<b>323</b>

**OL 2** Accrued costs and prepaid income

	31 Dec. 2018	31 Dec. 2017
Accrued interest	82	20
Prepaid rent	235	183
Other items	58	46
<b>Total</b>	<b>375</b>	<b>249</b>

**OL 3** Pledged assets

	31 Dec. 2018	31 Dec. 2017
Mortgages <sup>1)</sup>	34,358	24,288
Pledged shares in subsidiaries <sup>1)</sup>	3,684	3,310
<b>Total</b>	<b>38,042</b>	<b>27,599</b>

<sup>1)</sup> The collateral has been pledged with regard to interest-bearing loans from credit institutions.

**OL 4** Contingent liabilities

During the year, Heimstaden Bostad received a guarantee from its Parent Company, Fredensborg AS for any losses that might arise as a result of a lack of clarification of the municipality's entitlement to use nine properties owned by Heimstaden Bostad Invest 10 AS.

**Investment obligations**

During the year, Heimstaden Bostad agreed on property acquisitions whereby it would take possession after the balance sheet date. Since Heimstaden has not taken possession of the properties, they are not included in the financial statements.

Segments	Anticipated possession	Contracted property value
Denmark	2019-2020	8,005
Sweden	2019-2023	4,959
<b>Total</b>		<b>12,964</b>



## F FINANCING

### F 1 Financial instruments

#### Accounting principles

Financial instruments are any kind of agreement giving rise to a financial asset in a company and a financial liability or equity instrument in another company. Financial assets in the Balance Sheet refer to loan receivables, derivatives, rental receivables and accounts receivable, other receivables and cash and cash equivalents. Financial liabilities refer to loan liabilities, derivatives, other current liabilities and accounts payable. The accounting depends on how the financial instruments have been classified.

A financial asset is recognised or a liability is included in the Balance Sheet when Heimstaden Bostad becomes a party to an agreement, rent receivables and accounts receivable are included when the invoice has been sent and the company has an unconditional right to compensation. Liabilities are addressed when the counterparty has performed its undertaking and a contractual obligation to pay exists, even if the invoice has not yet been received, and accounts payable are included when the invoice is received.

A financial asset, or part of a financial asset, is removed from the Balance Sheet when the rights inherent in the agreement are realised or expire, or if the company loses control of them. A financial liability is removed from the Balance Sheet when the obligation has been met or otherwise extinguished. Financial assets and financial liabilities are only offset and recognised at a net amount in the Balance Sheet where there is a legal right to offset the amounts and there is an intention to settle the items at a net amount, or to realise the asset and settle the liability at the same time. Gains and losses on removal from the Balance Sheet and adjustments for these are reported in the Income Statement.

#### Financial assets

The classification of financial assets that are debt instruments is based on the Group's business model for the management of the asset and the nature of the asset's contractual cash flows.

The instruments are classified as:

- amortised cost
- fair value via other comprehensive income, or
- fair value via the Income Statement.

The Group's assets in the form of debt instruments are classified as amortised cost, that is, net of gross value and loss reserves. Changes in the loss reserve are reported in the Income Statement.

Financial assets classified at amortised cost are initially valued at fair value with the addition of transaction costs, while accounts receivable and lease receivables are initially reported at the invoiced value. Following initial accounting, the assets are valued in accordance with the effective interest method. Assets classified at amortised cost are held to receive payment for contractual cash flows, which are only payments of principal and interest on the outstanding capital amount. The assets are covered by a loss reserve for expected loan losses.

Equity instruments are classified at fair value via the Income Statement, unless not held for trade, in which case an irrevocable choice can be made to classify them at fair value via other comprehensive income without subsequent reclassification to the Income Statement. The Group holds other non-current securities, such as derivatives, which are classified at fair value via the Income Statement.

#### Impairment of financial assets

With the exception of those classified at fair value through the Income Statement or as equity instruments measured at fair value via other comprehensive income, the Group's financial assets are subject to impairment for expected credit losses. In accordance with IFRS 9, impairment for credit losses is forward-looking and a loss reserve is made when there is an exposure to credit risk, usually in connection

cont. Note F 1

with initial accounting. Expected credit losses reflect the present value of all cash flow deficits attributable to default, either for the subsequent 12 months or for the expected remaining term of the financial instrument, depending on the asset class and on credit deterioration since the initial accounting date. Expected credit losses reflect an objective, probability-weighted outcome that takes several scenarios into account based on reasonable and verifiable forecasts.

A simplified model is applied for accounts receivable and rent receivables, as well as contract assets. Accordingly, a loss reserve is reported for the receivable or asset's expected remaining term, see Note [A 3](#).

For other items subject to expected credit losses, a three-stage impairment model is applied. Initially, as well as on each Balance Sheet date, a loss reserve is reported for the next 12 months or for a shorter period depending on the remaining term (stage 1). If there has been an essential increase in credit risk since initial accounting, entailing a rating below investment grade, a loss reserve is reported for the remaining term of the asset (stage 2). For assets deemed to be impaired, reserves continue to be made for expected credit losses over the remaining term (stage 3). For assets and receivables with deteriorated credit, the calculation of interest income is based on the carrying amount of the assets, net of loss reserves, unlike the gross amount as in the previous stages.

The valuation of expected credit losses is based on various methods. Other receivables and assets not covered by the simplified method (see Note [A 3](#) Loan and rent receivables), are impaired in accordance with a rating-based method through external credit rating. In accordance with the general method, the financial assets covered by provisions for expected credit losses are cash and cash equivalents, other non-current receivables and other receivables. Expected credit losses are valued at the product of probability of default, loss given default and the exposure in the event of default. The Group has defined default as when payment of the claim is 90 days late or more, or if other factors indicate that payment is in default. For assets and receivables with deteriorated credit, an individual assessment is made, taking into account historical, current and forward-looking data. The assessment of whether there is a significant increase in credit risk at the Balance Sheet date for a receivable or asset is based on whether payment is delayed by 30 days or more, or if significant deterioration of rating occurs, entailing a rating below investment grade. In cases where the amounts are not deemed insignificant, a provision is made for expected credit losses for these financial instruments too. The valuation of expected credit losses takes into account any collateral and other credit enhancements in the form of guarantees.

#### Financial liabilities

Financial liabilities are classified at amortised cost, with the exception of derivatives classified at fair value via the Income Statement. Financial liabilities reported at amortised cost are initially valued at fair value including transaction costs. After initial accounting, they are valued at amortised cost in accordance with the effective interest method.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash and immediately availability balances at banks and corresponding institutions, and current liquid investments with a term of less than three months from the date of acquisition. Cash and cash equivalents are covered by the requirement for loss reserves for expected credit losses.

#### Comparison year in accordance with IAS 39

Financial instruments are reported in accordance with IAS 39 for the comparison year of 2017, since IAS 39 had other classification categories than IFRS 9. The classification categories in accordance with IAS 39 entailed nonetheless corresponding accounting at amortised cost or fair value respectively in the Income Statement. Investments in equity instruments lacking quoted market prices in an active market and the fair value of which could not be reliably calculated are reported at cost.

cont. Note F 1

IAS 39 also applied another method for reserving credit losses, entailing a reserve being made in connection with a confirmed credit event, unlike the method in IFRS 9, according to which reserves are made for expected credit losses. In other respects, there are no differences between the standards for the Group.

The initial application of IFRS 9 has had no effect on consolidated equity as of 1 January 2018. The transition to IFRS 9 has not caused any changes in the classification and valuation of financial instruments other than the names of the classification categories. Loan receivables, accounts receivable and other financial liabilities under IAS 39 are classified and valued at amortised cost under IFRS 9. Financial assets and liabilities measured at fair value through the Income Statement, continue to be classified in the same manner under IFRS 9. The Group has not identified any financial assets valued at fair value via other comprehensive income.

The effect of applying expected credit losses has been insignificant in nature for the Group. For this reason, no additional reserves were made in connection with the transition, which is why the carrying amounts for assets reported at amortised cost have not been affected.

The following table presents the Group's financial assets and liabilities, recognised at their carrying amounts and at fair value respectively, classified in the categories under IFRS 9. The Group's financial assets and liabilities for the comparison year 2017 are presented in accordance with the classification categories under IAS 39.

Valuation of financial assets and liabilities per 31 December 2018	Financial assets/liabilities measured at amortised cost	Financial liabilities measured at fair value through the Income Statement
<b>Financial assets</b>		
Financial derivative instruments	–	18
Financial fixed assets	150	–
Accounts receivable	17	–
Other financial receivables	558	–
Cash and cash equivalents	2,313	–
<b>Total</b>	<b>3,038</b>	<b>18</b>
<b>Financial liabilities</b>		
Long-term interest-bearing liabilities	40,637	–
Current interest-bearing liabilities	957	–
Accounts payable	295	–
Other liabilities	120	–
<b>Total</b>	<b>42,009</b>	<b>–</b>

Financial instruments, such as rent receivables, accounts payable, etc. are reported at amortised cost less impairment, which is why fair value is deemed to be in accordance with the carrying amount. Non-current interest-bearing liabilities are generally subject to short terms of fixed interest, and the fair values of non-current bonds do not differ significantly from the nominal values, which, combined, means that amortised cost is well-matched with fair value.

Valuation of financial assets and liabilities per 31 December 2017	Loans and accounts receivable	Financial liabilities measured at amortised cost	Financial liabilities measured at fair value through the Income Statement
<b>Financial assets</b>			
Financial fixed assets	211	–	–
Accounts receivable	9	–	–
Other financial receivables	156	–	–
Cash and cash equivalents	763	–	–
<b>Financial liabilities</b>			
Financial derivative instruments	–	–	31
Long-term interest-bearing liabilities	–	21,798	–
Current interest-bearing liabilities	–	3,030	–
Accounts payable	–	89	–
Other liabilities	–	788	–
<b>Total</b>	<b>1,138</b>	<b>25,705</b>	<b>31</b>

The assets' maximum credit risk consists of the reported net amounts in the table above. The Group has not received any pledged assets for the net financial assets.

cont. Note F 1

### Interest-rate derivatives

#### Accounting principles

Heimstaden Bostad uses derivatives to mitigate interest rate risks by swapping borrowing at floating interest rates with fixed interest rates and vice versa by means of interest rate derivative contracts. The Group reports interest rate derivatives as financial instruments in the Balance Sheet at cost on the contract date and then re-evaluates these at fair value via the Income Statement. Interest rate derivative refers to interest rate swaps for which the initial cost is zero. The nominal amount of SEK 5,127 million below refers to currency interest derivatives where loans in EUR are exchanged to SEK and NOK.

Ongoing payment flows under these agreements are recognised in the Income Statement in the period to which they pertain. Fair value is determined using generally accepted calculation methods based on market interest rates listed on the closing date for the different maturities. This means that fair value is determined according to valuation level two, IFRS 13. This level means that the valuation is based on inputs other than the listed prices included in level one.

The reported change in value may consist of realised and unrealised changes in value. Realised changes in value consist of redeemed interest derivative contracts and constitute the difference between the redemption price and the carrying amount according to the most recent year-end accounts. Unrealised changes in value constitute the difference between the valuation at the end of the previous year compared with the valuation for the same period in the previous year, alternatively the cost if the derivative contract is entered into during the financial year.

Interest-rate derivatives		31 Dec. 2018			31 Dec. 2017		
		Nominal amount	Share, %	Average interest, %	Nominal amount	Share, %	Average interest, %
Maturity, year	Type						
Within 1 year of the Balance Sheet date	Paying fixed	3,333	16	0.01	1,231	14	0.70
Within 2–5 years of the Balance Sheet date	Paying fixed	13,296	63	0.42	5,404	63	0.40
Later than 5 years from the Balance Sheet date	Paying fixed	4,553	21	0.70	1,894	23	0.90
<b>Total purchased swaps</b>		<b>21,182</b>	<b>100</b>	<b>0.42</b>	<b>8,529</b>	<b>100</b>	<b>0.60</b>
Within 1 year of the Balance Sheet date	Receives fixed/variable	–	–	–	–	–	–
Within 2–5 years of the Balance Sheet date	Receives fixed/variable	5,127	100	1.10	–	–	–
Later than 5 years from the Balance Sheet date	Receives fixed/variable	–	–	–	–	–	–
<b>Total sold swaps</b>		<b>5,127</b>	<b>100</b>	<b>1.10</b>	<b>–</b>	<b>–</b>	<b>–</b>

## F 2 Financial risk management

### Financial risk factors

The Heimstaden Bostad Group is continuously exposed to a number of risk factors. Management and employees work actively to quantify and control its risks. Practically all risk management is performed by the finance department in accordance with the overarching finance policy that has been prepared. Risk management is reported on and discussed regularly at Board meetings. The overall objectives of the finance policy are summarised as follows:

- Safeguard the Group's short and long-term capital supply through diversified borrowing in the capital market or with strong counterparties in the banking and financial sectors.
- The maturity structure of the period of fixed interest on the loans shall be well distributed over time.
- The period of fixed interest on the loans (including the effects of derivatives) shall be distributed over time.

Existing loan agreements with credit institutions contain financial conditions (so-called covenants) stipulating maximum loan-to-value ratio, minimum equity/assets ratio and minimum interest coverage ratio. At the end of the financial year, all of these conditions had been met.

### MARKET RISK

#### Currency risk

Heimstaden Bostad owns properties in Denmark for a value of SEK 20,927 million (5,981) and in Norway for a value of SEK 15,521 million (7,640), entailing currency risks. The currency effect arises in the Group's net assets when the foreign companies' Balance Sheets are consolidated. No hedging is currently performed for this currency risk.

#### Price risk

Price risk refers to the risk that the value of an asset will change unfavourably on fluctuations in asset prices. The Group's price risk exposure is limited by the framework imposed by the finance policy and, in accordance with this, Heimstaden Bostad may only use bank accounts and short-term market-listed instruments for liquidity investments. There are no market-listed instruments with extended maturities within the Group.

#### Interest rate risk

Interest rate risk refers to the risk that changes in market interest rates will affect Heimstaden Bostad's borrowing cost. Interest costs are mainly affected by the level of current market interest rates and the banks' margins, as well as the company's chosen strategy for periods of fixed interest. To manage the risk, the Group uses derivative instruments. Interest rates are fixed in accordance with the financial policy based on estimated interest rate trends, cash flow and capital structure and the prevalent market conditions at any given time.

### CREDIT RISK

Credit risk refers to the risk that Heimstaden Bostad's counterparties are unable to meet their financial obligations towards the company. Credit risk in the financing activities arises when, for example, investing liquidity surpluses, on the subscription of interest rate agreements and issued credit agreements. Heimstaden Bostad continuously evaluates all suppliers regarding the financial part of the business, to ensure that this credit risk is limited. Since the Group primarily invest in residential properties, rent is received in advance, eliminating a large part of the potential credit risk among end-customers.

The assessment has been made that there has been no significant increase in credit risk for any of the Group's financial assets. The counterparties lack credit risk ratings, with the exception of cash and cash equivalents where the counterparties consist of Nordic banks with credit risk ratings in the interval A to AA-



cont. Note F 2

#### LIQUIDITY RISK

The risk of a company encountering difficulties in meeting its obligations associated with financial liabilities and settled in cash or with other financial assets. Heimstaden Bostad has an attractive property portfolio, a balanced Loan-to-value ratio, a positive forecast for future cash flows and a broad network of financial institutions that supply capital.

Maturity structure, interest-bearing liabilities	31 Dec. 2018	31 Dec. 2017
<b>Loan maturity, year</b>		
Within 1 year of the Balance Sheet date	957	3,030
within 2-5 years of the Balance Sheet date	28,824	15,015
Later than 5 years from the Balance Sheet date	11,813	6,783
<b>Total</b>	<b>41,593</b>	<b>24,828</b>

	2018		2017	
	Loan amount	Average interest, % incl. margin	Loan amount	Average interest, % incl. margin
<b>Interest maturity, year *</b>				
Within 1 year of the Balance Sheet date	34,656	1.4	24,600	1.5
within 2-5 years of the Balance Sheet date	6,625	2.7	228	1.6
Later than 5 years from the Balance Sheet date	312	1.3	–	–
<b>Total</b>	<b>41,593</b>	<b>1.7</b>	<b>24,828</b>	<b>1.5</b>

Of interest-bearing liabilities, excluding shareholder loans, SEK 0 million (0) pertains to liabilities to Heimstaden AB.

\*includes financial instruments

For other risks, see pages 70–73.

**F 3** Change in value of interest rate derivatives

	2018	2017
Realised value change	3	-
Unrealised value change	8	4
<b>Total</b>	<b>11</b>	<b>4</b>

Interest rate derivatives are used to limit the impact of interest changes in interest rates. If the agreed interest rate deviates from the market rate, a surplus or deficit value on the interest rate derivatives arises and is reported above as an unrealised value change.

**F 4** Other non-current receivables

	31 Dec. 2018	31 Dec. 2017
Opening balance	211	1
Acquisitions	150	-
Loans granted	-	210
Repayments on loans	-211	-
<b>Closing balance</b>	<b>150</b>	<b>211</b>

The item relates to 100 shares SEK 0.5 million in Kalmarsund Vind Ekonomisk Förening Corp. ID No. 769613-9661 and prepayments regarding a property transaction in Norway and Denmark.

**F 5** Financial income and costs**Accounting principles**

Financial income, such as interest income is recognised in the Income Statement in the period to which it relates. Financial costs refer to interest and other borrowing costs and are recognised as costs in the period to which they relate. Payments in accordance with interest rate derivative agreements, are also included in this item and are expensed in the period to which they relate. Adjustments in the fair value of interest rate derivatives to fair value are not included in this item but are reported as separate items in the Income Statement. Costs for setting up mortgages are not considered to be financial costs, but are instead capitalised as value-enhancing property investments.

**Financial income and costs reported in comprehensive income**

<b>Assets and liabilities compulsorily measured at fair value through the Income Statement:</b>	2018	2017*
Net gains on derivatives	145	4
Net losses on derivatives	-134	-
<b>Total reported in the Income Statement (financial items)</b>	<b>11</b>	<b>4</b>

<b>Assets and liabilities measured at amortised cost:</b>	2018	2017
Interest income, promissory notes	-	3
Interest income, other financial assets	26	1
<b>Total interest income in accordance with effective interest method</b>	<b>26</b>	<b>4</b>

	2018	2017
Interest costs, loans	-698	-229
Interest costs, shareholder loans	-	-138
<b>Total interest costs in accordance with the effective interest method</b>	<b>-698</b>	<b>-367</b>

	2018	2017
Exchange rate differences, financial items	203	-
<b>Total</b>	<b>203</b>	<b>-</b>
<b>Total</b>	<b>-458</b>	<b>-359</b>

\*2017 is reported in accordance with previous accounting principles.

**F 6** Reconciliation of liabilities attributable to financing activities

	31 Dec. 2017	Cash flow	Corporate acquisitions	Changed exchange rate	31 Dec. 2018
Current interest-bearing liabilities	3,030	-2,074	-	-	957
Long-term interest-bearing liabilities	21,798	7,812	10,823	204	40,636
<b>Total interest-bearing liabilities</b>	<b>24,828</b>	<b>5,738</b>	<b>10,823</b>	<b>204</b>	<b>41,593</b>

## AK ALTERNATIVE KEY DATA

Definitions of the following measurements are presented on page 127.

