

**“Our earnings are increasing and we have a unique position in the expanding market in northern Sweden.”**

**Knut Rost, CEO**

**Q3**

## Highlights for the quarter

Revenue increased by 16 per cent to SEK 559m (480).

Property management income increased by 8 per cent to SEK 283m (261).

Unrealised changes in value of properties were SEK -432m (242) and unrealised changes in value of derivatives were SEK 2m (7).

The profit after tax was SEK -120m (402).

Earnings per share were SEK -0.84 (2.98).

## Highlights for the period

Revenue increased by 12 per cent to SEK 1,641m (1,467).

Property management income increased by 11 per cent to SEK 868m (780).

Unrealised changes in value of properties were SEK 207m (922) and unrealised changes in value of derivatives were SEK 117m (21).

The profit after tax was SEK 944m (1,359).

Earnings per share were SEK 6.67 (10.05).

### Summary of earnings, SEKm

	2022 3 mos Jul-Sep	2021 3 mos Jul-Sep	2022 9 mos Jan-Sep	2021 9 mos Jan-Sep	2021 12 mos Jan-Dec
Revenue	559	480	1,641	1,467	1,967
Operating surplus	388	325	1,104	968	1,289
Property management income	283	261	868	780	1,030
Profit before tax	-146	510	1,192	1,723	2,872
Profit after tax	-120	402	944	1,359	2,324
Surplus ratio, %	70	68	69	68	68
Occupancy rate, %	91	89	91	89	89
Return on equity, % <sup>1</sup>			17.1	19.1	22.1
Property management income per share, SEK <sup>1</sup>			8.0	7.5	7.6
Equity ratio, %			38.1	36.5	40.2
Property loan-to-value ratio, %			51.8	52.7	48.6
Equity per share, SEK			86.3	75.1	83.6
EPRA NRV per share, SEK			101.1	88.3	97.7

*There is no dilutive effect, as no potential shares (such as convertibles) exist.*

<sup>1</sup>Rolling 12-month basis

## Significant events

- Diös completed a new 14,500-sq.m hotel in Umeå in an investment totalling SEK 418m. The property is fully let, the agreement is signed for 15 years and the tenant took occupancy of the premises on 1 September.
- Diös acquires a property for SEK 177m in Sundsvall. Completion on 15 September 2022.
- Diös signs a six-year green lease covering 2,500 sq.m with the Swedish Tax Agency in central Sundsvall.

# 38.1%

Equity ratio

# 51.8%

Loan-to-value ratio

# 69%

Surplus ratio

# 5.7

Interest coverage ratio, times

## Chief Executive's review

# Continued high leasing activity in a strong market in a troubled world

**With net leasing of SEK 20m, a surplus ratio of 70 per cent and a strengthened occupancy rate of 91 per cent, we are delivering a very good operating profit for the third quarter. Our ability to act and our strong cash flow give us the tools needed for a new business climate and a changing world.**

Active letting work, together with renegotiations, acquisitions and completed projects, form the basis for the positive development. Property management income, which for the period was SEK 868m, increased by 11 per cent compared with the same period last year, and net leasing are at strong SEK 59m. For the quarter, property management income was SEK 283m, an increase of 8 per cent compared with the same period last year. It comes from generally higher rent levels, fewer terminations and reduced vacancies and a larger property portfolio.

The property value is SEK 31bn and in the third quarter it was positively impacted by new rental income from completed projects and by acquisitions. We have a negative unrealised effect, which comes from a higher return requirement at 15 basis points due to rising interest rates and an increased risk premium. This is mostly offset by an expected increase in cash flow from indexing and continued good business in an attractive market. Regarding property values in our part of Sweden, I am still convinced that good properties with the right location, and a market-based cash flow will have the best development.

We are in a changing world where we are leaving a low interest rate environment, resulting in rising financial expenses. The new business climate and the new financial circumstances mean that we are carefully considering our investment decisions and have a clear action plan. We have 77 per cent of our financing in banks, SEK 1,400m in liquidity and unused credit facilities and a secured loan-to-value ratio

of 43 percent. We will also add additional borrowing space via completed projects during the fourth quarter. This, together with our strong banking relationships, makes us feel comfortable ahead of upcoming refinancing in 2023.

Through a long-term electricity trading strategy, we have also secured our access to renewable electricity at a stable, predictable and advantageous price despite an uncertain energy market. 74 per cent of our portfolio is located in electricity trading areas 1 and 2. The market we operate in is in the largest investment boom of all time, with the green transition in focus and the Swedish basic industry under revolutionary growth.

It is especially important to live close to our tenants, something I know that we are doing very well with the pandemic years fresh in our memory. We are active and capable in our cooperation, ranging from development of premises to energy efficiency improvement. We have a very good diversification among tenants, which we see will largely be able to cope with the increasing costs. Among other things, one third of our portfolio consists of tax-funded operations and more than half of the total rental value comes from offices.

**“The fact remains that we are in a growth market – northern Sweden.”**

Our market remains very attractive and demand for offices is high in our cities, which is particularly visible in significant lettings, such as the Swedish Tax Agency's new 2,500-sq.m. office in Sundsvall, the new offices of the Swedish National Government Service Centre in Umeå covering more than 700 sq.m., as well as Sensor Försäkring in Umeå, Svenska Kraftnät in Luleå and the incubator Movexum in Gävle. This trend appears to be continuing. The share of green leases is also continuing to increase.

During the quarter, the majority of projects and transactions were



transferred to management. Among other things, Umeå's new meeting place Clarion Hotel Umeå was inaugurated at the end of September, with the completion of a three-year construction project comprising an annual rental value of SEK 22.3m. During the past quarter, we have also entered into two acquisitions with a total annual rental value of SEK 17.3m: an illustrious hotel in central Sundsvall with a renewed 15-year contract with Choice Hotels and an office and industrial property of approximately 6,000 sq.m., with a related development right for 2,400 sq.m. in the expansive area of Hedensbyn in Skellefteå.

I usually talk about making acquisitions with potential. A brilliant example of this is a newly acquired property in central Östersund, which for several years has had large vacant spaces. After just a few months in our possession, a new premium gym has now established itself there with an annual rental value of SEK 3.7m. We are also upgrading around ten apartments in the property with increased rental income as a result. A true boost for the property and the neighbourhood, a good deal for us and yet another proof of how important it is to be easy to work with, close-by and active in our market.

I am proud of our focus on business and relations, where we continue to live close to both our tenants and our banks. Our strong main owners, our competent capable teams and our unique position in the expansive market in northern Sweden give us the conditions for a bright future, where our focus on a cash flow that remains strong generates value for our tenants, our shareholders and ourselves.

Knut Rost, CEO

# This is Diös

As a market leader in our cities, we develop our properties, city blocks, neighbourhoods and suburban areas, creating growth for our tenants, our shareholders and ourselves. Through our knowledge and long-term sustainable investments in offices, urban service and housing, we offer our tenants the right premises in the right location, leading to a stronger offering, lower vacancies, higher rent levels and increased profitability.

## Business concept

By building good relationships, using our pool of knowledge and taking responsibility, we are developing our cities and creating sustainable long-term value for our tenants, ourselves and our owners.

## Our promise to tenants

### Everything is possible!

We want our tenants to do well and everything is possible! Our tenants are our primary focus – if they thrive, we thrive.

## Mission

To create Sweden's most attractive places with the right content, where people want to be, live, work and meet.

## Core values

**Simple.** We are clear, open and honest.

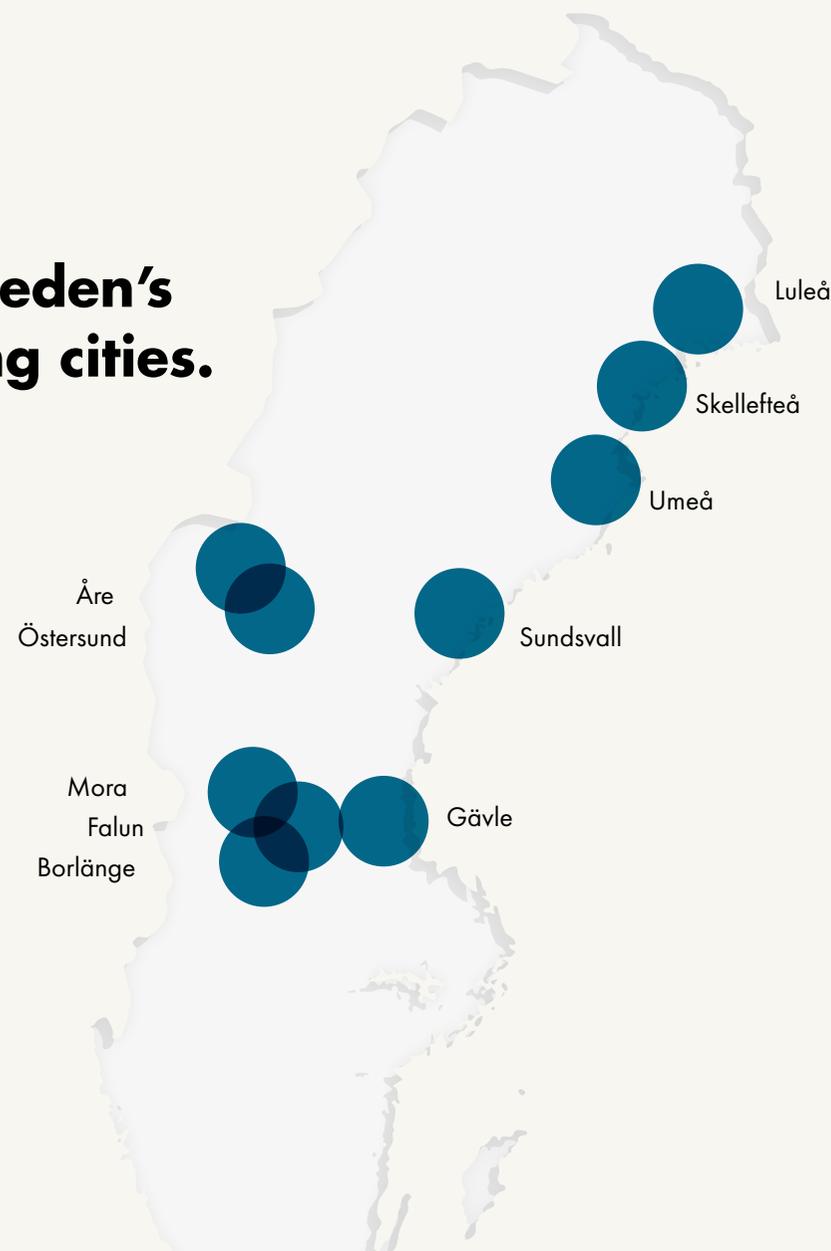
**Close.** We are interested, listen and are available.

**Active.** We turn words into deeds, take our responsibility and dare to make decisions.



## Vision

# To create Sweden's most inspiring cities.





# 361

No. of properties



# 31.1

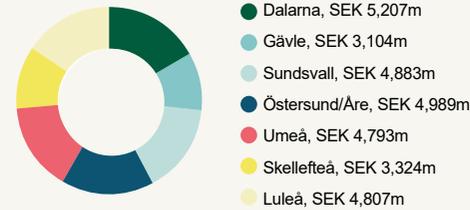
Property value, SEKbn



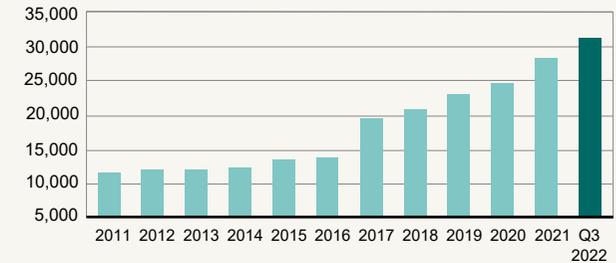
# 1,622

Leasable area, thousand sq.m.

