

Interim report
January – September

2023

**Continued strong
core operations**

Rental income increased 19 percent
to SEK 2,912 million (2,447)

Operating surplus increased 22 percent
to SEK 2,104 Mkr (1,729)

Income from property management
amounted to SEK 1,381 million (1,425)

Profit for the period amounted to SEK
323 million (1,198), corresponding to
earnings per share* of SEK 1.05 kr (6.50)

In 12 months EPRA NRV per share has
increased by 3 percent to SEK 89.07
(89.28) adjusted for dividend of
SEK 3.10 per share

*) Earnings per share are the same before and after dilution



Wihlborgs

This is Wihlborgs

Wihlborgs is the leading property company in the Öresund region. Over 50,000 people have their workplace at one of our premises. People in Malmö, Lund, Helsingborg and Copenhagen all meet in city spaces designed by us, and our presence can also be felt in board rooms, associations and social forums as the Öresund region grows amid a wave of urban diversity and sustainability. We are a region-builder and a relations-builder.

The book value of the company's properties totals SEK 56 billion, representing an annual rental value of SEK 4.3 billion. Wihlborgs' shares are listed on the Large Cap List of Nasdaq Stockholm.



Our business concept

Wihlborgs specialises in efficient sub-markets in the Öresund region, where we own, manage in-house and develop commercial properties, thereby enabling tenants to grow and develop.



Our business model

We work continuously to improve our property portfolio by refining and developing existing properties, implementing new projects and acquiring and selling properties. With good results, we enable value growth and dividends to shareholders.



Our sustainability

Wihlborgs is to ensure the company's and region's long-term sustainable development. Our focus is on responsible business, commitment to the region and its community, being an attractive employer and sustainable properties.

Property value, SEK billion

56.0

Rental income, SEK million
Jan-Sep

2,912

Income property
management, SEK million
Jan-Sep

1,381



Wihlborgs

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January - September 2023

Group key figures. SEK m	2023 Jan-Sep	2022 Jan-Sep	2022/2023 Oct-Sep	2022 Jan-Dec
Rental income	2,912	2,447	3,800	3,335
Operating surplus	2,104	1,729	2,706	2,331
Income property management	1,381	1,425	1,817	1,861
Changes in value of properties	-915	412	-931	396
Changes in value of derivatives	-53	691	-90	654
Result for the period	323	1,998	613	2,288
Earnings per share, SEK*	1.05	6.50	1.99	7.44
Surplus ratio, %	72	71	71	70
Equity/assets ratio, %	39.4	41.0	39.4	41.2
Occupancy rate, %**	93	93	93	93
EPRA NRV per share, SEK	89.07	89.28	89.07	90.64

*) Earnings per share are the same before and after dilution.

**) At the end of the period, excluding projects and land.

Financial targets

Mål	Outcome January-September 2023
<p>🏠 A return on equity that exceeds the risk-free interest rate* by not less than six percentage points, which for the beginning of 2023 corresponds to 8.51 percent</p>	1.9
<p>🏠 An equity/assets ratio of no less than 30 percent</p>	39.4
<p>🏠 An interest coverage ratio of no less than 2.0 times</p>	3.0
<p>🏠 The loan-to-value ratio is not to exceed 60 percent</p>	50.5

*) Risk-free interest rate is defined as the rate on a 5-year Swedish government bond.

Local presence and global leader – a strategy for the future

At the time of writing, many people are being impacted by rising global geopolitical concern and it is uncertain how long the precarious situation will last. On a personal front, it is hard not to be deeply concerned. At the same time, our responsibility is to continue driving our operations forward as best possible and to comprise a positive force in an open and democratic society. It is with this endeavor in mind that I comment on the development for Wihlborgs during the third quarter of this year.

Increased rental income

Third quarter rental income amounted to SEK 977 million, up 15 percent year-on-year. This was also a record for Wihlborgs in terms of revenue for a single quarter. We managed to once again post positive net lettings, plus SEK 15 million, and we are proud of the extended positive trend, which now stands at 34 quarters in a row. The positive figures for this quarter were a result of a large number of smaller transactions together with a couple of somewhat larger ones. The transition of some larger tenants is continuing with restructuring and some reductions, but this is well counterbalanced by small and medium companies with rising needs.

Rental income for the like-for-like lettings portfolio rose 10.2 percent over the past 12 months. We should keep in mind that indexations of leases in Denmark, unlike Sweden, take place continually during the year and that Danish inflation has sunk substantially in recent months leading to lower rent increases. The corresponding figure for our offices in Sweden is 12.4 percent. It is also pleasing to note that the like-for-like occupancy rate is one percentage point higher year-on-year.

The operating surplus for the third quarter amounted to SEK 715 million, up 20 percent year-on-year. This is the second

highest operating surplus for a single quarter, and is only surpassed by the second quarter this year. The surplus ratio for the quarter was 73.2 percent compared with 70.0 percent last quarter, and it is satisfying that various cost measures have yielded results.

”The diversified businesses in the Öresund region and Wihlborgs’ significant share of revenue from the public sector have provided us with stable core operations.”

Interest expenses continue to rise in light of increasing market interest rates. Despite this, the interest coverage ratio on a rolling 12-month basis was a multiple of 3.1. Increased financing costs resulted in income from property management for the quarter falling 9 percent to SEK 433 million.

Property valuations during the quarter

During the quarter we have chosen to have external appraisers value all of our properties, which we will also be doing in conjunction with the annual closing accounts. The valuation has meant an impairment of the property value of SEK 828 million, corresponding to 1.5 percent. Updates have been made of assumptions for yield requirements, vacancies, indices, market rent development and operating costs. Lettings, renegotiations and projects are additional parameters which continuously affect valuations. The number of completed comparable transactions was low.

As we have often noted, we need to be careful before drawing far-reaching conclusions from property



valuations. A concrete example is the sale during the quarter of a small property in Malmö. The transaction took place at a property value 53 percent higher than the most recent external valuation. This does not mean that similar properties must automatically be valued up but rather shows the difference that can exist between adopted valuation method and specific transactions. The values should reflect the most likely price between a willing buyer and a willing seller, not a willing buyer and a forced seller.

The negative changes in property values impact the equity/assets ratio and loan-to-value ratio, which were 39.4 and 50.5 percent respectively at the end of the quarter. These levels are still healthy in relation to our targets for these key ratios. It is important to note that net debt in relation to operating profit (EBITDA) continues to improve with this key ratio now at a multiple of 10.4.

During the quarter, Wihlborgs redeemed bonds of SEK 470 million. As a result, the share of financing from the bond market is continuing to decline and only 7 percent of our financing now comes from the capital market. Even if we have chosen not to issue bonds for some time, it is positive to note that some Swedish property companies have issued bonds at better levels than previously in the past few weeks.

Wihlborgs as a global leader in sustainability

We maintain our focus on sustainability even in changing times. We have received positive recognition from GRESB where we scored 93 points of a possible 100 in their assessment and were named global leader (GRESB Sector Leader) within the listed diversified office/industrial category. It is also very gratifying to see that our energy consumption per square metre during a normal year corrected nine-month period has declined by 13 percent, which benefits tenants and the climate alike.

We are witnessing weaker general economic growth, but with considerable variation between sectors. The diversified businesses in the Öresund region and Wihlborgs' significant share of revenue from the public sector have provided us with stable core operations. Our strategy of focusing on one region and working closely with tenants has yielded favourable results. We implement minor changes every day to adapt to our business environment, tenants and the opportunities we can create. However, our overall strategy remains firm and guides us as we continue to build our company and our region.



Ulrika Hallengren, CEO

Market comments

In the September Silf/Swedbank purchasing managers' indices (PMIs) for the manufacturing and the service sectors, both indices were below 50, indicating a decline. The services sector noted a decline both in new orders and in order books, which indicates that the services business cycle has yet to bottom out. The Riksbank's (the Swedish Central Bank) September meeting noted that while inflation was decreasing, it remained too high, which led to a hike in the policy rate to 4.0%.

In 2023, high electricity prices and a relatively large construction sector have left their mark on the economy of southern Sweden. Nordea's Regional Outlook report projects a 2.0% decrease in South Sweden's (Skåne + Blekinge) GRP in 2023, and a 1.3% decline in GDP for Sweden as a whole. For 2024, a smaller decrease of 0.3% is expected in GRP for South Sweden, which is in line with other regions and the country as a whole (-0.2%).

While South Sweden posted the strongest employment trend in the 2020–2021 period, it has fallen back to historical

averages in 2023. According to Arbetsförmedlingen (Sweden's public employment agency), the number of unemployed in the county of Skåne has increased from the lowest level in May by 0.3 percentage points to 8.5%, which corresponds to the increase rate for the entire country. Unemployment remains lower than it was 5–10 years ago, when it varied between 9 and 10%. Compared with August last year, new job vacancies fell 20% in Skåne and the country as a whole, which indicates a weaker labour market going forward.

Denmark's annual rate of inflation fell to 0.9% in September, its lowest level since February 2021. According to the independent advisory body the Danish Economic Councils, inflation is expected to rise to 2.6% in 2024 and drop below 2% in 2025. GDP growth is projected at 1.7% for 2023 and 1.3% for 2024, mainly due to the success of the medical industry.

