



Rikshem's owners update financial targets for the company

Rikshem's owners, Fourth Swedish National Pension Fund (AP4) and AMF Pensionsförsäkring AB, have amended the ownership directive of Rikshem with new financial targets.

The following changes are made to the financial targets:

- The equity/assets ratio shall not be lower than 35 percent (earlier 30 percent)
- The loan-to-value ratio – LTV – shall not exceed 58 percent (earlier 70 percent)
- The interest-coverage ratio shall be minimum 2.2 times (earlier 1.75 times)
- The company's net debt/EBITDA should long term be lower than 16 times (new target)

In conjunction with the amendments, the owners also establish a dividend policy for Rikshem:

- Provided that the above financial targets are met, the owners may choose to call for an annual dividend amounting to a maximum of 50 percent of prior financial year's cash flow from operating activities from the company.

– As long-term owner of Rikshem we are pleased that the company has developed in a good way and that the financial key ratios have strengthened continuously. The company shows stability and has reached a level of maturity where we as owners, when the financial conditions allow, can call for a dividend – says Jenny Askfelt Ruud, Owner Representative, Fourth Swedish National Pension Fund.

– Rikshem plays an important role in AP4's portfolio. After several years with rapid growth, mainly through acquisitions, Rikshem has now entered into a phase with lower acquisition rate where the focus shifts to continuous strengthening of the quality in the portfolio and its' long term earnings potential which shall be reflected in the financial targets – says Katarina Romberg, Owner Representative, AMF Pensionsförsäkring AB.

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Rikshem is one of Sweden's largest private property companies. We own, develop and manage residential properties and properties for public use in selected municipalities in Sweden, where we offer safe, pleasant and flexible housing in attractive locations. Rikshem aims to be a long-term partner for municipalities and is owned by the Fourth Swedish National Pension Fund and AMF Pensionsförsäkring AB. Read more at rikshem.se.

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