

Financial information

FOR 2024



AKADEMISKA HUS

AKADEMISKA HUS 2024 IN BRIEF

Akademiska Hus

- Sweden's leading property company for higher education and research
- Rentable area of approximately 3.4 million square metres
- Property portfolio of totalling SEK 115 billion

Wholly owned by the Swedish state through the Ministry of Finance

- Owner clause in EMTN programme
- Will remain wholly owned by the Swedish state according to 2013 Parliament decision

Long-term leases with highly creditworthy customers

- Approximately 85 per cent rental revenue from colleges and universities
- Approximately 60 per cent market share for the entire country

Rating

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

MARKET

Akademiska Hus owns, develops and manages knowledge environments for higher education and research in Sweden. With extensive experience and a broad geographic presence, we develop sustainable and efficient environments, while harnessing economies of scale. The focus of the core business on long-term leases with creditworthy customers ensures a stable cash flow. With overall responsibility for developing campuses at colleges and universities, student housing investments also contribute to growth. In addition, Akademiska Hus's three-year strategy (2023–2025) involves a continued focus on the digital and sustainable transition. This includes advances in terms of optimal use of premises and more data-driven working methods, which require close cooperation with our customers. Since 2022, Akademiska Hus has an updated climate and energy strategy and in 2024 the company raised its ambition even further by taking an industry-leading step towards net-zero emissions by 2040¹. A climate budget has been implemented to support these sustainability efforts towards net-zero emissions by 2040. The budget acts an important tool in the daily operations and sets limits on emissions that may not be exceeded. The climate budget breaks down the emission targets into separate emission caps for the different functions of the business. Since 2006, Akademiska Hus has also worked actively on reducing energy consumption, which includes all energy that is consumed in the properties. An important step in achieving these climate goals is to transition the project portfolio from new construction to renovation and redevelopment to make better use of existing properties. An updated green bond framework was published in June 2023 to incorporate larger parts of the EU Taxonomy's technical screening criteria.

MANAGEMENT AND INVESTMENTS

The project portfolio with approved and planned projects at year-end amounted to approximately SEK 13.8 billion, of which SEK 3.7 billion has already been invested in projects in progress. The portfolio includes investments in both new construction and redevelopment. Demand for new premises is strongest in the major centres of education that focus on research. In 2024, Akademiska Hus's net investments amounted to SEK 2,410 million in its own projects and properties corresponding to a market value of SEK 382 million were sold. The financial vacancy rate has decreased from an already very low level to

2.6 per cent as of year-end. The average lease term for all current leases was 10.1 years and the average remaining lease term was 5.6 years at year-end.

FINANCING

In 2024, bonds equal to SEK 1,800 million were issued in the Swedish market, of which SEK 300 million was issued with a maturity of 20 years and SEK 1,500 million was a green bond with a maturity of five years. In addition to the bond issuances, the facility with the European Investment Bank (EIB) was utilised by borrowing SEK 1,200 million with a maturity of ten years. Committed credit facilities with banks amounted to a total of SEK 6,000 million and were all unutilised at year-end. Bond issuances, utilisation of the facility with EIB, stable quarterly rental payments and the committed credit facilities contributed to a continued good liquidity reserve for Akademiska Hus. The bond issuances were carried out under the well-established ETMN programme.

The ECP programme is the most important source of short-term financing. Use of the ECP programme increased slightly during the year.

Net debt increased by SEK 3,217 million during the year and totalled SEK 38,514 million at year-end. The increase was due to an inflow of CSA securities as a result of derivatives outstanding alongside the increased use of cash and cash equivalents. Overall, this has contributed to an increase in net debt. Average maturity in the debt portfolio was 9.1 years and the proportion of loans that fall due within 12 months was 14 per cent.

The decline in interest rates during most of the year motivated a gradual extension of fixed-interest terms and in the total debt portfolio it was 5.9 years at the end of the year. Interest rate derivatives continued to serve as an important tool to maintain the fixed-interest term. Net interest income and expense was SEK -1,279 million, including site leasehold fees and changes in the value of financial derivative instruments, and the total financing cost was 3.81 per cent for 2024. The largest contribution to net interest income and expense was net interest that amounted to SEK -1,008 million.

The general terms and conditions of the EMTN programme include an ownership clause stating that if the Swedish state, directly or indirectly, ceases to be the majority owner, the loans immediately fall due for payment.

¹ Akademiska Hus has chosen to define net zero as a reduction of reported GHG emissions of 90 per cent compared with the baseline year, 2019. The goals were verified by the Science Based Targets initiative (SBTi) Net-Zero Standard.

