



Samhällsbyggnadsbolaget



SAMHÄLLSBYGGNADSBOLAGET  
I NORDEN AB (PUBL)

JANUARY–JUNE 2021

Q2

# Summary of period

## First halfyear

### The period in brief

- Rental income was SEK 2,776m (2,664).
- The operating surplus was SEK 1,876m (1,817).
- Cash flow from operating activities before changes in working capital was SEK 1,132m (1,179).
- Profit before tax increased to SEK 10,059m (2,019), of which:
  - Profit from property management is included in the amount of SEK 1,442m (924). The profit from property management includes costs for early repayment of loans and other non-recurring costs of SEK -197m (-154).
  - Changes in the values of properties are included in the amount of SEK 7,404m (1,789).
  - Changes in the values of financial instruments are included in the amount of SEK 1,221m (-266).
- Profit for the period was SEK 9,293m (2,595) after the deduction of deferred tax of SEK -669m (200) and current tax of SEK -105m (-52), corresponding to earnings per series A and B ordinary share of SEK 5.94 (1.80) before dilution.
- The value of the property portfolio amounted to SEK 116.8bn (73.0).
- Long-term net asset value (EPRA NRV) was SEK 43,992m (25,246), corresponding to SEK 31.02 (19.91) per share.

### Significant events during the second quarter

- In June, SBB acquired 13,975,000 shares in JM AB (publ) at a price of SEK 326.30 per share,

corresponding to SEK 4.56bn. The transaction corresponds to 20.08 percent of the shares and votes in JM, which thus becomes an associated company to SBB.

- As of 3 May, SBB holds 98 percent of the total shares and votes in Offentliga Hus following the implementation of the public bid offer. SBB has called for mandatory redemption to acquire the shares not been submitted through the offer. It was further requested that trading in Offentliga Hus shares on the Nasdaq First North Premier Growth Market cease, and the final day for trading in Offentliga Hus shares was 14 May 2021.
- In June, SBB sold its holding of a total 14,947,109 shares in Entra ASA at a price of NOK 210 per share, corresponding to approximately NOK 3.14bn. Sales entail a return of approximately 10 percent return during the holding period, corresponding to 20 percent on an annual basis.
- At the end of the quarter, 70 percent of Riksbyggen's rented residential company Unobo was acquired for a total SEK 2,064m for the shares. Unobo currently owns 5,368 apartments in metropolitan regions and university locations. In addition to SBB, 30 percent of the company will be held by Riksbyggen.
- In June, SBB announced an invitation to holders of the mandatory convertible of SEK 2.75bn, maturing in 2023 to exercise their voluntary conversion rights in accordance with the terms of the convertibles. At the last offer date, a combined total of SEK 2,672,000,000 convertibles, corresponding to 97.2 percent, had been validly submitted for conversion

into series B shares in accordance with the invitation. Through the conversion, the number of shares in the company increased by 88,739,493 series B shares.

- During the quarter, SBB issued a social perpetual hybrid bond of EUR 500m. The bond has a term of 5.6 years until initial redemption and bears a fixed coupon rate of 2.875 percent. During the quarter, unsecured social bonds were also issued for EUR 750m, with a maturity of 8.5 years and a fixed coupon of 1.125 percent.
- During the quarter, SBB sold properties in Norway in the public offices and judiciary segments for an agreed property value of approximately NOK 1.2bn. Additional sales of non-strategic properties have been made for approximately SEK 1.7bn. The sales totals for the transactions exceeded the most recent external valuations by 10 percent. During the quarter, acquisitions were made for a total SEK 12bn.

### Significant events following the end of the quarter

- After the end of the quarter, the company carried out external valuations of transactions signed after the end of the quarter and agreements that will be entered into over the next 12 months. These transactions relate to community service properties with an average contract length of 36 years and residentials comprising 790 newly produced apartments. The valuation shows a surplus value that exceeds the value on acquisition (cost)/investments by SEK 1,253 million.

SEK 116.8bn

Property value  
30 June 2021

SEK 2.8bn

Rental income  
January-June 2021

SEK 9.3bn

Profit for the period  
January-June 2021

SEK 1,132m

Cash flow from operating activities  
January-June 2021

SEK 5.94/SHARE

Earnings per share  
30 June 2021

1.13%

Average interest rate  
30 June 2021

# SBB key ratios

	01-01-2021 30-06-2021	01-01-2020 30-06-2020	01-04-2021 30-06-2021	01-04-2020 30-06-2020	01-01-2020 31-12-2020
<b>Property-related key ratios</b>					
Market value of properties, SEKm	116,845	72,974	116,845	72,974	90,185
Number of properties	1,902	1,302	1,902	1,302	1,618
Number of sqm, thousands	4,943	3,715	4,943	3,715	3,958
Surplus ratio, %	68	68	70	70	68
Yield, %	4.1	4.6	4.1	4.6	4.3
Economic letting ratio, %	93.9	94.0	93.9	94.0	93.6
Average contract length of social infrastructure properties, years	9	7	9	7	9
<b>Financial key ratios</b>					
Rental income, SEKm	2,776	2,664	1,451	1,323	5,121
Net operating income, SEKm	1,876	1,817	1,018	922	3,479
Profit for the period, SEKm	9,293	2,595	6,558	1,223	9,084
Cash flow from operating activities before changes in working capital, SEKm	1,132	1,179	743	758	2,232
Equity excluding non-controlling interests, SEKm	44,147	24,770	44,147	24,770	37,245
Return on equity, %	16	8	11	3	22
Loan-to-value ratio, %	37	50	37	50	33
Secured loan-to-value ratio, %	9	15	9	15	10
Equity/assets ratio, %	41	38	41	38	43
Adjusted equity/assets ratio, %	45	42	45	42	48
Interest-coverage ratio, multiple	5.2	3.5	-	-	4.1
<b>Share-related key ratios</b>					
Actual net asset value (EPRA NTA), SEKm	35,597	18,463	35,597	18,463	29,724
Actual net asset value (EPRA NTA), SEK/share	25.10	14.56	25.10	14.56	22.36
Actual net asset value (EPRA NTA) after dilution, SEK/share	25.10	14.56	25.10	14.56	20.86
Long-term net asset value (EPRA NRV), SEKm	43,992	25,246	43,992	25,246	37,505
Long-term net asset value (EPRA NRV), SEK/share	31.02	19.91	31.02	19.91	28.21
Long-term net asset value (EPRA NRV) after dilution, SEK/share	31.02	19.91	31.02	19.91	26.32
EPRA Earnings (Profit from property management after tax paid), SEKm	531	549	232	463	1,638
EPRA earnings (EPS), SEK/share <sup>1</sup>	0.40	0.43	0.17	0.37	1.29
EPRA earnings after dilution (EPS diluted), SEK/share	0.40	0.43	0.17	0.36	1.25
EPRA Vacancy rate	6.1	6.0	6.1	6.0	6.4
Earnings per series A and B ordinary share, SEK	5.94	1.80	4.05	0.86	6.41
Earnings per series D ordinary share, SEK	1.00	1.00	0.50	0.50	2.00
Average number of series A and B ordinary shares	1,329,972,631	1,263,712,746	1,330,457,517	1,268,092,596	1,270,977,083
Average number of series D ordinary shares	188,754,109	106,285,043	193,577,118	106,519,951	130,778,598
Average number of preference shares	-	30,713	-	30,713	30,713
Number of series A and B ordinary shares	1,418,221,851	1,268,092,596	1,418,221,851	1,268,092,596	1,329,482,358
Number of series D ordinary shares	193,865,905	106,519,951	193,865,905	106,519,951	179,881,880
Number of preference shares	-	30,713	-	30,713	30,713

1) New definition  
See all definitions and calculations on pages 44-46



# Samhällsbyggnadsbolaget i Norden

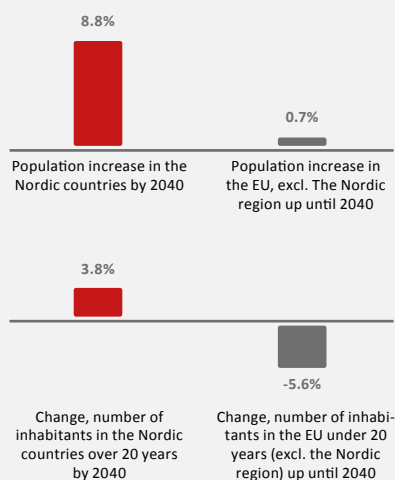
Ilija Batljan founded SBB in March 2016 with the vision of building the best Nordic property company focused on residential and social infrastructure properties. The company's strategy is to own, manage and develop community service properties in Sweden and social infrastructure properties in the Nordics over the long term. The company also aims to actively conduct project and property development to develop new social infrastructure.

SBB operates in a market 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 rent-regulated residentials in Sweden. 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 months

Classification	Rental income, SEKm	Total, %
Rental apartments	1,314	21
Building rights for future residentials	59	1
<b>Total, residentials</b>	<b>1,372</b>	<b>22</b>
Elderly care	768	13
LSS	412	7
Building rights for future publicly funded housing	0	0
<b>Total publicly funded housing</b>	<b>1,180</b>	<b>19</b>
Education	1,595	26
<i>Preschool</i>	470	8
<i>Primary school/upper-secondary school</i>	766	12
<i>University</i>	359	6
Hospitals and health centres	420	7
Central government infrastructure and police and judiciary	536	9
Municipality and department properties	331	5
Public offices	422	7
Other	2	0
Building rights for future community service properties	153	2
<b>Total community service properties</b>	<b>3,460</b>	<b>56</b>
<b>Total, social infrastructure</b>	<b>6,012</b>	<b>98</b>
Other	125	2
<b>Total</b>	<b>6,137</b>	<b>100</b>

## Driving factors



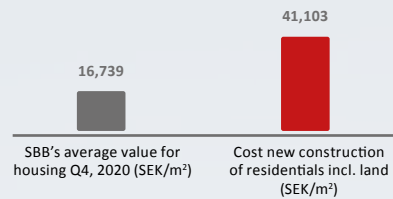
# Driving factors

## Why a low risk asset?

## Driving force

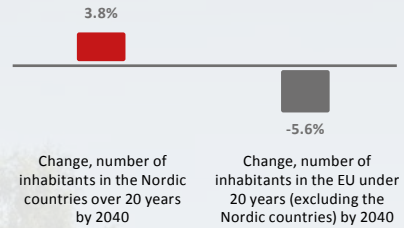
### Rental apartments

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 tenancies



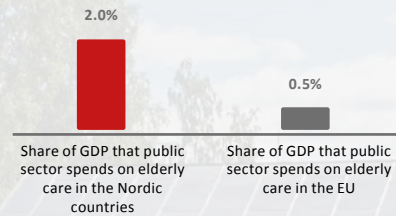
### Education

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



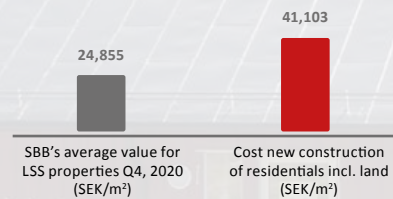
### Elderly care

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



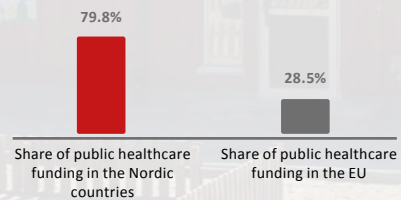
### LSS

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



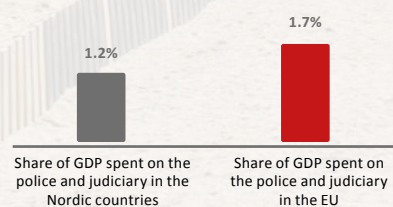
### Hospitals & health care centres

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 Nordic countries 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, ministries, 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

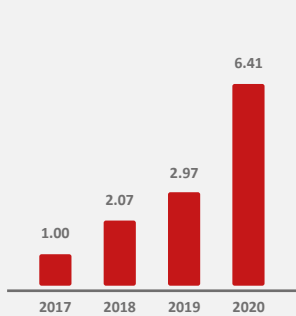
The business model builds on managing the world's most secure assets complemented with three value-adding strategies with the potential to generate value through the development of building rights and new production, investments in the existing portfolio and value-generating transactions. Through its business model, SBB generates long-term, sustainable shareholder value through a high risk-adjusted annual return.



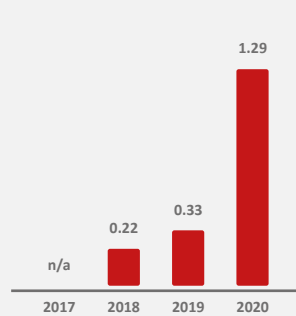
## Focus on delivery

- 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)

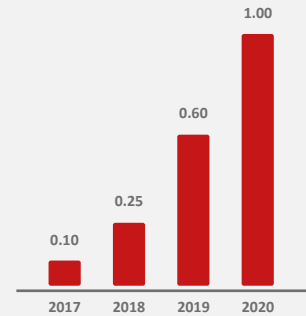
Earnings per series A and B ordinary share, SEK



EPRA earnings (EPS), SEK/share



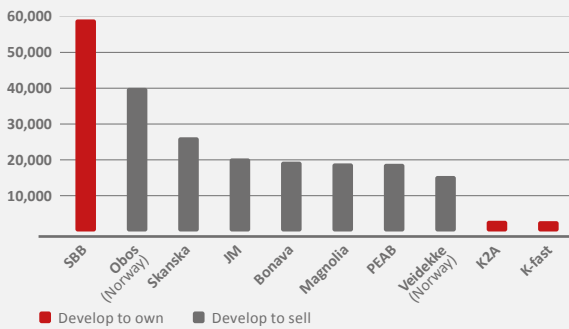
Dividend per series A and B ordinary share, SEK



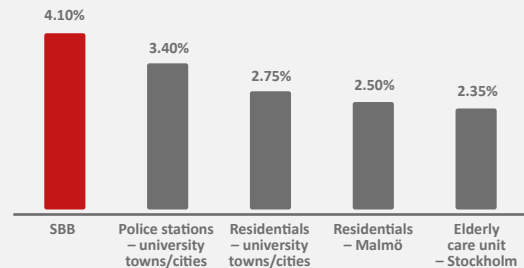
## Growth potential

### The largest Nordic property developers ranked by the building rights

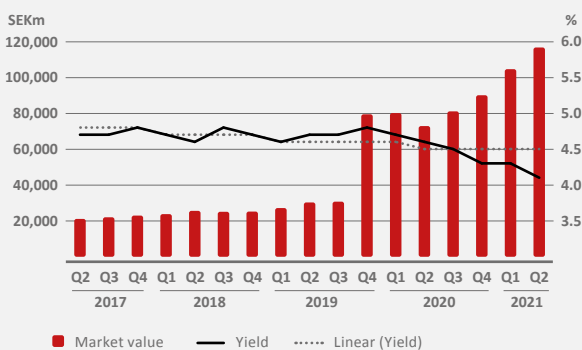
(number of apartments specified by an average area per 70 m<sup>2</sup> per apartment)



### Yield – comparison of current transactions



### The value of the properties (SEKm) & yield



### Profit from property management – rolling 12 months (SEKm) & average contract length (years)



# CEO Ilija Batljan

Samhällsbyggnadsbolaget i Norden AB (SBB) owns properties valued at SEK 117bn and continues to deliver strong profits, secure cash flows and high growth with ever-increasing earnings capacity per share as a result.