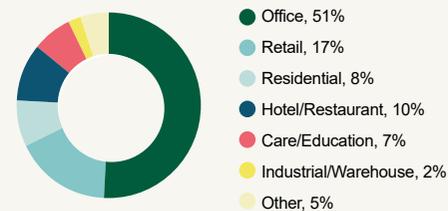
## Property value per business unit, SEKm



## Property value, SEKm



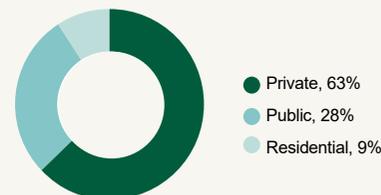
## Rental value by type of premises, %



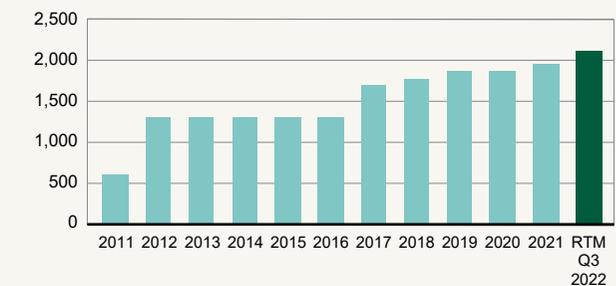
## Property management income, SEKm



## Contract value by category, %



## Rental income, SEKm



# Sustainability

Our sustainability work is part of our everyday life and will lead to long-term sustainable cities.

As a market leader in our ten cities, we have great opportunities to make a difference and create value for our tenants, shareholders and colleagues, as well as for the world around us. Our climate targets have been reviewed and approved by the Science Based Target initiative, SBTi. These targets mean that we must cut our carbon dioxide emissions by at least 50 per cent in Scope 1 and 2 by 2030 in order to reach net zero by 2045, and take responsibility for our impact in Scope 3.

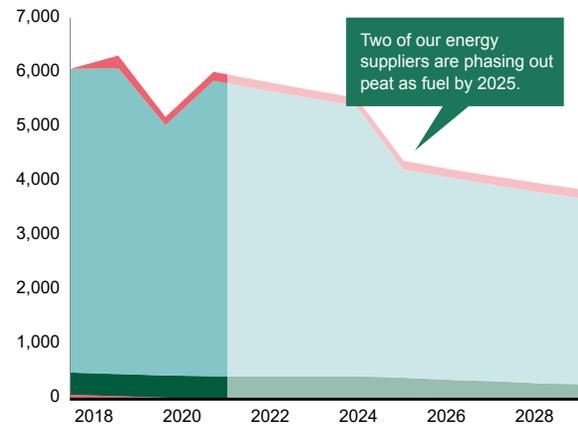
**55% green assets by 2026** are one of our targets. The goal is to drive development of our property portfolio and is measured as a percentage of the market value. Today, 11 per cent of the portfolio meets our three criteria for green assets. The criteria for green assets are defined by our Green Financing Framework from 2021, which is available in full on our website.

**18%** of the property value is certified according to the requirements of our framework

**20%** of the property value has undergone a climate risk analysis

**32%** of the property value has a primary energy figure of less than 85kWh/sq.m., Atemp

## Climate target follow-up, SBTi



### Scope 1 and 2

Today, our emissions in Scope 1 and 2 consist mostly of emissions from purchased district heating, emissions that are highly dependent on the building's heating needs. To achieve a halving of Scope 1 and 2, we are actively working on energy efficiency improvement and optimisation, which is closely linked to our tenants' indoor climate and the property's operational economy.

Power optimisation is becoming an ever-larger issue and is also closely linked to the climate impact of energy production. Several of our energy suppliers have ambitious targets just like we do and their journey will also be a factor on our path to halved emissions. Our Scope 2 emissions are presented according to the *Market based methodology of the GHG protocol*.

### Scope 3

Our climate survey showed that emissions from our construction production and tenants' driving are two major items in our Scope

## Tonnes of CO<sub>2</sub> equivalents

	2022 Acc.	2021	2020	2018*
<b>Scope 1</b>				
Fuel	18**	24	35	92
Refrigerant***	400	400	400	400
<b>Total</b>	<b>418</b>	<b>424</b>	<b>435</b>	<b>492</b>
<b>Scope 2</b>				
Electricity	0.17	0.24	0.24	0.26
District heating and cooling	3,146	5,583	4,739	5,567
<b>Total</b>	<b>3,146</b>	<b>5,583</b>	<b>4,739</b>	<b>5,567</b>

\* Reference year. \*\* Estimate \*\*\* Emissions from refrigerant leakage are currently based on our climate survey, not on statistics from our cooling plants.

3 emissions. A major difference between these items is the control we have over these emissions, where we make the assessment that we have far more control over the emissions from projects than we have over our tenants' driving. Today, we can only present annual data from our travel and private cars, which is a very small part of our emissions. This is why we choose to present the measures we are planning for the future to increase the possibilities for measurement as well as measures to reduce our Scope 3 emissions.

## Planned activities 2022

In-house training on climate calculations in construction projects	✓
Start-up action plan 2022	✓
Climate calculation of three completed projects	On-going
Climatic calculation of early-stage projects	✓
Summary, evaluation and action plan for 2023	Q4 2022

## Focus: Energy

Energy is an important issue for our business, our offering and our climate work. We buy origin-labelled electricity from renewable energy sources for our entire portfolio. We have an energy savings target of -3 per cent per year and a target of 55 per cent green assets by 2026 where energy performance is part of the criteria.

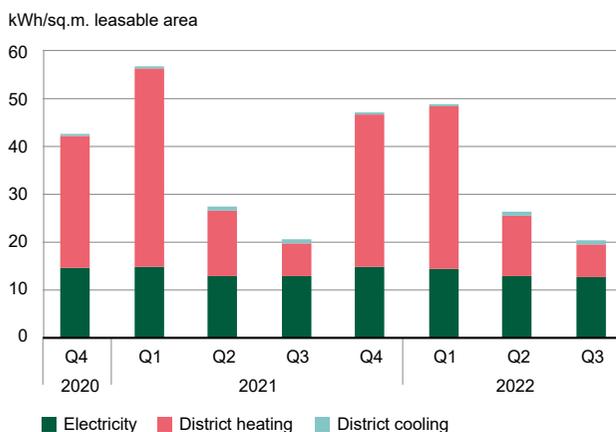
### Energy consumption for comparable portfolio

		2022 3 mos Jul-Sep	2021 3 mos Jul-Sep	2022 9 mos Jan-Sep	2021 9 mos Jan-Sep	2021 12 mos Jan-Dec
Electricity	kWh/sq.m Atemp	11.1	11.1	33.8	<b>33.9</b>	<b>46.5</b>
District heating	kWh/sq.m Atemp	5.6	5.4	50.3	<b>51.3</b>	<b>77.6</b>
District cooling	kWh/sq.m Atemp	5.3	4.9	13.3	<b>12.8</b>	<b>15.0</b>

### Comment and analysis

In the third quarter of 2022, we continued to optimise our energy use and we are reporting a forecast district heating efficiency improvement of 2.2 per cent for the quarter compared

### Actual energy use by quarter



\* The data coverage for parts of the portfolio is inadequate and therefore for these properties a forecast value has been used for actual heat consumption during the period Q3.

with the previous year. Electricity consumption decreased by 1.0 per cent. Accumulated for 2022, we are at an efficiency improvement of just over 1.7 per cent.

Energy efficiency improvement is always high on our agenda. At the moment, we are reviewing certain procedures and measures, both temporary and urgent, regarding, for example, Christmas lighting and ventilation times that may be adjusted. We will also listen to the property owner association (Fastighetsägarna) guidelines and any government directives.

*We do not include district cooling in the energy efficiency improvement target as district cooling accounts for a small part of our total energy use. In addition, data quality and coverage for district cooling statistics are of lower quality, which means that data are more likely to be forecast.*

### Comment and analysis

Energy costs and climate impact are directly linked to actual energy use. The diagram shows actual energy use (not normal-year-adjusted district heating) divided by total leasable area. Actual energy use is mainly affected by outdoor temperature, hours of sunshine and wind. The power costs are a large part of the total energy cost, which further strengthens the link between cost and outdoor temperature.

In order to continue to improve efficiency and work systematically to secure long-term goals, we want to involve tenants even more clearly through the green lease agreements, find common solutions and thereby create a commitment to an energy efficiency improvement that benefits the tenant, us and society.



## General economic analysis

### Energy areas

**At the moment, Europe is experiencing a volatile energy market with high spot prices and a risk of a shortage of electricity. We are actively working on the issue from multiple angles where the following areas are in focus and strong competitive advantages:**

**Long-term strategy for electricity purchases.** Provides predictable electricity prices for up to 5 years. In volatile times, our strategy generates a very advantageous electricity price.

**Stable supply of energy.** 74 per cent of our portfolio is in SE 1 and SE 2. These areas are net exporters of fossil-free electricity.

**Cold climate.** In our geographical location, energy is always a topical issue. Energy efficiency improvement and operational optimisation are a high priority in our everyday lives.

**The green transition and the energy shortage.** The green revolution in our region means that we will see more collaborative efforts between different industries to increase flexibility in the electricity market and the availability of renewable energy. It is important that we all reduce our use of electricity even if northern Sweden is in a far better position than southern Sweden and Europe.

**We and the tenant.** Energy efficiency improvement and optimisation create a good indoor climate for our tenants, while reducing energy costs and electricity consumption and minimising greenhouse gas emissions.

