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CREDIT OPINION
13 April 2018

Update

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RATINGS

Atrium Ljungberg AB

Domicile	Sweden
Long Term Rating	Baa2
Type	LT Issuer Rating - Dom Curr
Outlook	Stable

Please see the ratings section at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

Contacts

Maria Gillholm +46.8.5025.6550
VP-Sr Credit Officer
maria.gillholm@moodys.com

Daniel Nilsson +46.8.5025.6536
Associate Analyst
daniel.nilsson@moodys.com

Mario Santangelo +44.20.7772.8623
Associate Managing Director
mario.santangelo@moodys.com

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Atrium Ljungberg AB

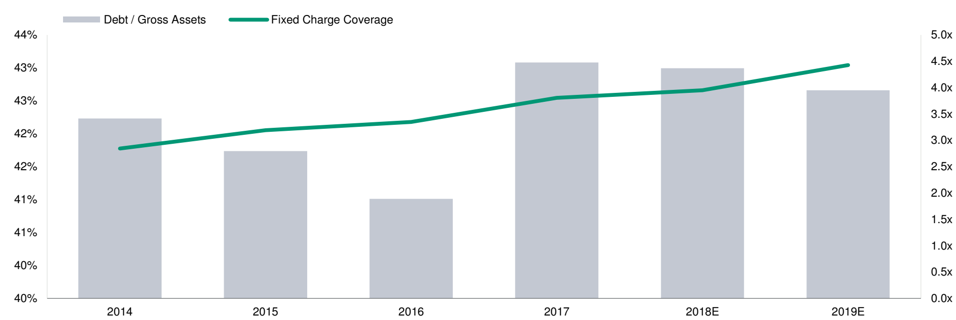
Swedish Real Estate Company

Summary Rating Rationale

Atrium Ljungberg's Baa2 issuer rating reflects its strong market position as one of the leading commercial real estate companies in Sweden. The company's solid portfolio of mostly large office and retail mixed-use estates is concentrated to Stockholm, and is well positioned for sustainable long-term growth with a controlled development programme. Other key strengths underpinning the rating include moderate leverage and a strong fixed charge coverage. We expect continued strong occupier demand for the company's properties and robust investor appetite for Swedish commercial real estate to sustain the company's cash flows and values.

Counterbalancing these strengths is the company's short-dated debt maturity profile of around three years, and a 19% reliance in its funding mix on commercial papers that are fully backed by undrawn, long-dated credit facilities. We expect the company's unencumbered asset pool to grow as it reduces reliance on secured bank lending as its main funding source.

Exhibit 1
Debt / Gross Assets increased to 43% in 2017



2017 ratios based on reported 2017 year-end financials and Moody's 2017 non-standard adjustments. Forecasts represent our view, not the view of the issuer.
Source: Moody's Financial Metrics, Moody's Estimates

Credit Strengths

» Leading Swedish real estate company with a stable portfolio well positioned for long-term growth

» Strong property market fundamentals alongside a positive macro economic environment will support cash flows and asset values

» A controlled development programme with a strong pipeline will enhance value

» Moderate leverage and a strong fixed charge coverage

Credit Challenges

» Controlling shareholders contribute to stability but could moderately hamper access to equity capital

» Short-dated debt maturity profile and heavy reliance on short-term debt

Rating Outlook

The stable outlook reflects our expectation that the company will continue to generate stable cash flows, improve the liquidity and maintain solid debt and coverage metrics while keeping high occupancy levels and a balanced growth strategy. The outlook also reflects Sweden's strong occupier and investment commercial real estate markets.

Factors that Could Lead to an Upgrade

» Sustaining leverage below 40%, as measured by Moody's-adjusted gross debt/assets, with financial policies that support the lower leverage

» Fixed charge coverage above 3.75x on a sustained basis

» Considerably less reliance on short term funding

Factors that Could Lead to a Downgrade

» Effective leverage sustained above 45%

» Fixed charge coverage sustained below 3x

» Continued heavy reliance on short term funding, especially if it is no longer fully backed by undrawn long-dated credit facilities

