

THE SOCIAL INFRASTRUCTURE CHAMPION IN EUROPE

4 November, 2021

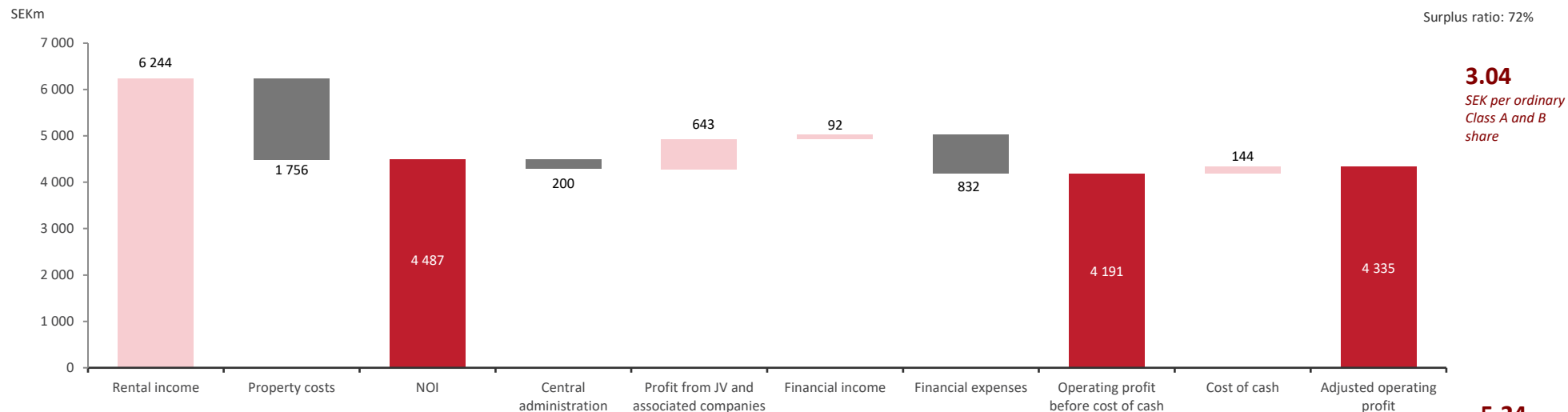


POPULAR STOCK

OVER ONE PERCENT OF THE SWEDISH
POPULATION IS NOW A SHAREHOLDER IN THE
SOCIAL INFRASTRUCTURE CHAMPION IN EUROPE

CONTINUES TO DELIVER AN EVEN STRONGER OPERATING PROFIT – ROLLING 12 MONTHS

Current earnings capability for the Group for 12 months



1

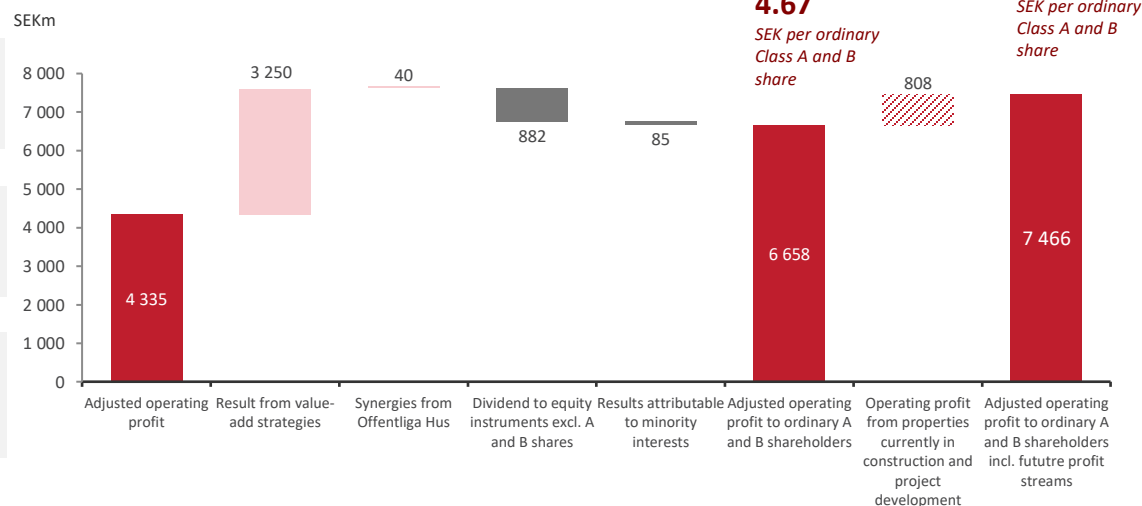
Profit after tax for the period was SEK 13,3bn, a strong increase compared to the corresponding period of the previous year. Corresponding to 8.56 SEK per ordinary Class A and B share (4.07).

2

Rental income increased like for like by 1.7 percent compared to the corresponding period last year. Net operating income increased like for like by 3.0 percent.

3

For the full year 2021, earnings per ordinary share A and B are estimated to be **SEK 9.80** increased from previous forecast at SEK 7.80 that was provided in the second quarter.



Notes:

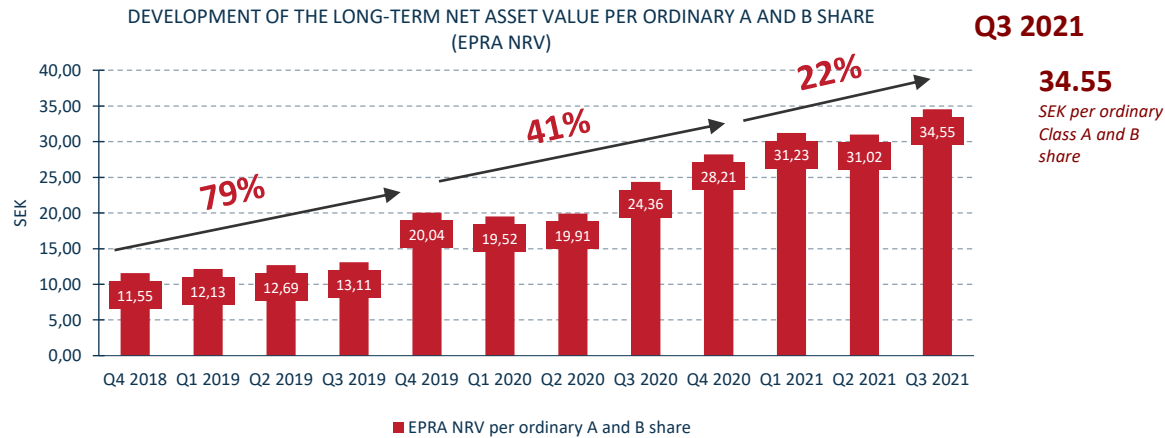
CONTINUING TO DELVIER STRONGER THAN EARNINGS CAPACITY

Comparsson to Earnings capacity

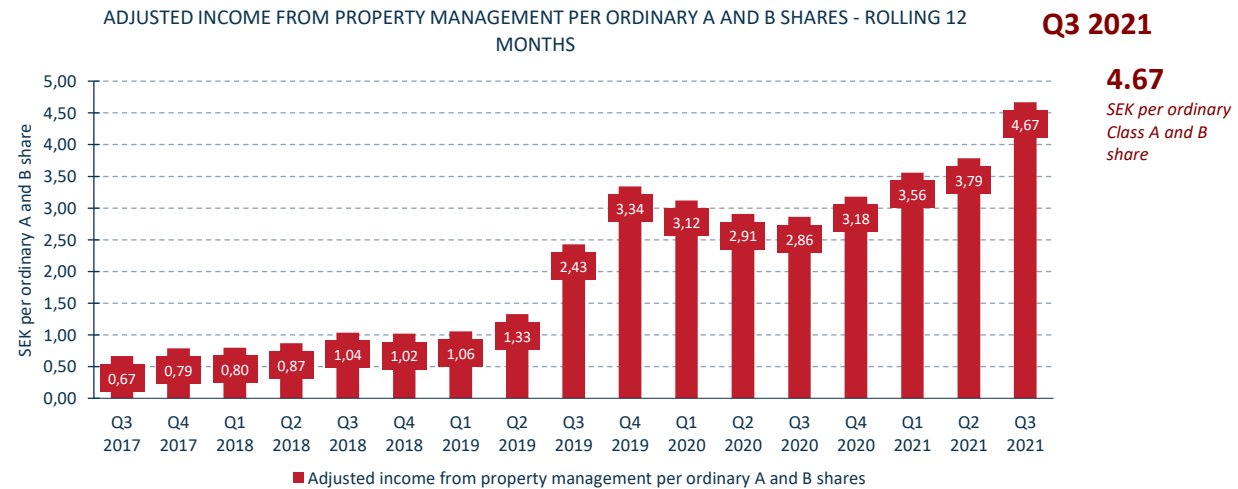
SEKm	Earnings Capacity Q2 12 months	Earnings Capacity Q2 3 months	SBB Interim report Q3	Unobo Q3	Combined reported Q3 numbers	Deviation Quarterly numbers
Rental income	6 137	1 534	1 459	110	1 569	35
Net operating income	4 405	1 101	1 089	70	1 159	58
Financial net	757	189	186	10	196	7
EBIT before value changes	4 667	1 167	1 226	60	1 287	120
Profit from property management	3 911	978	995	60	1 055	77
IFPM ex. JV	3 448	862	807	60	868	6
Income from value-add	2 850 ^{1) 2)}	713 ^{1) 2)}	1 353	-	1 353	640

THE HIGHEST NET ASSET VALUE GROWTH 2019-2021

EPRA NRV per share



Earnings capacity for the Group for 12 months rolling per ordinary A and B share



SBB OVERVIEW AND KEY HIGHLIGHTS

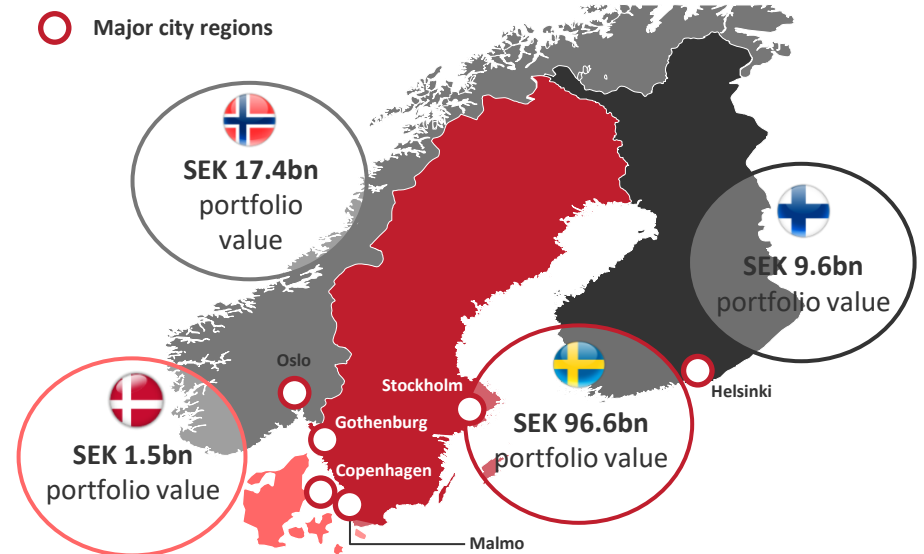
Company snapshot

- ✓ SBB operates in the world's safest real estate asset classes – community service properties in the Nordics where tenants are government-funded and highly regulated Swedish residentials
- ✓ 3 value-add strategies deliver growth and additional profit
- ✓ Sustainability is the core of SBB's business model as the first private member ever of Public Housing Sweden
- ✓ Europe's largest property developer with 63,999 apartments in the project portfolio

