



SAMHÄLLSBYGGNADSBOLAGET
I NORDEN AB (PUBL)

JANUARY-SEPTEMBER **2022**

Q3

Summary of period

Third quarter

The period in brief

- Rental income increased by 32 percent to SEK 5,597m (4,235).
- The operating surplus increased by 27 percent to SEK 3,776m (2,965).
- Cash flow from operating activities before changes in working capital was SEK 2,673m (1,746).
- Profit before tax decreased to SEK -1,706m (15,746), of which:
 - Profit from property management is included in the amount of SEK 1,735m (2,066). The profit from property management includes costs for early repayment of loans and other items affecting comparability of SEK -1,512m (-324).
 - Changes in the values of properties are included in the amount of SEK -981m (11,982).
 - Result from associated companies/JV amounted to SEK -488m (585). A write-down of SEK 500m has been made to the shares in JM.
 - Changes in the values of financial instruments are included in the amount of SEK -1,155m (1,366).
- The loss for the period was SEK -1,861m (profit: 13,296) after the deduction of deferred tax of SEK 58m (-2,290) and current tax of SEK -214m (-160), corresponding to earnings per Class A and B ordinary share of SEK -1.65 (8.56) before dilution.

- The value of the property portfolio amounted to SEK 154.5bn (149.3).
- The long-term net asset value (EPRA NRV) was SEK 58,316m (64,516), corresponding to SEK 40.10 (44.46) per share.

Significant events during the third quarter

- During the period, SBB sold properties for a value equivalent to SEK 9.3bn. The properties sold were project properties, residentials and community service properties
- In early July, SBB sold the equivalent of 25 percent of the total shares in Solon Holding to OBOS. Prior to the transaction, Solon Holding was a jointly owned company. In turn, Solon Holding holds 100 percent of the shares in Solon Eiendom AS. The purchase price for the transaction is NOK 818.6m
- In July, SBB issued its first US Private Placement ("USPP"), which has been placed with US-based investors. The USPP was issued in a social, unsecured, format and comprises two tranches at fixed interest rates and with maturities of five and ten years. The USPP was since swapped to EUR. On the five-year USPP, SBB will pay interest of Euribor 3 months +2.645%, while the interest on the ten-year USPP will be Euribor 3 months +2.872%.
- In early August, SBB reduced its exposure to variable interest rates from 35 percent at the end of the second quarter of 2022 to 20 percent. The company achieved this by interest hedging the equivalent of SEK 10bn at fixed rates. Maturities of between 1.5 and 10 years were hedged.

- On 8 September, SBB signed a letter of intent to divest a property portfolio at an agreed property value of about SEK 9bn. The buyer is an institutional investor. Total agreed property value for the portfolio, before deducting deferred taxes, is in line with the book value as of the second quarter of 2022. The sales process proceeds and is expected to be finalized in a few weeks.
- At the end of the quarter, Krister Karlsson was appointed as the new Chief Operating Officer (COO). He succeeds Oscar Lekander, who will be working with transactions and special projects.

Significant events following the end of the quarter

- SBB's Board of Directors has decided in October to evaluate the feasibility of forming a new stand-alone company focused on residential properties that would then be distributed to A- and B-shareholders in SBB, in accordance with Lex Asea.

SEK 154.5 bn

Property value
30 September 2022

SEK 5,597 m

Rental income
January-September 2022

SEK -1,861 m

Profit for the period
January-September 2022

SEK 2,673 m

Cash flow from operating activities
January-September 2022

SEK -1.65 /share

Earnings per share
30 September 2022

1.89 %

Average interest rate
30 September 2022

SBB key ratios

	01-01-2022 30-09-2022	01-01-2021 30-09-2021	01-07-2022 30-09-2022	01-07-2021 30-09-2021	01-01-2021 31-12-2021
Property-related key ratios					
Market value of properties, SEKm	154,511	124,960	154,511	124,960	149,335
Number of properties	2,317	1,893	2,317	1,893	2,241
Number of m ² , thousands	5,346	5,029	5,346	5,029	5,425
Surplus ratio, %	67	70	71	75	68
Yield, %	3.8	4.0	3.8	4.0	3.8
Economic letting ratio, %	95.2	93.7	95.2	93.7	94.1
Average contract length of social infrastructure properties, years	11	9	11	9	11
Financial key ratios					
Rental income, SEKm	5,597	4,235	1,888	1,459	5,930
Net operating income, SEKm	3,776	2,965	1,333	1,088	4,047
Profit for the period, SEKm	-1,861	13,296	-2,081	4,003	25,601
Cash flow from operating activities before changes in working capital, SEKm	2,673	1,746	884	608	2,415
Equity excluding non-controlling interests, SEKm	57,132	47,983	57,132	47,983	62,148
Return on equity, %	-2	22	-3	6	38
Loan-to-value ratio, %	47	35	47	35	40
Secured loan-to-value ratio, %	19	8	19	8	12
Equity/assets ratio, %	40	41	40	41	43
Adjusted equity/assets ratio, %	45	45	45	45	47
Non-pledged quota, multiple	2.76	2.71	2.76	2.71	2.78
Interest-coverage ratio, multiple	4.8	5.1	-	-	5.5
Share-related key ratios					
Actual net asset value (EPRA NTA), SEKm	50,509	41,326	50,509	41,326	57,354
Actual net asset value (EPRA NTA), SEK/share	34.73	28.96	34.73	28.96	39.52
Actual net asset value (EPRA NTA) after dilution, SEK/share	34.72	29.96	34.72	28.96	39.52
Long-term net asset value (EPRA NRV), SEKm	58,316	49,497	58,316	49,497	64,516
Long-term net asset value (EPRA NRV), SEK/share	40.10	34.69	40.10	34.69	44.46
Long-term net asset value (EPRA NRV) after dilution, SEK/share	40.09	34.68	40.09	34.68	44.45
EPRA Earnings (Profit from property management after tax paid), SEKm	527	1,406	68	707	2,251
EPRA earnings (EPS), SEK/share	0.36	1.03	0.05	0.50	1.63
EPRA earnings after dilution (EPS diluted), SEK/share	0.36	1.03	0.05	0.49	1.62
EPRA Vacancy rate	4.8	6.3	4.8	6.3	5.9
Earnings per series A and B ordinary share, SEK	-1.65	8.56	-1.53	2.63	17.17
Earnings per series D ordinary share, SEK	1.50	1.50	0.50	0.50	2.00
Average number of series A and B ordinary shares	1,453,757,283	1,361,010,613	1,454,141,898	1,426,846,914	1,379,982,887
Average number of series D ordinary shares	193,865,905	190,476,765	193,865,905	193,865,905	191,331,014
Number of series A and B ordinary shares	1,454,141,898	1,426,846,914	1,454,141,898	1,426,846,914	1,451,141,898
Number of series D ordinary shares	193,865,905	193,865,905	193,865,905	193,865,905	193,865,905

See all definitions and calculations on pages 43-47.

Samhällsbyggnadsbolaget i Norden

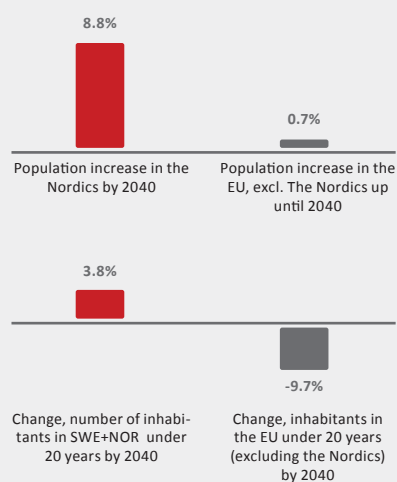
Ilija Batljan founded SBB in March 2016 with the vision of building the best European property company for social infrastructure. The company's strategy is to own, manage and develop community service properties and rent-regulated residentials over the long term. The company also aims to actively conduct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

SBB operates in markets with stable and strong underlying driving forces (economic development and population growth). SBB's property portfolio is characterized by a high occupancy rate and long lease contracts. Rental income consists of secure, long-term flows, primarily from Nordic central governments/municipalities/county councils and from Swedish rent-regulated residentials. Of income, 99 percent derives from community service properties in the Nordics and Swedish rent-regulated residentials – social infrastructure. Cash flows are uniquely stable with three of the Nordic central governments being among only ten sovereigns around the world to hold an AAA rating from the three leading credit rating agencies. As a whole, the property portfolio provides exposure to the Nordics' strong demographic trend, with a sharp increase in population compared with the rest of the EU.

Rental income rolling 12-month

Classification	Rental income, SEKm	Total, %
Rental apartments	2,299	32
Building rights for future rental apartments	75	1
Total, Residentials	2,374	33
Elderly care units	803	11
LSS	433	6
Building rights for future publicly funded residentials	0	0
Total, Publicly funded residentials	1,236	17
Education	2,098	29
<i>Preschool</i>	876	12
<i>Primary school/upper-secondary school</i>	878	12
<i>University</i>	343	5
Hospitals and health centres	458	6
Central government infrastructure and town halls	405	6
Public offices	334	5
Other	0	0
Building rights for future community service properties	167	2
Total, Community service properties	3,463	48
Total, Social infrastructure	7,073	99
Other	105	1
Total	7,178	100

Driving factors

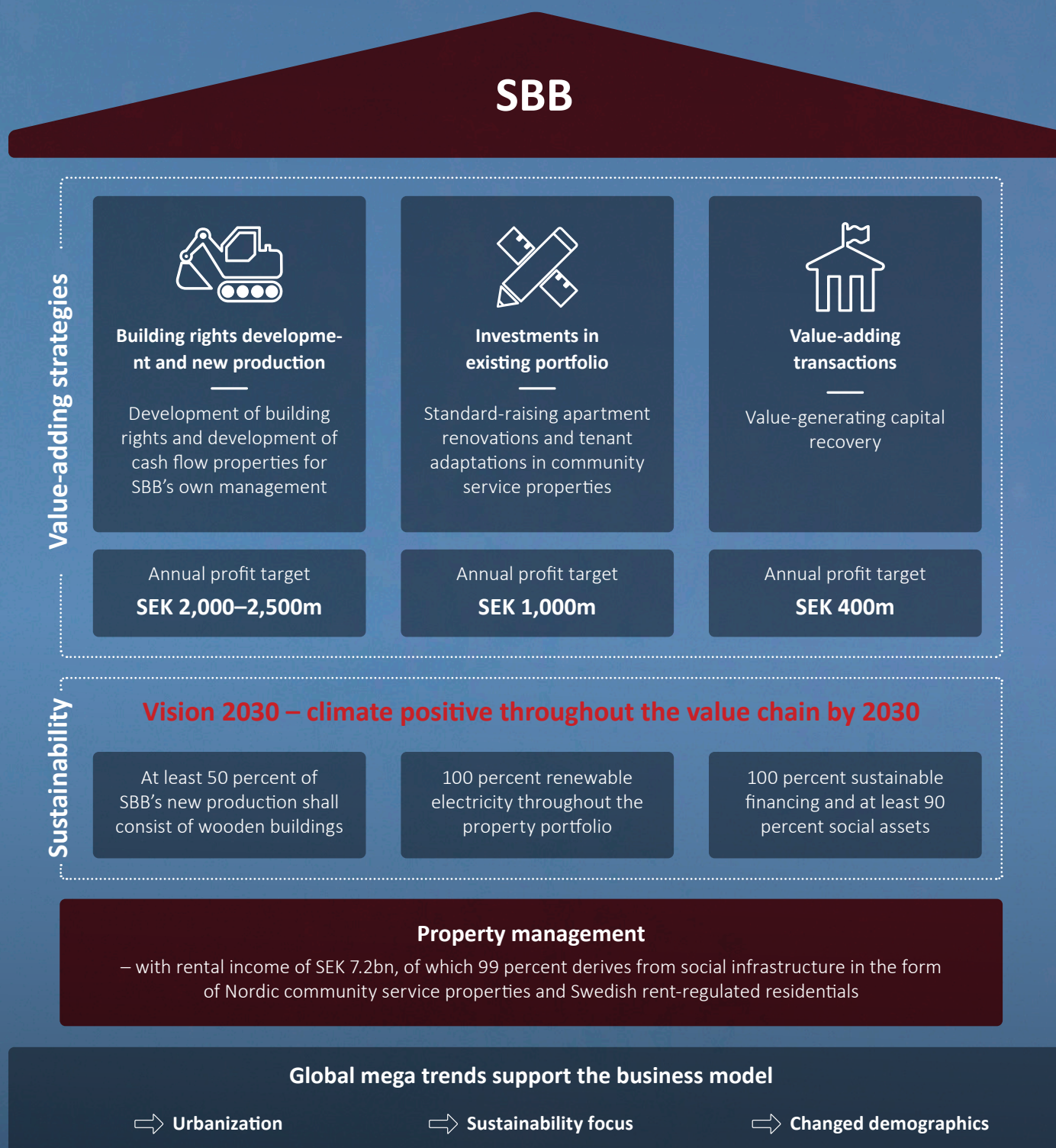


Driving factors

Why a low risk asset?		Driving force	
Rental apartments	Regulated market with sub-supply combined with social safety net and housing allowance - only 0.17% weak payers among the tenants in all of Sweden's 1.5m rental apartments.	<p>23,418</p> <p>42,870</p> <p>SBB's average value for rentals, Q3 2022 (SEK/m²)</p> <p>Cost new construction of rentals, incl. land (SEK/m²)</p>	
Education	Preschools, primary schools, upper secondary schools and universities in the Nordics are publicly funded.	<p>3.8%</p> <p>-9.7%</p> <p>Change, number of inhabitants in SWE+NOR under 20 years by 2040</p> <p>Change, number of inhabitants in the EU under 20 years (excluding the Nordics) by 2040</p>	
Elderly care units	Elderly care in the Nordics is publicly funded and the number of elderly people over the age of 75 in the Nordics is estimated to increase by 44-66 percent by 2040.	<p>2.1%</p> <p>0.4%</p> <p>Share of GDP that public sector spends on elderly care in the Nordics</p> <p>Share of GDP that public sector spends on elderly care in the EU</p>	
LSS	Publicly funded residential for people with special needs in a housing market characterized by structural shortages.	<p>28,153</p> <p>42,870</p> <p>SBB's average value for LSS properties Q3 2022 (SEK/m²)</p> <p>Cost new construction of rentals, incl. land (SEK/m²)</p>	
Hospitals & health care centres	In contrast to other parts of the EU/EEA, health care is predominantly publicly funded in the Nordics.	<p>80.8%</p> <p>28.2%</p> <p>Share of public healthcare funding in the Nordics</p> <p>Share of public healthcare funding in the EU</p>	
Police and judiciary	The police force and judiciary are publicly funded. The Nordics currently invest less resources in relation to GDP compared with other EU countries, providing potential in pace with population growth and increasing political focus on reducing the gap towards the other EU countries.	<p>1.2%</p> <p>1.8%</p> <p>Share of GDP spent on the police and judiciary in the Nordics</p> <p>Share of GDP spent on the police and judiciary in the EU</p>	
Central government infrastructure, town halls and public offices	Sweden, Norway and Denmark are among only ten sovereigns in the world to hold an AAA rating from all leading credit rating agencies.		

SBB's business model and how we generate value

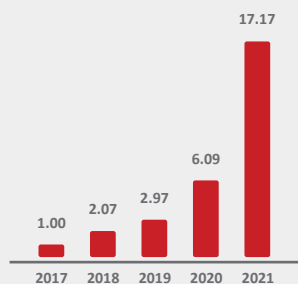
The business model builds on managing the world's most secure assets and complementing this with three value-adding strategies with the potential to generate value in building rights development and new production, Investments in existing portfolios and value-generating transactions. Through its business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



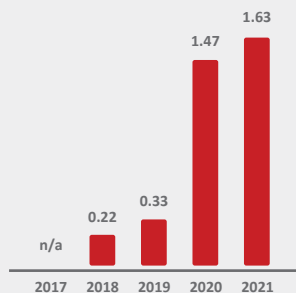
Focus on delivery

- Earnings per ordinary Class A and B share have risen by 1,617 percent since 2017
- The dividend per Class A and B ordinary share has risen by 1,220 percent since 2017
- Strong balance sheet: BBB- (investment grade credit rating) from S&P, Fitch (negative/positive outlook) and BBB (stable outlook) from Scope.