Samhällsbyggnadsbolaget i Norden AB (SBB)'s income comprises secure cash flows from property management of social infrastructure, which are supplemented with three income-generating value-adding strategies: building rights development & new production, investments in existing portfolios and value-generating transactions.

## **Earnings capacity, SEK 3.79 per series A and B share**

SBB's 12-month rolling earnings capacity rose by 49 percent compared with the second quarter of 2020 and amounted to SEK 5,368m (3,686) at the end of the first half of 2021. As of 30 June 2021, the earnings capacity per series A and B share was SEK 3.79, an increase of 30 percent over the past year.

## **Profit after tax was 9.3bn, which together with increased earnings capacity leads to a higher forecast for a profit of SEK 7.80 per series A and B ordinary share for full year 2021.**

Profit after tax was SEK 9.3bn, an increase of 258 percent compared with the first half of last year. Adjusted for non-recurring costs for, for example, the repayment of expensive loans and deductions for earnings attributable to preference shares, series D shares, hybrid bonds and minority interests, profit for the period amounted to SEK 6.09 per series A and B ordinary share. For the 2021 full year, we forecast earnings of SEK 7.80 per series A and B ordinary share. This is based on SBB's current earnings capacity and profit for the first half of 2021.

## **Profit from property management increased by SEK 428m, corresponding to 33 percent**

Adjusted for non-recurring costs, profit from property management increased by 33 percent in comparison with the first half of 2020 to SEK 1,713m (1,285). In addition to loan-repayment costs, non-recurring costs also included costs for loan redemption (SEK 168m), restructuring costs (SEK 29m) and unrealized currency effects (SEK 74m).

## **The highest net asset value growth 2019-2021...**

Two years ago, we communicated our goal of being able to deliver the highest annual increase in net asset value among all listed Swedish property companies for the years 2019-2021. The outcome for 2019 ended up at a high 73 percent per series A and B ordinary share. Last year, we continued to deliver strongly, increasing our net

asset value per series A and B ordinary share by 41 percent. During the first six months of the current year, the long-term net asset value has increased by 10 percent to SEK 31.02. The net asset value shows only a part of SBB's values and operations. One could relate the net asset value to SBB's property management operations and, in this case management, profit from

property management for the first half of the year of SEK 1.7bn, that is, profit from property management of SEK 1.29 per series A and B share for the six month period. As mentioned, however, in SBB's case, property management is supplemented by three additional value-adding strategies whose value is not reflected in the net asset value.





### ... and even stronger profit growth from the three value-adding strategies

Our value-adding strategies continue to out-deliver at all levels. By itself, the profit from our two value-adding strategies (Development of building rights & new production, and Investments in existing portfolio) ended up at SEK 1.7bn for the first half of 2021, corresponding to earnings per series A and B share of SEK 1.27 per share A and B for the six month period.

**1) Profit from Building rights development & new production for the first half of 2021** amounted to SEK 1,452m, compared with the target of SEK 1.0-1.4bn on an annual basis. At the end of the first half of the year, SBB's building rights and production portfolio, including joint ventures, amounted to approximately 59,000 apartments. Adding the 37,000 apartments in the JM portfolio, SBB would, with a total exposure of 96,000 apartments, be the European company with the greatest potential from future housing production.

**2) Profit from Investments in the existing portfolio in the first half of 2021** amounted to SEK 233m, compared with the target of SEK 600m on an annual basis. In the first half of 2021, SBB completed renovations that improve the net operating income of 375 apartments. A further 98 apartments are currently being renovated and the leases on 181 apartments have been terminated, with renovation planned to commence within a three-month period. In addition to apartment renovations, SBB is continuously upgrading the company's portfolio of community service properties. The total volume of these projects is approximately SEK 3,048m and, when these are completed, they will contribute to an increase in net operating income of SEK 181m on an annual basis. At the same time, the yield on cost for these value-generating projects is 5.9 percent, paving the way for strong value growth.

**3) The transaction team continues to deliver with property transactions for a total SEK 17.4bn during the second quarter of 2021.** Examples of value-adding transactions are sales of office properties in some transactions and, in some cases, 20 percent above the most recent valuation, the acquisition of 70 percent of the shares in Riksbyggen's residentials company Unobo and sale of the holding in Entra at a 10 percent profit, approximately SEK 300m during the holding period.

An important part of the company's social sustainability initiative is to contribute new elderly care units and LSS housing. The number of elderly care units to be managed in-house is set to increase sharply, with the target of doubling the total rental income from elderly care and LSS housing between 2020 and 2025, from the level of slightly more than SEK 800m to SEK 1.6bn annually. By the end of the first half of 2021, our income from elderly care units and LSS homes had increased to SEK 1,180m.

### Key ratios for a BBB+ rating have been delivered

At the end of the period, our pro forma net debt, adjusted for cash inflows from properties that have been sold but not yet transferred, liquid financial assets and 12 months' earnings divided by total capital, in accordance with S&P's definition of the loan-to-value ratio, amounted to 48 percent. We continue to raise our interest coverage ratio, which was a multiple of 5.2 at the end of the first half of the year. SBB has a very strong financial position with strong banking relations and access to the European credit market. At the end of the first half of the year, SBB had available funds in the form of cash and cash equivalents, liquid financial assets and available credit commitments of SEK 26.1bn. We have slightly more than SEK 112bn in non-pledged assets and long capital and fixed interest maturities. SBB had an average interest rate of 1.13 percent at the end of the first half of the year.


We have delivered the key figures required for a BBB + rating, although this is not yet reflected in the actual rating. We have respect for the fact that the rating institutes work in longer cycles and we will work to further strengthen our position. In line with this, we adjust our goal to reach a BBB + rating in the short term. We maintain the goal of reaching A- in the long term

### Sustainability is the core of our business model

SBB's focus on being completely climate neutral by 2030 is based on holistic thinking with a focus on energy investments, life cycle investments with a focus on building in wood and reduced carbon dioxide emissions from new production in concrete, and on generating renewable energy. Energy investments are being made with the aim of halving energy consumption. More than half of SBB's new production currently in development is built of wood. Wood is renewable, has a lower climate impact from refinement processes compared with other building materials and also has the capacity to store carbon dioxide. SBB is taking initiatives to generate conditions for being climate positive by producing renewable energy. We produce geothermal heat, builds solar cell plants to generate power and is planning for wind power.

### Prospects

For the 2021 full year, we are raising our forecast to earnings of SEK 7.80 per series A and B ordinary share. Today we are a large family with about 100,000 shareholders and some 300 employees who are located in many places in several countries. Our employees and our infrastructure form a unique investment platform that will continue to deliver strong earnings, secure cash flows and high growth. 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.

 SBB's shares are popular among the general public, with about 1 percent of the Swedish population being shareholders.

Of our SEK 117bn in property assets, residentials account for approximately SEK 52.5bn (45 percent), education properties for SEK 31bn (26 percent), health and medical care properties for approximately SEK 8bn (7 percent), and central government infrastructure, building rights and the judiciary for SEK 12bn (11 percent). In addition to residential properties on its own balance sheet, SBB has major housing exposures through joint ventures and associated companies including Hemvist, JM, Publicus, Origa Care, Magnolia, Odalen, etc., as well as through investments in housing companies including Heba, Klarabo, Amasten, Studentbostäder i Norden and Solon Eiendom. Even today, SBB's shares are popular among the general public, with about 1 percent of the Swedish population being shareholders. We look forward to an increasing number of Swedes owning SBB shares and thus contributing to the existence of a strong professional European player that secures social infrastructure while they receive safe and secure returns with ever-increasing dividends. For the roughly 300 of us who work at SBB, it is a matter of continuing to work hard. And this year, 200 young people will have the opportunity to work with us during the summer.

Ilija Batljan, Founder and CEO

# Consolidated income statement

Amount in SEK, millions	01-01-2021 30-06-2021	01-01-2020 30-06-2020	01-04-2021 30-06-2021	01-04-2020 30-06-2020	01-01-2020 31-12-2020
Rental income	2,776	2,664	1,451	1,323	5,121
Operating costs	-552	-539	-249	-257	-987
Maintenance	-141	-142	-78	-67	-323
Property administration	-145	-104	-72	-48	-217
Property tax	-61	-62	-33	-29	-115
<b>Net operating income</b>	<b>1,876</b>	<b>1,817</b>	<b>1,018</b>	<b>922</b>	<b>3,479</b>
Central administration	-200	-94	-137	-41	-224
Acquisition and restructuring costs	-29	-41	-26	-9	-52
Results from associated companies/joint ventures	398	15	154	-8	144
<b>Profit before financial items</b>	<b>2,046</b>	<b>1,697</b>	<b>1,010</b>	<b>864</b>	<b>3,347</b>
<b>Profit from financial items</b>					
Interest income and similar items	157	60	109	32	166
Interest expenses and similar items	-507	-502	-269	-210	-973
Expenses for redeemed loans in advance	-168	-113	-128	2	-199
Translation gains/losses	-74	-207	111	-77	158
Leasing costs	-11	-11	-5	-6	-25
<b>Profit from property management</b>	<b>1,442</b>	<b>924</b>	<b>827</b>	<b>605</b>	<b>2,474</b>
Changes in value, property	7,404	1,789	5,071	161	8,542
Dissolution of goodwill after property sales	-8	-428	-14	-420	-468
Changes in the value of financial instruments	1,221	-266	1,058	-14	-207
<b>Profit before tax</b>	<b>10,059</b>	<b>2,019</b>	<b>6,942</b>	<b>332</b>	<b>10,341</b>
Tax for the year	-105	-52	-13	-4	-165
Deferred tax	-669	200	-385	475	-1,536
Dissolution of deferred tax goodwill	8	428	14	420	444
<b>PROFIT FOR THE PERIOD</b>	<b>9,293</b>	<b>2,595</b>	<b>6,558</b>	<b>1,223</b>	<b>9,084</b>
<i>Profit for the period attributable to:</i>					
Parent Company shareholders (incl. hybrid bonds)	8,451	2,543	5,726	1,215	9,010
Non-controlling interest	842	52	832	8	74
<b>PROFIT FOR THE PERIOD</b>	<b>9,293</b>	<b>2,595</b>	<b>6,558</b>	<b>1,223</b>	<b>9,084</b>
Earnings per ordinary share A and B before dilution	5.94	1.80	4.05	0.86	6.41
Earnings per ordinary share A and B after dilution	5.94	1.78	4.05	0.85	6.41
Earnings per series D ordinary share, SEK	1.00	1.00	0.50	0.50	2.00

# Consolidated statement of comprehensive income

Amount in SEK, millions	01-01-2021 30-06-2021	01-01-2020 30-06-2020	01-04-2021 30-06-2021	01-04-2020 30-06-2020	01-01-2020 31-12-2020
<b>Profit for the period</b>	<b>9,293</b>	<b>2,595</b>	<b>6,558</b>	<b>1,223</b>	<b>9,084</b>
Translation gains/losses	726	-855	-554	111	-916
<b>COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>10,019</b>	<b>1,740</b>	<b>6,004</b>	<b>1,334</b>	<b>8,168</b>
<i>Comprehensive income for the period attributable to:</i>					
Parent Company shareholders (incl. hybrid bonds)	9,177	1,689	5,172	1,326	8,095
Non-controlling interest	842	52	832	8	73
<b>COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>10,019</b>	<b>1,740</b>	<b>6,004</b>	<b>1,334</b>	<b>8,168</b>

# Comments on the consolidated income statement

## Net operating income

Rental income during the period amounted to SEK 2,776m (2,664) and for the quarter to SEK 1,451 (1,323). In a comparable portfolio, rental income increased by 1.0 percent compared with the corresponding period in the preceding year. Of the rental income, SEK 444m pertained to residentials, SEK 2,173m to community service properties and SEK 159m to other properties. The economic occupancy rate at the end of the period was 93.9 percent (94.0). The average contract length for community service properties was 9 years (7).

Property costs during the period amounted to SEK -899m (-847) and for the quarter SEK -432m (-401). They mainly consist of tax-related costs, operating and maintenance costs, as well as management administration.

In a comparable portfolio, costs increased by 1.0 percent compared with the corresponding period in the preceding year. Accordingly, the net operating income for a comparable portfolio increased by 1.0 percent.

## Profit after tax

In total, the period's costs for central administration amounted to SEK -200m (-94) and -137m (-41) 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 Offentliga Hus' organization. As a result of the acquisitions of Offentliga hus and Hemfosa, the company incurred non-recurring costs amounting to SEK -29m (-41) for the period and -26m (-9) for the quarter.

Profit from associated companies and joint ventures was SEK 398m (15) for the first half of the year and 154 (-8) for the quarter. Profit is largely attributable to Hemvist and JM.

Net financial items for the period amounted to SEK -603m (-773) and -182 (-259) for the quarter. The financial costs include interest for external financing, as well as other financial costs, such as accrued arrangement fees. The financial costs include non-recurring expenses in the form of costs for early redemption of expensive loans of SEK -168m (-113). During the period, exchange rate differences of SEK -74m (-207) were reported

that are attributable to the translation of loans raised in Euro to the extent that they are not matched against hedges in the form of net assets in Euro and FX derivatives.

Value changes for the properties amounted to SEK 7,404m (1,789), of which SEK 263m (-507) were realized value changes and SEK 7,141m (2,296) were unrealized value changes. Project and property development together with succession renovations have contributed about a quarter of the change in value. This part includes SBB having succession renovated 375 apartments over the period, made project investments in existing portfolios such as the new production of a police station in Kiruna, new construction and modification of a police station in Helsinki and new construction and modification of a school and an elderly care unit in Haninge. General development in rents and renegotiations that result in higher net operating income, completed transactions and slightly reduced yield requirements explain the change in value in addition to project and property development. The average yield requirements in the external valuations is 4.34 percent. See information on page 14.

Changes in the value of financial instruments amounted to SEK 1,221m (-266). The item consists of unrealized and realized changes in value for financial investments in shares and other securities and derivatives. Profit after tax for the period amounted to SEK 9,293m (2,595). Tax on the profit for the period was SEK -766m (576), of which SEK -105m (-52) pertained to current tax and SEK -669m (200) pertained to deferred tax related to properties and tax-loss carryforwards. The low tax is attributable to sales of properties in company format.



