

# Akelius Residential Property AB (publ)

interim report, January to September 2020

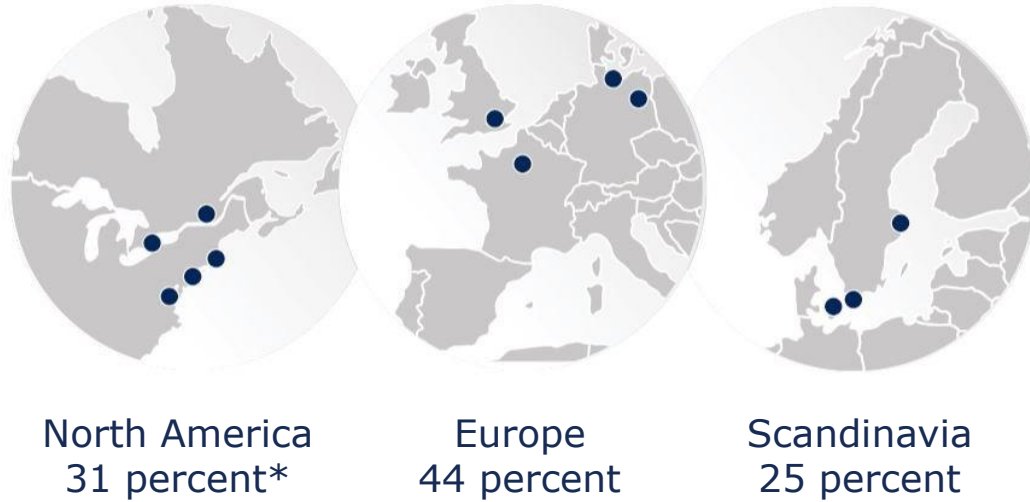


Obentrautstraße 25, Kreuzberg, Berlin



118 Roncesvalles Avenue, Old Toronto, Toronto

# Akelius at a glance



## key metrics as at 2020-09-30

property fair value	EUR 11,951 million
residential share <sup>1)</sup>	98 percent
cities	12
number of apartments	44,100
real vacancy rate <sup>2)</sup>	1.9 percent
loan-to-value <sup>3)</sup>	38 percent
interest coverage ratio <sup>4)</sup>	2.5x
walk score <sup>5)</sup>	88

\*) percentages represent share of fair value in portfolio

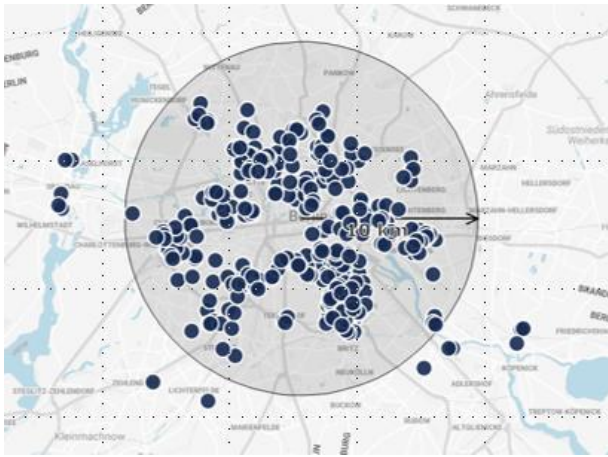


- 1) residential share: a residential property has more than fifty percent residential area
- 2) the total number of vacant apartments less the number of apartments due to renovation work or planned sales, in relation to the total number of apartments.
- 3) loan-to-value: Net Debt/Net Assets
- 4) ICR: Adjusted EBITDA/Net Interest Expenses, excluding realised value growth
- 5) walk score measures walkability from 0 to 100 based on walking routes to destinations such as grocery stores, schools, parks, and retail outlets, [www.walkscore.com](http://www.walkscore.com)

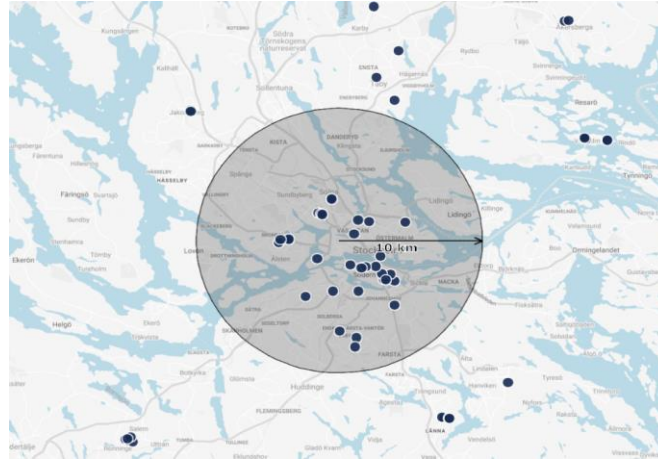
# focus on metropolitan cities with high population growth

central locations give low vacancy risk, diversification reduces risk even further

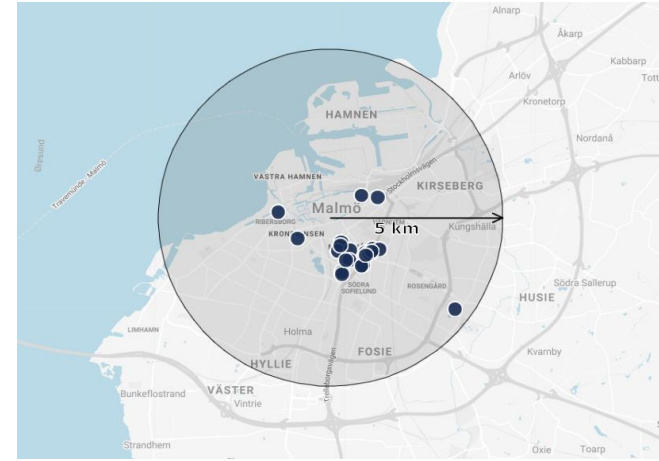
**Berlin** – walk score 91  
share of fair value – 26 percent