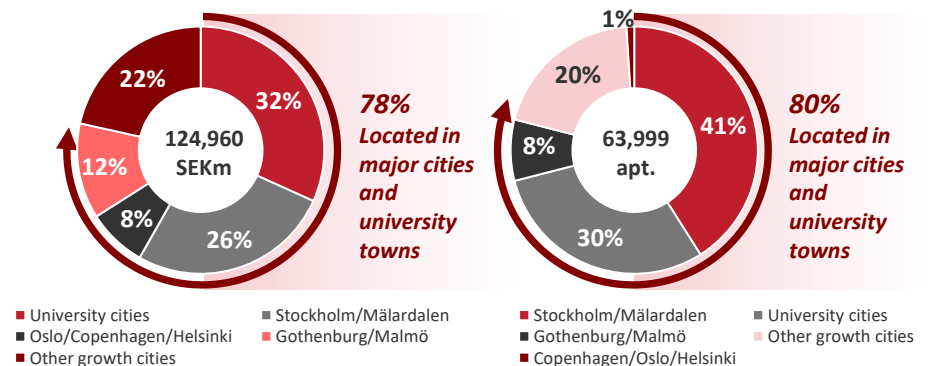
Key figures

SEK 6.2bn passing rent	SEK 125.0bn portfolio book value	9yr WAULT but effectively perpetual	1.11% average interest rate	35% net LTV on total assets
	SEK 13,296m Net profit for the period	4.0% net initial yield	SEK 23,225 book value per sq.m. ¹	BBB- S&P Global Ratings FitchRatings

Portfolio book value by country



Portfolio book value and project portfolio



Notes: ¹ Excluding building rights and on-going projects

SBB CREATES VALUE FROM “AAA” ASSETS

Income overview

Classification	Rental Income, SEKm	% of Total
Regulated rent residentials	1 358	22
Building rights for regulated rent residentials	59	1
Sum residentials	1 417	23
Elderly care	768	12
Special apartments for people with disabilities (LSS)	426	7
Building rights for publicly funded residentials	0	0
Sum publicly funded residentials	1 193	19
Education	1 647	26
Pre school	479	8
Compulsory/Upper secondary school	795	13
University	372	6
Hospitals and health centres	426	7
Government infrastructure and justice	535	9
Municipality and department properties	334	5
Public offices	429	7
Other	2	0
Building rights for community service	152	2
Sum community service	3 525	56
Sum social infrastructure	6 135	98
Other	109	2
Total	6 244	100



The trusted partner for municipalities with scale, speed and quality of execution



Legislation prohibits local governments from declaring default: tenant sovereign risk



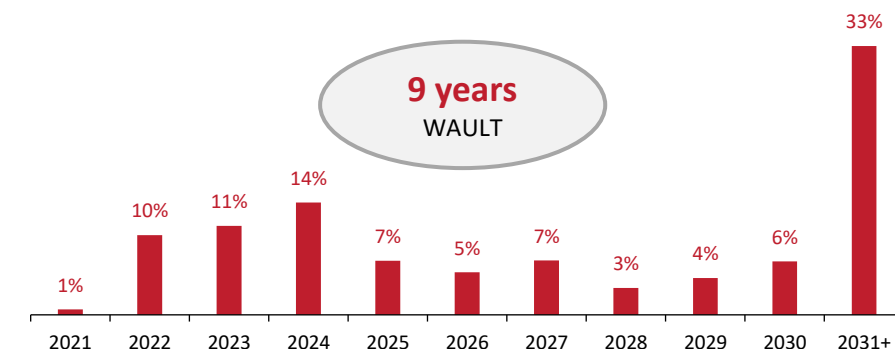
Sovereign credit risk exposure in community service

Government and government-backed tenants



Sovereign credit rating

	S&P Global Ratings	AAA (Stable)
	FitchRatings	AAA (Stable)
	Moody's	Aaa (Stable)
	S&P Global Ratings	AAA (Stable)
	FitchRatings	AAA (Stable)
	Moody's	Aaa (Stable)
	S&P Global Ratings	AA+ (Stable)
	FitchRatings	AA+ (Stable)
	Moody's	Aa1 (Stable)
	S&P Global Ratings	AAA (Stable)
	FitchRatings	AAA (Stable)
	Moody's	Aaa (Stable)



JOINT VENTURES AND ASSOCIATED COMPANIES

Totaling
SEK 0.45
per ordinary A
and B share

JOINT VENTURES

SBB Kåpan Bostad AB

SBB holds 50 percent of SBB Kåpan Bostad AB. The remainder is owned by Kåpan Pensioner.

Hemvist owns and manages properties in Stockholm and the Mälardalen region. Hemvist is planning major investments in sustainable new construction and has the ambition of continuing to expand in the Mälardalen region, promoting sustainable societal development.

As of 30 Sept 2021, Hemvist had a property portfolio of 2,720 apartments, of which 1,595 apartments are under production.

Public Property Invest AS

SBB holds 50 percent of Public Property Invest AS ("PPI"). The remainder is owned by institutional and private investors in Norway.

PPI owns 31 community service properties in Norway for a total property value of approximately SEK 2.9bn as of 30 Sept 2021.

Approximately 90 percent of the rental income derives from national and local government tenants, the WAULT is 6.8 years, and the economic occupancy ratio was 98 percent.



JM

SBB holds 25.1 percent of JM AB (publ). JM is one of the Nordic region's leading project developers of homes and residential areas.

The company has approximately 36,200 available building rights and approximately 7,700 homes currently under production.

Ownership:	Profit from property management	Attributable to SBB's shareholding
25.1%	SEK 1,866m	SEK 473m

PUBLICUS Publicus

Publicly funded company

SBB holds 31.1 percent of One Publicus Fastighets AB. Publicus owns and manages high-quality healthcare, nursing and educational properties.

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

Ownership:	Profit from property management	Attributable to SBB's shareholding
31.1%	SEK 19m	SEK 6m

Origa Care

ORIGA CARE AB (publ)

SBB holds 34.7 percent of Origa Care AB (publ). Origa Care owns 13 care properties in growth regions, primarily in southern Finland.