# 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 – 30-06-2021	Community service properties	Housing	Other properties	Total segment	Group-wide items and eliminations	Group total
Rental income	2,173	444	159	2,776	-	2,776
Property costs	-589	-231	-79	-899	-	-899
<b>Net operating income</b>	<b>1,584</b>	<b>213</b>	<b>80</b>	<b>1,876</b>	-	<b>1,876</b>
Central administration					-200	-200
Acquisition and restructuring costs					-29	-29
Results from associated companies/joint ventures					398	398
<b>Profit before financial items</b>	<b>1,584</b>	<b>213</b>	<b>80</b>	<b>1,876</b>	<b>169</b>	<b>2,046</b>
Interest income and similar items					157	157
Interest expenses and similar items					-760	-760
<b>Profit from property management</b>	<b>1,584</b>	<b>213</b>	<b>80</b>	<b>1,876</b>	<b>-434</b>	<b>1,442</b>
Changes in value of investment properties	3,005	4,276	123	7,404	-	7,404
Resolution of goodwill on property sales					-8	-8
Changes in the value of financial instruments					1,221	1,221
<b>Profit before tax</b>	<b>4,589</b>	<b>4,489</b>	<b>203</b>	<b>9,280</b>	<b>779</b>	<b>10,059</b>
Tax					-766	-766
<b>Profit for the period</b>	<b>4,589</b>	<b>4,489</b>	<b>203</b>	<b>9,280</b>	<b>13</b>	<b>9,293</b>
Investment properties (SEKm)	81,863	28,020	6,962	116,845		
Investments (SEKm)	781	740	176	1,697		
Value per m <sup>2</sup> (SEK)	24,862	23,227	15,696	23,641		
Surplus ratio (%)	73	48	50	68		

Period 01-01-2020 – 30-06-2020	Community service properties	Housing	Other properties	Total segment	Group-wide items and eliminations	Group total
Rental income	2,065	442	157	2,664	-	2,664
Property costs	-547	-225	-75	-847	-	-847
<b>Net operating income</b>	<b>1,518</b>	<b>217</b>	<b>82</b>	<b>1,817</b>	-	<b>1,817</b>
Central administration					-94	-94
Acquisition and restructuring costs					-41	-41
Results from associated companies/joint ventures					15	15
<b>Profit before financial items</b>	<b>1,518</b>	<b>217</b>	<b>82</b>	<b>1,817</b>	<b>-120</b>	<b>1,697</b>
Interest income and similar items					60	60
Interest expenses and similar items					-833	-833
<b>Profit from property management</b>	<b>1,518</b>	<b>217</b>	<b>82</b>	<b>1,817</b>	<b>-893</b>	<b>924</b>
Changes in value of investment properties	1,721	121	-54	1,789	-	1,789
Resolution of goodwill on property sales					-428	-428
Changes in the value of financial instruments					-266	-266
<b>Profit before tax</b>	<b>3,239</b>	<b>338</b>	<b>28</b>	<b>3,606</b>	<b>-1,587</b>	<b>2,019</b>
Tax					576	576
<b>Profit for the period</b>	<b>3,239</b>	<b>338</b>	<b>28</b>	<b>3,606</b>	<b>-1,011</b>	<b>2,595</b>
Investment properties (SEKm)	56,005	12,231	4,737	72,974		
Investments (SEKm)	482	280	82	844		
Value per m <sup>2</sup> (SEK)	21,232	16,355	14,375	19,642		
Surplus ratio (%)	74	49	52	68		

<b>Period 01-04-2021 – 30-06-2021</b>	<b>Community service properties</b>	<b>Housing</b>	<b>Other properties</b>	<b>Total segment</b>	<b>Group-wide items and eliminations</b>	<b>Group total</b>
Rental income	1,136	221	93	1,450	-	1,450
Property costs	-285	-104	-44	-432	-	-432
<b>Net operating income</b>	<b>852</b>	<b>117</b>	<b>49</b>	<b>1,018</b>	-	<b>1,018</b>
Central administration					-137	-137
Acquisition and restructuring costs					-26	-26
Results from associated companies/joint ventures					154	154
<b>Profit before financial items</b>	<b>852</b>	<b>117</b>	<b>49</b>	<b>1,018</b>	<b>-9</b>	<b>1,010</b>
Interest income and similar items					109	109
Interest expenses and similar items					-291	-291
<b>Profit from property management</b>	<b>852</b>	<b>117</b>	<b>49</b>	<b>1,018</b>	<b>-191</b>	<b>827</b>
Changes in value of investment properties	717	4,227	127	5,071	-	5,071
Resolution of goodwill on property sales					-14	-14
Changes in the value of financial instruments					1,058	1,058
<b>Profit before tax</b>	<b>1,569</b>	<b>4,344</b>	<b>176</b>	<b>6,089</b>	<b>853</b>	<b>6,942</b>
Tax					-384	-384
<b>Profit for the period</b>	<b>1,569</b>	<b>4,344</b>	<b>176</b>	<b>6,089</b>	<b>468</b>	<b>6,558</b>
Investment properties (SEKm)	81,863	28,020	6,962	116,845		
Investments (SEKm)	324	437	98	859		
Value per m <sup>2</sup> (SEK)	24,862	23,227	15,696	23,641		
Surplus ratio (%)	75	53	53	70		

<b>Period 01-04-2020 – 30-06-2020</b>	<b>Community service properties</b>	<b>Housing</b>	<b>Other properties</b>	<b>Total segment</b>	<b>Group-wide items and eliminations</b>	<b>Group total</b>
Rental income	1,045	222	56	1,323	-	1,323
Property costs	-273	-98	-30	-401	-	-401
<b>Net operating income</b>	<b>772</b>	<b>124</b>	<b>26</b>	<b>922</b>	-	<b>922</b>
Central administration					-41	-41
Acquisition and restructuring costs					-9	-9
Results from associated companies/joint ventures					-8	-8
<b>Profit before financial items</b>	<b>772</b>	<b>124</b>	<b>26</b>	<b>922</b>	<b>-58</b>	<b>864</b>
Interest income and similar items					32	32
Interest expenses and similar items					-291	-291
<b>Profit from property management</b>	<b>772</b>	<b>124</b>	<b>26</b>	<b>922</b>	<b>-317</b>	<b>605</b>
Changes in value of investment properties	306	-6	-139	161	-	161
Resolution of goodwill on property sales					-420	-420
Changes in the value of financial instruments					-14	-14
<b>Profit before tax</b>	<b>1,078</b>	<b>118</b>	<b>-113</b>	<b>1,083</b>	<b>-751</b>	<b>332</b>
Tax					891	891
<b>Profit for the period</b>	<b>1,078</b>	<b>118</b>	<b>-113</b>	<b>1,083</b>	<b>140</b>	<b>1,223</b>
Investment properties (SEKm)	56,005	12,231	4,737	72,974		
Investments (SEKm)	280	137	46	463		
Value per m <sup>2</sup> (SEK)	21,232	16,355	14,375	19,642		
Surplus ratio (%)	74	56	46	70		

# Consolidated balance sheet

Amount in SEK, millions	30-06-2021	30-06-2020	31-12-2020
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Intangible assets</b>			
Goodwill	6,310	6,272	6,319
<b>Total intangible assets</b>	<b>6,310</b>	<b>6,272</b>	<b>6,319</b>
<b>Tangible assets</b>			
Investment properties	116,845	72,974	90,185
Land lease agreements	594	437	614
Equipment, machinery and installations	47	20	22
<b>Total tangible fixed assets</b>	<b>117,486</b>	<b>73,431</b>	<b>90,821</b>
<b>Financial fixed assets</b>			
Participations in associated companies/joint ventures	7,099	1,213	2,867
Receivables from associated companies/joint ventures	2,264	1,259	827
Derivatives	160	15	129
Financial fixed assets at fair value	1,534	1,643	1,138
Other long-term receivables	286	22	-
<b>Total financial fixed asset</b>	<b>11,344</b>	<b>4,152</b>	<b>4,960</b>
<b>Total fixed assets</b>	<b>135,140</b>	<b>83,855</b>	<b>102,100</b>
<b>Current assets</b>			
Current receivables			
Accounts receivable	67	9	91
Other receivables	2,318	7,045	2,398
Prepaid expenses and accrued income	512	286	243
<b>Total current receivables</b>	<b>2,897</b>	<b>7,340</b>	<b>2,732</b>
Cash and cash equivalents and cash investments	16,069	1,330	15,399
<b>Total current assets</b>	<b>18,966</b>	<b>8,670</b>	<b>18,131</b>
<b>TOTAL ASSETS</b>	<b>154,106</b>	<b>92,525</b>	<b>120,231</b>

# Comments

## Investment properties

As of 30 June 2021, the value of the properties amounted to SEK 116.8bn. 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 2.30 percent to 17.00 percent, with an yield requirement of 4.34 percent. The value of the properties includes SEK 3,584m 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%	SEK 5,457m / SEK -5,476m
Discount rate	+/- 0.25%	SEK -4,252m / SEK 4,697m
Direct return requirements	+/- 0.25%	SEK -4,399m / SEK 4,964m

## Property portfolio change

<b>Opening fair value 01-01-2021</b>	<b>90,185</b>
Acquisitions	24,062
Investments	1,697
Sales	-7,044
Translation differences	804
Unrealized value changes	7,141
<b>Fair value at end of period</b>	<b>116,845</b>

## Associated companies and joint ventures

SBB's engagement in associated companies and joint ventures consists partly of a holding in the companies and in some cases financing to the companies. As of 30 June 2021, participations in associated companies and joint ventures amounted to SEK 7,099m (2,867) and receivables from associated companies and joint ventures amounted to SEK 2,264m (827). Some of the companies conduct property development projects, while other companies own investment properties. The largest holdings consist of the companies Hemvist and JM AB (publ).

## Goodwill

The goodwill item of SEK 6,310m (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 2,025m, a corresponding amount is recognized under the item deferred tax.

## Cash and cash equivalents and cash investments

Cash and cash equivalents amounted to SEK 11,880m (13,606) and cash investments, comprising shares in listed companies, amounted to SEK 4,189m (1,793). Cash investments have previously been reported in the item Financial assets at fair value. Previous periods have been adapted to the current reporting method.



## Consolidated balance sheet

Amount in SEK, millions	30-06-2021	30-06-2020	31-12-2020
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	<b>63,126</b>	<b>35,164</b>	<b>52,136</b>
<b>Long-term liabilities</b>			
Liabilities to credit institutions	8,601	12,768	11,995
Bond loans	49,177	32,347	34,663
Derivatives	140	355	267
Deferred tax liabilities	7,759	5,441	7,172
Leasing liabilities	594	437	614
Other long-term liabilities	2,584	35	1,020
<b>Total long-term liabilities</b>	<b>68,854</b>	<b>51,383</b>	<b>55,731</b>
<b>Current liabilities</b>			
Liabilities to credit institutions	4,707	198	69
Commercial papers	6,974	2,553	5,418
Bond loans	2,873	100	3,121
Accounts payable	208	70	117
Current tax liabilities	210	120	166
Other liabilities	5,408	1,650	2,098
Accrued expenses and prepaid income	1,745	1,287	1,375
<b>Total current liabilities</b>	<b>22,125</b>	<b>5,978</b>	<b>12,364</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>154,106</b>	<b>92,525</b>	<b>120,231</b>

## 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 30 June 2021, the deferred tax liability amounted to SEK 7,759m (7,172) and is largely attributable to investment properties and tax-loss carryforwards. As of 30 June 2021, the tax-loss carryforwards amounted to SEK 2.0bn.

### Interest-bearing liabilities

At the end of the period, interest-bearing liabilities in the Group amounted to SEK 72,332m (55,265), of which SEK 13,308m (12,064) pertained to liabilities to credit institutions, SEK 52,050m (37,783) pertained to bond loans and SEK 6,974m (5,418) pertained to commercial papers. See further under the section Financing on page 28.

# Consolidated changes in equity

Amount in SEK, millions

	Equity attributable to Parent Company's shareholders								Total equity
	Share capital	Other contributed capital	Reserves <sup>1)</sup>	Retained earnings	Total	Hybrid bonds	Other reserves <sup>1)</sup>	Holdings without controlling influence	
<b>Total equity 01-01-2020</b>	<b>134</b>	<b>17,658</b>	<b>100</b>	<b>6,412</b>	<b>24,304</b>	<b>4,676</b>	<b>-45</b>	<b>1,961</b>	<b>30,896</b>
Profit for the period	-	-	-	2,377	2,377	166	-	52	2,595
Other comprehensive income	-	-	-929	-	-929	-	74	-	-855
<b>Comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-929</b>	<b>2,377</b>	<b>1,448</b>	<b>166</b>	<b>74</b>	<b>52</b>	<b>1,740</b>
Share issue	3	716	-	-	719	-	-	-	719
Issue hybrid bonds	-	-	-	-	-	5,273	-	-	5,273
Tax, issue costs	-	6	-	-	6	43	-	-	49
Dividend	-	-	-	-976	-976	-166	-	0	-1,142
Redeemed minority interests	-	-	-	-731	-731	-	-	-1,640	-2,371
<b>Total equity 30-06-2020</b>	<b>137</b>	<b>18,380</b>	<b>-829</b>	<b>7,082</b>	<b>24,770</b>	<b>9,992</b>	<b>29</b>	<b>373</b>	<b>35,164</b>
Profit for the period	-	-	-	6,301	6,301	166	-	22	6,489
Other comprehensive income	-	-	584	-	584	-	-645	-	-61
<b>Comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>584</b>	<b>6,301</b>	<b>6,885</b>	<b>166</b>	<b>-645</b>	<b>22</b>	<b>6,428</b>
Share issue	13	3,625	-	-	3,638	-	-	-	3,638
Issue hybrid bonds	-	-	-	-	-	5,060	-	-	5,060
Issue mandatory convertible bonds	-	2,073	-	-	2,073	-	-	-	2,073
Tax, issue costs	-	24	-	-	24	45	-	-	69
Dividend	-	-	-	-145	-145	-166	-	-	-311
Acquired minority interests	-	-	-	-	-	-	-	16	16
Redeemed minority interests	-	-	-	-1	-1	-	-	-	-1
<b>Total equity 31-12-2020</b>	<b>150</b>	<b>24,102</b>	<b>-245</b>	<b>13,238</b>	<b>37,245</b>	<b>15,096</b>	<b>-616</b>	<b>412</b>	<b>52,136</b>
<b>Total equity 01-01-2021</b>	<b>150</b>	<b>24,102</b>	<b>-245</b>	<b>13,238</b>	<b>37,245</b>	<b>15,096</b>	<b>-616</b>	<b>412</b>	<b>52,136</b>
Profit for the period	-	-	-	8,092	8,092	359	-	842	9,293
Other comprehensive income	-	-	644	-	644	-	82 <sup>2)</sup>	-	726
<b>Comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>644</b>	<b>8,092</b>	<b>8,736</b>	<b>359</b>	<b>82</b>	<b>842</b>	<b>10,019</b>
Share issue	2	416	-	-	418	-	-	-	418
Issue hybrid bonds	-	-	-	-	-	4,994	-	-	4,994
Issue warrants	-	58	-	-	58	-	-	-	58
Acquired hybrid bond	-	-	-	-	-	281	-	-	281
Redemption of preference shares	0	-15	-	-5	-20	-	-	-	-20
Redemption of part of hybrid bond	-	-	-	-291	-291	-2,793	-	-	-3,084
Redemption/conversion of mandatory convertible	9	-107	-	-	-98	-	-	-	-98
Tax, issue costs	-	3	-	-	3	80	-	-	83
Dividend	-	-	-	-1,788	-1,788	-359	-	-	-2,147
Acquired minority interests	-	-	-	-	-	-	-	2,019	2,019
Redeemed minority interests	-	-	-	-115	-115	-	-	-1,418	-1,533
<b>Total equity 30-06-2021</b>	<b>161</b>	<b>24,457</b>	<b>399</b>	<b>19,130</b>	<b>44,147</b>	<b>17,659</b>	<b>-534</b>	<b>1,854</b>	<b>63,126</b>

1) Reserves consist of hedge accounting and translation differences.

2) The amount refers to translation differences regarding hybrid loans of SEK 81m (-570) and non-controlling interests of SEK 1 m (-1).

## Comments

As of 30 June 2021, equity amounted to SEK 63,126m (35,164). The equity includes issued hybrid bonds with a book value of SEK 17,659m and preference shares in the Norwegian subsidiary Nye Barcode 121 Bidco AS and minority holdings in Offentliga Hus 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 418m that were used as consideration for the acquisition of shares in Offentliga Hus. During the period, parts of a previously issued hybrid bond of approximately SEK 3bn were redeemed and a new hybrid bond of EUR 500m was issued. For the largest portion in nominal value,

SEK 2,672m, the mandatory convertible was converted into 88,739,493 series B ordinary shares. The mandatory redemption of the remaining outstanding shares in Hemfosa took place in May, reducing the minority interests and equity by SEK 475m.

