



Samhällsbyggnadsbolaget



SAMHÄLLSBYGGNADSBOLAGET
I NORDEN AB (PUBL)

JANUARY-DECEMBER 2021

Q4

Summary of period

The year

The year in brief

- Rental income was SEK 5,930m (5,121).
- The operating surplus was SEK 4,047m (3,479).
- Cash flow from operating activities before changes in working capital was SEK 2,415m (2,232).
- Profit before tax increased to SEK 29,474m (10,341), of which:
 - Profit from property management is included in the amount of SEK 5,397m (2,474). The profit from property management includes costs for early repayment of loans and other items affecting comparability of SEK -416m (-93).
 - Changes in the values of properties are included in the amount of SEK 21,833m (8,542).
 - Changes in the values of financial instruments are included in the amount of SEK 2,487m (-207).
- Profit for the period was SEK 25,849m (9,084) after the deduction of deferred tax of SEK -3,378m (-1,092) and current tax of SEK -247m (-165), corresponding to earnings per series A and B ordinary share of SEK 17.35 (6.41) before dilution.
- The value of the property portfolio amounted to SEK 149.3bn (90.2).
- Long-term net asset value (EPRA NRV) was SEK 65,466m (37,653), corresponding to SEK 45.11 (28.32) per share.
- The Board of Directors proposes that a dividend of SEK 1.32 (1) per series A and B share be paid out monthly and that a dividend of SEK 2 (2) per series D ordinary share be paid out quarterly.

Significant events during the fourth quarter

- In November, SBB sold state infrastructure properties for an agreed property value of SEK 10bn to a company owned jointly (50/50) with Kåpan (an occupational pensions society).
- During the quarter, SBB acquired 63 percent of the shares in Solon Eiendom ASA, and holds 83 percent of the shares following this transaction. Half of the acquisition was financed through the issue of series B shares. In a later step, SBB sold its shares to a subsidiary owned jointly by SBB and OBOS. In this transaction, the share price has been set at NOK 44, raising a net cash consideration of NOK 1.6bn for SBB. The partnership encompasses the development of housing for OBOS members in Norway and Sweden and aims to support SBB's ambition of contributing to the construction of key social infrastructure in the Nordics.
- In November, Scope Ratings GmbH announced that SBB would be given a BBB rating with a stable outlook. According to Scope, the BBB rating is based on SBB's business model, with low-risk, high-quality assets and very robust tenants, providing stable and predictable cash flows.
- In December, SBB acquired a larger portfolio of preschools from Trygge Barnehager in Norway for an agreed property value of NOK 4,580m. The annual rental income is NOK 262m. The transaction encompasses 142 properties, corresponding to a building area of about 110,000 m² on land of 677,000 m². Trygge Barnehager is signing a 25-year lease, with the option to extend this to as much as 45 years.

- Through a number of transactions, SBB, acquired shares in Amasten Fastighets AB (publ) during the quarter. On 20 December, SBB submitted a public takeover bid in accordance with the provisions on mandatory offers on certain trading platforms' Takeover Rules. The offer entails SBB acquiring all series A ordinary shares in Amasten at SEK 13.30 in cash per share, and all series B preference shares in Amasten for SEK 350 in cash per share. At the end of the year, SBB controlled 90.8 percent of the shares in Amasten. Amasten is part of the consolidated group statements from 30th November 2021.

Significant events following the end of the quarter

- From more than 4,000 companies covered by Sustainalytics globally, SBB has been named as an ESG Regional Top Rated company in 2022.
- On 25 January, SBB issued unsecured social bonds for EUR 700m at a variable interest rate. The transaction was priced with a variable interest rate to maturity of three-month EURIBOR plus 49 bps, making this SBB's first issue of a bond at a negative interest rate.
- As of 7 February, SBB controls 97.8 percent of the capital and votes in Amasten AB (publ). SBB has demanded mandatory redemption of the remaining shares in the company. Amasten has applied to have the shares de-listed from Nasdaq First North Premier Growth Market. The final day of trading in Amasten was 4 February 2022.

SEK 149.3 BN

Property value
31 December 2021

SEK 5.9 BN

Rental income
January-December 2021

SEK 25.8 BN

Profit for the period
January-December 2021

SEK 2,415m

Cash flow from operating activities
January-December 2021

SEK 17.35 /SHARE

Earnings per share
31 December 2021

1.11%

Average interest rate
31 December 2021

SBB key ratios

	01-01-2021 31-12-2021	01-01-2020 31-12-2020	01-10-2021 31-12-2021	01-10-2020 31-12-2020
Property-related key ratios				
Market value of properties, SEKm	149,335	90,185	149,335	90,185
Number of properties	2,241	1,618	2,241	1,618
Number of m ² , thousands	5,425	3,958	5,425	3,958
Surplus ratio, %	68	68	64	65
Yield, %	3.8	4.3	3.8	4.3
Economic letting ratio, %	94.1	93.6	94.1	93.6
Average contract length of social infrastructure properties, years	11	9	11	9
Financial key ratios				
Rental income, SEKm	5,930	5,121	1,695	1,253
Net operating income, SEKm	4,047	3,479	1,082	810
Profit for the period, SEKm	25,849	9,084	12,553	3,350
Cash flow from operating activities before changes in working capital, SEKm	2,415	2,232	694	642
Equity excluding non-controlling interests, SEKm	63,009	37,245	63,009	37,244
Return on equity, %	38	22	17	7
Loan-to-value ratio, %	40	35	40	35
Secured loan-to-value ratio, %	12	10	12	10
Equity/assets ratio, %	43	43	43	43
Adjusted equity/assets ratio, %	48	48	48	48
Non-pledged quota, multiple	2.79	2.94	2.79	2.94
Interest-coverage ratio, multiple	5.5	4.1	-	-
Share-related key ratios				
Actual net asset value (EPRA NTA), SEKm	58,304	31,142	58,304	31,142
Actual net asset value (EPRA NTA), SEK/share	40.18	23.42	40.18	23.42
Actual net asset value (EPRA NTA) after dilution, SEK/share	40.17	21.85	40.17	21.85
Long-term net asset value (EPRA NRV), SEKm	65,466	37,653	65,466	37,653
Long-term net asset value (EPRA NRV), SEK/share	45.11	28.32	45.11	28.32
Long-term net asset value (EPRA NRV) after dilution, SEK/share	45.11	26.42	45.11	26.42
EPRA Earnings (Profit from property management after tax paid), SEKm	1,958	1,902	553	671
EPRA earnings (EPS), SEK/share	1.42	1.50	0.38	0.52
EPRA earnings after dilution (EPS diluted), SEK/share	1.41	1.45	0.38	0.48
EPRA Vacancy rate	5.89	6.40	5.89	6.40
Earnings per series A and B ordinary share, SEK	17.35	6.41	8.47	2.29
Earnings per series D ordinary share, SEK	2.0	2.00	0.50	0.50
Average number of series A and B ordinary shares	1,379,982,887	1,270,977,083	1,451,151,898	1,288,232,323
Average number of series D ordinary shares	191,331,014	130,778,598	193,865,905	172,192,593
Average number of preference shares	-	30,713	-	30,713
Number of series A and B ordinary shares	1,451,141,898	1,329,482,358	1,451,141,898	1,329,482,358
Number of series D ordinary shares	193,865,905	179,881,880	193,865,905	179,881,880
Number of preference shares	-	30,713	-	30,713

See all definitions and calculations on pages 46-50.

Samhällsbyggnadsbolaget i Norden

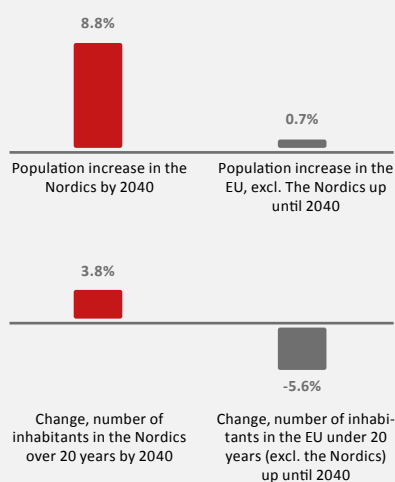
Ilija Batljan founded SBB in March 2016 with the vision of building the best European property company for social infrastructure. The company's strategy is to own, manage and develop community service properties and rent-regulated residentials over the long term. The company also aims to actively conduct project and property development to develop new social infrastructure.

SBB operates in markets with stable and strong underlying driving forces (economic development and population growth). SBB's property portfolio is characterized by a high occupancy rate and long lease contracts. Rental income consists of secure, long-term flows, primarily from Nordic central governments/municipalities/county councils and from Swedish rent-regulated residentials. Of the company's income, 98 percent derives from community service properties in the Nordics and Swedish rent-regulated residentials – social infrastructure. Cash flows are uniquely stable with three of the Nordic central governments being among only ten sovereigns around the world to hold an AAA rating from the three leading credit rating agencies. As a whole, the property portfolio provides exposure to the Nordics' strong demographic trend, with a sharp increase in population compared with the rest of the EU.

Rental income rolling 12-month

Classification	Rental income, SEKm	Total, %
Rental apartments	2,225	32
Building rights for future rental apartments	81	1
Total, Housing	2,306	33
Elderly care units	822	12
LSS	405	6
Building rights for future publicly funded housing	0	0
Total, Publicly funded housing	1,227	17
Education	1,999	28
<i>Preschool</i>	766	11
<i>Primary school/upper-secondary school</i>	847	12
<i>University</i>	386	5
Hospitals and health centres	443	6
Central government infrastructure and town halls	456	7
Public offices	337	5
Other	0	0
Building rights for future community service properties	158	2
Total, Community service properties	3,392	48
Total, Social infrastructure	6,926	99
Other	91	1
Total	7,017	100

Driving factors



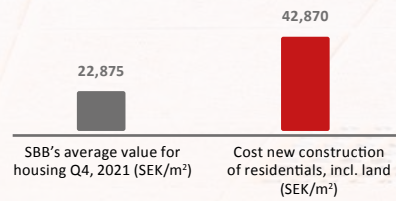
Driving factors

Why a low risk asset?

Driving force

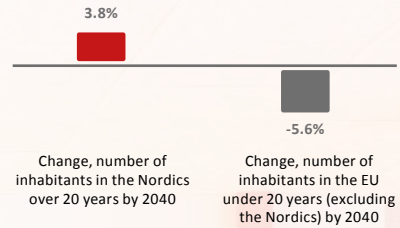
Rental apartments

Regulated market with sub-supply combined with social safety net and housing allowance – only 0.17 percent weak payers among the tenants in all of Sweden’s 1.5m rental apartments.



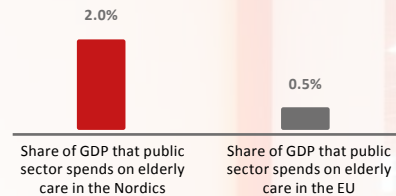
Education

Preschools, primary schools, upper secondary schools and universities in the Nordics are publicly funded.



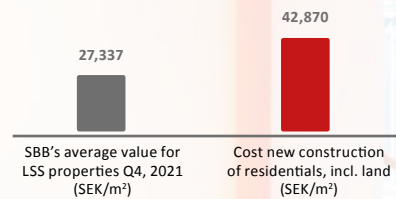
Elderly care units

Elderly care in the Nordics is publicly funded and the number of elderly people over the age of 75 in the Nordics is estimated to increase by 44-66 percent by 2040.



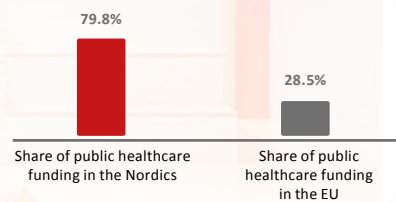
LSS

Publicly funded housing for people with special needs in a housing market characterized by structural shortages.



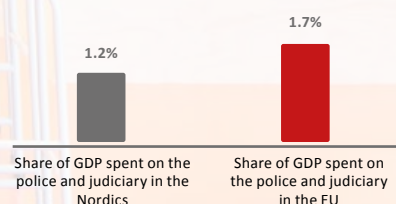
Hospitals & health care centres

In contrast to other parts of the EU/EEA, health care is predominantly publicly funded in the Nordics.



Police and judiciary

The police force and judiciary are publicly funded. The Nordics currently invest less resources in relation to GDP compared with other EU countries, providing potential in pace with population growth and increasing political focus on reducing the gap towards the other EU countries.



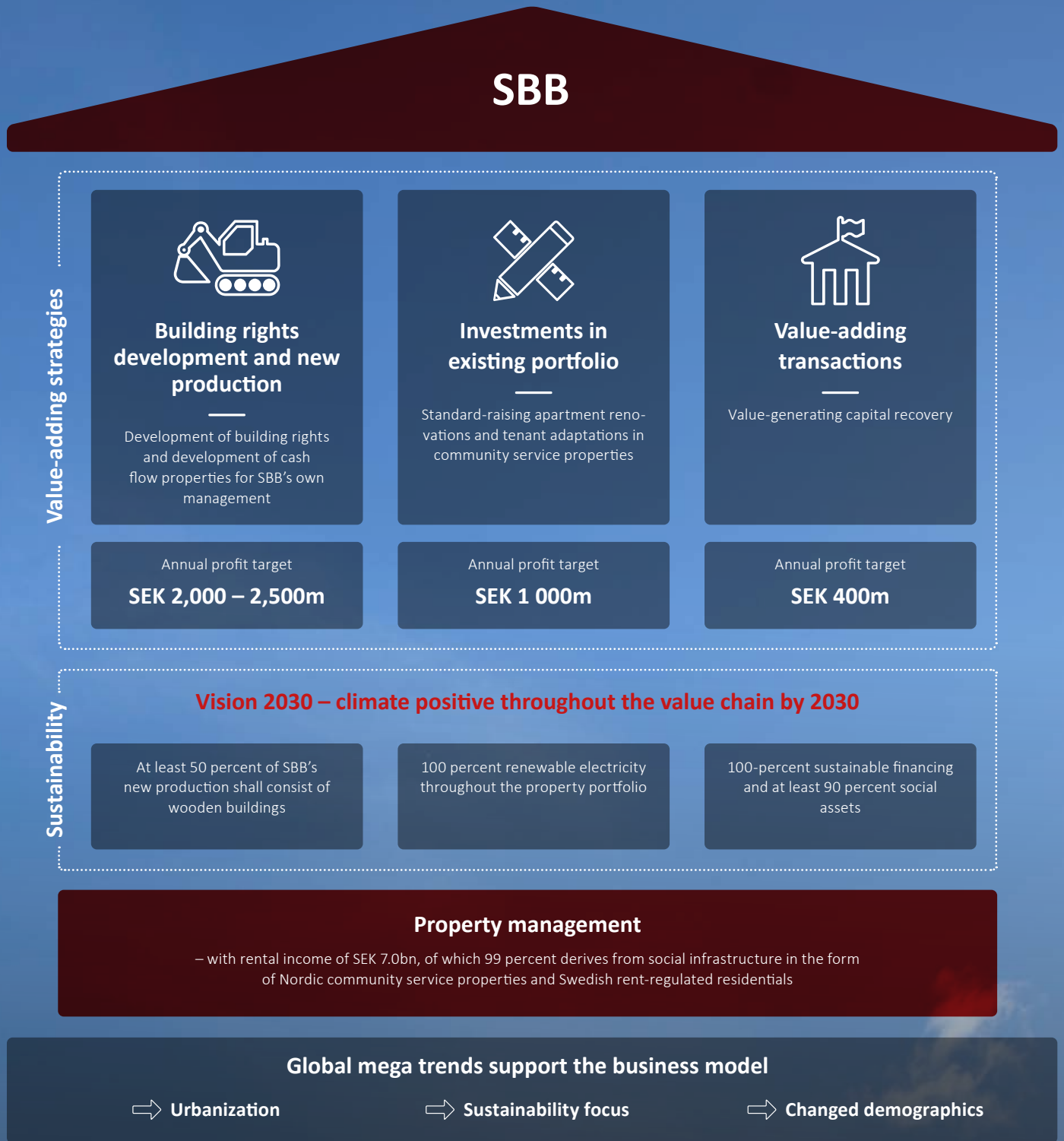
Central government infrastructure, town halls and public offices

Sweden, Norway and Denmark are among only ten sovereigns in the world to hold an AAA rating from all leading credit rating agencies.



SBB's business model and how we generate value

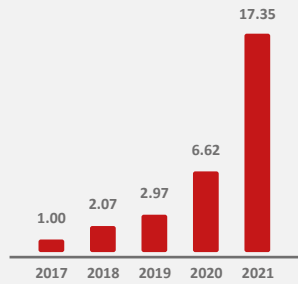
The business model builds on managing the world's most secure assets and complementing this with three value-adding strategies with the potential to generate value through Building rights development and new production, Investments in existing portfolios and Value-adding transactions. Through its business model, SBB generates long-term, sustainable shareholder value through a high risk-adjusted annual return.