The properties are fully let with an average lease duration of 8.2 years. Rental income derives mainly from tax-financed operations.

Ownership:	Profit from property management	Attributable to SBB's shareholding
34.7%	SEK 23m	SEK 8m

Arlandastad

arlandastad group

SBB holds 20.1 percent of Arlandastad Group AB.

From 2008 until 2021, the company has created SEK 3.9 billion in value and as of 30 September 2021 had total assets of just over SEK 6 billion.

Ownership:	Profit from property management	Attributable to SBB's shareholding
20.1%	SEK 15m	SEK 3m

Solon Eiendom

SOLON EIENDOM

SBB holds 20.0 percent of Solon Eiendom ASA.

Solon is one of Norway's leading project developers of homes and residential areas. The company has approximately 8,300 available building rights and approximately 820 homes currently under production.

Ownership:	Profit from property management	Attributable to SBB's shareholding
20.0%	SEK 301m	SEK 60m

SBB'S VALUE CREATION AND VISION 2030 – SUSTAINABILITY AT THE CORE OF THE BUSINESS

The Social Infrastructure Champion in Europe



Global mega trends supporting the business model



Urbanisation



ESG-focus



Changing demographics

SBB'S VALUE-ADD STRATEGIES

BUILDING RIGHTS DEVELOPMENT AND NEW CONSTRUCTION



Krister Karlsson
Deputy CEO and Head of Property Development
 Industry experience
 37 years



Jenny Asmundsson
Head of Public Procurements
 Industry experience
 27 years



Erik Hävermark
Head of Construction
 Industry experience
 19 years

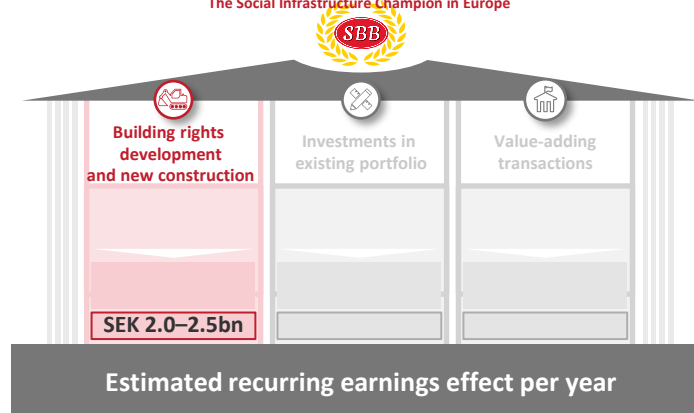


Mats Silow
Head of Property Development
 Industry experience
 14 years



Viktor Mandel
Head of Sveafastigheter
 Industry experience
 17 years

The Social Infrastructure Champion in Europe



- ✓ No. 1 European property developer with ~64,000 apartments in project portfolio
- ✓ Highly skilled and experienced team creates the opportunity to build for own management
- ✓ Building rights portfolio's estimated value potential of SEK 34.0bn vs. book value of SEK 3.4bn

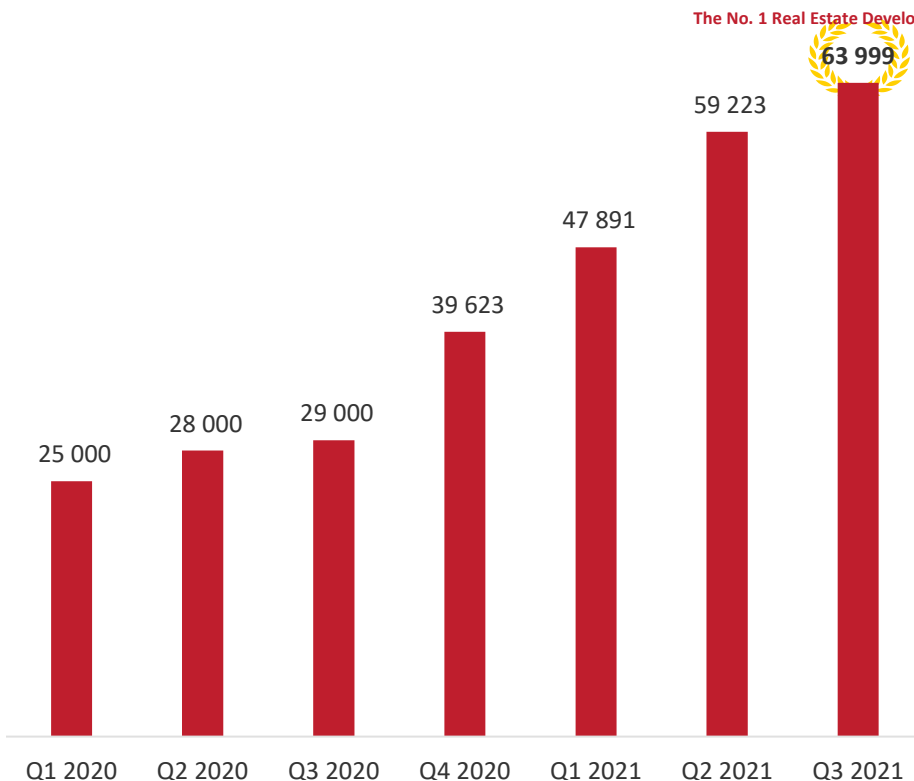
NO. 1 PROPERTY DEVELOPER IN EUROPE

No. 1 property developer

Top property developer by project portfolio
(no. of apartments, c. 70 sq.m. per apartment)

The No. 1 Real Estate Developer in Europe

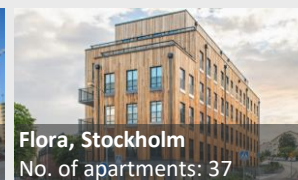
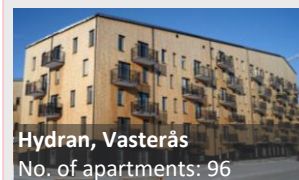
63 999



