

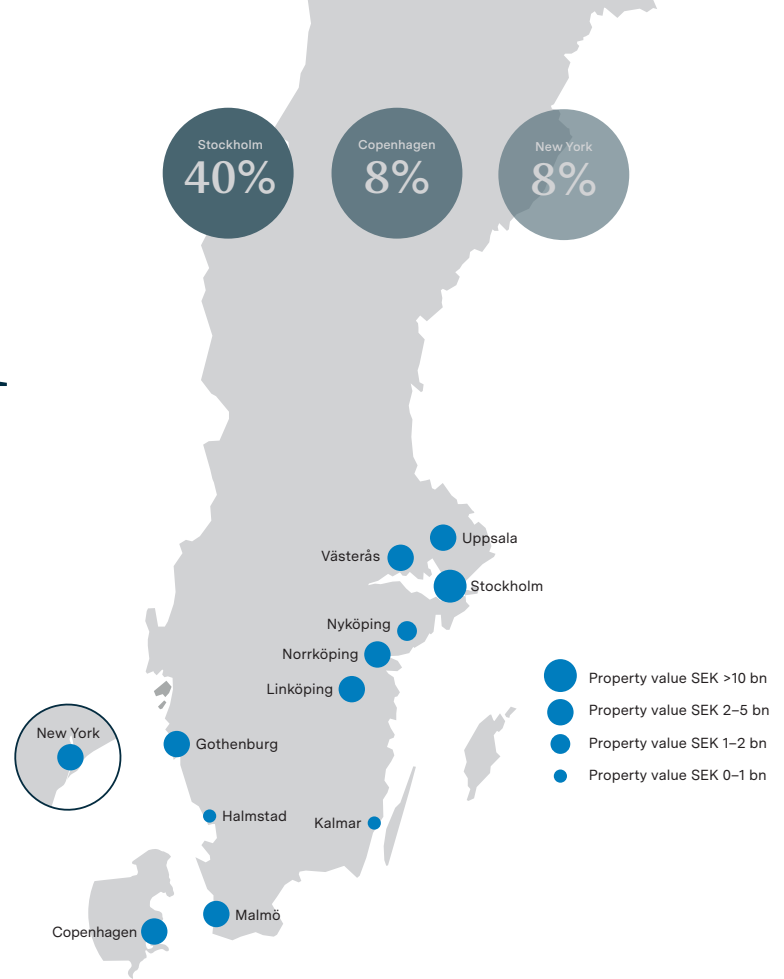
Interim Report January–June 2020



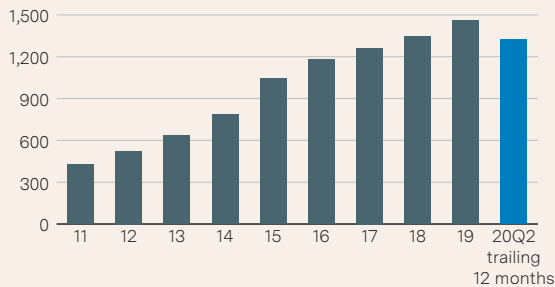
KLÖVERN

This is Klöver

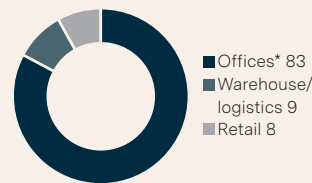
Klöver is one of Sweden's largest listed real estate companies, mainly focusing on commercial properties.



PROFIT FROM PROPERTY MANAGEMENT, SEKm

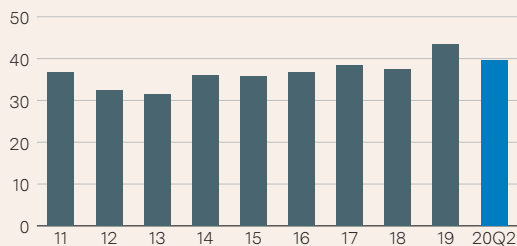


PROPERTY VALUE BY TYPE OF PROPERTY, %

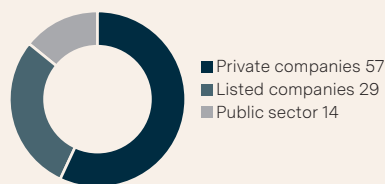


*) Including education, health care, other.

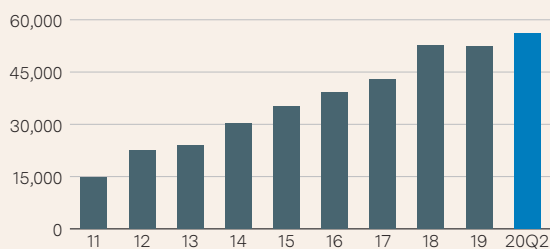
EQUITY RATIO, adjusted, %



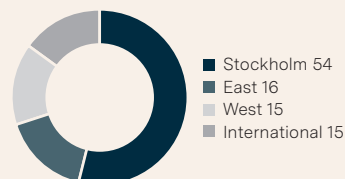
CONTRACT VALUE BY CUSTOMER CATEGORY, %



PROPERTY VALUE, SEKm



PROPERTY VALUE BY REGION, %



January–June 2020

- » Income amounted to SEK 1,649 million (1,817). The decline is due to net divestment of properties during 2019, among others the whole portfolio in Karlstad and all investment properties in Örebro. For a comparable portfolio, i.e. properties owned for the whole of 2019 and 2020, income increased by 1 per cent to SEK 1,579 million (1,565).
- » The operating surplus amounted to SEK 1,084 million (1,243).
- » Profit from property management amounted to SEK 617 million (754).
- » Profit before tax amounted to SEK 1,268 million (1,411) and net profit, attributable to the parent company's shareholders, totalled SEK 993 million (1,082), corresponding to SEK 0.95 (1.06) per ordinary share.
- » Changes in value of properties totalled SEK 785 million (770).
- » Project development, including development of building rights, contributed to increases in value of properties of SEK 205 million (194).
- » After taking possession of 5 properties for SEK 2,253 million, transfer of possession of 1 property for SEK 258 million and investments of SEK 1,016 million, the value of the property portfolio amounted to SEK 56,060 million.
- » The interest coverage ratio amounted to 2.5 (2.7), leverage to 53 per cent (50) and the adjusted equity ratio to 39.6 per cent (43.5).
- » The net asset value (NAV) per ordinary share amounted to SEK 21.80 (21.17).

348

Number
of properties

56.1

Value of
properties,
SEKbn

3.8

Rental value,
SEKbn

39.6

Equity ratio,
adjusted, %

Secure positioning despite a first half of the year characterized by uncertainty

The first half of 2020 has been marked in every way by the impact of covid-19 on society and the economy. A limited part of Klöver's customer base has had a particularly tough spring and we have an on-going, constructive dialogue with those tenants. Despite this, we can note that in the current market conditions we have, in total, a stable long-term business which delivers good results.



CONTINUED STABLE EARNINGS

Klöver is reporting stable and good earnings for the first half of the year. Earnings are in line with our expectations even if the ongoing situation with corona has had a negative effect on the second quarter's income in the form of SEK 9 million in rent discounts and SEK 5 million lower garage- and parking revenues. During the year's first six months profit from property management amounted to SEK 617 million and after positive changes of value of properties of SEK 785 million, profit before tax amounted to SEK 1,268 million. The return on equity during the past 12 months amounted to 15 per cent.

The development of income in a comparable portfolio was stable with an increase of 1 per cent. In the current situation, we have the benefit of our contracted rental income but also of the composition of tenants where most of them are able to deal with the situation without it having an excessive impact.

UNCERTAIN STATE OF THE ECONOMY

The covid-19 pandemic has rapidly accelerated the already noticeable slackening of the economy and it will probably have major negative effects on both the global and the Swedish economy. It can already be expected that there will be considerably higher unemployment than normal and a markedly lower activity in the economy at least in 2020 and probably a major part of 2021.

NET MOVING-IN REFLECTS THE CURRENT STATE OF THE MARKET

Net moving-in amounted to SEK -14 million during the second quarter. In addition to the vacations already known about, we are now also seeing a slight effect in the form of some bankruptcies related to the current corona situation. The good net moving-in that was achieved during 2019, which was far in excess of our target of at least 1 per cent of

”Klövern is reporting stable and good earnings.”

the rental value continues to have a positive effect on earnings during 2020.

STRENGTHENED LONG-TERM FINANCING

In May, we completed a major financial manoeuvre which entailed that Klöverner refinanced SEK 5 billion in existing bank loans and secured bonds and obtained new loans and credit decisions for new loans totalling over SEK 4 billion. It is gratifying that we were able to achieve this important new financing by working together with our banks.

In June, Klöverner obtained an investment grade-rating (BBB- with stable outlook) from Scope Ratings which is positive for future financing.