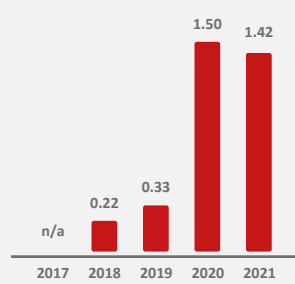
Focus on delivery

- Earnings per series A and B ordinary share have risen by 541 percent since 2017
- The dividend per series A and B ordinary share has risen by 900 percent since 2017
- Strong balance sheet: BBB- (investment grade credit rating) from S&P and Fitch (positive outlook)

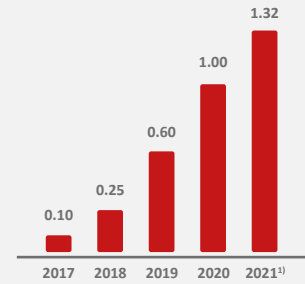
Earnings per series A and B ordinary share, SEK



EPRA earnings (EPS), SEK/share

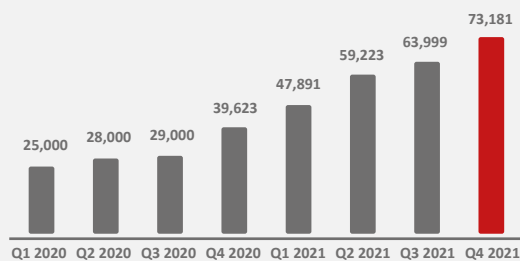


Dividend per series A and B ordinary share, SEK



Growth potential

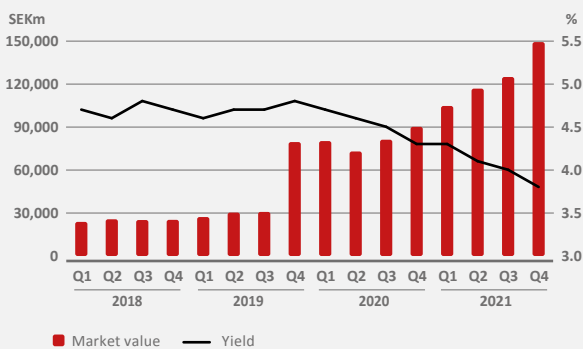
Europe's leading property developer
(number of apartments)



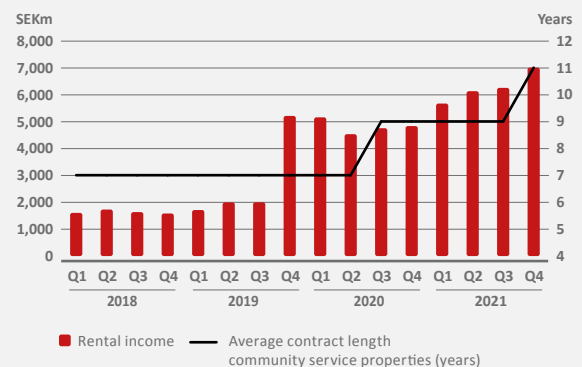
EPRA NRV - per A- and B-share



The value of the properties (SEKm) & yield



Rental income – rolling 12-month (SEKm) and average contract length (years)



CEO Ilija Batljan

SBB's income comprises secure cash flows from property management of social infrastructure, in which residential and LSS housing constitutes 54 percent of the property value and 50 percent of the rental income. Educational properties make up 28 percent of both property value and rental income.

At 11 years, our average lease term is the longest of any major European property company. We supplement our uniquely secure facilities management with three revenue-generating and value-adding strategies: Building rights development and new production, Investments in existing portfolios and Value-adding transactions. The value-adding strategies strengthen SBB's earnings, helping generate value over the long term. These contributed to earnings per series A and B ordinary share of SEK 17.35 and produced strong cash flow over the year. In 2021, our target of generating growth in profit from property management per series A and B ordinary share averaging at least 15 percent annually over a five-year period, was exceeded by a wide margin, reaching 162 percent. Our return on equity over the past 12 months was 38 percent. Adjusted for profit and equity attributable to series D preference shares, hybrid bonds and minority interests, the return on equity in 2021, attributable to series A and B ordinary shares, was a strong 52 percent.

Inflation-hedged rental income and a strong increase in net operating income

SBB's rental income is tied to the Consumer Price Index (CPI) and is thus hedged for inflation. The relatively high level of inflation in Sweden and Norway entails relatively strong growth in the company's rental income for 2022. Given SBB's active property management and property refinement work, our internal target is for our average annual increases in rental income in comparable portfolios to exceed the CPI by 100 basis points. We have exceeded the target every year since the company's inception and the average outcome on a 12-month rolling basis for the past three years is about 120 basis points



above the CPI. Here too, 2021 was a record year, with rental income for comparable portfolios rising 1.8 percent on the year-earlier period, which is 145 basis points above last October's weighted CPI, on which the 2021 increase in rental income is based. The 2021 increase in net operating income for comparable portfolios (like-for-like) was even stronger, ending up at 4.7 percent. Accordingly, we experienced the strongest net operating income trend for comparable portfolios of all major property companies – and far stronger than our closest competitors.

The key ratios needed for a BBB+ rating continue to be strengthened

Our focus is on generating the greatest-possible risk-adjusted return for our shareholders, who currently number slightly more than 200,000. We are well on our way to delivering on our target for SBB's property portfolio to amount to SEK 300bn in 2026, and for our entire operations to be climate positive by 2030. At the end of the year, our investment properties amounted to SEK 149.3bn, an increase of SEK 59bn on the preceding year. The increase is even more impressive if, in addition to this, we also take into account that our share of the value of joint ventures/associated companies corresponds to about SEK 35bn. This is all achieved with strict financial discipline and our key ratios are stronger than what is required for a BBB+ rating. SBB's loan-to-value ratio was 40 percent. At the end of the year, our joint ventures/associated companies also had an average loan-to-value ratio of 37 percent.

At the end of the period, our adjusted net debt (pro forma for 12 months ahead and divided by total capital, in line with S&P's loan-to-value definition) was 47 percent. This is the level we will maintain for the next three years. We also continue to build our interest coverage ratio, which was a multiple of 5.5 at the end of the period. We have SEK 152bn in non-pledged assets and long capital and fixed interest maturities. Our quota of non-pledged assets is among the highest in Europe. SBB had an average interest rate of 1.11 percent at the end of the year.

Earnings capacity increased by 85 percent to SEK 5.65 per series A and B ordinary share

SBB's rolling 12-month earnings capacity rose by 102 percent compared with the fourth quarter of 2020 and amounted to SEK 8,195m (4,049) at the end of 2021. As of 31 December 2021, earnings capacity per series A and B ordinary

share was SEK 5.65 (3.05), an increase of 85 percent over the past year. Profit after tax was SEK 25,849m. Adjusted for costs affecting comparability, for the repayment of expensive loans, for example, as well as deductions for earnings attributable to preference shares, series D ordinary shares, hybrid bonds and minority interests, earnings per share for the period amounted to SEK 17.65 (6.48) per series A and B ordinary share, an increase of 172 percent. For the 2022 full year, we forecast earnings of SEK 8.10 per series A and B ordinary share. This is based on SBB's continuous earning capacity, results from projects and transactions in progress, as well as the assessed rent development for the year.

Profit from property management increased by SEK 2,923m to SEK 5,397m ...

Profit from property management, adjusted for value changes and tax from joint ventures/associated companies and costs affecting comparability, increased by 31 percent to SEK 3,370m (2,567). In addition to loan redemption costs (SEK 155m), costs affecting comparability also include restructuring costs (SEK 86m) and unrealized FX effects (SEK 175m).

... and continued strong profit growth from our value-adding strategies

Our value-adding strategies continue to deliver on all levels. By itself, profit from our two value-adding strategies (Building rights development and new production, as well as Investments in existing portfolios) reached SEK 7.2bn in 2021, corresponding to earnings of SEK 5.20 per series A and B ordinary share, equivalent to nearly a third of the profit for the year. 1) In 2021, profit from Building rights development and new production amounted to SEK 6,612m, compared with the target of SEK 2.0-2.5bn on an annual basis. At the end of September, SBB's building rights and production portfolio, including joint ventures, amounted to about 73,000 apartments. Adding the 36,000 apartments in the JM portfolio, SBB would, with a total exposure of 110,000 apartments, be the European company with the potential to benefit most from future housing production. 2) During 2021, Profit from Investments in existing portfolios amounted to SEK 564m, compared with the target of SEK 600m on an annual basis. During 2021, SBB completed renovations improving the net operating income from 635 apartments. In addition to apartment renovations, SBB continuously upgrades its portfolio of community service properties. The total volume

of these projects amounts to about SEK 2,948m and, when these have been completed, they will contribute to an increase in net operating income of SEK 159m on an annual basis. At the same time, the yield (yield on cost) for these value-generating projects is 5.4 percent, paving the way for strong value growth. 3) The transaction team continues to deliver, with property transactions for a total SEK 72bn in 2021. An important part of the company's social sustainability initiative is to contribute new elderly care units and LSS housing. The number of apartments for elderly care units managed in-house is set to increase sharply, with the target of doubling the total rental income from elderly care units and LSS housing between 2020 and 2025, from the level of slightly more than SEK 800m to SEK 1.6bn annually. At the end of the fourth quarter of 2021, our income from elderly care units and LSS housing had increased to SEK 1,227m. It is gratifying to note that our goal-oriented efforts regarding Project and Property Development are again delivering. At the end of the year, we had 4,471 apartments and 95,869 m² of community service properties currently in production and 18,465 apartments currently in project development. Combined with our progress with our building rights portfolio, this has generated a quarterly profit of SEK 3,898m. At the same time, we sold properties with building rights for SEK 2.6bn in the fourth quarter, demonstrating our capacity to derive considerable cash flow from our building rights portfolio year after year, and to reinvest in cash flow properties, further emphasizing that profit from Project and property development can be equated with profit from property management in our business model.

Sustainability is the core of our business model

SBB's Vision 2030 climate target is to be climate positive throughout the value chain by 2030. We also have a concrete road map in place, clearly detailing and illustrating how this target will be achieved. SBB's course to climate positivity by 2030 rests on three pillars: efficient consumption of renewable energy, generating renewable energy and life cycle investments focused on constructing with wood and green concrete with major elements of recycling. SBB's climate targets have been approved by "Science Based Target" following a due diligence process and have been published on their website.

The most sustainable properties are those that have already been built. This is why SBB conducts unique initiatives and makes major investments in streamlining its existing portfolios. In December, SBB began working with the Sweden Green Building Council (SGBC) to certify 1,000 existing properties. At the same time, SBB continues to invest in energy efficiency improvements. Four new energy-saving projects have been launched in Södertälje, where the buildings' attics will be fitted with supplementary insulation, the substations will be replaced and wastewater heat exchangers will be installed. Completely passively, without pumps, control equipment or moving parts, the wastewater heat exchangers will recover all heat from the drain and use that energy to preheat incoming tap water. Following the

 We deliver shareholder and societal value throughout the value chain, from property development to property management

completion of the project, SBB expects to reduce the properties' energy consumption by approximately 18 percent.

Several projects involving solar cells, heat pumps, additional insulation, and connecting properties are underway in all of SBB's markets. In December, for example, SBB's pilot project with Watt s2You was inaugurated, with the installation of 600 solar panels with integrated battery storage at one of SBB's residential properties. The batteries and associated control equipment allow solar electricity to be saved, while also allowing mains electricity to be bought and stored when prices are low, for that electricity to then be consumed from the batteries at the time of day when electricity is expensive. SBB is one of Europe's largest investors with regard to construction using wood. At the same time, we continue to make efforts to reduce CO₂ emissions from concrete. Our subsidiary Sveafastigheter, which is constructing 367 apartments and a preschool in Haninge, has invested its efforts into developing an optimized, slimmed-down skeleton, a high degree of recycled rebar and green concrete in the foundation plate, site cast basement walls and underpinning. These three measures reduce CO₂ emissions by at least 40 percent compared with traditional construction. The properties will also have roof-top solar cells and will be certified in accordance with the Miljöbyggnad Silver environmental building standard, with climate calculations being made for all component materials used in construction. Climate-focused investments will also be combined with efforts to increase biodiversity in our newly built residential areas.

SBB's renovations focus strongly on energy efficiency enhancements, but also on the decontamination of old materials. In the fourth quarter, 216 apartment renovations were completed.

SBB holds ISS ESG's highest rating for its work on social sustainability. The broad palette of initiatives, including major initiatives regarding summer jobs, is supplemented regularly with a variety of initiatives. Together with the Municipality of Haninge and selected property owners in Handen, SBB invested in a project that will contribute to local engagement by making citizens actively involved in the process, increasing security and facilitating increased interaction between people of different ages and with different backgrounds. SBB continues to support the UNHCR and its "roof over their heads" project. Gifts were collected using SBB's housing app, in which SBB has also launched a new and unique product, a fallback insurance

plan. The insurance covers the tenant's housing costs in the event of illness or unemployment. All tenants who have just moved in are automatically covered by the plan for three months after moving in. Social sustainability is not a charity – it is a win win.

Prospects

For the 2022 full year, we forecast earnings of SEK 8.10 per series A and B ordinary share. Today we are a large family with about 200,000 shareholders and slightly more than 400 employees at many locations in several countries. Our team is our platform. We deliver shareholder and societal value throughout the value chain, from property development to property management. We are also the buyer to whom municipalities and other long-term players choose to sell. At the same time, our employees increasingly have to compete with players with owners located in tax havens. It is important to highlight such objectionable practices. Combining a long-term perspective and sustainability with owners from tax havens can be a conundrum. SBB's principal owners pay their taxes in the Nordics and consider long-term planning important. Paying taxes in accordance with Swedish (Norwegian, Danish or Finnish) laws and regulations is also an important sustainability issue. Accordingly, we want to be extra clear to our shareholders that we will not compromise on sustainability. Instead, our competition continues to spur us on to further hone our approach. Our unique investment platform continues to deliver, building Europe's largest property company focusing on secure assets. Today, we are already leaders in social and ecological sustainability and we will continue to challenge ourselves, building long-term value for all stakeholders. Naturally, this also includes shareholder value in the form of annually increased dividends and our ambition is to be able to increase the dividend over the next 100 years. For the 2022 Annual General Meeting, the Board proposes a dividend of SEK 1.32 per ordinary A and B share, split between 12 monthly dividends. Switching to monthly dividends is another means of creating a long-term perspective and reflects our secure cash flows from Europe's safest assets.

Ilija Batljan, Founder and CEO

Consolidated income statement

Amount in SEKm	01-01-2021 31-12-2021	01-01-2020 31-12-2020	01-10-2021 31-12-2021	01-10-2020 31-12-2020
Rental income	5,930	5,121	1,695	1,253
Operating costs	-1,114	-987	-347	-244
Maintenance	-322	-323	-110	-105
Property administration	-317	-217	-122	-67
Property tax	-130	-115	-34	-27
Net operating income	4,047	3,479	1,082	810
Central administration	-290	-224	-52	-51
Acquisition and restructuring costs	-86	-52	-46	-3
Results from associated companies/joint ventures	2,814	144	2,229	102
Profit before financial items	6,485	3,347	3,213	858
Profit from financial items				
Interest income and similar items	274	166	67	64
Interest expenses and similar items	-1 011	-973	-268	-257
Expenses for redeemed loans in advance	-155	-199	16	-42
Translation gains/losses	-175	158	-62	261
Leasing costs	-21	-25	-6	-11
Profit from property management	5,397	2,474	2,960	873
Changes in value, property	21,833	8,542	9,851	3,294
Dissolution of goodwill after property sales	-252	-468	-243	-29
Results, production of residentials	9	-	9	-
Changes in the value of financial instruments	2,487	-207	1,151	61
Profit before tax	29,474	10,341	13,728	4,199
Tax for the year	-247	-165	-87	-73
Deferred tax	-3,630	-1,536	-1,331	-781
Dissolution of deferred tax goodwill	252	444	243	5
PROFIT FOR THE PERIOD	25,849	9,084	12,553	3,350
<i>Profit for the period attributable to:</i>				
Parent Company shareholders (incl. hybrid bonds)	24,831	9,011	12,528	3,333
Non-controlling interest	1,018	73	25	17
PROFIT FOR THE PERIOD	25,849	9,084	12,553	3,350
Earnings per series A and B ordinary share before dilution	17.35	6.41	8.47	2.29
Earnings per series A and B ordinary share after dilution	17.21	6.41	8.37	2.29
Earnings per series D ordinary share, SEK	2.00	2.00	0.50	0.50

Consolidated statement of comprehensive income

Amount in SEKm	01-01-2021 31-12-2021	01-01-2020 31-12-2020	01-10-2021 31-12-2021	01-10-2020 31-12-2020
Profit for the period	25,849	9,084	12,553	3,350
Share of comprehensive income in associated companies/joint ventures	6	-	10	-
Translation gains/losses	1,353	-916	562	208
COMPREHENSIVE INCOME FOR THE PERIOD	27,208	8,168	13,125	3,558
<i>Comprehensive income for the period attributable to:</i>				
Parent Company shareholders (incl. hybrid bonds)	26,190	8,095	13,100	3,542
Non-controlling interest	1,018	73	25	16
COMPREHENSIVE INCOME FOR THE PERIOD	27,208	8,168	13,125	3,558

Comments on the consolidated income statement

Net operating income

Rental income during the period amounted to SEK 5,930m (5,121) and for the quarter to SEK 1,695 (1,253). In a comparable portfolio, rental income increased by 1.8 percent compared with the corresponding period in the preceding year. Of the rental income, SEK 4,467m pertained to community service properties, SEK 1,128m to residentials, and SEK 335m to other properties. The economic occupancy rate at the end of the period was 94.1 percent (93.6). The average contract length for community service properties was 11 years (9). Property costs during the period amounted to SEK -1,883m (-1,642) and for the quarter SEK -613m (-443). They mainly consist of tax-related costs, operating and maintenance costs, as well as management administration. In a comparable portfolio, costs fell by 3.8 percent compared with the corresponding period in the preceding year, the decrease refers to lower cost for maintenance. Accordingly, the net operating income for a comparable portfolio increased by 4.7 percent.

Profit from property management

In total, the period's costs for central administration amounted to SEK -290m (-224) for the period and SEK -52m (-51) for the quarter. The central administration costs include costs for business development, transactions, property development and financial management. The increase in central administration is mainly explained by costs for bonuses to employees and additional costs for organizing Offentliga Hus.

Profit from associated companies and joint ventures was SEK 2,814m (144) for the period and SEK 2,229m (102) for the quarter. The profit is largely attributable to SBB Kåpan AB and JM AB (publ), which contributed SEK 501m and SEK 307m, respectively, to consolidated profit for the period. See further information on page 51.

Net financial items amounted to SEK -1,088m (-873) for the period and to SEK -253m (15) for the quarter. The financial costs include interest for external financing, as well as other financial costs, such as accrued arrangement fees and exchange rate differences.

Costs affecting comparability

As a result of the acquisitions of Offentliga hus and Hemfosa, the company had costs affecting comparability of SEK -86 (-52) for the period and of SEK -46m (-3) for the quarter. The financial costs include costs affecting comparability for early redemption of expensive loans by SEK -155m (-199) for the period.

During the period, exchange rate differences of SEK -175m (158) were reported that are attributable to the translation of loans raised in Euro to the extent that the loans are not matched against hedges in the form of net assets in Euro and FX derivatives.

Changes in value and tax

Value changes for the properties amounted to SEK 21,833m (8,542), of which SEK 851m (-573) were realized value changes and SEK 20,982m (9,115) were unrealized value changes.