Translation differences in the translation of net assets in subsidiaries in Norway, Finland and Denmark from local currency to SEK amounted to SEK 726m 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 41 percent (43), the adjusted equity ratio was 45 percent (48) and the loan-to-value ratio was 37 percent (33).

# Consolidated cash flow statement

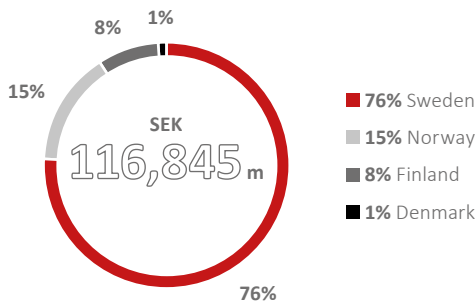
Amount in SEK, millions	01-01-2021 30-06-2021	01-01-2020 30-06-2020	01-04-2021 30-06-2021	01-04-2020 30-06-2020	01-01-2020 31-12-2020
<b>Operating activities</b>					
Profit from property management	1,442	924	827	605	2,474
<i>Adjustment for non-cash flow items</i>					
Depreciation	2	1	0	-	2
Results from associated companies/joint ventures	-398	-15	-154	8	-144
Net interest income	603	773	182	259	873
Interest paid	-562	-505	-181	-136	-958
Interest received	149	53	81	26	150
Paid tax	-105	-52	-13	-4	-165
<b>Cash flow from operating activities before changes in working capital</b>	<b>1,132</b>	<b>1,179</b>	<b>743</b>	<b>758</b>	<b>2,232</b>
<b>Cash flow from changes in working capital</b>					
Increase (-)/Decrease (+) of operating receivables	-156	-6,330	-1,162	-5,772	-1,720
Increase (+)/Decrease (-) of operating liabilities	2,441	-8,502	2,557	-484	-7,513
<b>Cash flow from operating activities</b>	<b>3,418</b>	<b>-13,653</b>	<b>2,138</b>	<b>-5,498</b>	<b>-7,001</b>
<b>Investment activities</b>					
Investments in properties	-25,375	-2,906	-12,671	-1,448	-14,016
Property sales	7,304	10,051	4,944	8,420	12,903
Investments/divestments in equipment, machinery and installations	-27	-	-21	1	-3
Investments in associated companies/joint ventures	-3,819	-329	-4,298	-98	-1,611
Investments in intangible fixed assets	9	-	15	4	-84
Change in receivables from associated companies/joint ventures	-1,434	-125	-1,339	-68	307
Change in financial assets	-1,730	-94	2,316	-12	-1,323
Change in other long-term receivables	-264	31	-25	30	44
<b>Cash flow from investing activities</b>	<b>-25,336</b>	<b>6,628</b>	<b>-11,079</b>	<b>6,829</b>	<b>-3,782</b>
<b>Financing activities</b>					
Share issue	-	-	-	-4	665
Issue hybrid bonds	4,994	5,273	5,006	-8	10,333
Issue mandatory convertible bonds	-	-	-	-	2,148
Issue warrants	58	-	58	-	-
Acquired hybrid bonds	281	-	281	-	-
Redemption of hybrid bonds	-3,084	-	-3,493	-	-
Redemption of mandatory convertible	-98	-	-98	-	-
Redemption of preference shares	-20	-	-20	-	-
Dividend paid	-904	-163	-572	-104	-853
Acquired minority interests	2,019	-	956	-	16
Redeemed minority interests	-1,499	-1,652	-1,499	-	-1,623
Borrowings	35,226	14,639	18,184	5,138	34,693
Repayment of loans	-18,360	-22,560	-12,316	-8,898	-34,878
Change in other long-term liabilities	1,562	-31	1,950	63	1,052
<b>Cash flow from financing activities</b>	<b>20,175</b>	<b>-4,494</b>	<b>8,437</b>	<b>-3,813</b>	<b>11,554</b>
<b>Cash flow for the period</b>	<b>-1,744</b>	<b>-11,519</b>	<b>-504</b>	<b>-2,482</b>	<b>770</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>13,606</b>	<b>12,858</b>	<b>12,415</b>	<b>3,820</b>	<b>12,858</b>
Exchange rate change in cash and cash equivalents	17	-9	-31	-8	-22
<b>Cash and cash equivalents at the end of the period</b>	<b>11,880</b>	<b>1,330</b>	<b>11,880</b>	<b>1,330</b>	<b>13,606</b>



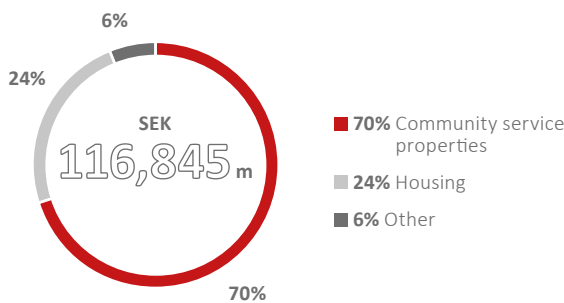
# Property portfolio

SBB's core holdings are community service properties in the Nordics that, together with regulated residentials in Sweden, form the social infrastructure of the region. The combination of community service properties in the Nordics and rent-regulated residentials in Sweden is unique among listed companies in the Nordics. SBB's properties are among the most secure investments available, offering high, risk-adjusted returns. As of 30 June 2021, the number of properties amounted to 1,902 (1,302).

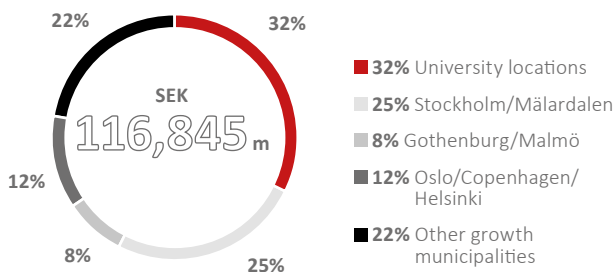
Property value, by country



Property value per segment



Property value per region



Of the company's income, 98 percent derives from community service properties in the Nordics and Swedish rent-regulated residentials.

## Property value by geography

SEK 17.0 bn

Property value  
**NORWAY**

SEK 9.4 bn

Property value  
**FINLAND**

SEK 89.3 bn

Property value  
**SWEDEN**

SEK 1.1 bn

Property value  
**DENMARK**

**78%**

Located in major cities  
and university regions

**98%**

Social infrastructure

# The community service property portfolio

## Largest tenants, community service properties

Tenant	Rental income	% of total
Swedish central government	686	14.8
Läringsverkstedet AS	270	5.8
Norwegian central government	203	4.4
Academedia	148	3.2
Municipality of Härnösand	132	2.8
Norwegian National Association for Heart and Lung Diseases	129	2.8
Attendo	123	2.7
Finnish central government	120	2.6
Ambea	96	2.1
Esperi Oy	87	1.9
Humana	87	1.9
Municipality of Haninge	78	1.7
Region Västra Götaland	69	1.5
Municipality of Boden	55	1.2
International English School	54	1.2
Municipality of Karlskrona	52	1.1
Municipality of Strängnäs	47	1.0
Region Dalarna	47	1.0
Municipality of Linköping	45	1.0
Kunskapsskolan i Sverige AB	42	0.9
<b>Total 20 largest tenants</b>	<b>2,569</b>	<b>55.4</b>
Others	2,071	44.6
<b>Total rental income</b>	<b>4,640</b>	<b>100.0</b>

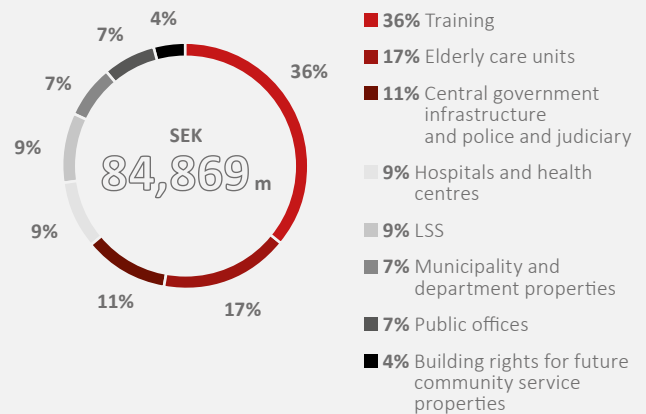
## Rental income from community service properties by area of use

Use	Rental income	% of total
Education	1,595	34.4
Elderly care	768	16.5
Central government infrastructure and police and judiciary	536	11.6
Hospitals and health centres	420	9.1
LSS	412	8.9
Municipality and department properties	331	7.1
Public offices	422	9.1
Building rights for future community service properties	153	3.3
Offices & other	2	0.0
<b>Total</b>	<b>4,640</b>	<b>100.0</b>

## Lease duration, community service properties



## Community service properties, value by area of use



### Supply and demand for social infrastructure

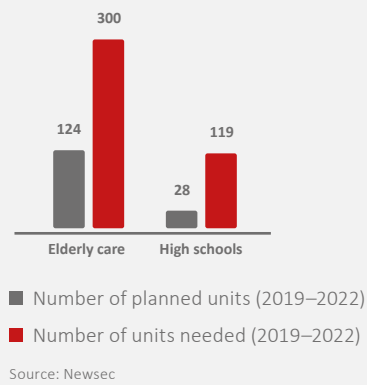
The need for community service properties is very large. The graph to the right illustrates the number of planned elderly care units and upper-secondary schools up until 2022 in relation to the actual need. The market for Swedish rent-regulated residentials is also characterized by an extensive supply deficit, with the average queue time for an apartment in the Stockholm region being about ten years.

In addition to a major deficit of social infrastructure properties, there is also considerable potential for further letting of the existing portfolio. In the autumn of 2019, leading property adviser Newsec analyzed rent levels for newly produced community service properties in Sweden. The graph to the right shows rent levels in the new production analysis in relation to average rent levels for SBB's portfolio.

### Rent per sqm for new production, compared with SBB's existing portfolio of community service properties



### Planned and needed community service properties





# Joint ventures and associated companies

**The largest joint ventures and associated companies are described below.**

## **Joint ventures**

### *Hemvist*

SBB holds 50 percent of Hemvist i Mälardalen AB. The remainder is owned by Kåpan Pensioner. Hemvist owns and manages properties in Stockholm and the Mälardalen region. Hemvist is planning a major investment in sustainable new construction and has the ambition of continuing to expand in the Mälardalen region, promoting sustainable societal development. As of 30 June 2021, Hemvist had a property portfolio of 2,037 apartments, of which 1,116 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 June 2021. Approximately 90 percent of the rental income derives from national and local government tenants, the average contract period is 6.9 years and the economic letting ratio was 98 percent.

## **Associated companies**

### *Origa Care*

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 8.4 years. Rental income derives mainly from tax-financed operations.

### *Publicus*

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

### *JM*

SBB holds 20.1 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 37,300 available building rights and approximately 7,500 homes currently under production.



# Three value-adding strategies deliver additional income and growth

Besides working with traditional property management, SBB has three additional value-generating strategies:



## 1. Building rights development and new production

Profit target of SEK 1,000m – SEK 1,400m annually

**Outcome 2021: SEK 945m (the quarter), SEK 1,452m (the period)**



## 2. Investments in existing portfolio

Profit target of SEK 600m annually

**Outcome 2021: SEK 78m (the quarter), SEK 233m (the period)**



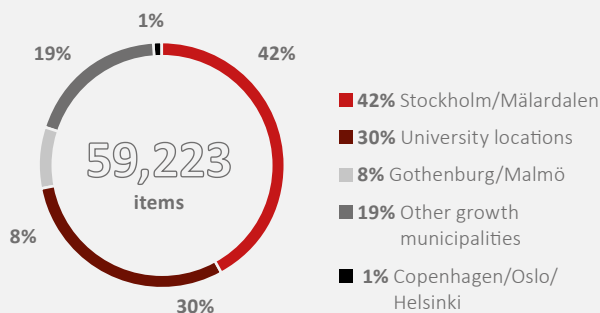
## 3. Value-adding transactions

Profit target of SEK 400m annually

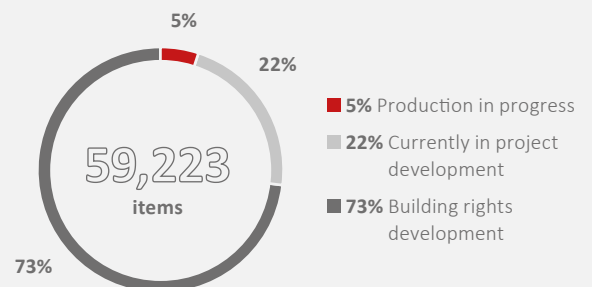
**Outcome 2021: SEK 17bn (the quarter), SEK 32bn (the period) in transaction volume**

# Europe's largest property developer

Project portfolio by geography (number of apartments)



Portfolio per stage (number of apartments)



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



# 1. Building rights development and new production

## Operational targets – Building rights development and new production

Building rights development and new production shall generate an average annual profit of SEK 1,000m – SEK 1,400m over a business cycle<sup>1)</sup>

- 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

- Profit from new production projects shall amount to SEK 5,000 – 10,000 per sqm
- Profit from building rights development shall amount to SEK 4,000 – 5,000 per sqm

SBB generates value through extensive development of building rights. Establishing new building rights ensures a project portfolio that is sustainable over the long term, a high production rate and opportunities for profitable building rights sales. As of 30 June 2021, SBB's portfolio of building rights amounted to approx-

imately 2,906,416 sqm GFA, corresponding to approximately 42,000 apartments.

As of 30 June 2021, the new production portfolio comprised 389,882 m<sup>2</sup> of housing (corresponding to 7,564 apartments, of which 1,654 are currently in production and 5,910 are currently in project development) and 106,966 sqm of community service properties currently in production. Including joint ventures, 2,770 apartments are currently under production and 12,945 apartments are currently in project development.