On 30 June 2020, the adjusted equity ratio amounted to 39.6 per cent, while leverage was 53 per cent. The average financing rate was 2.6 per cent and 91 per cent of the credit volume was interest rate hedged or at a fixed rate. The interest coverage ratio is satisfactory and amounted to 2.5 during the past 12 months.

A STREAMLINED AND STABLE PORTFOLIO

We can note that the hard work engaged in for a number of years to streamline the property portfolio has given us a portfolio concentrated on growth locations and markets where we want to be long-term owners and which is line with our strategy. The value of the portfolio at the end of the quarter totalled SEK 56 billion; at the same time, the foreign portfolio accounted for 15 per cent of the total property value.

PROJECT DEVELOPMENT CREATES VALUE FOR THE FUTURE

As one of the fundamental parts of Klöverner's business model, our project development aims to position Klöverner as a long-term city developer both in Sweden and abroad. We have a large project portfolio, both as regards residential and

commercial properties, which will enable both growth and the creation of value over time. Because of the state of the economy, we have decided to postpone the start of construction of some planned projects, but the work of planning and creating the prerequisites for future projects is continuing as usual. In total, project development, including development of building rights, contributed to increases in value of properties of SEK 205 million during the first two quarters of 2020.

AN ONGOING DIALOGUE WITH OUR TENANTS

A limited part of Klöverner's customer base, not least in the hotel and restaurant sectors, has had a particularly tough spring. We make individual assessments, based on each tenant's needs and prerequisites, and in a number of cases, have agreed upon rent relief in the form of discounts and respite combined with state rental support. A number of tenants have gone over from paying rent quarterly in advance to doing so monthly. Adjusted for tenants that pay on a monthly basis, Klöverner's received rental payments and assessed as secure rental payments as at 10 July 2020 totalled 96 per cent of the invoiced rents for the third quarter. At the corresponding point in time in 2019, 97 per cent of the rents had been received.

It is a great privilege to see every day how all of Klöverner's ambitious and committed personnel ensure that the business continues as usual even if we right now are perhaps not able to meet every day and that meetings often take place digitally.

Rutger Arnhult, CEO Klöverner

The income statement items are compared with the corresponding time period last year. The balance sheet items refer to the position at the end of the period and are compared with the preceding year-end. The quarter refers to April–June and the period refers to January–June.

INCOME AND EXPENSES

Income amounted to SEK 812 million (921) during the second quarter of the year. Income was positively affected by rising rental levels but negatively affected by discounts related to covid-19 amounting to SEK 9 million, SEK 5 million lower garage- and parking revenues and net divestment of properties during 2019, among others the whole portfolio in Karlstad and all investment properties in Örebro. For a comparable portfolio, i.e. properties owned for the whole of 2019 and 2020, income amounted to SEK 777 million (788) during the quarter.

Property costs totalled SEK 286 million (277). The increase in costs is due to provisions for, and actual, rent losses of in total SEK 18 million in the second quarter. Property costs for a comparable portfolio amounted to SEK 263 million (241), where the increase in costs is mainly due to provisions for, and actual, rent losses of SEK 17 million in the quarter. Central administration costs amounted to SEK 39 million (37).

PROFIT

The operating surplus amounted to SEK 526 million (644) during the quarter. The operating surplus for a comparable portfolio amounted to SEK 514 million (547). The operating margin amounted to 65 per cent (70). The profit from property management, i.e. profit excluding, among other things, changes in value, earnings from residential development and tax, amounted to SEK 294 million (391).

Profit before tax amounted to SEK 386 million (562) and was affected, among other things, by SEK 192 million (225) relating to changes in value of properties. During the 12-month period up to 30 June 2020, the return on equity amounted to 14.7 per cent (18.6).

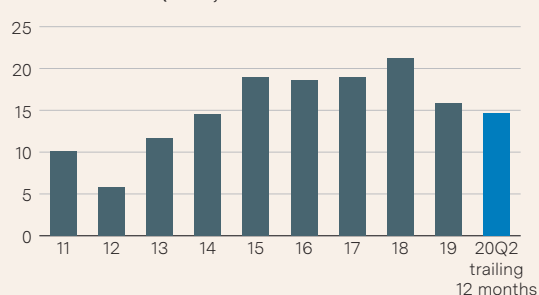
NET MOVING-IN AND OCCUPANCY RATE

Net moving-in amounted to SEK –14 million (51) during the second quarter and SEK –23 million (138) during the twelve-month period up to 30 June 2020.

Among the largest tenants moving in during the quarter were Lärande i Sverige with 1,795 sq.m. at the property Boländerna 33:2 in Uppsala and Strukton Rail with 3,003 sq.m. at the property Gustavsvik 13 in Västerås.

One of the largest vacating tenants during the quarter was Jysk with 1,475 sq.m. in the property Traversföaren 1 in Västerås.

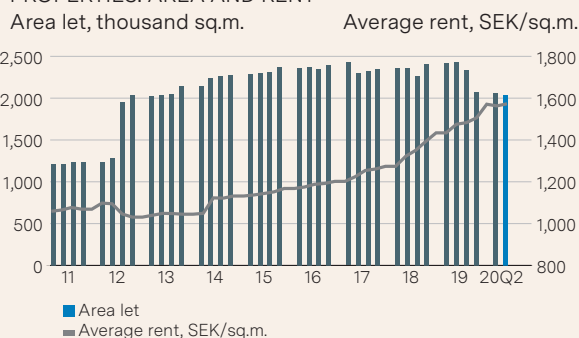
RETURN ON EQUITY, %



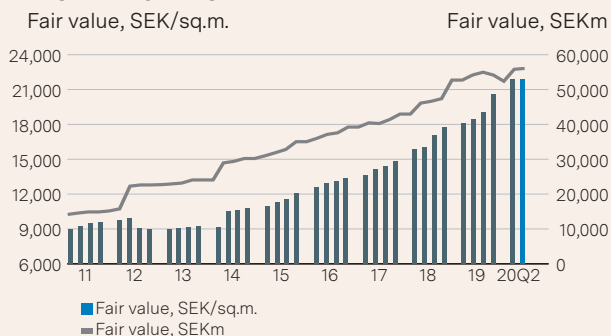
NET MOVING-IN, SEKm



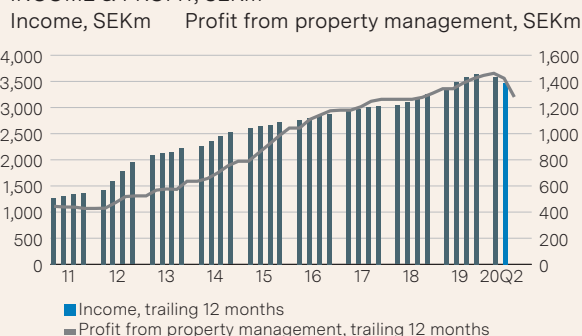
PROPERTIES: AREA AND RENT



PROPERTIES: VALUE



INCOME & PROFIT, SEKm



Among the larger contracts that were signed during the second quarter, where the tenant has not yet moved in, are a 5-year lease with Region Sörmland for 954 sq.m. at the property Fors 11 in Nyköping and a 4-year lease with Smartshake for 1,334 sq.m. at the property Sjöheden 12 in Västerås.

The average remaining lease contract period as at 30 June 2020 was 3.5 years (3.6). The economic occupancy rate for all properties amounted to 88 per cent (90) and the area-based occupancy rate was 80 per cent (81). The economic occupancy rate for investment properties was 90 per cent (92) and for development properties 68 per cent (71).

CASH FLOW

The cash flow from current operations amounted during the quarter to SEK 399 million (289). Investment operations have affected the cash flow by a net SEK -579 million (-568), mainly by a combination of property transactions and investments in existing properties. Financing operations have affected the cash flow by SEK -173 million (701). In total, the cash flow amounted to SEK -353 million (422). Liquid assets at the end of the quarter amounted to SEK 1,099 million, compared with SEK 698 million as at 30 June 2019.

FINANCING

On 30 June 2020, the interest-bearing liabilities amounted to SEK 35,068 million (31,653). Accrued borrowing overheads totalled SEK 130 million, which means that the reported interest-bearing liabilities in the balance sheet total SEK 34,938 million (31,538). The average financing rate for the whole financial portfolio was 2.6 per cent (2.3). Net financial income, including residential development, amounted during the quarter to SEK -196 million (-219), of which financial income accounted for SEK 4 million (5) and site leasehold expenses amounted to SEK -11 million (-11). The interest coverage ratio during the quarter amounted to 2.4 (2.7) and to 2.5 (2.6) during the 12-month period up to 30 June 2020.

