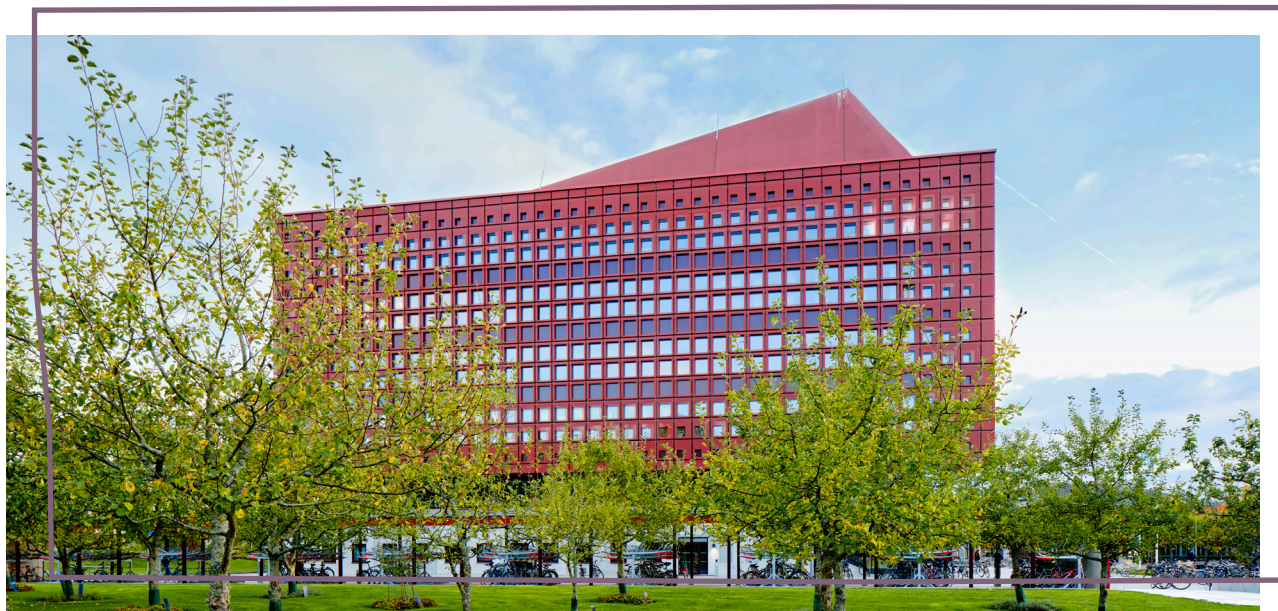


Financial information

APRIL 2021



AKADEMISKA HUS



AKADEMISKA HUS IN BRIEF

Akademiska Hus

- Sweden's leading property company for higher education and research
- Rentable floor space of approximately 3.4 million square metres
- Property portfolio totalling SEK 99.6 billion

Wholly owned by the Swedish state through the Ministry of Education and Research

- Owner clause in bond programmes
- Will remain wholly owned by the Swedish state according to a decision made in the Swedish parliament in 2013

Long-term leases with highly creditworthy customers

- Approximately 90 per cent of rental revenue from universities and colleges
- Approximately 60 per cent market share in the entire country

Rating

- Rating AA/A-1+/K1 (stable outlook) from Standard & Poor's (since 1996)

MARKET

Akademiska Hus owns, develops and manages knowledge environments for education and research in Sweden. With extensive experience and a broad geographic presence, we develop sustainable and efficient environments, while harnessing economies of scale. The focus of the core business on long-term leases with creditworthy customers ensures a stable cash flow. With overall responsibility for developing campuses at colleges and universities, student housing investments will also contribute to growth. The ongoing development in technology and digitalisation trends, which has been accelerated by the

pandemic, has entailed changed needs among the customers which in turn requires continuous development in the service offering to provide sustainable and flexible knowledge environments. In 2019, Akademiska Hus expanded its offering of services by launching A Working Lab (AWL), which is a nationwide co-working concept with flexible meeting places and flexible contracts.

MANAGEMENT AND INVESTMENTS

The project portfolio with approved and planned projects at year-end totalled SEK 13.9 billion, whereof SEK 4.9 billion has already been invested in projects in progress. The portfolio includes investments in new construction, extension and re-development. New construction projects with long lease terms, usually between 10 and 25 years, account for a major part of our project portfolio. Demand for new premises is strongest in the major centres of education that focus on research. In 2020, Akademiska Hus had investments of about SEK 2.9 billion in its own projects. The financial vacancy rate is very low, only 2.4 per cent at year-end. The average lease term for all leases was 10.5 years and the average remaining lease term was 6.5 years at year-end.

FINANCING

Initially, the pandemic entailed turbulence in the financial markets. The central banks tangible presence has contributed to a successive stabilisation during the remaining parts of the year. Demand for Akademiska Hus' bonds has been robust. During the year bond issuances totalling SEK 6,250 million, were completed in the Swedish bond market. Committed credit facilities in banks were expanded by SEK 500 million to a total of SEK 6,000 million. All committed credit facilities were unutilised at year-end. The bond issuances combined with rental payments and credit facilities contributed to a good liquidity during the year. All issues were carried out under the well-established ETMN programme.