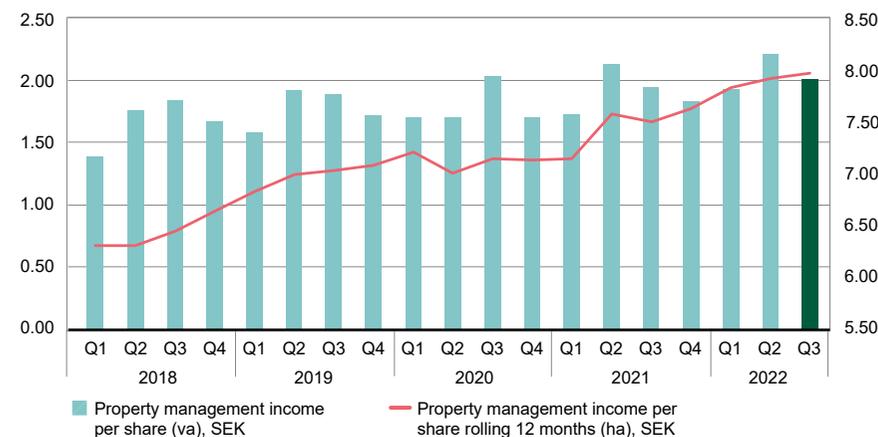
# Income statement

## Condensed consolidated income statement and statement of comprehensive income, SEKm

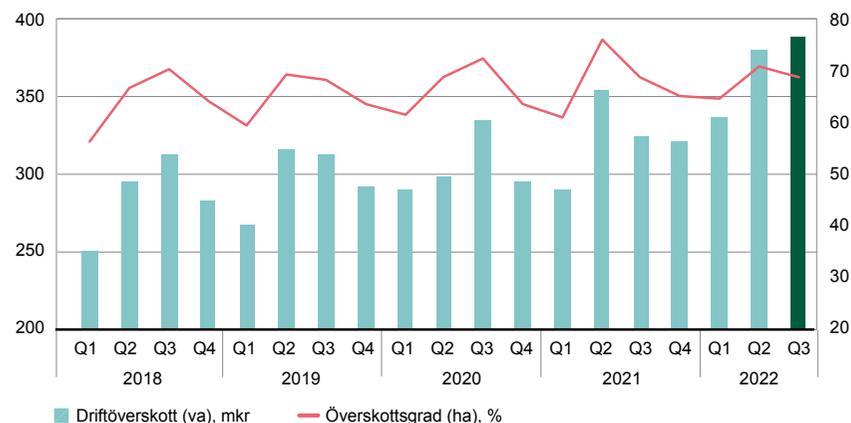
INCOME STATEMENT	Note	2022 3 mos Jul-Sep	2021 3 mos Jul-Sep	2022 9 mos Jan-Sep	2021 9 mos Jan-Sep	2021 12 mos Jan-Dec
Rental income		474	401	1,341	1,185	1,587
Service income		85	79	300	278	376
Other income		-	-	-	4	4
<b>Total income</b>	1	<b>559</b>	<b>480</b>	<b>1,641</b>	<b>1,467</b>	<b>1,967</b>
Property costs	2	-171	-155	-537	-499	-678
<b>Operating surplus</b>	3	<b>388</b>	<b>325</b>	<b>1,104</b>	<b>968</b>	<b>1,289</b>
Central administration	4	-18	-18	-53	-53	-75
Net financial items	5	-87	-46	-183	-135	-184
<b>Property management income</b>	6	<b>283</b>	<b>261</b>	<b>868</b>	<b>780</b>	<b>1,030</b>
Change in value, properties	7	-432	242	207	922	1,806
Change in value, interest rate derivatives	8	2	7	117	21	36
<b>Profit before tax</b>	9	<b>-146</b>	<b>510</b>	<b>1,192</b>	<b>1,723</b>	<b>2,872</b>
Current tax	10	-20	-23	-66	-59	-53
Deferred tax	10	46	-85	-183	-305	-495
<b>Profit after tax</b>		<b>-120</b>	<b>402</b>	<b>944</b>	<b>1,359</b>	<b>2,324</b>
Profit attributable to shareholders of the parent company		-120	400	944	1,348	2,306
Profit attributable to non-controlling interests		0	3	0	12	17
<b>Total</b>		<b>-120</b>	<b>402</b>	<b>944</b>	<b>1,359</b>	<b>2,324</b>
<b>STATEMENT OF COMPREHENSIVE INCOME</b>						
Profit after tax		-120	402	944	1,359	2,324
Comprehensive income for the period		-120	402	944	1,359	2,324
Comprehensive income attributable to shareholders of the parent company		-120	400	944	1,348	2,306
Comprehensive income attributable to non-controlling interests		0	3	0	12	17
<b>Total</b>		<b>-120</b>	<b>402</b>	<b>944</b>	<b>1,359</b>	<b>2,324</b>
Earnings per share, SEK		-0.84	2.98	6.67	10.05	17.08
Number of shares outstanding at end of period		141,430,947	134,071,020	141,430,947	134,071,020	141,343,747
Average number of shares		141,430,947	134,071,020	141,426,475	134,071,020	134,668,778
Number of treasury shares at end of period		354,218	441,418	354,218	441,418	441,418
Average number of treasury shares		354,218	441,418	358,690	441,418	441,418

There is no dilutive effect, as no potential shares (such as convertibles) exist.  
The accounting policies are presented on page 28.  
Columns/rows may not add up due to rounding.

## Property management income per share



## Operating surplus and surplus ratio



# Earnings analysis July-September 2022

## Note 1 Revenue

Revenue for the quarter was SEK 559m (480), representing a 91 per cent (89) economic occupancy rate. In a comparable portfolio, contracted rental income, excluding project properties, increased by 6.5 per cent in the quarter compared with the previous year. Other property management income totalled SEK 8m (4) and consisted of the costs of work on leased premises that are passed on to tenants and compensation in the event of early vacancy. Of our commercial leases, 97 per cent have upward index adjustments, where 95 per cent have a CPI adjustment and 2 per cent a fixed upwards adjustment.

Revenue growth	2022 Jul-Sep	2021 Jul-Sep	Change %
Comparable properties	468	439	6.5
Rent discounts <sup>1</sup>	0	-1	
Projects in progress	39	37	
Completed projects	7	1	
Acquired properties	33	-	
Sold properties	-	0	
Property tax assessment 2022	5	-	
<b>Contracted rental income</b>	<b>551</b>	<b>476</b>	
<b>Other property management income</b>	<b>8</b>	<b>4</b>	
<b>Other income<sup>2</sup></b>	<b>0</b>	<b>0</b>	
<b>Revenue</b>	<b>559</b>	<b>480</b>	

<sup>1</sup> Discounts attributable to the government rent support scheme.

<sup>2</sup> Government support for granted rent discounts.

## Note 2 Property costs

The property costs for the quarter were SEK 171m (155). The increase in costs is related to a larger property portfolio. Of the total property costs, SEK 7m (3) refers to work on leased premises where the costs are passed on to tenants.

## Note 3 Operating surplus

The operating surplus was SEK 388m (325), representing a surplus ratio of 70 per cent (68). For comparable properties, our operating surplus increased by 9.6 per cent compared with the third quarter of the previous year.

## Note 4 Central administration

The central administration costs amounted to SEK 18m (18). Central administration includes Group-wide costs for staff functions, such as IT, annual reports, auditors' fees, legal advice and so on.

## Note 5 Net financial items

Net financial items for the quarter were SEK -87m (-46). The higher cost is related to higher market interest rates and larger interest-bearing liabilities. The interest costs for the quarter, including costs for interest rate derivatives and loan commitments, represent borrowings at an average annual interest rate of 1.9 per cent (1.2).

## Note 6 Property management income

Property management income for the quarter, i.e. income excluding changes in value and tax, was SEK 283m (261). This is an increase of 8 per cent compared with the previous year. For comparable properties, the increased property management income increased by 0.2 per cent compared with the third quarter of the previous year.

## Note 7 Changes in value, properties

The average valuation yield at the end of the quarter was 5.56 per cent (5.55). The unrealised change in value for the quarter was SEK -432m (241) and is mainly explained by increased direct return requirements resulting from higher market interest rates and thereby increased financing costs. For more information, see Note 11. At 30 September, the market value was SEK 31,106m (26,575).

Helen Osseén, Customer and Office Coordinator, at lunch at the tenant Edvalls Guld, Sundsvall.



## > Earnings analysis July-September 2022, continued

During the quarter, three properties (1) were acquired while no properties (1) were divested.

### Unrealised changes in value, properties

SEKm	2022 3 mos Jul-Sep	2021 3 mos Jul-Sep
Investment properties	-450	198
Project properties	25	37
Development rights	-7	6
<b>Unrealised change in value</b>	<b>-432</b>	<b>241</b>

### Note 8 Changes in value, derivatives

The portfolio of interest rate derivatives has been measured at fair value. If the contracted interest rate deviates from the market rate, a theoretical fair value gain or loss arises on the interest rate derivatives. The change in value has not been realised and does not affect cash flow.

During the quarter, unrealised changes in value on derivatives totalled SEK 2m (8), which have been fully recognised in the income statement. The change in value is attributable to rising market interest rates.

### Note 9 Profit before tax

The profit before tax was SEK -146m (510). The lower profit is mainly due to reduced unrealised property values compared with the previous year.

### Note 10 Tax

The nominal corporate tax rate in Sweden is 20.6 per cent. There are no tax loss carry-forwards in the Group. The Group also has untaxed reserves of SEK 596m (562). The fair value of the properties exceeds their tax value by SEK 16,125m (13,049). Deferred tax has been calculated at 10,897 (9,089). The difference is attributable to deferred tax on asset acquisitions.

Diös has no ongoing tax disputes.

### Tax calculation

SEKm	Jul-Sep 2022
Profit before tax	-146
Nominal tax rate 20.6%	30
Other tax adjustments	-4
<b>Reported tax expense</b>	<b>26</b>
<i>Of which current tax</i>	<i>-20</i>
<i>Of which deferred tax</i>	<i>46</i>

Current tax was SEK -20m (-23) and deferred tax was SEK 46m (-85). The change in deferred tax is attributable to the unrealised changes in value.

### The period January-September 2022

Property management income for the period, i.e. income excluding changes in value and tax, was SEK 868m (780). The operating surplus was SEK 1,104m (968), representing a surplus ratio of 69 per cent (68).

- Revenue for the reporting period was SEK 1,641m (1,467), representing a 91 per cent (89) economic occupancy rate.
- Total property costs were SEK 537m (499).

Net financial items for the period were SEK -183m (-135). The profit before tax was SEK 1,192m (1,723). Changes in the value of properties had a positive impact of SEK 207m (922) while changes in the value of interest rate derivatives had an impact of SEK 117m (21). Profit after tax was SEK 944m (1,359), of which SEK -183m (-305) refers to deferred tax and SEK -66m (-59) to current tax.



Daniel Jansson Westblom, Leasing Officer, and Jonathan Fredriksson, Commercial Property Manager, in Gävle.

# Our tenants

## Tenants

Our tenant base is well diversified geographically and in terms of industry. There were 3,210 premises leases (2,908) and there were 2,231 residential leases (1,898). The ten largest tenants represent 18 per cent (16) of Diös' total contracted rental income. At 30 September, 28 per cent of contracted rental income came from tenants engaged in activities on behalf of the central government, county councils, local authorities or activities funded with municipal school vouchers. The share of commercial green leases is 10 per cent of the annual contract value.

## Net leasing

Net leasing for the quarter was SEK 20m (29) and the total for the period was SEK 59m (25). Major lettings during the quarter were to the Nordic Choice Hotel in Magne 5, Umeå, the Swedish Tax Agency in Borgmästaren 10, Sundsvall and the Nordic Performance Center in Djurläkaren 13, Östersund.

## Contract term

The average contract term for commercial premises at 30 September is 4.3 years (4.0).

## Vacancies

At 30 September, the economic vacancy rate was 8 per cent (10) while the vacant area was 13 per cent (13). Adjusted for project-related and non-leasable vacancies<sup>1</sup>, the physical vacancy rate was 11 per cent. Economic vacancies are highest in office and retail premises while physical vacancies are highest in office and industrial premises.

<sup>1</sup>Project-related and non-leasable vacancies are sites that have been vacated for new builds and conversion, plus premises that have already been leased but are not yet occupied.

## Our largest tenants

TENANTS AT 30 SEPT. 2022	No. of contracts	Annual contract value <sup>1</sup> , SEK '000	Average lease term <sup>1</sup> , years
Swedish Transport Administration	17	82,825	7.1
Swedish Police Authority	37	61,962	7.7
Nordic Choice Hotels	6	58,791	15.7
Östersund Local Authority	72	33,336	2.2
Municipality of Falun	11	31,058	7.2
Swedish Public Employment Service	25	29,959	1.8
Swedish Social Insurance Agency	24	26,908	3.7
Ahléns AB	6	26,705	1.7
Scandic Hotels AB	3	24,800	11.4
Swedish Migration Board	9	23,441	3.8
<b>Total</b>	<b>210</b>	<b>399,785</b>	<b>7.1</b>

<sup>1</sup> Tenants with operations on behalf of the central, regional or local government sectors are financed with municipal school funding.

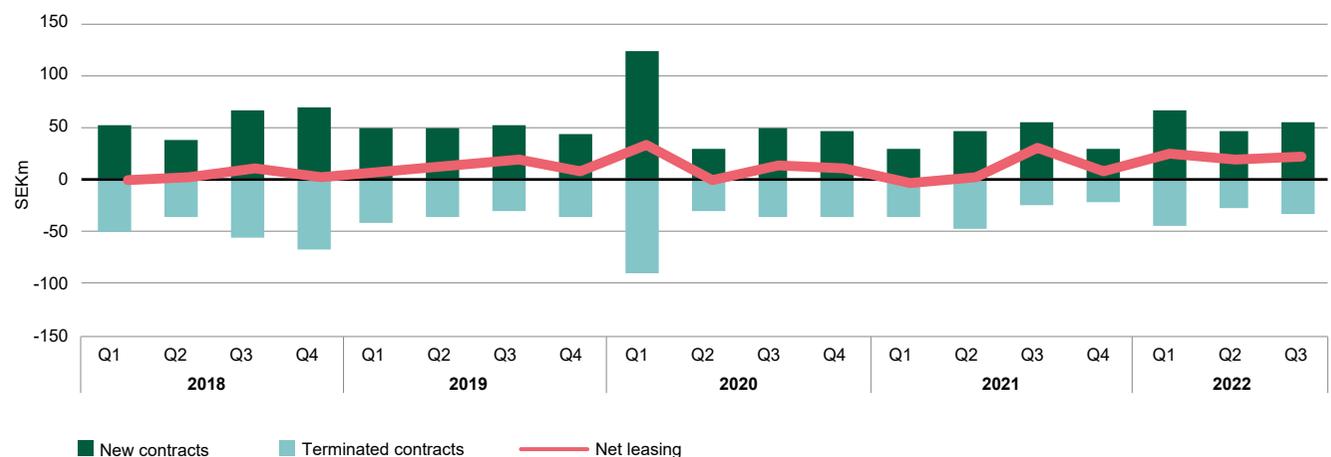
<sup>1</sup> Includes contracts with completion dates in the future.