The average period of fixed interest at the end of the quarter was 3.3 years (2.5). Credit volumes with swap agreements and interest rate caps are treated as having fixed interest. At the end of the period, Klöver had interest rate swaps totalling SEK 6,815 million (4,415) and interest rate caps totalling

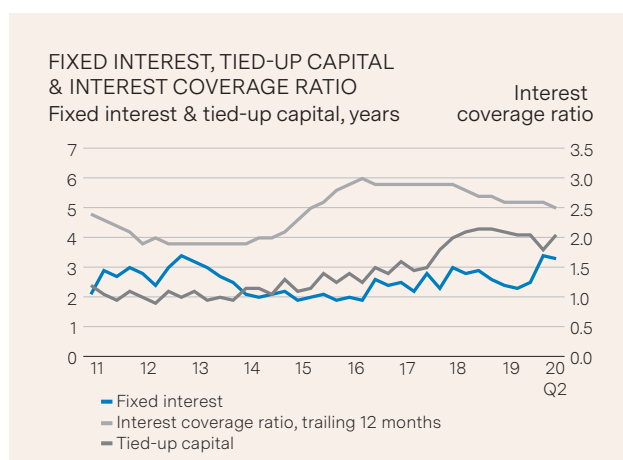
SEK 24,000 million (24,000). The average remaining term of derivatives amounted to 3.5 years. The share of credit volume that is hedged or at a fixed rate amounted to 91 per cent.

The average period of tied-up capital was 4.1 years (4.1) as at 30 June. Unutilized credit volumes, including unutilized overdraft facilities of SEK 558 million (558), amounted to SEK 2,375 million (3,760).

Klöver's interest-bearing liabilities are mainly secured by mortgages in properties. Unsecured interest-bearing liabilities consist of outstanding commercial paper and unsecured bonds, SEK 1,757 million (2,472) and SEK 6,000 million (6,950) respectively at the end of the period and utilized overdraft facilities of SEK 0 million (0). The commercial paper programme has a framework amount of SEK 4,000 million.

Klöver has a secured Medium-Term Note programme (MTN) with a framework amount of SEK 10,000 million, secured by a property as underlying asset and fully covered by property mortgage certificates. As of 30 June 2020, SEK 450 million had been issued within the framework amount.

Derivatives effectively limit the interest rate risk. An increase in short market rates of one percentage point normally affects Klöver's average borrowing rate by 0.8 percentage points. The effect of larger interest rate increases is significantly limited by interest rate caps. Changes in value of derivatives totalled SEK -84 million (-21) during the quarter. As of 30 June, the value was SEK -134 million (-65).



FIXED INTEREST AND TIED-UP CAPITAL

Year due	Fixed interest		Tied-up capital		
	Loan volume, SEKm	Contract volume, SEKm	Utilized, SEKm	Of which bonds outstanding, SEKm	Unutilized, SEKm
Floating*	27,279	—	—	—	—
2020	315	3,790	3,132	1,500	658
2021	51	8,169	7,529	1,750	640
2022	14	8,617	7,792	2,500	825
2023	—	6,489	6,289	700	200
2024	909	832	832	—	—
2025	—	5,194	5,142	—	52
Later	6,500	4,352	4,352	—	—
TOTAL	35,068	37,443	35,068	6,450	2,375

* SEK 24,000 million of Floating volume is covered by interest-rate caps.

Unrealized changes in value do not affect the cash flow; on maturity the value of the derivatives is always zero. All derivatives are classified at Level 2 according to IFRS 13. No derivatives have changed classification during the period. Klöver's assessment is that there is no significant difference between the book value and the fair value of interest-bearing liabilities.

At the end of the quarter, the adjusted equity ratio was 39.6 per cent (43.5), negatively affected by recalculated deferred taxes regarding the US and the coming dividend on ordinary and preference shares being recorded as a liability after the annual general meeting.

COMPULSORY REDEMPTION OF TOBIN PROPERTIES

The housing developer Tobin Properties is consolidated in Klöver from 4 April 2018.

At the start of 2019, Klöver's shareholding in Tobin Properties amounted to 34,018,591 ordinary shares and 18,378 Class A preference shares, corresponding to 81.2 per cent of the share capital and 82.9 per cent of the voting rights. Subsequently, ownership has changed as follows.

In February 2019, Klöver acquired 1,423,260 ordinary shares. Ownership then amounted to 35,441,851 ordinary shares and 18,378 Class A preference shares, corresponding to 84.6 per cent of the share capital and 86.4 per cent of the voting rights.

In May 2019, Klöver acquired 869,374 ordinary shares and subsequently subscribed to 77,974,320 ordinary shares through a rights issue. After registration of the share issue, the ownership amounted to 114,285,545 ordinary shares and 18,378 Class A preference shares, corresponding to 92.4 per cent of the share capital and 93.0 per cent of the voting rights. In June 2019, Klöver requested compulsory redemption of all remaining shares in Tobin Properties.

At the end of June 2019, Tobin Properties was delisted from Nasdaq First North.

In accordance with the redemption clause in Tobin Properties' articles of association, Tobin Properties decided in November on compulsory redemption of all 1,000,242 Class A preference shares for SEK 110 per share. Redemption of the preference shares was completed in December 2019.

During the third and fourth quarters of 2019, Klöver acquired an additional 325,811 and 128,393 ordinary shares in Tobin Properties. Ownership as of 31 December 2019 then amounted to 114,739,749 ordinary shares, corresponding to 93.5 per cent of the share capital and the voting rights.

During the first and second quarter of 2020, Klöver acquired an additional 242,715 and 8,622 ordinary shares in Tobin Properties. The ownership as of 30 June 2020 amounted to 114,991,086 ordinary shares corresponding to 93.7 per cent of the share capital and the voting rights.

COMPULSORY REDEMPTION OF AGORA

The real estate company A Group Of Retail Assets Sweden (Agora) is consolidated in Klöver from 9 November 2018.

On 4 October 2018, Klöver announced a public cash offer to the shareholders of Agora. After the offer's extended acceptance period, Klöver's holding – as of 27 November 2018 – amounted to 4,689,062 Class A ordinary shares,

26,007,189 Class B ordinary shares and 295,827 preference shares which corresponded to 99.5 per cent of the outstanding shares and 99.8 per cent of the outstanding votes in Agora. Klöver requested compulsory redemption to acquire all shares not tendered in the offer. In December 2018, Agora was de-listed from Nasdaq First North.

On 11 October 2019, a separate arbitral award was announced in the compulsory redemption process. As at 31 December 2019, Klöver's ownership of Agora amounted to 4,689,062 Class A ordinary shares, 26,094,011 Class B ordinary shares and 362,750 preference shares, corresponding to 99.997 per cent of the share capital and 99.999 per cent of the voting rights.

On 29 April 2020, an arbitral award was announced in the compulsory redemption process. The process is thereby completed and Klöver's ownership, as of 30 June 2020, amounted to 100.0 per cent of the share capital and voting rights.

LISTED SHAREHOLDINGS

Klöver's holding of its own shares amounted on 30 June 2020 to 90,956,740 class B ordinary shares, corresponding to 9.8 per cent of the total number of registered shares. The shares were acquired for a total of SEK 984 million net, corresponding to SEK 10.82 per share. As of 30 June 2020, Klöver's holding of its own shares was worth SEK 1,340 million.

On 30 June 2020, Klöver's holding in the property company SBB amounted to 2,670,621 Class D shares. The holding is reported as a financial asset valued at fair value through the statement of income.

PROJECT DEVELOPMENT AND BUILDING RIGHTS

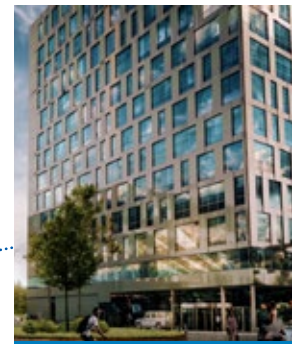
Investments in existing properties often take place in connection with new lettings with the aim of customizing and modernizing the premises and thus increasing the rental value. SEK 1,016 million (629) was invested in the period January–June. As of 30 June 2020, 374 projects (332) were in process and SEK 2,252 million (2,309) remained to be invested. Total estimated expenditure for the same projects amounts to SEK 4,695 million (4,074).

The Kopparhusen project in Norrköping and the new city library in Kalmar were completed, as planned, during the second quarter. All other large ongoing commercial projects are proceeding according to plan. The two ongoing projects in New York, 1245 Broadway and 28&7 (322-326 7th Ave), continue to be planned to be completed in the second quarter of 2021 and the first quarter of 2022, respectively. From the second quarter of 2020 interest costs attributable to projects in New York are capitalized.