Combined, our value-adding strategies have contributed about half of the change in value. This includes project and property development, together with succession renovations, in which SBB has succession renovated 635 apartments over the period, made project investments in existing portfolios and produced new homes in, for example, Höganäs, Skellefteå and Uppsala, produced new elderly care units in Västerås and Östersund, and constructed and modified a school in Haninge. General rent development and re-negotiations, resulting in higher net operating income, contributed about a fifth. The remainder is attributable to reduced yield requirements. In the external valuations, the average yield requirement is 4.34 (5,05) percent. See further information on page 14.

Value changes for financial instruments amounted to SEK 2,487m (-207). The item comprises realized and unrealized changes in the value of financial investments in shares and other securities and derivatives.

Profit after tax for the period amounted to SEK 25,849m (9,084). Tax on the profit for the period was SEK -3,625m (-1,257), of which SEK -247m (-165) pertained to current tax and SEK -3,378m (-1,092) pertained to deferred tax related to properties and tax-loss carryforwards. The low tax is attributable to sales of properties in company format and tax-loss carryforwards.

Segment reporting

Segment reporting

For reporting and follow-up, SBB has been divided into three segments: Residential, Community service and Other/Property Development. The division is based on the differences in the nature of the segments and on

the reporting the management obtains to follow up and analyze the business, as well as on the data obtained on which to base strategic decisions.

Period 01-01-2021 – 31-12-2021	Community service properties	Housing	Other properties	Total segment	Group-wide items and eliminations	Group total
Rental income	4,467	1,128	335	5,930		5,930
Property costs	-1,152	-574	-157	-1,883		-1,883
Net operating income	3,315	555	178	4,047	-	4,047
Central administration					-290	-290
Acquisition and restructuring costs					-86	-86
Results from associated companies/joint ventures					2,814	2,814
Profit before financial items					2,438	6,485
Interest income and similar items					274	274
Interest expenses and similar items					-1,362	-1,362
Profit from property management					1,350	5,397
Changes in value of investment properties	11,451	9,732	650	21,833		21,833
Resolution of goodwill on property sales					-252	-252
Profit from development of residential					9	9
Changes in the value of financial instruments					2,487	2,487
Profit before tax	14,766	10,286	828	25,880	3,594	29,474
Tax					-3,625	-3,625
Profit for the period	14,766	10,286	828	25,880	-31	25,849
Investment properties (SEKm)	90,056	52,410	6,868	149,335		
Investments (SEKm)	2,079	1,652	179	3,910		
Value per m ² (SEK)	29,425	26,663	16,981	27,525		
Surplus ratio (%)	74%	49%	53%	68%		

Period 01-01-2020 – 31-12-2020	Community service properties	Housing	Other properties	Total segment	Group-wide items and eliminations	Group total
Rental income	4,012	843	266	5,121		5,121
Property costs	-1,086	-432	-124	-1,642		-1,642
Net operating income	2,926	411	142	3,479	-	3,479
Central administration					-224	-224
Acquisition and restructuring costs					-52	-52
Results from associated companies/joint ventures					144	144
Profit before financial items					-132	3,347
Interest income and similar items					166	166
Interest expenses and similar items					-1,039	-1,039
Profit from property management					-1,005	2,474
Changes in value of investment properties	6,281	2,026	235	8,542		8,542
Resolution of goodwill on property sales					-468	-468
Changes in the value of financial instruments					-207	-207
Profit before tax	9,207	2,437	377	12,021	-1,680	10,341
Tax					-1,257	-1,257
Profit for the period	9,207	2,437	377	12,021	-2,937	9,084
Investment properties (SEKm)	67,109	18,102	4,973	90,185		
Investments (SEKm)	1,238	582	268	2,088		
Value per m ² (SEK)	23,402	23,380	15,722	22,784		
Surplus ratio (%)	73%	49%	53%	68%		

Period 01-10-2021 – 31-12-2021	Community service properties	Housing	Other properties	Total segment	Group-wide items and eliminations	Group total
Rental income	1,176	429	91	1,695		1,695
Property costs	-329	-235	-48	-613		-613
Net operating income	847	193	42	1,082	-	1,082
Central administration					-52	-52
Acquisition and restructuring costs					-46	-46
Results from associated companies/joint ventures					2,229	2,229
Profit before financial items					2,131	3,214
Interest income and similar items					67	67
Interest expenses and similar items					-320	-320
Profit from property management					1,878	2,960
Changes in value of investment properties	6,929	2,530	392	9,851		9,851
Resolution of goodwill on property sales					-243	-243
Profit from development of residentials					9	9
Changes in the value of financial instruments					1,151	1,151
Profit before tax	7,776	2,723	434	10,933	2,795	13,728
Tax					-1,175	-1,175
Profit for the period	7,776	2,723	434	10,933	1,620	12,553
Investment properties (SEKm)	90,056	52,410	6,868	149,335		
Investments (SEKm)	622	580	33	1,235		
Value per m ² (SEK)	29,475	26,663	16,981	27,525		
Surplus ratio (%)	72%	45%	47%	64%		

Period 01-10-2020 – 31-12-2020	Community service properties	Housing	Other properties	Total segment	Group-wide items and eliminations	Group total
Rental income	1,005	198	50	1,253		1,253
Property costs	-311	-110	-22	-443		-443
Net operating income	694	88	28	810	-	810
Central administration					-51	-51
Acquisition and restructuring costs					-3	-3
Results from associated companies/joint ventures					102	102
Profit before financial items					48	858
Interest income and similar items					64	64
Interest expenses and similar items					-49	-49
Profit from property management					63	873
Changes in value of investment properties	1,598	1,531	165	3,294		3,294
Resolution of goodwill on property sales					-29	-29
Changes in the value of financial instruments					61	61
Profit before tax	2,292	1,619	193	4,104	95	4,199
Tax					-849	-849
Profit for the period	2,292	1,619	193	4,104	-754	3,350
Investment properties (SEKm)	67,109	18,102	4,973	90,185		
Investments (SEKm)	446	211	47	704		
Value per m ² (SEK)	23,402	23,380	15,722	22,784		
Surplus ratio (%)	69%	44%	56%	65%		

Consolidated balance sheet

Amount in SEKm	31-12-2021	31-12-2020
ASSETS		
Fixed assets		
Intangible assets		
Goodwill	6,066	6,319
Total intangible assets	6,066	6,319
Tangible assets		
Investment properties	149,335	90,185
Land lease agreements	639	614
Equipment, machinery and installations	48	22
Total tangible assets	150,022	90,821
Financial fixed assets		
Participations in associated companies/joint ventures	16,373	2,867
Receivables from associated companies/joint ventures	4,107	827
Derivatives	547	129
Financial fixed assets at fair value	4,530	2,931
Other long-term receivables	207	-
Total financial fixed assets	25,764	6,753
Total fixed assets	181,852	103,893
Current assets		
Properties held for sale	279	-
Current receivables		
Accounts receivable	219	91
Other receivables	1,959	2,398
Prepaid expenses and accrued income	540	243
Total current receivables	2,718	2,732
Cash and cash equivalents	9,837	13,606
Cash investments	53	-
Total cash and cash equivalents and cash investments	9,890	13,606
Total current assets	12,887	16,338
TOTAL ASSETS	194,739	120,231

Comments

Investment properties

As of 31 December 2021, the value of the properties amounted to SEK 149,3bn. The value of the property portfolio has been based on external valuations made by Newsec, JLL, Savills, Cushman & Wakefield and Colliers. The valuations have been based on an analysis of future cash flows for each property, taking into account the current lease terms, market situation, rental levels, operating, maintenance and management administration costs and investment needs. The yield requirements used in the valuation are in the range of 2.10 percent to 17.00 percent, with an average yield requirement of 4.34 percent (5.05). The value of the properties includes SEK 3,951m for building rights that have been valued through the application of the local price method, which means that the assessment of the value is based on comparisons of prices for similar building rights. Fair value has thus been assessed in accordance with IFRS 13 level 3. See further on investment properties on pages 18-20.

Sensitivity analysis

The property valuations are made according to accepted principles based on certain assumptions. The table below presents how the value has been impacted by a change in certain parameters assumed for the valuation. The table provides a simplified illustration as a single parameter is unlikely to change in isolation.

	Change	Value impact
Rental value	+/- 5%	6,925 / -6,924
Discount rate	+/- 0.25% units	-6,215 / 7,026
Direct return requirements	+/- 0.25% units	-6,215 / 7,159

Property portfolio change

Opening fair value, 01-01-2021	90,185
Acquisitions	52,112
Investments	3,910
Sales	-19,381
Translation differences	1,527
Unrealized value changes	20,982
Fair value at end of period	149,335

Associated companies and joint ventures

SBB's engagement in associated companies and joint ventures consists partly of a shareholding in the companies and in some cases financing to the companies. As of 31 December 2021, participations in associated companies and joint ventures amounted to SEK 16,373m (2,867) and receivables from associated companies and joint ventures amounted to SEK 4,107m (827). Some of the companies conduct property development projects, while other companies own investment properties. The largest holdings consist of the companies Svenska Mydighetsbyggnader AB, SBB Kåpan AB, Public Property Invest AB and JM AB (publ). See further information on page 51.

Goodwill

The goodwill item of SEK 6,066m (6,319) is largely attributable to the acquisition of Hemfosa and consists mainly of synergy effects in the form of reduced financing and administration costs. In addition, there is a reported goodwill attributable to the difference between nominal tax and the deferred tax that is calculated on the acquisition of properties in company format that must be reported among "business combinations", as the acquisitions of Hemfosa and Sveafastigheter are considered to be. For reported goodwill of SEK 1,781m, a corresponding amount is recognized under the item deferred tax.

Cash and cash equivalents and cash investments

Cash and cash equivalents amounted to SEK 9,837m (13,606) and cash investments, comprising shares in listed companies, amounted to SEK 53m (-). Cash investments have previously been reported in the item Financial assets at fair value. As the purpose of the holding has changed, the reclassification is only made for the year at hand.

Consolidated balance sheet

Amount in SEKm	31-12-2021	31-12-2020
EQUITY AND LIABILITIES		
Share capital	165	150
Other contributed capital	26,371	24,102
Reserves	1,035	-245
Retained earnings, including comprehensive income for the year	35,438	13,238
Equity attributable to Parent Company shareholders	63,007	37,245
Hybrid bonds	17,295	15,096
Other reserves	-543	-616
Non-controlling interest	4,071	412
Total equity	83,832	52,136
Long-term liabilities		
Liabilities to credit institutions	21,974	11,995
Bond loans	51,919	34,663
Derivatives	30	267
Deferred tax liabilities	10,517	7,172
Leasing liabilities	639	614
Other long-term liabilities	353	1,020
Total long-term liabilities	85,432	55,731
Current liabilities		
Liabilities to credit institutions	1,758	69
Commercial papers	11,169	5,418
Bond loans	1,175	3,121
Accounts payable	181	117
Current tax liabilities	418	166
Liability, cash collateral	5,607	-
Other liabilities	3,134	2,098
Accrued expenses and prepaid income	2,033	1,375
Total current liabilities	25,475	12,364
TOTAL EQUITY AND LIABILITIES	194,739	120,231

Comments

Deferred tax

In Sweden, deferred tax is calculated at a nominal tax rate of 20.6 percent on differences between the reported and tax value of assets and liabilities. In Norway and Denmark, the corresponding tax rate is 22.0 percent and in Finland, it is 20.0 percent. As of 31 December 2021, the deferred tax liability amounted to SEK 10 517m (7,172) and is largely attributable to investment properties and tax-loss carryforwards. The tax-loss carryforwards amount to approximately SEK 3bn as of 31 December 2021.

Interest-bearing liabilities

At the end of the period, interest-bearing liabilities in the Group amounted to SEK 87,995m (55,266), of which SEK 23,732m (12,064) pertained to liabilities to credit institutions, SEK 53,094m (37,783) pertained to bond loans and SEK 11,169m (5,418) pertained to commercial papers. See further under the section Financing on page 27.

Consolidated changes in equity

Amount in SEKm	Equity attributable to Parent Company's shareholders					Hybrid bond	Other reserves ¹⁾	Non-controlling interest	Total equity
	Share capital	Other contributed capital	Reserves ¹⁾	Retained earnings	Total				
Opening equity, 01-01-2020	134	17,658	100	6,412	24,304	4,676	-45	1,961	30,896
Profit for the period	-	-	-	8,678	8,678	332	-	74	9,084
Other comprehensive income	-	-	-345	-	-345	-	-571	-	-916
Comprehensive income for the period	-	-	-345	8,678	8,333	332	-571	74	8,168
New share issue	16	4,341	-	-	4,357	-	-	-	4,357
Issue hybrid bonds	-	-	-	-	-	10,333	-	-	10,333
Issue mandatory convertible bonds	-	2,073	-	-	2,073	-	-	-	2,073
Tax, issue costs	-	30	-	-	30	88	-	-	118
Dividend	-	-	-	-1,121	-1,121	-332	-	-	-1,453
Acquired minority interests	-	-	-	-	-	-	-	16	16
Redeemed minority interests	-	-	-	-732	-732	-	-	-1,640	-2,372
Closing equity, 31-12-2020	150	24,102	-245	13,238	37,245	15,096	-616	412	52,136
Opening equity, 01-01-2021	150	24,102	-245	13,238	37,245	15,096	-616	412	52,136
Profit for the period	-	-	-	24,335	24,335	496	-	1,018	25,849
Other comprehensive income	-	-	1,280	6	1,286	-	73 ²⁾	-	1,360
Comprehensive income for the period	-	-	1,280	24,341	25,621	496	73	1,018	27,209
New share issue	5	2,332	-	-	2,337	-	-	-	2,337
Issue hybrid bonds	-	-	-	-	-	4,975	-	-	4,975
Issue warrants	-	58	-	-	58	-	-	-	58
Acquired hybrid bond	-	-	-	-	-	305	-	-	305
Redemption of preference shares	-	-15	-	-5	-20	-	-	-	-20
Redemption of part of hybrid bond	-	-	-	-154	-154	-3,110	-	-	-3,263
Redemption/conversion of mandatory convertible	9	-105	-	-28	-125	-	-	-	-125
Tax, issue costs	-	-1	-	-	-1	29	-	-	28
Dividend	-	-	-	-1,807	-1,807	-496	-	-	-2,303
Acquired minority interests	-	-	-	-	-	-	-	4,106	4,106
Redeemed minority interests	-	-	-	-147	-147	-	-	-1,465	-1,612
Closing equity, 31-12-2021	165	26,371	1,035	35,438	63,007	17,295	-543	4,071	83,832

1) Reserves consist of hedge accounting and translation differences.

2) The amount refers to translation differences regarding hybrid loans of SEK 72m (-617) and non-controlling interests of SEK 1 m (-1).

Comments

As of 31 December 2021, equity amounted to SEK 83,832m (52,136). The equity includes issued hybrid bonds with a book value of SEK 17,295m and preference shares in the Norwegian subsidiary Nye Barcode 121 Bidco AS and minority holdings in Amasten Fastighets AB (publ) and Unobo AB, as well as companies in the Sveafastigheter Group as SBB does not hold all of the shares in those companies.

During the period, SBB carried out issues of series B and D ordinary shares for SEK 2,337m after issue costs that were, for example, used as consideration for the acquisition of shares in Offentliga Hus AB (publ), Arlandastad Group (publ) och Solon Eiendom ASA. During the period, parts of a previously issued hybrid bond of approximately EUR 300bn were redeemed and a new hybrid bond of EUR 500m was issued. Issues of series B ordinary shares were also implemented as a stage in the conversion of the mandatory convertible. The mandatory redemption of the remaining

outstanding shares in Hemfosa took place in May, reducing the minority interests and equity by SEK 475m. The remainder of the redeemed minority interests pertain to participations in Offentliga Hus and Amasten.

Translation differences in the translation of net assets in subsidiaries in Norway, Finland and Denmark from local currency to SEK amounted to SEK 1,280m of the change in equity during the period. The effect is mainly explained by the positive development of the Norwegian krona and the euro against the Swedish krona during the period.

The equity ratio was 43 percent (43), the adjusted equity ratio was 48 percent (48) and the loan-to-value ratio was 40 percent (35).

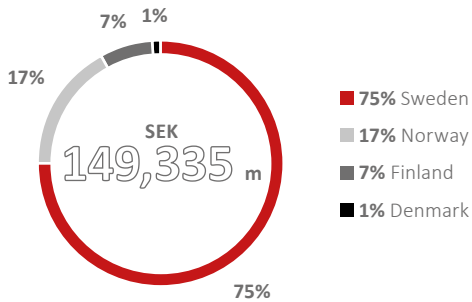
Consolidated cash flow statement

Amount in SEKm	01-01-2021 31-12-2021	01-01-2020 31-12-2020	01-10-2021 31-12-2021	01-10-2020 31-12-2020
Operating activities				
Profit from property management	5,397	2,474	2,960	873
<i>Adjustment for non-cash flow items</i>				
Depreciation	5	2	2	-
Profit from associated companies/joint ventures	-2,814	-144	-2,229	-102
Net interest income	1,088	873	253	-15
Interest paid	-1,285	-958	-273	-102
Interest received	271	150	68	61
Paid tax	-247	-165	-87	-73
Cash flow from operating activities before changes in working capital	2,415	2,232	694	642
Cash flow from changes in working capital				
Increase (-)/Decrease (+) of operating receivables	21	-1,720	-767	-468
Increase (+)/Decrease (-) of operating liabilities	1,633	-7,513	-904	1,045
Cash flow from operating activities	4 069	-7,001	-977	1,219
Investment activities				
Investments in properties	-55,426	-14,016	-26,379	-7,308
Property sales	20,241	12,903	12,596	2,564
Investments/divestments in equipment, machinery and installations	-31	-3	-5	-6
Investments in associated companies/joint ventures	-9,234	-1,611	-3,732	-1,287
Investments in intangible fixed assets	-	-84	-	-73
Change in receivables from associated companies/joint ventures	-3,271	307	-574	301
Change in financial assets	180	-1,323	1,364	-1,118
Change in other long-term receivables	-169	44	-7	26
Cash flow from investing activities	-47,711	-3,782	-16,738	-6,900
Financing activities				
New share issue	-	665	-	129
Issue hybrid bonds	4,975	10,333	-3	5,053
Issue mandatory convertible bonds	-	2,148	-	-
Issue warrants	58	-	-	-
Acquired hybrid bonds	305	-	-24	-
Redemption of hybrid bonds	-3,263	-	-	-
Redemption of mandatory convertible	-125	-	-	-
Redemption of preference shares	-20	-	-	-
Dividend paid	-1,846	-853	-476	-290
Acquired minority interests	4,140	16	2,105	16
Redeemed minority interests	-1,612	-1,623	-114	-1
Borrowings	75,721	34,693	31,769	12,145
Repayment of loans	-43,418	-34,878	-18,134	-4,379
Change in cash collateral	5,607	-	1,792	-
Change in other long-term liabilities	-676	1,052	-2,305	566
Cash flow from financing activities	39,846	11,554	14,610	13,240
Cash flow for the period	-3,796	770	-3,105	7,558
Cash and cash equivalents at the beginning of the period	13,606	12,858	12,935	6,065
Exchange rate change in cash and cash equivalents	27	-22	7	-17
Cash and cash equivalents at the end of the period	9,837	13,606	9,837	13,606

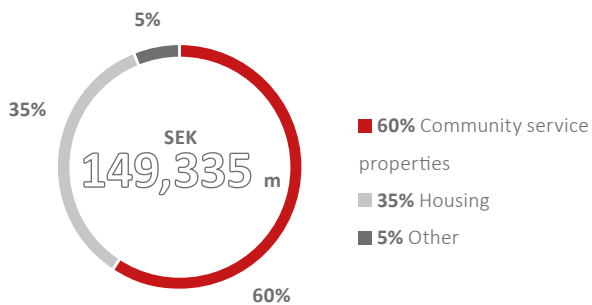
Property portfolio

Alongside rent-regulated residentials, community service properties constitute the social infrastructure that is SBB's core holding. The combination of community service properties and rent-regulated residentials is unique among listed companies. SBB's property portfolio is among the most secure investments available, offering high, risk-adjusted returns.