	31 Dec. 2018	31 Dec. 2017
<b>Letting ratio, housing (number), %</b>		
Number of available/vacant homes as per the Balance Sheet date	985	388
Number of leased homes as per the Balance Sheet date	36,352	27,963
Total number of homes as per Balance Sheet date	37,337	28,351
Letting ratio, housing (number), %	97.4%	98.6%
<b>Real letting ratio, housing (number), %</b>		
Number of remodelling vacancies as per the Balance Sheet date	569	–
Number of leased homes as per the Balance Sheet date	36,352	27,963
Total number of homes as per Balance Sheet date	37,337	28,351
Real letting ratio (number), %	98.5%	–
<b>Proportion living area on the Balance Sheet date (m<sup>2</sup>), %</b>		
Living area as per Balance Sheet date	2,328,840	1,703,042
Premises area as per Balance Sheet date	299,091	210,582
Total area as per Balance Sheet date	2,627,931	1,913,624
Proportion living area on Balance Sheet date, %	88.6%	89.0%
<b>Interest coverage ratio (ICR), multiple</b>		
Profit from property management	1,142	344
Reversal:		
Financial costs – interest-bearing liabilities	698	229
Financial costs – interest-bearing subordinated shareholder loans	–	138
Profit from property management plus financial costs	1,840	711
Interest coverage ratio (ICR), multiple	2.6	3.1
<b>Equity ratio including shareholder loans, %</b>		
Equity	31,925	18,066
Interest-bearing subordinated shareholder loans	–	0
Equity including interest-bearing shareholder loans	31,925	18,066
Total assets	76,283	44,827
Equity/assets ratio including shareholder loans, %	41.9%	40.3%
<b>Net liabilities</b>		
Interest-bearing liabilities	41,593	24,828
Cash and bank balances	-2,313	-763
Net liabilities	39,279	24,065
<b>Loan-to-value ratio (LTV), %</b>		
Net liabilities	39,279	24,065
Investment properties	72,329	43,689
Loan-to-value ratio (LTV), %	54.3%	55.1%
<b>Net asset value on the balance sheet date, SEK m</b>		
Equity	31,925	18,066
Deferred tax liability	1,356	1,025
Net asset value	33,281	19,091
<b>Long-term asset value (EPRA NAV) on the balance sheet date, SEK m</b>		
Net asset value	33,281	19,091
Financial derivative instruments	–	31
Net asset value	33,281	19,122

	31 Dec. 2018	31 Dec. 2017
<b>Equity per preference share, SEK</b>		
Preferential rights of preference shares B upon liquidation of the company	100,000	100,000
Remaining entitlement to dividends	1,268,663	218,444
Equity per preference share A	1,368,663	318,444
Preferential rights of preference shares B upon liquidation of the company	100,000	100,000
Remaining entitlement to dividends	3,452	989
Equity per preference share B	103,452	100,989
Number of preference shares A	100	100
Equity per preference share, SEK	1,268,663	318,444
Preference capital, SEK million	127	32
Number of preference shares B	203,360	117,760
Equity per preference share, SEK	103,452	100,989
Preference capital, SEK million	21,038	11,892
Equity excluding preference capital, SEK million	10,760	6,141
Average number of ordinary shares	2,204,519	1,796,144
Equity per ordinary share, SEK	4,881	-3,419
<b>Profit per ordinary share, SEK</b>		
Comprehensive income for the year attributable to holders of preference shares:		
Comprehensive income for the year, SEK million	2,581	1,606
– Remaining entitlement to dividends, preference shares	-829	-138
Parent Company's preference shareholders, SEK million	1,752	1,467
Average number of ordinary shares	2,204,519	1,796,144
Profit per ordinary share, SEK	795	817



## Parent Company Income statements

Amounts in SEK million	Note	2018	2017
Central administration costs	PC-IC 1, PC-IC 2	-153	-112
<b>Operating profit/loss</b>		<b>-153</b>	<b>-112</b>
Dividends from shares in subsidiaries	PC-IC 3	7,473	–
Impairment of participations in subsidiaries	PC-IC 3	-7,473	-516
Interest income and similar Income Statement items	PC-IC 4	20	0
Interest costs and similar Income Statement items	PC-IC 4	-197	-179
Other financial income	PC-IC 4	203	–
Change in value of interest rate derivatives	PC-FL 2	-21	-3
<b>Profit after financial items</b>		<b>-148</b>	<b>-809</b>
Appropriations	PC-IC 5	173	419
<b>Profit before tax</b>		<b>25</b>	<b>-390</b>
Current tax	PC-T 1	-2	-27
Deferred tax	PC-T 2	-4	–
<b>Profit for the year</b>		<b>19</b>	<b>-417</b>

## Parent Company Statements of Comprehensive Income

Amounts in SEK million	2018	2017
Profit for the year according to the Income Statement	19	-417
Other comprehensive income	–	–
<b>Comprehensive income for the year</b>	<b>19</b>	<b>-417</b>

## Parent Company Balance Sheets

Amounts in SEK million	Note	31 Dec. 2018	31 Dec 2017
<b>ASSETS</b>			
<b>Financial fixed assets</b>			
Shares in subsidiaries	PC-GS 1	16,458	5,583
Receivables, subsidiaries	PC-A 1	14,602	11,678
Deferred tax receivables	PC-T 2	2	6
<b>Total non-current assets</b>		<b>31,062</b>	<b>17,266</b>
<b>Current assets</b>			
Current receivables, subsidiaries		12,214	–
Other current receivables		–	14
Prepaid costs and accrued income		66	–
Cash and cash equivalents		1,810	232
<b>Total current assets</b>		<b>14,090</b>	<b>246</b>
<b>TOTAL ASSETS</b>		<b>45,152</b>	<b>17,512</b>

## Parent Company Balance Sheets

Amounts in SEK million	Note	31 Dec. 2018	31 Dec. 2017
<b>EQUITY AND LIABILITIES</b>			
<b>Restricted equity</b>			
Share capital	PC-E 1	26	19
<b>Unrestricted equity</b>			
Retained profit		25,233	14,381
Profit for the year		19	-417
		25,253	13,964
<b>Total equity</b>		<b>25,279</b>	<b>13,983</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Debenture loans	PC-FL 1	10,643	-
Long-term interest-bearing liabilities	PC-FL 1	6,437	-
Financial derivative instruments	PC-FL 2	10	26
Non-current liabilities, subsidiaries	PC-FL 3	662	866
<b>Total non-current liabilities</b>		<b>17,751</b>	<b>892</b>
<b>Current liabilities</b>			
Current liabilities, subsidiaries	PC-OL 1	2,054	2,607
Accounts payable		1	1
Current tax liabilities		29	27
Accrued costs and prepaid income	PC-OL 2	38	2
<b>Total current liabilities</b>		<b>2,122</b>	<b>2,637</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>45,152</b>	<b>17,512</b>

The comparison figures have been adjusted due to the correction of an error regarding liabilities to subsidiaries.

## Parent Company Statements of Changes in Equity

Amounts in SEK million	Number of shares outstanding	Share capital	Retained profit	Total equity
<b>Equity, 31 Dec. 2016</b>	<b>1,507,807</b>	<b>15</b>	<b>2,136</b>	<b>2,151</b>
New share issue	406,197	4	12,796	12,800
Dividend			-550	-550
Profit for the year			-417	-417
<b>Equity, 31 Dec. 2017</b>	<b>1,914,004</b>	<b>19</b>	<b>13,964</b>	<b>13,983</b>
New share issue	718,905	7	11,407	11,414
Dividend			-138	-138
Profit for the year			19	19
<b>Equity, 31 Dec. 2018</b>	<b>2,632,909</b>	<b>26</b>	<b>25,253</b>	<b>25,279</b>

## Parent Company Cash Flow Statements

Amounts in SEK million	Note	2018	2017
<b>Operating activities</b>			
Profit after financial items		-148	-809
Adjustments for non-cash items		-105	518
<b>Cash flow from operating activities before changes in working capital</b>		<b>-253</b>	<b>-291</b>
<b>Change in working capital</b>			
Change in current receivables		-53	-12
Change in current liabilities		37	89
<b>Cash flow from operating activities</b>		<b>-269</b>	<b>-215</b>
<b>Investing activities</b>			
Acquisitions of subsidiaries		-18,348	-5,250
Loans granted to subsidiaries		-8,317	-1,604
<b>Cash flow from investing activities</b>		<b>-26,665</b>	<b>-6,854</b>
<b>Financing activities</b>			
New share issue		11,414	8,612
Dividend		-138	-550
Loans from shareholders		-	-1,002
Change in interest-bearing liabilities	PC-FL 4	17,274	-
Redemption of interest rate derivatives		-37	-
<b>Cash flow from financing activities</b>		<b>28,513</b>	<b>7,060</b>
<b>Cash flow for the year</b>		<b>1,579</b>	<b>-9</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>232</b>	<b>241</b>
<b>Currency effect in cash and cash equivalents</b>		<b>-1</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>1,810</b>	<b>232</b>
<b>Disclosures on interest rates</b>			
Interest paid amounts to		197	179
Interest received amounts to		20	0

# Parent Company accounting principles and notes

## PC-G GENERAL INFORMATION AND GENERAL ACCOUNTING RULES

### PC-G 1 General information

The Parent Company has prepared its Annual Report in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 (Accounting for Legal Entities). RFR 2 means that the Parent Company's Annual Report for the legal entity shall apply all IFRS and statements adopted by the EU as far as possible within the framework of the Annual Accounts Act and with regard to the relationship between accounting and taxation. The recommendation indicates what exceptions from, and additions to, IFRS are to be made.

### PC-G 2 Differences between the Group's and the Parent Company's accounting policies

The Parent Company applies the same accounting principles as the Group (see Note [G 2](#) to the consolidated accounts), with the following exceptions and additions.

#### Financial instruments

Due to the connection between accounting and taxation, the rules regarding financial instruments in accordance with IFRS 9 are not applied in the Parent Company as a legal entity, and the Parent Company applies instead the cost method in accordance with the Annual Accounts Act. Accordingly, in the Parent Company, financial non-current assets are valued at cost and financial current assets in accordance with the principle of lowest value, applying impairment for expected loan losses in accordance with IFRS 9 regarding assets that are debt instruments. For other financial assets, impairment is based on market value. Derivative instruments with negative fair value are reported as a liability at the negative fair value with changes in value being recognised in the Income Statement.

The Parent Company applies the exemption to not value financial guarantee agreements benefiting subsidiaries, associated companies and joint ventures in accordance with the rules in IFRS 9, applying instead the valuation principles in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

#### Impairment of financial assets that are debt instruments

The Parent Company applies the corresponding impairment method as the Group for expected credit losses on current and non-current receivables from subsidiaries. The Parent Company judges that the subsidiaries currently have similar risk profiles and assessments are performed on a collective basis for similar transactions. Per the Balance Sheet date, no material increase in credit risk has been deemed to prevail for any intra-Group receivables, such assessment is based on whether payment is 30 days late or more. The Parent Company's receivables from its subsidiaries are subordinated external lenders' claims, for which the subsidiary's properties have been pledged as collateral. The Parent Company's expected loss in the event of default takes into account the average of the subsidiaries' loan-to-value ratios and their expected market value in the event of a forced sale. Based on the Parent Company's assessments in accordance with the aforementioned method, taking other known information and forward-looking factors into account, it is estimated that expected loan losses will not be significant and no provision has therefore been reported.

#### Credit risk

The Company's maximum credit risk comprises the net of the carrying amounts of the financial assets. The Company has not received any pledged assets for the net financial assets.

*cont. Note PC-G 2*

The assessment has been made that there has been no significant increase in credit risk for any of the Parent Company's financial assets. The counterparties lack credit risk ratings, with the exception of cash and cash equivalents where the counterparties consist of Nordic banks with credit risk ratings in the interval A to AA-.

### PC-G 3 Presentation

For the Parent Company, the Income Statement and Other comprehensive income are reported in two separate reports. For the Parent Company, the Income Statements and Balance Sheets are prepared in accordance with the Annual Accounts Act's schedule while Other comprehensive income, the Statement of Changes in Equity and the Cash Flow Statement are based on IAS 1 Presentation of Financial Statements and IAS 7 Statement of Cash Flows.

### PC-G 4 New accounting principles

Effective 1 January 2018, the Parent Company will, for the first time, apply the new standards IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers. None of the new or amended standards and interpretations, has had a significant impact on the Parent Company's financial statements. The effect of the first application of expected loan losses has been of an insignificant nature for the company. For this reason, no additional reservation has been made in connection with the transition, which is why the carrying amounts for the assets reported at amortised cost have not been affected.

IFRS 16 Leases enters into force on 1 January 2019. The Parent Company intends to apply the relief rule in RFR 2 to continue reporting lease payments as a cost on a straight-line basis over the term of the lease.

### PC-G 5 Group disclosures

Heimstaden Bostad AB (publ) is a subsidiary of Heimstaden AB, Corp. ID No. 556670-0455, which prepares consolidated accounts. Heimstaden AB is a subsidiary of Fredensborg AS, Corp. ID No. 9435582815, domiciled in Norway. Fredensborg AS prepares consolidated accounts for the largest group. The foreign parent company's consolidated accounts are available at Fredensborg AS, Stensberggata 27, NO-0170 Olso, Norway, e-mail: [post@fredensborg.no](mailto:post@fredensborg.no)

### PC-G 6 Related parties

In addition to the related-party relationships specified for the Group, the Parent Company has a controlling influence over subsidiaries in accordance with Note [PC-GS 1](#).

## PC-IC INCOME AND COSTS

### PC-IC 1 Central administration costs

Central administration costs include costs at a Group-wide level that are not directly attributable to property management, such as costs for the Board of Directors, CEO, Group management and company costs pertaining to information to shareholders, for example, maintenance of stock exchange listing and production of annual and quarterly reports. Costs for central administration also include, remuneration to the auditors, in accordance with the table below:

EY	2018	2017
Audit	1	1
Auditing activities beyond the audit	2	-
Tax consultancy	0	-
Other assignments	0	-
<b>Total</b>	<b>3</b>	<b>1</b>
Moore Stephens	2018	2017
Audit	2	2
Auditing activities beyond the audit	0	0
Tax consultancy	-	-
Other assignments	-	-
<b>Total</b>	<b>2</b>	<b>2</b>
Total	2018	2017
Audit	3	3
Auditing activities beyond the audit	2	0
Tax consultancy	0	-
Other assignments	0	-
<b>Total</b>	<b>5</b>	<b>3</b>

Fees to EY have also been invoiced to the Parent Company Heimstaden AB, the fee for audit assignments amounting to SEK 2 million.

### PC-IC 2 Personnel and senior executives

#### Remuneration to members of the Board

No remuneration has been paid to the members of the Board during the current financial year or previous financial years.

During the year, the Board of Directors consisted of 4 (4) members, of whom 4 (4) were men. There was 1 (1) other senior executive, who was a man.



### PC-IC 3 Profit from participations in Group companies

#### Accounting principles

Participations in subsidiaries are reported at cost less any impairment. Cost includes acquisition-related costs. The carrying amount is continuously tested against the fair value of the subsidiary's assets and liabilities.

In cases where the carrying amount of the participations exceeds the subsidiary's fair value, impairment is applied and charged to the Income Statement. The year's write-down in Heimstaden refers to fair value in the company Heimstaden Danmark AS, after dividends have been made from the same. In cases where impairment is no longer justified, it is reversed.

	2018	2017
Dividend	7,473	-
Impairment	-7,473	-516
<b>Total</b>	<b>0</b>	<b>-516</b>

### PC-IC 4 Interest income, interest costs and similar Income Statement items

	2018	2017
<b>Assets and liabilities measured at amortised cost:</b>		
Interest income, subsidiaries	19	-
Interest income, other financial assets	1	1
<b>Total interest income in accordance with effective interest method</b>	<b>20</b>	<b>1</b>
Interest costs, loans	-190	-179
Interest costs, other financial liabilities	-7	-
<b>Total interest costs in accordance with the effective interest method</b>	<b>-197</b>	<b>-179</b>
Exchange rate differences, financial items	203	-
Net losses on derivatives reported according to principle of lowest value	-21	-3
<b>Total</b>	<b>182</b>	<b>-3</b>
<b>Total profit from financial items</b>	<b>5</b>	<b>-181</b>

2017 is reported in accordance with previous accounting principles.

### PC-IC 5 Appropriations

	2018	2017
Group contributions received	173	419
Group contributions paid	0	-
<b>Total</b>	<b>173</b>	<b>419</b>

**PC-T** TAX**PC-T 1** Current tax**Accounting principles**

Current tax is calculated based on taxable profit for the period, and reported as a cost or as income in the Income Statement. Taxable profit for the year differs from the reported profit for the year in that it has been adjusted for non-taxable and non-deductible items. Current tax also includes adjustment of current tax attributable to earlier periods.

	2018	2017
Current tax	-2	-27
Deferred tax	-4	0
<b>Total</b>	<b>-6</b>	<b>-27</b>
Reported profit before tax	25	-390
Tax according to current rate	-6	86
Tax effect of:		
Non-deductible costs	-1,644	-113
Non-taxable income	1,644	-
Change in tax deficit	-	0
<b>Total</b>	<b>-6</b>	<b>-27</b>

**PC-T 2** Deferred tax**Accounting principles**

In accordance with the Balance Sheet method, deferred tax is calculated on temporary differences between the reported and taxable values of an asset or liability. Exceptions are made for temporary differences arising on initial reporting of assets and liabilities constituting asset acquisitions.

A deferred tax asset represents a reduction of future taxes relating to deductible temporary differences, tax-loss carryforwards or other tax deductions. Deferred tax assets are recognised in the Balance Sheet for tax-loss carryforwards and deductible temporary differences to the extent that the amounts are likely to be utilised against future taxable surpluses.

	31 Dec. 2018	31 Dec. 2017
Opening cost	6	5
Change for the year	-4	1
<b>Closing cost</b>	<b>2</b>	<b>6</b>

**PC-A** ASSETS**PC-A 1** Receivables from subsidiaries

	31 Dec. 2018	31 Dec. 2017
Opening cost	11,678	8,320
Change for the year	2,923	3,358
<b>Closing cost</b>	<b>14,602</b>	<b>11,678</b>



**PC-E** EQUITY**PC-E 1** Equity

Event	Date of registration	Change in number of shares	Total number of shares	Change in share capital	Total share capital	Quota value
New formation	2011-09-12	10,000	10,000	100,000	100,000	10
New share issue	2012-01-24	90,000	100,000	900,000	1,000,000	10
New share issue	2013-05-31	400,000	500,000	4,000,000	5,000,000	10
New share issue	15 September 2015	96,415	596,415	964,150	5,964,150	10
New share issue	12 September 2016	711,212	1,307,627	7,112,120	13,076,270	10
New share issue	12 September 2016	156,406	1,464,033	1,564,060	14,640,330	10
New share issue	2016-12-19	43,774	1,507,807	437,740	15,078,070	10
New share issue	12 May 2017	16,153	1,523,960	161,530	15,239,600	10
New share issue	10 Oct. 2017	390,044	1,914,004	3,900,440	19,140,040	10
New share issue	16 April 2018	487,281	2,401,285	4,872,810	24,012,850	10
New share issue	28 June 2018	231,624	2,632,909	2,316,240	26,329,090	10
<b>At the end of the year</b>			<b>2,632,909</b>		<b>26,329,090</b>	

At the end of the financial year there were 2,429,449 ordinary shares, 100 Series A preference shares and 203,360 Series B preference shares. The voting value of a common share is 1 and the voting value for Series A and B preference shares is one tenth of a vote per share.

**Proposed appropriation of accumulated profit, SEK**

Retained profit	25,233,142,345
Profit for the year	19,436,440
<b>Total</b>	<b>25,252,578,785</b>

It is proposed that the funds at the disposal of the Annual General Meeting, SEK 25,252,578,785 be appropriated as follows: that no dividend be paid to holders of ordinary shares, that dividends be paid to holders of Series A preference shares in the amount of SEK 1,268,663.32 per Series A preference share on a quarterly basis, totalling SEK 126,866,332, that, in accordance with the Articles of Association, dividends be paid to holders of Series B preference shares in the amount of SEK 2,885.41 per Series B preference share issued on 16 April 2018 (share number 1 914 005-1 981 714) on a quarterly basis and in the amount of SEK 2,885.41 per Series B preference share issued on 26 June 2018 (share number 2 401 286-2 419 175) on a quarterly basis, and in the amount of SEK 3,863.73 per Series B preference share for all remaining Series B preference shares: totalling SEK 701,984,659. Thus totalling SEK 828,850,991. The remaining amount, SEK 24,423,727,794, is to be carried forward to a new account. Dividends are to be disbursed in direct connection with their having been approved by the Annual General Meeting.

**PC-OL** OPERATING LIABILITIES**PC-OL 1** Current liabilities, subsidiaries**Accounting principles**

Balances on accounts included in a corporate account structure are reported as bank balances in the Parent Company since the Parent Company is the bank's counterparty. Subsidiaries included in the structure, then report their positive or negative balances on sub-accounts as receivables or liabilities from or to the Parent Company.

**PC-OL 2** Accrued costs and prepaid income

	31 Dec. 2018	31 Dec. 2017
Accrued audit	1	1
Accrued interest	21	0
Other items	16	1
<b>Total</b>	<b>38</b>	<b>2</b>

**PC-OL 3** Pledged assets

	31 Dec. 2018	31 Dec. 2017
Pledged shares in subsidiaries	2	2
<b>Total</b>	<b>2</b>	<b>2</b>

**PC-OL 4** Contingent liabilities**Accounting principles**

The Parent Company's financial guarantee agreements consist primarily of guarantee commitments to the benefit of subsidiaries. For the accounting of financial guarantee agreements, the Parent Company applies RFR 2 (Accounting for legal entities). This means that the Parent Company reports financial guarantee agreements as a provision in the Balance Sheet when the company has an obligation for which payment is likely to be required to settle the obligation. Beyond this, disclosures are only provided in a note.

	31 Dec. 2018	31 Dec. 2017
Guarantee undertakings for the benefit of subsidiaries	24,486	24,828
<b>Total</b>	<b>24,486</b>	<b>24,828</b>

**PC-FL** FINANCIAL LIABILITIES**PC-FL 1** Interest-bearing liabilities

	31 Dec. 2018	31 Dec. 2017
<b>Loan maturity, year</b>		
Within 1 year of the Balance Sheet date	–	–
within 2–5 years of the Balance Sheet date	16,564	–
Later than 5 years from the Balance Sheet date	515	–
<b>Total</b>	<b>17,079</b>	<b>–</b>

	2018		2017	
	Loan amount	Average interest, % incl. margin	Loan amount	Average interest, % incl. margin
<b>Interest maturity, year</b>				
Within 1 year of the Balance Sheet date	17,079	2.2	–	–
Within 2–5 years of the Balance Sheet date	–	–	–	–
Later than 5 years from the Balance Sheet date	–	–	–	–
<b>Total</b>	<b>17,079</b>	<b>2.2</b>	<b>–</b>	<b>–</b>

**PC-FL 2** Interest-rate derivatives**Accounting principles**

The company has chosen not to apply IAS 39. Interest rate derivatives are reported in accordance with the cost method and, since the agreements entered refer to the swapping of interest rates, this means that the cost is zero.