As at 30 June 2020, assessed building rights and building rights with local plans (excluding Tobin Properties) totalled 1,922,000 sq.m. (1,893,000) and are valued at SEK 1,720 million (1,592). 450,000 sq.m. (439,000) of the building rights are included in local plans and the remainder are classified as assessed. Residential building rights accounted for 18 per cent of the building rights with local plans. Within the building rights portfolio, Klöver is working with a number of housing development projects. Klöver makes



28&7, NEW YORK,
(322-326 7TH AVE)
OFFICE



ÖREBRO ENTRÉ, ÖREBRO
(OLAUS PETRI 3:234)
HOTEL/OFFICE



New York



MORELLEN 1,
LINKÖPING,
OFFICE

Copenhagen

Gothenburg

Halmstad

Kalmar

Malmö

Linköping

Norrköping

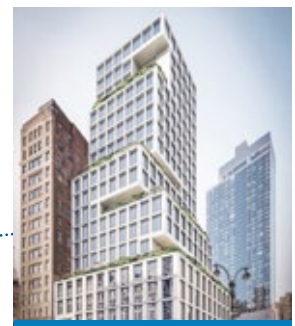
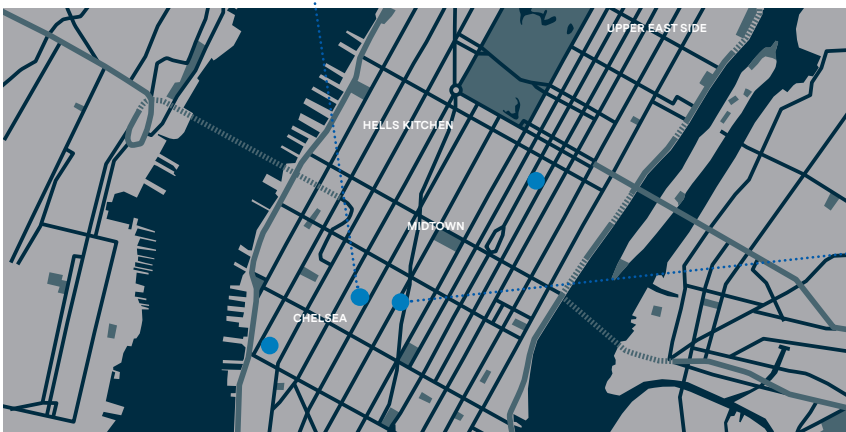
Nyköping

Örebro

Västerås

Uppsala

Stockholm



1245 BROADWAY,
NEW YORK
OFFICE

KLÖVERN'S LARGEST ONGOING COMMERCIAL PROJECTS

City	Property	Project type	Contractor	Largest tenant, moving-in year/quarter	Project area, sq.m.	Fair value, SEKm	Estimated investment, SEKm	Remaining investment, SEKm	Increase in rental value, SEKm	Estimated completion year/quarter
New York	1245 Broadway	Office	Triton Construction	—	16,700	993	1,194	701	177	21Q2
New York	322-326 7th Ave	Office	Triton Construction	—	7,800	649	605	379	77	22Q1
Örebro	Olaus Petri 3:234	Hotel/office	Peab	Scandic Hotels, 21Q4	8,638	87	274	223	22	22Q1
Linköping	Morellen 1	Office	Åhlin & Ekroth	Trafikverket, 21Q2	3,687	88	110	53	9	21Q2
TOTAL					36,825	1,817	2,183	1,356	285	

TOBIN PROPERTIES' LARGEST ONGOING RESIDENTIAL PROJECTS

City	Location	Project name	Ownership share, %	Detailed plan/ No detailed plan	No. of units	Units sold	Share of units sold, %	Area, sq.m.	Sales start, year	Expected completion date, year
Stockholm	Sundbyberg	Rio	100.0	Detailed plan	173	153	88	8,700	2017	2020
Stockholm	Nacka	Vyn	100.0	Detailed plan	96	53	55	7,500	2016	2020
Stockholm	Roslags-Näsby	Unum	30.0	Detailed plan	148	123	83	5,000	2017	2019
TOTAL					417	329	79	21,200		

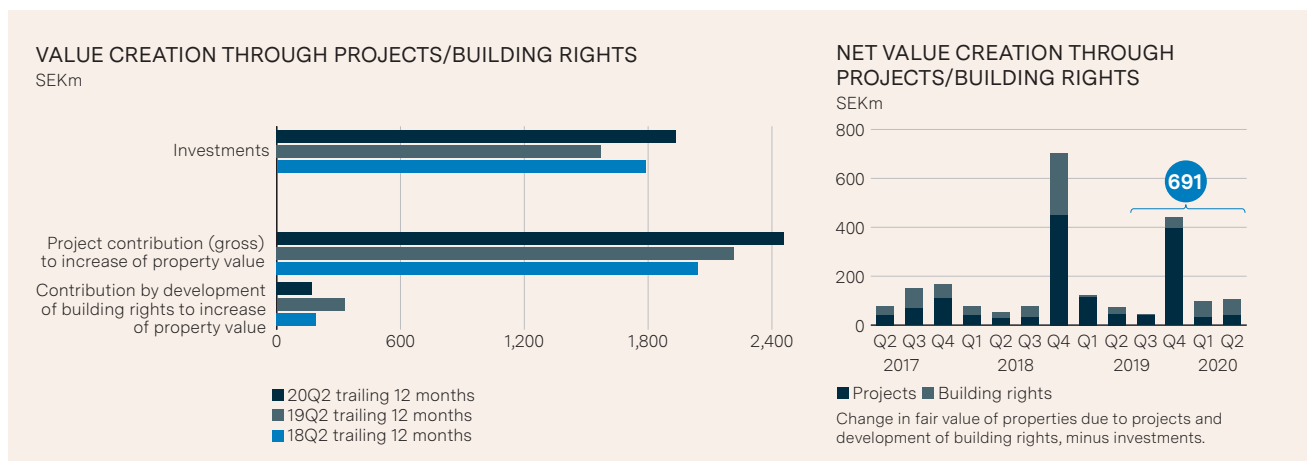
TOBIN PROPERTIES AND KLÖVERN'S LARGEST PLANNED RESIDENTIAL PROJECTS

City	Location	Project name	Ownership share, %	Detailed plan/ No detailed plan	No. of units	Units sold	Share of units sold, %	Area, sq.m.	Sales start, year	Expected completion date, year
Tobin Properties										
Stockholm	Tyresö	Golfbäcken 1	44.4	No detailed plan	167	—	—	10,300	2021	2024
Stockholm	Tyresö	Golfbäcken 2	44.4	No detailed plan	150	—	—	9,700	2022	2025
Stockholm	Nacka	Nacka Strand 1	100.0	Detailed plan	240	—	—	15,100	2021/2022	2022/2024
Stockholm	Nacka	Nacka Strand 2 ¹	100.0	Detailed plan	160	—	—	11,500	2025	2028/2029
Stockholm	Nacka	Nacka Strand 3	100.0	Detailed plan	160	—	—	11,600	2024	2028
Stockholm	Sundbyberg	Slaktaren 1 ¹	100.0	No detailed plan	60	—	—	3,200	2022	2024
Stockholm	Sundbyberg	Slaktaren 2 ²	100.0	—	—	—	—	—	—	—
Stockholm	Lidingö	Torsvik ¹	75.0	Detailed plan	46	—	—	3,700	2021	2023
Stockholm	Liljeholmen	Marievik ¹	100.0	No detailed plan	300	—	—	17,000	2022	2024/2026
Stockholm	Nacka	Orminge ¹	100.0	No detailed plan	150	—	—	10,000	—	—
TOTAL					1,433			92,100		
Klöver										
Västerås	Västerås	Öster Mälarstrand ¹	100.0	No detailed plan	1,150	—	—	74,100	2022	2034
Stockholm	Kista	Kista Square ¹	49.9	No detailed plan	1,000	—	—	20,500	2021	2027
Stockholm	Kista	Myvatten/Dalvik ¹	100.0	Detailed plan	700	—	—	39,800	2021	2031
Nyköping	Nyköping	Spelhagen ^{1,3}	100.0	No detailed plan	470	—	—	34,900	2021	2033
Uppsala	Uppsala	Kungstorget ¹	100.0	No detailed plan	450	—	—	31,200	2023	2027
Västerås	Västerås	Mälarporten ¹	100.0	No detailed plan	420	—	—	28,900	2021	2036
Stockholm	Danderyd	Timmerhuggaren ¹	100.0	No detailed plan	300	—	—	19,000	2022	2029
Västerås	Västerås	Kopparlunden Syd ¹	100.0	No detailed plan	150	—	—	13,300	2021	2028
TOTAL					4,640			261,700		
GRAND TOTAL					6,073			353,800		

1) Includes a property that generates an operating surplus during project development.

2) No land allocation agreement.

3) The detailed plan includes, among others, the property Spelhagen 1:7.