## Leases and maturities

	No. of contracts	Contract value, SEKm	Share of value, %
Leases for premises, maturity year			
2022	237	81	4
2023	970	299	14
2024	804	455	21
2025	636	365	16
2026+	563	736	34
<b>Total</b>	<b>3,210</b>	<b>1,936</b>	<b>88</b>
Residential	2,231	186	9
Other leases <sup>1</sup>	2,116	66	3
<b>Total</b>	<b>7,557</b>	<b>2,188</b>	<b>100</b>

<sup>1</sup> Other leases refer mainly to garage and parking spaces.

## Net leasing

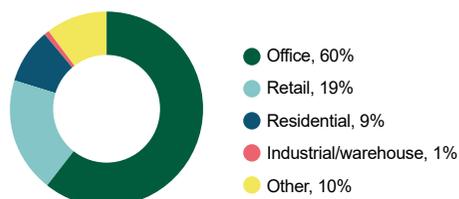


# Balance sheet and equity

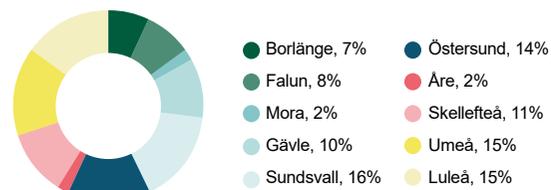
## Condensed consolidated balance sheet, SEKm

ASSETS	Note	2022 30 Sep	2021 30 Sep	2021 31 Dec
Investment properties	11	31,106	26,575	27,993
Other non-current assets		72	73	71
Derivative instruments		156	24	38
Current receivables		341	338	185
Cash and cash equivalents	14	353	553	1,150
<b>TOTAL ASSETS</b>		<b>32,028</b>	<b>27,563</b>	<b>29,437</b>
<b>EQUITY AND LIABILITIES</b>				
Equity	12	12,212	10,065	11,823
Deferred tax liability		2,367	2,003	2,194
Liabilities to credit institutions	13	12,479	12,774	9,068
Non-current lease liability		53	54	54
Other non-current liabilities		17	-	-
Current portion of non-current liabilities	13	3,982	1,790	5,680
Overdraft facilities	14	-	-	-
Current liabilities		918	877	618
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>32,028</b>	<b>27,563</b>	<b>29,437</b>

### PROPERTY VALUE PER CATEGORY



### PROPERTY VALUE PER CITY



## Condensed statement of changes in equity, SEKm

	Equity	Of which attributable to share- holders of the parent company	Of which attributable to non-controlling interests
<b>Equity, 31 Dec 2020</b>	<b>9,148</b>	<b>9,091</b>	<b>57</b>
<i>Profit for the period after tax</i>	1,359	1,348	11
<b>Comprehensive income for the period</b>	<b>1,359</b>	<b>1,348</b>	<b>11</b>
<i>Dividend</i>	-442	-442	-
<b>Equity, 30 Sep 2021</b>	<b>10,065</b>	<b>9,997</b>	<b>68</b>
<i>Profit for the period after tax</i>	964	958	6
<b>Comprehensive income for the period</b>	<b>964</b>	<b>958</b>	<b>6</b>
<i>Issue of new shares</i>	800	800	-
<i>Issue costs</i>	-8	-8	-
<i>Tax effect of issue costs</i>	2	2	-
<b>Equity, 31 Dec 2021</b>	<b>11,823</b>	<b>11,749</b>	<b>74</b>
<i>Profit for the period after tax</i>	944	944	0
<b>Comprehensive income for the period</b>	<b>944</b>	<b>944</b>	<b>0</b>
<i>Sale of own shares</i>	9	9	0
<i>Acquisition of minority interests</i>	-68	6	-74
<i>Dividend</i>	-498	-498	0
<b>Equity, 30 September 2022</b>	<b>12,212</b>	<b>12,212</b>	<b>0</b>

# Comments on the balance sheet

## Note 11 Investment properties and property value

The property portfolio is concentrated to central locations in ten priority cities in northern Sweden. The portfolio is well diversified and primarily consists of residential and office properties and premises for urban service. At the end of the period, the portfolio comprised 91 per cent (92) commercial properties and 9 per cent (8) residential properties based on rental value by type of premises.

### Property value

Since the beginning of the year, all properties are externally valued by CBRE at each quarterly closing with the aim of determining the individual value of the properties in the event of a sale. Any portfolio effects are thus not taken into account. The valuations are based on a cash flow model with an individual assessment for each property of both future earning capacity and market return requirements. In assessing a property's future earning capacity, in addition to the inflation assumption of 8 per cent for 2022, 3.5 per cent for 2023 and 2 per cent in the long term, the estimated market rents have been taken into account in contract maturity, occupancy rate and property costs. The market's return requirements are determined by an analysis of completed property transactions for properties with a similar standard and location. Projects and project properties have been valued according to the same principle but with deductions for remaining investment. Development rights have been valued on the basis of an estimated market value SEK/sq.m. gross floor space for established development rights. The average value of the development rights in the valuation is around SEK 1,400/sq.m. gross floor space. The valuations are in accordance with IFRS 13 level 3.

## Note 12 Equity

Equity at 30 September was SEK 12,212m (10,065). The equity ratio was 38.0 per cent (36.5), which exceeds the target of 35 per cent.

### PROPERTY PORTFOLIO

	30 Sept 2022		30 Sept 2021	
	SEKm		SEKm	
Investment properties	27,757		24,583	
Project properties	3,201		1,843	
Development rights	148		149	
<b>Total</b>	<b>31,106</b>		<b>26,575</b>	

### CHANGE IN PROPERTY VALUE

	30 Sept 2022		30 Sept 2021	
	SEKm	Number	SEKm	Number
<b>Value of property portfolio, 1 Jan</b>	<b>27,993</b>	<b>340</b>	<b>24,512</b>	<b>329</b>
Acquisitions	1,984	26	416	9
Investments in new builds, extensions and conversions	924	-	867	-
Sales	-1	-9	-136	-4
Unrealised changes in value	206	-	916	-
<b>Value of property portfolio, 30 Sept</b>	<b>31,106</b>	<b>361<sup>1</sup></b>	<b>26,575</b>	<b>336<sup>2</sup></b>

<sup>1</sup> Four properties were added through property reallocation during the third quarter of 2022

<sup>2</sup> Two properties were added through property reallocation during the third quarter of 2021

### VALUATION ASSUMPTIONS PER PROPERTY CATEGORY

	30 Sept 2022					30 Sept 2021				
	Office	Retail	Residential	Industrial/warehouse	Other	Office	Retail	Residential	Industrial/warehouse	Other
Rental value, SEK per sq.m	1,658	1,757	1,355	739	1,425	1,481	1,647	1,292	525	1,204
Operations & maintenance, SEK per sq.m	345	448	436	224	320	342	453	415	210	345
Yield for assessing residual value, %	5.6	6.0	4.3	5.6	5.6	5.5	5.9	4.6	7.3	5.9
Cost of capital for discounting to present value, %	8.0	8.4	6.7	8.1	8.0	7.3	7.9	6.5	6.6	6.9
Long-term vacancy, %	5.8	6.3	3.3	9.2	5.0	4.7	4.0	1.8	15.2	4.9

The valuation model is usually based on a calculation period of 10 years or longer if actual leases with a duration of more than 10 years exist. The annual comparison is not in comparable property stocks.

Valuation assumption 30 September 2021 has been restated to take account of a changed breakdown property segment to property category.

### PROPERTY TRANSACTIONS JANUARY-SEPTEMBER 2022

#### Sold and completed on

Property	Quarter	City	Area, sq.m.	Price <sup>1</sup> , SEKm
Granberg 1:76 (land)	1	Umeå	-	0.1
Plots Arvesund	1	ÅRE	-	1.1
Plot Arvesund	2	ÅRE	-	0.2
<b>Total</b>			<b>-</b>	<b>1.4</b>

<sup>1</sup> Underlying property value.

#### Acquired and completed on

Property	Quarter	City	Area, sq.m.	Price <sup>1</sup> , SEKm
Portfolio Skellefteå	1	Skellefteå	34,327	810
Djurläkaren 13	1	Östersund	15,842	154
Gamen 7 & 21	1	Luleå	4,322	118
Portfolio Skellefteå	2	Skellefteå	5,847	118
Portfolio Falun Borlänge	2	Falun/Borlänge	36,117	564
Andersberg 14:58	3	Gävle	-	107
Office 2	3	Skellefteå	3,816	86
Juno 4 & 5	3	Sundsvall	5,497	177
<b>Total</b>			<b>105,768</b>	<b>2,134</b>

<sup>1</sup> Underlying property value.

## > Comments on the balance sheet, continued

### SENSITIVITY ANALYSIS PER PROPERTY CATEGORY

SEK '000	Office		Retail		Residential		Industrial		Other business		Total	
Rental value, +/- SEK 50 per sq.m	755,431	-755,431	333,319	-333,319	159,554	-159,554	65,506	-65,506	173,985	-173,985	1,487,794	-1,487,794
Operations & maintenance, +/- SEK 25 per sq.m	-377,715	377,715	-166,659	166,659	-79,777	79,777	-32,753	32,753	-86,992	86,992	-743,897	743,897
Yield, +/- 0.5%	-901,457	1,085,286	-345,551	409,688	-192,895	246,565	-35,949	44,378	-160,788	192,719	-1,636,640	1,978,636
Cost of capital, +/- 0.5%	-630,055	660,770	-262,862	275,195	-93,508	97,848	-34,537	36,738	-144,697	153,359	-1,165,660	1,223,911
Long-term vacancy rate, +/- 1%	-224,337	223,617	-105,742	105,742	-42,726	42,695	-8,676	8,676	-39,099	34,638	-420,581	415,369

### Project portfolio

We have an ongoing project portfolio of SEK 4,067m, of which SEK 2,600m was earned at 30 September. We are continuously investing in the portfolio to improve, adapt and enhance the efficiency of our premises for our tenants. Our investments, excluding project profits, contributed to an increase in the value of the property portfolio by SEK 924m for the period. Investments in the existing portfolio relate to new builds,

conversions and extensions and energy-saving measures. The return on completed investments for the period was 8.2 per cent on the invested amount while the return on our ongoing projects was 5.2 per cent.

### Project properties

There are 11 project properties with a market value of SEK 3,201m. The total estimated investment is SEK 2,840m, where the produced investment at 30 September was SEK 1,986m.

### INVESTMENTS

	30 Sept 2022	30 Sept 2021
Investments in new builds	211	242
Investments in improvement properties	269	256
Investments in tenant adaptations	445	369
<b>Total</b>	<b>924</b>	<b>867</b>

### Development rights

We have an identified development rights volume of approximately 200,000 sq.m. gross floor space.

This volume includes both established and potential development rights for both residential and commercial premises. Our ambition is to continuously create new development rights for either our own production or for sales.