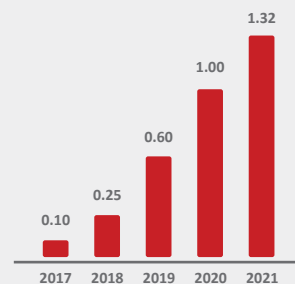
Earnings per Class A and B ordinary share, SEK



EPRA earnings (EPS), SEK/share



Dividend per Class A and B ordinary share, SEK



Growth potential

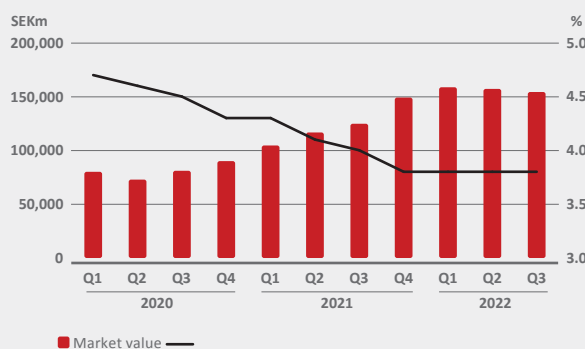
Europe's leading property developer
(number of apartments)



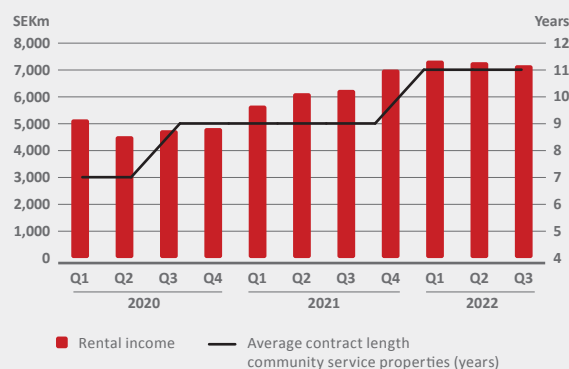
EPRA NRV - per series A and B share



The value of the properties (SEKm) & yield



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



A message from the CEO

In the wake of Russia's invasion of Ukraine, global growth has slowed and the entire world economy is affected, including the real estate sector. Inflation has accelerated, electricity prices are rising, interest rates are rising at the same time as purchasing power and demand are falling. These are just a few examples of factors that require adaptation, from us and others.

With new market conditions and crises, a capacity to adapt becomes essential

In times of crisis, we are reminded of Darwin's famous quote: "It is not the strongest of the species that survives, nor the most intelligent that survives. It is the one that is the most adaptable to change." Being responsive to change and adapting to changing conditions will be SBB's greatest strength. Adaptation is the basis for long-term sustainability. Adaptation requires a capacity for new thinking, creativity and resolve. We hope that the measures listed below, which are currently being implemented, will demonstrate precisely this.

1) Sales

We have stated clearly that we will conduct sales to strengthen our balance sheet. From the sales that have been completed 2.0bn remains to be disbursed. Beyond this, we have agreed to additional sales for about SEK 0.8m that are to be disbursed in the fourth quarter and announced a letter of intent for about SEK 9bn. In the fourth quarter, we expect to sell shares in joint ventures for about SEK 2bn. And we will continue to sell assets. SBB also intends to systematically continue to reduce its proportion of joint ventures by means of sales and to sell financial investments to strengthen its balance sheet, increase transparency and focus on its core business.

2) Diversified financing

SBB enjoys a close and long-term relationship with its banks. At the same time, SBB is working actively to broaden its sources of funding. At the end of July, SBB implemented its first unsecured US Private Placement ("USPP") of USD 100m with five and ten year maturities. Together with the Schuldschein financing that SBB issued in June, the USPP transaction is a further step in the company's efforts to diversify its funding sources and demonstrates SBB's strength in the global capital market. Diversification and access to different capital markets and different sources of funding are central to SBB's continued development. This is also why, after the end of the quarter, SBB signed a credit facility of EUR 750m with one of the world's largest banks.

3) A new housing company to be distributed to shareholders

This morning, SBB announced that the Group is considering implementing a transaction whereby a sub-Group to SBB, focusing on residentials, will be distributed to shareholders



applying the "Lex Asea" rules, with Bostadsbolaget subsequently being listed on Nasdaq First North. Through its distribution to shareholders and listing on the exchange, Bostadsbolaget will become one of Sweden's largest streamlined housing companies, while SBB's operations would also be streamlined to focus even more clearly on community service properties. Bostadsbolaget's balance sheet is initially estimated at about SEK 18bn, equivalent to approximately 10 percent of SBB's total balance sheet. In SBB's assessment, the distribution would be positive for SBB's shareholders and could help reveal values, both in the new Bostadsbolaget as well as in the remaining SBB.

Bostadsbolaget would only hold bank financing, with a LTV of 55 percent. The transaction will enable increased secured lending in SBB due to the streamlining of the operations.

The Board will present a proposal to the Extra General Meeting.

4) Minority owner with long-term capital

SBB is Europe's largest investor in social infrastructure and has a strong track record in developing and managing social infrastructure. SBB perceives considerable demand from infrastructure funds and other long-term institutional investors to both acquire properties from SBB and to co-invest in social infrastructure alongside SBB. SBB has identified two sub-groups suitable for bringing in long-term minority owners. Both Swedish and international advisers have been engaged and intensive efforts together with advisers and investors are in progress. However, no decisions has been made.

Stable core business

The core of SBB's operations is its long-term ownership of secure, inflation-protected cash flows from property management of social infrastructure in the Nordic region. SBB also owns stable Swedish rent regulated residentials, for which rent levels are low. Our community

service properties have an average contract length of about 11 years.

Strongest net operating income to date, high interest coverage ratio and a strong increase in cash flow

The core business continued to deliver strong net operating income over the quarter. Our net operating income for the third quarter was SEK 1,333m, the highest to date. Net operating income over the nine-month period increased by 27 percent, from SEK 2,965m to SEK 3,776m. This has contributed to a strong interest coverage ratio corresponding to a multiple of 4.8, despite rising interest rates.

For the first nine months of 2022, cash flow from operating activities before changes in working capital increased from SEK 1,746m to SEK 2,673m, an increase of 53 percent. Adjusted for non-cash exchange rate fluctuations, non-recurring costs and changes in value and tax in joint ventures, our profit from property management was SEK 3,247m for the first nine months of 2022, up 36 percent. The adjusted profit from property management increased by 24 percent to SEK 1,144m for the third quarter of 2022.

Fixed interest on 80 percent of gross debt

Fixed interest is an insurance premium for times like these. SBB had an average interest rate of 1.89 percent at the end of the third quarter. Interest rates are on the rise and that is why we have taken out long-term fixed-rate loans over the past two years. At the end of the third quarter, our fixed interest term was 3.4 years (3.6). Below, we present a sensitivity analysis (based on the market's future pricing of STIBOR, EURIBOR and NIBOR) for our average interest rate, which implies that the assumed interest rate, in the summer of 2023, for example, would be 4.9 percent, including the margin on secured loans. We also present a calculation, accounting for sales currently in progress, including SEK 9bn in repayments.

Sensitivity analysis

	New loans, approx. 4.9% interest	Repayments in SEK 9bn
Oct 2022	1.89%	1.89%
2023	2.31%	1.86%
2024	2.70%	2.24%
2025	3.07%	2.63%

Given that 80 percent of our borrowings carry fixed interest rates, it will take some time before higher interest rates have an impact on SBB's earnings and there will be time for these to be offset by inflation-adjusted rental income. In both the scenario with repayments and the scenario without repayments, the increase in rental income exceeds the increase in interest expenses over the next three years. This means that we will be able to continue to deliver a strong interest coverage ratio. All things being equal, this also means that SBB will be able to maintain the dividend, adjusting it upwards for inflation even if the nominal interest rate continues to rise.

Unrealized decreases in property and currency values, as well as extensive unreported overvaluations in the debt portfolio

It is no secret that our holdings in listed assets have declined in value. Nor is it a secret that the entire market is concerned about higher construction and financing costs, impacting in turn the values of our building rights and project operations. External valuations of all of our properties were conducted in the third quarter. The outcome shows a decline in value by SEK 981m, of which residential accounted for SEK -2,455m, community service properties for SEK 1,355m and other properties SEK 119m. The largest portion pertains to residential and projects given that the appraisers assume that rents for residential will rise by significantly less than inflation.

Assumptions regarding next year's rent levels are of substantial importance in the valuations. The appraisers made the following assumptions regarding inflation in their valuations:

Appraisers	2022	2023	Actual CPI outcome 12m Sept 2022	Difference
Appraiser 1 Sweden	8.50%	4.00%	10.80%	-2.30%
Appraiser 2 Sweden	9.00%	3.00%	10.80%	-1.80%
Appraiser 3 Norway	5.50%	2.00%	6.90%	-1.40%
Appraiser 4 Finland	4.50%	2.20%	8.10%	-3.60%
Appraiser 5 Norway	4.37%	2.90%	6.90%	-2.53%

As the table shows, the appraisers' assumptions regarding CPI are lower than recent inflation outcomes.

In the second quarter, we pointed out that we prioritize paying down short-term debt and focusing on extending both interest and capital maturities. This is also why we chose not to use our cash balances in a volatile market to fully hedge our non-current currency exposure. Unrealized changes in currency values has no impact on SBB's cash flow. SBB receives sufficient income in EUR to cover its interest payments in that currency.

Being responsive to change and adapting to changing conditions will be SBB's greatest strength.

SBB has extensive unreported overvaluations in its debt portfolio. At the end of the third quarter, SBB issued a derivative of EUR 200m, on terms equivalent to SBB's long-term bond of EUR 950m. The overvaluation was in the region of SEK 260m. If we apply the same swap-valuation for the entire bond, this corresponds to an overvaluation of SEK 1,240m. This shows that SBB's long-term debt portfolio, with its low fixed interest rate, has an extensive, unreported market value.

Property development and sustainability

SBB is a long-term partner of the public sector in the Nordic region. To ensure that long-term needs for community service properties and housing are met, having access to attractive land that has also been zoned for that purpose, is of the utmost importance. SBB has ensured this by developing a building rights portfolio equivalent to about 69,000 apartments. Holding this building rights portfolio has allowed us to sign a 25-year lease for a preschool with the Municipality of Säter and a 25-year lease with the Municipality of Bollnäs for a bandy hall that was inaugurated last week. We can note that construction prices remain challengingly high and more or less daily news articles tell of projects being postponed due to the currently unfavourable market situation. In turn, this means that needs for social infrastructure are accumulating and, when construction prices reach sensible levels, it is important to be ready with land for development, an area in which our position is strong.

Current new production and investments in existing portfolios have a mark-up of 59 percent, meaning that we will receive cash flows from our projects in the near term, while the return on the remaining investment is 11.6 percent.

SBB's goal is to be climate positive throughout the value chain by 2030. The analyst firm Sustainalytics assesses SBB's ESG risk as very low (at 10.7, with the limit for negligible risk being 10) and the risk management is considered to be strong. SBB thus tops the list of comparable companies based on market capitalization. SBB is pursuing the largest certification project in accordance with Miljöbyggnad iDrift to date. We are also continuing to work with our sustainable investments and can mention that our solar park in Hallstahammar is in full production and estimated to be in operation by the end of this year, delivering an annual output of about 10 GWh over a normal year. This corresponds to five percent of SBB's total electricity consumption.

Profit for the third quarter was burdened by costs for two important social initiatives. During the summer of 2022, we offered 300 young people summer jobs. We have also addressed the resolution of the Annual General Meeting that we should contribute SEK 50m to UNHCR's work in Ukraine. The contribution will enable people fleeing the war in Ukraine to get a roof over their heads, protection, security, integrity, comfort and health.

Prospects

SBB enjoys favourable cooperation with the leading Nordic banks. Over the next 12 months, approximately SEK 5.2bn of our bonds will mature, with the first SEK 0.6bn already having been repaid. These bond maturities can be paid off with existing liquid assets. At the same time, our core business is delivering a strong net operating income and secure cash flows, where cash flows from operating activities before changes in working capital for the first nine months of 2022 increased by 53 percent.

Rental income from comparable portfolios (like for like) increased by 3.7 percent over the first nine months of the year, corresponding to 0.9 percentage points above base inflation as of October 2021. SBB is a safe asset, even in times of high inflation. The almost automatic indexation for community service properties results in a strong increase in income every year. Inflation was 10.8 percent in Sweden, 10 percent in Denmark, 8.1 percent in Finland and 6.9 percent in Norway in September. All other things being equal, this means that, assuming inflation persists in October, our income next year could increase by about SEK 500m – SEK 600m. Income will also increase due to the completion of new production projects for a further SEK 200m. SBB is fully focused on its core business of delivering much-needed social infrastructure. A secure outcome in terms of net operating income and cash flows, as well as a strong capacity for adaptation, show that we are on the right track to growing even stronger tomorrow than we are today. We can assure our shareholders and our credit investors that we will do everything necessary to continue strengthening our balance sheet and to improve our rating. At the same time, the results of the core business paves the way for the persistence to deliver at least an unchanged dividend to our approximately 350,000 shareholders.

Ilija Batljan, Founder and CEO

Consolidated income statement

Amounts in SEKm	01-01-2022 30-09-2022	01-01-2021 30-09-2021	01-07-2022 30-09-2022	01-07-2021 30-09-2021	01-01-2021 31-12-2021
Rental income	5,597	4,235	1,888	1,459	5,930
Operating costs	-1,116	-767	-312	-215	-1,114
Maintenance	-259	-212	-84	-71	-322
Property administration	-348	-195	-130	-50	-317
Property tax	-98	-96	-29	-35	-130
Net operating income	3,776	2,965	1,333	1,088	4,047
Central administration	-320	-238	-43	-38	-290
Acquisition, restructuring and other costs affecting comparability	-96	-40	-66	-11	-86
Results from associated companies/joint ventures	-488	585	-846	187	2,814
- of which profit from property management	627	214	230	65	410
- of which value changes	-968	471	-1,056	135	3,095
- of which tax	-147	-100	-20	-13	-691
Profit before financial items	2,872	3,272	378	1,226	6,485
Profit from financial items					
Interest income and similar items	180	207	23	50	274
Interest expenses and similar items	-998	-743	-393	-236	-1,011
Expenses for redeemed loans in advance	-5	-171	-2	-3	-155
Translation gains/losses	-1,411	-113	-679	-39	118
Leasing costs	-18	-15	-6	-4	-21
Profit after financial items incl. value changes and tax in associated companies/joint ventures 1)	620	2,437	-679	995	5,690
of which Profit from property management 1)	1,735	2,066	397	873	3,286
Changes in value, property	-981	11,982	-2,507	4,578	21,360
Dissolution of goodwill after property sales	-192	-9	-	-1	-252
Results, production of residentials	2	-	-10	-	9
Changes in the value of financial instruments	-1,155	1,336	630	115	2,487
Profit before tax	-1,706	15,746	-2,566	5,687	29,294
Tax for the year	-214	-160	70	-55	-247
Deferred tax	-134	-2,299	415	-1,630	-3,698
Dissolution of deferred tax goodwill	192	9	-	1	252
PROFIT FOR THE PERIOD	-1,861	13,296	-2,081	4,003	25,601
<i>Profit for the period attributable to:</i>					
Parent Company shareholders (incl. hybrid bonds)	-1,729	12,303	-1,987	3,852	24,583
Non-controlling interest	-131	993	-91	151	1,018
PROFIT FOR THE PERIOD	-1,861	13,296	-2,081	4,003	25,601
Earnings per series A and B ordinary share before dilution, SEK	-1.65	8.56	-1.53	2.63	17.17
Earnings per series A and B ordinary share after dilution, SEK	-1.65	8.54	-1.53	2.61	17.03
Earnings per series D ordinary share, SEK	1.50	1.50	0.50	0.50	2.00

1) New summary and new definition, for further information see Definitions at page 43.

Consolidated statement of comprehensive income

Amounts in SEKm	01-01-2022 30-09-2022	01-01-2021 30-09-2021	01-07-2022 30-09-2022	01-07-2021 30-09-2021	01-01-2021 31-12-2021
Profit for the period	-1,861	13,296	-2,081	4,003	25,601
Share of comprehensive income in associated companies/joint ventures	70	-4	24	-4	6
Translation gains/losses	175	791	282	65	1,120
COMPREHENSIVE INCOME FOR THE PERIOD	-1,616	14,083	-1,775	4,064	26,727
<i>Comprehensive income for the period attributable to:</i>					
Parent Company shareholders (incl. hybrid bonds)	-1,484	13,090	-1,684	3,913	25,709
Non-controlling interest	-131	993	-91	151	1,018
COMPREHENSIVE INCOME FOR THE PERIOD	-1,616	14,083	-1,775	4,064	26,727

Comments on the consolidated income statement

Net operating income

Rental income during the period amounted to SEK 5,597m (4,235) and for the quarter to SEK 1,888 (1,459). In a comparable portfolio, rental income increased by 3.7 percent compared with the corresponding period in the preceding year. Of the rental income, SEK 3,568m pertained to community service properties, SEK 1,827m to residentials, and SEK 202m to other properties. The economic occupancy rate at the end of the period was 95.2 percent (93.7). The average contract length for community service properties was 11 years (9). Property costs during the period amounted to SEK -1,821m (-1,270) and for the quarter to SEK -555m (-371). These mainly comprised tax-related costs, operating and maintenance costs, as well as property administration. The greater increase in property costs in relation to the change in rental income in comparison to the corresponding period previous year is primarily a consequence of the increased proportion of residential properties in the property portfolio. In a comparable portfolio, costs rose by 5.2 percent compared with the corresponding period in the preceding year, with most of the increase being attributable to higher electricity costs. Net operating income in comparable portfolios increased by 3.1 percent.