PROPERTY ACQUISITIONS, TRANSFER OF POSSESSION
JAN–JUN 2020

City	Property	Category	Lettable area, sq.m.	Quarter
Linköping	Morellen 1	Office	18,817	Q1
Linköping	Mekanikern 18	Land	0	Q1
Visby	Gotland Visby S:ta Maria 37	Other	115	Q1
New York	417 Park Avenue ¹	Office	8,300	Q1
Möln dal	Väs kan 2	Office	2,280	Q2
TOTAL			29,512	

1) Project property

PROPERTY DIVESTMENTS, TRANSFER OF POSSESSION
JAN–JUN 2020

City	Property	Category	Lettable area, sq.m.	Quarter
Uppsala	Part of Fyrislund 6:6	Other	9,518	Q1
TOTAL			9,518	



The project Kopparhusen in Norrköping was completed during the second quarter of 2020. Kopparhusen is a cooperation between Klöver and Hyresbostäder consisting of a new block of offices, restaurants and cafés as well as housing for students and scientists. Kopparhusen has a clear architectural link to the area's industrial heritage with metal-clad facades in textil-like patterns and cosy courtyards in brick. The first moving-ins took place during the second quarter of 2020.

the assessment that there is potential, within the existing portfolio, mostly by new or amended local plans, to create as many as 11,000 apartments, in Stockholm, Uppsala, Västerås and Nyköping, among other places. In addition, there are around 1,400 apartments where construction has not yet started in Tobin Properties, which also has around 400 apartments in three ongoing projects.

In total, Klöver's project development – including development of building rights – contributed to increases in value of properties of SEK 108 million (72) during the second quarter of 2020, or by SEK 691 million (973) during the past four quarters.

PROPERTY TRANSACTIONS

During the period January–June, 5 properties (2) were taken possession of for a total purchase price of SEK 2,253 million (945) and 1 property (12) has been divested and handed over for a total of SEK 258 million (222).

On 17 January, transfer of possession of the divested part of the property Fyrislund 6:6 in Uppsala took place for an underlying property value of SEK 258 million.

On 30 January, two development properties were taken possession of in Linköping. The acquisition was made for an underlying property value of SEK 345 million.

In February, Klöver acquired all units of a co-op, which owns a 14-storey residential building in Manhattan. The total purchase price was USD 184 million. This building, encompassing around 8,300 sq.m. has the address 417 Park Avenue.

In June, a contract was signed to divest two properties in Västerås for a total underlying property value of SEK 116 million with transfer of possession on 1 July. In June, a contract was also signed to acquire almost 33,000 sq.m. of land at Fyrislund in Uppsala with planned transfer of possession on 1 October.

PROPERTIES AND CHANGES IN VALUE

On 30 June 2020, Klöver's portfolio consisted of 348 properties (343). The rental value amounted to SEK 3,834 million (3,819) and the fair value of the properties was SEK 56,060 million (52,377). The total lettable area amounted to 2,558,000 sq.m. (2,542,000).

The changes in value of the properties totalled SEK 785 million (770) during the period January–June, corresponding to 1.5 per cent of Klöver's property value at the beginning

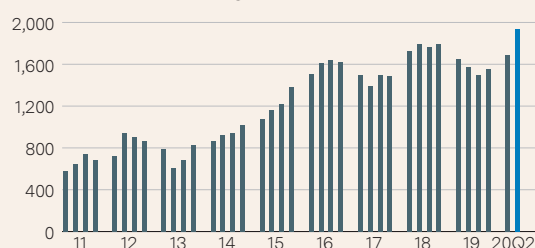
of the year. The changes in value include realized changes in value of SEK 101 million (4) and unrealized changes in value of SEK 684 million (766). The unrealized changes in value do not affect the cash flow. On average, Klöver's property portfolio, as at 30 June 2020, has been valued with a yield requirement of 5.3 per cent (5.4). The value of the properties has increased mainly due to investments made in connection with new lettings and renegotiation as well as increased net operating income in several office properties. During the period, the value of some properties has decreased due to a weaker development of the restaurant and retail segment.

Klöver values 100 per cent of the property portfolio every quarter, of which 20 to 30 per cent are normally valued externally. The external valuations are performed by Cushman & Wakefield, Savills and Newsec. Every property in the portfolio is valued externally at least once during a rolling 12-month period. All properties are classified at Level 3 in accordance with IFRS 13. No properties have changed classification during the period. See Klöver's annual report for 2019 for a detailed description of valuation principles.

SHARES

As at 30 June, the total number of registered shares in Klöver was 932,437,980, of which 69,358,703 were ordinary shares of class A, 846,635,277 ordinary shares of class B and 16,444,000 preference shares. An ordinary share of class A confers one vote while an ordinary share of class B, like a preference share, confers a tenth of a vote. Klöver's shares are listed on Nasdaq Stockholm. On 30 June, the closing

INVESTMENTS, trailing 12 months, SEKm



PROPERTIES: FAIR VALUE

SEKm	2020 Jan–Jun	2019 Jan–Jun	2019 Jan–Dec
Fair value, as of 1 January	52,377	52,713	52,713
Acquisitions	2,253	945	959
Investments	1,016	629	1,550
Divestments	-150	-211	-5,029
Unrealized changes in value	684	766	2,111
Currency conversion	-120	133	73
FAIR VALUE AT THE END OF THE PERIOD	56,060	54,975	52,377

CHANGES IN FAIR VALUE OF PROPERTIES, EXCL. TRANSACTIONS AND CURRENCY CONVERSION

SEKm	20Q2	19Q2	2020 Jan–Jun	Trailing 12 months 20Q2
Operating surplus and required yield	90	150	479	1,334
Development of building rights	65	27	127	171
Projects >25 million	207	87	424	1,213
Projects <25 million	385	262	670	1,244
TOTAL	747	526	1,700	3,962

price was SEK 15.40 per ordinary share of class A, SEK 14.73 per ordinary share of class B and SEK 306.50 per preference share, corresponding to a total market capitalization of SEK 18,579 million (27,177). The number of shareholders at the end of the period amounted to around 59,300 (53,800). 76 per cent (78) of the total number of shares are Swedish-owned. As at 30 June 2020, the company's holding of its own shares consisted of 90,956,740 ordinary shares of class B, corresponding to 9.8 per cent of the total number of registered shares. Repurchased shares cannot be represented at general meetings.

TAXES

During the quarter, deferred tax amounted to SEK –39 million (–95) and current tax to SEK –11 million (–11).

Current tax is calculated at 21.4 per cent for 2020 while deferred tax has been calculated at 20.6 per cent which applies from 2021. Klöver has no ongoing tax disputes.

ORGANIZATION

Klövern's business model entails closeness to the customer by having own local staff at all 12 business units, as at 30 June 2020 allocated to three geographic regions in Sweden and international operations in Copenhagen (which is a business unit of its own) and New York.

On 30 June 2020, Klöver had 271 employees (267). The average age was 43 (42) and the proportion of women was 44 per cent (43).

SIGNIFICANT RISKS AND UNCERTAINTY FACTORS

A real estate company is exposed to various risks in its business activities. Internal regulations and policies limit exposure to different risks. Klöver's significant risks and exposure and their management are described on pages 66–69 of the 2019 annual report.