Utilising building rights to create value throughout the value chain

- ✓ Annual target: **SEK 2,000 – 2,500m**
YTD 2021: **SEK 2,714m**
- ✓ Building rights volume: **3.0m sq.m.**
- ✓ No. apt. under project development: **14,023**
No. apt. under construction: **3,114**
Community service properties under construction: **103,000 sq.m.**
- ✓ Estimated remaining profit from project portfolio: **SEK 40.6bn**, of which;
 - **SEK 32.7bn** from building rights portfolio and JV-collaborations
 - **SEK 7.9bn** from project development portfolio

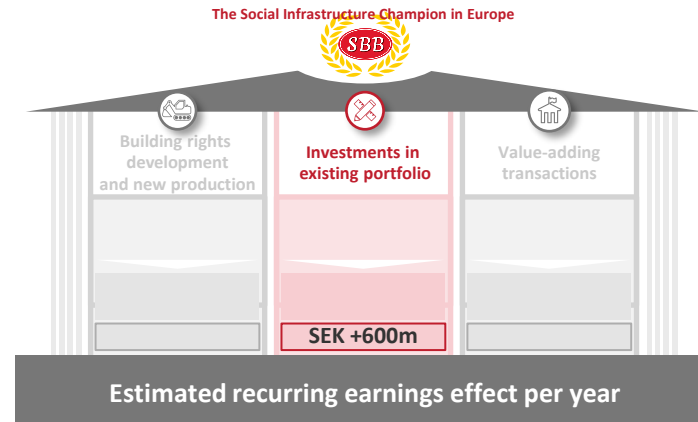
Selected development projects



No. 1 developer with 3,114 apartments under construction. Estimated recurring earnings effect per year: **SEK 2,000–2,500m**

SBB'S VALUE-ADD STRATEGIES

INVESTMENTS IN EXISTING PORTFOLIO



Peter Olausson
Chief Technical Officer
 Industry experience
20 years

- Karl-Anders Persson**
Project manager
- Erik Navarette**
Project manager
- Ulf Mikaelsson**
Project manager
- Niclas Franzén**
Project manager
- Peter Landwehr**
Project manager



Marika Dimming
*Investor Relations and
 Head of Sustainability*
 Industry experience
25 years



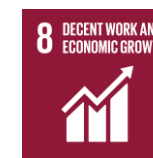
Martin Andersson
Sustainability analyst
 Industry experience
9 years

- ✓ Vision of becoming the world's most sustainable property company by 2030
- ✓ Value-enhancing renovations across community service and residential properties
- ✓ Target of 600 renovated residential apartments p.a. (562 renovated YTD 2021)
- ✓ Highly experienced team with strong relationships with tenants to understand needs and requirements

VISION 2030 - BECOMING CLIMATE POSITIVE IN THE ENTIRE VALUE CHAIN

Vision 2030

- ✓ Climate positive in the entire value chain
- ✓ At least 90% social assets in the property portfolio
- ✓ Climate-adapted property portfolio that can cope with climate risks



E Environmental targets

- ✓ Reduce energy usage and climate impact by 5% per year
- ✓ At least 50% of SBB's new construction shall consist of wooden buildings from certified forestry
- ✓ The entire portfolio and all new construction shall be within 10 minutes' walking distance to commuting
- ✓ Reduce water usage by 1% per year
- ✓ Assess the entire property portfolio in relation to climate-related risks

S Social targets

- ✓ At least 90% social assets in the property portfolio
- ✓ All municipalities where SBB owns apartments are offered support in the form of apartments to their social work related to housing
- ✓ Contribute with at least 200 summer jobs to youths living in our residential areas
- ✓ Contribute with at least 10 Better shelter and 100 tents via UNHCR to help refugees

G Governance and financial targets

- ✓ Achieve investment grade BBB+ in the short term and A- in the long term
- ✓ 100% sustainable financing
- ✓ SBB to be classified as a green share on Nasdaq Stockholm

ROAD TO BECOME CLIMATE POSITIVE

Roadmap

2016-2019

Continuous improvement through energy efficiency measures, exchange of heating systems and green electricity contracts.