	2018	2017
Profit on disposal of hedge instruments	3	–
Unrealised value change	-24	-3
<b>Total</b>	<b>-21</b>	<b>-3</b>

Interest rate derivatives are used to limit the impact of interest changes in interest rates. If the agreed interest rate deviates from the market rate, a surplus or deficit value on the interest rate derivatives arises and is reported above as an unrealised value change.

	Type	2018			2017		
		Nominal amount	Share, %	Average interest, %	Nominal amount	Share, %	Average interest, %
<b>Interest maturity, year</b>							
Within 1 year of the Balance Sheet date	Paying fixed	1,400	17	-0.2	615	11	-0.10
Within 2-5 years of the Balance Sheet date	Paying fixed	5,210	63	0.2	3,710	69	0.30
Later than 5 years from the Balance Sheet date	Paying fixed	1,650	20	0.7	1,050	20	0.70
<b>Total purchased swaps</b>		<b>8,260</b>	<b>100</b>	<b>0.2</b>	<b>5,375</b>	<b>100</b>	<b>0.30</b>
Within 1 year of the Balance Sheet date	Receives fixed/variable	–	–	–	–	–	–
Within 2-5 years of the Balance Sheet date	Receives fixed/variable	5,127	100	1.1	–	–	–
Later than 5 years from the Balance Sheet date	Receives fixed/variable	–	–	–	–	–	–
<b>Total sold swaps</b>		<b>5,127</b>	<b>100</b>	<b>1.1</b>	<b>–</b>	<b>–</b>	<b>–</b>

**PC-FL 3** Liabilities to subsidiaries

All liabilities fall due for payment within 2 to 5 years.

**PC-FL 4** Reconciliation of liabilities attributable to financing activities

	31 Dec. 2017	Cash flow	Currency difference	31 Dec. 2018
Long-term interest-bearing liabilities	0	6,590	153	6,436
Debenture loans	–	10,684	41	10,642
<b>Total</b>	<b>–</b>	<b>17,274</b>	<b>-194</b>	<b>17,079</b>

**PC-GS** GROUP STRUCTURE**PC-GS 1** Shares in subsidiaries**Accounting principles**

Participations in subsidiaries are reported at cost less any impairment. Cost includes acquisition-related costs. The carrying amount is continuously tested against the fair value of the subsidiary's assets and liabilities. In cases where the carrying amount of the participations exceeds the subsidiary's fair value, impairment is applied and charged to the Income Statement. In cases where impairment is no longer justified, it is reversed.

	31 Dec. 2018	31 Dec. 2017
Opening cost	5,583	12
Shareholder contributions paid	18,348	6,085
Impairment	-7,473	-516
<b>Closing cost</b>	<b>16,458</b>	<b>5,583</b>

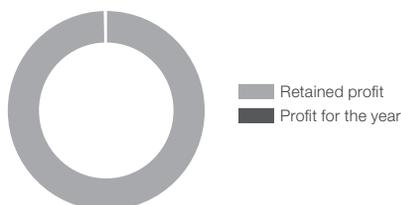
**Specifications of the Parent Company's shareholdings in subsidiaries.**

Subsidiary	Corp. ID No	Reg. office	No. of shares	Share in %	Book value
Heimstaden Bostad Invest 1 AB	556867-8444	Malmö	1,000	100	0
Heimstaden Bostad Invest 2 AB	556867-8451	Malmö	1,000	100	4
Heimstaden Bostad Invest 3 AB	556871-1153	Malmö	1,000	100	6
Heimstaden Bostad Invest 4 AB	556871-1104	Malmö	1,000	100	1
Heimstaden Bostad Invest 5 AB	556910-3467	Malmö	500	100	1
Heimstaden Bostad Invest 6 AB	556989-5690	Malmö	500	100	44
Heimstaden Bostad Invest 7 AB	559106-1584	Malmö	500	100	2
Heimstaden Bostad Invest 8 AB	559106-1550	Malmö	500	100	0
Heimstaden Bostad Invest 9 A/S	38714953	Copenhagen	5,000	100	8,211
Heimstaden Bostad Invest 10 AS	819,330,492	Oslo	100	100	7,398
Heimstaden Bostad Invest 11 AB	559111-6107	Malmö	500	100	791
Heimstaden Bostad Bostadsfinansiering AB	559112-2105	Malmö	500	100	0
Heimstaden Bostads Portalen AB	559085-2264	Malmö	500	100	0
Heimstaden Satelliten AB	559163-3457	Malmö	500	100	0
Heimstaden Bostad Skrinet AB	559177-3436	Malmö	500	100	0
Heimstaden Bostad Portalen 2 AB	559177-3451	Malmö	500	100	0
Heimstaden Burlöv AB	559147-4076	Malmö	500	100	0
<b>Total</b>					<b>16,458</b>

## Proposed appropriation of accumulated profit

According to the Parent Company's balance sheet, the following earnings are at the disposal of the Annual General Meeting:

SEK	
Retained profit	25,233,142,345
Profit for the year	19,436,440
<b>Total</b>	<b>25,252,578,785</b>



The Board of Directors proposes that dividends be paid to shareholders as follows:

SEK	
Dividend to shareholders	828,850,991
Retained profit	24,423,727,794
<b>Total</b>	<b>25,252,578,785</b>



It is proposed that the funds at the disposal of the Annual General Meeting, SEK 25,252,578,785 be appropriated as follows: that no dividend be paid to holders of ordinary shares, that dividends be paid to holders of Series A preference shares in the amount of SEK 1,268,663.32 per Series A preference share on a quarterly basis, totalling SEK 126,866,332, that, in accordance with the Articles of Association, dividends be paid to holders of Series B preference shares in the amount of SEK 2,885.41 per Series B preference share issued on 16 April 2018 (share number 1 914 005-1 981 714) on a quarterly basis and in the amount of SEK 2,885.41 per Series B preference share issued on 26 June 2018 (share number 2 401 286-2 419 175) on a quarterly basis, and in the amount of SEK 3,883.73 per Series B preference share for all remaining Series B preference shares: totalling SEK 701,984,659. Thus totalling SEK 828,850,991. The remaining amount, SEK 24,423,727,794, is to be carried forward to a new account. Dividends are to be disbursed in direct connection with their having been approved by the Annual General Meeting.

### Statement by the Board of Directors regarding proposed dividend in accordance with Chapter 18, Section 4 of the Companies Act.

The Board of Directors is of the opinion that the proposed distribution of profit is justified in view of the requirements that the nature, scope and risks of the operations of the company and the Group operations impose on the scale of the equity of the company and the Group, as well as the consolidation needs, liquidity and position of the company and the Group in other regards. In this regard, the Board has taken into account the financial situation of the company and the Group, as shown in the most recent Annual Report, and other relevant conditions known to the Board.

In assessing the defensibility of the proposed profit distribution, the Board has also taken into account the following. The proposed distribution of profit corresponds to approximately 3.3 percent of the company's equity after adjustment for changes in equity since 31 December 2018. Prior to the distribution of profits, the company's equity/assets ratio amounts to approximately 56 percent. After the distribution of profits, the company's equity/assets ratio will amount to approximately 55.2 percent, calculated on the basis of the latest approved Balance Sheet, after adjustment for changes in equity since 31 December 2018. For the Group, the proposed distribution of profit corresponds to approximately 2.6 percent of the Group's equity according to the most recent Balance Sheet per 31 December 2018, after adjustment for changes in equity since 31 December 2018. Prior to the distribution of profits, the Group's equity/assets ratio amounts to approximately 41.9 percent. After the distribution of profits, the Group's equity/assets ratio will amount to approximately 41.2 percent, calculated on the basis of the latest approved Balance Sheet as per 31 December 2018, after adjustment for changes in equity since 31 December 2018. The proposed distribution of profit does not jeopardise the completion of the investments deemed necessary and does not affect the company's ability to meet its obligations in the short and long term. The company's liquidity forecast includes preparedness to cope with variations in ongoing payment obligations. The Board also estimates that the equity/assets ratio of the company and the Group is favourable in relation to the circumstances in the industry in which the company and the Group operate.

In the most recently adopted Balance Sheet, no assets and/or liabilities were valued at fair value in accordance with Chapter 4, Section 14a of the Annual Accounts Act.

Given the aforementioned and what has come to the attention of the Board of Directors, it is the opinion of the Board of Directors that the proposed distribution of profit is justified taking into account the provisions in Chapter 17, Section 3, second and third paragraphs of the Companies Act (2005:551), that is, in view of the requirements that the nature, scope and risks of the operations of the company and the Group operations impose on the scale of the equity of the company and the Group, as well as the consolidation needs, liquidity and position of the company and the Group in other regards.

## Signatures

The undersigned provide their assurance that the consolidated accounts have been prepared in accordance with the International Accounting Standards (IFRS), as adopted by the EU, as well as the Swedish Financial Reporting Board's recommendation RFR 1 and that the Annual Report has been prepared in accordance with the Annual Accounts Act and the recommendation RFR2 of the Swedish Financial Reporting Board. The consolidated and annual accounts have been prepared in accordance with good accounting practices, and provide a fair view of the Group's and the Parent Company's financial position and profit, and that the Administration Report provides a fair overview of the development of the operations, position and results of the Group and the company, as well as describing significant risks and uncertainty factors facing the companies within the Group.

Malmö, 30 April 2019

Patrik Hall  
CEO

Fredrik Palm  
Chairman of the Board

Stefan Attefall  
Board Member

Magnus Nordholm  
Board Member

Ramsay Brufer  
Board Member

Our Audit Report was submitted on 30 April 2019

Ernst & Young AB  
Peter von Knorring  
Authorised Public Accountant

Moore Stephens Malmö AB  
Patrik Andersson  
Authorised Public Accountant

# Audit Report

To the Annual General Meeting of Heimstaden Bostad AB (publ), Corp. ID No. 556864-0873

## Report on the annual and consolidated accounts

### Statements

We have audited the annual and consolidated accounts for Heimstaden Bostad AB (publ) for the year 2018 with the exception of the Corporate Governance Report and the Sustainability Report on pages 74–77 and 48–61 respectively. The company's annual and consolidated accounts are included on pages 7, 18–19 and 40–121 of this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present, in all material respects, a fair portrayal of the financial position of the Parent Company as per 31 December 2018 and its financial performance and cash flow for the year in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and provide, in all significant respects, a fair representation of the Group's financial position as per 31 December 2018 and of its profit and cash flow for the year in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our statements do not include the Corporate Governance Report and Sustainability Report on pages 74–77 and 48–61 respectively. The Administration Report is consistent with the other parts of the Annual Report and the consolidated accounts.

We therefore recommend that the Annual General Meeting adopt the Income Statement and Balance Sheet of the Parent Company and the

Consolidated Statement of Comprehensive Income and Consolidated Statement of Financial Position.

Our statements in this report on the annual and consolidated accounts are consistent with the content of the supplementary report that has been submitted to the Parent Company's Audit Committee in accordance with Article 11 of the Audit Regulation (537/2014).

### Basis for the statements

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibility according to these standards is described in more detail in the section Auditors' responsibility. We are independent in relation to the Parent Company and Group in accordance with generally accepted auditing standards in Sweden and have otherwise fulfilled our professional ethical responsibility in accordance with these requirements. This entails that, based on our best knowledge and conviction, no prohibited services referred to in Article 5.1 of the Audit Regulation (537/2014) have been provided to the audited company or, where applicable, its Parent Company or its controlled companies in the EU.

We believe that the audit evidence we have gathered is sufficient and appropriate as a basis for our statements.

### Particularly significant areas

Areas of particular significance to the audit are those that in our professional opinion were the most significant to the audit of the annual and consolidated accounts for the period in question. These areas are addressed within the scope of the audit of, and in our opinion on, the annual and consolidated accounts as a whole, although we make no separate statements regarding these areas. The description below of how the audit was implemented in these areas should be read in this context.

We have also fulfilled the obligations in these areas described in the section Auditor's Responsibility in our report on the Annual Report. Accordingly, audit measures were performed that were designed to take into account our assessment of the risk of material errors in the annual and consolidated accounts. The outcome of our review and the review measures implemented to address the areas presented below, forms the basis for our Audit Report.

#### Description of the area

The fair value of the Group's investment properties reported in the Statement of Financial Position per 31 December 2018 amounted to SEK 72,329 million. The valuations are made through a combination of local price analyses and market simulations of future cash flows. The properties were valued externally per 31 December 2018. The properties' direct return requirements are assessed on the basis of each property's unique risk and transactions made in the market for objects of a similar nature. In view of the many assumptions and assessments made in connection with the valuation of investment properties, we believe that this area is to be considered of particular importance in our audit. A description of the valuation of the property holdings is shown in the Annual Report under Note [T1](#).

#### How this area was addressed in the audit

In our audit, we have evaluated and examined the external property valuation by, among other things, evaluating the valuation method. With the support of our internal property valuation specialists, we have examined the external property valuations and assessed the reasonableness of assumptions made, such as direct return requirements, vacancy rates, rental income and operating costs. We have made comparisons with available market data. For a selection of investment properties, we have examined inputs and calculations in the external valuations at the property level. We have evaluated the external valuers' competence and objectivity. We have reviewed supplementary disclosures made in the Annual Report.

**Information other than the annual and consolidated accounts**

This document also contains information other than the annual and consolidated accounts, which can be found on pages 1–6, 8–17, 20–39 and 126–153. It is the Board and the CEO who have the responsibility for this other information.

Our statement regarding the annual and consolidated accounts does not cover this information and we make no statement confirming this other information.

In connection with our audit of the Annual Report and the consolidated accounts, it is our responsibility to read the information identified above and consider whether the information is to a significant extent incompatible with the Annual Report and the consolidated accounts. In this review, we also take into account the information we otherwise collected during the audit and assess if the information otherwise appears to contain material misstatements.

**Responsibility of the Board of Directors and the CEO**

It is the Board of Directors and the CEO who are responsible for the preparation of the Annual Report and consolidated accounts and that they provide a fair view according to the Annual Accounts Act and, with regard to the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the CEO are also responsible for the internal control that they deem necessary in preparing annual and consolidated accounts that do not contain any material misstatement, whether due to error or impropriety.

In preparing the annual and consolidated accounts, the Board of Directors and the CEO are responsible for the assessment of the company's and the

Group's ability to continue operating. They provide information, when appropriate, concerning conditions that may affect the ability to continue operations and to apply the going concern assumption. The going concern assumption is not, however, applied if the Board of Directors and the CEO intend to liquidate the company, cease operations or have no realistic alternative to do otherwise.

The Board of Directors' Audit Committee shall, without it affecting the responsibility and duties of the Board of Directors in other regards, monitor, among other things, the company's financial reporting, .

**Auditors' responsibility**

Our objective is to achieve a reasonable degree of certainty whether or not the annual and consolidated accounts, as a whole, contain any material misstatements, whether due to error or impropriety, and to provide an Audit Report containing our statements. Reasonable certainty is a high degree of certainty, but is no guarantee that an audit performed according to ISA and generally accepted auditing standards in Sweden will always discover a material misstatement if such exists. Misstatements can arise due to impropriety or error and are considered to be material if they individually or together can reasonably be expected to affect financial decisions that users make based on the annual and consolidated accounts.

A further description of our responsibility for auditing the annual and consolidated accounts can be found on the website of the Swedish Inspectorate of Auditors:

[http://www.revisorsinspektionen.se/rn/showdocument/documents/rev\\_dok/revisors\\_ansvar.pdf](http://www.revisorsinspektionen.se/rn/showdocument/documents/rev_dok/revisors_ansvar.pdf). This description forms part of the Audit Report.

## Report on other legal and regulatory requirements

### Statements

In addition to our audit of the annual and consolidated accounts, we have also examined the administration of the Board and CEO of Heimstaden Bostad AB (publ) for 2018 and the proposed appropriations of the company's profit.

We recommend that the General Meeting appropriate the company's profit in accordance with the proposal presented in the Administration Report and that the Members of the Board of Directors and the CEO be discharged from liability for the financial year.

### Basis for the statements

We have conducted our audit in accordance with generally accepted auditing standards in Sweden. Our responsibility in accordance with this is described in more detail in the section Auditors' responsibility. We are independent in relation to the Parent Company and Group in accordance with generally accepted auditing standards in Sweden and have otherwise fulfilled our professional ethical responsibility in accordance with these requirements.

We believe that the audit evidence we have gathered is sufficient and appropriate as a basis for our statements.

### Responsibility of the Board of Directors and the CEO

The Board of Directors has the responsibility for the proposal on the appropriation of the company's profit or loss. Where a dividend is proposed, this includes an assessment of whether that dividend is justified, taking into account the requirements imposed by the scope and risks of the operations of the company and the Group on the equity, consolidation needs, liquidity and position in general of the Parent Company and the Group.

The Board of Directors is responsible for the company's organisation and the management of its affairs. This includes continuously assessing the company's and Group's financial situation, and ensuring that the company's organisation is structured so that accounting, asset management and the company's other financial affairs are satisfactorily controlled. The CEO shall direct of the management of operations in accordance with the Board's guidelines and instructions and take the actions necessary for the company's bookkeeping to be performed in accordance with the law and for assets to be managed satisfactorily.

### Auditors' responsibility

Our objective regarding the audit of the management, and thereby our statement regarding discharge from liability, is to collect audit evidence to be able to assess, with a reasonable degree of certainty, whether any Board Member or the CEO has in any material regard:

- taken any action or been negligent in a manner that may lead to a liability to pay damages to the company, or
- in any way acted counter to the Swedish Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective regarding the audit of the proposed appropriation of the company's profit, and thereby our statement in this regard, is to assess, with a reasonable degree of certainty, whether the proposal is consistent with the Swedish Companies Act.

Reasonable certainty is a high degree of certainty, but is no guarantee that an audit performed in accordance with generally accepted auditing practices in Sweden will always discover actions or negligence that could lead to liability

to pay damages to the company, or that a proposed appropriation of the company's profit or loss is not consistent with the Swedish Companies Act.

A further description of our responsibility for auditing the administration of the company can be found on the website of the Swedish Inspectorate of Auditors: [http://www.revisorsinspektionen.se/rn/showdocument/documents/rev\\_dok/revisors\\_ansvar.pdf](http://www.revisorsinspektionen.se/rn/showdocument/documents/rev_dok/revisors_ansvar.pdf). This description forms part of the Audit Report.

### Auditor's review of the Corporate Governance Report

The Board of Directors is responsible for the Corporate Governance Report on pages 74–77 and for it being prepared in accordance with the Annual Accounts Act.

Our examination has been conducted in accordance with FAR's auditing standard RevU 16 The auditor's examination of the corporate governance statement. This means that our review of the Corporate Governance Report has another focus and is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing practices in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance report has been prepared. Disclosures in accordance with chapter 6, Section 6, second paragraph, items 2–6 of the Annual Accounts Act and Chapter 7, Section 31, second paragraph of the same Act are consistent with the other parts of the Annual Report and consolidated accounts and are in accordance with the Annual Accounts Act.

### Auditor's opinion regarding the statutory Sustainability Report

The Board of Directors is responsible for the statutory Sustainability Report on pages 48–61, and that it is prepared in accordance with the Annual Accounts Act.

Our examination has been conducted in accordance with FAR's recommendation RevR 12 Auditor's opinion regarding the statutory Sustainability Report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory Sustainability Report has been prepared.

Ernst & Young AB, Box 7850, SE-103 99 Stockholm, Sweden was appointed auditor of Heimstaden Bostad AB (publ) by the Annual General Meeting of 16 April 2018 and has been the company's auditor as of this date.

Moore Stephens Malmö AB, Box 4051, SE-203 11 Malmö, Sweden was appointed auditor of Heimstaden Bostad AB (publ) by the Annual General Meeting of 16 April 2018 and has been the company's auditor as of this date.