Profit from property management

In total, the period's costs for central administration amounted to SEK -320m (-238) for the period and SEK -43m (-38) for the quarter. Central administration costs include costs for business development, transactions, property development and financial management.

Profit from associated companies and joint ventures was SEK -488m (585) for the period and SEK -846m (187) for the quarter. This outcome is largely attributable to Svenska Myndighetsbyggnader Holding AB and JM AB (publ), which contributed SEK 342m and SEK -129m respectively to consolidated profit for the period, as well as SEK -40m and SEK -459m respectively for the quarter. The negative result from JM is related to a write-down of the shares in JM of SEK 500m. See further information on page 14 and 50.

Net financial items amounted to SEK -2,252m (-835) for the period and to SEK -1,057m (-231) for the quarter. The financial costs include interest for external financing, as well as other financial costs, such as accrued arrangement fees and exchange rate differences.

Costs affecting comparability

During the period SBB had costs affecting comparability in the amount of SEK -96 mkr (-40) and -66 mkr (-11) during the quarter. Costs associated with restructuring due to the acquisition of Amasten amounted to SEK -16m (-26) for the quarter. Furthermore the contribution of SEK 50m was paid during the quarter to UNHCR for their work in Ukraine, according to the resolution of Annual General Meeting.

Financial costs included costs affecting comparability in the form of costs for the early redemption of expensive loans in the amount of SEK -5m (-171) for the period and of SEK -2m (-3) for the quarter.

Exchange rate differences of SEK -1,411m (-113) for the period and of SEK -679m (-39) for the quarter, were reported that were attributable to the translation of loans raised in Euro to the extent that the loans are not matched against hedges in the form of net assets in Euro and FX derivatives.

Changes in value and tax

Changes in the value of properties over the period amounted to SEK -981m (11,982), of which SEK -534m (467) were realized changes in value and SEK -447m (11,515) were unrealized changes in value. The change in value is explained by higher yield requirements.

Value changes for financial instruments amounted to SEK -1,155m (1,336). This item comprises unrealized changes in the value of financial investments in shares of SEK -2,483m (466) and is due to the negative price trend for the shares in the portfolio and value changes of interest derivatives of SEK 1,328 (870).

Loss after tax for the period amounted to SEK -1,861m (profit: 13,296), while loss for the quarter amounted to SEK -2,081m (profit: 4,003). Tax on the profit for the period was SEK -156m (-2,450), of which SEK -214m (-160) pertained to current tax and SEK 58m (-2,290) pertained to deferred tax related to properties and tax-loss carryforwards. The relatively high tax is largely due to unrealized changes in the value of financial investments in shares and other securities not being tax deductible.

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 01-01-2022 – 30-09-2022	Community service properties	Residentials	Other properties	Total segment	Group-wide items and eliminations	Group total
Rental income	3,568	1,827	202	5,597	-	5,597
Property costs	-853	-893	-75	-1,821	-	-1,821
Net operating income	2,714	934	127	3,776	-	3,776
Central administration					-320	-320
Acquisition and restructuring costs					-96	-96
Results from associated companies/joint ventures					-488	-488
Profit before financial items	2,714	934	127	3,776	-904	2 872
Interest income and similar items					180	180
Interest expenses and similar items					-2,432	-2,432
Profit after financial items incl. value changes and tax in associated companies/joint ventures	2,714	934	127	3,776	-3,156	620
Changes in value of investment properties	1,355	-2,455	119	-981	-	-981
Resolution of goodwill on property sales					-192	-192
Profit from development of residentials					2	2
Changes in the value of financial instruments					-1,155	-1,155
Profit before tax	4,069	-1,521	246	2,795	-4,501	-1,706
Tax					-156	-156
Profit for the period	4,069	-1,521	246	2,795	-4,657	-1,861
Investment properties (SEKm)	93,440	53,911	7,160	154,511		
Investments (SEKm)	1,653	2,038	101	3,792		
Value per m ² (SEK)	31,244	27,413	18,399	28,900		
Surplus ratio (%)	76%	51%	63%	67%		

Period 01-01-2021 – 30-09-2021	Community service properties	Residentials	Other properties	Total segment	Group-wide items and eliminations	Group total
Rental income	3,291	699	244	4,235	-	4,235
Property costs	-823	-338	-108	-1,270	-	-1,270
Net operating income	2,468	361	135	2,965	-	2,965
Central administration					-238	-238
Acquisition and restructuring costs					-40	-40
Results from associated companies/joint ventures					585	585
Profit before financial items	2,468	361	135	2,965	307	3,272
Interest income and similar items					207	207
Interest expenses and similar items					-1,042	-1,042
Profit after financial items incl. value changes and tax in associated companies/joint ventures	2,468	361	135	2,965	-528	2,437
Changes in value of investment properties	4,522	7,202	258	11,982	-	11,982
Resolution of goodwill on property sales					-9	-9
Results, production of residentials					-	-
Changes in the value of financial instruments					1,336	1,336
Profit before tax	6,990	7,563	393	14,947	799	15,746
Tax					-2,450	-2,450
Profit for the period	6,990	7,563	393	14,947	-1,651	13,296
Investment properties (SEKm)	85,261	32,481	7,218	124,960		
Investments (SEKm)	1,332	1,073	270	2,675		
Value per m ² (SEK)	25,534	26,182	16,077	24,849		
Surplus ratio (%)	75%	52%	56%	70%		

Period 01-07-2022 – 30-09-2022	Community service properties	Residentials	Other properties	Total segment	Group-wide items and eliminations	Group total
Rental income	1,197	620	71	1,888	-	1,888
Property costs	-260	-278	-17	-555	-	-555
Net operating income	937	342	55	1,333	-	1,333
Central administration					-43	-43
Acquisition and restructuring costs					-66	-66
Results from associated companies/joint ventures					-846	-846
Profit before financial items	937	342	55	1,333	-955	379
Interest income and similar items					23	23
Interest expenses and similar items					-1,080	-1,080
Profit after financial items incl. value changes and tax in associated companies/joint ventures	937	342	55	1,333	-2,012	-679
Changes in value of investment properties	-575	-1,934	2	-2,507	-	-2,507
Resolution of goodwill on property sales					-	-
Profit from development of residentials					-10	-10
Changes in the value of financial instruments					630	630
Profit before tax	362	-1,592	57	-1,173	-1,392	-2,565
Tax					485	485
Profit for the period	362	-1,592	57	-1,173	-907	-2,081
Investment properties (SEKm)	93,440	53,911	7,160	154,511		
Investments (SEKm)	505	689	45	1,239		
Value per m ² (SEK)	31,244	27,413	18,399	28,900		
Surplus ratio (%)	78%	55%	77%	71%		

Period 01-07-2021 – 30-09-2021	Community service properties	Residentials	Other properties	Total segment	Group-wide items and eliminations	Group total
Rental income	1,119	255	85	1,459	-	1,459
Property costs	-234	-107	-30	-371	-	-371
Net operating income	885	148	56	1,088	-	1,088
Central administration					-38	-38
Acquisition and restructuring costs					-11	-11
Results from associated companies/joint ventures					187	187
Profit before financial items	885	148	56	1,088	138	1,227
Interest income and similar items					50	50
Interest expenses and similar items					-281	-281
Profit after financial items incl. value changes and tax in associated companies/joint ventures	885	148	56	1,088	-94	995
Changes in value of investment properties	1,650	2,771	157	4,578	-	4,578
Resolution of goodwill on property sales					-1	-1
Profit from development of residentials					-	-
Changes in the value of financial instruments					115	115
Profit before tax	2,535	2,919	213	5,666	20	5,687
Tax					-1,684	-1,684
Profit for the period	2,535	2,919	213	5,666	-1,664	4,003
Investment properties (SEKm)	85,261	32,481	7,218	124,960		
Investments (SEKm)	551	333	94	978		
Value per m ² (SEK)	25,534	26,182	16,077	24,849		
Surplus ratio (%)	79%	58%	65%	75%		

Consolidated balance sheet

Amounts in SEKm	30-09-2022	30-09-2021	31-12-2021
ASSETS			
Fixed assets			
Intangible assets			
Goodwill	5,874	6,310	6,066
Total intangible assets	5,874	6,310	6,066
Tangible assets			
Investment properties	154,511	124,960	149,335
Land lease agreements	702	616	639
Equipment, machinery and installations	48	45	48
Total tangible assets	155,261	125,621	150,022
Financial fixed assets			
Participations in associated companies/joint ventures	15,806	9,252	16,373
Receivables from associated companies/joint ventures	1,891	3,527	3,885
Derivatives	2,133	205	547
Financial fixed assets at fair value	1,900	1,357	4,530
Other long-term receivables	70	187	207
Total financial fixed assets	21,800	14,528	25,542
Total fixed assets	182,935	146,459	181,630
Current assets			
Properties held for sale	169	-	279
Current receivables			
Accounts receivable	77	79	219
Other receivables	2,310	1,216	1,959
Prepaid expenses and accrued income	743	657	540
Total current receivables	3,130	1,952	2,718
Cash and cash equivalents	4,941	12,935	9,837
Cash investments	512	3,869	53
Total cash and cash equivalents and cash investments	5,453	16,804	9,890
Total current assets	8,752	18,756	12,887
TOTAL ASSETS	191,687	165,215	194,517

Comments

Investment properties

As of 30 September 2022, the value of the properties amounted to SEK 154,5bn. 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. An average yield requirement of 4.37 percent (4.55) has been used in the valuation. The value of the properties includes SEK 3,618m for building rights that have been valued through the application of the local price method, which means that the assessment of the value is based on comparisons of prices for similar building rights. Fair value has thus been assessed in accordance with IFRS 13 level 3. See further on investment properties on pages 18-20.

Sensitivity analysis

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

	Change	Value impact
Rental value	+/- 5%	6,995 / -7,038
Discount rate	+/- 0.25% units	-6,225 / 6,999
Direct return requirements	+/- 0.25% units	- 6,047 / 7,003

Property portfolio change

Opening fair value, 01-01-2022	149,335
Acquisition	9,868
Investments	3,792
Sales	- 9,274
Translation differences	1,235
Unrealized value changes	-445
Fair value at end of period	154,511

Associated companies and joint ventures

SBB's engagement in associated companies and joint ventures consists partly of a shareholding in the companies and in some cases financing to the companies. As of 30 September 2022, participations in associated companies and joint ventures amounted to SEK 15,806m (16,373) and receivables from associated companies and joint ventures amounted to SEK 1,891m (3,885). Some of the companies conduct property development projects, while other companies own investment properties. The largest holdings comprise the companies: Svenska Myndighetsbyggnader AB, SBB Kåpan AB, Public Property Invest AS and JM AB (publ). See further information on page 50.

SBB has performed an impairment test according to IAS 36 for its holding in JM due to the fact that indications have arisen that a decline in value may exist as a result of the decline in the stock market price in recent times. SBB has calculated a right-of-use value for the holding in JM and assessed that based on this calculation, there is an impairment loss of SEK 500m. The write-down has reduced the reported value of the associated company shares.

Consolidated balance sheet

Amounts in SEKm	30-09-2022	30-09-2021	31-12-2021
EQUITY AND LIABILITIES			
Share capital	165	162	165
Other contributed capital	26,588	24,747	26,371
Reserves	90	308	834
Retained earnings, including comprehensive income for the year	30,289	22,766	34,778
Equity attributable to Parent Company shareholders	57,132	47,983	62,148
Hybrid bonds	17,277	17,694	17,295
Other reserves	376	-378	-543
Non-controlling interest	2,264	2,023	4,071
Total equity	77,049	67,322	82,971
Long-term liabilities			
Liabilities to credit institutions	32,747	12,669	21,974
Bond loans	52,036	50,982	51,919
Derivatives	294	118	30
Deferred tax liabilities	10,360	9,387	10,428
Leasing liabilities	701	616	639
Other provisions	-	6	-
Other long-term liabilities	188	2,621	292
Total long-term liabilities	96,326	76,399	85,282
Current liabilities			
Liabilities to credit institutions	2,970	305	1,758
Commercial papers	2,458	8,260	11,169
Bond loans	5,165	2,117	1,175
Accounts payable	350	231	181
Current tax liabilities	327	156	418
Liability, cash collateral	2,173	3,815	5,607
Other liabilities	3,085	4,904	3,923
Accrued expenses and prepaid income	1,784	1,706	2,033
Total current liabilities	18,312	21,494	26,264
TOTAL EQUITY AND LIABILITIES	191,687	165,215	194,517

Comments

Goodwill

The goodwill item of SEK 5,874m (6,066) is largely attributable to the acquisition of Hemfosa and consists mainly of synergy effects in the form of reduced financing and administration costs. In addition, there is a reported goodwill attributable to the difference between nominal tax and the deferred tax that is calculated on the acquisition of properties in company format that must be reported among "business combinations", as the acquisitions of Hemfosa and Sveafastigheter are considered to be. For reported goodwill of SEK 1,590m (1,781), a corresponding amount is recognized under the item deferred tax.

Cash and cash equivalents and cash investments

Cash and cash equivalents amounted to SEK 4,941m (9,837) and cash investments, comprising shares in listed companies, amounted to SEK 512m (53).

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, as well as of tax-loss carryforwards. In Norway and Denmark, the corresponding tax rate is 22.0 percent and in Finland, it is 20.0 percent. As of 30 September 2022, the deferred tax liability amounted to SEK 10,360m (10,428) and is largely attributable to investment properties and tax-loss carryforwards. As of 30 September 2022, the tax-loss carryforwards amounted to SEK 2.5bn.

Interest-bearing liabilities

At the end of the period, interest-bearing liabilities in the Group amounted to SEK 95,376m (87,995), of which SEK 35,717m (23,732) pertained to liabilities to credit institutions, SEK 57,201m (53,094) pertained to bond loans and SEK 2,458m (11,169) pertained to commercial papers. See further under the section Financing on page 26.

Total Return Swap

At the end of September 2021, SBB signed a Total Return Swap (TRS) regarding liquidity investments in shares. The shares that was sold into the TRS were previously reported as financial assets reported at fair value through profit and loss statement. SBB retains the main risks and benefits of owning the shares the conditions were not met for the derecognition of the financial asset, i.e. the shares, from the financial reports. The effect of the transaction from an accounting perspective is that SBB received cash and a liability with the corresponding amount being reported on the line "Liability cash collateral". In January 2022, shares in Amasten were bought out from TRS, which resulted in a reduction of approximately SEK 2bn in the cash collateral liability.

Consolidated changes in equity

Amounts in SEKm	Equity attributable to Parent Company's shareholders						Other reserves ¹⁾	Holdings without controlling influence	Total equity
	Share capital	Other contributed capital	Reserves ¹⁾	Retained earnings	Total	Hybrid-bond			
Opening equity, 01-01-2021	150	24,102	-213	12,826	36,865	15,096	-616	412	51,756
Profit for the period	-	-	-	12,356	12,356	358	-	993	13,707
Other comprehensive income	-	-	521	-4	517	-	238	-	755
Comprehensive income for the period	-	-	521	12,352	12,873	358	238	993	14,463
New share issue	3	702	-	-	705	-	-	-	705
Issue hybrid bonds	-	-	-	-	-	4,979	-	-	4,979
Issue warrants	-	58	-	-	58	-	-	-	58
Acquired hybrid bond	-	-	-	-	-	329	-	-	329
Redemption of preference shares	-	-15	-	-5	-20	-	-	-	-20
Redemption of part of hybrid bond	-	-	-	-470	-470	-2,793	-	-	-3,263
Redemption/conversion of mandatory convertible	9	-107	-	-27	-125	-	-	-	-125
Tax effects, issue costs	-	7	-	-	7	83	-	-	90
Dividend	-	-	-	-1,794	-1,794	-358	-	-	-2,152
Acquired minority interests	-	-	-	-	-	-	-	2,035	2,035
Redeemed minority interests	-	-	-	-115	-115	-	-	-1,417	-1,532
Closing equity, 30-09-2021	162	24,747	308	22,766	47,983	17,694	-378	2,023	67,322
Profit for the period	-	-	-	11,731	11,731	138	-	25	11,894
Other comprehensive income	-	-	526	10	536	-	-165	-	371
Comprehensive income for the period	-	-	526	11,741	12,267	138	-165	25	12,265
New share issue	2	1,641	-	-	1,643	-	-	-	1,642
Issue hybrid bonds	-	-	-	-	-	46	-	-	46
Acquired hybrid bond	-	-	-	-	-	-24	-	-	-24
Redemption of part of hybrid bond	-	-	-	316	316	-317	-	-	-1
Redemption/conversion of mandatory convertible	-	2	-	-	2	-	-	-	2
Issue costs	-	-11	-	-	-11	-50	-	-	-61
Tax effects, issue costs	-	-8	-	-	-8	-54	-	-	-62
Dividend	-	-	-	-13	-13	-138	-	-	-151
Acquired minority interests	-	-	-	-	-	-	-	2,071	2,071
Redeemed minority interests	-	-	-	-32	-32	-	-	-48	-80
Closing equity, 31-12-2021	165	26,371	834	34,778	62,148	17,295	-543	4,071	82,971
Opening equity, 01-01-2022	165	26,371	834	34,778	62,148	17,295	-543	4,071	82,971
Profit for the period	-	-	-	-2,111	-2,111	382	-	-131	-1,861
Other comprehensive income	-	-	-744	70	-679	-	919 ²⁾	-	245
Comprehensive income for the period	-	-	-744	-2,041	-1,285	382	919	-131	-1,616
New share issue	-	210	-	-	210	-	-	-	210
Issue costs	-	-	-	-	-	-10	-	-	-10
Acquired hybrid bond	-	-	-	-	-	-7	-	-	-7
Tax effects, issue costs	-	7	-	-	7	-	-	-	7
Dividend	-	-	-	-2,308	-2,308	-382	-	-	-2,690
Redeemed minority interests	-	-	-	-141	-141	-	-	-1,676	-1,817
Closing equity, 30-09-2022	165	26,588	90	30,288	57,131	17,277	376	2,264	77,049

1) Reserves consist of hedge accounting and translation differences.