### PROJECT PROPERTIES

Type	City	Property	Property type	Leasable area, sq.m.	Occupancy rate, %	Investment, SEKm	Produced investment, SEKm	Rental value, SEKm	Completed	Environmental category
<b>Projects in progress</b>										
Improvement	Borlänge	Intagan 1	Office	31,000	100	555	527	52.9	Q4 2022	BREEAM In-Use Very good
New build	Umeå	Stigbygeln 2	Office	9,646	100	290	228	20.9	Q4 2022	BREEAM SE Very Good
Improvement	Sundsvall	Aeolus 5	Residential	2,597	-	48	41	3.8	Q1 2023	
Improvement	Sundsvall	Glädjen 4.9	Office	1,870	100	51	0	5.2	Q2 2023	BREEAM In-Use Very good
New build	Luleå	Porsön 1:423	Office	5,452	100	182	100	11.7	Q2 2023	BREEAM SE Very Good
New build	Östersund	Läkaren 12,13,14	Residential	1,334	-	57	1	2.6	Q1 2024	Nordic Swan Ecolabel
Improvement	Borlänge	Mimer 1	Education/training	13,332	100	484	129	27.7	Q2 2024	BREEAM SE Very Good
New build	Luleå	Biet	Office	4,920	100	206	7	14.1	Q2 2024	BREEAM SE Excellent
<b>Completed or partially occupied projects</b>										
New build	Sundsvall	Noten 3	Hotel	14,150	100	442	433	22	Q3 2021	BREEAM SE Very Good
Improvement	Sundsvall	Lyckan 6	Office	3,883	100	107	107	6.2	Q4 2021	
New build	Umeå	Magne 5	Hotel	14,500	100	418	418	26.2	Q3 2022	BREEAM SE Very Good
<b>Total</b>				<b>102,684</b>		<b>2,840</b>	<b>1,986</b>	<b>193.3</b>		

Tenants in the central, regional or local government sectors.



Offices, Biet 1, "Västra Stranden", Luleå. Tenant: Swedish Social Insurance Agency



Offices, Stigbygeln 2, Umeå. Tenant: Swedish Police Authority



Offices, Intagan 1, Borlänge. Tenant: Swedish Transport Administration



Education, Mimer 1, Borlänge. Tenant: Dalarna University



Hotel, Magne 5, Umeå. Tenant: Choice Hotels

## > Comments on the balance sheet, continued

### Capital structure

At 30 September 2022, 38 per cent (37) of Diös' total assets of SEK 32,028m was funded through equity, 51 per cent (53) through debt securities and 11 per cent (10) through other items.

### Note 13 Interest-bearing liabilities

Interest-bearing liabilities in the Group were SEK 16,460m (14,564). Of total interest-bearing liabilities, SEK 12,637m (9,353) refers to bank financing, SEK 1,090m (1,090) to covered bonds, SEK 845m (2,875) to commercial paper and SEK 1,900m (1,250) of unsecured bonds. Amortised cost of the commercial paper was SEK 841m (2,871). Future refinancing will normally be completed 3-9 months before the maturity date. At the end of the period, the loan-to-value ratio in the Group was 51.8 per cent (52.7). The secured loan-to-value ratio amounted to 43.0 percent (37.2). The average annual interest rate, including the cost of derivatives and loan commitments, was 2.5 per cent (1.1) at the end of the period and the interest coverage ratio for the period was 5.7 times (6.6).

### Derivatives

Out of the Group's total interest-bearing liabilities, SEK 4,500m (4,500) has been hedged through derivatives. At 30 September 2022, the market value of the derivative portfolio was SEK 156m (24). The financial instruments limit the impact of changes in interest rates on our average borrowing cost. The value of derivatives is always zero at maturity. All financial instruments are measured at fair value and are classified in Level 2 in accordance with IFRS 13, which means that the measurement is based on observable market data (see Note 22 in the Annual Report 2021). Changes in value are recognised through profit or loss.

SENSITIVITY ANALYSIS	If market interest rates increase by 1 percentage point		
	Change in annual average interest rate, %	Change in annual average interest expense, SEKm	Change in market value, SEKm
<b>AT 30 SEPTEMBER 2022</b>			
Loan portfolio excl. derivatives	0.9	+153	
Derivatives portfolio	-0.2	-45	+262
<b>Loan portfolio incl. derivatives</b>	<b>0.7</b>	<b>+108</b>	<b>+262</b>

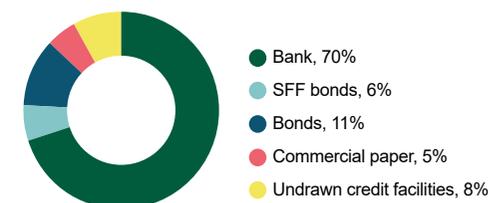
### FIXED-RATE TERMS AND LOAN MATURITIES

The average fixed-rate term, including derivatives, was 0.9 years (1.0) and the average loan maturity 2.1 years (2.3). Of the Group's outstanding loans, SEK 1,145m (3,175) is subject to fixed interest rates, of which SEK 845m (2,875) refers to commercial paper.

### Note 14 Cash and cash equivalents and overdraft facilities

Consolidated cash and cash equivalents at the end of the period were SEK 353m (553) and drawn overdraft facilities were SEK 0m (0). The agreed limit on the overdraft facility was SEK 600m (600).

### BREAKDOWN OF INTEREST-BEARING FINANCING



## Interest rate and debt maturity structure at 30 September 2022

Maturity year	Interest rate and margin expiration		Loan maturity	
	Loan amount, SEKm	Average annual interest rate <sup>1</sup> , %	Credit agreements, SEKm	Drawn, SEKm
2022	1,273	1.9	643	643
2023	5,857	2.9	5,378	5,078
2024	9,145	3.0	6,515	6,465
2025	196	2.3	1,820	670
>2026	-	-	3,616	3,616
<b>Drawn credit facilities</b>	<b>16,472</b>	<b>2.9</b>	<b>17,972</b>	<b>16,472</b>
Undrawn credit facilities <sup>2</sup>	1,500	0.0		
Financial instruments	4,500	-0.4		
<b>Total</b>		<b>2.5</b>		

<sup>1</sup> Average annual interest rate refers to the average interest rate based on interest rate terms and the outstanding liability as at 30 September 2022.

<sup>2</sup> The cost of unused credit facilities affects the average annual interest rate by 0.03 percentage points.

## Derivative contracts at 30 September 2022

Type	Nominal value, SEKm	Remaining maturity, years	Swap rate, %	Market value, SEKm
Interest rate swaps	1,500	4.6	-0.03	35.4
Interest rate swaps	1,000	0.7	-0.09	19.0
Interest rate swaps	1,000	1.2	-0.05	35.7
Interest rate swaps	500	2.3	0.05	36.8
Interest rate swaps	500	1.8	0.00	29.0
<b>TOTAL</b>	<b>4,500</b>	<b>2.4</b>	<b>-0.04</b>	<b>156.0</b>

# Cash flow

## Condensed consolidated cash flow statement, SEKm

	2022 3 mos. Jul-Sep	2021 3 mos. Jul-Sep	2022 9 mos. Jan-Sep	2021 9 mos. Jan-Sep	2021 12 mos. Jan-Dec
<b>OPERATING ACTIVITIES</b>					
Operating surplus	388	325	1,104	968	1,289
Central administration	-17	-17	-53	-50	-70
Reversal of depreciation, amortisation and impairment	0	0	0	0	0
Interest received	0	2	1	4	5
Interest paid	-89	-53	-186	-138	-189
Tax paid	-20	-23	-66	-59	-53
<b>Cash flow from operating activities before changes in working capital</b>	<b>262</b>	<b>234</b>	<b>800</b>	<b>725</b>	<b>982</b>
<b>Changes in working capital</b>					
Decrease (+)/increase (-) in receivables	-120	27	-157	-41	91
Decrease (-)/increase (+) in current liabilities	32	12	45	-25	-60
<b>Total changes in working capital</b>	<b>-88</b>	<b>39</b>	<b>-112</b>	<b>-66</b>	<b>31</b>
<b>Cash flow from operating activities</b>	<b>174</b>	<b>273</b>	<b>688</b>	<b>659</b>	<b>1,013</b>
<b>INVESTING ACTIVITIES</b>					
Investments in new builds, conversions and extensions	-276	-273	-924	-867	-1,219
Acquisition of properties	-306	-11	-1,984	-416	-696
Sale of properties	0	19	1	144	240
<b>Cash flow from investing activities</b>	<b>-582</b>	<b>-265</b>	<b>-2,907</b>	<b>-1,139</b>	<b>-1,675</b>

	2022 3 mos. Jul-Sep	2021 3 mos. Jul-Sep	2022 9 mos. Jan-Sep	2021 9 mos. Jan-Sep	2021 12 mos. Jan-Dec
<b>FINANCING ACTIVITIES</b>					
Dividends paid	-124	-	-248	-221	-442
Sale of own shares	-	-	9	-	-
New issue less transaction costs	-	-	-	-	794
Acquisition of minority interests	-	-	-68	-	-
New borrowing, interest-bearing liabilities	744	277	1,795	1,422	1,658
Repayment and redemption of interest-bearing liabilities	-18	-57	-66	-105	-134
Change in overdraft facility	-	-	-	-63	-63
<b>Cash flow from financing activities</b>	<b>602</b>	<b>220</b>	<b>1,422</b>	<b>1,033</b>	<b>1,812</b>
<b>Cash flow for the period</b>	<b>194</b>	<b>228</b>	<b>-797</b>	<b>553</b>	<b>1,150</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>159</b>	<b>325</b>	<b>1,150</b>	<b>0</b>	<b>0</b>
<b>Cash and cash equivalents at end of period</b>	<b>353</b>	<b>553</b>	<b>353</b>	<b>553</b>	<b>1,150</b>



Tenant Andreas Johansson, Cygni, together with Anna Wärell, Customer and Office Coordinator, Luleå.

# Reporting by business unit at 30 September

Amounts in SEKm unless otherwise indicated.

By business unit	Dalarna		Gävle		Sundsvall		Åre/Östersund		Umeå		Skellefteå		Luleå		Group	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Rental income	227	193	142	127	203	203	234	209	180	168	130	82	226	203	1,341	1,185
Service income																
Tariff-based services	36	32	19	15	31	27	41	37	20	21	21	13	24	25	191	171
Care and upkeep	18	16	10	10	15	15	26	25	14	15	9	7	17	19	109	107
Other income	-	1	-	-	-	-	-	1	-	1	-	-	-	1	-	4
Repair and maintenance	-10	-9	-4	-3	-8	-6	-9	-12	-5	-6	-7	-1	-8	-5	-49	-44
Tariff-based costs	-34	-30	-16	-14	-26	-26	-35	-36	-18	-19	-20	-13	-22	-22	-171	-161
Property tax	-12	-10	-10	-9	-14	-13	-15	-13	-15	-13	-9	-5	-18	-16	-94	-79
Other property costs	-24	-24	-17	-20	-24	-23	-37	-31	-22	-24	-14	-10	-25	-29	-164	-160
Property management	-11	-10	-6	-6	-8	-8	-12	-12	-8	-7	-5	-4	-9	-9	-59	-55
<b>Operating surplus</b>	<b>189</b>	<b>160</b>	<b>118</b>	<b>100</b>	<b>168</b>	<b>170</b>	<b>192</b>	<b>167</b>	<b>145</b>	<b>136</b>	<b>105</b>	<b>69</b>	<b>186</b>	<b>166</b>	<b>1,104</b>	<b>968</b>
Central administration/net financial items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-236	-188
<b>Property management income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>868</b>	<b>780</b>						
Property, realised	-	2	-	3	-	1	1	-	-	-	-	-	-	-	1	6
Property, unrealised	91	175	80	66	53	157	20	195	-33	89	37	163	-42	70	206	916
Interest rate derivatives	-	-	-	-	-	-	-	-	-	-	-	-	-	-	117	21
<b>Profit before tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,192</b>	<b>1,723</b>						
Leasable area, sq.m	318,939	289,540	158,569	158,569	218,127	215,019	315,099	296,498	220,835	207,306	179,033	116,016	211,009	206,687	1,621,611	1,489,635
Rental value	303	267	183	173	271	250	319	301	231	225	175	113	275	261	1,758	1,589
Economic occupancy rate, %	92	89	92	86	89	85	90	90	91	89	90	90	96	93	91	89
Surplus ratio, %	68	67	71	67	70	79	67	62	69	67	66	67	70	68	69	68
Property portfolio, 1 January	4,301	3,581	2,916	2,617	4,545	4,165	4,690	4,111	4,721	4,076	2,256	1,687	4,563	4,275	27,993	24,512
Acquisitions	545	190	43	103	177	11	154	-	-	112	948	-	118	-	1,984	416
Investments in new builds, extensions and conversions	271	234	66	88	107	151	125	78	104	249	82	25	169	42	924	867
Sales	-	-48	-	-70	-	-17	-1	-	-	-	-	-	-	-	-1	-135
Unrealised changes in value	91	175	80	66	53	157	20	195	-33	89	37	163	-42	70	206	916
<b>Property portfolio, 30 Sept</b>	<b>5,207</b>	<b>4,131</b>	<b>3,104</b>	<b>2,804</b>	<b>4,883</b>	<b>4,468</b>	<b>4,989</b>	<b>4,384</b>	<b>4,793</b>	<b>4,525</b>	<b>3,324</b>	<b>1,875</b>	<b>4,807</b>	<b>4,387</b>	<b>31,106</b>	<b>26,575</b>

Columns/rows may not add up due to rounding.