Malmö, 30 April 2019

Ernst & Young AB  
Peter von Knorring  
Authorised Public Accountant

Moore Stephens Malmö AB  
Patrik Andersson  
Authorised Public Accountant



## Multi-year overview

Amounts in SEK million	2018	2017	2016	2015	2014
<b>INCOME STATEMENT</b>					
Rental income	3,230,571	1,620,354	796,165	440,777	297,199
Operating costs	-1,479,913	-815,719	-403,939	-203,402	-133,360
Central administration	-139,795	-110,769	-	-	-
Other operating income and costs	581	12,517	-53,980	-15,402	-10,367
<b>Profit before financial items</b>	<b>1,611,444</b>	<b>706,383</b>	<b>338,246</b>	<b>221,973</b>	<b>153,472</b>
Financial income	25,925	4,271	299	522	1,341
Financial costs	-495,209	-366,970	-206,627	-139,913	-120,144
<b>Profit from property management</b>	<b>1,142,160</b>	<b>343,684</b>	<b>131,918</b>	<b>82,582</b>	<b>34,669</b>
Change in value of investment properties	2,562,178	1,776,073	1,542,000	498,728	173,218
Change in value of interest rate derivatives	10,862	3,604	25,400	9,811	-66,360
Current tax	-135,134	-34,999	-17,486	-7,514	-1,808
Deferred tax	-557,352	-511,340	-339,946	-124,806	-22,736
<b>Profit for the year</b>	<b>3,022,714</b>	<b>1,577,022</b>	<b>1,341,886</b>	<b>458,801</b>	<b>116,983</b>
Other comprehensive income	-442,030	28,705	-	-	-
<b>Comprehensive income for the year</b>	<b>2,580,684</b>	<b>1,605,727</b>	<b>1,341,886</b>	<b>458,801</b>	<b>116,983</b>
<b>BALANCE SHEET</b>					
Investment properties	72,329,439	43,688,887	19,912,205	6,101,128	4,019,286
Other non-current assets	167,981	210,500	500	10,000	16,667
Current assets	3,785,660	927,684	310,782	71,181	74,687
<b>Total assets</b>	<b>76,283,080</b>	<b>44,827,071</b>	<b>20,223,487</b>	<b>6,182,310</b>	<b>4,110,640</b>
Equity	31,924,840	18,065,544	4,210,551	1,103,415	482,946
Deferred tax	1,356,481	1,025,261	518,499	179,872	52,429
Interest-bearing subordinated shareholder loans	0	-	4,187,781	1,371,586	1,028,547
Interest-bearing liabilities	41,592,895	24,828,317	10,940,377	3,365,282	2,413,611
Interest-rate derivatives	0	30,902	34,654	60,054	69,865
Non-interest-bearing liabilities	1,408,864	877,047	331,624	102,102	63,242
<b>Total liabilities</b>	<b>76,283,080</b>	<b>44,827,071</b>	<b>20,223,487</b>	<b>6,182,310</b>	<b>4,110,640</b>
<b>PROPERTY-RELATED KEY DATA</b>					
Lettable time-weighted area, m <sup>2</sup> thousands	2,345	1,418	752	445	301
Rental income per m <sup>2</sup> , SEK	1,378	1,143	1,059	991	987
Operating costs per m <sup>2</sup> , SEK	-631	-575	-537	-457	-443
Operating costs excluding administration and property tax, per m <sup>2</sup> , SEK	-560	-468	-437	-380	-366
Surplus ratio, %	54.2	49.7	49.3	53.9	55.1
<b>FINANCIAL KEY DATA</b>					
Cash flow, SEK thousands	1,534,808	491,456	204,926	-5,550	-68,286
Interest coverage ratio (ICR), multiple <sup>1)</sup>	2.6	3.1	3.7	3.4	2.5
Loan-to-value ratio, % <sup>1)</sup>	54.3	55.1	53.6	54.1	58.3
Equity/assets ratio, % excluding shareholder loans in equity <sup>1)</sup>	41.9	40.3	41.5	40.0	36.8
Equity/assets ratio, % including shareholder loans in equity	41.9	40.3	20.8	17.8	11.7
Average interest as per 31 December, %	1.8	1.7	1.3	1.9	2.5
Average period of fixed-interest on loans by derivative, year <sup>2)</sup>	2.6	1.4	1.4	1.1	2.0
Average period for which capital is tied up, year <sup>2)</sup>	8.1	7.3	4.1	3.7	3.5
Net asset value on the balance sheet date, SEK thousands	33,281,321	19,090,805	4,729,050	1,283,286	535,375
Long-term asset value (EPRA NAV) on the balance sheet date, SEK thousands	33,281,321	19,121,707	4,763,705	1,343,341	605,240
<b>DATA PER SHARE</b>					
Profit per ordinary share, SEK	795	817	890	769	234
Equity per ordinary share, SEK	4,881	3,419	2,792	1,580	966
Equity per preference share A, SEK	1,365,663	318,444	-	-	-
Equity per preference share B, SEK	103,452	100,989	-	-	-
Number of ordinary shares outstanding at the end of the period	2,429,449	1,796,144	1,507,807	596,415	500,000
Number of preference shares B outstanding at the end of the period	100	100	-	-	-
Number of preference shares A outstanding at the end of the period	203,360	117,760	-	-	-

<sup>1)</sup> Shareholder loans are classified as equity in calculation of key performance ratios

<sup>2)</sup> Excluding interest-bearing subordinated shareholder loans and loans from majority shareholders.

## Definitions and glossary <sup>1)</sup>

### *Letting ratio, housing (number), %*

Leased housing divided by total number of homes.

### *Surplus ratio, %<sup>2)</sup>*

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 after net financial items plus financial costs divided by financial costs attributable to interest-bearing liabilities excluding the effect of subordinated shareholder loans.

### *Equity/assets ratio including shareholder loans, %*

Equity including interest-bearing subordinated shareholder loans as a percentage of total assets at the end of the period.

### *Equity/assets ratio excluding shareholder loans, %<sup>2)</sup>*

Equity as a percentage of total assets.

### *Loan-to-value ratio (LTV), %*

Net liabilities in relation to estimated market value.

### *Net liabilities*

Net interest-bearing liabilities excluding interest-bearing subordinated shareholder loans and provisions less financial assets, including cash and equivalents.

### *Average interest, %<sup>2)</sup>*

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

### *Net asset value on the balance sheet date, SEK m*

Equity plus deferred tax liability.

### *Long-term asset value (EPRA NAV) on the balance sheet date, SEK m*

Equity with deferred tax liability and interest rate derivatives reversed.

### *DEBT/EBITDA, multiple*

Time-weighted interest-bearing liabilities excluding subordinated shareholder loans 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 capital is taken into account.

### *Equity per preference share, SEK*

Preference shares' preferential rights on liquidation of the company (SEK 375 per preference share) and the share's remaining entitlement to dividends.

### *Profit per ordinary share*

Profit in relation to the average number of ordinary shares once the preference shares' portion of the profit for the period has been taken into account.

Heimstaden presents certain financial measures that are not defined in accordance with IFRS. Heimstaden believes that these measures provide valuable additional information to investors and management as they enable assessment of the company's performance.

Since not all companies calculate financial measures in the same way, these are not always comparable to measurements used by other companies. Accordingly, these financial measures should not be considered as a replacement for measures defined in accordance with IFRS. The derivation of key performance indicators is presented on page 109.

<sup>1)</sup> Certain key ratios are calculated with particular regard to interest-bearing subordinated shareholder loans, which are reclassified and defined as equity given their financial structure.

<sup>2)</sup> These specific key data are operational and are not considered to be key data in accordance with ESMA's guidelines.

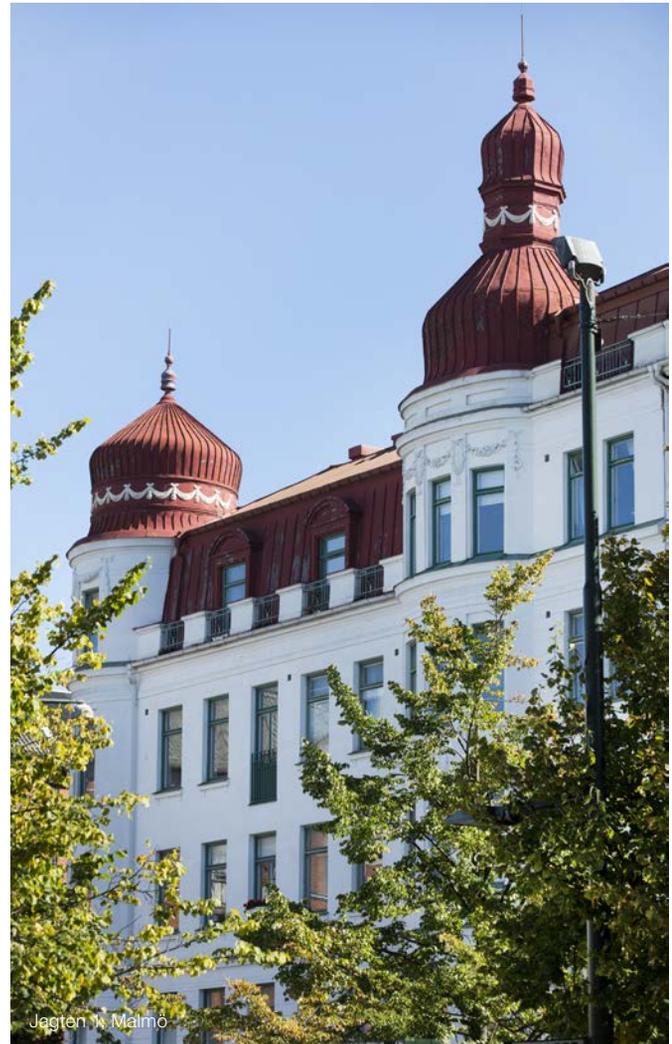
# List of properties





## Property list, Sweden 31 Dec. 2018

Property	Address	Constr. yr /renov. yr.	No. apart- ments	No. of premises	No. parking spaces/ garage	Resid. m <sup>2</sup>	Premises m <sup>2</sup>	Area total m <sup>2</sup>
<b>CENTRAL</b>								
<b>Falköping</b>								
Agaten 11	Petter Ryttnings Väg 20, Sigurd Kochs Gata 2	1962	15	1	13	880	51	931
Agaten 6	Sigurd Kochs Gata 4	1964	8	0	8	466	0	466
Anden 16	Banérgatan 16	1949	5	1	0	568	135	703
Ansgar 1	Sankt Sigfridsgratan 45, 47, 49	1965	24	5	30	2,022	24	2,046
Apotekaren 2	Sankt Olofsgatan 9	1992	6	4	2	710	515	1,225
Avenboken 1	Idrottsgatan 49, Margaretagatan 44	1961	20	4	8	1,234	7	1,241
Avenboken 2	Idrottsgatan 47, Margaretagatan 42	1961	20	0	24	1,234	0	1,234
Bagaren 7	Nygatan 2, Trätorget 1 & 3, Östertullsgatan 3	1995	44	5	0	2,409	994	3,403
Byggmästaren 9	Odengatan 16	1959	29	1	22	2,240	100	2,340
Draken 8	Odengatan 31	1974	4	0	0	660	4	664
Ejdern 14	Banérgatan 1, Nils Ericsonsgatan 10	1962	41	1	18	2,236	69	2,305
Flugsnapparen 1	Kapellsgatan 1	1959	10	1	2	570	10	580
Flugsnapparen 2	Allégatan 3	1959	10	0	9	570	10	580
Flugsnapparen 6	Kapellsgatan 3	1959	10	0	4	570	10	580
Guldsmeden 21	Trädgårdsgatan 22	1939	2	6	12	220	403	623
Guldsmeden 7	Ekmans Gränd 2 & 4, Storgatan 20	1987	6	7	37	468	1,067	1,535
Göken 12	Allégatan 9 & 11	1990	5	0	3	423	5	428
Hammaren 7	Eriksgatan 33	1963	8	0	4	376	0	376
Hovslagaren 16	Högarengatan 9, Jakobsgatan 18	1960	36	3	15	2,082	87	2,169
Hytten 1	–	Land plot						0
Kemisten 1	Stora Torget 7, Trätorget 4, 6 & 8	1959	4	4	0	215	316	531
Lejonet 2	Hjelmarsörsgatan 24–46	1971	80	7	0	6,640	118	6,758
Mejseln 4	Sankt Sigfridsgratan 20	1942	5	1	3	312	5	317
Muraren 15	Sigurd Kochs Gata 16, 18 & 20	1964	26	1	23	1,536	15	1,551
Muraren 3	Hwassgatan 7	1960	16	0	8	690	0	690
Muraren 4	Hwassgatan 5	1979	12		19	745	0	745
Muraren 5	Hwassgatan 3 A–B	1959	14	0	11	787	0	787
Muraren 6	Gärdesgatan 18 A–B	1959	14	0	11	787	0	787
Oxeln 1	Wetterlingsgatan 24	1972	21	1	31	1,357	25	1,382
Sankt Jakob 14	Sankt Sigfridsgratan 27	1992	6	0	2	316	0	316
Sankt Jakob 18	Eriksgatan 29	1970	5	0	2	293	0	293
Sankt Johannes 18	Sankt Sigfridsgratan 5	1960	6	0	2	400	0	400
Sankt Lars 1	Per Larsgatan 4	1961	12	1	2	810	12	822
Sankt Olof 17	–	Land plot						0
Sankt Olof 18	Sankts Olofsgatan 14, Sleipnergatan 5	1991	19	2	14	1,599	432	2,031
Sankt Staffan 13	Bryngelsgatan 6	1929	0	8	0	0	2,415	2,415
Sankt Tomas 13	Warenbergsgatan 11	1973	6	0	3	393	0	393
Skalbaggen 1	Scheelegatan 21	1957	10	3	6	748	108	856
Skalbaggen 11	Kapellsgatan 19	1959	6	7	0	434	6	440
Skalbaggen 12	Kapellsgatan 27	1954	10	0	7	540	10	550
Skalbaggen 5	Danska Vägen 148	1954	10	1	10	540	10	550
Skogslinden 3	Idrottsgatan 39, Margaretagatan 34	1978	12	2	14	716	24	740
Skogslinden 4	Idrottsgatan 37, Margaretagatan 32	1976	8	1	14	712	18	730
Spettet 1	Wetterlingsgatan 18	1952	24	2	22	1,308	54	1,362
Svanen 24	Danska Vägen 129 & 131	1970	15	0	17	1,099	0	1,099
Trädgårdsmästaren 18	Marknadsgatan 7	1971	22	5	0	1,272	94	1,366
Trädgårdsmästaren 19	Högarengatan 8	1989	14	0	0	1,018	0	1,018
Trädgårdsmästaren 22	Marknadsgatan 9 & 11	1969	32	0	67	2,020	0	2,020
Urd 3	Odengatan 19, Sankt Olofsgatan 19 & 21	1965	29	5	23	1,844	1,931	3,775
Vargen 1	Wetterlingsgatan 13	1975	22	1	33	1,441	10	1,451



## Property list, Sweden 31 Dec. 2018

Property	Address	Constr. yr /renov. yr.	No. apart- ments	No. of premises	No. parking spaces/ garage	Resid. m <sup>2</sup>	Premises m <sup>2</sup>	Area total m <sup>2</sup>
Vargen 2	Dotorpsgatan 67	1975	17	2	4	1,163	43	1,206
Vargen 3	Wetterlingsgatan 13 F, G, H	1975	16	2	6	832	242	1,074
Vargen 4	Wetterlingsgatan 11 G, H	1977	18	2	6	1,130	521	1,651
Vargen 5	Wetterlingsgatan 11 A, B, I	1975	20	2	4	1,086	376	1,462
Vargen 6 & 8	Wetterlingsgatan 11 C, D, E	1976	21	4	33	1,503	43	1,546
Vargen 7	Wetterlingsgatan 11F	1977	14	1	4	981	51	1,032
Vitsippan 2	Hagbergsgatan 4	1956	8	4	0	532	0	532
<b>Katrineholm</b>								
Asken 4	Bondegatan 12, Gersnäsgratan 7	1989	26	3	6	1,815	95	1,910
Aspen 12	Kyrkogatan 6, 8, 10	1968	21	2	6	1,702	119	1,821
Blåsippan 4	Fredsgatan 43	1912–1985	19	7	14	1,118	261	1,379
Blåsippan 8	Fredsgatan 41, Jungfrugatan 1–3	1948, 1965	84	2	46	5,778	414	6,192
Dahlia 10	Jägaregatan 13	1938–1979	12	3	10	912	82	994
Dahlia 9	Djulögatan 67	1950	9	3	9	595	620	1,215
Flundran 10	Tegnervägen 37	1946–1982	12	1	11	720	70	790
Flundran 15	Djulögatan 58	1966	12	1	12	886	199	1,085
Flundran 9	Tegnervägen 39	1970	12	0	0	924	0	924
Glasblåsaren 11	Vasavägen 36	1943–1984	8	2	5	304	12	316
Hajen 18	Jungfrugatan 21	1970	50	4	37	3,254	143	3,397
Hästhoven 13	Trädgårdsgatan 12–20, Jägaregatan 1–9, Fredsg 39, Jungfrug 8	1970	108	9	125	7,135	770	7,905
Ingenjören 21	Ölandsgatan 10	1944–1982	14	1	17	581	14	595
Ingenjören 22	Vasavägen 58	1945–1982	8	1	9	444	13	457
Kamelen 8	Hantverkarg 17–27, Tegnerv 20–24, Vasav 18–26, Linnév 25	1983–1986	148	4	46	9,824	79	9,903
Karpen 4	Linnévägen 32	1962	20	1	14	1,093	55	1,148
Kontoristen 10	Västgöttagatan 27	1957	21	1	22	1,129	38	1,167
Laxen 3	Malmgatan 26	1948	12	1	2	939	120	1,059
Läraren 16	Västgöttagatan 25	1952–1982	14	1	14	1,024	132	1,156
Läraren 17	Västgöttagatan 23	1951–1986	22	3	19	1,030	88	1,118
Mörten 1, 10, 11	Tegnervägen 44, Linnévägen 45, Jägaregatan 21	1949.198	35	6	30	2,230	336	2,566
Näckrosen 17	Fredsgatan 13, 15, 17, Hantverkaregatan 4	1992	83	16	30	5,935	2,675	8,610
Oxen 9	Vingåkersvägen 6	1950–1986	18	4	9	1,228	248	1,476
Pilen 10	Lasstorpsgratan 4, Kapellgatan 15	1947–1983	20	3	10	1,216	170	1,386
Pilen 9	Nyängsgatan 8, Lasstorpsgratan 2	1947–1983	22	2	15	1,249	134	1,383
Rönnen 14	Bondegatan 25	1972	18	1	0	1,292	92	1,384
Siken 5	Tegnervägen 38, Jägaregatan 24, Linnévägen 43	1960, 1964	44	1	38	2,967	29	2,996
Sillen 4	Jungfrugatan 28	1939–1983	6	1	14	526	20	546
Skogsduvan 11	Ramsjögatan 4	1988	12	1	12	670	12	682
Skogsduvan 14	Forssjögatan 5	1985	10	1	3	535	30	565
Sädesårlan 1	Bergsgatan 11	1980.1987	14	1	9	776	77	853
Sädesårlan 14	Floragatan 4	1990	16	2	15	789	100	889
Sädesårlan 2	Fixgatan 4	1947–1986	8	3	7	560	106	666
Vallmon 16	Djulögatan 59	1963	26	0	22	1,714	0	1,714
Vinrankan 2	Nyängsgatan 5	1949–1950	26	1	8	1,652	75	1,727
Vinrankan 3	Stensättersgatan 41	1950–1986	31	2	26	1,997	338	2,335
Vitsippan 11	Jägareg 2–6, Trädgårdsg 6–10, Sibeliuss 1–9, Malmg 3–7, Fredsg 33–35	1930–1970	362	23	199	23,237	1,763	25,000
Älgen 5	Linnévägen 7	1963	15	0	9	1,082	0	1,082
Älgen 6	Prinsgatan 15	1952–1980	18	2	7	1,168	103	1,271
Älgen 8	Prinsgatan 13	1957–1987	18	2	12	1,185	160	1,345

## Property list, Sweden 31 Dec. 2018

Property	Address	Constr. yr /renov. yr.	No. apart- ments	No. of premises	No. parking spaces/ garage	Resid. Premises m <sup>2</sup>	Premises m <sup>2</sup>	Area total m <sup>2</sup>
<b>Linköping</b>								
Illustrationen 1	Nanna Svartz Gata 8, 20 A-C	2018	15	0	0	693	0	693
Initiativet 1	Arkitekturgränd 1, Fredrik Hasselqvistgata 10-18	2018	20	0	0	954	0	954
Inspirationen 1	Kunskapslänken 86-88, Selma Lagerlöfs Gata 10	2018	27	2	0	1,532	120	1,652
Inspirationen 7	Kunskapslänken 90-92, Medicingränd 1	2018	21	0	0	1,051	0	1,051
Integralen 15-27	Fysikgränd 2	2018	13	0	0	753	0	753
Isrevyn 43 & Isrännan 45	Lantmannagatan	Land plot				0	0	0
Isrevyn 44	Lantmannagatan 101 A-101 D, etc.	1982-1983	26	0	0	2,015	216	2,231
Isrännan 1-44, Isrevyn 1-42	Lantmannagatan 1-120	1982-1983	158	5	201	9,896	0	9,896
Isrännan 46	Lantmannagata 100 A-D etc.	1983	46	0	0	3,490	231	3,721
Laken 4 and Lagunen 1	Hovetorpsgatan 2-50, Hovetorpsgatan1, 3	1964	189	42	109	13,603	580	14,183
Ostfatet 1	Ryda Allé 1-21	1967	467	0	139	10,082	216	10,298
Ostformen 10	Rydsvägen 166-192	1969	96	0	68	8,189	161	8,350
Ostformen 11	Rydsvägen 152-164	1969	48	0	38	4,175	76	4,251
Ostformen 6	Mårdtorpsgatan 17-23	1969	45	0	32	2,311	81	2,392
Ostformen 7	Mårdtorpsgatan 9-15	1969	45	0	32	2,311	103	2,414
Ostformen 8	Mårdtorpsgatan 1-7	1969	40	0	51	2,054	396	2,450
Intellektet, 9, 11, part of Smedstad 1.4	-	Construction project				0	0	0