2) The amount refers to translation differences regarding hybrid loans of SEK 919m (-543), of which non-controlling interests amount to SEK -0m (-1).

Comments

As of 30 September 2022, equity amounted to SEK 77,049m (82,971). The equity includes issued hybrid bonds with a book value of SEK 17,277m and minority holdings in Amasten Fastighets AB (publ) and Unobo AB, as well as in 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 class B ordinary shares for SEK 210m after issue costs that were used as consideration for the acquisition of Odalen Fastigheter AB.

Additional shares in Amasten Fastighets AB (publ) were acquired during the period and reduced equity by SEK 1,793m. The outstanding preference shares in the Norwegian subsidiary Nye Barcode 121 Bido AS were redeemed during the period, reducing equity by SEK 24m.

Translation differences in the translation of net assets in subsidiaries in Norway, Finland and Denmark from local currency to SEK amounted to SEK 175m of the change in equity during the period.

The equity ratio was 40 percent (43), the adjusted equity ratio was 45 percent (47) and the loan-to-value ratio was 47 percent (40).

Consolidated cash flow statement in summary

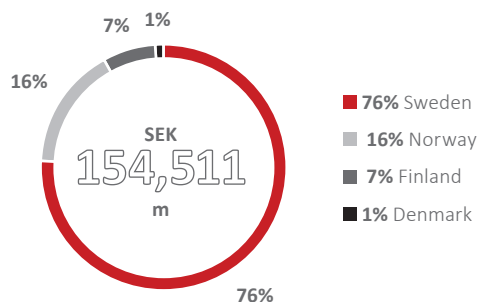
Amounts in SEKm	01-01-2022 30-09-2022	01-01-2021 30-09-2021 (restated) ¹⁾	01-07-2022 30-09-2022	01-07-2021 30-09-2021 (restated) ¹⁾	01-01-2021 31-12-2021 (restated) ¹⁾
Operating activities					
Profit after financial items incl. value changes and tax in associated companies/joint ventures	620	2,437	-679	995	5,690
<i>Adjustment for non-cash flow items</i>					
Depreciation	6	3	4	1	5
Profit from associated companies/joint ventures	488	-585	846	-187	-2,814
Dividends from associated companies/joint ventures	297	25	5	18	44
Net interest income	2,252	835	1,057	232	795
Interest paid	-914	-1,012	-403	-450	-1,285
Interest received	138	203	-16	54	271
Paid tax	-214	-160	70	-55	-247
Cash flow from operating activities before changes in working capital	2,673	1,746	884	608	2,459
Cash flow from changes in working capital					
Increase (-)/Decrease (+) of operating receivables	-364	1,024	230	996	611
Increase (+)/Decrease (-) of operating liabilities	-1,513	2,481	-891	836	1,542
Cash flow from operating activities	796	5,251	223	2,440	4,612
Investment activities					
Investments in properties	-4,099	-3,188	-1,273	-1,141	-4,694
Property sales	153	34	8	7	138
Acquisitions of subsidiaries less acquired cash and cash equivalents	-8,839	-15,664	-88	-2,476	-26,883
Disposals of subsidiaries less cash and cash equivalents	8,268	5,839	2,100	-468	17,982
Investments/divestments in equipment, machinery and installations	-6	-26	-7	-37	14
Investments/divestments in associated companies/joint ventures	-1,421	-6,971	76	-1,701	-10,706
Change in receivables from associated companies/joint ventures	2,005	-2,697	868	-1,263	-3,049
Cash flow from financial assets	1,569	-1,166	336	546	-684
Change in other long-term receivables	140	-121	-1	111	-54
Cash flow from investing activities	-2,230	-23,961	2,019	-6,423	-27,937
Financing activities					
Issue hybrid bonds	-10	4,979	-	-15	4,975
Issue warrants	-	58	-	-	58
Redemption of hybrid bonds	-	-3,509	-	-131	-3,533
Redemption of mandatory convertible	-	-125	-	-27	-125
Redemption of preference shares	-	-20	-	-	-20
Dividend paid	-2,236	-1,370	-594	-466	-1,846
Redeemed minority interests	-1,817	-1,498	1	-	-3,811
Borrowings	42,579	38,564	7,523	8,726	61,561
Repayment of loans	-38,467	-24,447	-8,726	-6,924	-42,223
Change in cash collateral	-3,434	3,815	-318	3,815	5,607
Change in other long-term liabilities	-112	1,572	-131	58	-1,114
Cash flow from financing activities	-3,497	18,019	-2,245	5,036	19,529
Cash flow for the period	-4,931	-691	-3	1,052	-3,796
Cash and cash equivalents at the beginning of the period	9,837	13,606	4,984	11,880	13,606
Exchange rate change in cash and cash equivalents	35	20	-40	3	27
Cash and cash equivalents at the end of the period	4,941	12,935	4,941	12,935	9,837

1) For more details, see Additional information on page 40.

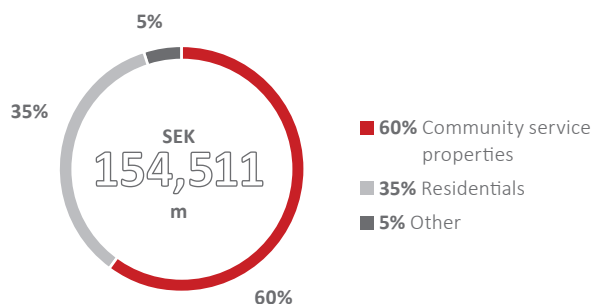
Property portfolio

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

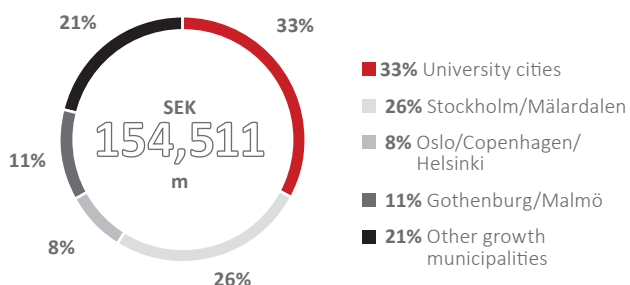
Property value, by country



Property value per segment



Property value per region



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

Property value, by country

SEK 24.9 bn

Property value
NORWAY

SEK 10.5 bn

Property value
FINLAND

SEK 117.1 bn

Property value
SWEDEN

SEK 2.0 bn

Property value
DENMARK

79%

Located in major cities
and university cities

99%

Social infrastructure

The community service property portfolio, including publicly funded residentials

Largest tenants

Tenant	Rental income, rolling 12-month, SEKm	% of total
Läringsverkstedet	298	6.3
Trygge Barnehager AS	271	5.8
Swedish state	226	4.8
Academedia	164	3.5
Norwegian state	151	3.2
Attendo	143	3.0
Norwegian National Association for Heart and Lung Diseases	142	3.0
Municipality of Härnösand	125	2.7
Finnish state	111	2.4
Esperi	99	2.1
Ambea	85	1.8
Humana	84	1.8
Municipality of Haninge	83	1.8
International English School	82	1.7
Danish state	68	1.4
Region Västra Götaland	64	1.4
Helsinki, capital region	63	1.3
Municipality of Skellefteå	63	1.3
Municipality of Boden	58	1.2
Municipality of Karlskrona	48	1.0
Total 20 largest tenants	2,426	51.6
Other	2,272	48.4
Total rental income	4,698	100.0

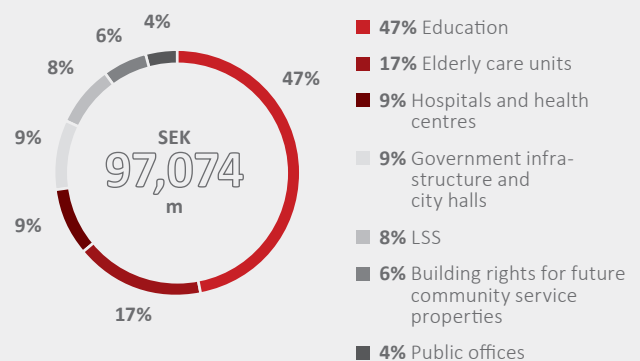
Rental income by area of use

Use	Rental income, rolling 12-month, SEKm	% of total
Education	2,098	44.7
Elderly care units	803	17.1
Hospitals and health centres	458	9.8
Government infrastructure and city halls	405	8.6
LSS	433	9.2
Building rights for future community service properties	167	3.6
Public offices	334	7.1
Offices & other	0	0.0
Total	4,698	100.0

Maturity structure



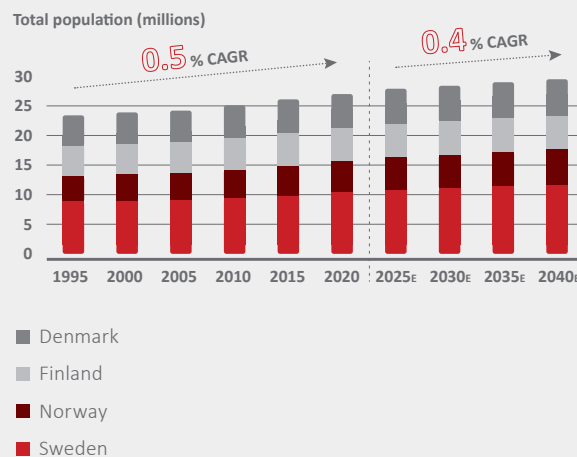
Community service properties, value by area of use



Supply and demand for social infrastructure

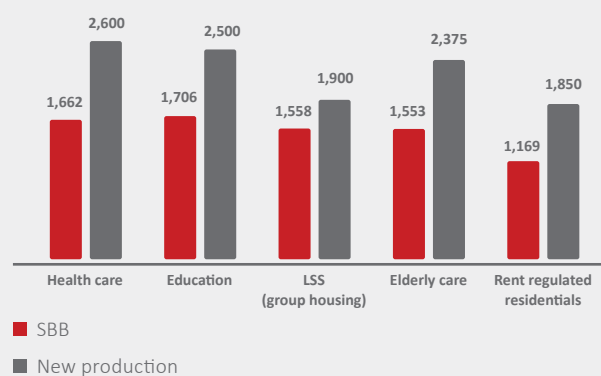
The need for community service properties is very considerable. The graph at the upper-right shows the Nordics' strong demographic trend, which is generating considerable need for social infrastructure. In addition to a considerable need for social infrastructure properties, there is also considerable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

Population growth throughout the Nordics



Source: Nordics Statistics database

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



Source: Newsec

Three value-adding strategies meet the need for social infrastructure



1. Building rights development and new production

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



2. Investments in existing portfolio

Profit target of SEK 1,000m annually



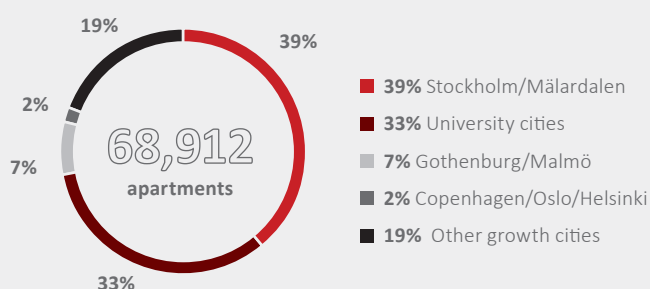
3. Value-adding transactions

Profit target of SEK 400m annually



1. Building rights development and new production

Project portfolio by geography



Refers to building rights development, the project portfolio and joint ventures. For the breakdown between joint ventures and own projects, see the following pages.

Operational targets – Building rights development and new production

Building rights development and new production shall generate average annual profit of SEK 2,000–2,500m

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

SBB generates value throughout the value chain



Value-creating activities during the third quarter of 2022

	Building rights development	No. m² GFA
	Progression building rights	22,230

	New production	Resi. – No. of apts	CS – No. m²
	Construction starts	51	-
	Completed/sold	280	449
	Land allocation	-	-
	Sold building rights	-	9,950

Portfolio summary (including joint ventures)

4,743 Apartments currently under production

41,436 m² community service properties under production

13,322 Apartments in project development

22,230 Progression of building rights (m² GFA)

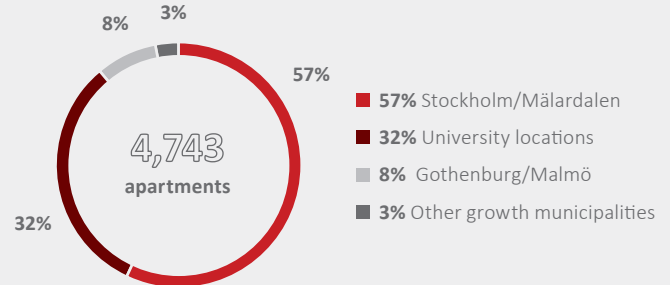
Production in progress

New production in progress and investments in existing portfolio

	2022-2023	2024-2025	2026-
Remaining investment including SBB's share of the joint venture ¹⁾	3,336	545	
Future net operating income	326	126	
Return on remaining investment	9.8%	23.2%	

1) Of the total investment of SEK 3,881m, SEK 864m is being financed through credit. SBB's ambition is to increase this share.

Geographical distribution of production in progress (including joint ventures)



New production

	SBB's share	No. apts.	No. m ²	No. projects	Residential	Community service properties	Rent (SEKm)	Net operating income (SEKm)	Investment (SEKm)	Developed (SEKm)	Remaining (SEKm)	Yield (rent)	Yield (net operating income)
Projects developed by SBB	100%	1,630	106,827	17	73%	27%	196	167	3,331	2,272	1,058	5.9%	5.0%
Acquired projects	100%	1,172	58,159	7	100%	0%	112	91	2,026	729	1,297	5.5%	4.5%
Joint venture projects (RE/CS)	49%	1,941	114,731	12	96%	4%	247	207	4,322	2,269	2,053	5.7%	4.8%
Total	77%	4,743	279,717	36	89%	11%	554	465	9,679	5,270	4,409	5.7%	4.8%
SBB's share of total	100%	3,752	221,135		87%	13%	429	359	7,484	4,098	3,386	5.7%	4.8%

Investments in existing portfolio

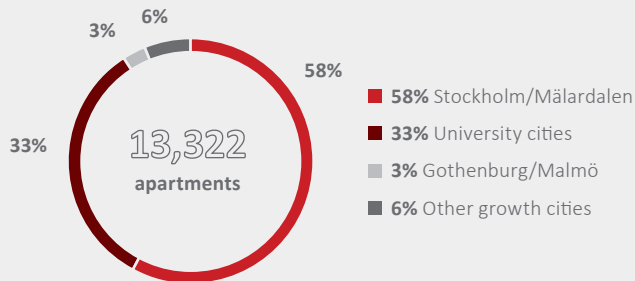
	No. m ²	No. projects	Net operating income (SEKm)	Investment (SEKm)	Developed (SEKm)	Remaining (SEKm)	Yield (net operating income)
Investments excl. post-tenancy renovations	118,438	31	93	1,877	1,382	495	5.0%

5 largest projects developed by SBB

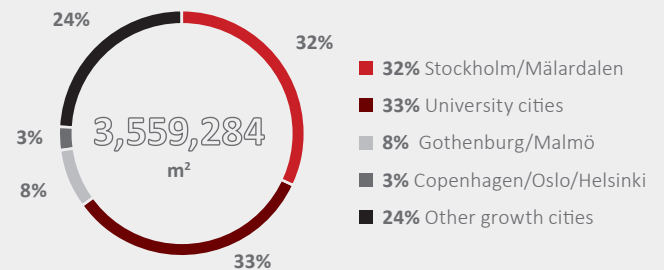
Project name	Municipality	Category	Tenant	WAULT (years)	Rent (SEKm)	Completed
Sågklingan	Västerås	Elderly care unit and residentials	Municipality of Västerås	25	33	Feb '24
Altplatsen	Gothenburg	Elderly care unit and residentials	Private publicly funded operator	20	29	Jan '24
Hovshaga	Växjö	Residentials	Private individuals	-	16	July '23
Studentskrapan	Gothenburg	Student accommodation, block lease	Stiftelsen Göteborgs Studentbostäder	20	15	Jan '23
Kv Jullen	Skellefteå	Residentials	Private individuals	-	14	June '25

Project- and building rights development

Geographical distribution in project development
(including joint ventures)



Geographical distribution of the building rights
portfolio (including joint ventures)



Project development

	SBB's share	No. apts.	No. m²	Residentials	Community service properties
Projects developed by SBB	100%	9,237	563,310	82%	18%
Acquired projects	100%	221	5,730	100%	0%
Joint venture projects (HR/CS)	47%	3,864	288,948	71%	29%
Total	83%	13,322	857,988	79%	21%
SBB's share of total	100%	11,239	704,436	80%	20%

Building rights development

Planning phase	Shareholding (%)	Application for planning notice	Planning approval	Adoption	Legal force	Number BTA	Book value (SEKm)	per m² (SEK)
Phase 1 – Project ideas	100					841,794	576	684
Phase 2 – Ahead of planning approval	100	✓				189,345	204	1,076
Phase 3 – With planning approval	100	✓	✓			1,058,191	1,709	1,615
Phase 4 – Zoning plan having gained legal force	100	✓	✓	✓	✓	877,672	1,129	1,286
Total	100					2,967,002	3,618	1,219
Building rights in joint venture	50					592,282	1,648	2,783
Total	92					3,559,284	5,266	1,479
SBB's share of total	100					3,260,670	4,435	1,360

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.