# Financial key ratios

The interim reports use non-IFRS KPIs. We consider that these measures provide valuable additional information for investors, analysts and the company's management, as they enable the evaluation of relevant trends and the company's performance. As not all companies calculate financial measures in the same way, these are not always comparable with the measures used by other companies. These financial measures should therefore not be viewed as substitutes for IFRS-defined measures. The following table presents non-IFRS measures unless otherwise stated. Definitions of these measures are provided on page 31 and in the descriptions of the purpose of the various KPIs in the annual report for 2021. The financial targets for 2022 adopted by the Board are presented on page 22 of this report.

Figures refer to SEKm unless otherwise indicated.

Share information	2022 3 mos Jul-Sep	2021 3 mos Jul-Sep	2022 9 mos Jan-Sep	2021 9 mos Jan-Sep	2021 12 mos Jan-Dec
Number of shares outstanding at end of period (thousands)	141,431	134,071	141,431	134,071	141,344
Average number of shares ('000)	141,431	134,071	141,426	134,071	134,669

There is no dilutive effect, as no potential shares (such as convertibles) exist.

Property management income	2022 3 mos Jul-Sep	2021 3 mos Jul-Sep	2022 9 mos Jan-Sep	2021 9 mos Jan-Sep	2021 12 mos Jan-Dec
Profit before tax	-146	510	1,192	1,723	2,872
Reversal					
Change in value, properties	432	-242	-207	-922	-1,806
Change in value, derivatives	-2	-7	-117	-21	-36
<b>Property management income</b>	<b>283</b>	<b>261</b>	<b>868</b>	<b>780</b>	<b>1,030</b>

## EPRA earnings (property management income after tax)

Property management income	283	261	868	780	1,030
Current tax attributable to property management income	-20	-22	-66	-48	-42
Profit attributable to non-controlling interests	-	-3	-	-12	-17
<b>EPRA earnings</b>	<b>264</b>	<b>236</b>	<b>802</b>	<b>720</b>	<b>971</b>
<b>EPRA earnings per share, SEK</b>	<b>1.86</b>	<b>1.75</b>	<b>5.67</b>	<b>5.37</b>	<b>7.21</b>

Loan-to-value ratio	2022 3 mos Jul-Sep	2021 3 mos Jul-Sep	2022 9 mos Jan-Sep	2021 9 mos Jan-Sep	2021 12 mos Jan-Dec
Interest-bearing liabilities			16,460	14,564	14,748
Reversal					
Cash and cash equivalents			-353	-553	-1,150
Drawn overdraft facilities			0	0	
<b>Net debt</b>			<b>16,107</b>	<b>14,011</b>	<b>13,598</b>
Investment properties			31,106	26,575	27,993
<b>Loan-to-value ratio, %</b>			<b>51.8</b>	<b>52.7</b>	<b>48.6</b>

Secured loan-to-value ratio	2022 3 mos Jul-Sep	2021 3 mos Jul-Sep	2022 9 mos Jan-Sep	2021 9 mos Jan-Sep	2021 12 mos Jan-Dec
Net debt			16,107	14,011	13,598
Unsecured liabilities			2,745	-4,121	-4,353
<b>Secured liabilities</b>			<b>13,362</b>	<b>9,890</b>	<b>9,245</b>
Investment properties			31,106	26,575	27,993
<b>Secured loan-to-value ratio, %</b>			<b>43.0</b>	<b>37.2</b>	<b>33.0</b>

Equity ratio	2022 3 mos Jul-Sep	2021 3 mos Jul-Sep	2022 9 mos Jan-Sep	2021 9 mos Jan-Sep	2021 12 mos Jan-Dec
Equity			12,212	10,065	11,823
Total assets			32,028	27,563	29,437
<b>Equity ratio, %</b>			<b>38.1</b>	<b>36.5</b>	<b>40.2</b>

Interest coverage ratio	2022 3 mos Jul-Sep	2021 3 mos Jul-Sep	2022 9 mos Jan-Sep	2021 9 mos Jan-Sep	2021 12 mos Jan-Dec
Property management income	283	261	868	780	1,030
Reversal					
Financial costs	88	48	186	139	190
<b>Total</b>	<b>371</b>	<b>309</b>	<b>1,054</b>	<b>919</b>	<b>1,220</b>
Financial costs	88	48	186	139	190
<b>Interest coverage ratio, times</b>	<b>4.2</b>	<b>6.4</b>	<b>5.7</b>	<b>6.6</b>	<b>6.4</b>

	2022 3 mos Jul–Sep	2021 3 mos Jul–Sep	2022 9 mos Jan–Sep	2021 9 mos Jan–Sep	2021 12 mos Jan–Dec
<b>Net debt to EBITDA</b>					
Interest-bearing liabilities			16,460	14,564	14,748
Cash and cash equivalents			-353	-553	-1,150
Overdraft facilities			0	0	0
<b>Net debt</b>			<b>16,107</b>	<b>14,011</b>	<b>13,598</b>
Operating surplus rolling 12 months			1,424	1,264	1,289
Central administration rolling 12 months			-71	-77	-75
Reversal					
Depreciation and amortisation rolling 12 months			4	4	4
<b>EBITDA</b>			<b>1,357</b>	<b>1,182</b>	<b>1,218</b>
<b>Net debt to EBITDA</b>			<b>11.9</b>	<b>11.8</b>	<b>11.1</b>
<b>EPRA NRV/NTA</b>					
Equity			12,212	10,065	11,823
Equity relating to non-controlling interests			-	-68	-74
Reversal					
Fair value of financial instruments			-156	-23	-39
Deferred tax on temporary differences			2,245	1,872	2,104
<b>EPRA NRV</b>			<b>14,301</b>	<b>11,845</b>	<b>13,815</b>
<b>EPRA NRV per share</b>			<b>101.1</b>	<b>88.3</b>	<b>97.7</b>
<b>Deductions:</b>					
Fair value of financial instruments			156	23	39
Estimated actual deferred tax on temporary differences, approx. 4% <sup>1</sup>			-418	-349	-392
<b>EPRA NTA</b>			<b>14,038</b>	<b>11,520</b>	<b>13,461</b>
<b>EPRA NTA per share</b>			<b>99.3</b>	<b>85.9</b>	<b>95.2</b>
<b>EPRA NDV</b>					
Equity			12,212	10,065	11,823
Equity relating to non-controlling interests				-68	-74
<b>EPRA NDV</b>			<b>12,212</b>	<b>9,996</b>	<b>11,749</b>
<b>EPRA NDV per share</b>			<b>86.3</b>	<b>74.6</b>	<b>83.1</b>

	2022 3 mos Jul–Sep	2021 3 mos Jul–Sep	2022 9 mos Jan–Sep	2021 9 mos Jan–Sep	2021 12 mos Jan–Dec
<b>OTHER KPIS</b>					
Return on equity, %			17.1	19.1	22.1
Equity per share, SEK			86.3	75.1	83.6
Earnings per share, SEK		2.98	6.67	10.05	17.08

**Cash flow per share, SEK**

Profit before tax	-146	510	1,192	1,723	2,872
Reversal					
Unrealised change in value, properties	432	-241	-206	-916	-1,790
Unrealised change in value, derivatives	-2	-7	-117	-21	-36
Depreciation and amortisation	1	1	3	3	4
Current tax	-20	-23	-66	-59	-53
<b>Total</b>	<b>265</b>	<b>240</b>	<b>806</b>	<b>730</b>	<b>997</b>
Average number of shares ('000)	141,431	134,071	141,426	134,071	134,699
<b>Cash flow per share, SEK</b>	<b>1.87</b>	<b>1.79</b>	<b>5.70</b>	<b>5.44</b>	<b>7.40</b>

**Net leasing, SEKm**

Newly signed contracts	54	54	166	132	159
Terminated contracts	-34	-25	-107	-107	-128
<b>Net leasing</b>	<b>20</b>	<b>29</b>	<b>59</b>	<b>25</b>	<b>31</b>

**OTHER INFORMATION**

Contracted rental income, SEKm	551	476	1,608	1,416	1,909
Economic occupancy rate, %	92	89	91	89	89
Surplus ratio, %	70	68	69	68	68
Debt/equity ratio, times			1.3	1.4	1.2

**EPRA vacancy rate**

Estimated market rent for vacant space			201	197	189
Annualised rental value, whole portfolio			2,361	2,085	2,110
<b>EPRA vacancy rate, %</b>			<b>8.5</b>	<b>9.4</b>	<b>9.0</b>

## > Financial key ratios, cont.

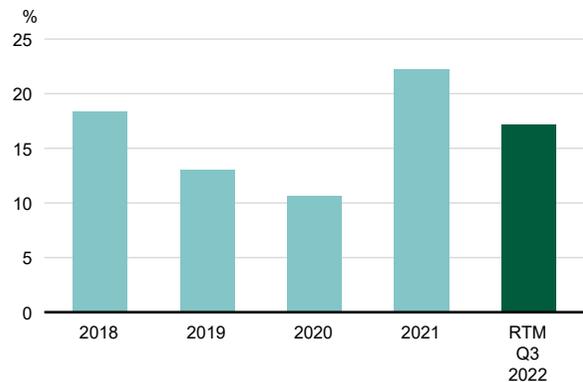
### Summary of quarterly results

	30 Sept 2022	30 June 2022	31 Mar 2022	31 Dec 2021	30 Sep 2021	30 Jun 2021	31 Mar 2021	31 Dec 2020
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Revenue, SEKm	559	543	539	500	480	504	483	472
Operating surplus, SEKm	388	380	336	321	325	353	290	295
Property management income, SEKm	283	313	271	250	261	288	231	229
Profit for the period, SEKm	-120	356	708	965	402	435	522	438
Surplus ratio, %	70	71	65	65	68	76	61	63
Economic occupancy rate, %	92	91	90	89	89	88	90	90
Equity ratio, %	38.1	39.1	40.8	40.2	36.5	36.0	37.4	36.8
Property loan-to-value ratio, %	51.8	50.4	49.3	48.6	52.7	53.8	53.7	54.3
Average interest rate at end of period, % <sup>1</sup>	2.5	1.8	1.1	1.1	1.1	1.1	1.1	1.2
Interest coverage ratio, times	5.7	7.1	6.8	5.9	6.4	7.0	6.3	6.1
Property management income per share, SEK	2.00	2.21	1.92	1.83	1.95	2.15	1.72	1.70
Earnings per share after tax, SEK	-0.84	2.52	5.00	7.03	2.98	3.22	3.86	3.26
Equity per share, SEK	86.4	87.2	88.2	83.7	75.1	72.1	72.1	68.2
Market price per share, SEK	70.5	71.1	102.4	118.8	85.4	88.7	71.8	76.8

<sup>1</sup> Includes expenses relating to commitment fees and derivatives.

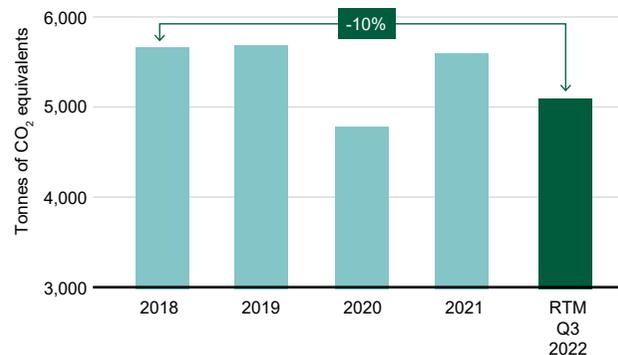
### Target follow-up:

#### Return on equity



The target is to reach an annual return of at least 12 per cent on equity. Improved earnings and increased property values are contributing to a positive outcome.