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<b>Norrköping</b>								
Banjon 1	Gustaf Clasons Gata 1-139, 2-90	1975	113	1	144	9,916	149	10,065
Bokhållaren 2	Erikslundspan 9, Bredgatan 18-24, Sandgatan 19-21	1959	39	2	8	2,610	7	2,617
Duvan 7	G:a Rådstugugatan 18-20, Trädgårdsgatan 2,	1933	45	13	22	2,412	3,712	6,124
Duvan 8	G:a Rådstugugatan 22 A-B,	1929/1991	16	2	25	1,564	88	1,652
Enen 4	Generalsgatan 74, Södra Promenaden 127	1896/1984	24	2	0	1,621	174	1,795
Enen 8	Kristinagatan 59, Södra Promenaden 123, 125	1896/1984	26	1	0	2,022	35	2,057
Enen 1, 2, 3	Kristinagatan 57, Nygatan 128, Generalsgatan 72	1973	99	6	1	4,368	697	5,065
Gittaren 148	Torsten Fogelqvists gata 129-195, Albert Engströms gata 3-171, 166-208	1981	136	2	199	11,759	626	12,385
Godvän 17	Nygatan 35	1960	29	0	15	1,913	0	1,913
Hallonbusken 5	Norrallundsgatan 51-57	1948/1985	30	4	3	1,920	150	2,070
Kapellhorvan 10	Kungsgatan 37-43, Tunnbindaregatan 9-11	1909	106	17	46	9,362	3,081	12,443
Liljan 16 and 17	Nygatan 105, Drottninggatan 65	1929	18	10	21	1,909	657	2,566
Linjen 3	Idrottsgatan 31-61	1968	220	13	199	16,562	701	17,263
Lybeck 24	Styrmanngatan 10, Trädgårdsgatan 49	1974	49	3	33	2,651	417	3,068
Markattan 5, 10, 12	Drottninggatan 36, 38	1934, 1968	38	16	25	1,250	2,931	4,181
Nyckeln 3	Skolgatan 39, Ö Promenaden 24 A-B	1897/1974	23	0	0	1,485	0	1,485
Paraden 14	Prästgatan 5 B	1920	8	3	0	734	391	1,125
Pelikanen 11, 16	Knäppingsborgsgatan 7, 7A, 7B, Drottninggatan 23-25	1920	43	15	0	3,458	1,714	5,172
Röken 24	Källvindsgatan 29, Nygatan 39, 41 A-B	1947	35	4	0	2,312	215	2,527
Safiren 1	Vilbergsgatan 34-44, 48-50	1973	258	7	310	22,207	441	22,648
Safiren 2	Vilbergsgatan 55-125	1968	325	13	305	25,858	602	26,460
Skolan 9	Slättergatan 52-68	1961/2014	70	5	70	4,598	197	4,795
Smaragden 1	Vibergsgatan 55-125	1971	174	11	191	15,485	140	15,625
Sparven 9	S:t Persgatan 139 A-M	1981	101	30	193	11,829	4,293	16,122
Stallet 5	Slottsgatan 130-136	1973	187	10	162	9,404	2,056	11,460
Steglitsan 6	Nelingsgatan 14	1969	14	2	0	1,641	256	1,897
Svärdet 2	Trädgårdsgatan 20, Krstinagatan 10	1920/1980	15	8	0	1,647	1,930	3,577
Syrenbusken 9	Breda vägen 17 A-B, 19 A-B, Norralundsgatan 39-43, Blommelundsgatan 18 A-B	1952/1979	125	29	88	7,997	2,402	10,399
Torvan 1, Tuvan 5	Skogvaktaregatan 4, 7-15, De Geersgatan 67-73	1966	69	3	73	4,735	184	4,919
Tulpanen 16	Drottninggatan 49-51, Hantverkaregatan 20	1959	22	8	21	1,134	2,149	3,283
Valthornet 63	Emil hedelius gata 1-211, 128-180	1982	133	0	194	12,170	0	12,170
Vargen 5	Värmlandsgatan 3 A-B	1910/1982	20	0	0	1,040	0	1,040
Vattenkonsten 5	Fleminggatan 30, Nya Rådstugan 21, Skepparegatan 2,4	1910/1987	38	3	0	3,776	1,320	5,096
Åkerkroken 6	Lagergrensgatan 28-30	1943/1980	12	1	0	933	30	963
<b>Central total</b>			<b>6,227</b>	<b>523</b>	<b>4,529</b>	<b>418,343</b>	<b>54,087</b>	<b>472,430</b>

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<b>MÄLARDALEN</b>								
<b>Gävle</b>								
Brynäs 13:7	Boothsgatan 3, Fältskårsleden 9, Södra Fiskargatan 10 A-F, etc.	1965-1971/2000-2010	77	9	39	4,767	488	5,255
Brynäs 14:7	Boothsgatan 5-7, S. Fiskargatan 13 A-C, etc.	1965-1971/2000-2010	71	23	65	4,691	475	5,166
Brynäs 15:5	Boothsgatan 2-4, Ladugatan 1, 3	1965-1971/2000-2010	66	8	50	4,470	89	4,559
Brynäs 16:12	Brynäsgränd 12, S Sjöfullsgatan 14 A-C, etc.	1965-1971/2000-2010	352	21	120	23,247	387	23,634
Brynäs 57:3	Brynäsgränd 18, Kaserngatan 91	1898/1990	10	2	0	729	79	808
Brynäs 65:14	Gullregngatan 2, 4 & 10, Staffansgatan 3, 5, 9, 11 & 13	1982	173	0	17	11,303	12	11,315
Brynäs 7:1	Södra Skeppsbron 6 A-C, Södra Fiskaregatan 1	1900/1985	15	4	0	1,403	217	1,620
Brynäs 79:4	Hillmangsgatan 22, 24 & 28, Hagtorngatan 1-9, 8-12	1947/1985	126	2	49	7,389	85	7,474
Brynäs 80:3	Fjärde Tvärgatan 55, Hagtorngatan 2, 4 & 6	1956/1988	72	10	41	3,833	362	4,195
Brynäs 90:8	Staffansgatan	Land plot	0	0	85			0
Northern, 24:1	Norra Köpmangsgatan 10, Nygatan 26	1959/1994	16	8	7	1,145	1,784	2,929
Norr 35:3	Kyrkogatan 31, Hattmakaregatan 3	1959/1975	37	7	0	2,038	159	2,197
Northern, 8:9	Staketgatan 40-42, Ruddammsgatan 35, etc.	1963	55	21	24	3,724	2,479	6,203
Norrtull 32:1	Valbogatan 46	1951	19	0	4	1,223	0	1,223
Norrtull 32:4	Norra Köpmangsgatan 27	1954/1959	25	2	10	1,280	50	1,330
Norrtull 32:8	Norra Rådmangsgatan 26	1959/1968	28	1	0	2,424	49	2,473
Stigslund 51:1	Tallåsvägen 2-4 A-B	1959	48	2	27	2,490	120	2,610
Sätra 53:3	Porfyrvägen 5-7	1960-1970	237	4	22	16,629	178	16,807
Södertull 19:2	Södra Kungsgatan 52	1945	18	1	15	828	65	893
Södertull 19:3	Södra Kungsgatan 54	1945	18	2	14	828	80	908
Södertull 19:4	Södra Kungsgatan 56	1945	18	2	11	828	75	903
Södertull 28:8, 28:3	Fleminggatan 33, Lilla Centralgatan 43, etc.	1964	36	5	43	2,621	295	2,916
Väster 16:9	Valbogatan 2 A-B	1947/1959	15	0	0	1,038	0	1,038
<b>Haninge</b>								
Söderbymalm 3:515	Arkens väg 13-15	2015	89	0	55	5,375	0	5,375
Söderbymalm 3:516	Arkens väg 26-28	2015	133	0	90	8,277	0	8,277
<b>Huddinge</b>								
Brygghuset 2	Småbrukets Backe 30-74	2016	359	0	60	9,180	0	9,180
Mangelboden 1	Småbrukets Backe 31-39	2016	125	0	80	7,516	0	7,516
<b>Sandviken</b>								
Barberaren 15	Hyttgatan 29 A-B, 31, Torggatan 1 A_B	1963	38	13	36	2,880	2,465	5,345
Barberaren 18	Piangatan 4 A-C, 6-8, Torggatan 5-7, 7 A-B	1969	64	14	83	4,075	3,675	7,750
Barberaren 7	Köpmangsgatan 16, 18 A-V, 18 X-Z, 18 Å-Ö	1990	28	4	58	1,916	1,547	3,463
Grillen 4	Hyttgatan 26 A-B, Köpmangsgatan 12 A-B	1955	31	10	21	1,871	1,511	3,382
Vallarelåten 2	Smultronbacken 2-10, 13-17	1973	161	2	170	10,392	625	11,017
Vallarelåten 3	Smultronbacken 11-12, 18-27	1973	127	1	115	8,802	357	9,159
<b>Stockholm</b>								
Häftklammern 1	Jämtlandsgatan 105, Vemdalsgatan 51-55	2015	227	2	0	13,509	292	13,801
Vattenfallet 10	Funäsgatan 34, 36, 38	2014	230	1	0	13,735	52	13,787

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<b>Strängnäs</b>								
Blå Bandet 10	Källgatan 4-6, Trädgårdsgatan 5, 7 & 13	1900, 1969/1980	26	13	22	2,124	1,607	3,731
Bresshammar 1:72	Stenbyvägen 15-29, Flodins väg 52-62, Stenbyvägen 2-12	1988	118	1	163	9,419	62	9,481
Erikslund 10	Erikslundsvägen 1	1991	12	1	11	874	132	1,006
Erikslund 3	Eskilstunavägen 24	1929/1969	4	0	3	235	0	235
Erikslund 9	Erikslundsvägen 3	1992	12	0	12	874	0	874
Geväret 14	Erikslundsvägen 4	1929/1989	6	0	6	334	0	334
Gillesgården 1:46	Kantorstigen 10-30	1991	30	0	0	2,274	0	2,274
Gillesgården 1:59	Ringarstigen 17-25	1993	10	0	0	810	0	810
Gillesgården 1:60	Ringarstigen 14-22	1992	10	0	0	826	0	826
Gillesgården 1:61	Ringarstigen 10-12	1993	4	0	0	392	0	392
Helsingen 10	Kvarngatan 8, Norra Strandvägen 29	1929/1992	5	0	0	585	0	585
Helsingen 9	Kvarngatan 10, Norra Strandvägen 31	1991	17	0	14	1,355	0	1,355
Kopparslagaren 1	Hospitalgatan 2, Koppargränd 4	1986	12	0	6	781	0	781
Kungsberget 3	Klostergatan 4	1929/1940	6	0	4	639	0	639
Ladan 11	Nygatan 19	2000	5	0	17	315	0	315
Ladan 4	Nygatan 19	1929/1988	11	0	0	863	0	863
Ladan 7	Järnvägsgatan 15	1895/1950	10	3	9	852	363	1,215
Ladan 9	Nygatan 21	1929/1969	6	1	0	658	40	698
Lergropen 10	Lagmansgatan 4	1934	14	1	0	728	160	888
Linden 6	Dalsängsgatan 15	1946/1978	16	6	10	870	264	1,134
Merlänna 4:29	Rosenbergsvägen 3	1961	8	0	0	320	0	320
Merlänna 4:48	(vacant)	Land plot	0	0	0	0	0	0
Munkbacken 1	Eskilsgatan 2 A	1941/1981	18	4	0	1,112	294	1,406
Rådmannen 3	Munkhagsgatan 5, Storgatan 10-12	1929	6	6	15	706	599	1,305
Smeden 1	Bondegatan 44, Larslundsvägen 44	1946/1970	41	10	13	2,299	536	2,835
Smeden 2	Larslundavägen 6	1947/1967	27	7	20	1,194	136	1,330
Åkers Styckebruk 1:467	Köpingevägen 8, Sågartorpsvägen 4-12	1992	12	0	0	920	0	920
Översten 1	Bisp Thomas väg 4, Kung Magnus väg 3	1945/1975	8	1	2	670	0	670
<b>Uppsala</b>								
Flogsta 13:1, 14:1, 15:1	Sernanders väg 1, 2, 3A, 3B, 4, 5, 6, 7, 8, 9, 10, 11, 12	1969-1972	2,014	27	358	50,583	3,111	53,694
Flogsta 13:2-3, 15:2-5	(vacant)	Land plot		2			0	0
Fålhagen 11:3	Salagatan 29 A-B	1910/1994	27	0	0	2,452	0	2,452
Fålhagen 11:5	Storgatan 28 A-B	1966	12	10	26	1,641	1,921	3,562
Gamla Uppsala 108:1, 109:1, 110:2, 111-112:1, 113-114:1, 115-116:1	(vacant)	1988	282	9	255	22,706	1,164	23,870
Uppsala Kungsängen 45:2	Kryddblandargatan 39-49, Kungsängsgränd 4, Kungsgatan 66V, 66X, 66Z and 66Å	Construction project				0	0	0
<b>Mälardalen total</b>			<b>5,933</b>	<b>283</b>	<b>2,377</b>	<b>296,867</b>	<b>28,441</b>	<b>325,308</b>

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<b>NORTHERN</b>								
<b>Luleå</b>								
Hertsön 11:598, 11:599, 11:631, 11:632, 11:644, 11:645, 11:665, 11:666	Fluggsnappargränd 16–26, Rödhakegränd 1–11, Blåmesgränd 15–25, Rödhakegränd 15–25, Blåmesgränd 1–11, Domherregränd 2–12, Fluggsnappargränd 2–12, Domherregränd 16–26	1975	217	3	147	15,998	348	16,346
Hertsön 11:703, 11:704, 11:705, 11:706, 11:708, 11:709, 11:710, 11:712	Tjädergränd 1–11, Morkullegränd 16–26, Morkullegränd 2–12, Orrgränd 16–26, Orrgränd 2–12, Järpgränd 1–11, Järpgränd 15–25,	1975	217	2	157	16,153	1,580	17,733
Pennan 2	Rödkallens Väg 11–15	1958	77	3	35	6,261	636	6,897
Porsön 1:407	Porsögården 2–42	1900/1988	310	3	40	7,025	227	7,252
Tängen 2	Edeforsgatan 2A–B, 4A–C, 6A–C, 8A–C, 10A–C, 12A–C, 14A–C, 16A–B, Norra Vretvägen 1A–B, 3A–C, 5A–B, 7A–C, Södra Vretvägen 9A–B, 11A–C, 13A–B, 15A–C	1951	282	13	191	17,016	590	17,606
Yxan 2 & 4	Vinkelgränd 1–7	1961	175	4	112	10,518	142	10,660
<b>Skellefteå</b>								
Anderstorsgården 3	Anderstorsleden 1–5	1978/2009	46	6	62	1,371	7,055	8,426
Anderstorsgården 4	Elevhemsgatan 3, 9, 11, 13	1970–1996	16	5	16	674	764	1,438
Myran 1	Bogårdsvägen 2:32	1972	177	0	167	11,396	0	11,396
Nattkvarteret 2	Anderstorsgatan 8–16	1978/2000	154	11	602	8,145	4,865	13,010
Sörböle 16:49	Lövgränd 2, trädgränd 2–10, Frögatan 2–10	1960–1970	772	10	62	45,157	2,342	47,499
Vårsådden 5	Skiftesgatan 2–96	1974/2014	188	0	190	11,969	0	11,969
<b>Umeå</b>								
Gnejsen 98, former Gnejsen 95, 97, 98, Flintan 4 and Flintan 5 included	Flintavägen 3–15, 2–72, Gnejsvägen 1–4, 2–10, Kvartsvägen 5–13	Land plot	840	5	705	50,730	412	51,142
Hönsjädersn 1 (former Flyttfågeln 6 included)	Mariehemsvägen 21–25, Morkullevägen 11	1990	260	1	246	17,754	608	18,362
Trandansen 1	Mariehemsvägen 15–19	1974	490	4	161	12,554	298	12,852
<b>Norr Summa</b>			<b>4,221</b>	<b>70</b>	<b>2,893</b>	<b>232,721</b>	<b>19,867</b>	<b>252,588</b>
<b>SKÅNE</b>								
<b>Burlöv</b>								
Burlöv Arlööv 20:1015, 20:106, 20:58	Dalbyvägen 32, 34 A–B, 36 A–C, 38, 40	Construction project				0	0	0
<b>Eslöv</b>								
Tofsvipan 1	Lars Otterstedts väg 2, 4, 6, 8	2007	87	0	100	5,545	0	5,545
<b>Klippan</b>								
Drabanten 7	Torget 10	1946/1985	27	5	0	2,126	1,061	3,187
Drabanten 8	Storgatan 46, Åbyplan	1950/1990	28	14	0	1,882	1,656	3,538
Drabanten 9	Storgatan 42, 44 / Torggränd	1950/1990	8	13	18	704	1,001	1,705
Fridhem 3	Generalsgatan 6–10	1991	17	0	0	1,207	0	1,207
Hemmet 3	Storgatan 84	1950/1995	10	4	0	512	30	542
Lyrån 16	Bruksgatan 11	1950/1995	31	3	0	1,766	0	1,766
Oden 17	Odengatan 5	1924/1974	0	3	0	0	646	646
Oden 3	Odengatan 3	1924/1995	3	1	0	325	70	395
Polstjärnan 2	Järnvägsgatan 6, Kapellgatan 1 A–B	1992	18	0	10	1,251	0	1,251

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<b>Landskrona</b>								
Banér 5	Skollallén 8	1980	8	2	0	718	86	804
Filaren 23	Vengatan 20	1959	9	0	2	565	0	565
Fingal 7	Vasagatan 49	1946	12	0	1	584	0	584
Gjörloff 4	Ödmanssonsgatan 37	1939/1983	8	1	2	679	20	699
Gröna Lund 1	Stora Norregatan 26	1959/1998	11	4	0	808	987	1,795
Gröna Lund 17	Stora Norregatan 10	1960–1965/1993	8	2	0	675	180	855
Gröna Lund 36	Järnvägsgatan 13–15, Östergatan 17	1972	22	8	0	1,293	845	2,138
Gröna Lund 21–24	St Norreg. 2, Östergatan 1–3	1929/1990	16	5	0	1,365	857	2,222
Hammaren 13	Trånggatan 20	1970	8	0	7	615	0	615
Hammaren 30	Öresundsgatan 50	1989	20	1	8	1,432	40	1,472
Herkules 1	Ödmanssonsgatan 36 A–B	1944/1987	21	2	0	1,283	33	1,316
Herkules 20	Viktoriagatan 4, Viktoriagatan 6	1945	18	7	0	1,486	225	1,711
Herkules 22	Ödmanssonsgatan 38 AB	1946/1985	17	3	0	1,106	106	1,212
Herkules 4	Viktoriagatan 2	1940/1990	12	2	2	956	30	986
Kung Karls Varv 25	Storg. 17, 19, 21, 23, N Långgatan 12, Drottningg. 17	1929/1982	19	2	0	1,986	335	2,321
Kung Karls Varv 26	N Kyrkogården 4–14, N Långgatan 10, Drottningg. 15	1990	31	4	42	2,577	296	2,873
Landora 8	Gröna Gång 5	1940/1975	6	3	0	433	121	554
Linné 7	Järnvägsgatan 33	1929	5	0	0	577		577
Madrid 19	Norra Infartsgatan 47–49	1992	22	0	14	1,624		1,624
Milano 12	Norra Infartsgatan 52	1953/1986	10	1	0	517	57	574
Minerva 15	Hantverkaregatan 34, Bryggaregatan 34	1955	15	0	0	879		879
Minerva 17	Hantverkaregatan 30 A–B	1956	18	3	25	895	36	931
Norra Roten 10	Borgmästaregatan 4	1929/1950	11	2	7	701	125	826
Norra Roten 18	Rådhusorget 5, St Norreg. 3	1929/1975	7	5	0	800	400	1,200
Norra Roten 3	Gamla Kyrkogatan 6	1929/1985	4	0	0	264	0	264
Norra Roten 9	Gamla Kyrkogatan 16	1929/1950	0	0	7	0		0
Palander 4	Gröna Gång 16	1939/1984	14	0	19	765		765
Palander 6	Gröna Gång 20	1950/1988	18	1	1	1,182	20	1,202
Pallas 32	Ödmanssonsgatan 44	1975	6	0	0	450	0	450
Pallas 34	Viktoriagatan 3	1988	8	1	0	544	20	564
Pallas 48	Viktoriagatan 5	1945	8	0	2	585	0	585
Pallas 74	Östergatan 189	1956	9	1	0	568	20	588
St. Olof 19	Vasagatan 15 A–B	1954	26	1	0	1,570	90	1,660
St. Olof 6	Järnvägsgatan 75	1951	7	1	0	524	10	534
Storken 1	Viktoriagatan 9	1978	8	1	0	470	20	490
Storken 26	Pilgatan 12–22, Tranchellsg. 97–105, Viktoriag. 21–27	1929/1977	80	2	0	5,793	100	5,893
Torstensson 1	Föreningsgatan 30	1924/1976	10	2	0	712	234	946
Torstensson 17	Stora Norregatan 123	1948	11	4	0	862	118	980
Torstensson 18	Karmelitergatan 11	1949	9	2	0	617	58	675
Torstensson 7	Karmelitergatan 3	1929/1986	8	0	0	405		405
Tärnan 19	S. Långgatan 24, Fiskaregränd 10 A–B	1962	15	1	17	998	64	1,062
Venus 8	Gjörloffsgatan 87	1929/1987	5	1	0	321	19	340
Venus 9	Gjörloffsgatan 85	1929/1987	5	1	0	488	45	533
<b>Lund</b>								
Måsen 3	Måsvägen 16 A–E	1947/2018	27	0	5	1,553	27	1,580
Ridfogden 1	Stiftsvägen 2–12	2003, 2006	157	0	158	11,163	0	11,163
Skyttegillet 2	Kulgränd 3	Land plot	0	0	134	0	0	0
Skyttegillet 1, 3	Kulgränd 3–15	1968/1991	288	14	70	14,540	510	15,050
Solfångaren 6	Neversvägen 41–45	2005	96	4	65	6,117	140	6,257
Vildanden 13	Vildandsvägen 2–32	1964/1995	313	0	56	18,098	0	18,098