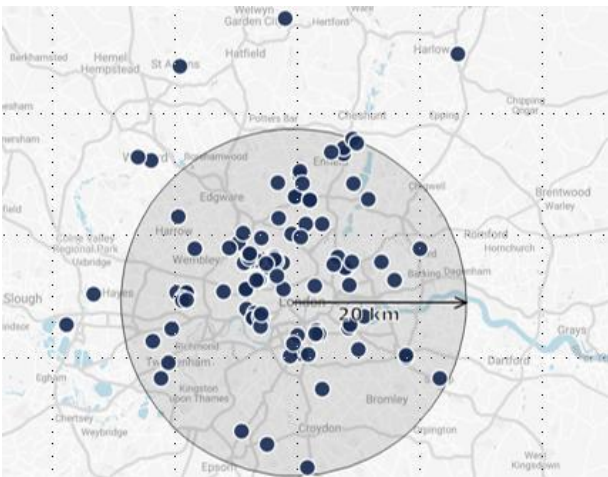
**Stockholm** – walk score 72  
share of fair value – 14 percent



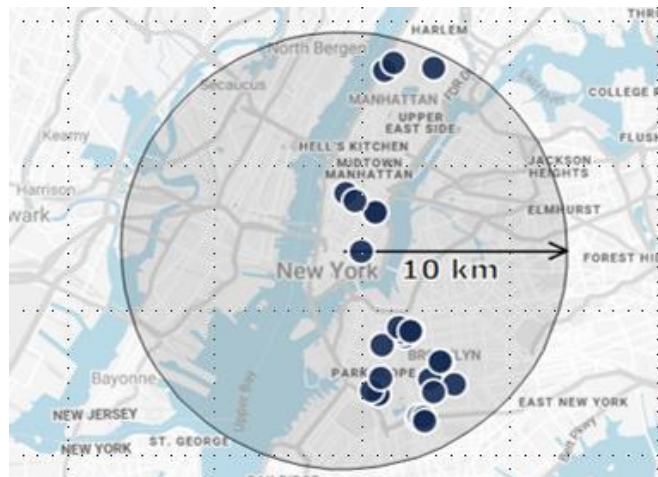
**Malmö** – walk score 89  
share of fair value – 8 percent



**London** – walk score 85  
share of fair value – 8 percent



**New York** – walk score 97  
share of fair value – 8 percent

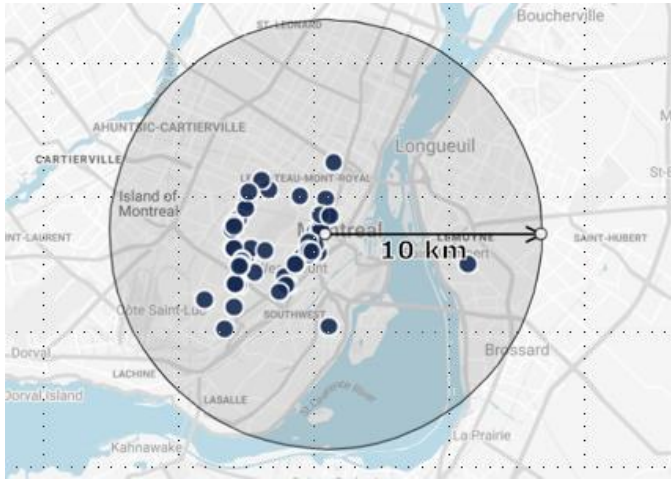


**Toronto** – walk score 77  
share of fair value – 7 percent

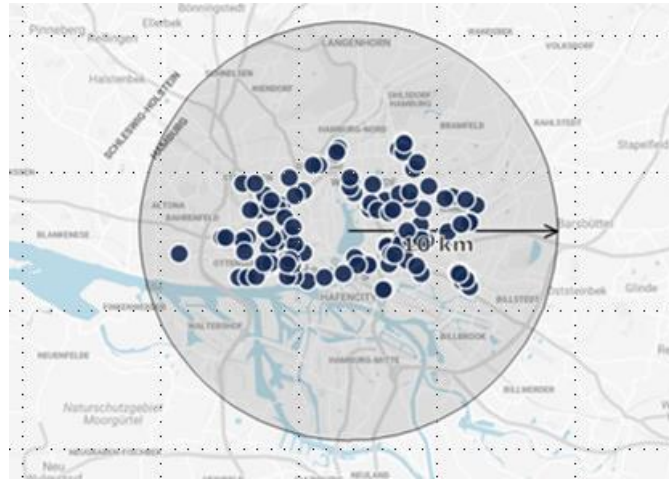


# focus on metropolitan cities with high population growth

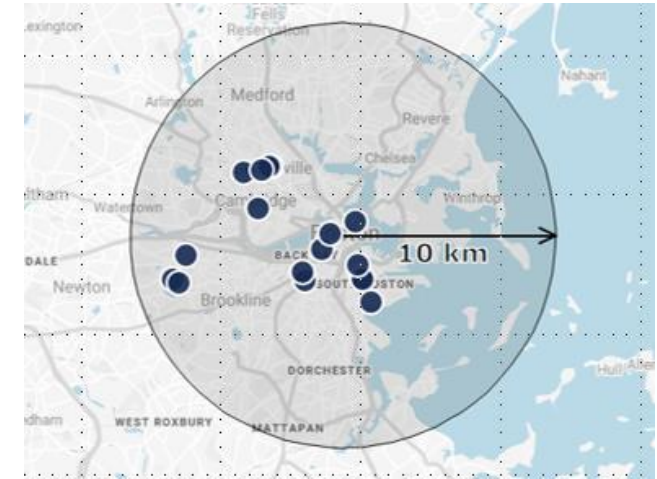
**Montreal** – walk score 82  
share of fair value – 7 percent