Key Indicators

Exhibit 2

Key indicators

Atrium Ljungberg AB

	12/31/2014	12/31/2015	12/31/2016	12/31/2017[1]	2018-proj.[2]
FFO Payout	46.6%	45.7%	47.5%	43.3%	48.6%
Amount of Unencumbered Assets [3]	29.9%	29.9%	30.2%	39.2%	43.6%
Debt / Real Estate Gross Assets	42.2%	41.7%	41.0%	43.1%	43.0%
Net Debt / EBITDA	9.3x	9.4x	10.8x	11.3x	11.8x
Secured Debt / Real Estate Gross Assets	33.3%	29.5%	23.4%	21.1%	19.3%
Real Estate Gross Assets (USD million)	$3,747	$3,803	$4,087	$5,308	$5,505
EBITDA Margin (YTD)	65.2%	65.4%	64.7%	67.1%	65.4%
EBITDA / Fixed Charges (YTD) - REITS [4]	2.8x	3.2x	3.3x	3.8x	4.0x
Development Pipeline	4.4%	4.4%	6.8%	8.1%	8.3%

All ratios are based on 'Adjusted' financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.

[1] 2017 ratios based on reported 2017 year-end financials and Moody's 2017 non-standard adjustments.

[2] Projections (proj.) are Moody's opinion and do not represent the views of the issuer.

[3] Unencumbered Assets ratio for 2016 based on Sep-2016 data

[4] Fixed Charges includes capitalized interests explained in Moody's Approach to Global Standard Adjustments in the Analysis of Financial Statements for Non-Financial Corporations revised December 2016

Source: Moody's Financial Metrics

Corporate Profile

Atrium Ljungberg AB is a real estate company headquartered and listed in Stockholm with a market capitalization of SEK16.6 billion as of 9 April 2018. The company owns, develops, and manages a SEK39.9 billion retail and office focused portfolio located across Sweden's major cities.

Detailed Rating Considerations

LEADING SWEDISH REAL ESTATE COMPANY WITH A STABLE PORTFOLIO WELL POSITIONED FOR LONG-TERM GROWTH

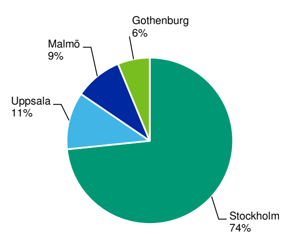
Atrium Ljungberg owns a SEK40.9 billion portfolio across Sweden's four largest and fastest growing cities, as shown in Exhibit 3. The company's 53 properties spanning more than one million square metres (m^2) are 95% occupied and generate SEK2.4 billion in annual rent.

The company focuses on the long-term ownership and development of large mixed-use districts within cities. Most of the company's mixed-use estates are office and retail led as highlighted in Exhibits 4 and 5, but it also owns residential, cultural, and educational facilities. The company's properties are in well-connected locations and provide good services and facilities. We believe the company has a proven ability to create vibrant communities where people want to live, work, and shop. The company has identified SEK1.5 billion of development opportunities within its existing portfolio in 2018 that we believe will enhance the portfolio's overall value. The potential to organically grow the current portfolio by more than a quarter from identified projects provides the business with a degree of stability and predictability, in our view, and makes it less reliant on acquisitions in a competitive investment market.

There are several positive aspects to the company's strategy of controlling large estates that we think will help sustain cash flows and values over the longer term. Having control over large estates gives greater flexibility to create the right mix between retail/leisure, office, and residential in responding to ever-changing market demands. Furthermore, having critical mass in certain locations puts the company in a better position to work with local municipalities through the often long and difficult planning process that is a key driver of value. An inevitable consequence of the company's approach is a higher micro-location concentration than we typically see with other real estate companies. Nonetheless, we believe this concentration risk is largely offset by the company's geographic diversification and exposure to varied underlying economic drivers.