#### Greenhouse gas emissions



By 2030, our CO<sub>2</sub> emissions will decrease by 50 per cent compared with 2018.



Tenant Johnny Hedlund, Local store, Skellefteå.

# Parent company

The activities of the parent company consist of central Group functions as well as the ownership and operation of the Group's subsidiaries. Revenue totalled SEK 147m (134) and the profit after tax was SEK 198m (141). Income referred chiefly to services sold to the Group's subsidiaries. Cash and cash equivalents at 30 September 2022 were SEK 317m (534) and drawn overdraft facilities were SEK 0m (0). External interest-bearing liabilities, excluding overdraft facilities, totalled SEK 5,694m (5,186), of which SEK 845m (2,871) referred to outstanding commercial paper. The average annual interest rate based on the situation at 30 September 2022 amounted to 2.7 per cent (1.1). The parent company prepares its financial reports in compliance with RFR 2 Financial Reporting for Legal Entities.

## Condensed parent company income statement and statement of comprehensive income, SEK million

	2022 9 mos Jan-Sep	2021 9 mos Jan-Sep	2021 12 mos Jan-Dec
<b>INCOME STATEMENT</b>			
Revenue	147	134	175
<b>Gross profit</b>	<b>147</b>	<b>134</b>	<b>175</b>
Central administration	-164	-153	-213
<b>Operating profit</b>	<b>-17</b>	<b>-19</b>	<b>-38</b>
Income from interests in Group companies	100	100	142
Financial income	429	295	402
Financial costs	-314	-235	-321
<b>Profit after financial items</b>	<b>198</b>	<b>141</b>	<b>185</b>
Appropriations	-	-	-
<b>Profit after appropriations</b>	<b>198</b>	<b>141</b>	<b>185</b>
Current tax	-	-	-2
<b>Profit after tax</b>	<b>198</b>	<b>141</b>	<b>183</b>
<b>STATEMENT OF COMPREHENSIVE INCOME</b>			
Profit after tax	198	141	183
<b>Comprehensive income for the year</b>	<b>198</b>	<b>141</b>	<b>183</b>

## Condensed parent company balance sheet, SEKm

	2022 30 Sep	2021 30 Sep	2021 31 Dec
<b>ASSETS</b>			
Investments in Group companies	2,332	2,265	2,265
Receivables from Group companies	19,329	16,218	16,481
Other assets	14	29	18
Cash and cash equivalents	317	534	1,129
<b>TOTAL ASSETS</b>	<b>21,992</b>	<b>19,046</b>	<b>19,893</b>
<b>EQUITY AND LIABILITIES</b>			
Equity	3,185	2,640	3,475
Untaxed reserves	16	16	16
Interest-bearing liabilities	5,694	5,186	5,412
Liabilities to Group companies	12,821	10,957	10,948
Overdraft facilities	-	-	-
Other liabilities	276	247	42
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>21,992</b>	<b>19,046</b>	<b>19,893</b>

# Taxonomy reporting

## Reporting under Article 8 of the Taxonomy Regulation

Our entire operation is covered by the EU Taxonomy Regulation. In the long term, it will require full information on the extent to which our activities are compatible with the criteria defined in relation to the EU's six environmental objectives.

The six environmental objectives are:

1. Climate change mitigation
2. Climate change adaptation
3. Sustainable use and protection of water and marine resources
4. Transition to a circular economy
5. Pollution prevention and control
6. Protection and restoration of biodiversity and ecosystems

## Our assessment

Our business is determined to be exposed to the EU taxonomy, and the established environmental objective of limiting climate impact, *Climate mitigation*. We see that we can contribute to the climate transition in society through, among other things, energy efficiency in our properties and purchasing renewable energy, but also promoting a low climate footprint in connection with new construction and renovations. We have assessed that our primary economic activities constitute the acquisition and ownership of properties 7.7 *Acquisition and ownership of buildings*.

For 2022, we choose to report the combined data for all activities. Current assumptions and interpretations may be adjusted and reporting increased as the legislation is clarified.

Activity 7.7	Jan-Sept 2022 (SEKm)	Total 2021 (SEKm)	Percentage covered (%)	Percentage not covered (%)
Sales	1,380	1,647	100%	0%
Operating expenditure (OPEX)	128	169	100%	0%
Capital expenditure (CAPEX)	924	1,219	100%	0%

*Key performance indicators are presented on page 20.*

## Interpreting KPIs

- > **Revenues/Sales:** We assess that rental income excluding deferred property tax and service income related to property management are included in this key figure.
- > **CAPEX/Capital expenditure:** We assess that capitalised expenses that increase the value of our properties including redevelopment, new construction and acquisitions and additional rights of use during 2022 are included in this key figure.
- > **OPEX/Operating expenditure:** We assess that all ongoing costs related to internal and external property management and repair and maintenance, in order to maintain the value of our properties, are included in this key figure.

Jesper Gabrielli, Property Technician, Jessica Frölin, Customer and Office Coordinator, and Joel Sjönnéby, Property Technician, with Linda Angman at Ateljé Liva in Borlänge.



## Four reasons to invest in Diös



**Unique position in an attractive market**



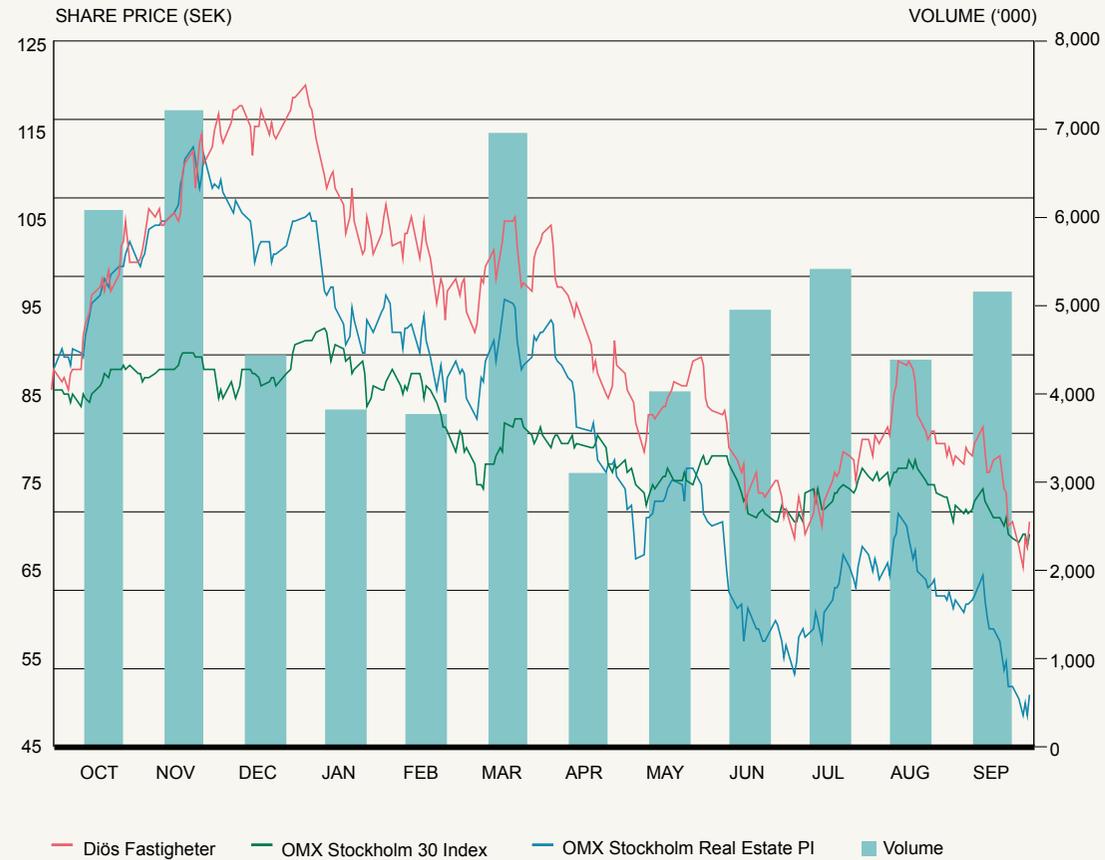
**Long-term sustainable business model**



**Value creation through three revenue streams**



**Strong and stable cash flows**



# Share information

## Share performance

Diös' share price at the end of the period was SEK 70.5 (85.4), which represents a market capitalisation of SEK 9,989m (11,487), and the return for the past 12 months was -17.5 per cent (34.5). If the dividend is included, the total return on the shares for the period was -14.4 per cent (37.4). The return on the OMX Stockholm 30 Index was -19.2 per cent (23.5) and the return on the OMX Stockholm Real Estate PI index was -42.1 per cent (24.4).

At 30 September, Diös Fastigheter AB had 19,015 shareholders (18,033). The share of foreign-owned shares was 21.9 per cent (24.7) while the total number of shares during the period remained unchanged at 141,785,165 (134,512,438). The single largest shareholder was AB Persson Invest, with 15.4 per cent (15.4) of the shares. The ten largest shareholders accounted for 55.0 per cent (53.2) of the total number of shares and voting rights.

The Annual General Meeting 2022 resolved to authorise the company to buy back ten per cent of the total number of outstanding shares of the company.

No new changes of ownership were flagged during the period.

Diös Fastigheter AB is a publicly traded company listed on the NASDAQ OMX Nordic Exchange Stockholm, Mid Cap list. The ticker symbol is DIOS and the ISIN code SE0001634262.

## Return and net asset value

Our goal is to generate a return on equity in excess of 12 per cent. Return for the period was 17.1 per cent (17.9). Equity at the end of the period was SEK 12,212m (10,065) and the long-term net asset value, EPRA NRV, was SEK 14,301m (11,845). On a per share basis, EPRA NRV was SEK 101.1 (88.3), which means that the share price at 30 September represented 70 per cent (97) of long-term net asset value. The net asset value per share for the period, expressed as EPRA NTA, was SEK 99.3 (85.9).

## Earnings

Earnings per share for the period were SEK 6.67 (10.05) while long-term earnings per share, expressed as EPRA EPS, were SEK 5.67 (5.37). EPRA EPS, which is designed to show an entity's long-term earnings per share, is calculated as property management income after deducting 20.6 per cent corporation tax attributable to property management income less minority share of earnings.

## Largest shareholders

of Diös Fastigheter AB at 30 September 2022

SHAREHOLDER	No. of shares	Capital and votes, %
AB Persson Invest	21,818,606	15.4
Backahill Inter AB	14,857,452	10.5
Nordstjerman AB	14,308,698	10.1
Pensionskassan SHB Försäkringsförening	8,096,827	5.7
Länsförsäkringar Fonder	4,186,643	3.0
Vanguard	3,378,801	2.4
Avanza Pension	3,122,996	2.2
BlackRock	3,057,944	2.2
Karl Hedin	3,050,547	2.2
Sten Dybeck, including company and family	2,175,183	1.5
<b>Total, largest shareholders</b>	<b>78,053,697</b>	<b>55.0</b>
Treasury shares	354,218	0.2
Other shareholders	63,377,250	44.8
<b>TOTAL</b>	<b>141,785,165</b>	<b>100.0</b>

Source: Monitor of Modular Finance AB. Compiled and processed data from Euroclear, Morningstar, the Swedish Financial Supervisory Authority and other sources.

# Other information

## Employees and organisation

The number of employees at 30 September 2022 was 153 (145), of whom 65 were women (63). The majority of our employees, 97 people (94), work in our business units and the rest at our head office in Östersund. Our Pick-Pack-Post concept currently employs 5 people (4), of whom 5 were women (4).

## Risks and uncertainties

### Effects of Covid-19

The business will be affected by Covid-19 in both the short and the long term. Our assessment is that the risk of doubtful debts and bad debts has decreased in the short term compared with the previous year.