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<b>Malmö</b>								
Aktern 1	Västra Varvsgatan 24	2002	62	0	0	1,775	0	1,775
Balder 13	Värnhemsgatan 8	1929/1981	8	1	0	697	65	762
Balder 8	Nobelvägen 86	1934/1987	11	0	0	776		776
Balder 9	Nobelvägen 84 / Värnhemsgatan 16	1934/1986	31	6	0	1,843	117	1,960
Bardisanen 5	Allhemsgången 3, Rantzowgatan 14 A-B	1949/1992	12	0	0	889	0	889
Beckasinen 10	Bergsgat. 27 / Friisgat. 22-24	1982	49	8	26	3,990	1,278	5,268
Brage 4	Värnhemsgatan 11	1937/1984	13	0	0	966		966
Brasan 1	Hässleholmshg. 1 / Nobelvägen 81	1936/1975	26	0	0	1,262	0	1,262
Bredablick 3	Nyodalav 1 A-C / V Hindbyv. 5 A-E	2005	84	0	44	3,516	0	3,516
Brynjan 1	Solgatan 2	1910/1982	14	0	0	1,065	0	1,065
Brynjan 2	N Bulltoftav. 39	1985	20	1	0	1,674	8	1,682
Brynjan 3	Floragången 3 A-B	1945/1986	15	0	0	1,154	0	1,154
Brynjan 4	Rantzowgatan 2	1950	18	2	0	1,173	158	1,331
Böljan 1, 2, 6	Falkenbergsg. 6-8 / Simrishamnsg. 19-21 / Ystadsg. 20	1934/1980	61	2	0	5,140	82	5,222
Böljan 3	Simrishamnsg. 23 / Falsterbogatan 27	1934/1985	23	2	0	1,592	272	1,864
Böljan 4	Ystadsgatan 24 / Falsterbogatan 29	1931/1983	24	0	0	2,041	0	2,041
David 38	Korsg. 4	1938/1978	10	2	0	510	382	892
Dolken 12	Floragången 6 A-B, 8 A-B	1941/1987	18	10	0	1,334	207	1,541
Drivan 10	Kristianstadsgatan 32 A-B	1930	18	2	0	832	32	864
Drivan 17	Kristianstadsgatan 28 A-B, 30	1934/1985	26	0	0	1,804	0	1,804
Drivan 18	Trelleborgsgatan 5-7	1937/1986	27	0	0	2,038		2,038
Drömmen 10	Trelleborgsgatan 25, Lantmannag. 5	1937/1982	22	2	0	1,864	62	1,926
Ekot 10	Trelleborgsgatan 2	1938/1984	28	1	0	2,318	51	2,369
Ekot 8	Trelleborgsgatan 6 A-B	1938/1987	13	0	0	928	0	928
Fanan 4	Kristianstadsgatan 10 A-B, Ängelholmshgatan 7A	1930/1980	22	1	0	1,367	132	1,499
Folke 1	Ö Förstadsgatan 27, Drottninggatan 1	1904	18	8	0	1,961	761	2,722
Folke 3	Drottninggatan 3, Fredriksbergsgatan 1	1988	23	0	32	2,125	2,015	4,140
Frey 1	Värg. 8 / Östervärnsg. 9	1937	33	4	0	2,169	243	2,412
Frey 6 & 7	Nobelvägen 90-92 / Vårgatan 14 A-C	1936	44	2	8	2,838	110	2,948
Gillet 1	Bergsgatan 28 A-C, Kristianstadsgatan 3 A-B	1929/1986	17	2	0	1,283	150	1,433
Gillet 2	Kristianstadsgatan 5	1910/1979	8	1	0	609	0	609
Gotthard 3	Östra Förstadsgatan 33	1931/1985	22	0	0	1,462	186	1,648
Havsuttern 7	Kapellgatan 10	1948	11	8	0	760	238	998
Hillebarden 3	Allhemsgatan 7 A-C	1953	31	4	4	1,481	215	1,696
Hjälmare 12	Dalslandsg. 2 / Nobelv. 1	1982	43	5	22	3,273	620	3,893
Hjälmen 10	Floragången 2 A-D, N. Bulltoftav. 41	1988	46	0	19	3,622	0	3,622
Hjälmen 4	Rantzowgatan 6, Floragången 4 A-B	1935/1980	13	1	0	1,007	50	1,057
Hyllie 161:21	(vacant)	Land plot	0	0	0	0	0	0
Hyllie 165:60	(vacant)	Land plot	0	0	0	0	0	0
Idet 2	Ystadsgatan 11	1929/1981	10	2	0	820	156	976
Intagan 32	Lantmannag 47 / Idunsg. 75	1967/2014	38	7	47	2,778	757	3,535
Jagten 1	Möllevångstorget 12 A-B, Simrishamnsgatan 1 A-E	1929/1978	17	5	0	1,446	460	1,906
Jagten 5	Simrishamnsgatan 9 / Södra Parkgatan 33	1959	34	0	11	2,040	0	2,040
Jagten 6	Södra Parkgatan 35 A-B, Ystadsgatan 10 A-D	1929/1966	25	3	0	1,420	263	1,683
Jagten 8	Ystadsgatan 6	1930/1980	7	2	0	780	120	900
Judith 1	Kornettsgatan 3 A-C, Kungsgatan 18 A-C	1898/1970s	27	0	0	1,937	150	2,087
Kasper 10	Byggmästaregatan 2 / Ö Förstadsg 18	1909/1988	8	1	0	638	230	868
Kasper 28	Ö. Förstadsg 16 / Slussg. 17	1929/1983	82	3	0	3,796	333	4,129
Kirsebergstornet 13	Vattenverksvägen 5	1917/1982	20	1	10	1,350	132	1,482
Kogret 2	Floragatan 15 A-B	1944	18	0	0	822	0	822
Kogret 8	Solgatan 18 A-B	1926/1990	19	0	0	1,031	0	1,031

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Kryssmasten 3, 5	Bomgaan 6–8, Mastgränd 18–20	2016	23	2	7	1,009	904	1,913
Kråkan 30, 31 & 41	S. Förstadsg. 88 A–B / S. Skolg. 43 A–B, 45 / Smedjeg. 1–3	1929/1980	58	16	0	5,806	1,591	7,397
Kråkan 32	Möllevångsg. 29–31 / S. Skolg. 35–39	1980	85	9	61	7,608	2,430	10,038
Källan 1	Kristianstadsgatan 9 A–C, Ängelholmsgatan 12 A–B	1929/1973	21	2	0	1,502	234	1,736
Källan 10	Simrishamnsgatan 14	1936/1987	17	1	0	1,198	65	1,263
Källan 12	Simrishamnsgatan 10 / Ängelholmsgatan 14	1910/1982	14	10	0	1,043	773	1,816
Källan 2	Kristianstadsgatan 11, U1–U3	1929/1970	20	0	0	1,044	0	1,044
Källan 3	Kristianstadsgatan 13 A–D	1906/1970	24	1	0	1,092	118	1,210
Källan 9	Simrishamnsgat. 16	1935/1975	22	5	0	979	204	1,183
Lennstrand 17	Ö. Ansgarig. 71 Högerudsgatan 73	1954	31	2	4	1,711	185	1,896
Ludvigsgro 1	Flensburgsg. 4 / S. Förstadsg. 126	1960	34	2	28	2,043	382	2,425
Ludvigsgro 10	S. Förstadsgatan 128	1929/1983	18	0	0	1,174	0	1,174
Ludvigsgro 2	Flensburgsgatan 2	1930/1985	20	0	0	1,430	0	1,430
Länken 6	Kristianstadsgatan 18, Ivög. 8	1929/1980	16	1	0	1,332	30	1,362
Malmen 13	Möllevångsgatan 44–46	1970	38	5	63	3,312	1,487	4,799
Nestor 10	Sofielundsv. 39 / Plantg. 4 / Södervärnsg 2–4	1940/1988	104	6	0	8,216	488	8,704
Nils 15	Fredriksbergsgatan 11	1920/1988	23	0	0	1,664	0	1,664
Notarien 2	S Förstadsgatan 113 / Upplandsgatan 14 A–C	1910/1977	29	6	0	1,628	232	1,860
Oscarstorp 5	Skvadronsgatan 15, Ö. Stallmästargatan 2 A–B	1937/2018	15	2	0	807	102	909
Remmen 2	Ryttaregatan 4 A–D	1947	24	1	2	1,326	20	1,346
Remmen 3	Ryttaregatan 6 A–C	1947	18	1	0	909	20	929
Ritaren 5	Ingenjörsgatan 1,3,5	1968	74	3	84	6,191	257	6,448
Ritaren 8	Per Albin Hanssons väg 61D, 61E	1973	44	1	77	3,123	214	3,337
Rostorp 1	N Rostorps. 1 / Lundavägen 63	1936	15	1	0	768	265	1,033
Rostorp 12	Lundavägen 61 A–C	1945	22	0	0	991	0	991
Rostorp 2	Smedjekullsg. 12, N Rostorpsg 3	1939	12	0	0	639	0	639
Rostorp 3	Smedjekullsgatan 10	1940	13	1	0	572	30	602
Ruth 7	Drottninggatan 12 A–B, Hjalmar Gullbergsgatan 2 A–B	1940/2007	56	0	63	3,977	0	3,977
Ryggen 5	Musketörögatan 7 A–B	1947	17	2	0	1,085	58	1,143
Skrivarelyckan 8	Upplandsplan 6	1935/1989	34	0	0	1,979	40	2,019
Skrået 2	Ystadsgatan 29	1932	22	0	0	1,052	0	1,052
Skrået 4	Sofielundsvägen 32 / Falsterboplan 33	1931/1975	28	4	0	1,513	134	1,647
Skrået 5	Sofielundsvägen 30 A–B	1934/1978	16	0	0	1,077	0	1,077
Skrået 6	Falkenbergsgatan 12, Sofielundsvägen 28 A–B	1934	39	0	0	1,762	0	1,762
Smedjekullen 18	Lundavägen 75 / Smedjekullsg. 24	1946	32	2	17	1,969	100	2,069
Smedjekullen 5	Smedjekullsgatan 22 A–B	1945/1996	15	0	0	702		702
Smedjekullen 8	Lundav. 65 / N. Rostorpsg. 2 A–C	1943/1996	46	2	0	2,561	225	2,786
	Lundavägen 67 A–C	1934/1996						0
	Smedjekullsgatan 16 A–C	1943/1996						0
Smedjekullen 9	Smedjekullsg. 14 / N. Rostorpsg. 4	1938	9	0	0	588	0	588
Spännet 1	Vattenverksvägen 37 A–C	1947	18	0	0	1,010	0	1,010
Stacken 3	Nydalav. 1 A–C / V. Hindbyv. 5 A–E	1959	96	6	54	5,729	172	5,901
Stacken 4	Nydalav. 3 A–H / V. Hindbyv. 3 A	1959	95	5	44	5,735	261	5,996
Styrkan 15	Torekovsgatan 6 A–B	1944	12	0	0	696	0	696
Sälgen 3	Bokhållaregatan 36, Mäster Henriksgatan 12	1934/1965	20	2	0	1,250	92	1,342
Sälgen 4	Bokhållaregatan 34, S:t Knuts väg 13	1934	23	1	0	1,176	90	1,266
Taxeringsintendenten 4	Thomsons väg 28–43, etc.	1970/2005, etc.	665	6	200	17,106	2,424	19,530
Timglaslet 1	Falkenbergsgatan 2 A–B, Kristianstadsgatan 29	1935/1979	27	0	0	1,916	0	1,916
Timglaslet 5	Simrishamnsgatan 32 A–B	1935/1981	12	0	0	924	0	924
Timglaslet 6	Falkenbergsgatan 4 A–B, Simrishamnsgatan 30	1931	28	2	0	1,634	67	1,701
Uppland 2	Sigtunagatan 14	1935/1988	15	0	0	1,078	0	1,078
Uppland 6	Upplandsgatan 7, 13	1930/1990	33	2	0	2,100	73	2,173
Uret 4	Kristianstadsgatan 27 A–C, Falkenbergsgatan 1	1929/2002	36	0	0	1,769	0	1,769
Uret 5	Simrishamnsgatan 28, Falkenbergsgatan 3 A–B	1933/1979–1980	20	0	0	1,564	0	1,564

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Vidar 1	Hornsgatan 12, Lundavägen 17 A–D	2015	57	2	0	3,791	167	3,958
Von Conow 46	Djäknegatan 1 A, Sjölbodgatan 2 A–C	1933	39	0	4	1,924	851	2,775
Vågen 4	Falkenbergsgatan 5, Simrishamnsgatan 17 A–B	1934/1979	32	2	0	2,119	20	2,139
Vågen 5	Falkenbergsgatan 7 A–C	1931/1987	27	1	0	2,219	70	2,289
Vågen 7	Ystadsgatan 14 A–B	1931/1979	16	0	0	1,000	0	1,000
Värjan 34	N Bulltoftav. 35 / Solg. 1–3	1930,40/1989	26	0	0	1,938	0	1,938
Värnhem 15	Lundavägen 5	1910/1978	18	2	0	1,457	131	1,588
Yrket 1	Ystadsgatan 23 A–C, Varbergsgatan 2	1933/1980	17	4	0	1,632	307	1,939
Yrket 3	Falkenbergsgatan 11 A–B, Sofielundsvägen 26	1930/1990	26	0	0	2,220	0	2,220
Yrket 4	Sofielundsgatan 22 A–C, Varbergsgatan 4	1936/1980	20	2	0	1,756	382	2,138
Åkern 4	Sofielundsvägen 38	1920/1985	24	0	0	1,701	0	1,701
Ången 5	Ystadsgatan 36	1936/1981	13	0	0	1,012	0	1,012
Ången 7	Hörbyg. 4, Häsleg. 7–9	1937/1984	40	0	0	3,373	0	3,373
Österhus 1	Hagstorpsg. 1–21 / Östergårdsg. 2 / S Bulltoftav. 27	1929/1988	70	9	0	3,304	1,311	4,615
<b>Trelleborg</b>								
Byalaget 1, 2	Engelbrektsg. 101A–H, 103 A–H, 105 A–H, Odalv. 4 A–D, Sockenv. 1 A–H, 3 A–D, Engelbrektsg. 105 A–H, etc.	1965/1977/1981	80	1	97	7,835	150	7,985
Katten 29, 33, 48, 50	Västergatan 14 A–C, Västergatan 18, 20, 24, 26	1990	109	1	44	8,399	789	9,188
Kloster 25	Klostergränden 10, Algatan 71, 73, 75, 77	1986	5	1	3	359	426	785
Kvadraten 71	Flockerg. 3–13, Evas gränd 1–3, Nygatan 18–22	1929, 1989	45	8	37	3,381	1,257	4,638
Merkurius 7	Klostergränden 3, 5, 7A–B, 9A–D, Gamla Torget 1 & 1A	1991	36	1	23	2,826	156	2,982
Myran 28	Nygatan 56, 58 & 60, Östrebrogatan 4	1899, 1990	30	4	0	2,426	813	3,239
Silverskatten 18	Västergatan 50–60	1990	20	1	25	1,534	6	1,540
Spovent 26	S:ta Gertrudsv. 10 A & B, 12 A & B, Wemmenhögsg. 27, 29, 31, 33	1990	33	2	26	2,454	137	2,591
Svanen 11	Järnvägsgatan 23–25	1989	24	0	24	1,981	0	1,981
Svanen 34	Östergatan 20–24, 20B, 26, Järnvägsgatan 19, 21 Hantverkaregatan 2, 4, 6	1935–1988	67	10	0	5,382	420	5,802
Triangeln 48	Ehrenbuschsgatan 7 A–B, Peter Lundbergsgata 4	1990	20	0	12	1,520	0	1,520
Valfisken mindre 17	Nygatan 24, 26 Flockergatan 6	1992	27	2	22	2,078	658	2,736
Valfisken Större 46	Nygatan 32–34	1992	29	2	20	2,174	260	2,434
Vestrebro 3	Västerg. 39, 41, 43, 45, 47, Östersjög. 2 & 4, Strandgatan 60, 62, 64, 66, Västrebrogård 1, 3, 5	1992	93	3	72	6,941	851	7,792
Vipan 13	Wemmenhögsgatan 19, Söderslätsgatan 14	1986	9	0	2	613	0	613
Östrebro 25	Järnvägsg. 13 B, 15A, 15B, 17A, 17B Österg. 16A, 16B, 16C, 16D & 18 Hantverkareg. 1A, B, C	1993	129	2	106	9,608	34	9,642
<b>Ystad</b>								
Boken 1	Oskarsgatan 3A–C	1945	18	2	10	1,397	179	1,576
Boken 3	Oskarsgatan 7 A–C	1959/1980	27	4	15	1,667	93	1,760
Carl 1	Stora Östergatan 36, 38A–C, Besökaregränd 2 A–F, 4	1900, 1920/1988	17	6	0	1,318	806	2,124
Carl 2	Stallgatan 1, St. Östergatan 34	1929/1983	22	5	0	2,131	807	2,938
Carl 4	Besökaregränd 6 A–G, 8A–G, 10A–F, Nattmans torg 1–3, Stallgatan 3, 5A–G, 7A–C, 9A–C, 11A–B	1986	49	2	0	3,892	11	3,903
Cedern 8	Regementsgatan 7	1930/1980	12	2	0	1,265	294	1,559
Cedern 9	Regementsgatan 9	1910/1970	15	0	0	1,398	0	1,398
Christina 10	Klostergatan 7 A–B	1929/1988	12	0	0	1,065	0	1,065
Christina 11	Sladdeggatan 1D, Stora Norregatan 12D	1948	11	3	8	644	243	887
Christina 12	Klostergatan 9 A–B, Sladdeggatan 1 A	1948/1988	21	1	0	1,154	13	1,167
Christina 13	Klostergatan 5 A–B	1947/1992	22	1	25	1,142	67	1,209
Cronholm Norra 8	Föreningsg 19, 21, 29, Regementsg 24, 26, 28, 30	1988	26	2	8	1,702	82	1,784
Degeln 1	Götagången 116 A–C	1991	27	1	26	2,250	14	2,264
Edvinshem 2:41	Kiintehusgatan 3 A–C	1985/2001	39	1	35	3,322	91	3,413
Falken 3	Mariagatan 10, Oskarsgatan 20	1920/1980	12	2	0	811	30	841
Gamla Staden 2:25 (Ziska)	Tobaksgatan 10	Arrende	0	0	52	0	0	0
Gylfe 4	Blekegatan 9 A–B, Lilla Östergatan 49	1954/2008	20	3	7	971	73	1,044