Exhibit 3

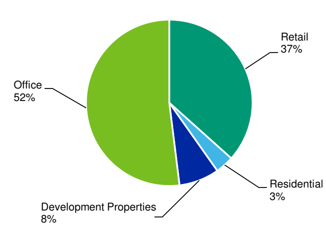
Exposure to Sweden's four largest cities
Rental value as of 31/12/2017



Source: Company Reporting

Exhibit 4

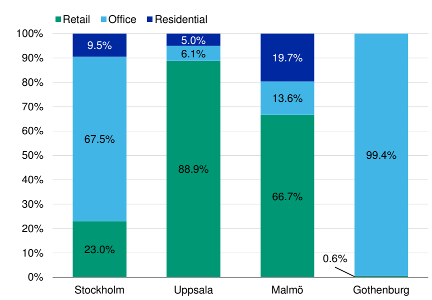
89% exposure to Office/Retail
Property value as of 31/12/2017



Source: Company Reporting

Exhibit 5

Good mix across asset types
share of total portfolio size in sqm



Excludes garage and other space
Source: Company reporting

Another consequence of the company's strategy is the higher concentration of its office portfolio in the suburbs rather than more central districts. Although not a major or immediate concern, values of less central office locations tend to underperform in a downturn. As of 31 December 2017 average prime office yields in Stockholm in central locations are currently at 3.6% with a historical seven-year high of 5.6%, while the average prime office yields for less central Stockholm offices are at 4.9%, with a seven year high of 6.9%. Rental growth for central Stockholm offices outperformed decentralized locations in the last five years with a 8.5% compound annual growth rate (CAGR) compared with around 5% for less central locations.[1]

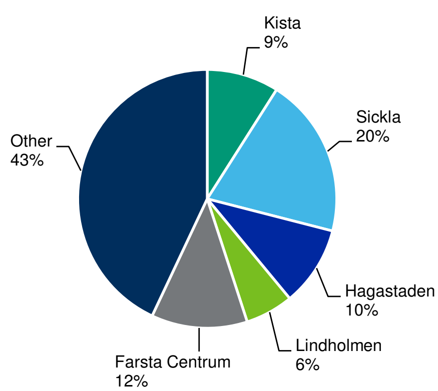
We are comfortable with the company's 74% concentration in Stockholm, which generates about a third of Sweden's GDP, because we do not believe this concentration will lead to a material divergence from overall economic and property trends. Moreover, we believe that Stockholm is likely to outperform other Swedish regions in population and economic growth. Futhermore, we view the city as one of Sweden's strongest property markets with diverse corporate demand for office space that will continue to drive rental growth. Additionally, the city is Sweden's largest and most liquid commercial real estate investment market attracting 31% of the SEK74.8 billion H1 2017 investment volume.[2] Stockholm also provides shoppers with disposable incomes above the national average that will help sustain the company's shopping centres as an attractive place for retailers to locate.

The company's SEK2.4 billion in annual rent has an average remaining lease length of around 3.6 years, and is spread across approximately 1,820 tenants that are well diversified across industries. The ten largest tenants account for 22% of the company's rental income. Positively, approximately 11% of rent comes from government related entities that we view as ultimately the credit risk of Sweden (Aaa stable). Around 12% of the current contracted rental income will be renegotiated in 2018. We expect the company to continue its strong re-letting record and maintain its occupancy rate around 95%, aided by favorable market conditions.

Exhibit 6

Five largest portfolios

Rental value as of 31/12/2017



	Property Description
Sickla	The estate represents 20% of total rental value split between 45% Retail, 34% Offices, 10% Culture and Education and 11% Other including restaurants and healthcare. The shopping area has 160 stores spanning 75,000 m^2 attracting 14 million visitors annually and generates more than SEK 3.2 billion in reatil sales. The office area spans 67,000 m^2 with future tenants including Yamaha Motor Euope and he Swedish Courts. There are also plans to rebuild certain parts of the office area into a hotel in partnership with Noridc Choice Hotels.
Farsta Centrum	Located in Farsta, a southern suburb of Stockholm. The estate represents 12% of total rental value split between 60% retail, 20% offices, 9% healthcare and 11% other including culture and education, and restaurants. The shopping area spans 51,000 m^2 attracting approximately 18 million visitors per year with 150 stores generating SEK 2.5 billion in sales per annum. The office area comprises 30,000 m^2 and includes tenants such as Farsta City District Committee, Jobbtorget and the Social and Elderly Care Administration.
Hagastaden	Hagastaden is one of Stockholms largest urban regeneration projects aiming that aims to create a new hub for life sciences. The project is estimated to be complete by 2025 and will merge together Stockholm with the northern suburb Solna. Atrium Ljungberg's properties in the area span 94,000 m^2 representing 10% of total rental value split between 83% offices, 9% healthcare and 8% other including restaurants, culture and education.
Kista	A northern district in Stockholm containing a large cluster of ITC (Information, technology and communication) companies. Atrium Ljungberg's properties span 148,000 m^2 and represents 9% of total rental value split between 59% offices, 22% residential, 12% culture and education, and 7% other including restaurants, retail and healtchare. Tenants include IBM, Fujitsu Sweden and Stockholm Science & Innovation School.
Lindholmen	Located in central Gothenburg, previously a shipyard that is now developing into a office and educational hub. The area spans 82,000 m^2 and represents 6% of total rental value split between 98% offices and 2% healthcare. Tenants include IBM, Volvo and Valmet.