The rental and property market

In SEPREF's (the Swedish Property Research Forum) consensus forecast for the third quarter of 2023, the prime rent in Malmö increased SEK 100/m² to SEK 3,100/m². The yield requirement for prime locations has increased from 4.5% in the previous

quarter to 4.6% in the third. The majority consensus is that yield requirements will continue to rise in the coming year. Colliers noted no change in office rents in the Copenhagen area in the third quarter, increases in yield requirements of around 0.25 percentage points and unchanged vacancy levels of around 5.0% for offices.

According to Colliers, turnover in the Swedish real estate market amounted to SEK 64 billion for the first three quarters of 2023, down 58% compared with the first three quarters of 2022. One of few transactions in Skåne during the quarter comprised Nyfosa's package sale to Blackstone for SEK 761 million, in which two of the nine properties were located at Sunnanå in Burlöv.

In the first three quarters of 2023, the transaction volume in Denmark declined from DKK 64 billion to DKK 26 billion, down 60%. Wihlborgs acquired the Klædemålet 9 office property in eastern Copenhagen for DKK 71.5 million. After the end of the quarter, a major package deal was completed in the Copenhagen area when AKF sold ten industrial properties totalling 83,300 m² to Blackstone.

Income, expenses and profits

January–September 2023

Comparative figures for income statement items relate to values for the corresponding period 2022 and balance sheet items as of 2022-12-31.

Rental income

Rental income amounted to SEK 2,912 million (2,447) corresponding to an increase by 19 percent. Of the rental income, service income accounted for SEK 330 million (259), whose increase is mainly due to increased additional charges to tenants as a result of increased energy costs. During the second quarter, additional billing has been reduced by SEK 15 million in consideration of the regulation of received electricity support towards the tenants. Service revenue from the Danish canteen operations has decreased as this is run by an external party from 1 March. A compilation of the change in rental income compared to the previous year appears in the table below.

Rental income January–September 2022	2,447
Acquisitions	119
Currency effect	47
Index	176
Additional charges	53
Danish canteen operation	-21
Completed projects, new leases and renegotiations	91
Rental income January–September 2023	2,912

At the end of the period the occupancy rate for investment properties, excluding Projects & Land, is 93 percent (93). During the period new leases were signed to a value of SEK 216 million (202). Lease terminations totalled SEK 181 million (115). This represents a net letting of SEK 35 million (87).

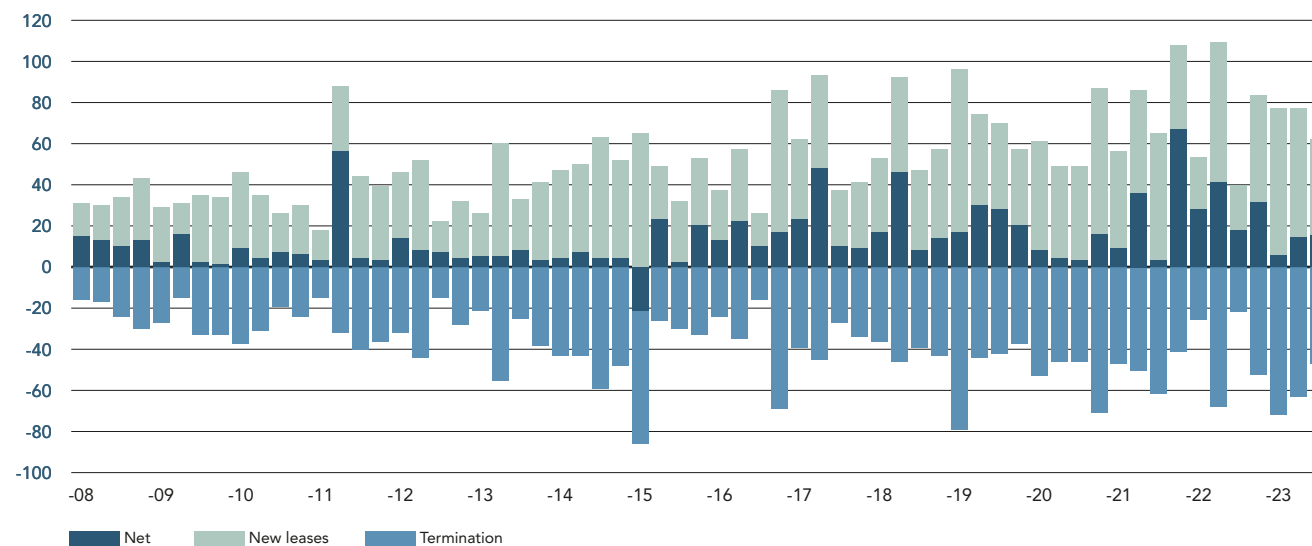
Terms of Wihlborgs' contracts per 30 September 2023

Cancellable rental value, SEK m



Net letting, quarterly

SEK m



Ten largest tenants per 30 September 2023

20 %

Rental income from ten largest tenants

24 %

Rental income from governmental tenants

- City of Helsingborg
- City of Malmö
- Danske Bank
- Danish building and Property Agency
- Ericsson AB
- Lund University
- Malmö University
- Swedish regional council
- Swedish Social Insurance Agency
- Trygg-Hansa

Property expenses

Total property costs amounted to SEK 808 million (718). Of the increase of SEK 90 million, acquisitions account for approximately 42 SEK million. During the second quarter, received electricity subsidies of SEK 20 million have reduced electricity costs. Of the increased property tax of SEK 16 million, SEK 8 million refer to acquisitions. Rental losses during the period amounted to SEK 4 million, last year these were positive with SEK 1 million. The historical summary at the bottom of page 21 illustrates how costs vary over the different quarters of the year.

Operating surplus

The operating surplus amounted to SEK 2,104 million (1,729) representing a surplus ratio of 72 percent (71). Of the change, SEK 74 million (29) was attributable to property acquisitions and divestments, in addition, currency effects have affected by SEK 27 million (13).

Central administration

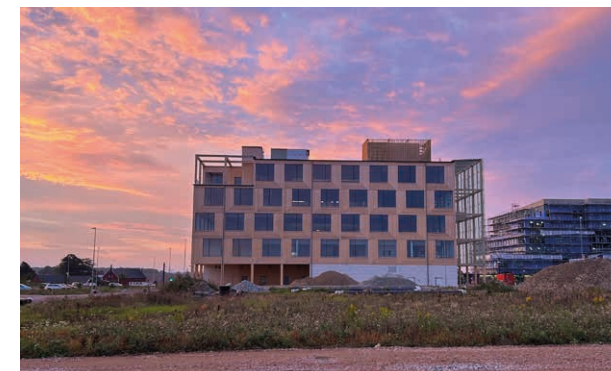
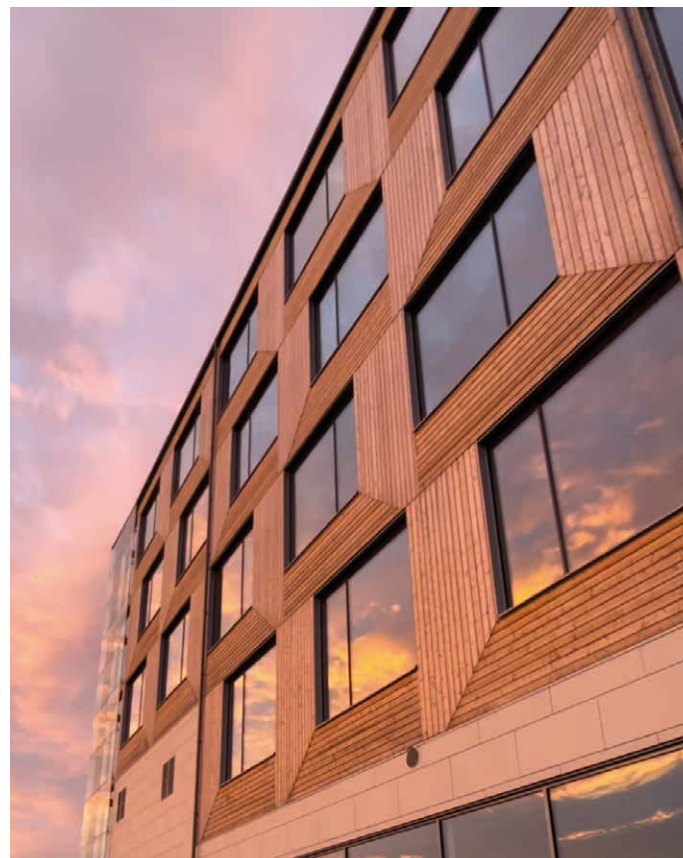
The costs for central administration were SEK 67 million (67).

Financial income and expense

Net interest totalled SEK -685 Mkr (-243), of which interest income accounted for SEK 12 million (10). The interest expense for the period, incl. realized effects from interest rate derivatives, was SEK 697 million (253). The leasehold amounted to SEK 3 million (3). During the period net payments on interest rate derivatives were positive at SEK 181 million (17). At the end of the period, the average interest rate, including the cost of credit agreements, was 3.96 percent, compared with 2.59 percent at year-end.

Income from property management

Profit participation in joint ventures amounted to SEK 32 million (9), of which SEK 20 million is attributable to a property sale in a joint venture. Income from property management amounted to SEK 1,381 million (1,425).



Space (Kunskapen 1) will be Wihlborgs' second property and the first lab-equipped building to be certified according to NollCO₂, i.e. a net zero climate impact over its life cycle. An important aspect in the process toward the NollCO₂ certification has been reducing material use at every stage and working on a "right material in the right place" basis. Among other things, this means that the building's frame system comprises a hybrid framework, which uses steel beams in places most affected by adverse weather conditions.