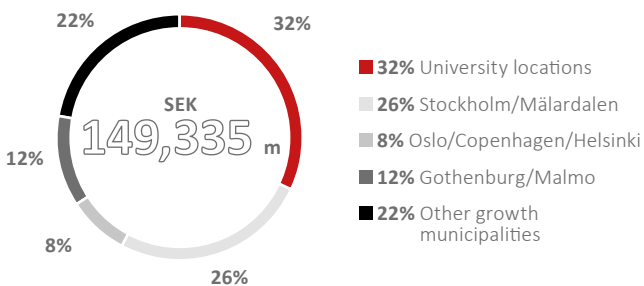
Property value, by country



Property value per segment



Property value per region



Of the company's income, 99 percent derives from community service properties in the Nordics and Swedish rent-regulated residentials.

Property value, by country



78%

Located in major cities and university regions

99%

Social infrastructure

The community service property portfolio, including publicly funded housing

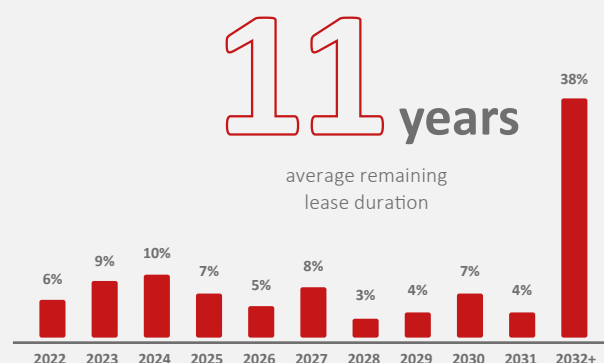
Largest tenants

Tenant	Rental income, rolling 12-month, SEKm	% of total
Swedish government	293	6.3
Læringsverkstedet	279	6.0
Trygge Barnehager AS	259	5.6
Norwegian central government	218	4.7
Academedi	153	3.3
Attendo	142	3.1
Norwegian National Association for Heart and Lung Diseases	133	2.9
Municipality of Härnösand	126	2.7
Finnish government	119	2.6
Ambea	96	2.1
Esperi	87	1.9
Municipality of Haninge	83	1.8
Humana	79	1.7
Region Västra Götaland	62	1.3
Danish government	60	1.3
International English School	59	1.3
Municipality of Boden	57	1.2
Municipality of Karlskrona	48	1.0
Municipality of Strängnäs	48	1.0
Region Dalarna	48	1.0
Total 20 largest tenants	2,447	53.0
Others	2,172	47.0
Total rental income	4,620	100.0

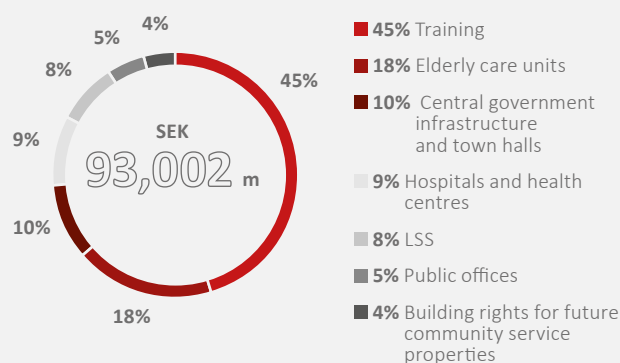
Rental income by area of use

Use	Rental income, rolling 12-month, SEKm	% of total
Education	1,999	43.3
Elderly care units	822	17.8
Central government infrastructure and town halls	456	9.9
Hospitals and health centres	443	9.6
LSS	405	8.8
Public offices	337	7.3
Building rights for future community service properties	158	3.4
Offices & other	0	0.0
Total	4,620	100.0

Maturity structure



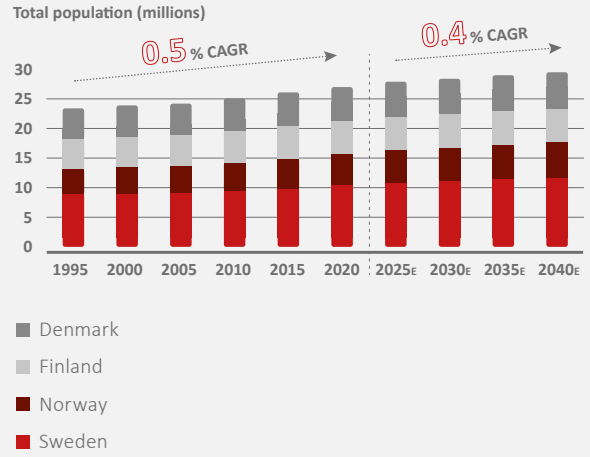
Community service properties, value by area of use



Supply and demand for social infrastructure

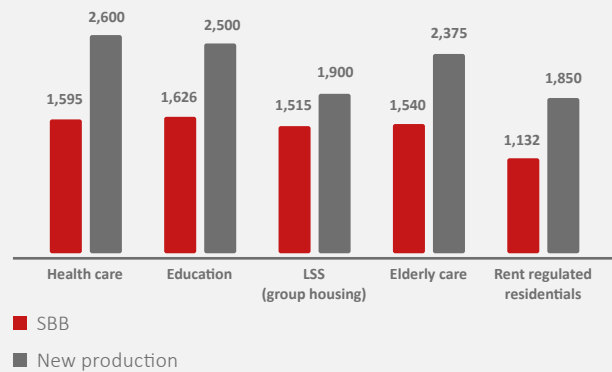
The need for community service properties is very considerable. The graph at the upper-right shows the Nordics' strong demographic trend, which is generating considerable need for social infrastructure. In addition to a considerable need for social infrastructure properties, there is also considerable potential for further letting of the existing portfolio. During 2021, leading property adviser Newsec analyzed rent levels for newly produced community service properties in Sweden. The graph at the lower-right shows rent levels in the new production analysis in relation to average rent levels for SBB's portfolio.

Population growth throughout the Nordics



Source: Nordics Statistics database

Rent per m² for new production, compared with SBB's existing portfolio



Source: NEWSEC

Three value-adding strategies deliver additional income and growth



1. Building rights development and new production

Profit target of SEK 2,000m – SEK 2,500m annually

Outcome 2021: SEK 3,898m (quarter), SEK 6,612m (year)



2. Investments in existing portfolio

Profit target of SEK 1,000m annually

Outcome 2021: SEK 186m (quarter), SEK 564m (year)



3. Value-adding transactions

Profit target of SEK 400m annually

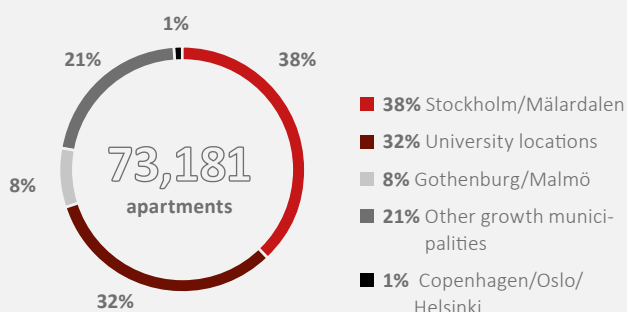
Outcome transaction volume 2021: SEK 37.9bn (quarter), SEK 73.8bn

Europe's largest property developer



1. Building rights development and new production

Project portfolio by geography



Refers to building rights development, project portfolio and joint ventures.

Profit potential, building rights development

	SEKm
Value @ 8,000 SEK/ m ² GFA	26,087
Current book value @ 1,450 SEK/ m ² GFA	4,725
Total potential	21,362

Operational targets – Building rights development and new production

Building rights development and new production shall generate an average annual profit of SEK 2,000m – SEK 2,500m over a business cycle


- The number of apartments in the building rights portfolio shall amount to at least 20,000
- The number of apartments under project development shall amount to at least 5,000

SBB generates value throughout the value chain



Value-creating activities in 2021

	Building rights development	No. m² GFA
	New planning decisions	237,973
	New zoning plans	463,987

	New production	Number of apartments
	Construction starts	2,364
	Completed	381
	Municipal land allocation	763
	Option	450

Portfolio summary (including joint ventures)

4,471 Apartments currently under production

95,869 m² community service properties under production

18,465 Apartments in project development

490,618 Building rights established during the quarter (m² GFA)²⁾

1) Profit from building rights development and new production is calculated as the sum of profit from new production (calculated as the change in market value of project properties less the period's investments) and profit from building rights development (the change in the value of the building rights portfolio adjusted for investments and sales of building rights)

2) Established volume includes the progression in volume of building rights at Phase 3: (With planning approval) and Phase 4 (Zoning plan having gained legal force) adjusted for sales

New production portfolio

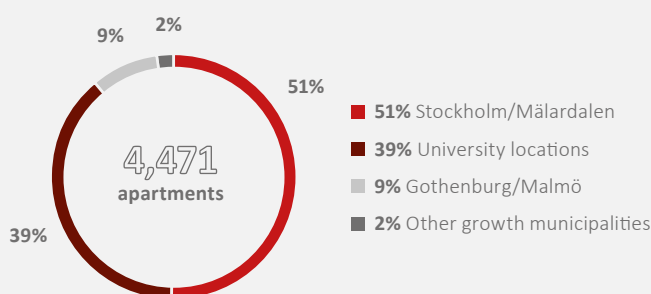
Production in progress

New construction projects for which a building permit has been granted and a contracting agreement has been signed.

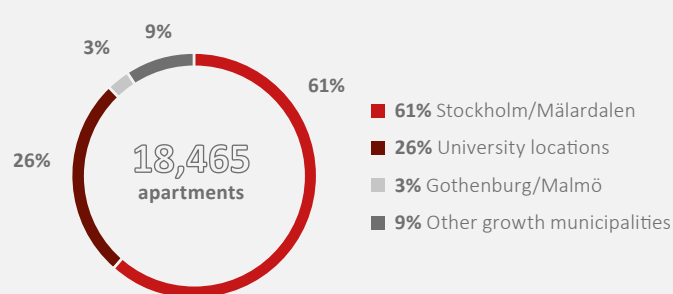
Currently in project development

Projects for which land allocations and/or building permits have yet to be granted but for which a municipal decision on land allocation has been made, or an acquisition agreement has been signed regarding land not owned by SBB, and projects on land that is owned by SBB for which the design and planning process has been initiated.

Geographical distribution of projects in progress



Geographical distribution in project development



Production in progress

	SBB's share ¹⁾	Apt	m ²	NOI (SEKm)	Share Resi ²⁾ (%)	Share CS ²⁾ (%)	Yield on cost ³⁾ (%)
Projects developed by SBB	100%	1,743	121,485	187	68%	32%	5.2%
Acquired projects ³⁾	100%	800	80,952	146	46%	54%	4.6%
Joint venture projects (Resi/CS)	49%	1,807	110,572	199	96%	4%	4.9%
Joint venture projects (For sale)	29%	121	7,246	-	-	-	-
Total	80%	4,471	320,255	532	72%	28%	4.9%
SBB's share of total	100%	3,458	258,516	431	66%	34%	4.9%

Currently in project development

	SBB's share ¹⁾	Apt	m ²	Share Resi ²⁾ (%)	Share CS ²⁾ (%)
Projects developed by SBB	100%	9,160	539,495	86%	14%
Acquired projects ³⁾	100%	200	8,542	100%	0%
Joint venture projects (Resi/CS)	49%	7,404	470,787	82%	18%
Joint venture projects (For sale)	49%	1,701	102,026	-	-
Total	73%	18,465	1,120,850	84%	16%
SBB's share of total	100%	13,724	823,073	85%	15%

1) SBB's share is calculated based on the estimated investment

2) The share of rental apartments and share of community service properties is calculated based on the estimated investment

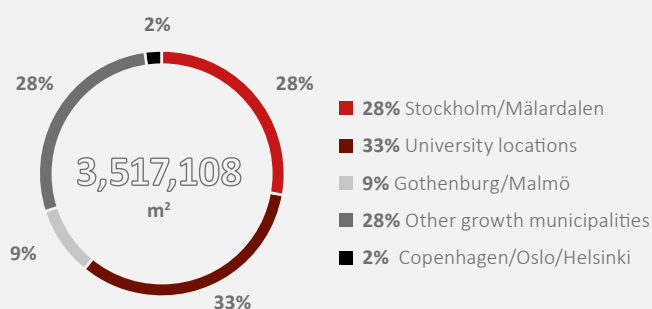
3) Refers to projects where SBB is not responsible for project implementation

Building rights development

SBB divides the development process into four phases.

- Project concepts (phase 1),
- Ahead of planning approval (phase 2),
- With planning approval (phase 3) and
- Zoning plan having gained legal force (phase 4).

Geographical distribution of the building rights portfolio



Planning phase	Shareholding (%)	Application for planning decision	Positive planning decision	Adoption	Legal force	Number BTA	Book value	
							(SEKm)	per m² (SEK)
Phase 1 – Project concepts	100					956,114	818	856
Phase 2 – Ahead of planning approval	100	✓				151,845	218	1,435
Phase 3 – With planning approval	100	✓	✓			1,053,426	1,897	1,800
Phase 4 – Zoning plan having gained legal force	100	✓	✓	✓	✓	830,621	1,018	1,225
Total	100					2,992,006	3,951	1,320
Building rights in joint venture	51					525,102	1,519	2,892
Total	93					3,517,108	5,469	1,555
SBB's share of total	100					3,259,808	4,725	1,450

Information on the project portfolio is based on assessments of the size, focus and scope of the projects. The information also builds on assessments of future project costs and rental value. Such assessments and assumptions should not be seen as a forecast. Assessments and assumptions involve uncertainties regarding the implementation, design and size, schedules, project costs and future rental value of the projects. Data on the project portfolio are reviewed regularly and assessments and assumptions are adjusted as a result of projects, currently in project development, being completed, of new projects being added, or of conditions changing.

Examples of construction projects started in 2021



Sågklingan, Västerås – Elderly care units

Lease agreement: 25 years
Number m²: appr. 7,530

An elderly care unit with room for 80 residents located in Ängsgärdet, a central industrial site now being transformed into a new residential area. In the same neighbourhood, SBB is also building 174 apartments. The buildings meet the requirements for the Miljöbyggnad Silver environmental building standard and are geothermally heated.



Näckrosen Stage 1, Haninge – Housing

No. of apts. 206
Number m²: appr. 11,880

In central Jordbro, new retail premises and attractive housing are brought together, with a focus on social sustainability and innovative climate solutions that reduce CO₂ emissions by at least 40 percent compared with traditional solutions. The buildings meet the requirements for the Miljöbyggnad Silver environmental building standard.



Dubbelkrut, Skellefteå – Housing

No. of apts. 161
Number m²: appr. 7,360

In Västra Erikslid, a new residential area about 1 km north of central Skellefteå, four buildings are under construction, with wooden skeletons and innovative technical solutions providing energy use equal to about half the BBR requirement.

Examples of projects completed in 2021



Vejbystrand, Ängelholm – Elderly care units

Lease agreement: 15 years
Number m²: appr. 4,630

An elderly care unit for 60 residents located in Vejbystrand and only a few hundred meters from beautiful sandy beaches and the sea. This superior-quality property in beautiful surroundings, offers high-comfort accommodation and a very tangible sense of home for seniors.



Celsius, Ystad – School

Lease agreement: 16 years
Number m²: appr. 2,500

A school located in the expansive residential area Västra Sjöstaden, just west of the town centre. The school conducts education for year-groups F-6, in accordance with the Montessori educational system. The building is certified in accordance with the Miljöbyggnad Silver environmental building standard and has solar cells on the roof.



Drabanten, Upplands Väsby – Housing

No. of apts. 75
Number m²: appr. 6,300

Gold shimmering buildings woven together by green areas and social spaces. The accommodation offers a shared roof terrace on the 17th floor, restaurant, reception and gym. Drabanten is built for community, movement and the finer things in life. The building meets the requirements of the Miljöbyggnad Silver environmental building standard.



2. Investments in existing portfolio

Investments in the existing portfolio involve renovations that increase the net operating income of residential apartments (with a target of 600 renovated apartments annually) and investments in the company's community service properties. In the fourth quarter

of 2021, SBB completed the renovation of 216 apartments, improving net operating income. In 2021, a total of 635 apartments were renovated. In addition to apartment renovations, SBB is continuously upgrading the standard of the community service property

portfolio. The total volume of these projects is approximately SEK 2,948m, as detailed in the table below. The result of SEK 564m, has been calculated as the difference between changes in value for the current projects after a deduction of investments during the period.