Source: Company data

STRONG PROPERTY MARKET FUNDAMENTAL ALONGSIDE A POSITIVE MACRO ECONOMIC ENVIRONMENT WILL SUPPORT CASH FLOWS AND ASSET VALUES[3,4]

The company reported a 4.4% like-for-like rental increase in 2017 compared to 2016, in addition to a SEK1.8 billion increase in property values for 2017. We expect continued strong occupier demand for office and retail properties to support the company's cash flows, and the solid investor demand for commercial real estate to sustain its property values.

We expect a favourable economic environment to further support the company's credit quality in the next 12 months as a result of sound, albeit slowing, domestic economic growth and record-low funding costs. The low cost of debt is supported by the government’s track record of modest public debt levels, prudent fiscal management and the Swedish central bank’s negative deposit and repo rates. These strengths will likely offset downside risks which include: the high level of private household debt, with housing prices standing at 60% above the 20-year average, as well as the overall fragility of the euro area economy amid increasing political risk following the UK's decision to leave the European Union and a crowded political calendar in 2018.

Sweden’s (Aaa stable) economy will continue to outperform other advanced economies in 2018, but headline growth will cool as the benefits from a number of cyclical tailwinds – such as low energy prices and loose domestic financial conditions – start to moderate. We expect real GDP growth to decelerate to 2.8% in 2018, from an estimated 3.2% in 2017 and 3.3% in 2016. While this would represent a four-year low, the Swedish economy is likely to slightly outperform both the euro area and G-20 advanced economies, where we forecast growth of 2.0% for both.

A CONTROLLED DEVELOPMENT PROGRAMME WITH A STRONG PIPELINE WILL ENHANCE VALUE

We believe the company's SEK3.4 billion development pipeline of ongoing projects that is around 8% of total assets, and its longer term SEK14 billion development pipeline will enhance value. We think investments in new residental, office, and retail space will increase footfall and make its large estates even more attractive to potential tenants.

We anticipate the company will maintain its roughly 3% exposure to residential properties over the next few years, but believe the asset class diversification benefit is higher than the 3% suggests. We expect the company to increasingly develop and sell residential units into the undersupplied housing market, and generally only keep residential units it wants to rent or that are designated as rental stock under planning regulations.

The company wholly owns TL Bygg, a building contractor with 120 employees and around SEK600 million in annual sales that is experienced in costing, purchasing and project management. TL Bygg does work for both the company and external third parties. The company provides parent guarantees to TL Bygg that are normally 10% of the contract amount during construction reducing to 5% during the subsequent five-year warranty period.

We believe TL Bygg provides the company with valuable in-house expertise in planning and executing its development projects, helping it to extract maximum value from its portfolio. We expect the company to continue managing TL Bygg in a disciplined and controlled manner, and to not take on risks that could potentially create a material financial liability to the whole group. The company has approximately SEK17 million of outstanding parent guarantees representing 0.04% of total assets, and we would expect this figure to not rise substantially.