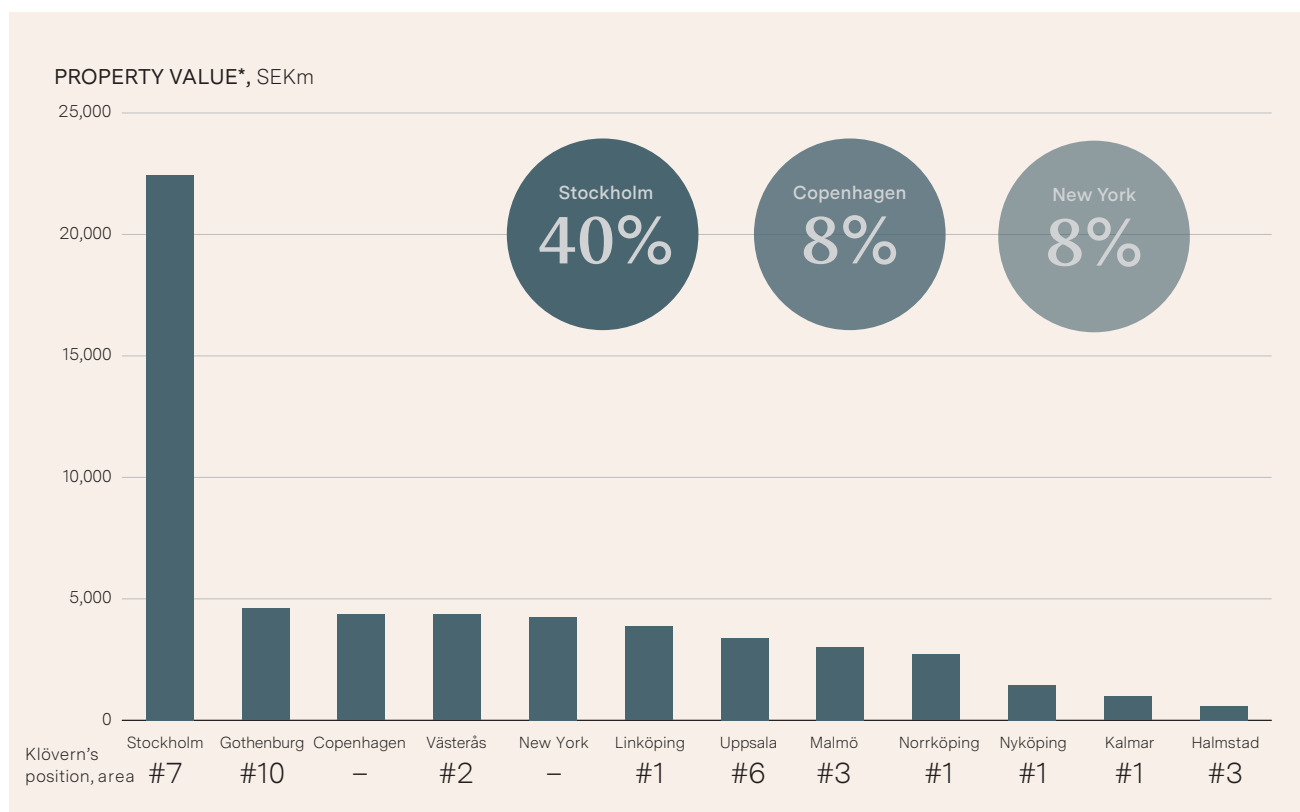
DISPUTES

Klövern has no ongoing disputes that can have a significant profit impact. There is an ongoing dispute, although not with a significant impact on profit, as Region Uppsala has made claims for compensation due to the cancellation of a property transfer contract. During the fourth quarter of 2019, Klöver made a provision of SEK 24 million due to this claim, which for accounting purposes was charged to the line Costs for residential development in the income statement.

ACCOUNTING POLICIES

This interim report for the Group has been prepared in accordance with the Annual Accounts Act and IAS 34, Interim Financial Statements and, in the case of the Parent Company, in accordance with the Annual Accounts Act. The accounting policies applied in this interim report are in essential parts those described in Note 1 of Klöver's annual report for 2019.

As from 2020, Klöver consolidates projects with tenant-owners' associations in the Group and reports income in accordance with the completed contract method instead of the percentage of completion method. The change fol-



* The chart shows property value by business unit and New York. The business units Stockholm North and Stockholm South are shown in the same bar.

LARGEST SHAREHOLDERS 30.06.2020 SORTED BY SHARE OF CAPITAL

Name	No. ordinary shares A, thousands	No. ordinary shares B, thousands	No. preference shares, thousands	Share of capital, %	Share of votes-% ¹
Rutger Arnhult via companies	12,528	127,419	655	15.1	17.3
Corem Property Group	9,500	129,400	—	14.9	15.3
Gårdarike	31,550	61,375	50	10.0	25.7
Länsförsäkringar fondförvaltning	—	59,312	—	6.4	4.0
State Street Bank and Trust Co, W9	0	35,507	205	3.8	2.4
Handelsbanken fonder	—	35,019	—	3.8	2.4
CBNY-Norges Bank	423	18,254	170	2.0	1.5
Swedbank AS (Estonia)	2	18,563	58	2.0	1.3
Prior & Nilsson	—	14,230	—	1.5	1.0
UBS Switzerland AG	208	13,509	19	1.5	1.1
Alfred Berg	—	11,478	—	1.2	0.8
JPM Chase NA	1	10,806	199	1.2	0.8
Swedbank Robur Fonder	584	7,222	—	0.8	0.9
SEB Investment Management	—	6,481	14	0.7	0.4
JP Morgan Bank Luxembourg S.A.	—	6,483	—	0.7	0.4
TOTAL LARGEST SHAREHOLDERS	54,796	555,058	1,370	65.6	75.3
Other shareholders	14,563	200,620	15,074	24.6	24.7
TOTAL OUTSTANDING SHARES	69,359	755,678	16,444	90.2	100.0
Repurchased own shares	—	90,957	—	9.8	—
TOTAL REGISTERED SHARES	69,359	846,635	16,444	100.0	100.0

Due to routines at Ålandsbanken and Banque Internationale à Luxembourg, the banks have been registered in Euroclear's share register as owners to some of their clients' Klöver shares. Klöver assesses that the table above gives a correct picture of the company's 15 largest owners.

1) Repurchased own shares have no voting rights at general meetings.

lows on from a decision by the Swedish financial supervisory authority, Finansinspektionen, on the application of IFRS 10 Consolidated Financial Statements. This entails a change in the time at which project income and project expenses are recognized. Income for transferring a residential project to a tenant-owners' association is reported when control passes to the final purchaser of the tenant-owned housing. The changed accounting policy has not had any significant effect on Klöver's income statement and balance sheet. The changed application has been adjusted retroactively in accordance with IAS 8. In the balance sheet as at 31 December 2019, the total assets decrease by SEK 97 million (0.17 per cent) and equity attributable to the parent company's shareholders by SEK 122 million (0.60 per cent). Historical key figures have not been recalculated as there is no significant difference for the Group. Klöver's risk scenario and financial position are not changed due to the changed accounting.

Otherwise, the accounting policies of the Group and the Parent Company are unchanged compared with the 2019 annual report.

DIVIDEND

During the first and second quarters respectively, dividend of SEK 0.12 per ordinary share and SEK 5.00 per preference share, totalling SEK 362 million, has been paid.

EVENTS AFTER THE END OF THE PERIOD

During July 2020, covid-19 has continued to create uncertainty about the state of the economy. Klöver is closely monitoring the situation and has a long-term constructive dialogue with tenants in industries that are particularly affected. In some cases, among others tenants in the hotel industry and restaurant industry, this has resulted in rental payments for the third quarter of 2020 being made as a prepayment on a monthly basis instead of on a quarterly basis. Adjusted for the tenants that pay on a monthly basis, Klöver's received rental payments and payments assessed as secure as at 10 July 2020 amounted to 96 per cent of the invoiced rents for the third quarter. At the corresponding point in time in 2019, 97 per cent of the rents had been received.

INCOME STATEMENT ITEMS AND INVESTMENTS PER PROPERTY SEGMENT AND ORGANIZATIONAL UNIT

	Income, SEKm		Property costs, SEKm		Operating surplus, SEKm		Operating margin, %		Investments, SEKm	
	2020 Jan-Jun	2019 Jan-Jun	2020 Jan-Jun	2019 Jan-Jun	2020 Jan-Jun	2019 Jan-Jun	2020 Jan-Jun	2019 Jan-Jun	2020 Jan-Jun	2019 Jan-Jun
Region Stockholm	875	897	-319	-291	556	606	64	68	286	190
Region West	310	309	-111	-106	199	203	64	66	175	146
Region East	356	375	-118	-126	238	249	67	66	222	149
International	108	89	-17	-8	91	81	84	91	333	94
Divested operations ¹	—	147	—	-43	—	104	—	71	—	50
<i>where of</i>										
Investment	1,529	1,731	-495	-520	1,034	1,211	68	70	539	450
Development	120	86	-70	-54	50	32	42	37	477	179
TOTAL	1,649	1,817	-565	-574	1,084	1,243	66	68	1,016	629

KEY RATIOS PER PROPERTY SEGMENT AND ORGANIZATIONAL UNIT

	Fair value, SEKm		Yield requirement ² , %		Area, 000 sq.m.		Rental value ³ , SEKm		Ec. occupancy rate, %	
	30.06.2020	30.06.2019	30.06.2020	30.06.2019	30.06.2020	30.06.2019	30.06.2020	30.06.2019	30.06.2020	30.06.2019
Region Stockholm	30,187	29,044	5.1	5.3	1,123	1,176	2,081	2,088	87	88
Region West	8,234	8,129	6.2	6.3	611	649	739	746	87	86
Region East	9,024	8,610	6.3	6.5	731	758	821	807	89	92
International	8,615	5,449	4.0	4.4	93	95	193	237	100	99
Divested operations ¹	—	3,743	—	6.4	—	299	—	352	—	92
<i>where of</i>										
Investment	47,174	50,259	5.4	5.6	2,246	2,693	3,486	3,954	90	91
Development	8,886	4,716	4.7	5.7	312	284	348	276	68	67
TOTAL	56,060	54,975	5.3	5.6	2,558	2,977	3,834	4,230	88	90

1) Divested properties in Karlstad and Örebro.

2) Yield requirement is estimated excluding building rights.

3) From Q1 2020 the rental value of the Danish properties is reported according to Danish accounting policies.

Region Stockholm consists of the business units Stockholm North, Stockholm South, Västerås and Uppsala.

Region West consists of the business units Gothenburg, Malmö and Halmstad.