Pre-tax profit

The pre-tax profit, i.e. after value changes on properties and derivatives, was SEK 413 million (2,528). During the period, value changes on properties amounted to SEK -915 million (412). Changed market interest rate have entailed negative value changes on derivatives amounting to SEK -53 million (691), of which SEK -44 million (699) are attributable to interest rate derivatives and SEK -9 million (-8) to other financial items.

Profit after taxes

The profit after taxes was SEK 323 million (1,998). Total tax amounted to SEK 90 million (530), of which current tax SEK 20 SEK million (32) and deferred tax SEK 70 million (498).

Assets

Property portfolio as of 30 September 2023

The summaries below are based on Wihlborgs' property portfolio as of 30 September 2023. Rental income relates to contracted rental income on an annual basis as of 1 October 2023.

The operating surplus is based on the properties' earning capacity on an annual basis based on rental income for October 2023, operating and maintenance costs, property administration on a rolling twelve-month basis and property tax.

Wihlborgs' property portfolio consists of commercial properties in the Öresund region, located in Malmö, Helsingborg, Lund and Copenhagen. The property portfolio 30 September 2023 consisted of 305 properties (306) with a lettable area of 2,267,000 m² (2,229,000). 6 of the properties (7) are leasehold rights.

The properties' carrying amount was SEK 56,036 million (55,179), which corresponds to the estimated market value. The total rental value was SEK 4,272 million (4,170) and the contracted rental income on annual basis SEK 3,920 million (3,810). The like-for-like increase in rental value increased to 9,0 percent and contracted rental income increased by 10,2 percent compared to 12 months previously.

The economic occupancy rate for Office/Retail properties was 93 percent (94) and for Logistics/Production 92 percent (92). The rental value for Office/Retail and Logistics/Production represented in total 83 respective 14 percent of total rental value.

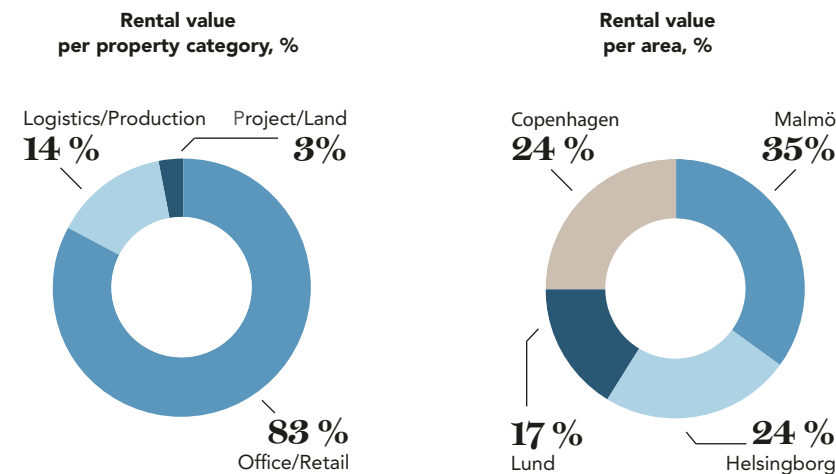
The operating surplus from investment properties, excluding property administration and Projects/Land, is SEK 2,993 million (2,949) which with a carrying amount of SEK 53,171 million (51,483) corresponds to a running yield of 5.6 percent (5.7). Broken down by property category, this is 5.5 percent (5.6) for Office/Retail and 6.8 percent (6.9) for Logistics/ Production.

Rental growth

Entire property stock			
	2023-10-01, SEK m	2022-10-01, SEK m	Percent
Rental value	4,272	3,757	+13.7
Rental income	3,920	3,451	+13.6

Like-for-like*			
	2023-10-01, SEK m	2022-10-01, SEK m	Percent
Rental value	4,016	3,684	+9.0
Rental income	3,754	3,408	+10.2

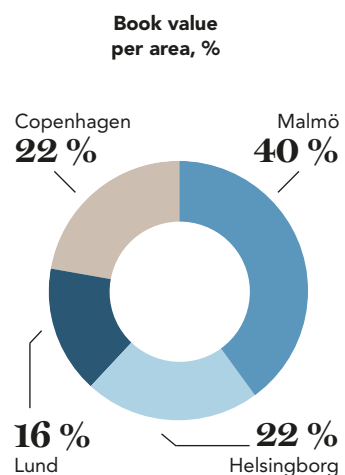
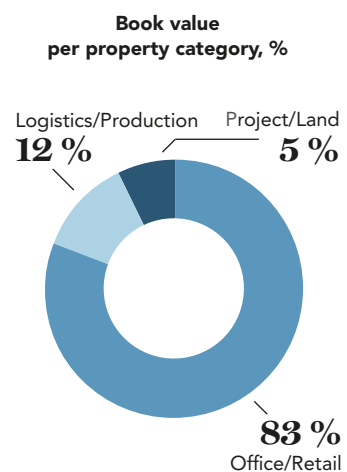
*Excluding projekt & land



Changes in values of properties

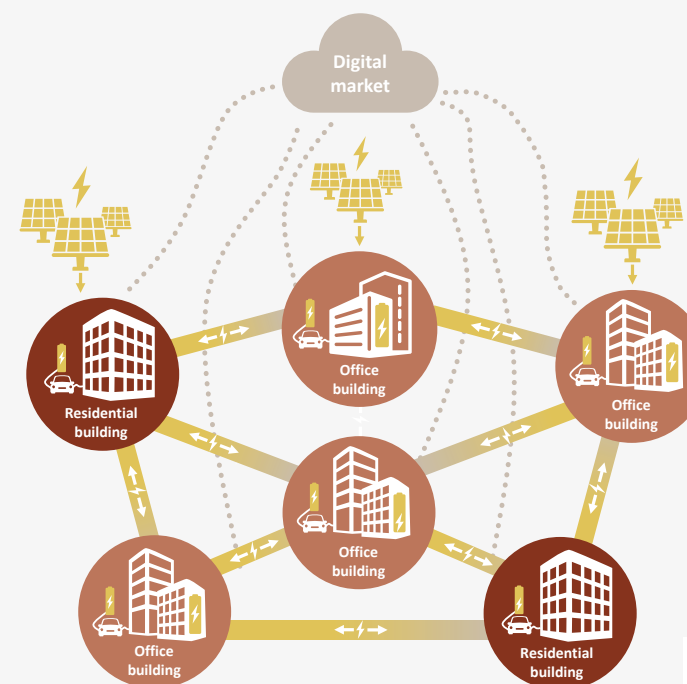
In the valuation as of 30 September 2023 all properties have been valued externally. The valuation has meant that the property value has decreased by SEK 915 million (+412). Since the turn of the year, the assumptions about future indexation, market rent development, long-term vacancy, operating cost development and yield requirements have changed. A positive net letting and completion of projects have affected valuations positively, while maintenance investments and certain termination risks have had a negative impact.

Fair value has been determined using a combination of a yield-based method and a location-price method, in which transactions completed in the sub-markets concerned are analysed in order to calibrate the parameters for the yieldbased method. The value is considered to correspond to the yield value that is calculated from normally five-year cash flow analyses. The value of newbuild projects in progress is determined as the value as if the project were complete, less deduction of estimated remaining cost. Undeveloped land and other upgrade projects are valued according to the location-price method. The method for valuation is the same as previously. There is a comprehensive description of the method for valuation of properties on pages 82-83 and 106-107 in the Company's 2022 Annual Report. As of 30 September 2023 the carrying amount for the properties is SEK 56,036 million (55 179).



Changes in carrying amount of properties

Changes	Group total, SEK m
Carrying amount 1 January 2023	55,179
Acquisitions	134
Investments	1,298
Properties sold	-18
Change in value	-915
Currency translations	358
Carrying amount 30 September 2023	56,036



In November, Wihlborgs will start the expansion of a DC network between its own building Alfa 3-6 (Studentkåren 2) at Ideon and Blekingiska nationen's student housing. The project will be completed in partnership with the IT entrepreneur Jonas Birgersson and aims to create an open, independent system for energy distribution and, in time, relief for the existing electricity grid as well as lower electricity prices.



Scan the code to read the press release (In Swedish).