	WAULT (years)	Investment (SEKm)	Lettable area (m ²)	Net operating income (SEKm)	Yield on cost (%)
Investments in existing portfolio in progress	15	2,948	202,530	159	5.4



3. Value-adding transactions

SBB's principal focus is always generating value from the existing portfolio while also building significant shareholder value by recovering capital when fully developed properties and/or non-core properties are sold. SBB continuously assesses the portfolio to identify potential and focus resources on the properties offering the greatest potential. SBB continuously works to sell properties assessed as fully developed or not assessed to be core holdings. Selling such properties entails capital being recovered and resources being freed up to facilitate additional

attractive acquisitions whereby the quality of the portfolio is gradually raised. Given our strong local presence, SBB can be an efficient buyer and seller of both individual properties and portfolios. No transaction is too small or too big for SBB.

The company's history of property transactions has made it a market leader in the Nordics and the preferred buyer among both public and private sector vendors, primarily because of SBB's superior professionalism, capacity to execute transactions quickly and high degree

of credibility and integrity in the business relationship. The company has a history of acquiring properties with strong cash flows and untapped potential value. Combined with a continuous pipeline of acquisitions and sales, this allows the company to constantly recover capital to generate benefit for shareholders. During the fourth quarter of 2021, the company conducted property transactions for a total of SEK 37.9bn and SEK 73.8bn for the full year 2021.

Transactions in the fourth quarter of 2021

November

SBB sells properties for SEK 10bn to a company jointly owned with Kåpan and focusing on government infrastructure

December

SBB acquires a portfolio of preschools in Norway for NOK 4,580m and signs long-term leases

December

SBB announces it controls more than 90 percent of Amasten

October

December

Financing

Financing key ratios

40%

Loan-to-value ratio

1.11%

Average interest

12%

Secured loan-to-value ratio

BBB-

Positive outlook (S&P)

BBB-

Positive outlook (Fitch)

Significant macro events in the fourth quarter of 2021

In the fourth quarter, OECD macro statistics again surprised positively, indicating a strong end to the year at hand. The prospects for 2022 appear favourable. The contribution to growth is expected to be broadened, with private consumption taking over as the driving force. This was not, however, in focus during the quarter, with the high inflation figures in both Europe and the US instead attracting increasing attention. Until last autumn, the central banks took the view that this inflation was transient in nature and driven mainly by energy prices. This position now seems to have changed, however, with the US Federal Reserve in particular having recently announced that a more restrictive monetary policy is to be expected. The Federal Reserve is currently expected to complete its bond purchases in March 2022 and to deliver three rate hikes in 2022. Next year, the central banks' balancing act – for the Federal Reserve in particular – will be to deliver a more austere monetary policy without causing instability in the global financial markets. For Europe and Sweden, the inflation trend is dominated by high energy prices, while underlying inflation has tracked expectations, meaning that the European central banks are expected to hold off on rate hikes next year.

Interest rate and credit market

The fourth quarter of 2021 was characterized by a stable fixed income market with both short and long-term interest rates in EUR and SEK remaining relatively unchanged. Three-month Stibor increased marginally by two basis points, interest rates on Swedish sovereign securities were traded in at 16 basis points and German ten-year bonds rose by two basis points. In the bond market, supply from the Swedish property sector remained strong, with record volumes in October. Credit spreads increased by about 15 basis points over the quarter on investors' concerns regarding inflation and the outbreak of the Omikron variant. Despite this, both the primary and secondary markets have remained active, although the new issue concessions paid by borrowers in the investment grade segment were higher than in the preceding quarter. Interest in the market for bonds in EUR was influenced positively by the continued support of the European Central Bank (ECB) through its corporate sector purchase program (CSPP). In general, the credit market expects support from the central banks for most of 2022 and continued historically low policy rates.

Significant events during the period

Bond XS2078371486 of SEK 1,300m was repaid on 8 November. The bond was not refinanced. A covered bond of SEK 466m was also repaid, which is in line with SBB's strategy of repurchasing bonds issued at high interest rates and of paying off expensive bank loans. During the period, no bonds were issued under the EMTN programme. SBB has continued to strengthen its work in sustainable financing by updating the Swedish commercial paper program, making it now possible to issue sustainable commercial papers. During the period, SBB also raised a green loan of SEK 500m and a green credit facility of SEK 2,500m with a leading Nordic bank.

At the end of September, SBB signed a Total Return Swap (TRS) regarding cash investments in shares. Because, from an accounting perspective, SBB retains the principal risks/benefits of owning the shares, the accounting consequence of the TRS was that SBB received cash and cash equivalents of SEK 3.8bn while simultaneously having to post a liability of the same amount under "cash collateral liability".

Significant events after the period

On 25 January, SBB issued an unsecured social bond of EUR 700m with a three-month variable coupon of EURIBOR plus 55 bps. The transaction was priced with a variable interest rate to maturity of three-month EURIBOR plus 49 bps, making this SBB's first issue of a bond at a negative interest rate, and the first social bond that can be called early.

Interest-bearing liabilities

SBB's strategy is to maintain a low level of financial risk. The loan-to-value ratio shall be less than 50 percent, the interest coverage ratio shall exceed a multiple of 3.0 and the secured loan-to-value ratio shall be less than 30 percent.

The loan-to-value ratio was 40 percent (35) and the secured loan-to-value ratio was 12 percent (10). The interest coverage ratio was a multiple of 5.5 (4.1). At the end of the period, the fair value of interest-bearing liabilities and other financial instruments was deemed to correspond to the carrying amount. At the end of the period, interest-bearing liabilities amounted to SEK 87,995m (55,265) of which SEK 23,732m (12,064) pertained to liabilities to credit institutions, SEK 53,094m (37,783) pertained to bond loans and SEK 11,169m (5,418) pertained to commercial papers. Loans from credit institutions are normally secured through property mortgages. Issues of bonds and commercial papers are not normally secured.

SBB has continued to work actively to lower the interest rate on its interest-bearing liabilities. At the end of the period, excluding Amasten's loans, the average interest rate on the interest-bearing liabilities was 1.05 percent (1.31). Including Amasten's debt portfolio, the average interest rate was 1.11 percent.

SBB's exposure to variable interest rates is insignificant (26 percent) and covered by existing cash balances. The average period of fixed interest for all interest-bearing liabilities was 3.6 years (4.5) and the average debt maturity was 4.1 years (4.8).

Excluding commercial papers, SEK 3,011m matures within one year. To manage the refinancing risks, the commercial papers have been secured through back-up facilities covering all outstanding commercial papers at all times.

Currency risk

Because SBB holds assets in Sweden, Norway, Finland and Denmark, it is exposed to currency risks. This currency risk is mainly attributable to income statement and balance sheet items in foreign currencies being translated into Swedish kronor. SBB mainly hedges currency exposure by means of natural hedging with net assets in foreign subsidiaries being matched by foreign currency loans and by signing forward exchange contracts and interest rate swaps when issuing bonds in foreign currencies.

Liquidity

SBB's cash and cash equivalents at hand amounted to SEK 9,837m and cash investments amounted to SEK 53m. SBB also has SEK 11,875m in unutilized credit facilities. No additional securities need to be pledged for the credit facilities to be used.

Change in value of derivatives

Interest-rate derivatives are used to limit the interest rate risk for loans with variable interest and to increase predictability in profit from property management. At the end of the period, the total nominal value of the interest-rate derivatives amounted to SEK 17,573m (16,627) with maturities of between one and ten years. In accordance with the accounting rules in IFRS 9, derivatives must be marked-to-market.

If the agreed interest rate deviates from the market rate, a surplus or deficit arises on the interest rate derivatives, with the change in value not affecting cash flow being reported in the income statement. At the end of the period, the fair value of the interest-rate derivatives and FX derivatives amounted to SEK 517m (-138).

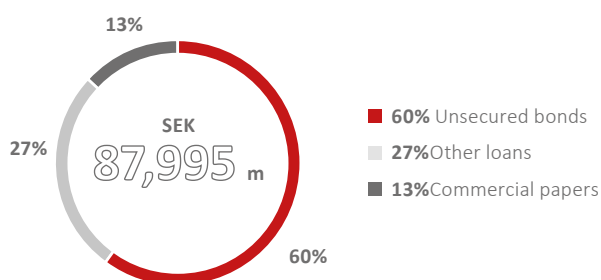
Rating

SBB has an official credit rating from Fitch Ratings and Standard & Poor's Global Ratings. This rating is rating BBB- with a positive outlook. SBB also has a short rating of F3 from Fitch and of A3 from Standard & Poor's, corresponding to an investment grade rating. The reason for also having a short rating is to enable the company to issue securities on the commercial paper market.

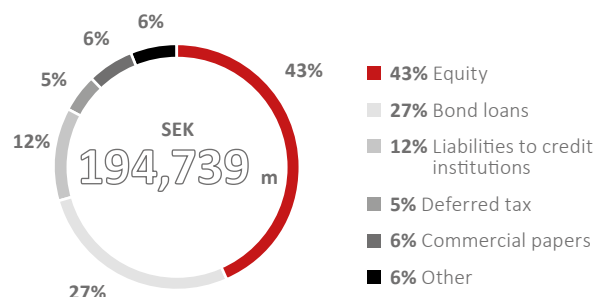
Maturity structure (excl. commercial papers)

Maturity year	Nominal amount, SEKm	Share, %
< 1 year	3.011	4%
< 2 years	11.880	15%
< 3 years	4.430	6%
< 4 years	13.439	17%
< 5 years	7.877	10%
> 5 years	36.627	47%
Total	77.264	100%

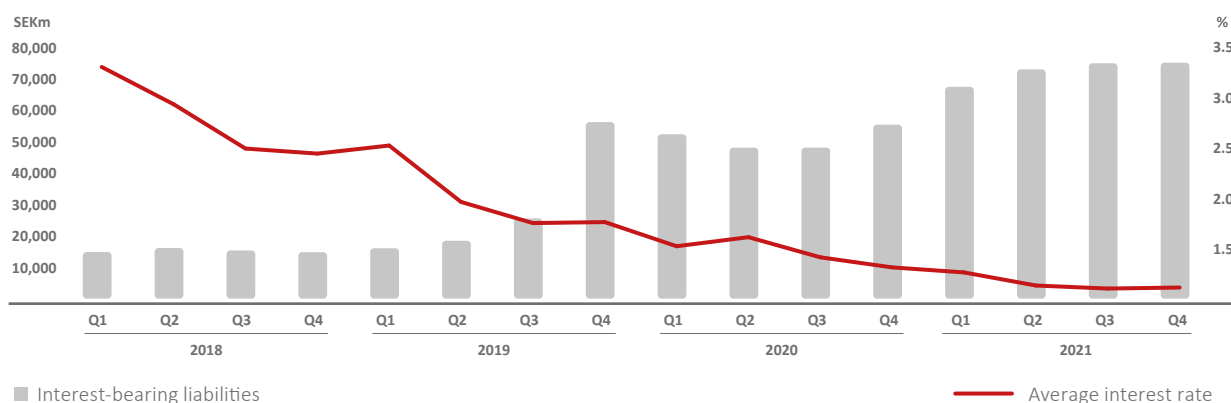
Distribution of interest-bearing liabilities



Capital structure



Development of the Group's average interest rate



Listed bonds as of 31-12-2021

Term	ISIN	SEKm	Repurchased by SBB	Maturity date	Interest rate	Type
2019-2023	XS2066041661	1,000	-	01-02-2023	1.01% + STIBOR	
2019-2022	XS2078676322	300	-	11-03-2022	0.85%	
2020-2025	XS2275409824	200	-	18-12-2025	1.17% + STIBOR	Social
2019-2022	XS2021634675	500	-50	04-07-2022	1.20% + STIBOR	Green
2019-2024	SE0012256741	500	-313	14-02-2024	3.30% + STIBOR	Green
2019-2023	XS2050862262	800	-80	06-09-2023	1.15% + STIBOR	Green
2020-2027	XS2111589219	600	-	30-01-2027	1.50% + STIBOR	Green
2019-2023	XS2000538699	200	-75	22-05-2023	1.40% + STIBOR	
2019-2023	XS2078737306	700	-25	11-05-2023	1.07%	
2019-2024	SE0012313245	200	-148	19-02-2024	3.25% + STIBOR	
2019-2025	XS1997252975	1,100	-359	14-01-2025	1.90% + STIBOR	
2021-2023	XS2290558282	1,000	-20	26-07-2023	0.80% + STIBOR	Social
2019-2022	XS2059787049	600	-110	03-10-2022	0.95% + STIBOR	
2019-2023	SE0013042611	700	-379	27-03-2023	4.40% + STIBOR	Offentliga Hus, Green
2020-2024	SE0014965919	550	-223	12-04-2024	3.15% + STIBOR	Offentliga Hus, Green
2019-Hybrid	SE0013359148	1,500	-	Hybrid	3.50% + STIBOR	Hybrid
2019-Hybrid	SE0013234531	575	-270	Hybrid	6.85% + STIBOR	Offentliga Hus, Hybrid
2020-2023	XS2208267596	2,750	-2,738	24-07-2023	7%	Mandatory convertible bonds

Term	ISIN	EURm	Repurchased by SBB	Maturity date	Interest rate	Type
2020-2027	XS2114871945	750	-	12-08-2027	1.00%	
2020-2040	XS2151934978	50	-	03-04-2040	2.75%	
2019-2026	XS2049823680	500	-	04-09-2026	1.13%	
2019-2025	XS1993969515	550	-3	14-01-2025	1.75%	
2020-2028	XS2271332285	700	-	14-12-2028	0.75%	Social
2021-2023	XS2293906199	600	-	01-02-2023	0.65% + EURIBOR	
2021-2029	XS2346224806	950	-	26-11-2029	1.13%	Social
2020-Hybrid	XS2272358024	500	-	Hybrid	2.63%	Hybrid
2020-Hybrid	XS2010032618	500	-	Hybrid	2.62%	Hybrid
2021-Hybrid	XS2010028186	500	-	Hybrid	2.88%	Hybrid, Social

Term	ISIN	NOKm	Repurchased by SBB	Maturity date	Interest rate	Type
2020-2023	XS2124186508	400	-	24-02-2023	0.72% + NIBOR	
2020-2025	XS2194790429	800	-	26-06-2025	1.99% + NIBOR	
2019-2024	XS2085870728	1,000	-	28-11-2024	3.12%	
2020-2023	XS2203994517	200	-	14-07-2023	0.15% + NIBOR	
2020-2025	XS2223676201	700	-	27-08-2025	1.65% + NIBOR	



Sustainability

At the UN summit in September 2015, the world's national leaders adopted 17 global sustainable development goals. The countries of the world have committed to lead the world to a sustainable and fair future from 1 January 2016 until 2030. The Agenda for Sustainable Development covers the three dimensions of sustainability: social, economic and ecological – Eradicating extreme poverty, reducing inequality and injustice, solving the climate crisis. Sustainability is a natural part of our business model and we strive to be the most sustainable property company in the world.

Vision 2030 – climate positive throughout the value chain by 2030

- Climate-positive throughout the value chain
- At least 90 percent social assets in the property portfolio
- Climate-adapted property portfolio capable of standing up to climate risks

E

Climate and environment – overarching objectives

- Reduced energy consumption and climate impact by 5 percent annually
- At least 50 percent of new production must be built of wood from certified forestry
- The entire property portfolio and all new production must be within ten minutes walking distance from public transport
- Reduced water consumption by 1 percent annually
- Map the entire property portfolio with regard to climate-related risks (physical and transitional risks)



S

Social sustainability – overarching objectives

- At least 90 percent social assets in the property portfolio
- 100 percent of the municipalities we operate in are offered support in the form of apartments for their social housing work
- Contribute at least 200 summer jobs annually to young people who live in our residential areas
- Contribute at least ten Better shelters and 100 tents through the UNHCR to help refugees

G

Governance and financing – overarching objectives

- Investment grade rating of BBB+ in the short term and of A- in the longer term
- 100 percent sustainable financing
- SBB is to be classified as a green share on Nasdaq Stockholm

Road map Vision 2030

2016-2019

Gradual improvements through energy-efficiency improvements, replacement of heating systems and green electricity contracts.

2020-2022

Accelerated energy-efficiency improvements and replacement of heating systems. Renewable electricity throughout the property portfolio. Build-out of solar power, charging posts and wind power commences. Half of all new construction is in wood.

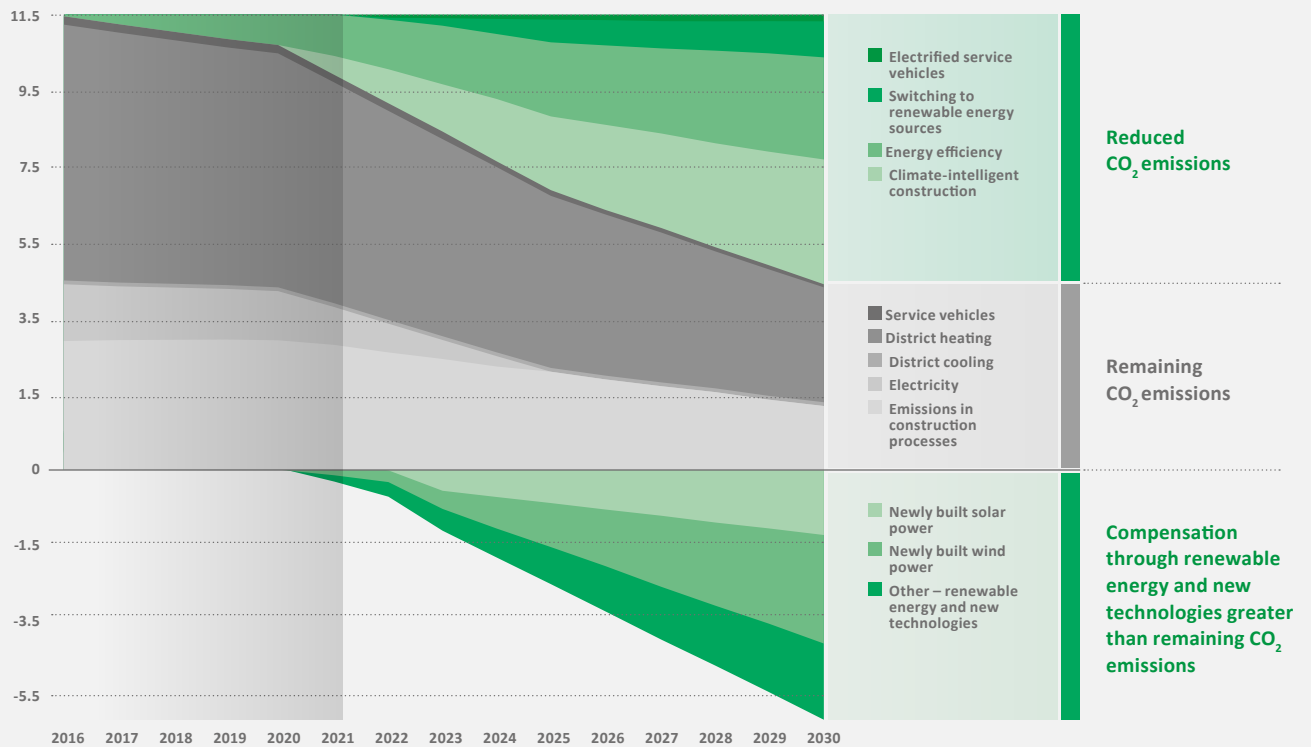
2023-2025

Wind farms are built. Stricter demands for rapid realignment are being made of district heating suppliers. Large parts of the portfolio have access to charging posts. Strict requirements for climate-efficient construction process.