2. Investments in existing portfolio

Investments in the existing portfolio involve renovations that increase the net operating income of residential apartments and investments in the company's community service properties. In the third quarter of 2022, SBB completed renovations that improve the

net operating income from 183 apartments. In addition to apartment renovations, SBB is continuously upgrading the standard of the community service property portfolio. The total investment volume for these projects is approximately SEK 1,877m.



3. Value-adding transactions

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

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

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

of credibility and integrity in the business relationship. The company has a history of acquiring properties with strong cash flows and untapped potential value. Combined with a continuous pipeline of acquisitions and sales, this allows the company to constantly recover capital to generate benefit for shareholders. During the third quarter of 2022, the company conducted property transactions for a total of SEK 2.5bn.

Transactions in the third quarter of 2022



Financing

Financing key ratios

47%

Loan-to-value ratio

1.89%

Average interest

19%

Secured loan-to-value ratio

BBB-

Negative outlook (S&P)

BBB-

Positive outlook (Fitch)

Significant macro events during the third quarter of 2022

Concerns regarding the global economy persisted in the third quarter. Most macro-economists expect a downshift in growth, while inflation has trended upwards more than expected and been more persistent. This is of concern to the central banks, and it becomes difficult to lower policy rates to support the global economy. Instead, we see rapid interest rate hikes to overcome inflation. Sweden's Riksbank raised its policy rate by 100 basis points in September to 1.75 percent, which was higher than expected. The Riksbank's own forecast is that it will raise the policy rate gradually to 2.50 percent by the summer of 2023.

The war in Ukraine is accompanied by an economic conflict between Russia and the West. This has caused an energy crisis in Europe as Russia has limited its exports of natural gas to European countries. With many European countries needing gas for heating and generating electricity, Russia typically accounts for 40 percent of these flows. The crisis is expected to worsen during the winter when needs are greatest. In preparing for a winter without Russian gas, European countries are coordinating efforts to build stocks and limit energy consumption by 15 percent. However, the shortage of supply is causing increased energy prices, which are, in turn, driving up both consumer prices and companies' costs for input goods.

Overall, we expect a more protracted recession and an increasingly austere monetary policy, as well as rising costs of living among households. As a result of the inflation shock and with interest rates rising and loans becoming more expensive, households worldwide may restrain their consumption. Given that household consumption accounts for almost half of GDP, we will also see further downward revisions to growth in 2023.

Interest rate and credit market

Stagflation concerns continued to pervade the market during the third quarter. Central banks are responding to the inflation statistics with more vigorous interest rate hikes and are indicating a more austere monetary policy ahead. This has pressured the financial market, driving up long-term bond yields. We are currently seeing ten-year US Treasury bonds rising towards four percent, which is the highest level in a decade.

Significant events during the period

In July, SBB repaid a green bond of SEK 500m (ISIN: XS2021634675). The bond had an interest rate of Stibor 3m +1.20 percent.

Also in July, SBB priced its first unsecured social US Private Placement ("USPP") in an amount of USD 100m. The USPP comprises two tranches at fixed interest rates and terms of five and ten years. In July, SBB swapped its USPP bond of USD 100m at a favourable interest rate in euros. The interest rate to pay on the five-year USPP was Euribor 3m +2.645 percent, and the interest rate on the ten-year USPP was Euribor 3m +2.872 percent, implying a fixed interest rate for the five-year USPP of 3.89 percent and a fixed interest rate for the ten-year USPP of 4.66 percent. Together with the Schuldschein financing entered into by SBB in June, the USPP transaction is another step in the company's efforts to diversify its funding sources and demonstrates SBB's strength on the global capital markets. The diversification and access to different capital markets and different financing sources are central to SBB's future development.

As of August, SBB reduced its exposure to variable interest rates from 35 percent to 25 percent by hedging SEK 10bn in interest rates.

At the end of September, SBB entered into further interest rate hedges and the exposure towards variable interest rates is now 20 percent. SBB has a good relationship with all of its banks and works actively with its banks to extend and refinance existing loans as well as to create room for replacing bonds with new secured bank loans. After the end of the period, SBB has signed a new credit facility of EUR 750m with one of the world's largest banks. In addition, SBB is in negotiations regarding additional credit facilities that may be signed before the end of the year.

Significant events after the period

In early October, SBB repaid another bond (ISIN: XS2059787049). The nominal amount was SEK 600m and the bond ran at an interest rate of Stibor 3m +0.95 percent. In October, SBB signed a three-year revolving credit facility with an international investment bank for EUR 70m and with a 1+1 extension option.

SBB has a good relationship with all of its banks and works actively with its banks to extend and refinance existing loans as well as to create room for replacing bonds with new secured bank loans. After the end of the period, SBB has signed a new credit facility of EUR 750m with one of the world's largest banks. In addition, SBB is in negotiations regarding additional credit facilities that may be signed before the end of the year.

Maturity structure (excl. commercial papers)

Maturity year	Nominal amount, SEKm	Share, %
< 1 year	8,526	9%
< 2 years	17,938	19%
< 3 years	16,785	18%
< 4 years	10,691	11%
< 5 years	14,589	16%
> 5 years	24,769	27%
Total	93,298	100%

Maturity structure, interest rates

Maturity year	Nominal amount, SEKm	Share, %
< 1 year	22 964	24%
< 2 years	14 635	15%
< 3 years	11 307	12%
< 4 years	10 142	11%
< 5 years	15 317	16%
> 5 years	21 351	22%
Total	95 717	100%

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 47 percent (40) and the secured loan-to-value ratio was 19 percent (12). The interest coverage ratio was a multiple of 4.8 (5.5). At the end of the period, interest-bearing liabilities amounted to SEK 95,376m (87,995) of which SEK 35,717m (23,732) pertained to liabilities to credit institutions, SEK 57,201m (53,094) pertained to bond loans and SEK 2,458m (11,169) pertained to commercial papers. At the end of the period, the fair value of interest-bearing liabilities and other financial instruments was estimated at SEK 81,847m (87,995). Loans from credit institutions are normally secured through property mortgages. Issues of bonds and commercial papers are not normally secured.

Outstanding commercial paper, amounting to SEK 2,458m, have a short term maturity, with all commercial paper maturing within one year. Of the remaining interest-bearing liabilities, liabilities to credit institutions and bond loans, SEK 8,526m matures within one year, which corresponds to nine percent of total interest-bearing debt excluding commercial paper. SBB has ongoing discussions with all banks and works actively to continuously refinance its outstanding debt.

SBB has continued to work actively to maintain low interest rates on its interest-bearing liabilities. At the end of the period, the average interest rate on the interest-bearing liabilities was 1.89 percent (1.11).

SBB's exposure to variable interest rates is 20 percent (26). The average period of fixed interest for all interest-bearing liabilities was 3.4 years (3.6) and the average debt maturity was 4.1 years (4.1).

Currency risk

Because SBB holds assets in Sweden, Norway, Finland and Denmark and has debt in SEK, NOK, EUR, DKK and USD, 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 4,941m, with liquid investments amounting to SEK 512m. SBB also has SEK 7.9bn in confirmed unutilised credit commitments. The balance sheet includes receivables of approximately SEK 2bn, mainly representing the sale of properties where completion has not yet taken place, that will strengthen liquidity following the end of the period. In addition, SBB is expecting to complete the sale of JV assets totalling SEK 2bn.

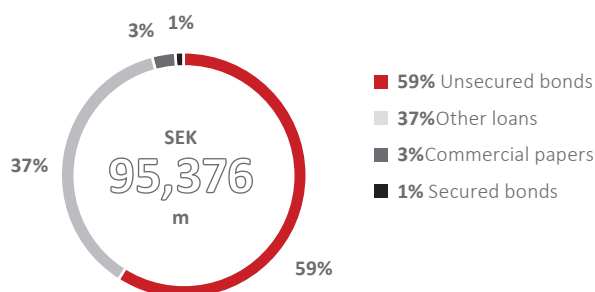
Change in value of derivatives

Interest-rate derivatives are used to limit the interest rate risk for loans with variable interest and to increase predictability in profit from property management. At the end of the period, the total nominal value of the interest-rate derivatives amounted to SEK 28,072m (17,753) with maturities of between one and ten years. In accordance with the accounting rules in IFRS 9, derivatives must be marked-to-market. If the agreed interest rate deviates from the market rate, a surplus or deficit arises on the interest rate derivatives, with the change in value not affecting cash flow being reported in the income statement. At the end of the period, the fair value of the interest-rate derivatives and FX derivatives amounted to SEK 1,839m (517).

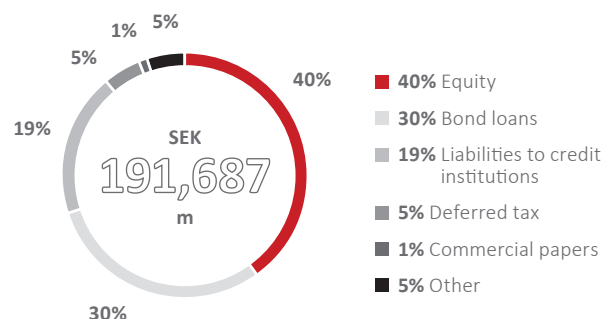
Rating

SBB has an official credit rating from the credit rating agencies Fitch Ratings ("Fitch"), Scope Ratings ("Scope") and S&P Global Ratings ("S&P"). SBB has a BBB- rating with a positive outlook from Fitch and a BBB rating with stable outlook from Scope. In August, S&P affirmed the BBB- rating, while adjusting the outlook to negative from stable.

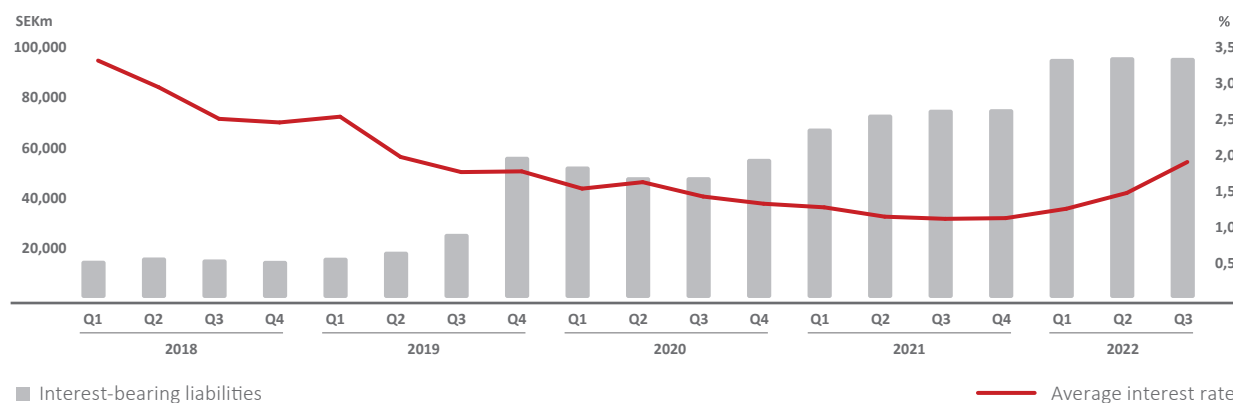
Distribution of interest-bearing liabilities



Capital structure



Development of the Group's average interest rate



Bond loans as of 30 September 2022

Term	ISIN	SEKm	Repurchased by SBB	Maturity date	Interest rate	Type
2021-2023	XS2208267596	12	0	2023-07-24	7.00% + STIBOR	
2019-2023	XS2066041661	1,000	0	2023-02-01	1.01% + STIBOR	
2019-2022	XS2059787049	600	110	2022-10-03	0.95% + STIBOR	
2019-2023	XS2050862262	800	80	2023-09-06	1.15% + STIBOR	Green
2019-2023	XS2000538699	200	75	2023-05-22	1.40% + STIBOR	
2022-2025	XS2461738770	260	0	2025-04-11	1.60% + STIBOR	Social
2021-2023	XS2290558282	1,000	20	2023-07-26	0.80% + STIBOR	Social
2020-2025	XS2275409824	200	0	2025-12-18	1.17% + STIBOR	Social
2019-2025	XS1997252975	1,100	359	2025-01-14	1.90% + STIBOR	
2020-2027	XS2111589219	600	0	2027-01-30	1.50% + STIBOR	Green
2019-2023	XS2078737306	975	25	2023-05-11	1.07%	
2019-2024	SE0012313245	200	148	2024-02-19	3.25% + STIBOR	
2019-2024	SE0012256741	500	313	2024-02-14	3.30% + STIBOR	Green
2019-Hybrid	SE0013234531	575	278	Hybrid	6.85% + STIBOR	Offentliga Hus, Hybrid
2020-2024	SE0014965919	550	229	12 April 2024	3.15% + STIBOR	Offentliga Hus, Green
2019-2023	SE0013042611	700	388	2023-03-27	4.40% + STIBOR	Offentliga Hus, Green
2019-Hybrid	SE0013359148	1,500	0	Hybrid	3.50% + STIBOR	Hybrid

Term	ISIN	EURm	Repurchased by SBB	Maturity date	Interest rate	Type
2020-2040	XS2151934978	50	0	2040-04-03	2.75%	
2019-2025	XS1993969515	550	29	2025-01-14	1.75%	
2019-2026	XS2049823680	500	0	2026-09-04	1.13%	
2022-2024	XS2438632874	700	0	2024-02-08	0.55% + EURIBOR	Social
2021-2029	XS2346224806	950	0	2029-11-26	1.13%	Social
2020-2028	XS2271332285	700	0	2028-12-14	0.75%	Social
2020-2027	XS2114871945	750	0	2027-08-12	1.00%	
2020-Hybrid	XS2010032618	500	0	Hybrid	2.62%	Hybrid
2020-Hybrid	XS2272358024	500	0	Hybrid	2.63%	Hybrid
2021-Hybrid	XS2010028186	500	0	Hybrid	2.88%	Hybrid, Social

Term	ISIN	NOKm	Repurchased by SBB	Maturity date	Interest rate	Type
2020-2025	XS2223676201	700	0	2025-08-27	1.65% + NIBOR	
2020-2023	XS2203994517	200	0	2023-07-14	1.50% + NIBOR	
2020-2025	XS2194790429	800	0	2025-06-26	1.99% + NIBOR	
2020-2023	XS2124186508	400	0	2023-02-24	0.72% + NIBOR	
2019-2024	XS2085870728	1,000	0	2024-11-28	3.12%	