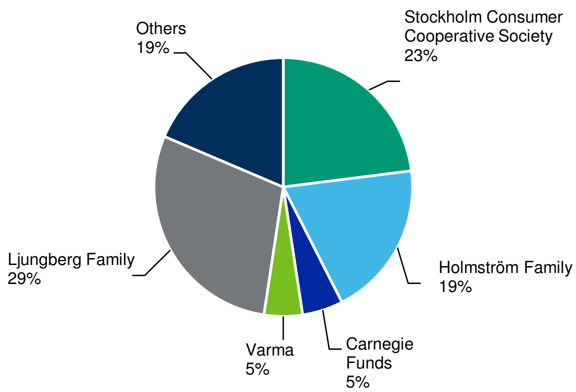
MODERATE LEVERAGE AND A STRONG FIXED CHARGE COVERAGE

The company's financial policy is to keep its gearing ratio as measured by debt to fair value of investment properties below 50%, and the most recent leverage as measured by Moody's adjusted gross debt / assets was 43%. We expect the company to maintain its long and well established track record of keeping leverage as measured by Moody's gross debt / assets around the 45% level . Net Debt / EBITDA has however risen for the past 3 years from roughly 9.3x in 2014 to 11.3x in 2017. The company's unsecured creditors are well covered with unencumbered assets providing 1.8 times coverage. We expect the company to sustain its strong 3.8x fixed charge cover, which has been consistently above 2.7x since 2013.

CONTROLLING SHAREHOLDERS CONTRIBUTE TO STABILITY BUT COULD MODERATELY HAMPER ACCESS TO EQUITY CAPITAL

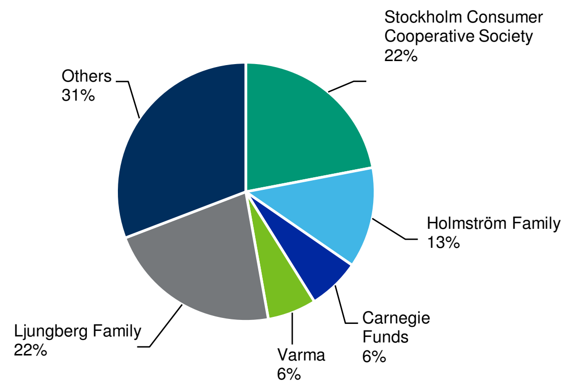
We believe the three largest shareholders, who together control nearly 70% of the company's votes as highlighted in Exhibits 8 and 9, contribute to the company's stability and allow management the time and space to build long-term value. Furthermore, we think the controlling shareholders are a key influencer in keeping the company's leverage well below most of its Swedish real estate peers. Counterbalancing these positives is our view that the current shareholder structure somewhat limits liquidity as it reduces the free float and may make it more difficult to raise equity should it ever be needed. A shareholder structure that gives slightly higher voting rights than suggested by economic interest shown in Exhibit 7, while not an unusual feature, further hampers access to equity. Nonetheless, we do not forsee a need for the company to raise capital in the near feature. Furthermore, the company pays out less cash to shareholders than many of its European peers, and unlike real estate investment trusts (REITs) has no legal obligation to pay a high proportion in dividends giving it more leeway to use funds from operations to reduce leverage if needed.

Exhibit 8
Share of vote in Atrium Ljungberg as of 31/12/2017



Source: Company website

Exhibit 9
Share of capital in Atrium Ljungberg as of 31/12/2017



Source: Company website

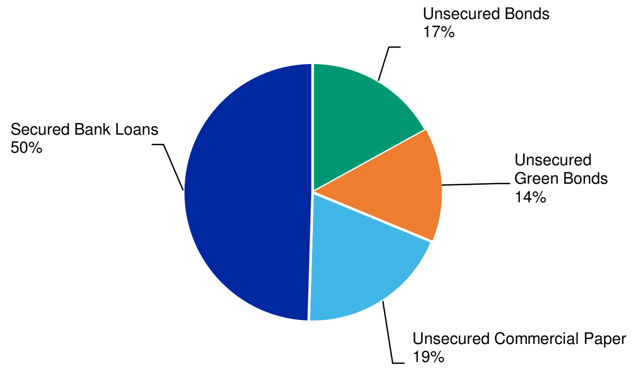
Short-dated debt maturity profile and a heavy reliance on short term debt

The company's average debt maturity was 3.5 years as of 31 December 2017, dragged down by the 19% reliance on commercial paper in its funding mix as highlighted in Exhibit 10. The company scores well below its rating category for the debt maturity subfactor score in our methodology grid given 31% of its debt matures in 2018 as shown in Exhibit 11. Positively, the SEK3.5 billion commercial paper programme is fully backed by undrawn revolving credit facilities (RCFs) with a staggered maturity profile until 2022 as highlighted in Exhibit 11. The company's average cost of debt was 1.7%.