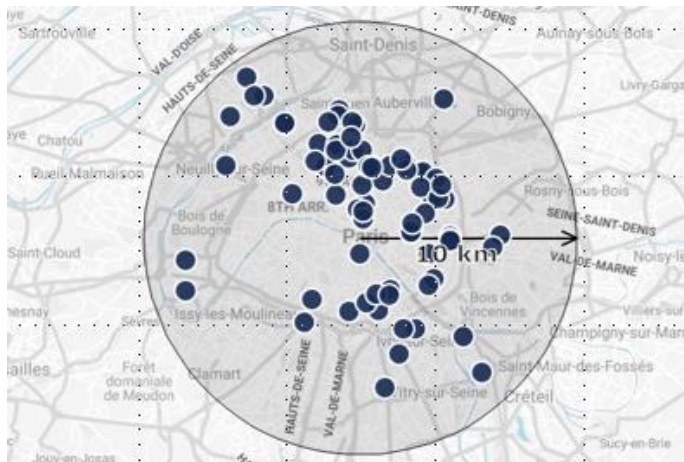
**Hamburg** – walk score 91  
share of fair value – 7 percent



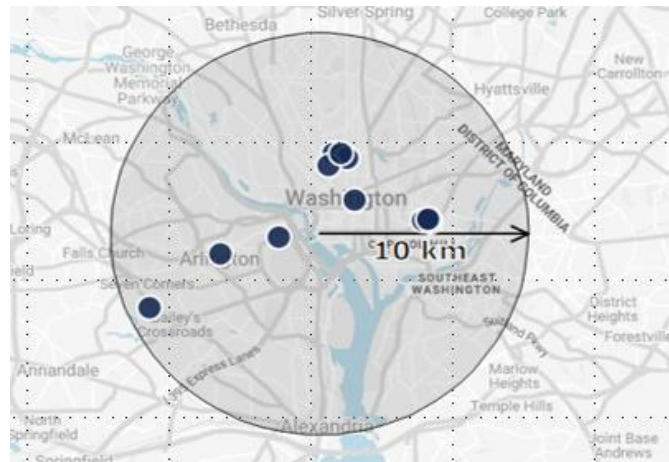
**Boston** – walk score 92  
share of fair value – 5 percent



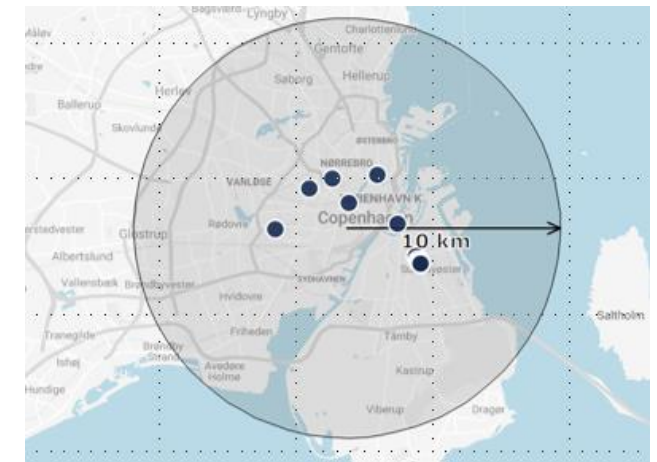
**Paris** – walk score 97  
share of fair value – 4 percent



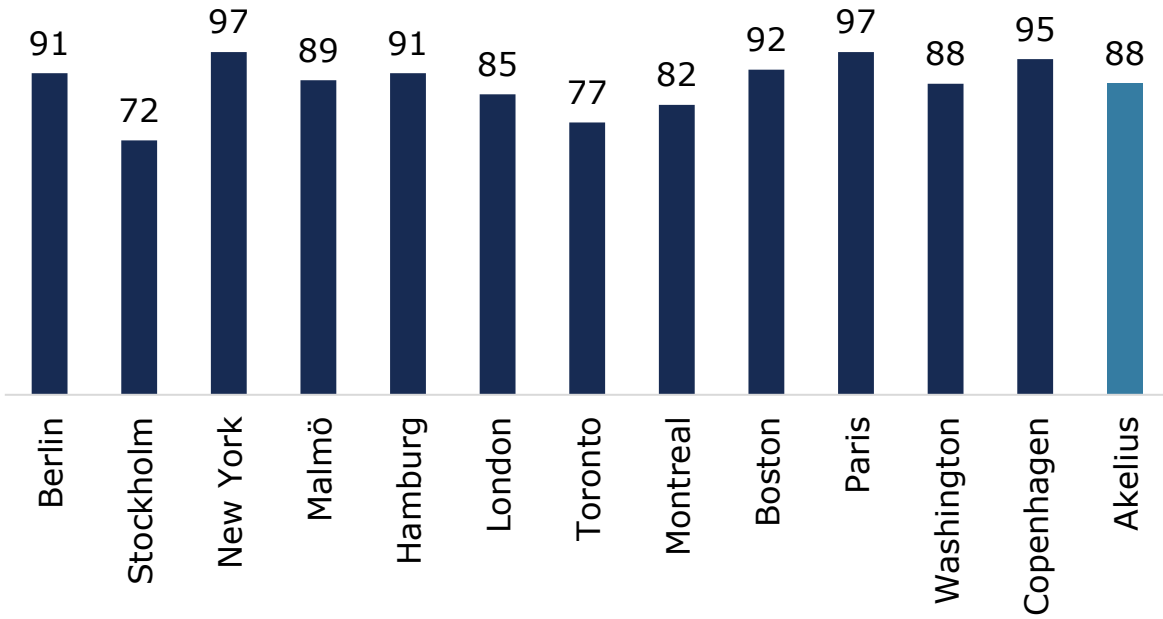
**Washington D.C.** – walk score 88  
share of fair value – 4 percent



**Copenhagen** – walk score 95  
share of fair value – 3 percent



# very walkable locations



**score**  
90-100 walker's paradise  
70-90 very walkable  
50-70 somewhat walkable  
0-50 car dependent

source: [www.walkscore.com](http://www.walkscore.com)  
Walk score measures walkability from 0 to 100 based on walking routes to destinations such as grocery stores, schools, parks, and retail.



