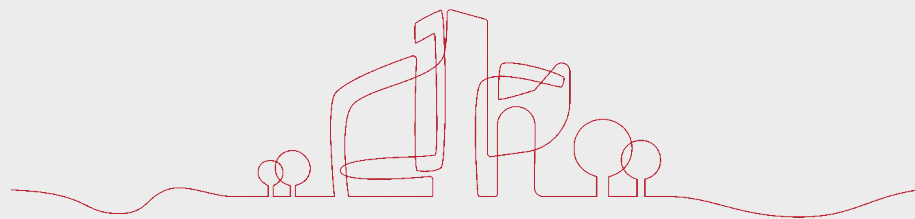




Q3 PRESENTATION

November 2024



TODAY'S PRESENTERS



LEIV SYNNES
CEO



DANIEL TELLBERG
Finance Director



HELENA LINDAHL
Treasury Director

HIGHLIGHTS FOR THE PERIOD

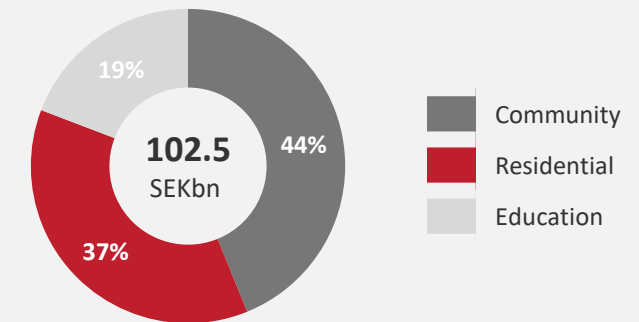
- Rental income increased by 5.9 %, like-for-like
- NOI increased by 7.4 %, like-for-like
- Financial stability and liquidity remain a priority
 - Reduced debt by SEK 43.4bn in the last 24 months, like-for-like
- Property valuation decrease levels off. Value decrease of 0.8% in the quarter
- SBB's dispute with a single opportunistic hedge fund is expected to be resolved by March 2025 in the English courts
- Strategy execution on-track

53.9	SEKbn, Property value	102.5	SEKbn Total property exposure	4.9 %	Yield
5.9 %	Rental income increase, like-for-like	7.4 %	Net Operating Income increase, like-for-like	8.4 %	EPRA Vacancy Rate
62 %	Loan-to-value Q3 2024	2.3 %	Average interest rate	1.7 x	Interest coverage ratio

Properties

SEK **102.5**bn

Total property exposure including share of significant holdings



SEKbn	Property value	Share of property value, significant holdings
Community	24.8	18.4
Residential	28.5	5.9
Education	0.6	19.1
Total	53.9	43.3

*Investments in other associated companies totalling SEK 5.3bn

STRATEGY EXECUTION ON-TRACK

Progress since June:

- ✓ **Bond exchange in July generated SEK 1.6bn equity to shareholders**
 - New bonds in Sveafastigheter which can be repaid without cost

- ✓ **Listed Sveafastigheter in October**
 - Sweden's largest listed pure-play housing company
 - Operations focused on core business
 - Investment grade structure
 - New credit lines in Sveafastigheter post IPO

- ✓ **Raised SEK 8.6bn with investment grade rating in Nordiqus**
 - Additional SEK 1bn in credit facilities
 - SBB:s share of dividend for Q4 is estimated to SEK 250m

- ✓ **PPI received investment grade rating BBB- with positive outlook**
 - First property acquisitions since IPO, NOK 240m

- ✓ **Executing on project development**
 - Divestment of properties in Västerås and Flen



TRANSPARENT GROUP STRUCTURE

Community

Total property exposure

SEK **45.0** bn

Property value

SEK **24.8** bn

SBB's share of property portfolios in
JV and Associated companies

SEK **20.2** bn

Residential

Total property exposure

SEK **37.9** bn

Property value

SEK **28.5** bn

SBB's share of property portfolios in
JV and Associated companies

SEK **9.4** bn

Education

Total property exposure

SEK **19.7** bn

Property value

SEK **0.6** bn

SBB's share of property portfolios in
JV and Associated companies

SEK **19.1** bn



Transparent



Funding options



COMMUNITY

- Leading and scalable platform
- Elderly care 27% of the property portfolio
- Sustainability at the core of the business model
- Government-funded tenants, minimal risk of rent loss
- Partnership confirms the strong value of the portfolio
- Rental income close to 100% CPI-linked