Secured bank lending totals 49.5% of the company's outstanding debt, and is for the most part cross-defaulted and benefits from parent guarantees.

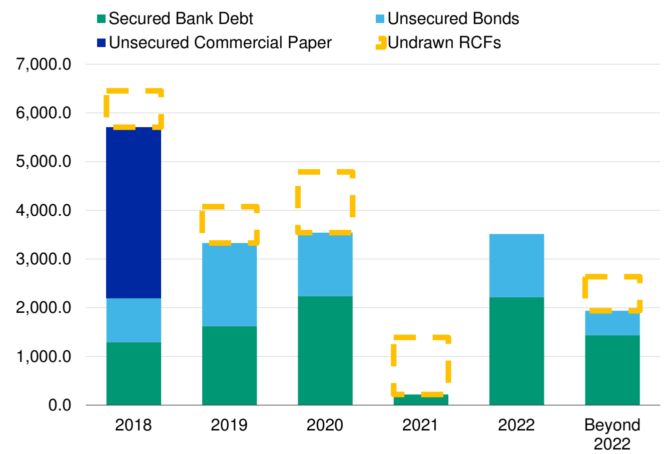
The company's average interest rate fixing period is 4.4 years compared to the 3.5-year average debt maturity. This allows the company to lock-in a certain amount of interest rate protection beyond the maturity of its debt. We view the longer-dated hedging profile as positive as it helps the company cushion any potential rise in interest rates, despite the accounting volatility introduced by the swap's mark-to-market valuations. As of 31 December 2017, the company held SEK9.3 billion in interest swaps covering 51% of outstanding debt with various maturity dates until 2029. The company booked a SEK121 million unrealized gain on its derivatives portfolio as of 31 December 2017, bringing the accumulated unrealized losses to SEK484 million.

Exhibit 10
19% reliance on commercial paper
Atrium Ljungberg AB funding mix as of 31/12/2017



Source: Company reporting

Exhibit 11
Atrium Ljungberg AB debt maturity as of 31/12/2017



Source: Company reporting

Liquidity Analysis

The company has adequate liquidity that is underpinned by:

» a cash position of SEK344 million as of 31 December 2017, which is above the company's goal of keeping a cash balance between zero and SEK200 million

» SEK300 million of an undrawn on-demand overdraft credit facility

» a secure and stable SEK2.4 billion gross annual rental income stream

» SEK4.6 billion of undrawn RCFs mainly backing its commercial paper programme, but that could be used for general corporate purposes. The RCFs are spread across several facilities with well staggered maturities between October 2018 and January 2023.

» A SEK16.7 billion pool of currently unencumbered assets

We view the over-reliance on short term funding as credit negative and a potential threat to liquidity because it increases the duration mismatch between funding sources and the long-term nature of real estate assets. Furthermore, companies with a high proportion of short term debt are more vulnerable to instability in capital and lending markets and more quickly impacted by a change of sentiment towards the cyclical real estate sector. Nonetheless, we believe the company can easily roll over its commercial paper for at least the next 18 months given the accommodating credit conditions and the stable outlook for Swedish commercial property markets. In addition, we are comfortable that the long dated RCFs with ample covenant headroom highlighted in Exhibit 11 provide a backstop against the unlikely risk the company struggles to roll-over its commercial paper. Over time, we expect the company to rely more on long term sources of funding.

We expect the major demands on cash from operations in 2018 to come from capital expenditure on developments and dividend payments. Other than continuously rolling over the staggered maturities under its commercial paper, the company will need to refinance any bank debt and bonds that mature in 2018.

Exhibit 12

Ample headroom under the RCF and bank loan covenants

Atrium Ljungberg AB

	Covenant	Level as of December 2017	Headroom under the covenant
Interest Coverage Ratio, termination rights	1.3x - 1.7x	4.2x	245%
Equity / Assets ratio, %	25% - 30%	42.6%	142%
Leverage at property level (individual loans limited of maximum LTV)	65% - 75%	met	N/A

Source: company reporting

Rating Methodology and Scorecard Factors

The principal methodology used in this rating was Global Rating Methodology for REITs and Other Commercial Property Firms published in July 2010. Please see the Rating Methodologies page on www.moodys.com for a copy of this methodology.