2026-2030

Large parts of SBB's vehicle fleet are electrified. SBB's entire electricity needs are covered by solar and wind power and more capacity is continuously being added. Carbon dioxide emissions from the construction process are greatly reduced.

Kg CO₂ equivalents per m²



Focus on sustainability

SBB creates sustainable environments in which people want to live, work and spend time well into the future. Being the largest Nordic player in social infrastructure, SBB's local efforts contribute to general societal development that is environmentally, socially and economically sustainable.

As its Vision 2030 climate target, SBB strives to be climate positive throughout the value chain by 2030. A concrete road map is in place, clearly detailing and illustrating how this target will be achieved. The road map charts a clear course ahead for employees, suppliers and other stakeholders alike. With continued investments in energy efficiency improvements, solar cell plants and heat pumps, SBB's direct and indirect emissions will be drastically reduced. SBB's target for at least 50 percent of its construction to be in wood has also drastically reduced the company's indirect emissions in the construction process. By expanding the charging capacity for electric cars at the properties, SBB can also help reduce its tenants' emissions. Achieving climate positivity requires collaboration with suppliers such as district heating companies and construction companies, as well as strict requirements for reduced emissions.

SBB also targets having at least 90 percent social assets in its property portfolio, having 100 percent sustainable financing, and SBB's share being classified as green on Nasdaq Stockholm.

Vision 2030 also includes intermediate targets in ecological, social and economic sustainability. A complete description of SBB's sustainability targets and Vision 2030 can be found at <https://corporate.sbbnorden.se/en/sustainability/>

Ecological sustainability

The climate issue is one of humanity's great challenges and SBB bears a responsibility towards future generations to contribute solutions and to mitigate its own climate impact. We seek to act decisively on climate change and have therefore adopted the overall goal of climate positivity by 2030 throughout the value chain.

SBB's objectives include at least 50 percent of SBB's new production comprising wooden buildings, achieving 100 percent renewable electricity throughout the property portfolio, and managing and creating housing in public transport locations, helping reduce the transport sector's environmental impact.

Development in the fourth quarter of 2021

Among other initiatives, SBB has launched four new energy-saving projects in Södertälje. The attics of the buildings involved in the projects will be fitted with additional insulation, the substations will be replaced and wastewater heat exchangers will be installed. Completely passively, without pumps, control equipment or moving parts, the wastewater heat exchangers will recover all heat from the drain and use that energy to preheat incoming tap water. Following the completion of the project, SBB expects to reduce the properties' energy consumption by approximately 18 percent.

SBB has reached an agreement with Sweden Green Building Council (SGBC) on the certification of a major portion of the portfolio. Initially, 500 buildings will be certified in accordance with Miljöbyggnad iDrift with an option for a further 500 certifications. Several projects involving solar cells, heat pumps, additional insulation, and connecting properties are underway in all of SBB's markets. A summary is presented in table format below.

New construction projects in progress Q4 2021

	Number/number of m ²	Number of wooden buildings	Proportion of wooden buildings	Number certified	Proportion certified
Number of projects	30	11	37 %	9	30 %
Number of m ²	202,440	61,940	31 %	88,150	44 %

Number of solar cell, wind power and heat pump systems – in progress and completed

	Number in progress	Number completed	Number of kWh in progress	Number of kWh completed	Share of the property portfolio's total energy consumption
Solar cell plants (stand-alone)	1	-	10,000,000	-	1,86 %
Solar cell systems (CS)	14	-	1,424,000	-	0,26 %
Solar cell systems (RE)	2	1	404,000	260,000	0,12 %
Heat pumps (CS)	16	4	8,919,000	1,356,500	1,91 %
Heat pumps (RE)	12	2	4,760,000	2,314,000	1,31 %
Other energy-saving projects*	56	8	3,874,000	685,000	0,85 %

* E.g. control, monitoring, lighting, additional insulation. Refers only to those projects with energy-saving potential where the energy savings have been calculated. Additional projects are in progress.

Number of apartment renovations

	31-12-2021
Completed	249
In progress	222
Scheduled for the next three months	185

In December, SBB's pilot project together with Watts2You was inaugurated. In one of SBB's properties in Rinkeby, 600 solar panels with integrated battery storage have been installed. The batteries and associated control equipment allow solar electricity to be saved, while also allowing mains electricity to be bought and stored when prices are low, for that electricity to then be consumed from the batteries at the time of day when electricity is expensive.

Sveafastigheter held a groundbreaking ceremony on the Näckrosen block in Jordbro, outside Stockholm. Näckrosen is part of Jordbro's transformation, adding 367 apartments and a preschool. Näckrosen has been constructed with an optimized slimmed-down frame, a high proportion of recycled rebar and green concrete in the base plate, site-cast basement walls and underpinning. These three measures reduce carbon dioxide emissions by at least 40 percent. Näckrosen will be fitted with roof-top solar cells and will be certified in accordance with the Miljöbyggnad Silver environmental building standard. Näckrosen is also a pilot project for Sveafastigheter's and H2 Entreprenad's collaboration with ProdiKT – a platform for calculating the climate impact of all materials used in the construction phase.

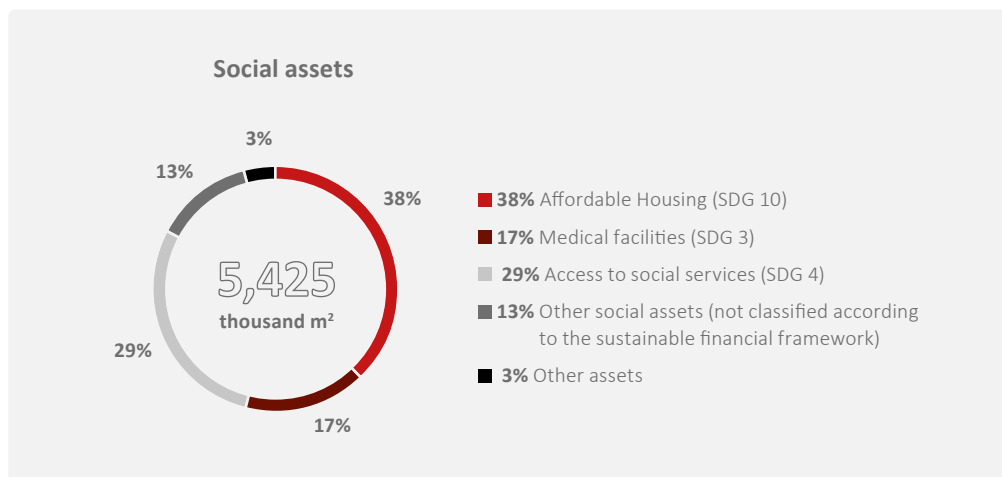
During the autumn, project managers and property administrators at Sveafastigheter received training in permaculture. This increases biological diversity in neighbourhood farms by creating plant oases instead of lawns. At the groundbreaking for new rented apartments in Enköping, apple, walnut and chestnut trees were planted with a promise to increase biodiversity in the neighbourhood. The trees, together with rooftop solar cells and a pleasant shared courtyard, are part of efforts focusing broadly on sustainability in and around Sveafastigheter's buildings.

During the fourth quarter, the renovation of 249 apartments was completed, 222 apartments currently undergoing renovation and leases on 185 apartments have been terminated for planned renovation, commencing within the next three-month period.

Asbestos analyses are carried out in all apartments undergoing renovation. About 70 percent of the apartments that are renovated contain asbestos and these are decontaminated by authorized personnel. The waste is deposited at a landfill site before renovation commences.

Social sustainability

Social sustainability is an important part of our promise to build a better society. The increasing differences in health and living conditions



between different social groups and residential areas is one of the major challenges currently facing Sweden. The property sector has a great impact and thus considerable potential to contribute solutions for increased cohesion, confidence in the future, health and trust. We see it as crucial that our business and industry understand and can meet social challenges today.

Development in the fourth quarter of 2021

As of 31 December 2021, SBB owned 5,251 thousand square meters (including rental apartments, elderly care units, LSS and building rights for future rental apartments), contributing to social sustainability. The various asset classes have been judged by the independent Institutional Shareholder Services (ISS) to make a significant contribution to the UN Global Goals for Sustainable Development (SDGs) numbers 3, 4 and 10.

Together with the Municipality of Haninge and selected property owners in Handen, SBB has signed an agreement with Centrum för AMP regarding the development of an area located centrally in Handen. Centrum för AMP is conceptually-driven, non-profit organization whose main purpose is to create safe and attractive public places, in collaboration with municipalities and businesspeople. The work follows the AMP model, which represents a new approach to site development, based on international role models, but adapted to Swedish conditions. The project is a two-year pilot study in which a platform for local involvement will be established. A central objective is to make citizens actively

involved in the process, to increase security and facilitate greater interaction, in the area and at the location, between people of different ages and with different backgrounds.

Alongside UNHCR, SBB conducted a campaign in which tenants were encouraged to donate gifts in support of people who have been displaced. SBB already partners with UNHCR, supporting their "A roof over their heads" project. Gifts were collected using SBB's housing app, in which SBB has also launched a new and unique product, a fallback insurance plan. The insurance covers the tenant's housing costs in the event of illness or unemployment. All tenants who have just moved in are automatically covered by the plan for three months after moving in.

Sveafastigheter has joined the Rågsved and Jordbro property-owner associations prior to completing its projects there. The idea is to get to know other actors in these areas and form a better understanding of the area, the inhabitants and their needs.

Economic sustainability

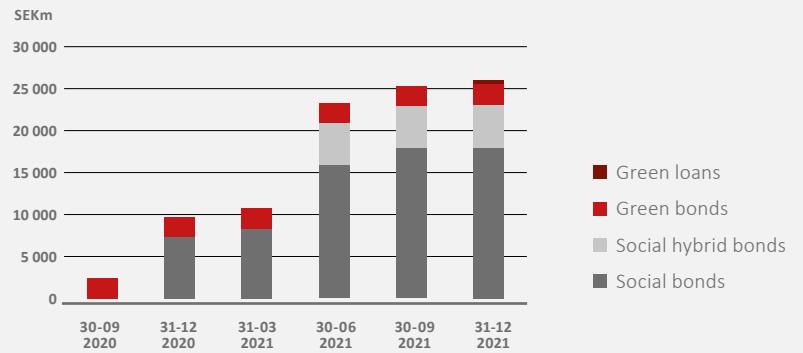
Our objective is to achieve good economic growth without incurring negative consequences for the climate and the social environment. SBB continues to invest in sustainable financing by securing green loans, issuing social and green bonds and reducing energy consumption in our green portfolio (linked to the green framework) by 30 percent by 2023.

Development in the fourth quarter of 2021

SBB has secured a green loan of SEK 500m from one Nordic bank and entered into a green credit facility with another. In addition, the Swedish commercial paper program has been updated so that SBB can now issue sustainable certificates.

As of 31 December 2021, social bonds, green bonds and green loans made up 24 percent of the total debt portfolio (excluding social hybrid bonds).

Sustainable financing



The share

Samhällsbyggnadsbolaget's series B share (ticker SBB B) and series D share (ticker SBB D) are traded on Nasdaq Stockholm, Large Cap. Over 2021, the total return on series B shares was 135 percent.

As of 31 December 2021, the number of series B ordinary shares totalled 1,241,164,407 and the number of series D ordinary shares totalled 193,865,905. There are also 209,977,491 series A ordinary shares in the company. On 31 December 2021, series B ordinary shares were trading at SEK 66.42 and series D ordinary shares at SEK 32.14. The market capitalization of the series B ordinary shares (including the value of unlisted series A ordinary shares at the same price) was SEK 96,385m, and for the series D ordinary shares, it was SEK 6,231m.

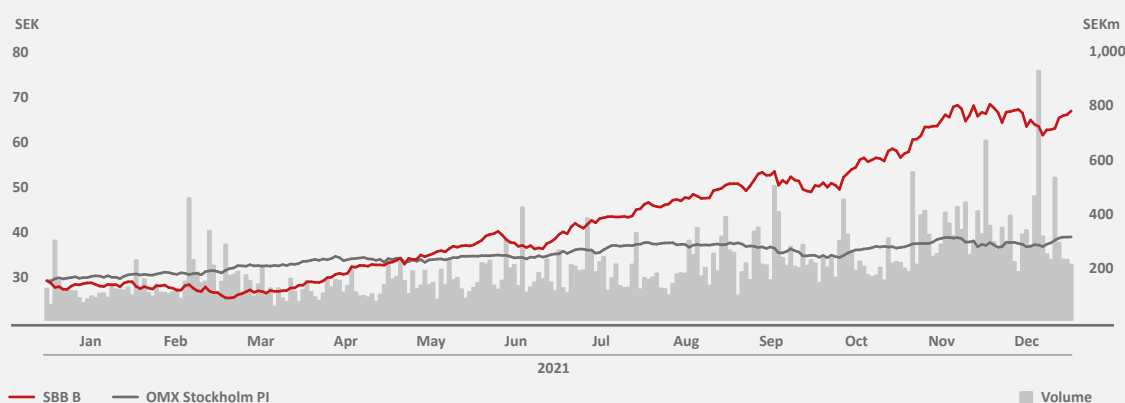
The closing price for series B shares of SEK 66.42 represents an increase of 132 percent compared with 31 December 2020 (28.66). SBB's share is liquid. Over the year, an average of approximately 4.6m series B shares were traded per day for an average daily value of approximately SEK 195m.

SBB works actively with its investor base by participating in roadshows, presentations and events for private and institutional investors.

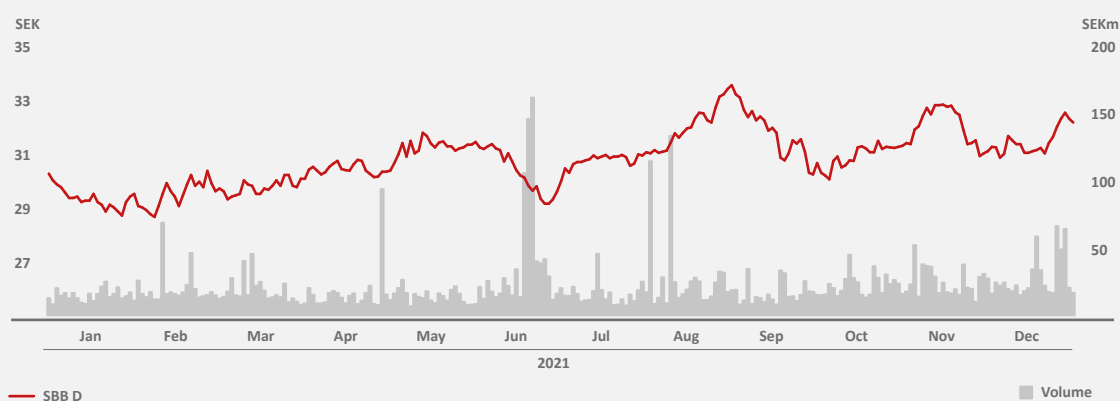
	Share price, SEK	
	31-12-2021	31-12-2020
Series B shares	66.42	28.66
Series D shares	32.14	30.10

	Average daily turnover, SEKm	
	Jan-Dec 2021	Jan-Dec 2020
Series B shares	194.5	176.0
Series D shares	21.7	18.6

Series B share trend, past 12 months



Series D share trend, past 12 months



Shareholders

The number of shareholders in SBB increased over the year. At the end of 2021, there were 165,321 known shareholders, corresponding to an increase of 141 percent compared with the end of last year. At the same time, SBB was the second-

most widely held share at Avanza Bank. On 31 December 2021, share capital amounted to SEK 164,500,780 at a quotient value of SEK 0.1 per share. At the Annual General Meeting, holders are entitled to one vote per series A ordinary

share and to 0.1 votes per series B and D ordinary share. Holders of series D ordinary shares are entitled to five times the total dividend on series A and B ordinary shares, although not to more than SEK 2 per share and year.

Shareholder structure as of 31 December 2021

Shareholders	Series A shares	Series B shares	Series D shares	Share capital, %	Votes, %
Ilija Batljan (private and through company)	109,053,868	22,213,171	530,000	8.01%	31.49%
Arvid Svensson Invest	42,444,700	23,144,429		3.99%	12.66%
Dragfast AB	36,163,467	67,550,000		6.31%	12.14%
Sven-Olof Johansson	22,315,456	31,081,315		3.25%	7.19%
Länsförsäkringar		64,713,256		3.93%	1.83%
Handelsbanken Fonder		48,633,357	694,549	3.00%	1.40%
Läringsverkstedet Gruppen AS			44,197,779	2.69%	1.25%
Vanguard		38,811,889	3,464,621	2.56%	1.20%
BlackRock		40,405,949	1,353,174	2.54%	1.18%
Avanza Pension		25,526,815	11,013,128	2.22%	1.03%
Marjan Dragicevic		30,900,000		1.88%	0.87%
Futur Pension		23,052,214	2,127,819	1.53%	0.71%
Norges Bank		23,929,747		1.45%	0.68%
Gösta Welandson with companies		23,146,364	224,000	1.42%	0.66%
Lennart Schuss		20,074,872	190,000	1.23%	0.57%
Others		757,897,818	130,070,835	54.0%	25.1%
Total	209,977,491	1,241,164,407	193,865,905	100.00%	100.00%

Nomination Committee

In accordance with the resolution of the 2021 Annual General Meeting, shareholders have appointed the following individuals to constitute the Nomination Committee for the period extending until the appointment of a new Nomination Committee as mandated by the 2022 Annual General Meeting: Rikard Svensson, Sven-Olof Johansson, Lennart Schuss and Mia Batljan (chairman).