2020-2022

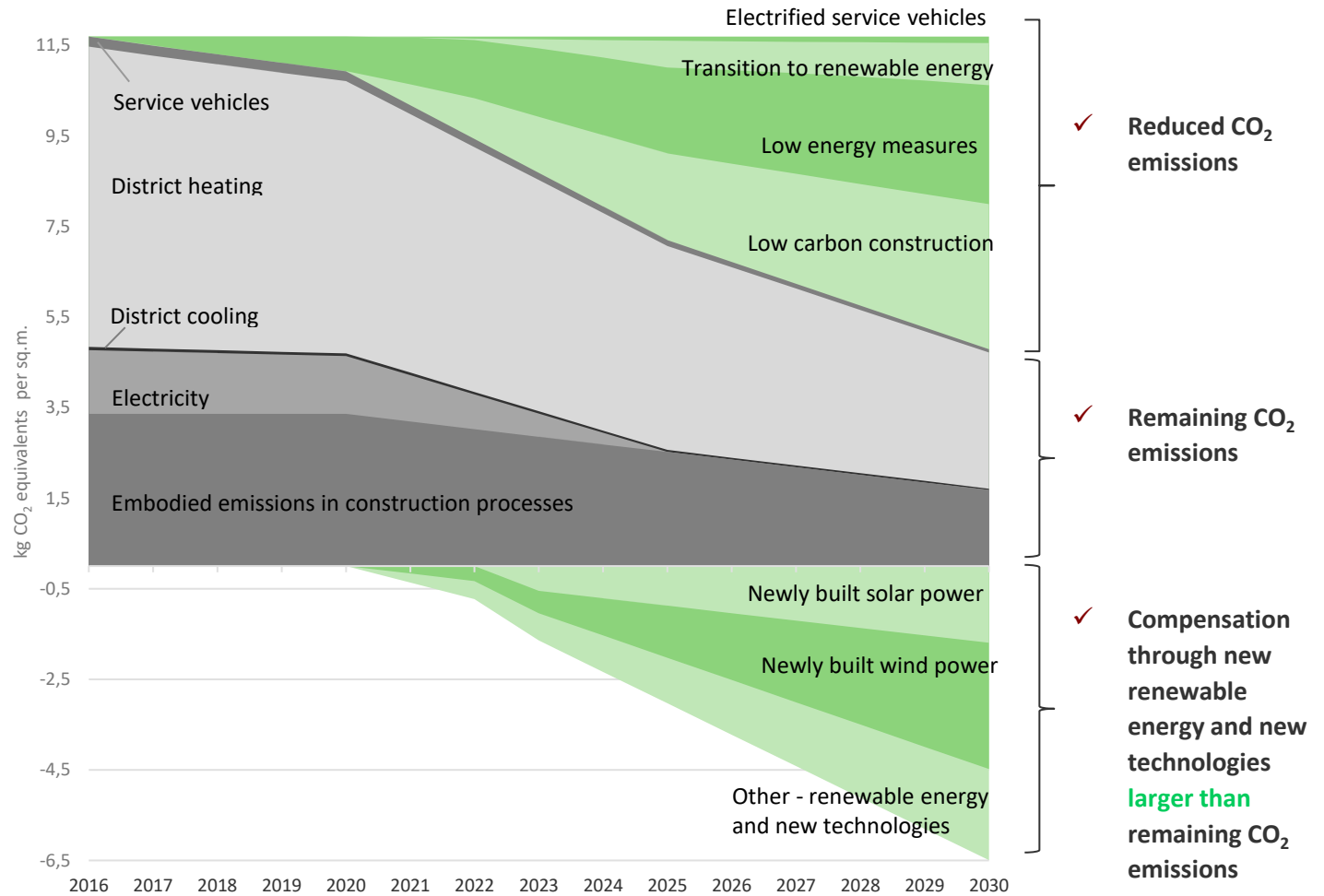
Accelerated initiatives to improve energy efficiency and heating systems. Renewable electricity in 100% of the property portfolio. Expansion of solar power, charging stations and wind power initiated. 50% of all new construction in wood.

2023-2025

Wind farms constructed. Tougher requirements on district heating suppliers. Large part of portfolio has charging stations. Strict requirements on climate-effective construction process.

2026-2030

Large share of service vehicle fleet electrified. The entire energy needs of the company covered by solar and wind power, while expansion of capacity continues. Emissions from construction process sharply decreases.

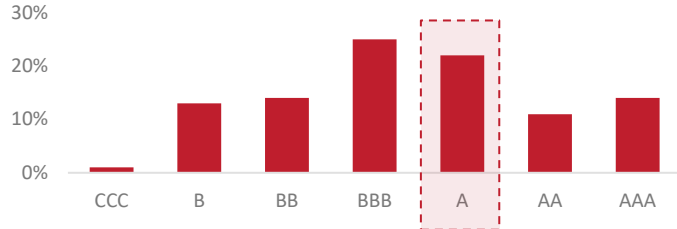


RECOGNITION OF ESG PERFORMANCE

ESG ratings



Upgraded from BB to A



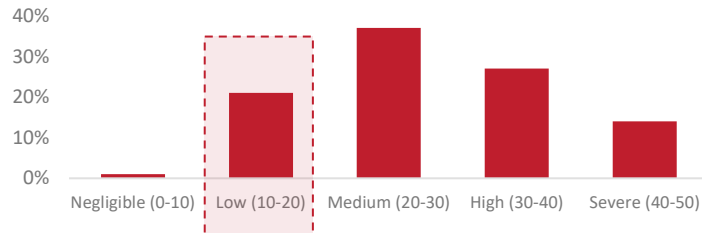
MSCI
ESG RATINGS



CCC | B | BB | BBB | **A** | AA | AAA



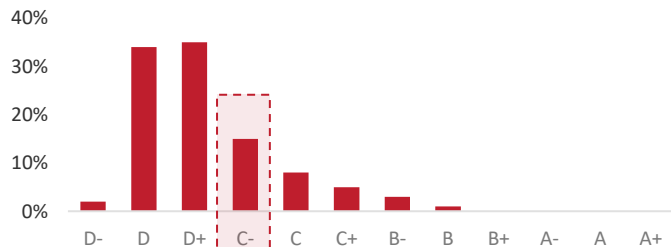
Risk reduced by 2.4 to 11.5,
threshold for negligible ESG-Risk is 10.0

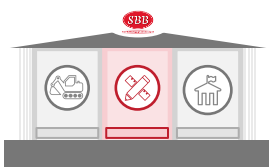


Peers (Market cap \$7.6-\$9.6bn)	Exposure	Management	ESG-Risk Rating
1. Samhällsbyggnadsbolaget i Norden AB	27.2 Low	58.5 Strong	11.5 Low
2. Castellum AB	27.9 Low	57.2 Strong	12.2 Low
3. Swiss Prime Site AG	28.9 Low	39.5 Average	17.6 Low



Quality score 1 in
Social Sustainability: **Industry Leader**¹





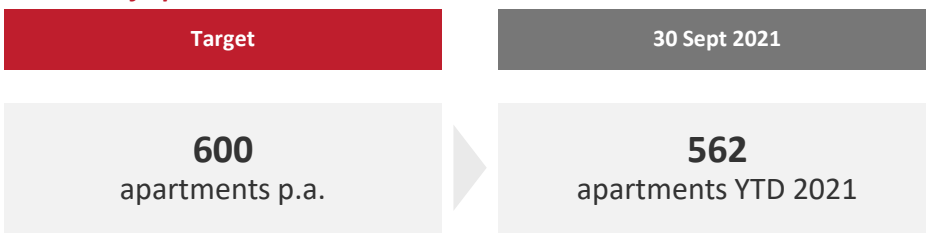
INVESTMENTS IN EXISTING PORTFOLIO

Significant renovations upside potential with a clear ESG focus

- ✓ Energy reduction from renovations average ~28%
- ✓ ~6-8% yield on cost from energy reducing investments
- ✓ Vision of becoming the world's most sustainable property company by 2030
- ✓ 86 percent have been environmentally decontaminated