SEK **45.0** bn

Property exposure including JV
and significant holdings

Key figures per Q3 2024

Consolidated properties



SEK **24.8** bn

Property value

5.63 %

Yield

8 years

WAULT

JV and Associated companies



public property invest & others

SEK **18.4** bn

SBB's share of property
portfolios in significant
holdings

SEK **1.8** bn

SBB's share of property
portfolios in other
holdings

SEK **5.3** bn

Net Investment in
significant holdings



RESIDENTIAL

- Residential holdings are concentrated to Sveafastigheter
- Sveafastigheter was made independent and listed on Nasdaq Stockholm in October 2024 to enhance funding opportunities for Sveafastigheter and to reduce debt in SBB
- Beneficial market conditions
 - Rent development for Swedish-regulated tenancies driven by population growth and real economic development
 - Rent is expected to increase significantly faster than inflation in the coming years

SEK **37.9** bn

Property exposure including JV and significant holdings

Key figures per Q3 2024

Consolidated properties



Sveafastigheter

SEK **28.5** bn

Property value

4.14 %

Yield

SEK **1,383**

Avg. rent per sq.m

JV and Associated companies

SBB Residential Property AB & others

SEK **5.9** bn

SBB's share of property portfolios in significant holdings

SEK **3.5** bn

SBB's share of property portfolios in other holdings

SEK **3.0** bn

Net Investment in significant holdings

EDUCATION

- SBB co-owns Nordiqus with Brookfield, one of the world's largest infrastructure investors
- Nordiqus is Europe's leading public education property platform with growth potential
- Government-backed income, high lease renewal rate and close to 100% CPI-linked
- High asset quality with predictable earnings has enabled refinancing with an infrastructure investment grade rating
- Expected dividend from Nordiqus for Q4 is SEK 250m