Parent Company

Income statement of Parent Company

Amount in SEKm	01-01-2021 31-12-2021	01-01-2020 31-12-2020	01-10-2021 31-12-2021	01-10-2020 31-12-2020
Net sales	-	-	-	-
Personnel costs	-66	-39	-17	-10
Other operating expenses	-46	-83	-20	-26
Profit from associated companies/joint ventures	0	-	-56	-
Operating profit	-112	-122	-93	-36
Profit from financial items				
Profit from participations in Group companies	-	166	-	28
Interest income and similar items	2,254	927	831	455
Interest expenses and similar items	-2,069	-852	-749	-311
Translation gains/losses	-167	277	-10	732
Changes in value, derivatives	798	-265	294	-113
Profit after financial items	704	132	273	754
Appropriations	340	-62	340	-62
Profit before tax	1,044	69	613	692
Tax	-220	6	-192	86
PROFIT FOR THE PERIOD	824	75	421	778

Statement of comprehensive income of Parent Company

Amount in SEKm	01-01-2021 31-12-2021	01-01-2020 31-12-2020	01-10-2021 31-12-2021	01-10-2020 31-12-2020
Profit for the period	824	75	421	778
Other comprehensive income	-	-	-	-10
COMPREHENSIVE INCOME FOR THE PERIOD	824	75	421	768

Comments on the Parent Company's income statement and balance sheet

The Parent Company's operations consist of group-wide functions such as business development, transactions, property development and financing. The company has 34 employees. The costs, incl. personnel costs during the period, amounted to SEK -112m (-122).

During the period, SBB issued series B and D ordinary shares for SEK 2,337m after issue costs. During the period, parts of a previously issued hybrid bond of SEK 3.3bn were redeemed and a new hybrid bond of EUR 500m was issued.

Balance sheet of Parent Company

Amount in SEKm	31-12-2021	31-12-2020
ASSETS		
Fixed assets		
Financial fixed assets		
Shares in Group companies	33,686	26,698
Participations in associated companies/joint ventures	7,844	-
Receivables from Group companies	38,955	34,044
Receivables from associated companies/joint ventures	175	648
Deferred tax assets	117	180
Financial fixed assets at fair value	1,520	1,050
Derivatives	533	129
Total financial fixed assets	82,830	62,748
Total fixed assets	82,830	62,748
Current assets		
Current receivables		
Accounts receivable	1	-
Other receivables	43	239
Prepaid expenses and accrued income	42	29
Total current receivables	86	268
Cash and cash equivalents	8,278	12,986
Cash investments	254	-
Total current assets	8,618	13,254
TOTAL ASSETS	91,448	76,002

Amount in SEKm	31-12-2021	31-12-2020
EQUITY AND LIABILITIES		
<i>Restricted equity</i>		
Share capital	165	150
<i>Unrestricted equity</i>		
Share premium fund	43,510	39,375
Retained earnings	-3,553	-1,881
Profit for the year	824	777
Total equity	40,946	38,421
Untaxed reserves	85	14
Long-term liabilities		
Liabilities to credit institutions	3,497	-
Bond loans	27,202	27,255
Derivatives	30	225
Other long-term liabilities	-	457
Total long-term liabilities	30,729	27,937
Current liabilities		
Bond loans	1,204	3,080
Commercial papers	11,169	5,418
Accounts payable	2	5
Current tax liabilities	138	9
Cash collateral	5,607	-
Other liabilities	1,043	622
Accrued expenses and prepaid income	525	496
Total current liabilities	19,688	9,630
TOTAL EQUITY AND LIABILITIES	91,448	76,002

Parent Company changes in equity

Amount in SEKm	Share capital	Share premium ¹⁾	Retained earnings	Total equity
Opening equity, 01-01-2020	134	22,628	155	22,917
Profit for the period	-	-	75	75
Other comprehensive income	-	-	-	-
Comprehensive income for the period	-	-	75	75
New share issue	16	4,266	-	4,282
Issue hybrid bonds	-	10,333	-	10,333
Issue of mandatory convertible	-	2,148	-	2,148
Dividend	-	-	-1,453	-1,453
Tax effects equity	-	-	118	118
Closing equity, 31-12-2020	150	39,375	-1,105	38,421
Opening equity, 01-01-2021	150	39,375	-1,105	38,421
Profit for the period	-	-	824	824
Other comprehensive income	-	-	-	-
Comprehensive income for the period	-	-	824	824
New share issue	5	2,332	-	2,337
Issue hybrid bonds	-	4,975	-	4,975
Issue warrants	-	58	-	58
Redemption of preference shares	-	-15	-5	-20
Redemption of part of hybrid bond	-	-3,110	-154	-3,263
Redemption/conversion of mandatory convertible	9	-105	-28	-125
Dividend	-	-	-2,287	-2,287
Tax effects equity	-	-	24	24
Closing equity, 31-12-2021	165	43,510	-2,729	40,946

¹⁾ The entire share premium fund constitutes unrestricted equity

Cash flow statement of Parent Company - in summary

Amount in SEK, millions	01-01-2021 31-12-2021	01-01-2020 31-12-2020	01-10-2021 31-12-2021	01-10-2020 31-12-2020
Operating activities				
Profit after financial items	704	132	273	754
Net interest income	-816	-87	-366	-762
Interest paid	-2,052	-568	-698	-118
Interest received	2,263	918	854	447
Tax	-5	-	-2	-
Cash flow from operating activities before changes in working capital	94	394	61	320
Cash flow from changes in working capital				
Increase (-)/Decrease (+) of operating receivables	185	-236	-4	-97
Increase (+)/Decrease (-) of operating liabilities	-22	-8,051	99	-218
Cash flow from operating activities	257	-7,893	156	5
Investment activities				
Investment in subsidiaries	-6,090	-1,717	-5,945	46
Investments in associated companies/joint ventures	-7,844	-	-2,601	3
Receivables from Group companies	-3,471	-12,354	-282	2,054
Change in receivables from associated companies	473	-648	-147	-648
Change in financial assets	-525	347	-137	-359
Change in other long-term receivables	-	-134	0	-124
Cash flow from investing activities	-17,458	-14,505	-9,113	973
Financing activities				
New share issue	-	665	-	129
Issue hybrid bonds	4,975	10,333	-4	5,053
Issue mandatory convertible bonds	-125	2,148	-	-
Issue warrants	58	-	-	-
Redemption of hybrid bonds	-3,263	-	-	-
Redemption of preference shares	-20	-	-	-
Group contributions received	411	-	411	-
Dividend paid	-1,846	-853	-476	-290
Loans secured/loan repayments	7,152	11,713	3,646	1,266
Change in cash collateral	5,607	-	1,792	-
Change in other long-term liabilities	-457	-287	-2	-291
Cash flow from financing activities	12,493	23,720	5,368	5,868
Cash flow for the period	-4,708	1,322	-3,589	6,846
Cash and cash equivalents at the beginning of the period	12,986	11,664	11,865	6,140
Cash and cash equivalents at the end of the period	8,278	12,986	8,278	12,986

I Additional information

GENERAL INFORMATION

Samhällsbyggnadsbolaget i Norden AB (publ) (SBB), corp. ID no. 556981-7660, with its subsidiaries conducts operations in property management and property development. The Parent Company is a limited liability company registered in Sweden and based in Stockholm.

ANNUAL GENERAL MEETING AND ANNUAL REPORT

Annual General Meeting will be held in Stockholm on 27th of April 2022.

Annual Report for 2021 will be published on the Company's webpage during week 13.

ACCOUNTING PRINCIPLES

This interim report was prepared in accordance with IAS 34 Interim Reporting. In addition, the Swedish Annual Accounts Act and "RFR1 Supplementary Accounting Rules for Groups" have been applied. The Parent Company applies the same accounting principles as the Group with the exceptions and additions stated in the recommendation RFR 2 Accounting for Legal Entities issued by the Swedish Financial Reporting Board.

Reporting of mandatory convertible

SBB has issued a mandatory convertible bond for SEK 2.75bn that will mature in 2023. The convertible bears an annual interest rate of 7

percent which is paid semi-annually, subject to the company's ability to defer interest payments under certain circumstances. Conversion to the company's series B shares will be mandatory upon maturity at the latest. On initial reporting, a division into an equity component and a liability component was made in accordance with IAS 32. The liability reported corresponds to the present value of future interest payments. Equity constitutes the remainder of the capital issued. The issue costs have been divided between the two components. On the first reporting date, SEK 2,148m was reported as equity and SEK 530m as a liability. The mandatory convertible was largely redeemed during the period.

The Board of Directors and the CEO provide their assurance that the interim report provides a fair overview operations, position and results of the Parent Company and the Group and describes significant risks and uncertainties that affect the Parent Company and the companies included in the Group.

Stockholm, 23 February 2022

Lennart Schuss
Chairman of the Board

Ilija Batljan
CEO

Sven-Olof Johansson
Board Member

Fredrik Svensson
Board Member

Hans Runesten
Board Member

Eva Swartz Grimaldi
Board Member

Anne-Grete Strøm Erichsen
Board Member

This interim report has not been subject to review by the company's auditors.

Ilija Batljan, CEO, ilija@sbbnorden.se

This information is such that Samhällsbyggnadsbolaget i Norden AB (publ) is obliged to publish in accordance with the EU Market Abuse Regulation. The information was submitted by the below contact persons for publication on 23 February 2022 at 8:00 a.m. CET.

Marika Dimming, IR, +46 70-251 66 89, marika@sbbnorden.se

Definitions

Financial definitions

Actual net asset value (EPRA NTA), SEK

Recognized equity attributable to the ordinary share, excluding equity related to preference and D shares, non-controlling interests and the hybrid bond, adding back goodwill and interest rate derivatives and real estate transfer tax for Finnish properties less estimated actual deferred tax of 5.15 percent with an exception for residential which has an estimated actual deferred tax of 0 percent.

The key ratio provides an adjusted and complementary measure of the size of equity calculated in a manner consistent with listed property companies.

Number of preference shares outstanding

The number of preference shares outstanding at the end of the period.

Number of ordinary shares outstanding

The number of ordinary shares outstanding at the end of the period.

Return on equity, %

Net profit for the period in relation to average equity for the period.

The key ratio shows SBB's return on equity during the period.

Loan-to-value ratio, %

Net debt in relation to total assets. *The key ratio is used to illustrate SBB's financial risk.*

Non-pledged quota, multiple

Non-pledged assets in relation to net unsecured debt. *The key ratio is used to illustrate SBB's financial risk.*

EPRA

European Public Real Estate Association is an organization for listed property companies and investors in Europe. EPRA sets standards regarding financial reporting.

EPRA Earnings, SEK

Profit from property management after dividends to preference shareholders and holders of D shares and profit from property management attributable to minority interests, with deductions for changes in property values less tax related to associated companies and joint ventures, as well as interest on hybrid bonds less estimated current tax attributable to profit from property management. Taxable profit from property management refers to profit from property management less tax deductible depreciation and renovations.

The key ratio provides information on profit from property management calculated in a uniform manner for listed property companies.

Profit from property management

Profit before changes in value and tax.

The key ratio provides a measurement of the operations' profit generation regardless of value changes.

Average number of preference shares

The number of preference shares outstanding weighted over the period.

Average number of ordinary shares

The number of ordinary shares outstanding weighted over the period.

Average interest, %

Weighted average contracted interest for interest-bearing liabilities at the end of the period excluding unutilized credit facilities. *The key ratio is used to illustrate SBB's financial risk.*

Average fixed interest term, years

Average remaining duration until an interest-adjustment point for interest-bearing liabilities.

The key ratio is used to illustrate SBB's financial risk.

Adjusted equity/assets ratio, %

Reported equity including owner loans and convertibles, with reversal of reported deferred tax liability as a percentage of total assets.

The key ratio is used to illustrate SBB's financial stability.

Tied-up capital, year

Remaining maturity of interest-bearing liabilities.

The key ratio is used to illustrate SBB's financial risk.

Cash flow from operating activities, SEK

Cash flow from operating activities before changes in working capital according to the cash flow statement.

Long-term net asset value (EPRA NRV), SEK

Recognized equity attributable to ordinary shares, excluding equity related to preference and series D shares, non-controlling interests and the hybrid bond, with the reversal of a recognized deferred tax liability, goodwill attributable to deferred tax and derivatives adding real estate transfer tax for Finnish properties. *The key ratio provides an adjusted and complementary measure of the size of equity calculated in a manner consistent with listed property companies.*

Net debt, SEK

Interest-bearing liabilities less cash and cash equivalents.

Earnings per series A and B ordinary share, SEK

Net profit for the period after dividend to preference shareholders and holders of D shares and earnings attributable to minority interests and interest on hybrid bonds in relation to the average number of series A and B ordinary shares for the period.

Interest-coverage ratio, multiple

Profit from property management (past 12 months) less value changes for properties minus tax related to associated companies and joint ventures after return of net financial items in relation to net interest excluding costs for early repayment of loans and leasing costs.

The key ratio is used to illustrate financial risk.

Equity/assets ratio, %

Reported equity as a percentage of total assets.

The key ratio is used to illustrate SBB's financial stability.

Secured loan-to-value ratio, %

Secured liabilities as a percentage of the total assets.

The key ratio is used to illustrate SBB's financial stability.

Property-related definitions

Number of properties

Number of properties at the end of the period

Number of sqm

Total area in the property portfolio at the end of the period

GFA

Gross floor area

Yield, %

Net operating income (rolling 12-month) in relation to the sum of the properties fair value at the end of the period excl. the value for building rights and project properties.

The key ratio is used to illustrate the level of return on the net operating income in relation to the value of the properties.

Net operating income, SEK

Rental income less property costs.

Economic letting ratio, %

Rental income as a percentage of rental value

The key ratio is used to facilitate the assessment of rental income in relation to the total value of potential lettable area.

EPRA Vacancy rate, %

The rental value of vacant leases divided by the rental value of the entire portfolio.

The key ratio is calculated in accordance with the EPRA definition, which enables comparison with other companies.

Average contract length of social infrastructure properties, years

Remaining contract value in relation to annual rent for social infrastructure properties.

The key ratio aims to illustrate SBB's rental risk.

Rental income, SEK

Charges for the period with deductions for rental losses.

Rental value, SEK

Refers to contracted rent plus the assessed rent on vacant space.

Market value of properties, SEK

Fair value of the properties at the end of the period.

Surplus ratio, %

Net operating income as a percentage of rental income for the period.

The key ratio shows how much of the rental income remains after direct property costs.

Calculation of alternative performance measures

Return on equity

Amount in SEKm	01-01-2021 31-12-2021	01-01-2020 31-12-2020	01-10-2021 31-12-2021	01-10-2020 31-12-2020
Profit for the period	25,849	9,084	12,553	3,350
OB equity	52,136	30,896	67,322	41,983
CB equity	83,832	52,136	83,832	52,126
Average equity	67,984	41,516	75,577	47,060
Return on equity	38%	22%	17%	7%

Loan-to-value ratio

Amount in SEKm	01-01-2021 31-12-2021	01-01-2020 31-12-2020	01-10-2021 31-12-2021	01-10-2020 31-12-2020
Liabilities to credit institutions	23,732	12,064	23,732	12,064
Bond loans	53,094	37,783	53,094	37,783
Commercial papers	11,169	5,418	11,169	5,418
Cash and cash equivalents/cash investments	-9,890	-13,606	-9,890	-13,606
Net debt	78,105	41,659	78,105	41,659
Balance sheet total	194,739	120,231	194,739	120,231
Loan-to-value ratio	40%	35%	40%	35%

Yield

Amount in SEKm	01-01-2021 31-12-2021	01-01-2020 31-12-2020	01-10-2021 31-12-2021	01-10-2020 31-12-2020
Net operating income in accordance with earnings capacity	5,130	3,487	5,130	3,487
Investment properties	149,335	90,185	149,335	90,185
Building rights and projects in progress	-14,062	-9,056	-14,062	-9,056
Property value excluding building rights	135,273	81,129	135,273	81,129
Yield	3.8%	4.3%	3.8%	4.3%

Non-pledged quota

Amount in SEKm	01-01-2021 31-12-2021	01-01-2020 31-12-2020	01-10-2021 31-12-2021	01-10-2020 31-12-2020
Intangible assets	6,066	6,319	6,066	6,319
Non-pledged properties	115,644	66,534	115,644	66,534
Land lease agreements	639	614	639	614
Equipment, machinery and installations	48	22	48	22
Deferred tax assets	1,198	1,009	1,198	1,009
Financial fixed assets, excluding derivatives	25,217	6,625	25,217	6,625
Cash investments	53	1,793	53	1,793
Accounts receivable and other receivables	2,178	2,489	2,178	2,489
Derivatives	547	129	547	129
Non-pledged assets	151,590	85,533	151,590	85,533
Unsecured loans	64,263	42,736	64,263	42,736
Cash and cash equivalents	-9,837	-13,606	-9,837	-13,606
Net unsecured senior debt	54,426	29,130	54,426	29,130
Non-pledged quota	2.79	2.94	2.79	2.94

Economic letting ratio

Amount in SEKm	01-01-2021 31-12-2021	01-01-2020 31-12-2020	01-10-2021 31-12-2021	01-10-2020 31-12-2020
Rental income in accordance with earnings capacity	7,017	4,839	7,017	4,839
Rental value in accordance with earnings capacity	7,456	5,170	7,456	5,170
Economic letting ratio	94.1%	93.6%	94.1%	93.6%

EPRA earnings

Amount in SEKm	01-01-2021 31-12-2021	01-01-2020 31-12-2020	01-10-2021 31-12-2021	01-10-2020 31-12-2020
Profit from property management	5,397	2,474	2,960	873
Profit attributable to preference shares	-2	-3	-	-1
Profit attributable to Series D shares	-388	-262	-97	-86
Profit attributable to hybrid bond	-496	-332	-138	-83
Profit attributable to minority interest	-18	-9	-13	-2
Adjustments for associated companies/joint ventures	-2,443	-	-2,056	-
Expenses for loans redeemed in advance	155	199	-16	42
Paid tax	-247	-165	-87	-73
Profit from property management after tax paid	1,958	1,902	553	671
Average number of series A and B ordinary shares	1,379,982,887	1,270,977,083	1,451,151,898	1,288,232,323
Earnings per series A and B ordinary share	1.42	1.50	0.38	0.52
Average number of series A and B ordinary shares after dilution	1,391,161,963	1,312,784,970	1,469,228,291	1,383,867,865
Earnings per series A and B ordinary share after dilution	1.41	1.45	0.38	0.48

Adjusted equity/assets ratio

Amount in SEKm	01-01-2021 31-12-2021	01-01-2020 31-12-2020	01-10-2021 31-12-2021	01-10-2020 31-12-2020
Equity	83,832	52,136	83,832	52,136
Deferred tax excl. deferred tax attr. to goodwill	8,736	5,128	8,736	5,128
Total	92,568	57,264	92,568	57,264
Balance sheet total	194,739	120,231	194,739	120,231
Adjusted equity/assets ratio	48%	48%	48%	48%

Earnings per series A and B ordinary share

Amount in SEKm	01-01-2021 31-12-2021	01-01-2020 31-12-2020	01-10-2021 31-12-2021	01-10-2020 31-12-2020
Profit for the period	25,849	9,084	12,553	3,350
Profit attributable to preference shares	-2	-3	-	-1
Profit attributable to Series D shares	-388	-262	-97	-86
Profit attributable to hybrid bond	-496	-332	-138	-83
Profit attributable to minority interest	-1,018	-74	-25	-17
Profit attributable to series A and B ordinary shares	23,945	8,413	12,293	3,163
Average No. series A and B ordinary shares ¹⁾	1,379,982,887	1,312,784,970	1,451,141,898	1,383,867,865
Earnings per series A and B ordinary share	17.35	6.41	8.47	2.29
Average number of series A and B ordinary shares after dilution	1,391,161,963	1,312,784,970	1,469,228,291	1,383,867,865
Earnings per series A and B ordinary share after dilution	17.21	6.41	8.37	2.29

1) Incl. effect of additional shares from mandatory convertible.