## SBB generates value throughout the value chain



## Portfolio summary (including joint ventures)

2,770 Apartments currently under production

106,966 m<sup>2</sup> of community service properties under production

12,945 Apartments under active project development

137,775 Building rights established during the period (m<sup>2</sup> GFA)<sup>2)</sup>

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 properties with projects of more than SEK 10m during the period less the period's investments) and profit from the development of building rights (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 notice and Phase 4: Legally valid zoning plan with adjustment for acquisitions and sales

# New production portfolio

## Currently under production (excluding joint venture collaborations)

	Apartments (number)	Lettable area (m <sup>2</sup> )	Net operating income (SEK <sup>m</sup> )	Net operating income (SEK/m <sup>2</sup> )	Estimated investment (SEK <sup>m</sup> )	Proportion rental apartments <sup>1)</sup> (%)	Proportion social infrastructure properties <sup>1)</sup> (%)	Yield on cost (%)	Developed (SEK <sup>m</sup> )	Book value (SEK <sup>m</sup> )
Projects developed by SBB	792	85,044	131	1,541	2,372	42%	58%	5.5%	661	1,438
Acquired projects <sup>2)</sup>	862	89,927	156	1,731	3,516	40%	60%	4.4%	171	240
<b>Total</b>	<b>1,654</b>	<b>174,971</b>	<b>287</b>	<b>1,639</b>	<b>5,888</b>	<b>41%</b>	<b>59%</b>	<b>4.9%</b>	<b>832</b>	<b>1,678</b>
<b>By geography</b>										
Stockholm/Mälardalen	306	30,969	60	1,929	1,168	50%	50%	5.1%	320	609
University locations	785	87,113	151	1,731	3,183	43%	57%	4.7%	277	679
Gothenburg/Malmö	369	29,844	46	1,525	984	22%	78%	4.6%	175	285
Other growth municipalities	194	27,045	31	1,133	553	46%	54%	5.5%	60	104
<b>Total</b>	<b>1,654</b>	<b>174,971</b>	<b>287</b>	<b>1,639</b>	<b>5,888</b>	<b>41%</b>	<b>59%</b>	<b>4.9%</b>	<b>832</b>	<b>1,678</b>

## Currently in project development (excluding joint venture collaborations)

	Apartments (number)	Lettable area (m <sup>2</sup> )	Net operating income (SEK <sup>m</sup> )	Net operating income (SEK/m <sup>2</sup> )	Estimated investment (SEK <sup>m</sup> )	Proportion rental apartments <sup>1)</sup> (%)	Proportion social infrastructure properties <sup>1)</sup> (%)	Yield on cost (%)	Developed (SEK <sup>m</sup> )	Book value (SEK <sup>m</sup> )
<b>By geography</b>										
Stockholm/Mälardalen	3,643	230,243	436	1,895	8,852	90%	10%	4.9%	185	2,763
University locations	1,613	100,458	160	1,588	3,208	85%	15%	5.0%	1	655
Gothenburg/Malmö	0	619	2	3,535	44	44%	56%	4.9%	0	0
Other growth municipalities	654	48,090	85	1,759	1,602	51%	49%	5.3%	25	531
<b>Total</b>	<b>5,910</b>	<b>379,410</b>	<b>683</b>	<b>1,799</b>	<b>13,706</b>	<b>84%</b>	<b>16%</b>	<b>5.0%</b>	<b>211</b>	<b>3,949</b>

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

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

### Definitions

**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 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

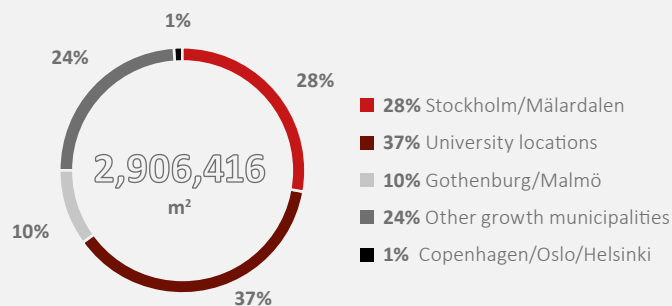
Information on the project portfolio is based on assessments of the size, focus and scope of the projects. The information also builds on assessments of future project costs and rental value. Such assessments and assumptions should not be seen as a forecast. Assessments and assumptions involve uncertainties 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.



## Development of building rights – excluding joint ventures

SBB divides the development process into four phases: Project concept (phase 1), Pre-planning approval (phase 2), With planning approval (phase 3) and – Legally enforceable zoning plan (phase 4). SBB's building rights projects are listed below according to their phase of development.

Geographical division of the building rights portfolio



Planning phase	Planning process						GFA building rights (m <sup>2</sup> )	Book value (SEKm)	Value potential, per m <sup>2</sup> (SEK)	Value potential, completed (SEKm) <sup>1)</sup>
	Internal planning decision	Application for planning notice	Positive planning notice	Adoption	Legal force					
Phase 1 – Project concepts	✓						955,988	764	800	9,763
Phase 2 – Ahead of a planning decision	✓	✓					257,545	227	883	3,420
Phase 3 – With planning notice	✓	✓	✓				923,053	1,434	1,554	10,022
Phase 4 – Zoning plan having gained legal force	✓	✓	✓	✓	✓		769,830	1,158	1,504	6,173
<b>Total</b>							<b>2,906,416</b>	<b>3,584</b>	<b>1,233</b>	<b>29,378</b>

1) See assumptions made by Newsec in Appendix 3

## Joint ventures

SBB's share of profit in agreed joint venture collaborations is estimated at approximately SEK 2.1bn.

	Investment (SEKm)	Lettable area (m <sup>2</sup> )	Estimated value upon completion (SEKm)	Share of SBB (%)	Estimated profit SBB (SEKm)
Residential and community service projects	23,085	697,813	27,388	44%	1,901
Community service properties	1,698	45,800	2,157	50%	229
<b>Total joint ventures</b>	<b>24,783</b>	<b>743,613</b>	<b>29,545</b>		<b>2,131</b>

## Examples of completed projects

### Mobility services that make life on a bicycle easier



#### Svanen, Uppsala

Just a few minutes bike ride from Central Uppsala, the new residential area Rosendal is being developed. Here is the Swan with plenty of bicycle racks, a bicycle room with workshop, and a delivery bicycle pool will soon be in place to make it easier to choose cycling over taking the car. The roof is fitted with solar panels and features a magnificent shared roof terrace.

**Number of apartments:** 58

**Average size:** 43 m<sup>2</sup>

**Architect:** Kirsh + Dereka Arkitekter

### For buddies and small families



#### Apelvägen, Nacka

On Apelvägen in Nacka, 30 space-efficient rental apartments have been built with two bedrooms, a living room and a kitchen in each, serving as homes both for buddies and small families. The roofs are clad in sedum and the walls with wood panels. The properties are located in a residential area, meaning that the area offers more varied tenancy formats to suit people at different stages of life. On Apelvägen, both public transport and green areas are close by.

**Number of apartments:** 30

**Average size:** 51 m<sup>2</sup>

**Architect:** Link Arkitektur

### High-tech meets no-tech in Midsommarkransen



#### Flora, Stockholm

Flora is a residential building designed by Belatchew Arkitekter at the heart of one of Stockholm's hottest districts, Midsommarkransen. Welcoming outdoor seating is provided at a street-level vegan café.

The facade has been clad in wood and the roof in sedum and herbs, re-establishing the building's green imprint on the site. The apartments are airy and bright thanks to the numerous light inlets and high ceilings. All of the apartments have French balconies. The apartments facing the courtyard have large balconies facing south and the apartments highest up in the property have terraces extending along the entire facade.

**number of apartments:** 37

**Average size:** 49 m<sup>2</sup>

**Architect:** Belatchew Arkitekter



## 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 second quarter of 2021, SBB completed renovations that improve the net operating income from 175 apartments. A further 98 apartments are currently being renovated and

the leases on 181 apartments have been terminated, with renovation planned to commence within a three-month period. 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 3,048m, as detailed in the table below.

Examples of remodelling and extension projects in progress include the modification of

premises as a school and elderly care unit for the Municipality of Haninge with a new 20-year lease, and the remodelling and extension of the West Helsinki police station, for which the entire rental contract is being extended by a further ten years.

The profit is calculated as changes in value linked to investments during the period less the investments made.

	WAULT (years)	Investment (SEKm)	Lettable area (m <sup>2</sup> )	Accrued as of 30 June 2021 (SEKm)	Net operating income (SEKm)	Yield on cost (%)
Investments excluding succession renovations	14	3,048	230,630	2,120	181	5.9%



## 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 extensive 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 Nordic region 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 AAA cash flows and untapped potential value. Combined with a pipeline of acquisitions and sales, this allows the company to constantly recover

capital to generate benefit for shareholders. During the second quarter of 2021, the company conducted property transactions for a total of SEK 17.4bn.

Examples of value-generating transactions are sales of office properties, in certain instances 20 percent above the latest valuation, the acquisition of 70 percent of the shares in Riksbbyggen's rented residential company Unobo and sale of the holding in Entra at a profit of 10 percent, equivalent to approximately SEK 300m over the period during which the shares were held.

### Timeline transactions April-June 2021

May

SBB acquires elderly care units in Greater Stockholm as well as housing and elderly care units in Helsingborg for SEK 2.5bn, while also selling non-strategic properties for SEK 1.7bn

June

SBB sells public offices and judicial properties in Norway for approximately NOK 1,200m

June

SBB acquires 70 percent of Riksbbyggen's rented residential company Unobo, paying a total SEK 2,064m for the shares

April

June

# Financing

## Financing key figures

37%

Loan-to-value ratio

1.13%

Average interest

9%

Secured loan-to-value ratio

BBB-

Positive outlook (S&P)

BBB-

Positive outlook (Fitch)

### Significant macro events during the second quarter of 2021

The overall macro statistics, both for Sweden and the entire OECD area, continue to surprise positively. This confirms the anticipated scenario of a continued recovery in the economy and, as far as Sweden is concerned, we are now back at the same level of activity as before the outbreak of the pandemic a year ago. To date, industry has mainly served as an engine, although we are now seeing an increasingly broad recovery as the service industries gradually open up too. The outlook for the second half of the year is favourable, if the restrictions are ended as planned, the Swedish economy is expected to show very good growth figures in the second half of the year. The inflation concerns that pervaded much of the first quarter are now more nuanced and subdued. This has helped halt the rise in long-term interest rates and to maintaining the risk appetite of the investor group in the credit market, resulting in favourable financing opportunities. Although the stock markets have entered a calmer phase, major portions of property shares continued to develop strongly in the second quarter in line with more stable long-term interest rates. The property sector is expected to continue being supported by the favourable combination of strong growth but low underlying inflationary pressures – which looks set to continue at least during the current year and the next.

### Interest rate and credit market

The capital market in the Euro area and Sweden in the first half of the year was pervaded by strong sentiment and a high level of activity. Like European loans, the Swedish credit market traded strongly during the second quarter. In SEK, the total issue volume for corporate bonds was SEK 124bn in the first half of the year. This can be compared with a total volume of SEK 81bn in the first half of 2020. There continues to be a high proportion of issues by the property sector (46 percent of the total). The high demand for credit bonds has driven down credit spreads for IG credits by an additional 5 basis points. Going forward, we see conditions for the strong market to persist. Thanks to continued support from central banks in particular, which continue to see recent inflation as transient and are sending signals that interest rates will be kept low for a relatively long time to come to support the recovery. Swedish long-term interest rates (10 years) traded sideways during the second quarter. Although the short-term rate takes price increases within a two-year horizon into account, it will remain around current levels as long as no more hawkish signals are received from the central banks, which currently appears remote.

### Significant events during the period

On 18 May 2021, SBB successfully issued its third social bond of EUR 750m, maturing in November 2029. Bond XS2346224806 runs with a coupon of 1.125 percent. The proceeds of the issue will be used to finance permitted social assets in accordance with SBB's framework for sustainable financing. Shortly afterwards, a social hybrid bond of EUR 500m was issued with a maturity to initial redemption of 5.6 years. Hybrid bond XS2010028186 matures with a fixed coupon of 2.875 percent. SBB has prematurely redeemed its hybrid bond EUR 300m with ISIN XS1974894138.

SBB has continued its strategy of repurchasing bonds issued at high interest rates and redeeming expensive bank loans. In total, bonds and hybrid bonds issued by SBB and Offentliga Hus have been repurchased for SEK 893m. During the quarter, SBB also renegotiated and redeemed bank loans in SBB and Offentliga Hus of approximately SEK 6,000m. Over the period, SBB also chose to exercise its voluntary conversion right and prematurely redeem its subordinated mandatory convertibles of SEK 2,750m due to mature in 2023. As of 30 June 2021, only SEK 78m of the mandatory convertible remained outstanding.

### Significant events after the period

After the end of the period, on 5 July 2021, SBB redeemed bond XS2022418243 for SEK 1,960m and repaid and renegotiated loans of approximately SEK 1,970m.

### 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 37 percent (33) and the secured loan-to-value ratio was 9 percent (10). The interest coverage ratio was a multiple of 5.2 (3.5). 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 72,332m (55,265) of which SEK 13,308m (12,064) pertained to liabilities to credit institutions, SEK 52,050m (37,783) pertained to bond loans and SEK 6,974m (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 a secured bond (NO963342624) of SEK 466m maturing in December 2021.



SBB has continued to work actively to lower the interest rate on its interest-bearing liabilities. At the end of the period, the average interest rate on the interest-bearing liabilities was 1.13 percent (1.31). SBB's exposure to variable interest rates is insignificant (1.7 percent) and covered by existing cash balances. The average period of fixed interest for all interest-bearing liabilities was 4.1 years (4.5) and the average debt maturity was 4.2 years (4.8). Excluding commercial papers, SEK 3,632m 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 available liquidity amounted to SEK 11,880m and financial investments amounted to approximately SEK 4,189m. SBB also has SEK 10,050m in the form of unutilized credit facilities. No additional securities need 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 the company's profit from property management. At the end of the period, the total nominal

value of the interest-rate derivatives amounted to SEK 15,178m (16,627) with maturities of between one and ten years. By means of interest-rate derivatives, SBB has hedged 98 percent of its variable-rate interest-bearing liabilities maturing within one year. 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 20m (-138).

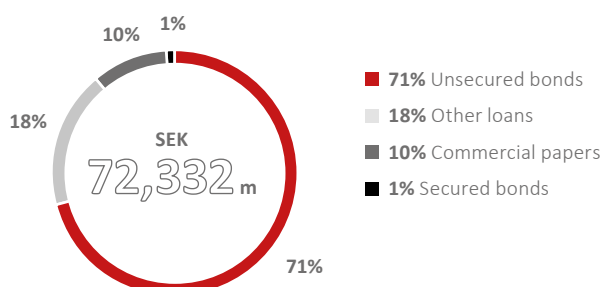
### Rating

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.