The current grid-indicated Baa3 rating is one notch lower than the Moody's forward view grid outcome.

Exhibit 13

Rating Factors

Atrium Ljungberg AB

REITs and Other Commercial Property Firms Industry Grid [1][2]	Current FY 12/31/2017		Moody's 12-18 Month Forward View As of 3/8/2018 [3]	
Factor 1: Liquidity and Funding (24.5%)	**Measure**	**Score**	**Measure**	**Score**
a) Liquidity Coverage	Ba	Ba	Ba	Ba
b) Debt Maturities	Caa	Caa	Caa	Caa
c) FFO Payout	43.3%	Aa	48% - 49%	Aa
d) Amount of Unencumbered Assets	39.2%	B	44% - 50%	Ba
Factor 2: Leverage and Capital Structure (30.5%)				
a) Debt / Gross Assets [4]	42.9%	Baa	42% - 43%	Baa
b) Net Debt / EBITDA	11.3x	Caa	11.3x - 11.7x	Caa
c) Secured Debt / Gross Assets	21.1%	Ba	17% - 19%	Ba
d) Access to Capital	Baa	Baa	Baa	Baa
Factor 3: Market Position and Asset Quality (22%)				
a) Franchise / Brand Name	A	A	A	A
b) Gross Assets(USD Million)	$5,308	Baa	$5,500 - $5,900	Baa
c) Diversity: Location / Tenant / Industry / Economic	Baa	Baa	Baa	Baa
d) Development Pipeline	8.1%	Baa	5.5%	A
e) Asset Quality	Baa	Baa	Baa	Baa
Factor 4: Cash Flows and Earnings (23%)				
a) EBITDA Margin (YTD)	67.1%	A	65% - 67%	A
b) EBITDA Margin Volatility	1.4%	A	1.4%	A
c) EBITDA / Fixed Charges (YTD) [5]	3.8x	A	4.0x - 4.4x	Aa
d) Joint Venture Exposure (YTD)	0%	Aa	0%	Aa
Rating:				
a) Indicated Rating from Grid		Baa3		Baa2
b) Actual Rating Assigned				Baa2

[1] All ratios are based on 'Adjusted' financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.
[2] As of 12/31/2017; Source: Moody's Financial Metrics™
[3] This represents Moody's forward view; not the view of the issuer; and unless noted in the text, does not incorporate significant acquisitions and divestitures.
[4] Debt includes a portion of hybrid securities considered to have debt like features as explained in Moody's Approach to Global Standard Adjustments in the Analysis of Financial Statements for Non-Financial Corporations revised December 2016
[5] Fixed Charges includes capitalized interests explained in Moody's Approach to Global Standard Adjustments in the Analysis of Financial Statements for Non-Financial Corporations revised December 2016.
Source: Moody's Financial Metrics™

Peers

Fabege AB (Fabege, Baa3 stable) is a Stockholm-headquartered commercial real estate company that was established in 2005. It is one of the largest property companies in Sweden, with its real estate holdings valued at SEK57.9 billion. Around half of its property portfolio is located in the inner city and central business district of Stockholm, with the remainder in the fastest growing areas outside the city, including Arenastaden, Solna Business Park and Hammarby Sjöstad, which have good transport links and are within a five-kilometre radius from central Stockholm. The company's 90 properties span more than 1.1 million square metres and generated SEK2.3 billion in rental revenue in 2017, with offices accounting for 83% of the total rental value. While the company focuses on the development and management of office properties), its portfolio also includes retail properties, some industrial and warehouse properties, as well as hotels. Fabege is listed on Nasdaq Stockholm and had a market capitalisation of SEK28.7 billion as of 12 April 2018.

Kungsleden AB (Kungsleden, Ba1 positive) is a listed commercial real-estate company established in 1994 and headquartered in Stockholm. The company owns, develops and manages a commercial property portfolio located across Sweden's largest growth markets, predominantly Stockholm, but also in Göteborg, Malmö and the Mälardalen region. As of June 2017, the company's property portfolio had a market value of SEK30.2 billion and a property yield of 5.2%. The company is listed in Stockholm with a market capitalisation of SEK12.5 billion as of 9 April 2018.