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Göken 7	Petrig 14–16, Regementsg 19–23, Mariag 11–15	1920/1982	59	0	0	3,737	0	3,737
Haak Södra 10	Lilla Engelbrektsgatan 22	1958	13	1	26	802	0	802
Hedvig 16	Lilla Strandgatan 10 A–I	1990	12	0	13	784	0	784
Hildetorp 19	Sturegatan 1 & 3	1967	12	0	10	923	93	1,016
Hildetorp 21	Kapellgatan 12, 15, Tegnérsgatan 11	1960	16	3	12	836	0	836
Hvita Briggen 2	Västerleden 3–33, 45–75	1991	90	1	0	6,627	16	6,643
Håkan Mellersta 10	Blekegatan 25, Vintergatan 8	1944/1987	15	1	0	1,150	32	1,182
Håkan Mellersta 22	Sommargatan 5 A–B, Sommargatan 7,9	1929	21	0	2	1,156	0	1,156
Karna 5	Lilla Strandg. 2 A–C, Långg. 2, 4, 4, Stortorget 12 C	1929	22	2	0	1,933	637	2,570
Karna 7	Långgatan 10–12, Stortorget 15, 14, Teatergränd 1	1907–1911/1986	62	11	0	5,384	1,244	6,628
Klintehus 1	Klintehusgatan 1, Västerportstorg 1 A–H	1849/1989	15	0	0	1,564	0	1,564
Knut 15	Snedgränd 2, 4, Stora Östergatan 11	1981	0	1	0	0	425	425
Lembke 22	Sturegatan 14 A–B, Tegnérsgatan 9 B	1960	16	0	12	892	0	892
Lundgren Södra 6	Jennygatan 9, Lilla Tobaksgatan 2 A–B	1905/1985	8	3	0	534	135	669
Magnus 33	Stora Östergatan 23	1909/1995	8	4	8	582	299	881
Magnus 46	Stora Östergatan 14, Apgränd 2 A–B, Trångsund 5	1913, 1930/1986	42	19	0	3,705	937	4,642
Maria 5	Lilla Norregatan 26, 27	1958	19	2	14	1,077	98	1,175
Maria 6	Included in i Maria 5	1958	21	1	17	1,605	21	1,626
Maria 7	Sladdegg 6A, St Norreg 21 A–G, St Norreg 23	1991	9	1	0	893	7	900
Moberg 12	Kofodssgatan 24 A–B	1950	11	0	12	781	0	781
Moberg 24	Döbelnsgatan 24	1947	12	1	6	717	77	794
Psilander 2	Tegnérsgatan 5 A–C	1950	13	2	6	789	46	835
Psilander 5	Lembkegatan 4 A–C	1500	12	1	8	699	28	727
Rosenhill 18	Malmövägen 5 A–D, Stenbocksgatan 1 A–F	1955	27	7	15	1,891	417	2,308
Sadeln 1	Adennerg 10 A–H, 12 A–G, 14 A–E	1982	69	6	73	5,970	4	5,974
Tankbåten 1	Pantzargatan 13–23	1969	80	2	0	5,662	190	5,852
Waldemar 5	Stortorget 6, Teppgränd 3 A–D	1965	5	6	6	584	1,030	1,614
Wilhelmina 1	Västra Vallgatan 20 A	1900/1995	6	0	0	545	0	545
Xestre 3	Skeppareg. 10 A–H, Stora Västerg. 31–33	1975	19	1	20	1,551	181	1,732
Xestre 4	Kiraregränd 2C, Skeppareg. 8, Stora Västerg. 29	1967	15	1	17	1,046	92	1,138
Ystads-Björnen 2	Munkgatan 3 A–C	1943	18	1	0	1,044	10	1,054
Ägir 6	Bollhusgatan 7, Maria Munthes gata 4 A–C	1942	21	2	10	1,285	80	1,365
Änkehuset 1	Blekegatan 27 A–D, Vintergatan 11	1940/1988	37	0	9	2,127	0	2,127
Änkehuset 2	Vintergatan 7 A–F, 9 A–N, 90	1994	41	2	0	1,991	479	2,470
Östen 2	Bollhusgatan 10 A–B	1939	15	2	0	779	50	829
Östen 3	Bollhusgatan 12	1915/1980	7	0	0	550	0	550
Östen 4	Bollhusgatan 14, Tingsgatan 4	1907/1980	10	0	0	870	0	870
Östman 3	Dragaregatan 14 A–B	1999	24	2	0	1,200	36	1,236
Östman 5	Blekegatan 14	1945/1986	14	1	7	1,323	43	1,366
<b>Örkellunga</b>								
Björnen 14	Ängelholmogatan 11 A–B	1992	7	0	0	434	0	434
Eket 1:137	Vångavägen 2 A–C	1966	18	0	0	996	0	996
Fagerhult 1:380	Kungsvägen 41 A–F, 43 A–F	1990	12	0	0	864	0	864
Högvakten 1	Gästgivaregatan 4, 6, 8, 10	1992	15	0	0	1,227	0	1,227
Järnvägsstationen 1	Stockholmsvägen 2	1981		6	0		1,178	1,178
Korgen 2	Sonnarpsvägen 20 A–G	1968	57	0	23	3,723	0	3,723
Korgen 5	Sunnerbogatan 5 A–C	1968	24	0	0	1,716	0	1,716
Sländan 28	Hallandsvägen 19	1980	8	0	0	428	0	428
Sländan 33	Hallandsvägen 13, Valhallav. 7	1988	7	2	0	536	170	706
Staren 17	Liewensgatan 23 A–C	1992	5	0	0	344	0	344
Västra Ringarp 8:86	Vedbyvägen 6	1970	13	1	0	876	169	1,045
<b>Skåne total</b>			<b>7,825</b>	<b>539</b>	<b>2,728</b>	<b>505,344</b>	<b>54,763</b>	<b>560,107</b>

## Property list, Sweden 31 Dec. 2018

Property	Address	Constr. yr /renov. yr.	No. apart- ments	No. of premises	No. parking spaces/ garage	Resid. m <sup>2</sup>	Premises m <sup>2</sup>	Area total m <sup>2</sup>
<b>SOUTHERN</b>								
<b>Karlskrona</b>								
Dockan 26	Skomakaregatan 35, 37	1988	14	0	9	1,046	0	1,046
Ehnenmark 1	Ö Prinsgatan 22	1930	13	2	0	2,035	91	2,126
Hantverkaren 22	Hantverkaregatan 47, Hantverkaregatan 47 A, Hantverkaregatan 47 B	1942/1980	17	2	0	917	95	1,012
Hogland 22	Ronnebygatan 42	1929/1998	21	16	0	1,595	2,321	3,916
Hogland 9	Norra Kungsgatan 9	1985	10	1	0	630	110	740
Kastbyn 1	Valhallavägen 8 A, 8B, 8C	1942/1984	15	1	0	762	60	822
Loke 24	Borgmästargatan 16, 18, Ronnebygatan 49, Rådhusgatan 11, 11A, 11B, 9, 13	1920/1985, 2015	24	30	3	1,933	5,181	7,114
Loke 25	Ronnebygatan 53, Borgmästargatan 53	1929/1989	7	6	0	683	489	1,172
Magistraten 5	Norra Kungsgatan 3 & Ronnebygatan 43	1929/1999	9	4	0	478	843	1,321
Nordstjärnan 32	Ronnebygatan 52 A-E, Stora Möllebäcksgård 1	1930/2013	9	3	2	526	451	977
Posse 18	Polhemsgatan 15 A-D, 17 A-B, 19 A-C, 21 A-C, 23 A-E	1990-1992	141	4	94	11,675	949	12,624
Sheldon 33	Ronnebygatan 21 A-C	1929/1980	28	7	0	2,267	501	2,768
Sheldon 34	Ronnebygatan 19	1929/1988	13	4	0	971	1,188	2,159
Skydraget 1 & 2	Snapphanevägen 12A, 12B, Snapphanevägen 10A, 10B	1942/1980, 1983	30	1	0	1,566	15	1,581
Stigbygeln 1	Riksvägen 40 A-C, 42	1987	21	5	12	1,744	295	2,039
Sunnanvinden 2 & 3	Gyllenstjärnas väg 10A, 10B, 12A, 12B	1944/1986	24	2	7	1,597	40	1,637
Svarta Örn 1	Pukesgatan 12 A-B	1929/1978	12	1	0	658	10	668
Tersmeden 13	Bredgatan 3 A-C	1939/1990	17	0	0	1,493	0	1,493
Urmakaren 56	Norra Kungsgatan 10-12	1953/1994	14	5	0	1,193	1,379	2,572
Wachtmeister 57	Arklämästaregatan 38, 40, 42, 44, 46, 46A, 46B, 46C, Borgmästaregatan 7, 9, 11, 13, 15, Hantverkaregatan 2, 4, 6, 6B, 8, 10	1988	119	54	160	8,006	15,195	23,201
Västanfläkten 2	Domarevägen 6 A-B	1944/1979	12	0	2	840	0	840
Östen 1	Muraregatan 2	1943/1980	4	1	0	328	20	348
<b>Ljungby</b>								
Apotekaren 11	Skomakargård 1-2	1988	20	0	0	1,440		1,440
Björklunden 4	Storgatan 24	1964	16	1	12	1,175	60	1,235
Björklunden 6	Drottninggatan 13	1929/1986	27	0	0	2,249		2,249
Björklunden 9	Olofsg. 15 A-B, Kungsg. 15	1965	20	4	0	1,430	495	1,925
Dacke 13	Bergagatan 21, 23, Drottninggatan 41-47	1990 and 1950	90	4	0	5,971	105	6,076
Drako 25	Norra Järnvägsgatan 12	1990	4	3	0	210	541	751
Gjutaren 12	Bolmstadsvägen 8 A-B, 10, 12-14	1957-60-67	38	2	9	2,427	79	2,506
Iris 3	Olstorpsgatan 14-16 A-B	1954	16	3	7	1,248	46	1,294
Kometen 5	Föreningsgatan 4, Kungsgatan 6 A-B	1958/2002	21	4	5	1,309	1,023	2,332
Kvadraten 16	Strömgatan 9 A-B, 6 A-B	1953-68	25	5	1	1,754	129	1,883
Mossen 2	Rönnäsvägen 18-72	1972	134	2	56	10,216	309	10,525
Månen 6	Eskilsgatan 1, N. Torggatan 8	1965		14	0		3,210	3,210
Näcken 1	Kungsgatan 17 A-B, 19	1970-94	29	1	21	1,874	56	1,930
Odlaren 20	Gängesv. 12, Gjuterig. 7	1990		49	1		12,037	12,037
Sländan 1	Bergag. 16, Hantverkareg. 12	1957-80	19	10	2	1,100	395	1,495
Solon 21	N. Järnvägsg. 7 A-B, Ågårdsv. 14 A-C, Fogdeg. 20	1950-67-72	38	0	8	2,493	30	2,523
Stenbacken Nedre 10	Storgatan 6 & 8	1850-60-80	0	2	20	0	1,948	1,948
Stenbacken Övre 5	Olofsgatan 5; Olofsgatan 7; Tvärgatan 1; Tvärgatan 1A; Tvärgatan 1B	1962	30	2	0	1,512	309	1,821
Södra Ljungkullen 4	Storgatan 1-3, S. Torggatan 2-4, M. Ljungbergsvägen 12	1947-55-86	43	14	0	3,219	1,510	4,729
Trekanten 6	Strömgatan 2 A-C	1961-62	48	2	4	2,707	40	2,747
Tråden 2	Högarörsgatan 10-12	2006	28	0	0	1,236	0	1,236
Vallmon 2	Drottninggatan 35	1942	12	0	4	775	0	775
Vallmon 8	Drottninggatan 33	1967	20	0	0	1,380	0	1,380
Vinkelhaken 2	Drottninggatan 10 A-B, 12 A-B	1966-74	28	2	8	1,989	144	2,133
Vråken 2	Strömgatan 18, 20, 28	1971	98	0	41	7,652		7,652

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<b>Vetlanda</b>								
Apollo 6 & 7	Ekstigen 12&14	1987	8	0	0	676	0	676
Björken 2	Långgatan 46	1986	8	0	0	580	0	580
Björnen 2	Älggatan 4	1986	7	3	1	367	80	447
Blixten 13	Stationsgatan 3-5	1955	23	3	0	1,308	842	2,150
Broby 4:144	Österdalsgränd 1-27	1990	14	0	1	1,068	0	1,068
Brogårdshemmet 7	Lasarettsgatan 44	1988	8	0	0	586	0	586
Bävärn 4	Storgatan 39	1961	8	5	1	598	313	911
Falken 14	Nygatan 55	1990	0	1	0		365	365
Fasanen 7	Kyrkog. 2-6 Nygatan 13-15	1957	42	3	23	2,634	20	2,654
Felsteget 8	Floragatan 3, Nygatan 21	1987	16	0	0	1,010	0	1,010
Fenix 3	Vasagatan 62-64	1992	8	1	0	598	8	606
Gustav Adolf 7	Vasagatan 26	1989	4	0	0	312	0	312
Göken 12	Långgatan 18 A-C	1978	20	2	11	1,295	115	1,410
Kindbågen 1	Ringvägen 26-30	1953	33	0	13	1,860	0	1,860
Kitteln 1	W Petris väg 16, Upplandav.	1957	25	4	13	1,613	183	1,796
Korsberga-Lönneberga 1:16	Stationsg. 1 Korsberga	1987	8	0	0	553	0	553
Korsberga-Lönneberga 1:35	Tovaholmsv. 5 Korsberga	1987	6	0	1	418	0	418
Laxen 10	Kullgatan 2	1952	6	0	1	324	0	324
Linne 7	Vasagatan 25	1991	5	0	0	353	0	353
Lunden 11	Vitalag.5, Spinnargr. 2	1957	22	8	13	1,278	925	2,203
Lunden 12	Kyrkogatan 7	1957	24	6	0	1,624	449	2,073
Lärkan 14	Smedjevågen 6	1989	4	2	0	273	60	333
Lärkan 7	Lärkgatan 5	1941/1985	8	0	0	447	0	447
Lättebo 1:2, 6:2-6:5, 6:7-6:8	Allegatan 16, 18, 20	1988	16	0	0	1,162	0	1,162
Lättebo 1:278-283	Hjortv. / Fasanv.	1991	12	0	0	892	0	892
Myresjö 1:24	Södralidsg. 1/ Bäckabyv. 6	1992	4	0	0	304	0	304
Myresjö 2:140	Nunnev. 2 A-B, 6 A-B, 27 A-B	1991	1	0	0	130	0	130
Norra Emigranten 13	Missionsg 2	2001	32	0	0	2,256	0	2,256
Nydäld 15	Klostergatan 1-5	1986	22	0	20	1,712	0	1,712
Näktergalen 2	Missionsg., Odengatan	1967	0	0	0		0	0
Orion 1	Kettilsgatan 4	1992	6	0	0	394	0	394
Orion 21	Vasag. 53, Kettilsg. 2, Vinterg 16	1989	16	0	0	1,203	0	1,203
Oxenstierna 7	Tomasgatan 33	1991	6	0	0	440	0	440
Renen 10	Vitalagatan 15	1966	48	0	48	3,581	139	3,720
Skede 5:19	Brännnargårdsv. 2 Skede	1990	8	0	0	540	0	540
Stenkilen 3	Granvägen 5	1952	6	1	2	433	12	445
Stenkilen 4	Ringvägen 19	1986	10	0	0	609	20	629
Strutsen 4	Magasinsg. 15, Järnvägsg. 5	1929/1989	4	5	0	193	346	539
Stråket 1	Promenadstigen 1-7	1987	8	0	0	608	0	608
Svanen 16	Borgmästargatan 4 A-F	1986	6	0	0	391	0	391
Toppmurklan 1	Lasarettsgatan 27, 29, 31	1963	90	1	42	5,991	77	6,068
Toppmurklan 2	Lasarettsgatan 33, 35, 37	1965	72	0	26	4,719	0	4,719
Torvan 1	Nyhagsgatan 6 & 8	1991	15	2	0	934	735	1,669
Trekanten 1	Vitalag. 6	(vacant)	0	0	0	0	0	0
Vakteln 2	Svärdsgatan 2	1988	9	0	6	730	0	730
Vasa 3	Kullgatan 36	1944/1986	6	0	0	515	0	515
Vasa 5	Vasagatan 40	1991	4	0	0	276	0	276
Vega 14	Tomasgatan 41 A-D	1985	4	0	0	248	0	248
Vega 15	Vasagatan 46	1993	0	1	1		500	500
Venus 17	Kyrkogatan 34-38	1966	36	2	28	2,836	170	3,006
Vildvinet 11	Kullgatan 38	1993	0	1	0		335	335
Vinkeln 5	Sköldgatan 2 A-F	1987	6	0	0	457	0	457

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Älgen 14	Älggatan 1-5	1970, 2013, 2016	105	0	0	6,414	0	6,414
Älgen 16	Älggatan 11-13	1972	40	1	27	2,941	107	3,048
Ökna_Kvill 1:44	Södergatan 1 & 3	1988	8	0	1	600	0	600
<b>Värnamo</b>								
Forsheda 3:167	Storgatan 33-35	1994	22	1	0	1,600	10	1,610
Lejonet 3	Storgatsbacken 19	1921, 1992	8	3	0	353	1,102	1,455
Pelikanen 2, 6-8	Ouchterlonygatan 2-28, Storgatan 32-34	1992	75	16	46	5,543	2,813	8,356
Pelikanen 3	Storgatan 36 A-B	1991	12	4	25	987	740	1,727
Träsket 2	Parkgatan 7	1994	8	2	0	605	107	712
Vindruvan 21	Storgatsbacken 18 A-G, Myntgatan 11-15	1985	28	9	0	1,726	1,414	3,140
Värnet 10	Jönköpingsvägen 1, Pilgatan 1 A-F, Postgatan 2 A-C	1960	21	7	8	1,414	865	2,279
<b>Växjö</b>								
Idet 1	Stallvägen 1-27, Tuvanåsvägen 1-3,	1982	569	15	0	20,504	365	20,869
Jungfrulyckan 1	Raskens väg 1	1980	23	1	30	1,784	27	1,811
Klangen 17	Klangens väg 16, 28	1988	22	0	21	1,704	0	1,704
Klangen 18	Klangens väg 29-45	1988	24	2	64	1,908	18	1,926
Mjölner 16	Trädgårdsgatan 28	1993	16	0	7	955	0	955
Mjölner 18	Bäckaslövsvägen 2-6, S. Järnvägsgatan 27-41, Trädgårdsgatan 30-32	1989/1990	129	2	79	10,157	585	10,742
Mjölner 7	S Järnvägsgatan 25, Wennerbergsgatan 2	2002	16	0	8	959	0	959
Nergårds Anna 1	Klangens väg 13-27, Kulas väg 4-20	1980	48	0	64	3,796	0	3,796
Rasken 17	Blidens väg 2 A-B, 4-18	1980	25	0	30	1,899	0	1,899
Rasken 41	Frejdens väg 1-17, Blidens väg 7-19, Klangens väg 4	1980	68	4	82	5,357	64	5,421
Växjö 12:19	Plogvägen 103, 105, 107	1980	259	7	270	20,378	276	20,654
<b>Southern, total</b>			<b>3,658</b>	<b>398</b>	<b>1,501</b>	<b>241,222</b>	<b>65,886</b>	<b>307,108</b>

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<b>CAPITAL CITY</b>								
<b>Ballerup</b>								
Linde Alle	Linde Alle	2017	27		0	2,885	0	2,885
<b>Brønshøj</b>								
Bjerglandsbyen	Ringholmvej 14 etc.	2018	114		56	11,242	0	11,242
Frederikssundsvej 261-267	Frederikssundsvej 261-267	2007	22		0	2,043	0	2,043
<b>Frederiksberg</b>								
Flintholm I	Preben Kaas Vænge 1	2009	117		20	4,940	0	4,940
Hostrups Have	Hostrups Have	1936	679	33	34	60,601	4,024	64,625
Mariendalsvej	Mariendalsvej	1995	25		0	2,019	0	2,019
Nimbusparken	Nimbusparken	1997	40		0	4,279	0	4,279
Nitivej	Nitivej	2005	40		0	3,296	0	3,296
Porcelænshaven	Porcelænshaven	2008	14		15	1,913	0	1,913
Revyhaven	Dirch Passers Allé 3-15	2007	42		0	3,995	0	3,995
Bianco Lunos Allé 3A	Bianco Lunos Allé 3A-B & 5A-B	1907	36	4	6	4,219	188	4,407
Dalgas Boulevard	Dalgas Boulevard 3, General Bahnsons Vej 9-13 & Glahns Allé 39-43	1930	110	1	0	10,460	98	10,558
Flintholm II	Preben Kaas Vænge 3	Construction project			0		0	0
<b>Copenhagen</b>								
Amerika Plads	Amerika Plads 34-36	2008	5	2	0	592	145	737
Havneholmen 20-30	Havneholmen 20-30	2009	74		0	8,338		8,338
Hjørtholmen	Kenny Drews vej 1-27, Sluseholmen 20-26	2008	107		156	10,953	0	10,953
Kaalundsgade	Kaalundsgade	1885	23	1	0	1,950	100	2,050
Krogsgade	Krogsgade	1886	17	4	0	2,551	981	3,532
Nørre Farimagsgade	Nørre Farimagsgade	1878	59	2	0	2,838	265	3,103
Ryesgade	Ryesgade 50 & Lundingsgade 3-11	1940	54	3	0	3,745	216	3,961
Schades Have	Amagerfaelledvej 112 / Schades Have	2017	178	3	91	16,530	353	16,883
Sømærk	Peter Holms væg 14-25	2007	43		61	4,590	0	4,590
Teglholms Alle	Teglholms Alle 9 A-H	2006	35		0	3,202	0	3,202
Upsalagade	Upsalagade	1894	12	2	0	1,806	51	1,857
Vester Voldgade	Vester Voldgade	1895	9	13	0	1,728	1,419	3,147
Zinkhuset	Amerika Plads 18-22	2007	23		0	2,285		2,285
Ø-huset	C.F. Møllers Allé 70 etc.	2018	300		0	26,087	1,185	27,272
Ørestad	C.F. Møllers Alle/Ørestad	2007	3		0	304	0	304
Øresundstårnet	Øresundsvej 148-150, Krimsvej 1B	2013	97	2	21	9,611	1,081	10,692
Havneholmen	Havneholmen 48-86	2009	127		120	11,975		11,975
Stævnen	Robert Jacobsen Vej 81-91	2009	36		0	3,635		3,635
Lindholmen	Kenny Drews Vej 31-87	2008	19		0	1,920	0	1,920
Øresundsterrasserne	Amager Strandvej 156-158	2014	114	1	122	11,688	130	11,818
Oehlenschlägersgade 26	Oehlenschlägersgade 26	1883	12	3		916	158	1,074
Arenahusene	Ejler Billes Allé 28, Richard Mortensens Vej 18, Richard Mortensens Vej 18	0	55		0	5,003	0	5,003
Horisonten I	C. F. Møllers Allé 6-22	2006	55		0	5,482	0	5,482
Horisonten II	C. F. Møllers Allé 2-4	2013	71		0	6,702	0	6,702
Project Green - Plot G	Faste Batterivej 90 etc.	2020	78		0	8,364	198	8,562