view from 28 rue Hermel, Paris  
a prime location with a walk score of 100

luxury: 0 %

A+ locations  
extraordinary buildings,  
extraordinary service



London  
Kensington

prime: 52%

A+ to B+ locations  
soulful, attractive  
buildings



Holländische Reihe  
Hamburg  
Ottensen

acquired 2008

mid: 35%

B+ to B locations  
regular buildings



Brettnacher Straße  
Berlin  
Zehlendorf

acquired 2007

entry: 13%

B to B- locations  
regular buildings,  
"Plattenbau"



Greta-Garbo-Straße  
Berlin  
Pankow

acquired 2013

discount: 0 %

C+ to C- locations  
"Plattenbau", socially  
challenging areas



Stockholm  
Fittja

prime 52 percent of portfolio



**Stockholm**  
Södermalm



**New York**  
Brooklyn



**Berlin**  
Schöneberg

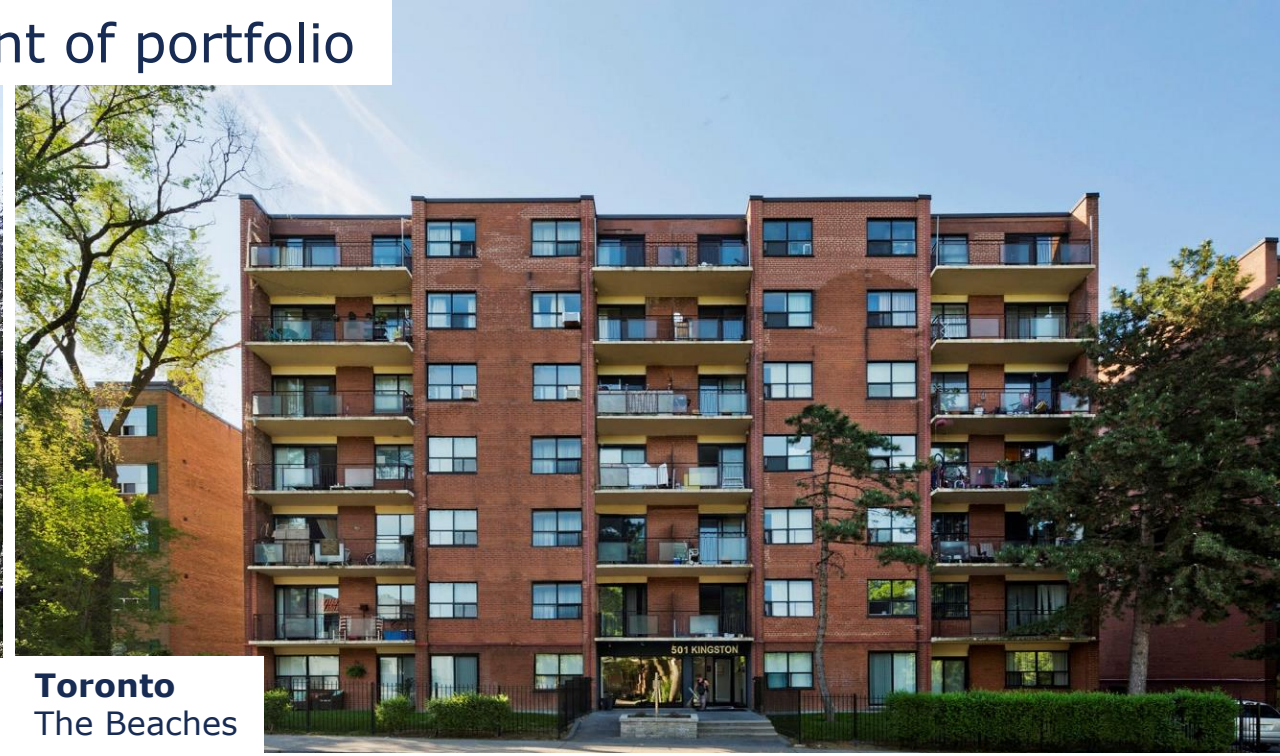


**Paris**  
5th District

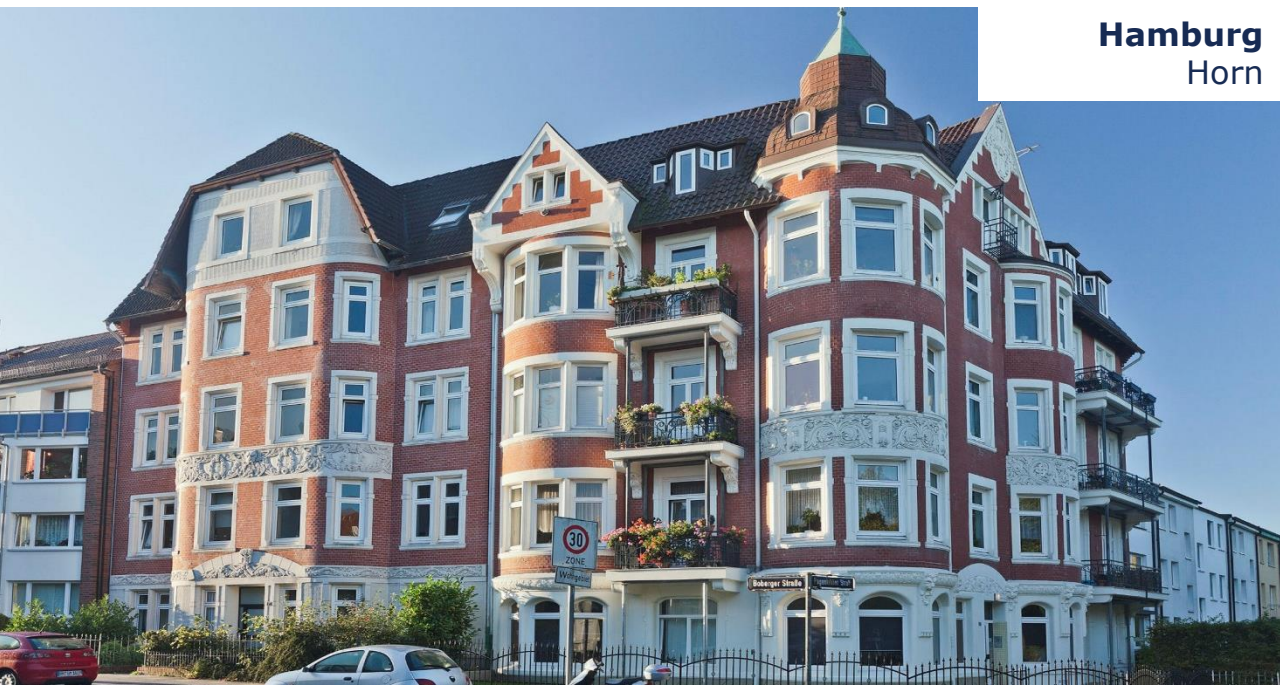
mid 35 percent of portfolio



**Berlin**  
Wedding



**Toronto**  
The Beaches



**Hamburg**  
Horn



**London**  
Clapham



entry 13 percent of portfolio



**Berlin**  
Lichterfelde



**Stockholm**  
Åkersberga



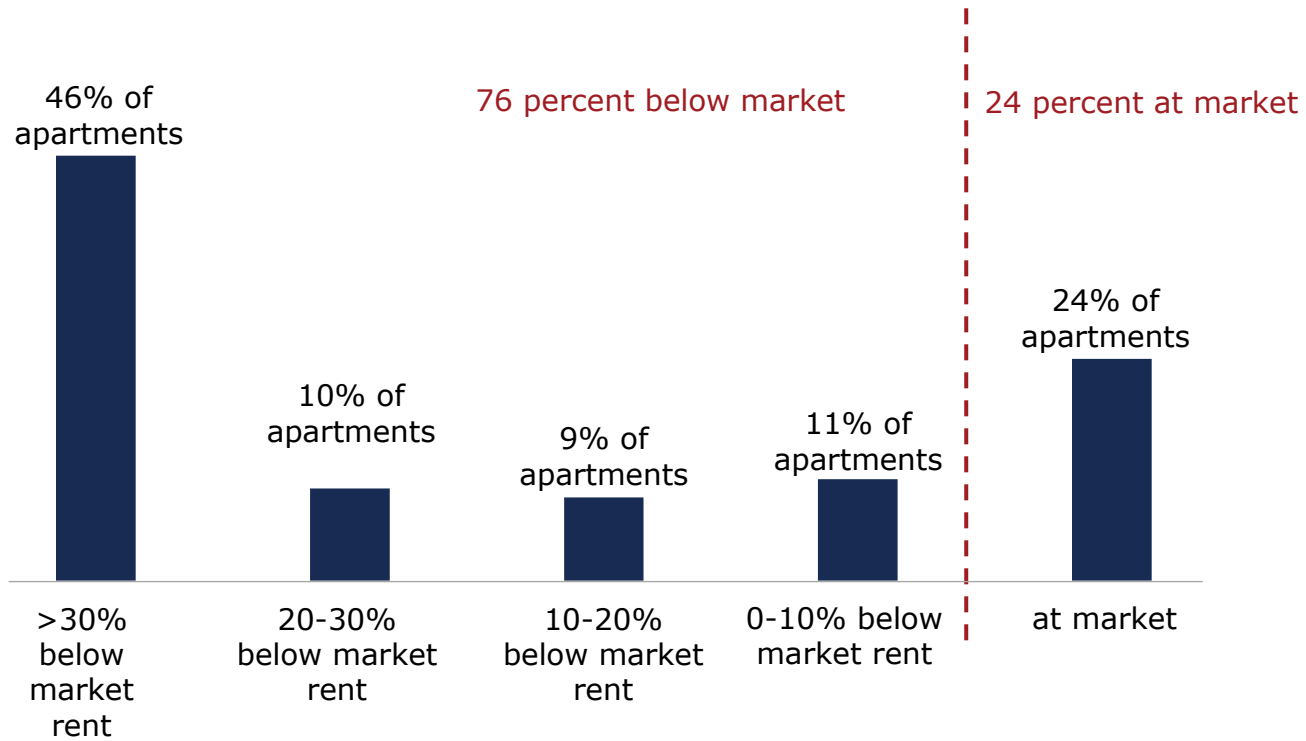
**Washington**  
Falls Church



**Malmö**  
Almgården

# rent is below the market due to regulations

less sensitive to market developments

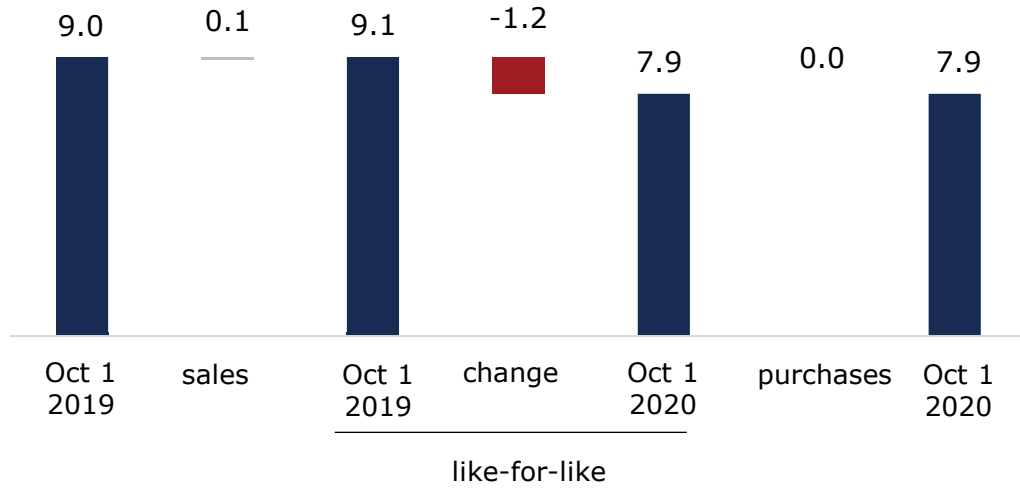


Akelius' own assessment



1650 Harvard Street, Washington D.C.

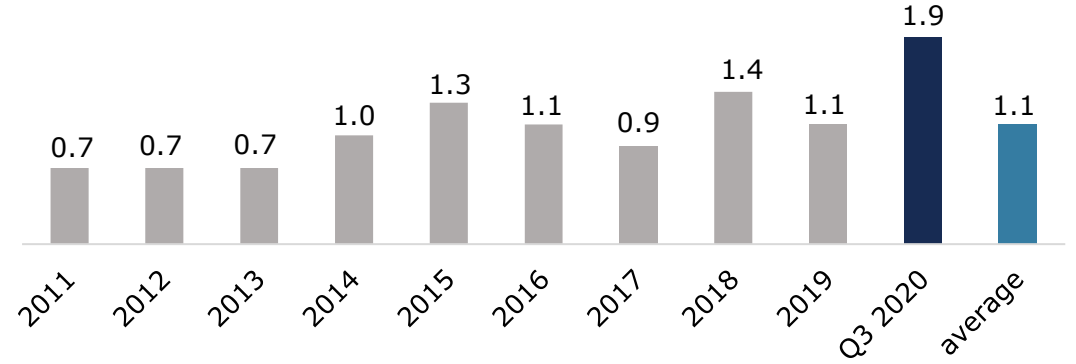