Sustainability

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

Vision 2030 – climate positive throughout the value chain by 2030

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

E

Climate and environment – overarching objectives

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

S

Social sustainability – overarching objectives

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

G

Governance and financing – overarching objectives

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



Road map Vision 2030

2016-2019

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

2020-2022

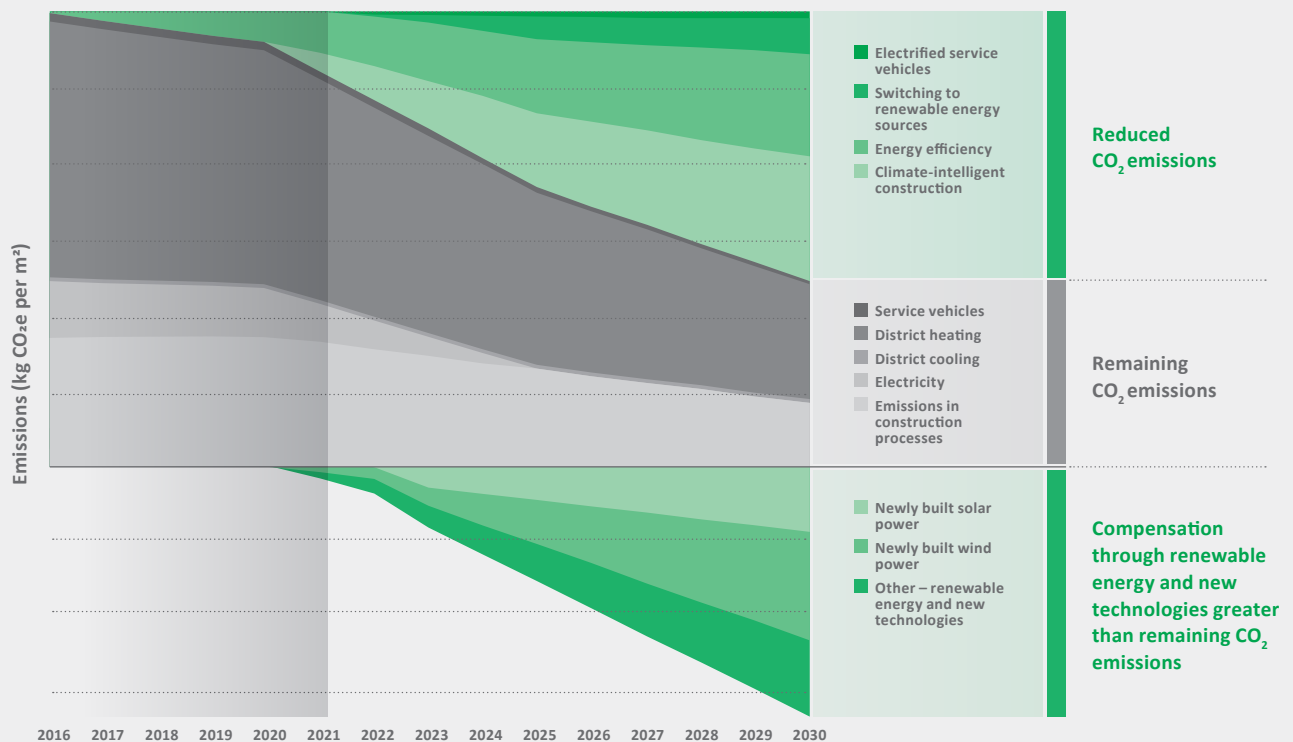
Accelerated energy-efficiency improvements and replacement of heating systems. Renewable electricity throughout the property portfolio. Build-out of solar power, charging posts and wind power commences. Half of all new construction is in wood.

2023-2025

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

2026-2030

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



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.

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

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

SBB's Vision 2030 describes these overarching goals and visions in terms of sustainability and includes sub-targets in terms of ecological, social and economic sustainability. A complete description of SBB's sustainability targets and Vision 2030 can be found at <https://corporate.sbbnorden.se/en/sustainability/>

The persistent work in the area of sustainability has produced results in the form of an improved ESG risk rating. Sustainalytics assessed SBB's ESG risk as very low (10.7, the limit for negligible risk is at 10) and the risk management is considered to be strong. SBB thus tops the list of comparable companies based on market capitalization. During the quarter, the 2022 GRESB assessment was completed with SBB being awarded a "Green Star" award.

Ecological sustainability

The climate issue is one of humanity's great challenges and SBB bears a responsibility towards future generations to contribute solutions and to mitigate its own climate impact. We seek to act decisively on climate

change and have therefore adopted the overall goal of climate positivity throughout the value chain by 2030.

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 third quarter of 2022

SBB is pursuing the largest certification project in accordance with Miljöbyggnad iDrift to date. The first phase of the project was to get to know the certification system and bring the management procedures in line for a successful certification. The project has now entered its second phase, during which the certification of larger volumes has commenced. A number of different property types will be certified, including schools, residential and community service buildings around the country. The hope is that the project will be a positive example for

New construction projects in progress, Q3 2022

	Number/number of m ²	Number of wooden buildings	Proportion of wooden buildings	Number certified	Proportion certified	Proportion of solar cells	Proportion of geothermal heat
Number of projects	17	7	41%	10	59%	76%	53%
Number of m ²	106,800	23,000	21%	80,000	75%	70%	51%

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

	Number in progress	Number completed	Number of kWh in progress	Number of kWh completed	Share of the property portfolio's total energy consumption
Solar cell plants (stand-alone)	1	-	10,000,000	-	1.9%
Solar cell systems (CS)	17	3	1,207,000	179,000	0.3%
Solar cell systems (RE)	9	2	1,947,000	116,000	0.4%
Heat pumps (CS)	9	-	8,279,000	-	1.6%
Heat pumps (RE)	11	6	4,891,000	82,000	1.0%
Other energy-saving projects*	98	40	10,756,000	1,944,000	2.4%

* E.g. control, monitoring, lighting, additional insulation.

The number of apartment renovations is reported in the section on investments in the existing portfolio.

other actors with large property portfolios. The certification has been developed and prepared specifically to effectively realign and sustainability adjust large, existing volumes. Through the quality stamp a certification in Miljöbyggnad iDrift provides, property owners can, in addition to contributing to the climate transformation, increase the value of their properties and more easily attract tenants.

SBB has initiated an extensive project together with Smartvatten in order to measure and analyse water usage at the minute level and thus be able to quickly and automatically detect leakage and abnormal water usage. Many properties have been connected during the year and the work has already had an impact through the early detection and rectification of leaks. The meters will also facilitate annual consumption measurements and follow-up of savings targets.

Sveafastigheter, a wholly owned subsidiary of SBB, is expanding its collaboration with ProdiKT, a digital platform with which the performance and climate footprint of products and materials is reported. Through the collaboration, Sveafastigheter obtains an overview of the projects' combined carbon dioxide emissions and makes it possible to compare the climate impact of different materials early in the zoning process.

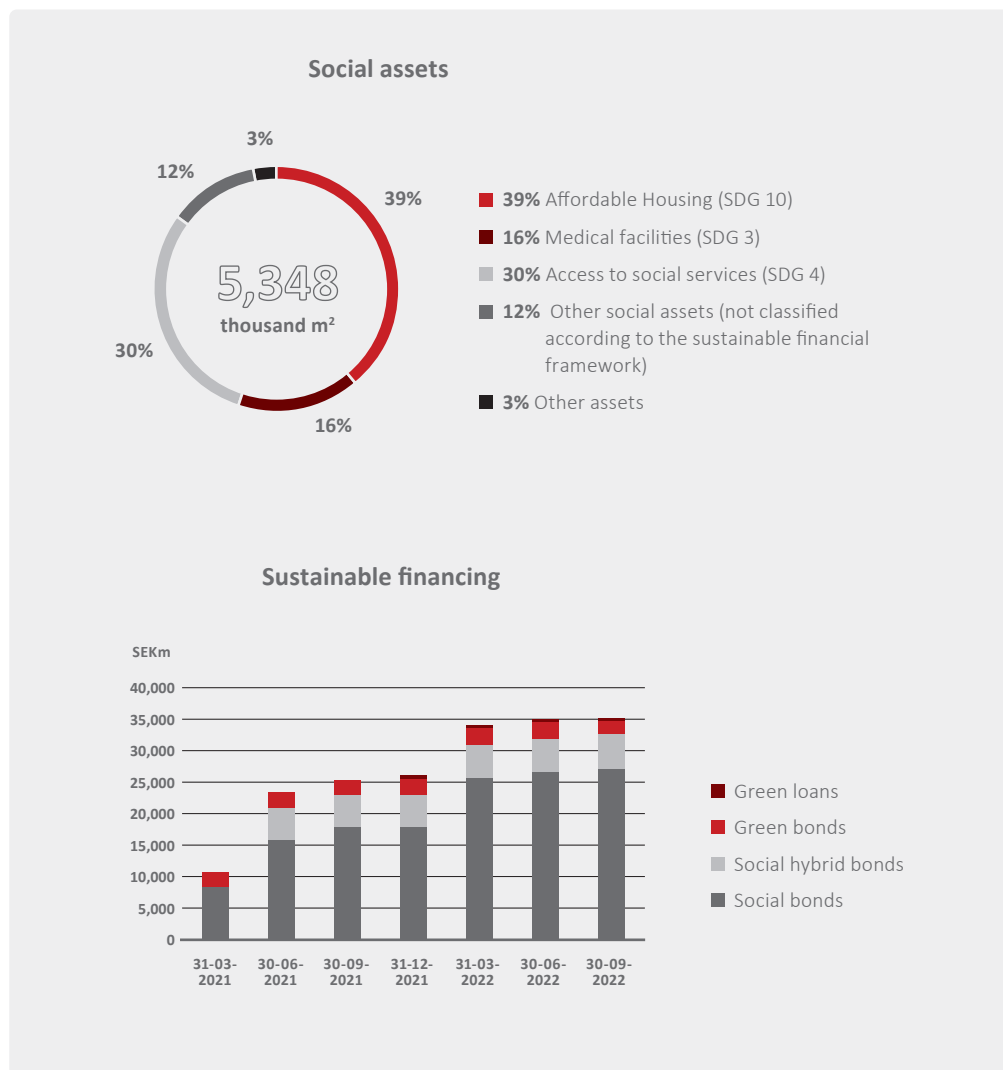
Sveafastigheter has also won a land allocation process for its largest climate investment to date. In Uppsala, Sveafastigheter will build the Upp! on par with the Sweden Green Building Council's (SGBC) limits for Zero CO₂.

In Norway, a technical assessment of 16 buildings has been completed. These form the basis for planning further measures for the properties with the aim of reducing energy consumption. A partnership has also been initiated with framework supplier Norsk Gjenvinning regarding information and training in waste management for SBB's operational managers.

Several projects involving solar cells, heat pumps, additional insulation, and connecting properties are underway in all of SBB's markets. A summary is presented in table format below. The situation in Europe's energy market makes it even clearer how important it is to run projects to reduce energy consumption and provide new capacity for renewable electricity production. Energy is now a matter of the environment, economy and security. SBB's analysis is that the climate transformation will require greatly reduced energy consumption in all property types. This is an integral part of the climate risk analysis at the property level that SBB conducts every year. Strategies and measures to manage these risks, and opportunities, have already been implemented. SBB's energy projects have the combined potential to reduce the need for energy input by about eight percent.

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 third quarter of 2022

As of 30 September 2022, SBB owned 5,188 m² (including rent-regulated residentials, elderly care units, LSS units 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.

SBB is part of collaborations with other property owners, the police, locally established companies and municipalities to increase security and prevent and prevent crime. In one collaboration, funding is provided together with other actors for security guards who can intervene in the event of disturbance within a limited area. In another collaboration, an action plan has been developed, which includes improved lighting, park maintenance, widening of important footpaths and bicycle paths, commuter buses, etc. Each area has unique conditions and challenges. Collaboration to increase security and well-being

together with stakeholders is pursued in many locations in SBB's markets.

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 entering into green loans, issuing social and green bonds and reducing energy consumption.

Development in the third quarter of 2022

As of 30 September 2022, social bonds, green bonds and green loans made up 28 percent of the total debt portfolio (excluding social hybrid bonds).

The share

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

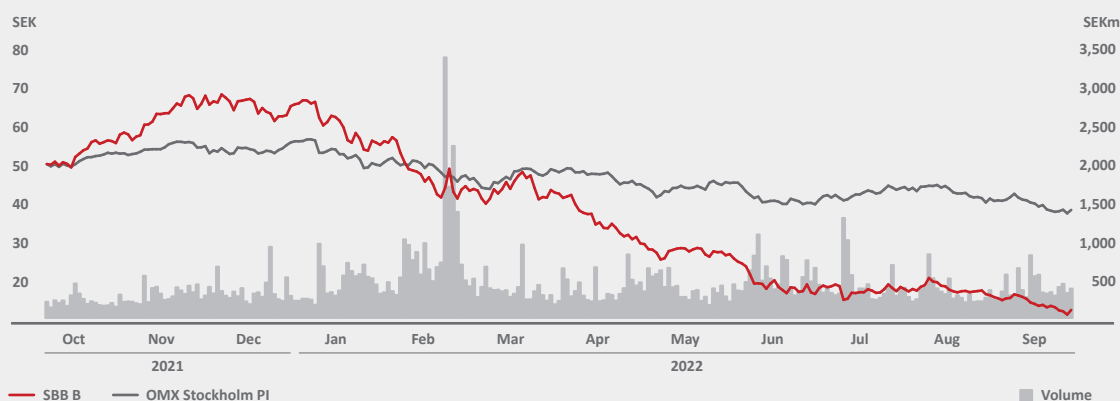
As of 30 September 2022, the number of Class B ordinary shares totalled 1,244,164,407 and the number of Class D ordinary shares totalled 193,865,905. There are also 209,977,491 Class A ordinary shares in the company. On 30 September 2022, series B ordinary shares were trading at SEK 12.165, and series D shares at SEK 16.73. The market capitalization of the Class B ordinary shares (including the value of unlisted Class A ordinary shares at the same price) was SEK 17,690m, and for the Class D ordinary shares, it was SEK 3,243m.

The closing price for Class B shares of SEK 12.165 represents a decrease of 82 percent compared with 31 December 2021 (66.42) and of 75 percent compared with 30 September 2021 (48.48). SBB's share is liquid and has been part of OMXS30 since 1 July 2022. Over the past 12 months, an average of approximately 14.9m series B shares were traded per day for an average daily value of approximately SEK 426.5m. SBB works actively with its investor base by participating in roadshows, presentations and events for private and institutional investors.

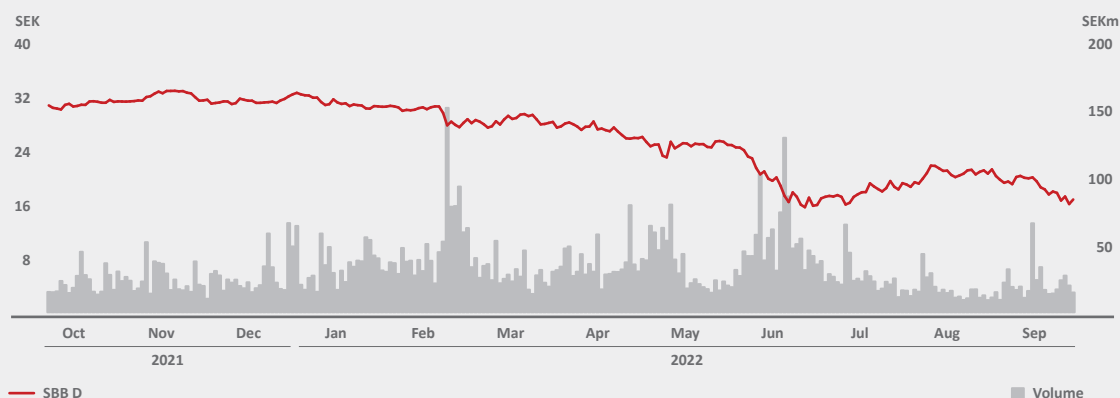
	Share price, SEK	
	30-09-2022	30-09-2021
Class B shares	12.165	48.48
Class D shares	16.73	30.22

	Average daily turnover, SEKm	
	Jan-Sep 2022	Jan-Sep 2021
Class B shares	471.6	161.0
Class D shares	33.7	20.5

Series B share price trend, past 12 months



Series D share price trend, past 12 months



Shareholders

The number of shareholders in SBB increased over the year. At the end of the third quarter of 2022, there were 252,516 known shareholders, corresponding to an increase of 94 percent compared with the corresponding point in 2021

On 30 September 2022, share capital amounted to SEK 164,800,780.30 at a quotient value of SEK 0.10 per share. At the Annual General Meeting, holders are entitled to one vote per Class A ordinary share and to 0.1 votes per Class B and

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

Shareholder structure as of 30 September 2022

Shareholders	Class A shares	Class B shares	Class D shares	Share capital, %	Votes, %
Ilija Batljan (private and through company)	109,053,868	25,691,920	530,000	8.21	31.57
Arvid Svensson Invest	42,444,700	24,199,429	-	4.04	12.68
Dragfast AB	36,163,467	41,300,000	-	4.70	11.39
Sven-Olof Johansson	22,315,456	32,684,544	-	3.34	7.23
Länsförsäkringar Fonder	-	76,135,092	762,274	4.67	2.17
Vanguard	-	41,197,275	3,724,723	2.73	1.27
Blackrock	-	42,732,686	1,630,123	2.69	1.25
Læringsverkstedet Gruppen AS	-	-	44,197,779	2.68	1.25
Avanza Pension	-	28,694,883	13,215,416	2.54	1.18
Futur Pension	-	38,612,632	2,045,996	2.47	1.15
Handelsbanken Fonder	-	38,524,013	2,122,481	2.47	1.15
Columbia Threadneedle	-	28,858,019	480,222	1.78	0.83
Marjan Dragicevic	-	27,000,000	148,931	1.65	0.77
Swedbank Robur Fonder	-	24,571,466	-	1.49	0.69
Gösta Welandson with companies	-	23,146,364	224,000	1.42	0.66
Other	-	750,816,084	124,783,960	53.13	24.75
Total	209,977,491	1,244,164,407	193,865,905	100.00	100.00

Parent Company

Income statement of Parent Company

Amounts in SEKm	01-01-2022 30-09-2022	01-01-2021 30-09-2021	01-07-2022 30-09-2022	01-07-2021 30-09-2021	01-01-2021 31-12-2021
Net sales	-	-	-	-	-
Personnel costs	-75	-49	1	-11	-66
Other operating expenses	-91	-26	-76	-6	-46
Profit from associated companies/joint ventures	93	56	-454	56	-
Operating profit	-73	-19	-529	39	-112
Profit from financial items					
Profit from participations in Group companies	-	-	-	-	-
Interest income and similar items	2,388	1,423	524	245	2,254
Interest expenses and similar items	-2,305	-1,320	-565	-531	-2,069
Translation gains/losses	-1,963	-157	-760	-130	-167
Changes in value derivatives	897	504	996	599	798
Profit after financial items	-1 056	431	-334	222	704
Appropriations	-	-	-	-	340
Profit before tax	-1 056	431	-334	222	1,044
Tax	-67	-28	31	9	-220
PROFIT FOR THE PERIOD	-1 123	403	-303	231	824

Statement of comprehensive income of Parent Company

Amounts in SEKm	01-01-2022 30-09-2022	01-01-2021 30-09-2021	01-07-2022 30-09-2022	01-07-2021 30-09-2021	01-01-2021 31-12-2021
Profit for the period	-1 123	403	-303	231	824
Other comprehensive income	-	-	-	-	-
COMPREHENSIVE INCOME FOR THE PERIOD	-1 123	403	-303	231	824

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 36 employees. The costs, incl. personnel costs during the period, amounted to SEK -166m (-75). A write-down of the shares in JM of SEK 500m was made during the quarter. For further information see page 14.