The ECP programme is the main source of short-term financing. Due to the pandemic, financing has mainly been carried out through bond issuances and usage of the ECP programme has therefore decreased during the year. During the spring, SEK 1,000 million was issued under the domestic commercial paper programme, but these commercial papers matured before year-end. Since January 2017 the ECP programme has had a short-term rating P-1 by Moody's, which was last confirmed in December 2020. During the first quarter 2021 the rating by Moody's has

FINANCING PROGRAMMES AND RATING

	Rating S&P	Rating Moody's	Framework 31 Dec. 2020	Utilised, nominal 31 Dec. 2020	Material contractual terms and conditions
Commercial paper	A-1+/K1		SEK 4,000 m	SEK 0 m	
ECP	A-1+	P-1**	EUR 1,200 m	EUR 83 m	
EMTN	AA/A-1+		EUR 4,000 m	EUR 3,215 m	owner clause
MTN*	AA		SEK 8,000 m	SEK 200 m	owner clause
Bank, confirmed			SEK 6,000 m	SEK 0 m	

*) Not updated since 2009. The last outstanding bonds expired in the first quarter of 2021.
**) Rating terminated during the first quarter of 2021.

INCOME STATEMENT AND BALANCE SHEET, KEY FIGURES

	2020	2019	2018
Property management income, SEK m	6,418	6,217	6,117
Net operating income, SEK m *	4,485	4,121	3,938
Change in value, properties, SEK m	3,141	3,872	2,585
Profit before tax, SEK m	6,869	6,957	5,818
Assessed market value, properties, SEK m	99,611	91,424	85,865
of which transferred from new construction in progress	4,903	4,610	4,404
Net investment in properties, SEK m **	5,049	1,694	2,836

PROPERTY-RELATED KEY FIGURES

Total yield, properties, % *	8.7	9.8	8.5
of which direct yield, % *	5.0	5.0	5.1
of which change in value, %	3.7	4.8	3.4
Return on equity after standard tax, %	11.1	12.2	11.2
Return on operating capital, % ***	9.0	10.3	9.2
Equity ratio, %	44.5	45.7	45.8
Loan-to-value ratio properties, %	35.6	36.0	35.4
Level of vacant space, rent, %	2.4	2.2	1.7
Level of vacant space, area, %	3.6	3.8	5.2

FINANCIAL KEY FIGURES

Gross loan debt, SEK m	37,091	34,948	33,521
Net loan debt, SEK m	35,468	32,902	30,416
Interest coverage ratio, %	768	679	736
Fixed interest, basic portfolio, years	4.4	3.6	4.1
Fixed interest period, total portfolio, years	7.1	6.8	7.3
Maturity, years	9.9	10.7	10.8

*) In 2020, development costs are recognised separately, which affects net operating income as well as key figures. Comparative figures for 2019 have been adjusted.

**) Net investments include sold and purchased properties.

***) This key figure has a new definition since 2019, Comparative figures for 2018 are adjusted to simplify comparisons

For further information, please contact:

Karin Blomstrand, Treasurer
Mikael Risberg
Emil Rundell
Anna Aspenberg
Akademiska Hus AB
Box 483, SE-401 27 Gothenburg,
Sweden
Street address: Sven Hultins Plats 5
Tel: +46 10-557 24 00
www.akademiskahus.se/en

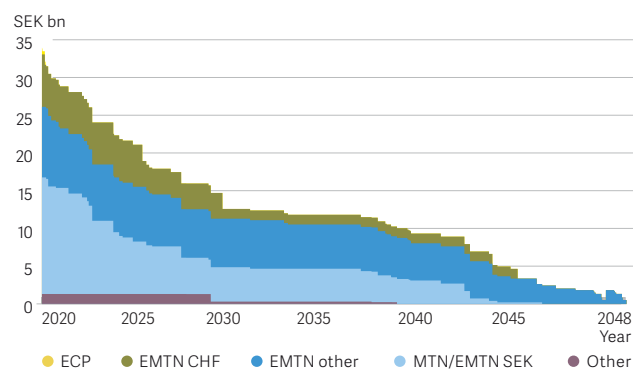
been terminated. The rating från S&P (AA/A-1+/K1 with stable outlook) remains and was last confirmed in September 2020.

The general terms and conditions of the EMTN and MTN programmes contain an owner clause stating that if the Swedish state, directly or indirectly, ceases to be the majority owner, the loans immediately fall due for payment. During the first quarter of 2021 the last outstanding loans expired under the MTN programme, which has not been updated since 2009.

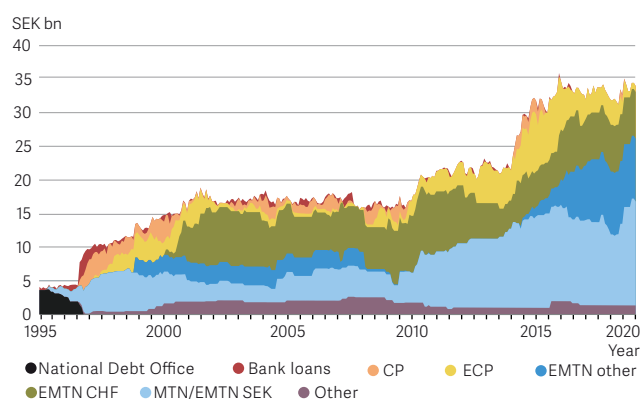
The net liability portfolio increased by approximately SEK 2.6 billion during the year and totalled SEK 35.5 billion at year-end. The average maturity in the total debt portfolio was 9.9 years and the proportion of loans that fall due within 12 months was 16 per cent.

During the year the additional cost for long-term fixed interest rates have fallen which has led to an extension of the fixed interest rate in the debt portfolio which at year-end amounted to 7.1 year. Interest rate derivatives continued to serve as an important tool to maintain the fixed interest period. Net interest income and expense was SEK -657 million, including site leasehold fees and changes in the value of financial derivatives. The total financing cost was 2.07 per cent in 2020.

DEBT MATURITY STRUCTURE, SEK BN



FINANCING SOURCES, SEK BN



COMPARISONS, DIFFERENT CALCULATIONS OF FINANCING COST