Analysis per property category in each management area

Area/ property category	Number of properties	Area, m ² thousand	Carrying amount, SEK m	Rental value, SEK m	Rental value, SEK/m ²	Economic occupancy rate, %	Rental income, SEK m	Operating surplus incl.property admin., SEK m	Surplus ratio, %	Operating surplus excl.property admin., SEK m	Yield excl property admin., %
Malmö											
Office/Retail	51	459	19,041	1,294	2,819	96	1,238	964	78	1,006	5.3
Logistics/Production	31	146	2,112	174	1,190	96	167	131	78	141	6.7
Project & Land	20	29	983	26	899	-	4	-10	-	-6	-
Total Malmö	102	634	22,136	1,493	2,357	94	1,409	1,085	77	1,141	5.2
Helsingborg											
Office/Retail	39	288	8,385	641	2,230	91	586	444	76	462	5.5
Logistics/Production	55	356	3,402	355	997	89	315	225	71	243	7.2
Project & Land	12	11	609	15	1,427	-	11	8	-	9	-
Total Helsingborg	106	654	12,396	1,011	1,546	90	913	677	74	714	5.8
Lund											
Office/Retail	27	243	8,428	688	2,831	91	628	444	71	487	5.8
Logistics/Production	4	23	262	23	1,001	98	22	16	74	18	6.9
Project & Land	3	7	334	14	2,053	-	1	-4	-	-2	-
Total Lund	34	273	9,025	726	2,658	90	651	457	70	503	5.6
Copenhagen											
Office/Retail	50	576	10,621	910	1,580	94	851	556	65	581	5.5
Logistics/Production	9	61	920	70	1,140	96	67	52	78	54	5.9
Project & Land	4	69	939	62	897	-	29	8	-	9	-
Total Copenhagen	63	707	12,479	1,042	1,475	91	947	617	65	644	5.2
Total Wihlborgs	305	2,267	56,036	4,272	1,884	92	3,920	2,835	72	3,002	5.4
Total excluding projects and land	266	2,151	53,171	4,154	1,931	93	3,875	2,832	73	2,993	5.6

Analysis of lettable space per area and category of use

Area	Office, m ²	Retail, m ²	Logistics/Production, m ²	Education/Health care, m ²	Misc., m ²	Total, m ²	Share, %
Malmö ¹	357,421	39,977	168,764	49,731	17,736	633,629	28
Helsingborg ²	226,482	73,927	297,134	44,265	12,095	653,903	29
Lund ³	208,251	13,404	36,087	5,554	9,634	272,930	12
Copenhagen ⁴	520,958	8,396	125,229	12,514	39,631	706,728	31
Total	1,313,112	135,704	627,214	112,064	79,096	2,267,190	100
Share, %	58	6	28	5	3		

1) Miscellaneous area in Malmö includes 10,275 m² hotel.

3) Miscellaneous area in Lund includes 8,215 m² hotel.

2) Miscellaneous area in Helsingborg includes 1,819 m² residential. 4) Miscellaneous area in Copenhagen includes 5,600 m² hotel.



Our work commitment is influenced by factors such as our sense of autonomy, competence and coherence. Similarly, colour, design, light, sound, views and greenery are examples of factors that affect our general well-being. In September, at an event at Boplatsen 3 in Fosie in Malmö, Wihlborgs' workplace advisor Anna Nambord talked with Hans Andersson, business developer at Wihlborgs, about the importance of focusing on human needs when designing the work environment and corporate culture.



Investments and current projects

Investments in the property portfolio totalled SEK 1,298 million (996). Approved investments in ongoing projects amount to SEK 3,328 million, of which SEK 1,136 million had been invested at the end of the period.

Liquid assets

The Groups liquid assets totalled SEK 162 million (159) at the end of the period. At the end of the period unutilized credit facilities, including unused overdraft facilities of SEK 358 million (361), amounted to SEK 2,313 million (2,856).

Investments in progress >SEK 50 million, 30 September 2023

Property	Category of use	Municipality	Completion date	Rentable area, m ²	Occupancy rate, %	Estimated investment, SEK m*	Expended 2023-09-30, SEK m
Kunskapen 1	Office/Retail	Lund	Q4 2023	6,000	50	244	184
Plåtförädlingen 15	Logistics/Production	Helsingborg	Q4 2023	8,700	75	141	121
Tomaten 1	Logistics/Production	Lund	Q2 2024	6,400	100	137	65
Rausgård 21	Logistics/Production	Helsingborg	Q3 2024	25,000	100	420	170
Snårskogen 5	Logistics/Production	Helsingborg	Q3 2024	3,600	100	78	11
Sunnanå 12:54	Logistics/Production	Malmö	Q2 2025	17,000	100	302	8
Bläckhornet 1	Office/Retail	Malmö	Q4 2025	16,600	0	884	97
Posthornet 1	Office/Retail	Lund	Q4 2025	9,900	0	448	15
Total				93,200		2,654	671

*Including land



Sunnanå 12:54 (Illustration)



Rausgård 21 (Illustration)

Property transactions

During the third quarter, Wihlborgs acquired the office property Klædemålet 9 in Copenhagen including a lettable area of 3,900 square meters. In addition, leasehold belonging to the property Revolversvarven 11 in Malmö has been divested.

Property transactions January–September 2023

Quarter	Property	Municipality	Management area	Category	Area, m ²	Price, SEK m	Operating surplus 2023, SEK m ¹
Acquisitions							
Q1	Tomaten 1	Lund	Lund Centrum/Gastelyckan	Land			
Q3	Part of Grustaget 9 (Regulated in Grustaget 1)	Helsingborg	Helsingborg Yttre	Land	-		
Q3	Klædemålet 9	Copenhagen	Copenhagen south	Office/Retail	3,900		
Acquisitions total 2023					3,900	134	1
Sales							
Q3	Revolversvarven 11	Malmö	Malmö Yttre	Office/Retail	1,650		
Sales total 2023					1,650	18	0

1) Operating surplus that are included in the results for the period.



Tomaten 1 (Illustration)



Klædemålet 9

Sustainable business

Wihlborgs global sector leader once again

This year's edition of the Global Real Estate Sustainability Benchmark (GRESB) named Wihlborgs as global sector leader in the category of diversified listed office/industrial sector. We are also improving further and achieved 93 (91) of a possible 100 points. This means that GRESB ranks Wihlborgs as one of the highest performing property companies in the world in terms of sustainability in our existing portfolio.

Sustainability is an integral part of operations at Wihlborgs. Risk assessments, goals and interactions with tenants and society are a few areas where Wihlborgs scored maximum points. Also in the certification area, Wihlborgs is performing significantly better than the average in the GRESB assessment. This is a result of Wihlborgs' target to achieve environmental certification for 90 percent of office properties in Sweden by 2025.

GRESB also awarded high points to Wihlborgs' sustainability efforts in property development, achieving 91 points in this year's assessment. This can be compared with the average score of 83 for all of GRESB, and 86 in Wihlborgs' category.

Wihlborgs tops list of companies reporting climate efforts

The consultancy firm 2050 has mapped the transparency of listed companies' climate reporting since 2014. This year's assessment evaluated the 133 companies on Stockholm OMX Large Cap. Wihlborgs has climbed several positions in this transparency index since the assessment was first carried out in 2020. Wihlborgs has increased 10 points; from 82 to 92 of a possible 110.

A high score in this category demonstrates that the company has a healthy ability to follow up on and report its climate-related emissions. Maintaining high awareness of emissions is a prerequisite for being able to act on information and reduce emissions from our own operations and in our value chain.

A high position on the list also indicates that Wihlborgs is in a good position when it comes to managing reporting of climate indicators in the coming EU Corporate Sustainability Reporting Directive (CSRD). This regulation requires significantly more comprehensive and detailed sustainability reporting compared with today. Efforts to comply with the CSRD, which Wihlborgs will be covered by for the 2025 reporting year, have commenced and will be accelerated in 2024.

SBTi och Scope 3

Wihlborgs follows up on and reports all significant emissions connected to all operations. We have charted and set targets for direct and indirect emissions in scopes 1, 2 and 3. Wihlborgs' overall climate goal is to halve the emissions that occur throughout our operations, i.e. every scope, until the year 2030 and achieve climate neutrality by 2045 at the latest.

In June, the Science Based Target initiative (SBTi) approved our target of achieving net zero emissions carbon dioxide emissions throughout the value chain. This means that the target is scientifically anchored and in line with the Paris Agreement's overriding ambition to limit the increase of global warming to well under 2°C and to strive to limit it to 1.5°C. The fact that our Scope 3 emissions, meaning emissions that originate from our construction projects, are SBTi approved targets is positive. The vast majority of our emissions are Scope 3 emissions, which is the scope that we have the greatest opportunity of impacting.

GRESB is the most comprehensive global assessment of the ESG work of property companies. The assessment measures and evaluates property companies and funds based on two components: implementation performance and management policies for sustainability efforts. This year's benchmark included 2,084 participants from 75 different countries.



“It is great to see the results being yielded by our hard work over the last few years on enhancing the efficiency of and environmentally certifying our properties, reducing our climate impact and strengthening our sustainability measuring and reporting, and that is demonstrated in evaluations such as GRESB. It is also pleasing to note that most of the industry is devoting more focus on sustainability activities. Through everyone trying their hardest, and by sharing innovation and experience, we can jointly make a substantial difference.”

Lisa Östling, ESG-controller at Wihlborgs

Results for the quarter

Wihlborgs' sustainability targets concerning energy consumption, direct CO2 emissions, environmental certification and supplier evaluations are followed up and reported on each quarter. Other sustainability goals are reported on an annual basis.

Energy consumption

Energy consumption for the third quarter totalled 8.9 kWh/m² Atemp (15.9 kWh/kvm LOA 2022). For the first three quarters of the year, energy consumption totalled 53.3 kWh/m² Atemp (68.6 kWh/kvm LOA 2022), representing a reduction of 13 percent for comparable areas.

The normal year heating energy use is corrected so that individual weather factors do not affect comparisons over time, but the fact that it was an unusually warm September, both globally and in Sweden, still affects the outcome through reduced heat energy use.

The decrease is also due to the fact that properties with an energy performance that is better than average have been added to Wihlborgs' stock during the year. This has a positive impact on the total energy use per square meter.

The reduction was also the result of Wihlborgs' focus on enhancing the energy efficiency of its properties. During the quarter, several initiatives to increase energy efficiency have been carried out such as the installation of four new solar power systems (Nya Vattentornet 4, Huggjärnet 13, Plåtförädlingen 15 and Snårskogen 5) and the expansion of two existing systems (Ametisten 5 and Rubinen 1). The installation of two additional solar power systems is ongoing at Kunskapen 1 (Space) and Nora 11, with installed effects of 82 and 149 kWp respectively. New more efficient ventilation at one property (Lansen 1) and the replacement with LED luminaires at several properties (including Grusgropen 3 and Plåtförädlingen 11) are expected to result in energy savings.