CA Immobilien Anlagen AG (CA Immo, Baa2 stable) is a publicly listed real estate company that manages, develops, and acquires office properties. 37% of the company's porfolio is located in Germany, 16% in Austria, with the remaining 47% spread across several Central and Eastern Europe countries. The company is listed in Vienna with a market capitalisation of €2.7 billion as of 9 April 2018, and owns a portfolio that generates more than €200 million in annual rent with a reported gross asset value of €3.15 billion as of 30 September 2017.

MERLIN Properties SOCIMI, S.A. (MERLIN, Baa2 Stable) is the largest real estate company in Spain, with a portfolio valued at around €10.5 billion as of 30 June 2017. The company is a real estate investment trust (REIT) incorporated into the Spanish REIT tax regime in 2014. MERLIN is listed on the Spanish Stock Exchange (IBEX-35) with a market capitalisation of €5.8 billion as of 13 April 2018. As of 30 June 2017, its shareholders include Banco Santander S.A. (baseline credit assessment baa1, sr unsec A3/Stable) with a stake of 22.27% and Banco Bilbao Vizcaya Argentaria, S.A.(BBVA, (baseline credit assessment baa2, sr unsec Baa1/Stable).

Exhibit 14

Rating Factors Peers

REITs and Other Commercial Property Firms Industry Grid	Atrium Ljungberg	Fabege	Kungsleden	CA Immo	MERLIN
Factor as of:	FY 12/31/2017	12/31/2017	LTM 6/30/2017	LTM 9/30/2017	LTM 6/30/2017
Factor 1: Liquidity and Funding (24.5%)					
a) Liquidy Coverage	Ba	Ba	Ba	Ba	Baa
b) Debt Maturities	Caa	Caa	B	Baa	Aa
c) FFO Payout	43.3%	62.3%	41.9%	55.3%	72.4%
d) Amount of Unencumbered Assets	39.2%	20.2%	1.8%	45.0%	75.8%
Factor 2: Leverage and Capital Structure (30.5%)					
a) Debt / Real Estate Gross Assets	43.1%	42.1%	51.2%	36.1%	46.1%
b) Net Debt / EBITDA	11.3x	15.2x	10.5x	9.8x	14.0x
c) Secured Debt / Gross Assets	21.1%	28.8%	49.0%	21.5%	11.2%
d) Access to Capital	Baa	Baa	Ba	Baa	Baa
Factor 3: Market Position and Asset Quality (22%)					
a) Franchise / Brand Name	A	A	Baa	Baa	A
b) Real Estate Gross Assets (USD Million)	$5,308	$7,482	$3,685	$5,309	$12,803
c) Diversity	Baa	Baa	Baa	Baa	Baa
d) Development Pipeline	8.1%	11.6%	3.7%	10.0%	3.8%
e) Asset Quality	Baa	A	Ba	Baa	Baa
Factor 4: Cash Flow and Earnings (23%)					
a) EBITDA Margin	67.1%	71.4%	58.6%	69.8%	72.7%
b) EBITDA Margin Volatility	1.4%	0.4%	4.0%	5.0%	5.0%
c) EBITDA / Fixed Charges	3.8x	2.8x	3.2x	4.0x	2.8x
d) Joint Venture Exposure	0.0%	0.0%	0.0%	4.3%	0.0%
Rating:					
a) Indicated Rating from Grid	Baa3	Ba1	Ba1	Baa2	Baa2
b) Actual Rating assigned	Baa2	Baa3	Ba1	Baa2	Baa2
c) Gap	+1	+1	0	0	0

Source: Moody's Financial Metrics™

Ratings

Exhibit 15

Category	Moody's Rating
ATRIUM LJUNGBERG AB	
Outlook	Stable
Issuer Rating -Dom Curr	Baa2

Source: Moody's Investors Service

Endnotes

1 JLL City Outlook - Q2 2017

2 CBRE - Sweden Property MarketView, Q2 2017

3 Government of Sweden - Moody's Issuer in Depth

4 Statistics Sweden

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CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454