Interest coverage ratio

Amount in SEKm	01-01-2021 31-12-2021	01-01-2020 31-12-2020
Profit from property management (rolling 12-month)	5,397	2,474
Adjustments for associated companies/joint ventures	-2,443	-
Adjusted profit from property management (rolling 12-month)	2,954	2,474
<i>Reversal of net financial items</i>		
Interest income and similar items	-274	-166
Interest expenses and sim. items (rolling 12-month)	1,011	973
Costs for early redemption of loans (rolling 12-month)	155	199
Translation gains/losses (rolling 12-month)	175	-158
Land lease expenses (rolling 12-month)	21	25
Total reversal of net financial items	1,088	873
Profit from property management (rolling 12-month) excl. net financial items	4,042	3,347
Net interest income		
Interest income and similar items	274	166
Interest expenses and sim. items (rolling 12-month)	-1,011	-973
Total net interest	-737	-807
Interest-coverage ratio (multiple)	5.5	4.1

Equity/assets ratio

Amount in SEKm	01-01-2021 31-12-2021	01-01-2020 31-12-2020	01-10-2021 31-12-2021	01-10-2020 31-12-2020
Equity	83,832	52,136	83,832	52,136
Balance sheet total	194,739	120,231	194,739	120,231
Equity/assets ratio	43%	43%	43%	43%

Equity ratio

Amount in SEKm	01-01-2021 31-12-2021	01-01-2020 31-12-2020	01-10-2021 31-12-2021	01-10-2020 31-12-2020
<i>Equity excluding non-controlling interests</i>				
Equity	83,832	52,136	83,832	52,136
Hybrid bonds	-16,750	-14,480	-16,750	-14,480
Non-controlling interest	-4,073	-411	-4,073	-411
Equity excluding non-controlling interests	63,009	37,245	63,009	37,245
Preference share capital	-	-15	-	-15
Series D share capital	-5,964	-5,531	-5,964	-5,531
Reversal of derivatives	-517	138	-517	138
Goodwill attributable to deferred tax	-1,781	-2,044	-1,781	-2,044
Other goodwill	-4,285	-4,275	-4,285	-4,275
Reversal of liability portion of mandatory convertible	-	541	-	541
Real estate transfer tax Finland	202	148	202	148
Reversal of deferred tax	10,517	7,172	10,517	7,172
Deduction of deferred tax	-2,877	-2,236	-2,877	-2,236
Actual net asset value (EPRA NTA)	58,304	31,142	58,304	31,142
Actual net asset value (EPRA NTA), SEK/share	40.18	23.42	40.18	23.42
Actual net asset value (EPRA NTA), SEK/share (diluted)	40.17	21.85	40.17	21.85
Reversal of other goodwill	4,285	4,275	4,285	4,275
Reversal of deferred tax deduction	2,877	2,236	2,877	2,236
Long-term net asset value (EPRA NRV)	65,466	37,653	65,466	37,653
Long-term net asset value (EPRA NRV), SEK/share	45.11	28.32	45.11	28.32
Long-term net asset value (EPRA NRV), SEK/share (diluted)	45.11	26.42	45.11	26.42
Number of series A and B ordinary shares	1,451,141,898	1,329,482,358	1,451,141,898	1,329,482,358
Number of series A and B ordinary shares after dilution	1,451,410,953	1,425,117,900	1,451,410,953	1,425,117,900

Secured loan-to-value ratio

Amount in SEKm	01-01-2021 31-12-2021	01-01-2020 31-12-2020	01-10-2021 31-12-2021	01-10-2020 31-12-2020
Liabilities to credit institutions	23,732	12,064	23,732	12,064
Secured bond loans	-	465	-	465
Total secured loans	23,732	12,529	23,732	12,529
Balance sheet total	194,739	120,231	194,739	120,231
Secured loan-to-value ratio	12%	10%	12%	10%

Surplus ratio

Amount in SEKm	01-01-2021 31-12-2021	01-01-2020 31-12-2020	01-10-2021 31-12-2021	01-10-2020 31-12-2020
Net operating income	4,047	3,479	1,082	810
Rental income	5,930	5,121	1,695	1,253
Surplus ratio	68%	68%	64%	65%

Appendix 1

Current earnings capacity from property management

The current earning capacity for the Group for 12 months is presented below and takes into account the Group's property portfolio at 31 December 2021. The current earning capacity is not a forecast, but only to be viewed as a hypothetical snapshot and is presented only to illustrate income and expenses on an annual basis, given the property portfolio, financial costs, capital structure and organization at a set point in time. The Group's earning capacity does not include the impact on earnings of unrealized and realized changes in the value of the properties being consolidated.

The following information forms the basis for the calculation of the earning capacity:

- Contracted rental income on an annual basis (including supplements and rental discounts) and other property-related revenues on the basis of current lease contracts as of 31 December 2021.
- Operating and maintenance costs are based on budget.
- The property tax is calculated from the properties current tax assessment value as of 31 December 2021.
- Cost for central administration is based on the current organization.
- Financial expenses and income are based on contracted interest rates and include interest on external loans.
- The earnings that joint ventures/associated companies contribute to earnings capacity is based on published information, including reports, prospectuses etc.

Group's earning capacity

Amount in SEKm	Social infrastructure properties	Housing	Other	Total
Rental income	4,462	2,225	330	7,017
Operating costs	-541	-543	-83	-1,168
Maintenance	-160	-147	-20	-327
Property administration	-143	-96	-19	-258
Property tax	-66	-46	-22	-134
Net operating income	3,551	1,393	187	5,130
Central administration				-200
Profit from joint ventures/associated companies ¹⁾				1,100
Financial income				129
Financial costs				-946
Profit from property management before dividend				5,213
per series A and B ordinary share				3.59
Profit from synergies with Amasten				50
Dividend hybrid bonds				-487
Dividend series D shares				-388
Profit attributable to minority interests				-93
Profit from property management attributable to ordinary shareholders				4,295
per series A and B ordinary share				2.96

1) See table below.

Contributing to earnings capacity

	Joint ventures				Associated companies						Financial investments	
	Hemvist	Svenska Myndighets-byggnader AB	Public Property Invest AS	Other joint ventures	Solon Eiendom	Origa Care	Publicus	JM	Arlanda-stad	Preser-ivium Property	Other	
Shareholding, SBB	50.0%	50.0%	48.4%	50.0%	49.5%	34.7%	31.9%	25.1%	20.1%	35.4%	-	
Profit from property management	75	206	232	16	293	25	19	2,158	12	30	-	
Profit from property management attributable to SBB's shareholding	37	163	112	8	145	9	6	607	2	11	-	

Over the 2022 full year, SBB's share of profit before changes in value from joint ventures and associated companies is estimated at SEK 1,229m. Cash dividends of these profits are estimated to amount to SEK 481m.

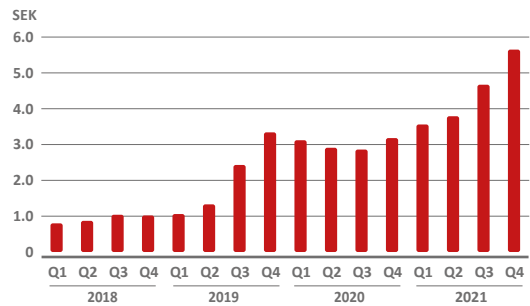
Appendix 2

Current earnings capacity including value-adding strategies

Group's earnings capacity incl. value-adding strategies

Amount in SEKm	Total
Profit from property management attributable to ordinary shareholders	4,295
per series A and B ordinary share	2.96
Profit from building rights development and new production	2,500
Profit from value-generating transactions	400
Profit from investments in existing portfolio	1,000
Adjusted profit from property management attributable to ordinary shareholders including value-adding strategies	8,195
per series A and B ordinary share	5.65

Adjusted profit from property management per ordinary A and B share – rolling 12-month



See additional information on our value-adding strategies on page 22.

Appendix 3

Strategic holdings in joint ventures and associated companies

As part of the company's active portfolio management, SBB invests in joint ventures and associated companies to acquire attractive properties and assets that are not otherwise available on the regular transaction market, to establish additional contact points in the property market and to benefit from strong organizational platforms outside SBB to maintain continued growth in cash flow.

Svenska Myndighetsbyggnader AB

SMB owns and manages properties for the judiciary, the defence forces and other Swedish authorities. The remainder of the company is owned by Kåpan Pensioner. The portfolio includes several police stations currently in production.



Property value: SEK 10.4bn
Net operating income: SEK 393m
Shareholding: 50 percent

Public Property Invest AS

PPI owns and manages properties for the judiciary and other Norwegian authorities. The remainder of the company is owned by institutional and private investors.



Property value: SEK 8.7bn
Net operating income: SEK 405m
Shareholding: 48.4 percent
Anticipated dividend SBB 2022: SEK 85m

SBB Kåpan AB

SBB Kåpan ab owns and manages properties in Stockholm and the Mälardalen region. SBB Kåpan has the stated ambition of continuing to expand in the Mälardalen region. As of 31 December 2021, SBB Kåpan had a property portfolio of 2,692 apartments, of which 1,567 apartments are under production. The remainder of the company is owned by Kåpan Pensioner.



Property value: SEK 5.7bn
Property value on completion: SEK 8.2bn
Net operating income: SEK 117m
Net operating income on completion: SEK 244m
Shareholding: 50 percent

JM AB

JM is one of the Nordics' leading project developers of housing and residential areas. The company has building rights at its disposal for some 35,600 apartments and some 8,094 homes currently under production.



Company value¹⁾: SEK 37.1bn
Profit before tax 2021: SEK 2,158m
Shareholding: 28.1 percent
Anticipated dividend SBB 2022: SEK 260m

1) Market cap + debt

Heba Fastighets AB

Heba is a long-term and experienced property owner that develops, owns and manages housing and community properties in the Stockholm region, Uppsala and the Mälardalen. The holding is not classified as an associated company.



Property value: SEK 13.5bn
Net operating income: SEK 274m
Participation: 22 percent
Anticipated dividend SBB 2022: SEK 29m

Arlandastad Group AB

In the existing project portfolio, which has a potential value of approximately SEK 30bn, the company expects to generate some SEK 5–7bn in value added through organic growth over time.



Property value: SEK 5.5bn
Net operating income: SEK 64m
Shareholding: 20.1 percent

Solon Eiendom ASA

Solon is one of Norway's leading project developers of housing and residential areas. The company has building rights at its disposal for some 8,300 apartments and some 820 homes currently under production. The remainder of the company is owned by OBOS.



Company value¹⁾: SEK 8.6bn
Profit before tax 2021: SEK 293m
Shareholding: 49.5 percent

1) Market cap + debt

Preservium Property AB

In Greater Stockholm, Preservium owns and manages two properties with only public-sector tenants and an average remaining lease term of 19 years.



Property value: SEK 1.5bn
Net operating income: SEK 56m
Shareholding: 35.4 percent
Anticipated dividend SBB 2022: SEK 11m

One Publicus Fastighets AB

The company owns three investment properties in which the City of Solna, the City of Malmö and the Municipality of Orust combined account for approximately 81 percent of the rental income.



Property value: SEK 711m
Net operating income: SEK 24m
Shareholding: 32 percent
Anticipated dividend SBB 2022: SEK 5m

Origa Care AB

Origa Care owns 13 care properties in growth regions, primarily in southern Finland. The properties are fully let with an average remaining lease duration of 8.4 years.



Property value: SEK 571m
Net operating income: SEK 31m
Shareholding: 34.7 percent
Anticipated dividend SBB 2022: SEK 7m

Other joint ventures and associated companies

In addition to the aforementioned major joint ventures and associated companies, SBB also has a number of smaller collaborations, primarily in the Mälardalen valley.



Property value: SEK 1.0bn
Net operating income: SEK 19m
Shareholding: 50 percent

Property development collaborations with listed companies

Genoa – development of housing in Nacka and Lidingö.
No. m² GFA – 70,000 m². SBB's participation – 50 percent

KlaraBo – a number of jointly owned projects for the development of rental apartments in growth locations.
No. m² GFA – 67,000 m². SBB's participation – 40 percent

K2A (Västerås) – development of a new police station in Västerås with a 15-year lease with K2A.
No. m² GFA – 40,000 m². SBB's participation – 50 percent

K2A (Uppsala) – development of housing in Uppsala with K2A.
No. m² GFA – 25,000 m². SBB's participation – 50 percent

Titania – development of housing in Haninge and Botkyrka.
No. m² GFA – 25,000 m². SBB's participation – 50 percent

Oscar Properties – development of housing in Karlskrona.
No. m² GFA – 17,000 m². SBB's participation – 50 percent

Property development collaborations with non-listed companies

Magnolia – a number of jointly owned projects for the development of properties for social infrastructure with a focus on the Stockholm region.
No. m² GFA – 145,000 m². SBB's participation – 50 percent

Nyköping Stenbäret – Development of a centrally located development property in Nyköping.
No. m² GFA – 100,000 m². SBB's participation – 50 percent

P&E – development of housing in Kalmar and Växjö.
No. m² GFA – 63,000 m². SBB's participation – 37.5 percent

Odalen – a number of jointly owned projects for the development of properties for social infrastructure in Sweden.
No. m² GFA – 53,250 m². SBB's participation – 50 percent (since 31 December 2021, Odalen has been acquired by SBB)

Sveaviken – development of housing in the Mälardalen valley.
No. m² GFA – 48,000 m². SBB's participation – 50 percent

Falkenberg Bacchus – Development in prime location by Skrea Strand in Falkenberg.
No. m² GFA – 40,000 m². SBB's participation – 50 percent (since 31 December 2021, the project has been acquired 100 percent by SBB)

Bokoop – Development of cooperative rent regulated residentials throughout Sweden.
No. m² GFA – 36,000 m². SBB's participation – 50 percent

Källtorp Project Development – development of housing and community properties in the Gothenburg region.
No. m² GFA – 33,000 m². SBB's participation – 50 percent

Aspelin Ramm (Gardermoen) – development of property adjacent to Gardermoen Airport and Gardermoen Hospital (owned by SBB).
No. m² GFA – 30,000 m². SBB's participation – 65 percent

Aspelin Ramm (Gothenburg) – development of SKF's former head office in central Gothenburg.
No. m² GFA – 25,000 m². SBB's participation – 50 percent

Bolivo – projects for the development of secure accommodation throughout Sweden.
No. m² GFA – 17,000 m². SBB's participation – 50 percent

Idun – Development of housing and community properties in the Mälardalen region.
No. m² GFA – 16,000 m². SBB's participation – 50 percent

Täby Näsbypark – Development of housing in Täby.
No. m² GFA – 10,000 m². SBB's participation – 50 percent

Appendix 4

Sensitivity analysis

Return asset value and earnings including long-term value change

Return asset value and earnings including long-term value change in companies that manage so-called real assets, such as properties; the profit from property management only reflects a part of the overall earnings. The definition of real assets states that they are value-protected, meaning over time and with good maintenance they have a value growth trend that compensates for inflation. The net asset value, i.e. the denominator in the return ratio profit/capital, is adjusted annually through the IFRS rules with regard to value changes. To provide a correct return, the numerator, i.e. profit, must also be adjusted in the same way. The recognized profit from

management operations must accordingly be supplemented with a value change component and effective tax to provide an accurate picture of profit and return.

One problem is that changes in value can vary greatly between years and quarters and lead to volatile results. For a long-term player with a stable cash flow and a well-composed real estate portfolio, the long-term change in value (or in the absence of this, the long-term average inflation rate) can therefore be used to adjust the numerator in the equation. Given our short history, SBB has chosen to use the inflation average for the preceding ten years.

	Profit from recurring revenue streams = SEK 2,000m			Profit from recurring revenue streams = SEK 2,500m		
	Change in value			Change in value		
	-1% unit		+1% unit	-1% unit		+1% unit
Profit from property management rolling 12-month	5,213	5,213	5,213	5,213	5,213	5,213
Profit target, recurring revenue streams	2,000	2,000	2,000	2,500	2,500	2,500
Change in value of property (inflation average 10 years)	1,643	149	3,136	1,643	149	3,136
D:o %	1.10%	0.10%	2.10%	1.10%	0.10%	2.10%
Current tax, 10%	-521	-521	-521	-521	-521	-521
Profit after tax	8,334	6,841	9,828	8,834	7,341	10,328
Profit SEK/share	5,74	4,71	6,77	6,09	5,06	7,12
Return on long-term net asset value	12.73%	10.45%	15.01%	13.50%	11.21%	15.78%
Profit/share price	8.65%	7.10%	10.20%	9.17%	7.62%	10.72%
P/E	12	14	10	11	13	9



Samhällsbyggnadsbolaget

Upcoming report dates

Interim report Q1 2022 **27-04-2022**

Interim report Q2 2022 14-07-2022

Interim report Q3 2022 **27-10-2022**

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