development vacancy  
percent



real vacancy 1.9 percent

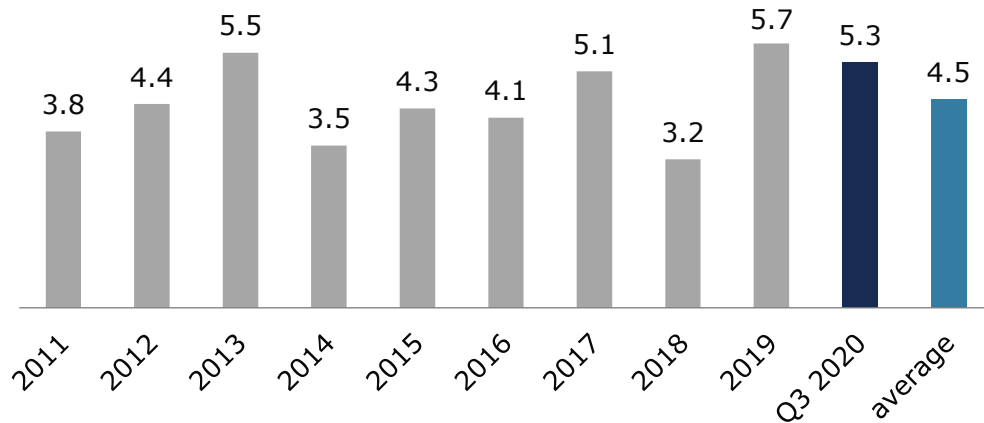
real vacancy excludes vacancy due to upgrades and disposals

percent



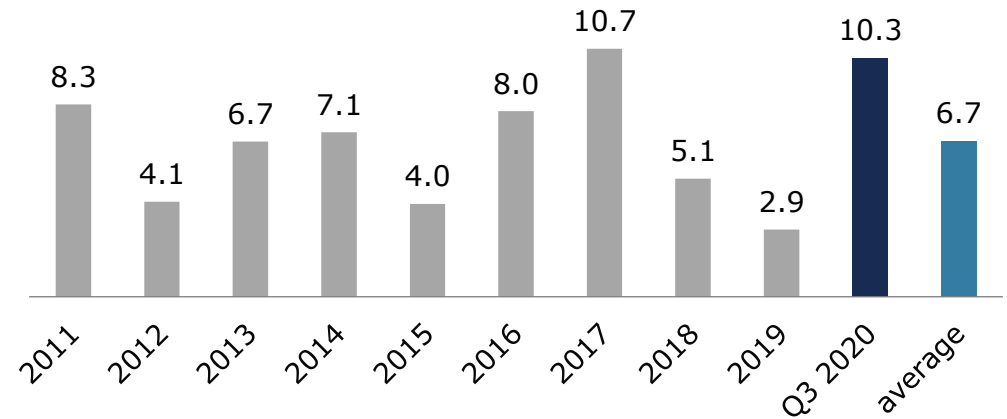
rental income growth 4.5 percent on average

like-for-like, percent



net operating income growth 6.7 percent on average

like-for-like, percent

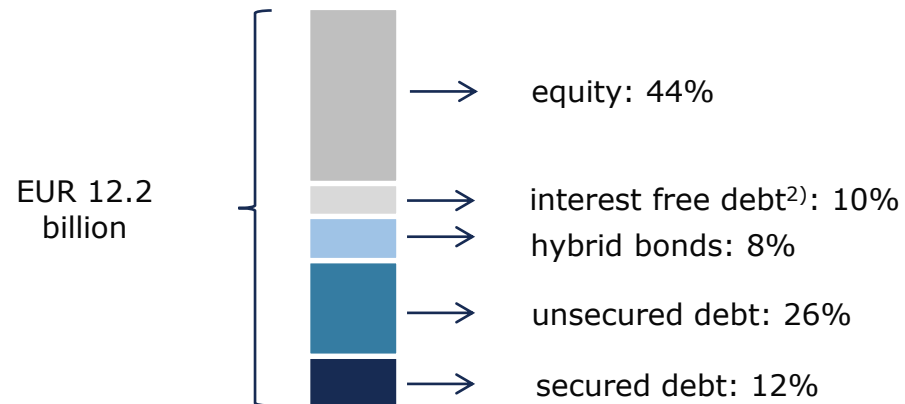


# financing

## financial policy

	<b>policy</b>	<b>2020-09-30</b>
rating	min BBB	BBB
interest coverage ratio <sup>1)</sup>	min 2.0	2.5
loan-to-value	max 40 percent	38 percent
unencumbered asset ratio	min 150 percent	202 percent
liquidity, EUR million	300	717
cash uses to cash sources	min 1.0	5.16