### Effects of the military conflict in Ukraine

Russia's invasion of Ukraine in mid-February 2022 and the resulting humanitarian disaster is a major setback for the world. Sanctions against Russia and changed world trade affect global flows of goods and capital as well as energy prices. The most obvious effect in the immediate future is rising inflation, higher interest rates and increased risk premiums on the capital market, which can result in higher financing costs compared with the conditions at the beginning of the year.

In addition, there are clear downward risks for economic growth and that the supply of goods and products where the conflict countries had large production contributions is restricted. For our part, this can lead to higher costs for production materials, supply shortages and longer lead times in the project business, in particular.

### General risks

Material risks and uncertainties affecting the business include market and business intelligence, the business model, the properties, cash flow, financing and sustainability.

Demand and prices in the Swedish property market are influenced by the level of economic activity globally and in Sweden as well as by interest rates.

Our properties are measured at fair value on an ongoing basis, and changes in value are recognised in the income statement. The effects of changes in value affect the income statement and balance sheet and thus also the related performance measures. Any significant negative impact is managed through a diversified portfolio of centrally located properties in growth cities.

PROPERTY VALUE SENSITIVITY ANALYSIS	Change in property value, %		
	-7.5	0.0	+7.5
Property value, SEKm	28,773	31,106	33,439
Equity ratio, %	33.3	38.1	42.3
Loan-to-value ratio, %	56.0	51.8	48.2

Cash flow consists of income and expenses and is primarily attributable to rent levels, property costs, occupancy rates and interest rates. A change in these items affects cash flow and thus also earnings. Any significant negative impact is managed through a diversified tenant structure, good cost control and active interest rate risk management.

CASH FLOW SENSITIVITY ANALYSIS	Change	Impact on earnings, SEKm <sup>1</sup>
Contracted rental income	+/- 1%	+/- 22
Economic occupancy rate	+/- 1 % point	+/- 24
Property costs	-/+ 1%	+/- 7
Interest rate on interest-bearing liabilities	-/+ 1 % point	+/- 108

<sup>1</sup> Annualised.

Access to financing is the biggest financial risk and is essential to running a property business. The risk is limited through good relations with banks, good diversification, access to the capital market, and strong finances and KPIs.

A sustainable business model and sustainable behaviour are essential to creating long-term value. Through good internal control and procedures, we take responsibility for building a sustainable long-term business.

For more information on risks and risk management, see Diös' annual report for 2021, pages 58-60, 74 and 78.

## Related-party transactions

There were no significant related party transactions in the period. Those related-party transactions which did occur are deemed to have been concluded on market terms.

## Seasonal variations

Costs for operations and maintenance are subject to seasonal variations. Cold weather and snow affect the costs for heating, snow clearance and roof snow removal. The costs are normally higher in the first and fourth quarters.

## Accounting policies

We comply with EU-adopted IFRS standards and the interpretations of these (IFRIC). This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The report for the parent company is prepared in accordance with RFR 2 Financial Reporting for Legal Entities and the Swedish Annual Accounts Act. All property-related transactions in the third quarter have been recognised based on calculations of the preliminary consideration. The calculation of the final consideration will be completed in the fourth quarter of 2022. The accounting policies applied in preparing the interim report are consistent with the accounting policies applied in preparing the consolidated financial statements and annual accounts for 2021<sup>1</sup>, Note 1.

Other changed and new IFRS standards that enter into force during the year, or the coming periods are not assessed as having any significant impact on the consolidated reports and financial statements.

<sup>1</sup>The Annual Report 2021 is available at [www.dios.se](http://www.dios.se).

Fredrik Danell, Project Manager, Luleå.



## Review of the report

The Board of Directors and Chief Executive Officer declare that the interim report gives a true and fair view of the company's and Group's operations, financial position and income, and describes the principal risks and uncertainties faced by the company and the companies in the Group. This interim report has not been subject to review by the company's auditor.

Financial reports can be viewed in full on Diös' website, [www.dios.se](http://www.dios.se).

Östersund, 21 October 2022

Bob Persson  
*Chairman*

Peter Strand  
*Board member*

Erika Olsén  
*Board member*

Ragnhild Backman  
*Board member*

Tobias Lönnevall  
*Board member*

Anders Nelson  
*Board member*

Jenny Svensson  
*Board member*  
*Employee representative*

Knut Rost  
*Chief Executive Officer*

## Auditor's review report

To the Board of Directors of Diös Fastigheter AB (publ), corp.  
ID no. 556501-1771

### Introduction

We have conducted a review of the interim financial information in the interim report for Diös Fastigheter AB (publ) on 30 September 2022 and the nine-month period ending on that date. Responsibility for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act rests with the Board of Directors and Chief Executive Officer. Our responsibility is to express a conclusion on the interim report based on our review.

### Focus and scope of the review

We have 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 involves making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review

procedures. A review has a different focus and significantly smaller scope than an audit in accordance with ISA and generally accepted auditing standards. The procedures taken when conducting a review do not enable us to obtain a degree of certainty that would make us aware of all material circumstances that would have been identified if an audit had been performed. The conclusion expressed on the basis of a review therefore does not have the same level of certainty as a conclusion expressed on the basis of an audit.

### Conclusion

Based on our review, no circumstances have come to light that would give us reason to believe that the interim report has not, in all material respects, been prepared, in respect of the Group, in accordance with IAS 34 and the Annual Accounts Act, and in respect of the parent company, in accordance with the Swedish Annual Accounts Act.

Östersund, 21 October 2022  
Deloitte AB  
Richard Peters, Authorised Public Accountant

## Financial calendar

Q4, Interim Report January-December 2022	14 February 2023
Annual Report 2022	Week 12
Annual General Meeting	18 April 2023
Q1, Interim Report January-March 2023	28 April 2023
Q2, Interim Report January-June 2023	7 July 2023
Q3, Interim Report January-September 2023	27 October 2023

## Dividend

At the 2022 Annual General Meeting on 5 April, a resolution was passed to approve the dividends according to the Board of Directors' proposal on the following dates:

First payment date, 12 April 2022	SEK 0.88 per share
Second payment date, 12 July 2022	SEK 0.88 per share
Third payment date, 12 October 2022	SEK 0.88 per share
Fourth payment date, 12 January 2023	SEK 0.88 per share

## For further information, please contact

### Knut Rost, CEO

+46 (0)770-33 22 00, +46 (0)70-555 89 33, [knut.rost@dios.se](mailto:knut.rost@dios.se)

### Rolf Larsson, CFO

+46 (0)770-33 22 00, +46 (0)70-666 14 83, [rolf.larsson@dios.se](mailto:rolf.larsson@dios.se)

*This constitutes information which Diös Fastigheter AB is required to publish under the EU's Market Abuse Regulation (EU no 596/2014). The information was submitted for publication through the above contact person on 21 October, at at 7:00 A.M. CEST.*

# Definitions

## > Financial

### Debt/equity ratio

Interest-bearing liabilities divided by shareholders' equity at the end of the period.

### Equity ratio

Equity divided by total assets at the end of the period.

### Interest coverage ratio

Income from property management after reversal of financial costs, divided by financial costs for the period.

### Loan-to-value ratio, properties

Net debt divided by the carrying amount of the properties at the end of the period.

### Net debt

Net debt is calculated as interest-bearing liabilities less cash and cash equivalents plus drawn overdraft facilities.

### Number of shares at end of period

Actual number of shares outstanding at the end of the period.

### Return on equity

Profit for the period attributable to parent company shareholders divided by average equity attributable to parent company shareholders. Average equity is calculated as the sum of the opening and closing balance divided by two.

### Return on total assets

Profit before tax plus financial costs divided by average assets. Average assets are calculated by adding the opening and closing balances and dividing by two.

### Service income

Income relating to tariff-based services and income from the care and upkeep of properties.

### Secured loan-to-value ratio

Net debt less amortised cost on the commercial paper and a nominal amount for unsecured bonds divided by the properties' book value at the end of the period.

## > Share-related

### Average number of outstanding shares

Number of shares outstanding at the beginning of the period, adjusted by the number of shares issued or withdrawn during the period weighted by the number of days that the shares were outstanding in relation to the total number of days in the period.

### Cash flow per share

Profit before tax, adjusted for unrealised changes in value, plus depreciation and amortisation less current tax divided by the average number of outstanding shares.

### Dividend per share

Approved or proposed dividend divided by the number of shares outstanding at the end of the period.

### Earnings per share

The profit for the period after taxation, attributable to shareholders, divided by the average number of outstanding shares.

### EBITDA

Operating surplus less central administration after reversal of scheduled depreciation and amortisation. The calculation is made on 12-month rolling basis, unless otherwise stated.

### EPRA earnings

Property management income less nominal tax attributable to property management income, divided by average number of shares. Taxable property management income refers to property management income less, inter alia, tax-deductible depreciation and amortisation and redevelopments.

### EPRA Net Disposal Value (NDV)

Equity at the end of the period as per balance sheet adjusted for the non-controlling interests' share of the equity.

### EPRA Net Reinstatement Value (NRV)

Equity at the end of the period as per balance sheet after reversal of interest rate derivatives and deferred tax attributable to temporary differences in properties and non-controlling interests' share of the equity.

### EPRA Net Tangible Asset (NTA)

Equity at the end of the period as per balance sheet adjusted for the fair value of interest rate derivatives and actual deferred tax attributable to temporary differences in properties and non-controlling interests' share of the equity.

### Equity per share

Equity at the end of the period divided by the number of shares outstanding at the end of the period.

### Net debt to EBITDA

Net debt is calculated as interest-bearing liabilities less cash and cash equivalents plus overdraft facilities. Net debt is then divided by EBITDA.

## > Property-related and other

### Comparable properties

Comparable properties refer to properties which have been owned throughout the period and the whole comparative period. The term is used to highlight growth in rental income, excluding one-off effects resulting from early vacating of properties, and property costs as well as acquired and sold properties.

### Contracted rental income

Rents invoiced for the period less rent losses and rent discounts including service income.

### Economic occupancy rate

Contracted rental income for the period divided by rental value at the end of the period.

### Economic vacancy rate

Estimated market rent for unused premises divided by total rental value.

### EPRA vacancy rate

Estimated market rent for vacant space divided by the annual rental value of the whole property portfolio.

### Market value of properties

Estimated market value from the most recent valuation.

### Net leasing

Net annual rent, excluding discounts and supplements, for newly signed, terminated and renegotiated contracts. The lease term is not taken into account.

### Operating costs

Costs of electricity, heating, water, care and upkeep of properties, cleaning, insurance and regular maintenance.

### Operating surplus

The rental income less building operating and maintenance costs, ground rent fees, property taxes and property management.

### Physical occupancy rate

Rented area in relation to total leasable area.

### Project property

New builds or improvement properties with an investment amounting to at least 20 per cent of the initial market value and a project period exceeding 12 months. A project property will be returned as an investment property no earlier than 12 months after completion.

**Improvement property** – properties with ongoing or planned conversion or extension work that materially affects the property's operating surplus or standard and/or changes the use of the property.

**New builds** - land and properties with ongoing new builds or that are undergoing complete redevelopment.

**Tenant improvements** – properties undergoing conversion or minor improvements to premises.

### Property category

The main use of the properties is based on the distribution of their areas. Properties are defined according to the purpose and use of the largest proportion of the property's total area.

### Property management income

Revenue less property costs, costs for central administration and net financial items.

### Rental value

Rent invoiced for the period plus estimated market rent for unoccupied floor space.

### Surplus ratio

Operating surplus for the period divided by contracted rental income for the period.

### Yield

Operating surplus for the period divided by the properties' market value at the end of the period.



## Diös Fastigheter AB (publ)

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Corporate ID number: 556501-1771  
Registered office of the company: Östersund

[www.dios.se](http://www.dios.se)

## Presentation of the interim report

We will present the interim report for January-September to investors, analysts, the media and other stakeholders **on 21 October 2022 at 10:00 A.M.** CEO Knut Rost and CFO Rolf Larsson will give a presentation of the results, which will be followed by a Q&A session. The presentation will be in English and will take the form of an online teleconference. The details and a telephone number for the teleconference are available **on our website**.

The presentation can be viewed after the event.