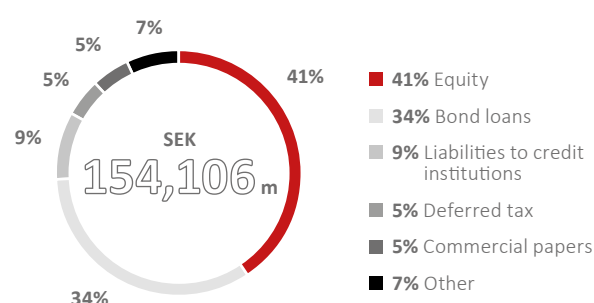
### Maturity structure (excl. commercial papers)

Maturity year	Nominal amount, SEKm	Share, %
< 1 year	6,652	10
< 2 years	9,952	15
< 3 years	5,778	9
< 4 years	9,900	15
< 5 years	898	1
> 5 years	32,691	50
<b>Total</b>	<b>65,871</b>	<b>100</b>

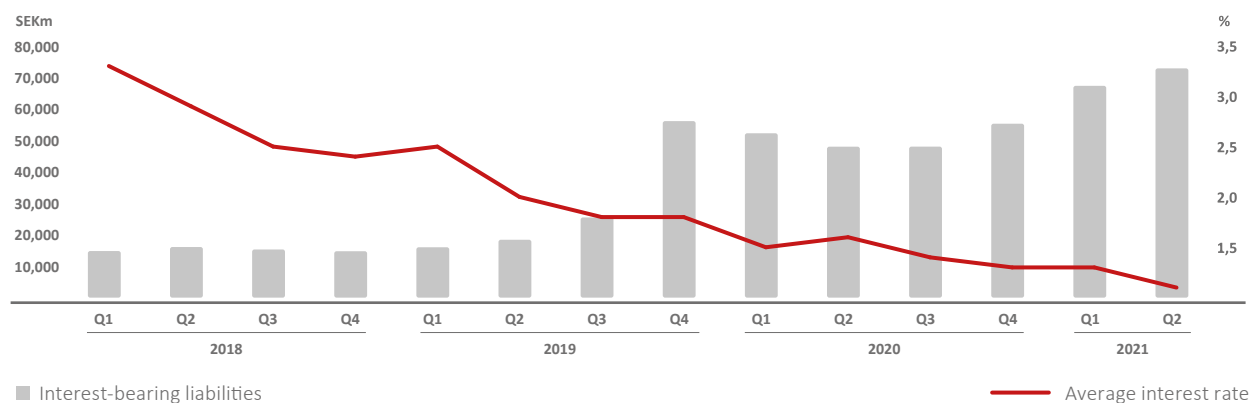
### Distribution of interest-bearing liabilities



### Capital structure



### Development of the Group's average interest rate



## Bond loans as of 30 June 2021

Term	SEK m	Repurchased by SBB	Interest terms	Maturity date	ISIN code	Type
2019-2024	500	312.5	Stibor 3M + 3.30%	14-02-2024	SE0012256741	Green
2019-2024	200	147.5	Stibor 3M + 3.25%	19-02-2024	SE0012313245	
2019-2025	600	170	Stibor 3M + 1.90%	14-01-2025	XS1997252975	
2020-2025	500	104	Stibor 3M + 1.03%	14-01-2025	XS1997252975	
2019-2023	200	75	Stibor 3M + 1.40%	22-05-2023	XS2000538699	
2016-2021	466		Stibor 3M + 1.85%	23-12-2021	NO963342624	Secured
2019-2022	500	50	Stibor 3M + 1.20%	22-07-2022	XS2021634675	Green
2019-2021	1,960	679	Stibor 3M + 0.93%	05-07-2021	XS2022418243	
2019-2023	800	80	Stibor 3M + 1.150%	06-09-2023	XS2050862262	Green
2019-2022	600	110	Stibor 3M + 0.95%	03-10-2022	XS2059787049	
2019-2023	1,000		Stibor 3M + 1.01%	01-02-2023	XS2066041661	
2019-2022	300		0.85%	11-03-2022	XS2078676322	
2019-2021	500		Stibor 3M + 0.7%	08-11-2021	XS2078691123	
2019-2023	700	25	1.07%	11-05-2023	XS2078737306	
2019-2021	800	375	Stibor 3M + 0.66%	08-11-2021	XS2078371486	
2019-2024	1,057		1.66%	28-11-2024	XS2085870728	
2019-HYB	1,500		3.50%	Hybrid	SE0013359148	
2020-2027	600		Stibor 3M + 1.50%	30-01-2027	XS2111589219	Green
2020-2025	785.45		Stibor 3M + 2.008	26-06-2025	XS2194790429	
2020-2025	200		Stibor 3M + 1.170%	18-12-2025	XS2275409824	Social
2021-2023	1,000		Stibor 3M + 0.80%	26-07-2023	XS2290558282	Social
2019-2023	700	323.75	Stibor 3M + 4.378	27-03-2023	SE0013042611	Offentliga Hus
2019-HYB	575	293.75	Stibor 3M + 6.807	Hybrid	SE0013234531	Offentliga Hus Hybrid
2020-2024	550	215	Stibor 3M + 3.116	12 April 2024	SE0014965919	Offentliga Hus

Term	EURm	repurchased by SBB (EURm)	Interest terms	Maturity date	ISIN code	Type
2019-HYB	300	282.445	4.63%	Hybrid	XS1974894138	
2019-2025	550	3	1.75%	14-01-2025	XS1993969515	
2019-2026	500		1.13%	04-09-2026	XS2049823680	
2020-2027	750		1%	12-08-2027	XS2114871945	
2020-HYB	500		2.62%	Hybrid	XS2010032618	
2020-2040	50		2.75%	03-04-2040	XS2151934978	
2020-2028	700		0.75%	14-12-2028	XS2271332285	Social
2020-HYB	500		2.625%	Hybrid	XS2272358024	
2021-2023	600		Euribor 3m 0.60%	10-02-2023	XS2293906199	
2021-2029	750		1.125%	26-11-2029	XS2346224806	Social
2021-HYB	500		2.875%	Hybrid	XS2010028186	Social

Term	NOKm	Repurchased by SBB (NOKm)	Interest terms	Maturity date	ISIN code	Type
2020-2023	400		Nibor 3M 0.72%	24-02-2023	XS2124186508	
2020-2025	700		Nibor 3M 1.65%	27-08-2025	XS2223676201	
2020-2023	200		Nibor 3M 1.50%	14-07-2023	XS2203994517	





# 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 2030 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.



## 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. A complete description of SBB's sustainability goals and Vision 2030 can be found at <https://corporate.sbbnorden.se/sv/hallbarhet/>.

## Ecological sustainability

The climate change 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 neutrality 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 second quarter of 2021

SBB has started an energy project in the residential properties Siskan 3 and Siskan 4 in Söderhamn with the aim of halving energy consumption by replacing windows, installing additional insulation, and recycling energy from exhaust air and wastewater.

SBB is also rebuilding 16 preschools in the Stockholm region, where an energy saving of approximately 1,000,000 kWh will be achieved. Preschools exceeding 200 m<sup>2</sup> will be environmentally certified (in accordance with the "Miljöbyggnad i drift" standard). This is planned to be completed during the third quarter.

Renovations of 176 apartments were completed, 98 apartments are under renovation and leases on 181 apartments have been terminated for planned renovation, commencing within the next three months.

In Norway, SBB has negotiated and entered into a new framework agreement with a supplier for energy monitoring. Work is also underway to update energy declarations for certain properties. In addition, work has begun to environmentally certify (in accordance with the "Breeam in Use" standard) two properties in the portfolio.

## 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

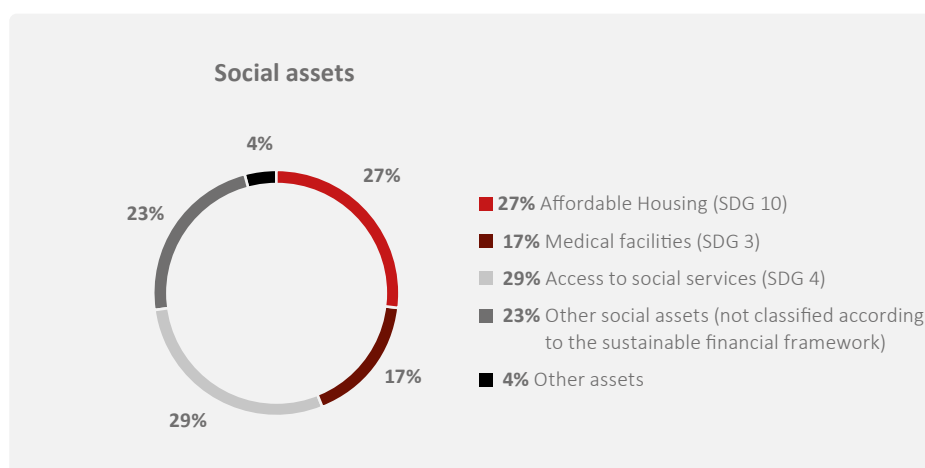
see it as crucial that our business and industry understand and can meet social challenges today.

## Development in the second quarter of 2021

As of 30 June 2021, SBB owned 4,931,000 m<sup>2</sup> (including rental housing, nursing homes, LSS and building rights for future rental housing), 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.

A collaboration was initiated with Uppsala Bostadsförmedling to let a certain share of SBB's vacant apartments in Tierp and Enköping via Uppsala Bostadsförmedling.

Around Sweden, 200 young people have been given summer jobs at SBB, corresponding to one summer worker for each employee at SBB Förvaltning. This offers a positive start to working life for these young people, who are given the opportunity to take responsibility for,



## Currently in project development, Q2 2021

	Number/number of m <sup>2</sup>	Number of wooden buildings	Proportion of wooden buildings	Number certified	Proportion certified
Number of projects	23	12	52%	8	35%
Number of m <sup>2</sup>	131,264	46,803	36%	53,086	40%

## 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 systems (CS)	5	1	360,000	59,000	0.08%
Solar cell systems (RE)	2	-	260,000	-	0.05%
Heat pumps (CS)	2	1	1,836,212	410,000	0.42%
Heat pumps (RE)	9	2	6,179,000	3,716,885	1.84%

## Number of apartment renovations

30-06-2021	
Completed	175
In progress	98
Scheduled for the next three months	181

and contribute to, the environments in their neighbourhoods.

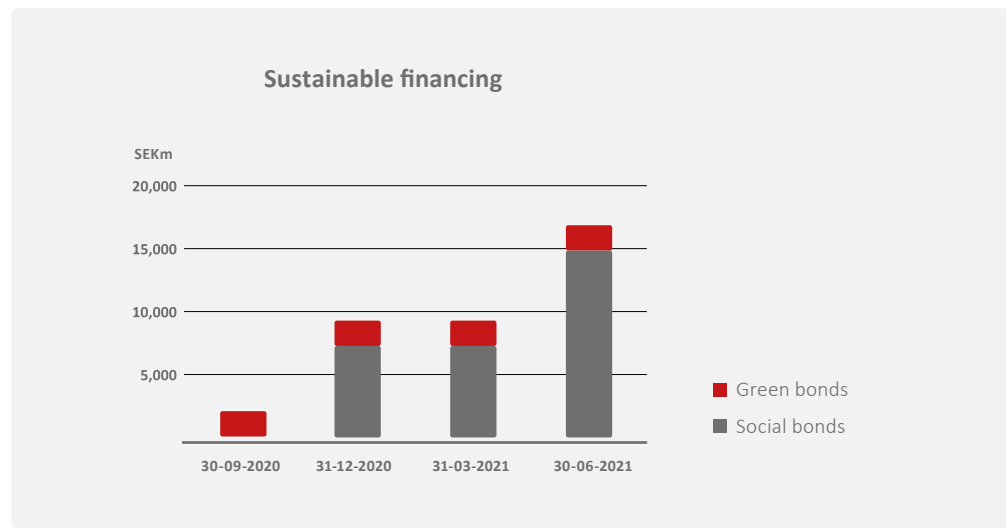
Sveafastigheter has established a collaboration with Stockholms Stadsmission with the aim of creating housing for people outside the ordinary housing market. Sveafastigheter and Stockholms Stadsmission are jointly seeking land allocations in suitable locations in the City of Stockholm.

### 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 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 second quarter of 2021

Under its new framework for sustainable financing, SBB issued a EUR 750m social bond within its framework for sustainable financing. The framework was established in November 2020. It received a C rating from ISS, which is above the average for the property sector. The proceeds from the issue will be used for



social assets permitted in accordance with the framework.

In addition, a social hybrid bond of EUR 500m was issued under SBB's framework for sustainable financing.

As of 30 June 2021, social bonds, green bonds

and green loans made up 23 percent of the total debt portfolio (excluding social hybrids).

SBB aims to achieve an investment grade rating of BBB+ in the short term and of A- in the longer term.



Sveafastigheter, a wholly-owned subsidiary of SBB, has taken the initiative for the cross-sector operational sustainability forum HS30 (Sustainable Stockholm 2030). SBB is one of the six participants, who all have in common that they want to take the lead in their sustainability work and drive the industry's transformation. New knowledge is acquired through talks, workshops, lectures and study visits, in order to accelerate the transition to a sustainable society. Knowledge and initiatives are anchored and operationally tested in the operations for relevance, including work to establish an equivalent to LFM30 in Stockholm. Knowledge that results from HS30 will be shared externally. <https://www.hs30.se> will be launched after the summer. HS30 is led by the research institute RISE and will be able to bring in additional participating companies.



# The share

Samhällsbyggnadsbolaget's series B share (ticker SBB B) and series D share (ticker SBB D) are traded on Nasdaq Stockholm, Large Cap.

Samhällsbyggnadsbolaget's series B share (ticker SBB B) and series D share (ticker SBB D) are traded on Nasdaq Stockholm, Large Cap. As of 30 June 2021, the number of series B ordinary shares totalled 1,208,244,360, while series D shares totalled 193,865,905. In addition, there are 209,977,491 series A preference shares in the company. On 30 June 2021, series B ordinary shares were trading at SEK 35.86, and series D shares at SEK 29.14. The market capitalization of the series B shares (including

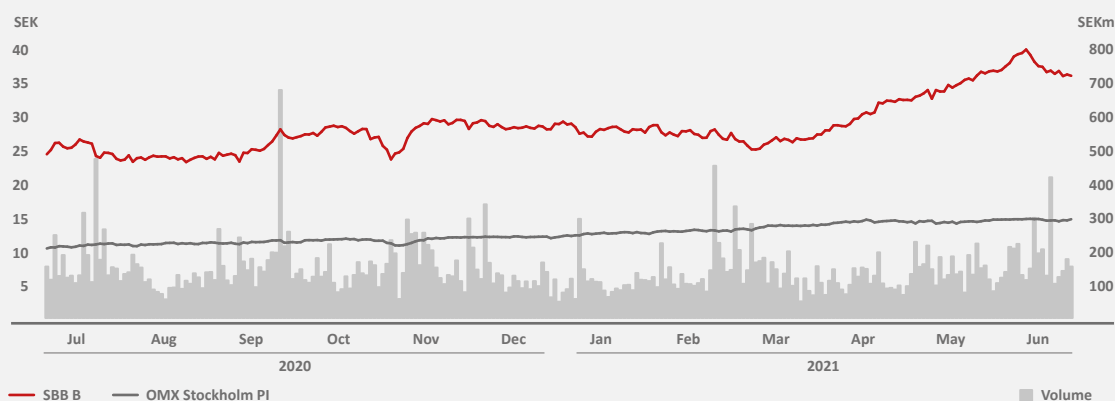
the value of unlisted series A ordinary shares at the same price) was SEK 50,857m, for the series D shares, it was SEK 5,649m. SBB's closing price of SEK 35.86 represents an increase of 50 percent compared with 30 June 2020 (23.80).

SBB's share is liquid, during the year the average trading volume per day was approximately SEK 137m. SBB works actively with its investor base by participating in roadshows, presentations and events for private and institutional investors.