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<b>Måløv</b>								
Søparken	Søndergårds Allé 29-43	2007	38		0	3,589	0	3,589
<b>Smørum</b>								
Dyreholm	Dyreholm 1-7 & 2-22	2012	15		0	1,607	0	1,607
<b>Søborg</b>								
Æblelunden	Gyngemose parkvej	2008	50		0	4,320	0	4,320
Søborg Bakke	Mørkhøjvej 231A et al.	2016	36		0	4,552	0	4,552
Åkandehusene	Gyngemose Parkvej 10-24	2008	68		0	6,330	0	6,330
<b>Værløse</b>								
Bøgebakken	Bøgebakken	2006	22		0	2,922	0	2,922
<b>Valby</b>								
Brombærparken A	Ebbe Rodes Allé 1 et al.	2007	68		31	6,423	0	6,423
Brombærparken B	Ebbe Rodes Allé 2 et al.	2007	98		31	8,969	0	8,969
Kirsebærparken	Lily Brobergs vej 1-23, Poul Reumerts Vej 1-49	2009	15		0	1,979	0	1,979
Kløverbladsparken	Kløverbladsgade 53-75	2017	102	2	79	9,876	190	10,066
Pontoppidanparken	Clara Pontoppidans Vej 14-22, Karin Nellesmoses Vej 1-5	2012	88		42	7,725	0	7,725
Valby Maskinfabrik	Valby Maskinfabrikk	2016	105		0	9,471	0	9,471
<b>Vanløse</b>								
Vanløse Allé	Vanløse Allé 55-63, Bangsbovej 17	1963	36	4	0	2,052	62	2,114
<b>Gladsaxe</b>								
Bagsværdlund	Pinievej 34-38 & 55-77	2018	84		56	8,958	0	8,958



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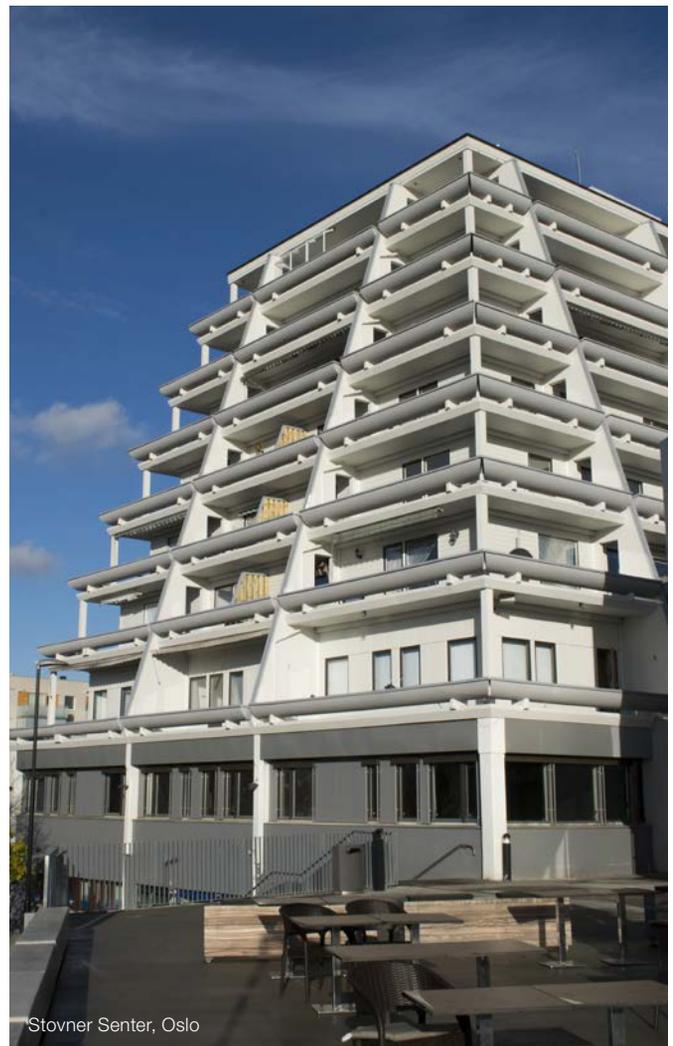
Property	Address	Constr. yr /renov. yr.	No. apart- ments	No. of premises	No. parking spaces/ garage	Resid. Premises m <sup>2</sup>	m <sup>2</sup>	Area total m <sup>2</sup>
<b>Vallensbæk</b>								
Strandhaven	Strandhaven	2008	73		0	8,353	0	8,353
<b>Herlev</b>								
Gyngemose Parkvej	Gyngemose Parkvej 1-3-5	2008	17			1,631		1,631
<b>Kgs. Lyngby</b>								
Kirsebærhaven	Kirsebærvenget 9-40	2018	32		48	3,516	0	3,516
<b>Lyngby</b>								
Baunebo	Baune Allé 2	2010	27		27	2,532	0	2,532
<b>Capital City total</b>			<b>3,846</b>	<b>80</b>	<b>1,016</b>	<b>359,492</b>	<b>10,844</b>	<b>370,336</b>
<b>ZEALAND</b>								
<b>Børkop</b>								
Mandelhaven	Mandelhaven 2-124	2014	62		0	7,732	0	7,732
<b>Holbæk</b>								
Højvangsparken	Højvangsparken 46-80	2008	28		0	3,248	0	3,248
<b>Kvistgård</b>								
Kongevejen	Kongevejen 304 A (et al.)	2013	13		0	1,464	0	1,464
<b>Lille Skensved</b>								
Spurvevænget	Spurvevænget 2-44	2013	22		0	2,378	0	2,378
<b>Ringsted</b>								
Østre Fælled	Østre Fælled 1-195	2009	98		0	8,665	0	8,665
Diget	Diget 1-23	2015	36		0	3,979	0	3,979
<b>Ruds Vedby</b>								
Smedebakken A	Smedebakken 2-160	2008	80		0	9,754	0	9,754
Smedebakken B	Smedebakken 1 & 5-15	2009	7		0	1,120	0	1,120
<b>Vordingborg</b>								
Gammelsøparken	Gammelsøparken 1-83 & 2-56	2009	70		0	6,640	0	6,640
<b>Zealand total</b>			<b>416</b>	<b>0</b>	<b>44,980</b>	<b>0</b>	<b>44,980</b>	

## Property list, Denmark 31 Dec. 2018

Property	Address	Constr. yr /renov. yr.	No. apart- ments	No. of premises	No. parking spaces/ garage	Resid. Premises m <sup>2</sup>	Premises m <sup>2</sup>	Area total m <sup>2</sup>
<b>JUTLAND</b>								
<b>Aarhus</b>								
Isbjerg	Mariane Thomsens Gade 30-58	2003	49		109	5,440	0	5,440
<b>Kolding</b>								
Holbergsparken	Holbergvej 8 ('Holbergsparken')	2017	66		0	7,732	0	7,732
Hørparken A	Mosevej 7 ('Hørparken')	2017	24		0	2,358	0	2,358
Hørparken B	Hørparken 2-192	Construction project						0
Hørparken C	Hørparken 2-192	Building rights						0
<b>Risskov</b>								
Lystrupvej I	Borresøvej 7-11	2018	37		0	2,855	0	2,855
Arresøvej	Arresøvej 36	2018	33		0	2,944		2,944
Lystrupvej II	Brassøvej	2018	86		0	6,701	0	6,701
<b>Skødstrup</b>								
Vosnæsparken	Vosnæsparken 2-130	2008	65		0	7,114	0	7,114
<b>Solbjerg</b>								
Pilevængen	Pilevængen	2017	38		0	4,443	0	4,443
<b>Trige</b>								
Mosegårdsparken	Mosegårdsparken 47-96	2007	39		0	4,614	0	4,614
<b>Vejle</b>								
Kanalfronten	Stævnen 32-44	2013	90	3	0	8,785	379	9,164
<b>Horsens</b>								
Havnehusene	Horsens	Construction project						0
<b>Jylland Summa</b>			<b>527</b>	<b>3</b>	<b>109</b>	<b>52,987</b>	<b>379</b>	<b>53,366</b>
<b>FUNEN</b>								
<b>Aarup</b>								
Flintebakken	Flintebakken 1-15 & 2-24	2012	20		0	2,280	0	2,280
Mørkmoselundsvej	Mørkmoselundsvej 1A-G	2008	7		0	810	0	810
<b>Odense</b>								
Birkelunddalen	Birkelunddalen 2A-14E	2001	31		0	3,356	0	3,356
Bjerggårdsløkken	Bjerggårdsløkken 130 (et al.)	2007	107		0	9,861	0	9,861
Hvenekildeløkken	Hvenekildeløkken 138-202	2005	48		0	3,000	0	3,000
Nørrebjerg Runddel	Nørrebjerg Runddel 210-302	2003	47		0	3,760	0	3,760
Sandkæret	Sandkæret 100-136	2003	26		0	2,294	0	2,294
<b>Funen total</b>			<b>286</b>		<b>0</b>	<b>25,361</b>	<b>0</b>	<b>25,361</b>

## Property list, Norway 31 Dec. 2018

Property	Address	Constr. yr /renov. yr.	No. apart- ments	No. of premises	No. parking spaces/ garage	Resid. Premises m <sup>2</sup>	Premises m <sup>2</sup>	Area total m <sup>2</sup>
<b>OSLO</b>								
<b>Bærum</b>								
Bnr 247 / Gnr 41	Arnstein Arnebergs vei 30	1961/2015	56	0	32	2,336	0	2,336
Bnr 412 / Gnr 14	Riiser-Larsens vei 7	1957/2010	60	0	28	1,245	0	1,245
<b>Follo</b>								
Bnr 306 / Gnr 49	Sonsterudveien 32	1967	68	0	55	2,512	0	2,512
<b>Lier</b>								
Bnr 2 / Gnr 15	Baches Vei 1	1996/2007	0	1	0	0	12,557	12,557
<b>Nes</b>								
Bnr 187 / Gnr 78	Blingsmovegen 38		0	1	0	0	6,601	6,601
<b>Nesodden</b>								
Bnr 412 / Gnr 1	Bjørnemyrveien 29	1961/	27	0	0	854	0	854
Bnr 413 / Gnr 1	Steinveien 1	1961	39	0	0	790	0	790
<b>Oslo</b>								
Bnr / Gnr	Darres gate 2B		0	1	0	0	1,188	1,188
	Waldemar Thranes gate 73		18	1	0	1,471	1,250	2,721
Bnr 1 / Gnr 74	Gjerdrums vei 12	1901/2018	266	3	35	6,558	343	6,901
Bnr 10 / Gnr 230	Borggata 12	1988/2010	10	0	2	260	0	260
Bnr 100 / Gnr 77	Gunnar Schjelderups vei 33	1963/1966/2008	97	0	0	2,103	0	2,103
Bnr 104 / Gnr 218	Maridalsveien 9	1938	29	1	6	1,693	185	1,878
Bnr 105 / Gnr 218	Maridalsveien 11	1938	41	0	0	1,739	0	1,739
Bnr 117 / Gnr 225	Holsts gate 4	1887/1972	11	1	0	660	154	814
Bnr 119 / Gnr 218	Maridalsveien 37	1896/	22	1	0	1,134	63	1,197
Bnr 127 / Gnr 209	Huitfeldts gate 51	1889/	21	0	0	708	0	708
Bnr 129 / Gnr 218	Møllerveien 4	1940/	20	1	6	798	990	1,788
Bnr 132 / Gnr 132	Teisenveien 5E	1998/	89	0	53	2,485	0	2,485
Bnr 138 / Gnr 221	Maridalsveien 128	1966/	59	0	17	2,360	0	2,360
Bnr 141 / Gnr 231	Gruegata 18	1956/	27	0	0	1,135	0	1,135
Bnr 1604 / Gnr 144	Oppsalveien 24–26	1974/	96	0	22	4,115	0	4,115
Bnr 161 / Gnr 222	Sarpsborggata 2	1967	77	0	28	2,863	0	2,863
Bnr 164 / Gnr 216	Pilestredet 103	1894/2005	20	0	2	608	0	608
Bnr 188, 567 / Gnr 93	Ammerudveien 20–22	1953/	0	3	76	0	8,953	8,953
Bnr 193 / Gnr 83	Trondheimsveien 187–193	1938/	41	0	0	2,128	0	2,128
Bnr 193 / Gnr 85	Sinsenveien 66–70	1967/1970	188	0	20	5,855	0	5,855
Bnr 194 / Gnr 218	Waldemar Thranes gate 71	1907/2016	15	2	0	906	436	1,342
Bnr 211 / Gnr 208	Fredensborgveien 13	1900/2013	32	1	0	1,673	1,180	2,853
Bnr 212 / Gnr 47	Nedre Ullevål 2, 4	1954	79	0	17	2,239	0	2,239
Bnr 213 / Gnr 47	Thulstrups gate 5	1954	20	0	29	1,254	0	1,254
	Thulstrups gate 7	1954	20	0	0	1,254	0	1,254
Bnr 217 / Gnr 208	Fredensborgveien 22	1930	38	5	0	1,207	285	1,492
Bnr 219 / Gnr 208	Fredensborgveien 24	1869	0	21	32	0	7,103	7,103
Bnr 220 / Gnr 228	Nedre gate 8	1898	57	0	0	3,821	0	3,821
Bnr 222 / Gnr 228	Nissens gate 3	1896	8	0	0	434	0	434
Bnr 232 / Gnr 216	Thereses gate 33	1938	0	2	0	0	316	316
Bnr 236 / Gnr 219	Voyensvingen 2	1933	23	0	0	1,422	0	1,422
Bnr 239 / Gnr 47	Ullevålsalléen 5	1954	68	1	31	1,943	64	2,007
Bnr 245 / Gnr 214	Parkveien 4	1893/2014	62	0	0	1,480	0	1,480



## Property list, Norway 31 Dec. 2018

Property	Address	Constr. yr /renov. yr.	No. apart- ments	No. of premises	No. parking spaces/ garage	Resid. Premises m <sup>2</sup>	Premises m <sup>2</sup>	Area total m <sup>2</sup>
Bnr 247 / Gnr 83	Rødstuveien 15–23	1937	90	0	34	3,720	0	3,720
Bnr 248 / Gnr 227	Københavnsgata 3	1897/2013	28	0	0	1,712	0	1,712
Bnr 251 / Gnr 47	Kirkeveien 166 B	1964/2010	109	0	17	2,264	0	2,264
	Kirkeveien 166 C	1964/2010	111	0	15	2,267	0	2,267
Bnr 251, 253 / Gnr 209	Observatoriegata 13–15	1890/2016	24	0	0	1,369	0	1,369
Bnr 259 / Gnr 216	Fagerborggata 16	1975/2015	36	0	12	1,409	0	1,409
Bnr 272 / Gnr 225	Sannergata 32	1937	34	4	0	1,913	264	2,177
Bnr 275 / Gnr 214	Pilestredet 57	1890/2009	30	1	0	1,280	245	1,525
Bnr 277 / Gnr 209	Parkveien 78	1950/2010	0	1	0	0	1,896	1,896
Bnr 298 / Gnr 225	Torshovgata 12	1902/2008	27	0	8	934	0	934
Bnr 300 / Gnr 47	Kirkeveien 166 D	1964/2008	109	0	10	2,229	0	2,229
	Kirkeveien 166 E	1964/2008	106	0	7	2,254	0	2,254
Bnr 318 / Gnr 208	Iduns gate 4	1894	46	0	0	1,308	0	1,308
Bnr 34 / Gnr 47	Ullevålsalléen 2	1975	108	0	50	5,116	0	5,116
Bnr 340 / Gnr 227	Sannergata 23	1896	9	0	0	606	0	606
Bnr 340 / Gnr 47	Sognsveien 9 A–B	1919	30	1	25	488	1,437	1,925
Bnr 342 / Gnr 83	Sinsenveien 56–64	1953	207	0	54	5,973	0	5,973
Bnr 358 / Gnr 83	Sinsenveien 72–74	1960	80	0	26	2,416	0	2,416
Bnr 362 / Gnr 209	Sven Bruns gate 1	1895	13	0	3	797	0	797
Bnr 365 / Gnr 209	Sven Bruns gate 7	1880	30	0	0	756	0	756
Bnr 367 / Gnr 230	Urtegata 20–22	1874	32	3	0	1,664	354	2,018
Bnr 39 / Gnr 214	Dronning Astrids gate 2	1988	92	0	26	1,468	0	1,468
Bnr 404 / Gnr 224	Sandakerveien 58 B–C	1931/2014	15	0	24	852	0	852
Bnr 412 / Gnr 214	Vibes gate 11 – Næring	1893/2007	1	2	0	52	291	343
Bnr 44 / Gnr 223	Sandakerveien 78	1952	0	5	47	0	3,891	3,891
Bnr 45 / Gnr 218	Bjerregaards gate 2	1968/2015	64	7	48	2,484	2,056	4,540
Bnr 45 / Gnr 225	Christies gate 19	1937/2015	50	2	9	2,308	100	2,408
Bnr 485 / Gnr 209	Sven Bruns gate 3	1880	9	1	0	339	176	515
Bnr 488 / Gnr 208	St. Olavs Gate 21	1870	0	14	22	0	3,274	3,274
Bnr 55 / Gnr 222	Holmestrandgata 4	1972	18	0	2	1,479	0	1,479
Bnr 56 / Gnr 222	Stavangergata 23, 25, 27	1968	125	1	68	4,656	220	4,876
Bnr 574 / Gnr 228	Trondheimsveien 10	1885/2007	22	0	0	771	0	771
Bnr 625 / Gnr 123	Brobekkveien 31AB	1956/2012	12	6	49	471	1,935	2,406
Bnr 627 / Gnr 123	Brobekkveien 33	1957	107	0	13	2,890	0	2,890
Bnr 63 / Gnr 100	Stovner Senter	1975	172	0	0	7,064	0	7,064
Bnr 66 / Gnr 209	Hegdehaugsveien 2	1868/2012	9	0	0	383	0	383
Bnr 73 / Gnr 225	Dæleneggata 40	1937	72	0	0	3,845	0	3,845
Bnr 876 / Gnr 208	Fredensborgveien 24B	1876/2013	0	3	67	0	6,289	6,289
Bnr 927 / Gnr 123	Økernveien 149	1975	107	0	30	5,377	0	5,377
Bnr 94 / Gnr 218	Darres gate 2A	1907/2018	15	1	0	1,003	640	1,644
Bnr 95 / Gnr 218	Darres gate 3	1896/2015	35	1	0	1,690	88	1,778
<b>Sundal</b>								
Bnr 122, 194 / Gnr 53	Tredalsvegen 8–12	1991	118	0	0	4,131	0	4,131
<b>Ullensaker</b>								
Bnr 24, 25 / Gnr 190	Tunvegen 1–16	1998/2016	192	0	130	3,186	0	3,186
<b>Ålesund</b>								
Bnr 226 / Gnr 134	Sjømannsvegen 1D	1977	100	0	0	2,557	0	2,557
<b>Oslo total</b>			<b>4,398</b>	<b>99</b>	<b>1,287</b>	<b>151,523</b>	<b>64,824</b>	<b>216,347</b>
<b>GRAND TOTAL</b>			<b>37,337</b>	<b>1,995</b>	<b>16,440</b>	<b>328,839</b>	<b>299,091</b>	<b>2,627,930</b>



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