CO₂ emissions

CO₂ emissions in Scope 1 and Scope 2 amounted to 0,82 kg CO₂e/m² (0,74) for the first three quarters of the year. The fact that CO₂ emissions have not declined in line with the reduction in energy consumption for the same period is

partly due to supplier-specific emission factors being applied. The increase was attributable to CO₂ emissions from district cooling and refrigerants as well as a higher share of fossil fuels in district heating in Copenhagen.

Certifications

The share of sustainability certified properties continues to increase and 67 percent (46) of the office properties in Sweden are now certified. During the year, Wihlborgs certified 20 existing properties in accordance with Miljöbyggnad iDrift. During the third quarter, seven office properties were certified. Of these, two properties were previously certified in accordance with LEED and do not therefore contribute to the percentage increase.

Certification efforts also began at Wihlborgs' existing portfolio in Denmark.

Supplier evaluations

Follow-ups and measurements have continued of the suppliers approved in accordance with Wihlborgs requirements for sustainability efforts. The follow-ups include the suppliers that the company has framework agreements with and, which are therefore engaged frequently and believed to belong to industries that could involve greater risks. Wihlborgs continues to maintain dialogue with its suppliers with the aim of increasing the proportion that are approved in all of our sustainability requirements.

Sustainability reporting at Wihlborgs

Wihlborgs compiles an annual sustainability report prepared according to the Annual Accounts Act, GRI Standards, EPRA Sustainability Best Practice Recommendations (sBPR) and TCFD guidelines for reporting climate-related risks. We follow up on prioritised sustainability topics and goals in each interim report. We also provide information about current activities and events during the quarter that have a bearing on our sustainability agenda. More information about our sustainability agenda is available on Wihlborgs' website. Read more at:

www.wihlborgs.se/en/about-us/sustainability/



GRESB
REAL ESTATE
sector leader 2023



Key figures - sustainable properties

	Measure	Target (as of Dec 2025)	2023 Jul-Sep 3 months	2022 Jul-Sep 3 months	2023 Jan-Sep 9 months	2022 Jan-Sep 9 months	2022 Jan-Dec 12 months
Environmental certifications*	% of floor area (office, Sweden)	> 90	67	46	67	46	49
Customers' willingness to recommend	% customers	> 75	-	-	-	-	92
Sponsorship with community orientation	% of sponsoring	> 50	-	-	-	-	53
Comitted employees (Trust index)	% of employees	> 85	-	-	-	-	86
Energy use**	kWh/m ²	< 85	8,9	15,9	53,3	68,6	88,6
CO ₂ emissions, scope 1-2	kg CO ₂ e/m ²	< 1.0	0,11	0,23	0,82	0,74	1,35
Evaluation of suppliers***	% approved	100	78	-	78	-	-

*) Offices, Sweden

**)normal year-corrected energy use per sqm Atemp for 2023 and LOA for 2022

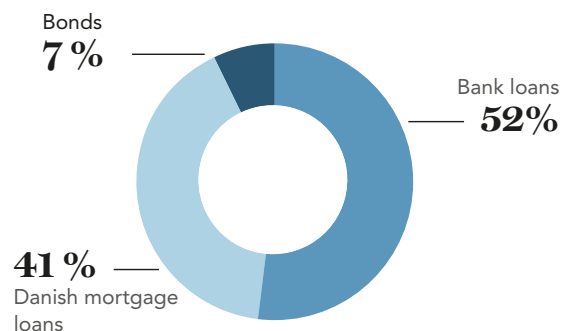
**) Strategic suppliers (approx. 40% of total number of suppliers), who perform projects/work on our properties.

Liabilities and equity

As of 30 September 2023 equity totalled SEK 22,771 million (23,380) after SEK 953 million was paid as a dividend during the second quarter. The equity/assets ratio stood at 39.4 percent (41.2).

Current financing, September 2023

Total debt: 28,3 bn



Interest-bearing liabilities

The group's borrowings as of 30 September amounted to SEK 28,317 million (26,806) with an average interest rate including costs for credit agreements of 3.96 percent (2.59).

With consideration to the company's debt of SEK 28.3 billion, the loan-to-value ratio is 50.5 percent (48.6) as a percentage of property values.

The loans' average fixed interest period including effects of derivatives on 30 September 2023 amounted to 2.5 years (2.0). The average loan maturity, including committed credit facilities, amounted to 5.8 years (6.1). 7 % of outstanding borrowings come from the bond market. During 2023 bonds amounting to SEK 350 million are due for repayment and an additional SEK 1,150 million are due in the first quarter 2024.

Structure of interest and loan maturities as of 30 September 2023

Matures, year	Interest maturity		Loan maturity	
	Loan amount, SEK m	Av. interest rate, %*	Credit ag., SEK m	Utilised, SEK m
2023	13,313	5.27	350	350
2024	3,052	2.90	5,594	5,594
2025	2,188	2.13	7,493	5,614
2026	1,252	1.62	6,045	5,611
2027	2,277	3.52	613	613
>2027	6,235	2.80	10,535	10,535
Total	28,317	3.92	30,630	28,317

*) Excluding costs for credit agreements.

Wihlborgs use interest rate derivatives in order to reduce the risk level in the loan portfolio. A summary of the terms is shown in the table below.

Interest rate derivatives portfolio 30 September 2023

Interest rate swaps

Maturity	Amount, SEK m	Interest, %
2023	565	0.54
2024	1,788	0.41
2025	1,788	0.42
2026	1,252	0.59
2027	2,277	2.48
>2027	4,601	2.19
Total	12,271	1.49

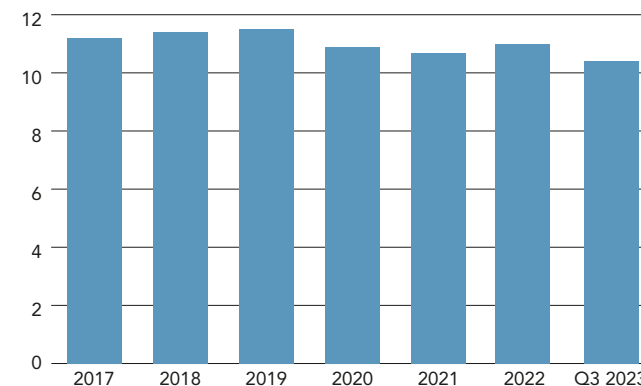
Changing market interest rates have meant decreased value in Wihlborgs' interest rate derivative portfolio, which at the end of the period amounted to 651 million (695).

Interest-rate derivatives are recognised at fair value in accordance with IFRS 9. All derivatives are classified in level 2 in accordance with IAS 13.

For information on the valuation approach for interest rate derivatives, see page 100 of the 2022 Annual Report.

Average net debt relative to rolling 12-month operating income amounted to 10.4 times (11.0).

Net debt/EBITDA



Wihlborgs is commissioned to construct a new building for Malmö University on the property Malmö Amphitrite 1. The implementation agreement covers execution of parallel architectural assignments, design, construction and finally letting. The building will help strengthen and develop Universitetsholmen as one of Malmö's university clusters. The project is not included in the net letting.

Miscellaneous

Employees

At the end of the period, the number of FTEs at Wihlborgs was 219 (256) of which 63 (105) were in property service. From 1 March, the canteen operations in Denmark are run by an external party. The transition has also included around forty employees.

Of the total number of FTEs 79 (77) were in Malmö, 35 (38) in Helsingborg, 34 (32) in Lund and 71 (109) in Copenhagen. The average age of employees is 44 years and women make up 39 (41) percent.

Parent company

The parent company owns no properties, but deals with questions relating to the stock market and joint Group functions for administration, management and borrowing. The parent company's turnover is mostly related to the billing of services to Group companies.

The parent company has invested SEK 6 million (11), including shareholder contribution, in shares in subsidiaries and other shares.

The parent company's income statement and balance sheet are found on page 22.

Participations in other companies

A description of all participations in joint ventures and holdings in joint operations held by Wihlborgs will be found on pages 108–109 in the Company's 2022 Annual Report.

Largest shareholders

The largest shareholder in Wihlborgs is Backahill, representing the Paulsson family, with 11.1 percent of the shares outstanding.