Region East consists of the business units Linköping, Norrköping, Nyköping and Kalmar.

The undersigned certify that the six-month report provides a fair overview of the activities of the Parent Company and the Group, the financial position and earnings as well as describing important risks and uncertainty factors confronting the Parent Company and the Group.

Stockholm, 14 July 2020
The Board of Directors of Klöver AB (publ).

Pia Gideon
Chairman of the Board

Rutger Arnhult
CEO

Johanna Fagrell Köhler
Board member

Ulf Ivarsson
Board member

Eva Landén
Board member

This interim report has not been subject to a review by Klöver's auditors.

Consolidated Statement of Income *Summary*

SEKm	2020 3 months Apr–Jun	2019 3 months Apr–Jun	2020 6 months Jan–Jun	2019 6 months Jan–Jun	2019/2020 Trailing 12 months Jul–Jun	2019 12 months Jan–Dec
Income	812	921	1,649	1,817	3,469	3,638
Property costs	-286	-277	-565	-574	-1,164	-1,175
Operating surplus	526	644	1,084	1,243	2,305	2,463
Central administration	-39	-37	-73	-77	-155	-159
Net financial items	-193	-216	-394	-412	-823	-842
Profit from property management (properties)	294	391	617	754	1,327	1,462
Income, residential development	10	1	16	3	18	6
Costs, residential development	-31	-39	-54	-91	-145	-181
Net financial items, residential development	-3	-3	-6	-2	5	9
Profit from residential development	-24	-41	-44	-90	-122	-166
Share in earnings of associated companies	-4	4	6	9	14	17
Changes in value, properties	192	225	785	770	2,141	2,125
Changes in value, derivatives	-84	-21	-80	-35	-59	-14
Changes in value, financial assets	12	5	-16	7	-11	13
Write-down of goodwill	—	—	—	-4	-3	-6
Profit before tax	386	562	1,268	1,411	3,287	3,431
Taxes	-49	-106	-273	-322	-360	-410
Net profit for the period	337	456	995	1,088	2,927	3,021
Net profit for the period attributable to:						
The parent company's shareholders	337	449	993	1,082	2,912	3,002
Holdings without controlling influence	0	7	2	6	15	19
	337	456	995	1,088	2,927	3,021
Other comprehensive income, items which may later be reversed in the income statement						
Translation difference regarding foreign operations	-409	9	-111	71	-148	33
Comprehensive income for the period	-72	465	884	1,159	2,779	3,054
Comprehensive income for the period attributable to:						
The parent company's shareholders	-72	458	882	1,153	2,763	3,035
Holdings without controlling influence	0	7	2	6	15	19
	-72	465	884	1,159	2,779	3,054
Earnings per ordinary share, SEK	0.28	0.42	0.95	1.06	3.04	3.15
No. of ordinary shares outstanding at the end of the period, million	825.0	825.0	825.0	825.0	825.0	825.0
No. of preference shares outstanding at the end of the period, million	16.4	16.4	16.4	16.4	16.4	16.4
Average no. of outstanding ordinary shares, million	825.0	825.0	825.0	824.7	825.0	824.9
Average no. of outstanding preference shares, million	16.4	16.4	16.4	16.4	16.4	16.4

There are no outstanding warrants or convertibles.

Consolidated Balance Sheet *Summary*

SEKm	30.06.2020	30.06.2019	31.12.2019
ASSETS			
Goodwill	148	151	148
Investment properties	56,060	54,975	52,377
Right of use site leasehold	733	698	733
Machinery and equipment	42	33	28
Participation rights in associated companies	417	198	411
Financial assets at fair value through statement of income	125	137	145
Properties classified as current assets	1,102	932	1,055
Other receivables	1,872	1,999	2,268
Liquid funds	1,099	700	449
TOTAL ASSETS	61,599	59,823	57,615
SHAREHOLDERS' EQUITY AND LIABILITIES			
Equity attributable to the parent company's shareholders	20,340	18,271	20,031
Equity attributable to holdings without controlling influence	118	136	129
Other provisions	48	—	48
Deferred tax liability	3,478	3,197	3,220
Interest-bearing liabilities	34,938	35,280	31,538
Derivatives	134	94	65
Right of use liabilities	733	698	733
Accounts payable	148	85	247
Other liabilities	759	1,019	634
Accrued expenses and prepaid income	902	1,043	970
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	61,599	59,823	57,615

Change in Consolidated Shareholders' Equity *Summary*

SEKm	Shareholders' equity attributable to		
	The parent company's shareholders	Holdings without controlling influence	Total shareholders' equity
Shareholders' equity 31.12.2018	17,972	172	18,144
Effect of changed accounting policy	-119	-1	-120
Adjusted shareholders' equity 01.01.2019	17,853	171	18,024
Repurchase of own shares	-7	—	-7
Dividend	-709	-8	-717
Hybrid bond	-78	—	-78
Change in holding without controlling influence	-62	23	-39
Redemption of preference shares	—	-76	-76
Other comprehensive income	33	—	33
Net profit for the period	3,002	19	3,021
Shareholders' equity 31.12.2019	20,031	129	20,160
Dividend	-543	—	-543
Hybrid bond	-41	—	-41
Change in holding without controlling influence	12	-13	-1
Other comprehensive income	-111	—	-111
Net profit for the period	993	2	995
Shareholders' equity 30.06.2020	20,340	118	20,458

Consolidated Cash Flow Statement

(Summary)

SEKm	2020 3 months Apr–Jun	2019 3 months Apr–Jun	2020 6 months Jan–Jun	2019 6 months Jan–Jun	2019 12 months Jan–Dec
Current operations					
Operating surplus including central administration and residential development	463	570	967	1,082	2,140
Adjustment for items not included in the cash flow	10	3	15	6	15
Interest received	5	5	10	13	19
Interest paid	-201	-223	-404	-428	-843
Income tax paid	—	-3	-44	-7	-3
Cash flow from current operations before change in working capital	277	352	544	666	1,328
Changes in working capital					
Change properties (current assets)	7	-104	-47	-111	-134
Change in operating receivables	114	124	-3	-215	-52
Change in operating liabilities	1	-83	-166	-334	-374
Total change in working capital	122	-63	-216	-660	-560
Cash flow from current operations	399	289	328	6	768
Investment operations					
Divestment of properties	-6	92	251	214	5,014
Acquisition of and investment in properties	-602	-611	-3,269	-1,569	-2,510
Acquisition of machinery and equipment	-17	0	-24	-12	-16
Change in financial assets	46	-49	398	-25	-723
Cash flow from investment operations	-579	-568	-2,644	-1,392	1,765
Financing operations					
Change in interest-bearing liabilities	64	899	3,411	1,920	-1,760
Acquisition of financial instruments	-35	—	-46	—	—
Repurchase of own shares	—	—	—	-7	-7
Dividend	-181	-173	-362	-346	-692
Hybrid bond	-21	-20	-41	-39	-78
Change in holding without controlling influence	0	-5	-2	-20	-123
Cash flow from financing operations	-173	701	2,960	1,508	-2,660
Total cash flow	-353	422	644	122	-127
Liquid funds at the beginning of the period	1,474	276	449	576	576
Exchange rate differences in liquid funds	-22	—	6	—	—
Liquid funds at the end of the period	1,099	698	1,099	698	449

Parent Company Income Statement

(Summary)

SEKm	2020 3 months Apr–Jun	2019 3 months Apr–Jun	2020 6 months Jan–Jun	2019 6 months Jan–Jun	2019 12 months Jan–Dec
Net sales	76	63	145	116	264
Cost of services sold	-66	-58	-126	-97	-201
Gross profit	10	5	19	19	63
Central administration	-39	-35	-73	-67	-137
Operating profit	-29	-30	-54	-48	-74
Changes in value, derivatives	-68	-8	-80	-2	24
Net financial items	-35	-25	-120	-137	1,174
Profit before tax	-132	-63	-254	-187	1,124
Taxes	8	1	-66	0	-87
Net profit for the period	-124	-62	-320	-187	1,037
Other comprehensive income	—	—	—	—	—
Comprehensive income for the period	-124	-62	-320	-187	1,037

Parent Company Balance Sheet

(Summary)

SEKm	30.06.2020	30.06.2019	31.12.2019
ASSETS			
Machinery and equipment	7	6	6
Participation rights in group companies	1,918	1,973	1,917
Receivables from group companies	31,823	27,366	30,626
Derivatives	13	14	16
Deferred tax assets	234	372	300
Other receivables	365	486	810
Liquid funds	1,238	110	309
TOTAL ASSETS	35,598	30,327	33,984
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	7,072	6,792	7,976
Interest-bearing liabilities	22,652	20,724	19,356
Derivatives	135	91	65
Liabilities to group companies	5,050	1,861	6,069
Accounts payable	7	6	14
Other liabilities	586	735	408
Accrued expenses and prepaid income	96	118	96
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	35,598	30,327	33,984

