



# **SBB updates targets and communicates the Board's ambition to propose a dividend of SEK 1.32 per ordinary share A and B, divided into twelve monthly installments, to the Annual General Meeting 2022**

The Board of Directors of Samhällsbyggnadsbolaget i Norden AB (publ) ("SBB") has decided on updated goals. The target for the size of SBB's property portfolio has been adjusted to amount to SEK 300 billion in 2026. The target for earnings from property development has also been raised to an average of SEK 2.0-2.5 billion per year on average over a 5-year period. The Board of Directors also has the ambition to propose a dividend of SEK 1.32 per ordinary share A and B, divided into twelve monthly dividends, to the Annual General Meeting 2022. In connection with the Capital Markets Day on 10 September 2021, SBB will also present an updated Vision 2030 where the entire business shall be climate positive by 2030.

## **SBB's financial targets:**

- Generated growth in profit from property management per A and B ordinary share to average at least 15 per cent per year over a five-year period (unchanged)
- Generated income from property development to average SEK 2,000 to 2,500 million per annum on average over a 5-year period (previous target: Generated income from property development to average SEK 1,000 to 1,400 million per annum)
- Loan to value ratio below 50 per cent, defined as adjusted debt to debt plus equity below 50 per cent (unchanged)
- Secured Loan to value ratio below 30 per cent (unchanged)
- Interest coverage ratio of at least 3.0 times (unchanged)
- Achieve a BBB+ rating in the short term, and A- in the long term (unchanged)

## **SBB's operational targets:**

- A property portfolio of SEK 300 billion by 2026, with retained BBB+ rating (previous target: A property portfolio of SEK 125 billion by 2025)
- Climate positive by 2030 (previous target: 100 per cent climate neutral by 2030)
- Renovations of at least 600 apartments per annum (unchanged)

## **SBB's dividend policy:**

- To generate a steadily increasing annual dividend per A and B ordinary share (unchanged)
- Based on the current position and outlook, the Board' of Director's ambition is to propose a dividend of SEK 1.32 per A and B ordinary share, distributed over 12 monthly dividends, to the 2022 Annual General Meeting.

**Ilija Batljan, Founder and CEO of Samhällsbyggnadsbolaget i Norden AB, comments on the new goals and ambitions for tomorrow's Capital Markets Day:**

“Since our Capital Markets Day in June 2020, we have continued to grow our portfolio, and we are already close to reaching the previous target of SEK 125 billion in property holdings by 2025. To underline our ambition to eventually become Europe's largest real estate company in social infrastructure we are therefore raising the target sharply to reach SEK 300 billion in holdings by 2026. We also see great potential in scaling up our platform outside the Nordic region.”

“SBB's business model is based on the management of social infrastructure, which is complemented by three revenue-generating value-add strategies in the form of building rights development and new construction, investments in existing holdings and value-creating transactions. With the business model, SBB creates long-term and sustainable shareholder value through a high risk-adjusted annual return. Our work in building rights development and new construction has developed strongly and by the end of the first half of 2021 had generated earnings of SEK 1,452 million. We see continued potential for increased recurring earnings based on demand in combination with our organisation and building rights portfolio.”

“During the autumn, we conducted an investigation into the possibility of paying a monthly dividend to our shareholders from the next Annual General Meeting. The inquiry points to several positive aspects and the Board of Directors therefore has the ambition to propose to the 2022 Annual General Meeting a dividend of SEK 1.32 per ordinary share A and B divided into twelve monthly installments.”

"In connection with the Capital Markets Day, we will present an updated Vision 2030 where we place significantly higher demands on SBB's own green change with the goal of being climate positive in the entire value chain by 2030." SBB is holding a Capital Markets Day in Skellefteå on 10 September 2021, starting at 09:30 CET. The Capital Markets Day can be followed live via a webcast available at <https://corporate.sbbnorden.se/en/capital-markets-day-2021/>

**For further information, please contact:**

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*Samhällsbyggnadsbolaget i Norden AB (publ) (SBB) is the Nordic region's leading property company in social infrastructure. The Company's strategy is to long term own and manage social infrastructure properties in the Nordics and rent regulated residential properties in Sweden, and to actively work with property development. Through SBB's commitment and engagement in community participation and social responsibility, municipalities and other stakeholders find the Company an attractive long-term partner. The Company's series B shares (ticker SBB B) and D shares (ticker SBB D) are listed on Nasdaq Stockholm, Large Cap. Further information about SBB is available at [www.sbbnorden.se](http://www.sbbnorden.se).*