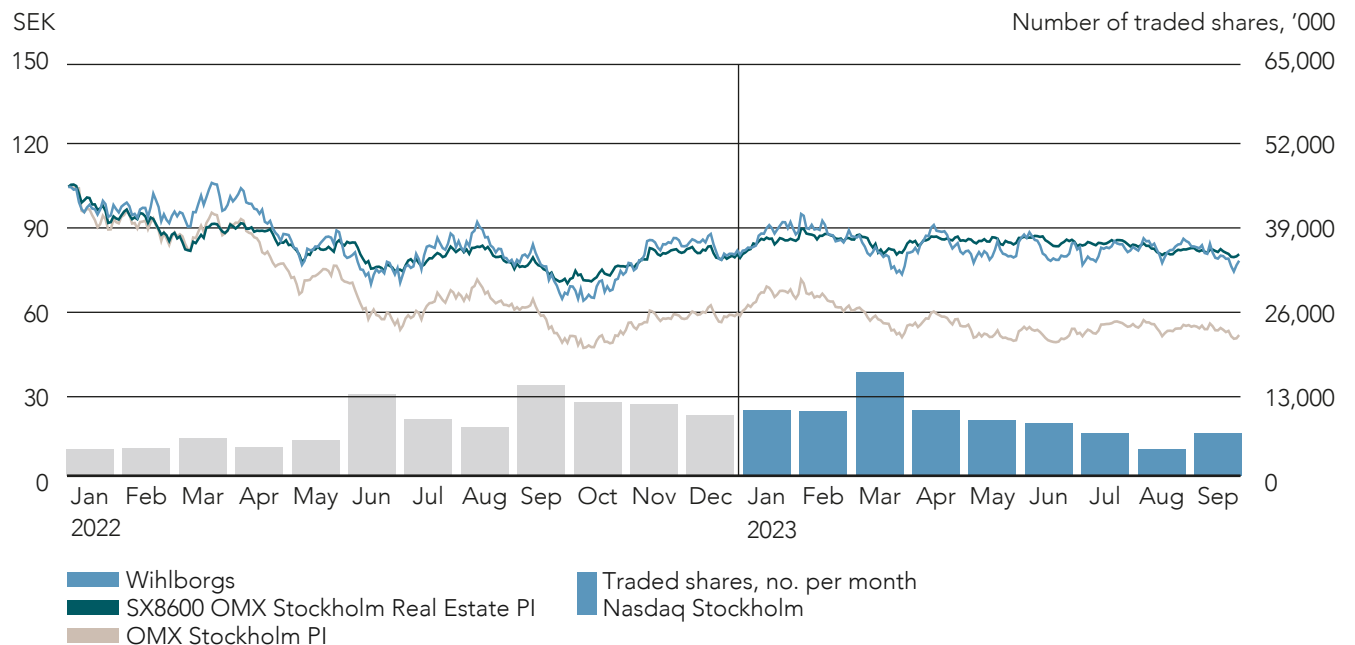
Shares held by owners registered abroad account for 35 percent. The number of shareholders is approximately 31,000.

Largest shareholders in Wihlborgs Wihlborgs 31 September 2023

	Number of shares, thousands	Proportion of equity and votes, %
Backahill	34,076	11.1
Swedbank Robur funds	18,249	5.9
SEB Investment Management	17,477	5.7
Länsförsäkringar funds	14,932	4.9
SHB funds	10,152	3.3
Bank of Norway	6,071	2.0
Nordea funds	5,639	1.8
AMF funds	4,564	1.5
Qviberg family	4,471	1.5
Odin funds	3,579	1.2
Other shareholders reg. in Sweden	85,575	27.8
Other shareholders reg. abroad	102,642	33.3
Total outstanding shares	307,427	100.0

Development in share price

2022-01-01 – 2023-09-30



Significant risks and uncertainty factors

Wihlborgs' future development and ability to reach its operational goals are influenced by numerous risks and uncertainties. By systematically reviewing, analysing and managing these risks and uncertainties, it is possible to limit them and concurrently create the prerequisites for continued growth.

The risks assessed as having a significant influence on the Group's earnings trend and cash flow are the variations in rental income, property costs and interest-rates. The properties are measured at fair value with changes in value in the income statement resulting in positive and negative impacts on earnings during the year. Property valuation also impacts Wihlborgs' financial position and key metrics. The extent of changes in value is partly determined by Wihlborgs' own capacity, through alteration and upgrading of properties, as well as by leases and client structures, to increase the properties' market value, and partly by external factors that affect supply and demand in the property markets where the company is active. Property valuation should take in to account an interval of uncertainty, which in a functioning market, typically consists of +/-5–10% to reflect the inherent uncertainty of assumptions and estimates.

In addition to the above, risks also include financing risks. Wihlborgs is dependent on external loans to meet its undertakings and complete transactions. Risks are managed using Wihlborgs' financial policy, which stipulates objectives, guidelines and risk limits for Wihlborgs' financial activities.

In pages 84–89 and 101–102 in the Company's 2022 Annual Report there is a comprehensive description of the risks facing the Group, how these are handled and a grading with regard to the assessed impact on the business and the probability that the risk will occur.

With regard to the economic situation, high inflation and continued concern on the financial markets there is an increased likelihood of continued rising market interest rates and increased yield requirements for real estate investments. In addition to the above, no significant changes to the company's risk assessment are made compared with what is described in the annual report for 2022.

Accounting policies

Wihlborgs follows the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), as well as interpretations issued by the IFRS Interpretations Committee (IFRIC) as endorsed by the European Union. The Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. Information under IAS 34 p.16A is submitted in the notes and elsewhere in the interim report.

The Group applies the same accounting policies and valuation methods as in the most recent annual report. Wihlborgs assesses that none of the new or amended standards approved by the EU, or interpretations from the IFRS Interpretations Committee, that entered force after 1 January 2023, affect its results or financial position in any material sense. The Group applies the Swedish Financial Reporting Board's recommendation RFR 1, Supplementary Accounting Rules for Corporate Groups and the Parent Company applies RFR 2.

Malmö 24 October 2023

Wihlborgs Fastigheter AB (publ)

Ulrika Hallengren, CEO

This interim report has been subject to review by the company's auditors.

Review report

Introduction

We have reviewed the interim report for Wihlborgs Fastigheter AB (publ) for the period 1 January–30 September 2023. The Board of Directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of view

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with ISA and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not, in all material respects, prepared for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Malmö 24 October 2023

Deloitte AB, Richard Peters, Authorized Public Accountant

Financial reports

Consolidated income statement summary

SEK m	2023 Jul-Sep 3 months	2022 Jul-Sep 3 months	2023 Jan-Sep 9 months	2022 Jan-Sep 9 months	2022/2023 Oct-Sep 12 months	2022 Jan-Dec 12 months
Rental income	977	848	2,912	2,447	3,800	3,335
Operating costs	-126	-125	-411	-370	-562	-521
Repairs and maintenance	-33	-29	-93	-76	-132	-115
Property tax	-63	-67	-185	-169	-242	-226
Property administration	-40	-33	-119	-103	-158	-142
Total property costs	-262	-254	-808	-718	-1,094	-1,004
Operating surplus	715	594	2,104	1,729	2,706	2,331
Central administration	-23	-23	-67	-67	-88	-88
Interest income	3	4	12	10	16	14
Interest expenses	-266	-102	-697	-253	-843	-399
Leasehold rent	-1	-1	-3	-3	-5	-5
Share in results of joint ventures	5	3	32	9	31	8
Income of property management	433	475	1,381	1,425	1,817	1,861
Change in value of properties	-828	40	-915	412	-931	396
Change in value of derivatives	11	59	-53	691	-90	654
Pre-tax result	-384	574	413	2,528	796	2,911
Current tax	-5	-10	-20	-32	-32	-44
Deferred tax	87	-115	-70	-498	-151	-579
Result for the period¹	-302	449	323	1,998	613	2,288
OTHER TOTAL PROFIT LOSS						
<i>Items that will be reclassified to profit or loss for the year:</i>						
Translation differences on recalculation of foreign operations	-94	110	145	289	239	383
Hedging of currency risk in foreign operations	96	-106	-146	-285	-241	-380
Tax attributable to items that will be reclassified to profit or loss for the year	-15	16	22	48	37	63
Other comprehensive income for the period	-13	20	21	52	35	66
Total comprehensive income for the period¹	-315	469	344	2,050	648	2,354
Earnings per share ²	-0.98	1.46	1.05	6.50	1.99	7.44
No. of shares at end of the period, thousands ³	307,427	307,427	307,427	307,427	307,427	307,427
Average no. of shares, thousands ³	307,427	307,427	307,427	307,427	307,427	307,427

1) The entire profit/comprehensive income is attributable to the parent company's shareholders.

2) Key ratios per share have been calculated based on a weighted average number of shares during the period. There are no outstanding subscription options, convertibles or other potential ordinary shares and accordingly, no dilution effects to take into consideration.

Consolidated balance sheet summary			
SEK m	2023-09-30	2022-09-30	2022-12-31
ASSETS			
Investment properties	56,036	54,488	55,179
Right-of-use assets	137	146	146
Other fixed assets	433	387	391
Derivatives	657	730	696
Current receivables	313	248	238
Liquid assets	162	343	159
Total assets	57,738	56,342	56,809
EQUITY AND LIABILITIES			
Equity	22,771	23,077	23,380
Deferred tax liability	5,264	5,100	5,180
Borrowings	28,317	26,816	26,806
Lease liability	136	144	144
Derivatives	6	-	1
Other long-term liabilities	39	45	43
Current liabilities	1,205	1,160	1,255
Total equity & liabilities	57,738	56,342	56,809

Consolidated statement of changes in equity			
SEK m	2023 Jan-Sep	2022 Jan-Sep	2022 Jan-Dec
Total equity at beginning of period	23,380	21,948	21,948
Equity attributable to parent company's shareholders			
Opening amount	23,380	21,948	21,948
Dividend paid*	-953	-922	-922
Profit for the period	323	1,998	2,288
Other comprehensive income	21	52	66
Total equity at end of period	22,771	23,077	23,380