Significant upside potential in non-renovated residential portfolio

Number of apartment renovations

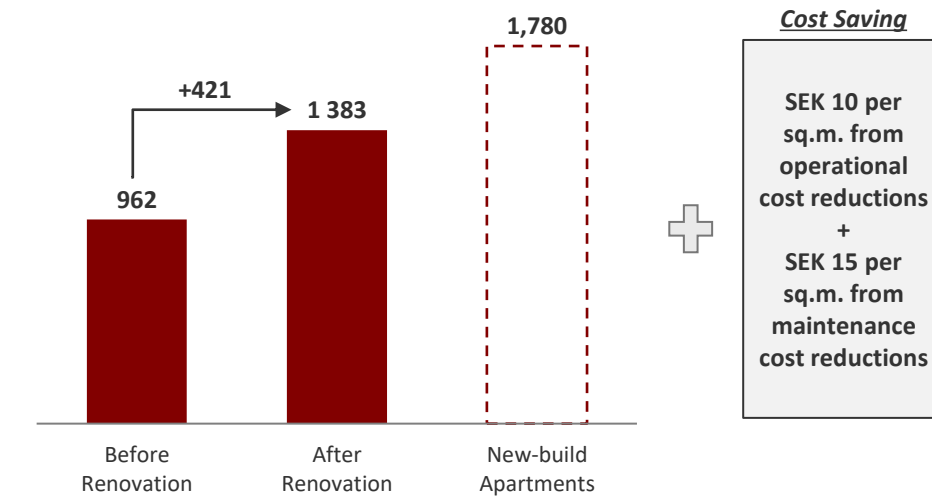


Upside potential

- 75% of property portfolio is non-renovated
- Significant upside potential

Significant avg. rental uplift after renovations in residential portfolio

Average rent (SEK) per sq.m.: +SEK 421 after renovation



NOI margin improvement from c. 54% to c. 70% on renovated apartments



5-7% net yield on cost

Value-enhancing renovations across the community service and residential properties with a clear vision of becoming the world's most sustainable property company. Estimated total recurring earnings effect per year: SEK 600m

SBB'S VALUE-ADD STRATEGIES

VALUE-ADDING TRANSACTIONS



Oscar Lekander
Head of Business Development
 Industry experience
 11 years



Carl Lundh Mortimer
Senior Business Development Manager
 Industry experience
 9 years



Magnus Edlund
Senior Business Development Manager
 Industry experience
 32 years



Joakim Bill
Transaction Manager
 Industry experience
 11 years



Linus Eklund
Business Development Manager
 Industry experience
 6 years



Lovisa Sörensson
Analyst
 Industry experience
 5 years



Jenny Diaz Jernberg
Business Development Manager
 Industry experience
 8 years



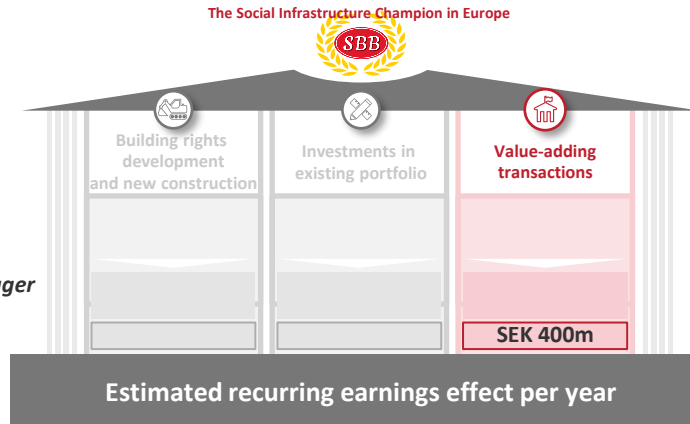
Fredrik Cronqvist
Senior Business Development Manager
 Industry experience
 16 years



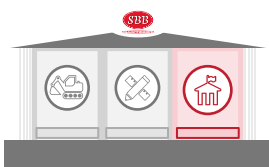
Päivi Loukusa-Virta
Investment Manager
 Industry experience
 15 years



Cathrine Hansli
Investment Manager
 Industry experience
 12 years

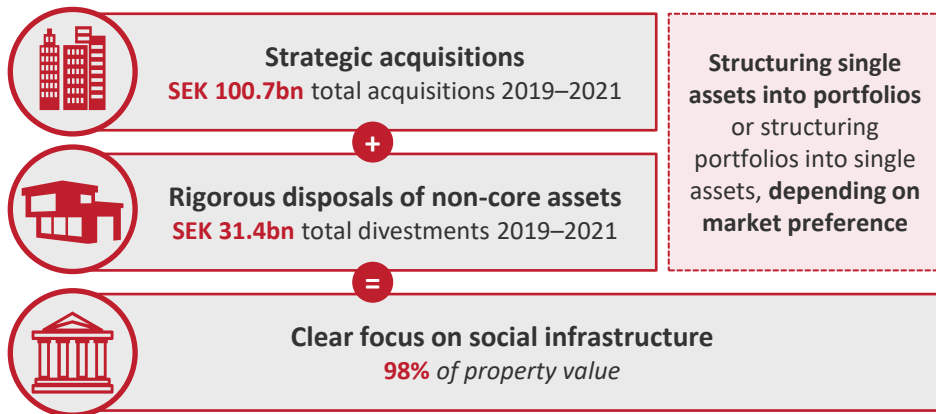


- ✓ The #1 real estate M&A team in Europe enabling off-market transactions at attractive valuations
- ✓ Local presence in all relevant geographies gives insight into local markets and facilitates sourcing
- ✓ The #1 acquirer of Nordic real estate by transaction volume
- ✓ The #1 acquirer of Nordic community service properties by transaction volume