Key figures per Q3 2024

SEK **19.7** bn

Property exposure including JV
and significant holdings

Consolidated properties



SEK **0.6** bn

Property value

JV and Associated companies

Nordiqus

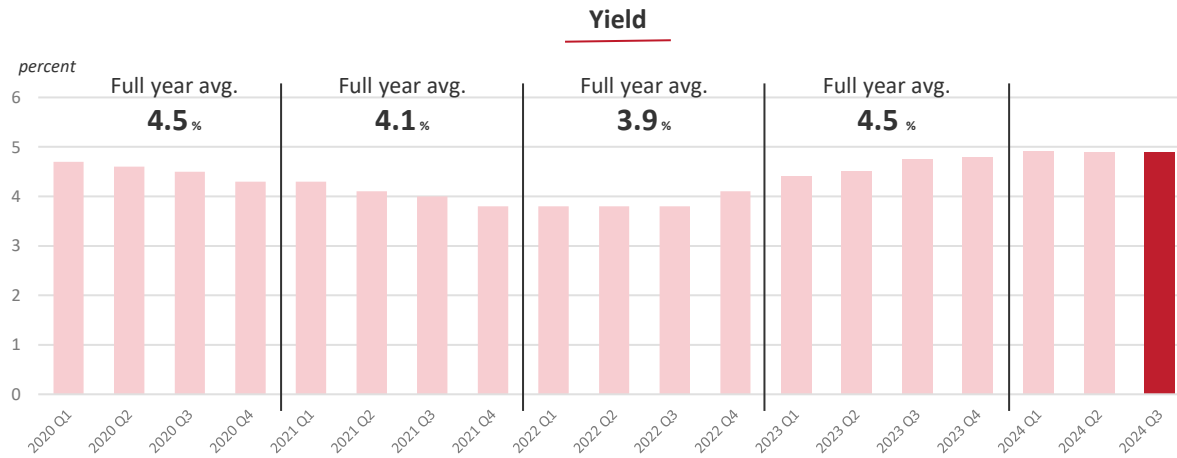
SEK **19.1** bn

SBB's share of property
portfolios in significant
holdings

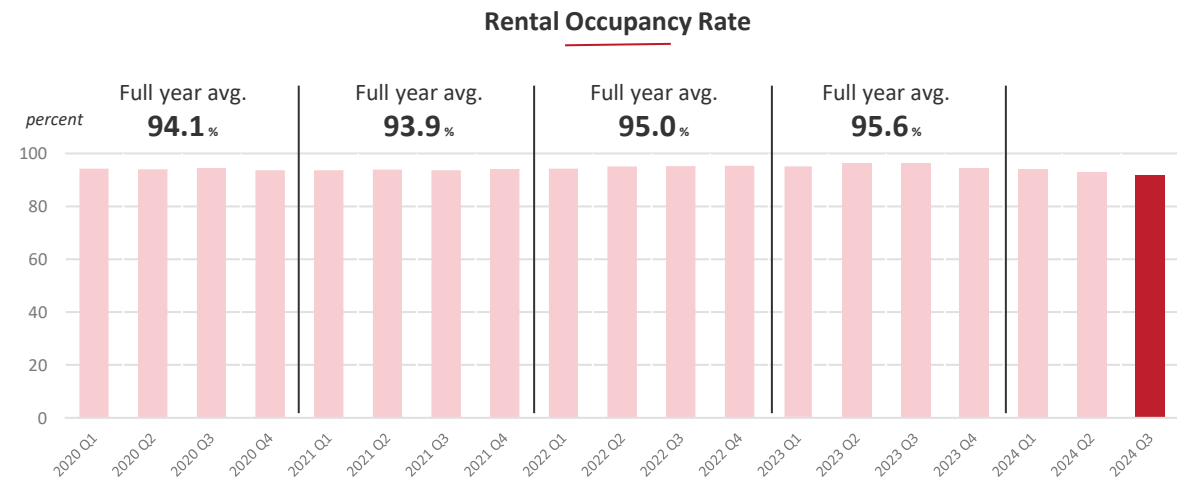
SEK **14.3** bn

Net Investment in
significant holdings

STABILISED YIELD AND STABLE OCCUPANCY



4.9 % Yield
Q3 2024



92 % Rental
Occupancy Rate
Q3 2024

FINANCIAL STATEMENTS



CONTINUED IMPROVEMENT OF NOI

5.9 %

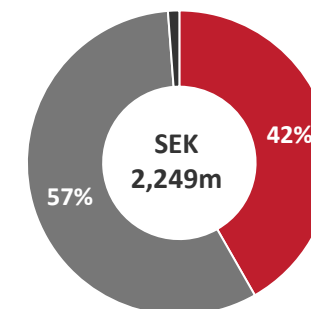
Rental income increase, like-for-like Jan-Sep 2024

7.4 %

Net Operating Income increase, like-for-like Jan-Sep 2024

NOI for the period

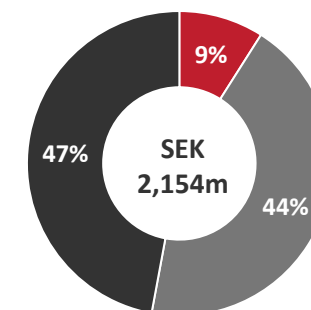
1 January 2024 – 30 September 2024



■ Residential ■ Community ■ Education

Share of NOI for the period in significant holdings

1 January 2024 – 30 September 2024



■ Residential ■ Community ■ Education

SEKm	Period, like-for-like		Change, %
	1 Jan 24 – 30 Sep 24	1 Jan 23 – 30 Sep 23	
Rental income	2,064	1,949	5.9
Total costs	-619	-603	2.8
Net Operating Income	1,445	1,346	7.4

KEY TAKEAWAY'S – CONSOLIDATED INCOME STATEMENT FOR Q3 2024

SEKm	Q3 2024	Q3 2023	Profit impact	Like-for-like change
Net operating income	589	927	-338	+3.7%
Admin & Restructuring expenses	-187	-298	+111	
Profit before financial items, value changes in properties and goodwill	401	628	-227	
Changes in value, property	-913	-3522	+2,609	
Impairment of goodwill	-1,107	-123	-984	
Other	-4	-2	-2	
Operating profit	-1,623	-3,018	+1,395	
Results from associated companies/joint ventures	-364	-701	+337	
Credit losses on receivables from associated companies/joint ventures	-188	-	-188	
Net interest	-48	-215	+167	
Other financial items	306	806	-500	
Tax	-88	655	-743	
Profit for the period, Continued operations	-2,005	-2,473	+468	
Profit for the period, Discontinued operations	-	-2,289	+2,289	
Profit for the period	-2,005	-4,762	-2,757	