FINANCING PROGRAMMES AND FACILITIES

	S&P Global Ratings	Limit 31 Dec 2024	Utilised, nominal 31 Dec 2024
Committed credit facilities with banks	—	SEK 6,000 m	—
Commercial paper	A1+/K1	SEK 4,000 m	—
ECP (Euro Commercial Paper)	A1+	EUR 1,200 m	EUR 210 m
EMTN (Euro Medium Term Note)	AA/A1+	EUR 4,000 m	EUR 3,199 m

	2024	2023	2022
INCOME STATEMENT AND STATEMENT OF FINANCIAL POSITION, KEY FIGURES			
Property management income, SEK m	7,976	7,651	6,954
Net operating income, SEK m	5,856	5,336	5,143
Change in value, properties, SEK m	-1,885	-3,475	1,108
Profit after financial items (incl. changes in value of properties), SEK m	2,543	491	6,909
Assessed market value, properties, SEK m	114,883	114,600	115,371
of which transferred from new construction in progress	4,674	4,840	4,358
Net investments in properties, SEK m	2,410	2,552	1,880

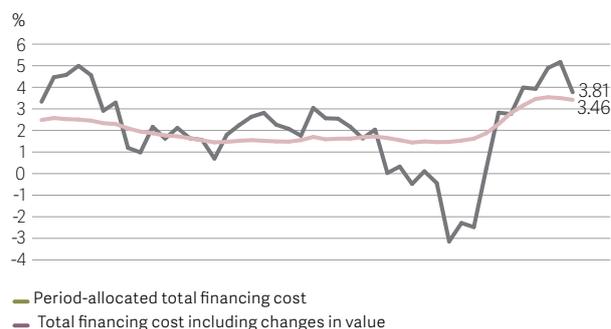
PROPERTY-RELATED KEY FIGURES

Total yield, properties, %	3.6	1.7	5.8
of which direct yield, %	5.4	4.9	4.8
of which change in value, %	-1.7	-3.2	1.0
Return on equity, %	3.2	0.6	8.6
Return on operating capital, %	3.8	1.7	6.3
Equity ratio, %	47.1	47.9	50.2
Loan-to-value ratio properties, %	33.5	30.8	26.5
Level of vacant space, rent, %	2.6	2.9	2.4
Level of vacant space, area, %	4.6	4.8	3.4

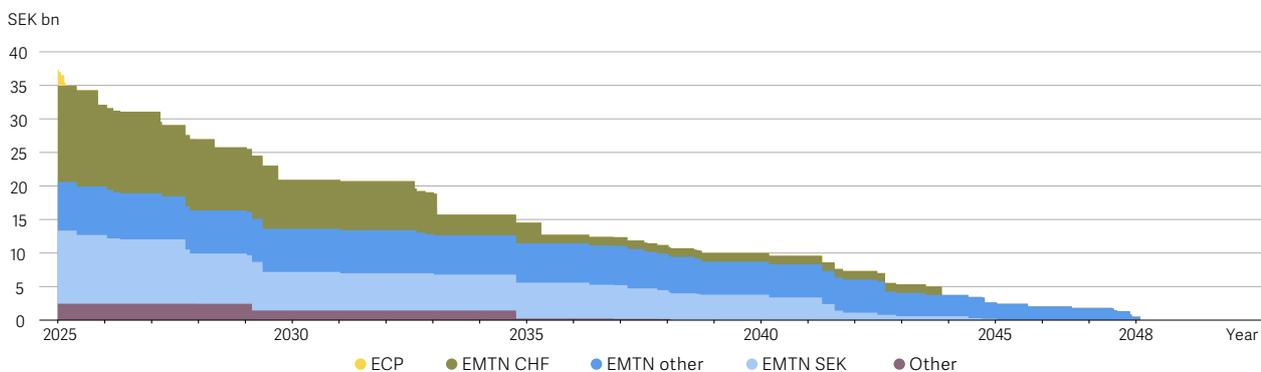
FINANCIAL KEY FIGURES

	2024	2023	2022
Gross loan debt, SEK m	41,738	40,574	37,481
Net loan debt, SEK m	38,514	35,297	30,578
Interest coverage ratio, %	469	503	990
Fixed-interest term, total portfolio, years	5.9	5.9	6.1
Maturity, years	9.1	9.2	8.8

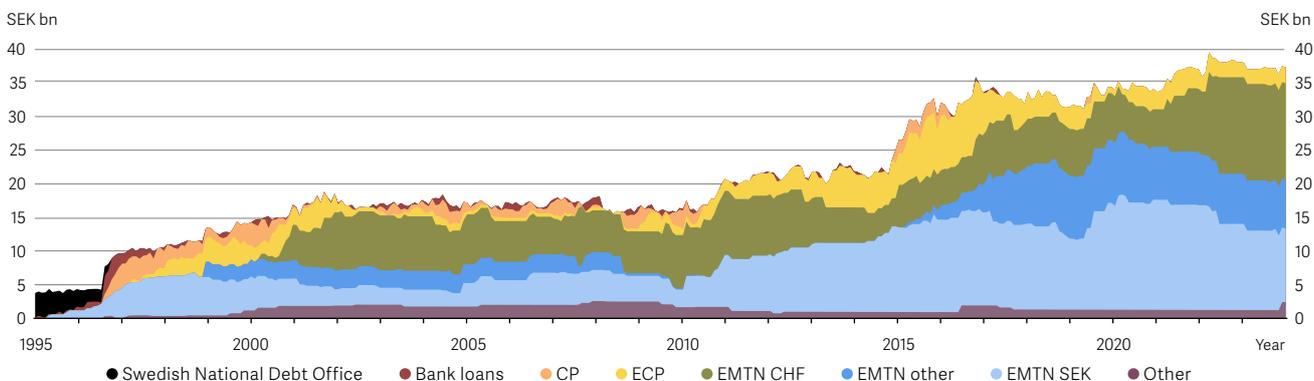
COMPARISONS, DIFFERENT CALCULATIONS OF FINANCING COST



DEBT MATURITY PROFILE, SEK BN



FINANCING SOURCES, SEK BN



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