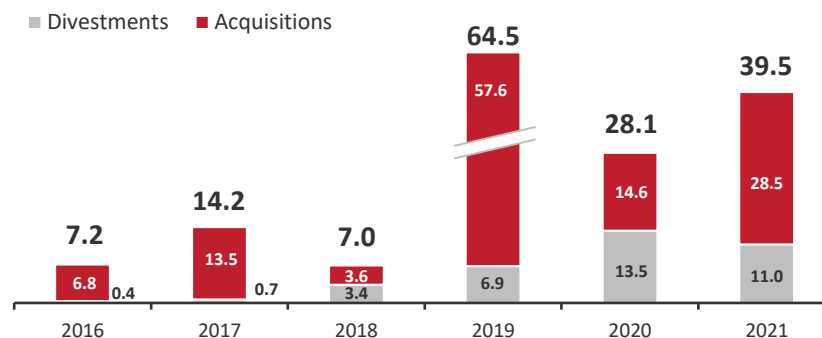
VALUE-ADDING TRANSACTIONS

Clear M&A strategy in the world's safest real estate class



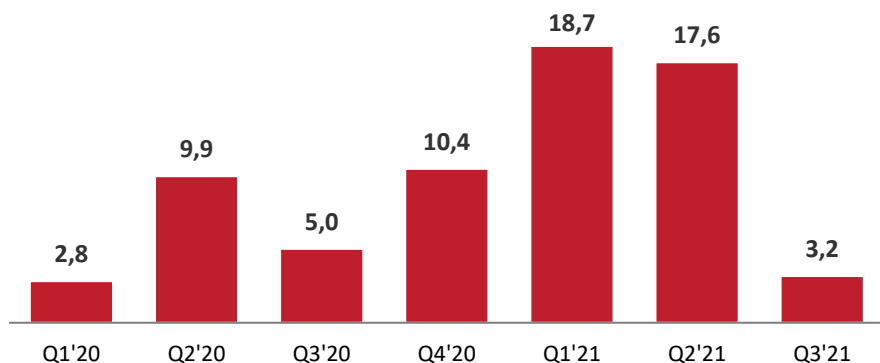
Significant transaction volume since inception

Yearly transaction volume (SEKbn)



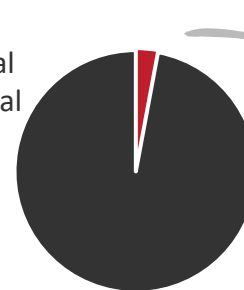
Social infrastructure – a low-risk and highly liquid market

SBB's quarterly transaction volume per (SEKbn)



Largely unexploited market

SEK 4,000bn, total size of Nordic social infrastructure market



SBB has a clear strategy of acquisitions to reach target of SEK 300bn property value by 2026. Estimated recurring earnings effect per year: SEK 400m

WORLD-CLASS TEAM UNLOCKING FULL POTENTIAL TO SBB'S SHAREHOLDERS THROUGH THREE VALUE-ADD STRATEGIES BEYOND TRADITIONAL PROPERTY MANAGEMENT

The Social Infrastructure Champion in Europe



Committed to value-add strategies



Building rights development
and new production



Investments in
existing portfolio



Value-adding
transactions

SEK +2,000–2,500m

SEK +600m

SEK +400m

Total value creation

Property Management as the foundation of our business model,
providing passing rent of SEK 6.2bn of which 98% are coming from "AAA" economies and rent-regulated residentials

THE SOCIAL INFRASTRUCTURE CHAMPION IN EUROPE



- 1** **Stable cash flow** – Backed by AAA-countries
- 2** **Growth fueled by unique investment platform combining property management with our three value-add strategies** – Building right development and new production, investments in existing portfolio and value-adding transactions
- 3** **Dividend** – Ambition to propose dividend of SEK 1.32 per A- and B class share (increase by 1,220% since 2017) to be paid monthly.
- 4** **Rating** – Key ratios delivered for BBB+
- 5** **Strategic sustainability** – The core of our business model

IN SUMMARY...

“New guidance – Forecast for 2021, earnings per ordinary share A and B are estimated to be SEK 9.80 – increased from SEK 7.80 in the second quarter”

1

SBB is now a well-oiled machine where all segments of the property management business and our three value-add strategies contribute every quarter to deliver and exceed the plan.

Profit after tax was SEK 13.3bn, an increase of **132** percent compared with the first nine months of last year, **the surplus ratio was 70 percent** for the period and our **return on equity over the past 12 months is 33 percent**.

2

Our value-add strategies continue to deliver quarter after quarter. Only the profit from our two value-adding strategies Development of building rights & new production, and Investments in existing portfolio ended up at **SEK 3.0bn** for **the first nine months of 2021**, corresponding to earnings per series A and B ordinary share of **SEK 2.23** for the nine-month period.

Earnings capacity for 12-months rolling increased with **63% to SEK 4.67** per ordinary A and B share for the third quarter.

3

Profit from property management per ordinary series A and B share over the past 12 months exceeded **60 percent**. For the first nine months of the year, the like for like increase in rental income compared with the corresponding period last year was **1.7 percent**, which was **140** basis points above last October's CPI, which is the principal base for the rent increase. Following this, **the net operating income increased like for like by 3.0 percent**.

4

The **interest coverage ratio** continues to increase. At the end of the period, it was **5.7 times**. We have **SEK 130bn in unencumbered assets** and long average debt maturity and long fixed interest rate maturities. Our ratio of unencumbered assets is among the highest in Europe and we show that we have the conditions for a **BBB+ rating**. SBB had an **average interest rate of 1.11 percent** at the end of the third quarter.

The quality of our assets, both in terms of the security of the rental flows and of their liquidity in the transaction market, has proven to be among Europe's most secure in challenging times. This commits us to continue building Europe's largest property company focused on secure assets. We continue to deliver results and shareholder value.”

THANK YOU!



Samhällsbyggnadsbolaget