Comments

- Strong NOI growth like-for-like
- Reorganization and legal processes are generating temporary high central costs. Ambition to reduce by 50% by the end of 2025
- Changes in property value have levelled off
- Rent development and lower capital costs are expected to lead to positive property value changes in the long term

KEY TAKEAWAY'S – CONSOLIDATED BALANCE SHEET FOR THE PERIOD

Comments

- Reduction in investment properties mainly related to transactions with JV:s and associated companies

Property portfolio change, SEKm

Opening fair value, 1 Jan 2024	73,205
Winding-up of joint ventures and associated companies	3,404
Other acquisitions	677
Investments	798
Establishment of JVs	-15,212
Contributions to JVs – Sveafastigheter preparation	-1,699
Sales to minority shareholders	-3,096
Other sales	-978
Unrealized value changes	-3,233
Reclassification	-92
Translation differences	93
Fair value at end of period	53,867

SEKm	2024-09-30	2023-09-30	2023-12-31
Goodwill	1,264	2,717	2,692
Investment properties	53,867	76,198	73,205
Other tangible assets	757	536	499
Net investment in JV:s and associated companies	24,221	9,896	22,715
Other financial fixed assets	1,553	3,804	3,295
Total fixed assets	81,661	93,151	102,405
Total current receivables and assets	1,415	1,777	1,642
Cash and cash investments	1,817	2,371	4,060
Total assets	84,894	139,934	108,107

FINANCING IN NEW MARKET CONDITIONS

- Main focus to reduce debt level and dependence on individual sources of financing
- Long-term ambition of returning to investment grade rating
- Increase in loan-to-value due to dividend payout, hybrid reduction, and property value change