*) All shares are ordinary shares

Consolidated cash flow statement summary					
SEK m	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	2022 Jan-Dec
Operating activities					
Operating surplus	715	594	2,104	1,729	2,331
Central administration	-23	-23	-67	-67	-88
Non-cash items	-1	4	7	12	16
Interest received	3	4	12	36	40
Interest paid	-267	-96	-674	-254	-406
Income tax paid	0	-1	-30	-10	-62
Change in operating receivables	18	61	31	-54	-88
Change in operating liabilities	-22	68	-160	31	199
Cash flow from operating activities	423	611	1,223	1,423	1,942
Investment activities					
Acquisitions of properties	-114	-1,992	-134	-2,369	-2,438
Investments in existing properties	-365	-428	-1,298	-996	-1,518
Sales of properties	18	0	18	1	97
Change in other non-current assets	-9	-1	-17	-1	-1
Cash flow from investment activities	-470	-2,421	-1,431	-3,365	-3,860
Financing activities					
Dividends paid	0	0	-953	-922	-922
Change in borrowing	740	2,619	3,984	7,512	8,194
Loan repayments	-715	-908	-2,817	-4,617	-5,504
Change in other long-term liabilities	-1	-1	-3	-3	-6
Cash flow from financing activities	24	1,710	211	1,970	1,762
Cash flow for the period	-23	-100	3	28	-156
Opening cash flow	185	443	159	315	315
Closing cash flow	162	343	162	343	159

Historical summary of last eight quarters

SEK m	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
Rental income	977	964	971	888	848	804	795	770
Operating costs	-126	-111	-174	-151	-125	-115	-130	-118
Repairs and maintenance	-33	-30	-30	-39	-29	-23	-24	-34
Property tax	-63	-61	-61	-57	-67	-52	-50	-45
Property administration	-40	-40	-39	-39	-33	-36	-34	-36
Operating surplus	715	722	667	602	594	578	557	537
Income from property management	433	491	457	436	475	483	467	443
Profit for the period	-302	370	255	290	449	733	816	1,668
Surplus ratio, %	73.2	74.9	68.7	67.8	70.0	71.9	70.1	69.7
Investment yield, %	5.2	5.2	4.8	4.4	4.5	4.5	4.4	4.4
Equity/assets ratio, %	39.4	39.6	41.1	41.2	41.0	42.1	43.6	42.9
Return on equity, %	-5.3	6.4	4.4	5.0	7.9	12.9	14.6	31.6
Earnings per share, SEK ¹	-0.98	1.20	0.83	0.94	1.46	2.38	2.66	5.43
Income property management per share, SEK ¹	1.41	1.60	1.49	1.42	1.55	1.57	1.52	1.44
Cash flow fr operating activities per share, SEK ¹	1.38	1.31	1.29	1.69	1.99	1.07	1.57	1.82
EPRA NRV per share, SEK ¹	89.07	90.41	92.08	90.64	89.28	87.60	88.52	86.33
Share price as % of EPRA NRV	85.8	86.3	86.2	86.6	75.4	81.7	111.4	119.0
Carrying amount of properties	56,036	56,629	55,701	55,179	54,488	51,760	50,618	50,033
Equity	22,771	23,086	23,642	23,380	23,077	22,607	22,769	21,948
Total assets	57,738	58,351	57,474	56,809	56,342	53,744	52,168	51,152

Definitions of key ratios are available on page 24-25.

1) Recalculation has been made for completed share split 2:1 in May 2022.

Consolidated segment reporting January–September

Property management SEK m	Malmö		Helsingborg		Lund		Copenhagen		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Rental income	1,040	888	679	611	475	420	719	527	2,912	2,447
Property costs	-236	-211	-169	-154	-138	-124	-264	-228	-808	-718
Operating surplus	804	677	510	458	336	296	454	299	2,104	1,729

In the Group's internal reporting, activities are divided into the above segments, which are the same as described in the latest annual report. For a more detailed description of segments, see the annual report for 2022 pages 45-67. The total operating surplus shown above corresponds with the operating surplus recorded in the income statement.

The difference between the operating surplus of SEK 2,104 million (1,729) and the pre-tax profit of SEK 413 million (2,528) consists of central administration SEK -67 million (-67), financial net SEK -688 million (-246), share in results SEK 32 million (9) and changes in value of properties and derivatives SEK -968 million (1,103).

Parent company's income statement summary			
SEK m	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Income	167	158	219
Expenses	-164	-157	-212
Operating profits	3	1	7
Financial income	974	1,836	2,506
Financial expenses	-755	-511	-726
Pre-tax profit	222	1,326	1,787
Appropriations	-	-	297
Tax	15	-144	-135
Profit for the period	237	1,182	1,949

Parent company's balance sheet summary			
SEK m	2023-09-30	2022-09-30	2022-12-31
Participations in Group companies	10,657	9,441	10,651
Receivables fr Group companies	18,460	17,958	17,306
Derivatives	657	730	696
Other assets	294	295	291
Cash and bank balances	24	213	41
Total assets	30,092	28,637	28,985
Equity	7,055	7,005	7,772
Liabilities to credit institutions	20,917	19,596	19,031
Derivatives	6	-	1
Liabilities to Group companies	1,893	1,815	1,962
Other liabilities	221	221	219
Total equity and liabilities	30,092	28,637	28,985

Key figures for the group				
SEK m	Jan-Sep 2023	Jan-Sep 2022	Oct-Sep 2022/2023	Jan-dec 2022
Financial				
Return on equity, %	1.9	11.8	2.7	10.1
Return on total capital, %	3.1	5.8	3.4	5.5
Equity/assets ratio, %	39.4	41.0	39.4	41.2
Interest coverage ratio, multiple	3.0	6.6	3.1	5.6
Leverage properties, %	50.5	49.2	50.5	48.6
Debt/equity ratio, multiple	1.2	1.2	1.2	1.2
Share-related				
Earnings per share, SEK	1.05	6.50	1.99	7.44
Earnings per share before tax, SEK	1.34	8.22	2.59	9.47
EPRA EPS, SEK	4.19	4.19	5.45	5.45
Cash flow from operations per share, SEK	3.98	4.63	5.67	6.32
EPRA NDV (net disposal value) per share, SEK	74.07	75.06	74.07	76.05
EPRA NRV (net reinstatement value) per share, SEK	89.07	89.28	89.07	90.64
Market value per share, SEK	76.45	67.35	76.45	78.50
Proposed dividend per share, SEK	-	-	-	3.10
Dividend yield, %	-	-	-	3.9
Total return from share, %	-	-	-	-20.6
P/E-ratio I, multiple	54.6	7.8	38.4	10.5
P/E-ratio II, multiple	13.7	12.1	14.0	14.4
Number of shares at the end of period, thousands	307,427	307,427	307,427	307,427
Average number of shares, thousands	307,427	307,427	307,427	307,427
Property-related				
Number of properties	305	305	305	306
Carrying amount of properties, SEK m	56,036	54,488	56,036	55,179
Estimated investment yield, % – all properties	5.1	4.5	5.1	5.0
Estimated direct return, % – excl project properties	5.3	4.8	5.3	5.4
Lettable area, m ²	2,267,190	2,231,062	2,267,190	2,228,929
Rental income, SEK per m ²	1,884	1,678	1,884	1,871
Operating surplus, SEK per m ²	1,250	1,091	1,250	1,245
Financial occupancy rate, % – all properties	92	92	92	91
Financial occupancy rate, % – excl project properties	93	93	93	93
Estimated surplus ratio, %	72	71	72	73
Employees				
Number of FTEs at period end	219	256	219	256



"We shape our buildings, thereafter they shape us." The quote is from Winston Churchill and a recurring theme for Wihlborgs' arrangements during the WTA Nordea Open in Båstad. Discussion revolved around subjects such as the human impact of our physical environment and buildings, and the ideas behind the Vista office building (Bläckhornet 1) being built in Hyllie. The annual Capital Market Days, where Wihlborgs is one of the host companies, was also held in Båstad.

Key figures

Basis for key ratios

The basis for key financial ratios that Wihlborgs present on page 22, are shown below.

The following financial targets have been established by the Board:

- A return on equity that exceeds the risk-free interest rate* by not less than six percentage points, which for the beginning of 2023 corresponds to 8.51 percent
- The loan-to-value ratio is not to exceed 60 percent
- An equity/assets ratio of no less than 30 percent
- An interest coverage ratio of no less than 2.0

*) Risk-free interest rate is defined as the rate on a 5-year Swedish government bond.