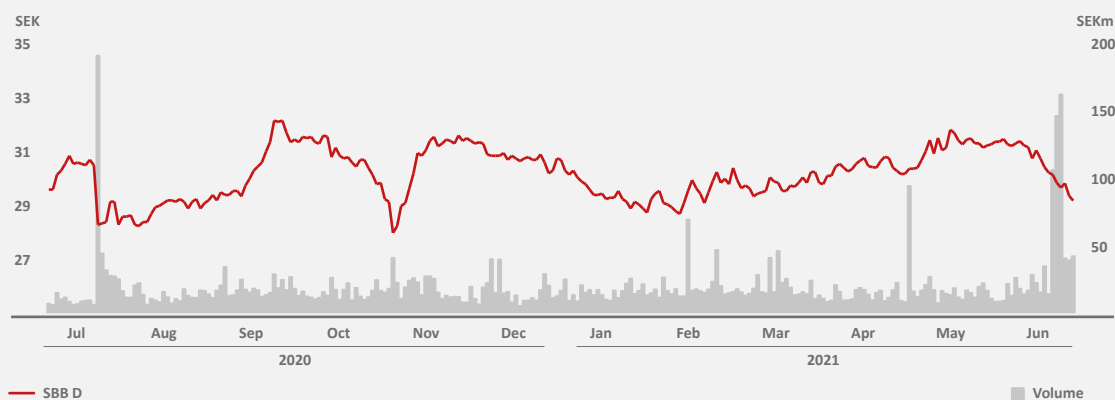
	Share price, SEK	
	30-06-2021	30-06-2020
Series B shares	35.86	23.80
Series D shares	29.14	28.90

	Average trading volume per trading day, SEKm	
	Jan-Jun 2021	Jan-Jun 2020
Series B shares	137.3	205.0
Series D shares	20.6	20.4

## Series B share trend, past 12 months



## Series D share trend, past 12 months



## Shareholders

On 30 June 2021, share capital amounted to SEK 161,208,775.6 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 ordi-

nary 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 30 June 2021

Shareholders	Series A shares	Series B shares	Series D shares	Share capital, %	Votes, %
Ilija Batljan (private and through company)	109,053,868	19,195,259	530,000	8.00	31.7
Arvid Svensson Invest	42,444,700	23,144,429	-	4.10	12.80
Dragfast AB	36,163,467	59,412,502	-	5.90	12.00
Sven-Olof Johansson	22,315,456	31,081,315	-	3.30	7.30
Länsförsäkringar	-	89,725,134	-	5.60	2.60
Læringsverkstedet Gruppen AS	-	-	44,197,779	2.70	1.30
BlackRock	-	35,835,925	1,009,447	2.30	1.10
Vanguard	-	33,420,019	2,909,611	2.30	1.00
Avanza Pension	-	24,406,261	9,466,283	2.10	1.00
Handelsbanken Fonder & Liv	-	30,975,346	536,197	2.00	0.90
Marjan Dragicevic	-	28,000,000	-	1.70	0.80
Futur Pension	-	24,183,458	2,149,383	1.60	0.80
Columbia Threadneedle	-	21,843,670	-	1.40	0.60
Lennart Schuss	-	20,074,872	190,000	1.30	0.59
Gösta Welandson with companies	-	20,060,764	224,000	1.30	0.59
Others	-	746,885,406	132,653,205	54.4	24.9
<b>Total</b>	<b>209,977,491</b>	<b>1,208,244,360</b>	<b>193,865,905</b>	<b>100.00</b>	<b>100.00</b>



# Parent Company

## Income statement of Parent Company

Amount in SEK, millions	01-01-2021 30-06-2021	01-01-2020 30-06-2020	01-04-2021 30-06-2021	01-04-2020 30-06-2020	01-01-2020 31-12-2020
Net sales	-	-	-	-	-
Personnel costs	-38	-19	-27	-11	-39
Other operating expenses	-20	-39	-7	-19	-83
<b>Operating profit</b>	<b>-58</b>	<b>-58</b>	<b>-34</b>	<b>-30</b>	<b>-122</b>
<b>Profit from financial items</b>					
Profit from participations in Group companies	-	-	0	-	166
Interest income and similar items	1,178	414	831	266	927
Interest expenses and similar items	-789	-284	-418	-56	-852
Translation gains/losses	-27	-455	118	-	277
Changes in value, derivatives	-95	-248	-157	-75	-265
<b>Profit after financial items</b>	<b>209</b>	<b>-632</b>	<b>340</b>	<b>105</b>	<b>132</b>
Appropriations	-	-	-	-	-62
<b>Profit before tax</b>	<b>209</b>	<b>-632</b>	<b>340</b>	<b>105</b>	<b>69</b>
Tax	-37	13	-57	68	6
<b>PROFIT FOR THE PERIOD</b>	<b>172</b>	<b>-619</b>	<b>283</b>	<b>173</b>	<b>75</b>

## Statement of comprehensive income of Parent Company

Amount in SEK, millions	01-01-2021 30-06-2021	01-01-2020 30-06-2020	01-04-2021 30-06-2021	01-04-2020 30-06-2020	01-01-2020 31-12-2020
Profit for the period	172	-619	283	173	75
Other comprehensive income	-	-	-	-	-
<b>COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>172</b>	<b>-619</b>	<b>283</b>	<b>173</b>	<b>75</b>

## 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 29 employees. The costs, incl. personnel costs during the period, amounted to SEK -58m (-58).

During the period, SBB issued series B and D ordinary shares for SEK 418m after issue costs. During the period, parts of a previously issued hybrid bond of SEK 3bn were redeemed and a new hybrid bond of EUR 500m was issued.

# Balance sheet of Parent Company

Amount in SEK, millions	30-06-2021	30-06-2020	31-12-2020
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Financial fixed assets</b>			
Shares in Group companies	27,231	26,731	26,698
Participations in associated companies/joint ventures	4,692	3	-
Receivables from Group companies	34,752	32,331	34,044
Receivables from associated companies/joint ventures	6	-	648
Deferred tax assets	227	107	180
Financial fixed assets at fair value	1,499	1,933	1,050
Derivatives	159	0	129
<b>Total financial fixed asset</b>	<b>68,565</b>	<b>61,105</b>	<b>62,748</b>
<b>Total fixed assets</b>	<b>68,565</b>	<b>61,105</b>	<b>62,748</b>
<b>Current assets</b>			
<b>Current receivables</b>			
Accounts receivable	1	-	-
Other receivables	58	154	239
Prepaid expenses and accrued income	79	54	29
<b>Total current receivables</b>	<b>139</b>	<b>208</b>	<b>268</b>
Cash and bank balances	10,224	710	12,986
<b>Total current assets</b>	<b>10,363</b>	<b>918</b>	<b>13,254</b>
<b>TOTAL ASSETS</b>	<b>78,928</b>	<b>62,024</b>	<b>76,002</b>

Amount in SEK, millions	30-06-2021	30-06-2020	31-12-2020
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	<b>38,804</b>	<b>27,197</b>	<b>38,421</b>
<b>Untaxed reserves</b>	<b>14</b>	<b>-</b>	<b>14</b>
<b>Long-term liabilities</b>			
Bond loans	27,936	29,755	27,255
Liabilities to associated companies	-	245	-
Derivatives	124	273	225
Other long-term liabilities	13	-	457
<b>Total long-term liabilities</b>	<b>28,072</b>	<b>30,273</b>	<b>27,937</b>
<b>Current liabilities</b>			
Bond loans	2,455	260	3,080
Commercial papers	6,974	2,553	5,418
Accounts payable	28	15	5
Current tax liabilities	7	-	9
Other liabilities	2,110	1,353	622
Accrued expenses and prepaid income	463	374	496
<b>Total current liabilities</b>	<b>12,038</b>	<b>4,555</b>	<b>9,630</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>78,928</b>	<b>62,024</b>	<b>76,002</b>

## Parent Company changes in equity

Amount in SEK, millions	Share capital	Share premium <sup>1)</sup>	Retained earnings	Total equity
<b>Total equity 01-01-2020</b>	<b>134</b>	<b>22,628</b>	<b>155</b>	<b>22,917</b>
Profit for the period	-	-	-619	-619
Other comprehensive income	-	-	-	-
<b>Comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-619</b>	<b>-619</b>
New/non-cash/offset issue	3	716	-	719
Issue hybrid bonds	-	5,273	-	5,273
Dividend	-	-	-1,142	-1,142
Tax effects equity	-	-	49	49
<b>Total equity 30-06-2020</b>	<b>137</b>	<b>28,618</b>	<b>-1,558</b>	<b>27,197</b>
Profit for the period	-	-	694	694
Other comprehensive income	-	-	-	-
<b>Comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>694</b>	<b>694</b>
New/non-cash/offset issue	13	3,550	-	3,563
Issue hybrid bonds	-	5,060	-	5,060
Issue mandatory convertible bonds	-	2,148	-	2,148
Dividend	-	-	-311	-311
Tax effects equity	-	-	69	69
<b>Total equity 31-12-2020</b>	<b>150</b>	<b>39,375</b>	<b>-1,105</b>	<b>38,421</b>
<b>Total equity 01-01-2021</b>	<b>150</b>	<b>39,375</b>	<b>-1,105</b>	<b>38,421</b>
Profit for the period	-	-	172	172
Other comprehensive income	-	-	-	-
<b>Comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>172</b>	<b>172</b>
New/non-cash/offset issue	2	416	-	418
Issue hybrid bonds	-	-	4,994	4,994
Issue warrants	-	58	-	58
Redemption of preference shares	-	-15	-5	-20
Redemption of part of hybrid bond	-	-2,793	-291	-3,084
Redemption/conversion of mandatory convertible	9	-107	-	-98
Dividend	-	-	-2,140	-2,140
Tax effects equity	-	-	83	83
<b>Total equity 30-06-2021</b>	<b>161</b>	<b>36,934</b>	<b>1,708</b>	<b>38,804</b>

<sup>1)</sup> The entire share premium fund constitutes unrestricted equity



# Cash flow statement of Parent Company

Amount in SEK, millions	01-01-2021 30-06-2021	01-01-2020 30-06-2020	01-04-2021 30-06-2021	01-04-2020 30-06-2020	01-01-2020 31-12-2020
<b>Operating activities</b>					
Profit after financial items	209	-632	340	570	132
Net interest income	-267	574	-374	-427	-87
Interest paid	-836	-144	-418	22	-568
Interest received	1,197	408	831	266	918
Tax	-2	-	-	24	-
<b>Cash flow from operating activities before changes in working capital</b>	<b>302</b>	<b>205</b>	<b>379</b>	<b>455</b>	<b>394</b>
<b>Cash flow from changes in working capital</b>					
Increase (-)/Decrease (+) of operating receivables	110	-179	-23	-1,189	-236
Increase (+)/Decrease (-) of operating liabilities	-253	-7,857	-580	232	-8,051
<b>Cash flow from operating activities</b>	<b>159</b>	<b>-7,831</b>	<b>-224</b>	<b>-502</b>	<b>-7,893</b>
<b>Investment activities</b>					
Investment in subsidiaries	-533	-2,499	-533	-	-1,717
Investments in associated companies/joint ventures	-4,691	-3	-4,691	-	-
Receivables from Group companies	-709	-13,509	-234	-2,185	-12,354
Change in receivables from associated companies	642	-	-5	165	-648
Change in financial assets	-580	-632	2,401	160	347
Change in other long-term receivables	2	-62	2	-59	-134
<b>Cash flow from investing activities</b>	<b>-5,869</b>	<b>-16,705</b>	<b>-3,060</b>	<b>-1,919</b>	<b>-14,505</b>
<b>Financing activities</b>					
Non-cash/offset issue	418	719	36	-4	665
Issue hybrid bonds	4,994	5,273	4,994	-8	10,333
Issue warrants	58	-	58	-	-
Redemption of part of hybrid bond	-3,084	-	-3,084	-	-
Emission convertibles	-98	-	-98	-	2,148
Redeemed preference shares	-20	-	-20	-	-
Dividend paid	-904	-163	-572	-104	-853
Loans raised/repaid	1,584	7,796	1,613	548	11,713
Change in other long-term liabilities	-	-42	-	-42	-287
<b>Cash flow from financing activities</b>	<b>2,948</b>	<b>13,583</b>	<b>2,927</b>	<b>432</b>	<b>23,720</b>
<b>Cash flow for the period</b>	<b>-2,762</b>	<b>-10,954</b>	<b>-358</b>	<b>-1,989</b>	<b>1,322</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>12,986</b>	<b>11,664</b>	<b>10,582</b>	<b>7,786</b>	<b>11,664</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>10,224</b>	<b>710</b>	<b>10,224</b>	<b>5,797</b>	<b>12,986</b>

# 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.

## ACCOUNTING PRINCIPLES

### Principles for the consolidated accounts

The consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretation Committee (IFRIC). 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. This interim report was prepared in accordance with IAS 34 Interim Reporting. The same accounting and valuation principles were applied as in the latest Annual Report; refer to SBB's 2020 Annual Report, pages 54-102, except that stated below.

### Information on new standards

#### Amendments to IFRS 3

On 22 October 2018, IASB issued amendments regarding the definition of a business combination in IFRS 3. Among other things, the changes mean that a company may choose to carry out a so-called concentration test that if it indicates that the acquisition is an asset acquisition it means that no further assessment is required.

However, the test never answers the question of whether an acquisition is a business acquisition and can only show if it is an asset acquisition. This voluntary test means that if substantially all of the fair value of the gross assets acquired can be attributed to an asset or group of similar assets, the acquisition constitutes an asset acquisition. The changes, if introduced in IFRS 3, are expected to result in more acquisitions being reported as asset acquisitions compared to current guidance. SBB estimates that the change will not affect the share of asset acquisitions in relation to business acquisitions to any great extent, since the majority of the acquisitions made relate to asset acquisitions. The amendment shall apply for fiscal years beginning on 1 January 2020 and is decided by the EU.

### Hedge accounting

Since 1 January 2018, the Group applies hedge accounting for currency loans. Currency loans issued in EUR have been used as hedges against net assets in Finland. The effect of the hedge accounting is that the unrealized exchange rate differences of SEK -64m net after tax in the translation of the loan at the closing day rate were recognized in other comprehensive income. In the Swedish Group, there is also a currency loan in NOK that is used as a hedge against net assets in Norway. The effect of the hedge accounting is that the unrealized exchange rate differences of SEK -102m net after tax in the translation of the loan at the closing day rate were recognized in other comprehensive income.

### Reporting of mandatory convertible

SBB 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. During the period, a nominal SEK 2,672m of the binding convertible was redeemed.

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, 15 July 2021

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](mailto: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 and the Swedish Securities Market Act. The information was submitted by the below contact persons for publication on 15 July 2021 at 8:00 a.m. CET.

Marika Dimming, IR, +46 70-251 66 89,  
[marika@sbbnorden.se](mailto: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 less estimated actual deferred tax of 5.5 percent.

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

### **Loan-to-value ratio, %**

Net debt in relation to total assets. The key figure 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 as well as interest on hybrid bonds less value change on properties minus tax related to associated companies and joint ventures and estimated current tax attributable to the plan profit. Taxable profit from property management refers to profit from property management less tax deductible depreciation and renovations.

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

### **Tied-up capital, year**

Remaining maturity of interest-bearing liabilities.

*The key figure 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 the ordinary share, excluding equity related to preference and D shares, non-controlling interests and the hybrid bond, adding back deferred tax liability, goodwill attributable to deferred tax and derivatives. The key figure 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 ordinary A and B shares for the period.

### **Interest-coverage ratio, multiple**

Profit from property management (past 12 months) after return of net financial items in relation to net interest excluding costs for early repayment of loans and leasing costs.

*The key figure is used to illustrate financial risk.*

### **Equity/assets ratio, %**

Reported equity as a percentage of total assets.

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

### **Secured loan-to-value ratio, %**

Secured liabilities as a percentage of the total assets.