Parent Company's balance sheet in summary

Amounts in SEKm	30-09-2022	30-09-2021	31-12-2021
ASSETS			
Fixed assets			
Financial fixed assets			
Shares in Group companies	35,567	27,231	33,686
Participations in associated companies/joint ventures	7,307	5,243	7,844
Receivables from Group companies	32,819	37,551	38,955
Receivables from associated companies/joint ventures	63	28	175
Deferred tax assets	56	252	117
Financial fixed assets at fair value	1,100	1,507	1,520
Derivatives	2,016	204	533
Total financial fixed asset	78,928	72,016	82,830
Total fixed assets	78,928	72,016	82,830
Current assets			
Current receivables			
Accounts receivable	10	-	1
Other receivables	342	11	43
Prepaid expenses and accrued income	89	82	42
Total current receivables	441	93	86
Cash and cash equivalents	4,279	11,865	8,278
Cash investments	512	253	254
Total current assets	5,232	12,211	8,618
TOTAL ASSETS	84,160	84,227	91,448

Amounts in SEKm	30-09-2022	30-09-2021	31-12-2021
EQUITY AND LIABILITIES			
<i>Restricted equity</i>			
Share capital	165	162	165
<i>Unrestricted equity</i>			
Share premium fund	26,305	24,463	26,096
Retained earnings	-5,969	-3,211	-3,200
Hybrid bonds	17,979	17,293	17,062
Profit for the year	-1 123	403	824
Total equity	37,357	39,110	40,947
Untaxed reserves	85	14	85
Long-term liabilities			
Liabilities to credit institutions	9,264	1,951	3,497
Bond loans	25,901	27,572	27,202
Derivatives	294	118	30
Other long-term liabilities	-	2	-
Total long-term liabilities	35,459	29,643	30,729
Current liabilities			
Liabilities to credit institutions	29	9	-
Bond loans	4,472	1,624	1,204
Commercial papers	2,458	8,260	11,169
Accounts payable	52	12	2
Current tax liabilities	105	16	138
Liability, cash collateral	2,173	3,815	5,607
Other liabilities	1,507	1,375	1,043
Accrued expenses and prepaid income	463	349	525
Total current liabilities	11,259	15,460	19,688
TOTAL EQUITY AND LIABILITIES	84,160	84,227	91,448

Parent Company changes in equity

Amounts in SEKm	Share capital	Share premium ¹⁾	Retained earnings	Hybrid bonds	Total equity
Opening equity, 01-01-2021	150	23,826	-652	15,096	38,421
Profit for the period	-	-	403	-	403
Other comprehensive income	-	-	-238	238	-
Comprehensive income for the period	-	-	165	238	403
New share issue	3	702	-	-	705
Issue hybrid bonds	-	-	-	4,979	4,979
Issue warrants	-	58	-	-	58
Redemption of preference shares	-	-15	-5	-	-20
Redemption of part of hybrid bond	-	-1	-154	-3,110	-3,265
Redemption/conversion of mandatory convertible	9	-107	-27	-	-125
Dividend	-	-	-2,138	-	-2,138
Tax effects equity	-	-	-	90	90
Total equity 30-09-2021	162	24,463	-2,811	17,293	39,110
Profit for the period	-	-	-56	477	421
Other comprehensive income	-	-	165	-165	-
Comprehensive income for the period	-	-	109	312	421
New share issue	2	1,630	-	-	1,632
Redemption/conversion of mandatory convertible	-	2	-1	-	1
Dividend	-	-	328	-477	-149
Tax effects equity	-	-	-	-66	-66
Closing equity, 31-12-2021	165	26,095	-2,375	17,062	40,947
Opening equity, 01-01-2022	165	26,095	-2,375	17,062	40,947
Profit for the period	-	-	-1 488	365	-1 123
Other comprehensive income	-	-	-919	919	-
Comprehensive income for the period	-	-	-2,407	1,284	-1 123
New share issue	-	210	-	-	210
Issue costs	-	-	-	-10	-10
Dividend	-	-	-2,308	-365	-2,673
Tax effects equity	-	-	-	7	7
Closing equity, 30-09-2022	165	26,305	-7,090	17,979	37,357

¹⁾ The entire share premium fund constitutes unrestricted equity

Cash flow statement of Parent Company in summary

Amounts in SEKm	01-01-2022 30-09-2022	01-01-2021 30-09-2021 (restated)	01-07-2022 30-09-2022	01-07-2021 30-09-2021 (restated)	01-01-2021 31-12-2021 (restated)
Operating activities					
Profit after financial items	-1 056	431	-334	222	704
Net interest income	983	-450	-195	-183	-816
Interest paid	-2,377	-1,354	-507	-518	-2,052
Interest received	2,352	1,409	482	212	2,263
Tax	-40	-3	-6	-1	-5
Cash flow from operating activities before changes in working capital	-138	33	-560	-269	94
Cash flow from changes in working capital					
Increase (-)/Decrease (+) of operating receivables	-311	189	51,083	79	185
Increase (+)/Decrease (-) of operating liabilities	87	-121	-35	132	-22
Cash flow from operating activities	-362	101	50,488	-58	257
Investment activities					
Investment in subsidiaries	-1,671	-145	-	388	-6,090
Investments in associated companies/joint ventures	537	-5,243	1 092	-552	-7,844
Receivables from Group companies	-	-3,190	-	-2,481	-3,471
Change in receivables from associated companies	112	620	61	-22	473
Change in financial assets	-160	-388	-207	676	-525
Change in other long-term receivables	-	-	-	-2	-
Cash flow from investing activities	-1,182	-8,347	946	-1,993	-17,458
Financing activities					
New share issue	-	-	-	-418	-
Issue hybrid bonds	-10	4,979	-	-15	4,975
Issue mandatory convertible bonds	-	-125	-	-27	-125
Issue warrants	-	58	-	-	58
Redemption of hybrid bonds	-	-3,263	-	-179	-3,263
Redemption of preference shares	-	-20	-	-	-20
Group contributions received	-	-	-	-	411
Dividend paid	-2,236	-1,370	-594	-466	-1,846
Liabilities incurred by Group companies	6,136	-	-49,523	-	-
Borrowings	9,059	23,229	612	7,971	13,178
Repayment of loans	-11,970	-19,723	-2,168	-6,049	-6,026
Change in cash collateral	-3,434	3,815	-318	3,815	5,607
Change in other long-term liabilities	-	-455	-	-455	-457
Cash flow from financing activities	-2,455	7,125	-51,991	4,177	12,493
Cash flow for the period	-3,999	-1,121	-557	2,126	-4,708
Cash and cash equivalents at the beginning of the period	8,278	12,986	4,836	9,740	12,986
Cash and cash equivalents at the end of the period	4,279	11,865	4,280	11,866	8,278

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

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

Restatement of opening balance at 01-01-2021

Information on the adjustment of the opening balance at 01-01-2021 is presented in Note 30 in the latest annual report.

Significant assessments

An evaluation has been made of the acquisition of Sara Kulturhus in Skellefteå based on the criteria in the sales and leaseback rules. The assessment has been made that a transaction has taken place and that an operating lease exists.

Cash flow statement

The cash flow statement is prepared in accordance with the indirect method as per IAS 7. This means that the result is adjusted with transactions that did not involve incoming or outgoing payments and for income and expenses attributable to the investment and/or financing activities.

If cash outflows in the form of debt repayments in an acquired subsidiary are considered part of the company's investment cost, they are reported among the investment activities. If debt repayments in the acquired subsidiary do not form an integral part of the investment cost for the company or are made voluntarily, they are reported among the financing activities.

To aid its key stakeholders, SBB has in July 2022 published a cash flow statement on a net basis with regard to acquisitions completed as corporate transactions (with the property being owned by a legal entity).

The previous presentation format for the cash flow statement showed changes in property holdings and debt gross, representing the actual change in various balance sheet items. The amendment involves changes to individual items in the cash flow statement, although the actual cash flows for each period naturally remain unchanged.

In addition, dividends from associated companies/joint ventures are reported in cash flow from current operations, as opposed to being reported in cash flow from investment activities.

Amounts in SEKm	01-01-2021 – 30-09-2021			01-07-2021 – 30-09-2021			01-01-2021 – 31-12-2021		
	Previo- usly	Restated	Diffe- rence	Previo- usly	Restated	Diffe- rence	Previo- usly	Restated	Diffe- rence
Cash flow from operating activities	5,046	5,251	205	1,629	2,440	811	4,620	4,612	-8
Cash flow from investing activities	-30,974	-23,961	7,013	-5,638	-6,423	-785	-47,962	-27,937	20,025
Cash flow from financing activities	25,237	18,019	-7,218	5,061	5,036	-25	39,546	19,529	-20,017
Cash flow for the period	-691	-691	-	1,052	1,052	-	-3,796	-3,796	-

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, 27 October 2022

Lennart Schuss
Chairman of the Board

Ilija Batljan
CEO

Sven-Olof Johansson
Board Member

Fredrik Svensson
Board Member

Hans Runesten
Board Member

Eva Swartz Grimaldi
Board Member

Anne-Grete Strøm Erichsen
Board Member

This information is such that Samhällsbyggnadsbolaget i Norden AB (publ) is obliged to publish in accordance with the EU Market Abuse Regulation. The information was submitted by the below contact persons for publication on 27 October 2022 at 8:00 a.m. CET.

Ilija Batljan, CEO, ilija@sbbnorden.se

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

I Auditor's review report

Introduction

We have reviewed the condensed interim report for Samhällsbyggnadsbolaget i Norden AB as at 30 September 2022 and for the nine months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Focus and scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 Review of Interim Financial Statements Performed by the Independent Auditor of the Entity. A review consists of making enquiries, primarily of persons responsible for financial and accounting

matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden.

The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, the stated conclusion based on a review does not bear the same degree of certainty as the stated conclusion based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the

Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Stockholm, 27 October 2022

Ernst & Young AB

Mikael Ikonen
Authorized Public Accountant

I Definitions

Financial definitions

Actual net asset value (EPRA NTA), SEK

Recognized equity attributable to the ordinary share, excluding equity related to preference and D shares, non-controlling interests and the hybrid bond, adding back goodwill and interest rate derivatives and the addition of a stamp duty for properties in Finland and the deduction of estimated actual deferred tax of 5.15 percent, with the exception of residentials with an estimated deduction of 0 percent.
The key ratio provides an adjusted and complementary measure of the size of equity calculated in a manner consistent with listed property companies.

Number of preference shares outstanding

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

Number of ordinary shares outstanding

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

Return on equity, %

Net profit for the period in relation to average equity for the period.
The key ratio shows SBB's return on equity during the period.

Loan-to-value ratio, %

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

Non-pledged quota, multiple

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

Non-pledged property value, SEK

Reported market value less pledged value of pledged properties.

EPRA

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

EPRA Earnings, SEK

Profit from property management after dividends to preference shareholders and holders of D shares and profit from property management attributable to minority interests, with deductions for changes in property values less tax related to associated companies and joint ventures, as well as interest on hybrid bonds and costs for premature redemption of loans less estimated current tax attributable to profit from property management. Taxable profit from property management refers to profit from property management less tax deductible depreciation and renovations.
The key figure provides information on profit from property management calculated in a uniform manner for listed property companies.

Profit after financial items incl. value changes and tax in associated companies/joint venture

Profit before changes in value and tax incl value changes and tax in associated companies/joint ventures.

Profit from property management

Profit before changes in value and tax.
The key ratio provides a measurement of the operations' profit generation regardless of value changes.

Average number of preference shares

The number of preference shares outstanding weighted over the period.

Average number of ordinary shares

The number of ordinary shares outstanding weighted over the period.

Average interest, %

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

Average fixed interest term, years

Average remaining duration until an interest-adjustment point for interest-bearing liabilities.
The key ratio is used to illustrate SBB's financial risk.

Adjusted equity/assets ratio, %

Reported equity including owner loans and convertibles, with reversal of reported deferred tax liability as a percentage of total assets.
The key ratio is used to illustrate SBB's financial stability.

Tied-up capital, year

Remaining maturity of interest-bearing liabilities.
The key ratio is used to illustrate SBB's financial risk.

Cash flow from operating activities, SEK

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

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

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

Net debt, SEK

Liabilities to credit institutions, bond loans and commercial papers less cash and cash equivalents.

Earnings per Class A and B ordinary share, SEK

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

Interest-coverage ratio, multiple

Profit from property management (past 12 months) less changes in value of properties minus tax related to associated companies and joint ventures after return of net financial items in relation to net interest excluding costs for early repayment of loans and leasing costs.
The key ratio is used to illustrate SBB's financial risk.

Equity/assets ratio, %

Reported equity as a percentage of total assets.
The key ratio is used to illustrate SBB's financial stability.

Secured loan-to-value ratio, %

Secured liabilities as a percentage of the total assets.
The key ratio is used to illustrate SBB's financial stability.

Property-related definitions

Number of properties

Number of properties at the end of the period.

Number m²

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

GFA

Gross floor area.

Yield, %

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

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

Net operating income, SEK

Rental income less property costs.

Economic letting ratio, %

Rental income as a percentage of rental value

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

EPRA Vacancy rate, %

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

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

Average contract length of social infrastructure properties, years

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

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

Rental income, SEK

Charges for the period with deductions for rental losses.

Rental value, SEK

Contracted rent plus the assessed rent on vacant space.