Key ratios

	30.06.2020 3 months Apr–Jun	30.06.2019 3 months Apr–Jun	30.06.2020 6 months Jan–Jun	30.06.2019 6 months Jan–Jun	30.06.2020 Trailing 12 months Jul–Jun	2019	2018	2017	2016
Property									
Number of properties	348	416	348	416	348	343	426	405	431
Lettable area, 000 sq.m.	2,558	2,977	2,558	2,977	2,558	2,542	2,969	2,900	2,943
Rental value, SEKm	3,834	4,230	3,834	4,230	3,834	3,819	4,063	3,507	3,386
Rental value per lettable area, SEK/sq.m.	1,499	1,421	1,499	1,421	1,499	1,502	1,368	1,209	1,151
Fair value properties, SEKm	56,060	54,975	56,060	54,975	56,060	52,377	52,713	42,961	39,234
Yield requirement valuation, %	5.3	5.6	5.3	5.6	5.3	5.4	5.7	5.9	6.2
Operating margin, %	65	70	66	68	66	68	67	66	66
Occupancy rate, economic, %	88	90	88	90	88	90	89	89	89
Occupancy rate, area, %	80	82	80	82	80	81	81	81	82
Average lease term, years	3.5	3.6	3.5	3.6	3.5	3.6	3.5	3.6	3.7
Financial									
Return on equity, %	1.6	2.4	4.8	5.9	14.7	15.9	21.2	18.9	18.6
Equity ratio, %	33.0	30.7	33.0	30.7	33.0	34.9	31.8	32.8	32.1
Equity ratio, adjusted, %	39.6	37.5	39.6	37.5	39.6	43.5	37.4	38.5	36.7
Leverage, %	53	56	53	56	53	50	56	57	58
Leverage secured, %	40	39	40	39	40	34	42	40	42
Interest coverage ratio	2.4	2.7	2.5	2.7	2.5	2.6	2.7	2.9	2.9
Average interest, %	2.6	2.4	2.6	2.4	2.6	2.3	2.3	2.5	2.5
Average period of fixed interest, years	3.3	2.4	3.3	2.4	3.3	2.5	2.9	2.8	2.6
Average period of tied-up capital, years	4.1	4.2	4.1	4.2	4.1	4.1	4.3	3.0	3.0
Interest-bearing liabilities, SEKm	35,068	35,392	35,068	35,392	35,068	31,653	33,688	25,529	23,869
Share									
Equity per ordinary share, SEK	17.42	15.06	17.42	15.06	17.42	17.19	14.54	11.22	9.09
NAV, SEK	21.80	19.05	21.80	19.05	21.80	21.17	18.13	14.55	11.78
Equity per preference share, SEK	283.92	283.92	283.92	283.92	283.92	283.92	283.92	283.92	283.92
Profit from property management per ordinary share, SEK	0.23	0.35	0.50	0.67	1.11	1.28	1.16	1.03	0.93
Earnings per ordinary share, SEK	0.28	0.42	0.95	1.06	3.04	3.15	3.50	2.53	2.11
Share price ordinary share A at end of period, SEK	15.40	14.50	15.40	14.50	15.40	22.90	10.15	10.87	9.38
Share price ordinary share B at end of period, SEK	14.73	14.60	14.73	14.60	14.73	22.98	10.28	10.72	9.55
Share price preference share at end of period, SEK	306.50	339.00	306.50	339.00	306.50	373.00	307.00	309.60	288.50
Market capitalization, SEKm	18,579	18,941	18,579	18,941	18,579	27,177	14,455	14,922	13,479
Total no. of registered ordinary shares at end of period, million	916.0	916.0	916.0	916.0	916.0	916.0	916.0	916.0	916.0
Total no. of outstanding ordinary shares at end of period, million	825.0	825.0	825.0	825.0	825.0	825.0	825.8	876.6	916.0
Total no. of registered preference shares at end of period, million	16.4	16.4	16.4	16.4	16.4	16.4	16.4	16.4	16.4
Total no. of outstanding preference shares at end of period, million	16.4	16.4	16.4	16.4	16.4	16.4	16.4	16.4	16.4
Dividend per ordinary share, SEK		—	—	—	—	0.26	0.46	0.44	0.40
Dividend per preference share, SEK		—	—	—	—	20.00	20.00	20.00	20.00
Dividend in relation to profit from property management, %		—	—	—	—	37	53	57	59
Dividend preference shares in relation to profit from property management, %		—	—	—	—	22	24	26	28

Klövern shows some key figures in the interim report which have not been defined by IFRS. The company considers that these key figures provide important complementary information about the company. For further information about these key figures, see Klövern's website under the flap Financial Statistics.



Kopparhusen in Norrköping.

Definitions

Property

CHANGES IN VALUE PROPERTIES, REALIZED

Property divestments after deduction of the properties' most recent fair value and selling expenses.

CHANGES IN VALUE PROPERTIES, UNREALIZED

Change in fair value excluding acquisitions, divestments, investments and currency conversions.

AREA-BASED OCCUPANCY RATE

Let area in relation to total lettable area.

DEVELOPMENT PROPERTIES

Properties where conversion or extension projects are in process or planned, which lead to a higher standard or changed use of premises.

ECONOMIC OCCUPANCY RATE

Contract value in relation to rental value.

INVESTMENT PROPERTIES

Properties currently being actively managed.

LEASE VALUE

Rent of premises, index and rent supplement according to lease.

NET MOVING-IN

Lease value of tenants moving in less lease value of vacating tenants.

OPERATING MARGIN

Operating surplus in relation to income.

RENTAL VALUE

Lease value plus assessed market value for space not rented.

YIELD REQUIREMENT, VALUATION

The required yield of property valuations on the residual value.

56.1

Value of
properties,
SEKbn

3.8

Rental value,
SEKbn

2,558

Lettable area,
thousand sq.m.

Financial

EQUITY RATIO

Reported shareholders' equity¹ in relation to reported total assets.

EQUITY RATIO, ADJUSTED

Equity¹ adjusted for the value of derivatives, goodwill, repurchased shares (based on the share price at the end of the respective period) and deferred tax liabilities exceeding 5 per cent of the difference between tax value and fair value of the properties in relation to reported total assets adjusted for goodwill and right of use assets.

INTEREST COVERAGE RATIO

Profit from property management plus earnings from residential development, excluding financial costs in relation to financial costs².

LEVERAGE³

Interest-bearing liabilities after deduction of the market value of listed shareholdings and liquid funds in relation to total assets.

LEVERAGE, SECURED

Interest-bearing liabilities with secured financing in properties after deduction of the market value of listed shareholdings and liquid funds in relation to total assets.

RETURN ON EQUITY

Net profit in relation to average equity¹.

Share

EARNINGS PER ORDINARY SHARE⁶

Net profit, after deduction of dividend on preference shares and interest on hybrid bonds, in relation to the average number of outstanding ordinary shares.

EQUITY PER ORDINARY SHARE⁵

Equity¹ after deduction of equity attributable to preference shares and hybrid bonds in relation to the total number of outstanding shares.

EQUITY PER PREFERENCE SHARE⁴

The preference share's average issue price.

NAV⁵

Equity¹ after deduction for equity attributable to preference shares and hybrid bonds adding back derivatives and deferred tax liability in relation to the number of outstanding ordinary shares.

PROFIT FROM PROPERTY MANAGEMENT PER ORDINARY SHARE⁶

Profit from property management, after deduction of dividend on preference shares and interest on hybrid bonds, in relation to the average number of outstanding ordinary shares.

- 1) Equity attributable to the Parent Company's shareholders.
- 2) Excluding site leasehold expenses.
- 3) The definition of the key figure was changed in connection with the 2019 year-end report. Previously, the denominator in the calculation has been the fair value of the properties. Historical figures have been adjusted in line with the new definition.
- 4) The definition of the key figure was changed in connection with the 2019 year-end report. Previously, the key figure was based on the share price of the preference share at the end of each period. Historical figures have been adjusted in line with the new definition.
- 5) The calculation of the key figure was changed in connection with the 2019 year-end report since the definition of equity per preference share was changed. Historical figures have been adjusted in line with the new definition.
- 6) The definition of the key figure has been changed in connection with this interim report. Historical figures have been adjusted in line with the new definition.

2.5

Interest coverage
ratio, Jan–Jun

39.6

Equity ratio,
adjusted, %

59,300

Number of
shareholders

Calendar

Final day for trading conferring the right to dividend for holders of preference shares	28 September 2020
Record date for dividend to holders of preference shares	30 September 2020
Expected date for dividend to holders of preference shares	5 October 2020
Interim report, January–September 2020	21 October 2020
Year-end report 2020	17 February 2021

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KLÖVERN

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