*The key figure 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 months) 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 figure 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 figure 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 figure 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 figure 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 figure shows how much of the rental income remains after direct property costs.*



# Calculation of alternative performance measures

## Return on equity

Amount in SEK, millions	01-01-2021 30-06-2021	01-01-2020 30-06-2020	01-04-2021 30-06-2021	01-04-2020 30-06-2020	01-01-2020 31-12-2020
Profit for the period	9,239	2,595	6,558	1,223	9,084
OB equity	52,136	30,896	57,886	34,875	30,896
CB equity	63,126	35,164	63,126	35,164	52,136
<b>Average equity</b>	<b>57,631</b>	<b>33,030</b>	<b>60,506</b>	<b>35,019</b>	<b>41,516</b>
<b>Return on equity</b>	<b>16%</b>	<b>8%</b>	<b>11%</b>	<b>3%</b>	<b>22%</b>

## Loan-to-value ratio

Amount in SEK, millions	01-01-2021 30-06-2021	01-01-2020 30-06-2020	01-04-2021 30-06-2021	01-04-2020 30-06-2020	01-01-2020 31-12-2020
Liabilities to credit institutions	13,308	12,966	13,308	12,966	12,064
Bond loans	52,050	32,447	52,050	32,447	37,783
Commercial papers	6,974	2,553	6,974	2,553	5,418
Cash and cash equivalents/cash investments	-16,069	-1,330	-16,069	-1,330	-15,399
<b>Net debt</b>	<b>56,263</b>	<b>46,636</b>	<b>56,263</b>	<b>46,636</b>	<b>39 866</b>
Balance sheet total	154,106	92,525	154,106	92,525	120,231
<b>Loan-to-value ratio</b>	<b>37%</b>	<b>50%</b>	<b>37%</b>	<b>50%</b>	<b>33%</b>

## Yield

Amount in SEK, millions	01-01-2021 30-06-2021	01-01-2020 30-06-2020	01-04-2021 30-06-2021	01-04-2020 30-06-2020	01-01-2020 31-12-2020
Net operating income in accordance with earnings capacity	4,405	3,248	4,405	3,248	3,487
Investment properties	116,845	72,974	116,845	72,974	90,185
Building rights and projects in progress	-9,263	-2,726	-9,263	-2,726	-9,056
<b>Property value excluding building rights</b>	<b>107,582</b>	<b>70,248</b>	<b>107,582</b>	<b>70,248</b>	<b>81,129</b>
<b>Yield</b>	<b>4.1%</b>	<b>4.6%</b>	<b>4.1%</b>	<b>4.6%</b>	<b>4.3%</b>

## Economic letting ratio

Amount in SEK, millions	01-01-2021 30-06-2021	01-01-2020 30-06-2020	01-04-2021 30-06-2021	01-04-2020 30-06-2020	01-01-2020 31-12-2020
Rental income in accordance with earnings capacity	6,137	4,537	6,137	4,537	4,839
Rental value in accordance with earnings capacity	6,534	4,827	6,534	4,827	5,170
<b>Economic letting ratio</b>	<b>93.9%</b>	<b>94.0%</b>	<b>93.9%</b>	<b>94.0%</b>	<b>93.6%</b>

## EPRA earnings

Amount in SEK, millions	01-01-2021 30-06-2021	01-01-2020 30-06-2020	01-04-2021 30-06-2021	01-04-2020 30-06-2020	01-01-2020 31-12-2020
Profit from property management	1,442	924	827	605	2,474
Profit attributable to preference shares	-1	-1	-	-1	-3
Profit attributable to Series D shares	-194	-103	-98	-53	-262
Profit attributable to hybrid bond	-359	-166	-235	-76	-332
Profit attributable to minority interest	-3	-52	-	-8	-74
Adjustment associated companies and joint ventures	-249	-	-249	-	-
Paid tax	-105	-52	-13	-4	-165
<b>Profit from property management after tax paid</b>	<b>531</b>	<b>549</b>	<b>232</b>	<b>463</b>	<b>1,638</b>
Average number of series A and B ordinary shares	1,329,972,631	1,263,712,746	1,330,457,517	1,268,092,596	1,270,977,083
<b>Earnings per series A and B ordinary share</b>	<b>0.40</b>	<b>0.43</b>	<b>0.17</b>	<b>0.37</b>	<b>1.29</b>
Average number of series A and B ordinary shares after dilution	1,329,972,631	1,275,388,750	1,330,823,018	1,279,041,228	1,312,784,970
<b>Earnings per ordinary A and B share after dilution</b>	<b>0.40</b>	<b>0.43</b>	<b>0.17</b>	<b>0.36</b>	<b>1.25</b>

## Adjusted equity/assets ratio

Amount in SEK, millions	01-01-2021	01-01-2020	01-04-2021	01-04-2020	01-01-2020
	30-06-2021	30-06-2020	30-06-2021	30-06-2020	31-12-2020
Equity	63,126	35,164	63,126	35,164	52,136
Deferred tax excl. deferred tax attr. to goodwill	5,734	3,478	5,734	3,478	5,128
<b>Total</b>	<b>68,860</b>	<b>38,642</b>	<b>68,860</b>	<b>38,642</b>	<b>57,264</b>
Balance sheet total	154,106	92,525	154,106	92,525	120,231
<b>Adjusted equity/assets ratio</b>	<b>45%</b>	<b>42%</b>	<b>45%</b>	<b>42%</b>	<b>48%</b>

## Earnings per series A and B ordinary share

Amount in SEK, millions	01-01-2021	01-01-2020	01-04-2021	01-04-2020	01-01-2020
	30-06-2021	30-06-2020	30-06-2021	30-06-2020	31-12-2020
Profit for the period	9,293	2,595	6,558	1,223	9,084
Profit attributable to preference shares	-1	-1	0	-1	-3
Profit attributable to Series D shares	-194	-106	-98	-52	-262
Profit attributable to hybrid bond	-359	-166	-235	-76	-332
Profit attributable to minority interest	-842	-52	-832	-8	-74
<b>Profit attributable to series A and B ordinary shares</b>	<b>7,897</b>	<b>2,270</b>	<b>5,393</b>	<b>1,086</b>	<b>8,413</b>
Average number of series A and B ordinary shares <sup>1)</sup>	1,329,972,631	1,263,712,746	1,330,457,517	1,268,092,596	1,312,784,970
<b>Earnings per series A and B ordinary share</b>	<b>5.94</b>	<b>1.80</b>	<b>4.05</b>	<b>0.86</b>	<b>6.41</b>
Average number of series A and B ordinary shares after dilution	1,329,972,631	1,275,388,750	1,330,823,018	1,279,041,228	1,312,784,970
<b>Earnings per ordinary A and B share after dilution</b>	<b>5.94</b>	<b>1.78</b>	<b>4.05</b>	<b>0.85</b>	<b>6.41</b>

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

## Interest coverage ratio

Amount in SEK, millions	01-07-2021	01-07-2019	01-01-2020
	30-06-2021	30-06-2020	31-12-2020
Profit from property management (rolling 12 months)	2,992	1,315	2,474
<i>Reversal of net financial items</i>			
Interest income and similar items	-263	-116	-166
Interest expenses and sim. items (rolling 12 months)	978	767	973
Costs for early redemption of loans (rolling 12 months)	254	187	199
Translation gains/losses (rolling 12 months)	-291	107	-158
Land lease expenses (rolling 12 months)	25	17	25
<b>Total reversal of net financial items</b>	<b>703</b>	<b>962</b>	<b>873</b>
<b>Profit from property management (rolling 12 months) excl. net financial items</b>	<b>3,696</b>	<b>2,277</b>	<b>3,347</b>
Net interest income			
Interest income and similar items	263	116	166
Interest expenses and sim. items (rolling 12 months)	-978	-767	-973
<b>Total net interest</b>	<b>-715</b>	<b>-651</b>	<b>-807</b>
<b>Interest-coverage ratio (multiple)</b>	<b>5.2</b>	<b>3.5</b>	<b>4.1</b>

## Equity/assets ratio

Amount in SEK, millions	01-01-2021	01-01-2020	01-04-2021	01-04-2020	01-01-2020
	30-06-2021	30-06-2020	30-06-2021	30-06-2020	31-12-2020
Equity	63,126	35,164	63,126	35,164	52,136
Balance sheet total	154,106	92,525	154,106	92,525	120,231
<b>Equity/assets ratio</b>	<b>41%</b>	<b>38%</b>	<b>41%</b>	<b>38%</b>	<b>43%</b>

## Equity ratio

Amount in SEK, millions	01-01-2021 30-06-2021	01-01-2020 30-06-2020	01-04-2021 30-06-2021	01-04-2020 30-06-2020	01-01-2020 31-12-2020
<i>Equity excluding non-controlling interests</i>					
Equity	63,126	35,164	63,126	35,164	52,136
Hybrid bonds	-17,122	-10,020	-17,122	-10,020	-14,480
Non-controlling interest	-1,857	-373	-1,857	-373	-411
<b>Equity excluding non-controlling interests</b>	<b>44,147</b>	<b>24,770</b>	<b>44,147</b>	<b>24,770</b>	<b>37,245</b>
Preference share capital	-	-15	-	-15	-15
Series D share capital	-5,881	-3,326	-5,881	-3,326	-5,531
Reversal of derivatives	-21	340	-21	340	138
Goodwill attributable to deferred tax	-2,025	-1,963	-2,025	-1,963	-2,044
Other goodwill	-4,285	-4,309	-4,285	-4,309	-4,275
Reversal of liability portion of mandatory convertible	13	-	13	-	541
Reversal of deferred tax	7,759	5,441	7,759	5,441	7,172
Deduction of deferred tax (5.5%)	-4,110	-2,475	-4,110	-2,475	-3,506
<b>Actual net asset value (EPRA NTA)</b>	<b>35,597</b>	<b>18,463</b>	<b>35,597</b>	<b>18,463</b>	<b>29,724</b>
Actual net asset value (EPRA NTA), SEK/share	25.10	14.56	25.10	14.56	22.36
Actual net asset value (EPRA NTA), SEK/share (diluted)	25.10	14.56	25.10	14.56	20.86
Reversal of other goodwill	4,285	4,309	4,285	4,309	4,275
Reversal of deferred tax deduction (5.5%)	4,110	2,475	4,110	2,475	3,506
<b>Long-term net asset value (EPRA NRV)</b>	<b>43,992</b>	<b>25,246</b>	<b>43,992</b>	<b>25,246</b>	<b>37,505</b>
Long-term net asset value (EPRA NRV), SEK/share	31.02	19.91	31.02	19.91	28.21
Long-term net asset value (EPRA NRV), SEK/share (diluted)	31.02	19.91	31.02	19.91	26.32
Number of series A and B ordinary shares	1,418,221,851	1,268,092,596	1,418,221,851	1,268,092,596	1,329,482,358
Number of series A and B ordinary shares after dilution	1,418,221,851	1,268,092,596	1,418,221,851	1,268,092,596	1,425,117,900

## Secured loan-to-value ratio

Amount in SEK, millions	01-01-2021 30-06-2021	01-01-2020 30-06-2020	01-04-2021 30-06-2021	01-04-2020 30-06-2020	01-01-2020 31-12-2020
Liabilities to credit institutions	13,308	12,966	13,308	12,966	12,064
Secured bond loans	465	1,143	465	1,143	465
<b>Total secured loans</b>	<b>13,773</b>	<b>14,109</b>	<b>13,773</b>	<b>14,109</b>	<b>12,529</b>
Balance sheet total	154,106	92,525	154,106	92,525	120,231
<b>Secured loan-to-value ratio</b>	<b>9%</b>	<b>15%</b>	<b>9%</b>	<b>15%</b>	<b>10%</b>

## Surplus ratio

Amount in SEK, millions	01-01-2021 30-06-2021	01-01-2020 30-06-2020	01-04-2021 30-06-2021	01-04-2020 30-06-2020	01-01-2020 31-12-2020
Net operating income	1,876	1,817	1,018	922	3,479
Rental income	2,776	2,664	1,451	1,323	5,121
<b>Surplus ratio</b>	<b>68%</b>	<b>68%</b>	<b>70%</b>	<b>70%</b>	<b>68%</b>

# I 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 30 June 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 earning impact of unrealized and realized value changes.

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 30 June 2021.
- Operating and maintenance costs are based on budget.
- The property tax is calculated from the properties current tax assessment value as of 30 June 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.

### Group's earning capacity

Amount in SEK, millions	Social infrastructure properties	Housing	Other	Total	Adjusted
Rental income	4,487	1,314	336	6,137	6,137
Operating costs	-656	-386	-85	-1,127	-1,127
Maintenance	-213	-77	-22	-311	-311
Property administration	-107	-43	-14	-165	-165
Property tax	-81	-25	-22	-128	-128
<b>Net operating income</b>	<b>3,430</b>	<b>782</b>	<b>193</b>	<b>4,405</b>	<b>4,405</b>
Central administration				-200	-200
Profit from joint ventures <sup>1)</sup>				92	92
Profit from associated companies <sup>1)</sup>				370	370
Financial income				72	72
Financial costs				-829	-694 <sup>2)</sup>
<b>Profit from property management before dividend</b>				<b>3,911</b>	<b>4,093</b>
per series A and B ordinary share				2.76	2.89
Profit from synergies with Offentliga Hus				40	40
Dividend hybrid bonds				-491	-491
Dividend series D shares				-388	-388
Profit attributable to minority interests				-86	-86
<b>Profit from property management attributable to ordinary shareholders</b>				<b>2,986</b>	<b>3,168</b>
per series A and B ordinary share				2.11	2.23

1) See table below.

2) Adjusted for non-long-term surplus liquidity held by the Group at the end of the period with an estimated average interest rate of 1.13 percent, which is the weighted average in the debt portfolio as of 30 June 2021.

### Contributing to earnings capacity

	Joint ventures			Associated companies		
	Hemvist	Public Property Invest AS	Other joint ventures	Origa Care	Publicus	JM
Shareholding, SBB	50.0%	50.0%	50.0%	37.5%	31.1%	20.1%
Profit from property management	67	104	14	23	19	1,764
Profit from property management attributable to SBB's shareholding	34	52	7	8	6	356

# I Appendix 2

## Current earnings capacity from recurring income streams

The Group's earning capacity from recurring revenue streams

<b>Amount in SEK, millions</b>	<b>Total</b>	<b>Adjusted</b>
<b>Profit from property management attributable to ordinary shareholders</b>	<b>2,986</b>	<b>3,168</b>
per series A and B ordinary share	2.11	2.23
Profit from building rights development and new production	1,200	1,200
Profit from value-generating transactions	400	400
Profit from investments in existing portfolio	600	600
<b>Adjusted income from property management for ordinary shareholders with recurring income streams</b>	<b>5,186</b>	<b>5,368</b>
per series A and B ordinary share	3.66	3.79



# Appendix 3

## Key figures for value potential in construction and property development

Market valuation performed by Newsec.

Geography	Currency	Rent SEK/m <sup>2</sup>	RnD SEK/m <sup>2</sup>	Production cost (excluding land) SEK/m <sup>2</sup>	Market value SEK/m <sup>2</sup>	Yield
Stockholm/Mälardalen	SEK	2,300	375	40,000	62,097	3.10%
University locations	SEK	2,100	370	35,000	48,056	3.60%
Gothenburg	SEK	2,200	365	37,500	54,776	3.35%
Malmö	SEK	2,150	360	35,000	51,143	3.50%
Other	SEK	1,850	370	30,000	37,000	4.00%
Copenhagen	DKK	1,600	240	25,000	38,857	3.50%
Oslo	NOK	2,800	420	50,000	76,774	3.10%
Helsinki	EUR	264	46	4,340	5,892	3.70%

# 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 2,400m		
	Change in value			Change in value		
	-1% unit		+1% unit	-1% unit		+1% unit
Profit from property management rolling 12 months	3,911	3,911	3,911	3,911	3,911	3,911
Profit target, recurring revenue streams	2,000	2,000	2,000	2,400	2,400	2,400
Change in value of property (inflation average 10 years)	1,285	117	2,454	1,285	117	2,454
D:o %	1.10%	0.10%	2.10%	1.10%	0.10%	2.10%
Current tax, 10%	-391	-391	-391	-391	-391	-391
Profit after tax	6,805	5,637	7,974	7,205	6,037	8,374
Profit SEK/share	4.80	3.98	5.62	5.08	4.26	5.91
Return on long-term net asset value	15.47%	12.82%	18.13%	16.38%	13.72%	19.04%
Profit/share price	13.38%	11.09%	15.68%	14.17%	11.87%	16.47%
P/E	7	9	6	7	8	6



Samhällsbyggnadsbolaget

## Upcoming report dates

Interim report, January-September

**04-11-2021**

Year-end report 2021

**23-02-2022**

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