Market value of properties, SEK

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

Surplus ratio, %

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

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

Calculation of alternative performance measures

Return on equity

Amounts in SEKm	01-01-2022 30-09-2022	01-01-2021 30-09-2021	01-07-2022 30-09-2022	01-07-2021 30-09-2021	01-01-2021 31-12-2021
Profit for the period	-1,861	13,296	-2,081	4,003	25,601
OB equity	82,971	51,756	79,019	62,749	51,756
CB equity	77,049	67,322	77,049	67,322	82,971
Average equity	80,010	59,539	78,034	65,036	67,364
Return on equity	-2%	22%	-3%	6%	38%

Loan-to-value ratio

Amounts in SEKm	01-01-2022 30-09-2022	01-01-2021 30-09-2021	01-07-2022 30-09-2022	01-07-2021 30-09-2021	01-01-2021 31-12-2021
Liabilities to credit institutions	35,717	12,974	35,717	12,974	23,732
Bond loans	57,201	53,099	57,201	53,099	53,094
Commercial papers	2,458	8,260	2,458	8,260	11,169
Cash and cash equivalents/cash investments	-5,453	-16,804	-5,453	-16,804	-9,890
Net debt	89,923	57,529	89,923	57,529	78,105
Balance sheet total	191,687	165,215	191,687	165,215	194,517
Loan-to-value ratio	47%	35%	47%	35%	40%

Yield

Amounts in SEKm	01-01-2022 30-09-2022	01-01-2021 30-09-2021	01-07-2022 30-09-2022	01-07-2021 30-09-2021	01-01-2021 31-12-2021
Net operating income in accordance with earnings capacity	5,328	4,487	5,328	4,487	5,130
Investment properties	154,511	124,960	154,511	124,960	149,335
Building rights and projects in progress	-15,384	-11,776	-15,384	-11,776	-14,062
Property value excluding building rights	139,127	113,184	139,127	113,184	135,273
Yield	3.8%	4.0%	3.8%	4.0%	3.8%

Non-pledged quota

Amounts in SEKm	01-01-2022 30-09-2022	01-01-2021 30-09-2021	01-07-2022 30-09-2022	01-07-2021 30-09-2021	01-01-2021 31-12-2021
Intangible assets	5,874	6,310	5,874	6,310	6,066
Non-pledged properties	118,793	102,316	118,793	102,316	115,644
Land lease agreements	702	616	702	616	639
Equipment, machinery and installations	48	45	48	45	48
Deferred tax assets	1,027	1,165	1,027	1,165	1,198
Financial fixed assets, excluding derivatives	19,667	14,323	19,667	14,323	24,995
Cash investments	512	3,869	512	3,869	53
Accounts receivable and other receivables	2,387	1,295	2,387	1,295	2,178
Derivatives	2,133	205	2,133	205	547
Non-pledged assets	151,143	130,144	151,143	130,144	151,368
Unsecured loans	59,675	60,894	59,675	60,894	64,263
Cash and cash equivalents	-4,941	-12,935	-4,941	-12,935	-9,837
Net unsecured senior debt	54,734	47,959	54,734	47,959	54,426
Non-pledged quota	2.76	2.71	2.76	2.71	2.78

Economic letting ratio

Amounts in SEKm	01-01-2022 30-09-2022	01-01-2021 30-09-2021	01-07-2022 30-09-2022	01-07-2021 30-09-2021	01-01-2021 31-12-2021
Rental income in accordance with earnings capacity	7,178	6,244	7,178	6,244	7,017
Rental value in accordance with earnings capacity	7,541	6,666	7,541	6,666	7,456
Economic letting ratio	95.2%	93.7%	95.2%	93.7%	94.1%

EPRA earnings

Amounts in SEKm	01-01-2022 30-09-2022	01-01-2021 30-09-2021	01-07-2022 30-09-2022	01-07-2021 30-09-2021	01-01-2021 31-12-2021
Profit including value changes and tax for associated companies/joint ventures	620	2,437	-679	995	5,690
Profit attributable to preference shares	-	-1	-	-	-2
Profit attributable to Series D shares	-291	-291	-97	-97	-388
Profit attributable to hybrid bond	-382	-358	-138	1	-496
Profit attributable to minority interest	-43	-5	8	-2	-18
Adjustments for associated companies/joint ventures	832	-387	902	-138	-2,443
Expenses for redeemed loans in advance	5	171	2	3	155
Paid tax	-214	-160	70	-55	-247
Profit from property management after tax paid	527	1,406	68	707	2,251
Average number of series A and B ordinary shares	1,453,757,283	1,361,010,613	1,454,141,898	1,426,846,914	1,379,982,887
Earnings per series A and B ordinary share	0.36	1.03	0.05	0.50	1.63
Average number of series A and B ordinary shares after dilution	1,453,757,283	1,365,269,597	1,454,141,898	1,437,917,308	1,391,161,963
Earnings per series A and B ordinary share after dilution	0.36	1.03	0.05	0.49	1.62

Adjusted equity/assets ratio

Amounts in SEKm	01-01-2022 30-09-2022	01-01-2021 30-09-2021	01-07-2022 30-09-2022	01-07-2021 30-09-2021	01-01-2021 31-12-2021
Equity	77,049	67,322	77,049	67,322	82,971
Deferred tax excl. deferred tax attr. to goodwill	8,770	7,362	8,770	7,362	8,647
Total	85,819	74,684	85,819	74,684	91,618
Balance sheet total	191,687	165,215	191,687	165,215	194,517
Adjusted equity/assets ratio	45%	45%	45%	45%	47%

Earnings per series A and B ordinary share

Amounts in SEKm	01-01-2022 30-09-2022	01-01-2021 30-09-2021	01-07-2022 30-09-2022	01-07-2021 30-09-2021	01-01-2021 31-12-2021
Profit for the period	-1,861	13,296	-2,081	4,003	25,601
Profit attributable to preference shares	-	-1	-	-	-2
Profit attributable to Series D shares	-291	-291	-97	-97	-388
Profit attributable to hybrid bond	-382	-358	-138	1	-496
Profit attributable to minority interest	131	-993	91	-151	-1,018
Profit attributable to series A and B ordinary shares	-2,403	11,653	-2,225	3,756	23,697
Average No. series A and B ordinary shares ¹⁾	1,453,757,283	1,361,010,613	1,454,141,898	1,426,846,914	1,379,982,887
Earnings per series A and B ordinary share	-1.65	8.56	-1.53	2.63	17.17
Average number of series A and B ordinary shares after dilution	1,453,757,283	1,365,269,597	1,454,141,898	1,437,917,308	1,391,161,963
Earnings per series A and B ordinary share after dilution	-1.65	8.54	-1.53	2.61	17.03

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

Interest coverage ratio

Amounts in SEKm	01-10-2021 30-09-2022	01-10-2020 30-09-2021	01-01-2021 31-12-2021
Profit from property management (rolling 12-month)	3,873	3,270	5,690
Adjustments for associated companies/joint ventures	-1,224	-387	-2,443
Profit from property management (rolling 12-month)	2,649	2,883	3,247
<i>Reversal of net financial items</i>			
Interest income and similar items	-247	-271	-274
Interest expenses and sim. items (rolling 12-month)	1,266	1,000	1,011
Costs for early redemption of loans (rolling 12-month)	-11	213	155
Translation gains/losses (rolling 12-month)	1,180	-108	-118
Land lease expenses (rolling 12-month)	24	26	21
Total reversal of net financial items	2,212	860	795
Profit from property management (rolling 12-month) excl. net financial items	4,861	3,743	4,042
Net interest income			
Interest income and similar items	247	271	274
Interest expenses and sim. items (rolling 12-month)	-1,266	-1,000	-1,011
Total net interest	-1,019	-729	-737
Interest-coverage ratio (multiple)	4.8	5.1	5.5

Equity/assets ratio

	01-01-2022 30-09-2022	01-01-2021 30-09-2021	01-07-2022 30-09-2022	01-07-2021 30-09-2021	01-01-2021 31-12-2021
Amounts in SEKm					
Equity	77,049	67,322	77,049	67,322	82,971
Balance sheet total	191,687	165,215	191,687	165,215	194,517
Equity/assets ratio	40%	41%	40%	41%	43%

Equity ratio

	01-01-2022 30-09-2022	01-01-2021 30-09-2021	01-07-2022 30-09-2022	01-07-2021 30-09-2021	01-01-2021 31-12-2021
Amounts in SEKm					
<i>Equity excluding non-controlling interests</i>					
Equity	77,049	67,322	77,049	67,322	82,971
Hybrid bonds	-17,651	-17,314	-17,651	-17,314	-16,750
Non-controlling interest	-2,266	-2,025	-2,266	-2,025	-4,073
Equity excluding non-controlling interests	57,132	47,983	57,132	47,983	62,148
Series D share capital	-5,964	-5,964	-5,964	-5,964	-5,964
Reversal of derivatives	-1,839	-87	-1,839	-87	-517
Goodwill attributable to deferred tax	-1,590	-2,025	-1,590	-2,025	-1,781
Other goodwill	-4,284	-4,285	-4,284	-4,285	-4,285
Reversal of liability portion of mandatory convertible	-	2	-	2	-
Stamp duty Finnish properties	217	201	217	201	202
Reversal of deferred tax	10,360	9,387	10,360	9,387	10,428
Deduction of deferred tax	-3,523	-3,886	-3,523	-3,886	-2,877
Actual net asset value (EPRA NTA)	50,509	41,326	50,509	41,326	57,354
Actual net asset value (EPRA NTA), SEK/share	34.73	28.96	34.73	28.96	39.52
Actual net asset value (EPRA NTA), SEK/share (diluted)	34.72	28.96	34.72	28.96	39.52
Reversal of other goodwill	4,284	4,285	4,284	4,285	4,285
Reversal of deduction for deferred taxes	3,523	3,886	3,523	3,886	2,877
Long-term net asset value (EPRA NRV)	58,316	49,497	58,316	49,497	64,516
Long-term net asset value (EPRA NRV), SEK/share	40.10	34.69	40.10	34.69	44.46
Long-term net asset value (EPRA NRV), SEK/share (diluted)	40.09	34.68	40.09	34.68	44.45
Number of series A and B ordinary shares	1,454,141,898	1,426,846,914	1,454,141,898	1,426,846,914	1,451,141,898
Number of series A and B ordinary shares after dilution	1,454,599,069	1,427,115,969	1,454,599,069	1,427,115,969	1,451,410,953

Secured loan-to-value ratio

	01-01-2022 30-09-2022	01-01-2021 30-09-2021	01-07-2022 30-09-2022	01-07-2021 30-09-2021	01-01-2021 31-12-2021
Amounts in SEKm					
Liabilities to credit institutions	34,945	12,974	34,945	12,974	23,732
Secured bond loans	756	465	756	465	-
Total secured loans	35,701	13,439	35,701	13,439	23,732
Balance sheet total	191,687	165,215	191,687	165,215	194,517
Secured loan-to-value ratio	19%	8%	19%	8%	12%

Surplus ratio

	01-01-2022 30-09-2022	01-01-2021 30-09-2021	01-07-2022 30-09-2022	01-07-2021 30-09-2021	01-01-2021 31-12-2021
Amounts in SEKm					
Net operating income	3,776	2,965	1,333	1,088	4,047
Rental income	5,597	4,235	1,888	1,459	5,930
Surplus ratio	67%	70%	71%	75%	68%

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 September 2022. The current earning capacity is not a forecast, but only to be viewed as a hypothetical snapshot and is presented only to illustrate income and expenses on an annual basis, given the property portfolio, financial costs, capital structure and organization at a set point in time. The Group's earning capacity does not include the impact on earnings of unrealized and realized changes in the value of the properties being consolidated.

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

- Contracted rental income on an annual basis (including supplements and rental discounts) and other property-related revenues on the basis of current lease contracts as of 30 September 2022.
- Operating and maintenance costs are based on budget.
- The property tax is calculated from the properties current tax assessment value as of 30 September 2022.
- Cost for central administration is based on the current organization.
- Financial expenses and income are based on contracted interest rates and include interest on external loans.
- The earnings that joint ventures/associated companies contribute to earnings capacity is based on published information, including reports, prospectuses etc.

Group's earning capacity

Amounts in SEKm	Social infrastructure properties	Residential	Other	Total	of which cash flow	2023 ²⁾	of which cash flow
Rental income	4,531	2,299	348	7,178	7,178	7,743	7,743
Operating costs	-511	-550	-85	-1,146	-1,146	-1,261	-1,261
Maintenance	-161	-147	-18	-325	-325	-358	-358
Property administration	-138	-95	-17	-250	-250	-275	-275
Property tax	-58	-47	-23	-129	-129	-129	-129
Net operating income	3,663	1,459	205	5,328	5,328	5,720	5,720
Central administration				-200	-200		
Profit from joint ventures/associated companies ¹⁾				979	455		
Financial income				99	99		
Financial costs				-1,807	-1,807		
Profit from property management before dividend				4,399	3,875		
per Class A and B ordinary share				3.03	2.66		
Dividend hybrid bonds				-538	-538		
Dividend Class D shares				-388	-388		
Profit attributable to minority interests				-86	-		
Profit from property management attributable to ordinary shareholders				3,387	2,949		
per Class A and B ordinary share				2.33	2.03		

1) See table below.

2) Simulated inflation adjusted earning capacity for 2023.

Contributing to earnings capacity

	Joint ventures			Associated companies				
	Hemvist	Public Property Invest AS	Other joint ventures	Solon Eiendom	Origa Care	Publicus	JM	Preservium Property
Shareholding, SBB	50.0%	44.8%	50.0%	25.0%	34.7%	31.2%	30.6%	34.7%
Profit from property management	103	302	18	298	26	18	2,158	30
Profit from property management attributable to SBB's shareholding	52	135	9	74	9	6	684	10

I Appendix 2

Current earnings capacity, including value-add strategies

The Group's earnings capacity, including value-add strategies

Amounts in SEKm	Total	Adjusted
Profit from property management attributable to ordinary shareholders	3,387	2,949
per Class A and B ordinary share	2.33	2.03
Profit from building rights development and new production	2,500	
Profit from value-generating transactions	400	
Profit from investments in existing portfolio	1,000	
Adjusted profit from property management to holders of ordinary shares, including value-add strategies	7,287	2,949
per Class A and B ordinary share	5.01	2.03

See additional information on our value-add strategies on page 21. The result from the value-add strategies is the company's annual target over a normal business cycle.

I Appendix 3

Strategic holdings in joint ventures and associated companies

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

Svenska Myndighetsbyggnader AB

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



Property value: SEK 15.5bn
Net operating income: SEK 604m
Shareholding: 50%

Public Property Invest AS

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



Property value: SEK 10.5bn
Net operating income: SEK 531m
Shareholding: 44.8%

SBB Kåpan AB

SBB Kåpan ab owns and manages properties in Stockholm and the Mälardalen region. SBB Kåpan has the stated ambition of continuing to expand in the Mälardalen region. As of 30 September 2022, SBB Kåpan had a property portfolio of 2,685 apartments, of which 1,311 apartments are in production. The remainder of the company is owned by Kåpan Pensioner.



Property value: SEK 6.2bn
Property value on completion: SEK 7.8bn
Net operating income: SEK 147m
Net operating income on completion: SEK 257m
Shareholding: 50%

JM AB

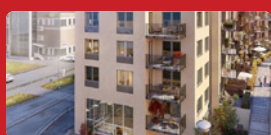
JM is one of the Nordics' leading project developers of residentials and residential areas. The company has building rights at its disposal for some 38,400 apartments and some 7,823 homes currently in production.



Profit before tax 2021: SEK 2,158m
Shareholding: 30.6%
Dividend SBB 2022: SEK 260m

Heba Fastighets AB

Heba is a long-term and experienced property owner that develops, owns and manages residentials and community service properties in the Stockholm region, Uppsala and the Mälardalen valley. Not classified as an associated company as SBB does not control a sufficient number of votes. SBB does, however, control 22 percent of the capital.



Property value: SEK 14.9bn
Net operating income: SEK 313m
Shareholding: 22%
Dividend SBB 2022: SEK 29m

Solon Eiendom ASA

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



Profit before tax 2021: SEK 293m
Shareholding: 25%

Preservium Property AB

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



Property value: SEK 1.5bn
Net operating income: SEK 56m
Shareholding: 34.8%
Expected dividend SBB 2022: SEK 10m

One Publicus Fastighets AB

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



Property value: SEK 711m
Net operating income: SEK 24m
Shareholding: 31.2%
Expected dividend SBB 2022: SEK 5m

Origa Care AB

Origa Care owns 13 care properties in growth regions, primarily in southern Finland. The properties are fully let with an average remaining lease duration of about 8 years.



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

Other joint ventures and associated companies

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



Property value: SEK 1.1bn
Net operating income: SEK 20m
Shareholding: 50%

Property development collaborations with listed companies

Genova – development of residentials in Nacka and Lidingö.
No. m² GFA – 70,000 m². SBB's participation – 50%

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

K2A (Västerås) – development of a new police station in Västerås with a 15-year lease.
No. m² GFA – 42,500 m². SBB's participation – 50%

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

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

Property development collaborations with non-listed companies

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

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

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

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

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

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

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

Consortium led by Peterson & Hansson Byggnads AB – project for development of residentials in Falkenberg.
No. m² GFA – 18,500 m². SBB's participation – 30%

Bolivo – projects for the development of rental apartments for elderly throughout Sweden.
No. m² GFA – 17,000 m². SBB's participation – 50%

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

Centria – Development of residentials in Täby.
No. m² GFA – 10,000 m². SBB's participation – 50%

I Appendix 4

Sensitivity analysis

Return asset value and earnings including long-term value change

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

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

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

	Profit from recurring revenue streams = SEK 2,000m			Profit from recurring revenue streams = SEK 2,500m		
	Change in value			Change in value		
	-1% unit	+1% unit		-1% unit	+1% unit	
Profit from property management rolling 12-month	4,399	4,399	4,399	4,399	4,399	4,399
Profit target, recurring revenue streams	2,000	2,000	2,000	2,500	2,500	2,500
Change in value of property (inflation average 10 years)	1,700	155	3,245	1,700	155	3,245
D:o %	1.10%	0.10%	2.10%	1.10%	0.10%	2.10%
Current tax, 10%	-440	-440	-440	-440	-440	-440
Profit after tax	7,659	6,114	9,204	8,159	6,614	9,704
Profit SEK/share	5.27	4.20	6.33	5.61	4.55	6.67
Return on long-term net asset value	13.13%	10.48%	15.78%	13.99%	11.34%	16.64%
Profit/share price	43.30%	34.56%	52.03%	46.13%	37.39%	54.86%
P/E	2	3	2	2	3	2



Upcoming report dates

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