## capital structure



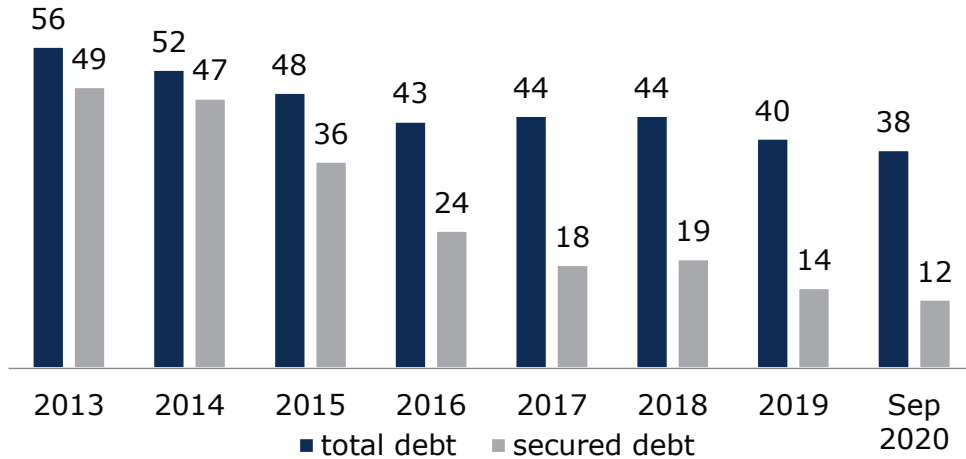
1) excluding realized value growth

2) interest free debt: deferred tax, derivatives, other liabilities

# low financial risk through a conservative financial policy

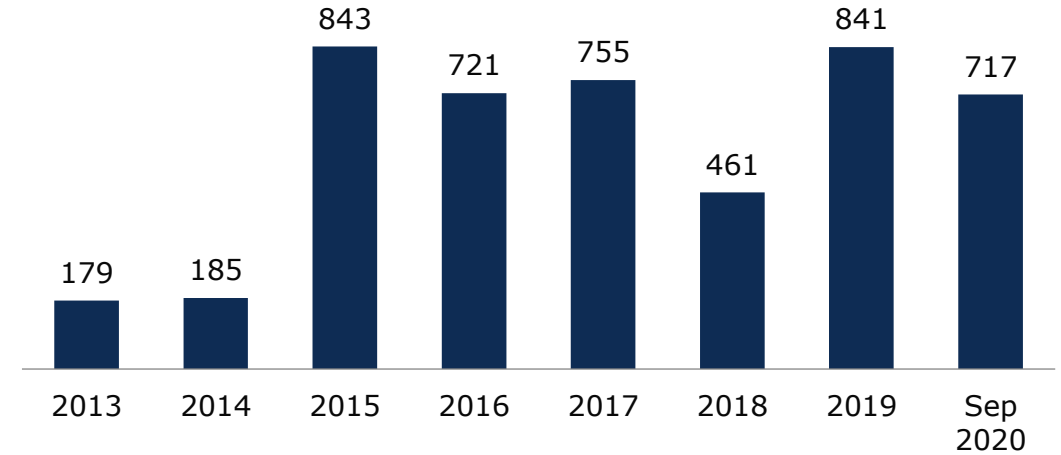
## loan-to-value<sup>1)</sup>

percent

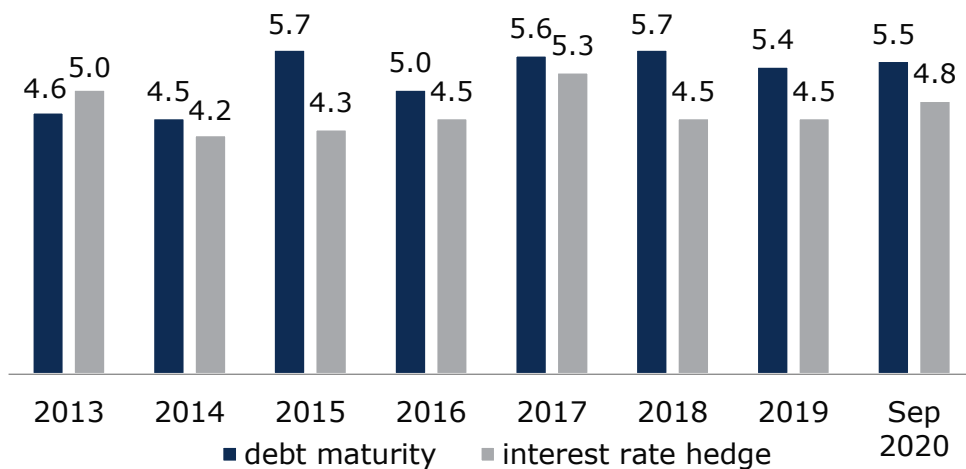


## liquidity<sup>2)</sup>

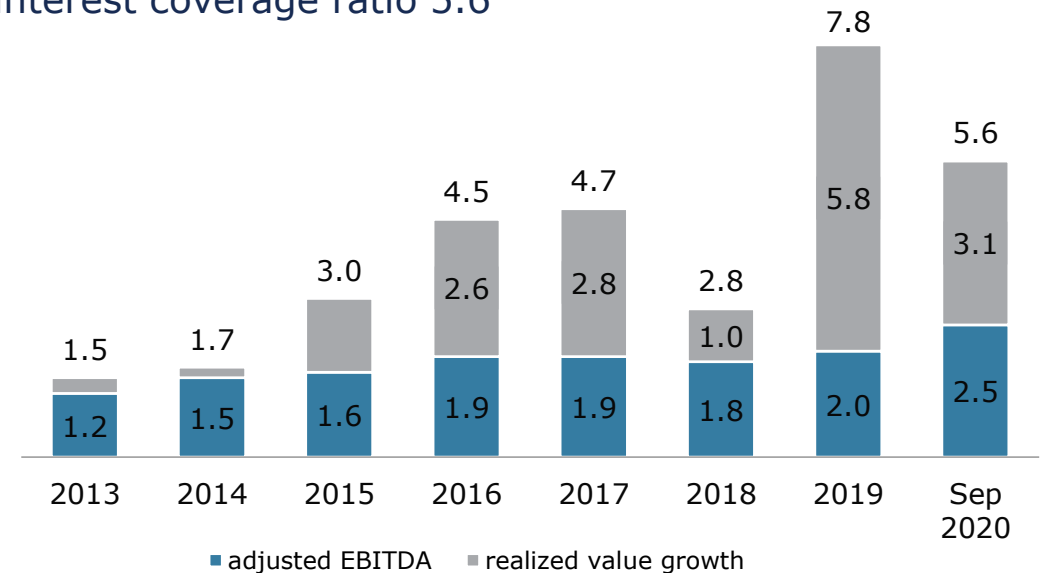
EUR million



## average interest rate duration and capital tied-up, senior debt, years



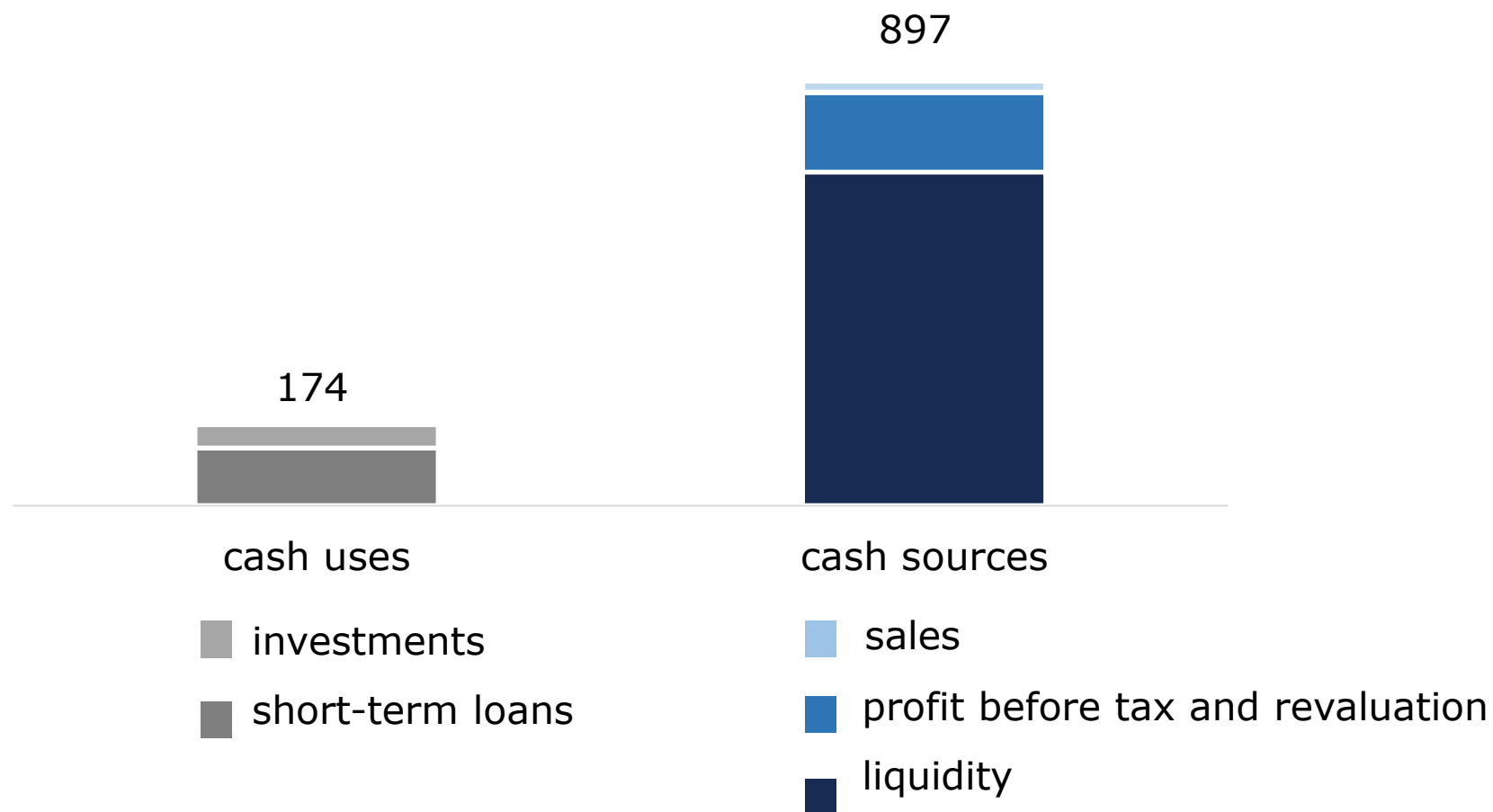
## interest coverage ratio 5.6



1) loan-to-value total loans = net debt to net assets. Loan-to-value secured loans = net secured debt to net assets  
 2) liquidity is cash and cash equivalent and unused but available credit facilities per 2020-09-30

cash sources EUR 723 million larger than cash uses

EUR million



as at 2020-09-30

Akelius



business risk

*better end of* Strong

financial risk

significant

issuer

BBB, stable outlook

senior unsecured

BBB

**safety first**