62%

Loan to value
Q3 2024

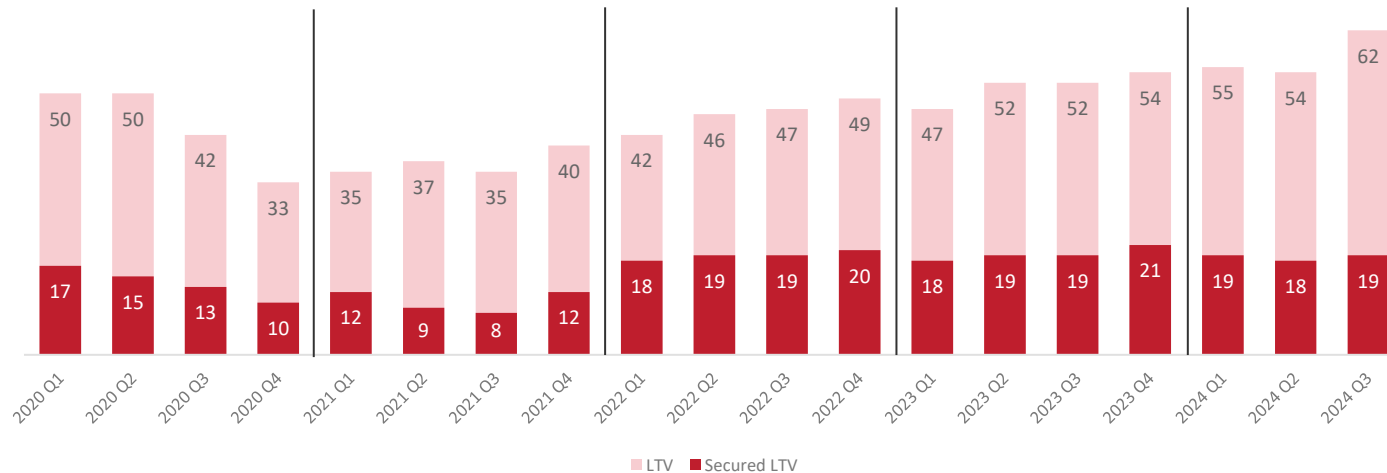
19%

Secured Loan-to-value
Q3 2024

1.7x

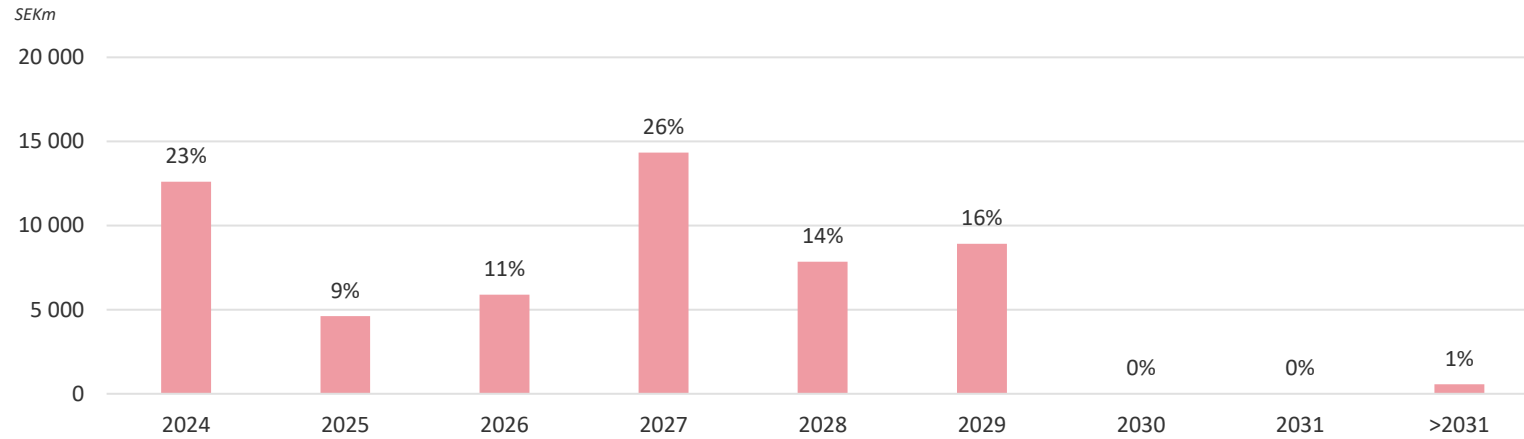
Interest coverage
ratio Q3 2024

Loan to value, %



ATTRACTIVE LONG-TERM FUNDING

Interest Rate Maturity



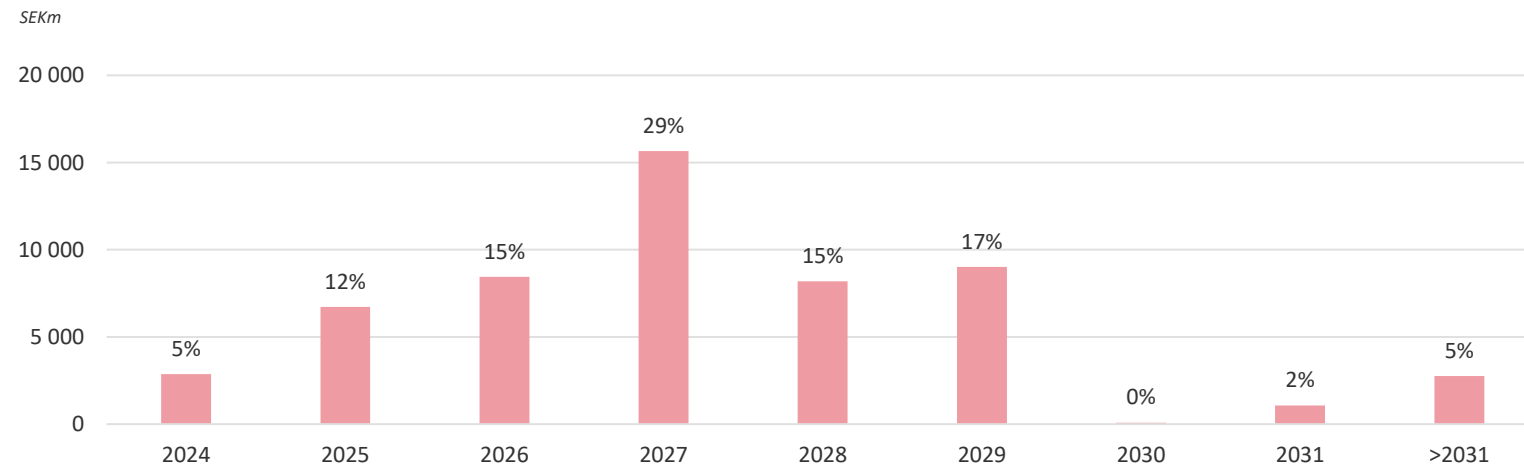
3.0 years

Average interest maturity
Q3 2024

2.33 %

Average interest rate
Q3 2024

Debt Maturity



3.3 years

Average debt maturity
Q3 2024

67 %

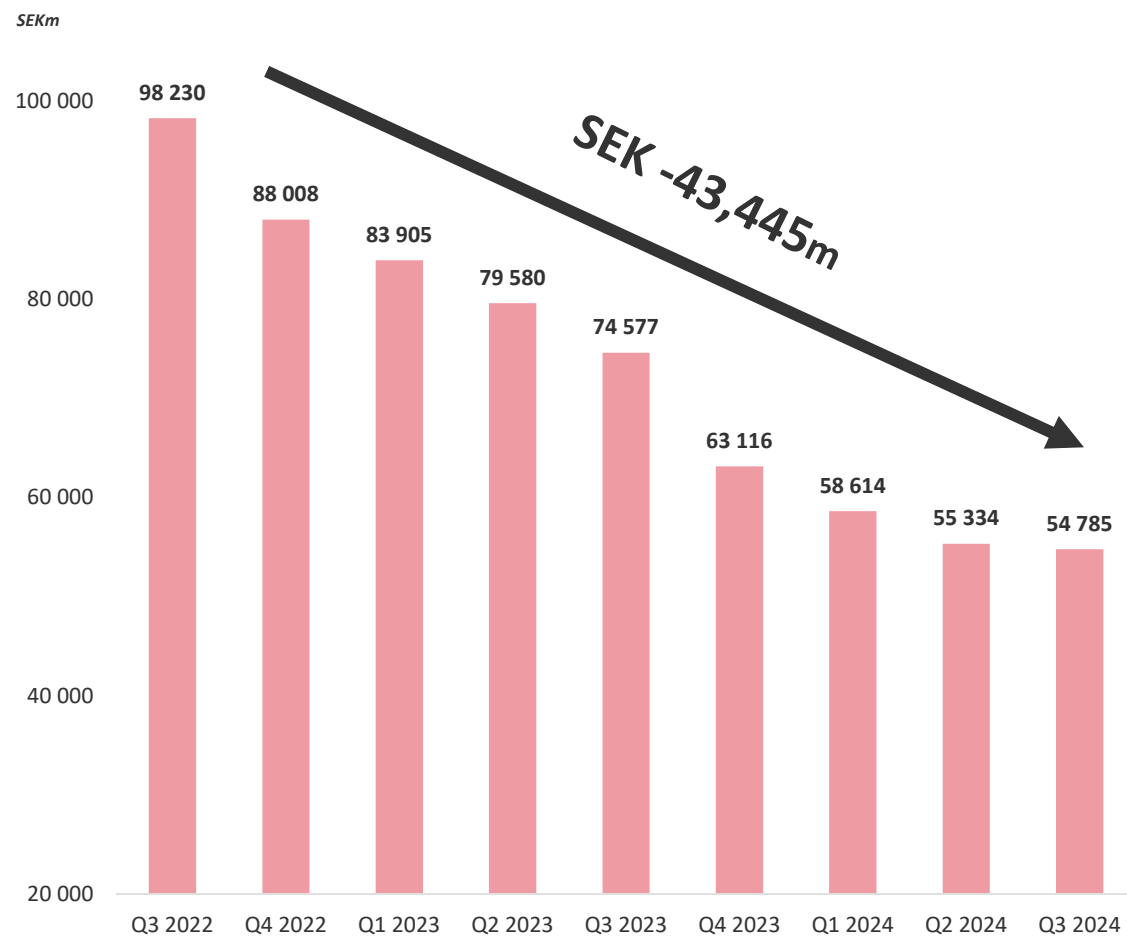
With maturity
later than 2026 per
Q3 2024

2.37 %

Average interest of debt
with maturity later than
2026 per Q3 2024

LIQUIDITY HAS FACILITATED NOMINAL DEBT REDUCTION

Nominal Debt, FX like-for-like



Methods for Continued debt reduction

- No additional dividend
- Limited property investments
- Limited new acquisitions

- Mainly repay maturing debt
- Direct sale of real estate

- Raise equity in subsidiaries

TO SUMMARIZE



- 1 Decentralized group structure with three focused business areas
- 2 Operates in countries with strong credit ratings and favorable population growth
- 3 Property portfolio characterized by a high occupancy rate, long lease contracts and strong NOI growth
- 4 Returning to financial stability with well-positioned and well-financed core holdings

Q&A

THANK YOU



Samhällsbyggnadsbolaget