Unless otherwise stated, amounts are in SEK million.	2023-09-30	2022-09-30	2022-12-31
Return on equity			
Profit for the period	323	1,998	2,288
Annualized	431	2,664	2,288
Equity, opening balance	23,380	21,948	21,948
Equity, closing balance	22,771	23,077	23,380
Average equity	23,076	22,513	22,664
Return on equity, %	1.9	11.8	10.1
Return on capital employed			
Profit before tax	413	2,528	2,911
Interest expense (incl value changes interest derivatives)	750	-438	-255
Total	1,163	2,090	2,656
Annualized	1,551	2,787	2,656
Total assets, opening balance	56,809	51,152	51,152
Total assets, closing balance	57,738	56,342	56,809
Non-interest bearing debt, opening balance	-6,465	-5,764	-5,764
Non-interest bearing debt, closing balance	-6,508	-6,293	-6,465
Average capital employed	50,787	47,719	47,866
Return on capital employed, %	3.1	5.8	5.5
Equity/assets ratio			
Equity	22,771	23,077	23,380
Total assets	57,738	56,342	56,809
Equity/assets ratio, %	39.4	41.0	41.2
Interest coverage ratio			
Income from property management	1,381	1,425	1,861
Interest expense	700	256	404
Total	2,081	1,681	2,265
Interest expense	700	256	404
Interest coverage ratio, multiple	3.0	6.6	5.6
Leverage properties			
Borrowings	28,317	26,816	26,806
Net value investement properties	56,036	54,488	55,179
Leverage properties, %	50.5	49.2	48.6
Debt/equity ratio			
Interest-bearing liabilities	28,453	26,972	26,962
Equity	22,771	23,077	23,380
Debt/equity ratio, multiple	1.2	1.2	1.2

	2023-09-30	2022-09-30	2022-12-31
Earnings per share			
Profit for the period	323	1,998	2,288
Average number of shares, thousands	307,427	307,427	307,427
Earnings per share, SEK	1.05	6.50	7.44
Earnings per share before tax			
Profit before tax	413	2,528	2,911
Average number of shares, thousands	307,427	307,427	307,427
Earnings per share before tax, SEK	1.34	8.22	9.47
EPRA EPS			
Income from property management	1,381	1,425	1,861
Tax depreciation, direct tax deductions etc	-935	-769	-972
Taxable income from property management	446	656	889
Current tax on the above	-93	-137	-186
Income from property management after deduction of current tax	1,288	1,288	1,675
Average number of shares, thousands	307,427	307,427	307,427
EPRA EPS, SEK	4.19	4.19	5.45
Operating cash flow per share			
Operating cash flow	1,223	1,423	1,942
Average number of shares, thousands	307,427	307,427	307,427
Operating cash flow per share, SEK	3.98	4.63	6.32
EPRA NDV per share			
Equity	22,771	23,077	23,380
Number of shares at year end, thousands	307,427	307,427	307,427
EPRA NDV per share, SEK	74.07	75.06	76.05
EPRA NRV per share			
Equity	22,771	23,077	23,380
Deferred tax liability	5,264	5,100	5,180
Derivatives	-651	-730	-695
Total	27,384	27,448	27,865
Average number of shares, thousands	307,427	307,427	307,427
EPRA NRV per share, SEK	89.07	89.28	90.64

	2023-09-30	2022-09-30	2022-12-31
Dividend yield per share			
Proposed dividend, SEK	-	-	3.10
Market price per share at year end, SEK	-	-	78.50
Dividend yield per share, %	-	-	3.9
Total yield per share			
Market price per share at year start, SEK	-	-	102.70
Market price per share at year end, SEK	-	-	78.50
Change in market price during the year, SEK	-	-	-24.20
Dividend paid during the year, SEK	-	-	3.00
Total return per share, %	-	-	-20.6
P/E ratio I			
Market price per share, SEK	76.45	67.35	78.50
Earnings per share, SEK	1.05	6.50	7.44
Annualized per share, SEK	1.40	8.67	7.44
P/E ratio I, multiple	54.6	7.8	10.5
P/E ratio II			
Market price per share, SEK	76.45	67.35	78.50
EPRA EPS, SEK	4.19	4.19	5.45
Annualized per share, SEK	5.59	5.59	5.45
P/E ratio II, multiple	13.7	12.1	14.4

Definitions

Some of the financial metrics that Wihlborgs presents in the interim report are not defined in accordance with IFRS. Wihlborgs is of the opinion that these metrics provide valuable complementary information to investors and the company's management, since they enable evaluation of the company's performance.

As all companies do not apply the same approach to calculating these financial metrics, they are not always comparable to metrics used by other companies. Accordingly, these metrics should not be viewed as replacements for metrics defined under IFRS. On this page, definitions of metrics are presented that, with a few exceptions, are not defined in accordance with IFRS.

Key financial ratios

The key ratios are based on the statements of income, financial position, changes in equity and cash flow. Some of the historic data is compiled from the historical summary on page 21 in Wihlborgs' Interim Report.

Return on equity

Profit for the period as a percentage of average equity, excluding non-controlling interests. Average equity refers to the average of the opening and closing values for the respective period. In interim reports, the return is converted to its annualised value without taking account of seasonal variations. The ratio comprises a measure of the profitability in relation to shareholders' equity.

Return on capital employed (ROCE)

Earnings before interest expense, derivatives and taxes (EBIT) as a percentage of average capital employed. Capital employed is defined as total assets less non-interest-bearing liabilities and provisions. Average capital employed refers to the average of the opening and closing balances for each period. In interim reports, the return is converted to its annualised value without taking account of seasonal variations. The metric shows the return on the capital provided by shareholders and lenders without regard to interest.

Equity/assets ratio

Equity as a percentage of total assets at the end of the period. The ratio provides a measure of the financial strength of the company.

Interest coverage ratio

Income from property management, plus interest expense, divided by interest expense. The ratio measures the degree to which earnings can decline without jeopardising interest payments or, alternatively, how much interest expense can increase before income from property management becomes negative.

Loan-to-value ratio, properties

Borrowings as a percentage of the properties' carrying amounts. The ratio shows the degree of borrowing on the property portfolio.

Surplus ratio

The operating surplus, shown as a percentage of rental income. The ratio illustrates the proportion of rental income that remains after deducting property management costs.

Debt/equity ratio

Interest-bearing liabilities relative to equity. Interest-bearing liabilities include borrowings, lease liabilities and any other interest-bearing liabilities. The ratio illustrates the relationship between borrowings and equity and, thereby, the gearing and financial strength.

Investment yield

The operating surplus shown as a percentage of the properties' average carrying amount. The average carrying amount refers to the average of the opening and closing values for the respective period. In interim reports, the yield is converted to its annualised value without taking account of seasonal variations. The ratio illustrates the yield on the property portfolio without taking account of its financing costs.

Net Debt / EBITDA

Borrowings minus liquid assets in the financial statements, measured at five measurement occasions (quarterly) in the last twelve months, divided by operating surplus minus central administration, rolling twelve months. The key figure shows the company's earning capacity relative to borrowings, net.

Share-related key ratios

Earnings per share for the period

Earnings for the period divided by the average number of shares outstanding. Earnings per share are the same before and after dilution. Definition according to IFRS.

Earnings per share before tax

Earnings per share before tax divided by the average number of shares outstanding.

EPRA EPS

Income from property management less the estimated tax payable on taxable income from property management divided by the average number of shares outstanding. Taxable income from property management is defined as income from property management less fiscal depreciation/amortisation and direct deductions. The effect of loss carryforwards is not taken into consideration.

Cash flows from operating activities per share

Cash flows from operating activities divided by the average number of shares outstanding.

EPRA NDV - Net disposal value, per share

The closing balances for equity divided by the number of shares at the end of the period.

EPRA NRV - Net reinstatement value, per share

The closing balances for equity following the reversal of interest-rate derivatives and deferred tax according to the balance sheet, divided by the number of shares at the end of the period.

Dividend yield per share

Proposed dividend as a percentage of the year-end share price.

Total yield per share

Share price performance plus actual dividend relative to the share price at the start of the year.

P/E ratio I, multiple

Market price per share divided by earnings per share. In interim reports, the ratio is converted to its annualised value without taking account of seasonal variations.

P/E ratio II, multiple

Market price per share divided by EPRA RPS per share. In interim reports, the ratio is converted to its annualised value without taking account of seasonal variations.

Average fixed interest period

Time remaining until the interest on all interest bearing debts in average has been adjusted.

Average loan maturity

Time remaining until an average of all interest bearing debts has been refinanced.

Property-related key figures*

These key figures are based on the property table on page 10. The table shows the estimated rental value, rental income and property expenses on an annualised basis with an unchanged property portfolio, based on the contract stock on the first day after the end of the period.

Rental value

Rental income plus estimated market-level rents for unlet space.

Estimated investment yield

Operating surplus as a percentage of the carrying amount for the properties at the end of the period.

Rental income per m²

Rental income on an annualised basis divided by lettable area.

Operating surplus per m²

Operating surplus divided by lettable area.

Economic occupancy rate

Rental income as a percentage of rental value.

Estimated surplus ratio

Operating surplus as a percentage of rental income.

Net Lettings

New lettings during the period less terminations to vacate.

Like-for-like

Excludes properties that both current and comparative period are classified as projects/land, acquired or sold.

*) These key figures are operational and are not regarded as alternative key ratios according to ESMA's guidelines.

Calendar

Year-end report 2023.....	13 February 2024
Interim report Jan-Mar 2024.....	23 April 2024
Annual General Meeting.....	24 April 2024
Interim report Jan-Jun 2024.....	8 July 2024

Wihlborgs' interim reports and the Annual Report are distributed electronically.

The Annual Report is printed in Swedish and sent to any shareholders notifying the Company that they wish to receive it in printed form.

Press releases Q3 2023

Wihlborgs receives Sweden's first NollCO2 certification

for a building containing a lab. 27 September 2023

Two food wholesalers choose Wihlborgs property in Helsingborg 20 September 2023

New member of Wihlborgs Nomination Committee..... 15 August 2023

Interim report jan-jun 2023: All time high operating surplus..... 10 July 2023

Wihlborgs acquires property of 3 900 sqm in east Copenhagen 5 July 2023

Wihlborgs' interim report for January-June 2023 will be presented on 10 July..... 3 July 2023

This interim report is information of such a kind that Wihlborgs Fastigheter AB (publ) is legally required to disclose pursuant to the EU's Market Abuse Regulation and the Swedish Securities Market Act. The information was submitted for publication through the agency of the contact people at the next side on 24 October at **07.30 CEST**.

Welcome to us.

Being able to adapt to developments in society to remain relevant has always been our strength. Wihlborgs is growing and developing every day, especially during these challenging times. This is all so we can be the customer-centric, long-term and region-building company that we are.

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